

An aerial photograph of a residential neighborhood in San Diego. A yellow rectangle highlights a specific property, which is a long, narrow lot containing two adjacent duplexes. The duplexes have light-colored roofs and are surrounded by palm trees and other landscaping. The property is situated on a street with other houses and parked cars visible in the background.

OFFERING MEMORANDUM

RARE OPPORTUNITY | (2) CONTIGUOUS DUPLEXES ON SEPARATE PARCELS

3326 - 3328 & 3330 - 3332 40TH STREET - SAN DIEGO, CA 92105

858.360.3000 ■ caacre.com



OFFERING MEMORANDUM

3326-3328 & 3330-3332
40TH STREET - SAN DIEGO, CA 92105

Please direct all inquiries and communications
related to this offering to:

MAXWELL BROWN

Senior Vice President

Email: mbrown@caacre.com

DRE#02127395

Cell: 925.872.6746

Direct: 858.836.6988



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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EXECUTIVE SUMMARY

OFFERING

3326-3328 & 3330-3332 40TH STREET - SAN DIEGO, CA 92105

3326-28 & 3330-32 40th Street present a unique opportunity for an owner-user, investor, or flipper to acquire two contiguous duplexes on separate APNs in a centrally located San Diego neighborhood.

Each duplex features a 1,216 sq. ft. single-story structure comprised of two 2-bedroom / 1-bath units (approx. 608 sq. ft. each) with vaulted ceilings and private mid-size yards. One unit has been fully renovated and is move-in ready, offering immediate occupancy for an owner or solid rent potential for an investor.

The properties feature lightly pitched roofs and raised foundations for easy maintenance, along with a total of 5 gas meters, 5 electric meters, and 1 water meter—with the additional gas and electric meters servicing the shared laundry room. There are 5 off-street parking spaces on site.

For investors or renovators, there's clear upside potential. A savvy buyer could modernize the remaining three units and sell each duplex individually at an estimated ARV of \$1,700,000–\$1,750,000. To facilitate separate sales, a second water meter would need to be established.

Nestled in a quiet southwestern pocket of central San Diego known as Castle Park, the area is characterized by wide streets, single-family homes, and duplexes within the RS-1-7 zoning district. The location offers excellent accessibility to nearby retail, employment, and major freeways (I-15, I-805, I-8, and SR-94).

Residents enjoy proximity to many of San Diego's key employment and lifestyle hubs, all within a 5-15 minute drive—including Downtown San Diego, North Park, Fashion Valley, Mission Valley, SDSU, USD, Naval Base San Diego, and Scripps Medical Center.



OPPORTUNITY HIGHLIGHTS

3326 - 3332 & 3330-3332 40TH STREET - SAN DIEGO, CA

Price	\$ 1,300,000
Number of Units	Four (4)
Price Per Unit	\$ 325,000
Parking	5 Spaces
Year Built	1952
APN	454-311-15-00 & 54-311-16-00
Improvements	2,432 SF
Lot Size	6,719 SF
Metering	5 Gas, 5 Electricity, 1 Water
Gross Scheduled Income	\$100,482
In-Place Cap Rate	5.59 %
Proforma Cap Rate	7.17 %



Two Contiguous Duplexes



Low Downpayment Duplex Financing Available



Value-Add Opportunity: Estimated ARV \$1,700,000 – \$1,750,000



Strong In Place & Proforma Return Metrics



Affordable & Demanded Central San Diego Location and Product Type



























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SALES COMPARABLES



SALES COMPARABLES - DUPLEX

MLS 250026345SD 	Address 2729 31 Snowdrop St Status Closed Close Date 5/29/2025 List Price \$725,000 Close Price \$730,000 Sold Price Per SQFT	Price Per Unit # of Units Total 2 Avg1 Bed Area Units Avg2 Bed Area Units Avg3 Bed Area Units	 
	This property presents a fantastic opportunity for either a developer looking to capitalize on the location or an owner-user seeking supplementary income. It offers the attractive prospect of owning two separate income-producing units, providing cozy and convenient living right in the vibrant heart of East San Diego. Its prime location offers close proximity to schools, parks, supermarkets, a variety of eateries, and churches, as well as being near the natural beauty of 'Hollywood Canyon' and Pepper Canyon.		
MLS 250029744SD 	Address 3577 79 Highland Ave Status Closed Close Date 7/24/2025 List Price \$775,000 Close Price \$825,000 Sold Price Per SQFT	Price Per Unit # of Units Total 2 Avg1 Bed Area Units Avg2 Bed Area Units Avg3 Bed Area Units	 
	Tucked into a central San Diego neighborhood, this duplex offers privacy, functionality, and investment potential. Both units offer 2 bedrooms and 1 bathroom, featuring open floor plans and tile flooring throughout. Each home includes its own fully fenced yard. A detached garage and an off-alley parking space add convenience. Whether you're looking to live in one and rent the other, or add to your portfolio, this is a great opportunity in a prime location.		
MLS 250020467SD 	Address 2351 Modesto St Status Closed Close Date 4/28/2025 List Price \$899,000 Close Price \$925,000 Sold Price Per SQFT	Price Per Unit # of Units Total 2 Avg1 Bed Area Units Avg2 Bed Area Units Avg3 Bed Area Units	 
	Income Opportunity! In the heart of City Heights, This Duplex has excellent rental income potential--perfect for investors or owner-occupants! Top Unit is a 2 bd 1Ba approx 950 SF w/ in unit laundry. Bottom units is approx 850sf with 2bed 1Ba with laundry closet and fenced yard. Perfect for a first time buyer, multi-generational families or a savvy investor. They were remodeled in 2022, open floor plan custom kitchen with quartz countertops, huge breakfast bar and new stainless steel appliances. Each unit has a privately fenced in yard and in unit laundry closet. Don't miss this income-generating gem with HIGH producing rents!! Ching ching!!		
MLS AR25087851 	Address 4772 Dwight Street Status Closed Close Date 7/24/2025 List Price \$949,000 Close Price \$931,000 Sold Price Per SQFT	Price Per Unit \$474,500 # of Units Total 2 Avg1 Bed Area Units Square Feet Avg2 Bed Area Units Square Feet Avg3 Bed Area Units Square Feet	 
	Great opportunity to own 2 units. Live in one and rent out the other. Offers cozy and convenient living in the heart of Eastside of San Diego. Property located near school, parks, supermarket, eateries and churches.		

SALES COMPARABLES - 4 UNITS

MLS PTP2503727		Address	3867-71 Menlo Avenue	Price Per Unit	\$325,000	 
		Status	Closed	# of Units Total	4	
		Close Date	9/11/2025	Avg1 Bed Area Units		
		List Price	\$1,300,000	Avg2 Bed Area Units		
		Close Price	\$1,300,000	Avg3 Bed Area Units		
		Sold Price Per SQFT				
3865-71.5 Menlo Ave possesses 4 units consisting of a detached 2 Bed / 1 Bath House, (3) 1 bed / 1 bath units, community laundry room , and 5 off-street parking spaces. The property produces a strong \$107,772 Gross Scheduled Income with a Net Operating income of \$79,315 yielding an above market true 5.69% Cap Rate. A savvy investor may elect to renovate units to achieve even higher rents.						
MLS 250028709SD		Address	5872 Streamview Streamview Dr	Price Per Unit		 
		Status	Closed	# of Units Total	4	
		Close Date	7/1/2025	Avg1 Bed Area Units		
		List Price	\$1,399,000	Avg2 Bed Area Units		
		Close Price	\$1,320,000	Avg3 Bed Area Units		
		Sold Price Per SQFT				
Incredible investment opportunity with strong cash flow in this fully rented four-unit property generating \$10,000 per month in gross rental income. Each unit has been tastefully renovated inside, offering updated interiors that appeal to quality tenants--who are all current on rent. The property also includes two garage structures that are not currently utilized by tenants, presenting a clear opportunity to increase income by renting out the garages or converting them into two additional units through ADU development. This property offers a 6.86% cap rate and an 11.67 GRM, providing solid day-one returns with upside potential through additional value-add						
MLS 250018360SD		Address	4143 Van Dyke Ave, #A-D	Price Per Unit		 
		Status	Closed	# of Units Total	4	
		Close Date	4/21/2025	Avg1 Bed Area Units		
		List Price	\$1,590,000	Avg2 Bed Area Units		
		Close Price	\$1,550,000	Avg3 Bed Area Units		
		Sold Price Per SQFT				
Welcome to 4143 Van Dyke Ave, a fully renovated 4-unit multifamily property in the heart of San Diego's vibrant City Heights neighborhood. Each unit features 2 bedrooms and 1 bathroom, thoughtfully upgraded with newer flooring, modern front doors, fresh paint, and new energy-efficient windows. The property boasts new kitchen cabinets and appliances in every unit, including a refrigerator and microwave, along with an upgraded electrical panel with dimmable lighting. Residents enjoy the convenience of one dedicated parking space per unit, as well as a shared laundry room for added ease. Located in a dynamic rental market, this turnkey investment is						

RENT COMPARABLES

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1 Saved Home

7 days ago [Apply instantly](#)

\$2,250/mo

2 bds | 1 ba | 650 sqft - House for rent
4371-73 Central Ave, San Diego, CA 92105

10 days ago [Apply instantly](#)

\$2,500/mo

2 bds | 1 ba | 700 sqft - Apartment for rent
3118-3124 Fairmount Ave, San Diego, CA 92105

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\$2,250/mo

2 bds | 1 ba | 650 sqft - Apartment for rent
3669 Van Dyke Ave #1/2, San Diego, CA 92105

11 days ago [Apply instantly](#)

\$2,500/mo

2 bds | 1 ba | 750 sqft - Apartment for rent
4143 Van Dyke Ave APT D, San Diego, CA 92105

11 days ago

\$2,200/mo

2 bds | 1 ba | 750 sqft - Apartment for rent
3770 42nd Street, 3770 42nd St APT 6, San Diego,...

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FINANCIAL ANALYSIS



FINANCIAL ANALYSIS

PRO FORMA INCOME & EXPENSES

3326-32 40th St
San Diego, CA

Units	Type	Unit SF	Total SF	Market Rent	In-Place Avg Rent	Monthly Mkt. Rent
3	2 Bed / 1 Bath w yard	608	1,824	\$2,395	\$1,965	\$7,185
1	2 Bed / 1 Bath w yard (Renovated & Vacant)	608	608	\$2,395	\$2,300	\$2,395
4		608	2,432	\$2,395	\$2,049	\$9,580

Income	Pro Forma Assumption	Actual In-Place
Scheduled Market Rent	\$114,960	\$98,340
Plus: Pet Income	\$1,200	\$0
Plus: Laundry Income	\$2,400	\$942
Plus: Water/Trash Rebill	\$2,880	\$1,200
Gross Scheduled Income	\$121,440	\$100,482

Expenses	Per Unit		
Reserves & Replacement	\$200	\$800	\$800
Repairs, Maintenance, & Turnover	\$1,000	\$4,000	\$4,000
Utilities Inc. Trash	\$805	\$3,221	\$3,221
Contracted Services	\$207	\$828	\$484
Real Estate Taxes	1.2230%	\$4,034	\$16,136
Insurance	\$800	\$3,200	\$3,200
Total Expenses		\$28,185	\$27,841

	Per Unit:	\$7,046	\$6,960
	% of Income	23.2%	27.7%
Net Operating Income		\$93,255	\$72,641

Less: Debt Service	(\$78,226)	(\$78,226)
Projected Net Cash Flow	\$15,028	(\$5,586)
Cash-on-Cash Return (Based on List Price)	7.71%	-2.86%
Debt Service Coverage	1.19	0.93
Principal Reduction	\$13,417	\$13,417
Return after Principal Reduction	14.59%	4.02%

GRM 10.70 12.94

Pricing Analysis	Price	\$/Unit	\$/Foot	Cap Rate	Cap Rate
Listing Price	\$1,300,000	\$325,000	\$534.54	7.17%	5.59%

All Financing	Total Loan Amount	Down Payment	LTV	Monthly Payment	Debt Constant
	\$1,105,000	\$195,000	85%	(\$6,519)	7.1%

New Financing

LTV for this loan	Amount	Interest Rate	Amortization	Payment I/O	Term (yrs)
85%	\$1,105,000	5.85%	30	(\$6,519)	0

IMPORTANT INFORMATION & DISCLAIMER: No warranties or representations, expressed or implied, are made as to the accuracy of the information contained herein. The information provided was obtained from sources deemed reliable but has not been independently verified, and no guarantees are made regarding its accuracy or completeness. Any opinions, projections, or estimates are for general informational purposes only and do not guarantee current or future performance. You are advised to independently verify all information and consult with legal, financial, and tax advisors before making any decisions. All parties shall indemnify and hold our firm harmless from any reliance on the information contained within any marketing and informational materials provided.

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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.



70

Miles of Coastline



300+

Sunny Days a Year



70

Avg High Temperature



\$1,100,000

Avg Home Value



3,298,634

Population - San Diego County



\$98,928

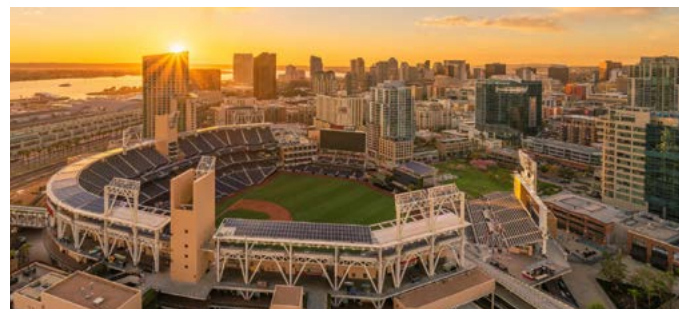
Median Household Income



1,172,343

Households

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.

