

OFFERING MEMORANDUM



Olive Tree Apartments

8858 Olive Lane
Santee, CA 92071



Olive Tree Apartments

CONTENTS

01 Executive Summary

- Investment Summary
- Unit Mix Summary
- Location Summary

02 Property Description

- Property Features
- Aerial Map
- Property Images

03 Rent Roll

- Rent Roll

04 Financial Analysis

- Income & Expense Analysis

05 Demographics

- Demographics
- Demographic Charts

Exclusively Marketed by:

Mike Mignosa

Sales Associate

(408) 623-6444

mike@thebrowargroup.com

Lic: 02049221





01

Executive Summary

Investment Summary

Unit Mix Summary

Location Summary

OLIVE TREE APARTMENTS

OFFERING SUMMARY

| | |
|-----------------|------------------------------------|
| ADDRESS | 8858 Olive Lane Santee CA 92071 |
| COUNTY | San Diego |
| MARKET | East County |
| SUBMARKET | Santee |
| BUILDING SF | 21,990 SF |
| LAND SF | 43,996 SF |
| NUMBER OF UNITS | 26 |
| YEAR BUILT | 1979 |
| APN | 384-330-29-00 |
| OWNERSHIP TYPE | Fee Simple |

FINANCIAL SUMMARY

| | |
|----------------------|-------------|
| PRICE | \$8,250,000 |
| PRICE PSF | \$375.17 |
| PRICE PER UNIT | \$317,308 |
| OCCUPANCY | 97.00 % |
| NOI (CURRENT) | \$364,144 |
| NOI (Pro Forma) | \$551,503 |
| CAP RATE (CURRENT) | 4.41 % |
| CAP RATE (Pro Forma) | 6.68 % |
| GRM (CURRENT) | 13.52 |
| GRM (Pro Forma) | 10.14 |

PROPOSED FINANCING

| | |
|---------------------|-------------|
| LOAN TYPE | Amortized |
| DOWN PAYMENT | \$4,290,000 |
| LOAN AMOUNT | \$3,960,000 |
| INTEREST RATE | 6.50 % |
| ANNUAL DEBT SERVICE | \$257,400 |
| LOAN TO VALUE | 48 % |

DEMOGRAPHICS

| | 1 MILE | 3 MILE | 5 MILE |
|------------------------|-----------|-----------|-----------|
| 2023 Population | 12,627 | 106,063 | 280,738 |
| 2023 Median HH Income | \$86,646 | \$95,889 | \$82,490 |
| 2023 Average HH Income | \$108,342 | \$119,492 | \$113,434 |



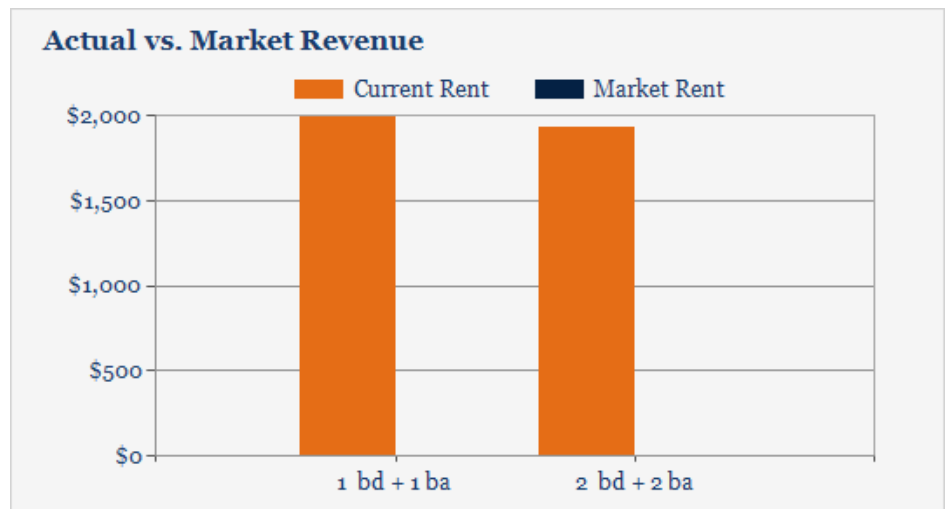
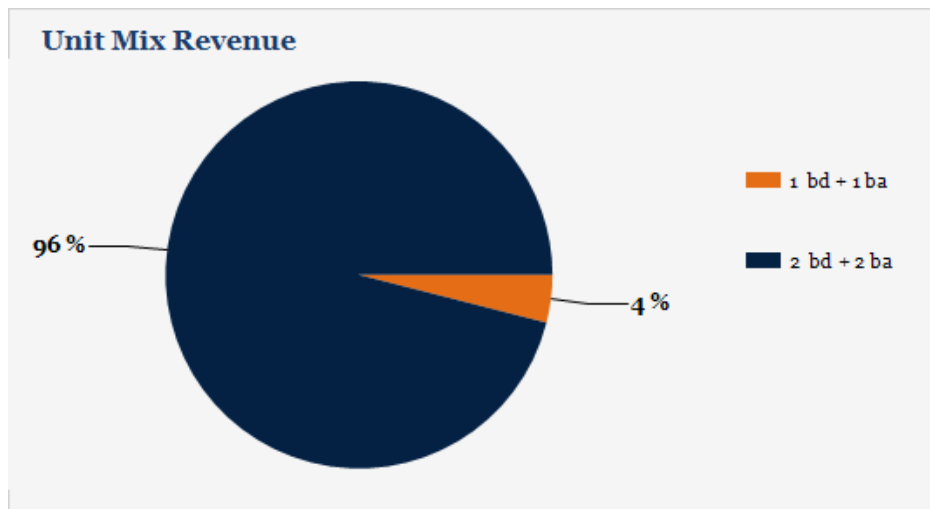
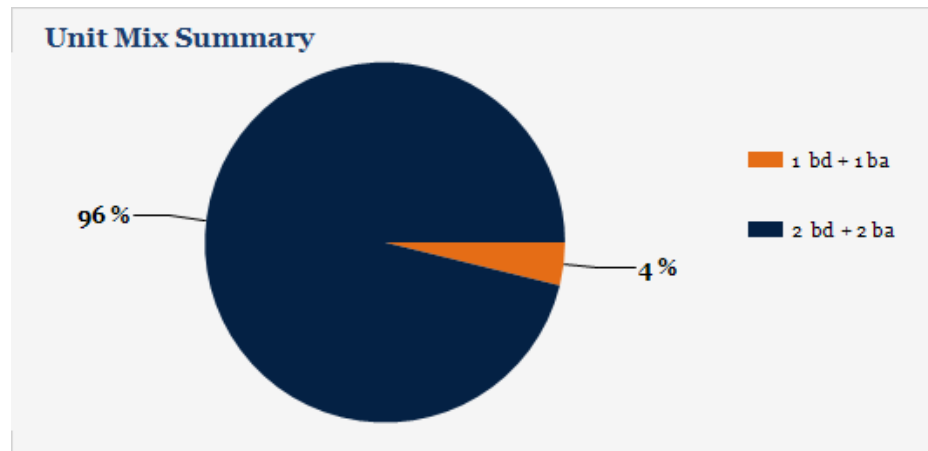
- The Browar Group is pleased to present the Olive Tree Apartments. The Olive Tree Apartments are located at 8858 Olive Lane Santee, CA 92071. This 26-unit apartment community was built in 1979 and sits on a 43,996 square foot lot. The property is comprised of (1) 1bed+1bath unit, & (25) 2bed+2bath units, and 36 surface level parking spaces. The Olive Tree Apartments include a communal BBQ outdoor area, on site laundry, and private balconies or patios for all units. Recent upgrades include but are not limited to a newer roof, parking lot improvements, and outdoor lighting & landscaping. Held long-term by current ownership, the property represents an excellent value add opportunity for astute investors to fix up the units and increase cash flow.
The Olive Tree Apartments are less than a mile away from local shopping including Mission Gorge Square Shopping Center, Santee Trolley Square, and Santee Town Shopping Center and Trolley Station. This superb location offers tenants the ability to walk to local shopping, dining, and more.
This location also offers easy access to main thoroughfares such as Mission Gorge Road and State Route 52.



Investment Highlights

- Desirable unit mix of (25) large 2bed+2bath units, (1) 1bed+1bath unit. Private balcony or patio for every unit.
- Recent improvements include, but are not limited to, a new roof, resurfaced parking lot, exterior lighting & landscaping, and interior renovation in select units
- Value Add Opportunity - renovate and modernize units to achieve market rents
- Walkable property with a walk score of 73. Easy access to Mission Gorge Square Shopping Center, Santee Trolley Square, and Santee Town Shopping Center and Trolley Station

| Unit Mix | # Units | Current Rent | Monthly Income |
|------------------------|-----------|----------------|-----------------|
| 1 bd + 1 ba | 1 | \$1,995 | \$1,995 |
| 2 bd + 2 ba | 25 | \$1,929 | \$48,234 |
| Totals/Averages | 26 | \$1,932 | \$50,229 |

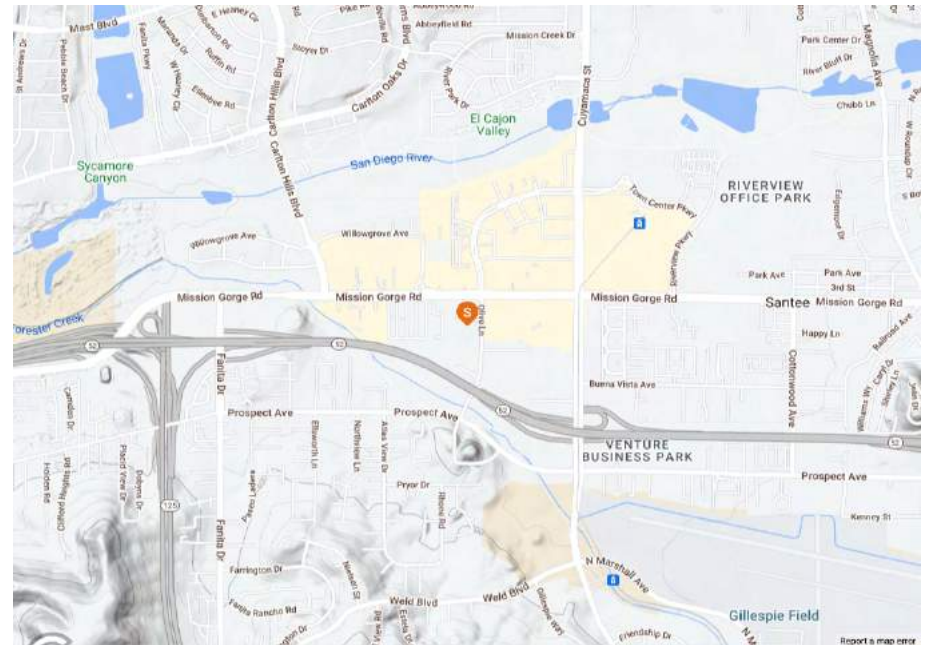


- Santee is ideally located between the Pacific Ocean and the mountains of the Cleveland National Forest. While Santee is considered part of the East County Region, the city is only 18 freeway miles from the San Diego's premier beaches. Santee is connected to the coastline by State Route 52, a six-lane freeway that connects Interstate 5 in La Jolla to State Route 67. State Route 125 also intersects with State Route 52, forming a transportation hub in the heart of Santee. Santee has nurtured a vibrant local economy by providing for a balance of retail, commercial and residential uses. The 700-acre Town Center district forms a downtown core comprised of business parks, high-density residential and retail businesses that feed off the synergy of Santee Trolley Square shopping complex and the Metropolitan Transit System trolley station.

Regional Map



Locator Map





02 Property Description

- Property Features
- Aerial Map
- Property Images

PROPERTY FEATURES

| | |
|--------------------------|---------|
| NUMBER OF UNITS | 26 |
| BUILDING SF | 21,990 |
| LAND SF | 43,996 |
| YEAR BUILT | 1979 |
| # OF PARCELS | 1 |
| ZONING TYPE | R14 |
| NUMBER OF STORIES | 2 |
| NUMBER OF BUILDINGS | 1 |
| NUMBER OF PARKING SPACES | 36 |
| WASHER/DRYER | On-Site |

MECHANICAL

| | |
|------|-----|
| HVAC | Yes |
|------|-----|

UTILITIES

| | |
|----------|----------|
| WATER | Landlord |
| TRASH | Landlord |
| GAS | Tenant |
| ELECTRIC | Tenant |
| RUBS | N/A |

CONSTRUCTION

| | |
|-------------|--------------|
| EXTERIOR | Stucco |
| ROOF | Pitched |
| LANDSCAPING | Mature Trees |







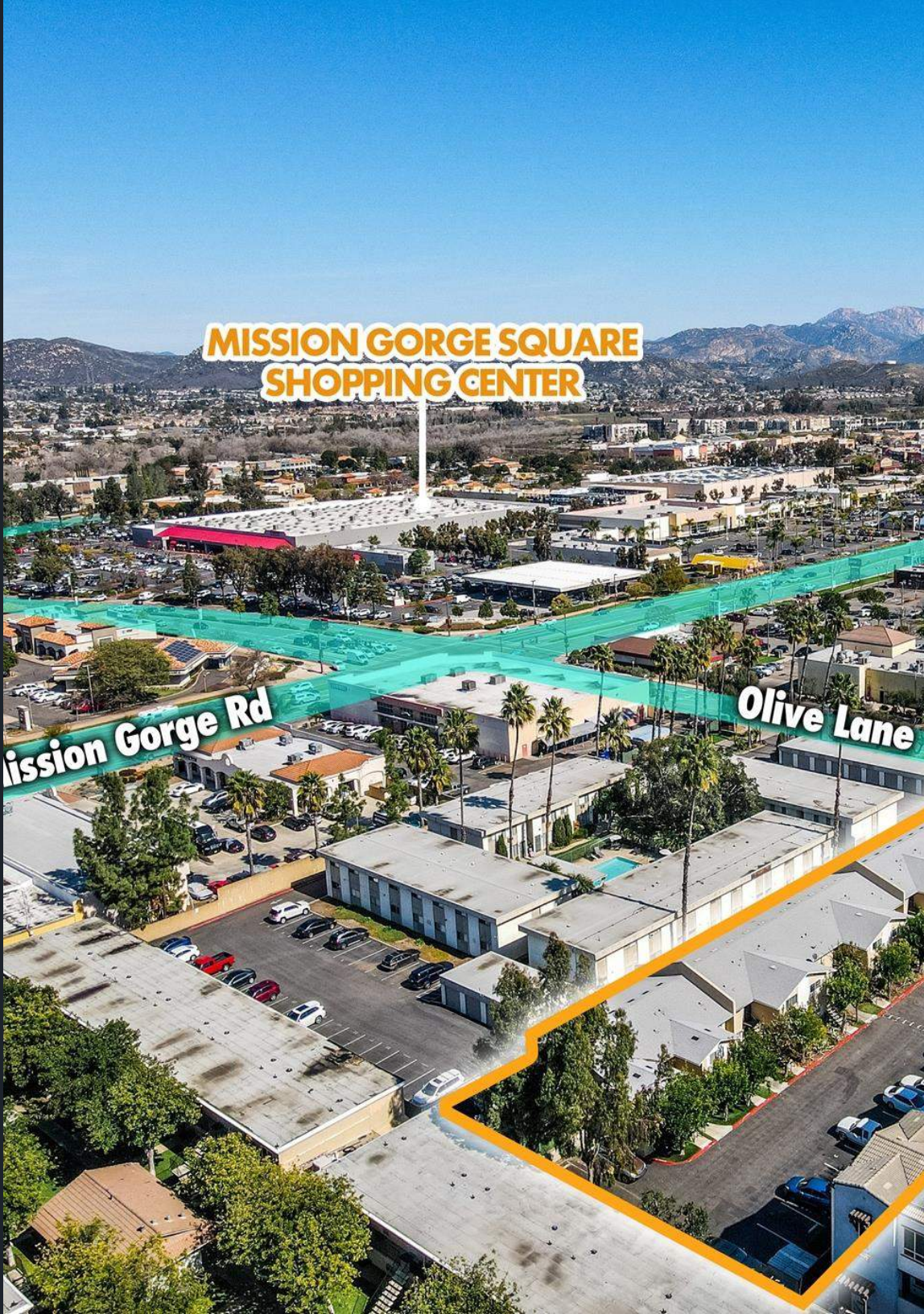








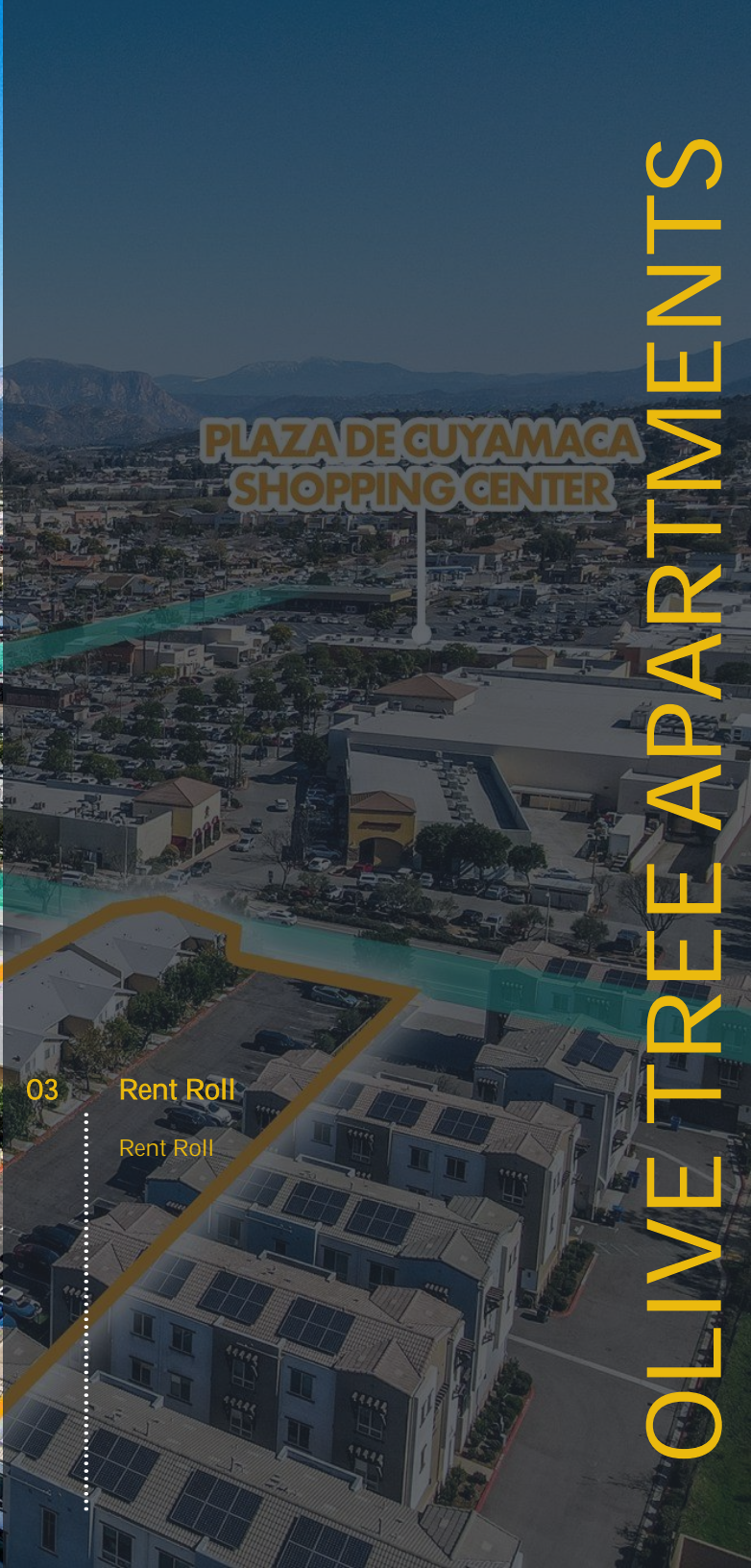




**MISSION GORGE SQUARE
SHOPPING CENTER**

Mission Gorge Rd

Olive Lane



**PLAZA DE GUYAMAGA
SHOPPING CENTER**

03 Rent Roll
Rent Roll

| Unit | Unit Mix | Current Rent | Notes |
|------------------------|-------------|--------------------|-----------------|
| 1 | 2 bd + 2 ba | \$1,826.00 | |
| 2 | 2 bd + 2 ba | \$1,793.00 | |
| 3 | 2 bd + 2 ba | \$1,850.00 | |
| 4 | 2 bd + 2 ba | \$1,826.00 | |
| 5 | 2 bd + 2 ba | \$1,855.00 | |
| 6 | 2 bd + 2 ba | \$1,826.00 | |
| 7 | 2 bd + 2 ba | \$1,850.00 | |
| 8 | 2 bd + 2 ba | \$1,826.00 | |
| 9 | 2 bd + 2 ba | \$1,850.00 | |
| 10 | 2 bd + 2 ba | \$2,450.00 | |
| 11 | 2 bd + 2 ba | \$1,850.00 | |
| 12 | 2 bd + 2 ba | \$2,150.00 | |
| 13 | 1 bd + 1 ba | \$1,995.00 | |
| 14 | 2 bd + 2 ba | \$2,250.00 | |
| 15 | 2 bd + 2 ba | \$2,150.00 | |
| 16 | 2 bd + 2 ba | \$2,100.00 | |
| 17 | 2 bd + 2 ba | \$1,850.00 | |
| 18 | 2 bd + 2 ba | \$1,826.00 | |
| 19 | 2 bd + 2 ba | \$2,200.00 | |
| 20 | 2 bd + 2 ba | \$1,826.00 | |
| 21 | 2 bd + 2 ba | \$1,859.00 | |
| 22 | 2 bd + 2 ba | \$1,826.00 | |
| 23 | 2 bd + 2 ba | \$1,995.00 | |
| 24 | 2 bd + 2 ba | \$2,250.00 | |
| 25 | 2 bd + 2 ba | \$900.00 | On-Site Manager |
| 26 | 2 bd + 2 ba | \$2,250.00 | |
| Totals/Averages | | \$50,229.00 | |

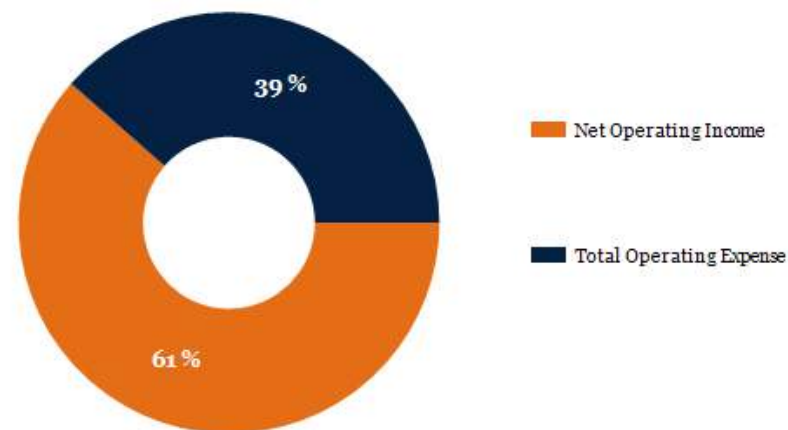


04 Financial Analysis
Income & Expense Analysis

OLIVE TREE APARTMENTS

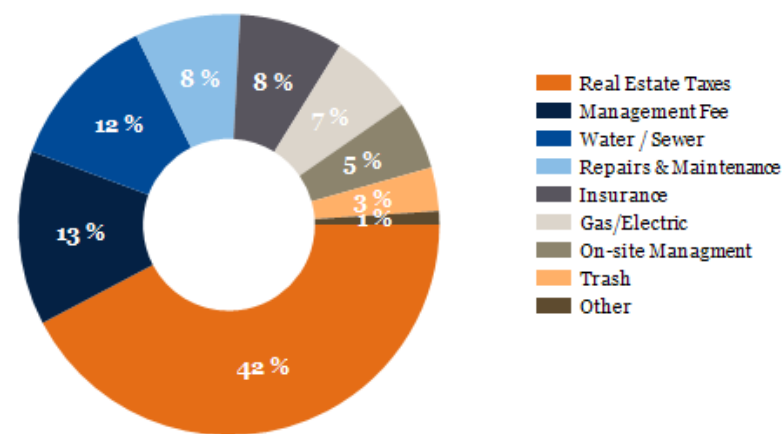
REVENUE ALLOCATION CURRENT

| INCOME | CURRENT | | PRO FORMA | |
|-------------------------------|------------------|---------|------------------|---------|
| Gross Scheduled Rent | \$602,748 | 98.8 % | \$806,400 | 99.1 % |
| Laundry | \$5,187 | 0.9 % | \$5,187 | 0.6 % |
| Other Income | \$2,262 | 0.4 % | \$2,262 | 0.3 % |
| Gross Potential Income | \$610,197 | | \$813,849 | |
| General Vacancy | -\$18,082 | 3.0 % | -\$24,192 | 3.0 % |
| Effective Gross Income | \$592,115 | | \$789,657 | |
| Less Expenses | \$227,971 | 38.50 % | \$238,154 | 30.15 % |
| Net Operating Income | \$364,144 | | \$551,503 | |



| EXPENSES | CURRENT | Per Unit | PRO FORMA | Per Unit |
|--------------------------------|------------------|----------------|------------------|----------------|
| Real Estate Taxes | \$96,410 | \$3,708 | \$96,410 | \$3,708 |
| Insurance | \$18,200 | \$700 | \$18,200 | \$700 |
| Management Fee | \$30,510 | \$1,173 | \$40,693 | \$1,565 |
| Trash | \$7,621 | \$293 | \$7,621 | \$293 |
| Repairs & Maintenance | \$18,500 | \$712 | \$18,500 | \$712 |
| Water / Sewer | \$27,504 | \$1,058 | \$27,504 | \$1,058 |
| Landscaping | \$1,200 | \$46 | \$1,200 | \$46 |
| Pest Control | \$1,190 | \$46 | \$1,190 | \$46 |
| Gas/Electric | \$14,836 | \$571 | \$14,836 | \$571 |
| On-site Management | \$12,000 | \$462 | \$12,000 | \$462 |
| Total Operating Expense | \$227,971 | \$8,768 | \$238,154 | \$9,160 |
| Expense / SF | \$10.37 | | \$10.83 | |
| % of EGI | 38.50 % | | 30.15 % | |

DISTRIBUTION OF EXPENSES CURRENT





05

Demographics

Demographics

Demographic Charts

OLIVE TREE APARTMENTS

| POPULATION | 1 MILE | 3 MILE | 5 MILE |
|------------------------------------|-----------|-----------|-----------|
| 2000 Population | 11,543 | 94,411 | 253,959 |
| 2010 Population | 11,229 | 95,707 | 260,585 |
| 2023 Population | 12,627 | 106,063 | 280,738 |
| 2028 Population | 12,649 | 105,602 | 278,654 |
| 2023 African American | 426 | 4,450 | 14,212 |
| 2023 American Indian | 91 | 982 | 2,844 |
| 2023 Asian | 849 | 6,224 | 15,168 |
| 2023 Hispanic | 3,248 | 26,634 | 76,099 |
| 2023 Other Race | 1,372 | 10,301 | 32,242 |
| 2023 White | 7,927 | 66,997 | 171,766 |
| 2023 Multiracial | 1,872 | 16,500 | 43,116 |
| 2023-2028: Population: Growth Rate | 0.15 % | -0.45 % | -0.75 % |
| 2023 HOUSEHOLD INCOME | 1 MILE | 3 MILE | 5 MILE |
| less than \$15,000 | 343 | 2,332 | 8,507 |
| \$15,000-\$24,999 | 315 | 2,098 | 6,630 |
| \$25,000-\$34,999 | 249 | 1,651 | 4,983 |
| \$35,000-\$49,999 | 258 | 3,055 | 9,189 |
| \$50,000-\$74,999 | 736 | 5,639 | 16,107 |
| \$75,000-\$99,999 | 386 | 4,835 | 12,669 |
| \$100,000-\$149,999 | 976 | 8,942 | 19,497 |
| \$150,000-\$199,999 | 598 | 5,176 | 11,264 |
| \$200,000 or greater | 346 | 4,218 | 11,121 |
| Median HH Income | \$86,646 | \$95,889 | \$82,490 |
| Average HH Income | \$108,342 | \$119,492 | \$113,434 |

| HOUSEHOLDS | 1 MILE | 3 MILE | 5 MILE |
|------------------------------------|--------|---------|---------|
| 2000 Total Housing | 3,855 | 35,120 | 96,814 |
| 2010 Total Households | 3,839 | 35,339 | 95,618 |
| 2023 Total Households | 4,208 | 37,948 | 99,968 |
| 2028 Total Households | 4,225 | 37,913 | 99,477 |
| 2023 Average Household Size | 2.81 | 2.74 | 2.75 |
| 2000 Owner Occupied Housing | 2,514 | 22,099 | 52,496 |
| 2000 Renter Occupied Housing | 1,236 | 12,261 | 41,813 |
| 2023 Owner Occupied Housing | 2,681 | 24,872 | 56,297 |
| 2023 Renter Occupied Housing | 1,527 | 13,076 | 43,671 |
| 2023 Vacant Housing | 172 | 1,223 | 3,526 |
| 2023 Total Housing | 4,380 | 39,171 | 103,494 |
| 2028 Owner Occupied Housing | 2,734 | 25,162 | 56,830 |
| 2028 Renter Occupied Housing | 1,491 | 12,750 | 42,646 |
| 2028 Vacant Housing | 207 | 1,480 | 4,428 |
| 2028 Total Housing | 4,432 | 39,393 | 103,905 |
| 2023-2028: Households: Growth Rate | 0.40 % | -0.10 % | -0.50 % |

Source: esri

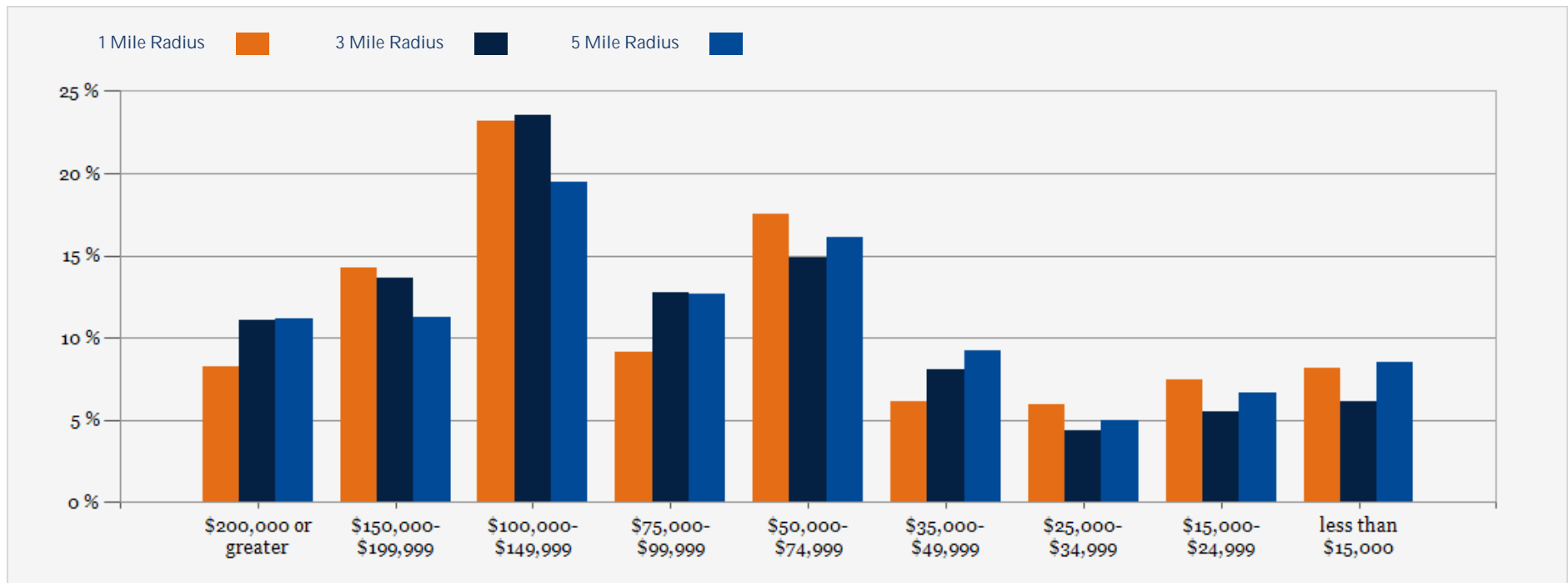
| 2023 POPULATION BY AGE | 1 MILE | 3 MILE | 5 MILE |
|---------------------------|--------|--------|---------|
| 2023 Population Age 30-34 | 957 | 8,739 | 22,423 |
| 2023 Population Age 35-39 | 912 | 7,523 | 19,511 |
| 2023 Population Age 40-44 | 857 | 6,786 | 17,279 |
| 2023 Population Age 45-49 | 745 | 5,967 | 15,536 |
| 2023 Population Age 50-54 | 766 | 6,277 | 16,333 |
| 2023 Population Age 55-59 | 813 | 6,936 | 17,803 |
| 2023 Population Age 60-64 | 777 | 6,933 | 17,951 |
| 2023 Population Age 65-69 | 631 | 5,920 | 15,284 |
| 2023 Population Age 70-74 | 579 | 4,965 | 12,782 |
| 2023 Population Age 75-79 | 348 | 3,255 | 8,656 |
| 2023 Population Age 80-84 | 249 | 2,157 | 5,951 |
| 2023 Population Age 85+ | 285 | 2,111 | 6,622 |
| 2023 Population Age 18+ | 9,928 | 83,750 | 220,648 |
| 2023 Median Age | 39 | 39 | 38 |

| 2023 INCOME BY AGE | 1 MILE | 3 MILE | 5 MILE |
|--------------------------------|-----------|-----------|-----------|
| Median Household Income 25-34 | \$101,627 | \$99,982 | \$81,258 |
| Average Household Income 25-34 | \$114,228 | \$117,685 | \$104,942 |
| Median Household Income 35-44 | \$115,706 | \$117,747 | \$101,801 |
| Average Household Income 35-44 | \$135,588 | \$145,171 | \$131,463 |
| Median Household Income 45-54 | \$113,357 | \$118,414 | \$105,649 |
| Average Household Income 45-54 | \$134,553 | \$147,641 | \$137,049 |
| Median Household Income 55-64 | \$93,300 | \$103,206 | \$94,158 |
| Average Household Income 55-64 | \$112,289 | \$127,953 | \$125,944 |
| Median Household Income 65-74 | \$58,727 | \$76,597 | \$73,362 |
| Average Household Income 65-74 | \$84,813 | \$99,192 | \$101,947 |
| Average Household Income 75+ | \$52,296 | \$74,156 | \$78,593 |

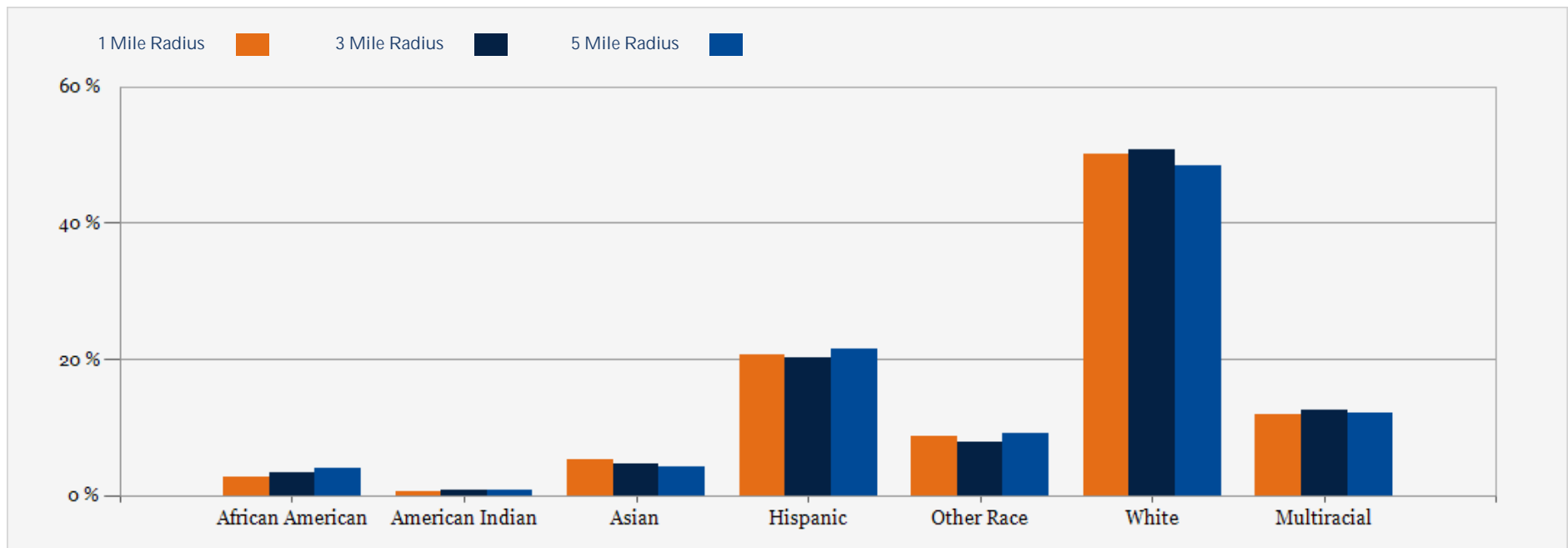
| 2028 POPULATION BY AGE | 1 MILE | 3 MILE | 5 MILE |
|---------------------------|--------|--------|---------|
| 2028 Population Age 30-34 | 914 | 7,508 | 19,804 |
| 2028 Population Age 35-39 | 915 | 8,619 | 21,783 |
| 2028 Population Age 40-44 | 859 | 7,282 | 18,840 |
| 2028 Population Age 45-49 | 814 | 6,501 | 16,693 |
| 2028 Population Age 50-54 | 697 | 5,743 | 15,034 |
| 2028 Population Age 55-59 | 703 | 5,895 | 15,320 |
| 2028 Population Age 60-64 | 732 | 6,259 | 16,239 |
| 2028 Population Age 65-69 | 692 | 6,130 | 15,924 |
| 2028 Population Age 70-74 | 564 | 5,178 | 13,465 |
| 2028 Population Age 75-79 | 516 | 4,120 | 10,650 |
| 2028 Population Age 80-84 | 303 | 2,652 | 7,163 |
| 2028 Population Age 85+ | 329 | 2,429 | 7,351 |
| 2028 Population Age 18+ | 9,995 | 83,699 | 220,017 |
| 2028 Median Age | 39 | 40 | 39 |

| 2028 INCOME BY AGE | 1 MILE | 3 MILE | 5 MILE |
|--------------------------------|-----------|-----------|-----------|
| Median Household Income 25-34 | \$108,277 | \$107,407 | \$90,365 |
| Average Household Income 25-34 | \$130,718 | \$134,532 | \$118,613 |
| Median Household Income 35-44 | \$129,833 | \$132,151 | \$114,487 |
| Average Household Income 35-44 | \$155,641 | \$165,816 | \$152,041 |
| Median Household Income 45-54 | \$122,981 | \$130,306 | \$116,102 |
| Average Household Income 45-54 | \$153,737 | \$167,029 | \$155,163 |
| Median Household Income 55-64 | \$107,416 | \$115,133 | \$107,346 |
| Average Household Income 55-64 | \$132,119 | \$150,186 | \$145,990 |
| Median Household Income 65-74 | \$72,940 | \$92,812 | \$87,363 |
| Average Household Income 65-74 | \$105,440 | \$119,158 | \$121,754 |
| Average Household Income 75+ | \$68,248 | \$92,673 | \$97,748 |

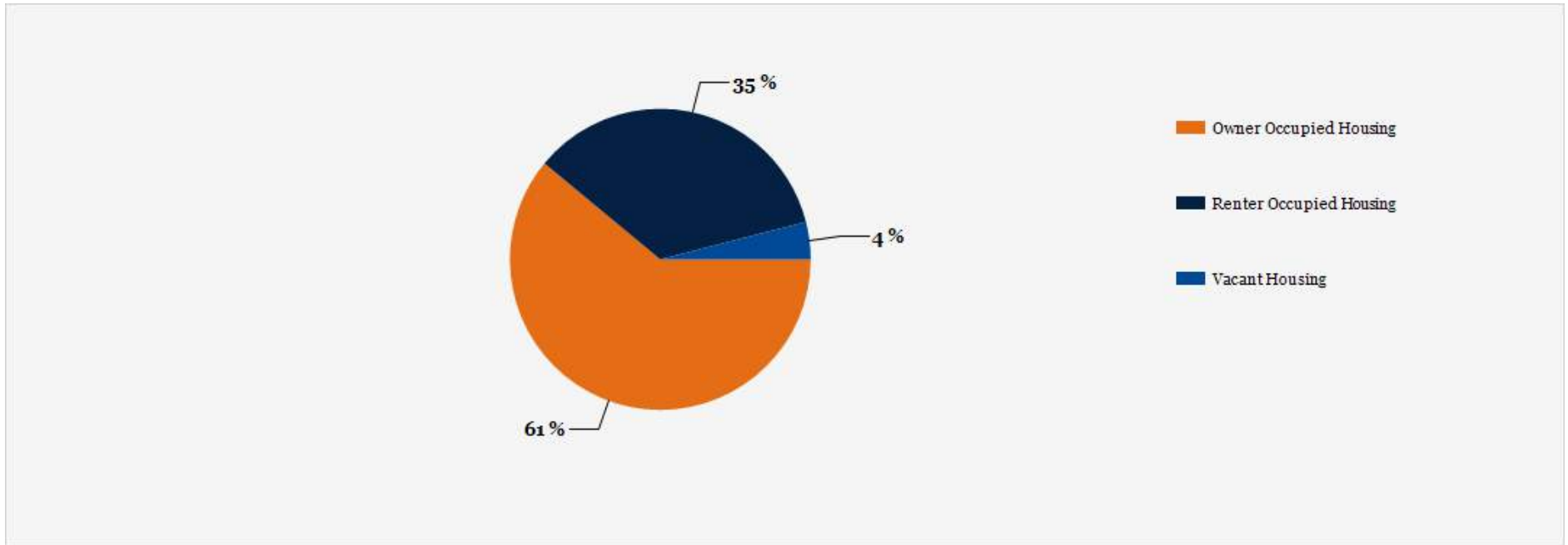
2023 Household Income



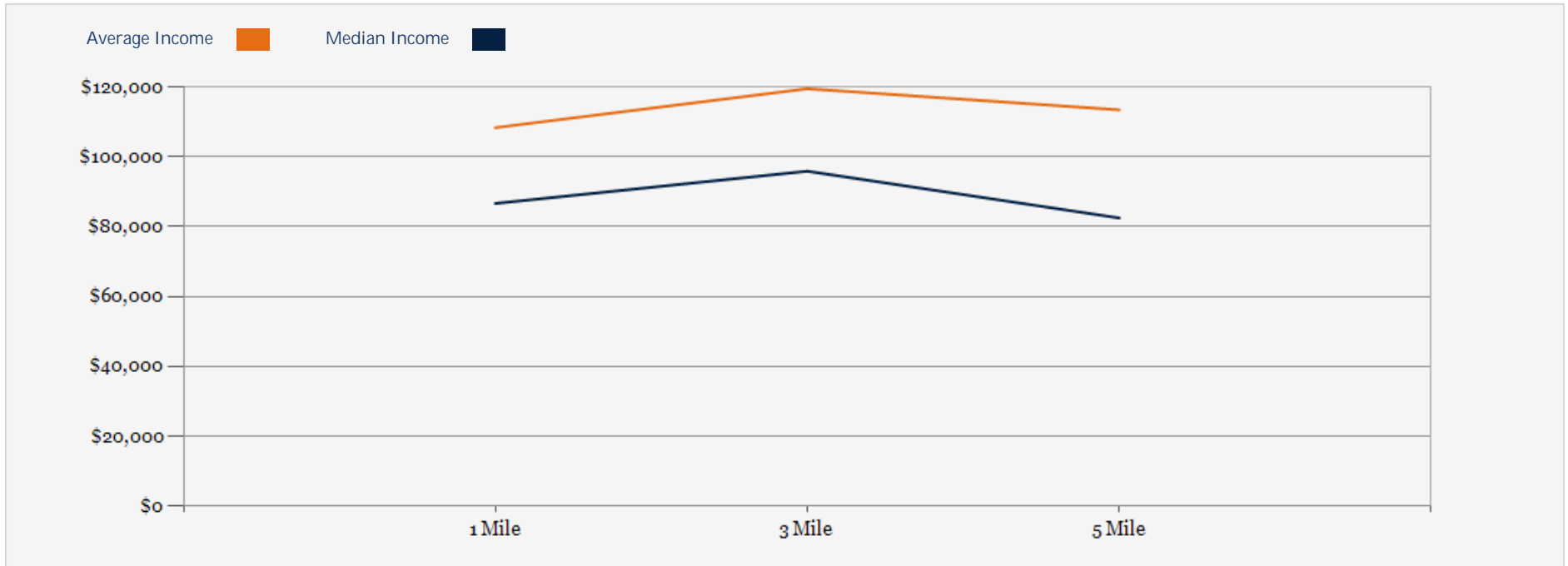
2023 Population by Race



2023 Household Occupancy - 1 Mile Radius



2023 Household Income Average and Median



Olive Tree Apartments

CONFIDENTIALITY and DISCLAIMER

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Browar Group and it should not be made available to any other person or entity without the written consent of The Browar Group.

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:

Mike Mignosa

Sales Associate

(408) 623-6444

mike@thebrowargroup.com

Lic: 02049221

