



159 5th Street, Gilroy, CA



5-Unit Apartment Complex

Two 2 Bedroom / 1 Bathroom Units & Three 1 Bedroom / 1 Bathroom Units

\$1,699,000

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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COMPLEX NOTES:

- Units A & B are upstairs two bedroom / one bathroom units with vaulted open beam ceilings. These units are approximately 850 square feet.
- Units C & D are upstairs one bedroom / one bathroom units with vaulted open beam ceilings. These units are approximately 700 square feet.
- Unit E is a ground floor one bedroom / one bathroom with a very large fenced yard accessible via a sliding glass door. This unit is approximately 700 square feet.
- The upstairs units all share a large wooden deck.
- The interiors are all similar with tile kitchen and bathroom counters, tile bathroom surrounds, and a mix of flooring. The upstairs units have lots of storage above cabinets.
- The property has 8 carport spaces and one uncovered parking space.
- Potentially, at least one 800 -1000 sq.ft Accessory Dwelling Unit (ADU) may be constructed on this parcel. Several carports and the area below units A & B is ideal for an ADU.
- Gilroy Planning Department Website: <https://www.cityofgilroy.org/903/Accessory-Dwelling-Units>
- The complex is a short distance to downtown Gilroy with its many restaurants, banks, stores, gyms, and other services. The property is also close to Safeway, Nob Hill, Starbucks, Walgreens, CVS, Wells Fargo, and Anytime Fitness.
- The complex is 3,799 square feet was constructed in 1963.
- Laundry facility with a washer and dryer. The owner collects all income and pays a monthly equipment rental fee.
- The owner pays water, sewer, garbage, and common area PG&E. Tenants pay their own PG&E, cable, and internet.

GILROY:

- The estimated population is 59,250 as per the 2020 Census.
- 37% of the work force commutes to Silicon Valley, which is 34 miles away.
- Gilroy has rail access via Cal Train to the San Jose Metro and Lite Rail systems.
- Gilroy is known as the Garlic Capitol of the World and is home to the annual Garlic Festival held in July.
- Gilroy has access to the St. Louise Hospital.
- Gavilan Community College, with a 7,300 student enrollment, is located in Gilroy.
- The Gilroy Premium Outlet Center has 150 stores and is one of the nations largest.

Major employers include: Christopher Ranch, Gilroy Foods, Olam Spices & Vegetables, Headstart Nursery, and Cintas.

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Listing Price:	\$1,699,000	Building Sq. Ft:	3,799	Units:	5
Down Payment:	\$874,000	Lot Square Ft:	9,097	Price/Unit:	\$339,800
Loan Amount:	\$825,000	APN:	79906030	Age:	1963
Gross Rent Multiplier:	13.24	Market GRM:	12.00	Roof:	Pitched
Cap Rate:	4.81%	Market Cap:	5.52%	Price/Sq. Ft:	\$447

Rent Roll:		Current Rents		Market:	
Unit A. 2 Bed / 1 Bath - 850 sq. ft.		\$2,475		\$2,600	
Unit B. 2 Bed / 1 Bath - 850 sq. ft.		\$2,475		\$2,600	
Unit C. 1 Bed / 1 Bath - 700 sq. ft.		\$1,722		\$2,200	
Unit D. 1 Bed / 1 Bath - 700 sq. ft.		\$2,195		\$2,200	
Unit E. 1 Bed / 1 Bath - 700 sq. ft.		\$1,825		\$2,200	
Monthly Scheduled Rents:		\$10,692		\$11,800	
Scheduled Gross Annual Income		\$128,304		\$141,600	
Less: Vacancy Factor	5%	\$6,415		\$7,080	
Additional Income: Laundry		\$2,055		\$2,055	
Effective Gross Income:		\$123,944		\$136,575	
Less: Expenses					
Property Taxes	1.126%	\$19,131	15.44%	\$19,131	14.01%
Repairs & Maintenance	\$750.00	\$3,750	3.03%	\$3,750	2.75%
Property Management	4%	\$4,958	4.00%	\$5,463	4.00%
Property Insurance		\$1,876	1.51%	\$1,876	1.37%
Garbage:		\$1,939	1.56%	\$1,939	1.42%
Water & Sewer		\$3,293	2.66%	\$3,293	2.41%
PG&E:		\$3,980	3.21%	\$3,980	2.91%
Laundry Equipment		\$506	0.41%	\$506	0.37%
License Fee		\$35	0.03%	\$35	0.03%
Landscaping:		\$1,800	1.45%	\$1,800	1.32%
Miscellaneous		\$1,000	0.81%	\$1,000	0.73%
Total Expenses:	\$8,453.52	\$42,268	34.10%	\$42,773	31.32%
Net Operating Income		\$81,676		\$93,802	
Annual Debt Service:	6.00%	\$59,935		\$59,935	
Before Tax Cash Flow		\$21,741	2.49%	\$33,867	3.87%

Notes:

1. Property taxes are based on the 2021/2022 property tax bill and reflect new Proposition 13 rates.
2. Repairs and Maintenance is based on \$750 per unit per year.
3. Property Insurance is based on Sellers most recent insurance bill.
4. Building square footage is estimated.
5. Landlord pays water, garbage, sewer, and house PG&E. Tenants pay PG&E.
6. Water & Sewer bill is based on the 2021 P & L.

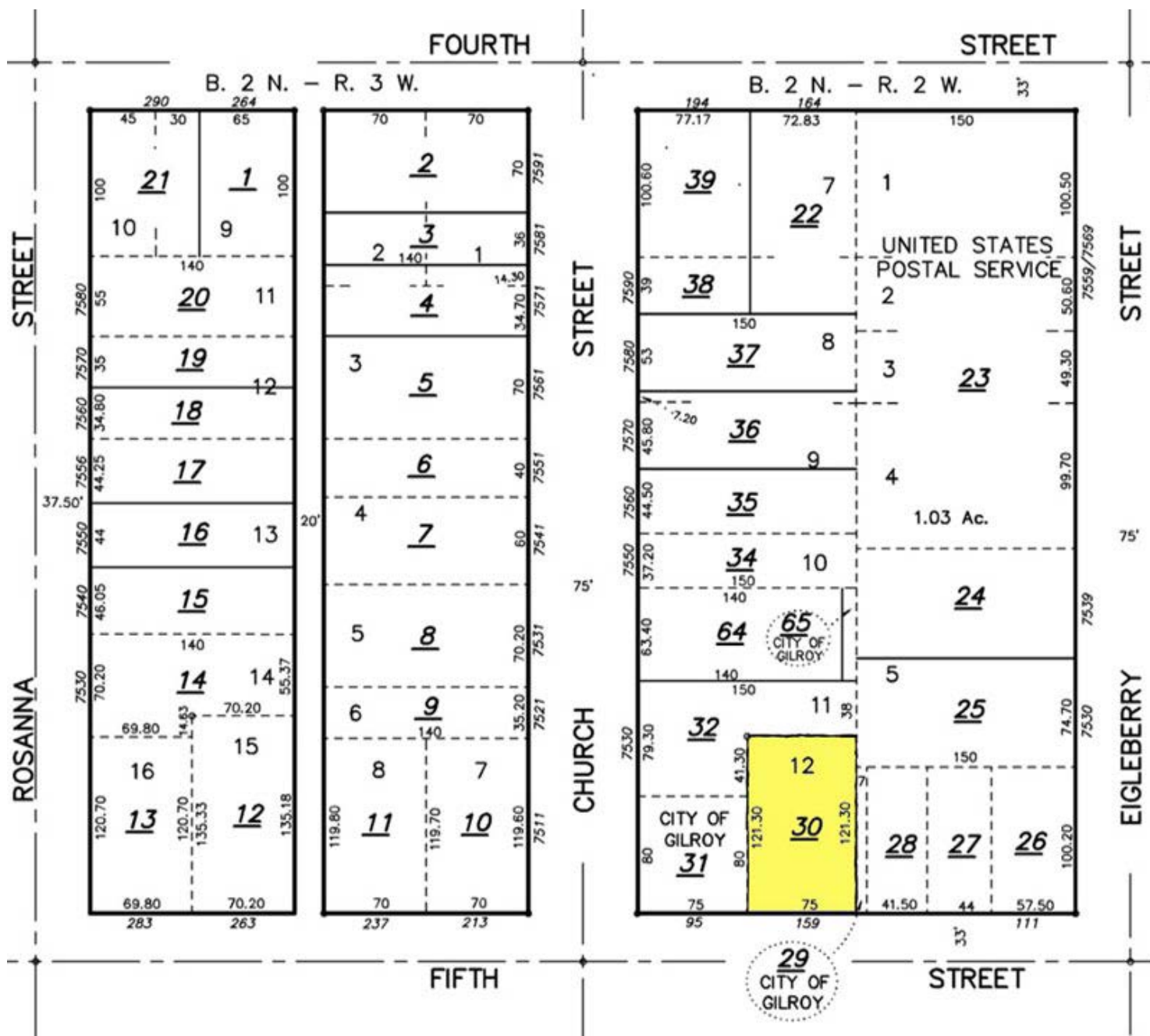
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Parcel Map



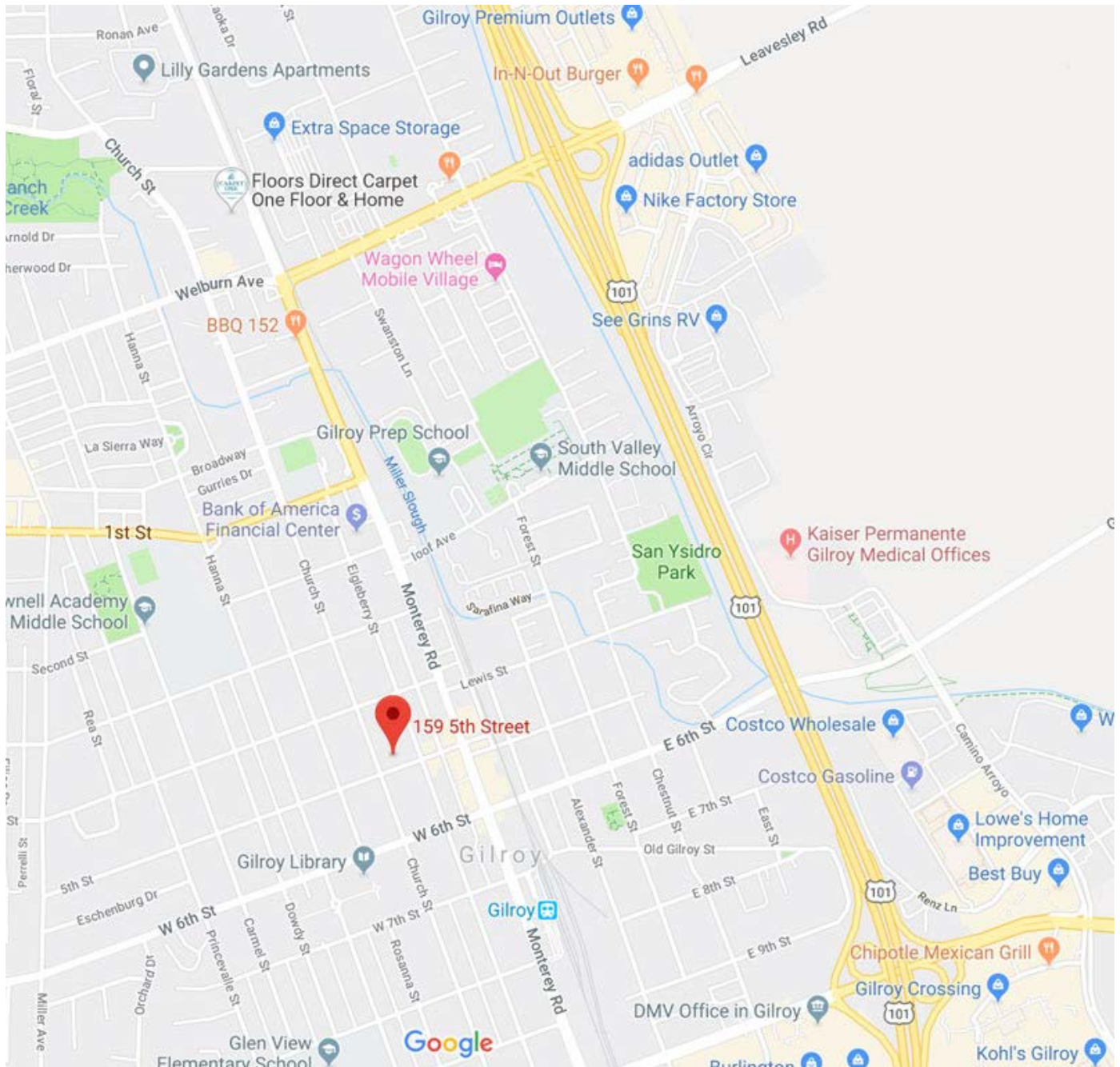
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Area Map



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