



236 Locust Street, Watsonville, CA



\$1,195,000

5 Units: 4 One-Bedroom / One Bathroom Units and 1 Studio
2,300 sq.ft. Building | 8,886 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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COMPLEX NOTES:

- This complex fits investors focused on revenue and returns vs. great neighborhoods.
- This complex has 4 one-bedroom / bathroom units and one studio.
- The complex was remodeled in 2017.
- The complex roofs will be replaced in April 2026.
- The parking lot was replaced in 2023.
- The complex has a laundry room with leased equipment.
- The complex has 4 garage spaces and a storage room.
- The tenants are billed for water, sewer, and garbage. Tenants pay their own PG&E.
- The complex is estimated at 2,300 square feet. The lot size is square feet. 8,886.
- The site is zoned General Industrial.

WATSONVILLE & SANTA CRUZ COUNTY FACTS:

- The Pacific Ocean and several beaches are 7.1+ miles from Watsonville.
- Watsonville is located a short distance from the core Santa Cruz County communities, including Aptos, Capitola, Soquel, Scotts Valley, and Santa Cruz.
- The core Santa Cruz County communities have more expensive housing, which creates a tight rental housing market in Watsonville.
- Santa Cruz County median home price in 2025: \$1,300,000
- Santa Cruz County one-bedroom average rent: \$2,300-\$3,200
- Watsonville median home price in 2025: \$690,000-\$812,000
- Watsonville one-bedroom average rent: \$2,313
- The property is a short drive to Highway One, where residents can commute to major employment centers in Santa Cruz, San Jose, Salinas, and Monterey.
- Services, shopping, schools, and restaurants are a short distance from the property.

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Listing Price:	\$1,195,000	Building Sq. Ft:	2,300	Units:	5
Down Payment:	\$485,000	Lot Square Ft:	8,886	Price/Unit:	\$239,000
Loan Amount:	\$710,000	APN:	017-162-17	Age:	1931
Gross Rent Multiplier:	10.96	Market GRM:	10.01	Roof:	Pitched
Cap Rate:	6.27%	Market Cap:	7.07%	Price/Sq. Ft:	\$520

Rent Roll:

Current Rents:

Market:

One Bedroom / One Bathroom		\$1,900		\$2,050	
One Bedroom / One Bathroom		\$2,000		\$2,050	
One Bedroom / One Bathroom		\$1,900		\$2,050	
One Bedroom / One Bathroom		\$1,900		\$2,050	
Studio		\$1,500		\$1,750	
Monthly Scheduled Rents:		\$9,200		\$9,950	
Scheduled Gross Annual Income:		<u>\$109,000</u>		<u>\$119,400</u>	
Less: Vacancy Factor	3%	\$3,270		\$3,582	
Additional Income: Laundry		\$1,200		\$1,200	
Additional Income: Rubs		\$7,573		\$7,573	
Effective Gross Income:		<u>\$114,503</u>		<u>\$124,591</u>	
Less: Expenses					
Property Taxes:	1.140%	\$13,623	11.90%	\$13,623	10.93%
Repairs & Maintenance:	\$750.00	\$3,750	3.28%	\$3,750	3.01%
Property Management:	5%	\$5,725	5.00%	\$6,230	5.00%
Property Insurance:		\$6,750	5.90%	\$6,750	5.42%
Garbage:		\$2,544	2.22%	\$2,544	2.04%
Sewer:		\$1,288	1.12%	\$1,288	1.03%
Water:		\$2,856	2.49%	\$2,856	2.29%
PG&E:		\$885	0.77%	\$885	0.71%
License Fee:		\$35	0.03%	\$35	0.03%
Reserves:	\$250.00	\$1,250	1.09%	\$1,250	1.00%
Landscaping:	\$75.00	\$900	0.79%	\$900	0.72%
Total Expenses:	\$7,921.23	<u>\$39,606</u>	34.59%	<u>\$40,111</u>	32.19%
Net Operating Income:		\$74,897		\$84,480	
Annual Debt Service:	6.00%	<u>\$51,581</u>		<u>\$51,581</u>	
Before Tax Cash Flow:		\$23,316	4.81%	\$32,900	6.78%

Notes:

1. Property taxes are based on the 2025/2026 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, PG&E, & garbage is based on the most recent bills.
7. Current laundry income is projected.

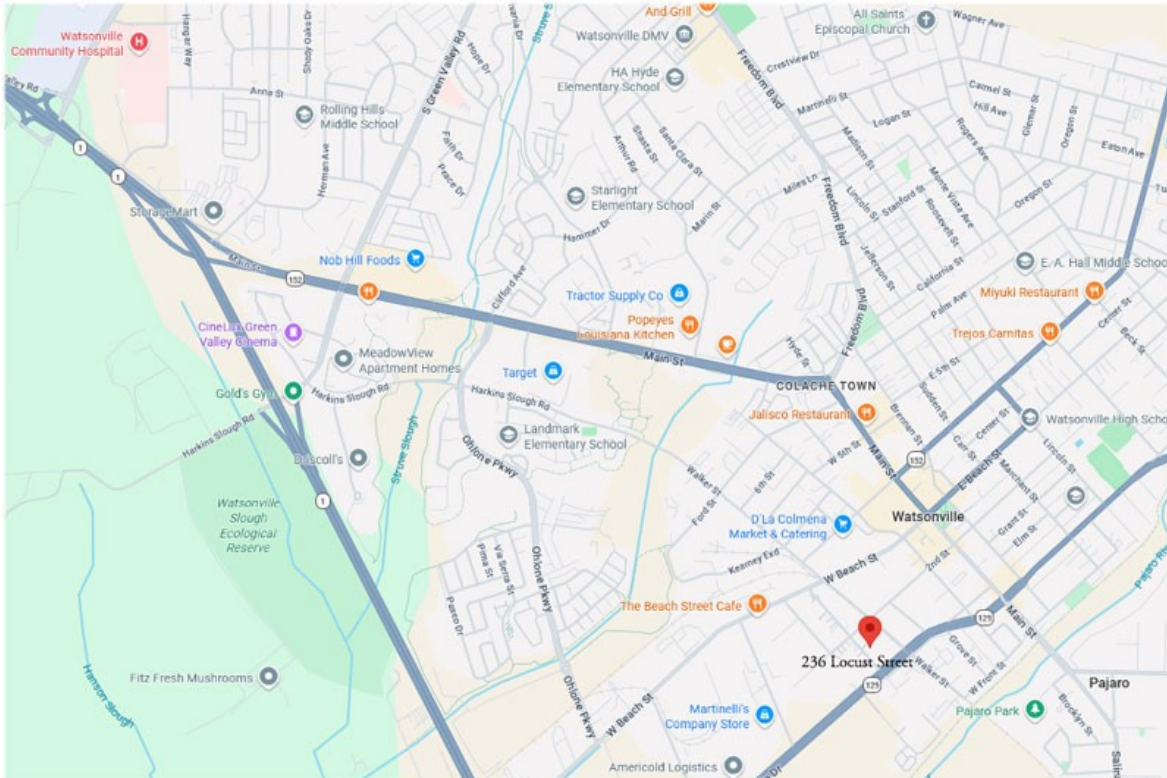
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Area Map



Parcel Map



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