

984 E SAXONY

984 E SAXONY DRIVE, PUEBLO WEST, COLORADO 81007



CONFIDENTIALITY AGREEMENT

THIS IS A CONFIDENTIAL MEMORANDUM intended solely for your limited use to determine whether you wish to express an interest in the property located at 984 E Saxony Drive, Pueblo West, CO 81007, as more particularly described herein (“Property”). This confidential memorandum contains brief, selected information pertaining to the business affairs of the Property’s owner (“Owner”) and has been prepared by Cushman & Wakefield, the Owner’s exclusive agent, primarily from information supplied by the Owner. Although representatives of the Owner have reviewed this confidential memorandum, it does not purport to be all-inclusive or contain all of the information that a potential investor may desire. Neither the Owner, nor any of its members, officers, directors, employees or agents, nor Cushman & Wakefield make any representation or warranty, expressed or implied, as to the accuracy or completeness of any of the information contained herein. Both Owner and Cushman & Wakefield disclaim any liability which may be based on such information, errors therein, or omissions therefrom. All financial data contained herein is unaudited. The projections and pro-forma information contained herein represent estimates based on assumptions considered reasonable under the circumstances. No representations or warranties, expressed or implied, are made that the actual results will conform to such projections. There is no representation as to environmental conditions of the property, or as to any other aspect of the property. By your receipt of this confidential memorandum, you agree that this memorandum and the information contained herein are of a confidential nature and that you will hold and treat them in the strictest of confidence, and that you will not, directly or indirectly, disclose or permit anyone else to disclose this memorandum or any part of the contents in any fashion or manner detrimental to the interests of the Owner. Further, you agree not to discuss this memorandum with any other institution, potential investor or tenant without the express permission of Cushman & Wakefield and the Owner. Upon request, the recipient will promptly return this confidential memorandum and any other material received from the Owner or Cushman & Wakefield without retaining any copies thereof. This confidential memorandum shall not be deemed an indication of the state of affairs of the Owner or constitute an indication that there has been no change in the business or affairs of the Owner since the date of preparation of this memorandum. Neither the Owner nor Cushman & Wakefield undertakes any obligation to provide additional information or to correct or update any of the information contained in this confidential memorandum.



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01 EXECUTIVE SUMMARY

THE OFFERING

Cushman & Wakefield is pleased to present 984 E Saxony Drive, an exceptional and turn-key multifamily opportunity located in the heart of Pueblo West, Colorado. This well-maintained complex offers a desirable mix of (24) upgraded 2-bedroom units with strong in-place rents. Recent renovations to all 24 units ensure limited future capital expenditures, lowered maintenance expenses and increased tenant satisfaction, adding to the property's long-term profitability & stability.

Beyond the comfortable living spaces, 984 E Saxony Drive's proximity near Hwy 50 & Purcell Blvd, provides easy access to major transportation and nearby amenities. Dining options such as Copper River & Reservoir Brewing, Outdoor recreation with Pueblo Reservoir, Civic Center Park and Desert Hawk GC and two major grocery stores including Safeway and Walmart Supercenter. There is currently a limited supply of apartment units in Pueblo West, which will continue as the city plans to limit new construction into the future. Additionally, this property presents an enticing opportunity for potential investors to maximize returns through operational improvements. Investors can lower expenses by shifting utility cost back to tenants.

INVESTMENT HIGHLIGHTS



Significant recent capital improvements with 24 unit renovations



Central AC for all units



Opportunity to lower utility cost by shifting electric cost to tenants as leases roll over



On-site laundry, off-street parking

LISTING CONTACTS

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PRICE: \$3,125,000

DISCLAIMER

The Property is being offered on an 'as-is, where-is' basis. The prospective purchaser will be selected by the Owner in consultation with C&W on the basis of (i) price (ii) track record of successful closing (iii) financial strength and (iv) level of discretion to invest funds.

Written notification will be sent regarding the bid date. Initial bids must be submitted, in writing, to the attention of Lee Wagner. The Owner reserves the right to accept an offer prior to this date or to remove the Portfolio from the market at any time.





02 PROPERTY OVERVIEW

PROPERTY OVERVIEW



Building Address
**984 E Saxony Drive,
Pueblo West, CO 81007**



Building SF
18,000 SF



Units
24 Units



Parking
Off-Street



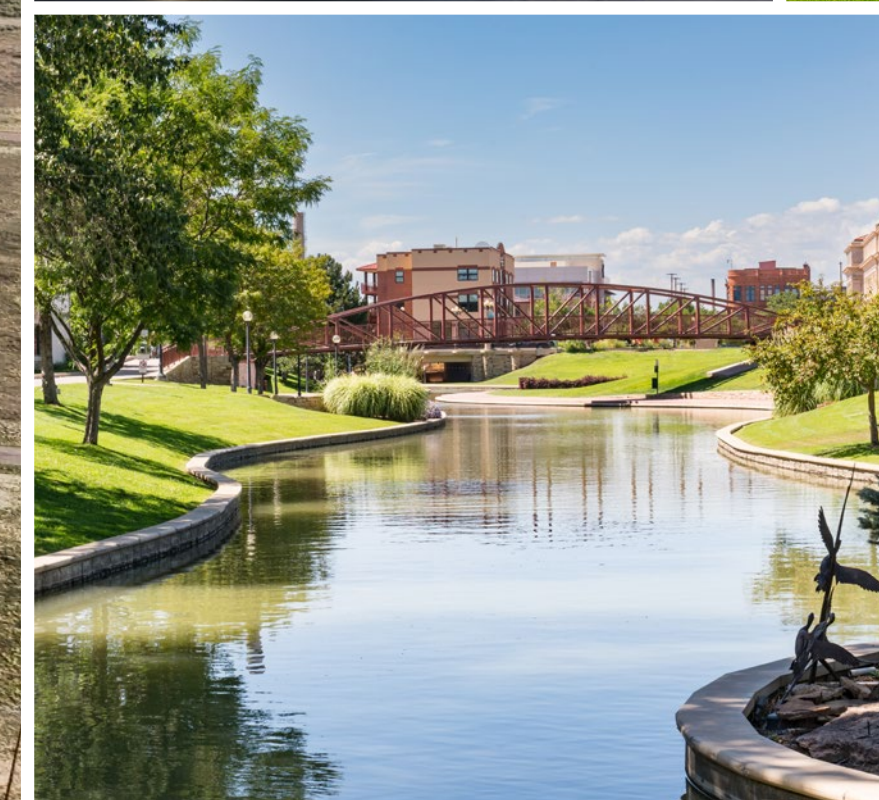
Year of Construction
1974



Occupancy
100%



NEARBY BUSINESSES & ATTRACTIONS





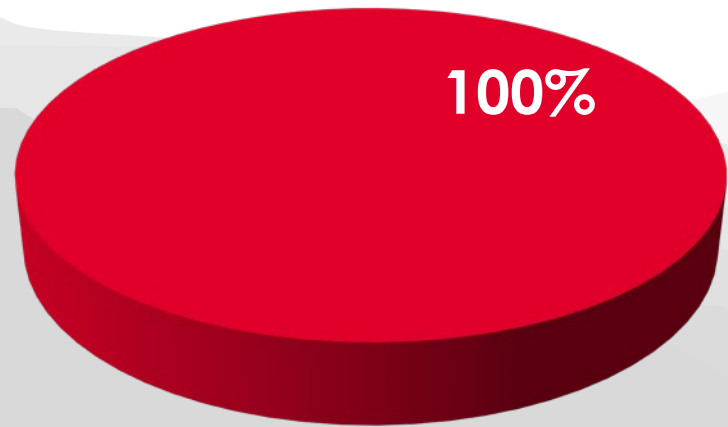
A two-story residential building with a balcony and a black GMC Denali truck parked in front. The building has a grey shingled roof, light-colored siding, and a balcony with a black wrought-iron railing. A black GMC Denali truck is parked in the foreground, with another truck and a car partially visible behind it. The scene is set during the day under a clear blue sky.

O3 FINANCIALS

RENT ROLL

Unit Type	Unit Count	Square Feet	Total Square Feet	Average Rent / Unit Month	Average Rent / SF Month	Market Rent / Unit Month	Market Rent / SF Month
Two Bedrooms / One Bathroom - Renovated	24	820	19,680	\$1,157	\$1.41	\$1,250	\$1.52
	24	820	19,680	\$1,157	\$1.41	\$1,250	\$1.52

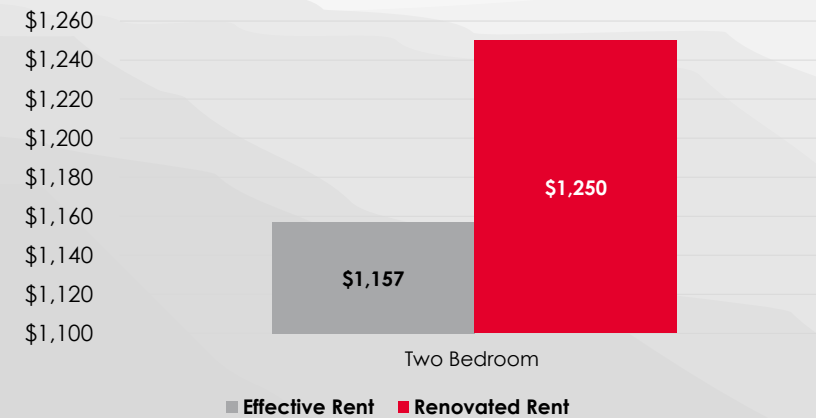
UNIT DISTRIBUTION



■ Two Bedroom

Unit Status	Unit Count	Percent
Occupied Units	23	96%
Available Units	1	4%
Total / Percentage	24	100%

EFFECTIVE RENT PREMIUMS



CASH FLOW

	Acquisition	Year 1	Year 2	Year 3	Year 4	Year 5
INCOME						
Effective Rental Income						
Gross Potential Rent		370,800	381,924	393,382	405,183	417,339
Gross Scheduled Rent		370,800	381,924	393,382	405,183	417,339
Total Vacancy**		(18,540)	(19,096)	(19,669)	(20,259)	(20,867)
Total Effective Rental Income		352,260	362,828	373,713	384,924	396,472
Total Other Income		30,082	30,985	31,914	32,872	33,858
EFFECTIVE GROSS INCOME		382,342	393,812	405,627	417,796	430,329
EXPENSES						
Controllable						
Total Property R&M		(27,561)	(28,112)	(28,674)	(29,248)	(29,833)
General & Administrative		(3,556)	(3,627)	(3,699)	(3,773)	(3,849)
Marketing & Advertising		(1,740)	(1,775)	(1,810)	(1,847)	(1,883)
Management Fee		(26,764)	(27,567)	(28,394)	(29,246)	(30,123)
Total Controllable		(59,620)	(61,080)	(62,578)	(64,113)	(65,688)
Non-Controllable						
Total Real Estate Taxes		(13,642)	(13,915)	(14,193)	(14,477)	(14,767)
Insurance		(19,149)	(19,532)	(19,922)	(20,321)	(20,727)
Total Utilities		(20,588)	(21,000)	(21,420)	(21,848)	(22,285)
Total Non-Controllable		(53,379)	(54,447)	(55,536)	(56,646)	(57,779)
TOTAL EXPENSES		(112,999)	(115,527)	(118,113)	(120,759)	(123,467)
NET OPERATING INCOME		269,343	278,285	287,514	297,036	306,862
PURCHASE PRICE / NET RESIDUAL VALUE						
Purchase Price / Net Residual Value	(3,125,000)					
CASH FLOW BEFORE DEBT FINANCING	(3,125,000)	269,343	278,285	287,514	297,036	306,862
DEBT FINANCING						
Loan Amount	2,031,250					
Debt Service - Interest		(125,627)	(125,627)	(125,627)	(125,971)	(125,627)
CASH FLOW AFTER DEBT FINANCING	(1,093,750)	143,716	152,658	161,887	171,065	181,235
INVESTOR CASH ON CASH RETURN						
Unleveraged Returns		8.62%	8.91%	9.20%	9.51%	9.82%
Leveraged Returns	10.11%	13.14%	13.96%	14.80%	15.64%	16.57%

ASSUMPTIONS

		May 2024 Trailing 3 Month Actuals	% of GSR	Takeover C&W Projections	% of GSR	Per Unit	Year One Partially Renovated Projections	% of GSR	Year Two Fully Renovated Projections	% of GSR	
INCOME											
Effective Rental Income											
	Gross Potential Rent	T3	284,001	360,000			370,800		381,924		
	Loss / Gain to Lease	T3		(26,760)	7.43%						
	Gross Scheduled Rent		284,001	333,240			370,800		381,924		
	Physical Vacancy			(16,662)	5.00%	(694)	(18,540)	5.00%	(19,096)	5.00%	
	Total Vacancy**			(16,662)	5.00%	(694)	(18,540)	5.00%	(19,096)	5.00%	
	Economic Occupancy		100.00%	95.00%			95.00%		95.00%		
	Total Effective Rental Income		284,001	316,578	95.00%		352,260	95.00%	362,828	95.00%	
Other Income											
	Utility Reimbursement	T3	25,582	9.01%	25,582	7.68%	1,066	25,582	6.90%	26,350	6.90%
	Other Resident Charges	T3	4,500	1.58%	4,500	1.35%	188	4,500	1.21%	4,635	1.21%
	Total Other Income		30,082	30,082	9.03%		30,082	8.11%	30,985	8.11%	
	EFFECTIVE GROSS INCOME		314,083	346,660	104.03%		382,342	103.11%	393,812	103.11%	

		May 2024 Trailing 12 Month Actuals	% of EGI	Takeover C&W Projections	% of EGI	Per Unit	Year One Partially Renovated Projections	% of EGI	Year Two Fully Renovated Projections	% of EGI	
EXPENSES											
Controllable											
	Repairs & Maintenance	T12	27,561	8.78%	27,561	7.95%	1,148	27,561	7.21%	28,112	7.14%
	General & Administrative	T12	3,556	1.13%	3,556	1.03%	148	3,556	0.93%	3,627	0.92%
	Marketing & Advertising	T12	1,740	0.55%	1,740	0.50%	73	1,740	0.46%	1,775	0.45%
	Management Fee***	T12	23,762	7.57%	24,266	7.00%	1,011	26,764	7.00%	27,567	7.00%
	Total Controllable		56,618	18.03%	57,123	16.48%	2,380	59,620	15.59%	61,080	15.51%
Non-Controllable											
	Real Estate Taxes	FY2023	13,642	4.34%	13,642	3.94%	568	13,642	3.57%	13,915	3.53%
	Insurance	T12	19,149	6.10%	19,149	5.52%	798	19,149	5.01%	19,532	4.96%
	Utilities - Electric	T12	13,627	4.34%	1,000	0.29%	42	1,000	0.26%	1,020	0.26%
	Utilities - Water / Sewer	T12	8,269	2.63%	8,269	2.39%	345	8,269	2.16%	8,435	2.14%
	Utilities - Trash	T12	11,319	3.60%	11,319	3.27%	472	11,319	2.96%	11,545	2.93%
	Total Non-Controllable		66,006	21.02%	53,379	15.40%	2,224	53,379	13.96%	54,447	13.83%
	TOTAL EXPENSES		122,624	39.04%	110,502	31.88%	4,604	112,999	29.55%	115,527	29.34%
	NET OPERATING INCOME		191,459	60.96%	236,158	68.12%	9,840	269,343	70.45%	278,285	70.66%
	CASH FLOW BEFORE FINANCING		191,459		236,158			269,343		278,285	
	Total Debt Service****		125,627		125,627			125,627		125,627	
	CASH FLOW AFTER DEBT SERVICE		65,832		110,531			143,716		152,658	

***Property Management Expense est. 7.57% /year

**Vacancy % est. 5% /year

An aerial photograph of a large, two-story brick apartment building with a grey shingled roof. The building has multiple windows and several air conditioning units on the ground level. A large paved parking lot is situated in front of the building, containing several cars, a truck, and a trailer. The surrounding area is a mix of dry, scrubby vegetation and a dirt road. The text '4 COMPARABLES' is overlaid on the image in a large, bold font, with the number '4' in red and the rest in white.

4 COMPARABLES

SALE COMPARABLES



1056-1066 E MALLON DRIVE

Address: 1056-1066 E Mallon Dr, Pueblo West, CO 81007
Units: 6
Sale Price: \$855,000
Price/Unit: \$142,500



37-49 ROYAL CREST DRIVE

Address: 37-49 Royal Crest Dr, Pueblo, CO 81005
Units: 12
Sale Price: \$1,770,000
Price/Unit: \$147,500



1010-1016 E MALLON DRIVE

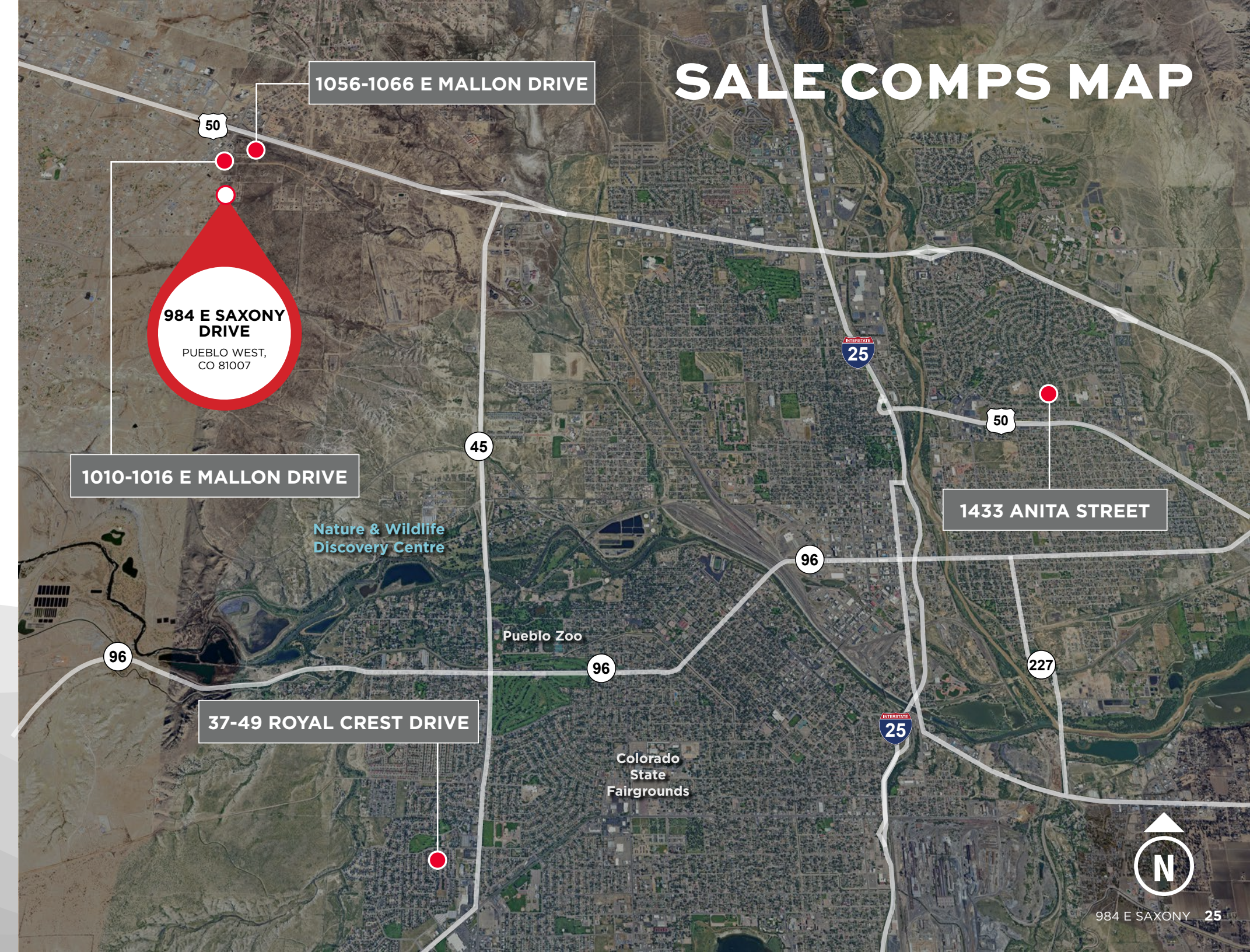
Address: 1010-1016 E Mallon Dr, Pueblo West, CO 81007
Units: 16
Sale Price: \$2,200,000
Price/Unit: \$137,500



1433 ANITA STREET

Address: 1433 Anita Street, Pueblo, CO 81001
Units: 24
Sale Price: \$3,200,000
Price/Unit: \$133,333

SALE COMPS MAP



RENT COMPARABLES



683 E CLARION DRIVE

Address: 683 E Clarion Dr, Pueblo West, CO 81007

Unit Type: 2 Bed / 1 Bath

Rent Cost: \$1,300



1010 E MALLON DRIVE

Address: 1010 E Mallon Dr, Pueblo West, CO 81007

Unit Type: 2 Bed / 1 Bath

Rent Cost: \$1,225



1016 E MALLON DRIVE

Address: 1016 E Mallon Dr, Pueblo West, CO 81007

Unit Type: 2 Bed / 1 Bath

Rent Cost: \$1,250



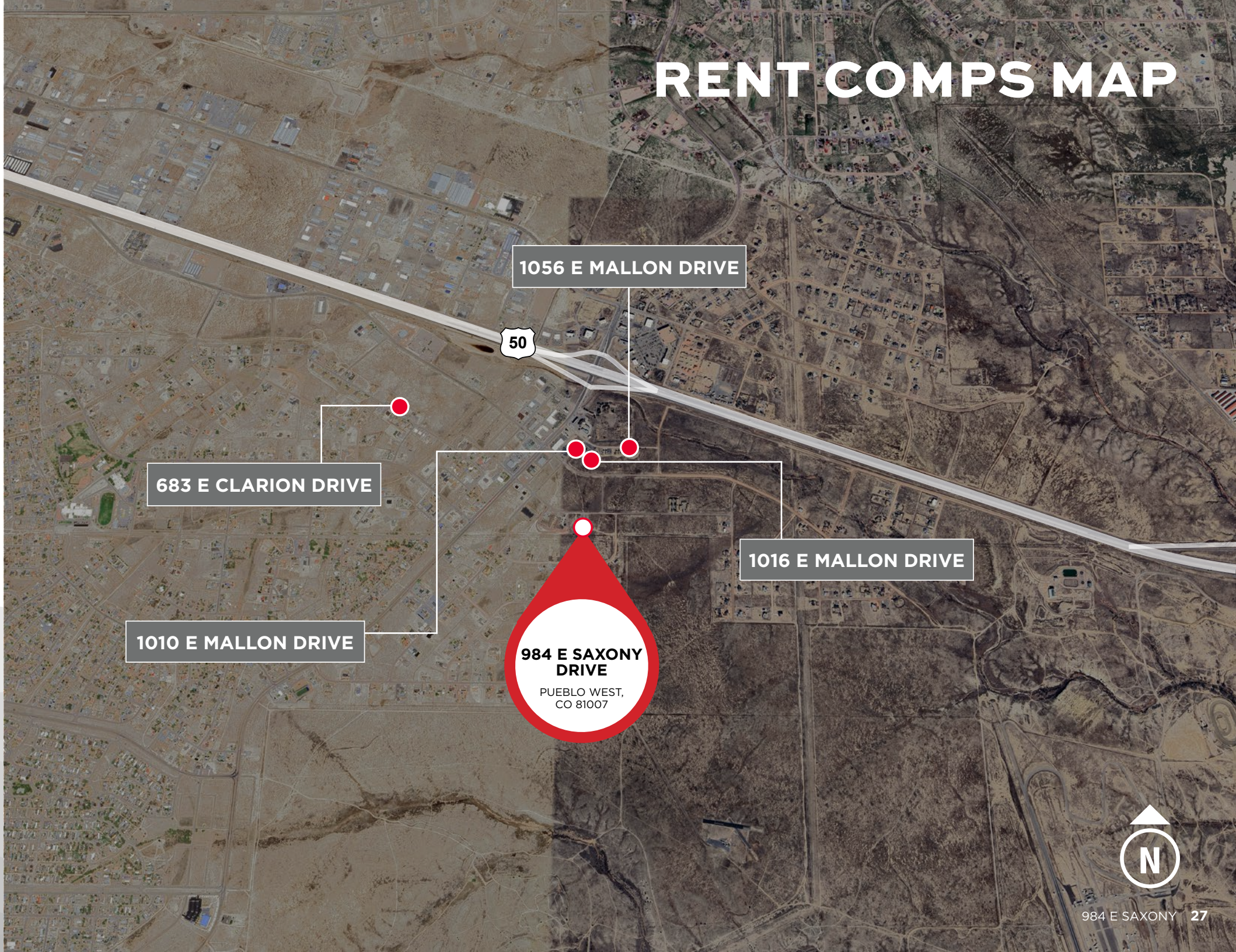
1056 E MALLON DRIVE

Address: 1056 E Mallon Dr, Pueblo West, CO 81007

Unit Type: 2 Bed / 1 Bath

Rent Cost: \$1,200

RENT COMPS MAP



An aerial photograph of a city, likely Denver, showing a dense urban area with various buildings, streets, and green spaces. A river flows through the lower part of the image, and a large fountain is visible in the foreground. The sky is overcast with grey clouds.

05 LOCATION & MARKET

RANKINGS AND ACCOLADES

Best Small Cities for Businesses and Careers

-Forbes, 2019

Best Green Cities
Country Home Magazine, 2007

Most Diverse Cities in America
Niche, 2023

Best Cities for Young Professionals
Niche, 2023

Best Cities to Retire in America
Niche, 2023

Best Cities for Outdoor Recreation
Niche, 2023



DIVERSE ECONOMIC DRIVERS

Pueblo has a diverse economy supported by various industries and economic drivers. Here are some of the key economic drivers that contribute to the city's growth and prosperity:



Manufacturing

The manufacturing industry is a significant economic driver in Pueblo, with the city being home to major steel production facilities. The steel industry has a long-standing presence in the city and companies like EVRAZ Rocky Mountain Steel and the CF&L Steel Mill contribute significantly to the local economy. The manufacturing sector also extends to companies specializing in aerospace technologies, food processing, and other industries.



Healthcare

Pueblo is a regional healthcare hub, offering advanced medical facilities and services to the city. Parkview Medical Center, a leading healthcare provider, serves not only the city of Pueblo but also surrounding communities. The healthcare sector provides a range of employment opportunities and attracts medical professionals from various fields.



Agriculture

Pueblo benefits from its position as an agricultural center. The region's fertile land and favorable climate support a thriving agriculture industry. Pueblo county is known for its diverse range of vegetables, fruits, livestock, and dairy. Local farmers, ranchers, and food processing plants contribute not only to the economy but in providing residents with fresh, locally sourced product.



Tourism

The city's rich history, cultural attractions, and natural beauty draw visitors from near and far. The Historic Arkansas Riverwalk, museums, art galleries, and outdoor recreational opportunities in parks and nearby forests contribute to the tourism sector. The annual Colorado State Fair, held in Pueblo, is another major attraction that brings in visitors from across the state and supports local businesses.



Education and Research

Education and research are significant drivers in Pueblo. Colorado State University - Pueblo, with its diverse academic programs and research initiatives, attracts students and professionals seeking higher education opportunities. The university serves as a catalyst for innovation, collaboration, and intellectual growth in the community.



THE PUEBLO RIVERWALK

The Pueblo Riverwalk is a beloved attraction that offers something for everyone. Stretching along the beautiful Arkansas River, this pedestrian-friendly promenade is a hub of activity and a gathering place for all. Visitors can walk, bike, or ride one of Pueblo's Riverwalk Excursion boats along the 32-acre stretch of river, all the while enjoying the charming shops, art galleries and dining hubs along the way.



Downtown Pueblo

NATURAL BEAUTY & OUTDOOR RECREATION

Pueblo, Colorado sits at an impressive elevation of approximately 4,692 feet (1,430 meters) above sea level, providing visitors with breathtaking mountain views and a favorable climate for outdoor enthusiasts. Pueblo is home to a multitude of parks and recreational areas, providing ample opportunities to explore and enjoy the surrounding landscapes. Home to Lake Pueblo State Park, Pueblo Mountain Park, the tailwater section of the Arkansas River, and the Pueblo River Trail System, the area beckons outdoor adventure for locals and visitors alike whether riding a bike, paddleboarding, or scaling the nearest cliff with mountains rising above.



The Pueblo Riverwalk



Lake Pueblo State Park



MILITARY PRESENCE

Pueblo, Colorado has a notable military presence that contributes to the city's rich history and community. The Pueblo Chemical Depot plays a vital role in the safe storage and disposal of chemical weapons for our United States military and demonstrates the city's commitment to national security. Home to the United States Air Force Academy Preparatory School, future cadets can receive education and training in preparation for their future military careers.

DEMOGRAPHICS

Pueblo West, CO

35,634
POPULATION (POP.)

42.0
MEDIAN AGE

13,238
HOUSEHOLDS

EDUCATION

21%
HIGH SCHOOL GRADUATE

20%
SOME COLLEGE

33%
BACHELOR'S/GRAD/PROF DEGREE

15%
ASSOCIATE'S DEGREE

EMPLOYMENT

TOTAL DAYTIME POPULATION **26,257**

DAYTIME POP. DENSITY **529.3**

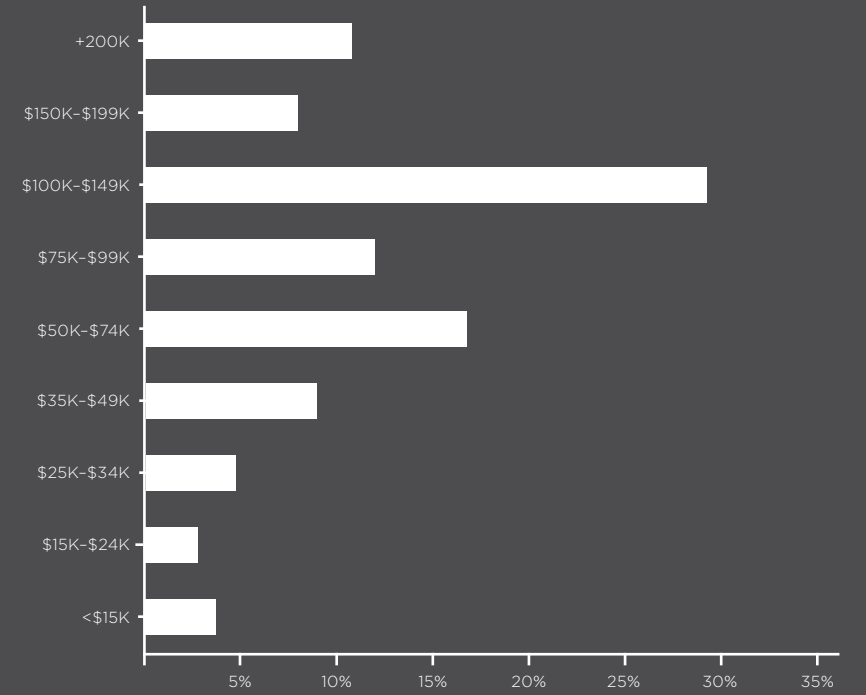
DAYTIME POP. WORKERS **25%**

TOTAL BUSINESSES **679**

DAYTIME POP. RESIDENTS **75%**

TOTAL EMPLOYEEES **5,905**

HOUSEHOLD INCOME



INCOME

\$95,582
MEDIAN HOUSEHOLD INCOME

\$113,853
AVERAGE HOUSEHOLD INCOME

BROKER TEAM



INVESTMENT SALES



PATRICK KNOWLTON
Executive Director



JEFF DIMMEN
Senior Director



KEVIN PHELAN
Senior Director



LEE WAGNER
Director



NIC POLASKI
Associate

VALUATION & ADVISORY



MARK LODMILL
Executive Director



KELLY LEHMAN
Director



MICHAEL BROWN
Managing Director



BRENDA MARTINEZ
Senior Regional
Property Manager



AVERY SOLOMON
Senior Managing
Director

ASSET SERVICES

INVESTMENT SALES SUPPORT



CHLOE ALLEN
Brokerage Coordinator



KYLA PALMER
Brokerage Coordinator



CRAIG BRANTON
Vice Chair



CHRIS BOURGEOIS
Director



KEITH PADIEN
Executive
Managing Director

DEBT PLACEMENT

MARKETING



MEREDITH LEFLEY
Senior Marketing
Manager



KATY WILSON
Senior Marketing
Manager