

1910-1912 Euclid Avenue

EAST PALO ALTO, CA



OFFERING MEMORANDUM



Marcus & Millichap

1910-1912 Euclid Avenue

EAST PALO ALTO, CA

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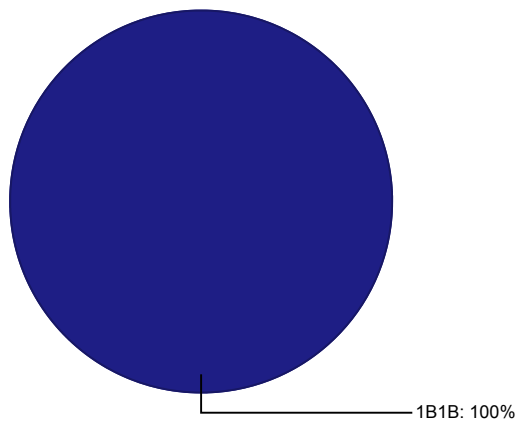
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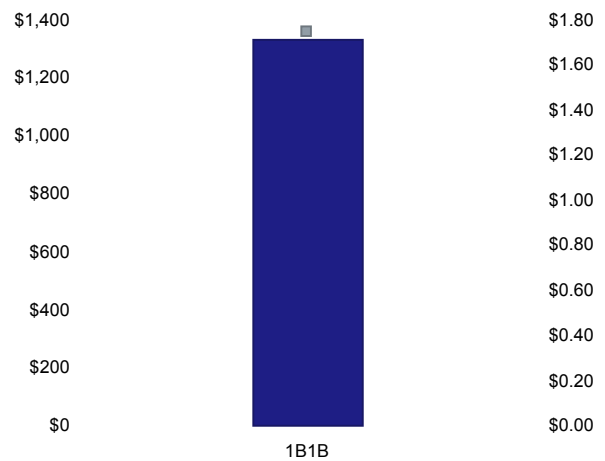
UNIT MIX

No. of Units	Unit Type	Approx. Square Feet	Current Rents	Rent/ SF	Monthly Income	Pro Forma Rents	Rent/ SF	Monthly Income
2	1 Bdr 1 Bath Apartments	760	\$1,333	\$1.75	\$2,666	\$2,050	\$2.70	\$4,100
2	TOTAL	1,518			\$2,666			\$4,100

Unit Mix



Unit Rent & Rent/SF



Comments

MAR (Max Allowable Rent) up to \$1,333 for existing units.
 Unit #2 will be leaving upon sale and can be raised to market of \$2,050.

RENT ROLL

Unit Number	Unit Type		Unit SF	Current Rent	Rent/SF	Asking Rent	Rent/SF
A	2 Bdr	1 Bath	760	\$1,333	\$1.75	\$2,050	\$2.70
B	2 Bdr	1 Bath	760	\$1,333	\$1.75	\$2,050	\$2.70
TOTAL				\$0		\$0	
2	TOTAL		1,520	\$2,666		\$4,100	
2	TOTAL		1,520	\$2,666		\$4,100	

Comments

FINANCIAL OVERVIEW

Location

1910-1912 Euclid Avenue
East Palo Alto, CA 94303

Price	Request For Offer
Number of Units	2
Rentable Square Feet	1,518
Year Built	1947
Lot Size	5,544 Square Feet
Type of Ownership	Fee Simple

Annualized Operating Data

Income	Current	Pro Forma
Gross Potential Rent	\$31,992	\$49,200
Other Income		\$500
Gross Potential Income	\$31,992	\$49,700
Less: Vacancy/Deductions (GPR)	3.0% / \$960	3.0% / \$1,476
Effective Gross Income	\$31,032	\$48,224
Less: Expenses	\$12,265	\$12,265
Net Operating Income	\$18,767	\$35,959
Net Cash Flow Before Debt Service	\$18,767	\$35,959

Expenses are an average of the property's expenses over the past few years. Owner's records.

Expenses		
Real Estate Taxes	\$7,950	\$7,950
Trash & Special Charges	\$1,515	\$1,515
Water	\$1,200	\$1,200
Landscaping	\$600	\$600
Repairs & Maintenance	\$1,000	\$1,000
Total Expenses	\$12,265	\$12,265
Expenses/unit	\$6,133	\$6,133
Expenses/SF	\$8.08	\$8.08
% of EGI	39.52%	25.43%

Scheduled Income

No. of Units	Unit Type	Approx. Square Feet	Current Rents	Rent/SF	Monthly Income	Pro Forma Rents	Rent/SF	Monthly Income
2	1 Bdr 1 Bath	760	\$1,333	\$1.75	\$2,666	\$2,050	\$2.70	\$4,100
2	Total/Wtd. Avg.	1,518			\$2,666			\$4,100

PROPERTY DESCRIPTION

1910-1912 Euclid Avenue

EAST PALO ALTO, CA

INVESTMENT OVERVIEW

Investment Highlights

- Mature Landscaping
- Located in West of Hwy 101 in East Palo Alto
- Huge Upside Rent Potential
- Upgraded Double-Pane Windows



This very well-maintained East Palo Alto duplex consists of two (2) one-bedroom/one-bath single-story units consisting of approximately 1,518 square feet of livable space situated on a parcel totaling 5,544 square feet. The property is located on the West side of Highway 101 and is just a block away from the new Four Seasons Hotel, and the corporate park located at the junction of Woodland and University Avenues.

The building is constructed of a wood frame with stucco siding and has a pitched composition shingle roof as well as updated double-pane windows. The subject property enjoys mature landscaping that is well-manicured and frequently cared for.

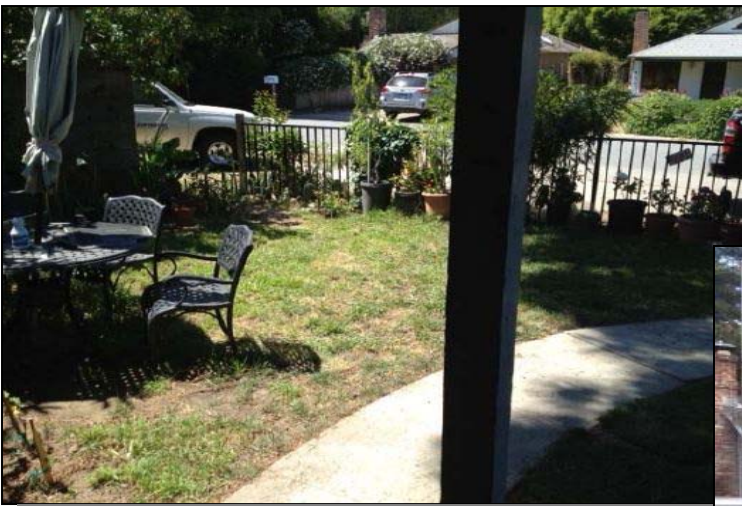
All the units are individually metered for both gas and electric keeping the owner's expenses low. 1910-1912 Euclid Avenue will provide the new owner an ideal owner-occupied scenario or simply a long term investment with huge upside potential in rents.

PROPERTY PHOTOS



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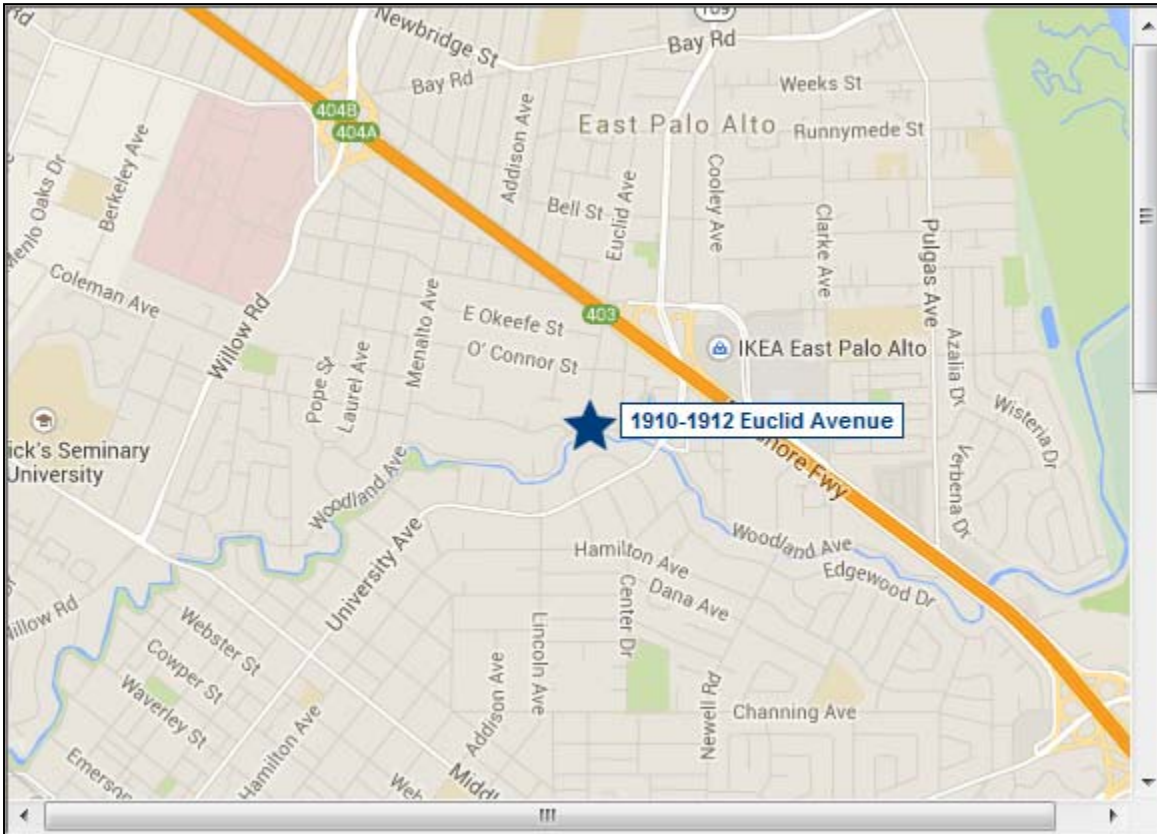
PROPERTY PHOTOS



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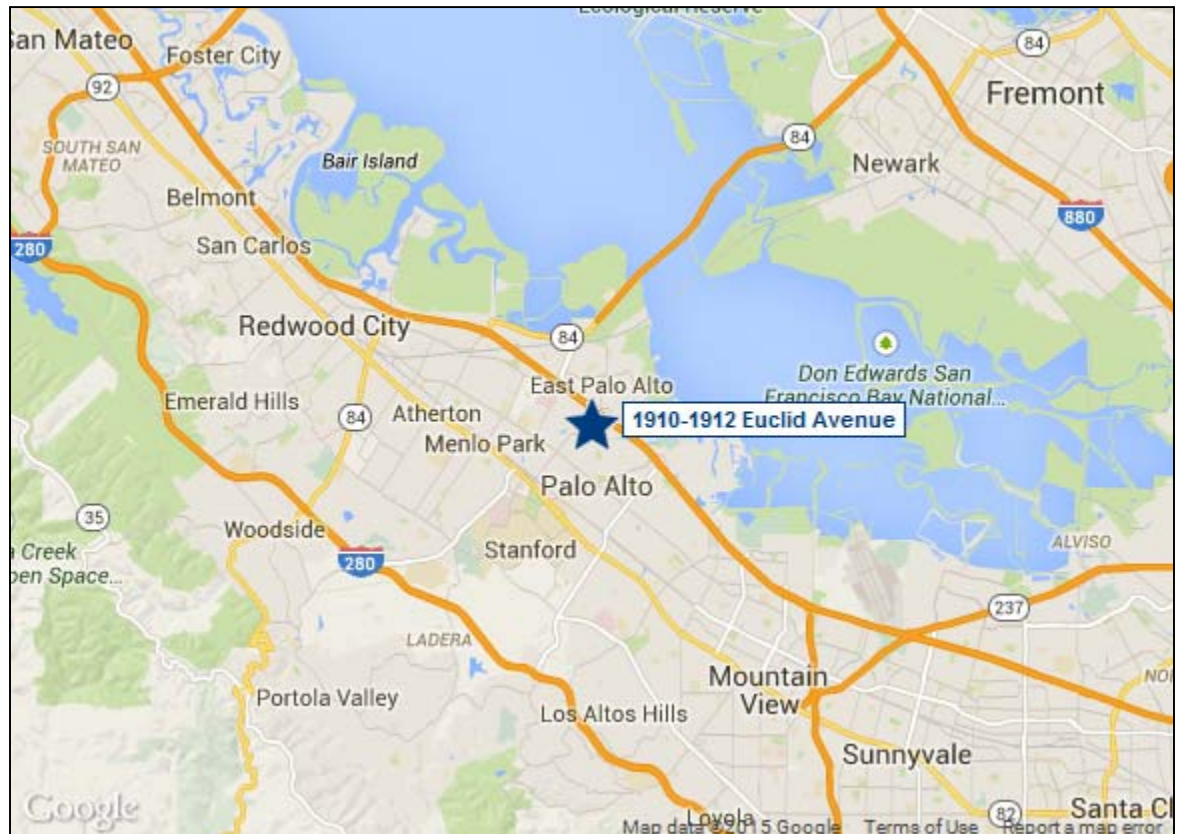
PROPERTY DESCRIPTION



Local Map



Regional Map



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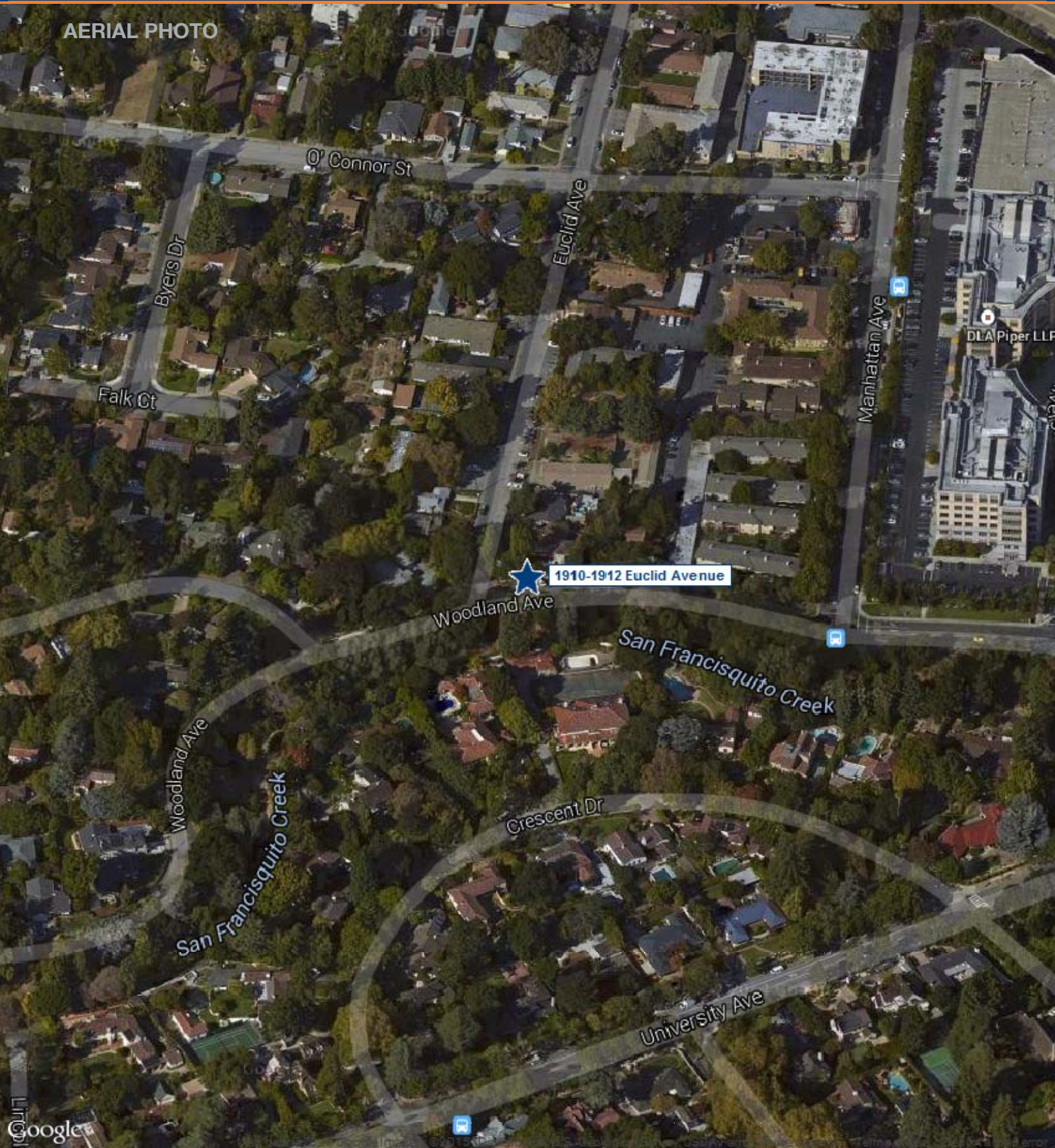
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PROPERTY DESCRIPTION

AERIAL PHOTO



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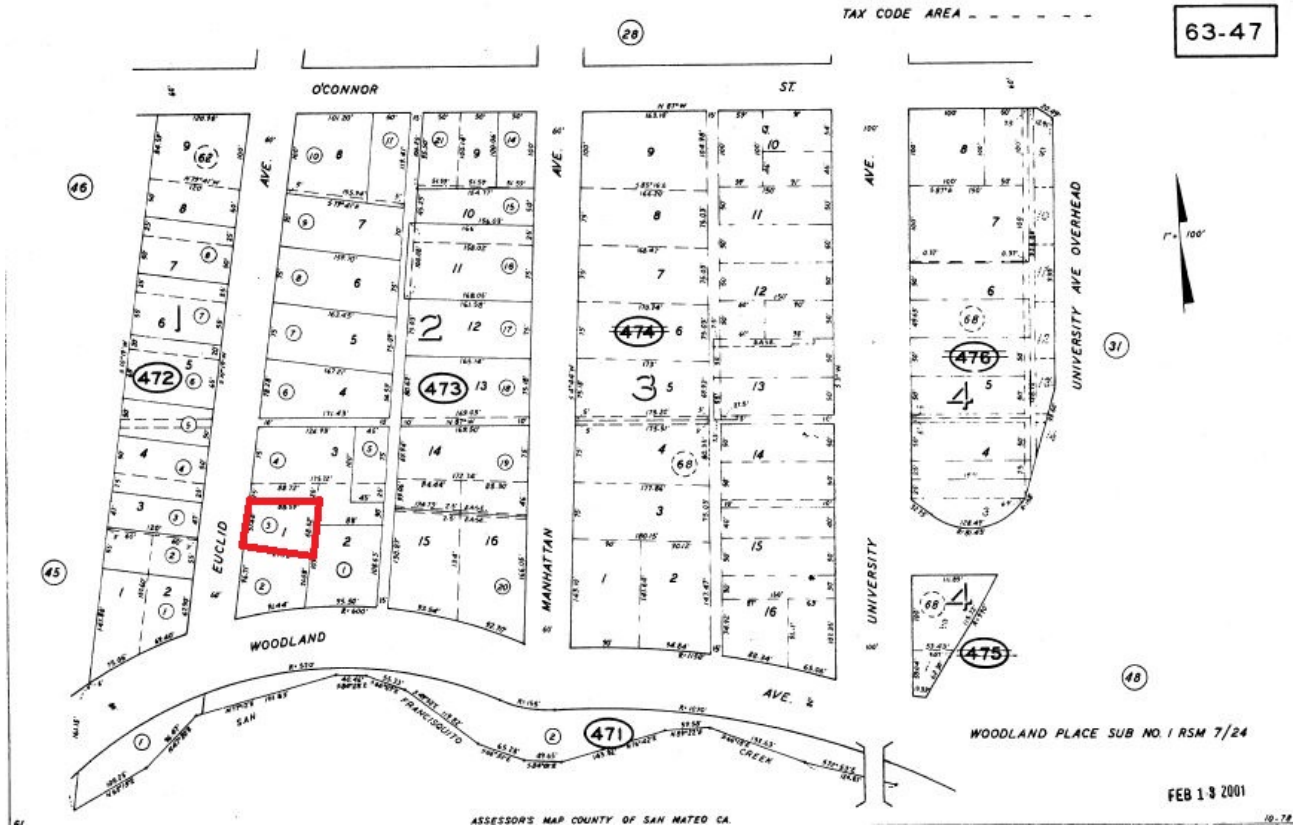
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PROPERTY DESCRIPTION

SITE PLAN



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RECENT SALES

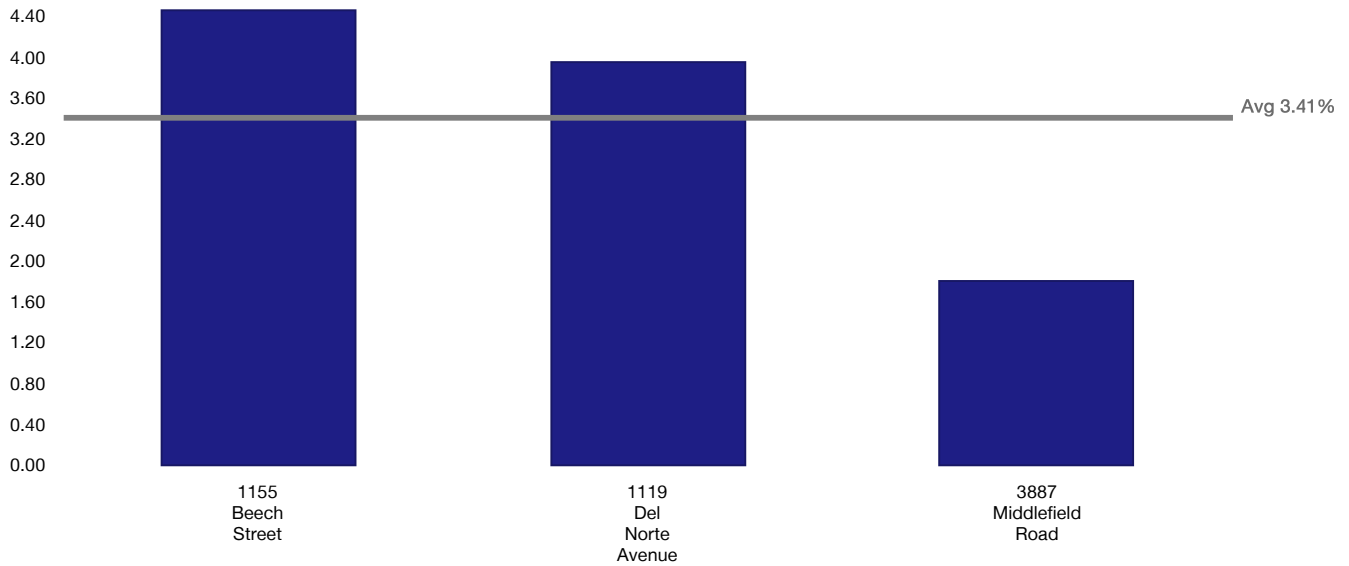
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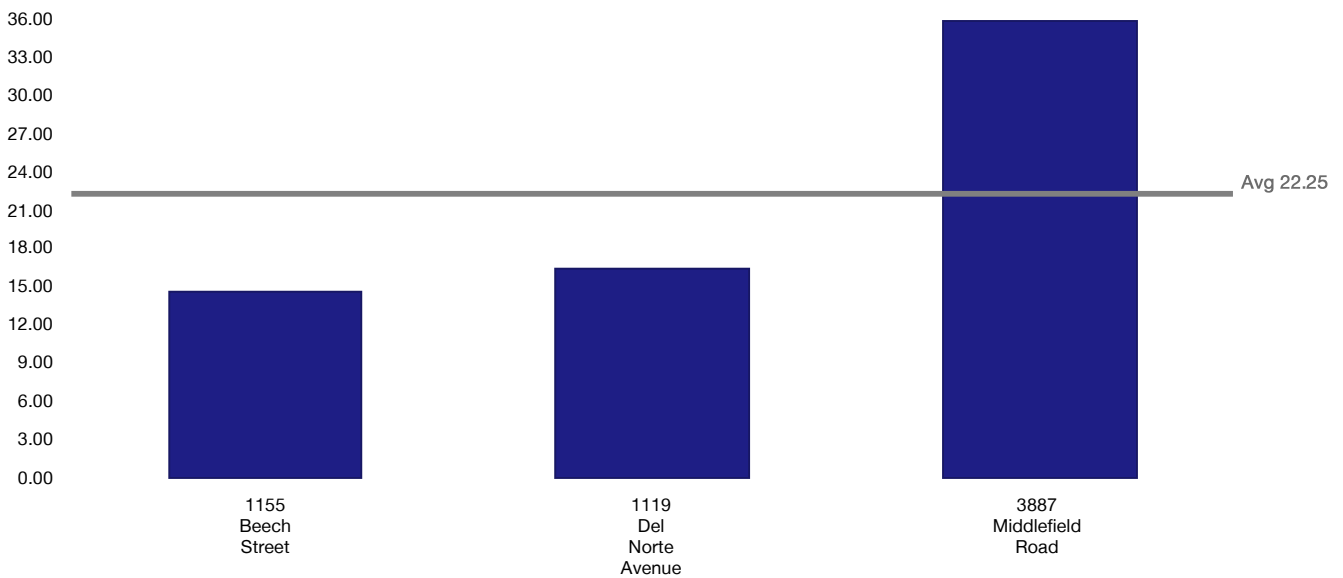
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CAP RATE AND GRM

Average Cap Rate



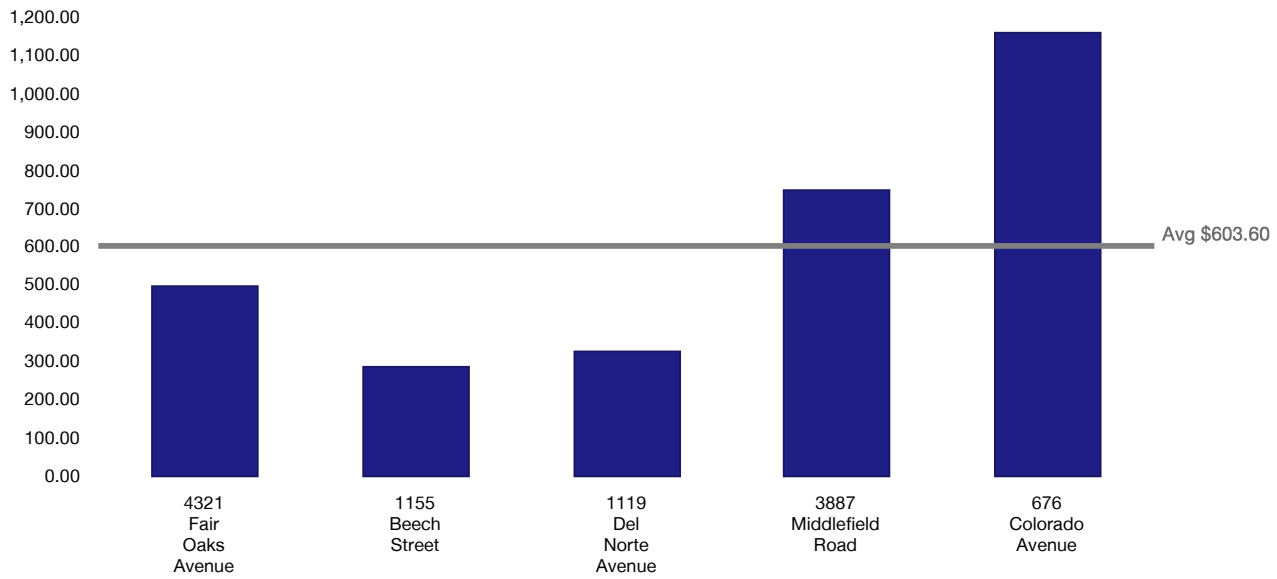
Average GRM



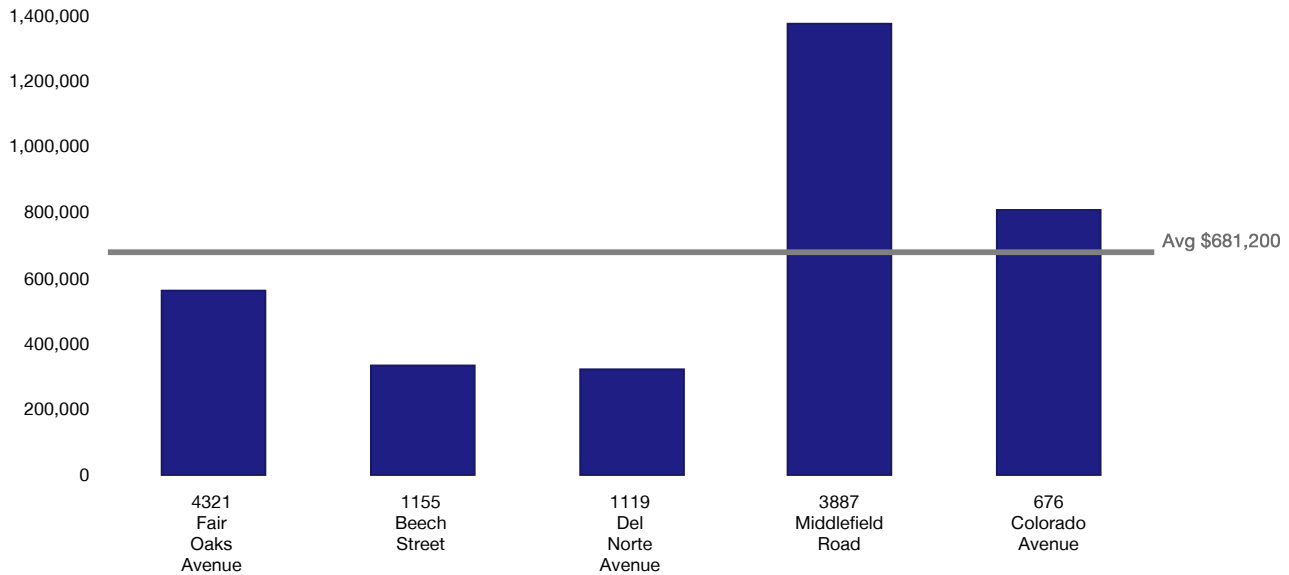
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PRICE PER SF AND PRICE PER UNIT

Average Price per Square Foot



Average Price per Unit



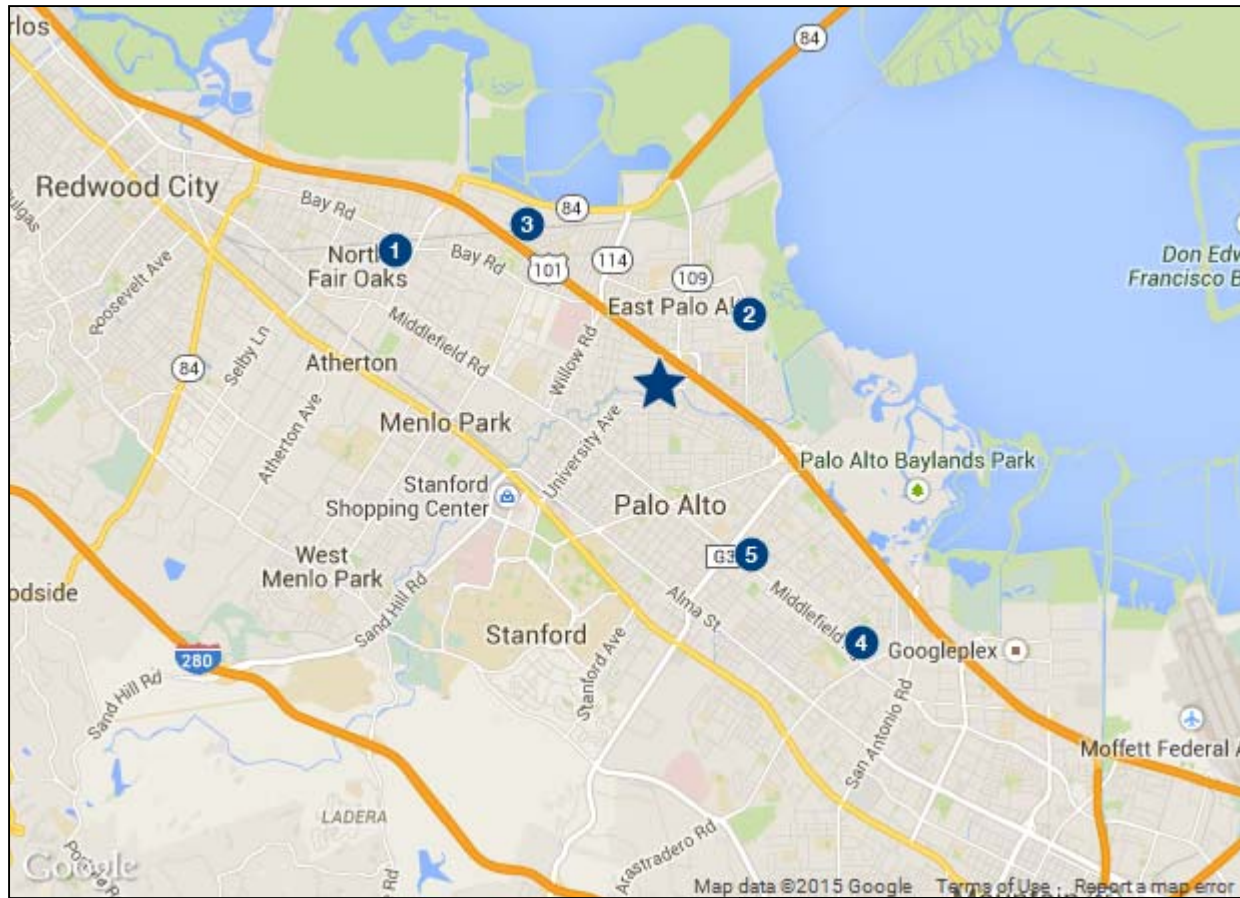
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RECENT SALES

RECENT SALES MAP



- ★ 1910-1912 Euclid Avenue
- 1) 4321 Fair Oaks Avenue
- 2) 1155 Beech Street
- 3) 1119 Del Norte Avenue
- 4) 3887 Middlefield Road
- 5) 676 Colorado Avenue

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RECENT SALES



Subject Property

1910-1912 Euclid Avenue
East Palo Alto, CA 94303

No. of Units: 2
Year Built: 1947
Sale Price: Request For Offer

Units	Unit Type
2	1 Bdr 1 Bath Apartments

Comments

1155 Beech

1



Close of Escrow: 3/31/15

4321 Fair Oaks Avenue
Menlo Park, CA 94025

No. of Units: 2
Year Built: 1957
Sale Price: \$1,130,000
Price/Unit: \$565,000
Price/SF: \$497.00
CAP Rate:
GRM:

Units	Unit Type
2	2 Bdr 1 Bath 1136 SF

Comments

Large unit sizes. Rental condition at time of sale. Each unit has a garage space. No operating information.

2



Close of Escrow: 10/15/14

1155 Beech Street
East Palo Alto, CA 94303

No. of Units: 2
Year Built: 1960
Sale Price: \$673,000
Price/Unit: \$336,500
Price/SF: \$287.00
CAP Rate: 4.46%
GRM: 14.56

Units	Unit Type
1	3 Bdr 2 Bath \$2100
1	2 Bdr 1 Bath \$1750

Comments

Much worse neighborhood than subject property.

RECENT SALES

3



Close of Escrow: 10/24/14

1119 Del Norte Avenue
Menlo Park, CA 94025

No. of Units: 2
Year Built: 1951
Sale Price: \$639,000
Price/Unit: \$319,500
Price/SF: \$325.00
CAP Rate: 3.96%
GRM: 16.38

Units	Unit Type
1	2 Bdr 1 Bath \$1650
1	1 Bdr 1 Bath \$1600

Comments

Rental grade. Below market rents .

4



Close of Escrow: 3/21/15

3887 Middlefield Road
Palo Alto, CA 94303

No. of Units: 2
Year Built: 1964
Sale Price: \$2,750,000
Price/Unit: \$1,375,000
Price/SF: \$748.00
CAP Rate: 1.81%
GRM: 35.80

Units	Unit Type
2	3 Bdr 2 Bath \$3200

Comments

Unit sizes are massive 1,838 Square foot. Prime A+ location.

5



Close of Escrow: 12/10/14

676 Colorado Avenue
Palo Alto, CA 94306

No. of Units: 2
Year Built: 1948
Sale Price: \$1,620,000
Price/Unit: \$810,000
Price/SF: \$1,161.00
CAP Rate:
GRM:

Units	Unit Type
2	2 Bdr 1 Bath

Comments

No operating information.

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POPULATION DENSITY



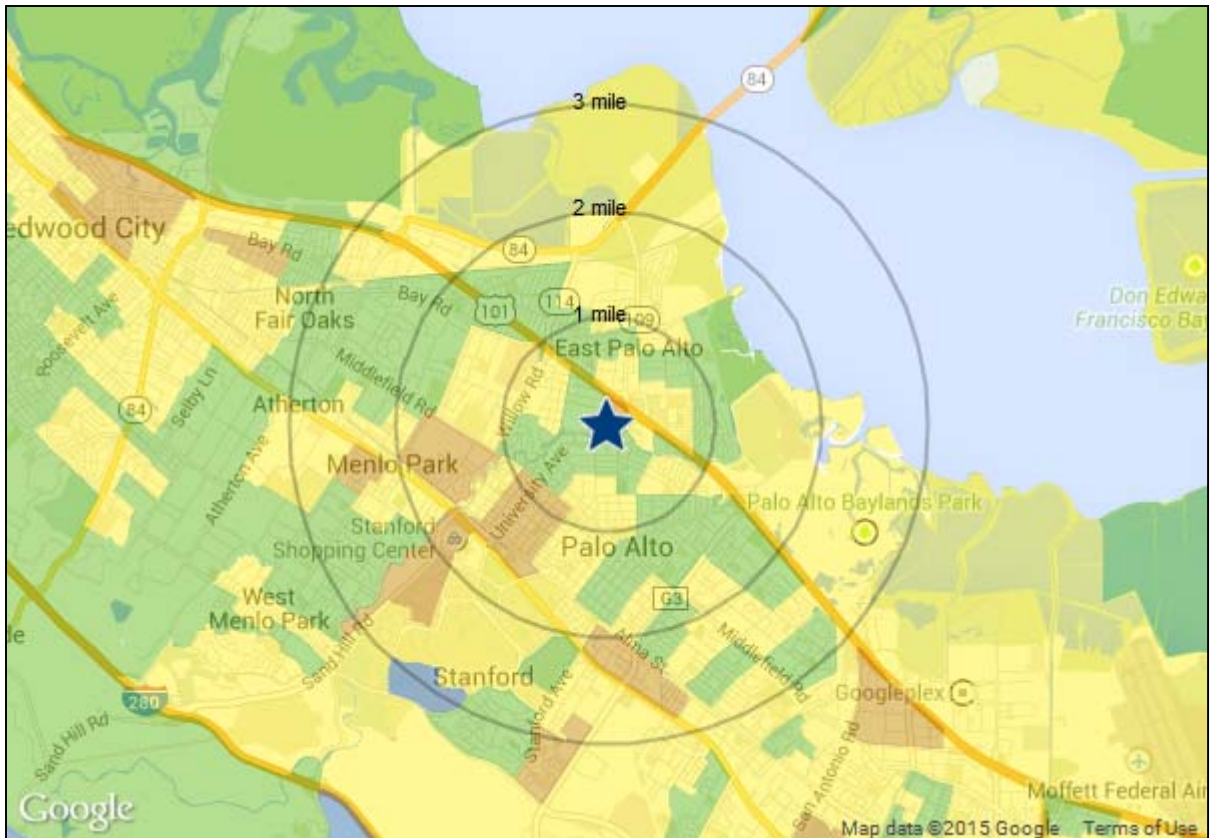
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Population Density

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



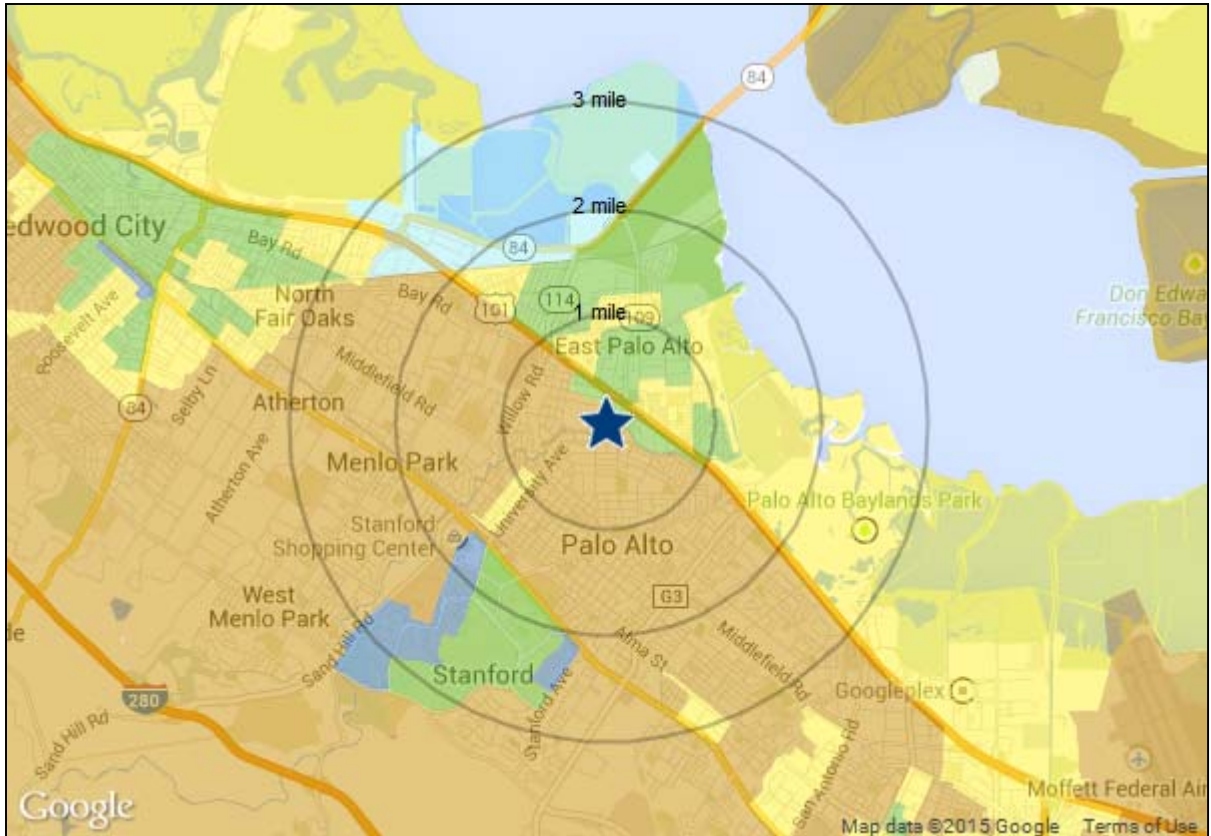
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Employment Density

Theme	Low	High
Low	less than 9	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



Demographic data © 2010 by Experian/Applied Geographic Solutions.

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.

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DEMOGRAPHIC ANALYSIS

TRAFFIC COUNTS



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Two-way, average daily traffic volumes.

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DEMOGRAPHIC REPORT

	1 Mile	3 Miles	5 Miles
2000 Population	33,067	117,535	231,311
2010 Population	32,687	121,845	238,356
2014 Population	34,396	127,749	249,948
2019 Population	35,323	130,903	254,974
2000 Households	10,394	40,977	83,369
2010 Households	10,291	42,781	85,478
2014 Households	10,927	45,327	90,547
2019 Households	11,196	46,645	92,519
2014 Average Household Size	3.07	2.63	2.64
2014 Daytime Population	6,550	90,586	280,429
2000 Owner Occupied Housing Units	48.47%	49.35%	49.25%
2000 Renter Occupied Housing Units	49.18%	47.67%	47.94%
2000 Vacant	2.35%	2.98%	2.81%
2014 Owner Occupied Housing Units	49.64%	47.44%	47.66%
2014 Renter Occupied Housing Units	50.36%	52.56%	52.34%
2014 Vacant	4.71%	1.91%	1.55%
2019 Owner Occupied Housing Units	49.49%	46.69%	47.25%
2019 Renter Occupied Housing Units	50.51%	53.31%	52.75%
2019 Vacant	5.04%	1.93%	1.62%
\$ 0 - \$14,999	10.6%	9.1%	8.5%
\$ 15,000 - \$24,999	6.7%	5.9%	6.8%
\$ 25,000 - \$34,999	9.3%	7.2%	7.6%
\$ 35,000 - \$49,999	10.2%	8.5%	9.2%
\$ 50,000 - \$74,999	12.6%	11.6%	12.4%
\$ 75,000 - \$99,999	8.8%	10.5%	10.4%
\$100,000 - \$124,999	7.8%	9.1%	9.7%
\$125,000 - \$149,999	5.8%	7.2%	7.0%
\$150,000 - \$199,999	7.3%	9.5%	9.1%
\$200,000 - \$249,999	7.2%	7.6%	6.8%
\$250,000 +	13.7%	13.9%	12.5%
2014 Median Household Income	\$76,395	\$93,331	\$88,067
2014 Per Capita Income	\$45,980	\$54,591	\$52,626
2014 Average Household Income	\$144,338	\$151,780	\$143,286

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SUMMARY REPORT

Geography: 5 miles

Population

In 2014, the population in your selected geography is 249,947. The population has changed by 8.05% since 2000. It is estimated that the population in your area will be 254,974 five years from now, which represents a change of 2.01% from the current year. The current population is 50.21% male and 49.78% female. The median age of the population in your area is 35.3, compare this to the Entire US average which is 37.3. The population density in your area is 3,179.54 people per square mile.

Households

There are currently 90,547 households in your selected geography. The number of households has changed by 8.61% since 2000. It is estimated that the number of households in your area will be 92,518 five years from now, which represents a change of 2.17% from the current year. The average household size in your area is 2.63 persons.

Income

In 2014, the median household income for your selected geography is \$88,067, compare this to the Entire US average which is currently \$51,972. The median household income for your area has changed by 24.66% since 2000. It is estimated that the median household income in your area will be \$109,438 five years from now, which represents a change of 24.26% from the current year.

The current year per capita income in your area is \$52,626, compare this to the Entire US average, which is \$28,599. The current year average household income in your area is \$143,285, compare this to the Entire US average which is \$74,533.

Race & Ethnicity

The current year racial makeup of your selected area is as follows: 56.66% White, 4.25% Black, 1.59% Native American and 16.55% Asian/Pacific Islander. Compare these to Entire US averages which are: 71.60% White, 12.70% Black, 0.18% Native American and 5.02% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 29.93% of the current year population in your selected area. Compare this to the Entire US average of 17.13%.

Housing

In 2000, there were 42,246 owner occupied housing units in your area and there were 41,122 renter occupied housing units in your area. The median rent at the time was \$1,056.

Employment

In 2014, there are 280,428 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 73.49% of employees are employed in white-collar occupations in this geography, and 26.45% are employed in blue-collar occupations. In 2014, unemployment in this area is 5.83%. In 2000, the average time traveled to work was 22.8 minutes.

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