

EXCLUSIVELY LISTED · SINGLE-FAMILY INVESTMENT

6331 Connie Drive

San Diego, CA 92115 · College East · Two blocks from SDSU

\$989,999

\$643 / SF · \$247,500 per bedroom

MLS #260021609 · APN 467-200-18

5.7% GROSS YIELD IN PLACE

ZONED RS-1-7

TRANSIT PRIORITY AREA

ADU BONUS ELIGIBLE

6 PARKING SPACES

4 / 2	1,540	5,000	1954	\$4,700	79	None
BED / BATH	SF (TAX RECORD)	SF LOT	YEAR BUILT	IN-PLACE RENT / MO	WALK SCORE	HOA / MELLO-ROOS

THE INVESTMENT CASE

Proven income, two blocks from 41,000 students

Most recently marketed at **\$4,700/mo** as a turnkey student rental — a **5.70% gross yield** on the ask, well above the San Diego single-family norm. Rent is up 30.6% since 2020, with a tenant pool anchored by an institution that houses only ~21% of its students.

The only asset class in San Diego with rising rents

Countywide, **4-bedroom rents are up 9% year over year** while studios (~5%), 1BR (~4%) and 2BR (~3%) are all falling. New apartment supply is overwhelmingly small-format. Large-bedroom housing near campus has **no competing pipeline**.

A 5,000 SF lot with four units of entitlement runway

RS-1-7 inside a Transit Priority Area and Sustainable Development Area. Per City Bulletin IB-400 the parcel supports **house + ADU + conversion ADU + JADU**, and the detached 2-car garage is a ready-made conversion at roughly **\$120K-\$160K**.

RENT POTENTIAL

Whole-house asking rents, 4BR-6BR houses within ~1 mile of SDSU · Sept 2026

COMPARABLE	BD/BA	SF	ASKING RENT	WHERE THE RENT SITS TODAY
6331 Connie Dr — subject, in place	4 / 2	1,540	\$4,700	
5457 Dorothy Dr	4 / 2	1,800	\$5,800	
5436 Mary Lane Dr	4 / 3	—	\$5,600	
4932 Campanile Dr	4 / 2	—	\$5,000	
6306 Connie Dr — same street	5 / 3	1,378	\$4,995	
6443 Cleo St	5 / 2	1,556	\$7,000	
5077 Rockford Dr	6 / 2	1,550	\$6,000	
				BEDROOMS ARE THE PRICED UNIT NEAR CAMPUS
				Private rooms in walkable College Area houses rent for \$1,100-\$1,500/mo ; in-place rent is only ~\$1,175 per bedroom. Two houses on this block carry five bedrooms in less square footage .

RETURN SCENARIOS

All figures modeled — see assumptions, page 2

	A IN-PLACE Lease as-is	B MARKET RESET Re-lease / by-the-bed	C ADD ADU Convert garage	D FULL REPOSITION +2 BR + bath, + ADU
Bedrooms delivered	4	4	5 (4 + ADU)	7 (6 + ADU)
Capital improvements	—	—	\$155,000	\$285,000
All-in basis	\$989,999	\$989,999	\$1,144,999	\$1,274,999
Gross monthly rent	\$4,700	\$5,300	\$7,500	\$8,200
Net operating income	\$27,429	\$31,315	\$49,445	\$54,146
CAP RATE ON BASIS	2.77%	3.16%	4.32%	4.25%
Basis per bedroom	\$247,500	\$247,500	\$229,000	\$182,143
Breakeven equity (7.5%, 30-yr)	67%	63%	41%	35%

Read this honestly — at today's rates, no scenario cash-flows at 25% down. That is the arithmetic of every San Diego single-family rental in 2026, not a defect of this asset. See **Leverage & Structure**, page 2.

OPERATING PRO FORMA

Annual · modeled from market comps and stated assumptions

	A · IN-PLACE	B · MARKET	C · ADD ADU	D · REPOSITION
Gross scheduled income	\$56,400	\$63,600	\$90,000	\$98,400
Vacancy & credit loss (4% / 5% / 5% / 5%)	(\$2,256)	(\$3,180)	(\$4,500)	(\$4,920)
Effective gross income	\$54,144	\$60,420	\$85,500	\$93,480
Property taxes — 1.324% of basis, reassessed	\$13,108	\$13,108	\$15,160	\$16,881
Insurance — landlord policy	\$2,400	\$2,400	\$2,400	\$2,400
Landscaping & trash — owner-paid per current lease	\$1,800	\$1,800	\$1,800	\$1,800
Property management — 8% / 9% of EGI	\$4,332	\$5,438	\$7,695	\$8,413
Repairs & maintenance — 6% / 7% of GSI	\$3,384	\$4,452	\$6,300	\$6,888
Replacement reserves — 3% of GSI	\$1,692	\$1,908	\$2,700	\$2,952
Total operating expenses (OER)	\$26,715 49%	\$29,105 48%	\$36,055 42%	\$39,334 42%
Net operating income	\$27,429	\$31,315	\$49,445	\$54,146
Unlevered yield on cost	2.77%	3.16%	4.32%	4.25%

Utilities (gas, electric, water) are tenant-paid under the property’s existing lease structure. No HOA or Mello-Roos. Debt service excluded above; leverage sensitivity shown on page 1.
Tenant utility and trash reimbursements — a common \$75/tenant/month add-on at competing College Area houses — are **not** included and represent additional upside of roughly \$3,600–\$5,000 per year on a five-occupant house.

LEVERAGE & STRUCTURE

September 2026 pricing runs **7.4–7.9%** for conventional investment-property debt and **8.4–9.9%** for DSCR product. At 25% down and 7.5% on a 30-year amortization, annual debt service is roughly **\$62,300** — more than in-place NOI, producing about **–\$2,900/month** in Scenario A and **–\$1,100/month** in Scenario C. Cash-flow breakeven arrives at roughly **67% equity in place, 41% after the ADU, and 35% fully repositioned**. This asset is priced for a low-leverage, 1031-exchange, or value-add buyer — not for a maximum-leverage cash-flow buyer.

DEVELOPMENT & ENTITLEMENT UPSIDE

- **Zoning: RS-1-7**, College Area Community Plan. City GIS places the parcel inside a **Transit Priority Area**, a **Parking Standards TPA**, and a **Sustainable Development Area**.
- **Unit count per City Bulletin IB-400 (Jan 2026)**: primary dwelling + one ADU to 1,200 SF + one conversion ADU + one JADU to 500 SF.
- **ADU Bonus Program**: RS-1-7 is not among the excluded zones. Lots at or under 8,000 SF are capped at **four total units**; inside an SDA, each deed-restricted affordable ADU unlocks one market-rate bonus ADU.
- **No off-street parking required** for ADUs here — City rule plus AB 2097 within a half mile of major transit. The existing 2-car garage and 4-car driveway are therefore pure **leasing advantage**, not code obligation. Parking is the single most-cited amenity in College Area student leasing.
- **Garage conversion economics**: ~600 SF detached garage at \$300–\$400/SF ≈ **\$120K–\$160K**. Development impact fees are waived under 750 SF; school fees waived under 500 SF. Typical timeline 8–10 months.
- **AB 1033**: the City opted in (Ord. O-21989, effective 8/22/2025), allowing an ADU to be condo-mapped and sold separately — a genuine exit option, though process-heavy.
- **SB 79 (effective 7/1/2026)**: SANDAG's **draft** TOD map places this parcel in a **Tier 2, half-mile zone** (55 ft / 80 du-ac / 2.5 FAR). Draft only; the City's TOD Alternative Plan, due early 2027, may cut density up to 50%. Optionality, not entitlement.

DEMAND DRIVERS

- **41,184 students** at SDSU as of the Fall 2025 census — a record, up 4.6% year over year, from 95,444 applications. Enrollment has grown 7.3% in two years.
- **~8,500 on-campus beds** means roughly **four of five students live off campus**. SDSU's two-year live-on requirement pushes non-local juniors, seniors and graduate students directly into College Area houses — precisely the 4-to-6-bedroom product this asset is.
- **Leasing season is early and tight**. The best walkable College Area inventory signs in January and February; by April it is gone. Guarantors for tenants under 21 are standard, which strengthens credit.
- **Rent divergence favors this asset**. San Diego 4BR average rent is \$5,000, **+9% YoY**; 3BR +3%. Studios, 1BR and 2BR are all negative. The ~14,600 new units delivered since 2024 are small-format and do not compete for this tenant.
- **Location**: Walk Score 79 ("very walkable"), Transit Score 55, Bike Score 65. Two blocks to campus; roughly a 12–15 minute walk to the SDSU Green Line trolley station. Hardy Elementary (A- rated) for a family-tenant fallback.
- **Tenant-law posture**: a separately-alienable 1954 single-family home held in non-corporate title, with the statutory notice written into each lease, is **exempt from the AB 1482 rent cap and San Diego TPO just-cause rules** — a real advantage in a turnover-driven business. The exemption is not automatic; buyer's counsel to paper it.

SALE COMPARABLES					THE BEDROOM - COUNT PREMIUM				
College East, closed					Why repositioning pays				
ADDRESS	CLOSED	BD/BA	SF	\$/SF	HIGH-BEDROOM COMP	CLOSED BD	SF	\$/SF	
5640 Campanile Way 11/25	\$1,096,000	4/2	1,462	\$750	4917 Rockford Dr 12/25	\$1,750,000	8	2,442	\$717
6411 Gary Ct 10/25	\$1,085,000	3/2	1,646	\$659	6486 Montezuma Rd 11/25	\$1,710,000	8	2,880	\$594
5425 Brockbank Pl 3/26	\$970,000	4/2	1,564	\$620	6459 Richard St 4/26	\$1,330,000	7	1,895	\$702
6132 Pembroke Dr 6/26	\$1,050,000	5/3	1,722	\$610	4741-45 Choctaw Dr 2/26	\$1,700,000	6	3,534	\$481
6935 Mandalay Rd 8/26	\$880,000	4/2	1,671	\$527	6233 Mary Lane Dr active	\$1,500,000	7	1,751	\$856
Median	—	—	—	\$620	6459 Richard St (7BR, 1,895 SF) cleared \$702/SF while 6935 Mandalay Rd (4BR, 1,671 SF) cleared \$527/SF four months later in the same neighborhood — a ~33% spread on near-identical footprints . Near this campus, bedrooms are the priced unit. A repositioned 6BR-plus-ADU at ~2,390 SF against that comp set indicates an exit in the \$1.45M-\$1.55M range on a ~\$1.275M all-in basis.				
Median \$620/SF applied to 1,540 SF indicates ~\$955,000 . The \$989,999 ask is approximately 3.7% above the comp-median indication and below the \$698/SF average of active College East competition — and it is the only 4BR/2BA detached home under \$1M in College East with a garage.									

MARKET CONTEXT

Most recent published data as of September 2026

\$556 92115 MEDIAN \$/SF	+6.0% 92115 MEDIAN PRICE YOY	28 92115 MEDIAN DOM	99.9% SALE-TO-LIST RATIO	2.4 mo COUNTY DETACHED SUPPLY	+5.1% COUNTY DETACHED YOY	+9% SD 4BR RENTS YOY
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RISKS A BUYER SHOULD UNDERWRITE

- **Negative leverage at conventional LTV.** At 25% down and 7.5%, in-place cash flow is roughly ~\$2,900/month. This asset requires low leverage, a 1031 exchange, or execution on the value-add path.
- **Record countywide apartment vacancy.** San Diego apartment vacancy hit **6.1–6.2%** in mid-2026, an all-time high, with concessions of 4–8 weeks free rent appearing. Large-format housing near campus has held up, but the tide is not rising.
- **SDSU is adding beds.** The university's "Peninsula" project — roughly **5,220 new beds**, taking capacity to ~13,000 — is under construction with completion around 2030. That is a real medium-term headwind to per-room rents in the walk-to-campus pool.
- **Student-tenant operations.** Academic-year turnover, summer vacancy exposure, higher wear, and 8–10% management pricing are all embedded in the pro forma above but demand an operator who has done it before.
- **Entitlement is optionality, not certainty.** SB 79 mapping is draft; the Bonus ADU four-unit cap may or may not count the existing house; the campus-impact parking overlay will need to be argued against state preemption. All require City confirmation before capital is committed.

DILIGENCE CHECKLIST

- **Square footage.** The tax record shows 1,540 SF; certain portals have marketed the home at 2,000 SF, and a prior rental listing referenced an "ADU conversion." **Buyer to pull DSD permit history for APN 467-200-18** and reconcile. If a conversion was completed before 1/1/2020, AB 2533 provides a fee-waived legalization path.
- **Bonus ADU unit cap.** Confirm in writing with Development Services whether the four-unit cap on a 5,000 SF lot includes the primary dwelling.
- **Parking.** Obtain written confirmation that AB 2097 preempts the PIOZ Campus Impact overlay for ADU parking.
- **Utilities.** Panel capacity, sewer lateral and separate metering are the usual constraint on multi-unit College Area projects. Verify before underwriting scenario C or D.
- **Lease exemption language.** Have counsel paper both the Civil Code §1947.12(d)(5)/§1946.2(e)(8) notice and the San Diego Municipal Code §98.0703(l) notice into every lease and renewal.
- **Rent roll and tenant estoppels** if delivered occupied; confirm security deposit handling and any guarantor documentation.

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Seller will consider offers with an ADU-feasibility contingency.

Disclaimer. Every financial figure here other than the list price, tax-record data and published comparable sale and rental prices is a **modeled estimate prepared for illustration only** — not a projection, guarantee or representation of future performance. Rent scenarios derive from third-party listings and public data current as of September 2026; expense, vacancy, management, maintenance and reserve assumptions are stated on page 2 and will differ in practice. Debt terms reflect published September 2026 investment-property and DSCR rate ranges and are not a loan commitment. Zoning, ADU capacity, SB 79 mapping, permit status and square footage are **unverified and subject to confirmation by the City of San Diego Development Services Department and the buyer's own professionals**; the SANDAG SB 79 map cited is expressly a draft. Key Realty Group Inc. and its agents make no representation as to the accuracy or completeness of information obtained from the MLS, county records, listing portals or municipal GIS. Nothing here is tax, legal, accounting or investment advice. Buyer to verify all information independently. Equal Housing Opportunity.