

Mixed Use Investment Opportunity



- * 7 residential & 3 commercial units
- * Great Location

1700 University
Berkeley, CA
Investment Opportunity
\$1,499,000

Exclusively Listed by:
James Kilpatrick

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**Please Contact:
James Kilpatrick
(510) 844-3647**

SUBJECT PROPERTY DISCUSSION

1700 University
Berkeley, CA

Property Summary

Lot Size: 5,500 Sq. Ft.
Year Built: 1926
Building Square Footage: 7,846 Sq. Ft.
Stories: 2
Foundation: Concrete
Roof: Flat
Construction: Wood frame
Exterior: Stucco
Unit Mix: (3) commercial, (5) studios, (2) 1 br/ba
APN#: 056-2011-019





Location Description

- Located on the corner of University and McGee
- Corner lot makes this an ideal retail space, which rents for a premium
- Lots of foot traffic!
- Immensely popular tenants occupying commercial units
- This neighborhood is very desirable for UC Berkeley students and commuters.



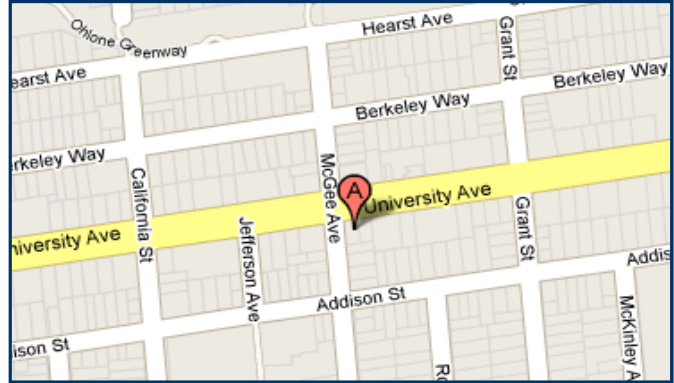
SUBJECT PROPERTY DISCUSSION

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Property Highlights	Satellite Zoom Out
<ul style="list-style-type: none">• A diverse unit mix provides for a very stable and reliable income stream• Desirable combination of quality of retail space and apartments due to quality location• Great investment opportunity!	
Property Highlights	Satellite Zoom In
<ul style="list-style-type: none">• Walking distance to BART and multiple AC Transit bus lines• Close proximity to UC Berkeley• Close to many shops and restaurants• Located in strong rental market with a lack of developable land	

Financial Analysis

Property Address: **1700 University**



Price:		\$1,499,000
Down Payment:	35%	\$524,650
Number of Units:		10
Cost/Unit:		\$149,900
Cost/Sq. Foot:		\$191
Approx. Sq. Ft.:		7,846
Current CAP:		5.98%
Market CAP:		6.56%
Current GRM:		10.56
Market GRM:		9.92
Approximate Age:		1926
Approximate Lot Size:		5,500

Rent Schedule						
# of Units	Unit Type	Unit Sq. Ft.	Market Rent	Mkt. Rent /Sq. Ft.	Avg Current Rent	Avg Current /Sq. Ft.
5	Studio	450	\$ 950	\$ 2.11	\$ 1,063	\$ 2.36
2	1/1	575	\$ 1,000	\$ 1.74	\$ 868	\$ 1.51
3	Comm'l	1168	\$ 1,300	\$ 1.11	\$ 1,921	\$ 1.64
Totals:		6,905	\$12,588		\$11,825	
Total Income:			\$151,056		\$141,900	

Annualized Expenses	
New Real Estate Property Tax:	\$18,989
Special Assessments:	\$8,600
Insurance:	\$3,500
Total Fixed Expenses:	\$31,089
Operational Expenses:	
Reserves:	\$2,500
City Business Tax:	\$1,533
PG & E:	\$120
Garbage:	\$1,680
Water:	\$1,800
Maintenance/Repairs:	\$5,000
Rent Board Fees:	\$1,197
Total Operating Expenses:	\$14,047
Total Expenses:	\$45,136

Annualized Operating Data				
		Current	Market	
Scheduled Rental Income:		\$141,900	\$151,056	
Less Vacancy Rate:	5.0%	\$7,095	\$7,553	5.0%
Gross Operating Income:		\$134,805	\$143,503	
Less Expenses:	33.5%	\$45,136	\$45,136	31.5%
Net Operating Income:		\$89,669	\$98,367	
Less Loan Payments:		(\$67,862)	(\$67,862)	
Pre-Tax Cash Flow:	4.2%	\$21,808	\$30,506	5.8%

Proposed Financing		
First Loan:	New	\$974,350
Interest Rate:		5.70%
Amortization:		30
Monthly Payment:		\$5,655

Quote by Piedmont Capital
Track this rate:
www.piedmontcapitalfunding.com/request.html
Or Call Nils: (510) 740-1435

Rent Roll

Rent Roll dated: 6/8/2010								
Unit #	Unit Type	Unit Sqft	Market Rent	Mkt. Rent /Sq. Ft.	Current Rent	Current Rent /Sq. Ft.	Comments	
1	Studio	450	\$ 975	\$ 2.17	\$ 975	\$ 2.17		
2	1/1	575	\$ 1,000	\$ 1.74	\$ 1,000	\$ 1.74		
3	Studio	450	\$ 1,000	\$ 2.22	\$ 950	\$ 2.11		
4	Studio	450	\$ 950	\$ 2.11	\$ 875	\$ 1.94		
5	Studio	450	\$ 1,000	\$ 2.22	\$ 1,000	\$ 2.22		
6	Studio	450	\$ 950	\$ 2.11	\$ 527	\$ 1.17		
7	1/1	575	\$ 950	\$ 1.65	\$ 735	\$ 1.28		
	University Produce Market	expires 2020	1300	\$ 1,800	\$ 1.38	\$ 1,800	\$ 1.38	
	Chow Thai	expires 2011	940	\$ 1,750	\$ 1.86	\$ 1,750	\$ 1.86	1/3 Water
	West Coast Pizza	expires 2019	1265	\$ 2,213	\$ 1.75	\$ 2,213	\$ 1.75	1/3 Water, tenant does own garbage
*Unit SqFt is Approximate								
Totals:		6,905	\$ 12,588		\$ 11,825			
Averages:		691	\$ 1,259	\$ 1.92	\$ 1,183	\$ 1.71		
Total Income:			\$ 151,056		\$ 141,900			
Upside in rental income:			\$ 9,156	per month				

Expenses

Property Address: 1700 University
Date: 6/8/2010

	Expense	Per unit	Per SqFt	% of total	% of gross	Notes	
New Real Estate Property Tax:	\$ 19,635	\$ 1,964	\$ 2.50	42.90%	13.93%	1.2668% Ad Valorem Tax	
Special Assessments:	\$ 8,600	\$ 860	\$ 1.10	18.79%	6.10%	Estimate	
Insurance	\$ 3,500	\$ 350	\$ 0.45	7.65%	2.48%	Estimate	
Total Fixed Expenses:	\$ 31,735	\$ 3,174	\$ 4.04	69.33%	22.51%		
Operational Expenses:							
Reserves:	\$ 250	\$ 2,500	\$ 250	\$ 0.32	5.46%	1.77%	Estimate
City Business Tax:	1.08%	\$ 1,523	\$ 152	\$ 0.19	3.33%	1.08%	1.08% of Yearly Gross
PG & E:	\$ 120	\$ 12	\$ 0.02	0.26%	0.09%	Estimate	
Garbage:	\$ 1,680	\$ 168	\$ 0.21	3.67%	1.19%	Estimate	
Water:	\$ 1,800	\$ 180	\$ 0.23	3.93%	1.28%	Estimate	
Maintenance/Repairs:	\$ 5,000	\$ 500	\$ 0.64	10.92%	3.55%	Estimate	
Rent Board Fees	\$202/unit	\$ 1,414	\$ 141	\$ 0.18	3.09%	1.00%	Actual
Total Operating Expenses:	\$ 14,037	\$ 1,404	\$ 1.79	30.67%	9.96%		
Total Expenses:	\$ 45,772	\$ 4,577	\$ 5.83	100%	32.46%		