

3 UNITS ON CAYUGA

921 Cayuga St
Santa Cruz, CA 95060

For more information contact:

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PROPERTY HIGHLIGHTS

- Desirable Location - Seabright Neighborhood
Excellent Condition - Well Maintained - High Curb Appeal
- Unit Mix: Three Large 2BR / 1BA Units Approx. 815 SF
Numerous Upgrades Incl. Paint, Some Floors & DP Windows, & More
- Pitched Composition Shingle Roof in Good Condition
Two Units Vacant and Ready for Occupancy or Rental
- On-Site Laundry Room & Carport + Ample Street Parking
Individual Gas & Electric Meters
- Offered at \$1,325,000

SILICON VALLEY
MULTIFAMILY GROUP®

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SECTION I

Property Overview

INVESTMENT DETAILS

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Analysis

Analysis Date October 2017

Property

Property 3 Units on Cayuga
Property Address 921 Cayuga St
 Santa Cruz, CA 95060

Year Built 1963



Purchase Information

Property Type MultiFamily
Purchase Price \$1,325,000
Fair Market Value \$1,325,000
Units 3
Total Rentable Sq. Ft. 2,445
Resale Valuation 3.0% (annual appreciation)
Resale Expenses 6.0%

Financial Information

Down Payment \$463,750
Closing Costs \$2,500
LT Capital Gain 20.00%
Federal Tax Rate 34.0%
State Tax Rate 9.4%
Discount Rate 3.00%

Loans

Type	Debt	Term	Amortization	Rate	Payment	LO Costs
Fixed	\$861,250	30 years	30 years	4.0%	\$4,112	\$8,613

Income & Expenses

Gross Operating Income \$77,755
Monthly GOI \$6,480
Total Annual Expenses (\$25,224)
Monthly Expenses (\$2,102)

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EXECUTIVE SUMMARY

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Acquisition Costs

Purchase Price, Points and Closing Costs	\$1,336,113
Investment - Cash	\$474,863
First Loan	\$861,250

Investment Information

Purchase Price	\$1,325,000
Price per Unit	\$441,667
Price per Sq. Ft.	\$541.92
Income per Unit	\$26,720
Expenses per Unit	(\$8,408)

Income, Expenses & Cash Flow

Gross Scheduled Income	\$80,160
Total Vacancy and Credits	(\$2,405)
Operating Expenses	(\$25,224)
Net Operating Income	\$52,531
Debt Service	(\$49,341)
Cash Flow Before Taxes	\$3,190
(After Tax Results)	
Total Interest (Debt Service)	(\$34,174)
Depreciation and Amortization	(\$19,507)
Taxable Income (Loss)	(\$1,150)
Tax Savings (Costs)	\$499
Cash Flow After Taxes	\$3,689

Financial Indicators

Cash on Cash Return Before Taxes	0.67%
Optimal Internal Rate of Return (yr 10)	7.54%
Debt Coverage Ratio	1.06
Capitalization Rate	3.96%
Gross Rent Multiplier	16.53
Gross Income / Square Feet	\$32.79
Gross Expenses / Square Feet	(\$10.32)
Operating Expense Ratio	32.44%

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PROPERTY DESCRIPTION

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060



Seabright Neighborhood Triplex | Unit Mix: (3) 2 BR / 1 BA Units

This triplex offers renters and owner-occupiers the opportunity to live in the highly desirable Seabright neighborhood, one mile from Seabright beach, near shopping at Soquel Avenue. It has an excellent unit mix, three large two-bedroom one-bath units with spacious layouts. Two units are vacant and ready for occupancy or rental.

Existing rent is below market, higher rents can be achieved with remodeling. Two of the units have been upgraded in recent years. The building has some dual pane windows, all rooms, which are along the backside of building. There is a newer composite shingle roof, laminate flooring installed in the two vacant units, new carpet last year in the front occupied unit. The exterior was just professionally painted.

Built in 1963, it is 2,452 SF on a 7,100 SF lot, per county records. The units are approximately 815 SF each, they have a lot of large windows and get a lot of sun and light inside. The front unit has an enclosed private yard paved in brick, and covered in greenery, wonderful for a Zen garden. Each unit has its own hot water heater. Landscaping is mature and attractive.

Construction is wood and stucco siding with decorative brick façade over wood frame, on a perimeter foundation. The carport has an attached laundry room and separate storage room. The laundry machines transfer, however coin-op machines could be introduced for additional income (while 2 units are vacant is timely). There is one covered space per unit and plentiful street parking.

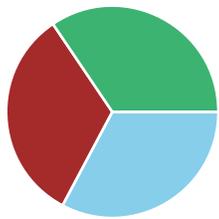
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UNIT MIX REPORT

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

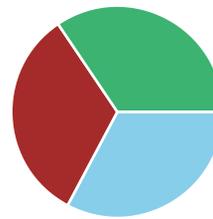
Units	Type	Approx. SqFt	Avg. Rents	Monthly	Mkt Rents	Monthly
1	2 BR / 1 BA Yard	815	\$1,720	\$1,720	\$2,580	\$2,580
1	2 BR / 1 BA Vacant	815	\$2,480	\$2,480	\$2,480	\$2,480
1	2 BR / 1 BA Vacant	815	\$2,480	\$2,480	\$2,480	\$2,480
3		2,445		\$6,680		\$7,540

UNIT MIX



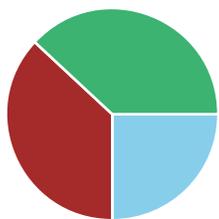
- 2 BR / 1 BA Yard
- 2 BR / 1 BA Vacant
- 2 BR / 1 BA Vacant

UNIT MIX SQUARE FEET



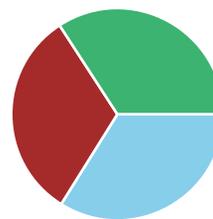
- 2 BR / 1 BA Yard
- 2 BR / 1 BA Vacant
- 2 BR / 1 BA Vacant

UNIT MIX INCOME



- 2 BR / 1 BA Yard
- 2 BR / 1 BA Vacant
- 2 BR / 1 BA Vacant

UNIT MIX MARKET INCOME



- 2 BR / 1 BA Yard
- 2 BR / 1 BA Vacant
- 2 BR / 1 BA Vacant

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PROPERTY PHOTOS

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Property Photos (3) 2BR/1BA Units



Forward Face



Street View



Wide Street



Back Face



Carport & Laundry



Mature Landscaping

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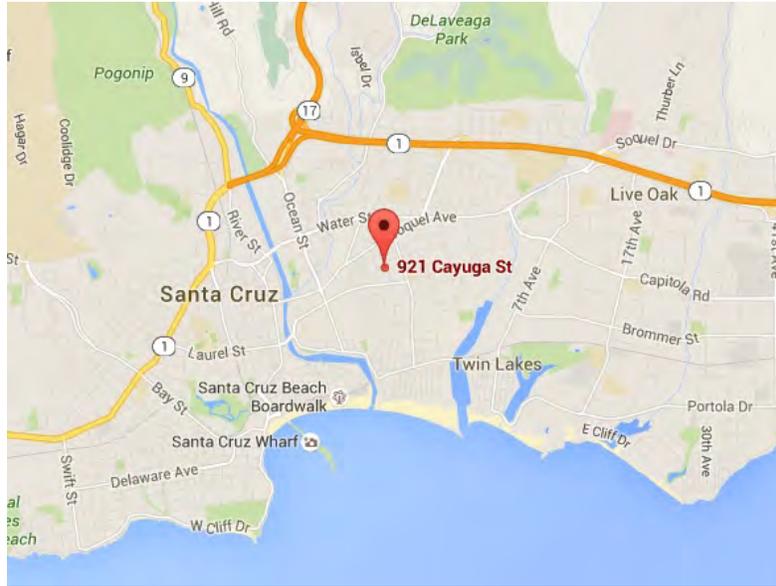
Property Photos 2



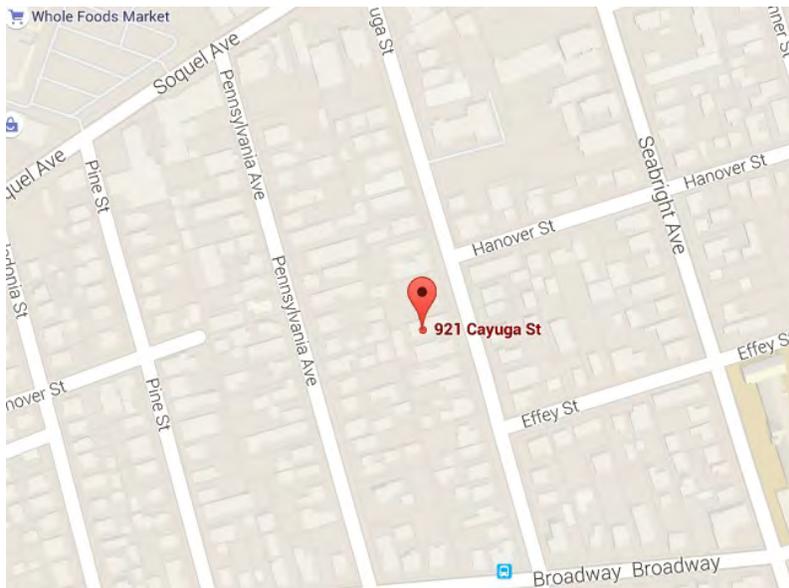
MAPS AND AERIALS

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Location Maps



Regional Map



Neighborhood Map

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MAPS AND AERIALS

3 Units on Cayuga
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Aerial & Parcel Maps



Aerial Map



Parcel Map

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SECTION II

Financial Analysis

ANNUAL PROPERTY OPERATING DATA

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rental Income	\$80,160	\$82,565	\$85,042	\$87,593	\$90,221	\$92,927	\$95,715	\$98,587	\$101,544	\$104,591
GROSS SCHEDULED INCOME	\$80,160	\$82,565	\$85,042	\$87,593	\$90,221	\$92,927	\$95,715	\$98,587	\$101,544	\$104,591
Turnover Vacancy	(\$2,405)	(\$2,477)	(\$2,551)	(\$2,628)	(\$2,707)	(\$2,788)	(\$2,871)	(\$2,958)	(\$3,046)	(\$3,138)
GROSS OPERATING INCOME	\$77,755	\$80,088	\$82,490	\$84,965	\$87,514	\$90,140	\$92,844	\$95,629	\$98,498	\$101,453
Expenses										
Property Taxes	(\$14,707)	(\$14,854)	(\$15,003)	(\$15,153)	(\$15,304)	(\$15,457)	(\$15,612)	(\$15,768)	(\$15,926)	(\$16,085)
Insurance	(\$3,523)	(\$3,629)	(\$3,738)	(\$3,850)	(\$3,965)	(\$4,084)	(\$4,207)	(\$4,333)	(\$4,463)	(\$4,597)
Utilities	(\$4,177)	(\$4,302)	(\$4,431)	(\$4,564)	(\$4,701)	(\$4,842)	(\$4,988)	(\$5,137)	(\$5,291)	(\$5,450)
Landscaping	(\$1,450)	(\$1,494)	(\$1,538)	(\$1,584)	(\$1,632)	(\$1,681)	(\$1,731)	(\$1,783)	(\$1,837)	(\$1,892)
Maintenance & Repairs	(\$812)	(\$836)	(\$861)	(\$887)	(\$914)	(\$941)	(\$970)	(\$999)	(\$1,029)	(\$1,059)
Santa Cruz Rental Inspection	(\$105)	(\$108)	(\$111)	(\$115)	(\$118)	(\$122)	(\$125)	(\$129)	(\$133)	(\$137)
License	(\$250)	(\$258)	(\$265)	(\$273)	(\$281)	(\$290)	(\$299)	(\$307)	(\$317)	(\$326)
Misc. (tenant tire damage)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)	(\$200)
TOTAL OPERATING EXPENSES	(\$25,224)	(\$25,681)	(\$26,148)	(\$26,626)	(\$27,116)	(\$27,617)	(\$28,131)	(\$28,657)	(\$29,195)	(\$29,746)
NET OPERATING INCOME	\$52,531	\$54,407	\$56,343	\$58,339	\$60,398	\$62,522	\$64,713	\$66,973	\$69,303	\$71,707

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CASH FLOW ANALYSIS

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
GROSS SCHEDULED INCOME	\$80,160	\$82,565	\$85,042	\$87,593	\$90,221	\$92,927	\$95,715	\$98,587	\$101,544	\$104,591
Turnover Vacancy	(\$2,405)	(\$2,477)	(\$2,551)	(\$2,628)	(\$2,707)	(\$2,788)	(\$2,871)	(\$2,958)	(\$3,046)	(\$3,138)
Total Operating Expenses	(\$25,224)	(\$25,681)	(\$26,148)	(\$26,626)	(\$27,116)	(\$27,617)	(\$28,131)	(\$28,657)	(\$29,195)	(\$29,746)
NET OPERATING INCOME	\$52,531	\$54,407	\$56,343	\$58,339	\$60,398	\$62,522	\$64,713	\$66,973	\$69,303	\$71,707
Loan Payment	(\$49,341)	(\$49,341)	(\$49,341)	(\$49,341)	(\$49,341)	(\$49,341)	(\$49,341)	(\$49,341)	(\$49,341)	(\$49,341)
NET CASH FLOW (b/t)	\$3,190	\$5,066	\$7,002	\$8,998	\$11,057	\$13,181	\$15,372	\$17,632	\$19,962	\$22,366
Cash On Cash Return b/t	0.67%	1.07%	1.47%	1.89%	2.33%	2.78%	3.24%	3.71%	4.20%	4.71%
NET OPERATING INCOME	\$52,531	\$54,407	\$56,343	\$58,339	\$60,398	\$62,522	\$64,713	\$66,973	\$69,303	\$71,707
Depreciation	(\$19,220)	(\$20,059)	(\$20,059)	(\$20,059)	(\$20,059)	(\$20,059)	(\$20,059)	(\$20,059)	(\$20,059)	(\$19,222)
Amortization	(\$287)	(\$287)	(\$287)	(\$287)	(\$287)	(\$287)	(\$287)	(\$287)	(\$287)	(\$287)
Loan Interest	(\$34,174)	(\$33,556)	(\$32,913)	(\$32,244)	(\$31,547)	(\$30,822)	(\$30,068)	(\$29,282)	(\$28,465)	(\$27,615)
TAXABLE INCOME (LOSS)	(\$1,150)	\$506	\$3,084	\$5,750	\$8,505	\$11,354	\$14,300	\$17,344	\$20,492	\$24,583
Income Taxes	\$499	(\$219)	(\$1,338)	(\$2,495)	(\$3,691)	(\$4,928)	(\$6,206)	(\$7,528)	(\$8,894)	(\$10,669)
CASH FLOW (a/t)	\$3,689	\$4,847	\$5,663	\$6,503	\$7,366	\$8,253	\$9,166	\$10,104	\$11,069	\$11,697
Cash On Cash Return a/t	0.78%	1.02%	1.19%	1.37%	1.55%	1.74%	1.93%	2.13%	2.33%	2.46%

* b/t = before taxes;a/t = after taxes

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FINANCIAL INDICATORS

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Rent Multiplier	17.03	17.03	17.03	17.03	17.03	17.03	17.03	17.03	17.03	17.03
Capitalization Rate	3.96%	4.11%	4.25%	4.40%	4.56%	4.72%	4.88%	5.05%	5.23%	5.41%
Cash On Cash Return b/t	0.67%	1.07%	1.47%	1.89%	2.33%	2.78%	3.24%	3.71%	4.20%	4.71%
Cash On Cash Return a/t	0.78%	1.02%	1.19%	1.37%	1.55%	1.74%	1.93%	2.13%	2.33%	2.46%
Debt Coverage Ratio	1.06	1.10	1.14	1.18	1.22	1.27	1.31	1.36	1.40	1.45
Gross Income per Sq. Ft.	\$32.79	\$33.77	\$34.78	\$35.83	\$36.90	\$38.01	\$39.15	\$40.32	\$41.53	\$42.78
Expenses per Sq. Ft.	(\$10.32)	(\$10.50)	(\$10.69)	(\$10.89)	(\$11.09)	(\$11.30)	(\$11.51)	(\$11.72)	(\$11.94)	(\$12.17)
Net Income Multiplier	25.98	25.84	25.70	25.56	25.43	25.30	25.18	25.06	24.95	24.83
Operating Expense Ratio	32.44%	32.07%	31.70%	31.34%	30.98%	30.64%	30.30%	29.97%	29.64%	29.32%
Loan To Value Ratio	62.00%	59.07%	56.21%	53.43%	50.71%	48.07%	45.48%	42.96%	40.50%	38.10%

* b/t = before taxes; a/t = after taxes

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LOAN ANALYSIS

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
LOAN 1										
Debt Service Analysis										
Principal Payments	\$15,167	\$15,785	\$16,428	\$17,097	\$17,794	\$18,519	\$19,273	\$20,058	\$20,876	\$21,726
Interest Payments	\$34,174	\$33,556	\$32,913	\$32,244	\$31,547	\$30,822	\$30,068	\$29,282	\$28,465	\$27,615
Total Debt Service	\$49,341	\$49,341	\$49,341	\$49,341	\$49,341	\$49,341	\$49,341	\$49,341	\$49,341	\$49,341
Principal Balance Analysis										
Beginning Principal Balance	\$861,250	\$846,083	\$830,298	\$813,870	\$796,773	\$778,979	\$760,460	\$741,187	\$721,129	\$700,253
Principal Reductions	\$15,167	\$15,785	\$16,428	\$17,097	\$17,794	\$18,519	\$19,273	\$20,058	\$20,876	\$21,726
Ending Principal Balance	\$846,083	\$830,298	\$813,870	\$796,773	\$778,979	\$760,460	\$741,187	\$721,129	\$700,253	\$678,527

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PRO FORMA SUMMARY

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060



INVESTMENT SUMMARY

Price:	\$1,325,000
Year Built:	1963
Units:	3
Price/Unit:	\$441,667
RSF:	2,445
Price/RSF:	\$541.92
Lot Size:	7,100 sf
Floors:	1
APN:	010-072-56
Cap Rate:	3.96%
Market Cap Rate:	4.77%
GRM:	16.53
Market GRM:	14.53

FINANCING SUMMARY

Loan Amount:	\$861,250
Down Payment:	\$463,750
Loan Type:	Fixed
Interest Rate:	4%
Term:	30 years
Monthly Payment:	\$4,112
DCR:	1.06

UNIT MIX & ANNUAL SCHEDULED INCOME

Type	Units	Actual	Total	Market	Total
2 BR / 1 BA Yard	1	\$20,640	\$20,640	\$30,960	\$30,960
2 BR / 1 BA Vacant	1	\$29,760	\$29,760	\$29,760	\$29,760
2 BR / 1 BA Vacent	1	\$29,760	\$29,760	\$29,760	\$29,760
TOTALS	3		\$80,160		\$90,480

ANNUALIZED INCOME

Description	Actual	Market
Gross Potential Rent	\$80,160	\$90,480
Less: Vacancy	(\$2,405)	(\$2,714)
Misc. Income	\$0	\$720
Effective Gross Income	\$77,755	\$88,486
Less: Expenses	(\$25,224)	(\$25,224)
Net Operating Income	\$52,531	\$63,262
Debt Service	(\$49,341)	(\$49,341)
Net Cash Flow after Debt Service	\$3,190	\$13,921
Principal Reduction	\$15,167	\$15,167
Total Return	\$18,357	\$29,088

ANNUALIZED EXPENSES

Description	Actual	Market
Property Taxes	\$14,707	\$14,707
Insurance	\$3,523	\$3,523
Utilities	\$4,177	\$4,177
Landscaping	\$1,450	\$1,450
Maintenance & Repairs	\$812	\$812
Santa Cruz Rental Inspection	\$105	\$105
License	\$250	\$250
Misc. (tenant tire damage)	\$200	\$200
Total Expenses	\$25,224	\$25,224
Expenses Per RSF	\$10.32	\$10.32
Expenses Per Unit	\$8,408	\$8,408

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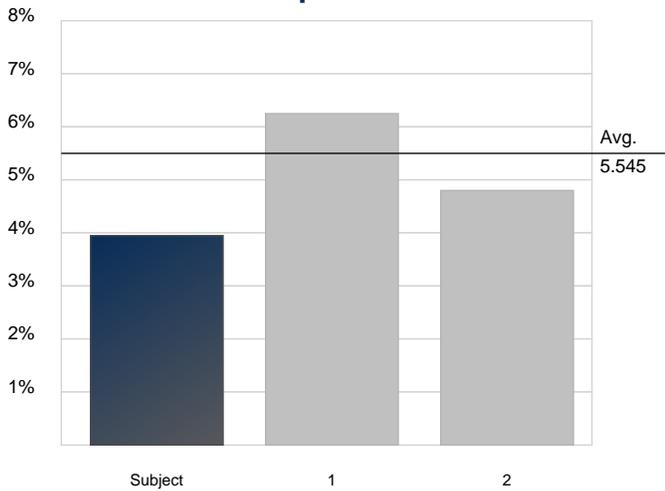
SECTION III

Comparables

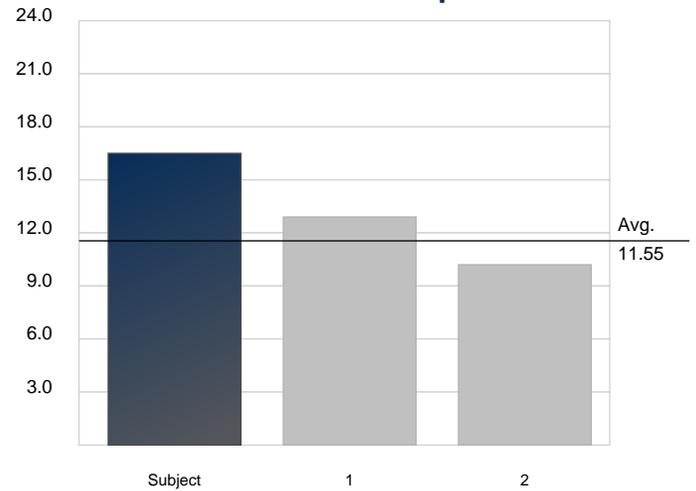
RECENT SALE COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

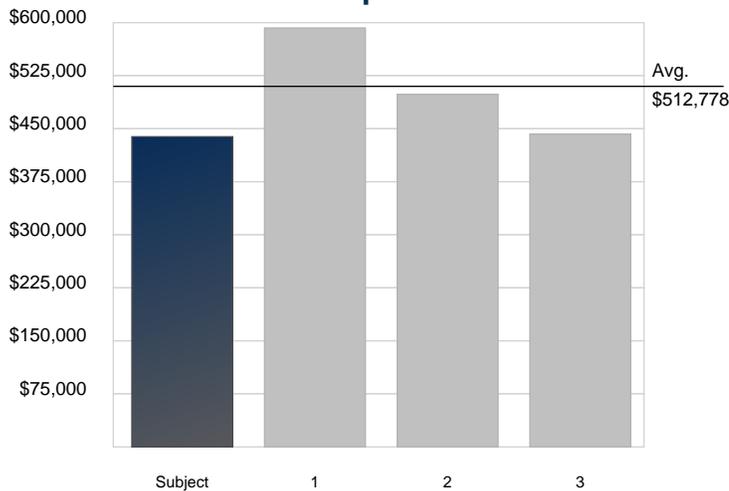
Cap Rate



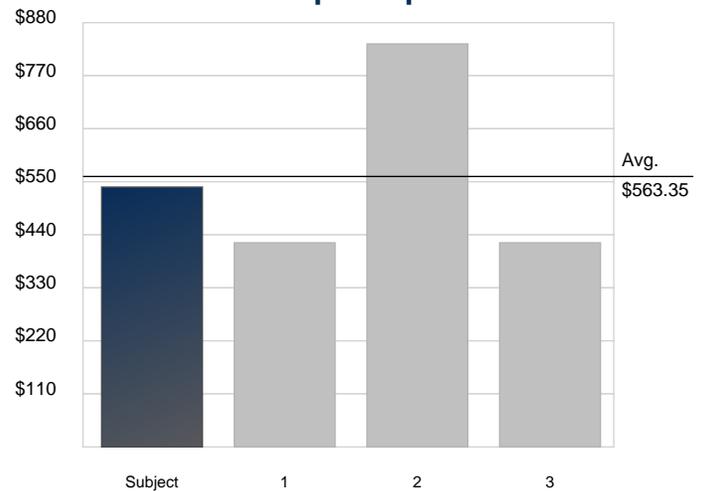
Gross Rent Multiplier



Price per Unit



Price per Sq. Ft.



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RECENT SALE COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

S



3 Units on Cayuga
921 Cayuga St
Santa Cruz, CA 95060

Sale Price	\$1,325,000	# Units	Unit Type
Units	3	1	2 BR / 1 BA Yard
Price/Unit	\$441,667	1	2 BR / 1 BA Vacant
Price/SqFt	\$541.92	1	2 BR / 1 BA Vacant
Cap Rate	3.96%		
Year Built	1963		
GRM	16.53		

NOTES

Triplex With Three Two-Bedroom One-Bath Units, Approx. 815 SF. Spacious and Sunny Interiors.

1



710 Emeline Ave
Santa Cruz, CA 95060

Sale Price	\$1,787,500	# Units	Unit Type
Units	3	2	Three Bedroom Two Bath
Price/Unit	\$595,833	1	One Bedroom One Bath
Price/SqFt	\$427.63		
Cap Rate	6.29%		
Year Built	2016		
GRM	12.9		

Sale Date 10/2/2017

NOTES

2016 construction with two three-bedroom +room 2.5-bath units, and a one-bedroom unit. 6 garages. Reduced \$470,000 to \$1,825M, now in contract.

2



232 30th Ave
Santa Cruz, CA 95062

Sale Price	\$1,500,000	# Units	Unit Type
Units	3		
Price/Unit	\$500,000		
Price/SqFt	\$836.12		
Cap Rate	4.8%		
Year Built	1947		
GRM	10.2		

Sale Date 8/22/2017

NOTES

Three 1947 cottages, one two-bedroom one-bath, one one-bedroom one-bath, & one studio units. Currently a short term rental.

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RECENT SALE COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

3



Sale Date 5/6/2016

626 Windsor Street Santa Cruz, CA 95062

Sale Price	\$1,327,500	# Units	Unit Type
Units	3	1	Four Bedroom Two Bath
Price/Unit	\$442,500	2	Two Bedroom Two Bath
Price/SqFt	\$426.30		
Cap Rate	N/A		
Year Built	1964		
GRM	N/A		

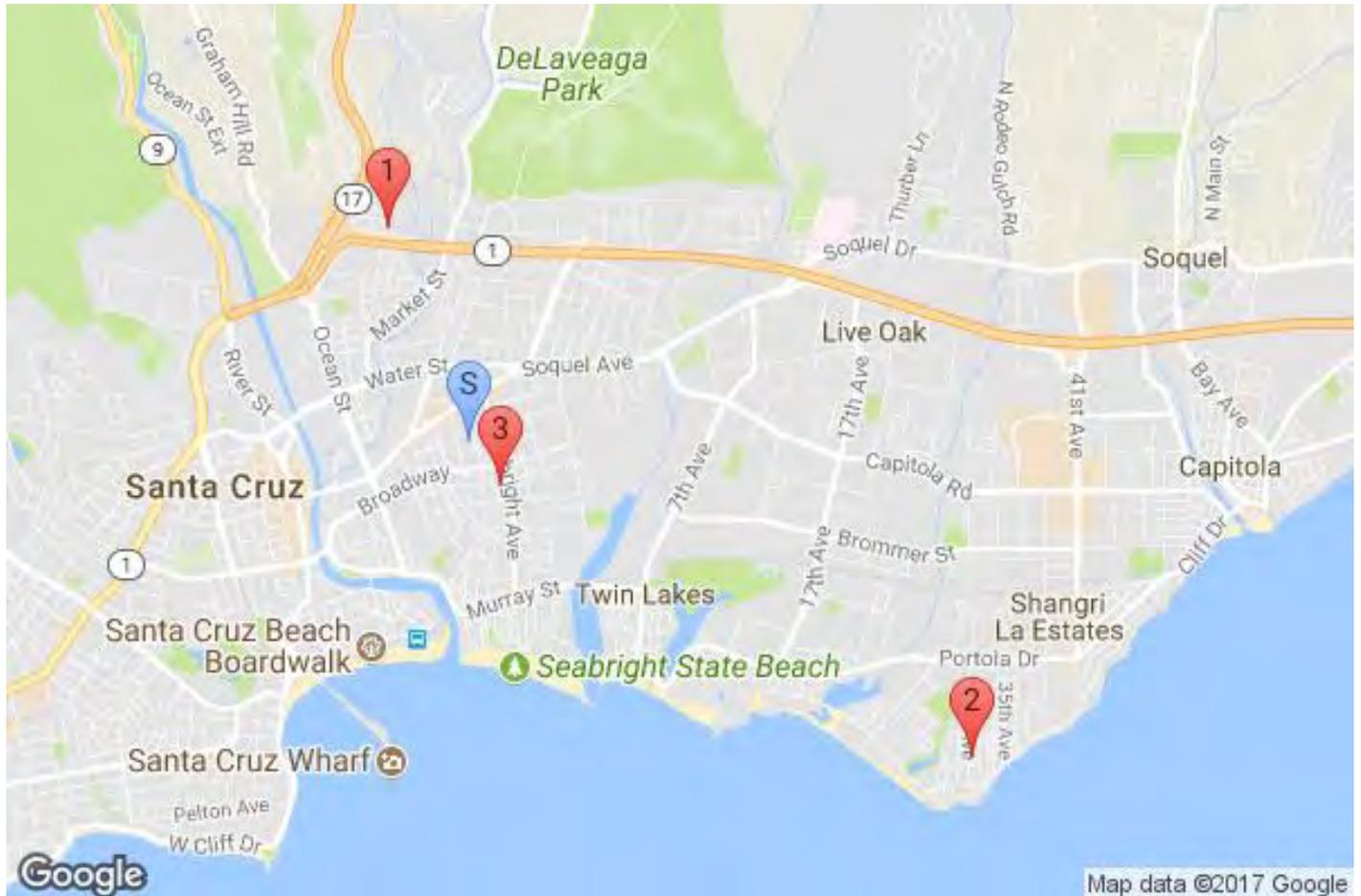
NOTES

This triplex has one 4Br/2Ba and two 2Br/2Ba Units. It has substantially more square footage, and has garages. It was subsequently extensively & immaculately remodeled and flipped for \$1.995M.

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RECENT SALE COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060



S 921 Cayuga St
Santa Cruz, CA, 95060
\$1,325,000

1 710 Emeline Ave
Santa Cruz, CA, 95060
\$1,787,500

2 232 30th Ave
Santa Cruz, CA, 95062
\$1,500,000

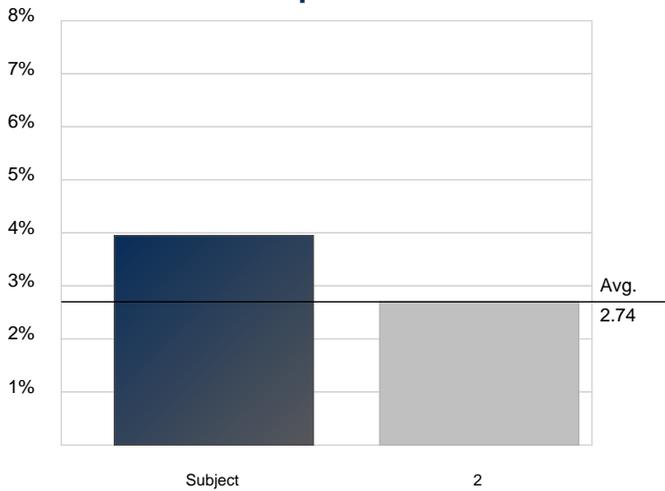
3 626 Windsor Street
Santa Cruz, CA, 95062
\$1,327,500

The information and calculations presented are deemed to be accurate, but not guaranteed and we are not responsible for its correctness.

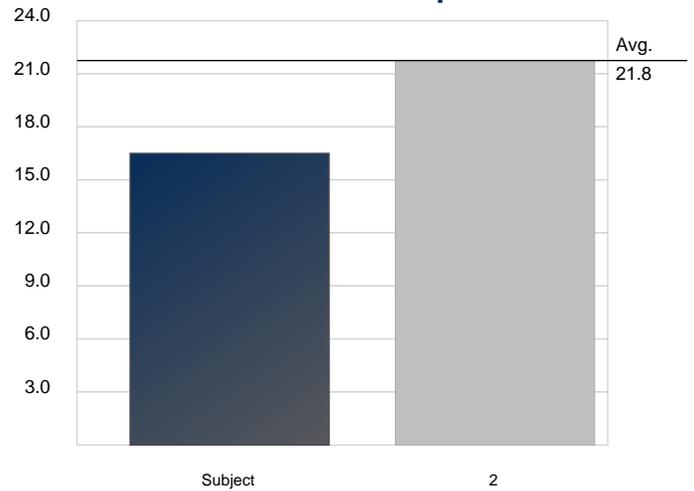
ON MARKET COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

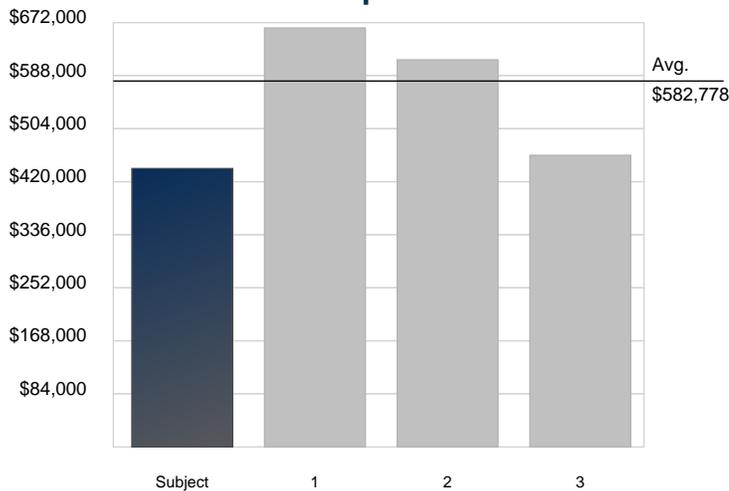
Cap Rate



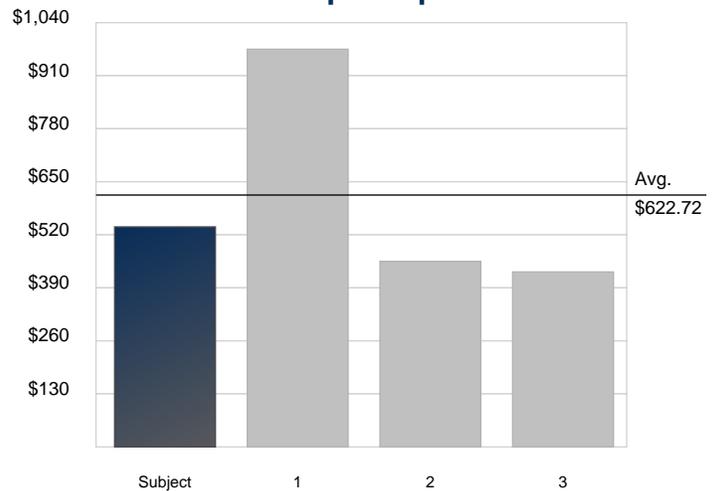
Gross Rent Multiplier



Price per Unit



Price per Sq. Ft.



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ON MARKET COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

S



3 Units on Cayuga 921 Cayuga St Santa Cruz, CA 95060

		# Units	Unit Type
Sale Price	\$1,325,000		
Units	3	1	2 BR / 1 BA Yard
Price/Unit	\$441,667	1	2 BR / 1 BA Vacant
Price/SqFt	\$541.92	1	2 BR / 1 BA Vacant
Cap Rate	3.96%		
Year Built	1963		
GRM	16.53		

NOTES

Triplex With Three Two-Bedroom One-Bath Units, Approx. 815 SF. Spacious and Sunny Interiors.

1



514 Hanover Street Santa Cruz, CA 95060

		# Units	Unit Type
Sale Price	\$1,998,000		
Units	3		
Price/Unit	\$666,000		
Price/SqFt	\$976.54		
Cap Rate	N/A		
Year Built	1945		
GRM	N/A		

On Market

NOTES

This triplex is located just around the corner from subject property. It has 3 separate cottages (2 bed 1.5 bath / 1 bed 1 bath / studio unit). It is extensively remodeled.

2



609 Ord St. Aptos, CA 95003

		# Units	Unit Type
Sale Price	\$1,850,000		
Units	3		
Price/Unit	\$616,667		
Price/SqFt	\$461.23		
Cap Rate	2.74%		
Year Built	1958		
GRM	21.8		
		1	Four Bedroom Two Bath
		2	Three Bedroom Two Bath

On Market

NOTES

This triplex has large units, one four-bedroom two-bath, and two three-bedroom two-bath units. Some are in original condition.

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ON MARKET COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

3



On Market

5800 Valley Drive Felton, CA 95018

Sale Price	\$1,397,000
Units	3
Price/Unit	\$465,667
Price/SqFt	\$430.38
Cap Rate	N/A
Year Built	1937
GRM	N/A

# Units	Unit Type
1	Three Bedroom Two Bath
2	Two Bedroom One Bath

NOTES

Triplex with huge lot in Felton, CA. One three-bedroom two-bath and two two-bedroom one-bath units.

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ON MARKET COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060



S 921 Cayuga St
Santa Cruz, CA, 95060
\$1,325,000

1 514 Hanover Street
Santa Cruz, CA, 95060
\$1,998,000

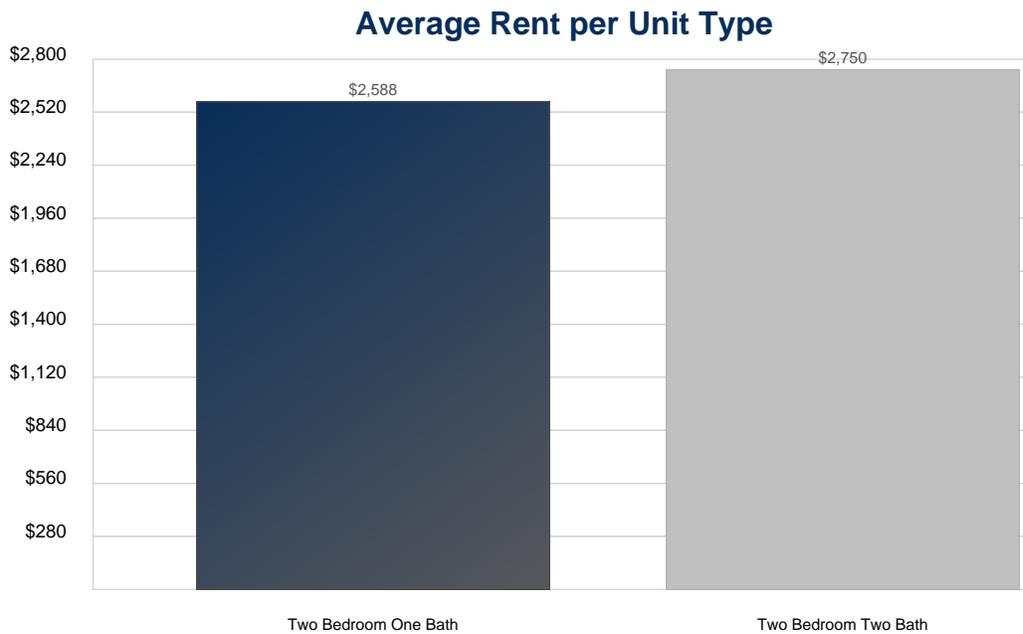
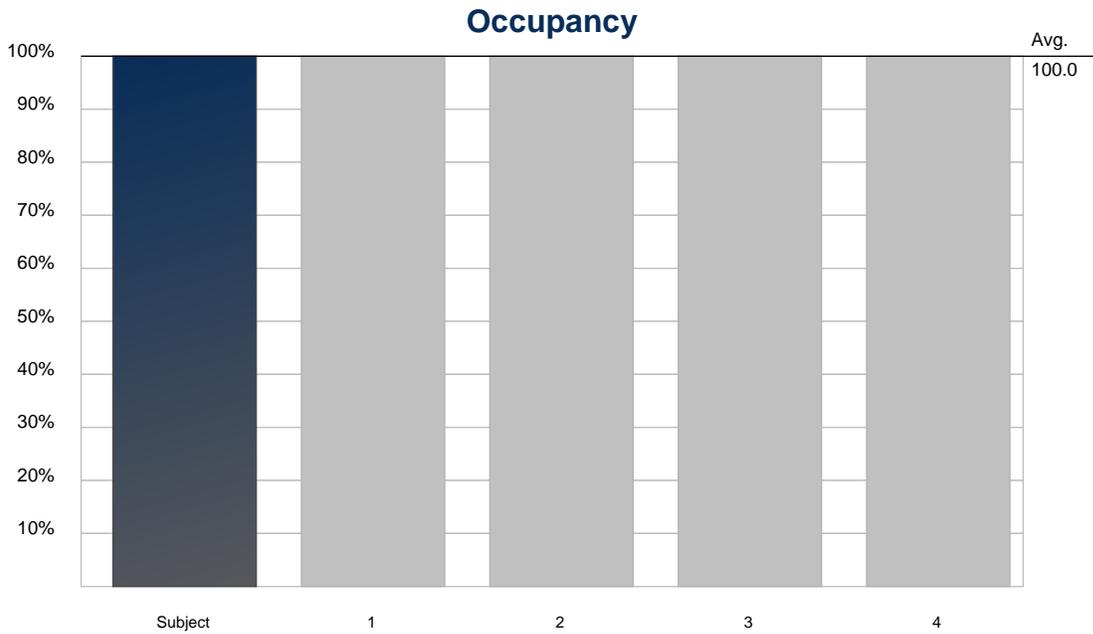
2 609 Ord St.
Aptos, CA, 95003
\$1,850,000

3 5800 Valley Drive
Felton, CA, 95018
\$1,397,000

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RENT COMPARABLES CHARTS

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060



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RENT COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

S



3 Units on Cayuga 921 Cayuga St Santa Cruz, CA 95060

Avg Rent/rsf	\$32.79	# Units	Unit Type	Rent
RSF	2,445	1	2 BR / 1 BA Yard	\$1,720
Occupancy	100%	1	2 BR / 1 BA Vacant	\$2,480
Units	3	1	2 BR / 1 BA Vacant	\$2,480
Year Built	1963			

NOTES

Triplex With Three Two-Bedroom One-Bath Units, Approx. 815 SF. Spacious and Sunny Interiors.

1



208 windham Santa cruz, CA 95060

Avg Rent/rsf	\$2,750.00	# Units	Unit Type	Rent
RSF	1,800	4	Two Bedroom One Bath	\$2,750
Occupancy	100%			
Units	2			
Year Built	N/A			

NOTES

this lovely mid century modern unit (front unit in duplex) very well maintained. spacious, very nice ! great light !! on the best street in seabright/midtown . 99 bike score 2 min to buttery and whole foods. 4 min to downtown. wide quiet street. awesome neighbors. about 900 sf. avail sept 20 2017 9 month lease only ending june 20, 2018 \$2795 a month \$2795 deposit only very responsible with good credit. duplex, laundry in bldg, street parking.

2



1272 7th Ave Santa Cruz, CA 95060

Avg Rent/rsf	\$2,750.00	# Units	Unit Type	Rent
RSF	3,840	4	Two Bedroom Two Bath	\$2,750
Occupancy	100%			
Units	4			
Year Built	N/A			

NOTES

2 bdrm, 1.5 bath 960 sf, remodeled 2-story apartment.. New kitchen cabinets, granite counters, new vinyl plank flooring, new stainless steel appliances, dishwasher.

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RENT COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060

3



825 Cayuga Santa Cruz, CA 95062

Avg Rent/rsf	\$2,550.00	# Units	Unit Type	Rent
RSF	2,000	2	Two Bedroom One Bath	\$2,550
Occupancy	100%			
Units	2			
Year Built	N/A			

NOTES

Clean, light-filled, upgraded duplex, 2 bedroom and 1 bath. Located in the center of the Seabright neighborhood

4



324 Mt. View Avenue Santa Cruz, CA 95062

Avg Rent/rsf	\$0.00	# Units	Unit Type	Rent
RSF	5,845	2	Two Bedroom One Bath	\$2,300
Occupancy	100%			
Units	7			
Year Built	N/A			

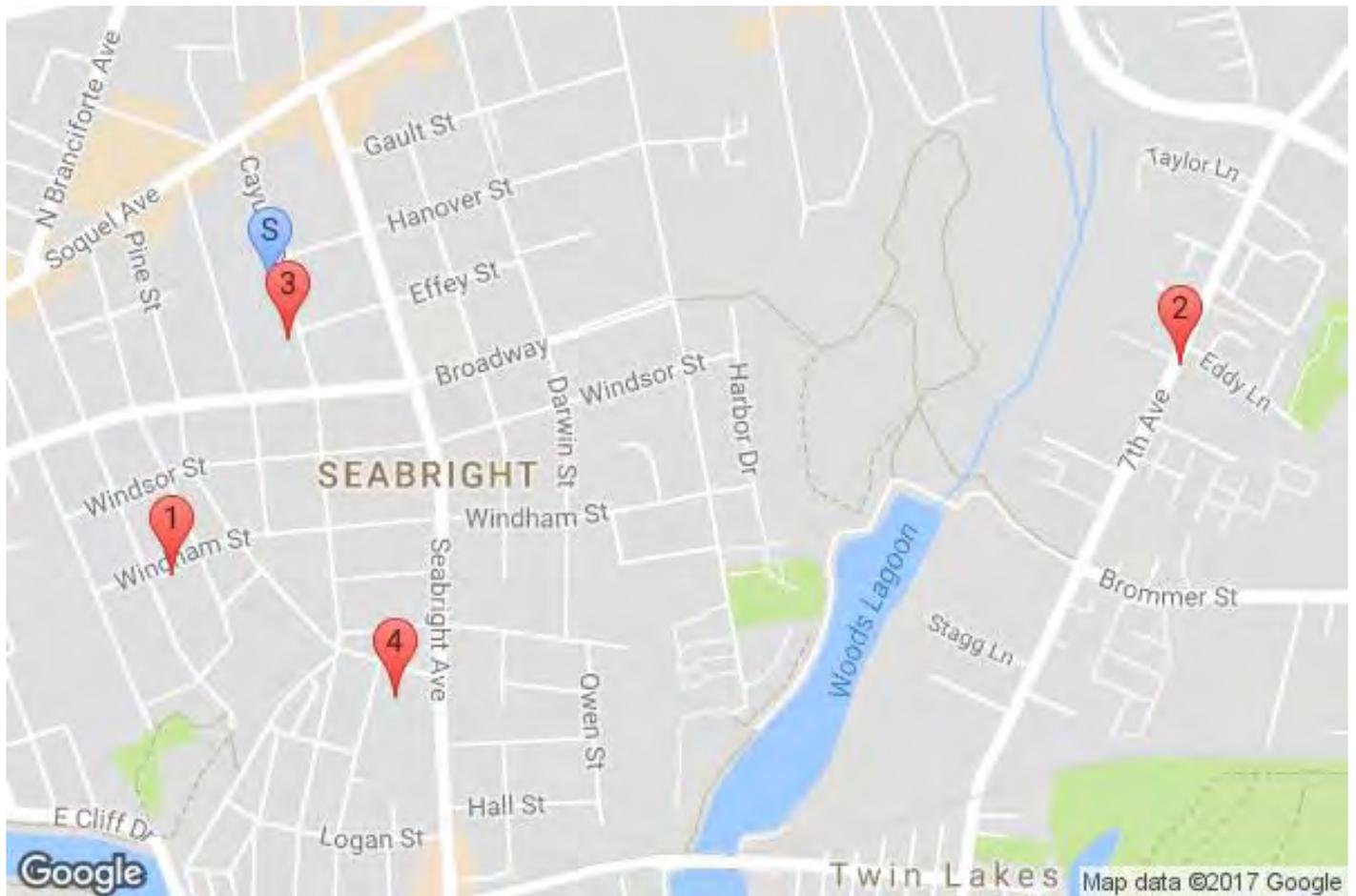
NOTES

Upstairs corner units available immediately. Sunny apartments on second floor 835 sq. ft. ea. Freshly painted, New Carpet, On-site laundry, Carport, Water and garbage paid. Owner claims: could have got \$2400+ yet remained conservative.

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RENT COMPARABLES

3 Units on Cayuga
921 Cayuga St | Santa Cruz, CA 95060



S 921 Cayuga St
Santa Cruz, CA, 95060

1 208 Windham
Santa Cruz, CA, 95060

2 1272 7th Ave
Santa Cruz, CA, 95060

3 825 Cayuga
Santa Cruz, CA, 95062

4 324 Mt. View Avenue
Santa Cruz, CA, 95062

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SECTION IV

Demographics

	1 mile	3 miles	5 miles
Population			
2000 Population	23,074	91,129	114,301
2010 Population	22,943	92,612	118,887
2015 Population	23,621	95,084	122,596
2020 Population	24,323	97,279	125,527
2000-2010 Annual Rate	-0.06%	0.16%	0.39%
2010-2015 Annual Rate	0.56%	0.50%	0.59%
2015-2020 Annual Rate	0.59%	0.46%	0.47%
2015 Male Population	51.4%	50.0%	49.7%
2015 Female Population	48.6%	50.0%	50.3%
2015 Median Age	34.6	35.7	36.0

In the identified area, the current year population is 122,596. In 2010, the Census count in the area was 118,887. The rate of change since 2010 was 0.59% annually. The five-year projection for the population in the area is 125,527 representing a change of 0.47% annually from 2015 to 2020. Currently, the population is 49.7% male and 50.3% female.

Median Age

The median age in this area is 34.6, compared to U.S. median age of 37.9.

Race and Ethnicity

2015 White Alone	71.7%	74.7%	75.8%
2015 Black Alone	2.0%	1.8%	1.6%
2015 American Indian/Alaska Native Alone	1.0%	0.9%	0.8%
2015 Asian Alone	4.2%	5.5%	5.9%
2015 Pacific Islander Alone	0.1%	0.2%	0.2%
2015 Other Race	15.1%	11.2%	10.0%
2015 Two or More Races	5.9%	5.8%	5.8%
2015 Hispanic Origin (Any Race)	26.9%	22.8%	21.1%

Persons of Hispanic origin represent 21.1% of the population in the identified area compared to 17.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 61.4 in the identified area, compared to 63.0 for the U.S. as a whole.

Households

2000 Households	9,352	35,405	44,780
2010 Households	9,836	36,583	46,131
2015 Total Households	10,137	37,320	47,137
2020 Total Households	10,506	38,374	48,527
2000-2010 Annual Rate	0.51%	0.33%	0.30%
2010-2015 Annual Rate	0.58%	0.38%	0.41%
2015-2020 Annual Rate	0.72%	0.56%	0.58%
2015 Average Household Size	2.22	2.37	2.37

The household count in this area has changed from 46,131 in 2010 to 47,137 in the current year, a change of 0.41% annually. The five-year projection of households is 48,527, a change of 0.58% annually from the current year total. Average household size is currently 2.37, compared to 2.38 in the year 2010. The number of families in the current year is 24,487 in the specified area.

	1 mile	3 miles	5 miles
Median Household Income			
2015 Median Household Income	\$53,689	\$59,565	\$61,721
2020 Median Household Income	\$63,606	\$71,141	\$74,599
2015-2020 Annual Rate	3.45%	3.62%	3.86%
Average Household Income			
2015 Average Household Income	\$76,186	\$85,956	\$90,014
2020 Average Household Income	\$89,167	\$99,668	\$104,259
2015-2020 Annual Rate	3.20%	3.00%	2.98%
Per Capita Income			
2015 Per Capita Income	\$33,370	\$34,992	\$36,264
2020 Per Capita Income	\$39,116	\$40,549	\$41,952
2015-2020 Annual Rate	3.23%	2.99%	2.96%

Current median household income is \$61,721 in the area, compared to \$53,217 for all U.S. households. Median household income is projected to be \$74,599 in five years, compared to \$60,683 for all U.S. households

Current average household income is \$90,014 in this area, compared to \$74,699 for all U.S. households. Average household income is projected to be \$104,259 in five years, compared to \$84,910 for all U.S. households

Current per capita income is \$36,264 in the area, compared to the U.S. per capita income of \$28,597. The per capita income is projected to be \$41,952 in five years, compared to \$32,501 for all U.S. households

Housing			
2000 Total Housing Units	9,923	37,643	47,936
2000 Owner Occupied Housing Units	3,307	17,692	23,844
2000 Renter Occupied Housing Units	6,045	17,713	20,936
2000 Vacant Housing Units	571	2,238	3,156
2010 Total Housing Units	10,724	39,950	50,656
2010 Owner Occupied Housing Units	3,275	17,536	23,591
2010 Renter Occupied Housing Units	6,561	19,047	22,540
2010 Vacant Housing Units	888	3,367	4,525
2015 Total Housing Units	11,127	41,015	52,029
2015 Owner Occupied Housing Units	3,173	17,076	23,118
2015 Renter Occupied Housing Units	6,964	20,243	24,019
2015 Vacant Housing Units	990	3,695	4,892
2020 Total Housing Units	11,561	42,191	53,442
2020 Owner Occupied Housing Units	3,219	17,304	23,519
2020 Renter Occupied Housing Units	7,287	21,070	25,009
2020 Vacant Housing Units	1,055	3,817	4,915

Currently, 44.4% of the 52,029 housing units in the area are owner occupied; 46.2%, renter occupied; and 9.4% are vacant. Currently, in the U.S., 55.7% of the housing units in the area are owner occupied; 32.8% are renter occupied; and 11.6% are vacant. In 2010, there were 50,656 housing units in the area - 46.6% owner occupied, 44.5% renter occupied, and 8.9% vacant. The annual rate of change in housing units since 2010 is 1.20%. Median home value in the area is \$571,466, compared to a median home value of \$200,006 for the U.S. In five years, median value is projected to change by 4.82% annually to \$722,960.

DISCLAIMER

All materials and information received or derived from Silicon Valley Multifamily Group (SVMG) its directors, officers, agents, advisors, and/or any third party sources are provided without representation or warranty as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, developability or suitability, financial performance of the property, projected financial performance of the property for any party's intended use or any and all other matters.

Neither SVMG its directors, officers, agents, or affiliates makes any representation or warranty, express or implied, as to accuracy or completeness of the any materials or information provided, derived, or received. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party's active conduct of its own due diligence to determine these and other matters of significant chance to such party. SVMG will not investigate or verify any such matters or conduct due diligence for a party unless otherwise agreed in writing. PLEASE NOTE: The Seller(s) desires to sell the property in "its present physical condition (as-is) subject to inspection and reports.

EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including those through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. *SVMG makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions.* SVMG does not serve as a financial advisor to any party regarding any proposed transaction. When analyzing this property buyer should use income, vacancy and expense levels that will accurately reflect the manner in which it plans to operate the property. Broker, Agent and Seller are making no representations or warranties as to the level of income or expenses Buyer will incur at the property.

Building square footage, unit square footage and lot sizes are not guaranteed. Broker, Agent and Seller have not measured the units, lot or the building and are making NO representation as to the accuracy of square footage figures. Data source for building size and lot size is provided by an online resource such as that provided by Chicago Title Company. SVMG is not responsible for errors in the data. Buyer should measure all units, lot and the building prior to purchase and should not rely on any square footage figures provided by Broker, Agent or Seller.

All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property. Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies.

- Do Not Disturb -- Please respect the Seller's request that the tenants not be disturbed. Unless otherwise indicated, all offers are to be written subject to inspection. The Seller will provide access for the Buyer to inspect the interiors of all units within a reasonable period following a fully executed purchase contract. Seller requests that all inspections be made on the same day.

- Representation -- This information is given with the understanding that all negotiations relating to the purchase of the property described herein shall be conducted through SVMG.

All properties and services are marketed by SVMG in compliance with all applicable fair housing and equal opportunity laws.

OFFERING MEMORANDUM NOTES

Gross Annual Scheduled Income & the Gross Rent Multiplier are based on current rents shown in the Rent Roll. These rent levels are current rent levels at the time this package was prepared and subject to change without notice. Buyer should review most recent rent roll prior to purchase. The laundry income was based on either previous year actual levels or annualized current income.

Gross Annual Scheduled Income & Gross Income Multiplier (Market or Pro Forma) assumes the units are all rented at the rent levels shown in the Pro Forma Summary. These rent levels are not guaranteed to be achievable by Seller, Broker or Agent. Buyer should use rent levels it thinks it can obtain for the subject property.

Capitalization Rate is based on rents, expenses and vacancy figures shown in the Operating Statement.

Pro Forma Capitalization Rate is based on rents, expenses and vacancy figures shown in the Pro-Forma Operating Statement Pro-Forma (Market) column. See Pro Forma Operating Statement Footnotes and Disclaimers in this section of the Offering Memorandum.

Year Built: Data source is provided through the Chicago Title Company online resource. Seller, Broker and Agent are making no guarantee or representations as to when the improvements were built. Buyer should conduct its own investigation to determine age of improvements.

UNIT MIX/SCHEDULED INCOME OVERVIEW FOOTNOTES

Current Rent Column is based on current rents shown in the Rent Roll. These rent levels are current rent levels at the time this package was prepared and subject to change without notice. Buyer should review most recent rent roll prior to purchase.

Pro Forma or Market Rents assumes the units are all rented at the estimated market rent levels shown in the rent roll. Please note that current rents are not at these levels. Pro Forma rent levels are not guaranteed to be achievable by Seller, Broker or Agent. Buyer should use rent levels it thinks it can obtain for the subject property.

Purchase Information on page 4 including Fair Market Value, Resale Valuation and Resale Expenses are provided for illustrative purposes only and will vary depending on market conditions and other factors. SVMG, its Brokers and Agents can not be held accountable for these numbers. Buyer should use the numbers it thinks most appropriate.

Financial Information on page 4 including Down Payment, Closing Costs, LT Capital Gain, Federal and State Tax Rates and the Discount Rate are provided for illustrative purposes only. Actual numbers may, and probably will, vary depending on the Buyer's individual situation.

Loans on page 4. This information is provided for illustrative purposes only. Buyer should use the loan information it thinks attainable and realistic for the property.

Annual Property Operating Data Notes and Disclaimers

Rental Income is based on current rents shown in the Rent Roll

Miscellaneous income is based upon information provided by the owner or manager.

General Vacancy is estimated to be at current market levels or provided by owner.

Taxes are estimated based on list price and based on current tax rate reported by subject property county.

Other Expenses All other expenses are as reported by owner or property manager.

Loan Payment is based upon information provided in the LOANS section of page 4. Buyer should use the loan information it thinks attainable and realistic for the property.

Income Taxes is based upon a 33% or greater tax rate and is provided for illustrative purposes only. Buyer should consult with a licensed tax professional in determining the most realistic and appropriate tax rate.

NOTE: THE 10 YEAR PROJECTIONS ARE PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY. BUYER SHOULD USE THE PROJECTIONS IT THINKS ARE REALISTIC AND ATTAINABLE.

Rent Roll Notes

General Notes: Rent levels, occupancy, deposit amounts and terms are subject to change without notice. Move-In dates are subject to change as units turnover. Buyer should obtain updated information and confirm all rent levels, lease terms, move-in dates, amount of last rental adjustment and deposit amounts prior to purchase.

Market Rent column reflects projected rents, not current rent levels. Projected rent levels are not guaranteed to be achievable by Seller, Broker or Agents. Buyer should use rent levels it thinks it can obtain for the subject property.