

Fully Leased Retail Investment Opportunity
For Sale | Marina District

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UPG **URBAN**
PROPERTY
GROUP est. 1989

america's finest city

waterfront park

courthouse

san diego city college

campus at horton

radd

atria

the headquarters

children's park

seaport village

convention center



\$5,750,000
asking price



| | |
|---------------------|---|
| square feet | ±10,981 |
| as-is noi | \$360,097 |
| year built | 2002 |
| occupancy | 100% |
| property type | retail/office ground floor commercial condo |
| assumable financing | \$2.64 M, 4.42% IO Due July 1, 2025 |

The Marina neighborhood has emerged as one of Downtown's most sought after destinations

premier location

Strong national and local tenants that have operated for many years at this location, providing ownership with a stable income stream

stable retail tenants

Over 1,500 residential units within 0.25 mi and adjacent to RaDD (1.7 million SF urban commercial development) and Campus at Horton (world's largest adaptive reuse project)

significant increase in development

Located on main thoroughfare through Downtown with direct access from Convention Center to I-5

visibility

California's second largest city with over 3.2 million residents; average household income of \$102,000 in a two mile radius

trade area demographics

Downtown features San Diego's most popular attractions including Petco Park, Convention Center, Seaport Village, Waterfront Park, and the Embarcadero

the neighborhood

The Seller reserves the right to sell the property at anytime during the marketing period without prior notice. The property will be sold on an "as-is" basis. It is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase or lease.



Banfield Pet Hospital

Banfield is a practice powered by more than 3,600 veterinarians who have dedicated their careers to helping pets. Founded in Portland, Oregon, in 1955, Banfield is now the leading provider of preventive veterinary care in the U.S. with more than 1,000 hospitals in neighborhoods across the country and Puerto Rico. In 2007, Banfield joined the Mars, Incorporated family of businesses.

1,000+

locations

68

years in business

\$3.2B

annual revenue



Spine & Sport

Spine & Sport is an employee-owned physical therapy company located in California. Spine & Sport team members are physical and occupational therapy experts who are available to comment and provide insights on the latest physical therapy developments.

40+

locations

22

years in business

\$22M

annual revenue

Their academic, research-based approach to physical therapy was derived from the University of California San Diego 22 years ago when the founders left the university to form this private practice.



Michaela's Meals

Michaela's Meals is a family-friendly meal prep service that prepares and delivers an array of meal options. They are prepared portions using fresh, organic ingredients.

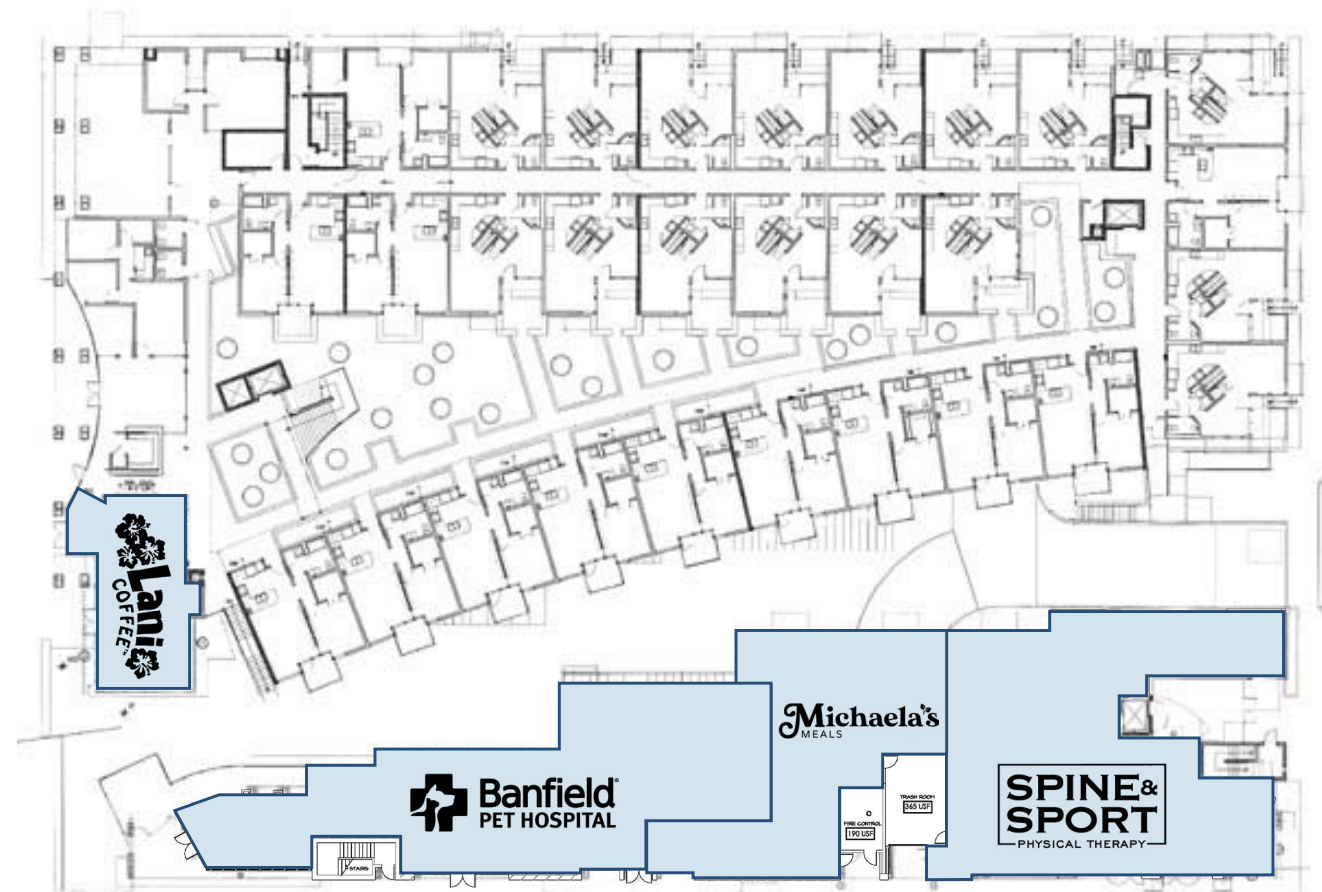
They occupy the space as a ghost/prep kitchen with pick up and delivery throughout San Diego County.



Lani Coffee

Lani Coffee believes that the region coffee grows in affects its flavor, body, and aroma. Sun, rain, soil, and altitude all shape the character profile of each coffee, which is why they only serve the award-winning Lion Coffee brand, a high-quality blend of 100% Arabica beans and Hawaii-inspired flavors.

Along with coffee, they serve alternative beverages and food options.



Rent Roll

| Suite | Sq. Ft. | % | Tenant | Start | Expiration | Rent Type | Options | Rent/Mo (6/1/24) | Rent PSF | Annual Rent | CPI |
|------------------|---------|-----|-----------------------|----------|------------|-----------|-------------|------------------|------------|------------------|-----------|
| 100IS-A | 3,000 | 27% | MDRS Spine & Sport | 09/27/23 | 09/26/28 | NNN | 2-3's @ FMV | \$8,700 | \$2.90 | \$104,400 | apx 3%/yr |
| 100IS-B | 664 | 6% | Michaela's Meals | 02/01/24 | 08/31/25 | NNN | 1-3 @ FMV | \$2,201 | \$3.31 | \$26,412 | 3%/yr |
| 100MA | 1,207 | 11% | Lani Coffee | 10/09/09 | 09/30/25 | NNN | 1-5 @ FMV | \$4,952 | \$4.10 | \$59,418 | 3%/yr |
| 501-A | 4,014 | 37% | Banfield Pet Hospital | 11/28/14 | 05/31/25 | NNN | 2-5's @ FMV | \$10,303 | \$2.57 | \$123,631 | |
| 501-B | 2,096 | 19% | Michaela's Meals | 08/08/22 | 08/31/25 | NNN | 1-3 @ FMV | \$3,853 | \$1.84 | \$46,236 | 3%/yr |
| 10,981 SF | | | | | | | | | NOI | \$360,097 | |

10-Yr Cash Flow

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 100IS-A | \$104,400 | \$107,532 | \$110,758 | \$114,081 | \$117,503 | \$121,028 | \$124,659 | \$128,399 | \$132,251 | \$136,218 |
| 100IS-B | \$26,412 | \$27,204 | \$28,020 | \$28,861 | \$29,727 | \$30,619 | \$31,537 | \$32,483 | \$33,458 | \$34,462 |
| 100MA | \$59,418 | \$61,201 | \$63,037 | \$64,928 | \$66,875 | \$68,882 | \$70,948 | \$73,077 | \$75,269 | \$77,527 |
| 501-A | \$123,631 | \$127,340 | \$131,160 | \$135,095 | \$139,148 | \$143,322 | \$147,622 | \$152,051 | \$156,612 | \$161,311 |
| 501-B | \$46,236 | \$47,623 | \$49,052 | \$50,523 | \$52,039 | \$53,600 | \$55,208 | \$56,864 | \$58,570 | \$60,327 |
| NOI | \$360,097 | \$370,900 | \$382,027 | \$393,488 | \$405,293 | \$417,451 | \$429,975 | \$442,874 | \$456,160 | \$469,845 |
| Annual Debt Service* | \$(116,688) | \$(137,544) | \$(158,400) | \$(158,400) | \$(158,400) | \$(158,400) | \$(158,400) | \$(158,400) | \$(158,400) | \$(158,400) |
| Annual Cash Flow | \$243,409 | \$233,356 | \$223,627 | \$235,088 | \$246,893 | \$259,051 | \$271,575 | \$284,474 | \$297,760 | \$311,445 |
| Cash on Cash Return | 7.8% | 7.5% | 6.8% | 7.2% | 7.6% | 7.9% | 8.3% | 8.7% | 9.1% | 10.0% |

*Assumed \$5.95 Million purchase price and assumption of existing \$2,640,000 loan, 4.42% IO until 7/1/2025, thereafter 6% Interest Only

**Assumed 3% annual rent increases

Downtown Growth

1011 UNION ST

431 Units



1169 8TH AVE

473 Units



304 C ST

282 Units



THE LINDLEY

422 Units



RADIAN

241 Units



CITIPLACE

147 Units



TRU BY HILTON

133 Rooms



MOTTO

186 Rooms



800 BROADWAY

384 Units



TAILGATE PARK

600 Units



Campus at Horton



RaDD



Seaport Village

Game Changers

Campus at Horton

Mixed-use office, retail and restaurant project to create 3,000+ jobs and over \$1.8B in economic impact annually.

The Campus at Horton is expected to generate over \$1.8 billion in annual regional economic activity annually and create 3,000 to 4,000 high-paying jobs for Downtown San Diego. The first phase of construction is close to completion, with an opportunity for additional phases totaling 1.5 million of additional square feet to bring further density to the site.

RaDD

RaDD will contribute more than 4,000 jobs, \$50 million in annual taxes and fees, and \$15 billion in economic benefits.

IQHQ's Research and Development District (RaDD) is currently under development in downtown San Diego's waterfront. This 8 acre (5 city blocks) waterfront site will host 5 buildings (labs, office, retail) for a total of 1,700,000 sq ft. This project will attract top tier biotech companies to downtown San Diego and many new jobs will be created.

Seaport Village

Seaport San Diego is a proposal to revitalize a key section of the San Diego Bayfront thoughtfully and boldly for the next century of San Diego visitors and residents.

The \$1.6 billion project will redevelop 70 acres that will include hotels, retail, office, parking, waterside docks, an education center, observation tower and aquarium, paddle board dock, a beach and a bridge that connect to Embarcadero Marina Park South.




Hillcrest

North Park


Balboa Park

San Diego Airport

RaDD




Campus at Horton



East Village Green




Seaport Village




atria

East Village Quarter



Convention Center



Petco Park

Ballpark Village



PROPOSED

Trolley Lines

- Green dashed line
- Orange dashed line
- Blue dashed line

The planned growth of Downtown will only boost its popularity among desirable American cities to live, work & play.

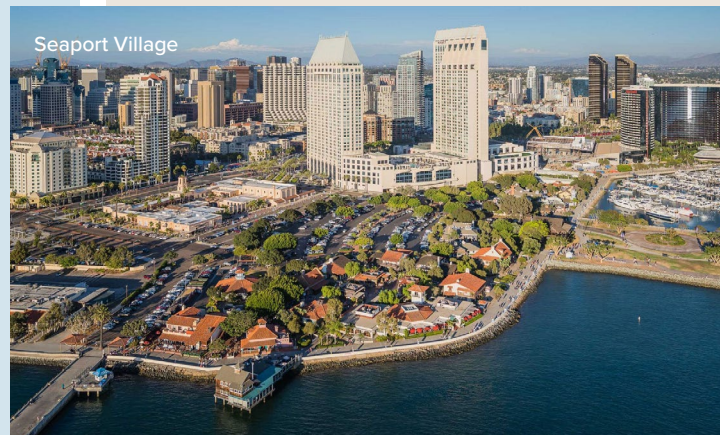
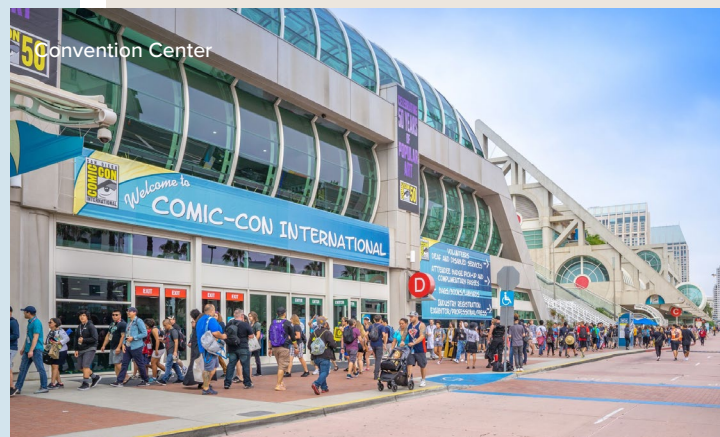
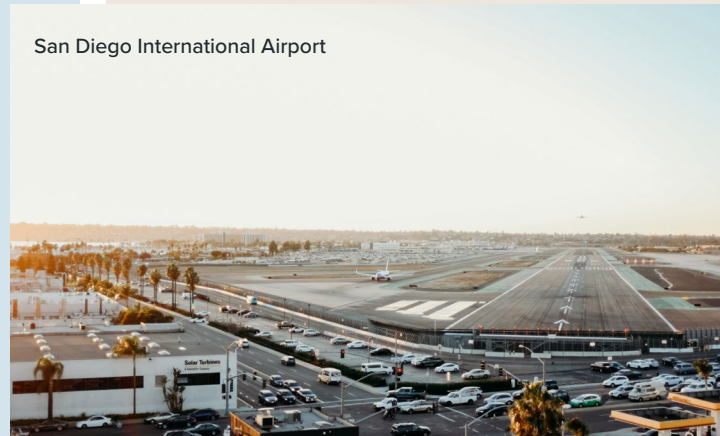
Forbes

San Diego is becoming Southern California's coolest city.

TRAVEL+LEISURE

San Diego is a shared embrace of an easy, breezy Southern California casualness.

The New York Times



Downtown San Diego

Downtown San Diego is a vibrant waterfront city that continues to emerge and evolve. After more than three decades of redevelopment activity, Downtown San Diego is nationally recognized for setting new standards in urban renewal with the active and coordinated support of organizations including Centre City Development Corporation (Civic San Diego) and the Downtown San Diego Partnership.

While Downtown has always been famous for its spectacular bay front location, it has only been during the past fifteen years that the City has aggressively worked to revitalize under-developed areas, support major entertainment attractions, expand tourism-related facilities, attract new business and encourage a strong residential population base. Since 1975, more than \$1.45 billion have been publicly invested throughout downtown and matched by \$13 billion of private equity. The results are outstanding.

Downtown San Diego today is a thriving 24-hour urban metropolis that features an eclectic and fast-growing mix of residential, office, retail, dining, and entertainment projects and transformed Downtown San Diego in a world-class destination.

annual visitors **28.8M**

visitor spending **\$13.6B**

SD county residents **3.3M**

average income **\$121,230**

San Diego

The cornerstone to everything San Diego is its Mediterranean climate. The City was voted as one of the ten best climates by Farmer's Almanac and selected as one of the two best summer climates in America by The Weather Channel. San Diego's climate allows for residents to enjoy year-round outdoor recreation and provides over 70 miles of coastline for sunbathing and surfing. Home to world-class resorts, golf courses and sporting activities, enthusiasts have the luxury of year-round activity.

The San Diego region provides numerous cultural, visual and performing arts organizations that entertain and educate San Diego residents and visitors. Performing arts are hosted at premier venues such as the San Diego Civic Center, La Jolla Playhouse, San Diego Repertory/Lyceum Theatre, North County Performing Arts Center, Old Globe Theatre and other venues. San Diego is dedicated to the arts, science and history with world-class museums located within Balboa Park. With a vibrant history dating back to the 17th century, the city has evolved into a productive set of residents, venues and businesses that takes pride in being the birthplace of California.



35M

**Annual Visitors
to San Diego**

23,000+

**Units Currently Under
Construction and Proposed**

\$10B

**Contribution from visitors every
year to San Diego's economy**

2nd

Largest city in California





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