

# FOR SALE OR LEASE

6505 El Cajon Blvd  
San Diego, CA 92115



**RESPONSIBLE**  
REAL ESTATE

*Exclusive Listing Broker*

*Confidential Offering Memorandum*

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# PROPERTY DETAILS

**PROPERTY ADDRESS:** 6505 El Cajon Blvd, San Diego, CA 92115

**APN:** 467-470-01-00

**SITE AREA:** 0.31 AC (13,416 sf)

**ZONING:** CUPD-CU-2-3  
[LINK](#)

**BASE DEVELOPMENT REGS:** [LINK](#)

**CURRENT USE/CONDITION:** Site has been cleared

**UTILITIES:** Water – City of San Diego  
Sewer – City of San Diego  
Gas & Electric – SDG&E

**\*Permitted Uses under CU-2-3:** Apartments, Retail (including drive-thru, Moving & Storage, Auto Sales



## OFFERING SUMMARY

**RWM ECB Holdings LLC** (“the Seller”) has retained **Responsible Real Estate, Inc.** (“RRE”) as the exclusive listing broker to secure a buyer or tenant for its property located at 6505 El Cajon Blvd, San Diego, CA 92115

The property has flexible commercial zoning allowing for uses such as mixed-use development, retail including a drive through, self storage, and used car sales and rentals.

The Seller is open to all offers on the property.

Seller is a licensed general contractor and will consider a build-to-suit for a Buyer looking for an investment or owner-user commercial building.

### Potential Transaction Types

- OUTRIGHT SALE
- LEASE TO NEW TENANT
- BUILD-TO-SUIT
- GROUND LEASE

The site is within walking distance to shops, restaurants, bars, and transit. Ideally located just under 2 miles to the 8 freeway, less than 1 mile to SDSU, less than 0.5 miles to grocery stores, and restaurants/eateries next door and many within walking distance.

- PRIME LOCATION
- LOW VACANCY SUBMARKET
- STRONG RENTAL GROWTH
- CLOSE PROXIMITY TO
- SDSU
- SHOPPING
- GROCERY STORES
- TRANSIT
- RESTAURANTS
- BARS



# MARKET OVERVIEW

<b>Traffic Count:</b>	18,000
<b>3-mile population:</b>	216,513
<b>Households:</b>	80,163
<b>Median Age:</b>	35.1
<b>Median Household income:</b>	\$65,703
<b>Median Home Value:</b>	\$608,897
<b>SDSU Student Enrollment:</b>	33,840



# LAND SALE COMPARABLES

## Land Sale Comps for Multifamily or Mixed-Used Developments

Address:	6505 El Cajon Blvd (Subject)	3734 40th St	3912 Arizona St.	2828 Howard Ave.	3946 Louisiana St	4360 Utah St	4253 45th St	Sample Set Avg.
APN:	467-470-01-00	447-613-33-00	445-692-17-00	445-432-09-00	445-682-22	445-362-25-00	471-251-06-00	
Sale Date:	TBD	12/31/2019	5/29/2019	8/25/2020	Under Contract	11/14/2019	9/15/2019	
Zoning:	CUPD-CU-2-3	RM-2-5	CN-1-5	RM-3-9	RM-3-9	RM-3-9	CT-2-3	
Lot Size (SF):	13,416	6,970	13,939	3,040	5,663	6,970	6,251	
Sale Price:		\$ 650,000	\$ 3,150,000	\$ 750,000	\$ 1,100,000	\$ 1,325,000	\$ 570,000	
Sale Price/SF:		93.26	\$ 225.98	\$ 246.71	\$ 194.24	\$ 190.10	\$ 91.19	\$ 173.58
Density (SF/DU):	1,000	2/8/1904	600	600	600	600	1,000	
Base Density:	14	5	24	6	10	12	7	
Base Density \$/Unit:		130,000	\$ 131,250	\$ 125,000	\$ 110,000	\$ 110,417	\$ 81,429	\$ 114,682.54
Density w/ 50% Bonus:	21	\$ 8	36	9	15	18	11	
50% Bonus \$/Unit:		\$ 81,250.00	\$ 87,500	\$ 83,333	\$ 73,333	\$ 73,611	\$ 51,818	\$ 75,140.99
FAR Base:	1.00	1.35	2.20	2.70	2.70	2.70	1.40	
FAR Base (SF):	13,416	9409.5	30,666	8,208	15,290	18,819	8,751	
FAR w 50% Bonus (SF):	20,124	\$ 14,114	45,999	12,312	22,935	28,229	13,127	

## Subject Property Sensitivity Analysis

Number of Units		21	23	28
Low	\$	51,818.18	1,088,182	\$ 1,191,818.18
Average	\$	75,140.99	1,577,961	\$ 1,728,242.85
High	\$	81,250.00	1,706,250	\$ 1,868,750.00



# RENTAL COMPARABLES

## Sensativity

	Rental Rate		
	Low	Average	High
Studios	\$ 2.43	\$ 3.25	\$ 3.76
1 bd	\$ 2.07	\$ 3.10	\$ 3.82
2 bd	\$ 2.31	\$ 2.60	\$ 3.06

	Asking Rate		
	Low	Average	High
Studios	\$1,335.00	\$1,644.00	\$2,186.00
1 bd	\$1,343.00	\$1,839.11	\$2,443.00
2 bd	\$1,699.00	\$2,226.71	\$3,150.00

## SUMMARY TABLE

Project Name	# OF UNITS	SUBMARKET	YEAR BUILT
1 The Quarry	60	La Mesa	2015
2 FiftyOne Baltimore	66	La Mesa	
3 Villa Nova	25	Rolando	1958
4 Campus Village	51	El Cerrito	1990
5 Hanover Mission Gorge	374	Grantville	2018
6 Seta	198	La Mesa	2016
7 Tierra Del Rey	80	La Mesa	1976
8 Harriet Tubman House Apartments	4	College East	
9 Wesley Terrace Apartments	160	Talmage	1975



# RENTAL COMPARABLE DETAILS

## 1. The Quarry

4350 Palm Ave., La Mesa, CA 94941

SUBMARKET	La Mesa
OWNER	John Jaffe Company
MANAGER	Torrey Pines
YEAR COMPLETED	2015
TOTAL UNITS	60



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio			
1BR/1BA	623	\$ 1,773	\$ 2.85
2BR/2BA	826	\$ 2,078	\$ 2.52

### COMMENTS

Courtyard, playground, picnic area, pet friendly

## 2. FiftyOne Baltimore

5150 Baltimore Drive, La Mesa, CA

SUBMARKET	La Mesa
OWNER	
MANAGER	Euston
YEAR COMPLETED	
TOTAL UNITS	66



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio			
1BR/1BA	611	\$ 1,983	\$ 3.25
2BR/2BA	910	\$ 2,422	\$ 2.66

### COMMENTS

Bicycle Storage, Car Charging Station, Courtyard, Pet Friendly

## 3. Villa Nova

6245 Stanley Ave, San Diego, CA

SUBMARKET	Rolando
OWNER	Fang Qian Morgan Trust
MANAGER	HenderShawMgmt
YEAR COMPLETED	1958
TOTAL UNITS	66



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio	580	\$ 1,411	\$ 2.43
1BR/1BA	650	\$ 1,343	\$ 2.07
2BR/2BA	720	\$ 1,762	\$ 2.45

### COMMENTS

Courtyard, Grill, Property Manager on Site, Laundry Facilities

## 4. Campus Village

5925 El Cajon Blvd, San Diego, CA

SUBMARKET	El Cerrito
OWNER	Compass Acq. Partners
MANAGER	Compass
YEAR COMPLETED	1990
TOTAL UNITS	51



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio	1500	\$ 4,930	\$ 3.29
1BR/1BA	550	\$ 1,631	\$ 2.97
2BR/2BA	812	\$ 1,879	\$ 2.31

### COMMENTS

Elevator, Gated, Laundry Facilities, Manager on site, coffee concierge



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# RENTAL COMPARABLE DETAILS

## 5. Hanover Mission Gorge

4440 Twain Ave, San Diego, CA

SUBMARKET	Grantville
OWNER	The Hanover Company
MANAGER	The Hanover Company
YEAR COMPLETED	2018
TOTAL UNITS	374



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio	581	\$ 2,186	\$ 3.76
1BR/1BA	703	\$ 2,443	\$ 3.48
2BR/2BA	1112	\$ 3,150	\$ 2.83

### COMMENTS

Bicycle Storage, Business Center, Car Charging Station, Clubhouse, Conference rooms, Elevator, Fitness Center, Gameroom

## 6. Seta

7346 Parkway Dr, La Mesa, CA

SUBMARKET	La Mesa
OWNER	Fairfield Residential
MANAGER	R&V Mgmt
YEAR COMPLETED	2016
TOTAL UNITS	198



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio			
1BR/1BA	796	\$ 2,161	\$ 2.71
2BR/2BA	1107	\$ 2,597	\$ 2.35

### COMMENTS

Bicycle Storage, Business Center, Cabana, Fitness Center, Grill, Spa, Sundeck

## 7. Tierra Del Rey

3675 King St

SUBMARKET	La Mesa
OWNER	Real Assymetry
MANAGER	Constellation
YEAR COMPLETED	1976
TOTAL UNITS	80



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio			
1BR/1BA	397	\$ 1,424	\$ 3.59
2BR/2BA	555	\$ 1,699	\$ 3.06

### COMMENTS

Business Center, Laundry Service, Clubhouse, Spa

## 8. Harret Tubman House Apartments

6880 Mohawk St

SUBMARKET	College East
OWNER	N/A
MANAGER	Patmour Property Mgmt
YEAR COMPLETED	Unknown
TOTAL UNITS	4



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio			
1BR/1BA	550	\$ 2,099	\$ 3.82
2BR/2BA			

### COMMENTS

## 9. Wesley Terrace Apartments

5343 Monroe Ave

SUBMARKET	Talmage
OWNER	Rice and Haeling Group
MANAGER	Royal Property
YEAR COMPLETED	1975
TOTAL UNITS	160



### UNIT MIX & RENTAL RATES

UNITY TYPE	AVERAGE UNIT AREA	AVG. RENT	RENT/SF
Studio	380	\$ 1,335	\$ 3.51
1BR/1BA	530	\$ 1,695	\$ 3.20
2BR/2BA			

### COMMENTS

## FINANCIAL SUMMARY

### ***Hypothetical Development***

The allowable FAR for the underlying zone, without utilizing any available incentives or exceptions is 1.5. Therefore, the total building size is estimated to be 21,000 SF.

To achieve a density yield, we can reduce the total gross square feet by the “core” or areas not considered rentable square feet. A common ratio is 0.75:1. That will yield rentable feet as 15,750 Net Rentable Square Feet.

The zone CC-2-3 is mixed use so the developer must include a commercial area. In our hypothetical program, we are including 2,000 SF of commercial Space.

This will provide approximately 13,750 SF dedicated to dwelling units.

Utilizing the 50% density bonus, the City of San Diego will allow 21 units by right, but also include an additional 2 units for not asking for any incentives (see Preliminary Review DSD Comments). With an average unit size of 600 SF, we can achieve a yield of 23 units, the same as the base zone allows.

Gross Square Feet: 21,000

Commercial Space: 2,000

Dwelling Space: 13,750

Unit Count: 23

The following financial analysis is an example of a development program (unit size, proforma rates) with estimated development costs.

This is provided for an example only and the Buyer should verify market conditions and construction costs.

## FINANCIAL ANALYSIS DEVELOPMENT PROGRAM

Apartment Unit Types	# OF UNITS	RENT/MONTH	UNIT SQFT	TOTAL SQFT	TOTAL ANNUAL RENT
2 BEDROOM, 2 BATH	13	2,300	700	9,100	358,800
2 BEDROOM, 2 BATH (affordable)	1	1,363	700	700	16,356
1 BEDROOM, 1 BATH	6	1,900	500	3,000	136,800
1 BEDROOM, 1 BATH (affordable)	1	1,136	500	500	13,632
STUDIO (affordable)	1	650	325	325	7,800
STUDIO	1	1,650	420	420	19,800
<b>TOTAL APARTMENT RENTAL REVENUE</b>	<b>23</b>	<b>8,999</b>		<b>14,045</b>	<b>\$ 553,188</b>
Total Retail Rental Revenue (NNN)	1	4,000	2.00	2,000	48,000
[A] Other Rental/Misc. Revenue					100,000
<b>Total Rental Revenue</b>		<b>12,999</b>		<b>16,045</b>	<b>\$ 701,188</b>

[A] Other Rental Revenue includes additional revenue derived from leasing space at the property. Examples of Other Revenue include leases for parking, pet fees, storage space, etc. Other miscellaneous revenue include additional revenue as a result of conducting daily business activities including late fees and penalties, forfeiture of deposits, and lost key fees, vending machines.

# FINANCIAL ANALYSIS

FINANCIAL ANALYSIS SUMMARY				
Gross Income	Annual	\$/SF/MO	MO. Avg. Rent	HH Income
Residential	\$ 653,188			\$73,656
Commercial	\$ 48,000		Purchasing Power	\$774mm
Sub-Total	\$ 701,188		1-mile radius	
Less Vacancy & Operating Expenses	(\$230,000)	33%		
<b>NET OPERATING INCOME</b>	<b>\$ 471,188</b>			
CAPITALIZED VALUE	\$ 9,919,747	4.75%		
Value per sf of building	\$ 472.37			
<b>Total Construction Costs</b>				
Equity	(\$1,974,869)	25%		
Debt - Construction Loan	(\$5,924,607.33)	75%		
<b>TOTAL</b>	<b>(\$7,899,476)</b>			
<b>TOTAL CONSTRUCTION USES</b>				
Acquisition Costs	(\$1,600,000)			
Project and Permit Fees	(\$600,000)	\$29	psf/bld	
Construction Costs	(\$4,200,000)	\$200	psf/bld	
Soft Costs	(\$600,000)	\$29		
Development Management	(\$210,000)	5.0%		
Contingency	(\$294,000)	7.0%		
Finance Costs During Construction (12 mo.)	(\$355,476)	6.0%		
Pre Opening Budget & Misc.	(\$40,000)			
<b>NET COST BASIS</b>	<b>(\$7,899,476)</b>			
<b>FINANCIAL SUMMARY</b>				
Stabilized Net Operating Income	\$ 471,188			
Return on Cost	5.96%			
Cash Flow	\$ 115,712			
Return on Equity	5.86%			
Developer Cash Profit	\$2,020,271			
Developer IRR [year 4]	21.55%			
Equity Multiple	2.02			

# INVESTMENT CONTACT

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