

ROCK CREEK APARTMENTS

13 East Rock Creek Manor, Arnold, MO 63010



PROPERTY HIGHLIGHTS

- Listed at a 7.6% Cap Rate and 8.72% Cash on Cash Additional Value Add Component
- All Electric Heating, Cooling and Appliances
Over 55% Newer Air Handlers
Private Parking
Community Laundry in Each Building
- All PVC Stacks
Mix of Copper and Aluminum Wiring
All Roofs Replaced within 4 Years
- Located in Arnold, Missouri
Quiet Location
- 5 Parcels- 13-21 Rock Creek Manor



Apartment
dvisors Of America

Nick Smyrniotis

Vice President, Multifamily Sales

314.716.2213

nick@mo-

INVESTMENT DETAILS

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

ANALYSIS

Analysis Date October 2018

PROPERTY

Property Rock Creek Apartments
Property Address 13 East Rock Creek Manor
 Arnold, MO 63010

Year Built 1984



PURCHASE INFORMATION

Property Type MultiFamily
Purchase Price \$1,149,900
Units 23
Total Rentable Sq. Ft. 17,050

FINANCIAL INFORMATION

Down Payment \$229,980

LOANS

Type	Debt	Term	Amortization	Rate	Payment	LO Costs
Balloon	\$919,920	5 years	25 years	5.5%	\$5,649	

INCOME & EXPENSES

Gross Operating Income	\$158,994
Monthly GOI	\$13,250
Total Annual Expenses	(\$71,160)
Monthly Expenses	(\$5,930)

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

EXECUTIVE SUMMARY

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

Acquisition Costs

Purchase Price, Points and Closing Costs	\$1,149,900
Investment - Cash	\$229,980
First Loan	\$919,920

Investment Information

Purchase Price	\$1,149,900
Price per Unit	\$49,996
Price per Sq. Ft.	\$67.44
Income per Unit	\$7,260
Expenses per Unit	(\$3,094)

Income, Expenses & Cash Flow

Gross Scheduled Income	\$166,980
Total Vacancy and Credits	(\$7,986)
Operating Expenses	(\$71,160)
Net Operating Income	\$87,834
Debt Service	(\$67,789)
Cash Flow Before Taxes	\$20,045

Financial Indicators

Cash on Cash Return Before Taxes	8.72%
Debt Coverage Ratio	1.30
Capitalization Rate	7.64%
Gross Rent Multiplier	6.89
Gross Income / Square Feet	\$9.79
Gross Expenses / Square Feet	(\$4.17)
Operating Expense Ratio	44.76%

Nick Smyrniotis

Vice President, Multifamily Sales

314.716.2213

nick@mo-apartmentadvisors.com

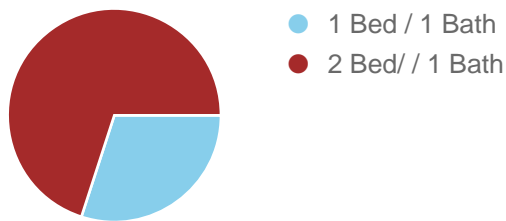


UNIT MIX REPORT

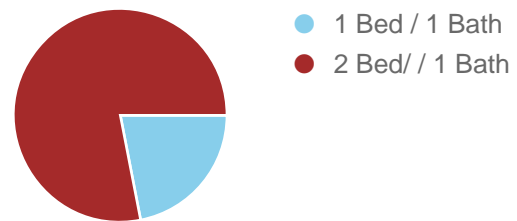
Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

Units	Type	Approx. SqFt	Avg. Rents	Monthly	Mkt Rents	Monthly
7	1 Bed / 1 Bath	550	\$498	\$3,486	\$515	\$3,605
16	2 Bed / 1 Bath	825	\$614	\$9,824	\$650	\$10,400
23		17,050		\$13,310		\$14,005

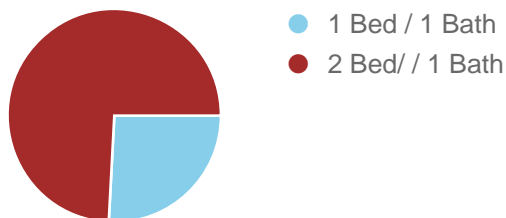
UNIT MIX



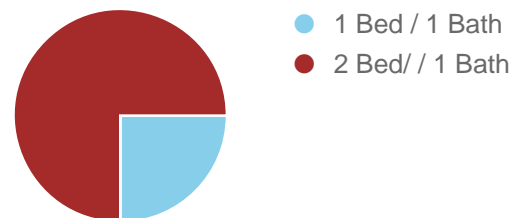
UNIT MIX SQUARE FEET



UNIT MIX INCOME



UNIT MIX MARKET INCOME



PRO FORMA SUMMARY

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010



INVESTMENT SUMMARY

Price:	\$1,149,900
Year Built:	1984
Units:	23
Price/Unit:	\$49,996
RSF:	17,050
Price/RSF:	\$67.44
Lot Size:	0.09 acres
Floors:	3
Parking Spaces:	1/1
APN:	02802804004
Cap Rate:	7.64%
Market Cap Rate:	8.28%
GRM:	6.89
Market GRM:	6.56

FINANCING SUMMARY

Loan Amount:	\$919,920
Down Payment:	\$229,980
Loan Type:	Balloon
Interest Rate:	5.5%
Term:	5 years
Monthly Payment:	\$5,649
DCR:	1.3

UNIT MIX & ANNUAL SCHEDULED INCOME

Type	Units	Actual	Total	Market	Total
1 Bed / 1 Bath	7	\$5,976	\$41,832	\$6,180	\$43,260
2 Bed / 1 Bath	16	\$7,368	\$117,888	\$7,800	\$124,800
TOTALS	23		\$159,720		\$168,060

ANNUALIZED INCOME

Description	Actual	Market
Gross Potential Rent	\$159,720	\$168,060
Less: Vacancy	(\$7,986)	(\$8,403)
Misc. Income	\$7,260	\$7,260
Effective Gross Income	\$158,994	\$166,917
Less: Expenses	(\$71,160)	(\$71,704)
Net Operating Income	\$87,834	\$95,213
Debt Service	(\$67,789)	(\$67,789)
Net Cash Flow after Debt Service	\$20,045	\$27,424
Principal Reduction	\$17,634	\$17,634
Total Return	\$37,679	\$45,058

ANNUALIZED EXPENSES

Description	Actual	Market
Property Management Fee	\$9,540	\$10,084
Accounting	\$506	\$506
Building Insurance	\$7,500	\$7,500
Handy Man	\$6,446	\$6,446
Legal	\$345	\$345
Maintenance	\$14,955	\$14,955
Inspection Fees	\$350	\$350
Taxes - Real Estate	\$13,791	\$13,791
Trash Removal	\$1,075	\$1,075
Utility - Electricity	\$5,189	\$5,189
Utility - Water	\$4,664	\$4,664
Utility - Sewer	\$6,799	\$6,799
Total Expenses	\$71,160	\$71,704
Expenses Per RSF	\$4.17	\$4.21
Expenses Per Unit	\$3,094	\$3,118

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

CASH FLOW ANALYSIS

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
GROSS SCHEDULED INCOME	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980
Turnover Vacancy	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)
General Vacancy	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)
Total Operating Expenses	(\$71,160)	(\$71,160)	(\$71,160)	(\$71,160)	(\$71,160)	(\$71,160)	(\$71,160)	(\$71,160)	(\$71,160)	(\$71,160)
NET OPERATING INCOME	\$87,834	\$87,834	\$87,834	\$87,834	\$87,834	\$87,834	\$87,834	\$87,834	\$87,834	\$87,834
Loan Payment	(\$67,789)	(\$67,789)	(\$67,789)	(\$67,789)	(\$67,789)	\$0	\$0	\$0	\$0	\$0
NET CASH FLOW (b/t)	\$20,045	\$20,045	\$20,045	\$20,045	\$20,045	\$87,834	\$87,834	\$87,834	\$87,834	\$87,834
Cash On Cash Return b/t	8.72%	8.72%	8.72%	8.72%	8.72%	8.36%	8.36%	8.36%	8.36%	8.36%

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

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com



INVESTMENT RETURN ANALYSIS

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash Flow - To Date	\$20,045	\$40,090	\$60,135	\$80,180	\$100,225	\$188,059	\$275,894	\$363,728	\$451,562	\$539,397
Net Resale Proceeds	\$297,714	\$316,342	\$336,022	\$356,811	\$378,773	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
Invested Capital	(\$229,980)	(\$229,980)	(\$229,980)	(\$229,980)	(\$229,980)	(\$1,051,207)	(\$1,051,207)	(\$1,051,207)	(\$1,051,207)	(\$1,051,207)
Net Return on Investment	\$87,779	\$126,452	\$166,177	\$207,011	\$249,018	\$336,853	\$424,687	\$512,521	\$600,356	\$688,190
Internal Rate of Return	38.17%	25.38%	21.24%	19.12%	17.80%	37.85%	33.66%	30.75%	28.62%	27.03%
Modified IRR	38.17%	24.49%	19.87%	17.41%	15.81%	34.93%	30.42%	27.07%	24.49%	22.43%
NPV (cash flow + reversion)	\$87,779	\$126,452	\$166,177	\$207,011	\$249,018	\$1,158,079	\$1,245,914	\$1,333,748	\$1,421,582	\$1,509,417
PV (NOI + reversion)	\$1,287,834	\$1,375,669	\$1,463,503	\$1,551,337	\$1,639,172	\$1,727,006	\$1,814,841	\$1,902,675	\$1,990,509	\$2,078,344

* a/t = after taxes; Modified IRR = Modified Internal Rate of Return; PV = Present Value; NPV = Net Present Value; NOI = Net Operating Income

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com



ANNUAL PROPERTY OPERATING DATA

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rental Income	\$159,720	\$159,720	\$159,720	\$159,720	\$159,720	\$159,720	\$159,720	\$159,720	\$159,720	\$159,720
Laundry	\$1,752	\$1,752	\$1,752	\$1,752	\$1,752	\$1,752	\$1,752	\$1,752	\$1,752	\$1,752
Misc. / Fee's	\$4,932	\$4,932	\$4,932	\$4,932	\$4,932	\$4,932	\$4,932	\$4,932	\$4,932	\$4,932
Credit Check/ Fee's	\$576	\$576	\$576	\$576	\$576	\$576	\$576	\$576	\$576	\$576
GROSS SCHEDULED INCOME	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980	\$166,980
Turnover Vacancy	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)	(\$5,438)
General Vacancy	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)	(\$2,548)
GROSS OPERATING INCOME	\$158,994	\$158,994	\$158,994	\$158,994	\$158,994	\$158,994	\$158,994	\$158,994	\$158,994	\$158,994
Expenses										
Property Management Fee	(\$9,540)	(\$9,540)	(\$9,540)	(\$9,540)	(\$9,540)	(\$9,540)	(\$9,540)	(\$9,540)	(\$9,540)	(\$9,540)
Accounting	(\$506)	(\$506)	(\$506)	(\$506)	(\$506)	(\$506)	(\$506)	(\$506)	(\$506)	(\$506)
Building Insurance	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)
Handy Man	(\$6,446)	(\$6,446)	(\$6,446)	(\$6,446)	(\$6,446)	(\$6,446)	(\$6,446)	(\$6,446)	(\$6,446)	(\$6,446)
Legal	(\$345)	(\$345)	(\$345)	(\$345)	(\$345)	(\$345)	(\$345)	(\$345)	(\$345)	(\$345)
Maintenance	(\$14,955)	(\$14,955)	(\$14,955)	(\$14,955)	(\$14,955)	(\$14,955)	(\$14,955)	(\$14,955)	(\$14,955)	(\$14,955)
Inspection Fees	(\$350)	(\$350)	(\$350)	(\$350)	(\$350)	(\$350)	(\$350)	(\$350)	(\$350)	(\$350)
Taxes - Real Estate	(\$13,791)	(\$13,791)	(\$13,791)	(\$13,791)	(\$13,791)	(\$13,791)	(\$13,791)	(\$13,791)	(\$13,791)	(\$13,791)
Trash Removal	(\$1,075)	(\$1,075)	(\$1,075)	(\$1,075)	(\$1,075)	(\$1,075)	(\$1,075)	(\$1,075)	(\$1,075)	(\$1,075)
Utility - Electricity	(\$5,189)	(\$5,189)	(\$5,189)	(\$5,189)	(\$5,189)	(\$5,189)	(\$5,189)	(\$5,189)	(\$5,189)	(\$5,189)
Utility - Water	(\$4,664)	(\$4,664)	(\$4,664)	(\$4,664)	(\$4,664)	(\$4,664)	(\$4,664)	(\$4,664)	(\$4,664)	(\$4,664)
Utility - Sewer	(\$6,799)	(\$6,799)	(\$6,799)	(\$6,799)	(\$6,799)	(\$6,799)	(\$6,799)	(\$6,799)	(\$6,799)	(\$6,799)

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

FINANCIAL INDICATORS

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent Multiplier	7.19	7.19	7.19	7.19	7.19	7.19	7.19	7.19	7.19	7.19
Capitalization Rate	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%	7.64%
Cash On Cash Return b/t	8.72%	8.72%	8.72%	8.72%	8.72%	8.36%	8.36%	8.36%	8.36%	8.36%
Cash On Cash Return a/t	8.72%	8.72%	8.72%	8.72%	8.72%	8.36%	8.36%	8.36%	8.36%	8.36%
Debt Coverage Ratio	1.30	1.30	1.30	1.30	1.30	N/A	N/A	N/A	N/A	N/A
Gross Income per Sq. Ft.	\$9.79	\$9.79	\$9.79	\$9.79	\$9.79	\$9.79	\$9.79	\$9.79	\$9.79	\$9.79
Expenses per Sq. Ft.	(\$4.17)	(\$4.17)	(\$4.17)	(\$4.17)	(\$4.17)	(\$4.17)	(\$4.17)	(\$4.17)	(\$4.17)	(\$4.17)
Net Income Multiplier	13.66	13.66	13.66	13.66	13.66	13.66	13.66	13.66	13.66	13.66
Operating Expense Ratio	44.76%	44.76%	44.76%	44.76%	44.76%	44.76%	44.76%	44.76%	44.76%	44.76%
Loan To Value Ratio	75.19%	73.64%	72.00%	70.27%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

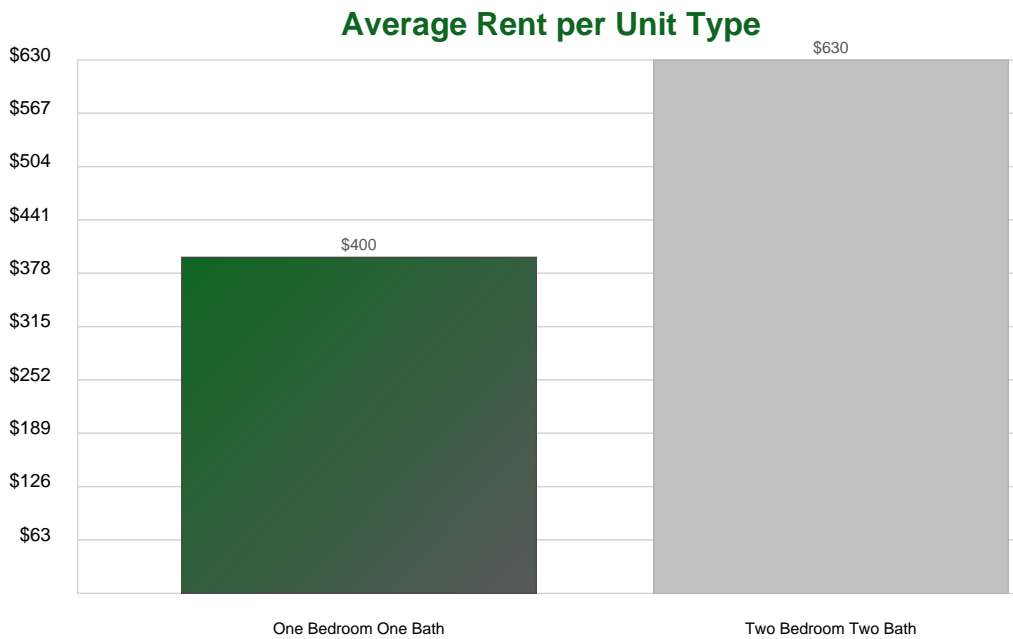
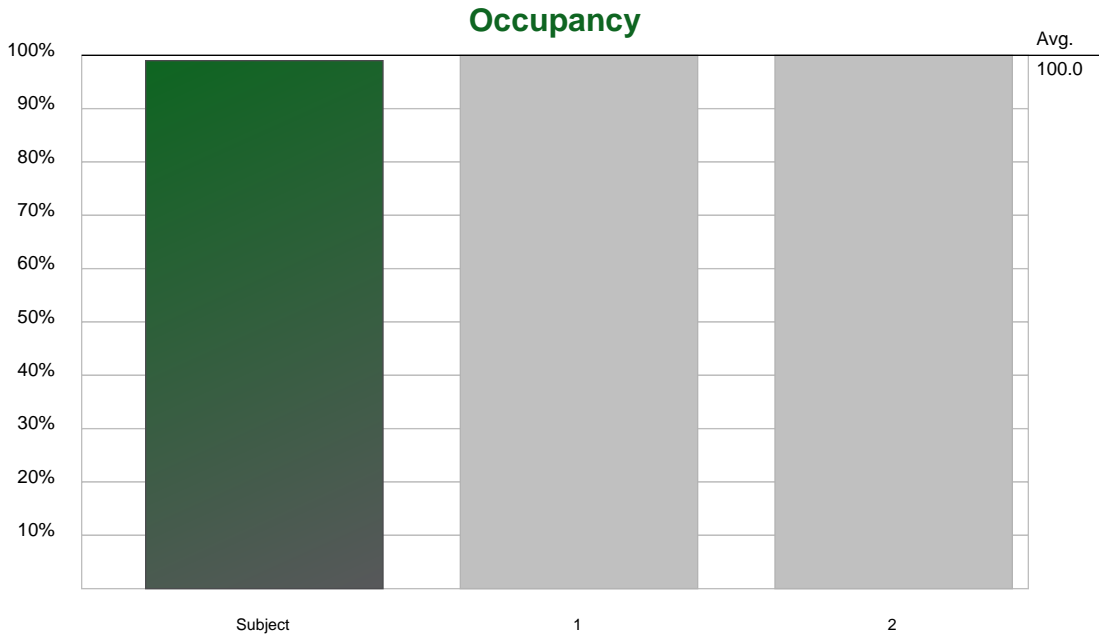
* b/t = before taxes; a/t = after taxes

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com



RENT COMPARABLES CHARTS

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010



Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com



RENT COMPARABLES

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010

S



Rock Creek Apartments 13 East Rock Creek Manor Arnold, MO 63010

Avg Rent/rsf	\$9.37	# Units	Unit Type	Rent
RSF	17,050	7	1 Bed / 1 Bath	\$498
Occupancy	99%	16	2 Bed / 1 Bath	\$614
Units	23			
Year Built	1984			

1



Crosswinds Apartments 187 Crosswinds Drive Arnold, MO 63010

Avg Rent/rsf	\$10.80	# Units	Unit Type	Rent
RSF	12,240	12	One Bedroom One Bath	\$400
Occupancy	100%	12	Two Bedroom Two Bath	\$600
Units	24			
Year Built	1980			

NOTES

2 BEDROOM UNITS ARE 2BED/1.5 BATH TOWNHOMES

2



Elk Ridge Apartments 3569 Elk Ridge Arnold, MO 63010

Avg Rent/rsf	\$8.91	# Units	Unit Type	Rent
RSF	6,880	8	Two Bedroom Two Bath	\$675
Occupancy	100%			
Units	8			
Year Built	1987			

NOTES

2 Buildings, 1 Parcel, 8 Townhomes, 2 Bedroom, 1 1/2 Bath with Walk Out Basements

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

RENT COMPARABLES

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010



S 13 East Rock Creek Manor
Arnold, MO, 63010

1 187 Crosswinds Drive
Arnold, MO, 63010

2 3569 Elk Ridge
Arnold, MO, 63010

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

Apartment
advisors Of America

PROPERTY PHOTOS

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010



Adequate Off Street Parking



Well Maintained Buildings



Spacious Living Area / 2 Bed Unit



Updated Bath



Spacious Living Area / 1 Bed Unit

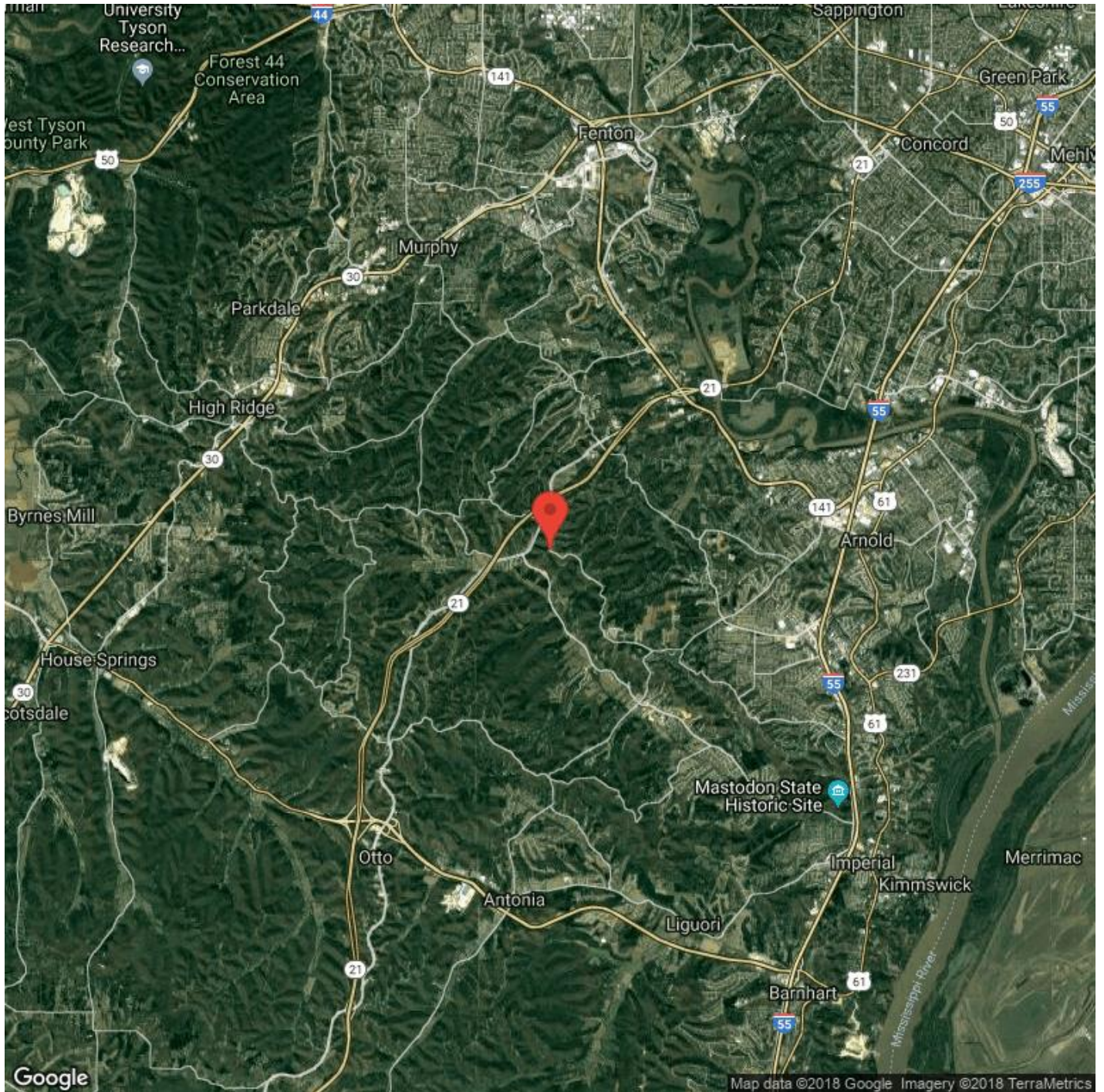


Large Master Bedroom

Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

REGIONAL MAP

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010



Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

LOCATION MAP

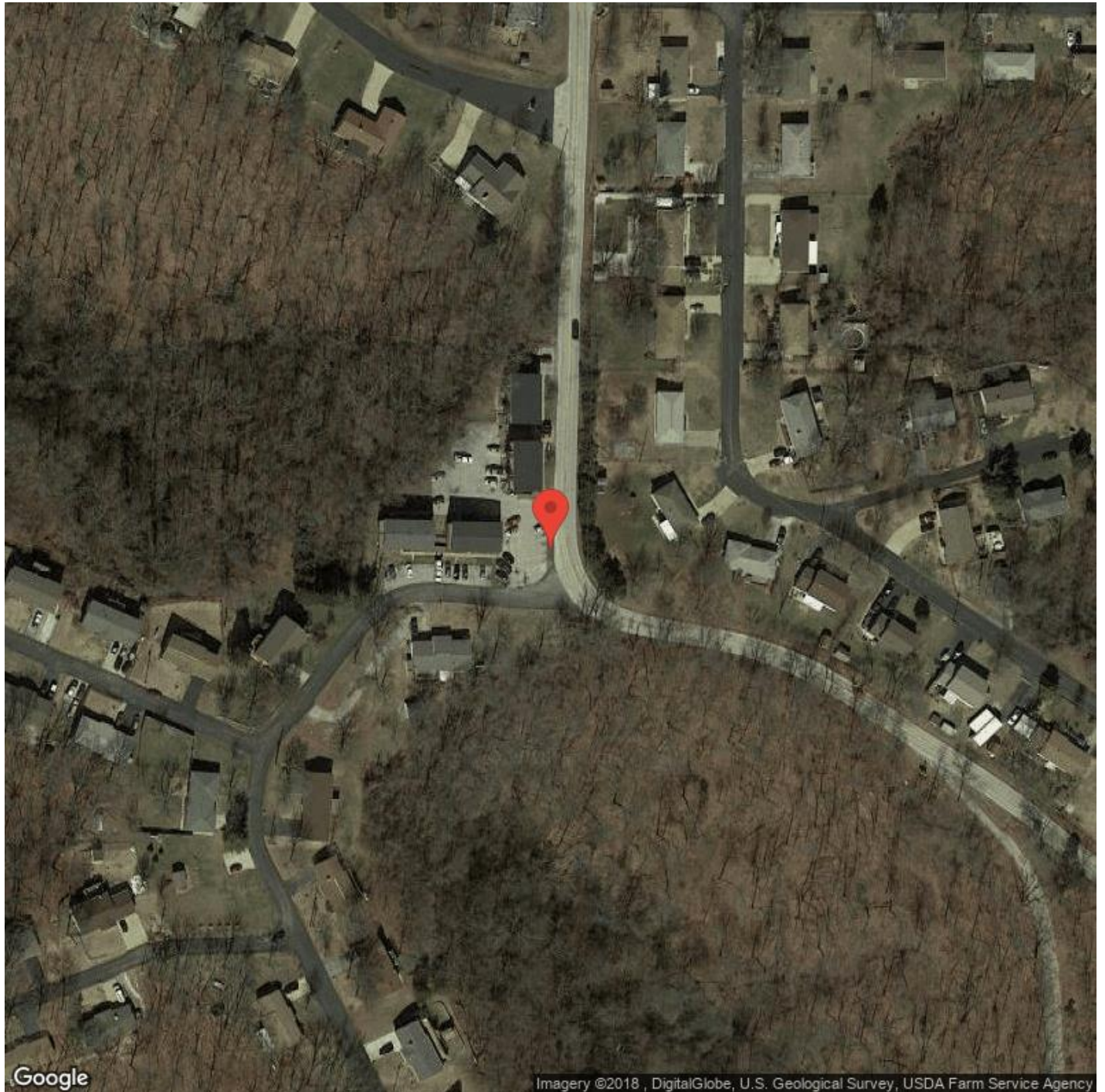
Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010



Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com

AERIAL MAP

Rock Creek Apartments
13 East Rock Creek Manor | Arnold, MO 63010



Nick Smyrniotis
Vice President, Multifamily Sales
314.716.2213
nick@mo-apartmentadvisors.com