



PROJECT OVERVIEW

JP Investment LLC, an experienced developer of mixed-income and affordable housing, plans to develop Ocean Palms Villas, a 57-unit for-sale single-family detached community in Oceanside, California. The site is located on the Southeast corner of Mission Avenue and Butler Street. These units would be targeted to middle to high income households. The proposed units will be two-story 2,500 square feet of living space. All units will have four bedrooms and 2.5 baths. All will have three-car garages. The developer plans to build the community in three phases. Ocean Palms Villas will be developed on a 16.41-acre open land parcel located on Mission Avenue between Butler Street and Carolyn Circle. The plan calls for development of a new interior street called Ocean Palms Street that will be accessed from Butler Street. The homes will line both sides of Ocean Palms Street.

Ocean Palms Villas will have large lots in the 7,500 square foot range. To add valuable separate living space for income or family housing the developer is offering buyers the opportunity to add Accessory Dwelling Unit (ADU) or Junior Accessory Unit (JADU) permitted ready to construct pads (foundations). This will be in concert with the new California Housing Laws and CA Coastal Commission support of ADU construction.*

- ◆ ADU: Up to 800 square foot pad
- ◆ JADU: Up to 1,200 square foot pad

*The new legislation effective January 1, 2020 updates existing Government Code Sections 65852.2 and 65852.22 concerning local government procedures for review and approval of ADUs and JADUs. Local governments are required to comply with both these new requirements for ADUs/JADUs and the Coastal Act.



SAN DIEGO ECONOMIC OVERVIEW

Home to more than 3.2 million individuals spread across 18 cities, San Diego County consistently ranks among the top ten regions in the country for its concentration of high-tech companies, distinguished universities and unrivaled quality of life. It is the southernmost metropolitan area in California, which ranks as the world's 6th largest economy. San Diego is part of a much larger bi-national mega region that encompasses San Diego County, Imperial County and Baja California, Mexico. With a combined population of more than 6.5 million people, a 27,000 square mile footprint, two major international airports and the busiest land port of entry in the western hemisphere, this bi-national mega region offers incomparable business opportunities.

San Diego's robust economy has outperformed California and U.S. averages in economic growth and unemployment over the last several years. San Diego's gross domestic product (GDP) is \$206.8 billion, one of the largest in California. If it were its own state, San Diego would rank as the 26th largest economy in the U.S. This diverse economy combined with the region's diverse communities and global connectivity support the attraction and retention of top talent and some of the world's smartest companies.

San Diego's economy is primarily made up of three major sectors – defense, including the largest concentration of military in the world; tourism, built upon our region's geography and rich culture; and innovation, stemming from our region's intellectual capital and talented workforce. With these three economic drivers playing a crucial role in the success of our business ecosystem, the San Diego region has one of the most diverse and dynamic economies in the country.

Source: San Diego Regional Economic Development Corporation

San Diego County Map:

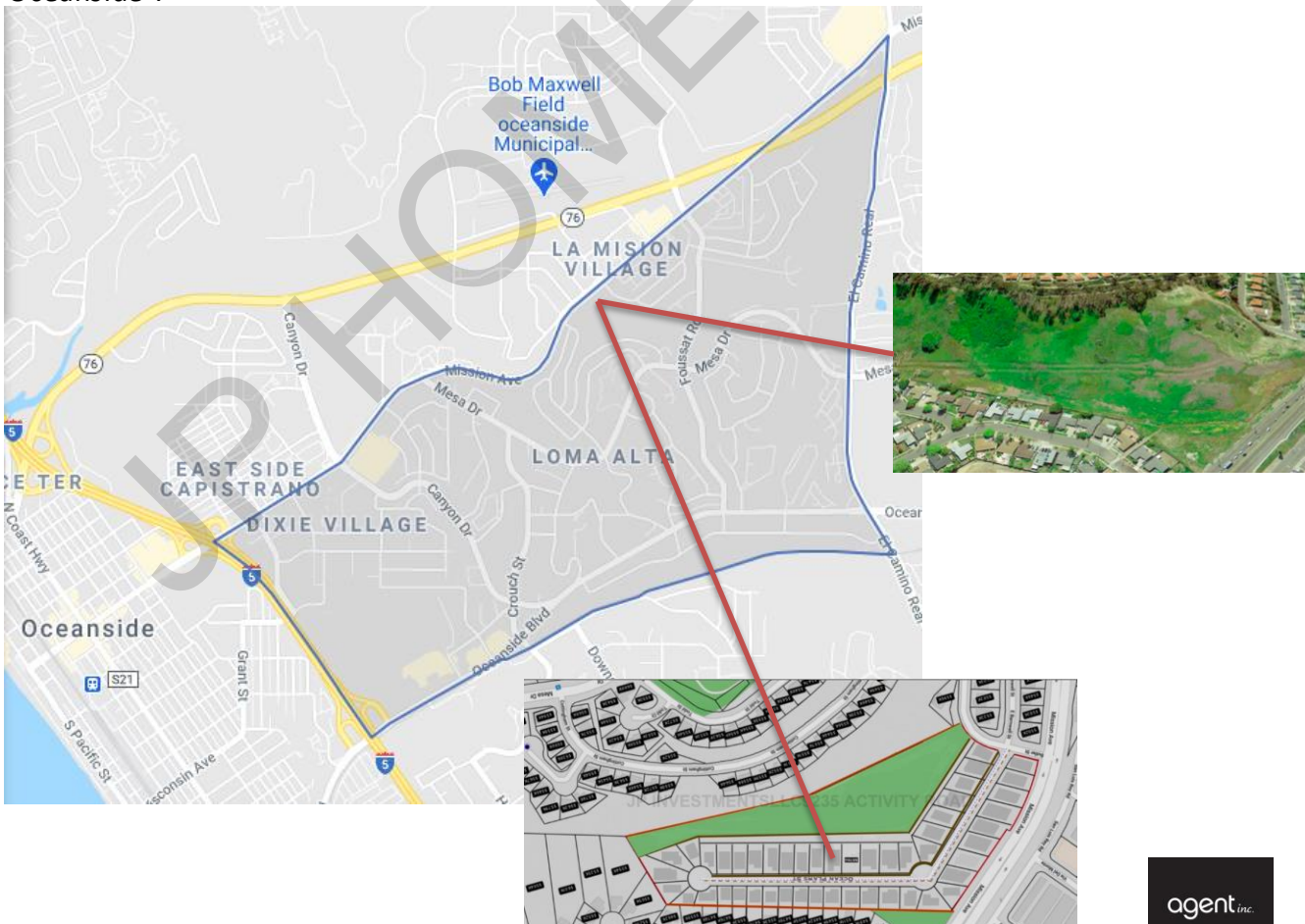




SITE LOCATION and ANALYSIS

The proposed development will be located in the Loma Alta area of Oceanside, San Diego County. Historic Loma Alta is a pioneer neighborhood in Southern California with homes dating back to 1928. Oceanside is a diverse community with many different neighborhoods, each with their own unique flavor. Historic Loma Alta is a pioneer neighborhood in Southern California with homes dating back to 1928. But that barely scratches the surface of this community within a community that includes the area east of 1-5, west of El Camino, north of Oceanside boulevard and south of Mission. Loma Alta has many easy to walk neighborhoods with parks, shopping centers, and lots of day and night activities interspersed throughout the many single and multi-family homes and apartments.

When it comes to recreation Loma Alta is home to the Goat Hill Park Golf Course. Founded in 1952, Goat Hill Park was originally called the Oceanside Carlsbad Country Club and has the distinction of being the very first golf course in San Diego county. It was renamed in the 1970s as the Center City Golf Course, but has always been known as "Goat Hill" by locals. When the course was taken over in 2014, it was re-branded as Goat Hill Park, "The People's Park of Oceanside".





HOUSING MARKET OVERVIEW

Strong buyer activity has continued into the fall and the constrained supply of homes for sale, speedy sales, and multiple offers across many segments of the market will remain common so long as buyer demand remains at elevated levels. For the 12- month period spanning October 2019 through September 2020, Pending Sales in the San Diego were up 1.6 percent overall.

The overall Median Sales Price was up 7.1 percent to \$616,000. The property type with the largest price gain was the Single-Family Homes segment, where prices increased 7.5 percent to \$693,400. The price range that tended to sell the quickest was the \$500,001 to \$750,000 range at 24 days.

Residential real estate activity in San Diego County, comprised of single family properties, townhomes and condominiums. Percent changes are calculated using rounded figures. Market-wide, inventory levels were down 44.8 percent. The property type with the smallest decline was the Condos - Townhomes segment, where they decreased 28.3 percent. That amounts to 1.2 months supply for Single-Family homes and 1.7 months supply for Condos.

Source: San Diego Realtor Assoc Sep 2020

	<u>Q2 2020</u>	<u>Q1 2020</u>	<u>Q2 2019</u>
San Diego County homeownership	56.5%	57.0%	54.9%

San Diego County's homeownership rate followed the general statewide and national trend of decline in the years following the Millennium Boom, bottoming in 2016 at 50.7%. In contrast, homeownership peaked at 63% in 2006 in San Diego County.

The homeownership rate in San Diego County has historically been comparable to the rest of the state, just slightly above the state average as of Q2 2020, at 56.5%. As home prices adjust downward in 2020-2021 due to declining home sales volume, the homeownership rate won't rise significantly until homebuyers regain confidence in the housing market, returning in larger numbers in the years following 2022. Source: US Census Data



SAN DIEGO REGION SUPPLY & DEMAND

Low Inventory Is Driving Quick Sales

The current supply-and-demand situation shows why San Diego real estate market forecasts are mostly favorable through 2020 and into 2021. There aren't nearly enough homes for sale to satisfy the current level of demand.

In fact, the Southern California region was recently singled out as having the steepest decline in housing inventory over the past year or so. According to the August 2020 C.A.R. report:

"Southern California had the biggest annual drop in inventory in July at 50.7 percent — less than half the level of for-sale properties it had a year ago. All counties in Southern California dropped more than 40 percent..."

As of July 2020, the real estate market in San Diego County had about a 1.9-month inventory of homes for sale, well below the national average for the same timeframe. It is also much lower than what's considered to be a balanced market.

Population Growth Also a Factor

The San Diego real estate market is currently experiencing a supply shortage relative to the number of buyers actively seeking properties. And comes at a time when the population is growing. According to the U.S. Census Bureau, the city of San Diego's population grew by more than 9% from 2010 to 2019. The broader metro county area also experienced significant growth over the past few years. The steady population growth in the region is putting upward pressure on prices, especially with the shortage of available inventory.

Home Buyers Look to the 'Burbs'

Another trend that could affect San Diego's housing market forecast through 2020 and into 2021 is Urban flight.

Recent data and anecdotal reports suggest that an increasing number of buyers are shying away from crowded city centers in favor of more suburban areas. Additionally, more people are working from home and finding the need for more space, an office area, etc. This urban-to-suburban shift could increase housing demand and home prices within some of the more "spread out" areas of San Diego. On the flipside, we could see less demand and softer prices within the crowded city centers. Condos, in particular, could see a dip in prices as buyers gravitate toward detached homes and yards.

The bottom line here is that San Diego's real estate market outlook is relatively favorable, considering what's happening in the world. The current supply-and-demand situation is skewed in a way that should sustain home prices throughout the public-health crisis.



OCEANSIDE SCHOOLS AND TRANSPORTATION

Public Schools serving Ocean Palm Villas:

Empresa Elementary School

#949 in Best Public Elementary Schools in California

A- Overall Grade • Public • K-5 • Oceanside, CA • ★★★★★ 1 review

San Elijo Middle School

#24 in Best Public Middle Schools in San Diego Area

A Overall Grade • Public • 6-8 • San Marcos, CA •

El Camino High School

#13 in Niche Standout High Schools in San Diego Area

A- Overall Grade • Public • 9-12 • Oceanside, CA •

Carlsbad Unified School District Rankings

Niche ranks nearly 100,000 schools and districts based on statistics and millions of opinions from students and parents.

Best School Districts in California

#38 of 440

Safest School Districts in California

#50 of 703

Best School Districts for Athletes in California

#68 of 442

Transportation: Planes, Trains and Automobiles

By Plane

Oceanside is easily accessible from 4 major airports including:

- San Diego Intl Airport (40 mi)
- John Wayne Airport (50 mi)
- Los Angeles Intl (90 mi)
- Ontario Intl (85 mi)
- McClellan-Palomar Airport located 11 mi south of Oceanside for private and corporate jets.
- The Oceanside Municipal Airport is located less than 3 miles from downtown Oceanside and serves as a general aviation airport.

By Train

The **Oceanside Transit Center**, usually referred to as simply **Oceanside**, is a major railway interchange in Of the 73 California stations served by Amtrak.

By Car

Oceanside is easily accessed by car, most popularly from Interstate 5 and the Historic Highway 101. Other major highways running through the city include CA-76 and CA-78.

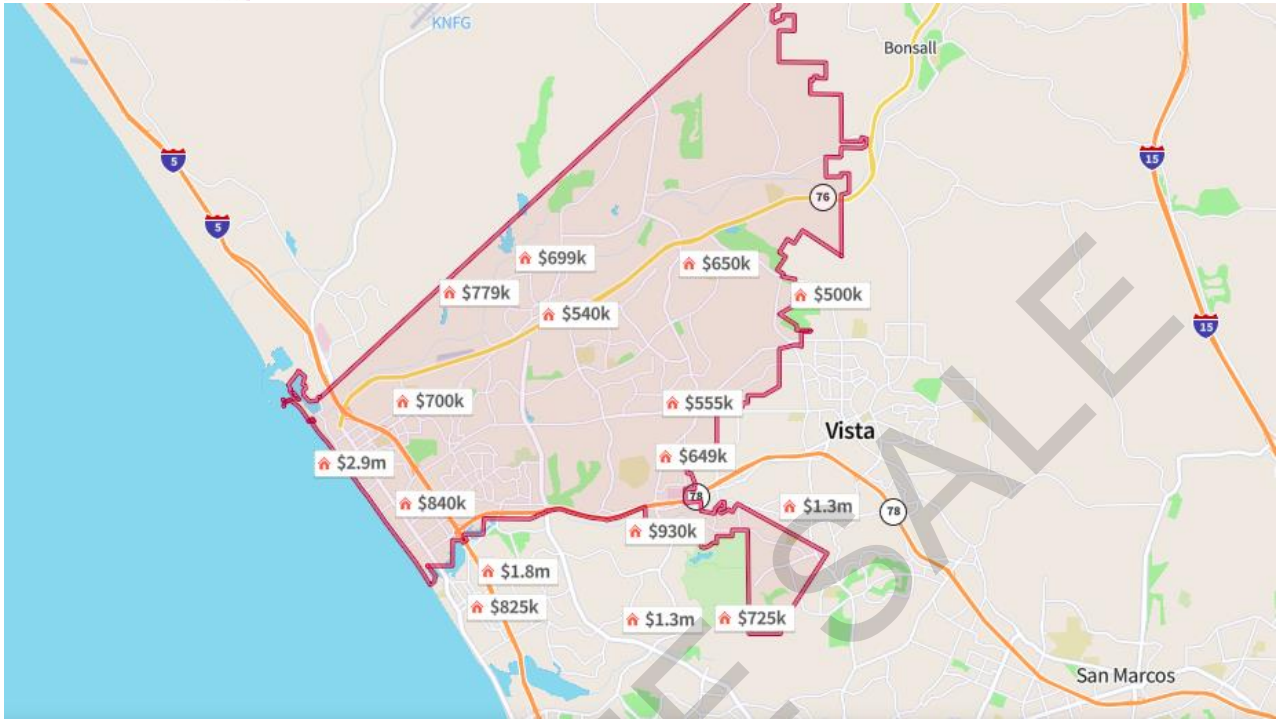


Additional regional transportation options are provided by the North County Transit District. There is also a local shuttle service available.





OCEANSIDE HOME PRICES



New Home Competition



New Homes in Oceanside
PEPPER TREE at Mission Lane

83 New Detached Homes From the \$560,000s Oceanside Inland 3 to 4 Bedrooms 1,790 to 2,157
 2-Car Attached Garages
 Community Pool 2.5 to 4 Bathrooms



Altura at Pacific Ridge

Community by Cornerstone Communities

1228 Via Candelas
 Oceanside, CA 92056

from **\$737,990 - \$776,990**

3 homes match your search



OCEAN PALM VILLAS

Present owner of the land is JP Investments LLC.

Property Profile

Address: 3143 Mission Ave., Oceanside CA 92054

Net Project Land: 714,820 sqft / 16.41 a

Lot size : 7500 sqft

Unit Size: 2500 sqft

Units 57

Single family Detached Homes:

4 bedroom, 2.5 Bathroom and 3 Car parking

Additional Dwelling Unit (ADU) 800 sqft permitted pad ready to construct

Joint additional Dwelling Unit (JDU) 1200 sft permitted pad ready to construct.

The Offering

Pre-Sale Exclusive Price: \$885,000

Closing :

With a payment of \$285,000/- the lot title will be convey to the buyer/ investor and rest of the money shall be paid in 18 months on agreed terms and installments.

Limited period buy back for \$995,000/- (between 18 and 24 months)

Current Stage

Environmental ONE completed.

Couture survey, slope analysis, layout design, cost analysis submission of the project approval to the city.

Contacts

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Construction

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