











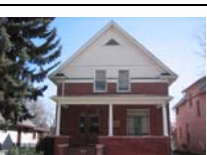






Kyle Malnati
Senior Advisor

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 Transactions 2009

<p>SOLD: 1/29/2009 1132 Marion St. Price: \$485,000 Units: 4 Price/SF: \$112.01 Price/Unit: \$121,250 Cap Rate: N/A Lender: Steele Street</p> 	<p>SOLD: 4/20/2009 1260 Logan St. Price: \$850,000 Units: 12 Price/SF: \$99.33 Price/Unit: \$70,833 Cap Rate: 8.15% Lender: Steele Street</p> 	<p>SOLD: 5/15/2009 43 Sherman St. Price: \$875,000 Units: 13 Price/SF: \$90.30 Price/Unit: \$67,308 Cap Rate: 7.58% Lender: BankFinancial</p> 
<p>SOLD: 6/10/2009 1536 Williams St. Price: \$1,069,000 Units: 12 Price/SF: \$122.66 Price/Unit: \$89,083 Cap Rate: 7.53% Lender: BankFinancial</p> 	<p>SOLD: 8/4/2009 5510-20 S. Elati St. Price: \$955,000 Units: 14 Price/SF: \$81.97 Price/Unit: \$68,214 Cap Rate: 8.65% Lender: Private Lender</p> 	<p>SOLD: 8/24/2009 7030 E. 46th Ave. Dr. Price: \$265,000 Office / Flex Price/SF: \$102.65 Cap Rate: N/A Lender: N/A - Cash</p> 
<p>SOLD: 10/19/2009 1042 Logan St. Price: \$765,000 Units: 12 Price/SF: \$80.95 Price/Unit: \$63,750 Cap Rate: 3.46% Lender: N/A - Cash</p> 	<p>SOLD: 11/9/2009 1671 Cook St. Price: \$1,200,000 Units: 17 Price/SF: \$142.84 Price/Unit: \$70,588 Cap Rate: 6.80% Lender: N/A - Cash</p> 	<p>SOLD: 12/17/2009 1535 York St. Price: \$900,000 Units: 14 Price/SF: \$77.70 Price/Unit: \$64,286 Cap Rate: 7.81% Lender: Seller Carry</p> 
<p>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</p> 	<p>UNDER CONTRACT 1400 Clermont St. Price: \$785,000 Units: 6 Price/SF: \$127.93 Price/Unit: \$130,833 Cap Rate: 7.16%</p> 	<p>UNDER CONTRACT 3810 E. 17th Ave. Price: \$560,000 Units: 6 Price/SF: \$123.95 Price/Unit: \$93,334 Cap Rate: 7.48%</p> 
<p>LISTING 1840 Vine St. List Price: \$389,000 Units: 6 Price/SF: \$107.13 Price/Unit: \$64,833 Cap Rate: 7.16%</p> 	<p>PRICE REDUCED! 1436 Williams St. Price: \$1,175,000 Units: 12 Price/SF: \$126.49 Price/Unit: \$97,917 Cap Rate: 6.14%</p> 	<p>LISTING 1217 E. 14th Ave. Price: \$360,000 Units: 4 Price/SF: \$90,000 Price/Unit: \$123.20 Cap Rate: 7.20%</p> 

The 2009 Top Producer



Central Denver Apartment Market Report Kyle Malnati - Senior Advisor

2010 — 1st Quarter

2009 ended on a positive note and lead to a lot of promise for 2010. It was a dismal start in the 1st Quarter of 2009, but each quarter progressed forward as more with more sales than the quarter before it.

2009 – 29 (Total) vs. 2008 – 52 (Total)

1st – 4	1st – 12
2nd – 6	2nd – 13
3rd – 8	3rd – 16
4th – 11	4th – 11

I personally had a great year in sales and was named the #1 Broker/Top Producer at Pinnacle. Here's to a fantastic 2010! Below are some key statistics about the Central Denver apartment market:

- Apartment Vacancy Rates in Central Denver (Von Stroh's 2009Q4 Report)
 - 7.7% total vacancy rate
 - 7.7% for 9 to 50 unit buildings
 - 9.4% for 51 to 99 unit buildings
 - 3.3% for 100 to 199 unit buildings
- Multifamily Mortgage Interest Rates: (as of March 1, 2010)
 - 5.09% fixed for 3 years
 - 5.20% fixed for 5 years
 - 6.11% fixed for 10 years

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 have found that property owners in our market will appreciate and can benefit from the most accurate information.

Featured Listing

- 11 Units
- Capitol Hill
- Off-Street Parking
- Hardwood Floors
- Windows Replaced
- Boiler Replaced



The purpose of this newsletter is to provide insight on the direction of the market and to recap the apartment transactions occurring in the 3rd & 4th Quarters of 2009 in Central Denver's neighborhoods. This newsletter is the 13th 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.






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Central Denver Neighborhoods

Neighborhood Sales - 3rd & 4th Quarter 2009:




Capitol Hill Sales: 9 properties sold: Averages - \$94.13/SF - \$61,677/unit

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

07/10/2009 1415 Pearl St. Price: \$750,000 Units: 12 Price/SF: \$105.10 Price/Unit: \$62,500		07/14/2009 1419 Downing St. Price: \$1,175,000 Units: 18 Price/SF: \$111.02 Price/Unit: \$65,278		07/16/2009 1255 Emerson St. Price: \$570,000 Units: 8 Price/SF: \$91.40 Price/Unit: \$71,250	
08/13/2009 724-742 E 10th Ave. Price: \$1,250,000 Units: 16 Price/SF: \$116.95 Price/Unit: \$78,125		10/09/2009 6 Property Sale Price: \$5,858,000 Units: 121 Price/SF: \$77.83 Price/Unit: \$48,413	701 E. 14th Ave. 1825 Logan St. 1665-1667 Race St. 1901-1921 E. 16th Ave. 1601-1615 E. 17th Ave. 1746 Clarkson St.	10/19/2009 1042 Logan St. Price: \$765,000 Units: 12 Price/SF: \$80.95 Price/Unit: \$63,750	
11/20/2009 1121 Ogden St. Price: \$1,190,000 Units: 17 Price/SF: \$96.28 Price/Unit: \$70,000		12/10/2009 1117 Pennsylvania Price: \$1,300,000 Units: 14 Price/SF: \$140.37 Price/Unit: \$92,857		12/21/2009 1160-80 Sherman St. Price: \$5,275,000 Units: 76 Price/SF: \$102.13 Price/Unit: \$69,408	

Congress Park Sales: 3 properties sold: Averages - \$105.06/SF - \$56,422/unit

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

07/08/2009 1423 Clayton St. Price: \$887,500 Units: 17 Price/SF: \$98.51 Price/Unit: \$52,206		10/29/2009 1303 Columbine St. Price: \$1,015,000 Units: 17 Price/SF: \$108.06 Price/Unit: \$59,706		11/06/2009 1321 Detroit St. Price: \$975,000 Units: 17 Price/SF: \$108.48 Price/Unit: \$57,353	
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Governor's Park Sales: 0 properties sold

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

Interest Rates*

*as of March 1, 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 -	2.28%	2.25%	1.86%
10 Year Treasury -	3.59%	3.48%	2.91%
1 Year LIBOR -	0.88%	1.01%	2.09%




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 is worth 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 - 3rd & 4th Quarter 2009:





Uptown Sales: 4 properties sold: Averages - \$81.44/SF - \$53,869/unit

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

10/09/2009 1721 Humboldt St. Price: \$1,307,500 Units: 20 Price/SF: \$107.27 Price/Unit: \$65,375		10/09/2009 6 Property Sale Price: \$5,858,000 Units: 121 Price/SF: \$77.83 Price/Unit: \$48,413	701 E. 14th Ave. 1825 Logan St. 1665-1667 Race St. 1901-1921 E. 16th Ave. 1601-1615 E. 17th Ave. 1746 Clarkson St.	11/09/2009 1671 Cook St. Price: \$1,200,000 Units: 17 Price/SF: \$81.45 Price/Unit: \$70,588	
12/17/2009 1535 York St. Price: \$900,000 Units: 14 Price/SF: \$77.70 Price/Unit: \$64,286					

Washington Park Sales: 4 properties sold: Averages - \$89.92/SF - \$62,625/unit

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

07/03/2009 136 Washington St. Price: \$1,095,000 Units: 17 Price/SF: \$115.00 Price/Unit: \$64,411		07/16/2009 231 Logan St. Price: \$675,000 Units: 11 Price/SF: \$153.41 Price/Unit: \$61,364		08/07/2009 5 Sherman St. Price: \$790,000 Units: 13 Price/SF: \$74.40 Price/Unit: \$60,769	
11/03/2009 6 Lincoln St. Price: \$2,450,000 Units: 39 Price/SF: \$78.59 Price/Unit: \$62,821					

Ways That I Can Help You...

- Opinion of Value Proposals
- Vendor Referrals (Plumbing/Boiler/Roof/etc.)
- Tenant Issues (Management & Evictions)
- Insurance Agent Referrals
- Annual Tax Appeals
- Loan Refinancing (Banking and Loan Trends)
- Preparing to Sell and Market Trends
 - Short and Long Term Planning
 - Maximizing Sales Value
 - How to Add Value
 - Tax Deferred 1031 Exchanges



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