

# The Kenwood ✨



## OFFERING MEMORANDUM

NORTHMARQ SAN DIEGO 12230 EL CAMINO REAL #200, SAN DIEGO CA 92130





# The Kenwood

9062 KENWOOD DRIVE, SPRING VALLEY, CA 91977



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# The Kenwood

9062 KENWOOD DRIVE, SPRING VALLEY, CA 91977





# THE ASSET







# The Offering

*The Kenwood*

*The Kenwood* is a 20-unit apartment building located in Spring Valley at 9062 Kenwood Drive. The 15,440 square feet of structures were built in 1978 and are situated on a 25,265 square foot lot. The property has a strong unit mix of four 2 bedroom / 2 bathroom, fourteen 2 bedroom / 1 bathroom and two 1 bedroom / 1 bathroom units. There are approximately 27 parking spaces with gated access. Featured amenities include air conditioning, dishwashers, and patios on downstairs units. Plank flooring and stainless-steel appliances were recently added. There are also laundry facilities and BBQ picnic area on site. New landscaping was just improved and there is ADU potential. .



Spring Valley is a community in the part of East San Diego County that consists of rolling hills and countryside. It is a 20-minute commute (17 miles) from downtown San Diego via Highway 94. The area offers a diverse geography sharing a landscape of choices, from a touch of urban living to snow dusted slopes in the rural back country in a mild climate influenced by ocean currents and abundant sunshine. Spring Valley is San Diego County's largest unincorporated community, offering a small-town flavor to each of its residents. Lifestyles range from apartments or town home residents to the urban professional, and on to those with larger properties for enjoying horses, livestock

and rural community life.

The population of Spring Valley is over 30,000 people with an average age of 35 years old. The median household income is over \$65,000 and median home value is just over \$400,000 with 60% of the residents owning their own homes. Spring Valley is located south of El Cajon, East of San Diego and is bordered by the San Diego National Wildlife Refuge.



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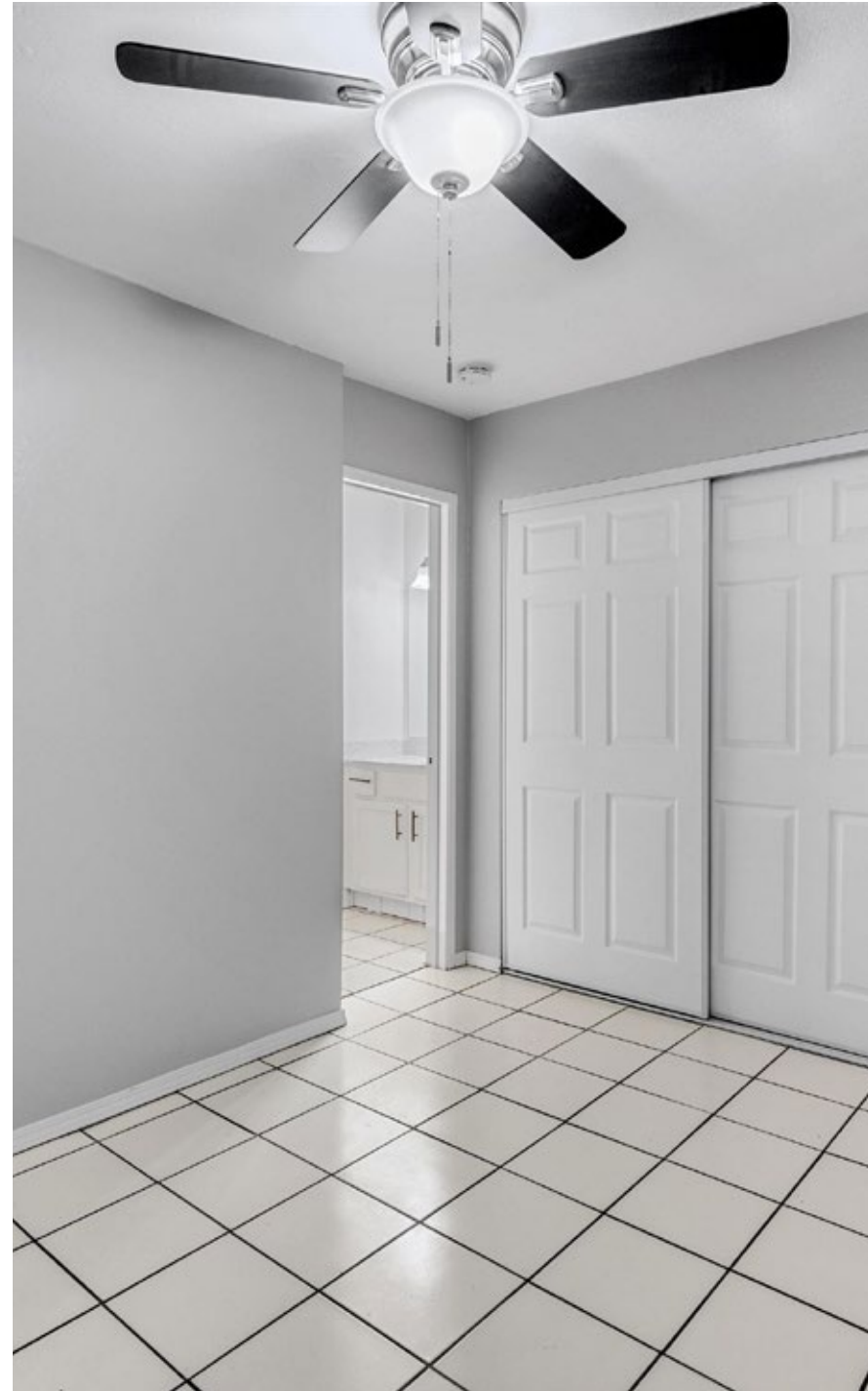
THE KENWOOD















# The Kenwood

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# FINANCIAL ANALYSIS









UNITS	ADDRESS	CITY	ZIP
20	9062 Kenwood Drive	Spring Valley	91977

PRICE	GRM		CAP RATE		\$/UNIT
	CURRENT	MARKET	CURRENT	MARKET	
\$5,295,000	10.2	8.9	6.39%	7.74%	\$264,750

\$/SF (APPROX.)	GROSS SF (APPROX.)	PARCEL SIZE (APPROX.)	YEAR BUILT (APPROX.)
\$342.94	15,440	25,265	1979

#### INCOME DETAIL

# UNITS	TYPE	RENT	TOTAL
<b>Estimated Actual Average Rents</b>			
4	2BR/2BA	\$2,034	\$8,136
14	2Br/1Ba	\$2,009	\$28,126
2	1Br/1Ba	\$1,750	\$3,500
	Other Income		\$3,498
<b>Total Monthly Income</b>			<b>\$43,260</b>

<b>Estimated Market Rents</b>			
4	2BR/2BA	\$2,495	\$9,980
14	2Br/1Ba	\$2,295	\$32,130
2	1Br/1Ba	\$1,895	\$3,790
	Other Income		\$3,498
<b>Total Monthly Income</b>			<b>\$49,398</b>

#### ESTIMATED ANNUAL OPERATING EXPENSES

Advertising	\$0	Management (Off Site)	\$20,765
Elevator	\$0	Management (On Site)	\$16,392
SDGE	\$9,824	Licenses & Fees	\$206
Water & Sewer	\$19,075	Reserves	\$0
Trash	\$6,340	Other Assessments	\$731
Landscaping	\$5,140	Pool	\$0
Pest Control	\$996	Insurance	\$5,668
Repairs & Maintenance	\$18,000	Taxes	\$62,089

**Total Annual Operating Expenses (estimated):** **\$165,226**

**Expenses Per:** **Unit** **\$8,261**  
**% of Actual GSI** **32%**

#### ESTIMATED ANNUAL OPERATING PROFORMA

	Actual	Market
Gross Scheduled Income	\$519,120	\$592,776
Less: Vacancy Factor	3% \$15,574	\$17,783
Gross Operating Income	\$503,546	\$574,993
Less: Expenses	33% \$165,226	\$165,226
Net Operating Income	\$338,320	\$409,767
Less: 1st TD Payments	(\$260,592)	(\$260,592)
Pre-Tax Cash Flow	\$77,728	\$149,174
Cash On Cash Return	4.3%	8.3%
Principal Reduction	\$40,132	\$40,132
Total Potential Return (End of Year One)	7%	10%

#### FINANCING SUMMARY

<b>Downpayment:</b>	<b>\$1,805,000</b>
	<b>34%</b>
<b>Interest Rate:</b>	<b>6.250%</b>
<b>Amortized over:</b>	<b>30</b>
	<b>Years</b>
<b>Proposed Loan Amount:</b>	<b>\$3,490,000</b>
<b>Debt Coverage Ratio:</b>	
Current:	1.30
Market:	1.57

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# MARKET COMPARABLES



# Sale Comparables

#	Address	Built	Units	Size SF	Sale Date	Sale Price	Price/Unit	Price/SF	Cap	Unit Mix
1	7101 WESTVIEW PL	1969	11	8,302 SF	APRIL 2024	\$3,400,000	\$309,091	\$409.54	5.98%	(8) 3BD, (1) 2BD (2) 1 BD
2	4214-4218 HARBINSON AVE	1952	6	5,868 SF	APRIL 2024	\$1,835,000	\$305,833	\$312.71	5.14%	(6) 2BD
3	3629 BONITA ST	1987	7	8,000 SF	SEPT 2023	\$1,910,000	\$272,857	\$238.75	4.5%	(7) 2BD
4	4376 ROSEBUD LANE	-	5	4,544 SF	AUG 2023	\$1,600,000	\$320,000	\$352.11	5.5%	(5) 2BD
5	3680-3690 VISTA AVE	1966	5	5,806 SF	AUG 2023	\$1,705,000	\$341,000	\$293.66	4.3%	(5) 2BD
6	3955 HELIX LANE	-	6	3,975 SF	MAY 2023	\$1,525,000	\$254,167	\$383.65	4.9%	(2) 1BD, (2) 2BD (2) 3BD







# Rent Comparables

## 1 Bedroom / 1 Bath

#	Address	Units	Built	Unit SF	Rent/Unit	Rent/SF
1	CONRAD VILLAS Spring Valley, CA 91977	113	1974	760	\$1,966	\$2.59
2	SPRING GARDEN Spring Valley, CA 91977	104	1970	638	\$1,898	\$2.97
3	VALLE AT FAIRWAY Spring Valley, CA 91977	68	1976	825	\$2,125	\$2.58

**Averages 741 \$1,996 \$2.71**

## 2 Bedroom / 1 Bath

#	Address	Units	Built	Unit SF	Rent/Unit	Rent/SF
4	9258 BIRCH STREET Spring Valley, CA 91977	12	1984	798	\$2,300	\$2.88
5	VILLA DE LA PAZ Spring Valley, CA 91977	60	1974	875	\$2,118	\$2.42
6	VILLAS AT CASA DE ORO Spring Valley, CA 91977	60	1974	918	\$2,302	\$2.51

**Averages 864 \$2,472 \$2.89**

## 2 Bedroom / 2 Bath

#	Address	Units	Year Built	Unit SF	Rent/Unit	Rent/SF
5	VILLA DE LA PAZ Spring Valley, CA 91977	60	1974	975	\$2,504	\$2.57
7	CRESTVIEW Spring Valley, CA 91977	50	1970	995	\$2,454	\$2.47

**Averages 985 \$2,479 \$2.52**



# SPRING VALLEY ELEMENTARY SCHOOL



**Bancroft Dr**

**Kenwood Dr**







**Northmarq**

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