



**751 Spencer Street, Monterey, CA**



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## 751 Spencer Street, Monterey, CA

### Complex Notes:

- The property is located in New Monterey and features views of the ocean and Monterey Bay.
- The property is six blocks from the Pacific Ocean. Cannery Row, the Monterey Bay Aquarium, and the Monterey Bay Recreational Trail.
- The Lighthouse Avenue & Cannery Row neighborhoods feature many restaurants, gyms, coffee shops, bookstores, grocery stores, and many other services.
- The complex features two 2 bedroom / one-bathroom units and two one bedroom / one-bathroom units.
- Unit One is a downstairs one-bedroom with ocean views.
- Unit Two is an upstairs two-bedroom with ocean views, an ocean facing front deck, and a shared rear deck with Unit Four.
- Unit Three is a downstairs one-bedroom unit.
- Unit Four is an upstairs two-bedroom unit with some ocean views and a shared deck with Unit Two.
- Each unit has a covered carport stall.
- The roof is asphalt composition shingle and was installed within the last 10 years.
- The complex has a laundry room and a storage room.
- The units are heated with natural gas wall furnaces.
- The owner pays water, garbage, sewer, and common area PG&E. Tenants pay their own PG&E.

### About Monterey & the Monterey Peninsula:

- The estimated population of Monterey is 28,338 according to the US Census bureau in 2013
- The median sales price of a Monterey single family home as of June 2018 is \$865,000.
- The estimated population of the Monterey Peninsula is 104,000.
- Monterey is the host city for the Naval Postgraduate School, which has approximately 2,600 students, 1,120 faculty and staff, and a \$488 million-dollar operating budget.
- Monterey is host to the Defense Language Institute, which has approximately 3,500 students and over 1,800 faculty and staff
- Monterey is also host to the Middlebury Institute of International Studies, which has 751 students and over 155 faculty and staff
- Cal State Monterey Bay is a growing campus. Current enrollment is 7,378 students.
- The Monterey Bay Aquarium employs 500 people and has 1,800,000 annual visitors with an economic impact of \$263 million on the local economy as of 2013.
- Major employers include: Pebble Beach Company, Monterey Bay Aquarium, Dole Vegetable, Naval Post Graduate School, Defense Language School, CSU Monterey Bay, the hospitality industry, and the construction industry.

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### Financials

<b>Listing Price:</b>	<b>\$1,589,000</b>	<b>Building Sq. Ft:</b>	<b>3,149</b>	<b>Units:</b>	<b>4</b>
<b>Down Payment:</b>	<b>\$700,000</b>	<b>Lot Square Ft:</b>	<b>5,817</b>	<b>Price/Unit:</b>	<b>\$397,250</b>
<b>Loan Amount:</b>	<b>\$889,000</b>	<b>APN:</b>	<b>001-089-005</b>	<b>Age:</b>	<b>1973</b>
<b>Gross Rent Multiplier:</b>	<b>22.65</b>	<b>Market GRM:</b>	<b>18.52</b>	<b>Roof:</b>	<b>Pitched</b>
<b>Cap Rate:</b>	<b>2.51%</b>	<b>Market Cap:</b>	<b>3.39%</b>		

<b>Rent Roll:</b>		<b>Current:</b>		<b>Market:</b>	
# 1: One Bedroom / One Bathroom		\$1,350		\$1,600	
# 2: Two Bedroom / One Bathroom		\$2,000		\$2,100	
#3: One Bedroom / One Bathroom		\$1,150		\$1,500	
# 4: Two Bedroom / One Bathroom		\$1,450		\$1,950	
<b>Monthly Scheduled Rents:</b>		<b>\$5,950</b>		<b>\$7,150</b>	
<b>Scheduled Gross Annual Income</b>		<b>\$71,400</b>		<b>\$85,800</b>	
<b>Less: Vacancy Factor</b>	<b>3%</b>	<b>\$2,142</b>		<b>\$2,574</b>	
<b>Additional Income: Laundry</b>		<b>\$75</b>		<b>\$75</b>	
<b>Effective Gross Income:</b>		<b>\$70,158</b>		<b>\$84,126</b>	
<b>Less: Expenses</b>					
<b>Property Taxes</b>	<b>1.180%</b>	<b>\$18,750</b>	<b>26.73%</b>	<b>\$18,750</b>	<b>22.29%</b>
<b>Repairs &amp; Maintenance</b>	<b>\$800.00</b>	<b>\$3,200</b>	<b>4.56%</b>	<b>\$3,200</b>	<b>3.80%</b>
<b>Property Insurance</b>		<b>\$2,000</b>	<b>2.85%</b>	<b>\$2,000</b>	<b>2.38%</b>
<b>Garbage:</b>		<b>\$405</b>	<b>0.58%</b>	<b>\$405</b>	<b>0.48%</b>
<b>Property Management</b>			<b>0.00%</b>		<b>0.00%</b>
<b>Sewer</b>		<b>\$1,272</b>	<b>4.21%</b>	<b>\$1,272</b>	<b>1.51%</b>
<b>Water</b>		<b>\$2,161</b>	<b>3.08%</b>	<b>\$2,161</b>	<b>2.57%</b>
<b>PG&amp;E:</b>		<b>\$420</b>	<b>0.60%</b>	<b>\$420</b>	<b>0.50%</b>
<b>Landscaping:</b>		<b>\$500</b>	<b>0.71%</b>	<b>\$500</b>	<b>0.59%</b>
<b>Miscellaneous</b>		<b>\$1,500</b>	<b>2.14%</b>	<b>\$1,500</b>	<b>1.78%</b>
<b>Total Expenses:</b>	<b>\$7,552</b>	<b>\$30,208</b>	<b>43.06%</b>	<b>\$30,208</b>	<b>35.91%</b>
<b>Net Operating Income</b>		<b>\$39,950</b>		<b>\$53,918</b>	
<b>Annual Debt Service:</b>	<b>4.50%</b>	<b>\$54,577</b>		<b>\$54,577</b>	
<b>Before Tax Cash Flow</b>		<b>-\$14,627</b>	<b>-2.09%</b>	<b>-\$659</b>	<b>-0.09%</b>
<b>Principal Reduction:</b>		<b>\$14,572</b>		<b>\$14,572</b>	
<b>Return Before Taxes:</b>		<b>-\$55</b>	<b>-0.01%</b>	<b>\$13,913</b>	<b>1.99%</b>

#### Notes:

1. Property taxes are based on the 2017/2018 property tax bill and reflect new Proposition 13 rates.
2. Repairs and Maintenance is based on \$800 per unit per year.
3. Property Insurance is based on Sellers most recent insurance bill.
4. Building square footage is estimated.
5. Tenants pay PG&E.
6. Landlord pays water, sewer, garbage, and house PG&E.

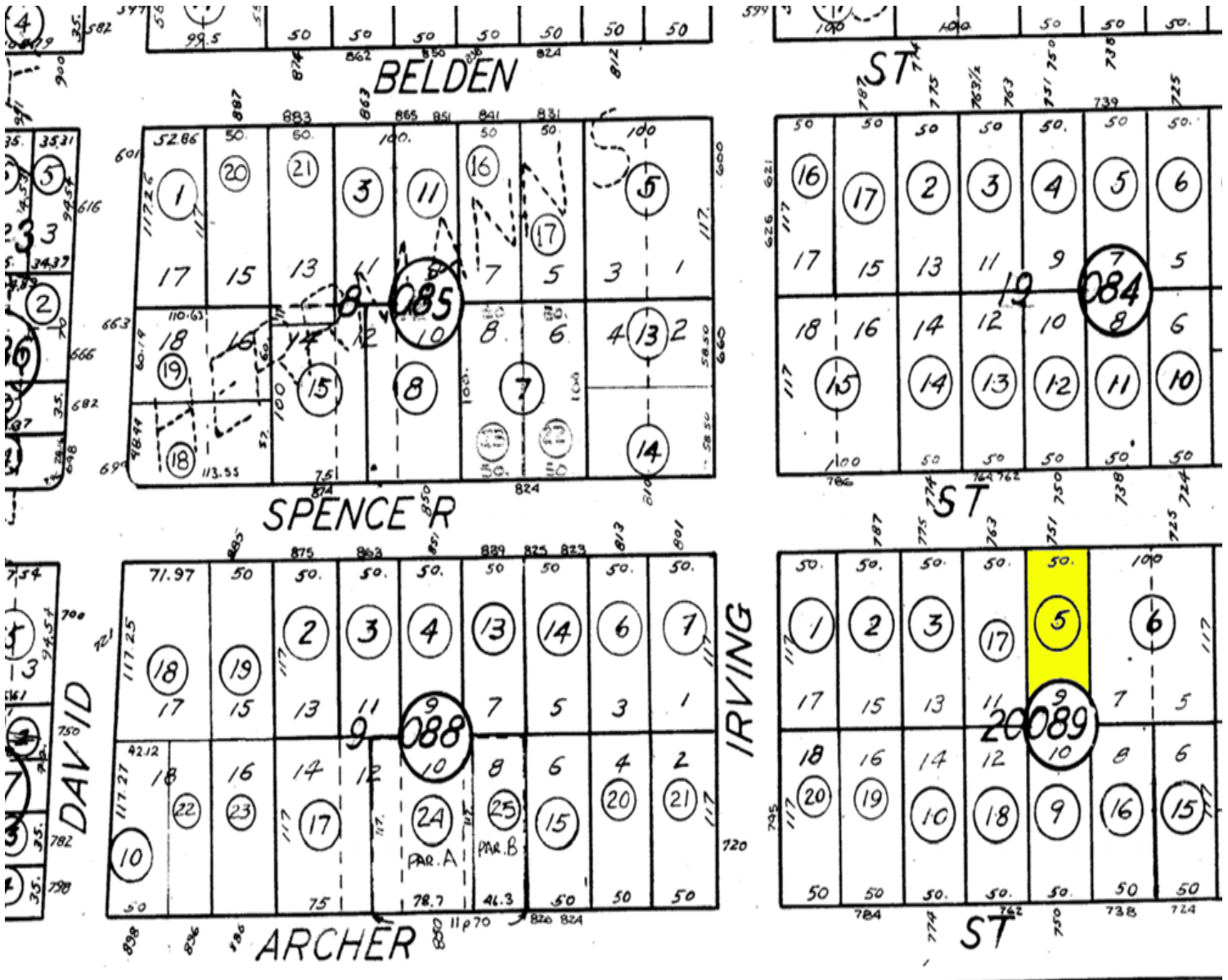
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**Parcel Map**

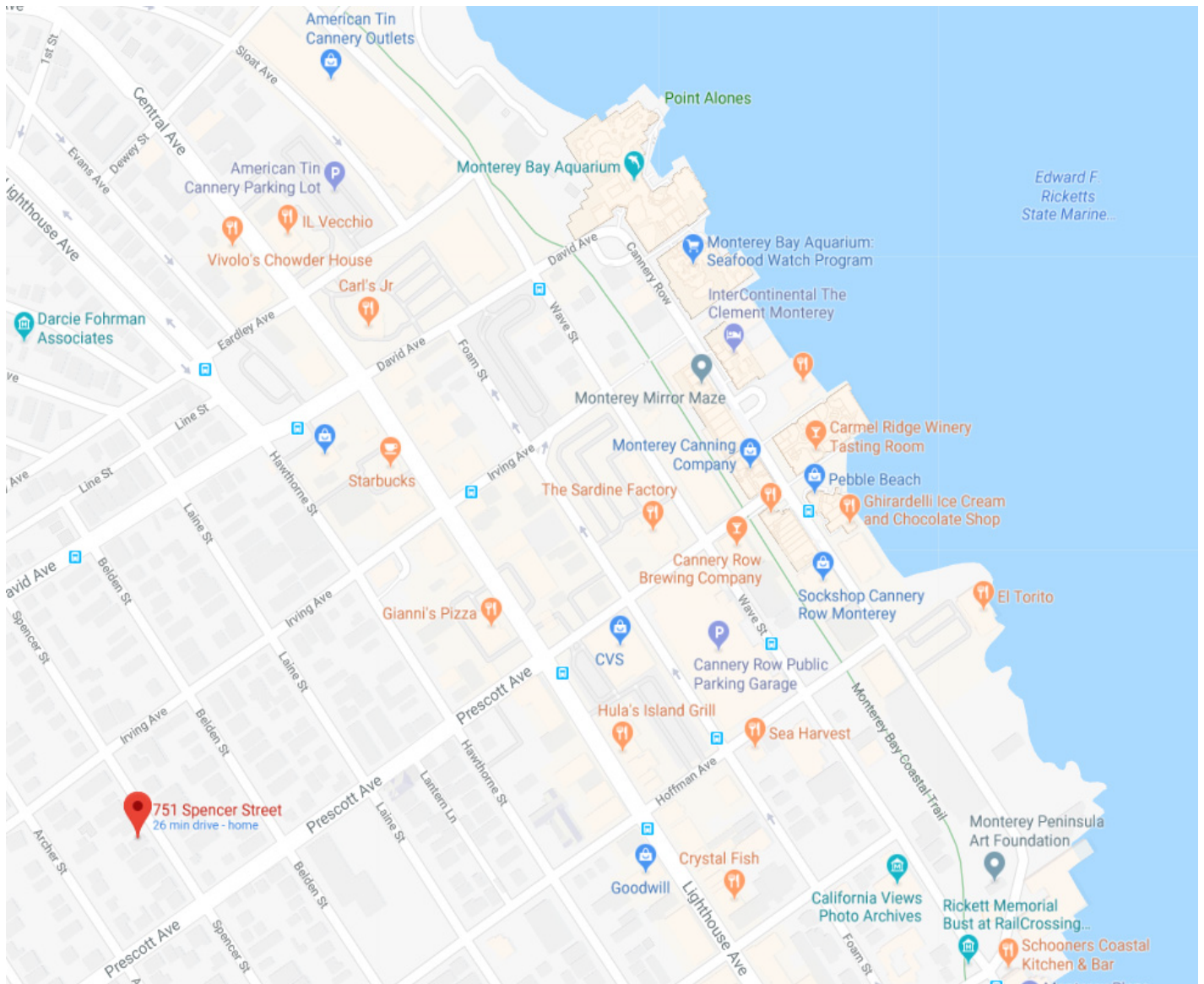


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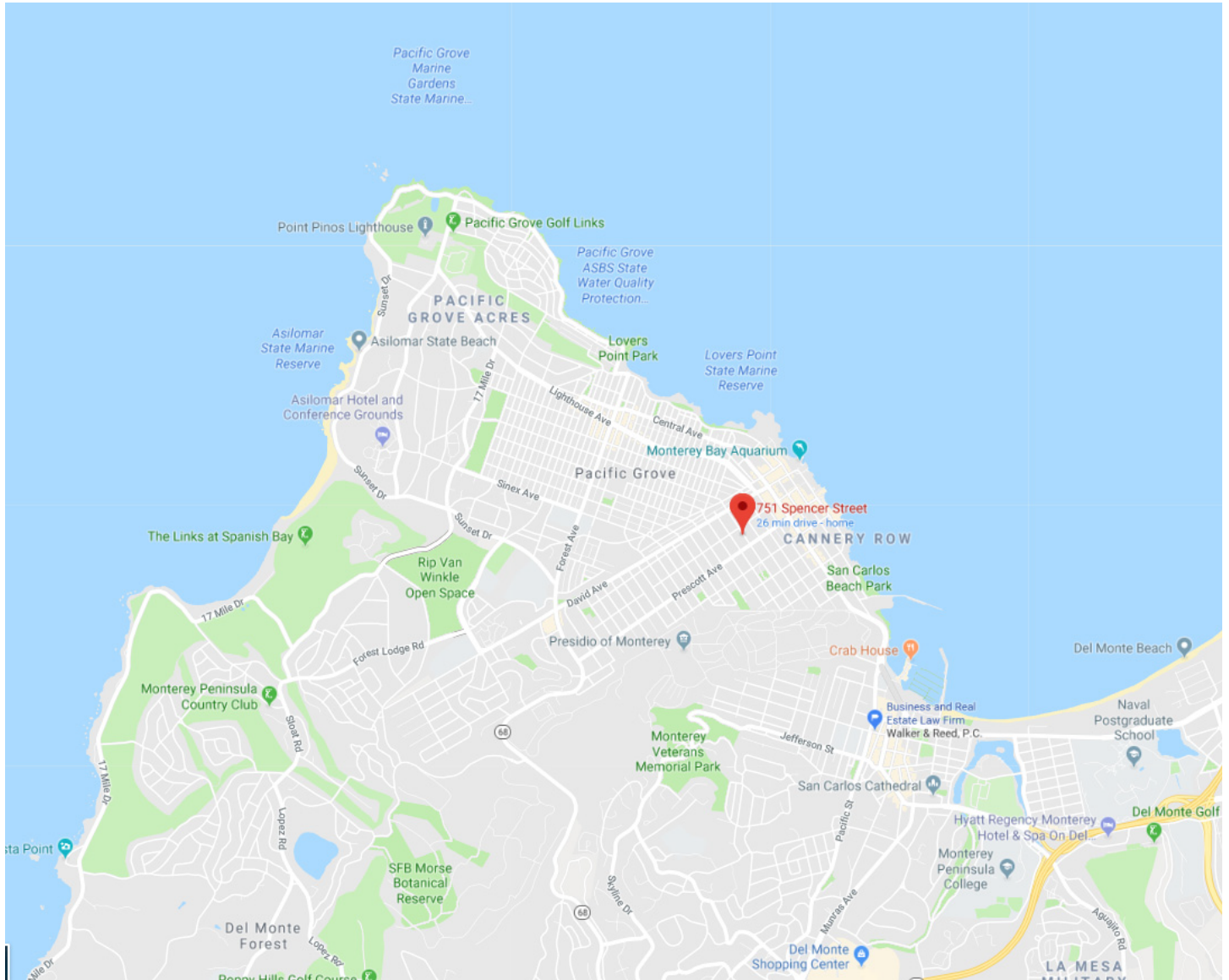


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