Las Flores Apartments

3420 N 1ST STREET, FRESNO, CALIFORNIA 93726
WWW.LASFLORESAPARTMENTS.COM

Northmarq

INVESTMENT SALES

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Investment Opportunity

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EXECUTIVE SUMMARY

Las Flores Apartments presents a rare, well-located value-add opportunity in one of Fresno's strongest residential corridors. With significant embedded rent upside, a proven renovation playbook, and compelling market tailwinds, this asset is positioned to deliver strong risk-adjusted returns for investors.

COMPELLING VALUE-ADD OPPORTUNITY

Current in-place rents average $1,199 per month — meaningfully below market rates of $1,250 for 2/1 units and $1,700 for 2/2 units. This gap represents a clear, executable path to revenue growth through interior renovations and operational improvements. Pro forma projections demonstrate strong rent growth and systematic recapture of loss-to-lease over the hold period, creating a compelling return profile from day one.

PRIME NORTHEAST FRESNO LOCATION

Situated in one of Fresno's most sought-after residential corridors, Las Flores places residents at the center of the city's premier retail, dining, and lifestyle destinations. Immediate neighbors include Manchester Center, River Park, and Fashion Fair Mall. Strong proximity to top schools and major employers drives consistent leasing demand and supports long-term occupancy stability.

EXCELLENT CURB APPEAL & VISIBILITY

Fronting First Street, Las Flores commands high visibility along one of Fresno's key arterials. Easy access to major thoroughfares reduces friction for prospective residents and supports strong leasing velocity — a critical advantage in competitive lease-up scenarios and value-add repositioning.

DYNAMIC FRESNO MARKET FUNDAMENTALS

Fresno is a vibrant, diversifying economy with sustained population growth and increasing household formation. The median household income within five miles of the property stands at $62,021, reflecting a renter base with solid purchasing power. Fresno's ongoing infrastructure investments — headlined by the transformative high-speed rail station — are poised to catalyze further economic expansion, job creation, and in-migration, all of which translate directly to multifamily demand and rent growth.

PROVEN VALUE-ADD MARKET

Interior renovation programs in comparable Nºrtheast Fresno assets have consistently achieved $200–$350/month rent premiums, validating the repositioning thesis at Las Flores.

RENT GROWTH TRAJECTORY

The $259–$521 per-unit monthly upside translates to significant NOI expansion, directly driving asset value appreciation over the hold period.

INFRASTRUCTURE CATALYST

The Fresno high-speed rail station is among California's most significant infrastructure investments in decades — a structural demand driver that will benefit well-located Fresno multifamily assets for years to come.

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SITE DESCRIPTION

Location	3420 N 1st Street, Fresno, California 93726
New L Price	$4,499,900
Total Units	46
Year Built	1971
Net Rentable Square Feet	±39,700
Land Size (AC)	±1.80
Number of Buildings	2
Zoning	R3
Parking	Covered Spaces: 48 Surface Spaces: 2
Submarket	East Fresno

Financial Overview

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PROPERTY OPERATIONS

Price Summary		$/Unit	$/Foot	In Place Inc. | Annualized Exp. Cap Rate	GRM	Y1 Estimated Pro Forma Cap Rate	GRM
List Price	$4,499,900	$97,824	$113	3.07%	6.8	8.02%	6.2

OPERATING INCOME	In Place Inc. | Annualized Exp.			Y1 Estimated Pro Forma		
Rental Revenue	$662,064		Rent Roll	$722,400		Market Rents
Vacancy	($33,103)	5.0%	Pro Forma	($36,120)	5.0%	Pro Forma
Bad Debt	($3,310)	0.50%	Pro Forma	($3,612)	0.50%	Pro Forma
Net Rental Income	$625,650			$682,668		
Fee + Other Income	$5,208		Dec 25 T3	$9,200		Pro Forma
EFFECTIVE GROSS INCOME	$630,858			$691,868		

OPERATING EXPENSES	In Place Inc. | Annualized Exp.	Per Unit	Notes	Y1 Estimated Pro Forma	Per Unit	Notes
Payroll	$23,391	$509	Dec 25 T3	$36,800	$800	Pro Forma
Repairs & Maintenance + TO	$258,552	$5,621	Dec 25 T3	$55,200	$1,200	Pro Forma
Contract Services	$21,032	$457	Dec 25 T3	$22,000	$478	Pro Forma
Admin & Professional Fees	$22,877	$497	Dec 25 T3	$3,600	$78	Pro Forma
Controllable Expenses Total	$325,852	$7,084		$117,600	$2,557	
Utilities	$33,329	$725	Dec 25 T3	$42,000	$913	Pro Forma
Management Fee	$35,880	$780	Dec 25 T3	$27,675	$602	4.0% of EGI
Insurance	$38,904	$846	Dec 25 T1	$85,000	$1,848	Pro Forma
Taxes + Direct Assessments	$58,749	$1,277	Assessor	$58,689	$1,276	Assessor
Replacement Reserve						
Non-Controllable Expenses Total	$166,862			$213,364		
TOTAL EXPENSES	$492,714	$10,711		$330,964	$7,195	
Net Operating Income	**$138,144**			**$360,904**		

Cash Flow Analysis	In Place Inc. | Annualized Exp.	Y1 Estimated Pro Forma
Debt Service	($157,561)	($157,561)
Net Cash Flow	($19,417)	$203,343
Cash on Cash	-0.9%	9.0%
Debt Yield	6.1%	16.0%
DSCR	0.88	2.29

New Debt

LTV	Loan Amt	Down	I Rate	Payment (Full Am.)	Term	I / O	Amortization	Sell Exp.
50%	$2,249,950	$2,249,950	5.75%	$13,130	7 Yr.	3 Yr.	30 Yr.	1.0%

UNIT MIX

UNIT MIX | RENT SCHEDULE (Rent Roll)

Floor plan	Count	Weight	Avg. SF	Est. Rent	Rent / SF	Rent Range	Avg. Rent	Rent/SF
			Estimated Rents				Market Rent	
2/1	40	*87%*	850	$1,172	$1.38	$915 - $1,456	$1,250	$1.47
2/2	6	*13%*	950	$1,382	$1.45	$1,023 - $1,700	$1,700	$1.79
Total	46	*100%*	863	$1,199	$1.39	$915 - $1,700	$1,309	$1.52
Average			863	$1,199	$1.39		$1,309	$1.52
Total Project	46		39,700	$55,172			$60,200	

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