

OFFERED EXCLUSIVELY

# 3602-08 Indiana Street

San Diego, CA 92103 | Hillcrest

## An 8-Unit Value-Add Investment in Trophy Hillcrest

Diverse Unit Mix • Below-Market Rents Across the Board • Four On-Site Garages with ADU Upside • Trophy Hillcrest Location

OFFERING PRICE

**\$3,150,000**

UNITS

**8**

CURRENT CAP

**4.01%**

MARKET CAP

**5.29%**

MENDES COMPANY | Brokerage & Property Mgmt

# Executive Summary

*An 8-unit value-add opportunity in one of San Diego's most in-demand submarkets*

3602-08 Indiana Street is an 8-unit multifamily investment offering in the heart of Hillcrest, one of San Diego's most walkable and consistently high-demand neighborhoods. The diverse unit mix — spanning two- and three-bedroom apartments, studios, and one-bedrooms — appeals to a broad renter base and provides multiple levers for a new owner to drive returns.

Rents across nearly every unit sit meaningfully below market, representing significant embedded upside through natural turnover and light repositioning. Four on-site garages add both parking value and a straightforward ADU conversion opportunity, while the property's scale and location support long-term, institutional-quality ownership in a submarket that trades infrequently. This is a rare chance to acquire meaningful scale in Hillcrest at an attractive basis with a clear path to market rents.



*Spanish-style courtyard entry — classic Hillcrest architectural character*



## Embedded Rent Upside

Nearly every unit sits well below market — the clearest and most immediate path to increasing NOI.



## Garage ADU Potential

Four on-site single-car garages present a straightforward opportunity to add unit count and income.



## Trophy Hillcrest Location

A walkable, high-demand submarket adjacent to Balboa Park where multifamily assets of this scale rarely trade.

# Property Overview

UNITS	LOT SIZE	NET RENTABLE SF	GARAGES
8	6,992 SF	4,846	4

## Unit Mix

UNIT	TYPE	APPROX. SF	CURRENT RENT	MARKET RENT
3602	2 Bd / 1 Ba	800	\$2,495	\$2,795
3604	2 Bd / 1 Ba	800	\$2,295	\$2,795
3606	3 Bd / 1 Ba	800	\$2,495	\$2,795
3606A	Studio	350	\$1,525	\$1,850
3606B	Studio	300	\$1,525	\$1,850
3606.5	1 Bd / 1 Ba	600	\$1,600	\$2,195
3608	2 Bd / 1 Ba	800	\$2,295	\$2,795
3608.5	1 Bd / 1 Ba	600	\$1,650	\$2,195



Studio units at 3606A & 3606B — charming Spanish-style detailing throughout

3602-08 Indiana Street is a Spanish-style multifamily property with a diverse eight-unit mix on a 6,992 SF parcel in the heart of Hillcrest. The property's scale and unit variety are rarely available in this submarket, offering a new owner both immediate cash flow and multiple avenues to add value.

# Rent Roll & Income Summary

UNIT	TYPE	CURRENT RENT	MARKET RENT	UPSIDE
3602	2 Bd / 1 Ba	\$2,495	\$2,795	+\$300
3604	2 Bd / 1 Ba	\$2,295	\$2,795	+\$500
3606	3 Bd / 1 Ba	\$2,495	\$2,795	+\$300
3606A	Studio	\$1,525	\$1,850	+\$325
3606B	Studio	\$1,525	\$1,850	+\$325
3606.5	1 Bd / 1 Ba	\$1,600	\$2,195	+\$595
3608	2 Bd / 1 Ba	\$2,295	\$2,795	+\$500
3608.5	1 Bd / 1 Ba	\$1,650	\$2,195	+\$545
<b>Total Monthly Scheduled Income</b>		<b>\$17,030</b>	<b>\$20,660</b>	

*incl. garages, laundry, RUBS & pet rent*

## Annualized Snapshot

### SCHEDULED GROSS INCOME

**Current: \$204,360**

**Market: \$247,920**

### GROSS OPERATING INCOME

**Current: \$200,273**

**Market: \$240,482**

### NET OPERATING INCOME

**Current: \$126,463**

**Market: \$166,672**

Nearly every unit in the building sits below market, led by Units 3606.5 and 3608 (+\$595 and +\$500). This broad-based upside — rather than a single outlier unit — is the strongest evidence of a genuine value-add opportunity.

# Value-Add & Hillcrest Location



## Garage ADU Conversion

Four single-car garages present a straightforward opportunity to add unit count and income, subject to buyer's own feasibility review.



## Broad-Based Rent Upside

Seven of eight units sit below market, with combined monthly upside of over \$3,600 — a clear, achievable path to increasing NOI through natural turnover.



## Trophy Hillcrest Location

Hillcrest is one of San Diego's most walkable and consistently high-demand neighborhoods, adjacent to Balboa Park with near-zero vacancy and a high-income renter base.

Four on-site single-car garages — candidates for ADU conversion

### HILLCREST: A SUBMARKET THAT RARELY TRADES AT SCALE

WALKABILITY

**Highly Walkable**

ADJACENT TO

**Balboa Park**

EMPLOYMENT NEARBY

**UCSD Medical, Scripps  
Mercy, Downtown**

TENANT DEMAND

**Consistently Strong**

SUPPLY

**Built-Out, Infill**

# Financial Summary

## Annualized Operating Data

	CURRENT	MARKET
Scheduled Gross Income	\$204,360	\$247,920
Less: Vacancy Reserve	(\$4,087)	(\$7,438)
Gross Operating Income	\$200,273	\$240,482
Less: Operating Expenses	(\$73,810)	(\$73,810)
<b>Net Operating Income</b>	<b>\$126,463</b>	<b>\$166,672</b>
Less: Loan Payments	(\$113,315)	(\$113,315)
Pre-Tax Cash Flow	\$13,148	\$53,357
Plus: Principal Reduction	\$18,815	\$18,815
<b>Total Return Before Taxes</b>	<b>\$31,963</b>	<b>\$72,172</b>

## Operating Expenses

Property Taxes	\$38,850
Property Management	\$9,300
Insurance	\$4,500
Repairs & Maintenance	\$4,000
Water / Sewer	\$4,500
Reserves	\$4,000
Garbage	\$3,840
Landscaping	\$1,800
SDG&E (Common)	\$1,620
RUBS Fee	\$900
Admin / Misc.	\$500
<b>Total Expenses</b>	<b>\$73,810</b>

PROPOSED LOAN AMOUNT

**\$1,575,000**

DOWN PAYMENT

**\$1,575,000**

TERM / RATE

**30-Yr / 6.00%**

SUPPORTED LTV

**~50%**

# 3602-08 Indiana Street

San Diego, CA 92103

FOR MORE INFORMATION, CONTACT

## Mendes Company

*Brokerage & Property Management*

San Diego, California

This Offering Memorandum has been prepared solely for informational purposes and does not constitute an offer or solicitation to sell or buy any security or investment. The information contained herein has been obtained from sources believed reliable but has not been independently verified. Mendes Company makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein. Prospective purchasers should conduct their own investigation and rely on their own independent analysis and professional advisors. This offering is subject to prior sale, price change, or withdrawal without notice.

MENDES COMPANY

