

**Investment Summary
Broadmont Industrial
Tucson, Arizona**



Property Description: Multi-tenant industrial building consisting of 18,220 rentable square feet built in 1984. Located in the heart of Tucson, Arizona with convenient access to Tucson International Airport as well as Downtown Tucson.

Purchase Date: March 31, 2005

Purchase Price: \$1,197,500

Lender: Commercial Capital Bank \$835,000

Equity Investment: \$460,000

Business Plan: This investment offers a combination of stable cash flow and a value-added component making it unique in today's market. The property possesses no tenant rollover exposure until December 2006. Herein lies the opportunity as the one tenant expiring in December 2006, is currently paying a lease rate of more than 40% below market. The property has an excellent location off of Palo Verde Blvd, one of Tucson's major arterioles, providing convenient access to Tucson International Airport, Interstate 10, Downtown Tucson, University of Arizona, and the Broadway Commercial District.

Projected Returns: The Proforma projected an Internal Rate of Return of 17.34% to investors, based upon a 3 year holding period. Cash-on-cash return is anticipated to be 10.7% in year 1.

Market Summary:

Tucson's economic indicators continued to stabilize, providing a foundation for future positive performance. Due to the low interest rate environment, investor's and owner-user's alike flourished. Strong absorption, increasing user demand, and increasing property values, should indicate future increases in lease rates and a further decline in vacancy.