

Building:

4 Units
 3400 NRSF
 1914 construction
 2007 Plus One Renovation
 Short Walk to UW Campus
 Held in Current Portfolio

Acquisition:

Acquisition Price:	\$725,000
Acquisition Date:	7/26/2007
Investment Capital Raised:	\$242,500
Current LTV:	73.70%
Current Est. Value:	\$1,115,000
(6.25% CAP, 5% vac., \$4098/u/y exp.)	



PROJECT SUMMARY

Converted a five unit building into a four unit and almost doubled the rent roll from \$3737 to \$7223 by doing so. The NOI more than doubled, from \$28,200 to \$68,800 as a result of the conversion. Even though we reduced the total number of units from five to four, our signature strategy of reconfiguring the floor plans allowed us to increase the total density from six bedrooms to eleven. Despite making this acquisition at the absolute peak of the real estate market, we are still in a reasonable equity position due to our value-added renovations canceling out the equity losses caused by the global financial crisis.