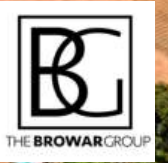


HIGHLAND AND DIVISION NEW CONSTRUCTION

2036-58 Highland Ave | San Diego, CA
OFFERING MEMORANDUM

CORDONADO
BRIDGE

DOWNTOWN
SAN DIEGO



Highland and Division New Construction

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Exclusively Marketed by:

Florian Sighe

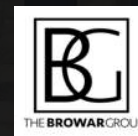
The Browar Group

Vice President

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florian@thebrowargroup.com

02072593





01

Property Description

Property Features

Property Images

PROPERTY FEATURES

NUMBER OF UNITS	12
BUILDING SF	9,748
LAND SF	14,319
YEAR BUILT	2023
# OF PARCELS	4
BUILDING CLASS	A-
LOCATION CLASS	B-
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	4
NUMBER OF PARKING SPACES	14
WASHER/DRYER	12

MECHANICAL

HVAC	All Units and BRs
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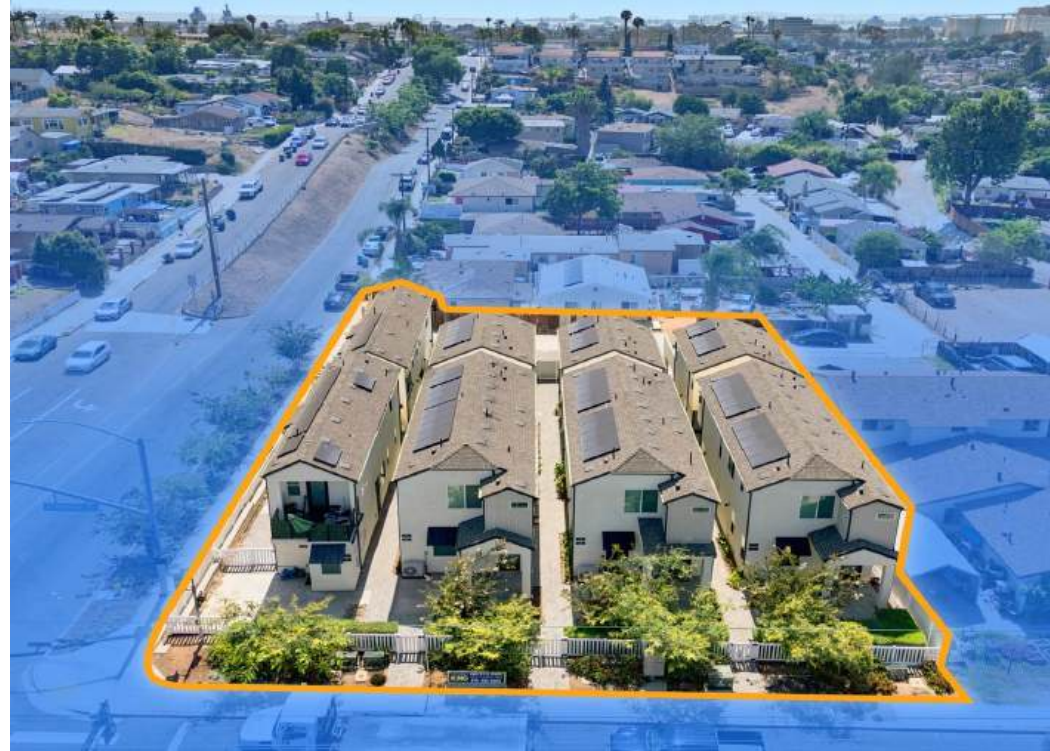
UTILITIES

WATER	Owner
TRASH	Owner
GAS	Tenant
ELECTRIC	Tenant
RUBS	In Place (Water Trash)

CONSTRUCTION

FRAMING	Wood
EXTERIOR	Stucco
PARKING SURFACE	Concrete
ROOF	Composite
STYLE	Low Rise
LANDSCAPING	Low Maintenance















02

Executive Summary

Investment Summary

Unit Mix Summary

OFFERING SUMMARY

ADDRESS	2036-58 Highland Ave San Diego CA 92113
COUNTY	San Diego
MARKET	San Diego
BUILDING SF	9,748 SF
LAND SF	14,319 SF
NUMBER OF UNITS	12
YEAR BUILT	2023
APN	551-563-16/19-00
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

PRICE	\$5,475,000
PRICE PSF	\$561.65
PRICE PER UNIT	\$456,250
OCCUPANCY	96.00%
NOI (CURRENT)	\$266,499
NOI (Pro Forma)	\$323,174
CAP RATE (CURRENT)	4.87%
CAP RATE (Pro Forma)	5.90%
CASH ON CASH (CURRENT)	-1.00%
CASH ON CASH (Pro Forma)	3.14%
GRM (CURRENT)	13.87
GRM (Pro Forma)	11.98

PROPOSED FINANCING

First Trust Deed	
LOAN TYPE	Interest Only
DOWN PAYMENT	\$1,368,750
LOAN AMOUNT	\$4,106,250
INTEREST RATE	6.75%
LOAN TERMS	DSCR 25% Down I/O
ANNUAL DEBT SERVICE	\$277,172
LOAN TO VALUE	75%

Investment Summary

- Presenting for sale this NEW CONSTRUCTION 12 unit in south San Diego. Comprised of a unit mix rarely available in the market, the property contains (9) 2BR 2.5BA townhome style units and (3) well designed 1BR units. The property is spread across (4) parcels, which presents a truly unique opportunity to attain residential financing and enjoy much better leverage than with commercial financing. Ask agent about cost seg/tax benefits for which we estimate a HUGE 7 figures of Yr 1 depreciation available! The property boasts truly elegant interior designs, equipped with AC minisplits in all living and bed rooms, off street parking including garages on each parcel, and select units enjoy massive decks and patios. Reach out and learn more today.

Investment Highlights

- New construction - built in 2023 - fully tested operationally and truly turn key
- Excellent and rare mix of mostly 2BR 2.5BA townhome style units (9) and (3) 1BR units
- Off street parking and garages on every parcel
- Unique opportunity to purchase with residential financing given 4 parcels = GREAT leverage!

Investment Summary

Presenting for sale this NEW CONSTRUCTION 12 unit property in south San Diego.

Comprised of a unit mix rarely available in the market, the property contains (9) 2BR 2.5BA townhome style units and (3) well designed 1BR units. The property is spread across (4) parcels, which presents a truly unique opportunity to attain residential financing and enjoy much better leverage than with commercial financing.

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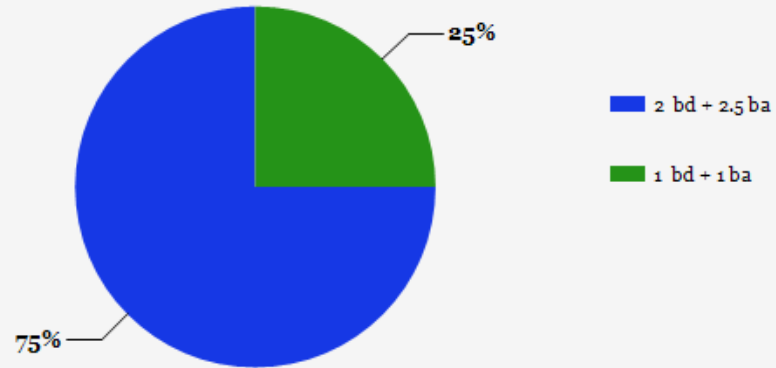
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Investment Highlights

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- Off street parking and garages on every parcel
- Unique opportunity to purchase with residential financing given 4 parcels = GREAT leverage!
- Ask listing agent about cost segregation and tax depreciation benefits - we estimate 7 figures of Year 1 tax savings available

Unit Mix	# Units	Square Feet	Current Rent	Rent PSF	Monthly Income
2 bd + 2.5 ba	9	862 - 873	\$2,795 - \$3,395	\$3.57	\$27,855
1 bd + 1 ba	3	497 - 643	\$2,095 - \$2,495	\$4.03	\$6,885
Totals/Averages	12	793	\$2,895	\$3.68	\$34,740

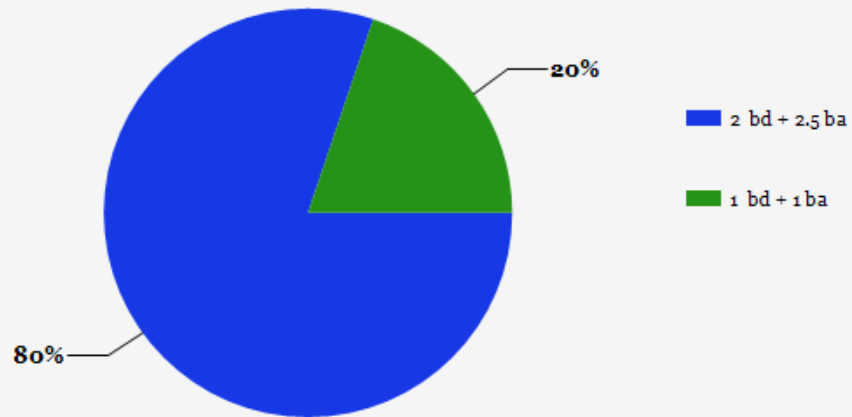
Unit Mix Summary



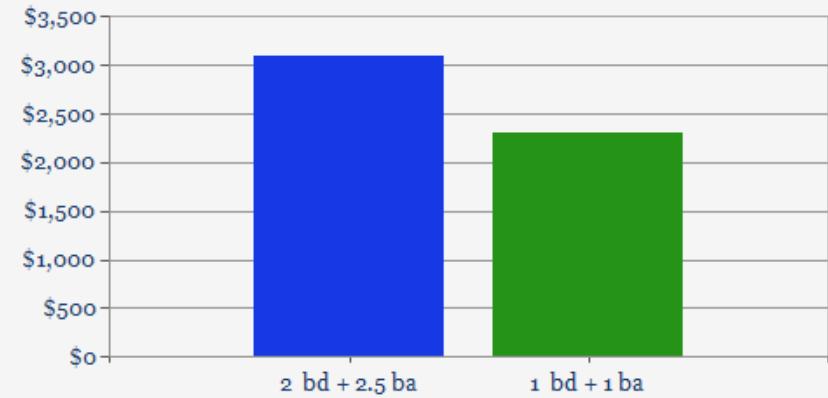
Unit Mix SF

Other

Unit Mix Revenue



Rental Income





03

Financial Analysis

Income & Expense Analysis
Multi-Year Cash Flow Assumptions
Cash Flow Analysis

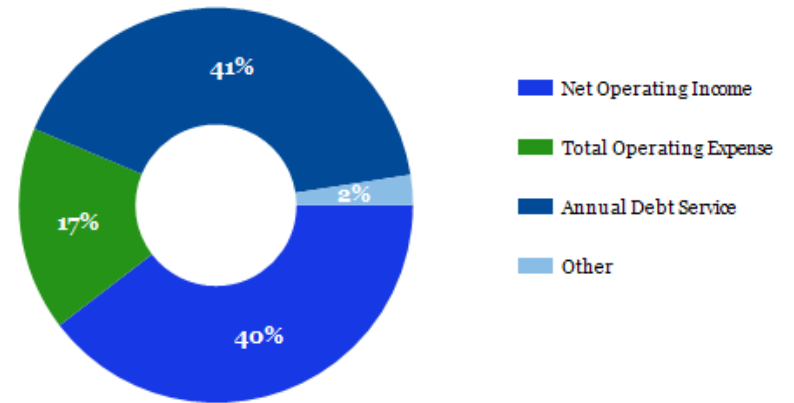
THE BROWAR GROUP

# Units	Address	City	Zip	Map Code	
12	2036-58 Highland Ave	San Diego	92113		
Price	Cap Ex/Basis	GRM	CAP Rate	\$ / Unit	
\$5,475,000	\$0 \$5,475,000	Current 13.6 Market 11.8	Current 4.9% Market 5.9%	\$456,250	
Price Per SF	Avg Unit SF	Gross Sq. Ft. (Approx.)	Parcel Size (Approx.)	Parking	Yr. Built
\$561.65	812	9,748	14,319	14	2023
Income Detail			Annual Operating Expenses		
# of Units	Type	Rent	Total	(Estimated)	
Current Income					
9	2Br/2.5Ba	\$2795-3395	\$26,065	Esti. Expenses	Prop Mgmt \$20,070
3	1Br/1Ba	\$2095-2495	\$6,785	Utilities \$1,000	OnSite Mgmt
				Water/Sewer \$10,080	Insurance \$6,000
				Contracted \$1,200	License/Fees
				Trash \$0	Pool
				Pest Control \$600	Misc/Reserves \$3,000
				Maintenance \$7,200	Taxes* \$67,343
				Total Annual Expenses	\$116,493
	Parking		TBD	Expenses per:	Est. Sq. Ft. \$11.95
12	RUBS	\$50	\$600	Unit	\$9,708
Total Monthly Income			\$33,450	% of GSI	29.0%
Market Income					
9	2Br/2.5Ba	\$3,395	\$30,555	Esti. Expenses \$0	Prop Mgmt \$23,184
3	1Br/1Ba	\$2,495	\$7,485	Utilities \$1,000	OnSite Mgmt \$0
				Water/Sewer \$10,080	Insurance \$6,000
				Contracted \$1,200	License/Fees \$0
				Trash \$0	Pool \$0
				Pest Control \$600	Misc/Reserves \$3,000
				Maintenance \$7,200	Taxes* \$67,343
				Total Annual Expenses	\$119,607
12	Parking		TBD	% of GSI	25.8%
RUBS	\$50	\$600			
Total Monthly Income			\$38,640		
Annual Operating Proforma			Financing Summary		
		Current	Market		
Gross Scheduled Income		\$401,400	\$463,680	Down Payment	\$2,299,500
Less: Vacancy Factor	4.0%	\$16,056	\$18,547		42%
Gross Operating Income		\$385,344	\$445,133		
Less: Expenses	29.0%	\$116,493	\$119,607	25.8%	
Net Operating Income		\$268,852	\$325,526	Proposed Financing:	\$3,175,500
Less: 1st TD Payments		(\$224,803)	(\$224,803)	Interest Rate:	5.85%
				Amortized over:	30
				Debt Coverage Ratio:	
Pre-Tax Cash Flow		\$44,049	\$100,723	Current:	1.20
				Market:	1.45
Cash On Cash Return		1.9%	4.4%		
Principal Reduction		\$39,036	\$39,036		
Earned Return		3.6%	6.1%		
The Browar Group					
Florian Sighe 619.894.3030 florian@thebrowargroup.com					
The information contained herein has been obtained from sources believed reliable. While The Browar Group does not doubt its accuracy, we have not verified it, and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions, or estimates are used for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax, financial, and legal advisors. You and your advisors should conduct a careful, independent, investigation of the property to determine to your satisfaction the suitability of the property to your needs.					

REVENUE ALLOCATION

CURRENT

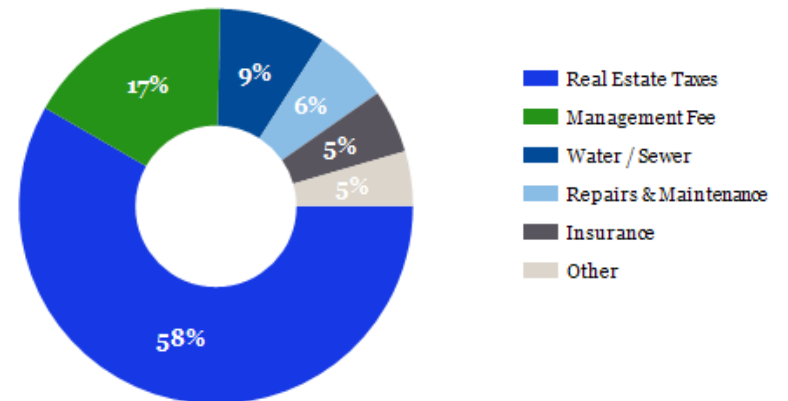
INCOME	CURRENT		PRO FORMA	
Gross Scheduled Rent	\$394,200	99.8%	\$456,480	99.9%
Other Income	\$600	0.2%	\$600	0.1%
Gross Potential Income	\$394,800		\$457,080	
General Vacancy	-4.00%		-4.00%	
Effective Gross Income	\$379,032		\$438,821	
Less Expenses	\$112,533	29.68%	\$115,647	26.35%
Net Operating Income	\$266,499		\$323,174	
Annual Debt Service	\$277,172		\$277,172	
Cash flow	(\$13,673)		\$43,002	
Debt Coverage Ratio	0.96		1.17	



DISTRIBUTION OF EXPENSES

CURRENT

EXPENSES	CURRENT	Per Unit	PRO FORMA	Per Unit
Real Estate Taxes	\$67,343	\$5,612	\$67,343	\$5,612
Insurance	\$6,000	\$500	\$6,000	\$500
Management Fee (5.00% of GSI)	\$19,710	\$1,643	\$22,824	\$1,902
Repairs & Maintenance	\$7,200	\$600	\$7,200	\$600
Water / Sewer	\$10,080	\$840	\$10,080	\$840
Contracted	\$1,200	\$100	\$1,200	\$100
Utilities	\$1,000	\$83	\$1,000	\$83
Total Operating Expense	\$112,533	\$9,378	\$115,647	\$9,637
Reserves	\$3,000	\$250	\$3,000	\$250
Annual Debt Service	\$277,172		\$277,172	
Expense / SF	\$11.54		\$11.86	
% of EGI	29.68%		26.35%	



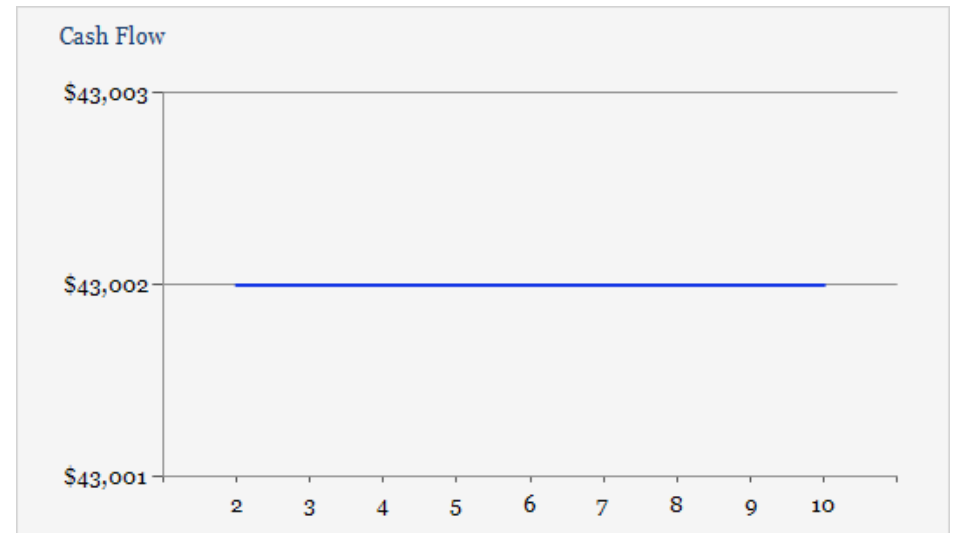
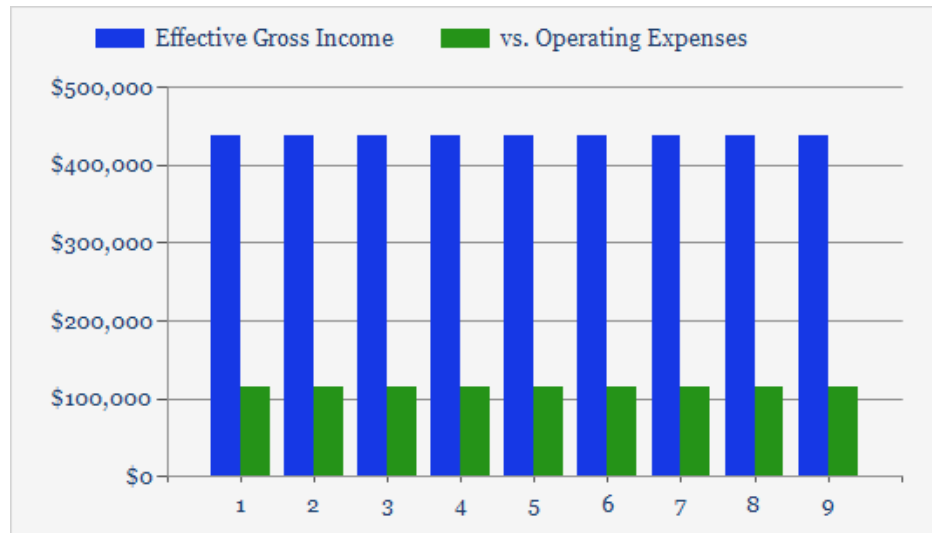
Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

GLOBAL	
Price	\$5,475,000
MillageRate	1.23000%

PROPOSED FINANCING	
First Trust Deed	
Loan Type	Interest Only
Down Payment	\$1,368,750
Loan Amount	\$4,106,250
Interest Rate	6.75%
Loan Terms	DSCR 25% Down I/O
Annual Debt Service	\$277,172
Loan to Value	75%

Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

Calendar Year	CURRENT	Pro Forma	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Revenue										
Gross Scheduled Rent	\$394,200	\$456,480	\$456,480	\$456,480	\$456,480	\$456,480	\$456,480	\$456,480	\$456,480	\$456,480
Other Income	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Gross Potential Income	\$394,800	\$457,080	\$457,080	\$457,080	\$457,080	\$457,080	\$457,080	\$457,080	\$457,080	\$457,080
General Vacancy	-4.00%	-4.00%	-4.00%	-4.00%	-4.00%	-4.00%	-4.00%	-4.00%	-4.00%	-4.00%
Effective Gross Income	\$379,032	\$438,821	\$438,821	\$438,821	\$438,821	\$438,821	\$438,821	\$438,821	\$438,821	\$438,821
Operating Expenses										
Real Estate Taxes	\$67,343	\$67,343	\$67,343	\$67,343	\$67,343	\$67,343	\$67,343	\$67,343	\$67,343	\$67,343
Insurance	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Management Fee	\$19,710	\$22,824	\$22,824	\$22,824	\$22,824	\$22,824	\$22,824	\$22,824	\$22,824	\$22,824
Repairs & Maintenance	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200
Water / Sewer	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080
Contracted	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Utilities	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Total Operating Expense	\$112,533	\$115,647	\$115,647	\$115,647	\$115,647	\$115,647	\$115,647	\$115,647	\$115,647	\$115,647
Net Operating Income	\$266,499	\$323,174	\$323,174	\$323,174	\$323,174	\$323,174	\$323,174	\$323,174	\$323,174	\$323,174
Capital Costs										
Reserves	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Total Capital Costs	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Annual Debt Service	\$277,172	\$277,172	\$277,172	\$277,172	\$277,172	\$277,172	\$277,172	\$277,172	\$277,172	\$277,172
Cash Flow	(\$13,673)	\$43,002	\$43,002	\$43,002	\$43,002	\$43,002	\$43,002	\$43,002	\$43,002	\$43,002





04

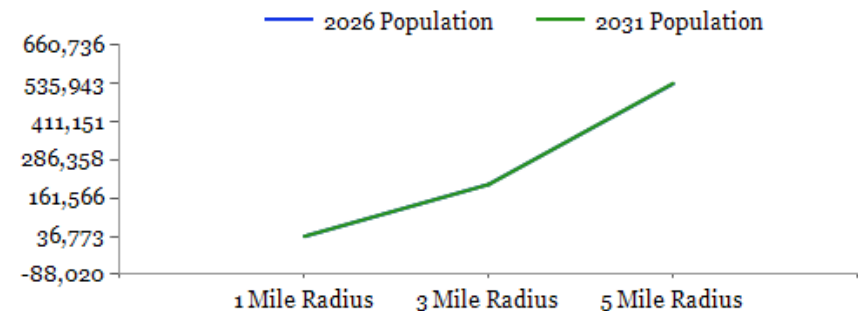
Demographics

General Demographics

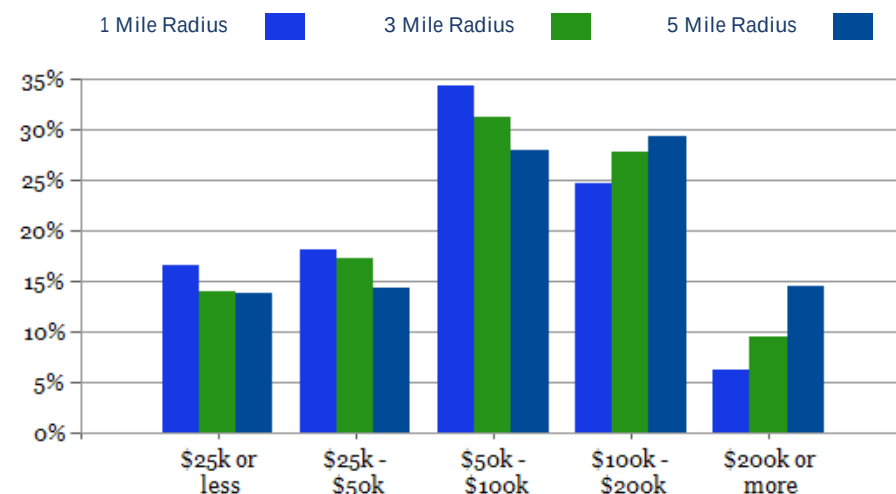
Race Demographics

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	34,760	210,960	512,518
2010 Population	36,867	212,583	524,759
2026 Population	36,773	206,562	534,770
2031 Population	36,925	206,283	535,943
2026 African American	2,153	18,607	48,753
2026 American Indian	602	3,566	7,873
2026 Asian	5,236	27,605	74,415
2026 Hispanic	26,760	133,650	276,654
2026 Other Race	15,926	75,566	148,118
2026 White	5,804	40,966	157,934
2026 Multiracial	6,876	39,076	94,760
2026-2031: Population: Growth Rate	0.40%	-0.15%	0.20%

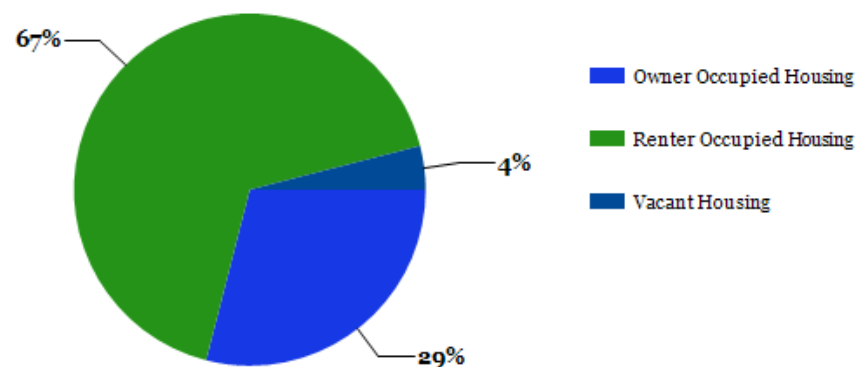
2026 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	1,016	4,770	15,894
\$15,000-\$24,999	787	3,906	10,847
\$25,000-\$34,999	848	4,259	11,586
\$35,000-\$49,999	1,130	6,458	16,171
\$50,000-\$74,999	1,962	10,393	28,242
\$75,000-\$99,999	1,776	8,933	25,902
\$100,000-\$149,999	1,777	11,907	36,873
\$150,000-\$199,999	918	5,282	19,827
\$200,000 or greater	688	5,891	28,067
Median HH Income	\$70,743	\$77,375	\$86,748
Average HH Income	\$86,561	\$97,615	\$115,557



2026 Household Income



2026 Own vs. Rent - 1 Mile Radius

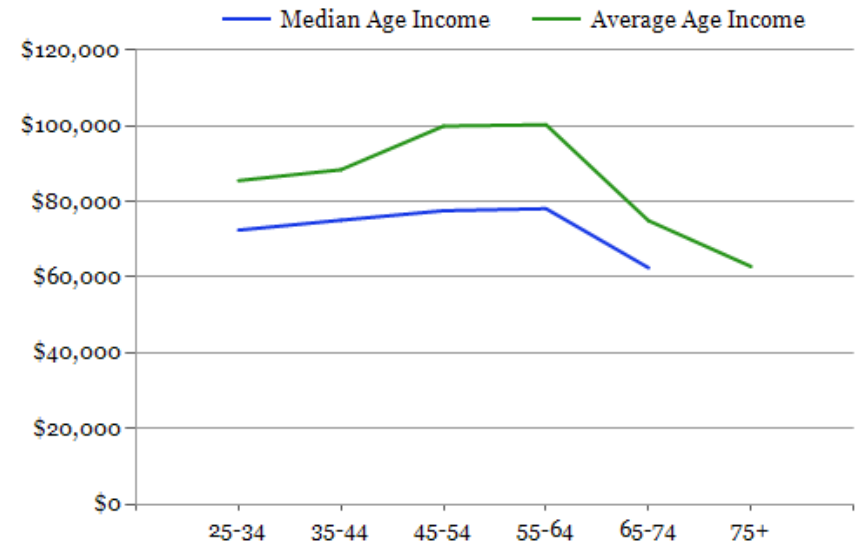
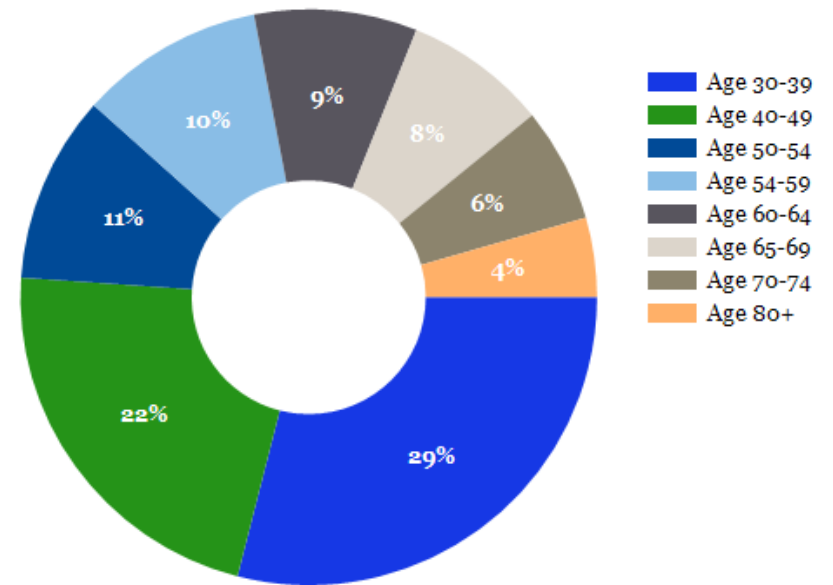


Source: esri

2026 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2026 Population Age 30-34	3,168	18,236	50,884
2026 Population Age 35-39	2,546	15,151	42,534
2026 Population Age 40-44	2,265	13,007	36,965
2026 Population Age 45-49	2,094	11,527	31,009
2026 Population Age 50-54	2,075	10,961	29,819
2026 Population Age 55-59	2,040	10,967	29,723
2026 Population Age 60-64	1,801	10,375	28,295
2026 Population Age 65-69	1,582	9,303	25,900
2026 Population Age 70-74	1,268	7,537	21,698
2026 Population Age 75-79	879	5,072	15,689
2026 Population Age 80-84	492	2,854	8,870
2026 Population Age 85+	500	3,040	8,701
2026 Population Age 18+	27,934	161,550	433,233
2026 Median Age	34	34	36
2031 Median Age	35	36	38

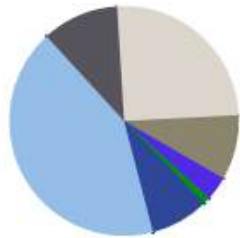
2026 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$72,427	\$79,504	\$94,083
Average Household Income 25-34	\$85,516	\$96,329	\$116,471
Median Household Income 35-44	\$75,056	\$80,358	\$99,705
Average Household Income 35-44	\$88,404	\$100,537	\$126,812
Median Household Income 45-54	\$77,571	\$84,011	\$96,984
Average Household Income 45-54	\$99,922	\$107,749	\$128,924
Median Household Income 55-64	\$78,109	\$87,013	\$95,309
Average Household Income 55-64	\$100,294	\$109,503	\$125,276
Median Household Income 65-74	\$62,480	\$68,034	\$71,006
Average Household Income 65-74	\$74,922	\$89,985	\$103,654
Average Household Income 75+	\$62,811	\$80,462	\$90,536

Population By Age

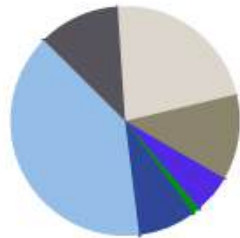


DIVERSITY INDEX	1 MILE	3 MILE	5 MILE
Diversity Index (+5 years)	83	87	89
Diversity Index (current year)	84	87	89
Diversity Index (2020)	84	88	89
Diversity Index (2010)	82	85	85

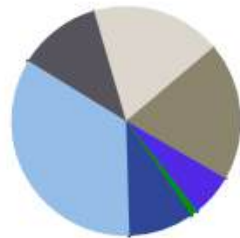
POPULATION BY RACE



1 MILE



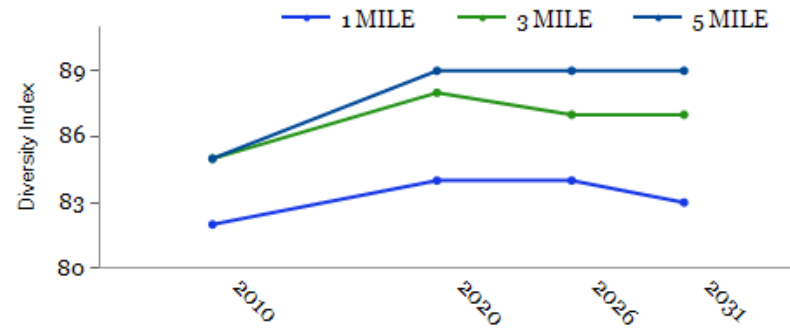
3 MILE



5 MILE

2026 POPULATION BY RACE	1 MILE	3 MILE	5 MILE
African American	3%	5%	6%
American Indian	1%	1%	1%
Asian	8%	8%	9%
Hispanic	42%	39%	34%
Multiracial	11%	12%	12%
Other Race	25%	22%	18%
White	9%	12%	20%

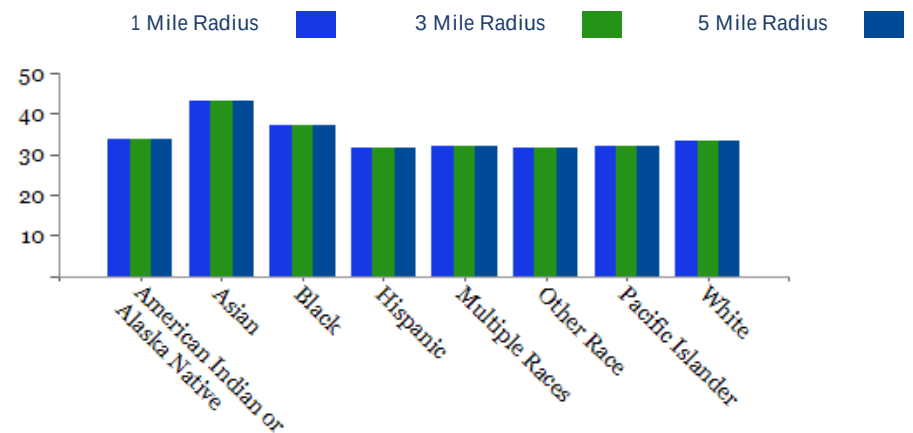
POPULATION DIVERSITY



2026 MEDIAN AGE BY RACE

	1 MILE	3 MILE	5 MILE
Median American Indian/Alaska Native Age	34	35	36
Median Asian Age	43	43	42
Median Black Age	37	36	37
Median Hispanic Age	32	32	33
Median Multiple Races Age	32	32	33
Median Other Race Age	32	32	33
Median Pacific Islander Age	32	33	35
Median White Age	33	34	39

2026 MEDIAN AGE BY RACE



Highland and Division New Construction

CORONADO
BRIDGE

DOWNTOWN
SAN DIEGO

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By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property, please promptly return this offering memorandum to The Browar Group. This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation. The Browar Group has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this offering memorandum has been obtained from sources we believe reliable; however, The Browar Group has not verified, and will not verify, any of the information contained herein, nor has The Browar Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

Exclusively Marketed by:

Florian Sighe

The Browar Group

Vice President

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02072593

