

Solaire

Property Location:

801 East McKellips Road
Tempe, Arizona 85281

PAM Real Estate Group, LLC

3740 Carillon Point
Kirkland, Washington 98033
Phone: 425-213-1900

Greystar Management

2525 E. Camelback Road
Suite 500
Phoenix, Arizona 85018

Important Points:

- **Overcoming Covid**
- **Strong Rent Increases**
- **Occupancy at 100%**

THRIVING WITH COVID, RISING RENTS & STRONG OCCUPANCY.

Solaire on Scottsdale has benefited from proactive management during the Covid pandemic. Faced with rent moratoriums for those who could not pay, we worked with Juley, our onsite manager, almost daily to design payment plans and “workouts” for those impacted. The effort has paid off—we have only **one** delinquent tenant. They are 16 months behind and we have arranged for the Emergency Rental Assistance Program of Maricopa County to reimburse us for 15 of those 16 months. We call that a win!

Maintenance & Improvements:

We are continuing our steady reinvestment into the property to enhance long-term value that results from earning higher monthly rents.

- Walkways on the second story were painted and repaired as needed.
- Grass turf was installed in the previous playground area with curbing to give the area a more refined look.
- Extensive upgrades and repairs to the irrigation system to help conserve water.



Leasing Office

- We continue to add and upgrade our landscaping.

Occupancy & Rates:

- At the beginning of this year, rents were \$1,249 and \$1,279. Our new rates for renewals and new tenants are \$1,565 and \$1,595.
- We are 100% occupied and have been since mid April.
- Virtual leasing remains in place but we are also hosting tours by appointment.

We Appreciate You!

- We want to recognize our property manager Juley and thank her for her diligent work. She has been with us almost four years. The last 18 months have been challenging but she kept expenses under control and worked patiently with our residents on payment plans. Thank You!

Visit our website at:

www.SolaireOnScottsdale.com



Our Pristine Pool



New Grass Area

FINANCIAL COMMENTARY

We completed the acquisition of Solaire in December of 2014 and this December will complete our 8th full year of ownership. We have exceeded our original proforma budget from the beginning.

We believed the location would become more desirable over time and it certainly appears to be working out that way. At acquisition, the average 12 month trailing rent was \$754 per month. Our current lease rates

have recently been raised to \$1,565 and \$1,595.

For comparison purposes, our June 2020 YTD Total Income was \$847,506 vs. \$938,474 for 2021. Total Operating Expenses were \$304,053 for 2020 vs. 301,314 for 2021. Net Operating Income for this period last year was \$543,452 vs. \$637,160 for 2021. Net Operating Income for the half year is up 17.2%.

Overall, we maintain a very positive long-term outlook for Phoenix and look forward to additional acquisitions as valuations fall into line with our long-term economic outlook.

As always, I am happy to discuss Solaire more in depth, and to address any comments or questions you may have.

Mike Thayer

If your travels take you to Arizona, please let us arrange a personal tour of Solaire, or any of our previous Phoenix area multifamily investments.

FINANCIAL SUMMARY—SECOND QUARTER & YTD JUNE 2021

	Apr-21	May-21	Jun-21	2Q 2021	YTD Total
INCOME					
Income from Rents	148,404	148,158	149,993	446,554	872,644
Other Income	10,882	9,912	12,179	32,973	65,831
Total Income	159,286	158,070	162,172	479,527	938,474
EXPENSES					
Administration	4,237	3,591	3,207	11,035	21,295
Payroll	19,938	13,914	15,368	49,220	91,219
Marketing	2,845	3,843	1,980	8,668	15,723
Utilities	3,193	5,121	5,621	13,935	28,269
Repairs & Supplies	6,594	10,177	2,034	18,805	28,662
Management Fee	4,500	4,500	4,500	13,500	27,000
Misc. Contract Services	4,646	6,634	2,803	14,083	29,386
Property Taxes	7,048	7,125	7,137	21,310	42,262
Insurance	2,896	3,892	3,108	9,986	17,498
Total Operating Expenses	55,898	58,798	45,757	160,453	301,314
NET OPERATING INCOME	103,388	99,272	116,414	319,074	637,160