

# 3947-59 THIRD AVENUE

SAN DIEGO, CA 92103 | HILLCREST | 12 UNITS



Marcus & Millichap  
OFFERING MEMORANDUM

## CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property, and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

## NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

**ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR  
MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, express or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2025 Marcus & Millichap. All rights reserved.

Marcus & Millichap

EXCLUSIVELY LISTED BY

**BEN SIERPINA**

SENIOR DIRECTOR INVESTMENTS

(858) 373-3215 DIRECT | (858) 775-9825 MOBILE

BSIERPINA@MARCUSMILLICHAP.COM

LICENSE: CA 02062416

**RAYMOND CHOI**

SENIOR MANAGING DIRECTOR INVESTMENTS

(858) 735-6632 MOBILE

RCHOI@MARCUSMILLICHAP.COM

LICENSE: CA 01297138

Marcus & Millichap

**SAN DIEGO DOWNTOWN**

655 WEST BROADWAY | SUITE 660

SAN DIEGO CA 92101

Offices Throughout the U.S. and Canada | [marcusmillichap.com](http://marcusmillichap.com)

**3947-59 THIRD AVE**

SAN DIEGO, CA 92103 | 12 UNITS

**04** Executive Overview

**08** Property Photos

**11** Financial Analysis

**14** Sales Comparables

# 3947-59 THIRD AVE

SAN DIEGO, CA 92103

## INVESTMENT OVERVIEW

---

3947–59 3rd Avenue is a 12-unit multifamily investment opportunity located in the highly desirable Hillcrest neighborhood of San Diego, California. Originally constructed in 1950, the property offers classic architectural character in one of the city's most walkable and supply-constrained rental submarkets.

The 6,484 sqft property consists of (12) one-bedroom / one-bathroom units, catering to a broad tenant base and providing a straightforward, efficient layout attractive to renters. On a 10,497 sqft lot, it is located in Complete Communities Tier 2 with an 8.0 FAR.

Situated one parcel south of Washington St and along the prominent 3rd Avenue corridor, the asset benefits from immediate proximity to Hillcrest's vibrant retail, dining, and entertainment amenities, while offering convenient access to Downtown San Diego and major employment centers.

3947–59 3rd Avenue presents investors with the opportunity to capitalize on strong in-place rental demand with additional upside through renovations and potential high density development.





## **PROPERTY HIGHLIGHTS**

- 10,497 Sqft Lot - Complete Communities Tier 2: 8.0 FAR
- Seller May Carry 1st Trust Deed
- One parcel south of Washington St in Prime Hillcrest – Along 3rd Avenue
- Highly Walkable to Retail, Dining & Entertainment
- Located in One of San Diego's Most Desirable Rental Submarkets
- Consists of (12) 1 Bed / 1 Bath Units
- Classic 1950 Construction with Architectural Character
- Strong Rental Demand and High Occupancy Submarket
- Supply-Constrained Location with High Barriers to Entry
- Convenient Access to Public Transit and Major Freeways

# PROPERTY DESCRIPTION

---

## PROPERTY

Property Address	3947-59 3rd Ave, San Diego, CA 92103
Parcel ID	444-662-05-00
Zoning	CC-3-8
Number of Units	12
Number of Buildings	3
Number of Stories	2
Year Built	1950
Parking	(4) Spaces
Building Area	6,484 SF
Lot Size	0.23 Acres / 10,497 SF

## UTILITIES

UTILITY TYPE	PAID BY
Water	Owner Pays
SDGE	Tenant Pays
Trash	Owner Pays

## CONSTRUCTION

Topography	Flat
Landscape	Desertscape
Foundation	Raised
Exterior	Stucco
Roof	Flat
Framing	Wood











# RENT ROLL SUMMARY

UNIT TYPE	# OF UNITS	AVG SQFT	RENTAL RANGE	CURRENT			POTENTIAL		
				AVG RENT	AVG RENT/SF	MONTHLY INCOME	AVG RENT	AVG RENT/SF	MONTHLY INCOME
1 Bdrm / 1 Bath	12	540	\$1,399 - \$1,895	\$1,679	\$3.11	\$20,151	\$2,250	\$4.17	\$27,000
<b>Totals / Weighted Avg</b>	<b>12</b>	<b>540</b>		<b>\$1,679</b>	<b>\$3.11</b>	<b>\$20,151</b>	<b>\$2,250</b>	<b>\$4.16</b>	<b>\$27,000</b>
<b>Gross Annualized Rents</b>				<b>\$241,812</b>			<b>\$324,000</b>		



# RENT ROLL DETAIL

UNIT	UNIT TYPE	SQUARE FEET	CURRENT		POTENTIAL	
			RENT/MONTH	RENT/SF/MONTH	RENT/MONTH	RENT/SF/MONTH
3497	1 Bdrm / 1 Bath	540	\$1,399	\$2.59	\$2,250	\$4.17
3497 ½	1 Bdrm / 1 Bath	540	\$1,650	\$3.06	\$2,250	\$4.17
3949	1 Bdrm / 1 Bath	540	\$1,515	\$2.81	\$2,250	\$4.17
3951	1 Bdrm / 1 Bath	540	\$1,713	\$3.17	\$2,250	\$4.17
3951 ½	1 Bdrm / 1 Bath	540	\$1,778	\$3.29	\$2,250	\$4.17
3953	1 Bdrm / 1 Bath	540	\$1,739	\$3.22	\$2,250	\$4.17
3953 ½	1 Bdrm / 1 Bath	540	\$1,895	\$3.51	\$2,250	\$4.17
3955	1 Bdrm / 1 Bath	540	\$1,766	\$3.27	\$2,250	\$4.17
3955 ½	1 Bdrm / 1 Bath	540	\$1,695	\$3.14	\$2,250	\$4.17
3957	1 Bdrm / 1 Bath	540	\$1,795	\$3.32	\$2,250	\$4.17
3957 ½	1 Bdrm / 1 Bath	540	\$1,650	\$3.06	\$2,250	\$4.17
3959	1 Bdrm / 1 Bath	540	\$1,556	\$2.88	\$2,250	\$4.17
Total			\$20,151	\$3.11	\$27,000	\$4.16

# FINANCIAL ANALYSIS: PRICING DETAIL

PRICING SUMMARY	
Price	\$3,870,000
Down Payment	(50%) \$1,935,000
Number of Units	12
Price Per Unit	\$322,500
Price Per SqFt	\$596.85
Approx. Gross SqFt	6,484
Lot Size	0.24 Acres
Year Built/Renovated	1950

RETURNS		
	Current	Proforma
CAP Rate	3.77%	5.73%
GRM	16.00	11.94
Cash-on-Cash	0.61%	4.52%
Debt Coverage Ratio	1.09	1.65

FINANCING   1st Loan	
Loan Amount	\$1,935,000
Loan Type	New
Interest Rate	5.65%
Amortization Rate	30 Years
Year Due	2033

UNIT MIX				
#	TYPE	SQFT	CURRENT	MARKET
12	1 Bd/1 Ba	540	\$1,679	\$2,250

INCOME		CURRENT		PROFORMA
<b>Gross Scheduled Rent</b>		<b>\$241,812</b>		<b>\$324,000</b>
Less: Vacancy/Deductions	3.0%	\$7,254	3.0%	\$9,720
<b>Total Effective Rental Income</b>		<b>\$234,558</b>		<b>\$314,280</b>
<b>Effective Gross Income</b>		<b>\$234,558</b>		<b>\$314,280</b>
Less: Expenses	37.8%	\$88,727	29.5%	\$92,713
<b>Net Operating Income</b>		<b>\$145,831</b>		<b>\$221,567</b>
<b>Cash Flow</b>		<b>\$145,831</b>		<b>\$221,567</b>
<b>Debt Service</b>		<b>\$134,034</b>		<b>\$134,034</b>
Net Cash Flow After Debt Service	0.61%	\$11,797	4.52%	\$87,533
<b>Principal Reduction</b>		<b>\$25,357</b>		<b>\$26,827</b>
<b>TOTAL RETURN</b>	<b>1.92%</b>	<b>\$37,153</b>	<b>5.91%</b>	<b>\$114,360</b>

EXPENSES		CURRENT	PROFORMA
Real Estate Taxes		\$48,419	\$48,419
Insurance		\$7,000	\$7,000
Utilities		\$4,500	\$4,500
Trash Removal		\$2,820	\$2,820
Repair & Maintenance		\$8,400	\$8,400
Landscaping/Pest		\$2,460	\$2,460
Misc. Expenses		\$1,000	\$1,000
Operating Reserves		\$2,400	\$2,400
Management Fee		\$11,728	\$15,714
<b>TOTAL EXPENSES</b>		<b>\$88,727</b>	<b>\$92,713</b>
<b>Expenses/Unit</b>		<b>\$7,394</b>	<b>\$7,726</b>
<b>Expenses/SF</b>		<b>\$13.68</b>	<b>\$14.30</b>

# SALES COMPARABLES



**3947-59 Third Avenue**



**2522 2nd Avenue**



**2621-29 1st Avenue**



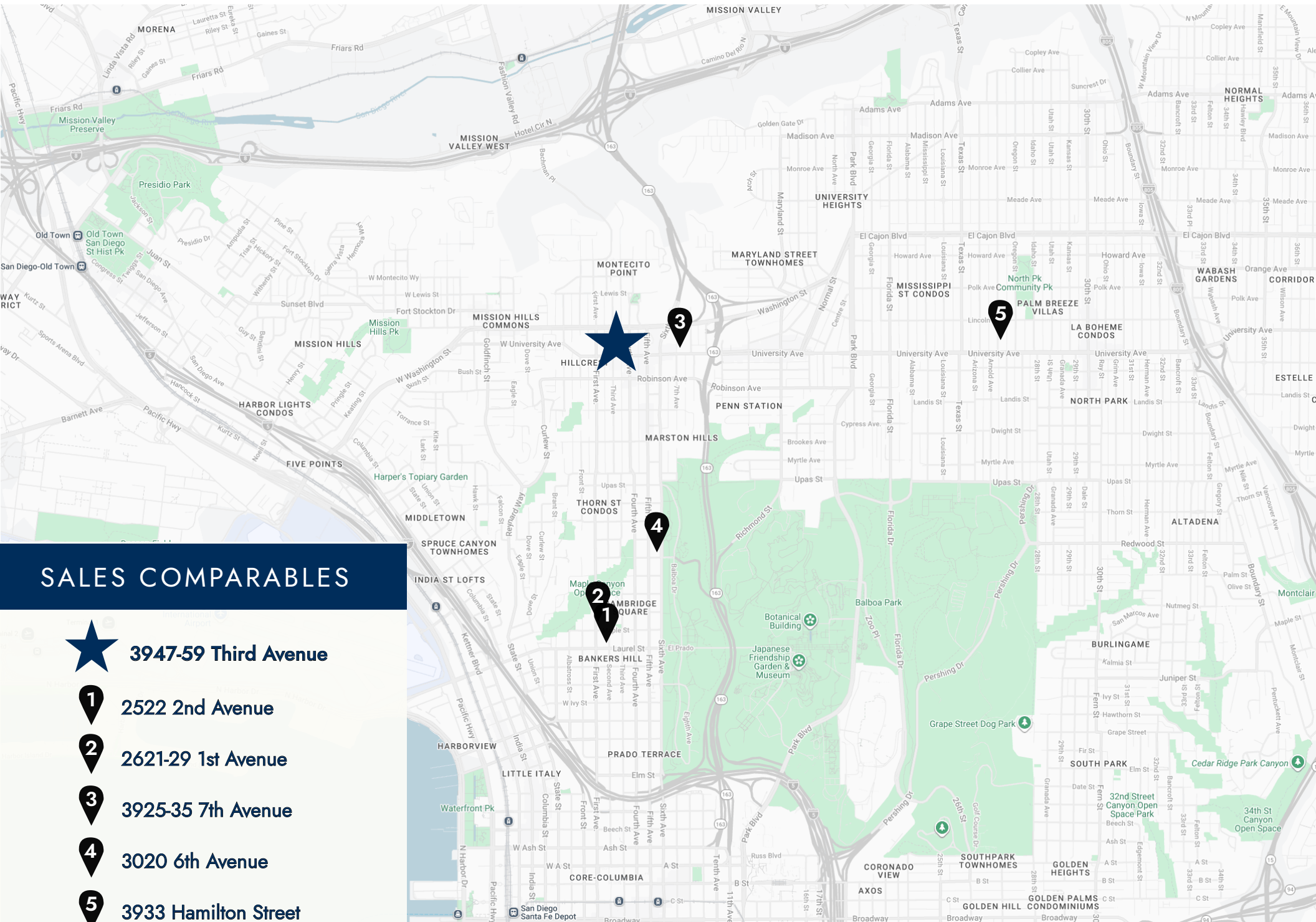
**3925-35 7th Avenue**



**3020 6th Avenue**



**3933 Hamilton Street**



# SALES COMPARABLES



**SUBJECT PROPERTY**



**3947-59 Third Avenue  
San Diego, CA 92103**

Sale Price	\$3,870,000
Close of Escrow	ON MARKET
Number of Units	12
Year Built/Renovated	1950
Price / Unit	\$322,500
Cap Rate	3.77%
SQFT	6,484
Lot Size	0.24 Acres

UNITS	SQFT	UNIT TYPE
12	540	1-Bdrm/1-Bath



**1**

**2522 2nd Avenue  
San Diego, CA 92103**

Sale Price	\$2,400,000
Close of Escrow	05/27/2025
Number of Units	8
Year Built/Renovated	1950
Price / Unit	\$300,000
Cap Rate	3.70%
SQFT	4,163
Lot Size	0.11 Acres

UNITS	SQFT	UNIT TYPE
8	517	1-Bdrm/1-Bath



**2**

**2621-29 1st Avenue  
San Diego, CA 92103**

Sale Price	\$3,925,000
Close of Escrow	12/09/2025
Number of Units	12
Year Built/Renovated	1940
Price / Unit	\$327,083
Cap Rate	4.50%
SQFT	6,870
Lot Size	0.21 Acres

UNITS	SQFT	UNIT TYPE
1	900	2-Bdrm/1-Bath
10	550	1-Bdrm/1-Bath
1	400	Studio

# SALES COMPARABLES



**3** 3925-35 7th Avenue  
San Diego, CA 92103

Sale Price	\$4,100,000
Close of Escrow	02/10/2026
Number of Units	12
Year Built/Renovated	1915
Price / Unit	\$341,666
Cap Rate	5.00%
SQFT	8,712
Lot Size	0.32 Acres

UNITS	SQFT	UNIT TYPE
12	726	2-Bdrm/1-Bath



**4** 3020 6th Avenue  
San Diego, CA 92103

Sale Price	\$4,200,000
Close of Escrow	03/13/2026
Number of Units	12
Year Built/Renovated	1946
Price / Unit	\$350,000
Cap Rate	4.30%
SQFT	7,298
Lot Size	0.17 Acres

UNITS	SQFT	UNIT TYPE
2	850	2-Bdrm/1-Bath
10	550	1-Bdrm/1-Bath



**5** 3933 Hamilton Street  
San Diego, CA 92104

Sale Price	\$4,300,000
Close of Escrow	03/20/2026
Number of Units	14
Year Built/Renovated	1927
Price / Unit	\$307,142
Cap Rate	4.31%
SQFT	7,056
Lot Size	0.32 Acres

UNITS	SQFT	UNIT TYPE
2	900	2-Bdrm/1-Bath
12	500	1-Bdrm/1-Bath

# 3947-59 THIRD AVENUE

SAN DIEGO, CA 92103 | HILLCREST | 12 UNITS

EXCLUSIVELY LISTED BY

**BEN SIERPINA**

SENIOR DIRECTOR INVESTMENTS

(858) 373-3215 DIRECT | (858) 775-9825 MOBILE

[BSIERPINA@MARCUSMILLICHAP.COM](mailto:BSIERPINA@MARCUSMILLICHAP.COM)

LICENSE: CA 02062416

**RAYMOND CHOI**

SENIOR MANAGING DIRECTOR INVESTMENTS

(858) 735-6632 MOBILE

[RCHOI@MARCUSMILLICHAP.COM](mailto:RCHOI@MARCUSMILLICHAP.COM)

LICENSE: CA 01297138

Marcus & Millichap