

Offering Memorandum

Rare Multifamily Offering 2301 Flores Street, San Mateo, CA 94403

14-Units | Offered at: \$7,550,000



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COMPASS
COMMERCIAL
988 Howard Avenue (Suite 300)
Burlingame, CA 94010

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**All property showings are by appointment only.
Please consult listing agent for more details.**

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EXECUTIVE SUMMARY

Address	2301 Flores Street San Mateo, California
County	San Mateo County
APN	039-154-130
Zoning	R4 - High Density Multi-Family

Price	\$7,550,000
Units	14
Price/Unit	\$539,286
Price/Sqft	\$550
Rentable Square Feet	13,727
Lot Size	18,574
Year Built	1954
Current Cap Rate	3.80%
Current GIM	16.85
Projected Cap Rate	4.24%
Projected GIM	15.71

RENT ROLL SUMMARY

TYPE	UNITS	CURRENT RENT	MARKET RENT
2-Bedroom/1-Bath (+/-745 sqft)	14	\$2,190-\$2,825	\$2,825
Laundry Income		\$500	\$500
TOTAL MONTHLY		\$37,340	\$40,050
TOTAL ANNUAL		\$448,080	\$480,600

FINANCING



Listed purchase price: \$7,550,000

Estimated loan amount: \$3,600,000

10-10-10 Movable® loan program

30 year amortized loan fixed every 10 years

First 10 years fixed at 3.125%

Margin: 2.0% over 10 year Treasury Bond Index

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RENT ROLL

UNIT	TYPE	CURRENT RENT	MARKET RENT
1	2-Bedroom/1-Bath	\$2,625	** \$2,825
2	2-Bedroom/1-Bath	\$2,190	\$2,825
3	2-Bedroom/1-Bath	\$2,625	\$2,825
4	2-Bedroom/1-Bath	\$2,695	\$2,825
5	2-Bedroom/1-Bath	\$2,625	\$2,825
6	2-Bedroom/1-Bath	\$2,625	\$2,825
7	2-Bedroom/1-Bath	\$2,625	\$2,825
8	[1] 2-Bedroom/1-Bath	\$2,800	\$2,825
9	[2] 2-Bedroom/1-Bath	\$2,825	\$2,825
10	2-Bedroom/1-Bath	\$2,690	\$2,825
11	[3] 2-Bedroom/1-Bath	\$2,700	\$2,825
12	2-Bedroom/1-Bath	\$2,625	\$2,825
13	2-Bedroom/1-Bath	\$2,690	\$2,825
14	2-Bedroom/1-Bath	\$2,500	\$2,825
MONTHLY RENT TOTALS		\$36,840	\$39,550
	Laundry Income	\$500	\$500
MONTHLY GROSS TOTAL		\$37,340	\$40,050
ANNUAL TOTALS		\$448,080	\$480,600

[1] - Housing Authority; Section 8

[2] - Currently vacant for showing, and recently updated.

[3] - Rent reflects assigned private/enclosed garage with storage locker. All other units have carports.

** Market Rents potentially achievable upon light updating.

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PROFORMA OPERATING EXPENSES

PROFORMA INCOME	CURRENT	PROJECTED
Scheduled Gross Rent [1]	\$442,085	\$474,605
Laundry Income [2]	\$5,995	\$5,995
Gross Scheduled Income	\$448,080	\$480,600
Less Vacancy (3.00%) [3]	(\$13,442)	(\$14,418)
EFFECTIVE GROSS INCOME	\$434,638	\$466,182

PROFORMA EXPENSES

New Property Taxes (@ 1.1191%) [4]	\$84,492
Special Assessments [5]	\$446
Sewer [6]	\$19,322
Insurance	\$6,155
Garbage	\$6,548
Water	\$10,262
Gas & Electric	\$6,871
Maintenance	\$5,043
Repairs	\$8,678
TOTAL EXPENSES	\$147,817

EXPENSES	CURRENT	PROJECTED
% Gross Scheduled Income	32.9%	30.7%
Expenses/Unit	\$10,558	\$10,558
NET OPERATING INCOME	\$286,821	\$318,365

NOTES

- [1] Scheduled Gross Rent - Based on Owner's 10/1/21 rent roll
- [2] Actual 2020 Year-end laundry income total
- [3] Vacancy estimated at 3.00% of Gross Scheduled Income
- [4] Price (x) Composite Tax Rate (1.1191%)
- [5] Special Assessments derived from 2021 Tax Bill
- [6] Sewer derived from 2021 Tax Bill

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INVESTMENT OVERVIEW

The Flores Street Complex is a stunning 14-unit building located in highly desirable, San Mateo, California. Situated on an 18,574 square-foot parcel of land, the subject property was constructed in 1954 and has a gross building area of 13,727 square feet. The property is located on a corner lot, which allows for all fourteen of the spacious two-bedroom/one-bathroom units to have either a courtyard or street-view. The property has recently undergone exterior updates including new dual-pane Simonton Windows in 2017 and new exterior paint in 2018.

The Flores Street Complex is within walking distance of the recently redesigned Hillsdale Shopping Mall, and West 25th Avenue's restaurant, grocery and shopping strip. The renter profile will benefit from having the perfect balance of a quiet suburban neighborhood, while being in the immediate proximity to San Mateo's urban attractions.

FEATURES & AMENITIES

- *Beautiful Park-like Central Courtyard*
- *New Dual-pane Simonton Windows 2017*
- *New Exterior Paint in 2018*
- *Two Enclosed Garages & Twelve Carports*
- *Separately Metered for Electricity & Gas*
- *Laundry Room | 2 Washers & 2 Dryers (Owned)*
- *Sloped Tar & Gravel Roof*
- *10-Minute Walk to Hillsdale Shopping Center*
- *5-Minute Walk to West 25th Avenue Market*
- *10-Minute Walk to "Hillsdale CalTrain Station"*



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EXTERIOR PHOTOS



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EXTERIOR PHOTOS

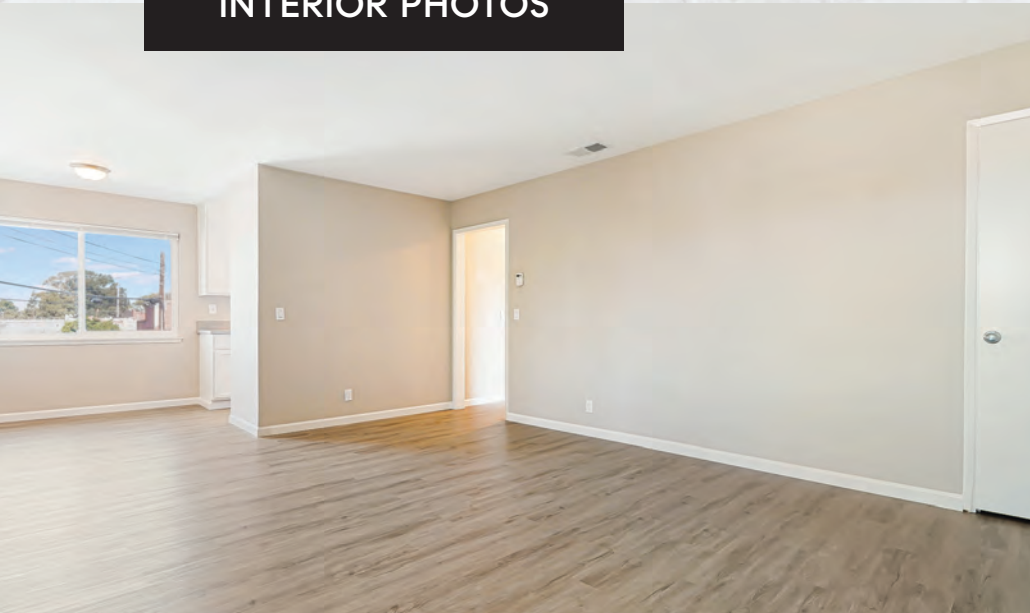


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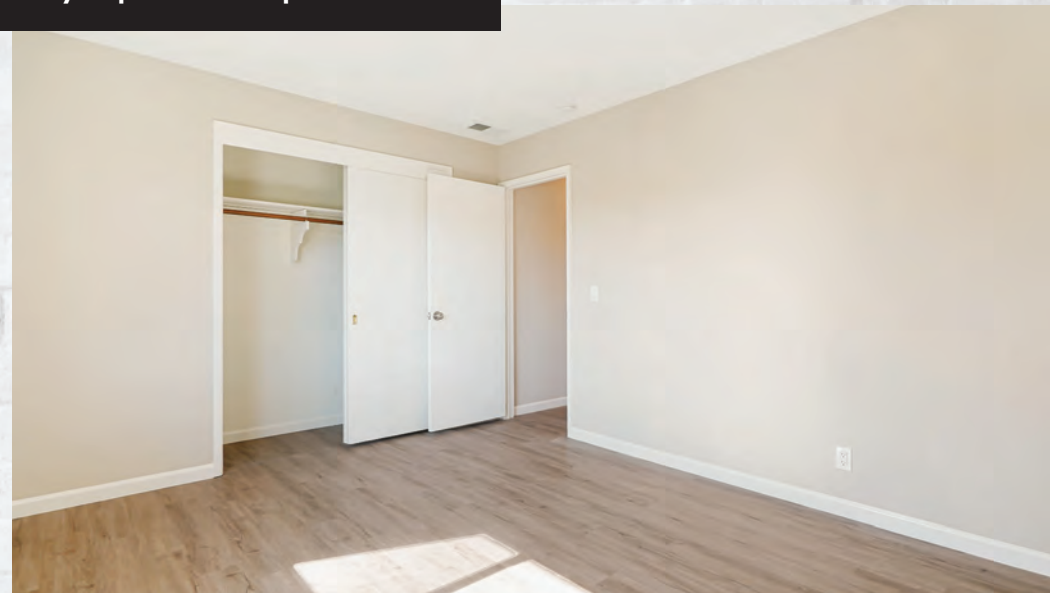
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INTERIOR PHOTOS



2-Bedroom/1-Bathroom Newly Updated Apartment



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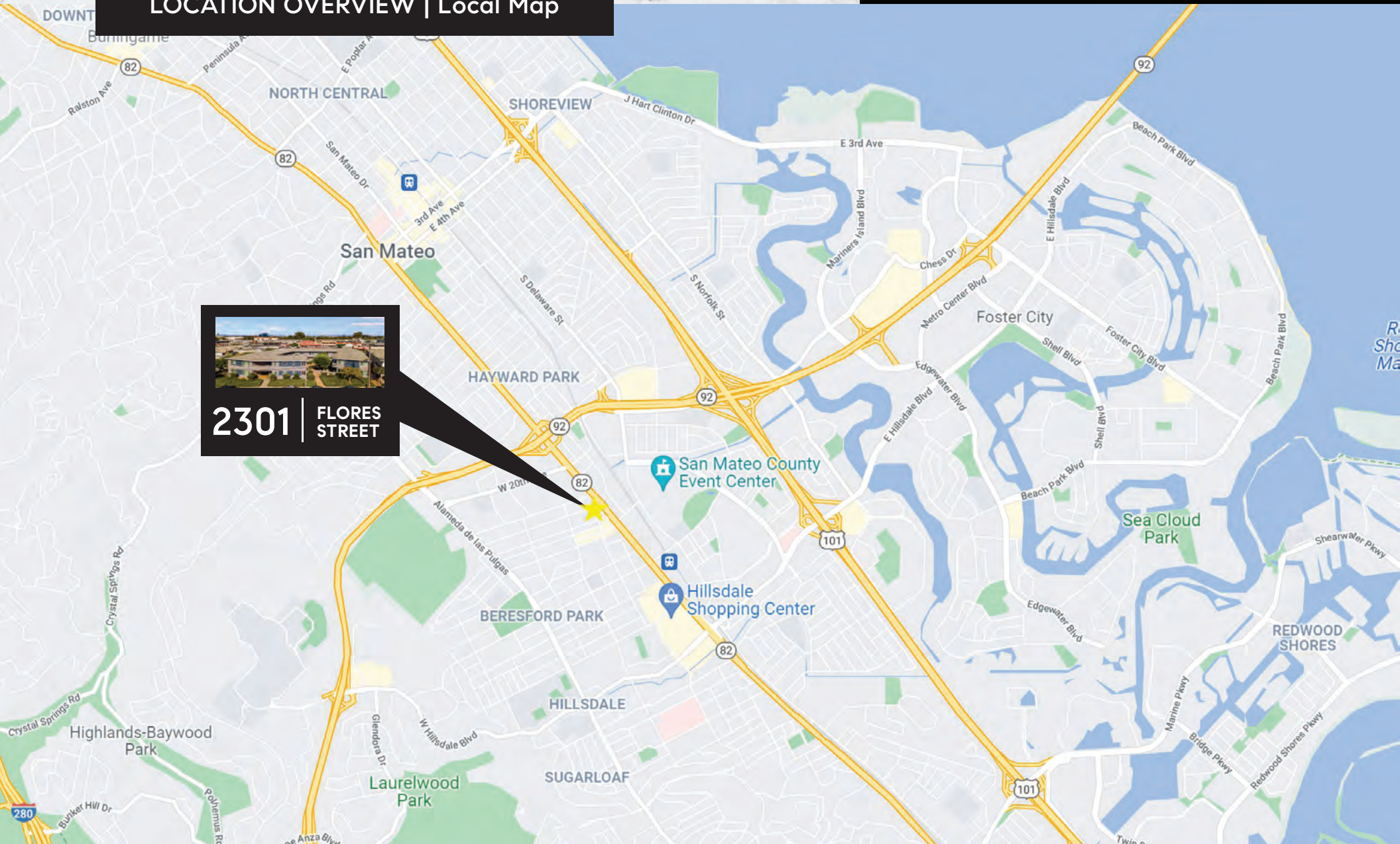


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LOCATION OVERVIEW | Local Map




2301 | FLORES STREET

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LOCATION OVERVIEW | Tax Map



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LOCATION OVERVIEW | Facing South



HILLSDALE SHOPPING CENTER

NORDSTROM, Apple, lululemon, OLD NAVY, Bank of America, Cinépolis LUXURY CINEMAS, BANANA REPUBLIC, SEPHORA, California Pizza Kitchen, GAP, MICHAEL KORS, VANS, VICTORIA'S SECRET, Peet's COFFEE, Paul Marston's AMERICAN GRILL

Market DISTRICT

LA LANTERNA Ristorante, TANNOURINE, THE NOODLE SHOP, LOS TACOS & LOCOS MEXICAN FOOD, San Mateo PRODUCE MARKET, KOBEYA Tokyo's Japanese Kitchen, Fortune Star

Historic El Camino Real

2301 | FLORES STREET

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2301 FLORES STREET | SAN MATEO, CALIFORNIA

LOCATION OVERVIEW | Facing East



2301 | FLORES STREET



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CITY OF SAN MATEO



San Mateo is home to a fascinating collection of historic buildings, urban parks and lively entertainment areas for locals and visitors of all ages. In addition, San Mateo is among the most affluent and prosperous counties in the nation with the median home price exceeding \$1,475,000. Attractions include the Coyote Point Recreation Area, the Greek-Style Pulgas Water Temple, and the kid-focused science museum and zoo known as the CuriOdyssey. San Mateo has one of the larger, well developed, more prominent suburban downtowns in the San Francisco Bay Area. Just a few short blocks from The Flores Street Apartments lies the recently redesigned Hillsdale Shopping Center which is home to over 100 stores restaurants and major retailers such as Apple, Cineapolis, Nordstrom, Macy's, Gap, and Old Navy.

The economy of San Mateo is very diverse with jobs in the technology, health care, financial services, government, and retail trade being among the most numerous. Companies based in San Mateo include SolarCity, Sony, NetSuite, Fisher Investments, Solstice, Guidewire Software, Coupa, Snowflake Inc., Roblox, SurveyMonkey, and GoPro.

San Mateo is near the center of the San Francisco Bay Area about halfway between San Francisco and San Jose, the region's two largest cities. It is served by three major freeways including U.S. Route 101, Interstate 280, and State Route 92. State Route 92 east of San Mateo traverses the San Francisco Bay as the San Mateo-Hayward Bridge to the city of Hayward on its eastern shore.

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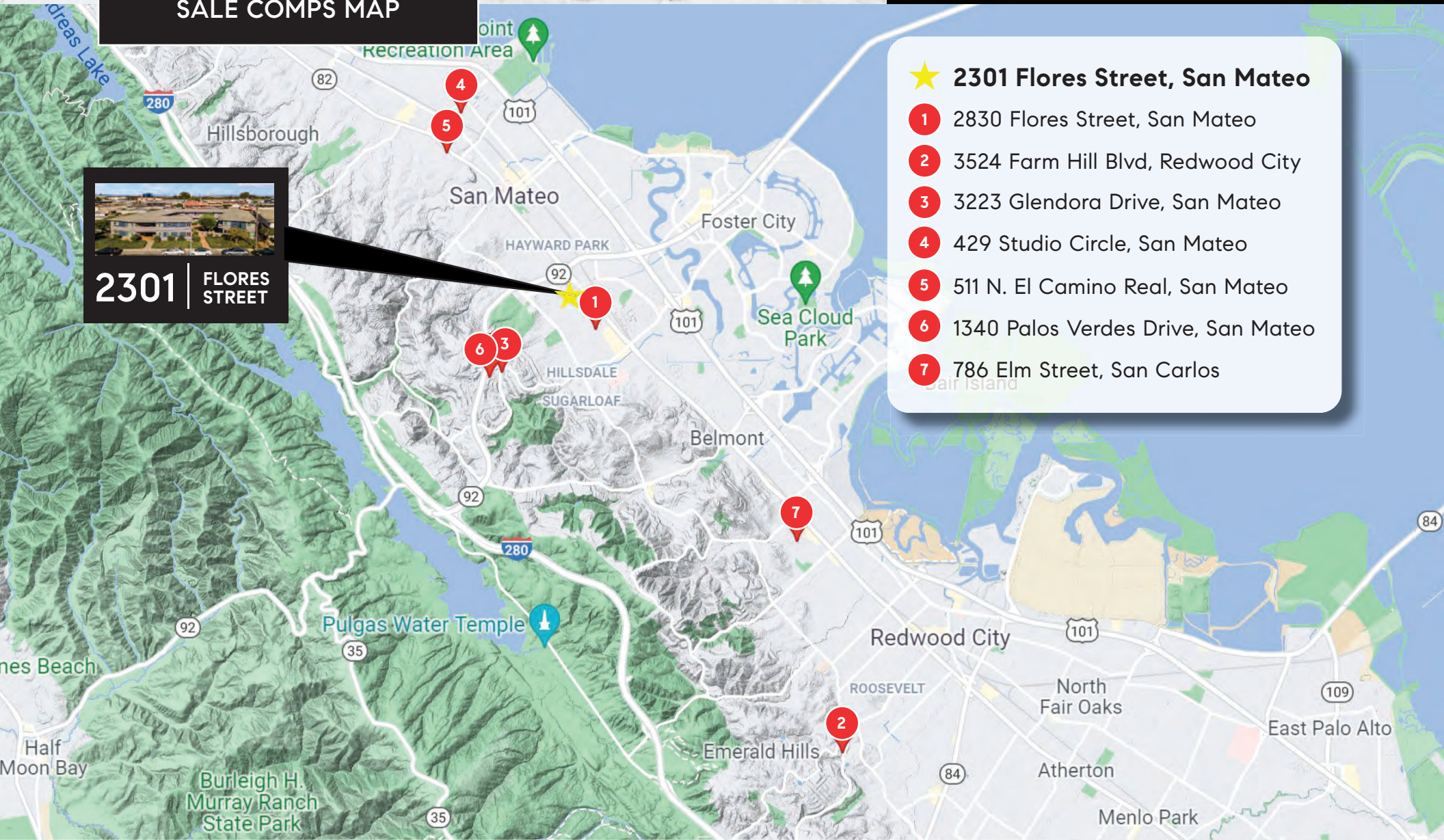
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SALE COMPS MAP



2301 FLORES STREET



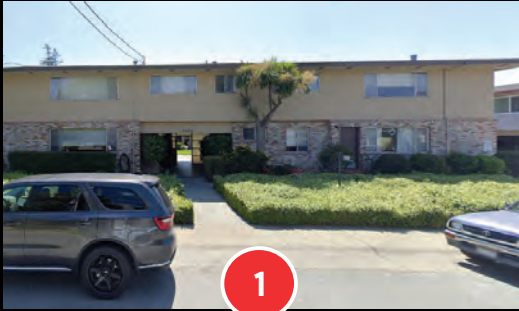
- ★ **2301 Flores Street, San Mateo**
- 1 2830 Flores Street, San Mateo
- 2 3524 Farm Hill Blvd, Redwood City
- 3 3223 Glendora Drive, San Mateo
- 4 429 Studio Circle, San Mateo
- 5 511 N. El Camino Real, San Mateo
- 6 1340 Palos Verdes Drive, San Mateo
- 7 786 Elm Street, San Carlos

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SALE COMPARABLES



2830 Flores Street
San Mateo, CA 94403



3524 Farm Hill Blvd
Redwood City, CA 94061



3223 Glendora Drive
San Mateo, CA 94403

Sale Price	\$7,020,000
Units	17
Price/Unit	\$412,941
Sqft	13,771
Price/Sqft	\$510
Rooms	54
Price/Room	\$130,000
Unit Mix	(7) 2Br/1Ba; (8) 1Br/1Ba, (2) Studio
Cap Rate	3.04%
GRM	17.57
Year Built	1961
COE	1/31/2020

Comments:

Smaller central courtyard and inferior unit mix.

Sale Price	\$15,000,000
Units	24
Price/Unit	\$625,000
Sqft	35,160
Price/Sqft	\$427
Rooms	108
Price/Room	\$138,889
Unit Mix	(13) 3Br/1Ba; (10) 2Br/1Ba, (1) 1Br/1Ba
Cap Rate	3.21%
GRM	18.74
Year Built	1963
COE	9/24/2021

Sale Price	\$4,750,000
Units	9
Price/Unit	\$527,778
Sqft	8,652
Price/Sqft	\$549
Rooms	29
Price/Room	\$163,793
Unit Mix	(2) 2Br/1Ba; (7) 1Br/1Ba
Cap Rate	3.34%
GRM	18.55
Year Built	1964
COE	6/4/2019

Comments:

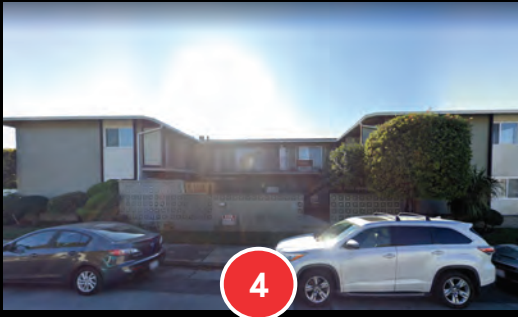
Inferior unit mix. New roof in 2015, dual pane windows, 4 units upgraded.

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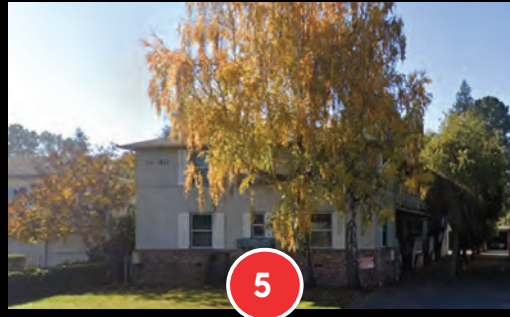
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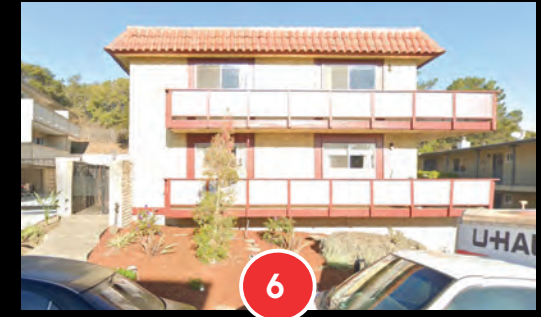
SALE COMPARABLES



429 Studio Circle
San Mateo, CA 94401



511 N. El Camino Real
San Mateo, CA 94401



1340 Palos Verdes Drive
San Mateo, CA 94403

Sale Price	\$3,700,000
Units	7
Price/Unit	\$528,571
Sqft	6,358
Price/Sqft	\$582
Rooms	23
Price/Room	\$160,870
Unit Mix	(2) 2Br/1Ba; (5) 1Br/1Ba
Cap Rate	3.54%
GRM	17.25
Year Built	1962
COE	8/10/2021

Comments:

Inferior unit mix. Interior and exterior renovations done. New roof and dual pane windows.

Sale Price	\$3,870,000
Units	8
Price/Unit	\$483,750
Sqft	6,597
Price/Sqft	\$587
Rooms	24
Price/Room	\$161,250
Unit Mix	(4) 2Br/1Ba; (2) 1Br/1Ba, (2) Studio
Cap Rate	4.16%
GRM	16.57
Year Built	1948
COE	2/28/2020

Comments:

7 of the 8 units updated. Narrow driveway; entrance off busy street.

Sale Price	\$2,775,000
Units	5
Price/Unit	\$555,000
Sqft	7,052
Price/Sqft	\$394
Rooms	19
Price/Room	\$146,053
Unit Mix	(1) 3Br/2Ba; (2) 2Br/1Ba; (2) 1Br/1Ba
Cap Rate	4.03%
GRM	16.61
Year Built	1971
COE	9/25/2020

Comments:

Inferior unit mix. No central courtyard.

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SALE COMPARABLES



786 Elm Street
San Carlos, CA 94070

Sale Price | \$8,200,000
 Units | 18
 Price/Unit | \$455,556
 Sqft | 15,867
 Price/Sqft | \$517
 Rooms | 56
 Price/Room | \$146,429
 Unit Mix | (2) 2Br/1Ba
 | (16) 1Br/1Ba
 Cap Rate | 3.42%
 GRM | 18.34
 Year Built | 1963
 COE | 9/24/2021

	Property Address	City	Sale Price	Close of Escrow	GRM	CAP	\$/SF	\$/Unit	\$/Room
1	2830 Flores Street	San Mateo	\$7,020,000	01/31/20	17.57	3.04%	\$509	\$412,941	\$130,000
2	3524 Farm Hill Blvd	Redwood City	\$15,000,000	09/24/21	18.74	3.21%	\$427	\$625,000	\$138,889
3	3223 Glendora Drive	San Mateo	\$4,750,000	06/04/19	18.55	3.34%	\$549	\$527,778	\$163,793
4	429 Studio Circle	San Mateo	\$3,700,000	08/10/21	17.25	3.54%	\$582	\$528,571	\$160,870
5	511 N El Camino Real	San Mateo	\$3,870,000	02/28/20	16.57	4.16%	\$587	\$483,750	\$161,250
6	1340 Palos Verdes Drive	San Mateo	\$2,775,000	09/25/20	16.61	4.03%	\$394	\$555,000	\$146,053
7	786 Elm Street	San Carlos	\$8,200,000	09/24/21	18.34	3.42%	\$517	\$455,556	\$146,429
AVERAGES			\$6,473,571		17.66	3.53%	\$509	\$512,657	\$149,612
	2301 Flores Street	San Mateo	\$7,550,000	Asking Price	16.85	3.80%	\$550	\$539,286	\$134,821

Comments:

Inferior unit mix. Central courtyard.

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Exclusively Listed by:

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