



2 Units + 1 Non-Conforming Unit  
**583-585 MELBA ROAD**  
ENCINITAS, CA 92024



## FEATURES

- > Great location
- > Strong unit mix
- > Good owner/user opportunity

**LIST PRICE: \$775,000**

**PRICE/UNIT: \$258,333**



FOR MORE  
INFORMATION  
PLEASE  
CONTACT

RITA LANCASTER-HANNAH  
858 677 5382  
Rita.L.Hannah@colliers.com  
Lic. No. 01221317

DANIEL KNOKE  
760 930 7938  
Daniel.Knoke@colliers.com  
Lic. No. 01215373

# 3 Unit Multi Family Investment Property



## PROPERTY description

583-585 Melba Road is located in the city of Encinitas, a prestigious coastal beach city in San Diego, California. Encinitas is known for its mild climate, surf scene, beautiful beaches, and flowers.

The subject property is located in a quiet residential neighborhood east of the Interstate 5, within walking distance to San Diego High School and just a few blocks from Scripps Memorial Hospital.

583-585 Melba Road was built in 1964 and consists of one detached, two story duplex, plus a non conforming unit. The unit mix is comprised of one three bedroom/one bath unit, one two bedroom/one bath unit,

and one one bedroom/one bath non conforming unit. Two of the units have fireplaces and the property has a laundry area that is used by the residents for storage.

The property is located minutes from some of the best surfing beaches in San Diego County. It is also close to picturesque cottages and restaurants, quaint retail shops, parks, golf courses, and lavish homes.

## NEIGHBORHOOD description

Located along six miles of Pacific coastline in northern San Diego County, **Encinitas** has an approximate population of 60,000 and is characterized by coastal beaches, cliffs, flat topped coastal areas, steep mesa bluffs and rolling hills. The city was incorporated in 1986, drawing together the communities of New Encinitas, Old Encinitas, Cardiff by the Sea, Olivenhain and Leucadia.

There is a significant flower growing industry in the City and many people claim that Encinitas is the Flower Growing Capital. As the City has developed, it has grown up around the pre-existing flower growers. Quail Botanical Gardens is a beautiful oasis to visit with an Amazon Rainforest and the largest display of bamboo in the world. The gardens of the Self Realization Center are beautiful and sit overlooking the ocean in a serene garden like setting.

Golf enthusiasts will enjoy the Encinitas Ranch Golf Course, a championship 18 hole par 72 course with panoramic ocean views. This public facility offers five different tees and can be enjoyed by golfers of all abilities.

Downtown 101 is a coastal shopping district over 100 years old featuring historic architecture, quaint shops, sidewalk cafes, and restaurants framed by beautiful flower baskets. The organization Downtown Encinitas Merchants Association (DEMA) is a great resource for information on businesses in Encinitas.

The beaches in Encinitas are outstanding. There are many stretches of beach that lie between Cardiff by the Sea and La Costa. The surfing is unbeatable and many surf contests are held throughout the year in Encinitas. The San Elijo Lagoon Reserve is the largest coastal wetland in San Diego County and is home to nearly 300 different bird species throughout the year.

The natural beauty of the communities, along with temperatures between 40 and 85 degrees year round make Encinitas a desirable place to live.



FOR MORE  
INFORMATION  
PLEASE  
CONTACT

RITA LANCASTER-HANNAH  
858 677 5382  
Rita.L.Hannah@colliers.com  
Lic. No. 01221317

DANIEL KNOKE  
760 930 7938  
Daniel.Knoke@colliers.com  
Lic. No. 01215373

## EXECUTIVE summary



## EXECUTIVE SUMMARY

Price:	\$775,000
Price/Unit:	\$258,333
Price/SF:	\$314.15
Cap Rate:	4.33%
Cap Rate Market:	4.38%
GRM—Current:	14.74
GRM—Market:	14.19

## PROPERTY SUMMARY

No. of Units:	2 Units + 1 non-conforming unit
No. of Floors:	2
Year Built:	1964
APN:	258-272-42-00
App. Building SF:	2,467
Land Area/SF:	.16 Acres/6,970 SF
Parking:	6 tandem spaces
Roof:	Flat
Laundry:	Not in use
Utilities:	Owner pays for water Owner pays for SDG&E for Units A & B

## FINANCIAL analysis

## UNIT MIX/RENT SCHEDULE

<u>Units</u>	<u>Plan</u>	<u>Current Rents</u>	<u>Current Rent Total</u>	<u>Market Rents</u>	<u>Market Total Rent</u>
1	1BR/1BA	\$1,085	\$1,085	\$1,125	\$1,125
1	2BR/1BA	\$1,575	\$1,575	\$1,625	\$1,625
1	3BR/1BA	\$1,720	\$1,720	\$1,800	\$1,800
<b>3</b>	<b>Avg./Totals:</b>		<b>\$4,380</b>		<b>\$4,550</b>

## PROFORMA INCOME AND EXPENSES

	<u>Current</u>	<u>Projected</u>
Gross Monthly Rent	\$4,380	\$4,550
Total Monthly Income	\$4,380	\$4,550
Annual Gross Scheduled Income	\$52,560	\$54,600
Less: Vacancy (3%)	(0)	(\$1,638)
Effective Gross Income	\$52,560	\$52,962
Total Estimated Expenses	(\$19,000)	(\$19,000)
Per Unit	\$6,333	\$6,333
<b>Net Operating Income</b>	<b>\$33,560</b>	<b>\$33,960</b>
Less: Debt Service (60% LTV @ 3.75%)	(\$25,842)	(\$25,842)
Projected Net Cash Flow	\$7,718	\$8,120

## NEW PROPOSED FINANCING

Loan Amount	\$465,000
Down Payment	\$310,000
Interest Rate	3.75%
Amortization	30 years
Debt Service	(\$25,842)

This document has been prepared by Colliers International for advertising and general information only. Colliers International makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Colliers International excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. Colliers International is a worldwide affiliation of independently owned and operated companies.






FOR MORE  
INFORMATION  
PLEASE  
CONTACT

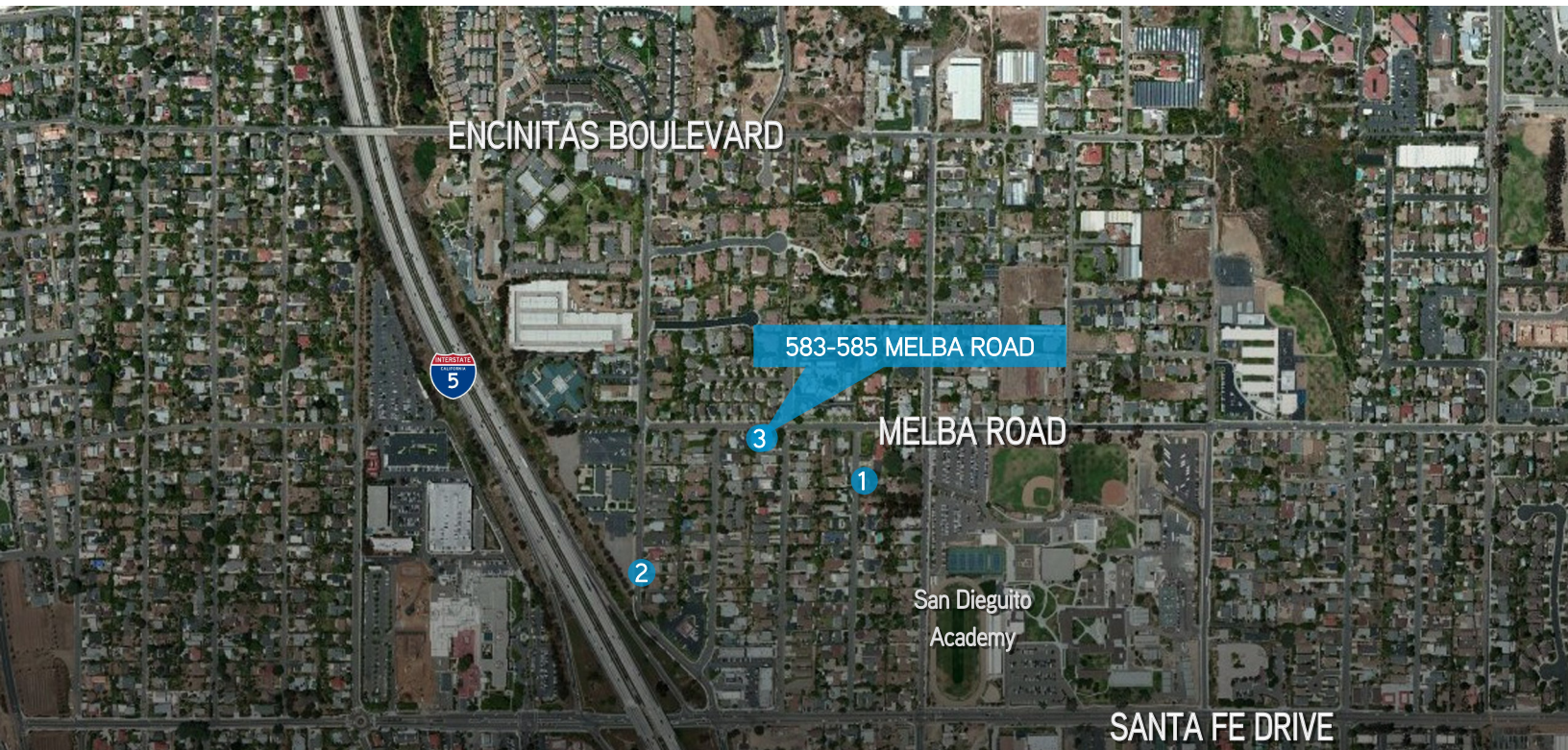
RITA LANCASTER-HANNAH  
858 677 5382  
Rita.L.Hannah@colliers.com  
Lic. No. 01221317

DANIEL KNOKE  
760 930 7938  
Daniel.Knoke@colliers.com  
Lic. No. 01215373

# 583-585 MELBA ROAD | ENCINITAS, CA 92024

## SALE comparables

	Address	Closed	Built	Units	Price/Unit	Price/SF	Price
	1 1050-1052 Arcadia Road Encinitas, CA 92024	9/4/2013	1963	2	\$325,000	\$295.45	\$650,000
	2 1095 Regal Road Encinitas, CA 92024	5/28/2013	1973	2	\$325,000	\$351.35	\$650,000
	3 583-585 Melba Road Encinitas, CA 92024	<b>SUBJECT</b>	1964	2 units 1 non-conforming unit	\$258,333	\$314.15	\$775,000



**FOR MORE  
INFORMATION  
PLEASE  
CONTACT**

**RITA LANCASTER-HANNAH**  
858 677 5382  
Rita.L.Hannah@colliers.com  
Lic. No. 01221317

**DANIEL KNOKE**  
760 930 7938  
Daniel.Knoke@colliers.com  
Lic. No. 01215373