

EXCLUSIVE INVESTMENT OFFERING



THIRD STREET APARTMENTS

1041 3RD STREET, NOVATO | 4 UNITS | \$1,500,000

DISCLAIMER NOTICE

Norcal's Source for Apartment Brokerage Services



Norcal Commercial ("Broker") has been retained on an exclusive basis to market the property described herein ("Third Street Apartments"). Broker has been authorized by the Seller of the Property to prepare and distribute the enclosed Offering Memorandum for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller, its affiliates or Broker. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Effective Jan 1, 2020 the state of California passed AB 1482: Tenant Protection Act of 2019. SB 721 Balcony Ordinance requires mandatory balcony inspections prior to Jan 1, 2026. Buyer is advised to research local and statewide rental laws impacting the subject property.

All inquiries related to the property should be directed to the exclusive listing agents:



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INVESTMENT SUMMARY:

Centrally located in the heart of Downtown Novato, Third Street Apartments is a well-maintained 4-unit property featuring spacious 2-bedroom units setback on a level parcel in coveted Marin County. This midcentury gem includes exposed beam ceilings, in-unit laundry, dishwashers, covered parking, tenant storage, several fenced patios or decks, and updated electrical. Competitively priced at \$1,500,000, Third Street Apartments offers a rare investment opportunity with strong fundamentals and substantial upside potential in a highly desirable location.

INVESTMENT HIGHLIGHTS:

Current GRM:	12.51	Current CAP Rate:	5.39%
Market GRM:	10.79	Market CAP Rate:	6.67%
Price/Unit:	\$375,000	Price/SF:	\$375

PROPERTY HIGHLIGHTS

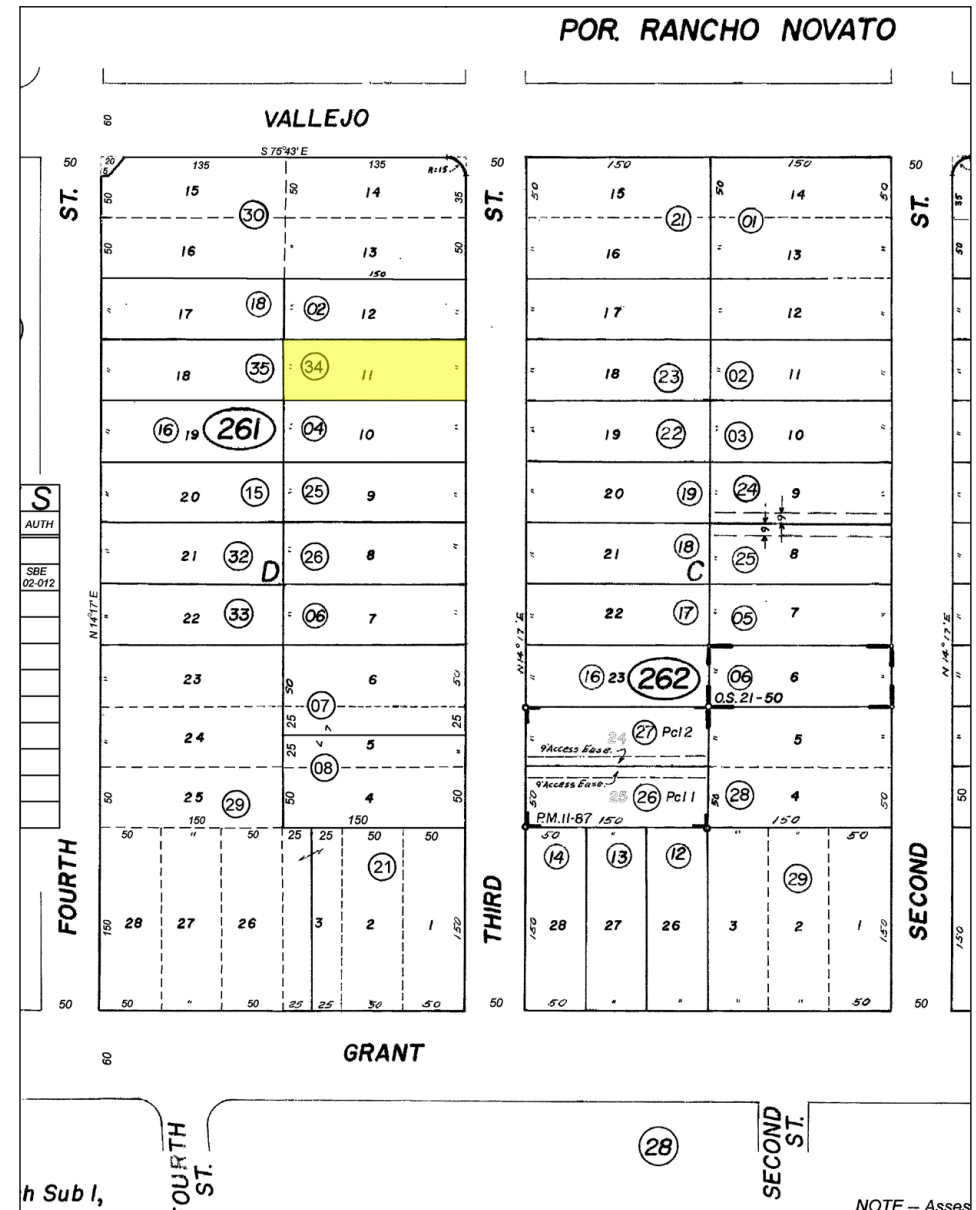
- Covered Parking
- In-Unit Laundry
- Tenant Storage Closets
- Fenced Patios
- Spacious Units
- Downtown Novato Location
- Proximity to Shopping & Transit
- Mature Landscaping
- Updated Electrical
- New Carport Roof (2025)
- Resealed Driveway
- New Water Supply Lines



SITE SURVEY



Address:	1041 3rd Street, Novato, CA
Units:	4 Units
Parcel Number(s):	141-261-34
Building Size:	4,000 SF
Parcel(s) Size:	7,500 SF (±0.17 Acres)
Year Built:	1968
Building(s):	1 (Two-Story)
Parking:	1 Garage, 3 Carports, 3 Open
Construction Style:	Wood Frame, Wood Siding, Cement Block
Roof(s):	Flat, TPO (2011)
Foundation:	Concrete Slab
Heating:	Forced Air Heating; Wall Heater, Fireplaces
Hot Water:	Individual
Plumbing:	Copper
Electrical:	Circuit Breakers - New
Laundry:	Owned In-Unit Laundry (All Units)
Kitchen:	Varies By Unit
Windows:	Dual-Pane
Utilities (owner):	Water, Sewer, Trash, Gas & Electric*
Utilities (tenant):	Gas & Electric
Amenities:	Patios & Decks, Covered Parking, In-Unit Laundry



*Owner pays house meter for Gas and Electric

OPERATING INFORMATION

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UNIT	BD x BA	APPROX. SF	CURRENT	MARKET
1	2 x 1	1000	\$2,621	\$2,800
2	2 x 1	1000	\$2,122	\$2,800
3	2 x 1	1000	\$2,650	\$2,650
4	2 x 1	1000	\$2,600	\$2,650
TOTAL MONTHLY RENT			\$9,993	\$11,050
Utility Reimbursement			\$0	\$332
Parking & Storage			\$0	\$200
Monthly Scheduled Gross Income			\$9,993	\$11,582
Annual Scheduled Gross Income			\$119,916	\$138,984
GROSS ANNUAL INCOME			\$119,916	\$138,984
ANNUAL EXPENSES			CURRENT	MARKET
Taxes (New Rate)			\$18,161	\$18,161
Insurance (Current)			\$3,883	\$3,883
Water & Sewer			\$4,852	\$4,852
Gas & Electric			\$63	\$63
Trash			\$3,053	\$3,053
Maintenance/Repair (Est. 5% SGI)			\$5,996	\$5,996
Landscaping			\$3,000	\$3,000
TOTAL EXPENSES		32.53%	\$39,008	\$39,008
NET OPERATING INCOME			\$80,908	\$99,976

 Vacant

FINANCIAL SUMMARY

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PRICING SUMMARY			
Price	\$1,500,000	APN	141-261-34
Down Payment	\$600,000	Approx. Age	1968
Number of Units	4	Approx. Lot Size	7,500
Cost per Unit	\$375,000	Approx. Net RSF	4,000
Current GRM	12.51	Cost per Net RSF	\$375
Market GRM	10.79		
Current CAP	5.39%		
Market CAP	6.67%		

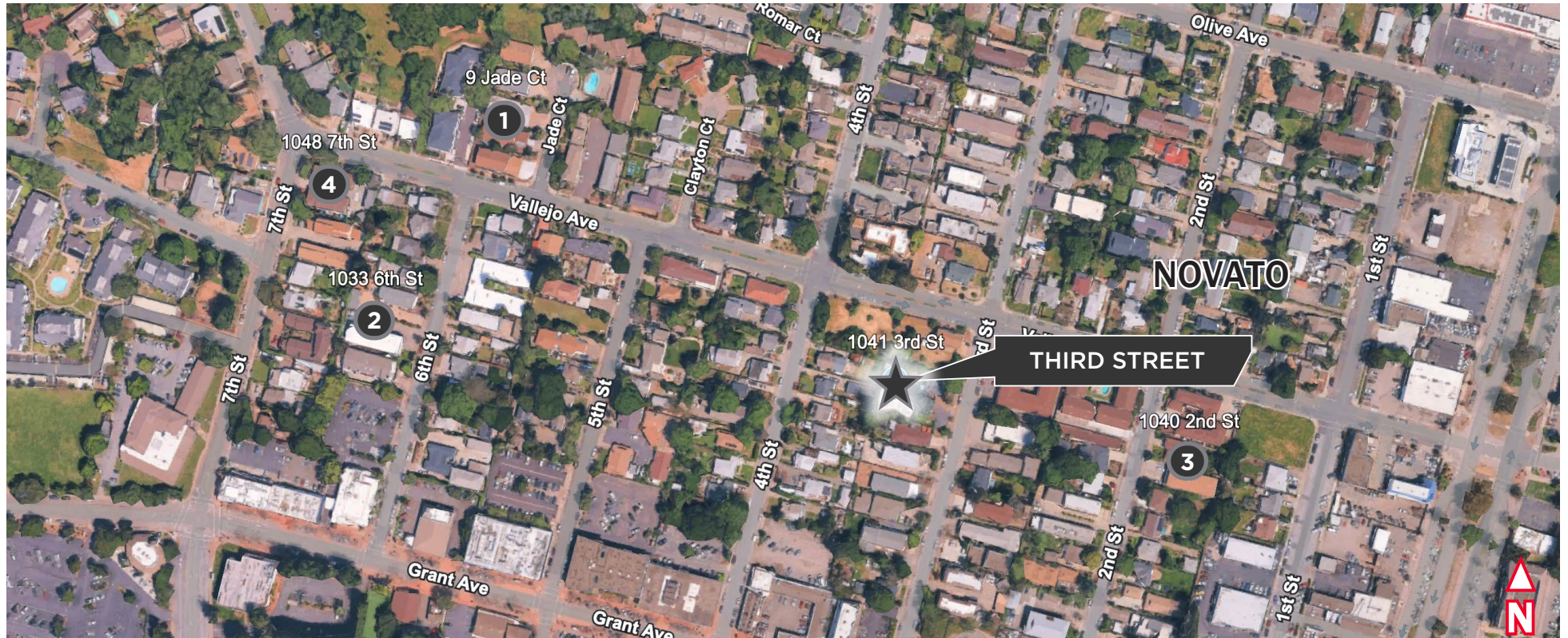
PROPOSED FINANCING			
First Loan Amount	\$900,000	New, 30 year amortization	
Term	30	Fixed for 5 years	
Rate	6.25%		
Monthly Payment	\$5,541		

RETURN	CURRENT	%*	MARKET	%*
Net Operating Income	\$80,908		\$99,976	
Less Loan Payments	\$66,497		\$66,497	
Pre-Tax Cash Flow	\$14,411		\$33,479	
Plus Principal Reduction	\$10,546		\$10,546	
Total Return Before Taxes	\$24,957	4.16%	\$44,025	7.34%

*as a % of Down Payment

RENT COMPARABLE ANALYSIS

Norcal
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Rent Comps	City	Units	Unit Type	Rent	SF	\$/SF	Vacancy	Utilities
★ 1041 3rd St	Novato	4	2 x 1	\$2,621	1,000 SF	\$2.62/SF	1	W,S,T
① 9 Jade Ct	Novato	4	2 x 1	\$2,795	900 SF	\$3.11/SF	1	W,S,T
② 1033 6th St	Novato	9	2 x 1	\$3,200	870 SF	\$3.68/SF	0	W,S,T
③ 1040 2nd St	Novato	5	2 x 1 TH	\$3,100	1,072 SF	\$2.89/SF	0	W,S,T
④ 1048 7th St	Novato	4	2 x 1.5 TH	\$3,100	1,001 SF	\$3.09/SF	0	W,S,T

SOLD COMPARABLE ANALYSIS

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Sold Comps	City	Units	Price	Year	\$/Unit	GRM	Cap	\$/SF	COE
1 1048 7th St	Novato	4-2x1.5	\$1,550,000	1979	\$387,500	11.03	5.89%	\$387	08/10/26
2 1052 7th St	Novato	4-2x1.5	\$1,570,000	1978	\$392,500	10.90	5.96%	\$392	08/06/26
3 1140 3rd St	Novato	3-2x1	\$950,000	1989	\$316,667	-	-	\$351	05/31/24
4 1510 Vallejo Ave	Novato	4-2x1	\$1,565,000	1964	\$391,250	14.86	4.68%	\$434	08/31/23
Comparable Averages					\$371,979	12.26	5.51%	\$391	
★ 1041 3rd St	Novato	4-2x1	\$1,500,000	1968	\$375,000	12.51	5.39%	\$375	Subject





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