

COMING SOON! NEW NEIGHBORHOOD SHOPPING CENTER



**Oceanview**
RETAIL CENTER

NWC Otay Mesa Road & Ocean View Hills
San Diego, California

ANCHOR & PADS NOW LEASING

Developed By: B. MEGDAL MANAGEMENT LLC

HIGHLAND
PARTNERS CORP

Exclusive Listing Agent

GREG SPOUNIAS
Lic # 01200692
619.915.2135
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PACIFIC OCEAN

MISSION BAY PARK

SAN DIEGO INTERNATIONAL AIRPORT

SAN DIEGO BAY

INTERSTATE 5

INTERSTATE 5

INTERSTATE 805

INTERSTATE 805

Oceanview
RETAIL CENTER

VERAZ & MODERNA AT PLAYA DEL SOL
740 CONDO DEVELOPMENT

OCEANVIEW HILLS PKWY
HIDDEN TRAILS RD

CALIFORNIA 905

CALIENTE AVE

OTAY MESA RD

TESORO AT VISTA DEL SUR
134 TH DEVELOPMENT

MONTECITO AT OTAY RANCH
3,435 MIXED-USE DEVELOPMENT

THE VILLAGE OF ESCAYA
1,264 MIXED-USE DEVELOPMENT

PROPERTY OVERVIEW

The property at Oceanview Retail Center is a 15 acre retail development totaling approximately 95,000+ SF of space, located on the west end of Otay mesa. It is nestled right between the numerous daytime populations of Otay mesa and its bedroom communities.

PROPERTY DESCRIPTION

- 15 Acres of retail center and environmentally sensitive lands supporting each other to sustain long-term viability
- The site has freeway visibility and easy access off the 905 freeway at Caliente. (Per CalTrans: Caliente exit has 82,000 daily travelers - a 43% increase from 2013)
- Area supports a strong daytime population. Daytime traffic generators include Otay Mesa Border Crossing with an estimated 12.1 million annual crossing, The Cross Border express allowing San Diegans access to the Tijuana International Airport, Brown Field Municipal Airport and the Vast array of industrial centers throughout Otay Mesa. Plus three schools in the immediate trade area with over 3,500 students.
- Strong residential activity is occurring around the site with over 10,000 units active in this centers trade area. The trade area is currently supporting 32,479 people (approximately 2-mile radius) (an additional 34,653 people or a 106% increase in population at build-out of active units.)
- Retail competition is very limited for the project, as there is no existing anchor retail centers along the 905 Freeway. Plus Oceanview Retail Center is the only center with direct access to existing neighborhoods.



NWC OCEANVIEW HILLS PARKWAY & OTAY MESA ROAD



TRAFFIC COUNTS:

Otay Mesa Road: 63,510 cpd
905 Freeway: 52,841 cpd
Oceanview Hills: 8,310 cpd



AVERAGE HOUSEHOLD INCOME:

\$79,227



MEDIAN HOUSEHOLD INCOME:

\$53,653

SAN DIEGO, CA



REGIONAL MAP

Oceanview RETAIL CENTER

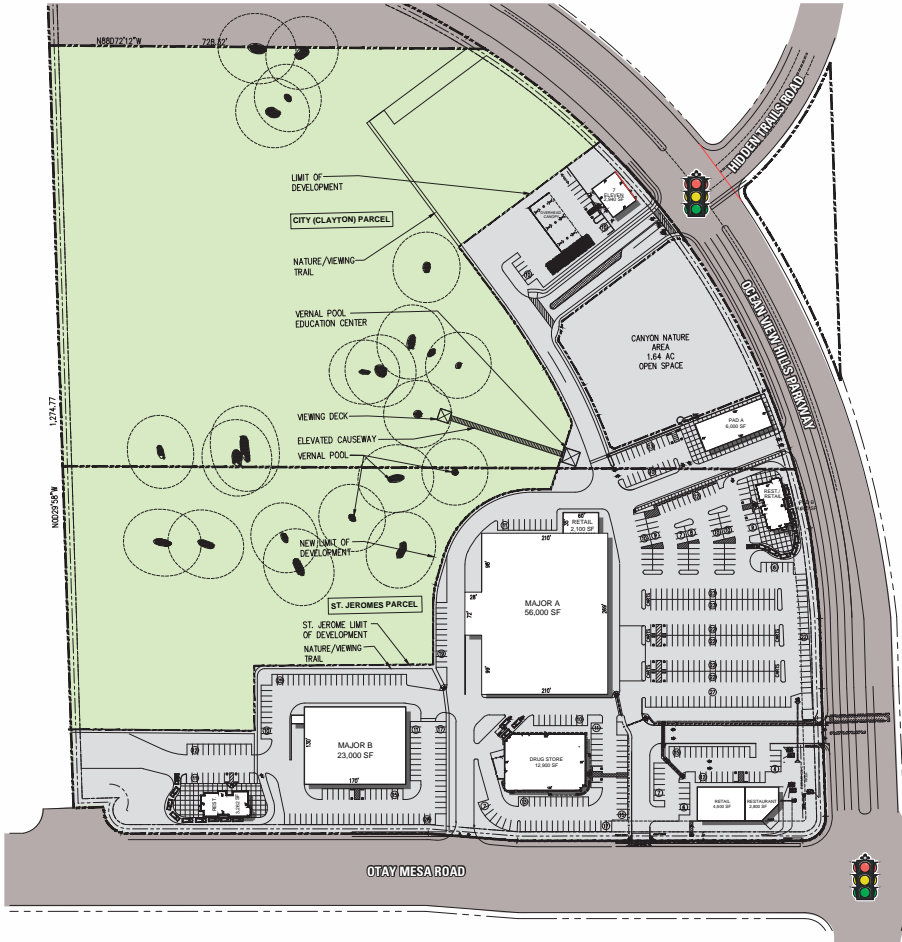
UNITS: 790
TYPE: Multifamily Development
DEVELOPER: TriPoint (Pardee Homes)
START DATE: Q4 2018

ALTERNATIVE I

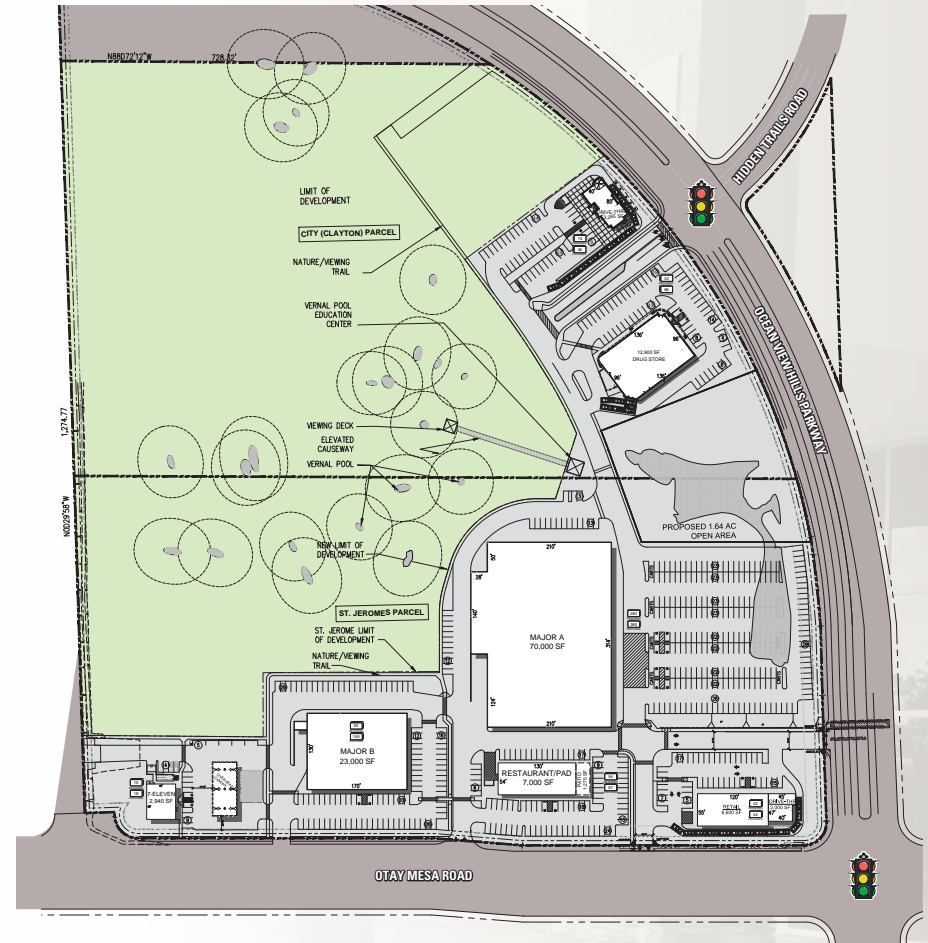
PRELIMINARY SITE PLAN

PRELIMINARY SITE PLANS

ALTERNATIVE I



ALTERNATIVE II





Oceanview RETAIL CENTER

OCEAN VIEW HILLS PLAZA
SHOPPING CENTER
IN PLANNING

OUTLETS AT THE BORDER

PLAZA AT THE BORDER
ULTA TJ-maxx ROSS
DRESS FOR LESS

LAS AMERICAS PREMIUM OUTLETS
lastcall OLD NAVY GAP
TILLY'S BANANA REPUBLIC

PALM AVE

DEL SOL BLVD

805

5

VONS

Walmart
Everyday Low Prices

AMC
THEATRES

THE
FOCUS
ON VIDEO

OCEAN VIEW HILLS PKWY

OTAY MESA RD

HERITAGE RD

BROWN FIELD
MUNICIPAL AIRPORT

905

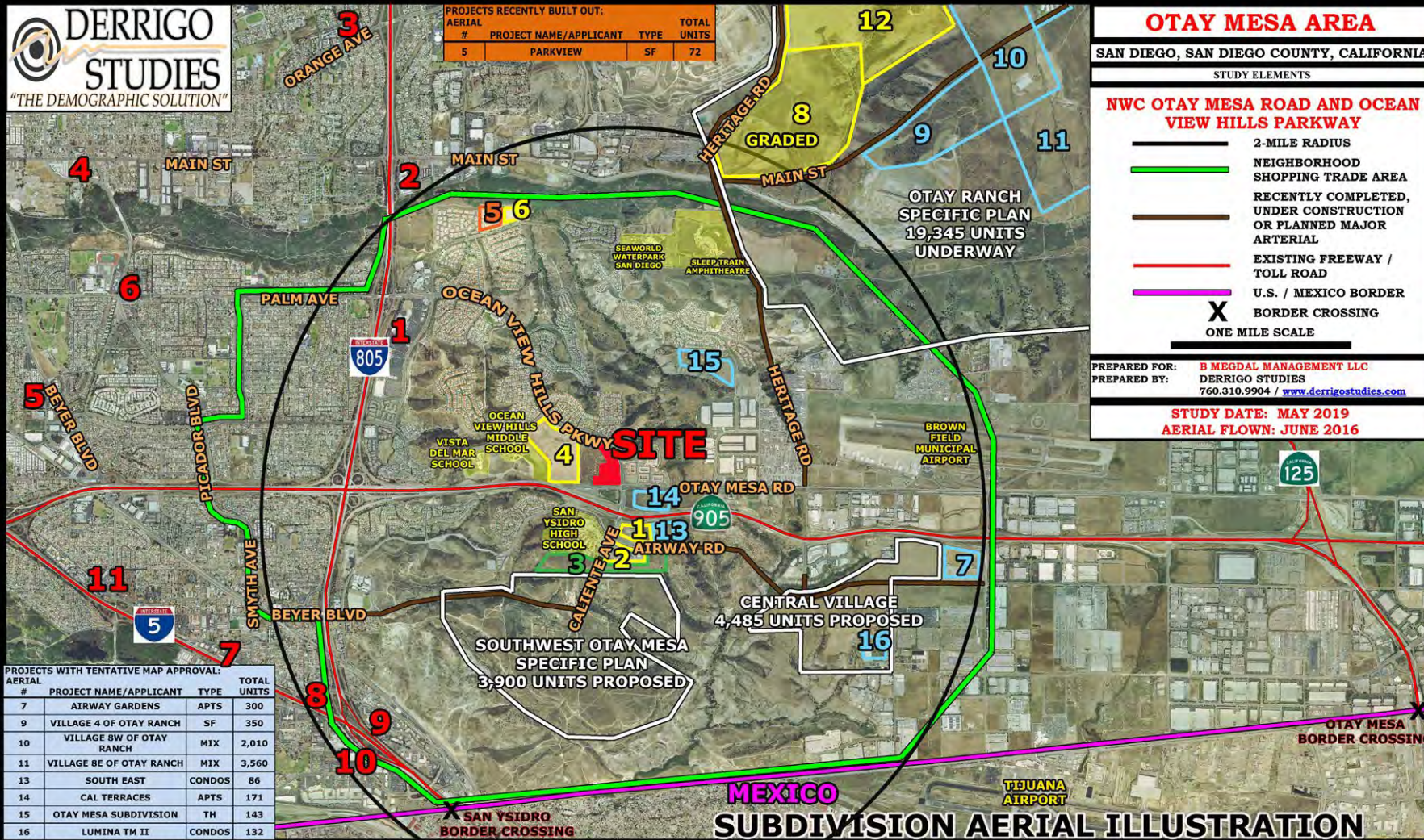
125

BRITANNIA BLVD

LA MEDIA RD

U.S.-MEXICO BORDER

NEARBY RETAILERS



PROJECTS RECENTLY BUILT OUT:			
AERIAL #	PROJECT NAME/APPLICANT	TYPE	TOTAL UNITS
5	PARKVIEW	SF	72

OTAY MESA AREA

SAN DIEGO, SAN DIEGO COUNTY, CALIFORNIA

STUDY ELEMENTS

NWC OTAY MESA ROAD AND OCEAN VIEW HILLS PARKWAY

- 2-MILE RADIUS
 - NEIGHBORHOOD SHOPPING TRADE AREA
 - RECENTLY COMPLETED, UNDER CONSTRUCTION OR PLANNED MAJOR ARTERIAL
 - EXISTING FREEWAY / TOLL ROAD
 - U.S. / MEXICO BORDER
 - BORDER CROSSING
- ONE MILE SCALE

PREPARED FOR: **B MEGDAL MANAGEMENT LLC**
 PREPARED BY: **DERRIGO STUDIES**
 760.310.9904 / www.derrigostudies.com

STUDY DATE: MAY 2019
AERIAL FLOWN: JUNE 2016

MAJOR ANCHOR RETAILERS

- 1 VONS, HOME DEPOT, WALMART (NOT SUPERCENTER), AMC 24, AUTO ZONE
- 2 ALDI, KOHL'S, PETSMART, PIER 1 IMPORTS
- 3 SEAFOOD CITY
- 4 SMART & FINAL (NOT EXTRA)
- 5 NORTHGATE MARKET, O'REILLY AUTO PARTS
- 6 CVS, (AUTO ZONE ACROSS STREET)
- 7 SMART & FINAL EXTRA
- 8 LA BODEGA MARKET
- 9 GROCERY OUTLET, 99¢ ONLY, O'REILLY AUTO PARTS
- 10 LAS AMERICAS PREMIUM OUTLETS, MARSHALLS, ROSS, NIKE FACTORY STORE, GUITAR CENTER, DOLLAR TREE, OSHKOSH B'GOSH
- 11 PANCHO VILLA MERCADO

PROJECTS WITH TENTATIVE MAP APPROVAL:			
AERIAL #	PROJECT NAME/APPLICANT	TYPE	TOTAL UNITS
7	AIRWAY GARDENS	APTS	300
9	VILLAGE 4 OF OTAY RANCH	SF	350
10	VILLAGE SW OF OTAY RANCH	MIX	2,010
11	VILLAGE SE OF OTAY RANCH	MIX	3,560
13	SOUTH EAST	CONDOS	86
14	CAL TERRACES	APTS	171
15	OTAY MESA SUBDIVISION	TH	143
16	LUMINA TM II	CONDOS	132

PROJECTS UNDER CONSTRUCTION:			
AERIAL #	PROJECT NAME/APPLICANT	TYPE	TOTAL UNITS
1	TERSORO AT VISTA DEL SUR	TH	134
2	MARA VILLA AND ESPERANZA AT VISTA DEL SUR	TH	224
4	VERAZ AND MODERNA AT PLAYA DEL SOL	CONDOS	740
6	PARKVIEW II	CONDOS	73
8	THE VILLAGE OF ESCAYA	MIX	1,264
12	MONTECITO AT OTAY RANCH	MIX	3,435

PROJECTS WITH FINAL MAP APPROVAL:			
AERIAL #	PROJECT NAME/APPLICANT	TYPE	TOTAL UNITS
3	CANDLELIGHT	TH	475

Derrigo Studies/B Megdal Management LLC

MEXICO SUBDIVISION AERIAL ILLUSTRATION

ACTIVE PROJECTS

OTAY MESA HOUSING DEVELOPMENTS



NEIGHBORHOOD SHOPPING CENTER TRADE AREA - EXISTING DEMOGRAPHICS

Sector Number	Population Estimate 2016	Percent Hispanic	Housing Units 2016	% Within	Population	Housing Units	APPH 2019	Median HH Income 2019	Median Value of Housing 2019
1	6,343	75%	1,475	100.00%	6,343	1,475	4.30	\$70,000	\$460,000
2	2,382	80%	554	100.00%	2,382	554	4.30	\$60,000	\$440,000
3	4,300	95%	1,075	100.00%	4,300	1,075	4.00	\$45,000	\$440,000
4	1,650	57%	550	100.00%	1,650	550	3.00	\$45,000	\$350,000
5	4,125	38%	1,250	100.00%	4,125	1,250	3.30	\$70,000	\$575,000
6	1,710	37%	475	100.00%	1,710	475	3.60	\$80,000	\$670,000
7	2,346	32%	690	100.00%	2,346	690	3.40	\$75,000	\$590,000
8	2,695	32%	770	100.00%	2,695	770	3.50	\$83,000	\$580,000
9	1,996	47%	644	100.00%	1,996	644	3.10	\$46,000	\$440,000
10	164	95%	40	100.00%	164	40	4.10	\$35,000	\$350,000
11	850	95%	200	100.00%	850	200	4.25	\$35,000	\$400,000
12	1,716	36%	440	100.00%	1,716	440	3.90	\$78,000	\$600,000
13	544	36%	160	100.00%	544	160	3.40	\$72,000	\$430,000
Total Population					30,821				
Total Housing Units			8,323			8,323			
Trade Area Weighted Averages							3.70	\$64,236	\$503,258

NEIGHBORHOOD SHOPPING CENTER TRADE AREA - FUTURE POPULATION NWC OTAY MESA ROAD AND OCEAN HILLS PARKWAY POPULATION AND HOUSING UNIT BREAK DOWN PER SECTOR

Sector Number	5/2019 Population	5/2019 Units	5/2021 Population	5/2021 Units	5/2023 Population	5/2023 Units	Active Unit Build Out Population	Total Units at Buildout	APPH
1	6,343	1,475	6,353	1,475	6,373	1,475	6,373	1,475	4.30
2	2,382	554	2,387	554	2,392	554	2,392	554	4.30
3	4,300	1,075	4,310	1,075	4,320	1,075	4,320	1,075	4.00
4	1,650	550	1,650	550	1,650	550	1,650	550	3.00
5	4,363	1,322	4,614	1,395	4,624	1,395	4,624	1,395	3.30
6	2,790	775	4,384	1,215	4,394	1,215	4,394	1,215	3.60
7	2,346	690	2,356	690	2,366	690	2,366	690	3.40
8	2,695	770	2,954	841	2,964	913	2,964	913	3.50
9	1,996	644	1,996	644	1,996	644	1,996	644	3.10
10	164	40	164	40	164	40	164	40	4.10
11	850	200	850	200	850	200	850	200	4.25
12	1,716	440	1,726	440	1,736	440	1,736	440	3.90
13	884	260	4,434	1,304	9,153	2,692	33,303	9,795	3.40
TOTAL:	32,479	8,795	38,178	10,423	42,982	11,883	67,132	18,986	

SUMMARY OF FINDINGS:

PROJECTED UNITS TO BE BUILT 2019 - 2021	1,628
PROJECTED UNITS TO BE BUILT 2021 - 2023	1,460
ALL OTHER ACTIVE UNITS TO BE BUILT	7,103

GROCERY SALES VOLUME

SUMMARY OF FINDINGS

- As of May 2019, the Market Trade Area has 32,479 people. The sales volume potential is estimated at \$1,571,563 per week (this represents the number of estimated dollars being spent on grocery items). Currently, 8 facilities are capturing \$816,100 and the float is concluded to be approximately \$755,463 or 48.07% (higher than average due to the lack of grocery stores in trade area). The float factor represents the dollars that are being spent in small convenience stores, Costcos, facilities that are nonconventional and the dollars that are leaving the area.
- Located roughly one mile east of Interstate 805, the site has freeway visibility and easy access off of Freeway 905 via a full existing interchange at Caliente Avenue (per Caltrans, 82,000 daily travelers – a 43.8% increase from 2013).
- Daytime traffic generators for the project include daily travelers to the Otay Mesa border with an estimated 12.1 million annual crossings, the Brown Field Municipal Airport just east, major industrial parks and three schools in the immediate area accommodating over 3,800 students.
- Residential activity is occurring around the site with over 10,100 units active in the project's Market Trade Area (*an additional 34,653 people or an 106% increase in population at build out of active units*).
- Other than client's site, no other grocery developments are planned to occur in the Market Trade Area at this time.
- Listed on the following chart are projected grocery sales volumes for each market concept at the subject site. Projections are outlined for an opening date of May 2021, followed by the subsequent years of 2022 and 2023.

PROJECTED AVERAGE GROCERY WEEKLY SALES VOLUMES OPENING DATE MAY 2021 (PHARMACY SALES NOT INCLUDED IF APPLICABLE)

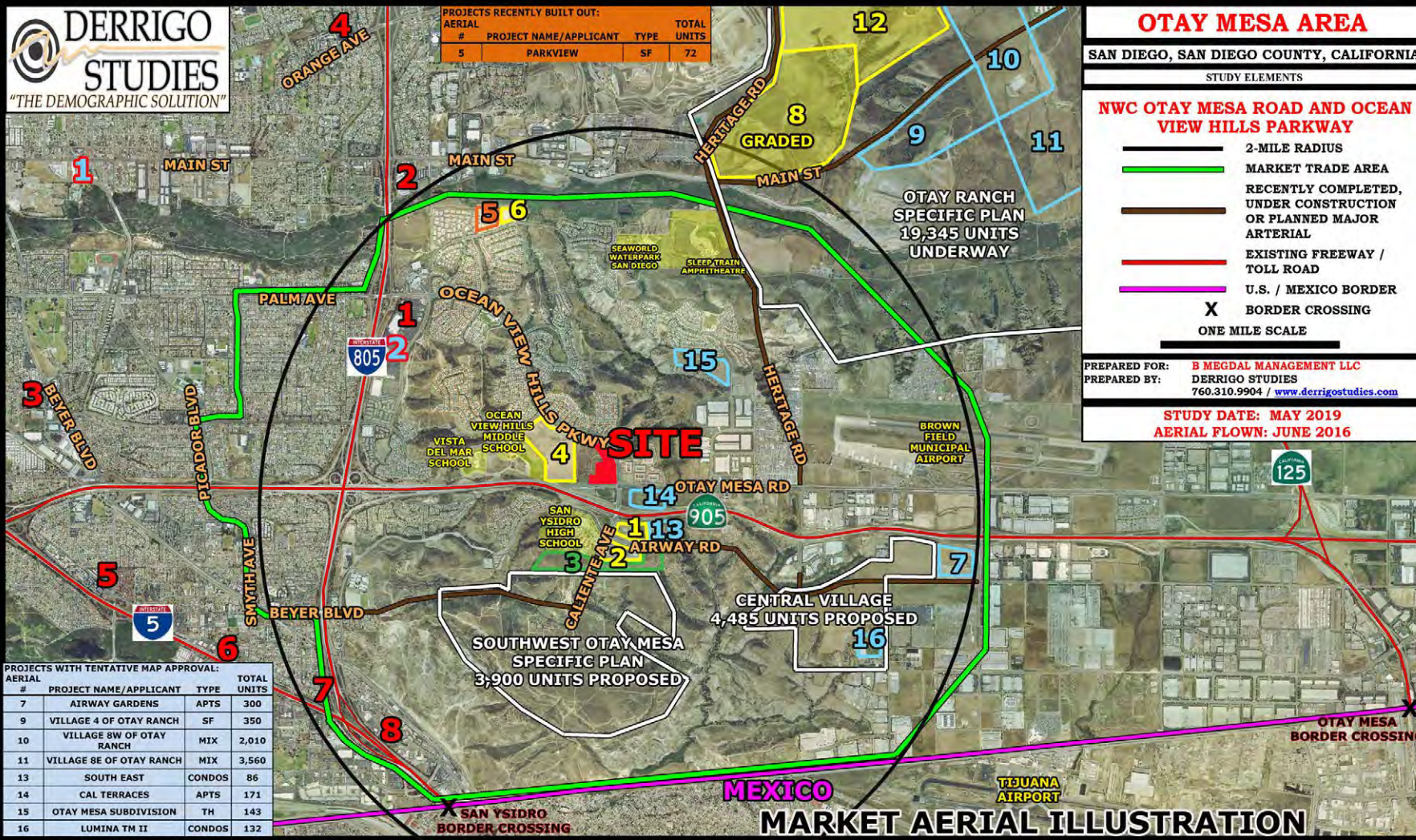
Tactic	Concept	Sales/Building Area Square Feet	May Estimated 2021 Sales*	May Estimated 2022 Sales**	May Estimated 2023 Sales***
1	Alberstons	37,000/55,000 Annual Sales	\$357,185 \$20,133,620	\$435,185 \$22,631,492	\$483,258 \$25,129,416
2	Sprouts Farmers Market	24,000/32,000 Annual Sales	\$317,682 \$16,519,510	\$359,670 \$18,702,876	\$401,659 \$20,886,301
Sales volumes increased by 15% for fresh food and specialty items.					
3	Walmart Market	35,000/50,000 Annual Sales	\$364,809 \$19,970,068	\$410,386 \$24,340,072	\$455,963 \$23,701,076
4	Grocer Outlet	35,000/50,000 Annual Sales	\$176,776 \$9,192,352	\$204,397 \$10,628,670	\$232,019 \$12,064,988
5	Aldi	11,000/14,000 Annual Sales	\$183,833 \$9,1559,316	\$212,285 \$11,038,820	\$240,737 \$12,518,324

* Volumes account for a 2% inflation rate & population increases (1,628 more residential units in Market Trade Area)
 ** Volumes account for a 2% inflation rate, a \$2,000 a week maturity factor (\$3,000 for Albertsons and Walmart Market) & population increases (730 additional units)
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Please note sales volume estimates outlined above are based on certain tenant concepts. As marketing efforts continue on this subject site and a specific grocery retailer expresses interest, it is recommended that minor adjustments be made for that specific tenant concept. This process will ensure the most accurate sales volume estimates possible.

FULL GROCERY SALES REPORT AVAILABLE UPON REQUEST

GROCERY SALES REPORT



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OTAY MESA AREA

SAN DIEGO, SAN DIEGO COUNTY, CALIFORNIA
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NWC OTAY MESA ROAD AND OCEAN VIEW HILLS PARKWAY

- 2-MILE RADIUS
 - MARKET TRADE AREA
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 - EXISTING FREEWAY / TOLL ROAD
 - U.S. / MEXICO BORDER
 - BORDER CROSSING
- ONE MILE SCALE

PREPARED FOR: B MEGDAL MANAGEMENT LLC
PREPARED BY: DERRIGO STUDIES
760.310.9904 / www.derrigostudies.com

STUDY DATE: MAY 2019
AERIAL FLOWN: JUNE 2016

FACILITIES IN MODEL AVERAGE WEEKLY GROCERY SALES VOLUMES (PHARMACY NOT INCLUDED)

1	VONS \$510,000
2	ALDI \$240,000
3	NORTHGATE MARKET \$440,000
4	SEAFOOD CITY \$300,000
5	PANCHO VILLA MERCADO \$250,000
6	SMART & FINAL EXTRA \$300,000
7	LA BODEGA \$120,000
8	GROCERY OUTLET \$100,000

FACILITIES NOT IN MODEL

1	SMART & FINAL (NOT EXTRA)
2	WALMART (NOT SUPERCENTER)

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Derrigo Studies/B Megdal Management LLC

MARKET AERIAL ILLUSTRATION

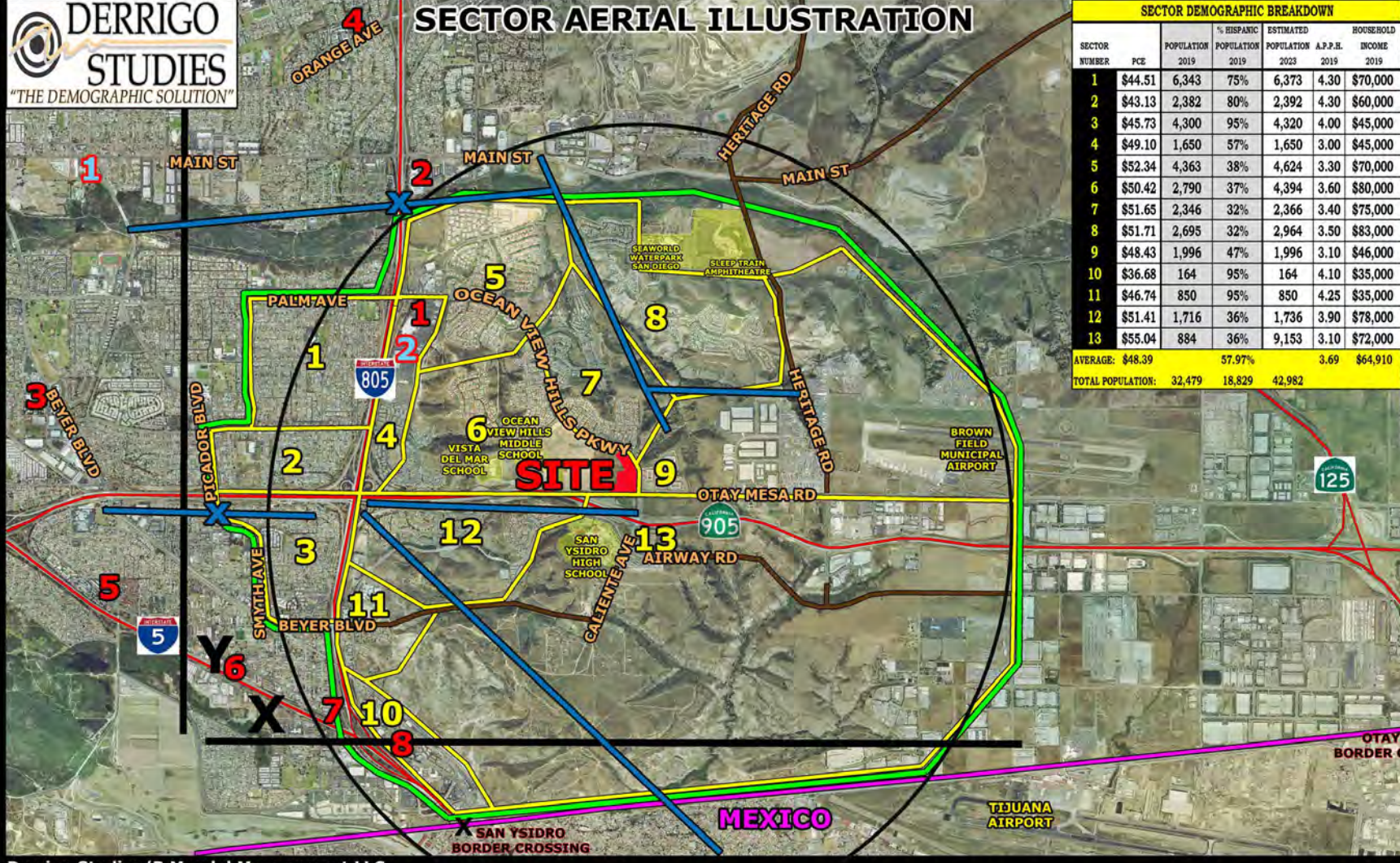
ACTIVE PROJECTS

MARKET AERIAL ILLUSTRATION





SECTOR AERIAL ILLUSTRATION



SECTOR DEMOGRAPHIC BREAKDOWN						
SECTOR NUMBER	PCE	POPULATION		ESTIMATED POPULATION 2023	A.P.P.H. 2019	HOUSEHOLD INCOME 2019
		2019	% HISPANIC 2019			
1	\$44.51	6,343	75%	6,373	4.30	\$70,000
2	\$43.13	2,382	80%	2,392	4.30	\$60,000
3	\$45.73	4,300	95%	4,320	4.00	\$45,000
4	\$49.10	1,650	57%	1,650	3.00	\$45,000
5	\$52.34	4,363	38%	4,624	3.30	\$70,000
6	\$50.42	2,790	37%	4,394	3.60	\$80,000
7	\$51.65	2,346	32%	2,366	3.40	\$75,000
8	\$51.71	2,695	32%	2,964	3.50	\$83,000
9	\$48.43	1,996	47%	1,996	3.10	\$46,000
10	\$36.68	164	95%	164	4.10	\$35,000
11	\$46.74	850	95%	850	4.25	\$35,000
12	\$51.41	1,716	36%	1,736	3.90	\$78,000
13	\$55.04	884	36%	9,153	3.10	\$72,000
AVERAGE:		\$48.39	57.97%	3.69	\$64,910	
TOTAL POPULATION:		32,479	18,829	42,982		

OTAY MESA AREA

SAN DIEGO, SAN DIEGO COUNTY, CALIFORNIA

STUDY ELEMENTS

- 2-MILE RADIUS
- MARKET TRADE AREA
- RECENTLY COMPLETED, UNDER CONSTRUCTION OR PLANNED MAJOR ARTERIAL
- EXISTING FREEWAY / TOLL ROAD
- U.S. / MEXICO BORDER
- BORDER CROSSING
- SECTOR NUMBER
- SECTOR BOUNDARY
- X & Y COORDINATES
- BARRIER & CROSS POINT
- ONE MILE SCALE

PREPARED FOR: **B MEGDAL MANAGEMENT LLC**
 PREPARED BY: **DERRIGO STUDIES**
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STUDY DATE: **MAY 2019**
 AERIAL FLOWN: **JUNE 2016**

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2	WALMART (NOT SUPERCENTER)

ACTIVE PROJECTS

SECTOR AERIAL ILLUSTRATION





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HIGHLAND
PARTNERS CORP

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