OFFERED EXCLUSIVELY

3602–08 Indiana Street

Hillcrest · San Diego, CA 92103

8	2	25+	$2,995,000
TOTAL UNITS	NEW ADUs (FROM 4 GARAGES)	YRS FAMILY OWNERSHIP	ASKING PRICE

INVESTMENT HIGHLIGHTS

- Trophy Hillcrest location — San Diego's most coveted rental submarket
- Mix: (3) 2BD/1BA · (1) 3BD/1BA · (2) Studios · (2) 1BD/1BA
- Pro forma assumes full interior renovation to market rents plus conversion of the four rear garages into two new ADUs
- Rents meaningfully below market — significant upside on turnover
- First time offered in 25+ years — generational family hold
- 6,992 SF lot · 4,846 SF net rentable · $618/SF

FINANCIAL SUMMARY

	CURRENT	PRO FORMA
Sched. Gross Income	$207,060	$288,780
Less Vacancy	($4,141)	($8,663)
Gross Oper. Income	$202,919	$280,117
Less Expenses	($70,185)	($70,185)
Net Oper. Income	**$132,734**	**$209,931**
Less Debt Service	($107,559)	($107,559)
Pre-Tax Cash Flow	$25,174	$102,372
Total Return	**$43,034**	**$120,231**

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PROPERTY OVERVIEW

3602–08 Indiana Street presents a compelling opportunity to acquire a well-located, eight-unit multifamily asset in the heart of San Diego's most dynamic urban neighborhood — Hillcrest. Offered for the first time in over 25 years, this generational family hold represents a true value-add play for the experienced investor seeking immediate upside through interior renovations, organic rent growth, and a clear path to ADU expansion.

The property's unit mix — (3) 2BD/1BA, (1) 3BD/1BA, (2) Studios, and (2) 1BD/1BA — provides a diversified income stream appealing to Hillcrest's deep and resilient renter pool. The four existing rear garages present a significant value-creation opportunity through conversion to two Accessory Dwelling Units (ADUs), subject to City of San Diego approvals, adding two new income-producing units without acquiring additional land.

With rents meaningfully below market and a trophy Hillcrest address, 3602–08 Indiana offers a rare combination of in-place cash flow, near-term renovation upside, and a defined ADU conversion plan that is virtually impossible to replicate in today's supply-constrained San Diego market.

> **PRO FORMA / MARKET ASSUMPTIONS**
>
> All "Market" or "Pro Forma" figures throughout this Offering Memorandum assume: (1) a full interior renovation program bringing all eight residential units to stabilized market rents, and (2) conversion of the four existing rear garages into two new ADUs leased at an estimated $1,995/month each. These are forward-looking projections based on comparable rents and construction assumptions believed reasonable but are not guaranteed. Prospective purchasers should independently underwrite renovation costs, ADU construction costs, and permitting timelines.

PROPERTY SUMMARY

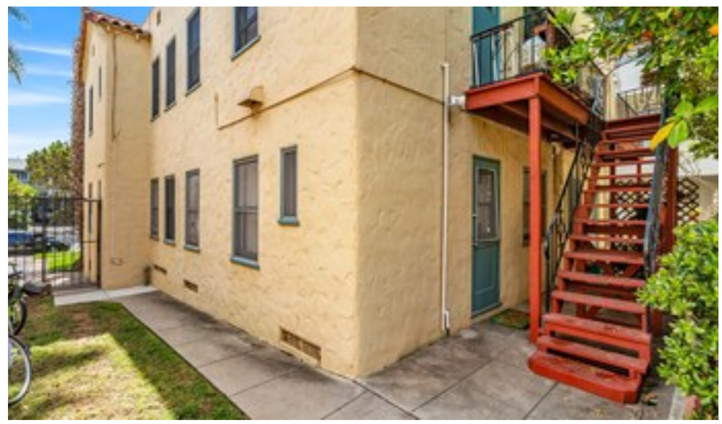
ADDRESS **3602–08 Indiana St, San Diego, CA 92103**	APN **On file**	TOTAL UNITS **8 (+ 2 ADUs pro forma)**	LOT SIZE **6,992 SF**
NET RENTABLE **4,846 SF**	PRICE/SF **$618.04**	ASKING PRICE **$2,995,000**	PRICE/UNIT **$374,375**
CURRENT GRM **14.46x**	MARKET GRM **10.37x**	CURRENT CAP **4.43%**	MARKET CAP **7.01%**
CURRENT NOI **$132,734**	MARKET NOI **$209,931**	LOAN AMOUNT **$1,495,000**	DOWN PAYMENT **$1,500,000 (50.1%)**

THE HILLCREST ADVANTAGE

Hillcrest is San Diego's most vibrant and irreplaceable urban village. Bounded by Balboa Park to the east and Mission Hills to the north, the neighborhood commands premium rents and attracts a highly educated, high-income renter base. The 92103 zip code consistently registers among the lowest vacancy rates in the county, underpinned by proximity to UCSD Health, Sharp Memorial Hospital, and a thriving corridor of independently owned restaurants, coffee shops, and boutique retail along University Avenue and Fifth Avenue.

For the multifamily investor, Hillcrest is not just a submarket — it's a destination asset class. A location that attracts healthcare professionals, young creatives, and long-term residents who choose Hillcrest for its walkability, energy, and unmatched quality of urban life.

PROPERTY PHOTOGRAPHY



RENT ROLL & UNIT MIX

CURRENT RENT ROLL (AS-IS)

Unit	Type	Approx SF	Current Rent
3602	2 BD / 1 BA	800	$2,495
3604	2 BD / 1 BA	800	$2,295
3606	3 BD / 1 BA	800	$2,495
3606A	Studio	350	$1,525
3606B	Studio	300	$1,525
3606.5	1 BD / 1 BA	600	$1,725
3608	2 BD / 1 BA	800	$2,295
3608.5	1 BD / 1 BA	600	$1,750
Gar 1	Garage	140	$195
Gar 2	Garage	140	$150
Gar 3	Garage	140	$0
Gar 4	Garage	180	$0
TOTAL	**8 Units + 4 Gar.**	**4,846 SF**	**$16,450/mo**

PRO FORMA RENT ROLL (POST-RENOVATION + ADU CONVERSION)

Unit	Type	Approx SF	Market Rent
3602	2 BD / 1 BA	800	$2,795
3604	2 BD / 1 BA	800	$2,795
3606	3 BD / 1 BA	800	$2,795
3606A	Studio	350	$1,850
3606B	Studio	300	$1,850
3606.5	1 BD / 1 BA	600	$2,195
3608	2 BD / 1 BA	800	$2,795
3608.5	1 BD / 1 BA	600	$2,195
New ADU 1 (from Gar 1 & 2)	Studio/Jr. 1BD	—	$1,995
New ADU 2 (from Gar 3 & 4)	Studio/Jr. 1BD	—	$1,995
TOTAL	**8 Units + 2 ADUs**	**4,846 SF**	**$23,260/mo**

OTHER INCOME (included in Scheduled Gross Income)

	Current/Mo	Market/Mo	Current/Yr	Market/Yr
Laundry Income	$150	$150	$1,800	$1,800
RUBS Income	$625	$625	$7,500	$7,500
Pet Rent	$30	$30	$360	$360
Total Other Income	**$805**	**$805**	**$9,660**	**$9,660**

* Market rents reflect achievable rents upon unit renovation and garage-to-ADU conversion, based on comparable properties in the 92103 zip code. Other income is included in Scheduled Gross Income of $207,060 current / $288,780 pro forma.

FINANCIAL SUMMARY

	Current	Pro Forma (Market)
Scheduled Gross Income	$207,060	$288,780
Less Vacancy (2% / 3%)	($4,141)	($8,663)
Gross Operating Income	$202,919	$280,117
Less Expenses	($70,185)	($70,185)
Net Operating Income	**$132,734**	**$209,931**
Less Debt Service	($107,559)	($107,559)
Pre-Tax Cash Flow	$25,174	$102,372
Plus Principal Reduction	$17,859	$17,859
Total Return Before Tax	**$43,034**	**$120,231**

Proposed financing: $1,495,000 first loan at 6.00% interest, 30-year term. Down payment: $1,500,000 (50.1% down / 49.9% supported LTV). Expenses include taxes, insurance, management, utilities, maintenance & reserves. All figures deemed reliable but not guaranteed.

FINANCING SUMMARY

FIRST LOAN AMOUNT
$1,495,000

LOAN TERM
30 Years

INTEREST RATE
6.00%

MAX LTV
75.0%

SUPPORTED LTV
49.9%

DOWN PAYMENT
$1,500,000

DOWN PAYMENT %
50.1%

ASKING PRICE
$2,995,000

ADU CONVERSION OPPORTUNITY

One of the most compelling features of 3602–08 Indiana Street is the four rear garages accessed via the alley. Under California's ADU laws and the City of San Diego's streamlined ADU ordinance, these detached garages present a clear pathway to conversion into two additional income-producing ADUs — potentially transforming this 8-unit asset into a 10-unit portfolio without acquiring additional land.

The pro forma figures presented in this Offering Memorandum are underwritten on the assumption that the four garages are combined and converted into two ADUs (Gar 1 & 2 into ADU 1; Gar 3 & 4 into ADU 2), each leased at an estimated $1,995/month based on prevailing Hillcrest rents for studio and junior one-bedroom units. Full conversion is projected to add approximately $43,740 in annual gross income (net of the modest garage income currently in place), materially compressing the cap rate on a post-renovation basis and enhancing the asset's long-term value and refinancing potential.

ANNUALIZED EXPENSE DETAIL

Expense Category	Annual Amount	Per Unit
Property Taxes	$36,950	$4,619
Insurance	$4,500	$563
Administration / Misc.	$375	$47
Repairs & Maintenance	$4,000	$500
Property Management	$9,300	$1,163
Water / Sewer	$4,500	$563
Garbage	$3,840	$480
Landscaping	$1,800	$225
Reserves	$2,400	$300
SDGE Common	$1,620	$203
RUBS Fee	$900	$113
TOTAL EXPENSES	**$70,185**	**$8,773**

Expenses shown are held constant between the current and pro forma scenarios and are based on 8 units; ADU conversion costs and any incremental operating expense for the two new ADUs are not reflected above and should be independently underwritten by the purchaser.

EXCLUSIVELY LISTED BY

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PROPERTY SUMMARY

3602–08 Indiana Street, Hillcrest, San Diego, CA 92103

8 Units · Asking Price: $2,995,000 · $374,375/Unit · Current CAP: 4.43% · Market CAP: 7.01%

4 Garages (Pro Forma Conversion to 2 ADUs) · 6,992 SF Lot · 4,846 SF Net Rentable · 25+ Year Family Ownership