

1105-1111 Sutter St ✨

San Diego, CA 92103



OFFERING MEMORANDUM

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

1105-1111 Sutter St ✨

San Diego, CA 92103



This document/email has been prepared by Northmarq for advertising and general information only. Northmarq makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Northmarq excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Northmarq and/or its licensor(s).

© 2023. All rights reserved.

SAN DIEGO 12230 EL CAMINO REAL #220, SAN DIEGO CA 92130

LISTED BY

Investment Sales

BENN VOGELSANG

Senior Vice President

C 858.675.7869 E bvogelsang@northmarq.com

CA DRE #01883437

Debt & Equity

CONOR FREEMAN

Vice President

C 858.675.7661 E cfreeman@northmarq.com

CA DRE #02047832

WYATT CAMPBELL

Vice President

T 858.675.7860 E wcampbell@northmarq.com

CA DRE #01996524

TABLE OF
Contents

THE ASSET	04
THE FINANCIALS	12
MARKET COMPARABLES	16

1105-1111 Sutter St ✨

San Diego, CA 92103



THE ASSET





The Offering

1105-1111 Sutter Street

1105-1111 Sutter Street is a 6-unit mixed use property located in Mission Hills. The property consists of 2 structures totaling approximately 4,470 square feet situated on a large 13,021 square foot lot connecting to a canyon. There is large, common patio area with picnic tables and a basketball hoop below the structures as well as multiple decks. The unit mix features an approximately 1000 square foot commercial space, two large 900-1000 square foot 2 Bedroom / 1 Bathroom units as well as three 1 Bedroom / 1 Bathroom units.

The Location

Mission Hills

Mission Hills has some of the highest home prices in the city of San Diego with most properties being single family or boutique retail. Mission Hills is located just south of the San Diego River valley and north of downtown San Diego, overlooking Old Town and San Diego Bay. It was subdivided on January 20, 1908 as a smaller portion of what is now referred to as Mission Hills. The City of San Diego describes Mission Hills as being the area north of Horton Avenue, South of Mission Valley, West of Goldfinch Street and Reynard Way, and East of the Old Town community area. Mission Hills is part of the 92103 zip code area. It is part of the Uptown community planning area.

The area is primarily residential, with some small shops and restaurants. The area was developed in the early 20th century and most of the houses are still from that era, often carefully preserved and restored. Homes there were also often designed by San Diego's premier architects.

The main business streets are University Ave. and Washington St. Other major streets are Ft. Stockton Dr. and Sunset Blvd. Cross streets are named for birds, in alphabetical order from Albatross to Lark. Mission Hills contains two historic districts recognized by the City of San Diego.



07
1105-1111 SUTTER ST.



Mission Hills Overview

Widely regarded as one of San Diego's finest neighborhoods, Mission Hills features elegant homes along tree-lined streets, a thriving business district, and above all, a strong sense of community.

Adjacent to the vibrant neighborhood of Hillcrest and perched above Old Town and Mission Valley, Mission Hills is located just a few miles northwest of downtown. With its lush landscaping and winding canyons, driving into Mission Hills is like entering an oasis. However, its central location and easy transportation access means you are just minutes from all that San Diego has to offer.

Mission Hills has come to be synonymous with some of San Diego's finest examples of historic architecture. Its first home, Villa Orizaba, was built in 1887 and subsequent subdivisions such as

Avalon and Inspiration Heights were developed in the early 20th century. Now collectively known as Mission Hills, these homes were built in a variety of styles including Craftsman Bungalows, Prairie Homes, and Spanish and Mission Revival. Some of San Diego's finest architects worked in the area, such as William E. Hebbard, Richard Requa, and Jonathan Segal. The architectural diversity of the neighborhood is one of its finest features today.



The abundant greenery and beautiful gardens of Mission Hills are also famous throughout San Diego. Much of the neighborhood owes thanks to Kate Sessions, also known as the Mother of Balboa Park, who opened a nursery in the neighborhood in 1910. Still in business today, the Mission Hills Nursery is San Diego's longest running nursery and a gathering point for community green thumbs.

In addition to its warm residential feel, Mission Hills has an active business community offering fine dining, shops, and services within walking distance for its residents. Local business owners join residents as active members of the community, evidenced through multiple annual events celebrating the neighborhood's great history and continued success.

Public schools in Mission Hills are part of the San Diego Unified School District. The public elementary school is Ulysses S. Grant Elementary School, which has grades K-8. Since there is no public high school in the neighborhood, students are given the choice of attending Point Loma High School or San Diego High School.

Several private and religious schools are located in Mission Hills. The best known is the lower school campus of the private Francis Parker School, founded in 1912.



1105-1111 Sutter St ✨

San Diego, CA 92103



FINANCIAL ANALYSIS



**BALBOA
PARK**

**DOWNTOWN
SAN DIEGO**



Reynard Way

Sutter St

Ibis St

UNITS	ADDRESS	CITY	ZIP
6	1105-1111 Sutter Street	San Diego	92103

PRICE	GRM		CAP RATE		\$/UNIT
	CURRENT	MARKET	CURRENT	MARKET	
\$2,300,000	16.0	11.5	3.8%	6.2%	\$383,333

\$/SF (APPROX.)	GROSS SF (APPROX)	PARCEL SIZE (APPROX.)	YEAR BUILT (APPROX.)
\$514.54	4,470	13,021	-

INCOME DETAIL			
# UNITS	TYPE	RENT	TOTAL
Estimated Actual Average Rents			
1	SALON	\$2,987	\$2,987
2	2Br/1Ba	\$2,025	\$4,050
3	1Br/1Ba	\$1,647	\$4,941
Laundry Income (leased)			\$32
Total Monthly Income			\$12,010

Estimated Market Rents			
# UNITS	TYPE	RENT	TOTAL
1	SALON	\$3,500	\$3,500
2	2Br/1Ba	\$3,000	\$6,000
3	1Br/1Ba	\$2,400	\$7,200
Laundry Income (leased)			\$32
Total Monthly Income			\$16,732

ESTIMATED ANNUAL OPERATING PROFORMA			
		Actual	Market
Gross Scheduled Income		\$144,120	\$200,784
Less: Vacancy Factor	4%	\$5,765	\$8,031
Gross Operating Income		\$138,355	\$192,753
Less: Expenses	35%	\$50,821	\$50,821
Net Operating Income		\$87,534	\$141,932
Less: 1st TD Payments		(\$70,147)	(\$70,147)
Pre-Tax Cash Flow		\$17,387	\$71,784
Cash On Cash Return		1.3%	5.4%
Principal Reduction		\$11,973	\$11,973
Total Potential Return (End of Year One)		2%	6%

ESTIMATED ANNUAL OPERATING EXPENSES			
Advertising	\$0	Management (Off Site)	\$7,206
Elevator	\$0	Management (On Site)	\$0
Gas & Electric	\$1,200	Licenses & Fees	\$90
Water & Sewer	\$4,500	Miscellaneous	\$0
Landscaping	\$1,200	Reserves	\$0
Trash Removal	\$0	Pool	\$0
Pest Control	\$300	Insurance	\$3,035
Maintenance	\$5,000	Taxes	\$28,290

Total Annual Operating Expenses (estimated): \$50,821

Expenses Per: Unit \$8,470
% of Actual GSI 35%

FINANCING SUMMARY

Downpayment: \$1,325,000
58%

Interest Rate: 6.000%
Amortized over: 30 Years

Proposed Loan Amount: \$975,000

Debt Coverage Ratio:
Current: 1.25
Market: 2.02

1105-1111 Sutter St ✨

San Diego, CA 92103



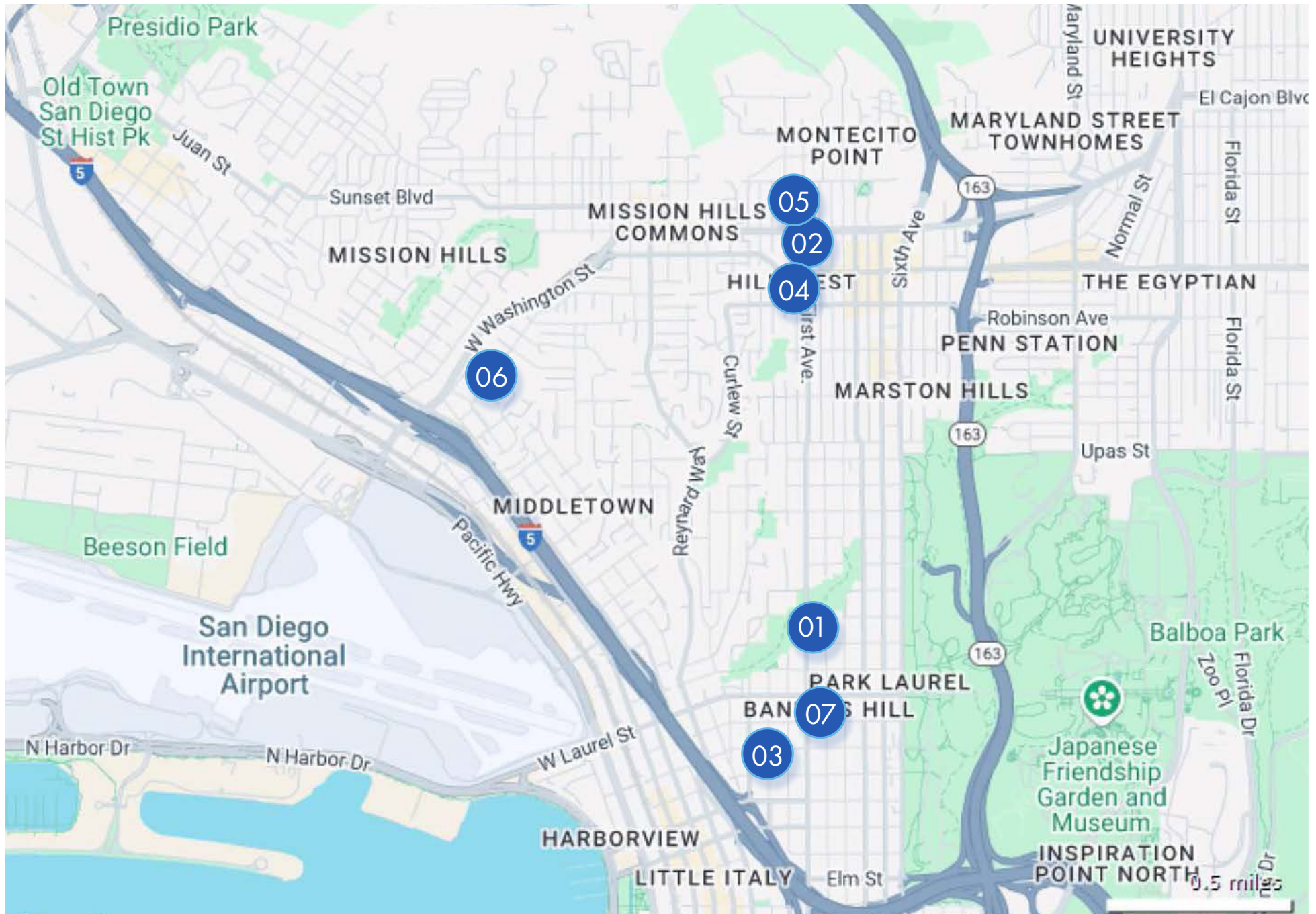
MARKET COMPARABLES



Sale Comparables



#	Address	Built	Units	Size SF	Sale Date	Sale Price	Price/Unit	Price/SF	Cap
1	4061-65 FRONT ST	1932	5	3,523 SF	NOV 2024	\$1,640,000	\$328,000	\$465.51	-
2	1633-1643 GUY ST	1930	6	3,200 SF	NOV 2024	\$1,900,000	\$316,667	\$593.75	5.8%6
3	3960 1ST ST	1955	13	8,256 SF	SEPT 2024	\$5,995,400	\$461,185	\$726.19	4.09%
4	2256 ALBATROSS ST	-	7	9,622 SF	JUNE 2024	\$3,000,000	\$428,571	\$311.79	-
5	2725-2735 1ST AVE	-	6	7,416 SF	MAY 2024	\$2,000,000	\$250,000	\$269.69	1.50%
6	128 KALMIA ST	1922	6	6,078 SF	MAY 2024	\$2,340,000	\$390,000	\$385.00	4.01%
7	3833 FRONT ST	1967	12	6,249 SF	JAN 2024	\$4,750,000	\$395,833	\$760.12	4.95%
					AVERAGES	\$3,089,343	\$367,179	\$501.72	3.64%



Rent Comparables

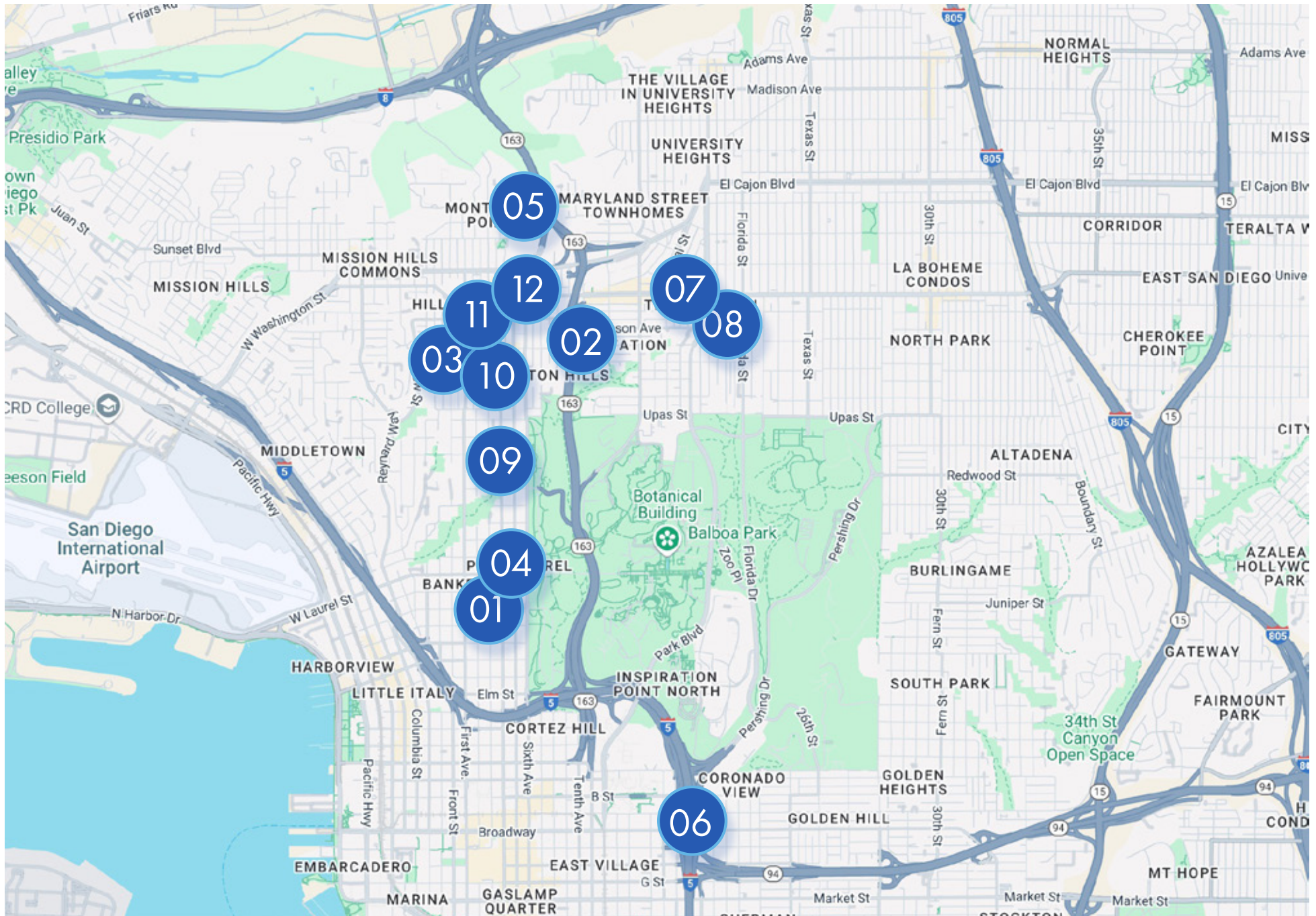


RESIDENTIAL

#	Property Name	Built	Unit Mix	Size SF	Rent/Unit	Rent/SF
1	THE BARCELONA	2005	1 BED / 1 BATH	456 SF	\$2,350	\$5.15
2	PARK VIEW	1985	1 BED / 1 BATH	510 SF	\$2,488	\$4.88
3	PARK EAST	1970	1 BED / 1 BATH	600 SF	\$2,393	\$3.99
4	4TH AVENUE	1969	2 BED / 2 BATH	1,044 SF	\$2,822	\$2.70
5	SLEEPY HOLLOW	1965	2 BED / 2 BATH	1,025 SF	\$2,691	\$2.63
6	GOLDEN PACIFIC	1988	2 BED / 2 BATH	1,000 SF	\$2,588	\$2.59
				773 SF	\$2,555	\$3.66

RETAIL

#	Property Name	Size SF	Rent/Unit
7	1727 UNIVERSITY AVE	1,000 SF	\$42.00/+U&CH
8	3783-3789 PARK BLVD	1,367 SF	\$48.00/MG
9	3138-3172 5TH AVE	661 SF	\$45.24/MG
10	3603-3609 4TH AVE	1,000 SF	\$42.00/MG
11	325 ROBINSON AVE	750 SF	\$45.00/+U&CH
12	501 UNIVERSITY AVE	1,578 SF	\$49.92/MG





Northmarq

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