

ARIZONA SPRINGS APARTMENTS

45 N. LYN RAE DRIVE, MESA, ARIZONA 85203



MARKETING PACKAGE

(Short Sale – All Offers Require Owner and Lender Approval)



For More Information Please Contact:
Kasten Long Commercial Group

Terry J Kass, Associate Broker, CCIM, CPM
Tel: 602 445 4124
Cell: 602 703 5277
Terry@KLCommGroup.com

Jim Kasten, CCIM
Tel: 602 445 4113
Cell: 602 677 0655
Jim@KLCommGroup.com

2821 E Camelback Road Suite 600; Phoenix, AZ 85016

www.KLCommercialGroup.com

ARIZONA SPRINGS APARTMENTS

MARKETING PACKAGE

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Arizona Springs Apartments

*** Short Sale ***



17 Units

Offered at \$450,000 (\$26,471/u)

45 N. Lyn Rae Drive

Mesa, Arizona

SHORT SALE. The 1981 constructed, Arizona Springs Apartments consist of one and two-bedroom apartments, with a large pool, playground/barbecue, desert landscaping and an oversize secure parking area. Many of the units have tile floors and all have full size appliances, including dishwashers. The attractive exterior arch design and tile roofs offer strong curb appeal.

- ◆ Individually metered for electricity
- ◆ Surrounded by major employers/retail
- ◆ Oversize pool and separate playground
- ◆ 1981, reinforced concrete, tile roof
- ◆ Attractive exterior arch design
- ◆ Large workshop and storage

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**Complete Marketing Package at:
www.KLCommercialGroup.com**

INCOME / EXPENSES

Units	Mix	Size (sf)	Market Rent		
			Rent	Rent/sf	per Month
9	1/1	504	\$449	\$0.89	\$4,041
6	2/1	636	\$549	\$0.80	\$3,294
2	2/1	980	\$599	\$0.81	\$1,198
17		10,612			\$8,533

Gross Monthly Income	<u>Market</u> \$8,533
Gross Scheduled Annual Income	\$102,396
Vacancy (15%)	(15,359)
Other Income	<u>\$1,800</u>
Gross Operating	\$88,837
Estimated Expenses (\$2,976/unit, \$4.77/sf)	<u>(\$50,588)</u>
Net Operating Income	\$38,248

Estimated Annual Expenses:

Management (6%)	5,222
Management (on-site)	6,000
Maintenance, Repair, Supplies	12,000
Utilities	
Water, Sewer, Trash	8,364
Electric	2,900
Insurance	1,737
Real Estate Tax (2009)	5,865
Misc	<u>8,500</u>
Total Expenses	\$50,588

FINANCING AND INVEST RETURN

\$ 450,000	Sale Price
\$ 450,000	Cash

Market Cash Flow	
\$38,248	NOI

Return on Investment	
\$38,248 / \$450,000 = 8.5%	

SALE INFORMATION

List Price	\$ 450,000
Price / Unit	\$ 26,471
Price / sf	\$ 42.40
Cap Rate	8.5%
GRM	4.4

Terry J. Kass, CCIM, CPM
602 445 4124 direct
Terry@KLCommGroup.com
www.KLCommercialGroup.com



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.

SITE INFORMATION

45 North Lyn Rae Drive, Mesa, AZ 85203

Units	17
Building Size	11,088 sf approx.
Lot Size	29,181 sf (0.67 ac – per County)
Parcels	140-70-080H, -080M, & -080P
Cool/Heat	Indiv. HVAC (ground mounted)
Hot Water	Indiv. gas hot water heaters
Construction	1981 reinforced concrete Concrete 2 nd floor
Roof	Tile
Parking	24 uncovered
Utilities	Indiv. metered for electric
Laundry	2 washers, 2 dryers WEB lease
Workshop	323 sf (17 ft x 19 ft)

PROPERTY INFORMATION

The Arizona Springs Apartments consist of 6 two-bedroom and 9 one-bedroom units. Each unit has full size appliances (including a dishwasher), ceiling fans, doorbell and many units have ceramic tile in the kitchen, living room and bath. The two large two-bedroom (980 sf) units have attractive interior arches and separate dining room.

Some of the units will need rehab, but overall, the condition of the interiors is reasonably good. Occupancy (now less than 50%) has been strained due to the out-of-state owner having difficulty with previous management.

The property consists of reinforced concrete with a concrete 2nd floor. The tile roof and exterior arch façade offer strong curb appeal. The property is on an oversize lot with a large pool and a separate playground with picnic tables/BBQ. In addition to the on-site laundry, there is an adjacent, large storeroom/workshop plus a detached storage shed.

The central Mesa location (Lindsey and Main) offers easy access to multiple employment opportunities as well as a variety of restaurants and shopping.



Directions: Property is one block west of Lindsey Rd. – just north of Main St. From Hwy 60 (Superstition), go north on Gilbert Rd, two miles, then east on Main Street (almost one mile), then north on Lyn Rae Drive.

ARIZONA SPRINGS

PROPERTY DESCRIPTION

Property Summary

Location Maps

Aerial Map

Parcel Map with Maricopa County Tax Data

Property Photos

Sketch Map of Apartment Layout and Approximate Size

ARIZONA SPRINGS

PROPERTY SUMMARY

Location:	45 N. Lyn Ray Drive, Mesa, AZ 85203
Parcels:	140-70-080H, 140-70-080M, & 140-70-080P
Units:	17
Size:	11,088 sf (per County)
Acreage:	29,145 sf (0.67 ac - per County)
Unit Mix:	9 one-bedroom, one bath (approx. 504 sf) 4 two-bedroom, one bath (approx. 636 sf) 2 two-bedroom, one bath (approx. 980 sf)
Construction:	Two-story, reinforced concrete Concrete 2 nd floor
Built:	1981
Utilities:	Individually metered for electricity
Parking:	24 uncovered spaces
Cooling/Heating:	Individual A/C, ground-mounted
Hot Water:	Individual, hot water heaters
Buildings:	One
Laundry:	One laundry room with 2 washers and 2 dryers (WEB Leased)
Roofs:	Pitched Tile
Zoning:	C-2

Amenities

Interior

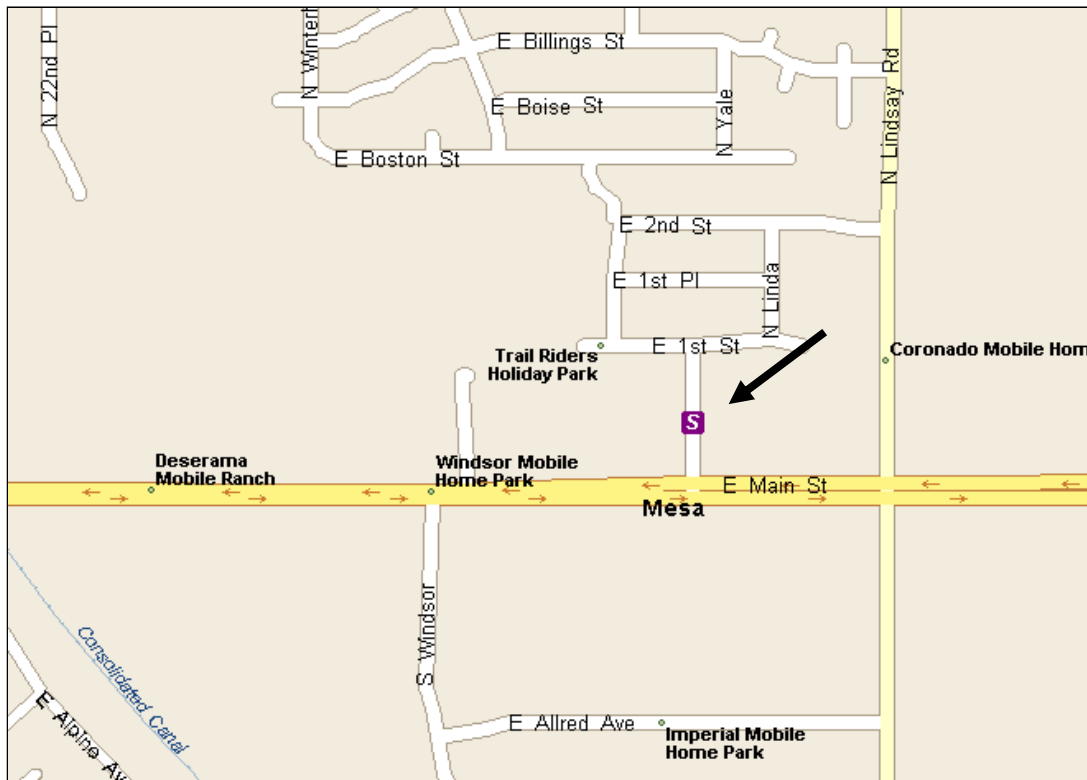
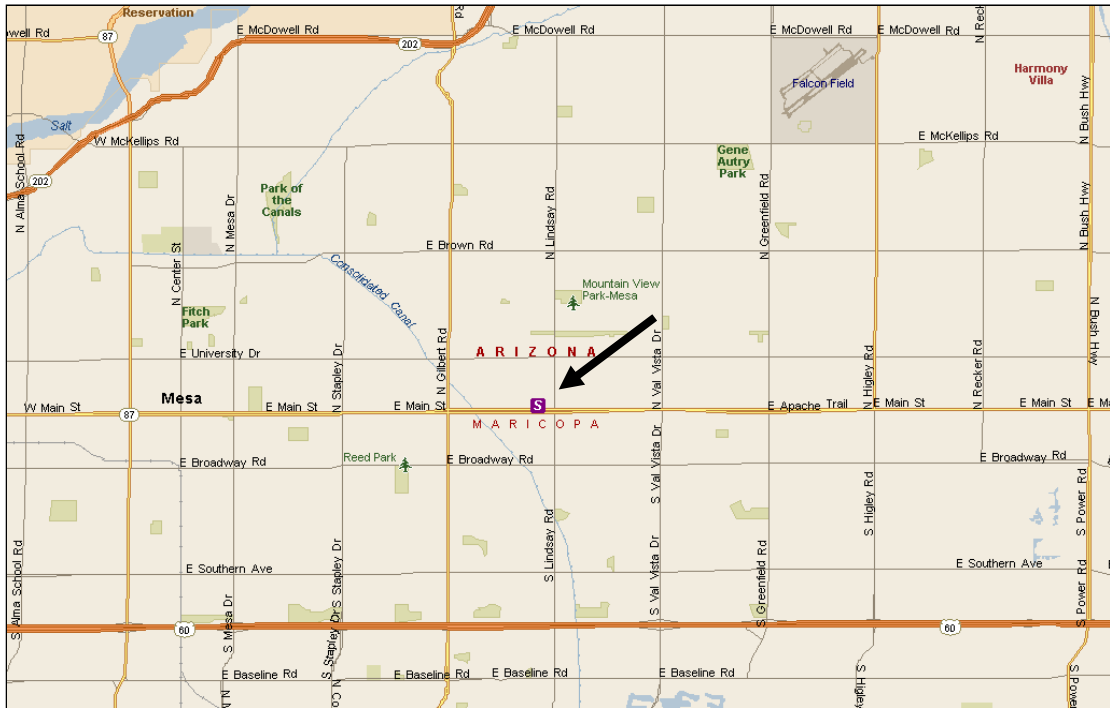
- Full size appliances (including dishwasher)
- Large kitchens with room for dining table
- Many units with tiled living rooms and baths
- Two-bedroom units have attractive archways
- Spacious closets
- Additional hall closet storage
- Ceiling fans
- Cable TV available
- Individually metered (electricity)
- Doorbell for each apartment

Exterior

- Two-story with tile roofs
- Decorative design with arches
- Fenced pool
- Large playground and picnic/BBQ area
- Laundry (2 washers and 2 dryers)
- Workshop/storage room (323 sf) adjacent to laundry
- Detached storage shed (156 sf)
- Spacious uncovered parking area

ARIZONA SPRINGS

LOCATION MAPS



ARIZONA SPRINGS

AERIAL MAP



ARIZONA SPRINGS – PROPERTY PICTURES



View to east from Lyn Rae Drive



Large parking lot



Ground-mounted HVAC



Copper plumbing

ARIZONA SPRINGS – PROPERTY PICTURES



Large pool with spacious deck



Picnic / BBQ area



Individually metered for electricity



Picnic / BBQ area with basketball hoop.



Laundry – two washers and two dryers –
Leased by WEB



Storage / Workshop

ARIZONA SPRINGS – PROPERTY PICTURES



Apt No. 10 - One-bedroom apartment kitchen



Apt No. 10 - One-bedroom apartment with upgraded bath vanity



Apt No. 10 - One-bedroom apartment with hot water heater in easy-access bedroom closet



Apt No. 15 – Two-bedroom apartment kitchen



Apt No. 15 – Two-bedroom apartment bath



Apt No. 15 – Two-bedroom apartment with hot water heater in easy-access hall closet

ARIZONA SPRINGS – PROPERTY PICTURES



Apt No. 3 – Large two-bedroom showing archway in living room



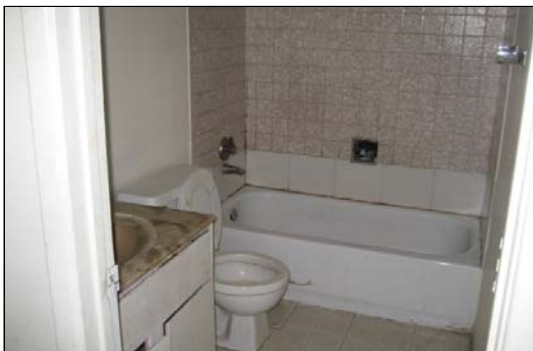
Apt No. 3 – Large two-bedroom showing archway between dining room and kitchen



Apt No. 3 - Large two-bedroom kitchen

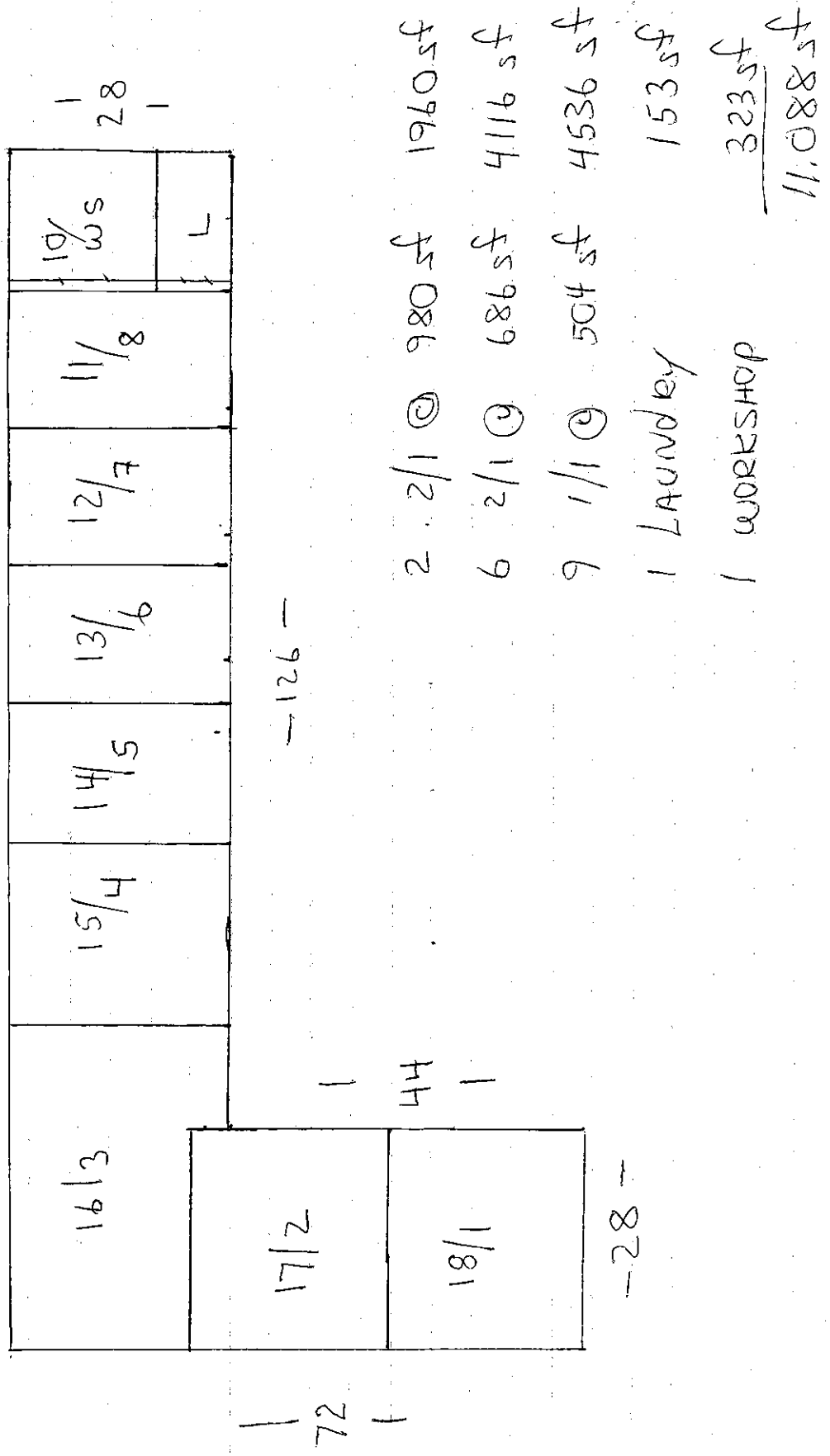


Apt No. 3 – Large two-bedroom showing hot water heater in easy-access pantry



Apt No. 3 - Large two-bedroom bath

ARIZONA SPRINGS (APPROX SIZES)



Mesa, Arizona – Profile

City of Mesa

Mesa, located in the metro-Phoenix area of Maricopa County, is one of the nation’s fastest-growing cities, with a population that has grown by 58.2% percent between 1990 and 2008. The reasons for Mesa’s growth: the low cost of doing business, a reasonable tax structure, a skilled and well-educated workforce, a low crime rate, superior schools, affordable housing, and an excellent quality of life.

Mesa’s residents enjoy 325 Days of Sunshine Each Year! A wonderful climate feature is that Mesa has more annual days of sunshine than either San Diego or Miami Beach.

Overall cost of living in Greater Phoenix is below the national average. It is interesting to note that the metropolitan area cost of living tends to increase proportionally with population size. Given that fact, Greater Phoenix is one of the most affordable major metropolitan areas in the country.

The Phoenix-Mesa metropolitan area is one of only 11 cities in the nation to host teams in all four major professional sports: Arizona Diamondbacks, Phoenix Suns, Phoenix Coyotes, Arizona Cardinals, Phoenix Firebirds Baseball, LPGA Classic, Chicago Cubs Spring Training, Auto Racing, Cactus League Games, Fiesta Bowl, Horse/Dog Racing, Phoenix Open PGA Golf, and much more. Baseball fans to flock to Mesa’s Fitch Park which has the Chicago Cubs spring training facilities.

Population

Mesa is the third largest city in the state of Arizona (boasting a population of 462,823 as of June 2008 — greater than such well-known cities as Atlanta, Minneapolis, St. Louis, Pittsburgh, and Miami) offering a variety of lifestyle and leisure pursuits that are in high demand by visitors.

Employment & Economy

Mesa has eight business corridors or centers throughout the city’s planning area of approximately 170 square miles. These corridors are: Mesa Riverview, Union Pacific, Fiesta on the west side, the downtown area, Superstition Freeway West, the Falcon Field district, Superstition Freeway East, and Phoenix-Mesa Gateway Airport corridor on Mesa’s east end. These economic activity centers host about 70 percent of the city’s jobs and 66 percent of the city’s businesses.

As of September, 2008, the countrywide unemployment rate equaled 6.1 percent. Comparably, the state of Arizona’s rate for the same month totaled 5.9 percent. Significantly lower is the metropolitan area of Phoenix, Mesa and Scottsdale at 5.4 percent.

Top Ten Employers in Mesa

1. Mesa Public Schools — 10,000
2. Banner Health System — 6,600
3. The Boeing Company — 4,700
4. City of Mesa — 3,700
5. Empire Southwest — 1,000
6. TRW — 800
7. Mesa Community College — 700
8. AMPAM Riggs Plumbing — 650
9. Mesa Fully Formed — 600
10. United States Postal — 520

Transportation

Mesa is one of the three valley cities that will offer light rail service. METRO is building a premier regional light rail system to enhance mobility and strengthen the economic health of the community. A 20-mile starter line opened December, 2008, and six high capacity transit corridors are being planned that may include light-rail extension lines. In Mesa, that includes 2.7 miles of new transit service extending from the transit center at Sycamore and Main streets.

Mesa has its own airports. Falcon Field and Phoenix-Mesa Gateway both of which serve private and executive aircraft. Commercial services at Gateway are expanding. Vision Air offers service to Las Vegas, and Allegiant Air is now offering service to Bellingham, Washington; Billings, Montana; Stockton, California; and Peoria, Illinois. Silver State Helicopters offers services to Sky Harbor Airport and throughout the state.

Apartment Vacancy Rates

Vacancy Rates - Mesa - 2007, 2008 and 2009																
		2007 (by quarter)				Average 2007	2008 (by quarter)				Average 2008	2009 (by quarter)				Average 2009
		1	2	3	4		1	2	3	4		1	2	3	4	
Submarket																
17N	North Mesa	5	6	6	9	8.0	10	12	7	11	8.0	14	14			14.0
17S	South Mesa	6	6	8	9	7.0	10	9	8	11	7.0	14	15			14.5
18N	East Mesa	7	6	5	8	7.0	10	8	9	8	7.0	12	14			13.0
18S	Superstition Springs	6	6	8	8	9.0	7	8	8	10	9.0	9	13			11.0

Vacancy Rates Still Climbing - 13.8%

At the end of the 2nd quarter of 2009 the vacancy rate for all-size, existing (>6 mo.'s) multifamily units increased from 12.6% in the 1st quarter to **13.8%**. Of the 333,249 total multifamily units, there were 46,050 reported as vacant. The total inventory gained 1,861 units.

# of Units	2009 1st Qtr.	2009 2nd Qtr.
2 - 24	4%	13%
25 - 50	6%	9%
51 - 75	9%	11%
76 - 99	10%	11%
100 - 150	11%	12%
151 - 200	14%	15%
200+	13%	14%
Average	12.6%	13.8%

All size complexes are now experiencing vacancy issues with the west side of the Valley suffering the most. Sun City/Peoria, NW Phoenix and Maryvale reported 18% to 20% vacancies. Only the North Scottsdale and Mountain Park Districts reported single digit vacancies.

There were only 214 apartment permits issued in the 2nd quarter led by The Spanos Group's 200 units at 1247 S 96th St., in Superstition Springs. There were three projects totaling 801 units completed in the 2nd quarter. These are located in Deer Valley and two in the Western Suburbs.

Multifamily Data - Greater Phoenix Area

Year	Permits	Absorp.	Vacancy
2000	8,009	6,225	7%
2001	7,201	1,525	8%
2002	5,351	4,273	9%
2003	4,836	3,702	9.6%
2004	4,997	9,230	7.9%
2005	3,250	4,756	5.0%
2006	3,922	(4,653)	5.3%
2007	6,675	(5,846)	8.5%
2008	6,365	(4,466)	10.8%
2009 (1)	349	(4,419)	12.6%
2009 (2)	214	(2,439)	13.8%

Based on the reported multifamily rent index, rental rates decreased 0.8% in the 2nd quarter, with a cumulative decrease of 5.6% over the past 12 months.

Vacancy rates for each of the Valley's 32 sub-districts (with map), plus a list of new construction projects are posted under "Apartment Market Data" on www.KLCommercialGroup.com

ARIZONA SPRINGS

FINANCIALS

4-month Annualized P & L and Market Cash Flow
2008 P & L Statement
2009 thru Jun P & L Statement]
Rent Roll as of 8.31.09

Arizona Springs								
45 N. Lyn Rae Drive, Mesa, AZ								
			(Actual Income & Expenses)					
			4 Months - Annualized			Market		
Units	Type	Size (sf)	Avg. Rent	Rent/sf	Total per Month	Rent	Rent/sf	Total per Month
9	1/1	504	\$449	\$0.89	\$4,041	\$449	\$0.89	\$4,041
6	2/1	686	\$549	\$0.80	\$3,294	\$549	\$0.80	\$3,294
2	2/1	980	\$599	\$0.61	\$1,198	\$599	\$0.61	\$1,198
17		10,612			\$8,533			\$8,533
GSI (monthly)			\$8,533			\$8,533		
GSI			\$102,396			\$102,396		
Vacancy			(\$40,958) (40%)			(\$15,359) (15%)		
Misc Loss			(\$22,527) (22%)					
			\$61,438			\$87,037		
Other Income			\$1,800			\$1,800		
GOI			\$63,238			\$88,837		
<u>Expenses</u>								
Mgmt			(9,000) 13%			(5,222) 6%		
Mgmt. (on-site)			0			(6,000)		
Repairs / Maint. / Supplies			(12,000)			(12,000)		
Utilities								
Water/Sewer/Trash			(8,364)			(8,364)		
Electric/Gas			(2,900)			(2,900)		
RE Taxes (2008, 2009)			(4,800)			(5,865)		
Insurance			(1,737)			(1,737)		
Misc			(8,500)			(8,500)		
Total Expenses			(\$47,301)			(\$50,588)		
			(\$2,782) per unit			(\$2,976) per unit		
			(\$4.46) per sf			(\$4.77) per sf		
NOI			\$15,937			\$38,248		
Value Estimate						\$450,000		
Cash Down						\$26,471 per unit		
						\$450,000		
						\$42.40 per sf		
Cash Flow								
NOI						\$38,248		
Debt Service						\$0		
Cash Flow						\$38,248		
Cap. Rate						8.5%		
Initial Return on Investment						8.5%		

Income Statement (Accrual)
45 N. Lyn Rae - (azspring)
December 2008

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Prepared For:

Prepared By:

	Month to Date	%	Year to Date	%
INCOME				
RENT INCOME				
Gross Potential Rent	9,183.00	100.00	108,826.00	100.00
Gain/Loss to Lease	0.00	0.00	-167.00	-0.15
Rent	0.00	0.00	1,313.06	1.21
TOTAL MARKET RENT				
	9,183.00	100.00	108,659.00	99.85
Less: Concessions	-320.00	-3.48	-9,368.48	-8.61
Less: Delinquency	0.00	0.00	-4,487.20	-4.12
Less: Vacancy	-1,573.00	-17.13	-19,329.12	-17.76
Less: Write-Offs	0.00	0.00	-10,122.53	-9.30
Plus: Prepaid Rent	0.00	0.00	173.02	0.16
NET RENT INCOME	7,290.00	79.39	66,837.75	61.42
EXPENSE REIMBURSEMENT				
Passthru Utilities	0.00	0.00	36.55	0.03
TOTAL REIMBURSEMENT	0.00	0.00	36.55	0.03
OTHER INCOME				
Deposit Forfeit	0.00	0.00	901.08	0.83
Miscellaneous Income	175.00	1.91	650.00	0.60
Laundry Room Income	80.23	0.87	1,201.54	1.10
Application Fee	0.00	0.00	175.00	0.16
Late Fee	390.00	4.25	842.50	0.77
TOTAL OTHER INCOME	645.23	7.03	3,770.12	3.46
TOTAL INCOME	7,935.23	86.41	70,644.42	64.92
EXPENSES				
DIRECT EXPENSES				
Plumbing Vendor	0.00	0.00	4,309.87	3.96
Plumbing Supplies	0.00	0.00	636.71	0.59
Maintenance Supplies	0.00	0.00	2,065.34	1.90
Electrical Vendor	0.00	0.00	280.00	0.26
Electrical Supplies	0.00	0.00	113.42	0.10
Appliance Parts	0.00	0.00	56.05	0.05
Pool Vendor	297.00	3.23	3,670.95	3.37
Pool Supplies	0.00	0.00	85.11	0.08
Carpet Cleaning	0.00	0.00	1,646.28	1.51
Janitorial Supply	0.00	0.00	228.54	0.21
Cleaning Vendor	0.00	0.00	445.00	0.41
Paint Supplies	0.00	0.00	2,143.61	1.97
HVAC (Heat, Ventilation, Air)	0.00	0.00	2,854.92	2.62
Glass/Screens/Doors	0.00	0.00	1,818.43	1.67
Gardening	0.00	0.00	200.30	0.18
Pest Control	75.00	0.82	1,531.60	1.41

Income Statement (Accrual)
45 N. Lyn Rae - (azspring)
December 2008

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	Month to Date	%	Year to Date	%
Other Interior Maintenance	0.00	0.00	126.44	0.12
Other Exterior Maintenance	0.00	0.00	68.15	0.06
Management Fee	750.00	8.17	9,000.00	8.27
Phone/cable/internet	0.00	0.00	658.80	0.61
Electricity	246.27	2.68	3,521.30	3.24
Water	194.11	2.11	3,130.38	2.88
Sewer	197.80	2.15	2,697.50	2.48
Trash Disposal	205.41	2.24	2,330.56	2.14
TOTAL DIRECT EXPENSES	1,965.59	21.40	43,619.26	40.08
GENERAL & ADMINISTRATIVE				
Office Supplies	7.14	0.08	31.77	0.03
Bank Costs/Fees	0.00	0.00	57.21	0.05
Advertising & Promotion	7.72	0.08	410.75	0.38
Legal & Accounting	28.00	0.30	3,196.00	2.94
Resident Screening	60.00	0.65	860.00	0.79
Taxes & Licenses	-2.07	-0.02	177.03	0.16
Miscellaneous Expense	155.75	1.70	362.18	0.33
TOTAL G & A EXPENSE	256.54	2.79	5,094.94	4.68
PAYROLL EXPENSE				
Manager Salaries	518.76	5.65	4,102.77	3.77
Maintenance Salaries	0.00	0.00	277.41	0.25
Maintenance Wages	429.00	4.67	4,213.73	3.87
Commissions/Bonus	62.50	0.68	62.50	0.06
Payroll Taxes	72.49	0.79	473.02	0.43
Payroll Fee	22.91	0.25	129.56	0.12
Workman's Compensation	36.00	0.39	729.77	0.67
Medical Plan Contributions	26.88	0.29	26.88	0.02
TOTAL PAYROLL	1,168.54	12.73	10,015.64	9.20
DEBT EXPENSE				
Mortgage Interest	3,791.26	41.29	37,915.41	34.84
Escrow Due	150.25	1.64	1,501.50	1.38
TOTAL DEBT SERVICE	3,941.51	42.92	39,416.91	36.22
TOTAL EXPENSES	7,332.18	79.85	98,146.75	90.19
TOTAL OPERATING INCOME	603.05	6.57	-27,502.33	-25.27
Capital Expenditures				
Carpet	0.00	0.00	995.06	0.91
Window Replacement	0.00	0.00	831.34	0.76
Appliances	0.00	0.00	625.60	0.57
HVAC	0.00	0.00	2,168.88	1.99
Water Heater	0.00	0.00	787.84	0.72
Total Capital Expenditures	0.00	0.00	5,408.72	4.97
NET INCOME AFTER CAPITAL EXPENDI	603.05	6.57	-32,911.05	-30.24

Income Statement (Accrual)
45 N. Lyn Rae - (azspring)
June 2009

Prepared For:

Prepared By:

	<u>Month to Date</u>	<u>%</u>	<u>Year to Date</u>	<u>%</u>
INCOME				
RENT INCOME				
Gross Potential Rent	9,241.00	359.09	55,446.00	182.60
Gain/Loss to Lease	-282.00	-10.96	-1,246.00	-4.10
TOTAL MARKET RENT	8,959.00	348.14	54,200.00	178.50
Less: Concessions	-641.30	-24.92	-2,217.30	-7.30
Less: Vacancy	-4,107.70	-159.62	-12,542.49	-41.31
Less: Write-Offs	-1,719.32	-66.81	-9,972.55	-32.84
NET RENT INCOME	2,490.68	96.78	29,467.66	97.05
OTHER INCOME				
Miscellaneous Income	10.00	0.39	116.58	0.38
Laundry Room Income	47.74	1.86	630.12	2.08
Application Fee	25.00	0.97	150.00	0.49
TOTAL OTHER INCOME	82.74	3.22	896.70	2.95
TOTAL INCOME	2,573.42	100.00	30,364.36	100.00
EXPENSES				
DIRECT EXPENSES				
Plumbing Supplies	35.39	1.38	287.15	0.95
Maintenance Supplies	43.81	1.70	480.89	1.58
Electrical Supplies	142.95	5.55	226.76	0.75
Appliance Parts	41.09	1.60	160.62	0.53
Pool Vendor	0.00	0.00	1,485.00	4.89
Pool Supplies	0.00	0.00	55.20	0.18
Carpet Cleaning	0.00	0.00	420.00	1.38
Cleaning Vendor	150.00	5.83	285.00	0.94
Paint Supplies	108.27	4.21	399.57	1.32
HVAC (Heat, Ventilation, Air)	38.97	1.51	115.45	0.38
Fire Inspections/Repairs	0.00	0.00	325.68	1.07
Glass/Screens/Doors	180.24	7.00	633.53	2.09
Gardening	0.00	0.00	23.81	0.08
Pest Control	330.00	12.82	705.00	2.32
Management Fee	750.00	29.14	4,500.00	14.82
Insurance	188.97	7.34	1,128.66	3.72
Electricity	484.66	18.83	1,692.01	5.57
Water	0.00	0.00	1,220.42	4.02
Sewer	0.00	0.00	1,200.59	3.95
Trash Disposal	0.00	0.00	1,127.00	3.71
Sales Tax on Services	0.00	0.00	-50.97	-0.17
TOTAL DIRECT EXPENSES	2,494.35	96.93	16,421.37	54.08
GENERAL & ADMINISTRATIVE				
Bank Costs/Fees	0.00	0.00	48.00	0.16

Income Statement (Accrual)
45 N. Lyn Rae - (azspring)
June 2009

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	<u>Month to Date</u>	<u>%</u>	<u>Year to Date</u>	<u>%</u>
Advertising & Promotion	171.25	6.65	185.68	0.61
Legal & Accounting	270.00	10.49	1,516.00	4.99
Resident Screening	0.00	0.00	80.00	0.26
Taxes & Licenses	0.00	0.00	168.87	0.56
Miscellaneous Expense	346.48	13.46	346.48	1.14
TOTAL G & A EXPENSE	787.73	30.61	2,345.03	7.72
PAYROLL EXPENSE				
Manager Salaries	480.13	18.66	1,373.41	4.52
Maintenance Wages	900.00	34.97	2,815.00	9.27
Commissions/Bonus	25.00	0.97	75.00	0.25
Payroll Taxes	120.96	4.70	442.22	1.46
Payroll Fee	47.10	1.83	148.80	0.49
Workman's Compensation	43.71	1.70	173.59	0.57
Medical Plan Contributions	0.00	0.00	80.64	0.27
TOTAL PAYROLL	1,616.90	62.83	5,108.66	16.82
DEBT EXPENSE				
Mortgage Interest	3,791.27	147.32	22,747.85	74.92
Escrow Due	240.46	9.34	1,352.30	4.45
TOTAL DEBT SERVICE	4,031.73	156.67	24,100.15	79.37
TOTAL EXPENSES	8,930.71	347.04	47,975.21	158.00
TOTAL OPERATING INCOME	-6,357.29	-247.04	-17,610.85	-58.00
Capital Expenditures				
Appliances	0.00	0.00	924.74	3.05
Water Heater	0.00	0.00	750.00	2.47
Total Capital Expenditures	0.00	0.00	1,674.74	5.52
NET INCOME AFTER CAPITAL EXPENDI	-6,357.29	-247.04	-19,285.59	-63.51

Rent Roll

As of: 8/31/2009

Prepared By: T & M Management LLC
 4120 N. 20th St., Ste. B
 Phoenix, AZ 85016

Unit	Size	Beds/Baths	Tenants	Lease Start	Lease End	Market Rent	Recurring Charges	Recurring Credits	Deposits Held	Balance Due
Arizona Springs										
01	800	2 Bed/1 Bath	Edward Tolton	6/1/2008	month-to-month	\$549.00	\$585.07	\$0.00	\$10.00	\$270.92
02	800	2 Bed/1 Bath	Vacant			\$549.00	\$0.00	\$0.00	\$0.00	\$0.00
03	950	2 Bed/1 Bath	Vacant			\$549.00	\$0.00	\$0.00	\$0.00	\$0.00
04	500	Studio/1 Bath	Rebecca Dunn	1/15/2009	10/31/2009	\$449.00	\$534.19	\$0.00	\$0.00	\$1,415.31
05	500	1 Bed/1 Bath	Manuel Soto	5/27/2009	11/30/2009	\$449.00	\$482.13	\$0.00	\$5.74	\$279.47
06	500	1 Bed/1 Bath	Thomas Connally	12/1/2008	12/31/2009	\$449.00	\$483.31	\$0.00	\$5.00	\$16.62
07	500	1 Bed/1 Bath	LaVonne Obanner	7/10/2009	1/31/2010	\$449.00	\$456.86	\$0.00	\$5.02	\$2.84
08	500	1 Bed/1 Bath	Vacant			\$449.00	\$0.00	\$0.00	\$0.00	\$0.00
10	500	1 Bed/1 Bath	Vacant			\$449.00	\$0.00	\$0.00	\$0.00	\$0.00
11	500	1 Bed/1 Bath	Karlisha Randolph	6/10/2009	7/31/2010	\$449.00	\$456.86	\$0.00	\$15.72	(\$36.28)
12	500	1 Bed/1 Bath	Alicia Amparano Padron	2/3/2006	month-to-month	\$449.00	\$482.12	\$0.00	\$7.12	\$713.68
13	500	1 Bed/1 Bath	Vacant			\$449.00	\$0.00	\$0.00	\$0.00	\$0.00
14	0	- / -	Vacant			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15	800	2 Bed/1 Bath	Vacant			\$549.00	\$0.00	\$0.00	\$0.00	\$0.00
16	950	2 Bed/1 Bath	Vacant			\$549.00	\$0.00	\$0.00	\$0.00	\$0.00
17	800	2 Bed/1 Bath	Vacant			\$549.00	\$0.00	\$0.00	\$0.00	\$0.00
18	800	2 Bed/1 Bath	Vacant			\$549.00	\$0.00	\$0.00	\$0.00	\$0.00
Total - Arizona Springs						\$7,884.00	\$3,480.54	\$0.00	\$48.60	\$2,662.56
Grand Total						\$7,884.00	\$3,480.54	\$0.00	\$48.60	\$2,662.56