

## COMMERCIAL BUILDING FOR SALE IN EL CAJON



### Location

1235 Broadway  
El Cajon, CA 92021

### Property

Approx. 8,310 SF Freestanding Commercial Bldg.

### Contact

**Kyle Clark - Senior Director**  
**619.577.4558**  
**kclark@theheritagegroup.com**  
BRE # 00367784

### Highlights

- One block from busy Broadway/2<sup>nd</sup> Street Intersection with CVS, Vons and Walgreens
- High interior ceilings – 18 ft.
- Extensive 12 ft. high display windows
- Pole sign included
- Concrete Parking Lot
- Traffic count is 20,000 cars per day
- 90% financing available for qualified businesses





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1235 Broadway, El Cajon, CA 92021

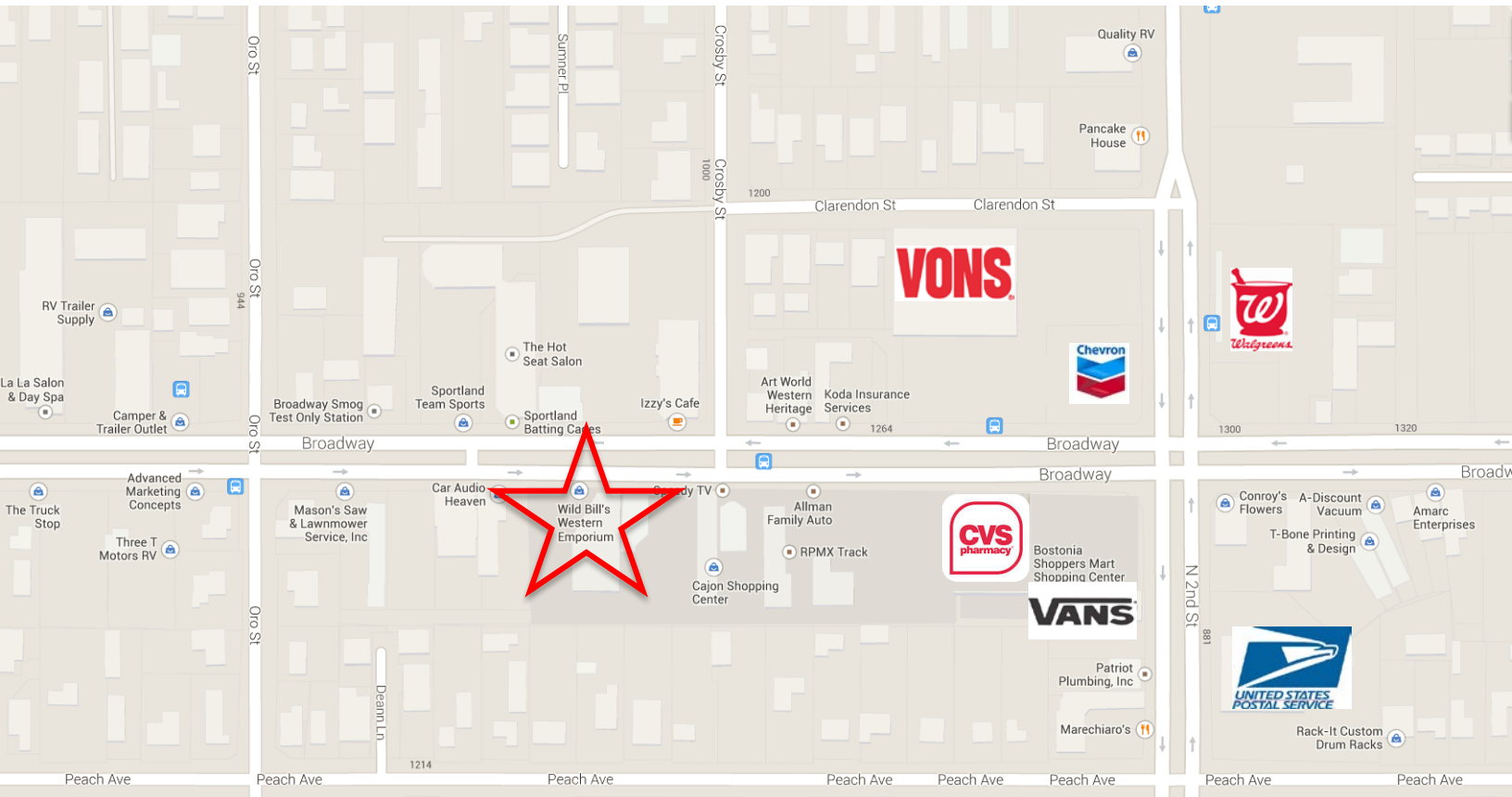
## DEMOGRAPHICS

	1 Mile	3 Miles	5 Miles
 Population	31,744	145,144	283,265
 Household Income	\$53,401	\$65,490	\$78,090



## LOCATION DETAILS

### 1235 BROADWAY, EL CAJON, CA 92020



## TRAFFIC COUNTS

BROADWAY & 2<sup>ND</sup> STREET

30,000 CARS/DAY

BROADWAY & 1<sup>ST</sup> STREET

50,200 CARS/DAY

## For More Information

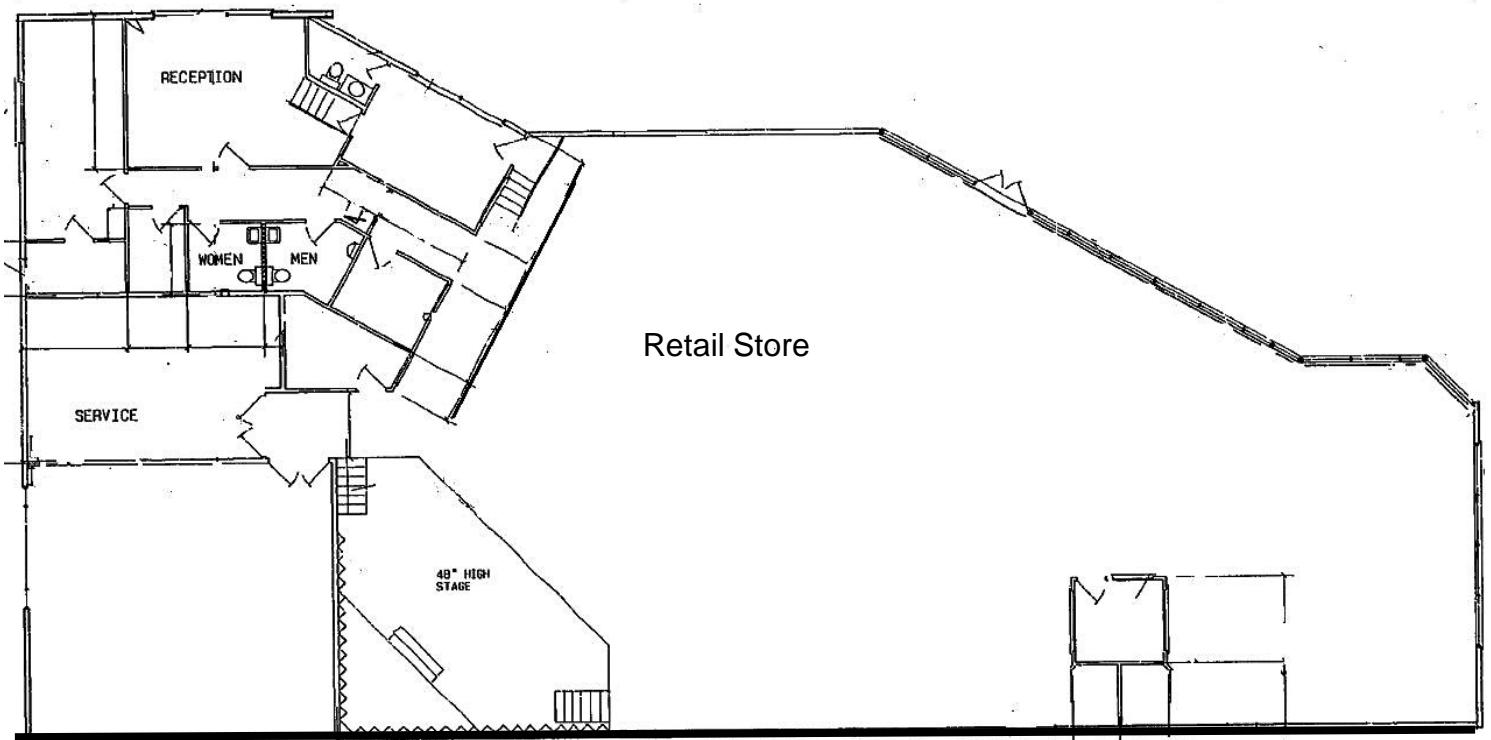
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## COMMERCIAL BUILDING FOR SALE IN EL CAJON

1235 BROADWAY, EL CAJON, CA 92020

### Floor Plan



Approximate floor plan

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## COMMERCIAL BUILDING FOR SALE IN EL CAJON



### SBA 504 LOAN STRUCTURE

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USE OF PROCEEDS:		ESTIMATED MONTHLY PAYMENTS	
Land & Building	<b>\$1,995,000</b>	Bank 1st TD	\$6,556
Square Footage Building	8,338	SBA 2nd TD	\$5,718
Cost Per Square Foot	\$239.27		
Building Improvements	<b>\$0</b>	<b>Combined Monthly Payment</b>	<b>\$12,274</b>
<u>Estimated Soft Costs (paid up-front):</u>		<b>BANK LOAN AMOUNT AND TERMS</b>	
Appraisal	\$3,000	Bank Loan Amount	\$997,500
Environmental	\$1,700	Interest Rate (10 yr Fixed)	4.950% *
Escrow & title	\$9,000	Years Amortized	20
Total Soft Costs	<b>\$13,700</b>	Bank Fees	0.50% \$4,988
Total Project Cost	<b>\$2,008,700</b>	* Bank's interest rate and fee are negotiable between borrower and bank. The information contained herein is for discussion purposes only and is not binding.	

FINANCE STRUCTURE		504 TERMS & ESTIMATED PAYMENTS	
<b>Source of funds</b>		Term (Years)	<b>20</b>
Bank 1st TD Loan	50.0% <b>\$997,500</b>	Note Rate (Fixed)	<b>3.050% *</b>
Net Debenture Proceeds	40.0% <b>\$798,000</b>	Statutory Fees	1.663%
Borrower	10.0% <b>\$199,500</b>	Payment includes Statutory Fees as described below	
Total Financed Project Cost	100% <b>\$1,995,000</b>	Years	Total Payment
<b>504 ESTIMATED FEES</b>		1-5	\$5,718
Bank Interim Loan	\$798,000	6-10	\$5,495
CDC Processing Fee (1.5%)	\$11,970	11-15	\$5,235
SBA guaranty fee (0.5%)	\$3,990	16-20	\$4,932
Funding Fee (0.25%)	\$1,995	<b>Explanation of Statutory Fees</b>	
Legal Closing Fees	\$2,500	To insure the 504 program is self funded, Statutory fees are paid monthly to CDC, SBA, and a Central Servicing Agent. Fees are adjusted every 5 years based on the balance of the note at the 5 year anniversary date. The approximate calculation for monthly fees is the anniversary balance multiplied by 1.663% divided by 12.	
Underwriting Fee (0.40%)	\$3,288	<b>Note Rate</b>	
Subtotal	\$821,743	The 504 Note Rate does not represent borrower's actual interest rate, but merely an example based on current interest rates, which are subject to change. The information contained herein is for discussion purposes only and is not binding.	
Balance to Borrower	\$257		
Gross Debenture	\$822,000		
Debenture rounded up to nearest \$1,000			
Summary Debenture loan fees paid	\$23,743		

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\*\* The information set forth herein has been received by us from sources we believe to be reliable, but we have made no independent investigation of the accuracy or completeness of the information and make no representation with respect thereto. The above is submitted subject to errors, prior sale or lease, change in status or withdrawal without notice.

## COMMERCIAL BUILDING FOR SALE IN EL CAJON



### OWN VS. LEASE ANALYSIS SBA 504 Loan

#### Property:

Adjustments can be made to figures below

Property		Assumptions		Results	
Total Square Footage	8,338	Annual Appreciation Rate	2%	Down Payment	\$201,250
Owner Occupied Square Footage <sup>1</sup>	8,338	Percentage of Building Cost Depreciated	80%	Price Per Sq. Ft.	\$239
Purchase Price	\$1,995,000	Type - Straight line (years)	39	First TD Loan (%)	50%
Building Improvements (Purchase)	\$0	Cost Segregation Depreciation Factor	2.64	Second TD Loan (%)	40%
TIs Above Standard (Lease)	\$0	Bank Interest Rate	4.95%	Total Project Cost (PP + Soft Costs)	\$2,012,500
Cost Segregation Study Costs	\$8,950	Bank Amortization	20	Loan Amount (with costs)	\$1,834,250
Down Payment (10% - 30%)	10%	CDC Interest Rate	5.070%	Gross Debenture <sup>2</sup>	\$828,000
Income Tax Bracket of Owning Entitl	35%	Note Rate	3.050%	Blended Interest Rate	4.42%
Tenant Income (Monthly)	\$0	Statutory Fees	1.663%	Blended Amortization Period	20
NNN Expenses	\$0.50	CDC Amortization	20		
Lease Rate (NNN terms)	\$1.50				

Monthly Debt Service	+	NNN Expenses	-	Tenant Income (After Taxes)	-	Tax Savings <sup>3</sup>	-	Appreciation	=	Effective Monthly Debt Service	/	Square Footage	=	TOTAL COST PER SQUARE FOOT TO OWN
\$11,520	+	\$4,169	-	\$0	-	\$5,330	-	\$3,325	=	\$7,035	/	8,338	=	<b>\$0.84</b> STRAIGHT LINE DEPREC
														<b>\$0.61</b> DEPREC W/ COST SEG <sup>4</sup>

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Monthly Lease Expense	+	Above Standard TIs (5 Year Amortization)	-	Tax Savings	=	Effective Monthly Lease Expense	/	Square Footage	=	TOTAL COST PER SQ. FT TO LEASE
\$16,676	+	\$0	-	\$5,837	=	\$10,839	/	8,338	=	<b>\$1.30</b>

<sup>1</sup> Owner must occupy 51% of property or more

<sup>2</sup> Must be no greater than 5.0 MM unless the owner-user is a manufacturer for the SBA loan portion

<sup>3</sup> Assumes tax deductions on interest payments, depreciation of building, and NNN expenses

<sup>4</sup> Ownership costs with cost segregation is based on the average additional tax savings from accelerated depreciation for the first five years of ownership.

Note: Consult your tax and legal advisors on the items above and conduct your own analysis. [BROKERAGE] nor City National Bank make no representations, recommendations or warranties to the validity of this information, or its importance. Many assumptions were made for purposes of this scenario, and buyer should not rely on this information when making a purchase design. The analysis is for illustrative purposes only with no guarantee of its accuracy.



Loans from City National Bank are in participation with the United States Small Business Administration. Loans are subject to approval in accordance with SBA eligibility and lending guidelines. Rates and terms are subject to change without notice

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