

Villa Solara

 1433 S 107th East Ave
 Tulsa, OK 74128

Proforma Income Statement

Prepared By:

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Investment Summary

Price:	\$8,450,000
Price Per Unit:	\$24,282
Price Per Sq.Ft.:	\$28.61
CAP Rate:	8.3%
G.R.M.:	4.4
Expenses per unit:	\$3,180
Year Built:	1968
Financing:	
Cash to New Loan. We are estimating a loan amount of \$6,760,000 at 6.0%, 30/10.	


Unit Mix and Proforma Rents

<u>Type</u>	<u># of Units</u>	<u>Sq.Ft.</u>	<u>Rent</u>	<u>Rent/Foot</u>	<u>Gross Rent</u>
1/1	80	640	\$385	\$0.60	\$30,800
2/1	152	875	\$445	\$0.51	\$67,640
2/TH	48	900	\$500	\$0.56	\$24,000
3/1.5	48	1,000	\$550	\$0.55	\$26,400
3/TH	20	1,000	\$625	\$0.63	\$12,500
Totals/Ave.	348	295,400	\$464	\$0.55	\$161,340

Proforma Income & Expenses

Gross Annual Rent		\$1,936,080
Vacancy	7.0%	(\$135,526)
Concessions /Loss to Lease	3.0%	(\$58,082)
Bad Debt	2.0%	(\$38,722)
Effective Annual Rent		<u>\$1,703,750</u>
Other Income		\$100,000
Effective Gross Income		<u>\$1,803,750</u>
Total Expenses		<u>(\$1,106,612)</u>
Net Operating Income		\$697,138
Annual Debt Service		<u>(\$486,355)</u>
Cash Flow		\$210,783
Equity Required	20%	\$1,690,000
Return on Equity		12.5%

Unit Amenities
Complex Amenities

Gas Ranges, Refrigerators, Garbage Disposal, Dishwasher, Individual metered HVAC & Utilities.

Leasing Office, Remodeled Laundry Room, Swimming Pool, Playground, Two Basketball Courts, Soccer Field

We have obtained the above information from sources we believe to be reliable, but no representations of any kind--expressed or implied--are being made as to the accuracy of such information. All references to square footage, lot size, age of improvements, or income/expenses are approximate only. Buyer should conduct an independent investigation of all pertinent property information. We bear no liability for any errors, inaccuracies or omissions.

Peregrine Real Estate Advisors

Villa Solara Proforma Income Statement

			<u>\$ Per Unit</u>
Purchase Price:		\$ 8,450,000	\$ 24,282
Revenue:			<u>\$ Per Unit</u>
1 Gross Annual Rent	100%	\$1,936,080	\$5,563
2 Estimated Vacancy Factor	12%	\$232,330	\$668
3 Effective Annual Rent	88%	\$1,703,750	\$4,896
4 Other Revenue (i.e. Laundry)	5%	\$100,000	\$287
Effective Annual Revenue	93%	\$1,803,750	\$5,183
Expense:			
5 Real Estate Taxes		\$109,421	\$314
6 Insurance		\$49,764	\$143
7 Electric		\$31,464	\$90
8 Gas		\$110,000	\$316
9 Water & Sewer		\$160,000	\$460
10 Trash Removal		\$12,000	\$34
11 Pest Control		\$4,176	\$12
12 Off Site Management	3.0%	\$54,113	\$155
13 On Site Management Personnel		\$111,000	\$319
14 Maintenance Personnel		\$99,000	\$284
15 Payroll Taxes & Benefits		\$63,000	\$181
16 Repairs & Maintenance		\$87,000	\$250
17 Advertising		\$18,000	\$52
18 Landscaping/Pool		\$33,600	\$97
19 Apartment Turnover		\$45,675	\$131
20 Phone		\$4,000	\$11
21 Legal/Accounting		\$5,000	\$14
22 Miscellaneous/Administrative		\$17,400	\$50
23 Security		\$5,000	\$14
24 Replacement Reserves		\$87,000	\$250
Total Expense	57%	\$1,106,612	\$3,180
Net Operating Income		\$697,138	\$2,003
Cap Rate		8.3%	
Gross Rent Multiplier		4.4	
Debt Service		(\$486,355)	
Net Cash Flow		\$210,783	
Equity Required	20.0%	\$1,690,000	
Cash on Cash (R.O.E.)		12.47%	
Principal Paydown		\$83,014	
Total Return		\$293,796	
Return as a Percent of Equity		17.38%	

Property Description

Villa Solara is located at 1433 South 107th East Avenue, just north-east of where I-44 intersects the Mingo Valley Expressway in east Tulsa. The neighborhood is approximately 6 miles east of the Tulsa Central Business District (CBD) and is comprised mostly of single-family homes with some multi-family and commercial properties being located along major thoroughfares. At the nearby intersection of 145th East Avenue and East 31st Street is Tulsa's second largest mall; the Eastland Mall.

Completed for occupancy in 1967, Villa Solara consist of 68 two-story garden style apartment buildings totaling 348 units and 1 freestanding clubhouse with a net leasable area of approximately 295,400 square feet. The property has approximately 28 acres of land and accommodates 552 parking spaces.

The unit configuration is 80 one-bedroom/one-bath, 152 two-bedroom/one-bath flat, 48 two-bedroom/one-half-bath townhouse, 48 three-bedroom/one-half-bath flat, and 20 three-bedroom/one-half-bath townhouse. The one-bedroom units have 640 square feet. The two-bedroom flat have 875 square feet and the two-bedroom townhouse have 900 square feet. The three-bedroom flats and townhouses are 1,000 square feet.