

BARISTO ROAD APARTMENTS

1900 E Baristo Road, Palm Springs, CA 92262

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Marcus & Millichap

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PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Marcus & Millichap

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BARISTO ROAD APARTMENTS

1900 E BARISTO ROAD
PALM SPRINGS, CA 92262

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Marcus & Millichap



BARISTO ROAD APARTMENTS

1900 E BARISTO ROAD
PALM SPRINGS, CA 92262

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SUBJECT
PROPERTY



EXECUTIVE SUMMARY

BARISTO ROAD APARTMENTS

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FINANCIAL DETAILS

BARISTO ROAD APARTMENTS

1900 E Baristo Road, Palm Springs, CA 92262

OFFERING PRICE

\$1,275,000

CURRENT CAP RATE

5.64%

PRO FORMA CAP RATE

6.83%





INVESTMENT HIGHLIGHTS

- Ideally Situated on a Large 11,761 SF Corner Lot
- Located in the Sunrise Park Submarket
- Across from Palm Springs High School | Minutes to Downtown & Airport
- Diverse Unit Mix: Studio, One-Bedroom & Three-Bedroom Units
- Amenities Include Pool, On-Site Laundry Room & Two Units with In-Unit Washer/Dryer Hookups
- Individually metered for electric (all electric building) and individual water heaters
- Landlord pays for water/sewer and trash.

EXECUTIVE SUMMARY

Marcus & Millichap Real Estate Investment Services is pleased to exclusively present the opportunity to acquire a 7-unit multifamily investment property located at 1900 E Baristo Road in Palm Springs, California. Situated on a corner lot at the intersection of Baristo Road and S. Saturmino Drive, the property is located within the desirable Sunrise Park submarket of Palm Springs. The offering is priced at \$1,275,000 and is currently performing at a 5.64% cap rate.

Built in 1970, the property consists of approximately 5,231 square feet of rentable building area situated on a 11,761 square foot R-2 zoned lot. The unit mix includes one studio, five one-bedroom / one-bathroom units, and one three-bedroom / two-and-a-half-bathroom unit. The property offers 7 open parking spaces, a community pool and a shared laundry room serving five units. Units 1 and 6 feature individual in-unit washer and dryer hookups. Each unit is individually metered for electric (all electric building), individual water heater, wall A/C Unit and the landlord pays for water/sewer and trash.

Located in the Sunrise Park neighborhood, the property benefits from its proximity to Palm Springs High School, the public library, downtown Palm Springs retail and Dining, and Palm Springs International Airport. The surrounding area is characterized by established residential neighborhoods, strong year-round rental demand, and Palm Springs' continued appeal as a resort destination and short-term rental market (subject to local regulations). The corner lot positioning provides added visibility, access, and overall curb appeal.

1900 E Baristo Road presents investors with the opportunity to acquire a well-located, income-producing asset within one of Southern California's most established resort markets.

Please do not disturb tenants. Interior inspections will be provided upon acceptance of an offer.









PROPERTY DESCRIPTION

BARISTO ROAD APARTMENTS

Marcus & Millichap

PROPERTY HIGHLIGHTS



LEASABLE AREA
± 5,231 SF

PARKING
7 OPEN SPACES



OWNERSHIP
FEE SIMPLE

ZONING
R2



YEAR BUILT
1970

NUMBER OF UNITS
7



STORIES
1

AMENITIES
ONSITE LAUNDRY & POOL



TOPOGRAPHY
FLAT/LEVEL



PARCEL SIZE
± 0.27 ACRES

CROSS STREET
S SATURMINO DR



APN(S)
502-182-004

HIGHWAY ACCESS
I-10



SUBJECT
PROPERTY

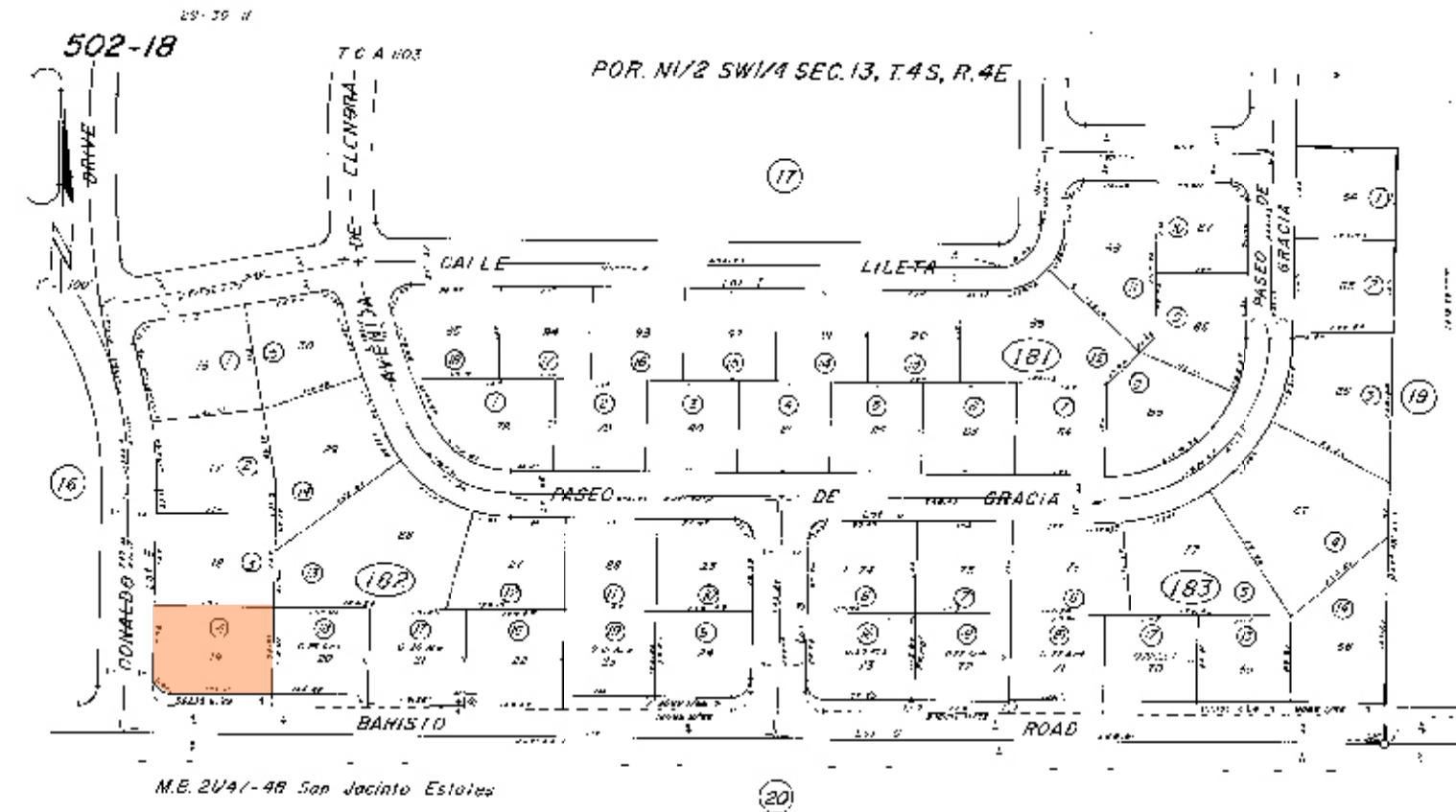


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**SUBJECT
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APRIL 1968

ASSESSOR'S MAP OF 502-18
RIVERSIDE COUNTY, CALIF. 51



SUBJECT
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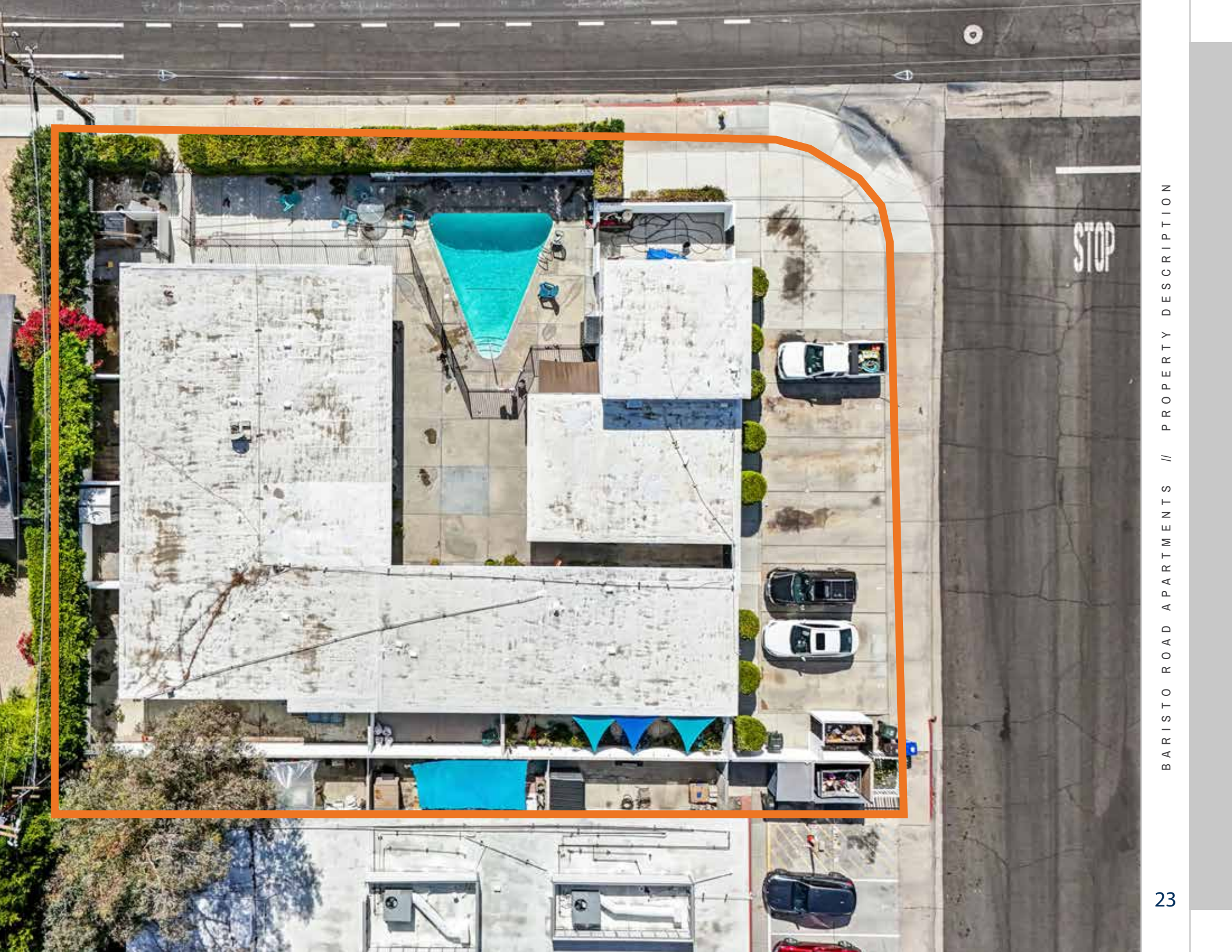
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SUBJECT
PROPERTY









FINANCIAL ANALYSIS

BARISTO ROAD APARTMENTS

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RENT ROLL

UNIT	UNIT TYPE	SF	CURRENT		YEAR 1	
			RENT/MONTH	RENT/SF/MONTH	RENT/MONTH	RENT/SF/MONTH
1	1BD/1BA	657	\$1,844	\$2.81	\$1,844	\$2.81
2	Studio	381	\$995	\$2.21	\$1,195	\$2.66
3	1BD/1BA	657	\$1,395	\$2.12	\$1,495	\$2.28
4	1BD/1BA	657	\$1,295	\$1.97	\$1,495	\$2.28
5	1BD/1BA	657	\$1,333	\$2.03	\$1,495	\$2.28
6	1BD/1BA	657	\$1,395	\$2.12	\$1,495	\$2.28
7	3BD/2.5BA	1,511	\$1,760	\$1.35	\$2,300	\$1.77
Total			\$10,017	\$1.91	\$11,319	\$2.16

FINANCIAL SUMMARY

BUILDING DATA

Address	1900 E Baristo Road
City, State, Zip	Palm Springs, CA 92262
APN	502-182-004
Rentable SF	± 5,231
Number of Units	7
Parcel Size	± 0.27 Acres
Year Built	1970

FINANCIAL INDICATORS

Price	\$1,275,000
Down Payment 40%	\$510,000
Price/Unit	\$182,143
Price/SF	\$243.74
Current/Pro Forma Cap	5.64%/6.83%
Current/Pro Forma GRM	10.61/9.39
Ownership	Fee Simple

FINANCING

Loan Amount (60%)	\$765,000
Loan Type	New
*Interest Rate	6.00%
Amortization	30 Years
Year Due	2036

INCOME

	CURRENT		YEAR 1	
Gross Scheduled Rent		\$120,204		\$135,828
Less: Vacancy/Deductions	3.0%	\$3,606	3.0%	\$4,075
Total Effective Rental Income		\$116,598		\$131,753
Other Income		\$1,200		\$1,200
Effective Gross Income		\$117,798		\$132,953
Less: Expenses	39.0%	45,930	34.5%	\$45,930
Net Operating Income		\$71,868		\$87,023
Cash Flow		\$71,868		\$87,023
Debt Service		\$55,039		\$55,039
Net Cash Flow After Debt Service	3.30%	\$16,829	6.27%	\$31,984
Principal Reduction		\$9,394		\$9,974
TOTAL RETURN	5.14%	\$26,223	8.23%	\$41,958

EXPENSES

	CURRENT		YEAR 1	
Real Estate Taxes		\$14,816		\$14,816
Real Estate Taxes - Direct Assessment		\$1,972		\$1,972
Property Insurance		\$4,860		\$4,860
Utilities -Water & Sewer		\$1,513		\$1,513
Utilities - Electric		\$3,680		\$3,680
Trash Removal		\$2,918		\$2,918
Repairs & Maintenance (Estimate: \$1000/unit)		\$7,000		\$7,000
Landscaping		\$4,080		\$4,080
Pest Control		\$1,511		\$1,511
Pool		\$3,580		\$3,580
TOTAL EXPENSES		\$45,930		\$45,930
Expenses/Unit		\$6,561		\$6,561
Expenses/SF		\$8.78		\$8.78

RENT ROLL SUMMARY

RENT ROLL SUMMARY				ACTUAL			PRO FORMA RENT		
UNIT TYPE	# OF UNITS	AVG SF	RENTAL RANGE	RENT	RENT/SF	INCOME/MO	RENT	RENT/SF	INCOME/MO
1BD/1BA	5	657	\$1,2,95-\$1,844	\$1,452	\$2.21	\$7,262	\$1,565	\$2.38	\$7,824
STUDIO	1	381	\$995-\$995	\$995	\$2.21	\$995	\$1,195	\$2.66	\$1,195
3BD/2.5BA	1	1,511	\$1,760-\$1,760	\$1,760	\$1.35	\$1,760	\$2,300	\$1.77	\$2,300
Total/Averages	7	747		\$1,431	\$1.91	\$10,017	\$1,617	\$2.16	\$11,319





MARKET OVERVIEW

BARISTO ROAD APARTMENTS

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PALM SPRINGS OVERVIEW

Palm Springs is a desert resort city in Riverside County, situated in the Coachella Valley of the Colorado Desert. Covering approximately 94 square miles, it is the largest city in Riverside County by land area.

The Coachella Valley, located in eastern Riverside County, stretches about 45 miles southeast from the Palm Springs area to the northern shore of the Salton Sea. It has a year-round population of more than 400,000 residents, a number that rises significantly in winter as seasonal visitors and retirees arrive.

Palm Springs is known for its unique checkerboard land ownership pattern, with more than 10% of the city forming part of the reservation of the Agua Caliente Band of Cahuilla Indians. The city serves as the administrative capital of the most populous Native American reservation in California.

As of the 2020 census, Palm Springs had a population of 44,575. However, because it is a popular retirement community and winter destination, the population typically triples between November and March. Many of these seasonal residents, often called “snowbirds,” come from Canada.

Palm Springs is especially celebrated for its mid-century modern architecture, distinctive design style, lively arts and cultural scene, and wide range of recreational activities.



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RIVERSIDE - SAN BERNARDINO COUNTY

Known as the Inland Empire, the Riverside-San Bernardino metro is a 28,000-square-mile region in Southern California, composed of San Bernardino and Riverside counties. The metro contains a population of 4.6 million. The largest city is Riverside, with more than 330,000 residents, followed by Fontana and San Bernardino, with roughly 222,000 people each. Valleys in the southwestern portion of the region that are adjacent to Los Angeles, Orange County and San Diego County are the most populous in the metro. These areas about the San Bernardino and San Jacinto mountains, behind which lies the high-desert area of Victorville/Barstow to the north, and the low-desert Coachella Valley — home of Palm Springs — to the east.



METRO HIGHLIGHTS



STRATEGIC LOCATION

Interstate access and proximity to LAX and Ontario International airports, as well as ports in Long Beach and Los Angeles, contribute to the metro's vast transportation network.



DOMINANT INDUSTRIAL MARKET

The metro is one of the nation's leading industrial markets in terms of annual property sales, construction activity and net absorption.



STRONG DEMOGRAPHIC TRENDS

Job growth, colleges and regionally affordable housing options draw thousands of new residents to the Inland Empire each year.

ECONOMY

- Intermodal infrastructure supports the warehousing and distribution industry. Ontario International and the Southern California Logistics Airport in Victorville represent local cargo airports, with Union Pacific and BNSF operating rail facilities.
- The metro's standing as a logistics hub requires many Fortune 500 companies to have massive distribution centers in the area, such as Amazon and Deckers.
- Relatively affordable housing, compared with nearby counties, supports population growth. These gains heighten the need for housing, goods and services.

MAJOR AREA EMPLOYERS

- Kaiser Permanente
- Riverside Community
- AT&T
- Loma Linda University Medical Center
- Flexsteel Industries
- Walmart
- University of California, Riverside
- Amazon
- Inland Cold Storage
- Toro



SHARE OF 2022 TOTAL EMPLOYMENT





POPULATION

In 2022, the population in your selected geography is 396,431. The population has changed by 13.9 percent since 2000. It is estimated that the population in your area will be 402,752 five years from now, which represents a change of 1.6 percent from the current year. The current population is 49.0 percent male and 51.0 percent female. The median age of the population in your area is 34.8, compared with the U.S. average, which is 38.6. The population density in your area is 5,047 people per square mile.



HOUSEHOLDS

There are currently 126,018 households in your selected geography. The number of households has changed by 17.1 percent since 2000. It is estimated that the number of households in your area will be 128,563 five years from now, which represents a change of 2.0 percent from the current year. The average household size in your area is 3.0 people.



INCOME

In 2022, the median household income for your selected geography is \$77,581, compared with the U.S. average, which is currently \$66,422. The median household income for your area has changed by 61.4 percent since 2000. It is estimated that the median household income in your area will be \$86,040 five years from now, which represents a change of 10.9 percent from the current year.

The current year per capita income in your area is \$32,780, compared with the U.S. average, which is \$37,200. The current year's average household income in your area is \$101,920, compared with the U.S. average, which is \$96,357.



EMPLOYMENT

In 2022, 195,206 people in your selected area were employed. The 2000 Census revealed that 59.7 percent of employees are in white-collar occupations in this geography, and 40.3 percent are in blue-collar occupations. In 2022, unemployment in this area was 6.0 percent. In 2000, the average time traveled to work was 23.3.



HOUSING

The median housing value in your area was \$424,435 in 2022, compared with the U.S. median of \$250,735. In 2000, there were 65,458 owner-occupied housing units and 42,141 renter-occupied housing units in your area. The median rent at the time was \$661.



EDUCATION

The selected area in 2022 had a lower level of educational attainment when compared with the U.S. averages. Only 9.5 percent of the selected area's residents had earned a graduate degree compared with the national average of 12.3 percent, and 16.3 percent completed a bachelor's degree, compared with the national average of 19.7 percent.

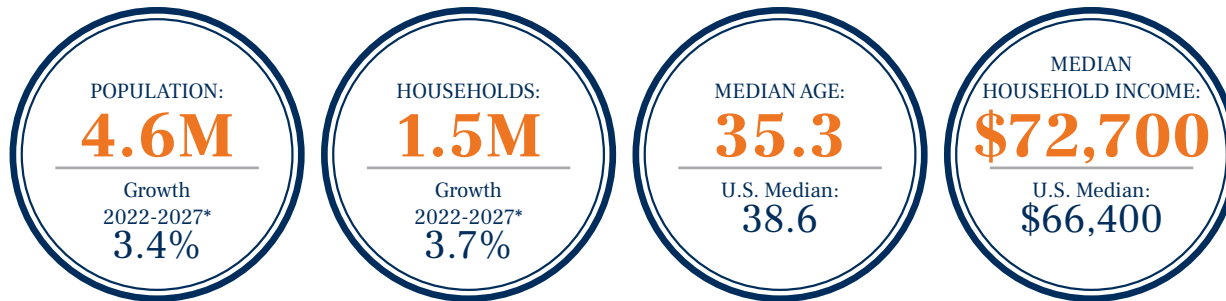
The number of area residents with an associate degree was higher than the nation's at 8.6 percent vs. 8.4 percent, respectively.

The area had fewer high-school graduates, 22.5 percent vs. 27.1 percent for the nation, but the percentage of residents who completed some college is higher than the average for the nation, at 24.8 percent in the selected area compared with the 20.4 percent in the U.S.

DEMOGRAPHICS

- The metro is expected to add nearly 160,000 people through 2027, and during this time, more than 53,000 households will be formed, generating demand for newly-built single-family homes and rentals.
- The homeownership rate of 63 percent exceeds other large metros in the state.
- The median home price of roughly \$560,000 is more affordable than other Southern California markets.

2023 POPULATION BY AGE



QUALITY OF LIFE

Regionally affordable housing continues to draw residents from other Southern California markets to the Inland Empire. The median home price in Riverside-San Bernardino is lower than in Los Angeles, Orange and San Diego counties. The Inland Empire provides cultural opportunities, including the Riverside Metropolitan Museum and the Ontario Museum of History & Art. The Riverside County Philharmonic performs classical music concerts throughout the area. The region features an impressive offering of higher education institutions, including nine community colleges, California State University, San Bernardino, the University of Redlands and the University of California, Riverside.

SPORTS

- Hockey | AHL | ONTARIO REIGN
- Baseball | MILB | INLAND EMPIRE 66ERS
- Basketball | NBA - G | ONTARIO CLIPPERS
- Baseball | MLB | LAKE ELSINORE STORM
- Soccer | MASL | EMPIRE STRYKERS
- Hockey | AHL | COACHELLA VALLEY FIREBIRDS

EDUCATION

- RIVERSIDE CITY COLLEGE
- UNIVERSITY OF CALIFORNIA, RIVERSIDE
- CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

ARTS & ENTERTAINMENT

- MISSION INN HOTEL & SPA
- ONTARIO MUSEUM OF HISTORY AND ART
- COACHELLA
- RIVERSIDE COUNTY PHILHARMONIC
- RIVERSIDE METROPOLITAN MUSEUM

* Forecast
Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

POPULATION	1 MILE	3 MILES	5 MILES
2027 Projection Total Population	24,948	191,247	402,752
2022 Estimate Total Population	24,659	189,522	396,431
2010 Census Total Population	23,725	182,215	376,932
2000 Census Total Population	22,785	170,154	348,160
Daytime Population 2022 Estimate	19,664	161,316	396,027

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2027 Projection Total Households	7,996	61,141	128,563
2022 Estimate Total Households Average (Mean) Household Size	7,912 3.0	60,461 3.1	126,018 3.1
2010 Census Total Households	7,436	57,018	117,371
2000 Census Total Households	7,516	54,089	107,599

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
2022 Estimate			
\$200,000 or More	2.8%	5.2%	7.3%
\$150,000 - \$199,999	5.0%	8.3%	9.2%
\$100,000 - \$149,999	16.5%	18.6%	19.4%
\$75,000 - \$99,999	15.7%	15.9%	15.9%
\$50,000 - \$74,999	19.7%	18.0%	17.6%
\$35,000 - \$49,999	12.7%	10.8%	10.1%
\$25,000 - \$34,999	8.7%	8.0%	7.1%
\$15,000 - \$24,999	9.5%	7.3%	6.4%
Under \$15,000	9.5%	8.1%	7.0%
Average Household Income	\$76,465	\$91,741	\$101,920
Median Household Income	\$63,216	\$72,158	\$77,581
Per Capita Income	\$24,895	\$29,397	\$32,780

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
Population By Age			
2022 Estimate Total Population	24,659	189,522	396,431
Under 20	28.1%	27.4%	26.7%
20 - 34 Years	23.8%	23.2%	23.6%
35 - 49 Years	20.7%	20.1%	19.7%
50 - 59 Years	11.2%	11.6%	11.8%
60 - 64 Years	4.6%	5.2%	5.5%
65 - 69 Years	3.5%	4.2%	4.5%
70 - 74 Years	2.7%	3.2%	3.3%
Age 75+	5.4%	5.2%	5.0%
Median Age	33.9	34.6	34.8

Population by Gender			
2022 Estimate Total Population	24,659	189,522	396,431
Male Population	48.5%	49.0%	49.0%
Female Population	51.5%	51.0%	51.0%

Travel Time to Work			
Average Travel Time to Work in Minutes	33.0	33.0	33.0



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