HIGH DENSITY DEVELOPMENT PARCEL

(UTILIZING OPPORTUNITY ZONE)



CONCEPTUAL RENDERING ONLY
NOT APPROVED; SUBJECT TO
FORMAL CITY REVIEW AND
BUYER VERIFICATION.

1024 SOQUEL AVE.
SANTA CRUZ, CA

OFFERED AT:
$1,995,000

PRESENTED BY:
MAIN STREET REALTORS
COMMERCIAL DIVISION

MAIN STREET
COMMERCIAL

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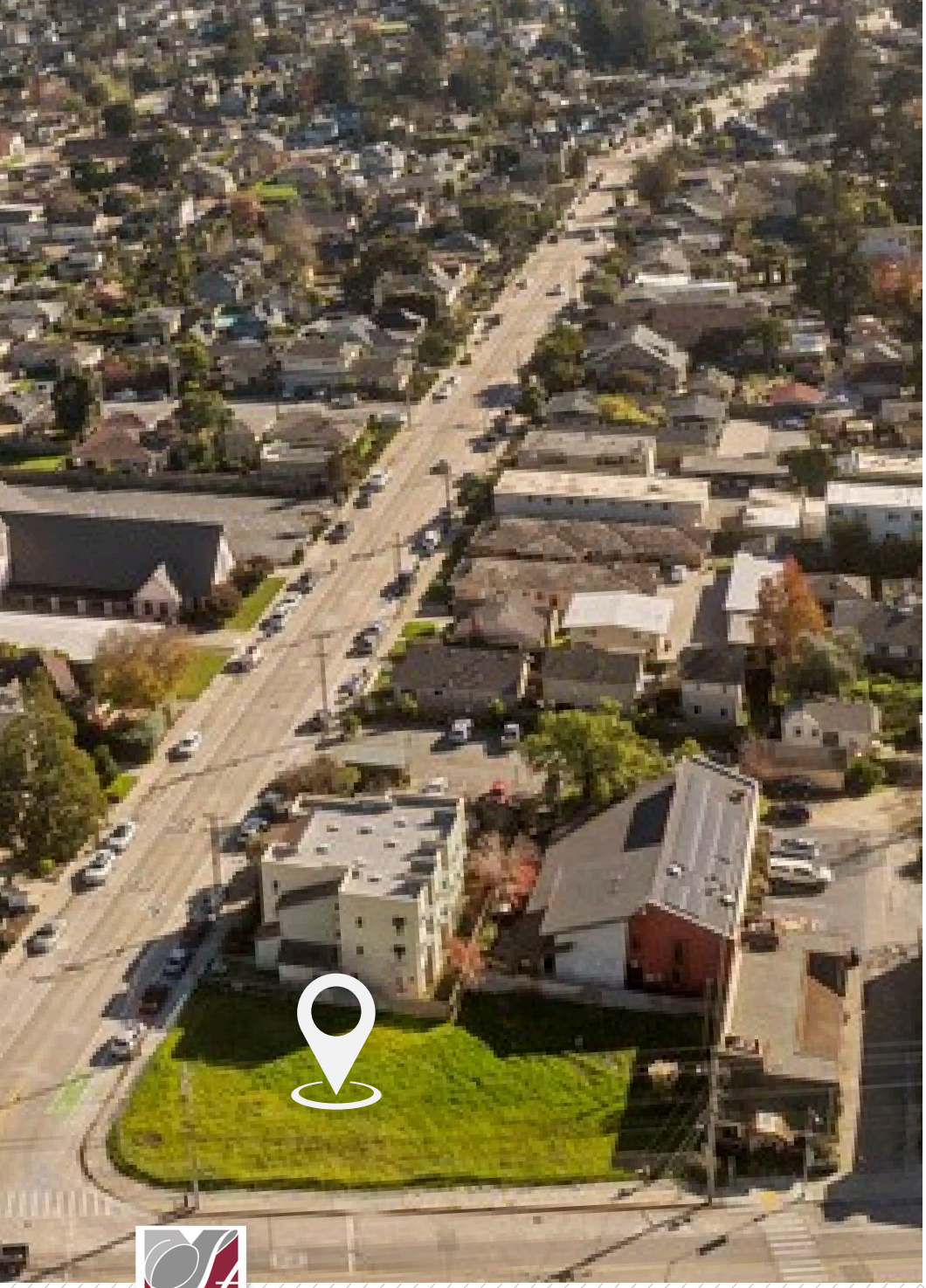
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INTRODUCTORY
OVERVIEW

1024 Soquel Avenue offers a rare infill development opportunity on a vacant approximately 0.27 acre corner parcel in Santa Cruz's Eastside Midtown corridor. The property is zoned MU H Mixed Use High Density, designated Mixed Use High Density in the General Plan, and located within a federal Opportunity Zone.

The site supports multifamily residential and mixed use development, with a base FAR of 2.75, base density of 55 DU per acre, 0 ft front and interior side setbacks, and by right height allowances of up to approximately 5 stories, subject to buyer verification. Its location within 0.5 mile of major transit may also allow reduced or eliminated parking requirements under AB 2097.

The seller has assembled substantial preliminary diligence, including SB 330 pre application materials, City comments, environmental reports, geotechnical reports, title and easement materials, and multiple conceptual development studies. Buyers can evaluate both a high yield density bonus and SB 330 path, including a prior conceptual 76 unit scenario, as well as lower complexity development alternatives with more conventional scale and underwriting assumptions.

PROPERTY DETAILS

ADDRESS: 1024 SOQUEL AVENUE, SANTA CRUZ, CA

LOCATION: MIDTOWN CORRIDOR - SEABRIGHT

PARCEL SIZE: APPROXIMATELY 0.27 ACRES

ESTIMATED LOT AREA: APPROXIMATELY 11,900 TO 12,000 SF

EXISTING CONDITION: VACANT LAND

EXISTING USE: NONE

GENERAL PLAN DESIGNATION: MIXED USE HIGH DENSITY

ZONING: MU H MIXED USE HIGH DENSITY

OPPORTUNITY ZONE: YES

PARKING CONTEXT: LOCATED WITHIN 0.5 MILE OF MAJOR TRANSIT. AB 2097 MAY REDUCE OR ELIMINATE MINIMUM PARKING REQUIREMENTS, SUBJECT TO BUYER VERIFICATION.

WALK SCORE: 94 OUT OF 100



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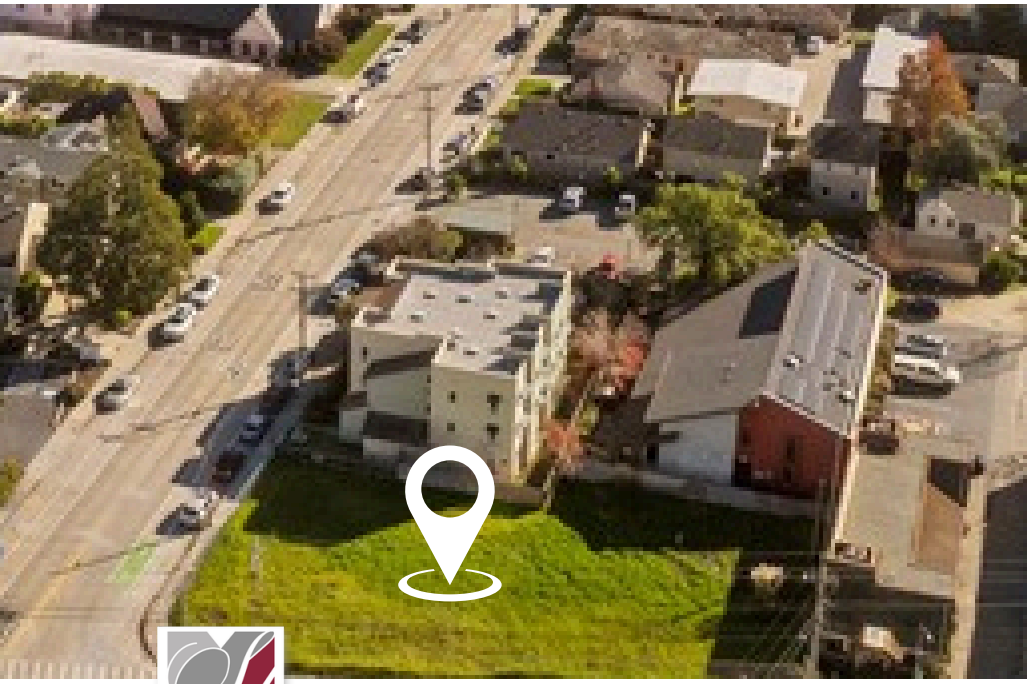
ZONING & USE
SUMMARY

ZONING

The property is zoned MU H Mixed Use High Density and designated Mixed Use High Density in the City of Santa Cruz General Plan.

PARKING

The property is located within 0.5 mile of major transit. AB 2097 may reduce or eliminate minimum parking requirements, subject to buyer verification and applicable project criteria.



ALLOWED USES:

Multifamily residential and mixed use with active ground floor commercial uses. Additional permitted or conditionally permitted uses may include retail, restaurant, office, medical office, personal services, gallery, and similar neighborhood serving uses.

BASE DENSITY

55 Dwelling Units Per Acre

BASE FAR

2.75

ESTIMATED BASE FAR BUILDING AREA

Approximately 32,700 GSF, based on an estimated lot area of approximately 11,900 to 12,000 SF

HEIGHT / STORIES

Up to approximately 5 stories or 55 ft by right for mixed use, with potential additional height through State Density Bonus Law, AB1287, SB330, and Housing Accountability Act subject to project specifics and buyer verification.

SETBACKS

Front: 0 ft
Interior Side: 0 ft
Street Side: Approximately 10 ft
Rear: Approximately 20 ft

BUYER TO VERIFY ALL ZONING, USE, DENSITY, FAR, HEIGHT, SETBACK, PARKING, AND DEVELOPMENT STANDARDS DIRECTLY WITH THE CITY OF SANTA CRUZ.

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PATHS FOR DEVELOPMENT

A

HIGH-YIELD SB330 | DENSITY-BONUS PATH

- 76–80 High-Yield Concept
- Compact Studio / 1 Bd Unit Mix
- Density Bonus / AB1287 strategy
- Waivers / Concessions Likely Required
- Urban Infill Scale
- Subject to formal City review and buyer verification

B

MODERATE | BASE-DENSITY PATH

- More conservative density than Path A
- Potentially 24–45 units, depending on final design and affordability assumptions
- Lower entitlement complexity than the full high-yield concept
- May still use density bonus / concessions
- Potentially easier for developers to underwrite

C

PRACTICAL | LOWER-COMPLEXITY PATH

- 23-unit, 3-story feasibility concept
- Smaller-scale building profile
- Potentially no elevator, depending on final design
- More financeable / approachable for local or smaller-scale builders
- Still subject to buyer verification and formal City review

ALL PATHS SUBJECT TO BUYER VERIFICATION

A HIGH-YIELD DENSITY-BONUS PATH

HIGH-YIELD SB330 PRE-APPLICATION CONCEPT

- Approximately 76–80 residential units
- Heavy mix of studios and small 1-bedroom units
- 6 story urban infill concept
- Density Bonus / AB1287 strategy
- Waivers and concessions likely required
- Active ground-floor commercial component
- Subject to formal application, City review, and buyer verification

PARKING

- Parking strategy to be determined by buyer.
- AB 2097 allows for the reduction or elimination of local minimum parking requirements, subject to buyer verification and applicable EV/accessibility requirements.

STATUS TO DATE

A six-story SB330 pre-application was submitted and City department comments were received.

The materials identify a potential 76-unit density-bonus concept, subject to formal application, resolution of City comments, affordability assumptions, waivers/concessions, and buyer verification.

B MODERATE BASE DENSITY PATH

MODERATE DENSITY BASE-PLUS PATH

- Approximately 24–45 units, depending on final design
- More conservative density than the 76–80 unit high-yield concept
- May use density bonus and selected concessions
- Potentially lower entitlement complexity than Path A
- Multi-family housing with active ground-floor commercial
- Parking strategy to be determined by buyer
- Subject to formal City review and buyer verification

DESIGN & SITE CHARACTERISTICS

- Approximately 5-6 stories with Concessions
- Optional | Partially or Fully Eliminated
- Multi-Family Housing with Commercial

C PRACTICAL LOWER COMPLEXITY PATH

LOW DENSITY

- 23-unit, 3-story feasibility concept
- Designed as a smaller-scale, lower-complexity alternative
- Potentially avoids elevator requirement, depending on final design
- More approachable for local or smaller-scale builders
- Potentially more financeable than the larger high-yield concept
- Ground-floor commercial component
- Parking and unit mix subject to final design and buyer verification

For developers preferring a lower-density and potentially simpler execution path, the feasibility materials include a 23-unit, 3-story concept. This path may be more approachable for local or smaller-scale builders and may reduce construction and financing complexity compared with the higher-yield scenarios.



76-80 UNIT RENDERING

CONCEPTUAL RENDERING ONLY
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PRO-FORMA
76-80 UNIT CONCEPT

1024 Soquel Avenue Pro Forma - illustrative only

Overview		
Purchase Price	$1,995,000	
New Construction		
Sq Ft Hard BuildCost Sq	425 $75	
Ft Soft Costs Total Sq	64,653	
Ft Total Cost	$32,326,500	
Construction Total Cost	$34,576,500	
w Land All in		

Rent Estimates

	Section 8 Rent	Market Rent	Avg Sq ft	$/sq ft Section	$/sq ft Market
Studio	$2,393	$2,250	350	$6.84	$6.43
1 Bd	$2,878	$2,550	425	$6.77	$6.00
2Bd	$3,786	$4,500	845	$4.48	$5.33
Comm		$3,287	1174	$0.00	$2.80

Workbench Style Plan (see plans)		
Unit Mix	**Units**	**Rental Income**
Studio		$56,250
1 bd		$114,750
2 bd		$45,000
Commercial		$3,287
Total Rental Income		$219,287

Income and Expenses

TotalMonthly Rent		$219,287
Monthly Op Expenses		$54,000
Monthly NOI w/o debt		$165,287

Estimated Take Out Loan Scenario

Interest Rate	Amount	Payment	Cash Flow
5.5%	$24,203,550	$137,425	$27,862
6.5%	$24,203,550	$152,983	$12,304

Potential Value of Property Once Complete

Cap Rate	on Cap Rate	Profit	Price/sq ft	on Price/sq ft	Profit
4.5%	$44,076,587	$9,500,087	$650	$42,024,450	$7,447,950
5.5%	$36,062,662	$1,486,162	$775	$50,106,075	$15,529,575

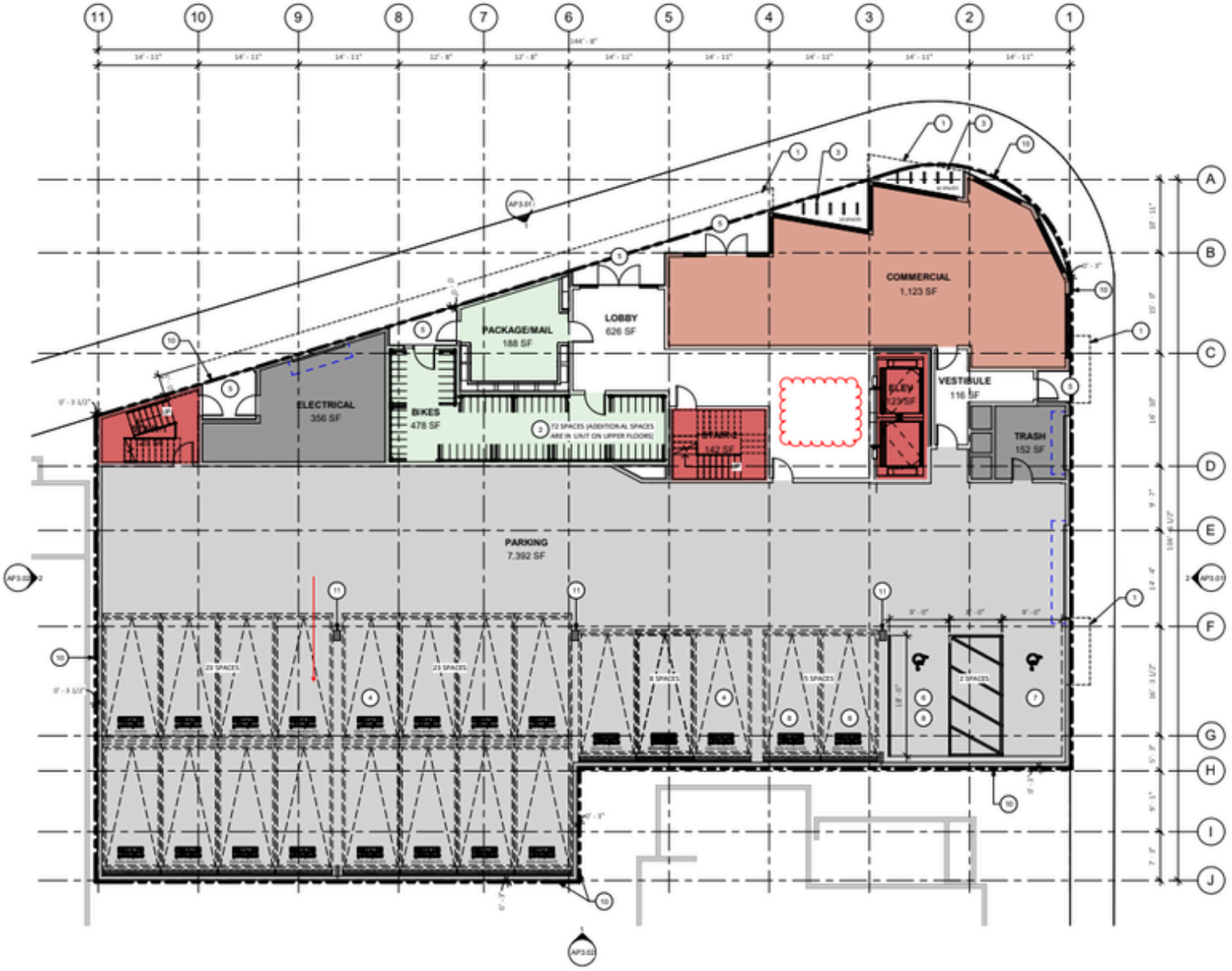
Ongoing Income Statement/Returns Estimates

Rent Inc Yearly OpEx Inc	Yearly	3%
		3%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Initial Investment Net										
Operating Income	$1,983,446	$2,042,950	$2,104,238	$2,167,365	$2,232,386	$2,299,358	$2,368,339	$2,439,389	$2,512,571	$2,587,948
Debt (6.5%) Yearly	$1,835,795	$1,835,795	$1,835,795	$1,835,795	$1,835,795	$1,835,795	$1,835,795	$1,835,795	$1,835,795	$1,835,795
Flow Value (4.5%	$147,652	$207,155	$268,443	$331,571	$396,592	$463,563	$532,544	$603,594	$676,776	$752,153
CAP)	$44,076,587	$45,398,884	$46,760,851	$48,163,676	$49,608,587	$51,096,844	$52,629,750	$54,208,642	$55,834,901	$57,509,948

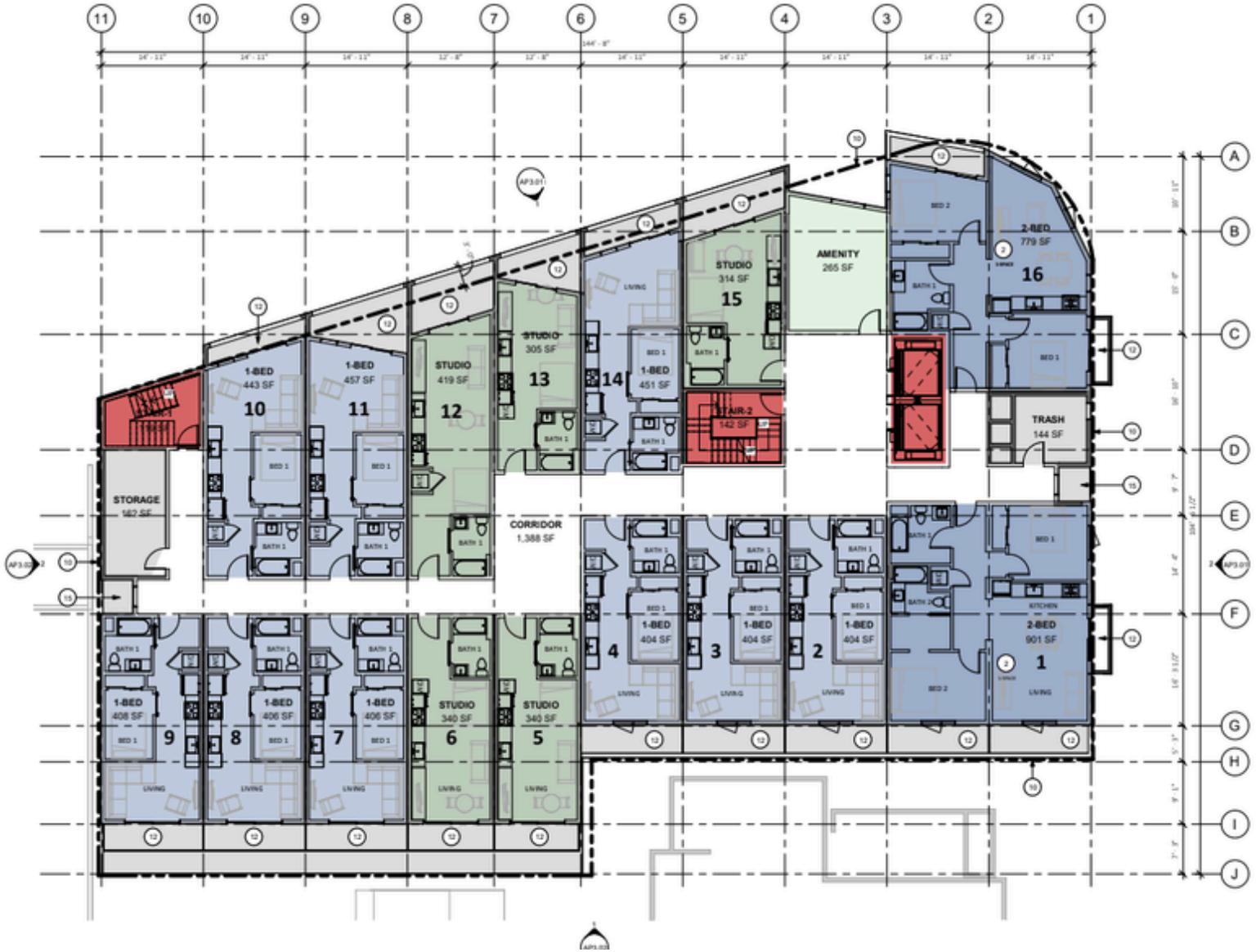
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PROSPOSED CONCEPT
FLOOR PLAN | RESIDENTIAL FLOOR SELECTION



Conceptual rendering only — not approved; subject to formal City review and buyer verification.

PROPOSED CONCEPT
FLOOR PLAN | MAIN FLOOR / STREET LEVEL



Conceptual rendering only — not approved; subject to formal City review and buyer verification.

CITY COMMENTS

SB330 PROPOSED CONCEPT

ISSUE	CITY COMMENT DILIGENCE ITEM	BUYER RELEVANCE
Unit count	Plan set needs consistent unit count/type info	Formal application cleanup
Density bonus	Base density method needs clarification	Entitlement strategy
Affordability	Affordability levels need specificity	Determines incentives/concessions
Open space	Common open space requirement needs reconciliation	Design constraint; may require waiver, concession, or redesign.
EV parking	EVSE requirements apply if parking is provided	Cost/design implication
Waivers	Height/FAR/setback/frontage waivers contemplated	Entitlement strategy



23 UNIT RENDERING

CONCEPTUAL RENDERING ONLY
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PRO-FORMA
23-UNIT PRACTICAL / LOWER-COMPLEXITY CONCEPT — PRELIMINARY PRO FORMA

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1024 Soquel Avenue Pro Forma - illustrative only

Overview		
Purchase Price	$1,995,000	
New Construction		
Sq Ft Hard BuildCost	$365 $75	
Sq Ft Soft Costs Total	25,687	
Sq Ft Total Cost	$11,302,280	
Construction Total Cost	$13,297,280	
w Land All in		

Workbench Style Plan (see plans)		
Unit Mix Studio 1	**Units**	**Rental Income**
bd 2 bd 3 bd Com m	10	$22,500
erc ial Total Rental	1	$3,200
Income	10	$45,000
	1	$5,750
	1	$2,321
	23	$78,771

Income and Expenses

TotalMonthly Rent		$78,771
Monthly Op Expenses		$15,333
Monthly NOI w/o debt		$63,437

Ongoing Income Statement/Returns Estimates

Net Inc Yearly Increase		3%

Rent Estimates

	Section 8 Rent	Market Rent	Avg Sq ft	$/sq ft Section	$/sq ft Market
Studio	$2,393	$2,250	350	$6.84	$6.43
1 Bd 2	$2,878	$3,200	609	$4.73	$5.25
Bd 3	$3,786	$4,500	845	$4.48	$5.33
Bd	$5,100	$5,750	1067	$4.78	$5.39
Comm		$2,321	663	$0.00	$3.50

Potential Value of Property Once Complete

Cap Rate	on Cap Rate	Profit	Price/sq ft	on Price/sq ft	Profit
4.0%	$19,031,150	$5,733,870	$650	$16,696,550	$3,399,270
5.0%	$15,224,920	$1,927,640	$775	$19,907,425	$6,610,145

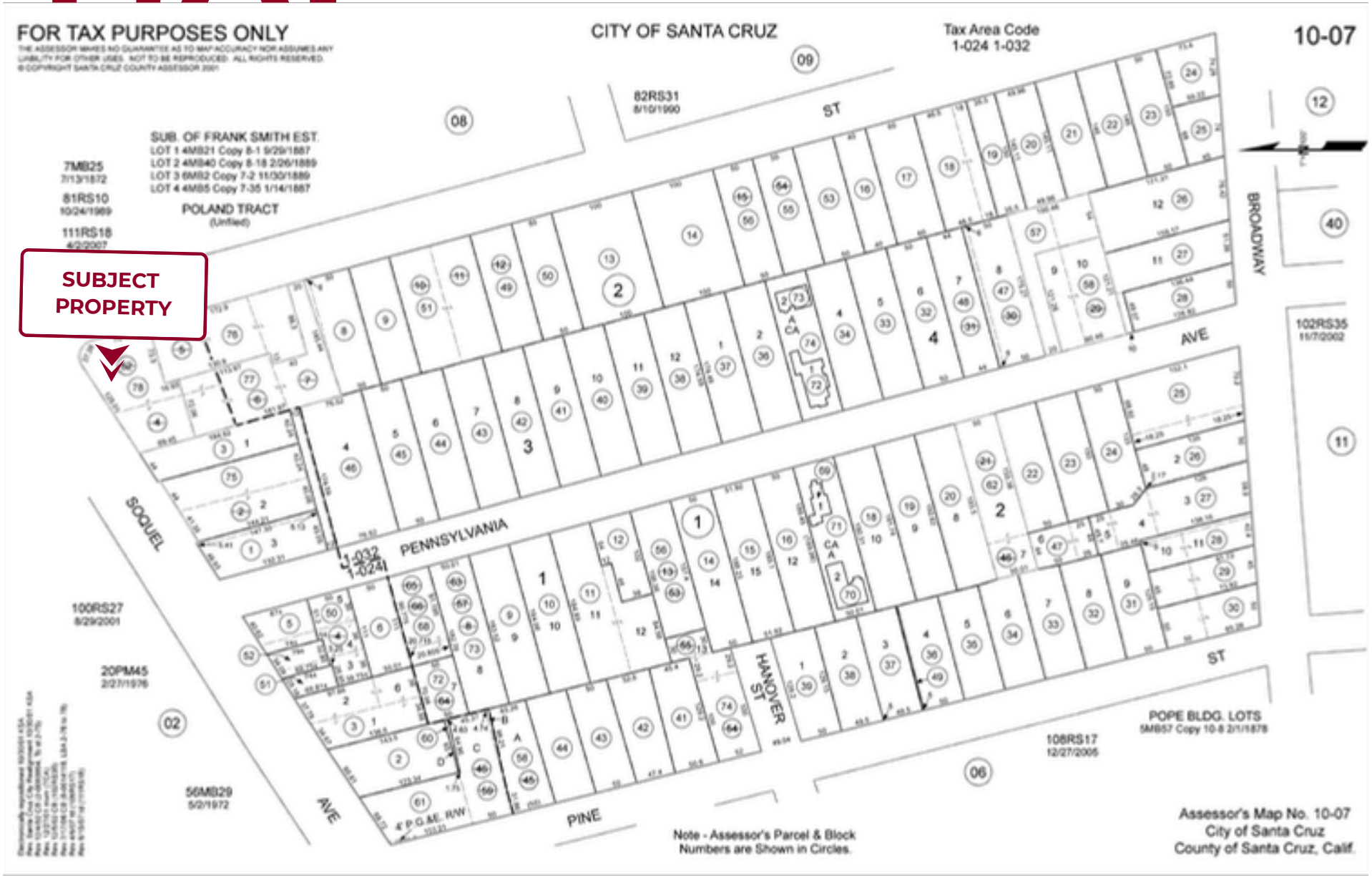
Estimated Take Out Loan Scenario

Interest Rate	Amount	Payment	Cash Flow
5.5%	$9,308,096	$52,850	$10,587
6.5%	$9,308,096	$58,833	$4,604

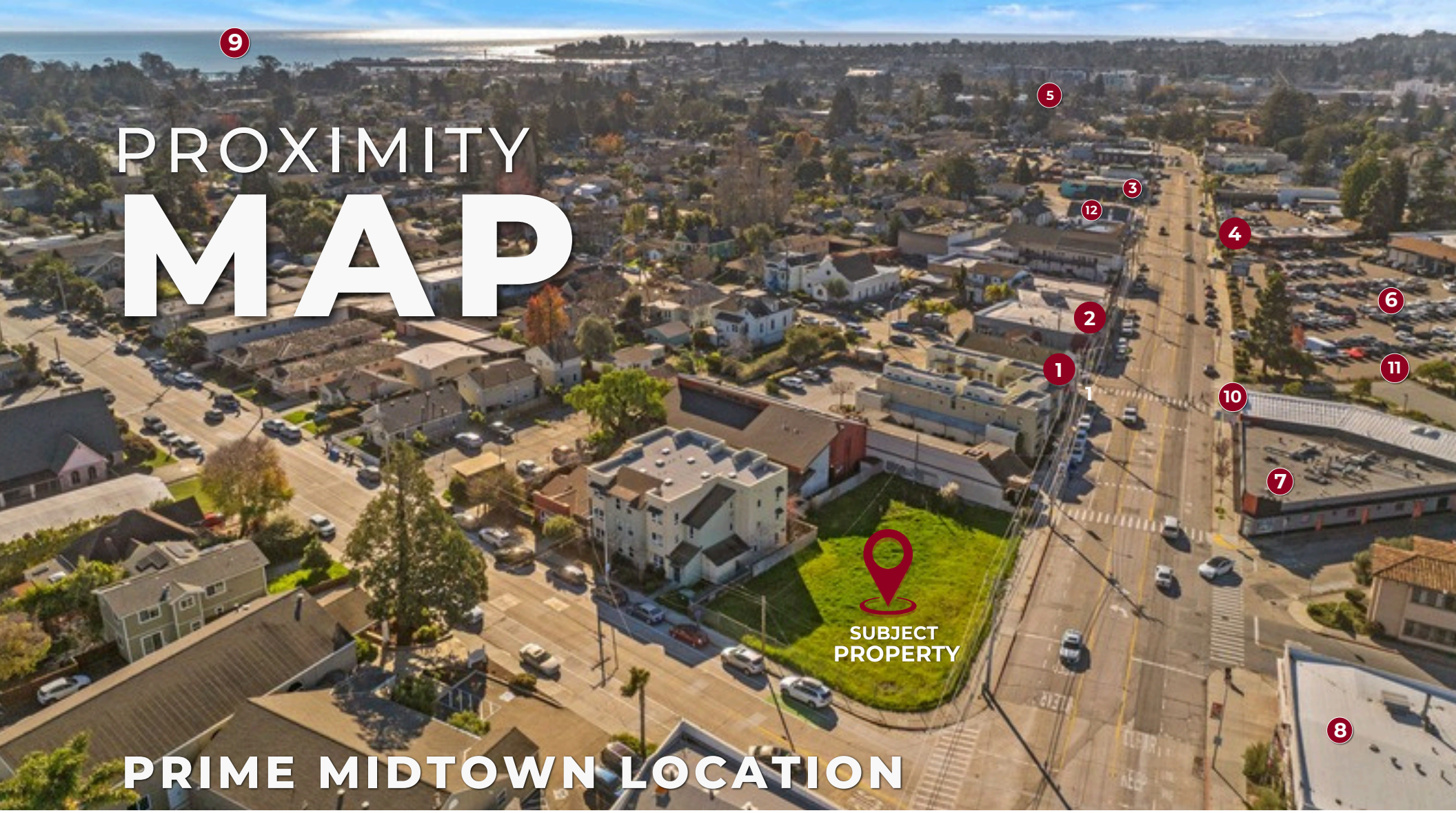
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Initial Investment Net										
Operating Income	$761,246	$784,083	$807,606	$831,834	$856,789	$882,493	$908,968	$936,237	$964,324	$993,253
Debt (6.5%) Yearly	$706,002	$706,002	$706,002	$706,002	$706,002	$706,002	$706,002	$706,002	$706,002	$706,002
Flow Value (4% CAP)	$55,244	$78,081	$101,604	$125,832	$150,787	$176,491	$202,966	$230,235	$258,322	$287,251
	$19,031,150	$19,602,085	$20,190,147	$20,795,851	$21,419,727	$22,062,319	$22,724,188	$23,405,914	$24,108,091	$24,831,334

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PARCEL MAP


FOR TAX PURPOSES ONLY
CITY OF SANTA CRUZ
Tax Area Code
1-024 1-032
10-07
SUB. OF FRANK SMITH EST.
LOT 1 4MB21 Copy 8-1 9/29/1887
LOT 2 4MB40 Copy 8-18 2/26/1889
LOT 3 6MB2 Copy 7-2 11/30/1889
LOT 4 4MB5 Copy 7-35 1/14/1887
POLAND TRACT
(Unified)
7MB25
7/13/1872
81RS10
10/24/1989
111RS18
4/2/2007
82RS31
8/10/1990
SUBJECT PROPERTY
SOQUEL
PENNSYLVANIA
BROADWAY
AVE
ST
HANOVER ST
PINE
AVE
102RS35
11/7/2002
100RS27
8/29/2001
20PM45
2/27/1976
56MB29
5/2/1972
108RS17
12/27/2005
POPE BLDG. LOTS
5MB57 Copy 10-8 2/1/1878
4' P.G.&E. R/W
J-032
J-024
Note - Assessor's Parcel & Block
Numbers are Shown in Circles.
Assessor's Map No. 10-07
City of Santa Cruz
County of Santa Cruz, Calif.

PROXIMITY MAP



1. TAQUERIA SANTA CRUZ
2. SANTA CRUZ MOVEMENT
3. SHOPPERS CORNER
4. GILMAN BREWING (TAPROOM / GASTROPUB)
5. DOWNTOWN SANTA CRUZ
6. WHOLE FOODS MARKET
7. 1007 LOUNGE
8. MIDTOWN FIRE STATION
9. THE PACIFIC OCEAN
10. BICYCLE TRIP
11. LULU'S MIDTOWN
12. THE BUTTERY CAFE



PROXIMITY MAP

PRIME MIDTOWN LOCATION

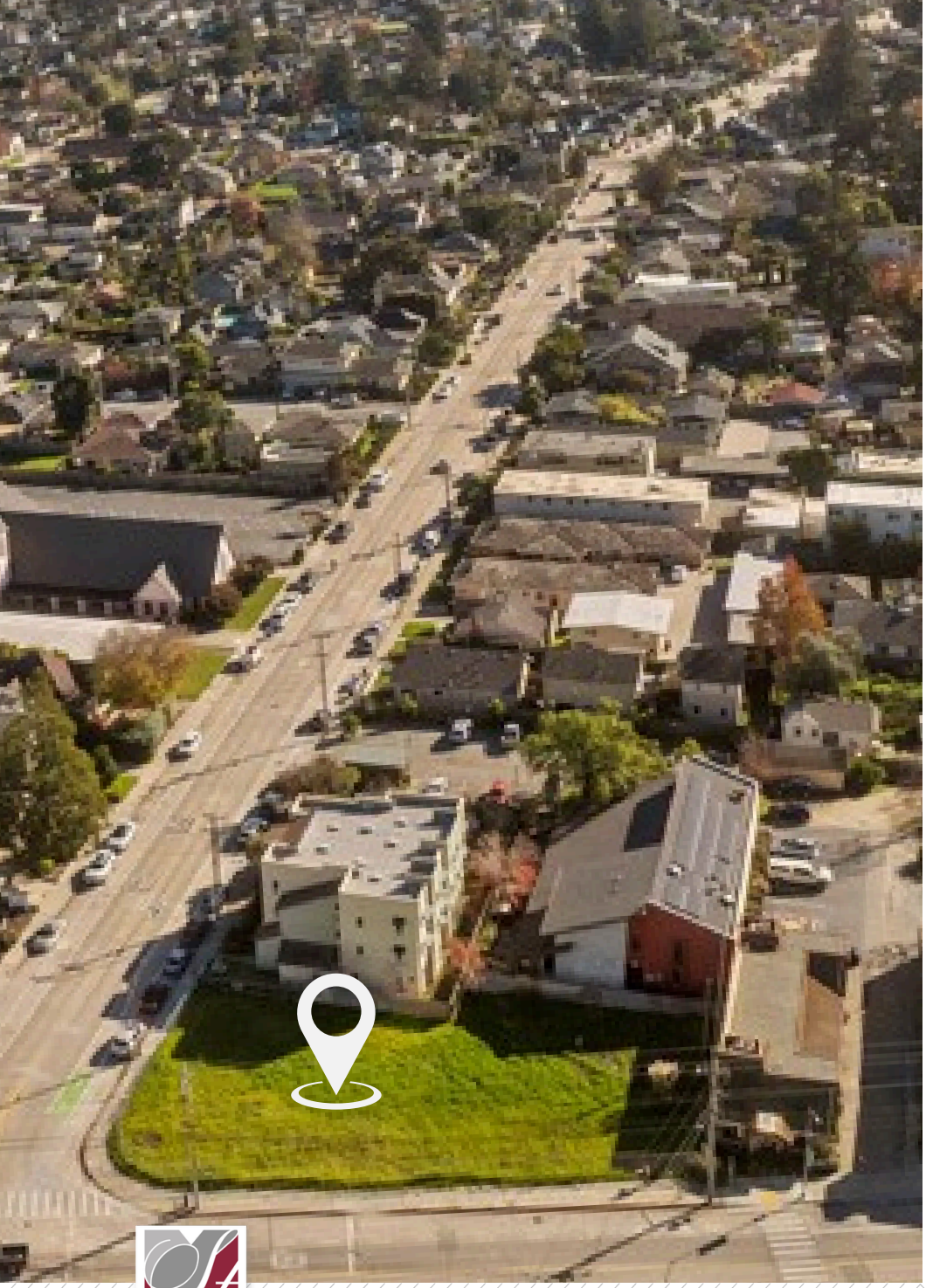
1. PUBLIC PARKING
2. THE CURL BOWLS & ROLLS
3. CHARLIE HONG KONG
4. THE RIO THEATER
5. 24 HOUR FITNESS
6. BRANCIFORTE MIDDLE SCHOOL
7. SAFEWAY
8. GROCERY OUTLET
9. STAFF OF LIFE MARKET
10. LILIAN'S KITCHEN
11. THE CREPE PLACE
12. ROLLER PALLADIUM

ENVIRONMENTAL
DUE DILIGENCE

- PHASE I IDENTIFIED LEAD/UNKNOWN FILL AS DILIGENCE ISSUES.
- PHASE II SUBSURFACE INVESTIGATION WAS COMPLETED.
- LEAD WAS BELOW APPLICABLE COMMERCIAL/INDUSTRIAL SCREENING LEVELS.
- ARSENIC WAS GENERALLY CHARACTERIZED AS CONSISTENT WITH REGIONAL BACKGROUND EXCEPT ONE SHALLOW LOCATION.
- EIS RECOMMENDED NO FURTHER ENVIRONMENTAL INVESTIGATION BASED ON THE PHASE II FINDINGS AT THAT TIME

BUYER TO VERIFY AND RELY ON ITS OWN CONSULTANTS.





KEY BUYER **VERIFICATION ITEMS.**

- SB330 pre-application submitted; formal application still required
- Density-bonus and affordability assumptions to be verified
- Open space / EV parking / waiver issues to be resolved
- Overhead utility easement and existing overhead lines
- Transformer/clearance considerations
- Fill/geotech considerations
- Review environmental diligence performed to date and determine whether any additional buyer-specific investigation is needed.
- Buyer to verify all zoning, development, utility, environmental, and geotech assumptions

MAIN STREET COMMERCIAL

LISTING AGENT
CONTACT

DATTA KHALSA, CABB

Broker / Principal | DRE#01161050
T: 831.818.0181
E-Mail: datta@mainstrealtors.com

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DRE#02114145



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