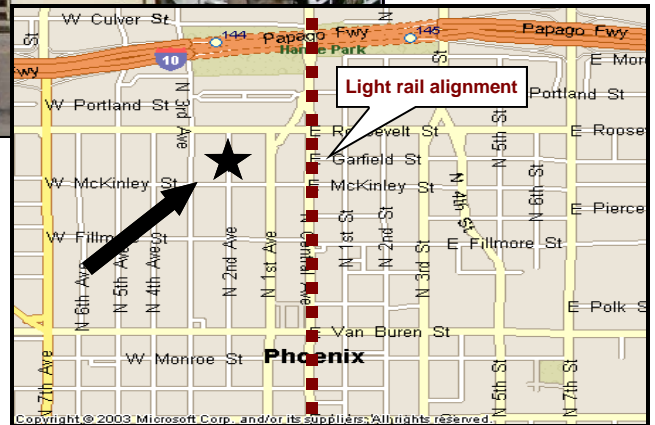


Hilton Apartments



24 Units
Offered at \$1,249,000
825 N 2nd. Av
Phoenix, Arizona



Downtown Phoenix! Close to everything, the Hilton Apartments offer a mix of efficiency and one bedroom rentals– well suited for the downtown sub-market. This well-kept building with private access surrounds a tropical courtyard providing seclusion and quiet ambience. Units are individually metered for gas and electricity. Amenities include contemporary kitchens with gas and electric appliances, ceiling fans, picture windows and steel-frame security doors. Most units have been upgraded in prior years including tile, appliances and bathroom fixtures. Community amenities include on-site laundry facilities, a leasing office and a picnic/bar-b-que area. Current rents are quite low- providing strong upside for a new owner.

- Adjacent to Roosevelt Historic Dist.
- Mature tropical landscaping
- Individually metered: gas & electric
- Superior downtown location
- Block construction
- Pitched roofs
- On-site laundry
- 2 blocks from new light rail

Exclusive Offered By:

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INCOME / EXPENSES

Units	Type	Size (sf)	Current Rent	Rent/sf	Total per Mo	Market Rate	Total per Mo
20	studio	370	\$425	\$1.15	\$8,500	\$425	\$8,500
4	1/1	550	\$580	\$1.05	\$2,320	\$595	\$2,380
24		9,600			\$10,820		\$10,880
		110	office				
		99	laundry				
		<u>9,809</u>	total sf				
Gross Monthly Income					\$10,820		\$10,880
Gross Scheduled Annual Income					\$129,840		\$130,560
Vacancy					(\$3,246)		(\$6,528)
Loss to old leases					(\$5,066)		0
Other income					\$500		\$500
Laundry income					<u>\$1,200</u>		<u>\$1,200</u>
Gross Operating income					\$123,228		\$125,732
Expenses					<u>(\$49,817)</u>		<u>(\$49,336)</u>
					(\$2,056 / unit, \$5.14/ sf)		
Net Operating Income					\$73,411		\$76,396
Current Annual Expenses:					current		projected
Mgt exp (5% of net rents)					\$5,950		\$6,078
Advertising					\$1,654		\$1,000
Privilege tax (2%)					\$2,431		\$2,481
Office / legal / admin					\$980		\$980
Carpet clean / appliances					\$6,400		\$6,400
Repairs / maint / painting					\$4,642		\$4,642
HVAC / plumbing repair					\$3,580		\$3,580
Landscaping					\$2,500		\$2,500
Utilities							
Water / Sewer					\$3,962		\$3,962
Trash					\$1,972		\$1,972
Electricity					\$2,000		\$2,000
Gas (comm hot water)					\$2,972		\$2,972
Property Taxes					\$7,560		\$7,569
Insurance					<u>\$3,200</u>		<u>\$3,200</u>
					\$49,817		\$49,336

SITE INFORMATION

825 N 2nd Av., Phoenix, AZ 85003

Units	24
Building SF	9,809 per county
Buildings	one 2-story building
Lot Size	0.32acres (14,000 sf)
Parcel	111-40-079
Cool/Heat	Individual wall-mount A/C units: Individual wall-mount gas furnaces
Hot Water	Central boiler (owner paid)
Roofs	Pitched composition
Parking	12 uncovered spaces plus street
Construction	1954, Block
Utilities	Individually metered electric & gas
Laundry	On-site leased (WEB)

PROPERTY INFORMATION

The Hilton Apartments consist of a single block constructed garden-style building surrounding a well-manicured courtyard with mature tropical landscaping. Access is restricted through gated entries at the front and rear of the building. Rental units consist of studios and one-bedroom units. The property is individually metered for electricity and gas, and is wired for COX digital phone, cable & internet. Community amenities include a laundry room, a leasing office and patio furniture in the courtyard common area.

Strong demand for studio and one-bedroom units in this downtown Phoenix sub-market keeps vacancy low. Although some rents have been increased to the 'renewal rates' the market clearly supports more, allowing upside for the investor.

The property is located in a thriving downtown Phoenix neighborhood surrounded by dining, cultural and sporting venues, the light rail and new development.



Directions: I-10 to 7th str. south to Roosevelt, west to 2nd Av. south to property.

FINANCING / INVEST RETURN

\$1,249,000	Sale Price
\$437,150	Down Payment (35%)
\$811,850	Proposed New Loan (5.91%, 30yr amort 3-yr fixed/hybrid, 1.25 DSCR, 35% down)

Projected Cash Flow	
\$76,396	NOI
<u>(57,847)</u>	Loan Payments
\$18,549	Annual Cash Flow

Initial Return on Investment (cash on cash)
\$18,549 / \$447,650 = 4.2% (Projected)

OFFERING SUMMARY

Price	\$1,249,000
Price / Unit	\$52,042
Price / sf	\$130
Cap Rate	5.90% current / 6.1% projected

The information contained herein is from sources believed to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. The Purchaser is advised to independently verify the accuracy and completeness of the information in order to determine the suitability of the property for the Purchaser's needs.

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