

ONE BUILDING COMPLEX | 14 UNITS FOR SALE

BELL STREET APARTMENTS

3240 Bell Street, Sacramento, CA

PRICE **\$700,000**

Total Units	14
Occupancy	100%
Price/Unit	\$50,000
Price/Square Foot	\$67.96
Actual Cap Rate	7.15%

Property Highlights

- Market rent \$100 below market
- Attractive price per unit at \$50,000
- Attractive price per foot at \$67.96
- Well maintained complex; new roof 2009
- Secluded; private BBQ area
- Easy access to I-80
- Within walking distance to Dyer Kelly Elementary School



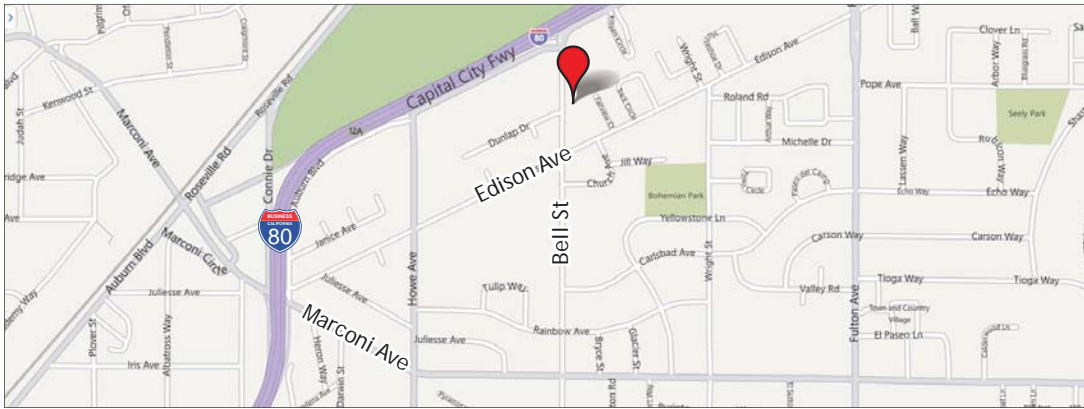
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REAL ESTATE SERVICES

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THE OPPORTUNITY

Building Description

ADDRESS:	3240 Bell Street
CITY, STATE:	Sacramento, CA
OCCUPANCY:	100%
PARKING:	14 on site parking spaces and additional street parking
METERING:	Individual gas and electric
HVAC:	Wall mounted A/C units
ROOFS:	Pitched composition
EXTERIOR:	Wood frame / Stucco
NUMBER OF UNITS FOR SALE:	14
NUMBER OF BUILDINGS:	1
YEAR CONSTRUCTED:	1959
ACRES:	0.40 AC
UNITS / ACRE:	35
TOTAL RENTABLE SF:	10,300 SF
AVERAGE SF:	771 SF
AVERAGE RENT / SF:	\$611

Unit Amenities

Stove and Fridge

Common Area

Private BBQ Area • Laundry

| Summary of Property |

The subject property is located at 3240 Bell Street, Sacramento, CA and consists of 14 units in two buildings. There are nine one bedroom / one bath units measuring 700 square feet and five two bedroom / one bath units measuring 800 square feet. The buildings are constructed of wood frame / stucco exterior, have pitched composition shingle roofs, and wall mounted A/C units. The property has 14 on site parking spaces and additional street parking. The units are separately metered for gas and electricity.

| The Property & Market |

Located near Bell Avenue and Edison Avenue, 3240 Bell Street provides tenants easy access to Interstate 80, employment among the various retail, industrial and office businesses in the immediate area, and shopping at the Arden Fair Mall. The property is located directly across the street from Sacramento Surgery Center and within ½ half mile from Haggin Oaks Golf Course and 1.7 miles to the exclusive Del Paso Country Club. Other nearby amenities include Trader Joe’s, Starbucks, Jamba Juice and Save Mart - all within 1.3 miles from the property.

Significant Apartment Sale 2012 / 2013

Address	City	Price	# of Units	Price/Unit	Price PSF	Actual Cap		Year Built
						Rate		
2115 Wyda Way	Sacramento, CA	\$1,330,000	20	\$66,500	\$60.45	8.10%		1980
2312 Villanova Cir	Sacramento, CA	\$510,000	8	\$63,750	\$79.69	6.80%		1975
7100 Lemon Hill Ave	Sacramento, CA	\$427,000	6	\$71,167	\$90.85	N/A		1965
1850 Ethan Way	Sacramento, CA	\$1,020,000	17	\$60,000	\$68.69	6.82%		1981
2412 Cottage Way (1)	Sacramento, CA	\$1,525,000	28	\$54,464	\$63.54	7.50%		1971
1830 Bell St	Sacramento, CA	\$1,200,000	23	\$52,174	\$45.75	N/A		1970
1225 Bell St	Sacramento, CA	\$1,820,000	32	\$56,875	\$92.62	7.31%		1988

Apartment Rent Survey as of 7/9/13

Name	Address	# of Units	Unit SF	Unit Rent			Rent PSF		
				Low	High	Average	Low	High	Average
Subject	3240 Bell St, Sacramento	14	736	\$611	\$611	\$611	\$0.83	\$0.83	\$0.83
Somerset	2526 Edison Ave, Sacramento	56	655	\$566	\$571	\$569	\$0.86	\$0.87	\$0.87
Amber Park	3636 Edison Ave, Sacramento	122	767	\$759	\$858	\$809	\$0.99	\$1.12	\$1.05
Ridgecrest	2929 Edison Ave, Sacramento	88	674	\$611	\$715	\$663	\$0.91	\$1.06	\$0.98
Captiol City	3100 Howe Ave, Sacramento	24	800	\$725	\$725	\$725	\$0.91	\$0.91	\$0.91
Lynwood	3355 Edison Ave, Sacramento	16	875	\$715	\$715	\$715	\$0.82	\$0.82	\$0.82
Oak Plaza	2512 Edison Ave, Sacramento	48	701	\$581	\$581	\$581	\$0.83	\$0.83	\$0.83

PRO FORMA ANALYSIS

PRICE & CAP RATE

Purchase Price	\$700,000	Pro Forma Cap Rate	7.00%
Price/Unit	\$50,000	Pro Forma Cash on Cash	8.61%
Price/Square Foot	\$67.96	Pro Forma GRM (based on GSI)	6.71
Date Constructed	1959	Actual Cap Rate	7.15%
Acres	0.40	Actual Cash on Cash	9.02%
Units/Acre	35.00		

UNIT MIX & MARKET RENTS

Type	Units	Sq Ft	Area	Monthly Rent	Rent/SqFt	Sched Income
1Bed/1Bath	9	700	6,300	\$575.00	\$0.82	\$5,175
2Bed/1Bath	<u>5</u>	800	<u>4,000</u>	\$675.00	\$0.84	<u>\$3,375</u>
Total/Average	14	736	10,300	\$610.71	\$0.83	\$8,550

2012 ACTUAL INCOME

June 27, 2013 Annualized Rent Roll	95,700
Actual 2012 Other Income	<u>645</u>
Gross Scheduled Income (GSI)	96,345
Actual Vacancy	0.00% 0
Conc/Bad Debt/Loss to Lease	0.00% <u>0</u>
Effective Gross Income	96,345
Operating Expenses	(38,661)
Projected Property Taxes	<u>(7,632)</u>
Net Operating Income	50,052
Cap Rate at Suggested Purchase Price	7.15%

PRO FORMA INCOME

2012 Actual Income		PRO FORMA INCOME	
		Voit Estimated Expenses	
June 27, 2013 Annualized Rent Roll	95,700	Annualized October 6, 2011 Average Asking Rents	102,600
Actual 2012 Other Income	<u>645</u>	Voit Estimate Other Income	<u>1,680</u>
Gross Scheduled Income (GSI)	96,345	Estimated Gross Scheduled Income (GSI)	104,280
Actual Vacancy	0.00% 0	Vacancy Allowance	5.00% (5,214)
Conc/Bad Debt/Loss to Lease	0.00% <u>0</u>	Conc/Bad Debt/Loss to Lease	1.00% <u>(1,043)</u>
Effective Gross Income	96,345	Effective Gross Income	98,023
Operating Expenses	(38,661)	Voit Estimated Operating Expenses	(41,375)
Projected Property Taxes	<u>(7,632)</u>	Projected Property Taxes	<u>(7,632)</u>
Net Operating Income	50,052	Net Operating Income	49,016
Cap Rate at Suggested Purchase Price	7.15%	Cap Rate at Suggested Purchase Price	7.00%
		Cash on Cash	8.61%

EXPENSE BREAKDOWN

	2012 Actual Expenses		Voit Estimated Expenses	
	Property	Per Unit	Property	Per Unit
Payroll	2,548	182	2,800	200
Utilities	13,234	945	13,234	945
Turnover Cost	2,230	159	2,450	175
Maintenance	8,302	593	9,100	650
Advertising/Renting Expense	0	0	350	25
Administration	885	63	1,750	125
Insurance	3,124	223	3,500	250
Property Management	5,538	396	5,391	385
Replacement Reserve	<u>2,800</u>	<u>200</u>	<u>2,800</u>	<u>200</u>
Expenses (Net of Property Taxes)	38,661	2,761	41,375	2,955
Projected Property Taxes	<u>7,632</u>	<u>545</u>	<u>7,632</u>	<u>545</u>
Total Expenses	46,293	3,307	49,007	3,500

NEW PROPERTY FINANCING

New Loan	\$455,000
Loan to Value	65.00%
Fixed Interest Rate	4.40%
Years Amortized	30
Annual Debt Service	\$27,342
Cost of New Loan	\$6,825



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