

CONFIDENTIAL OFFERING MEMORANDUM

1541

8th Avenue

SAN DIEGO, CA 92101

CBRE

25 UNITS | CORTEZ HILL, DOWNTOWN SAN DIEGO

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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

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1541
8th Avenue

INVESTMENT
OVERVIEW

01



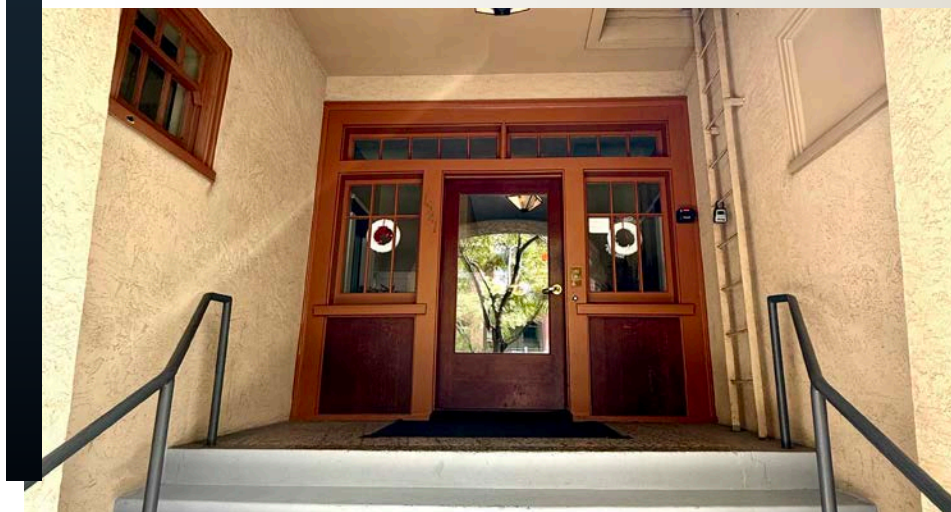
25 Units in Cortez Hill – Prime Downtown San Diego Location

CBRE is pleased to present 1451 8th Avenue, a 25-unit apartment community located in the highly desirable Cortez Hill neighborhood of Downtown San Diego. Originally constructed in 1914, the property consists of a unique mix of studio units, one-bedroom apartments, and a penthouse/commercial unit, offering investors a rare opportunity to acquire a character-rich asset in one of Downtown San Diego’s most established residential enclaves.

The property also features a shared laundry facility and a substantial basement-level storage area, providing added convenience for tenants and potential operational upside for ownership. Additionally, the offering includes attractive assumable financing, with an existing \$1.25 million loan at a 3.45% fixed interest rate through September 2030, presenting a compelling opportunity to secure below-market debt in today’s higher interest rate environment.

Situated in Cortez Hill, the property benefits from one of the most walkable residential neighborhoods in Downtown San Diego, where residents enjoy convenient access to daily amenities, restaurants, retail, and entertainment. The location places tenants within walking distance of several of Downtown’s most vibrant districts including Little Italy, the Gaslamp Quarter, and East Village, all of which offer a wide array of dining, nightlife, shopping, and employment opportunities. Additionally, Balboa Park, one of the nation’s largest urban parks and home to numerous museums and the San Diego Zoo, is located just minutes away, providing exceptional outdoor and cultural amenities.

1451 8th Avenue also benefits from excellent regional connectivity. The property is located just minutes from Interstate 5, State Route 163, and Interstate 805, providing convenient access throughout San Diego County. Residents can easily commute to major employment centers including Downtown San Diego, Mission Valley, Kearny Mesa, and UTC/La Jolla. In addition, the property is located near multiple San Diego Trolley lines and public transportation options, further enhancing connectivity to surrounding neighborhoods and regional employment hubs.

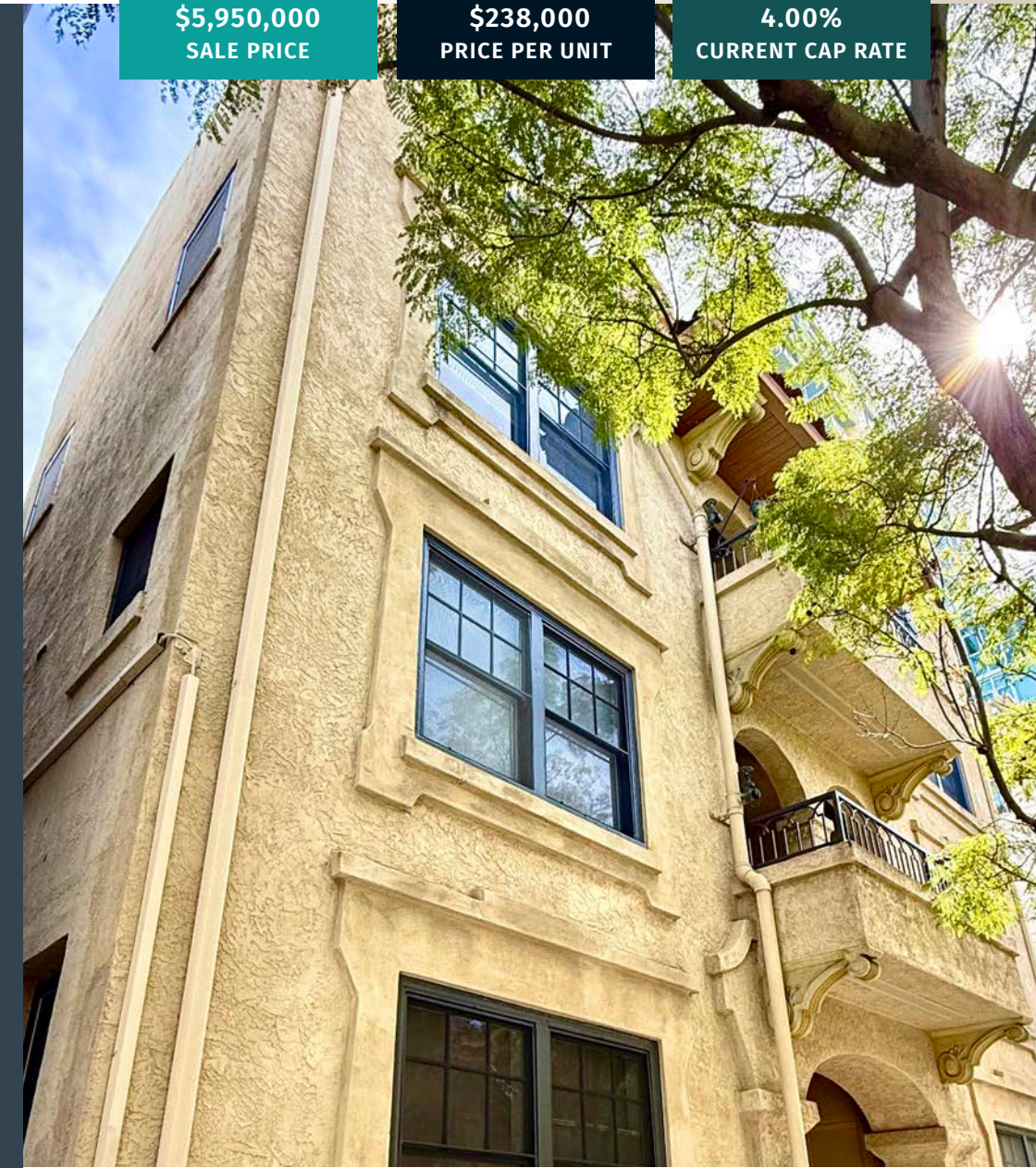


Cortez Hill is widely recognized as one of Downtown San Diego’s most desirable residential neighborhoods, offering a quieter, more neighborhood-oriented setting while remaining immediately adjacent to the energy and amenities of the urban core. The combination of historic charm, walkability, proximity to major attractions, and excellent freeway access makes 1451 8th Avenue an attractive living option for renters seeking a centrally located Downtown lifestyle.

\$5,950,000
SALE PRICE

\$238,000
PRICE PER UNIT

4.00%
CURRENT CAP RATE





Investment Highlights

- **Prime Downtown San Diego Location – Cortez Hill** – Located in the highly desirable Cortez Hill neighborhood of Downtown San Diego, offering residents a walkable urban lifestyle with convenient access to Little Italy, the Gaslamp Quarter, Balboa Park, and major employment centers.
- **25-Unit Apartment Community with Unique Unit Mix** – The property features a diverse unit mix including studios, one-bedroom apartments, and a penthouse/commercial unit, appealing to a wide range of Downtown renters.
- **Assumable In-Place Financing at Below-Market Rate** – The offering includes an assumable \$1.25 million loan at a 3.45% fixed interest rate through September 2030, providing investors with attractive, below-market financing.
- **On-Site Amenities with Additional Storage Potential** – The property includes a shared laundry room and a large basement-level storage area, offering tenant convenience and potential for additional income or operational enhancements.
- **Excellent Walkability & Urban Accessibility** – Situated in one of Downtown San Diego’s most walkable residential neighborhoods with close proximity to dining, retail, entertainment, and public transportation.
- **Convenient Freeway Access to Major Employment Hubs** – Located just minutes from Interstate 5, State Route 163, and Interstate 805, providing convenient connectivity to Mission Valley, Kearny Mesa, UTC/La Jolla, and other key employment centers throughout San Diego.





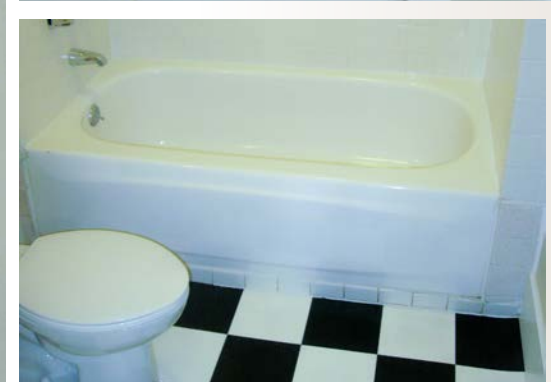
CORONADO BRIDGE

PETCO PARK

SAN DIEGO BAY

CORONADO

1541
8th Avenue



AREA
OVERVIEW



02





AREA OVERVIEW

Cortez Hill – A Historic and Highly Walkable Downtown San Diego Neighborhood

Cortez Hill is one of Downtown San Diego’s most established and desirable residential neighborhoods, offering a unique combination of historic character, walkability, and proximity to the region’s major employment and entertainment districts. Perched slightly above the Downtown core, Cortez Hill is known for its quieter, residential atmosphere while remaining just steps from the energy and amenities of the urban center.

The neighborhood is ideally positioned between several of Downtown San Diego’s most vibrant districts, including Little Italy, the Gaslamp Quarter, and East Village, providing residents immediate access to a wide variety of restaurants, nightlife, retail, and cultural attractions. Additionally, Balboa Park, one of the largest urban parks in the United States and home to numerous museums, gardens, and the San Diego Zoo, is located just minutes from the neighborhood, offering

Cortez Hill combines the tranquility of a residential neighborhood with the connectivity and lifestyle amenities of Downtown San Diego.



exceptional outdoor and recreational amenities.

Cortez Hill is widely recognized for its walkability and urban accessibility, allowing residents to enjoy a true live-work-play lifestyle. The neighborhood provides convenient access to Downtown’s major employment centers including the Civic Center, waterfront employment district, and the expanding East Village innovation corridor. The area also benefits from strong public transportation connectivity through nearby San Diego Trolley lines, bus routes, and Santa Fe Depot, providing regional access throughout San Diego County.

In addition to its urban amenities, Cortez Hill offers excellent freeway accessibility, located near Interstate 5, State Route 163, and Interstate 805, which provide efficient connectivity to major employment hubs including Mission Valley, Kearny Mesa, UTC/La Jolla, and San Diego International Airport.

With its central Downtown location, strong walkability, historic charm, and proximity to employment and lifestyle amenities, Cortez Hill continues to be one of the most attractive residential neighborhoods in Downtown San Diego for renters and multifamily investors alike.





San Diego Metro: A High-Growth Market

San Diego, California, is one of the most dynamic and resilient metropolitan markets in the United States, offering investors a unique blend of economic stability, innovation-driven growth, and lifestyle appeal. With a population exceeding 3.3 million in the metro area, San Diego boasts a diversified economy anchored by biotech, defense, tourism, and technology, creating strong fundamentals for long-term investment success.

Market Highlights:

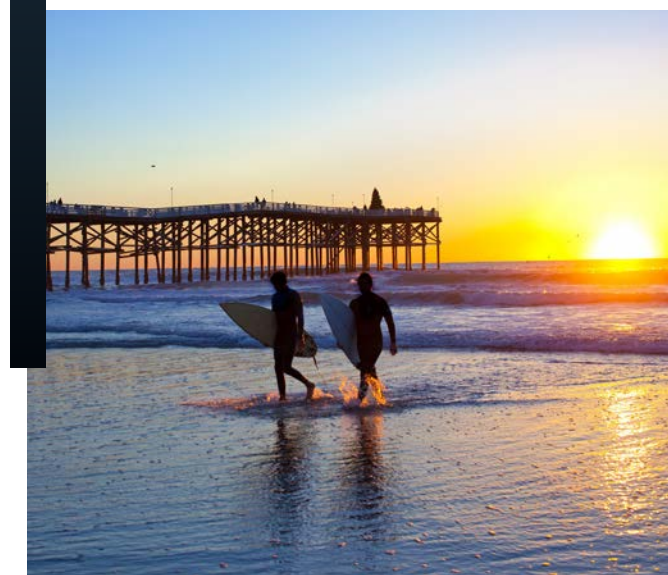
Robust Economy: San Diego ranks as one of the top U.S. metros for biotech innovation and defense contracting, supported by institutions like UC San Diego, Scripps Research, and major military installations including Naval Base San Diego.

High Demand, Low Supply: Limited land availability, strict zoning laws, and strong population growth contribute to consistently high demand for housing and commercial real estate—creating a favorable supply/demand dynamic.

Tech & Innovation Hub: With a growing startup ecosystem and increasing venture capital flows, San Diego is a rising tech center. The city saw over \$5 billion in VC funding in 2023, especially in life sciences and clean tech.

Strategic Location: Proximity to the U.S.-Mexico border, the Pacific Rim, and major California cities makes San Diego a key logistics and trade hub, enhancing business appeal and global connectivity.

Lifestyle Magnet: World-class beaches, year-round sunshine, and a high quality of life continue to attract talent and capital. The city is also one of the top destinations for remote and hybrid professionals.



FINANCIAL
ANALYSIS

03



RENT ROLL SUMMARY

Unit Type	# of Units	Avg Sq Feet	Current		Market Stabilized		Post Renovation	
			Avg Rent	Monthly Income	Avg Rent	Monthly Income	Avg Rent	Monthly Income
1-Bedroom / 1-Bath	4	600	\$1,675	\$6,700	\$1,900	\$7,600	\$2,400	\$9,600
Studio / 1-Bath House	20	450	\$1,415	\$28,300	\$1,500	\$30,000	\$1,900	\$38,000
Tattoo / Commercial Unit	1	500	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175
Totals / Weighted Avg	25	11,850		\$36,170		\$38,775		\$48,775
Gross Annualized Rents				\$434,040		\$465,300		\$585,300

RENT ROLL DETAIL

Unit	Unit Type	Square Feet	Current		Market Stabilized		Post Renovation	
			Rent / Month	Rent / SF / Month	Rent / Month	Rent / SF / Month	Rent / Month	Rent / SF / Month
1	1-Bedroom / 1-Bath	600	\$1,900	\$3.17	\$1,900	\$3.17	\$2,400	\$4.00
2	Studio / 1-Bath	450	\$1,225	\$2.72	\$1,500	\$3.33	\$1,900	\$4.22
3	Studio / 1-Bath	450	\$1,475	\$3.28	\$1,500	\$3.33	\$1,900	\$4.22
4	1-Bedroom / 1-Bath	600	\$1,050	\$1.75	\$1,900	\$3.17	\$2,400	\$4.00
5	Studio / 1-Bath	450	\$1,380	\$3.07	\$1,500	\$3.33	\$1,900	\$4.22
6	Studio / 1-Bath	450	\$1,500	\$3.33	\$1,500	\$3.33	\$1,900	\$4.22
7	Studio / 1-Bath	450	\$1,375	\$3.06	\$1,500	\$3.33	\$1,900	\$4.22
8	Studio / 1-Bath	450	\$1,450	\$3.22	\$1,500	\$3.33	\$1,900	\$4.22
9	Studio / 1-Bath	450	\$1,280	\$2.84	\$1,500	\$3.33	\$1,900	\$4.22
10	Studio / 1-Bath	450	\$1,150	\$2.56	\$1,500	\$3.33	\$1,900	\$4.22
11	1-Bedroom / 1-Bath	600	\$1,875	\$3.13	\$1,900	\$3.17	\$2,400	\$4.00
12	Studio / 1-Bath	450	\$1,450	\$3.22	\$1,500	\$3.33	\$1,900	\$4.22
14	Studio / 1-Bath	450	\$1,450	\$3.22	\$1,500	\$3.33	\$1,900	\$4.22
15	Studio / 1-Bath	450	\$1,400	\$3.11	\$1,500	\$3.33	\$1,900	\$4.22
16	Studio / 1-Bath	450	\$1,475	\$3.28	\$1,500	\$3.33	\$1,900	\$4.22
17	Studio / 1-Bath	450	\$1,475	\$3.28	\$1,500	\$3.33	\$1,900	\$4.22
18	Studio / 1-Bath	450	\$1,500	\$3.33	\$1,500	\$3.33	\$1,900	\$4.22
19	1-Bedroom / 1-Bath	600	\$1,875	\$3.13	\$1,900	\$3.17	\$2,400	\$4.00
20	Studio / 1-Bath	450	\$1,450	\$3.22	\$1,500	\$3.33	\$1,900	\$4.22
21	Studio / 1-Bath	450	\$1,475	\$3.28	\$1,500	\$3.33	\$1,900	\$4.22
22	Studio / 1-Bath	450	\$1,450	\$3.22	\$1,500	\$3.33	\$1,900	\$4.22
23	Studio / 1-Bath	450	\$1,360	\$3.02	\$1,500	\$3.33	\$1,900	\$4.22
24	Studio / 1-Bath	450	\$1,475	\$3.28	\$1,500	\$3.33	\$1,900	\$4.22
25	Studio / 1-Bath	450	\$1,500	\$3.33	\$1,500	\$3.33	\$1,900	\$4.22
Penthouse	Commercial Unit	450	\$1,175	\$2.61	\$1,175	\$2.61	\$1,175	\$2.61
Total		11,850	\$36,170	\$3.05	\$38,775	\$3.27	\$48,775	\$4.12

INCOME		Current	Market Stabilized	Post Renovation	
Gross Scheduled Rent		\$434,040	\$465,300	\$585,300	
Less: Vacancy / Deductions	3%	\$13,021	\$13,959	\$17,559	3%
Total Effective Rental Income		\$421,019	\$451,341	\$567,741	
Laundry Income		\$2,780	\$2,780	\$2,780	
Effective Gross Income		\$423,799	\$454,121	\$570,521	
Less: Expenses	44.10%	\$185,673	41.47% \$187,189	34.00% \$193,009	
Net Operating Income		\$238,126	\$266,932	\$377,512	
Cash Flow		\$238,126	\$266,932	\$377,512	
Debt Service		\$195,858	\$195,858	\$195,858	
Net Cash Flow After Debt Service	1.34%	\$42,268	2.26% \$71,074	5.77% \$181,654	
Principal Reduction		\$42,033	\$42,033	\$42,033	
Total Return	2.68%	\$84,302	3.59%	\$113,108	7.10%

EXPENSES		Current	Market Stabilized	Post Renovation	
Real Estate Tax		\$74,443	\$74,443	\$74,443	
Insurance		\$19,500	\$19,500	\$19,500	
Water & Sewer		\$9,560	\$9,560	\$9,560	
SDG&E		\$27,161	\$27,161	\$27,161	
Repairs & Maintenance		\$16,250	\$16,250	\$16,250	
Trash		\$13,569	\$13,569	\$13,569	
Reserves		\$4,000	\$4,000	\$4,000	
Management Fee	5%	\$21,190	5% \$22,706	5% \$28,526	
Total Expense		\$185,673	\$187,189	\$193,009	
Expense as a % of EGI		44.10%	41.47%	34.00%	
Net Operating Income		\$238,126	\$266,932	\$377,512	

SUMMARY

Price	\$5,950,000
Number of Units	25
Price Pr Unit	\$238,000
Price Per SF	\$521.93
Rentable SF	11,400
Lot Size	5,000
Approx. Year Built	1914

RETURNS	CURRENT	MARKET STABILIZED	POTENTIAL
Cap Rate	4.00%	4.49%	6.34%
GRM	13.71	12.79	10.17
Cash-on-Cash	1.34%	2.26%	5.77%
Debt Coverage Ratio	1.22	1.36	1.93

FINANCING	1ST LOAN
Down Payment	\$3,150,000
Loan Amount	\$2,800,000
Loan Type	Proposed New
Interest Rate	5.65%
Amortization	30 Years
Term	5 Years

*Assumable debt also offered at 3.45% fixed until September 2030; \$1.25 million loan



SALE
COMPARABLES



04



Subject
1541 8th Avenue, San Diego, CA 92101

Sales Date	N/A	
Status	On Market	
Sales Price	\$5,950,000	
Price/Unit	\$238,000	
Price Per SF	\$521.93	
Cap Rate	4.00%	
Number of Units	25	
Year Built	1914	
NOI	\$238,126	
# Units / Unit Type	4	1-Bed / 1-Bath
# Units / Unit Type	20	Studio/ 1-Bath
# Units / Unit Type	1	Tattoo / Penthouse



01
2164 2nd Avenue, San Diego, CA 92101

Sales Date	NA	
Status	On Market	
Sales Price	\$4,500,000	
Price/Unit	\$281,250	
Price Per SF	\$679.25	
Cap Rate	3.87%	
Number of Units	16	
Year Built	1920	
NOI	\$174,226	
# Units / Unit Type	14	Studio/ 1-Bath
# Units / Unit Type	2	1-Bed / 1-Bath



02
4226 Utah Street, San Diego CA 92104

Sales Date	12/30/2025	
Status	Sold	
Sales Price	\$6,800,000	
Price/Unit	\$261,538	
Price Per SF	\$435.90	
Cap Rate	5.10%	
Number of Units	26	
Year Built	1986	
NOI	\$340,000	
# Units / Unit Type	26	1-Bed / 1-Bath



03
4916 Santa Cruz Ave, San Diego, CA 92107

Sales Date	10/02/2025	
Status	Sold	
Sales Price	\$6,900,000	
Price/Unit	\$363,158	
Price Per SF	\$476.12	
Cap Rate	4.41%	
Number of Units	19	
Year Built	1965	
NOI	\$283,018	
# Units / Unit Type	16	1-Bed / 1-Bath
# Units / Unit Type	3	2-Bed/ 1-Bath



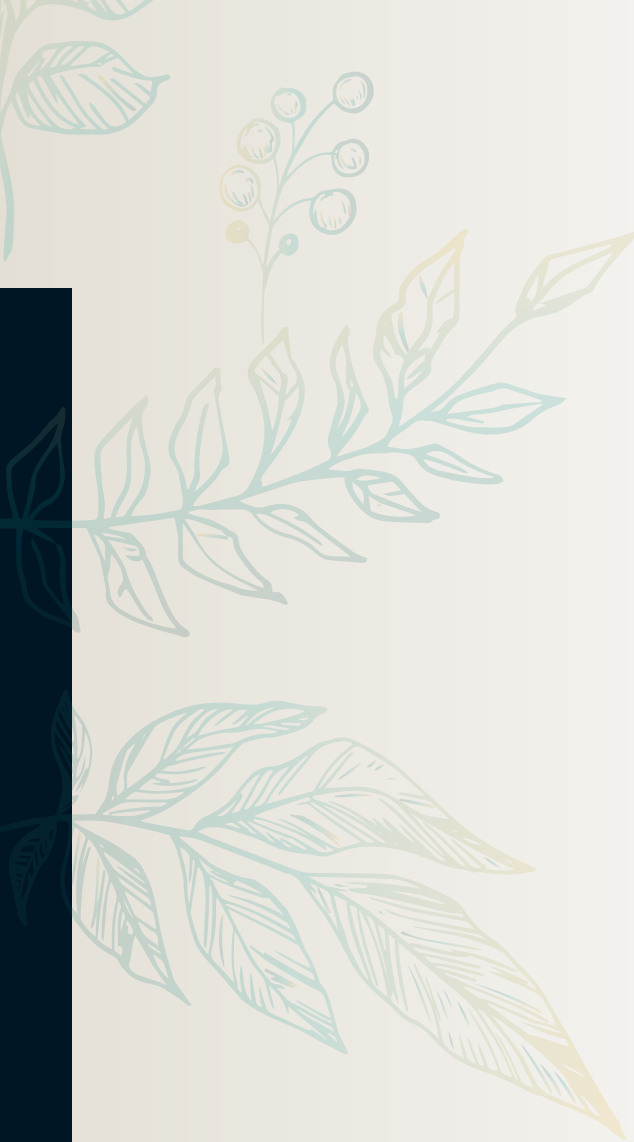
04
3836 Front St, San Diego, CA 92103

Sales Date	04/03/2026	
Status	Sold	
Sales Price	\$6,070,000	
Price/Unit	\$337,222	
Price Per SF	\$441.39	
Cap Rate	3.75%	
Number of Units	18	
Year Built	2000	
NOI	\$227,625	
# Units / Unit Type	18	Studio / 1-Bath



05
4455-65 Cherokee Ave, San Diego, CA 92116

Sales Date	03/11/2025	
Status	Sold	
Sales Price	\$4,925,000	
Price/Unit	\$307,813	
Price Per SF	\$456.53	
Cap Rate	5.29%	
Number of Units	16	
Year Built	1985	
NOI	\$260,410	
# Units / Unit Type	8	1-Bed / 1-Bath
# Units / Unit Type	4	2-Bed/ 1-Bath
# Units / Unit Type	4	2-Bed/ 2-Bath



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CONOR BRENNAN
Senior Vice President
Lic. 01918598
+1 720 841 8139
conor.brennan@cbre.com

CBRE