

# THE MASTERS BUILDING

Marcus & Millichap  
DUONG INVESTMENT GROUP



2711 E. COAST HIGHWAY, CORONA DEL MAR, CA 92625

OFFERING MEMORANDUM



# THE MASTERS BUILDING

## Exclusively Listed By

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# INVESTMENT OVERVIEW

## Investment Highlights



**Trophy Location on Pacific Coast Highway – Positioned at the Gateway to the Coast in One of Orange County's Most Affluent and Prestigious Communities (Corona Del Mar's Average Home Value is Nearly \$4 Million)**



**Exceptional Visibility and Traffic Exposure – Located Along Pacific Coast Highway with Traffic Counts Exceeding 50,000 Cars per Day**



**Extraordinary Demographics – Surrounded by Extraordinary Household Wealth, with Average Household Income Exceeding \$205,000 Within a One-Mile Radius**



## Prime Coastal Retail

- ▶ **Exclusive, High Barrier-to-Entry Market** – Corona Del Mar Is One of Southern California's Most Desirable Neighborhoods, Known for Its Pristine Coastal Charm, Affluent Resident Base, and Extremely Limited Supply of Commercial Real Estate
- ▶ **Proximity to Major Demand Drivers** – Steps from Fashion Island (±1.3 Million SF of Class A Retail) and Over 3 Million Square Feet of Surrounding Class A Office Space, Providing Consistent Daytime and Evening Traffic
- ▶ **Ideal for Upscale Retail or Service Tenants** – Perfectly Suited for Boutique Retail, Gallery, Spa, or Experiential Users Seeking a Prestigious Address in an Irreplaceable Location
- ▶ **Pedestrian-Friendly Coastal Setting** – Steps from Residential Enclaves and Coastal Amenities That Attract High-End Consumers, Tourists, and Professionals Alike
- ▶ **Limited Retail Competition** – Tight Zoning and Scarce Commercial Inventory Limit Future Retail Supply, Enhancing the Long-Term Value of This Asset

## Unmatched Real Estate Fundamentals

- ▶ **Highly Visible and Accessible Location** – Premier Corner Positioning on E. Coast Highway with Multiple Ingress/Egress Points and Strong Vehicular and Pedestrian Traffic
- ▶ **Established Coastal Trade Area** – Serves an Upscale Population Familiar with Boutique Retail Experiences and Premium Lifestyle Services
- ▶ **Rare for the Coast** – ±26 Onsite Parking Spaces Plus Ample Street Parking Available



# INVESTMENT OVERVIEW

## Aerial Photo





# INVESTMENT OVERVIEW

Close-Up Aerial Photo



# FINANCIAL ANALYSIS

## Offering Summary

Property Name	The Masters Building
Property Address	2711 & 2713 E. Coast Highway Corona Del Mar, CA 92625
Assessor's Parcel Number	459-171-12/13
Current Occupancy	89%
Year Built/Renovated	1963/2018
Gross Leasable Area (GLA)	±11,604 Square Feet
Lot Size	±0.24 AC (±10,515 Square Feet)

## Pricing

Price	\$11,500,000
Cap Rate (Current)	4.88%
Cap Rate (Pro Forma)	6.07%
Price/SF	\$991.04

## Financing Quote (as of May 2025)

% Down / Down Payment	52% / \$6,000,000
Loan-to-Value / Loan Amount	48% / \$5,500,000
Interest Rate	5.85%
Loan Program	Interest Only, 3-Year Fixed, 10-Year Term 27-Year Amortization following the fixed period.

### Financing Notes:

- ▶ Financing with 30-year amortization is also available.
  - Loan Amount: \$5,600,000 | Interest Rate: 5.85%
  - Program: 3-Year Fixed, 10-Year Term
- ▶ Financing quotes are time sensitive and subject to change.
- ▶ Please contact Agent for more details.

## Annualized Operating Data

	Current	Pro Forma
Gross Potential Rent	\$581,957	\$725,250
Expense Reimbursements	\$172,723	\$199,382
Gross Potential Income	\$754,680	\$924,632
Vacancy Factor	\$0	3.00% / (\$27,739)
Effective Gross Income	\$754,680	\$896,893
Less Expenses	(\$193,650)	(\$199,382)
<b>Net Operating Income</b>	<b>\$561,030</b>	<b>\$697,511</b>
Debt Service	(\$321,750)	(\$321,750)
Cash Flow After Debt Service	\$239,280	\$375,761
<b>Cash on Cash Return</b>	<b>3.99%</b>	<b>6.26%</b>

## Expenses

	Current	Pro Forma
Property Tax (1.0522%)	\$121,004	\$121,004
Tax Special Assessments	\$2,731	\$2,731
Insurance (Estimated at \$1/SF)	\$11,604	\$11,604
CAM-Service Contracts	\$17,747	\$17,747
CAM-Repairs & Maintenance	\$3,389	\$3,389
CAM-Utilities/Misc.	\$13,896	\$13,896
Property Management	\$23,278	\$29,010
<b>Total Expenses</b>	<b>\$193,650</b>	<b>\$199,382</b>
Expenses/SF	\$16.69	\$17.18

### Pro Forma Notes:

- ▶ Pro Forma is as of June 1, 2027 and includes scheduled increases, renewals for existing tenants at market rent, and new leases for the vacant suites.
- ▶ Please see the rent roll on the next page for pro forma rent/SF figures.



# FINANCIAL ANALYSIS

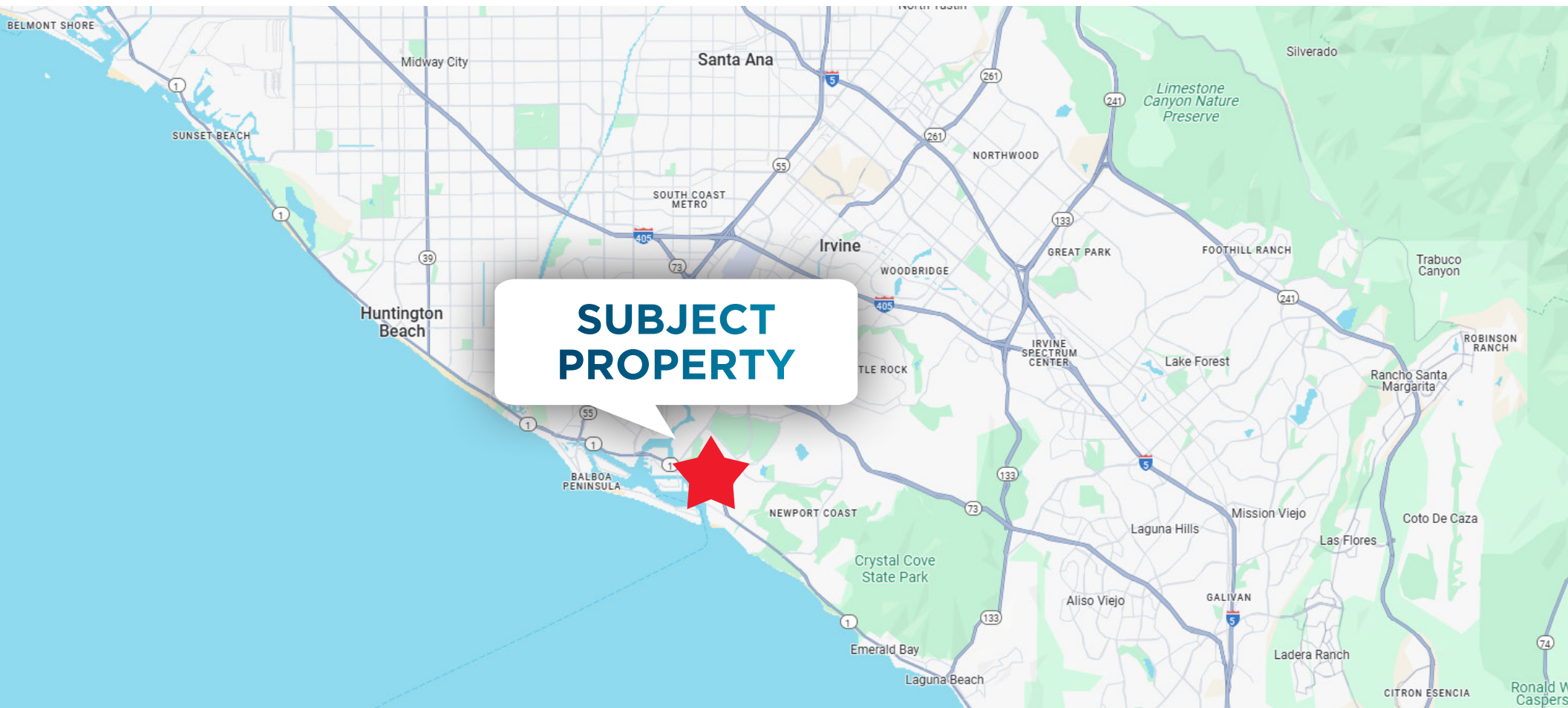
## Rent Roll - As of May 2025

**\*Note on Lease Commencement:** Commencement dates are based on current lease documents. However, it is possible that some tenants may have commenced earlier than what is shown on the current lease.

Suite	Tenant Name	GLA	% of GLA	Lease Commenced*	Lease Expires	Current Monthly Rent	Current Rent/SF/Mo	Lease Type	Increases	Options	Pro Forma Lease Type	Pro Forma Rent/SF
A	Optima Salon	1,222	10.53%	10/1/2020	09/30/2030	\$7,778.52	\$6.37	NNN	3% Annual	One, Five-Year @FMV	NNN	\$6.75 (Scheduled)
B	Optima Salon	1,222	10.53%	10/1/2020	09/30/2030	\$7,778.52	\$6.37	NNN	3% Annual	One, Five-Year @FMV	NNN	\$6.75 (Scheduled)
C	Optima Salon	945	8.14%	3/1/2021	09/30/2030	\$6,195.76	\$6.56	NNN	3% Annual	One, Five-Year @FMV	NNN	\$6.96 (Scheduled)
102	Movement Dynamic (Pilates)	646	5.57%	3/1/2022	02/28/2027	\$2,823.61	\$4.37	NNN	3% Annual	One, Five-Year @FMV	NNN	\$5.00 (Renewal)
103	Pretty (Tanning Salon)	469	4.04%	5/16/2015	MTM	\$1,690.74	\$3.60	NNN	None	None	NNN	\$5.00 (Renewal)
104	Salon 27Eleven	465	4.01%	10/1/2020	09/30/2025	\$1,910.25	\$4.11	NNN	3% Annual	One, One-Year @FMV	NNN	\$5.00 (Renewal)
106	Timeless Beauty (Skincare/Botox)	726	6.26%	10/10/2022	09/30/2025	\$3,201.66	\$4.41	NNN	5% Annual	None	NNN	\$5.00 (Renewal)
201	Two Sister's (Nail Salon)	660	5.69%	10/1/2006	MTM	\$2,182.95	\$3.31	NNN	None	None	NNN	\$4.50 (Renewal)
202	Lux Glow Spa (Skincare/Facial)	1,009	8.70%	3/4/2025	03/31/2028	\$4,037.94	\$4.00	NNN	None	None	NNN	\$4.00 (Scheduled)
203	Vacant	621	5.35%	N/A	N/A	\$0.00	\$0.00	N/A	N/A	N/A	NNN	\$5.00 (New Lease)
204	Vacant	633	5.46%	N/A	N/A	\$0.00	\$0.00	N/A	N/A	N/A	NNN	\$5.00 (New Lease)
205	Easy Speak Boutique	1,056	9.10%	11/1/2024	10/31/2025	\$3,854.00	\$3.65	NNN	None	None	NNN	\$4.50 (Renewal)
206	Newport Beach Salon & Suites	1,300	11.20%	11/1/2024	05/31/2029	\$4,680.00	\$3.60	NNN	3% Annual	None	NNN	\$3.82 (Scheduled)
208	Insurance	630	5.43%	4/1/2022	05/31/2025	\$2,362.50	\$3.75	NNN	3% Annual	One, Three-Year @FMV	NNN	\$4.50 (Renewal)
# of Tenants: 14	Total Available: 1,254 SF Total Occupied: 10,350 SF				Monthly: \$48,496 Annual: \$581,957		Average: \$4.69/SF					Average: \$5.21/SF

# MARKET OVERVIEW

## Regional Map



±95,000

CARS PER DAY AT THE  
MACARTHUR/PCH INTERSECTION



±6 MILES

TO JOHN WAYNE  
INT'L AIRPORT (SNA)



±7 MILES

VIA PCH TO  
LAGUNA BEACH, CA



±3.5 MILES

TO CA-73 FREEWAY  
(ACCESS TO 55 & 405 FREEWAYS)

1

2

3

MARKET OVERVIEW



# MARKET OVERVIEW

## The City Of Corona Del Mar



Corona del Mar (CDM), a prestigious enclave within Newport Beach, California, presents a compelling opportunity for commercial real estate investors seeking exclusivity, stability, and long-term value.

Renowned for its upscale coastal ambiance, CDM boasts a limited inventory of commercial properties, creating a high barrier to entry that safeguards property values and ensures a competitive market landscape.

The commercial real estate market in CDM is characterized by its scarcity and premium pricing. It is rare to see properties for sale in this market, underscoring the limited availability of investment opportunities. This scarcity, coupled with the area's desirability, contributes to a robust market where properties command premium prices and experience consistent appreciation.

CDM's strategic location enhances its appeal to investors. Situated along the Pacific Coast Highway, the area offers seamless connectivity to major transportation arteries, including State Routes 1, 55, and 73, facilitating easy access to neighboring cities and business hubs.

The area's affluence and high consumer spending power make it an attractive location for retail investors. The presence of luxury shopping centers, such as Fashion Island, and upscale dining establishments cater to a discerning clientele, ensuring a steady demand for premium retail spaces. Moreover, CDM's picturesque beaches and scenic vistas draw tourists year-round, further bolstering foot traffic and retail activity.

### CDM Points of Interest

(+Proximity to the Subject Property)

#### FASHION ISLAND



#### NEWPORT HARBOR



#### CDM STATE BEACH



#### JOHN WAYNE AIRPORT



#### 73 FREEWAY



Corona Del Mar State Beach



Corona Del Mar - Gateway Sign

## Demographics

### Income & Economics

	1-Mile	3-Mile	5-Mile
Average Household Income	\$205,059	\$198,793	\$156,634
Average Household Retail Expenditure	\$275,620	\$276,361	\$258,012
2024 Daytime Population	10,285	74,748	261,991

### Population

2029 Population	11,383	66,142	201,868
2024 Population	11,277	64,997	198,970
2010 Population	11,688	64,401	187,215

### Households

2029 Households	5,619	30,337	80,077
2024 Households	5,568	29,839	78,857
2010 Households	5,765	29,412	75,586



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