



# 630 MASONIC WAY

BELMONT, CA 94002

*Offering Memorandum*

Marcus & Millichap

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WARNING  
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TENANT  
PARKING ONLY

NO  
PARKING

7KAHD-6

**630 MASONIC WAY**  
BELMONT, CA

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OFFERING PRICE

\$4,380,000



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# EXECUTIVE SUMMARY

**630 MASONIC WAY**

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# OFFERING HIGHLIGHTS

## 630 MASONIC WAY

*Belmont, CA 94002*

OFFERING PRICE

**\$4,380,000**

PRO FORMA CAP RATE

**4.81%**

### VITAL DATA

Price	\$4,380,000
Price/SF	\$435.91
Rentable SF	10,048 SF

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630



640



# INVESTMENT OVERVIEW

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630 Masonic Way is a stunning 10-unit apartment building located in Belmont, California, which is considered one of the strongest rental markets in the country.

The subject property was constructed in 1964, and consists of ten (10) one-bedroom/one-bathroom units, ten (10) covered parking spaces, and a coin-operated washer and dryer for additional income. The second floor units have spacious outdoor decks and there are quite private patios on the ground floor units.

The city of Belmont is located halfway between San Francisco and San Jose, in one of the healthiest rental submarkets in the country. 630 Masonic is centrally located just one block from Ralston Avenue, two blocks east of El Camino Real, and five blocks east is Highway 101. Walking distance from the property is the Belmont Cal-Train Station, and the Belmont Town Center Shopping Center, whose tenants primarily include doctors offices, retail, and local restaurants.

630 Masonic Way also provides easy access to major employers in the Silicon Valley, including: Oracle, Electronic Arts, Kaiser, Salesforce, Visa, Stanford Medical, plus, the vibrant startup community in the San Mateo County, Santa Clara County, and San Francisco.







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## INVESTMENT HIGHLIGHTS

- ▶ Full Seismic Retrofitting Installed Within the Past 10 Years  
(see photos)
- ▶ Ten Covered Parking Spaces
- ▶ Walking Distance to the Belmont Caltrain Station
- ▶ One Block from The Belmont Town Center
- ▶ Strong Historical Tenancy
- ▶ Meticulously Maintained Property
- ▶ Large One-Bedroom/One-Bathroom Units



PARKING SPACES



CLOSE TO CALTRAIN STATION



CLOSE TO BELMONT TOWN CENTER





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# PROPERTY DESCRIPTION

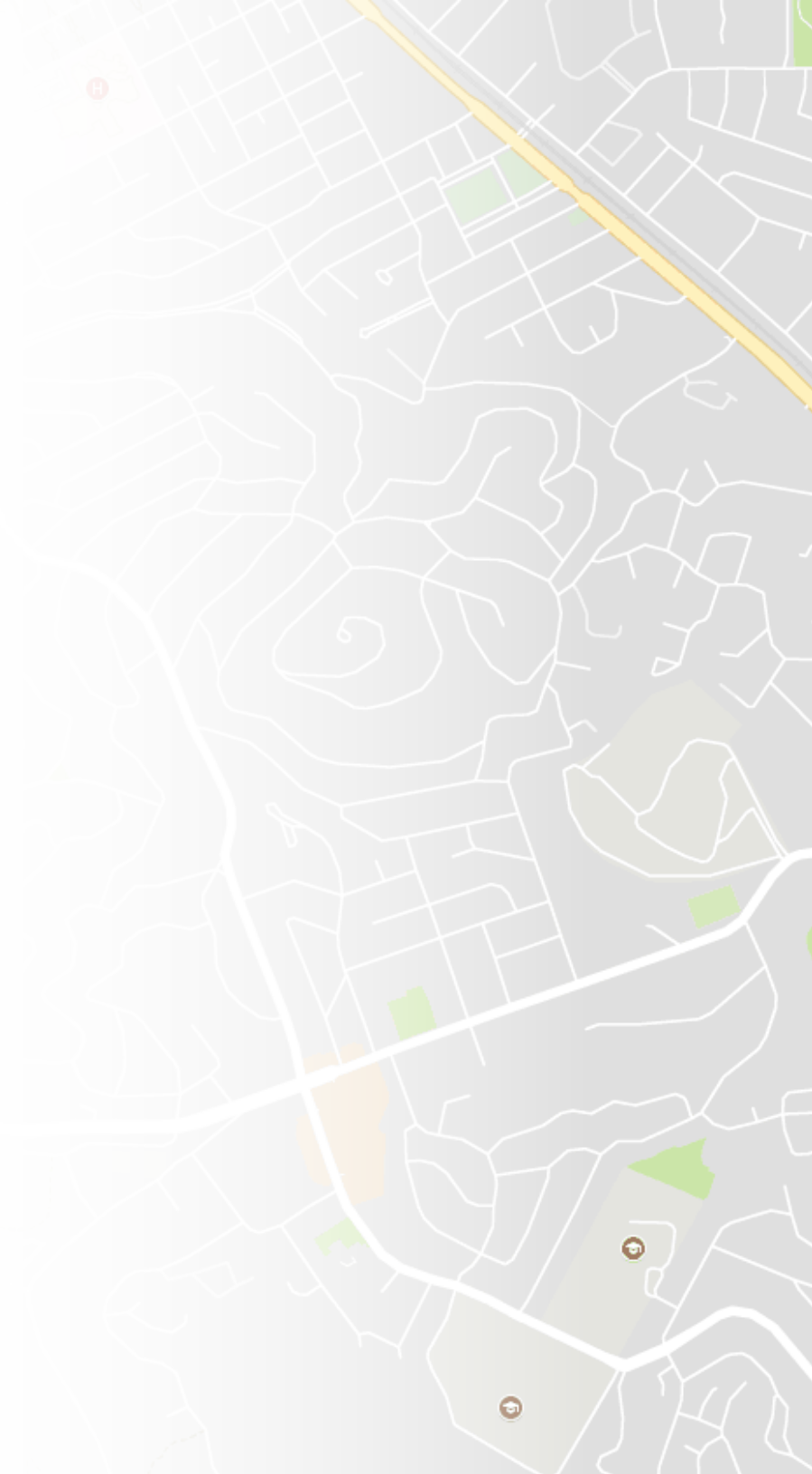
**630 MASONIC WAY**

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# PROPERTY DETAILS

## 630 MASONIC WAY

Property Address	630 Masonic Way
Number of Units*	10
Number of Buildings	1
Number of Stories	2
Rentable Square Feet	10,048 sq/ft
Lot Size	10,125 sq/ft
Type of Ownership	Fee Simple
Parking	10 Covered Parking Spaces
Parking Ratio	10:10
Utilities: Water	Landlord Pays
Utilities: Electric/Gas	Tenant Pays
Foundation	Concrete Perimeter Slab
Framing	Wood
Exterior	Stucco
Parking Surface	Concrete
Roof	Tar & Gravel





# LOCAL MAP

 **630 Masonic Way**

Belmont 

Belmont

San Carlos Airport

San Carlos 

San Carlos

# REGIONAL MAP

630 MASONIC WAY // MARKET OVERVIEW





# AERIAL MAP







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# FLOOR PLAN





4.81%

PRO FORMA CAP RATE

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# FINANCIAL ANALYSIS

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**630 MASONIC WAY**

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# PRICING DETAILS

<b>PRICE</b>	\$4,380,000
Down Payment	\$4,380,000
Number of Units	10
Price Per Unit	\$438,000
Price Per SqFt	\$435.91
Rentable SqFt	10,048
Lot Size	0.23 Acres
Approx. Year Built	1964

<b>RETURNS</b>	<b>CURRENT</b>	<b>YEAR 1</b>
Cap Rate - Current	1.06%	4.81%
GRM Rate - Market	32.82	14.90



# OPERATING DATA

INCOME		CURRENT		YEAR 1
Gross Scheduled Rent		\$133,440		\$294,000
Less: Vacancy/Deductions	3.0%	\$4,003	3.0%	\$8,820
Total Effective Rental Income		\$129,437		\$285,180
Other Income		\$1,000		\$1,000
Effective Gross Income		\$130,437		\$286,180
Less: Expenses	64.3%	\$83,904	26.4%	\$75,686
Net Operating Income		\$46,533		\$210,494
Cash Flow		\$46,533		\$210,494
Debt Service		\$0		\$0
Net Cash Flow After Debt Service	1.06%	\$46,533	4.81%	\$210,494
Principal Reduction		\$0		\$0
Total Return	1.06%	\$46,533	4.81%	\$210,494

EXPENSES		CURRENT		YEAR 1
Real Estate Taxes		\$48,898		\$48,898
Sewer & Special Assessments		\$10,132		\$10,132
Insurance		\$2,440		\$2,440
Utilities - Gas & Electric		\$8,716		\$8,716
Repairs & Maintenance		\$5,500		\$5,500
Management Fee		\$8,218		\$0
Total Expenses		\$83,904		\$75,686
Expenses/Unit		\$8,390		\$7,569
Expenses as of % of EGI		64.3%		26.4%

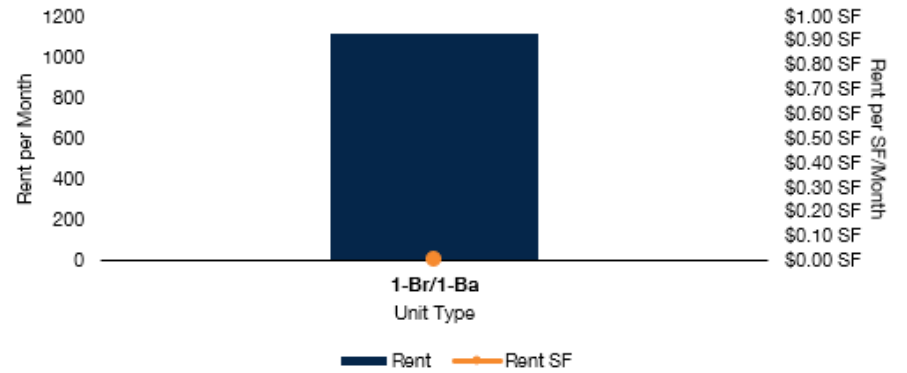
# UNIT MIX

# OF UNITS	UNIT TYPE	APPROX. SF	CURRENT RENT	RENT/SF	MONTHLY IN-COME	PRO FORMA RENTS	RENT/SF	MONTHLY INCOME
10	1 Bdr 1 Ba	10,048	\$1,112	\$1.11	\$11,120	\$2,450	\$2.44	\$24,500

Unit Distribution



Unit Rent





# RENT ROLL SUMMARY

UNIT	UNIT TYPE	UNIT SF	SCHEDULED	POTENTIAL	LEASE OR M2M DETAILS
			CURRENT RENT	ASKING RENT	
A	1 Bdr 1 Ba	1,005	\$1,500	\$2,450	Month-to-Month
B	1 Bdr 1 Ba	1,005	\$1,020	\$2,450	Month-to-Month
C	1 Bdr 1 Ba	1,005	\$1,300	\$2,450	Month-to-Month
D	1 Bdr 1 Ba	1,005	\$1,020	\$2,450	Month-to-Month
E	1 Bdr 1 Ba	1,005	\$950	\$2,450	Month-to-Month
F	1 Bdr 1 Ba	1,005	\$950	\$2,450	Month-to-Month
G	1 Bdr 1 Ba	1,005	\$1,195	\$2,450	Month-to-Month
H	1 Bdr 1 Ba	1,005	\$1,290	\$2,450	Month-to-Month
J	1 Bdr 1 Ba	1,005	\$945	\$2,450	Month-to-Month
K	1 Bdr 1 Ba	1,005	\$950	\$2,450	Month-to-Month
Monthly Totals		10,048	\$11,120	\$24,500	



\$438,000

PER UNIT

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# COMPARABLE PROPERTIES

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**630 MASONIC WAY**

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# SALES COMPARABLES

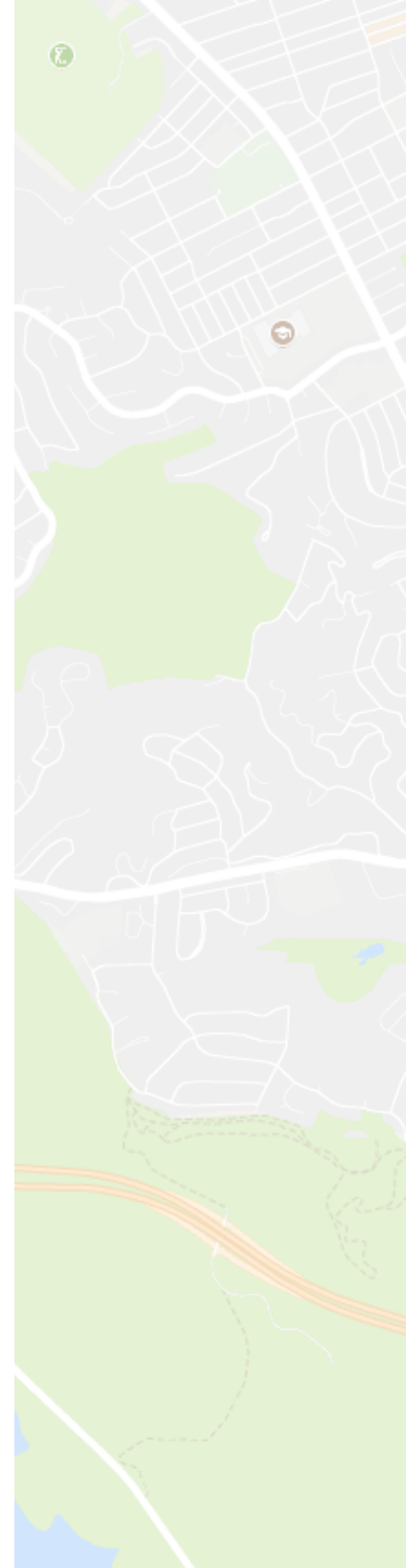
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## FEATURED PROPERTY - 630 MASONIC WAY

- |                                  |                          |
|----------------------------------|--------------------------|
| 1. 2180 Carlmont Drive           | 4. 2120 Valerga Drive    |
| 2. 1665 6th Avenue               | 5. Devonshire Apartments |
| 3. 2130 Valerga Drive Apartments |                          |




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630 Masonic Way



 **630 MASONIC WAY**  
San Mateo, CA 94402

1

4

2

5

		UNITS	UNIT TYPE
Offering Price:	\$4,380,000	10	1br/1ba
Price/Unit:	\$438,000		
Price/SF:	\$435.91		
CAP Rate:	1.06%		
GRM	32.82		
Total No. of Units:	10		
Year Built:	1964		
<b>TOTAL/AVG</b>	<b>10</b>	<b>\$1,112</b>	

**UNDERWRITING CRITERIA**

Income	\$130,437	Expenses	\$83,904
NOI	\$46,533	Vacancy	\$4,003

# SALES COMPARABLES

630 MASONIC WAY // COMPARABLE PROPERTIES



1 2180 CARLMONT DRIVE  
Belmont, CA

		UNITS	UNIT TYPE
Close of Escrow:	5/18/2018	1	2br/1ba
Sales Price:	\$4,800,000	8	1br/1ba
Price/Unit:	\$533,333		
Price/SF:	\$625.00		
CAP Rate:	3.20%		
GRM:	18.61		
Total No. of Units:	9		
Year Built:	1957		



2 1665 6TH AVENUE  
Belmont, CA

		UNITS	UNIT TYPE
Close of Escrow:	3/29/2018	8	1br/1ba
Sales Price:	\$4,625,000	2	2br/1ba
Price/Unit:	\$462,500		
Price/SF:	\$398.88		
CAP Rate:	3.31%		
GRM:	18.96		
Total No. of Units:	10		
Year Built:	1959		



3 2130 VALERGA DRIVE APTS  
Belmont, CA

		UNITS	UNIT TYPE
Close of Escrow:	6/23/2017	2	2br/1ba
Sales Price:	\$6,000,000	8	1br/1ba
Price/Unit:	\$500,000	2	Studio Bath
Price/SF:	\$499.46		
CAP Rate:	3.80%		
GRM:	18.69		
Total No. of Units:	12		
Year Built:	1962		





**4** 2120 VALERGA DRIVE  
Belmont, CA

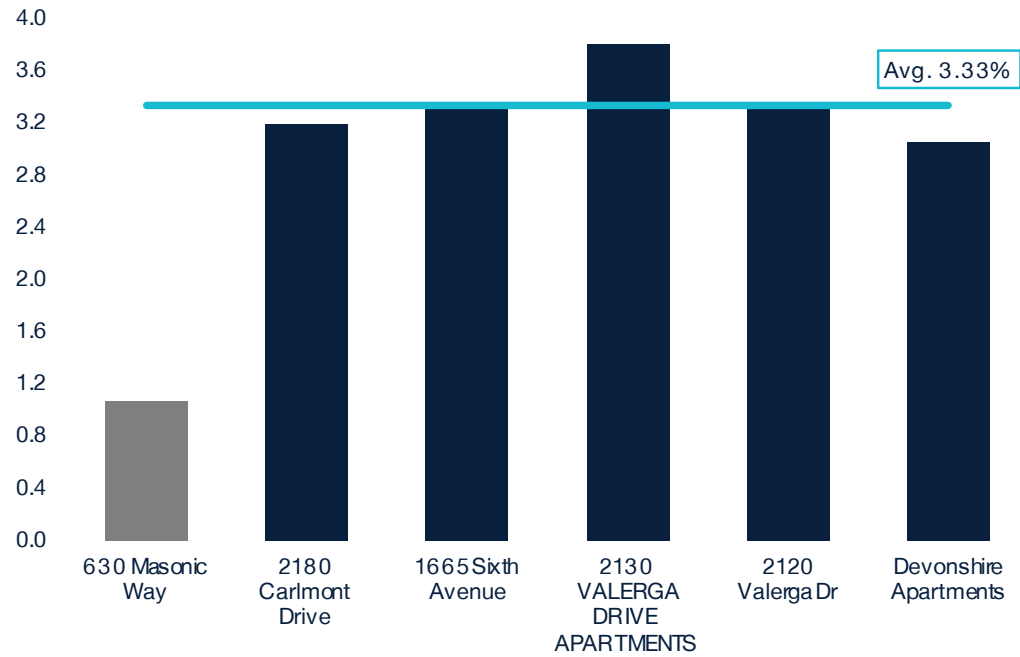
		UNITS	UNIT TYPE
Close of Escrow:	4/24/2018	2	2br/1ba
Sales Price:	\$5,170,000	8	1br/1ba
Price/Unit:	\$430,833	2	Studio Bath
Price/SF:	\$470.86		
CAP Rate:	3.30%		
GRM:	19.69		
Total No. of Units:	12		
Year Built:	1962		



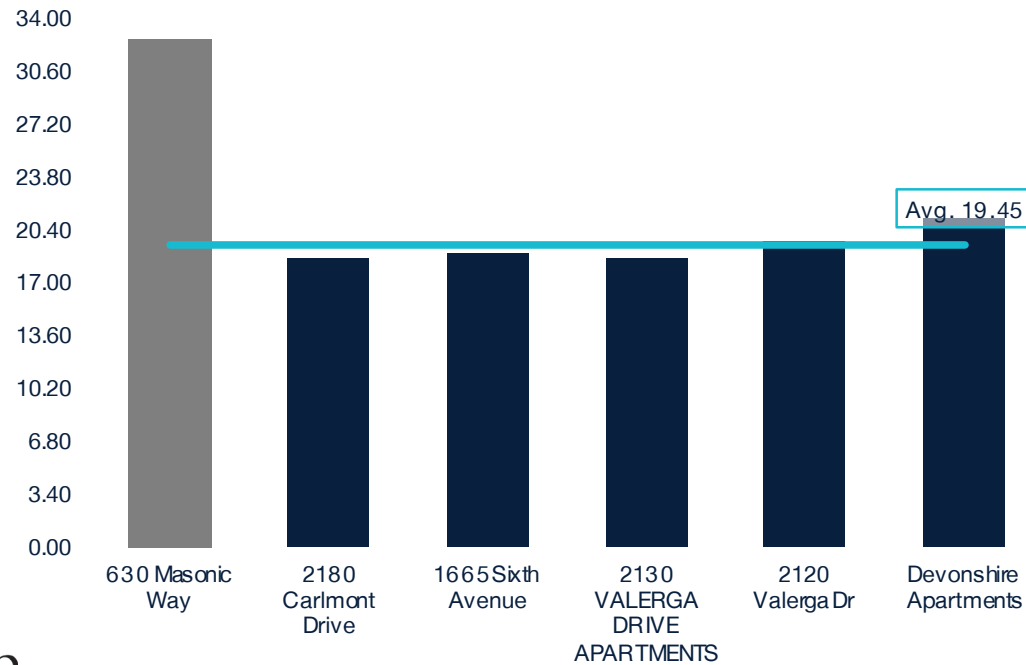
**5** DEVONSHIRE APARTMENTS  
San Carlos, CA

		UNITS	UNIT TYPE
Close of Escrow:	5/17/2018	4	2br/1ba
Sales Price:	\$7,200,000	8	1br/1ba
Price/Unit:	\$480,000	3	Studio Bath
Price/SF:	\$605.25		
CAP Rate:	3.05%		
GRM:	21.28		
Total No. of Units:	15		
Year Built:	1965		

### Average Cap Rate



### Average GRM

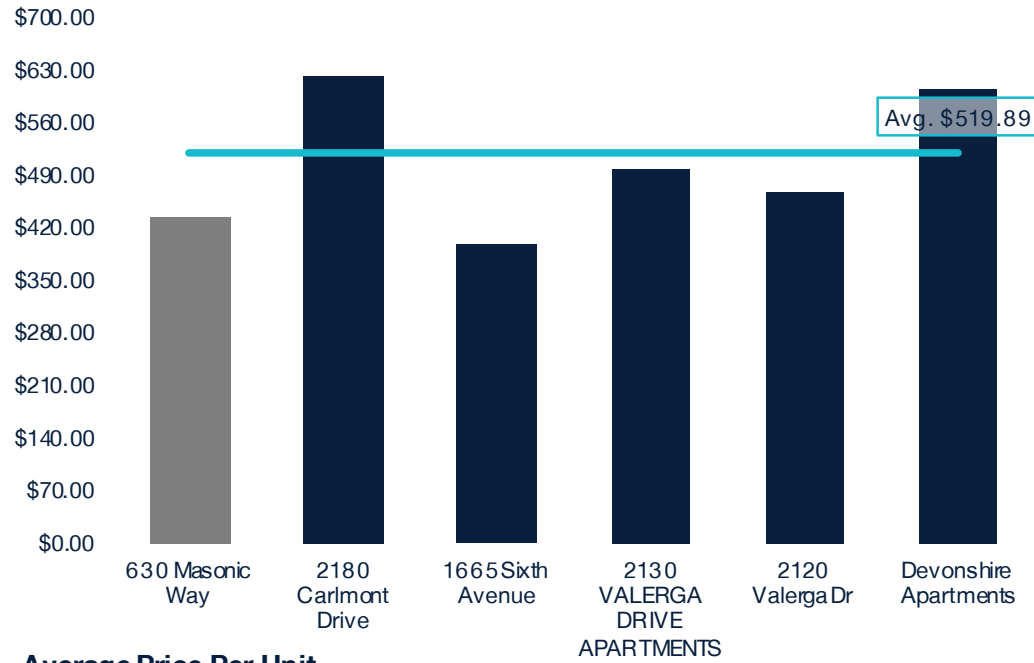


SALES COMPARABLES

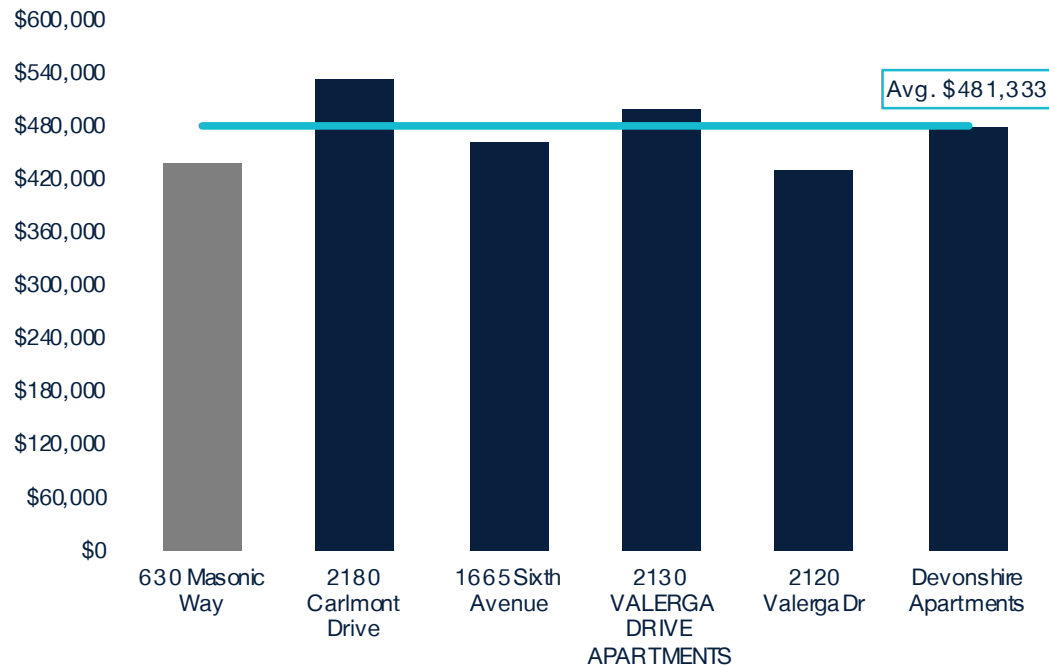
SALES COMPS AVG



### Average Price Per Square Foot



### Average Price Per Unit



# RENT COMPARABLES

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## FEATURED PROPERTY - 630 MASONIC WAY

- 
- |                       |                        |
|-----------------------|------------------------|
| 1. 590 Ralston Avenue | 4. 1160 Elmer Street   |
| 2. 840 El Camino Real | 5. Woodmont Apartments |
- 
3. Bel Air





630 Masonic Way



- 1
- 2
- 4
- 5



**630 MASONIC WAY**

Belmont, CA 94002

UNIT TYPE	UNITS	SQF	RENT	RENT/SQF
1br/1ba	10		\$1,112	\$0
<b>TOTAL/AVG</b>	<b>10</b>		<b>\$1,112</b>	

- 3

# RENT COMPARABLES



**1** 590 RALSTON AVENUE  
Belmont, CA

UNIT TYPE	UNITS	SQF	RENT	RENT/SQF
1br/1ba	6	738	\$2,499	\$3.39
<b>TOTAL/AVG</b>	<b>6</b>	<b>738</b>	<b>\$2,499</b>	<b>\$3.39</b>



**2** 840 EL CAMINO REAL  
Belmont, CA

UNIT TYPE	UNITS	SQF	RENT	RENT/SQF
1br/1ba	3	600	\$2,295	\$3.83
<b>TOTAL/AVG</b>	<b>3</b>	<b>600</b>	<b>\$2,295</b>	<b>\$3.83</b>



**3** BEL AIR  
Belmont, CA

UNIT TYPE	UNITS	SQF	RENT	RENT/SQF
1br/1ba		700	\$2,595	\$3.71
<b>TOTAL/AVG</b>			<b>\$2,595</b>	





**4** 1160 ELMER STREET  
Belmont, CA

**5** WOODMONT APARTMENTS  
Belmont, CA

UNIT TYPE	UNITS	SQF	RENT	RENT/SQF
1br/1ba	14	455	\$2,152	\$4.73
<b>TOTAL/AVG</b>	<b>14</b>	<b>455</b>	<b>\$2,152</b>	<b>\$4.73</b>

UNIT TYPE	UNITS	SQF	RENT	RENT/SQF
Studio	25	900	\$2,468	\$2.74
<b>TOTAL/AVG</b>	<b>25</b>	<b>900</b>	<b>\$2,468</b>	<b>\$2.74</b>



2,300,000

TOTAL POPULATION IN 2016

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# MARKET OVERVIEW

**630 MASONIC WAY**

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# SAN FRANCISCO OVERVIEW

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The San Francisco metro consists of San Francisco, San Mateo and Marin counties. The metro has a population of more than 4.6 million and contains more than 60 municipalities within the three counties. The city of San Francisco accounts for all of San Francisco County, an area that encompasses just 49 square miles and is bordered by the Pacific Ocean to the west and the San Francisco Bay to the north and east. Several islands including Alcatraz and Treasure Island are part of the city, which contains roughly 880,000 residents. Marin County is located to the north and San Mateo County to the south of San Francisco.







# 630 MASONIC WAY

BELMONT, CALIFORNIA

## LOCATION HIGHLIGHTS



### HIGH-INCOME EARNERS

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The median household income is almost double that of the nation, which supports rental pricing and personal expenditures.



### HIGHLY EDUCATED WORKFORCE

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Approximately 50 percent of residents age 25 and older have obtained a bachelor's degree, well above the national rate of 29 percent.



### WORLD-CLASS INSTITUTIONS

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The Bay Area is home to top-ranked educational and research institutions, including two campuses of the University of California.

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# BAY AREA METROS

**Housing construction dries up amid multidecade lows in unemployment.** The booming Bay Area economies, spurred by tremendous growth in technology, semiconductors and biotech, have produced unemployment rates near the lowest levels since the late 1990s. While household formation has remained rapid, a general lack of housing, both single-family and multifamily options, has driven apartment vacancy to extremely low levels. As construction slides this year, conditions will accelerate as tenants pay up for the few remaining options still on the market. As tightening persists, more pronounced growth in the average effective rent will emerge as the year progresses, particularly in submarkets near core areas and high-end suburban neighborhoods.

**Slowing pipeline skewed heavily toward urban core; San Jose metro leads development.** The desire among local residents for urban settings in amenity-rich environments has prompted a pipeline envisioning these ideas. The SoMa neighborhood in San Francisco and the rapidly transforming North San Jose/Milpitas submarket lead injections this year, with each location set to receive more than 900 units. Meanwhile, conditions in Oakland will remain much more benign, with the I-880 corridor between Oakland and Milpitas emerging as the primary focus among builders in the area. Broadly, conditions will support a lower vacancy rate over the coming year, feeding higher NOIs.





# ECONOMY

- ▶ The Bay Area is the birthplace and center of innovation and advancement in technology in the U.S. Some of the largest technology firms and financial institutions are headquartered here.
- ▶ Local Fortune 500 companies feature a diverse array of firms, including Charles Schwab Corp., Wells Fargo, Oracle and the Gap.
- ▶ Tourism is a strong economic driver, drawing approximately 20 million visitors annually.
- ▶ The area benefits from its proximity to Silicon Valley, attracting tech companies along with highly educated workers and resources at local educational institutions.

## MAJOR AREA EMPLOYERS

Kaiser Permanente

Wells Fargo & Co.

Gap Inc.

PG&E

Oracle

Genentech

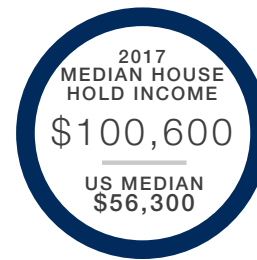
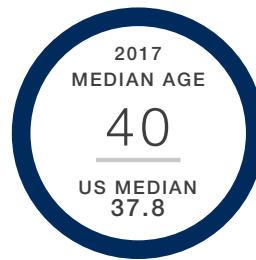
VMWare

Visa



## DEMOGRAPHICS

- ▶ Nearly 28,000 people are expected to be added through 2022. In the same period, more than 22,000 households will be formed, generating demand for housing.
- ▶ Home prices above the U.S. median result in a homeownership rate of 50 percent, which is well below the national rate of 64 percent.
- ▶ Approximately 20 percent of the local population over the age of 25 hold a graduate or professional degree, nearly double the national rate of 11 percent.
- ▶ percent also have a graduate or professional degree.



## QUALITY OF LIFE

San Francisco is recognized worldwide for its spectacular physical beauty, culture, business opportunities and professional sports teams. It also acts as the administrative, financial, cultural and services hub for the Western United States. San Francisco's cost of living is one of the most expensive in the nation due in part to the tight housing market and soaring cost of goods and services. The Bay Area has one of the highest discretionary income levels in the United States as a result of the metro's educated workers and its concentration of jobs in well-paying industries. Cultural and recreational opportunities for residents abound, including a theater district, symphony, opera and more than 20 museums.

## SPORTS



## EDUCATION



## ENTERTAINMENT





# TRENDS AND HIGHLIGHTS

