



1042 Forest Avenue, Pacific Grove



\$12,650,000

40 Units - Two-Bedroom / One Bathroom

29,920 sq.ft. Building | 44,890 sq.ft. Lot



The information set forth herein has been received by us from sources we believe to be reliable.

We do not warrant its accuracy or completeness.



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PACIFIC GROVE:

- Fantastic location in Pacific Grove near the Asilomar beach and coast areas.
- Short distance to many services, including restaurants, In-Shape gym, coffee shops, Wells Fargo and Chase Bank.
- Close to downtown Pacific Grove, Cannery Row, Carmel, the Monterey Bay bike trail, and Pebble Beach.
- Short distance to grocery stores including Trader Joe's, Safeway, and Save Mart.
- Close to major employers, including Defense Language Institute, Cal Am Water, Pebble Beach Company, and the Community Hospital of the Monterey Peninsula.
- Pacific Grove Unified School District schools are ranked in the top three in Monterey County.

COMPLEX NOTES:

- Rarely available 20+ unit apartment complex in Pacific Grove
- Last Pacific Grove MLS 20+ unit sale was in February 2016.
- 40 two-bedroom / one-bathroom units with a unique floor plan. The 748 square foot units feature an open kitchen, dining, and living room combination. The rooms are separated by a clever built-in bookcase/storage unit, and two storage closets besides the bedroom clothes closets.
- Recent upgrades include main electric panel replacement, deck repairs and replacements, exterior painting, LVP flooring, dual pane vinyl windows installed throughout the complex, asphalt resurfacing, and the construction of a contractor's & delivery parking area.
- The complex has a RUBS billing system in place. The tenants are billed for their share of PG&E, sewer, water, and garbage expenses.
- The units feature gas oven/stoves with vent hoods, granite counters, and newer appliances.
- The units are heated with gas wall furnaces
- The shower enclosures are tiled with cast-iron tubs in most units.
- 5 buildings with 8 units per building. There is a separate PG&E account for each building.
- Laundry facility with 4 washers and 4 dryers. The equipment is owned by the complex.
- There are 47 parking spaces.

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Financials

Listing Price:	\$12,650,000	Building Sq. Ft:	29920	Units:	40
Down Payment:	\$4,150,000	Lot Square Ft:	44890	Price / Unit:	\$316,250
Loan Amount:	\$8,500,000	APN:	007-101-003	Age:	1964
Current Rent GRM:	10.47	ProForma GRM:	9.97	Price / Sq. Ft.:	\$423
Current Rent Cap:	5.93%	ProForma Cap:	6.39%	Roof:	Comp
Monthly Scheduled Rents:		Current:	ProForma:		
		\$92,860	\$2,322	\$98,000	\$2,500
Scheduled Gross Annual Income		\$1,114,320		\$1,176,000	
Less: Vacancy Factor @ 3%		\$33,430		\$35,280	
Effective Gross Income:		\$1,080,890		\$1,140,720	
Plus: Laundry Income:		\$13,200	\$1,100	\$13,200	\$1,100
Plus:Rubs:		\$80,124	\$6,677	\$80,124	\$6,677
Total Annual Income:		<u>\$1,174,214</u>		<u>\$1,234,044</u>	
Less: Expenses					
Property Taxes:	1.080%	\$136,620	11.64%	\$136,620	11.07%
Repairs & Maintenance:	\$850	\$34,000	2.90%	\$34,000	7.00%
Off Site Management:	4%	\$43,236	3.68%	\$45,629	3.70%
Onsite Management:	\$1,500	\$18,000	1.53%	\$18,000	1.46%
Property Insurance:		\$36,000	3.07%	\$36,000	2.92%
Garbage:	\$2,118	\$25,412	2.16%	\$25,412	2.06%
Sewer:	\$3,553	\$42,638	3.63%	\$42,638	3.46%
Water:	\$4,125	\$49,497	4.22%	\$49,497	4.01%
PG&E:	\$1,624	\$19,487	1.66%	\$19,487	1.58%
Landscaping:	\$250	\$3,000	0.26%	\$3,000	0.24%
Office Expense:		\$2,194	0.19%	\$2,194	0.18%
Reserves:	\$250	\$10,000	0.85%	\$10,000	0.81%
Miscellaneous:		\$3,500	0.30%	\$3,500	0.28%
Total Expenses:	<u>\$10,590</u>	<u>\$423,584</u>	<u>36.07%</u>	<u>\$425,977</u>	<u>34.52%</u>
Net Operating Income:		<u>\$750,630</u>		<u>\$808,067</u>	

Potential Depreciation:	
Accelerated Depreciation:	\$772,235
27.5 Year Depreciation	\$338,521
Total Depreciation:	<u>\$1,110,756</u>

Notes:

- A. Laundry facilities are owned by the property.
- B. The RUBS program is in place.
- C. Property taxes are based on 2025/2026 tax bill.
- D. Insurance is estimated.
- E.. Resident manager compensation is \$1500 per month.
- F. Utilities are based upon the 2024 & 2025 Year to Date Profit & Loss statement.
- G. Landscaping: Performed by onsite manager. Compensation is \$250/month.
- H. The vacancy factor has consistently been less than 3% over the last several years.
- I. Current income is based on the December 2025 rent roll.

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Rent Roll

Unit #:	Unit Type:	Sq. Ft.	Rent	Rent/ Sq. Ft.	Market Rent	Rent/ Sq. Ft.
1	Two Bedroom / One Bathroom	748	\$2,375	\$3.18	\$2,450	\$3.28
2	Two Bedroom / One Bathroom	748	\$2,325	\$3.11	\$2,450	\$3.28
3	Two Bedroom / One Bathroom	748	\$2,325	\$3.11	\$2,450	\$3.28
4	Two Bedroom / One Bathroom	748	\$2,285	\$3.05	\$2,450	\$3.28
5	Two Bedroom / One Bathroom	748	\$2,370	\$3.17	\$2,450	\$3.28
6	Two Bedroom / One Bathroom	748	\$2,350	\$3.14	\$2,450	\$3.28
7	Two Bedroom / One Bathroom	748	\$2,370	\$3.17	\$2,450	\$3.28
8	Two Bedroom / One Bathroom	748	\$2,250	\$3.01	\$2,450	\$3.28
9	Two Bedroom / One Bathroom	748	\$2,000	\$2.67	\$2,450	\$3.28
10	Two Bedroom / One Bathroom	748	\$2,200	\$2.94	\$2,450	\$3.28
11	Two Bedroom / One Bathroom	748	\$2,355	\$3.15	\$2,450	\$3.28
12	Two Bedroom / One Bathroom	748	\$2,345	\$3.14	\$2,450	\$3.28
13	Two Bedroom / One Bathroom	748	\$2,400	\$3.21	\$2,450	\$3.28
14	Two Bedroom / One Bathroom	748	\$2,325	\$3.11	\$2,450	\$3.28
15	Two Bedroom / One Bathroom	748	\$2,325	\$3.11	\$2,450	\$3.28
16	Two Bedroom / One Bathroom	748	\$2,300	\$3.07	\$2,450	\$3.28
17	Two Bedroom / One Bathroom	748	\$2,300	\$3.07	\$2,450	\$3.28
18	Two Bedroom / One Bathroom	748	\$2,400	\$3.21	\$2,450	\$3.28
19	Two Bedroom / One Bathroom	748	\$2,375	\$3.18	\$2,450	\$3.28
20	Two Bedroom / One Bathroom	748	\$2,325	\$3.11	\$2,450	\$3.28
21	Two Bedroom / One Bathroom	748	\$2,370	\$3.17	\$2,450	\$3.28
22	Two Bedroom / One Bathroom	748	\$2,380	\$3.18	\$2,450	\$3.28
23	Two Bedroom / One Bathroom	748	\$2,325	\$3.11	\$2,450	\$3.28
24	Two Bedroom / One Bathroom	748	\$2,345	\$3.14	\$2,450	\$3.28
25	Two Bedroom / One Bathroom	748	\$2,400	\$3.21	\$2,450	\$3.28
26	Two Bedroom / One Bathroom	748	\$2,150	\$2.87	\$2,450	\$3.28
27	Two Bedroom / One Bathroom	748	\$2,300	\$3.07	\$2,450	\$3.28
28	Two Bedroom / One Bathroom	748	\$2,375	\$3.18	\$2,450	\$3.28
29	Two Bedroom / One Bathroom	748	\$2,450	\$3.28	\$2,450	\$3.28
30	Two Bedroom / One Bathroom	748	\$2,345	\$3.14	\$2,450	\$3.28
31	Two Bedroom / One Bathroom	748	\$2,395	\$3.20	\$2,450	\$3.28
32	Two Bedroom / One Bathroom	748	\$2,300	\$3.07	\$2,450	\$3.28
33	Two Bedroom / One Bathroom	748	\$2,225	\$2.97	\$2,450	\$3.28
34	Two Bedroom / One Bathroom	748	\$2,200	\$2.94	\$2,450	\$3.28
35	Two Bedroom / One Bathroom	748	\$2,250	\$3.01	\$2,450	\$3.28
36	Two Bedroom / One Bathroom	748	\$2,300	\$3.07	\$2,450	\$3.28
37	Two Bedroom / One Bathroom	748	\$2,325	\$3.11	\$2,450	\$3.28
38	Two Bedroom / One Bathroom	748	\$2,400	\$3.21	\$2,450	\$3.28
39	Two Bedroom / One Bathroom	748	\$2,375	\$3.18	\$2,450	\$3.28
40	Two Bedroom / One Bathroom	748	\$2,350	\$3.14	\$2,450	\$3.28
	Monthly:		\$92,860		\$98,000	
	Scheduled Gross Income:		\$1,114,320		\$1,176,000	

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Rent Roll

Notes:

1. Proforma rents are based on the most recently rented apartment.
2. Landlord pays water, garbage, sewer, and the house PG&E costs
3. The tenants are billed for these expenses using a RUBS program.
4. Tenants pay electricity, cable, internet, and wall furnace gas.
5. The laundry equipment is owned by the complex.



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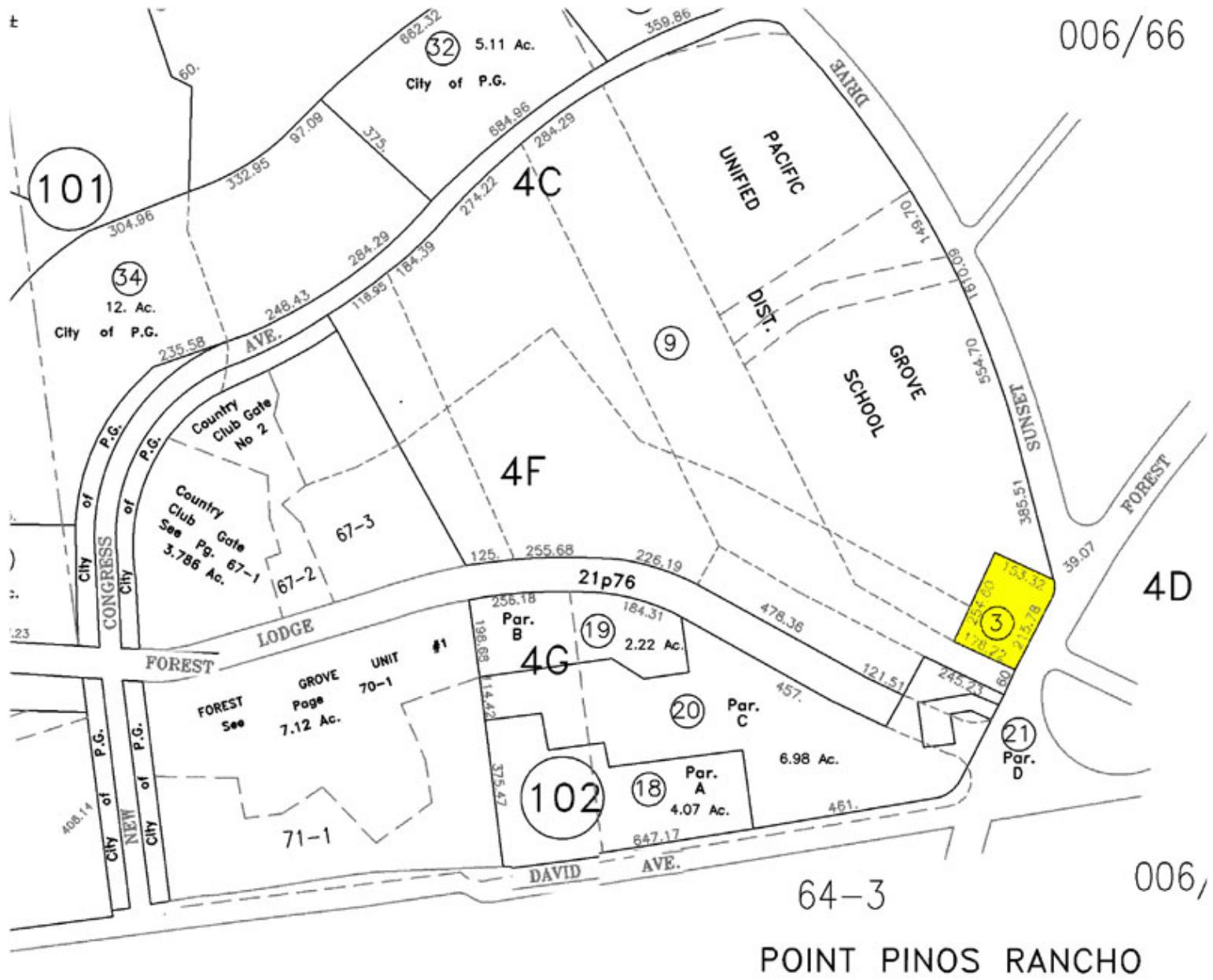


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Plot Map

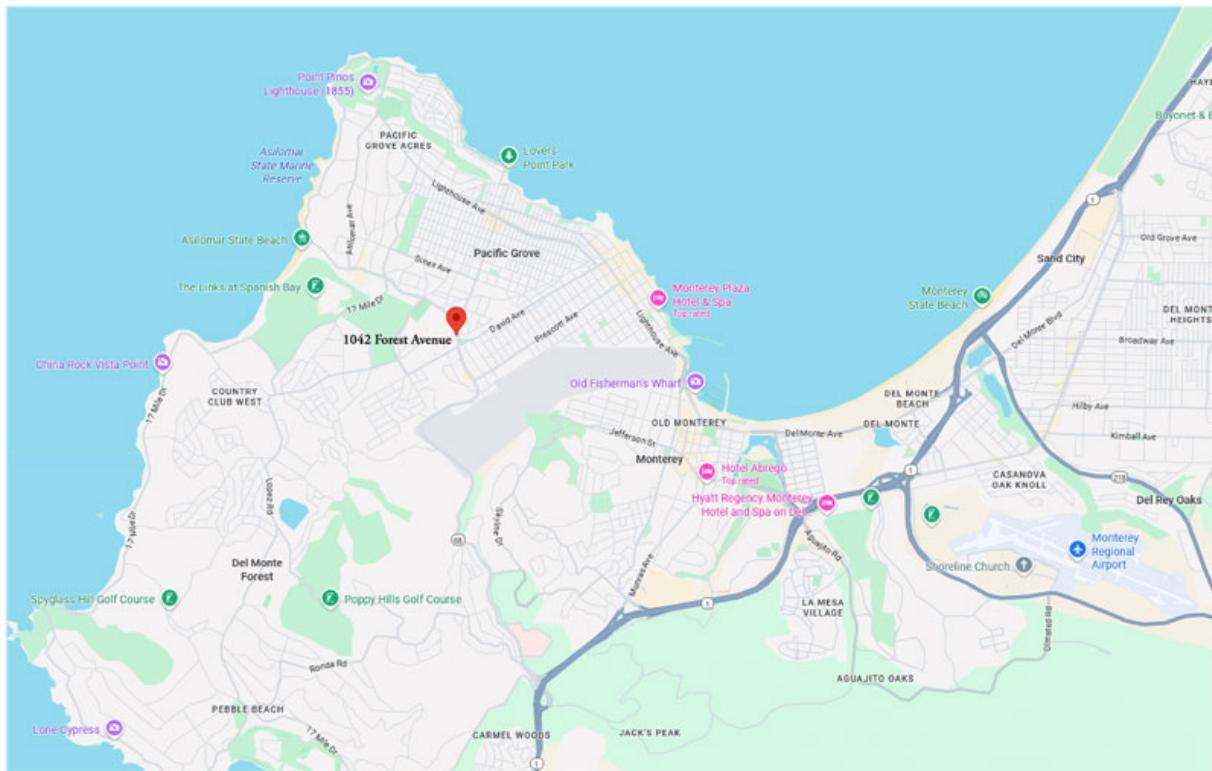
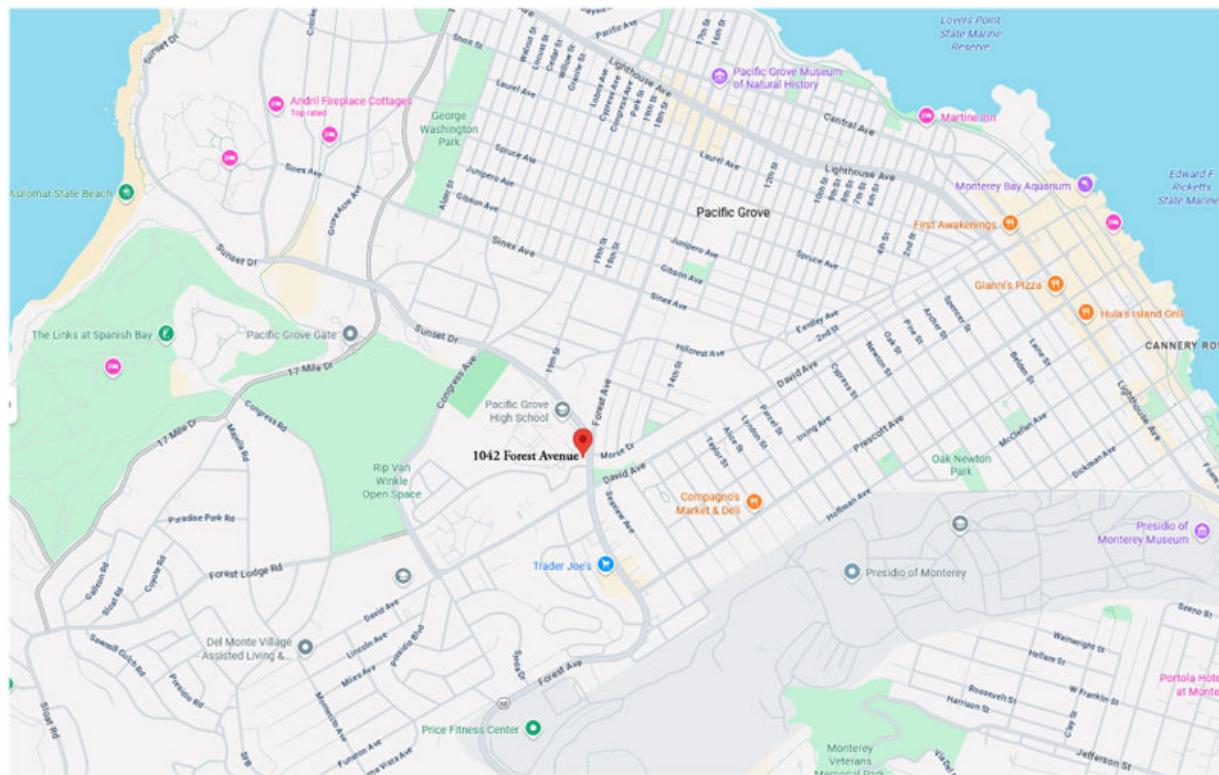


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Area Map



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