

Introducing  
**THE CATALINA**

237 SPRUCE STREET SAN DIEGO, CA 92103

**BANKERS HILL**

Marcus & Millichap

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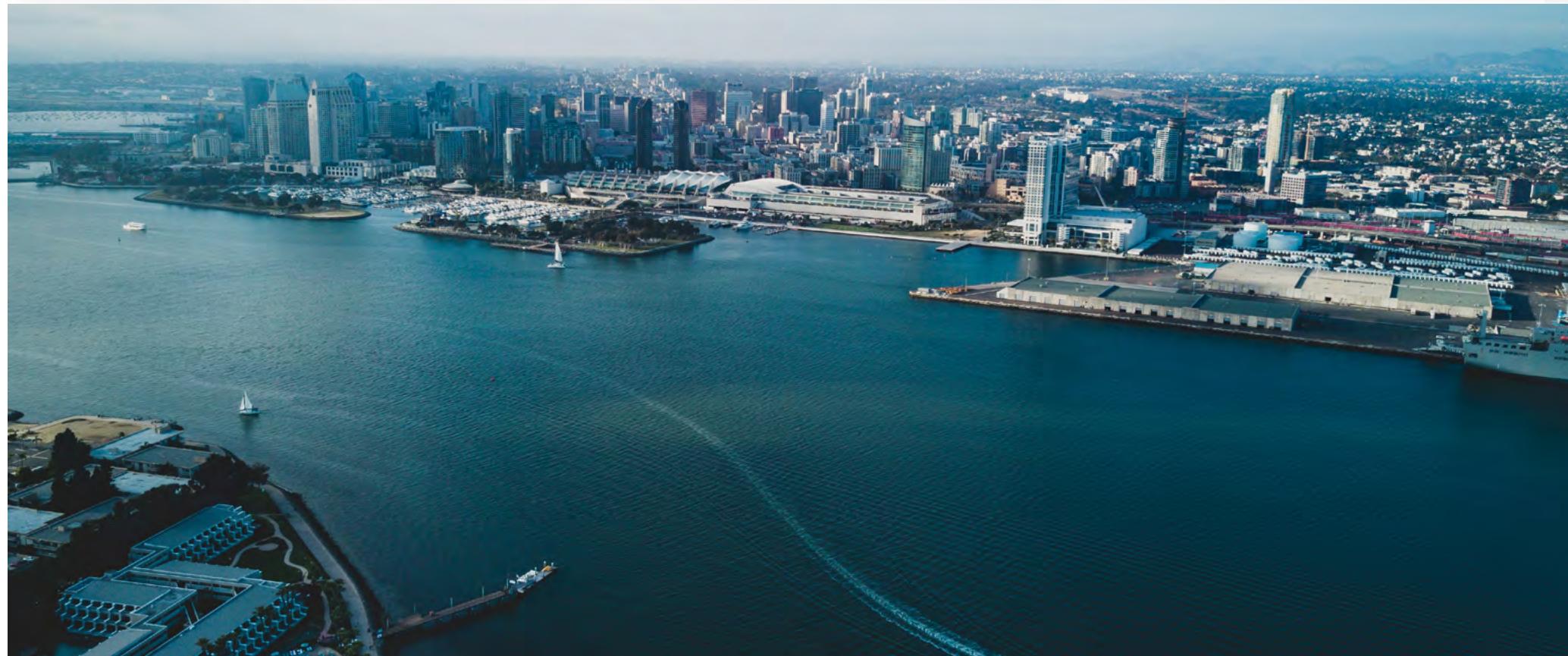
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# EXECUTIVE SUMMARY

Marcus & Millichap is pleased to present The Catalina located at 237 Spruce Street in San Diego, California. The 14-unit apartment complex is located in the highly desirable neighborhood of Bankers Hill and boasts a Walk Score of 85. Originally built in 1943 and renovated in 2005, the property sits on a 5,171 square foot lot and the building measures approximately 8,724 square feet.

The unit mix consists of (1) two bedroom / one bathroom unit, (12) junior one bed / one bath units, and a newly constructed studio. All junior one bedroom units have pocket doors separating the bedroom area from the living room and are significantly larger than typical units from this vintage. The property has been meticulously well-maintained with various capital improvements completed by current ownership. The exterior of the property has been updated with dual pane vinyl windows, fresh paint, and a fully rebuilt fire escape on the north side of the building. Both the electrical system and drain lines have been upgraded, as well as a newly upgraded sewer line with an epoxy liner. Attractive tenant offerings include secure gated entry, on-site laundry, and a third floor rooftop deck with expansive views of the San Diego Bay. Electricity is separately metered reducing operating costs to the owner. Through a more extensive interior renovation, an investor can bring current rents to market and maximize overall cash flow.

Located only two blocks from Fifth Avenue and three blocks from Balboa Park (which also hosts the San Diego Zoo), the property is centrally located to all the best both Bankers Hill and Hillcrest have to offer. A hub for entertainment and lifestyle, the area is perfect for residents looking for the perfect balance of a residential neighborhood with proximity to endless activities and attractions. As a highly desirable and walkable area, 237 Spruce Street ultimately presents investors the rare opportunity to acquire a well-maintained, value-add asset with significant rental upside that will only continue to benefit from appreciation and rent growth in one of San Diego's most premier rental markets.

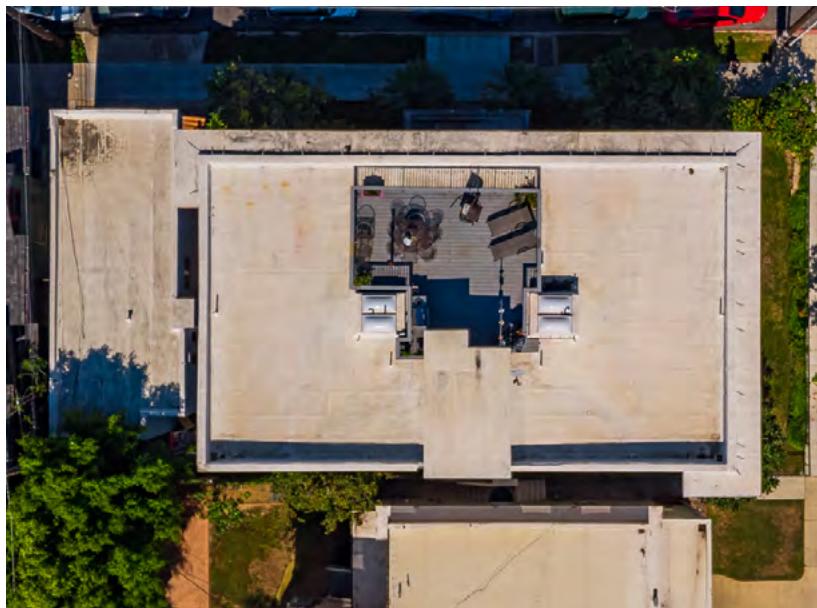


HIGHLIGHTS	
Premier Bankers Hill Location	
Three Blocks to Balboa Park	
Value-Add Opportunity	
Significant Rental Upside	
Newly Constructed Studio	
Dual Pane Windows	
Upgraded Electrical & Plumbing	
Newly Upgraded Sewer Line - Epoxy Liner	
Large Rooftop Deck	
On-Site Laundry	



# PROPERTY DESCRIPTION

Address	237 Spruce Street San Diego, CA 92103
Building SF	8,724 SF
Land	5,171 SF / 0.12 AC
Number of Units	14
Number of Stories	3
Number of Buildings	2
Year Built / Renovated	1913 / 2005
Parking	Street
Foundation	Raised
Roof	Flat
Electric	Tenant Pays
Gas	Owner Pays
Water	Owner Pays
Zoning	RM-3-7
APN	452-626-11-00
Ownership Type	Fee Simple



GASLAMP QUARTER

DOWNTOWN

LITTLE ITALY

SAN DIEGO BAY

THE CATALINA



HILLCREST

FIFTH AVENUE

BALBOA PARK

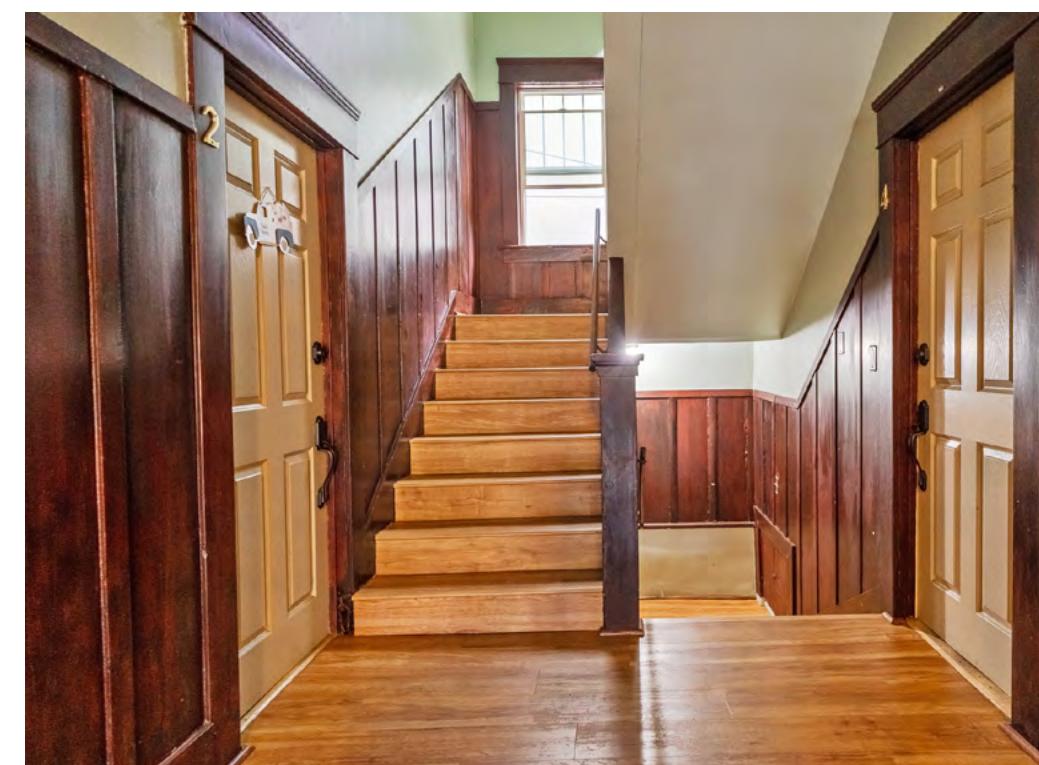
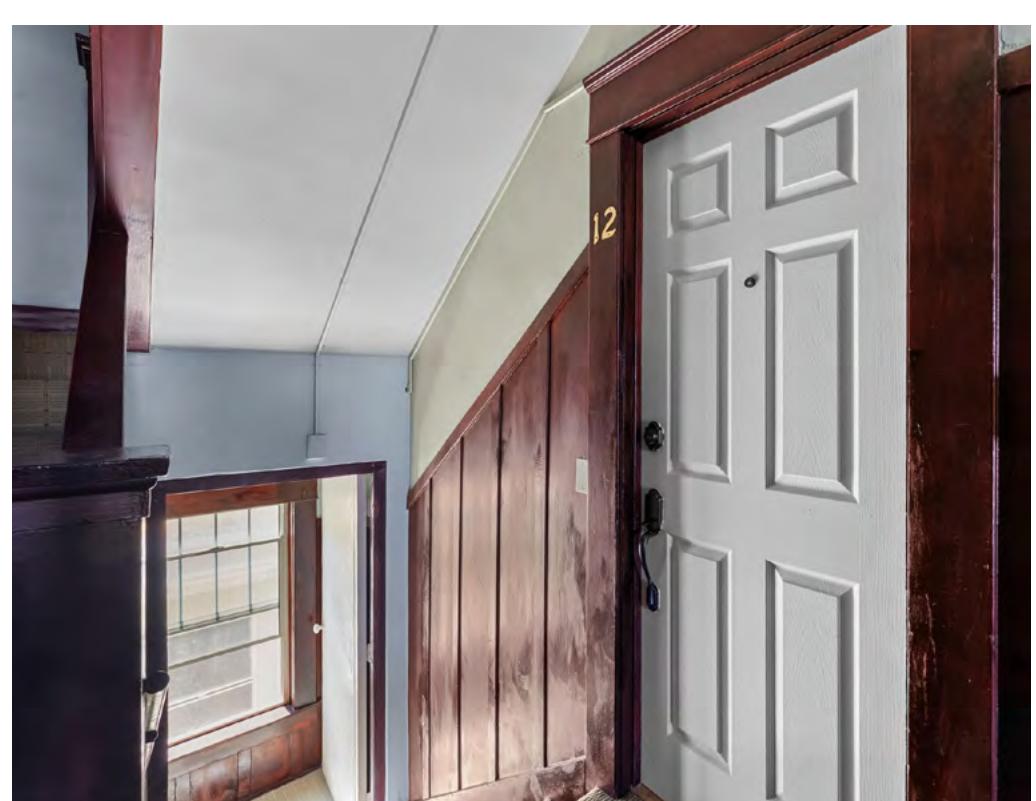
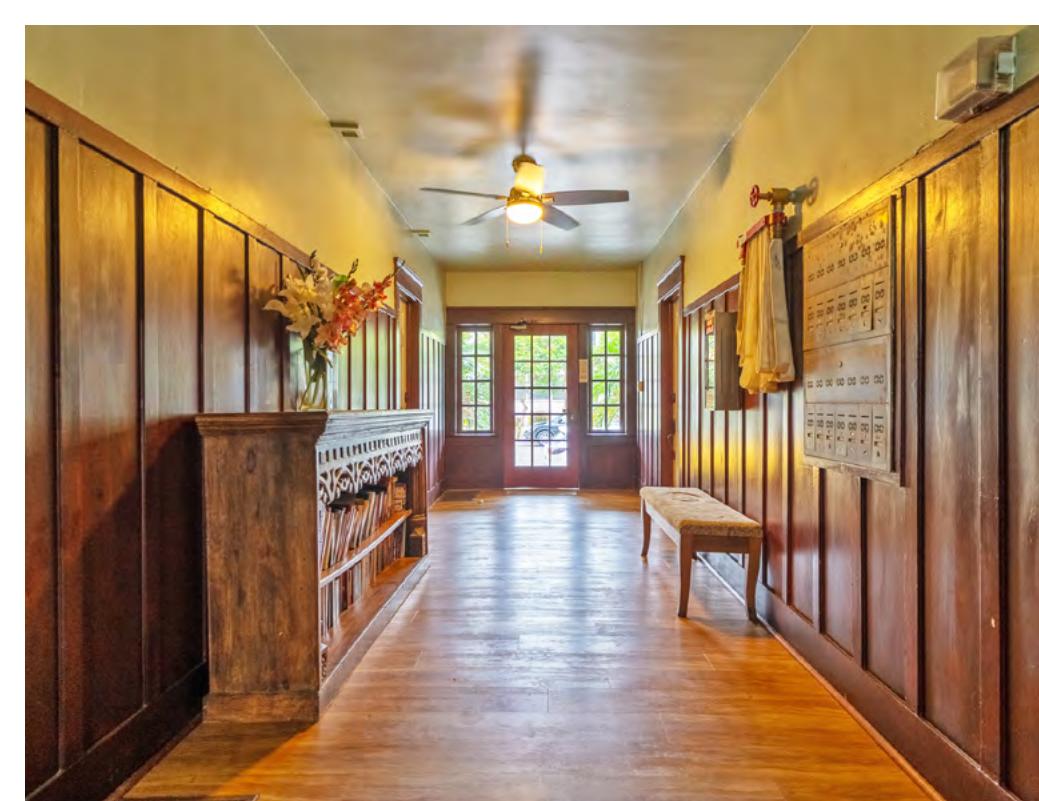
SAN DIEGO ZOO

THE CATALINA





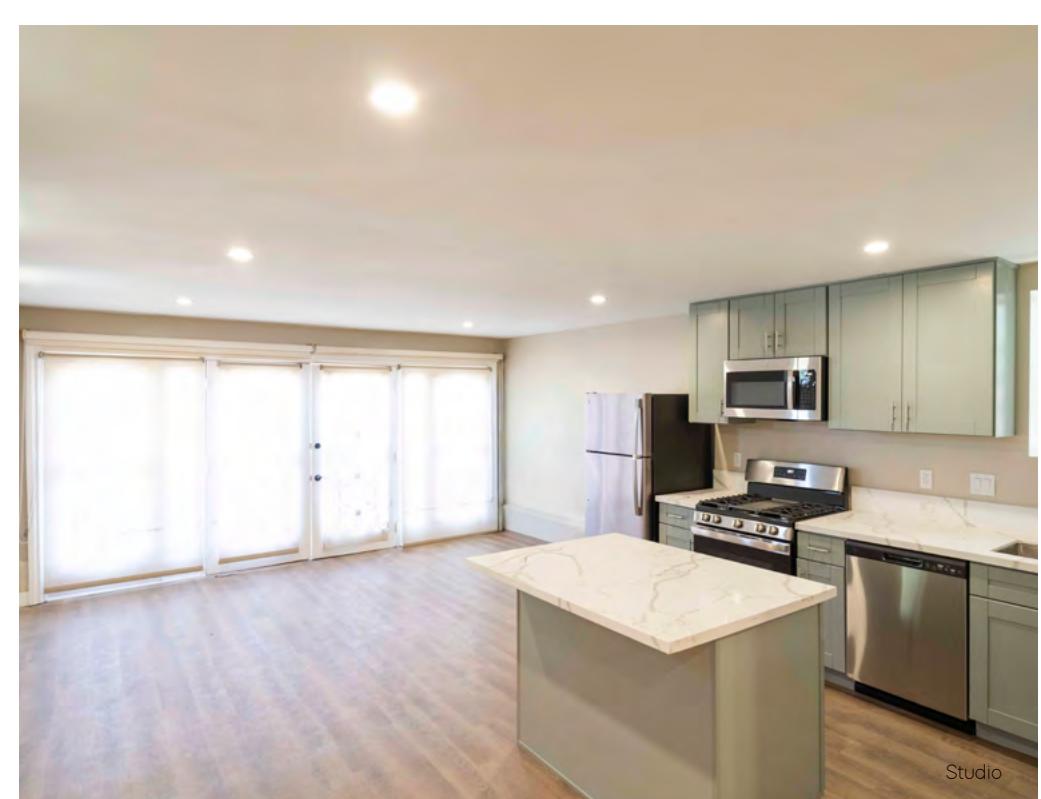




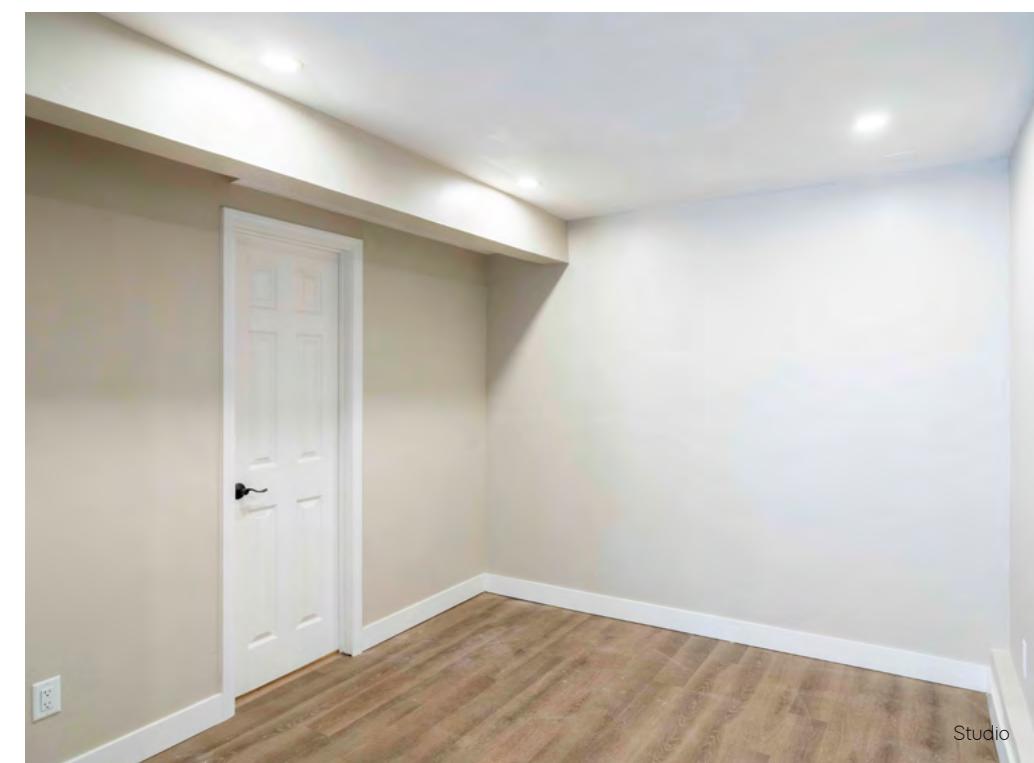




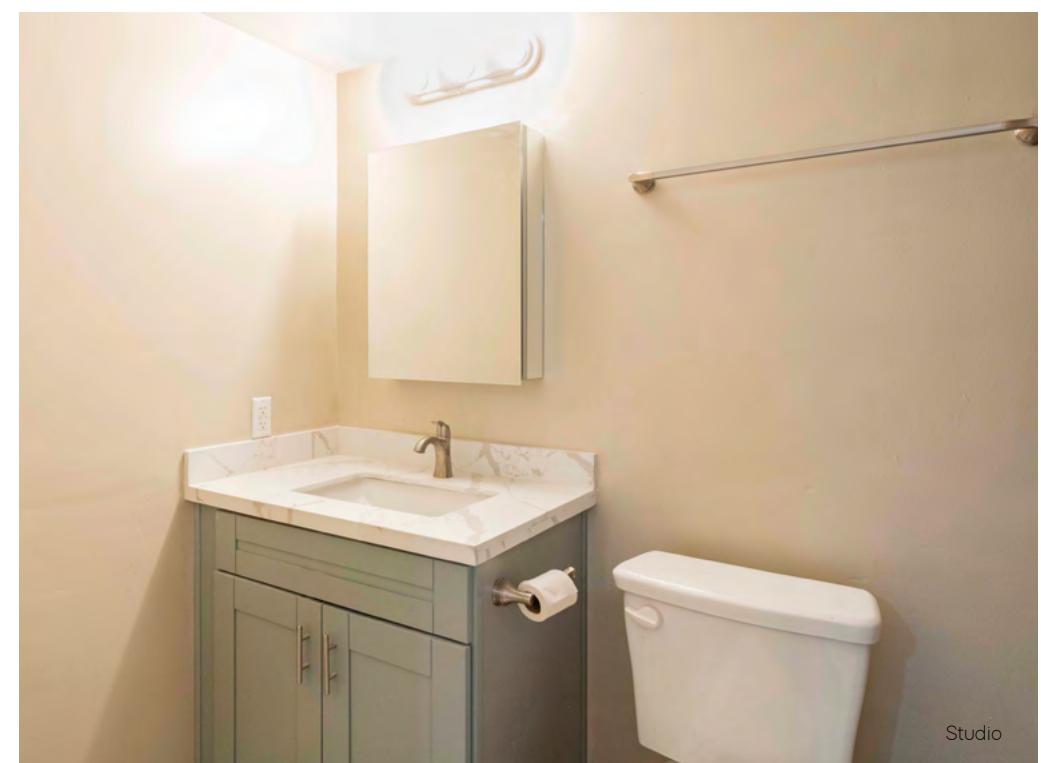
Studio



Studio



Studio



Studio

# THE NEIGHBORHOOD



85

WALK SCORE

53

TRANSIT SCORE

Sitting at the crossroads of San Diego is the highly coveted neighborhood of Hillcrest. Founded in the early 1900s, Hillcrest is located northwest of Balboa Park and east of Mission Hills.

The area's east end is marked by a towering rainbow Pride flag just off Hillcrest's main thoroughfare of University Avenue.

This landmark serves as the starting line for the mile-long annual LGBT parade held every July. Hillcrest's downtown area runs along University Avenue and down through Fifth Avenue.

Due to the bustle of this eclectic neighborhood, Hillcrest has a high rate of pedestrian activity, hosting a mix of ethnically diverse restaurants, nightclubs, breweries, and acclaimed wine

bars. The historic "Hillcrest" sign (see left) marks the neighborhood's "Village" area, presenting vintage clothing shops, trendy thrift stores, book outlets, and the multiplex Landmark Cinemas.

Farther south down Fifth Avenue sits Bankers Hill, one of San Diego's most upscale neighborhoods. Situated to the left of Balboa Park and just north of Downtown, the neighborhood is centrally located with easy access to all areas of San Diego.

Known for being rich in history, the neighborhood boasts a diverse mix of older and newer homes. Many of the older properties date back as early as the 1800s, with many being designed by famous architects, such as Irving Gill. Furthermore, the area is known for its walkability, with proximity to various bars, cafes, and restaurants.



# CURRENT RENT ROLL

Unit	Unit Type	Unit Size	SCHEDULED*	POTENTIAL
			Rent / Month	Rent / Month
A	2 Bed / 1 Bath	800	\$2,500	\$2,895
B	Studio	535	\$2,100	\$2,300
1	JR 1 Bed / 1 Bath	490	\$1,575	\$2,200
2	JR 1 Bed / 1 Bath	490	\$1,575	\$2,200
3	JR 1 Bed / 1 Bath	490	\$1,575	\$2,200
4	JR 1 Bed / 1 Bath	490	\$1,550	\$2,200
5	JR 1 Bed / 1 Bath	490	\$1,675	\$2,200
6	JR 1 Bed / 1 Bath	490	\$1,700	\$2,200
7	JR 1 Bed / 1 Bath	490	\$1,750	\$2,200
8	JR 1 Bed / 1 Bath	490	\$1,600	\$2,200
9	JR 1 Bed / 1 Bath	490	\$1,950	\$2,200
10	JR 1 Bed / 1 Bath	490	\$1,775	\$2,200
11	JR 1 Bed / 1 Bath	490	\$1,775	\$2,200
12	JR 1 Bed / 1 Bath	490	\$1,950	\$2,200



# PRICING 5 DETAIL

		PRICING SUMMARY	INCOME	CURRENT	YEAR 1
RETURNS		CURRENT	YEAR 1		
Cap Rate		4.38%	6.21%		
GRM		14.72	11.67		
Cash-on-Cash		1.75%	5.43%		
Debt Coverage Ratio		1.25	1.77		
FINANCING		FIRST LOAN			
Loan Amount		\$2,212,500			
Loan Type		New			
Interest Rate		5.75%			
Amortization		30 Years			
Year Due		2030			
UNIT MIX					
Unit	Unit Type	Average Rents	Market Rents		
1	2 Bed / 1 Bath	\$2,500	\$2,895		
12	JR 1 Bed / 1 Bath	\$1,704	\$2,200		
1	Studio	\$2,100	\$2,300		
EXPENSES		CURRENT	YEAR 1		
Real Estate Taxes		\$54,428			
Insurance		\$6,000			
Utilities		\$13,300			
Trash Removal		\$4,440			
Repairs & Maintenance		\$8,400			
Landscaping		\$1,800			
Pest Control		\$756			
General & Administrative		\$700			
Management Fee		\$11,810			
Total Expenses		\$101,634			
Expenses / Unit		\$7,260			
Expenses / SF		\$11.65			

# FINANCIAL NOTES

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1 Vacancy Rate based on Central San Diego average of 3%.

2 Projected utility bill back assumes \$50/month for JR 1-Bdrms and Studio, \$65/month for 2-Bdrm.

3 Other income based on owner's 2025 financials.

4 Property Taxes based on ad valorem rate of 1.23% of new purchase price.

5 Insurance based on current owner's insurance policy.

6 Utilities based on owner's 2025 financials.

7 Repairs and Maintenance based on market standard of \$600/unit/year.

8 Landscaping based on owner's 2025 financials.

9 Pest Control based on owner's 2025 financials.

10 General & Administrative expense based on market standard of \$50/unit/year.

11 Management fee based on owner's 2025 financials.

# SALE COMPARABLES



THE CATALINA  
237 Spruce Street San Diego, CA 92103



① 303 OLIVE STREET  
San Diego, CA 92103



② 2920 1ST AVENUE  
San Diego, CA 92103

SALE PRICE	\$4,425,000
Sale Date	On Market
Year Built / Renovated	1913 / 2005
Units	14
Price / SF	\$507.22
Price / Unit	\$316,071
Cap Rate	4.38%

SALE PRICE	\$3,550,000
Sale Date	02/05/2025
Year Built	1935
Units	10
Price / SF	\$664.26
Price / Unit	\$350,000
Cap Rate	4.87%

SALE PRICE	\$4,300,000
Sale Date	04/29/25
Year Built	1965
Units	14
Price / SF	\$484.45
Price / Unit	\$307,142
Cap Rate	4.04%

UNITS	UNIT TYPE
1	2 Bed / 1 Bath
12	JR 1 Bed / 1 Bath
1	Studio

UNITS	UNIT TYPE
10	1 Bed / 1 Bath

UNITS	UNIT TYPE
1	2 Bed / 2 Bath PH
3	2 Bed / 1 Bath
5	1 Bed / 1 Bath
4	Studio

# SALE COMPARABLES



3  
2522-36 2ND AVENUE  
San Diego, CA 92103



4  
4030 FRONT STREET  
San Diego, CA 92103



5  
3836 FRONT STREET  
San Diego, CA 92103

SALE PRICE	\$2,400,000	SALE PRICE	\$4,150,000	SALE PRICE	\$6,070,000
Sale Date	05/27/25	Sale Date	07/25/25	Sale Date	04/03/25
Year Built	1950	Year Built	1969	Year Built	1972
Units	8	Units	14	Units	18
Price / SF	\$580.27	Price / SF	\$455.74	Price / SF	\$380.45
Price / Unit	\$300,000	Price / Unit	\$296,428	Price / Unit	\$337,222
Cap Rate	3.70%	Cap Rate	4.20%	Cap Rate	3.86%

UNITS	UNIT TYPE	UNITS	UNIT TYPE	UNITS	UNIT TYPE
8	1 Bed / 1 Bath	4	2 Bed / 1 Bath	3	1 Bed / 1 Bath
		8	1 Bed / 1 Bath	3	1 Bed / 1.5 Bath
		2	Studio	3	2 Bed / 1 Bath
				9	2 Bed / 2 Bath

# RENT COMPARABLES



THE CATALINA  
237 Spruce Street San Diego, CA 92103



701 ROBINSON AVENUE  
San Diego, CA 92103



4177 FIRST AVENUE  
San Diego, CA 92103

UNIT TYPE	2 Bed / 1 Bath JR 1 Bed / 1 Bath Studio
Year Built / Renovated	1913 / 2005
Rent	\$2,500 \$1,775 \$2,100
SF	800 490 535
Rent / SF	\$3.13 \$3.62 \$3.93

UNIT TYPE	Studio
Year Built	2021
Rent	\$2,300
SF	519
Rent / SF	\$4.43

UNIT TYPE	Studio
Year Built	-
Rent	\$2,395
SF	520
Rent / SF	\$4.61

# RENT COMPARABLES



3  
234-36 WEST JUNIPER STREET  
San Diego, CA 92101



4  
311-19 HAWTHORN STREET  
San Diego, CA 92101



5  
THE BARCELONA  
326 Juniper Street San Diego, CA 92101

UNIT TYPE	1 Bed / 1 Bath	UNIT TYPE	1 Bed / 1 Bath	UNIT TYPE	1 Bed / 1 Bath
Year Built	1989	Year Built	1948	Year Built	1923
Rent	\$2,295	Rent	\$2,350	Rent	\$2,400
SF	540	SF	600	SF	413
Rent / SF	\$4.25	Rent / SF	\$3.92	Rent / SF	\$5.81

# RENT COMPARABLES



2417-31 FIFTH AVENUE  
San Diego, CA 92101



3355-67 FOURTH AVENUE  
San Diego, CA 92103

UNIT TYPE	2 Bed / 1 Bath	UNIT TYPE	2 Bed / 1.5 Bath
Year Built	1940	Year Built	-
Rent	\$2,900	Rent	\$3,000
SF	1,080	SF	1,150
Rent / SF	\$2.69	Rent / SF	\$2.61

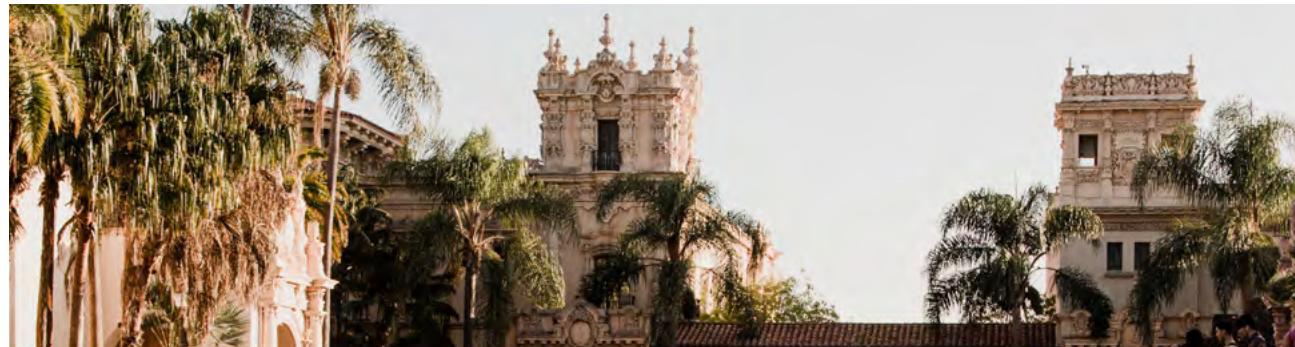
# MARKET OVERVIEW

Located on the coast of the Pacific Ocean in southern California, San Diego is widely known as "America's Finest City." Famous for its miles and miles of white-sand beaches and amazing weather, the city offers an abundance of fun attractions for visitors of all ages.

Boasting a city-wide population of more than 1.4 million and more than 3 million residents countywide, San Diego is California's second largest city and the United States' eighth largest. San Diego County is made up of 18 incorporated cities and towns along with other charismatic neighborhoods and communities such as Carlsbad, Coronado, Del Mar, downtown San Diego's Gaslamp Quarter, Point Loma, Chula Vista, Old Town, La Jolla, and North Park.

Located only a few miles north of San Diego's bustling downtown, the vibrant uptown neighborhood of Hillcrest offers an array of bars, restaurants, coffee houses, boutiques, and unique shops. Lauded for its welcoming vibe and pedestrian-friendly streets, the area spans a dozen blocks west from the Pride flag along University Avenue among a colorful mix of ethnically diverse restaurants, nightclubs, and acclaimed wine bars. This lively stretch also hosts one of the largest farmers markets in San Diego on Sundays. University Avenue leads into the neighborhood's "Village" area designated by the historic, neon "Hillcrest" sign. On interesting Fifth Avenue, you'll find a concentration of new and established restaurants, as well as a few dessert-centric eateries.

Just south of Hillcrest sits Balboa Park, the largest urban cultural park in North America and a hub for recreation, arts, culture, and community gatherings. The park is home to 21 museums and performing arts venues, ornate Spanish-Renaissance architecture, 1,200 acres of beautiful gardens, and the world-famous San Diego Zoo.



3,286,069  
POPULATION

1,139,899  
HOUSEHOLDS

34.9  
MEDIAN AGE

\$88,240  
MEDIAN INCOME

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