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20 Unit Apartment Building
3801 Lupton Cir. Raleigh, NC 27606

Capitol Commercial, LLC & Capitol Land Company

Land Entitlement - Site Plan Approval - Re-Zoning – Subdivision
Build-to-Suit - Land Assemblage - Redevelopment

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Property Summary

- 20 Unit apartment building
- Recent appraisal available
- PRIME location with future redevelopment potential, so close to NCSU
- 100% Leased
- Walking distance to NCSU but currently NOT student housing
- All brick exterior, hardwoods and tile throughout, vinyl in kitchens
- New asphalt parking lot
- Rent upside potential with current leases only avg $717/mo for 2br unit
- Wolfline bus stop close by (free bus line around NCSU)
- Additional adjacent property available with different seller

Exterior - 1 Story

Exterior - 2 story

Interior - Living

Bath Pic

Kitchen Pic

Exterior - 1 story

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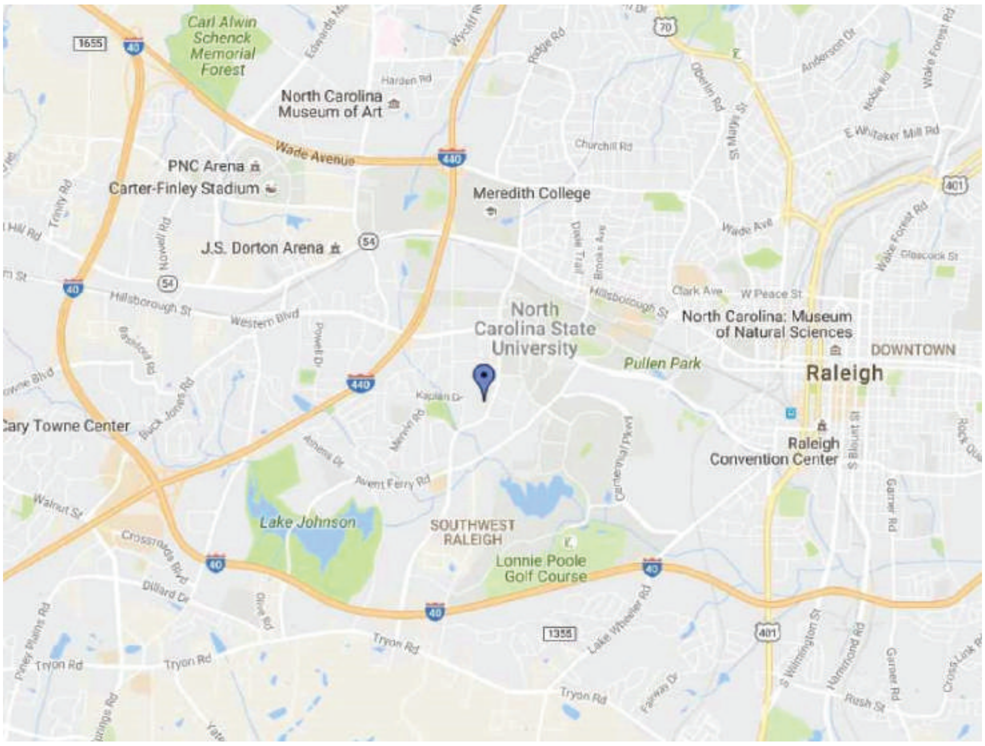
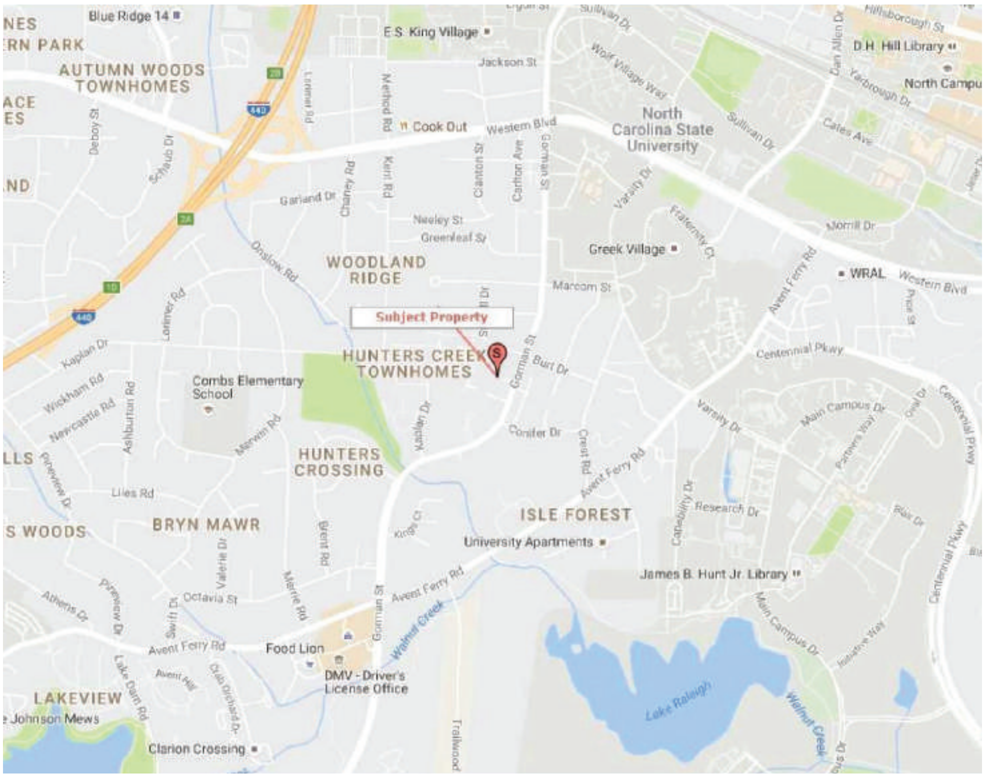
Location Map



Neighbourhood Map



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Income, Expense and Valuation Information

(From appraisal dated 12/05/16 by Valbridge)

Stabilized Net Operating Income Schedule

Category	Per Unit	Total	% of EGI
Potential Gross Rental Income		**$172,140**	**103.1%**
Potential Gross Income (PGI)		**$172,140**	**103.1%**
Vacancy and Collection Loss			
Less: Vacancy at 3.00%		$5,164	3.1%
Total Vacancy and Collection Loss		**$5,164**	**3.1%**
Effective Gross Income (EGI)		**$166,976**	**100.0%**
Less: Operating Expenses	**Per Unit**	**Total**	**% of EGI**
Real Estate Taxes	$727	$14,535	8.7%
Property Insurance	150	$3,000	1.8%
Utilities	50	$1,000	0.6%
General Administration	100	$2,000	1.2%
Repairs & Maintenance	1,000	$20,000	12.0%
Management Fee	668	$13,358	8.0%
Replacement Reserves	200	$4,000	2.4%
Total Operating Expenses	**$2,895**	**$57,893**	**34.7%**
Stabilized Net Operating Income (NOI)	**$5,454**	**$109,083**	**65.3%**

Unit Mix and Occupancy

Unit Type	Average Unit Size	Total Units	Vacant Units	Occupied Units	Occupancy Rate
One-story units	678 sf	12	0	12	100.0%
Two-story units	925 sf	8	0	8	100.0%
Totals	**777 sf**	**20**	**0**	**20**	**100.0%**

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusion

	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	November 22, 2016
Value Conclusion	**$1,620,000**
Per Unit	**$81,000**

Respectfully submitted,
Valbridge Property Advisors | Paramount Appraisal Group

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