

# THE PLAZA WEST APARTMENTS

A DISTRESSED / VALUE-ADD MULTI-FAMILY INVESTMENT

**\$650,000 TOTAL EQUITY RAISE, \$550,000 ALREADY BOOKED,  
MANAGEMENT CONTRIBUTING \$100,000 PLUS ADDITIONAL \$100,000 IN REDUCED  
CONTRACTING FEES**



Offering Summary

**ACG**

**Anaconda Capital Group** LLC

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## ■ OFFERING SUMMARY

### *Multi Family Investment Opportunity*

Dear Investor

Anaconda Capital Group, via ACG-PW, LLLP, and working in conjunction with Valley Income Properties, Inc., is very pleased to present The Plaza West Apartments, a distressed, value-add Multi-Family real estate opportunity in the greater Phoenix marketplace. This offering presents a very unique opportunity to acquire a well located, mid-cap multi-family property, with substantial value-add upside. The property is being redeveloped through 50/50 Joint Venture with the current owners, TCD, LLC: ownership is contributing the property at a basis of \$750,000 (\$26,785/unit or \$29.07/sf) and \$325,000 in capital contributions. ACG-PW, LLLP is contributing \$325,000 in remodel costs, up to \$50,000 in over-budget costs, and through its GC affiliate, is contributing \$100,000+ in reduced contracting costs. .

The property, which is currently 100% vacant and boarded (the result of rain damage), will then be fully remodeled and repositioned within the market. Once the property has established stabilized financials, roughly 9 -12 months from commencement, Anaconda Capital will look to exit the property at full market value.

Anaconda Capital will execute the Partnership Agreement, post the remodel and carrying costs to the Project Account, and take over operational control of the property, no later than 9/21/2015. Deadline for receipt of Investor funds is 9/18/15.

With proper attention to re-positioning and re-branding, and with a competent management plan, this investment offers tremendous upside potential over a relatively short investment horizon.

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.

Sincerely,

**Jeffery E. Hanrath, Mike Calkins**

Members, Anaconda Capital Group, LLC

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## ■ INVESTMENT HIGHLIGHTS

Property Type & Size:	Mid Cap Multi Family, 28 Units
Location:	Phoenix, Arizona
Year Built / Age:	1968 / 46 years
Unit Mix:	(12) 3 bedroom units and (16) Very large 1bedroom Units
Current Occupancy:	0.00% Property is currently vacant and boarded.
Construction:	Two level, block construction
Roofs:	Built up
HVAC:	Separate Heap Pumps
Utilities:	Separate electric. Common Water
Type:	Garden style, with private courtyard, covered parking, on-site laundry and separate storage
Electrical Wiring:	Copper
Plumbing:	Copper and galvanized
Current Market Value / Purchase Price	\$800,000 as is (Contract value is \$750,000)
Remodel and Carrying Costs	\$650,000
Estimated "As Repaired" Value	\$2,030,000, by 10/2016
Proposed Financing	None. The property currently has a \$600,000 loan with Wels Fargo at 4%..
Total Equity Raise:	\$650,000, \$325,000 by ACG-PW, LLC
Remodel Plan:	Full exterior and interior remodel of the entire property. Please refer to Addendum "A" attached for remodel summary
Goal:	Remodel the property, reestablish stabilized operating books, and exit the property at full market value.
Investment Hold Time:	Target exit of 14 months.
Estimated Net Equity Gain - After Sales Costs	\$490,000 net gain on \$650,000 investment.

## SOURCE AND USE OF CAPITAL

Because this property is being acquired in a JV with current ownership, there is no need to seek new debt; Current Debt of \$600,000 is in place with Wells Fargo, with monthly PI payments equal to \$4,400 per month. Anaconda Capital will raise \$650,000 total equity for the acquisition and repositioning, carrying costs, and disposition of the property. Anaconda Capital is offering 13 Partnership Units at \$50,000 each.

**NOTE: As of 9/5/2015 11 partnership units or \$550,000 has been raised.**

DESCRIPTION	SOURCE	USE
13 Ownership Units at \$50,000 each	\$650,000	
Mortgage Carry - 9 Months		39,600
Permits, Roll -offs, Electric, Water, Taxes, Insurance - Year 1		\$41,900
Exterior Remodel: Roof, Air conditioners, sewer runs, paint, stair and landing, storage, laundry, electrical, signage		\$255,000
Interior Remodel:		
1 fire unit remodel - full		\$27,500
9 Water damaged units - full		\$158,500
18 remodels		\$89,800
Contingency		\$37,700
<b>TOTAL</b>	<b>\$650,000</b>	<b>\$650,000</b>

## TRANSACTION STRUCTURE

Ownership Structure:	Arizona LLLP (Limited Liability Limited Partnership)
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:	14 months
Preferred Return to Investors:	7% annual, paid quarterly, beginning 7 months from commencement
Hurdle Rate to Investors:	Not Applicable
Profit Split:	30% to management, 70% to Investors

## PROJECTED RETURNS

Investors are to receive a preferred rate of 7% annual, paid quarterly from operating income and/or reserves, beginning the 7<sup>th</sup> month from commencement.

With the sale of the property, at month 146, and distribution of profits, the total projected return to the investors is expected to be 60.09%, and annualized returns are expected to be 52.21%. This equates to 45.21% from share of net profits, and 7% from cash flow disbursements.

DESCRIPTION	ITEM
Total ACG-PW, LLLP Equity	\$ 325,000
Expected Total <u>Net</u> Profits from Sale, after Split with TCD	\$ 245,000
Investor Share of Profits - After management 30%	\$ 171,500
Plus Preferred Interest Rate (7%)	\$ 26,500
Total Cash Return to Investor	\$ 198,000
Total Return on Investment	60.09%
Annualized Return on Investment based on 14 month model	52.21%

## ■ SUMMARY

### Structurally Sound Multi-Family Property

*Offering a tremendous upside value*

The offering allows potential investors to participate in well located, structurally sound multi-family property, at a price that is a discount to its current “as-is” market value. The property offers tremendous upside value in a relatively short time horizon and with a capital commitment that represents only 32.01% of the as-repaired value - a rarity in today’s market place.

Investors will benefit from the experience of the management team, which brings 50+ years’ experience, and has dozens of profitable projects on its resume. With projected annualized returns exceeding 35%, this project offers superior profitability with limited exposure and risk.

■ CONTACT US

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## ■ DISCLAIMERS

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