

Skyway Gardens Apartments
515 West Grace St
Richmond, VA 23220

Prepared by:

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Unit Mix:

24-unit, fully occupied building plus 8 storage units.
Nice mixture of unit sizes.

Notes/Description of Property:

Property recently has undergone a massive renovation, including new gas boiler, central air system, new roof, and kitchen upgrades to most units. Rents are still about 15% below market-value.

Notes on Area:

Located right around the corner from a major state university, convenient to shopping, dining, and interstates!



Purchase/Offer Price	\$1,200,000
Downpayment	\$240,000
Initial Capital Improvements and Reserves	\$50,000
Total Closing Costs	\$17,000
Total Cash Investment	\$307,000

Cap Rate	8.92%
GRM	7.69
\$/Sq Foot	\$52.86
\$/Unit	37,500

Current / First Year Gross Rent	\$156,000
Current / First Year Operating Expenses	\$25,200
Current / First Year Net Operating Income	\$107,040

Projected Holding Period	12 years
Projected Resale Price	\$1,641,192
Projected Leveraged IRR of Investment	15.19%
Projected Leveraged MIRR of Investment	16.90%
Projected Cumulative Cash-on-Cash Return	360.63%

Selected Projected Financial Measures	Year 1	Year 4	Year 8	Year 12
Pre-Tax Annual Cash-on-Cash Return	8.72%	11.92%	16.64%	21.97%
After-Tax Annual Cash-on-Cash Return	8.60%	10.80%	13.80%	17.12%
DCR	1.33	1.46	1.64	1.84
LTV	80.05%	71.22%	60.15%	49.74%
Return on Equity	9.16%	7.75%	6.62%	5.92%
Economic Occupancy %	94%	94%	94%	94%
Effective Rent per sq foot	\$36.23	\$39.56	\$44.48	\$50.02