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Kyle Malnati
Senior Advisor

Kyle Malnati, is a commercial real estate broker specializing in multifamily and investment sales. Kyle had a breakout year in 2007 and was named Pinnacle's **Rookie of the Year** for completing 10 transactions totaling \$9,849,400. In 2008 Kyle sold 12 properties totaling \$12,864,000 and was given the **Senior Advisor** distinction. *Kyle continued his success in 2009 by being named Pinnacle's Top Producer.* Kyle has also been honored by DMCAR as a Heavy Hitter for two different categories. He was in the Top Ten for the "Multifamily Sales" category (2008 & 2009) and in the Top Three in the "Young Brokers of Denver" category. Kyle was also a key player in the successful creation of Pinnacle Real Estate Advisors, LLC. Prior to his experience with Pinnacle, Kyle was a Broker Associate with another boutique brokerage firm in Denver, Colorado. Kyle teamed with Jeff Johnson and Matt Ritter previously as the Transaction Manager for their team and personally oversaw the successful closing of more than \$69,000,000 in investment real estate in two years. Kyle graduated from the University of Wyoming in 2004 with a B.S. in Finance and a Minor in Banking and Financial Services.

Malnati 2010 Transactions

SOLD: 1/29/2010
1638 High St.
Price: \$357,500
Units: 5
Price/SF: \$103.77
Price/Unit: \$71,500
Cap Rate: 8.33%
Lender: N/A - Cash



SOLD: 3/24/2010
3810 E. 17th Ave.
Price: \$540,000
Units: 6
Price/SF: \$119.52
Price/Unit: \$90,000
Cap Rate: 7.76%
Lender: 1st Bank



SOLD: 5/11/2010
20 S. Pearl St.
Price: \$870,000
Units: 12
Price/SF: \$94.16
Price/Unit: \$72,500
Cap Rate: 6.88%
Lender: N/A - Cash



SOLD: 5/25/2010
1410 Humboldt St.
Price: \$800,000
Units: 12
Price/SF: \$85.97
Price/Unit: \$66,667
Cap Rate: 4.33%
Lender: N/A - Cash



SOLD: 6/21/2010
12014 E. 14th Ave.
Price: \$355,000
Units: 8
Price/SF: \$79.99
Price/Unit: \$44,375
Cap Rate: 9.43%
Lender: Adams B&T



SOLD: 7/30/2010
1536 Vine St.
Price: \$875,000
Units: 12
Price/SF: \$102.63
Price/Unit: \$72,917
Cap Rate: 7.83%
Lender: Steele Street



SOLD: 8/31/2010
3690 S. Fox St.
Price: \$714,400
Units: 14
Price/SF: \$89.00
Price/Unit: \$51,243
Cap Rate: 8.37%
Lender: N/A - Cash



SOLD: 9/23/2010
375 S. Pennsylvania
Price: \$315,000
Units: 1
Price/SF: \$232.47
Lender: Beacon



SOLD: 9/29/2010
1436 Williams St.
Price: \$1,050,000
Units: 12
Price/SF: \$113.04
Price/Unit: \$87,500
Cap Rate: 6.87%
Lender: Adams B&T



SOLD: 9/29/2010
1217 E. 14th Ave.
Price: \$325,000
Units: 4
Price/SF: \$111.23
Price/Unit: \$81,250
Cap Rate: 7.79%
Lender: 1st Bank



SOLD: 11/10/2010
1526 Milwaukee St.
Price: \$475,000
Units: 6
Price/SF: \$89.96
Price/Unit: \$79,166
Cap Rate: 8.20%
Lender: 1st Bank



SOLD: 12/20/2010
760-770 E. 11th Ave.
Price: \$1,020,000
Units: 13
Price/SF: \$105.85
Price/Unit: \$78,461
Cap Rate: 7.94%
Lender: Steele Street



CITY PARK
1607-13 York St.
List Price: \$325,000
Units: 4
Price/SF: \$128.36
Price/Unit: \$81,250



CURTIS PARK
2401-15 Stout St.
List Price: \$1,175,000
Units: 17
Price/SF: \$112.62
Price/Unit: \$69,118



WEST WASH PARK
150 S. Clarkson St.
List Price: \$1,875,000
Units: 25
Price/SF: \$140.07
Price/Unit: \$75,000



Central Denver Apartment Market Report Kyle Malnati - Senior Advisor

2010 — 4th Quarter

Central Denver apartment buildings are in high demand! **While the 4Q2010 sales stats aren't fully complete, a handful of Pinnacle sales show price points near or over \$100,000/unit for renovated product!** It may also seem too early to mention, but Property Tax Notices will be sent out in May 2011. I will be conducting a **Real Property Tax Objection Seminar** again. Values of apartment buildings were very sporadic during the assessment period, so please have me help you compile the correct comps if you plan on filing an appeal. Please have a Happy New Year! Here are some key statistics about the apartment market in Central Denver:

- Multifamily Mortgage Interest Rates:
(as of December 16, 2010)
 - 4.77% fixed for 3 years
 - 5.15% fixed for 5 years
 - 5.78% fixed for 7 years
- Apartment Vacancy Rates in Central Denver (Von Stroh's Report 11/10/10)
 - 6.2% for all of Central Denver
 - 4.7% for 9 to 50 unit buildings
 - 5.0% for 51 to 99 unit buildings
 - 9.3% for 100 to 199 unit buildings

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Central Denver Neighborhoods

In order to provide you, the apartment owner, with detailed and relevant information, I have divided the Central Denver area into five distinct neighborhoods. This allows us to focus on trends within a specific neighborhood and not rely on Metro Denver's generalized statistics. Although this requires more work and research, I believe that property owners in our market will appreciate and can benefit from the more accurate information.

Featured Listing

- 25 Units
- Washington Park
- Great Location
- 26 Off-Street Spaces
- New Windows



The purpose of this newsletter is to provide insight on the direction of the market and to recap the apartment transactions occurring in the 2nd & 3rd Quarters of 2010 in Central Denver's neighborhoods. This newsletter is the 16th issue of a quarterly publication which focuses exclusively on the apartment market in Central Denver's neighborhoods. The Central Denver Apartment Market Report is an ongoing service provided by Kyle Malnati.

Call (303-962-9530) or email (kmalnati@pinnaclearea.com) me if you need to sell or buy an apartment building in Denver. I am always happy to also provide you with a FREE, detailed analysis showing what your property could sell for TODAY.

****Pinnacle Real Estate Advisors, LLC Transactions vs. Other Brokerage Firm Transactions****

Central Denver Neighborhoods

Neighborhood Sales - 2nd & 3rd Quarter 2010:

Capitol Hill Sales: 10 properties sold: Averages - \$108.00/SF - \$82,458/unit

Area Description: Bounded by Broadway, York St., Colfax Ave. & 8th Ave

04/16/2010
1070 Marion St.
Price: \$555,000
Units: 6
Price/SF: \$104.05
Price/Unit: \$92,500



05/10/2010
2202-04 E. 14th Ave.
Price: \$630,000
Units: 6
Price/SF: \$103.19
Price/Unit: \$105,000



05/25/2010
1410 Humboldt St.
Price: \$800,000
Units: 12
Price/SF: \$85.97
Price/Unit: \$66,667



06/16/2010
1449 Emerson St.
Price: \$330,000
Units: 5
Price/SF: \$69.83
Price/Unit: \$66,000



06/25/2010
1148 Washington St.
Price: \$581,333
Units: 9
Price/SF: \$105.31
Price/Unit: \$64,593



08/04/2010
1220-26 Pearl St.
Price: \$825,000
Units: 13
Price/SF: \$104.88
Price/Unit: \$63,462



08/16/2010
1230 Washington St.
Price: \$610,000
Units: 8
Price/SF: \$143.60
Price/Unit: \$76,250



09/17/2010
1222 E. 10th Ave.
Price: \$1,550,000
Units: 13
Price/SF: \$130.32
Price/Unit: \$119,231



09/29/2010
1436 Williams St.
Price: \$1,050,000
Units: 12
Price/SF: \$113.04
Price/Unit: \$87,500



09/29/2010
1217 E. 14th Ave.
Price: \$325,000
Units: 4
Price/SF: \$111.23
Price/Unit: \$81,250



**Neighborhood
Market Share
PINNACLE - 60%**

Congress Park Sales: 0 properties sold

Area Description: Bounded by York St., Colorado Blvd., Colfax Ave. & 8th Ave.

Governors Park Sales: 1 property sold: Averages - \$199.05/SF - \$142,000/unit

Area Description: Bounded by Broadway, Speer Blvd., Corona St. & 8th Ave.

06/30/2010
666 Washington St.
Price: \$710,000
Units: 5
Price/SF: \$199.05
Price/Unit: \$142,000



Interest Rates*

*as of December 21, 2010

	Current*	Last Qtr.	1 Yr. Ago
Prime -	3.25%	3.25%	3.25%
Fed Funds -	0.25%	0.25%	0.25%
5 Year Treasury -	1.95%	2.87%	2.32%
10 Year Treasury -	3.35%	2.48%	3.68%
1 Year LIBOR -	0.78%	0.78%	1.00%

IMPORTANT: The provided statistics were obtained from CoStar and are assumed reliable, but not guaranteed. **Kyle Malnati can provide you with a FREE, detailed analysis showing what your property could sell for TODAY.** Statistical data can be extremely skewed without a large enough sample size. Even when statistics are correctly applied, the results can be difficult to interpret since they do not take into account important factors such as: unit mix, condo conversion potential, year of construction, and property condition.

Central Denver Neighborhoods

Neighborhood Sales - 2nd & 3rd Quarter 2010:

Uptown Sales: 2 properties sold: Averages - \$107.97/SF - \$89,118/unit

Area Description: Bounded by Broadway, Colorado Blvd., 20th Ave. & Colfax Ave.

06/09/2010
3014 E. 17th Ave.
Price: \$640,000
Units: 5
Price/SF: \$116.24
Price/Unit: \$128,000



07/30/2010
1536 Vine St.
Price: \$875,000
Units: 12
Price/SF: \$102.63
Price/Unit: \$72,917



**Neighborhood
Market Share
PINNACLE - 100%**

Washington Park Sales: 7 properties sold: Averages - \$110.91/SF - \$69,261/unit

Area Description: Bounded by Broadway, University Blvd., Speer Blvd. & Mississippi Ave.

04/19/2010
594-98 S. Lincoln
Price: \$700,000
Units: 10
Price/SF: \$83.38
Price/Unit: \$70,000



04/30/2010
8 S. Logan St.
Price: \$880,000
Units: 14
Price/SF: \$122.27
Price/Unit: \$62,857



05/11/2010
20 S. Pearl St.
Price: \$870,000
Units: 12
Price/SF: \$94.16
Price/Unit: \$72,500



05/14/2010
136 Washington St
Price: \$1,130,000
Units: 17
Price/SF: \$118.67
Price/Unit: \$66,471



06/14/2010
60 Corona St.
Price: \$1,550,000
Units: 22
Price/SF: \$113.54
Price/Unit: \$70,455



07/21/2010
245 S. Pennsylvania
Price: \$485,000
Units: 6
Price/SF: \$133.39
Price/Unit: \$80,833



**Neighborhood
Market Share
PINNACLE - 29%**

08/06/2010
222 Logan St.
Price: \$2,350,000
Units: 34
Price/SF: \$116.50
Price/Unit: \$69,118



2007 - Present: Multifamily Market Share*



*Source: CoStar Realty Information, Inc. Transactions are calculated by totaling each buyer represented and each seller represented by all brokers at each firm during the stated time frame. Pie chart is based on recorded transactions from the top 8 brokerage houses. Metro Denver multi-family transactions, 5-200 units, in Adams, Denver, Douglas and Jefferson counties. Please feel free to call us to see the raw data.

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