



Offering Memorandum

Multi-Family Investment

**2001 - 2009 Pike Drive
Fitchburg, WI**

**Key Commercial Real Estate LLC
608-729-1800 | www.keycomre.com**



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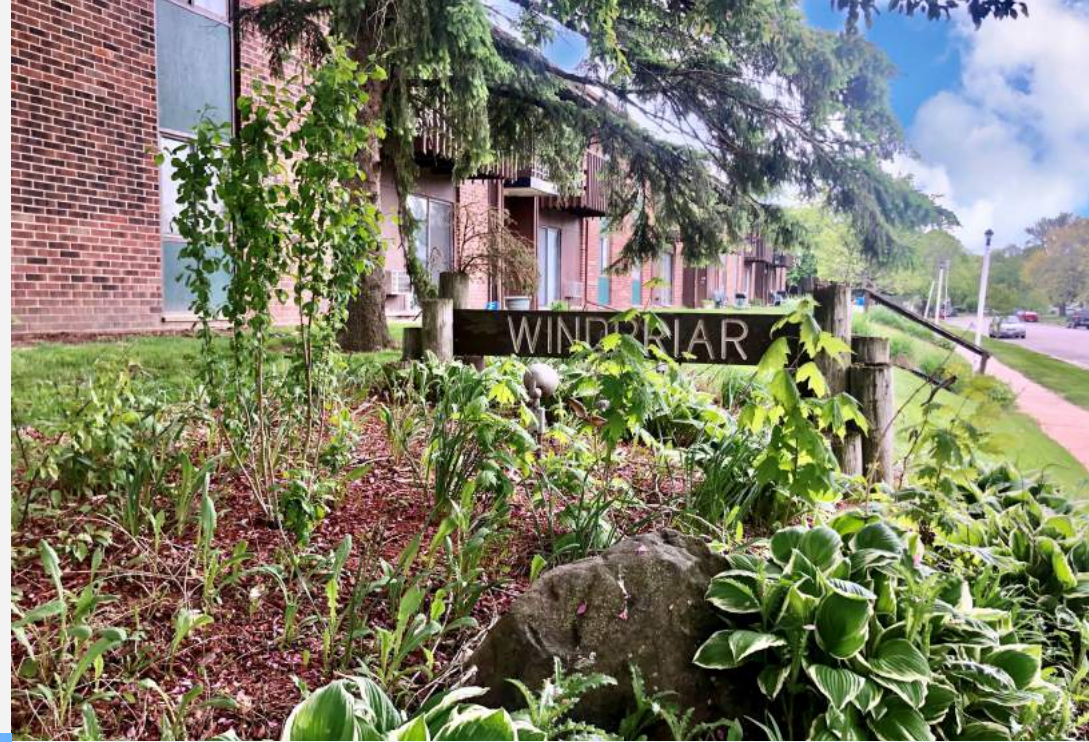
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Executive Summary

The Windbriar Apartments is a two-story complex consisting of (16) one-bedroom units and (8) two-bedroom units in Fitchburg, Wisconsin located within the Madison MSA. Windbriar has a prime central location with easy access to the Beltline Highway, is within walking distance of Aldo Leopold Park and Elementary School and is in close proximity to multiple restaurants and grocery.



Windbriar is currently 100% occupied and has a history of low vacancy rates. The existing rents are extremely competitive within the market allowing for future upside potential. The property provides for 31 onsite parking spaces and each unit has a balcony or patio. The building is approximately 20,160 square feet with a lot size just over one acre at 45,930 square feet. The building was constructed in 1973 and continues to be very well maintained with many recent upgrades.



Investment Overview

| | |
|-----------------------------|-------------------|
| Income | Annual |
| 2bd/1 ba units - 8 units | \$ 75,480 |
| 1bd/1 ba units - 16 units | \$ 144,000 |
| Gross Potential Rent | \$ 219,480 |
| Pet Fees | \$ 885 |
| Misc. Income | \$ 748 |
| Laundry | \$ 5,280 |
| Vacancy Allowance (4%) | \$ (8,779) |
| Total Net Revenue | \$ 217,614 |

| | |
|-----------------------|------------------|
| Expenses | |
| Lawn Care | \$ 3,838 |
| Repairs & Maintenance | \$ 5,567 |
| Snow Removal | \$ 3,346 |
| Gas & Electric | \$ 11,438 |
| Softner | \$ 975 |
| Water & Sewer | \$ 4,364 |
| Insurance | \$ 3,596 |
| Trash | \$ 2,385 |
| Real Estate Taxes | \$ 31,734 |
| Mgmt Fee (5%) | \$ 10,881 |
| Reserves (2%) | \$ 4,352 |
| Total Expenses | \$ 82,476 |

Net Operating Income \$ 135,138

Notes

- *Laundry is all cash and averages \$440/month
- *Currently property is owner-managed and cleaning is owner performed.
- * Rents based on 2020 rent roll and expenses based on 2019 actuals
- *Underwritten with 4% vacancy although property is 100% occupied. One unit is owner occupied

| | |
|-----------------|---------------------|
| Price | \$ 1,750,000 |
| Down Payment | 25% \$ 437,500 |
| Loan Amount | 75% \$ 1,312,500 |
| Amortization | 30 years |
| Interest Rate | 4.25% |
| Total SF | 20,160 |
| Price per SF | \$ 86.81 |
| Price per Unit | \$ 72,917 |
| Cap Rate | 7.72% |

| | |
|-------------------------------------|---------------|
| Net Cash Flow Before Debt Service | \$ 135,138 |
| Debt Service - Proposed Financing | \$ 77,481 |
| Debt Service Coverage Ratio | 1.74 |
| Net Cash Flow After Debt Service | \$ 57,657 |
| Year One Cash on Cash Return | 13.18% |

Price: \$1,750,000

Exterior Pictures



Interior Pictures





Site



Floor Plan

2001 #2 & 6, 2009 #1



2001 #7, 2005 #4 & #8,
2009 #4





Building Details

- Year Built: 1973
- # of Units: 24 (18 1bd/1ba and 6 2bd/1ba)
- Building Size: 20,160 sf
- Lot Area: 1.05 acres
- HVAC: Hot water heat with individual AC units
- Tax Assessment:
 - Land - \$360,000
 - Building - \$1,035,000
 - Total - \$1,395,000
- Recent Upgrades: New roof (10 yrs ago), all new washers and dryers (within past 7 years), new water heater (2020), new hot water recirculating pump (2020), several a/c units replaced within the last 7 years
- Ample on-site parking in designated surface lot

Market Overview

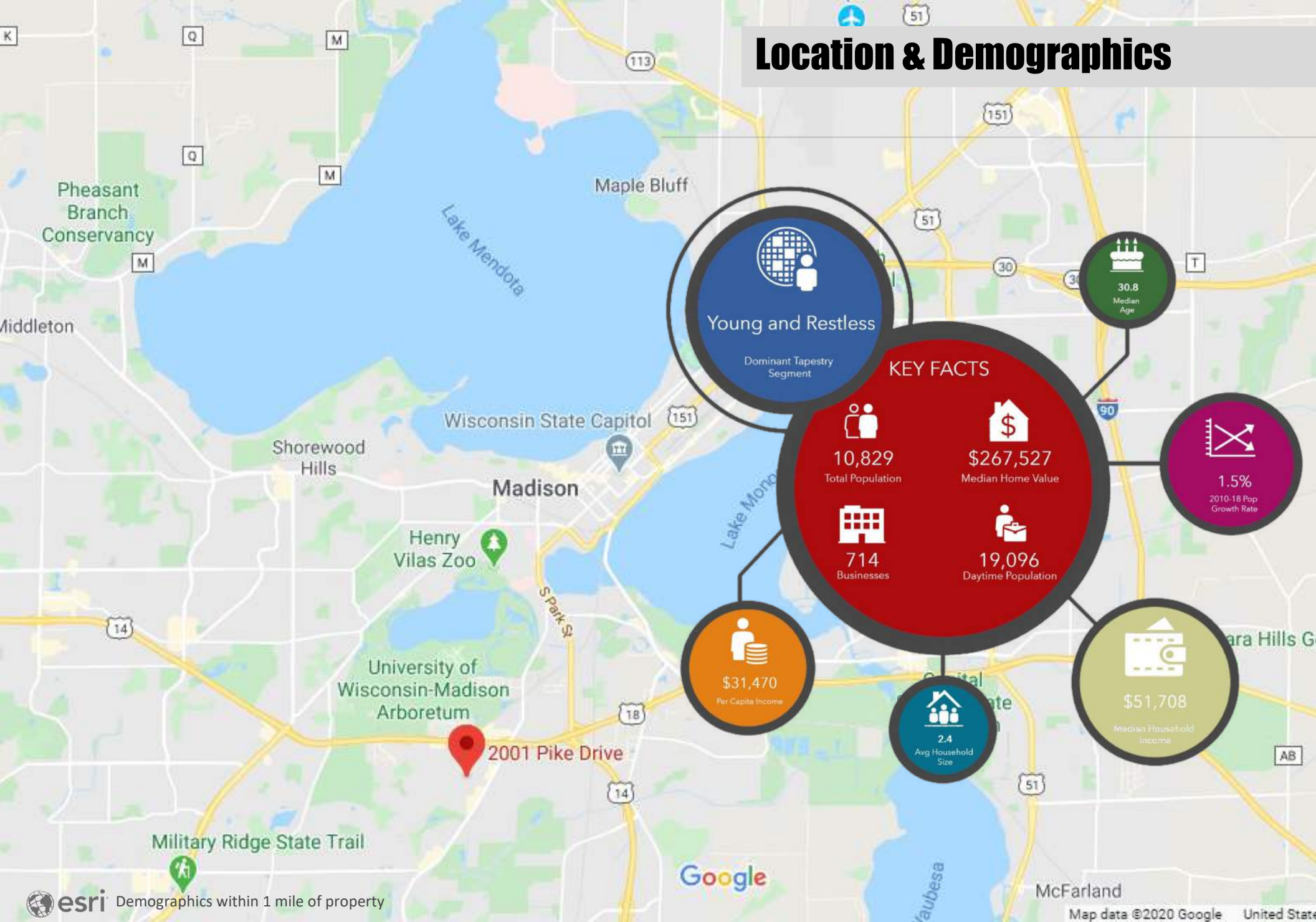
Fitchburg & Madison

A suburb of Madison, WI, the City of Fitchburg offers a broad mix of single- and multi-family homes and commercial/industrial and rural properties.

The close proximity to downtown Madison and excellent connectivity to the highway system make this a desirable location for home owners and renters alike.

This thriving community offers a variety of entertainment venues, bars, and restaurants.

Location & Demographics



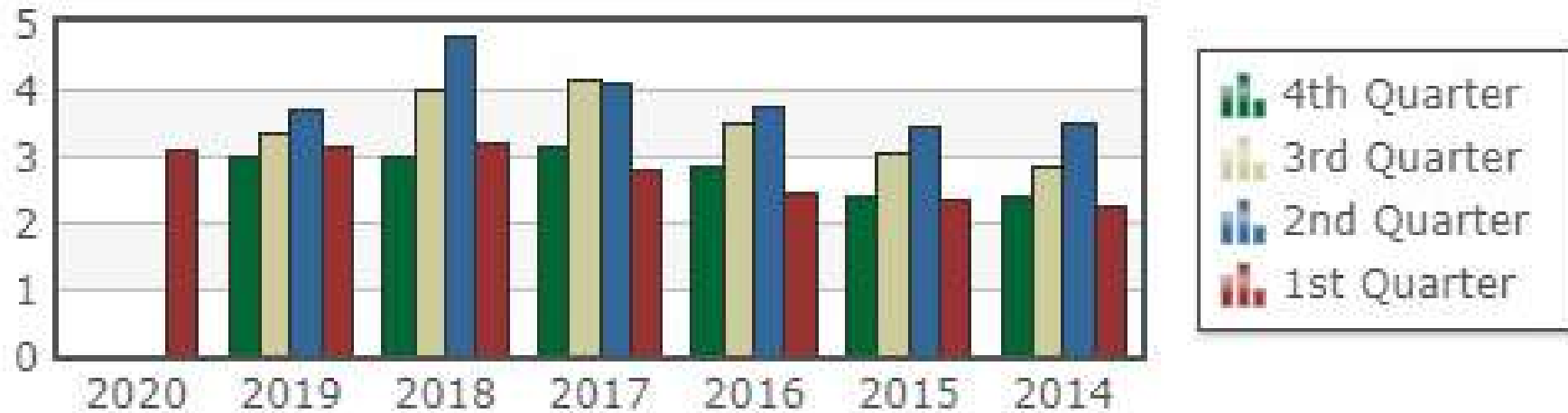
esri Demographics within 1 mile of property

Google

Map data ©2020 Google United States

First-Quarter 2020

Madison Area Rental Vacancy Rates (%)



Rental Vacancy Rates by ZIP Code

| City | ZIP Code | Total Rental Units | Total Vacant Units | Percent Vacant Units |
|-------------------|----------|--------------------|--------------------|----------------------|
| Madison/Fitchburg | 53711 | 7,669 | 205 | 2.67 |
| Madison | 53713 | 7,237 | 249 | 3.44 |

Source: [Madison Gas & Electric](#)

DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the
2 following disclosure statement:

3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the
7 customer, the following duties:

8 (a) The duty to provide brokerage services to you fairly and honestly.
9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request
11 it, unless disclosure of the information is prohibited by law.
12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the
13 information is prohibited by law (see lines 42-51).
14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your
15 confidential information or the confidential information of other parties (see lines 23-41).
16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the

18 advantages and disadvantages of the proposals.
19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).
30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a
34 later time, you may also provide the Firm or its Agents with other information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** _____

36 _____

37 _____

38 **NON-CONFIDENTIAL INFORMATION** (the following information may be disclosed by the Firm and its Agents): _____

39 _____

40 _____

41 _____ (insert information you authorize to be disclosed, such as financial qualification information.)

DEFINITION OF MATERIAL ADVERSE FACTS

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
54 <http://www.doc.wi.gov> or by telephone at 608-240-5830.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.
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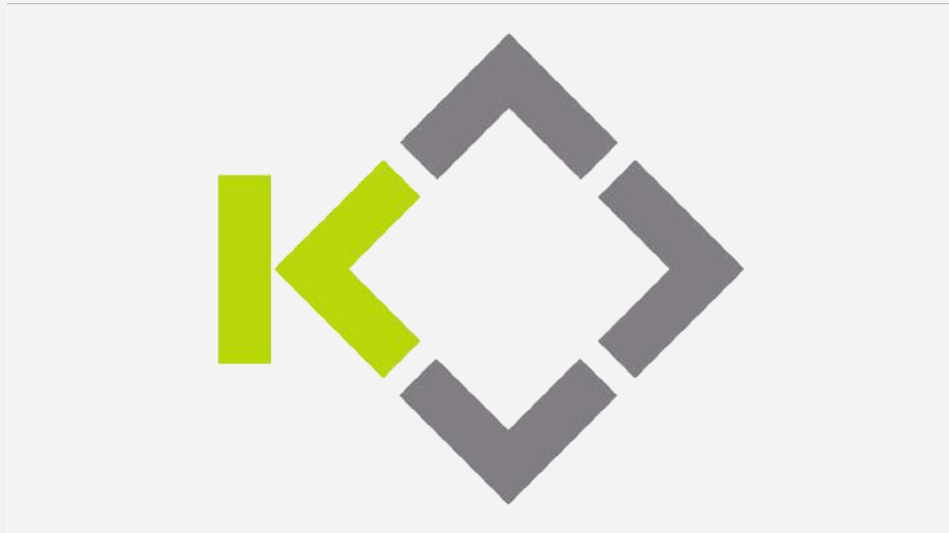
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