

# Project Summary:

Date Purchased: NOV 2004 | Date Sold: JUN 2007  
 Months Held: 31 | Units: 582 | Built: 1987

**Tuscany Palms**  
 901 S. Country Club Drive  
 Mesa, AZ 85210

**OUR APPROACH:**

Tuscany Palms was owned by a group of investors who were mis-managing the property. An economic vacancy of 34% was not providing sufficient cashflow to cover the debt service on the property. For this reason, an expedient closing was desired.

With the implementation of professional management practices, cost effective and efficient control systems, and the improvements to the physical plant, BASCOM would provide consumers with a compelling value proposition relative to the competition.

Performance Summary	At Acquisition	At Sale	Percent Increase
12 Month NOI	\$834,699	\$1,769,534	12%
Avg. Asking Rent	\$467	\$611	31%
Equity	\$5,681,163	\$19,553,228	244%
Cost Basis per Unit	\$31,900	\$65,463	205%

**BACKGROUND:**

Tuscany Palms is a 1987 vintage, 582 unit apartment complex located in Mesa, Arizona. Twenty-seven buildings occupy 17.78 acres, less than two miles from city center. While maintaining an affordable reputation among young renters, Bascom was able to improve the quality of life through renovations to units and common areas. The amenity package at Tuscany includes two swimming pools, a fitness center, tennis and racquetball courts, and well-landscaped leisure areas. As the Arizona market recovered through the mid-2000's, vacancy was no longer an issue and the improvements to the community fostered a 12% increase in NOI.



**PROPERTY STATISTICS:**

- **IRR:** 67%
- **Multiple on Equity:** 3.45
- **Lender Identity:** Wells Fargo Realty Finance
- **Loan to Total Value:** 58.5%
- **Equity Partner:** Rockwood
- **Total Purchase Price:** \$18,455,800
- **Total Renovation Cost:** \$3.95 M
- **Total Investment Basis:** \$5.68 M
- **Percentage of Replacement Cost:** 44.8%
- **Total Sales Price:** \$38.1 M
- **Sale Price per Unit:** \$65,463