

Project Summary:

Date Purchased: May 1996 | Date Sold: Dec. 1999

Months Held: 42 | Total Units: 58

Ontario Plaza Apartments

625 West Vesta Court

Ontario, CA 91762

OUR APPROACH:

An attractive property built in 1988, mismanagement and neglect by the previous owner had let the Ontario Plaza slip out of profitability, until eventually the lender foreclosed on the property. BASCOM purchased the property from the lender, Downey Savings and Loan, and received very favorable financing.

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	\$205,300	\$256,335	24.86%
Rent per Month	\$562	\$712	26.69%
Equity	\$456,189	\$1.32M	189.35%
Bascom Cost/ Unit	\$36,379	\$38,103	4.74%

- **IRR:** 34.43%
- **Multiple on Equity:** 2.89
- **Lender Identity:** Downey Savings and Loan
- **Loan to Total Value:** 51.60%
- **Equity Partner:** Chenco International
- **Percentage of Replacement Cost:** 55.55%
- **Total Purchase Price:** \$2.11M
- **Total Renovation Cost:** \$100,000
- **Total Investment Basis:** \$2.22M
- **Total Sale Price:** \$3.27M
- **Sale Price per Unit:** \$56,293

BACKGROUND:

Consisting of 58 garden style apartments, Ontario Plaza is centrally located in the City of Ontario. The Interstate 10 Freeway, which connects Southern California to the burgeoning Phoenix metropolitan area, runs within three miles to the north.

Ontario's central position in the heart of major Inland Empire transportation corridors provides the area with a steady influx of commerce. At the time of acquisition, the area was expected to experience a significant population increase.

Ontario Park's previous poor performance gave BASCOM an opportunity to increase revenues with a low investment basis. The nature of BASCOM's purchase of the property through foreclosure enabled BASCOM to acquire a quality product requiring only minor renovations at a cost far below replacement.