



RADIO APARTMENTS

2070 Radio Ave • San Jose, CA 95125

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RADIO APARTMENTS
San Jose, CA
ACT ID Y0010286

Marcus & Millichap

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Marcus & Millichap

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EXECUTIVE SUMMARY

VITAL DATA				
Price	\$9,150,000		CURRENT	YEAR 1
Down Payment	100% / \$9,150,000	CAP Rate	2.98%	4.29%
Loan Type	Proposed New	GRM	17.67	14.12
Interest Rate / Amortization	0.00% / 0 Years	Net Operating Income	\$272,603	\$392,582
Price/Unit	\$326,786	Net Cash Flow After Debt Service	2.98% / \$272,603	4.29% / \$392,582
Price/SF	\$481.58	Total Return	2.98% / \$272,603	4.29% / \$392,582
Number of Units	28			
Rentable Square Feet	19,000			
Year Built	1965			
Lot Size	0.66 acre(s)			

UNIT MIX		
NUMBER OF UNITS	UNIT TYPE	APPROX. SQUARE FEET
21	1 Bedroom/ 1Bathroom	650
5	2 Bedroom/ 1 Bathroom	900
2	Studio	425
28	Total	19,000



MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Universal Services America LP	5,011
Church of Jsus Chrst of Ltter	3,500
Crows Auto Sales	3,500
Rosendin Electric	3,000
Stanford Cancer Center S Bay	2,523
City of San Jose	2,477
Corrections Dept of	2,008
Hadco Santa Clara Inc	2,000
Mv Transportation Inc	1,412
S C U	1,400
Bristlecone Incorporated	1,300
Target	1,231

DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2016 Estimate Pop	21,796	235,054	687,769
2016 Census Pop	20,389	218,965	642,577
2016 Estimate HH	8,746	87,858	231,403
2016 Census HH	8,108	81,354	216,275
Median HH Income	\$103,784	\$79,557	\$80,354
Per Capita Income	\$58,252	\$43,705	\$38,903
Average HH Income	\$144,719	\$115,702	\$114,479

INVESTMENT OVERVIEW

The subject property is located on 2070 Radio Avenue, San Jose, CA.

INVESTMENT HIGHLIGHTS

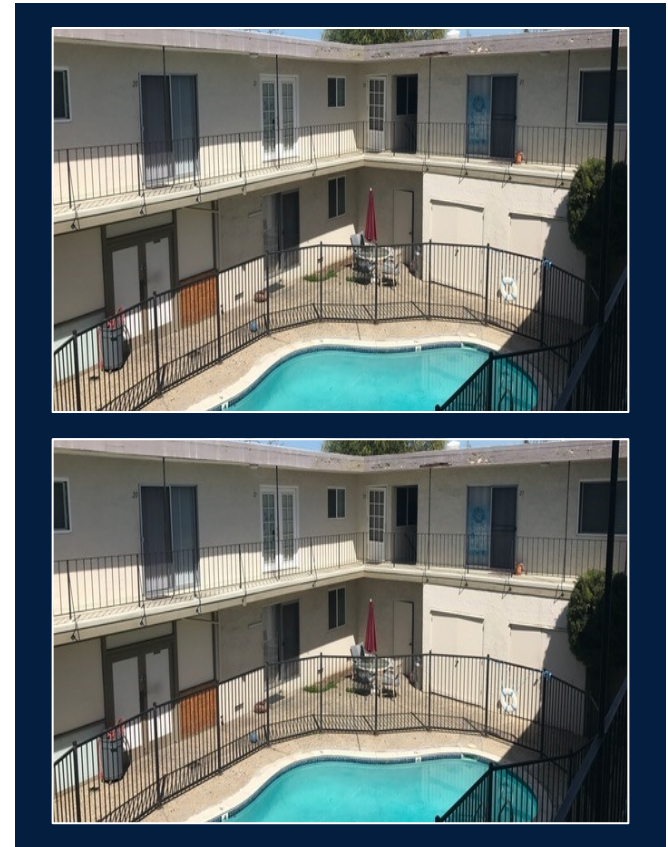
- Prime Willow Glen Location
- A Mile from Downtown Willow Glen Where You Will Find Great Restaurants and Shop
- Less than a Block from Beautiful Lincoln Glen Park

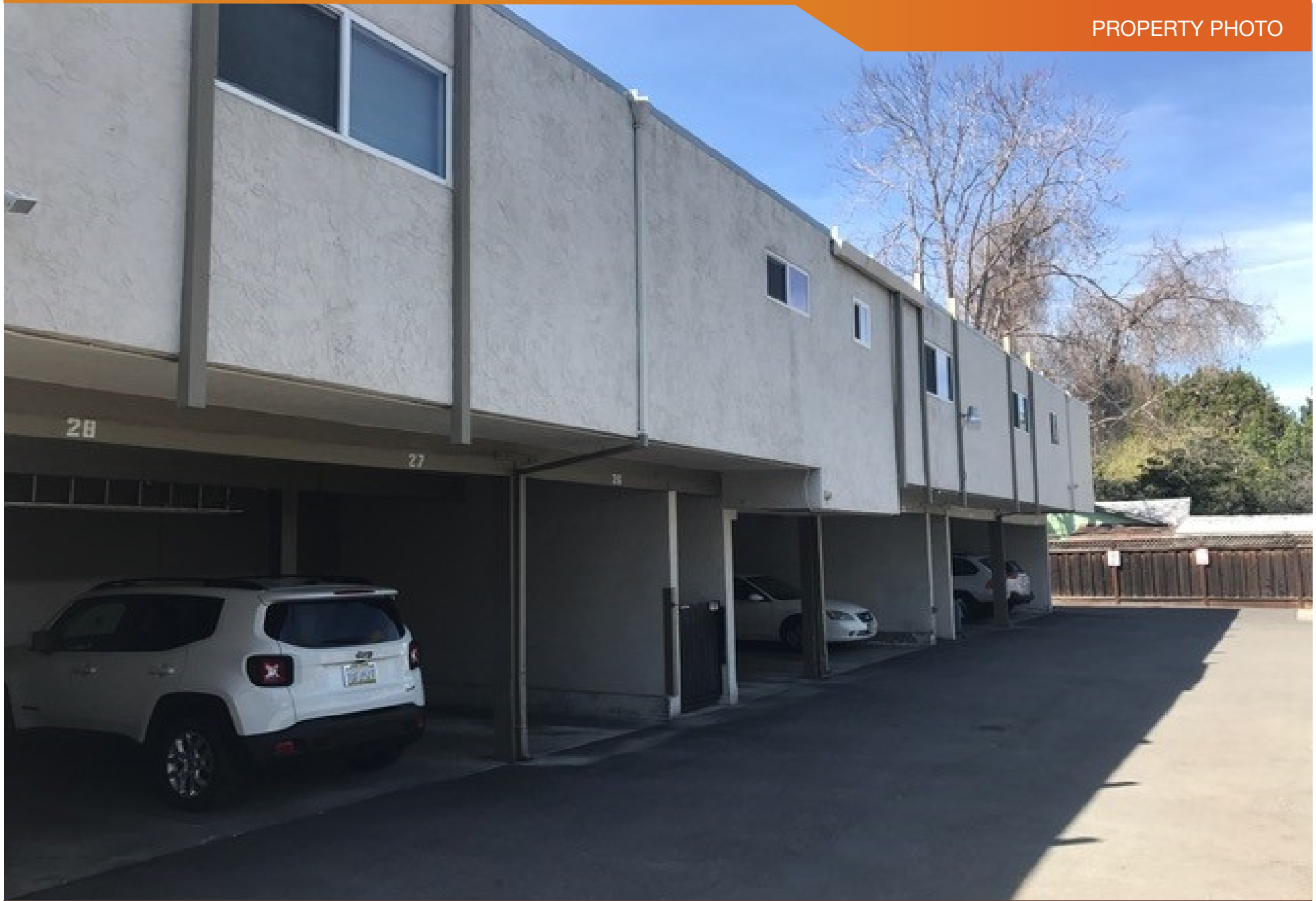


PROPERTY SUMMARY

PROPOSED FINANCING

First Trust Deed	
Loan Type	Proposed New
Interest Rate	0.00%
Amortization	0 Years
Loan Term	0 Years
Debt Coverage Ratio	





FINANCIAL ANALYSIS

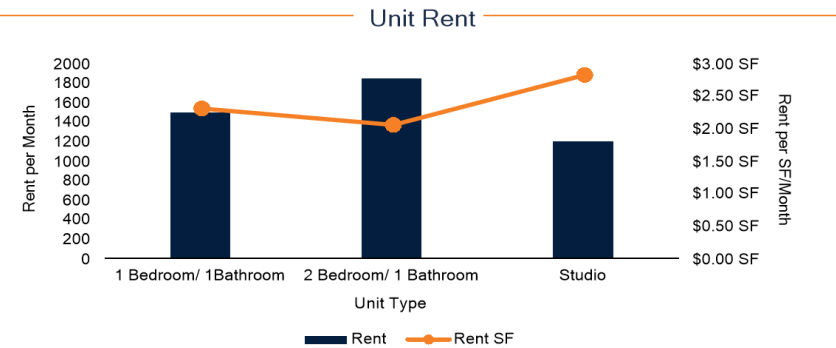
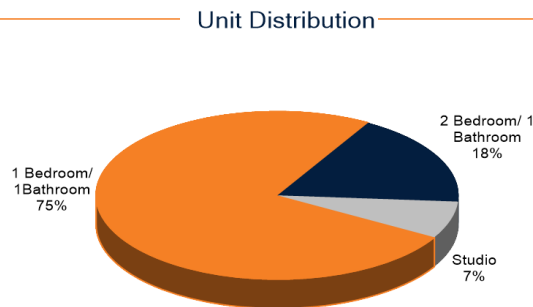


RENT ROLL SUMMARY

As of May, 2017

Unit Type	# of Units	Avg Sq Feet	Current			Potential		
			Average Rent	Average Rent / SF	Monthly Income	Average Rent	Average Rent / SF	Monthly Income
1 Bedroom/ 1 Bathroom	21	650	\$1,500	\$2.31	\$31,500	\$1,900	\$2.92	\$39,900
2 Bedroom/ 1 Bathroom	5	900	\$1,850	\$2.06	\$9,250	\$2,200	\$2.44	\$11,000
Studio	2	425	\$1,200	\$2.82	\$2,400	\$1,550	\$3.65	\$3,100
Totals/Weighted Averages	28	679	\$1,541	\$2.27	\$43,150	\$1,929	\$2.84	\$54,000
Gross Annualized Rents			\$517,800			\$648,000		

Notes:



OPERATING STATEMENT

Income	Current		Year 1	Notes	Per Unit	Per SF
Gross Current Rent	517,800		648,000		23,143	34.11
Physical Vacancy	(15,534)	3.0%	(19,440)	3.0%	(694)	(1.02)
Economic Vacancy						
Non-Revenue Units		0.0%	0	0.0%	0	0.00
Bad Debt		0.0%	0	0.0%	0	0.00
Concession		0.0%	0	0.0%	0	0.00
Total Vacancy	(\$15,534)	3.0%	(\$19,440)	3.0%	(\$694)	(\$1)
Economic Occupancy	97.00%		97.00%			
Effective Rental Income	502,266		628,560		22,449	33.08
Other Income						
Utility Bill-Back					0	0.00
All Other Income					0	0.00
Total Other Income	\$0		\$0		\$0	\$0.00
Effective Gross Income	\$502,266		\$628,560		\$22,449	\$33.08
Expenses	Current		Year 1	Notes	Per Unit	Per SF
Real Estate Taxes	84,847		84,847		3,030	4.47
Insurance	17,163		17,163		613	0.90
Utilities - Electric & Gas	9,296		9,296		332	0.49
Utilities - Water & Sewer	11,664		11,664		417	0.61
					0	0.00
Trash Removal	3,646		3,646		130	0.19
Repairs & Maintenance	14,664		14,664		524	0.77
Cleaning Supplies & Labor	1,031		1,031		37	0.05
Turnover Expenses	8,225		8,225		294	0.43
Facility Maintenance & Payroll	24,644		24,644		880	1.30
Alarm Monitoring/Inspection					0	0.00
Management and Accounting	26,475		26,475		946	1.39
Misc. Expenses	2,895		2,895		103	0.15
Operating Reserves					0	0.00
Management Fee	25,113	5.0%	31,428	5.0%	1,122	1.65
Total Expenses	\$229,663		\$235,978		\$8,428	\$12.42
Expenses as % of EGI	45.7%		37.5%			
Net Operating Income	\$272,603		\$392,582		\$14,021	\$20.66

Notes and assumptions to the above analysis are on the following page.

NOTES

Notes to Operating Statement

PRICING DETAIL

Summary		
Price	\$9,150,000	
Down Payment	\$9,150,000	100%
Number of Units	28	
Price Per Unit	\$326,786	
Price Per SqFt	\$481.58	
Rentable SqFt	19,000	
Lot Size	0.66 Acres	
Approx. Year Built	1965	

Returns	Current	Year 1
GAP Rate	2.98%	4.29%
GRM	17.67	14.12
Cash-on-Cash	2.98%	4.29%
Debt Coverage Ratio	0.00	0.00

Financing	1st Loan
Loan Amount	\$0
Loan Type	New
Interest Rate	0.00%
Amortization	0 Years
Year Due	1900

Loan information is subject to change. Contact your Marcus and Millichap Capital Corporation representative.

# Of Units	Unit Type	SqFt/Unit	Current Rents	Market Rents
21	1 Bedroom/ 1Bathroom	650	\$1,500	\$1,900
5	2 Bedroom/ 1 Bathroom	900	\$1,850	\$2,200
2	Studio	425	\$1,200	\$1,550

Operating Data

Income		Current		Year 1
Gross Scheduled Rent		\$517,800		\$648,000
Less: Vacancy/Deductions	3.0%	\$15,534	3.0%	\$19,440
Total Effective Rental Income		\$502,266		\$628,560
Other Income		\$0		\$0
Effective Gross Income		\$502,266		\$628,560
Less: Expenses	45.7%	\$229,663	37.5%	\$235,978
Net Operating Income		\$272,603		\$392,582
Cash Flow		\$272,603		\$392,582
Debt Service		\$0		\$0
Net Cash Flow After Debt Service	2.98%	\$272,603	4.29%	\$392,582
Principal Reduction		\$0		\$0
Total Return	2.98%	\$272,603	4.29%	\$392,582

Expenses	Current	Year 1
Real Estate Taxes	\$84,847	\$84,847
Insurance	\$17,163	\$17,163
Utilities - Electric & Gas	\$9,296	\$9,296
Utilities - Water & Sewer	\$11,664	\$11,664
0	\$0	\$0
Trash Removal	\$3,646	\$3,646
Repairs & Maintenance	\$14,664	\$14,664
Cleaning Supplies & Labor	\$1,031	\$1,031
Turnover Expenses	\$8,225	\$8,225
Facility Maintenance & Payroll	\$24,644	\$24,644
Alarm Monitoring/Inspection	\$0	\$0
Management and Accounting	\$26,475	\$26,475
Misc. Expenses	\$2,895	\$2,895
Operating Reserves	\$0	\$0
Management Fee	\$25,113	\$31,428
Total Expenses	\$229,663	\$235,978
Expenses/Unit	\$8,202	\$8,428
Expenses/SF	\$12.09	\$12.42

MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources providing the most competitive rates and terms.

We leverage our prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues to the benefit of our clients.



**Closed 1,651
debt and equity
financings
in 2016**



**National platform
operating
within the firm's
brokerage offices**



**\$5.1 billion
total national
volume in 2016**



**Access to
more capital
sources than
any other firm
in the industry**

WHY MMCC?

**Optimum financing solutions
to enhance value**

**Our ability to enhance
buyer pool by expanding
finance options**

**Our ability to enhance
seller control**

- **Through buyer qualification support**
- **Our ability to manage buyers finance expectations**
- **Ability to monitor and manage buyer/lender progress, insuring timely, predictable closings**
- **By relying on a world class set of debt/equity sources and presenting a tightly underwritten credit file**

PRESENTED BY

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