

Southwestern Investment Group

Historical Project Summaries

SW Chambers, LLC – Store N’ Lock (Raw Land Sale)

Summary

Located at the southwest corner of Ken Caryl and Kipling in Littleton, Colorado, the 5.25 acre parcel was purchase by SWIG in August 2002 for the purposes of building a public storage facility. The purchase price was \$154,295 (approximately \$29,389 per acre). The property had entitlements and zoning and was ultimately sold raw to a group of investors in April 2005 for the purpose of a self storage facility. The transaction was capitalized solely by SWIG principals and an external investor with a \$154,295 equity investment. The total proceeds from the sale in 2005 (net of sale costs) were \$970,000.



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Financial Summary

Project P&L

The value-add from SWIG’s identification and purchase of the parcel was significant and generated an overall profit of \$815,705 million. SWIG was effectively able to recognize raw land in the path of growth, design an entitlement plan catering to production builders and sell the parcel completely within 2 years of closing.

Acquisition and Entitlement			Sales and Profit		
\$	154,295	Land acquisition cost	\$	1,000,000	Sale of LLC interest, 4/7/2005
	-	Development costs		(30,000)	Costs of sales
\$	154,295	Total cost			
	-	Debt from 3rd party			- Less debt and interest
\$	154,295	Capital invested		(154,295)	Less Equity
			\$	815,705	

Cash Flows and Returns

The project resulted in a total 104% levered equity IRR and a 79% IRR to external investors. The cash flows of the project are summarized below. The project was funded with \$154,295 million in equity capital by SWIG and external investors.

	Total					External Equity				
	Equity Contributions	Loans from Members	Distributions, Interest, etc.	Net (provided)/received	Cumulative	Equity Contributions	Loans from Members	Distributions, Interest, etc.	Net (provided)/received	Cumulative
2002	(14,295)	(140,000)	-	(154,295)	(154,295)	(14,295)	(105,000)	-	(119,295)	(119,295)
2003	-	-	-	-	(154,295)	-	-	-	-	(119,295)
2004	-	-	-	-	(154,295)	-	-	-	-	(119,295)
2005	14,295	140,000	815,705	970,000	815,705	14,295	105,000	413,339	532,634	413,339
			IRR	104.36%				IRR	78.82%	