

HERITAGE TOWNHOUSES

60 APARTMENT HOMES
4666 N. 11TH STREET
FRESNO, CA
\$3,595,000



DO NOT PREVIEW PROPERTY WITHOUT CONSENT



OFFERED EXCLUSIVELY BY:



R C K O R G A N I Z A T I O N

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INVESTMENT SUMMARY

HERITAGE TOWNHOUSES enjoys a good unit mix, primarily of 2 and 3 bedroom units. The property consists of five buildings, each housing 12 units, ranging in size from 450 sq. ft to 1,550 sq. ft.

The project is located less than 1/2 mile from California State University—Fresno (“Fresno State”), as well as convenient access to shopping and public transportation.

Offering Price	\$ 3,595,000
# of Units	60
Year Built	1969 +/-
Total Net Rentable Sq Ft	64,900 +/-
2010 Gross Income	\$480,015
Gross Income (Pro Forma)	\$534,152
Operating Expenses (Pro Forma)	\$261,080
Net Operating Income (Pro Forma)	\$273,072
Acquisition Terms	Cash; Cash to New Loan

Unit Type	# of Units	Square Footage	Total Sq. Ft.	ProForma Rent	Monthly ProForma Rent	Annual ProForma Rent	Rent/Sq. Ft.
Studio	1	450	450	\$475	\$475	\$5,700	\$1.06
2 Bed/1.5 Ba TH	45	1,050	47,250	\$750	\$33,750	\$405,000	\$0.71
2 Bed / 2 Ba	9	1,050	9,450	\$775	\$6,975	\$83,700	\$0.74
3 Bed / 2 Ba	1	1,550	1,550	\$950	\$950	\$11,400	\$0.61
3 Bed / 2 Ba TH	4	1,550	6,200	\$950	\$3,800	\$45,600	\$0.61
TOTALS / AVERAGES	60	1,082	64,900	\$766	\$45,483	\$551,400	\$0.70



INVESTMENT ANALYSIS

	PRO FORMA	2010 ACTUALS
INCOME		
Scheduled Market Rent	\$551,400	\$459,010
Less: Vacancy	(\$38,598)	
Plus: HA/ACS Income	\$13,000	\$12,767
Adjustments (Pre-Repaid):	\$800	\$793
Less: Bad Debt	(\$1,600)	(\$1,615)
NET RENTAL INCOME	\$525,002	\$470,955
Plus: Interest Income	\$250	\$216
Plus: CAM Income	\$400	\$375
Plus: Laundry Income	\$7,000	\$7,037
Plus: Credit/Bank/NSF/Late	\$1,500	\$1,432
TOTAL OPERATING INCOME (EGI)	\$534,152	\$480,015
EXPENSES		
Salaries	\$17,000	\$16,512
Advertising	\$1,500	
Administrative	\$5,300	\$5,217
Utilities	\$44,000	\$43,993
Repairs/Maintenance/ Supplies	\$77,000	\$76,964
Contract Services	\$5,000	\$4,931
Insurance	\$32,000	\$31,445
Property Management Fee	\$21,000	\$44,359
RE Taxes	\$44,280	
Professional Fees	\$5,000	\$5,467
CapEx Reserves	\$9,000	
TOTAL EXPENSES	\$261,080	\$228,888
Per Unit:	\$4,351	\$3,815
Per SF:	\$4.02	\$3.53
Net Operating Income	\$273,072	\$251,127
Less : Debt Service	\$159,588	\$159,588
Projected Net Cash Flow	\$113,484	\$91,539
Projected Cash on Cash Return	7.9%	6.4%

NEW LOAN (PRO FORMA)	
Principal Balance (60% LTV)	2,160,000
Interest Rate	6.25%
Amortization	30 years
Monthly Principal & Interest Payment	13,299
Origination Fee	1%



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MARKET OVERVIEW



FRESNO WATER TOWER

FRESNO FACTS: Fresno is the rapidly growing Regional Center of the Central Valley, now larger than Oakland and Sacramento. The City of Fresno is the geographic center of the State of California, located 196 miles southeast of San Francisco and 214 miles north of Los Angeles. Located in the heart of the San Joaquin Valley, the richest and most productive agricultural region in the world, 2006 census figures reflect a population in excess of 560,000 in the Fresno

metropolitan area and nearly 900,000 in Fresno County.

THE ECONOMY: While agriculture is an important element in the economic strength of the region, many unrelated industries complement and stabilize the local economy, including private sector plants and service centers, large state and federal government offices, hospitals, and educational institutions.

GOVERNMENT EMPLOYERS: The Internal Revenue Service is one of the largest employers in Fresno, with 4,500 employees. As the County Seat for Fresno County and the population center for its region, Fresno also supports many local government services, including 3,600 employees who work for the City of Fresno and 7,400 employees who work for the County of Fresno



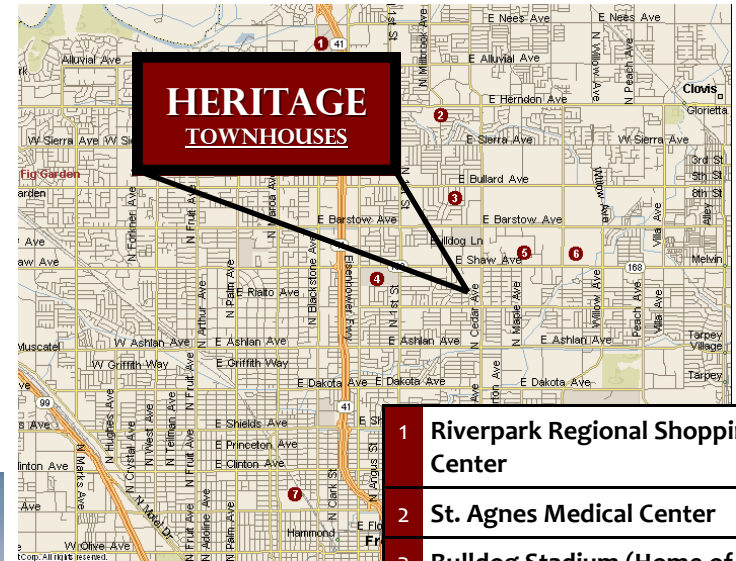
Fresno Federal Courthouse

RECREATION: Fresno County is surrounded by three national parks: Yosemite, Sequoia and Kings Canyon, each located within an hour's drive. A variety of nearby lakes and parks provide residents and visitors with a full range of outdoor activities. The area's warm summer climate is conducive to water sports such as boating, swimming, and skiing, as well as camping. During the winter months residents and visitors can drive to the nearby Sierra Nevada Mountains to enjoy downhill and cross-country skiing. Additionally, there are a large number of casinos and gaming centers throughout the region.



Yosemite Falls

EDUCATION: Fresno County contains more than 30 school districts, for nearly 170,000 students in grades K- 12. Fresno Unified School District is the fourth largest School District in California, with 88 school sites and total attendance of nearly 80,000 students. Higher education institutions in the area include California State University, Fresno, the State Center Community College District, the San Joaquin College of Law and Fresno Pacific University.



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| 1 | Riverpark Regional Shopping Center |
| 2 | St. Agnes Medical Center |
| 3 | Bulldog Stadium (Home of the Fresno State Football team) |
| 4 | Fashion Fair Shopping Center (Regional Shopping Center) |
| 5 | CSU Fresno ("Fresno State") |
| 6 | Savemart Center (\$140M Event Center completed in 2003) |
| 7 | Fresno City College |

FOR FURTHER INFORMATION,
PLEASE CONTACT:



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