

Marcus & Millichap

Real Estate Investment Services

**71 APARTMENT UNITS
PALM GARDENS AND PORTER ROAD
APARTMENTS PORTFOLIO
5321 Beach Street
New Port Richey, FL 34652**

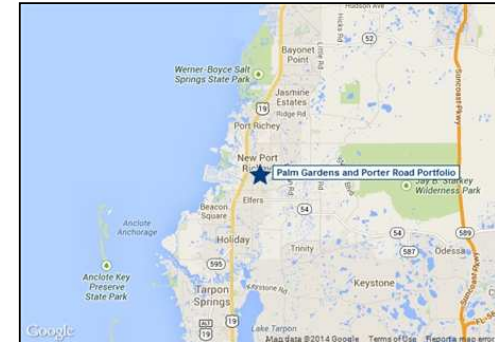


OFFERING SUMMARY

INVESTMENT HIGHLIGHTS

- ◆ Economies of Scale Due to Two Properties Within a Four Minute Commute
- ◆ Concrete Block Construction Built Between 1979 and 1987 and Renovated During the Last Four Years
- ◆ Approximately 54 Percent Two-Bedroom Floor Plans with Washer/Dryer Connections or Appliances in All Units
- ◆ Within One Mile of U.S. Highway 19
- ◆ Approximately 45 Minutes from St. Petersburg and Tampa
- ◆ Pasco County Rated as One of the Top 40 Fastest Growing Counties in the United States
- ◆ Minutes from the Gulf of Mexico
- ◆ Major Area Employers include Medical Center of Trinity, TruGreen, T-Mobile, Bank of America, Lockheed Martin, Hospital Corporation of America and Chase Financial

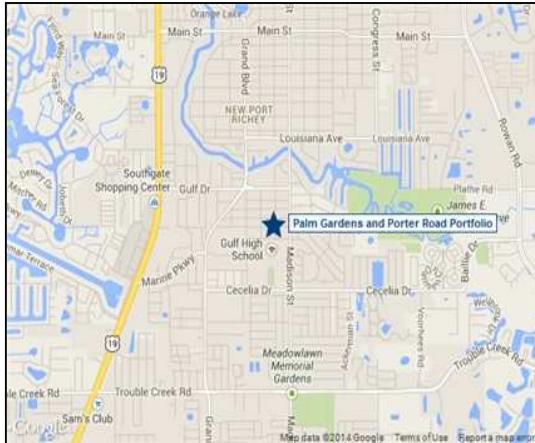
Price	\$2,800,000
Down Payment	(25%) \$700,000
Loan Amount	\$2,100,000
Loan Type	Proposed New
Interest Rate/Amortization	4.750%/30 Years
Units	71
Price Per Unit	\$39,437
Rentable SF	49,690
Price Per SF	\$56.35
Year Built	1979/1987
Lot Size	3.83 +/- Acres
Cap Rate - Current	7.62%
Cap Rate - Pro Forma	8.50%
GRM - Current	6.36
GRM - Pro Forma	5.79
Net Cash Flow After Debt Service - Current	11.68%
Net Cash Flow After Debt Service - Pro Forma	15.23%
Total Return - Current	16.31%
Total Return - Pro Forma	19.86%



Offices Nationwide

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www.marcusmillichap.com



INVESTMENT OVERVIEW

Palm Gardens and Porter Road Portfolio represents a two property multifamily portfolio located in New Port Richey, Florida in Pasco County. The portfolio consists of eighteen, one-story buildings and five, two-story buildings. The buildings are comprised of 33 one-bedroom/one-bathroom units and 38 two-bedroom/one-bathroom units. Amenities include central heat and air-conditioning, ample on-site parking and washer/dryer connections or appliances in all units. The interior of the majority of the units have been upgraded with ceramic tile in the kitchens, living rooms and bathrooms. The majority of the roofs on the buildings were replaced within the last three to seven years.

Palm Gardens and Porter Road Apartments are located within a short four minute (1.3 mile) commute of each other. The properties are a 45 minute commute to Tampa and St. Petersburg and are two hours from Ocala and Orlando. An excellent quality of life and a supportive environment for business and industry has supported Pasco County to become one of the top 40 fastest growing counties in the United States. Major area employers include Raymond James Financial, T. Rowe Price, Dais Analytics, Medical Center of Trinity, Lockheed Martin, Hospital Corporation of America and Chase Financial to name a few.

5321 BEACH STREET • NEW PORT RICHEY, FL 34652

UNIT MIX

No. of Units	Unit Type	Approx. Square Feet	Current Rents	Average Rent/SF	Monthly Income	Pro Forma Rents	Average Rent/SF	Monthly Income
33	1Bdr 1Bath	600	\$470-\$495	\$0.80	\$16,335	\$525	\$0.88	\$17,325
6	2Bdr 1Bath	715	\$575	\$0.80	\$3,450	\$625	\$0.87	\$3,750
32	2Bdr 1Bath	800	\$550-\$575	\$0.70	\$18,400	\$600	\$0.75	\$19,200
71	Total	49,690			\$38,185			\$40,275

OPERATING DATA

Income	Current	Pro Forma
	\$458,220	\$483,300
Less: Loss to Lease	\$17,940	
Gross Potential Rent	\$440,280	\$483,300
Gross Potential Income	\$440,280	\$483,300
Less: Vacancy/Deductions (GPR)	5.0% / \$22,014	5.0% / \$24,165
Effective Gross Income	\$418,266	\$459,135
Less: Expenses	\$205,038	\$221,039
Net Operating Income	\$213,228	\$238,096
Net Cash Flow Before Debt Service	\$213,228	\$238,096
Debt Service	\$131,455	\$131,455
Debt Coverage Ratio	1.62	1.81
Net Cash Flow After Debt Service	11.7% / \$81,773	15.2% / \$106,641
Principal Reduction	\$32,405	\$32,405
Total Return	16.3% / \$114,177	19.9% / \$139,046



EXPENSES

	Current	Pro Forma
Real Estate Taxes	\$32,475	\$52,132
Insurance	33,725	33,725
Utilities	23,043	23,043
Contract Services	5,532	5,532
Repairs & Maintenance	28,400	28,400
On-Site Payroll	36,000	36,000
Management Fee	20,913	22,957
General & Administrative	7,200	1,500
Reserves & Replacements	17,750	17,750
Total Expenses	\$205,038	\$221,039
Expenses per Unit	\$2,888	\$3,113
Expenses per SF	\$4.13	\$4.45
% of EGI	49.0%	48.1%

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