EXCLUSIVE MULTIFAMILY OFFERING

58 Units | Built 1989

32980 Truman Street | Rockwood, MI 48173

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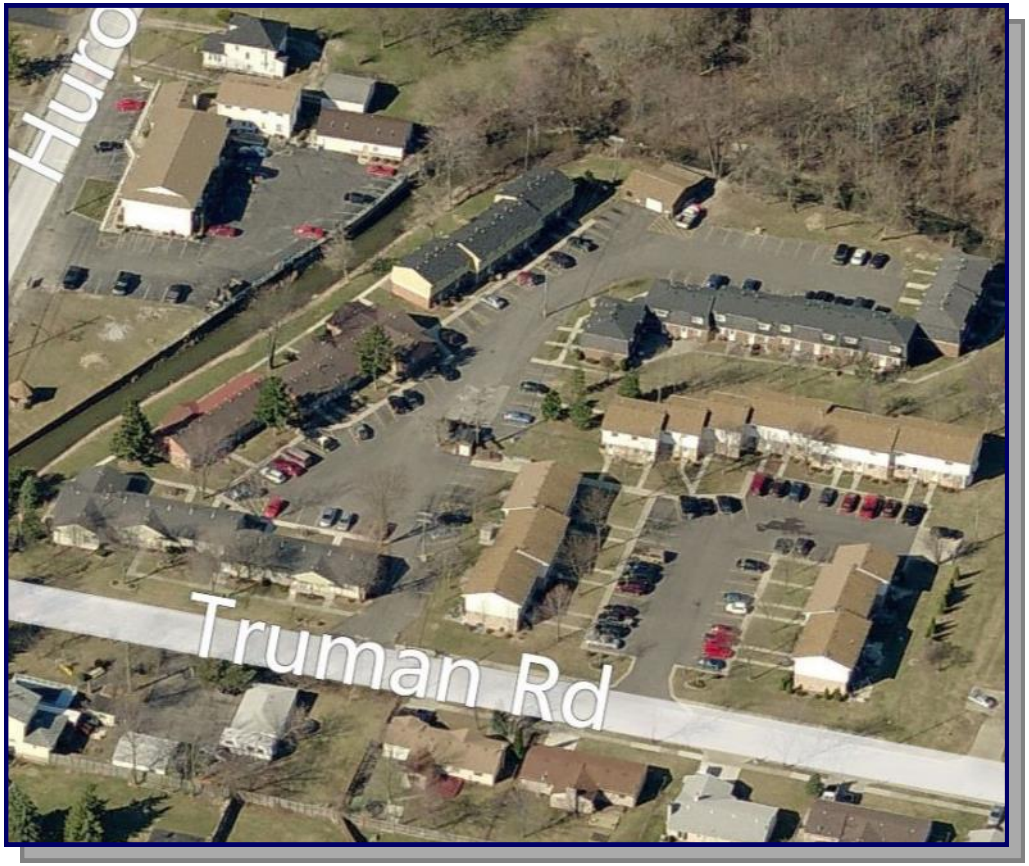

PROPERTY DESCRIPTION

The Truman Apartments offer a potential investor the opportunity to own a well constructed and very well maintained apartment complex in a very desirable location.

The complex built in two phases in 1973 and 1989 on 7.45 acres is made up of 58 units in five buildings. Floor plans include 1,2 and 3 bedroom apartments and townhouses.

All units have individual entrances, modern appliances, separate heat, electricity and central air conditioning. The park like setting together with a private play area and basketball court are a few of the amenities offered at Truman Apartments. Minutes from major freeways, shopping and dining and close to major employers including Ford Motor Company, Chrysler Corporation, Mazda and other major industrial complexes.

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THE OFFERING

Property	Truman Apartments
Property Address	32980 Truman Street Rockwood, MI 48173
Assessor's Parcel Number	52-010-99-0010-701
Zoning	R-C Multiple-Family Residential

SITE DESCRIPTION

Number of Units	58
Number of Buildings	5
Number of Stories	One and Two Story Buildings
Year Built	1973 & 1989
Rentable Square Feet	32,600
Lot Size	7.45 Acres
Type of Ownership	Fee Simple
Density	7.79 units per acre
Parking	145 cars
Parking Ratio	Ample
Landscaping	Mature Trees and Shrubs
Topography	Mostly Flat

UTILITIES

Water	City water and sewer landlord paid
Phone	Tenant Paid
Electric	Tenant Paid
Gas	Tenant Paid

CONSTRUCTION

Foundation	Concrete Block
Framing	Wood
Exterior	Wood & Brick
Parking Surface	Asphalt
Roof	Pitched Shingled

MECHANICAL

HVAC	Individual Gas Heat & Central A/C
Wiring	Copper
Fire Protection	Smoke Detectors

Commercial Property Managers (CPA), makes no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies.

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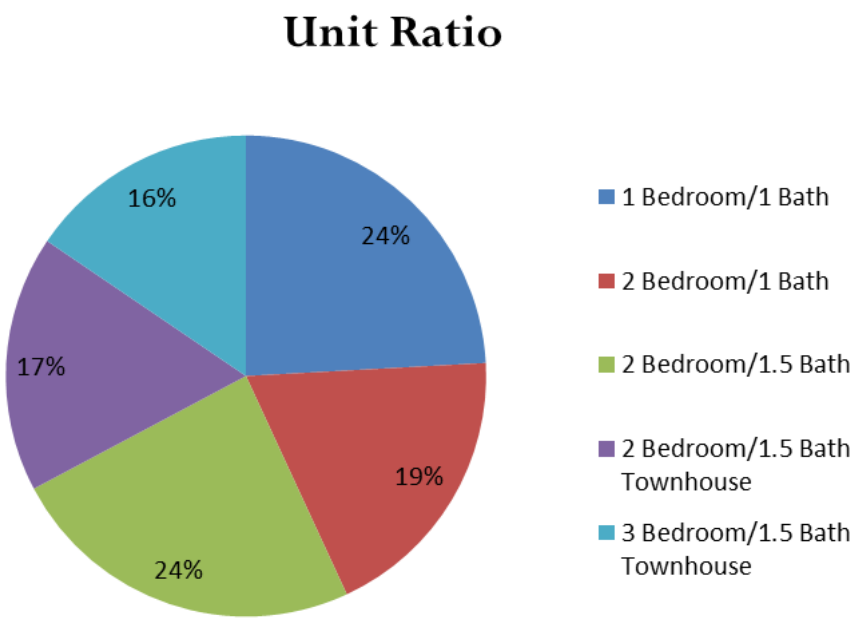
UNIT MIX

Type	Units	Unit Sq Ft	Total Sq Ft	Advertised Rent	Annual Advertised Rent	Rent/Sq Ft
1 Bedroom/1 Bath	14	700	9,800	$425.00	$71,400	$0.57
2 Bedroom/1 Bath	11	925	10,175	$450.00	$59,400	$0.81
2 Bedroom/1.5 Bath	14	934	13,076	$600.00	$100,800	$0.80
2 Bedroom/1.5 Bath Townhouse	10	1200	12,000	$750.00	$90,000	$0.63
3 Bedroom/1.5 Bath Townhouse	9	1200	12,000	$800.00	$86,400	$0.63
Totals/Averages	**58**	**991.80**	**57,051**	**$605.00**	**$81,600**	**$0.69**



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THE LOCATION

Rockwood is located in the extreme southeastern corner of Wayne County, along the Lake Erie coastline, on the north side of the Huron River. This is a suburban community adjacent to the greater Detroit metro area to the north. (It has a "sister city," South Rockwood, just across the river into Monroe County). It consists primarily of residential areas, with some small businesses and stores along Huron River Drive. It lies next door to the Pointe Mouillee State Game Area, a marshy region along the coast of the big lake that contains several marinas and is a great place for fishing and boating. This property offers a stable investment opportunity for any investor.

INVESTMENT HIGHLIGHTS

Very well maintained

All Individual Entrances

Park-Like setting with playground

Basketball court

Large Spacious Units

Patio Areas

Walk-in Closets

Basements*

Paved Lighted Parking

Individual Heating and

Central Air Conditioning

* applicable to some units

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Income			Pro Forma	2012 Actuals	2011 Actuals
Scheduled Market Rent			$425,400	$396,194	$382,654
Less: Loss to Lease		0.50%	($2,127)	$0	$0
Less: Vacancy		5.00%	($21,270)	$0	$0
Less: Concessions		0.50%	($2,127)	$0	$0
Less: Non-Revenue Units & Bad Debt		0.50%	($2,127)	$0	$0
Net Rental Income			$397,749	$396,194	$382,654
Plus: Other Income			$0	$0	$0
Total Operating Income (EGI)			$397,749	$396,194	$382,654
Expenses		Per Unit			
Administrative		$129	$7,500	$24,527	$29,137
Advertising & Promotion		$43	$2,500	$1,109	$1,424
Payroll		$603	$35,000	$0	$0
Repairs & Maintenance / Grounds		$836	$48,500	$47,598	$55,842
Management Fee	5.00%	$343	$19,887	$0	$0
Utilities		$621	$36,000	$34,135	$37,470
Real Estate Taxes		$825	$47,843	$68,143	$69,262
Insurance		$284	$16,500	$16,500	$15,159
Replacement Reserve		$350	$20,300	$0	$0
Total Expenses			$234,030	$192,012	$208,294
		Per Unit:	$4,035	$3,311	$3,591
		Per SF:	$4.19	$3.44	$3.73
Net Operating Income			$163,719	$204,182	$174,360
Less: Debt Service			($95,714)	($95,714)	($95,714)
Projected Net Cash Flow			$68,004	$108,468	$78,646
Total Economic Loss			6.5%	0.0%	0.0%
Cash-on-Cash Return (Based on Ask Price)			10.81%	17.23%	12.50%
Cash-on-Cash Return (Based on High Price)			13.31%	20.36%	15.16%
Cash-on-Cash Return (Based on Low Price)			14.92%	21.17%	15.98%
Debt Service Coverage			1.71		

Cap Rate Analysis	Price	$/Unit	$/Foot	Cap Rate	Cap Rate	Cap Rate
Listing Price	**$2,050,000**	**$35,345**	**$36.70**	**8.00%**	**9.96%**	**8.51%**

All Financing	Total Loan Amount	Down Payment	LTV	Mo. Payment	Debt Constant
	$1,435,000	$629,350	70%	($7,976)	6.7%

New First Mortgage (to be originated at purchase)

LTV for this loan	Amount	Interest Rate	Amortization	Payment	Fees	I/O Term (yrs)
70%	$1,435,000	4.50%	25	($7,976)	1.00%	0

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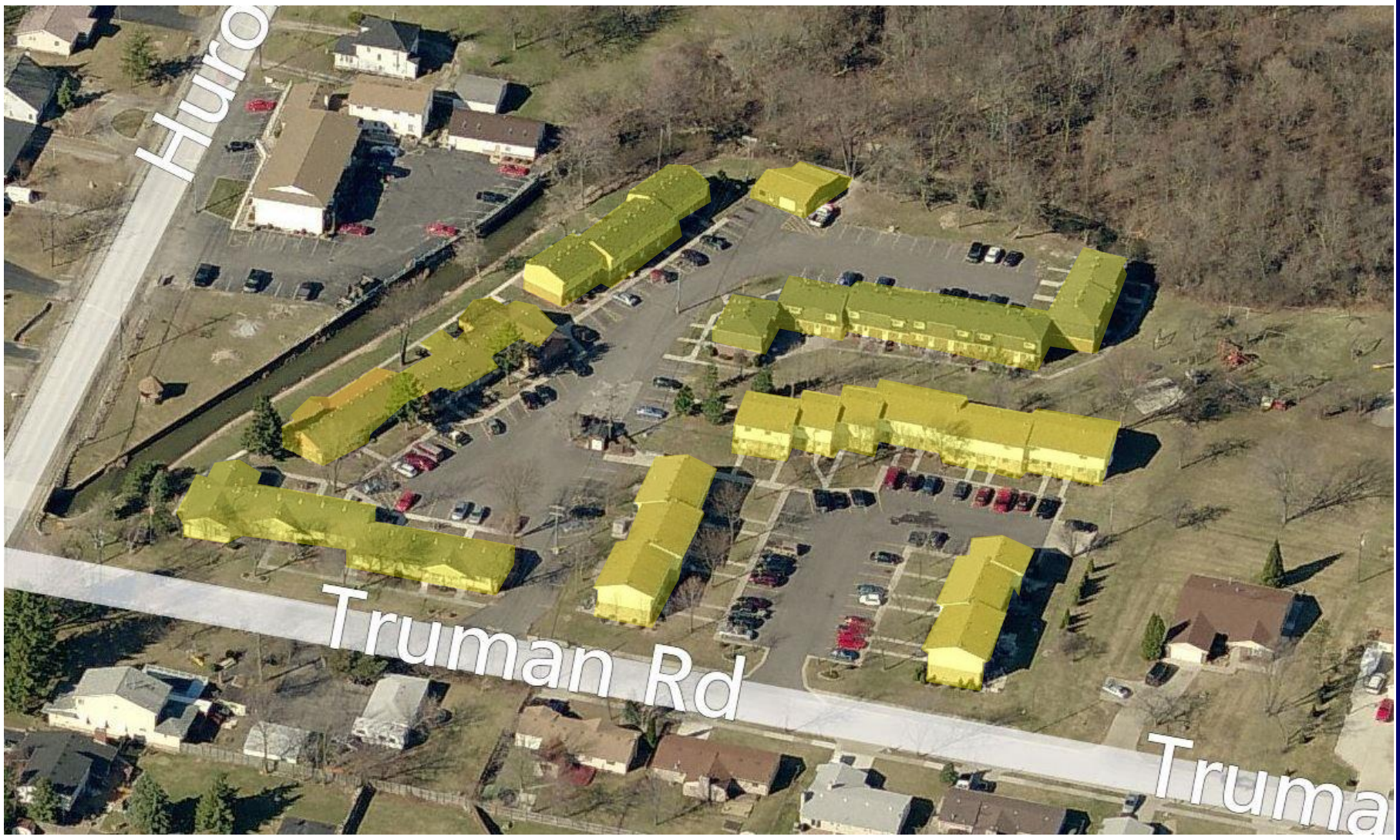
Smith Creek
Smith Creek
Smith Creek
Huron River Dr


Huro
Truman Rd
Truma

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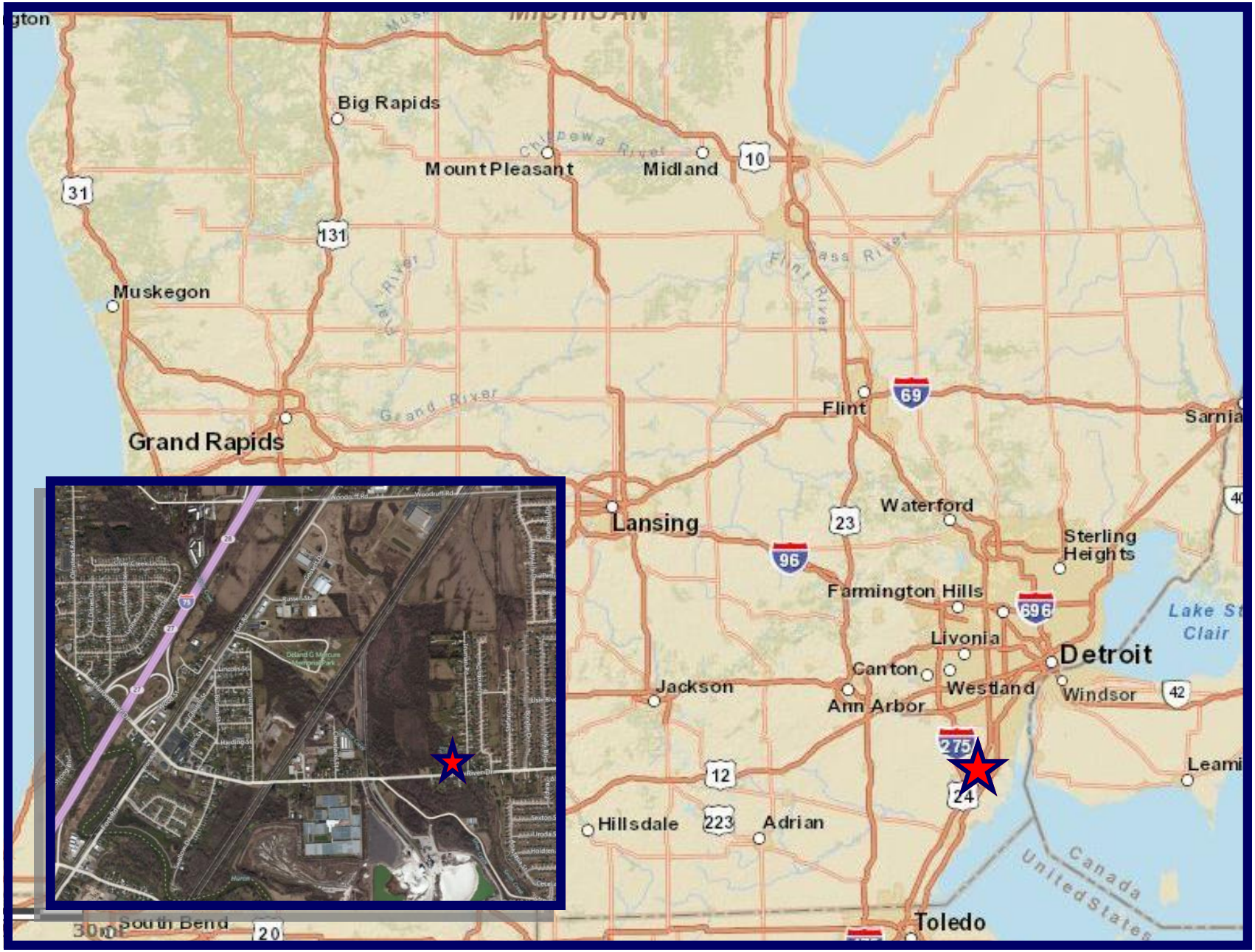

THE ASSET

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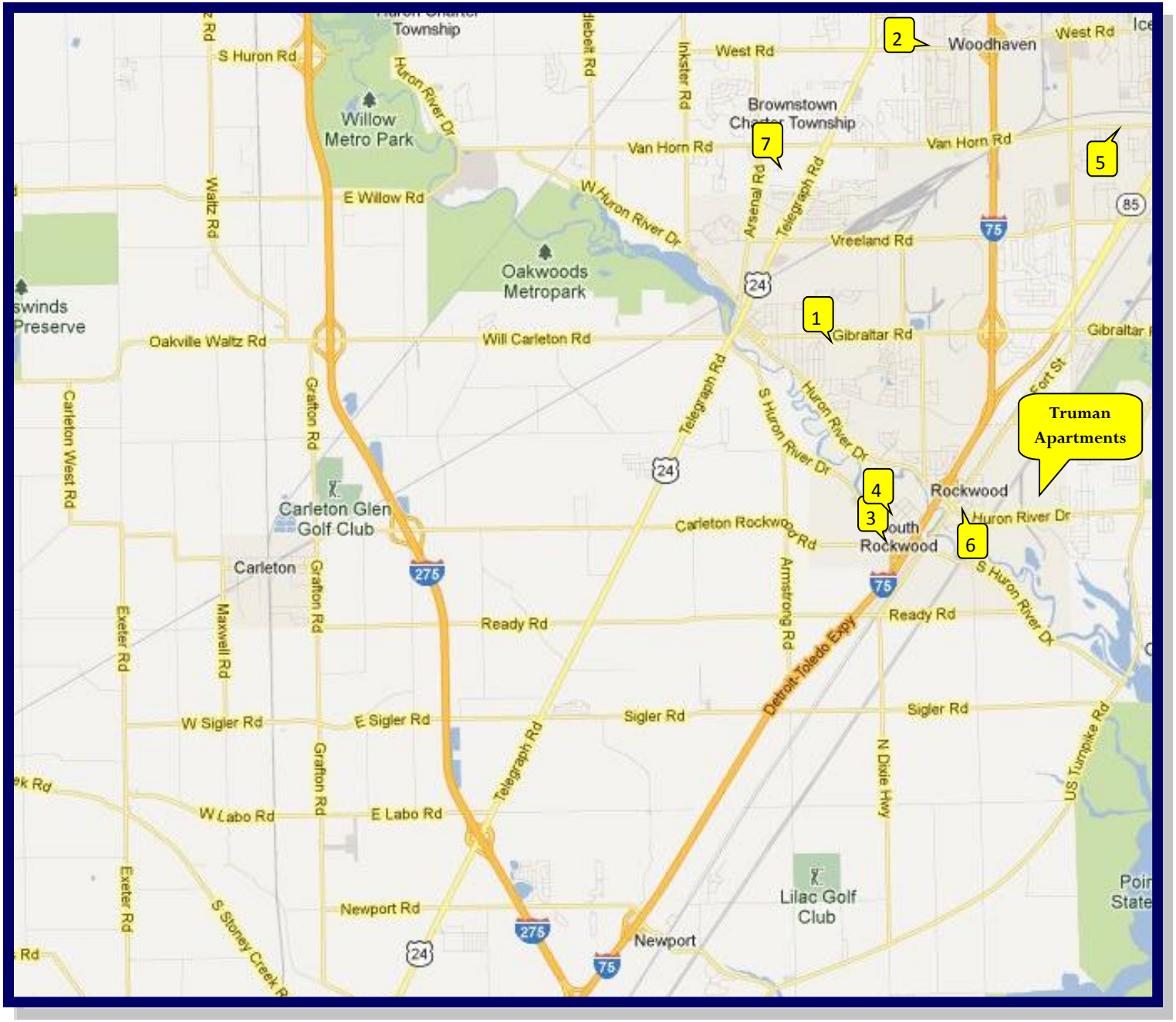

MARKET POSITIONING

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Subject: Truman Apartments

32980 Truman Street
Rockwood, MI 48173

Source: Rent.com (4/252013)

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
1 Bedroom	1/1	700	$425	$0.57		$425	$0.57
2 Bedroom	2/1	925	$450	$0.81		$450	$0.81
2 Bedroom	2/1.5	934	$600	$0.80		$600	$0.80
2 Bedroom Townhouse	2/1.5	1,200	$750	$0.63		$750	$0.63
3 Bedroom Townhouse	3/1.5	1,200	$800	$0.63		$800	$0.63

Comp 1: Creekside Village

24993 Mayfair Drive
Flat Rock, MI 48134

Source: Rent.com (4/25/2013)
Utilities Included: Gas, Sewage, Trash & Water

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
1 Bedroom	1/1	650	$645	$0.99		$445	$0.99
2 Bedroom	2/1.5	980	$745	$0.76		$745	$0.76
3 Bedroom	3/1.5	1100	$899	$0.81		$899	$0.81

Comp 2: Southpointe Square

22520 West Road
Woodhaven, MI 48183

Source: Rent.com (4/25/2013)
Utilities Included: Gas

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
1 Bedroom	1/1	620	$600	$0.96		$600	$0.96
2 Bedroom	2/1	807-837	$725	$0.86		$725	$0.86
2 Bedroom	2/1.5	969-1031	$720-$820	$0.79		$720-$820	$0.79

Comp 3: Village Place Apartments

12753 Stoneridge Lane
South Rockwood, MI 48179

Source: Rent.com (4/25/2013)
Utilities Included: Trash Removal

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
1 Bedroom	1/1	865	$755	$0.87		$527	$0.87
2 Bedroom	2/2	1100	$855-$880	$0.80		$855-$880	$0.80

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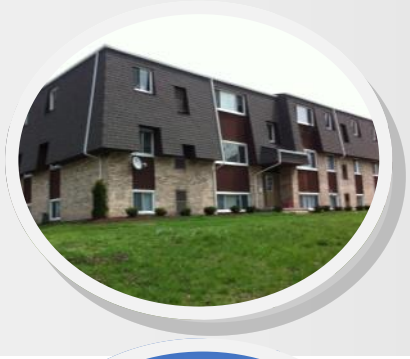

Comp 4: Huron River Apartments

23200 North Huron River Drive
Rockwood, MI 48173

Utilities Included: Water

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
1 Bedroom	1/1	650	$575	$0.88		$575	$0.89
2 Bedroom	2/1	750	$600	$0.80		$600	$0.80

Comp 5: Nottingham Knolls Apartments

3649 Van Horn
Trenton, MI 48183

Source: Rent.com (4/30/2013)

Utilities Included: Water

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
1 Bedroom	1/1	700	$550	$0.78		$550	$0.78
2 Bedroom	2/1	900	$665	$0.74		$665	$0.74

Comp 6: Proudlock Manor Apartments

22137 Huron River Road
Rockwood, MI 48173

Utilities Included: Water and Gas

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
2 Bedroom	2/1	800	$650	$0.81		$650	$0.81

Comp 7: Bridgewood Apartments

25891 Bridgewood Land
Flat Rock, MI 48137

Source: Rent.com (4/30/2013)

Utilities Included: Water

Total Units:

Model	Type	Sq. Ft.	Monthly Rental Rates: Advertised Rent	$/SF	Concession	Effective Rent	$/SF
1 Bedroom	1/1	707	$499	$0.71		$499	$0.71
2 Bedroom	2/1	972	$599	$0.61		$599	$0.61

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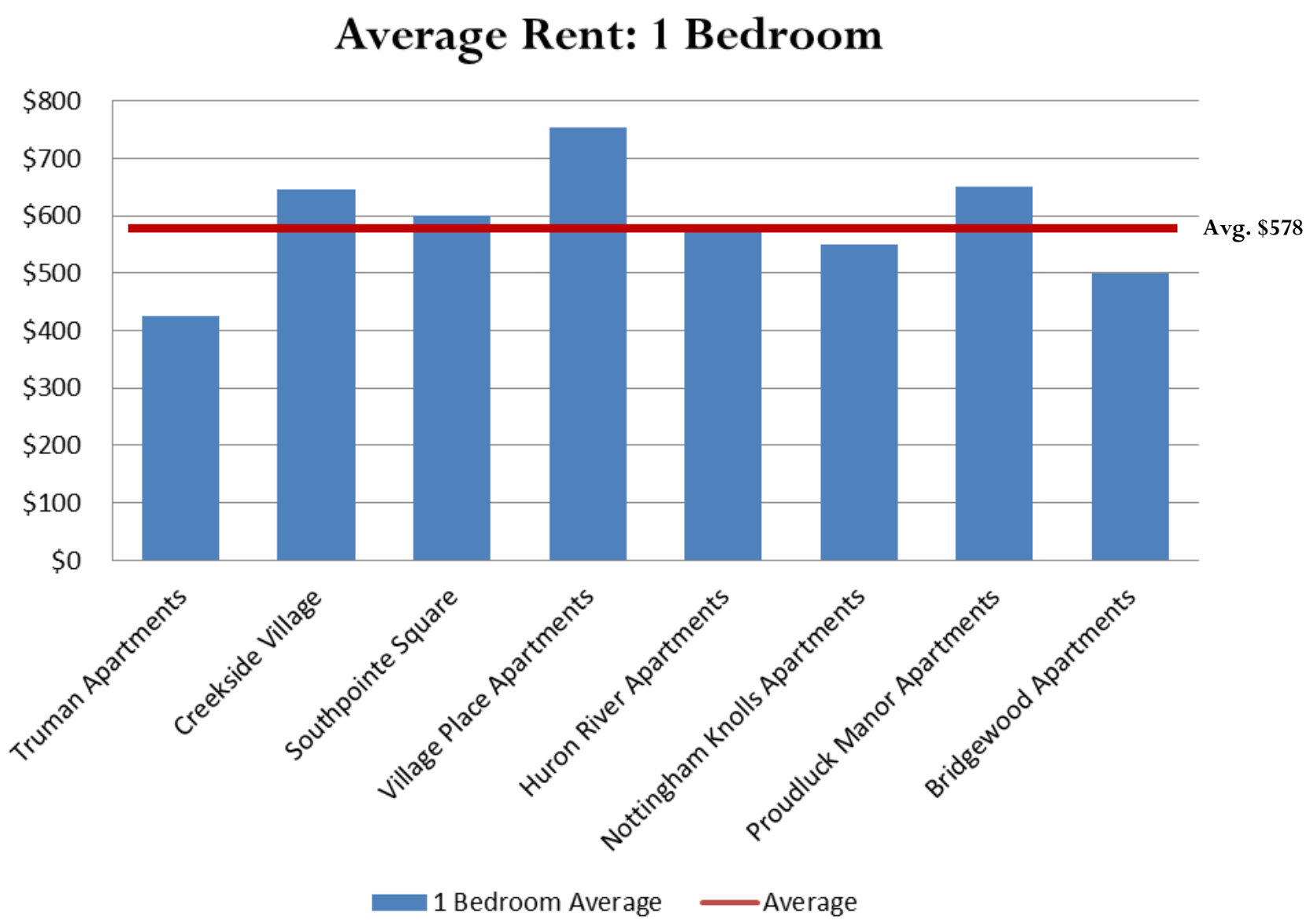
MARKET POSITIONING



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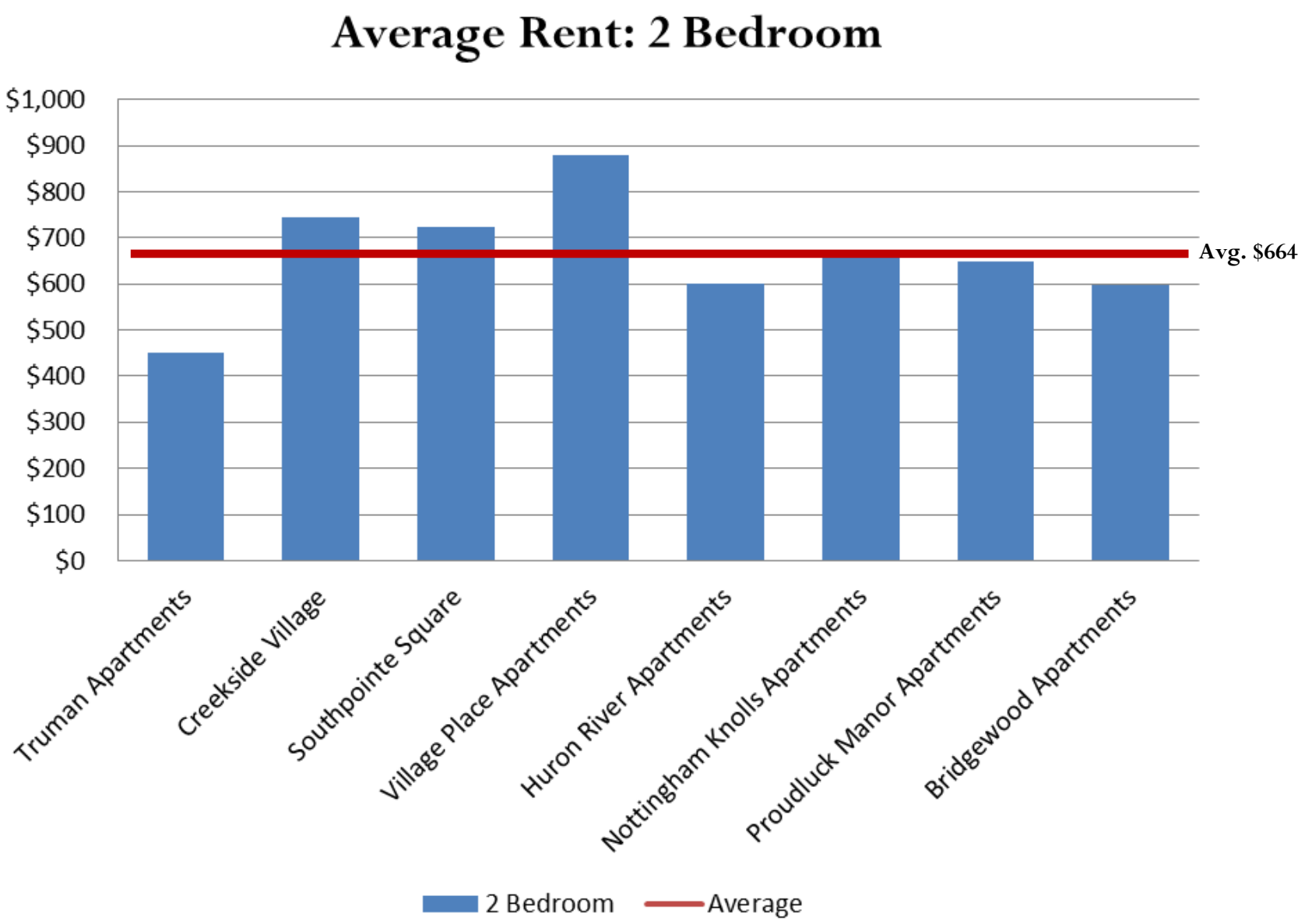

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Map	Property Name	Building Address	City	State	Zip	Year Built	Units	Sq. Ft.	Sale Price	$/Unit	$/Sq. Ft.	Date Closed
1	Central Court	6141-6159 Central Road	Garden City	MI	48135		38	16,536	$1,350,000	$ 35,526	$ 81.64	2/15/2013
2	Galway Apartments	550 E. Elmwood Ave.	Clawson	MI	48017	1988	18	12,500	$710,000	$39,444	$56.80	12/21/2012
3	Dearborn Manor Apartments	851 Oakwood Blvd.	Dearborn	MI	48124	1928	30	15,681	$800,000	$26,667	$51.02	2/28/2012
							Avg/Sum	**14,905**	**$953,333**	**$33,879**	**$63.15**	
	Truman Apartments	**32980 Truman St.**	**Rockwood**	**MI**	**48173**	**1989**	**58**	**32,600**	**$ 2,050,000**	**$ 35,345**	**$ 62.88**	

MARKET POSITIONING

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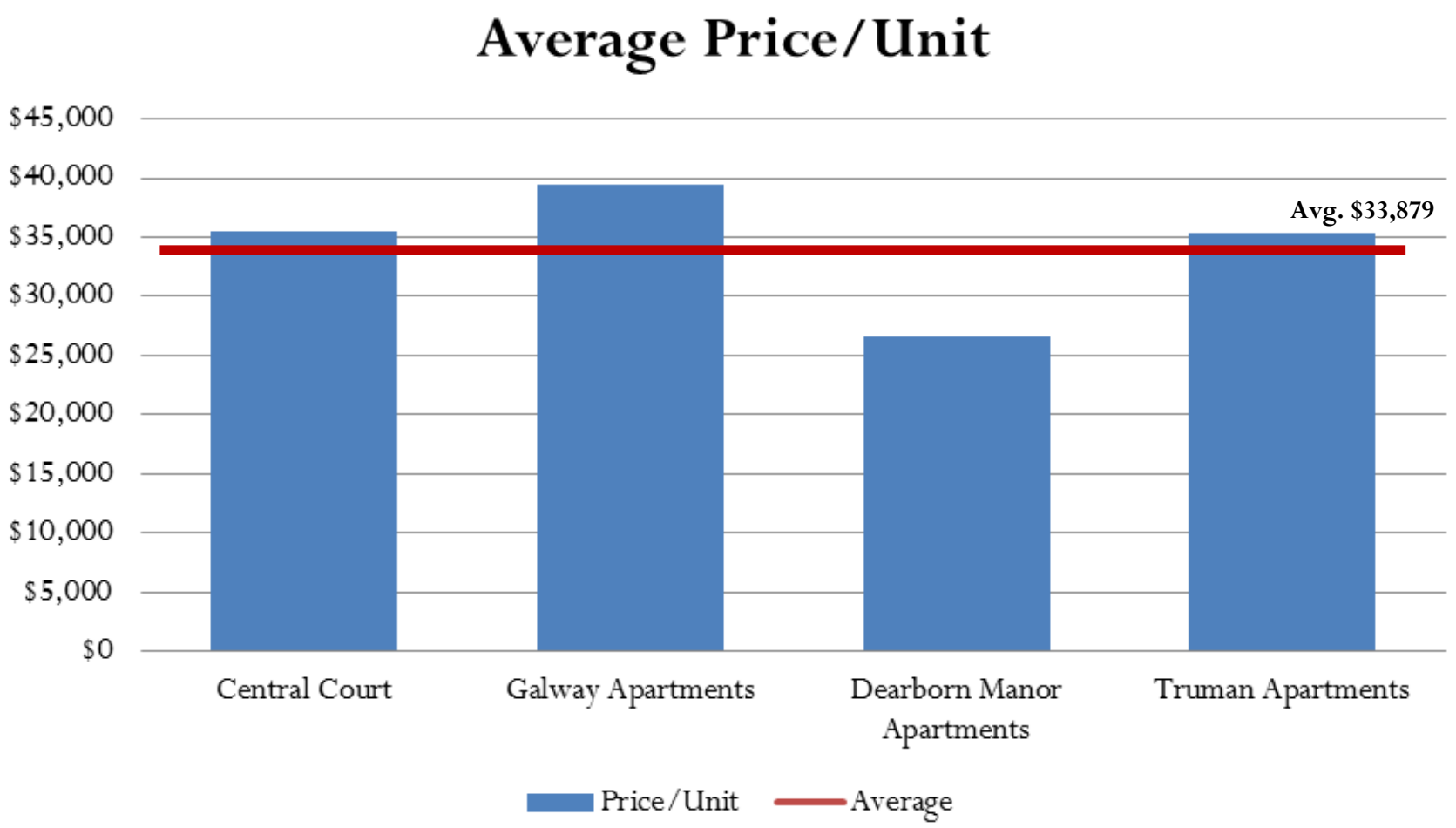

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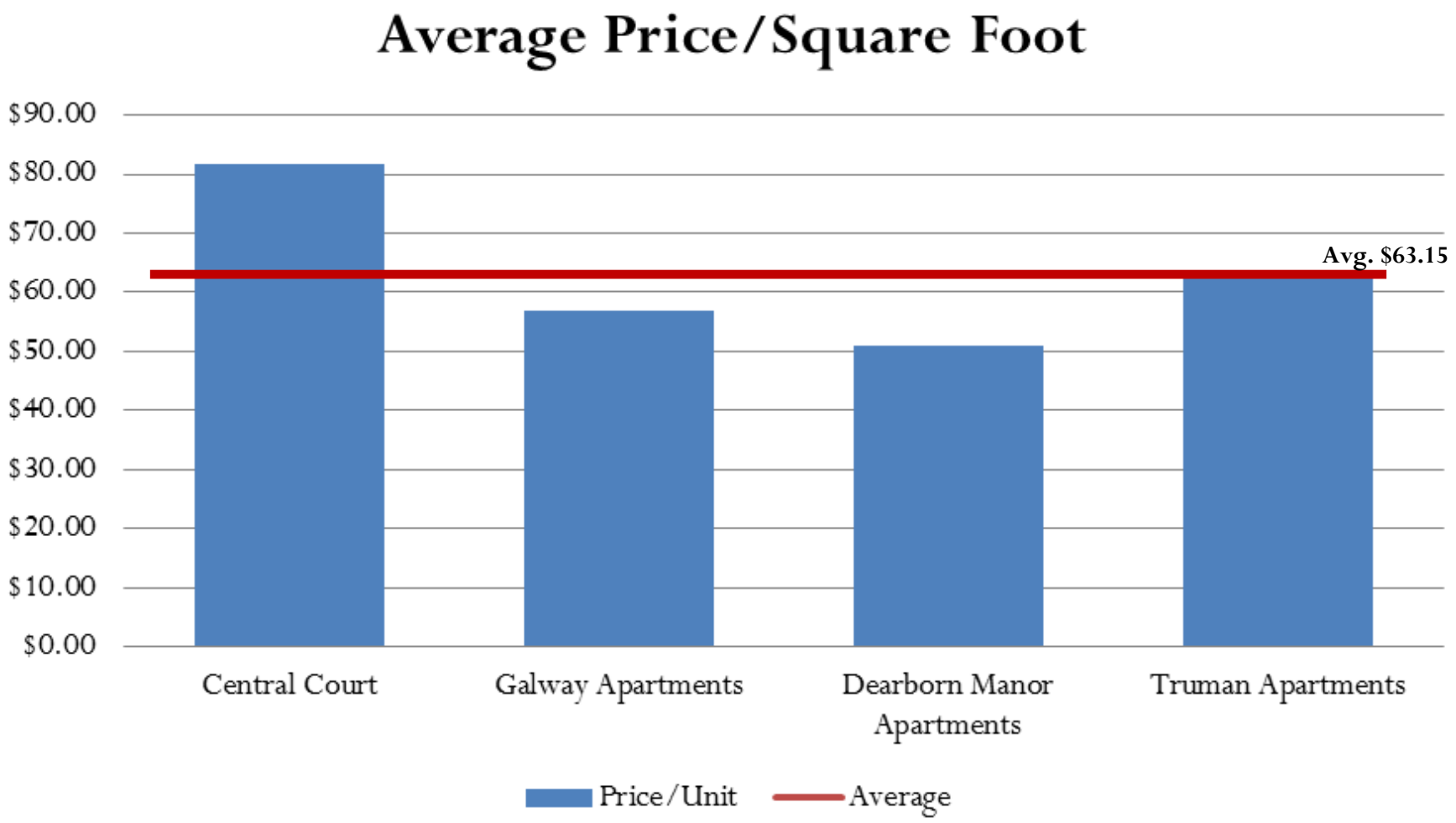

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Truman Apartments

32980 Truman Rd, Rockwood, MI 48173

Building Type: **Multi-Family**
Building Size: **16,017 SF**
# of Units: **58**
Avg Unit Size: **1027 SF**

% Bldg Vacant: **0%**
Total Available: **0 SF**
Rent/SF/Yr: **-**

Description	2010		2011		2016	
Population	**191,679**		**191,606**		**187,107**	
Age 0 - 4	11,162	5.82%	11,030	5.76%	10,893	5.82%
Age 5 - 9	12,429	6.48%	12,391	6.47%	12,001	6.41%
Age 10 - 14	13,554	7.07%	13,541	7.07%	13,270	7.09%
Age 15 - 19	13,607	7.10%	13,592	7.09%	12,421	6.64%
Age 20 - 24	11,451	5.97%	11,496	6.00%	10,751	5.75%
Age 25 - 34	21,600	11.27%	21,660	11.30%	21,504	11.49%
Age 35 - 44	26,077	13.60%	25,921	13.53%	24,253	12.96%
Age 45 - 49	14,816	7.73%	14,594	7.62%	12,608	6.74%
Age 50 - 54	15,436	8.05%	15,405	8.04%	14,010	7.49%
Age 55 - 59	14,001	7.30%	14,151	7.39%	14,437	7.72%
Age 60 - 64	11,869	6.19%	11,987	6.26%	12,640	6.76%
Age 65 - 74	13,893	7.25%	14,201	7.41%	16,707	8.93%
Age 75 - 84	8,424	4.39%	8,323	4.34%	8,184	4.37%
Age 85+	3,359	1.75%	3,315	1.73%	3,430	1.83%
Age 15+	154,533	80.62%	154,645	80.71%	150,945	80.67%
Age 20+	140,926	73.52%	141,053	73.62%	138,524	74.03%
Age 65+	25,676	13.40%	25,839	13.49%	28,321	15.14%
Median Age	**40**		**40**		**40**	
Average Age	**39**		**39**		**40**	
Population By Race	**191,679**		**191,606**		**187,107**	
White	168,167	87.73%	167,439	87.39%	161,844	86.50%
Black or African American	13,226	6.90%	13,815	7.21%	14,469	7.73%
American Indian and Alaska Native	895	0.47%	900	0.47%	909	0.49%
Asian	3,740	1.95%	3,695	1.93%	3,835	2.05%
Native Hawaiian and Pacific Islander	31	0.02%	31	0.02%	31	0.02%
Other Race	1,815	0.95%	1,869	0.98%	2,113	1.13%
Two or More Races	3,806	1.99%	3,858	2.01%	3,906	2.09%

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Truman Apartments

32980 Truman Rd, Rockwood, MI 48173

Description	2010 HeaderYear		2011 HeaderYear		2016 HeaderYear	
Population by Race (Hispanic or Latino)	8,265		8,503		9,870	
White	5,585	67.57%	5,750	67.62%	6,718	68.06%
Black or African American	162	1.96%	162	1.91%	181	1.83%
American Indian & Alaska Native	146	1.77%	147	1.73%	165	1.67%
Asian	25	0.30%	25	0.29%	27	0.27%
Native Hawaiian & Pacific Islander	3	0.04%	3	0.04%	3	0.03%
Other Race	1,688	20.42%	1,743	20.50%	1,994	20.20%
Two or More Races	656	7.94%	673	7.91%	782	7.92%
Household by Household Income	69,604		75,592		74,337	
Income Less than $15,000	6,934	9.96%	9,919	13.12%	8,963	12.06%
Income $15,000 - $24,999	6,289	9.04%	7,835	10.36%	5,667	7.62%
Income $25,000 - $34,999	6,815	9.79%	8,465	11.20%	6,682	8.99%
Income $35,000 - $49,999	9,656	13.87%	11,182	14.79%	9,358	12.59%
Income $50,000 - $74,999	14,337	20.60%	14,753	19.52%	17,385	23.39%
Income $75,000 - $99,999	10,071	14.47%	9,894	13.09%	11,770	15.83%
Income $100,000 - $149,999	11,170	16.05%	9,214	12.19%	10,028	13.49%
Income $150,000 - $199,999	2,977	4.28%	2,792	3.69%	2,902	3.90%
Income $200,000+	1,355	1.95%	1,538	2.03%	1,582	2.13%
Average Household Income	$69,253		$63,505		$69,714	
Median Household Income	$57,549		$50,434		$56,866	
Per Capita Income	$26,948		$25,273		$27,929	

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