

3222-3224 SOUTH VERDANT CIRCLE

SALT LAKE CITY, UT 84109

**3,332 SF DUPLEX
PURCHASE PRICE: \$795,000
YEAR 1 PRO FORMA CAP RATE - 6.92%**



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Disclaimer

Table of Contents

Property Summary

Property Highlights

Financial Analysis

Comparables

Location Summary

Contact Information

Table of Contents

Disclaimer2
Property Summary4
Property Highlights5
Financial Analysis6
Comparables7
Location Summary8



Disclaimer

Table of Contents

Property Summary

Property Highlights

Financial Analysis

Comparables

Location Summary

Contact Information

Property Summary



3222-3224 S Verdant Circle is a large value-add duplex that is roughly 3,332 SF. One 4BD/2BA and one 4BD/1BA, each with washers and dryers and a separate back yard in the rear of the property. The property was built in 1966 and has been well-maintained by the current owner. There is a large amount of grassy, open space on the west side of the property. This area provides an excellent space for children to play and a space where tenants can enjoy recreational activities.

The rents are well below market, averaging \$1,525/month. That is roughly half of what the average 4BDs in the area are getting. The 4BDs in a 1.5-mile radius average \$2,966 and the top 4BDs are north of \$3,200.

A new owner therefore has the ability to realize increased NOI by renovating the property and increasing rents by a staggering 95%. If an owner charges for utility reimbursement, the NOI can increase even further.

Property Summary

Property Type	Multifamily
Total Square Feet	3,332 SF
Number of Buildings	1
Land Area	0.28 Acres
Year Built	1966
Stories	1
APN:	16-27-306-004-0000
Construction	Brick

Property Highlights

OPPORTUNITY

Value-Add Opportunity

RENTS

Rents are 95% Lower than Market Rents in a 1.5-Mile Radius

UNITS

Good Unit Mix - 4BD/2BA & 4BD/1BA

LOCATION

Minutes from Interstates 80 and 215

LOCATION

Highly-Desirable Canyon Rim Neighborhood



Disclaimer

Table of Contents

Property Summary

Property Highlights

Financial Analysis

Comparables

Location Summary

Contact Information

3222-3224 VERDANT CIRCLE

2023 INCOME & EXPENSES

POTENTIAL RENTAL INCOME	\$	36,795.00	
Vacancy	\$	-	0.0%
Effective Rental income	\$	36,795.00	
Other Income (Late fees, RUBS, etc)	\$		
Gross Operating Income	\$	36,795.00	
OPERATING EXPENSES			
Real Estate Taxes	\$	3,484.00	
Property Insurance	\$	1,245.00	
Management	\$	1,922.00	5.2%
Repairs & Maintenance	\$	1,714.00	
Utilities	\$	2,333.00	
Professional Fees	\$	2,246.00	
Miscellaneous Contract Services	\$	245.00	
Reserves	\$	-	
Total Operating Expenses	\$	13,189.00	
Expenses/unit per year	\$	6,594.50	
Expense Ratio		35.84%	
Net Operating Income	\$	23,606.00	
Cap rate:		2.97%	
Purchase Price	\$	795,000	
Price/Unit	\$	397,500	
Units		2	

JUNE RENT ROLL

Unit	Unit Mix	Current Rents	RUBS	Market Rents	Leased Until
1	4BD/1BA	\$1,400	0	\$3,000	MTM
2	4BD/2BA	\$1,650	0	\$3,000	MTM
Total		\$3,050			

PROFORMA - HIGHER RENTS/RENOVATED UNITS

POTENTIAL RENTAL INCOME	\$	72,000.00	Each unit at \$3,000 (average 4BD in area)
Vacancy	\$	3,600.00	5.0%
Effective Rental income	\$	68,400.00	
Other Income (Late fees, RUBS, etc)	\$	1,800.00	\$75/unit for RUBS
Gross Operating Income	\$	70,200.00	
OPERATING EXPENSES			
Real Estate Taxes	\$	3,588.52	3% increase
Property Insurance	\$	1,282.35	3% increase
Management	\$	4,212.00	6.0%
Repairs & Maintenance	\$	1,000.00	\$500/unit per year
Utilities	\$	2,333.00	
Professional Fees	\$	2,246.00	
Miscellaneous Contract Services	\$	245.00	
Reserves	\$	250.00	\$250/unit per year
Total Operating Expenses	\$	15,156.87	
Expenses/unit per year	\$	7,578.44	
Expense Ratio		21.05%	
Net Operating Income	\$	55,043.13	
Cap rate:		6.92%	
Purchase Price	\$	795,000	
Price/Unit	\$	397,500	
Units		2	

EQUITY GAIN ANALYSIS - PRO FORMA NOI

Exit Price @ 4.75% Cap Rate	\$	1,158,803
Less Renovation Cost:	\$	40,000
Less Exterior Capital Improvements:	\$	-
Adjusted Value:	\$	1,118,803
Equity Gain to Buyer:	\$	323,803

Disclaimer

Table of Contents

Property Summary

Property Highlights

Financial Analysis

Comparables

Location Summary

Contact Information

3222-3224 VERDANT CIRCLE

DUPLEX SALES COMPARABLES

Address	Sale Price	Price/Unit	List Price	% of List Price	Unit Mix	Square Footage	Sales Price/ SF	Annual Gross Rents	GRM	Lot Size Acre	Days on Market	Notes
2150 S. 2060 E.	\$1,020,000	\$510,000	\$1,065,000	96%	5BD/4BA (Two 1/2 BA)	2,856	\$357.14	\$36,000	28.33	0.23	50	Sold 6/7/24. Built 1977. Seller Financing. 2.6 miles away
3193 S. Young Haven Cir	\$980,000	\$490,000	\$1,095,000	89%	7BD/4BA (Two 3/4 BA)	4,550	\$215.38	\$24,000	40.83	0.31	40	Sold 12/15/23. Built 1969. Conventional. 0.6 miles away
2171 S. 1700 E.	\$950,000	\$475,000	\$1,000,000	95%	8BD/4BA (Two 3/4 BA)	3,664	\$259.28	\$62,400	15.22	0.26	56	Sold 5/24/24. Built 1958. Cash. 2.4 miles away
2277 E. Suada Dr.	\$925,000	\$462,500	\$1,100,000	84%	8BD/6BA (Four 1/2 BA)	4,420	\$209.28			0.23	23	Sold 6/27/24. Built 1964. Conventional. 1.6 miles away
1740 S. Texas St.	\$919,000	\$459,500	\$929,000	99%	6BD/4BA (Two 3/4 BA)	3,126	\$293.99	\$49,800	18.45	0.17	8	Sold 6/28/24. Built 1954. Conventional. 4.7 miles away
2217 S. Belaire Dr.	\$885,000	\$442,500	\$995,900	89%	5BD/3BA (One 3/4 BA)	2,702	\$327.54	\$21,600	40.97	0.15	24	Sold 6/7/24. Built 1963. Conventional. 4.2 miles away
2089 E. Donegal Cir	\$867,500	\$433,750	\$849,999	102%	7BD/4BA (Two 1/2 BA)	3,420	\$253.65	\$53,340	16.26	0.23	9	Sold 3/20/24. Built 1978. Seller Financing. 0.9 miles away
Average	\$935,214				Average:	3,534	\$273.75	\$41,190	26.68		30	

DUPLEXES ON MARKET

Address	Status	List Price	Unit Mix	Square Footage	Annual Gross Rents	Lot Size	Days on Market	Notes
2060 E. 3035 S.		\$1,360,000	11BD/8BA (One 3/4 BA, One 1/2BA)	8,647	\$30,600	0.45	161	Built 1977. 1.0 mile away
4233 S. Holladay Blvd	Under Contract	\$1,100,000	5BD/2BA	2,643		0.20	53	Built 1948. 2.7 miles away
3520 S. Alva Cir		\$1,000,000	6BD/3BA (One 3/4 BA)	2,900	\$58,800	0.24	27	Built 1961. 1.0 mile away
3379 S. 2410 E. #A-B		\$975,000	8BD/4BA (One 3/4 BA)	3,920	\$42,000	0.23	83	Built 1977. 0.7 miles away
1514 E. 1700 S.	Backup	\$925,000	7BD/3BA	3,654	\$63,000	0.29	103	Built 1938. 3.3 miles away
505 E. Mansfield Ave.		\$869,000	8BD/5BA (Two 1/2 BA)	3,978		0.21	7	Built 1981. 3.0 miles away
1724 S. 800 E.		\$865,000	4BD/3BA (Two 1/2 BA)	2,618	\$47,340	0.14	90	Built 1984. 5.0 miles away
1717 E. Olive Dr.		\$850,000	5BD/3BA (One 3/4 BA)	2,916	\$38,040	0.18	19	Built 1958. 3.0 miles away
3831 S. 1030 E.		\$845,000	4BD/2BA	1,918		0.19	17	Built 1977. 2.9 miles away
2699 S. Beverly St.		\$830,000	5BD/4BA (Two 3/4 BA)	3,054	\$44,400	0.18	4	Built 1948. 2.3 miles away
1802 E. 3170 S.	Under Contract	\$750,000	3BD/2BA (One 3/4 BA)	2,284	\$48,000	0.22	9	Built 1962. 1.0 mile away
1441 E. 2700 S.	Under Contract	\$750,000	4BD/3BA	2,304	\$25,800	0.18	24	Built 1943. 2.2 miles away
1777 E. 2100 S.	Under Contract	\$750,000	3BD/2BA	1,929	\$39,600	0.17	7	Built 1951. 2.5 miles away
1002 E. 3825 S.		\$725,000	4BD/2BA	1,624	\$37,800	0.22	24	Built 1959. 2.9 miles away
344 E. Fenton Ave	Backup	\$719,000	6BD/6BA (Two 1/2 BA)	2,548	\$47,100	0.17	95	Built 1988. 3.9 miles away
1317 E. Brookshire Dr.	Under Contract	\$709,000	4BD/2BA	1,800	\$50,400	0.23	29	Built 1960. 2.0 miles away
1185 E. Crandall Ave		\$700,000	4BD/2BA	1,624	\$33,600	0.21	56	Built 1964. 2.2 miles away
Average			Average:	2,962	\$43,320		48	

Location Summary

MILLCREEK

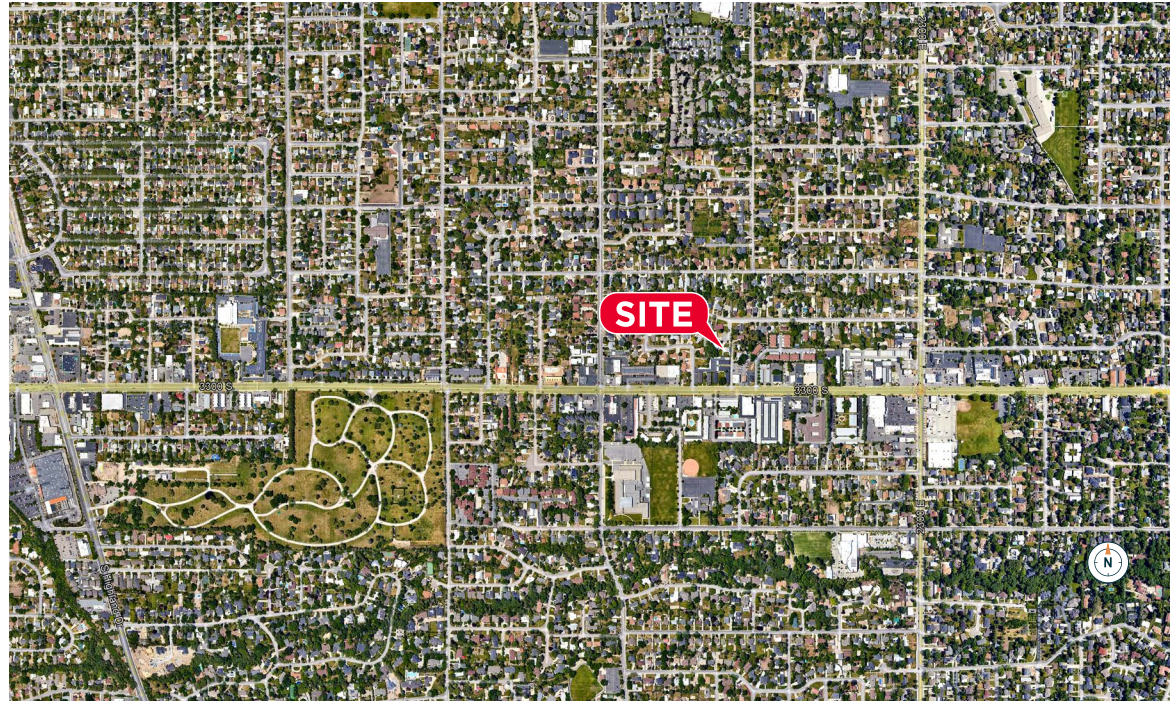
Even though the property is located on a quiet street and on a cul-de-sac, it is minutes away from the many popular retail destinations.

Both Millcreek Gardens and Cactus and Tropicals are two of Utah's best garden centers and only 5-10 minutes away from the property.

About 4 minutes northeast of the property is Parley's Historic Nature Preserve. This is a large recreational area known for its off-leash dog park. It is filled with many trees and water areas for dogs to play in. There is also a park directly adjacent to the preserve.

Roots Café, a popular Salt Lake City restaurant, is also just minutes away from the property.

Finally, the property is conveniently located near Interstates 80 and 215, making it easy for the tenants to get all around town quickly.



SALT LAKE CITY

US News recently named Utah the #1 state in the country the second year in a row.

People continue to come in droves to northern Utah for its beauty, favorable business environment and quality of life. **Utah Ranked #1 for population growth over the last decade** and it is expected to remain that way well into the future.

Utah ranked top 5 in job growth over the last decade as well. Because of this, investors have flocked here for its apartment investment opportunities. **PwC and the Urban Land Institute named Salt Lake City the #2 best market to buy multifamily in both 2021 and 2022.**

Some of Utah's recent accolades include 1) **Forbes ranked Utah as the #1 state for economic growth.** 2) **CNBC rated Utah the top place for businesses and** 3) **WalletHub rated Utah "the Happiest State" in 2016.**

There are a plethora of reasons why investing in Utah multifamily is a smart decision. Utah has a pro-business government, landlord-friendly laws, job growth, population growth, income growth, and had the highest rent collections in the nation during the pandemic. Utah's economy is incredibly strong and experts agree it is an excellent place to invest in multifamily.



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Disclaimer

Table of Contents

Property Summary

Property Highlights

Financial Analysis

Comparables

Location Summary

Contact Information