

# NEWPORT IRVINE *Center*

3300 Irvine Avenue | Newport Beach, CA

Rare Orange County Investment Opportunity  
76,842 Square Feet | 90% Leased



July 2020



# NEWPORT IRVINE *Center*

## THE OFFERING

Newmark Knight Frank (NKF), as exclusive advisor, is pleased to present the very rare investment opportunity to acquire Newport Irvine Center (the Property), an institutional-quality, multi-tenant office building totaling 76,842 rentable square feet located in the premier coastal market of **Newport Beach, California**.

Newport Irvine Center, located at 3300 Irvine Avenue, is currently stabilized at 90% occupancy to a diversified rent roll with well-staggered lease expirations. The Property benefits from an irreplaceable, strategic location with a premier Newport Beach address in the desirable Greater Airport Area office submarket. **The Property is one of only seven, Class A, multi-tenant office buildings under 100,000 square feet (not owned by the Irvine Company) located in Newport Beach.**

### PROPERTY SUMMARY

3300 Irvine Avenue  
Newport Beach, CA  
*Address*

90%  
*Occupancy*

76,842 SF  
*Rentable Square Feet  
(BOMA 2017)*

3  
*Stories*

1980/2015 & 2020  
*Year Built/Renovated*

3.23 Acres  
*Site Area*

**Free Surface Parking =**  
*\$0.25 Discount to Competitive Buildings*

**Back-of-the-House Systems**  
*in Excellent Condition*





3.5/1,000 RSF  
Surface Parking Ratio

272  
Surface Parking Stalls

439-362-02  
APN

## OFFERING SUMMARY

<b>Interest Offered</b>	Fee-Simple
<b>Offering Price</b>	\$29,450,000
<b>Price PSF</b>	\$382
<b>In-Place Cap Rate</b>	5.75%
<b>Year 3 Cap Rate (fully stabilized)</b>	6.82%

## FINANCIAL SUMMARY

<b>Average In-Place Rents</b>	\$2.92 PSF FSG
<b>Average In-Place Rents Below Market</b>	±7.3%
<b>Market Rents</b>	\$3.15 PSF FSG
<b>Weighted Average Lease Term Remaining</b>	2.4 Years
<b>In-Place NOI</b>	\$1,692,432
<b>Total Tenants</b>	26



# INVESTMENT HIGHLIGHTS



## RARE OPPORTUNITY TO PURCHASE A WELL-RECOGNIZED, FEE-SIMPLE OFFICE PROPERTY IN NEWPORT BEACH

The Property benefits not only from one of the most prestigious addresses in the country, but also from its proximity to the Irvine Business Center—the heart of Orange County office. Additionally, due to the lack of available land and restrictive city ordinances for new development, the new owner will face nearly zero supply risk in Newport Beach, as the barriers-to-entry remain extremely high.



## GENERATIONAL INVESTMENT OPPORTUNITY OFFERING STAGGERED LEASE EXPIRATIONS WITH MARK-TO-MARKET UPSIDE

The strong tenancy, coupled with well-staggered lease expirations, make Newport Irvine Center a secure investment opportunity in the dynamic Newport Beach/Greater Airport Area office submarket. In addition, current in-place rents are approximately 7.3% below market, offering an investor upside opportunity to increase returns through lease-up of the remaining vacancy (7,566 square feet) and continued market strengthening upon rollover of current tenants.



## STRONG LEASING MOMENTUM IN GREATER AIRPORT AREA, COUPLED WITH STABILITY OF NEWPORT BEACH

Over the course of 2019, the Greater Airport Area submarket has seen more than 1 million square feet of positive net absorption, and remains as the CBD of Orange County with a vacancy of 12.9% in 1Q2020. Newport Beach specifically has experienced 160,715 square feet of positive net absorption, and continues to command the lowest vacancy of 8.1%—and highest rents of Class A space at \$3.38/SF FSG—in the Greater Airport Area submarket.



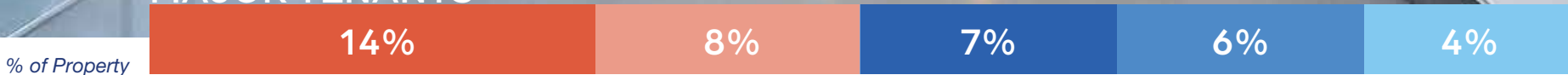
## UNENCUMBERED BY EXISTING DEBT

Newport Irvine Center is being offered free and clear of existing debt, allowing a potential investor to take advantage of today's low interest rate environment and aggressive debt markets to boost attractive leveraged returns.





MAJOR TENANTS



% of Property

*The weighted average length of tenancy at the Property is more than 7 years.*



InstaMed  
**10,511 SF**



Smartlink  
**5,894 SF**

Wealth Builders

Wealth Builders  
**5,538 SF**



Coury & Buehler  
**4,348 SF**



Cambridge Financial Partners  
**3,422 SF**

# LOCATION HIGHLIGHTS



## IDEAL NEWPORT BEACH LOCATION

*Median household income of \$129,077 and 4th wealthiest city in the U.S.*



## CONVENIENT ACCESS TO MAJOR AIRPORT

*Located less than one mile from John Wayne Airport*



## EXCELLENT FREEWAY ACCESS & VISIBILITY

*SR-73, I-405, & SR-55 with 589,000 vehicles per day*



## LESS THAN 2.5 MILES TO UNIVERSITY OF CALIFORNIA, IRVINE (UCI)

*34,000 enrolled students and ranked the 9th best public university in the U.S.*



## INTERSECTION OF 73 FREEWAY & IRVINE AVENUE PROVIDES DIRECT ACCESS TO AN ABUNDANCE OF EXECUTIVE/COASTAL HOUSING

*38 of America's 400 wealthiest citizens call Orange County home - Forbes*

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*Premier Coastal Market of Newport Beach Commands a Premium in Both Rental Rates and Quality of Life*

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***Newport-Irvine Center is one of only seven, Class A, multi-tenant office buildings under 100,000 square feet (not owned by the Irvine Company) located in Newport Beach.***

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**IRVINE**

**NEWPORT  
IRVINE  
Center**

**NEWPORT BEACH  
GOLF COURSE**

*MacArthur Blvd*

*Bristol Street*

*Irvine Avenue*

*Bich Street*

**NEWPORT  
BEACH**



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*Pacific Ocean*

**FASHION ISLAND**

*Newport Bay*

**NEWPORT  
BEACH**

**CATALINA  
ISLAND**

**NEWPORT  
IRVINE  
Center**

July 2020

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