

913 Grand Avenue

Spring Valley, CA 91977

Exclusively presented by



Asking Price
\$1,125,000



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Executive Summary

JLL is pleased to present the opportunity to purchase 913 Grand Avenue, a 6-unit apartment community in the heart of Spring Valley, San Diego.

913 Grand Avenue offers residents the opportunity to live in one of San Diego's best kept secrets. Spring Valley is a treasured San Diego community with natural hot springs, a wildlife refuge, and incredible views. Spring Valley also has an abundance of bars, eateries, and cafes popping up throughout the community.

Spring Valley has become a highly desirable community that is close to San Diego's largest employers, accessible to primary freeways, and minutes from the region's most popular destinations.

Pricing Summary

ASKING PRICE	\$1,125,000
PER UNIT	\$187,500
STABILIZED CAP RATE	5.07%

Property Highlights

ADDRESS	913 Grand Ave
CITY	Spring Valley, CA 91977
UNITS	6
RENTABLE AREA	3,414
YEAR BUILT	1975
LAND SIZE	0.17 acres
APN	584-280-42

UNIT MIX

Floor Plan	Units	Avg SF
1 BD / 1 BA	6	569



Property Description

913 Grand Ave is a unique 6 unit property located on a .17 acre lot in Spring Valley. The community is located east of Downtown, bordering the Sweet Valley Reservoir and San Diego National Wildlife Refuge. Residents enjoy access to on-site gated parking.



Investment highlights

Value Add Opportunity

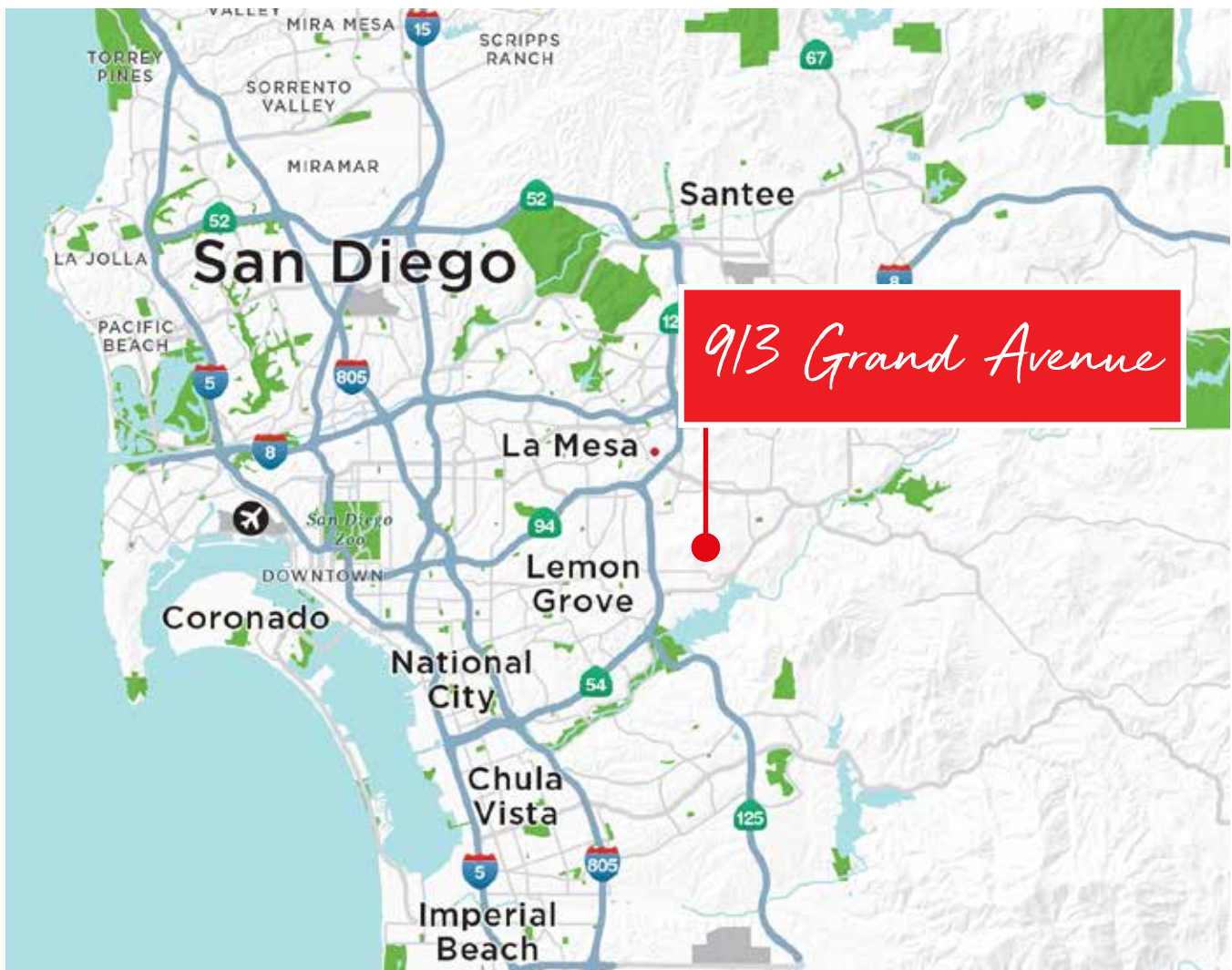
913 Grand Ave represents an attractive value add opportunity. Rents are currently estimated at 43% below market rents. This provides new ownership with the opportunity to immediately create value through renovation and marking rents to market.

High Demand Rental Market

Spring Valley currently has a vacancy rate of 2.5%. Vacancy has stayed under 5.0% for the past 9 years and is projected to stay sub 3.0%, reflecting the high rental demand in the market.

Continued Rent Growth

Average rent in Spring Valley grew 4.1% to \$1,556 in 2020. Average rent in Spring Valley is projected to surpass \$1,600 in 2021.



Financials

Pro Forma

	CURRENT PRO FORMA		UN-TRENDED STABILIZED PRO FORMA	
INCOME				
Effective Rental Income		Per Unit		Per Unit
Gross Potential Income	\$63,000	\$10,500	\$90,000	\$15,000
Vacancy @ 3.50%	(\$2,205)	(\$368)	(\$3,150)	(\$525)
Subtotal: Effective Rental Income	\$60,795	\$10,133	\$86,850	\$14,475
Other Income	\$100	\$17	\$100	\$17
Subtotal: Other Income	\$100	\$17	\$100	\$17
EFFECTIVE GROSS INCOME	\$60,895	\$10,149	\$86,950	\$14,492
EXPENSES				
Controllable Expenses				
Payroll	\$769	\$128	\$769	\$128
Marketing	\$4,500	\$750	\$4,500	\$750
Repairs & Maintenance	\$640	\$107	\$640	\$107
Utilities	\$3,467	\$578	\$3,467	\$578
Subtotal: Controllable Expenses	\$9,376	\$1,563	\$9,376	\$1,563
FIXED EXPENSES				
Management Fee (4%)	\$2,436	\$406	\$3,478	\$580
Ad Valorem Taxes (1.15107%)	\$12,950	\$2,158	\$12,950	\$2,158
Direct Assessments	\$2,570	\$428	\$2,570	\$428
Insurance	\$1,500	\$250	\$1,500	\$250
Subtotal: Fixed Expenses	\$19,455	\$3,243	\$20,497	\$3,416
TOTAL EXPENSES	\$28,831	\$4,805	\$29,873	\$4,979
NET OPERATING INCOME	\$32,064	\$5,344	\$57,077	\$9,513

Footnotes:

- [1] The Current column is based on the estimated market rent from the 12/31/2020 Rent Roll annualized.
- [2] A 3.5% market vacancy has been applied to the Un-Trended Pro Forms.
- [3] Pro Forma assumes incomes are equal to T-12.
- [4] Pro Forma assumes expenses are equal to the T-12
- [5] Analysis assumes a Pro Forma assumption of \$750 per unit based on market rate comparables.
- [6] 4% of effective gross income shown in both columns.
- [7] Real Estate Taxes were calculated using the 2020/2021 Tax year millage rate (1.15107%) * Est. Purchase price
- [8] Direct Assessments are equal to the direct assessments in the 2020/2021 Tax Bill.
- [9] Proforma assumes \$250 per month insurance expense.

Rent Roll

UNIT TYPE	# OF UNITS	SF/UNIT	TOTAL SF	CURRENT		MARKET	
				Avg. Monthly Rent	Rent/SF/Mo.	Avg. Monthly Rent	Rent/SF/Mo.
1 BD / 1 BA	6	569	3,414	\$875	\$1.54	\$1,250	\$2.20
Totals/Wtd. Avg	6	569	3,414	\$875	\$1.54	\$1,250	\$2.20

UNIT	UNIT TYPE	SF/UNIT	Rent/SF/Mo.	CURRENT	MARKET
				Monthly Rent/Unit	Monthly Rent/ Unit
A	1/1.00	569	\$1.46	\$830	\$1,250
B	1/1.00	569	\$1.50	\$855	\$1,250
C	1/1.00	569	\$1.50	\$855	\$1,250
D	1/1.00	569	\$1.55	\$880	\$1,250
E	1/1.00	569	\$1.67	\$950	\$1,250
F	1/1.00	569	\$1.55	\$880	\$1,250
Units	Occupancy %	Approx. Rentable SF	Avg. Rent/SF/Mo.	Total	Total
6	100%	3,414 SF	\$15,785	\$5,250	\$7,500

Contact Information

Advisors

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