

1560 MILL ST. RENO NV  
89502 APN 013-052-04



**OFFERING MEMORANDUM**

**\$2,650,000.00      5.16% CAP**

Recently renovated 20-unit (\*) property near Renown Medical Center available.

**OFFERING MEMORANDUM**

**GASTON & WILKERSON MANAGEMENT GROUP**

**DEBBIE WARNER, CPM**

**B.1002188**

**775-200-1121**

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## 2017 SUBSTANTIAL RENOVATIONS

- New windows
- Kitchen Cabinets
- Appliances
- Tile Flooring
- Bath fixtures
- Exterior paint
- Mailboxes and pad replacement
- Laundry Room Refresh to include electrical panel
- Exterior Lighting
- Asphalt Slurry (2018)



## TRANSITION TO MARKET RATE PROPERTY

Originally purposed as housing for Veteran's. A Market Rate conversion was implemented in 2019. Existing Section 8/Voucher tenant's maximum allowable rent is \$954.00 with utilities included and month to month leases. Market rate units are rented at \$895.00 + \$35.00 to \$50.00 utility reimbursement. Market rate tenants are required to provide electricity service with NV Energy directly. Landlord provided utilities include water, sewer, trash removal, basic cable and internet.

(\*) The current rental office on site can be easily converted to a studio unit. It is not included in the rent roll or proforma.

### OCTOBER 2019 RENT ROLL

#### Rent Roll

1560 Mill St

As Of = 10/16/2019

Unit	Unit Type	Name	Market Rent	Actual Rent	Resident Deposit	Utility Reimbursement	Move In	Lease Expiration
1560A	1b	VACANT	895.00	0.00	0.00	0.00		
1560B	1b	John Castro	904.00	904.00	450.00	0.00	03/01/2018	03/31/2019
1560C	1b	VACANT	895.00	0.00	0.00	0.00		
1560D	1b	Peter Spinella	800.00	800.00	1,600.00	0.00	11/16/2018	10/31/2019
1566A	1b	Kevin Durham	954.00	954.00	450.00	0.00	03/15/2017	03/14/2018
1566B	1b	VACANT	895.00	0.00	985.00	0.00	07/02/2019	01/01/2020
1566C	1b	Michael Marshall	800.00	800.00	800.00	0.00	10/09/2018	09/30/2019
1566D	1b	John Pederson	740.00	740.00	450.00	0.00	09/06/2018	09/30/2019
1570A	1b	Epifanio Villegas	935.00	935.00	985.00	50.00	07/05/2019	07/04/2020
1570B	1b	Timothy Metcalf	904.00	904.00	450.00	0.00	08/21/2017	08/20/2018
1570C	1b	William McIlraith	904.00	740.00	450.00	0.00	08/30/2018	08/31/2019
1570D	1b	VACANT	895.00	0.00	0.00	0.00		
1580A	1b	VACANT	895.00	0.00	0.00	0.00		
1580B	1b	Jennifer Cupit	954.00	954.00	985.00	0.00	08/01/2019	01/31/2020
1580C	1b	David Pack	904.00	904.00	740.00	0.00	03/15/2018	03/31/2019
1580D	1b	Stephen Brandow	800.00	800.00	1,600.00	0.00	11/08/2018	11/07/2019
1590A	1b	Tabatha Allen	925.00	925.00	450.00	0.00	04/19/2018	04/30/2019
1590B	1b	Lane Sturgeon	935.00	935.00	450.00	0.00	04/05/2019	04/04/2020
1590C	1b	VACANT	895.00	0.00	0.00	0.00		
1590D	1b	Erika Zaragoza	950.00	950.00	935.00	35.00	03/01/2019	02/29/2020
			<b>17,779.00</b>	<b>12,245.00</b>	<b>11,780.00</b>	<b>85.00</b>		

# 1560 Mill

## Proforma

10/21/2019

### Income

	<u># of Units</u>	<u>See Rent Roll for Detail</u>	<u>Total</u>
1bed/1bath	20		17,779
Total	20		

*Note: Office unit could be easily converted back to a studio.*

Potential Annual Income			213,348
Vacancy and Credit Loss		5.00%	10,667
Misc Income			3600
Utility Billback		600/unit/year	12,000
<b>Effective Gross Income</b>			<b>218,281</b>

### Expenses

Real Estate Taxes			5,000
Insurance			6,000
House Electric			5,100
Water/Sewer/Trash			15,000
Cable/Internet			6,000
Repairs			12,000
Maintenance Salaries			12,000
On Site Salaries			6,000
Off Site Management			9,000
Replacements			2,400
Administrative			3,000
<b>Total Expenses</b>			<b>81,500</b>

**37.34%**  
**4,075.00** per unit

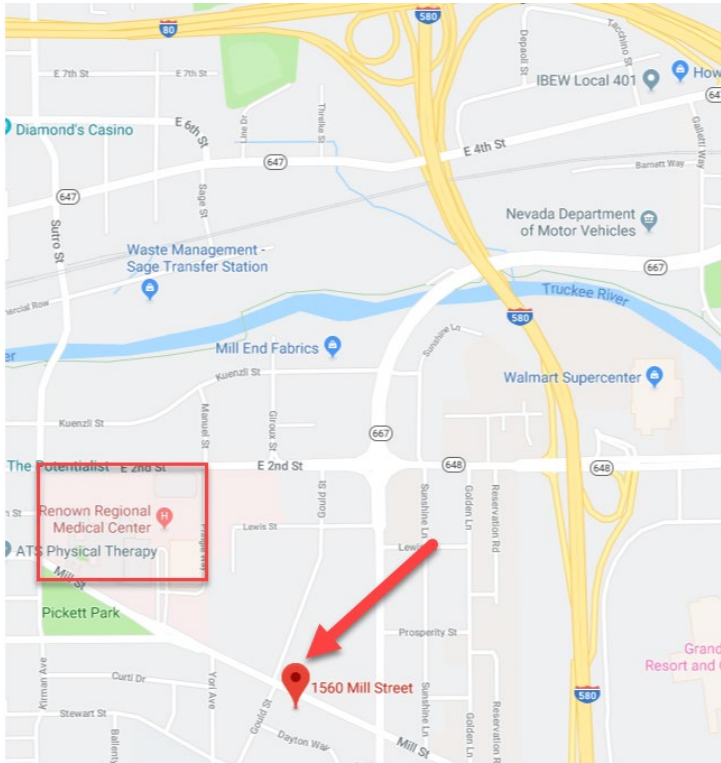
<b>Net Operating Income</b>			<b>136,781</b>
<b>Cash Flow</b> <i>(Based on financing scenario below)</i>			<b>66,632</b>

<b>Cap Rate</b>	<b>5.16%</b>		<b>\$ 2,650,000</b>
		Price per unit	<b>\$ 132,500</b>

<u>Financing</u>			
Finance	75.00%	1,987,500	
Debt Service	30	years	Rate 5.00%
Monthly Payment	10,669		LTV 0.75
Annual Payment	128,028		DCR 1.07

Equity	662,500
Cash on Cash Return	1.32%

## BUILDING LOCATION AND INFORMATION



Steps away from the Renown Medical Center campus

Easy access to 580/395 I-80

Bus Route 9 and 14

Just over 1 mile east of midtown shopping and restaurants

2 Miles to Reno Tahoe International Airport

BUILDING INFORMATION			
Year Built	1956	Square Feet	8520
Stories	2	Lot Size	.367 Acre
Bedrooms	21	Zoning	MUWM
Full Baths	21	Water	Municipal
Heat Type	Wall Furnace	Sewer	Municipal
Exterior Walls	Stud-Asph	Street	Paved
Sec. Exterior Walls	Concrete Block	Land Use	10+ Units
Frame	Wood/Steel		

*Buyer to verify all information*