

## RK Properties Reports Big Return for 1031/TIC and Fund Investors in Latest Multifamily Sale

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RK Properties, a sponsor of private placements and 1031 exchange offerings, has sold Painted Trails Apartments in Gilbert, Arizona for approximately \$48.3 million on behalf of one of its 1031 exchange investment programs and RK Opportunity Fund II.

The 196-unit Class A property, located in the Power Ranch master planned community, was originally purchased in June 2013 for nearly \$25.8 million.

RK Properties noted that, coupled with cash flow generated during the hold period, the sale resulted in a total



internal rate of return to the 1031 exchange investors of 126.7 percent, and 114.8 percent to the shareholders in RKOF II (calculated based on the aggregate amount of original capital invested in the property). The hold period was nearly 7.6 years, thus the annualized IRRs were 16.78 percent and 15.2 percent, respectively.

Additionally, the company noted that roughly 90 percent of the 1031 exchange investors are in the process of doing another 1031 tax-deferred exchange into a new RK Properties acquisition.

“We are very proud of our 40-plus year multifamily track record and our successes are highlighted by our loyal following,” said Steve King, chief operating officer of RK Properties.

Built in 2008, Painted Trails Apartments was a value-add investment where RK Properties upgraded kitchen and bathroom cabinetry, added granite countertops and other high-end finishes, and made upgrades to the exterior, the company said.

“Because the location and quality of the asset the upgrades were well accepted, and we were able to push the rents to increase the value of the property on behalf of our investor/owners” added King.

[RK Properties](#) offers multifamily replacement properties for 1031 tax deferred exchanges, as well as straight capital investment opportunities for accredited investors who are seeking a real estate investment. As of August 2020, RK Properties has sponsored 155 private placement programs, of which 142 have gone full cycle.

For more RK Properties news, visit their [directory sponsor page](#). Not for public use, for reference only