OFFERING MEMORANDUM

3404 School St · Oakland, CA 94602

4-Unit Residential Income Property | Listed at $949,000

Executive Summary

ASKING PRICE	CURRENT CAP RATE	PRO FORMA CAP RATE
$949,000	6.11%	9.07%
CURRENT NOI	PRO FORMA NOI	ANNUAL DEBT SERVICE
$57,971	$86,107	$53,985

This offering presents an exceptional opportunity to acquire a 4-unit residential income property in the sought-after Laurel district of Oakland. The asset is situated at 3404 School St, Oakland, CA 94602, offering strong in-place income with significant upside potential on a pro forma basis. With below-market rents in place, a qualified investor can unlock substantial value through lease-up to market rates.

Property Details

Property Address	3404 School St, Oakland, CA 94602
Number of Units	4
Listed Price	$949,000
Loan Amount	$711,750
Interest Rate	6.50%
Amortization	30 Years
Pro Forma Vacancy Rate	3.0%

Unit Mix & Rent Roll

Unit Type	Current Rent	Pro Forma Rent
1 BD / 1 BA	$1,170	$1,800
2 BD / 2 BA	$1,270	$2,200
2 BD / 2 BA	$1,270	$2,200
3 BD / 2 BA	$3,700	$3,700
Monthly Total	**$7,410**	**$9,900**
Annual Total	**$88,920**	**$118,800**

Income & Expense Analysis

Income	Current	Pro Forma
Gross Rents	$88,920	$118,800
Laundry Income	$960	$989
Total Gross Income	$89,880	$119,789
Less: Vacancy (3.0%)	($2,696)	($3,594)
Effective Gross Income (EGI)	**$87,184**	**$116,195**
Operating Expenses	**Current**	**Pro Forma**
Real Estate Taxes (est. 1.2779%)	$12,127	$12,491
Special Assessment	$4,090	$4,213
Insurance (estimate)	$4,000	$4,120
PG&E (2025)	$1,175	$1,210
Water (2025)	$3,772	$3,885
Garbage (2025)	$2,644	$2,723
RAP	$404	$416
Other	$1,000	$1,030
Total Operating Expenses	**$29,212**	**$30,089**
Net Operating Income (NOI)	**$57,971**	**$86,107**
Less: Annual Debt Service	($53,985)	($53,985)
Net Cash Flow	**$3,986**	**$32,122**

At Pro Forma Rents

CAP Rate	Implied Value
6.5% CAP Rate	$1,250,000
7.0% CAP Rate	$1,180,000

Investment Highlights

› Strong Value-Add Opportunity: Current rents are significantly below market, providing a clear path to a 9.07% pro forma cap rate.

› Excellent Location: Situated in Oakland's desirable Laurel District — a neighborhood known for walkability, local dining, and proximity to BART and major freeways.

› Diverse Unit Mix: Four distinct unit types including 1BD/1BA, two 2BD/2BA units, and a 3BD/2BA — broad appeal to a wide renter pool.

› Positive Cash Flow Day-One: Even at current below-market rents, the property generates positive net cash flow of approximately $3,986/year.

› Loan Assumption / Financing Available: Assumes a $711,750 loan at 6.50% interest over 30 years with annual debt service of ~$53,985.

› Pro Forma Upside of $28,136/yr: Proforma cash flow of $32,122 represents an ~8x improvement over current cash flow, driven by achievable market-rate rents.

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