



OFFERING MEMORANDUM

60 PALOMA AVE

Pacifica, CA 94044

Marcus & Millichap

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Activity ID #ZAG0020185

Marcus & Millichap

60 PALOMA AVE

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Marcus & Millichap

PROPERTY OVERVIEW

Marcus & Millichap is pleased to present the opportunity to own a well-maintained 5-unit multifamily property in the highly desirable coastal city of Pacifica, just minutes from San Francisco. Located in a quiet residential neighborhood with strong rental demand and limited inventory, this income-producing asset offers long-term upside and stable cash flow in one of the Bay Area's most resilient rental markets.

The building is comprised of four 2 bed 1 bath units and one junior 1 bedroom unit. Tenants enjoy four individual private garages and 4 side by side parking spaces along with a laundry room on the ground floor.

60 Paloma Avenue is situated in the picturesque coastal city of Pacifica, California, within San Mateo County. Known for its stunning ocean views, hiking trails, and six-mile coastline with accessible public beaches. Pacifica is a favored destination for surfing, beach combing, and various outdoor activities. The address is located in a residential neighborhood where residents benefit from proximity to local amenities.

Accessibility is a notable feature, with access to Highway 1 (Cabrillo Highway) facilitating travel to nearby cities such as San Francisco and Daly City. Public transportation options are available, and San Francisco International Airport (SFO) is around a 20-minute drive away, enhancing convenience for frequent travelers.

The area boasts a variety of amenities, including shopping centers, grocery stores, and diverse dining options, with Linda Mar Shopping Center being a local favorite, and tenants frequenting Eureka Square or Manor given proximity. Across the street from the Pacifica Library. Recreational opportunities abound, from Pacifica State Beach (Linda Mar Beach), Rockaway Beach and the trails of Sweeney Ridge, Montara Mountain, and Devil's slide.

Pacifica enjoys a mild Mediterranean climate, characterized by cool, wet winters and dry, mild summers, with frequent summer fog. Points of interest include the Pacifica Pier, Mori Point, Sheldance Orchid Gardens, and Sharp Park Golf Course, each offering unique recreational and scenic experiences.



OFFERING SUMMARY

60 PALOMA AVE



Listing Price
\$2,298,000



Cap Rate
5.27%



of Units
5

FINANCIAL

Listing Price	\$2,298,000
NOI	\$121,050
Cap Rate	5.27%
Price/SF	\$582.52
Rent/SF	\$3.42
Price/Unit	\$459,600

OPERATIONAL

Gross SF	4,120 SF
# of Units	5
Lot Size	0.1 Acres (4,500 SF)
Occupancy	100%
Year Built	1965



60 PALOMA AVE

FINANCIAL SUMMARY

INVESTMENT OVERVIEW

Price	\$2,298,000
Price per SF	\$558
Price per Unit	\$459,600
GRM	13.6
CAP Rate	5.27%
Debt Coverage Ratio	1.59

OPERATING DATA

Gross Scheduled Income	\$169,020
Other Income	\$2,400
Total Scheduled Income	\$171,420
Vacancy Cost	\$5,071
Gross Income	\$166,349
Operating Expenses	-\$45,300
Net Operating Income	\$121,050

FINANCING DATA

Down Payment	\$800,000
Debt Service	\$75,924
Debt Service Monthly	\$6,327

60 PALOMA AVE

RENT ROLL

RENT ROLL

UNIT #	UNIT TYPE	SQFT	CURRENT RENT	CURRENT RENT/ SF/ MO	POTENTIAL RENT	POTENTIAL RENT/ SF/ MO
1	2 Bd 1 Ba	880	\$2,878	\$3.27	\$3,500	\$3.98
2	2 Bd 1 Ba	880	\$2,930	\$3.30	\$3,500	\$3.98
3	2 Bd 1 Ba	880	\$2,950	\$3.35	\$3,500	\$3.98
4	2 Bd 1 Ba	880	\$2,878	\$3.27	\$3,500	\$3.98
5	Junior 1Bd 1 Ba	600	\$2,450	\$4.08	\$2,650	\$4.42
TOTAL:		4,120	\$14,086	\$17.27	\$16,650	\$20.34

60 PALOMA AVE

INCOME & EXPENSES

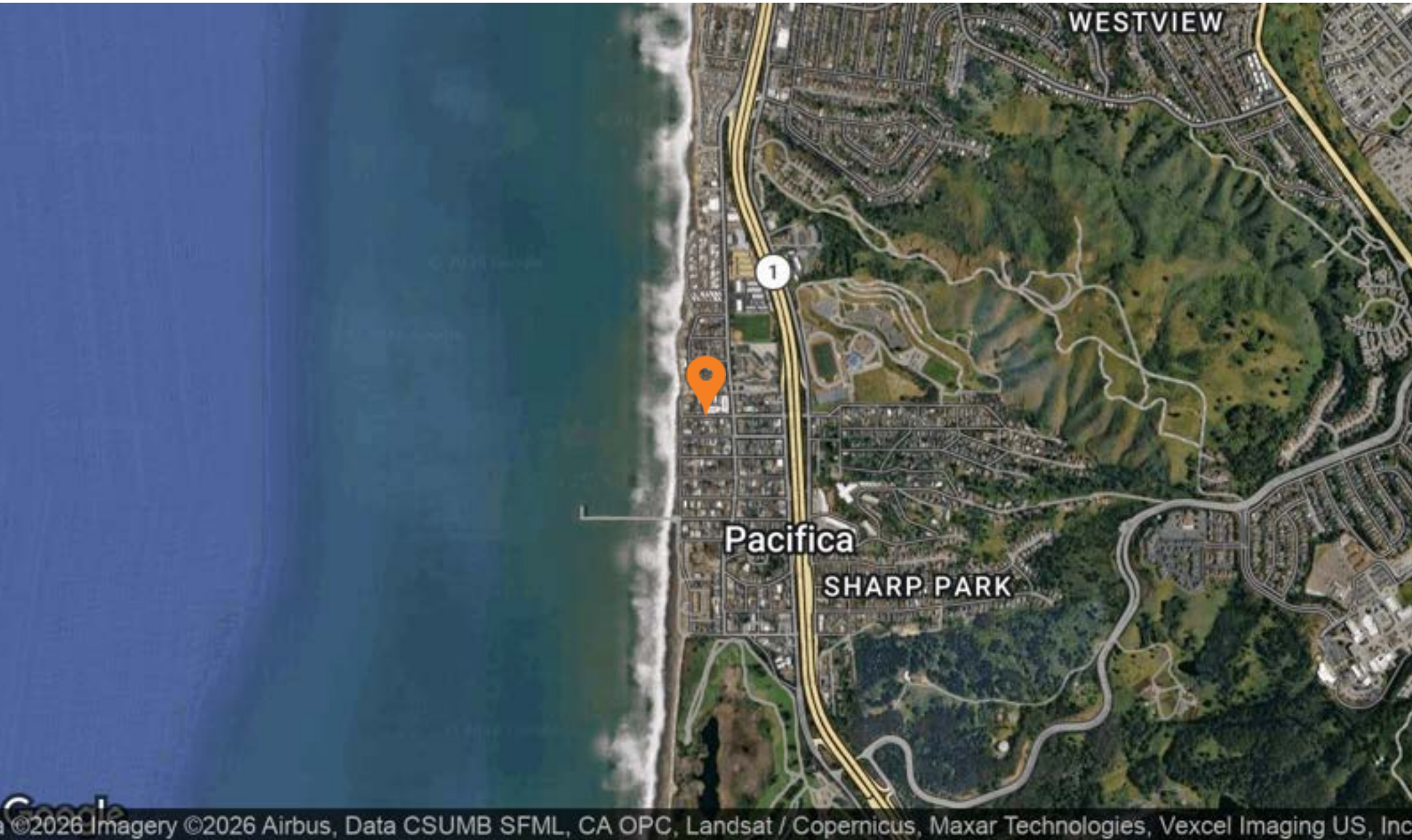
INCOME	Current		Year 1	NOTES	PER UNIT	PER SF
Rental Income						
Gross Scheduled Rent	169,020		199,800		39,960	48.50
Physical Vacancy	(5,071)	3.0%	(5,994)	3.0%	(1,199)	(1.45)
TOTAL VACANCY	(\$5,071)	3.0%	(\$5,994)	3.0%	(\$1,199)	(\$1)
Effective Rental Income	163,949		193,806		38,761	47.04
Other Income						
Laundry Income	2,400		2,400		480	0.58
TOTAL OTHER INCOME	\$2,400		\$2,400		\$480	\$0.58
EFFECTIVE GROSS INCOME	\$166,349		\$196,206		\$39,241	\$47.62
EXPENSES						
Real Estate Taxes	30,000		30,000		6,000	7.28
Insurance	3,537		3,537		707	0.86
Utilities - Electric/Gas	2,814		2,814		563	0.68
Utilities - Water & Sewer	2,465		2,465		493	0.60
Trash Removal	2,734		2,734		547	0.66
Repairs & Maintenance	3,750		3,750		750	0.91
TOTAL EXPENSES	\$45,300		\$45,300		\$9,060	\$11.00
EXPENSES AS % OF EGI	27.2%		23.1%			
NET OPERATING INCOME	\$121,050		\$150,906		\$30,181	\$36.63

MARKET OVERVIEW



60 PALOMA AVE

AERIAL MAP



MARKET OVERVIEW

SAN FRANCISCO PENINSULA

The Bay Area is the birthplace and center of innovation and advancement in technology in the United States. Some of the largest technology firms, financial companies and educational institutions are located here. The San Francisco metro consists of San Francisco, San Mateo and Marin counties and contains a population of 1.9 million people. The city of San Francisco accounts for all of San Francisco County and contains roughly 887,000 residents. Marin County is located to the north of the city and has 258,000 residents, while San Mateo County is south of San Francisco and has a population approaching 762,000 people. The metro has been impacted by the pandemic as an increased number of residents who were able to work remotely sought larger, lower-cost housing in less densely populated areas.

METRO HIGHLIGHTS



WORLD-CLASS INSTITUTIONS

The Bay Area is home to top-ranked educational and research institutions, including one campus of the University of California and the University of San Francisco.



EDUCATED WORKFORCE

The metro has one of the most skilled labor forces in the nation. Approximately 54 percent of residents ages 25 and older have obtained a bachelor's degree, well above the national rate of 31 percent.



HIGH-INCOME EARNERS

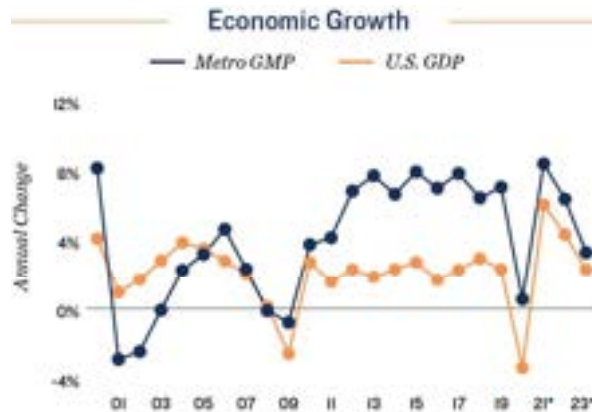
The large tech and financial sectors contribute to a median household income that is almost double that of the nation.



MARKET OVERVIEW

ECONOMY

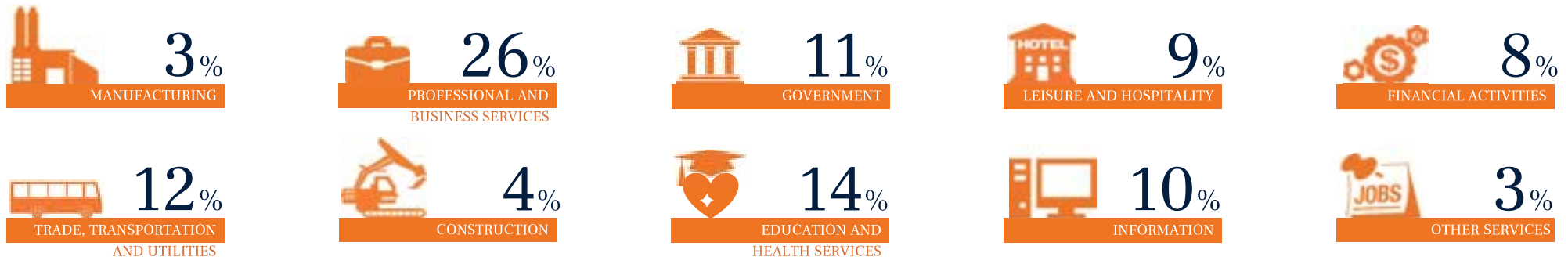
- Local Fortune 500 companies feature a diverse array of firms, including Wells Fargo, Meta, Salesforce, Gilead Sciences, Inc. and Uber Technologies, Inc.
- Tourism is a strong economic driver, typically drawing more than 20 million visitors annually. Although hindered by COVID-19, this sector showed improvement throughout 2021.
- The area benefits from its proximity to Silicon Valley, attracting tech companies, along with highly educated workers and resources at local educational institutions.



* Estimate, ** Forecast

MAJOR AREA EMPLOYERS
Sutter Health
Wells Fargo & Co.
Uber Technologies, Inc.
PG&E
Salesforce
Genentech
Amazon
Visa
Gilead Sciences
Deloitte

SHARE OF 2021 TOTAL EMPLOYMENT



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DEMOGRAPHIC SUMMARY

DEMOGRAPHICS

- Over 42,000 people are expected to be added through 2027. In the same period, roughly 21,000 households will be formed, generating demand for housing.
- Home prices well above the U.S. median result in a homeownership rate of 53 percent, which is well below the national rate, providing a strong rental market.
- Approximately 20 percent of the local population over the age of 25 holds a graduate or professional degree, well in excess of the national rate of 12 percent.



2022 POPULATION BY AGE



QUALITY OF LIFE

San Francisco is recognized worldwide for its spectacular physical beauty, culture, business opportunities and professional sports teams. It also acts as the administrative, financial, cultural and services hub for the Western U.S. San Francisco's cost-of-living is one of the most expensive in the nation, due in part to the tight housing market and soaring cost of goods and services. The Bay Area has one of the highest discretionary income levels in the U.S., as a result of the metro's educated workers and its large concentration of jobs in well-paying industries. Cultural and recreational opportunities abound, including a theater district, symphony, opera and more than 20 museums.

SPORTS

- Baseball | [MLB](#) | SAN FRANCISCO GIANTS
- Basketball | [NBA](#) | GOLDEN STATE WARRIORS

EDUCATION

- SAN FRANCISCO STATE UNIVERSITY
- UNIVERSITY OF SAN FRANCISCO
- UNIVERSITY OF CALIFORNIA, SAN FRANCISCO
- CITY COLLEGE OF SAN FRANCISCO

ARTS & ENTERTAINMENT

- GOLDEN GATE PARK
- THE WALT DISNEY FAMILY MUSEUM
- EXPLORATORIUM
- SAN FRANCISCO MUSEUM OF MODERN ART

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

DEMOGRAPHIC SUMMARY

POPULATION	1 Mile	3 Miles	5 Miles
2028 Projection			
Total Population	4,948	81,829	218,994
2023 Estimate			
Total Population	4,912	80,858	215,868
2020 Census			
Total Population	5,334	84,979	227,001
2010 Census			
Total Population	4,850	82,107	216,404
Daytime Population			
2023 Estimate	3,788	50,824	198,395
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2028 Projection			
Total Households	2,244	29,181	78,284
2023 Estimate			
Total Households	2,225	28,733	76,901
Average (Mean) Household Size	2.2	2.8	2.8
2020 Census			
Total Households	2,214	28,474	76,043
2010 Census			
Total Households	2,148	27,864	73,309
Growth 2023-2028	0.9%	1.6%	1.8%
HOUSING UNITS	1 Mile	3 Miles	5 Miles
Occupied Units			
2028 Projection	2,365	30,253	81,762
2023 Estimate	2,345	29,812	80,315
Owner Occupied	1,193	20,042	47,120
Renter Occupied	1,033	8,691	29,781
Vacant	119	1,079	3,414
Persons in Units			
2023 Estimate Total Occupied Units	2,225	28,733	76,901
1 Person Units	32.8%	20.9%	23.1%
2 Person Units	37.3%	31.3%	30.0%
3 Person Units	14.7%	18.5%	17.6%
4 Person Units	10.4%	15.8%	15.1%
5 Person Units	3.1%	7.0%	7.2%
6+ Person Units	1.7%	6.5%	7.0%

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2023 Estimate			
\$200,000 or More	21.9%	24.1%	19.8%
\$150,000-\$199,999	12.2%	15.9%	13.7%
\$100,000-\$149,999	22.6%	21.0%	19.9%
\$75,000-\$99,999	8.6%	11.3%	12.1%
\$50,000-\$74,999	15.0%	11.9%	12.9%
\$35,000-\$49,999	4.8%	5.3%	7.3%
\$25,000-\$34,999	5.7%	3.7%	4.5%
\$15,000-\$24,999	3.9%	2.9%	4.4%
Under \$15,000	5.3%	3.9%	5.5%
Average Household Income	\$162,197	\$174,159	\$153,855
Median Household Income	\$120,738	\$126,328	\$107,688
Per Capita Income	\$73,623	\$62,053	\$54,968
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2023 Estimate Total Population	4,912	80,858	215,868
Under 20	19.0%	19.5%	20.0%
20 to 34 Years	17.6%	20.4%	21.4%
35 to 39 Years	6.9%	7.3%	7.4%
40 to 49 Years	14.9%	12.8%	12.8%
50 to 64 Years	27.1%	21.6%	20.4%
Age 65+	14.5%	18.4%	17.9%
Median Age	44.4	42.1	40.8
Population 25+ by Education Level			
2023 Estimate Population Age 25+	3,761	60,739	160,335
Elementary (0-8)	2.2%	3.6%	5.7%
Some High School (9-11)	4.1%	3.7%	4.7%
High School Graduate (12)	14.9%	17.4%	19.8%
Some College (13-15)	21.2%	21.2%	20.8%
Associate Degree Only	10.3%	9.9%	9.4%
Bachelor's Degree Only	26.6%	31.1%	28.4%
Graduate Degree	20.7%	13.2%	11.1%
Population by Gender			
2023 Estimate Total Population	4,912	80,858	215,868
Male Population	48.9%	49.4%	49.6%
Female Population	51.1%	50.6%	50.4%

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