

EXECUTIVE SUMMARY

9877

WAPLES STREET

SAN DIEGO, CA 92121

100% LEASED TO SIRO DIAGNOSTICS
THROUGH JUNE 2031

CBRE | NATIONAL
PARTNERS

THE OFFERING

CBRE, Inc. is pleased to present the opportunity to acquire 9877 Waples Street (the "Property" or "9877 Waples"), a freestanding lab, R&D, and manufacturing facility situated on 3.5-acres in Sorrento Mesa. The existing 63,774 SF building is currently 100% leased to Siro Diagnostics through June 2031, offering investors immediate in-place cash flow with long-term value upside.

9877 Waples has been extensively built out as a manufacturing facility, featuring in-place infrastructure and equipment that supports high-value life science and production uses. Over \$26.7M (\$418/SF) in capital improvements have been invested by the landlord and tenant since 2020. This rare level of build-out enhances the asset's appeal to biotech, medtech, and advanced manufacturing users. With long-term upside driven by market fundamentals, tenant demand, and the existing nature of the improvements, 9877 Waples presents a compelling opportunity for investors seeking both immediate yield and future appreciation.

Strategically located in Sorrento Mesa, one of San Diego's most innovation-driven submarkets, the location offers proximity to major research institutions, executive and workforce housing, and immediate connectivity to I-805 and I-5.



ASKING PRICE: \$22,500,000 | \$353/SF

YIELDS AT ASKING PRICE: **11%**
CALENDAR YEAR 2026

12.4%
YR-1 CAP RATE | YR-1 CAP RATE W/ ATIA

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PROPERTY OVERVIEW

LAB/R&D/LIGHT MANUFACTURING
Property Type



9877 WAPLES STREET
Address



SORRENTO MESA
Submarket



**63,774 SF (LEASED)
64,955 SF (BOMA)**
Project Size



SIRO DIAGNOSTICS, INC. (64K SF)
Tenant



100%
Occupancy



5.5 YRS.
Remaining Term



**\$14.6M of Remaining Contractual Base Rent
Plus \$1.75M of TIA**



3.5 AC
Land Area



2,61,000 SF
Parking



341-361-41
APN



E M-1
Zoning



INVESTMENT HIGHLIGHTS

- 100% Leased with Term:** 100% leased to Siro Diagnostics through June 2031, providing investors with secure long-term cash flow.
- Attractive Metrics:** Based on expected trade value, 9877 Waples will provide investors with a healthy going-in yield and an attractive basis for a fully built-out manufacturing facility; estimated replacement cost inclusive of tenant and landlord investment is in excess of \$800/SF.
- Accretive Financing Options:** Investors will benefit from strong cash-on-cash returns with market debt available in the mid-7s, assuming 60% leverage.
- Zoned for Flexibility and Growth:** The EMX-1 zone (3.0 FAR max.) allows a broad range of R&D, light industrial, office and retail/commercial uses enabling future repositioning or redevelopment of up to 465,220 SF processed ministerially (straight to permit). The property is not designated Prime Industrial Land-Flex so residential development is not currently allowed, although there may be a work-around for residential use through Density Bonus Law or other City programs.
- Strategic Sorrento Mesa Location:** Located in one of San Diego's premier innovation corridors, within San Diego's life sciences epicenter.
- Infill San Diego Location with Excellent Freeway Access:** Centrally located with immediate connectivity to I-805, I-5, and I-15, providing efficient access to the broader San Diego region and key employment centers
- No Asking Price / No Debt Assumption:** Offered free and clear of existing debt, allowing investors to structure financing to optimize returns.

IDEAL DEMOGRAPHICS | DENSELY POPULATED & HIGHLY EDUCATED

Within 5-Miles:

Average Household Income:
\$177,886

Population Size:
~264,000

~99,000
Housing Units

67% of Population
Hold a Bachelor's/Graduate/Professional Degree

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ASSET LEVEL HIGHLIGHTS

9877 Waples is a R&D diagnostic manufacturing facility and has received over \$26.7 million (\$418/SF) of capital investment from current ownership and tenancy since 2020. The current build-out and infrastructure offer significant value and appeal to a variety of users in life sciences and advanced manufacturing.

- \$14.5 million (\$227/SF) in tenant-funded build-out, alongside \$12.2 million (\$191/SF) of capital investment from the landlord since 2020
- High-image asset with enhanced security features
- Dock and grade loading
- 100% climate-controlled
- Equipped with Liquid Nitrogen, Nitrogen Gas, and Argon gas microbulk storage tanks and distribution systems
- Ample power for lab/R&D and manufacturing use



LOCATION HIGHLIGHTS

AMENITY-RICH

- ~1-mile away from Sorrento Mesa's largest retail center, "Sorrento Court" and ~4-miles from upscale, open-air Westfield UTC Mall (over 70 eateries, retailers, and entertainment options)
- Within 3-Miles:

30
Restaurants



26
Banks/ATMs



8
Grocery Stores



7
Fitness Centers



5
Hotels



DISTANCE TO:

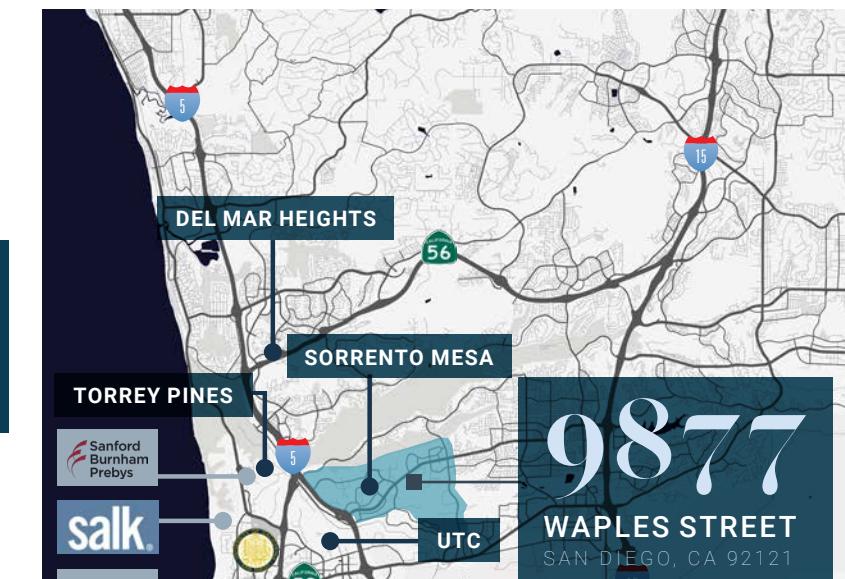
UTC	2.5 Miles
UCSD	3.5 Miles
TORREY PINES	4.0 Miles
SALK INSTITUTE; SCRIPPS RESEARCH INSTITUTE; SANFORD BURNHAM PREBYS	5.0 Miles
DEL MAR HEIGHTS	7.0 Miles
DOWNTOWN; SAN DIEGO INTERNATIONAL AIRPORT	15.0 Miles

SAN DIEGO RANKS AMONG THE TOP 5 MARKETS FOR THE NUMBER OF SPECIALIZED BIOLOGICAL AND BIOMEDICAL SCIENCES GRADUATES IN:

BIOCHEMISTRY, BIOPHYSICS & MOLECULAR BIOLOGY

CELL/CELLULAR BIOLOGY & ANATOMICAL SCIENCES

MICROBIOLOGICAL SCIENCES & IMMUNOLOGY



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SORRENTO MESA CONTAINS THE HIGHEST CONCENTRATION OF FORTUNE 500 COMPANIES IN SAN DIEGO



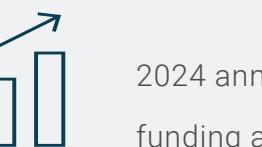
THE FUTURE OF SORRENTO MESA

- Sorrento Mesa stands at the forefront of San Diego's economic momentum. Fueled by the continued expansion of the tech and life sciences sectors, Sorrento Mesa is home to one of the region's highest concentrations of Fortune 500 companies. The submarket is uniquely positioned to support sustained innovation and long-term growth.
- The region draws from a deep pool of STEM talent, supported by world renowned universities and research institutions, including UC San Diego, and provides a strong pipeline of graduates in engineering, biology, and data science.
- 2022 Mira Mesa Community Plan Update promotes higher-density residential development and mixed-use urban villages, expanding workforce housing options and reinforcing long-term growth in the Sorrento Mesa submarket.

REGIONAL FUNDING AND INVESTMENT

- Year-end 2024 VC funding in San Diego was very active, raising over \$5.1B, finishing the year as the 3rd highest of all time behind 2020-21.
- San Diego's NIH funding reached over \$586M in the first half of 2025. San Diego has received at least \$1B in NIH funding since 2019, significantly up compared to historical norms, further proving to be a life sciences leader.
- UCSD, Scripps Research Institute, and Salk Institute continue to be the local leaders, accounting for \$464M (80%) of total NIH funding in the first half of 2025.

VENTURE CAPITAL FUNDING



2024 annual funding outpaced the 10-year annual funding average by **44%**



PREMIER R&D FACILITY IN SAN DIEGO'S INNOVATION CORE

In 2024, the San Diego region received **1.5x** the 10-year average of \$3.4B with greater than \$5.1B in venture funding



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