

COSTA MESA



OFFERING MEMORANDUM

562-590 W. 19TH STREET
COSTA MESA, CA



COASTAL COMMERCIAL

Offering Memorandum Disclaimer:

The information set forth in this document is only a preliminary offer of conceptual terms from the seller and is subject to change until a binding, definitive contract is reached between the parties. This information is subject to change based on negotiations between parties until a definitive contract is reached. None of these terms are binding and should not be relied upon, because only a definitive written contract signed by the parties will govern. The definitive contract may be different from anything contained in this document, may omit terms contained in this document, and may have different terms from this document because the definitive contract will embrace negotiations which will include different or omitted terms than those preliminarily set forth in this document, with those terms being materially different from the preliminary terms contained in this document. That means that only the definitive contract governs the dealings between the parties, with any persons viewing this document agreeing that they only rely on the terms and conditions contained in a definitive contract reached in the future. Coastal Commercial, Inc. And its sales agents have not verified the accuracy of any information in this document and make no guarantee, warranty, or representation about its accuracy. You, the reviewing party, has the responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions, or estimates are used for example only and do not represent current or future performance of the property, since neither coastal commercial, inc. Nor its sales agent can only present information which will change with the economy, general market factors, updated information, and investigation and negotiations between the parties. The value of this transaction, to you, depends on tax and other factors which should be evaluated by your tax, financial, legal, and other professional consultants. Coastal commercial, inc. And its sales agents have no development expertise such that you need to consult independent advisors should you want to re-purpose or redevelop this property in any different degree than its present condition, which may also change until a deal is closed between the parties. Coastal commercial, inc. And its sales agents make no representations or warranties about the suitability of the property for your needs. You and your advisors should conduct a careful, independent investigation of the property to determine to your own satisfaction about the suitability of the property for your needs. Any photos in this document are the property of their respective owners, with the use of these images without the express written consent of the owners prohibited in nature.



562-590 W. 19TH STREET

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INVESTMENT OVERVIEW

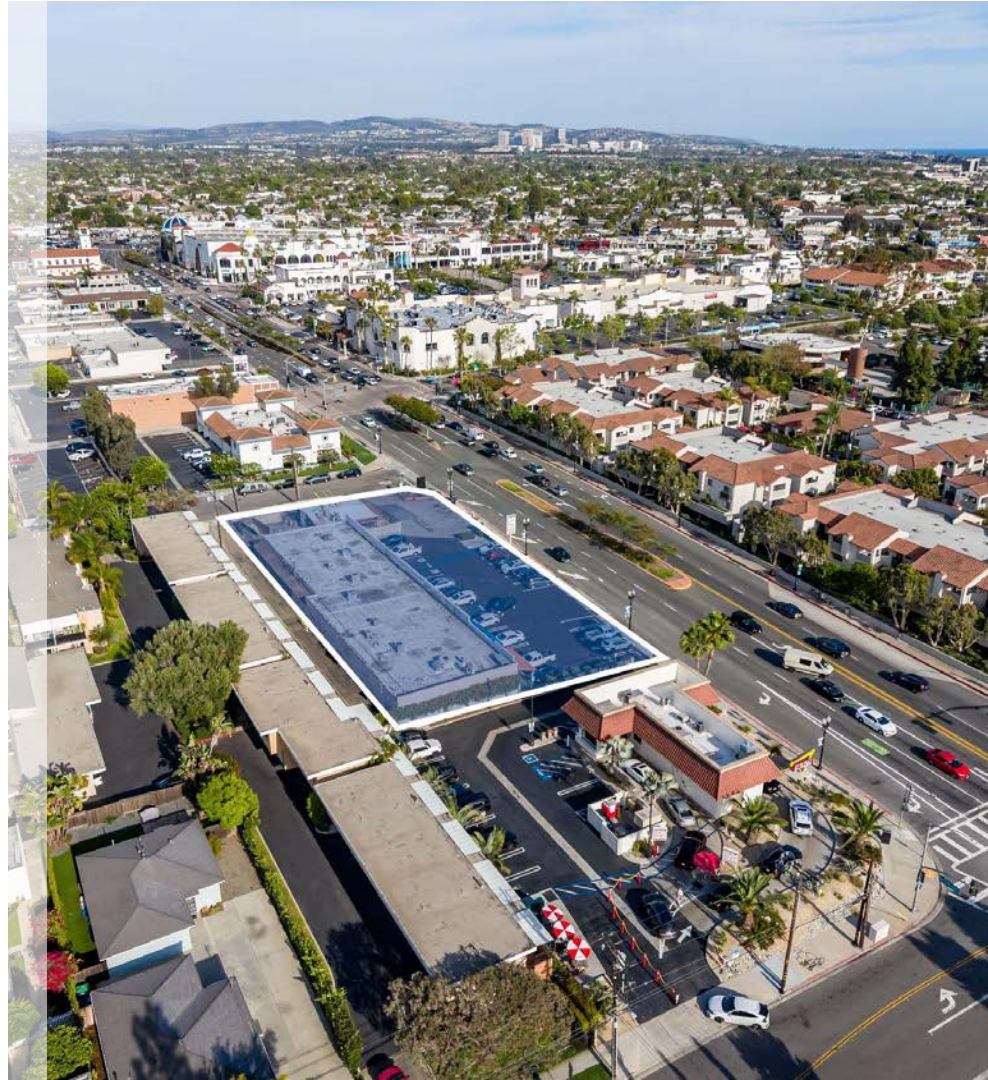
1. INVESTMENT OVERVIEW - LEASEHOLD INTEREST

Address	562-590 W. 19th Street, Costa Mesa, CA 92627
Price	\$5,742,000
Scheduled Gross Income	\$512,636
Additional Income	\$34,768
Less Management Fee	-\$12,600
Less Ground Rent	-\$103,124
Less 3% Vacancy	-\$15,379
Net Operating Income	\$416,301
Current Cap Rate	7.25%
Net Rentable Area	10,500 SF
Lot Size	31,120 SF
APN	422-141-46 422-141-47



1. GROUND LEASE SUMMARY

Lot Size	31,120 SF
Initial Lease Term	60 Years
Current Term Commencement Date	01/01/2020
Current Term Expiration Date	12/31/2079
Current Annual Payment	\$103,124
<u>Future Increases</u>	
Current annual payment is \$103,124 until 2030 and then 10% increases every 5 years thereafter	



1. INVESTMENT OVERVIEW - FEE SIMPLE

Address	562-590 W. 19th Street, Costa Mesa, CA 92627
Price	\$8,242,000
Scheduled Gross Rental Income	\$512,636
Additional Income	\$34,768
Less Management Fee	-\$12,600
Less 3% Vacancy	-\$15,379
Net Operating Income	\$519,425
Current Cap Rate	6.30%
Net Rentable Area	10,500 SF
Lot Size	31,120 SF
APN	422-141-46 422-141-47



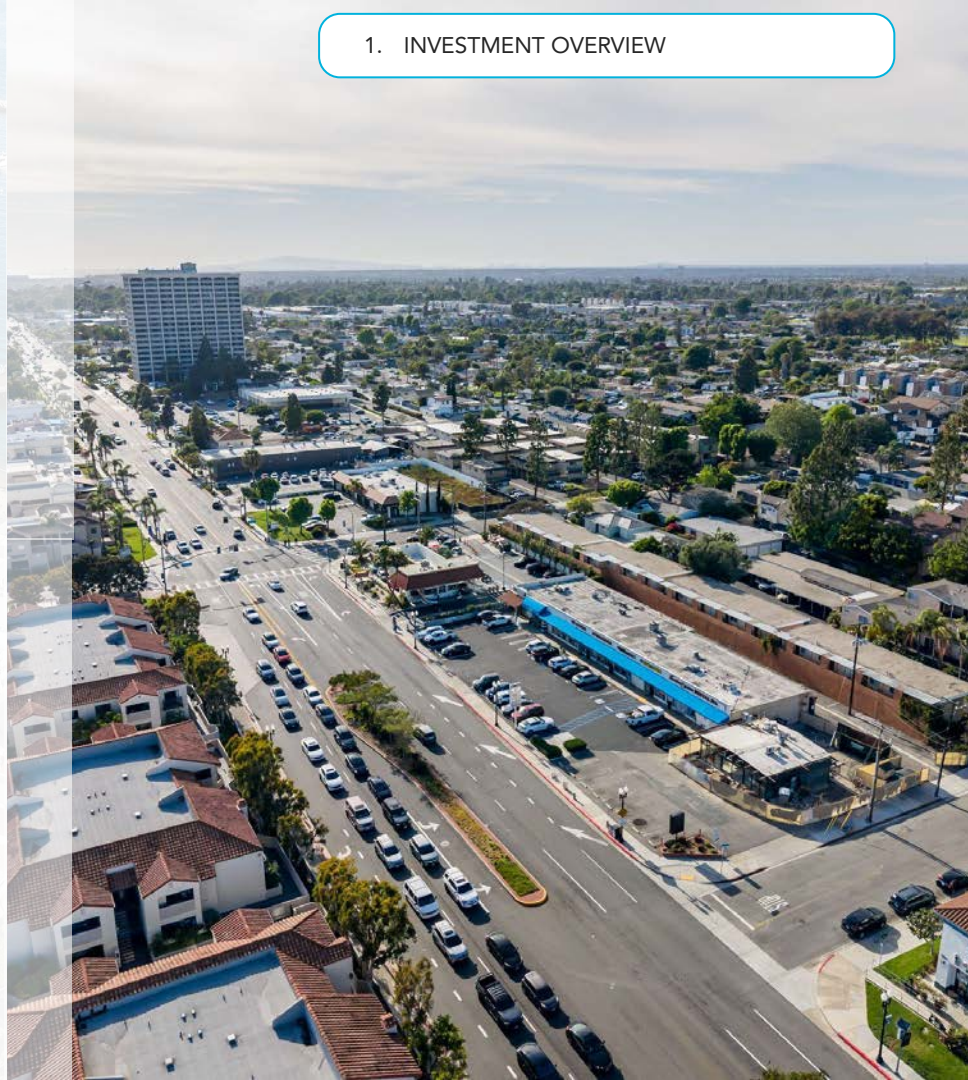
Coastal Commercial is pleased to present the opportunity to acquire 562–590 W 19th Street, a strategically located mixed-interest asset in the heart of Costa Mesa, one of Orange County's most dynamic and supply-constrained coastal markets. The offering consists of both fee simple and leasehold interests, providing investors with a unique blend of stable income, operational flexibility, and long-term upside potential.

Positioned along West 19th Street, a heavily traveled corridor connecting Newport Beach to central Costa Mesa, the property benefits from strong visibility, consistent traffic counts, and immediate access to major thoroughfares including Newport Boulevard and the 55 Freeway. The surrounding area is characterized by a dense and affluent population base, with continued residential and commercial growth fueling demand for retail and service-oriented uses.

The asset is comprised of a diverse tenant mix, offering income stability and reduced rollover risk. The combination of fee simple ownership and leasehold components allows for a favorable basis relative to fully fee simple acquisitions, while also presenting investors with the opportunity to enhance value through lease restructuring, repositioning, or future redevelopment strategies.

Costa Mesa continues to experience strong economic fundamentals driven by its proximity to major employment hubs, coastal amenities, and regional retail destinations such as South Coast Plaza. The city's pro-business environment and ongoing revitalization efforts further support long-term rent growth and asset appreciation.

This offering is well-suited for investors seeking a stable, income-producing property with embedded upside in a high-barrier-to-entry coastal submarket. The 562–590 W 19th Street asset represents a compelling opportunity to capitalize on both current cash flow and future value creation in one of Southern California's most desirable investment locations.



1. RENT ROLL

Unit #	Tenant	GLA	Lease Start-Lease End	Rent/Mo	Rent/Yr	Rent/SF	Lease Type	Options	Option Date	Increases	Increase Date
562	Perfect Timing Concepts	1,800	11/1/2024-10/31/2029	\$7,650.00	\$91,800.00	\$4.25	NNN	1, 5-Year	4/30/2029	3% Annually	11/1
570	Dr. R. Adames DDS	2,100	8/1/2010-7/31/2030	\$7,059.98	\$84,719.76	\$3.36	NNN	2, 5-Year	1/31/2030	3% Annually	8/1
570B	Jewelry Buyer	600	10/1/2023-9/30/2026	\$2,008.50	\$24,102.00	\$3.35	NNN	2, 3-Year	2/1/2026	3% Annually	11/1
580	Golden Smoke	1,000	2/20/2021-2/19/2029	\$3,517.50	\$42,210.00	\$3.52	NNN	N/A	N/A	5% Annually	4/1
582	Fred Loya Insurance	1,000	4/1/2014-3/31/2029	\$2,722.50	\$32,670.00	\$2.72	NNN	N/A	N/A	-	\$2,722.50*
586	888 Liquor	2,000	5/1/1999-6/30/2026	\$8,472.98	\$101,675.76	\$4.24	NNN	N/A	N/A	3% Annually	7/1
588	Samara Musical - Luz	1,000	1/1/2001-12/31/2028	\$5,713.20	\$68,558.40	\$5.71	NNN	N/A	N/A	CPI 5-10%	1/1
590	Sake Shibucho Sibucho	1,000	3/1/2000-2/28/2026	\$5,575.03	\$66,900.36	\$5.58	NNN	N/A	N/A	3% Annually	3/1
TOTAL		10,500		\$42,719.69	\$512,636.28	\$32.72					

*Tenant opted to extend the 2nd 5-year option 4/1/24 to 3/31/2029 with base rent at \$2,722.50 - option signed 11/30/2023



562-590 W 19TH STREET

BR baskin robbins

Domino's

ubreakifix
by asurion

BANK OF AMERICA

el Chinaco
RESTAURANT

PIZZA
PAPA JOHN'S

ABY'S HAIR SALON

SUBWAY

CABINETS BY BAKER

IN-N-OUT
BURGER

TRIANGLE SQUARE

TAPERM+BOWL

24 FITNESS

Sevilla
RESTAURANT & TAPAS BAR

BLACK KNIGHT

OJI
SUSHI & SAKES BAR

Yard House

24 FITNESS

GROCERY OUTLET
Bargain Market

Spectrum

CVS
pharmacy

COFFEE BEAN
TEA LEAF

All Creatures Care Cottage
Veterinary Hospital
THE KING OF CARE YOUR PET DESERVES

MILLENNIUM
DENTAL

MAPLE STREET

WEST 19TH STREET

562-590 W 19TH STREET

Sugar Lash
beauty bar
NEVERIA ARCOIRIS
DE SABOR

COSTA MESA
DMV

IN-N-OUT
BURGER

TACO MESA
RESTAURANT AND BAR

goodwill

ABY'S HAIR SALON
SUBWAY
CABINETS BY BAKER

McDonald's

Little Caesars

All Creatures Care Cottage
Veterinary Hospital
THE KIND OF CARE YOUR PET DESERVES

MILLENNIUM
DENTAL

el Chinaco
RESTAURANT
PIZZA
PAPA JOHN'S

WEST 19TH STREET

MAPLE STREET



INVESTMENT HIGHLIGHTS

2. INVESTMENT HIGHLIGHTS



100% OCCUPIED COASTAL ORANGE COUNTY MULTI-TENANT RETAIL CENTER

10,500 square feet situated on 31,120 square feet of land



RARE OPPORTUNITY TO OWN A HIGH YIELD INVESTMENT WITH SECURE INCOME

Long-term, stable tenants that have operated at the center for 5 to 10+ years



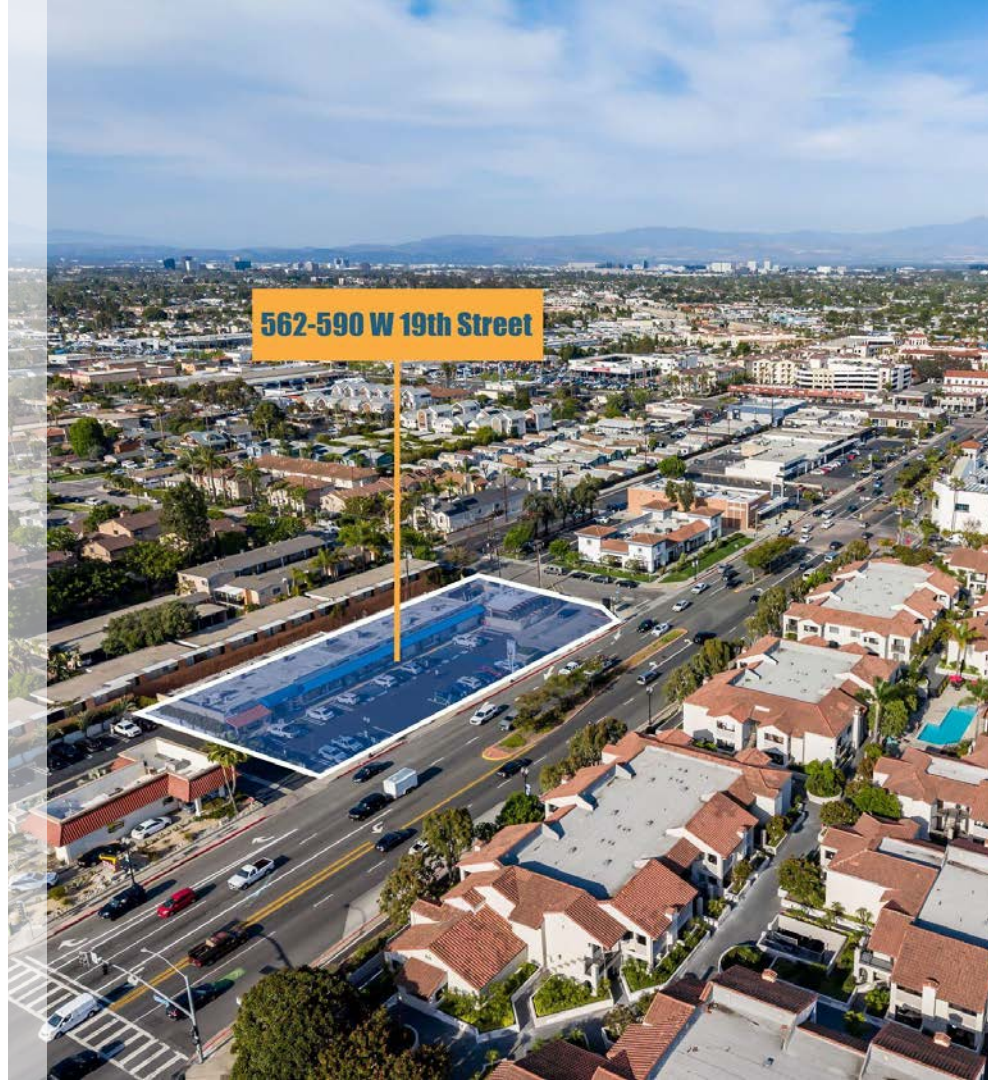
FULLY DEPRECIABLE ASSET

Leasehold ownership of the asset allows for the potential to depreciate 100% of the purchase price



LOCATED IN A DENSE RETAIL CORRIDOR

Subject property is surrounded by several popular tenants such as In-N-Out Burger, Smart & Final, McDonalds, Trader Joe's, Goodwill, Autozone, Bevmo, Subway, Bank of America, 24 Hour Fitness, UPS, Little Caesars, CVS and many more.





2. INVESTMENT HIGHLIGHTS



FIRST RIGHT OF REFUSAL TO PURCHASE THE LAND

Provides a secure long-term strategy to eventually own the property fee simple



CONVENIENT ACCESS TO FREEWAYS

Direct access to the 55 Freeway, 405 Freeway, 73 Toll Road and Pacific Coast Highway



HIGH TRAFFIC COUNT

Over 240 feet of frontage along 19th Street, having a traffic count of more than 33,000 vehicles-per-day



AFFLUENT DEMOGRAPHICS

There are approximately 155,503 people who live within a 3-mile radius of the subject property having an average household annual income equal to over \$184,691.

A wide-angle photograph of a surfer riding a large, curling wave. The surfer is positioned in the lower center, riding the face of the wave. The water is a vibrant turquoise color, and white foam is visible on the left side of the wave. The sky is a clear, pale blue. A white rounded rectangle is superimposed over the center of the image, containing the text 'PROPERTY PHOTOS'. The word 'PROPERTY' is in a bold, white, sans-serif font, and 'PHOTOS' is in a white, outlined, sans-serif font. Two horizontal bars, one blue and one orange, are positioned behind the text.

PROPERTY PHOTOS



3. PROPERTY PHOTOS



562-590 W 19th Street







Little Caesars

McDonald's

TACO MESA

Sugar Lash
NEVERIA ARCOIRIS
DE SABOR

COSTA MESA
DMV

562-590 W 19TH STREET

All Creatures Care Cottage
Veterinary Hospital
MILLENNIUM
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goodwill

ABY'S HAIR SALON
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CITY OF
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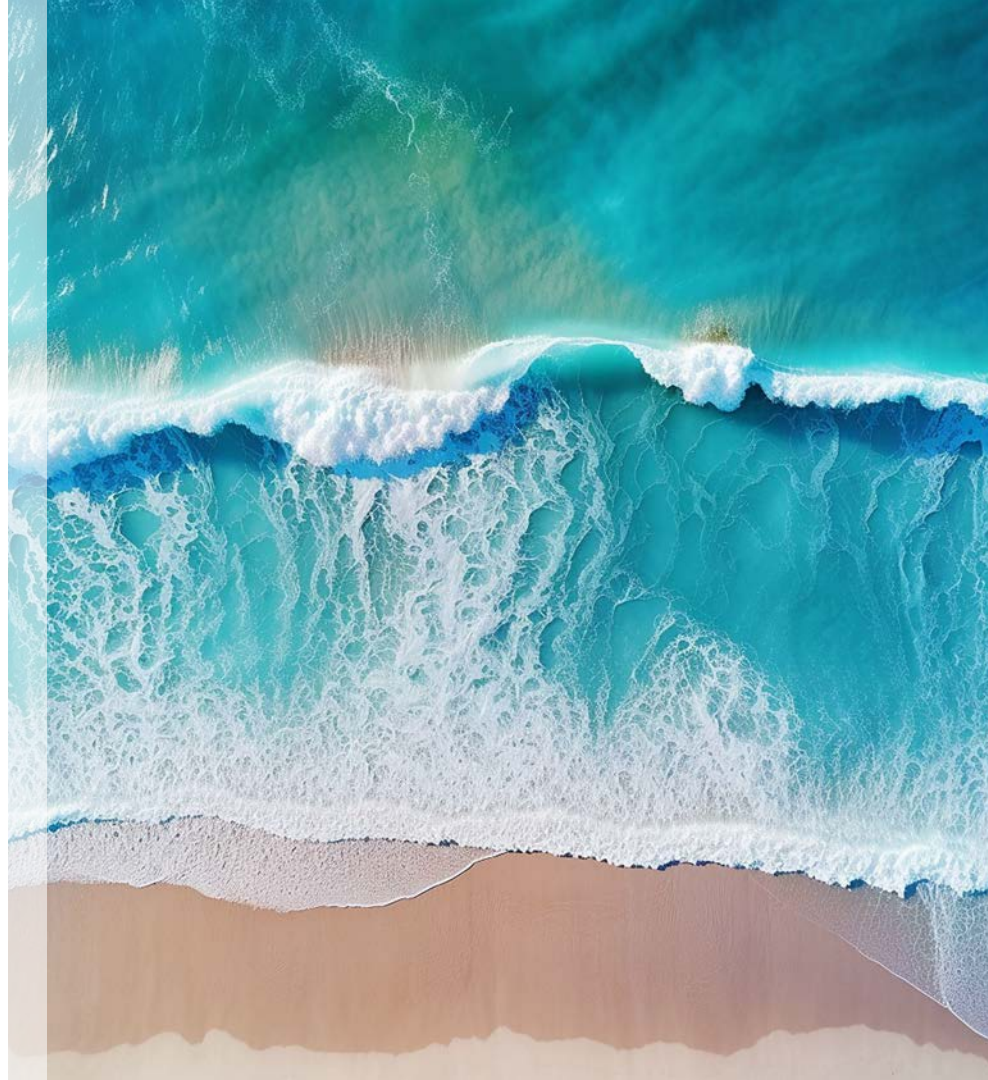
4. CITY OF COSTA MESA

COSTA MESA

Costa Mesa is a city located in southern coastal area of Orange County near the world-renowned Huntington Beach and Newport Beach coastlines.

Home to over 117,254 residents, the city of Costa Mesa is one of California's vibrant cities. Since its incorporation in 1953, Costa Mesa has evolved from a semi-rural farming community of less than 15,000 to a city with robust local economy. It is located 35 miles southeast of Los Angeles, 85 miles northwest of San Diego, and only one mile from the Pacific Coast. Costa Mesa is home to the 2,738,730 sq.-ft. South Coast Plaza, an upscale-luxury goods shopping center with some of the highest sales per square foot in the nation. Sales and property tax revenues generated from South Coast Plaza comprise a significant portion of the City's total tax revenues. Additionally, the city has an impressive 8.5 million square feet of retail, illustrating the buying power of its residents. The city houses strong household incomes with 38% of its residents reporting incomes over \$100,000 and average home values exceeding \$890,000.

The City of Costa Mesa is Orange County's leading cultural and business center. The local economy is based on a strong mix of light industrial, office and retail commercial, and currently boasts low unemployment of 2.9%. With seven different pricing categories a business license is capped at \$200 regardless of the business's annual gross, keeping costs low.



4. CITY OF COSTA MESA

TOURISM IN COSTA MESA

Costa Mesa is a vibrant destination known for its arts, culture, and shopping, featuring attractions like the Segerstrom Center for the Arts, South Coast Plaza, and the Orange County Museum of Art. Visitors can also enjoy unique outdoor experiences at Fairview Park, Upper Newport Bay, and seasonal events such as the Orange County Fair and Pacific Amphitheatre concerts.

TOP TOURIST ATTRACTIONS



Segerstrom Center for the Arts



Orange County Museum of Art (OCMA)



South Coast Plaza



OC Fair/Event Center/Pacific Amphitheater



The LAB Anti-Mall & The CAMP



Newport Back Bay Loop Trail



Fairview & Tewinkle Park



Triangle Square

4. CITY OF COSTA MESA

TOP EMPLOYERS IN COSTA MESA

RANK	EMPLOYER	# OF EMPLOYEES
1	EPL Intermediate, Inc.	3,998
2	Experian	3,700
3	Coast Community College District	2,900
4	Orange Coast College	1,900
5	Automobile Club of Southern California	1,773
6	Anduril Industries	1,100
7	Deloitte & Touche LLP	700
8	FileNet	600
9	Vans	550
10	Vanguard University	319

AIRPORTS

4.9 miles

John Wayne Airport (SNA)

22.5 miles

Long Beach Airport (LGB)

48.8 miles

Ontario International Airport (ONT)

42.0 miles

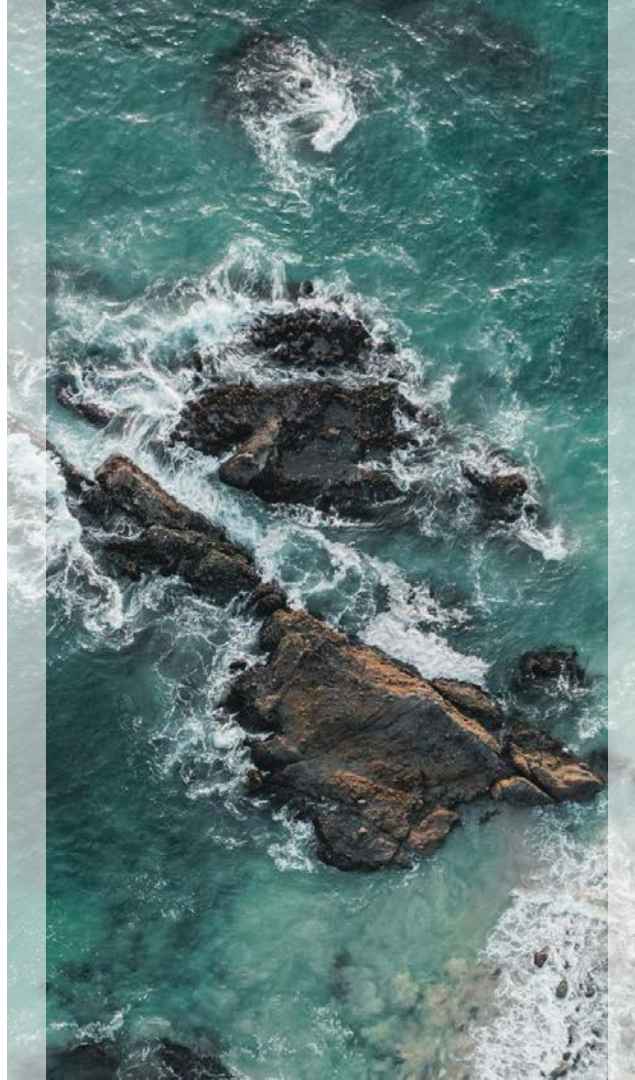
Los Angeles International Airport (LAX)

4. CITY OF COSTA MESA

ECONOMY IN COSTA MESA

Costa Mesa's economy is diverse, with strong contributions from retail, manufacturing, education, and the arts. South Coast Plaza, one of the largest luxury shopping centers in the United States, serves as a major economic driver, attracting millions of visitors annually and supporting a wide range of retail and hospitality jobs. The city also benefits from a thriving service sector, with numerous restaurants, entertainment venues, and professional services supporting both residents and visitors. Light manufacturing and design-related industries, particularly in apparel, surf, and action sports, have a strong presence, with brands like Hurley and Vans having roots in the area.

Tourism and cultural attractions also play a key role in Costa Mesa's economy. Known as the "City of the Arts," it is home to the Segerstrom Center for the Arts and a variety of theaters, which contribute to both cultural vibrancy and local revenue. The city hosts annual events such as the Orange County Fair, which brings significant tourism spending. Combined with its proximity to major freeways, airports, and the Southern California coast, Costa Mesa's strategic location helps attract businesses and visitors, supporting steady economic activity and growth.



EDUCATION IN COSTA MESA

Costa Mesa, California, is served primarily by the Newport-Mesa Unified School District, which includes a range of public elementary, middle, and high schools. Notable high schools in the area include Costa Mesa High School and Estancia High School, both of which offer strong academic programs, athletics, and extracurricular activities. The district also provides alternative education options, magnet programs, and career technical education to meet different learning needs. In addition to public schools, Costa Mesa has a variety of private and charter schools, including institutions like Vanguard University's early learning programs and faith-based schools, giving families a wide selection of educational environments.

For higher education, Costa Mesa is home to Orange Coast College, one of the largest and most popular community colleges in California, offering associate degrees, career certificates, and transfer programs to four-year universities. Vanguard University, a private Christian liberal arts college, provides undergraduate and graduate degree programs in business, education, psychology, and more. The city's location also places it within close proximity to major universities such as UC Irvine and California State University, Fullerton, giving residents access to a wide range of advanced educational opportunities without having to travel far.



COSTA MESA DEMOGRAPHICS



5. COSTA MESA DEMOGRAPHICS

2025 Population - Current Year Estimate	334,425
2030 Population - Five Year Projection	337,127
2020 Population - Census	337,618
2010 Population - Census	320,912
2025-2030 Annual Population Growth Rate	0.16%
2025 Average Household Income	\$174,777
2030 Average Household Income	\$190,362
2025 Median Household Income	\$120,876
2030 Median Household Income	\$135,610
2025 Per Capita Income	\$70,460
2030 Per Capita Income	\$78,280
2025 Average Value of Owner Occ. Housing Units	\$1,331,839
2025 Households - Current Year Estimate	134,775
2030 Households - Five Year Projection	138,602
2020 Households - Census	132,112
2010 Households - Census	125,554
2020-2025 Annual Household Growth Rate	0.38%
2025-2030 Annual Household Growth Rate	0.56%
2025 Average Household Size	2.38

Demographics are based off a 5-mile radius

5. DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
POPULATION			
2025 Population - Current Year Estimate	37,626	155,303	334,425
2030 Population - Five Year Projection	37,594	155,522	337,127
DAYTIME POPULATION			
2025 Daytime Population	37,722	164,249	483,352
Daytime Workers	21,377 (56.7%)	95,731 (58.3%)	325,881 (67.4%)
Daytime Residents	16,345 (43.3%)	68,518 (41.7%)	157,471 (32.6%)
HOUSEHOLD INCOME			
2025 Households	13,970	63,419	134,775
2025 Average Household Income	\$148,305	\$184,691	\$174,777
2030 Average Household Income - Projection	\$162,372	\$201,955	\$190,362
2025 Average Value of Owner Occ. Housing Units	\$1,287,971	\$1,429,428	\$1,331,839
RACE & ETHNICITY			
White	18,086 (48.1%)	95,490 (61.5%)	190,633 (57.0%)
Black or African American	395 (1.0%)	1,696 (1.1%)	5,032 (1.5%)
Asian	1,935 (5.1%)	12,111 (7.8%)	50,058 (15.0%)
Two or More Races	6,067 (16.1%)	21,533 (13.9%)	45,478 (13.6%)
American Indian or Alaska Native	617 (1.6%)	1,539 (1.0%)	3,047 (0.9%)
Other	10,446 (27.8%)	22,480 (14.5%)	39,251 (11.7%)



INVEST IN WHAT YOU LOVE

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