

FOR SALE

6 Unit Apartment Complex

STEVEN R. BATTAGLIA
805.680.6431
steve@battagliare.com
License #01318215

621 W. Ocean Ave

Lompoc



Great Buy! Garden style apartments located near Old Towne Lompoc and close to shopping, restaurants, and Ryon Park. ONLY \$67,550 per unit. Good upside in rents, just look at the rent comps. Proforma CAP of 7.91% Good unit mix with 4-2bed/1bath and 2-1bed/1bath units. Property has laundry room and off street parking in the rear of the building. This won't last. Bring your offer.

EXECUTIVE SUMMARY

Price:	\$405,900
Units:	6
Price Per Unit:	\$67,650
Gross Income:	\$45,192
<u>Proforma GRM:</u>	<u>7.43</u>
<u>Proforma CAP:</u>	<u>7.91%</u>
Current GRM:	8.98
Current CAP:	5.75%

PROPERTY DETAILS

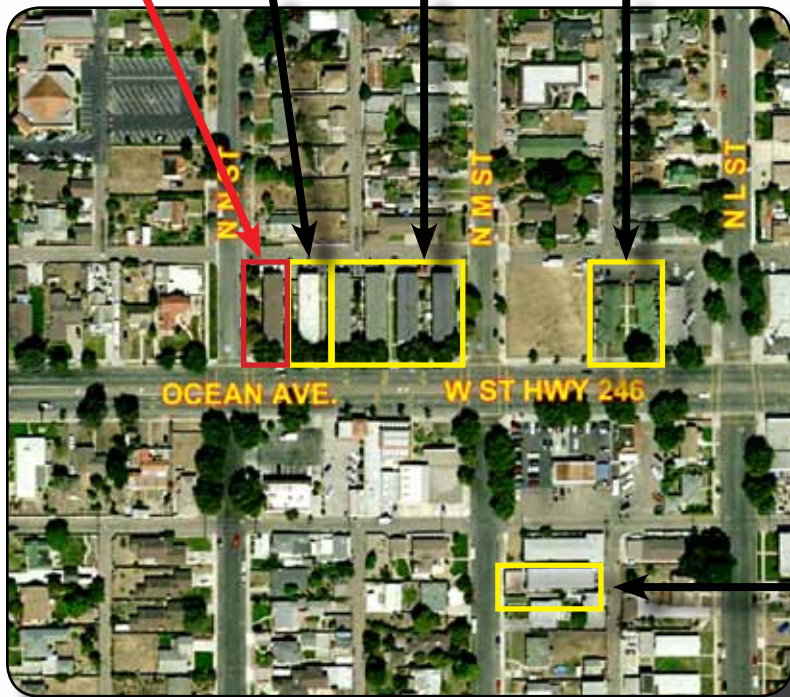
Unit Mix:	4 - 2 bed/1 bath 2 - 1 bed/1 bath
Bldg Size:	4,302 SF (Owner)
Utilities:	Elec & Gas Separately Metered
Parking:	5 uncovered parking + on street parking
Zoning:	R3
Year Built:	1958 (city/county records)
CSO:	3%

FOR SALE – 10 Unit Apartment Complex

		Rent Comparables				
		Subject	Comp 1	Comp 2	Comp 3	Comp 4
		621 W Ocean	618 W Ocean	601 W Ocean	508 W Ocean	116 S M St
2 Bed / 1 Bath	Size	770 sf	770 sf	770 sf	Unknown	850 sf
	Rent	\$650-700	\$750-800	\$650-695	\$800	\$875
	\$/sf	\$0.87/sf	\$1.00/sf	\$0.86/sf		\$1.03/sf
1 Bed / 1 Bath	Size	612 sf	612 sf	612 sf		629 sf
	Rent	\$525-550	\$650	\$575		\$735
	\$/sf	\$0.87/sf	\$1.06/sf	\$0.94/sf		\$1.16/sf

Subject Property

Comp 1 Comp 2 Comp 3



Subject Property



FOR SALE – 10 Unit Apartment Complex



Executive Summary

# Units:	6
Price:	\$405,900
Initial Investment:	\$150,183
% Down Payment	37%
Est. Total Loans:	\$255,717
Debt Service Ratio:	1.40
Price/Unit:	\$67,650
NOI:	\$23,708
GRM:	8.98
CAP Rate:	5.84%
Bldg Area:	4,382 SF
Bldg Price/SF:	93 SF
Lot Size SF:	7,280 SF
Yr. Built	1958
Zoning	R3

The information above has been obtained from sources believed reliable. While we do not doubt its accuracy we have not verified and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinion, assumptions, or estimates used are for example only and do not represent the current or



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Unit Mix and Rent Schedules

Units	Mix	Current		Market	
		Rent/Unit	Monthly Income	Rent/Unit	Monthly Income
4	2/1	\$660	\$2,641	\$800	\$3,200
2	1/1	\$538	\$1,075	\$650	\$1,300
				\$7	
6	Total				
Laundry rentals			\$50		\$50
Gross Monthly Income			\$3,766		\$4,550
Gross Annual Income			\$45,192		\$54,600
less vacancy, losses		5%	\$2,260		2,730
Effective Operating Income (EOI)			\$42,932		\$51,870

Annual Expenses

		Current	Current %EOI	Market
Real estate taxes	1.03%	\$4,160	9.7%	\$4,160
Licenses	Act	\$40	0.1%	\$45
Insurance	Act	\$3,300	7.7%	\$3,300
Utilities (total)		\$2,013	4.7%	\$2,013
Electric	Act	\$128		\$128
Gas	Act	\$625		\$625
Water	Act	\$1,260		\$1,260
Trash	Act	\$0		\$0
Advertising	Est.	\$500	1.2%	\$500
Maint/ Repairs	\$600/Unit	\$3,600	8.4%	\$3,600
Grounds	Act	\$1,335	3.1%	\$1,335
Off-site Management	6%	\$2,576	6.0%	\$3,112
Resident Manager	Est.	\$0	0.0%	\$0
Legal & Accounting Reserves	Est. \$200/Unit	\$500 \$1,200	1.2% 2.8%	\$500 \$1,200
Annual Expenses		\$19,224	44.8%	\$19,766
Annual Expenses per Unit		\$3,204		\$3,294

Calculation

	Current	Market
EOI	\$42,932	\$51,870
Annual Exp.	\$19,224	\$19,766
NOI	\$23,708	\$32,104
GRM	8.98	7.43
CAP Rate	5.84%	7.91%

Financing

Amount	Term	Rate	Monthly Pmt	Annual Pmt	Annual Interest
Existing Loans					
New Loans	Santa Barbara Bank & Trust 5 Yr Fixed				
\$255,717	30 Yrs	5.250%	\$1,412	\$16,945	\$13,425
\$255,717			\$1,412	\$16,945	\$13,425

Before Tax Cash Flow (BTCF)

	Current	Market
NOI	\$23,708	\$32,104
Annual Loan Pmt	\$16,945	\$16,945
Cash Flow	\$6,763	\$15,159
Cash on Cash	4.50%	10.09%

After Tax Cash Flow (ATCF)

	Current	Market
NOI	\$23,708	\$32,104
Depreciation	-\$10,332	-\$10,332
Interest Exp.	-\$13,425	-\$13,425
Taxable Income	-\$49	\$8,347
Taxes @ 0.4	\$19	-\$3,255
ATCF	\$6,782	\$11,904
Return	4.52%	7.93%

Net Equity Income

	Current	Market
ATCF	\$6,782	\$11,904
Equity Buildup	\$3,520	\$3,520
Equity Income	\$10,302	\$15,424
Overall Return	6.86%	10.27%