



GATEWAY

at Kearny Mesa

San Diego's Premier Retail Center +
Redevelopment Opportunity

The Offering

JLL, as exclusive advisor, is pleased to present the opportunity to acquire Gateway at Kearny Mesa (the “Offering”), a 294,472 SF (29.16 Acres) shopping center and redevelopment opportunity located along Clairemont Mesa Blvd and Interstate-805 in the rapidly growing submarket of Kearny Mesa. Currently 92.5% leased to a diverse mix of best-in-class retailers, the center provides substantial in-place cash flow and contractual growth throughout the hold period. Additionally, the property offers a prime opportunity for investors to add value through future redevelopment of 10.36 acres of the 29.16-acre site into a multi-housing or office use.



Property Overview

Investors are encouraged to offer on the entire property or as individual parcels.

RETAIL SNAPSHOT

Address	7035-7095 Clairemont Mesa Blvd, San Diego, CA 92111 4840, 4984 Shawline St, San Diego, CA 92111
Rentable Building Area	294,472 SF
Percent Leased	92.5%
Year Built/Renovated	Varies (See break-down on page 26)
Acres	29.16 AC (Across 9 separate parcels)
Year 1 NOI	\$4,872,577
Parking	1,492 Spaces (5.06 / 1,000 SF)

REDEVELOPMENT SNAPSHOT

Available Acreage	10.36 Acres (of the total 29.16 Acre site)
Zoning	EMX-2 (Allows Multi-Housing, Office/Life Sciences, Industrial, Retail)
FAR (Maximum)	5.0
Density Bonus (Maximum)	10%
Height (Maximum):	240 feet
Front/Street Setbacks (Mini-mum)	20 feet
Complete Communities	Tier 4 - Allows 4.0 FAR

Investment Highlights



PREMIER TENANCY

The Property is 92.5% occupied, providing investors with stable cash flows and strong tenant demand. Gateway at Kearny Mesa has approximately 67% of the GLA leased to national tenants such as Walmart (WMT: NYSE), Food 4 Less (KR: NYSE), McDonald's (MCD: NYSE), Chipotle Mexican Grill (CMG: NASDAQ), Verizon Wireless (VZ: NYSE), and Starbucks (SBUX: NASDAQ).



GENERATIONAL VALUE-ADD OPPORTUNITY

Ownership has strategically positioned tenancy with near-term rollover, making Gateway at Kearny Mesa an ideal site for redevelopment. The combination of high-quality net leased parcels with embedded value will provide investors with stable cash flow for a phased redevelopment.



STRONG DEVELOPMENT POTENTIAL CREATES FLEXIBLE EXIT OPPORTUNITY

Multi-housing and life science uses, among others, are permitted due to the site's EMX-2 zoning, and today stand at land values that compare favorably to the value of the current existing improvements. NNN parcels that are currently occupied by long-term leases will have built in inflationary protection providing investors with downside protection regardless if they exercise renewal options.



INFILL LOCATION WITH EXCELLENT VISIBILITY

The Property is strategically located adjacent to Interstate-805 (196,403 VPD) along Clairemont Mesa Blvd (48,506 VPD). Accessibility is further enhanced with three (3) entry points off Clairemont Mesa Blvd and three (3) entry points off Shawline St.



AFFLUENT & RAPIDLY DEVELOPING TRADE AREA

Over 292,000 residents with average household incomes exceeding \$104,000 are located within a 3-mile radius. With over 60,000 additional residents and over 130,000 additional jobs at full buildout, according to the new general plan, Kearny Mesa is one of the most rapidly developing infill areas in Southern California.

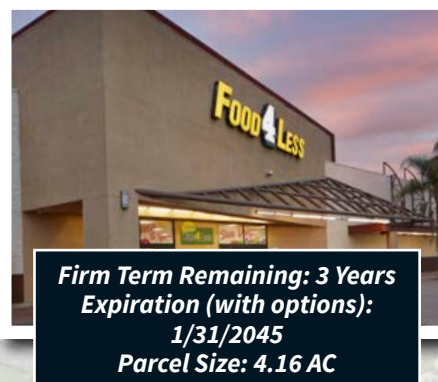


RARE SITE OPTIONALITY WITH FLEXIBLE REDEVELOPMENT OPTIONS

The entire site is owned and includes (9) separate parcels consisting of (4) single-tenant pad buildings, (3) multi-tenant pad building, (1) multi-tenant inline shops building, and (1) parcel of vacant land. This offers investors the flexibility to execute a phased development plan with the option to sell individual parcels to reduce basis. In particular, the +/-10.36 acre redevelopment parcel at Gateway Kearny Mesa offers incredible optionality. The site's EMX-2 zoning allows for extremely flexible multi-housing or office development, with a 5.0 FAR allowing for a substantial project design.



Firm Term Remaining: 6 Years
Expiration (with options):
1/31/2037
Parcel Size: 13.09 AC



Firm Term Remaining: 3 Years
Expiration (with options):
1/31/2045
Parcel Size: 4.16 AC



Firm Term Remaining: 16 Years
Expiration (with options):
5/31/2050
Parcel Size: 1.56 AC



10.36-Acre
Re-development Opportunity -
EMX-2 Zoning, 5.0 FAR

Tenant Roster

Core Net Lease Collection							
Suite	Tenant	SF	Acres	% NRA	Expiration	Expiration (If All Options are Exercised)	Landlord Termination Right
4840	WalMart	132,706	13.09	45.1%	1/31/2028	1/31/2037	
4995	Food 4 Less	53,444	4.16	18.1%	1/31/2025	1/31/2045	
Pad	Prime Car Wash Investments (fee-simple ground lease)	8,153	1.56	2.8%	5/31/2038	5/31/2050	
Potential Redevelopment							
Redevelopment Anchor							
4984	LA Fitness	43,000	3.69	14.6%	8/24/2022	None	
Redevelopment Strip							
			4.16				
101	Niban	2,824		1.0%	9/30/2022	None	✓
103	Chipotle Mexican Grill	2,303		0.8%	7/31/2023	7/31/2033	
202	Coastal Medical Weight Loss	900		0.3%	6/30/2024	6/30/2029	✓
203	Golden Key Jewelers	900		0.3%	3/31/2023	3/31/2028	✓
204	Acceptance Insurance Agency	900		0.3%	3/31/2022	None	✓
206	The Joint Chiropractic	900		0.3%	10/31/2023	10/31/2028	
209	Angel Nails	1,592		0.5%	6/30/2027	6/30/2032	✓
210	Elijahs Deli	6,435		2.2%	5/31/2025	5/31/2035	✓
217	Short Term Lease - Office	1,080		0.4%	12/31/2022	None	
218	Select Staffing	2,189		0.7%	3/31/2025	3/31/2030	✓
221	Prolific Real Estate	1,095		0.4%	6/27/2023	None	✓
223	SD Computer Repair	540		0.2%	10/31/2024	None	✓
224	Total Image Studio	621		0.2%	8/31/2024	None	✓
302	Sports Clips Haircuts	1,800		0.6%	2/28/2022	None	✓
303	SD Square LLC (DBA Meet Fresh)	2,718		0.9%	7/31/2030	7/31/2035	
Kiosk	San Diego County Credit Union	0		0.0%	7/31/2022	None	✓
201	Available	1,800		0.6%			
205	Available	900		0.3%			
207	Available	900		0.3%			
208	Available	900		0.3%			
301	Available	2,100		0.7%			
304B	Available	1,538		0.5%			
305	Available	2,125		0.7%			
306	Available	3,201		1.1%			
Redevelopment Pad 1							
			0.80				
401	Verizon Wireless	3,933		1.3%	11/30/2023	None	
402	Starbucks	1,225		0.4%	2/28/2025	2/28/2030	
Redevelopment Pad 2							
7095	Available	8,500	0.85	2.9%			
Redevelopment Pad 3							
Pad	McDonald's (fee-simple ground lease)	3,250	0.85	1.1%	7/25/2023	7/25/2026	
Total Occupied SF		279,204		92.5%			
Total Available SF		15,268		7.5%			
Total Overall SF		294,472		100%			
Total Site AC			29.16				



Drive Times

Location	Distance	Drive Time
Westfield UTC	7 minutes	4.4 miles
Downtown San Diego	13 minutes	9.3 miles
La Jolla Village	14 minutes	8.5 miles
Petco Park	16 minutes	9.5 miles
San Diego International Airport	18 minutes	11.3 miles

Kearny Mesa is the most convenient and rapidly growing infill submarket in San Diego



University of California San Diego

UTC

Sorrento Mesa

Demographics	1-MILE	3-MILE	5-MILE
POPULATION			
2021 Population:	12,559	97,472	294,409
2026 Population:	12,874	99,524	304,167
Population Growth 2021-2026:	2.5%	2.1%	3.3%
HOUSEHOLD			
Total Households:	4,895	37,655	121,493
HH Growth 2021-2026	2.8%	2.1%	3.5%
2021 Median Home Value:	\$601,533	\$634,907	\$676,821
HOUSEHOLD INCOME SNAPSHOT			
2021 Average Household Income:	\$104,289	\$104,440	\$112,994
2026 Average Household Income:	\$118,555	\$118,670	\$128,087
HH Income Growth 2021-2026	13.7%	13.6%	13.4%

805

CLAIREMONT MESA BLVD (48,506 VPD)

INTERSTATE-805 (196,403 VPD)

GATEWAY
at Kearny Mesa

5-year population growth in the immediate 5-mile radius of Gateway at Kearny Mesa exceeds the projected growth of both San Diego County and California.

5-mile Population Growth 2021-2026	3.3%
San Diego County Population Growth 2021-2026	2.8%
California Population Growth 2021-2026	2.6%



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