

FOR-SALE — INVESTOR PRO FORMA

1253 & 1255 Agate Avenue · Mentone, California 92359

4 Parcels · 8 Units (4 SFR + 4 ADU) · Build & Sell Strategy · Listed at \$1,400,000

All figures are illustrative — buyer to conduct independent due diligence

A · ACQUISITION

Land cost

Asking Price — 4 Parcels

132 ft x 417 ft · 55,044 SF total **\$1,400,000**

Price Per Lot ~\$350,000
~11,676 sf avg

Price Per Buildable SF ~\$30 / sf
46,704 sf buildable

B · CONSTRUCTION COSTS

For-sale finish · premium quality

New SFR — P3 & P4 \$658,000
2 units · 1,400 sf @ \$235/sf each

ADU Construction — All 4 Lots \$688,000
4 units · 800 sf @ \$215/sf each

P1 & P2 (1253 & 1255) — No Cost \$0
Already fully remodeled & rented

Site Work & Infrastructure \$200,000
Grading, utilities, paving, curb appeal

Permits & Fees \$140,000
County, engineering, surveying

Design & Architecture \$90,000
Plans, civil, structural

Contingency (10%) \$177,600
For-sale standard reserve

TOTAL CONSTRUCTION **\$1,953,600**

C · SELLING COSTS

Per lot x 4 lots at close

Agent Commissions (5%) \$212,500
Listing + buyer agent

Closing Costs (1%) \$42,500
Escrow, title, transfer tax

Staging & Marketing \$30,000
4 lots x \$7,500 (staging + photos + mktg)

TOTAL SELLING COSTS **\$285,000**

D · TOTAL PROJECT COST

Land (Acquisition) \$1,400,000

Construction & Soft Costs \$1,953,600

Selling Costs \$332,000
Agent, closing, staging

TOTAL ALL-IN COST **\$3,685,600**
Including all selling costs

E · RETURN SUMMARY

Gross Development Value \$4,250,000
2x\$970K + 2x\$1,155K avg \$1,062,500

Less: Selling Costs (\$285,000)

Net Sale Proceeds \$3,965,000

Less: Total All-In Cost (\$3,353,600)
Land + Construction

NET PROFIT **\$611,400**
Before taxes & financing

Return on Investment **18.2%**
Net profit ÷ total all-in cost

Profit Per Lot ~\$152,850
\$611,400 ÷ 4 lots

Profit Per Unit ~\$76,425
\$611,400 ÷ 8 units

F · GROSS DEVELOPMENT VALUE

Per lot sale price at completion

Lot	SFR Value	ADU Value	Lot Total
P1 — 1253 Agate <small>3bd/2ba remodeled · ADU converted</small>	\$550,000	\$420,000	\$970,000
P2 — 1255 Agate <small>2bd/1ba remodeled · ADU converted</small>	\$550,000	\$420,000	\$970,000
P3 — New Build <small>3bd/2ba new build · new ADU 800 sf</small>	\$675,000	\$480,000	\$1,155,000
P4 — New Build <small>3bd/2ba new build · new ADU 800 sf</small>	\$675,000	\$480,000	\$1,155,000

GROSS DEVELOPMENT VALUE **\$4,250,000**

G · PROJECT TIMELINE

Estimated phases

Phase 1 Now — Immediate

P1 & P2 (1253 & 1255) already rented · generating income from day one

Phase 2 Months 1–14

Construct P3 & P4 SFRs (1,400 sf each) + all 4 ADUs (800 sf each)

Phase 3 Months 12–16

Pre-market all 4 lots · begin buyer outreach · accept offers

Phase 4 Months 16–20

Close sales on all 4 lots · distribute proceeds

ESTIMATED TOTAL TIMELINE: 18–20 MONTHS · Sell-Out / Close All 4 Lots

H · MARKET CONTEXT

Why this sells in Mentone / IE

1 Zero Competition

No new construction inventory in Mentone — buyers will pay a premium for brand-new product.

2 Income-in-Place

Each lot sold with an ADU already generating \$2,000/mo — a powerful mortgage offset for the buyer.

3 SFR Demand

IE median home price \$486K — new SFRs at \$600K position as premium but attainable for move-up buyers.

4 ADU Premium

Buyers value ADU income highly in this rate environment — \$2,000/mo = \$24K/yr toward mortgage.

5 Build & Sell Advantage

No long-term hold required — profit realized within 18–20 months of acquisition.

I · KEY ASSUMPTIONS

- New SFR value: \$675K (Yucaipa new const. \$595K–\$677K); Existing: \$550K
- ADU resale premium: \$420K–\$480K (cap. \$2,000/mo at 5% buyer rate)
- New construction: 1,400 sf SFR @ \$235/sf · 800 sf ADU @ \$215/sf
- P1 & P2 already remodeled — zero renovation cost
- Agent commissions 5% + closing 1% + staging/mktg \$7,500/lot
- All figures pre-tax and before debt service / financing costs
- Contingency 10% — for-sale standard (vs. 8% for build-hold)