

**Value Add Office Park on Well Known Stockton Corridor
Heavily Trafficked Area With Over 23,000 ADT
5665 N Pershing Ave, Stockton CA 95207**



Sale Price: \$995,000 (\$86.82/SF) | 4.62% CAP

Size: 11,461 SF | Lot Size: 0.79 AC (34,412 SF)

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EXECUTIVE SUMMARY

5665 N Pershing Ave
Stockton, CA 95207



2024 DEMOGRAPHICS HIGHLIGHT (5 MILE RADIUS)



Population



Households



Average
Household
Income



EXECUTIVE SUMMARY

ADDRESS	5665 N Pershing Ave, Stockton CA 95207
NUMBER OF FLOORS	1
BUILDING SIZE	11,461 SF
LOT SIZE	0.79AC (34,412 SF)
ZONING	CO Commercial Office
YEAR BUILT	1977

HIGHLIGHTS

- Consists of 3 office buildings
- 83% occupied
- Short term leases
- Smaller office suites are always in high demand
- Landlord does not currently receive reimbursements for utilities and CAMs, giving this property huge upswing potential
- Situated along N Pershing Ave, with 23,633 ADT

Aerial



ASSUMPTIONS

Global Assumptions

Occupancy at Proforma Start Date	100%
Current Occupancy	100.00%
Rentable Square Feet	11,461
Prospective Acquisition Financing - see 10 Year DCF	
Purchase Price	\$995,000
Loan-to-Value	58%
Down Payment %	42%
Loan Amount	\$577,100
Down Payment Amount	\$417,900
Interest Rate	6.500%
Amortization (Yrs)	25
Interest Only (Yrs)	N/A
Expenses	2.0%
Rental Growth	3.0%

PROFORMA ASSUMPTIONS:

- [1] Rent - projected as of 2028; lease starting at no less than \$1.55/SF, CAM/HOA + Utilities \$0.48/\$0.49/SF with no less than 3% annual increases.
- [2] Pro Forma Operating Expense Recovery - projected to be reimbursed to the Landlord upon lease re-negotiations by the Buyer. (CAM/HOA/Utilities)
- [3] The pro forma cash flow analysis assumes a 10-year holding period commencing January 2026.
- [4] Real Estate taxes have been reassessed at a mil rate of 1.12% of the estimated Purchase Price.

PROFIT AND LOSS

5665 N Pershing Dr. Stockton, CA. 95207	Current Rent Roll & 2024 Expenses	Current Rent Roll PLUS PROJECTED Vacant Units at Pro forma rates \$1.55/SF + \$0.48/SF Recovery)	YEAR 2028 Pro Forma Income (ALL PROJECTED \$1.55/SF + \$0.49/SF Recovery) 100% OCCUPIED
Rental Income	\$126,360	\$140,112	\$215,515
Vacant unit Income	\$0	\$49,123	\$0
Projected Recovery (CAMs/HOAs and Utilities) - (PROJECTED) - \$0.47/SF	\$0	\$15,212	\$67,669
Vacancy factor (5%)	\$0	(\$9,462)	(\$10,776)
Total Income	\$126,360	\$194,985	\$272,408
Expenses			
Property Taxes (adjusted @list price 1.12%)	\$11,144	\$11,144	\$11,144
Insurance (ESTIMATED)	\$6,000	\$6,000	\$6,000
	\$17,144	\$17,144	\$17,144
Recoverable CAMs/HOAs/Utilities			
Electric	\$37,459	\$37,459	\$37,459
Water (3 meters)	\$4,616	\$4,616	\$4,616
Landscaping	\$600	\$600	\$600
Bathroom janitorial	\$3,600	\$3,600	\$3,600
Garbage	\$3,714	\$3,714	\$3,714
Power washing	\$1,000	\$1,000	\$1,000
HOA fee	\$904	\$904	\$904
Repairs (ESTIMATED)	\$5,000	\$5,000	\$5,000
Property Management Fee (5%)	\$6,318	\$9,462	\$10,776
Total Recoverable Expenses	\$63,211	\$66,355	\$67,669
TOTAL EXPENSES	\$80,355	\$83,499	\$84,813
Net Operating Income (NOI)	\$46,005	\$111,486	\$187,595
CAP Rate	4.62%	11.20%	18.85%
Value	\$995,000	\$995,000	\$995,000
SF	11,461	11,461	11,461
\$/SF	\$86.82	\$86.82	\$86.82

MORTGAGE SCENARIO

MORTGAGE SCENARIO	Actual
Purchase Price	\$995,000
Down payment percentage	42.0%
Down payment amount	\$417,900
Loan Amount	\$577,100
Interest Rate	6.500%
Amortization period (years)	25
Debt Service (Annual Mortgage)	\$46,759
Net Operating Income (NOI)	\$46,005
Debt Service Coverage Ratio (DSCR)	0.98
Net Cash Flow (pretax)	(\$755)
Cap Rate	4.62%
Cash on Cash Return	-0.18%

MORTGAGE SCENARIO	PROFORM A
Purchase Price	\$995,000
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Loan Amount	\$577,100
Interest Rate	6.500%
Amortization period (years)	25
Debt Service (Annual Mortgage)	\$46,759
Net Operating Income (NOI)	\$187,595
Debt Service Coverage Ratio (DSCR)	4.01
Net Cash Flow (pretax)	\$140,835
Cap Rate	18.85%
Cash on Cash Return	33.70%

PRO FORMA 10 YEAR DISCOUNTED CASH FLOW (DCF) ANALYSIS

PRO-FORMA 10-YEAR DISCOUNTED CASH FLOW ANALYSIS (DCF)											
Purchase Price	\$995,000	\$86.82									
Downpayment (EQUITY)	\$417,900	42%									
Loan Amount	\$577,100	58%									
Interest Rate	6.500%										
Amortization period (years)	25										
Vacancy Factor (5%)	5%										
Rent Escalator (Starting 2029)	3%										
Expense Escalator	2%										
			Current Rent	Current rent + vacant units projected \$1.55/SF + \$0.48/SF Recovery	Pro Forma Income (ALL PROJECTED \$1.55/SF + \$0.49/SF Recovery). 100% LEASED						
YEAR	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Rent	\$126,360	\$140,112	\$215,515	\$221,980	\$228,639	\$235,499	\$242,564	\$249,840	\$257,336	\$265,056	
Vacant Units Income		\$49,123									
Projected Recovery (CAMs/HOA/Utilities)		\$15,212	\$67,669	\$69,022	\$70,403	\$71,811	\$73,247	\$74,712	\$76,206	\$77,730	
Vacancy factor 5.0%		(\$7,006)	(\$10,776)	(\$11,099)	(\$11,432)	(\$11,775)	(\$12,128)	(\$12,492)	(\$12,867)	(\$13,253)	
Total Income	\$126,360	\$197,441	\$272,408	\$279,903	\$287,610	\$295,535	\$303,683	\$312,061	\$320,675	\$329,533	
Expenses											
Property Taxes (adjusted @list price 1.12%)	\$11,144	\$11,144	\$11,144	\$11,367	\$11,594	\$11,826	\$12,063	\$12,304	\$12,550	\$12,801	
Insurance (ESTIMATED)	\$6,000	\$6,000	\$6,000	\$6,120	\$6,242	\$6,367	\$6,495	\$6,624	\$6,757	\$6,892	
	\$17,144	\$17,144	\$17,144	\$17,487	\$17,837	\$18,193	\$18,557	\$18,928	\$19,307	\$19,693	
Expenses - Recoverable (CAM/HOA/Utilities)											
Electric	\$37,459	\$37,459	\$37,459	\$38,208	\$38,972	\$39,752	\$40,547	\$41,358	\$42,185	\$43,029	
Water (3 meters)	\$4,616	\$4,616	\$4,616	\$4,709	\$4,803	\$4,899	\$4,997	\$5,097	\$5,199	\$5,303	
Landscaping	\$600	\$600	\$600	\$612	\$624	\$637	\$649	\$662	\$676	\$689	
Bathroom janitorial	\$3,600	\$3,600	\$3,600	\$3,672	\$3,745	\$3,820	\$3,897	\$3,975	\$4,054	\$4,135	
Garbage	\$3,714	\$3,714	\$3,714	\$3,788	\$3,864	\$3,941	\$4,020	\$4,100	\$4,182	\$4,266	
Power washing	\$1,000	\$1,000	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082	\$1,104	\$1,126	\$1,149	
HOA fee	\$904	\$904	\$904	\$922	\$941	\$960	\$979	\$998	\$1,018	\$1,039	
Repairs (ESTIMATED)	\$5,000	\$5,000	\$5,000	\$5,100	\$5,202	\$5,306	\$5,412	\$5,520	\$5,631	\$5,743	
Property Management Fee (5%)	\$6,318	\$9,462	\$10,776	\$10,991	\$11,211	\$11,435	\$11,664	\$11,897	\$12,135	\$12,378	
SubTotal Expenses (CAM/HOA/Utilities)	\$63,211	\$66,355	\$67,669	\$69,022	\$70,403	\$71,811	\$73,247	\$74,712	\$76,206	\$77,730	
TOTAL EXPENSES	\$80,355	\$83,499	\$84,813	\$86,509	\$88,239	\$90,004	\$91,804	\$93,640	\$95,513	\$97,424	
Net Operating Income	\$46,005	\$113,942	\$187,595	\$193,394	\$199,371	\$205,530	\$211,878	\$218,420	\$225,162	\$232,110	
Cap rate	4.62%	11.45%	18.85%	19.44%	20.04%	20.66%	21.29%	21.95%	22.63%	23.33%	
Debt Service	(\$46,759)	(\$46,759)	(\$46,759)	(\$46,759)	(\$46,759)	(\$46,759)	(\$46,759)	(\$46,759)	(\$46,759)	(\$46,759)	
Net Cash Flow (pre tax)	-\$755	\$67,183	\$140,835	\$146,635	\$152,611	\$158,771	\$165,119	\$171,661	\$178,403	\$185,350	
Debt Service Coverage Ratio (DSCR)	0.98	2.44	4.01	4.14	4.26	4.40	4.53	4.67	4.82	4.96	
Cash on cash return	-0.18%	16.08%	33.70%	35.09%	36.52%	37.99%	39.51%	41.08%	42.69%	44.35%	

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
Total Population	18,164	189,314	303,262
Growth 2024-2029	5.30%	5.46%	5.50%
Growth 2020-2024	2.65%	3.55%	3.76%
HOUSEHOLDS & INCOME	1 Mile	3 Miles	5 Miles
Growth 2024-2029	5.40%	5.54%	5.59%
Growth 2020-2024	3.25%	4.12%	4.41%
2024 Average HH Income	\$89,927	\$89,090	\$88,575

STREET	CROSS STREET	COUNT YEAR	ADT	DISTANCE
W Swain Rd	N Pershing Ave	2023	9,396	0.19
Quail Lakes Dr	Long Barn Way	2025	14,760	0.23
N Pershing	W Swain Rd	2024	23,611	0.27
N Pershing	Marco Polo Dr	2025	24,788	0.41
Douglas Rd	N Harrisburg Pl	2025	2,092	0.42
Quail Lakes Dr	Long Barn Way	2023	14,822	0.23
W Swain Rd	N Pershing Ave	2023	9,396	0.19

AERIAL



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