

OFFERING MEMORANDUM



Tremont Apartments

317 Tremont St
Chula Vista CA 91910



JLM Real Estate

Tremont Apartments

CONTENTS

01 Executive Summary
Investment Summary

02 Property Description
Property Features
Aerial Map
Property Images

03 Rent Roll
Rent Roll

04 Financial Analysis
Income & Expense Analysis
Multi-Year Cash Flow Assumptions
Cash Flow Analysis
Financial Metrics
Disposition Sensitivity Analysis

05 Demographics
Demographics
Demographic Charts

06 Company Profile
Advisor Profile

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JLM Real Estate



01

Executive Summary

Investment Summary

TREMONT APARTMENTS

OFFERING SUMMARY

ADDRESS	317 Tremont St Chula Vista CA 91910
COUNTY	San Diego
MARKET	Chula Vista
SUBMARKET	San Diego
BUILDING SF	5,100 SF
LAND SF	7,501 SF
LAND ACRES	.24
NUMBER OF UNITS	6
YEAR BUILT	1970
YEAR RENOVATED	2022
APN	623-132-07-00
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

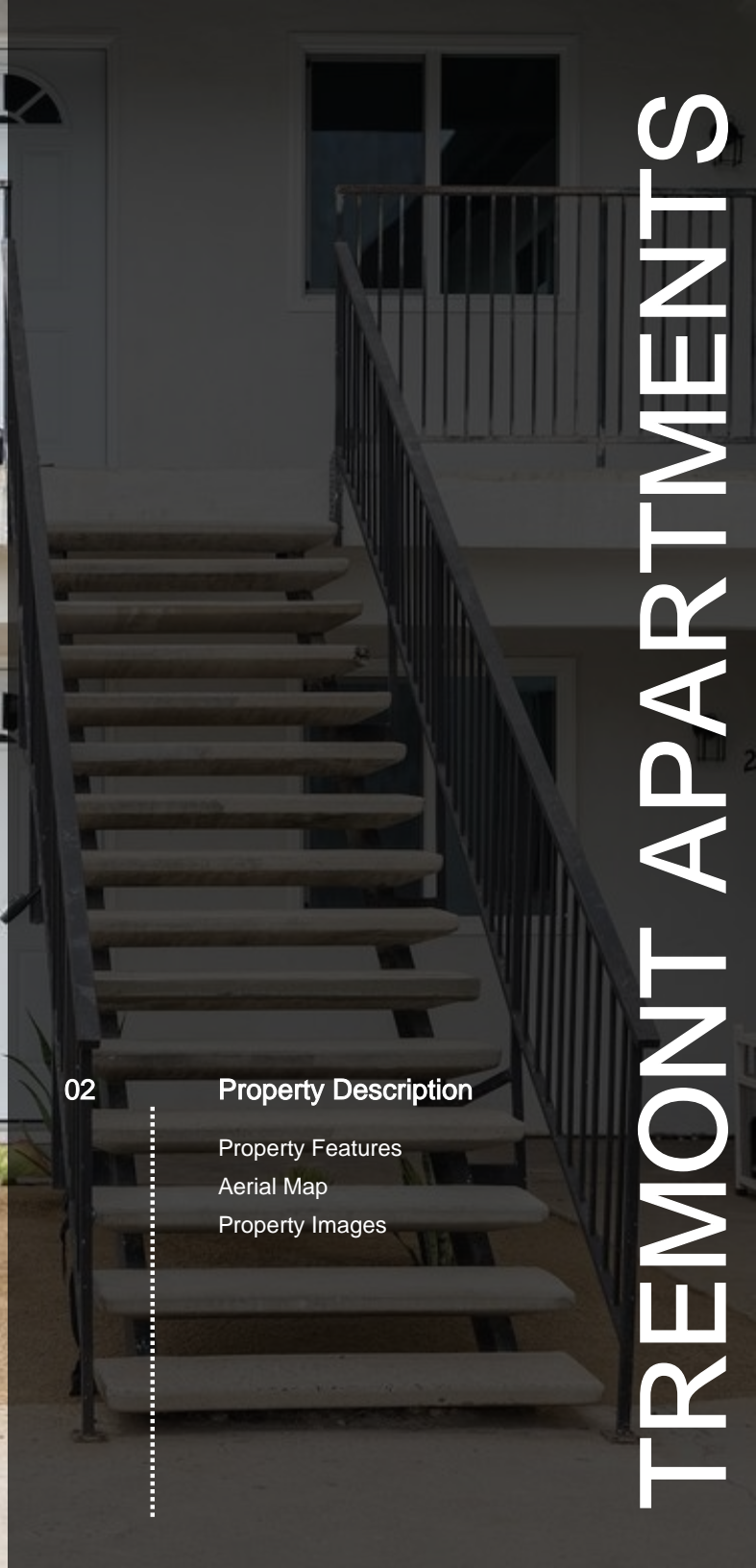
OFFERING PRICE	\$2,395,000
PRICE PSF	\$469.61
PRICE PER UNIT	\$399,167
OCCUPANCY	97.00 %
NOI (CURRENT)	\$107,127
NOI (Pro Forma)	\$123,043
CAP RATE (CURRENT)	4.47 %
CAP RATE (Pro Forma)	5.14 %
GRM (CURRENT)	14.38
GRM (Pro Forma)	13.91

PROPOSED FINANCING

LOAN TYPE	Amortized
DOWN PAYMENT	\$958,000
LOAN AMOUNT	\$1,437,000
INTEREST RATE	5.00 %
ANNUAL DEBT SERVICE	\$92,566
LOAN TO VALUE	60 %
AMORTIZATION PERIOD	30 Years



- 317 Tremont Street is a newly renovated six unit apartment complex in the booming rental market of Chula Vista! The property consists of six 2 bedroom/1 baths all completely renovated with rents average from \$2,195-\$2,350! The renovation features new flooring, appliances, cabinets, fresh paint, and massive curb appeal! There are parking spots and laundry on-site for tenant use.



02

Property Description

Property Features

Aerial Map

Property Images

TREMONT APARTMENTS

PROPERTY FEATURES

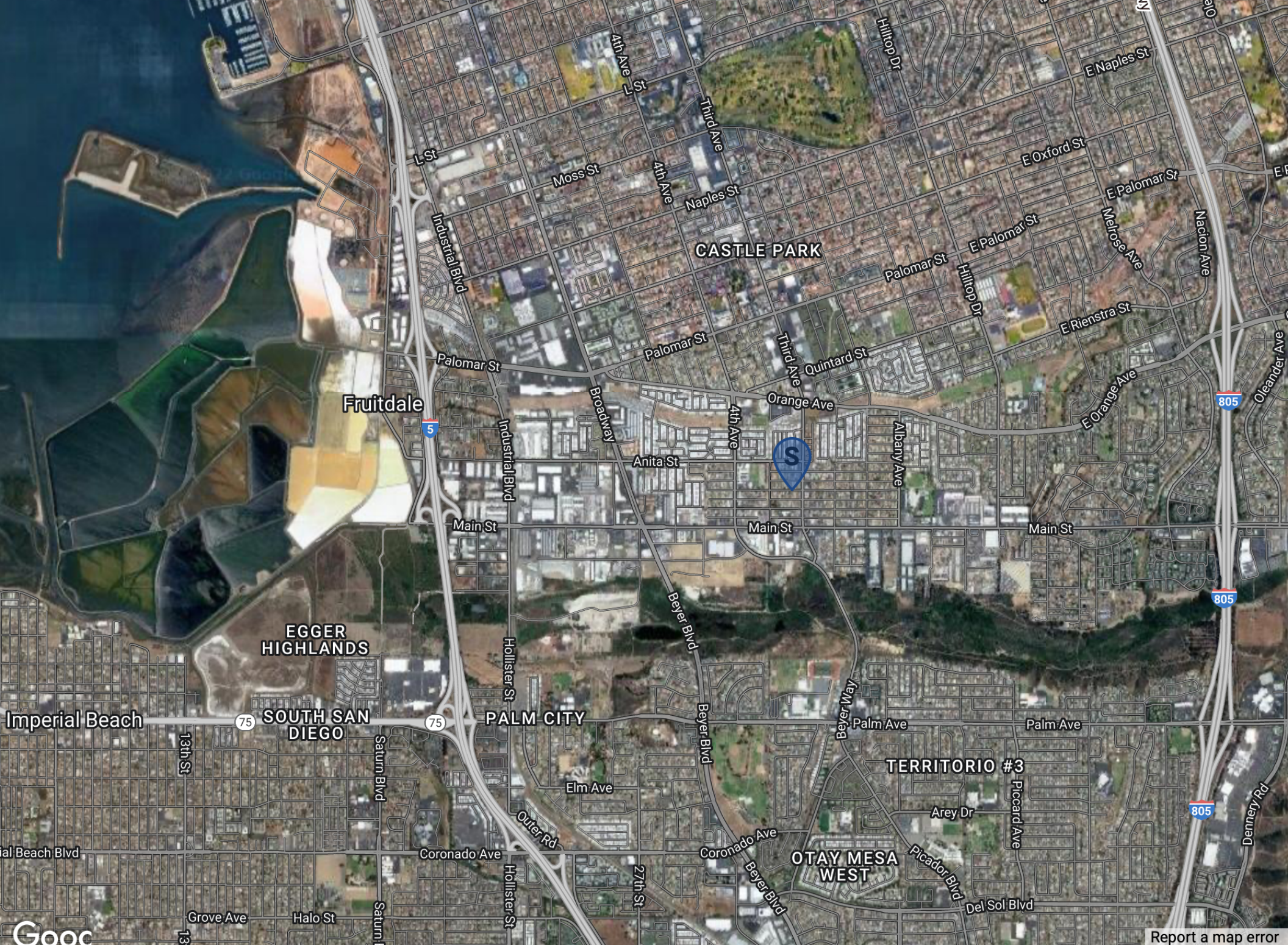
NUMBER OF UNITS	6
BUILDING SF	5,100
LAND SF	7,501
LAND ACRES	.24
YEAR BUILT	1970
YEAR RENOVATED	2022
# OF PARCELS	1
ZONING TYPE	R-3:Restricted Multiple
BUILDING CLASS	B
TOPOGRAPHY	Flat
LOCATION CLASS	B
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	1
LOT DIMENSION	10,447

UTILITIES

WATER	Owner
TRASH	Owner
GAS	Tenant
ELECTRIC	Tenant

CONSTRUCTION

FOUNDATION	Flat
FRAMING	Wood
EXTERIOR	Stucco
PARKING SURFACE	Asphalt
ROOF	Composition



CASTLE PARK

Fruitdale

EGGER HIGHLANDS

SOUTH SAN DIEGO

PALM CITY

TERRITORIO #3

OTAY MESA WEST



805

805

805

75

75



Unit Entrance



Unit Hallway/Kitchen



Unit Living Space



Unit Kitchen



Unit Kitchen



Unit Kitchen



Unit Kitchen



Unit Kitchen



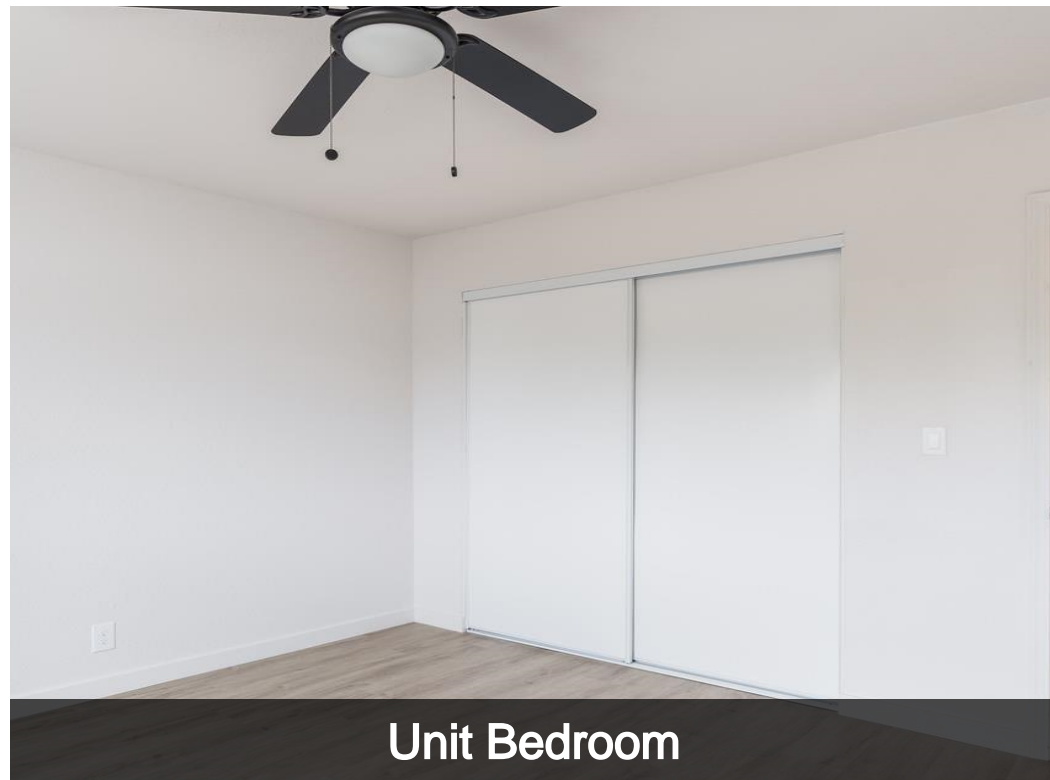
Unit Bathroom



Unit Bathroom



Unit Bedrooms



Unit Bedroom



03

Rent Roll

Rent Roll

TREMONT APARTMENTS

Unit	Unit Mix	Current Rent	Market Rent
1	2 bd + 1 ba	\$2,350	\$2,350
2	2 bd + 1 ba	\$2,195	\$2,195
3	2 bd + 1 ba	\$2,195	\$2,195
4	2 bd + 1 ba	\$2,295	\$2,295
5	2 bd + 1 ba	\$2,295	\$2,295
6	2 bd + 1 ba	\$2,295	\$2,295
Totals/Averages		\$13,625	\$13,625



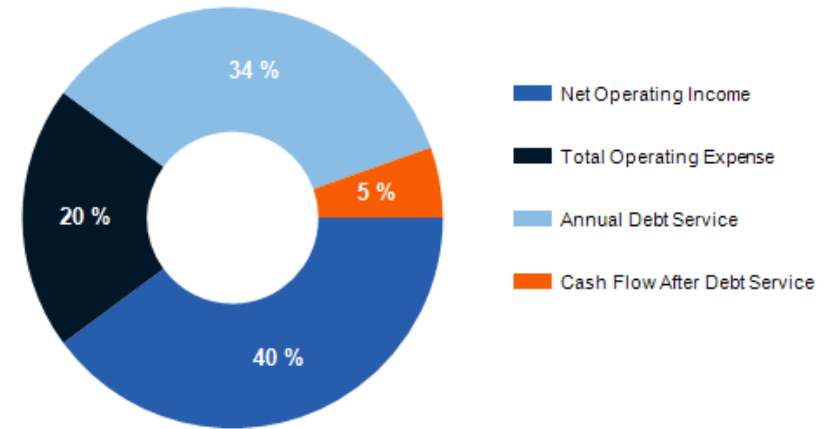
04

Financial Analysis

- Income & Expense Analysis
- Multi-Year Cash Flow Assumptions
- Cash Flow Analysis
- Financial Metrics
- Disposition Sensitivity Analysis

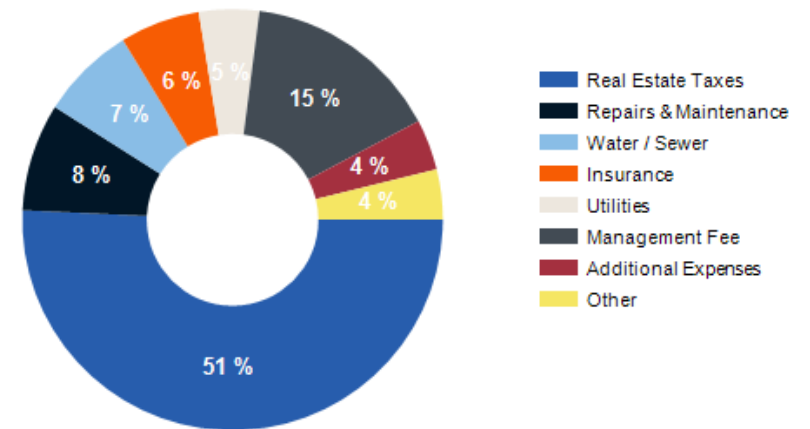
INCOME	CURRENT		PRO FORMA	
Gross Potential Rent	\$165,300	99.3 %	\$171,000	99.3 %
Laundry	\$1,200	0.7 %	\$1,200	0.7 %
Gross Potential Income	\$166,500		\$172,200	
General Vacancy	-\$4,959	3.0 %	-\$5,130	3.0 %
Effective Gross Income	\$161,541		\$167,070	
Less Expenses	\$54,414	33.68 %	\$44,027	26.35 %
Net Operating Income	\$107,127		\$123,043	
Annual Debt Service	\$92,566		\$92,566	
Cash flow	\$14,561		\$30,477	
Debt Coverage Ratio	1.16		1.33	

REVENUE ALLOCATION CURRENT



EXPENSES	CURRENT	Per Unit	PRO FORMA	Per Unit
Real Estate Taxes	\$27,600	\$4,600	\$27,600	\$4,600
Insurance	\$3,347	\$558	\$3,347	\$558
Management Fee	\$8,265	\$1,378		
Repairs & Maintenance	\$4,500	\$750	\$4,500	\$750
Water / Sewer	\$3,960	\$660	\$3,960	\$660
Landscaping	\$1,200	\$200	\$1,200	\$200
Utilities	\$2,520	\$420	\$2,520	\$420
Pest	\$900	\$150	\$900	\$150
Additional Expenses	\$2,122	\$354		
Total Operating Expense	\$54,414	\$9,069	\$44,027	\$7,338
Annual Debt Service	\$92,566		\$92,566	
Expense / SF	\$10.67		\$8.63	
% of EGI	33.68 %		26.35 %	

DISTRIBUTION OF EXPENSES CURRENT



GLOBAL

Offering Price	\$2,395,000
Analysis Period	10 year(s)
Consumer Price Index	4.00 %
Millage Rate (not a growth rate)	5.00000 %
Exit Cap Rate	4.00 %

INCOME - Growth Rates

Gross Potential Rent	5.00 %
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EXPENSES - Growth Rates

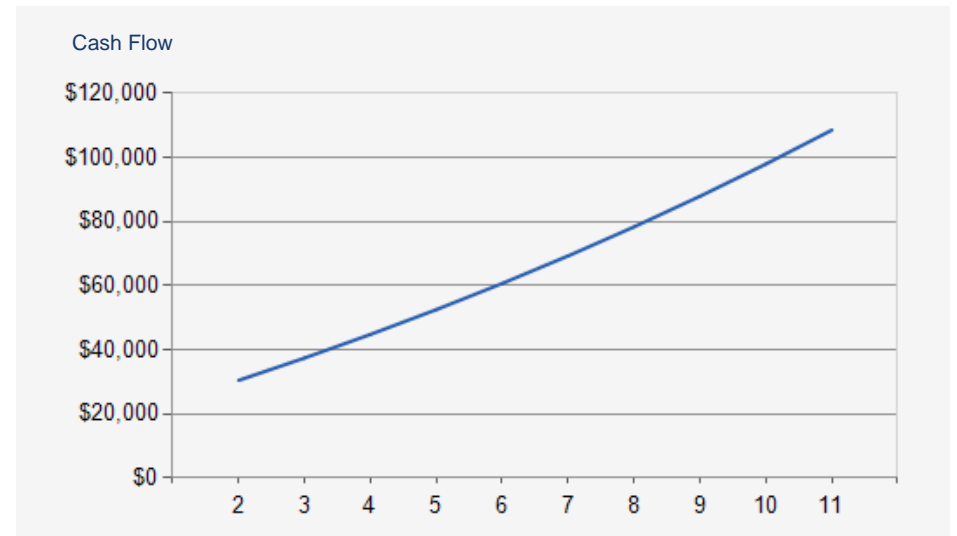
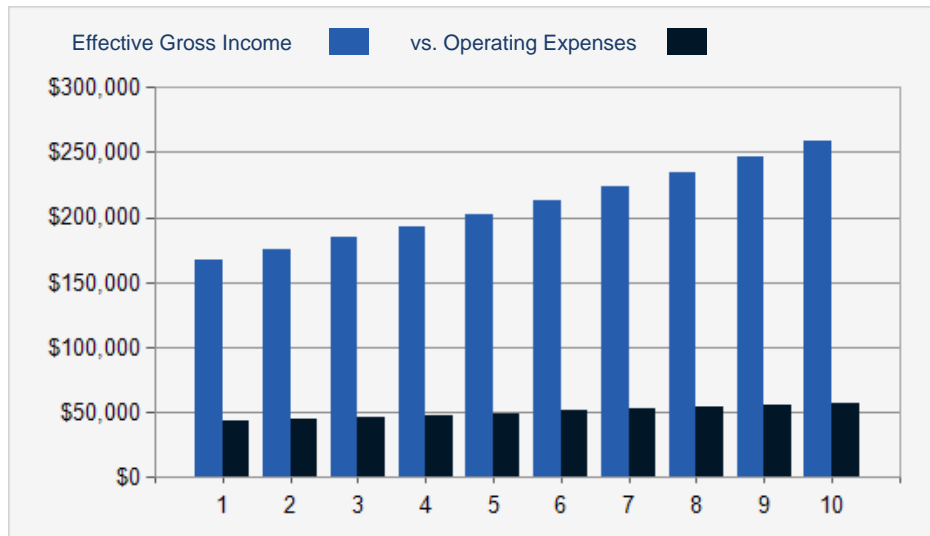
Real Estate Taxes	3.00 %
Insurance	3.00 %
Management Fee	3.00 %
Repairs & Maintenance	3.00 %
Water / Sewer	3.00 %
Landscaping	3.00 %
Utilities	3.00 %
Pest	3.00 %
Trash	3.00 %

PROPOSED FINANCING

Loan Type	Amortized
Down Payment	\$958,000
Loan Amount	\$1,437,000
Interest Rate	5.00 %
Annual Debt Service	\$92,566
Loan to Value	60 %
Amortization Period	30 Years

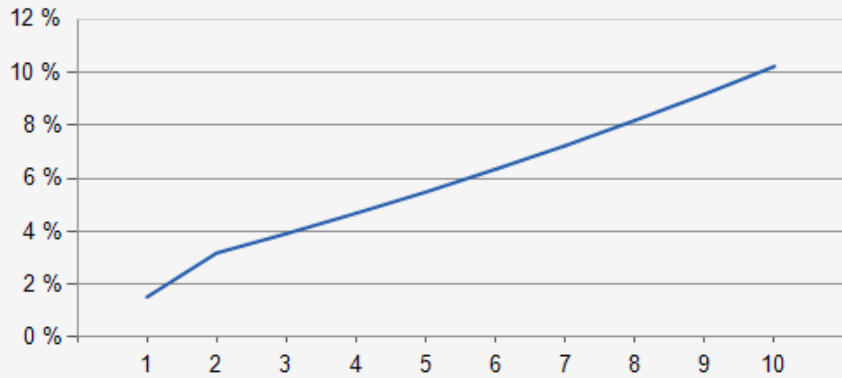


Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Gross Potential Revenue											
Gross Rental Income	\$165,300	\$171,000	\$179,550	\$188,528	\$197,954	\$207,852	\$218,244	\$229,156	\$240,614	\$252,645	\$265,277
Laundry	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Gross Potential Income	\$166,500	\$172,200	\$180,750	\$189,728	\$199,154	\$209,052	\$219,444	\$230,356	\$241,814	\$253,845	\$266,477
General Vacancy	-\$4,959	-\$5,130	-\$5,387	-\$5,656	-\$5,939	-\$6,236	-\$6,547	-\$6,875	-\$7,218	-\$7,579	-\$7,958
Effective Gross Income	\$161,541	\$167,070	\$175,364	\$184,072	\$193,215	\$202,816	\$212,897	\$223,482	\$234,596	\$246,266	\$258,519
Operating Expenses											
Real Estate Taxes	\$27,600	\$27,600	\$28,428	\$29,281	\$30,159	\$31,064	\$31,996	\$32,956	\$33,945	\$34,963	\$36,012
Insurance	\$3,347	\$3,347	\$3,447	\$3,551	\$3,657	\$3,767	\$3,880	\$3,996	\$4,116	\$4,240	\$4,367
Management Fee	\$8,265	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repairs & Maintenance	\$4,500	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065	\$5,217	\$5,373	\$5,534	\$5,700	\$5,871
Water / Sewer	\$3,960	\$3,960	\$4,079	\$4,201	\$4,327	\$4,457	\$4,591	\$4,728	\$4,870	\$5,016	\$5,167
Landscaping	\$1,200	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351	\$1,391	\$1,433	\$1,476	\$1,520	\$1,566
Utilities	\$2,520	\$2,520	\$2,596	\$2,673	\$2,754	\$2,836	\$2,921	\$3,009	\$3,099	\$3,192	\$3,288
Pest	\$900	\$900	\$927	\$955	\$983	\$1,013	\$1,043	\$1,075	\$1,107	\$1,140	\$1,174
Trash	\$2,122	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expense	\$54,414	\$44,027	\$45,348	\$46,708	\$48,109	\$49,553	\$51,039	\$52,571	\$54,148	\$55,772	\$57,445
Net Operating Income	\$107,127	\$123,043	\$130,016	\$137,363	\$145,106	\$153,263	\$161,857	\$170,911	\$180,448	\$190,493	\$201,074
Annual Debt Service	\$92,566	\$92,566	\$92,566	\$92,566	\$92,566	\$92,566	\$92,566	\$92,566	\$92,566	\$92,566	\$92,566
Cash Flow	\$14,561	\$30,477	\$37,449	\$44,797	\$52,539	\$60,697	\$69,291	\$78,345	\$87,882	\$97,927	\$108,507

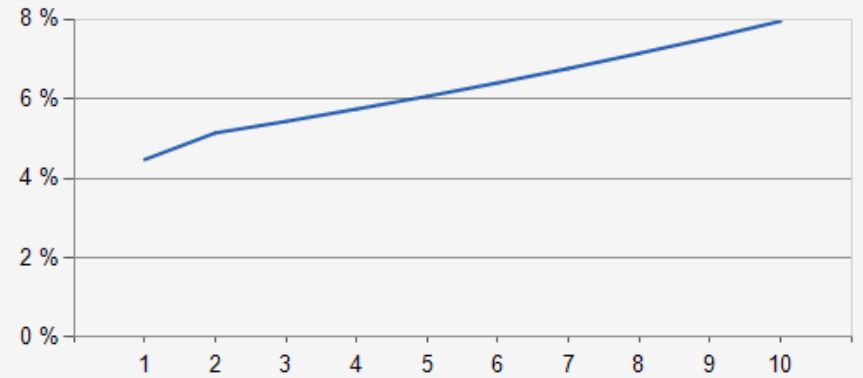


Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Cash on Cash Return b/t	1.52 %	3.18 %	3.91 %	4.68 %	5.48 %	6.34 %	7.23 %	8.18 %	9.17 %	10.22 %	11.33 %
CAP Rate	4.47 %	5.14 %	5.43 %	5.74 %	6.06 %	6.40 %	6.76 %	7.14 %	7.53 %	7.95 %	8.40 %
Debt Coverage Ratio	1.16	1.33	1.40	1.48	1.57	1.66	1.75	1.85	1.95	2.06	2.17
Operating Expense Ratio	33.68 %	26.35 %	25.85 %	25.37 %	24.89 %	24.43 %	23.97 %	23.52 %	23.08 %	22.64 %	22.22 %
Gross Multiplier (GRM)	14.38	13.91	13.25	12.62	12.03	11.46	10.91	10.40	9.90	9.43	8.99
Loan to Value	59.96 %	59.15 %	58.21 %	57.27 %	56.22 %	55.13 %	54.01 %	52.84 %	51.53 %	50.22 %	48.89 %
Breakeven Ratio	88.28 %	79.32 %	76.30 %	73.41 %	70.64 %	67.98 %	65.44 %	63.01 %	60.67 %	58.44 %	56.29 %
Price / SF	\$469.61	\$469.61	\$469.61	\$469.61	\$469.61	\$469.61	\$469.61	\$469.61	\$469.61	\$469.61	\$469.61
Price / Unit	\$399,167	\$399,167	\$399,167	\$399,167	\$399,167	\$399,167	\$399,167	\$399,167	\$399,167	\$399,167	\$399,167
Income / SF	\$31.67	\$32.75	\$34.38	\$36.09	\$37.88	\$39.76	\$41.74	\$43.81	\$45.99	\$48.28	\$50.68
Expense / SF	\$10.66	\$8.63	\$8.89	\$9.15	\$9.43	\$9.71	\$10.00	\$10.30	\$10.61	\$10.93	\$11.26

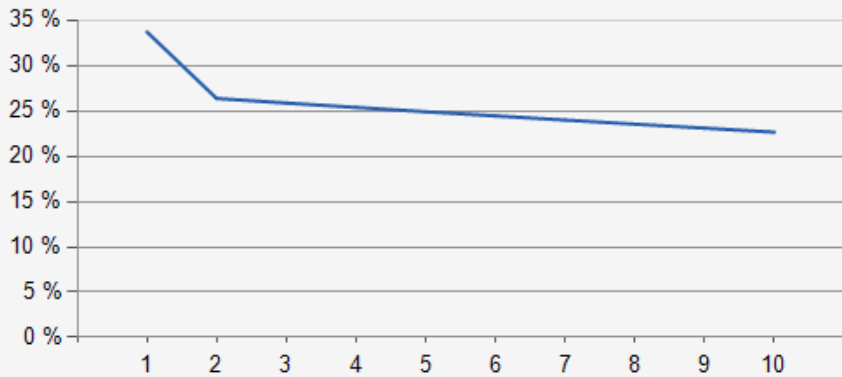
Cash on Cash



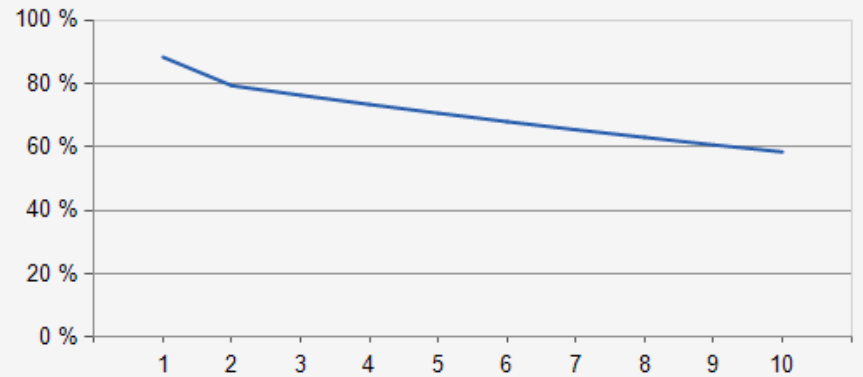
Cap Rate



Operating Expense Ratio



Breakeven Ratio

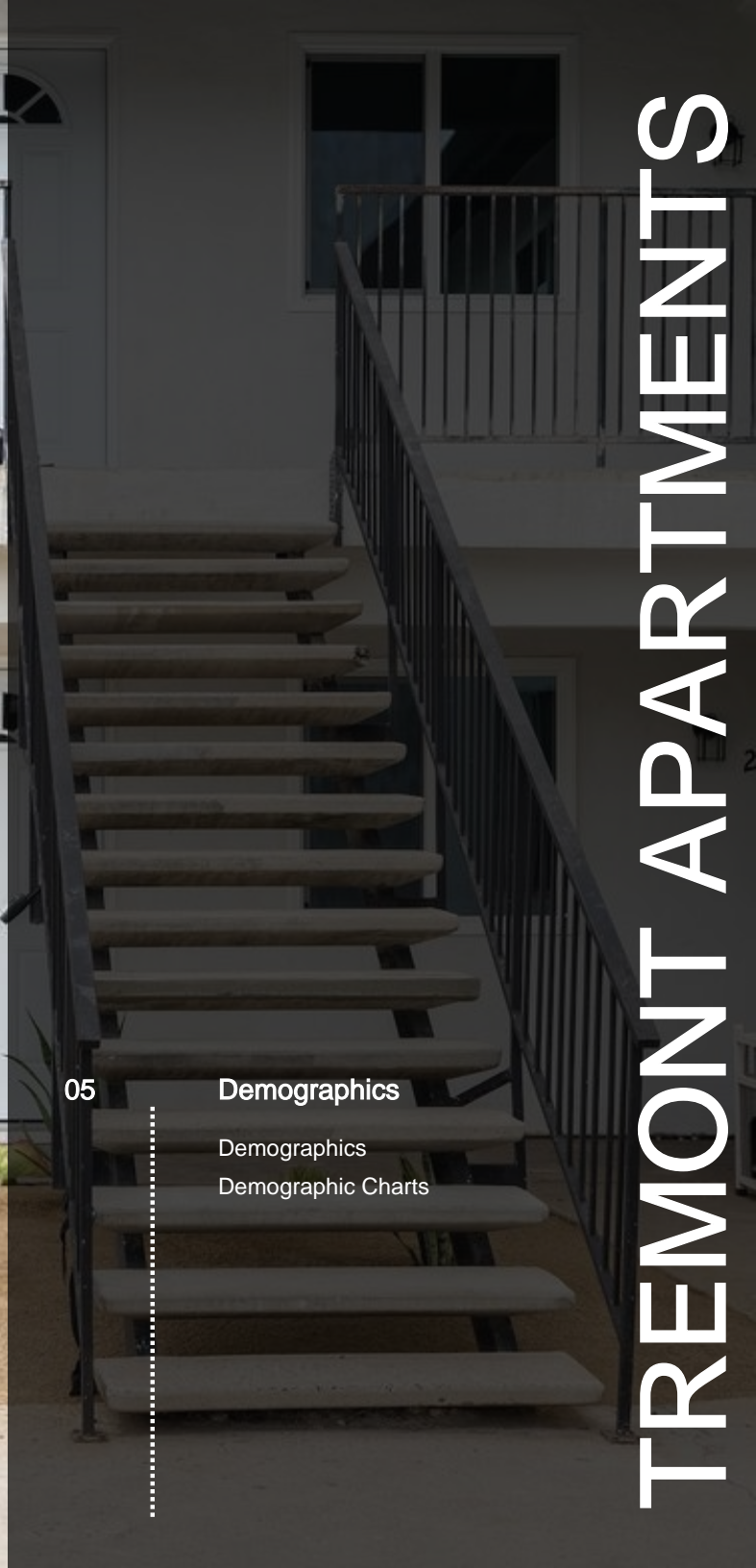


5 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE/UNIT	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	IRR
3.00%	\$5,108,775	\$851,462	\$1,002	\$3,790,927	27.94%
3.25%	\$4,715,792	\$785,965	\$925	\$3,397,944	25.77%
3.50%	\$4,378,950	\$729,825	\$859	\$3,061,102	23.75%
3.75%	\$4,087,020	\$681,170	\$801	\$2,769,172	21.84%
4.00%	\$3,831,581	\$638,597	\$751	\$2,513,733	20.04%
4.25%	\$3,606,194	\$601,032	\$707	\$2,288,346	18.33%
4.50%	\$3,405,850	\$567,642	\$668	\$2,088,002	16.69%
4.75%	\$3,226,595	\$537,766	\$633	\$1,908,746	15.12%
5.00%	\$3,065,265	\$510,877	\$601	\$1,747,417	13.60%

10 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE/UNIT	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	IRR
3.00%	\$6,702,452	\$1,117,075	\$1,314	\$5,476,314	19.77%
3.25%	\$6,186,879	\$1,031,146	\$1,213	\$4,960,741	18.84%
3.50%	\$5,744,959	\$957,493	\$1,126	\$4,518,821	17.97%
3.75%	\$5,361,962	\$893,660	\$1,051	\$4,135,824	17.17%
4.00%	\$5,026,839	\$837,807	\$986	\$3,800,701	16.41%
4.25%	\$4,731,143	\$788,524	\$928	\$3,505,005	15.69%
4.50%	\$4,468,301	\$744,717	\$876	\$3,242,163	15.02%
4.75%	\$4,233,128	\$705,521	\$830	\$3,006,990	14.37%
5.00%	\$4,021,471	\$670,245	\$789	\$2,795,333	13.76%



05

Demographics

Demographics

Demographic Charts

TREMONT APARTMENTS

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	25,449	186,530	0
2010 Population	27,317	204,182	0
2022 Population	28,742	212,810	70,504
2027 Population	29,003	212,542	0
2022 African American	784	7,498	0
2022 American Indian	461	3,611	0
2022 Asian	1,513	18,177	0
2022 Hispanic	23,827	157,754	0
2022 Other Race	11,711	76,254	0
2022 White	5,655	48,650	0
2022 Multiracial	8,535	57,569	0
2022-2027: Population: Growth Rate	0.90 %	-0.15 %	0.00 %

2022 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	951	5,037	0
\$15,000-\$24,999	831	4,204	0
\$25,000-\$34,999	1,075	5,067	0
\$35,000-\$49,999	1,454	7,628	0
\$50,000-\$74,999	1,573	11,641	0
\$75,000-\$99,999	1,208	10,219	0
\$100,000-\$149,999	1,349	11,266	0
\$150,000-\$199,999	359	4,836	0
\$200,000 or greater	190	3,058	0
Median HH Income	\$52,025	\$68,969	\$0
Average HH Income	\$70,215	\$88,491	\$0

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	8,682	57,374	0
2010 Total Households	8,606	59,523	0
2022 Total Households	8,991	62,955	24,274
2027 Total Households	9,071	62,876	0
2022 Average Household Size	3.19	3.36	2.90
2000 Owner Occupied Housing	3,699	29,416	0
2000 Renter Occupied Housing	4,756	26,527	0
2022 Owner Occupied Housing	3,841	32,601	0
2022 Renter Occupied Housing	5,151	30,354	0
2022 Vacant Housing	234	1,937	0
2022 Total Housing	9,225	64,892	0
2027 Owner Occupied Housing	3,937	32,788	0
2027 Renter Occupied Housing	5,134	30,089	0
2027 Vacant Housing	266	2,546	0
2027 Total Housing	9,337	65,422	0
2022-2027: Households: Growth Rate	0.90 %	-0.15 %	0.00 %



Source: esri

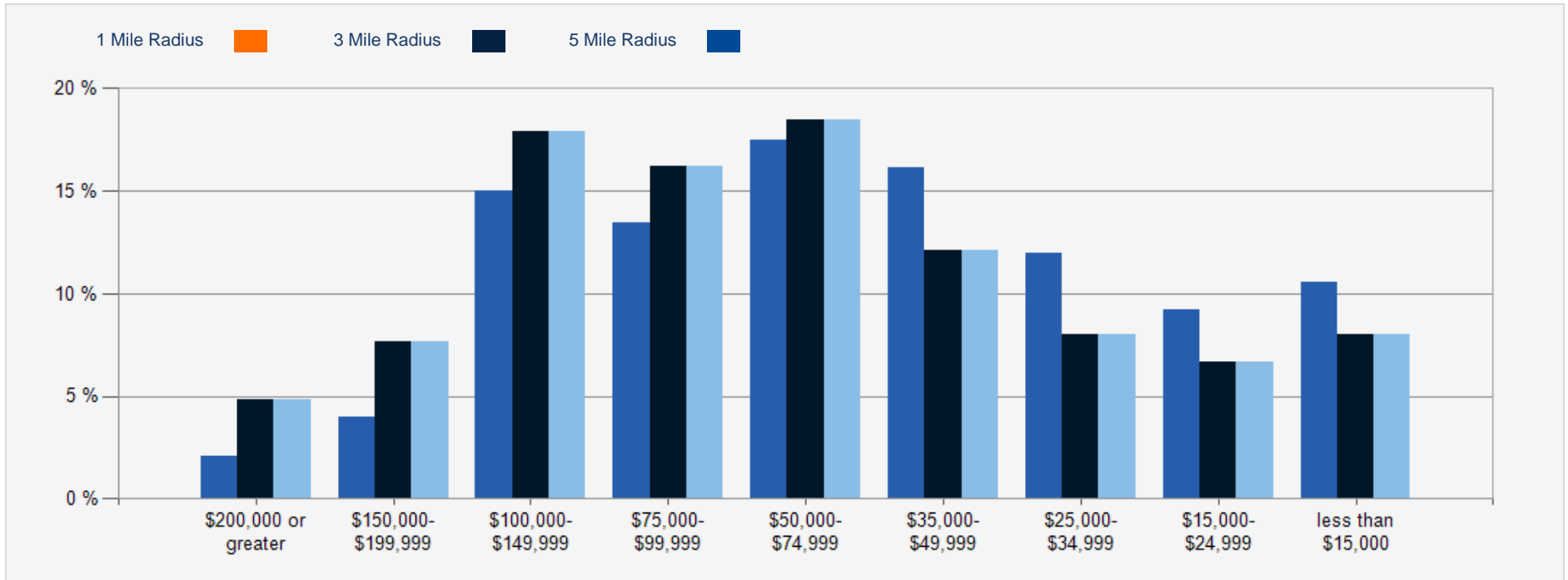
2022 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2022 Population Age 30-34	2,200	17,652	0
2022 Population Age 35-39	1,920	14,402	0
2022 Population Age 40-44	1,694	12,599	0
2022 Population Age 45-49	1,552	12,116	0
2022 Population Age 50-54	1,633	12,209	0
2022 Population Age 55-59	1,630	11,766	0
2022 Population Age 60-64	1,614	11,280	0
2022 Population Age 65-69	1,308	9,291	0
2022 Population Age 70-74	1,112	7,370	0
2022 Population Age 75-79	806	5,532	0
2022 Population Age 80-84	592	3,652	0
2022 Population Age 85+	560	3,358	0
2022 Population Age 18+	21,787	161,536	0
2022 Median Age	35	34	0

2022 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$59,282	\$75,184	\$0
Average Household Income 25-34	\$75,142	\$89,563	\$0
Median Household Income 35-44	\$59,254	\$80,114	\$0
Average Household Income 35-44	\$78,750	\$101,471	\$0
Median Household Income 45-54	\$61,731	\$79,727	\$0
Average Household Income 45-54	\$78,448	\$101,221	\$0
Median Household Income 55-64	\$54,476	\$74,087	\$0
Average Household Income 55-64	\$70,352	\$91,561	\$0
Median Household Income 65-74	\$42,436	\$56,209	\$0
Average Household Income 65-74	\$64,863	\$78,504	\$0
Average Household Income 75+	\$52,490	\$59,184	\$0

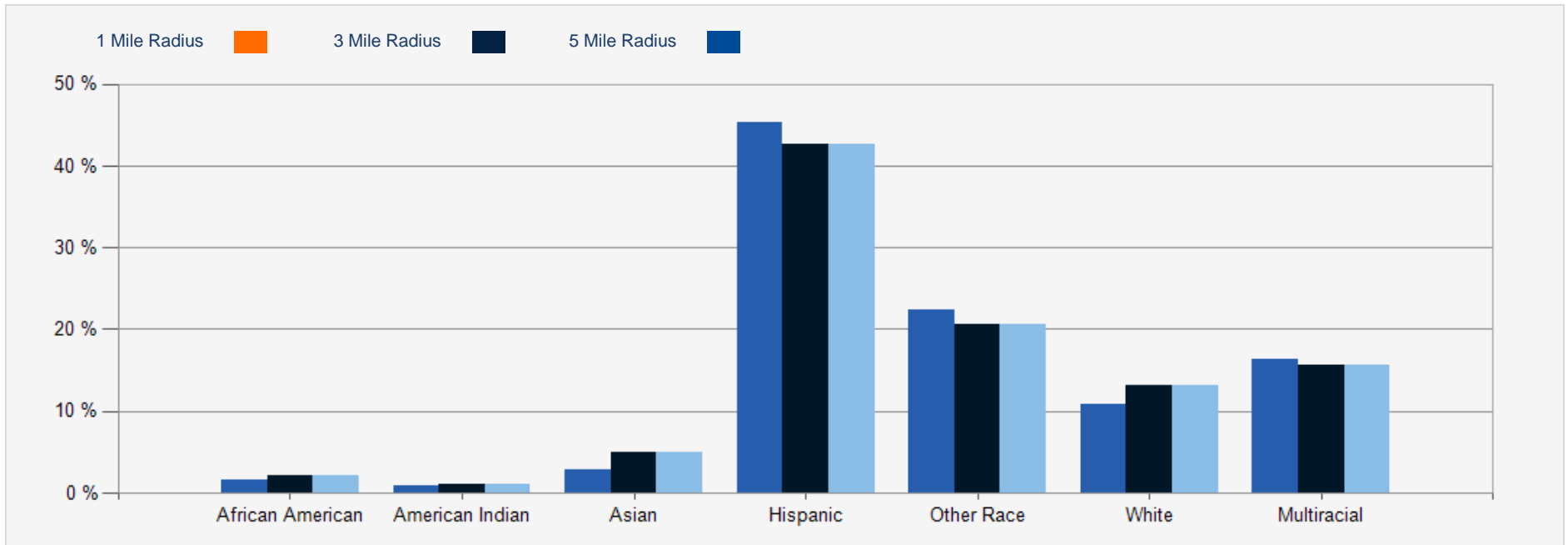
2027 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2027 Population Age 30-34	2,283	17,781	0
2027 Population Age 35-39	2,052	17,507	0
2027 Population Age 40-44	1,870	14,143	0
2027 Population Age 45-49	1,686	12,180	0
2027 Population Age 50-54	1,574	11,348	0
2027 Population Age 55-59	1,625	11,269	0
2027 Population Age 60-64	1,614	10,631	0
2027 Population Age 65-69	1,530	9,932	0
2027 Population Age 70-74	1,235	8,187	0
2027 Population Age 75-79	943	6,111	0
2027 Population Age 80-84	683	4,232	0
2027 Population Age 85+	622	3,687	0
2027 Population Age 18+	22,223	162,492	0
2027 Median Age	37	36	0

2027 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$74,237	\$83,625	\$0
Average Household Income 25-34	\$89,318	\$106,004	\$0
Median Household Income 35-44	\$75,324	\$92,984	\$0
Average Household Income 35-44	\$96,485	\$122,564	\$0
Median Household Income 45-54	\$74,395	\$90,512	\$0
Average Household Income 45-54	\$94,515	\$120,346	\$0
Median Household Income 55-64	\$66,205	\$85,237	\$0
Average Household Income 55-64	\$86,395	\$109,954	\$0
Median Household Income 65-74	\$53,756	\$72,652	\$0
Average Household Income 65-74	\$82,811	\$96,802	\$0
Average Household Income 75+	\$66,338	\$75,835	\$0

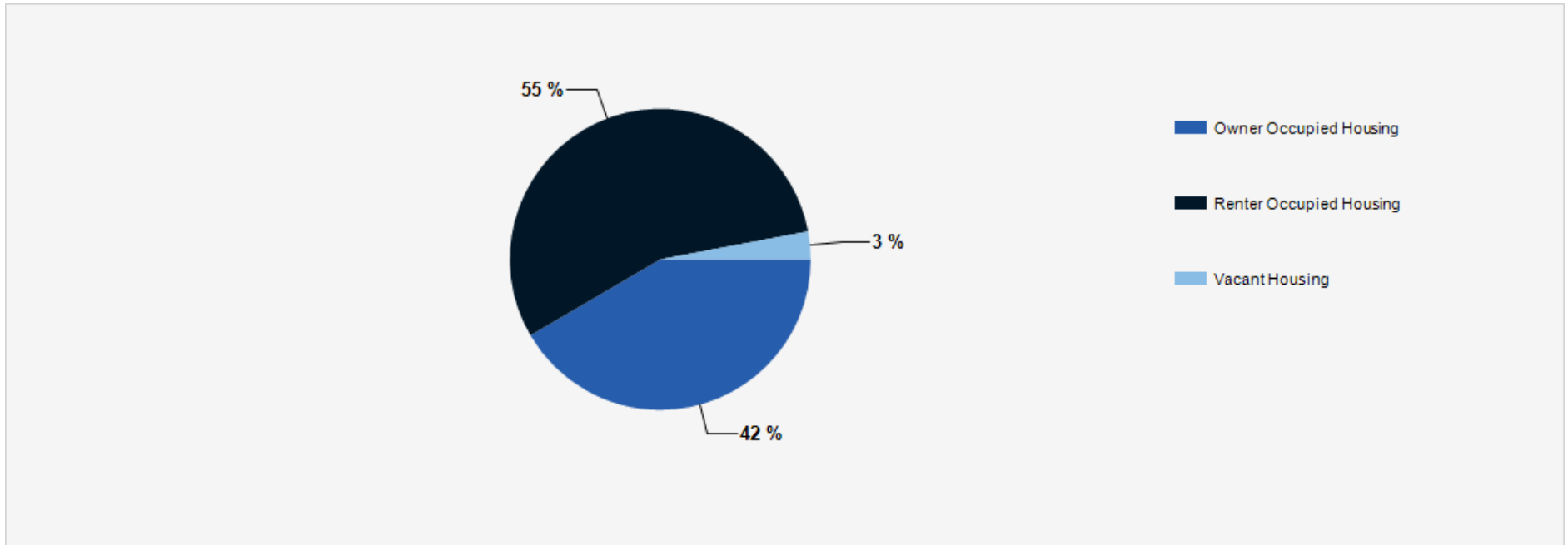
2022 Household Income



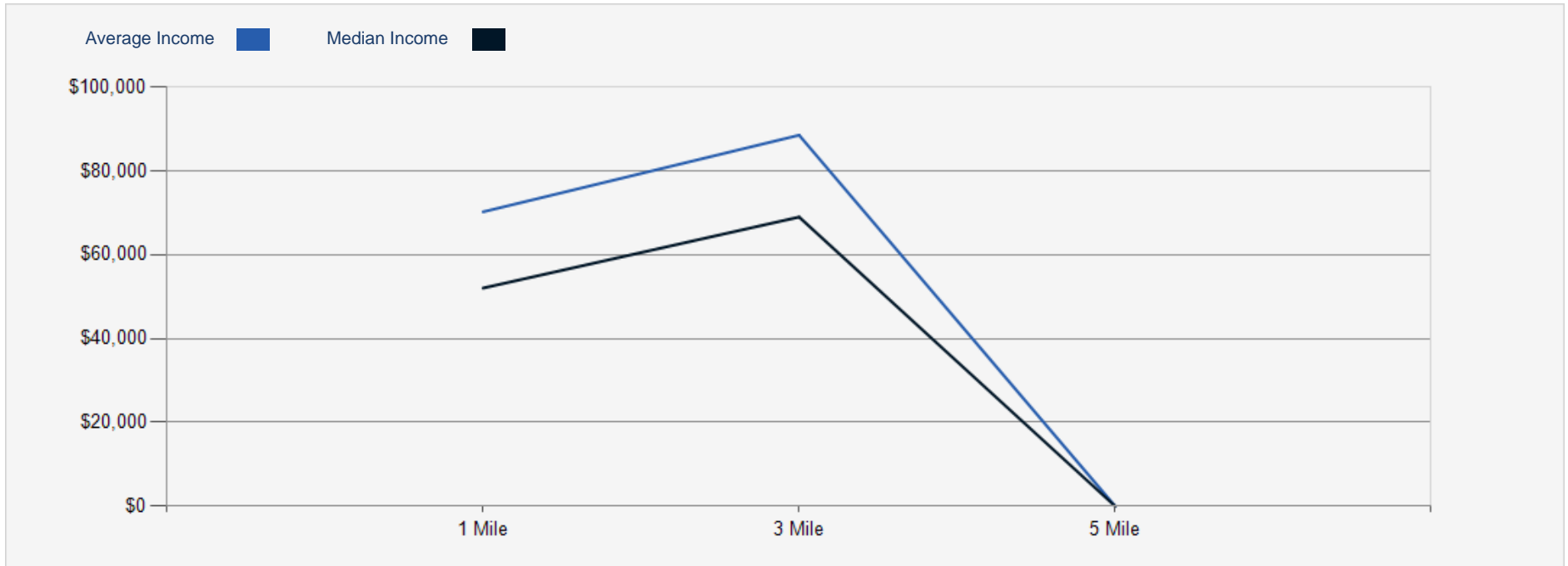
2022 Population by Race



2022 Household Occupancy - 1 Mile Radius



2022 Household Income Average and Median





06

Company Profile

Advisor Profile



Jason Lee
President/Principal

Jason Lee is a highly recognized real estate broker in the multifamily real estate industry. He has worked with several eight to ten figure real estate investors in San Diego County, helping them acquire, dispose, and 1031 exchange in order to improve their portfolio.

In the last couple of years, Jason has represented over 120 investors and sold over \$225,000,000 worth of real estate in San Diego County.

In 2021, Jason Lee sold more apartment buildings (48) in San Diego than any other commercial real estate broker in San Diego County.

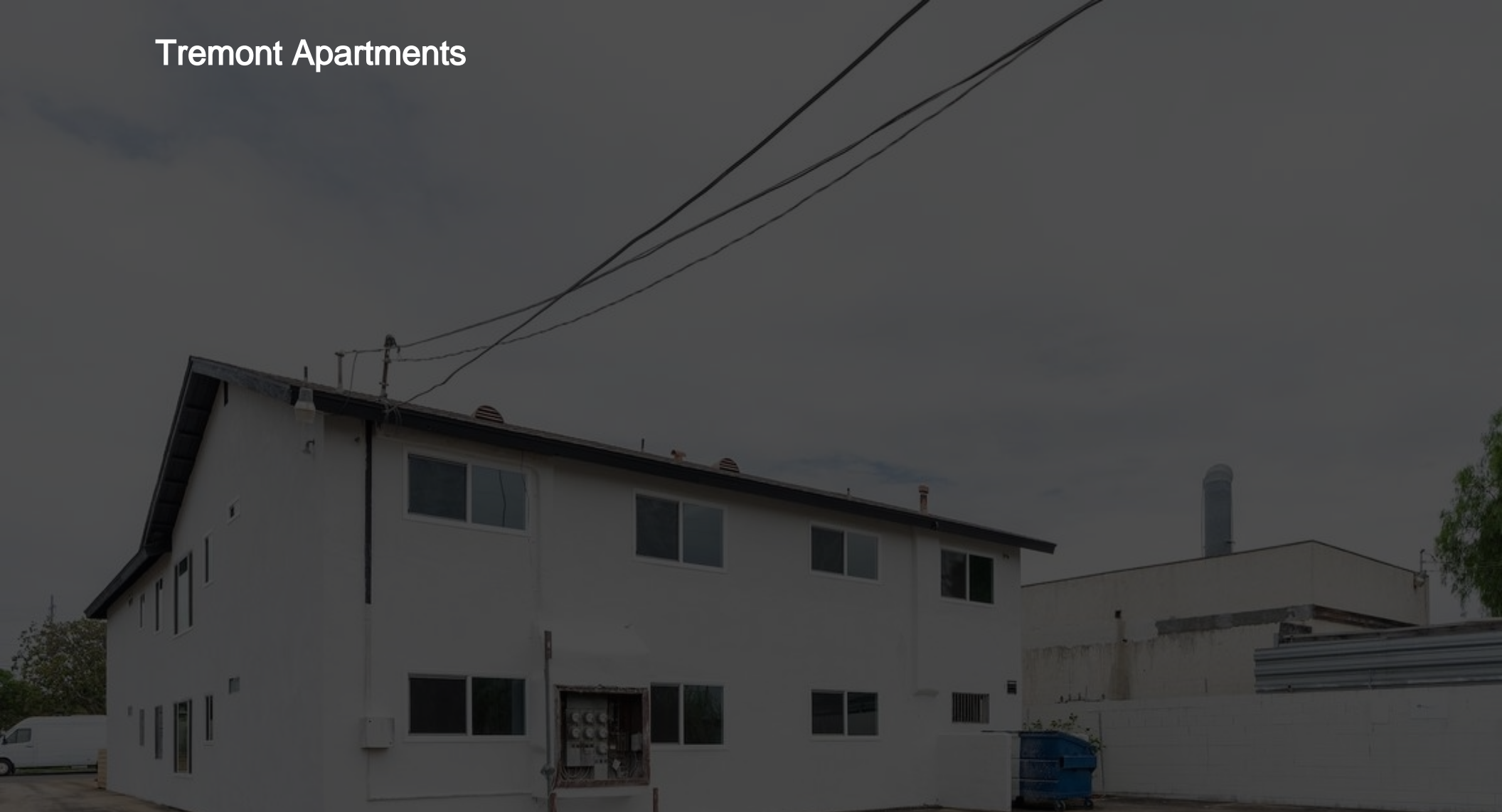
He is well respected by his investors and he is currently one of the top producing commercial real estate agents in San Diego County.

His transactions & insights have been shared in the San Diego Business Journal and Costar. He also currently owns 80 apartment units himself, so he can offer advice from a broker standpoint and from an investor point of view.

Jason is the president & managing broker at JLM Real Estate Inc. and has a team of 7 agents and assistants ready to help you maximize your wealth in real estate and sell for the highest price possible in any given market.

Jason's drive and hard work comes from the love of helping his family, friends, and clients. He always puts his clients before anything else, because he is grateful and humbled whenever he is selected to help a client buy or sell a property. JLM Real Estate will work tirelessly for our clients until they achieve their goals.

Tremont Apartments



Exclusively Marketed by:

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President/Principal

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JLM Real Estate

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