

OFFERING MEMORANDUM

601 STATE ST

*Prime streetfront retail opportunity in
bustling Downtown Santa Barbara*

601 STATE ST, SANTA BARBARA, CA 93101

601 STATE ST

km Kidder
Mathews

TABLE OF CONTENTS

01

EXECUTIVE
SUMMARY

02

PROPERTY
OVERVIEW

03

LOCATION
OVERVIEW

*Exclusively
Listed by*

KIRK BRUMMER
Senior Vice President
949.295.7262
kirk.brummer@kidder.com
LIC N° 01218518

ERIC SHAIN
Vice President
760.685.6289
eric.shain@kidder.com
LIC N° 02050566

KIDDER.COM



The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Kidder Mathews and should not be made available to any other person or entity without the written consent of Kidder Mathews.

This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Kidder Mathews has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Kidder Mathews has not verified, and will not verify, any of the information contained herein, nor has Kidder Mathews conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

This information has been secured from sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Recipient of this report must verify the information and bears all risk for any inaccuracies.

EXECUTIVE SUMMARY

Section 01

PRIME
STREETFRONT
RETAIL
OPPORTUNITY
IN DOWNTOWN
SANTA BARBARA

Kidder Mathews, as exclusive advisor, presents 601 State Street, an attractive investment or owner-user opportunity with an irreplaceable corner suite location in downtown Santa Barbara. This property offers significant opportunity for investors or owner-users to enhance value given the current short-term lease and low in-place rent.

OFFERING PRICE	\$3,250,000
OCCUPANCY	100%
CURRENT RENT	\$14,000 per month, Modified Gross
GROSS LAND SIZE	±0.12 AC (±5,227 SF)
TOTAL BUILDING AREA	±4,653 SF
PARCEL NO.	037-131-010





Photos edited for illustrative purposes and may not represent the property's actual condition.

INVESTMENT HIGHLIGHTS

PRIME STREETFRONT RETAIL OPPORTUNITY IN DOWNTOWN SANTA BARBARA

Downtown Santa Barbara Retail Opportunity - Outstanding opportunity to purchase 4,653 SF streetfront retail property situated along State Street in the heart of Downtown Santa Barbara, with a fantastic corner suite location

- The property is occupied by The House of Clues Escape Room which is currently on a short-term lease and is paying rent significantly below market rates (\$14,000/mo. MG), providing a purchaser maximum flexibility
- The House of Clues signed a 3-year renewal in August 2024. During year 3, either party has the right to terminate the lease with 90 days written notice

Opportunity to Control Your Own Destiny - Given the current short-term tenancy, the property can be purchased by an Investor interested in re-tenanting the space or an Owner/User with the intent to occupy the space

- **Investor** - Capitalize on the irreplaceable corner State Street location by re-tenanting the property with one or several tenants, in an extremely desirable trade area where purchase opportunities are few and far between
- **Owner/User** - Own versus lease in Downtown Santa Barbara - take advantage of attractive SBA financing, the after-tax benefits of ownership, and equity appreciation

Pride of Ownership Asset - "Trophy" investment asset with strong visibility along State St, THE primary street in Downtown Santa Barbara, surrounded by other tenants and demand drivers that include Apple, Marshall's, Urban Outfitters, Lululemon, H&M and World Market along with other local favorite and unique dining, shopping, boutique, and salon destinations

Vibrant Tourist Destination - Located just 85 miles north of Los Angeles, Santa Barbara's Mediterranean climate, plentiful beaches, mountain views and cultural offerings attract more than 7.2 million visitors annually, bringing in an estimated \$1.9 Billion into the local economy each year

STRONG REAL ESTATE FUNDAMENTALS AND INTRINSIC VALUE

High Barriers to Entry - Santa Barbara is a mature, supply constrained trade area with virtually no land available for future development, creating high barriers to entry and ensuring the property's long-term success

Future Entertainment District Designation - On April 28, 2026, the Santa Barbara City Council voted 6-1 to advance the State Street Master Plan, designating the 400-600 blocks as the future "Entertainment District" focused on dining and nightlife. The plan widens sidewalks to 30 feet with a dedicated outdoor dining zone up to 12 feet deep, preserves overnight vehicle access via retractable bollards, and calls for 1,000-2,000 new downtown housing units - positioning 601 State Street to benefit from a broader F&B tenant pool, expanded pedestrian frontage, and continued downtown revitalization.



INVESTMENT HIGHLIGHTS

STRONG REAL ESTATE FUNDAMENTALS AND INTRINSIC VALUE CONTINUED

Unrivaled Corner Suite Location - The property is perfectly positioned at the corner of State Street and W Cota Street, with great exposure from both, providing maximum site flexibility and traffic

Residential Value-Add Potential - Opportunity to add value by building 2nd and 3rd floor apartments through the City of Santa Barbara AUD Program, which aims to promote housing development by allowing for increased densities and development standard incentives

INFILL, AFFLUENT COASTAL CALIFORNIA DEMOGRAPHICS

- More than 23,150 people in a 1-mile radius with Average Household Incomes exceeding \$115,300
- More than 84,500 people in a 3-mile radius with Average Household Incomes exceeding \$163,850
- More than 107,450 people in a 5-mile radius with Average Household Incomes exceeding \$168,800

EXCELLENT 1031 EXCHANGE UP-LEG OR ADDITION TO PORTFOLIO

- **Debt Free Acquisition** - The property will be delivered free and clear of any existing debt, allowing an investor to pay all-cash or obtain new financing
- **Ideal 1031 Exchange Up-leg** - The combination of i) an irreplaceable corner location along State Street and ii) flexibility to lease out or occupy the property make 601 State St a superb 1031 Exchange opportunity for an investor seeking a longer-term hold

PROPERTY OVERVIEW

Section 02

PROPERTY INFORMATION

PROPERTY DESCRIPTION

ADDRESS	601 State Street, Santa Barbara, CA 93101
GROSS LEASABLE SF	±4,653 SF
YEAR BUILT	1970
LAND AREA	±0.12 AC (±5,227 SF)
PARCEL NUMBERS	037-131-010
COUNTY	Santa Barbara

ADDITIONAL SITE INFORMATION

ACCESS	One ingress/egress point off W Cota Street
ZONING	C-M; Retail Stores, Single Story (1100)
FRONTAGE	Approximately ±40 linear FT of frontage along State Street and approximately ±110 linear FT of frontage along W Cota Street

±4,653
TOTAL RSF

100%
OCCUPANCY

±5,227
LAND AREA SF

\$3.25M
OFFERING PRICE



Photo edited for illustrative purposes and may not represent the property's actual condition.

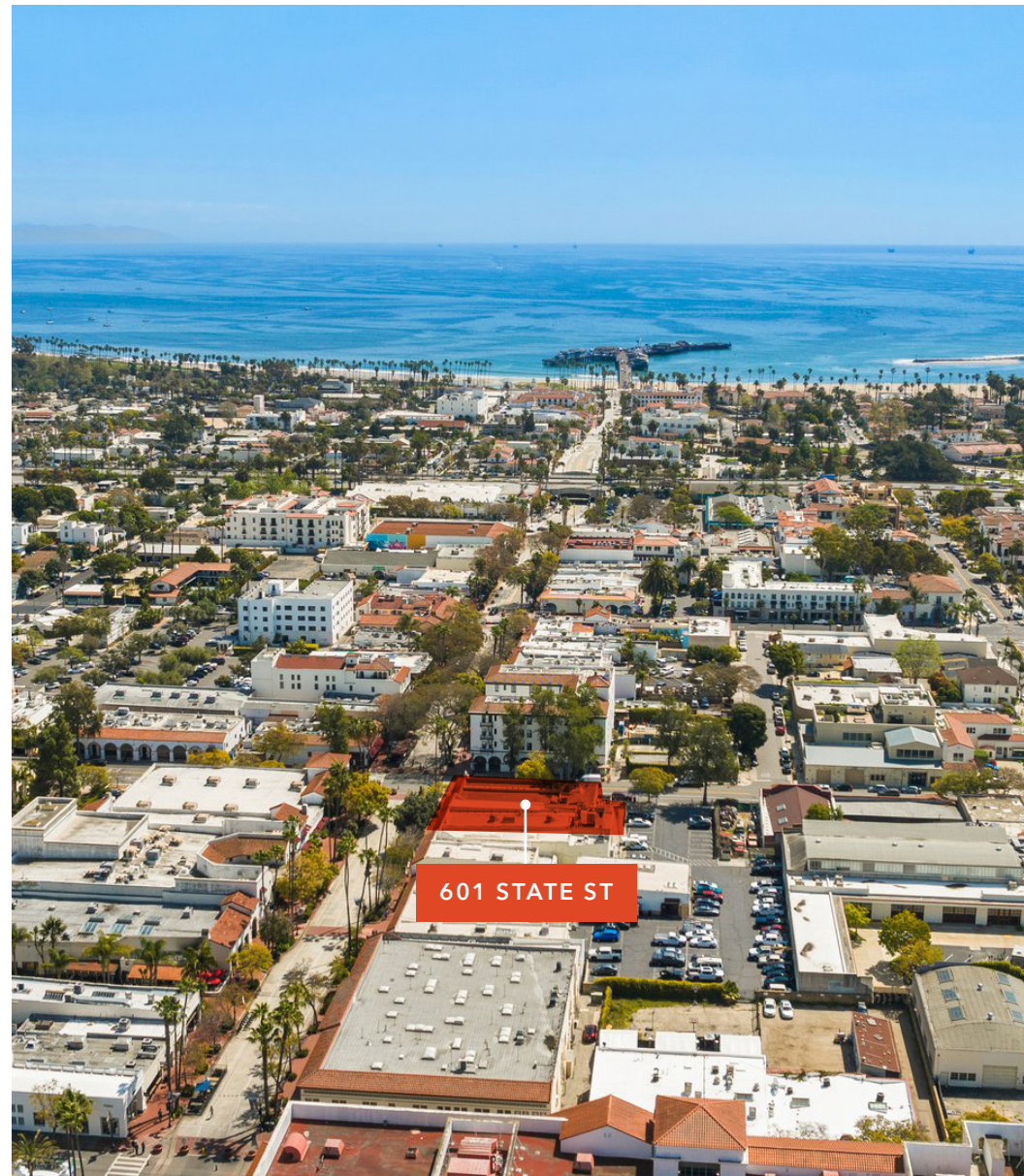
PROPERTY OVERVIEW



PROPERTY OVERVIEW



Photos edited for illustrative purposes and may not represent the property's actual condition.



LOCATION OVERVIEW

Section 03

SANTA BARBARA, COASTAL CHARM, CULTURAL FLAIR

Santa Barbara's stunning coastline, high quality of life, and robust economy make it perfect for personal and professional development.

Santa Barbara's breathtaking coastline and thriving economy offer exceptional opportunities for investment, employment, and living. Investors seeking long-term growth prospects find Santa Barbara's robust economy attractive. A strong tech and entrepreneurial sector, a skilled labor pool, and connectivity to key industries fuel the region's prosperity. The city's appeal is further enhanced by its prosperous citizens and flourishing business community. Santa Barbara's excellent infrastructure, top-tier education system, and vibrant cultural scene make it an attractive location for long-term success, drawing skilled workers and fostering business growth. Its distinctive combination makes it the ideal location to launch businesses, generate employment, and make significant investments in a flourishing market.

25

DIFFERENT
BEACHES

85 MI

NORTH OF
LOS ANGELES

43.1 MI

SANTA BARBARA
TOTAL SQUARE MILES

DEMOGRAPHICS



Population

	1 Mile	3 Miles	5 Miles
2024 ESTIMATED	23,168	84,522	107,480
2029 PROJECTED	23,229	84,115	106,696
CURRENT DAYTIME POPULATION	40,078	62,391	77,135



Household Income

	1 Mile	3 Miles	5 Miles
2024 AVERAGE	\$115,310	\$163,898	\$168,835
2029 AVG PROJECTED	\$136,986	\$190,123	\$195,220
AVERAGE HOME VALUE	\$1,781,611		





Exclusively listed by

KIRK BRUMMER

Senior Vice President

949.295.7262

kirk.brummer@kidder.com

LIC N° 01218518

ERIC SHAIN

Vice President

760.685.6289

eric.shain@kidder.com

LIC N° 02050566

KIDDER.COM

