TALMADGE PACIFIC APARTMENTS

21 Well Located Units
With Abundant Parking

- » Attractive Interior Courtyard
- » Excellent Unit Mix
- » 10 Single Car Garages
- » 20 Additional Parking Spaces

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TABLE OF CONTENTS

THE OPPORTUNITY

Traditional Quality - Built To Last

The Talmadge Pacific Apartments were constructed as a personal investment by an apartment developer in the late 1950's. He and his family held the property until 1990. Talmadge Pacific has only sold one other time, in 2012.

The care with which they built this property is still evident today. Experienced apartment investors will appreciate the raised foundation, pitched roof, and hardwood floors. The units open to an attractive and spacious courtyard with controlled access. Many of the garages provide residents with direct entry from the garages into the courtyard. The 20 additional parking spaces make this property a standout in San Diego's increasingly parking-challenged Mid-City rental market.

The Talmadge location offers residents the ability to walk a short distance to access a variety of shopping and restaurant options. In addition, the location offers very quick access to both Interstate 8 and 15, as well as fast access to a wide variety of employment opportunities in Mission Valley.

The current owner has relocated to another state. They will be exchanging their equity closer to their new home, but will not require an exchange contingency.

EXECUTIVE SUMMARY

LOCATION	4470 Euclid Avenue, San Diego, California 92115
APN	471-122-03-00
PRICE	$5,900,000
UNIT MIX	11 - 2 Br, 1 Ba 8 - 1 Br, 1 Ba 2 - Studios
PRICE PER UNIT	$285,952
PRICE PER SF	$385
CAP RATE	5.0% on existing rents 6.0% on market rents
GROSS RENT MULTIPLIER	11.2 on existing rents 9.7 on market rents
LOT SIZE	Approximately 18,369 SF (0.42 Acres)
PARKING	10 Garages & 20 Open Spaces (1.4 per Unit)
AGE	Built in approximately 1958
CONSTRUCTION	A single, two story, wood frame & stucco building on a raised foundation with pitched, comp shingle roof
PROPOSED FINANCING	New 1st TD of $3.4M at 6.0% interest, 30 year amortization. Contact Kristy Blair at Chase Bank, 619-464-1597
MOTIVATION	Tax deferred exchange to net leased commercial
TERMS	Conventional, with possible short term seller extension

RENT ROLL

APT #	BR : BA	APPROX SQUARE FOOTAGE	CURRENT RENT	CURRENT RENT PER SF	RENOVATED PROJECTED RENT	RENOVATED PROJECTED RENT PER SF	RENOVATED % UPSIDE IN RENTS
A	2 Br, 1 Ba	800	$2,195	$2.74	$2,595	$3.24	18.2%
B	1 Br, 1 Ba	650	$1,870	$2.88	$2,250	$3.46	20.3%
C	2 Br, 1 Ba	800	$2,195	$2.74	$2,595	$3.24	18.2%
D	2 Br, 1 Ba	800	$2,545	$3.18	$2,595	$3.24	2.0%
E	Studio	450	$1,695	$3.77	$1,850	$4.11	9.1%
F	1 Br, 1 Ba	650	$1,995	$3.07	$2,250	$3.46	12.8%
G	1 Br, 1 Ba	650	$1,795	$2.76	$2,250	$3.46	25.3%
H	1 Br, 1 Ba	650	$1,795	$2.76	$2,250	$3.46	25.3%
J*	2 Br, 1 Ba	800	$1,695	$2.12	$2,595	$3.24	53.1%
K	2 Br, 1 Ba	800	$2,200	$2.75	$2,595	$3.24	18.0%
L	1 Br, 1 Ba	650	$1,915	$2.95	$2,250	$3.46	17.5%
M	2 Br, 1 Ba	800	$2,195	$2.74	$2,595	$3.24	18.2%
N	2 Br, 1 Ba	800	$2,195	$2.74	$2,595	$3.24	18.2%
O	2 Br, 1 Ba	800	$2,200	$2.75	$2,595	$3.24	18.0%
R	2 Br, 1 Ba	800	$2,395	$2.99	$2,595	$3.24	8.4%
S	2 Br, 1 Ba	800	$2,395	$2.99	$2,595	$3.24	8.4%
T**	Studio	450	$1,800	$4.00	$1,850	$4.11	2.8%
U	1 Br, 1 Ba	650	$1,995	$3.07	$2,250	$3.46	12.8%
V	1 Br, 1 Ba	650	$2,170	$3.34	$2,250	$3.46	3.7%
W	1 Br, 1 Ba	650	$1,795	$2.76	$2,250	$3.46	25.3%
Y	2 Br, 1 Ba	800	$2,295	$2.87	$2,595	$3.24	13.1%
Sub-Total			$43,330		$50,245		16.0%
Laundry Income			$459		$459		
Monthly GSI			$43,789		$50,704		
Annual GSI			$525,468		$608,448		

*J is resident manager's unit. Their rental allowance appears as an expense on the Pro-Forma
** Unit T is currently vacant

OPERATING EXPENSES

	Current Monthly	Current Annual		Renovated Projected Monthly	Renovated Projected Annual		Proforma Notes
Gross Rental Income	$43,330	$519,960		$50,245	$602,940		See rent roll for details
Laundry Income	$459	$5,508		459	5,508		common laundry room
Gross Scheduled Income	$43,789	$525,468		$50,704	$608,448		
Vacancy and Collection Loss	(1,310)	(15,720)		(2,540)	(30,480)		3% on current rents, 5% on projected rents
Gross Operating Income	$42,479	$509,748	100.0%	$48,164	$577,968	100.0%	
Operating Expenses -							
General Expenses:							
Property Tax (1.2%)	$5,895	$70,740	13.9%	$5,895	$70,740	12.2%	at full price
Property Insurance	$751	$9,012	1.8%	$751	$9,012	1.6%	current charges
Rental Tax	$25	$300	0.1%	$25	$300	0.1%	current charges
Property Management	$2,124	$25,487	5.0%	$2,408	$28,898	5.0%	current charges
Onsite Manager Payroll	$1,600	$19,200	3.8%	$1,600	$19,200	3.3%	current charges
Onsite Manager Rent Waiver	$565	$6,780	1.3%	$565	$6,780	1.2%	current charge
Onsite Manager Workers Comp	$34	$408	0.1%	$34	$408	0.1%	current charge
Utility Expenses:							
Gas & Electric	$676	$8,112	1.6%	$676	$8,112	1.4%	current charges
Water & Sewer	$1,955	$23,460	4.6%	$1,955	$23,460	4.1%	current charges
Trash Pickup	$524	$6,288	1.2%	$524	$6,288	1.1%	current charges
Maintenance Expenses:							
Maintenance & Repairs	$2,124	$25,487	5.0%	$2,408	$28,898	5.0%	estimate
Supplies	$1,274	$15,292	3.0%	$1,445	$17,339	3.0%	estimate
Grounds, Porter & Gardening	$250	$3,000	0.6%	$250	$3,000	0.5%	estimate
Pest Control	$131	$1,572	0.3%	$131	$1,572	0.3%	current charge
Total Operating Expenses	($17,928)	(215,139)	-42.2%	(18,667)	(224,008)	-38.8%	
Net Operating Income	$24,551	$294,609	57.8%	$29,497	$353,960	61.2%	
1st TD Pmts ($3.4M, 6.0%, 30 yr.)	(20,384)	(244,608)		(20,384)	(244,608)		Assumes Down Payment of $2.5M on $5.9M Price (42.4% cash down)
Spendable Income	$4,167	$50,001		$9,113	$109,352		
Loan Amortization	$3,487	$41,844		$3,487	$41,844		
Total Gain Before Appreciation	$7,654	$91,845		$12,600	$151,196		

The information is from sources that are believed to be reliable but are not guaranteed. Because we cannot predict the future, the actual results of operation WILL NOT conform with this analysis. Buyers are encouraged to thoroughly investigate historical data, market conditions and assumptions, some of which are not explicitly presented in this analysis.

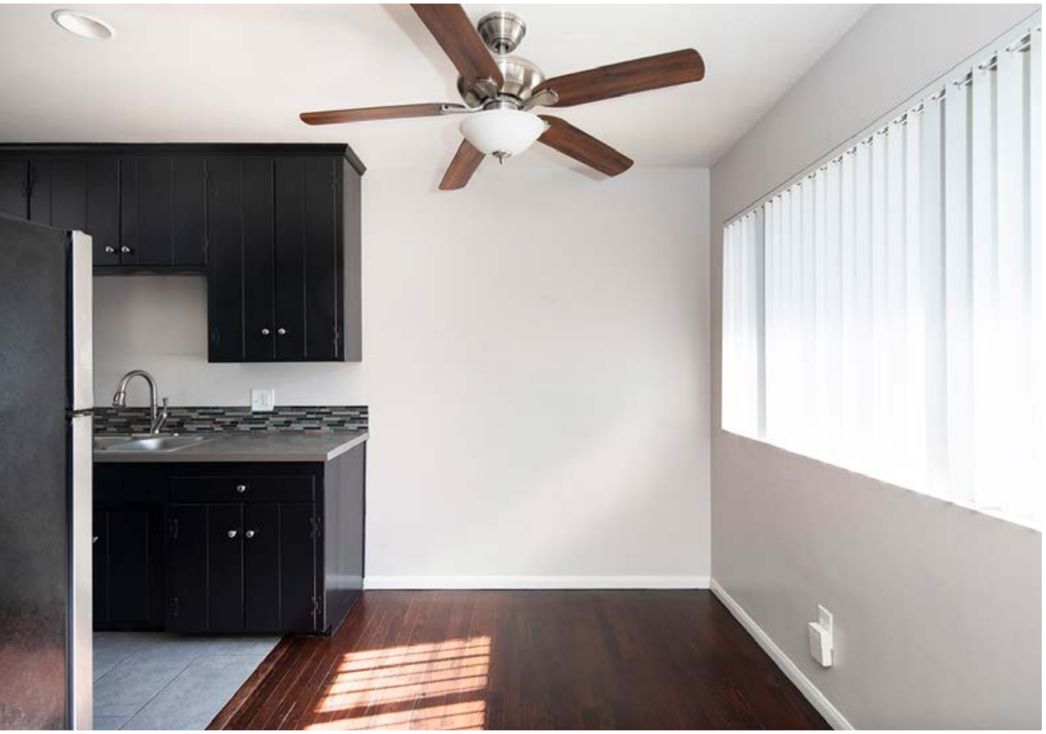
SALE COMPARABLES

#	STREET ADDRESS	# OF UNITS	SALE PRICE SALE DATE	$/SF $/UNIT	CAP RATE GRM	AGE	UNIT MIX	PARKING	NOTES
1	The Solstice 7240 El Cajon Boulevard San Diego, CA 92115	28	$6,680,000 5/28/2026	$321 $238,571	n/a n/a	1972	24- 2 Br, 1 Ba 2 - 1 Br, 1 Ba 2 - Studios	6 - carport spaces 12 - open spaces	Sold without market exposure. Previously sold at $7.7M in March, 2021.
2	Suntide Apartments 4480 49th Street San Diego, CA 92115	16	$3,800,000 4/27/2026	$385 $237,500	4.3% 11.9	1964	16 - 1 Br, 1 Ba	1 - carport space 14 - open spaces	Substantial deferred maintenance reported. Side alley adjacent to units.
3	Solita Cottages 6752-70 Solita Avenue San Diego, CA 92115	10	$5,250,000 1/30/2026	$530 $525,000	4.9% 12.2	1984	10 - 3 Br, 2 Ba	10 - garage spaces 6 - open spaces	Renovated units in duplex structures. Units are 990 sf, with very small rooms.
Averages				$412 $333,690	4.6% 12.1				
SUBJECT PROPERTY									
	Talmadge Pacific Apartments 4470 Euclid Avenue San Diego, CA 92115	21	$5,900,000 n/a	$385 $280,952	5.0% 11.2	1957	11- 2 Br, 1 Ba 8 - 1 Br, 1 Ba 2 - Studios	10 - garage spaces 20 - open spaces	Located at Gates of Talmadge, attractive exterior, period interiors
	Income metrics based on post-renovation rents				6.0% 9.7				

Note: All comps are located north of El Cajon Boulevard.

SALE COMPARABLES AERIAL

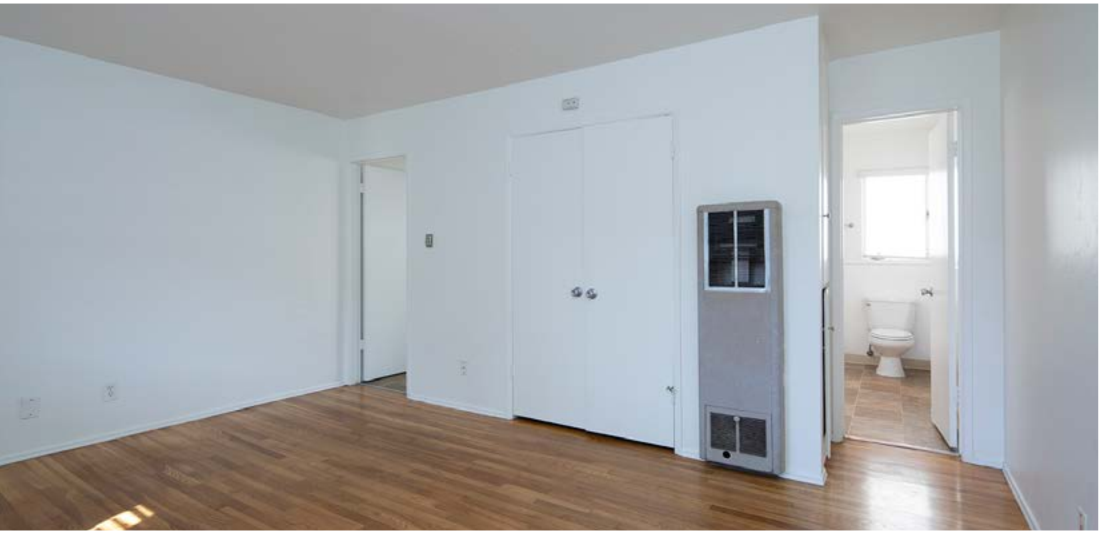










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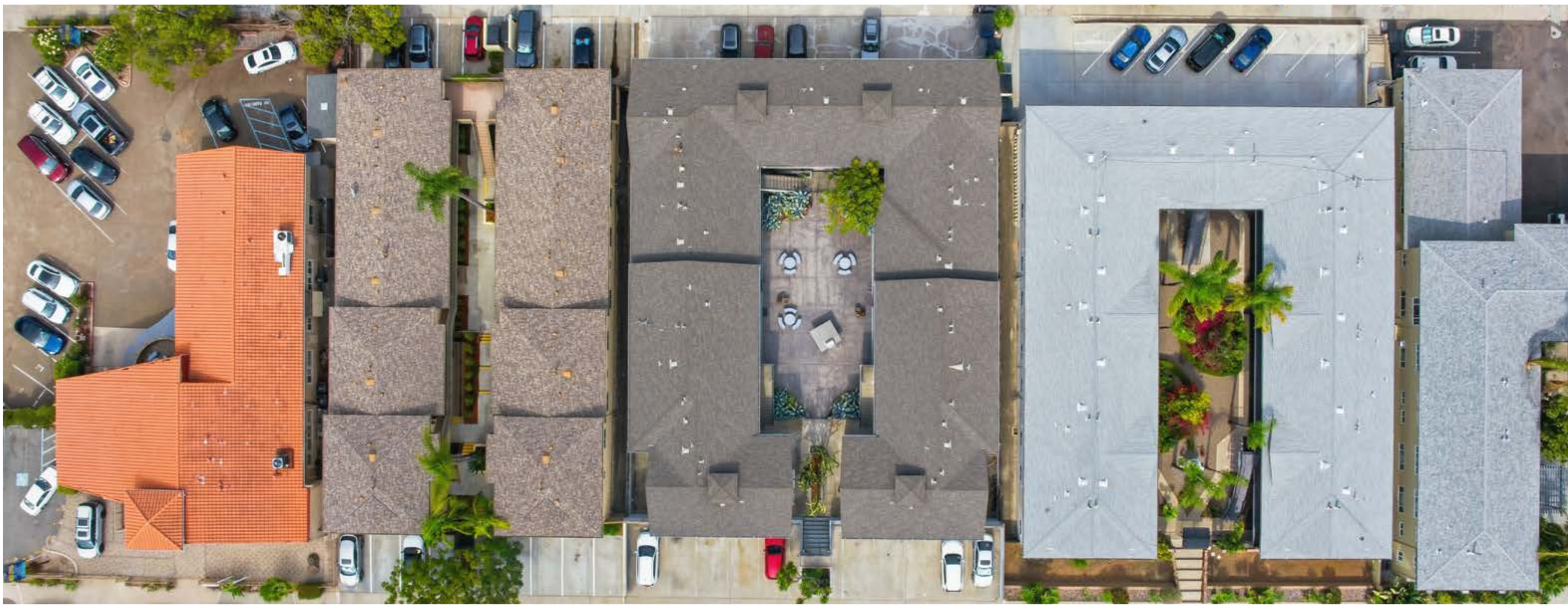

TALMADGE OVERVIEW

Established in 1925, Talmadge is a historic Mid-City neighborhood known for its architectural character and strong sense of community. Located roughly 7 miles from downtown San Diego and 2 miles from San Diego State University, the neighborhood spans one square mile in the foothills of the Cowles Mountain range, bordered by canyons and ridgelines that preserve native chaparral and wildlife habitats.

Originally developed as Talmadge Park by the Southern California Realty Association with backing from Hollywood investors, the neighborhood takes its name from actress Norma Talmadge, wife of producer Joseph M.Schenck, along with her sisters Constance and Natalie. A trio of streets on the western edge of Talmadge are named Constance Drive, Norma Drive and Natalie Drive.

Talmadge's architecture reflects adverse mix of Spanish Revival, California bungalow, Cape Cod, and Normandy style homes, including several designed by noted architect Cliff May. Talmadge and neighboring Kensington fall within the same community planning area and are often referenced together for planning purposes.

In March 2024, the neighborhood's original boundaries were listed on the National Register of Historic Places as the Talmadge Park Estates Historic District.

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