

COURTYARD II

6405

Mira
Mesa
BLVD

San Diego, CA 92121

FOR SALE OR LEASE

CBRE



INVESTMENT PROFESSIONALS

Sale Contacts

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SALE PRICE: \$9,100,000 (\$239/PSF)

LEASE RATE: \$2.05 + ELECTRICITY & JANITORIAL

INVESTMENT HIGHLIGHTS

Rare Owner/User Office Building For Sale or Lease.

- » Two story building with excellent floor-plate efficiency and flexibility that allows for a multitude of use possibilities including administrative, life science, R&D, and corporate HQ.
- » Excellent curb appeal with best in class construction.
- » Above standard 4/1000 parking ratio (all full size spaces).
- » Prominent building top signage fronting Mira Mesa Blvd.
- » Flexible medical and office zoning.
- » MTS Transit bus stop located in front of the building with quick access to the Sorrento Valley Coaster Station.

Strategic Central San Diego Location

- » Corner location fronting Mira Mesa Blvd, Sorrento Mesa's most active thoroughfare connecting San Diego's two largest freeways, I-805 and I-15, which allow commuters to access San Diego County's north, south, east and central submarkets.
- » The submarket of Sorrento Mesa appeals to a wide variety of tenants given the proximity to housing, amenities and other prominent, large corporations such as Google, QUALCOMM, Cardinal Health, Sony, USC, TD Ameritrade, Samsung, Hologic, Dexcom, AT&T and Time Warner Cable.

Priced at \$9,100,000 (\$239 PSF), Significantly Below the Estimated Replacement Cost of \$13,524,796 (\$356/psf).

FEATURES

Building Size = **37,991 SF**



Lease Rate: \$2.05 + E&J
Sales Price: \$9,100,000
(\$239/PSF)

P

Parking Ratio:
4/1,000



Two-story multi-tenant office building located in Sorrento Mesa



Building and monument signage available



Fiber providers:
AT&T and Cox



Showers onsite



Professional, local management and ownership



Excellent visibility from Mira Mesa Blvd



Transit Oriented Development



Private patios – select suites



Low Core Factor
1st Floor 8.65%
2nd Floor 7.96%



SITE PLAN

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AVAILABILITY | FIRST FLOOR

6405

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SUITE 150
Vacant

9,443 SF
(divisible to \pm 2,000 SF)

SUITE 100
Vacant

9,298 SF

Common Area

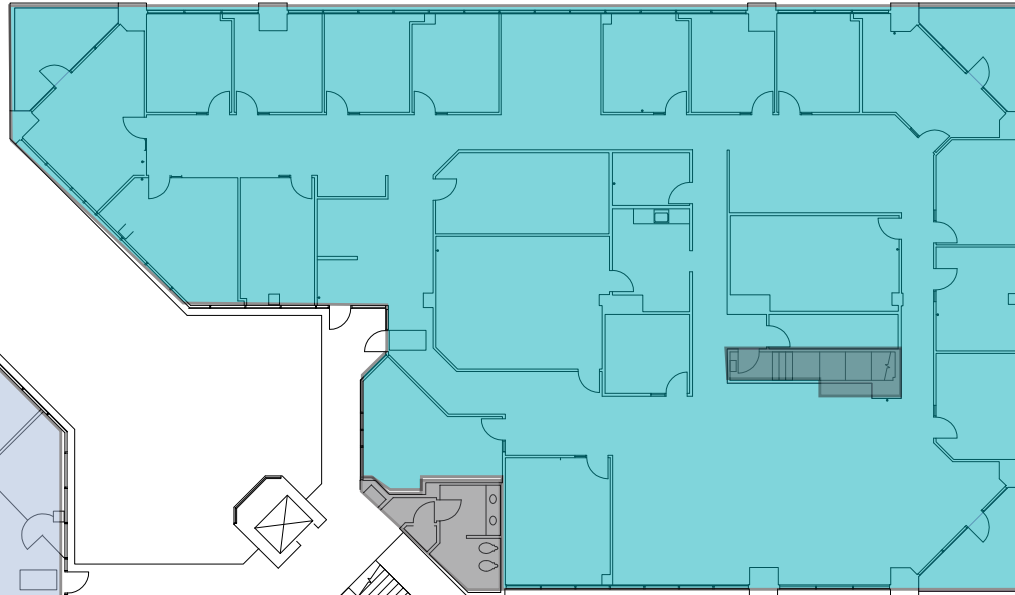


AVAILABILITY | SECOND FLOOR

6405

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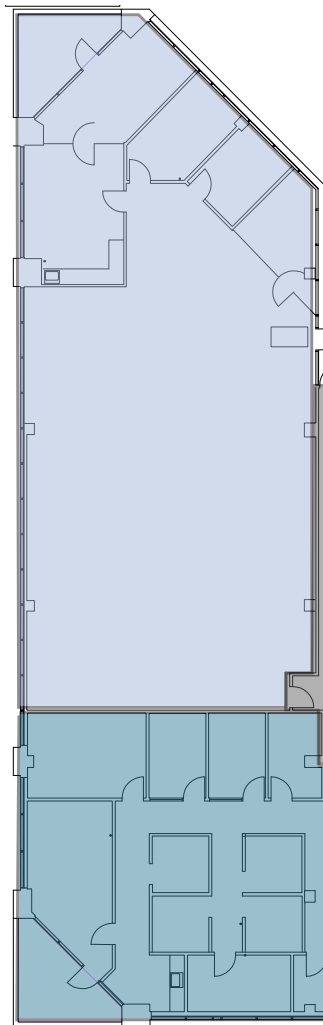
San Diego, CA 92121



SUITE 250
Vacant

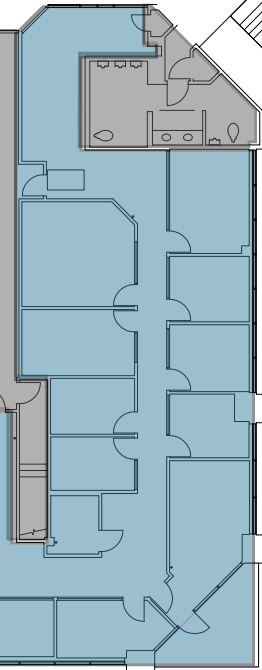
9,690 SF

SUITE 210
30 Days
4,322 SF



SUITE 200
30 Days

5,237 SF



Common Area



AREA AMENITIES

PERSONAL SERVICES/ SHOPPING

- 1 Plaza Sorrento
- 2 Premier Athletic & Squash Club
- 3 Sorrento Canyon Golf Center
- 4 Sorrento Court
- 5 Sorrento Mesa Crossroads
- 6 Sorrento Valley Racquetball
- 7 Bally Total Fitness
- 8 L.A. Fitness

HOTEL / TRAVEL

- 4 Logos
- 5 Mail Boxes Etc.
- 6 Micro City
- 7 Minuteman Press
- 8 Pacbell Purchase Store
- 9 Self Storage
- 10 Self Storage

BANKS

- 1 Bank Of America
- 2 Mission Federal Credit Union
- 3 San Diego County Credit Union

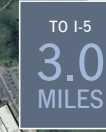
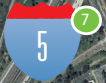
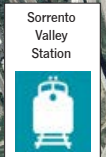
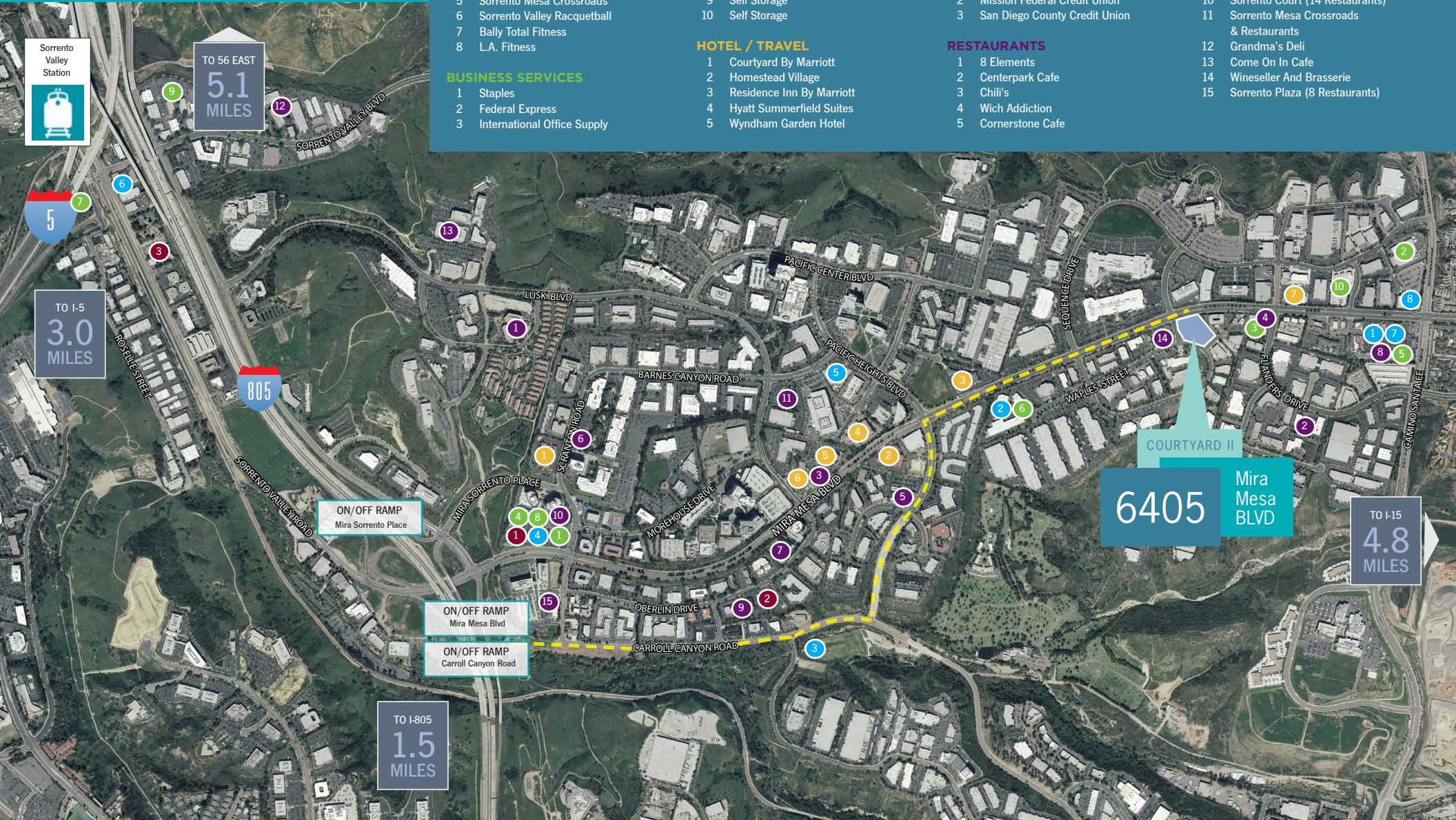
RESTAURANTS

- 1 8 Elements
- 2 Centerpark Cafe
- 3 Chili's
- 4 Wich Addiction
- 5 Cornerstone Cafe

BUSINESS SERVICES

- 1 Staples
- 2 Federal Express
- 3 International Office Supply

- 6 Karl Strauss
- 7 Oberlin Deli
- 8 Plaza Sorrento Food Court (16 Restaurants)
- 9 Sandwich House
- 10 Sorrento Court (14 Restaurants)
- 11 Sorrento Mesa Crossroads & Restaurants
- 12 Grandma's Deli
- 13 Come On In Cafe
- 14 Wineseller And Brasserie
- 15 Sorrento Plaza (8 Restaurants)



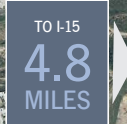
ON/OFF RAMP
Mira Sorrento Place

ON/OFF RAMP
Mira Mesa Blvd

ON/OFF RAMP
Carroll Canyon Road



COURTYARD II
6405
Mira Mesa Blvd



SAN DIEGO'S MOST DENSE POPULATION OF FORTUNE 500 COMPANIES



OWN VS. LEASE ANALYSIS

CBRE
BUSINESS LENDING

Vice President
jim.hatch@cbre.com

SALE OPPORTUNITY | 37,991 SF
6405 Mira Mesa Blvd | San Diego, CA

PURCHASE PRICE: \$9,100,000

BENEFITS OF OWNERSHIP

FAVORABLE TAX DEDUCTIONS TO IMPROVE THE BOTTOM LINE

- *Mortgage Loan Interest
- *Annual depreciation
- *Cost of building improvements

ACQUIRING AN ASSET THAT CREATES VALUE (Wealth Builder)

- *Potential source of rental income
- *Equity Build-up/Appreciation in asset value over time
- *Diversification of business profits

POTENTIAL SOURCE OF PASSIVE INCOME

- *Income stream from leasing a portion of the property

BENEFITS OF OWNING PROPERTY

- *Space can be modified to accommodate changes in the business

LEASE vs OWN SCENARIO

OWN

Purchase Assumptions	
Purchase Price	9,100,000
Improvements	\$100,000
Closing Costs	\$151,605
Total Project Cost	\$ 9,351,605

Start-Up Costs	
10% Down Payment	\$920,000
Total Start-Up Costs	\$920,000

Monthly Costs	Per Sq. ft.	
Mortgage Payment	\$1.37	\$52,137
Operating Expenses & Utilities	\$0.70	\$26,594
Total Monthly Costs		\$78,731

Monthly Ownership Benefits (Estimated)	
Tax Benefits	
Depreciation Benefit	\$3,312
Expense Deduction	\$5,585
Interest Deduction (10 yr Avg.)	\$6,224
Other Benefits	
Rental Income	\$0
Opportunity Cost of Invested Equity	(\$3,343)
Investment Return on Excess Cash Flow	\$337
Avg. Appreciation	3.0%
Total Ownership Benefits	\$35,115
Total Effective Monthly Cost:	\$43,616

LEASE

Lease Assumptions	
Size (Square Feet)	37,991
Lease rate per sq ft/mo (NNN)	\$1.55
Monthly Lease Payment (NNN)	\$58,886

Start-Up Costs	
Prepaid Rent	\$58,886
Security Deposit	\$58,886
Improvements	\$0
Total Start-Up Costs	\$117,772

Monthly Costs	Per Sq. ft.	
Lease Payment	\$1.55	\$58,886
Operating Expenses & Utilities	\$0.70	\$26,594
Total Monthly Costs		\$85,480

Monthly Lease Benefits (Estimated)	
Tax Benefits	
Depreciation Benefit	\$45
Lease Deduction	\$12,366
Expense Deduction	\$5,585
Interest Deduction	n/a
Other Benefits	
Rental Income	\$0
Avg. Appreciation	n/a
Total Lease Benefits	\$17,996
Total Effective Monthly Cost:	\$67,484

San Diego, CA 92121

Ownership Analysis Summary

Annual Effective Cost Difference	\$286,415
Average Annual Principal Pay down	\$259,493
Annual Wealth Creation	\$545,908
10 Year Wealth Creation	\$5,459,082

All figures are provided for informational purposes only. Consult with your tax and financial advisors regarding the tax benefits of property ownership and deductibility of mortgage loan interest.

- Depreciation Tax Benefit = Purchase Price X 80% + Improvements / 39 years / 12months X 21% Tax Rate
- Estimated Monthly Appreciation = Purchase Price and Improvements x 3% Appreciation Rate/12 months
- Financing: SBA Loan, 90% LTV financed over 23 years at 4.85% blended interest rate
- Equity and Cash Flow returns based on 5% annual investment rate



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