

# 3536 Seagate Way

Oceanside, California 92056



## OFFERING MEMORANDUM

*NNN Leased Investment*

*Exclusively Listed By:*

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## TABLE OF CONTENTS

<b>Property Summary</b> .....	03
Investment Summary & Highlights	
<b>Property Location</b> .....	04
Aerial Photograph	
Local & Regional Maps	
<b>Property Description</b> .....	06
Site Plan	
Tenant Overview	
<b>The Market</b> .....	08
City Overview	
County Overview	
<b>Comparable Properties</b> .....	11
Rent Comparables	



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## Investment Highlights

- **Stable Cash Flow from Strong International Tenant**

Currently 100% leased to Hexagon Metrology, which is the largest manufacturer of high-precision coordinate measuring systems and software worldwide. The lease is guaranteed by Hexagon Metrology, Inc., a Delaware Corporation.

- **NNN Lease (Tenant is Responsible for all Operating Expenses)**
- **High-Image Pride of Ownership Building**
- **New Construction, No Deferred Maintenance**
- **Premier Location in North San Diego County**

Seagate Corporate Center, which is located adjacent to the 400 acre master planned Ocean Ranch Corporate Center, is an approximate 384,000 square foot office, R&D and industrial park developed and owned by an affiliate of the Rockefeller Group Development Corporation.

Located 35 miles North of San Diego and 83 miles South of Los Angeles Oceanside's accessibility offers an ideal location for business.

Strategically located in the heart of Oceanside, offering convenient access to Interstate 5, Hwy-76 and Hwy-78, and close proximity to restaurants, shopping and residential developments.

The City encompasses 42 square miles with a population of approximately 183,095 and median household income of \$70,982.



## Investment Summary

Offering Price .....	\$2,890,000
Price Per Square Foot.....	\$207.80
NOI .....	\$195,268
CAP Rate.....	6.75%
Net Rentable Area.....	13,908 SF
Year Built .....	2007

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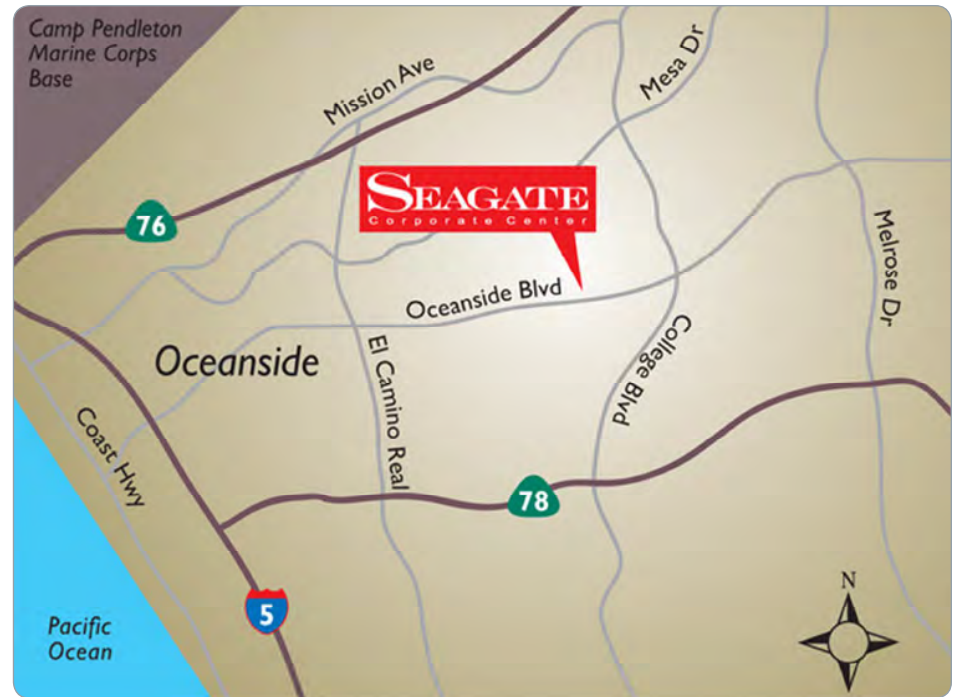




3536 Seagate Way, Oceanside, California 92056



San Diego County



Oceanside

local & regional maps

aerial photograph

PROPERTY LOCATION



3536 Seagate Way, Oceanside, California 92056

**Seagate Corporate Center**

Strategically located in the heart of Oceanside, offering convenient access to Interstate 5, Hwy-76 and Hwy-78, and close proximity to restaurants, shopping and residential developments.



**Property Description**

Address .....	3536 Seagate Way, Oceanside
County .....	North County, San Diego
APN .....	162-600-20-44
Construction Type .....	Concrete Tilt-Up
Building Type .....	R&D / Flex   Industrial
Zoning .....	IL (Limited Industrial)
Total Building Size .....	13,908 Square Feet
Loading .....	Two (2) Grade Level Doors
Clear Height.....	24' Minimum
Power .....	1,200 Amps, 120/208 Volt
Parking.....	3.0/1,000 SF
Fees .....	No CFDs or Mello Roos
Year Built .....	2007





## Lease Abstract

Tenant .....	Hexagon Metrology, Inc., a Delaware Corporation
Lease Guarantee.....	Hexagon Metrology, Inc., a Delaware Corporation
Lease Commencement.....	March 1, 2011
Term .....	66 Months
Expiration .....	August 31, 2016
Lease Type .....	Single Tenant Net Lease
Base Rent (Year 1).....	\$1.17 / SF NNN
Annual Escalations .....	3.0%
Free Rent .....	6 Months (Months 2-7)
Tenant Improvements.....	\$554,000
Option to Extend .....	One (1) Option to Renew for a period of Sixty (60) months at a fair market rental rate.
Parking.....	41 Unreserved Spaces
Operating Expenses .....	Monthly operating expenses of \$0.213 / SF are paid by the Tenant. The Landlord is not responsible for any Operating Expenses.
Lease Execution Date.....	October 4, 2010

## Tenant Profile

Thirteen manufacturing facilities, 66 Precision Centers for service and sales and a network of 70 distribution partners on five continents provide the foundations for the success of Hexagon Metrology. Hexagon Metrology holds a primary market position through the expertise of some of the most important metrology manufacturers worldwide. From Hand Gages to Portable Measurement Equipment, from Coordinate Measuring Machines and Robots to Metrology Software, Hexagon Metrology offers a comprehensive range of products and services for all industrial metrology applications.



Hexagon Metrology is the largest manufacturer of high-precision coordinate measuring systems and software worldwide. The measurement systems measure with great precision and rapidly provide access to large amounts of measurement data. For the customer, this means greater efficiency and productivity, improved quality and significant material and cost savings in the production process.

Hexagon Metrology manufactures their ROMER brand in Oceanside, California. ROMER portable arm coordinate measuring machines (PCMM) are designed for industries that need to inspect, measure or reverse engineer work pieces on the shop floor or in the metrology lab. These portable CMMs are particularly well suited to inspect parts that are impractical or impossible to move to a stationary CMM. Their metrology systems are used worldwide in over 100 different industries including automotive, aerospace, ship/ boat building, military, off-highway vehicles, tube bending, furniture, machine shops, stamping plants, die shops and other industrial markets.

Further information can be found on their website at:  
[www.hexagonmetrology.us](http://www.hexagonmetrology.us)





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## City of Oceanside

**WORK.** Located 35 miles North of San Diego and 83 miles South of Los Angeles Oceanside's accessibility also offers an ideal location for business. There are approximately 3,327 brick and mortar businesses located in Oceanside. Some of the City's largest private employers include: Genentech, Inc., The Deutsch Company, Nitto Denko, Becton Dickinson Sharpes Disposal Systems. Oceanside's business parks total approximately 8.5 million square feet.



**LIVE.** The gateway to San Diego, Oceanside is the classic California beach community with its warm sandy beaches, historic wooden pier and Cape Cod-style harbor village complete with unlimited water sports and recreation. Offering a quiet escape from the hustle and bustle, visitors still experience the casual spirit that made Southern California's beach culture legendary. With its year round sunny climate, and average temperature of 70 degrees, Oceanside's weather has been rated by USA Today as the second most ideal climate in the United States, and the fifth most ideal weather in the world. The City encompasses 42 square miles with a population of approximately 183,095 and median household income of \$70,982.

Seagate Corporate Center is an approximate 384,000 square foot office, R&D and industrial park developed and owned by an affiliate of the Rockefeller Group Development Corporation.







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## Local Attractions

**Oceanside Municipal Airport** There has been an airport in the San Luis Rey Valley since the 1930's. The Oceanside Municipal Airport is a paved and lighted landing facility, providing tourists and businesses and alternate mode of transportation into our city. In addition, the Oceanside Airport serves as a flight training facility for our future airline and military pilots, not to mention a possible astronaut or two.



**Beaches & Recreational Activities** Oceanside's recreational opportunities are geared to fit every lifestyle. The city boasts 3 golf courses, numerous tennis courts and over 6 miles of beachfront roadway just perfect for jogging, biking or rollerblading. Try your hand at surf fishing along the coastline, or simply drop a line off the end of the 1972 ft pier and wait for the fish to bite. Oceanside also hosts numerous amateur and professional surfing contests through out the year.



**Oceanside Harbor** Known as a mecca for watersports, the 260 slip Harbor has a convenient boat launch area and offers services for boat, kayak and jet ski rentals. Helgren's Sportfishing Inc. operates daily sportfishing charters going out of the Harbor, and also offers Whale Watching Tours from December through March. Fine restaurants, picnic tables, and a Harbor Village with shops, eateries, and a lighthouse, along with the nearby Harbor Beach combine to offer the seafarer and motor visitor an enchanting experience of color and atmosphere.

**Oceanside Pier** The historic Oceanside Pier is a prized community resource as well as a monument to its citizens' persistence in seeing that a pier remains a part of its oceanfront recreational facilities. At its current 1,942 feet in length, it remains one of the longest wooden construction recreational piers on the West Coast.

**Camp Pendleton Marine Corps Base** The world's largest U.S. Marine Corps Amphibious Training Base is located in North Oceanside. It is considered a "recreational" paradise with its military community of over 36,000 spread over 125,000 acres. The camp is well recognized for its interest and effort toward ecology and the preservation of natural resources. With its three mountain ranges and varied geographical terrain, Camp Pendleton has earned its title as an "Ecological Oasis of Coastal California." Home of the First Marine Division, Camp Pendleton is situated on what was once a Spanish land grant called Rancho Santa Margarita y Las Flores.



**California Surf Museum** Until the California Surf Museum was opened, very little had been done in an organized way to preserve the history of surfing, its boards, or its fascinating artifacts. The museum is actively locating, collecting, documenting and preserving historic surfing related artifacts and memorabilia. Through a series of rotating exhibits, the California Surf Museum presents a varied picture of the many facet of surfing.



**Oceanside Museum of Art** Oceanside Museum of Art is a cultural jewel location in downtown Oceanside with a view of the Pacific Oceans and the historic Oceanside Pier. The museum is housed in a classic Irving Gill designed building that represents the flavor of Southern California in the 1930's. Providing North San Diego County with a variety of programming that compliments its progressive exhibition schedule, OMA presents five provocative exhibits each year.

**Mission San Luis Rey** Named in honor of St. Louis, King of France, was founded in June 1798 by Father Fermin Francisco de Lasuen and is one of the most architecturally impressive of all the California missions. Built of adobe and faced with brick, it is a composite of Spanish, Mexican, and Moorish styles.



## San Diego County

San Diego County, one of 58 counties in the State of California, was established on February 18, 1850, just after California became the 31st state. The County stretches 65 miles from north to south, and 86 miles from east to west, covering 4,261 square miles. Elevation ranges from sea level to 6,500 feet. The county is approximately the size of the state of Connecticut. It borders (to the north) Orange and Riverside Counties, (to the east) the agricultural communities of Imperial County, (on the west) the Pacific Ocean, and (to the south) the State of Baja California, Mexico. Geographically, the County is on the same approximate latitude as Dallas, Texas and Charleston, South Carolina. San Diego County is comprised of 18 incorporated cities and 17 unincorporated communities. The county's total population is over 3,000,000 making it the third largest county (based on population) in the state.

There is a diverse economic base in San Diego County (based on the concept of "export" of goods or services). The leading industries are tourism, technology, fabricated metal products, financial services and direct international trade. The military is also a major force in the County's economy, accounting for over 11% of its employment. The "new economy" of San Diego County is technology driven, and includes bio-med, communications, and computer science, which builds on the vibrant technological research capabilities of the County's business base and UC San Diego.



San Diego is a large manufacturing center in the US, with the largest components being computer and electronic products and transportation products. San Diego also has the only large shipbuilding industry on the West Coast. International trade is a major component of the area's economy. The San Diego Customs District is a major channel of US-Mexico trade. In 2006, total two-way trade at the customs district reached \$40.8 billion, with Mexico accounting for \$42.3 billion or 83.2%

Tourism is a major source of income for San Diego County. Besides its own tourist attractions such as SeaWorld, San Diego Zoo and Legoland, San Diego also benefits economically from travels going to and from Mexico. Several cruise ships also set sail or make port calls at San Diego.

Higher and specialized education is a strength of San Diego County, with 64 college and university campuses, including University of California, San Diego (UCSD). UCSD is credited as a major driving force behind the region's technology industry. San Diego State University and Cal State San Marcos also make significant contributions to the region.

San Diego County is also home to several military bases, including Camp Pendleton (Marines), Miramar (Marines Corp aviation), and several naval stations for ships, submarines and naval aviation. San Diego is also the home port of the US Third Fleet, which covers the Eastern Pacific Ocean. Direct DoD spending accounts for over 9% of San Diego's economy.


Transportation service in San Diego County is extensive. There is a major commercial airport - San Diego International Airport - with domestic services and international flights to Canada and Mexico. Besides the extensive freeway system, there is also heavy rail services including Amtrak, Metrolink (connecting Oceanside with Los Angeles, Orange, Riverside, and San Bernardino counties) and the Coaster (between Oceanside and San Diego). The San Diego Trolley (light rail) has extensive service all around San Diego City.





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## Rent Comparables

	Property Address	Total SF	Start Rate	Term	Start Date
	SUBJECT PROPERTY - 3536 Seagate Way, Oceanside, CA 92056	13,908	\$1.17 NNN	66 months	3/1/2011
1	2052 Corte Del Nogal, Carlsbad, CA 92009	7,065	\$1.30 NNN	66 months	1/1/2010
2	2236 Rutherford Road, Unit 103/105, Carlsbad, CA 92008	8,110	\$1.00 NNN	12 months	1/1/2011
3	6451 El Camino Real, Unit A, Carlsbad, CA 92009	9,419	\$1.12 + U	91 months	4/1/2010
4	5601 Palmer Way, Carlsbad, CA 92008	10,115	\$1.07 NNN	36 months	5/1/2010
5	6359 Paseo Del Lago, Carlsbad, CA 92009	29,824	\$1.05 NNN	90 months	6/1/2011





Cushman & Wakefield of San Diego, Inc. (“Agent”) has been engaged as the exclusive agent for the sale of the 3536 Seagate Way, Oceanside, California 92056 (the “Property”), by the owner of the Property (“Seller”). The Property is being offered for sale in an “as-is, where-is” condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum. The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. Neither the enclosed materials nor any information contained herein is to be used for any other purpose or made available to any other person without the express written consent of the Seller. Each recipient, as a prerequisite to receiving the enclosed, should be registered with Cushman & Wakefield of San Diego, Inc. as a “Registered Potential Investor.” The use of this Offering Memorandum and the information provided herein is subject to the terms, provisions and limitations of the confidentiality agreement furnished by Agent prior to delivery of this Offering Memorandum.

The enclosed materials are being provided solely to facilitate the prospective investor’s own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Agent nor the Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections and conclusions without reliance upon the material contained herein.

Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller.

Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions to Seller’s obligations there under have been satisfied or waived.

By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller or Agent or as otherwise provided in the Confidentiality and/or Registration Agreement executed and delivered by the recipient(s) to Cushman & Wakefield of San Diego, Inc.

If you have no interest in the Property at this time, please return this Offering Memorandum immediately to Cushman & Wakefield of San Diego, Inc. at 5800 Armada Drive, Suite 101, Carlsbad California 92008.