



13 UNIT COMPLEX

360 45TH STREET, OAKLAND, CA 94609

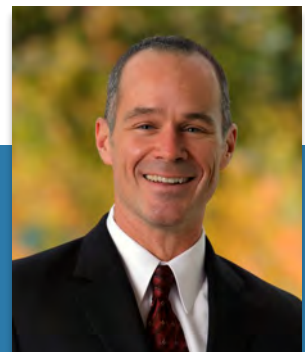


\$3,600,000

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INCOME PROPERTY SERVICES A.G.

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EXECUTIVE SUMMARY

The 45th Street Apartment building is a clean, well-located, complex brought to market for the first time in many years. Its location in Temescal is a desirable neighborhood consisting primarily of single family homes that show pride of ownership.

This property represents a rare opportunity to own a multi-family property with upside potential. Its location, proximity to Highway 24, Interstate I-580, I-880, downtown Oakland, and public transportation – combined with its many desirable features – make this an uncommon investment opportunity.

The complex consists of one building on a lot of ±12,800 square feet and a building of ±9,240 square feet per the Alameda County tax assessor.

The building has a concrete slab foundation with a flat roof and on-site laundry facilities. The laundry facility consists of two dryers and one washer. Since the equipment is owned by the current landlord, it will be transferred to the new owner. While water and trash removal are provided, each unit is separately metered for gas and electricity. On-site parking offers a total of three enclosed carports and ten uncovered spaces. The units feature gas ranges, disposals, and wall heating. Many units have been updated with new bathrooms, kitchen cabinetry, granite counters, and new appliances. The windows have been replaced with new, dual pane windows. The stucco siding has also been coated and the steel and concrete stairs and balcony have been updated with new railings.

UNIT MIX

(13) 2BR / 1BA units

The property could be purchased and operated as it has been for many years into the future with an eye toward improving the units that have not been updated upon turnover. Investors in the Oakland area have noticed significant upside in rents when they make upgrades by adding amenities such as granite counters, new appliances, and updated floor coverings. We believe the subject property would respond well to such improvements. Rent increases, however, must conform to Oakland Rent Control.

PROPERTY DETAILS

ADDRESS	360 45 th Street, Oakland, CA 94609
LAUNDRY	Community facilities, equipment owned by complex
SIDING	Stucco
APN	13-1139-18-3
BUILDING S.F.	9,240 (per Alameda County)
APPROX. LAND	12,800 (per Alameda County)
YEAR BUILT	1962 (per Alameda County)
PG&E	Separately metered
WATER	Master metered
TRASH	Paid by owner, but a portion reimbursed by tenants
FOUNDATION	Concrete slab
ROOF	Flat tar and gravel and rolled composition



INCOME & EXPENSES

UNITS	TYPE	ESTMATED SQ. FEET	CURRENT RENTS	STABILIZED RENTS
13	2BR / 1BA	711	\$1,269-\$2,295	\$2,295
13	Total rentable square feet	9,240		
INCOME				
	Monthly Rent		\$23,019	\$29,835
	Estimated Laundry Income		\$350	\$350
	Total Monthly Income		\$23,369	\$30,185
	ANNUALIZED TOTAL INCOME		\$280,428	\$362,220
	Scheduled Gross Income		\$280,428	\$362,220
	Less Vacancy Reserve (5.00%)		(\$14,021)	(\$18,111)
	GROSS OPERATING INCOME		\$266,407	\$344,109
EXPENSES				
	Taxes (1.1103%)		(\$49,154)	(\$49,154)
	Levies & Assessments (actual)		(\$4,288)	(\$4,288)
	Insurance (\$.50/s.f.)		(\$4,622)	(\$4,622)
	Common Area Maintenance (actual)		(\$960)	(\$960)
	Water/Sewer (2016 YTD annualized)		(\$8,570)	(\$8,570)
	Garbage (2016 YTD Annualized)		(\$11,958)	(\$11,958)
	PG&E (2016 YTD annualized)		(\$3,389)	(\$3,389)
	Repairs/Maintenance (Estimated at \$850/unit)		(\$11,050)	(\$11,050)
	Capital Improvements (Estimated at \$350/unit)		(\$4,550)	(\$4,550)
	Off Site Management at 5%		(\$13,320)	(\$17,205)
	Business Tax (1.3% of collected income = \$30/unit)		(\$3,853)	(\$4,863)
	TOTAL EXPENSES		(\$115,715)	(\$120,610)
	NET OPERATING INCOME		\$150,692	\$223,499
	Expenses as % of Gross Income		41.26%	33.30%
	Expenses per Unit		\$8,901	\$9,278
	Expenses per Square Foot		\$12.52	\$13.05

MARKET VALUE ANALYSIS

	CURRENT RENTS	STABILIZED RENTS
SALE PRICE	\$3,600,000	\$3,600,000
Down Payment	\$1,340,000 37%	\$1,340,000 37%
First Loan [1]	\$2,260,000 63%	\$2,260,000 63%
NET OPERATING INCOME	\$150,692	\$223,499
Estimated Debt Service (first loan)	(\$125,597)	(\$125,597)
Cash Flow	\$25,095	\$97,902
Principal Paydown	\$41,556	\$41,556
Total Pre-Tax Return	\$66,651	\$139,458
Pre-Tax Return on Investment	4.97%	10.41%
Gross Rent Multiplier	12.84	9.94
Capitalization Rate	4.19%	6.21%
Price per square foot	\$389.61	\$389.61
Price per unit	\$276,923	\$276,923

[1] First loan based on 1.2 DCR, 3.75% interest rate, 30 year Amortization.



RENT SURVEY & PHOTOS

ADDRESS	SUBJECT 360 45th Street Oakland	483 41st Street Oakland	374 41st Street Oakland	5239 Miles Avenue Oakland	5129 Miles Avenue Oakland	155 Monte Cresta Oakland
AMENITIES	Updated complex with new granite counters, cabinetry, appliances, floor coverings, windows, window coverings. New stucco façade, steel and concrete stairs and railings.	Hardwood floors, recently renovated eat-in kitchen, gas Stove, dishwasher, microwave. Tile bath, on-site laundry, close to shops, restaurants, MacArthur BART.	Completely remodeled with stainless steel appliances, in unit washer/dryer combo. Doors, windows, floor coverings are all new.	Large, renovated unit with fenced yard. Dual master suites. Washer/dryer in unit. Formal dining room and hardwood floors. Central heat and private storage	Townhouse style unit with hardwood floors. Washer/dryer hookup and private, one car garage. Dual pane windows.	Penthouse unit with Bay and City views. Completely upgraded with high end appliances and finishes. Deck, carport.
2BR X 1BA	\$1,269 - \$2,295 711 square feet \$1.78 - \$3.23/s.f.	\$2,495 690 square feet \$3.62/s.f.	\$2,925 738 square feet \$3.96/s.f.	\$3,750 1,100 square feet \$3.40/s.f.	\$3,500 1,209 square feet \$2.89/s.f.	\$2,750 1,000 square feet \$2.75/s.f.

[1] 2 x 2



RENT SURVEY & PHOTOS



483 41st Street, Oakland



374 41st Street, Oakland



5239 Miles Avenue, Oakland



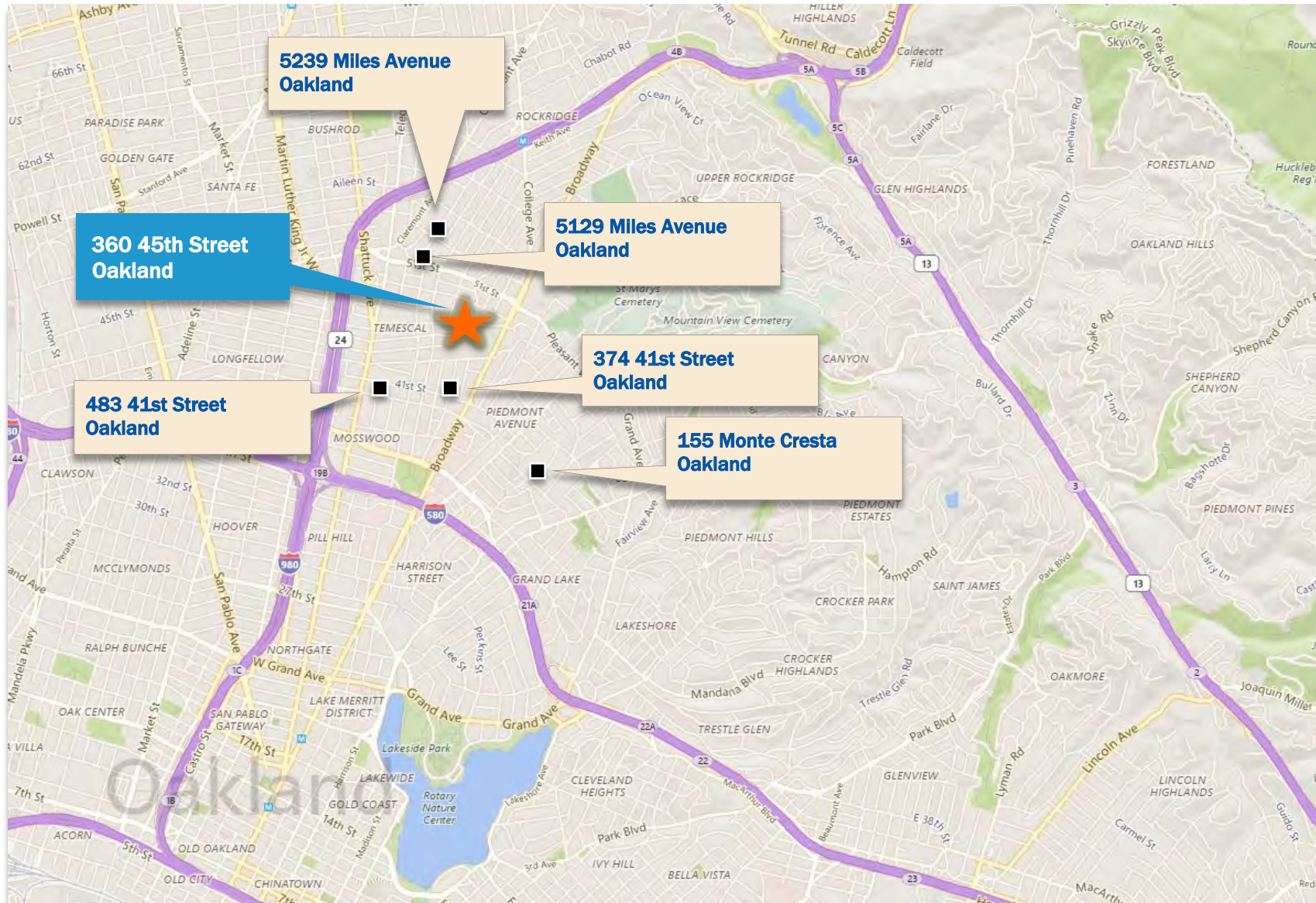
5129 Miles Avenue, Oakland



155 Monte Cresta, Oakland



RENT SURVEY MAP





SALES COMPARABLES

ADDRESS	UNITS	SALE PRICE	SQUARE FEET	COST/ UNIT	COST/ SQ. FT.	AVG. RENT/ SQ. FT.	GRM	CAP	UNIT MIX	BUILT	SALE DATE	COMMENTS
550 31st Street	6	\$1,300,000	4,890	\$216,667	\$265.85	\$1.56	14.21	3.10%	(3) 2x1 (2) 2x2 1x1	1989	9/16 2016	NON-RENT CONTROL BUILDING. On site parking, low rents. Patios and balconies, pitched, composition shingle roof, separately metered for PG&E.
349 38th Street	20	\$4,500,000	15,783	\$225,000	\$285.12	\$0.00	N/A	N/A	N/A	1926	8/31 2016	OFF MARKET SALE, NO FINANCIAL OR UNIT MIX DETAIL AVAILABLE. Three stories over garages. Some balconies. Stucco exterior and flat roof.
415 Adams Street	9	\$2,500,000	6,525	\$277,778	\$383.14	\$2.48	12.88	5.13%	(8) 2x1 1x1	1962	8/25 2016	Remodeled units with upgraded cabinetry, counters, appliances and flooring. Bathrooms also updated. Laundry facility. Limited off street parking.
361 Vernon Street	8	\$1,550,000	8,840	\$193,750	\$175.34	\$0.00	N/A	N/A	(4) 2x1 (4) 1x1	1962	8/24 2016	OFF MARKET SALE, NO FINANCIAL DETAIL AVAILABLE. Two stories over garages. Laundry facility on site. Stucco exterior and flat roof.
375 Bellevue Avenue	26	\$8,400,000	27,586	\$323,077	\$304.50	\$1.51	16.80	3.20%	(15) 1x1 (6) 2x1 (3) 2x2 (1) 1x1 PH (1) 2x2 PH	1968	6/1 2016	26 covered, off street parking spaces. On site, coin operated laundry facility with leased equipment. Electric wall heating. Wood frame construction with stucco exterior. Flat, tar & gravel roof.

Continued . . .



SALES COMPARABLES

ADDRESS	UNITS	SALE PRICE	SQUARE FEET	COST/ UNIT	COST/ SQ. FT.	AVG. RENT/ SQ. FT.	GRM	CAP	UNIT MIX	BUILT	SALE DATE	COMMENTS
550 Fairmount Avenue	10	\$1,750,000	6,632	\$175,000	\$263.87	\$1.65	13.36	4.03%	(6) 1x1 (4) 2x1	1963	3/24 2016	Two 1x1 units delivered vacant, so GRM/Cap are projected. 6 covered parking spaces, 5 uncovered tandem spaces, 10 storage units and a community laundry facility. Separately metered PG&E.
430 Vernon Street	12	\$2,800,000	8,004	\$233,333	\$349.83	\$2.12	13.78	4.10%	All 2x1	1961	2/17 2016	Three story complex with concrete foundation, wood frame, stucco exterior with flat roof. On site parking for 10 cars, secured entry, on site laundry facilities. Gas stoves, 2 gas wall heaters per unit. Separately metered for PG&E.
285 Fairmount Avenue	21	\$3,050,000	12,075	\$145,238	\$252.59	\$1.43	14.73	3.02%	All 1x1	1962	1/29 2016	Three stories over parking, on site laundry facility, 18 storage units on site, some carports and balconies. Separately metered for PG&E.
AVERAGES	14	\$3,231,250	11,292	\$223,730	\$285.03	\$1.34	14.29	3.76%				
360 45th Street Oakland	13	\$3,600,000	9,243	\$276,923	\$389.48	\$2.41	13.49	3.90%	All 2x1	1962	In Escrow	Many updated units. 3 carports and 10 off street parking spaces. Laundry facility with landlord owned equipment. Recent stucco and railing improvements. All new dual pane windows.



SALES COMPARABLES PHOTOS



550 31st Street



349 38th Street



415 Adams Street



361 Vernon Street



375 Bellevue Avenue



550 Fairmount Avenue



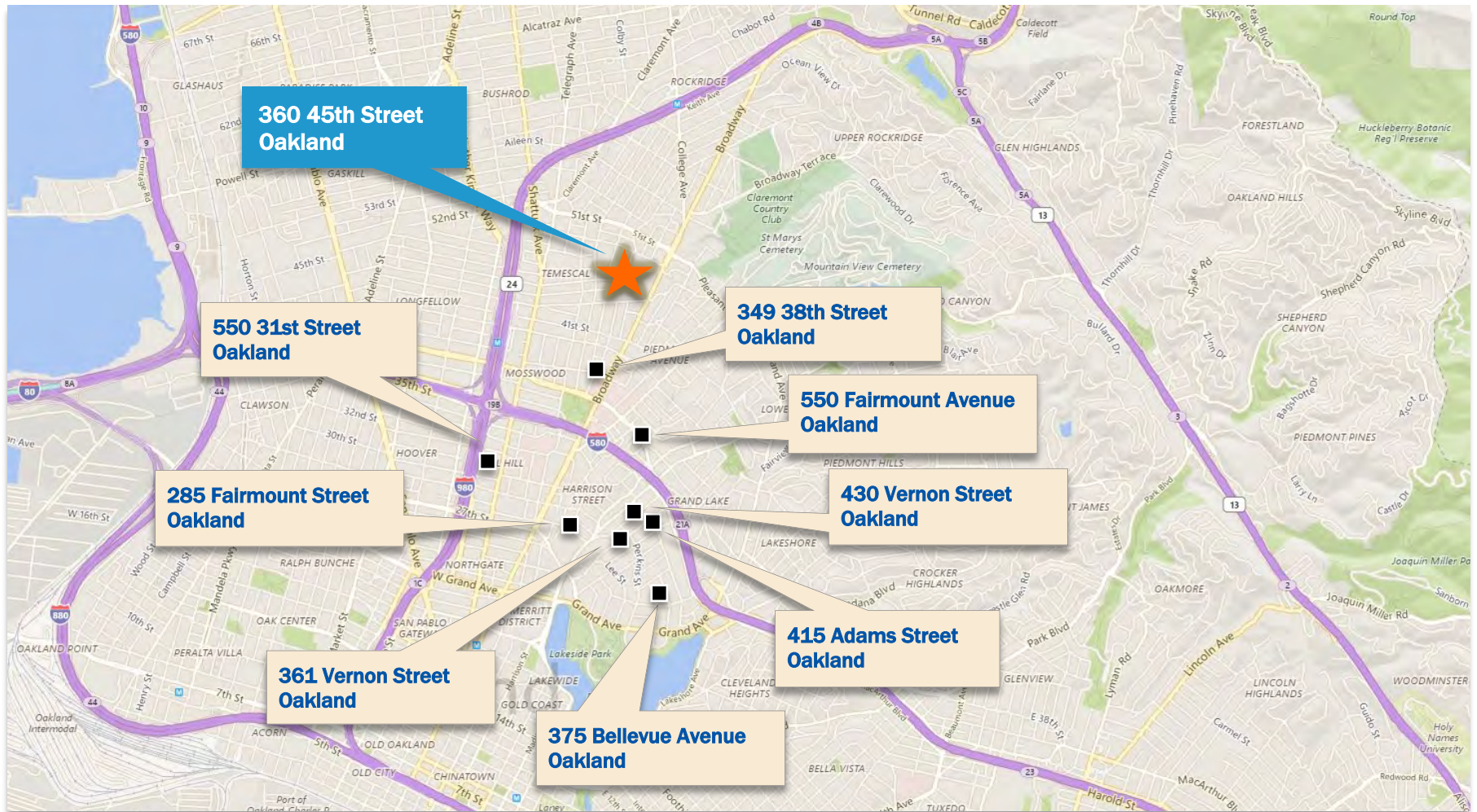
430 Vernon Street



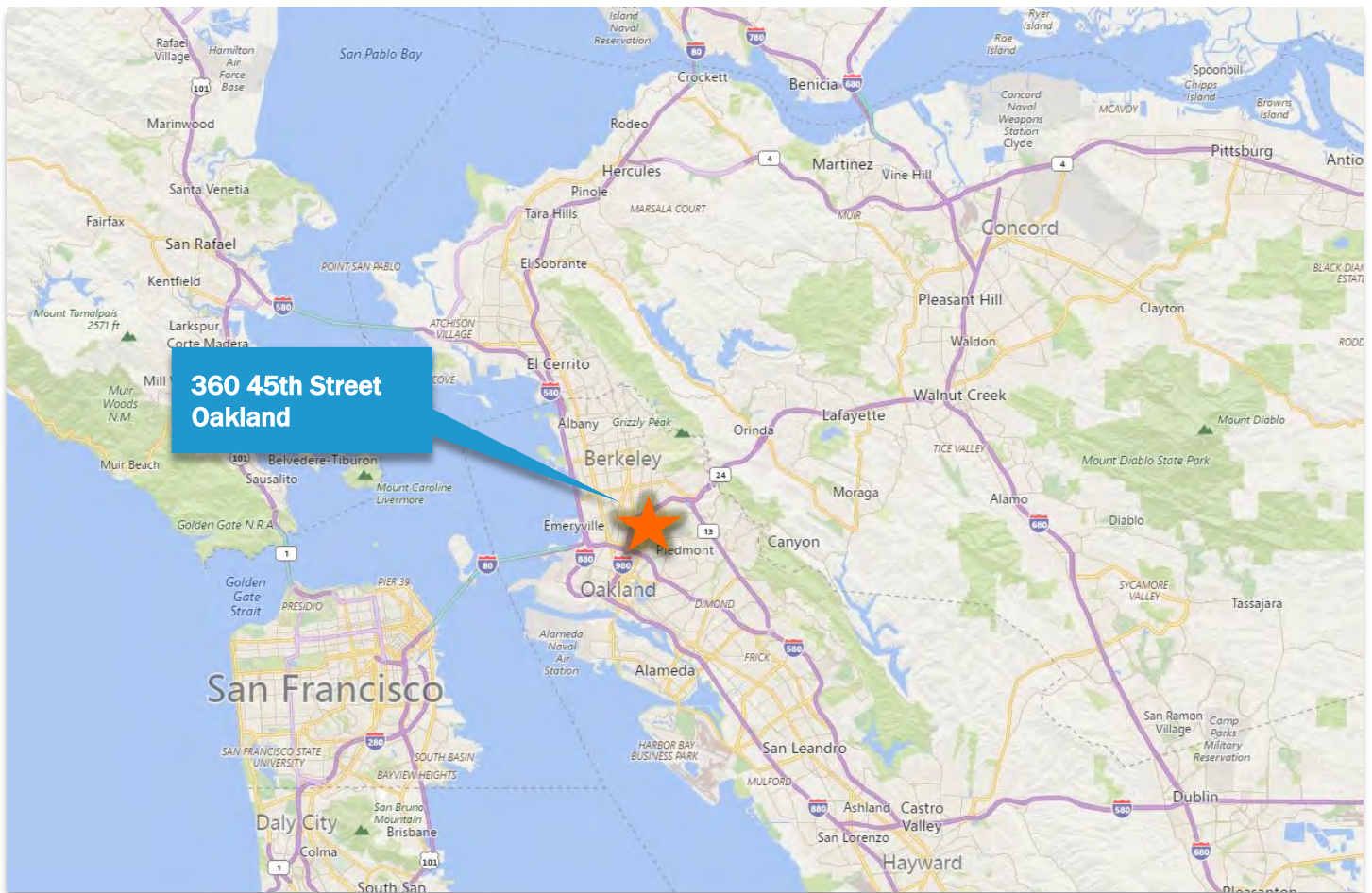
285 Fairmount Avenue



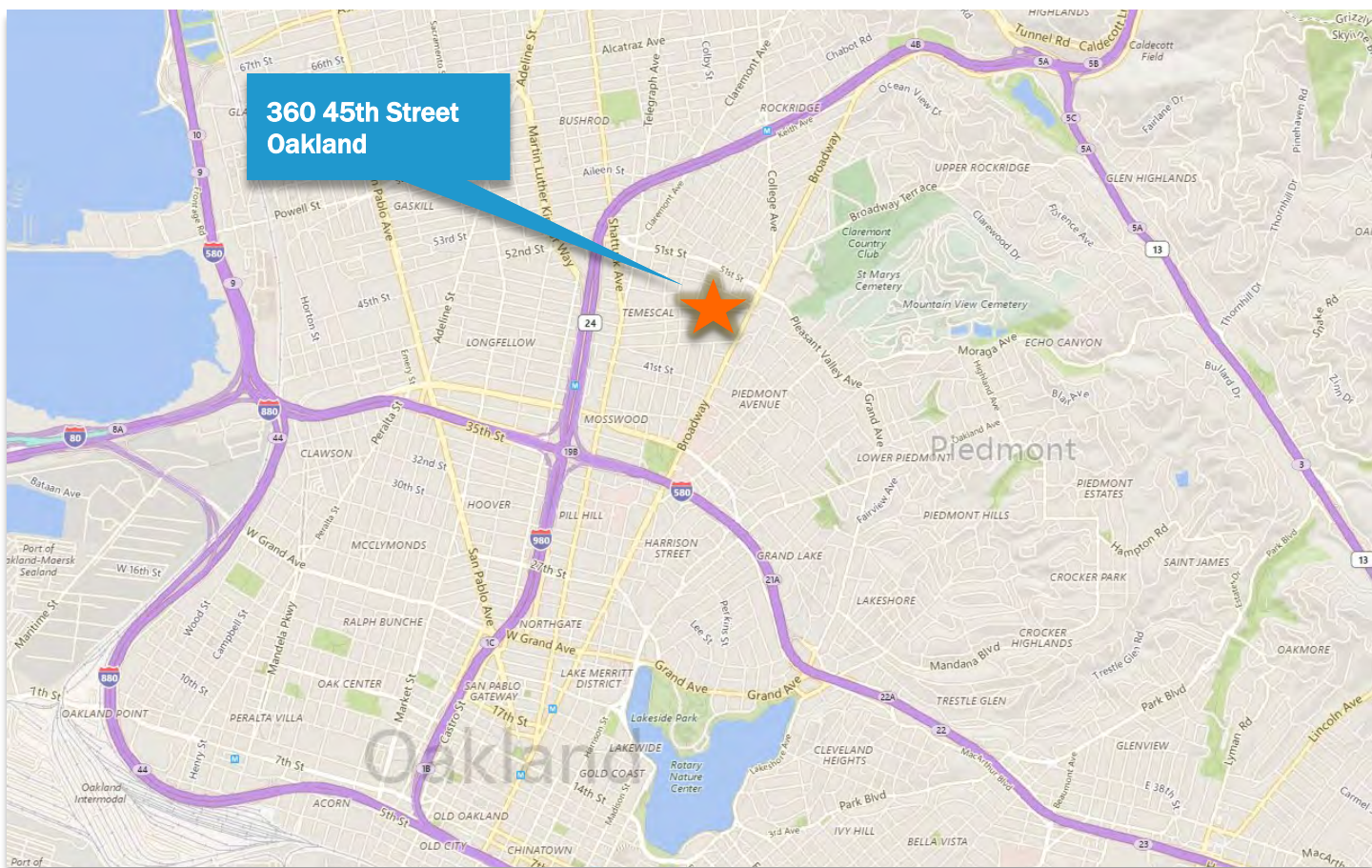
SALES COMPARABLES MAP



REGIONAL MAP



CITY MAP



NEIGHBORHOOD MAP



PARCEL MAP

