

Project Summary:

Date Purchased: DEC 2004 | Date Sold: JUN 2007
 Months Held: 30 | Units: 461 | Built: 1983

Valencia Park
 5104 East Van Buren Street
 Phoenix, AZ 85008

OUR APPROACH:

Valencia Park Apartments was owned by an east coast investment group with little experience in Arizona apartment operations. Since 2000 year-end, the NOI had decreased a staggering 49% - a change of nearly \$700,000. The owner's loan was coming due and an expedient disposition 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	\$798,428	\$1,053,507	32%
Avg. Asking Rent	\$477	\$570	19%
Equity	\$3,702,276	\$11,330,613	206%
Cost Basis per Unit	\$28,200	\$53,036	188%

BACKGROUND:

Valencia Park is a 1983 vintage, 461 unit apartment complex located in Phoenix, Arizona. Twenty-three buildings sit on 12.47 acres approximately 8 miles east of the city center. The property caters to younger residents by offering primarily studio (36%) and one-bedroom (63%) configurations. Proximity to Sky Harbor airport, Downtown Tempe, and Arizona State University provide an ideal location for residents. Value-added renovations of the common areas have provided residents with a fresh, revitalized, & affordable community in the Phoenix, Tempe, Scottsdale triangle.



PROPERTY STATISTICS:

- IRR: 62.23%
- Multiple on Equity: 3.15
- Lender Identity: Wells Fargo Realty Finance
- Loan to Total Value: 60.9%
- Equity Partner: Rockwood
- Total Purchase Price: \$13 M
- Total Renovation Cost: \$2,535,039
- Total Investment Basis: \$3.7 M
- Percentage of Replacement Cost: 59%
- Total Sales Price: \$24.45 M
- Sale Price per Unit: \$53,036