

OWNER-USER / INVESTOR OPPORTUNITY



THE LINGGI BUILDING

OCEAN AVENUE 2 SE OF DOLORES STREET | CARMEL-BY-THE-SEA, CA



Confidential Offering Memorandum

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DISCLAIMER

Cushman & Wakefield has been engaged as exclusive advisors to the Seller (the "Seller"), in connection with Seller's solicitation of offers for the purchase of the fee simple interest in the Linggi Building located at on Ocean Avenue 2 SE of Dolores Street, Carmel-by-the-Sea, CA ("The Property"). The Property is being offered on an "AS-IS" basis. This Offering Memorandum is furnished to prospective purchasers on a confidential basis solely for the purpose of prospective purchasers determining whether or not to submit an offer to purchase the Property. The information contained herein, or any other related information provided by Seller may not be reproduced, redistributed or used in whole or in part for any other purpose. No person has been authorized to give any information or to make any representation or warranty, either express or implied, other than that contained in an executed purchase agreement subject to any disclaimer or limitations set forth therein. Information or representations given or made in any other form, should not be relied upon. While Seller has no reason to believe that the information provided herein, or in the due diligence materials, contains any material inaccuracies, neither Seller nor any of its respective officers, directors, shareholders, owners, employees, agents, members, managers, etc., may make any representations or warranties, express or implied, as to the validity, accuracy or completeness of the information provided or to be provided except as may be set forth in an executed purchase agreement, subject to any disclaimers or limitations set forth therein. Without limiting the generality of the foregoing sentence, nothing herein shall be deemed to constitute a representation, warranty or promise by Seller or any of its respective officers, directors, shareholders, owners, employees, agents, members, managers, etc., as to the future performance of the Property or any other matters set forth herein. A prospective purchaser's sole role and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in the Due Diligence Materials, shall be limited to those expressly provided in an executed purchase agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or any of its officers, directors, shareholders, owners, employees, agents, members, managers, etc., for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property. Prospective purchasers are not to construe the contents of this Offering Memorandum, any Due Diligence Materials or any prior or subsequent communications from Seller or any of its respective officers, directors, shareholders, owners, employees, agents, members, managers, etc., as legal, tax or other advice. Prior to submitting an offer, prospective purchasers should consult with their own legal counsel and personal and tax advisors to determine the consequences of an Investment in the Property and arrive at an independent evaluation of such investment.



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CONTENTS

04 EXECUTIVE
SUMMARY

08 PROPERTY
OVERVIEW

14 LOCATION &
MARKET ANALYSIS

21 FINANCIAL
ANALYSIS



EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Cushman & Wakefield, as the exclusive advisor, is pleased to present the opportunity to acquire the 100% fee simple interest in the Linggi Building located at Ocean Avenue 2 SE of Dolores Street in Carmel-By-The-Sea, CA ("the Property"), a 8,421 square foot Retail investment opportunity located in

highly desirable submarket of Carmel-by-the-Sea, California ("Carmel"). The Property is truly a one-of-a-kind asset located in a busy shopping and tourist area of Carmel. The Property has easy access to Highway 1 and is in the heart of one of Monterey County's most upscale areas, Downtown Carmel.



8,421
SQUARE FEET



**OWNER / USER /
INVESTMENT
OPPORTUNITY**



\$6.4M
PURCHASE
PRICE



4.16%
IN-PLACE
CAP RATE



PROPERTY HIGHLIGHTS

- Rare Owner / User Investment Opportunity
- Premier Downtown Carmel-By-The-Sea location with frontage on both Ocean Ave and 6th Ave
- Located in a busy shopping district
- 1 Building with 3 Separate Units
- APN #: 010-134-012
- Flaherty's Seafood Grill & Oyster Bar has been a Carmel-By-The-Sea institution for over 40 years
- In-Place Under Market Rents
- 2nd Floor Residential or Office Conversion Possibility
- Beautiful building with old-world craftsmanship

THE OFFERING

The Linggi Building is a 100% leased asset consisting of three units with excellent street identity. The Property boasts several unique attributes including street frontage on two of the busiest pedestrian traffic streets in Carmel, Owner-User and Live-Work potential, along with trophy retail and restaurant space.

Carmel continues to exude strong fundamentals through decades long demand largely driven by the attractive beach front location and vicinity to the Monterey. With immediate access to HWY 1, the Property offers convenient connection to the Central Coast and the Monterey Bay.

As a Top-10 Visitor destination, only a few Carmel properties trade each year, so each one is a rare opportunity. The Linggi Building is an extremely rare offering, as it is being offered to both investors and owner-users.



PHOTOS





PROPERTY OVERVIEW

PROPERTY SUMMARY



ADDRESS

Ocean Avenue 2 SE of Dolores Street
Carmel-By-The-Sea, California



OCCUPANCY

100%



RSF

±8,421



STORIES

2



YEAR BUILT

1961



OF UNITS

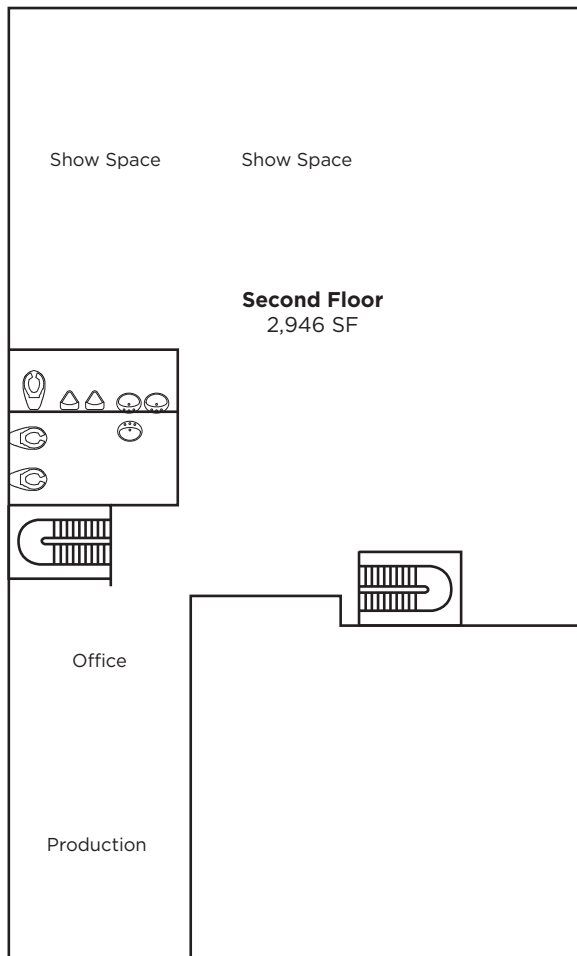
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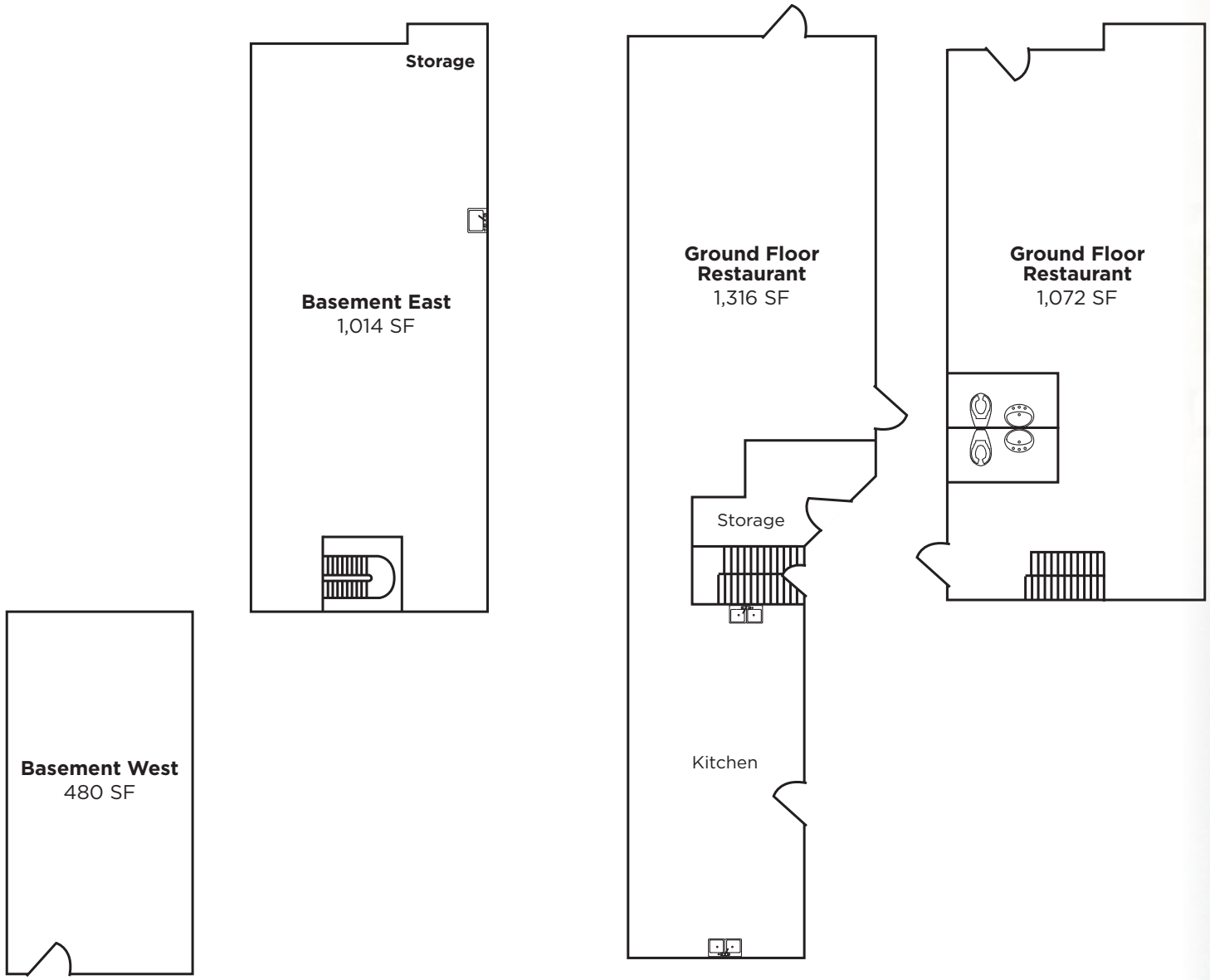
FLOOR PLANS

GERRY BYRNE ART GALLERY

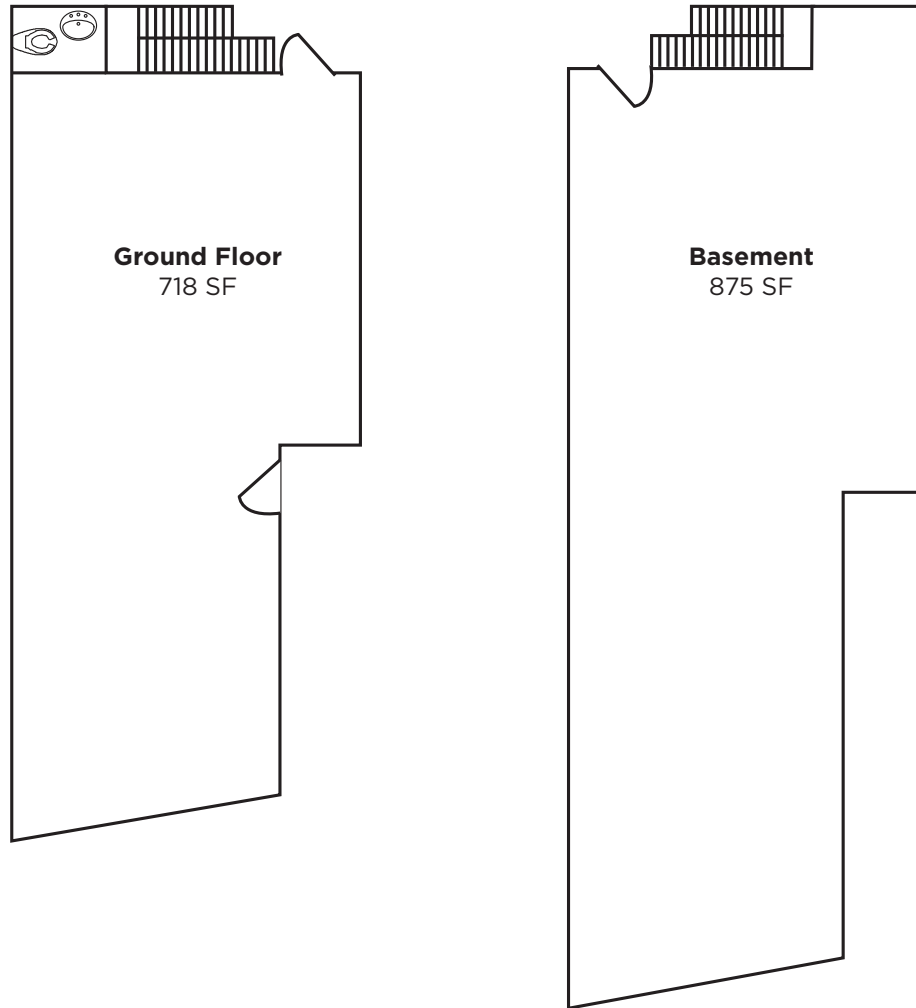
6TH AVENUE



FLAHERTY'S RESTAURANT



NECTAR & AMBROSIA

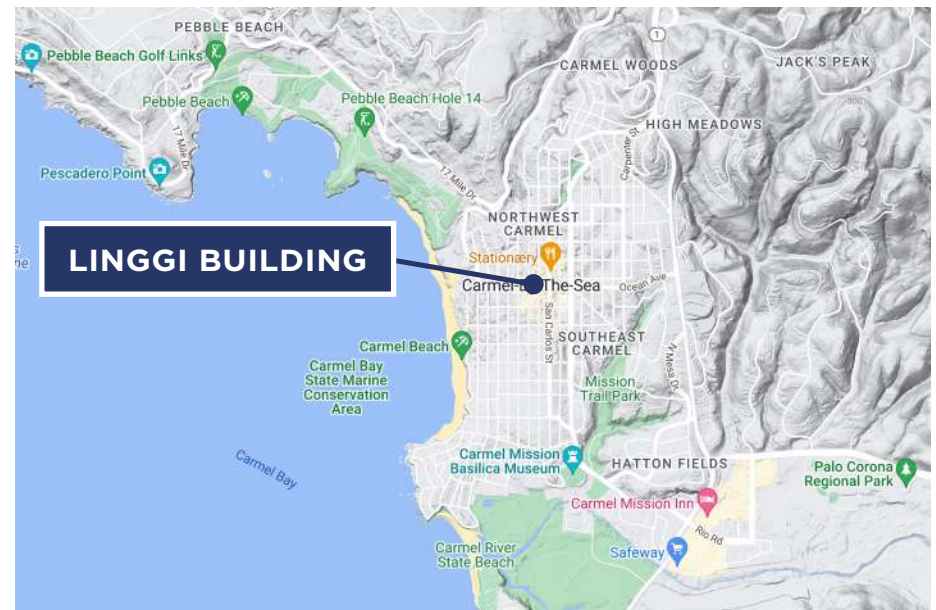


OCEAN AVENUE



LOCATION & MARKET ANALYSIS

REGIONAL & LOCAL AREA MAPS



CARMEL-BY-THE-SEA

The city of Carmel-by-the-Sea, California, incorporated in 1916, is a one square mile village surrounded by the unincorporated areas of Carmel, Pebble Beach, Carmel Valley and Carmel Highlands. It is located on the Pacific Coast of Central California in Monterey County. It is 120 miles south of San Francisco, 70 miles south of San Jose, 350 miles north of Los Angeles and 26 miles north of Big Sur. Carmel is one of several suburban bedroom communities that surround the Monterey Bay. The city lies along the westerly side of Highway 1, which is the major commuter route to the employment centers of Monterey Bay. Carmel is a world famous destination, renowned for its picturesque charm, beautiful white sand beach, performing arts and hundreds of upscale shops, art galleries and world class restaurants.

Restaurants & Bars

Carmel restaurants and bars—despite boasting among them some of the world’s landmark establishments—remain pleasantly undefined. The town’s charming eateries feature a full range of international, regional and local cuisines, all benefiting from their proximity to the bounties provided by the Monterey Bay and Salinas Valley. Taken together, Carmel restaurants have a hallmark blend of Old World elegance and modern charm, all with an artistic flair.

Shopping

Carmel shopping is metropolitan style, though wholly unique in setting. It is also an all-day experience, and then some. The most particular shopper is sure to find something of great appeal in one of the town’s stone-paved alleyways or curlicue-roofed shops. From outdoor malls to family-owned boutiques, Carmel offers a shopping environment that wants for nothing but infinite time to explore it.



CARMEL-BY-THE-SEA

Arts & Entertainment

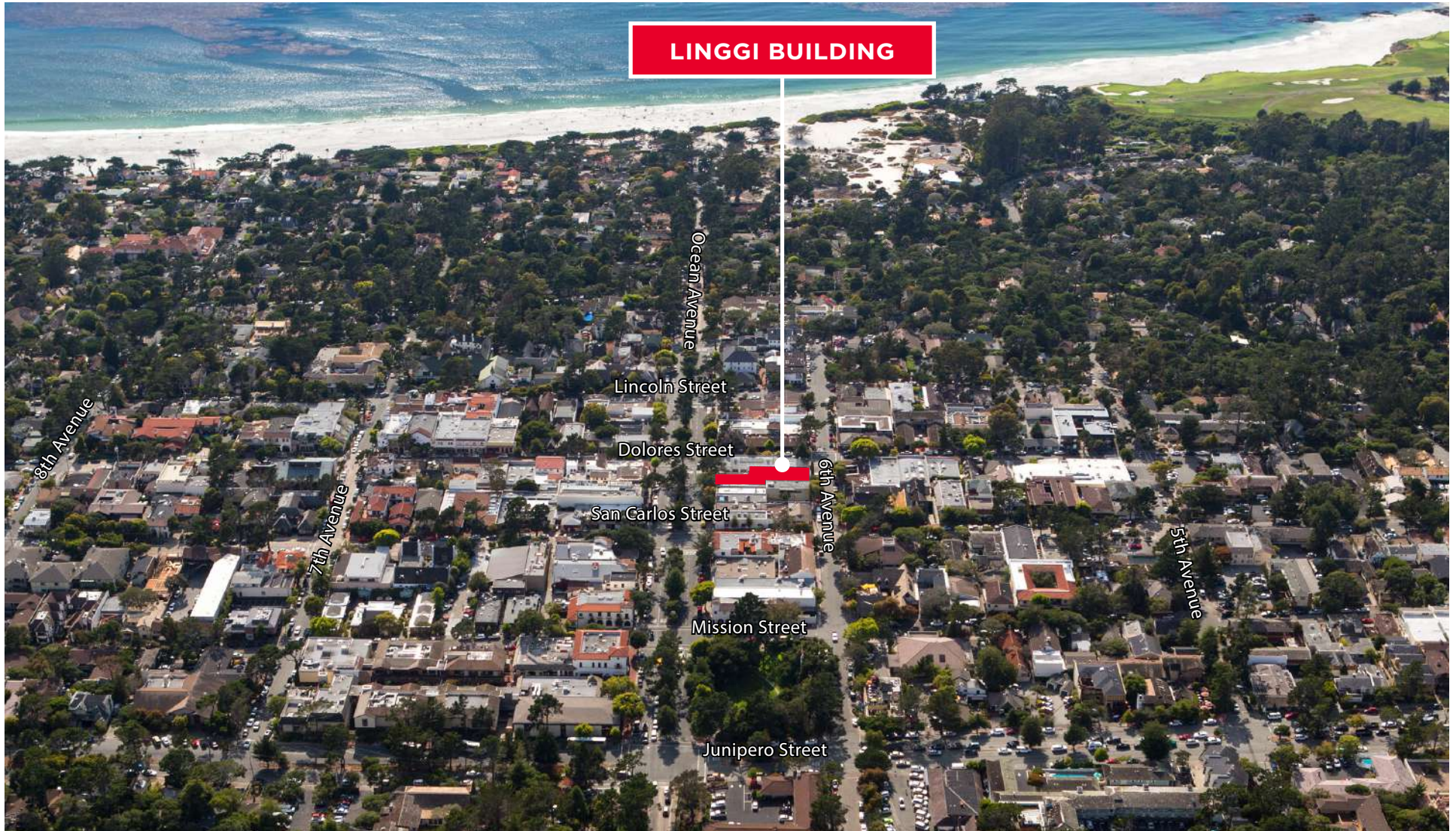
Carmel arts and entertainment is the stuff of lore. In 1910, the San Francisco Call reported that 60 percent of Carmel's houses were built by citizens who were "devoting their lives to work connected to the aesthetic arts." Today the tradition continues with live music and theater for the masses, over 50 art galleries, and numerous art boutiques. Carmel's venues are historic, including the restored Sunset Theater, the Golden Bough Theater, and the Forest Theater, the first outdoor theater west of the Rockies.

Pebble Beach

Pebble Beach is a legendary place featuring a dramatic coastline and mystical forest with a rich history of world-class accommodations, grand recreation, and some of the best golfing in the world. Pebble Beach has attracted extraordinary visitors throughout its history, from Samuel Morse to Clint Eastwood, Teddy Roosevelt to Sir Winston Churchill. Pebble Beach features a very affluent residential community of over 4,500 residents.

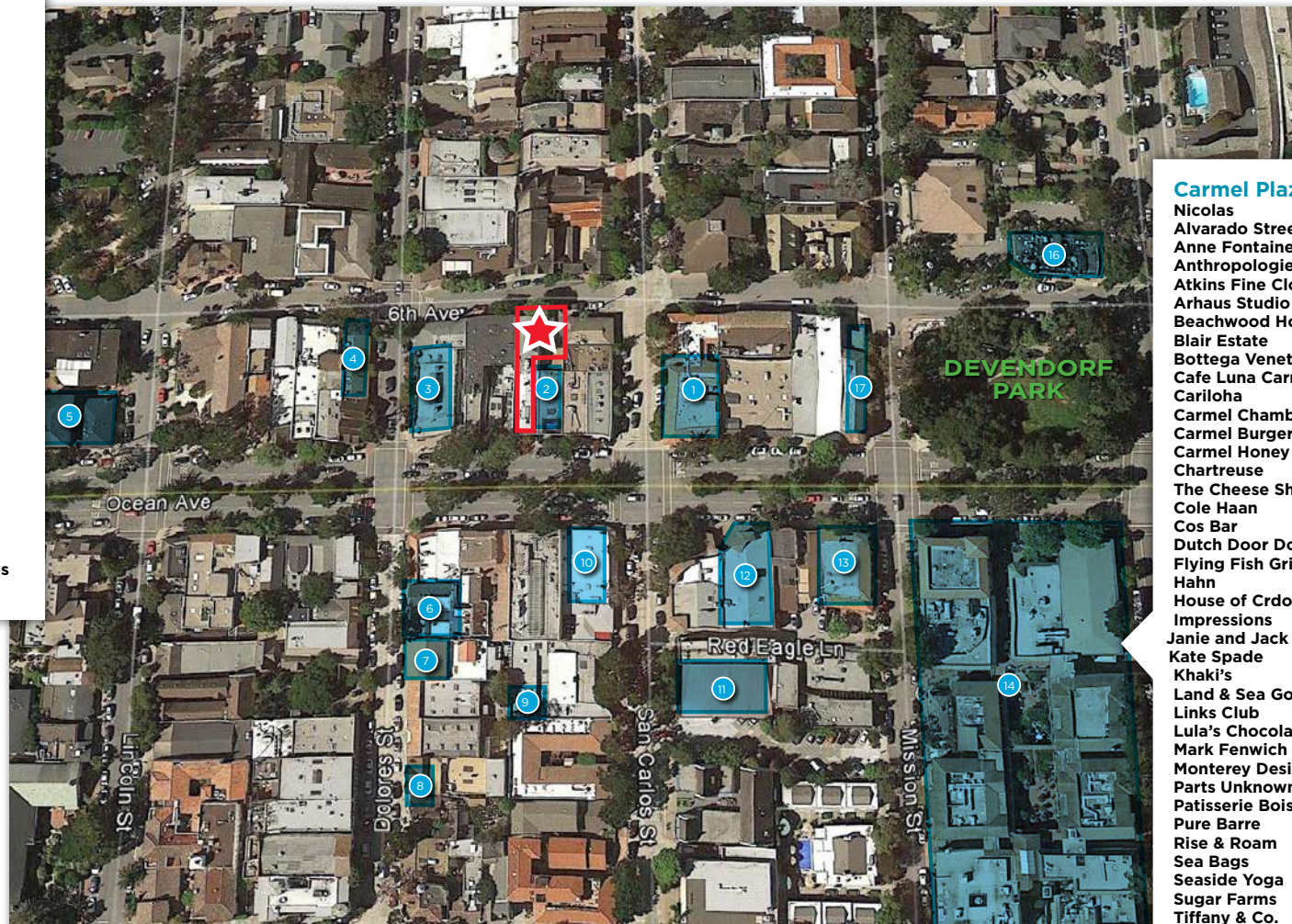


AERIAL VIEW



TRADE AREA RETAILERS

- ★ Linggi Building
- ① Coach
- ② Carmel Drug Store
- ③ Canapo Art Gallery
- ④ Weston Gallery
- ⑤ Pine Inn
- ⑥ La Renaissance Jewelry
- ⑦ Le St Tropez
- ⑧ The Tuck Box
- ⑨ Carmel Belle
- ⑩ Robin's Jewelry
- ⑪ Wells Fargo
- ⑫ St. Moritz Sweaters
- ⑬ Cafe Carmel
- ⑭ Carmel Plaza
- ⑮ Carmel Village Inn
- ⑯ Vesuvio
- ⑰ Palomas Home Furnishings



Carmel Plaza Retailers:

- Nicolas
- Alvarado Street Brewery & Bistro
- Anne Fontaine
- Anthropologie
- Atkins Fine Clothier
- Arhaus Studio
- Beachwood Home
- Blair Estate
- Bottega Veneta
- Cafe Luna Carmel
- Cariloha
- Carmel Chamber of Commerce
- Carmel Burger Bar
- Carmel Honey Company
- Chartreuse
- The Cheese Shop
- Cole Haan
- Cos Bar
- Dutch Door Donuts
- Flying Fish Grill
- Hahn
- House of Crdoon
- Impressions
- Janie and Jack
- Kate Spade
- Khaki's
- Land & Sea Golf
- Links Club
- Lula's Chocolates
- Mark Fenwich
- Monterey Design Center
- Parts Unknown
- Patisserie Boissiere
- Pure Barre
- Rise & Roam
- Sea Bags
- Seaside Yoga
- Sugar Farms
- Tiffany & Co.
- Vineyard Vines
- Wrath

OCEAN AVENUE RETAIL

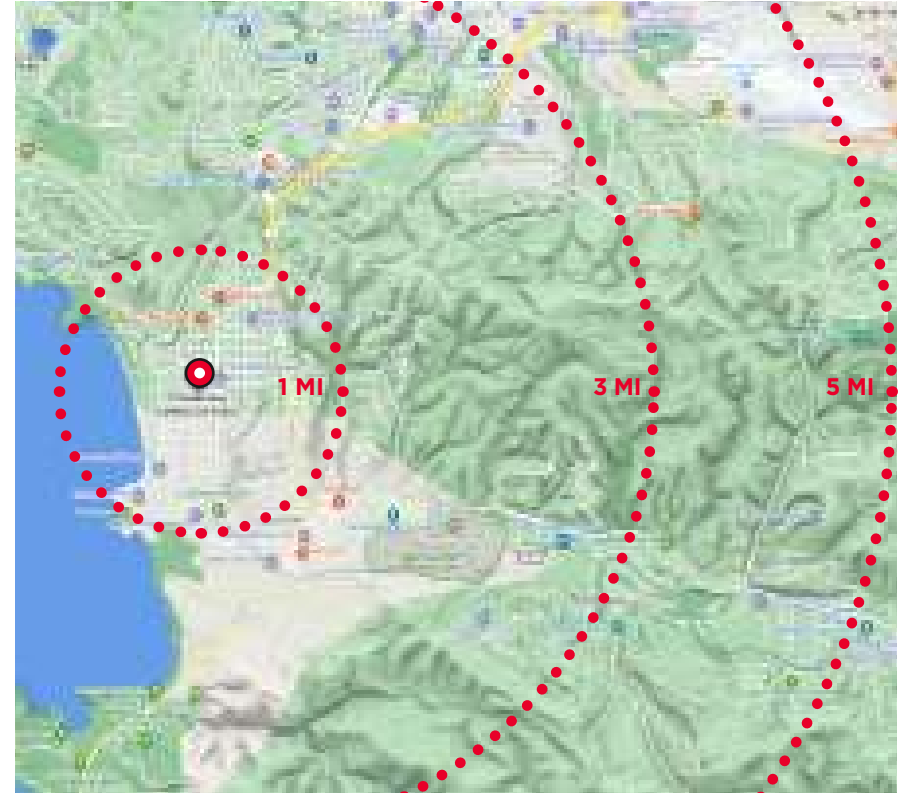
Property Description

The Property is ideally-positioned in the heart of downtown Carmel-by-the-Sea. Part of the Property (Nectar & Ambrosia) is located directly along the famed Ocean Avenue, while Flaherty's & Gerry Byrne fronts 6th Avenue. Ocean Avenue is the most prominent street in Carmel, lined with high-quality retail and featuring high levels of foot traffic year-round and benefits equally from their proximity to many Carmel retail landmarks and famed restaurants.

The Ocean Avenue retail district stretches over one mile to the west, towards Carmel Beach. The beach areas have been kept from commercial enterprises, and nearly all commercial uses revolve around the Ocean Avenue corridor, consisting of retail, office, and hospitality.

Zoning (CC - Central Commercial)

Zoning regulations in the city are somewhat complex, as every business is classified as “permitted”, “conditionally permitted”, or “prohibited” according to the type of business and the zone. Fortunately, the “Central Commercial” zoning for the Property allows a broad range of uses in the future, with much less resistance by the City. Additionally, new development must also undergo close scrutiny by the City of Carmel, which creates high barriers to entry for new development and businesses, resulting in very little new competition and maintaining the future value of the Property. This will continue to drive the future value for the entire Property.



Demographic Summary

	1-Mile	3-Miles	5-Miles
Total Population	8,213	22,776	65,920
Average Household Income	\$160,617	\$156,412	\$131,734
Median Household Income	\$111,566	\$107,300	\$95,151
Number of Households	3,925	10,656	29,104



FINANCIAL ANALYSIS

ESTIMATED IN-PLACE NOI PROFORMA

Linggi Building, Carmel-by-the-Sea, CA					
Estimated In-place NOI Proforma					
Operations					Actual
Scheduled Gross Rent					\$324,720
Recoveries					\$51,351
Effective Gross Rent					376,071
Total Income					\$376,071
Estimated Expenses					
Taxes (0.0135% x \$6,400,000)					\$86,400
Repair & Maintenance					\$5,000
Insurance					\$7,200
Management (3%)					\$11,282
Total Expenses					\$109,882
% Scheduled Gross Rent					29.22%
Net Operating Income					\$266,189



Suite	Tenant	Lease Expiration	Square Feet	Lease Type	Rental Rate Modified Gross	Monthly Base Rent
1	*Carmel Fish House/Flaherty's	9/30/2027	3,882	NNN	\$3.13	\$18,000.00
2	**Nectar & Ambrosia	6/30/2026	1,593	Gross	\$4.45	\$7,810.00
3	Gerry Byrne	8/31/2023	2,946	Gross Full-Service	\$0.43	\$1,250.00
Totals			8,421			\$27,060.00

* Carmel Fish House/Flaherty's has 2-5 year options upon providing Landlord with at least 180 days advance written notice. Base Rent would continue to increase annually by 3% for both options.

** Nectar & Ambrosia currently pays \$7,100.00 per month. However, they have exercised their last 3 year option, which takes affect 7/1/2023. Rent will be \$7,810.00 per month adjusted annually by 3%



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