



1.5 Blocks to San Diego Bay



Offering Memorandum

# COASTAL INVESTMENT OPPORTUNITY

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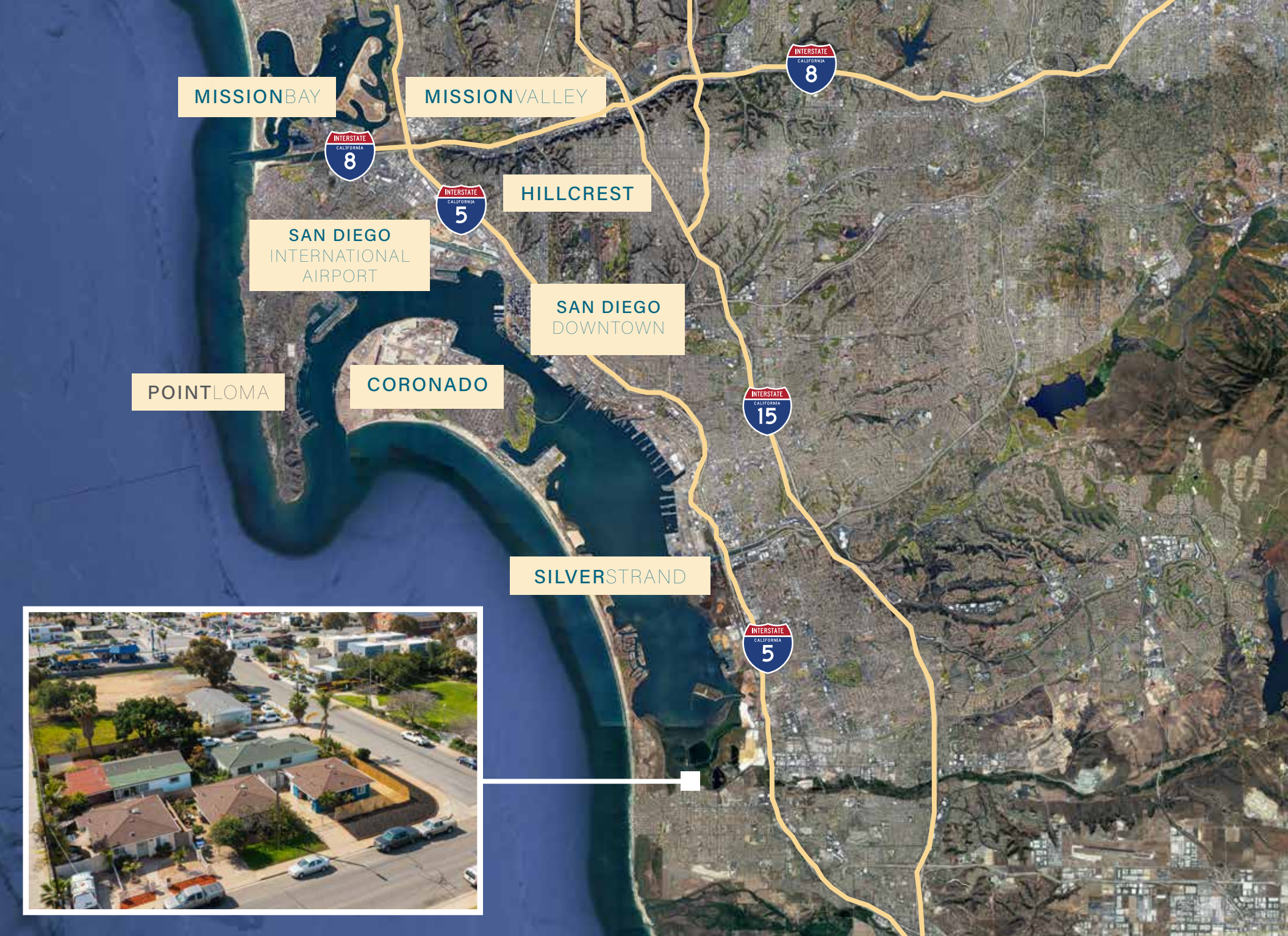
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**1151, 1153 & 1155 CALLA AVENUE**  
**IMPERIAL BEACH, CA 91932**



# GREAT LOCATION

Just 1.5 blocks to San Diego Bay!





# OFFERING PROCESS

## Introduction

The Seller has engaged Colliers International CA, Inc., a Delaware Corporation, dba “Colliers International” to facilitate the sale of 1151, 1153 & 1155 Calla Avenue Imperial beach, CA 91932,

## The Opportunity

1151, 1153 & 1155 Calla Avenue is a unique multi-family offering in Imperial Beach, Coastal San Diego County. The property consists of 3 detached homes on 1 large parcel located just 1.5 blocks to the San Diego Bay. The property is within walking distance to the Imperial Beach Pier and Sandy Beaches and also within close proximity to the Southern Entrance of the Silver Strand and Coronado (one of the country’s most expensive zip codes). Each home is separately metered for all utilities (water, trash, gas, electric) and each home has its own individual hot water heater. Two of the Three homes have been tastefully renovated (1151 & 1155) with one home in need of cosmetic upgrades (1153). Each home is 2BR/1BA with yards. The current rents are low compared to the market for similar detached homes in the area. 2 bedroom detached homes in the area are selling in the \$750,000 range. EXCELLENT COASTAL VALUE.

## Offering Process

Prospective purchasers are invited to submit offers to purchase the property through Colliers International CA, Inc. for consideration by the Seller. Any offers to purchase are encouraged to be submitted on C.A.R. form RIPA.

**For further information or to submit an offer, please contact:**



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## Confidentiality

This Offering Memorandum (“OM”) has been prepared by Colliers International CA, Inc., a Delaware Corporation, dba Colliers International and is provided to select parties for their own analysis of the Property. The recipient acknowledges that by receipt of this OM, and by their execution of the Confidentiality Agreement, they agree to keep permanently confidential all information contained herein or made available in connection with any further investigation.

This OM is the property of Colliers International and the Seller and may be used only by parties approved by Colliers International and the Seller. The Property is privately offered and, by accepting this package, the party in possession herein agrees, without limiting the provisions of the Confidentiality Agreement: (i) to return it to Colliers International immediately upon request of Colliers International or the Seller; and (ii) that no portion of this package may be copied, reproduced or distributed to other parties at any time without the prior written consent of Colliers International and the Seller.

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The Seller and Colliers International reserve the right to withdraw, amend or replace all or any part of this OM at any time and undertake no obligation to provide prospective purchasers with access to any additional information, other than as contemplated by the Seller’s form of Offer. In all cases, prospective purchasers should conduct their own investigation and analysis of the Property. Any sale of the Portfolio will be subject to the terms of an accepted Offer, which will supersede all prior communications, including this OM.

## Review of Offers

All Offers to purchase the Property will be evaluated based upon, but not limited to, the structure proposed by the prospective purchaser, the net proceeds to the Seller, the prospective purchaser’s ability to complete the transaction, and the timeliness and proposed conditions of closing, if any. Colliers International and the Seller reserve the right to request new or additional information regarding a potential purchaser or any individual or other person associated with a potential purchaser. The Seller may elect to negotiate with the prospective purchaser(s) whose purchase proposals is/are judged to be most attractive to the Seller, in its sole and absolute discretion. The Seller is not obliged to receive, consider or accept any Offer and reserves the right to reject any or all Offers received.

At any time prior to entering into an Offer, the Vendor may request additional information from prospective purchasers. Failure to provide such information on a timely basis may result in the termination of discussions. The Seller reserves the right to end the sale process in respect of the Property or to cease discussions with any and all prospective purchasers at any time prior to accepting an Offer, without notice or liability.





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# PROPERTY HIGHLIGHTS

3 DETACHED Homes on 1 large parcel in COASTAL Imperial Beach. 1.5 blocks to San Diego Bay and just blocks to Imperial Beach Pier and Sandy Beaches. Close proximity to Southern Entrance to Silver Strand and Coronado.

Each home is separately metered for ALL utilities, therefore tenants pay for everything. Each home has it's own washer/dryer AND new Roof/Gutters (2020). Additional recent upgrades.

RENTAL UPSIDE POTENTIAL. Each home is 2BR/1BA (detached) with yards. Current rents low compared to market for SFR homes. Vacancy for rental homes in Imperial Beach virtually non-existent. 2 Bedroom Detached Homes in the immediate area are selling in the \$750,000 range. EXCELLENT COASTAL VALUE.



Located in San Diego's premier beach surfing community - Imperial Beach



3 detached homes on 1 parcel, separately metered



Easy upside potential



Recent upgrades including newer roof



Close to shopping and restaurants



# INVESTMENT SUMMARY



Price:	\$1,465,000
Units:	3
Price/Unit:	\$488,333
Unit Mix:	3-2BR/1BA Detached homes
Price/SF:	\$678
Capitalization Rate (Current):	2.59%
Capitalization Rate (Market):	4.76%
GIM (Current):	23.21
GIM (Market):	15.39
Year Built:	1968
APN:	626-230-10-00
Gross Building SF:	2,160
Land Area SF:	9,242





# Imperial Beach

Located in San Diego's South Bay region, and the southernmost beach town in California, Imperial Beach is just five miles north of the Mexico border, and includes a 4-mile stretch of beach offering a host of activities including great surfing, sport fishing, beach volleyball and horseback riding along the coast. The Imperial Beach pier provides sweeping views of the Los Coronados Islands and is a popular spot for strolling, pier fishing and watching the sunset. Imperial Beach is connected to Coronado by way of the Silver Strand, a narrow, 7-mile long isthmus, popular for camping, bird watching and bicycling. Imperial Beach is also home to the Tijuana River National Estuary, a place where the fresh water of the Tijuana River mixes with the salt water of the Pacific Ocean creating the largest salt-water marsh in Southern California. The estuary is one of the top birding spots in San Diego with many endangered birds and wildlife on display. Close by you will also find the Living Coast Discovery Center, a family and budget friendly aquarium experience.

There is a host of annual events to entertain including free fish derbies, triathlons and the annual Sun & Sea Festival featuring elaborate, awe-inspiring works of sandcastle art. Other art in the area includes the Surfboard Museum, an outdoor public art project exploring the history of surfing in Imperial Beach. A bike path that runs from Imperial Beach to Coronado provides beautiful views of southern San Diego bay, the salt flats and Silver Strand State Beach.

Imperial Beach was originally settled by residents of the Imperial Valley looking for a break from the intense inland summer temperatures. The population was augmented by workers who built the nearby Hotel del Coronado, and they truly found a paradise of their very own. Summer temperatures rarely go above the low 80's and, in winter, hover in the 60's. The area also experiences around 323 mostly or partly sunny days, with clouds occasionally rolling in during the winter months.

In the last decade, Imperial Beach has undergone a revitalization effort, though one that has not destroyed its unique character. Following the opening of the 78-room Autograph Collection by Marriott hotel, it began to shed its more rough-and-tumble image, and small businesses in the area saw a wave of investment. The opening of 27,334 SF Breakwater Town Center in 2017 brought new retail offerings to the area, and the developments have met with little local opposition. This wave of development is also bringing new housing in its wake.

## AREA OVERVIEW



### POPULATION

115,596

(3 Mile Radius)

### TOTAL HOUSEHOLDS

35,715

(3 Mile Radius)



# AREA AMENITIES



1. Tin Fish
2. Cow-A-Bunga Ice Cream & Coffee
3. Brigantine Seafood Restaurant
4. Mike Hess Brewing, City Tacos, Babycakes
5. Coronado Brewing Company
6. Pier South Resort / Sea 180 Restaurant
7. Pizzeria Luigi
8. El Tapatio
9. CVS, Jack in the Box
10. Starbucks, Five Guys, Jersey Mike's, Wingstop, Grocery Outlet, Poke 123
11. McDonald's
12. Burger King
13. Trident Coffee, 2 Wheels Cycling Boutique
14. Carl's Jr, O'Reilly Auto Parts, El Cilantro
15. 7-Eleven, Red House Kitchen
16. El Pollo Loco, Wing Legends, Little Caesars Pizza, Subway, Rally's
17. Southland Plaza: Walmart, The Home Depot, IHOP, Vons, Starbucks, Big 5 Sporting Goods
18. IB Forum Sports Bar & Grill











# Financials

## Investment Summary

Price:	\$1,465,000
<sup>(1)</sup> Units:	3
Price/Unit:	\$488,333
Unit Mix:	3 - 2BR/1BA Detached Homes
Price/SF:	\$678
Capitalization Rate (Current):	2.59%
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GIM (Current):	23.21
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Year Built:	1968
APN:	626-230-10-00
Gross Building SF:	2,160
Land Area SF:	9,242



## Rent Roll

				CURRENT RENTS	MARKET
Unit	Unit Type	# of Units	Unit Square Footage <sup>(2)</sup>	CURRENT RENT	MARKET RENT
1151	2BR/1BA Home	1	720	\$1,920	\$2,595
1153	2BR/1BA Home	1	720	\$1,640	\$2,595
1155	2BR/1BA Home	1	720	\$1,700	\$2,595
<b>Totals</b>		<b>3</b>	<b>2,160</b>	<b>\$5,260</b>	<b>\$7,785</b>
<b>Average</b>				<b>\$1,753</b>	<b>\$2,595</b>
<b>Yearly Total (GSI):</b>				<b>\$63,120</b>	<b>\$93,420</b>

<sup>(1)</sup> Home square footages are estimated. Public records indicate the total building square footage at 2,160 SF.

## Proforma

	CURRENT		MARKET	
		Per Unit / %		Per Unit / %
TOTAL RENTS	\$ 63,120	21,040	\$ 93,420	31,140
<sup>(1)</sup> RUBS	0	-	1,778	593
<b>GROSS SCHEDULED INCOME</b>	<b>63,120</b>	<b>21,040</b>	<b>95,198</b>	<b>31,733</b>
(Vacancy - 2%)	(1,262)	(421)	(1,868)	(623)
<b>Adjusted Gross Income (AGI)</b>	<b>61,858</b>	<b>20,619</b>	<b>93,329</b>	<b>31,110</b>
<u>Operating Expenses</u>	Pro-Forma Expenses		Pro-Forma Expenses	
<sup>(2)</sup> Repairs & Maintenance	1,950	650	1,950	650
<sup>(3)</sup> Landscaping	1,200	400	1,200	400
Pest Control	600	200	600	200
<sup>(4)</sup> Insurance	1,050	350	1,050	350
<sup>(5)</sup> Sewer	1,778	593	1,778	593
<sup>(6)</sup> Electric	403	134	-	-
<sup>(7)</sup> (NEW) Property Taxes (1.15572%)	16,931	5,644	16,931	5,644
<sup>(8)</sup> (NEW) Fixed Property Taxes	16	5	16	5
<b>TOTAL EXPENSES</b>	<b>23,928</b>	<b>7,976</b>	<b>23,525</b>	<b>7,842</b>
Expenses as % of AGI	38.7%		25.2%	
<u>Net Operating Income</u>	\$ 37,929	12,643	\$ 69,804	23,268

### Notes:

- <sup>(1)</sup> RUBS estimated as 100% of the sewer bill (part of property tax bill).
- <sup>(2)</sup> Repairs & Maintenance estimated at \$650/unit/year.
- <sup>(3)</sup> Minimal landscaping estimated at \$100/mo.
- <sup>(4)</sup> Insurance estimated at \$350/unit/year.
- <sup>(5)</sup> Sewer expense part of fixed assessment in the property taxes.
- <sup>(6)</sup> Electric expense is the actual 2021 P&L expense.
- <sup>(7)</sup> Property taxes estimated based on 1.15572% at the Purchase Price.
- <sup>(8)</sup> Fixed property taxes does not include the sewer portion, which has a separate line item in above pro-forma.







Colliers

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