

FOR SALE



17332 Irvine Blvd, Tustin, CA 92780

Premier Office Building Immediately East of the 55 Freeway

View Property Video at EconomosDeWolf.com



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SUMMARY

Offering

17332 Irvine Blvd, Tustin, CA 92780

Two-story ±24,287-square-foot, elevator-served office building built in 1973 on an approximate 1.0-acre parcel with no association.

Sale Price

\$5,995,000 (±\$247 per square foot)

Occupancy

The building is 95% occupied with two small vacant suites totaling 1,236 square feet.

Most tenants are on Modified Gross terms, paying base rent and a CAM charge that contributes to the cost of the landlord-supplied utilities, janitorial, and maintenance.

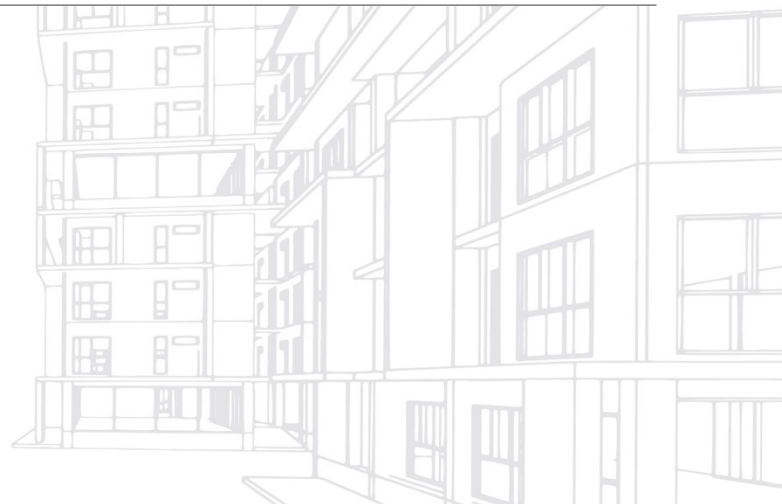
Parking

There are approximately 75 total surface parking stalls. The ratio is ±3.1 spaces per 1,000 sf.

In addition to the surface parking on the lot, immediately next to the building there is ample street parking.

Condition

The roof was recoated in about 2017 and has been maintained regularly. There are approximately 18 HVAC units that range in age from 2000 to 2021. They have been replaced as needed during that timeframe and are a mix of older and newer units.



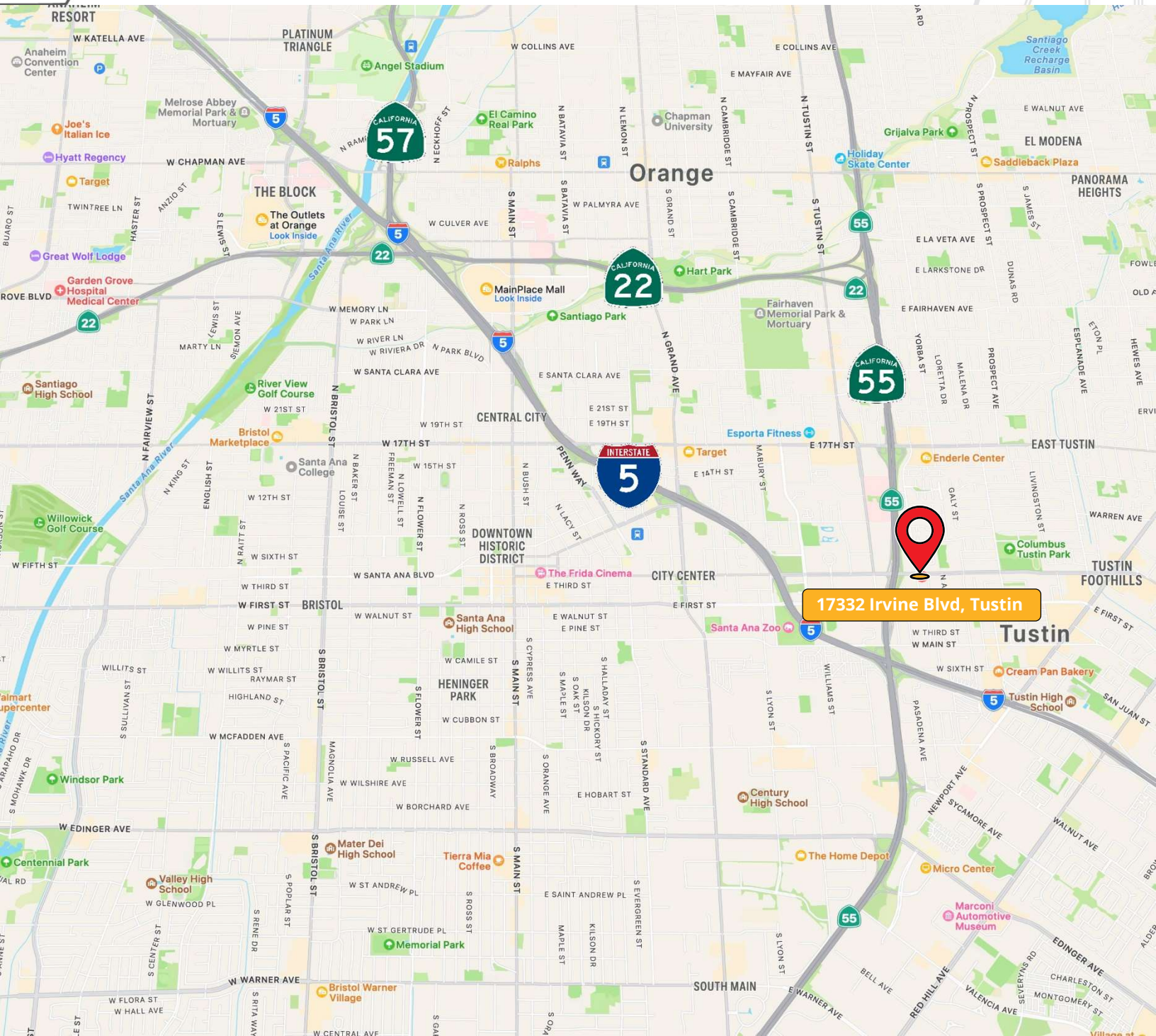
HIGHLIGHTS

- Premier office building with welcoming two-story lobby just east of the 55 Freeway on the corner of Irvine Blvd and Yorba St.
- Current occupancy is $\pm 95\%$ which is typical as this building has historically enjoyed very high occupancy. With small suites and staggered lease terms, this asset should continue to provide reliable, solid income.
- Current rents are well below market. Market rents will generate a proforma cap rate over 8.0% (see Page 18). This should be very achievable given the high current occupancy and small tenant sizes.
- The building's suites average just 783 sf. In small suites (especially under 1,000 sf), it is traditionally much easier to increase rents.
- Priced to sell, the asking price is well below recent sale comps (see Page 19) and replacement cost (Page 20).
- Restaurants and amenities are within the immediate vicinity of this building as can be seen on the amenities map (Page 6) and the building is only about a half mile away from Old Town Tustin.



Property

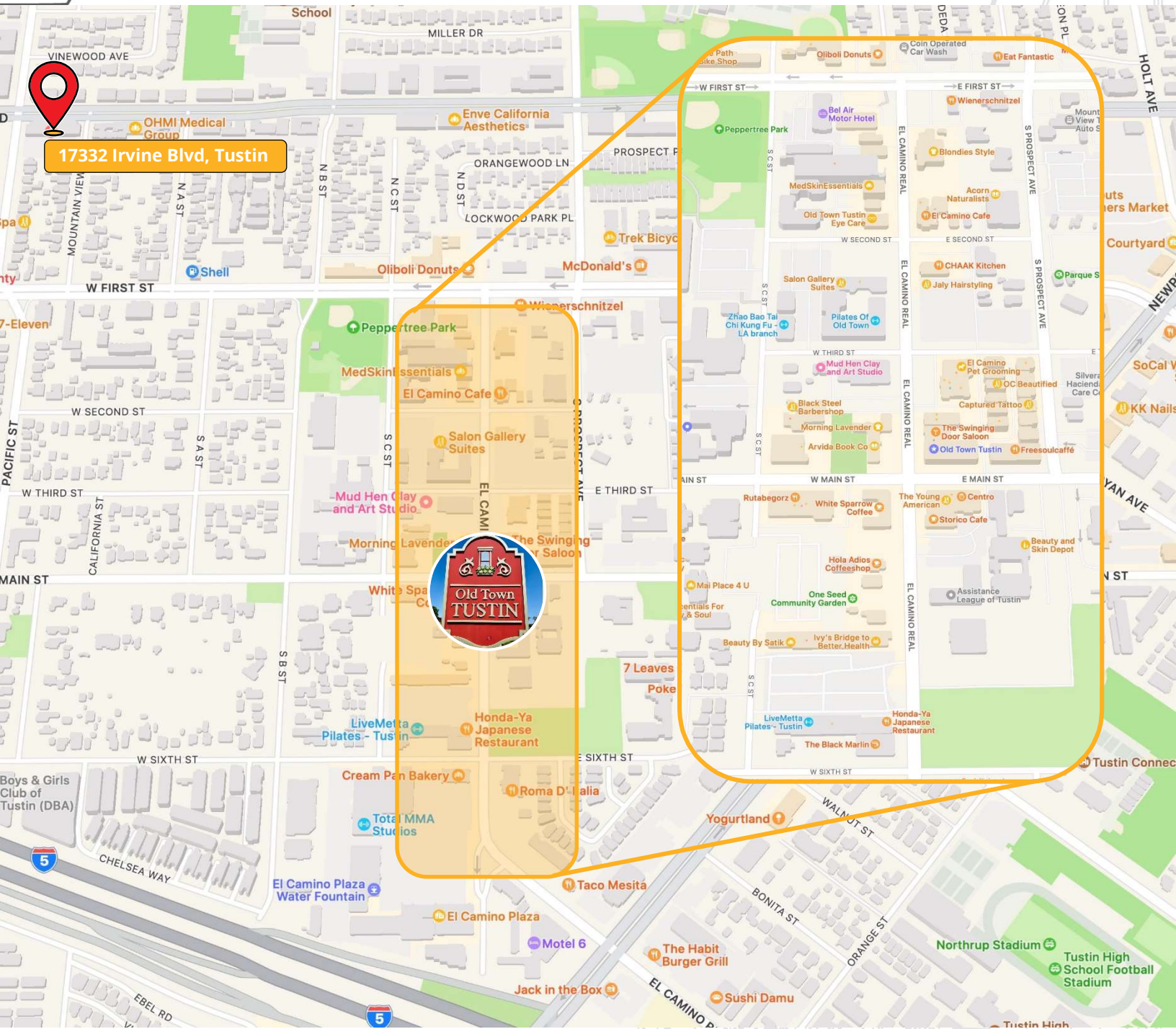
LOCATION



Property

AMENITIES

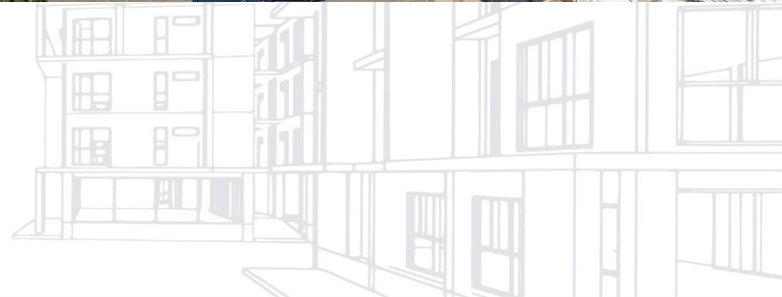
17332 Irvine Blvd, Tustin



PHOTOGRAPHS

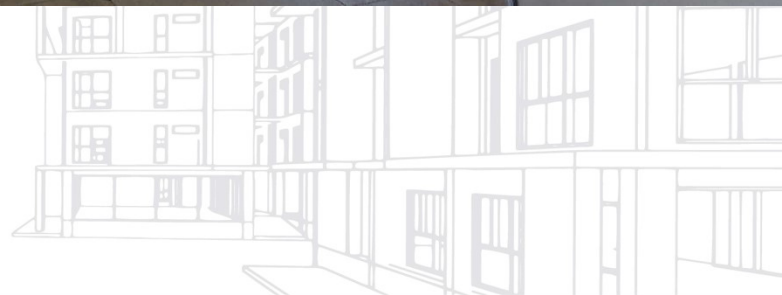
One Block East of the
55 Freeway

Freestanding Building with Surface
Parking and No Association



PHOTOGRAPHS

Welcoming Two-Story
Entryway and Lobby



PHOTOGRAPHS



Elevator Served

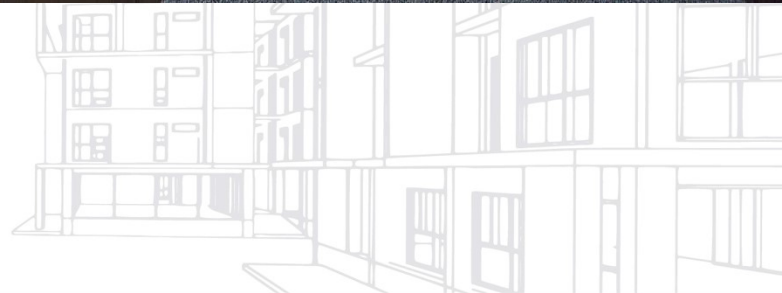


Images

PHOTOGRAPHS



Quality Interior
Professional Buildout

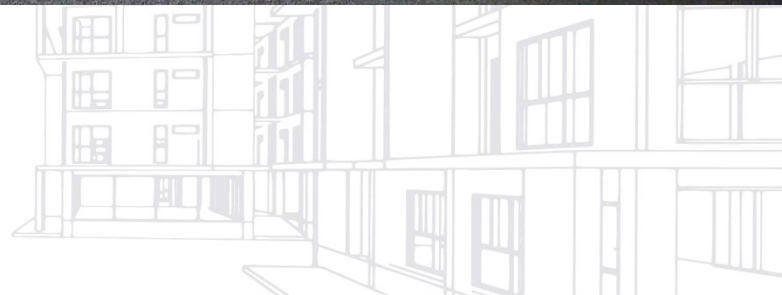


Images

PHOTOGRAPHS



Quality Interior
Professional Buildout



PHOTOGRAPHS



Spacious Corridors with
Common Water Access



MAY 2024 RENT ROLL

Tenant	Rentable Square Feet	May 2024 Scheduled Rent	Average Monthly Rent PSF	Lease Start	Lease Expiration
1	2,944	\$5,004.80	\$1.70	12/8/2017	11/30/2024
2	400	\$740.00	\$1.85	3/7/2023	MTM
3	850	\$1,487.50	\$1.75	10/1/2023	9/30/2024
4	1,056	\$1,689.60	\$1.60	7/15/2021	10/31/2024
5	1,048	\$1,938.80	\$1.85	9/1/2023	8/31/2026
6	536	\$895.12	\$1.67	6/1/2014	8/31/2024
7	1,370	\$2,329.00	\$1.70	10/1/2023	9/30/2025
8	1,380	\$2,484.00	\$1.80	6/1/2023	5/31/2024
9	1,250	\$2,087.50	\$1.67	4/1/2005	8/31/2024
10	1,163	\$2,035.25	\$1.75	4/15/2018	8/31/2026
11	1,143	\$1,965.95	\$1.72	9/1/2021	8/31/2024
12	525	\$997.50	\$1.90	4/1/2023	3/31/2025
13	397	\$714.60	\$1.80	10/1/1998	9/30/2024
14	600		\$0.00		
15	298	\$551.30	\$1.85	7/1/2022	6/30/2025
16	390	\$721.50	\$1.85	1/10/2024	1/31/2025
17	364	\$673.40	\$1.85	8/1/2026	7/31/2024
18	553	\$880.25	\$1.59	10/1/2022	9/30/2024
19	818	\$1,186.10	\$1.45	5/1/2023	MTM
20	1,029	\$1,903.65	\$1.85	11/1/2023	10/31/2026
21	680	\$1,292.00	\$1.90	2/1/2023	1/31/2025
22	264	\$422.00	\$1.60	11/1/2016	MTM
23	636		\$0.00		
24	499	\$923.15	\$1.85	12/1/2023	11/30/2025
25	220	\$418.00	\$1.90	6/10/2022	5/31/2025
26	800	\$1,360.00	\$1.70	11/15/2023	11/30/2024
27	1,025	\$1,793.75	\$1.75	6/1/2023	5/31/2026
28	451	\$847.88	\$1.88	2/1/2015	2/28/2025
29	437	\$721.05	\$1.65	4/6/2019	MTM
30	336	\$588.00	\$1.75	3/1/2023	2/28/2026
31	825	\$1,485.00	\$1.80	3/1/2023	2/28/2025
Totals	24,287	\$40,137			
	Vacancy:	1,236	5%		
	Occupancy:	23,051	95%		
	Avg. PSF:	\$1.74			

YEAR ONE CAP RATE




Year 1 Current Rental Income (May 2024 Monthly Income Annualized with 95% Occupancy)	\$481,640
CAM Income (2024 Schedule)	\$36,313
Total Estimated Year 1 Income	\$517,953
Utilities (2023)	(\$61,695)
Maintenance (2023)	(\$68,684)
Insurance (2023)	(\$11,623)
Security Service (2023)	(\$11,381)
Property Management (2023)	(\$14,603)
New Taxes (1.06206% rate less assessments \$2,041)	(\$65,711)
Total Operating Expenses	(\$233,697)
Estimated Net Operating Income	\$284,255
Price	\$5,995,000
Price Per Square Foot (24,287 SF)	\$247
Cap Rate	4.74%

PROFORMA CAP RATE

(increasing rents from current \$1.74/sf to \$2.35/sf)

Year 1 Pro Forma Cap Rate (Based on a Projected \$2.35/sf Average at 100% Occupancy)	\$684,893
CAM Income (2024 Schedule)	\$36,313
Total Estimated Year 1 Income	\$721,206
Utilities (2023)	(\$61,695)
Maintenance (2023)	(\$68,684)
Insurance (2023)	(\$11,623)
Security Service (2023)	(\$11,381)
Property Management (2023)	(\$14,603)
New Taxes (1.06206% rate less assessments \$2,041)	(\$65,711)
Total Operating Expenses	(\$233,697)
Estimated Net Operating Income	\$487,509
Price	\$5,995,000
Price Per Square Foot (24,287 SF)	\$247
Cap Rate	8.13%

OFFICE SALE COMPS

Property	Sale Date	Size	Price P.S.F.	Market Insight
 <p>1516 Brookhollow Dr Santa Ana</p>	Aug 2023	13,084 SF	<u>\$3,725,000</u> \$285	<p>This 1979 office building with an inferior Santa Ana address sold to an owner-user.</p> <p>17332 Irvine Blvd with a Tustin address and prominent Irvine Blvd frontage should be worth more yet is priced \$38/sf less.</p>
 <p>17592 Irvine Blvd Tustin</p>	Apr 2023	10,000 SF	<u>\$3,200,000</u> \$320	<p>This is a 1974 building that sold to a user on the same street as 17332 Irvine Blvd. As a larger building, 17332 Irvine Blvd is more than appropriately discounted to \$247/sf.</p>
 <p>550 N Golden Circle Dr Santa Ana</p>	Mar 2023	11,259 SF	<u>\$3,075,000</u> \$273	<p>This 1976 office building again has an inferior Santa Ana address so by comparison 17332 Irvine Blvd should be valued significantly higher yet is priced \$26/sf lower.</p>

REPLACEMENT COST ANALYSIS

Building square footage	24,287	
	Total	Per Building Square Foot
Office building shell and core cost	\$4,614,530	\$190
Office building soft cost (taxes, insurance, development fee, etc.)	\$1,821,525	\$75
Tenant improvements	\$2,064,395	\$85
Site work (est. 75 parking stalls @ average of \$3,000 per stall)	\$225,000	\$9
Estimated land cost (per building sq.ft.)	\$3,035,875	\$125
Total Replacement Cost	\$11,761,325	\$484

Compare to Asking Price	\$5,995,000	\$247
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