

OFFERING MEMORANDUM

22

W. 35TH ST
NATIONAL CITY

SOUTH BAY MEDICAL OFFICE FOR SALE

100% LEASED NNN INVESTMENT 7.5% CAP RATE



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22 W. 35TH STREET NATIONAL CITY CA 91950

SOUTH BAY

CHULA VISTA BAYFRONT
DEVELOPMENT

NATIONAL CITY

CHULA VISTA



SCRIPPS
MERCY
HOSPITAL

CONNECT
HEARING

Coastal
Endocrinology
SAN DIEGO
COASTAL
ENDOCRINOLOGY
AMC

SHARP
REES-STEALY
MEDICAL
GROUP
Sharp Community Medical Group

ROSS Walmart
BEST BUY PETCO.COM
McDonald's Party City
CVS SUBWAY
HOBBY LOBBY Office DEPOT

CHULA VISTA CENTER

Burlington
macy's
JCPenney
AT&T
(100 + STORES)

A photograph of a modern, two-story white building with large black-framed windows. The building has a flat roof and a dark grey trim. In the foreground, there are two tall palm trees and a paved area with a yellow-painted curb. A sign above the entrance reads "ENTRANCE". There are also blue handicapped parking signs in the foreground. The sky is clear and blue.

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01 Investment Overview

ADDRESS

22 W. 35th Street,
National City, CA 91950

LAND SIZE

± 41,817 SF / ± 0.96 Acres

BUILDING SIZE

± 19,717 SF

OCCUPANCY

100%

LEASE TYPE

NNN

ASKING PRICE

\$10,500,000

ACTUAL NOI

NOI = \$787,051

ESTIMATED CAP RATE

± 7.5%





High Demand Area:

The property is strategically located in National City, right on the boundary of Chula Vista, placing it in a high-demand area for medical services. National City, known for its rich cultural heritage and vibrant community, offers a unique and diverse patient base. Its proximity to Chula Vista, a city recognized for its family-friendly environment, robust school system, and growing population, further enhances the demand for comprehensive healthcare services. The blend of these two dynamic communities ensures a substantial and consistent demand for medical services in the area, making this property a prime location for healthcare facilities.



Growing Population:

The City of Chula Vista lies just south of the property and is one of the fastest-growing cities in California. Its population has been steadily increasing due to extensive residential developments, a thriving local economy, and a high quality of life. While the property itself is located in National City, its strategic position at the north border of Chula Vista allows it to benefit from the rapid growth of this neighboring city. The expanding residential areas in both Chula Vista and National City promises a steady influx of potential patients to the area, ranging from young families to retirees and ensures a continual rise in demand for medical services in National City, making the property an excellent long-term investment in healthcare.



Economic Growth:

The South Bay region is experiencing significant economic development, with Chula Vista and National City playing key roles in this growth. The property is located in National City, but it benefits greatly from its proximity to Chula Vista. Chula Vista's economic landscape is marked by ongoing infrastructure projects, commercial developments, and investments in public amenities. This economic growth in Chula Vista enhances the overall value of properties in the surrounding areas, including National City, particularly those catering to essential services like healthcare. The increasing business activities and job opportunities in Chula Vista attract more residents to the region, which in turn boosts the demand for medical facilities in nearby National City. The rising economic prosperity in the South Bay region positions this property in National City as a valuable asset with significant appreciation potential.

02 Property Overview

ADDRESS

22 W. 35th Street,
National City, CA 91950

APN

562-310-72-00

LAND SIZE

± 41,817 SF / ± 0.96 Acres

BUILDING SIZE

± 19,717 SF

STORIES

2 Stories

PARKING

± 69 spaces
(4.42 per 1,000 USF Ratio)

SOLAR

Solar Parking Canopy
Charging Station

DESCRIPTION

Elevator Served Multi-Tenant
Medical Office

ELEVATOR

Elevator installed in 2009

HVAC

30 HVAC units

ZONING

CS-Service Commercial

YEAR BUILT

1974

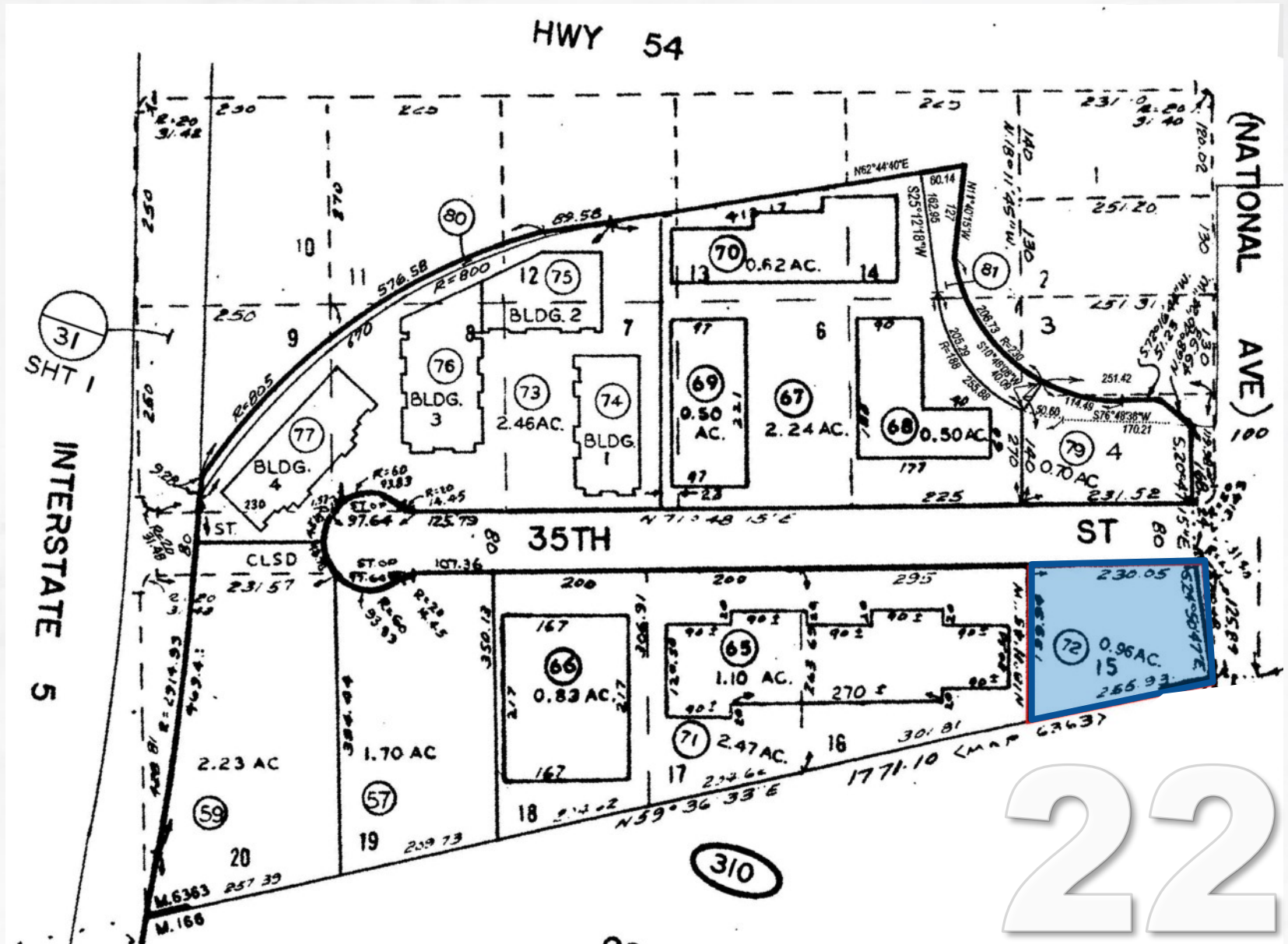
YEAR RENOVATED

2023



02 Property Overview

Parcel Map



22

W. 35TH ST
NATIONAL CITY

03 Tenant Overview



Comprehensive Care for South Bay

For over 40 years, My Chula Vista Doctors has provided compassionate, comprehensive healthcare. As the largest private practice in the area, they offer personalized care through a skilled team of doctors and support staff, with a goal to enhance health awareness and proactive care within the community.

Services

- **Primary Care:** General health and wellness.
- **Pediatric Care:** For children from infancy to adolescence.
- **Women's Health:** Gynecology, obstetrics, and more.
- **Geriatric Care:** Specialized care for seniors.
- **Mental Health:** Support for emotional and mental wellness.
- **Preventative Services:** Immunizations and health screenings.
- **Diagnostic Testing:** On-site testing for quick results.



National Leader in Vein and Pain Treatments

Led by a team of Ivy League-trained vein and pain specialists. Their physicians are certified diplomates and experts in minimally invasive vein and pain management treatments, ensuring procedures with zero downtime. Consistently receives 5-star ratings for its exceptional service and commitment to patient satisfaction.

Expert Care Across Multiple States

VIP Medical Group is a national tenant with locations in New Jersey, New York, Maryland, and California, including a San Diego office.

03 Tenant Overview



Leading Provider of Phlebotomy Training

Founded in 1993 and based out of Lehi, Utah, Phlebotomy Training Specialists is the nations largest and most recognized provider of phlebotomy training. They have 88 locations across 33 states, this state-approved organization offers comprehensive courses covering blood anatomy, equipment use, venesection, lab processing, and more, to prepare students for a career in healthcare.

High-Quality Education

Known for high-quality education, Phlebotomy Training Specialists combines skilled instructors with state-of-the-art technology to provide both theoretical and practical training. The organization's dedication to excellence and accessibility makes it the top choice for aspiring phlebotomists.



Comprehensive Accident and Injury Recovery

SoCal Injury Care delivers top-quality care for accident and injury recovery, with a dedicated team of specialists, including orthopedic surgeons, pain management physicians, and neurologists. Their comprehensive approach ensures personalized treatment plans designed to meet the unique needs of each patient to support physical, mental, and emotional well-being.

Convenient Locations Across South California

SoCal Injury Care has nine clinics throughout Orange County, Los Angeles County, San Diego County, and the Inland Empire, SoCal Injury Care makes specialized medical services accessible. Their network ensures coordinated care and comprehensive treatment under one trusted provider, dedicated to helping patients achieve successful recovery and improved quality of life.

04 Area Overview

The office submarkets in San Diego County, specifically National City and Chula Vista, present different trends in vacancy and rent growth. National City has experienced strong performance with low vacancy and increasing rents, while Chula Vista shows higher vacancy rates but still sees rising rents

National City office submarket:

vacant 1.5%
VACANCY RATE

 2.6%
RATE INCREASE IN THE PAST 12 MONTHS

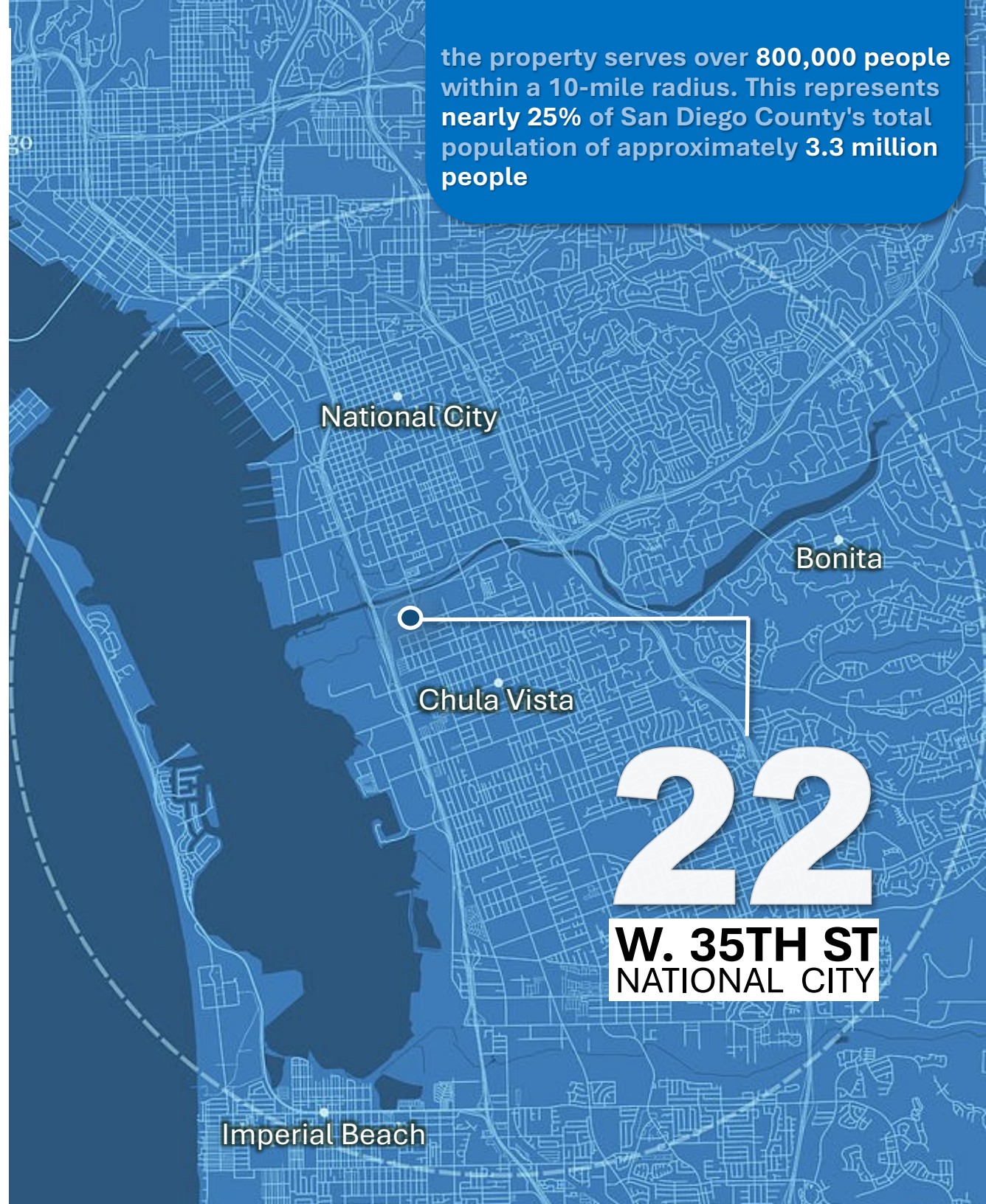
Chula City office submarket:

vacant 4%
VACANCY RATE

 1.8%
RATE INCREASE IN THE PAST 12 MONTHS

The property is strategically located in the South Bay region, on the boundaries of National City and Chula Vista. This prime location places it closer to Chula Vista, a rapidly growing and well-regarded city in San Diego. Chula Vista is known for its excellent quality of life, diverse community, and extensive amenities, making it an attractive hub for businesses and residents alike. The city's ongoing economic development including new residential developments, commercial expansions, and other infrastructure improvements further enhances the appeal and long-term value of the property.

the property serves over 800,000 people within a 10-mile radius. This represents nearly 25% of San Diego County's total population of approximately 3.3 million people



National City

Bonita

Chula Vista

Imperial Beach

22

W. 35TH ST
NATIONAL CITY

04 Area Overview

Chula Vista Bayfront



THE CHULA VISTA BAYFRONT PARK PROJECT

This property is located just 2.5 miles from the highly anticipated Chula Vista Bayfront project. Scheduled to be completed in the summer of 2025, Chula Vista's Bayfront Project will transform 535 acres into a resort, convention center, and recreational hub. Of the total area, 199 acres will be developed, with 335 reserved for parks and open spaces. The project, divided into three districts, will unfold in four phases over 24 years, starting with a hotel, conference center, parks, and residential development.

ECONOMIC BENEFITS

The project will generate more jobs, investments, and revenue than all current businesses within its boundaries. Over 20 years, it's expected to contribute \$1.3 billion to the regional economy, \$11.5 million annually in tax revenue, and create over 2,200 permanent jobs, 7,000 construction jobs, and many indirect jobs.

SUMMARY

- The Chula Vista Bayfront Project will transform 535 acres into a resort, convention center, residential, and recreational area.
- 199 acres will be developed, with 335 acres reserved for parks and open spaces.
- Divided into three districts, the project will unfold in four phases over 24 years.
- Phase 1 includes a hotel, conference center, parks, and residential development.
- Chula Vista's existing attractions, like Third Avenue Village, offer year-round entertainment for visitors and residents.



04

Area Overview San Diego Driver

San Diego County's nearly perfect year-round weather, combined with its dynamic economy, makes the region one of the most desirable places to live and work in the United States. San Diego's quality of life and growing economy attract residents, businesses, and visitors from around the world. Over the last two decades, the San Diego region has developed a progressive identity as both a premier tourist destination and a leader in defense development, biotechnology, life sciences research, sustainable energy, mobile communications, 5G networks, wireless and telecommunications technologies, and electronics manufacturing.

Demographics (5 MILE RADIUS)



396,605
2024 POPULATION



117,549
2024 HOUSEHOLDS



36.30
2024 MEDIAN AGE



\$613,309
2024 MEDIAN HOME VALUE



1970
2024 MEDIAN YEAR BUILT



\$88,635
2024 AVG HOUSEHOLD INCOME



04 Area Overview

Competitive Advantage

San Diego



DEFENSE

Home to the world's largest naval fleet, as well as major national defense contractors like General Atomics, Cubic, and NASSCO. The city's deepwater port also includes the West Coast's only major shipbuilding and submarine yards.

The military's presence in San Diego, particularly in Chula Vista and National City, has a significant economic impact on the region. The military is responsible for about 22% of the region's jobs and contributes approximately \$50 billion to the gross regional product (GRP).



MANUFACTURING

San Diego, California is a major manufacturing hub with a diverse range of industries, including: aerospace, defense, shipbuilding and repair, medical devices, craft brewing, electronics, fabrication metals, biotechnology, apparel, and food.

Its manufacturing sector is supported by a highly-skilled workforce, training programs, and its proximity to Mexico. The city is also home to many advanced manufacturing companies. San Diego also has the most manufacturing jobs in California and is ranked fifth in the country for cities with the most manufacturing jobs.



INTERNATIONAL TRADE

San Diego's proximity to Mexico and global recruitment capabilities give it easy access to international markets.

San Diego is a top 10 services exporter in the U.S., with a competitive advantage in professional, scientific, and technical services. San Diego can take advantage of cost-savings and duty deferral programs through free trade agreements like the U.S.-Mexico-Canada Agreement (USMCA). San Diego and Tijuana have some of the world's strongest innovation clusters, with highly-skilled technical talent.



TOURISM

San Diego is a top tourist destination with a warm climate, 50 miles of coastline, and world-famous attractions.

Tourism is a major economic driver for San Diego, generating billions of dollars in economic impact and supporting hundreds of thousands of jobs. In 2023, tourism generated \$23.48 billion in economic impact, which was over \$1 billion more than 2022. In 2023, tourism supported over 214,000 direct and indirect jobs. Estimated visitors: In 2023, the San Diego Tourism Authority estimated that 30.5 million visitors.



BIOTECH

San Diego's biotech industry is a major contributor to the city's economy, and the region is considered a top three life sciences market in the United States. In 2023, San Diego's life science industry employed 75,816 people and contributed \$56.6 billion to the local economy. San Diego is home to several private research institutions, including Scripps Research, the Salk Institute, and the Sanford Burnham Prebys Medical Discovery Institute.

Additionally, San Diego's universities are known for their groundbreaking research and training of a highly skilled workforce.

05 Financial Overview

INVESTMENT DESCRIPTION	
Project Name	National City Medical Center
Address	22 W. 35th Street
City, State, Zip	National City, CA 91950
Asset Class	Medical Office Investment
Net Square Footage	19,717 SF
In-Place + Vacant Rents	3.46 PSF/YR.
Market Rents	3.56 PSF/YR.
Suite Count	9 Suites
Average Unit Size	2,191 SF
Average Market Rent Growth (Yrs. 1-5)	3.00%
Average Vacancy Loss (Yrs. 1-5)	3.00%
Average Other Rental Loss (Yrs. 1-5)	0.00%

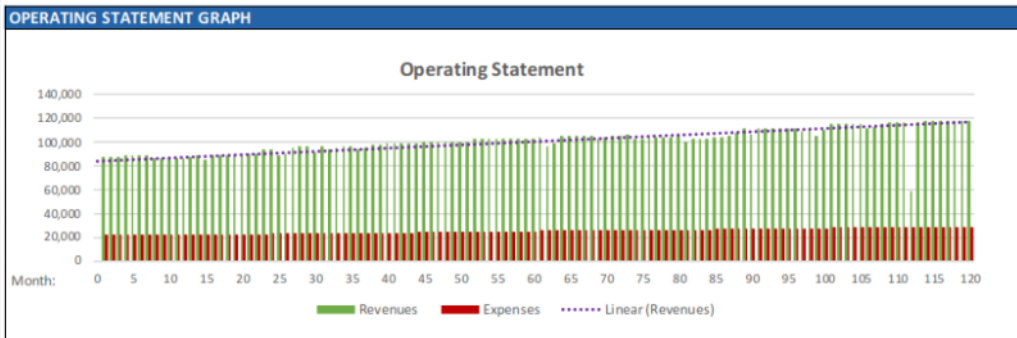
SNAPSHOT			
Operations	Stab. Mo 0	No Refi	Sale. Mo 120
Revenues	1,050,828	-	1,441,074
Expenses	(264,199)	-	(381,173)
Net Operating Income	786,629	-	1,059,901
Expense Ratio	25.14%	-	26.45%
NOI Capture	Forward 12	-	Forward 12
Cap Rate	7.49%	-	6.50%
Total Value	10,500,000	-	-
Project Metrics ⁽¹⁾	Stab. Mo 0	No Refi	Sale. Mo 120
Cash on Cash	N/A	-	11.80%
DSCR	N/A	-	1.87x
Debt Yield	N/A	-	15.55%

ACQUISITION LOAN NOTES						
Loan To Value	Loan Amount	Loan Fee	Amort Period	Interest Only	Loan Type	Interest Rate
65%	6,825,000	1.00%	300 Months	0 Months	Fixed	6.50%
<ul style="list-style-type: none"> Loan amount is \$6,825,000 and is deployed upfront Loan to value is 65.00% of financable costs Interest rate is 6.50% with a amortization term of 300 months and interest only period of 0 months Loan payoff total is \$5,290,150 paid in month 120 						

NO PERM DEBT FINANCING	

SENSITIVITY ANALYSIS					
LEVERED IRR					
Exit Cap	Sale Month				
	96	108	120	132	144
6.00%	17.98%	16.55%	16.32%	15.61%	15.00%
6.25%	17.20%	15.90%	15.76%	15.13%	14.59%
6.50%	16.44%	15.26%	15.22%	14.67%	14.19%
6.75%	15.71%	14.65%	14.69%	14.22%	13.80%
7.00%	14.99%	14.05%	14.19%	13.78%	13.43%

CURRENT IN-PLACE VS. MARKET RENT				
Unit Mix	RSF	In-Place	Market	Rent/Mo. Delta %
My Chula Vista Doctors	9,398	44,171	44,171	0.00%
Care Health Pharmacy	1,263	4,421	4,421	0.00%
Karoli Professional Beauty	1,337	2,500	3,409	36.37%
VIP Medical Group	2,867	7,884	7,884	0.00%
SoCal Injury Care	1,187	2,321	2,321	0.00%
JND Diagnostics, Inc	825	1,615	1,615	0.00%
Phlebotomy Training Specialists	1,110	2,109	2,109	0.00%
Primerica	994	1,544	2,535	64.18%
Back2Play Chiropractic	736	1,730	1,730	0.00%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Total/Average	19,717	68,294	70,194	2.78%



05 Financial Overview

RENT ROLL											
Tenant Name	Suite	RSF	% of Total	Occupancy	Lease End	Rent PSF/Mo.	Rent/Mo.	Escalations	Free Rent	Market Rent	Tenant Options / Notes
My Chula Vista Doctors	101	9,398	47.7%	In-Place	3/31/34	4.70 NNN	44,171	3.00% Annually	-	\$4.70 NNN	Tenant has 1 X 5 Year Option. Tenants renews as of LXD.
Care Health Pharmacy	104	1,263	6.4%	In-Place	5/31/27	3.50 NNN	4,421	2.00% Annually	-	\$3.50 NNN	Tenant has 2 X 5 Year Options. Tenants renews as of LXD.
Karoli Professional Beauty	201	1,337	6.8%	In-Place	2/28/26	1.87 NNN	2,500	Flat	-	\$2.55 NNN	None. Tenant can vacate with 30 days notice
VIP Medical Group	202/203	2,867	14.5%	In-Place	12/31/34	2.75 NNN	7,884	3.00% Annually	-	\$2.75 NNN	Tenant has 2 X 5 Year Options.
SoCal Injury Care	204	1,187	6.0%	In-Place	12/31/26	1.96 NNN	2,321	3.00% Annually	-	\$1.96 NNN	Tenant has 1 X 3 Year Option.
JND Diagnostics, Inc	205	825	4.2%	In-Place	12/31/26	1.96 NNN	1,615	3.00% Annually	-	\$1.96 NNN	Tenant has 1 X 3 Year Option.
Phlebotomy Training Specialists	206	1,110	5.6%	In-Place	11/30/27	1.90 NNN	2,109	3.00% Annually	-	\$1.90 NNN	None. Tenant can vacate with 30 days notice
Primerica	208	994	5.0%	In-Place	7/31/25	1.55 NNN	1,544	3.00% Annually	-	\$2.55 NNN	None.
Back2Play Chiropractic	209	736	3.7%	In-Place	7/31/27	2.35 NNN	1,730	3.00% Annually	-	\$2.35 NNN	Tenant has 1 X 3 Year Option.
Total Weighted/Avg	9 Tenants	19,717	100.0%	N/A	12/31/34	3.46 SF/Mo.	68,294 /Mo.	N/A	-	\$3.56 SF/Mo.	

Year		
Market Rent	41.56	819,529
Recoveries	13.30	262,217
Gross Potential Rent	54.86	1,081,747
Physical Occupancy	97.00%	
Vacancy Loss	(1.65)	(32,452)
Free Rent	-	-
Other Rent Loss	-	-
Total Rental Income	53.22	1,049,294
Economic Occupancy	93.44%	
Total Other income	-	-
Total Income	94.78	1,049,294
Operating Expenses		
CAM Improvement Res/Recap	(2.25)	(44,340)
CAM Utilities	(0.31)	(6,015)
Common Area Maintenance	(2.07)	(40,778)
Fire Alarm	(0.17)	(3,310)
Fire Sprinklers	(0.03)	(602)
Insurance	(0.35)	(6,848)
Landscaping	(0.41)	(8,120)
Management Fees	(0.61)	(11,930)
Security	(0.57)	(11,188)
Trash Removal/Supplemental	(0.27)	(5,391)
Water/Sewer	(0.13)	(2,537)
Property Taxes	(6.15)	(121,185)
Total Operating Expenses	(13.30)	(262,243)
Net Operating Income	39.92	787,051
Valuation (Cap Rate)	7.50% Cap Rate	
Purchase Price as of 12/24	532.54	10,500,000

In-Place NOI		
19,717 RSF (1/25-Annualized)		
	\$/RSF/Yr	\$/Yr
	41.83	824,730
	13.12	258,598
	54.94	1,083,328
	94.96%	
	(1.65)	(32,500)
	-	-
	-	-
	53.30	1,050,828
	92.77%	
	-	-
	95.12	1,050,828
	(2.28)	(44,954)
	(0.31)	(6,098)
	(2.10)	(41,343)
	(0.17)	(3,356)
	(0.03)	(610)
	(0.35)	(6,943)
	(0.42)	(8,233)
	(0.61)	(12,095)
	(0.58)	(11,343)
	(0.28)	(5,466)
	(0.13)	(2,573)
	(6.15)	(121,185)
	(13.40)	(264,199)
	39.90	786,629
	7.49% Cap Rate	
	532.54	10,500,000

Year 1 NOI		
19,303 RSF (1/25-12/25)		
	\$/RSF/Yr	\$/Yr
	41.83	824,730
	13.12	258,598
	54.94	1,083,328
	94.96%	
	(1.65)	(32,500)
	-	-
	-	-
	53.30	1,050,828
	92.77%	
	-	-
	95.12	1,050,828
	(2.28)	(44,954)
	(0.31)	(6,098)
	(2.10)	(41,343)
	(0.17)	(3,356)
	(0.03)	(610)
	(0.35)	(6,943)
	(0.42)	(8,233)
	(0.61)	(12,095)
	(0.58)	(11,343)
	(0.28)	(5,466)
	(0.13)	(2,573)
	(6.15)	(121,185)
	(13.40)	(264,199)
	39.90	786,629
	7.49% Cap Rate	
	532.54	10,500,000

Stabilized NOI		
19,303 RSF (1/25-12/25)		
	\$/RSF/Yr	\$/Yr
	41.83	824,730
	13.12	258,598
	54.94	1,083,328
	94.96%	
	(1.65)	(32,500)
	-	-
	-	-
	53.30	1,050,828
	92.77%	
	-	-
	95.12	1,050,828
	(2.28)	(44,954)
	(0.31)	(6,098)
	(2.10)	(41,343)
	(0.17)	(3,356)
	(0.03)	(610)
	(0.35)	(6,943)
	(0.42)	(8,233)
	(0.61)	(12,095)
	(0.58)	(11,343)
	(0.28)	(5,466)
	(0.13)	(2,573)
	(6.15)	(121,185)
	(13.40)	(264,199)
	39.90	786,629
	7.49% Cap Rate	
	532.54	10,500,000

Year 3 NOI		
19,396 RSF (1/27-12/25)		
	\$/RSF/Yr	\$/Yr
	45.57	898,430
	13.99	275,819
	59.56	1,174,249
	95.42%	
	(1.79)	(35,227)
	(0.55)	(10,816)
	-	-
	57.22	1,128,205
	94.00%	
	-	-
	102.79	1,128,205
	(2.42)	(47,731)
	(0.33)	(6,475)
	(2.23)	(43,896)
	(0.18)	(3,563)
	(0.03)	(648)
	(0.37)	(7,372)
	(0.44)	(8,741)
	(0.65)	(12,842)
	(0.61)	(12,044)
	(0.29)	(5,804)
	(0.14)	(2,731)
	(6.52)	(128,565)
	(14.22)	(280,412)
	43.00	847,793
	8.07% Cap Rate	
	532.54	10,500,000

05 Financial Overview

OPERATING STATEMENT														
Physical Occupancy		0.00%	92.11%	97.00%	91.54%	97.00%	97.00%	97.00%	90.42%	97.00%	97.00%			
Market Rent	-	824,730	855,041	898,430	933,356	960,779	982,389	983,253	1,039,705	1,068,916	1,100,800			
Recoveries	-	258,598	261,808	275,819	288,858	297,589	303,037	300,734	321,745	329,788	345,365			
Gross Potential Rent	-	1,083,328	1,116,849	1,174,249	1,222,214	1,258,368	1,285,426	1,283,987	1,361,449	1,398,704	1,446,165			
Vacancy Loss	-	(32,500)	(33,505)	(35,227)	(36,666)	(37,751)	(38,563)	(38,520)	(40,843)	(41,961)	(43,385)			
Free Rent	-	-	(12,405)	(10,816)	(2,307)	-	(6,625)	(6,071)	(13,557)	(9,914)	(58,277)			
Other Rent Loss	-	-	-	-	-	-	-	-	-	-	-			
Total Rental Income	-	1,050,828	1,070,939	1,128,205	1,183,240	1,220,617	1,240,238	1,239,397	1,307,049	1,346,828	1,344,502			
Total Other income	-	-	-	-	-	-	-	-	-	-	-			
Total Income	-	1,050,828	1,070,939	1,128,205	1,183,240	1,220,617	1,240,238	1,239,397	1,307,049	1,346,828	1,344,502			
Recovery Percentage	-	94.95%	93.29%	95.41%	96.99%	96.99%	95.86%	92.35%	95.89%	95.41%	96.99%			
Operating Expenses														
CAM Improvement Res/Recap	-	(44,954)	(46,322)	(47,731)	(49,182)	(50,678)	(52,220)	(53,808)	(55,445)	(57,131)	(58,869)			
CAM Utilities	-	(6,098)	(6,284)	(6,475)	(6,672)	(6,875)	(7,084)	(7,299)	(7,521)	(7,750)	(7,986)			
Common Area Maintenance	-	(41,343)	(42,601)	(43,896)	(45,231)	(46,607)	(48,025)	(49,486)	(50,991)	(52,542)	(54,140)			
Fire Alarm	-	(3,356)	(3,458)	(3,563)	(3,672)	(3,783)	(3,899)	(4,017)	(4,139)	(4,265)	(4,395)			
Fire Sprinklers	-	(610)	(628)	(648)	(667)	(687)	(708)	(730)	(752)	(775)	(799)			
Insurance	-	(6,943)	(7,154)	(7,372)	(7,596)	(7,827)	(8,065)	(8,310)	(8,563)	(8,824)	(9,092)			
Landscaping	-	(8,233)	(8,483)	(8,741)	(9,007)	(9,281)	(9,563)	(9,854)	(10,154)	(10,463)	(10,781)			
Management Fees	-	(12,095)	(12,463)	(12,842)	(13,233)	(13,635)	(14,050)	(14,477)	(14,918)	(15,371)	(15,839)			
Security	-	(11,343)	(11,688)	(12,044)	(12,410)	(12,787)	(13,176)	(13,577)	(13,990)	(14,415)	(14,854)			
Trash Removal/Supplemental	-	(5,466)	(5,632)	(5,804)	(5,980)	(6,162)	(6,350)	(6,543)	(6,742)	(6,947)	(7,158)			
Water/Sewer	-	(2,573)	(2,651)	(2,731)	(2,814)	(2,900)	(2,988)	(3,079)	(3,173)	(3,269)	(3,369)			
Property Taxes	-	(121,185)	(124,820)	(128,565)	(132,422)	(136,394)	(140,486)	(144,701)	(149,042)	(153,513)	(158,119)			
Total Operating Expenses	-	(264,199)	(272,185)	(280,412)	(288,887)	(297,619)	(306,614)	(315,882)	(325,430)	(335,266)	(345,399)			
Net Operating Income	-	786,629	798,754	847,793	894,353	922,998	933,623	923,515	981,619	1,011,562	999,103			
Total TIs	-	-	(46,620)	(40,601)	-	-	(19,923)	(19,880)	(39,370)	(27,971)	(93,980)			
Total LCs	-	-	(19,757)	(18,112)	-	-	(7,083)	(9,814)	(21,626)	(12,670)	(92,821)			
Replacement Reserves	-	(29,576)	(29,576)	(29,576)	(29,576)	(29,576)	(29,576)	(29,576)	(29,576)	(29,576)	(27,111)			
Net Operating Income Less Capital Costs	-	757,053	702,802	759,505	864,777	893,423	877,042	864,245	891,047	941,346	785,191			
ACQUISITION LOAN														
Acquisition Loan Amount	6,825,000	6,825,000	-	-	-	-	-	-	-	-	-			
Acquisition Loan Fees	(68,250)	(68,250)	-	-	-	-	-	-	-	-	-			
Acquisition Mortgage Payment	(5,529,947)	-	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)			
Acquisition Payoff Value	(5,290,150)	-	-	-	-	-	-	-	-	-	(5,290,150)			
Total Acquisition Debt	(4,063,347)	6,756,750	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(552,995)	(5,843,145)			
SALE VALUE														
Reversion Value	16,306,168	-	-	-	-	-	-	-	-	-	16,306,168			
Selling Costs	(489,185)	-	-	-	-	-	-	-	-	-	(489,185)			
Net Reversion Value	15,816,983	-	-	-	-	-	-	-	-	-	15,816,983			
YEAR ENDING														
			Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
NET CASH FLOWS	EMx	IRR	Profit	12/31/24	12/31/25	12/31/26	12/31/27	12/31/28	12/31/29	12/31/30	12/31/31	12/31/32	12/31/33	12/31/34
Unlevered Cash Flow	2.28x	10.70%	13,548,416	(10,605,000)	757,053	702,802	759,505	864,777	893,423	877,042	864,245	891,047	941,346	16,602,175
Levered Cash Flow	3.46x	15.22%	9,485,069	(3,848,250)	204,059	149,807	206,511	311,783	340,428	324,048	311,251	338,053	388,351	10,759,030
Cash on Cash at Stabilization	5.31%	-	5.30%	4.70%	5.38%	8.03%	8.77%	8.34%	8.03%	8.98%	9.97%	9.76%		
DSCR at Stabilization	1.37x	-	1.42x	1.44x	1.53x	1.62x	1.67x	1.69x	1.67x	1.78x	1.83x	1.81x		
Debt Yield at Stabilization	11.53%	-	11.34%	12.48%	12.24%	13.23%	13.62%	14.02%	13.41%	14.85%	15.29%	15.55%		
Unlevered Rolling IRR	6.50% Exit Cap	-	19.54%	15.84%	14.46%	13.34%	12.31%	11.28%	11.43%	11.19%	10.65%	10.70%		
Levered Rolling IRR	6.50% Exit Cap	-	40.63%	29.71%	25.45%	22.28%	19.64%	17.19%	17.21%	16.52%	15.30%	15.22%		

(1) Rolling IRR Metrics do not include refinance loan assumptions

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Financial Overview Prospective Debt Terms

Property Address: 22 W. 35th Street, National City, CA 91950	
Square Footage: ± 19,717	
Purchase Price:	\$ 11,000,000
Bank Portfolio Financing—Medical Office Building	
Loan Amount	\$ 6,825,000.00
Fees Financed	None
Maturity	5,7, or 10 years
Interest Rate*	Estimated Range 6.35%-6.65%
Rate Structure	5 Year Fixed
Years Amortized	25 to 30
Prepayment Penalty	None, Step-Down, or Yield Maintenance
Monthly Payment	\$ 45,900.00
Estimated Closing Costs*	
Down Payment	\$ 3,675,000.00
Attorney Fees	None
Appraisal	\$ 3,000.00
Environmental Report	\$ 2,500.00
Escrow Fee	\$ 5,000.00
Processing/Documentation/ Underwriting	\$ 5,000.00
Loan Origination Fee (1%)	\$ 68,250.00
Total Cost	\$ 3,758,750.00

TOTAL COST
\$ 3,758,750



■ Disclaimer

Pacific Coast Commercial (“Agents”) has been retained as exclusive broker for the sale of 22 W. 35th Street, National City, California (the “Property”) on behalf of the “Seller”.

This Memorandum has been prepared by Agents 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 thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. All of the information included herein has been developed by Seller and Agent, and designated sources, and are based upon assumptions relating to the general economy, competition and other factors beyond the control of Seller, and therefore are subject to variation. No representation is made by Seller or Agent as to the accuracy or 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. Although the information contained herein is believed to be correct, Agent, Seller, Seller’s agents, attorneys, representatives, and its employees, disclaim any responsibility for inaccuracies, and expect prospective purchasers to exercise independent due diligence in verifying all such information.

Further, Agent, Seller and their respective employees, disclaim any and all liability for representations and warranties, expressed and Implied, contained in, or for omission from, this Memorandum, or any other written or oral communication transmitted or made available to the recipient. This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation (July 2024) of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller’s sole discretion.

Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser hereunder.

This Memorandum and its contents, except such information which is a matter of public record or is in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose this 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 an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent.

If you have further interest in the Property, please contact the listing agents.

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W. 35TH ST
NATIONAL CITY



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The information contained herein has been given to us by the owner of the property or other sources we deem reliable, we have no reason to doubt its accuracy, but we do not guarantee it. All information including zoning, financials, leases, floorplans, square footage, permits and use should be verified during due diligence and prior to completing a transaction.