

OFFERING MEMORANDUM

Marcus & Millichap

LEVIN JOHNSTON

COMMERCIAL REAL ESTATE ADVISORY GROUP

8275 Westwood Dr,  
Gilroy, CA 95020



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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Marcus & Millichap in compliance with all applicable fair housing and equal opportunity laws.

# PROPERTY INFORMATION

SECTION 1.1



## EXECUTIVE SUMMARY

### PROPERTY OVERVIEW

Number Of Units:	10
Year Constructed:	1976
Building SF:	7,313 SF
Lot Size:	24,245 SF
Zoning:	R3

### PRICE ANALYSIS

<b>SALE PRICE</b>	<b>\$2,995,000</b>
Price Per Unit:	\$299,500
Price Per SF:	\$409.54
Current Cap:	4.72%
Current GRM:	14.33
Pro Forma Cap:	6.75%
Pro Forma GRM:	10.92

UNIT TYPE	COUNT	SIZE (SF)	RENT	RENT/SF	MARKET RENT	MARKET RENT/SF
1 BR / 1 BA	7	722	\$1,466	\$2.03	\$2,195	\$3.04
2 BR / 1 BA	3	754	\$2,383	\$3.16	\$2,500	\$3.32
<b>Totals/Averages</b>	<b>10</b>	<b>7,316</b>	<b>\$17,411</b>	<b>\$2.38</b>	<b>\$22,865</b>	<b>\$3.13</b>

## PROPERTY DETAILS & HIGHLIGHTS

Address	8275 Westwood Dr
City, State	Gilroy, CA
APN	790-43-012
Building Size	7,313 SF
Lot Size	24,245 SF
Year Built	1976
Units	10

8275 Westwood Dr is a well-situated 10-unit apartment complex located in the heart of Gilroy, CA.

Situated on a parcel of land totaling 24,245 square feet, the subject property was originally constructed in 1976 and has a gross building area of approximately 7,313 square feet, offering its tenants large single story two-bedroom and one-bedroom floor plans. Additionally, tenants benefit from convenient property amenities including carport parking, on-site laundry facilities and private backyards.

8275 Westwood Dr presents investors with a rare opportunity to acquire an exceptional asset in the thriving city of Gilroy, CA. The subject property is located just 2.1 miles from The Premium Gilroy Outlets, right off Highway 101. The Premium Gilroy Outlets house 145 different outlet stores, attracting savvy shoppers and tourists from all over the Bay Area. The subject property is also walking distance (0.9 mi) from the Town Plaza Shopping Center, home to a myriad of dining, shopping, and entertainment. Other nearby Gilroy attractions include the Annual Gilroy Garlic Festival and the Gilroy Gardens theme park, both attracting visitors from all over the US.

8275 Westwood Dr benefits from its prime location offering tenants and residents convenient access to major transportation corridors including Highway 101, CA-25, CA-152, in addition to other modes of transportation. Gilroy's close proximity to these fundamental roads offers South Bay Area commuters a quick connection to San Jose, Watsonville, Salinas, Monterey, as well as other nearby areas.

The investment appeal of this asset is driven by Gilroy's strong employment fundamentals, and low vacancy levels. With a world class location in the heart Gilroy, 8275 Westwood Dr presents an attractive investment opportunity for investors due to its easy accessibility to the Bay Area and the nation's top employers within it.



- Value-Add Gilroy Investment Opportunity – Investors can acquire a strong multifamily asset with significant upside potential, enhancing cash flow by bringing rents up to current market levels in the thriving city of Gilroy, CA.
- Individually Metered Utilities – Tenants are responsible for their own garbage, PG&E, and water service, allowing investors to minimize operating expenses and pay only for common-area utilities.
- Convenient Property Amenities - Tenants benefit from convenient property amenities including carport parking, on-site laundry facilities and private backyards.
- Quick Access to Dining, Shopping, and Entertainment - The subject property is located within close proximity to The Premium Gilroy Outlets (2.1 mi) and walking distance from Town Plaza Shopping Center (0.9 mi) , both home to a myriad of dining shopping and entertainment options.
- Nearby Transportation Corridors - The subject property offers tenants convenient access to major transportation corridors including Highway 101, CA-25, and CA-152.

## EXTERIOR PHOTOS



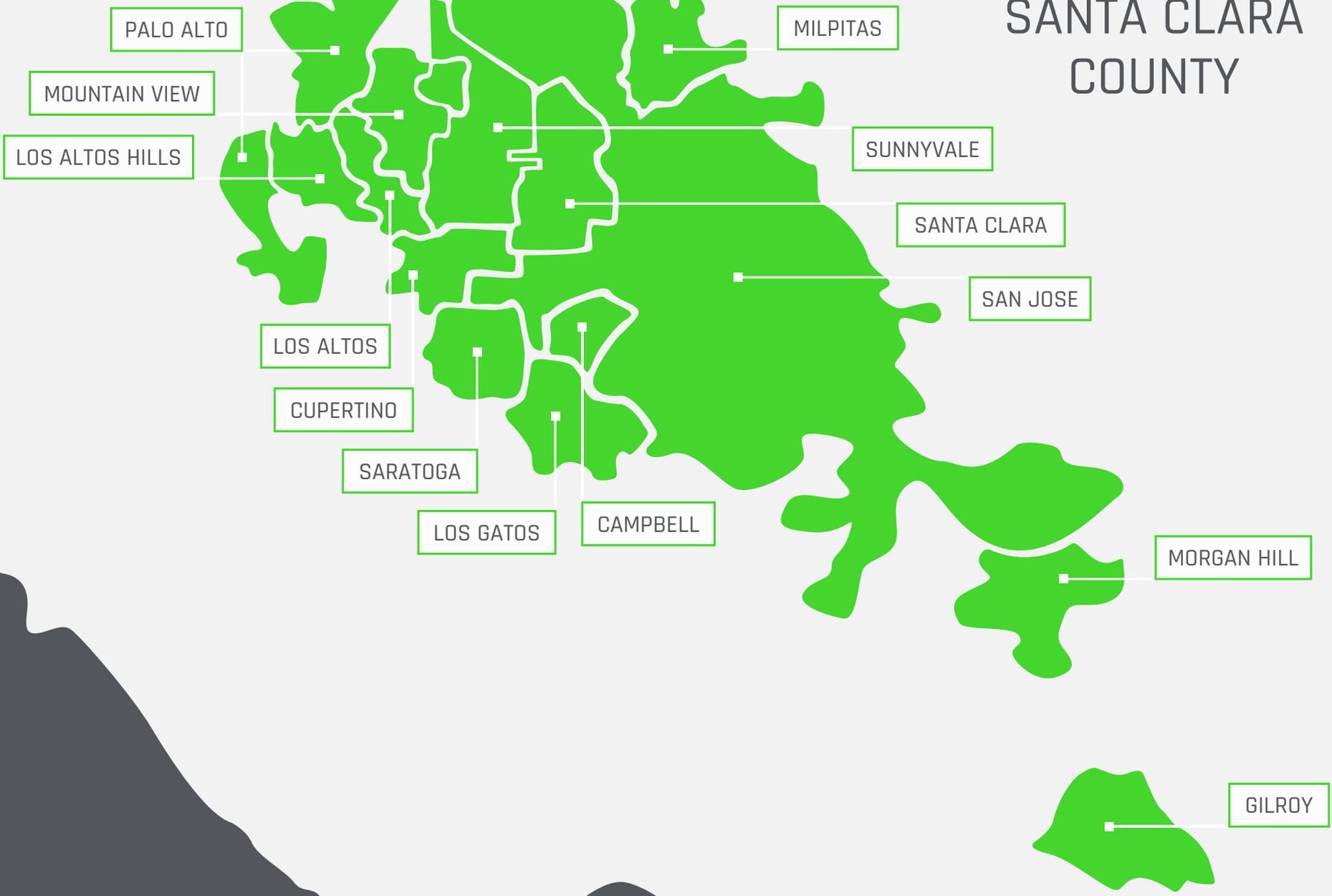
## EXTERIOR PHOTOS



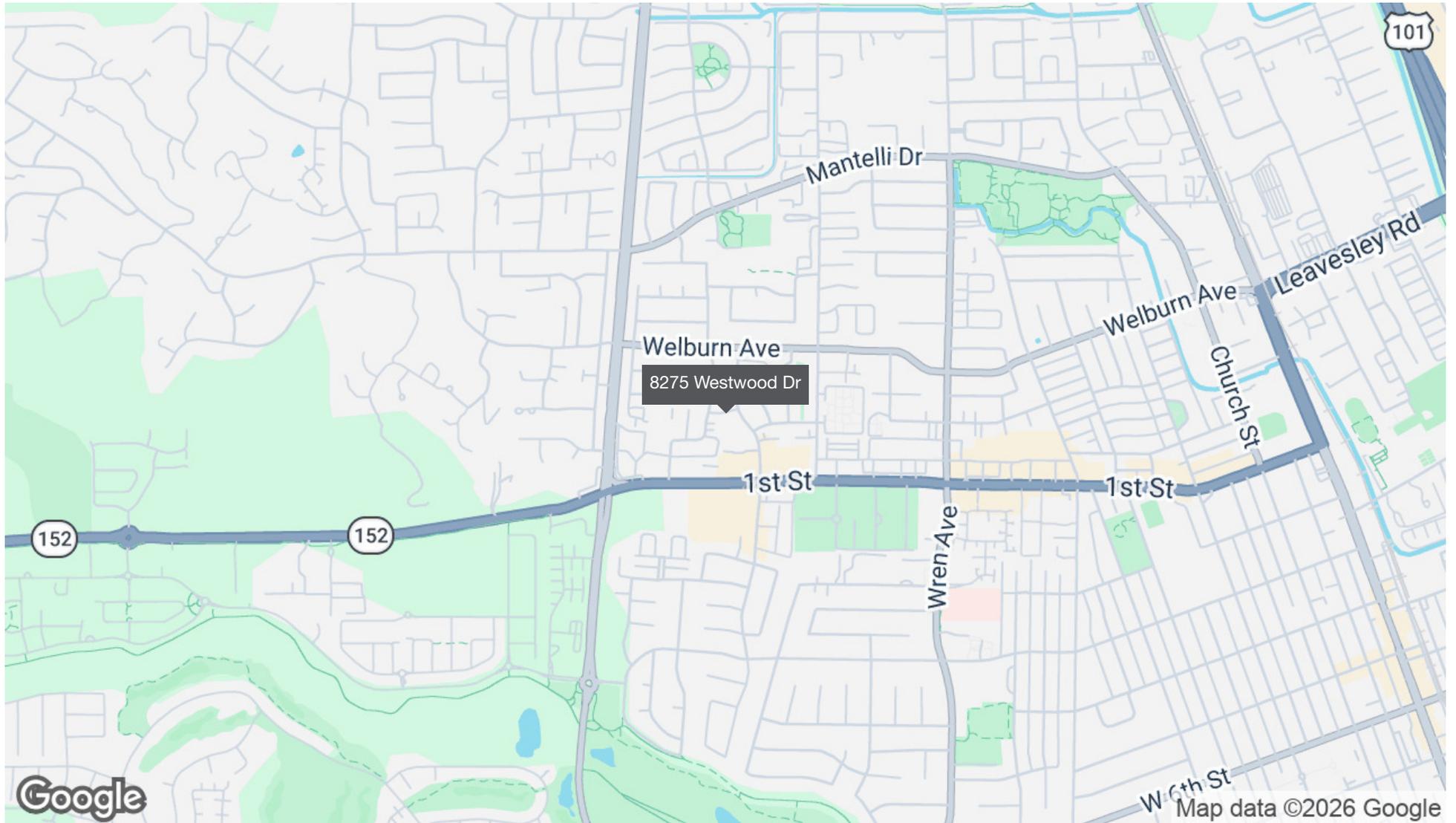
# INTERIOR PHOTOS



# SANTA CLARA COUNTY

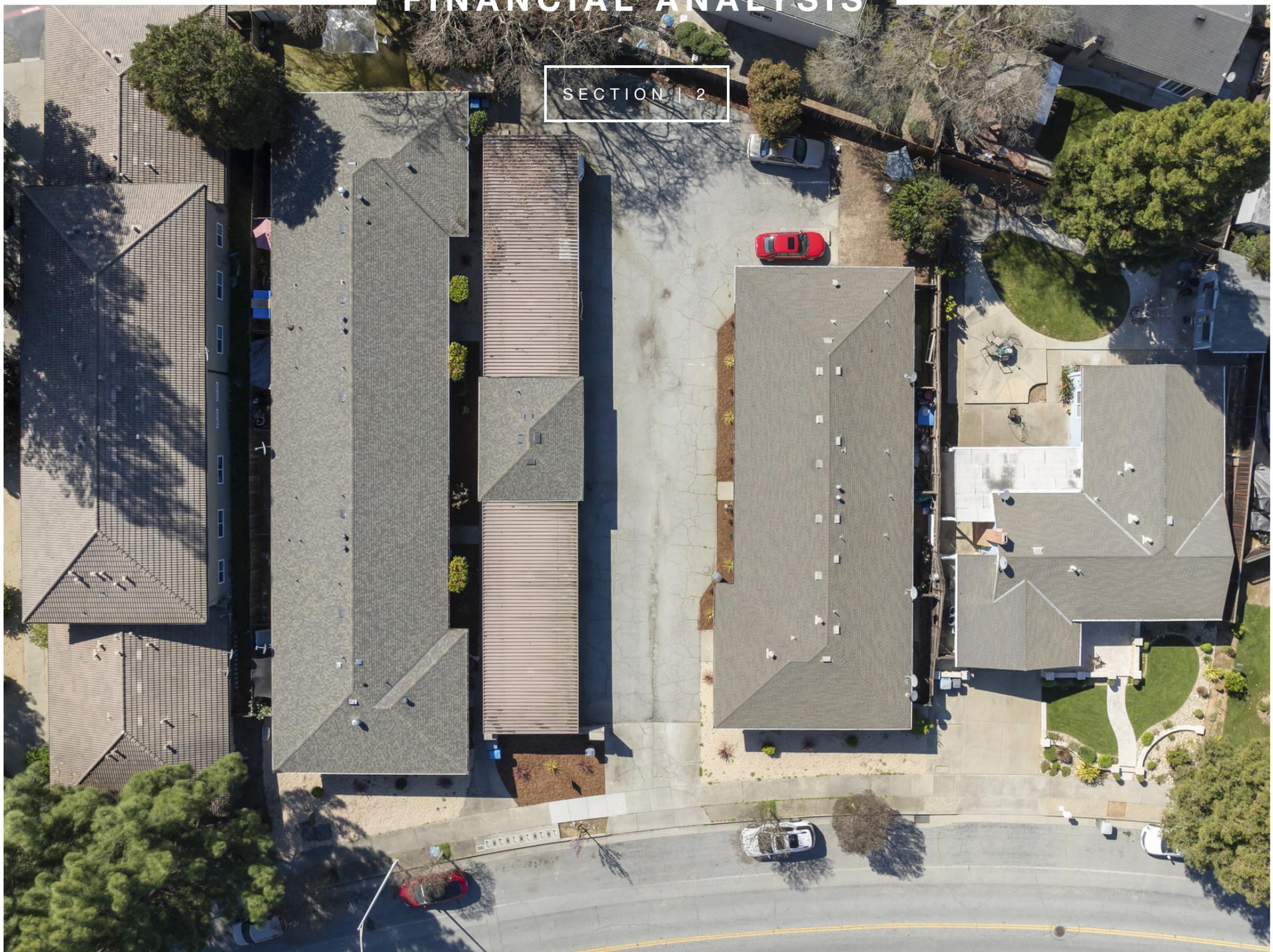


## REGIONAL MAP



# FINANCIAL ANALYSIS

## SECTION | 2



# FINANCIAL SUMMARY

<b>INVESTMENT OVERVIEW</b>	<b>CURRENT</b>	<b>PRO FORMA</b>
Price	\$2,995,000	\$2,995,000
Price per SF	\$409.54	\$409.54
Price per Unit	\$299,500	\$299,500
GRM	14.33	10.92
CAP Rate	4.72%	6.75%

<b>OPERATING DATA</b>	<b>CURRENT</b>	<b>PRO FORMA</b>
Gross Scheduled Income	\$208,980	\$274,380
Other Income	\$2,400	\$2,400
Total Scheduled Income	\$211,380	\$276,780
Vacancy Cost	\$6,341	\$8,303
Gross Income	\$205,039	\$268,476
Operating Expenses	\$63,711	\$66,249
Net Operating Income	\$141,328	\$202,227

## UNIT MIX SUMMARY

UNIT TYPE	COUNT	% OF TOTAL	SIZE SF	RENT	RENT/SF	MARKET RENT	MARKET RENT/SF
1 BR / 1 BA	7	70%	722 SF	\$1,466	\$2.03	\$2,195	\$3.04
2 BR / 1 BA	3	30%	754 SF	\$2,383	\$3.16	\$2,500	\$3.32
<b>TOTALS/AVERAGES</b>	<b>10</b>	<b>100%</b>	<b>732 SF</b>	<b>\$1,741</b>	<b>\$2.37</b>	<b>\$2,287</b>	<b>\$3.12</b>

## RENT ROLL

UNIT NUMBER	UNIT BED	UNIT BATH	UNIT SIZE (SF)	CURRENT RENT	CURRENT RENT/SF	MARKET RENT	MARKET RENT/SF
1*	2	1	754	\$2,500	\$3.32	\$2,500	\$3.32
2	1	1	725	\$1,495	\$2.06	\$2,195	\$3.03
3	1	1	725	\$1,635	\$2.26	\$2,195	\$3.03
4	1	1	725	\$1,510	\$2.08	\$2,195	\$3.03
5	2	1	754	\$2,150	\$2.85	\$2,500	\$3.32
6	1	1	725	\$1,445	\$1.99	\$2,195	\$3.03
7	1	1	725	\$1,375	\$1.90	\$2,195	\$3.03
8	1	1	713	\$1,360	\$1.91	\$2,195	\$3.08
9	1	1	713	\$1,445	\$2.03	\$2,195	\$3.08
10	2	1	754	\$2,500	\$3.32	\$2,500	\$3.32
<b>Totals/Averages</b>			<b>7,313</b>	<b>\$17,415</b>	<b>\$2.38</b>	<b>\$22,865</b>	<b>\$3.13</b>

\*Market Rents Used In Place of Vacancy

## INCOME & EXPENSES

INCOME SUMMARY	CURRENT	PER UNIT	PER SF	PRO FORMA	PER UNIT	PER SF
Gross Scheduled Rent	\$208,980	\$20,898	\$28.58	\$274,380	\$27,438	\$37.52
Laundry Income	\$2,400	\$240	\$0.33	\$2,400	\$240	\$0.33
<b>Vacancy Cost</b>	<b>\$6,341</b>	<b>\$634</b>	<b>\$0.87</b>	<b>\$8,303</b>	<b>\$830</b>	<b>\$1.14</b>
<b>Gross Income</b>	<b>\$205,039</b>	<b>\$20,503</b>	<b>\$28.04</b>	<b>\$268,476</b>	<b>\$26,847</b>	<b>\$36.71</b>
EXPENSE SUMMARY	CURRENT	PER UNIT	PER SF	PRO FORMA	PER UNIT	PER SF
Real Estate Taxes	\$37,122	\$3,712	\$5.08	\$37,122	\$3,712	\$5.08
Insurance	\$9,995	\$999	\$1.37	\$9,995	\$999	\$1.37
Utilities	\$695	\$69	\$0.10	\$695	\$69	\$0.10
Repairs & Maintenance	\$5,895	\$589	\$0.81	\$5,895	\$589	\$0.81
Pest Control	\$1,800	\$180	\$0.25	\$1,800	\$180	\$0.25
Management Fee	\$8,204	\$820	\$1.12	\$10,742	\$1,074	\$1.47
<b>Gross Expenses</b>	<b>\$63,711</b>	<b>\$6,371</b>	<b>\$8.71</b>	<b>\$66,249</b>	<b>\$6,624</b>	<b>\$9.06</b>
<b>Expense % Of Gross Income</b>	<b>31%</b>			<b>24%</b>		
<b>Net Operating Income</b>	<b>\$141,328</b>	<b>\$14,132</b>	<b>\$19.33</b>	<b>\$202,227</b>	<b>\$20,222</b>	<b>\$27.65</b>

## NOTES

[1] Gross Scheduled Rent - Based on Owner's February 23, 2025 Rent Roll

[2] Laundry Income - Estimated at \$20/Unit/Month

[3] Vacancy Factor - Estimated at 3% of Gross Scheduled Rent

[4] Real Estate Taxes - Price (x) Composite Tax Rate (1.2235%) (+) Special Assessments (\$477.90)

[5] Insurance - Based On Quote From Willow Glen Insurance Agency

[6] Utilities - Based on Owner's Financials

[7] Repairs & Maintenance - Based on Owner's Financials

[8] Landscaping - Estimated at \$400/Month

[9] Pest Control - Estimated at \$150/Month

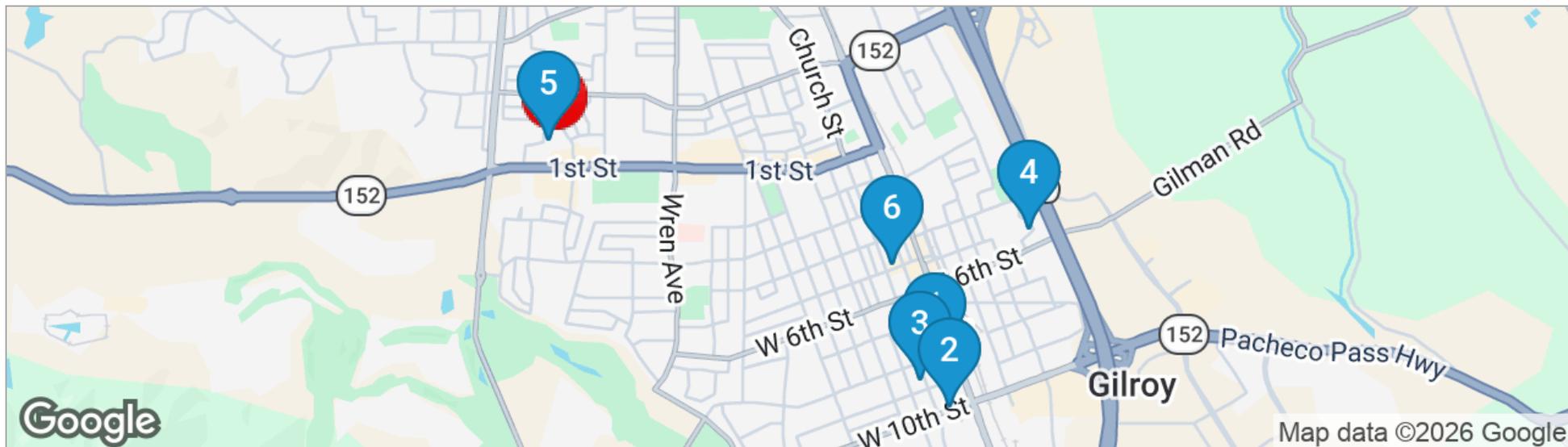
[10] Management Fee - Estimated at 4% of Effective Gross Income

# SALE COMPARABLES

SECTION | 3



# SALE COMPS MAP



**★ SUBJECT PROPERTY**  
8275 Westwood Dr | Gilroy, CA 95020

**1 7191 EIGLEBERRY ST**  
Gilroy, CA  
95020

**2 7001 EIGLEBERRY ST**  
Gilroy, CA  
95020

**3 7131 & 7151 CHURCH ST**  
Gilroy, CA  
95020

**4 7487 ROGERS LN**  
Gilroy, CA  
95020

**5 8186 KELTON DR**  
Gilroy, CA  
95020

**6 159 5TH ST**  
Gilroy, CA  
95020

# SALE COMPS SUMMARY

	SALE COMPS	PRICE	BLDG SF	PRICE/SF	PRICE/UNIT	CAP	GRM	# OF UNITS	CLOSE
 	<b>7191 Egleberry St</b> Gilroy, CA 95020	\$2,895,000	6,992 SF	\$414.04	\$361,875	4.52%	15.02	8	On Market
 	<b>7001 Egleberry St</b> Gilroy, CA 95020	\$2,700,000	5,476 SF	\$493.06	\$385,714	5.44%	15.5	7	On Market
 	<b>7131 &amp; 7151 Church St</b> Gilroy, CA 95020	\$5,500,000	14,780 SF	\$372.12	\$289,473	7.31%	8.97	19	On Market
 	<b>7487 Rogers Ln</b> Gilroy, CA 95020	\$1,577,000	3,876 SF	\$406.86	\$315,400	5.22%	13.1	5	11/18/2025
 	<b>8186 Kelton Dr</b> Gilroy, CA 95020	\$1,510,000	3,625 SF	\$416.55	\$302,000	3.18%	17.82	5	06/29/2023
 	<b>159 5th St</b> Gilroy, CA 95020	\$1,600,000	3,799 SF	\$421.16	\$320,000	5.1%	12.25	5	05/22/2023
		<b>PRICE</b>	<b>BLDG SF</b>	<b>PRICE/SF</b>	<b>PRICE/UNIT</b>	<b>CAP</b>	<b>GRM</b>	<b># OF UNITS</b>	<b>CLOSE</b>
	<b>Totals/Averages</b>	<b>\$2,630,333</b>	<b>6,425 SF</b>	<b>\$409.39</b>	<b>\$321,950</b>	<b>5.13%</b>	<b>13.78</b>	<b>8.17</b>	

# SALE COMPS



**1**  
**7191 EIGLEBERRY ST**  
 Gilroy, CA  
 95020



Sale Price: \$2,895,000    Year Built: 1980  
 Building SF: 6,992 SF    Price PSF: \$414.04  
 No. Units: 8    Price / Unit: \$361,875  
 Cap: 4.52%    GRM: 15.02  
 NOI: \$130,867

UNIT TYPE	# UNITS	% OF
1 BR / 1 BA	2	25
2 BR / 1.5 BA	6	75
<b>TOTAL/AVG</b>	<b>8</b>	<b>100%</b>

On Market



**2**  
**7001 EIGLEBERRY ST**  
 Gilroy, CA  
 95020



Sale Price: \$2,700,000    Year Built: 1981  
 Building SF: 5,476 SF    Price PSF: \$493.06  
 No. Units: 7    Price / Unit: \$385,714  
 Cap: 5.44%    GRM: 15.5  
 NOI: \$146,880

UNIT TYPE	# UNITS	% OF
1 BR / 1 BA	1	14.3
2 BR / 1 BA	6	85.7
<b>TOTAL/AVG</b>	<b>7</b>	<b>100%</b>

- On Market



**3**  
**7131 & 7151 CHURCH ST**  
 Gilroy, CA  
 95020



Sale Price: \$5,500,000    Year Built: 1980  
 Building SF: 14,780 SF    Price PSF: \$372.12  
 No. Units: 19    Price / Unit: \$289,473  
 Cap: 7.31%    GRM: 8.97  
 NOI: \$402,164

UNIT TYPE	# UNITS	% OF
1 BR / 1 BA	1	5.3
2 BR / 1 BA	12	63.2
2 BR / 1.5 BA	6	31.6
<b>TOTAL/AVG</b>	<b>19</b>	<b>100%</b>

- On Market

# SALE COMPS



**4**  
**7487 ROGERS LN**  
 Gilroy, CA  
 95020

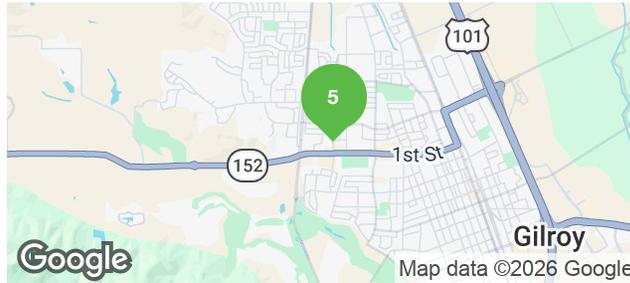


Sale Price: \$1,577,000    Year Built: 1977  
 Building SF: 3,876 SF    Price PSF: \$406.86  
 No. Units: 5    Price / Unit: \$315,400  
 Cap: 5.22%    Closed: 11/18/2025  
 GRM: 13.1    NOI: \$82,319

UNIT TYPE	# UNITS	% OF
2 BR / 1 BA	5	100
<b>TOTAL/AVG</b>	<b>5</b>	<b>100%</b>



**5**  
**8186 KELTON DR**  
 Gilroy, CA  
 95020



Sale Price: \$1,510,000    Year Built: 1974  
 Building SF: 3,625 SF    Price PSF: \$416.55  
 No. Units: 5    Price / Unit: \$302,000  
 Cap: 3.18%    Closed: 06/29/2023  
 GRM: 17.82    NOI: \$50,828

UNIT TYPE	# UNITS	% OF
2 BR / 1 BA	5	100
<b>TOTAL/AVG</b>	<b>5</b>	<b>100%</b>



**6**  
**159 5TH ST**  
 Gilroy, CA  
 95020



Sale Price: \$1,600,000    Year Built: 1963  
 Building SF: 3,799 SF    Price PSF: \$421.16  
 No. Units: 5    Price / Unit: \$320,000  
 Cap: 5.1%    Closed: 05/22/2023  
 GRM: 12.25    NOI: \$81,600

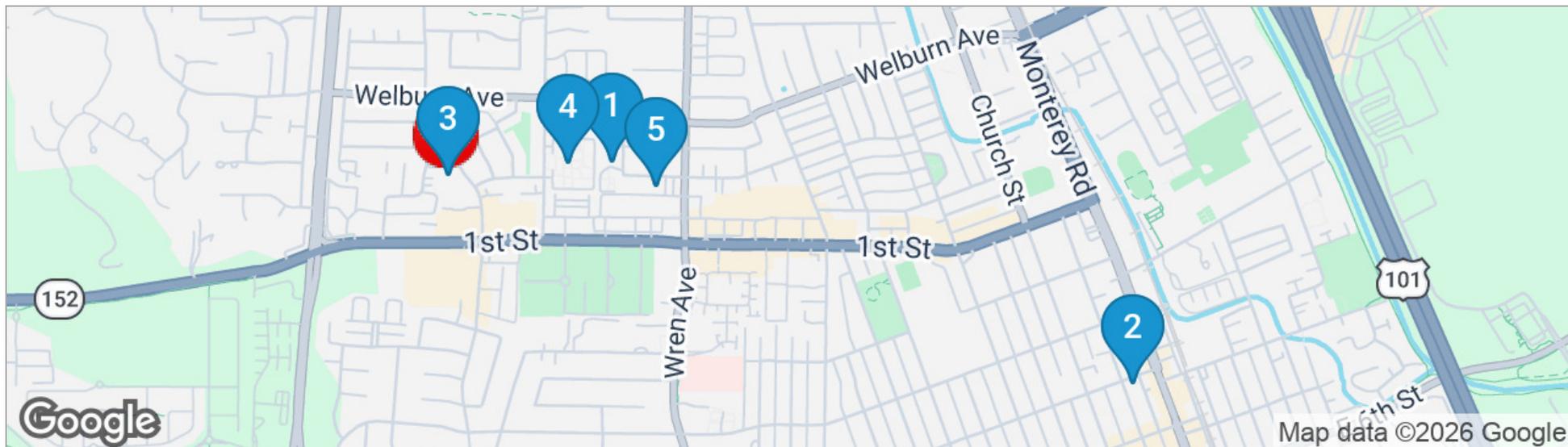
UNIT TYPE	# UNITS	% OF
1 BR / 1 BA	3	60
2 BR / 1 BA	2	40
<b>TOTAL/AVG</b>	<b>5</b>	<b>100%</b>

# LEASE COMPARABLES

SECTION | 4



# RENT COMPS MAP



**SUBJECT PROPERTY**

8275 Westwood Dr | Gilroy, CA 95020

1

**8195 PARISH WAY**

Gilroy, CA  
95020

2

**60 4TH ST**

Gilroy, CA  
95020

3

**TERRAZO APARTMENTS**

8195 Westwood Dr  
Gilroy, CA 95020

4

**8200 KERN AVE**

Gilroy, CA  
95020

5

**840 EL CERRITO WAY**

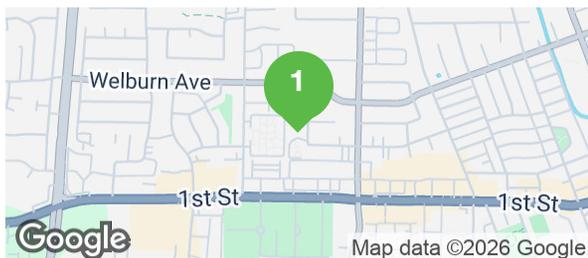
Gilroy, CA  
95020

# RENT COMPS



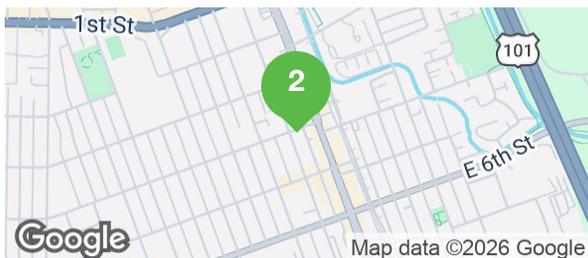
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**8195 PARISH WAY**  
Gilroy, CA  
95020



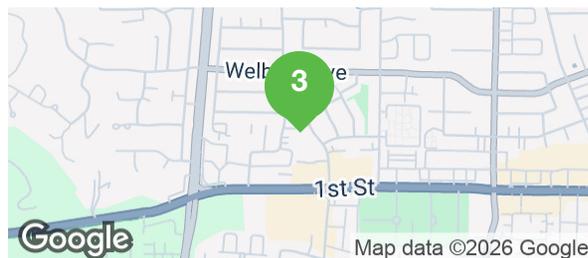
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**60 4TH ST**  
Gilroy, CA  
95020



3

**TERRAZO APARTMENTS**  
8195 Westwood Dr  
Gilroy, CA 95020



Year Built: 1972      Bldg Size: 32,078 SF  
Space Size: 645 SF      No. Units: 30  
Avg Rent/SF: \$3.26      Avg Size: 645 SF

Year Built: 2010      Bldg Size: 22,489 SF  
Space Size: 691 SF      No. Units: 13  
Avg Rent/SF: \$3.40      Avg Size: 691 SF

Year Built: 1976      Bldg Size: 23,248 SF  
Space Size: 650 SF      No. Units: 34  
Avg Rent/SF: \$3.50      Avg Size: 650 SF

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 BR / 1 BA	1	100	645	\$2,100	\$3.26
<b>TOTAL/AVG</b>	<b>1</b>	<b>100%</b>	<b>645</b>	<b>\$2,100</b>	<b>\$3.26</b>

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 BR / 1 BA	1	100	691	\$2,350	\$3.40
<b>TOTAL/AVG</b>	<b>1</b>	<b>100%</b>	<b>691</b>	<b>\$2,350</b>	<b>\$3.40</b>

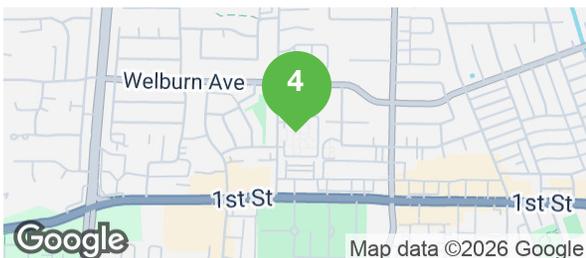
UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 BR / 1 BA	1	100	650	\$2,275	\$3.50
<b>TOTAL/AVG</b>	<b>1</b>	<b>100%</b>	<b>650</b>	<b>\$2,275</b>	<b>\$3.50</b>

# RENT COMPS



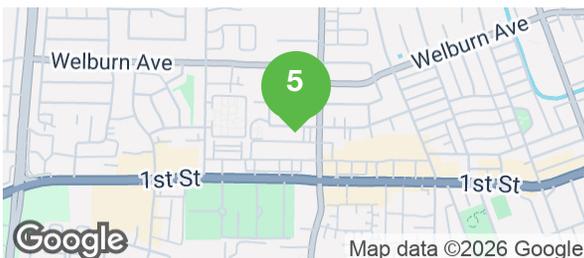
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**8200 KERN AVE**  
Gilroy, CA  
95020



5

**840 EL CERRITO WAY**  
Gilroy, CA  
95020



Year Built: 1987      Bldg Size: 129,000 SF  
Space Size: 1,376 SF      No. Units: 160  
Avg Rent/SF: \$3.79      Avg Size: 688 SF

Year Built: 1969      Bldg Size: 4,780 SF  
Space Size: 900 SF      No. Units: 5  
Avg Rent/SF: \$2.72      Avg Size: 900 SF

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 BR / 1 BA	1	50	626	\$2,545	\$4.07
2 BR / 1 BA	1	50	750	\$2,670	\$3.56
<b>TOTAL/AVG</b>	<b>2</b>	<b>100%</b>	<b>688</b>	<b>\$2,607</b>	<b>\$3.79</b>

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
2 BR / 1 BA	1	100	900	\$2,450	\$2.72
<b>TOTAL/AVG</b>	<b>1</b>	<b>100%</b>	<b>900</b>	<b>\$2,450</b>	<b>\$2.72</b>

# MARKET OVERVIEW

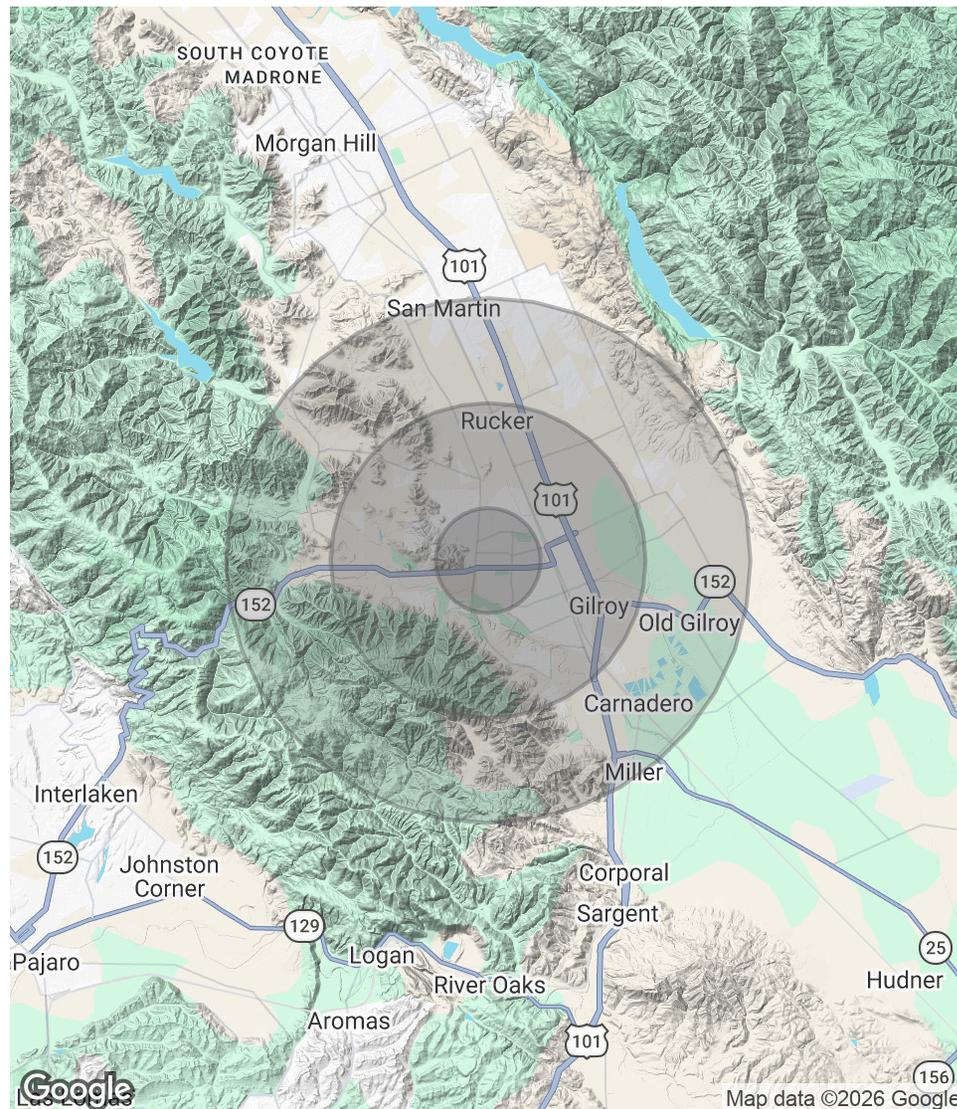
SECTION | 5



# DEMOGRAPHICS MAP & REPORT

POPULATION	1 MILE	3 MILES	5 MILES
Total Population	17,901	55,529	65,575
Average Age	38.1	36.1	37.4
Average Age (Male)	36.6	34.6	36.0
Average Age (Female)	39.6	37.6	38.9
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	5,656	15,915	19,025
# of Persons per HH	3.2	3.5	3.4
Average HH Income	\$140,360	\$151,821	\$163,625
Average House Value	\$963,114	\$1,034,428	\$1,093,990

2023 American Community Survey (ACS)



Marcus & Millichap

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