Offering Memorandum

4 Units in Central San Jose
(1) 4BD/2BA
(3) 2BD/1BA
Very Good Condition
Remodeled Units
Private Garages
Onsite Laundry

851 Leigh Ave., San Jose, CA 95128

Price: $1,825,000

SILICON VALLEY
MULTIFAMILY GROUP®

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Acquisition Costs

Purchase Price, Points and Closing Costs	$1,825,000
Investment - Cash	$1,850,000

Investment Information

Purchase Price	$1,825,000
Price per Unit	$456,250
Price per SF	$506.94
Expenses per Unit	($10,766)

Financial Indicators

Cash-on-Cash Return Before Taxes	3.71%
Debt Coverage Ratio	N/A
Capitalization Rate	3.77%
Gross Rent Multiplier	15.84
Gross Income / Square Feet	$32.00
Gross Expenses / Square Feet	($11.96)
Operating Expense Ratio	38.53%

Income, Expenses & Cash Flow

Gross Scheduled Income	**$115,188**
Total Vacancy and Credits	($3,409)
Operating Expenses	($43,064)
Net Operating Income	**$68,715**
Debt Service	$0
Cash Flow Before Taxes	**$68,715**

SECTION I

Property Information

4 units in Central San Jose

This four-unit multifamily property is located in West San Jose and offers a unit mix consisting of one approximately 1,200-square-foot four-bedroom, two-bathroom unit and three approximately 800-square-foot two-bedroom, one-bathroom units. Parking is provided by four private garages and three additional on-site parking spaces. The property also includes a common-area laundry facility with equipment that transfers with the property.

The property has undergone a series of capital improvements, including:
• 2012: Concrete stairways updated and steel stair support columns replaced.
• 2017: Second-floor deck and walkway replaced.
• 2019: Galvanized plumbing replaced with copper.
• 2020: Roof ventilation vents replaced and roof beams repaired or replaced as needed.
• 2023: Building exterior repainted.
• 2024: Landscape improvements completed.
• 2025: Asphalt driveway and entrance/exit areas repaved.
• 2026: Renovations completed in Apartments 2, 3, and 4.

Current Gross Scheduled Income is $115,188 annually, including approximately $130 per month in laundry income. At the time of preparation, there are no tenant delinquencies. Existing rents may provide an opportunity for future adjustment, subject to applicable market conditions and local regulations.

Constructed in 1964, the property is improved with a 3,694-square-foot building situated on a 6,534-square-foot lot. The building consists of stucco over wood-frame construction on a concrete perimeter foundation. The building has copper plumbing and a pitched composition shingle roof. Each unit is individually metered for gas and electricity. The owner is responsible for water and sewer service, trash collection, common-area utilities, landscaping, repairs and maintenance, property taxes, and insurance.

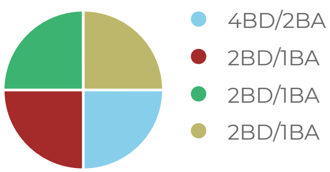
The property is located in Central/West San Jose with access to retail services, major employment centers, schools, and regional commuter routes.

As with all multifamily properties containing three or more rental units in the City of San Jose, the property is subject to the City's Apartment Rental and Tenant Protection Ordinance.

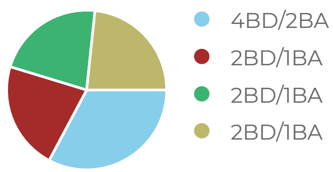
NOTE: Unit measurements are estimates only. Buyer should verify all unit measurements and sizes to his/her satisfaction.

Units	Type	Approx. SF	Avg. Rents	Monthly	Market	Monthly
1	4BD/2BA	1,200	$2,872	$2,872	$3,800	$3,800
1	2BD/1BA	800	$2,050	$2,050	$2,400	$2,400
1	2BD/1BA	800	$2,247	$2,247	$2,400	$2,400
1	2BD/1BA	800	$2,300	$2,300	$2,400	$2,400
4		**3,600**		**$9,469**		**$11,000**

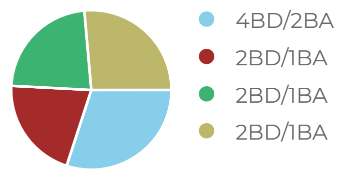
UNIT MIX



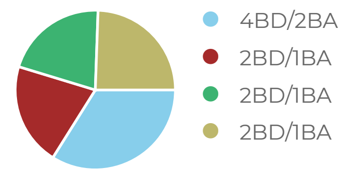
UNIT MIX SQUARE FEET

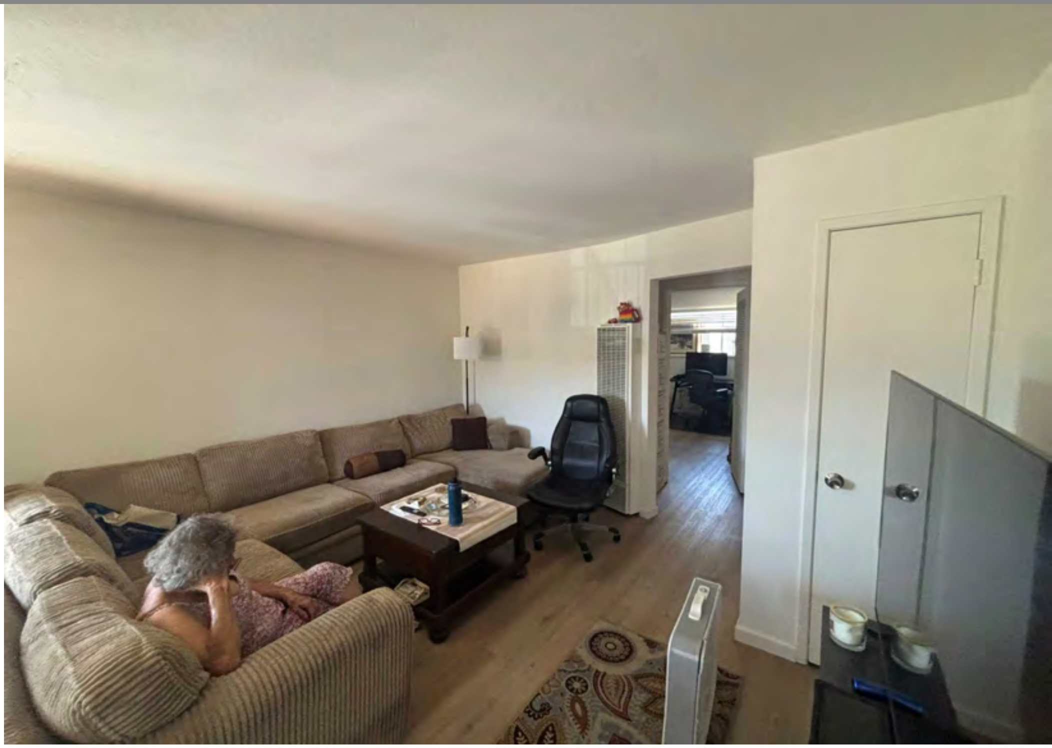


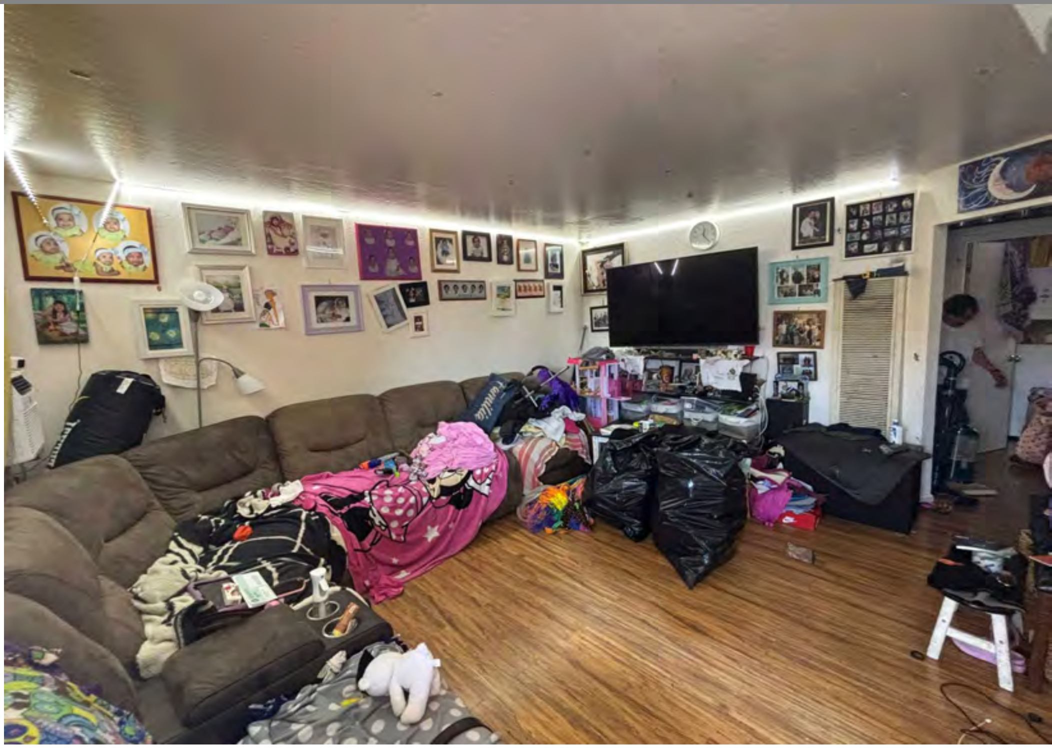
UNIT MIX INCOME

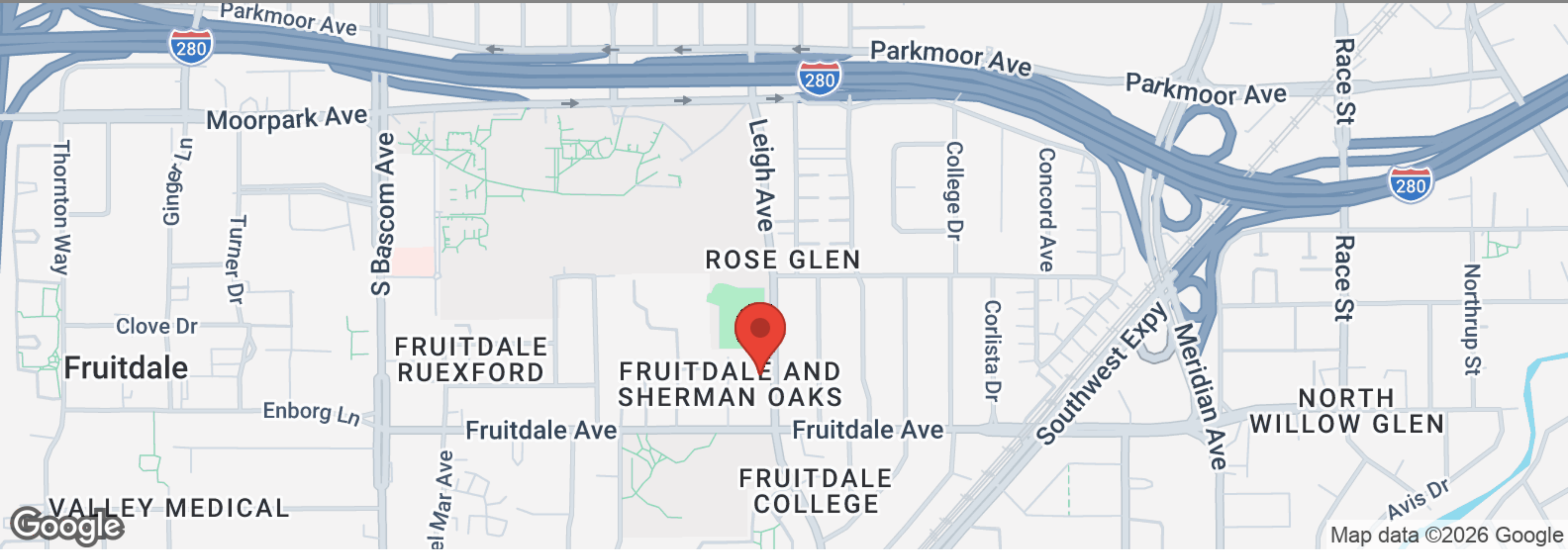


UNIT MIX MARKET INCOME

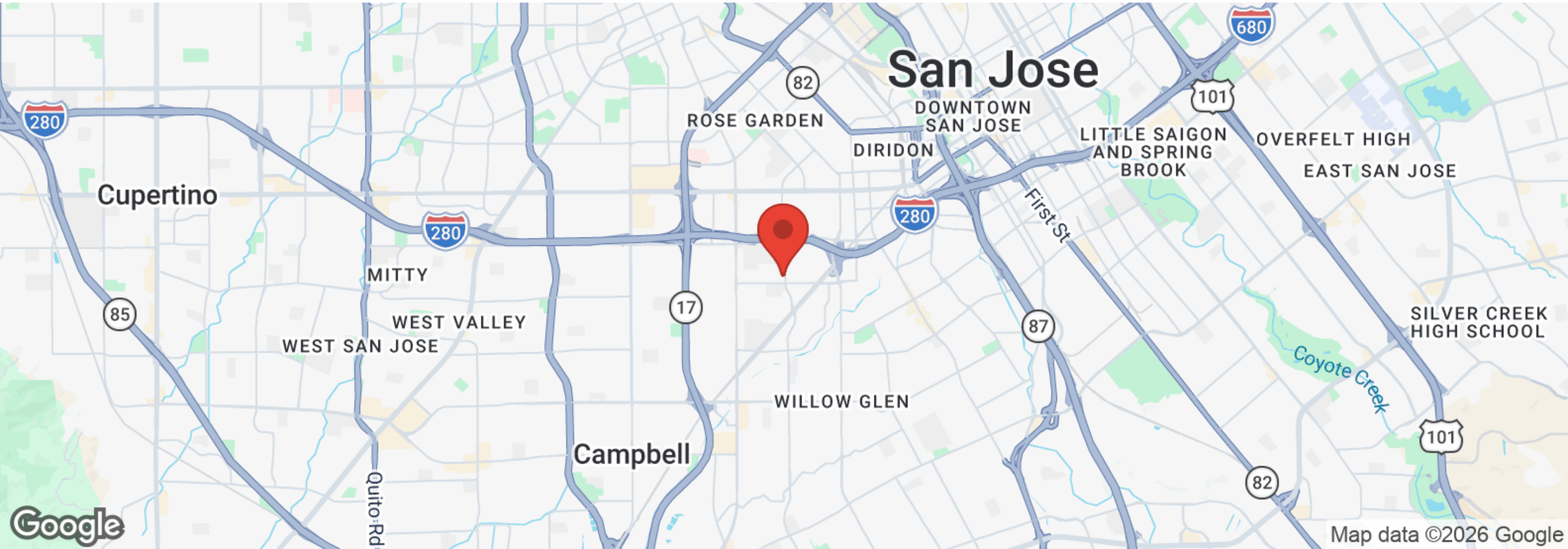








Parkmoor Ave
280
Moorpark Ave
Leigh Ave
College Dr
Concord Ave
Race St
Thornton Way
Ginger Ln
Turner Dr
S Bascom Ave
ROSE GLEN
Clove Dr
Fruitdale
FRUITDALE RUEXFORD
FRUITDALE AND SHERMAN OAKS
Corlista Dr
Southwest Expy
Meridian Ave
Northrup St
NORTH WILLOW GLEN
Enborg Ln
Fruitdale Ave
FRUITDALE COLLEGE
VALLEY MEDICAL
Avis Dr
Google
Map data ©2026 Google



San Jose
680
82
101
280
ROSE GARDEN
DOWNTOWN SAN JOSE
DIRIDON
LITTLE SAIGON AND SPRING BROOK
OVERFELT HIGH
EAST SAN JOSE
Cupertino
First St
MITTY
17
85
87
WEST VALLEY
WEST SAN JOSE
SILVER CREEK HIGH SCHOOL
Coyote Creek
WILLOW GLEN
Campbell
Quito Rd
Google
Map data ©2026 Google

SECTION II

Financial Information

Description Year Ending	Year 1 06/2027	Year 2 06/2028	Year 3 06/2029	Year 4 06/2030	Year 5 06/2031
Income					
Rental Income	$113,628	$119,309	$125,275	$131,539	$138,116
Laundry	$1,560	$1,560	$1,560	$1,560	$1,560
Gross Scheduled Income	**$115,188**	**$120,869**	**$126,835**	**$133,099**	**$139,676**
General Vacancy	($3,409)	($3,579)	($3,758)	($3,946)	($4,143)
Gross Operating Income	**$111,779**	**$117,290**	**$123,077**	**$129,152**	**$135,532**
Expenses					
Property Tax	($24,035)	($24,299)	($24,567)	($24,837)	($25,110)
Insurance	($3,032)	($3,153)	($3,279)	($3,411)	($3,547)
Gas & Electric	($3,219)	($3,348)	($3,482)	($3,621)	($3,766)
Water & Sewer	($5,758)	($5,988)	($6,228)	($6,477)	($6,736)
Gardner	($1,780)	($1,851)	($1,925)	($2,002)	($2,082)
Fire Extinguisher	($352)	($366)	($381)	($396)	($412)
City License	($1,288)	($1,340)	($1,393)	($1,449)	($1,507)
Maintenance & Repairs (Est)	($2,400)	($2,496)	($2,596)	($2,700)	($2,808)
Pest Control	($1,200)	($1,248)	($1,298)	($1,350)	($1,404)
Total Operating Expenses	**($43,064)**	**($44,090)**	**($45,148)**	**($46,242)**	**($47,371)**
Operating Expense Ratio	**38.53%**	**37.59%**	**36.68%**	**35.80%**	**34.95%**
Net Operating Income	**$68,715**	**$73,201**	**$77,928**	**$82,911**	**$88,161**

Before-Tax Cash Flow Year Ending	Year 1 06/2027	Year 2 06/2028	Year 3 06/2029	Year 4 06/2030	Year 5 06/2031
Before-Tax Cash Flow					
Gross Scheduled Income	**$115,188**	**$120,869**	**$126,835**	**$133,099**	**$139,676**
General Vacancy	($3,409)	($3,579)	($3,758)	($3,946)	($4,143)
Total Operating Expenses	($43,064)	($44,090)	($45,148)	($46,242)	($47,371)
Net Operating Income	**$68,715**	**$73,201**	**$77,928**	**$82,911**	**$88,161**
Loan Payment	$0	$0	$0	$0	$0
Before-Tax Cash Flow	**$68,715**	**$73,201**	**$77,928**	**$82,911**	**$88,161**
Cash-On-Cash Return	**3.71%**	**3.96%**	**4.21%**	**4.48%**	**4.77%**

Description Year Ending	Year 1 06/2027	Year 2 06/2028	Year 3 06/2029	Year 4 06/2030	Year 5 06/2031
Key Ratios and Multipliers					
Capitalization Rate	3.77%	4.01%	4.27%	4.54%	4.83%
Gross Rent Multiplier	16.06	15.31	14.59	13.90	13.24
Net Income Multiplier	26.92	25.27	23.74	22.31	20.98
Operating Expense Ratio	38.53%	37.59%	36.68%	35.80%	34.95%
Amounts per SF					
Gross Income	$32.00	$33.57	$35.23	$36.97	$38.80
Expenses	($11.96)	($12.25)	($12.54)	($12.84)	($13.16)
Loan Metrics					
Loan To Value Ratio	0.00%	0.00%	0.00%	0.00%	0.00%
Debt Coverage Ratio	N/A	N/A	N/A	N/A	N/A
Cash-On-Cash Measures					
Before-Tax	3.71%	3.96%	4.21%	4.48%	4.77%
After-Tax	3.71%	3.96%	4.21%	4.48%	4.77%

Investment Summary

Price	$1,825,000
Year Built	1964
Units	4
Price/Unit	$456,250
RSF	3,600
Price/RSF	$506.94
Lot Size	6,534 sf
Floors	2
APN	282-40-004
Cap Rate	3.77%
Market Cap Rate	4.67%
GRM	15.84
Market GRM	13.66

Unit Mix & Monthly Scheduled Income

Type	Units	Actual	Total	Market	Total
4BD/2BA	1	$2,872	$2,872	$3,800	$3,800
2BD/1BA	1	$2,050	$2,050	$2,400	$2,400
2BD/1BA	1	$2,247	$2,247	$2,400	$2,400
2BD/1BA	1	$2,300	$2,300	$2,400	$2,400
Totals	**4**		**$9,469**		**$11,000**

Annualized Income

Description	Actual	Market
Gross Potential Rent	**$113,628**	**$132,000**
- Less: Vacancy	($3,409)	($5,280)
+ Misc. Income	$1,560	$1,560
Effective Gross Income	**$111,779**	**$128,280**
- Less: Expenses	($43,064)	($43,064)
Net Operating Income	**$68,715**	**$85,216**

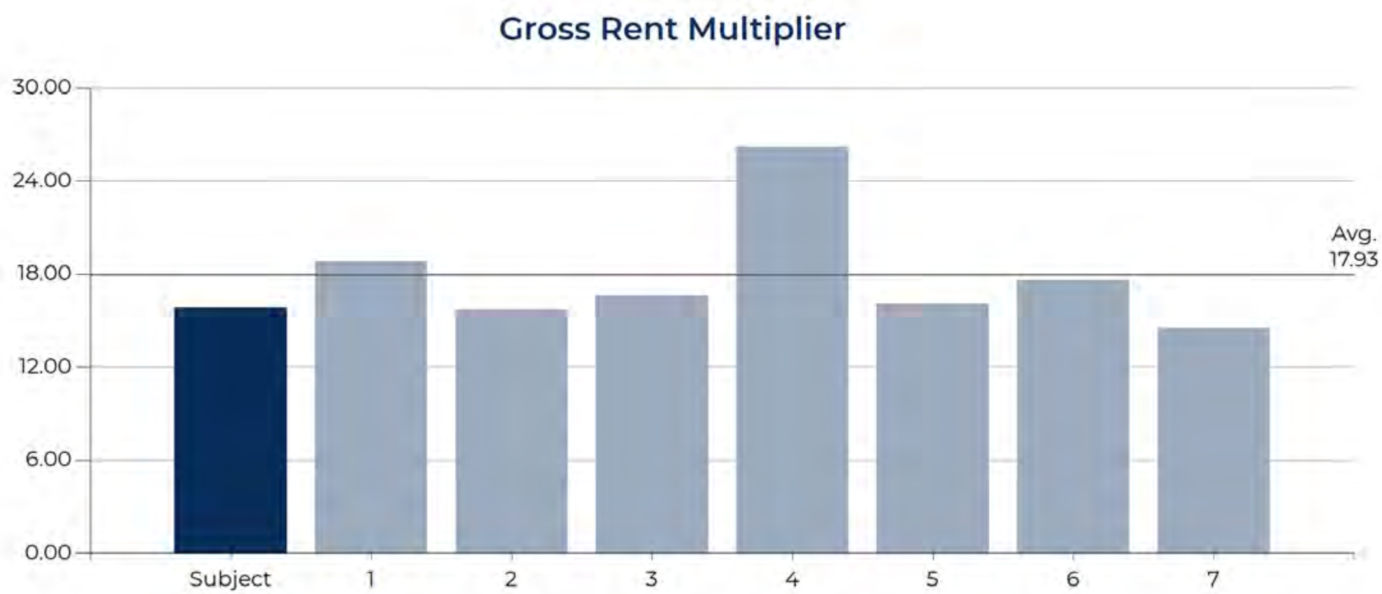
Annualized Expenses

Description	Actual	Market
Total Expenses	**$43,064**	**$43,064**
Expenses Per RSF	**$11.96**	**$11.96**
Expenses Per Unit	**$10,766**	**$10,766**

SECTION III

Sales Comps


Cap Rate
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
Avg.
3.32%
Subject
1
2
3
4
5
6
7


Gross Rent Multiplier
30.00
24.00
18.00
12.00
6.00
0.00
Avg.
17.93
Subject
1
2
3
4
5
6
7


Price per Unit
$600,000
$480,000
$360,000
$240,000
$120,000
$0
Avg.
$487,857
Subject
1
2
3
4
5
6
7


Price per SF
$600.00
$480.00
$360.00
$240.00
$120.00
$0.00
Avg.
$494.17
Subject
1
2
3
4
5
6
7

SP

4 units on Leigh
851 Leigh Avenue, San Jose, CA 95128

Sale Price	$1,825,000	Cap Rate	3.77%
Units	4	GRM	15.84
Price/Unit	$456,250	Year Built	1964
Price/SF	$506.94		
Lot Size	6,534		

01

2958 Neet Avenue
2958 Neet Avenue, San Jose, CA 95128

Sale Price	$2,095,000	Cap Rate	2.87%
Units	4	GRM	18.8
Price/Unit	$523,750	Year Built	1968
Price/SF	$527.31	Sale Date	9/5/2025
Lot Size	10,150	Days-On-Mkt	1

02

2044 McDaniel Avenue, San Jose, CA 95128

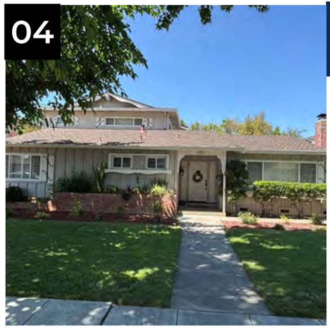
Sale Price	$2,000,000	Cap Rate	3.7%
Units	4	GRM	15.7
Price/Unit	$500,000	Year Built	1965
Price/SF	$532.20	Sale Date	3/10/2026
Lot Size	7,360	Days-On-Mkt	17

03

2985 Walgrove Way
2985 Walgrove Way, San Jose, CA 95128

Sale Price	$1,950,000	Cap Rate	3.4%
Units	4	GRM	16.6
Price/Unit	$487,500	Year Built	1968
Price/SF	$490.81	Sale Date	9/3/2025
Lot Size	9,636	Days-On-Mkt	13

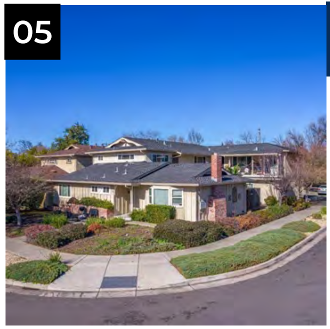
04



Fourplex on Walgrove
3001 Walgrove Way, San Jose, CA 95128

Sale Price	$1,990,000	Cap Rate	2.0%
Units	4	GRM	26.2
Price/Unit	$497,500	Year Built	1968
Price/SF	$500.88	Sale Date	6/15/2025
Lot Size	9,636	Days-On-Mkt	1

05



Walgrove fourplex
2953 Walgrove Way, San Jose, CA 95128

Sale Price	$1,930,000	Cap Rate	4.2%
Units	4	GRM	16.1
Price/Unit	$482,500	Year Built	1968
Price/SF	$485.41	Sale Date	2/23/2025
Lot Size	9,636	Days-On-Mkt	16

06

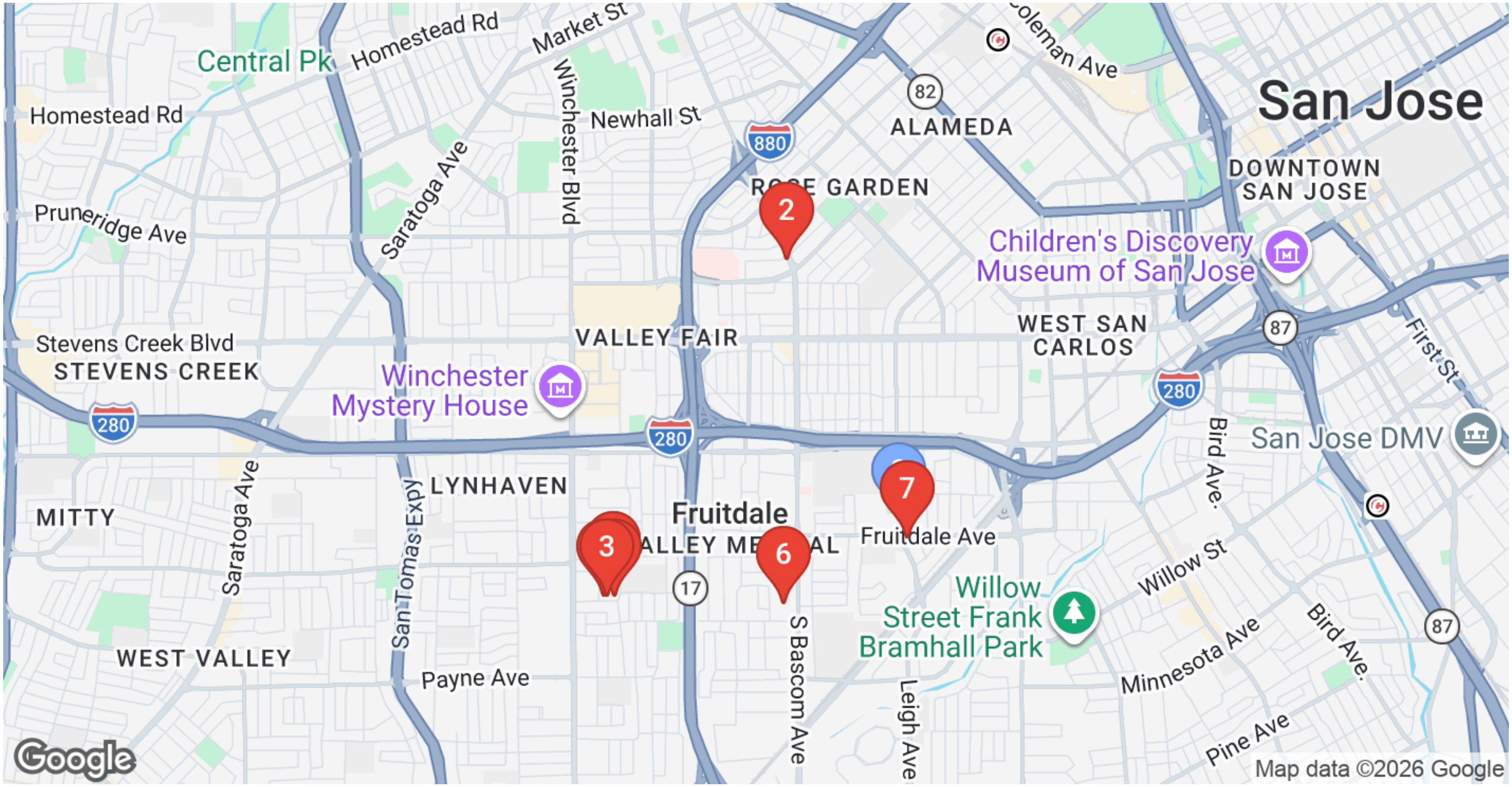
4 units on Delna
1114 Delna Manor Lane, San Jose, CA 95128

Sale Price	$1,895,000	**Cap Rate**	3.3%
Units	4	**GRM**	17.6
Price/Unit	$473,750	**Year Built**	1965
Price/SF	$449.16	**Sale Date**	7/28/2025
Lot Size	8,769	**Days-On-Mkt**	40

07

4 Units on Olive
922 Leigh Avenue, San Jose, CA 95128

Sale Price	$1,800,000	**Cap Rate**	3.8%
Units	4	**GRM**	14.5
Price/Unit	$450,000	**Year Built**	1977
Price/SF	$473.44	**Sale Date**	8/21/2025
Lot Size	10,750	**Days-On-Mkt**	58



S 851 Leigh Avenue
San Jose, CA, 95128
$1,825,000

1 2958 Neet Avenue
San Jose, CA, 95128
$2,095,000

2 2044 McDaniel Avenue
San Jose, CA, 95128
$2,000,000

3 2985 Walgrove Way
San Jose, CA, 95128
$1,950,000

4 3001 Walgrove Way
San Jose, CA, 95128
$1,990,000

5 2953 Walgrove Way
San Jose, CA, 95128
$1,930,000

6 1114 Delna Manor Lane
San Jose, CA, 95128
$1,895,000

7 922 Leigh Avenue
San Jose, CA, 95128
$1,800,000

SECTION IV

Demographics Section

DISCLAIMER

All materials and information received or derived from Silicon Valley Multifamily Group (SVMG) its directors, officers, agents, advisors, and/or any third party sources are provided without representation or warranty as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, developability or suitability, financial performance of the property, projected financial performance of the property for any party's intended use or any and all other matters.

Neither SVMG its directors, officers, agents, or affiliates makes any representation or warranty, express or implied, as to accuracy or completeness of the any materials or information provided, derived, or received. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party's active conduct of its own due diligence to determine these and other matters of significant chance to such party. SVMG will not investigate or verify any such matters or conduct due diligence for a party unless otherwise agreed in writing. PLEASE NOTE: The Seller(s) desires to sell the property in "its present physical condition (as-is) subject to inspection and reports.

EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including those through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. *SVMG makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions*. SVMG does not serve as a financial advisor to any party regarding any proposed transaction. When analyzing this property buyer should use income, vacancy and expense levels that will accurately reflect the manner in which it plans to operate the property. Broker, Agent and Seller are making no representations or warranties as to the level of income or expenses Buyer will incur at the property.

Building square footage, unit square footage and lot sizes are not guaranteed. Broker, Agent and Seller have not measured the units, lot or the building and are making NO representation as to the accuracy of square footage figures. Data source for building size and lot size is provided by an online resource such as that provided by Chicago Title Company. SVMG is not responsible for errors in the data. Buyer should measure all units, lot and the building prior to purchase and should not rely on any square footage figures provided by Broker, Agent or Seller.

All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property. 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.

• Do Not Disturb -- Please respect the Seller's request that the tenants not be disturbed. Unless otherwise indicated, all offers are to be written subject to inspection. The Seller will provide access for the Buyer to inspect the interiors of all units within a reasonable period following a fully executed purchase contract. Seller requests that all inspections be made on the same day.

• Representation -- This information is given with the understanding that all negotiations relating to the purchase of the property described herein shall be conducted through SVMG.

All properties and services are marketed by SVMG in compliance with all applicable fair housing and equal opportunity laws.

Michael Shields, CCIM
(408) 356-1900
michael@svmultifamily.com

OFFERING MEMORANDUM NOTES

Gross Annual Scheduled Income & the Gross Rent Multiplier are based on current rents shown in the Rent Roll. These rent levels are current rent levels at the time this package was prepared and subject to change without notice. Buyer should review most recent rent roll prior to purchase. The laundry income was based on either previous year actual levels or annualized current income.
Gross Annual Scheduled Income & Gross Income Multiplier (Market or Pro Forma) assumes the units are all rented at the rent levels shown in the Pro Forma Summary. These rent levels are not guaranteed to be achievable by Seller, Broker or Agent. Buyer should use rent levels it thinks it can obtain for the subject property.
Capitalization Rate is based on rents, expenses and vacancy figures shown in the Operating Statement.
Pro Forma Capitalization Rate is based on rents, expenses and vacancy figures shown in the Pro-Forma Operating Statement Pro-Forma (Market) column. See Pro Forma Operating Statement Footnotes and Disclaimers in this section of the Offering Memorandum.
Year Built: Data source is provided through the Chicago Title Company online resource. Seller, Broker and Agent are making no guarantee or representations as to when the improvements were built. Buyer should conduct its own investigation to determine age of improvements.

UNIT MIX/SCHEDULED INCOME OVERVIEW FOOTNOTES

Current Rent Column is based on current rents shown in the Rent Roll. These rent levels are current rent levels at the time this package was prepared and subject to change without notice. Buyer should review most recent rent roll prior to purchase.
Pro Forma or Market Rents assumes the units are all rented at the estimated market rent levels shown in the rent roll. Please note that current rents are not at these levels. Pro Forma rent levels are not guaranteed to be achievable by Seller, Broker or Agent. Buyer should use rent levels it thinks it can obtain for the subject property.
Purchase Information including Fair Market Value, Resale Valuation and Resale Expenses are provided for illustrative purposes only and will vary depending on market conditions and other factors. SVMG, its Brokers and Agents can not be held accountable for these numbers. Buyer should use the numbers it thinks most appropriate.
Financial Information including Down Payment, Closing Costs, LT Capital Gain, Federal and State Tax Rates and the Discount Rate are provided for illustrative purposes only. Actual numbers may, and probably will, vary depending on the Buyer's individual situation.
Loans This information is provided for illustrative purposes only. Buyer should use the loan information he or she thinks attainable and realistic for the property.

Annual Property Operating Data Notes and Disclaimers
Rental Income is based on current rents shown in the Rent Roll
Miscellaneous income is based upon information provided by the owner or manager.
General Vacancy is estimated to be at current market levels or provided by owner.
Taxes are estimated based on list price and based on current tax rate reported by Santa Clara County.
Other Expenses All other expenses are as reported by owner or property manager.
Loan Payment is based upon information provided in the LOANS section of page 4. Buyer should use the loan information it thinks attainable and realistic for the property.
Income Taxes is based upon a 33% or greater tax rate and is provided for illustrative purposes only. Buyer should consult with a licensed tax professional in determining the most realistic and appropriate tax rate.

NOTE: THE 5 or 10 YEAR PROJECTIONS ARE PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY. BUYER SHOULD USE THE PROJECTIONS HE or SHE THINKS ARE REALISTIC AND ATTAINABLE.

Rent Roll Notes

General Notes: Rent levels, occupancy, deposit amounts and terms are subject to change without notice. Move-In dates are subject to change as units turnover. Buyer should obtain updated information and confirm all rent levels, lease terms, move-in dates, amount of last rental adjustment and deposit amounts prior to purchase.

Market Rent column reflects projected rents, not current rent levels. Projected rent levels are not guaranteed to be achievable by Seller, Broker or Agents. Buyer should use rent levels it thinks it can obtain for the subject property.