

\$1,675,000 | MultiFamily

St. Louis, MO 63134

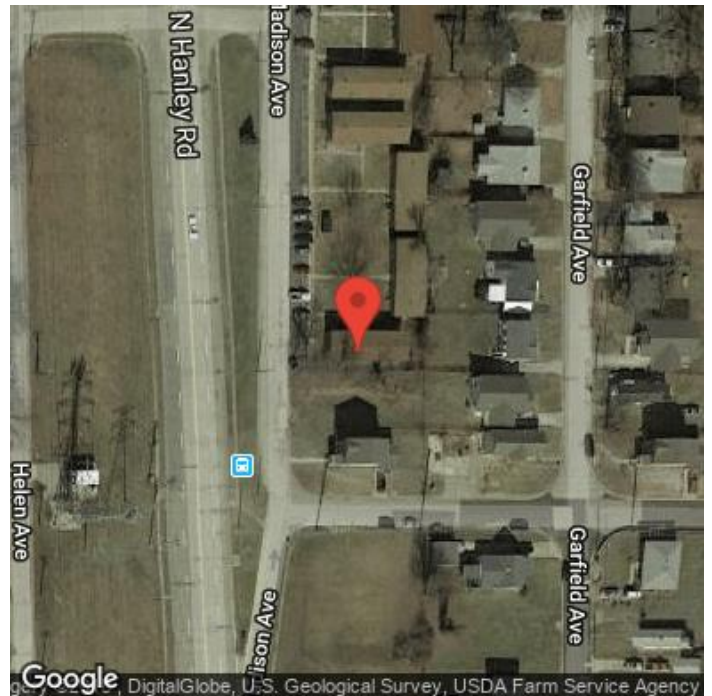
FOR SALE



6012 Madison Ave

PROPERTY HIGHLIGHTS

- All Two Bedroom Units
- Located near UMSL, Lambert International Airport, Boeing, Emerson Employment, Highway Access
- All Brick Building with Pitched Roofs
- Forced Heat Central Air



INVESTMENT DETAILS

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

ANALYSIS

Analysis Date August 2018

PROPERTY

Property Madison Apartments
Property Address 6012 Madison Ae
St. Louis, MO 63134

Year Built 1957



PURCHASE INFORMATION

Property Type MultiFamily
Purchase Price \$1,675,000
Units 44
Total Rentable Sq. Ft. 33,000

FINANCIAL INFORMATION

Down Payment \$335,000

LOANS

Type	Debt	Term	Amortization	Rate	Payment	LO Costs
Balloon	\$1,340,000	5 years	25 years	4.75%	\$7,640	

INCOME & EXPENSES

Gross Operating Income	\$261,420
Monthly GOI	\$21,785
Total Annual Expenses	(\$127,131)
Monthly Expenses	(\$10,594)

Michael Zangara

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EXECUTIVE SUMMARY

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

Acquisition Costs

Purchase Price, Points and Closing Costs	\$1,675,000
Investment - Cash	\$335,000
First Loan	\$1,340,000

Investment Information

Purchase Price	\$1,675,000
Price per Unit	\$38,068
Price per Sq. Ft.	\$50.76
Income per Unit	\$6,253
Expenses per Unit	(\$2,889)

Income, Expenses & Cash Flow

Gross Scheduled Income	\$275,148
Total Vacancy and Credits	(\$13,728)
Operating Expenses	(\$127,131)
Net Operating Income	\$134,289
Debt Service	(\$91,675)
Cash Flow Before Taxes	\$42,615

Financial Indicators

Cash on Cash Return Before Taxes	12.72%
Debt Coverage Ratio	1.46
Capitalization Rate	8.02%
Gross Rent Multiplier	6.09
Gross Income / Square Feet	\$8.34
Gross Expenses / Square Feet	(\$3.85)
Operating Expense Ratio	48.63%

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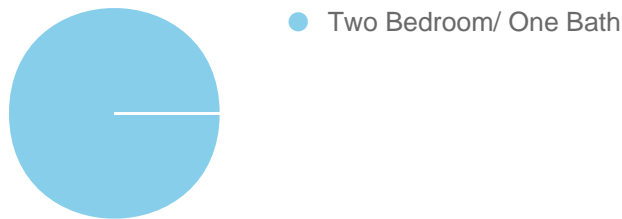
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UNIT MIX REPORT

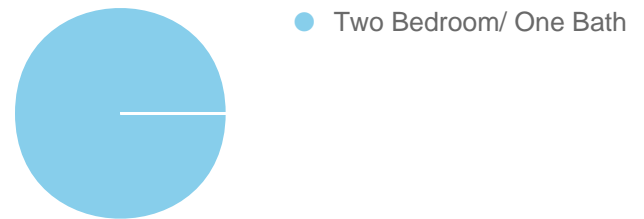
Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

Units	Type	Approx. SqFt	Avg. Rents	Monthly	Mkt Rents	Monthly
44	Two Bedroom/ One	750	\$520	\$22,880	\$550	\$24,200
44		33,000		\$22,880		\$24,200

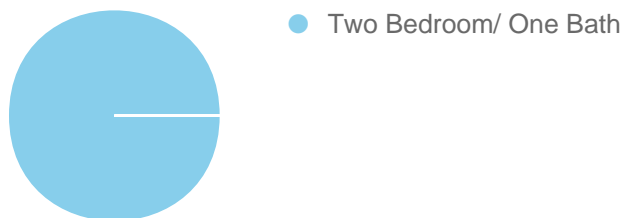
UNIT MIX



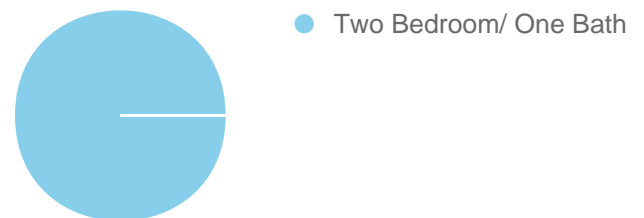
UNIT MIX SQUARE FEET



UNIT MIX INCOME



UNIT MIX MARKET INCOME



PRO FORMA SUMMARY

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

INCOME

Description	Actual	Per Unit	Pro Forma	Per Unit
Gross Potential Rent	\$274,560	\$6,240	\$290,400	\$6,600
Less: Vacancy	(\$13,728)	(\$312)	(\$14,520)	(\$330)
Misc. Income	\$588	\$13	\$588	\$13
Effective Gross Income	\$261,420	\$5,941	\$276,468	\$6,283

OPERATING EXPENSES

Description	Actual	Per Unit	Pro Forma	Per Unit
Property Management Fee	\$20,914	\$475	\$23,232	\$528
Contract Services	\$2,520	\$57	\$2,520	\$57
Building Insurance	\$13,200	\$300	\$13,200	\$300
General Supplies	\$4,274	\$97	\$4,274	\$97
Grounds Maintenance	\$2,600	\$59	\$2,600	\$59
Turns	\$9,000	\$205	\$9,000	\$205
Legal	\$3,200	\$73	\$3,200	\$73
Maintenance	\$22,000	\$500	\$22,000	\$500
Taxes - Real Estate	\$22,666	\$515	\$22,666	\$515
Trash Removal	\$5,140	\$117	\$5,140	\$117
Utility - Electricity & Gas	\$2,032	\$46	\$2,032	\$46
Utility - Water	\$9,225	\$210	\$9,225	\$210
Utility - Sewer	\$10,360	\$235	\$10,360	\$235
Total Expenses	(\$127,131)	(\$2,889)	(\$129,449)	(\$2,942)
NET OPERATING INCOME	\$134,289	\$3,052	\$147,019	\$3,341

PRO FORMA SUMMARY

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134



INVESTMENT SUMMARY

Price:	\$1,675,000
Year Built:	1957
Units:	44
Price/Unit:	\$38,068
RSF:	33,000
Price/RSF:	\$50.76
Lot Size:	1.58 acres
Floors:	2
Parking Spaces:	Ample
APN:	11K321264
Cap Rate:	8.02%
Pro Forma Cap Rate:	8.78%
GRM:	6.09
Pro Forma GRM:	5.76

FINANCING SUMMARY

Loan Amount:	\$1,340,000
Down Payment:	\$335,000
Loan Type:	Balloon
Interest Rate:	4.75%
Term:	5 years
Monthly Payment:	\$7,640
DCR:	1.46

UNIT MIX & ANNUAL SCHEDULED INCOME

Type	Units	Actual	Total Pro Forma	Total
Two Bedroom/ One Bath	44	\$6,240	\$274,560	\$290,400
TOTALS	44		\$274,560	\$290,400

ANNUALIZED INCOME

Description	Actual	Pro Forma
Gross Potential Rent	\$274,560	\$290,400
Less: Vacancy	(\$13,728)	(\$14,520)
Misc. Income	\$588	\$588
Effective Gross Income	\$261,420	\$276,468
Less: Expenses	(\$127,131)	(\$129,449)
Net Operating Income	\$134,289	\$147,019
Debt Service	(\$91,675)	(\$91,675)
Net Cash Flow after Debt Service	\$42,615	\$55,344
Principal Reduction	\$28,643	\$28,643
Total Return	\$71,258	\$83,987

ANNUALIZED EXPENSES

Description	Actual	Pro Forma
Property Management Fee	\$20,914	\$23,232
Contract Services	\$2,520	\$2,520
Building Insurance	\$13,200	\$13,200
General Supplies	\$4,274	\$4,274
Grounds Maintenance	\$2,600	\$2,600
Turns	\$9,000	\$9,000
Legal	\$3,200	\$3,200
Maintenance	\$22,000	\$22,000
Taxes - Real Estate	\$22,666	\$22,666
Trash Removal	\$5,140	\$5,140
Utility - Electricity & Gas	\$2,032	\$2,032
Utility - Water	\$9,225	\$9,225
Utility - Sewer	\$10,360	\$10,360
Total Expenses	\$127,131	\$129,449
Expenses Per RSF	\$3.85	\$3.92
Expenses Per Unit	\$2,889	\$2,942

Actual Revenue is based off of the July 2018 rent roll annualized.

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ANNUAL PROPERTY OPERATING DATA

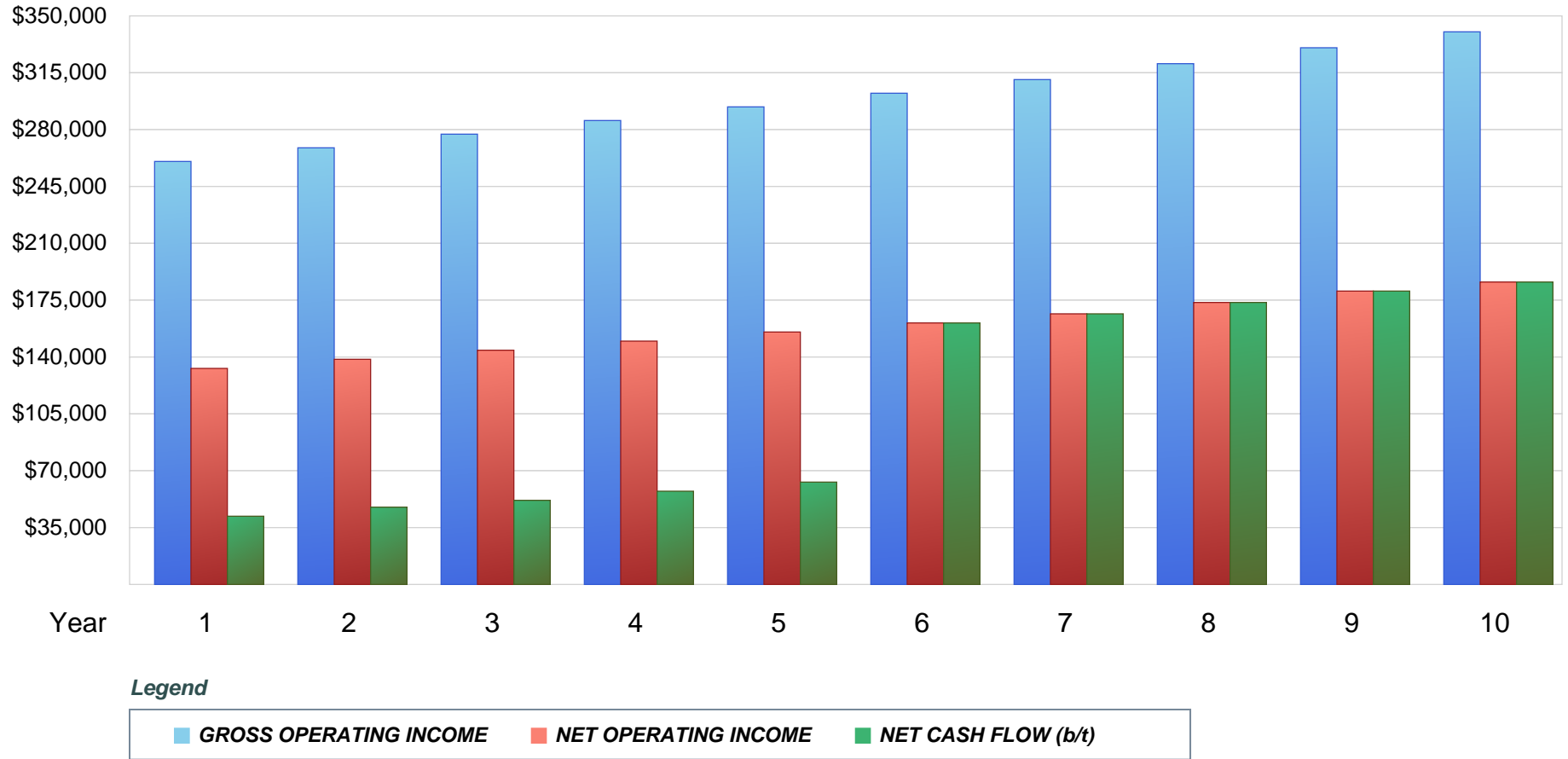
Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rental Income	\$274,560	\$282,797	\$291,281	\$300,019	\$309,020	\$318,290	\$327,839	\$337,674	\$347,804	\$358,239
Pet Fees	\$588	\$606	\$624	\$643	\$662	\$682	\$702	\$723	\$745	\$767
GROSS SCHEDULED INCOME	\$275,148	\$283,402	\$291,905	\$300,662	\$309,681	\$318,972	\$328,541	\$338,397	\$348,549	\$359,006
General Vacancy	(\$13,728)	(\$14,140)	(\$14,564)	(\$15,001)	(\$15,451)	(\$15,915)	(\$16,392)	(\$16,884)	(\$17,390)	(\$17,912)
GROSS OPERATING INCOME	\$261,420	\$269,263	\$277,340	\$285,661	\$294,231	\$303,057	\$312,149	\$321,514	\$331,159	\$341,094
Expenses										
Property Management Fee	(\$20,914)	(\$21,541)	(\$22,187)	(\$22,853)	(\$23,538)	(\$24,245)	(\$24,972)	(\$25,721)	(\$26,493)	(\$27,288)
Contract Services	(\$2,520)	(\$2,520)	(\$2,520)	(\$2,520)	(\$2,520)	(\$2,520)	(\$2,520)	(\$2,520)	(\$2,520)	(\$2,520)
Building Insurance	(\$13,200)	(\$13,464)	(\$13,733)	(\$14,008)	(\$14,288)	(\$14,574)	(\$14,865)	(\$15,163)	(\$15,466)	(\$15,775)
General Supplies	(\$4,274)	(\$4,359)	(\$4,447)	(\$4,536)	(\$4,626)	(\$4,719)	(\$4,813)	(\$4,909)	(\$5,008)	(\$5,108)
Grounds Maintenance	(\$2,600)	(\$2,652)	(\$2,705)	(\$2,759)	(\$2,814)	(\$2,871)	(\$2,928)	(\$2,987)	(\$3,046)	(\$3,107)
Turns	(\$9,000)	(\$9,180)	(\$9,364)	(\$9,551)	(\$9,742)	(\$9,937)	(\$10,135)	(\$10,338)	(\$10,545)	(\$10,756)
Legal	(\$3,200)	(\$3,264)	(\$3,329)	(\$3,396)	(\$3,464)	(\$3,533)	(\$3,604)	(\$3,676)	(\$3,749)	(\$3,824)
Maintenance	(\$22,000)	(\$22,440)	(\$22,889)	(\$23,347)	(\$23,814)	(\$24,290)	(\$24,776)	(\$25,271)	(\$25,777)	(\$26,292)
Taxes - Real Estate	(\$22,666)	(\$23,119)	(\$23,582)	(\$24,053)	(\$24,534)	(\$25,025)	(\$25,526)	(\$26,036)	(\$26,557)	(\$27,088)
Trash Removal	(\$5,140)	(\$5,243)	(\$5,348)	(\$5,455)	(\$5,564)	(\$5,675)	(\$5,788)	(\$5,904)	(\$6,022)	(\$6,143)
Utility - Electricity & Gas	(\$2,032)	(\$2,073)	(\$2,114)	(\$2,156)	(\$2,200)	(\$2,243)	(\$2,288)	(\$2,334)	(\$2,381)	(\$2,428)
Utility - Water	(\$9,225)	(\$9,410)	(\$9,598)	(\$9,790)	(\$9,985)	(\$10,185)	(\$10,389)	(\$10,597)	(\$10,809)	(\$11,025)
Utility - Sewer	(\$10,360)	(\$10,567)	(\$10,779)	(\$10,994)	(\$11,214)	(\$11,438)	(\$11,667)	(\$11,900)	(\$12,138)	(\$12,381)
TOTAL OPERATING EXPENSES	(\$127,131)	(\$129,832)	(\$132,594)	(\$135,417)	(\$138,303)	(\$141,254)	(\$144,272)	(\$147,356)	(\$150,510)	(\$153,735)

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OPERATING INCOME ANALYSIS

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134



FINANCIAL INDICATORS

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

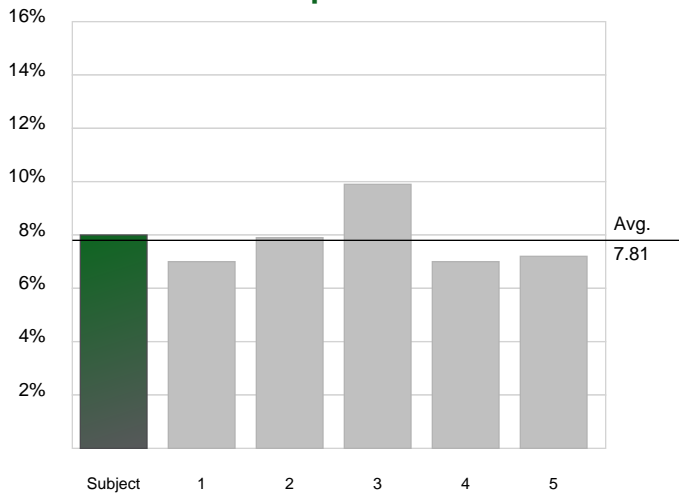
Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent Multiplier	6.09	5.91	5.74	5.57	5.41	5.25	5.10	4.95	4.81	4.67
Capitalization Rate	8.02%	8.32%	8.64%	8.97%	9.31%	9.66%	10.02%	10.40%	10.78%	11.19%
Cash On Cash Return b/t	12.72%	14.26%	15.84%	17.48%	19.18%	10.66%	11.07%	11.48%	11.91%	12.35%
Cash On Cash Return a/t	12.72%	14.26%	15.84%	17.48%	19.18%	10.66%	11.07%	11.48%	11.91%	12.35%
Debt Coverage Ratio	1.46	1.52	1.58	1.64	1.70	N/A	N/A	N/A	N/A	N/A
Gross Income per Sq. Ft.	\$8.34	\$8.59	\$8.85	\$9.11	\$9.38	\$9.67	\$9.96	\$10.25	\$10.56	\$10.88
Expenses per Sq. Ft.	(\$3.85)	(\$3.93)	(\$4.02)	(\$4.10)	(\$4.19)	(\$4.28)	(\$4.37)	(\$4.47)	(\$4.56)	(\$4.66)
Net Income Multiplier	12.47	12.01	11.57	11.15	10.74	10.35	9.98	9.62	9.27	8.94
Operating Expense Ratio	48.63%	48.22%	47.81%	47.40%	47.01%	46.61%	46.22%	45.83%	45.45%	45.07%
Loan To Value Ratio	78.29%	76.50%	74.62%	72.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* b/t = before taxes; a/t = after taxes

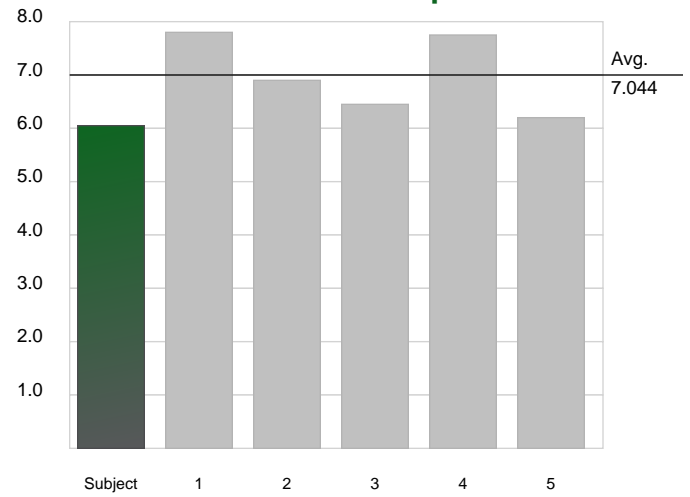
SALE COMPARABLES

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

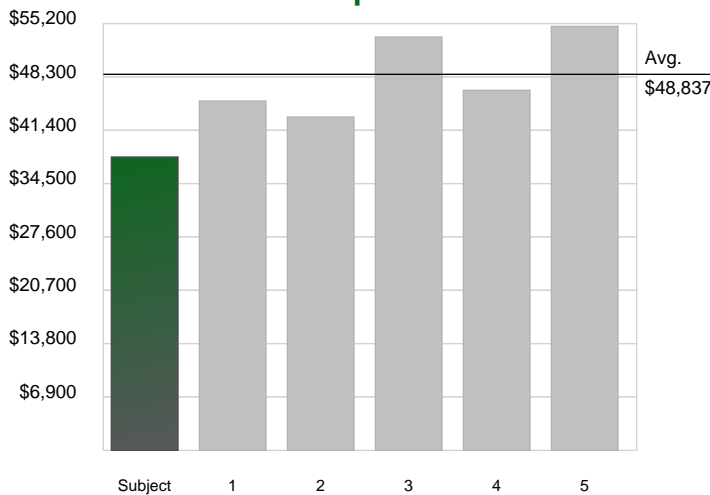
Cap Rate



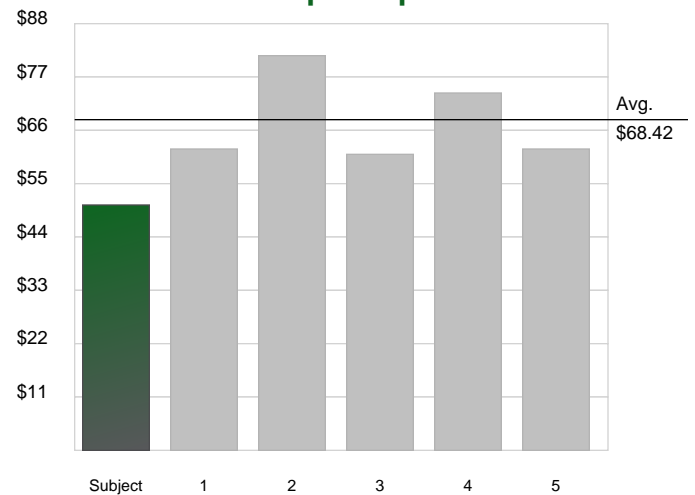
Gross Rent Multiplier



Price per Unit



Price per Sq. Ft.



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SALE COMPARABLES

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

S



Madison Apartments 6012 Madison Ae St. Louis, MO 63134

Sale Price	\$1,675,000	# Units	Unit Type
Units	44	44	Two Bedroom/ One Bath
Price/Unit	\$38,068		
Price/SqFt	\$50.76		
Cap Rate	8.02%		
Year Built	1957		
GRM	6.09		

1



Sale Date 6/18/2018

10751 Page Ave Saint Louis, MO 63132

Sale Price	\$1,135,000	# Units	Unit Type
Units	25	4	One Bedroom One Bath
Price/Unit	\$45,400	20	Two Bedroom One Bath
Price/SqFt	\$62.56		
Cap Rate	7.0%		
Year Built	1962		
GRM	7.83		

2



On Market

9748 Mcdowell St. Louis, MO 63114

Sale Price	\$2,650,000	# Units	Unit Type
Units	61	54	One Bedroom One Bath
Price/Unit	\$43,443	7	Two Bedroom One Bath
Price/SqFt	\$81.47		
Cap Rate	7.9%		
Year Built	1960		
GRM	6.92		

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SALE COMPARABLES

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

3



Sale Date 10/20/2017

8600 Jo Ct St. Louis, MO 63134

Sale Price \$1,720,000
Units 32
Price/Unit \$53,750
Price/SqFt \$61.43
Cap Rate 9.9%
Year Built 1964
GRM 6.47

Units Unit Type
32 Two Bedroom One Bath

4



Sale Date 7/6/2015

White Birch Apartments 350 Coachway Lane St. Louis, MO 63042

Sale Price \$2,050,000
Units 44
Price/Unit \$46,591
Price/SqFt \$74.11
Cap Rate 7.0%
Year Built 1965
GRM 7.77

Units Unit Type
17 One Bedroom One Bath
27 Two Bedroom One Bath

5



Sale Date 3/26/2016

Waterford Square 650 Waterford Drive St. Louis, MO 63033

Sale Price \$8,800,000
Units 160
Price/Unit \$55,000
Price/SqFt \$62.56
Cap Rate 7.25%
Year Built 1972
GRM 6.23

Units Unit Type
52 One Bedroom One Bath
108 Two Bedroom One Bath

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SALE COMPARABLES

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134



S 6012 Madison Ae
St. Louis, MO, 63134
\$1,675,000

1 10751 Page Ave
Saint Louis, MO, 63132
\$1,135,000

2 9748 Mcdowell
St. Louis, MO, 63114
\$2,650,000

3 8600 Jo Ct
St. Louis, MO, 63134
\$1,720,000

4 350 Coachway Lane
St. Louis, MO, 63042
\$2,050,000

5 650 Waterford Drive
St. Louis, MO, 63033
\$8,800,000

PROPERTY PHOTOS

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134



Solid Brick Buildings with green space



Large Living Room



Large Kitchen



Tile Bathroom



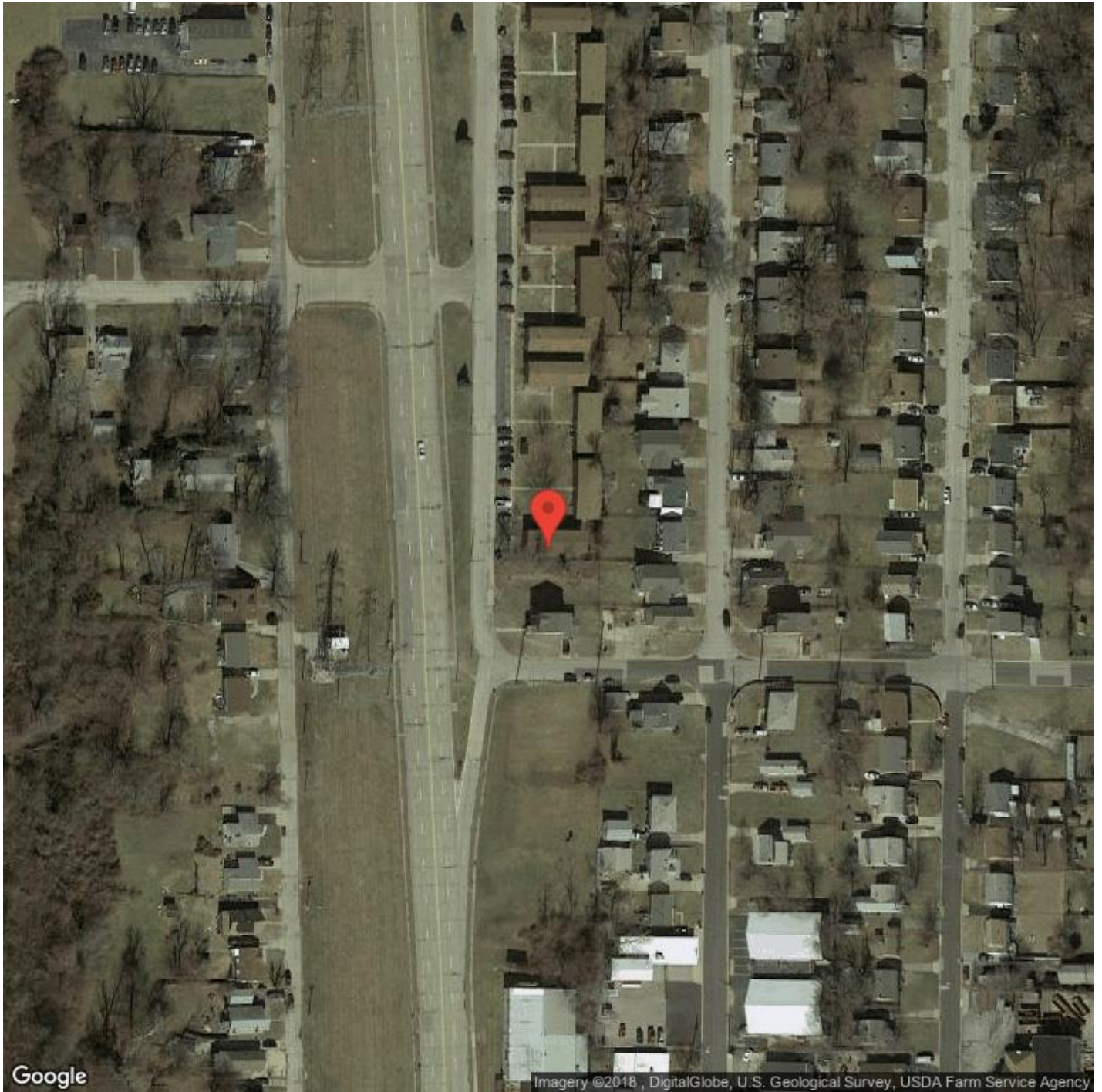
Kitchen



Bedroom

AERIAL MAP

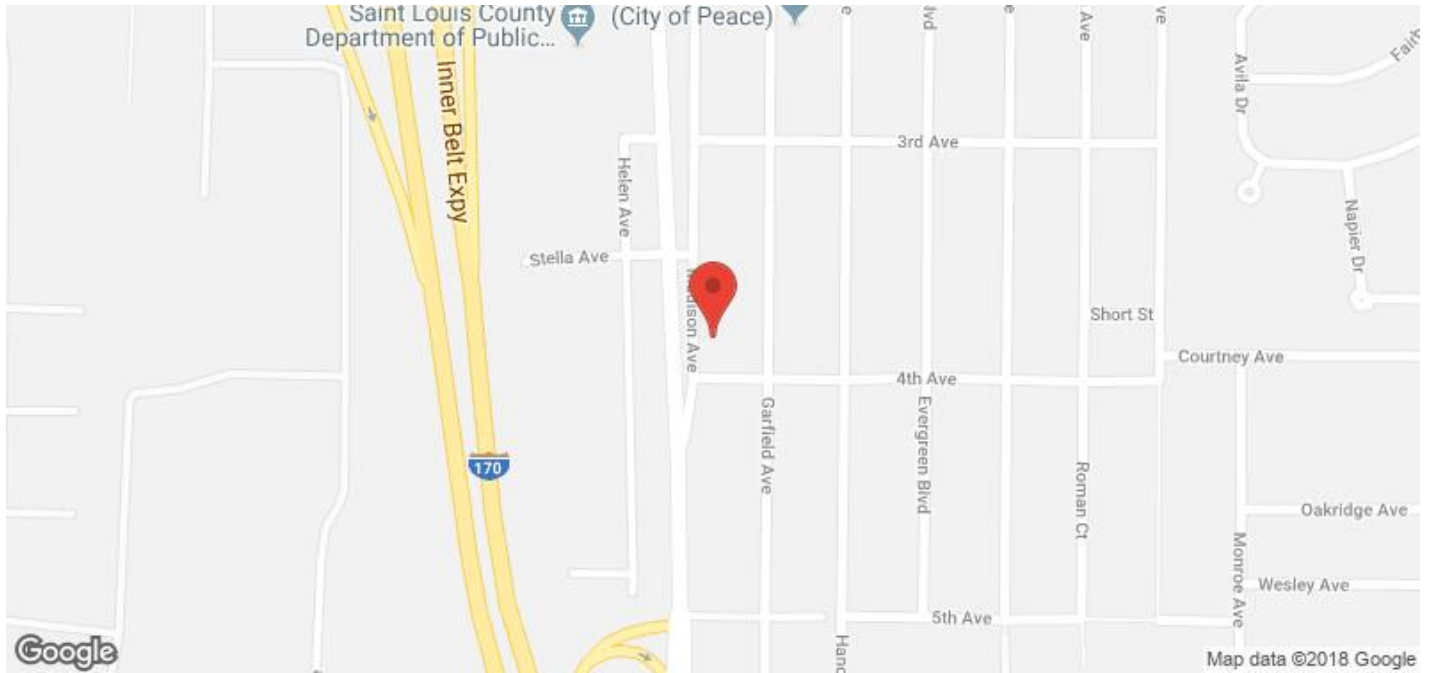
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LOCATION MAP

Madison Apartments
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DEMOGRAPHICS

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134



Population Characteristic	1 Mile	3 Mile	5 Mile	Household Income	1 Mile	3 Mile	5 Mile
Ages 0-4	368	4,658	15,624	Median Household Income	\$28,629	\$35,772	\$40,370
Ages 5-9	446	5,902	19,692	< \$10000	299	3,281	9,151
Ages 10-14	438	5,739	19,017	\$10000-\$14999	142	1,903	6,450
Ages 15-19	450	5,758	19,022	\$15000-\$19999	116	2,478	7,791
Ages 20-24	438	5,662	19,058	\$20000-\$24999	113	2,213	8,008
Ages 25-29	394	5,381	18,440	\$25000-\$29999	271	2,281	7,834
Ages 30-34	341	5,050	17,471	\$30000-\$34999	122	1,962	6,894
Ages 35-39	304	4,887	17,008	\$35000-\$39999	80	1,900	6,290
Ages 40-44	288	4,987	17,266	\$40000-\$44999	105	2,032	6,489
Ages 45-49	289	5,197	17,992	\$45000-\$49999	145	1,403	5,236
Ages 50-54	270	5,037	17,816	\$50000-\$60000	67	3,086	10,031
Ages 55-59	260	4,678	16,691	\$60000-\$74000	112	2,954	11,466
Ages 60-64	234	3,865	14,329	\$75000-\$99999	91	2,467	11,305
Ages 65-69	183	2,918	11,498	\$100000-\$124999	55	1,363	5,558
Ages 70-74	126	2,047	8,628	\$125000-\$149999	N/A	477	2,209
Ages 75-79	85	1,408	6,148	\$150000-\$199999	N/A	329	1,485
Ages 80-84	42	948	4,087	> \$200000	10	168	783
Race Characteristic	1 Mile	3 Mile	5 Mile	Characteristic Housing	1 Mile	3 Mile	
Non Hispanic White	202	32,330	111,977	Housing Units	2,002	33,503	
Population Black	4,790	40,702	145,512	Occupied Housing Units	1,719	29,988	
Population Am In/AK Nat	N/A	32	65	Owner Occupied Housing Units	1,036	18,489	
				Renter Occupied Housing Units	683	11,499	
				Vacant Housing Units	283	3,515	

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DEMOGRAPHICS

Madison Apartments
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Population

	<u>1 Mile</u>	<u>3 Mile</u>	<u>5 Mile</u>
Male	2,361 (46.91 %)	35,908 (47.27 %)	125,315 (46.97 %)
Female	2,672 (53.09 %)	40,058 (52.73 %)	141,483 (53.03 %)
Total Population	5,033	75,966	266,798

Age Breakdown

	<u>1 Mile</u>	<u>3 Mile</u>	<u>5 Mile</u>
Ages 0-4	368 (7.31 %)	4,658 (6.13 %)	15,624 (5.86 %)
Ages 5-9	446 (8.86 %)	5,902 (7.77 %)	19,692 (7.38 %)
Ages 10-14	438 (8.70 %)	5,739 (7.55 %)	19,017 (7.38 %)
Ages 15-19	450 (8.94 %)	5,758 (7.58 %)	19,022 (7.13 %)
Ages 20-24	438 (8.70 %)	5,662 (7.45 %)	19,058 (7.14 %)
Ages 25-29	394 (7.83 %)	5,381 (7.08 %)	18,440 (6.91 %)
Ages 30-34	341 (6.78 %)	5,050 (6.65 %)	17,471 (6.55 %)
Ages 35-39	304 (6.04 %)	4,887 (6.43 %)	17,008 (6.37 %)
Ages 40-44	288 (5.72 %)	4,987 (6.56 %)	17,266 (6.47 %)
Ages 45-49	289 (5.74 %)	5,197 (6.84 %)	17,992 (6.74 %)
Ages 50-54	270 (5.36 %)	5,037 (6.63 %)	17,816 (6.68 %)
Ages 55-59	260 (5.17 %)	4,678 (6.16 %)	16,691 (6.26 %)
Ages 60-64	234 (4.65 %)	3,865 (5.09 %)	14,329 (5.37 %)
Ages 65-69	183 (3.64 %)	2,918 (3.84 %)	11,498 (4.31 %)
Ages 70-74	126 (2.50 %)	2,047 (2.69 %)	8,628 (3.23 %)
Ages 75-79	85 (1.69 %)	1,408 (1.85 %)	6,148 (2.30 %)
Ages 80-84	42 (0.83 %)	948 (1.25 %)	4,087 (1.53 %)
Ages 85+	77 (1.53 %)	1,844 (2.43 %)	7,011 (2.63 %)

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DEMOGRAPHICS

Madison Apartments
6012 Madison Ae | St. Louis, MO 63134

<u>Household Income</u>	<u>1 Mile</u>	<u>3 Mile</u>	<u>5 Mile</u>
Median Income	\$28,629	\$35,772	\$40,370
Less than \$10,000	299	3,281	9,151
\$10,000 - \$14,999	142	1,903	6,450
\$15,000 - \$19,999	116	2,478	7,791
\$20,000 - \$24,999	113	2,213	8,008
\$25,000 - \$29,999	271	2,281	7,834
\$30,000 - \$34,999	122	1,962	6,894
\$35,000 - \$39,999	80	1,900	6,290
\$40,000 - \$44,999	105	2,032	6,489
\$45,000 - \$49,999	145	1,403	5,236
\$50,000 - \$59,999	67	3,086	10,031
\$60,000 - \$74,999	112	2,954	11,466
\$75,000 - \$99,999	91	2,467	11,305
\$100,000 - \$124,999	55	1,363	5,558
\$125,000 - \$149,999	N/A	477	2,209
\$150,000 - \$199,999	N/A	329	1,485
Greater than \$200,000	10	168	783

<u>Housing</u>	<u>1 Mile</u>	<u>3 Mile</u>	<u>5 Mile</u>
Housing Units	2,002	33,503	119,395
Occupied Units	1,719	29,988	107,346
Owner Occupied Units	1,036	18,489	68,378
Renter Occupied Units	683	11,499	38,968
Vacant Units	283	3,515	12,049

<u>Race Demographics</u>	<u>1 Mile</u>	<u>3 Mile</u>	<u>5 Mile</u>
Population Non Hispanic White	202	32,330	111,977
Population Black	4,790	40,702	145,512
Population Am In/Ak Nat	N/A	32	65

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Broker

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