



Generations of  
Excellence



NEW LEASING OFFICE, BUSINESS CENTER & FITNESS CENTER

CASE STUDY



332 UNITS | PHOENIX, AZ



AFTER



# Cortesian Overview

RENOVATION AS OF Q1 2020

ColRich repositioned an underperforming B asset, very well located in a desirable part of downtown Scottsdale, Phoenix. ColRich leveraged its construction and operational expertise to elevate the asset to a B+ level, improving the resident profile and performance of the asset. Management has spent \$8 million on interior and common area renovations including building exterior enhancements, upgrades to the main pool area with an outdoor firepit/lounge area and a **newly built stand-alone leasing office that includes a business center and state-of-the-art fitness center**. As of April 2020, 206 of 332 units had been renovated (62% of all units).

## Acquisition

- Date Acquired – Dec 2014
- Number of Units – 332
- Year Built – 1971
- Class B
- Purchase Price – \$31m/93,373 unit
- Going in CAP – 6.5%
- NOI@Closing – \$2,036,966

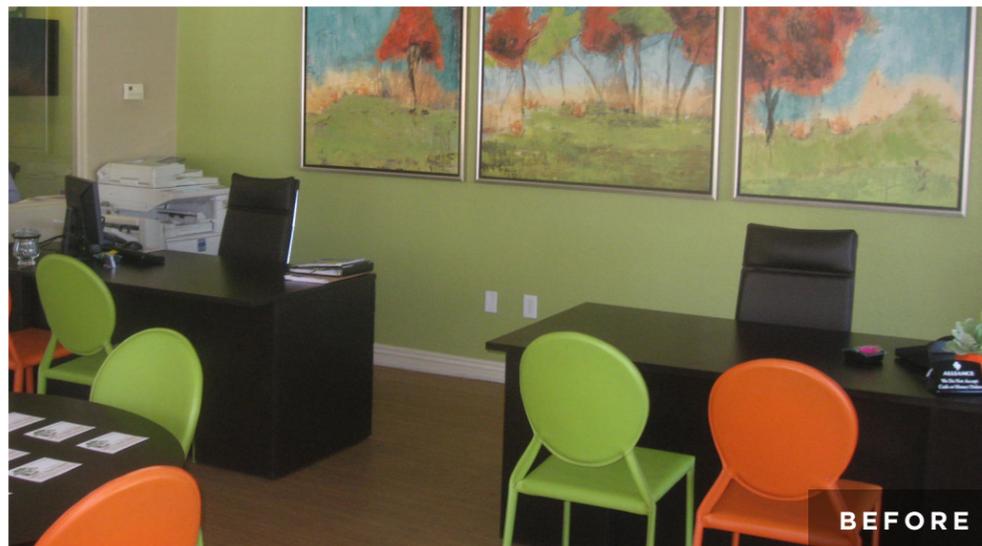
## Renovation

- Total Renovation – \$8m/\$24,096 unit
- NOI% Increase – 50%
- Yield on Costs – 7.8%
- Class B+

## Returns Through Q1 2020

- Equity Invested – \$12m
- Current Equity Balance – \$2.6m
- Total Distribution – \$11.3m
- Cash-on-Cash: Equity Balance – 19%
- Cash-on-Cash: Original Equity – 4%

# Cortesian Common Area Improvements



- Building exterior upgrade with painting of property
- Enhanced all landscaping along marketing path, including entry with public art by local artist
- Upgraded marketing window along Camelback with all new landscaping, exterior balcony railings and patio fencing

- Upgraded pool area and outdoor clubroom
  - BBQ's, lounge area and firepit
  - Upgraded pool finishes with modern furniture
- New stand-alone leasing office
  - Leasing operations and business center
  - Gym with state-of-the-art fitness equipment

# Cortesian Interior Renovations

## UNIT UPGRADES

ColRich upgraded 62% (206) of all units with the following enhancements:

- New backsplashes
- New plank vinyl flooring
- New drop-in kitchen sink with industrial faucet
- New bathroom faucets
- New two-tone cabinet door fronts
- New framed mirrors
- New ceiling fan
- New appliance package
- New door/cabinet hardware
- New lighting fixtures
- New interior paint

## TOTAL COST

- Spent an average of \$15,109/unit on interior upgrades since acquisition

## RETURN ON INVESTMENT

- Average increase of \$250/unit is a 20.1% return on investment

