

32-UNIT MULTIFAMILY PROPERTY

OFFERING MEMORANDUM



A MULTIFAMILY INVESTMENT OPPORTUNITY

CONTENTS

PROPERTY INFORMATION	3
LOCATION INFORMATION	8
FINANCIAL ANALYSIS	16

PRESENTED BY



CONFIDENTIALITY & DISCLAIMER

All materials and information received or derived from Altus Commercial its directors, officers, agents, advisors, affiliates and/or any third party sources are provided without representation or warranty as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, developability or suitability, financial performance of the property, projected financial performance of the property for any party's intended use or any and all other matters.

Neither Altus Commercial its directors, officers, agents, advisors, or affiliates makes any representation or warranty, express or implied, as to accuracy or completeness of the any materials or information provided, derived, or received. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party's active conduct of its own due diligence to determine these and other matters of significance to such party. Altus Commercial will not investigate or verify any such matters or conduct due diligence for a party unless otherwise agreed in writing.

EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. Altus Commercial makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. Altus Commercial does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Altus Commercial in compliance with all applicable fair housing and equal opportunity laws.

This information has been obtained from sources believed reliable. We have not verified it and make no guarantee, warranty or representation about it. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. Photos herein are the property of their respective owners and use of these images without the express written content of the owner is prohibited.



1 | PROPERTY INFORMATION

EXECUTIVE SUMMARY 1902 - 1914 GREENWAY CROSS



Sale Price

\$2,880,000**OFFERING SUMMARY**

Building Size:	25,600 SF
Lot Size:	1.471 Acres
Price / SF:	\$112.50
Zoning:	R-HA
Traffic Count:	4,489

PROPERTY OVERVIEW

New owner has improved exterior and substantially rehabbed all interiors of this 32 Unit, two building, multi-family investment property parcel on 1.471 Acres just off Fish Hatchery road. Each building is two stories with basement and a 50/50 mix of 1 and 2 bedroom units. Each unit has stackable washer/dryer unit, AC unit, electric range/oven, vent hood, refrigerator, garbage disposal and dishwasher. Roofs were replaced in 2003 (1902 building) and 2017 (1914 building), gutters/downspouts and landscape improvements have been completed. Two 500,000 BTU Thermo-Temp water boilers were replaced in 2015. Parking lot was recently resurfaced and re-striped. Landlord pays water, sewer & trash collection. Tenants pay electricity and gas. Additional 32 units available for \$2,599,000. Both properties, total 64 units \$5,479,000. Call Dan Roseliep for details.

PROPERTY HIGHLIGHTS

- Two building parcel with 16 Units each
- Sixteen 1 bedroom/1 bath
- Sixteen 2 bedroom/1 bath
- All new interiors in units
- Adjacent 32 Unit parcel also available

PROPERTY DESCRIPTION



PROPERTY DESCRIPTION

New owner has improved exterior and substantially rehabbed all interiors of this 32 Unit, two building, multi-family investment property parcel on 1.471 Acres just off Fish Hatchery road. Each building is two stories with basement and a 50/50 mix of 1 and 2 bedroom units. Each unit has stackable washer/dryer unit, AC unit, electric range/oven, vent hood, refrigerator, garbage disposal and dishwasher. Roofs were replaced in 2003 (1902 building) and 2017 (1914 building), gutters/downspouts and landscape improvements have been completed. Two 500,000 BTU Thermo-Temp water boilers were replaced in 2015. Parking lot was recently resurfaced and re-stripped. Landlord pays water, sewer & trash collection. Tenants pay electricity and gas. Additional 32 units available for \$2,599,000. Both properties, total 64 units \$5,479,000. Call Dan Roseliep for details.

LOCATION DESCRIPTION

On Greenway Cross, two blocks from Fish Hatchery Rd between Eggiman Rd & Coho St.

SITE DESCRIPTION

Primary frontage on Greenway Cross, mostly flat, alley/parking in rear

EXTERIOR DESCRIPTION

Recently updated! Brick veneer , painted wood siding and painted wood trim. Pitched roofs with asphalt shingles

INTERIOR DESCRIPTION

Recently Updated! Walls and ceilings are finished with wall board and paint. Floors are a combination of tile, vinyl and carpet.

PARKING DESCRIPTION

44 Spaces or 1.38:unit

COMPLETE HIGHLIGHTS



LOCATION INFORMATION

Building Name	32-Unit Multifamily Property
Street Address	1902-1914 Greenway Cross
City, State, Zip	Madison, WI 53719
County	Dane
Signal Intersection	No

BUILDING INFORMATION

Tenancy	Multiple
Number of Floors	2
Year Built	1971
Gross Leasable Area	25,600 SF
Construction Status	Existing
Warehouse %	0.0%
Framing	Wood
Condition	Fair
Roof	Asphalt
Free Standing	Yes
Number of Buildings	2
Laundry	In-unit Stackables
Walls	Wallboard and paint
Ceilings	Wallboard and paint
Floor Coverings	mix of tile, vinyl and carpet
Foundation	Concrete
Exterior Walls	Brick veneer and painted wood

PROPERTY HIGHLIGHTS

- Two building parcel with 16 Units each
- Sixteen 1 bedroom/1 bath
- Sixteen 2 bedroom/1 bath
- All new interiors in units

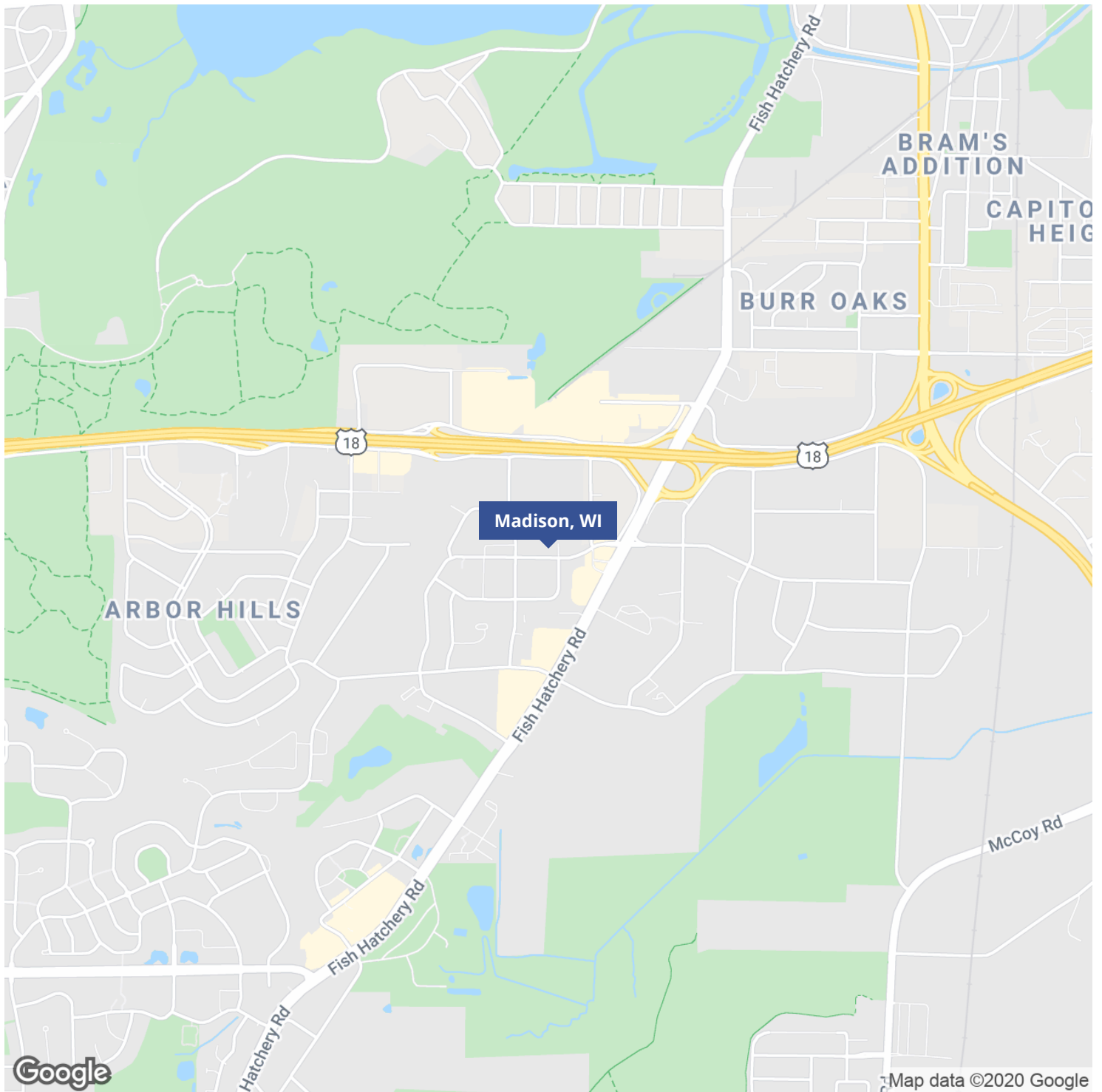
UPDATED INTERIOR & EXTERIOR



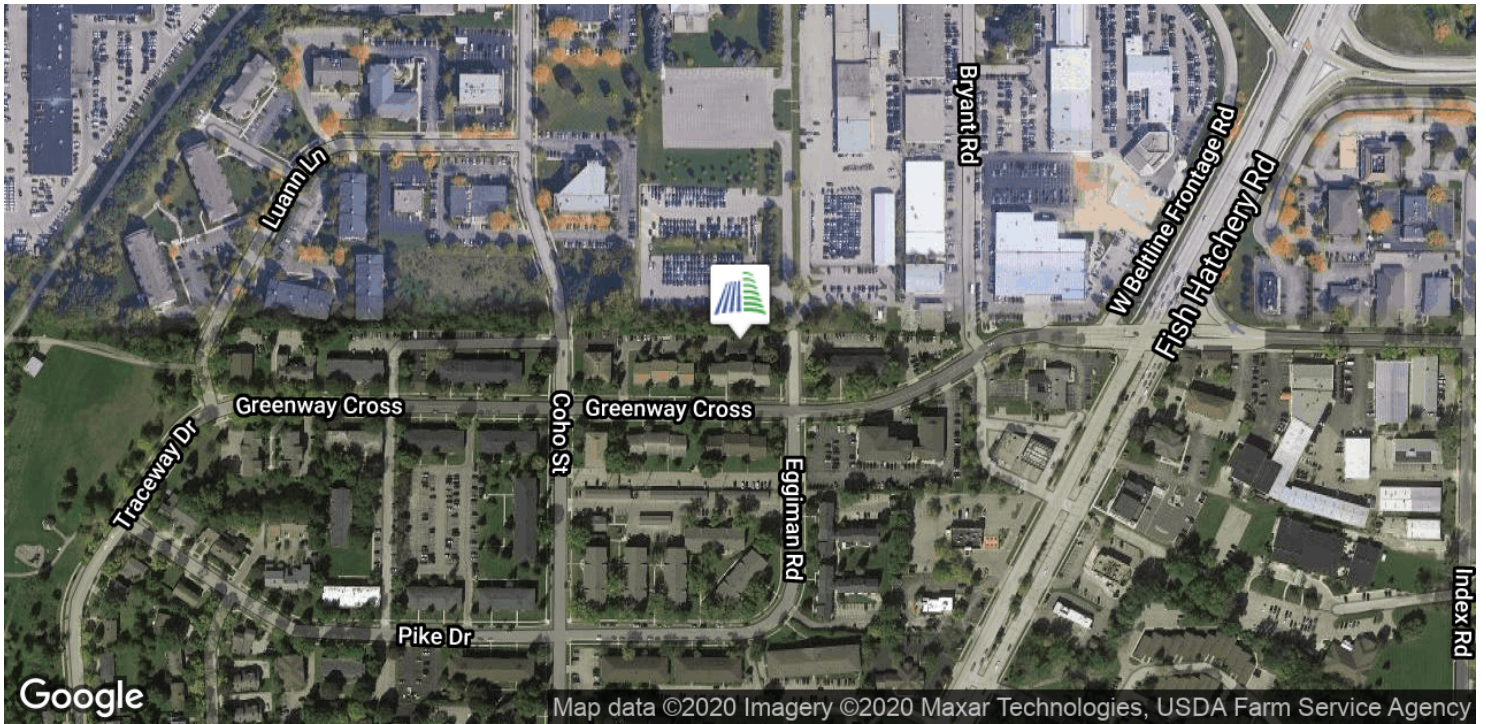


2 | LOCATION INFORMATION

REGIONAL MAP



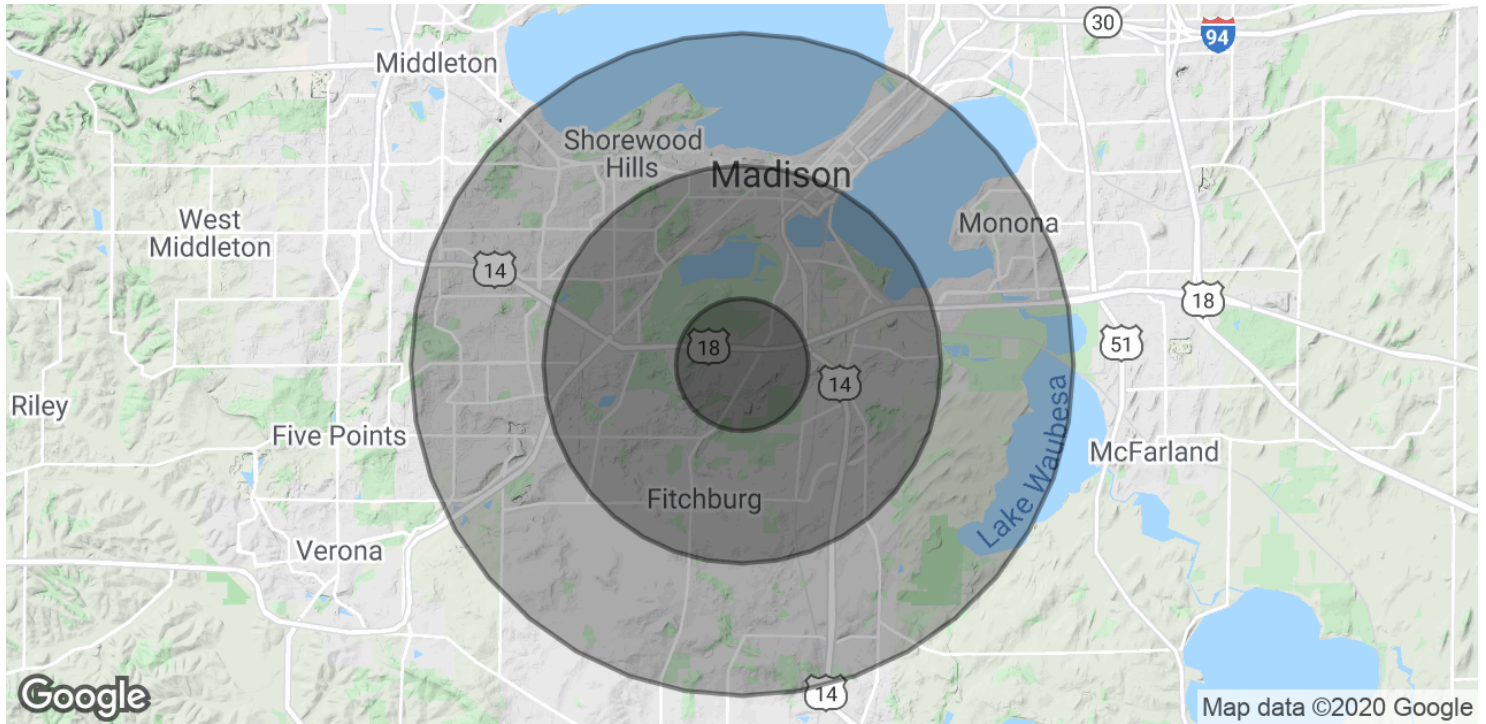
LOCATION MAPS



AERIAL MAPS



DEMOGRAPHICS MAP & REPORT



POPULATION	1 MILE	3 MILES	5 MILES
Total Population	5,253	76,852	169,420
Average age	29.2	29.6	31.3
Average age (Male)	30.1	29.5	31.0
Average age (Female)	28.6	29.6	31.6

HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total households	2,070	29,717	69,377
# of persons per HH	2.5	2.6	2.4
Average HH income	\$76,783	\$68,984	\$66,754
Average house value	\$283,896	\$302,031	\$296,073

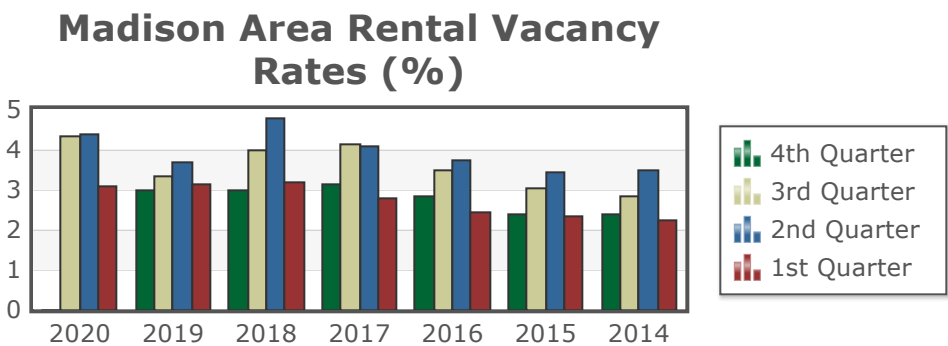
* Demographic data derived from 2010 US Census

mge.com > Customer Service > For Multifamily > Rental Vacancy Rates

Multifamily Rental Vacancy Rates

The percentage of apartments in MGE's service area that appear to be vacant because the electric service is inactive or the service has been moved to the owner's name.*

Third-Quarter 2020



Rental Vacancy Rates - Numeric Summary						
Quarter	2020	2019	2018	2017	2016	2015
4		3.00	3.00	3.15	2.82	2.39
3	4.31	3.31	3.96	4.12	3.46	3.05
2	4.36	3.68	4.78	4.07	3.71	3.43
1	3.06	3.15	3.20	2.79	2.43	2.33

Rental Vacancy Rates by ZIP Code

Rental Vacancy Rates by ZIP Code

City	ZIP Code	Total Rental Units	Total Vacant Units	Percent Vacant Units
Cross Plains	53528	452	5	1.10
Middleton	53562	4,756	89	1.87
Oregon	53575	65	4	6.15
Waunakee	53597	614	10	1.62
Madison	53703	15,287	874	5.71
Madison	53704	9,413	243	2.58
Madison	53705	6,219	448	7.20
Madison/Fitchburg	53711	7,746	289	3.73
Madison	53713	7,321	362	4.94
Madison	53714	2,220	113	5.09
Madison	53715	3,429	185	5.39
Madison/Monona	53716	2,023	75	3.70
Madison	53717	1,090	24	2.20
Madison	53718	2,219	38	1.71
Madison	53719	1,629	46	2.82
Madison	53726	1,364	37	2.71
TOTAL	-	65,847	2,842	4.31

Rental vacancy rates archive

Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
------	-------------	-------------	-------------	-------------

Rental vacancy rates archive

2020	2020 Q1	2020 Q2		
2019	2019 Q1	2019 Q2	2019 Q3	2019 Q4
2018	2018 Q1	2018 Q2	2018 Q3	2018 Q4
2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4
2016	2016 Q1	2016 Q2	2016 Q3	2016 Q4
2015	2015 Q1	2015 Q2	2015 Q3	2015 Q4

** MGE assumes a unit in an apartment building is vacant if electric service is inactive or if the service has been moved into the name of the building owner or property manager. This data should be used for educational or informational purposes only, as it may not be an exact representation of the number of units that are actually vacant at any given time. If you have questions, please contact mge@mge.com.*



3 FINANCIAL ANALYSIS

1902 Greenway Cross Redevelopment # of Units - 32		Summary & Scope of Redevelopment Items & Costs				
Description	# of Units Needed	Estimated Unit Price	Labor Hours Per Unit		Total Labor Hours Both Buildings	Actual Cost
Microwaves	32	\$ 175.00				\$ 5,948.80
Dishwashers	24	\$ 275.00				\$ 6,336.00
Stoves	20	\$ 450.00				\$ 8,580.00
Refrigerators	20	\$ 550.00				\$ 9,900.00
Stackable Washer/Dryer	32	\$ 850.00				\$ 30,096.00
A/C w/Grills	20	\$ 675.00				\$ 13,090.00
Subtotal Appliances						\$73,950.80
Toilets	0	\$ 150.00				
Bath Light	32	\$ 85.00				\$3,520.00
Vanity Mirror w/light	32	\$ 100.00				\$2,288.00
Tub Surround	32	\$ 375.00				\$6,000.00
One piece sink	32	\$ 180.00				\$6,336.00
Bath Cabinets	32	\$ 300.00				\$10,472.35
Kitchen Countertops	32	\$ 305.00				\$10,736.00
Kitchen Cabinets	32	\$ 1,800.00				\$54,000.00
Interior Apt Doors	32	\$ 75.00				\$6,200.00
Unit Light Fixtures and Fans	32	\$ 100.00				\$4,155.00
Kitchen and Bath Vinyl	32	\$ 300.00				\$9,600.00
Carpeting	32	\$ 1,600.00				\$51,289.54
Paint Unit w/paint	32	\$ 1,000.00				\$32,000.00
Washer/Dryer Install Plumbing	32	\$ 1,200.00				\$32,400.00
New Trim Material	32	\$ 595.00				\$16,950.00
Total Materials Category						\$319,897.69
Appliance Install	32	\$ 353.60	5.4	Dishwasher and Microwave wiring and plumbing included	174.1	\$11,315.20
Install Light fixtures	32	\$ 265.20	4.1	Remove and replace	130.6	\$8,486.40
Install Apt Doors	112	\$ 176.80	2.7	1 man w/tear out	304.6	\$19,801.60
Install New wiring for Laundry	32	\$ 707.20	10.9	2 men run wiring in walls & electrician for circuit problems	348.2	\$22,630.40
Bathroom Install	32	\$ 1,060.80	16.3	2 men 1 day w/tear out	522.2	\$33,945.60
Install Trim and Paint Heat covers	32	\$ 1,096.16	16.9	1 man 2 days w/tear out	539.6	\$35,077.12
Cabinet and Countertop Install	32	\$ 2,652.00	40.8	2 men 2.5 days w/tear out	1305.6	\$84,864.00
Replacement Paneling & Drywall work for Laundry and Bathrooms & Windows	32	\$ 2,121.60	32.6	2 men 2 days w/tear out mud, tape, texture and paint	1044.5	\$67,891.20
Total Labor Category					4369.4	\$284,011.52
Total Materials and Labor						\$603,909.21
Exterior and Common Area Per Building	# of Units Needed	Unit Price	Labor Hours Per Unit		Total Labor Hours	
Balcony Railings/Cedar Posts	16	\$ 565.00				\$12,250.00
Apartment Entry Doors x 16	32	\$ 160.00				\$6,289.00
Hallway Light Fixtures	24	\$ 65.00				\$704.00
Exterior Lights	16	\$ 195.00				\$696.00
Halway Carpet	4	\$ 1,200.00				\$8,500.00
Windows x 24	48	\$ 250.00				\$13,200.00
Sliding Glass Apt. Doors	32	\$ 675.00				\$21,800.00
Landscaping	2	\$ 10,000.00				\$10,000.00
Exterior Mailboxes	2	\$ 1,500.00				\$2,800.00
Roofs	2	\$ -				
Gutters & Downspouts	2	\$ 5,000.00				\$10,000.00
Install Siding	2	\$ 10,400.00			-	\$23,000.00
Siding	2	\$ 17,000.00				\$34,400.00
Signage	2	\$ 3,600.00				\$1,800.00
Dumpster and Disposal	2	\$ 8,000.00				\$7,620.00
Permits	2					\$6,340.00
Water Problems/Erosion Control	1	\$ 3,500.00				\$8,500.00
Total Materials Category						\$167,899.00
Install Hall Lights and Mailboxes	2	\$ 1,060.80	16.3	2 x 1 Day	32.6	\$2,121.60
Paint Exterior Doors	8	\$ 353.60	5.4	Includes Paint	43.5	\$2,828.80
Water Basement Repair/Storage removal	2	\$ 6,895.20	106.1	3.5 men x 4 days	106.1	\$6,895.20
Install Balcony Railings & Posts & Lowers	16	\$ 442.00	6.8	Tear out and install new	108.8	\$7,072.00
Install Lower Patio Railings	8	\$ 530.40	8.2	Install New	65.3	\$4,243.20
Closet Shelf and Rods	12	\$ 530.40	8.2	Install New	97.9	\$6,364.80
Replace Patios and sidewalks	7	\$ 707.20	10.9	Remove & Install New	76.2	\$4,950.40
Install Exterior Lights	16	\$ 707.20	10.9	Tear out and re-wire	174.1	\$11,315.20
Paint Hallways Includes paint	4	\$ 2,652.00	40.8	Includes Paint	163.2	\$10,608.00
Install Entry Doors	32	\$ 442.00	6.8	2 men 3.5 hours w/tear out	217.6	\$14,144.00
Install Sliding Glass Doors	32	\$ 884.00	13.6	2 men 7 hours w/tear out	435.2	\$28,288.00
Install Windows	48	\$ 565.76	8.7	1.5 men 7.5 hours w/tear out	417.8	\$27,156.48
Total Labor Category					1938.3	\$125,987.68
Total Materials and Labor						\$293,886.68
SUBTOTAL ORIGINAL BGT PROJECT						\$787,296.29
				Not in Original Bgt		\$110,499.60
TOTAL PROJECT						\$897,795.89
PER UNIT RENOVATION						\$28,056.12

INCOME & EXPENSES

INCOME SUMMARY

PROFORMA

16 - 2 Bedroom Units @ \$15,440/month	\$185,280
16 - 1 Bedroom Units @ \$14,000/month	\$168,000
Vacancy Expense	(5%) \$17,664
Gross Income	\$335,616

EXPENSE SUMMARY

PROFORMA

Management	\$15,000
Administration	\$2,000
Contracts	\$6,000
Advertising	\$3,000
Utilities: Electric & Gas	\$15,000
Utilities: Water	\$13,000
Insurance	\$15,000
Repairs	\$16,000
Real Estate Taxes	\$37,500
Refuse / Garbage	\$6,300
Reserves	\$6,400
Management Fee (5%)	\$16,780
Gross Expenses	\$151,980
Net Operating Income	\$183,636

FINANCIAL SUMMARY

INVESTMENT OVERVIEW

PROFORMA

Price	\$2,880,000
Price per Unit	\$90,000
GRM	8.2
CAP Rate	6.4%
Cash-on-Cash Return (yr 1)	8.27 %
Total Return (yr 1)	\$86,466
Debt Coverage Ratio	1.35

OPERATING DATA

PROFORMA

Gross Scheduled Income	\$353,280
Total Scheduled Income	\$353,280
Vacancy Cost	\$17,664
Gross Income	\$335,616
Operating Expenses	\$151,980
Net Operating Income	\$183,636
Pre-Tax Cash Flow	\$47,624

FINANCING DATA

PROFORMA

Down Payment	\$576,000
Loan Amount	\$2,304,000
Debt Service	\$136,012
Debt Service Monthly	\$11,334
Principal Reduction (yr 1)	\$38,842

FINANCING DATA ASSUMPTIONS: 30 Year Loan, 20% down, 4.25% interest, 5 year term

WI DISC TO NON RES CUSTOMERS

WISCONSIN REALTORS® ASSOCIATION
4801 Forest Run Road, Madison, WI 53704

Altus Comm R/E Inc
Effective July 1, 2016

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

8 (a) The duty to provide brokerage services to you fairly and honestly.

9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.

10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.

12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).

14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).

16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.

17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).

30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** _____

36 _____

37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): _____

39 _____

40 _____

41 _____ (Insert information you authorize to be disclosed, such as financial qualification information.)

42 **DEFINITION OF MATERIAL ADVERSE FACTS**

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

No representation is made as to the legal validity of any provision of this specific transaction.
Copyright © 2016 by Wisconsin REALTORS® Association Drafted by Attorney Debra Peterson Conrad

Altus Comm R/E Inc, 6527 Normandy Ln, Ste 201 Madison WI 53719
Jeff Tamm

Phone 608-338-0255 Fax: 608-921-1402
Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Flossier, Michigan 48026 www.ziplogix.com

Form#