

Multi-Tenant Office Co-Ownership Opportunity

PEAK PROFESSIONAL PLAZA

7250 PEAK DRIVE • LAS VEGAS, NV 89128



5-Year Average Return	7.84%
10-Year Average Return	9.36%

*Average Total Return is based on pro-forma assumptions and includes principal reduction in Years 3-10, as applicable.




PEAK PROFESSIONAL PLAZA

Peak Professional Plaza is located in the northwest quadrant of the Las Vegas Valley near Summerlin. The Property is part of the Las Vegas Technology Center which is the largest masterplanned office park west of Las Vegas Boulevard. Peak Professional Plaza is a well-positioned office property in an established submarket with an excellent combination of medical and office tenants. The largest tenant is TREC Investment Realty whose primary business includes commercial real estate sales, property management, and traditional fee-based brokerage services. Other notable tenants, some having occupied space in the Property since 1998, include PIE Design + Marketing, Hangar Prosthetics, OrthoSport Physical Therapy, and the Chiropractic Healing Center. TREC Investment Realty is expanding to occupy 16,400 SF, with over \$250,000 currently being invested by TREC for their own tenant improvements.

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PROPERTY INFORMATION

• Property Type:	Office
• Year Completed:	1998
• Approximate Rentable Square Footage:	31,255
• Current Occupancy:	100%*
• Current Tenants:	5
• Number of Stories:	Two
• Pro-Forma Analysis Year:	Jan. 2008-Dec. 2008

*Economic Occupancy is 100%. Actual Occupancy is 89%; 11% under Rental Guaranty.

ANNUALIZED OPERATING PROPERTY DATA

• GROSS POTENTIAL RENTAL REVENUE:	\$600,918
• Expense Recoveries:	\$145,314
• Average Annual Vacancy (5%):	(\$37,312)
• Effective Gross Revenue:	\$708,920
• Operating Expenses:	(\$185,556)
• NET OPERATING INCOME:	\$523,364
• Mortgage Payment:	(\$273,992)
• PRE-TAX CASH FLOW:	\$249,372

ESTIMATED ANNUAL PROPERTY OPERATING EXPENSES

• Common Area Maintenance:	\$48,750
• Real Estate Taxes:	\$49,386
• Management (5%):	\$35,446
• Utilities:	\$42,758
• Insurance:	<u>\$9,216</u>
• TOTAL OPERATING EXPENSES:	\$185,556



PROPERTY INFORMATION

• PURCHASE PRICE:	\$7,450,000
• Estimated Down Payment (33%):	\$2,450,000
• Cost Per Square Foot (on Purchase Price):	\$238.36
• CAP RATE (on Purchase Price):	7.03%
• Avg. Monthly Expenses / SF (Proj. 2007):	\$0.49
• Avg. Base Monthly Rent / SF (Year 1):	\$1.60

FINANCING - LOAN ASSUMPTION

• Existing Loan Balance	\$5,000,000
• Loan-to-Value:	67.1%
• Interest Rate:	5.39%
• Loan Call Date (120 Month original term):	10/5/15
• Interest-Only Period Ends:	10/5/10
• Annual Interest Only Loan Payments:	\$273,992
• Annual Interest & Principal Loan Payments:	\$336,544

ESTIMATED REQUIRED EQUITY

• Estimated Down Payment:	\$2,450,000
• Legal Fees (Lender's rep, TIC / LLC docs, Opinion, etc.):	\$25,000
• Sponsor Fee:	\$500,000
• Buyer's Representation:	\$183,750
• Transfer Tax:	\$37,995
• Loan Fees (Points & Processing):	\$50,000
• Title, Escrow, Closing Third Party Reports, etc.:	\$10,000
• Property Tax / Insurance:	\$33,909
• Reserves (CapEx, TI, Leasing, Cash):	\$384,346

TOTAL ESTIMATED EQUITY REQUIRED	\$3,675,000
ESTIMATED YEAR 1 PRE-TAX CASH FLOW	\$249,000
ESTIMATED YEAR 1 CASH-ON-CASH RETURN	6.79%
Minimum Equity Purchase:	\$300,000
147 T.I.C Units:	\$25,000

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10-YEAR PRO-FORMA CASH FLOW

Year 1: January 2008 - December 2008

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue										
Gross Potential Rental Revenue	\$600,918	\$618,897	\$637,464	\$656,587	\$676,214	\$694,026	\$714,847	\$736,292	\$758,378	\$781,131
Expense Recoveries	145,314	150,935	156,732	162,704	168,847	175,056	181,574	188,290	195,207	202,327
Less Vacancy ⁽¹⁾	(37,312)	(38,492)	(39,710)	(40,965)	(42,253)	(43,454)	(44,821)	(46,229)	(47,679)	(49,173)
Effective Net Revenue	\$708,920	\$731,340	\$754,486	\$778,326	\$802,808	\$825,628	\$851,600	\$878,353	\$905,906	\$934,285
Total Operating Expenses	(185,556)	(191,181)	(196,976)	(202,945)	(209,091)	(215,300)	(221,818)	(228,535)	(235,451)	(242,574)
NET OPERATING INCOME	\$523,364	\$540,159	\$557,510	\$575,381	\$593,717	\$610,328	\$629,782	\$649,818	\$670,455	\$691,711
Annual Debt Service - Interest	(273,992)	(273,243)	(272,469)	(267,200)	(263,369)	(259,325)	(255,059)	(250,557)	(245,806)	(240,792)
Annual Debt Service - Principal	0	0	(11,199)	(69,344)	(73,176)	(77,219)	(81,485)	(85,987)	(90,738)	(95,752)
PRE-TAX CASH FLOW ⁽²⁾	\$249,372	\$266,916	\$273,842	\$238,837	\$257,173	\$273,784	\$293,238	\$313,274	\$333,911	\$355,167
Annual Cash-on-Cash Return⁽³⁾	6.79%	7.26%	7.45%	6.50%	7.00%	7.45%	7.98%	8.52%	9.09%	9.66%
Total Return⁽⁴⁾	6.79%	7.26%	7.76%	8.39%	8.99%	9.55%	10.20%	10.86%	11.56%	12.27%

Notes

⁽¹⁾ 5% of operating revenue.

⁽²⁾ Cash Flow based on currently available data. Projections are believed to be accurate, but not guaranteed.

⁽³⁾ Cash-on-Cash Return based on current equity projection and subject to change.

⁽⁴⁾ Total Return reflects the quotient of Pre-Tax Cash Flow plus Principal Payment and the Total Equity Investment.

All financial information contained in this brochure is based on assumptions of future performance. The actual performance of the property is subject to uncertainties and contingencies of future events, and no assurance can be given that the operation of the property will generate those returns to the purchasers during the periods provided in this brochure. Actual results will likely vary from the information provided in this brochure, and the variance may be significant. Any increase in actual expenses above estimates or decrease in income below estimates, will reduce the expected returns realized by purchasers from the purchase of the property.

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RENT ROLL

TENANT	SUITE	SQ. FT. RENTABLE	LEASE START	LEASE END	BASE RENT PER SF		BASE RENT		RENT ESCALATION
					MONTHLY	ANNUALLY	MONTHLY	ANNUALLY	
PIE Design + Marketing	100	3,423	JAN-08	DEC-12	\$1.44	\$17.29	\$4,931	\$59,172	3.0% Annually
Chiropractic Healing Center	106	2,800	APR-05	MAR-12	\$1.75	\$21.00	\$4,900	\$58,800	3.0% Annually
TREC Investment Realty	110	4,076	JAN-08	DEC-12	\$1.40	\$16.80	\$5,706	\$68,472	3.0% Annually
OrthoSport Physical Therapy	118	2,533	AUG-98	MAY-08	\$2.01	\$24.12	\$5,091	\$61,092	3.5% Annually
Hanger Prosthetics	120	2,675	AUG-98	MAY-08	\$1.78	\$21.36	\$4,762	\$57,144	3.5% Annually
Available*	210	3,424	-	-	\$1.55	\$18.60	\$5,307	\$63,684	-
TREC Investment Realty	200	12,324	JAN-08	DEC-12	\$1.55	\$18.60	\$19,102	\$229,224	3.0% Annually
		31,255			\$1.59	\$19.12	\$49,799	\$597,588	

* Rent Guaranty



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