FOR SALE: 20,000 SF FREESTANDING INDUSTRIAL BUILDING
FOR LEASE: 12,000 SF INDUSTRIAL SUITE

USER CAN OCCUPY SUITE 101 (12,000 SF) AND KEEP TENANT IN SUITE 102 (8,000 SF)

EXCELLENT OWNER USER OPPORTUNITY WITH INPLACE INCOME

LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

OFFERING MEMORANDUM - 1873 Diamond St, San Marcos, CA 92078

BROKER CONTACTS

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LITTLE DRAGOVIC TEAM
78 Corridor Industrial Advisors

LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

O'GORMAN
PACIFIC REALTY, INC.
4 GENERATIONS OF HISTORY

Lee & Associates Commercial Real Estate Services, Inc. - NSDC
1902 Wright Place, Suite 180, Carlsbad, CA 92008
P: (760) 929-9700 | F: (760) 929-9977

DOCK HIGH GRADE LEVEL LOADING WITH FENCED/GATED LOT


1873
LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES
AVAILABLE
760 929-9700
FOR SALE LEASE 12,000-20,000 SF
DRAGOVIC / LITTLE /
SHAWN O'GORMAN (951)

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DISCLAIMER

Lee & Associates and O'Gorman Pacific Realty, Inc. (collectively, "Brokers") have been retained as the exclusive brokers to Jo H. Falk, as Trustee of the Falk Family ByPass Trust and Jo H. Falk, as Trustee of the Jo H. Falk Marital Trust ("Seller") regarding the sale of 1873 Diamond St., San Marcos, CA 92078 ("Property"). This Offering Memorandum contains certain information pertaining to the Property and is not intended to be all-inclusive or to contain all of the information that prospective purchasers and investors may require to evaluate the acquisition of the Property.

All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Seller and Brokers. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. Any and all references to square footage and other measurements are strictly approximations and may not reflect what is listed on public record. Additional information and an opportunity to inspect the Property will be made available to qualified prospective purchasers and investors. Neither the Seller nor the Brokers, their officers, affiliates, or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents. The Seller reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time, with or without notice, which may arise as a result of review of this Memorandum. The Seller shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Seller and any conditions to the Seller's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence, and that you will not disclose this Memorandum or any of its contents to any other entity without prior written authorization of the Seller or the Brokers. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Seller or the Brokers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner. The Seller reserves the right to sell or withdraw the Property at any time without prior notice.

All prospective purchasers and investors should base their offers and pricing on the "as-is," "where-is" condition of the Property. Each prospective purchaser is to rely upon its own investigation, evaluation, and conclusions as to the condition of the Property. In order to expedite underwriting and upon request, the prospective purchasers and investors will be given access to certain due diligence information and any information provided by Seller to the Brokers. Prospective purchasers and investors should independently verify all information relating to zoning, permitted uses, building improvements, environmental conditions, utility capacity, loading facilities, occupancy, lease terms, and all other matters affecting the Property.


1873

EXECUTIVE SUMMARY

THE OPPORTUNITY

Lee & Associates – North San Diego County and O'Gorman Pacific Realty, Inc., as the exclusive representatives of the Seller, are pleased to present the opportunity to acquire 1873 Diamond St., San Marcos, CA 92078, a 20,000 square foot multi-tenant industrial building strategically located within the highly desirable La Costa Meadows Submarket.

The Property is currently configured for two tenants and features both dock-high and grade-level loading, providing exceptional functionality for a wide range of industrial users. Approximately 12,000 square feet will become available on October 1, 2026, while the remaining approximately 8,000 square feet is occupied by Veruca, an on-demand grocery delivery company, providing immediate in-place rental income. This creates a rare opportunity for an owner-user to immediately occupy a majority of the building while benefiting from existing cash flow.

For investors, the Property presents an attractive value-add opportunity through the lease-up of the available space while maintaining income from the existing tenant. For owner-users, the Property offers the opportunity to satisfy owner-occupancy financing requirements while offsetting operating expenses through Veruca's tenancy. Additionally, the multi-tenant configuration provides long-term flexibility, offering the potential to expand into the remaining 8,000 square feet should it become available in the future, allowing an owner-user to ultimately occupy the entire building if desired.

The combination of near-term occupancy, in-place rental income, future expansion potential, and highly functional industrial improvements positions the Property to appeal to both owner-users and investors alike.


Diamond St
Ingress/ Egress
Ingress/ Egress
Suite 101
12,000 SF Available
Fenced Parking/Yard
Covered Loading
Suite 102
8,000 SF Leased

INVESTMENT HIGHLIGHTS

Premier Owner-User Opportunity

- Approximately 12,000 SF scheduled to become available October 1, 2026.
- Opportunity to immediately occupy approximately 60% of the building while benefiting from in-place rental income.
- Ability to satisfy conventional and SBA owner-occupancy financing requirements.

Value-Add Investment Opportunity

- Opportunity to lease the approximately 12,000 SF vacancy at market rental rates beginning October 1, 2026.
- Attractive combination of existing income and lease-up upside.
- Appeals to both private investors and owner-users.

Highly Functional Industrial Building

- Approximately 20,000 SF multi-tenant industrial building.
- 2 Dock-high and 2 grade-level loading.
- Flexible two-tenant configuration.
- Functional warehouse and office improvements.

Stable In-Place Income

- Approximately 8,000 SF leased to Veruca, providing immediate cash flow.
- Existing rental income helps offset operating expenses while occupying or leasing the remaining space.
- Opportunity for future expansion into the remaining space should it become available.

Premier San Marcos Location

- Located within La Costa Meadows, one of North San Diego County's premier industrial submarkets.
- Convenient access to Highway 78, Interstate 15, and Interstate 5.
- Surrounded by a strong concentration of industrial, manufacturing, logistics, and technology companies.
- Excellent regional connectivity throughout San Diego County.

20,000 SF Freestanding Industrial Building
Mult-Tenant Configuration

12,000 SF Available October 1, 2026
Owner-User Opportunity

In-Place Rental Income
Approximately 8,000 SF Leased to Veruca

Dock & Grade-Level Loading
Functional Warehouse Design

Heavy Power
800 Amps, 277/480V Power

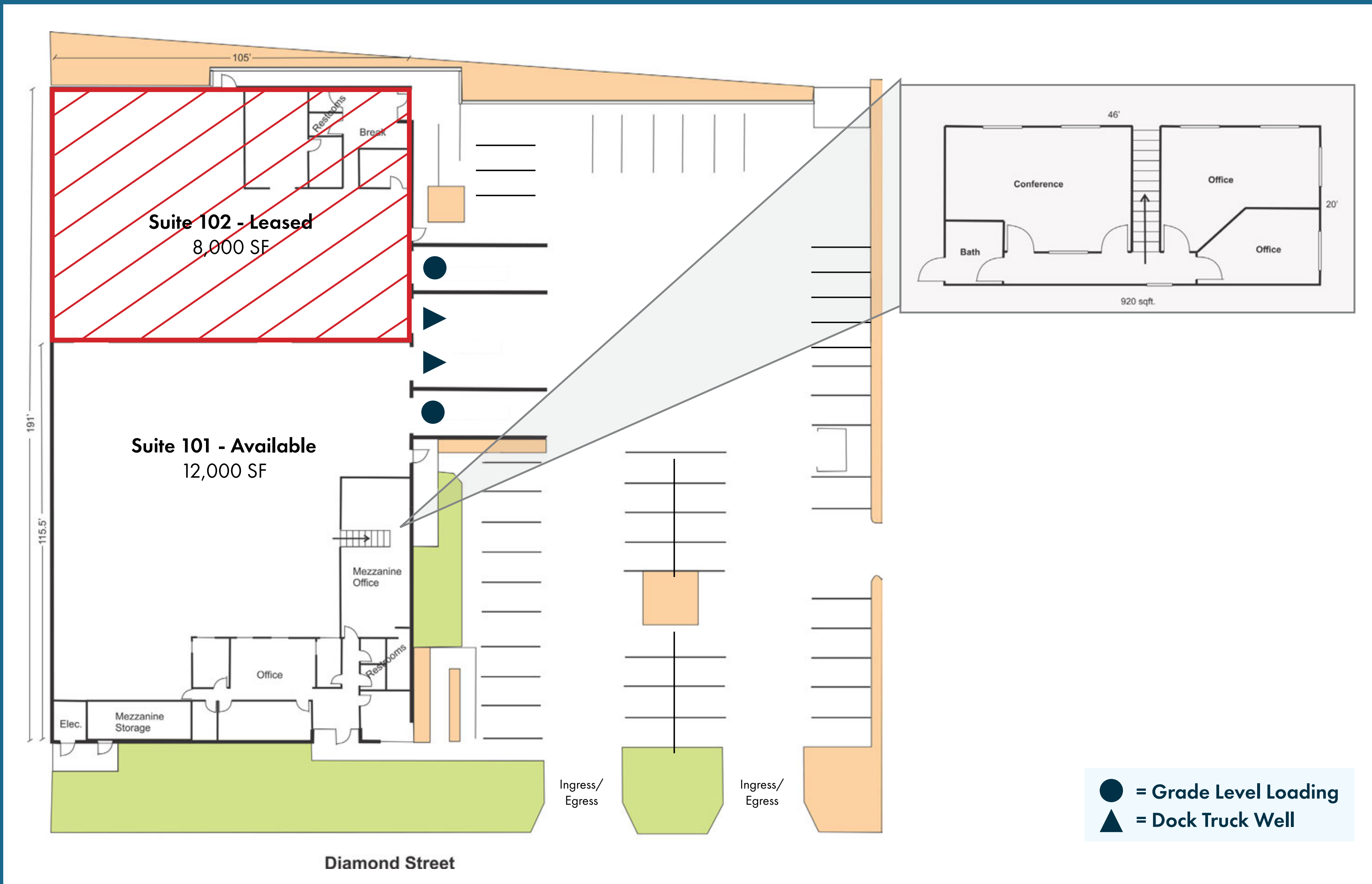
Excellent Parking
2.55/1,000 SF Parking Ratio

PREMISES OVERVIEW

ADDRESS:	1873 Diamond St
CITY, STATE:	San Marcos, CA 92078
TOTAL SQUARE FEET:	20,000 Square Feet
VACANT/AVAILABLE SF:	12,000 Square Feet
IMPROVED AREA:	Appox. 4,000 SF (20%)
WAREHOUSE AREA:	Approx. 16,000 SF (80%)
LOT SIZE:	1.20 Acres
LOADING:	Two (2) Grade Level Door Two (2) Dock High Doors
POWER:	800 Amps, 277/480v
YEAR BUILT:	Constructed in 1988
CLEAR HEIGHT:	17'-18' Minimum
PARKING RATIO:	51 Stalls (2.55/1,000 SF)
ZONING:	L-I, San Marcos
SPRINKLER SYSTEM:	N/A
ASKING PRICE:	$5,700,000 ($285/SF)
LEASE RATE (SUITE 101):	$1.35/SF NNN

**Call listing agents to schedule a showing*

FLOOR PLAN



105'
Restrooms
Break
Suite 102 - Leased
8,000 SF
Suite 101 - Available
12,000 SF
191'
115.5'
Mezzanine Office
Office
Restrooms
Elec.
Mezzanine Storage
Ingress/ Egress
Ingress/ Egress
Diamond Street
46'
Conference
Office
20'
Bath
Office
920 sqft.
= Grade Level Loading
= Dock Truck Well


ATTENTION
DELIVERY
VEHICLES

COVERED DOCK HIGH LOADING

LOCATED ON A 1.2 ACRE LOT


Lantech
KEYENCE

ABOUT VERUCA

VERUCA

EXISTING TENANT | APPROXIMATELY 8,000 SF

Company Overview

Veruca is a technology-driven grocery delivery company redefining neighborhood convenience through its network of local micro-warehouses. The company provides fast, on-demand grocery delivery with a 30-minute delivery guarantee while partnering with local schools and community organizations to support fundraising and neighborhood initiatives. By utilizing strategically located fulfillment centers, Veruca delivers fresh groceries quickly while creating a more efficient and localized supply chain.

INDUSTRY	BUSINESS MODEL	HEADQUARTERS	WEBSITE
Grocery Technology / Last-Mile Delivery	Micro-Warehouse & On-Demand Grocery Delivery	Santa Monica, California	veruca.com

LEARN MORE ABOUT VERCUA HERE

Lease Abstract Scenario with Veruca

Start Date	End Date	Monthly Base Rent	Base NNN Rent/SF	Square Feet Occupied
June 1, 2024	June 30, 2025	$10,400	$1.30	8,000
July 1, 2025	June 30, 2026	$10,816	$1.35	8,000
July 1, 2026	June 30, 2027	$11,248.64	$1.40	8,000

**Tenant has one(1), thirty-six(36) month option to extend the lease term with continued 4% annual increases.*
**Tenant's proportionate share of NNN expenses are capped at $0.25/SF per month.*

SITE AERIAL

JPS Motorsports
Snap Islands
GP Autoworks
Innovation Body Scieneces
Hunter Industries
M Bar C Construction
SUBJECT PROPERTY
1873 Diamond Street
Strackaline
ACI Medical
Custom Marketing & Assembly
Diamond St
Prographics
Rancho santa Fe Business Center
BBS Manufacturing Inc
La Costa Meadows Dr
Roshambo Eyewear

LOAN COMPARISON

Mike Coggins
Senior Vice President
Bank of Amercia
Business Banking
619-836-9628
michael.coggins@bofa.com

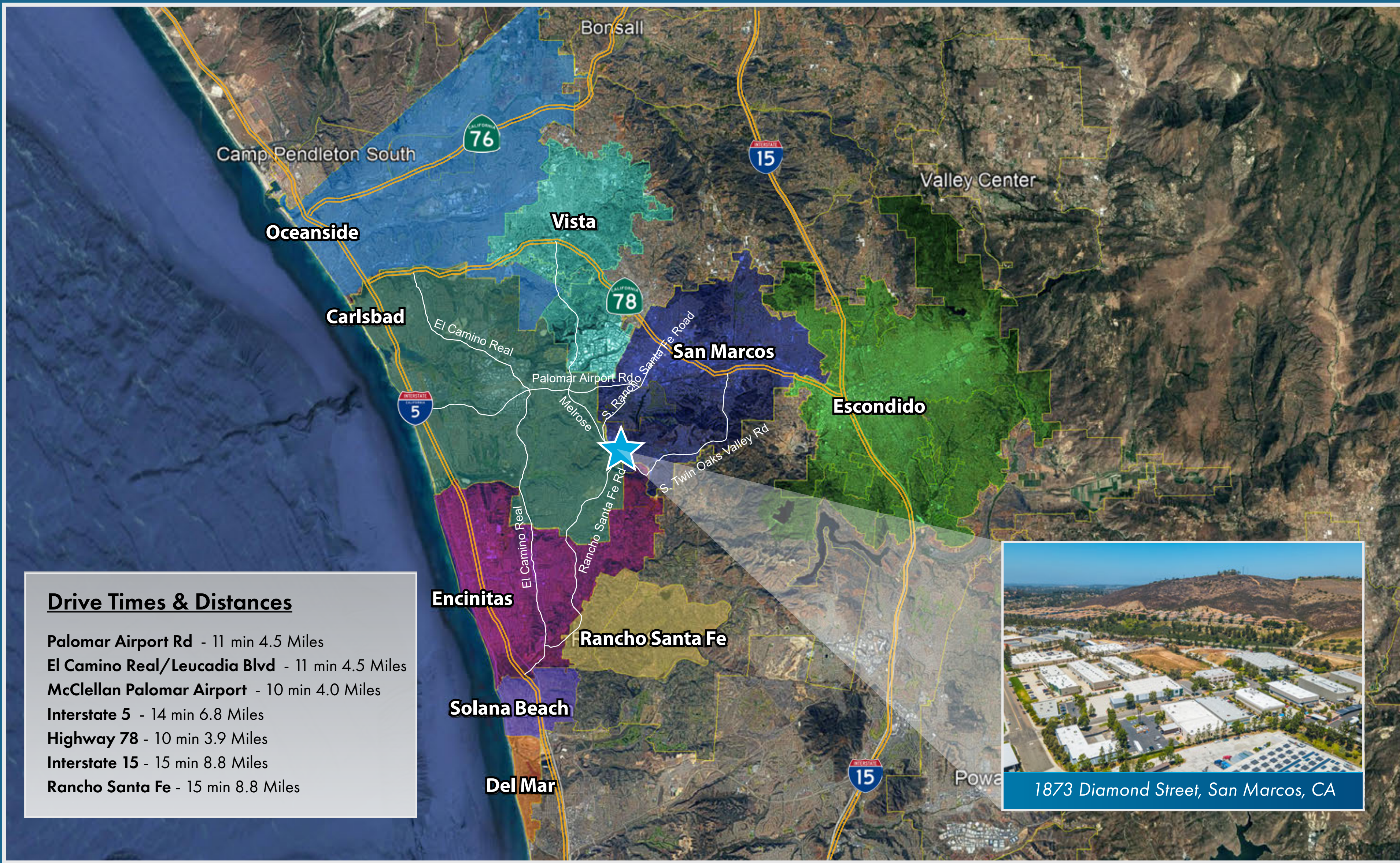
	Conventional loan 10/20	Conventional loan 20/20	SBA 7(a) 25/25	SBA 504 25/25
Monthly payment	$33,330	$33,330	$33,841	$33,728
Down payment (%)	20.00%	20.00%	10.00%	10.00%
Total down payment($)	$1,140,000	$1,140,000	$570,000	$570,000
Financing amount	$4,560,000	$4,560,000	$5,130,000	$5,130,000
Example Interest Rate	6.250%	6.250%	6.250%	6.250%
Maturity (in years)	10	20	25	25
Amortization (in years)	20	20	25	25
Fixed-rate term (in years)	10	20	25	25
Financing fee	$22,800	$22,800	$2,500	$88,920
Bank prepayment fee	5/4/3/2/1	5/4/3/2/1	5/3/1	None
Interest expense	$2,408,137	$3,439,278	$5,022,312	$4,988,547
Balloon	$3,001,828	N/A	N/A	N/A
Principal	$4,560,000	$4,560,000	$5,130,000	$5,130,000
Year 1 cash outlay	$1,539,964	$1,539,964	$976,092	$974,742
Total cost of borrowing	$6,990,937	$8,022,078	$10,154,812	$10,207,467
Bank of America loan	$4,560,000	$4,560,000	$5,130,000	$2,850,000
Bond debenture rate (set by SBA)	N/A	N/A	N/A	6.17%
SBA prepayment fee	N/A	N/A	N/A	10 years declining
SBA loan	N/A	N/A	N/A	$2,280,000

SURROUNDING TENANTS AERIAL

This unique 1,370,000 SF industrial submarket is home to major companies like Nordic Naturals, M bar C Construction, Fluid Components and Hunter Industries. Hunter Industries, one of North County's largest companies, is headquartered in La Costa Meadows and occupies approximately one third of the submarkets industrial footprint totaling approximately 429,736 SF.

LOCATION MAP

Centrally Located Between Affluent Communities such as Encinitas, San Elijo Hills, Carlsbad, Rancho Santa Fe & Del Mar



1873 Diamond Street, San Marcos, CA

Drive Times & Distances

Palomar Airport Rd - 11 min 4.5 Miles
El Camino Real/Leucadia Blvd - 11 min 4.5 Miles
McClellan Palomar Airport - 10 min 4.0 Miles
Interstate 5 - 14 min 6.8 Miles
Highway 78 - 10 min 3.9 Miles
Interstate 15 - 15 min 8.8 Miles
Rancho Santa Fe - 15 min 8.8 Miles

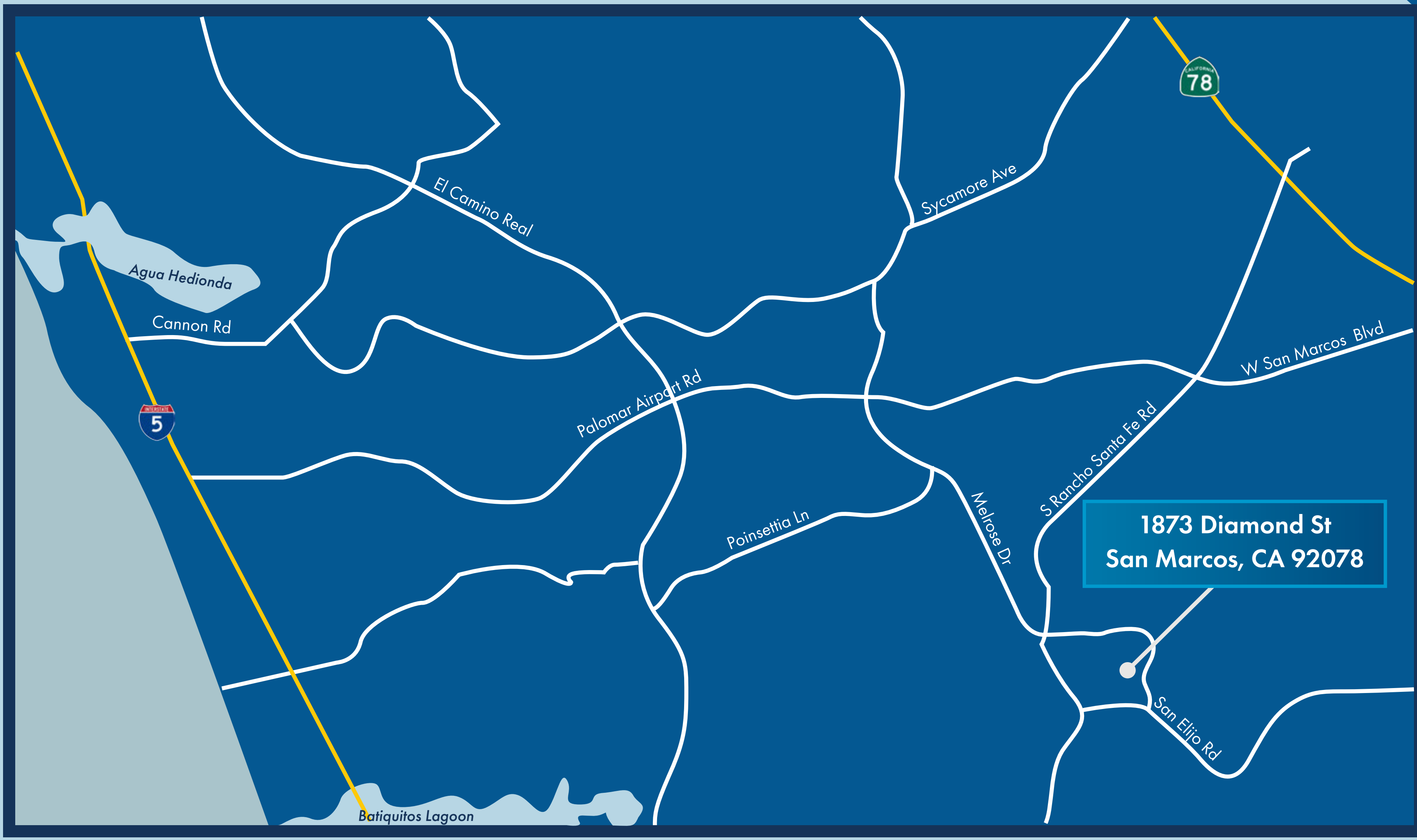
LOCATION MAP

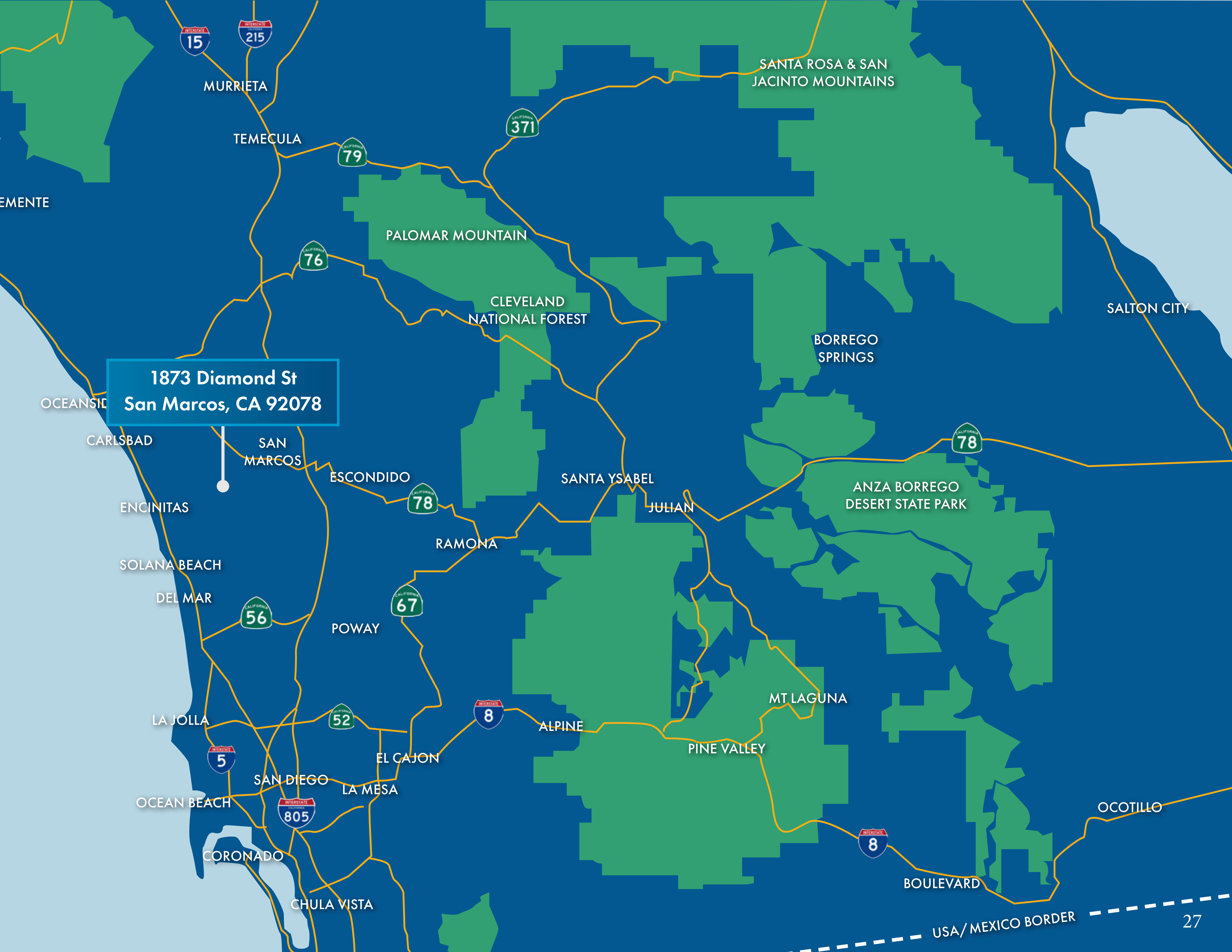
DEMOGRAPHICS & SUBMARKET STATS

Population	2026	1 MILE	3 MILE	5 MILE
Population	2026	11,085	79,958	199,810
Estimated Average Household Income	2026	$164,501	$167,520	$152,034

Product Type	# Buildings	Size (SF)	% of Submarket
MFG/DIST	14	468,937	34.25%
FLEX/R&D	15	490,316	35.81%
IMT	17	410,097	29.95%
Total Industrial	**46**	**1,369,350**	**100.00%**

LOCATION OVERVIEW




1873 Diamond St
San Marcos, CA 92078
MURRIETA
TEMECULA
EMENTE
OCEANSID
CARLSBAD
SAN MARCOS
ESCONDIDO
ENCINITAS
SOLANA BEACH
DEL MAR
POWAY
RAMONA
LA JOLLA
SAN DIEGO
OCEAN BEACH
CORONADO
CHULA VISTA
EL CAJON
LA MESA
ALPINE
PINE VALLEY
MT LAGUNA
BOULEVARD
OCOTILLO
USA/ MEXICO BORDER
PALOMAR MOUNTAIN
CLEVELAND NATIONAL FOREST
SANTA YSABEL
JULIAN
SANTA ROSA & SAN JACINTO MOUNTAINS
BORREGO SPRINGS
ANZA BORREGO DESERT STATE PARK
SALTON CITY
15
215
371
79
76
78
67
56
52
5
805
8

1873 DIAMOND ST

San Marcos, CA 92078

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