

FOR SALE

640
grand ave
SAN MARCOS

640 GRAND AVE | SAN MARCOS, SAN DIEGO COUNTY, CA

CBRE

OFFERING MEMORANDUM

AFFILIATED BUSINESS DISCLOSURE & CONFIDENTIALITY AGREEMENT

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an “Affiliate”) engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the “Property”), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgment of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates’ interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms’ length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.



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CBRE

W SAN MARCOS BLVD - ±44,6382 CPD

640

grand ave

SAN MARCOS

GRAND AVE - ±8,802 CPD

EXECUTIVE
SUMMARY

640 GRAND AVE

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IDEAL OWNER-USER OPPORTUNITY

CBRE is pleased to present an opportunity to acquire 640 Grand Ave, a two tenant freestanding retail building in San Marcos, CA. Ideal central North County location with convenient access to Highway 78, connecting I-5 and I-15.

The building is a two tenant building, 50% NNN leased. The site offers the opportunity to capitalize on the ability to own in San Diego – a purchaser could occupy vs. lease and enjoy pride of ownership along with equity appreciation. A purchase also allows for the opportunity for SBA financing to increase investment returns.



SALE PRICE
\$4,500,000



ADDRESS
640 Grand Ave
San Marcos, CA 92078



ZONING
C (Commercial)



LOT SIZE
0.51 Acres (22,216 SF)



BUILDING SIZE
±6,110 SF



PARKING
±26 stalls

640 GRAND AVE



PROPERTY HIGHLIGHTS



CORE LOCATION

The site is located on the major thoroughfare of the San Marcos trade area. The building offers convenient ingress/egress and is complemented by ample parking. In addition, the site is accessible, less than half a mile from Interstate 78 connecting I-5 and I-15.



SYNERGISTIC NORTH COUNTY LOCATION

The site is directly across the street from the Creekside Marketplace just a short walk to food court / restaurants / shopping and services (279,827 SF of food & retail amenities)

Benefit from the synergy of San Marcos' premier retail destination: Creekside Marketplace ranks in the 96th percentile of all community shopping centers in the nation based on annual visits, and 89% in CA:

Attracts 5.8M visits per year

Chipotle and **Jamba Juice** rank in the **96th percentile** nationwide for daily visits

Best Buy and **GameStop** rank in the **86th percentile** nationwide for daily visits

*Source: PlacerAi



OWNER-USER OPPORTUNITY

An owner-user who can capitalize on the attractive Small Business Administration (SBA) loan rates. With the vacant space available, this buyer can benefit from the low SBA rate and customize the property to suit their needs.



ABUNDANT ON-SITE PARKING

The site benefits from ±26 parking spaces, allowing users an ample, private parking field.



HIGH TRAFFIC | FREEWAY ADJACENT | EXCELLENT VISIBILITY

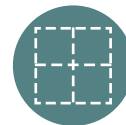
With an established growing community, the site caters heavily to surrounding residents while benefiting from a solid daytime population and immediate access to the 78 freeway.

Immediate Proximity to Major Campuses:

CSU San Marcos and Palomar College are both less than 2 miles from the site respectively with a combined enrollment of ±45,500 students.

Major Commercial Thoroughfare:

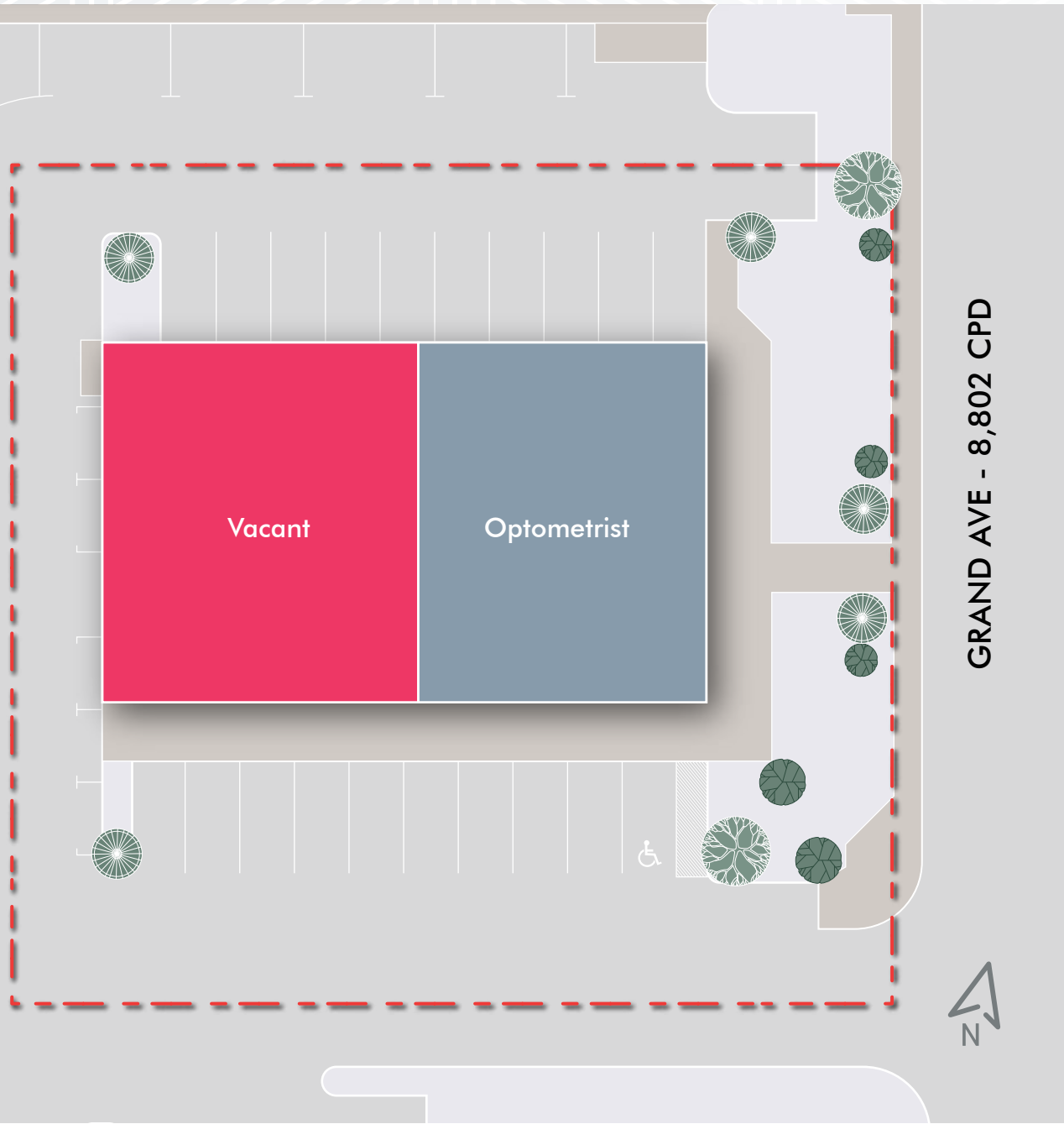
1-78 Highway.....	±171,377 CPD
W San Marcos Blvd.....	±44,683 CPD
Grand Ave.....	±8,602 CPD



PARCEL MAP - APN: 219-270-41

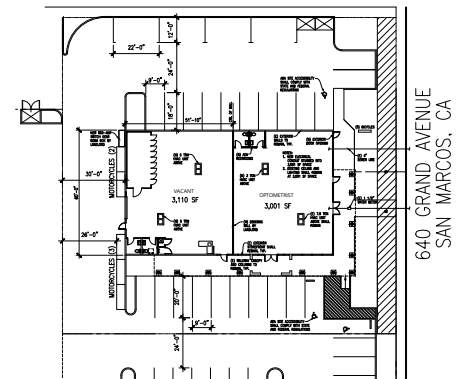
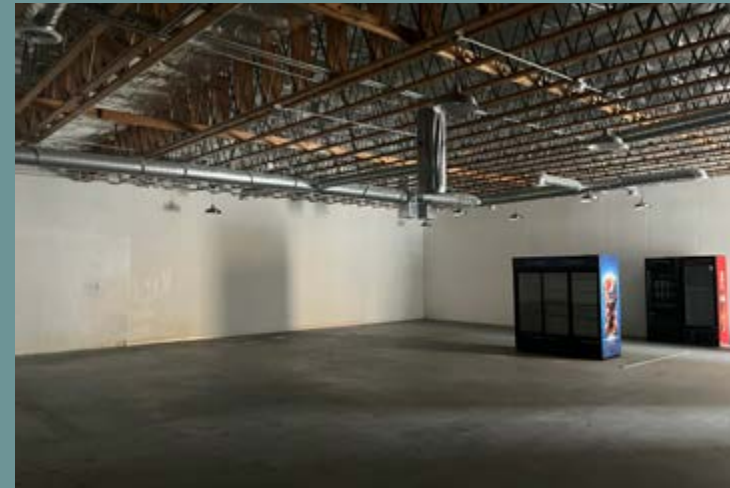


SITE PLAN



GRAND AVE - 8,802 CPD

VACANT SPACE



640 GRAND AVE



[CLICK HERE FOR FLOOR PLANS](#)

FINANCIALS

MONTHLY OPERATING STATEMENT

INCOME

Rental	\$6,382.00
NNN	\$1,140.00
Total Income	\$7,522.00

EXPENSES

Landscaping	(\$250.00)
Management Fees	(\$500.00)
Water and Sewer	(\$230.00)
Disposal	(\$260.00)
Inspection/Backflow	(\$10.00)
Insurance	(\$380.00)
SDG&E	(\$30.00)
Property Tax	(\$1,800.00)
Total Expenses	(\$3,460.00)
NET INCOME	\$4,062.00



LEASE ABSTRACTION



www.newoptixoptometry.com

Full service optometry office with two locations in San Diego.

Size	3,001 SF
Tenant	New Optix Optometry, Inc
Base	\$6,383
NNN	\$1,140
Commencement	Oct 1, 2017
Expiration	Oct 31, 2027
Options:	Within year 2 of 5 year extension with no options



640 GRAND AVE

SBA LOAN PROGRAM

OWN YOUR OWN BUILDING WITH SBA 504 LOAN PROGRAM

SBA 504 LOAN PROGRAM AND CREDIT FEATURES

Loan Quote Provided by Torrey Pines Bank 9/30/2024

PURCHASE PRICE:	\$ 4,500,000
1ST TD:	\$ 2,275,000
2ND TD:	\$ 1,764,500
DOWN PAYMENT:	\$460,500
MAXIMUM LOAN TO VALUE (LTV):	90%
AMORTIZATION:	25 Years
BLENDED INTEREST RATE:	5.80%
OCCUPANCY REQUIREMENTS:	Requirement of 51% or more by an Owner-User
MONTHLY PAYMENT:	\$ 26,132.47

SBA HIGHLIGHTS

- 25-year fully amortized fixed blended rates
- 90% LTV does not include project financing, including tenant improvements and closing costs
- Quick close cycle - 45 to 60 days
- Tax benefits of owning versus leasing (depreciation, interest, etc.)

Consult with your tax advisor, CBRE makes no representation, recommendations or warrants as to the validity of this information or the impact of such a sale. These are items that need to be addressed with your accountant or tax advisor.

OWN VS LEASE YOUR BUILDING

	LOAN AMOUNT	ANNUAL DEBT SERVICE EXPENSE (1)	(-) Minus ANNUAL NOI FROM TENANTS (AFTER OPER. EXP.)	(=) Equals SUB TOTAL ANNUAL DEBT SERVICE EXP.	(-) Minus AVRG. ANNUAL PRINCIPAL PAYDOWN (2)	(=) Equals NET PRE-TAX DEBT SERVICE EXP.	(-) Minus APPLICABLE ANNUAL TAX SAVINGS (3)	(=) Equals EFFECTIVE ANNUAL DEBT SERVICE EXP.	Divided by 12 = EFFECTIVE MONTHLY DEBT SERVICE EXPENSE	Divided by S.F. = TOTAL COST PER SQ. FT. FOR OWNER/USER
OWN	\$4,039,500	\$306,419	\$73,124	\$233,295	\$83,444	\$149,852	\$79,909	\$69,943	\$5,829	\$1.87
LEASE			Market NNN Lease Rate per square ft.: \$4.25			ANNUAL LEASE EXPENSE	(-) Minus APPLICABLE ANNUAL TAX SAVINGS (3)	(=) Equals EFFECTIVE ANNUAL LEASE EXPENSE	Divided by 12 = EFFECTIVE MONTHLY LEASE EXPENSE	Divided by S.F. = TOTAL COST PER SQ. FT. FOR LEASE
						\$158,559	\$55,496	\$103,063	\$8,589	\$2.76



SAN MARCOS AREA OVERVIEW

Locating in the foothills of North San Diego County, San Marcos is a well-rounded, vibrant and progressive community offering a high quality life. While retaining its small-town atmosphere, the city continues to experience rapid growth. Containing unique dining and shopping options, maintaining a low crime rate, and acting as the center for education in North San Diego, San Marcos continues to draw people in.

San Marcos is not isolated either. Working with four other cities in the 78 corridor, Carlsbad, Escondido, Oceanside, and Vista, the collaboration is home to leading companies and universities, cutting edge research institutions and hospitals. Also, the city is only 35 miles from Downtown San Diego and just over 5 miles to the ocean. This proximity gives its access to the headquarters of top companies like MobilOne, Scripps Health, Petco, LPL Financial, and many others.

This North County Coastal region is home to some of San Diego's top attractions, including Legoland California and Legoland Water Park, SeaLife Aquarium, The Flower Fields at Carlsbad, Wave Water park, Del Mar Fairgrounds and the Del Mar Racetrack. All of this works towards San Marcos' draw of a city with a small-town atmosphere but with a multitude of things to do.

#20 FORTUNE

San Marcos ranked #20 in Fortune's Best Places to Live for Families

LOCATION MAP



PALOMAR COLLEGE
30,000 STUDENTS

Civic Center Plaza

LAIFITNESS. SUBWAY

the old spaghetti factory PIZZA NOVA

Grand Plaza Mall

ROSS petco ULTA

Marshall's Nordstrom rack SPROUTS

Starbucks Cane's FIVE GUYS

PartyCity BOUDIN

JOANN LANE BRYANT

Future Mixed Use Development

SUBJECT

NORTH CITY

200 Acre Mixed Use Project

Creekside Marketplace

Total Wine Hobby Lobby Best Buy WinCo Foods

Crave & Barrel Chick-fil-A Panera Bread

CAL STATE UNIVERSITY
SAN MARCOS
14,643 STUDENTS

Ralphs

640 GRAND AVE

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AREA DEMOGRAPHICS

San Marcos boasts a robust and diverse economic base. With **41,000+** jobs, more than **4,000** businesses, and annual totaling **\$6 billion**. San Marcos is an economic powerhouse and major player in North County's economic landscape.



\$135,258

SAN MARCOS HOUSEHOLD INCOME



95,897

SAN MARCOS POPULATION



4,292

SAN MARCOS BUSINESS



\$6.01B

SAN MARCOS GROSS REGIONAL PRODUCT
(2022)



Zillow Home Value Index for San Marcos:

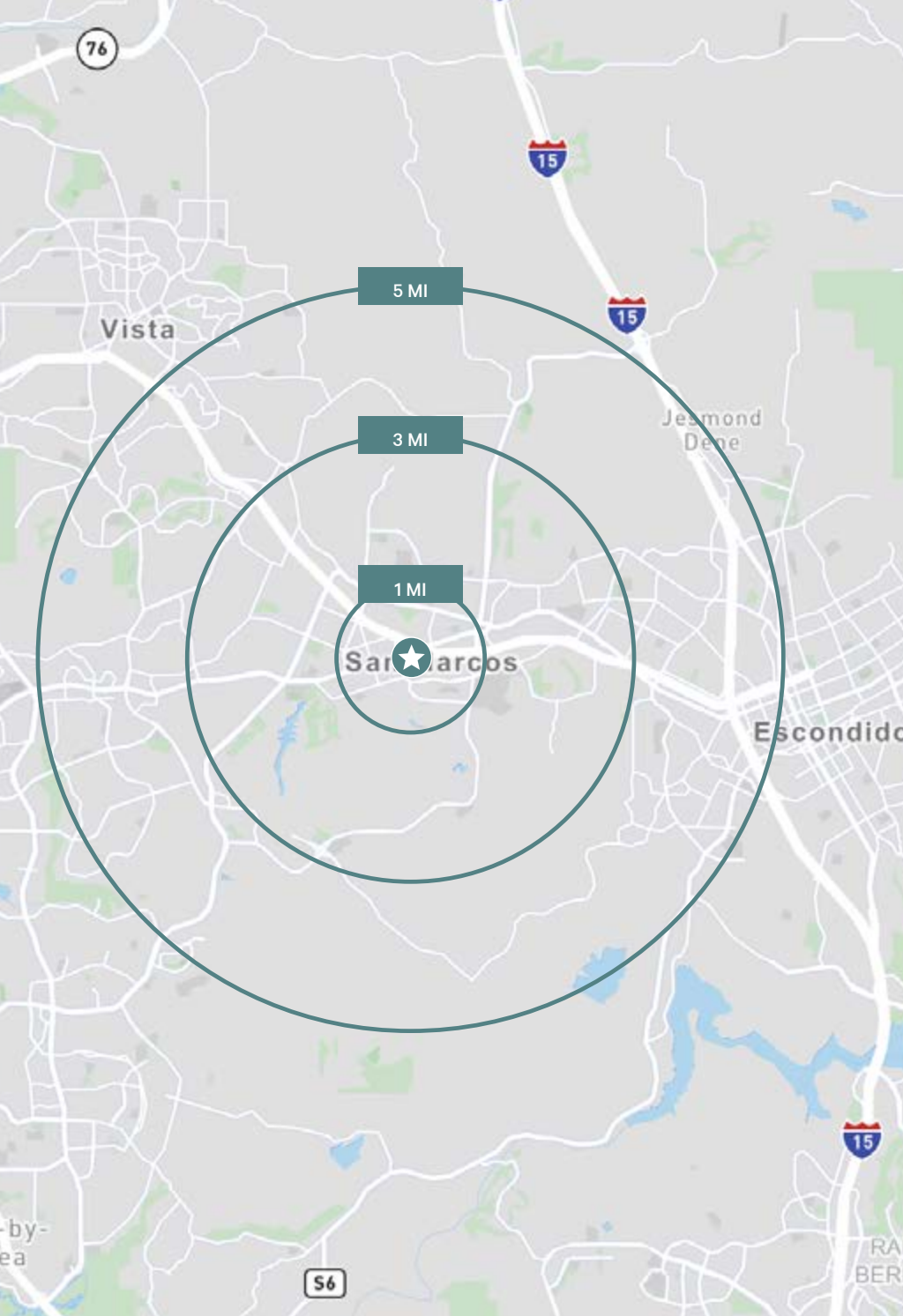
\$976,984 | 1-year Value Change: +7.6%

<https://www.zillow.com/home-values/40737/san-marcos-ca/>



640 GRAND AVE

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DEMPGRAPHICS

DEMOGRAPHIC COMPREHENSIVE	1 MILE	3 MILES	5 MILES
PLACE OF WORK			
2024 Businesses	1,144	4,877	10,634
2024 Employees	10,484	47,270	106,333
POPULATION			
2024 Population - Current Year Estimate	14,015	94,605	201,517
2029 Population - Five Year Projection	14,260	95,279	202,345
HOUSEHOLDS			
2024 Households - Current Year Estimate	4,619	31,356	70,096
2029 Households - Five Year Projection	4,799	32,220	71,694
HOUSEHOLD INCOME			
2024 Average Household Income	\$109,398	\$144,623	\$151,095
2029 Average Household Income	\$128,910	\$169,342	\$176,622
HOUSING VALUE			
2024 Average Value	\$857,126	\$919,810	\$972,065
HOUSING UNITS			
2018-2022 Housing Units	4,759	31,071	71,375
DAYTIME POPULATION			
2024 Daytime Population	15,891	93,529	205,542
Daytime Workers	9,573	46,452	106,342
Daytime Residents	6,318	47,077	99,200

MEET YOUR CUSTOMERS

Represents the Top Consumers within a 3 Mile radius from 640 Grand Ave



BRIGHT YOUNG PROFESSIONALS

10.0% OF MARKET | 33 MEDIUM AGE

- Young, educated, working professionals
- Physically active and up on the latest technology
- Concerns about the environment impacts their purchasing decisions
- Eat out often at fast-food and family restaurants



BOOMBURBS

20.4% OF MARKET | 33.6 MEDIAN AGE

- Young families, married with children
- Well connected – own the latest technology from smartphones to tablets to Internet-connected televisions
- Physical fitness is a priority
- Style matters – from personal appearance to their homes



NEWEST RESIDENT

9.7% OF MARKET | 27.3 MEDIUM AGE

- New to America and new to their careers, with new, young families.
- They dream for a better life but are willing to take risks for the benefit of their families.
- Men typically work and are in blue collar jobs, primarily in the service industry.



WORKDAY DRIVE

8.7% OF MARKET | 37.0 MEDIUM AGE

- Workday Drive is an affluent, family-oriented market
- Residents are partial to new housing away from the bustle of the city but close enough to commute to professional job centers.
- They favor time-saving devices, like banking Online or housekeeping services, and family-oriented pursuits.



DIVERSE CONVERGENCE

8.0% OF MARKET | 32.8 MEDIUM AGE

- Rich blend of cultures, found in densely populated urban and suburban areas; 40% of the population were born abroad.
- Young families with children, with a notable proportion of multi-generational households
- Hard-working consumers, striving to get ahead; style matters to them



TALENTED WORKFORCE

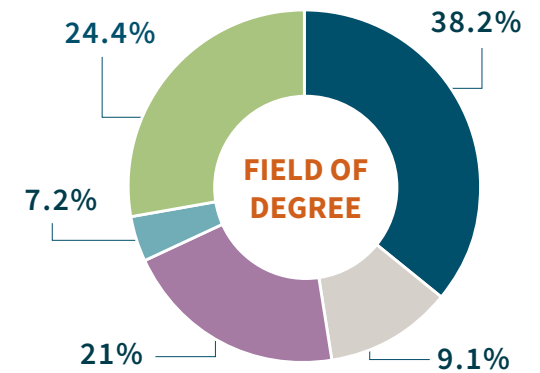
San Marcos is home to a talented, diverse and well-educated workforce. Bachelor's Degree attainment in the city exceeded **48 percent**, just 1 percentage point shy of the San Diego region and second among the five 78 Corridor cities.

48%

BACHELOR'S DEGREE OR HIGHER

Nearly half — roughly **38 percent** — of degree holders specialize in science, engineering or related fields.

26.4%
GRADUATE OR PROFESSIONAL DEGREE OR HIGHER



Source: ACS 1 Year Estimate, 2021

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ACADEMIC INSTITUTIONS

Home to 7 academic institutions, San Marco is responsible for more than **14 percent** of the San Diego region's total academic program completions.

INSTITUTION
Palomar College
California State University San Marcos
University of St. Augustine for Health of Sciences
Pima Medical Institute San Marcos
Palomar Institute of Cosmetology
University of Saint Katherine
Smith Chason College WCUI School of Medical Imaging

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640

grand ave

SAN MARCOS

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