

Prime Redevelopment Opportunity San Diego Bayfront (Little Italy)

+/-21,162 SF for Multifamily / Hotel / Office Development

CALL FOR OFFERS APRIL 15, 2022



1655 Pacific Highway

San Diego, CA 92101


**PACIFIC COAST
COMMERCIAL**
SALES • MANAGEMENT • LEASING

TCN
WORLDWIDE
REAL ESTATE SERVICES

Generational Redevelopment Opportunity

Bayfront San Diego

An aerial photograph of San Diego, California, showing the city skyline, the bay, and various waterfront developments. A white arrow originates from the text 'Bayfront San Diego' and points to a specific area of interest in the city's waterfront, which includes a mix of commercial buildings, parking lots, and waterfront parks.

An aerial photograph of San Diego, California, showing the city skyline, the San Diego Bay, and the waterfront. The image is used as a background for the table of contents. The skyline includes several tall skyscrapers, and the waterfront features a large marina with many boats. The water is a deep blue-green color, and the sky is a clear blue with some light clouds.

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The subject property, the Pacific Inn, sits directly across the street from the historic County Administration Building and the 12 acre Waterfront Park. A redeveloped project would offer stunning views of San Diego's renown Bay and Downtown San Diego.

The CCPD-ER zoning allows for a variety of uses, including multifamily residential, office, hotel and research and development. Incentives for an increase in the FAR are available, including site being located in Tier 1 of Complete Communities Housing Solutions, which offers an unlimited FAR and height, however, Seller makes no representations or warranties with regard to those incentives. In addition, Seller makes no representations with regard to the constructability or development of the site.





EXCELLENT LOCATION

The existing 34 key Pacific Inn Hotel benefits from a one of a kind location across from the historic San Diego County Administration building and the adjacent 12 acre Waterfront Park, which insures that any redevelopment will have amazing City and Bay Views. The site offers developers a rare opportunity to create a trophy asset in one of the hottest locations on the entire West Coast.

RECENTLY COMPLETED OR UNDER CONSTRUCTION - PROJECTS IN CLOSE PROXIMITY TO SUBJECT

- **Savina by Bosa** is a 285 luxury condo project located at 1372 Kettner Blvd.
- **Valentina by Alta** is a 110 luxury apartment project located at 1919 Pacific Highway and just to the north of the site and completed in 2019.
- **Pacific Gate by Bosa** is a 216 unit luxury condo project located at 888 W. E Street.
- **Cielo** is a 70 unit luxury apartment project located at 915 W. Grape Street in Little Italy.
- **900 Bayfront Court** is a dual branded Residence Inn & SpringHill Suites offering 400 keys on 5.2 bayfront acres. The project was completed in 2016.
- **The Park by Zephyr** is a 60 unit class A condo project located at 2850 6th Avenue.
- **901 Bayfront Court** is the 400 key Intercontinental Hotel, which opened in September 2018.
- **AV8** is a 129 unit luxury mixed-use project with 7,600 square feet of retail space located at 2155 Kettner Blvd.
- **Vici & Amo by H.G. Fenton** is a 125 unit mixed-use project located at 550/555 W. Date Street.
- **Broadway and Pacific Highway by Manchester** Pacific Gateway is a 1.3 million square foot project.
- **2100 Kettner by Kilroy Realty** is a 220,000 square foot office/retail project located at 2100 Kettner Blvd.
- **Luma by Lennar** is a 24 story, 220 unit luxury apartment project located at 1440 Columbia Street.
- **IQHQ Life Science Project** is a 1.6 million square foot project located at the corner of Broadway and Pacific Highway.
- **Seaport Village Reimaging** is a complete make over of one of San Diego's prime waterfront commercial properties located at 849 W. Harbor Drive.



Offering Summary

Asking Price	<ul style="list-style-type: none">• Market Price
Calls For Offers	<ul style="list-style-type: none">• April 15, 2022
Land Area	<ul style="list-style-type: none">• Approximately 21,163 Sq. Ft.
Improvements	<ul style="list-style-type: none">• 34 Key Motel with Approximately 11,084 Sq. Ft.
APN(s)	<ul style="list-style-type: none">• 533-311-03-00 +/-2,997 S.F.• 533-311-12-00 +/-18,166 S.F.
Zoning	<ul style="list-style-type: none">• <u>Centre City Planned District (CCPD-ER)</u>• Employment / Residential Mixed-Use, Coastal Zone (CZ)• County Administration Center Design Zone (CAC)
FAR	<ul style="list-style-type: none">• Base FAR is 2.5 with a maximum FAR of 4. Property is located in Tier 1 of Complete Communities Housing Solutions. With Coastal Commission approval expected in April, property will have unlimited FAR and Height.
Height Limit	<ul style="list-style-type: none">• Unlimited under Complete Communities Housing Solutions.
Complete Communities:	<ul style="list-style-type: none">• Property is located in tier 1 of the Complete Communities program which allows for an unlimited FAR in this location. Click to View
Due Diligence	<ul style="list-style-type: none">• Click to View



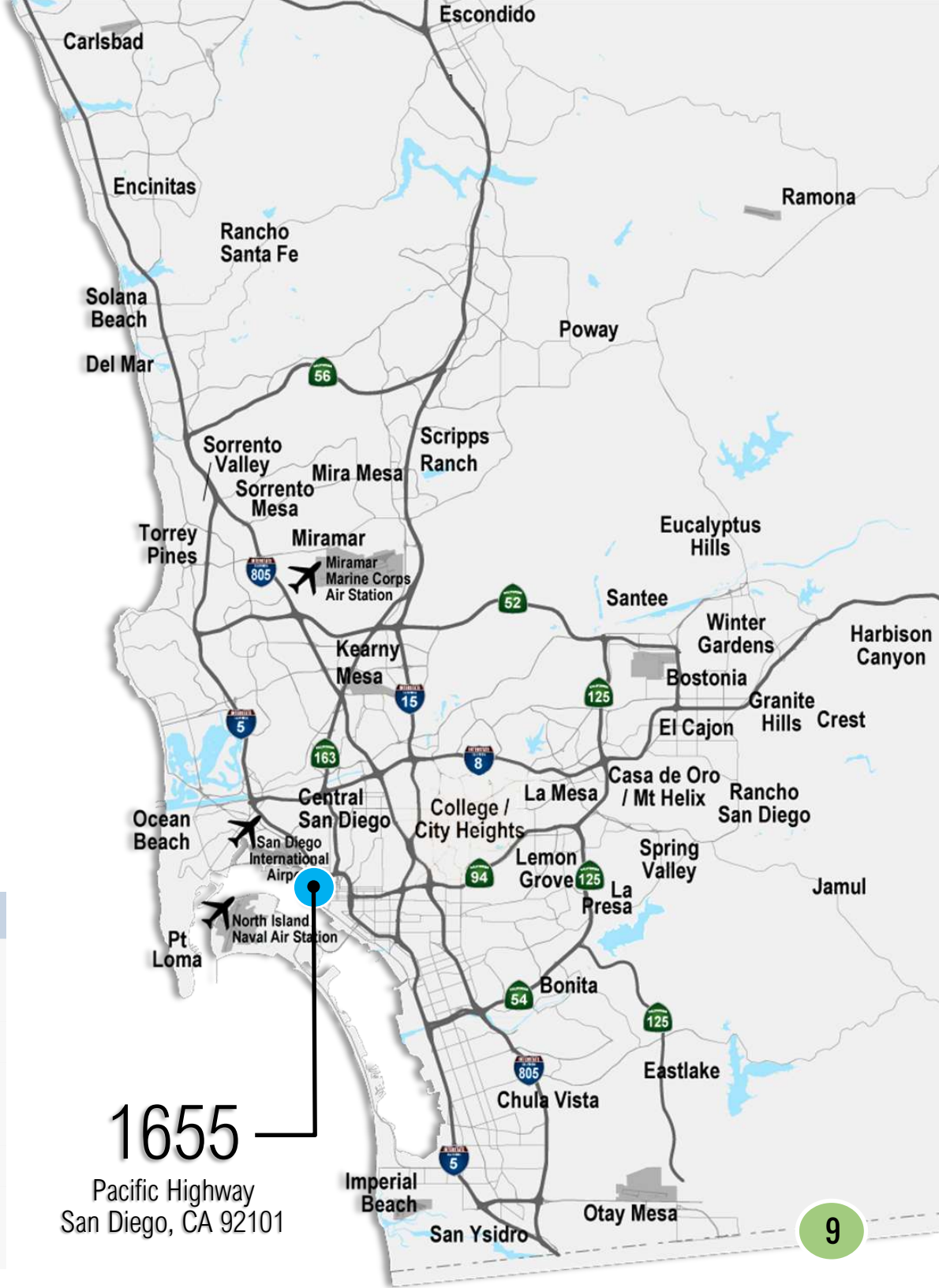
TOURIST ATTRACTIONS

- 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

1655
Pacific Highway
San Diego, CA 92101



Site Aerial



Nearby Development Projects



Recently Completed Projects



Cielo Little Italy & 2100 Kettner Blvd



CIELO LITTLE ITALY (Multifamily)
70 Contemporary Urban Residential Units



2100 KETTNER



2100 KETTNER (Mixed-Use)
220,000 SF Office / 15,000 SF Retail Space



Apartment Rental – Comparables



①

VALENTINA - 1919 Pacific Highway



BEDROOM SUMMARY

Totals	Avg SF	Unit Mix		Avg Effective Rent	
		Units	Mix %	Per Unit	Per SF
All Studios	538	8	7.30%	\$2,338	\$4.34
All 1 Beds	767	62	53.60%	\$3,626	\$4.72
All 2 Beds	1,272	40	39.10%	\$5,224	\$4.10
Totals	947	110	100%	\$4,113	\$4.38

②

CIELO LITTLE ITALY - 915 W Grape Street



BEDROOM SUMMARY

Totals	Avg SF	Unit Mix		Avg Effective Rent	
		Units	Mix %	Per Unit	Per SF
All Studios	534	17	24%	\$2,602	\$4.87
All 1 Beds	782	40	57%	\$3,397	\$4.34
All 2 Beds	1,315	13	19%	\$5,496	\$4.17
Totals	821	70	100%	\$3,602	\$3.99

③

BROADSTONE - 1980 Kettner Blvd



BEDROOM SUMMARY

Totals	Avg SF	Unit Mix		Avg Effective Rent	
		Units	Mix %	Per Unit	Per SF
All Studios	602	70	35.2%	\$2,766	\$4.59
All 1 Beds	821	69	34.7%	\$3,947	\$4.80
All 2 Beds	1,137	60	30.2%	\$4,296	\$3.77
Totals	839	199	100%	\$3,637	\$4.44

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VICI - 550 W Date Street



BEDROOM SUMMARY

Totals	Avg SF	Unit Mix		Avg Effective Rent	
		Units	Mix %	Per Unit	Per SF
All Studios	551	20	20.80%	\$2,394	\$4.34
All 1 Beds	939	37	37.50%	\$3,641	\$3.87
All 2 Beds	1,057	40	41.70%	\$4,638	\$4.38
Totals	907	97	100%	\$3,784	\$3.73

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AMO - 555 W Date Street



BEDROOM SUMMARY

Totals	Avg SF	Unit Mix		Avg Effective Rent	
		Units	Mix %	Per Unit	Per SF
All Studios	432	12	42.90%	\$2,459	\$5.69
All 1 Beds	644	12	42.90%	\$3,192	\$4.95
All 2 Beds	937	4	14.30%	\$3,192	\$3.40
Totals	595	28	100%	\$2,878	\$4.64

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AV8 - 2155 Kettner Blvd



BEDROOM SUMMARY

Totals	Avg SF	Unit Mix		Avg Effective Rent	
		Units	Mix %	Per Unit	Per SF
All Studios	578	35	27.1%	\$2,746	\$4.75
All 1 Beds	704	70	54.3%	\$3,092	\$4.39
All 2 Beds	1,171	23	17.8%	\$4,370	\$3.73
3 Beds	1,567	1	.8%	\$5,004	\$3.19
Totals	760	110	100%	\$3,240	\$4.27

Neighborhood – Little Italy Demographics (3 miles)



184,648

2020 POPULATION



82,981

HOUSEHOLDS



\$786,727

AVG. HOME VALUE



\$70,948

MED. HOUSEHOLD INCOME



37.6

MEDIAN AGE



18,974

AREA BUSINESS



0.5%

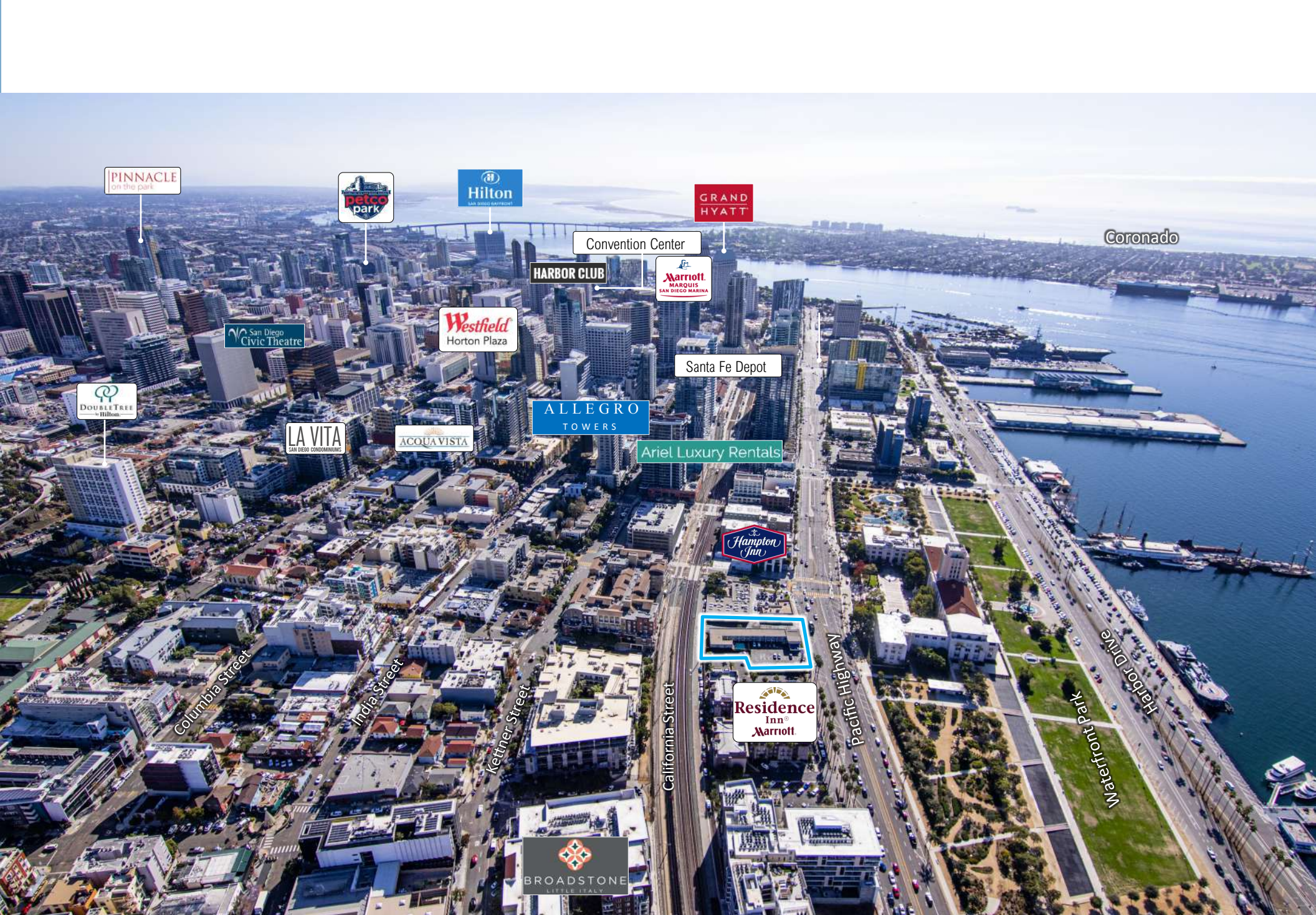
FUTURE HOUSEHOLD GROWTH



\$2,127,413,019

CONSUMER SPENDING





Aerial View – North West

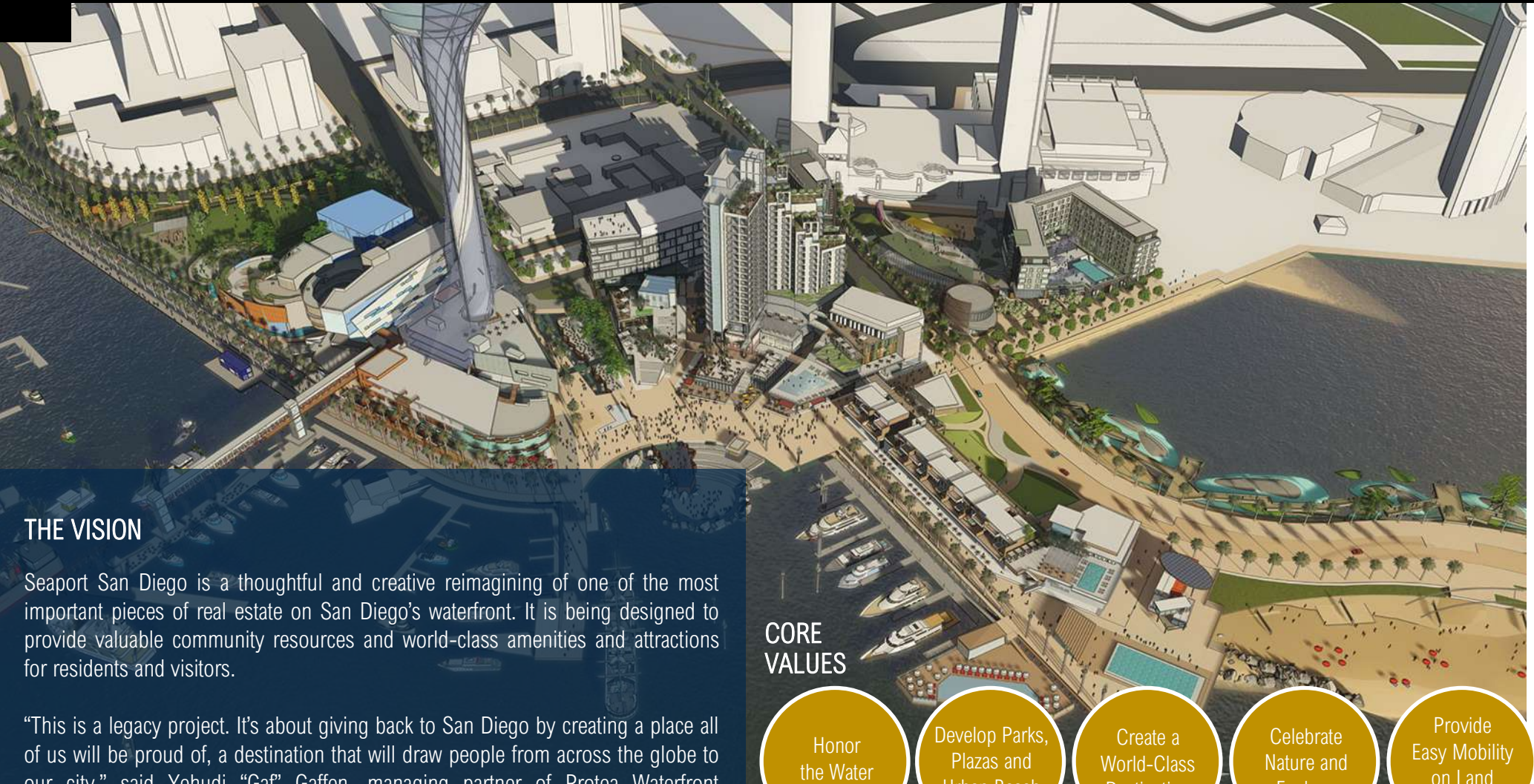


Aerial View - East



The Reimagining of Seaport San Diego

Seaport
SAN DIEGO



THE VISION

Seaport San Diego is a thoughtful and creative reimagining of one of the most important pieces of real estate on San Diego's waterfront. It is being designed to provide valuable community resources and world-class amenities and attractions for residents and visitors.

"This is a legacy project. It's about giving back to San Diego by creating a place all of us will be proud of, a destination that will draw people from across the globe to our city," said Yehudi "Gaf" Gaffen, managing partner of Protea Waterfront Development, the team behind Seaport San Diego. "Our approach is guided by our firm belief that great design can build community."

Ongoing programs and activities, along with parks, a plaza, an urban beach and other public spaces on the water's edge, will anchor Seaport San Diego. It will bring families and friends together for relaxation, education and fun to create a new world-class destination for our great city on the water.

CORE VALUES

Honor
the Water

Develop Parks,
Plazas and
Urban Beach

Create a
World-Class
Destination

Celebrate
Nature and
Ecology

Provide
Easy Mobility
on Land
and Water



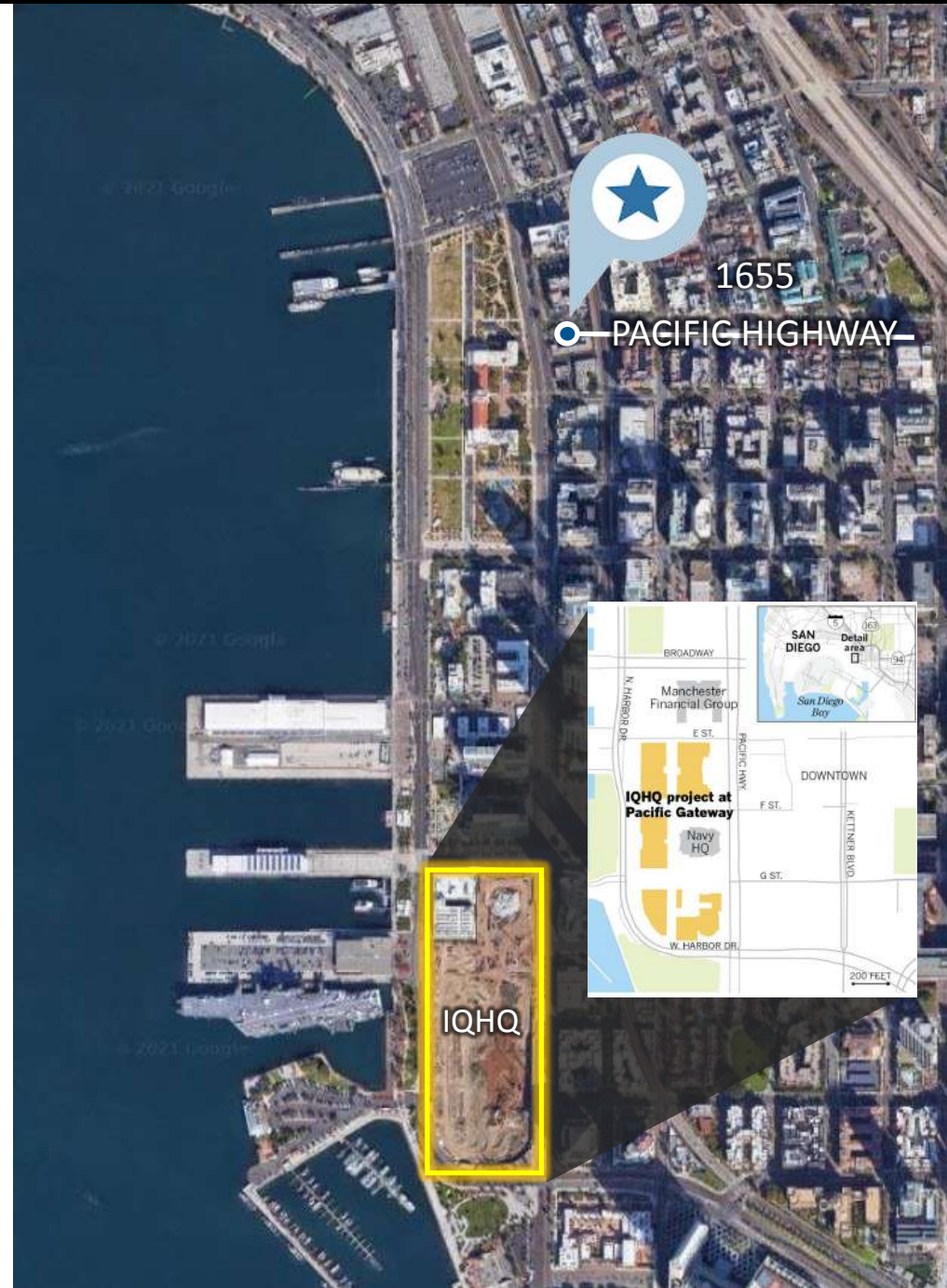
San Diego Research and Development District



This one-of-a-kind property transforms San Diego's renowned port district into an iconic waterfront opportunity; a strategic, stunning, luxurious development that will immediately and globally enhance our region's reputation as one of the world's most desirable destinations for life science.

IQHQ, a newly formed real estate investment group founded by esteemed life science builder, Alan Gould, recently purchased approximately 2/3 of the entire Manchester Pacific Gateway project for \$230,000,000. IQHQ's vision differs from Manchester Pacific's in the fact that they plan to transform the waterfront site into a \$1.5 billion-dollar life science city known as the San Diego Research and Development District, or "RaDD". IQHQ plans to begin construction immediately, and are slated for first phase completion in summer of 2023. Once all phases are completed, the premier waterfront development will ignite further investment into San Diego's exponentially growing life science market.

The 8.7 acres IQHQ acquired will provide space for 5 separate life science buildings, totaling over 1.6 million square feet of office and amenity space. The development will also include a 17-story tower with 375,000 square feet for the Navy Headquarters office, rooftop decks featuring 3 acres of greenspace, and a museum. Aside from IQHQ's lots, the Manchester Financial Group has retained a 34-story hotel and 1.9-acre plaza in planning.





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.

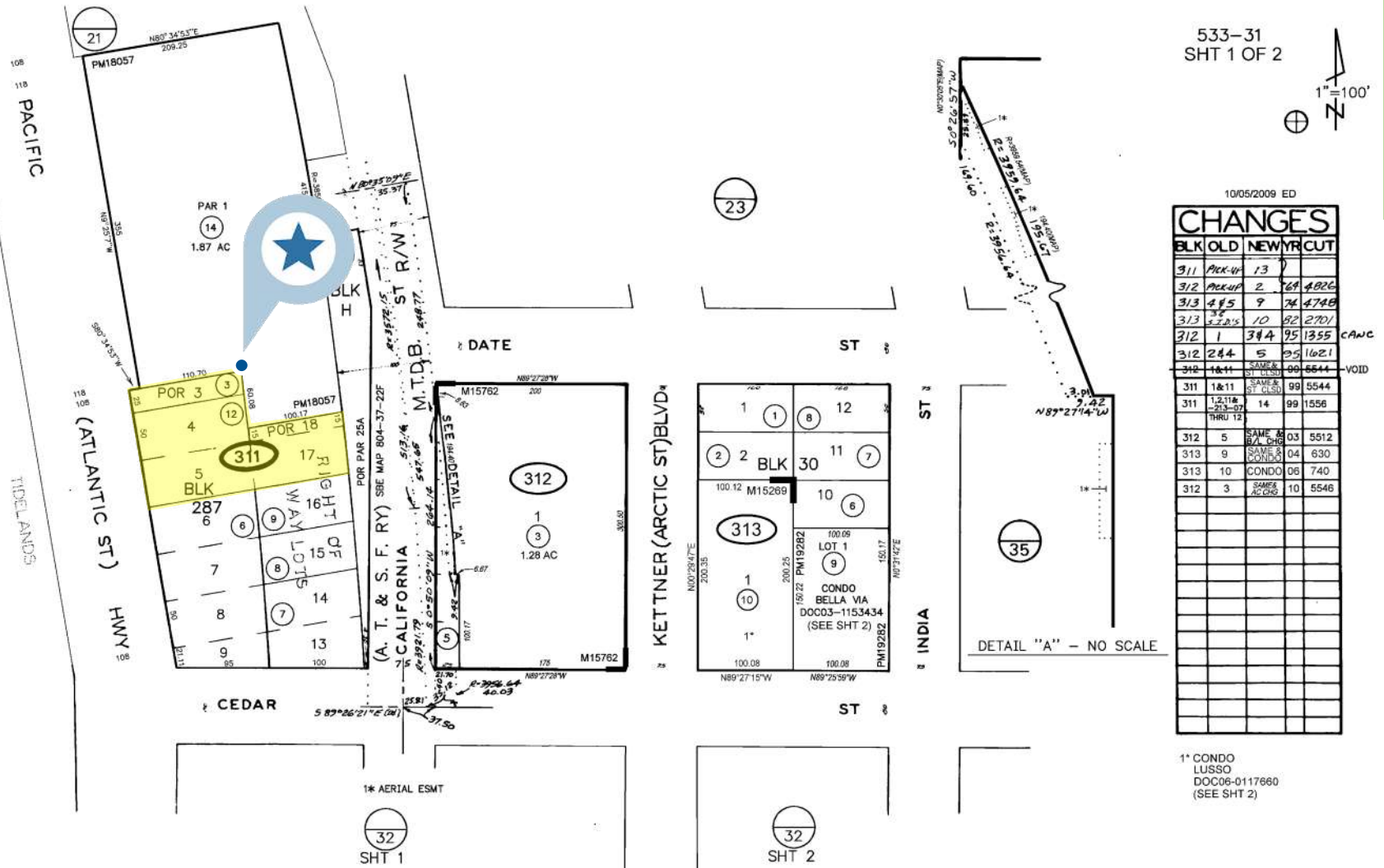
Parcel Map

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08

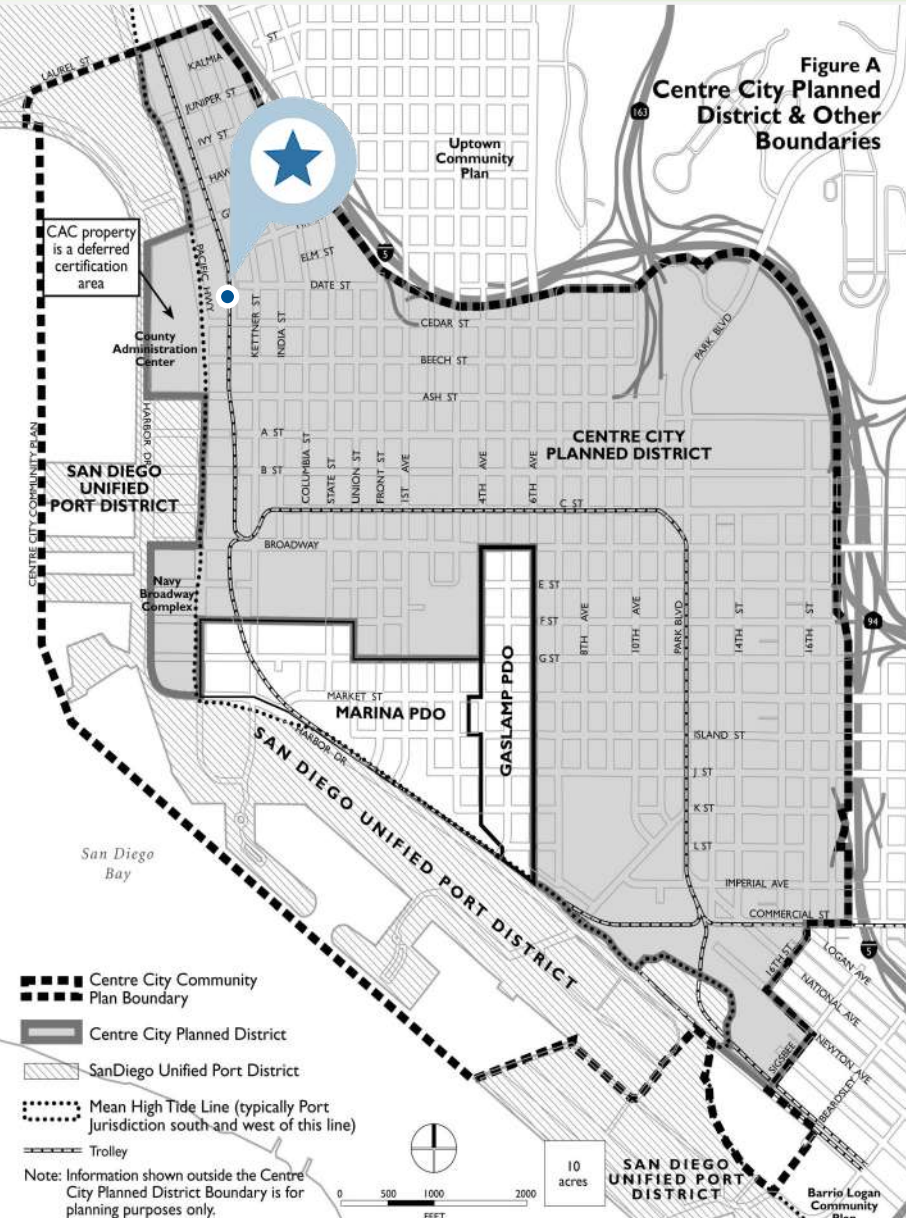
SAN DIEGO COUNTY
ASSESSOR'S MAP
BOOK 533 PAGE 31

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES.



San Diego Municipal Code - Planned District Maps

**Figure A
Centre City Planned
District & Other
Boundaries**

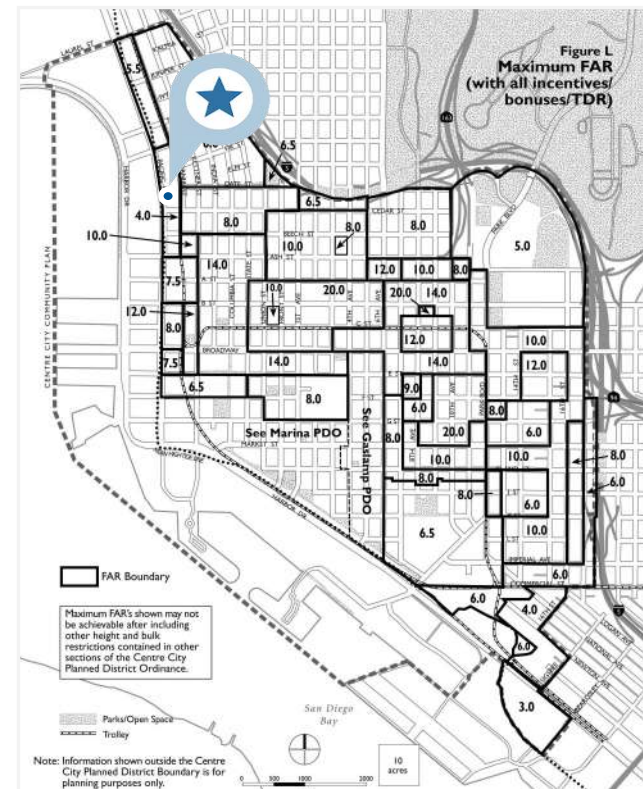
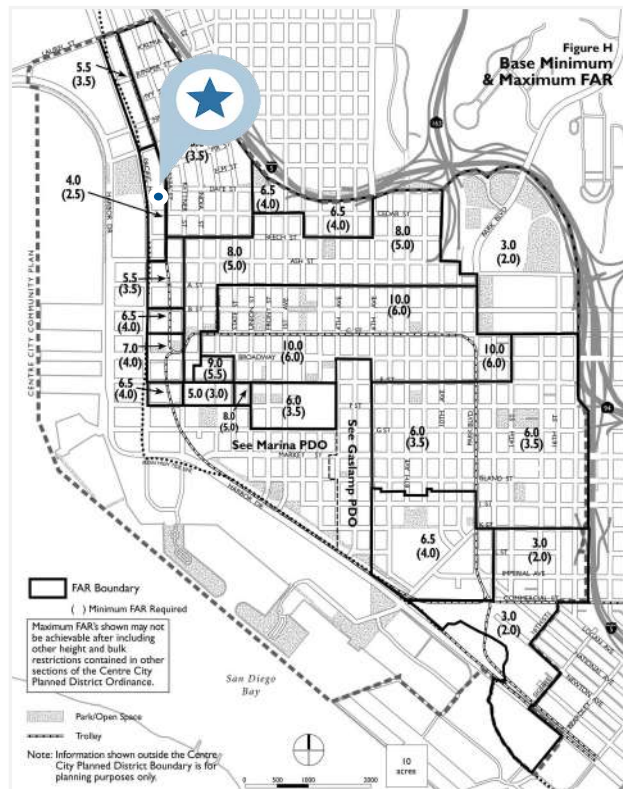
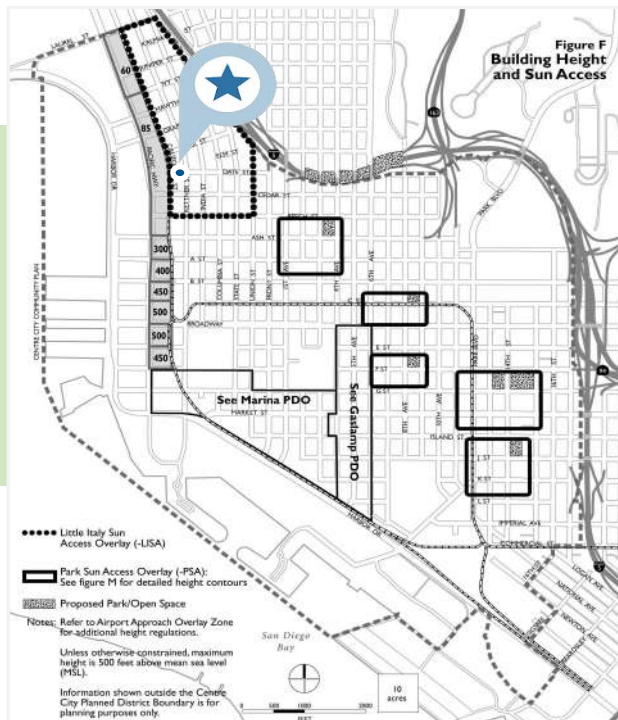


**Figure B
Land Use Districts**



**Figure C
Land Use Overlay Districts**





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: **1655 Pacific Highway, 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 **1655 Pacific Highway** (“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 provided has been reviewed as to both form and content by the owner and/or broker, but its accuracy has not been confirmed by “Broker”. By your receipt of this offering, you acknowledge that the information is derived entirely from the owner, and “Broker” 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 the information, including address and location of said “Property”, 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”.

Contact Information

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www.PacificCoastCommercial.com

Lic. 01209930

The information contained herein has been given to us by the owner of the property or other sources we deem reliable, we have no reason to doubt its accuracy, but we do not guarantee it. All information including zoning and use should be verified prior to purchase.