

401 Lofts / Mixed Use - RTI Development

401 W 100 N
Provo, Utah 84601







Subject Property
401 Lofts / Mixed Use
401 W 100 N
Provo, Utah 84601





401 Lofts / Mixed Use Development

401 W 100 N
Provo, Utah 84601

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TABLE OF CONTENTS

1. Executive Summary

- The opportunity
- Investment amenities
- Location
- Rent roll summary
- Financial indicators
- Internal rate of return

2. Property Information

- locations map
- renderings
- elevations
- photos

Contact Information





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Executive Summary

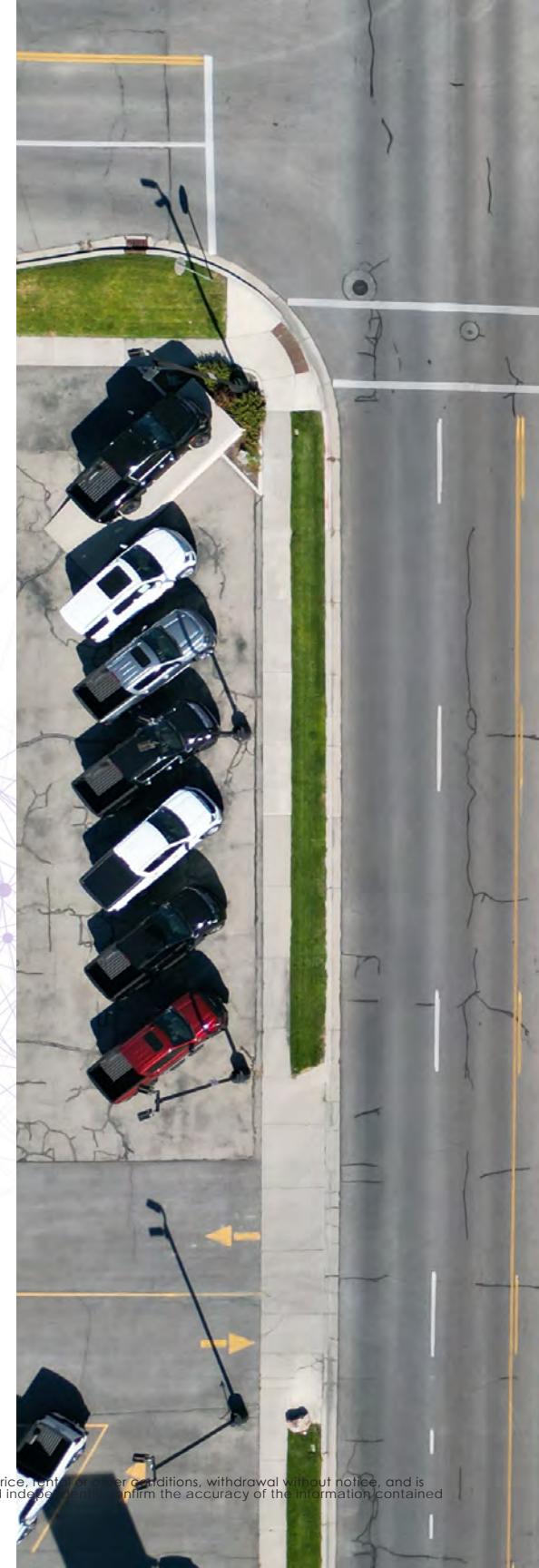
the opportunity
investment amenities
location
rent roll summary
financial indicators
internal rate of return analysis
cash multiple

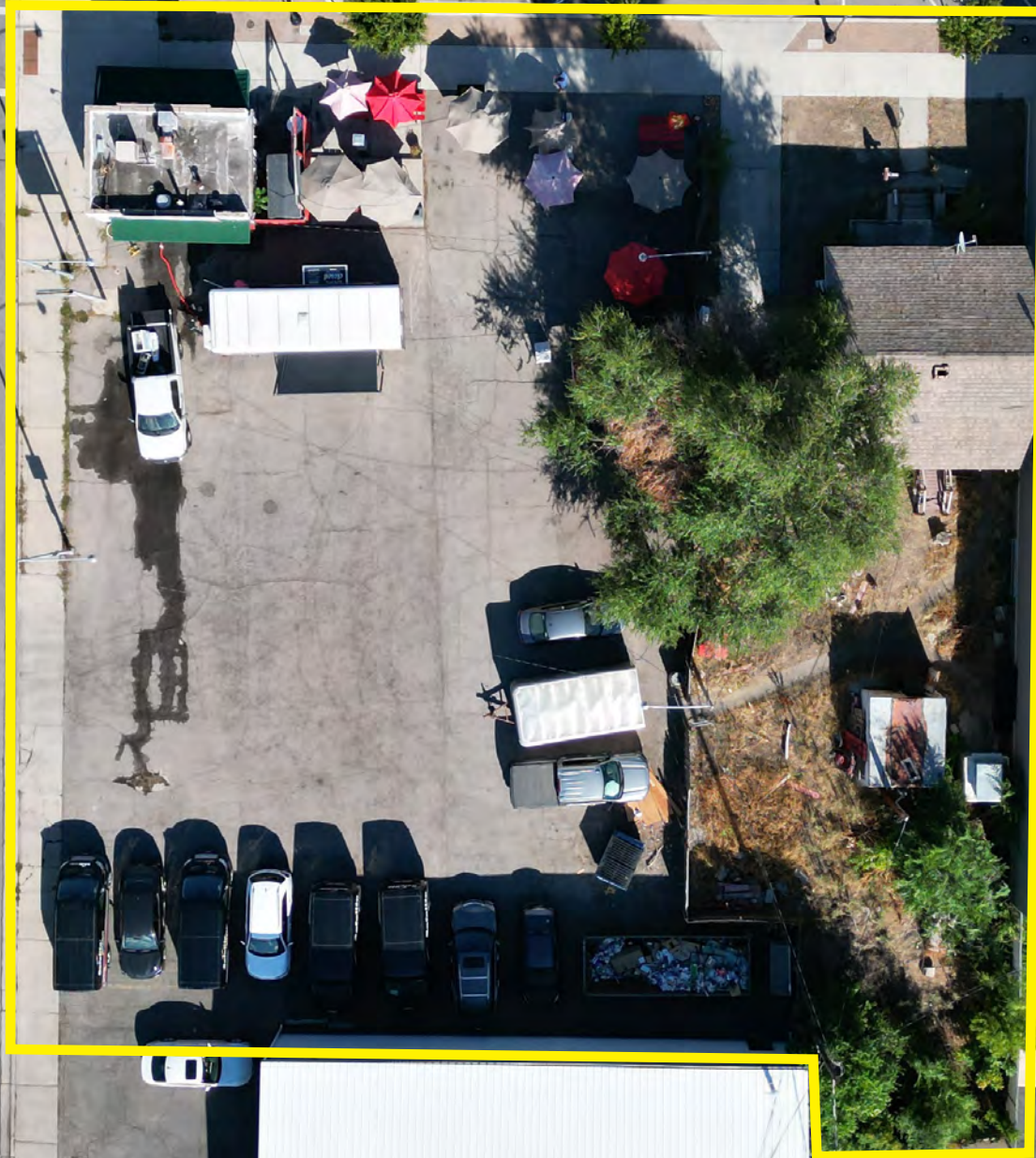
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The Executive Summary

Property Name:	401 Lofts / Mixed Use Development
Address:	401 W 100 N Provo, Utah 84601
PRICE:	\$1,100,000
Cost/Unit:	\$73,333
Cost/SF:	\$39.71 (based on structure of 27,700 SF)
APN:	04-066-0015, -0016, and -0021
Gross Building Area:	27,700SF
Lot Size:	0.35 Acres, 15,246 SF
Zoning:	RM-25
Year Built:	Permits ready to issues
Proposed Retail:	2,143 (3 Units)
Proposed Multi-Family:	12 (2x2 baths)
Number of Buildings:	1
Parking:	Proposed 26 Stalls
Construction:	Wood frame.
Building Height:	Four Story
Amenities:	Garage parking, Five Minuets to Provo City Temple and Downtown Provo, Pioneer Park.
Other:	The units are loft style units
Other Sales Item:	Fantastic opportunity to build a mixed use project next to Downtown Provo.









Subject Property
401 Lofts / Mixed Use
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Provo, Utah 84601





The Financial Analysis - Stabilized

	Current		ProForma - Year 1 5% Increase		ProForma @ Market Rents	
Price	\$5,000,000		\$5,000,000		\$5,000,000	
Down Payment	\$1,250,000	25.00%	\$1,250,000	25.00%	\$1,250,000	25.00%
Year Built	2025		2025		2025	
Units	12		12		12	
Price/Unit	\$416,667		\$416,667		\$416,667	
Current CAP/Pro Forma	5.77%		6.10%		6.99%	
Current GRM/Pro Forma	14.33		13.64		12.11	
Net Rentable Sqft:	27,700		27,700		27,700	
Cost Per Rentable Sqft.:	\$180.51		\$180.51		\$180.51	
Lot Square Feet:	15,246		15,246		15,246	
Cost Per Lot Sqft.:	\$327.95		\$327.95		\$327.95	
Annual Rental Income	\$348,993		\$366,443		\$412,824	
Vacancy:	\$10,470	3%	\$10,993	3%	\$12,385	3%
Effective Gross Income:	\$338,523		\$355,449		\$400,439	
RUBS:	\$10,800		\$11,340		\$13,127	
Parking Income:	\$14,400		\$15,120		\$17,503	
Other Income:	\$325		\$341		\$395	
Gross Operating Income:	\$364,048		\$382,251		\$431,465	
Property Tax:	\$32,000		\$32,640		\$34,638	
Off-Site Manager @ 5%	\$13,000		\$13,260		\$14,072	
Administrative:	\$5,000		\$5,100		\$5,412	
Marketing & Promotion:	\$1,500		\$1,530		\$1,624	
Payroll:	\$18,202		\$18,566		\$19,703	
Repairs & Maintenance:	\$6,000		\$6,120		\$6,495	
Less Estimated Expenses	\$75,702	20.79%	\$77,216	20.20%	\$81,943	18.99%
Per Net Square Feet	\$2.73		\$2.79		\$2.96	
Per Unit	\$6,309		\$6,435		\$6,829	
Net Operating Income	\$288,346		\$305,034		\$349,522	
Loan Payments	\$269,798		\$269,798		\$269,798	
Pre-Tax Cash Flow	\$18,548	1.48%	\$35,236	2.82%	\$79,725	6.38%
Principal Reduction	\$44,798		\$46,050		\$46,050	
Total Return Before Taxes	\$63,346	5.07%	\$81,287	6.50%	\$125,775	10.06%

5 Year Exit Model

\$6,157,613	
\$1,847,284	30.00%
2025	
12	
\$513,134	
6.00%	
27,700	
\$222.30	
15,246	
\$403.88	
\$433,465	
\$13,004	3%
\$420,461	
\$13,784	
\$18,378	
\$415	
\$453,038	
\$35,331	
\$14,353	
\$5,520	
\$1,656	
\$20,097	
\$6,624	
\$83,582	18.45%
\$3.02	
\$6,965	
\$369,457	
\$288,434	
\$81,023	4.39%
\$62,142	
\$143,164	7.75%

10 Year Exit Model

\$7,669,992	
\$2,300,998	30.00%
2025	
12	
\$639,166	
6.00%	
27,700	
\$276.90	
15,246	
\$503.08	
\$526,880	
\$15,806	3%
\$511,073	
\$16,754	
\$22,339	
\$504	
\$550,671	
\$38,243	
\$15,536	
\$5,975	
\$1,793	
\$21,754	
\$7,171	
\$90,471	16.43%
\$3.27	
\$7,539	
\$460,200	
\$359,277	
\$100,923	4.39%
\$77,404	
\$178,327	7.75%

401 Lofts Apartments

401 W 100 N
Provo, Utah 84106

Price	\$3,688,000
Price/Unit	\$5,000,000
Current Cap	\$416,667
Current GRM	5.77%
Proforma CAP	14.33
Proforma GRM	6.10%
Project Level IRR	13.64
Project Level Cash Multiple	10.35%
5 Year Levered IRR	2.3x
5 Year Levered Cash Multiple	19.17%
10 Year Levered IRR	2.3x
10 Year Levered Cash Multiple	17.43%
Project Level Cash Multiple	4.4x
	\$1,009,582

Loan Assumption Scenario:

Loan Amount	\$3,750,000
Down Payment	\$1,250,000
Interest Rate	6.00%
Interest Only Payment:	\$223,747
Principal & Interest Payment:	\$269,798
Loan to Value	75.00%
Amortization	30 year
Interest Only	3 years

Buyer to assume existing loan or obtain new financing at market rate and terms or purchase the property on an "All Cash Basis".



Rental Roll Summary - Stabilized

Count	Unit Type	Number Units / Type	Average Rent	Total Rental Income	Year One @ 5%	Market Rent	Total Market Income	Sqft	Rent / SF	Market Rent/SF
1	2x2	12	\$1,941	\$23,292	\$24,457	\$2,300	\$27,600	1,072	\$1.81	\$2.15
2	Retail	1	\$2,711	\$2,711	\$2,846	\$1,950	\$2,711	911	\$2.98	\$2.14
3	Retail	1	\$1,830	\$1,830	\$1,922	\$1,950	\$2,416	732	\$2.50	\$2.66
4	Retail	1	\$1,250	\$1,250	\$1,313	\$1,950	\$1,675	500	\$2.50	\$3.90
Monthly Income				\$29,083	\$30,537	\$34,402				
Annual Income				\$348,993	\$366,443	\$412,824		15.46%	Potential Rental Upside	

# of Units	Unit Classification	Unit Type	Unit Number	Tenant Name	Unit Sqft.	Current Rent	Year One @ 5%	Market Rent	Rent/Sqft	Market Rent/Sqft
1	Second Floor	2x2	201	Vacant	1,098	\$1,950	\$2,145	\$1,650	\$1.78	\$1.50
2	Second Floor	2x2	202	Vacant	1,228	\$2,024	\$2,226	\$1,500	\$1.65	\$1.22
3	Second Floor	2x2	203	Vacant	982	\$1,895	\$2,085	\$1,500	\$1.93	\$1.53
4	Second Floor	2x2	204	Vacant	978	\$1,895	\$2,085	\$1,650	\$1.94	\$1.69
5	Third Floor	2x2	301	Vacant	1,098	\$1,950	\$2,145	\$1,650	\$1.78	\$1.50
6	Third Floor	2x2	302	Vacant	1,228	\$2,024	\$2,226	\$1,500	\$1.65	\$1.22
7	Third Floor	2x2	303	Vacant	982	\$1,895	\$2,085	\$1,500	\$1.93	\$1.53
8	Third Floor	2x2	304	Vacant	978	\$1,895	\$2,085	\$1,650	\$1.94	\$1.69
9	Fourth Floor	2x2	401	Vacant	1,098	\$1,950	\$2,145	\$1,650	\$1.78	\$1.50
10	Fourth Floor	2x2	402	Vacant	1,230	\$2,024	\$2,226	\$1,500	\$1.65	\$1.22
11	Fourth Floor	2x2	403	Vacant	982	\$1,895	\$2,085	\$1,500	\$1.93	\$1.53
12	Fourth Floor	2x2	404	Vacant	978	\$1,895	\$2,085	\$1,650	\$1.94	\$1.69
1	First Floor	Retail	101	Vacant	911	\$2,711	\$2,846	911	\$2.98	\$2.14
2	First Floor	Retail	102	Vacant	732	\$1,830	\$1,922	732	\$3.30	\$2.66
3	First Floor	Retail	103	Vacant	500	\$1,250	\$1,313	500	\$3.35	\$3.90
Monthly Income					12,860	\$29,083	\$30,537			
Annual Income						\$348,993	\$366,443			



Development Analysis

General Information

Property Name 401 Lofts Mixed Use
Address 401 W 100 N
City, State, Zip Provo, Utah 84106

	Parcel Area	
Gross Area	15,246	.35 Acres
Net Area	27,700	.64 Acres
Number of Units (including retail)	15	

Parcels	Parcel SF	% of Total SF	Year Sold	Sales PSF	Gross \$	% of Gross Revenue
Parcel 1	27,700 SF	100%	1	\$180.51	\$5,000,000.00	100%
TOTALS	27,700 SF	100%		\$180.51	\$5,000,000.00	100%

Acquisition • Development Cost

Acquisition	Total	% of Total	Year	Per SF	Price/Acre/Unit
Land Acquisition	\$1,000,000	25.89%	1	\$65.59	\$2,857,143
Cost of Construction	\$2,608,980	67.54%	1	\$171.13	\$173,932
Other Soft Costs	\$254,150	6.58%	1	\$16.67	
Total Land & Acquisition Costs	\$3,863,130	100.00%		\$253.39	

Estimated Cost Breakdown

Development Costs

Civil Engineer	Paid
Civil Engineer to Plat	Paid
Landscape Architect	Paid
Legal Fees	\$10,000
Phase I Report	Paid
Geology Report	Paid
Permit Fees	\$8,000
Property Insurance	\$8,500
Property Taxes	\$5,000
Power Line Contingency	\$10,000
Drainage Contingency	\$5,000
Other Costs	\$10,000
Developer Fee	\$100,000
General Contingency (1%)	\$5,650
Total Development Costs	\$162,150

Equity Amount:	\$942,783
Development Costs	\$3,771,130
Total:	\$4,713,913

Lot Sale 1	\$5,000,000
Closing Cost 5%	-\$200,000
Total:	\$4,800,000

Construction Loan Pay Off	\$2,828,348
Interest Payments (3 years)	\$593,953
Proceeds after Sale	\$434,917
Cash on Cash Return:	46.13%





CAP Rate Summary - Stabalized

Current Cap Rate Analysis

Cap Rate	NOI	Value	Equity	Equity %	Loan Amount*	Debt Service	Cash Flow	ROI	Price/Sqft	Price/Unit
4.27%	\$288,346	\$6,757,710	\$1,689,427	25%	\$5,068,282	\$304,097	(\$15,751)	-0.93%	\$243.96	\$563,142
4.77%	\$288,346	\$6,048,896	\$1,512,224	25%	\$4,536,672	\$272,200	\$16,145	1.07%	\$218.37	\$504,075
5.27%	\$288,346	\$5,474,661	\$1,368,665	25%	\$4,105,996	\$246,360	\$41,986	3.07%	\$197.64	\$456,222
5.77%	\$288,346	\$5,000,000	\$1,250,000	25%	\$3,750,000	\$269,798	\$18,548	1.48%	\$180.51	\$416,667
6.27%	\$288,346	\$4,601,080	\$1,150,270	25%	\$3,450,810	\$207,049	\$81,297	7.07%	\$166.10	\$383,423
6.77%	\$288,346	\$4,261,111	\$1,065,278	25%	\$3,195,833	\$191,750	\$96,596	9.07%	\$153.83	\$355,093
7.27%	\$288,346	\$3,967,925	\$991,981	25%	\$2,975,944	\$178,557	\$109,789	11.07%	\$143.25	\$330,660
7.77%	\$288,346	\$3,712,488	\$928,122	25%	\$2,784,366	\$167,062	\$121,284	13.07%	\$134.02	\$309,374
5.50%	\$299,521	\$5,445,837	\$1,906,043	35%	\$3,539,794	\$212,388	\$87,133	4.57%	\$196.60	\$453,820

5 Year Sale Cap Rate Analysis

Cap Rate	NOI	Value	Equity	Equity %	Loan Amount*	Debt Service	Cash Flow	ROI	Price/Sqft	Price/Unit
4.50%	\$369,457	\$8,210,150	\$2,463,045	30%	\$5,747,105	\$384,579	(\$15,122)	-0.61%	\$296.40	\$684,179
5.00%	\$369,457	\$7,389,135	\$2,216,741	30%	\$5,172,395	\$346,121	\$23,336	1.05%	\$266.76	\$615,761
5.50%	\$369,457	\$6,717,396	\$2,015,219	30%	\$4,702,177	\$314,655	\$54,801	2.72%	\$242.51	\$559,783
6.00%	\$369,457	\$6,157,613	\$1,847,284	30%	\$4,310,329	\$288,434	\$81,023	4.39%	\$222.30	\$513,134
6.50%	\$369,457	\$5,683,950	\$1,705,185	30%	\$3,978,765	\$266,247	\$103,210	6.05%	\$205.20	\$473,663
7.00%	\$369,457	\$5,277,954	\$1,583,386	30%	\$3,694,568	\$247,229	\$122,228	7.72%	\$190.54	\$439,829
7.50%	\$369,457	\$4,926,090	\$1,477,827	30%	\$3,448,263	\$230,747	\$138,710	9.39%	\$177.84	\$410,508
8.00%	\$369,457	\$4,618,209	\$1,385,463	30%	\$3,232,747	\$216,325	\$153,131	11.05%	\$166.72	\$384,851
8.50%	\$369,457	\$4,346,550	\$1,303,965	30%	\$3,042,585	\$203,600	\$165,856	12.72%	\$156.92	\$362,213

10 Year Sale Cap Rate Analysis

Cap Rate	NOI	Value	Equity	Equity %	Loan Amount*	Debt Service	Cash Flow	ROI	Price/Sqft	Price/Unit
4.50%	\$460,200	\$10,226,656	\$3,067,997	30%	\$7,158,659	\$479,036	(\$18,836)	-0.61%	\$369.19	\$852,221
5.00%	\$460,200	\$9,203,991	\$2,761,197	30%	\$6,442,793	\$431,132	\$29,068	1.05%	\$332.27	\$766,999
5.50%	\$460,200	\$8,367,264	\$2,510,179	30%	\$5,857,085	\$391,938	\$68,261	2.72%	\$302.07	\$697,272
6.00%	\$460,200	\$7,669,992	\$2,300,998	30%	\$5,368,995	\$359,277	\$100,923	4.39%	\$276.90	\$639,166
6.50%	\$460,200	\$7,079,993	\$2,123,998	30%	\$4,955,995	\$331,640	\$128,560	6.05%	\$255.60	\$589,999
7.00%	\$460,200	\$6,574,279	\$1,972,284	30%	\$4,601,995	\$307,951	\$152,248	7.72%	\$237.34	\$547,857
7.50%	\$460,200	\$6,135,994	\$1,840,798	30%	\$4,295,196	\$287,421	\$172,778	9.39%	\$221.52	\$511,333
8.00%	\$460,200	\$5,752,494	\$1,725,748	30%	\$4,026,746	\$269,457	\$190,742	11.05%	\$207.67	\$479,375
8.50%	\$460,200	\$5,414,112	\$1,624,234	30%	\$3,789,879	\$253,607	\$206,592	12.72%	\$195.46	\$451,176



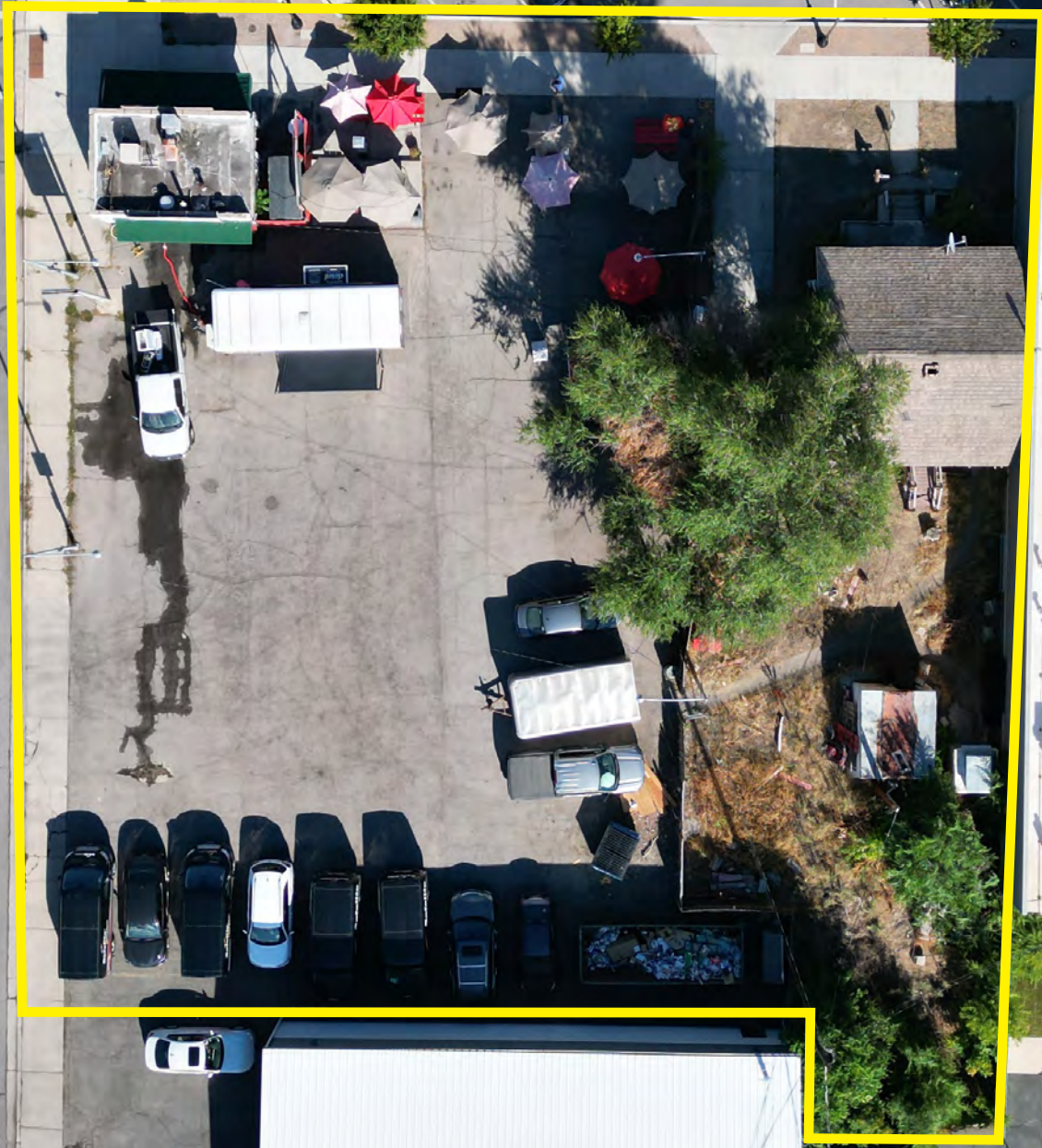
The amortization schedule & assumptions

Amortization Schedule	0	1	2	3	4	5	6	7	8	9	10
Ending Balance	\$3,750,000	\$3,703,950	\$3,655,059	\$3,603,153	\$3,548,045	\$3,489,538	\$3,427,423	\$3,361,477	\$3,291,463	\$3,217,131	\$3,138,215
Total Payment		\$269,798	\$269,798	\$269,798	\$269,798	\$269,798	\$269,798	\$269,798	\$269,798	\$269,798	\$269,798
Principal Repayment		\$46,050	\$48,891	\$51,906	\$55,108	\$58,507	\$62,115	\$65,946	\$70,014	\$74,332	\$78,917
Interest Charge		\$223,747	\$220,907	\$217,892	\$214,690	\$211,291	\$207,683	\$203,851	\$199,784	\$195,466	\$190,881

The Internal Rate of Return (IRR) is based on a 10 year hold strategy. Potential investors will analyze the investment opportunity using a variety of investment matrices. It is recommended that investors speak to there own accountant when analyzing the property.

Analysis Constants

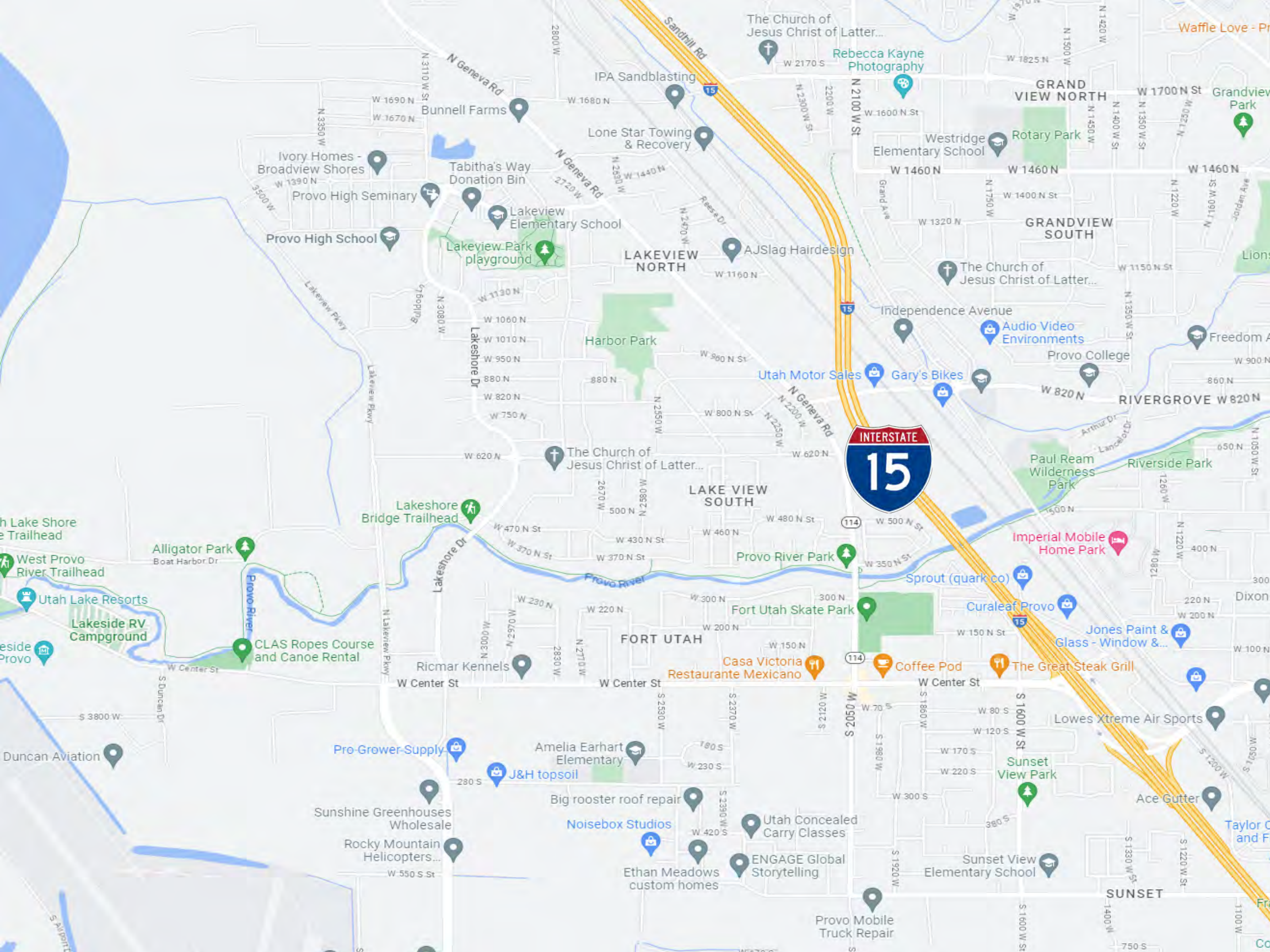
Rent growth year 1: At the market rent based on the rent comparables
 Subsequent Rent Growth year 2 - 10: 3% per annum
 Expense growth rate: 3% per annum



Property Information

locations map
renderings
elevations
photos

2



LAKEVIEW NORTH

LAKEVIEW SOUTH

FORT UTAH

GRANDVIEW NORTH

GRANDVIEW SOUTH

RIVERGROVE W 820 N

SUNSET

Ivory Homes - Broadview Shores
Provo High Seminary
Provo High School

West Provo River Trailhead
Utah Lake Resorts
Lakeside RV Campground

Duncan Aviation

Bunnell Farms
Tabitha's Way Donation Bin
Lakeview Elementary School
Lakeview Park playground

Alligator Park
Boat Harbor Dr
CLAS Ropes Course and Canoe Rental

Pro-Grower-Supply
Sunshine Greenhouses Wholesale
Rocky Mountain Helicopters...

IPA Sandblasting
Lone Star Towing & Recovery

Harbor Park

The Church of Jesus Christ of Latter...

Lakeshore Bridge Trailhead
Provo River Park
Fort Utah Skate Park

Amelia Earhart Elementary
J&H topsoil
Big rooster roof repair
Noisebox Studios
Ethan Meadows custom homes

AJSlag Hairdesign

Utah Motor Sales
Gary's Bikes

Casa Victoria
Restaurante Mexicano

Utah Concealed Carry Classes
ENGAGE Global Storytelling
Provo Mobile Truck Repair

Westridge Elementary School
Rotary Park

The Church of Jesus Christ of Latter...
Audio Video Environments
Provo College

Imperial Mobile Home Park
Sprout (quark co)

Coffee Pod
The Great Steak Grill

Sunset View Park
Sunset View Elementary School

Grandview Park

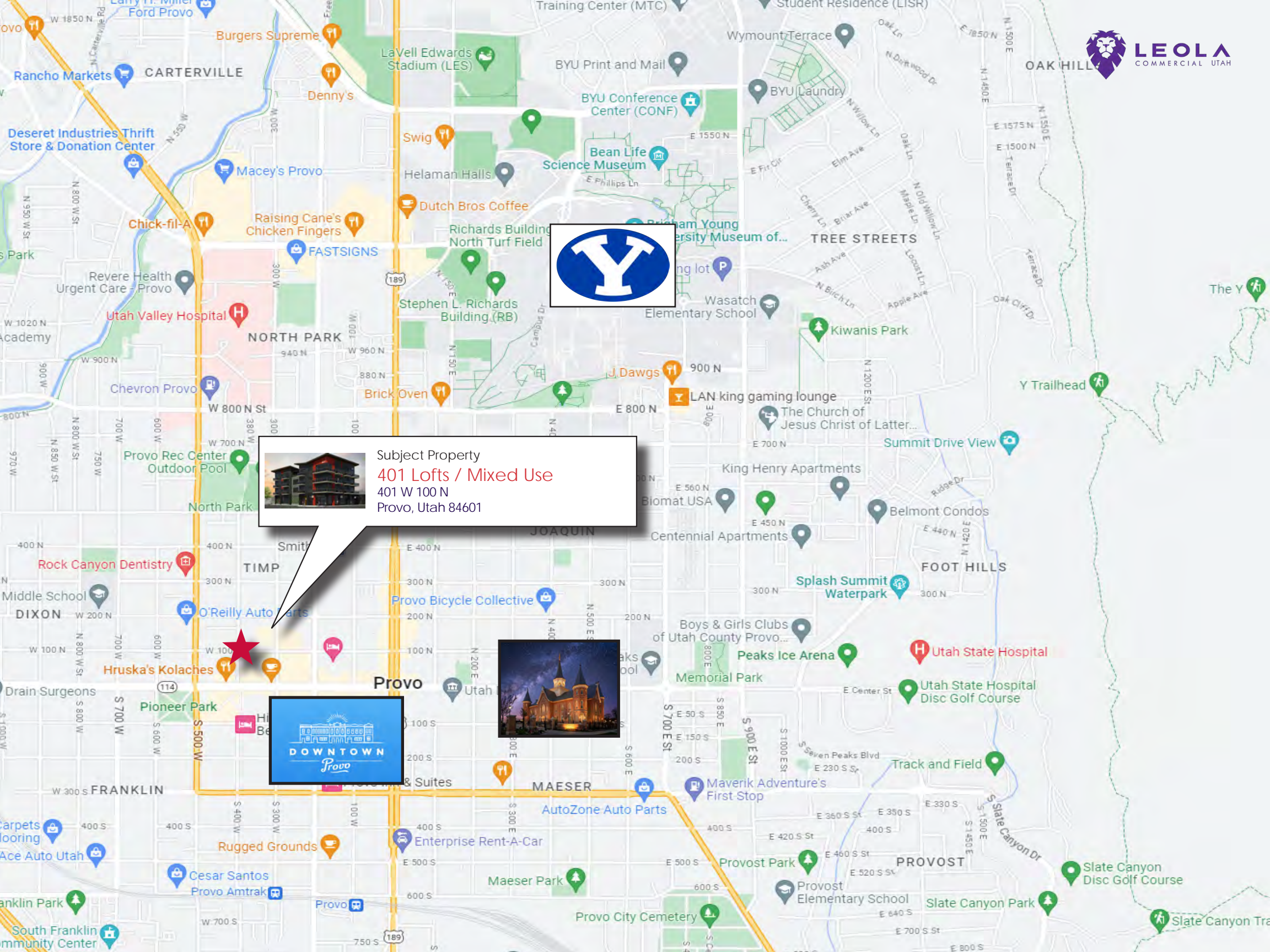
Freedom A


Riverside Park

Jones Paint & Glass - Window &...

Lowes Xtreme Air Sports
Ace Gutter

Taylor C and F



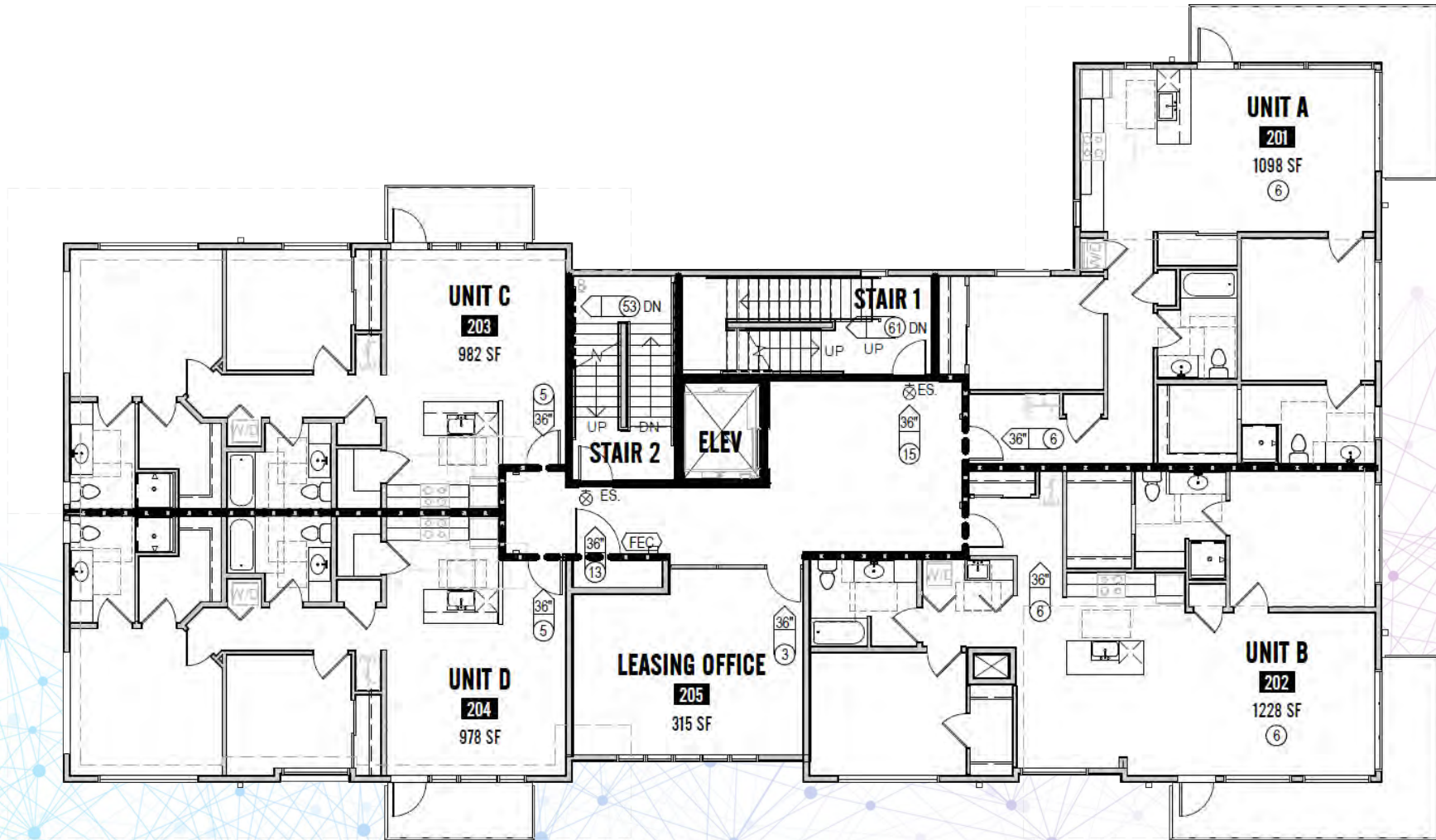
 Subject Property
401 Lofts / Mixed Use
401 W 100 N
Provo, Utah 84601

 DOWNTOWN Provo



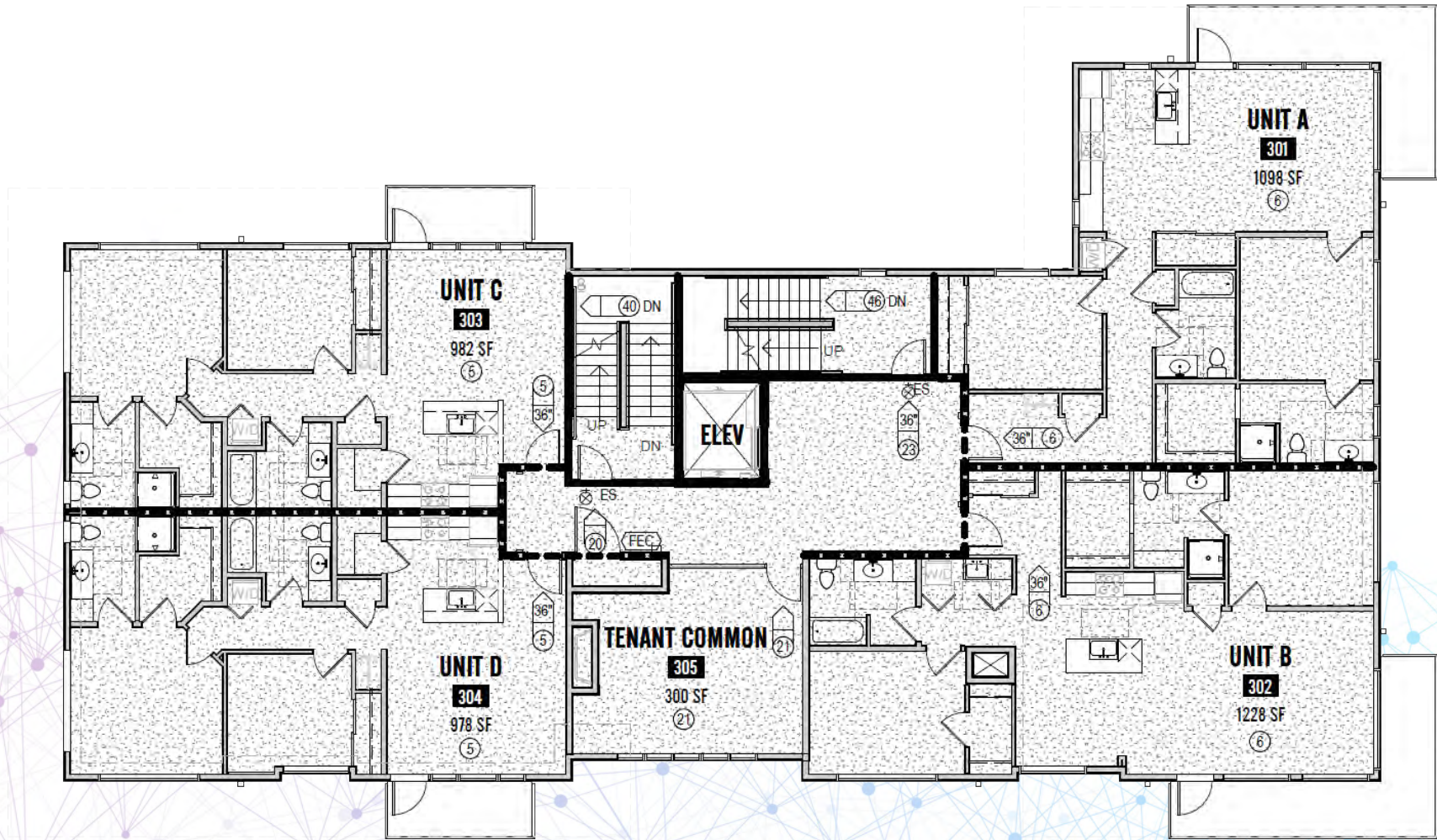






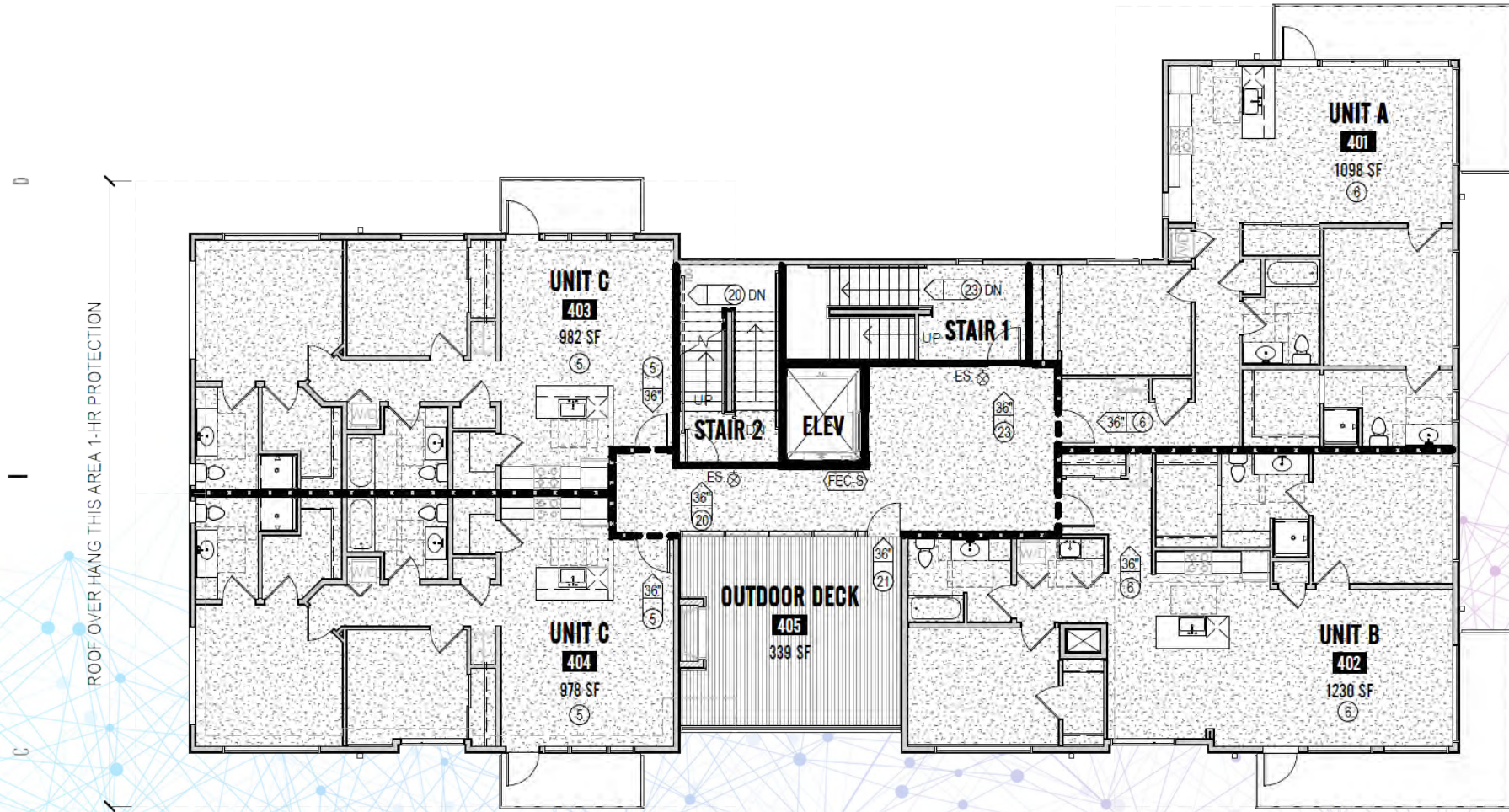
LEVEL 2 CODE COMPLIANCE PLAN

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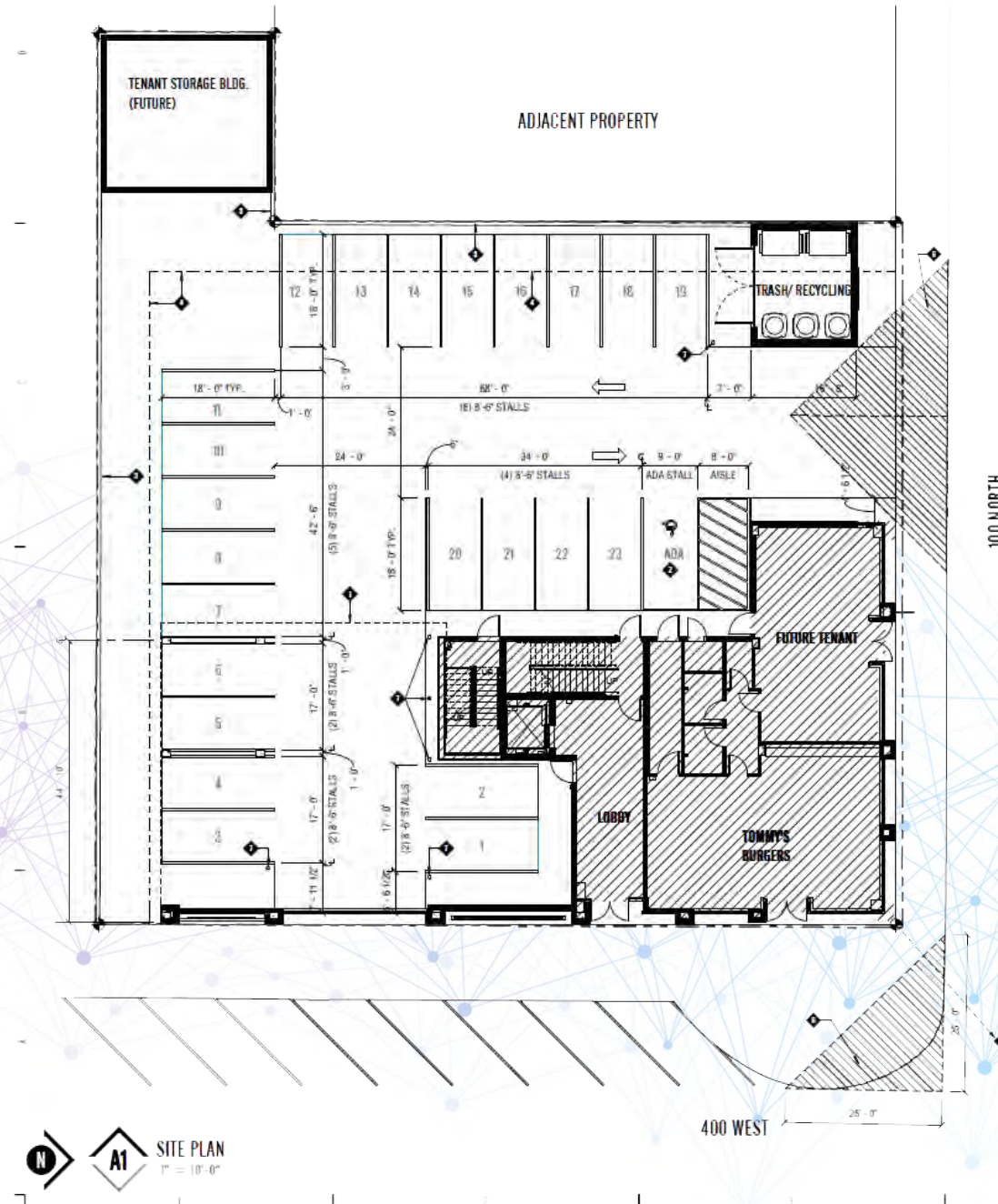


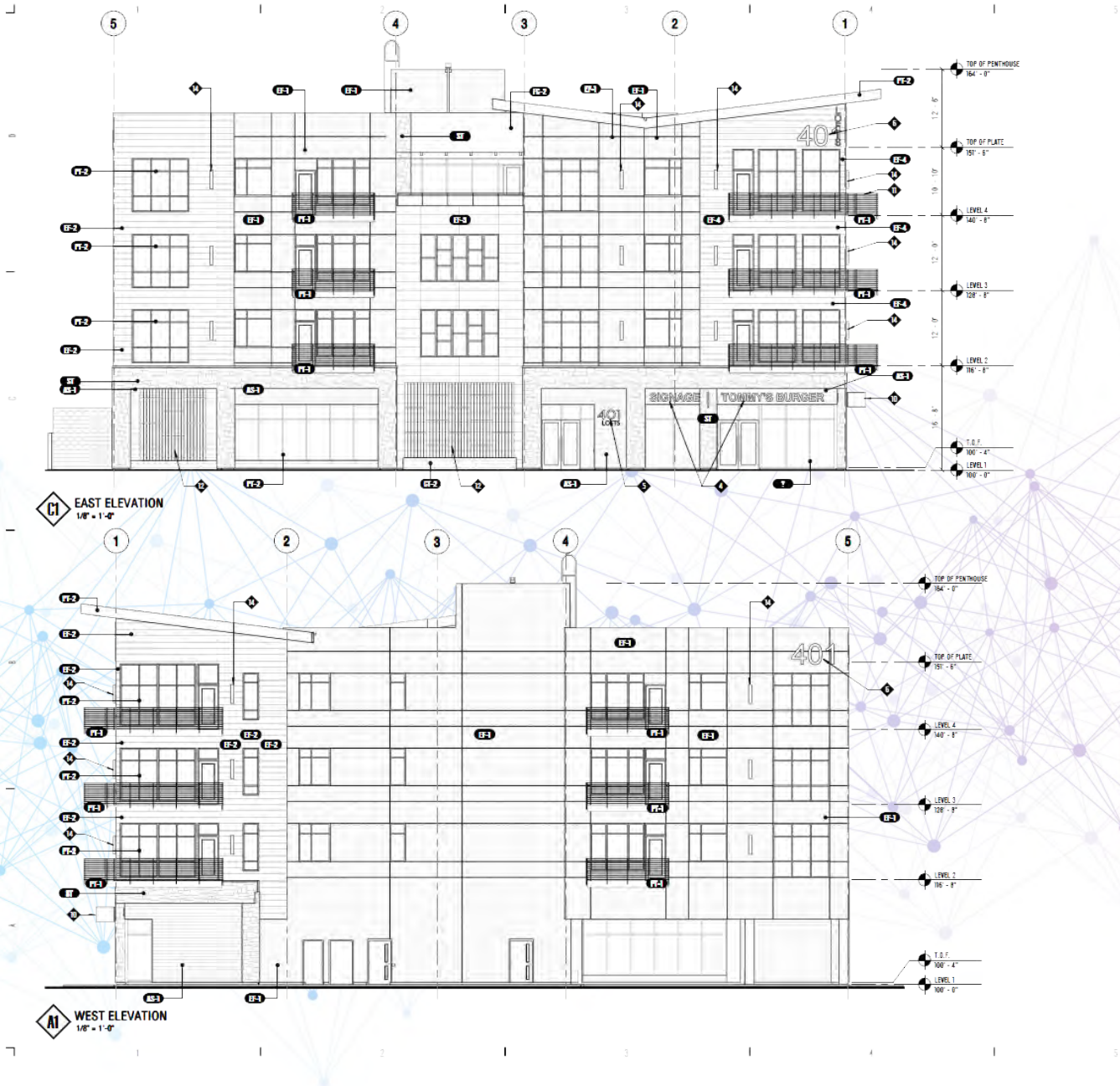
LEVEL 3 CODE COMPLIANCE PLAN

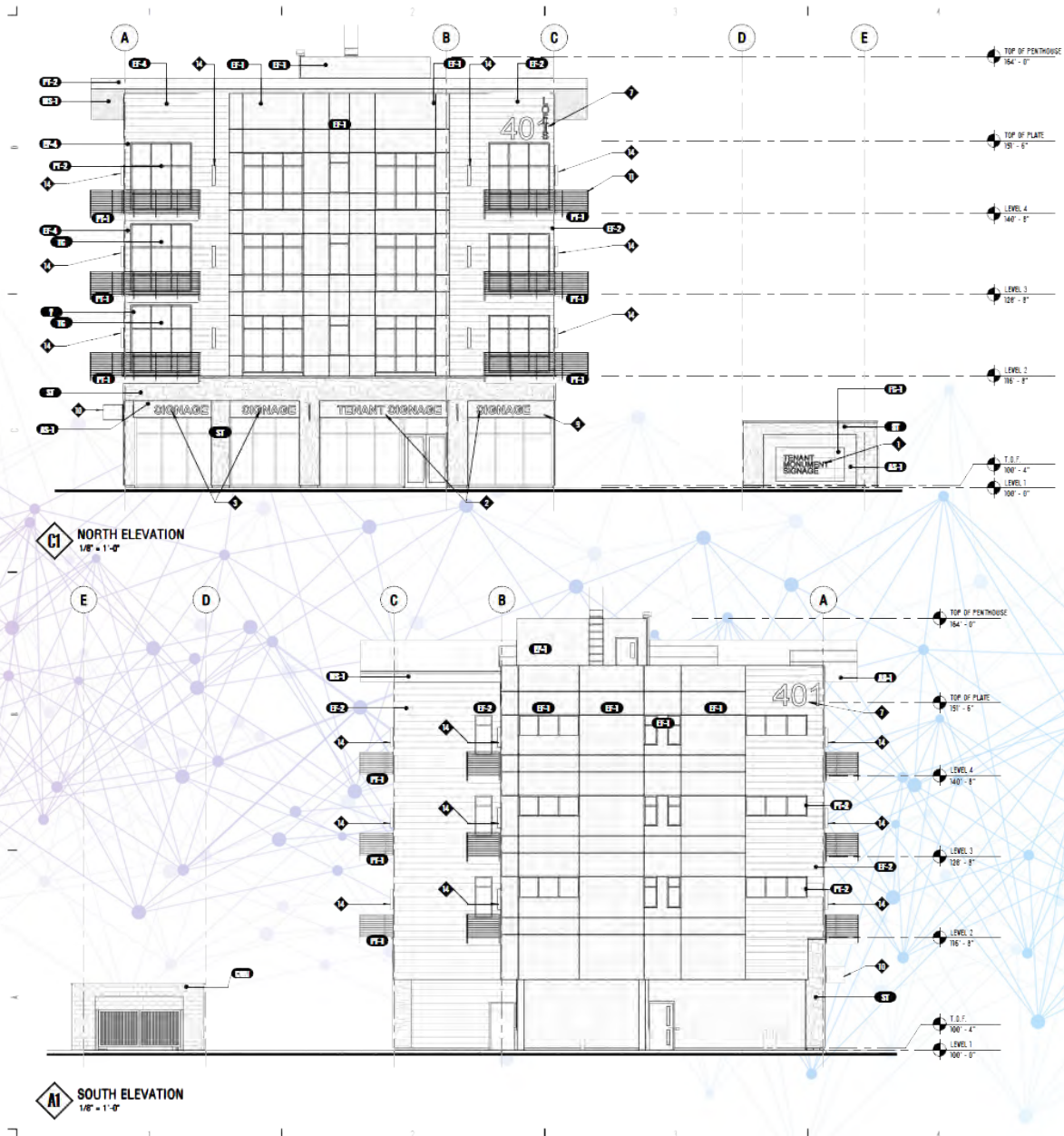
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LEVEL 4 CODE COMPLIANCE PLAN
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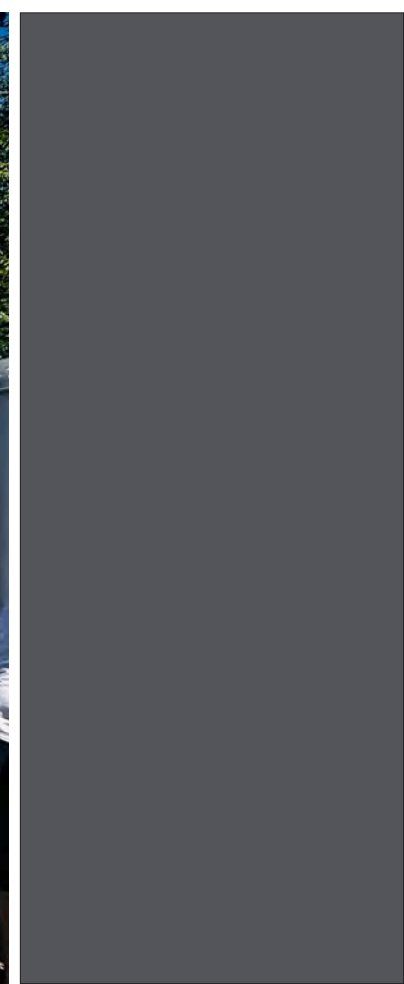














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