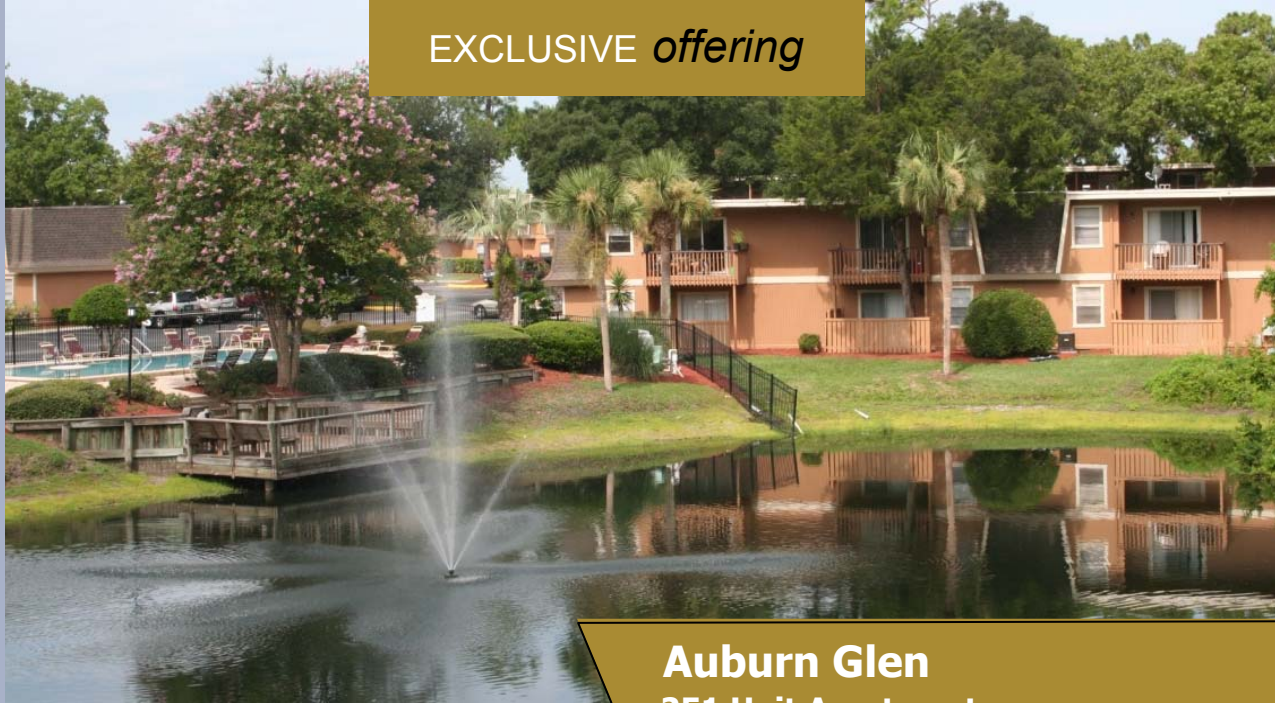


EXCLUSIVE offering



## Auburn Glen 251 Unit Apartments

8024 Southside Blvd. / Jacksonville, FL 32256

**A+ Southside Location**

### INVESTMENT HIGHLIGHTS

#### LIVE, WORK AND PLAY LOCATION

Auburn Glen is located within the Southside Blvd. submarket, which boasts the highest occupancy in the Jacksonville MSA and is the most desirable submarket for investors. The property has an incredible infill location across from a Publix anchored center, affluent Deerwood Country Club and surrounded by 65,000 jobs within the Southside Business District. The property also offers quick access to major thoroughfares in Jacksonville such as I-95, J. Turner Butler (SR-202) and SR-9A (I-295).

#### TREMENDOUS VALUE ADD OPPORTUNITY

The property is in good condition as it has received recent renovations. They include exterior paint, wood replacements, HVAC condenser/handlers in all units and kitchen and restroom improvements in select units. Auburn Glen presents a great value add opportunity for investors to continue the interior rehab execution and increase rents in an area which will always be in high demand.

#### STABILIZED ASSET / STRONG OPERATIONS

Currently 95% occupied (Dec 2011), Auburn Glen has maintained historically high economic occupancy levels. Investors can capitalize on increasing rents as the market continues to improve.

#### ATTRACTIVE IN-PLACE AGENCY DEBT FINANCING

This investment offers the opportunity to assume Freddie Mac debt at a low rate and attractive LTV levels.

### TRANSACTION

**Cash Above Existing  
Freddie Mac Debt**

\$9,609,389 (Balance as of Dec 2011)

\$5.6% rate / Matures 4/2017

\$58,212/month (P&I)





## PROPERTY DESCRIPTION

<b>Address:</b>	8024 Southside Blvd. Jacksonville, FL 32256	<b>Construction:</b>	Wood frame & T-111 siding
<b>Built:</b>	1974	<b>Avg. Unit Size:</b>	813 SF
<b>Occupancy:</b>	95% (as of Dec 2011)	<b>Rentable Area:</b>	204,090 +/- SF
<b>Total Units:</b>	251	<b>Utilities:</b>	RUBS – billed by Ista
<b>Land Area:</b>	20.8 acres	<b>Renovations: (2009-2011)</b>	Exterior paint Wood replacement HVAC replacements (all units) GFI plugs / wiring upgrades Kitchen/Baths upgrades* *select units
<b>Density:</b>	12.07 units per acre		
<b>Buildings:</b>	22 Two-story		

TYPE	UNITS	SF	MKT RENT	RENT PSF
1BR-1BA	72	520	\$539	\$1.04
1BR-1BA	86	800	\$609	\$0.76
2BR-1BA	32	1,000	\$639	\$0.64
2BR-2BA	60	1,070	\$690	\$0.64
2BR-2BA	1	1,650	\$1,078	\$0.65
<b>Total/Avg.</b>	<b>251</b>	<b>813</b>	<b>\$614</b>	<b>\$0.76</b>

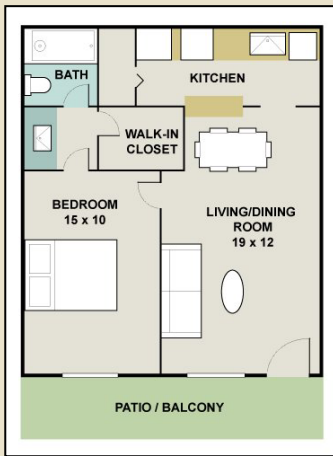
# PROFORMA

INCOME	ANNUAL	PER UNIT	PER SF
Market Rents	\$1,942,000	\$7,737	\$9.52
Loss/Gain to Lease	(5,000)	(20)	(0.02)
<b>Gross Potential Income</b>	<b>\$1,937,000</b>	<b>\$7,717</b>	<b>\$9.49</b>
Vacancy	(70,000)	(279)	(0.34)
Bad Debt & Collections	(20,000)	(80)	(0.10)
Concessions	(50,000)	(199)	(0.24)
Other Rent Losses	(20,000)	(80)	(0.10)
<b>Effective Rental Income</b>	<b>\$1,777,000</b>	<b>\$7,080</b>	<b>\$8.71</b>
<b>Other Income</b>			
Other Income	300,000	1,195	1.47
<b>Effective Gross Income</b>	<b>\$2,077,000</b>	<b>\$8,275</b>	<b>\$10.18</b>
<b>Expenses</b>			
<b>Non-Controllable Expenses</b>			
Management Fee	62,000	247	0.30
Real Estate Taxes	154,000	614	0.75
Insurance	95,000	378	0.47
<b>Total Non-Controllable</b>	<b>\$311,000</b>	<b>\$1,239</b>	<b>\$1.52</b>
<b>Controllable Expenses</b>			
Payroll & Related Items	270,000	1,076	1.32
Administrative	65,000	259	0.32
Advertising & Marketing	50,000	199	0.24
Utilities	180,000	717	0.88
Repairs & Maintenance	115,000	458	0.56
Turnover Expenses	45,000	179	0.23
<b>Total Controllable</b>	<b>\$725,000</b>	<b>\$2,888</b>	<b>\$3.55</b>
<b>Total Expenses</b>	<b>\$1,036,000</b>	<b>\$4,127</b>	<b>\$5.08</b>
<b>Net Operating Income</b>	<b>\$1,041,000</b>	<b>\$4,147</b>	<b>\$5.10</b>
<b>Capital Expenditures</b>			
Capital / Reserves	75,000	299	0.37
<b>Cash Flow</b>	<b>\$966,000</b>	<b>\$3,849</b>	<b>\$4.73</b>



# FLOOR PLANS

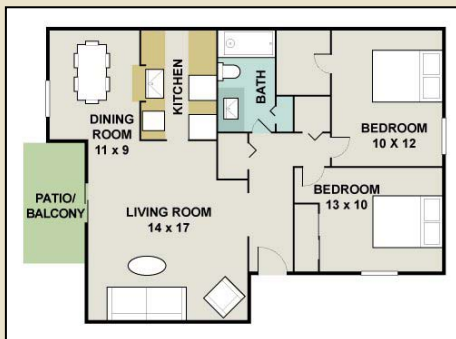
1 BR, 1 BA | 520 sq. ft.



1 BR, 1 BA | 800 sq. ft.



2 BR, 1 BA | 1,000 sq. ft.



2 BR, 2 BA | 1,070 sq. ft.



## FEATURES

- A+ location
- Two laundry facilities
- Playground
- Four gorgeous lakes
- Private patio/balcony
- Fireplaces in select units
- Washer/Dryer connections\*
- Swimming pool
- Two tennis courts
- Fitness center\*\*
- Clubhouse\*\*
- Sauna
- Carwash
- BBQ areas

\* 60 units

\*\* recently remodeled/new equipment

## ECONOMIC OVERVIEW

The Jacksonville MSA is one of the 50 largest economies in the US and is well diversified with long-term growth industries including military, transportation, healthcare and financial services. According to the 2010 Census estimates, the Jacksonville MSA has more than 1.3 million residents and more than 526,000 households.

Jacksonville has experienced good population growth during the last decade and is expected to see over 63,000 new residents during the next three years, according to a forecast by University of Central Florida (UCF). Jacksonville continues to be an expanding business city that fosters a pro-business climate. The area is also one of the nation's youngest, with an average age of just over 37 years, well below the average for other major Florida cities.

The local economy supports approximately 622,693 jobs as of October 2011, and although economic growth has slowed during the recession, UCF's Florida Forecast has the Jacksonville MSA area gaining over 40,000 jobs during the next three years. In addition, the area's strategic location with two major interstates, multimodal network, well-educated labor pool, low cost of living and low cost of doing business will ensure continued economic growth over the long term. The foundation has been laid to make Jaxport the second largest port on the east coast. Also, numerous companies have expanded/relocated to Jacksonville's Southside during the past two years including: JP Morgan Chase, Medtronic, C2C, Convergys, Lender Processing Services, Deutsche Bank, Xorail, PNC and FDIC.

More than 15% of Jacksonville area residents are connected with the Navy, either through active or reserve duty, as a retiree, civilian employee, or member of a military family. Every year, more than 4,000 highly-trained, mission-oriented personnel exit or retire from military service and 80% of those choose to stay in Jacksonville.

The average household annual income for the Jacksonville MSA is over \$69,000, with an \$87,801 within three miles of Auburn Glen.

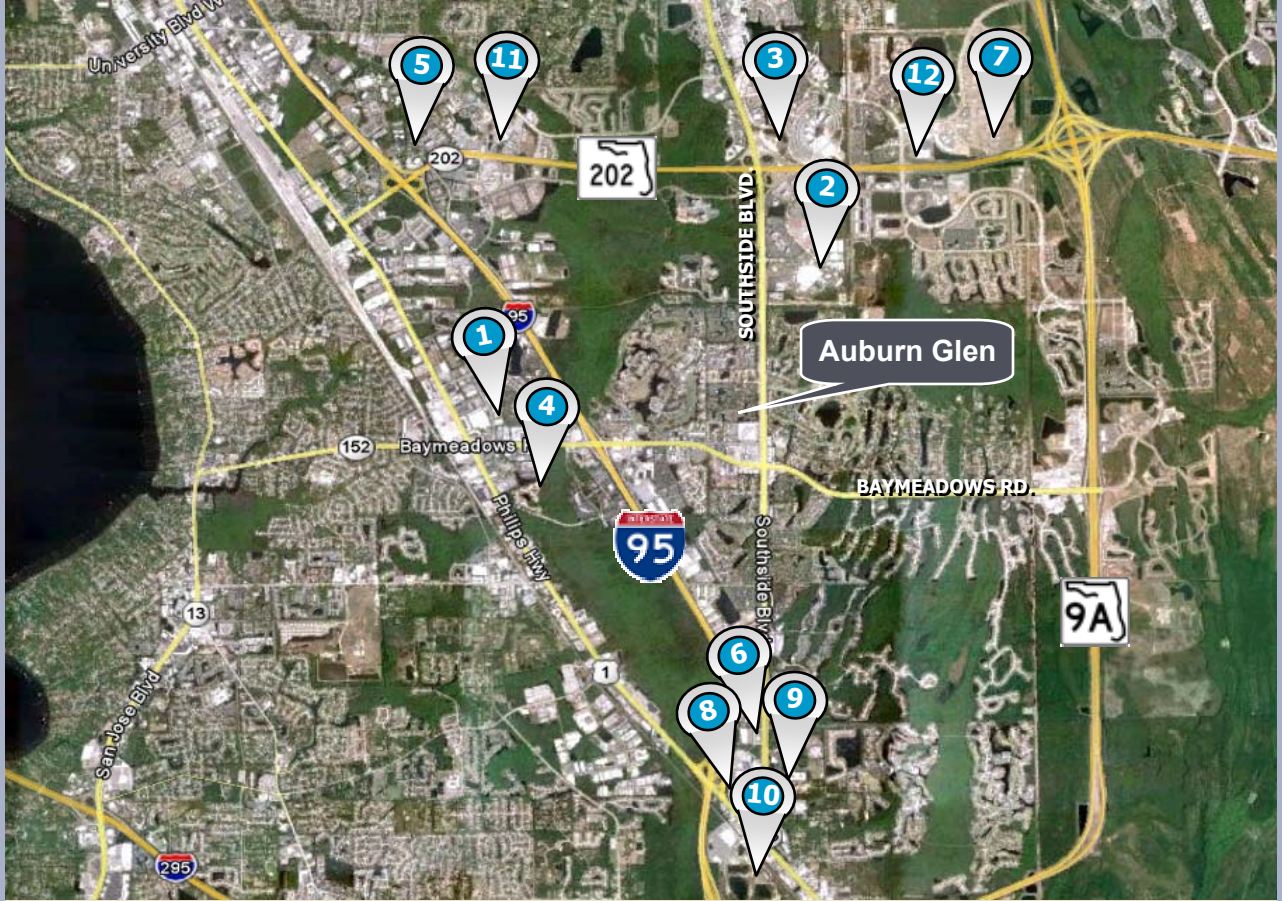
## APARTMENT MARKET OVERVIEW

The Jacksonville market is comprised of 71,000 units according to the latest WRH market survey. Because Auburn Glen is located on Southside Blvd., the best performing submarket in Jacksonville employing over 65,000 people, we expect that rents should continue to increase.

The Jacksonville apartment market bottomed during 4Q 2009 and is now on the upswing. Market occupancy for 3Q 2011 is at approximately 90%, which is 500 basis points higher than during December 2009. Jacksonville apartment communities overall command an average rental rate of \$0.85 per square foot, or \$803 per month. Meanwhile, 1970's vintage product in Jacksonville commands \$0.73 per square foot, or \$659 per month, on average. Well managed properties remain in the mid to high 90's occupancy.

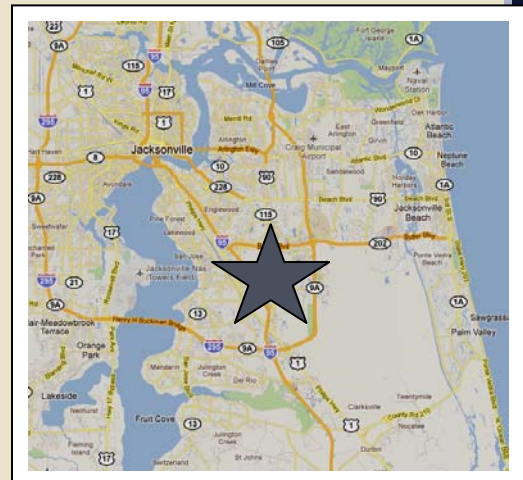
Market fundamentals have improved and will continue to do so with future job growth and as rental demand outpaces supply. There were zero apartment deliveries during 2010 and very few units will be delivered during 2011, which is a positive sign for concession and occupancy levels. The Jacksonville multifamily market will continue to improve as job growth continues.

Auburn Glen has an A+ location on Southside Blvd. within the Southside Blvd. submarket, which is 15 minutes from the Downtown area and includes three major thoroughfares, I-95, SR-9A and US-1. There are 49,000 cars that travel daily on Southside Blvd. Occupancy levels for similar product within the submarket averaged 93.5% occupancy during 3Q 2011. Similar vintage communities within the Southside Blvd. submarket commanded an average rental rate of \$0.84 per square foot or \$803 per month. All of the competing properties immediately surrounding Auburn Glen are stabilized or near stabilization. This illustrates a positive sign for this vintage within the submarket. Therefore, we expect rents in the immediate area to rise in the near term.



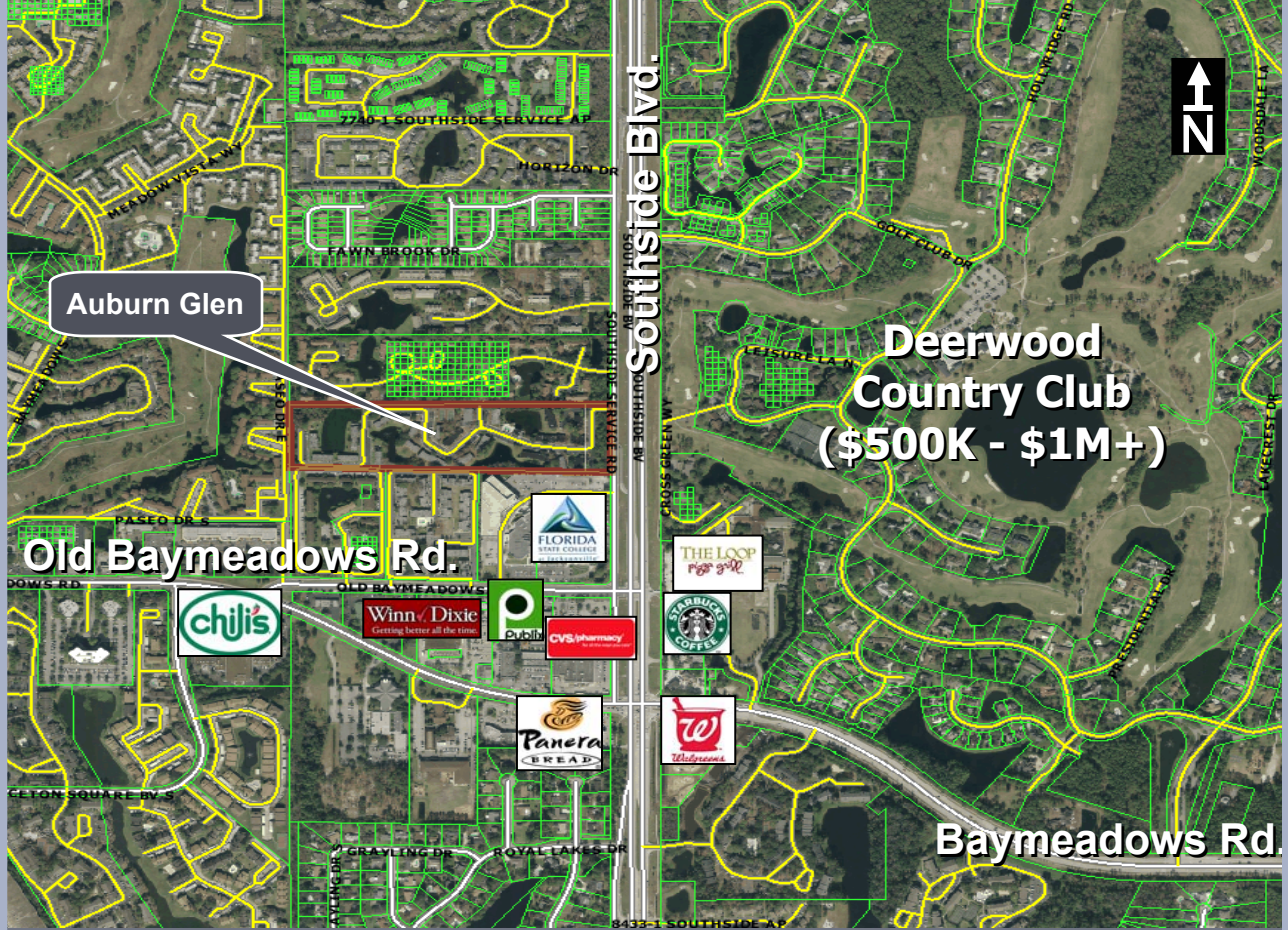
	EMPLOYMENT CENTERS	SQ.FT.	EMPLOYEES
1	Deerwood Center	5,000,000	15,000
2	Deerwood Park South	2,200,000	8,650
3	Deerwood Park North	2,500,000	8,300
4	Freedom Commerce	1,800,000	7,200
5	Southpoint Business Center	1,600,000	6,000
6	Bank of America HQ	380,000	5,000
7	St. Johns Town Center	1,300,000	5,000
8	Avenues Mall	1,000,000	4,000
9	Gran Park Avenues	715,000	2,900
10	Avenues Walk	800,000	2,400 (1)
11	St. Luke's Hospital	700,000	1,900
12	Markets at Town Center	300,000	750
<b>TOTALS</b>		<b>18,295,000</b>	<b>67,100</b>

(1) at buildout



Directions: From I-95, head east on Baymeadows Rd. Take Old Baymeadows Rd, and then head north on Southside Blvd. service road. The property will be immediately on the left.





WALCHLE · LEAR


For questions or additional information please contact any of the individuals below.

Walchle Lear Multifamily Advisors  
 1506 Roberts Drive P: (904) 241-7600  
 Jacksonville Beach, FL 32250 F: (904) 241-7604

OFFER DATE:  
 TBD

[www.multifamilybrokers.com](http://www.multifamilybrokers.com)

**TIMING:**  
 All offers must include specific terms as to timing of Due Diligence, Financing and Closing, as well as Earnest Money Deposits and Closing Costs.

 Stephen D. Lear, x.202  
[steve@multifamilybrokers.com](mailto:steve@multifamilybrokers.com)

 Bart A. Walchle, x. 201  
[bart@multifamilybrokers.com](mailto:bart@multifamilybrokers.com)

 Erik M. Bjornson, x. 208  
[erik@multifamilybrokers.com](mailto:erik@multifamilybrokers.com)

**Disclaimer-** The information above has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors, which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful and independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.





## CONFIDENTIALITY AGREEMENT

Date \_\_\_\_\_

**Re:** Auburn Glen– 251 Units  
Jacksonville, Florida 32256

You have indicated an interest in purchasing the above-referenced properties, commonly known as the “Properties” from its owner.

**The Owner is willing to discuss a possible sale of the Properties with you and will furnish to you certain documentation and information requested by you from time to time in connection with the Properties, which the Owner deems appropriate to furnish to you (“Documentation”). However, the Documentation shall be furnished to you with the express understanding that the following shall apply:**

(1) Any Documentation delivered to you shall be used by you and your employees and agents for internal purposes only in order to permit you to analyze the prospective purchase of the Properties. (2) No copies will be made of any Documentation without the express written consent of the Owner. (3) None of the Documentation or information contained therein, or knowledge derived therefrom shall be disclosed to any third party unless such disclosure is consented to, in advance and in writing, by the Owner and such party agrees to be bound by the terms of this letter. (4) If you do not purchase the Properties, then all Documentation furnished to you shall be returned to the Owner and no copies thereof shall be retained by you. (5) The conditions of this letter are not intended to and shall not cover any information which is generally known within the real estate industry or which is public knowledge. (6) Walchle Lear Multifamily Advisors is acting as Seller’s agent in this transaction. (7) You are acting as a Principal in this transaction. (8) Neither Broker nor any prospective purchaser shall issue any press release or brochure or make any public statement, announcement or disclosure of the purchase or asking price for the Properties or the status of negotiations conducted in connection therewith without Owner’s prior written approval. Prior to entering into negotiations with any prospective purchaser, Broker agrees to obtain each prospective purchaser’s agreement to these confidentiality provisions. (9) You or your staff will not contact the Properties without written permission from Walchle Lear Multifamily Advisors.

If the foregoing is agreeable to you, please execute a copy of this letter where provided below and return to Walchle Lear Multifamily Advisors for transmission to owner.

### AGREED AND ACCEPTED BY:

**Company:** \_\_\_\_\_

**Contact:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Please sign and return to:**  
**Walchle Lear Multifamily Advisors**  
**Stephen D. Lear**  
**1506 Roberts Drive**  
**Jacksonville Beach, FL 32250**  
**(904) 241-7600 ext. 202**  
**(904) 241-7604 FAX**