



OFFERING MEMORANDUM

703 B Street
Petaluma, CA 94952

Project Description

703 B STREET

703 B Street presents a rare opportunity to acquire a character-rich, income-producing multifamily asset in the heart of West Petaluma, one of Sonoma County's most sought-after residential submarkets. Situated on a prominent 0.42-acre corner parcel, the property consists of 14 apartment units distributed across 7 separate buildings, creating a low-density residential environment that is increasingly difficult to replicate in today's development landscape.

Offering approximately 9,360 square feet of rentable area, the property offers a desirable mix of unit types designed to appeal to a broad tenant base. The unit composition includes (3) studios, (8) 1BR/1BA, and (3) 2BR/1BA units, providing diversification of rental income and flexibility in tenant demographics.

Unlike traditional apartment complexes, the property's seven-building layout creates a neighborhood-style atmosphere with enhanced privacy, greater separation between units, and a residential feel that resonates with tenants. This configuration contributes to strong occupancy potential and long-term tenant retention. Petaluma remains one of the North Bay's strongest multifamily markets, benefiting from its strategic location between San Francisco and Sonoma County's employment centers. Residents enjoy convenient access to Highway 101, regional transit options, and major employers throughout Marin, Sonoma, and the broader Bay Area. The city's limited housing inventory, high barriers to new development, and continued population growth contribute to favorable multifamily fundamentals and long-term investment stability.

A significant advantage of this offering is the availability of below-market seller financing, allowing investors to reduce acquisition costs and improve cash flow from day one. The seller is offering financing for up to 70% LTV at a fixed 4.50% interest rate for a three-year term, creating a highly attractive capital structure in today's financing environment.



Investment Highlights

703 B STREET



Seller financing available up to 70% LTV, 4.50% fixed interest, and a 3-year term.



14-unit multifamily property located in the highly desirable West Petaluma neighborhood.



Seven separate residential buildings creating a low-density, cottage-style community setting.



±9,360 rentable square feet situated on a ±0.42-acre corner lot.



Diverse unit mix consisting of (3) Studios, (8) 1BR/1BA, and (3) 2BR/1BA units



Strong tenant appeal due to neighborhood character, privacy, and walkable location.



Opportunity for continued rental growth in a supply-constrained Sonoma County market.



Excellent long-term investment fundamentals supported by limited new housing development and strong rental demand.



Located in West Petaluma, one of the city's most desirable residential neighborhoods.



Walking distance to Downtown Petaluma's restaurants, cafés, breweries, shopping, and entertainment.



Convenient access to U.S. Highway 101, providing connectivity throughout Sonoma County, Marin County, and the greater Bay Area.



Approximately 20 minutes to Santa Rosa, 30 minutes to San Rafael, and under an hour to San Francisco.



Known for historic charm, tree-lined streets, quality schools, and a vibrant downtown district.

Location Description

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703 B Street is located in the heart of West Petaluma, one of the city's most established and desirable neighborhoods. Situated on the corner of B Street and Seventh Street, the property enjoys a walkable residential setting characterized by historic homes, mature tree-lined streets, and a strong sense of neighborhood character. The area is known for its blend of Victorian, Craftsman, and early 20th-century architecture, reflecting Petaluma's rich heritage and small-town charm.

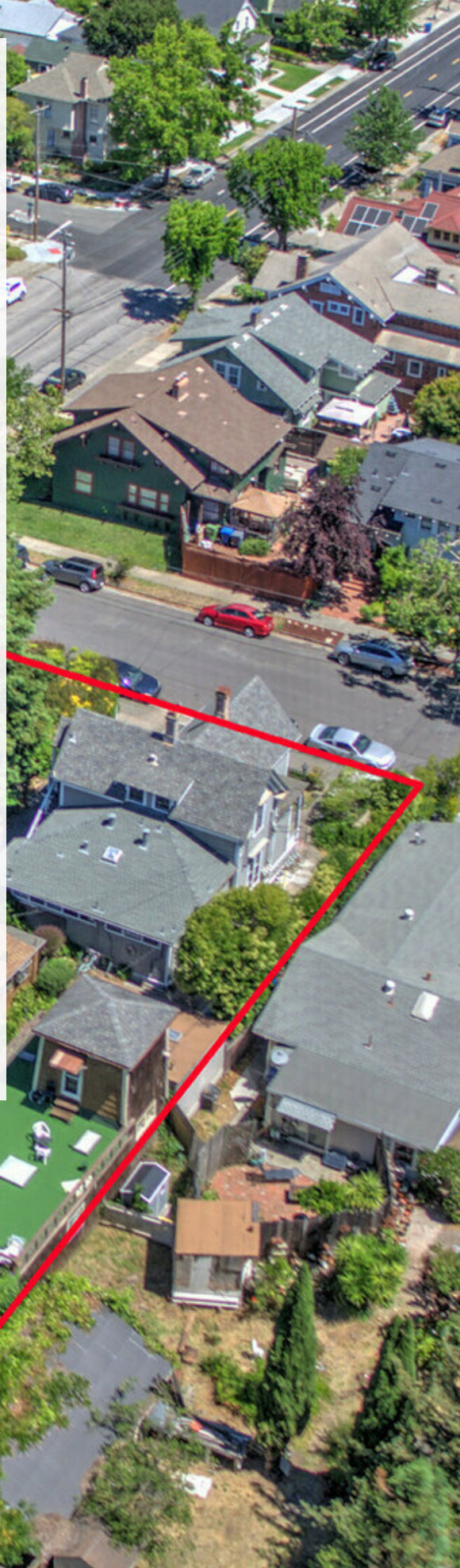
The location offers convenient access to Downtown Petaluma, where residents can enjoy a vibrant mix of restaurants, cafés, boutique shopping, entertainment venues, and community events. Daily amenities, schools, parks, and public services are all within close proximity, contributing to an exceptionally walkable lifestyle. The neighborhood is also near major transportation corridors, providing straightforward access to Sonoma County employment centers, the North Bay, and the greater San Francisco Bay Area.

The property occupies a prominent corner parcel of approximately 0.42 acres within a residential district that supports a variety of housing types. Its setting combines the tranquility of a residential neighborhood with the convenience of nearby urban amenities, making it well-suited for residents seeking a balance of historic character, accessibility, and community-oriented living.



WALK SCORE

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Financial Profile

703 B STREET

PRICE	\$5,390,000
Down Payment (40%)	\$2,156,000
Number of Units	14
Year Built	1908
Lot Size	18,295
Sq Feet	9,360
Price Per Sq Ft	\$576
Price Per Unit	\$385,000
CAP Rate	5.20%
GRM	13.26
Market CAP	5.63%
Market GRM	12.29

*Based on Current Rent Revenue and Expenses Provided by the Seller

ANNUALIZED OPERATING DATA	ACTUAL	MARKET
Gross Scheduled Income (GSI)	\$406,500	\$438,540
Vacancy Factor	1.0%	3.0%
Vacancy Loss	\$4,065	\$13,156
Gross Operating Income (GOI)	\$402,435	\$425,384
Operating Expenses	\$121,905	\$121,905
Expenses as % of GOI	30.29%	28.66%
Net Operating Income (NOI)	\$280,531	\$303,479

PRO-FORMA EXPENSES		
Taxes	\$60,853	1.13% tax rate
Direct Charges	\$286	Actual
Insurance	\$17,500	Estimated at \$1250/Unit
Repairs / Maintenance	\$12,600	Estimated at \$900/Unit
Water & Sewer	\$13,128	Actual
Gas and Electric	\$540	Actual
Landscaping	\$900	Actual
Management	\$16,097	Estimated at 4% of GOI
Annual Expenses	\$121,905	



Rent Roll

703 B STREET

UNIT	TYPE	CURRENT RENT	MARKET RENT	SQ FT	VACANCY
2 Seventh St A	1BR/1BA	\$2,435	\$2,500	830	
2 Seventh St B	Studio	\$2,160	\$2,200	581	
2 Seventh St C	1BR/1BA	\$2,235	\$2,500	596	Vacant
2 Seventh St D	2BR/1BA	\$3,860	\$3,860	1601	
4 Seventh St	1BR/1BA	\$2,185	\$2,500	424	
6 Seventh St	1BR/1BA	\$2,185	\$2,500	425	
8 Seventh St A	1BR/1BA	\$2,325	\$2,500	644	
8 Seventh St B	Studio	\$1,965	\$2,200	345	
8 Seventh St C	1BR/1BA	\$2,175	\$2,500	465	
8 Seventh St D	Studio	\$2,065	\$2,200	490	
10 Seventh St A	2BR/1BA	\$2,415	\$2,950	761	
10 Seventh St B	1BR/1BA	\$2,295	\$2,500	635	
703 B St	1BR/1BA	\$2,445	\$2,500	608	
707 B St	2BR/1BA	\$2,945	\$2,950	795	
Laundry	-	\$185	\$185	-	-
Gross/Month		\$33,875	\$36,545		

Property Footprint

703 B STREET



Additional Photos

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Additional Photos

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Confidentiality Agreement

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