



\$825,000

SOUGHT AFTER 4 UNIT APARTMENT COMPLEX

1290 KENWAL ROAD, CONCORD, CA 94521



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NARRATIVE

The Kenwal Road Apartments is a clean, well located, family owned complex that is now brought to market for the first time in many years. The location is a desirable, predominantly single family and condominium neighborhood of owner occupied, pride of ownership homes. The property represents a rare opportunity to own an ideally situated multi-family property with upside potential. Its proximity to Highways 242 and I-680, downtown Concord and BART, along with many desirable features make this an uncommon investment opportunity.

The complex has a desirable mix of three bedroom, two bedroom, and one bedroom units in the main building. The three bedroom unit appears to have been designed as an “owner” unit with vaulted ceilings, gas fireplace, paneled doors, mirrored closet doors, Decora switches and outlets, and large closets. All units feature all electric kitchens, dishwashers, disposals, and central heat and air conditioning. Most of the windows have been updated to dual pane. There are five enclosed garages for the residents as well as a coin operated laundry facility with equipment owned by the seller. The building features a concrete slab foundation with a pitched, composition shingle roof. The units are separately metered for gas and electricity, while the owner provides water and trash service.

The unit mix is consists of:

- (1) 3BR / 2BA unit
- (2) 2BR / 2BA units
- (1) 1BR / 1BA unit

The property could be purchased and operated has it has been for many years into the future. Alternatively, many investors in the Concord area have noticed significant upside in rents when they make upgrades to their apartments by adding such amenities as granite counters, stainless steel appliances, and Pergo-style floor coverings. With some of the units currently updated to a high standard, we believe the property would respond well to such improvements.

Property Details

| | |
|-----------------------|-------------------------------------|
| Address | 1290 Kenwal Road, Concord, CA 94521 |
| Laundry | Community facility |
| Siding | Wood Siding |
| APN | 120-342-049 |
| Approx. Building S.F. | 3,772 (per Contra Costa County) |
| Approx. Land | 7,200 (per Contra Costa County) |
| Year Built | 1972+/- (per Contra Costa County) |
| HVAC | Central |
| Fireplace | In 3BR/2BA unit |
| PG&E | Separately metered |
| Water | Master metered |
| Trash | Paid by owner |
| Foundation | Concrete slab |
| Roof | Pitched Composition Shingle |



INCOME & EXPENSES

| UNITS | TYPE | ESTIMATED SQ. FEET | CURRENT | ESTIMATED MARKET |
|-----------------|---|-----------------------|-----------------|---------------------|
| 1 | 3BR / 2BA | 1,200 | \$1,600 | \$1,800 |
| 2 | 2BR/2BA | 900 | \$1,200-\$1,250 | \$1,350 |
| 1 | 1BR/1BA | 700 | \$1,000 | \$1,100 |
| 4 | Total rentable square feet | 3,772 | | |
| INCOME | | | | |
| | Monthly Rent | | \$5,050 | \$5,600 |
| | Estimated Laundry Income | | \$80 | \$80 |
| | Total Monthly Income | | \$5,130 | \$5,680 |
| | ANNUALIZED TOTAL INCOME | | \$61,560 | \$68,160 |
| | Scheduled Gross Income | | \$61,560 | \$68,160 |
| | Less Vacancy Reserve (5.00%) | | (\$3,078) | (\$3,408) |
| | GROSS OPERATING INCOME | | \$58,482 | \$64,752 |
| EXPENSES | | | | |
| | Taxes (New @ 1.1052%) | | (\$9,118) | (\$9,118) |
| | Levies and Assessments | | (\$1,581) | (\$1,581) |
| | Insurance (Actual) | | (\$1,656) | (\$1,656) |
| | Common Area Maintenance (Estimated) | | (\$1,200) | (\$1,200) |
| | Water (2013 Annualized) | | (\$1,380) | (\$1,380) |
| | Garbage (2013 Annualized) | | (\$1,416) | (\$1,416) |
| | PG&E (2013 Annualized) | | (\$1,812) | (\$1,812) |
| | Repairs/Maintenance (Projected @ \$750/unit/year) | | (\$3,000) | (\$3,000) |
| | Capital Improvements (Est. @ \$200/unit) | | (\$800) | (\$800) |
| | License Fee (Estimated) | | (\$500) | (\$500) |
| | TOTAL EXPENSES | | (\$22,463) | (\$22,463) |
| | NET OPERATING INCOME | | \$36,019 | \$42,289 |
| | Expenses as % of Gross Income | | 36.49% | 32.96% |
| | Expenses per Unit | | \$5,616 | \$5,616 |
| | Expenses per Square Foot | | \$5.96 | \$5.96 |

MARKET ANALYSIS

| | | | | |
|-------------------------------------|------------------|-----|------------------|-----|
| SALE PRICE | \$825,000 | | \$825,000 | |
| Down Payment | \$275,000 | 33% | \$275,000 | 33% |
| * First Loan | \$550,000 | 67% | \$550,000 | 67% |
| NET OPERATING INCOME | \$36,019 | | \$42,289 | |
| Estimated Debt Service (first loan) | (\$31,509) | | (\$31,509) | |
| Cash Flow | \$4,510 | | \$10,780 | |
| Principal Paydown | \$9,686 | | \$9,686 | |
| Total Pre-Tax Return | \$14,196 | | \$20,466 | |
| Pre-Tax Return on Investment | 5.16% | | 7.44% | |
| Gross Rent Multiplier | 13.40 | | 12.10 | |
| Capitalization Rate | 4.37% | | 5.13% | |
| Price per square foot | \$218.72 | | \$218.72 | |
| Price per unit | \$206,250 | | \$206,250 | |

Financing:

First loan based on 1.1 DCR, 4% interest rate, 30 year Amortization.





RENT SURVEY

| PROPERTY | SUBJECT PROPERTY 1290 Kenwal Road Concord | 5327 Balhan Court Concord | 5336 Balhan Court Concord | Diablo Terrace 4900 Clayton Road Concord | Clayton Creek Apartments 5255 Clayton Road Concord | Crossroads Apartments 5378 Clayton Road Concord |
|-------------|--|--|---|--|--|---|
| AMENITIES | Garages, on-site laundry, dual pane windows, central heat & air, outstanding location. | A quiet complex with 12 units, each with an attached garage for washer and dryer, cute backyard, all new inside. | Washer and dryer in unit, attached garage, 13 cute little cottages in private area. | Wood burning fireplace, central HVAC, walk-in closets, dishwasher, disposal, self-cleaning oven, covered parking, includes trash and water | Central HVAC, balcony or patio, carport, dishwasher, disposal, handicap accessible, with parks, trails, dining, and shopping | Central HVAC, ceramic tile kitchen floor, ceiling fans, granite-style counters, linen closets, patio or balcony, assigned covered parking, on-site laundry, washer & dryers in select units |
| 1 BR X 1 BA | \$1,000 700 square feet \$1.43/s.f. | | | \$950 to \$1,025 650 square feet \$1.46 to \$1.58/s.f. | \$1,095 to \$1,195 670 square feet \$1.63 to \$1.78/s.f. | \$1,190 to \$1,410 625 to 674 square feet \$1.90 to \$2.09/s.f. |
| 2 BR X 1 BA | | \$1,300 1,000 square feet \$1.30/s.f. | | | \$1,195 to \$1,295 800 square feet \$1.49 to \$1.62/s.f. | |
| 2 BR X 2 BA | \$1,200 to \$1,250 900 square feet \$1.33 to \$1.39/s.f. | | | \$1,100 to \$1,300 850 square feet \$1.29 to \$1.53/s.f. | \$1,295 to \$1,395 920 square feet \$1.41 to \$1.52/s.f. | \$1,495 to \$1,810 825 to 852 square feet \$1.81 to \$2.12/s.f. |
| 3 BR X 1 BA | | | \$1,550 1,100 square feet \$1.41/s.f. | | | |
| 3 BR X 2 BA | \$1,600 1,200 square feet \$1.33/s.f. | | | | | |



RENT SURVEY PHOTOS



5327 Balhan Court



5336 Balhan Court



4900 Clayton Road

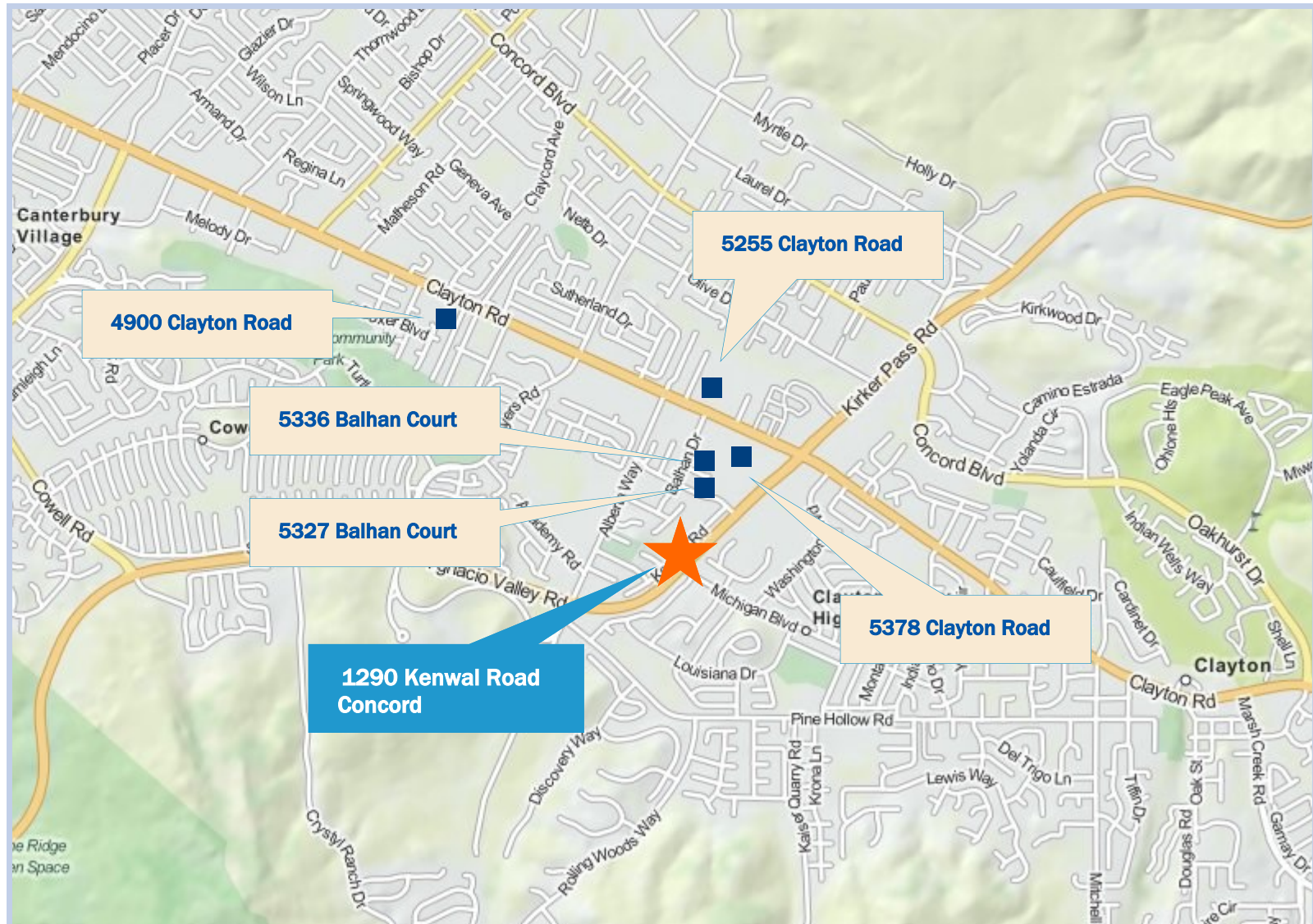


5255 Clayton Road



5378 Clayton Road

RENT SURVEY MAP





SALES COMPARABLES

| ADDRESS | UNITS | SALE PRICE | SQUARE FEET | COST/ UNIT | COST/ SQ. FT. | GRM | CAP | UNIT MIX | BUILT | SALE DATE | COMMENTS |
|------------------------|-------|------------|-------------|------------|---------------|-------|-------|----------------------|-------|------------|---|
| 1451 Reganti Place | 4 | \$710,000 | 3,992 | \$177,500 | \$177.86 | 12.61 | 4.70% | All 2x1.5 | 1970 | 12/5 2013 | 35 Days on market. Updated kitchens in 2008. Tile and laminate floors, dual pane windows, central HVAC, carports. |
| 5311 Balhan Court | 4 | \$659,000 | 3,250 | \$164,750 | \$202.77 | 13.40 | 4.40% | All 2x1 | 1968 | 11/6 2013 | 9 Days on market. Units in "decent" condition. Fireplaces, carports, laundry facility, wall HVAC. |
| 2300 Pacheco Street | 4 | \$780,000 | 3,624 | \$195,000 | \$215.23 | 12.03 | 4.50% | All 1x1 | 1941 | 11/1 2013 | 11 Days on market. Well maintained in downtown Concord. Dual pane windows, inside laundry, 1-car garages. |
| 5089 Clayton Road | 4 | \$620,000 | 3,320 | \$155,000 | \$186.75 | 12.91 | 4.60% | (4) 2x1 | 1959 | 10/31 2013 | Clean complex with 2 BR x 1 BA units. Wall heat and air conditioning, on-site laundry, some updating. |
| 2023 Sierra Road | 4 | \$786,800 | 4,308 | \$196,700 | \$182.64 | 12.37 | 4.50% | (3) 2x1.5 (1) 3x2 | 1970 | 7/12 2013 | Three townhouse style units, spacious yards, covered parking, on-site laundry, new exterior paint, upside rent potential, near shops and restaurants. |
| 2005 Sierra Road | 4 | \$652,000 | 4,463 | \$163,000 | \$146.09 | N/A | N/A | (2) 2x1.5 (2) 3X2 | 1968 | 7/11 2013 | Vacant four-plex, needs some TLC, possible roof work, carpet and paint. Carport, on-site laundry. |
| 2170 California Street | 4 | \$690,820 | 2,888 | \$172,705 | \$239.20 | 12.43 | 4.82% | (4) 2x1 | 1966 | 5/1 2013 | Downtown Concord near BART. Gas wall heaters and a/c. Owner pays water and garbage. |
| AVERAGES | 4 | \$699,803 | 3,692 | \$174,951 | \$192.93 | 12.63 | 4.59% | | | | |

| ADDRESS | UNITS | LIST PRICE | SQUARE FEET | COST/ UNIT | COST/ SQ. FT. | GRM | CAP | UNIT MIX | BUILT | SALE DATE | COMMENTS |
|------------------|-------|------------|-------------|------------|---------------|------|------|-----------------------|-------|-----------|---|
| 1290 Kenwal Road | 4 | \$825,000 | 3,773 | \$206,250 | \$219.00 | 13.4 | 4.4% | 3x2 (2) 2x2 1x1 | 1972 | N/A | Owner's unit with vaulted ceilings, fireplace, patio, paneled doors, central HVAC, 5 garages, and storage. Pitched roof. High quality building in sought after, Clayton-border location |



SALES COMPARABLES PHOTOS



1451 Reganti Place



5311 Balhan Court



2300 Pacheco Street



5089 Clayton Road



2023 Sierra Road

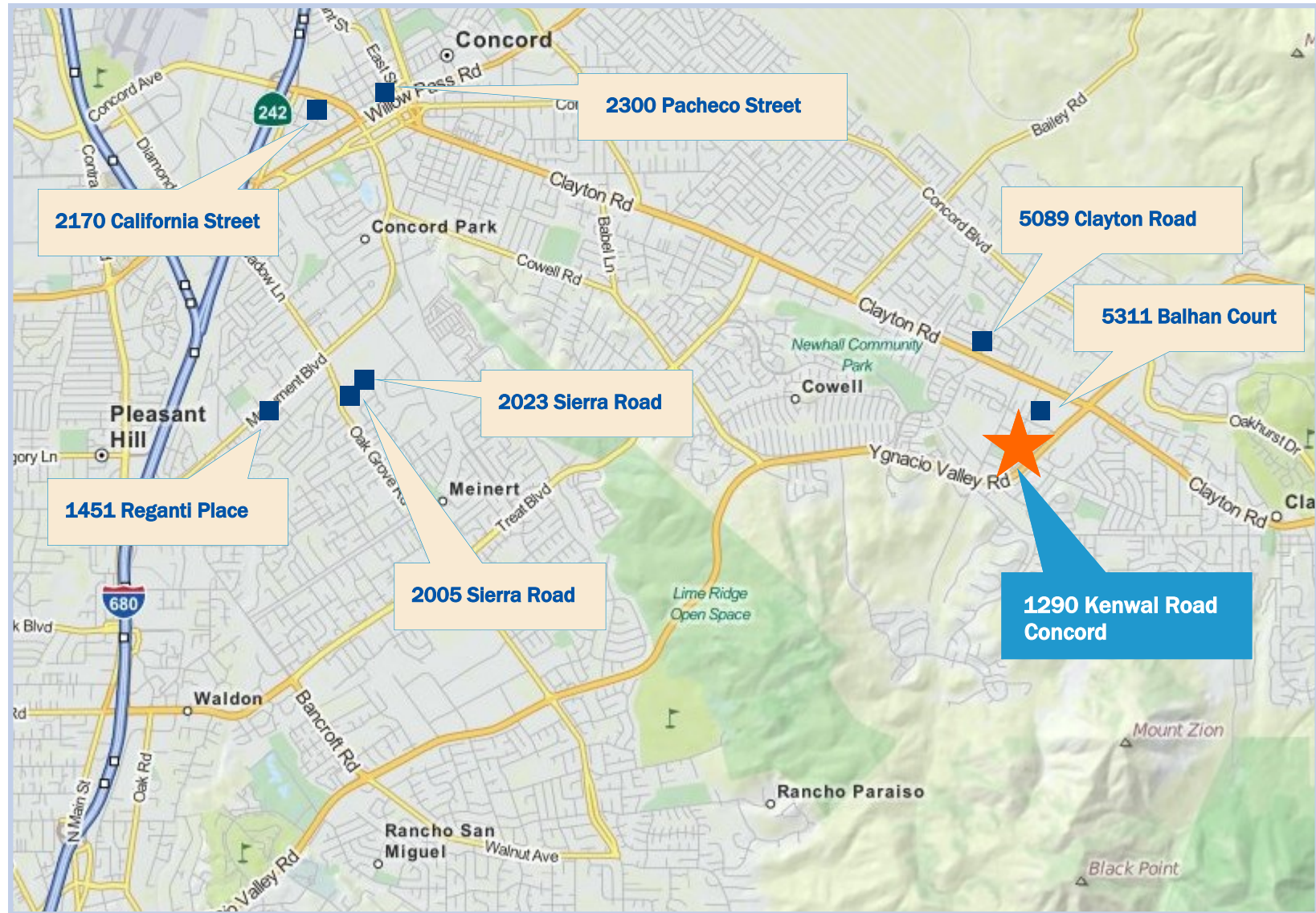


2005 Sierra Road



2170 California St

SALES COMPARABLES MAP

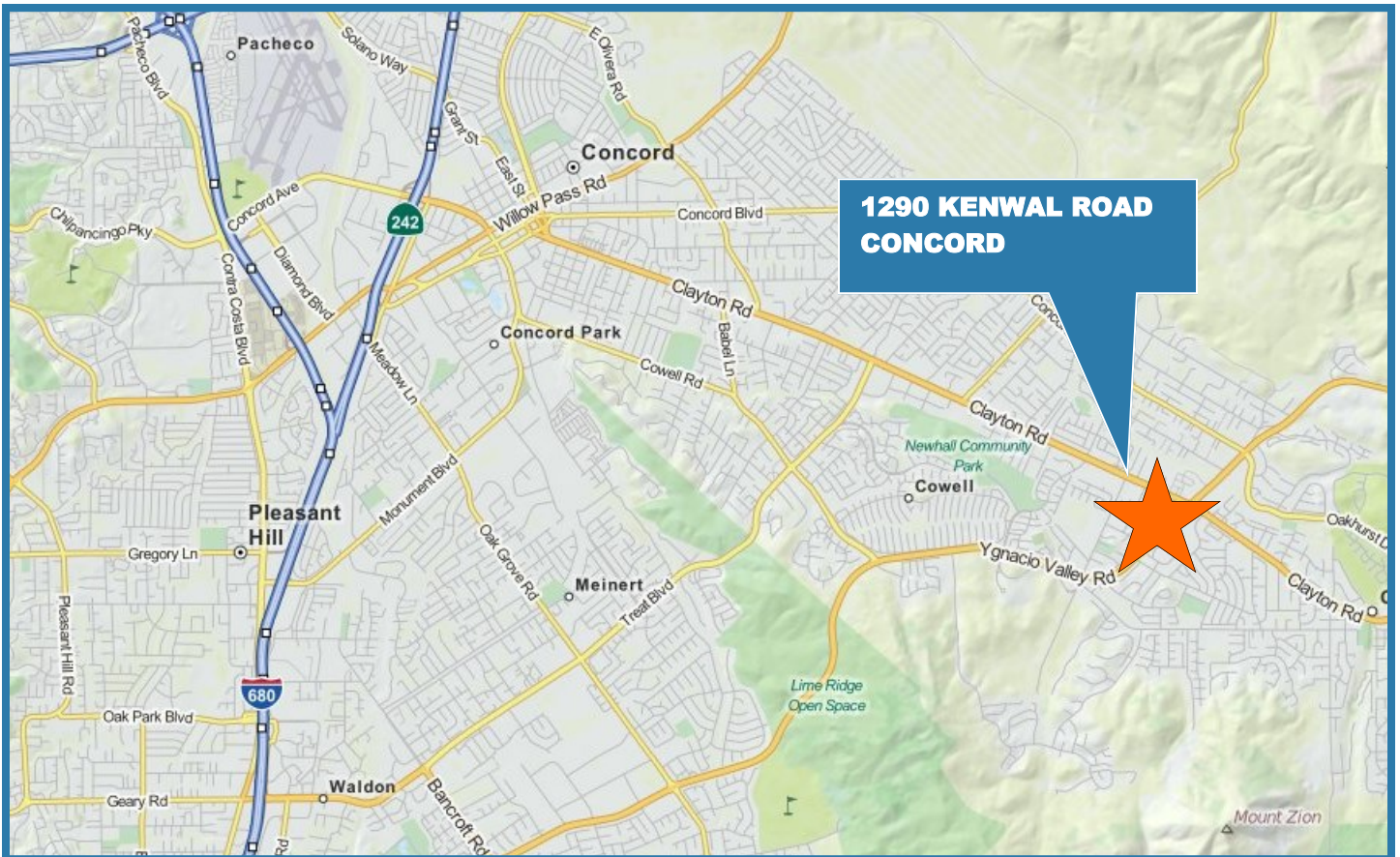


NEIGHBORHOOD MAP

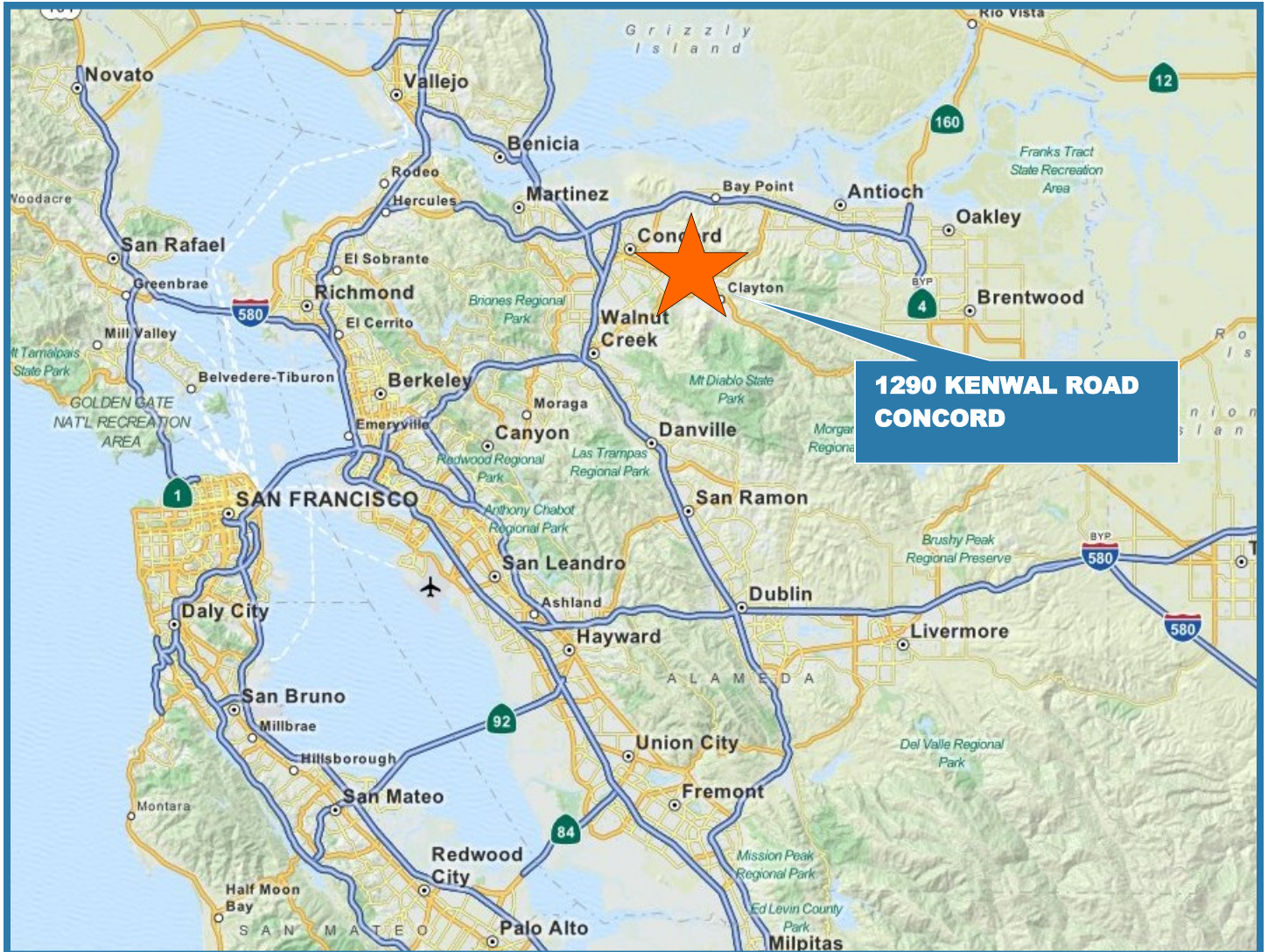
**1290 KENWAL ROAD
CONCORD**



CITY MAP



REGIONAL MAP



PARCEL MAP

**1290 KENWAL ROAD
CONCORD**

