



Offering Memorandum

479 LINCOLN CIRCLE
Millbrae, CA

Marcus & Millichap

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summary

EXECUTIVE SUMMARY

Offering Highlights

479 Lincoln Circle
Millbrae, CA 94030

Property Details

Price	\$4,998,000
Down Payment	100% / \$4,998,000
Price/Unit	\$555,333
Price/SF	\$508.96
Number of Units	9
Rentable Square Feet	9,820
Year Built	1969
Lot Size	9,405
CAP Rate - Current	1.39%
CAP Rate - Pro Forma	4.81%
GRM - Current	30.18
GRM - Pro Forma	14.84
Type of Ownership	Fee Simple

Annualized Operating Data

Income	Current	Pro Forma
Gross Potential Rent	\$165,600	\$336,720
Other Income	\$900	\$1,620
Gross Potential Income	\$166,500	\$338,340
Less: Vacancy/Deductions (GPR)	3.0% / \$4,968	3.0% / \$10,102
Effective Gross Income	\$161,532	\$328,238
Less: Expenses	\$91,983	\$87,767
Net Operating Income	\$69,549	\$240,471
Net Cash Flow Before Debt Service	\$69,549	\$240,471



Expenses

Real Estate Taxes	\$56,507	\$56,507
Direct Changes	\$1,071	\$1,071
Utilities	\$2,310	\$2,310
Water	\$11,249	\$11,249
Garbage	\$5,029	\$5,029
Insurance	\$6,316	\$4,500
Repairs & Maintenance	\$4,553	\$4,553
Management Fee	\$2,400	
Landscaping	\$770	\$770
Cleaning	\$1,560	\$1,560
Fire Inspector	\$218	\$218
Total Expenses	\$91,983	\$87,767
Expenses / Unit	\$10,220	\$9,752
Expenses / SF	\$9.37	\$8.94
% of EGI	56.94%	26.74%

Investment Overview

479 Lincoln Circle, in Millbrae, California is a charming apartment building in the suburban Meadow Glenn Neighborhood of Millbrae. The property consists of nine (9) two-bedroom/one-bathroom units, and one (1) three-bedroom/one and a half bath townhouse style unit. The units are all over 1,000 square feet, and feature nine (9) covered parking spaces, and one (1) garage space. Located within the property is a laundry room that provides tenants access to a coin-operated washer/dryer. The tenants also have individual storage spaces located at the end of their designated parking spaces, and have separate meters for gas, and electricity.

The property is located in the Meadow Glenn Neighborhood of Millbrae; characterized by neat, well-kept homes of uniformly traditional style. Meadow Glen has the added benefit of being an easy walk to downtown. The district's southern edge offers access to Central Park and the Millbrae Recreation Community Center. Its eastern border is downtown, with the furthest point of the neighborhood being less than a mile from Broadway shopping and dining, an equal distance from BART and Cal train, and a five-minute drive from the nearest freeway onramp.

Adjacent to the San Francisco International Airport, and located in the heart of San Mateo County, Millbrae is gently cradled in the sun-warmed hills that separate the Pacific Ocean from the San Francisco Bay. Major freeways border both its eastern and western boundaries, making Millbrae easily accessible from all parts of the Bay Area. Many hillside homes enjoy beautiful bay views. Well-cared for neighborhoods, twelve local parks, and the Green Hills Country Club add to the charm of the residential community.

The subject property provides an investor with a unique opportunity to own an apartment building in an area of the Peninsula that continues its incredible upward trend. Millbrae's economic community is a vital mix of retail, shopping,



restaurants, service businesses, hotels and public services. The current rental values provide short term investors with significant up-side potential, while long-term hold investors will see sizable up-side due to the areas continued growth and future developments.

Investment Highlights

- Eight (8) 2Bed/1Bath Units & One (1) 3Bed/1.5Bed Luxurious Townhouse
- Nine (9) Covered Parking Spaces & One (1) Garage Space
- Located in Desirable Meadow Glenn Neighborhood
- Easy Access to Hwy 280, 101, & El Camino Real
- Four (4) Blocks to Green Hills Country Club & Golf Course
- Adjacent to Millbrae Community Center & Central Park



description

PROPERTY DESCRIPTION

Property Details

THE OFFERING

Property Address	479 Lincoln Circle Millbrae, CA 94030
Assessor's Parcel #	021-433-060
Zoning	Multi-Family Res (5+ Units)

SITE DESCRIPTION

Number of Units	9
Number of Buildings	One
Number of Stories	Two
Year Built	1969
Rentable Square Feet	9,820
Lot Size	9,405
Type of Ownership	Fee Simple
Parking	Nine Covered Spaces & One Garage Space
Parking Ratio	10:9

UTILITIES

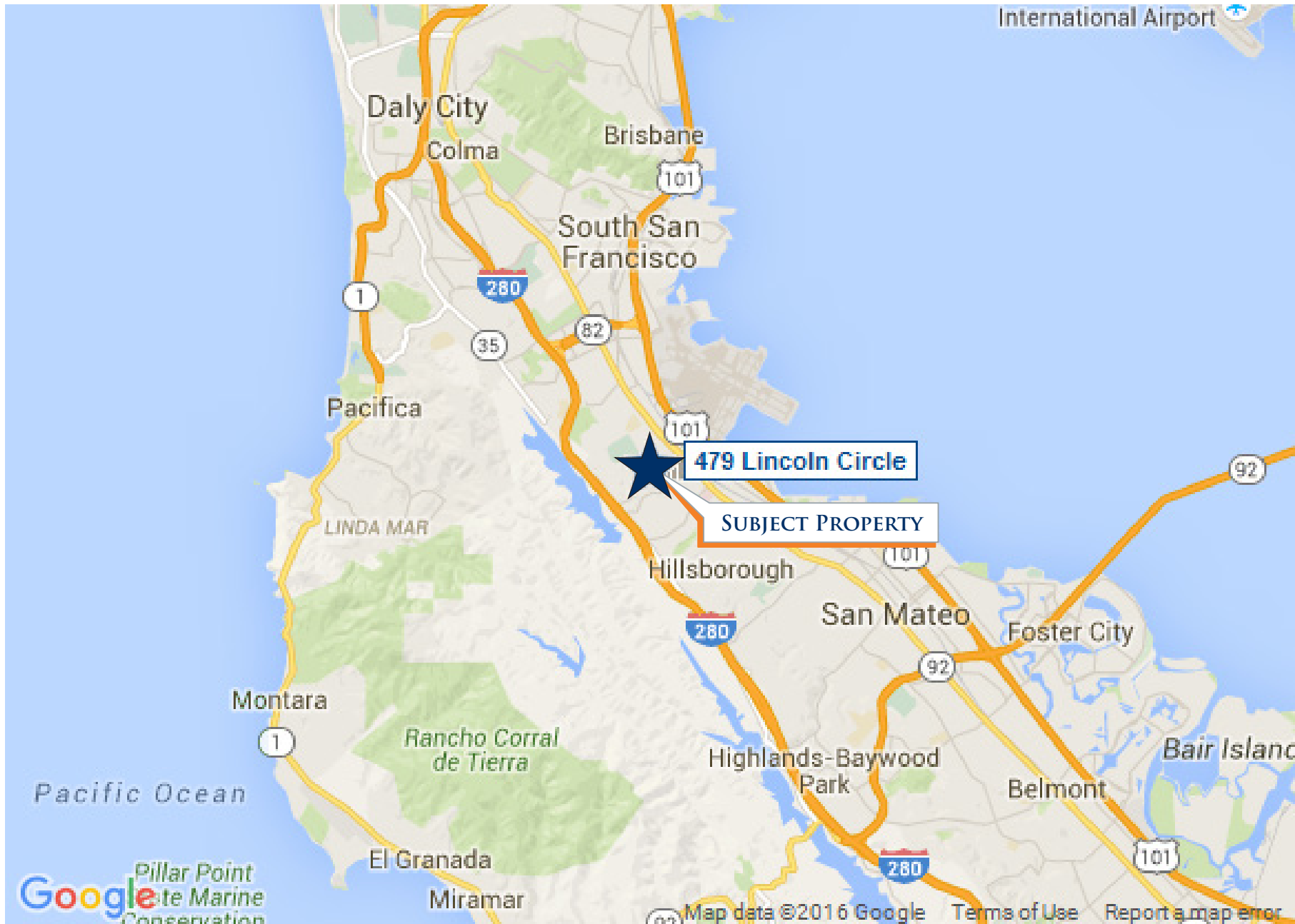
Water	Landlord
Phone	Tenant
Electric	Tenant
Gas	Tenant

CONSTRUCTION

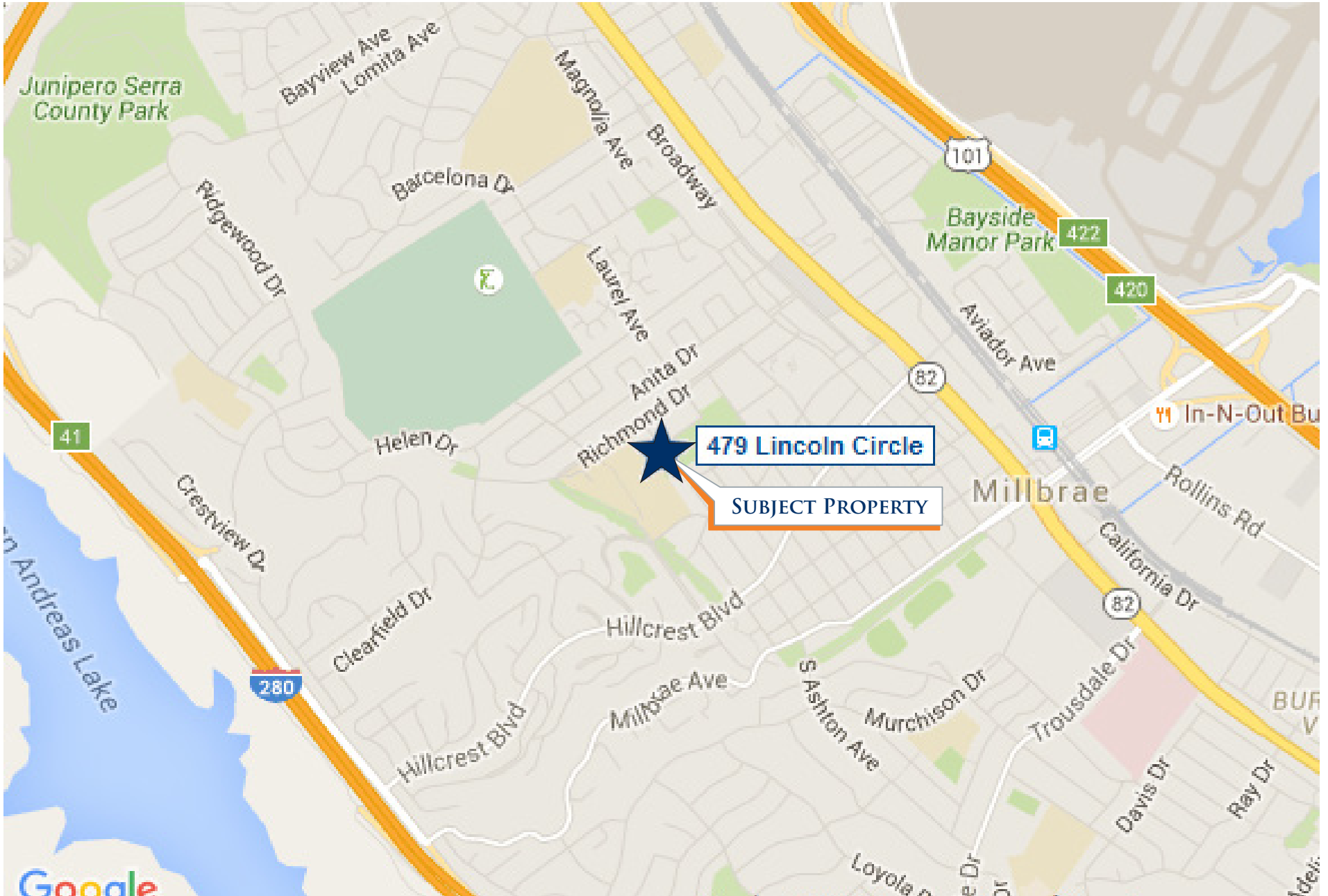
Foundation	Concrete Perimeter Slab
Framing	Wood
Exterior	Stucco & Wood
Parking Surface	Concrete
Roof	Tar & Gravel



Regional Map



Local Map



Property Photo



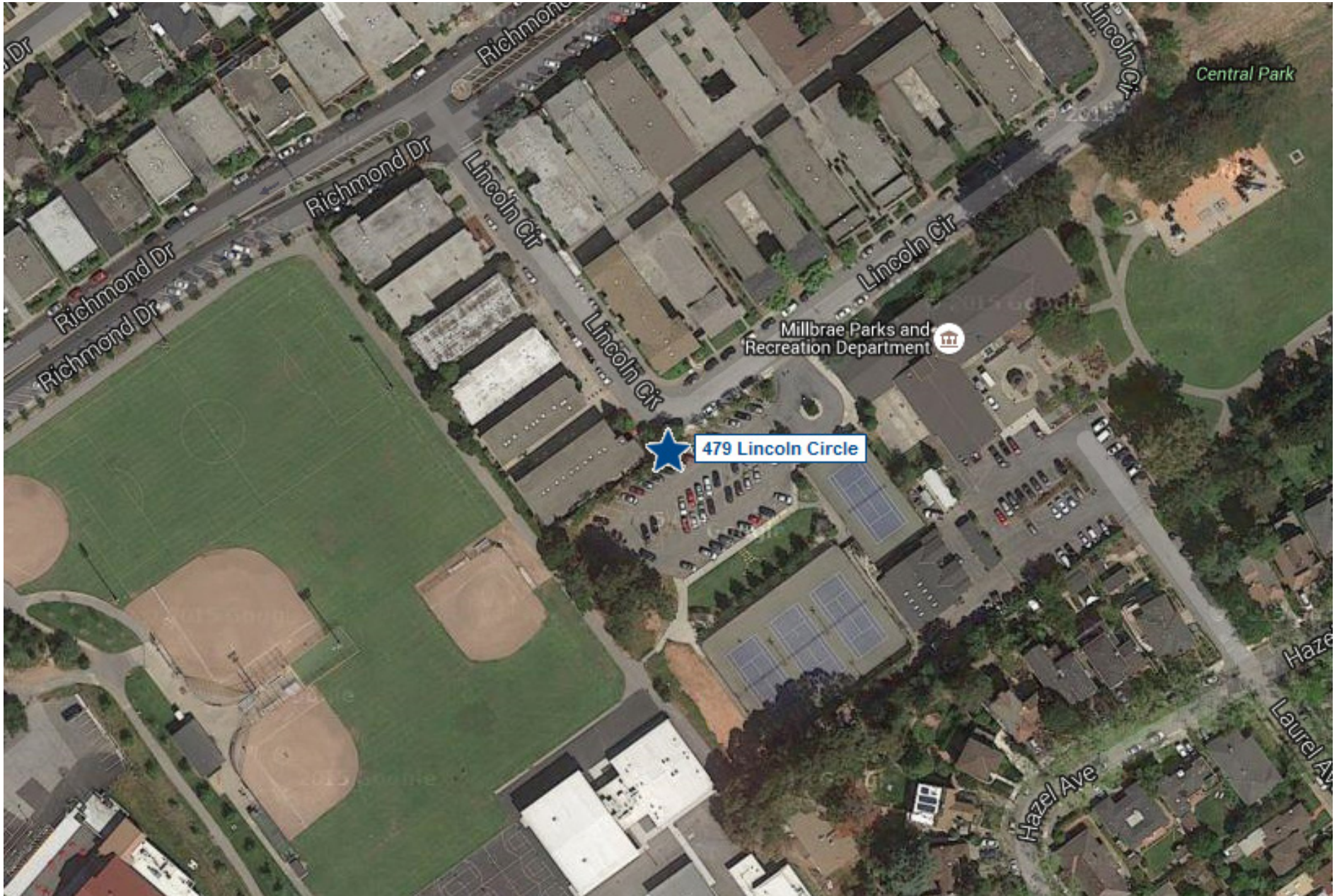
Property Photo



Property Photo



Aerial Photo



Site Plan





analysis

FINANCIAL ANALYSIS

Marcus & Millichap



Price	\$4,998,000
Down Payment	100% / \$4,998,000
Price/Unit	\$555,333
Price/SF	\$508.96
Number of Units	9
Rentable Square Feet	9,820
Number of Buildings	One
Number of Stories	Two
Year Built	1969
Lot Size	9,405

Vital Data:

Net Operating Income - Current	\$69,549
Total Return - Current	1.4% / \$69,549
CAP Rate - Pro Forma	4.81%
GRM - Pro Forma	14.84%
Net Operating Income - Pro Forma	\$240,471
Total Return - Pro Forma	4.8% / \$240,471

Unit Mix

Unit Type	No. of Units	Approx. Square Feet
2 Bdr 1 Bath	8	1,000
3 Bdr 1.5 Bath	1	1,820
9	9	9,820

Scheduled Income

NUMBER OF UNITS	UNIT TYPE	APPROX. SQUARE FEET	CURRENT RENTS	RENT/SF	MONTHLY INCOME	PRO FORMA RENTS	RENTS/SF	MONTHLY INCOME
8	2 Bdr 1 Bath	1,000	\$1,500	\$1.50	\$12,000	\$2,995	\$3.00	\$23,960
1	3 Bdr 1.5 Bath	1,820	\$1,800	\$0.99	\$1,800	\$4,100	\$2.25	\$4,100
9	Total / Wtd. Avg.	9,820			\$13,800			\$28,060

Demographics

	1-Mile	3-Miles	5-Miles
2014 Total Population	22,130	79,116	214,101
2019 Total Population	22,507	79,924	217,053
2014 Total Households	8,303	30,278	78,946
2019 Total Households	8,432	30,624	80,171
Median HH Income	\$78,939	\$79,638	\$80,395
Per Capita Income (based on Total Population)	\$41,824	\$45,494	\$44,203
Average (Mean) HH Income	\$110,343	\$118,280	\$119,356

Major Employers

Company	Local Employees
Virgin America Inc.	1,900
Kaiser Permanente	1,500
Buisness of Finance	1,121
Covenant Aviation Security LLC	1,100
Mills-Peninsula Hospitals	939
Air Cargo Handling Service	800
SF Airport Fire Marshall	700
San Francisco Fire Department	700
P M C A	600
Skyline College	550
Sybron Dental Specialties Inc	550
Sees Candies	540

Rent Roll

UNIT NUMBER	UNIT TYPE	UNIT SF	CURRENT RENT	RENT/SF	ASKING RENT	RENT/SF	PARKING	STORAGE
1	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
2	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
3	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
4	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
5	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
6	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
7	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
8	2 BDR 1 BATH	1,000	\$1,500	\$1.50	\$2,995	\$3.00	ONE SPACE	YES
9	3 BDR 1.5 BATH	1,820	\$1,800	\$0.99	\$4,100	\$2.25	ONE SPACE	YES

Total / Wtd. Averages

9,820 SF

\$13,800

\$28,060



Operating Statement – Income and Expenses

Total Number of Units: 9
Total Rentable Area: 9,820 SF

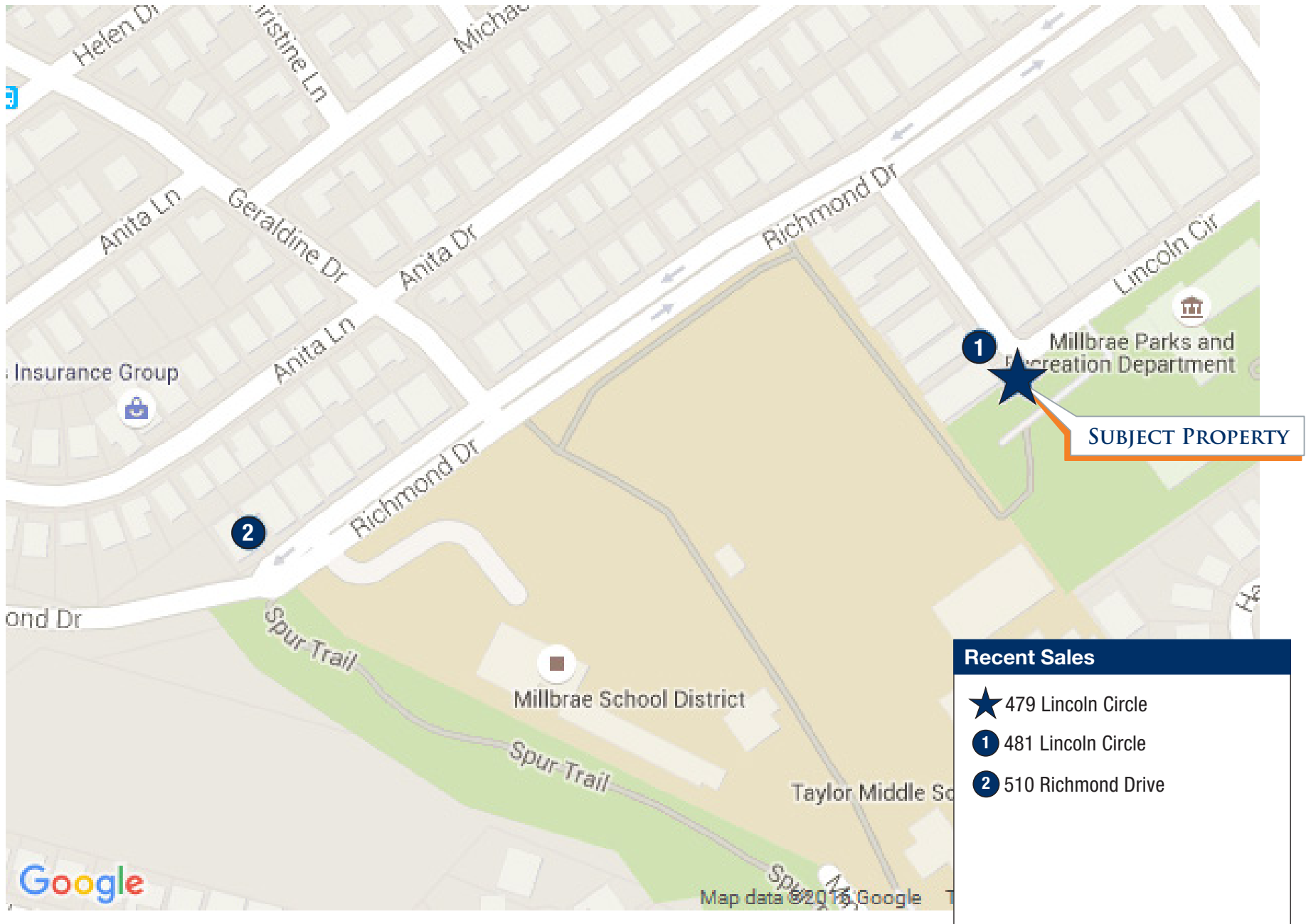
	CURRENT	PER UNIT	PRO FORMA	PER UNIT
Income				
Gross Potential Rent	\$165,600	\$18,400	\$336,720	\$37,413
Other Income				
Laundry Income	\$900	\$100	\$1,620	\$180
Gross Potential Income	\$166,500	\$18,500	\$338,340	\$37,593
Vacancy/Collection Allowance (GPR)	3.0% / \$4,968	\$552	3.0% / \$10,102	\$1,122
Effective Gross Income	\$161,532	\$17,948	\$328,238	\$36,471
Expenses				
Real Estate Taxes	\$56,507	\$6,279	\$56,507	\$6,279
Direct changes	\$1,071	\$119	\$1,071	\$119
Utilities	\$2,310	\$257	\$2,310	\$257
Water	\$11,249	\$1,250	\$11,249	\$1,250
Garbage	\$5,029	\$559	\$5,029	\$559
Insurance	\$6,316	\$702	\$4,500	\$500
Repairs & Maintenance	\$4,553	\$506	\$4,553	\$506
Management Fee	1.5% / \$2,400	\$267		
Landscaping	\$770	\$86	\$770	\$86
Cleaning	\$1,560	\$173	\$1,560	\$173
Fire Inspector	\$218	\$24	\$218	\$24
Total Expenses	\$91,983	\$10,220	\$87,767	\$9,752
Expenses per SF	\$9.37		\$8.94	
% of EGI	56.9%		26.7%	
Net Operating Income	\$69,549	\$7,728	\$240,471	\$26,719



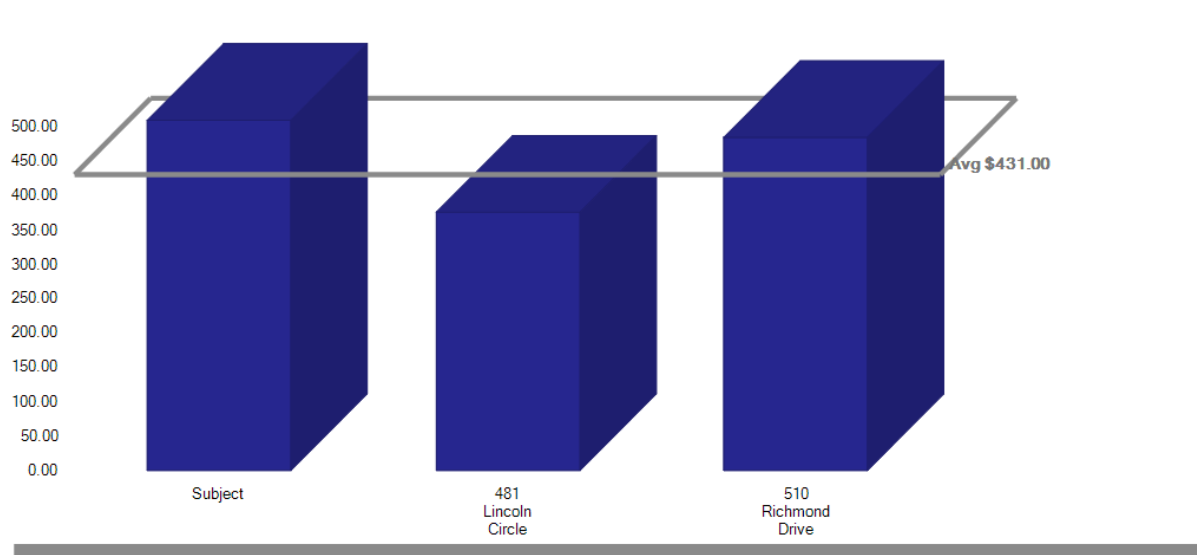
competitive

COMPETITIVE PROPERTY SET

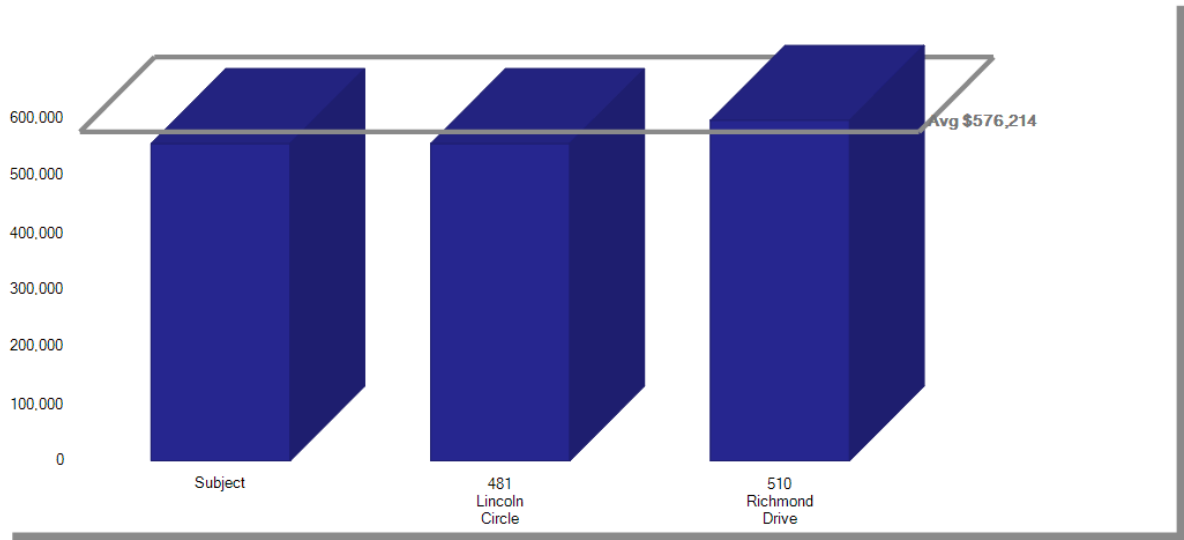
Recent Sales Map



Average Price per Square Foot



Average Price per Unit



Recent Sales

★ (Subject Property)

479 Lincoln Circle, Millbrae, CA 94030



Sales Price	\$4,998,000
Price/Unit	\$555,333
Price/SF	\$508.96
CAP Rate	1.39%
GRM	30.18
Total No. of Units	9
Year Built	1969

Units	Unit Type
8	2BR/1BA
1	3BR/1.5BA

1

481 Lincoln Circle, Millbrae, CA 94030



Close of Escrow	12/29/15
Sales Price	\$3,895,000
Price/Unit	\$556,429
Price/SF	\$376.00
CAP Rate	2.95%
GRM	23.50
Total No. of Units	7
Year Built	1969

Units	Unit Type
1	1,250 SF - 3BR/2BA
6	1,100 SF - 2BR/1BA

2

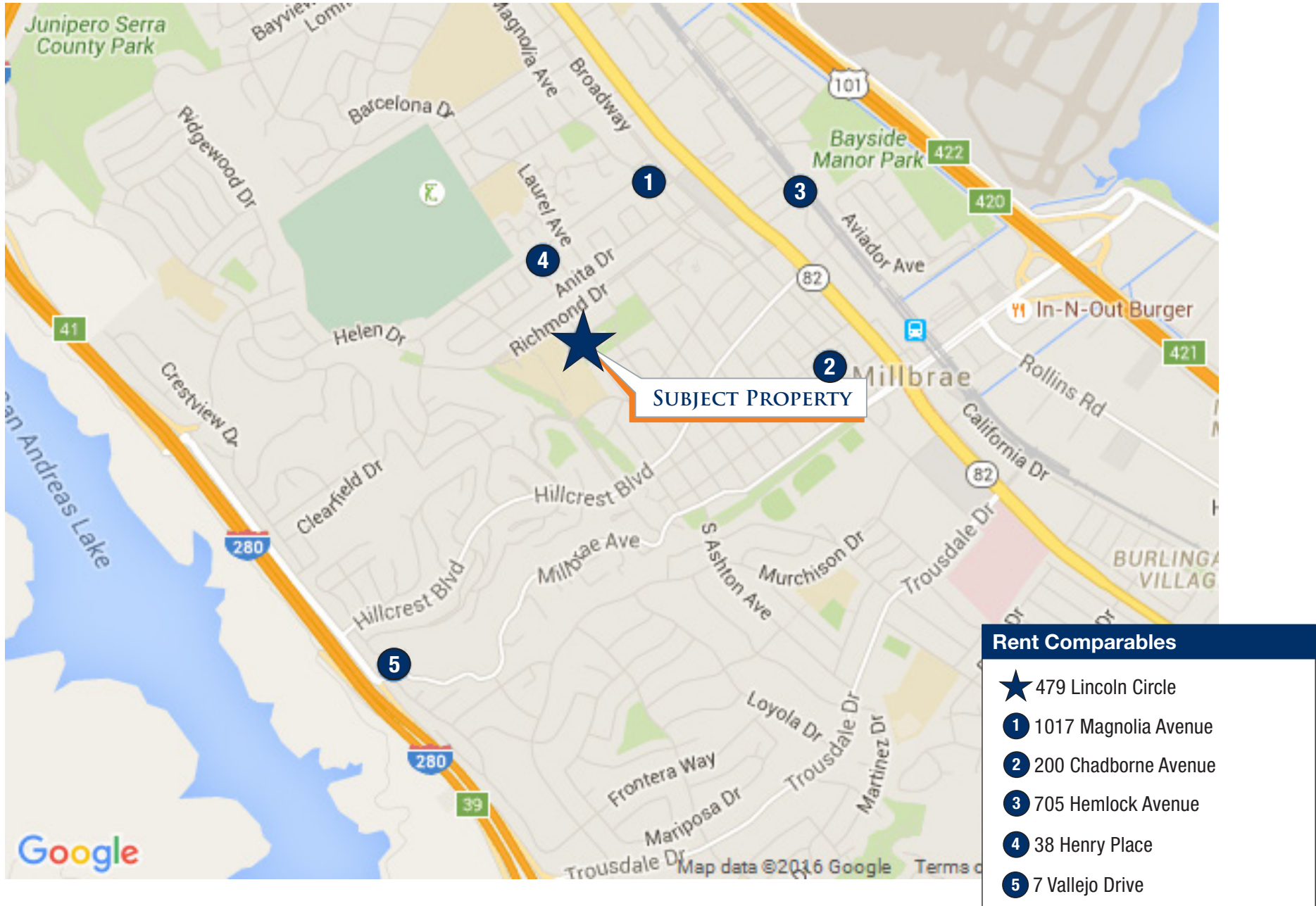
510 Richmond Drive, Millbrae, CA 94030



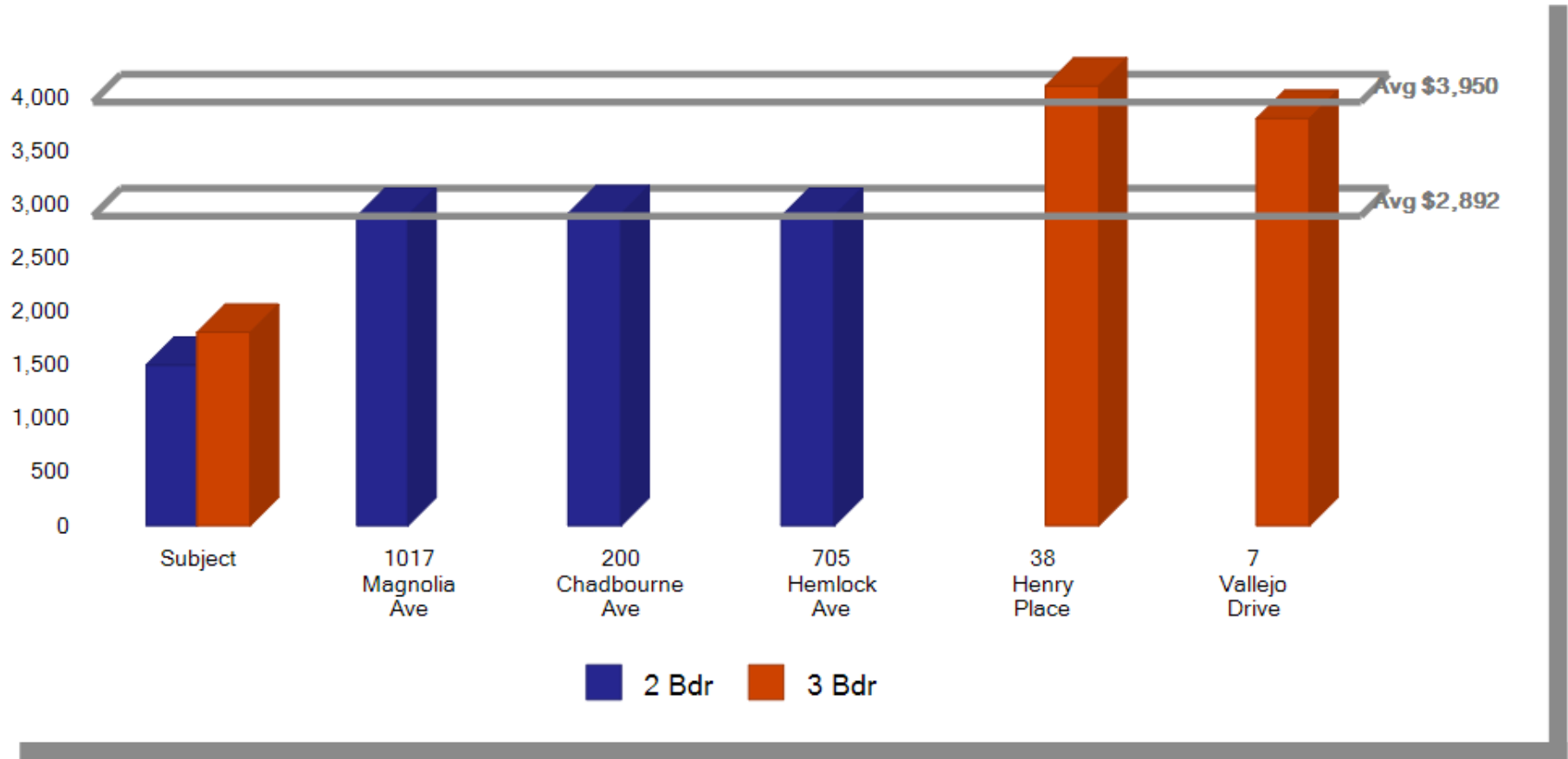
Close of Escrow	03/08/16
Sales Price	\$2,980,000
Price/Unit	\$596,000
Price/SF	\$486.00
CAP Rate	3.80%
GRM	18.00
Total No. of Units	5
Year Built	1967

Units	Unit Type
2	750 SF - Studio
2	1,200 SF - 2BR/1BA
1	1,400 SF - 3BR/2BA

Rent Comparables Map



Average Rents - 2 and 3 Bedrooms



Rent Comparables



(Subject Property 100%)

479 Lincoln Circle, Millbrae, CA 94030



No. of Units:	9
Occupancy:	100%
Year Built:	1969

Unit Type	SF	Rent	Rent/SF
2BR/1BA - 8 Units	1,000	\$1,500	\$1.50
3BR/1.5BA - 1 Unit	1,820	\$1,800	\$0.99
Total/Wtd. Avg.	9,820	\$1,650	\$1.41

1

1017 Magnolia Avenue, Millbrae, CA 94030



No. of Units:	12
Occupancy:	100%
Year Built:	1955

Unit Type	SF	Rent	Rent/SF
2BR/1BA	1,000	\$2,880	\$2.88
Total/Wtd. Avg.	1,000	\$2,880	\$2.88

2

200 Chadbourne Avenue, Millbrae, CA 94030



No. of Units:	6
Occupancy:	100%
Year Built:	1954

Unit Type	SF	Rent	Rent/SF
2BR/1BA	1,150	\$2,900	\$2.52
Total/Wtd. Avg.	1,150	\$2,900	\$2.52

Rent Comparables

3

705 Hemlock Avenue, Millbrae, CA 94030



No. of Units:	2
Occupancy:	100%
Year Built:	1950

Unit Type	SF	Rent	Rent/SF
2BR/1BA	1,100	\$2,895	\$2.63
Total/Wtd. Avg.	1,100	\$2,895	\$2.63

4

38 Henry Place, Millbrae, CA 94030



No. of Units:	2
Occupancy:	100%
Year Built:	1948

Unit Type	SF	Rent	Rent/SF
3BR/1.5BA	1,600	\$4,100	\$2.56
Total/Wtd. Avg.	1,600	\$4,100	\$2.56

5

7 Vallejo Drive, Millbrae, CA 94030



No. of Units:	2
Occupancy:	100%
Year Built:	1964

Unit Type	SF	Rent	Rent/SF
3BR/2BA	1,450	\$3,800	\$2.62
Total/Wtd. Avg.	1,450	\$3,800	\$2.62



overview

MARKET OVERVIEW

Demographic Summary

POPULATION	1-MILE	3-MILES	5-MILES
2000 Population	20,161	73,217	220,570
2010 Population	21,285	76,042	206,306
2014 Population	22,130	79,116	214,101
2019 Population	22,507	79,924	217,053

HOUSEHOLDS	1-MILE	3-MILES	5-MILES
2000 Households	7,772	28,468	74,406
2010 Households	7,919	28,856	75,401
2014 Households	8,303	30,278	78,946
2019 Households	8,432	30,634	80,171
2014 Average HH Size	2.62	2.57	2.67
2014 Daytime Population	6,870	49,540	97,137
2000 Owner Occupied Housing Units	56.11%	56.09%	58.53%
2000 Renter Occupied Housing Units	41.75%	38.67%	39.12%
2000 Vacant	2.14%	2.24%	2.35%
2014 Owner Occupied Housing Units	55.45%	57.09%	56.97%
2014 Renter Occupied Housing Units	44.55%	42.91%	43.03%
2014 Vacant	0.34%	0.17%	0.28%
2019 Owner Occupied Housing Units	54.61%	56.61%	56.72%
2019 Renter Occupied Housing Units	45.39%	43.39%	43.28%
2019 Vacant	0.36%	0.16%	0.26%

INCOME	1-MILE	3-MILES	5-MILES
\$0 - \$ 14,999	8.9%	7.0%	6.6%
\$15,000 - \$24,999	6.0%	6.6%	6.8%
\$25,000 - \$34,999	6.9%	6.3%	6.6%
\$35,000 - \$49,999	10.9%	11.7%	10.9%
\$50,000 - \$74,999	15.2%	15.7%	16.1%
\$75,000 - \$99,999	13.8%	13.7%	13.3%
\$100,000 - \$124,999	13.2%	12.3%	11.7%
\$125,000 - \$149,999	7.1%	7.3%	7.5%
\$150,000 - \$200,000	8.0%	7.1%	8.7%
\$200,000 to \$249,999	3.8%	4.4%	3.9%
\$250,000 +	6.4%	8.0%	7.9%
2014 Median HH Income	\$78,939	\$79,638	\$80,395
2014 Per Capita Income	\$41,824	\$45,494	\$44,203
2014 Average HH Income	\$110,343	\$118,280	\$119,356

Demographic Summary

Geography: 5 Miles

Population

In 2014, the population in your selected geography is 214,101. The population has changed by 6.74% since 2000. It is estimated that the population in your area will be 217,052 five years from now, which represents a change of 1.37% from the current year. The current population is 48.83% male and 51.16% female. The median age of the population in your area is 40.3, compare this to the Entire US average which is 37.3. The population density in your area is 2,723.46 people per square mile.

Households

There are currently 78,945 households in your selected geography. The number of households has changed by 6.10% since 2000. It is estimated that the number of households in your area will be 80,171 five years from now, which represents a change of 1.55% from the current year. The average household size in your area is 2.67 persons.

Income

In 2014, the median household income for your selected geography is \$80,395, compare this to the Entire US average which is currently \$51,972. The median household income for your area has changed by 20.43% since 2000. It is estimated that the median household income in your area will be \$97,632 five years from now, which represents a change of 21.44% from the current year.

The current year per capita income in your area is \$44,202, compare this to the Entire US average, which is \$28,599. The current year average household income in your area is \$119,356, compare this to the Entire US average which is \$74,533.

Race and Ethnicity

The current year racial makeup of your selected area is as follows: 49.89% White, 2.03% Black, 1.70% Native American and 29.06% 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 25.06% of the current year population in your selected area. Compare this to the Entire US average of 17.13%.

Housing

In 2000, there were 44,598 owner occupied housing units in your area and there were 29,807 renter occupied housing units in your area. The median rent at the time was \$1,031.

Employment

In 2014, there are 97,137 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 68.94% of employees are employed in white-collar occupations in this geography, and 31.04% are employed in blue-collar occupations. In 2014, unemployment in this area is 5.73%. In 2000, the average time traveled to work was 27.2 minutes.

Demographic data © 2015 by Experian/Applied Geographic Solutions.

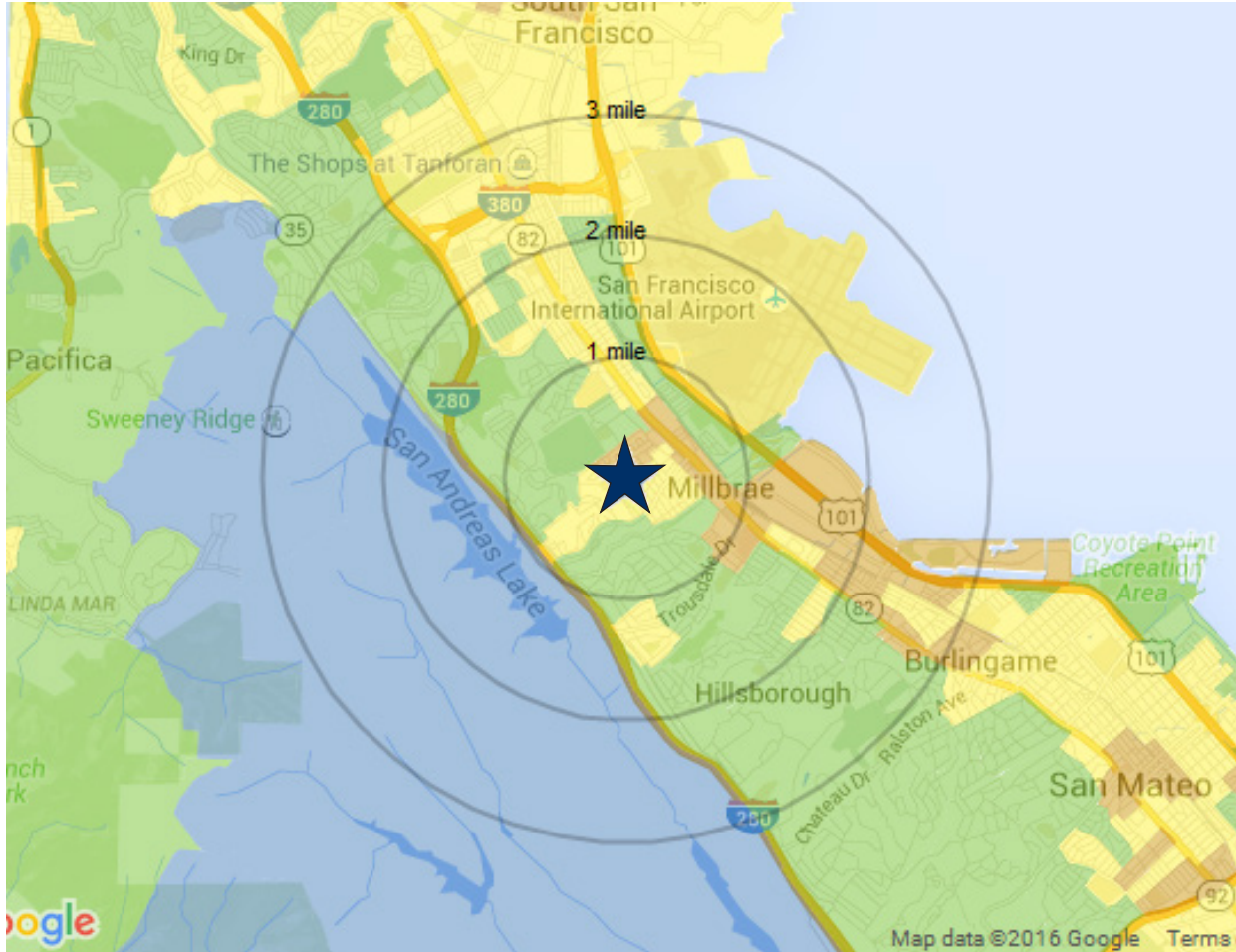
Population Density



Theme	Low	High
Low	Less Than	55
Below Average	55	475
Average	475	4100
Above Average	4100	35000
High	35000	Or More

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

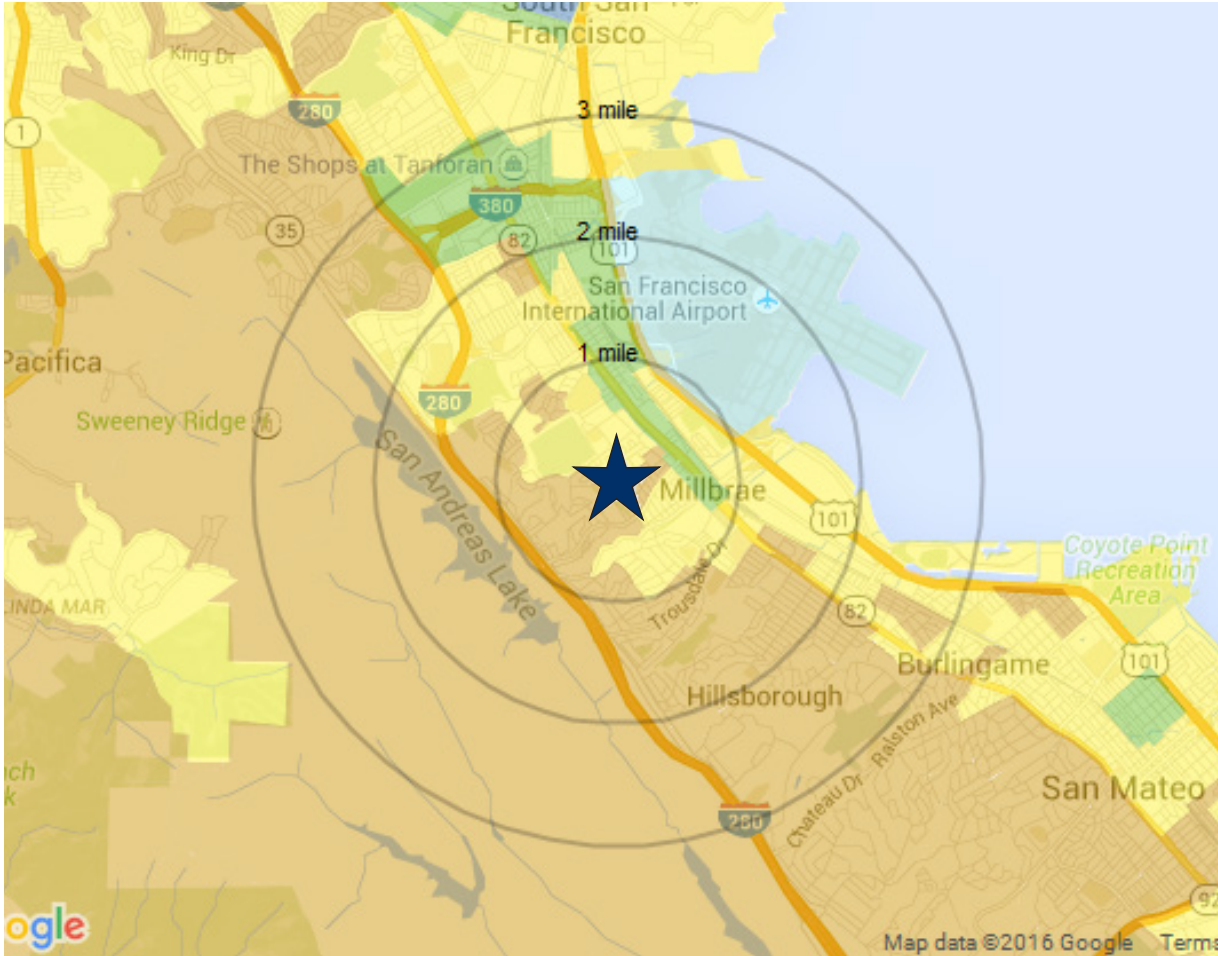
Employment Density



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.

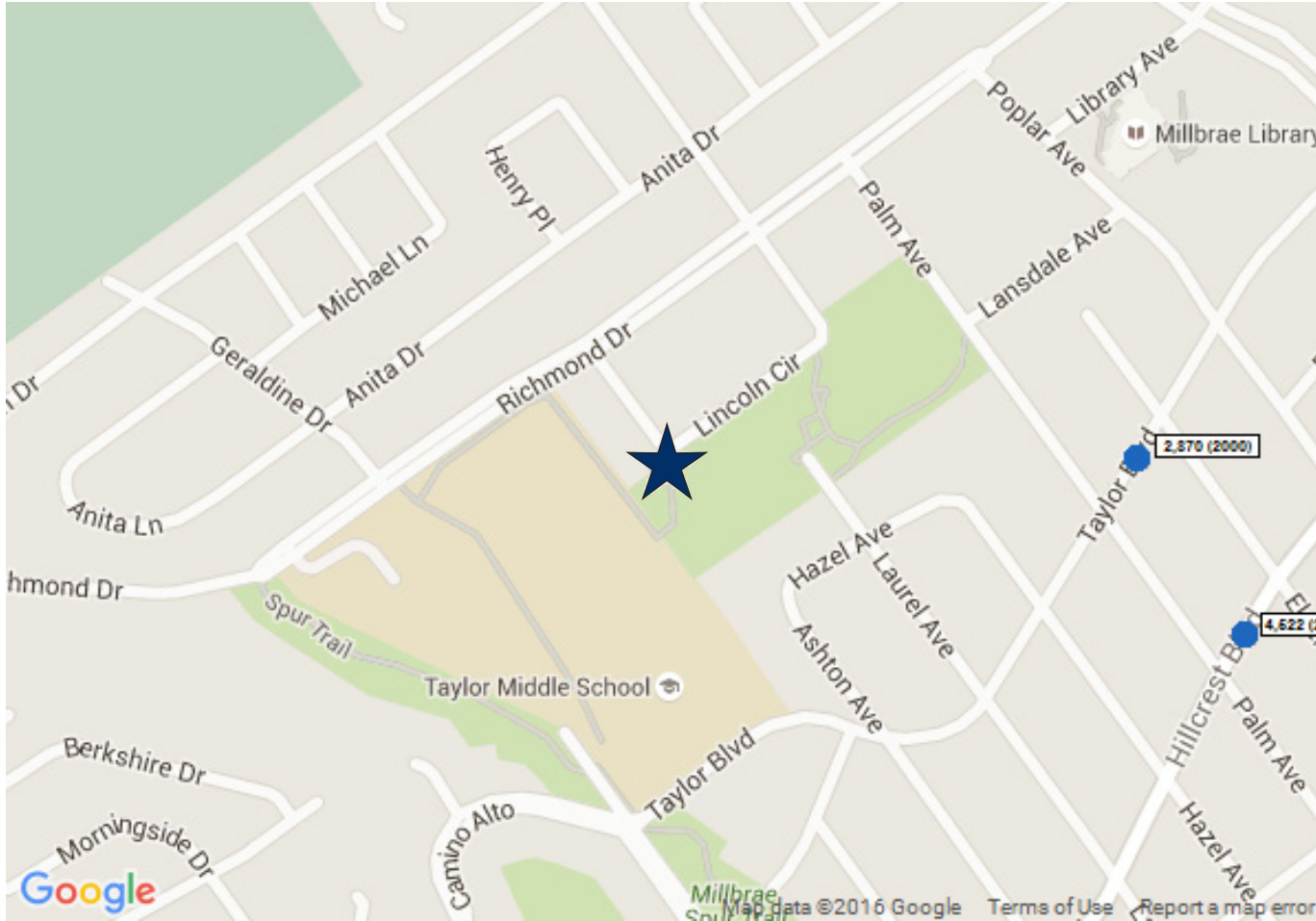
Average Household Income



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



Two-way, average daily traffic volumes.
*Traffic Count Estimate



TOWAWAY
NO PARKING IN THIS ZONE
EXCEPT FOR THE PURPOSES
OF A TOWAWAY SERVICE
NO CAR WASH
NO REFRIGERATOR

exclusively listed

Exclusively listed by:

Marcus & Millichap

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