

AVISON
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THE MESA

2205 HARBOR BOULEVARD, COSTA MESA, CA



— OFFERING MEMORANDUM —

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THE MESA

COSTA MESA, CALIFORNIA

The City of Costa Mesa—just one mile from the Pacific Coast in the heart of Orange County—is one of California's most eclectic and vibrant cities. The city is home to South Coast Plaza, one of the nation's largest shopping centers, and the world-class Segerstrom Center for the Arts and South Coast Repertory theater. Costa Mesa is also the capitol of the action sports industry and the headquarters for companies such as Hurley International, Volcom, RVCA and Vans.

The city has a diverse dining scene and is home to The Lab and The Camp, two counterculture retail developments, and the SoCo Collection, a cutting edge, environmentally friendly shopping center.

Costa Mesa encompasses 16 square miles and has a population of about 112,780. Since its incorporation in 1953, Costa Mesa has evolved from a semi-rural farming community of 15,000 to a city with robust local economy that generates tax revenues of about \$118 million annually. A general law city, Costa Mesa has a council-manager form of government and staff of approximately 450 full-time employees.

Costa Mesa offers 28 parks, two municipal golf courses, 20 public schools and three libraries. Orange Coast College, Coastline Community College and Vanguard University have their campuses in Costa Mesa. The Orange County Fair and Event Center is also within the city limits.

The 9.5-acre Costa Mesa Civic Center at 77 Fair Drive. City Hall is a five-story, mid-century modern building. The complex also includes the Council Chambers, Police Department Headquarters, a 911 Dispatch building and Fire Station No. 5.

Costa Mesa residents enjoy a mild Southern California climate. The City's location provides easy access to many of Southern California's major attractions, including beaches, mountain areas, high and low deserts, Disneyland, Knott's Berry Farm, Palm Springs and Los Angeles.



Property Overview

For Sale: The property is currently for sale AS-IS at **\$13.5 million** and is a vacant 46 room and a 2 bedroom management apartment motel that **has been approved for single occupancy**. Continued use as a motel is not part of the future plans. The proposed residential apartment has been issued a formal approval of their planning application by the City of Costa Mesa.

The remodeled studio units are versatile, and the project can be considered ideal for: Student Housing, Assisted Living Facility, Rehabilitation Center, Subsidized or Affordable Housing, Short-Term Rentals, Micro-Apartments, Transitional Housing, Artist Lofts, Micro Retirement Community, Extended Stay Accommodation, Vacation Rentals, Training or Educational Campus and more.

Each unit includes a bathroom, kitchenette, and is fully furnished. As noted in the brochure, the planned rental income stream is designed around full-service, all-inclusive rents.

Any alternative use must be confirmed by the buyer



ADDRESS

**2205 Harbor Boulevard
Costa Mesa, CA 92627**



BUILDING / LAND AREA

±28,286 SF / ±0.58 AC



SALE PRICE

**\$13,500,000
\$477 PSF**



ROOMS

**46 Rooms +
1 Management Apartment**



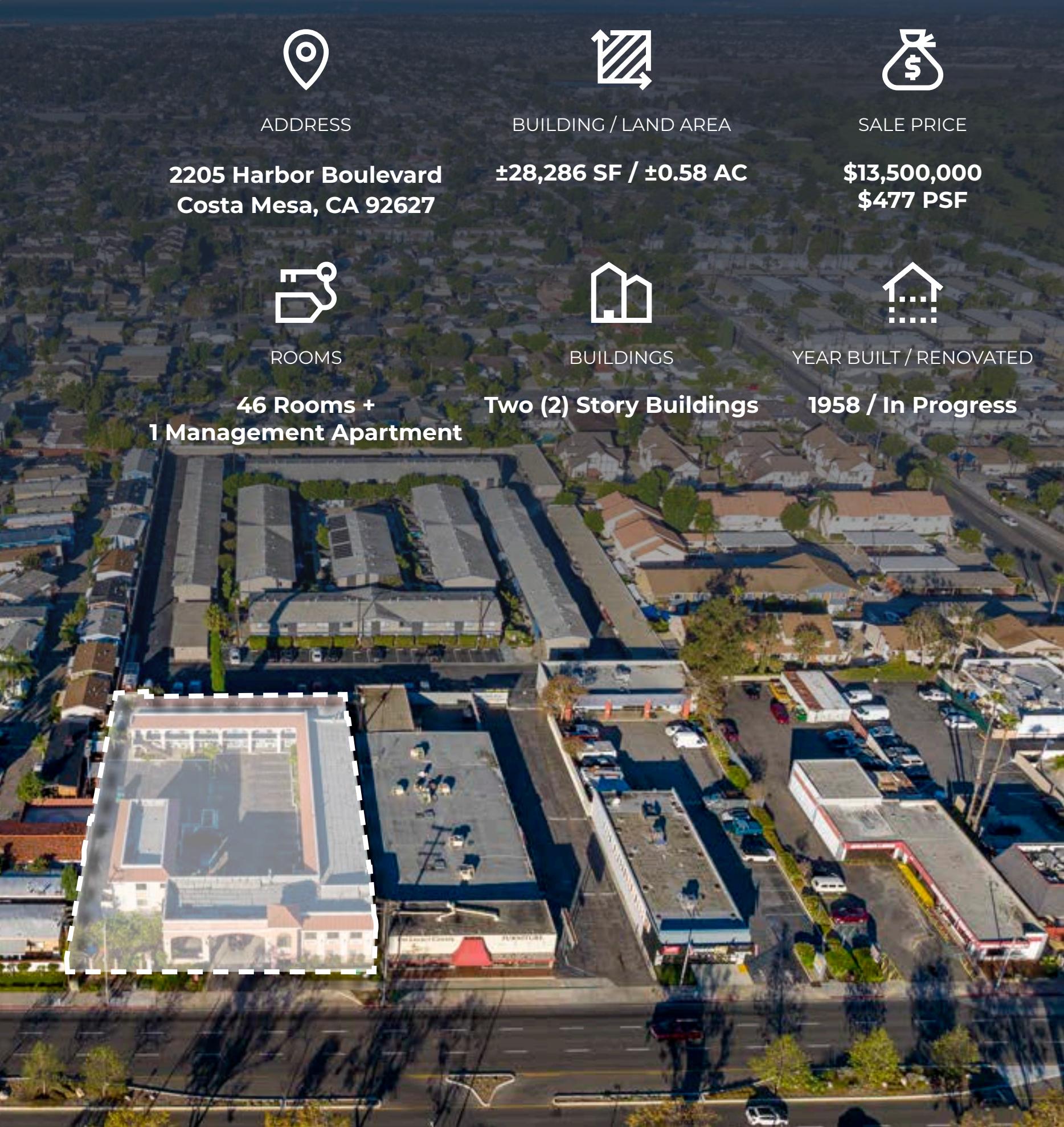
BUILDINGS

Two (2) Story Buildings



YEAR BUILT / RENOVATED

1958 / In Progress



Repositioning Opportunity

REPOSITIONING OPPORTUNITY - 2205 HARBOR BLVD, COSTA MESA, CA

2205 Harbor Boulevard presents a compelling repositioning opportunity in the heart of Costa Mesa, ideally situated for forward-thinking developers and investors. While recently approved and furnished for single-occupancy use, the property is **also poised for alternative transformation** pursuant to the City's Housing Element, which identifies the site for other residential redevelopment. A full residential rezone is actively in progress, with implementation anticipated by **Spring 2026**, allowing for a redevelopment up to **28 residential units** at a density of **50 dwelling units per acre (du/ac)**.

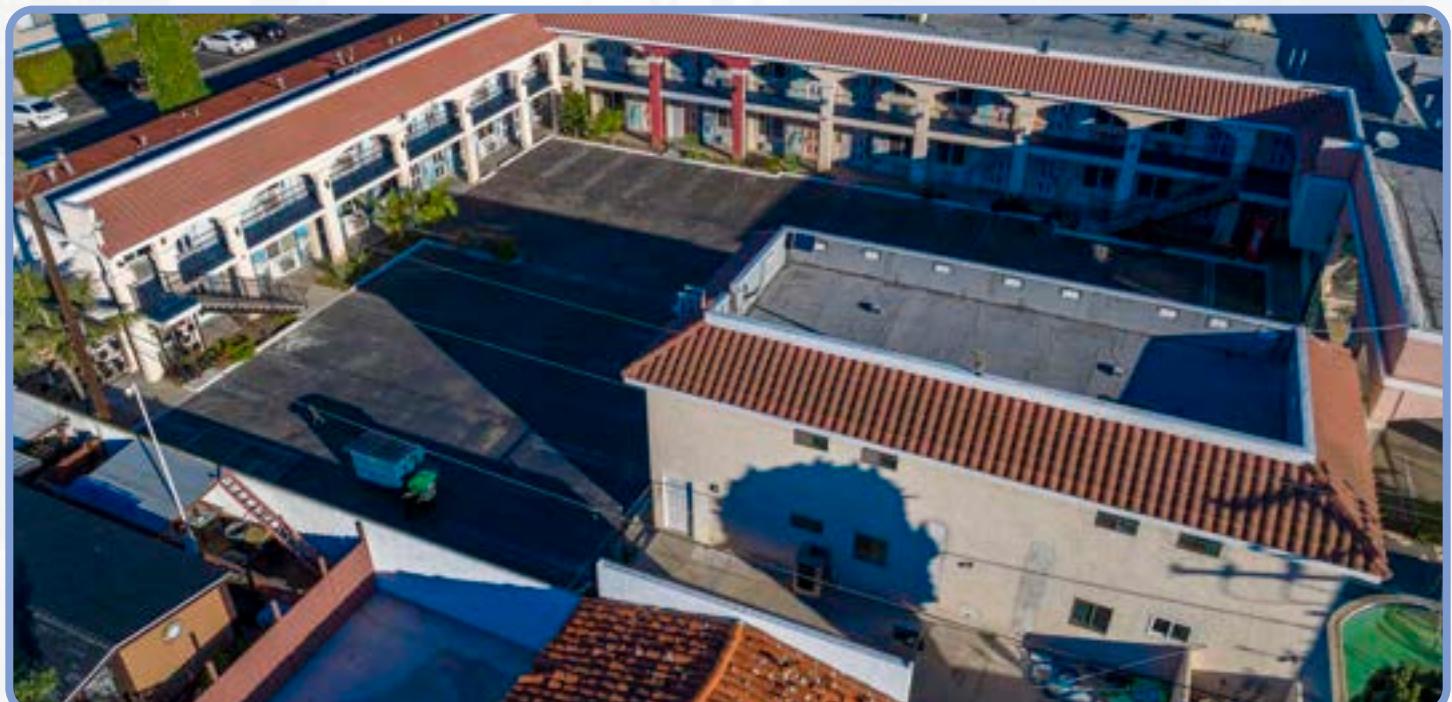
The site's prescribed affordability mix includes:

- **5 Very Low-Income Units**
- **3 Low-Income Units**
- **5 Moderate-Income Units**

This balanced affordability profile supports both community needs and potential incentives under state and local housing programs.

With its central location, proximity to retail, transit, and employment hubs, and a favorable policy environment, 2205 Harbor Blvd is a rare opportunity to reposition a well-located asset into a vibrant community.

All of the above information regarding residential development standards are to be verified with the city of Costa Mesa



Pro Forma

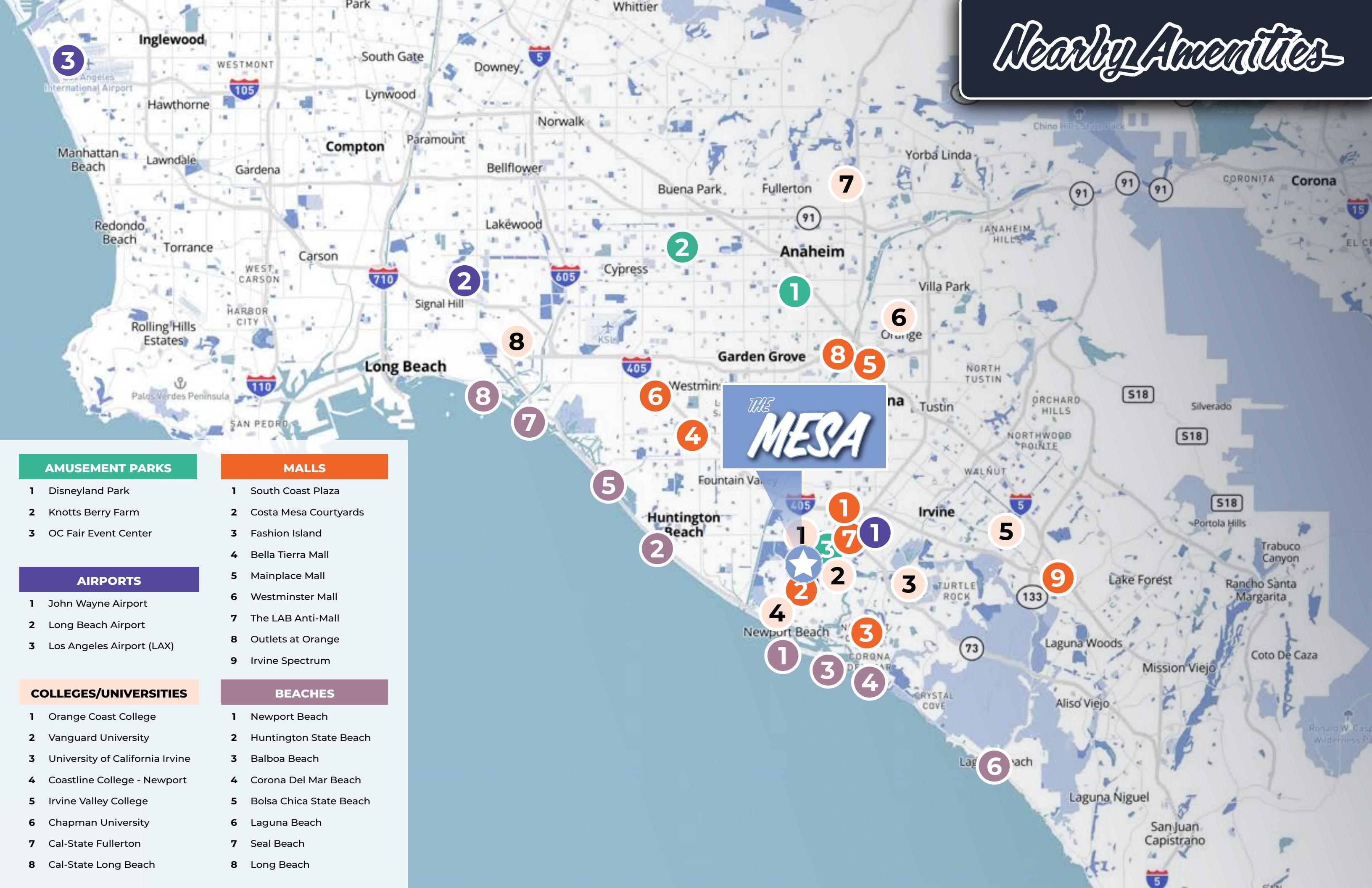
POTENTIAL INCOME STATEMENT BASED ON CURRENT *SINGLE OCCUPANCY USE*

Income	Total Monthly	Total Annual
Avg Mo Rent FSG*	\$2,450	\$29,400
Number of Rooms**	46	\$112,700
Gross Income	\$112,700	\$1,352,400
Operating Expenses	Cost/Room Mo Est/Avg***	Total Monthly
Electric	\$104	\$4,792
Gas	\$27	\$1,227
Water / Sewer	\$43	\$1,993
Trash	\$13	\$575
Common Area Maintenance	\$20	\$920
General Repairs	\$42	\$1,917
Insurance	\$27	\$1,227
Reserves	\$10	\$460
Property Tax****	\$313	\$14,375
Management Costs (% of Gross Income)	3.50%	\$3,945
Total OPEX Estimates	(\$31,430)	(\$377,154)
<i>OPEX Costs Per Room Estimates</i>	<i>(\$683.25)</i>	<i>(\$8,199.00)</i>
<i>NET Rent Per Room Estimate</i>	<i>\$1,766.75</i>	<i>\$21,201.00</i>
Valuation	Monthly	Annual
Gross Income	\$112,700	\$1,352,400
Vacancy Rate Deducts	5.00%	(\$67,620)
Total OPEX Estimates		(\$377,154)
NOI (Net Operating Income)	\$75,636	\$907,626
CAP Rate & Value	6.00%	\$15,127,100.00
* FSG - Full Service Gross - All OPEX are included in the rent along with subsidized payments. Avg Rent over all rooms.		
** Num Rooms - does not include income for onsite management, storage, common areas		
*** Cost/Room Est/Avg - Basic estimates for operating costs knowing costs are spread across the project including common areas - estimates based on 2024 research from CBRE hotel and multi-family research. OPEX Source Tab		
**** Property tax estimate at 1.15% of purchase price \$15,000,000		
Updated - 10/21/2024		

Renovated Units



Nearby Amenities



Location Aerial

hoag.

Newport Beach

Huntington State Beach



40,591 VPD

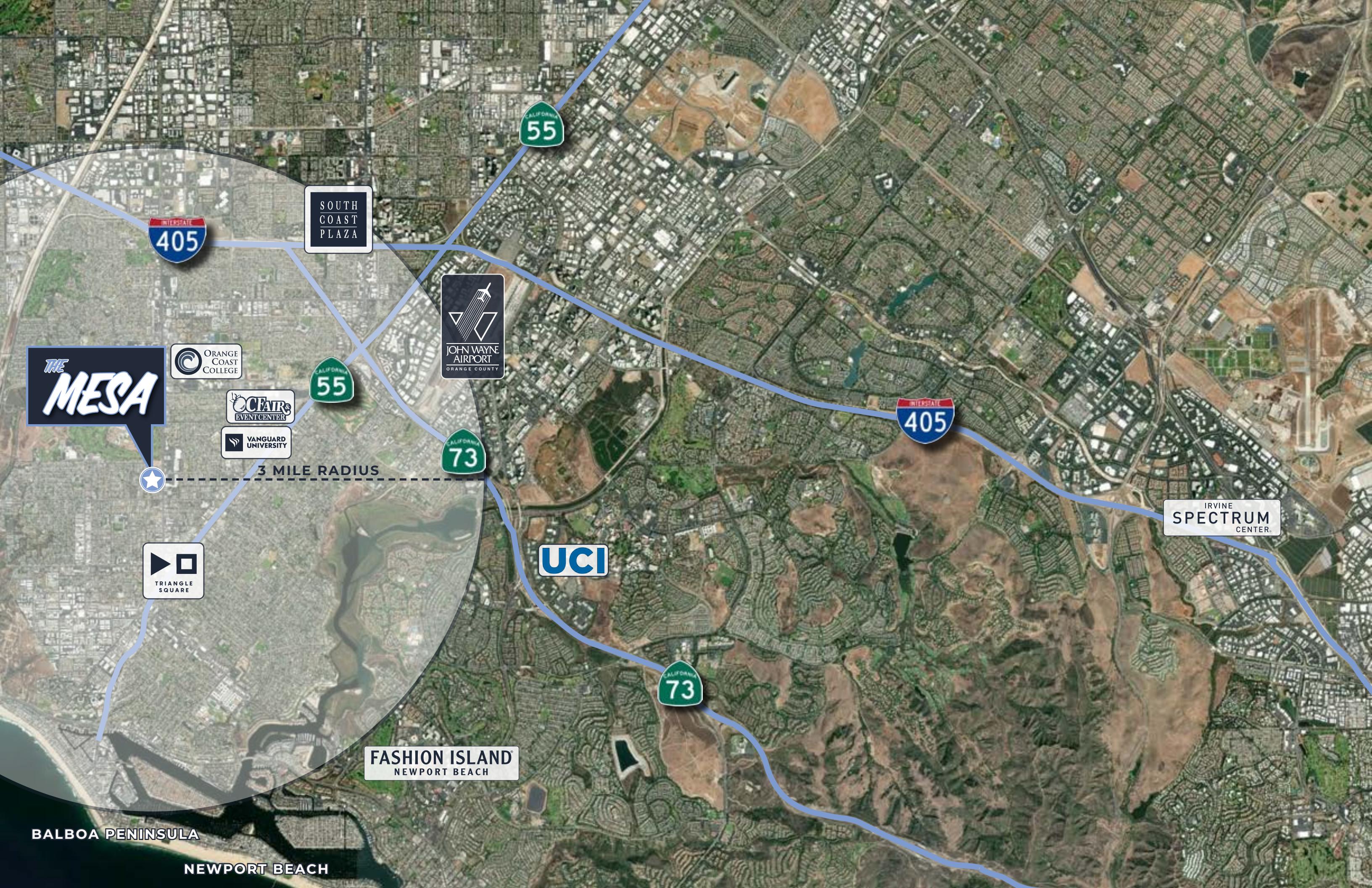
HARBOR BOULEVARD

VICTORIA STREET

30,210 VPD

THE
MESA





THE *MESA*

UNMATCHED LOCATION WITHIN PRESTIGIOUS ORANGE COUNTY

The Mesa is Strategically Located and provides convenient access to luxurious hotels and nearby attractions. Fine Dining, High-End Retailers, tourist attractions and Educational Institutions



Immediate access to major California Freeways **I-405, SR-55, SR-73**

TAP INTO COSTA MESA'S AFFLUENT AND HIGHLY EDUCATED RESIDENT BASE



\$118,448
Median Household Income



\$1,198,059
Median Home Value in Costa Mesa



52.2%
Have Achieved a Bachelor's Degree or Higher



This property is 5 Miles from John Wayne Airport, with access to over 200 Flights daily and hosting nearly 11.4 million passengers in 2022.





JUST MINUTES FROM **THE MESA**, SOUTH COAST PLAZA OFFERS EXCEPTIONAL SHOPPING AND DINING EXPERIENCES, MAKING IT A CONVENIENT AND LIVELY DESTINATION



South Coast Plaza, the largest shopping center on the West Coast, generates over **\$2.4 billion** in annual sales. It features more than **280 stores** and **30 restaurants**, offering an unparalleled selection of luxury brands and dining experiences.



bloomingdale's BALENCIAGA



191,000 SF OF CLASS-A OUTDOOR ENTERTAINMENT AND RETAIL SPACE JUST MINUTES FROM **THE MESA**



RESTAURANT & TAPAS BAR





MARKET OVERVIEW

SCOPE OF THE COSTA MESA MULTI-FAMILY MARKET

Costa Mesa's multifamily market continues to exhibit strong fundamentals and resilient performance. Absorption remains positive, supported by steady renter demand and healthy in-migration into the submarket. Following a temporary vacancy peak of 4.3% in mid-2024, driven primarily by the delivery of a new 200-unit community, occupancy has since improved as the market successfully absorbed new supply. As of today, vacancy levels have compressed to a healthy 2.8%, reflecting the submarket's ability to stabilize quickly and maintain strong tenant interest.

New apartment development in Costa Mesa remains limited, with no new projects breaking ground since the 200-unit delivery last year. Historically, the city has experienced a modest development pipeline, averaging only one or two new completions every few years.

While rent growth during the pandemic was solid, Costa Mesa trailed the more premium neighboring markets of Irvine and Newport Beach, which experienced the highest rent growth in Orange County. As regional leasing momentum moderated, Costa Mesa experienced only minimal rent declines, demonstrating its resilience and relative affordability. The city continues to benefit from renters migrating out of higher-priced markets in search of attainable housing options, positioning Costa Mesa as an attractive and accessible alternative within central Orange County's multifamily landscape.

VACANCY RATE	ASKING RENTS	SALE PRICE/UNIT	INVENTORY	CAP RATE
2.8%	\$2,653	\$440,484/Unit	19,191	4.4%

DEMOGRAPHICS

5-MILE RADIUS

389,155 2025 POPULATION	39.5 MEDIAN AGE	34.7% BACHELORS OR HIGHER	153,316 HOUSEHOLDS	\$167,989 MEDIAN INCOME

CONSUMER SPENDING

Expenditure Type	Value
Shelter	\$6,261,682,211
Food at Home	\$1,597,806,175
Healthcare	\$1,501,415,992
Food Away from Home	\$948,704,927

Source: ESRI

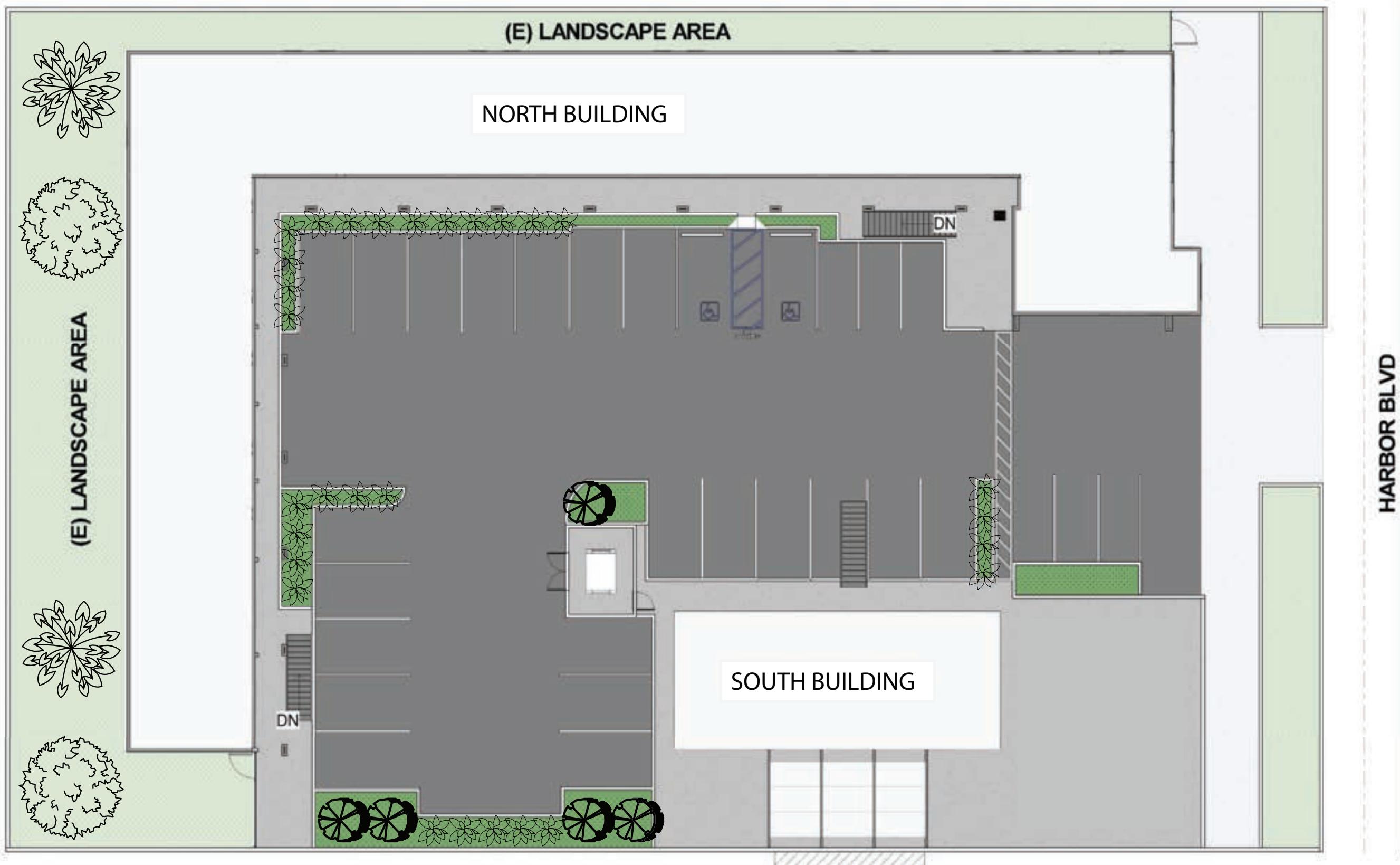


PROPERTY OVERVIEW

ADDRESS	2205 Harbor Boulevard, Costa Mesa, CA 92627
CLASS	B
SITE AREA	±0.58 AC
ZONING	C2
SQUARE FOOTAGE	28,286 SF
BUILDINGS	Two (2)
STORIES	Two (2)
YEAR BUILT / RENOVATED	1958 / 2025
CONSTRUCTION	Wood Frame and Stucco
AFFORDABLE TYPE	Residential zoning request in progress
WALK SCORE	Very Walkable (82)



SITE PLAN



FLOOR PLAN





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