

**Investment Summary
Buckeye Industrial
Phoenix , Arizona**



Property Description: Buckeye is a single tenant industrial building consisting of 68,400 rentable square feet built in 1979. 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.

Purchase Date: Closing

Purchase Price: \$2,575,000

Lender: Intervest Mortgage

Equity Investment: \$886,695

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.

Projected Returns:

The projected Internal Rate of Return of 19.59% to investors, based upon a 3 year holding period, with a 50/50 Profit Split between MRI and Investors. Cash-on-cash return is anticipated to be 10.59% in year 1. The project has a preferred return to investor of 8%, with excess cash flow to pay down principle and equity returned to Investor, if available.

Market Summary:

The Metropolitan Phoenix industrial market continues to grow as vacancy rates have fallen, Net absorption has risen, and construction has slowed. Strong demand for the industrial product will continue through 2005, as predicted job growth, and a booming housing market have stimulated Phoenix's economy.

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