

OFFERING MEMORANDUM

2294 Kendall Drive, San Bernardino



2294 KENDALL DRIVE, SAN BERNARDINO

Athena Garden Apartments
41 Unit Residential Garden Complex
Improvements: 40,040 SF | Land Area: 147,668 SF





41 UNITS | FULLY OCCUPIED



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INVESTMENT SUMMARY

2294 Kendall Drive is a 41-unit apartment property on an oversized lot of 147,668 SF in San Bernardino, California.

This rare property consists of 11 individual structures with a total of 41 units. Each unit is a 2 bedroom with one and a half baths. In recent years management has spent approximately \$450,000 in capital expenditures. For example: new exterior stairways and ramps; new vinyl windows in most units; and 20 new kitchens.

During hot summer nights, the complex offers significant green space for both tenants and pets to roam the complex and appreciate local scenery. During higher temperatures tenants can enjoy the onsite swimming pool.

The property offers ample parking for both tenants and guests.

This property is well located near Cal-State San Bernardino College and the 210 Freeway.



* Buyer to verify with San Bernardino Building and

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PROPERTY DATA

APN: 0261-231-27-0000
STREET: 2294 Kendall Drive
CITY, STATE, ZIP: San Bernardino, CA 92407-4667
YEAR BUILT: 1989
NO. OF UNITS: 41
BUILDING SIZE: 40,040 Square Feet
LOT SIZE: 147,668 Square Feet

FINANCIAL INDICATORS

PRICE: \$10,000,000
PRICE PER UNIT: \$243,902
CURRENT CAP RATE: 4.02
MARKET CAP RATE: 4.6
MARKET GRM: 14.14

BUILDING DETAILS

UNIT TYPES: 11 Industrial Structures
41 Types 2 Bed/1 1/2 Bath
PARKING: 77 Parking Spaces



RENT ROLL

| | | | PAID BY | MOVE-IN | RENT INCREASE | NEW |
|---------------|--------------|---------------------|-------------|-----------|---------------|---------------------|
| UNIT | TENANT | RENT | SECTION 8 | DATE | APRIL 2023 | RENT |
| 1 | Pierce | \$ 1,338.00 | | | 4/1/2023 | \$ 1,472.00 |
| 2 | Garcia | \$ 1,338.00 | | | 4/1/2023 | \$ 1,472.00 |
| 3 | Jefferson | \$ 1,229.00 | \$ 927.00 | | 4/1/2023 | \$ 1,352.00 |
| 4 | Galarza | \$ 1,500.00 | | 6/20/2022 | 4/1/2023 | \$ 1,500.00 |
| 5 | Jurado | \$ 1,227.00 | | | 4/1/2023 | \$ 1,350.00 |
| 6 | Shannon | \$ 1,300.00 | | | 4/1/2023 | \$ 1,430.00 |
| 7 | Rodriquez | \$ 1,267.00 | | | 4/1/2023 | \$ 1,472.00 |
| 8 | Price | \$ 1,350.00 | | | 4/1/2023 | \$ 1,485.00 |
| 9 | Davidson | \$ 1,338.00 | | | 4/1/2023 | \$ 1,472.00 |
| 10 | Blanco | \$ 1,246.00 | | | 4/1/2023 | \$ 1,246.00 |
| 11 | Wheeler | \$ 1,400.00 | | | 4/1/2023 | \$ 1,400.00 |
| 12 | Flamer | \$ 1,300.00 | | | 4/1/2023 | \$ 1,430.00 |
| 13 | Martin | \$ 1,315.00 | \$ 994.00 | | 4/1/2023 | \$ 1,447.00 |
| 14 | Ordway | \$ 1,227.00 | | | 4/1/2023 | \$ 1,350.00 |
| 15 | Gueterrez | \$ 1,350.00 | | | 4/1/2023 | \$ 1,485.00 |
| 16 | Rodriquez | \$ 1,500.00 | | 5/1/2023 | 4/1/2023 | \$ 1,500.00 |
| 17 | Delgado | \$ 1,375.00 | | | 4/1/2023 | \$ 1,513.00 |
| 18 | Johnson | \$ 1,375.00 | | | 4/1/2023 | \$ 1,513.00 |
| 19 | Vera | \$ 1,227.00 | | | 4/1/2023 | \$ 1,399.00 |
| 20 | Blanco | \$ 1,350.00 | | | 4/1/2023 | \$ 1,485.00 |
| 21 | Salazar | \$ 1,338.00 | | | 4/1/2023 | \$ 1,472.00 |
| 22 | Medina | \$ 1,338.00 | | | 4/1/2023 | \$ 1,472.00 |
| 23 | Villarreal | \$ 1,375.00 | | | 4/1/2023 | \$ 1,513.00 |
| 24 | Welsh | \$ 1,317.00 | | | 4/1/2023 | \$ 1,449.00 |
| 25 | Owens | \$ 1,271.00 | \$ 803.00 | | 4/1/2023 | \$ 1,398.00 |
| 26 | Sacarantion | \$ 1,271.00 | \$ 1,042.00 | | 4/1/2023 | \$ 1,398.00 |
| 27 | Peters | \$ 1,375.00 | | | 4/1/2023 | \$ 1,513.00 |
| 28 | Hernandez | \$ 1,350.00 | | | 4/1/2023 | \$ 1,485.00 |
| 29 | Duncan | \$ 1,750.00 | | | 4/1/2023 | \$ 1,750.00 |
| 30 | Renolds | \$ 1,375.00 | | | 4/1/2023 | \$ 1,513.00 |
| 31 | Uribe | \$ 1,350.00 | | | 4/1/2023 | \$ 1,485.00 |
| 32 | Canonio | \$ 1,319.00 | | | 4/1/2023 | \$ 1,451.00 |
| 33 | White | \$ 1,227.00 | | | 4/1/2023 | \$ 1,350.00 |
| 34 | Douglass | \$ 1,400.00 | | | 4/1/2023 | \$ 1,400.00 |
| 35 | Hunter | \$ 1,319.00 | | | 4/1/2023 | \$ 1,451.00 |
| 36 | Fraley | \$ 1,337.00 | \$ 189.00 | | 4/1/2023 | \$ 1,471.00 |
| 37 | Tiaw | \$ 1,338.00 | | | 4/1/2023 | \$ 1,472.00 |
| 38 | Nogafsky | \$ 1,750.00 | | | 4/1/2023 | \$ 1,750.00 |
| 39 | New Tenant | \$ 1,800.00 | | 2/1/2023 | 4/1/2023 | \$ 1,800.00 |
| 40 | Som | \$ 1,550.00 | | | 4/1/2023 | \$ 1,550.00 |
| 41 | Manager Unit | \$ 0 | | | 4/1/2023 | \$ 0.00 |
| TOTALS | | \$ 54,702.00 | | | | \$ 58,916.00 |

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PROFIT & LOSS

PARKCREST 2294 KENDALL DRIVE, SAN BERNARDINO

| | Fiscal Year 2020 | Fiscal Year 2021 | Fiscal Year 2022 | January 2023 | | Projected 2023 |
|---------------------------------|---------------------|---------------------|---------------------|-----------------|------|-------------------|
| Revenue | | | | | | |
| Rental Income | \$ 490,917.68 | \$ 499,970.00 | \$ 580,532.00 | \$ 47,636.00 | **** | \$ 624,648.00 |
| SB Housing | \$ 57,103.00 | \$ 61,671.00 | \$ 77,076.00 | \$ 7,066.00 | | \$ 84,792.00 |
| Security Deposit Refund | \$ - | \$ (1,675.00) | \$ - | \$ - | | \$ - |
| Total Income | \$ 548,020.68 | \$ 559,966.00 | \$ 657,608.00 | \$ 54,702.00 | | \$ 709,440.00 |
| Operating Expenses | | | | | | |
| Cleaning | \$ 8,735.00 | \$ 9,228.90 | \$ 14,875.00 | \$ - | | \$ 10,946.30 |
| Dues & Publications | \$ 150.00 | \$ 305.00 | \$ 1,125.00 | \$ 45.00 | | \$ 526.67 |
| Gardening | \$ 10,200.00 | \$ 15,040.00 | \$ 18,200.00 | \$ - | | \$ 14,480.00 |
| Insurance | \$ 14,792.00 | \$ 20,519.41 | \$ 2,325.77 | \$ - | | \$ 12,545.73 |
| Legal & Professional Fees | \$ 550.00 | \$ 1,178.57 | \$ 6,632.55 | \$ - | | \$ 2,787.04 |
| Licenses & Permits | \$ 725.00 | \$ 2,050.00 | \$ 753.00 | \$ - | | \$ 1,176.00 |
| Office Expenses | \$ 160.02 | \$ - | \$ 40.00 | \$ 965.05 | | \$ 66.67 |
| Painting | \$ 21,288.94 | \$ 15,125.00 | \$ - | \$ - | | \$ 12,137.98 |
| Pest Control | \$ 1,245.51 | \$ 1,420.00 | \$ 2,410.00 | \$ 95.00 | | \$ 1,691.84 |
| Plumbing & Electrical | \$ 845.00 | \$ 18,885.00 | \$ 1,369.89 | \$ - | | \$ 7,033.30 |
| * Property Management | \$ - | \$ - | \$ - | \$ - | | \$ - |
| **** Repairs & Maintenance | \$ 45,038.24 | \$ 78,761.86 | \$ 99,624.47 | \$ 13,754.42 | | \$ 25,000.00 |
| Air Condition Repair | \$ 27,295.90 | \$ - | | \$ - | | \$ 9,098.63 |
| Salaries & Taxes-Onsite Manager | \$ 17,302.19 | \$ 23,708.86 | \$ 17,712.78 | \$ - | | \$ 19,574.61 |
| Real Estate Taxes | \$ 41,056.79 | \$ 41,621.92 | \$ 42,454.34 | | ** | \$ 125,000.00 |
| Auto Expense | \$ - | \$ - | | \$ - | | \$ - |
| Telephone & Internet | \$ 3,226.16 | \$ 4,529.74 | \$ 4,664.34 | \$ 120.00 | | \$ 4,140.08 |
| Water/Trash/SCE/Gas | \$ 42,130.72 | \$ 32,818.90 | \$ 43,857.35 | \$ 7,660.82 | | \$ 39,602.32 |
| Total Expenses | \$ 234,741.47 | \$ 265,193.16 | \$ 256,044.49 | \$ 22,640.29 | *** | \$ 285,807.17 |
| Net Income | \$ 313,279.21 | \$ 294,772.84 | \$ 401,563.51 | \$ 32,061.71 | | \$ 423,632.83 |
| | Cap at \$10 Mil | 2.95% | 4.02% | | | 4.24% |
| | Asking per Door | | \$ 243,902.44 | | | \$ 243,902.44 |

* Managed by Owner

** Based on \$10Mil Sale Price

*** Based on 3 Year Average

**** Based on Scheduled 04/01/2023 Rent Increases

***** Amortization of Major Capital Improvements: Exterior railing and stairs; new vinyl windows; remodel 20 kitchens

CAPITAL AMORTIZATION

2021 & 2022

| Date | Vendor | Roof | Kitchen Cabinets | Install Cabinets/ Windows/Painting | Paving | Staircase | Install Flooring/Painting | Estimated Annual Exp |
|----------|--------------------|------|------------------|---------------------------------------|--------|-------------|------------------------------|-------------------------|
| 01/12/22 | Joe Solorzano | | | \$ 2,900.00 | | | | |
| 01/19/22 | Joe Solorzano | | | \$ 2,055.00 | | | | |
| 01/26/22 | Joe Solorzano | | | \$ 2,055.00 | | | | |
| 02/02/22 | Joe Solorzano | | | \$ 2,990.00 | | | | |
| 02/10/22 | Joe Solorzano | | | \$ 2,070.00 | | | | |
| 02/10/22 | Joe Solorzano | | | \$ 1,780.00 | | | | |
| 05/04/22 | Joe Solorzano | | | \$ 514.20 | | | | |
| 05/04/22 | Joe Solorzano | | | \$ 2,561.67 | | | | |
| 05/11/22 | Joe Solorzano | | | \$ 2,561.67 | | | | |
| 05/18/22 | Joe Solorzano | | | \$ 2,561.67 | | | | |
| 06/16/22 | Joe Solorzano | | | \$ 3,420.00 | | | | |
| 06/16/22 | Joe Solorzano | | | \$ 6,675.00 | | | | |
| 09/06/22 | Asia Building Mat | | \$ 3,565.00 | | | | | |
| 09/09/22 | Asia Building Mat | | \$ 3,635.68 | | | | | |
| 09/15/22 | Asia Building Mat | | \$ 2,640.00 | | | | | |
| 09/19/22 | Joe Solorzano | | | \$ 2,825.00 | | | | |
| 09/19/22 | Joe Solorzano | | | \$ 4,425.00 | | | | |
| 09/19/22 | Joe Solorzano | | | \$ 4,400.00 | | | | |
| 11/16/22 | Joe Solorzano | | | \$ 5,000.00 | | | | |
| 11/16/22 | Joe Solorzano | | | \$ 4,125.00 | | | | |
| 10/10/22 | Estela Reyes | | | | | | \$ 4,256.00 | |
| 10/10/22 | Estela Reyes | | | | | | \$ 3,950.00 | |
| 10/19/22 | Estela Reyes | | | | | | \$ 1,315.00 | |
| 10/28/22 | Estela Reyes | | | | | | \$ 4,256.00 | |
| 12/01/22 | Estela Reyes | | | | | | \$ 5,768.00 | |
| 02/03/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 02/03/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 02/09/21 | Joe Solorzano | | | \$ 2,500.00 | | | | |
| 02/16/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 02/22/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 02/22/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 03/01/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 03/10/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 03/10/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |

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CAPITAL AMORTIZATION 2021 & 2022 CONTINUED

| Date | Vendor | Roof | Kitchen Cabinets | Install Cabinets/ Windows/Painting | Paving | Staircase | Install Flooring/Painting | Estimated Annual Exp |
|----------|----------------------------|---------------------|---------------------|---------------------------------------|---------------------|----------------------|------------------------------|-------------------------|
| 03/31/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 04/05/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 04/06/21 | AJ Ornamental Iron | | | | | \$ 39,078.11 | | |
| 04/09/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 04/27/21 | AJ Ornamental Iron | | | | | \$ 6,000.00 | | |
| 05/10/21 | Ledger | \$ 23,721.00 | | | | | | |
| 06/15/21 | Ledger | | | | | \$ 127,626.00 | | |
| 05/10/21 | Ledger | | | | \$ 27,500.00 | | | |
| 08/25/21 | Ledger | | \$ 7,118.00 | | | | | |
| 05/06/21 | AJ Ornamental Iron | | | | | \$ 6,800.00 | | |
| 05/14/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 05/25/21 | AJ Ornamental Iron | | | | | \$ 6,400.00 | | |
| 06/28/21 | Joe Solorzano | | | \$ 3,640.00 | | | | |
| 07/10/21 | Joe Solorzano | | | \$ 3,640.00 | | | | |
| 07/20/21 | Joe Solorzano | | | \$ 3,640.00 | | | | |
| 09/23/21 | Joe Solorzano | | | \$ 2,207.50 | | | | |
| 09/23/21 | Joe Solorzano | | | \$ 6,250.00 | | | | |
| 09/30/21 | Joe Solorzano | | | \$ 2,207.50 | | | | |
| 10/05/21 | Joe Solorzano | | | \$ 2,150.00 | | | | |
| 10/15/21 | Joe Solorzano | | | \$ 2,540.00 | | | | |
| 11/01/21 | Joe Solorzano | | | \$ 2,540.00 | | | | |
| | TOTAL | \$ 23,721.00 | \$ 16,958.68 | \$ 84,234.21 | \$ 27,500.00 | \$ 262,704.11 | \$ 19,545.00 | |
| | YEARS AMORTIZED | 27.5 | 15 | 27.5 | 15 | 27.5 | 15 | |
| | ANNUAL AMORTIZATION | \$ 862.58 | \$ 1,130.58 | \$ 3,063.06 | \$ 1,833.33 | \$ 9,552.88 | \$ 1,303.00 | \$ 17,745.43 |

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