

OFFERING MEMORANDUM

105 Forrest Avenue,
Los Gatos



Dominic Gluhaich

COMPASS
COMMERCIAL

About the Property



- **AVE. SQUARE FOOTAGE:** ±937 SF
- **LOT SQUARE FOOTAGE:** ±35,424 SF
- **TOTAL UNITS:** 28
- **ZONING:** R-M : 5-12
- **APN:** 529-10-077
- **PRICE:** \$13,888,888
- **CURRENT CAP RATE:** 3.40%
- **CURRENT GRM:** 19.14
- **MARKET CAP RATE:** 5.03%
- **MARKET GRM:** 14.04

INVESTMENT HIGHLIGHTS

- List Price: \$13,888,888
- 28 Unit Apartment Complex
- Close Proximity to Downtown Los Gatos
- First time on the market in 30 years
- Over \$200K in improvements within the past 12 months
- Foundation: Crawl sapce
- Exterior Walls: Wood frame/stucco
- Roof: Mop top
- Patio/Balcony: Included
- Laundry Facilities: Included
- Pool/Spa: Included

About the Property

EXECUTIVE SUMMARY

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Compass is pleased to offer this beautiful 28-unit apartment building, perfectly situated within walking distance to the vibrant heart of downtown Los Gatos. This prime location offers the perfect blend of convenience and tranquility, allowing easy access to shops, restaurants, parks, and entertainment.

Spanning 26,241 square feet, our thoughtfully designed community sits on a generous 35,424 square foot lot and features a variety of floor plans to suit diverse needs. The building comprises:

- 12 spacious 2-bedroom, 1-bath units, ideal for small families or roommates.
- 2 comfortable 2-bedroom, 1.5-bath units, offering a bit more space and convenience.
- 10 cozy 1-bedroom, 1-bath units, perfect for singles or couples seeking a comfortable living space.
- 4 generous 3-bedroom, 2-bath units, accommodating larger families or those desiring extra room.

Residents can also enjoy a refreshing pool, perfect for relaxation and recreation. Each unit is crafted with modern amenities and finishes, ensuring a comfortable and stylish living experience. Come discover your new home in this charming Los Gatos community, where convenience meets comfort, all within a short stroll to downtown.

Please feel free to reach out to Dominic Gluhaich with any questions you may have.

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Financial Analysis

RENT ROLL

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UNIT NUMBER	TYPE	MOVE-IN	DEPOSIT	10/23 PAST RENT	4/24 CURRENT RENT
1	2BR/1BA	09/01/2021	\$1,000	\$2,100	\$2,100
2	2BR/1BA	07/01/2021	\$1,000	\$2,315	\$2,315
3	2BR/1BA	03/01/2014	\$300	\$1,733	\$1,733
4	1BR/1BA	07/01/2023	\$1,000	\$2,000	\$2,150
5	1BR/1BA	12/15/2015	\$900	\$1,874	\$1,875
6	2BR/1BA	11/10/2012	\$700	\$2,041	\$2,041
7	1BR/1BA	03/01/2023	\$1,000	\$2,000	\$2,000
8	1BR/1BA	02/02/2023	\$1,000	\$2,000	\$2,000
9	1BR/1BA	01/13/2018	\$700	\$1,929	\$1,929
10	3BR/2BA	09/21/1995	\$0	\$701	-
11	2BR/1BA	09/01/2016	\$700	\$2,205	\$2,300
12	2BR/1BA	08/20/2014	\$900	\$2,126	\$2,500
13	2BR/1BA	07/01/2023	\$1,000	\$2,300	\$2,300
14	1BR/1BA	03/31/2018	\$800	\$2,039	-

UNIT NUMBER	TYPE	MOVE-IN	DEPOSIT	10/23 PAST RENT	4/24 CURRENT RENT
15	1BR/1BA	07/01/2023	\$1,500	\$2,000	\$2,000
16	2BR/1BA	02/12/2022	\$1,000	\$2,100	\$2,100
17	1BR/1BA	02/01/2023	\$1,000	\$2,000	\$2,000
18	1BR/1BA	08/01/2021	\$1,000	\$1,984	\$933
19	1BR/1BA	08/01/2017	\$600	\$1,948	\$1,948
20	3BR/2BA	08/15/2017	\$1,000	\$2,940	\$2,940
21	2BR/1BA	02/01/2012	\$600	\$1,908	\$1,908
22	2BR/1BA	07/01/2021	\$1,000	\$2,315	\$2,315
23	2BR/1.5BA	09/02/2020	\$1,000	\$2,590	\$2,590
24	2BR/1.5BA	09/01/2021	\$1,000	\$2,500	\$2,500
25	3BR/2BA	09/18/2015	\$1,000	\$2,536	\$2,536
26	3BR/2BA	07/15/2023	\$1,500	\$3,000	\$3,000
27	2BR/1BA	08/01/2017	\$500	\$1,776	\$1,776
28	2BR/1BA	02/19/2022	\$1,500	\$2,415	\$2,415

TOTAL				\$59,375	\$56,204
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Comparables

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ADDRESS	NAME	RATING	YR BLT/ RENOV	TYPE	UNITS	DIST (MI)	SALE DATE	SALE PRICE	PRICE/ UNIT	PRICE/ SF	CAP RATE	SUBMARKET
2305 Winchester Blvd		3	2018	Multi Family	16	3.56	Jun 2021	\$11,300,000	\$706,250	\$574	4.4%	Outer Campbell/ Los Gatos
14 W Main St		3	1994	Multi Family	21	0.91	Jan 2022	\$10,300,000	\$490,476	\$894		Edelen District
236-268 Calle Marguerita	Rinconada Court Apartments	2	1963	Multi Family	41	2.03	Apr 2022	\$19,500,000	\$475,610	\$580		Outer Campbell/ Los Gatos
300 Dunster Dr		2	1957	Multi Family	14	4.18	Apr 2022	\$6,700,000	\$478,571	\$774		Outer Campbell/ Los Gatos
167 Villa Ave		2	1965	Multi Family	14	0.96	Jul 2022	\$6,500,000	\$464,286	\$1,075		East Los Gatos

Financial Analysis

Operating Expenses

	CURRENT	PROFORMA
Rents- Monthly	\$ 59,375.00	\$78,950
Laundry- Monthly	\$ 1,065.00	\$1,065
TOTAL INCOME	\$ 725,281.56	\$960,180
Garbage	\$ 11,443.98	\$ 11,444.98
Landscaping	\$ 8,400.00	\$ 8,400.00
Vacancy (3%)	\$ 19,994.76	\$ 28,422.00
Pool Service	\$ 3,700.00	\$ 3,700.00
PGE	\$ 19,036.53	\$ 19,036.53
Water	\$ 11,513.79	\$ 11,513.79
Repairs	\$ 14,000.00	\$ 14,000.00
TOTAL	\$ 88,089.06	\$ 96,517.30
Insurance	\$ 8,191.00	\$ 8,191.00
Taxes	\$ 156,527.77	\$ 156,527.77
TOTAL EXPENSES	\$252,807.83	\$ 261,236.07
NOI	\$ 472,473.73	\$ 698,943.93
CAP RATE	3.40%	5.03%
GROSS RENT MULTIPLIER	19.14	14.46

*Expenses itemized from 2022, Landscaping is not included in 2022 P/L

Proforma Rents

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Beds/Baths	Market Rent	Unit Count	Rent per Unit Type
1 BD/1 BA	\$2,395	10	\$23,950
2 BD/1 BA	\$2,850	12	\$34,200
2 BD/1.5 BA	\$3,200	2	\$6,400
3 BD/2 BA	\$3,600	4	\$14,400
		TOTAL	\$78,950

Additional Photos

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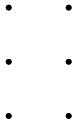


Additional Photos



105 Forrest Avenue, Los Gatos

Additional Photos



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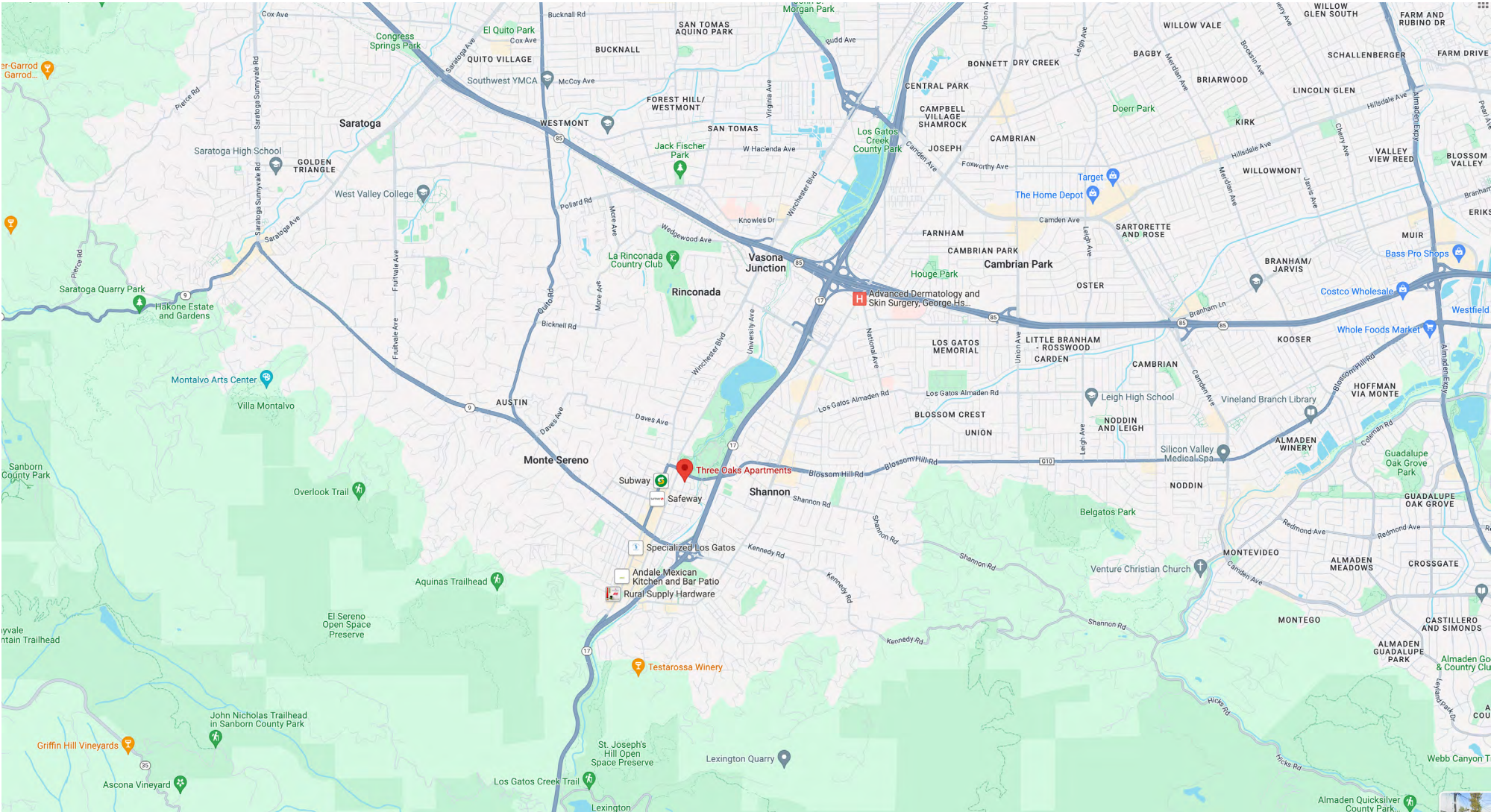
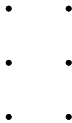


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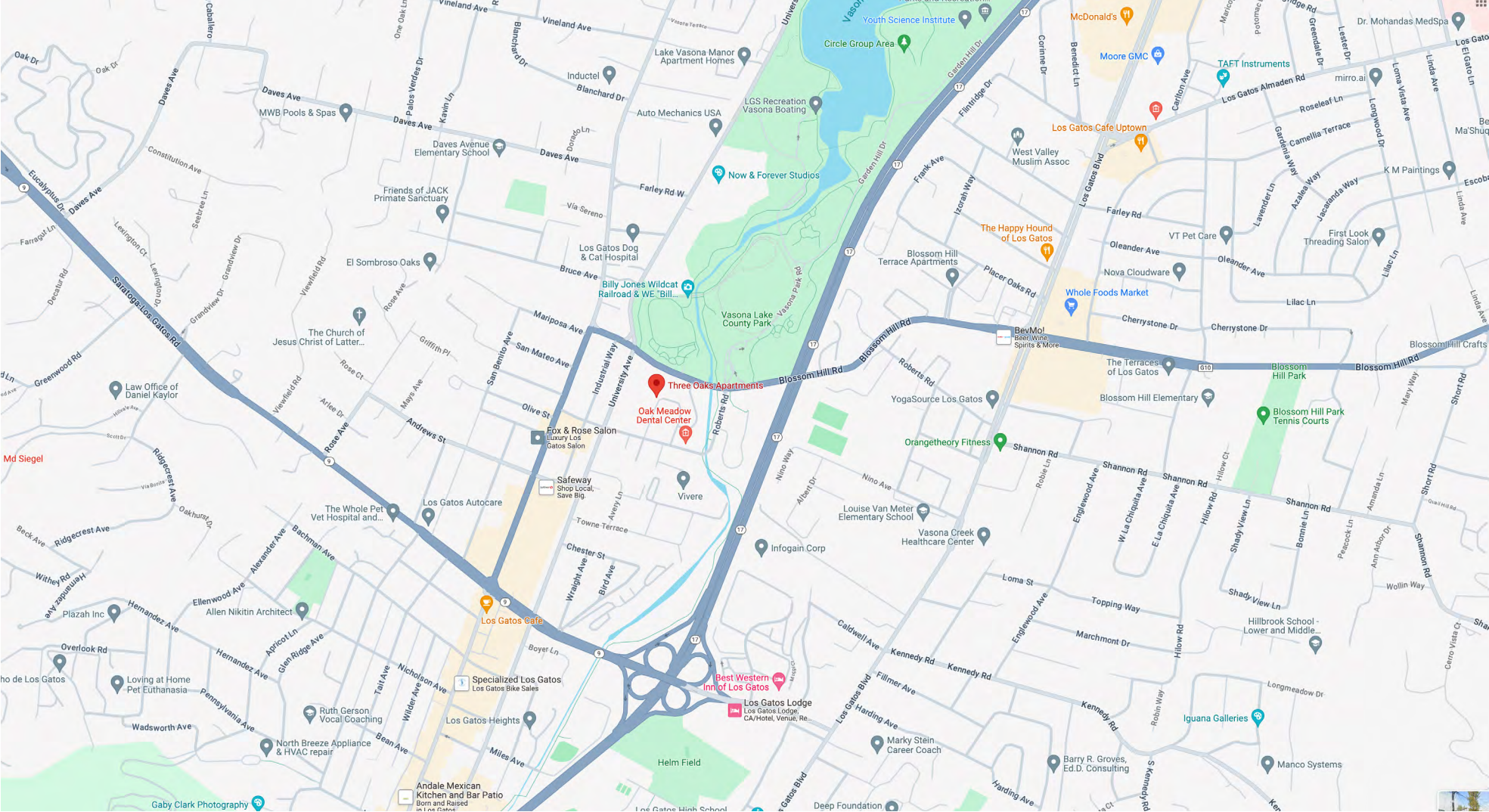
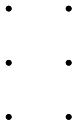
Regional Map



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105 Forrest Avenue, Los Gatos

Location Map



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Confidentiality & Disclaimer

The information contained in the Offering is confidential, furnished solely for the purpose of review by a prospective purchaser of the subject property. The material is based in part upon information supplied and in part upon information obtained by Compass from sources it deems reasonably reliable. No warranty or representation, expressed or implied, is made by the owner, Compass, or any of their respective affiliates, as to the accuracy or completeness of the information contained herein or any other written or oral communication transmitted to a prospective purchaser in the course of its evaluation of the Property. No legal liability is assumed or to be applied in connection with the information or such other communications. Without limiting the generality of the foregoing, the information shall not be deemed a representation of the state of affairs of the subject property or constitute an indication that there has been no change in the business or affairs of the subject property since the date of preparation of the information. Prospective purchasers should make their own projections and conclusions without reliance upon the materials contained herein and conduct their own independent due diligence, including engineering and

environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the site.

The Offering Memorandum was prepared by Compass. It contains select information pertaining to the subject property and does not purport to be all inclusive or to contain all of the information which a prospective purchaser may desire. All financial projections are provided for general reference purposes only and are based on assumptions relating to the general economy, competition and other factors beyond control and, therefore, are subject to material change or variation. An opportunity to inspect the subject property will be made available to qualified prospective purchasers.

In the Offering certain documents and other materials are described in summary form. The summaries do not purport to be complete nor, necessarily, accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to independently review all documents.

The Offering is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute a recommendation, endorsement or advice as to the value of the Property by Compass or the owner. Each prospective purchaser is to rely upon its own investigation, evaluation and judgment as to the advisability of purchasing the subject property described herein.

The owner and Compass expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the subject property and/or to terminate discussions with any party at any time with or without notice. The owner shall have no legal commitment or obligation to any interested party reviewing the Offering or making an offer to purchase the subject property unless a written agreement for the purchase of the subject property has been fully executed and delivered by the owner and such party and any conditions to the owner's obligations there under have been satisfied or waived and then only to the extent expressly provided for therein. Compass is not authorized to make any representations or agreements on behalf of the owner.



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