



GARFIELD MANOR APARTMENTS

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GARFIELD MANOR APARTMENTS

Offering Memorandum



EXCLUSIVELY OFFERED BY:

CENTRAL VALLEY INVESTMENT TEAM

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950 S. Garfield Street, Lodi, CA 95240 • 42 Unit Apartment Complex

GARFIELD MANOR APARTMENTS

Offering Memorandum



CONFIDENTIALITY & DISCLAIMER

This Confidential Offering Memorandum (the "Memorandum") has been prepared and presented to the recipient (the "Recipient") by Colliers International ("Colliers") as part of Colliers' efforts to market for sale the real property located at 950 S. Garfield Street, Lodi, CA 95240 ("The Property"). Colliers is the exclusive agent and broker for the owner(s) of the Property (the "Owner"). Colliers is providing this Memorandum and the material contained in it to the Recipient solely to assist the Recipient in determining whether the Recipient is interested in potentially purchasing all or part of the Property. Colliers also is providing this Memorandum and the material in it to the Recipient with the understanding that the Recipient will independently investigate those matters that it deems necessary and appropriate to evaluate the Property and that the Recipient will rely only on its own investigation, and not on Colliers, the Owner or this Memorandum, in determining whether to purchase the Property. The Recipient's use of this Memorandum, in determining whether to purchase the Property. The Recipient's use of this Memorandum and the material in it is strictly governed by the terms and conditions of the Registration and Confidentiality Agreement that the Recipient previously executed and delivered to Colliers.

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This Memorandum includes statements and estimates provided by or to Colliers and/or the Owner regarding the Property. Those statements and estimates may or may not be accurate, correct or complete. Nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements and estimates. Further, nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements and estimates. Further, nothing in this Memorandum should be construed as representation or warranty about any aspect of the Property, including, without limitation, the Property's (1) past, current or future performance, income, uses or occupancy, (2) past, current or

prospective tenants, (3) physical condition, (4) compliance, or (5) appropriateness for any particular purpose, investment, use or occupancy. Again, the Recipient is urged not to rely on this Memorandum and the statements and estimates in it and to make an independent investigation regarding the Property and the statements and estimates contained herein.

This Memorandum may include statements regarding, references to, or summaries of, the nature, scope or content of contracts and/or other documents relating to the Property. Those statements, references or summaries may or may not be accurate, correct or complete. Additionally, Colliers may not have referenced or included summaries of each and every contract and/or other document that the Recipient might determine is relevant to its evaluation of the Property. Nothing contained in this Memorandum should be construed as a representation or warranty about the accuracy, correctness or completeness of such statements, representations or summaries. On request and as available, and subject to the Owner's consent, Colliers will provide the Recipient with copies of all referenced contracts and other documents. Colliers assumes no obligation to supplement or modify the information contained in this Memorandum to reflect events or conditions occurring on or after the date of its preparation of this Memorandum.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in the Property. Nothing contained in this Memorandum may be construed to constitute legal or tax advice to a Recipient concerning the Property.

More detailed information regarding the anticipated terms, conditions and timing of any offering by the Owner relating to the Property will be provided in due course by separate communication. Colliers and/or the Owner reserve the right to engage at any time in discussions or negotiations with one or more recipients of this Memorandum and/or other prospective purchasers of the Property without notice or other obligation to the Recipient.

The Owner reserves the right to change the terms of any offering relating to the Property or to terminate without notice that offering. The Owner also reserves the right to operate the Property in its sole and absolute discretion prior to the completion of any sale of the Property. Colliers reserves the right to return of this Memorandum and the material in it and any other material provided by Colliers to the Recipient at any time. Acceptance of this Memorandum by the Recipient constitutes acceptance of the terms and conditions outlined above.

GARFIELD MANOR APARTMENTS

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The text "EXECUTIVE SUMMARY" is written in a white, serif, all-caps font. It is positioned on a dark blue horizontal band that has a light blue geometric shape on its right side. The background of the entire page is a photograph of a two-story building with brown horizontal siding and a cream-colored ground floor. The building has several windows and a prominent palm tree in the foreground on the right. The sky is clear and blue.

GARFIELD MANOR APARTMENTS

Offering Memorandum



FINANCIAL SUMMARY

GROSS SF	
TOTAL ASKING PRICE	\$2,750,000
LAND VALUE	\$261,360
PRICE PER SF (Land)	\$6 psf
APARTMENT VALUE	\$2,488,640
PRICE PER UNIT	\$59,253
NOI	\$181,095
CAP RATE	7.28%
TOTAL UNITS	42
GRM	7.65

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Additional Land:

- Approximately 1± acre of bare land
- Ready to build
- Zoned "Low Density Residential"
- Minimum allowance of 5,000 sq. ft. single family lots
- Possibility of 5 or 6 single family lots

Garfield Manor:

- 42 units
- Swimming pool
- Family owned since 1963
- Family managed
- Continuous unit remodels

GARFIELD MANOR APARTMENTS

Offering Memorandum



GARFIELD MANOR

Colliers International's Central Valley Investment Team is proud to present the Garfield Manor Apartments. With the unofficial title as being the first apartment complex constructed in Lodi, the site enjoys 42 apartment units that are situated on one very large lot totaling 93,654 square feet of land (2.15 acres). Approximately half of the lot is utilized for the apartment complex and it is very well landscaped and highlighted with a well maintained swimming pool.

The other half of the lot consists of bare land and is ready for construction! The current city zoning is Low Density Residential, with a minimum allowance of 5,000 square foot single family lots. Designed appropriately, the City of Lodi has estimated that approximately 5 or 6 single family lots may be utilized in the bare land space.

Garfield Manor has been owned by the same local family since the site's construction in 1963/1964. The complex has been very well maintained and the remodel of units continues. In December of 2014, the front management office went through an extensive remodel as well. Being family owned and managed, the current owners have created a warm, friendly family environment within the Garfield Manor complex.

CITY OF LODI

Situated 90 miles east of San Francisco and 35 miles south of Sacramento, the City of Lodi is the northern-most city in San Joaquin County. While committed to "quality growth," the city strives to protect its historical, small-town charm.

Lodi is nationally known for being the center of wine production (the "Zinfandel Capital of the World"), and is the home of the well known winery, Robert Mondavi. Not only is Lodi highly nationally recognized for its emerging wine country (with over 80 wineries within Lodi), the city also offers its residence and visitors a wide variety, such as; a beautiful historical downtown, classic vintage homes, newer contemporary developments, Lodi's "Hutchins Street Square" (an 800 seat performing arts center), Lodi's "Grape Bowl Stadium," and Lodi Lake.



GARFIELD MANOR APARTMENTS

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AERIAL



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PROPERTY SUMMARY

PROPERTY NAME Garfield Manor
ADDRESS 950 S. Garfield Street, Lodi, CA 95240
COUNTY San Joaquin County
APN # 047-390-08

YEAR BUILT 1963
GROSS SF 24,516
LAND AREA (ACRES) 2.15
LAND AREA (SF) 93,654
TOTAL UNITS 42
TOTAL NUMBER OF BLDGS 1

CONSTRUCTION TYPE Wood Frame
SIDING MATERIAL Stucco
FOUNDATION Concrete
ROOF TYPE Flat
PAINTING New

HVAC Individual wall mounted units
UTILITIES Water/Sewer - City of Lodi
Gas - PG&E
Telephone - Comcast
Cable/Internet - Comcast



GARFIELD MANOR APARTMENTS

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AERIAL



950 S. Garfield Street, Lodi, CA 95240 • 42 Unit Apartment Complex



PROPERTY DESCRIPTION



GARFIELD MANOR APARTMENTS

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PROPERTY AMENITIES

- 1 Laundry Room - 5 washers & 5 dryers owned by the property
- Pool
- Patio area with lounge chairs
- Community BBQ Area
- Controlled Access/Gates - gates are key access
- 15 storage closets
- Onsite community garden
- 8 solar panels servicing complex

UNIT AMENITIES

- Balcony/Patio
- Mini Blinds
- Standard kitchen appliances include disposal, refrigerator, electric oven/stove
- Carpet and tile coverings
- Approximately 50% of the windows have been upgraded to dual pane.

PARKING SUMMARY

- 42 onsite parking spaces



GARFIELD MANOR APARTMENTS

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PROPERTY PHOTOS



GARFIELD MANOR APARTMENTS

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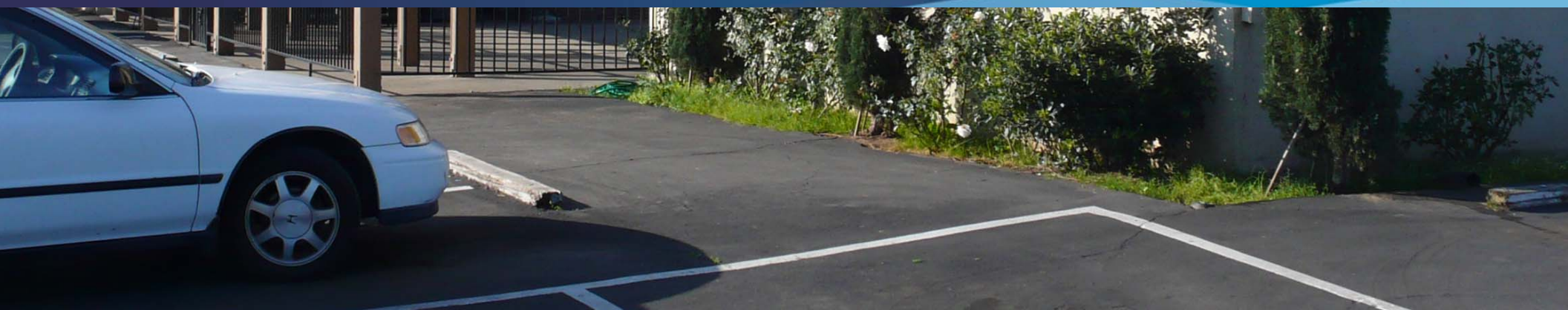


PROPERTY PHOTOS





FINANCIAL ANALYSIS



GARFIELD MANOR APARTMENTS

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INCOME / OPERATING EXPENSES

INCOME		
Gross Potential Rent (GPR)		\$325,140
Less: Vacancy	5.0% of GPR	(\$16,257)
Effective Rental Income		\$308,883
Laundry Income		\$5,400
Other Income		\$4,860
EFFECTIVE GROSS REVENUE		\$319,143

OPERATING EXPENSES		% of EGI	Per Unit	Per SF
New Property Taxes (1.0658%)	\$29,310	9.01%	\$698	\$0.03
Direct Assessments	\$385	0.12%	\$36	\$0.00
Insurance (actual)	\$9,546	3.04%	\$236	\$0.01
Utilities:				
PG&E (electricity, storm water, etc.)	\$14,527	4.47%	\$346	\$0.01
City of Lodi	\$9,587	2.95%	\$228	\$0.01
Repairs & Maintenance (5.0% of EGI)	\$15,957	4.83%	\$374	\$0.01
Turnover:				
Accent Carpet	\$6,965	2.14%	\$166	\$0.01
Blinds	\$1,114	0.34%	\$27	\$0.00
Contract Services:				
Pool Service	\$3,465	1.07%	\$83	\$0.00
Pest Control	\$2,054	0.63%	\$49	\$0.00
Comcast Bulk	\$6,562	2.02%	\$156	\$0.01
Comcast Internet / Phone	\$1,565	0.48%	\$37	\$0.00
Administrative:				
Background Checks (NTN)	\$465	0.14%	\$11	\$0.00
Evictions	\$1,634	0.50%	\$39	\$0.00
Lodi City Business Tax	\$51	0.02%	\$1	\$0.00
Landscaping:				
Landscape Service & Cleaning (\$450/mo.)	\$5,400	1.66%	\$129	\$0.01
Central Valley Waste (dump)	\$496	0.15%	\$12	\$0.00
On-Site Management (Free rent 1 x 1)	\$7,800	2.40%	\$186	\$0.01
On-Site Management (4.0% of EGI)	\$12,571	3.87%	\$299	\$0.01
Capital Reserves (\$200/unit)	\$8,400	2.58%	\$200	\$0.01
TOTAL OPERATING EXPENSES	\$138,048	42.43%	\$3,285	\$0.13
NET OPERATING INCOME	\$181,095		\$4,198	\$0.17

UNIT MIX

# OF UNITS	UNIT TYPE	APPROX. SQ. FT.	MARKET RENT	RENT PER SF
35	1 BD/BA	520	\$650	\$1.12
7	2 BD/1 BA	780	\$775	\$1.12
42				

EXCESS LAND

Included in the Garfield Manor offering is the vacant land directly to the North of the apartment complex. The vacant land is approximately 1 acre, is zoned low density residential (City of Lodi) and is part of the parcel with the apartment complex. The current zoning designation will allow the parcel to be subdivided into 5,000 sf minimum sf parcels. The ownership is asking \$261,360 (\$6.00/sf) for the land.

APARTMENTS

Price	\$2,488,660
Cap Rate	7.28%
Price Per Unit	\$59,254

LAND

Price	\$261,360
Price Per SF	\$6.00

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SALE COMPARABLES

Cochran Garden Apartments

2440 Cochran Road, Lodi, CA 95242



COE	4/10/14
Price	\$2,101,000
Price Per Unit	\$65,656
Price Per SF	\$81.43
Cap Rate	7.28%

# of Units	32
1 BD / 1 BA	10
2 BD / 1 BA	22

Cherokee Place Apartments

621 Hale Road, Lodi, CA 95240



COE	6/26/13
Price	\$1,850,000
Price Per Unit	\$46,250
Price Per SF	\$57.47
Cap Rate	Not Available

# of Units	40
1 BD / 1 BA	8
2 BD / 1 BA	32

1951 Scarborough Drive, Lodi, CA 95240



COE	10/1/14
Price	\$1,700,000
Price Per Unit	\$65,385
Price Per SF	\$95.86
Cap Rate	Not Available

# of Units	26
1 BD / 1 BA	8
2 BD / 1 BA	18

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SALE COMPARABLES

Southwood Garden Apartments

1220 S. Stockton Street, Lodi, CA 95240



COE	6/13/13
Price	\$1,425,000
Price Per Unit	\$54,808
Price Per SF	\$73.45
Cap Rate	6.30%

# of Units	26
1 BD / 1 BA	8
2 BD / 1 BA	18

Wimbledon Square Apartments

602-710 Wimbledon Drive, Lodi, CA 95240



COE	7/22/14
Price	\$7,425,000
Price Per Unit	\$69,393
Price Per SF	\$108.69
Cap Rate	6.85%

# of Units	107
1 BD / 1 BA	78
2 BD / 1 BA	29



LOCATION OVERVIEW

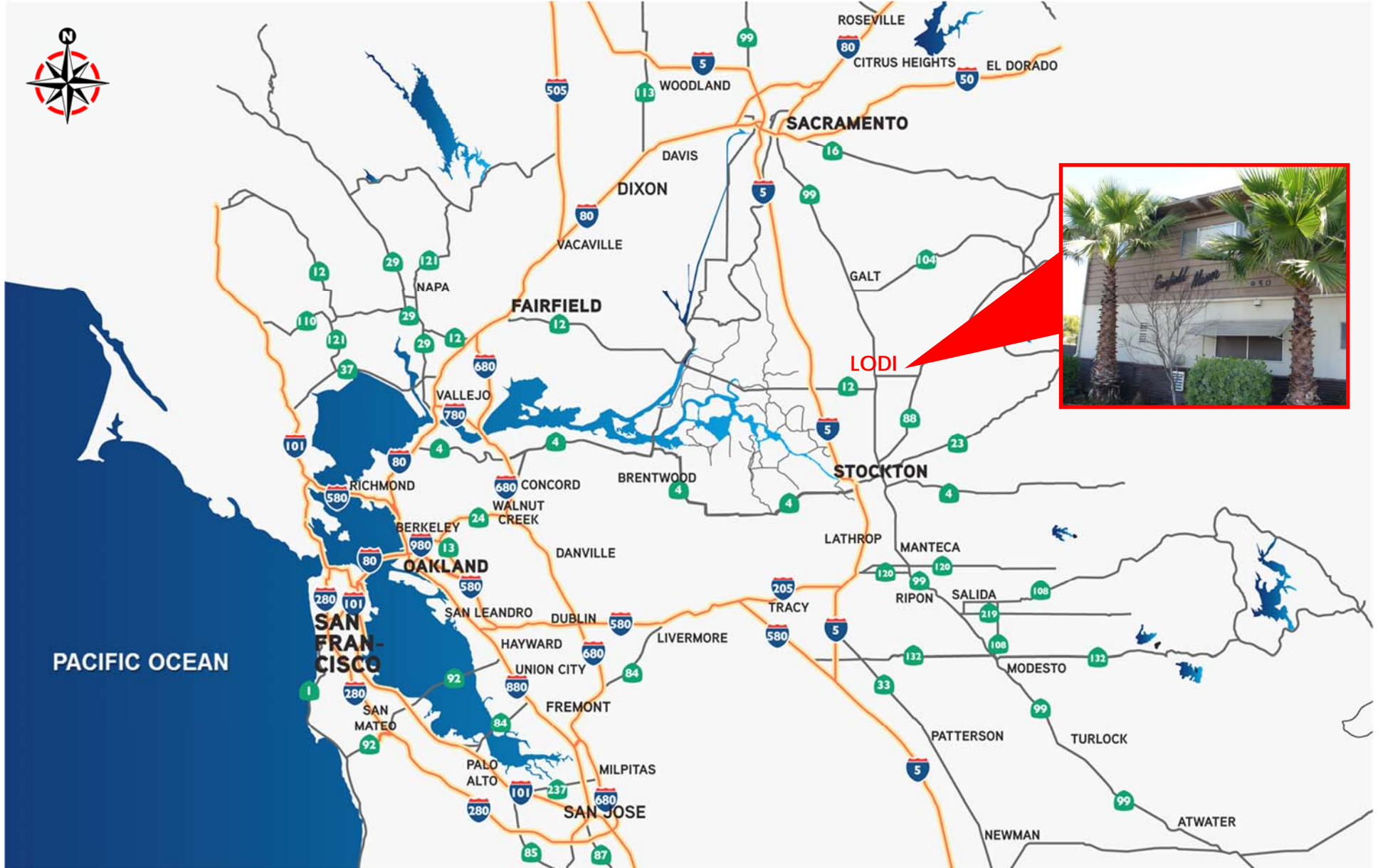


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REGIONAL MAP



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