



The Capri Apartments

1491 Hess Road, 441 & 403 Poplar Avenue, Redwood City, CA

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The Capri Apartments

Pro Forma Summary



UNIT MIX & ANNUAL SCHEDULED INCOME

Type	Units	Actual	Total	Market	Total
1 BR / 1 BA	45	\$15,777	\$709,949	\$23,400	\$1,053,000
1 BR / 1 BA-NB	4	\$16,787	\$67,146	\$23,400	\$93,600
2 BR / 2 BA	34	\$18,758	\$637,765	\$31,200	\$1,060,800
OFFICE	1	\$0	\$0	\$23,400	\$23,400
Studio/1 BA	1	\$13,869	\$13,869	\$19,800	\$19,800
TOTALS	85		\$1,428,729		\$2,250,600

INVESTMENT SUMMARY

Price:	\$25,750,000
Year Built:	1964
Units:	85
Price/Unit:	\$302,941
RSF:	60,890
Price/RSF:	\$422.89
Lot Size:	2.32 acres
Floors:	3
Parking Spaces:	2:1
APN:	053-295-020
Cap Rate:	2.64%
Market Cap Rate:	6.19%
GRM:	17.47
Market GRM:	10.97

FINANCING SUMMARY

Loan Amount:	\$15,450,000
Down Payment:	\$10,300,000
Loan Type:	Fixed
Interest Rate:	3.5%
Term:	30 years
Monthly Payment:	\$69,377
DCR:	.82

ANNUALIZED INCOME

	Actual	Market
Gross Potential Rent	\$1,428,729	\$2,250,600
Less: Vacancy	(\$42,862)	\$0
Misc. Income	\$45,448	\$96,444
Effective Gross Income	\$1,431,315	\$2,347,044
Less: Expenses	(\$751,953)	(\$751,953)
Net Operating Income	\$679,363	\$1,595,091
Debt Service	(\$832,529)	(\$832,529)
Net Cash Flow after Debt Service	(\$153,166)	\$762,562
Principal Reduction	\$296,505	\$296,505
Total Return	\$143,339	\$1,059,068

ANNUALIZED EXPENSES

	Actual	Market
Taxes - Real Estate	\$279,953	\$279,953
Management Fee	\$90,024	\$90,024
Insurance	\$23,605	\$23,605
Fees & Permits	\$3,653	\$3,653
Legal/Accounting/Consultant	\$4,300	\$4,300
Security & Safety	\$11,955	\$11,955
Electricity	\$20,873	\$20,873
Water & Garbage	\$135,322	\$135,322
SF Water Utility Easement	\$9,022	\$9,022
Natural Gas	\$16,325	\$16,325
Onsite Manager Payroll & Other Salaries	\$54,000	\$54,000
Maintenance & Repairs	\$18,292	\$18,292
Grounds Maintenance	\$8,561	\$8,561
Cleaning	\$5,979	\$5,979
Sub-Contractor Repairs	\$12,340	\$12,340
Plumbing	\$5,380	\$5,380
Painting & Decorating	\$17,210	\$17,210
Electrical	\$13,233	\$13,233
Flooring	\$13,133	\$13,133
HVAC	\$4,642	\$4,642
Building Supplies / Materials	\$4,150	\$4,150
Total Expenses	\$751,953	\$751,953
Expenses Per RSF	\$12.35	\$12.35
Expenses Per Unit	\$8,847	\$8,847

Unit Rent Roll

Unit	Description	Approx. Sq. Ft.	Current Rent	Pro Forma Rent
101	1 BR / 1 BA	611	\$1,277	\$1,950
102	1 BR / 1 BA	611	\$1,400	\$1,950
103	1 BR / 1 BA	611	\$1,277	\$1,950
104	1 BR / 1 BA	611	\$1,277	\$1,950
105	OFFICE	611	\$0	\$1,950
106	1 BR / 1 BA	611	\$1,277	\$1,950
107	1 BR / 1 BA	611	\$1,277	\$1,950
108	2 BR / 2 BA	936	\$1,616	\$2,600
201	2 BR / 2 BA	936	\$1,405	\$2,600
202	1 BR / 1 BA	611	\$1,277	\$1,950
203	1 BR / 1 BA	611	\$1,277	\$1,950
204	1 BR / 1 BA	611	\$1,277	\$1,950
205	1 BR / 1 BA	611	\$1,277	\$1,950
206	1 BR / 1 BA	611	\$1,277	\$1,950
207	1 BR / 1 BA	611	\$1,277	\$1,950
208	2 BR / 2 BA	936	\$1,616	\$2,600
209	2 BR / 2 BA	936	\$1,700	\$2,600
210	1 BR / 1 BA	611	\$1,400	\$1,950
211	1 BR / 1 BA	611	\$1,277	\$1,950
212	1 BR / 1 BA	611	\$1,277	\$1,950
213	1 BR / 1 BA	611	\$1,277	\$1,950
214	1 BR / 1 BA	611	\$1,277	\$1,950
215	1 BR / 1 BA-	611	\$1,191	\$1,950
216	1 BR / 1 BA	611	\$1,277	\$1,950
217	1 BR / 1 BA	611	\$1,277	\$1,950
218	1 BR / 1 BA	611	\$1,277	\$1,950
219	2 BR / 2 BA	936	\$1,616	\$2,600
220	1 BR / 1 BA-	611	\$1,191	\$1,950
221	1 BR / 1 BA	611	\$1,277	\$1,950
222	1 BR / 1 BA	611	\$1,277	\$1,950
223	1 BR / 1 BA	611	\$1,277	\$1,950
224	1 BR / 1 BA	611	\$1,277	\$1,950
225	2 BR / 2 BA	936	\$1,616	\$2,600
301	2 BR / 2 BA	936	\$1,405	\$2,600
302	1 BR / 1 BA	611	\$1,277	\$1,950
303	1 BR / 1 BA	611	\$1,277	\$1,950

Unit Rent Roll

Unit	Description	Approx. Sq. Ft.	Current Rent	Pro Forma Rent
304	1 BR / 1 BA	611	\$1,277	\$1,950
305	1 BR / 1 BA	611	\$1,277	\$1,950
306	1 BR / 1 BA	611	\$1,277	\$1,950
307	1 BR / 1 BA	611	\$1,277	\$1,950
308	2 BR / 2 BA	936	\$1,616	\$2,600
309	2 BR / 2 BA	936	\$1,616	\$2,600
310	1 BR / 1 BA	611	\$1,277	\$1,950
311	1 BR / 1 BA	611	\$1,277	\$1,950
312	1 BR / 1 BA	611	\$1,277	\$1,950
313	1 BR / 1 BA	611	\$1,277	\$1,950
314	1 BR / 1 BA	611	\$1,277	\$1,950
315	1 BR / 1 BA-	611	\$1,191	\$1,950
316	1 BR / 1 BA	611	\$1,277	\$1,950
317	1 BR / 1 BA	611	\$1,277	\$1,950
318	1 BR / 1 BA	611	\$1,277	\$1,950
319	2 BR / 2 BA	936	\$1,616	\$2,600
320	1 BR / 1 BA-	611	\$1,400	\$1,950
321	1 BR / 1 BA	611	\$1,277	\$1,950
322	1 BR / 1 BA	611	\$1,277	\$1,950
323	1 BR / 1 BA	611	\$1,277	\$1,950
324	1 BR / 1 BA	611	\$1,277	\$1,950
325	2 BR / 2 BA	936	\$1,616	\$2,600
127	2 BR / 2 BA	854	\$1,156	\$2,600
128	2 BR / 2 BA	854	\$1,277	\$2,600
129	2 BR / 2 BA	854	\$1,277	\$2,600
130	2 BR / 2 BA	854	\$1,277	\$2,600
131	2 BR / 2 BA	854	\$1,616	\$2,600
132	2 BR / 2 BA	854	\$1,616	\$2,600
133	2 BR / 2 BA	854	\$1,616	\$2,600
226	2 BR / 2 BA	854	\$1,616	\$2,600
227	2 BR / 2 BA	854	\$1,616	\$2,600
228	2 BR / 2 BA	854	\$1,616	\$2,600
229	2 BR / 2 BA	854	\$1,616	\$2,600
230	2 BR / 2 BA	854	\$1,616	\$2,600
231	2 BR / 2 BA	854	\$1,616	\$2,600
232	2 BR / 2 BA	854	\$1,616	\$2,600

Unit Rent Roll

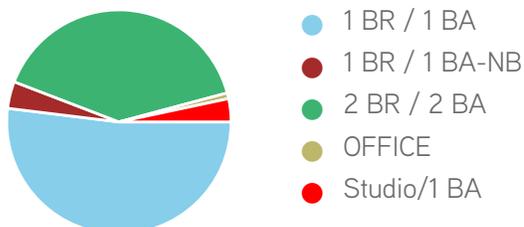
Unit	Description	Approx. Sq. Ft.	Current Rent	Pro Forma Rent
233	2 BR / 2 BA	854	\$1,616	\$2,600
326	2 BR / 2 BA	854	\$1,616	\$2,600
327	2 BR / 2 BA	854	\$1,616	\$2,600
328	2 BR / 2 BA	854	\$1,616	\$2,600
329	2 BR / 2 BA	854	\$1,616	\$2,600
330	2 BR / 2 BA	854	\$1,616	\$2,600
331	2 BR / 2 BA	854	\$1,616	\$2,600
332	2 BR / 2 BA	854	\$1,616	\$2,600
333	2 BR / 2 BA	854	\$1,616	\$2,600
1	Studio/1 BA	380	\$1,616	\$1,650
2	1 BR / 1 BA	595	\$1,616	\$1,950
3	1 BR / 1 BA	630	\$1,616	\$1,950
4	1 BR / 1 BA	630	\$1,616	\$1,950

Unit Mix Report

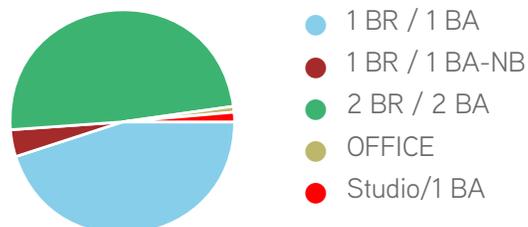
UNIT MIXES

Units	Type	Approx. SqFt	Avg. Rents	Monthly	Mkt Rents	Monthly
45	1 BR / 1 BA	611	\$1,315	\$59,162	\$1,950	\$87,750
4	1 BR / 1 BA-NB	611	\$1,399	\$5,596	\$1,950	\$7,800
34	2 BR / 2 BA	880	\$1,563	\$53,147	\$2,600	\$88,400
1	OFFICE	611	\$0	\$0	\$1,950	\$1,950
1	Studio/1 BA	380	\$1,156	\$1,156	\$1,650	\$1,650
85		60,850		\$119,061		\$187,550

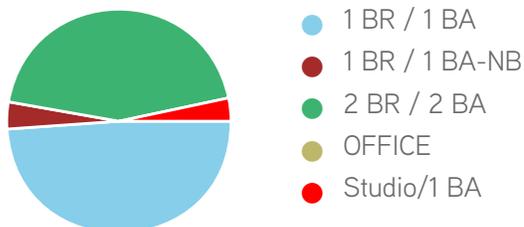
UNIT MIX



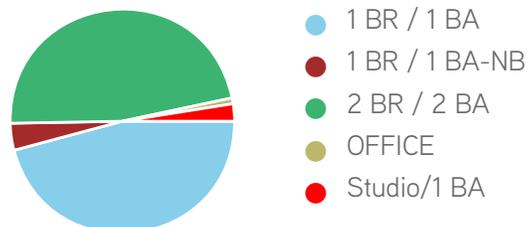
UNIT MIX SQUARE FEET



UNIT MIX INCOME



UNIT MIX MARKET INCOME



Property Highlights

LOCATION: 1491 Hess Road, 441 & 403 Poplar Avenue
Redwood City, CA 94061

- › Rare 85-Unit Apartment Asset in the Heart of Redwood City
- › Private, Gated Apartment Community
- › All Tenants are on Month-to-Month Leases with Below Market Rents
- › Nice Unit Mix: (34) 2 BR/2 BA, (49) 1 BR/1 BA, and (1) Studio/1 BA, plus (1) 1 BR/1 BA used as an Office
- › 85% of Units are Renovated. New Roof, Dual Pane Windows, New Exterior Paint, New Asphalt, and Secured Electronic Gates
- › Impeccably Well-Maintained with Tremendous Rental Upside



Property Summary

Colliers International is pleased to present The Capri Apartments, a true pride-of-ownership, impeccably well-maintained, 85-Unit Secure Gated Apartment Community centrally located in the heart of Redwood City - one of the strongest rental sub-markets in the SF Peninsula.

Built in 1964, the subject property consists of 1491 Hess Rd, 441 Poplar Ave, and 403 Poplar Ave, totaling Eight-Five (85) Apartment Units as follows: Thirty-Four (34) 2 BR / 2 BA, Forty-Nine (49) 1 BR/1 BA, and One (1) Studio/1 BA as well as One (1) 1 BR/1 BA unit currently used as office. The



property totals 60,890 SF of rentable area (per Owner Measurement) on a 2.32 Acre lot on 3 Parcels. The subject property also features: 106 Carports & Outdoor Parking Spaces, Plus 35 Garage Spaces, plus dedicated storage lockers in garages & carports. 1491 Hess and 441 Poplar each has elevators that service 3-floors.

The subject property is also secured by 2 electronically controlled steel gates - accessible by security passcode. The property is extremely well-managed and well-maintained with clean, updated grounds and common areas. In addition to being a fully secured apartment community, the subject property also features a community swimming pool, a spacious outdoor picnic area with outdoor BBQ grills - similar to a community park.

All tenants have substantially below market rents. Thus, current owners will implement a 15% rent increase for all units effective May 1, 2015. All tenants have Month-to-Month leases - providing incoming owner with flexibility to bring rents to market.

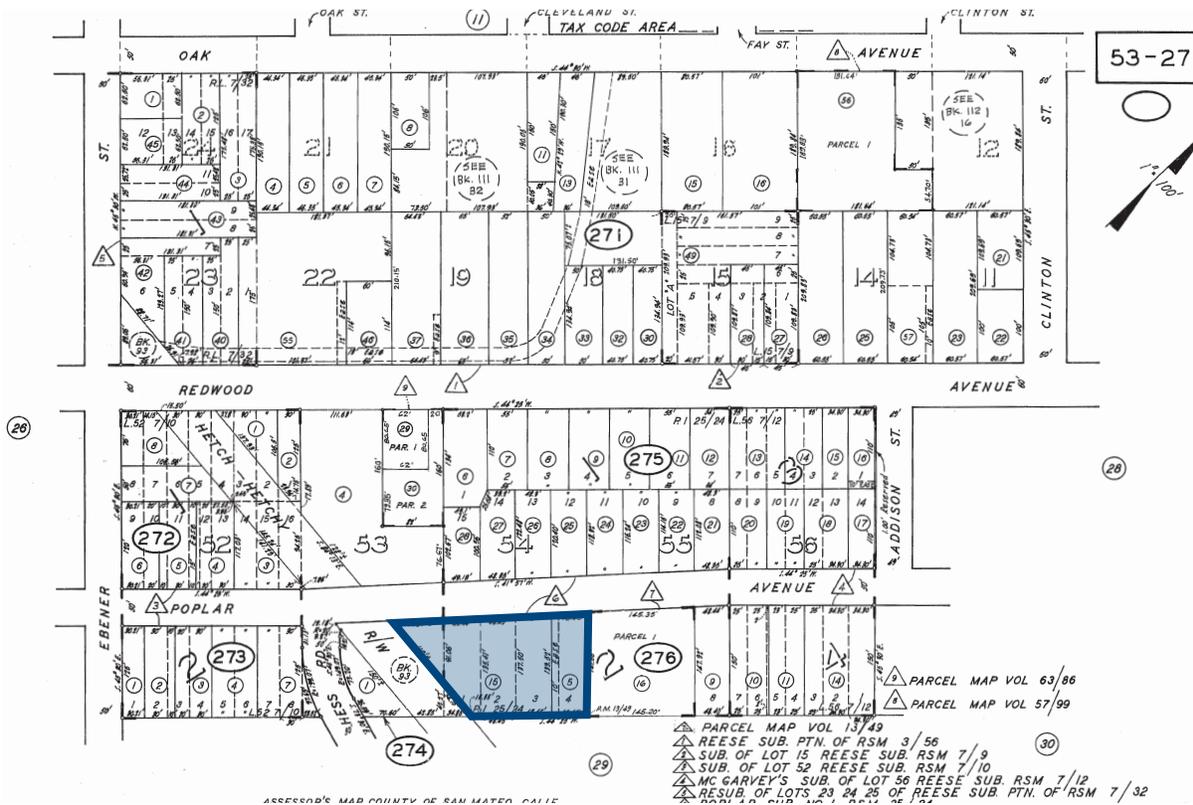
Recent capital improvements include: new dual pane windows on all units, new exterior painting, new water heater, new landscaping, new courtyard area, and several units have been renovated despite below market rents. The roofs on all 3 properties were replaced within the last 5 years, and 85% of the 85 units have been renovated.

Tax Maps

1491 HESS ROAD



441 & 403 POPLAR AVENUE





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