

ValueAdd Development, Retail, & Multi-Family

LIST PRICE - \$7,350,000

FAST CLOSE - \$4,999,000



For Sale \$4,999,000

2701 ALUM ROCK AVENUE | SAN JOSE, CA 95127

HELM
PROPERTIES



Property Summary

| | |
|------------------|---------------------------|
| APN | 484-19-112 - 0.15 ac |
| APN | 484-19-001 - 0.20 ac |
| APN | 484-19-029 - 0.11 ac |
| APN | 484-19-088 - 0.03 ac |
| Total Land Acres | 0.49 ac |
| Purchase Price | \$7,350,000 |
| Fast Close Price | *\$4,999,000 |
| Cap Rate: | 5.85% |
| Tenants | 4 Retail/ 8 Multifamily |
| Rentable Sq. Ft. | 9,200 |
| Floors | 2 |
| Parking | 35 Surface/2 are Handicap |
| Year Built | 1950 - Remodel 1990 |
| Zoning | Commercial Neighborhood |

Property Overview

Helm Properties is pleased to present 2701-2731 Alum Rock Ave, San Jose, CA. A great opportunity for an investor. Located at the NE corner of N. Capitol Ave and Alum Rock Ave. The property consists of an 8 unit apartment complex and approximately 9,200 sf of retail space. The seller has indicated this site could be redeveloped with a 5 story mix-use complex (buyer to investigate). Great opportunity to collect revenue while planning future development.

The building age for retail is 1950. Building age for multifamily 1954 with remodels in 1990.

Income & Expense Summary

| | |
|------------------------|------------|
| Gross Operating Income | \$368,010 |
| Monthly GOI | \$30,668 |
| Total Annual Expenses | (\$92,411) |
| Monthly Expenses | (\$7,701) |
| Current NOI | \$292,207 |

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| Suite | Tenant | SF | Start | End | \$ Month | NNN Month | Total | Annual | Late | Increase |
|---|-----------------|--------------|----------|----------|---------------------|----------------|---------------------|---------------------|------|---|
| 10 N Capitol Ave APN: 484-19-112 | | | | | | | | | | |
| Apt 1 | 1 Bed | 450 | Oct-2019 | Dec-2020 | \$ 1,709.00 | | \$ 1,709.00 | \$20,508.00 | | Annual 5% up |
| Apt 2 | 1 Bed | 450 | Jun-2019 | Jun-2020 | \$ 1,709.00 | | \$ 1,709.00 | \$20,508.00 | | Annual 5% Jul 2020 = \$1,795 |
| Apt 3 | 1 Bed | 450 | Aug-2019 | Dec-2020 | \$ 1,795.00 | | \$ 1,795.00 | \$21,540.00 | | Annual 5% up |
| Apt 4 | 1 Bed | 450 | Jan-2017 | Dec-2020 | \$ 1,795.00 | | \$ 1,795.00 | \$21,540.00 | | Annual 5% up |
| Apt 5 | 1 Bed | 450 | Jan-2017 | Dec-2020 | \$ 1,795.00 | | \$ 1,795.00 | \$21,540.00 | | Annual 5% up |
| Apt 6 | 1 Bed | 450 | Jan-2008 | Dec-2020 | \$ 1,621.00 | | \$ 1,621.00 | \$19,452.00 | | Annual 5% up |
| 2723 Alum Rock APN: 484-19-112 | | 2700 | | | \$ 10,424.00 | | \$ 10,424.00 | \$125,088.00 | | |
| Apt 1 | 1 Bed | 450 | Jul-2019 | Jun-2020 | \$ 1,750.00 | | \$ 1,750.00 | \$21,000.00 | | Annual 5% Jul 2020 = \$1,838 |
| Apt 2 | 1 Bed | 450 | Nov-2013 | Dec-2020 | \$ 1,599.00 | | \$ 1,599.00 | \$19,188.00 | | Annual 5% up |
| 2701 Alum Rock APN: 484-19-112 | | 900 | | | \$ 3,349.00 | | \$ 3,349.00 | \$40,188.00 | | |
| Ste A | Gift Shop-Metro | 530 | Jan-2019 | Dec-2023 | \$ 2,544.00 | \$ 132.50 | \$ 2,676.50 | \$32,118.00 | 5% | Annual 3% up |
| Ste B | Herbal Life | 530 | May-2020 | Apr-2024 | \$ 2,267.50 | \$ 132.50 | \$ 2,400.00 | \$28,800.00 | 5% | Annual 5% |
| 2721 Alum Rock APN: 484-19-001 | | 1060 | | | \$ 4,811.50 | | \$ 5,076.50 | \$60,918.00 | | |
| Yaser Alnajjar/Tabaco Shop | | 1527 | Aug-2015 | Jul-2020 | \$ 4,290.87 | \$ 397.02 | \$ 4,687.89 | \$56,254.68 | | Aug 2020, 3%up = \$2.89 sf/mo. Opt 5 yrs 3% Up |
| 2731 Alum Rock, APN: 484-19-001 | | | | | | | | | | |
| The Purple Sea/ Ms Ha | | 2773 | Jul-2015 | Jul-2020 | \$ 7,792.13 | \$ 720.98 | \$ 8,513.11 | \$102,157.32 | | Aug 2020, 3%up = \$2.89 sf/mo. Opt 5 yrs 3% Up. |
| Grand Totals | | 8,960 | | | \$30,668 | \$1,118 | \$32,051 | \$384,606 | | |

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INVESTMENT SUMMARY

| | |
|------------|-------------|
| PRICE | \$4,999,000 |
| Year Built | 1950 |
| Tenants | 12 |
| RSF | 9,200 |
| Price/RSF | \$543.37 |
| Lot Size | 20,009 sf |
| Floors | 2 |
| APN | 484-19-112 |
| Cap Rate | 5.85% |

FINANCING SUMMARY

| | |
|-----------------|-------------|
| LOAN AMOUNT | \$3,500,000 |
| Down Payment | \$1,500,000 |
| Loan Type | Fixed |
| Interest Rate | 4% |
| Term | 30 years |
| Monthly Payment | \$16,710 |
| DCR | 1.46 |

TENANT ANNUAL SCHEDULED INCOME

| Tenant | Actual |
|--------|-----------|
| TOTALS | \$368,010 |

ANNUALIZED INCOME

| Description | Actual |
|----------------------------------|-------------|
| Gross Potential Rent | \$368,010 |
| - Less: Vacancy | \$0 |
| + Misc. Income | \$16,608 |
| Effective Gross Income | \$384,618 |
| - Less: Expenses | (\$92,411) |
| Net Operating Income | \$292,207 |
| - Debt Service | (\$200,514) |
| Net Cash Flow after Debt Service | \$91,692 |
| + Principal Reduction | \$61,636 |
| TOTAL RETURN | \$153,329 |

ANNUALIZED EXPENSES

| Description | Actual |
|------------------|----------|
| Fire Insurance | \$5,180 |
| Liability | \$684 |
| Waste | \$5,436 |
| Electric | \$6,655 |
| Water | \$4,056 |
| Property Tax | \$70,400 |
| TOTAL EXPENSES | \$92,411 |
| EXPENSES PER RSF | \$10.04 |

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| Description | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| Income | | | | | | | | | | |
| Rental Income | \$369,080 | \$378,929 | \$391,677 | \$405,282 | \$420,728 | \$437,751 | \$454,028 | \$472,196 | \$491,539 | \$511,721 |
| Purple Sea CAM | \$8,652 | \$8,739 | \$8,826 | \$8,914 | \$9,003 | \$9,093 | \$9,184 | \$9,276 | \$9,369 | \$9,463 |
| Yaser Tobacco Shop CAM | \$4,764 | \$4,812 | \$4,860 | \$4,908 | \$4,957 | \$5,007 | \$5,057 | \$5,108 | \$5,159 | \$5,210 |
| Gift Shop CAM | \$1,596 | \$1,612 | \$1,628 | \$1,644 | \$1,661 | \$1,677 | \$1,694 | \$1,711 | \$1,728 | \$1,746 |
| Herbal Life Cam | \$1,596 | \$1,612 | \$1,628 | \$1,644 | \$1,661 | \$1,677 | \$1,694 | \$1,711 | \$1,728 | \$1,746 |
| GROSS SCHEDULED INCOME | \$385,688 | \$395,703 | \$408,619 | \$422,393 | \$438,010 | \$455,206 | \$471,658 | \$490,002 | \$509,523 | \$529,885 |
| GROSS OPERATING INCOME | \$385,688 | \$395,703 | \$408,619 | \$422,393 | \$438,010 | \$455,206 | \$471,658 | \$490,002 | \$509,523 | \$529,885 |
| Expenses | | | | | | | | | | |
| Fire Insurance | (\$5,180) | (\$5,231) | (\$5,284) | (\$5,337) | (\$5,390) | (\$5,444) | (\$5,498) | (\$5,553) | (\$5,609) | (\$5,665) |
| Liability | (\$684) | (\$691) | (\$698) | (\$705) | (\$712) | (\$719) | (\$726) | (\$733) | (\$741) | (\$748) |
| Waste | (\$5,436) | (\$5,490) | (\$5,545) | (\$5,601) | (\$5,657) | (\$5,713) | (\$5,770) | (\$5,828) | (\$5,886) | (\$5,945) |
| Electric | (\$6,655) | (\$6,722) | (\$6,789) | (\$6,857) | (\$6,925) | (\$6,994) | (\$7,064) | (\$7,135) | (\$7,206) | (\$7,278) |
| Water | (\$4,056) | (\$4,097) | (\$4,138) | (\$4,179) | (\$4,221) | (\$4,263) | (\$4,306) | (\$4,349) | (\$4,392) | (\$4,436) |
| Property Tax | (\$70,400) | (\$71,104) | (\$71,815) | (\$72,534) | (\$73,259) | (\$73,992) | (\$74,731) | (\$75,479) | (\$76,234) | (\$76,996) |
| TOTAL OPERATING EXPENSES | (\$92,411) | (\$93,335) | (\$94,269) | (\$95,211) | (\$96,163) | (\$97,125) | (\$98,096) | (\$99,077) | (\$100,068) | (\$101,069) |
| NET OPERATING INCOME | \$293,277 | \$302,367 | \$314,350 | \$327,182 | \$341,847 | \$358,081 | \$373,561 | \$390,925 | \$409,455 | \$428,817 |

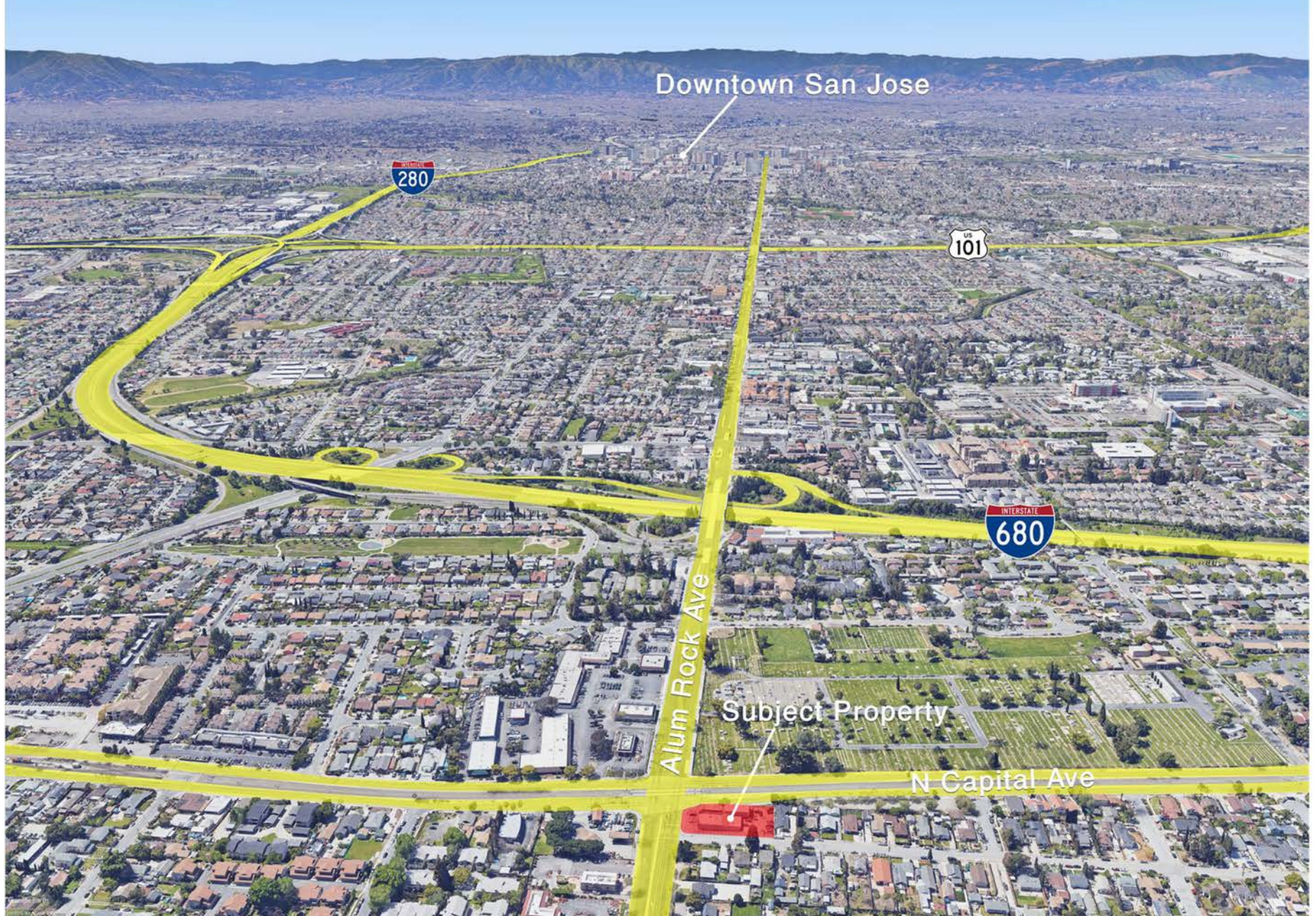
The calculations and data presented are deemed to be accurate, but not guaranteed. They are intended for the purpose of illustrative projections and analysis. The information provided is not intended to replace or serve as substitute for any legal, accounting, investment, real estate, tax or other professional advice, consultation or service. The user of this software should consult with a professional in the respective legal, accounting, tax or other professional area before making any decisions.



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MAPS AND AERIALS

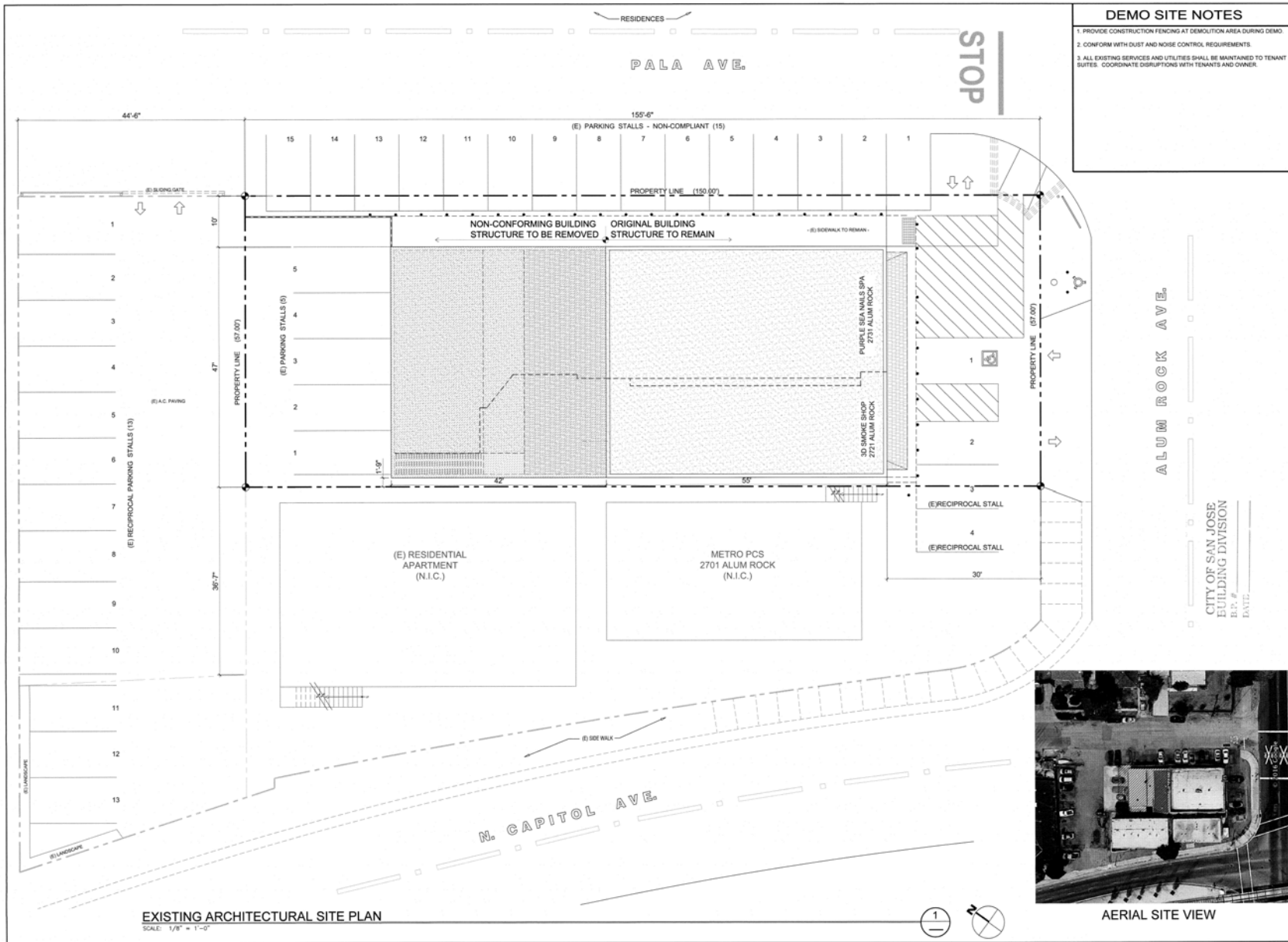
Value Add Development, Retail + Multi Family
2701 Alum Rock Avenue | San Jose, CA 95127



Jeffrey Helm
DRE: 01428618
530-329-8336
jeff@helmre.com

HELM
PROPERTIES





DEMO SITE NOTES

1. PROVIDE CONSTRUCTION FENCING AT DEMOLITION AREA DURING DEMO.
2. CONFORM WITH DUST AND NOISE CONTROL REQUIREMENTS.
3. ALL EXISTING SERVICES AND UTILITIES SHALL BE MAINTAINED TO TENANT SUITES. COORDINATE DISRUPTIONS WITH TENANTS AND OWNER.

ADA Advance Design Architects
 4004 Carnegie Court
 Modesto, California 95306
 Tel: 408.857.3995
 Fax: 408.920.9862
 Email: ADAArchitect@yahood.com

This drawing is an instrument of service only, and is not valid unless the property of ADA Architects. No reproduction or other use shall be made by any person without the express permission of ADA Architects. The user of this drawing shall accept the professional seal of the architect as a condition of use and shall assume no professional responsibility for the same.

Written dimensions on this drawing shall have precedence over any scaled dimension. Do not scale this drawing for accurate dimensions, and notify ADA Architects of any discrepancies.



CORRECTIVE BUILDING PLANS
 CASE No. 201603250
 2731 ALUM ROCK, SAN JOSE, CA 95127
 APN No.: 484 - 19 - 001

CITY OF SAN JOSE
 BUILDING DIVISION
 B.P. # _____
 DATE _____

REVISIONS

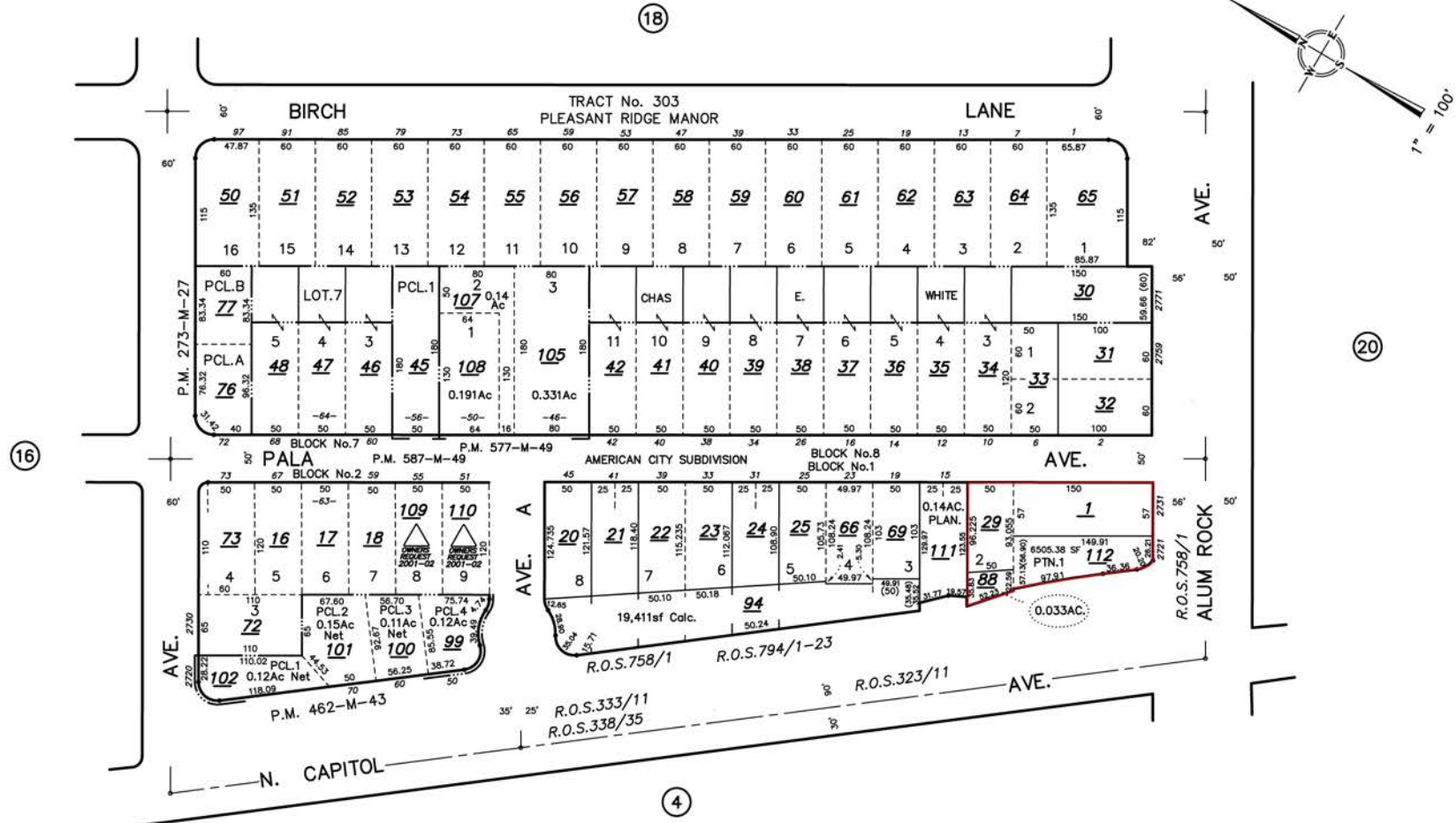
| | |
|---------|------------------------------|
| 3-20-17 | ISSUED FOR DEMOLITION PERMIT |
|---------|------------------------------|



EXISTING ARCHITECTURAL SITE PLAN

6-13-16
 AS SHOWN
 PD, DD
 1603.00

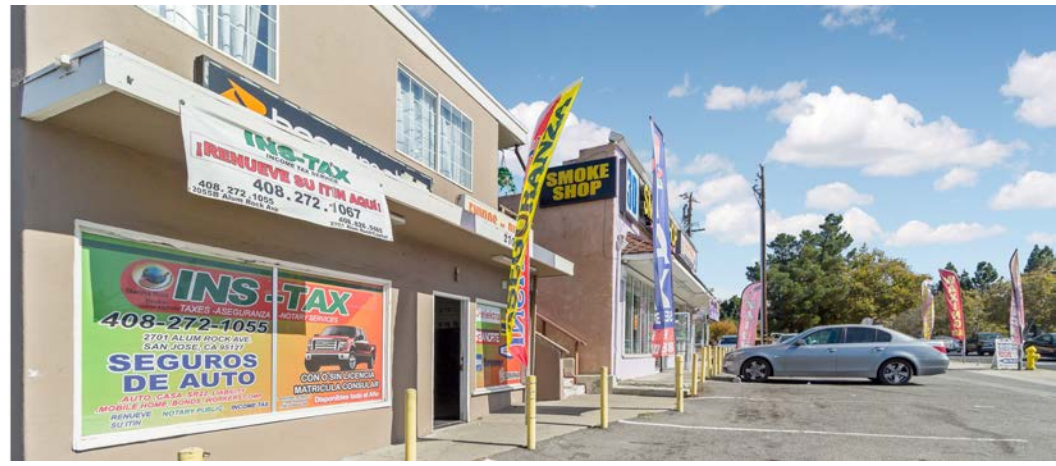
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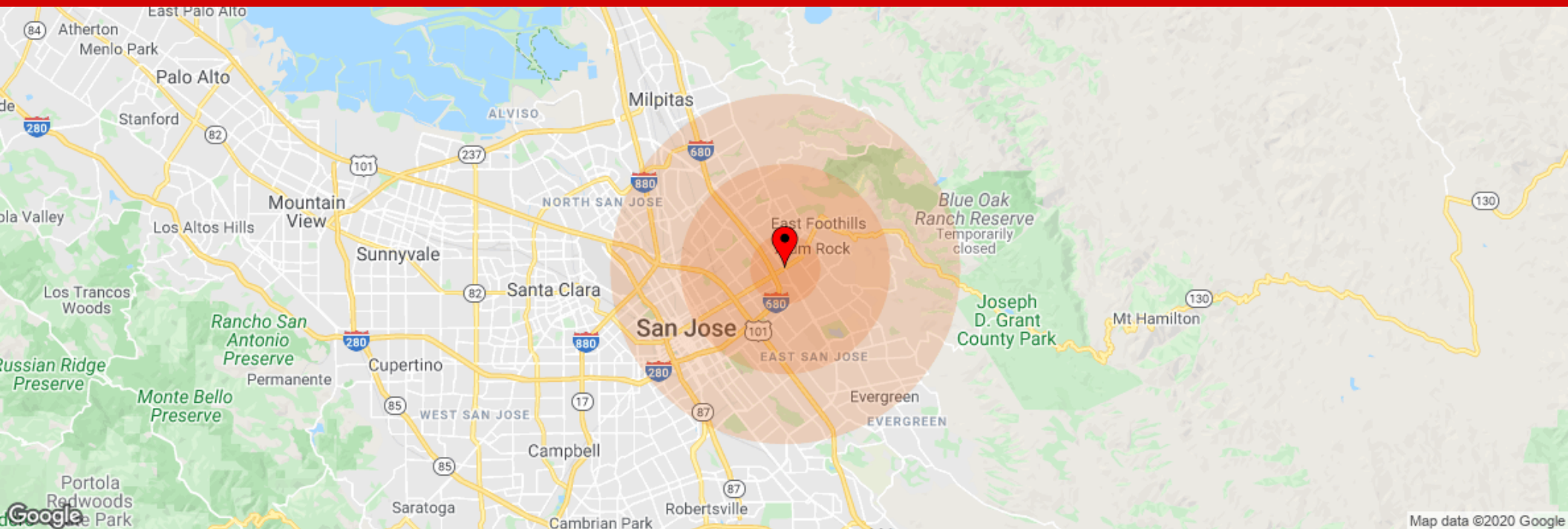
TRA. DET. MAP 124
LAWRENCE E. STONE — ASSESSOR
Cadastral map for assessment purposes only.
Compiled under R. & T. Code, Sec. 327.
Effective Roll Year 2018-2019

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| Age Breakdown | 1 Mile | 3 Mile | 5 Mile |
|---------------|--------|--------|--------|
| Ages 0-4 | 3,090 | 19,007 | 34,782 |
| Ages 5-9 | 3,536 | 21,873 | 40,255 |
| Ages 10-14 | 3,090 | 19,003 | 35,145 |
| Ages 15-19 | 2,862 | 17,676 | 32,687 |
| Ages 20-24 | 2,866 | 17,909 | 33,301 |
| Ages 25-29 | 2,904 | 18,308 | 34,579 |
| Ages 30-34 | 2,903 | 18,599 | 36,071 |
| Ages 35-39 | 2,922 | 18,849 | 37,747 |
| Ages 40-44 | 2,906 | 18,871 | 38,753 |
| Ages 45-49 | 2,790 | 18,861 | 39,032 |
| Ages 50-54 | 2,470 | 16,971 | 35,148 |
| Ages 55-59 | 2,088 | 14,820 | 30,740 |
| Ages 60-64 | 1,716 | 12,143 | 25,105 |
| Ages 65-69 | 1,378 | 9,475 | 19,480 |
| Ages 70-74 | 1,052 | 7,121 | 14,536 |
| Ages 75-79 | 797 | 5,095 | 10,405 |
| Ages 80-84 | 597 | 3,425 | 7,004 |
| Ages 85+ | 1,060 | 5,143 | 10,406 |

| Household Income | 1 Mile | 3 Mile | 5 Mile |
|-------------------|----------|----------|----------|
| Median | \$56,301 | \$61,905 | \$69,923 |
| < \$10000 | 638 | 3,569 | 7,052 |
| \$10000-\$14999 | 742 | 3,634 | 7,297 |
| \$15000-\$19999 | 813 | 2,929 | 5,507 |
| \$20000-\$24999 | 408 | 3,164 | 6,332 |
| \$25000-\$29999 | 534 | 2,743 | 5,811 |
| \$30000-\$34999 | 464 | 2,664 | 5,138 |
| \$35000-\$39999 | 421 | 3,150 | 5,807 |
| \$40000-\$44999 | 491 | 3,063 | 5,855 |
| \$45000-\$49999 | 624 | 2,443 | 4,913 |
| \$50000-\$60000 | 951 | 4,947 | 9,771 |
| \$60000-\$74000 | 1,103 | 6,470 | 14,414 |
| \$75000-\$99999 | 1,345 | 9,402 | 19,403 |
| \$100000-\$124999 | 839 | 6,644 | 15,140 |
| \$125000-\$149999 | 453 | 4,286 | 10,344 |
| \$150000-\$199999 | 450 | 4,664 | 12,356 |
| > \$200000 | 209 | 3,523 | 9,650 |

| Population | 1 Mile | 3 Mile | 5 Mile |
|------------------|--------|---------|---------|
| Male | 20,702 | 132,851 | 261,981 |
| Female | 20,325 | 130,298 | 253,195 |
| Total Population | 41,027 | 263,149 | 515,176 |

| Race Characteristics | 1 Mile | 3 Mile | 5 Mile |
|-------------------------|--------|--------|---------|
| Non Hispanic White | 12,807 | 81,922 | 157,786 |
| Population Black | 700 | 3,965 | 10,429 |
| Population Am In/AK Nat | 300 | 1,288 | 2,104 |

| Housing | 1 Mile | 3 Mile | 5 Mile |
|-----------------|--------|--------|---------|
| Total Units | 11,078 | 71,053 | 154,178 |
| Occupied | 10,538 | 68,381 | 147,119 |
| Owner Occupied | 4,708 | 38,924 | 81,259 |
| Renter Occupied | 5,830 | 29,457 | 65,860 |
| Vacant | 540 | 2,672 | 7,059 |

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