



**OFFERING MEMORANDUM**  
**9 UNITS | CENTRALLY LOCATED CITY HEIGHTS LOCATION**

2642 - 2648 44TH STREET - SAN DIEGO, CA 92105

858.360.3000 ■ [caacre.com](http://caacre.com)





# OFFERING MEMORANDUM

2642 - 2648 44TH STREET - SAN DIEGO, CA 92105

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## Confidentiality & Agency Agreement

Seller has retained Commercial Asset Advisors as exclusive advisor for the sale of the above referenced property. The Investment Offering Memorandum and/or financial materials hereinafter referred to as “marketing materials” has been prepared by Commercial Asset Advisors for use by a limited number of parties and does not purport to provide a necessarily accurate summary of the property or any of the documents related hereto, nor does it purport to be all inclusive or to contain all of the information which perspective investors may need or desire. All projections have been developed by Seller, Commercial Asset Advisors, and designated sources and are based upon assumptions relating to the general economy, competition, and other forces beyond the control of the Seller and are therefore subject to variation.

The information listed in the marketing materials has been obtained from sources we believe to be reliable, however, no representation is made by Seller or Commercial Asset Advisors as to the accuracy or the completeness of the information contained herein and nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of the Property. Seller and its employees, disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Seller, Commercial Asset Advisors, and their employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omission from, the Investment Offering Memorandum, or any other written or oral communication transmitted or made available to the recipient. Analysis and verification of the information contained in the Investment Offering Memorandum is solely the responsibility of the prospective purchaser.

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The Investment Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting the Investment Offering Memorandum, you agree that you will hold and treat it in the strictest of confidence, that you will not photocopy or duplicate it, that you will not disclose the Investment Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you if necessary, for your determination of whether or not to make a proposal and from whom you have obtained the agreement of confidentiality) without prior written authorization of Seller and Commercial Asset Advisors and that you will not use the Investment Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Seller, Seller’s tenants, or Commercial Asset Advisors.

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2648



# 1

## EXECUTIVE SUMMARY

## OFFERING

2642 - 2648 44TH STREET - SAN DIEGO, CA 92105

Commercial Asset Advisors is pleased to present the opportunity to acquire a turnkey 9-unit multifamily asset located in the centrally positioned lower City Heights area of San Diego. The 9,391 sqft lot is comprised of three separate buildings: a 6 unit apartment building consisting of (4) 1 bedroom units and (2) 2 bedroom units, a duplex with (2) 2 bedroom/1 bath units, and a detached 2 bedroom/1 bath house. The asset includes 11-12 on-site parking spaces, along with ample street parking.

This property offers strong in-place financial metrics at a 5.81% cap rate with additional room for growth. An investor looking to maximize returns might consider renovating the units, which could achieve a pro forma cap rate of 7.05%, excluding renovation costs. The detached house could receive a fully fenced yard and private driveway to maximize rental income.





# OPPORTUNITY HIGHLIGHTS

2642 - 2648 44TH STREET - SAN DIEGO, CA 92105

Price	\$ 2,400,000
Number of Units	Nine (9)
Price Per Unit	\$ 266,667
Parking	11 - 12 Spaces
Year Built	1984
APN	476-491-33-00
Improvements	6,185 SF
Lot Size	9,391 SF
Metering	Gas & Electric Individual
In-Place Cap Rate	5.81 %
Proforma Cap Rate	7.05 %



Low Density & Well-Parked Asset



Walking Distance to Hamilton Elementary School



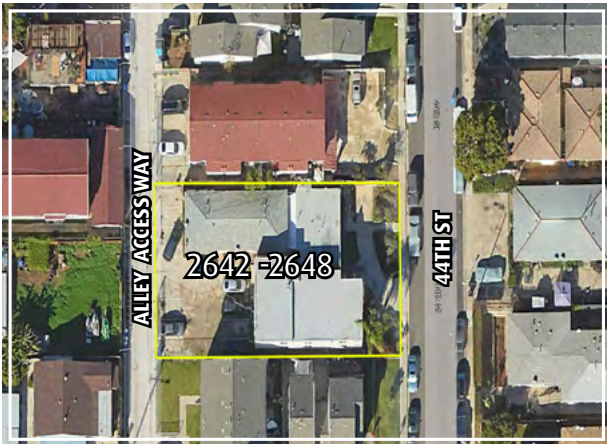
Central Location Near Primary Employment & Entertainment



Strong In-Place 6% + Cash on Cash Return



15% Upside in Rents

















# 2

## SALES COMPARABLES





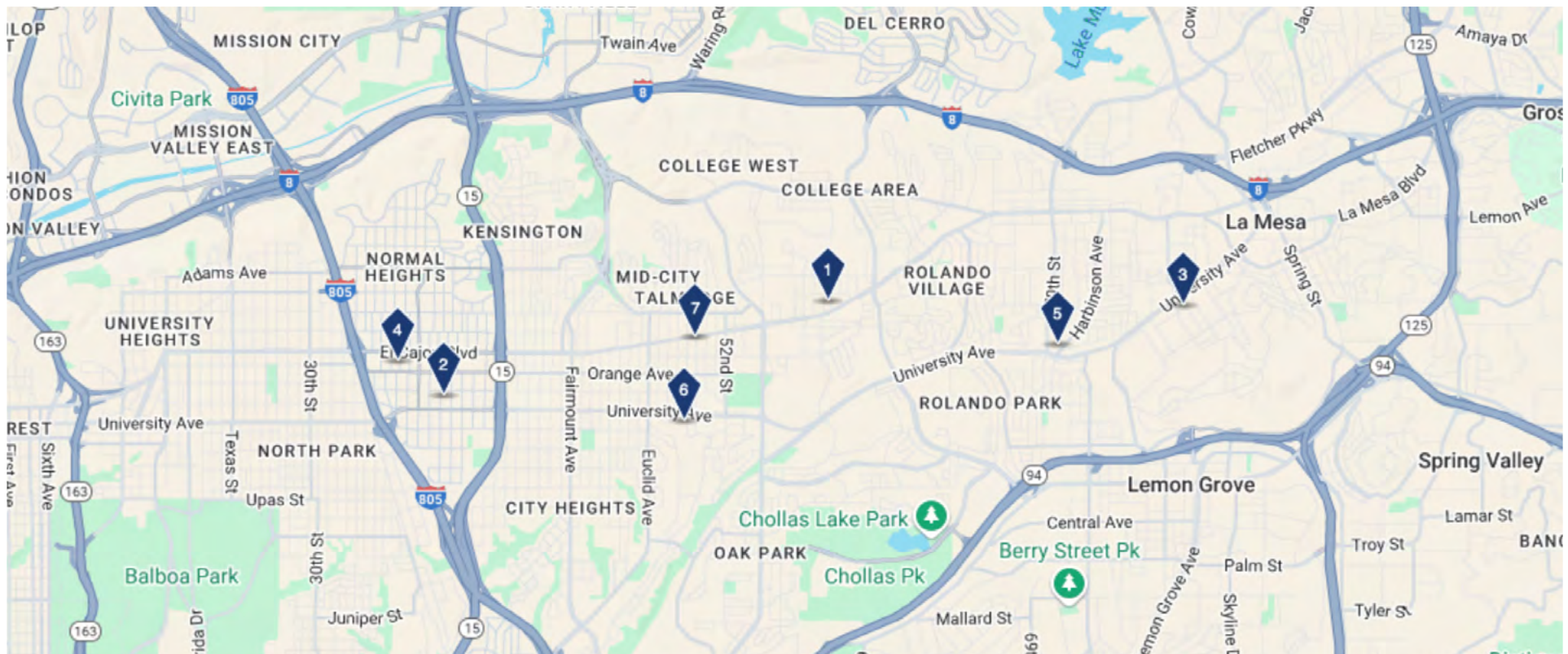
# SALES COMPARABLES

Property Address	City	Year Built	Units	SqFt	Status	Sale Price	Price Per Unit	Price Per SF	Cap Rate	GRM	Sale Date	Studios	1 Beds	2 Beds	3 Beds	Notes
4518 Alice St	San Diego	1950	6	5,469	Sold	\$1,650,000	\$275,000	\$301.70	4.49%	13.75	7/20/24	1	3	1	1	Adjacent to automotive shop
4033 36th St	San Diego	1972	9	6,052	Sold	\$2,550,000	\$283,333	\$421.35	4.97%	12.78	7/24/24	0	6	3	0	
7611-7625 Sturgess	La Mesa	1959	8	5,552	Sold	\$2,305,000	\$288,125	\$415.17	5.00%	12.29	6/17/24	0	1	7	0	Small Units
4218-4224 34th St	San Diego	1945	5	3,791	Sold	\$1,565,000	\$313,000	\$412.82	4.04%	14.70	5/7/24	0	1	4	0	
4214-4218 Harbinson	La Mesa	1958	6	5,020	Sold	\$1,835,000	\$305,833	\$365.54	5.14%	12.52	4/5/24	0	0	6	0	Busy Street Corner Renovated 2018
3826 Winona	San Diego	1961	6	2,756	Sold	\$1,670,000	\$278,333	\$605.95	5.10%	11.93	1/23/24	0	6	0	0	Rough Location, Renovated 2023
4364 50th St	San Diego	1986	9	4,366	Sold	\$2,350,000	\$261,111	\$538.25	5.08%	12.67	10/17/23	0	7	2	0	Small Units, Renovated 2018
<b>Comp Set Average</b>		<b>1962</b>	<b>7</b>	<b>4,715</b>	<b>Sold</b>	<b>\$1,989,286</b>	<b>\$286,391</b>	<b>\$437.25</b>	<b>4.83%</b>	<b>12.95</b>		<b>0.14</b>	<b>3.43</b>	<b>3.29</b>	<b>0.14</b>	

## SUBJECT PROPERTY

2642-48 44th St	San Diego	1984	9	6,185	Proposed	\$2,400,000	\$266,667	\$388.00	5.81	11.60		0	4	5	0	Double Lot & Low-Density units
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## SALES COMPARABLE LOCATIONS





# SALES COMPARABLES

## 1 4518 Alice St

SOLD

San Diego, CA 92115

San Diego

Sale Date Aug 20, 2024  
 Sale Price \$1,650,000  
 Price/SF \$301.70  
 Price/Unit \$275,000  
 Parcels 466-732-17  
 Comp ID 6824820  
 Comp Status Research Complete

Type 2 Star Low-Rise Apartments  
 Year Built 1950  
 GBA 5,469 SF  
 Land Acres 0.25 AC  
 Land SF 10,890 SF  
 Units 6  
 Zoning MR10, San Diego



## 2 4033 36th St

SOLD

San Diego, CA 92104

San Diego

Sale Date Jul 24, 2024  
 Sale Price \$2,550,000  
 Price/SF \$421.35  
 Price/Unit \$283,333  
 Actual Cap Rate 4.97%  
 Parcels 447-411-10  
 Comp ID 6798293  
 Comp Status Research Complete

Type 2 Star Low-Rise Apartments  
 Year Built 1972  
 GBA 6,052 SF  
 Land Acres 0.16 AC  
 Land SF 7,000 SF  
 Units 9  
 Zoning R-3



## 3 7611-7625 Sturgess Ave

SOLD

La Mesa, CA 91941

San Diego

Sale Date Jun 17, 2024  
 Sale Price \$2,305,000  
 Price/SF \$311.57  
 Price/Unit \$288,125  
 Actual Cap Rate 5.00%  
 Parcels 470-412-02  
 Comp ID 6767671  
 Comp Status Research Complete

Type 2 Star Low-Rise Apartments  
 Year Built 1959  
 GBA 7,398 SF  
 Land Acres 0.21 AC  
 Land SF 9,148 SF  
 Units 8  
 Zoning R-3



## 4 4218-4224 34th St

SOLD

San Diego, CA 92104

San Diego

Sale Date May 7, 2024  
 Sale Price \$1,565,000  
 Price/SF \$412.82  
 Price/Unit \$313,000  
 Actual Cap Rate 4.04%  
 GRM 14.70  
 Parcels 447-562-31  
 Comp ID 6723302  
 Comp Status Research Complete

Type 2 Star Low-Rise Apartments  
 Year Built 1945  
 GBA 3,791 SF  
 Land Acres 0.14 AC  
 Land SF 6,098 SF  
 Units 5  
 Zoning RM-1-3





# SALES COMPARABLES

## 5 4214-4218 Harbinson Ave

SOLD

La Mesa, CA 91942

San Diego

Sale Date Apr 5, 2024  
 Sale Price \$1,835,000  
 Price/SF \$312.71  
 Price/Unit \$305,833  
 Actual Cap Rate 5.14%  
 GRM 12.52  
 Parcels 474-080-09  
 Comp ID 6695552  
 Comp Status Research Complete

Type 2 Star Low-Rise Apartments  
 Year Built 1952  
 GBA 5,868 SF  
 Land Acres 0.18 AC  
 Land SF 7,714 SF  
 Units 6  
 Zoning R4



## 6 3826 Winona Ave

SOLD

San Diego, CA 92105

San Diego

Sale Date Jan 23, 2024  
 Sale Price \$1,670,000  
 Price/SF \$648.29  
 Price/Unit \$278,333  
 Actual Cap Rate 5.10%  
 GRM 12.10  
 Parcels 471-610-41  
 Comp ID 6636060  
 Comp Status Research Complete

Type 2 Star Low-Rise Apartments  
 Year Built 1961  
 GBA 2,576 SF  
 Land Acres 0.18 AC  
 Land SF 7,841 SF  
 Units 6  
 Zoning R4



## 7 4364 50th St

SOLD

San Diego, CA 92115

San Diego

Sale Date Oct 17, 2023  
 Sale Price \$2,350,000  
 Price/SF \$522.22  
 Price/Unit \$261,111  
 Actual Cap Rate 5.08%  
 GRM 12.67  
 Parcels 471-291-23  
 Comp ID 6545838  
 Comp Status Research Complete

Type 2 Star Low-Rise Apartments  
 Year Built 1987; Renov 2018  
 GBA 4,500 SF  
 Land Acres 0.14 AC  
 Land SF 6,098 SF  
 Units 9  
 Zoning MR10B, San Diego





# 3

## FINANCIAL ANALYSIS





# FINANCIAL ANALYSIS

## PRO FORMA INCOME & EXPENSES

2642 - 48 44th St  
San Diego, CA

Units	Type	Unit SF	Total SF	Market Rent	In-Place Avg Rent	Market Rent/SF
4	1 Bed / 1 Bath	546	2,184	\$1,850	\$1,674	\$3.39
2	2 Bed / 1 Bath	800	1,600	\$2,395	\$2,172	\$2.99
2	2 Bed / 1 Bath Duplex w small yard	800	1,600	\$2,450	\$2,050	\$3.06
1	2 Bed / 1 Bath House	800	800	\$2,495	\$2,100	\$3.12
<b>9</b>		<b>687</b>	<b>6,184</b>	<b>\$2,176</b>	<b>\$1,916</b>	<b>\$3.17</b>

Income	Pro Forma Assumption	Actual In-Place
<b>Scheduled Market Rent</b>	\$235,020	\$206,880
Plus: Pet Income	\$1,800	\$0
Plus: Water/Trash Rebill	\$7,200	\$0
<b>Gross Scheduled Income</b>	<b>\$244,020</b>	<b>\$206,880</b>
Less: Vacancy	3.00%	(\$7,321)
<b>Total Operating Income (EGI)</b>	<b>\$236,699</b>	<b>\$200,674</b>

Expenses	Per Unit	Pro Forma	Actual	
Administrative & Legal	\$87	\$781	\$781	Actuals
Repairs, Maintenance, & Turnover	\$1,000	\$9,000	\$6,883	Actuals
Management Fee	5.00%	\$11,835	\$10,034	
Utilities Inc. Trash	\$738	\$6,638	\$6,638	Actuals
Contracted Services	\$533	\$4,800	\$2,400	Actuals
Real Estate Taxes	1.2230%	\$3,288	\$29,589	Re-Assessed
Insurance	\$550	\$4,950	\$4,950	Actuals
<b>Total Expenses</b>		<b>\$67,593</b>	<b>\$61,275</b>	
	Per Unit:	\$7,510	\$6,808	
	% of Income	27.7%	29.6%	

Net Operating Income	Pro Forma	Actual
	<b>\$169,106</b>	<b>\$139,399</b>
Less: Debt Service	(\$106,396)	(\$106,396)
Projected Net Cash Flow	\$62,710	\$33,003
Cash-on-Cash Return (Based on List Price)	6.53%	3.44%
Debt Service Coverage	1.59	1.31
Principal Reduction	\$16,522	\$16,522
Return after Principal Reduction	8.25%	5.16%
	<b>GRM</b>	<b>9.84</b>
		<b>11.60</b>

Pricing Analysis	Price	\$/Unit	\$/Foot	Cap Rate	Cap Rate
<b>Listing Price</b>	<b>\$2,400,000</b>	<b>\$266,667</b>	<b>\$388.10</b>	<b>7.05%</b>	<b>5.81%</b>

All Financing	Total Loan Amount	Down Payment	LTV	Monthly Payment	Debt Constant
	\$1,440,000	\$960,000	60%	(\$8,866)	7.4%

New Financing	LTV for this loan	Amount	Interest Rate	Amortization	Payment I/O	Term (yrs)
	60%	\$1,440,000	6.25%	30	(\$8,866)	0

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# 4

## RENT COMPARABLES





# RENTAL COMPARABLES

# 1 BEDROOM

For Rent
Price
1 bd, 1+ ba
Home Type
More
Save search

11 Saved Homes

**\$1,900/mo**

1 bd | 1 ba | 600 sqft - House for rent  
3319 Marlborough Ave, San Diego, CA 92105

**\$1,895/mo**

1 bd | 1 ba | 600 sqft - Apartment for rent  
Swan Canyon Villas, 4426-4432 Maple St #4426,...

**\$1,895+/mo**

1 bd | 1 ba | 600 sqft - Apartment for rent  
Swan Canyon Villas - 4426, 4426 Maple St, San...

**\$1,890/mo**

1 bd | 1 ba | 585 sqft - Apartment for rent  
4350 Maple St APT 4, San Diego, CA 92105

**\$1,850/mo**

1 bd | 1 ba | 609 sqft - Apartment for rent  
2621 Highland Ave APT 2, San Diego, CA 92105

**\$1,475+ 1 bd**

Casa de Palma Apartments | 3845-3851 Chamou...  
**\$1,475+**  
1 bd

OFFERING MEMORANDUM  
2642 - 2648 44TH STREET - SAN DIEGO, CA

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# RENTAL COMPARABLES

# 2 BEDROOM

Address, neighborhood, city, ZIP  **For Rent** **Price** **2 bd, 1+ ba** **Home Type (1)** **More** **Save search** **11 Saved Homes**

**Schools** **Remove Boundary**

**40 days ago**

**\$2,395/mo** ...

2 bds | 2 ba | 760 sqft - Apartment for rent  
3562 Marlborough Ave UNIT 5, San Diego, CA...

**41 days ago** **Apply instantly**

**\$2,395/mo** ...

2 bds | 1 ba | 900 sqft - Apartment for rent  
3639 44th St APT 3, San Diego, CA 92105

**\$2,250+/mo** ...

2 bds | 1 ba | -- sqft - Apartment for rent  
Highland Ave 2590 - 8, 2590 Highland Ave APT 8,...

**28 days ago**

**\$2,495/mo** ...

2 bds | 1 ba | 770 sqft - Apartment for rent  
3215 44th St UNIT 10, San Diego, CA 92105

**40 days ago**

**\$2,395/mo** ...

**51 days ago** **Apply instantly**

**\$2,349/mo** ...



# RENTAL COMPARABLES

# 2 BEDROOM HOUSE

Address, neighborhood, city, ZIP         11 Saved Homes

**Schools**

**\$2,850/mo**

2 bds | 1 ba | 805 sqft - House for rent  
2646 Violet St, San Diego, CA 92105

**\$2,850/mo**

2 bds | 1 ba | 750 sqft - House for rent  
2616 Euclid Ave, San Diego, CA 92105

**\$2,650/mo**

2 bds | 1 ba | 920 sqft - House for rent  
4119 Pepper Dr, San Diego, CA 92105



# 5

## LOCATION OVERVIEW



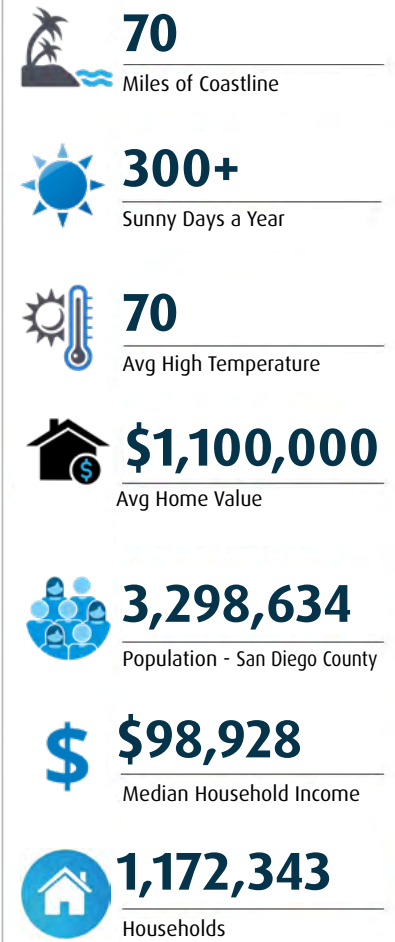


# SAN DIEGO COUNTY MARKET OVERVIEW

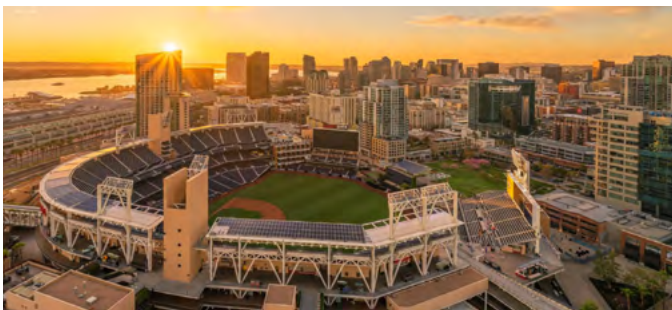


## VIBRANT COASTAL PARADISE

San Diego County is a vibrant coastal paradise with a diverse economy and endless opportunities for residents and visitors alike to enjoy 300+ days a year of sunshine and 70 miles of pristine Southern California coastline. From its stunning beaches and famous theme parks to its rich cultural scene and thriving entertainment sector. Whether you're looking to soak up the sun on one of San Diego's many beautiful beaches, explore its world-class museums and cultural attractions, or enjoy its lively nightlife and dining scene, San Diego has it all.



Source: US Census.gov





# SAN DIEGO COUNTY MARKET OVERVIEW

## PRIMARY EMPLOYERS



**Tourism:** The tourism industry is the largest employer in San Diego County, supporting over 300K jobs. Visitors to San Diego spend billions of dollars (\$17B) each year on hotels, restaurants, attractions, and shopping.



**Military & Defense:** The military is the second-largest employer in San Diego County employing over 100K active duty, with spending over \$26B, providing over 337K jobs. San Diego is home to a number of major military bases, including Naval Base San Diego, Marine Corps Air Station Miramar, and Camp Pendleton.



**Technology:** The technology sector is a growing economic driver in San Diego County, with over 150K jobs. Companies such as Qualcomm, Intuit, and Sony have offices in the county.



**Education:** The education sector is another major employer in San Diego County, with over 50K jobs. San Diego is home to several universities and colleges, including, but not limited to the University of San Diego, San Diego State University, San Marcos City College, and the University of California, San Diego



**Healthcare:** The healthcare sector is a growing employer in San Diego County, with over 100K jobs. San Diego is home to a number of major hospitals and healthcare providers, including Sharp Healthcare, Scripps Health, and Kaiser Permanente.



**Manufacturing:** Companies such as Northrop Grumman, General Dynamics NASSCO, and Sony have manufacturing facilities in San Diego County supporting over 110K jobs..

## SAN DIEGO COUNTY INVESTMENT FUNDAMENTALS

San Diego County offers some of the strongest real estate market fundamentals in the world. California, the world's 5th largest economy, provides one of the most enviable lifestyles and strongest employment opportunities for its population. San Diego, California's most southern county, produces the state's most temperate climate and beautiful coastlines. Combined with limited real estate supply, strong employment, and a high barrier to entry for home ownership, San Diego possesses an ever-lasting pool of renter demand for Multifamily Real Estate.

### Strong Economic Fundamentals:

San Diego boasts a diverse and thriving economy, anchored by technology, biotech, healthcare, tourism, military, universities and research institutions.

### High Demand for Rental Properties:

The demand for rental properties in San Diego County remains consistently high. The region's desirability, coupled with a growing population, ensures a continuous need for affordable housing options.

### Limited Supply and High Barrier to Entry:

San Diego is a city with a limited supply and high barrier to entry for multi-family real estate. The city has a low vacancy rate of 3.5% and high demand for housing. The median home price in San Diego is \$1.1 million.

### Proposition 13:

Under Prop 13 all real property has established base year values, a restricted rate of increase on assessments of no greater than 2% each year, and a limit on property taxes to 1% of the assessed value (plus additional voter-approved taxes) [\[Learn More...\]](#)

### Quality of Life:

San Diego is renowned for its high quality of life, with beautiful beaches, outdoor recreational opportunities, excellent schools, and a thriving cultural scene.

### Some of the Nation's Strongest Appreciation:

The real estate market in San Diego has historically shown steady appreciation over the long term. While short-term fluctuations may occur, investing in multi-family properties in this area offers the potential for capital appreciation over time.

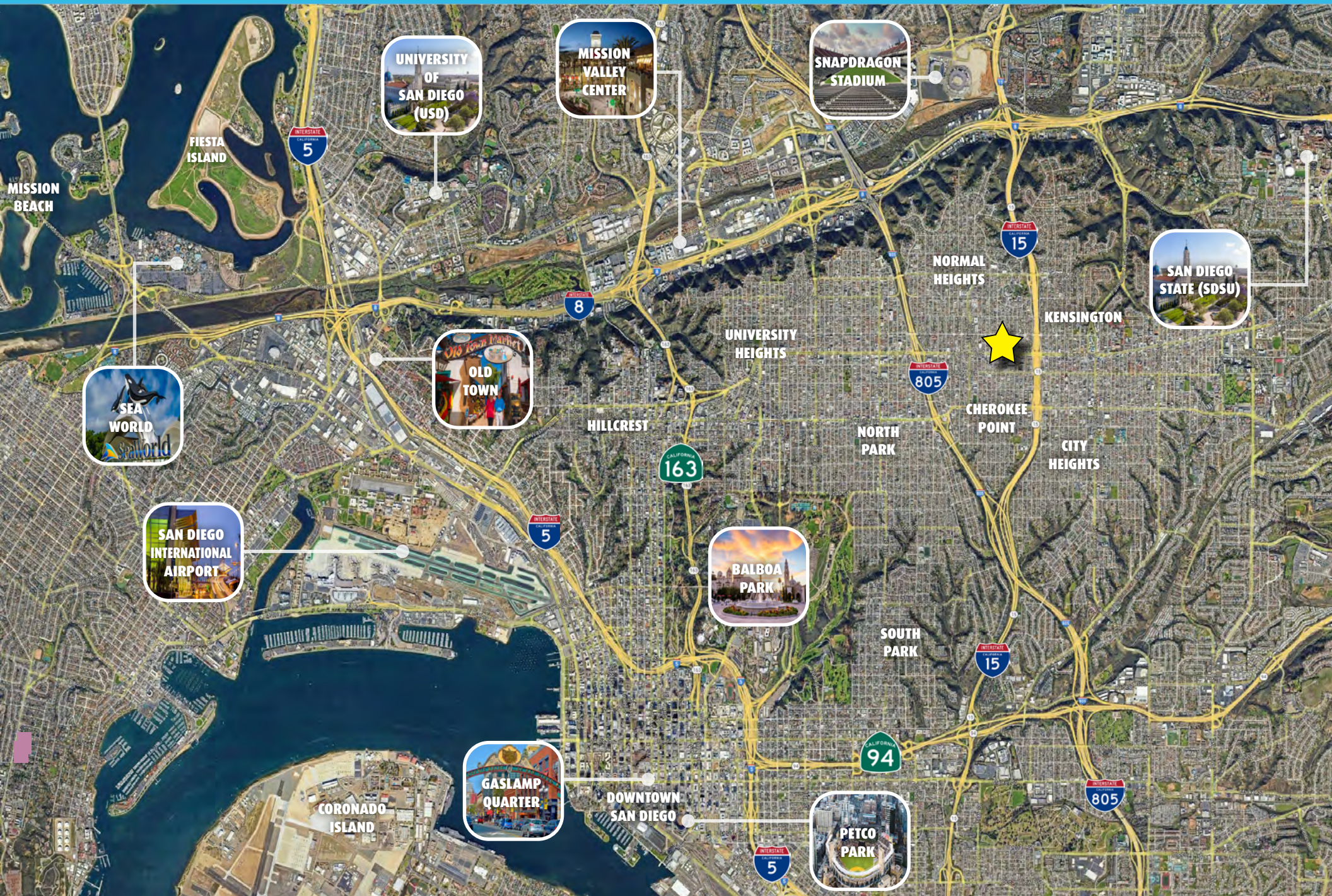
### Potential for Short-Term Rentals:

With the growing popularity of vacation rentals through platforms like Airbnb, investors can consider the potential for short-term rental income.

### Potential Tax Benefits:

Real estate investments often come with various tax benefits, including deductions for mortgage interest, property depreciation, and more.





UNIVERSITY OF SAN DIEGO (USD)

MISSION VALLEY CENTER

SNAPDRAGON STADIUM

SAN DIEGO STATE (SDSU)

SEA WORLD

OLD TOWN

SAN DIEGO INTERNATIONAL AIRPORT

BALBOA PARK

GASLAMP QUARTER

PETCO PARK



NORMAL HEIGHTS

KENSINGTON

CHEROKEE POINT

CITY HEIGHTS

SOUTH PARK

DOWNTOWN SAN DIEGO



