

OFFERING
MEMORANDUM



2321-2323 10th Street
Berkeley, CA 94710

NAIN Northern California

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Section 1

PROPERTY INFORMATION



SALE PRICE:	\$2,075,000
PRICE/UNIT:	\$259,375
PRICE/SF:	\$374
NUMBER OF UNITS:	8
CAP RATE:	5.07%
GRM:	12.09
FULL HUD PMT CAP:	5.98%
FULL HUD PMT GRM:	10.74
MARKET CAP RATE:	7.90%
MARKET GRM:	8.88
NOI:	\$105,155
LOT SIZE:	0.16 Acres
BUILDING SIZE:	5,544 SF
YEAR BUILT:	1964
PARKING SPACES:	8
APN:	56-1933-27
ZONING:	R1-A

Property Overview

Eight unit multifamily property Berkeley, CA featuring six (6) 2BR/1BA units and two (2) 1BR/1BA units with eight (8) parking spaces.

Four Section 8 Tenants are being charged far below the maximum voucher offered by HUD. By simply collecting full Section 8 HUD payments the cap rate jumps to 6%

Two of the eight units will be delivered vacant at the close of escrow.

All units are separately metered for PG&E, and four units are separately metered for water.

The vacant units can be separately metered for water, leaving utility expense load for new ownership at just garbage, common electricity, and water for two units.

Strong long-term appreciation potential with the Alameda County Transportation Commission set to invest heavily in infrastructure and public transportation in the immediate area as part of the San Pablo Corridor Project.

Additional Photos

2321-2323 10th Street

Berkeley, CA 94710



Section 2

LOCATION INFORMATION

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Location Maps

2321-2323 10th Street

Berkeley, CA 94710



Demographics Report

2321-2323 10th Street

Berkeley, CA 94710

	0.5 Miles	1 Mile	1.5 Miles
Total Households	3,499	11,440	25,503
Total Persons Per Hh	2.3	2.2	2.2
Average Hh Income	\$63,675	\$68,799	\$71,813
Average House Value	\$492,542	\$588,402	\$621,911

	0.5 Miles	1 Mile	1.5 Miles
Total Population	7,963	25,441	56,223
Median Age	35.8	36.7	36.1
Median Age (Male)	35.2	35.2	35.0
Median Age (Female)	37.3	39.1	37.8

** Demographic data derived from 2010 US Census*

Section 3

FINANCIAL ANALYSIS

3

Investment Overview	CURRENT	FULL HUD PAYMENT	MARKET
Price	\$2,075,000	\$2,075,000	\$2,075,000
Number of Units	8	8	8
Price per Unit	\$259,375	\$259,375	\$259,375
Approximate Square Footage	5,544	5,544	5,544
Price per Square Footage	\$374	\$374	\$374
GRM	12.09	10.74	8.88
CAP Rate	5.07%	5.98%	7.90%

Operating Data	CURRENT	FULL HUD PAYMENT	MARKET
Gross Scheduled Income	\$171,528	\$193,128	\$233,760
Vacancy Cost (2.0%)	- \$3,430	- \$3,862	- \$4,675
Gross Operating Income	\$168,097	\$189,265	\$229,084
Operating Expenses	- \$62,942	- \$65,091	- \$65,090
Net Operating Income	\$105,155	\$124,174	\$163,994
Debt Service	- \$62,303	- \$62,303	- \$62,303
Pre-Tax Cash Flow	\$42,852	\$61,871	\$101,691
Cash-on-Cash Return % (yr 1)	4.34%	6.27%	10.30%
Principal Reduction (yr 1)	+ \$19,151	+ \$19,151	+ \$19,151
Total Return (yr 1)	\$62,004	\$81,023	\$120,843
Return on Investment %	6.28%	8.20%	12.24%

Rent Roll

2321-2323 10th Street

Berkeley, CA 94710

Unit Number	Unit Bed	Unit Bath	Unit Size (SF)	Current Rent	Full HUD Payment	Market Rent	Lease Start	Additional Information
A	2	1	715	\$2,600	\$2,600	\$2,600	Vacant	
B	1	1	570	\$1,900	\$1,900	\$1,900	Vacant	
C	1	1	570	\$641	\$641	\$1,900	2006	Water included
D	2	1	715	\$1,313	\$1,313	\$2,600	2006	Water included
E	2	1	740	\$1,890	\$2,390	\$2,600	2008	Section 8
F	2	1	740	\$1,990	\$2,390	\$2,600	2006	Section 8
G	2	1	740	\$1,890	\$2,390	\$2,600	2006	Section 8
H	2	1	740	\$1,990	\$2,390	\$2,600	2010	Section 8
Laundry				\$80	\$80	\$80		
Totals/Averages			5,530	\$14,294	\$16,094	\$19,480		

Fixed Expenses	Expense	Expense / Unit	% Of Total	% Gross	Notes
Special Assessments	\$13,958	\$1,744	22.18%	8.3%	Actual 2018
Tax	\$25,479	\$3,184	40.48%	15.16%	1.2279%
Insurance	\$6,800	\$850	10.8%	4.05%	Actual 2018
License Permit	\$1,800	\$225	2.86%	1.07%	Actual 2018
TOTAL FIXED EXPENSES	\$48,037	\$6,004	76.32%	28.58%	
Operational Expenses:					
Maintenance & Repairs	\$1,200	\$150	1.91%	0.71%	Actual 2018
Water & Sewer	\$2,400	\$300	3.81%	1.43%	Actual 2018
Garbage	\$2,100	\$262	3.34%	1.25%	Actual 2018
Electric	\$800	\$100	1.27%	0.48%	Actual 2018
Management	\$8,405	\$1,050	13.35%	5.0%	Estimate @ 5%
TOTAL OPERATIONAL EXPENSES	\$14,905	\$1,863	23.68%	8.87%	
TOTAL EXPENSES:	\$62,942	\$7,867	100%	37.44%	

Financial Quote

2321-2323 10th Street

Berkeley, CA 94710

Financing Data

Loan Amount
LTV
Interest Rate
Debt Service
Debt Service Monthly
Amortization

Proposed

\$1,087,500
52.41%
4.000%
\$62,303
\$5,191
30



Kevin Kwan
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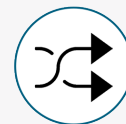
LENDING REINVENTED



Proprietary
Salesforce
platform



Data tracked
to support
refinance



Streamlined
loan
process

EXPERIENCE THAT COUNTS

OVER
\$508M
in transactions

427+
satisfied
clients

AVG. LOAN
\$1.2M

15+
years lending
experience

Section 4

SALES COMPARABLES

4

2321-2323 10th Street

Berkeley, CA 94710



★ Subject Property

2321-2323 10th Street | Berkeley, CA 94710

Sale Price:	\$2,075,000	Year Built:	1964
Building SF:	5,544 SF	Price PSF:	\$374.28
No. Units:	8	Price / Unit:	\$259,375
GRM:	12.1	CAP:	5.07%
NOI:	\$105,155		



1

1201 Dwight Way

Berkeley, CA 94702

Sale Price:	\$1,655,000	Building SF:	2,630 SF
Price PSF:	\$629.28	No. Units:	5
Price / Unit:	\$331,000	Closed:	10/27/2017



2

2314 10th St.

Berkeley, CA 94710

Sale Price:	\$1,125,000	Building SF:	2,405 SF
Price PSF:	\$467.78	No. Units:	5
Price / Unit:	\$225,000	Closed:	10/31/2017



3

2233 9th St.

Berkeley, CA 94701

Sale Price:	\$1,780,000	Building SF:	3,888 SF
Price PSF:	\$457.82	No. Units:	6
Price / Unit:	\$296,666	CAP:	5.48%
Closed:	12/18/2017	GRM:	12.80



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4



2332 9th St.

Berkeley, CA 94710

Sale Price: \$1,100,000
Price PSF: \$246.42
Price / Unit: \$183,333
Closed: 03/28/2018

Building SF: 4,464 SF
No. Units: 6
CAP: 4.10%



5

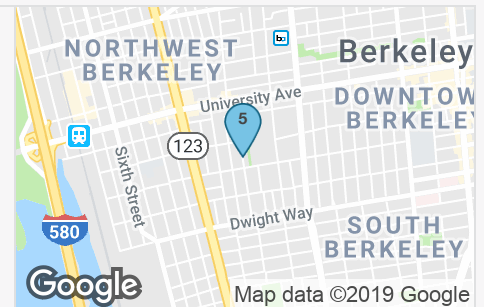


2227 Bonar St.

Berkeley, CA 94702

Sale Price: \$2,175,000
Price PSF: \$298.76
Price / Unit: \$271,875
Closed: 08/14/2018


Building SF: 7,280 SF
No. Units: 8
CAP: 5.37%
GRM: 11.38



Sales Comparables Summary

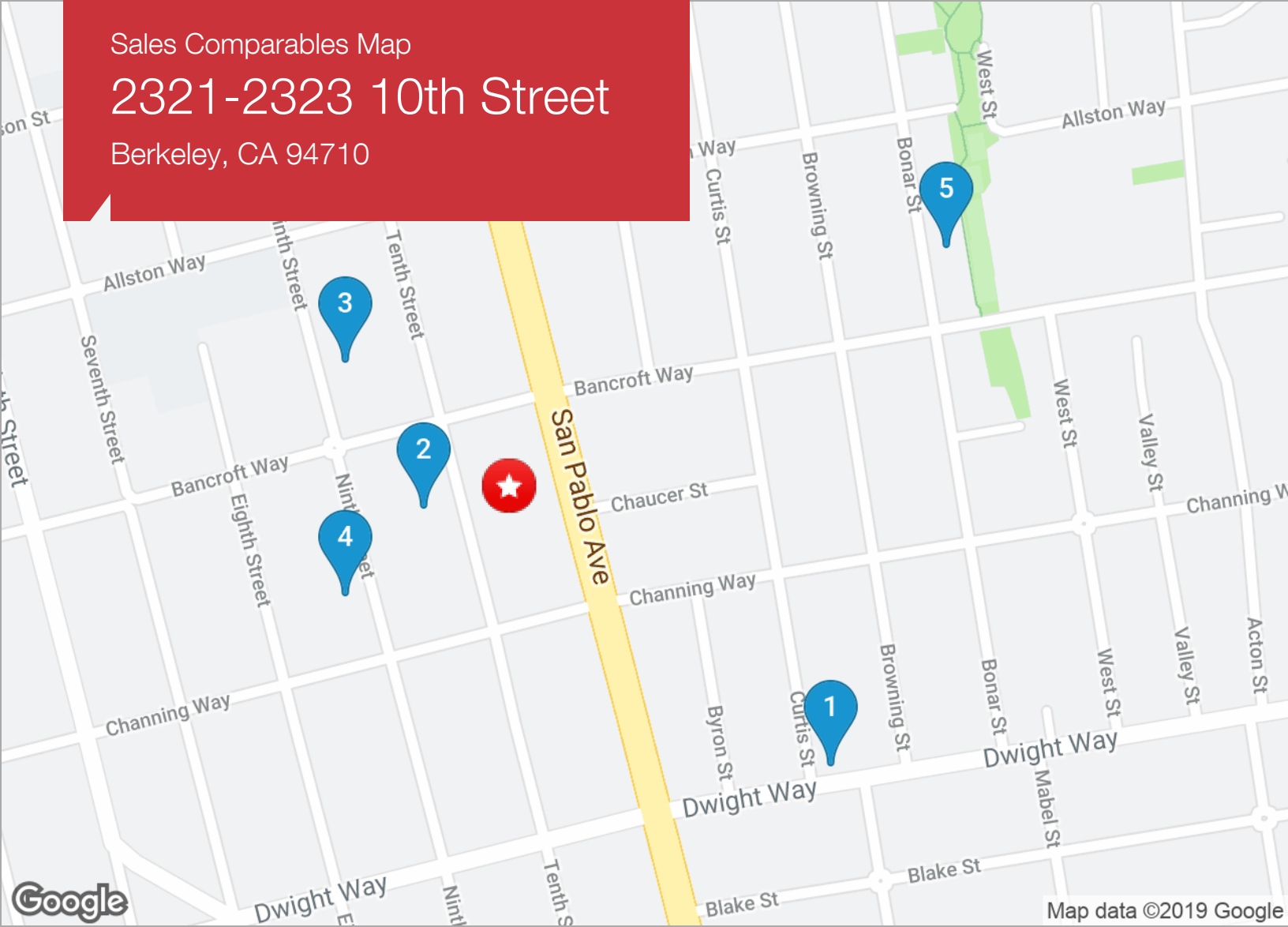
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Subject Property		Price	Bldg. SF	Price/SF	Price/Unit	CAP	GRM	# Of Units	
	2321-2323 10th Street Berkeley, CA 94710	\$2,075,000	5,544 SF	\$374.28	\$259,375	5.07%	12.1	8	
Sale Comps		Price	Bldg. SF	Price/SF	Price/UNIT	CAP	GRM	# Of Units	Close
1	1201 Dwight Way Berkeley, CA 94702	\$1,655,000	2,630 SF	\$629.28	\$331,000	-	-	5	10/27/2017
2	2314 10th St. Berkeley, CA 94710	\$1,125,000	2,405 SF	\$467.78	\$225,000	-	-	5	10/31/2017
3	2233 9th St. Berkeley, CA 94701	\$1,780,000	3,888 SF	\$457.82	\$296,666	5.48%	12.80	6	12/18/2017
4	2332 9th St. Berkeley, CA 94710	\$1,100,000	4,464 SF	\$246.42	\$183,333	4.10%	-	6	03/28/2018
5	2227 Bonar St. Berkeley, CA 94702	\$2,175,000	7,280 SF	\$298.76	\$271,875	5.37%	11.38	8	08/14/2018
Totals/Averages		Price	Bldg. SF	Price/SF	Price/Unit	CAP	GRM	# Of Units	
		\$1,567,000	4,133 SF	\$420.01	\$261,575	4.98%	12.09	6	

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Subject Property

2321-2323 10th Street | Berkeley, CA 94710

1

1201 Dwight Way

Berkeley, CA
94702

2

2314 10th St.

Berkeley, CA
94710

3

2233 9th St.

Berkeley, CA
94701

4

2332 9th St.

Berkeley, CA
94710

5

2227 Bonar St.

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