

**The Peaks at Woodmen, LLC
Class "A" Apartment Development
Colorado Springs, Colorado
Investment Returns**

Project: Developed 12.81 acre into 10 buildings, 230 unit apartments, 263,391 sq. ft.

Strategy: Rezone property, develop class "A" Apartments, lease up and sell

Acquisition: Purchased land on February 2, 2010 and construction of apartment buildings finished December 1, 2012.

Date Sold: May 22, 2014

Financial:	<u>Acquisition</u>	<u>Projected Sales and Profit</u>
	\$ 2,059,081 Land acquisition cost	\$34,350,000 Sale
	<u>25,124,295</u> Construction Costs & adjustments	-
	\$ 27,183,376 Total cost	<u>(25,290,480)</u> Less debt, interest & holdback loan
	<u>(24,583,376)</u> HUD Debt financing	
	<u>\$ 2,600,000</u> Capital invested	<u>\$ 9,059,520</u> Total distributions

Total IRR: 40.51%

Capital: Capitalized by two SWPC principals, with 10 individual investors from Texas.

Discussion: Marketing study identified a demand from the residential area but also the military bases nearby. Financed with 85% HUD 221d4 financing, non-recourse 3.65%, which buyer assumed at closing.