

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

RON DUONG

Senior Managing Director Investments
Senior Director, National Retail Group
(949) 350-5431 call/text
ron.duong@marcusmillichap.com
License: CA 01438643

Broker Of Record

TONY SOLOMON

License: CA 01238010
23975 Park Sorrento, Suite 400
Calabasas, CA 91302

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)
Net Operating Income	\$561,030	\$697,511
Debt Service	(\$321,750)	(\$321,750)
Cash Flow After Debt Service	\$239,280	\$375,761
Cash on Cash Return	3.99%	6.26%

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
Total Expenses	\$193,650	\$199,382
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.

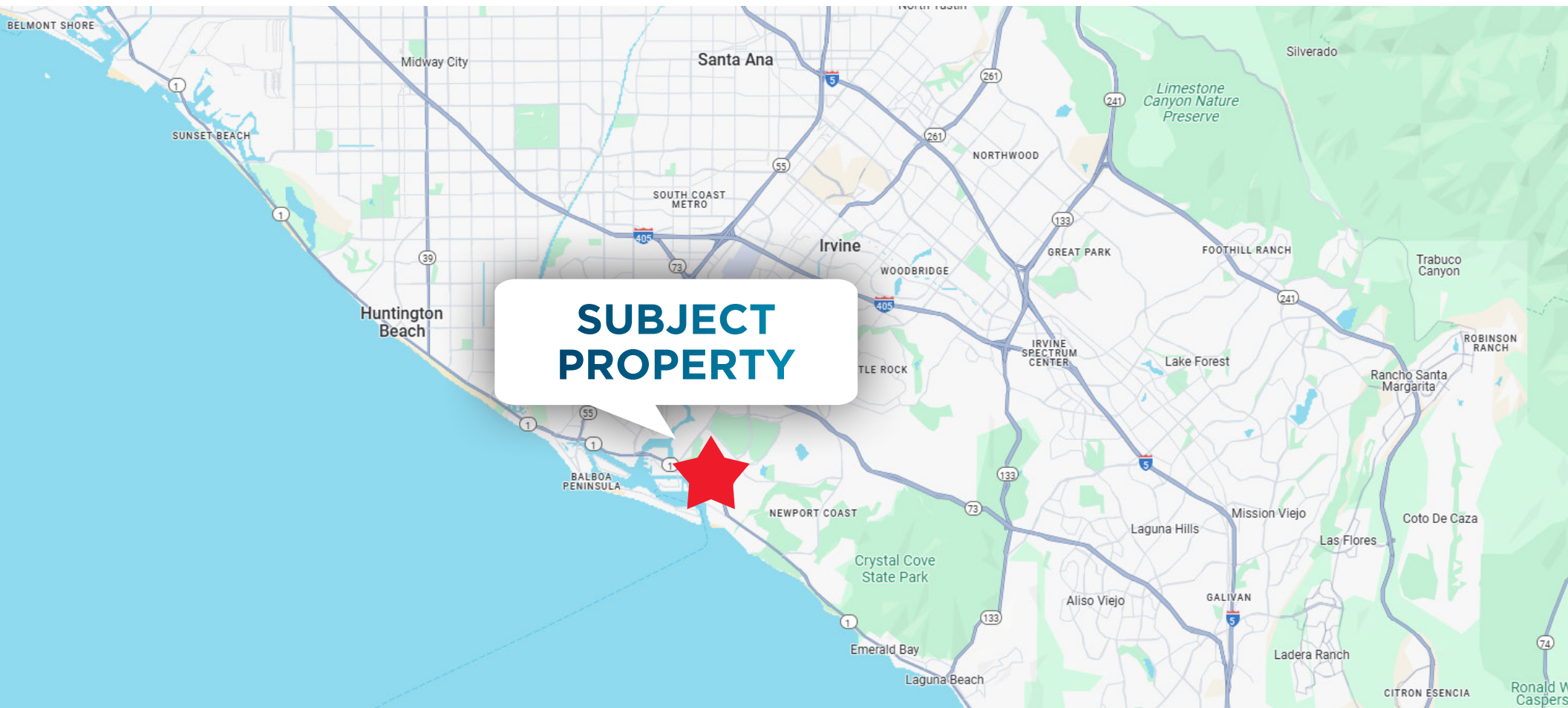
FINANCIAL ANALYSIS

Rent Roll - As of May 2025

Suite	Tenant Name	GLA	% of GLA	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%	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%	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%	09/30/2030	\$6,195.76	\$6.56	NNN	3% Annual	One, Five-Year @FMV	NNN	\$6.96 (Scheduled)
102	Movement Dynamic	646	5.57%	02/28/2027	\$2,823.61	\$4.37	NNN	3% Annual	One, Five-Year @FMV	NNN	\$5.00 (Renewal)
103	Pretty - Tanning	469	4.04%	MTM	\$1,690.74	\$3.60	NNN	None	None	NNN	\$5.00 (Renewal)
104	Salon 27Eleven	465	4.01%	09/30/2025	\$1,910.25	\$4.11	NNN	3% Annual	One, One-Year @FMV	NNN	\$5.00 (Renewal)
106	Timeless Beauty Aesthetics	726	6.26%	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%	MTM	\$2,182.95	\$3.31	NNN	None	None	NNN	\$4.50 (Renewal)
202	Skincare	1,009	8.70%	03/31/2028	\$4,037.94	\$4.00	NNN	None	None	NNN	\$4.00 (Scheduled)
203	Vacant	621	5.35%	N/A	\$0.00	\$0.00	N/A	N/A	N/A	NNN	\$5.00 (New Lease)
204	Vacant	633	5.46%	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%	10/31/2025	\$3,854.00	\$3.65	NNN	None	None	NNN	\$4.50 (Renewal)
206	Newport Beach Salon & Suites	1,300	11.20%	05/31/2029	\$4,680.00	\$3.60	NNN	3% Annual	None	NNN	\$3.82 (Scheduled)
208	Insurance	630	5.43%	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

THE MASTERS BUILDING

Exclusively Listed By

RON DUONG

Senior Managing Director Investments
Senior Director, National Retail Group
(949) 350-5431 call/text
ron.duong@marcusmillichap.com
Lic. CA 01438643

Broker Of Record

TONY SOLOMON

License: CA 01238010
23975 Park Sorrento, Suite 400
Calabasas, CA 91302

19800 MacArthur Boulevard, Suite 150, Irvine, CA 92612 / www.marcusmillichap.com

Marcus & Millichap
DUONG INVESTMENT GROUP

©2024 Marcus & Millichap. All rights reserved. The material in this presentation has been prepared solely for information purposes, and is strictly confidential. Any disclosure, use, copying or circulation of this presentation (or the information contained within it) is strictly prohibited, unless you have obtained Marcus & Millichap's prior written consent. The views expressed in this presentation are the views of the author and do not necessarily reflect the views of Marcus & Millichap. Neither this presentation nor any part of it shall form the basis of, or be relied upon in connection with any offer, or act as an inducement to enter into any contract or commitment whatsoever. NO REPRESENTATION OR WARRANTY IS GIVEN, EXPRESS OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION CONTAINED WITHIN THIS PRESENTATION, AND MARCUS & MILLICHAP IS UNDER NO OBLIGATION TO SUBSEQUENTLY CORRECT IT IN THE EVENT OF ERRORS.