

2419
2425

EL CAJON BLVD

*NORTH
PARK*



OPPORTUNITY ZONE - IDEAL FOR OWNER/USER, DEVELOPER, OR LONG TERM INVESTOR

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THE INVESTMENT

Colliers International is pleased to present a prime opportunity to acquire two adjacent parcels on El Cajon Blvd. 2319 El Cajon Blvd, a winery and coffee bar, and 2425 El Cajon Blvd, a freestanding building previously used as a coin shop, can be sold together or separately. Both are a prime opportunity to acquire real estate, located in a bustling uptown neighborhood.

These two parcels offer investors the rare opportunity to acquire irreplaceable real estate, that can be used for an owner/user, an investor, or developer in the highly coveted North Park neighborhood. As one of San Diego’s older neighborhoods, North Park has eclectic character and is leading the way toward better designed infill projects as the El Cajon Blvd thoroughfare continues to be re-developed.

North Park is the new black in San Diego’s nightlife and arts scene with happening boutiques, salons, galleries, cafes, restaurants, wine and beer bars, and nightclubs. But the neighborhood’s longtime flavor prevails, from the pockets of historic craftsman and Spanish revival homes, to the mishmash of interesting locals.

INVESTMENT HIGHLIGHTS



PRIME UPTOWN LOCATION

Arguably the most eclectic neighborhood in San Diego, North Park caters to a local crowd and is filled with coffee shops, boutiques, and diverse restaurants.



LOCATED IN AN OPPORTUNITY ZONE

Located in an area with tax benefits for a developer or business operations.



IN THE PATH OF DEVELOPMENT

With rapid transit increase, EL Cajon Blvd. will turn into a main transportation corridor and developers are being encouraged to build up to 145 units per acre, the highest density outside downtown.



RESIDENTIAL POPULATION GROWTH

North Park is turning heads with new businesses and developing projects. The neighborhood continues to expand, yet keep that town feel that locals enjoy.



VALUE CREATION OPPORTUNITY

Ownership will have the ability to enhance returns by rehabilitating and leasing the old coin shop, great for an office user, or transform the parcel(s) into a mixed-use development.



STRONG MARKET IN DEVELOPMENT CYCLE

One of San Diego’s earliest suburbs for the city’s burgeoning population and now the epicenter of another development trend.

2419 EL CAJON BLVD

PROPERTY TYPE	Wine Bar & Coffee Shop
PARCEL NUMBER	445-412-11
LOT SIZE	7,126 SF
BUILDING SIZE	5,000 SF
ZONE	CC-3-9 1 DU/400 SF
COMMUNITY PLAN	Greater North Park
MARKET RENTS	\$2.00 - \$2.50 psf, NNN
TENANT	Will vacate or stay at \$7,500 gross/month for 1-3 years
PRICE	\$1,985,000

PRICING	\$2,810,000
TRANSACTION TIMETABLE AND PROCEDURE	Contact listing broker to schedule a tour of the property. Twenty-four hour notice is appreciated.
OFFERS	The Seller reserves the right to sell the property at anytime during the marketing period without prior notice.
DISCLAIMER	The property will be sold on an “as-is” basis. It is the Buyer’s responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase.

2425 EL CAJON BLVD

PROPERTY TYPE	Vacant Building
PARCEL NUMBER	445-412-12
LOT SIZE	3,562 SF
BUILDING SIZE	3,300 SF
ZONE	CC-3-9 1 DU/400 SF
COMMUNITY PLAN	Greater North Park
MARKET RENTS	\$2.00 - \$2.50 psf, NNN
USES	Office Owner/User Potential Development
PRICE	\$825,000

ZONING



Zoning	CC-3-9
MAX Permitted Residential Density	1DU/400 SF
Max Front Setback	10(2) ft
Min Side Setback	10 ft
Optional Side Setback	0 ft
Max Street Side Setback	10(2) ft
Min Rear Setback	10 ft
Min Lot Coverage	35%
Max Floor Area Ratio	2.0(4,5)
Floor Area Ratio Bonus for Residential Mixed-Use	3.0
Min Floor Area Ratio for Residential Use	2.0

- Permitted Uses:**
- Multiple Dwelling Units
 - Hotel
 - Rooming House
 - Shopkeeper Units
 - Residential Care Facilities (6 or fewer persons)
 - Transitional Housing: 6 or fewer persons
 - Museums
 - Retail Sales
 - Plan Nurseries
 - Commercial Services
 - Bed and Breakfast Establishments
 - Permanent parking facility
 - Private Clubs, Lodges and Fraternal Organizations
 - Offices

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OPPORTUNITY ZONE BENEFITS

The Opportunity Zones program is designed to incentivize patient capital investments in low-income communities nationwide. All of the underlying incentives relate to the tax treatment of capital gains, and all are tied to the longevity of an investor’s stake in a qualified Opportunity Fund, providing the most upside to those who hold their investment for 10 years or more.

Qualified Opportunity Zone Business Property:

- > Tangible property used in trade or business
- > Must be purchased after 2017
- > Original use of property must begin with certified OZ entity
- > Alternatively, if a certified entity (OZ fund or co.) “substantially improves”
- > Improvements equal to cost of building acquisition must be made within 30-month period



TEMPORARY DEFERRAL

A temporary deferral of inclusion in taxable income for capital gains reinvested into an Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is disposed of or December 31, 2026.



STEP-UP IN-BASIS

A step-up in basis for capital gains reinvested in an Opportunity Fund. The basis is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years and by an additional 5% if held for at least 7 years, thereby excluding up to 15% of the original gain from taxation.



PERMANENT EXCLUSION

A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued after an investment in an Opportunity Fund.

Investors can defer taxes on capital gains until December 31, 2026. Capital must be placed in an opportunity fund within 180 days and an unlimited amount of capital gains can be reinvested into an opportunity fund. Beyond the initial 180-day period in which funds must be reinvested, there are other timeframes that investors should take note of to fully benefit from tax advantages offered through the QOZs.

For example, a QOZ investment allows for the reduction of deferred gains from the sale or exchange of prior investments. QOZ investments maintained for at least five years by the end of 2026 will qualify for a 10% reduction of deferred capital gains tax liability (for the original capital gain). If the gain has been invested in an opportunity fund for seven years by the end of 2026, the tax liability on the original gain is reduced by 15%. Consequently, in order to take advantage of at least some of these benefits, capital gains must be reinvested by the end of 2021.



SALES COMPARABLES

BUILDING COMPARABLES



2311-15 EL CAJON BLVD

\$1,595,000
4,500 SF building
\$354 psf building
7,117 SF land
03/20/19
Notes: Mixed-Use re-development; vacant; severe deferred maintenance



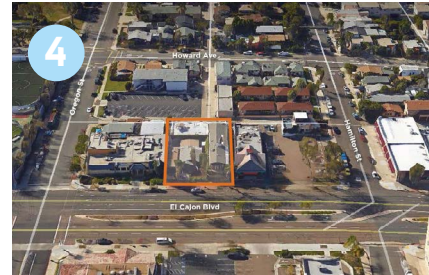
2935-47 EL CAJON BLVD

\$3,930,000
10,200 SF building
\$385 psf building
11,339 SF land
05/25/18
Notes: Sold to investor



2519 EL CAJON BLVD

\$1,600,000
4,950 SF building
\$323 psf building
10,650 SF land
04/27/18
Notes: Owner/User



2621-2629 EL CAJON BLVD

\$1,450,000
8,027 SF building
\$181 psf building
10,650 SF land
03/24/17
Notes: Sold to investor

LAND COMPARABLES



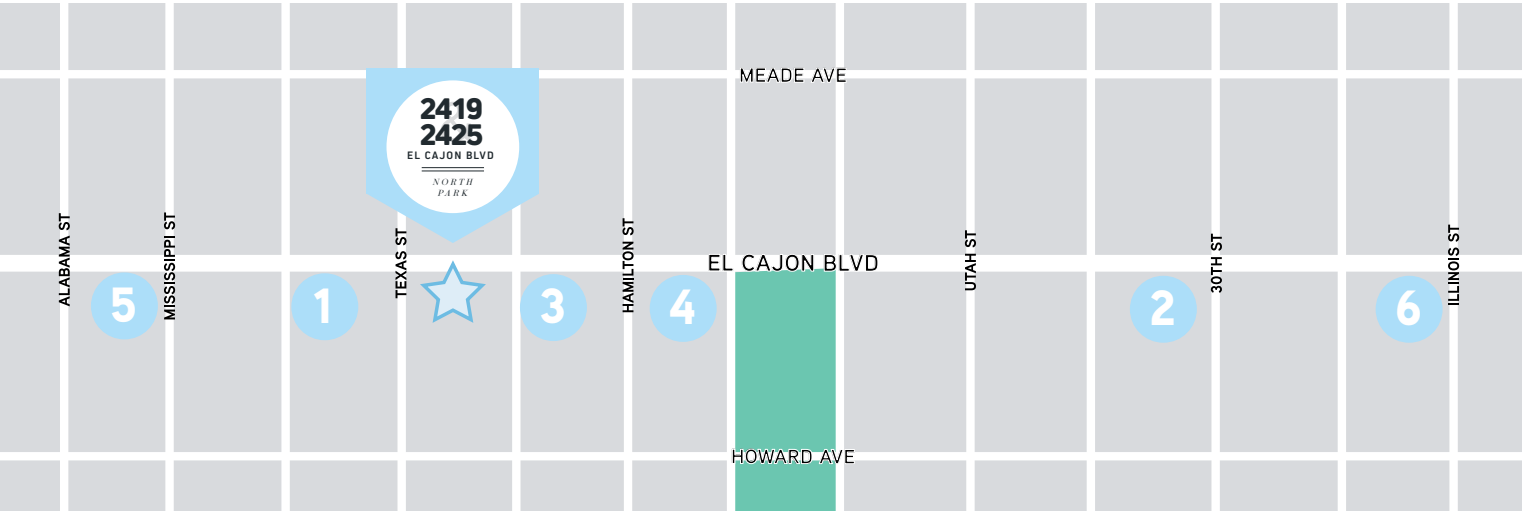
2145 EL CAJON BLVD

\$2,180,000
3,917 SF building
10,681 SF land
\$204 psf land
12/11/18
Notes: Sold to developer



3081-95 EL CAJON BLVD

\$3,550,000
4,736 SF building
15,639 SF land
\$227 psf land
02/13/19
Notes: Developer; assemblage







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THE AREA

A San Diego Urban Village.

Southeast of downtown and bordering Balboa Park, you'll find the diverse and eclectic uptown neighborhoods of North Park and South Park. Catering to a local crowd, streets here are lined with coffee shops, boutiques, art galleries, diverse restaurants and craft beer pubs.

The epicenter of North Park is the bar-hopping intersection of University Avenue and 30th Street, which holds claim to being "the best beer neighborhood in the nation," thanks to numerous craft-beer establishments such as Toronado, Tiger! Tiger! and Modern Times Flavordome. Craft cocktails are also a mainstay with bars like Bar Pink and Seven Grand offering creative concoctions. The neighborhood pulses with great restaurants, shops, entertainment and art blocks, such as Ray Street, which boasts dozens of galleries, live theater and musical shows. The historic Observatory North Park, in the heart of the business district, offers an impressive year-round line up. Fronting the theater is the lively West Coast Tavern.

NORTH PARK AT A GLANCE

578,684

Population (5 mi)

\$76k

Avg Household
Income



502

Uptown Residential
Units Under Construction

13

Minutes to SD Airport

84

Walk Score





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