

Offering Memorandum

32 ANACAPA ST., SANTA BARBARA, CA 93101 | IN THE FUNK ZONE

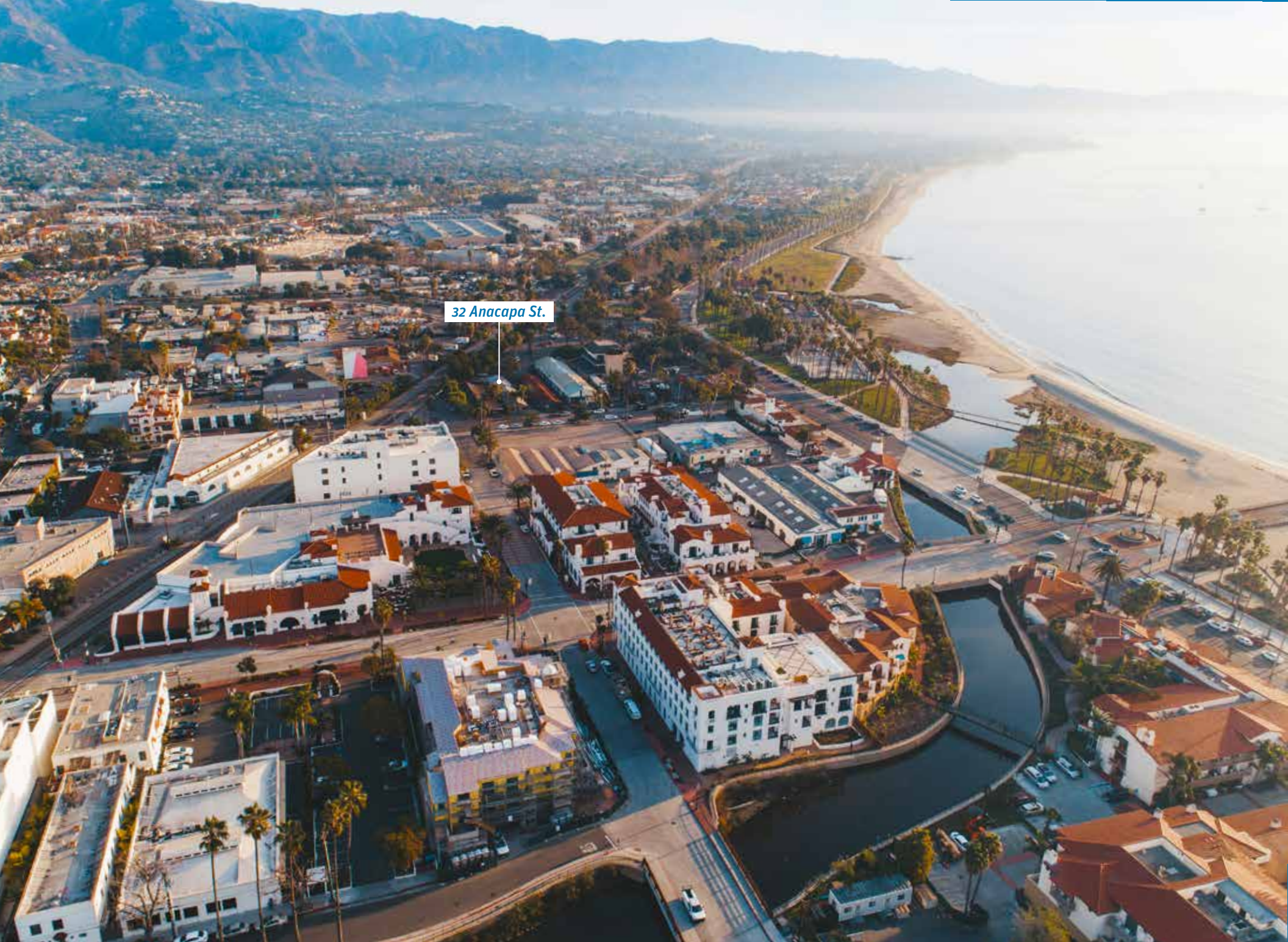
***Funk Zone Owner-User Opportunity.
±4,335 SF of Retail Space Just a Stone's Throw From the Beach.***



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32 Anacapa St.

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Located in the heart of Santa Barbara's celebrated arts district, the Funk Zone offers world-class dining options and an ever-growing array of local arts, culture, food and drink.

ANNUAL TOURIST
SPENDING

\$1.5
BILLION

by Travelers
on the South Coast

Located One Block

from the new
HOTEL CALIFORNIAN
voted one of the best new hotels
in the world by

TRAVEL+
LEISURE®

Property Specifics

- ❖ Offered at \$4,950,000*
- ❖ Building Size — ±4,335 SF
- ❖ Lot Size — ±12,196 SF
- ❖ APN — 033-113-012
- ❖ Parking —Rear Private Parking Lot. (In addition, this property is adjacent to a 207-space public parking lot.)
- ❖ Zoning — OC/S-D-3 (Ocean Related Commerce)

**Also Available for Lease at \$4.50/SF NNN*

All information is from resources deemed reliable and has not been independently verified. No representation, warranty or guarantee, expressed or implied or by operation of law, is made as to the accuracy, reliability, or completeness of this information. This material is submitted subject to errors, omissions, changes, prior sales, or withdrawals, without notice.



Property Overview

The offering located at 32 Anacapa St. is situated at the heart of Santa Barbara's vibrant Funk Zone, the South Coast's acclaimed food and wine mecca. This high-visibility property is less than one block from the beach and the new Hotel Californian.

Within a half mile radius of the subject property are 23 hotels comprising 900 rooms. This includes the aforementioned Hotel Californian, a 121-key hotel, and ±21,557 square feet of open plazas, paseos and gardens. A major part of the Funk Zone's recent ongoing facelift has created the some of the most significant retail, restaurant, and hotel changes the city has witnessed since the early 1990's when the Paseo Nuevo Mall was built downtown just a few blocks up State Street.

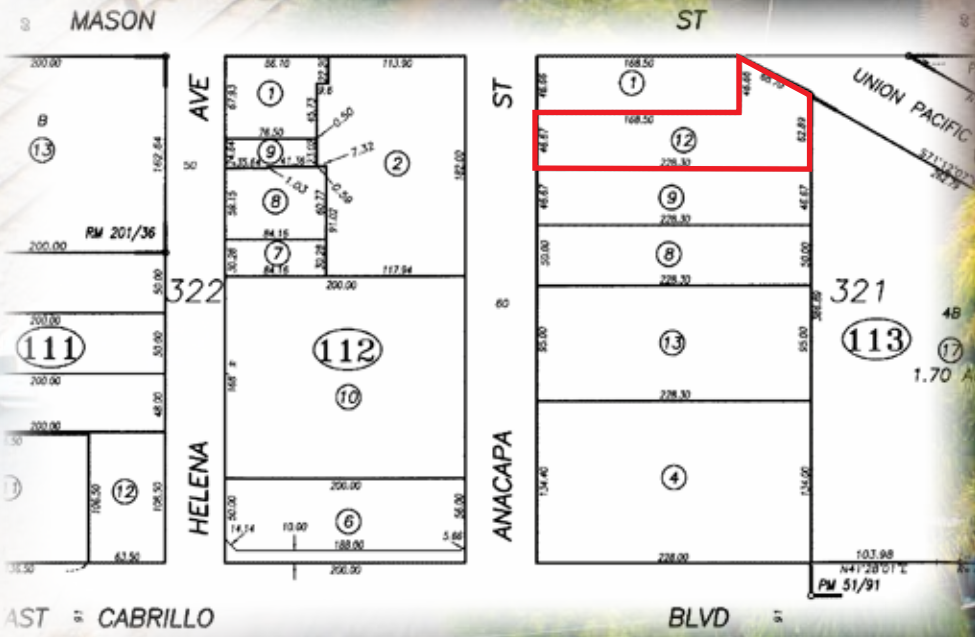
Unparalleled Central Coast Location

32 Anacapa St. will both boost and benefit from the already successful Waterfront District businesses. The property is strategically located in the epicenter of the Funk Zone—as well as along the path of the Urban Wine Trail—which attracts locals and tourists looking to sample Santa Barbara's finest. The project is also located just blocks from the historic Stearns Wharf which attracts over 5,000,000 visitors per year and is named Santa Barbara's #1 tourist destination.

The information provided here has been obtained from the owner of the property or from other sources deemed reliable. We have not audited the information.



Locator Maps





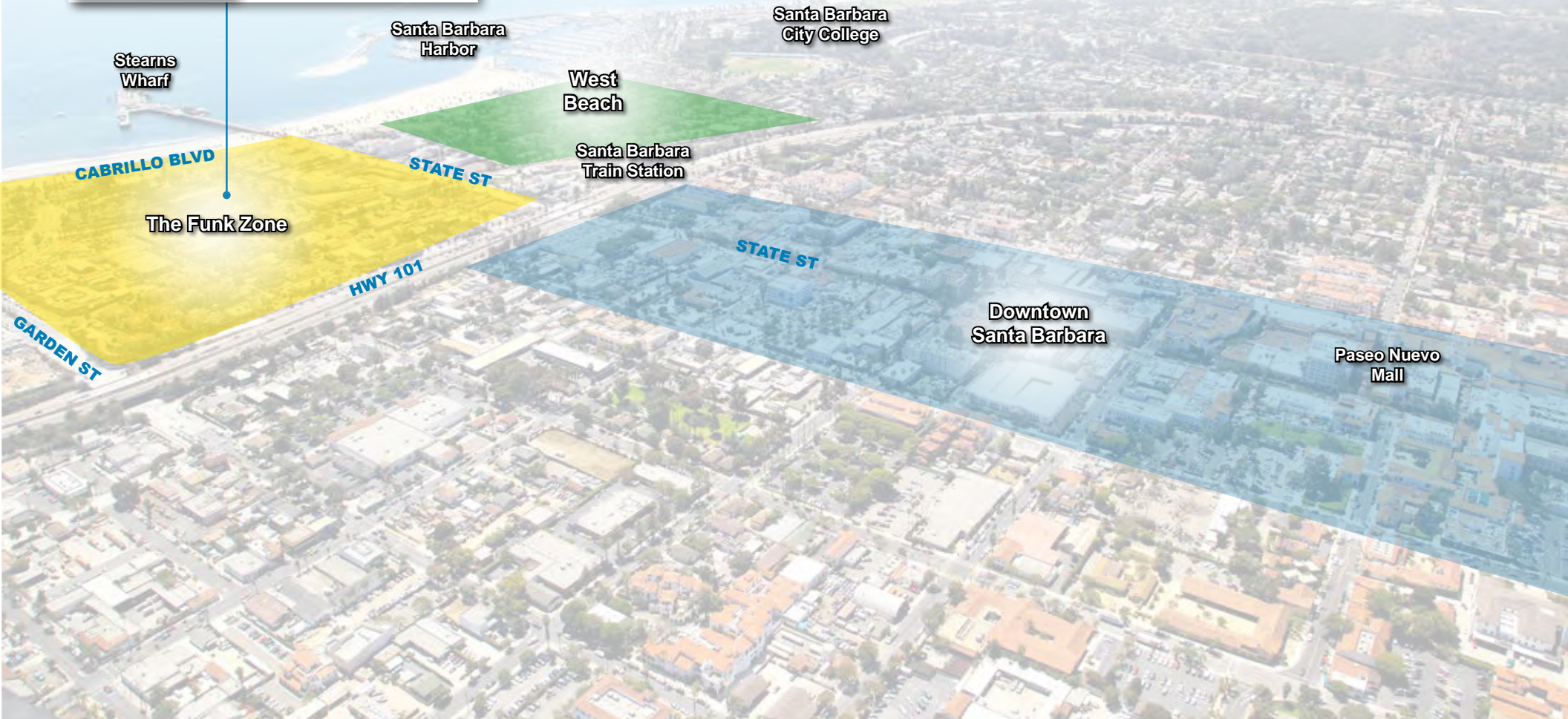
32 Anacapa St.

Santa Barbara Welcomes 6.1+ Million Tourists A Year

In 2016, twenty-nine cruise ships with a total of 80,831 passengers visited Santa Barbara with tourism spending generating more than \$45 million in yearly tax revenues, according to Destination Analysts, a tourism market research firm.

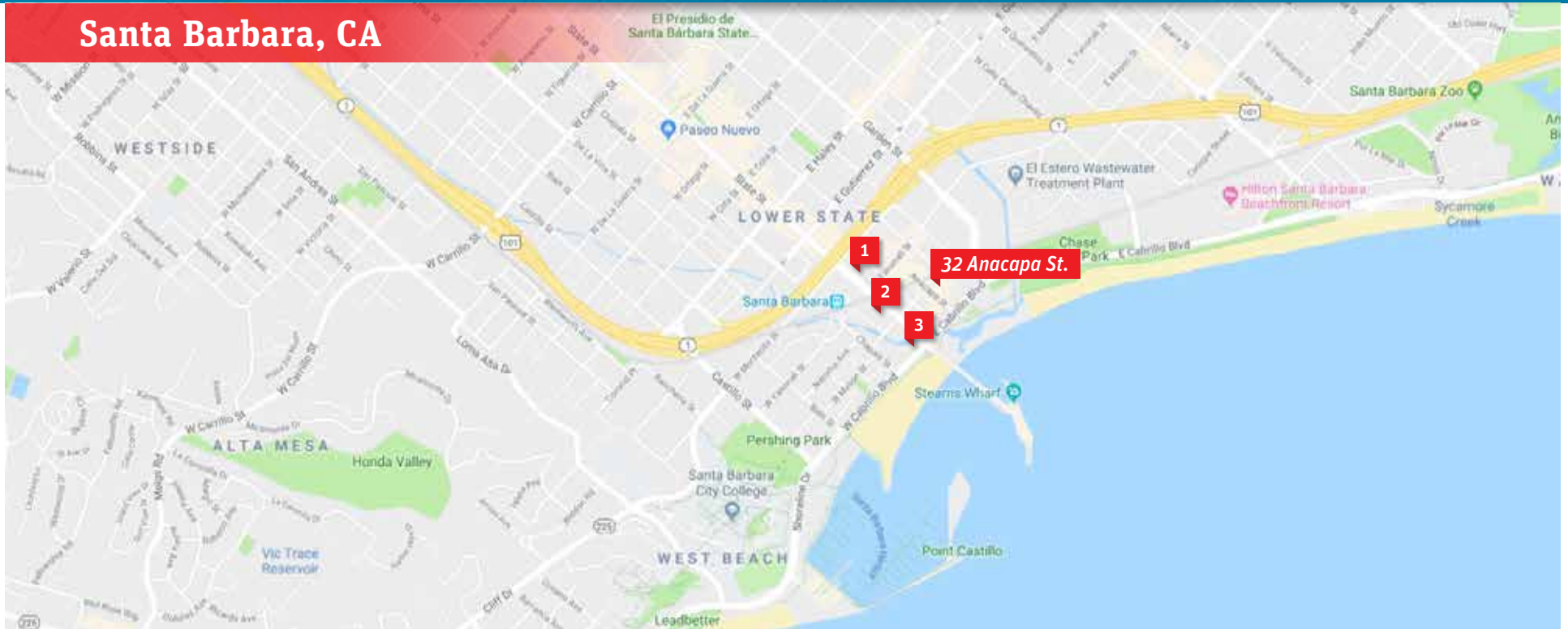





LOCATION | DOWNTOWN SANTA BARBARA, WEST BEACH & THE FUNK ZONE



Comparable Properties





Santa Barbara, CA



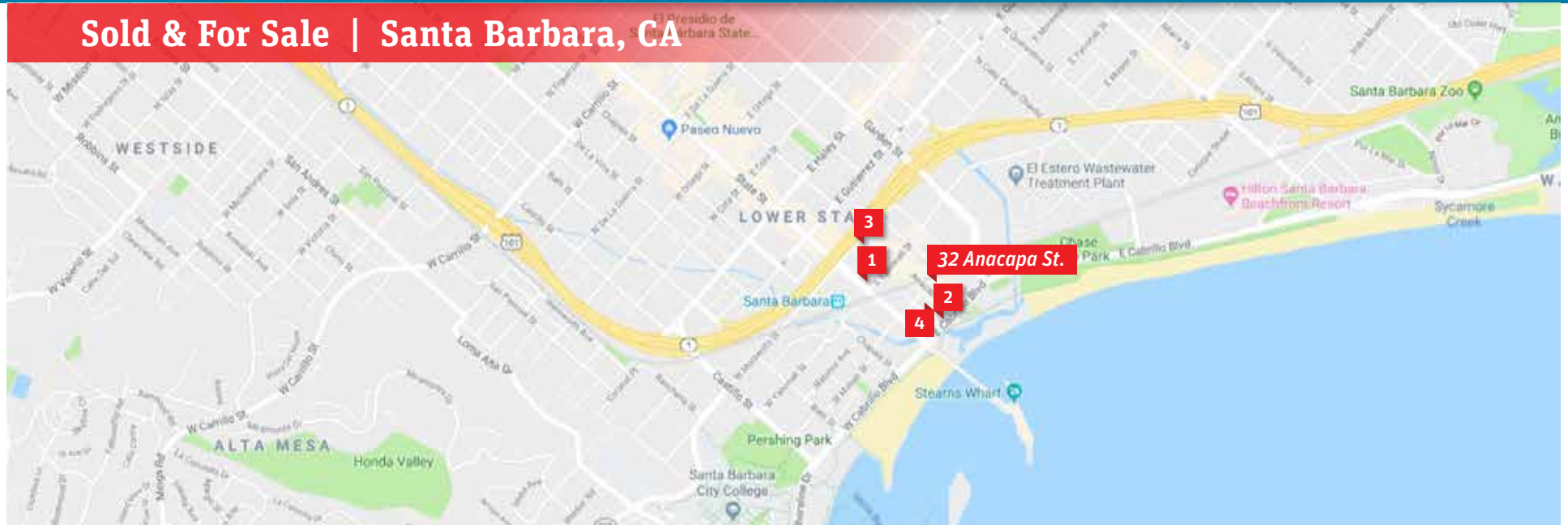
	Property	Primary Use	Size	Lease Rate	Term	Zoning
	32 Anacapa St., Santa Barbara	Subject	±4,335 SF	\$4.50/SF NNN	—	OC/S-D-3 (Ocean Related Commerce)
1 	210 & 212 State St., Santa Barbara	Retail	±1,584 SF	\$4.18/SF NNN (\$1.18/SF)	62 Months	HRC-2/S-D-3
2 	119 State St., Santa Barbara	Restaurant	±2,000 SF	\$4.15/SF NNN (\$0.63/SF)	63 Months	C-2
3 	1 State St. Santa Barbara	Restaurant	±3,660 SF	\$5.00/SF NNN (\$0.65/SF)	123 Months	HRC-2/S-D-3




The Hotel Californian | Santa Barbara, CA



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	 32 Anacapa St., Santa Barbara	Subject	±4,335 SF	\$4.50/SF NNN	—	OC/S-D-3 (Ocean Related Commerce)
1	 35 State St., Ste. A Santa Barbara	Retail	±3,639 SF	\$6.50/SF Modified Gross	120 Months	HRC-2/S-D-3
2	 120 State St., Ste. C Santa Barbara	Retail	±1,276 SF	\$6.60/SF Modified Gross	60 Months	HRC-2/S-D-3
3	 120 State St., Ste. B Santa Barbara	Retail	±972 SF	\$6.75/SF Modified Gross	60 Months	HRC-2/S-D-3

Sold & For Sale | Santa Barbara, CA



	Property	Date of Sale	Price	Type	Size	Price Per SF	Lot Size
	32 Anacapa St., Santa Barbara	—	Subject	Retail	±4,335 SF	\$1,141/SF	±12,196 SF
	214 State St., Santa Barbara	01/27/2016	\$7,600,000	Retail	±8,584 SF	\$885/SF	±22,215 SF
	29 E. Cabrillo Blvd., Santa Barbara	01/13/2017	\$7,270,000	Retail	±8,000 SF	\$909/SF	±12,000 SF
	36 E. Montecito St., Santa Barbara	10/04/2016	\$2,520,000	Retail	±1,350 SF	\$1,867/SF	±10,019 SF
	42 Helena Ave., Santa Barbara	Active	\$3,500,000	Retail	±870 SF	\$4,023/SF	±2,614 SF

Property Photos



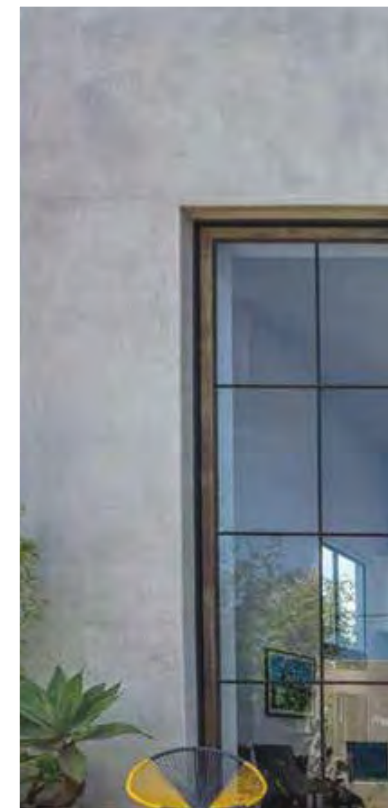
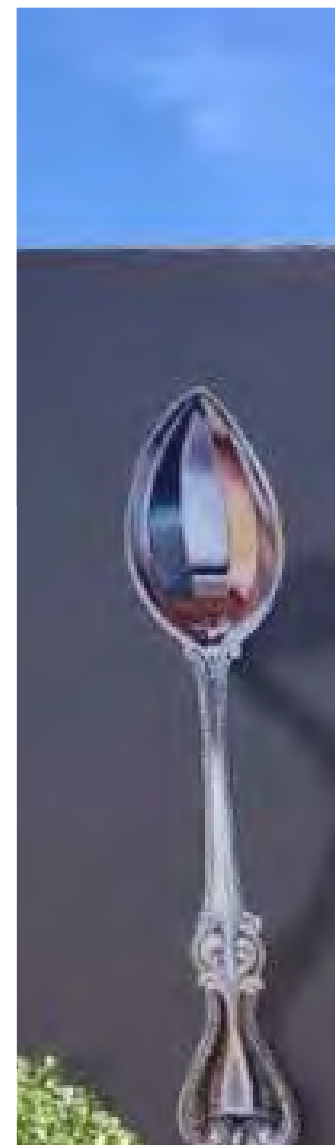


Market Highlights









GET YOUR THE FUNK ZONE

SANTA BARBARA'S UNIQUE ARTS, BUSINESS & INDUSTRIAL DISTRICT

The Funk Zone is the South Coast's unique arts, business and industrial district perfectly situated in Santa Barbara's up-and-coming waterfront area, footsteps from the beach, Stearns Wharf and the city's famed downtown. The Funk Zone encompasses approximately 16 square blocks between the railroad and the beach, and adjacent to State Street, the main commercial thoroughfare through the city, and is easily accessible off the 101 freeway.

The Funk Zone delights visitors and locals alike with its rich tapestry of historical marine structures, industrial lots and old houses which support a colorful mixture of creative uses and give the zone its face, while its occupants that reside and work there embody its eclectic soul.

The Funk Zone is a place for entertainment, education and community building. A platform for social discourse with a spirit for innovation and activism, the neighborhood offers the best that Santa Barbara has to offer wrapped up in an eclectic, dynamic package. This mixed-use neighborhood by the waterfront, just off the very end of lower State Street (between State & Garden and Yanonali & Mason Streets, to be specific), used to be an industrial and manufacturing hub. Now it's filled with an eclectic mix of restaurants, locally-owned shops, art studios and galleries, wine tasting rooms and breweries, surfboard shapers and a variety of other skilled craft workers.

The Funk Zone offers the perfect contrast to the pristine red tile roofs and whitewashed buildings that are synonymous with Santa Barbara's architectural style and make our main downtown historic arts district so memorable and lovely. Minus the polish and plus some grit, the Funk Zone has its own distinctive brand of charm. Very close to the Amtrak station, Stearns Wharf and Cabrillo Boulevard, which are filled with sightseers on the weekends, the Funk Zone's little side streets are still considered uncharted territory even for some locals. Hence the "new" factor. It offers a sense of discovery and it continues to evolve and get better as more businesses crop up in the 'hood.



The Funk Zone | A SHARED EXPERIENCE

Santa Barbara has always been a haven for artists, artisans, wine makers and chefs looking for a slightly different approach. Thanks to the growth of The Funk Zone, this neighborhood location has exploded into a contemporary Santa Barbara sub-culture of artisan shops, art galleries, hip eateries, award-winning microbreweries, and even a craft distillery. Don't be deterred by the name; the area doesn't have a *funk* so much as it does a *vibe*. Artists, winemakers, and up-and-coming chefs have taken up shop in aged warehouses and forgotten scuba shops, transforming the zone into an understated array of hidden hot spots along California's Central Coast.

Vistors may spend the day in The Funk Zone channeling their inner artist by visiting the satellite gallery of the Santa Barbara Museum of Contemporary Art at Hotel Indigo, or by taking a tour at The Santa Barbara Art Foundry. For dining options, many wander over to the old Santa Barbara Fish Market building for a shared dining experience at The Lark. And how could one forget, the Funk Zone is home to countless tasting rooms and a few special wineries, making a day, or afternoon of wine tasting Santa Barbara County's best, fun and easy. Additionally, 5 of the many wineries located in the Funk Zone are also part of the Urban Wine Trail!



The Funk Zone | The Urban Wine Trail

The Santa Barbara Urban Wine Trail offers both novices and aficionados the opportunity to learn about and taste wines of many different varieties and styles crafted from Santa Barbara County's finest vineyards. With all 17 tasting rooms conveniently located in the Funk Zone just blocks from the beach, the wine trail is the ideal adventure for those who want to sip and savor without wasting precious time on a lengthy car ride.

A uniquely "green" wine tasting experience, this trail can be navigated by foot, bike or even pedi cab, and often allows for detours to shop, sightsee and sink your toes in the sand. Rolling hills and breathtaking vineyard views are certainly a treat, but this urban option is a dream for those looking to maximize their wine tasting experience without ever having to leave downtown Santa Barbara.



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Tourism

In 2016, twenty-nine cruise ships with a total of 80,831 passengers visited Santa Barbara.

Santa Barbara is sometimes referred to as the American Riviera. Its beautiful beaches, majestic mountains, and colorful culture make Santa Barbara a premier resort destination as well as an attraction for neighbor counties such as Ventura County (Population 839,620), San Luis Obispo County (Population 276,443) and Los Angeles County (Population 10.2 Million). World-class accommodations and dining await many visitors. From the City, you are just minutes away from Santa Barbara wine country. The gorgeous Santa Ynez Valley, with its breath-taking vistas, is home to such notable attractions as Solvang and the Chumash Reservation.

The travel and tourism sector continues to be a driving force behind Santa Barbara County's economy. In 2015, leisure and hospitality workers totaled 29,000, up from 24,000 the year before, according to UCSB's Economic Forecast Project. (Compare that to 4,600 workers in the tech industry, 20,000 in retail and 20,000 in farming.) Annual spending by travelers to the South Coast totals more than \$1.5 billion and generates more than \$45 million in yearly tax revenues, according to Destination Analysts, a tourism market research firm.



2017 Regional Highlights

- The launch of American Airlines' new nonstop flight from Dallas Fort-Worth to Santa Barbara.
- Development of new festivals and events (Santa Barbara 100, FestForward, International Wine Film Festival and Santa Barbara Acoustic Instrument Celebration) that impacted visitation and economic vitality.
- **The Hotel Californian (below)** on lower State Street boasts 123 rooms and more than 20,000 sq. ft. of retail space and paseos.
- The launch of **MOXI, The Wolf Museum of Exploration + Innovation (right)** in Santa Barbara and the first ever ice skating rink, Ice in Paradise in Goleta.
- Craft breweries continue to proliferate with the arrival of M. Special Brewing Co., Brass Bear Brewing & Bistro, Third Window Brewing Co. and Draughtsmen Aleworks.



Santa Barbara | The American Riviera

The South Coast of Santa Barbara County has long been renowned as one of the most desirable travel destinations in America. Located on a pristine Southern California coastline just a short drive from Los Angeles, the area includes a cluster of gems including the cities of Goleta, Santa Barbara, Montecito, Summerland and Carpinteria, as well as the famed Santa Ynez Mountains and Santa Barbara Wine Country, to name a few. This stretch of coast is known as the “American Riviera” because of its Mediterranean climate.

Locals and visitors are drawn to Santa Barbara’s sunny beaches, charming downtown, Spanish architecture and historical sites, wide variety of shops, galleries and Zagat-rated restaurants, and countless other outdoor attractions including the Santa Barbara Zoo, Santa Barbara Mission, Stearns Wharf and Santa Barbara Museum of Natural History. Santa Barbara County is a world renowned wine region with nearly 100 wineries within a short drive. Additionally, Santa Barbara is host to three major regional performing arts and entertainment venues: the Santa Barbara Bowl, the historic Granada Theatre which houses the Santa Barbara Symphony, Opera Santa Barbara and State Street Ballet, and the Arlington Theatre which hosts the annual Santa Barbara International Film Festival.

As a major travel destination, Santa Barbara’s tourism and hospitality industry are vital components of the local economy, which includes a large service sector, education, technology, health care, finance, agriculture, manufacturing, and local government. Education in particular is well-represented with five highly regarded higher learning institutions including UCSB, Santa Barbara City College and Westmont College.



For Sales Inquiries...

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