FIRST COMMERCIAL
REAL ESTATE & ADVISORY SERVICES

CONFIDENTIAL OFFERING MEMORANDUM · CENTRAL VALLEY MULTIFAMILY

LAS PALMAS APARTMENTS

Renovated 32-Unit Apartment Community · 133 & 233 West I Street, Los Banos, CA 93635

32	**$5,295,000**	**7.68%**	**$165,469**
UNITS	LIST PRICE	CURRENT CAP	PER UNIT

CONFIDENTIAL

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THE OPPORTUNITY

A renovated 32-unit Central Valley apartment community with stable, in-place income and tenant utility reimbursements.

First Commercial is pleased to exclusively offer Las Palmas Apartments, two 16-unit apartment communities at 133 and 233 West I Street in Los Banos, operated together as a single 32-unit community under one ownership. All units are two-bedroom, across eight buildings on roughly 1.16 acres. An extensive, multi-year capital improvement program has addressed most major building systems, and most of the units have been renovated or turned. Priced at $5,295,000 ($165,469 per unit, roughly $201 per square foot), the community produces stabilized in-place income supported by tenant utility reimbursements and on-site laundry. Los Banos is a tight rental submarket with limited new market-rate deliveries, so a new owner can step into stabilized day-one cash flow.

133 & 233 West I Street · Los Banos, CA 93635

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Investment Summary

First Commercial Real Estate is pleased to exclusively present the fee simple interest in **Las Palmas Apartments**, a renovated 32-unit apartment community at **133 and 233 West I Street, Los Banos, CA 93635**, in Merced County.

The offering comprises two 16-unit communities, operated together as a single 32-unit community under one ownership. The units are 100% two-bedroom / one-bath, averaging about 825 SF, across eight buildings on roughly 50,558 SF (1.16 acres). The asset was built in 1963, with an extensive capital improvement program carried out over recent years and most of the units renovated or turned.

Priced at **$5,295,000** ($165,469 per unit, ~$201/SF), the community produces stable in-place income supported by tenant utility reimbursements and on-site laundry.

32 UNITS
Two 16-unit communities, all 2BD/1BA, operated as one.

$1,695 MARKET
Market rent for the 2BD/1BA units.

UTILITY REIMBURSEMENT
Residents pay electricity; reimburse a portion of water, sewer, and garbage.

RECENT RENOVATIONS
Multi-year capital program; most units renovated or turned.

OFFERING SNAPSHOT

List Price	$5,295,000
Current NOI	$406,749
Current Cap Rate	7.68%
Market Cap Rate	8.72%
Current GRM	9.00
Price / Unit	$165,469
Units	32 (2BD/1BA)
APNs	027-072-005 / 003

Investment Highlights

STABILIZED CASH FLOW IN A SUPPLY-CONSTRAINED SUBMARKET

A well-maintained 1960s community that has been through an extensive, multi-year capital improvement program, allowing a new owner to step into stabilized in-place cash flow from day one. Los Banos is a tight rental submarket with limited new market-rate deliveries, which supports durable occupancy.

7.68%	8.72%	$5.295M	$165,469	32	$1,695
CURRENT CAP	MARKET CAP	OFFERING PRICE	PRICE / UNIT	UNITS	MARKET RENT

SCALE & SINGLE OWNERSHIP

- 32 units acquired in a single transaction.
- $165,469 per unit, roughly $201 per square foot.
- Two communities operated together under one owner.

STABILIZED DAY-ONE CASH FLOW

- Extensive capital program largely complete across the buildings.
- Step into stabilized in-place cash flow at closing.
- Renovated community in a supply-constrained West Los Banos submarket.

TENANT UTILITY REIMBURSEMENTS

- Residents pay their own electricity directly.
- Residents reimburse a portion of water, sewer, and garbage.
- Reimbursements support net operating income.

SUPPLY-CONSTRAINED SUBMARKET

- Tight Los Banos rental market with limited new market-rate supply.
- Supports durable occupancy and gradual rent growth over time.
- All two-bedroom / one-bath, roughly 825 SF each.

RECENT RENOVATIONS

- Extensive, multi-year capital improvement program.
- Most of the units renovated or turned.
- Major building systems addressed across the eight buildings.

OPERATED AS ONE COMMUNITY

- 133 & 233 West I Street on the same street.
- Run together as a single 32-unit community.
- APNs 027-072-005 and 027-072-003 · Merced County.

Offering Summary

OFFERING

List Price	$5,295,000
Net Operating Income (Current)	$406,749
Cap Rate (Current)	7.68%
Cap Rate (Market)	8.72%
GRM (Current)	9.00
Price / Unit	$165,469
Price / SF	±$201

PROPERTY SPECIFICATIONS

Units	32 (all 2BD/1BA)
Building Area	±26,400 SF
Land Area	±50,558 SF / ±1.16 AC
Buildings	8
Heating / Cooling	Window A/C units; furnace heat
Year Built / Renovated	1963 / recent years
APNs	027-072-005 & 027-072-003
County	Merced
Ownership	Fee Simple Interest

Buyer to verify all lease, rent, and property information during due diligence.

Property Detail

32-UNIT APARTMENT COMMUNITY · 133 & 233 WEST I STREET

Las Palmas Apartments is offered as fee simple ownership of two 16-unit apartment communities serving the West Los Banos rental market, operated together as a single, renovated 32-unit community.

ADDRESS
133 & 233 West I St
Los Banos, CA 93635 · Merced County

PARCELS (APN)
027-072-005 / 003
Two parcels operated as one community.

BUILDING AREA
±26,400 SF
32 units across 8 buildings.

LAND AREA
±50,558 SF
Approximately 1.16 acres.

YEAR BUILT / RENO
1963 / recent
Multi-year capital program; buyer to verify.

UNIT MIX
100% two-bedroom / one-bath, ~825 SF; window A/C units and furnace heat.

BUILDINGS
Eight residential buildings on roughly 1.16 acres.

ACCESS
West Los Banos; I-5 and SR-152 (Pacheco Pass) corridor.

RENOVATIONS
Multi-year capital improvement program; most units renovated or turned. Buyer to verify scope.

UTILITIES
Residents pay their own electricity; reimburse a portion of water, sewer, and garbage.

OTHER INCOME
On-site laundry income.

COUNTY
Merced County; established West Los Banos location.

OWNERSHIP
Fee simple interest in the real property.

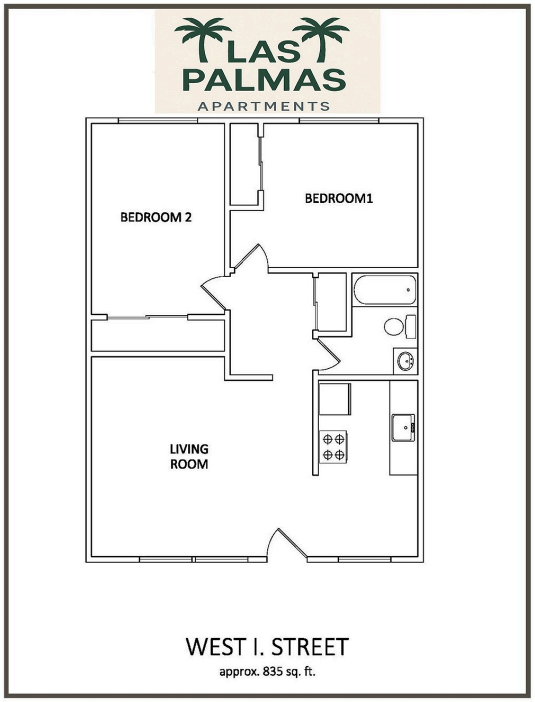
SITE POSITIONING
Two-community, two-parcel apartment site on West I Street with established West Los Banos rental demand, operated together as a single 32-unit community.

OPERATIONS SUMMARY
Residents pay their own electricity and reimburse a portion of water, sewer, and garbage; on-site laundry income. Simple, durable 2BD/1BA plan that is straightforward to manage and lease.

INVESTMENT POSITIONING
Stable in-place income from a well-located 32-unit apartment community under single ownership, with major building systems recently addressed.

PROPERTY OVERVIEW

Interiors & Floor Plan

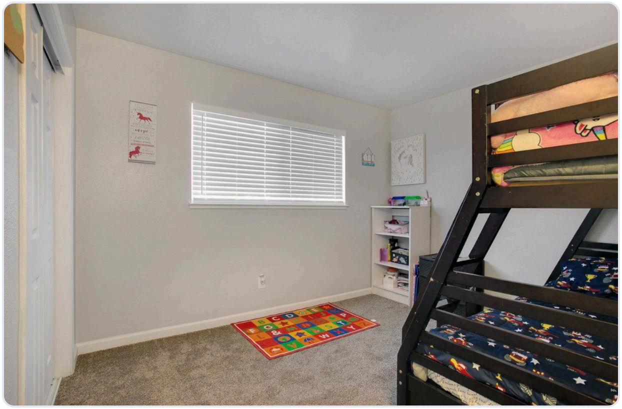


Typical 2 Bed / 1 Bath unit · approx. 835 SF

Living room (virtually staged)

Kitchen

Bedroom



Second bedroom

Interiors reflect renovated two-bedroom units; some images are virtually staged. Buyer to verify unit condition during due diligence.

Capital Improvements

EXTENSIVE MULTI-YEAR CAPITAL PROGRAM

Ownership has carried out a broad capital improvement program over recent years, addressing major building systems and the building envelope. Most of the units have been renovated or turned.

- All electrical panel upgrades
- Six roof replacements
- Rebuilt porches, decks, and stairs
- New wrought iron railings
- Parking lot paving and striping
- Significant dry rot repairs
- Stucco repairs
- Full exterior paint project
- New security camera system
- New common-area lighting
- Three new water heaters
- Partial sewer lateral replacement
- SB 721 balcony inspection repairs & compliance
- Extensive tree removal and trimming
- Storage area converted to leasing office

Improvements per ownership and on-site management records; buyer to verify scope and condition during due diligence. This is a well-maintained 1960s community, and as with any building of its era some ongoing maintenance should be expected. The share of units renovated or turned is an ownership estimate.

Financials

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FINANCIALS

Rent Roll

UNIT	TYPE	SF	STATUS	IN-PLACE	MARKET	UTILITY REIMBURSEMENT
133-1	2/1	835	Vacant	$1,495	$1,695	$100
133-2	2/1	825	**Occupied**	$1,550	$1,695	$140
133-3	2/1	825	**Occupied**	$1,446	$1,695	$100
133-4	2/1	825	**Occupied**	$1,525	$1,695	$100
139-1	2/1	825	**Occupied**	$1,617	$1,695	$100
139-2	2/1	825	**Occupied**	$1,495	$1,695	$100
139-3	2/1	825	**Occupied**	$1,595	$1,695	$100
139-4	2/1	825	**Occupied**	$1,525	$1,695	$100
141-1	2/1	825	**Occupied**	$1,620	$1,695	$100
141-2	2/1	825	**Occupied**	$1,595	$1,695	$115
141-3	2/1	825	**Occupied**	$1,495	$1,695	$115
141-4	2/1	825	**Occupied**	$1,495	$1,695	$140
149-1	2/1	825	**Occupied**	$1,495	$1,695	$140
149-2	2/1	835	**Occupied**	$1,495	$1,695	$100
149-3	2/1	825	**Occupied**	$1,495	$1,695	$155
149-4	**2/1**	**825**	**Vacant**	**$1,495**	**$1,695**	**$100**

UNIT	TYPE	SF	STATUS	IN-PLACE	MARKET	UTILITY REIMBURSEMENT
233-1	2/1	835	**Occupied**	$1,675	$1,695	$100
233-2	2/1	825	**Occupied**	$1,550	$1,695	$115
233-3	2/1	825	**Occupied**	$1,415	$1,695	$75
233-4	2/1	825	**Occupied**	$1,495	$1,695	$100
239-1	2/1	835	On Notice	$1,525	$1,695	$115
239-2	2/1	825	Vacant	$1,495	$1,695	$100
239-3	2/1	825	**Occupied**	$1,629	$1,695	$100
239-4	2/1	825	**Occupied**	$1,480	$1,695	$140
241-1	2/1	825	**Occupied**	$1,627	$1,695	$100
241-2	2/1	825	**Occupied**	$1,536	$1,695	$100
241-3	2/1	825	**Occupied**	$1,495	$1,695	$115
241-4	2/1	825	**Occupied**	$1,545	$1,695	$100
249-1	2/1	825	**Occupied**	$1,495	$1,695	$100
249-2	2/1	835	**Occupied**	$1,538	$1,695	$100
249-3	2/1	825	On Notice	$1,550	$1,695	$115
249-4	2/1	825	**Occupied**	$1,560	$1,695	$115
PORTFOLIO TOTAL / MO.		**26,400**	**90.6% Occ**	**$49,043**	**$54,240**	**$3,495**

As of 07/09/2026. Vacant: 133-1, 149-4, 239-2. On notice: 239-1, 249-3. In-place rent reflects occupied units at their current lease rent, with the three vacant units carried at a $1,495 in-place rent and a $100 monthly utility reimbursement; the in-place total annualizes to the Rental Income shown on the operating statement (current column). Utility Reimbursement is the monthly tenant reimbursement for a portion of water, sewer, and garbage.

FINANCIALS

Income & Expense

CURRENT CAP	MARKET CAP	CURRENT GRM	PRICE / UNIT	PRICE / SF
7.68%	8.72%	9.00	$165,469	$201

LINE ITEM	CURRENT	PER UNIT	MARKET	PER UNIT
INCOME				
Rental Income	**$588,516**	$18,391	$650,880	$20,340
Tenant Utility Reimbursements (1)	**$41,940**	$1,311	$41,940	$1,311
Laundry Income	**$7,000**	$219	$7,000	$219
Gross Income	**$637,456**	**$19,920**	**$699,820**	**$21,869**
Vacancy & Credit Loss (4%)	**($23,541)**	$736	($26,035)	$814
Effective Gross Income	**$613,915**	**$19,185**	**$673,785**	**$21,056**
OPERATING EXPENSES				
Estimated New Property Taxes (2)	**$58,245**	$1,820	$58,245	$1,820
Property Insurance (3)	**$20,000**	$625	$20,000	$625
Water, Sewer & Garbage (4)	**$43,000**	$1,344	$43,000	$1,344
Repairs & Maintenance (5)	**$22,400**	$700	$22,400	$700
On-Site Manager (3%)	**$17,655**	$552	$19,526	$610
Management Fee (5%)	**$29,426**	$920	$32,544	$1,017
Landscaping	**$7,200**	$225	$7,200	$225
Reserves (6)	**$9,240**	$289	$9,240	$289
Total Operating Expenses	**$207,166**	**$6,474**	**$212,155**	**$6,630**
Net Operating Income	**$406,749**	**$12,711**	**$461,630**	**$14,426**

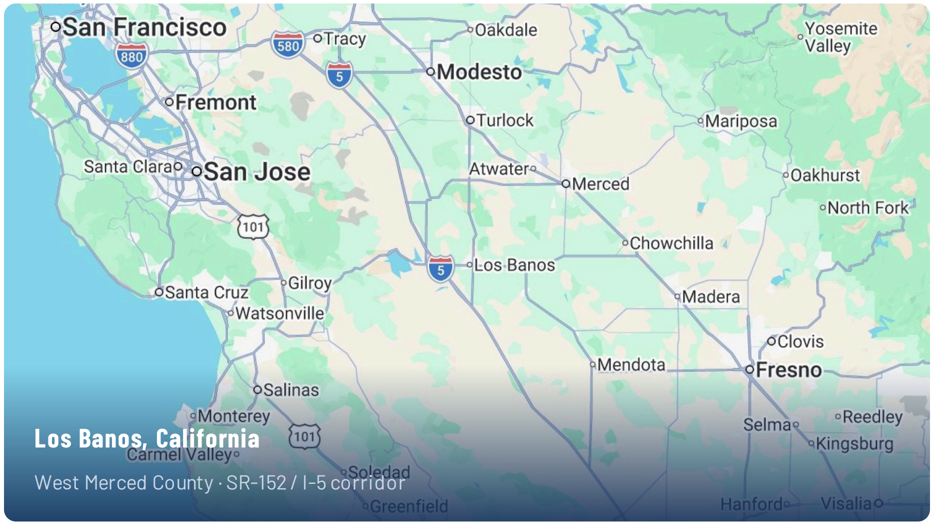
(1) Tenant Utility Reimbursements — residents pay their own electricity and reimburse a portion of water, sewer, and garbage. **(2)** Estimated new property taxes based on the purchase price of $5,295,000 at 1.1%. **(3)** Property insurance provided by owner. **(4)** Water, sewer, and garbage provided by owner. **(5)** Repairs & maintenance estimated at $700 per unit. **(6)** Reserves added at $0.35 per SF. On-Site Manager estimated at 3% and Management Fee at 5% of collected income. A 4% vacancy and credit loss factor is applied to both the current and market columns. The current column carries the three vacant units at a $1,495 in-place rent.

Location & Market

03

LOCATION & MARKET

Los Banos & Merced County



Los Banos, California

West Merced County · SR-152 / I-5 corridor

Subject Location

133 & 233 West I Street

Los Banos Market Overview

Los Banos is one of the faster-growing cities in Merced County, positioned on the west side of the San Joaquin Valley. Historically rooted in agriculture, the city has grown into a residential and commuter community serving local families, workers, and Bay Area commuters.

The city sits on the State Route 152 (Pacheco Pass) corridor connecting the Central Valley to Gilroy, San Jose, and the greater Bay Area, with Interstate 5 immediately to the west. Relatively affordable housing continues to draw commuter and workforce demand to the area. The city has grown rapidly, nearly doubling since 2000, from about 25,900 residents to roughly 45,500 at the 2020 Census and an estimated 48,700 in 2024.

Local Positioning: Established West Los Banos rental location with steady workforce and family renter demand.

Merced County & West Valley

Merced County anchors the west-central San Joaquin Valley, supported by agriculture, food processing, logistics, and the continued growth of UC Merced. The county serves as a more affordable alternative to coastal and northern-valley housing markets.

Los Banos benefits from its position between Interstate 5 and State Route 99 via SR-152 and SR-33, supporting commuter movement, goods movement, and access to regional employment. The workforce renter base supports demand for simple, well-located multifamily.

Apartment rents in Los Banos compressed during the pandemic and have begun to recover as employment normalizes. As Bay Area and Silicon Valley housing costs continue to climb, more workforce and commuter demand pushes into outlying Central Valley markets, which supports continued rent growth in Los Banos over time. The submarket has seen limited new market-rate apartment construction, which supports stable occupancy and gradual rent growth rather than sharp near-term increases.

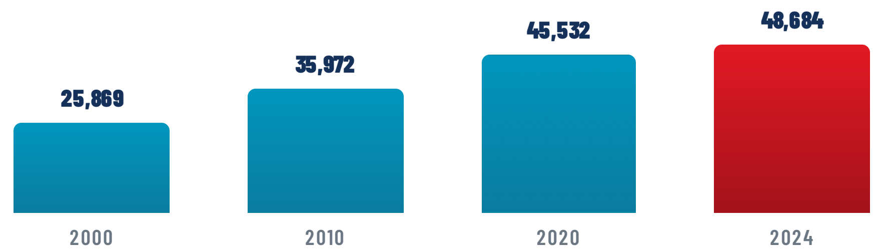
Regional Positioning: Commuter and workforce housing demand in a supply-constrained west-valley submarket.

AREA OVERVIEW

Demographics & Growth

2024 POPULATION	GROWTH SINCE 2000	MEDIAN HH INCOME	MEDIAN AGE
48,684	+88%	$68,171	30.3

LOS BANOS POPULATION GROWTH



Los Banos has nearly doubled since 2000, from about 25,900 residents to 45,532 at the 2020 Census and an estimated 48,684 in 2024 — among the faster-growing cities in the Central Valley.

LOS BANOS CITY PROFILE

METRIC	VALUE
2024 Population (est.)	48,684
2020 Census Population	45,532
Median Age	30.3
Median Household Income	$68,171
Average Household Income	$85,355
Homeownership Rate	59.8%
Median Home Value	$440,900
Median Gross Rent	$1,694
Avg. Commute Time	54.6 min

TRADE AREA — RADII

METRIC	1 MILE	3 MILE	5 MILE
2025 Population	14,181	49,544	50,686
Avg. Household Income	$76,926	$86,292	$86,180
Hispanic Origin	74.8%	—	—

POPULATION BY RACE / ORIGIN

GROUP	SHARE
Hispanic or Latino Origin	73.4%
White (non-Hispanic)	19.5%
Asian	3.1%
Two or More Races	2.7%
Black or African American	2.0%
American Indian	1.1%

Sources: U.S. Census Bureau decennial census (2000–2020) and Population Estimates (2024), ACS 2024, Census Reporter, and third-party trade-area reports. Hispanic or Latino is an ethnicity overlapping race categories. Figures are estimates; buyer to verify.

First Commercial Real Estate & Advisory Services

CENTRAL VALLEY INVESTMENT SALES

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