1157 FOREST AVE

PACIFIC GROVE, CALIFORNIA

Listing Price
$2,900,000.00

17,663
Cars per day
on Forest AVE

PREMIER LOCATION
Serving Monterey,
Pebble Beach & Carmel

100% OCCUPIED
Mixed-Use Asset
with Stable Income

FUTURE UPSIDE
Potential for up to 23 Ocean-View
Apartments (subject to Approvals)

STRONG DEMOGRAPHICS
Affluent Coastal Community
with High Tourism Demand

100% OCCUPIED | MIXED-USE ASSET
RETAIL | INDUSTRIAL APARTMENTS

kw COASTAL ESTATES
KELLERWILLIAMS.

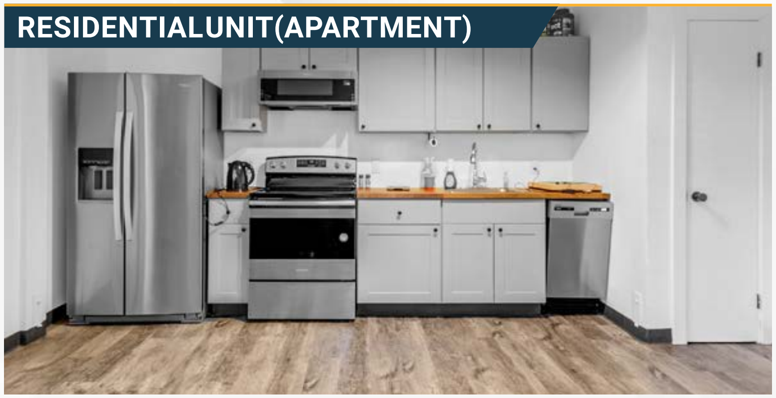
ANTHONY DAVI JR
831-601-3284
agjr@agdavi.com
dre: 01036716

PROPERTY OVERVIEW

RETAIL FRONTAGE

INDUSTRIAL / FLEX SUITES

RESIDENTIALUNIT(APARTMENT)



1157 FOREST AVE

PACIFIC GROVE, CALIFORNIA

1157 Forest Avenue is a 100% occupied mixed-use asset strategically located in the heart of Pacific Grove's Forest Hill commercial corridor.

The property features a diverse tenant mix including retail, industrial-flex suites, and residential units-providing stable in-place income with long-term upside potential.

Ideally positioned along a high-traffic corridor connecting Highway 68 to Monterey, Pebble Beach, and Carmel, the asset also offers future development potential for up to 23 ocean-view apartment units (subject to approvals).

HIGHLY VISIBLE LOCATION WITH APPROXIMATELY 17,663 CARS PER DAY

AREA DEMOGRAPHICS

WITH IN 2 MILES

39,000
POPULATION

$100M
SPENT ANNUALLY ON HOBBIES & ENTERTAINMENT

$1,000,000
MEDIAN HOME VALUE

46
MEDIAN AGE

3,800
ARMED FORCES PERSONNEL

$160M
SPENT ANNUALLY ON HOBBIES & ENTERTAINMENT

$123,000
AVERAGE HOUSEHOLD INCOME

52%
OF RESIDENTS HOLD A BACHELOR'S DEGREE OR HIGHER

CONSUMER SPENDING (WITHIN 2 MILES)

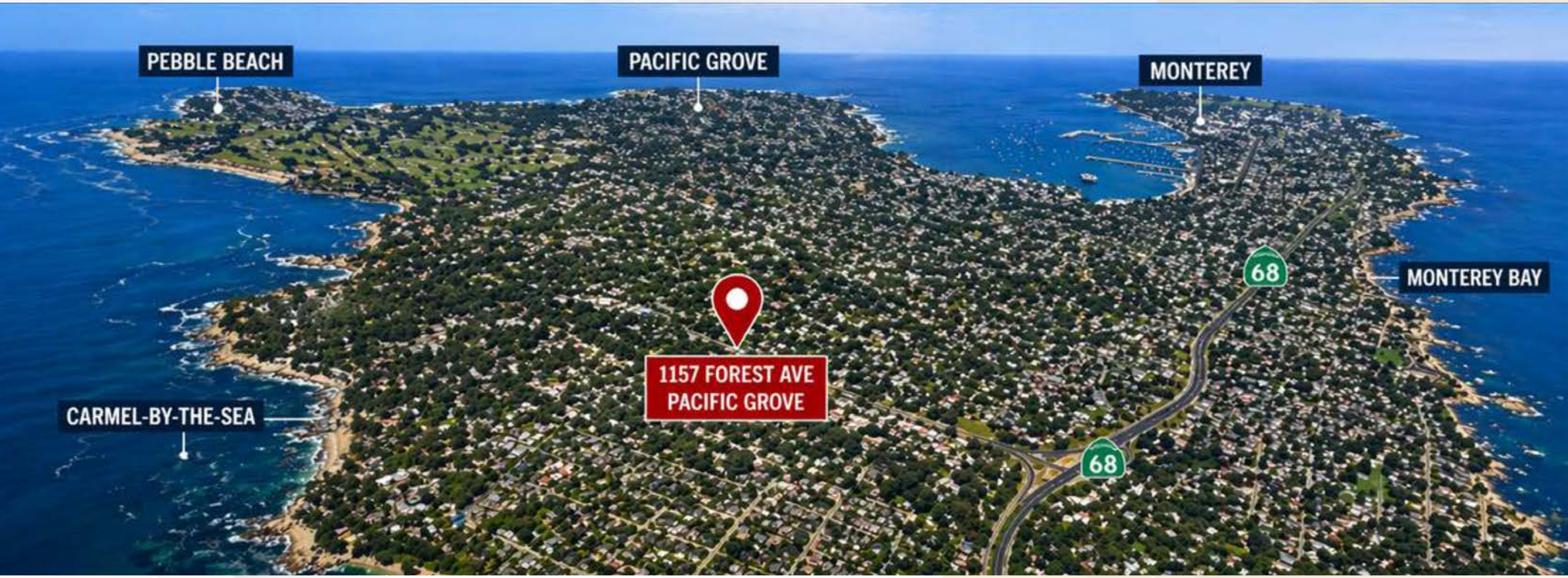
WITH IN 5 MILES

POPULATION
85,000

MEDIAN AGE
43

AFFLUENT COMMUNITY
Serving residents of Pacific Grove, Pebble Beach, Monterey and the surrounding Monterey Peninsula.

INVESTMENT DETAILS



Building Size
8,402 SF

Number of Tenants
6 Retail / Industrial
2 Apartments

Price per SF
$339.24

Lot Size
0.52 Acres

Occupancy
100%

Traffic Count
17,663 Cars per Day

Year Built
1982

APN
006-713-023

Zoning
Commercial /
Mixed Use

INVESTMENT HIGHLIGHTS

100%
OCCUPANCY

8,401 SF
TOTAL BUILDING SIZE

3 PER 1000 SF
PARKING RATIO

17,663
TRAFFIC COUNT

PARKING SPACES
24 OR MORE

$192,135.68
Subject to city of PG Lottery
MARK-TO-MARKET NOI

$165,675.68
If convert 2 spaces to 5 Apartments est NOI $219,288.48
IN-PLACE NOI

2 Apartments and 6 Commercial
NUMBER OF TENANTS

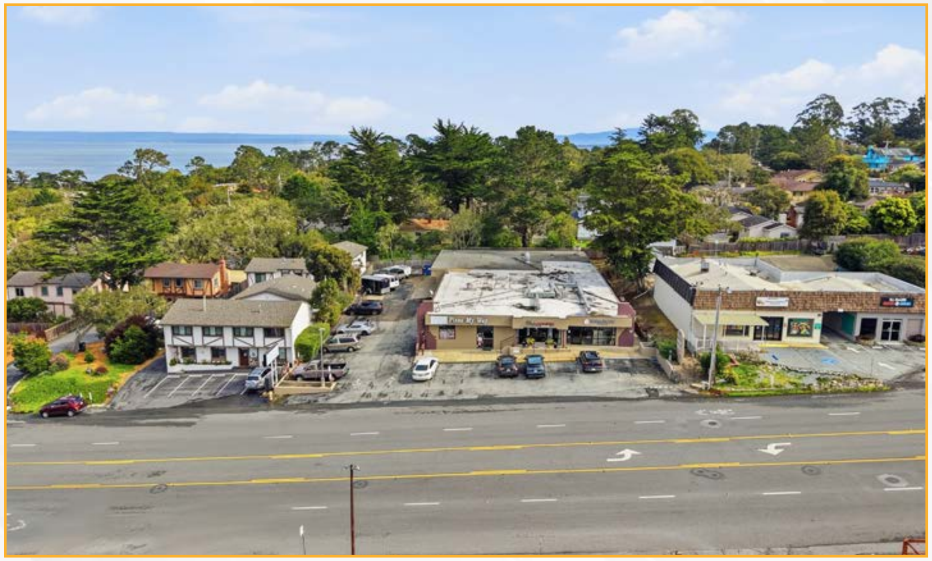
22,651 SF
(0.52 Acres)
LOT SIZE

AERIAL MAP

Aerial Map with Property Line

- 17,618 front traffic
- 23,000 upper/right near Safeway

SITE IMAGES



FINANCIAL SUMMARY

Income Summary	Annualized Rent	Anticipated 2027 Rent
Rent and Reimbursements	$239,875.68	$265,135.68
Less Expenses	-$73,061.46	-$73,061.46
Net Operating Income	$166,814.22	$192,074.22
Cap Rate at $2,988,000	5.6%	6.4%
Cap Rate at $2,900,000	5.8%	6.6%
Cap Rate at $2,800,000	6.0%	7.0%

Expense Summary	Annual Cost	Per SF Annually
Estimated Property Tax	$27,000.00	$3.21
Water and Sewer	$7,684.52	$0.91
Trash	$6,410.75	$0.76
PG&E	$4,644.16	$0.55
Landscape	$2,400.00	$0.29
Alarms & Fire Monitoring	$3,172.61	$0.38
Maintenance and Repairs	$7,500.00	$0.89
Insurance	$4,249.42	$0.51
Management @ 5%		
Management	$10,000.00	$1.19
Total Reimbursed Expenses	$73,061.46	$8.70
	Per SF NNN Est	**$0.72**

RENT ROLL

Suite	Use	Term ends	Approximate UNIT SF	Gross Rent Per Square foot	2026 Rent at Close with 2 apartments	2027 Proposed Use	2027 Rent w Apartments and with Canabis
A	Electrician	.April 2029	1329	$2.11	$2,800.00	Electrician	$2,365.60
A-1	Apartment -1 bedroom	mo to mo	550	$3.82	$2,100.00	Apartment -1 bedroom	$2,100.00
A-2	Studio Apartment	mo to mo	457	$3.94	$1,800.00	Studio Apartment	$1,800.00
B	Contractor/ Remodeler	mo to mo	1200	$1.97	$2,365.60	B/C new Canabis 2290 SF combined with B above	$6,855.00
C	Appliance shop/office	mo to mo	1190	$1.55	$1,850.00	Pizzeria	
D	Pizzeria **	October 2030	1342	$2.89	$3,882.23	Pizzeria	$3,882.23
E	Hair Salon	Jan 1, 2031	810	$2.30	$1,859.28	Hair Salon	$1,859.28
F	Window Store	September 2028	1250	$2.67	$3,332.53	Window Store	$3,332.53
	Approximate Leased SF		**8128**		**$19,989.64**		**$22,194.64**
**Suite D includes a % rent clause Month to Month suites are Lessor preference			Gross Annual Rents		$239,875.68	Gross Annual Rents	$266,335.68
			Expenses		-$73,000.00	Expenses	-$73,000.00
Average rent per SF 2026		$2.46			$166,875.68		$193,335.68
Average rent per SF 2027		$2.73	**Cap Rate at $2.9M**		**6%**	**Cap Rate at $2.9M**	**7%**

FINANCIAL ANALYSIS

Rent today with 2 Apartments and 6 Retail Tenants

	$238,675.68			
Expenses	-$73,000.00		Price	$2,900,000.00
Income	$165,675.68		Cap Rate	6%

Income if win canabis Lottery w 2 apartments and 4 Retail Tenants

	$265,135.68		Price	$2,900,000.00
Expenses	-$73,000.00		Cap Rate	7%
Income	$192,135.68			

Income if 7 Apartments** and 4 retail tenants

** Requires approx $300k to convert 5 apartments

	$309,288.48		Price	$2,900,000.00
Expenses	-$90,000.00		Estimated apt cost	$300,000.00
Income	$219,288.48		Estimated total cost	$3,200,000.00
			Cap Rate	7%

Note: Highest income is to add apartments above existing tenants rather than convert

DEVELOPMENT POTENTIAL

Opportunities for this Property in Pacific Grove

The City has designated this property as one where they intend to encourage housing.

The zoning has been improved to allow for 23 Ocean View apartments. Potential Bonus units may also be possible.

Almost all of the tenants are very long term with rents that continue to increase but are not as high as slightly larger nearby retail centers.

DEVELOPMENT SUMMARY

Forest Hill Commercial (C-FH) | Conceptual Unit Yield + Development Envelope

PARCEL OVERVIEW	**1157 Forest Ave** APN: 006-713-023-000 Lot Size: ~0.53 Acres (23,087 SF)
ZONING	Forest Hill Commercial (C-FH) Mixed-use encouraged
DENSITY RANGE	30-45 units/acre Estimated yield: 16-23 units City inventory reference: ~17 units **Excellent site for 23 Units**
BUILDING ENVELOPE	Height: 35 ft max Lot Coverage: 75% Front setback: 0-20 ft
STEPBACKS FOR UPPER LEVELS	Front: 8 ft Rear: 30 ft Applies above 25 ft height
DEVELOPMENT INSIGHT	Ground-floor retail + residential above ideal Bonus density possible depending on design

INVESTMENT TAKEAWAY :
Strong mixed-use opportunity with flexible density and favorable zoning envelope in a high-demand Pacific Grove location.

APPLY FOR INCENTIVES, CONCESSIONS AND WAIVERS such as a DENSITY BONUS or other benefits.

Property is on the site inventory at the City of Pacific Grove.

DEVELOPMENT SUMMARY

The area surrounding 1157 Forest Avenue in Pacific Grove sits in one of the most strategically positioned corridors on the Monterey Peninsula. Forest Avenue functions as a primary connector between Monterey, Pebble Beach, and the adjacent communities of Carmel and Seaside. Forest Ave becomes highway 68—effectively capturing traffic flowing between some of the most affluent and visited destinations in California. This is not just a neighborhood street; it is a gateway corridor tied directly into regional circulation patterns, feeding off Highway 68 and Lighthouse Avenue routes that bring both daily commuters and high-spending visitors through the area.

The strong local demographics are unique for a coastal investment property. At the same time, the broader Monterey Peninsula functions as a tourism powerhouse, attracting over 4.5 million visitors annually and generating billions in spending—over $3.1 billion as of 2024. This creates a rare dual demand profile: consistent local spending from an affluent resident base combined with continuous influxes of tourists supporting retail, dining, and service businesses year-round. The traffic patterns encourage visitors and residents to pass by and or within two clocks of this property on a regular basis.

From a business and ownership perspective, the Forest Hill commercial area represents a “center of gravity” for the peninsula. It sits at the intersection of residential neighborhoods, destination retail corridors, and world-renowned attractions such as the Monterey Bay Aquarium and Cannery Row, all within minutes. Pacific Grove itself is known for being one of the most charming and business-friendly coastal communities in California, with a strong emphasis on quality of life, walk ability, and curated commercial growth. This blend of limited supply, high barriers to entry, and consistent regional demand positions the area as a long-term hold market where property ownership is not just stable—but increasingly scarce and valuable over time.

Pacific Grove itself is anchored by a service-oriented, coastal lifestyle economy, where hospitality, tourism, and small-scale professional services dominate the local business mix. Boutique retail, restaurants, wellness services, and lodging operators thrive here, supported by a steady stream of visitors drawn to the coastline, historic charm, and destinations like the Monterey Bay Aquarium. The city intentionally maintains a curated commercial environment—favoring independent businesses over heavy corporate presence—which creates a unique, high-quality retail and dining experience. This results in strong tenant stability and consistent demand for well-located commercial spaces, particularly along corridors like Forest Avenue where local residents and visitors naturally converge. New developments downtown include 2 large Ocean view Condominium buildings and the Kimpton which is one of the only Hotels built on the Peninsula in decades.

The region benefits from a growing presence in education, research, and agriculture-related industries. Institutions like Monterey Bay Aquarium Research Institute and California State University Monterey Bay contribute to innovation, marine science, and workforce development. Meanwhile, the greater Monterey County area—particularly Salinas Valley—remains one of the most productive agricultural regions in the country, often referred to as the “Salad Bowl of the World.” This agricultural backbone supports logistics, food processing, and distribution industries that further stabilize the regional economy. The combination of tourism, education, government, and agriculture creates a resilient and diverse economic ecosystem—one that continuously feeds demand back into well-located commercial assets in Pacific Grove. We are only an hour drive from Silicon Valley and the Peninsula especially Pacific Grove continues to attract executives from Silicon Valley.

Opportunities for this property in Pacific Grove

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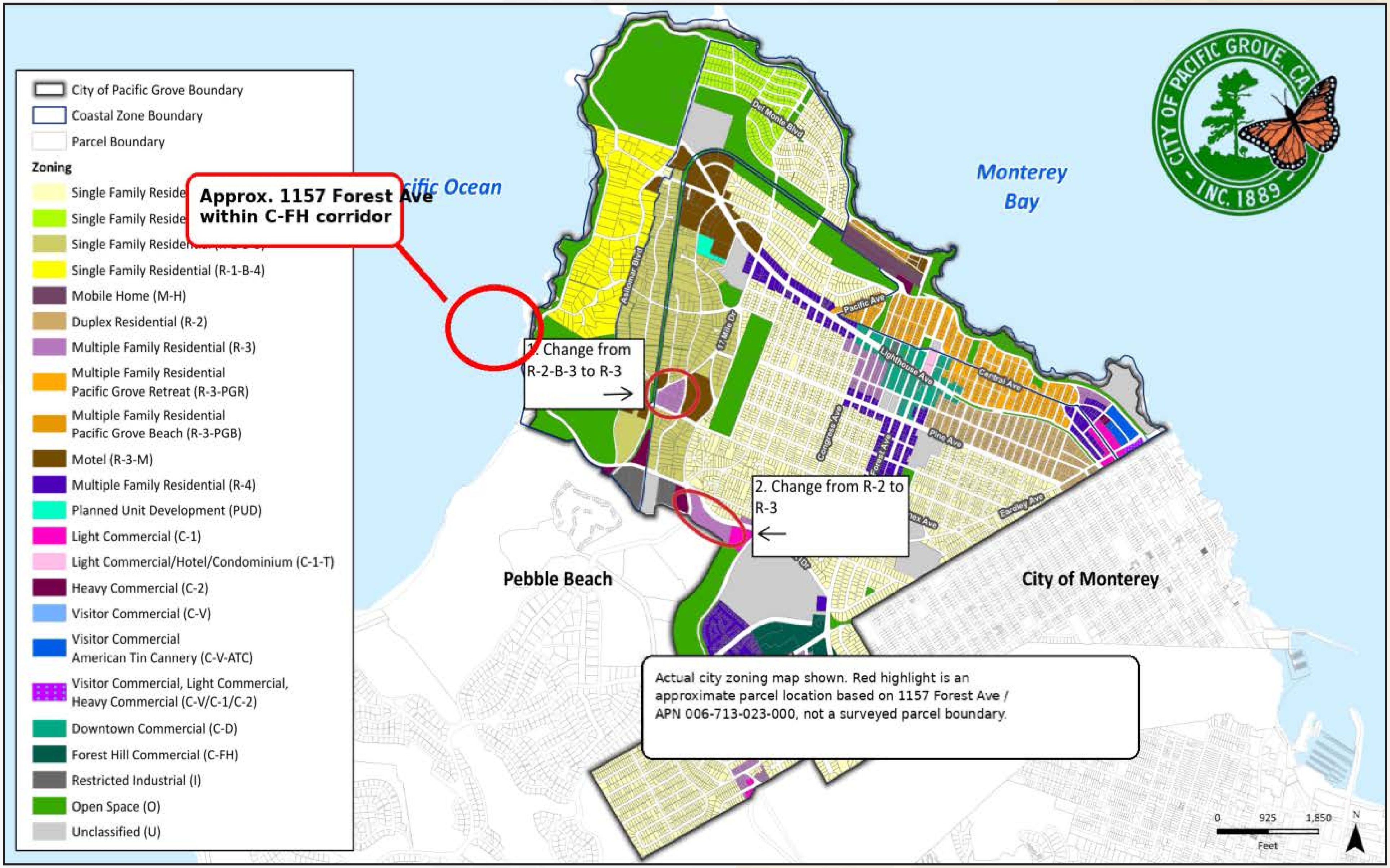
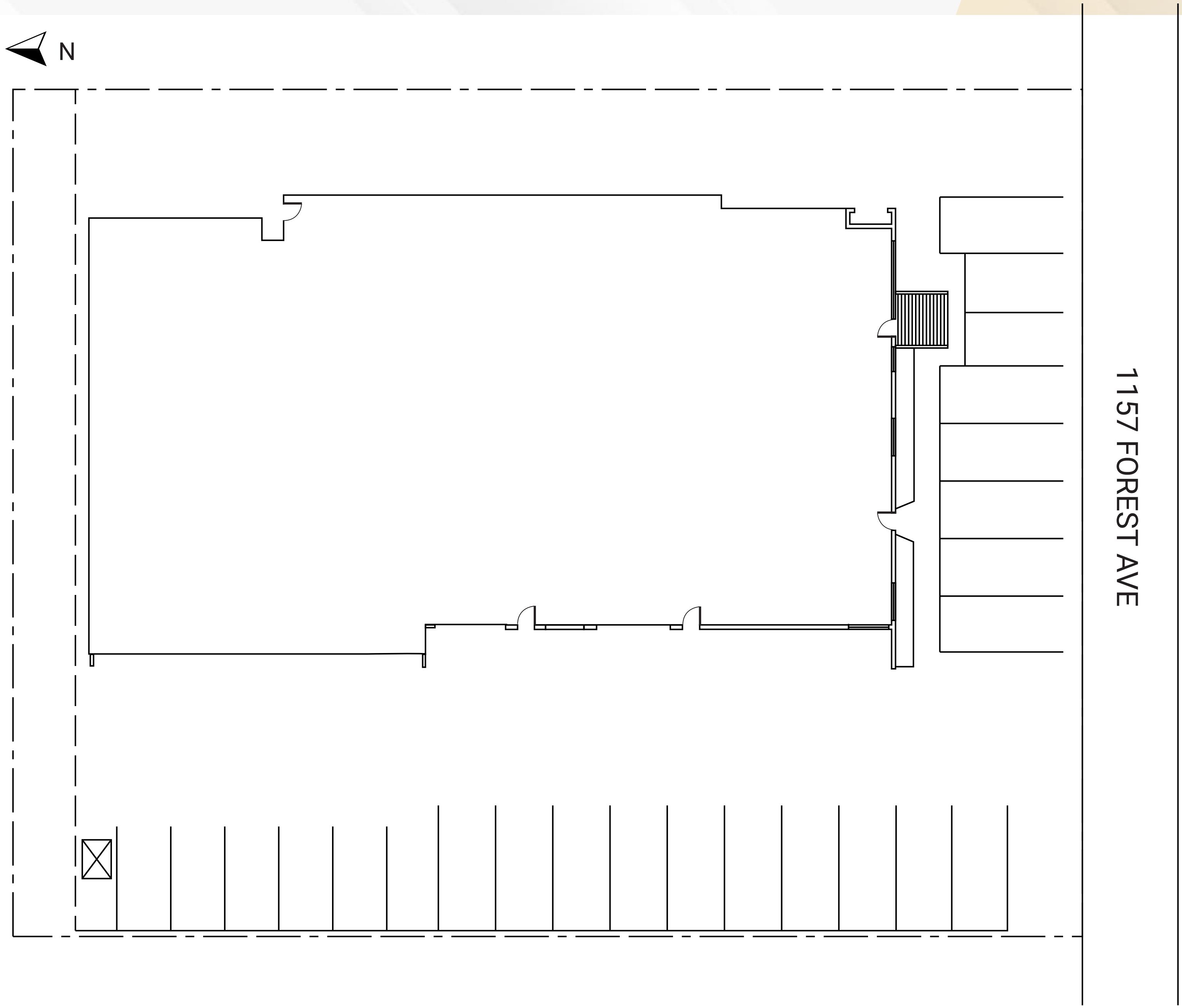
ZONING MAP



City of Pacific Grove Boundary
Coastal Zone Boundary
Parcel Boundary
Zoning
Single Family Reside
Single Family Reside
Single Family Residen
Single Family Residential (R-1-B-4)
Mobile Home (M-H)
Duplex Residential (R-2)
Multiple Family Residential (R-3)
Multiple Family Residential Pacific Grove Retreat (R-3-PGR)
Multiple Family Residential Pacific Grove Beach (R-3-PGB)
Motel (R-3-M)
Multiple Family Residential (R-4)
Planned Unit Development (PUD)
Light Commercial (C-1)
Light Commercial/Hotel/Condominium (C-1-T)
Heavy Commercial (C-2)
Visitor Commercial (C-V)
Visitor Commercial American Tin Cannery (C-V-ATC)
Visitor Commercial, Light Commercial, Heavy Commercial (C-V/C-1/C-2)
Downtown Commercial (C-D)
Forest Hill Commercial (C-FH)
Restricted Industrial (I)
Open Space (O)
Unclassified (U)
Approx. 1157 Forest Ave within C-FH corridor
cific Ocean
Monterey Bay
CITY OF PACIFIC GROVE, CA · INC. 1889
1. Change from R-2-B-3 to R-3
2. Change from R-2 to R-3
Pebble Beach
City of Monterey
Actual city zoning map shown. Red highlight is an approximate parcel location based on 1157 Forest Ave / APN 006-713-023-000, not a surveyed parcel boundary.
Del Monte Blvd
Asilomar Blvd
17 Mile Dr
Pacific Ave
Lighthouse Ave
Central Ave
Pine Ave
Congress Ave
Forest Ave
Eardley Ave
0 925 1,850
Feet
N

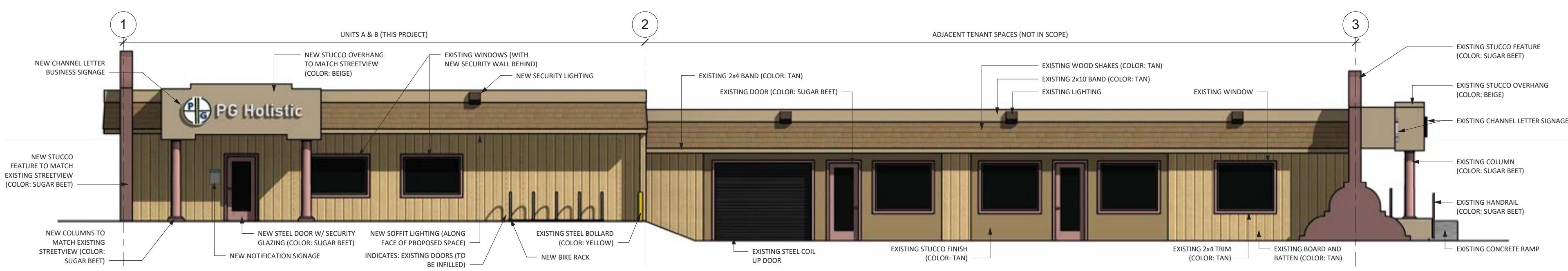
SITE PLAN



POTENTIAL DEVELOPMENT ELEVATION

PROPOSEDWESTELEVATION

PROPOSED NORTH ELEVATION



PROPERTY HIGHLIGHTS

Tourism & Demographic Drivers

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PROPERTY HIGHLIGHTS

REGIONAL ECONOMIC DRIVERS

Education, Agriculture & Innovation

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