

# 1478 Hornblend St

San Diego, CA 92109



Offering Memorandum





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San Diego, CA 92109



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# 01 INVESTMENT SUMMARY

THE OFFERING

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# INVESTMENT SUMMARY

JLM Real Estate is pleased to present 1478 Hornblend St for sale in the desirable Pacific Beach submarket of San Diego.

## THE OFFERING

We are excited to introduce a 10-unit extensively renovated apartment building located in the Pacific Beach neighborhood of San Diego.

The apartment building is currently going through an extensive rehab job, and is expected to be completed in March of 2024.

The current owners spared no expenses on the rehab, creating a turnkey experience for a new owner.

1478 Hornblend St includes 5 private roof decks, 5 private yards, and 7 total parking spaces.

This newly available property features a luxurious and contemporary design with top-tier finishes. All renovations and additions were done fully up to code with permits from the city. No stone was left unturned on this remodel.

## PROPERTY OVERVIEW

Address	1478 Hornblend St, San Diego, CA 92109
No. of Units	10
Square Footage	7804
Year Built	1969
Year Renovated	2023
Price	\$7,295,000
Price/ Unit	\$729,500
In-Place Cap	4.0%
Rate In-Place	17.4
GRM Market Cap	4.0%
Rate Market GRM	16.6





# INVESTMENT HIGHLIGHTS

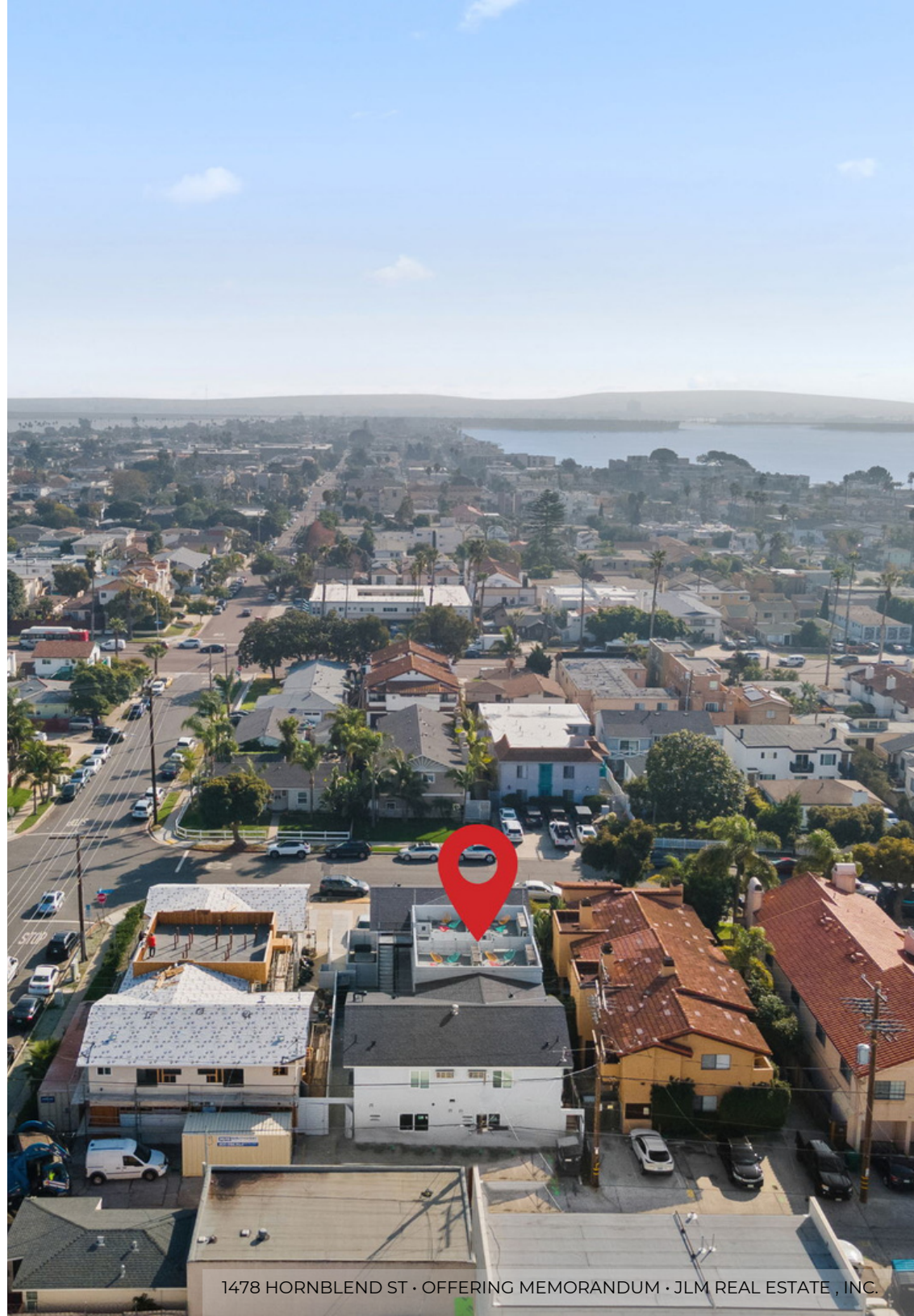
**Investment Property Prices:** San Diego's real estate market has experienced significant price appreciation in recent years. The median investment property price in the area has been steadily increasing, driven by strong demand and limited housing supply. However, there has been some moderation in price growth compared to previous years.

**Inventory Levels:** Inventory remains tight in San Diego, with a limited number of investment properties available for sale. This imbalance between supply and demand has contributed to competitive bidding situations and faster sales.

**Market Activity:** Despite the challenges posed by low inventory, investment property sales in San Diego have remained relatively strong. Investors continue to actively search for properties, particularly in desirable neighborhoods and those with good access to amenities, schools, and employment centers..

**Housing Market Outlook:** Looking ahead, the outlook for the San Diego real estate investment market remains positive, albeit with some uncertainties. Factors such as job growth, economic conditions, and potential changes in interest rates could influence market dynamics in the coming months.

**Trends:** Some emerging trends in the San Diego real estate investment market include increased interest in suburban and outlying areas as investors seek more space and affordability. Additionally, there is growing demand for investment properties with home offices and outdoor amenities, reflecting changing preferences due to remote work and lifestyle shifts.







02

# PROPERTY DESCRIPTION

PROPERTY SUMMARY

AMENITIES





## PROPERTY OVERVIEW

Address	1478 Hornblend St,
No. of Units	10 Units
APN	234-300-32-00
Square Footage	7,804
Year Built	1969
Lot Size	6,349 Square Feet
Density	0.14 Acres
Parking	7 Spots
Zoning	R-3:Minor Multiple

## CONSTRUCTION

Building	Two-Story · One Buildings
Type Roof	Composition
Structure	Wood Frame
Siding	Stucco

# PROPERTY DESCRIPTION





1478 HORNBLEND ST  
SAN DIEGO, CA 92109





# COMMUNITY AMENITIES

**ON-SITE** PARKING

**PRIVATE** YARD SPACE AND DECKS





# UNIT AMENITIES

**STAINLESS STEEL** APPLIANCES INCLUDING:  
DISHWASHERS, REFRIDGERATORS AND BUILT-  
IN MICROWAVES

**HEATING** IN ALL ROOMS

**IN-UNIT** WASHER & DRYER HOOKUPS

**CEILING FANS** IN MOST BEDROOMS

**HIGH-END VANITIES** IN BATHROOMS

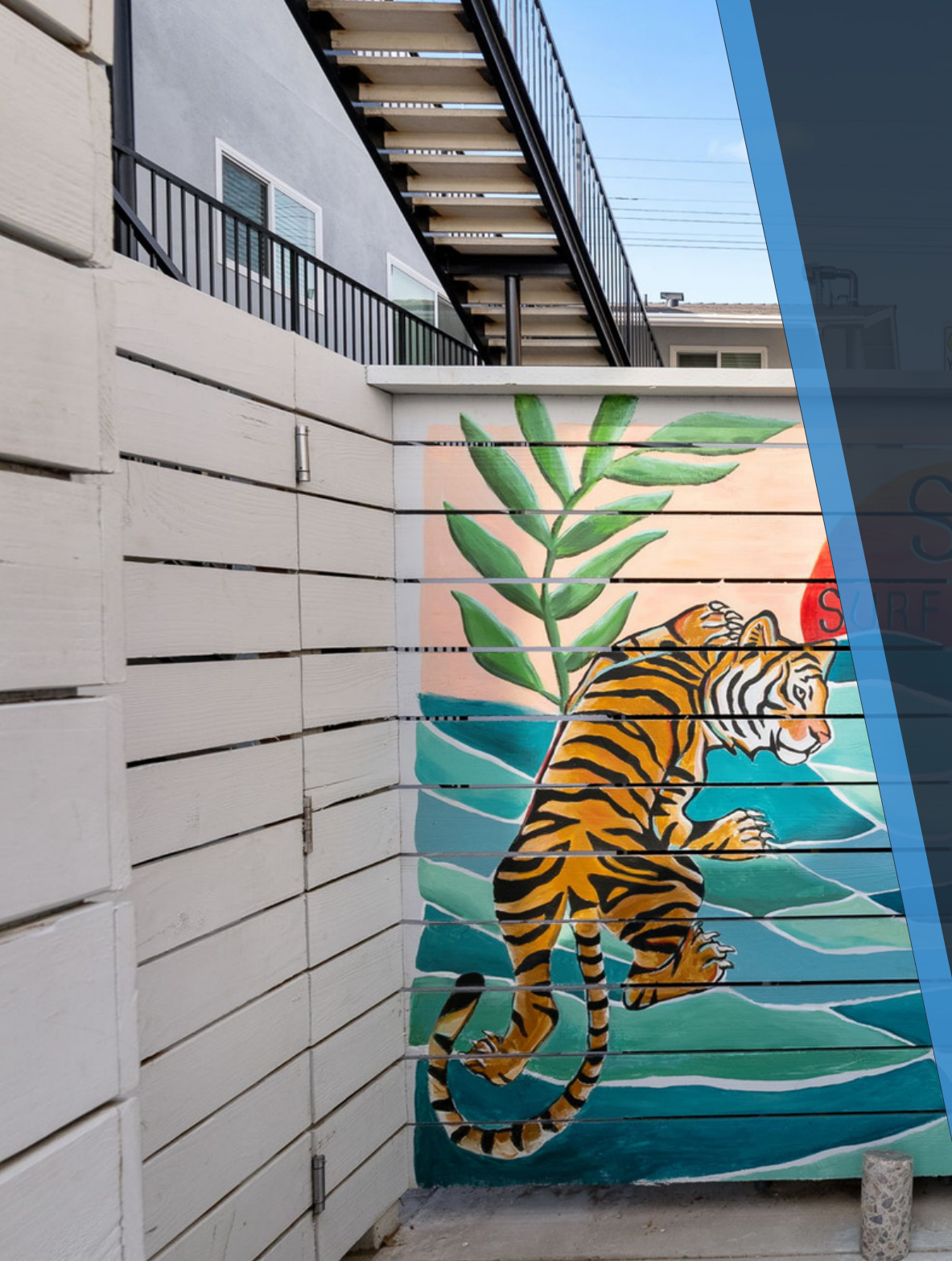
## UNIT MIX

Unit Type	No. of Units	In-Place Rent	Market Rent
2 BR/1 BA	1	\$4,200	\$ 4,410
1 BR/1 BA	1	\$3,400	\$ 3,570
2 BR/2 BA	1	\$4,400	\$ 4,620
2BR/1 BA	1	\$4,200	\$ 4,410
1 BR/1 BA	1	\$3,400	\$ 3,570
1 BR/1 BA	1	\$3,400	\$ 3,570
1 BR/1 BA	1	\$3,350	\$ 3,520
1 BR/1 BA	1	\$3,400	\$ 3,570
1 BR/1 BA	1	\$2,700	\$ 2,835
STDIO/1 BA	1	\$2,500	\$ 2,625

<b>Total</b>	<b>10</b>	<b>\$34,950</b>	<b>\$ 36,700</b>
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03

# PROFORMA FINANCIALS

PROFORMA  
INCOME & EXPENSE NOTES

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# FINANCIALS

## ESTIMATED ANNUAL OPERATING PROFORMA

	Current	Market
Gross Scheduled	\$419,400	\$440,370
Income Less: Vacancy 3%	\$12,582	\$12,582
Factor Gross Operating	\$406,818	\$427,788
Income Less: Expenses 32%	\$133,340	\$133,340
Net Operating Income	\$273,479	\$294,448

## ESTIMATED ANNUAL OPERATING EXPENSES

Gas & Electric	\$1,243
Utilites	\$6,480
Landscape	\$1,200
Trash Removal	\$3,360
Pest	\$900
Maintenance	\$7,500
Management Fees	\$25,164
Insurance	\$3,600
Taxes	\$83,893
Expenses Per Unit:	\$13,334
<b>Total</b>	<b>\$133,340</b>

## FINANCIAL SUMMARY

Price	7,295,000
Price Per Unit	\$729,500
Cap Rate	4.0%
Market Cap Rate	4.4%
GRM	17.4
Market GRM	16.6







# 04 MARKET OVERVIEW



## MARKET OVERVIEW

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San Diego's real estate market has witnessed a remarkable surge in investment property prices over recent years, with the median price steadily climbing. This upward trend is primarily fueled by robust demand coupled with a constrained housing supply. However, amidst this continuous appreciation, there has been a slight moderation in price growth compared to previous years, signaling a potential stabilization in the market.

Inventory levels in San Diego remain notably tight, presenting a challenge for prospective investors. The limited availability of investment properties for sale has led to heightened competition among buyers, often resulting in bidding wars and expedited sales processes. Despite this challenge, demand for investment properties in desirable neighborhoods remains strong, driving market activity forward.

Despite the scarcity of inventory, investment property sales in San Diego have persisted at a relatively robust pace. Investors remain actively engaged in the market, particularly in sought-after areas with convenient access to amenities, schools, and employment centers. This resilience in market activity underscores the enduring appeal of real estate investment in the region.

Historically low mortgage interest rates have played a significant role in sustaining demand within the San Diego real estate market. These favorable lending conditions have made real estate investment more attainable for buyers and have spurred refinancing activity among existing investors, further stimulating market activity.

Looking ahead, the outlook for the San Diego real estate investment market appears positive, albeit with certain uncertainties. Factors such as job growth, economic conditions, and potential shifts in interest rates may influence market dynamics in the coming months. Despite these potential variables, emerging trends, including increased interest in suburban areas and the growing demand for investment properties with home offices and outdoor amenities, are indicative of evolving investor preferences shaping the market's trajectory.





JLM Real Estate, Inc.



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