

The Lapham Company, Inc.

Apartment Property Offering

PROPERTY INFORMATION

PROPERTY NAME	434 Lee Street	# UNITS	11
PROPERTY DESCRIPTION	1960's	SQ. FOOTAGE*	7,219 sq. ft.
ADDRESS, CITY, STATE	434 Lee Street	PARCEL SIZE*	4,875 sq. ft.
	Oakland, California 94610	YEAR BUILT*	1961
	<i>*Per County Assessor Records</i>	APN*	010-0775-018-01

FINANCIAL SUMMARY

PRICE	\$1,525,000
DOWN PAYMENT 40%	\$610,000
LOAN AMOUNT(S)	\$915,000
CAP RATE Est.:	4.9%
Est. Proforma	5.7%
CASH ON CASH Est.	\$10,485
Est. Proforma	\$23,765
PRICE/UNIT	\$138,636
Est. Actual GRM	11.66
ProForma GRM	10.47



INVESTMENT HIGHLIGHTS

A 1960's Style building in the quiet Lake Merritt neighborhood of Adams Point. This property is down the street from Lake Merritt, close to transportation corridors, public transportation and conveniences. The property has 10 one-bedroom one-bath units and a large 2 bedroom 2 bathroom unit on the top floor. This building is individually metered for gas & electricity; it has 7 parking spaces, storage space for tenants, and on site laundry. There is significant rental upside potential for several units. The building is in close proximity to the Grand Avenue shops, the new Trader Joe's and Whole Foods.

FINANCING SUMMARY

PROPOSED FINANCING	AMOUNT	INT. RATE	TERM	DUE	MO. DEBT SERVICE	ANN. DEBT SERVICE
	\$915,000	5.72%	3/30	30	\$5,322.27	\$63,867.20

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Tsegab Assefa
 Tel: (510)594-7600 ext.113 Fax: (510) 594-1373
 4844 Telegraph Avenue Oakland, California 94609

YEAR ONE FINANCIAL SUMMARY – SCHEDULED

	Current	Pro Forma
SCHEDULED GROSS INC.		
RENT	\$130,780	\$145,620
PARKING/LAUNDRY	INCLUDED	INCLUDED
VAC. /CREDIT LOSS (Est.)	(5,231) 4%	(5,825) 4%
EFFECTIVE GROSS INC.	\$125,549	\$139,795
EXPENSES (Est.)		
OPERATING EXPENSES Est.	\$51,197	\$52,163
N. O. I. (Est.)	\$74,352	\$87,632
DEBT SERVICE	\$63,867	\$63,867
PRE-TAX CASH FLOW	\$10,485	\$23,765

OPERATING EXPENSES DETAIL ** (Estimates)

OPERATING EXPENSES (Est.)	2006	Pro Forma
REAL ESTATE TAXES*	\$26,383*	\$26,383*
INSURANCE	\$3,500	\$3,500
GAS & ELECTRIC	\$5,360	\$5,400
WATER/SEWER	\$3,000	\$3,000
LICENSE/FEEES – City BLT	\$1,751	\$1,950
GEN. MAINT. Est. 5%	\$6,277	\$6,990
ELEVATOR	\$1,050	\$1,065
SCAVENGER	\$3,600	\$3,600
MISC.	\$276	\$276
TOTAL EST ANN. EXPENSES	\$51,197	\$52,163
% Scheduled Gross Income Est.	39%	36%
\$ / UNIT / YEAR	\$4,654	\$4,742

PROPERTY DESCRIPTION

STUDIO	0	NO. BLDGS	1	PARKING SPACES	7	RANGES	Yes
1 BDRM	10	METERING	Sep. Elec	PARKING SURFACE	Concrete	REFRIGERATORS	Yes
2 BDRMS	1	OCCUPANCY	All	Number of floors	3	CONSTRUCTION	Frame/stucco
3 BDRMS	0	ENTRANCE	Single	HEATING	Gas Wall	ROOF	Shingle

COMMENTS: * Real Estate Taxes are Based on 1.73% of the Offering Price. ** Operating Expenses partially based on 2006 Expenses. *** Non-Resident Parking. ****Public Records do not indicate a second bathroom in apartment 301.

UNIT MIX

UNIT #	SIZE	CURRENT RENT	PROFORMA
101	1x1	\$1,055.00	\$1,055.00
102	1x1	\$937.00	\$1,055.00
103	1x1	\$912.00	\$1,055.00
104	1x1	\$903.00	\$1,055.00
201	1x1	\$850.35	\$1,055.00
202	1x1	\$857.00	\$1,055.00
203	1x1	\$944.00	\$1,055.00
204	1x1	\$965.00	\$1,055.00
301	2x2****	\$1,355.00	\$1,450.00
302	1x1 Vacant	\$1,085.00	\$1,085.00
303	1x1	\$990.00	\$1,085.00
	Parking***	\$45.00	\$75.00
RENT	monthly	\$10,898.35	\$12,135.00
ANNUAL		\$130,180.00	\$145,620.00

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