

418 Roosevelt Avenue

SUNNYVALE, CA

OFFERING MEMORANDUM



Marcus & Millichap
Real Estate Investment Services

418 Roosevelt Avenue

SUNNYVALE, CA

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PROPERTY DESCRIPTION

418 Roosevelt Avenue

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INVESTMENT OVERVIEW

Investment Highlights

- Huge Upside Rent Potential
- Brand New Copper Plumbing Throughout
- Brand New Drain to Street
- Two New Kitchens and Bathrooms
- On-Site Covered Parking for All Units
- On-Site Laundry Facility
- Recently Painted
- Large Lot Size



The property located at 418 Roosevelt Avenue is an incredible investment opportunity located in highly desirable Sunnyvale, California.

The six-unit apartment building has a gross livable area of 3,528 total square feet providing its tenants a living area of around six-hundred square feet for all six one-bedroom/one-bath units. The property was constructed in 1957 and lies on a rather large 9,100-square foot lot located on a block of primarily single-family homes.

The subject property has had some significant upgrades over the past two years including a new sewer line to the street, new copper plumbing throughout, two kitchens and two bathrooms remodeled and many of the windows were replaced with double pane. Each unit has an on-site covered parking space in the rear of the building and the community laundry room provides the owner with another \$1,200/year.

Sunnyvale median rents in 2013 skyrocketed over 12 percent in 2013 and are projected to continue on through 2014-2015 (Marcus & Millichap Research Services). The City of Sunnyvale is a city located in Santa Clara County, California and as of the 2010 United States Census, the population was 140,095. Sunnyvale is home to many high-tech companies such as Juniper Networks, Fortinet, AMD, NetApp, Spansion, Yahoo!, Applied Micro and Ariba.

PROPERTY SUMMARY

The Offering

Property Address	418 Roosevelt Avenue Sunnyvale, CA 94085
Assessor's Parcel Number	204-38-031
Zoning	R3

Site Description

Number of Units	6
Number of Buildings	1
Number of Stories	2
Year Built	1957
Rentable Square Feet	3,528
Lot Size	9,100 SF
Type of Ownership	Fee Simple
Density	Low
Parking	On-Site
Parking Ratio	1:1
Landscaping	Low Maintenance
Topography	Flat

Utilities

Water	Owner
Phone	Tenant
Electric	Tenant
Gas	Tenant

Construction

Foundation	Concrete Perimeter
Framing	Wood
Exterior	Stucco
Parking Surface	Concrete/Asphalt
Roof	Comp Shingle

PROPERTY PHOTOS



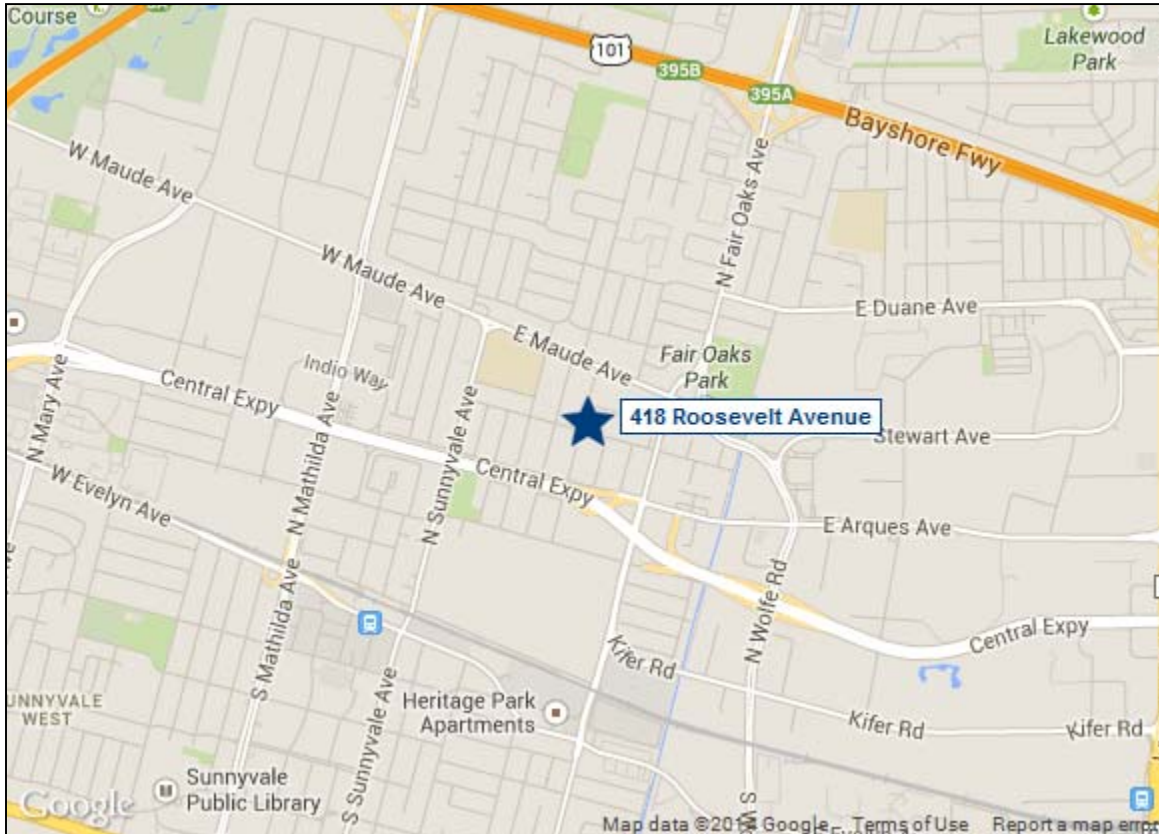
PROPERTY PHOTOS



418 Roosevelt Avenue

SUNNYVALE, CA

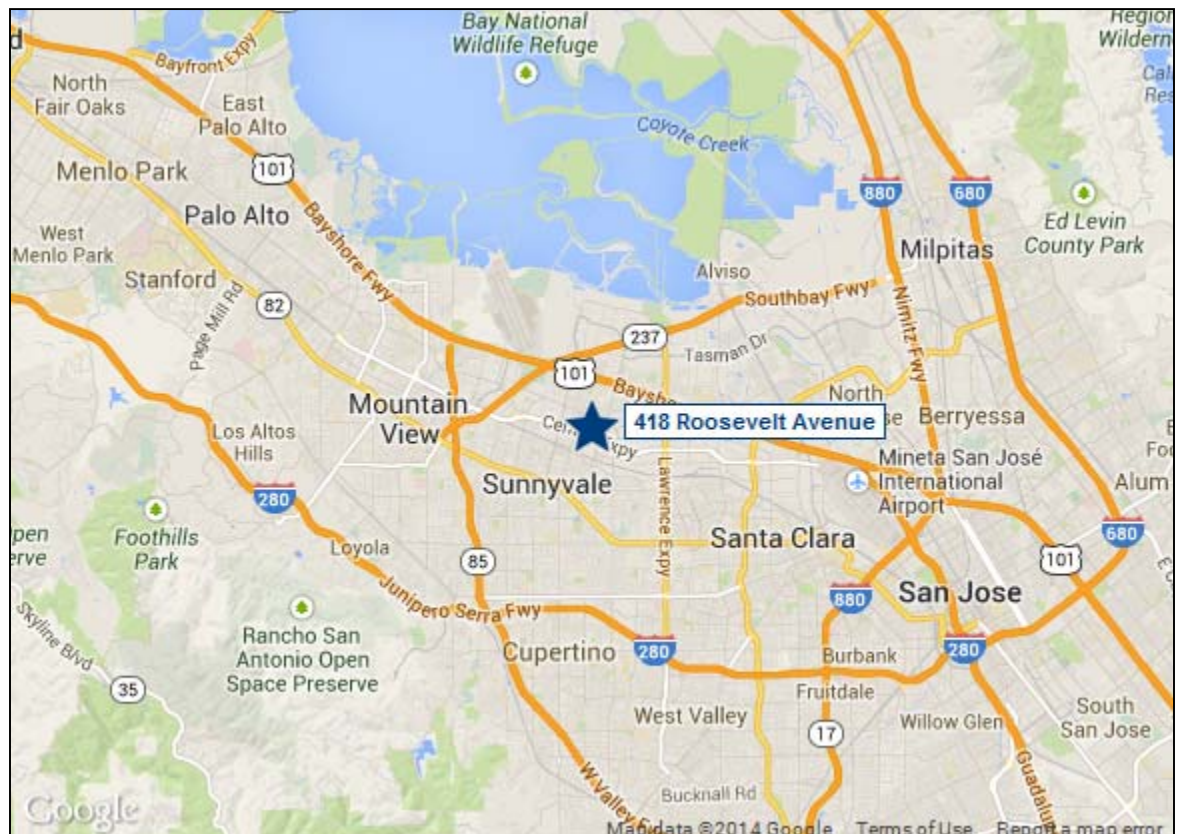
PROPERTY DESCRIPTION



Local Map



Regional Map



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418 Roosevelt Avenue

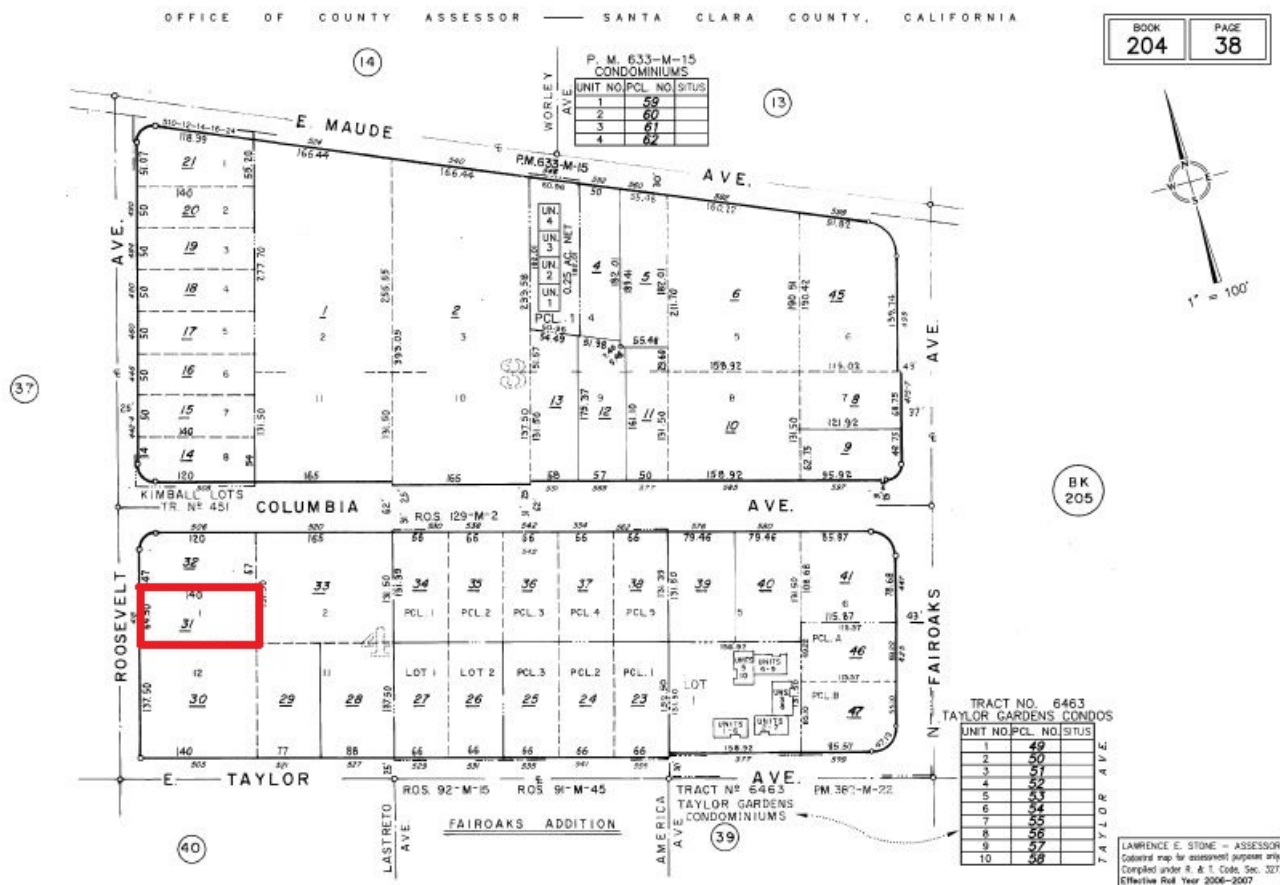
SUNNYVALE, CA

PROPERTY DESCRIPTION



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PRICING AND FINANCIAL ANALYSIS

418 Roosevelt Avenue

SUNNYVALE, CA

RENT ROLL

Unit Number	Unit Type			Unit SF	Current Rent	Rent/ SF	Asking Rent	Rent/ SF	Parking
1	1 Bdr	1 Bath	Apartment	588	\$900	\$1.53	\$1,625	\$2.76	Covered On-Site
2	1 Bdr	1 Bath	Apartment	588	\$900	\$1.53	\$1,625	\$2.76	Covered On-Site
3*	1 Bdr	1 Bath	Apartment	588	\$850	\$1.45	\$1,625	\$2.76	Covered On-Site
4	1 Bdr	1 Bath	Apartment	588	\$900	\$1.53	\$1,625	\$2.76	Covered On-Site
5	1 Bdr	1 Bath	Apartment	588	\$900	\$1.53	\$1,625	\$2.76	Covered On-Site
6	1 Bdr	1 Bath	Apartment	588	\$900	\$1.53	\$1,625	\$2.76	Covered On-Site
TOTAL VACANT					\$0		\$0		
6	TOTAL OCCUPIED			3,528	\$5,350		\$9,750		
6	TOTAL			3,528	\$5,350		\$9,750		

Comments

* Manager's Unit.

FINANCIAL OVERVIEW

Location

418 Roosevelt Avenue
Sunnyvale, CA 94085

Price	\$1,275,000
Down Payment	100% / \$1,275,000
Number of Units	6
Price/Unit	\$212,500
Rentable Square Feet	3,528
Price/SF	\$361.39
CAP Rate - Current	2.85%
CAP Rate- Pro Forma	6.96%
GRM - Current	19.86
GRM- Pro Forma	10.83
Year Built	1957
Lot Size	9,100 SF
Type of Ownership	Fee Simple

Annualized Operating Data

Income	Current	Pro Forma
Gross Potential Rent	\$64,200	\$117,720
Other Income	\$672	\$1,200
Gross Potential Income	\$64,872	\$118,920
Less: Vacancy/Deductions (GPR)	3.0% / \$1,926	3.0% / \$3,532
Effective Gross Income	\$62,946	\$115,388
Less: Expenses	\$26,609	\$26,609
Net Operating Income	\$36,337	\$88,779
Net Cash Flow Before Debt Service	\$36,337	\$88,779

Expenses

Real Estate Taxes	\$14,895	\$14,895
Special Assessments	\$303	\$303
PG&E (common)	\$1,897	\$1,897
Insurance	1,087	1,087
Water, Trash, Sewer	5,427	5,427
Repairs & Maintenance (Avg)	3,000	3,000
Total Expenses	\$26,609	\$26,609
Expenses/unit	\$4,435	\$4,435
Expenses/SF	\$7.54	\$7.54
% of EGI	42.27%	23.06%

Scheduled Income

No. of Units	Unit Type	Approx. Square Feet	Current Rents	Rent/ SF	Monthly Income	Pro Forma Rents	Rent/ SF	Monthly Income
6	1 Bdr 1 Bath Apartments	588	\$850 - \$900	\$1.49	\$5,350	\$1,500 - \$1,645	\$2.67	\$9,810
6	Total/Wtd. Avg.	3,528			\$5,350			\$9,810

RECENT SALES

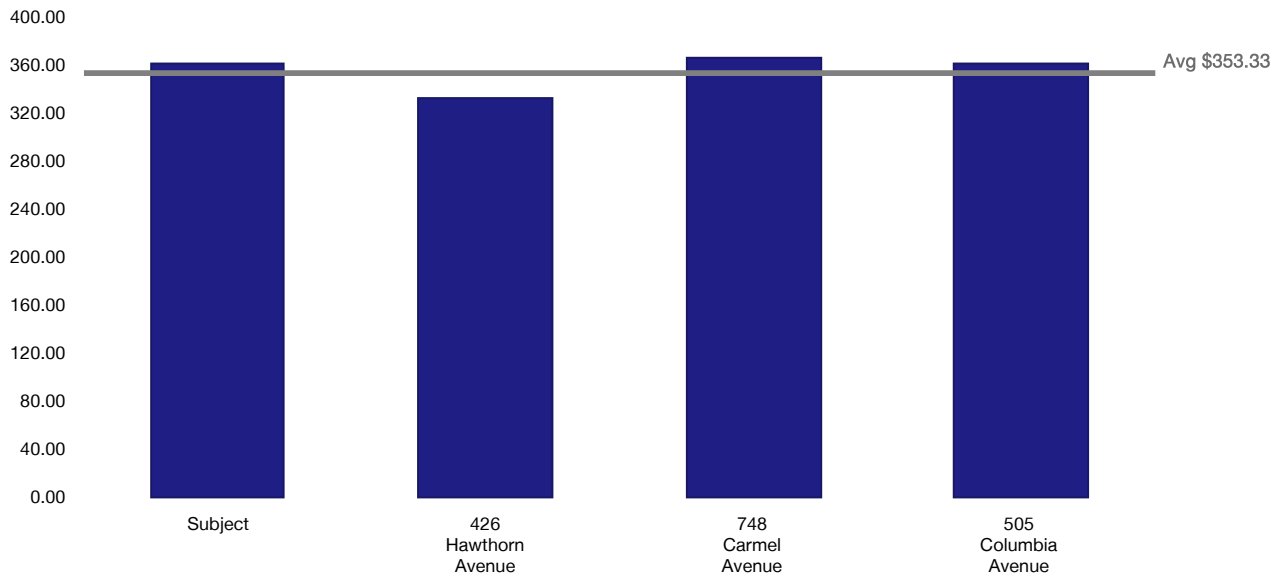
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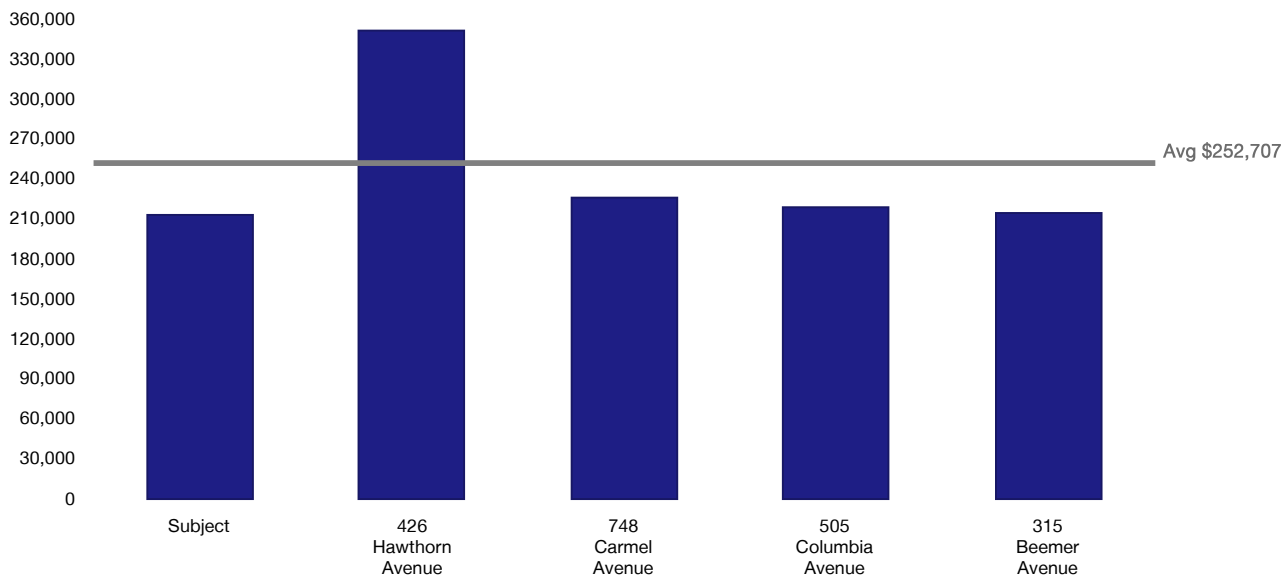
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PRICE PER SF AND PRICE PER UNIT

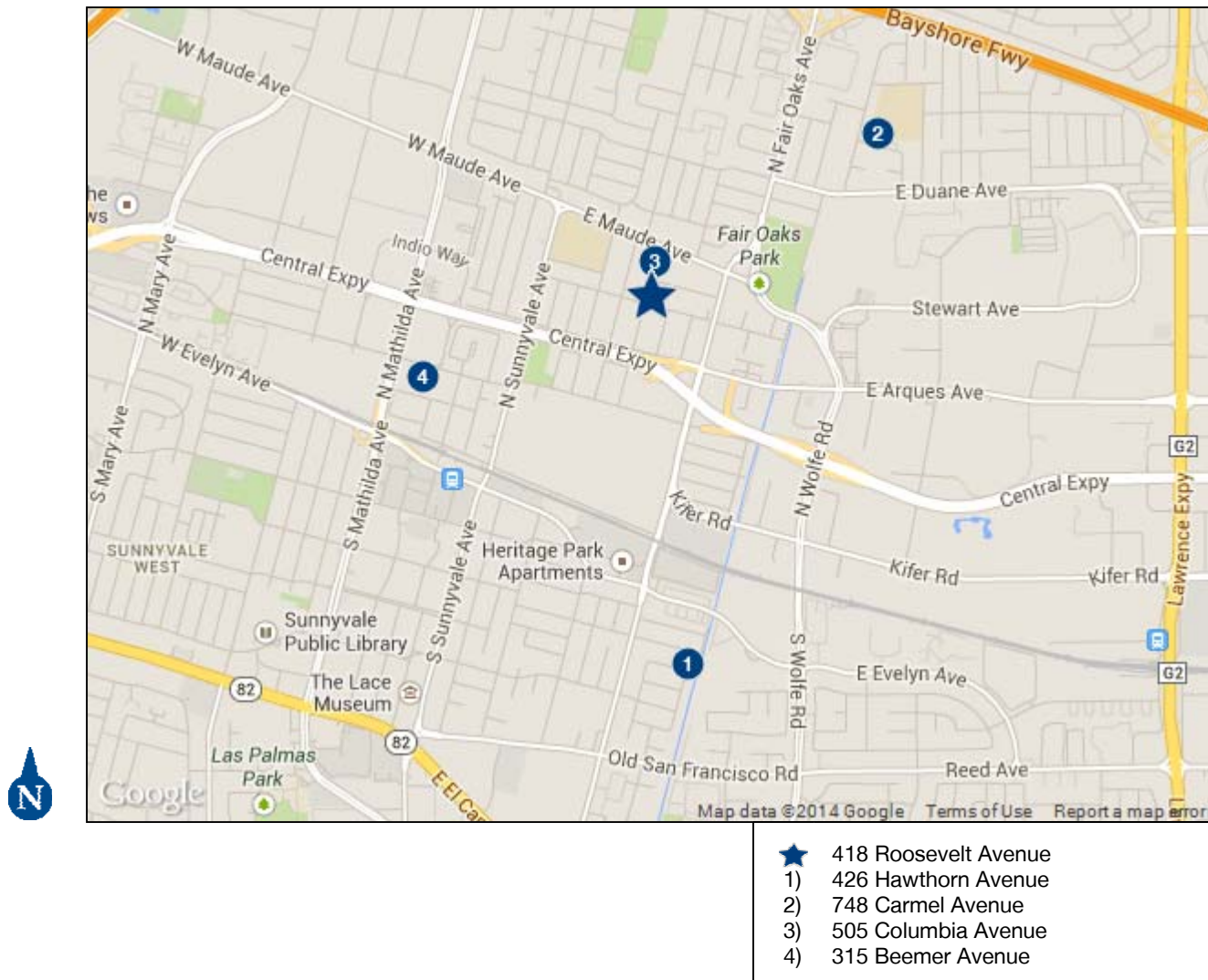
Average Price per Square Foot



Average Price per Unit



RECENT SALES MAP



RECENT SALES



Subject Property

418 Roosevelt Avenue
Sunnyvale, CA 94085

No. of Units: 6
Year Built: 1957
Sale Price: \$1,275,000
Price/Unit: \$212,500
Price/SF: \$361.39
CAP Rate: 2.85%
GRM: 19.86

Units	Unit Type
6	1 Bdr 1 Bath Apartments

1



Close of Escrow: 1/23/2014

426 Hawthorn Avenue
Sunnyvale, CA 94086

No. of Units: 4
Year Built: 1964
Sale Price: \$1,405,000
Price/Unit: \$351,250
Price/SF: \$333.00
CAP Rate: 4.62%

Units	Unit Type
1	3 Bdr 1 Bath
2	2 Bdr 1 Bath
1	1 Bdr 1 Bath

2



Close of Escrow: 11/4/2013

748 Carmel Avenue
Sunnyvale, CA 94085

No. of Units: 6
Year Built: 1959
Sale Price: \$1,360,000
Price/Unit: \$226,667
Price/SF: \$366.00
CAP Rate: 4.86%

Units	Unit Type
2	2 Bdr 1 Bath
4	1 Bdr 1 Bath

RECENT SALES

3



Close of Escrow: 10/28/2013

505 Columbia Avenue
Sunnyvale, CA 94085

No. of Units: 5
Year Built: 1957
Sale Price: \$1,093,135
Price/Unit: \$218,627
Price/SF: \$361.00
CAP Rate: 3.78%

Units	Unit Type
1	2 Bdr 1 Bath
4	1 Bdr 1 Bath

4



Close of Escrow: 1/8/2014

315 Beemer Avenue
Sunnyvale, CA 94086

No. of Units: 7
Year Built: 1962
Sale Price: \$1,500,000
Price/Unit: \$214,286
CAP Rate: 3.90%

Units	Unit Type
6	Studio
1	2 Bdr 1 Bath

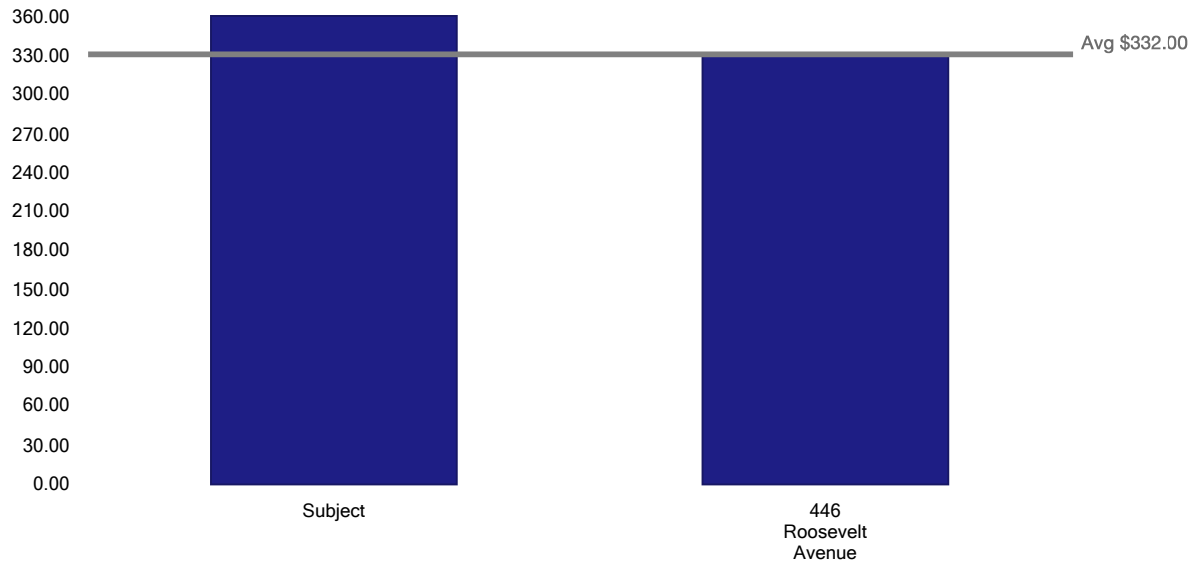
ON MARKET COMPARABLES

418 Roosevelt Avenue

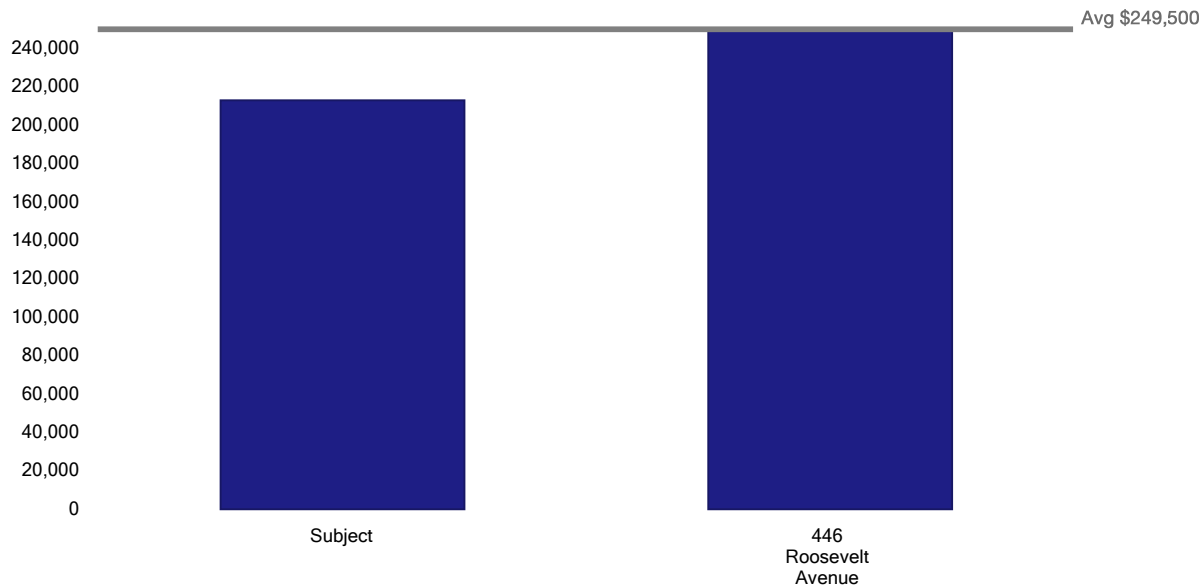
SUNNYVALE, CA

PRICE PER SF AND PRICE PER UNIT

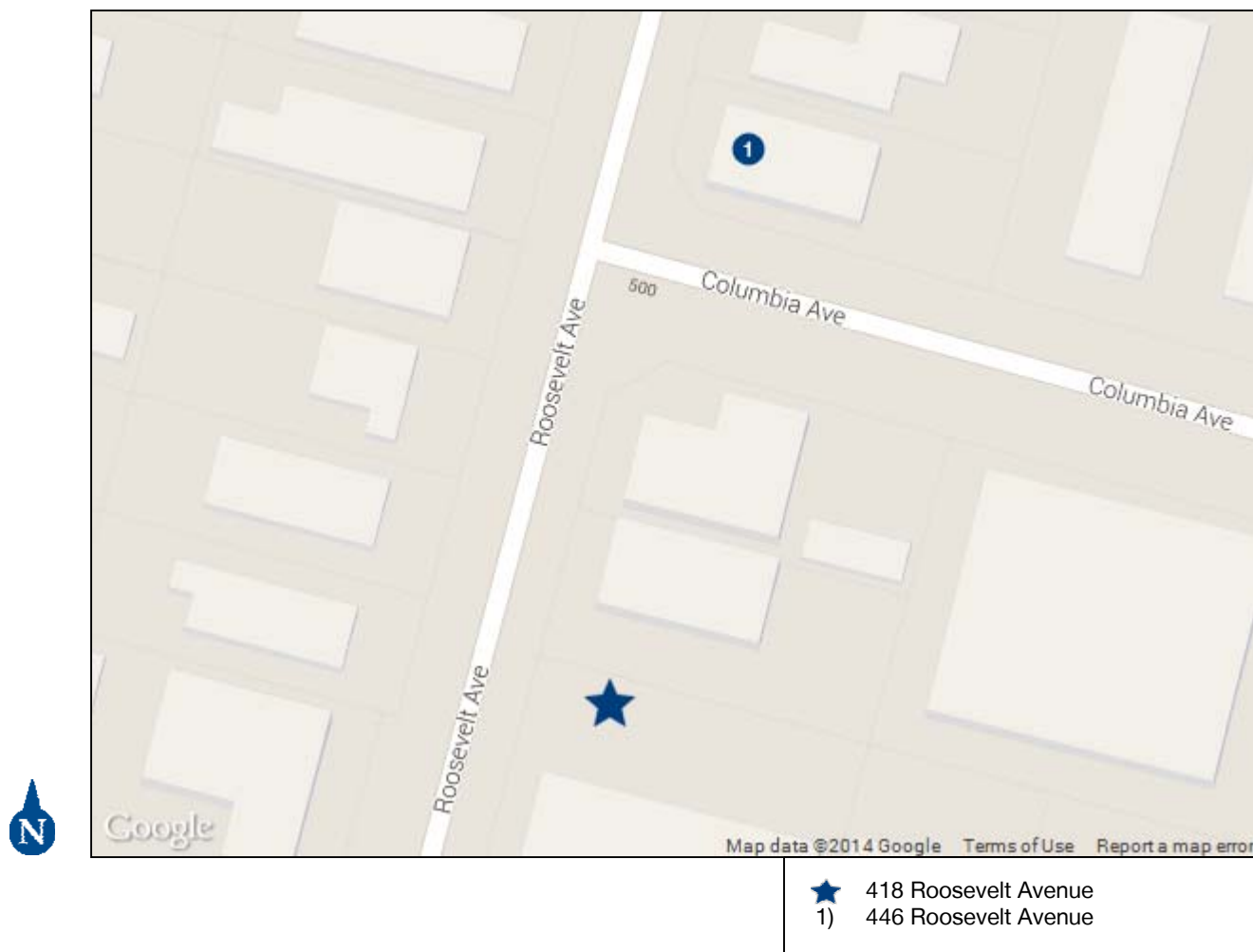
Average Price per Square Foot



Average Price per Unit



ON MARKET COMPARABLES MAP



ON MARKET COMPARABLES



Subject Property

418 Roosevelt Avenue
Sunnyvale, CA 94085

No. of Units: 6
Year Built: 1957
Sale Price: \$1,275,000
Price/Unit: \$212,500
Price/SF: \$361.39
CAP Rate: 2.85%
GRM: 19.86

Units	Unit Type
6	1 Bdr 1 Bath Apartments

1



Status: On Market

446 Roosevelt Avenue
Sunnyvale, CA 94085

No. of Units: 4
Year Built: 1960
List Price: \$998,000
Price/Unit: \$249,500
Price/SF: \$332.00

Units	Unit Type
4	2 Bdr 1 Bath

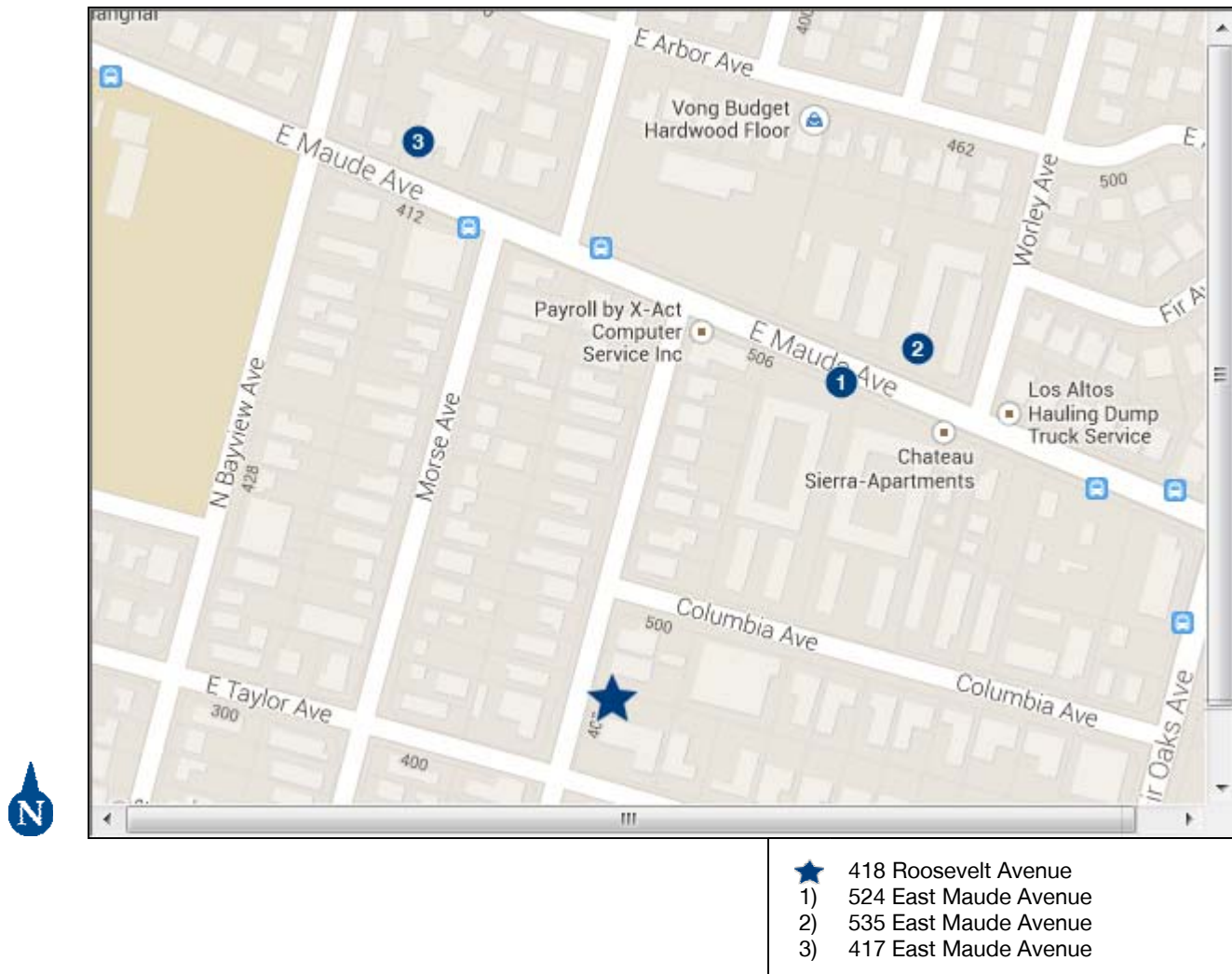
RENT COMPARABLES

418 Roosevelt Avenue

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RENT COMPARABLES MAP



RENT COMPARABLES



Subject Property

No. of Units: 6
Occupancy: N/A
Year Built: 1957

418 Roosevelt Avenue
Sunnyvale, CA 94085

Unit Type	Units	SF	Rent	Rent/SF
1 Bdr 1 Bath Apartments	6	588	\$850 - \$900	\$1.49
Total/Avg.	6	3,528	\$875	\$1.52

1



No. of Units: 42
Occupancy: N/A
Year Built: 1958

524 East Maude Avenue
Sunnyvale, CA 94085

Unit Type	Units	SF	Rent	Rent/SF
1 Bdr 1 Bath		600	\$1,645	\$2.74
Total/Wtd. Avg.			\$1,645	

Comments

Class B-C Apartment Complex

2



No. of Units: 28
Occupancy: N/A
Year Built: 1957

535 East Maude Avenue
Sunnyvale, CA 94085

Unit Type	Units	SF	Rent	Rent/SF
1 Bdr 1 Bath		420	\$1,395	\$3.32
Total/Wtd. Avg.			\$1,395	

RENT COMPARABLES



417 East Maude Avenue
Sunnyvale, CA 94085

Unit Type	Units	SF	Rent	Rent/SF
1 Bdr 1 Bath 1		690	\$1,625	\$2.36
Total/Wtd. Avg.			\$1,625	

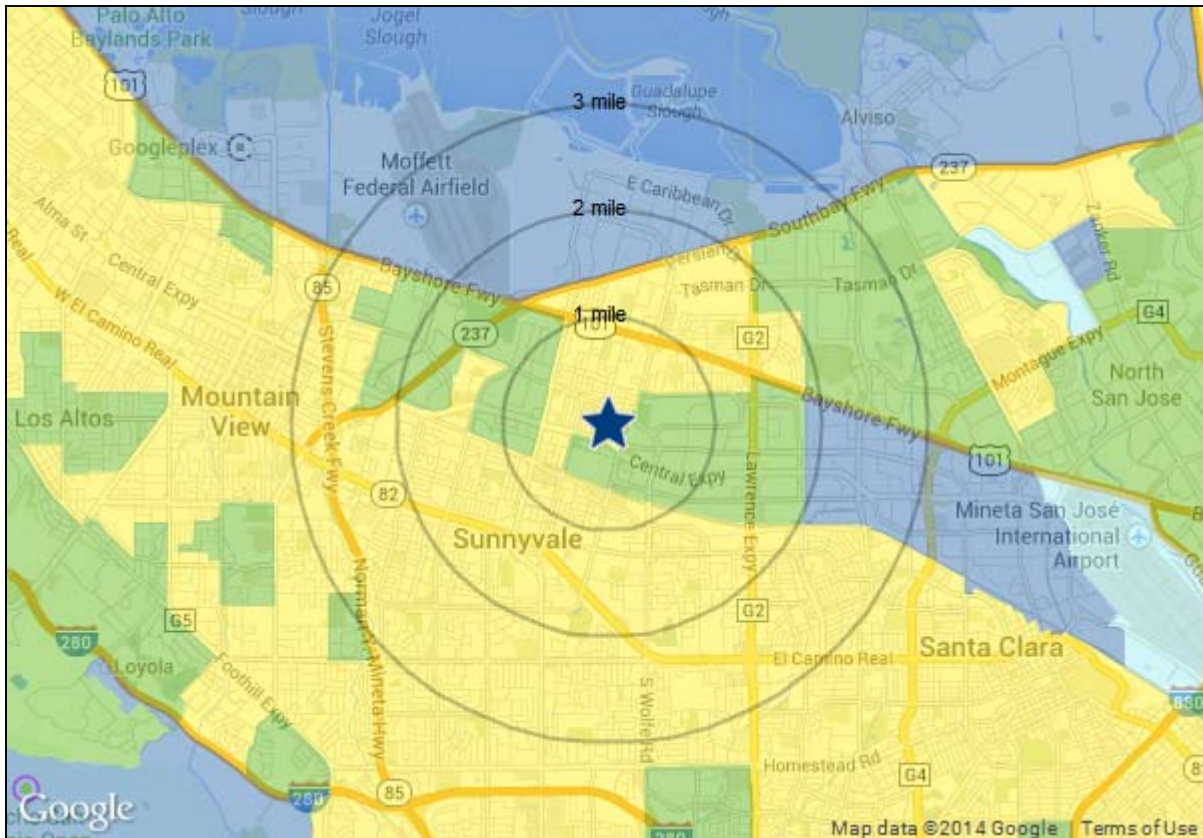
DEMOGRAPHIC ANALYSIS

418 Roosevelt Avenue

SUNNYVALE, CA

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POPULATION DENSITY



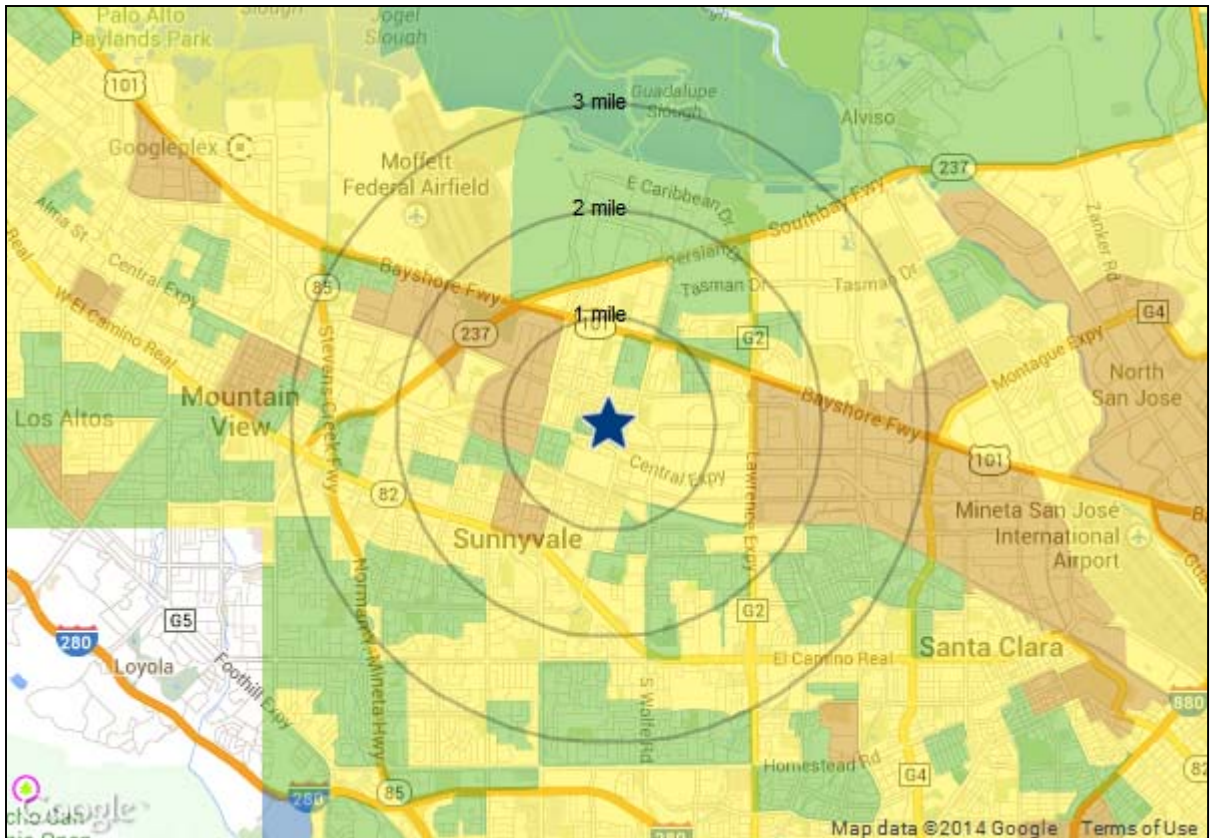
Demographic data © 2010 by Experian/Applied Geographic Solutions.

Population Density

Theme	Low	High
Low	less than	55
Below Average	55	475
Average	475	4100
Above Average	4100	35000
High	35000	or more

Number of people living in a given area per square mile.

EMPLOYMENT DENSITY



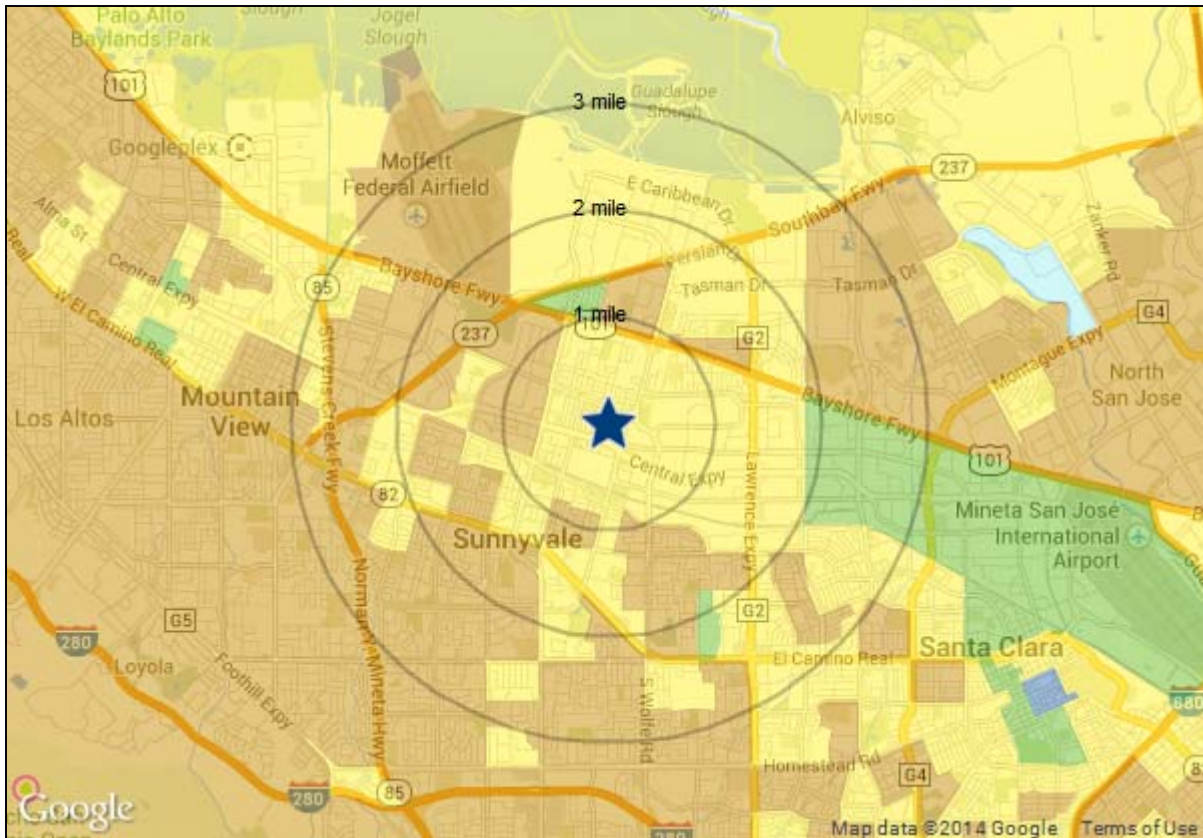
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Employment Density

Theme	Low	High
Low	less than	9
Below Average	9	96
Average	96	1025
Above Average	1025	10875
High	10875	or more

The number of people employed in a given area per square mile.

AVERAGE HOUSEHOLD INCOME



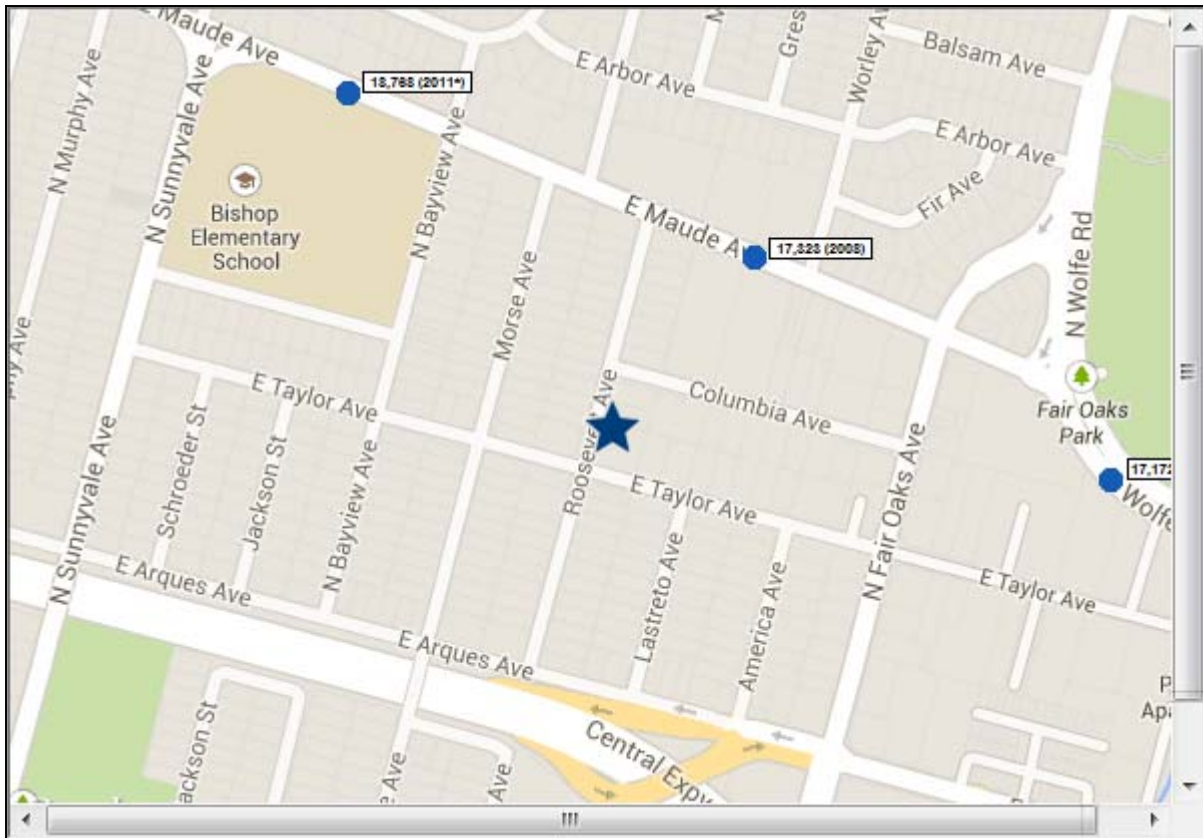
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Average Household Income

Theme	Low	High
Low	less than	\$29,500
Below Average	\$29,500	\$48,500
Average	\$48,500	\$80,000
Above Average	\$80,000	\$132,500
High	\$132,500	or more

Average income of all the people 15 years and older occupying a single housing unit.

TRAFFIC COUNTS



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Two-way, average daily traffic volumes.

DEMOGRAPHIC REPORT

	1 Mile	3 Miles	5 Miles
2000 Population	26,302	156,351	361,707
2010 Population	26,005	167,091	397,814
2013 Population	26,922	172,768	411,648
2018 Population	27,567	176,741	425,348
2000 Households	9,961	63,465	142,833
2010 Households	9,658	65,117	152,822
2013 Households	10,041	67,571	158,685
2018 Households	10,275	68,890	163,761
2013 Average Household Size	2.66	2.54	2.58
2013 Daytime Population	18,039	111,679	275,637
2000 Median Housing Value	\$495,030	\$496,847	\$510,757
2000 Owner Occupied Housing Units	36.93%	44.55%	47.97%
2000 Renter Occupied Housing Units	61.26%	52.34%	49.10%
2000 Vacant	3.02%	2.64%	3.01%
2013 Owner Occupied Housing Units	34.72%	44.88%	47.12%
2013 Renter Occupied Housing Units	65.28%	55.12%	52.88%
2013 Vacant	2.10%	2.28%	2.08%
2018 Owner Occupied Housing Units	34.69%	44.76%	46.64%
2018 Renter Occupied Housing Units	65.31%	55.24%	53.36%
2018 Vacant	2.07%	2.39%	2.09%
\$ 0 - \$14,999	8.2%	6.2%	6.2%
\$ 15,000 - \$24,999	6.1%	5.2%	5.6%
\$ 25,000 - \$34,999	6.2%	5.6%	5.4%
\$ 35,000 - \$49,999	11.0%	8.7%	8.4%
\$ 50,000 - \$74,999	14.1%	13.5%	12.5%
\$ 75,000 - \$99,999	17.0%	14.3%	13.1%
\$100,000 - \$124,999	12.8%	13.8%	13.7%
\$125,000 - \$149,999	8.4%	10.0%	9.8%
\$150,000 - \$199,999	8.3%	11.1%	11.6%
\$200,000 - \$249,999	3.0%	5.1%	5.7%
\$250,000 +	5.0%	6.6%	8.1%
2013 Median Household Income	\$81,945	\$93,911	\$97,926
2013 Per Capita Income	\$39,690	\$47,892	\$50,336
2013 Average Household Income	\$106,157	\$122,241	\$130,217

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SUMMARY REPORT

Geography: 5 Miles**Population**

In 2013, the population in your selected geography was 411,648 . The population has changed by 13.80% since 2000. It is estimated that the population in your area will be 425,348 five years from now, which represents a change of 3.32% from the current year. The current population is 50.3% male and 49.6% female. The median age of the population in your area is 36.4 , compare this to the U.S. average which is 37. The population density in your area is 4,152.88 people per square mile.

Households

There are currently 158,685 households in your selected geography. The number of households has changed by 11.09% since 2000. It is estimated that the number of households in your area will be 163,761 five years from now, which represents a change of 3.19% from the current year. The average household size in your area is 2.58 persons.

Income

In 2013, the median household income for your selected geography is \$97,926 , compare this to the U.S. average which is currently \$53,535. The median household income for your area has changed by 28.15% since 2000. It is estimated that the median household income in your area will be \$111,855 five years from now, which represents a change of 14.22% from the current year.

The current year per capita income in your area is \$50,336 , compare this to the U.S. average, which is \$28,888. The current year average household income in your area is \$130,217 , compare this to the U.S. average which is \$75,373.

Race & Ethnicity

The current year racial makeup of your selected area is as follows: 44.36% White, 2.20% African American, 0.46% Native American and 40.31% Asian/Pacific Islander. Compare these to U.S. averages which are: 72.20% White, 12.65% African American, 0.96% Native American and 5.01% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 17.94% of the current year population in your selected area. Compare this to the U.S. average of 16.55%.

Housing

The median housing value in your area was \$510,757 in 2000, compare this to the U.S. average of \$110,781 for the same year. In 2000, there were 70,634 owner occupied housing units in your area and there were 72,305 renter occupied housing units in your area. The median rent at the time was \$1,222 .

Employment

In 2013, there are 275,637 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 79.8% of employees are employed in white-collar occupations in this geography, and 20.1% are employed in blue-collar occupations. In 2013, unemployment in this area is 3.81% . In 2000, the median time traveled to work was 20.9 minutes.

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OFFERING MEMORANDUM

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