OFFERING

2585
PIO PICO DR
CARLSBAD, CA

MEMORANDUM

PRICE REDUCED

CUSHMAN & WAKEFIELD

DISCLAIMER

This is a confidential Offering Memorandum intended solely for your limited use and benefit in determining whether you desire to express any further interest in the purchase of 2585 Pio Pico Dr, Carlsbad, CA 92008 (“the Property”).

This Offering Memorandum was prepared by Cushman & Wakefield U.S., Inc. (“Cushman & Wakefield”) and has been reviewed by representatives of the owners of The Property (“the Ownership”). It contains selected information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information that prospective purchasers may desire. It should be noted that all information provided is for general reference purposes only in that such information is based on assumptions relating to the general economy, competition, and other factors beyond the control of Ownership and, therefore, is subject to material variation. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. Neither Ownership nor Cushman & Wakefield nor any of their respective officers have made any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, any of its contents, or any other materials provided as a courtesy to facilitate prospective purchaser’s own investigations of the Property, and no legal commitments or obligations shall arise by reason of this Offering Memorandum, its contents or any further information provided by Cushman & Wakefield regarding the Property.

It is essential that all parties to real estate transactions be aware of the health, liability and economic impact of environmental factors on real estate. Cushman & Wakefield does not conduct investigations or analyses of environmental matters and, accordingly, urges its clients to retain qualified environmental professionals to determine whether hazardous or toxic wastes or substances (such as asbestos, PCB’s and other contaminants or petro-chemical products stored in underground tanks) or other undesirable materials or conditions are present at the Property and, if so, whether any health danger or other liability exists. Such substances may have been used in the construction or operation of buildings or may be present as a result of previous activities at the Property.

Various laws and regulations have been enacted at the federal, state and local levels dealing with the use, storage, handling, removal, transport and disposal of toxic or hazardous wastes and substances. Depending upon past, current and proposed uses of the Property, it may be prudent to retain an environmental expert to conduct a site investigation and/or building inspection. If such substances exist or are contemplated to be used at the Property, special governmental approvals or permits may be required. In addition, the cost of removal and disposal of such materials may be substantial. Consequently, legal counsel and technical experts should be consulted where these substances are or may be present.

Ownership and Cushman & Wakefield expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice. Ownership shall have no legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written commitment to purchase the Property has been fully executed, delivered and approved by Ownership and any conditions to Ownership’s obligations thereunder have been satisfied or waived. Except for representations and warranties expressly set forth in such definitive, executed purchase and sale agreement, Ownership makes and will make no representations and warranties regarding the Property and any prospective purchaser must rely entirely on its own investigations and those of its agents and consultants.

By receipt of this Offering Memorandum, you agree that this Offering Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence, and that you will not disclose this Offering Memorandum or any of its contents to any other entity without the prior written authorization of Ownership nor will you use this Offering Memorandum or any of its contents in any fashion or manner detrimental to the interest of Ownership or Cushman & Wakefield.

The terms and conditions stated in this section will relate to all of the sections of the Offering Memorandum as if stated independently therein. If, after reviewing this Offering Memorandum, you have no further interest in purchasing the Property at this time, kindly return this Offering Memorandum to Cushman & Wakefield at your earliest possible convenience. Photocopying or other duplication is not authorized.

For more information, please contact:

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EXECUTIVE SUMMARY

Cushman & Wakefield San Diego, as exclusive advisor, is pleased to present the opportunity to acquire the fee simple interest in 2585 Pio Pico Drive, Carlsbad, CA 92008, a rare 2,800 SF boutique office building strategically positioned in Carlsbad.

This property offers a premier owner-user opportunity, currently 100% leased to two tenants on short-term leases, providing flexibility for future occupancy or repositioning.

Located just 1.2 miles from Carlsbad Village Transit Station, the property benefits from strong demographics and a thriving local economy. Zoning allows for a wide range of professional office and medical uses, making it an ideal choice for diverse business needs. With Interstate-5 frontage and signage exposure to approximately 210,000 vehicles per day, tenants enjoy exceptional visibility and branding opportunities.

Owner-User Opportunity with Flexible Occupancy

Excellent Proximity to Carlsbad Beaches & Carlsbad Village

I-5 Freeway Frontage (Approx 210,000 cars per day)

Average income $120K (Within 2 Miles)

Asking Price
$1,850,000
~~$1,950,000~~

DO NOT DISTURB TENANTS. CALL FOR SHOWING.

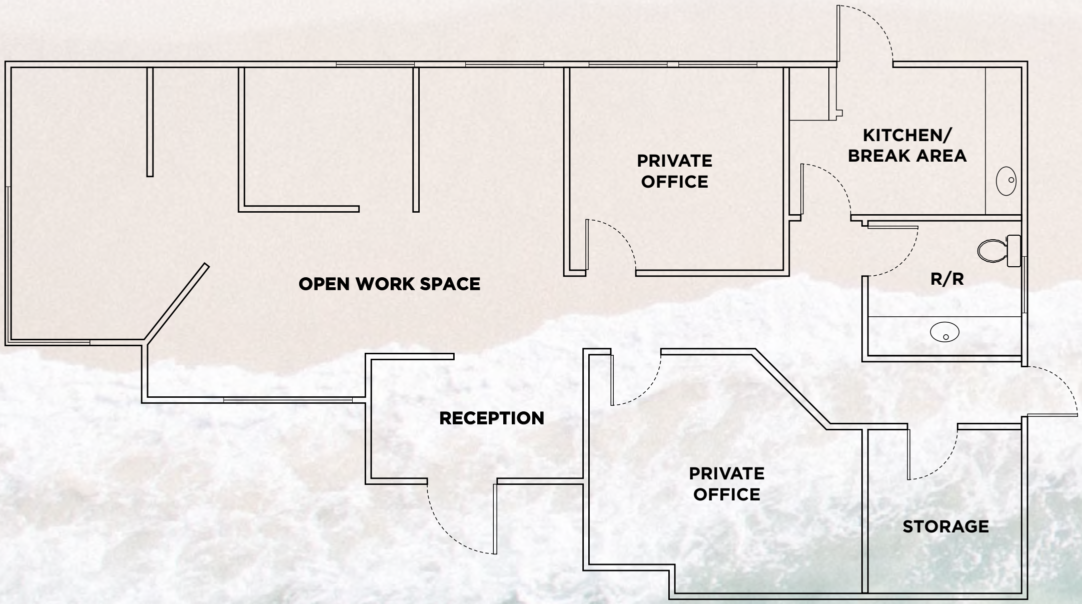
PROPERTY DESCRIPTION

ADDRESS	2585 Pio Pico Drive, Carlsbad, CA 92008
TOTAL SF	Approximately 2,800 SF
PROPERTY TYPE	2-Story Office Building
LAND AREA	0.47 Acres / 20,478 SF
APN	156-120-74-00
YEAR COMPLETED	1987
ZONING	Office (O) - Allows a wide range of professional office and medical uses *https://ecode360.com/44011021*
SIGNAGE	Building and Monument Signage
LANDSCAPING	Shrubs, Mature Trees, and Concrete Walkways
PARKING	8 Reserved Parking Spaces plus Street Parking
CONSTRUCTION TYPE	Combination of Wood Frame and Stucco
HVAC	Roof-Mounted System


Brubaker & Associates
Independent Insurance Services
2585
Hair Addix
A Personal Service Salon
760.434.7073
AVIA
AltaVista
INSURANCE AGENCY

FLOOR PLANS

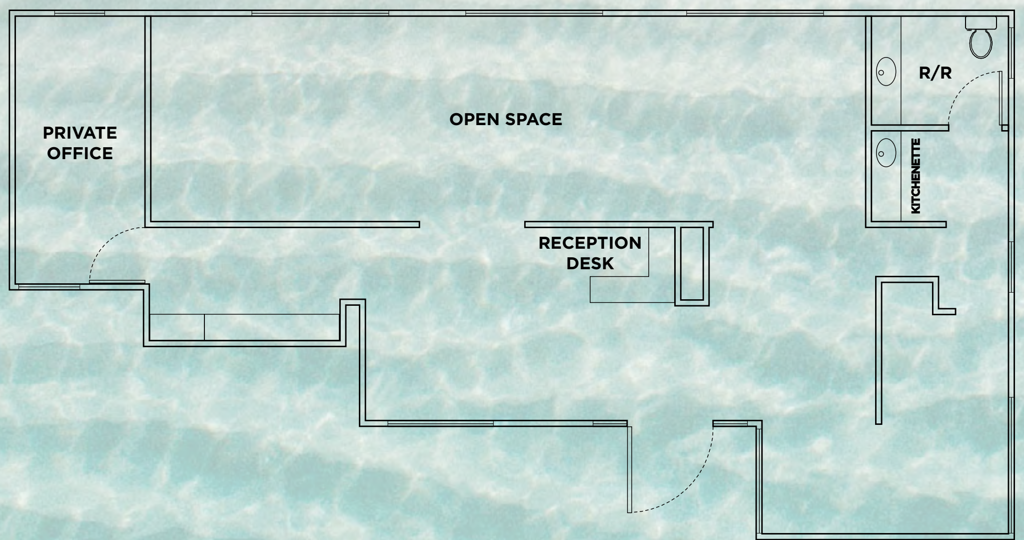
FIRST FLOOR



CLICK HERE FOR VIRTUAL TOUR OF THE FIRST FLOOR

SECOND FLOOR

CLICK HERE FOR VIRTUAL TOUR OF THE SECOND FLOOR



FINANCIALS

RENT ROLL

Suite	Tenant	Lease Expiration	Lease Option	SF	Security Deposit	$/SF	Monthly	Annual
100	Alta Vista	4/2026	No	1,353	$6,000	$2.22	$3,000	$36,000
200	Hair Addix	M-T-M	No	1,332	$3,000	$2.15	$2,864	$34,368
TOTAL				2,685			Rental Income	$70,368
							Reimbursable Operating Expenses	$11,247
							Total Income	**$81,615**

OPERATING EXPENSES

PROJECTED 2026

	Annual	*Per SF*
Insurance	$2,425	$0.90
Management	$5,000	$1.86
Maintenance	$3,000	$1.12
Property Taxes*	$21,351	$7.95
Landscape	$3,500	$1.30
*Water***	*$1,636*	*$0.61*
*Gas & Electric***	*$7,952*	*$2.96*
Trash”*	*$1,659*	*$0.62*
TOTAL	**$46,523**	**$17.33**

** Property taxes based on new sale price.*

*** Water, gas, electric & trash are reimbursed by tenants.*

FINANCIALS

Why Lease When You Can OWN?

2585 Pio Pico, Carlsbad, CA.

OWN			LEASE		
Purchase Assumptions			**Lease Assumptions**		
Size (Square Feet)		2,800	Size (Square Feet)		2,800
Purchase Price plus improvments		$1,850,000	Lease rate per SF/Month (Gross)		3.50
			Monthly Lease		$9,800
Start-up Costs			**Start-up Costs**		
10% Down + loan costs		$206,250	Prepaid Rent/Sec Deposit		$9,800
			Improvements		$0.00
Total out of pocket		$206,250	Total out of pocket		$9,800
Monthly Costs	**Per SF**		**Monthly Costs**	**Per SF**	
Mortgage payment	$3.81	$10,663.15	Lease Payment	$3.50	$9,800
Operating Exp/CAM	$0.30	$840.00	Operating Exp/CAM	$0.15	$420
Property Taxes	$0.61	$1,695.83	Property Taxes	$0.00	$0.00
Total Monthly Costs	$4.71	$13,198.98	Total Monthly Costs	$3.65	$10,220
Monthly Ownership Benefits (Estimated)			**Monthly Ownership Benefits (Estimated)**		
Tax Benefits			**Tax Benefits**		
Mortgage Int. Deduction (5 yr avg)		$2,688.88	Mortgage Int. Deduction		$0.00
Operating Exp/CAM deduction		$294.00	Operating Exp/CAM deduction		$147.00
Property Tax deduction		$593.54	Property Tax deduction		$0.00
Depreciation deduction		$917.37	Lease deduction		$3,430.00
Other Benefits			**Other Benefits**		
Rental Income		$0.00	Rental Income		$0.00
Average Appreciation	3.00%	$4,625.00	Average Appreciation		$0.00
Total Onwership Benefits		$9,118.80	Total Ownership Benefits		$3,577.00
Total Effective Monthly Cost:		$4,080.18	Total Effective Monthly Cost:		$6,643.00

Ownership Analysis Summary	
Annual Effective Cost Difference	$30,754
Average Annual Principal Paydown	$35,767
Annual Wealth Creation	**$66,521**
15 Year Wealth Creation	**$997,818**

*Terms subject to change. Do not rely on the assumptions used in this analysis: please consult your financial advisor approval subject to credit qualifications/not a commitment to lend

OWNER OCCUPIED COMMERCIAL REAL ESTATE LOAN STRUCTURE

Prepared For:	**Prospective Buyer**
Property Address:	**2585 Pio Pico, Carlsbad, CA.**
Square Footage:	**2,800** — **Property Type:** **Office**
Purchase Price:	**$1,850,000**
TI Costs, if any:	
Project Total:	**$1,850,000**

	SBA 504 Loan - 90%			Conventional Financing - 75%	Conventional Financing - 85%
	Bank Portion	**CDC Portion**	**Total**		
Loan Amount	$925,000	$740,000	$1,665,000	$1,387,500	$1,572,500
Fees Financed		$15,910	$15,910		
Maturity	5 Year Reset	25		10	10
Interest Rate*	5.70%	5.86%	5.77%	6.25%	6.25%
Rate Structure	Fixed for 25 years	Fixed		Fixed for 10	Fixed for 10
Years Amortized	25	25		25	20
Prepayment penalty	3,3,2,1,1%	10 yr declining		3,3,2,1,1%	3,3,2,1,1%
Monthly Payment	**$5,828**	**$4,835**	**$10,663**	**$9,206**	**$11,574**
Estimated Closing Costs*					
Down Payment	$185,000		$185,000	$462,500	$277,500
Attorney Fees	$0	$2,500	$2,500	$0	$0
Appraisal	$3,000		$3,000	$2,500	$2,500
Environmental Report	$2,500		$2,500	$1,800	$2,500
Title policy	$2,500		$2,500	$2,500	$2,500
Escrow Fees	$1,500		$1,500	$1,500	$1,500
Documentation Fee	$0		$0	$0	$0
Loan Origination Fee	$9,250	$7,400	$9,250	$6,937	$7,862
SBA Guaranty Fee	$0		$0	$0	$0
Totals	**$203,750**	**$9,900**	**$206,250**	**$477,737**	**$294,362**

Total Cost	Estimated annual Depreciation**	Interest Expense***	Net Pretax Expense	Tax Savings****	Effective Annual Debt Service *****	Effective Monthly Cost per Square Foot (504)
$1,887,160	**$31,453**	**$92,190**	**$123,643**	**$49,457**	**$42,733**	**$1.27**

For more information contact: Susie Friedman	Buy Vs Lease 15 year wealth creation estimate:******	$997,818.25

susie.friedman@firstcitizens.com

(858) 922-9092

*Some listed **closing costs may be financed**. SBA 504 loan is subject to approval in accordance with SBA eligibility and lending guidelines. Rates and terms are subject to change. Any transaction arising from this comparison is expressly subject to credit approval and to the exectution and delivery of transaction documentation satisfactory to lender. Additional Terms and Conditions not presented in this comparison will apply. Amounts shown are for comparitive purposes only. Actual final transaction amounts may differ.
**Assumes depreciation=65% of cost for 39 year schedule.
*** Based on principal reduction in the first 5 years of level payments.
**** Assumes 40% combined state and federal tax bracket.
***** Interest portion of payments less tax savings.
****** See "Lease Vs Buy" tab below for assumptions.

FirstCitizensBank forever first

RETAIL AMENITIES

RETAIL AMENITIES

From beaches and theaters, to fine dining and new hip casual eateries, Carlsbad Village is your North County destination of choice.


2585
REAL PROPERTY MANAGEMENT
STOP

MARKET OVERVIEW

CARLSBAD VILLAGE OFFICE MARKET SUMMARY *(2,000 SF+ Bldgs)*

TOTAL INVENTORY	OCCUPANCY	VACANCY	SMALLEST VACANCY	LARGEST VACANCY	AVERAGE RATE
464K SF	95.7%	19.8K SF (4.3%)	500 SF	4,600 SF	$3.28/SF/Mo

CARLSBAD VILLAGE is Carlsbad's cultural center. Influenced by historic roots, proximity to beautiful beaches, and an unbeatable climate, The Village is a favorite destination of locals and tourists alike.

Over the past few years, the City of Carlsbad has grown to new heights, with innovation bringing an increased quality of life, that still works to preserve the historic and small town feel of this coastal community. With incredible momentum in the downtown district of Carlsbad Village, new developments are continuing to enhance a pedestrian-friendly neighborhood with easy access to multiple modes of transportation.

Not only does Carlsbad have easy access to both downtown San Diego and Los Angeles, but the property located at 390 Oak Avenue lies at the heart of Carlsbad. A bustling yet quaint town attracts high-skilled workers and beach-goers alike, and being at the center of this activity will allow for a diverse redevelopment project with many seeking tenancy in this highly desirable area. With other mixed-use developments on the horizon, 390 Oak Avenue provides the opportunity to join the action in this ideal location.

In recent years, the already thriving Carlsbad has been rediscovering its historic downtown as a center of civic life and economic vitality as new firms and residents have begun migrating to the area. The Village neighborhoods have exploded with new development projects focused on redefining the beachside urban atmosphere with new restaurants, shopping, mixed-used projects and transit-oriented development.

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