



Creative Space with First-Class Finishes Yields Double Digit Returns

Opportunity

The property was purchased vacant and well-below replacement cost in like-new condition. The previous owners had invested \$3.6 million in interior improvements, including the installation of expansive glass for an open, creative work environment.

Execution

RAF Pacifica Group moved quickly to secure a 10-year lease with M2 Ingredients.

A tenant improvement allowance of approximately \$1 million was amortized into M2 Ingredients' rent, enabling the company to execute capital improvements including:

- installation of additional bathrooms on the first floor
- build-outs of clean rooms
- exterior paint and landscape upgrades

Results

Based on the high-caliber quality of the building, the asset is currently generating strong cash flow and double digit returns.

**3193 Lionshead Avenue
Carlsbad, CA**

**65,041 SF Flex/R&D
Corporate Headquarters**

Purchase Price: \$8,725,000

Purchase Date: July 7, 2015



RAF PACIFICA GROUP
CREATIVE INDUSTRIAL™