

Arcade Apartments

3539 Edison Ave, Sacramento, CA 95821

OFFERING MEMORANDUM



OFFERED BY:

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BROWN
COMMERCIAL
Investment Real Estate Services

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This Investment Offering Brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate negotiations with any entity, for any reason, at any time with or without notice. The Owner shall have no legal commitment or obligation to any entity reviewing the Investment Offering Brochure or making an offer to purchase the Property unless the Owner executes and delivers a signed Real Estate Purchase Agreement on terms acceptable to Owner, in Owner's sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agreed to release the Owner from any liability with respect thereto.

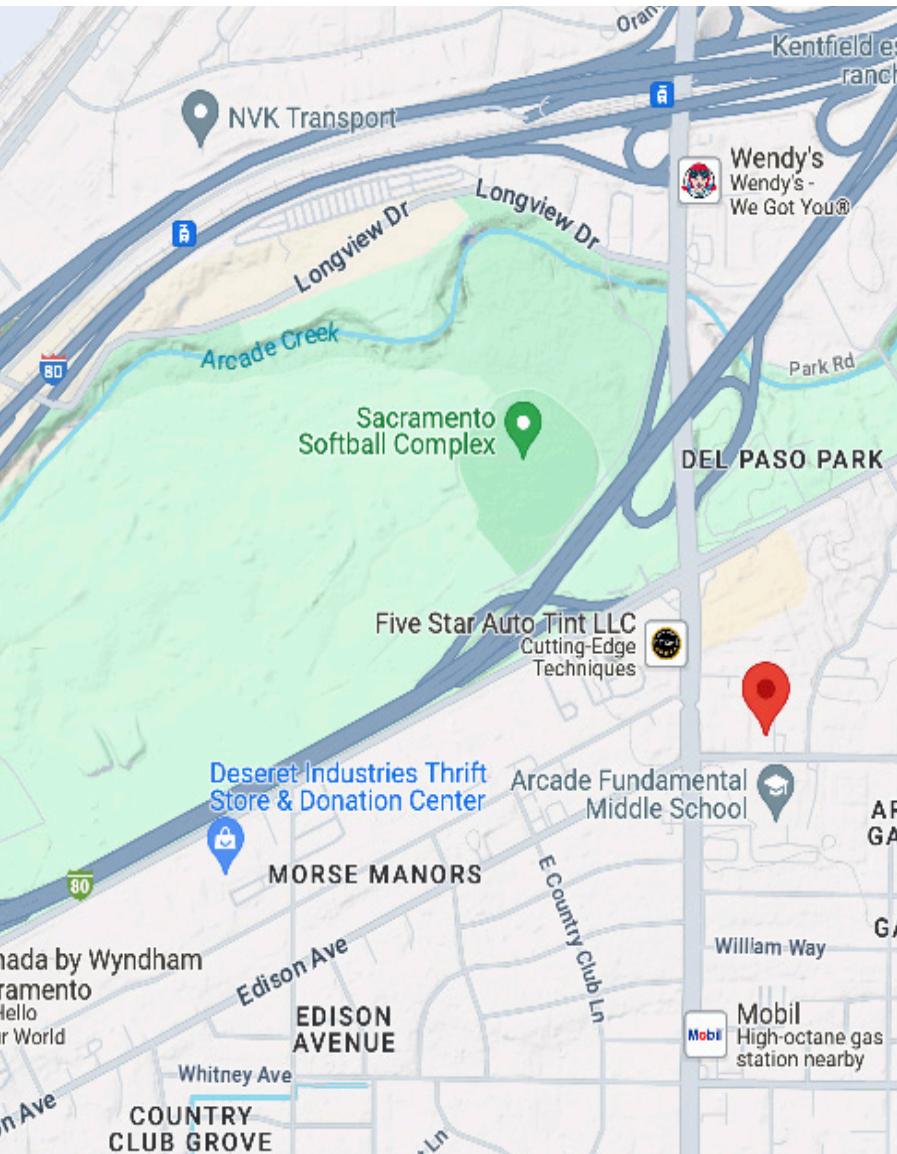
To the extent Owner corresponds with or makes statements to any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

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Executive Summary



Built in 1956, this 16-unit apartment building (The Arden Arcade Apartments) is located at 3539 Edison Avenue, Sacramento California. The apartment complex is conveniently located just blocks away from interstate 80 and the Sacramento Light Rail System, which places residents in close proximity to many Neighborhood shopping conveniences: Starbucks Coffee, Haggin Oaks Golf Complex, Sacramento Softball Complex, Del Paso Park, and a Walmart Supercenter.

The owner has made many building improvements since 2015 including: a termite clearance in 2015; new boiler; plumbing upgrades; new front and rear exterior staircases; new front piers, posts and decking. Many units have been renovated, freshly painted, and have new appliances.

The Arden Arcade apartments offers investors the opportunity to immediately increase several rents to market upon vacancy.

- Continuous Ownership for 9+ Years
- Excellent Location
- Minutes to Transportation & the Light Rail System
- Many Building Improvements & Upgrades Completed

Property Overview

PROPERTY SUMMARY

Total Units	16
Gross Building Sq Ft	+8,976
Net Rentable SF	+8,976
Average Unit SF	+561
APN	255-0031-016-0000
Zoning	RD30
Parking Spaces	20
Year Built	1956
Lot Size (Sq Ft)	+18,682
Land Area (Acres)	+0.43
Units Per Acre	+37.21
Storage	1 (manager utility rm)
Buildings	1
Stories	2
Average Ceiling Height	8 feet
Foundation	Concrete Perimeter
Construction	Wood Frame
Electrical	110 v / Circuit Breakers
Seismic Status	Unknown
Siding	Stucco
Roof Type	Comp. Shingle

UNIT MIX

Aartment Br/Ba	Number	Avg Sq Ft	% of All Units	% of All Sq. Ft.	Market Rent
2x1	16	561	100%	100%	\$1,375.
Total	16	561	100%	100%	\$1,375.

Rent Roll (Date: 10/01/2025)

Unit	Rental Status	Actual Rent	Market Rent	Tenant Deposit	Move In	Lease Expiration
01	Occupied	1,067.00	\$1,375.00	\$1,200.00	7/2/2019	Mo-to-Mo
02	Occupied	1,375.00	\$1,375.00	\$2,500.00	7/28/2024	7/27/2025
03	Occupied	1,375.00	\$1,375.00	\$1,375.00	2/5/2025	2/28/2026
04	Occupied	978.00	\$1,375.00	\$1,000.00	6/1/2025	6/1/2026
05	Occupied	771.00	\$1,375.00	\$625.00	3/29/2013	Mo-to-Mo
06	Vacant-Projected	1,375.00	\$1,375.00	\$0	N/A	N/A
07	Occupied	948.00	\$1,375.00	\$1,000.00	2/3/2016	Mo-to-Mo
08	Occupied	1,375.00	\$1,375.00	\$1,375.00	8/5/24	8/4/2025
09	Occupied	1,375.00	\$1,375.00	\$1,375.00	9/26/2024	9/30/2025
10	Vacant-Projected	1,375.00	\$1,375.00	\$0	N/A	N/A
11	Occupied	1,008.00	\$1,375.00	\$1,000.00	2/1/2018	Mo-to-Mo
12	Occupied	1,375.00	\$1,375.00	\$1,375.00	9/10/24	9/9/2025
13	Vacant-Projected	1,375.00	\$1,375.00	\$0	N/A	N/A
14	Occupied	\$1,067.00	\$1,375.00	\$1,200.00	9/19/20	Mo-to-Mo
15	Vacant-Projected	\$1,375.00	\$1,375.00	\$0	N/A	N/A
16	Occupied	\$1,156.00	\$1,375.00	\$1,200.00	2/18/2021	Mo-to-Mo
Total Monthly Rent:		\$19,370.00	\$22,000.00	15,225.00		

Total Annual Potential Income: \$232,440.00 \$264,000.00

Financial Summary

Pricing Information (Pro forma)	
Price	\$1,749,000
Price Per Unit	\$109,313
Gross Rent Multiplier	7.64
CAP Rate	7.05%

Trailing 12 Month Summary	
Gross Opperating Inc.	\$164,320
Total Expenses	\$102,761
NOI	\$61,559

Pro forma Summary	
Gross Opperating Inc.	\$228,966
Total Expenses	\$105,609
NOI	\$123,357

Market Rent Summary	
Total Market Rent	\$264,000.00
GOI (with 2% vacancy)	\$258,720.00
Pro forma Expenses	\$105,609.00
NOI @ Market Rents	\$153,111.00

	Trailing 12-months (10/1/24 to 9/30/25)	2025 Pro forma (After Sale)
INCOME:		
Potential Rental Income	\$166,682.00	\$232,440.00
Less: Vacancy (2%)	\$3,333.64	\$4,648.80
Effective Rental Income	\$163,348.36	\$227,791.20
Other Income	\$971.64	\$1,175.00
Gross Operating Income	\$164,320.00	\$228,966.20
EXPENSES:		
Real Estate Taxes	\$14,152.00	\$21,688.00
Property Insurance	\$20,641.16	\$20,000.00
Off-Site Management (5%)	\$7,322.00	\$11,448.31
On-Site Prop. Manager	\$4,800.00	\$4,800.00
Repairs & Maintenance	\$24,439.24	\$15,676.00
Gas & Electric	\$8,600.38	\$8,900.00
Water and Sewer	\$12,907.31	\$13,000.00
Trash Disposal	\$6,842.37	\$6,900.00
Licenses/Permits	\$1259.76	\$697.00
Suplies	\$46.54	\$750.00
Janitorial/Gardening	\$1,750.00	\$1,750.00
TOTAL OPERATING EXPENSES:	\$102,760.76	\$105,609.31
NET OPERATING INCOME	\$61,559.24	\$123,356.89

NOTE: (1) 2025-pro forma income is projected at “actual rent” in the rent roll, plus vacant rents being rented at market (\$1,375).
 (2) 2025 pro forma expenses are projected at current T-12 expenses with adjustments made for new taxes and insurance. New taxes are estimated at 1.24% of the list price, and insurance is estimated at \$1,250 per unit.

Sacramento

Sacramento is the capital city of the State of California and the seat of government of Sacramento County. It is located at the confluence of the Sacramento River and the American River in the northern portion of California's expansive Central Valley. With an estimated population nearly 500,000, Sacramento is the sixth-largest city in California and the 35th largest city in the United States.

Sacramento is the core cultural and economic center of the Sacramento metropolitan area which includes seven counties with an estimated population more than 2.5 million. Its metropolitan area is the fourth largest in California after the Greater Los Angeles Area, San Francisco Bay Area, and the San Diego metropolitan area, as well as the 25th largest in



the United States. Sacramento was cited by Time magazine as America's most ethnically and racially integrated city in 2002.

Sacramento State is the largest local university. It is one of the twenty-three campuses of the California State University system. University of the Pacific's McGeorge School of Law is located in the Oak Park neighborhood. In addition, the University of California, Davis is located in nearby Davis, 15 miles (24 km) west of the capital. The UC Davis Medical Center, a world-renowned research hospital, is located in the city of Sacramento.

Just as it was in the gold rush days, Sacramento is a transportation hub, served by an air cargo airport, an international airport, a deep-water shipping port, two major Interstate freeways, freight and passenger rail lines, and an extensive regional commuter bus and light-rail system.



Arden-Arcade

The Arcade Apartments is Located in the Arden-Arcade census-designated area of Sacramento and is a major shopping area for the greater Sacramento area. With a central location to many of the northeastern suburbs of Sacramento the property is in close proximity to the Sunrise Market Place in Citrus Heights. Arden-Arcade is the one of the main commercial areas for the northeastern suburbs of Greater Sacramento. Fair Oaks Boulevard is one of the major commercial corridors for Arden-Arcade and the tony Pavilions Shopping Center, anchored by Coldwater Creek, Williams-Sonoma, and Ruth's Chris Steakhouse, is the original lifestyle shopping center

in the Sacramento area and offers numerous shopping and food options for nearby residents. Loehmann's Plaza which includes many restaurants is also located along this corridor. Near the Del Paso Country Club on the north side of Arden-Arcade is Town & Country Village, which has been around since the 1940s and is located at Fulton and Marconi Avenue.

In the 2010 census the population was 92,186, making the area the second most populous census-designated place in California. Arden-Arcade is East of Sacramento's city center and west of the community of Carmichael.



Across the street from the Arcade apartments is the new Arcade Fundamental Middle School project which is scheduled for completion in 2024. This state of the art learning facility will include new classrooms, library, media lab, multipurpose room and outdoor learning areas.

Demographic Snapshot

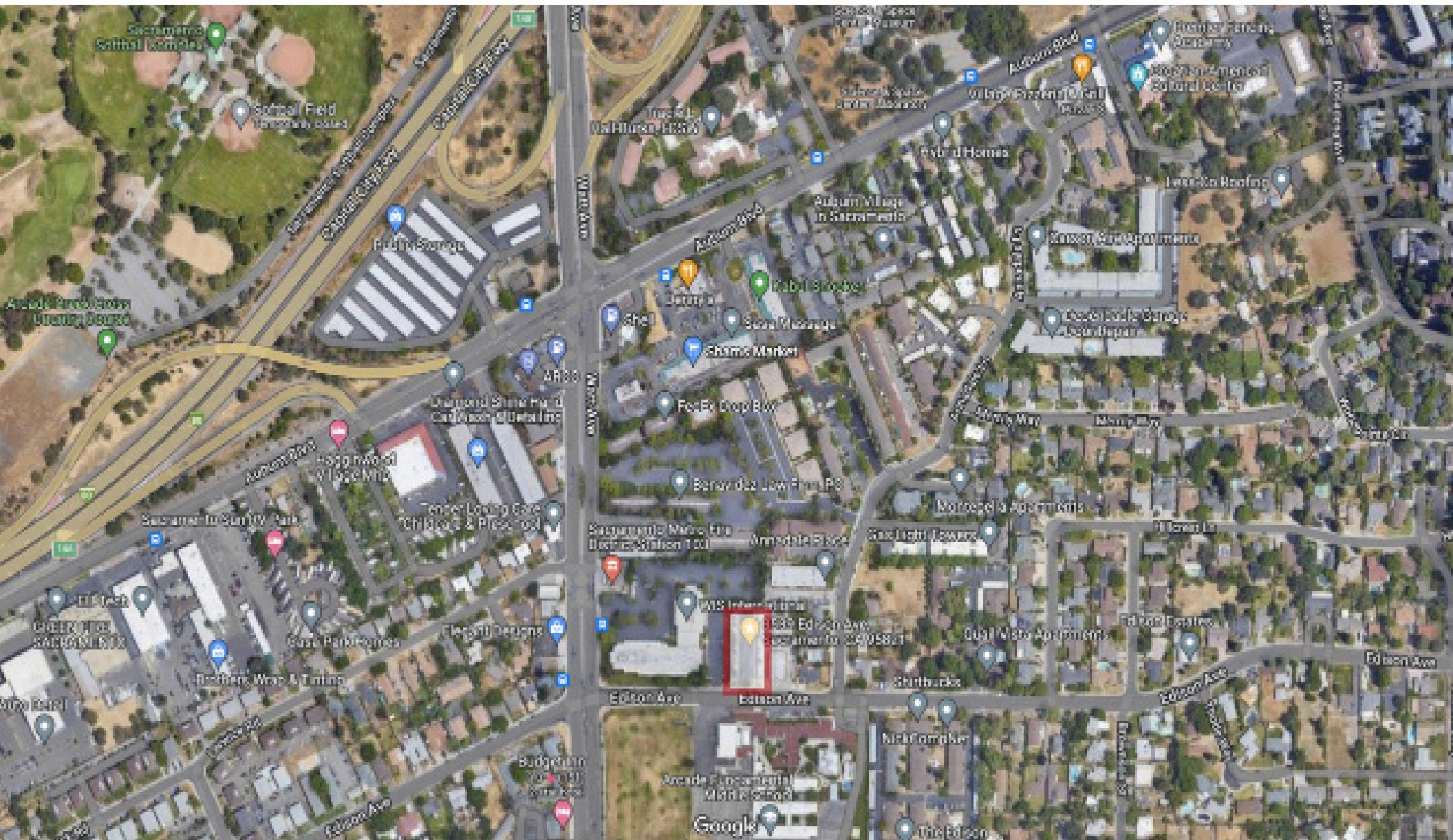
Sacramento City

- Population (US Census estimate July 1, 2021): **525,041**
- Owner-Occupied Housing Rate (US Census 2016-2020): **49.8%**
- Median gross rent (US Census 2016-2020): **\$1,328**
- Households (2016-2020): **187,683**
- Persons per household (2016-2020): **2.63**
- High school graduate or higher (% of age 25+; 2016-2020): **86%**
- Bachelor's degree or higher (% of age 25+; 2016-2020): **34.3%**
- In civilian labor force, total, % of population 16 yrs+: **64.3%**
- In civilian labor force-female-% of pop. age 16+: **64.3%**
- Mean Travel time to work (age 16+): **26.0 Min**
- Median household income (2020 dollars): **\$65,847**
- Men-owned employer firms (2017): **4,773**
- Women owned firms (2017): **1,619**
- Minority owned firms (2017): **2,875**
- Population per square mile(2020): **5,323.4**
- Land area in square miles (2010): **98.61**

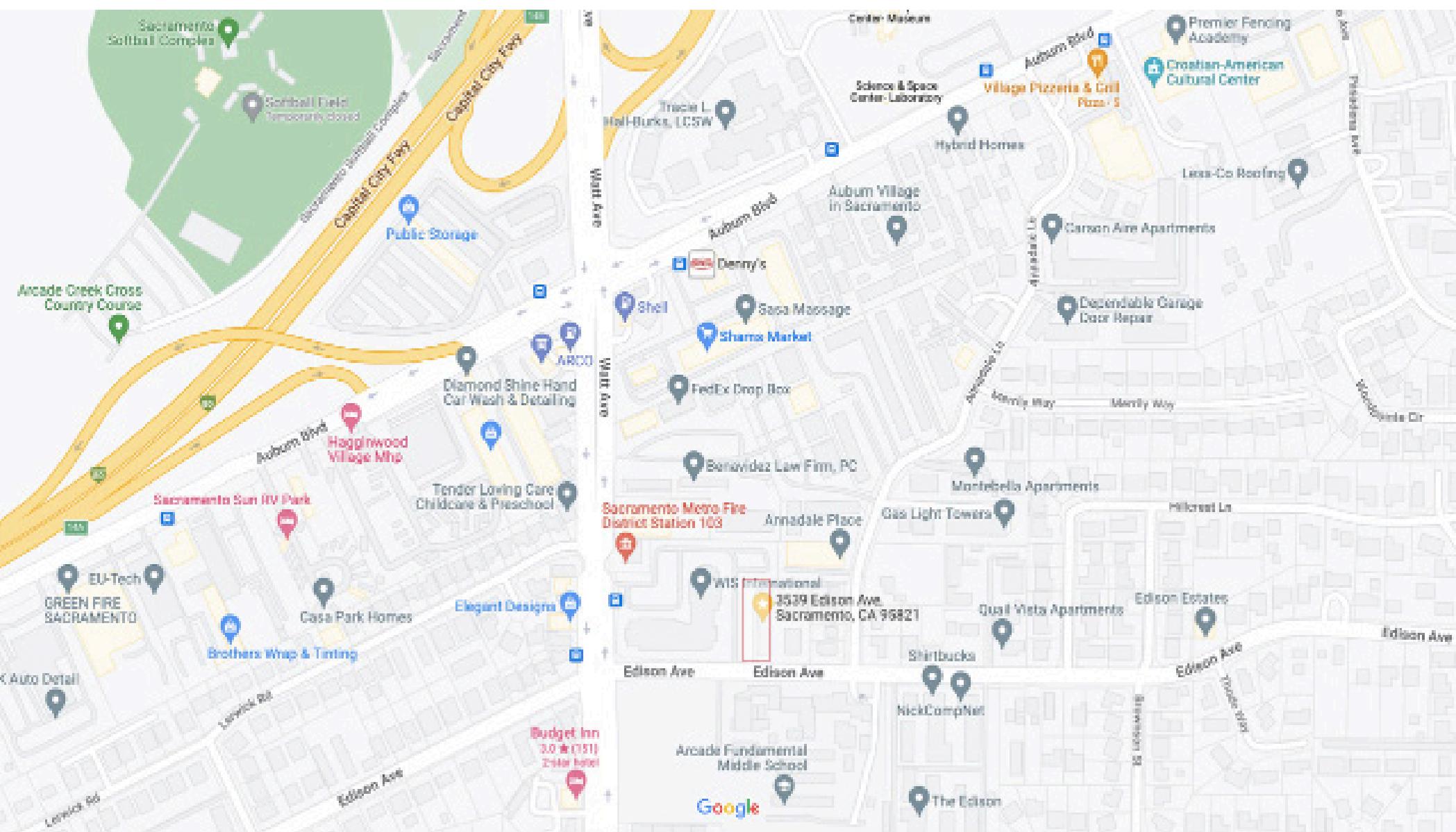
Source: United States Census Quick Facts



Location Aerial



Area Map



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