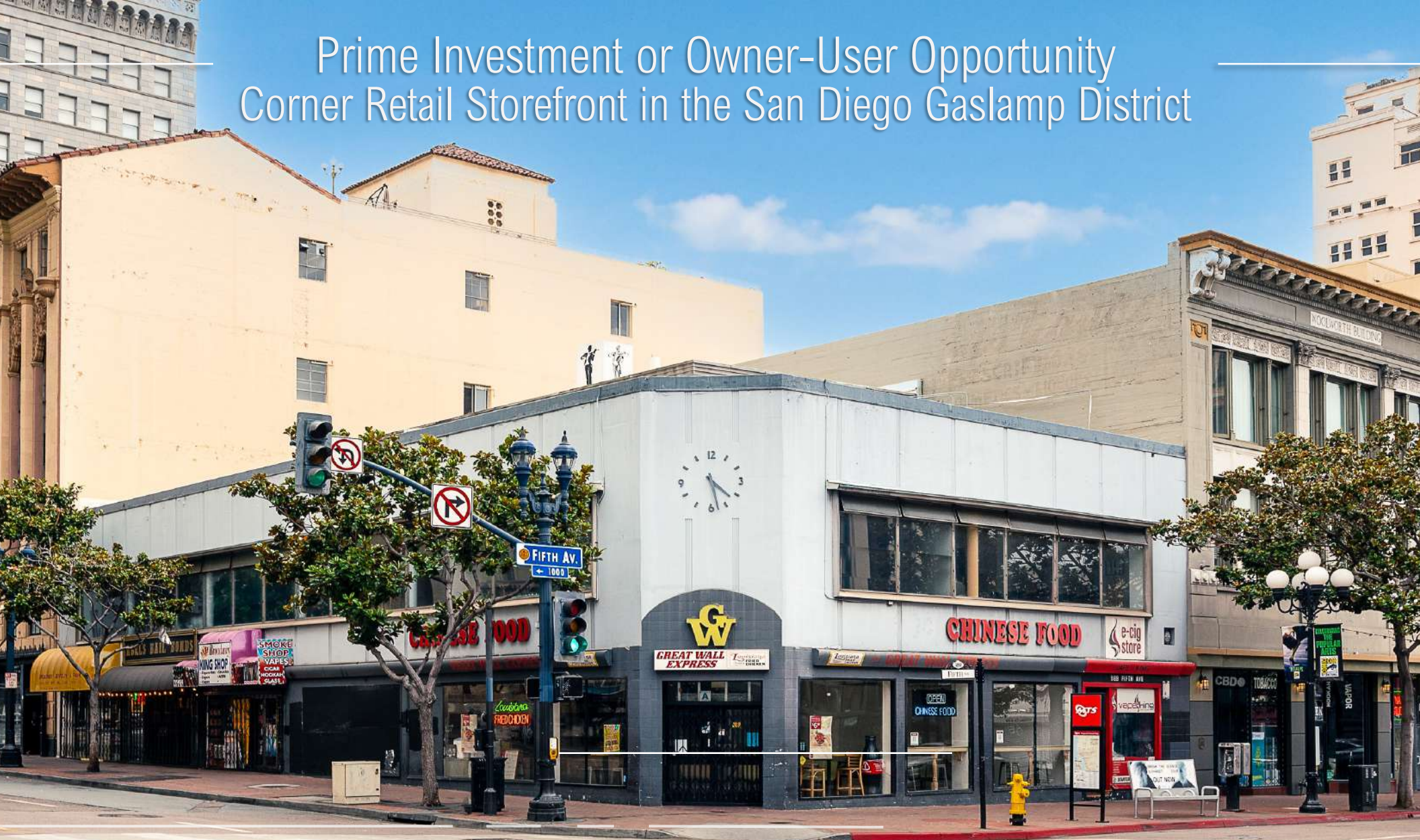


Prime Investment or Owner-User Opportunity Corner Retail Storefront in the San Diego Gaslamp District



SAN DIEGO
CALIFORNIA 92101

501-523

5TH & BROADWAY

Retail Building For Sale

Prime Downtown San Diego Location



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The Offering



The subject property sits at a prime location at the southeast intersection of 5th Avenue and Broadway, downtown in San Diego at the north end of the Gaslamp District. The ground floor retail from 501-523 Broadway is leased to five tenants that range from a corner restaurant to general retail. A sixth retail space at 989 5th Avenue is also the entry to the second floor & rooftop vacancy (primary value-add opportunity). Additionally, there is a basement that each retail tenant has their own dedicated access to for storage and restrooms. The building has an elevator that travel from the basement to 1st and 2nd floors, however it is currently inoperable. The location is evolving into a vibrant niche urban residential living environment with an abundance of restaurants, entertainment, hospitality, retail amenities within walking distance.



[Property Video](#)

Asking Price:	\$4,900,000
Address:	501-523 Broadway & 989 5th Avenue, San Diego, CA 92101
Land Area:	Approx. 5,000 Square Feet
Building Size:	Approx. 13,045 Square Feet
Year Built:	1930, Renovated in 1961
Construction:	Concrete slab and floors, CMU frame with stucco walls, TPO roof
HVAC:	Retail package units maintained by tenants
Utilities:	Separately metered
Lease Type:	NNN
Parking:	No on-site parking; metered street parking with parking lots & garages in the immediate area
Elevator:	Inoperable, basement, 1st and 2nd floor
APN:	533-574-01-00
Zoning:	CCDC-GQPD, Gaslamp Quarter, Commercial & Multifamily use



The Opportunity



Upgrade/Modernize
1st Floor Tenants



2nd Floor use for Owner-User,
Residential Apartments or Short-Term Rental



Re-Purpose
Basement



Rooftop
Development

EXCELLENT LOCATION

This property is a rare investment opportunity in the heart of downtown San Diego as a part of the world famous Gaslamp District.

- The location has prominent visibility on a major downtown San Diego thoroughfare in the north end of the Gaslamp District.
- Walkable to dozens of restaurants, cafes, shopping, and entertainment.
- Blocks away from the San Diego Convention Center, Petco Park and the San Diego Bay.
- Immediate proximity to public transportation.
- One block from the Horton Plaza Campus currently under redevelopment.
- Nearby the Research and Development District (RaDD) is an 8 acre development project along the waterfront and includes 5 buildings (labs, office, retail) for a total of 1,700,000 sq ft.
- Additional redevelopment of area retail, office, residential and hospitality buildings is abundant.
- Major surrounding developments are projected to bring a combined estimate exceeding 8,000 jobs and \$15 billion in economic benefits.
- The city is working on the proposed Gaslamp Promenade, pedestrian-friendly space that will activate and increase traffic to this Gaslamp District location.





VALUE-ADD

THE SECOND FLOOR space can be improved in so many ways to produce added income. Retail leasing favors a fitness use (gym, boxing, yoga healthy lifestyle). Multifamily repurposing could be in the form of loft rental units, short term rental or boutique hospitality. Lease out this vacant space to provide valuable additional income.

THE ROOFTOP / THIRD FLOOR has a small office that can be leased out as office or repurposed for residential. The potential exists to expand the build out for added rentable square feet. The rooftop has an amazing view of downtown and could be a deck for resi/hospitality use, lounge or other creative uses (rooftop yoga etc). A new owner can reimagine the use of this extra space.

THE FIRST FLOOR may be improved with existing tenants or reimagine an upgraded façade and tenant mix within this high traffic prominent location. An improvement of space, façade, signage and tenant mix would allow a new owner to take advantage of the rising downtown retail rents.

THE BASEMENT is currently utilized by the first floor tenants. Many properties in the area have opened the basement space for club, speakeasy or recreation use.

OWNER-USER

This is a unique opportunity to own an income producing building in downtown San Diego's Gaslamp District and occupy part of the building for you or your client's own business. A new owner-user may feature their company's branding prominently on Broadway and 5th Avenue in one of San Diego's most vibrant neighborhoods. The second floor vacancy is a perfect set up for an owner to use for their Office, Retail, Fitness, Hospitality or Live-Work. SBA financing may be possible with adding rooftop and/or storage square footage to existing vacancy.

CONSIDERATIONS FOR IMPROVEMENTS

Prior prospective tenant for second floor identified a San Diego Fire Department requirement for a second emergency exit in the form of an operable window with balcony ladder or second stairway. Property improvements may require to follow the "General Guidelines for the Rehabilitation of Designated Historic Structures" in the Gaslamp District. These guidelines focus on six architectural elements that affect the overall structural form and design continuity of the Gaslamp Quarter. The elements are: scale and proportion, fenestration, materials, color, texture, and decorative details. Please consult with your architect and city planning as needed.

Property Photos



Abel's Bail Bonds



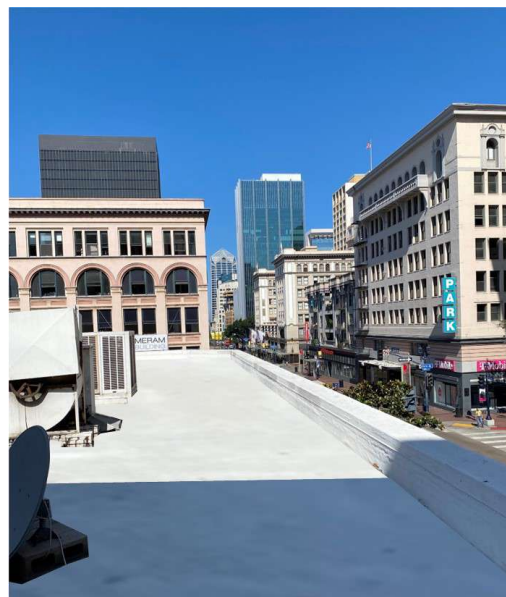
Broadway Jewelry & Pawn



Great Wall Restaurant



Broadway King Market



Rooftop



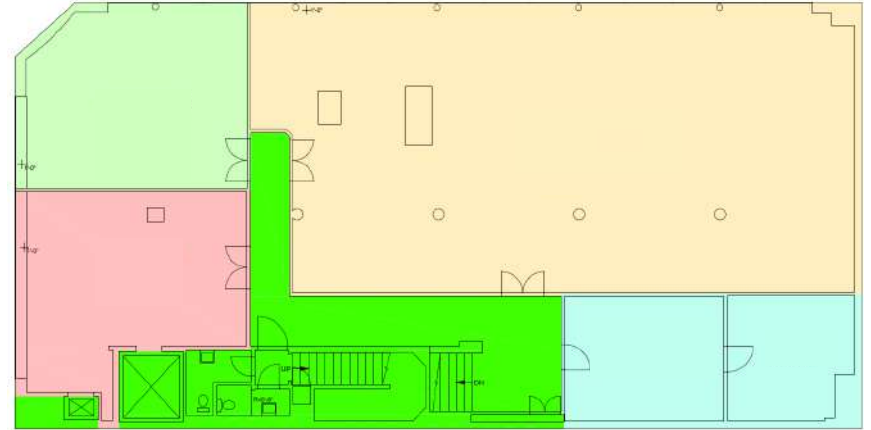
2nd Floor Vacancy

Floor Plans

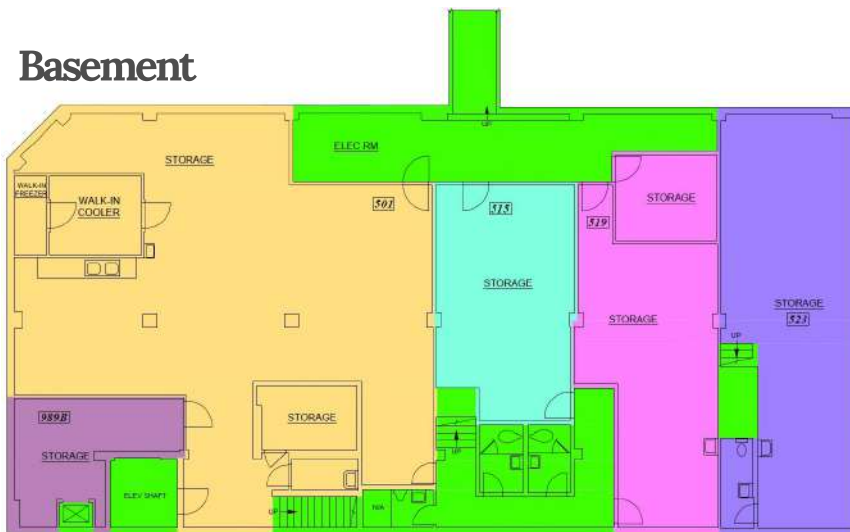
1st Floor



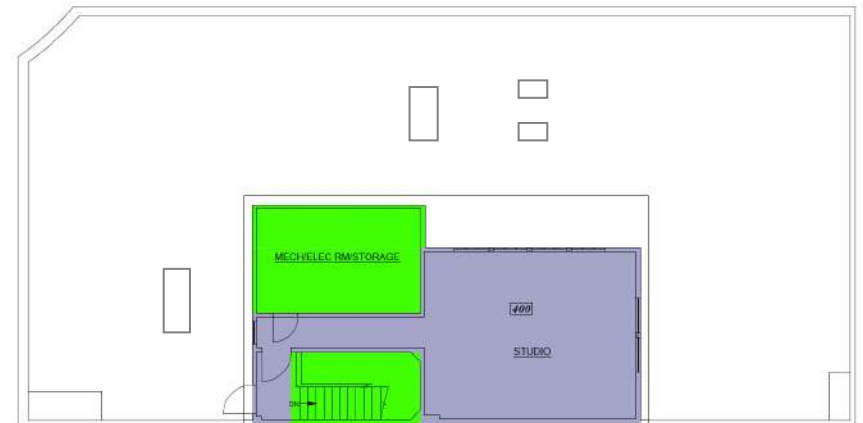
2nd Floor



Basement



Rooftop



*NOTE: Floor plans are not to scale; used for reference purposes only.

	2019	2020	2021	Projected 2022	Proforma	
INCOME						
Rental Income	\$199,190.38	\$170,567.83	\$187,069.72	\$195,012.36	\$245,000.00	
Abated Rent	\$ —	\$ —	(\$8,100.00)			
2nd Floor Vacancy*					\$74,775.00	
NNN Expense Income	\$23,235.00	\$22,137.87	\$25,348.20	\$27,936.00	\$95,709.00	
Total Income	\$222,425.38	\$192,705.70	\$204,317.92	\$222,948.36	\$415,484.00	
OPERATING EXPENSE						
Insurance	\$3,517.00	\$3,938.32	\$4,106.00	\$4,200.00	\$4,300.00	
Property Tax	\$21,731.34	\$22,735.49	\$23,363.99	\$24,000.00	\$60,818.00	*adjusted tax 1.21636%
Management Fee	\$11,210.38	\$9,943.75	\$10,109.99	\$11,147.42	\$16,391.00	
Electric/Gas	\$1,048.72	\$1,496.35	\$1,465.55	\$1,500.00	\$1,600.00	
Repair/Maintenance	\$3,978.53	\$2,611.00	\$3,465.00	\$5,000.00	\$10,000.00	
Pest Control	\$780.00	\$2,595.00	\$2,595.00	\$2,550.00	\$2,600.00	
Total Expense	\$42,265.97	\$43,319.91	\$45,010.53	\$48,397.42	\$95,709.00	
NET OPERATING INCOME (NOI)						
	\$180,159.41	\$149,385.79	\$159,307.39	\$174,550.94	\$319,546.64	
*conservatively value 2nd floor rent						
	\$4,900,000 Purchase Price		CAP Rate	3.56%	6.52%	

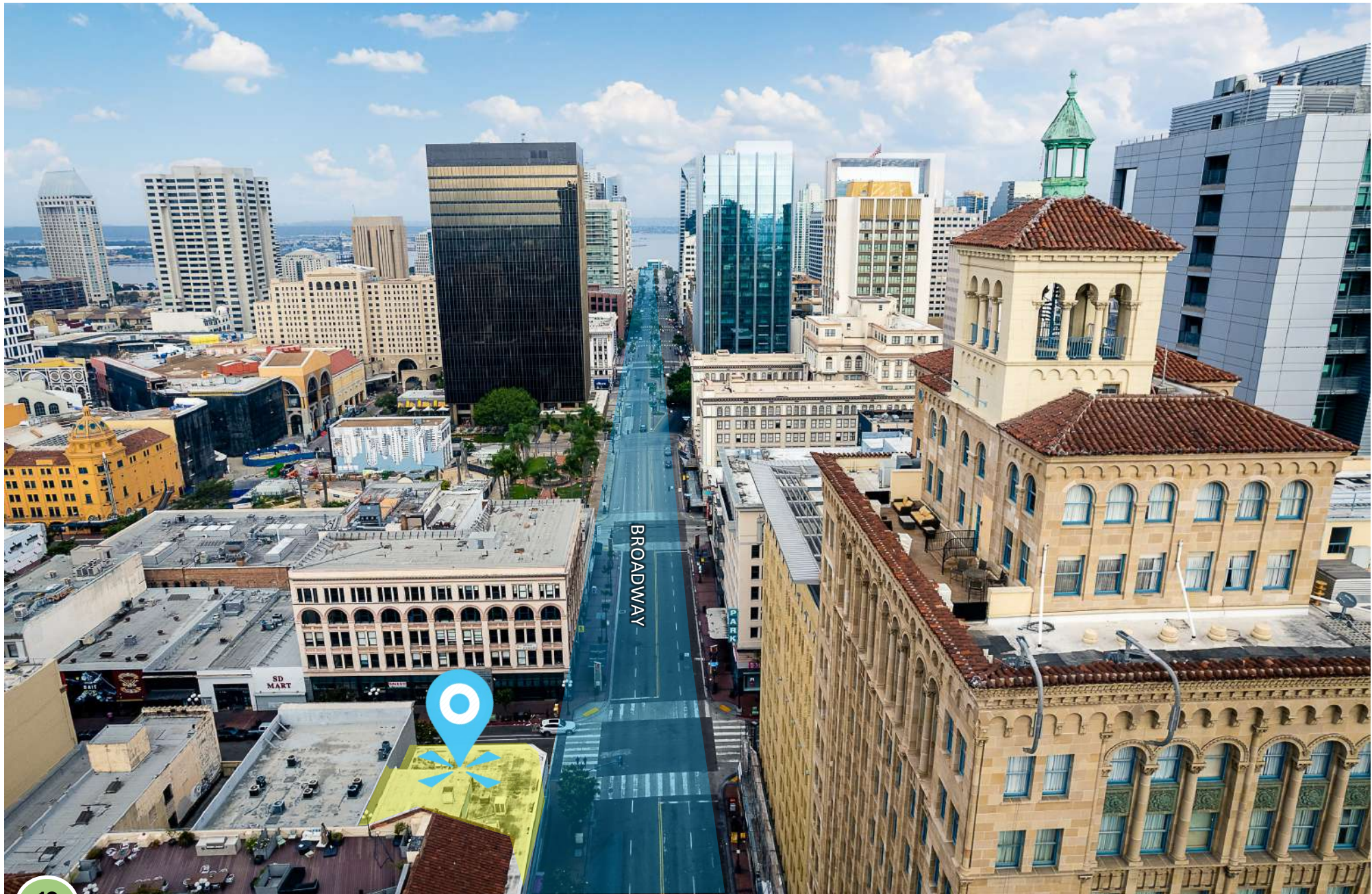
Rent Roll

	Tenant Name	Unit	Sq. Ft.	% Share	Lease Commencement	Lease Term	Monthly Base Rent	NNN	Total
	Great Wall Restaurant	501 Broadway*	4,022	30.78	11/15/1995	11/30/2025*	\$9,470.03	\$1,198.00	\$10,392.21
	Broadway King Market	515 Broadway	978	7.49	12/15/2015	6/30/2025	\$1,325.00	\$217.00	\$1,542.00
	Abel's Bail Bonds	519 Broadway	1,191	9.12	1/21/2021	1/31/2026	\$2,141.82	\$355.00	\$2,496.82
	Broadway Jewelry & Pawn	523 Broadway *	1,574	12.05	1/1/1990	8/31/2023 *	\$2,850.00	\$469.00	\$3,209.00
	Vape Shop (closing)	989A 5th Avenue	300	2.3	3/1/2010	Mo-to-Mo	\$850.00	\$89.00	\$939.00
	Vacant - 2nd Floor	989 5th Avenue	5,000	38.27					
			13,065	100			\$15,786.85	\$2,239.00	\$18,025.85

*501 Broadway has one (1) five (5) year renewal option at Fair Market Value (FMV).

*523 Broadway has one (1) one(1) year renewal option at \$2,965.00 per month.

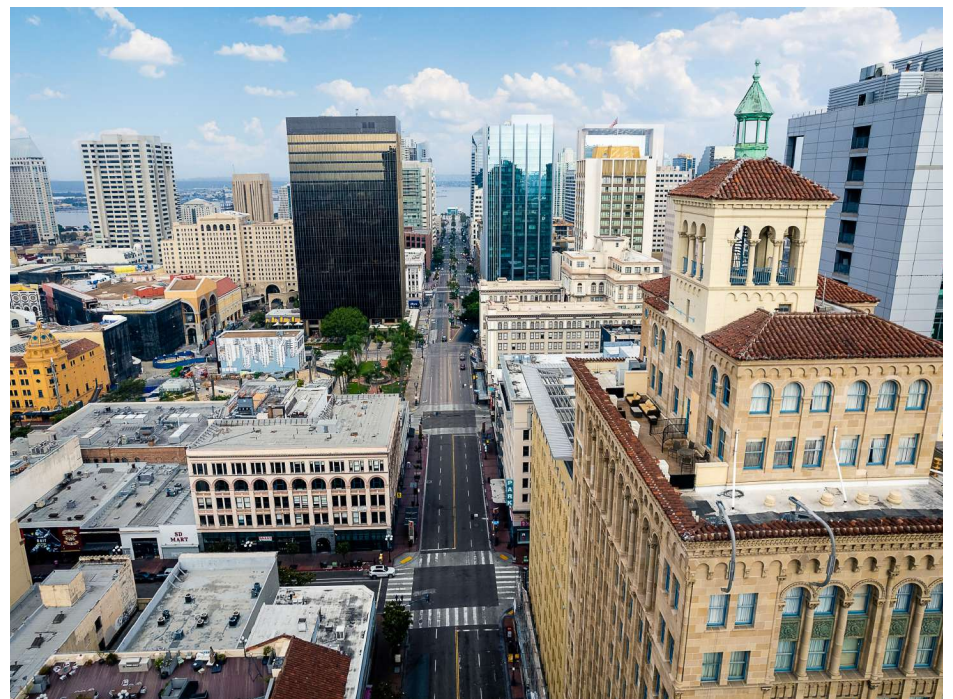
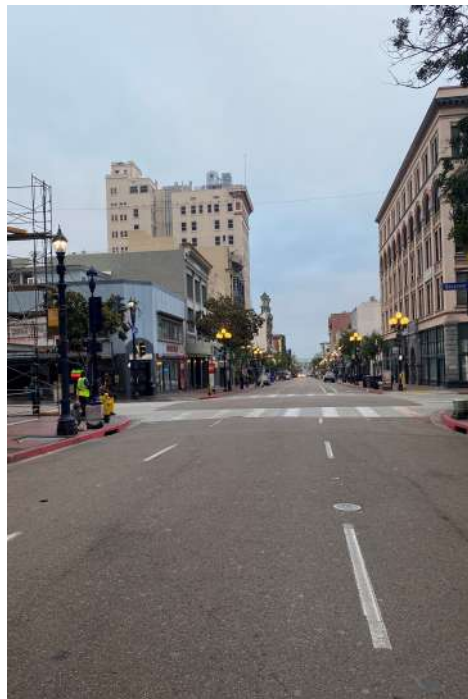
Aerial - View to the West



Aerial - View to the South



Prime Corner Location



Proposed & Under Construction

6TH & A



7TH & A



450 B



THE REY PHASE II



800 BROADWAY



AC HOTELS



TRU



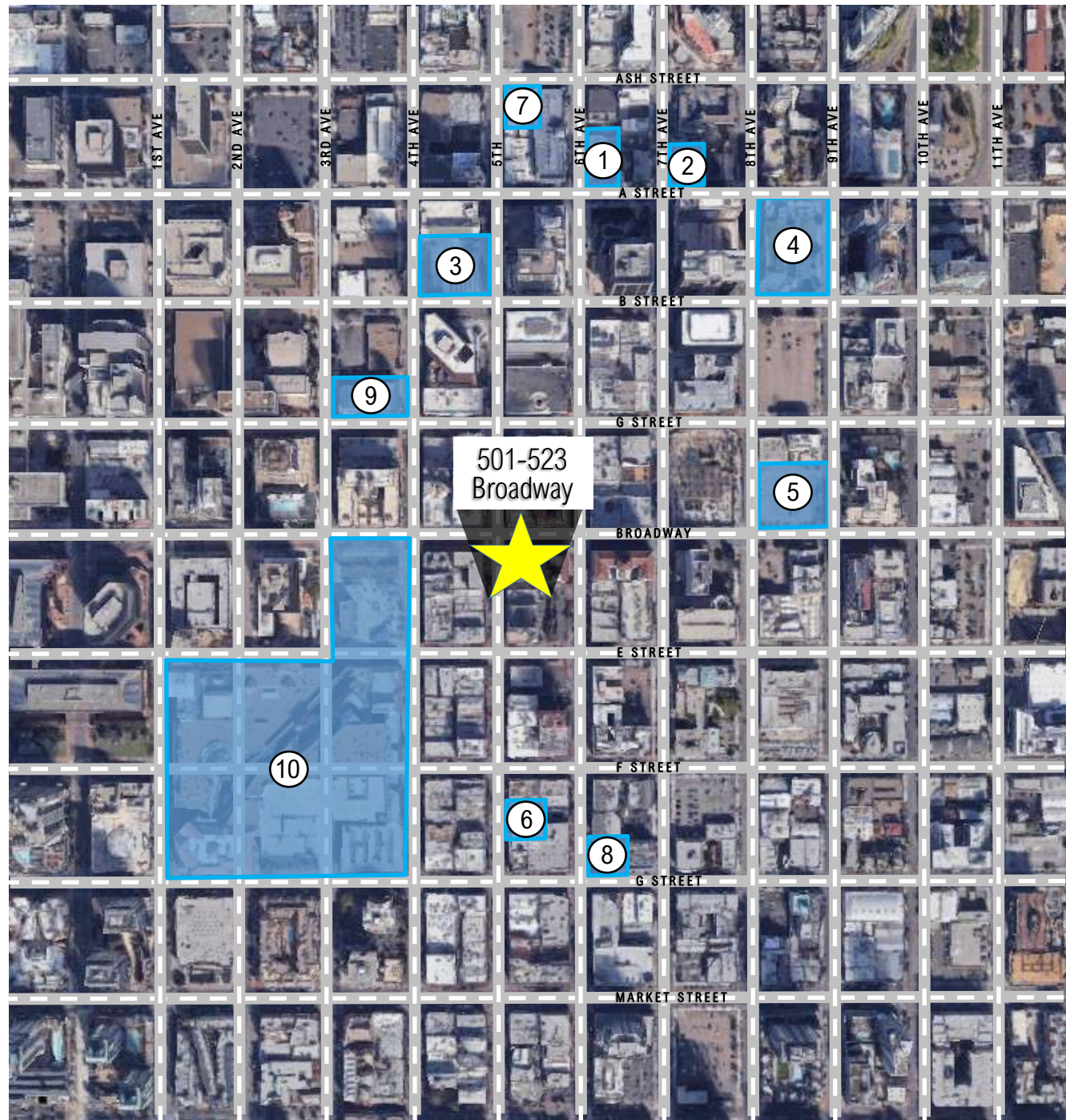
MOTTO



OVERTURE



CAMPUS AT HORTON



Sold Comparables

1

751-755 5TH AVENUE, SAN DIEGO, CA 92101



Sale Date	10/30/2020	Sale Price	\$4,870,000
Building Type	Retail – Restaurant	Price / SF	\$761.77
Land Area	5,001 SF (0.11 AC)	CAP Rate	—
Building SF	6,393	Sale Type	Owner-User

4

411 BROADWAY, SAN DIEGO, CA 92101



Sale Date	8/19/2021	Sale Price	\$3,150,000
Building Type	Class C Office	Price / SF	\$141.13
Land Area	7,501 SF (0.17 AC)	CAP Rate	8.69%
Building SF	22,320	Sale Type	Investment



SUBJECT PROPERTY: 501-523 BROADWAY, SAN DIEGO, CA 92101



Date	Active For Sale	Asking Price	\$4,900,000
Building Type	Retail	Price / SF	\$375.62
Land Area	5,000 SF	CAP Rate	3.56%, Proforma 6.52%+
Building SF	13,045 SF	Sale Type	Investment

2

951-955 5TH AVENUE, SAN DIEGO, CA 92101



Sale Date	Pending 10/10/2022	Sale Price	\$6,150,000
Building Type	Retail Storefront / Residential	Price / SF	\$402.01
Land Area	5,227 (0.12 AC)	CAP Rate	—
Building SF	15,298	Sale Type	Investment

3

1125-1133 6TH AVENUE, SAN DIEGO, CA 92101



Sale Date	2/15/2022	Sale Price	\$4,000,000
Building Type	Retail Storefront / Office	Price / SF	\$416.62
Land Area	5,227 SF (0.12 AC)	CAP Rate	5.38%
Building SF	9,601	Sale Type	Investment

5

401-423 E AVENUE, SAN DIEGO, CA 92118



Sale Date	1/29/2021	Sale Price	\$5,000,000
Building Type	Retail Storefront / Office	Price / SF	\$216.64
Land Area	10,019 SF (0.23 AC)	CAP Rate	—
Building SF	23,080	Sale Type	Investment

6

726-730 MARKET STREET, SAN DIEGO, CA 92101



Sale Date	1/29/2021	Sale Price	\$4,725,000
Building Type	Retail Storefront / Residential	Price / SF	\$440.15
Land Area	5,001 SF (0.11 AC)	CAP Rate	4.16%
Building SF	10,735	Sale Type	Investment

The Neighborhood – Gaslamp San Diego

Once a growing merchant town, the Gaslamp Quarter is now a bustling downtown neighborhood. It is known for its world renowned restaurants and popular nightlife venues tucked in among its Victorian architecture. The charm of this historical part of the city has made it a go to spot among tourists and locals alike, keeping the area booming with activities and energy. Original building owners in the Gaslamp include Ulysses S. Grant Jr. and Wyatt Earp. This 16.5-block neighborhood is listed on the National Register of Historic Places, and the 94 structures identified as historically or architecturally significant now house more than 70 restaurants and nightclubs, movie theaters, retailers, offices, galleries and urban live/work lofts. The area continues to be improved and is a high traffic bustling urban area.

The Gaslamp Square phase I was finished in 2004, with phase II delivered in late 2005. The 317-room Pendry Hotel is completed at J Street and 5th Avenue along with many other refurbishing and repurposing of historic buildings. This building is in close proximity to Horton Plaza at Broadway & 4th which was developed by Alonzo Horton to accommodate trade and commerce in the 1870s, and encouraged the development of downtown and the birth of the Gaslamp Quarter. Horton Plaza itself is undergoing a major redevelopment to accommodate technology and life science campuses, retail and general office to be completed in 2023. The buildings within this district are overseen by the historic Gaslamp Council to ensure the longevity of the classic façade and image.



Gaslamp Demographics (3 miles)



174,501

2022 POPULATION



86,875

HOUSEHOLDS



\$765,435

AVG. HOME VALUE



\$76,898

MED. HOUSEHOLD INCOME



39.1

MEDIAN AGE



18,803

AREA BUSINESS



0.54%

FUTURE HOUSEHOLD GROWTH



\$2.8 B+

CONSUMER SPENDING





Tourism

More than 35 million people visit San Diego each year who spend nearly \$10.4 billion. With consistently desirable weather all year-round, 70 miles of coastline, ample amounts of family attractions, hiking, biking trails, as well as 90 golf courses and a large convention center, it is no surprise San Diego is ranked in the top 10 business and leisure destinations around the Country. Tourism employs more than 183,000 people in a variety of positions, as it ranks number three in San Diego's traded economies.

50% of San Diego's regional economy amounts from their local economy, this includes retailers, restaurants, professional and business service providers, and state-of-the-art healthcare. San Diego is consistently recognized as the Craft Beer Capital of America with more than 130 brewhouses, and ranked #2 best beer cities in America.



Innovation

San Diego is recognized as one of the leading high-tech hubs in the U.S, with the most diverse high-tech sector in the nation and voted best place in America to launch a startup by Forbes magazine. With valuable innovations and technology, the city is anchored by established life science, communications, cleantech and software industries.

San Diego has six universities, and more than 80 research institutes receive around \$1.8 billion in annual federal and philanthropic funding to conduct ground-breaking technological and medical research.

There are over 63,000 professional in science and engineering jobs, while 40% of degree holders have their first degree in a STEM field. From 2010-2014, there was a 23.4% increase in millennial degree holders.



Military

San Diego has the largest concentration of military in the world. The defense cluster plays a critical role in the region's innovation, economy, and National security. An estimated \$23.3 billion on direct spending related to defense has been spent to San Diego County during fiscal year 2016.

San Diego contains the highest number of active-duty military, and numerous jobs are supported across all occupational types, representing one out of every five jobs in the region.

The network of Sailors, Marines, members of the Reserves, civilian employees, aerospace firms, shipbuilders, electronics companies, software developers, researchers, and the various supply chains in San Diego represent a vital military ecosystem unparalleled anywhere else in the world.

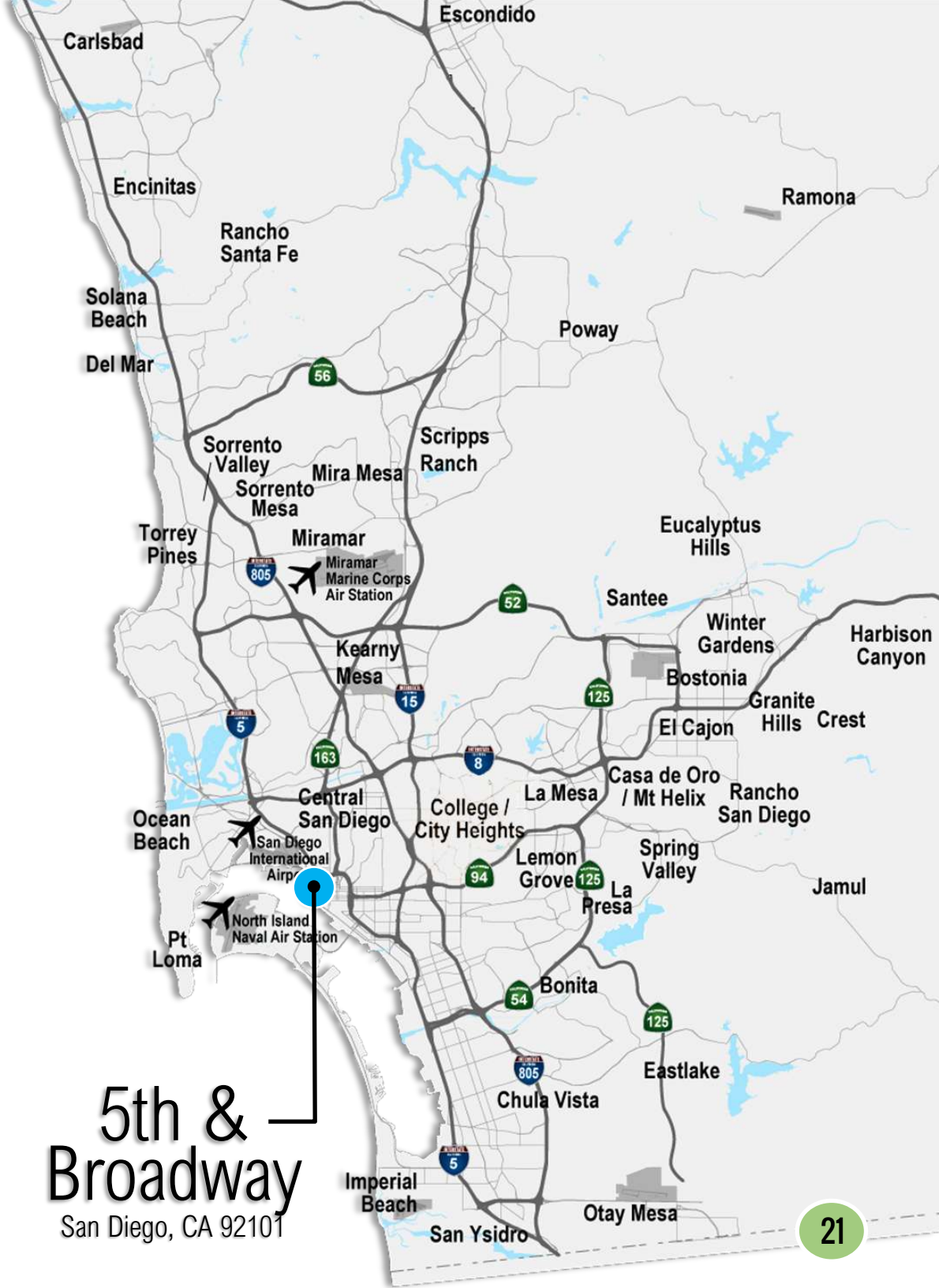
TOURIST ATTRACTIONS

- 1 LEGOLAND California
- 2 Del Mar Fairgrounds
- 3 Torrey Pines State National Reserve
- 4 La Jolla Cove
- 5 SDCCU Stadium
- 6 Belmont Park
- 7 University of San Diego
- 8 SeaWorld San Diego
- 9 Balboa Park
- 10 San Diego Zoo
- 11 USS Midway Museum
- 12 Cabrillo National Monument
- 13 Petco Park
- 14 U.S/Mexico Border

DRIVE TIMES

Location	Time
San Diego International Airport	8 Min
Downtown San Diego	12 Min
US-Mexico Border	22 Min
Los Angeles, CA	2.5 Hours
Las Vegas, NV	5.5 Hours
Phoenix, AZ	5.5 Hours
Sacramento, CA	8 Hours
San Francisco, CA	8.5 Hours

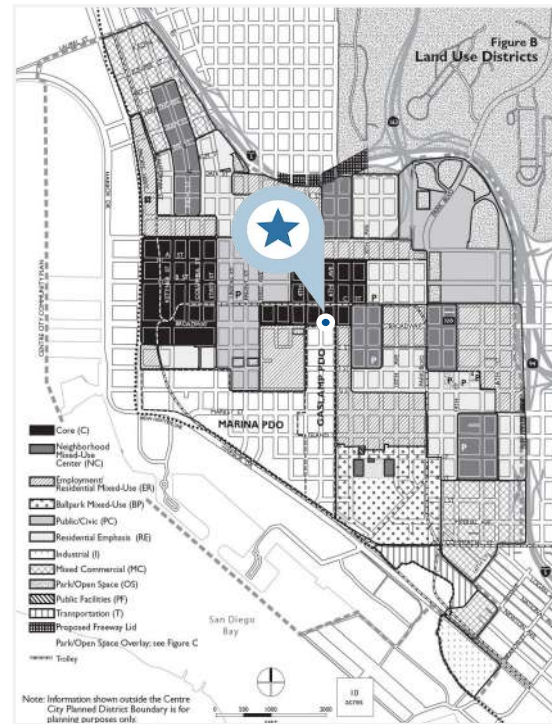
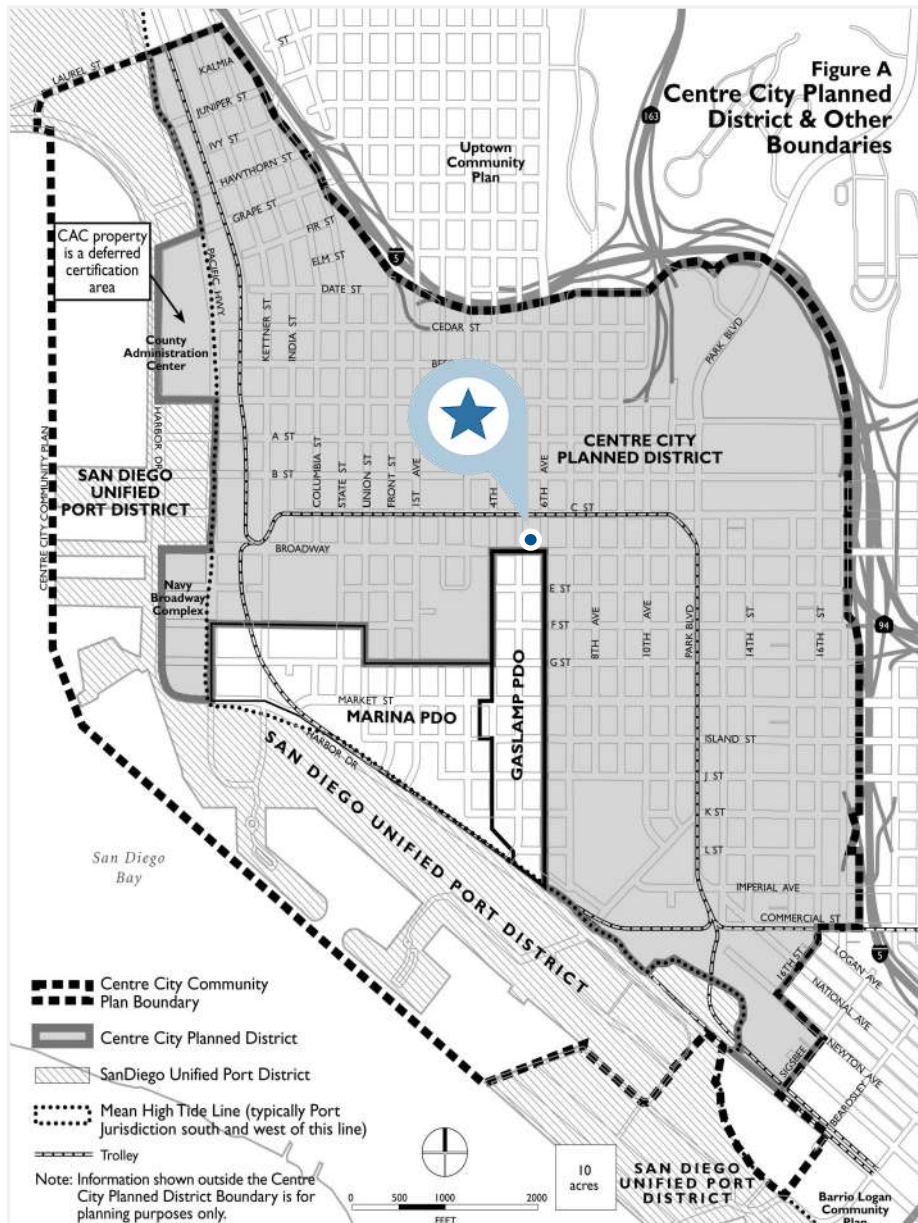
**5th &
Broadway**
San Diego, CA 92101



Centre City District Map



San Diego Municipal Code—Planned District Maps



Confidential Offering

Pacific Coast Commercial* (hereinafter “PCC”) has been retained as exclusive advisor and broker to the Owner regarding the sale of (the “Property”) located in the county of San Diego at: **5th & Broadway, San Diego, CA 92101**

The Information contained in this Offering Memorandum (“Offering”) is confidential, furnished solely for the purpose of a review by a prospective purchaser of **5th & Broadway** (“Property”), and is not to be used for any other purpose or made available to any other person without the express written consent of Pacific Coast Commercial (“Broker”). The material is based in part upon information supplied by the Owner, and in part upon information obtained by Broker from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outlines of some of the provisions contained therein. No warranty or representation, expressed or implied, is made by Owner, Broker or any affiliates, as to the accuracy or completeness of the information contained herein or any other written or oral communications transmitted to a prospective purchaser in the course of its evaluation of the Property. Prospective purchasers should make their own projections and conclusions without reliance upon the material contained herein and conduct their own independent due diligence, including engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material used in the construction or maintenance of the building or located at the site.

This Offering was prepared by Broker and has been reviewed by the Owner. It contains selected information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information which a prospective purchaser may desire. All financial projections are provided for general reference purposes only and are based on assumptions relating to the general economy, competition, and other factors beyond control and, therefore, are subject to material change or variation. An opportunity to inspect the Property will be made available to qualified prospective purchasers. In this Offering, certain documents, including leases and other materials, are described in summary form. The summaries do not purport to be completely accurate descriptions of the full agreements involved, nor do they constitute a legal analysis of such documents. Interested parties are expected to independently review all documents.

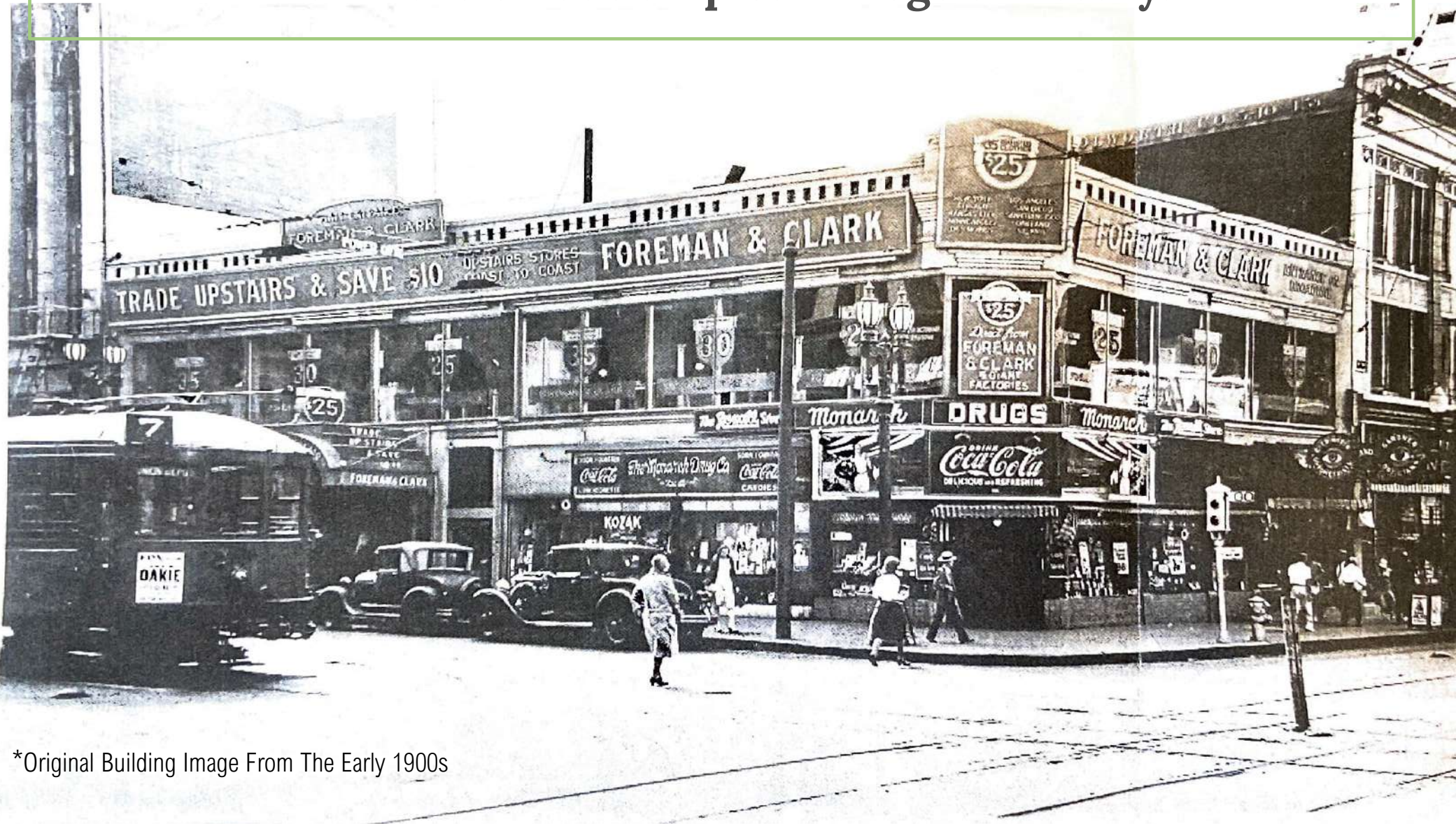
This Offering is subject to prior placement, errors, omissions, changes or withdrawal without notice and does not constitute recommendations, endorsements or advice as to the value of the Property by Broker or the Owner. Each prospective purchaser is to rely upon its own investigation; evaluation and judgment as to the advisability of purchasing the Property described herein.

Owner and Broker expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with any party at any time with or without notice. Owner shall have no legal commitment or obligation to any purchaser reviewing this Offering or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Owner and any conditions to Owner obligation thereunder have been satisfied or waived. Broker is not authorized to make any representation or agreements on behalf of Owner.

The Information contained in this Marketing Brochure has been reviewed as to both form and content by the owner and/or broker, but its accuracy has not been confirmed by “Broker”. The sources used for its content are believed to be reliable in order to provide a summary and to establish a preliminary level of interest in the subject property. By your receipt of this offering, you acknowledge that the information does not warrant or guarantee the accuracy and advises you to undertake an independent investigation of the facts and information contained therein.

In consideration for “Broker” to release this Offering Memorandum summary and assumptions along with additional Due Diligence material, you expressly agree that any and all such information, whether written, oral or electronic format, shall be kept strictly confidential and that you, your agents, employees, or assignees, shall not directly or indirectly disclose, release or give access to said information to any person or entity, except as may be necessary to have the information reviewed as part of the analysis for the purpose of purchasing same. You further agree to return all the information and documents provided if a transaction is not consummated upon request of “Broker”.

Be A Part Of Gaslamp San Diego's History!



*Original Building Image From The Early 1900s

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