

FOR SALE

6-Unit Apartment Building

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OFFERING SUMMARY

Price	\$1,650,000
Proforma Gross Income	\$122,400
Proforma GRM	13.48
Proforma CAP	4.59%

2029 Beebee St SAN LUIS OBISPO, CA

Don't miss this opportunity to acquire a well maintained 6-unit apartment building in downtown San Luis Obispo. The property is comprised of (4) one-bedroom units and (2) studio apartments with newer vinyl windows throughout and luxury vinyl plank flooring downstairs. This property has a Walk Score of 83 and Bike Score of 93! Residents can enjoy the downtown restaurants, shops, and clubs as well as grocery stores and other services nearby.

With nearly 30% upside in rents, this property offers the prudent investor lots of opportunity.

PROPERTY DETAILS

Number of Units	6
Unit Mix	(4) 1Bed/1Bath and (2) Studio
Building Size	±3,080 SF
Parking	9 Uncovered
APN	003-721-041
Zoning	R2
Year Built	1970

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2901 Grand Ave #D, PO Box 540, Los Olivos, CA 93441-0540

Information contained herein was obtained from sources believed reliable. While we do not doubt its accuracy, we do not guarantee it. Buyer to independently verify.



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Executive Summary

# Units:	6
Price:	\$1,650,000
Initial Investment:	\$825,000
% Down Payment:	50%
Est. Total Loans:	\$825,000
Debt Service Ratio:	0.93
Price/Unit:	\$275,000
NOI:	\$49,443
GRM:	17.63
CAP Rate:	3.00%
Building Area:	3,080 SF
Building Price/SF:	\$536/SF
Lot Size SF:	7,500 SF
Year Built:	1970
Zoning:	R2



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Unit Mix and Rent Schedules

Units	Mix	Current		Proforma	
		Rent/Unit	Monthly Income	Rent/Unit	Monthly Income
1	1/1	\$1,150	\$1,150	\$1,800	\$1,800
1	Studio	\$1,050	\$1,050	\$1,500	\$1,500
1	1/1	\$1,800	\$1,800	\$1,800	\$1,800
1	1/1	\$1,200	\$1,200	\$1,800	\$1,800
1	Studio	\$1,400	\$1,400	\$1,500	\$1,500
1	1/1	\$1,200	\$1,200	\$1,800	\$1,800

Garage

Gross Monthly Income		\$7,800	\$10,200
		<u>Current</u>	<u>Market</u>
Gross Annual Income		\$93,600	\$122,400
less vacancy, losses	3%	\$2,808	3%
Effective Operating Income (EOI)		\$90,792	\$118,728

Annual Expenses

		Current	%EOI	Market
Real Estate Taxes	1.10688%	\$18,789	20.7%	\$18,789
Licenses			0.0%	\$0
Insurance		\$1,331	1.5%	\$1,331
Utilities (total)		\$6,656	7.3%	\$6,656
Electric & Gas		\$0		\$0
Water		\$4,471		\$4,471
Trash		\$2,185		\$2,185
				\$0
Maint/ Repairs	\$950/Unit	\$5,700	6.3%	\$5,700
Grounds		\$840	0.9%	\$840
Off-site Management	6%	\$5,448	6.0%	\$7,124
Resident Manager	n/a		0.0%	\$0
Pest Control	Est	\$600	0.7%	\$600
Legal & Accounting	Est.	\$485	0.5%	\$485
Reserves	\$250/Unit	\$1,500	1.7%	\$1,500
Annual Expenses		\$41,349	45.5%	\$43,025
Annual Expenses per Unit		\$6,891		\$7,171

Calculation

	Current	Proforma
EOI	\$90,792	\$118,728
Annual Exp.	\$41,349	\$43,025
NOI	\$49,443	\$75,703
GRM	17.63	13.48
CAP Rate	3.00%	4.59%

Financing

Amount	Term	Rate	Monthly Pmt	Annual Pmt	Annual Interest
1st TD					
\$825,000	30 Yrs	5.00%	\$4,429	\$53,145	\$41,250
\$825,000			\$4,429	\$53,145	\$41,250

Before Tax Cash Flow (BTCF)

	Current	Market
NOI	\$49,443	\$75,703
Annual Loan Pmt	\$53,145	\$53,145
Cash Flow	-\$3,702	\$22,558
Cash on Cash	-0.45%	2.73%

After Tax Cash Flow (ATCF)

	Current	Market
NOI	\$49,443	\$75,703
Depreciation	-\$42,000	-\$42,000
Interest Exp.	-\$41,250	-\$41,250
Taxable Income	-\$33,807	-\$7,547
Taxes @ 0.4	\$13,185	\$2,943
ATCF	\$9,482	\$25,501
Return	1.15%	3.09%

Net Equity Income

	Current	Market
ATCF	\$9,482	\$25,501
Equity Buildup	\$11,895	\$11,895
Equity Income	\$21,378	\$37,396
Overall Return	2.59%	4.53%

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COMPARABLE APARTMENT PROPERTIES

	PROPERTY ADDRESS	SALE DATE	SALE PRICE	# Units	Unit Mix	Year Built	Zoning	DOM	Price Per Unit	GRM	CAP	Comments
A	2029 Beebee St, San Luis Obispo	Active	\$1,650,000	6	4-1/1 2-Studio	1970	R2	62	\$275,000	13.48	4.59%	Proposed Sale Price. Proforma GRM and CAP.
B	385 McCarthy Ave, Oceano	4/19/2024	\$1,490,723	5	2-2/2 1-2/1 2-1/1	1989	RMF	53	\$298,145	12.31	4.99%	Cash offer. Price adjustment in lieu of repairs.
C	153 N 16th St, Grover Beach	2/20/2024	\$1,350,000	5	1-2/2 4-2/1	1976	R2	4	\$270,000	22.50	2.70%	Cash offer. \$50K concession for stair/deck repairs.
D	1161 Bello St, Pismo Beach	10/13/2023	\$2,100,000	8	8-1/1	1963	R3	5	\$262,500	16.07	3.48%	2 blocks from beach.
E	3150 Rockview Pl, San Luis Obispo	7/31/2023	\$2,430,000	9	9-1/1	1980	R2	??	\$270,000		4.50%	Condominiums leased as apartments sold just off of South Broad St.
F	400 Ferrini Rd San Luis Obispo	5/1/2024	\$3,000,000	9	1-3/2 8-1/1	1940	R3	0	\$333,333	16.47	not available	Off market sale of complex west of 101 and Cal Poly.
Average									\$316,189	18.25	4.01%	

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