

# 3928 Alabama St



## OFFERING MEMORANDUM

NORTHMARQ SAN DIEGO 12230 EL CAMINO REAL #200, SAN DIEGO CA 92130



# 3928 Alabama St

San Diego, CA 92104



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**3928 Alabama St** ✨

San Diego, CA 92104



# THE ASSET







# The Offering

*3928 Alabama Street*

**3928 Alabama Street** is a solid 12 unit building in North Park near University Heights, Hillcrest and Morley Field with individual APNs for eight of the units. The approximately 6,714 square foot three-story structure was built in 1970 and is situated on a 7,118 square foot lot. The strong unit mix features six 2 Bed / 1.5 Bath units and two 1 Bed / 1 Bath units with dishwashers as well as a two 1 Bedroom and two Studio ADUs. The property features ample parking and remodeled units with additional upside in the rents.



North Park is one of the most desirable rental markets in all of San Diego County. Geographically, the property is situated to the northeast of Balboa Park, bounded on the north by the canyons overlooking Mission Valley, on the south by Switzer Canyon and the Grant Hill neighborhood, on the east by and City Heights, and on the west by Florida Canyon and Balboa Park.

Like other urban San Diego communities, North Park has a high rate of pedestrian activity, relative to other regions of San Diego County. North Park is one of the most diverse communities in San Diego. Businesses and residential neighborhoods alike reflect this diversity. There have been many redevelopment projects by the city of San Diego in North Park and an improvement of the tenant-base over the last decade

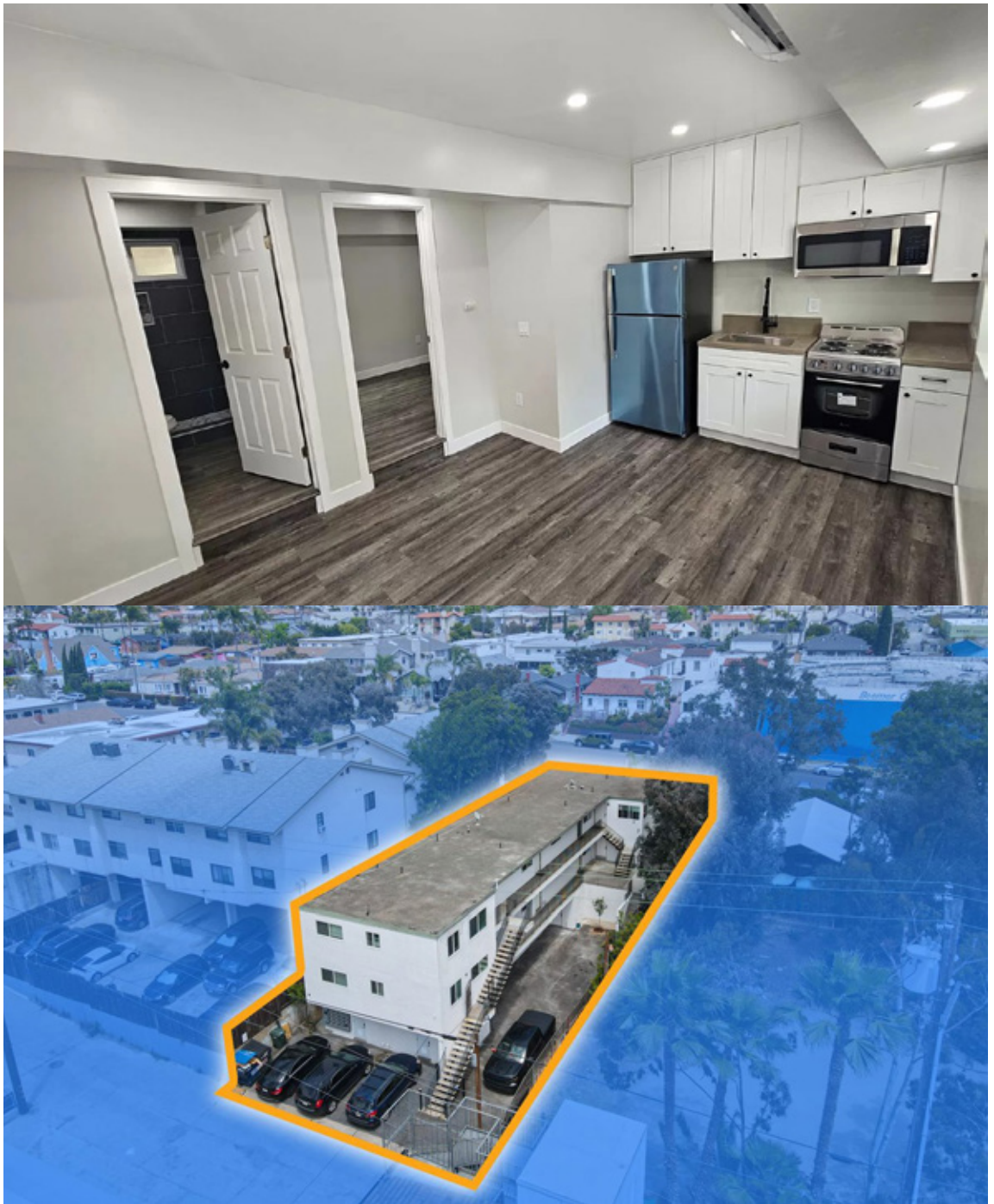


**DOWNTOWN  
SAN DIEGO**

**SAN DIEGO  
INTERNATIONAL  
AIRPORT**







LOCATION DESCRIPTION

# SAN DIEGO & SURROUNDING SUBMARKETS

This property is located in North Park which is one of the most desirable rental markets in all of San Diego County. Geographically, the property is situated to the northeast of Balboa Park, bounded on the north by Adams Avenue and the canyons overlooking Mission Valley and Normal Heights, on the south by the South Park neighborhood, on the west by Hillcrest and Midtown, and on the east by Interstate 805.

Like other urban San Diego communities, North Park has a high rate of pedestrian activity, relative to other regions of San Diego County. North Park is one of the most diverse communities in San Diego. Businesses and residential neighborhoods alike reflect this diversity. There have been many redevelopment projects by the city of San Diego in North Park and an improvement of the tenant-base over the last decade.

*The city of San Diego thrives in its diversity, vibrancy, and coastal vibes.*

## NORTH PARK NEIGHBORHOOD QUICK FACTS



**135K**  
POPULATION  
WITHIN 2 MILES



**65%**  
RENTER-OCCUPIED HOUSING  
UNITS WITHIN 2 MILES



**\$659K**  
MEDIAN HOUSING UNIT  
VALUE WITHIN 2 MILES



### CENTRALLY LOCATED WITH EASY ACCESS TO MAIN THOROUGHFARES

Major thoroughfares include El Cajon Boulevard and Texas Street. The property is located just west of the 805 and south of the 8 freeways.



**62K**  
HOUSEHOLDS  
WITHIN 3 MILES



**\$73K**  
MEDIAN HOUSEHOLD  
INCOME WITHIN 2 MILES



**4.3%\***  
CITY UNEMPLOYMENT RATE  
\*PRELIMINARY FOR MAY 2023

### NEIGHBORHOOD SHOPPING | FASHION VALLEY

**4.0 MILES**  
FROM THE PROPERTY

**LUXURY**  
SHOPS & DINING

**200+**  
TOTAL STORES

APPLE | NORDSTROM | LULULEMON

### NEIGHBORHOOD CONVENIENCES



WITHIN A FIVE TO TEN-MINUTE DRIVE FROM THE PROPERTY



### PRIMARY EDUCATION

**98K**  
STUDENTS SERVED

**200+**  
SCHOOLS & CENTERS

**15K**  
JOBS SUPPORTED

BIRD ROCK ELEMENTARY (K-5) | MARSHALL MIDDLE (6-18) | LA JOLLA HIGH (9-12)

### DEMAND DRIVERS



**5.7 MILES**  
FROM THE PROPERTY

**6K+**  
JOBS SUPPORTED

**400K+**  
STUDENTS



**9.2 MILES**  
FROM THE PROPERTY

**10K+**  
JOBS SUPPORTED

**500+**  
FLIGHTS/DAY



**2.6 MILES**  
FROM THE PROPERTY

**100+**  
JOBS SUPPORTED

**8K**  
SF OF SPACE



**3928 Alabama St** ✨

San Diego, CA 92104





# FINANCIAL ANALYSIS







UNITS	ADDRESS	CITY	ZIP
12	3928 Alabama Street	San Diego	92104

PRICE	GRM		CAP RATE		\$/UNIT
	CURRENT	MARKET	CURRENT	MARKET	
\$4,350,000	13.6	12.0	5.0%	6.0%	\$362,500

\$/SF (APPROX.)	GROSS SF (APPROX)	PARCEL SIZE (APPROX.)	YEAR BUILT (APPROX.)
\$647.90	6,714	7,118	1970

INCOME DETAIL			
# UNITS	TYPE	RENT	TOTAL
<b>Estimated Actual Average Rents</b>			
6	2BR/1.5BA	\$2,519	\$15,114
2	1Br/1Ba	\$2,175	\$4,350
2	1Br ADU	\$1,950	\$3,900
2	Studio ADU	\$1,600	\$3,200
Laundry Income (owned)			\$0
<b>Total Monthly Income</b>			<b>\$26,564</b>

Estimated Market Rents			
# UNITS	TYPE	RENT	TOTAL
6	2BR/1.5BA	\$3,000	\$18,000
2	1Br/1Ba	\$2,400	\$4,800
2	1Br ADU	\$1,950	\$3,900
2	Studio ADU	\$1,750	\$3,500
Laundry Income (owned)			\$0
<b>Total Monthly Income</b>			<b>\$30,200</b>

ESTIMATED ANNUAL OPERATING PROFORMA			
		Actual	Market
Gross Scheduled Income		\$318,768	\$362,400
Less: Vacancy Factor	3%	\$9,563	\$10,872
Gross Operating Income		\$309,205	\$351,528
Less: Expenses	29%	\$91,824	\$91,824
Net Operating Income		\$217,381	\$259,704
Less: 1st TD Payments		(\$172,288)	(\$172,288)
Pre-Tax Cash Flow		\$45,093	\$87,416
Cash On Cash Return		2.6%	5.0%
Principal Reduction		\$36,661	\$36,661
Total Potential Return (End of Year One)		5%	7%

ESTIMATED ANNUAL OPERATING EXPENSES			
Advertising	\$0	Management (Off Site)	\$15,938
Elevator	\$0	Management (On Site)	\$0
Gas & Electric	\$2,400	Licenses & Fees	\$150
Water & Sewer	\$4,200	Miscellaneous	\$0
Landscaping	\$1,200	Reserves	\$0
Trash Removal	\$2,400	Pool	\$0
Pest Control	\$0	Insurance	\$8,031
Maintenance	\$4,000	Taxes	\$53,505

**Total Annual Operating Expenses (estimated): \$91,824**

**Expenses Per: Unit \$7,652**  
**% of Actual GSI 29%**

### FINANCING SUMMARY

**Downpayment: \$1,750,000**  
**40%**

**Interest Rate: 5.250%**

**Amortized over: 30 Years**

**Proposed Loan Amount: \$2,600,000**

**Debt Coverage Ratio:**

Current: 1.26  
Market: 1.51



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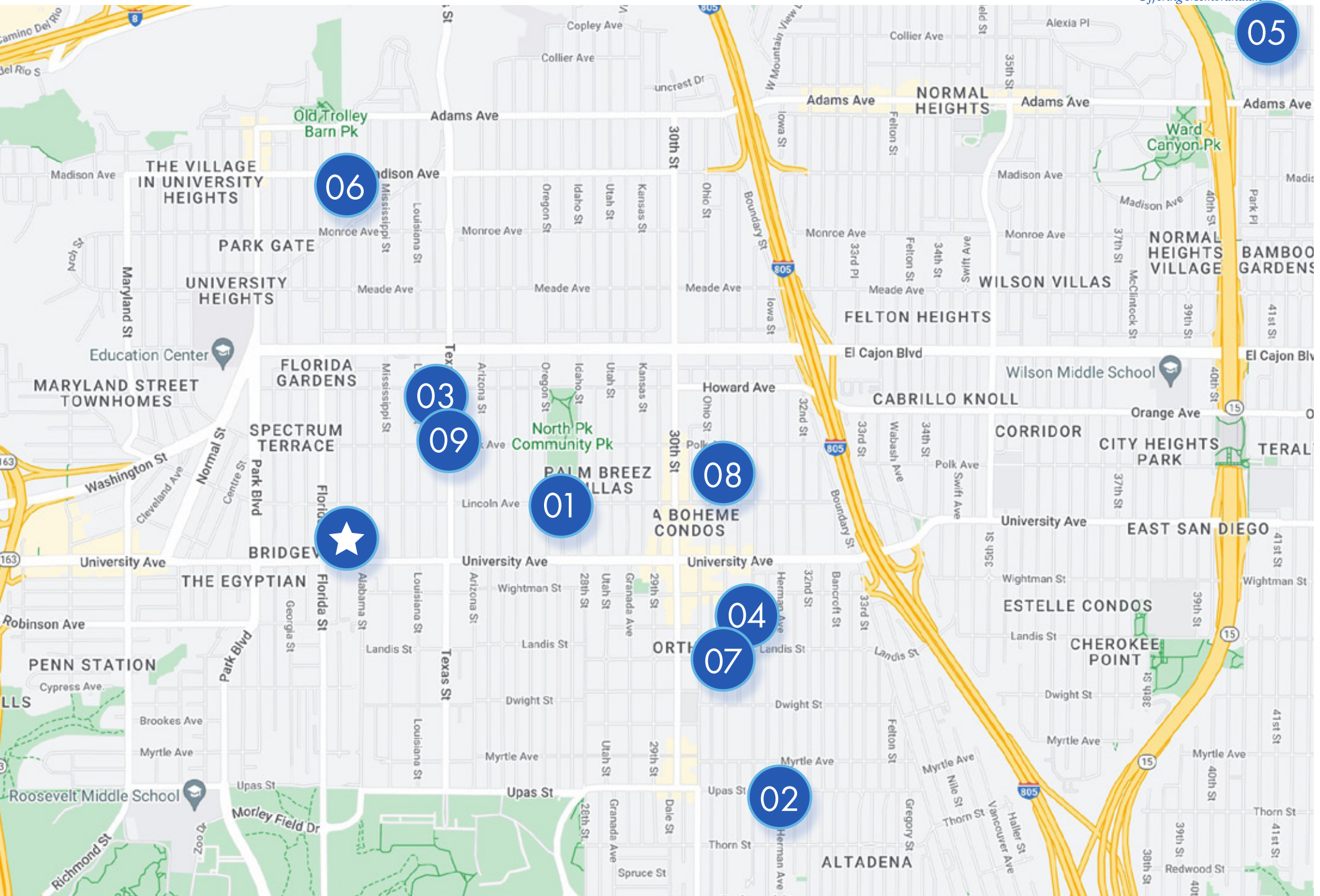
# MARKET COMPARABLES



# Sales Comparables

#	Address	Year Built	Units	Size SF	Sale Date	Sale Price	Price/Unit	Price/SF
1	3981 OREGON ST	1966	9	5,553 SF	APRIL 2024	\$4,535,000	\$503,889	\$816.68
2	3373-3379 HERMAN AVE	1912	5	4,310 SF	APRIL 2024	\$2,425,000	\$485,000	\$562.65
3	4160 TEXAS ST	1986	7	5,911 SF	APRIL 2024	\$2,750,000	\$392,857	\$465.23
4	3746 31ST ST	1968	7	5,412 SF	APRIL 2024	\$2,700,000	\$385,714	\$498.89
5	5050-5070 MARLBOROUGH DR	1940	11	9,300 SF	MARCH 2024	\$4,900,000	\$445,455	\$526.88
6	4560 ALABAMA ST	1924	5	2,234 SF	JANUARY 2024	\$2,100,000	\$420,000	\$940.02
7	3687 GRIM AVE	1939	6	4,000 SF	DEC 2023	\$2,547,000	\$424,500	\$636.75
8	4042-4048 ILLINOIS ST	1931	5	2,989 SF	NOV 2023	\$2,395,000	\$479,000	\$801.27
9	4170 TEXAS ST	1980	7	5,224 SF	NOV 2023	\$2,900,000	\$414,286	\$555.13
<b>AVERAGES</b>						<b>\$3,028,000</b>	<b>\$438,967</b>	<b>\$644.83</b>







01



**The Abington**  
3918 Arizona Street  
San Diego, CA 92104

48 Units  
2023 Year Built  
92.2% Occupancy

TYPE	UNITS	SF	MARKET RENT	\$ / SF
Studio	1	448	\$2,495	\$5.57
1 Bd/1 Ba	28	560	\$2,795	\$4.99
1 Bd/1 Ba - Den	3	653	\$2,271	\$3.48
2 Bd/1 Ba	12	711	\$3,695	\$5.20
2 Bd/2 Ba	4	783	\$3,885	\$4.96
<b>Avg.</b>	<b>48</b>	<b>620</b>	<b>\$3,072</b>	<b>\$4.96</b>

02



**Evoc Hillcrest**  
3935 Normal Street  
San Diego, CA 92103

82 Units  
2023 Year Built  
N/A Occupancy

TYPE	UNITS	SF	MARKET RENT	\$ / SF
Studio	8	469	\$2,450	\$5.22
1 Bd/1 Ba	16	526	\$2,560	\$4.87
2 Bd/2 Ba	58	800	\$3,700	\$4.63
<b>Avg.</b>	<b>82</b>	<b>714</b>	<b>\$3,356</b>	<b>\$4.70</b>

03



**Casa Verde**  
3066 N Park Way  
San Diego, CA 92104

94 Units  
2023 Year Built  
N/A Occupancy

TYPE	UNITS	SF	MARKET RENT	\$ / SF
Studio	82	517	\$2,600	\$5.03
1 Bd/1 Ba	12	600	\$3,000	\$5.00
<b>Avg.</b>	<b>94</b>	<b>528</b>	<b>\$2,651</b>	<b>\$5.02</b>

04



**AZUL North Park**  
4499 Ohio Street  
San Diego, CA 92116

150 Units  
2022 Year Built  
95.0% Occupancy

TYPE	UNITS	SF	MARKET RENT	\$ / SF
Studio	47	579	\$2,686	\$4.64
1 Bd/1 Ba	56	715	\$3,330	\$4.66
2 Bd/2 Ba	47	1,048	\$4,295	\$4.10
<b>Avg.</b>	<b>150</b>	<b>777</b>	<b>\$3,431</b>	<b>\$4.42</b>

05



**Secoya by the Park**  
3067 5th Avenue  
San Diego, CA 92103

100 Units  
2022 Year Built  
98.6% Occupancy

TYPE	UNITS	SF	MARKET RENT	\$ / SF
Studio	73	411	\$2,284	\$5.56
1 Bd/1 Ba	17	565	\$2,967	\$5.25
2 Bd/2 Ba	10	737	\$3,278	\$4.45
<b>Avg.</b>	<b>100</b>	<b>470</b>	<b>\$2,500</b>	<b>\$5.32</b>

06



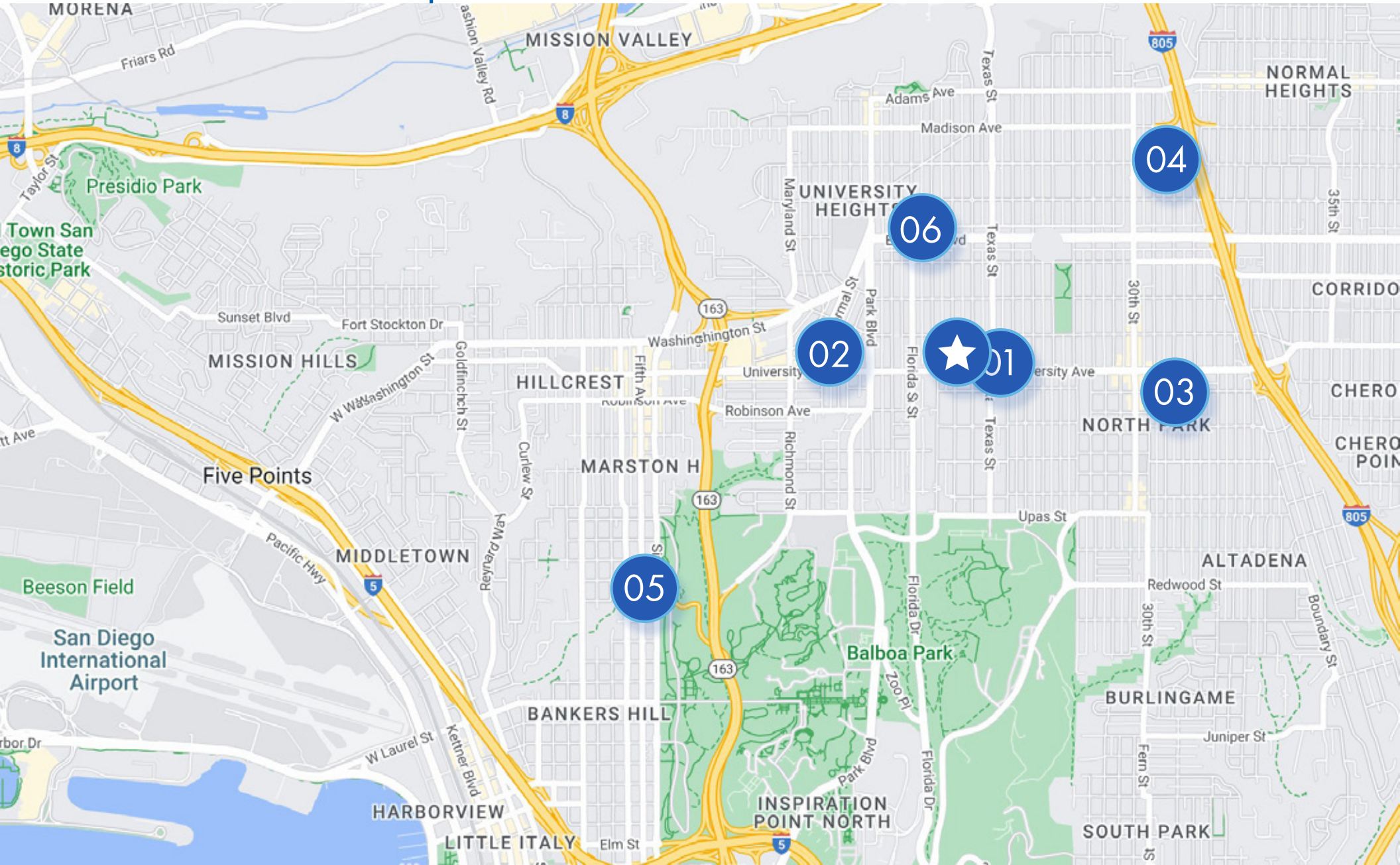
**The BLVD North Park**  
2020 El Cajon Blvd  
San Diego, CA 92104

165 Units  
2019 Year Built  
97.6% Occupancy

TYPE	UNITS	SF	MARKET RENT	\$ / SF
1 Bd/1 Ba	146	744	\$3,310	\$4.45
2 Bd/2 Ba	19	831	\$3,695	\$4.45
<b>Avg.</b>	<b>165</b>	<b>754</b>	<b>\$3,354</b>	<b>\$4.45</b>



# Rental Comparables





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SAN DIEGO  
12230 EL CAMINO REAL #200  
SAN DIEGO CA 92130