

CASE STUDY 1

The Fremont Palms | 2540 Fremont ST, Las Vegas NV 89104

PROPERTY DESCRIPTION Two-building, multi-family value-add distressed property with 53 one-bedroom units. 22 occupants (mostly government dependent)



STATUS PRIOR TO PURCHASE

- Off market property in poor condition with numerous code violations, leaking roof, roach/mice infestation, damaged units, foundation issues, and plumbing issues
- Located in deeply troubled neighborhood plagued with drugs, prostitution, and violent crimes
- Classified as the worst nuisance property in Las Vegas and scheduled to be condemned

STATUS AFTER PURCHASE

Extensive security upgrades

This included hiring local private security, installing bright lighting and security cameras, installing security gates to stem the flow of traffic to and from a corner liquor store, and other actions.

Renovations included:

- New heating & air insulation
- Window repairs
- Installed tile & wood floors
- Updated appliances
- Internet & cable wiring
- Roof repairs & new roofing
- New plumbing infrastructure
- New bathroom fixtures & vanities
- Resurface parking lot
- New counters
- Door repairs & new doors
- Refurbished washer/dryers in laundry



FINANCIAL IMPACT

	TIME OF PURCHASE	TIME OF SALE
Date	August 2016	June 2018
Purchase Price	\$1,400,000	\$2,700,000
IRR	N/A	93%+
Cap Rate	4.1%	13.6%+
Apartment Rent	\$460 - \$515 / mo	\$850 / mo

TOTAL INVESTMENT

\$350,000



PRICE SOLD

\$6.4M

MAY 2021

