



2850

CORONADO VILLAS

\$8,500,000

TABLE OF CONTENTS

01. Property Description	4
02. Proforma	6
03. Rental Comparables	10
04. Sales Comparables	15
07. San Diego Overview	17



CORONADO VILLAS

A PREMIER COASTAL 8-UNIT OPPORTUNITY



[CLICK HERE TO WATCH THE VIDEO ONLINE](#)

01. PROPERTY DESCRIPTION

Coronado Villas is located at 824 & 828 Coronado Court, Mission Bay in San Diego, CA 92109.

828 Coronado Court is located on the bayfront and is further referenced as APN 423-718-08-00. 824 Coronado Court is located directly across the alley fronting Bayside Walk and further referenced as APN 423-716-07-00.

The property was originally built as an 8-unit apartment property. However, it is currently being operated as a 7-unit rental.

The unit mix is balanced with (1) studio apartment, (3) one-bedroom, one-baths, (1) two-bedroom, one-bath, (1) three-bedroom, two-bath and an owner's apartment three-bedroom, three-bath.

PROPERTY SUMMARY

Address	824 & 828 Coronado Ct, San Diego, 92109
Units	8 Units
Zoning	R4
Average Unit Sq. Ft.	951
Parcel Numbers	423-718-08-00 & 423-716-07-00





OPPORTUNITY

Coronado Villas offers a rare opportunity to own bay front property in Mission Beach, San Diego, California.

This property sits on two lots and can be utilized as a rental property. The property is currently used as a hybrid owner user plus rental. The property can be operated immediately as a short-term rental if the owner resides in the property for at least nine months out of the year. In order to obtain a short-term rental permit, non owner occupied, an application must be made and be placed on the waiting list.

This unique property also presents itself as a prime development opportunity. With the ability to scrape the existing structures and build new condominiums, or keep the current structures in place and process with the department of real estate to sell individually as a TIC tenant in common ownership structure.

Very few investment properties offer this range of investment alternatives and creative uses.

HIGHLIGHTS

- *Mission Bay Location*
- *Bay Frontage*
- *Perfect for Owner User*
- *Development Opportunity Potential*
- *Rarely Available Coastal Location*
- *Ability for Short Term Rentals*
- *Rental Upside*
- *First Time On the Market in Over 30 Years*
- *Ability to Sell Individually Through TIC Tenant In Common Ownership (DRE Approval Required)*
- *Near Major Employment & Entertainment Centers of San Diego*







02. PROFORMA | VALUATION

Units	Type	Unit SF	Total SF	Current Rent Avg	Market Rent
1	Studio	360	360	\$1,760	\$3,000
1	1 Bed / 1 Bath	450	450	\$2,200	\$3,400
1	1 Bed / 1 Bath	465	465	\$1,315	\$3,500
1	1 Bed / 1 Bath	610	610	\$2,175	\$3,600
1	2 Bed / 1 Bath	810	810	\$3,300	\$5,000
1	* 3 Bed / 2 Bath	1,465	1,465	\$7,500	\$7,500
1	* 3 Bed / 3 Bath	2,500	2,500	\$8,500	\$8,500
7		951	6,660	\$3,821	\$4,929

*Vacant at Close of Escrow

Income		Current Pro Forma	Market Pro Forma
Scheduled Market Rent		\$321,000	\$414,000
Less: Vacancy	4.00%	(\$12,840)	(\$16,560)
Net Rental Income		\$308,160	\$397,440
Plus: Fee & Laundry Income		\$1,008	\$1,008
Plus: RUBS Income		\$0	\$1,995
Total Operating Income (EGI)		\$309,168	\$400,443

Expenses		Per Unit		
Administrative		\$179	\$1,250	\$1,250
Advertising & Promotion		\$36	\$250	\$250
Repairs & Maintenance/Turnover		\$1,004	\$7,025	\$7,025
Utilities		\$840	\$5,880	\$5,880
Contracted Services		\$518	\$3,625	\$3,625
Real Estate Taxes (with tax abatement)	1.2251%	\$14,876	\$104,133	\$104,133
Special Assessments		\$23	\$163	\$163
Insurance		\$500	\$3,500	\$3,500
Total Expenses			\$125,826	\$125,826
		Per Unit:	\$17,975	\$17,975
		Per SF:	\$18.89	\$18.89

Net Operating Income		\$183,342	\$274,617
Less: Debt Service		(\$121,550)	(\$121,550)
Projected Net Cash Flow		\$61,792	\$153,067
Total Economic Loss	4.0%		4.0%
Cash-on-Cash Return (Based on List Price)		0.93%	2.30%

Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate	Cap Rate
Listing Price	\$8,500,000	\$1,214,286	\$1,276.28	2.16%	3.23%

All Financing	Total Loan Amount	Down Payment	LTV	Mo. Payment	Debt Constant
	\$1,870,000	\$6,648,700	22%	(\$10,129)	6.5%

New First Mortgage (to be originated at purchase)

LTV for this loan	Amount	Interest Rate	Amortization	Payment	Fees	I/O Term (yrs)
22%	\$1,870,000	6.50%		(\$10,129)	1.00%	5

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PROFORMA | VALUATION (8 UNITS)

Units	Type	Unit SF	Total SF	Current Rent Avg	Market Rent
1	Studio	360	360	\$1,760	\$3,000
1	1 Bed / 1 Bath	450	450	\$2,200	\$3,400
1	1 Bed / 1 Bath	465	465	\$1,315	\$3,500
1	1 Bed / 1 Bath	610	610	\$2,175	\$3,600
1	2 Bed / 1 Bath	810	810	\$3,300	\$5,000
1	* 3 Bed / 2 Bath	1,465	1,465	\$7,500	\$7,500
1	* 2 Bed / 2 Bath	1,750	1,750	\$7,000	\$7,000
1	* 1 Bed / 1 Bath	750	750	\$3,800	\$4,000
8		833	6,660	\$3,631	\$4,625

*Vacant at Close of Escrow

Income		Current Pro Forma	Market Pro Forma
Scheduled Market Rent		\$348,600	\$444,000
Less: Vacancy	4.00%	(\$13,944)	(\$17,760)
Net Rental Income		\$334,656	\$426,240
Plus: Fee & Laundry Income		\$1,008	\$1,008
Plus: RUBS Income		\$0	\$1,995
Total Operating Income (EGI)		\$335,664	\$429,243

Expenses		Per Unit		
Administrative		\$156	\$1,250	\$1,250
Advertising & Promotion		\$31	\$250	\$250
Repairs & Maintenance/Turnover		\$878	\$7,025	\$7,025
Utilities		\$735	\$5,880	\$5,880
Contracted Services		\$453	\$3,625	\$3,625
Real Estate Taxes (with tax abatement)	1.2251%	\$13,017	\$104,133	\$104,133
Special Assessments		\$20	\$163	\$163
Insurance		\$500	\$4,000	\$4,000
Total Expenses			\$126,326	\$126,326
		Per Unit:	\$15,791	\$15,791
		Per SF:	\$18.97	\$18.97

Net Operating Income		\$209,338	\$302,917
Less: Debt Service		(\$140,920)	(\$140,920)
Projected Net Cash Flow		\$68,418	\$161,997
Total Economic Loss		4.0%	4.0%
Cash-on-Cash Return (Based on List Price)		1.08%	2.55%

Cap Rate Analysis	Price	\$/Unit	\$/Foot	Cap Rate	Cap Rate
Listing Price	\$8,500,000	\$1,062,500	\$1,276.28	2.46%	3.56%

All Financing	Total Loan Amount	Down Payment	LTV	Mo. Payment	Debt Constant
	\$2,168,000	\$6,353,680	26%	(\$11,743)	6.5%

* Vacant at close of escrow

New First Mortgage (to be originated at purchase)

LTV for this loan	Amount	Interest Rate	Amortization	Payment	Fees	I/O Term (yrs)
26%	\$2,168,000	6.50%	1000000000	(\$11,743)	1.00%	0

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04. MARKET POSITIONING | RENTAL COMPARABLES

STUDIOS

	Address	Submarket	Rent	SQFT	Rent/SQFT
1	3550 Bayside Walk	Mission Beach	\$3,500	400	\$8.75
2	4938 Point Loma Boulevard	Ocean Beach	\$2,395	400	\$5.99
3	725 Kingston Court	Mission Beach	\$3,000	400	\$7.50
4	725 Kingston Court	Mission Beach	\$2,750	400	\$6.88
5	2660 Mission Blvd	Mission Beach	\$2,900	450	\$6.44
Average:			\$2,909	410	\$7.11

MARKET POSITIONING | RENTAL COMPARABLES

ONE BEDROOMS

	Address	Submarket	Rent	SQFT	Rent/SQFT
1	807 Toulon Court	Mission Beach	\$4,600	588	\$7.82
2	724 Dover Court	Mission Beach	\$3,000	500	\$6.00
3	810 Island Court	Mission Beach	\$4,000	550	\$7.27
Average:			\$3,866	546	\$7.03

MARKET POSITIONING | RENTAL COMPARABLES

TWO BEDROOMS

	Address	Submarket	Rent	SQFT	Rent/SQFT
1	3252 Strandway	Mission Beach	\$4,495	607	\$7.41
2	3338 Bayside Walk	Mission Beach	\$6,000	815	\$7.36
3	3443 Ocean Front Walk	Mission Beach	\$5,500	882	\$6.24
4	810 Verona Court	Mission Beach	\$6,425	895	\$7.17
Average:			\$5,605	799	\$7.04

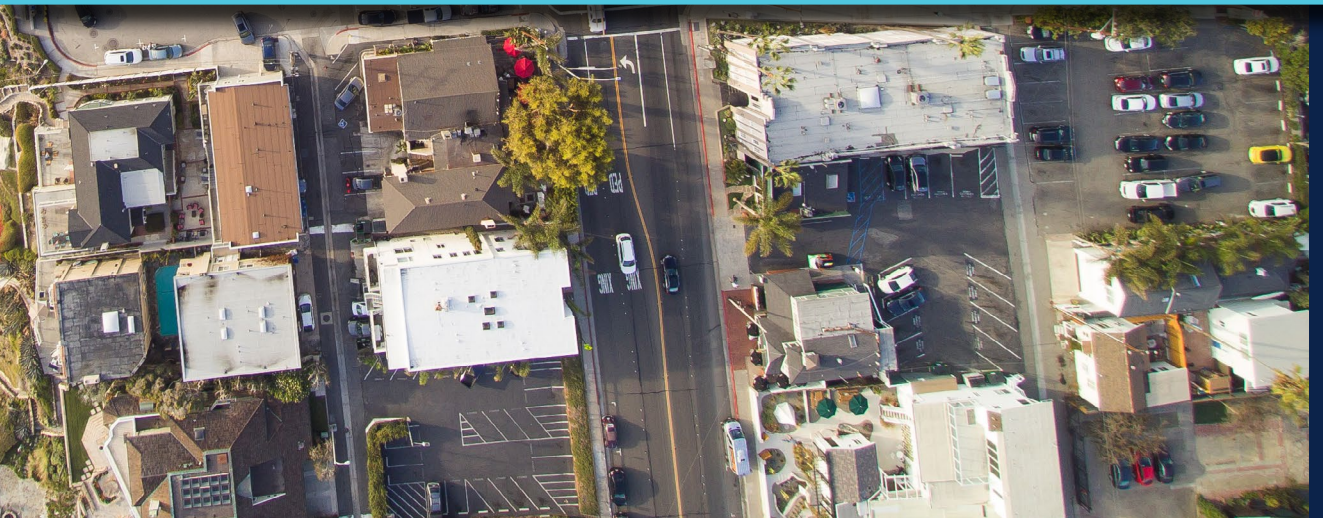
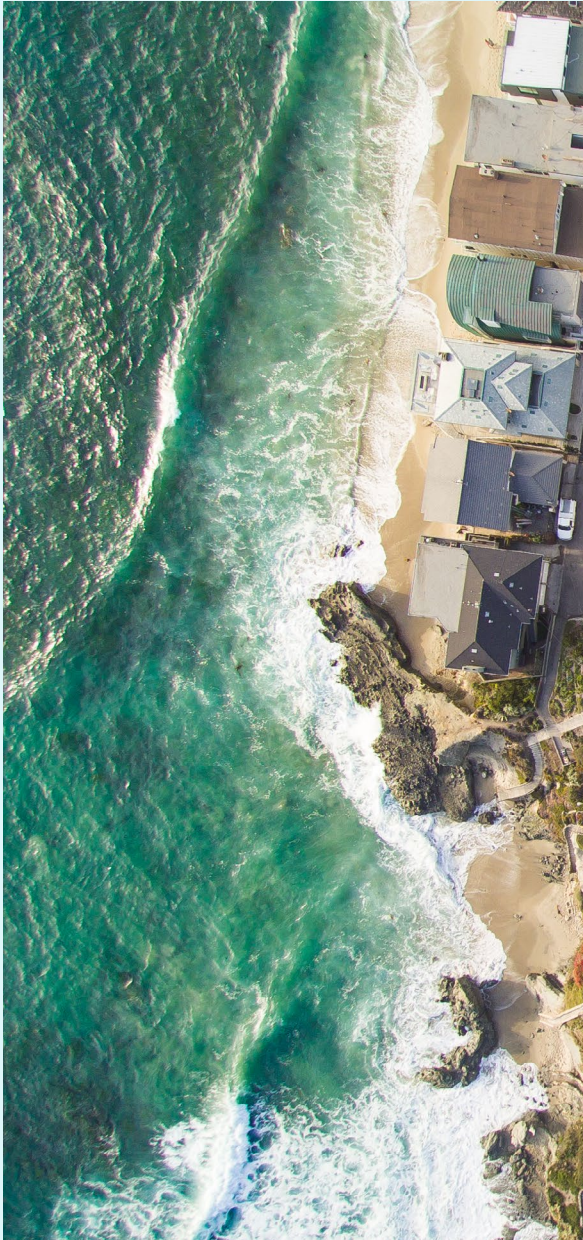
MARKET POSITIONING | RENTAL COMPARABLES

THREE BEDROOMS

	Address	Submarket	Rent	SQFT	Rent/SQFT
1	3630 Bayside Walk	Mission Beach	\$5,950	1,389	\$4.28
2	1145 Pacific Beach Drive	Pacific Beach	\$7,500	1,907	\$3.93
3	2689 Ocean Front Walk	Mission Beach	\$8,500	1,610	\$5.28
4	3544 Bayside Walk	Mission Beach	\$7,000	1,500	\$4.66
5	738 Jersey Court	Mission Beach	\$7,900	1,300	\$6.07
	Average:		\$7,370	1,541	\$4.84

VACATION RENTAL STATISTICS

- 60% of Airbnb users are millennials. Millennials are also more likely to choose short-term rentals instead of hotels for their stays.
- 86% of travelers said they plan to book a vacation rental in 2023.
- Worldwide, the number of vacation rental users is expected to hit 893.7 million by 2026 with estimates suggesting there were 450 million worldwide users in November 2021.
- Over 74% of vacation renters prefer to spend their vacations on the coast, making the beach the most sought-after vacation destination
- Over 700,000 companies use Airbnb for work
- 2,000,000+ people stay in an Airbnb vacation rental on any given night
- Airbnb has over 150 million users worldwide
- 45% increase in United States bookings year-to-year
- Worldwide revenue in the vacation rentals sector is predicted to reach US\$81.14 billion in 2022, with most of it generated in the US (\$17.66 billion in 2022)
- Airbnb is already accounting for about 9% of the total lodging units in the 10 largest US markets and this number seems to be doubling year over year, while the hotel industry is almost saturated with only 1.1% annual growth



05. SALES COMPARABLES

Address	City	Built	Units	Date	Price	SQFT	Price/Unit	Price/SQFT	Cap Rate
741-745 Orange Ave	Coronado	1975	5	1/25/2023	\$5,300,000	4,566	\$1,060,000	\$1,160.75	2.80%
1350-1354 La Palma St	San Diego	1955	3	8/11/2022	\$2,900,000	2,427	\$966,667	\$1,194.89	2.94%
3526-3538 Bayside Walk*	San Diego	1970	3	On Market	\$5,499,000	4,480	\$1,833,000	\$1,227.00	-
Average:		1965	4		\$4,100,000	3,496	\$1,013,333	\$1,177.82	2.87%
Coronado Villas						6,660	\$1,214,286	\$1,276.28	3.23%

**Not included in averages*



THE CITY OF
REGULATIONS
For Beaches, Cliffs
and Adjacent Areas



San Diego Market Overview

Situated next to the busiest land port of entry in the Western hemisphere, San Diego is home to more than 3.3 million people and offers incomparable opportunities for business of all sizes to thrive. With breakthrough technology companies and research organizations, the largest military concentration in the world and a strong tourism industry, the San Diego region has one of the most diverse and dynamic economies in the country. From sequencing the human genome to inventing the next wave of 5G technology, San Diego has the talent and expertise to change the world—**and the numbers to back it up**. San Diego’s unemployment rate continues to lie well below the national average and the city remains at the forefront of robust economic growth.

SAN DIEGO ACCOLADES

#1 in Concentration of Military/Defense Assets in the U.S. (SDMAC Economic Impact Report)

U.S. News thinks San Diego is the **#1** most fun city in the country

#2 Most Inventive City in the World (Inc.)

#2 Largest Recipient of Defense Procurement Dollars in the Country

Forbes thinks San Diego is one of the most fun cities in the U.S.

1st California Community College To Offer Master Brewers-Approved Cert

#2 Greenest City in the U.S. (WalletHub, 2019)

#3 Life Sciences Cluster in the Country

#4 Most Sustainable Cities in U.S. (Rocket Homes)

#4 Metro City for Cleantech Leadership

#5 Best City for Outdoor Activity

San Diego By the Numbers

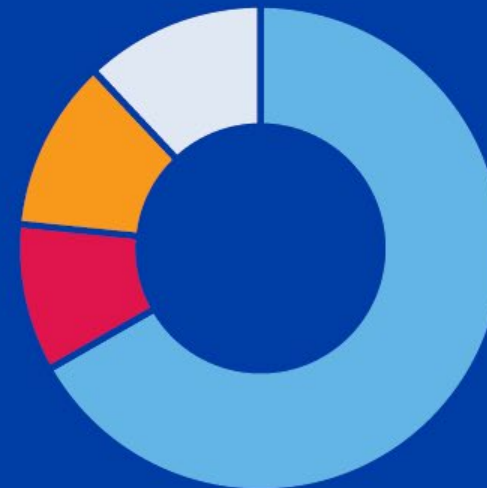
46%
Rentership Rate

\$266.4B
San Diego Gross Regional Product

\$91K+
Median Household Income

3.3M+
Population

1.5M
Regional Jobs



Employment Breakdown

- Local: 66.75%
- Military: 9.87%
- Innovation: 11.38%
- Tourism: 12.01%

INDUSTRIES & ECONOMIC DRIVERS



Aerospace & Defense

180,000 jobs
966 Firms

Leading Companies



Healthcare

186,000 jobs
UC San Diego Health Ranked #1 by
U.S. News & World Report

Leading Companies



Military



- ~ #1 largest military concentration in the United States
- ~ #60% of the US Navy's Fleet is docked in San Diego
- ~ 110,000+ active service members
- ~ 230,000 civilian jobs supported through the military
- ~ 349,000 total jobs produced from defense spending
- ~ \$55.2 billion impact on San Diego's regional economy in 2021
- ~ 25% of San Diego's economy
- ~ 40,000 veterans contribute \$2 billion to the region's economy



Cleantech

#4 Most Sustainable Cities in U.S.^[1]
890 Cleantech Firms

Leading Companies



Manufacturing

110,000 jobs
3,150 Manufacturing Companies

Leading Companies



Life Sciences

\$27B Economic Impact & 72,000 Jobs
\$1B NIG Research Funding
#3 Best City in the U.S. for Biotech Jobs^[2]

Leading Companies



Telecommunications

Qualcomm alone has a \$4B
economic impact

Leading Companies



Software

1 in 6 Innovation Economy Jobs in
San Diego are in Software Development

Leading Companies



Transportation

San Diego has long been a key hub for the global economy, with a transportation cluster that is big and growing. The cluster supports more than **90,000 local jobs and contributes \$11 billion to the regional economy** each year.

- + San Ysidro, the largest cross-border land port in North America
- + Port of San Diego, which processes two million tons of cargo each year
- + San Diego International Airport, the busiest single-runway airport in the world

An aerial photograph of a coastal town, likely in Southern California. The image shows a large, sandy beach curving along a harbor filled with numerous sailboats. In the foreground, there are several multi-story residential buildings with flat roofs and balconies. The water is a clear, vibrant blue, and the sky is bright. The overall scene is a picturesque view of a coastal community.

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