

# THE MOUNTAINSIDE APARTMENTS

A VALUE ADD MULTI-FAMILY PROJECT, IN PHOENIX HILLSIDE NEIGHBORHOOD

**MANAGEMENT EQUITY PARTICIPATION: 50% OR \$180,000**



Offering Summary

**ACG**

**Anaconda Capital Group** LLC

455 South 48th Street  
Suite #101  
Tempe, AZ 85281

+1 877-350-1288

# OFFERING SUMMARY

## *Multi Family Investment Opportunity*

Dear Investor

Anaconda Capital Group, working in conjunction with Valley Income Properties, Inc., is very pleased to present The Mountainside Apartments, a well located, 12 unit, hillside, value-add multi-family project in Northeast Phoenix. This offering presents a unique opportunity to acquire a well located, value-add mid-cap multi-family property, with substantial upside upon remodel and stabilization.

ACG proposes to acquire the property via 40% down payment and 60% short term "hard" money financing, remodel and rebrand the property, and sell within 12.

Anaconda Capital will execute the contract, organize and place the financing, oversee the remodel of the property, rebrand the property, and re tenant once remodel is complete. Once property has stabilized financials for three consecutive months, the property will be placed back on the for sale market.

We appreciate the opportunity to put forth our vision for this property, and welcome any questions or comments you may have. Please call or email at your leisure.

NOTE: Management will participate in the equity side equal to 50% or more of the total equity raise.

Sincerely,

**Jeffery E. Hanrath**

Member, Anaconda Capital Group, LLC

1-877-350-1288

[jeff@valleyincome.com](mailto:jeff@valleyincome.com)

## ■ INVESTMENT HIGHLIGHTS

Property Type & Size:	Mid Cap Multi Family, 12 Units
Location:	Phoenix, Arizona
Year Built / Age:	1981 / 34 years
Unit Mix:	(8) 2 bedroom 2 bathroom units, 815 sf
	(4) 1 bedroom 1 bathroom units, 625 sf
Current Occupancy:	100% (to be fully vacated upon acquisition)
Construction:	Two level, frame and stucco
Roofs:	Pitched, tile
HVAC:	Separate Heat Pumps
Utilities:	Separate electric. Common Water and trash
Type:	Walkup with private courtyard, open parking.
Electrical Wiring:	Copper
Plumbing:	Copper a
Current Market Value / Purchase Price	\$465,000
Remodel and Carrying Costs	\$165,000
Estimated Post Remodel Value	\$820,000
Proposed Financing	\$277,500, "hard" money acquisition loan. Estimate 10% with 2 points, all due 12 months with 6 month extension.
Total Equity Raise:	\$360,000. \$185,000 down payment, \$10,000 acquisition costs, \$140,000 remodel costs, \$25,000 carrying costs.
Remodel Plan:	Full exterior and interior remodel
Goal:	Acquire the property, remodel & rebrand, and sell for profit.
Investment Hold Time:	12 months
Estimated <b>Net</b> Equity Gain at Exit:	\$140,000

## SOURCE AND USE OF CAPITAL

Anaconda Capital will raise a total of \$360,000. Apx. \$195,000 will be used for the acquisition financing. The balance will be held as reserves and used for the remodel process.

DESCRIPTION	SOURCE	USE
6 Ownership Units at \$60,000 each (Mgt. = 3 Units)	\$360,000	
New Loan at Acquisition - Convertible to Construction	\$277,500	
Purchase Price		\$462,500
Acquisition and Loan Costs		\$10,000
Remodel - Exterior:		\$68,000
Remodel - Interiors		\$72,000
Carrying Costs during Hold		\$25,000
<b>TOTAL</b>	<b>\$637,500</b>	<b>\$637,500</b>

# TRANSACTION STRUCTURE

Ownership Structure:	Arizona LLC (Limited Liability Corporation)
General Partner:	Anaconda Capital Group, LLC
Limited Partners:	Individual Investors
Legal Council:	Gene Kadish, Tempe, AZ
Accounting Council:	Vincent Murietta, Phoenix AZ
Estimated Term of Hold:	12 months
Perferred Return to Investors:	7% annual, paid quarterly
Hurdle Rate to Investors:	0%
Profit Split:	25% to management, 75% to Investors, After 7% Preferred rate and all investor funds have been fully returned.

# PROJECTED RETURNS

Investors are to receive a preferred rate of 7% annual, paid quarterly from operating income and/or reserves, beginning 6 months from acquisition. Prior to distribution of final profits, investors preferred rate will be paid in full, and all investment funds returned in full.

With the sale of the property at month 12, and distribution of profits, the total projected return to the investors is expected to be 36.16%

DESCRIPTION	ITEM
<b>Total Investor Equity</b>	<b>\$ 360,000</b>
<b>Expected Total Net Profits from Sale</b>	<b>\$140,000</b>
<b>Less Estimated Reserve Fund Contribution</b>	<b>\$0</b>
<b>Less Hurdle Rate Margin to Investors</b>	<b>\$0</b>
<b>Net Profits from Sale</b>	<b>\$140,000</b>
<b>Less Management Share of Profits</b>	<b>(\$35,000)</b>
<b>Net Profits to Investors</b>	<b>\$105,000 (29.16%)</b>
<b>Plus Preferred Rate over 12 months - Paid from cash Flow - months 6 - 12</b>	<b>\$25,200 (7.0%)</b>
<b>Total Return To Investor Over 3 Years</b>	<b>36.16%</b>
<b>Annualized Return to Investors</b>	<b>36.16</b>

## ■ SUMMARY

### Structurally Sound Multi-Family Property

*Offering a tremendous upside value*

The offering allows potential investors to participate in an extremely well located value add project. The property offers tremendous upside value in a relatively short time horizon, and with a capital commitment that represents 43.90% of the final sales value. .

Investors will benefit from the experience of the management team, which brings 50+ years' experience, and with dozens of profitable projects on its resume. With projected annualized returns approaching 36.0%, this project offers superior profitability with limited exposure and risk.

## ■ CONTACT US

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## ■ DISCLAIMERS

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