



THE MELLUS / FERRY APARTMENTS

721 MELLUS STREET, MARTINEZ, CA 94553



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INCOME PROPERTY SERVICES A.G.

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EXECUTIVE SUMMARY

The Mellus/Ferry Apartments located at 721 Mellus Street, Martinez, is a clean, well-located, multi-family property that has been well maintained and represents a rare opportunity to own property in one of the Bay Area's most desirable locations – Downtown Martinez. The property is minutes away from three BART stations, and walking distance to the shopping, cafes, and coffee shops in Downtown Martinez. The property is also close to Highways I-680, 24 and 4 and provides access to recreational opportunities such as Rankin Aquatic Center, Waterfront Park, Martinez Regional Shoreline, George Miller Regional Trail, Carquinez Straight Regional Shoreline, Briones Regional Park and the Martinez Marina. Martinez is also the County Seat of Contra Costa County and home to three hospitals.

The two-story property features uncommon construction details that include raised foundations, low maintenance stucco exteriors, pitched, composition shingle and flat roofs, garages, individual water heaters, washer/dryer hookups and separate meters for gas and electricity. The property has well designed floor plans and a mix of easy to rent units:

- (8) 1BR / 1BA Townhouses of 564 s.f. +/-
- (1) 2BR / 1.5BA Townhouse of 678 s.f. +/-
- (1) Studio of 450 s.f. +/-

The complex consists of four buildings that sit on a legal parcel that totals approximately 10,000 s.f. per the Contra Costa County Tax Assessor.

PROPERTY DETAILS

ADDRESS	721-735 Mellus Street & 1024-1032 Ferry Street, Martinez, CA 94553
LAUNDRY	Washer/dryer units provided by owner.
SIDING	Stucco with wood trim
ASSESSOR'S PARCEL NUMBER	372-363-004-6
BUILDING SQ. FEET	5,6376+/- s.f. (per Contra Costa County)
APPROXIMATE LAND	10,000+/- s.f. (per Contra Costa County)
YEAR BUILT	1938+/- (per Contra Costa County)
PARKING	9 garages, with additional street parking
PG&E	Separately metered, paid by residents
WATER	Master metered, currently paid by owner
TRASH	Currently paid by owner
FOUNDATION	Raised concrete
ROOF	Pitched, composition shingle and flat
HVAC	Wall heating. Wall/window air conditioning in some units.

RENT ROLL

UNIT	TYPE	ESTIMATED SQUARE FEET	CURRENT RENT	PROJECTED RENT [1]
1024 Ferry	Studio	450	\$1,330	\$1,447
1026 Ferry	1BR/1BA	564	\$1,745	\$1,899
1028 Ferry	1BR/1BA	564	\$1,709	\$1,859
1030 Ferry	1BR/1BA	564	\$1,665	\$1,812
1032 Ferry	1BR/1BA	564	\$1,735	\$1,888
721 Mellus	2BR/1.5BA	678	\$1,915	\$2,084
725 Mellus	1BR/1BA	564	\$1,765	\$1,920
729 Mellus	1BR/1BA	564	\$1,795	\$1,953
731 Mellus	1BR/1BA	564	\$1,745	\$1,899
735 Mellus	1BR/1BA	564	\$1,745	\$1,899
		5,640	\$17,149	\$18,658

[1] Subject to California statewide rent control. Assumes 5% + 3.8%, or 8.8%

INCOME & EXPENSES

UNITS		CURRENT RENT	PROJECTED RENT
<i>Please see Rent Roll</i>			
10	Total rentable square feet	5,640	
INCOME			
	Monthly Rent	\$17,149	\$18,658
	Other Income [2]	\$0	\$454
	Total Monthly Income	\$17,149	\$19,112
	ANNUALIZED TOTAL INCOME	\$205,788	\$229,344
	Scheduled Gross Income	\$205,788	\$229,344
	Less Vacancy Reserve (5.00%)	(\$10,289)	(\$11,467)
	GROSS OPERATING INCOME	\$195,499	\$217,877
EXPENSES			
	Taxes (New @ 1.1451%)	(\$27,482)	(\$27,482)
	Levies and Assessments	(\$6,986)	(\$6,986)
	Insurance (5% increase over 2023)	(\$5,210)	(\$5,210)
	Flood Insurance (estimated @ \$.35/s.f.)	(\$1,974)	(\$1,974)
	Water [2]	(\$1,500)	(\$1,500)
	PG&E [2]	(\$95)	(\$95)
	Garbage [2]	(\$3,848)	(\$3,848)
	Repairs/Maintenance/Cleaning [1]	(\$9,726)	(\$9,726)
	Capital Improvements (\$500/unit)	(\$5,000)	(\$5,000)
	Landscaping & Grounds (\$170/month)	(\$2,040)	(\$2,040)
	Business License (Estimated)	(\$350)	(\$350)
	Miscellaneous (estimated)	(\$500)	(\$500)
	TOTAL EXPENSES	(\$64,711)	(\$64,711)
	NET OPERATING INCOME	\$130,787	\$153,165
	Expenses as % of Gross Income	31.45%	28.22%
	Expenses per Unit	\$6,471	\$6,471
	Expenses per Square Foot	\$11.47	\$11.47

[1] YTD Annualized

[2] Proposed utility reimbursement utilities

MARKET ANALYSIS

	CURRENT RENT	PROJECTED RENT
LIST PRICE	\$2,400,000	\$2,400,000
Down Payment	\$1,075,000 45%	\$1,075,000 45%
First Loan [1]	\$1,325,000 55%	\$1,325,000 55%
NET OPERATING INCOME	\$130,787	\$153,165
Estimated Debt Service (first loan)	(\$100,499)	(\$100,499)
Cash Flow	\$30,288	\$52,666
Plus principal pay down	\$14,809	\$14,809
Total pre-tax return	\$45,097	\$67,475
Return on Investment	4.20%	6.28%
Gross Rent Multiplier	11.66	10.46
Capitalization Rate	5.45%	6.38%
Price per square foot	\$425.53	\$425.53
Price per unit	\$240,000	\$240,000

[1] Financing: 1.2 DCR, 6.5% rate, 30 year Amortization. 70% maximum loan to value ratio.



MARTINEZ RENT SURVEY

ADDRESS	412 Mellus Street	907 Castro Street	812 Robinson Street	400-418 Masonic Street	710-728 Mellus Street	517 Richardson Street
AMENITIES	Updated units with In-unit laundry, wall a/c and heat, dishwasher, disposal, ceiling fans.	Second floor unit with wall heating and air conditioning, separately metered for PG&E, off street parking.	Granite counters, engineered flooring. Wall HVAC units, separately metered for PG&E.	Updated units with in-side laundry, garages, central HVAC, separately metered PG&E.	Some updated units, separately metered PG&E, garages, some cottage style units.	Some updating completed, in-unit laundry, street parking, wall HVAC, separately metered PG&E.
1 BR/1 BA	\$1,950 600 square feet \$3.25/s.f.	\$1,800 625 square feet \$2.88/s.f.		\$1,885 750 square feet \$2.51s.f.	\$1,500-\$1,895 625 square feet \$2.40-\$3.03/s.f.	\$1,900 6000 square feet \$3.17/s.f.
2 BR/1 BA			\$1,950 875 square feet \$2.23/s.f.			



MARTINEZ RENT SURVEY PHOTOS



412 Mellus Street



907 Castro Street



812 Robinson Street



400-418 Masonic Street

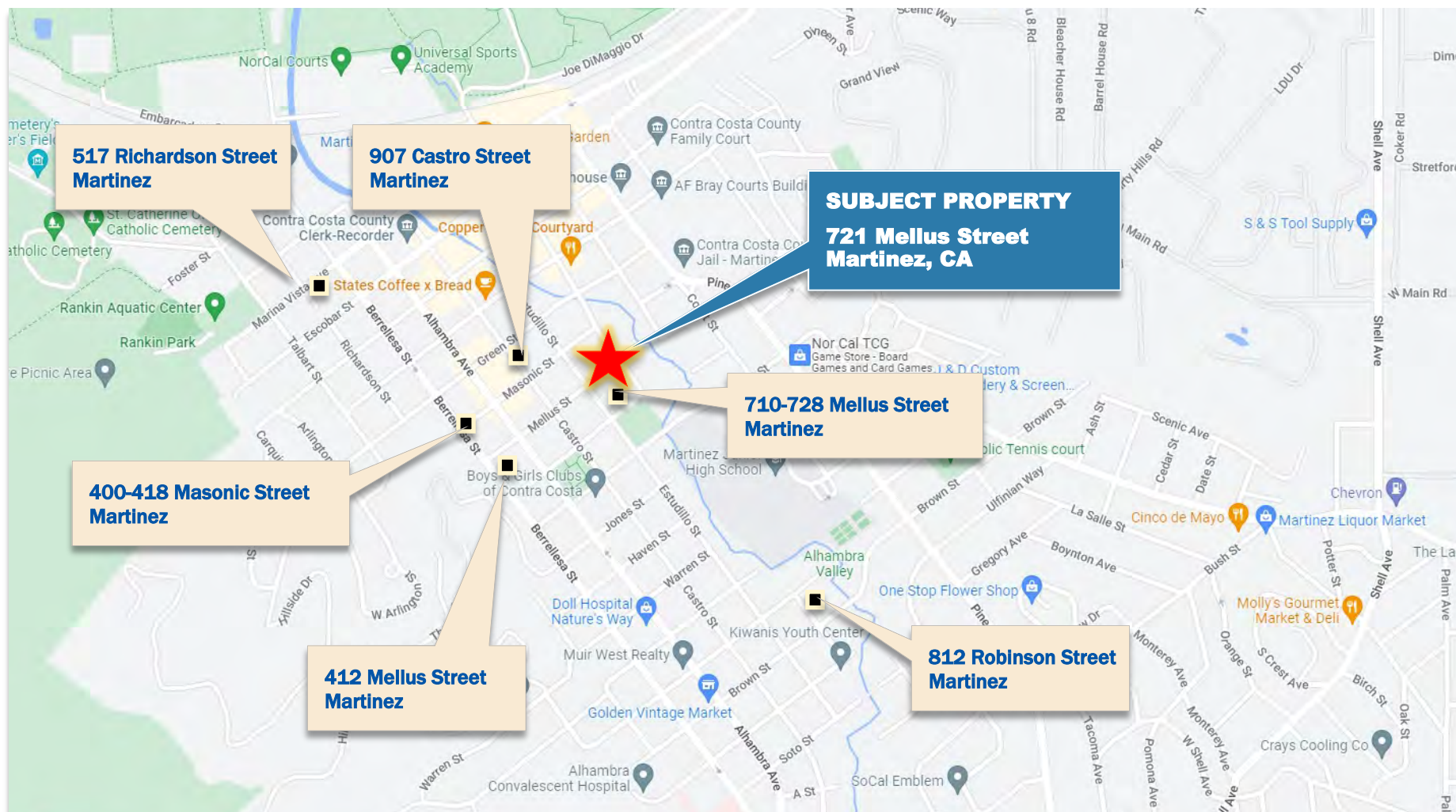


710-728 Mellus Street



517 Richardson Street

MARTINEZ RENT SURVEY MAP





MARTINEZ AREA SALES COMPARABLES

ADDRESS	UNITS	SALE PRICE	SQ. FT.	COST/ UNIT	COST/ S.F.	AVG. \$/S.F.	GRM	CAP RATE	UNIT MIX	BUILT	SOLD	COMMENTS
1230 Pine Street Martinez	18	\$2,850,000	9,740	\$158,333	\$292.61	\$2.65	9.20	6.96%	(10) 1 x 1 (8) Studio (4) Comm.	1927	7/29 2024	Mixed use building with 4 commercial spaces. Street parking, common laundry facility.
1835 Robin Lane Concord	11	\$3,200,000	9,148	\$290,909	\$349.80	\$2.78	10.48	5.53%	All 2 x 3	1970	10/2 2023	Some remodeled units w/washer/dryer units. Patios & balconies, carports, separately metered PG&E, on-site laundry facility.
1515 West Street Concord	16	\$5,150,000	12,943	\$321,875	\$397.90	\$2.76	12.00	5.00%	All 2 x 1	1963	9/22 2023	Updated units, garages, balconies, separately metered for PG&E, On-site laundry facility.
1642 Clayton Road Concord	8	\$2,380,000	5,728	\$297,500	\$415.50	\$2.40	14.42	4.69%	(7) 2 x 1 1 x 1	1960	9/21 2023	Updated units with newer kitchens, baths, dual pane windows, off street parking, laundry facility, separately metered for PG&E.
50 Arthur Road Martinez	20	\$5,800,000	17,380	\$290,000	\$333.72	\$2.33	11.94	4.92%	(14) 2 x 1 (6) 1 x 1	1986	7/27 2023	Patios & balconies, carports, washer/dryers in unit. Stucco siding with pitched, composition shingle roofs.
1170 Detroit Ave Concord	12	\$3,995,000	10,214	\$332,917	\$391.13	\$2.68	12.14	5.49%	All 2 x 2	1965	5/4 2023	Patios/balconies, carports, separately metered PG&E, on-site laundry facility.
330 Buckley Street Martinez [1]	7	\$1,141,000	3,373	\$163,000	\$338.27	\$1.77	15.94	3.20%	(4) Studios (3) 1 x 1	1939	4/24 2023	43% Vacant at closing with one unit in need of complete renovation. All cash purchase. Some updating complete, but more required.
1813 Robin Lane Concord	9	\$2,340,000	6,994	\$260,000	\$334.57	\$2.32	12.03	5.07%	(8) 2 x 1 3 x 1.5	1970	4/14 2023	8 units updated at COE. Carports, laundry facility, wall HVAC, separately metered for PG&E.
704-708 Susana St Martinez	5	\$1,050,000	3,824	\$210,000	\$274.58	\$1.57	14.55	4.50%	(2) Studios (2) 1 x 1 2 x 1	1937	2/3 2023	Private financing. Mostly dual pane windows, tenants pay all utilities.
AVERAGES	12	\$3,100,667	8,816	\$258,282	\$347.57	\$2.36	12.52	5.04%				

[1] Rents and financials are projected



MARTINEZ AREA SALES COMPARABLES PHOTOS



**1230 Pine Street
Martinez**



**1835 Robin Lane
Concord**



**1515 West Street
Concord**



**1642 Clayton Road
Concord**



**50 Arthur Road
Martinez**



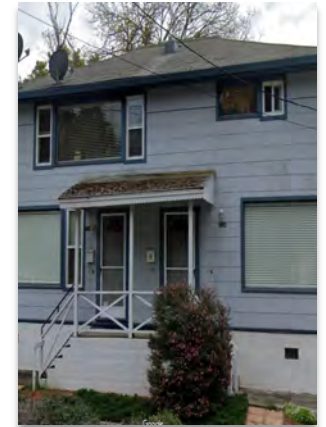
**1170 Detroit Avenue
Concord**



**330 Buckley Street
Martinez**



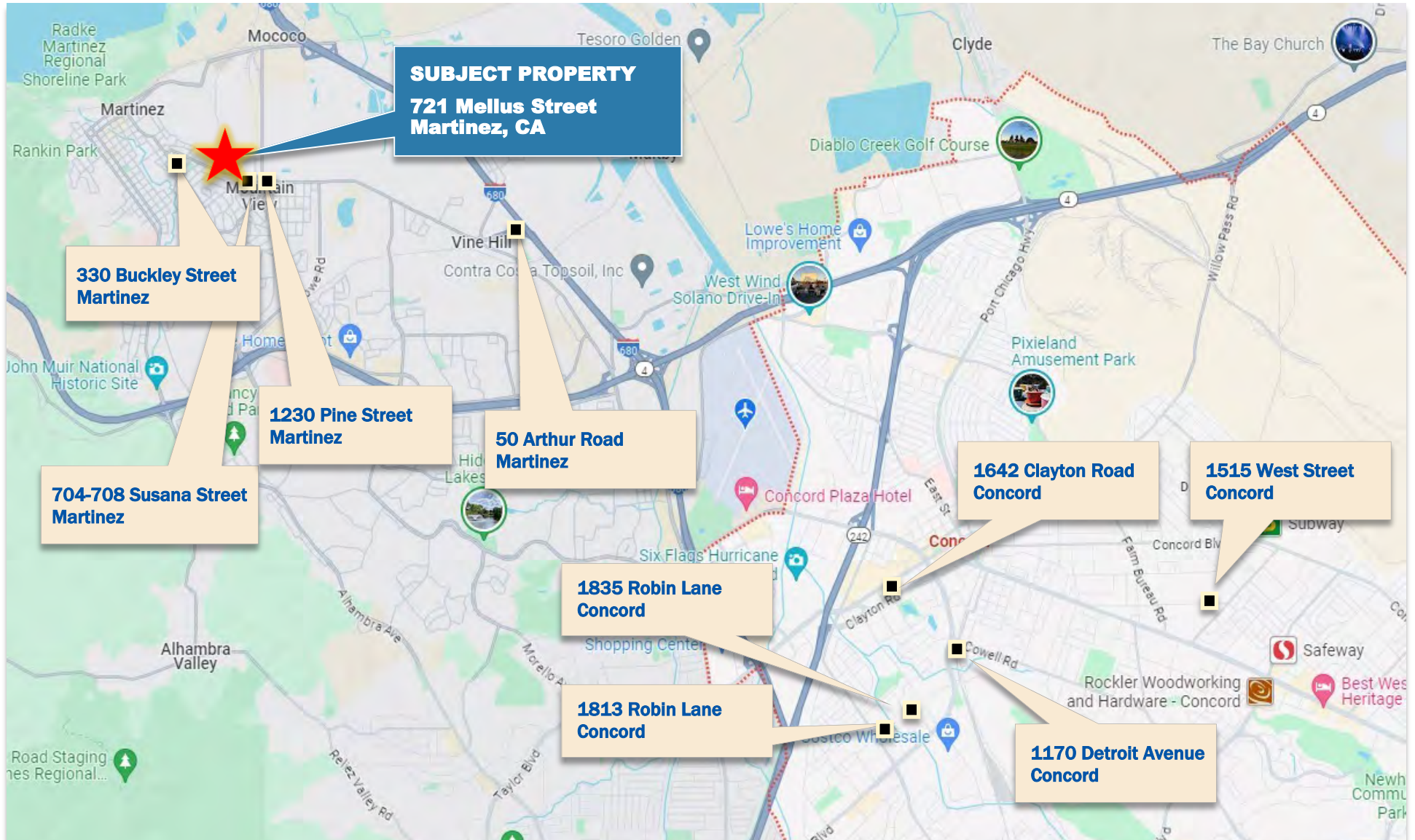
**1813 Robin Lane
Concord**



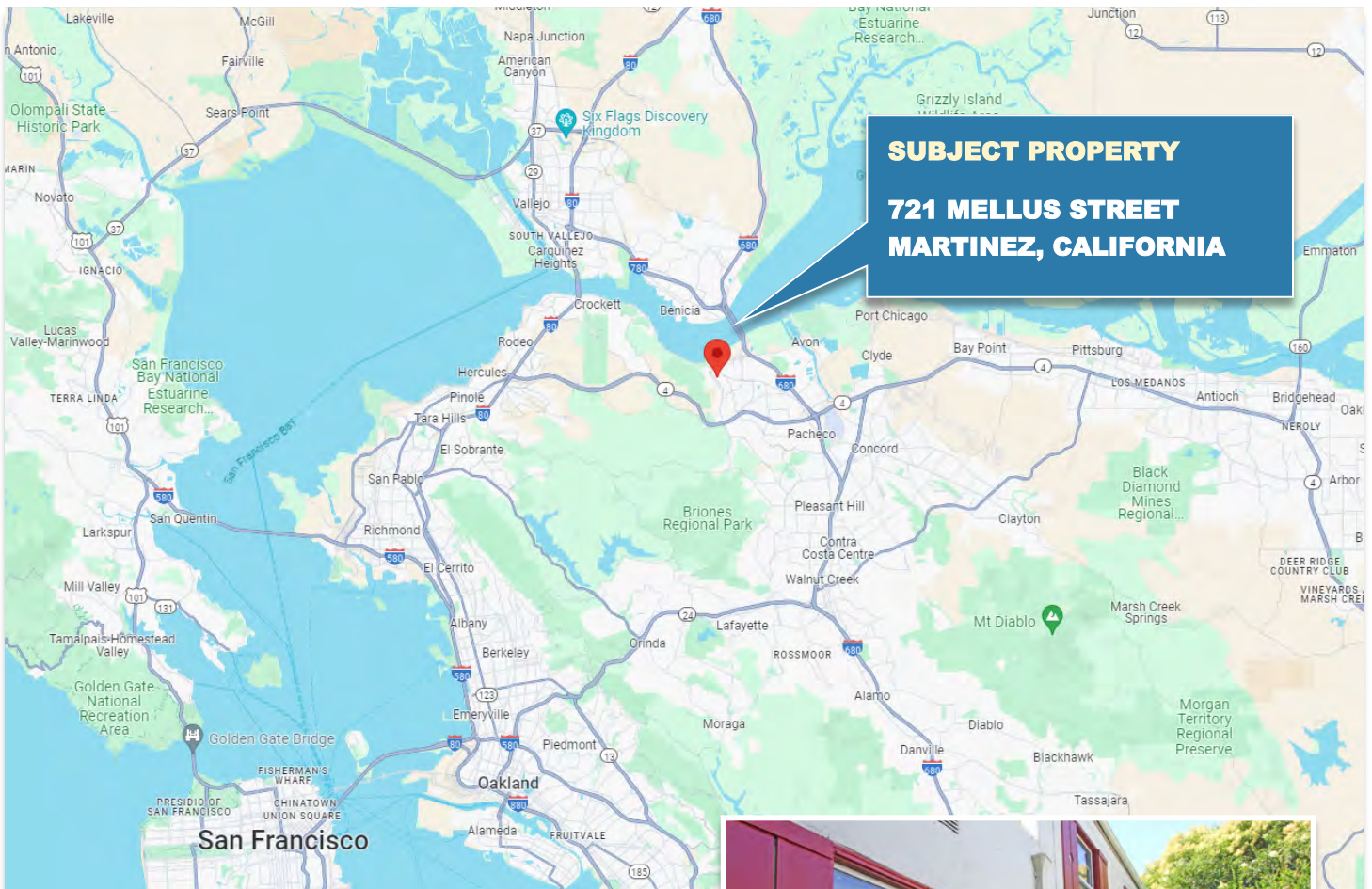
**704-708 Susana
Martinez**



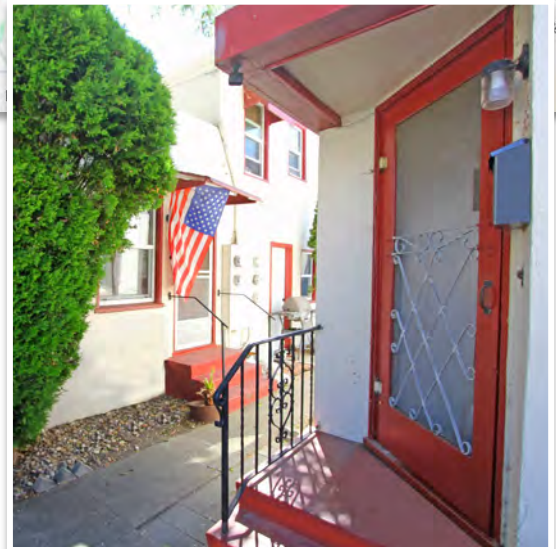
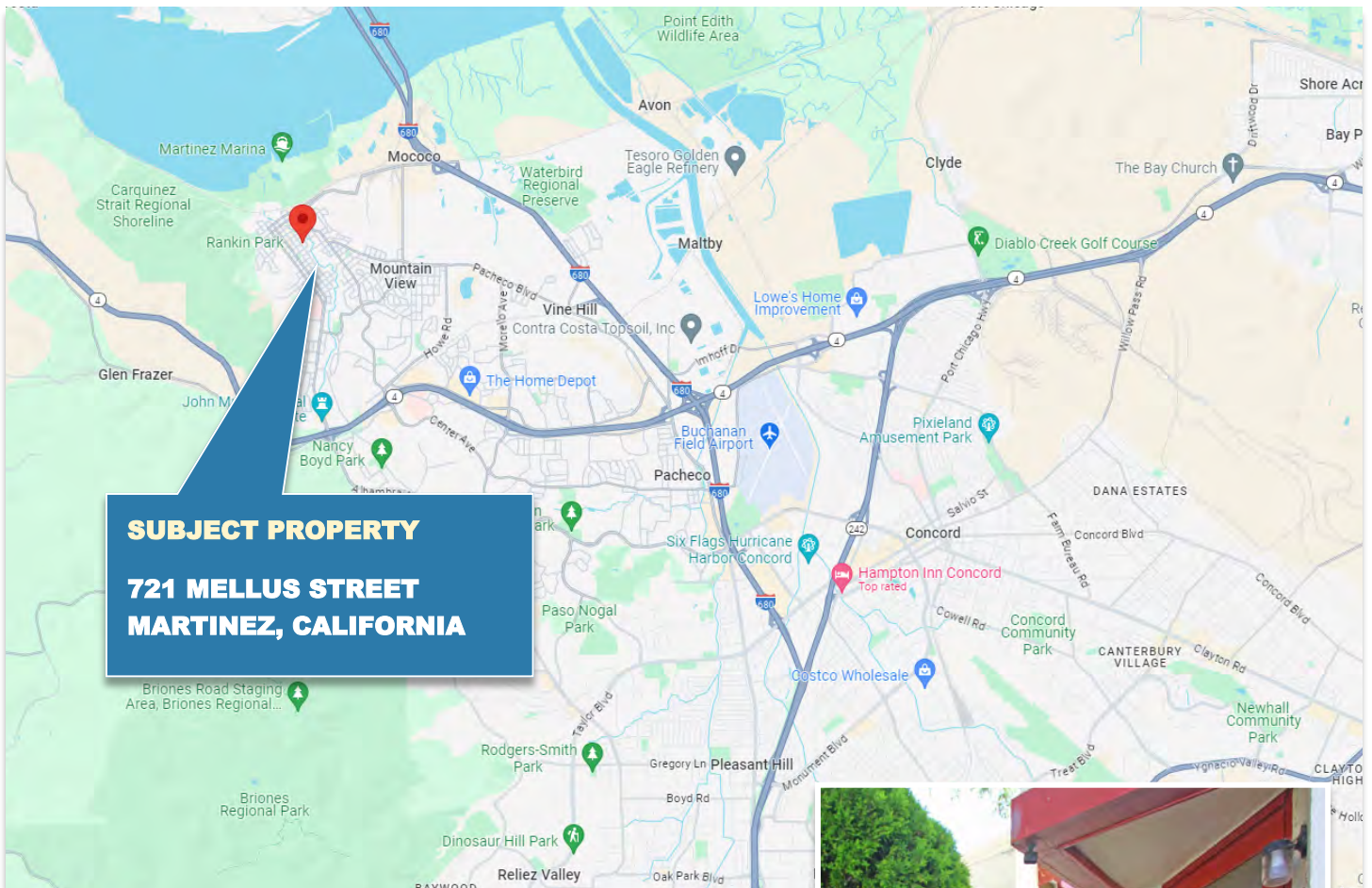
MARTINEZ AREA SALES COMPARABLES MAP



REGIONAL MAP



MARTINEZ CITY MAP



NEIGHBORHOOD MAP



PARCEL MAP

