



Exclusive Multifamily Offering

Rustic Glen Apartments

6301 Alfano
Houston, TX 77076



FORECLOSURE

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Tarantino
PROPERTIES, INC.

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Price:	\$350,000
Price/Unit:	\$8,750
Price/SF:	\$8.41
Units:	40
Est. Rentable Sq. Ft.	30,000
Occupancy:	0%
Year Built:	1965
Land Area (Per HCAD):	0.955
Proforma NOI:	\$72,872
Proforma Cap Rate:	20.82%

INVESTMENT HIGHLIGHTS

- **EXCELLENT REHAB OPPORTUNITY**
- **GREAT FOR OWNER-OPERATOR INVESTMENT**
- **SITUATED IN GREAT RENTAL MARKET**
- **LOCATED JUST OFF IH-45**



The information above has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors, which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

Unit Mix and Post-Rehab Rent Schedule

Units	Type	Sq.Ft.**	Rent/Unit	Rent PSF	Total Rent	Total SF
28	1-1	700	\$505	\$0.72	\$14,140	19,600
4	1-1	800	\$535	\$0.67	\$2,140	3,200
4	1-1	900	\$575	\$0.64	\$2,300	3,600
4	2-1	900	\$595	\$0.66	\$2,380	3,600
40		750	\$524	\$0.70	\$20,960	30,000

*Rents based on post-rehab market rates

**Sq Ft/Unit estimated

Utility Information

Mechanical:

HVAC	Electric
Hot Water	Boiler

Metering:

Electricity	Individual
Water	Master
Gas	Master

Building Information

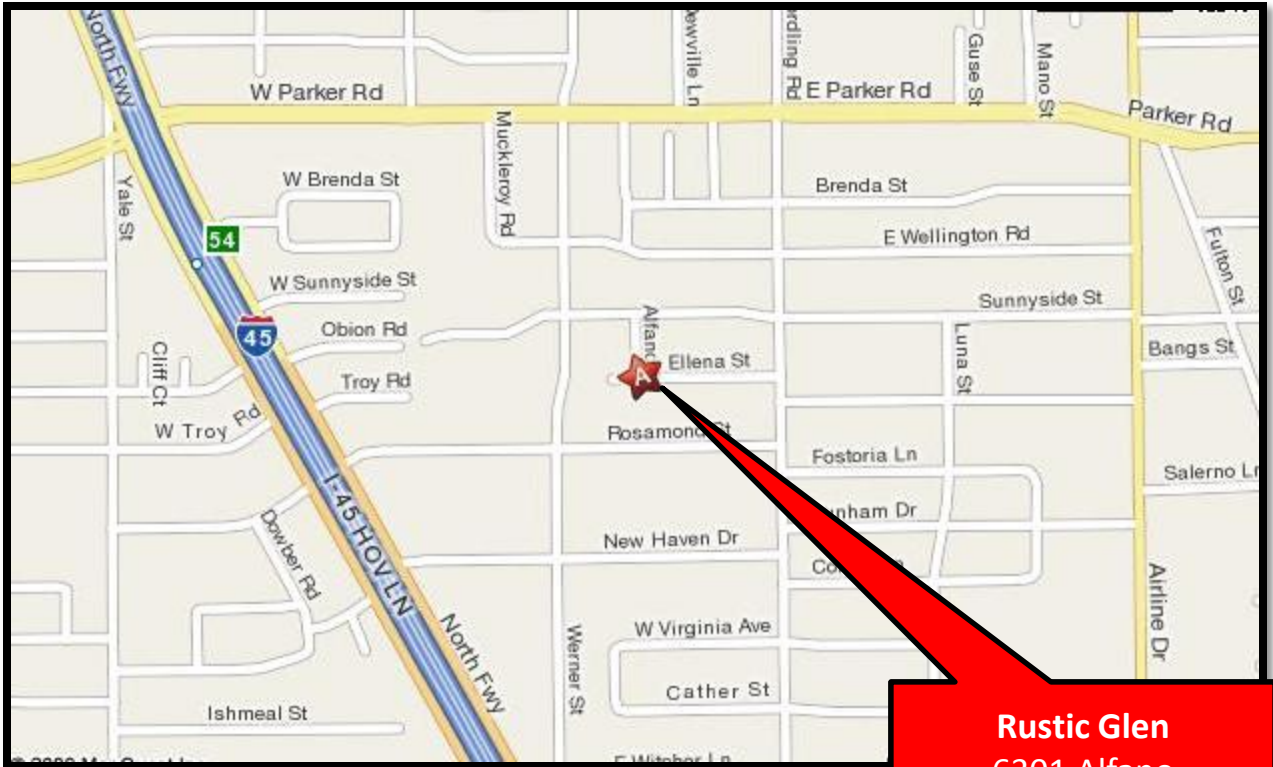
Buildings:	One
Style:	2-story Garden Style
Roofs:	Flat
Exterior:	Brick
Driveways:	Asphalt

Community Features

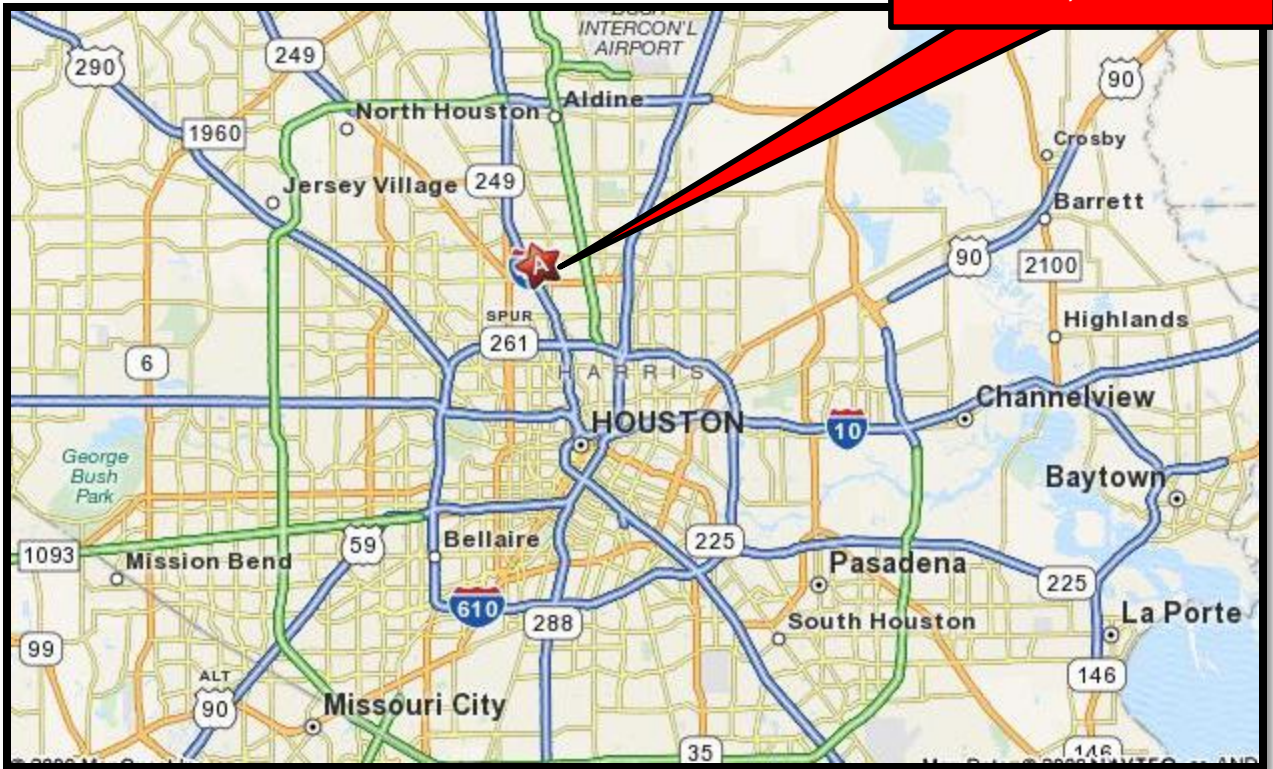
- Laundry Facility
- Vending Machines
- Leading Office

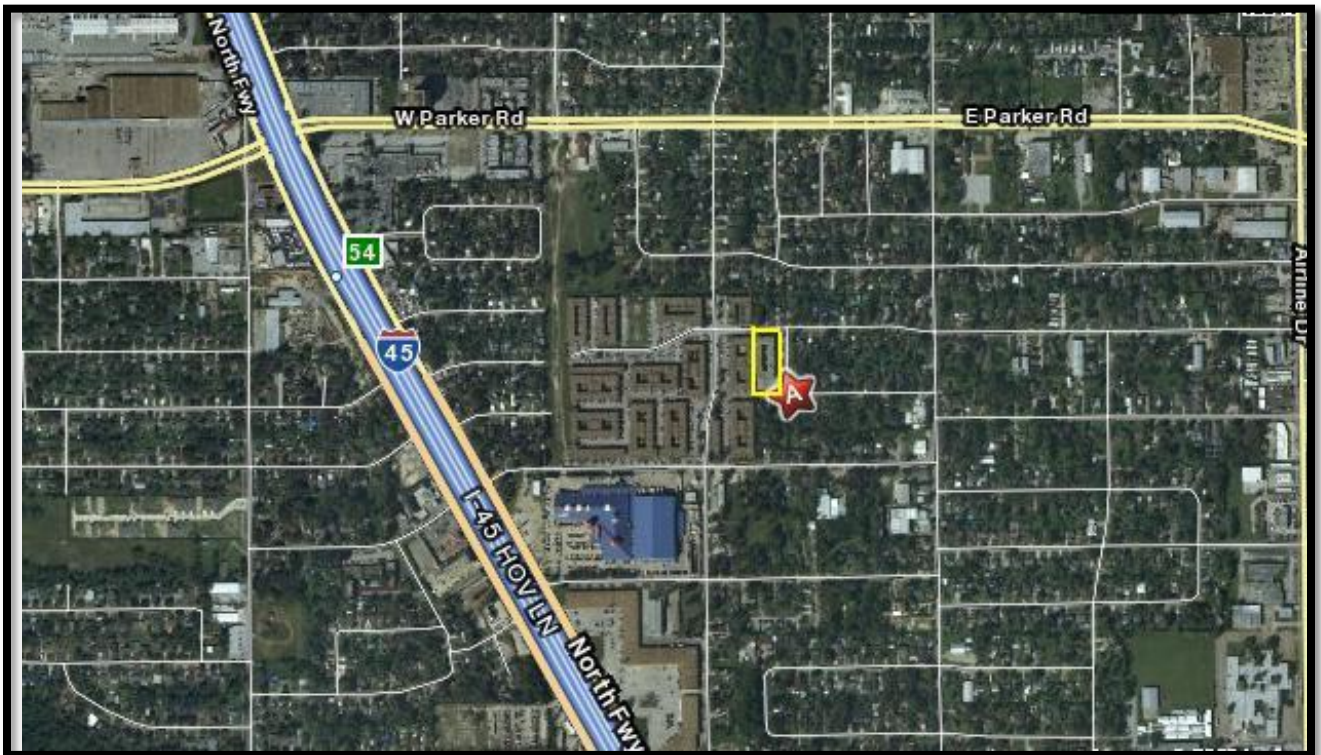
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INCOME		Proforma		
Gross Potential Rent		\$251,520		\$20,960/Month
Loss To Lease	2%	<u>(\$5,030)</u>		
Potential Rent		\$246,490		
Vacancy	10%	(\$25,152)		
Concessions	2%	(\$5,030)		
Other Write Offs	2%	<u>(\$5,030)</u>		
Rental Income	84%	\$211,277		
Other Income		<u>\$8,000</u>		\$200/ Unit/Year
Total Rental Income		\$219,277		\$18,273/ Month
EXPENSES			Per Unit	Per SF
Administrative/General		\$3,000	\$75	
Management Fee	5%	\$10,964	\$274	
Marketing		\$2,000	\$50	
Contract Services		\$8,000	\$200	
Payroll		\$32,000	\$800	
Repairs & Maintenance		\$16,000	\$400	
Utilities		\$30,000	\$750	
Real Estate Taxes*		\$20,441	\$511	
Insurance (est.)		\$14,000	\$350	
Replacement Reserves		<u>\$10,000</u>	<u>\$250</u>	
Total Operating Expenses		\$146,405	\$3,660	\$4.88
Net Operating Income		\$72,872		

*Real Estate taxes based on 2009 value of \$810,000 and a 2.5237 rate



Rent Comparables

Rustic Glen

1 RUSTIC GLEN-SUBJECT PROPERTY*

6301 Alfano
Houston, TX 77076

Occupancy: 0%
DOC: 1965

<u>Unit Type</u>	<u>No. Units</u>	<u>SF</u>	<u>Rent</u>	<u>Rent/SF</u>	<u>Total SF</u>
1Bd-1Ba	28	700	\$505	\$0.72	19,600
1Bd-1Ba	4	800	\$535	\$0.67	3,200
1Bd-1Ba	4	900	\$575	\$0.64	3,600
2Bd-1Ba	4	900	\$595	\$0.66	3,600
Total/Avg.	40	750	\$524	\$0.70	30,000

*Rents based on post-rehab proforma market rates

2 LA CASITA

313 Sunnyside
Houston, TX 77076

Occupancy: 50%
DOC: 1973

<u>Unit Type</u>	<u>No. Units</u>	<u>SF</u>	<u>Rent</u>	<u>Rent/SF</u>	<u>Total SF</u>
1Bd-1Ba**	415	668	\$420	\$0.63	277,220
2Bd-1Ba	50	894	\$520	\$0.58	44,700
2Bd-1.5Ba	20	1156	\$650	\$0.56	23,120
2Bd-2Ba	102	942	\$620	\$0.66	96,084
3Bd-2Ba	35	1241	\$720	\$0.58	43,435
Total/Avg.	622	779	\$485	\$0.62	484,559

3 NORDLING CHATEAU

5600 North Frwy
Houston, TX 77076

Occupancy: 90%
DOC: 1972

<u>Unit Type</u>	<u>No. Units</u>	<u>SF</u>	<u>Rent</u>	<u>Rent/SF</u>	<u>Total SF</u>
1Bd-1Ba*	57	667	\$510	\$0.76	38,019
2Bd-1Ba	35	864	\$640	\$0.74	30,240
2Bd-1.5Ba	14	888	\$640	\$0.72	12,432
2Bd-2Ba*	34	995	\$660	\$0.66	33,830
3Bd-2Ba	20	1152	\$665	\$0.58	23,040
Total/Avg.	160	860	\$601	\$0.70	137,561

4 CONCORD GREEN

7001 Northline
Houston, TX 77076

Occupancy: 95%
DOC: 1978

<u>Unit Type</u>	<u>No. Units</u>	<u>SF</u>	<u>Rent</u>	<u>Rent/SF</u>	<u>Total SF</u>
1Bd-1Ba	136	641	\$520	\$0.81	87,176
2Bd-1Ba	44	857	\$645	\$0.75	37,708
3Bd-2Ba	8	1281	\$815	\$0.64	10,248
Total/Avg.	188	719	\$562	\$0.78	135,132

*Est. post-rehab rent schedule

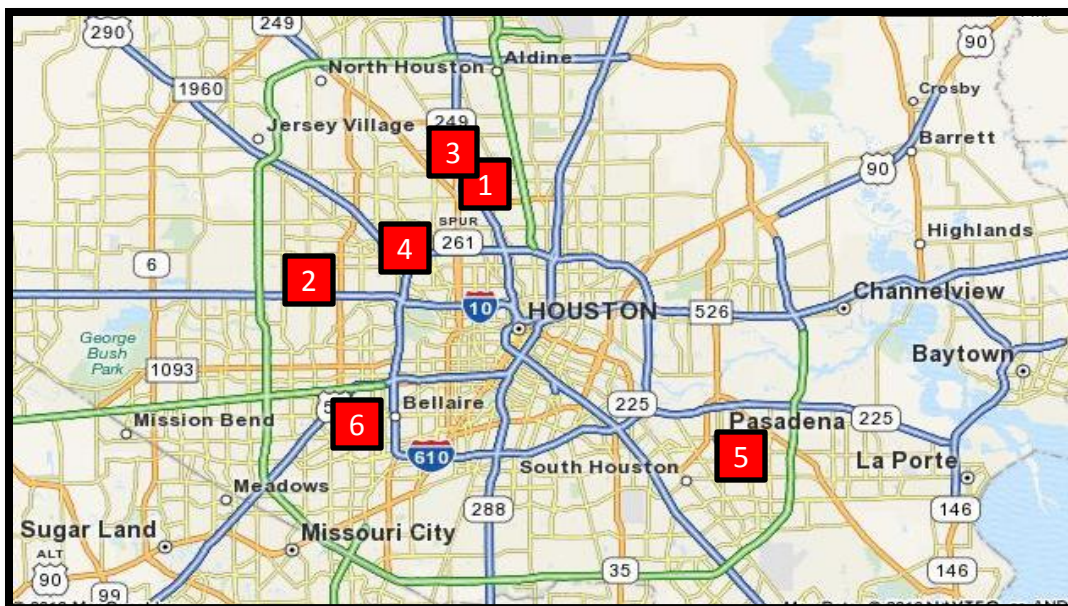
**Averages amongst unit types



Stabilized Sales Comparables

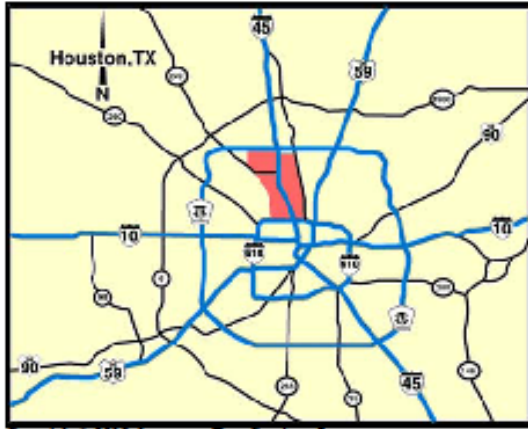
Rustic Glen

1	RUSTIC GLEN-SUBJECT PROPERTY	Occupancy:	0%					
	6301 Alfano Houston, TX 77076	DOC:	1965					
	Date Sold	Price	Cost/Unit	Cost/SF	No. Units	Total SF	Avg Rent	Submarket
		TBD	N/A	N/A	40	30,000	\$524	Aldine
2	CEDAR BRANCH	Occupancy:	90%					
	1217 Blalock Houston, TX 77055	DOC:	1973					
	Date Sold	Price	Cost/Unit	Cost/SF	No. Units	Total SF	Avg Rent	Submarket
	March-09	\$5,000,000	\$21,368	\$25.56	234	195,654	\$612	Spring Branch
3	PARKWAY PLAZA	Occupancy:	92%					
	130 W Parker Rd Houston, TX 77076	DOC:	1972					
	Date Sold	Price	Cost/Unit	Cost/SF	No. Units	Total SF	Avg Rent	Submarket
	April-09	\$3,950,000	\$28,214	\$37.15	140	106,338	\$628	Aldine
4	ONE PINE	Occupancy:	90%					
	4300 Sherwood Ln Houston, TX 77092	DOC:	1974					
	Date Sold	Price	Cost/Unit	Cost/SF	No. Units	Total SF	Avg Rent	Submarket
	April-09	\$3,050,000	\$22,426	\$27.42	136	111,220	\$484	Brookhollow
5	VILLAS OF PASADENA	Occupancy:	92%					
	1706 Pasadena Blvd Pasadena, TX 77502	DOC:	1965					
	Date Sold	Price	Cost/Unit	Cost/SF	No. Units	Total SF	Avg Rent	Submarket
	June-09	\$1,700,000	\$22,368	\$35.05	76	48,507	\$553	Pasadena
6	GREENTREE AT THE GARDEN	Occupancy:	95%					
	6414 Alder Houston, TX 77081	DOC:	1970					
	Date Sold	Price	Cost/Unit	Cost/SF	No. Units	Total SF	Avg Rent	Submarket
	November-09	\$1,790,000	\$24,521	\$35.50	73	50,417	\$468	Gulfton
AVERAGES:		\$3,098,000	\$23,779	\$32.13	132	102,427	\$549	

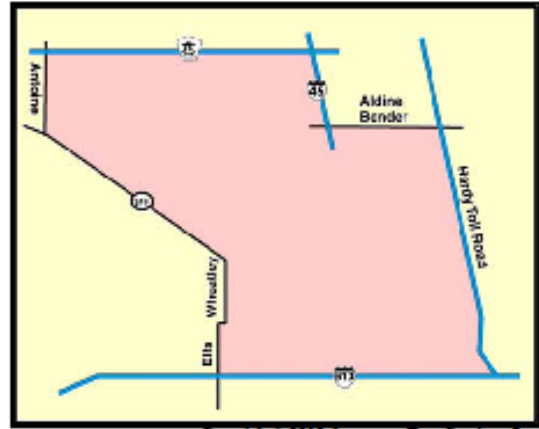


Northline/ Aldine

Market-TRAC - January 08, 2010 - Houston, Tx



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Market Summary: This table shows the general statistics for the market. The prices and rental rates are displayed as effective - net of concessions and electric utility adjustments.

# of Operating Communities	75
# of Operating Units	10,672
Avg Units/Community	142
Avg Size (sf)	841
Avg Price (\$/mo)	567
Avg Rental Rate (¢/sf/mo)	67.4
Avg Occupancy	88.7%

Occupancy & Rental Rate Trends: This table shows the occupancy and rental rate trends that have occurred over the last 3, 6 and 12 months. These trends are expressed in annualized terms.

Occupancy:	Last 3 months	1.0%
	Last 6 months	2.5%
	Last 12 months	3.1%
Rental Rates:	Last 3 months	7.1%
	Last 6 months	2.3%
	Last 12 months	-1.6%

Absorption: This table shows the absorption (change in the number of occupied units) for the market on a quarterly basis. The table displays the number of units absorbed as well as the percentage of units absorbed in relation to the total number of units in the market.

10/09 to 12/09	Units absorbed	37
	% of market	0.35%
7/09 to 9/09	Units absorbed	74
	% of market	0.69%
4/09 to 6/09	Units absorbed	19
	% of market	0.18%
1/09 to 3/09	Units absorbed	187
	% of market	1.75%

Construction: This table shows the new construction that has occurred in the market. The average year of construction is calculated based on the number of communities and the number of units in the market.

Units built in 2005 or after	546
% of market	5.1%
Avg YOC/communities	1974
Avg YOC/units	1979

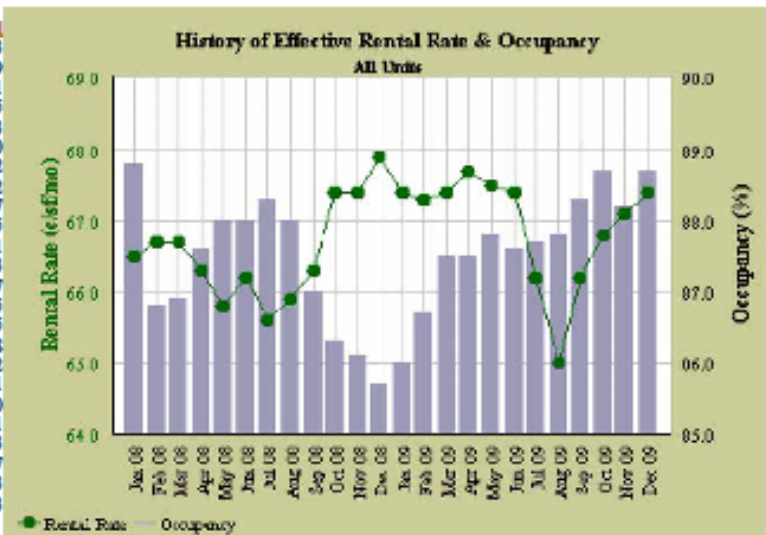
Deposits/Rental Concessions: This table shows the deposits and rental concessions for the market. Three types of concessions are tracked: move-in specials, months free specials and floorplan specific specials.

Avg Security Deposit	\$183
Avg Pet Deposit	\$263
# of communities with:	
Move-in Specials	12
Months Free Specials	3
Floorplan Specials	11

Floorplans (ALL): This table shows statistics for ALL the units in the market. Along with the totals, the table displays the information by Class (A,B,C and D). Prices and rental rates are displayed as effective - net of concessions and electric utility adjustments.

	<u>Total</u>	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class D</u>
# of Communities	75	1	17	37	20
# of Units	10,672	84	2,757	6,246	1,585
Avg Size (sf)	841	647	846	846	825
Avg Price (\$/mo)	567	662	672	559	408
Avg Rental Rate (¢/sf/mo)	67.4	102.3	79.4	66.1	49.5
Occupancy	88.7%	96.4%	92.2%	89.5%	78.9%

Date	Units	Price	Rate	Occ%	Absorbed
Jan 08	10,422	556	66.5	88.8	63
Feb 08	10,672	561	66.7	86.8	9
Mar 08	10,672	561	66.7	86.9	11
Apr 08	10,672	558	66.3	87.6	75
May 08	10,672	553	65.8	88.0	43
Jun 08	10,672	557	66.2	88.0	0
Jul 08	10,672	552	65.6	88.3	32
Aug 08	10,672	554	65.9	88.0	-32
Sep 08	10,672	558	66.3	87.0	-107
Oct 08	10,672	567	67.4	86.3	-75
Nov 08	10,672	567	67.4	86.1	-21
Dec 08	10,672	571	67.9	85.7	-43
Jan 09	10,672	567	67.4	86.0	27
Feb 09	10,672	566	67.3	86.7	75
Mar 09	10,672	567	67.4	87.5	85
Apr 09	10,672	569	67.7	87.5	8
May 09	10,672	568	67.5	87.8	32
Jun 09	10,672	567	67.4	87.6	-21
Jul 09	10,672	557	66.2	87.7	10
Aug 09	10,672	547	65.0	87.8	11
Sep 09	10,672	557	66.2	88.3	53
Oct 09	10,672	562	66.8	88.7	37
Nov 09	10,672	564	67.1	88.2	-53
Dec 09	10,672	567	67.4	88.7	53



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Tarantino Properties, Inc.

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Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

Information About Brokerage Services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

IF THE BROKER REPRESENTS THE OWNER:

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written listing agreement or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information known to the agent.

IF THE BROKER REPRESENTS THE BUYER:

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

IF THE BROKER ACTS AS AN INTERMEDIARY:

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act.

The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- (1) shall treat all parties honestly;
- (2) may not disclose that the owner will accept a price less than the asking price unless authorized in writing to do so by the owner;
- (3) may not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- (4) may not disclose any confidential information or any information that a party specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions of the other party.

If you choose to have a broker represent you, you should enter into a written agreement with the broker that clearly establishes the broker's obligations and your obligations. The agreement should state how and by whom the broker will be paid. You have the right to choose the type of representation, if any, you wish to receive. Your payment of a fee to a broker does not necessarily establish that the broker represents you. If you have any questions regarding the duties and responsibilities of the broker, you should resolve those questions before proceeding.

Real estate licensees asks that you acknowledge receipt of this information about brokerage services for the licensee's records.

Buyer, Seller, Landlord or Tenant

Date

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The purpose of this presentation is to provide the reader with certain information, which may be helpful in an analysis of the property described herein as a potential real estate investment. In this regard, the information contained herein has been obtained from various sources, which include personal observation of the property, data supplied by the owner and/or staff and other sources. No guarantee is made or responsibility is assumed for the accuracy or adequacy of data obtained from any sources, estimates made by any agent of Tarantino Properties, Inc, arithmetic errors, prior sale information, withdrawal from the market, any price change or any event beyond the control of Tarantino Properties, Inc.

For your protection you are urged to make your own analysis of the contents presented herein and investigate and verify to your own satisfaction the contents presented herein and any other related matters and information. It is further recommended that your attorney advise you on all legal matters, that your CPA advise you on all tax matters and that you have qualified engineers and tradesmen certify as to the physical aspects of the property, including but not limited to the condition and operational nature of all improvements thereon, if any, and the environmental condition of the property. Tarantino Properties, Inc. makes no representation or warranty as to (i) the physical condition or nature of the property or its suitability for any particular purpose (ii) the compliance of the property with any applicable law, rule, regulation or ordinance, including but not limited to zoning laws, restrictive covenants or other restrictions and environmental laws.