

# MULTI-FAMILY DEVELOPMENT OPPORTUNITY IN MISSION VALLEY

10505 & 10509 SAN DIEGO MISSION ROAD  
SAN DIEGO, CA 92108  
[SANDIEGODEVELOPMENTLAND.COM](http://SANDIEGODEVELOPMENTLAND.COM)

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# THE OPPORTUNITY

## BY-RIGHT MINISTERIAL MULTI-FAMILY DEVELOPMENT

SUBJECT PROPERTY	
<b>Addresses</b>	10505 & 10509 San Diego Mission Road
<b>2 APNs</b>	434-041-07-00, 434-041-06-00
<b>Property Type</b>	Office/Retail
<b>Lot Sizes</b>	18,719 & 32,670 SF
<b>Total Land Size</b>	51,389 SF/1.18 Acres
<b>Building Sizes</b>	2,103 & 10,934 SF
<b>Year Built</b>	1973
<b>Parking</b>	61 Spaces
<b>Zoning</b>	RMX-1
<b>Base FAR</b>	3.0
<b>Base Zone</b> <b>Allowable Units</b>	106
<b>Complete Communities FAR</b>	4.0
<b>Height Limit</b>	120 Feet

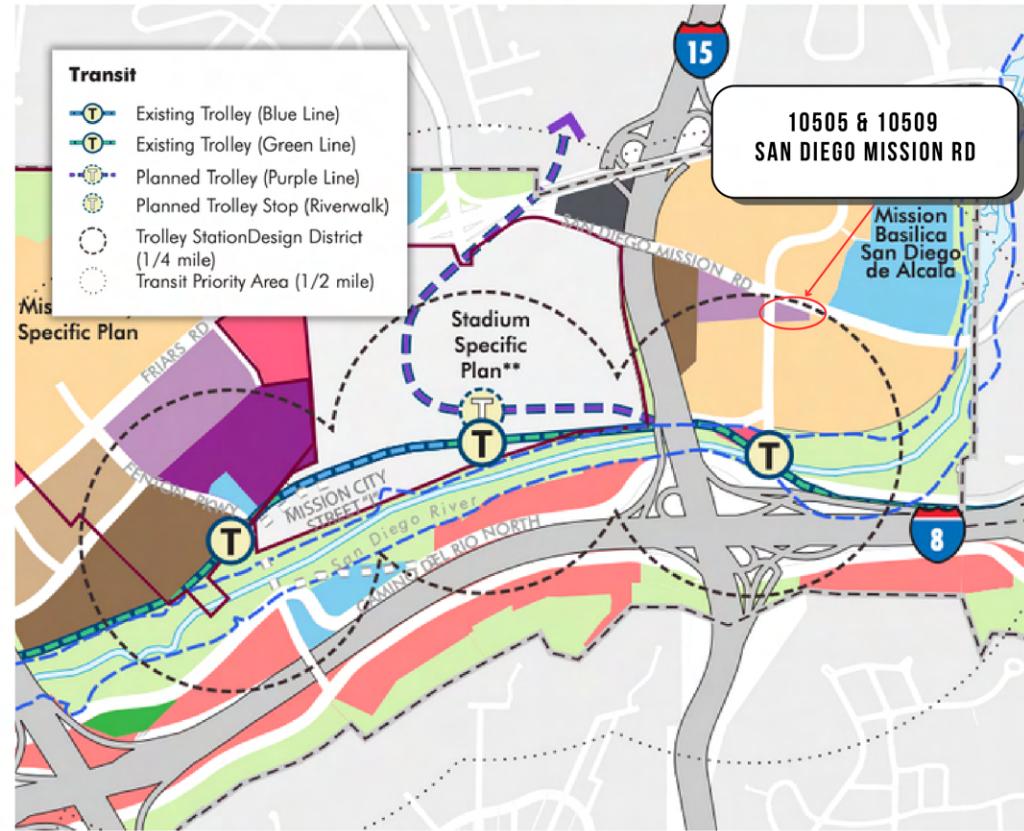


Under San Diego's new affordable housing density bonus programs, this site can be developed into approx. 200,000 square feet of residential units **as a by-right project**. Meaning, the permit can be processed ministerially (administratively). Per the City of San Diego: **"If a project complies, the City must, by law, issue a permit."** There is no need for Planning Commission, Board of Zoning Approval or City Council Approval.

The Mission Valley Community Plan adopted in 2019 increased the allowable number of units for this zone to 89 per acre, or 106 units for this site, and San Diego's Complete Communities program increased this further. Delve into the details of this a once in a lifetime investment in an area where strong rental demand will only continue to rise.

# THE LOCATION

Nestled within a “special attention area” Trolley Station Design District per Mission Valley’s adopted 2019 Community Plan, this site offers an unparalleled opportunity to invest in a location on the brink of a renaissance. The ambitious community plan aims to remake Mission Valley into a vibrant, eco-conscious urban enclave, complete with quality jobs, immediate access to unrivaled retail and entertainment, as well as green spaces and mobility infrastructure that encourage healthy outdoor living. The beautification of the 1/4 mile between this site and the Mission San Diego Trolley Stop will lead seamlessly to the sprawling riverfront park, which will have 80+ acres of recreation and open spaces, bike and pedestrian paths, bridges and plazas surrounded by native species.

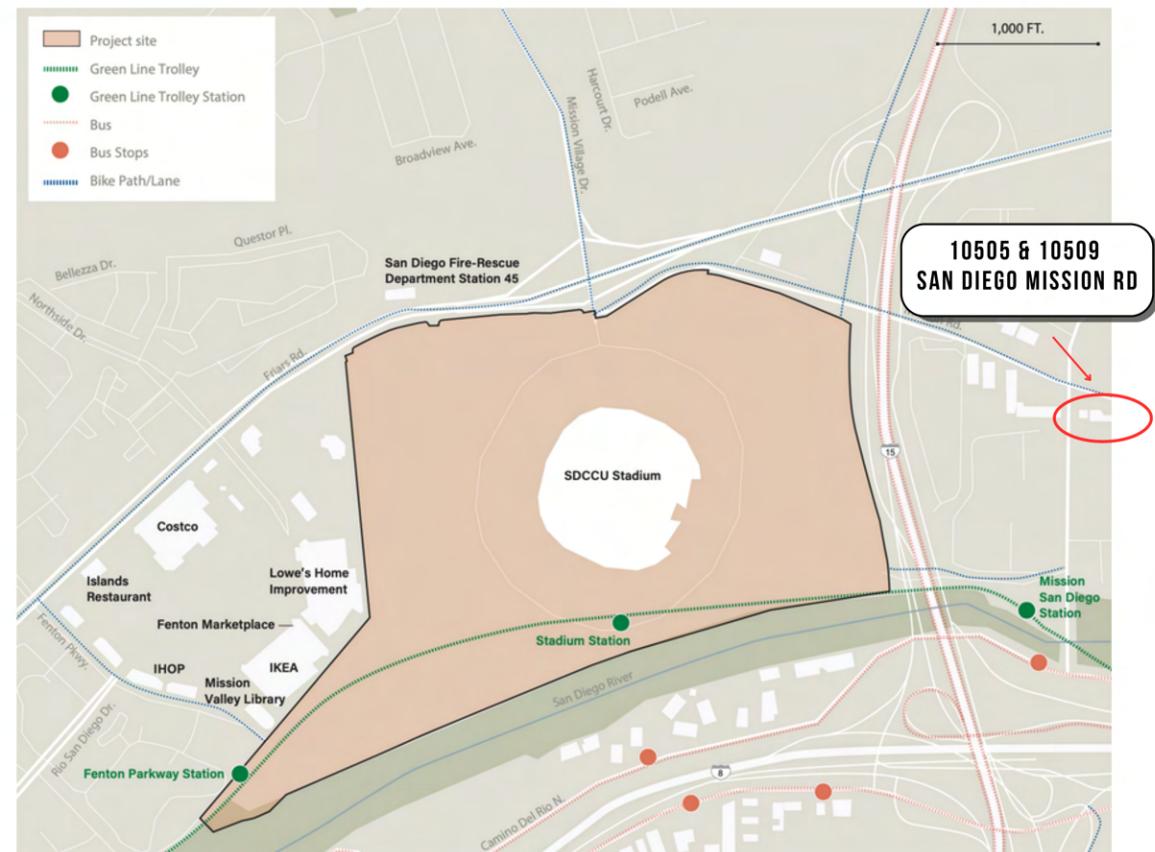


# SAN DIEGO STATE UNIVERSITY MISSION VALLEY CAMPUS

## 1/4-MILE FROM FUTURE \$3 BILLION DEVELOPMENT

A very short walk from the site is Snapdragon Stadium and the future SDSU Mission Valley Campus, which is projected to be a \$3 billion dollar investment in the area and will include:

- **80+ acres of parks, recreation & open space**
- **4 miles of bike and pedestrian paths**
- **1.6 million square feet of research & innovation space**
- **95,000 square feet of retail & entertainment space**
- **Hotel & conference space**
- **Snapdragon Stadium**



# SAN DIEGO STATE UNIVERSITY MISSION VALLEY CAMPUS

## PARKS, PEDESTRIAN PATHS & OPEN SPACE DIRECTLY CONNECTING TO RANCHO MISSION RD

The next phase in the SDSU development, slated for completion near the end of 2023, is the 34-acre River Park, which will include a reconfigured southeast entry road from Rancho Mission Road, with a bike and pedestrian corridor separate from vehicle traffic. Between this and the beautification from the Mission Valley Trolley Station Design District, connecting to world class entertainment and recreation will be a literal walk in the park.

Land Use

- Project Boundary
- Site Entry Points
- Multi-Use Stadium
- Campus Residential
- Campus Academic/Innovation
- Campus Hotel and Conference Center
- Campus Green Space
- Community Parks, Recreation and Open Space
- Retail and Commercial Overlay
- Hike and Bike Trail
- Hike and Bike Loop
- Bike Routes
- Existing San Diego Trolley Green Line
- Maintenance Road



# COMPARABLE RENT SURVEY

# MISSION VALLEY



COMPLEX	1-BD RENT	1-BD SQ FT	2-BD RENT	2-BD SQ FT
The Townsend	\$3,190	750	\$4,070	1,087
Metro Mission Valley	\$2,900	726	\$3,643	1,105
Promenade	\$2,662	750	\$2,947	1,084
West Park @ Civita	\$2,893	620	\$3,605	1,045
Purl Apartments @ Civita	\$3,139	640	\$3,929	1,064
Circa 37	\$3,034	760	\$3,722	1,174
Felix @ The Society	n/a	n/a	\$4,015	1,164
Margo @ The Society	\$3,232	775	\$3,962	1,115
Ruby @ The Society	\$2,819	731	\$3,891	1,158
Bradbury @ The Society	\$3,381	845	\$3,795	1,096

## AVERAGE RENT & SIZE

1-BD RENT	1-BD SQ FT	2-BD RENT	2-BD SQ FT
\$3,028	733	\$3,758	1,109

# HYPOTHETICAL DEVELOPMENT PLAN & PRO FORMA

## COMPLETE COMMUNITIES

BUILDING POTENTIAL	
<b>Lot Size (Total) Per Assessor</b>	51,389 SF
<b>Complete Communities FAR 4.0 - Gross Bldg SF</b>	205,556 SF
<b>Less Hallways, Stairwells, Lifts &amp; Office (20%)</b>	(41,111 SF)
<b>Net Rentable Square Feet</b>	<b>164,445 SF</b>

Development impact fees of \$12,316/unit are waived for all affordable units and any units below 500 square feet.

Complete Communities requires 15% of base zone allowable units (106) to be affordable at 50% AMI, 10% at 60% AMI, and 15% at 120% AMI (Area Median Income).



OPERATING PRO FORMA	
<b>Total # of 499-SF 1-Bed Units</b>	<b>329</b>
<b># of Regular Priced Units</b>	286
<b># of Affordable Units @ 50% AMI</b>	16
<b># of Affordable Units @ 60% AMI</b>	11
<b># of Affordable Units @ 120% AMI</b>	16
<b>Average Rent - Market Rate</b>	\$3,028
<b>Affordable Rent @ 50% AMI</b>	\$1,379
<b>Affordable Rent @ 60% AMI</b>	\$1,655
<b>Affordable Rent @ 120% AMI</b>	\$2,803
<b>Monthly Gross Income</b>	<b>\$951,125</b>
<b>Annual Gross Income</b>	<b>\$11,413,500</b>
<b>Less Vacancy (5%)</b>	(\$570,675)
<b>Effective Gross Income</b>	\$10,842,825
<b>Less Operating Expenses (35%)</b>	(\$3,794,989)
<b>Net Operating Income (Annual)</b>	<b>\$7,047,836</b>

# HYPOTHETICAL DEVELOPMENT PLAN & PRO FORMA

## MICRO UNITS 100% DENSITY BONUS



BUILDING POTENTIAL	
<b>Lot Size (Total) Per Assessor</b>	51,389 SF
<b>Lot Acres</b>	1.18
<b>Base Zone RMX-1 Allowance</b>	89 units/acre
<b>Base Zone Allowable Units</b>	106
<b>Bonus Units</b>	106
<b>Total Units Allowed</b>	<b>218</b>
<b>Total Rentable Square Feet</b>	<b>130,800</b>

Micro units 100% density bonus allows you to double the number of units as long as the average unit size is 600 square feet. It is not limited by FAR, so long as 10% of the base zone allowable units are affordable at 50% of AMI. No development impact fee waiver.

OPERATING PRO FORMA	
<b>Total # of 600-SF 1-Bed Units</b>	<b>218</b>
<b># of Regular Priced Units</b>	207
<b># of Affordable Units @ 50% AMI</b>	11
<b>Average Rent - Regular Unit</b>	\$3,028
<b>Affordable Rent @ 50% AMI</b>	\$1,379
<b>Monthly Gross Income</b>	<b>\$641,965</b>
<b>Annual Gross Income</b>	<b>\$7,703,580</b>
<b>Less Vacancy (5%)</b>	(\$385,179)
<b>Effective Gross Income</b>	\$7,318,401
<b>Less Operating Expenses (35%)</b>	(\$2,561,440)
<b>Net Operating Income (Annual)</b>	<b>\$4,756,961</b>

\* A full feasibility study has not been performed. The scenarios above were prepared with the help of an architect and are believed to be accurate but are not guaranteed. All projections are approximate and should be confirmed by Buyer's architect and other development professionals. Buyer to perform its independent due diligence and verify any/all development and/or income potential. Neither Empey Realty nor Seller represent or warrant the accuracy or completeness of the information contained herein and expressly disclaim any representations or warranties, express or implied, contained in or omitted from this Offering Memorandum.

# CURRENT RENT ROLL INCOME & EXPENSE



BUILDING/UNIT	RENT	UTILITY CONTRIBUTION	SF	LEASE EXPIRES
<b>10509 San Diego Mission Rd - Office &amp; Retail - Modified Gross Leases</b>				
A/G	\$5,806	\$295	2852	3/2026 w/ 3-year option
B	\$2,728	\$200	1,621	12/2023
F	Owner	N/A	1,856	N/A
K - Retail	\$2,400	\$0	1,509	MTM
P	Vac	N/A	519	N/A
Q	\$1,688	\$75	868	3/2024
R	\$515	\$0	312	MTM
S/T	\$1,643	\$100	913	12/2024
U	\$675	\$20	177	9/2024
V	\$668	\$25	307	10/2025
<b>10505 San Diego Mission Rd - 7-Eleven - NNN Lease including taxes, CAM &amp; insurance</b>				
7-Eleven	\$9,250	N/A	2,103	5/2028
<b>Monthly Gross Income</b>	<b>\$25,373</b>	<b>\$715</b>		
<b>Annual Gross Income</b>	<b>\$304,476</b>	<b>\$8,580</b>		<b>13,037 Total SF</b>
<b>Operating Expenses</b>	(\$186,781)			
<b>Net Operating Income</b>	<b>\$126,274</b>			

# A NEW LIFE FOR MISSION VALLEY

# A LEGACY INVESTMENT



Don't miss this opportunity to benefit from SDSU's and the City's major investments in the revitalization of this area. This is an asset to keep in the portfolio for generations to come!



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