



OFFERING MEMORANDUM

SIERRA VISTA PLAZA

370 W SIERRA MADRE BLVD. SIERRA MADRE, CA 91024

Multi-Tenant NNN Retail

FOR SALE

PROPERTY WEBSITE

—lucrumre.com





INVESTMENTS CONTACTS

SIERRA VISTA PLAZA

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SIERRA VISTA PLAZA

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SIERRA VISTA PLAZA

01. PROPERTY OVERVIEW



SIERRA VISTA PLAZA

PROPERTY OVERVIEW

| | |
|-----------------------|--------------------------|
| Street Address: | 370 W Sierra Madre Blvd. |
| City: | Sierra Madre |
| State: | California |
| Zip Code: | 91024-2354 |
| APN: | 5768-021-031 |
| Rentable Square Feet: | 12,491 SF |
| Lot Size: | 23,406 SF |
| Year Built: | 1966 |
| Number of Units: | 10 |
| Number of Buildings: | 1 |
| Number of Stories: | 1 |
| Water: | Master-Metered |
| Electric: | Individually-Metered |
| Gas: | Master-Metered |
| Construction: | Wood-frame |
| Roof: | Flat |
| Parking: | 33 Spaces |
| Zoning: | SRC1CC-RP* |





SIERRA VISTA PLAZA



PROPERTY DESCRIPTION

Lucrum is proud to offer Sierra Vista Plaza, a flourishing multi-tenant NNN retail investment opportunity located in charming Sierra Madre, CA. This investment represents a rare opportunity for investors to acquire a turnkey center in a prime location at an incredible 6% Cap Rate equipped with seasoned tenants offering high-demand services proven to be recession proof, e-commerce resistant and most importantly, the services the neighborhood's residents need! The building is low maintenance, and its attractive curb appeal draws in foot traffic from busy Sierra Madre Boulevard.

The tenants have proven to be committed to the location and most are on long-term leases with annual increases of 3%. The tenant mix is excellent, offering guests a convenient range of services from laundry, flowers, nails, eyelashes, massage, and a prominent special needs learning center. In addition, the large basement offers access via a subterranean driveway leading to a combination door and garage door, ideal for storage and occupied by an estate sales company utilizing it for the aforementioned purpose.

Originally built in 1966 and extensively renovated in 2021, some of the major capital improvements include installation of 3 new central HVAC units, renovation and servicing of remaining central HVAC units, resealed roof, freshly asphalted parking lot and restriping of 33 parking spaces, new monument sign, paint, and drought tolerant landscaping. Sierra Vista Plaza truly represents a pride of ownership center.



The structure is a sprawling single-story building, square footage totals 12,491 square feet on an impressive 23,406 square foot lot offering a total of 10 units featuring plenty of inviting display style windows. Zoning is SRC1CC-RP*. The center buzzes with activity during the day, offers a tranquil courtyard for guests to lounge between services and is well parked, conveniently accommodating its patrons with 33 on-site parking spaces comprised of 32 spaces and 1 handicap space for a parking ratio of 3.79 per 1,000 square feet.

LOCATION DESCRIPTION

Sierra Vista Plaza is located in the vibrant community of Sierra Madre, a picturesque city nestled in the San Gabriel Valley of California. Known for its natural beauty and small-town charm, Sierra Madre offers a captivating lifestyle and a serene retreat from the hustle and bustle of the surrounding urban centers. With a Walk Score of 79, most errands can be accomplished by foot appealing to the community's active lifestyle. The location offers convenient proximity to dining, shopping and entertainment as well as quick access to the 210 freeway, Pasadena and DTLA. Sierra Madre is enticing for real estate investors due to its exceptional location, desirable lifestyle, and strong community appeal. The most attractive reasons to invest in Sierra Madre real estate and it's draw to residents include it's:

Prime Location:

Proximity to major urban centers, including Pasadena and Arcadia, offers a strategic advantage. Investors can tap into the demand from

these affluent neighboring areas, attracting a broader customer base and increasing the potential for attractive returns on investment.

Limited Supply and High Demand:

Sierra Madre's limited supply of available real estate creates a demand-supply imbalance that favors property owners and investors. The scarcity of land and properties in the city contributes to increased property values and the potential for long-term appreciation, offering a solid foundation for real estate investments.

Resilient Market:

Sierra Madre has demonstrated resilience in its real estate market, with properties holding their value even during economic downturns. The city's desirability, limited inventory, and strong demand contribute to a stable market that offers potential for consistent returns and long-term investment security.





Upscale Neighborhoods:

Boasting upscale neighborhoods known for their charm, character, and well-maintained properties. The pride of ownership contributes to appreciating values and rising rents.

Potential for Development:

Sierra Madre's strategic location and desirable lifestyle make it an attractive target for real estate development projects. Investors are always exploring opportunities to acquire underutilized properties or engage in property redevelopment projects that align with the city's zoning and planning regulations, tapping into the potential for significant returns on investment.

Desirable Lifestyle:

A captivating lifestyle, characterized by natural beauty, outdoor recreation, and a close-knit community, appeals to a wide range of residents. The city's commitment to preserving its natural environment and fostering community engagement contributes to the desirability of the area, making it an attractive destination for homebuyers and tenants.

Strong Community Spirit:

Active community involvement and engaged residents create a sense of belonging and pride in the neighborhood. This strong community spirit translates into well-maintained properties, a safe and welcoming environment, and increased demand for real estate, all of which are highly beneficial for real estate investors.





SIERRA VISTA PLAZA

PROPERTY HIGHLIGHTS

- + Turnkey NNN investment opportunity offered at an attractive 6% Cap Rate
- + Triple net (NNN) & modified triple net leases
- + Most tenants on annual increases of 3%
- + Low maintenance with major capital improvements completed in 2021
- + The expansive lot offers plenty of parking (33 spaces) and the potential for future re-development
- + Recent notable improvements include the installation of three new central HVAC units, servicing and renovation of the existing central HVAC units, a resealed roof, freshly asphalted parking lot with restriping for 33 parking spaces, a new monument sign, fresh paint, and the addition of drought-tolerant landscaping
- + Lively center with attractive curb appeal and impressive foot traffic

LOCATION HIGHLIGHTS

- + Situated in the highly desirable Sierra Madre submarket, known for its thriving real estate market, vibrant community, and majestic mountain views
- + Close proximity to the 210 freeway and Sierra Madre Villa Gold Line Station
- + Conveniently located near many options for dining, shopping, and entertainment
- + Adjacent to prime Pasadena, Arcadia and short drive to Downtown, LA
- + Sierra Madre is limited real estate with high demand, offering many nearby parks, trails and outdoor spaces to enjoy activities like hiking, biking, and picnicking that are sure to aid in the area's continued appreciation

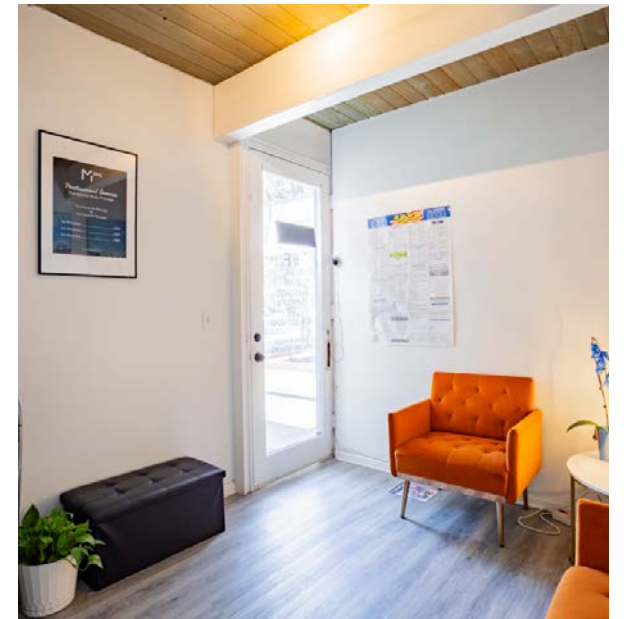


















STREET MAP





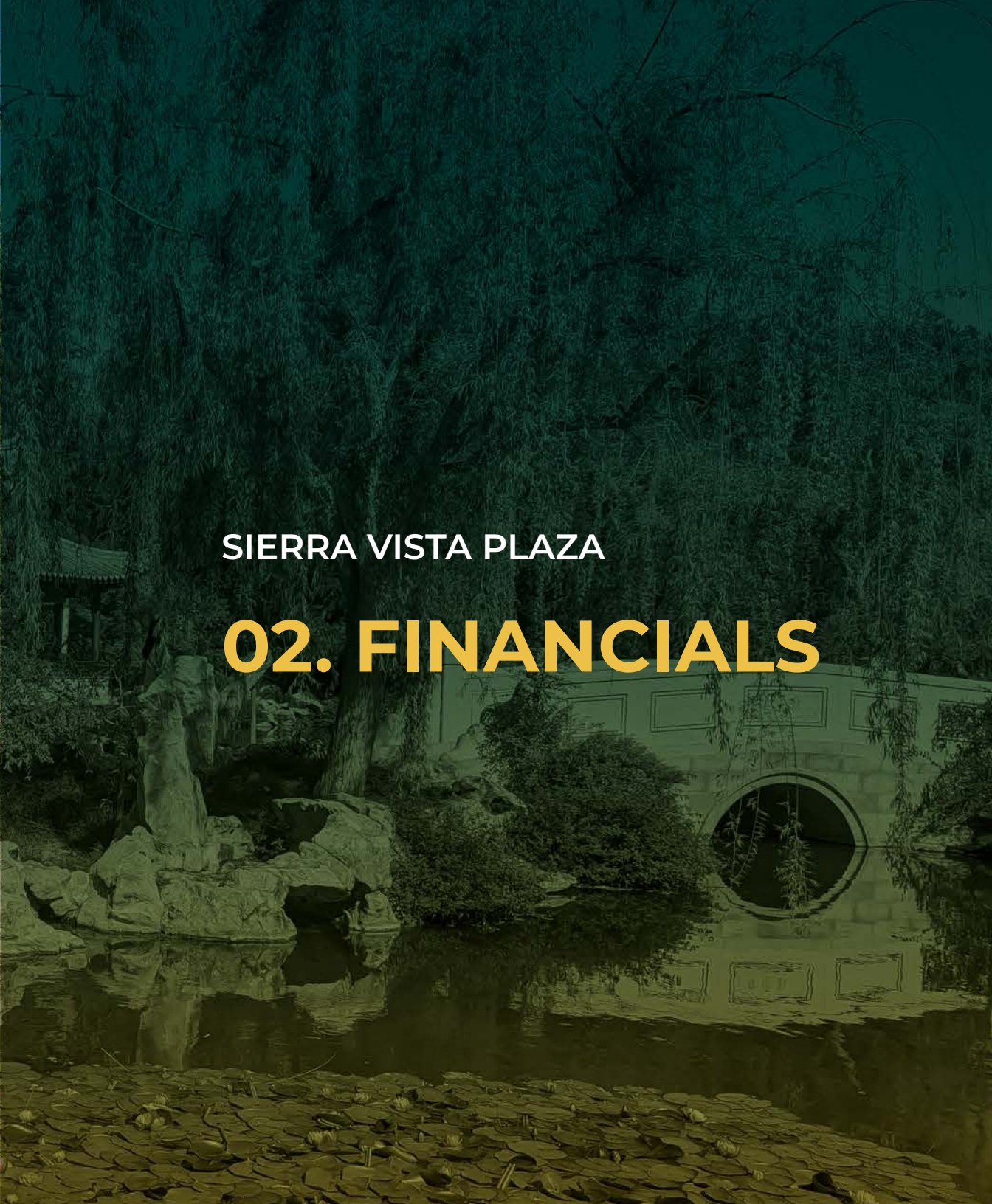
SATELLITE MAP (3D)





SIERRA VISTA PLAZA

02. FINANCIALS





FINANCIALS

RENT ROLL

| # OF UNITS | TENANT | ± SF | RENT | LEASE TERM | ANNUAL INCREASES | REIMBURSEMENT | NOTE |
|------------|---------------------------------|-----------|-------------|---------------------|------------------|---------------|------|
| 1 (A) | Flowers by Nobee | 998 | \$3,000.00 | 07.12.93 - 11.02.31 | 2% | \$546.27 | NNN |
| 4 (B-E) | Sierra Madre Learning Center | 3,516 | \$6,821.00 | 04.01.04 - 07.01.32 | 3% | \$3,785.96 | NNN |
| 1 (G)* | Posh Nails | 791 | \$1,553.00 | 11.19.21 - 11.19.26 | 3% | \$851.73 | NNN* |
| 1 (H) | Rianbow Lash & Beauty | 600 | \$1,339.00 | 04.01.22 - 03.31.25 | 3% | \$515.00 | NNN |
| 1 (F) | Massage Spa | 880 | \$2,039.00 | 01.17.22 - 01.20.27 | 3% | \$515.00 | NNN |
| 1 (J) | 24-hour Laundry | 1,606 | \$3,875.00 | 08.01.16 - 08.01.32 | 3% | \$1,487.32 | NNN |
| Basement | Estate Sales Storage (Basement) | 4,300 | \$5,461.00 | 08.01.22 - 08.01.27 | 3% | -- | NNN |
| Totals | | ± 12, 691 | \$24,088.00 | -- | -- | \$7,701.28 | -- |

* Owner responsible for HVAC. HVAC unit is new with warranty.



FINANCIALS

LOAN OPTIONS

| INDICATIVE LOAN PRICING | | SIERRA VISTA PLAZA | | |
|-------------------------------------|--------------------------|--------------------------|---------------------------|--|
| LOAN PRODUCT | OPTION 1 3 YEAR FIXED | OPTION 2 5 YEAR FIXED | OPTION 3 10 YEAR FIXED | |
| LOAN AMOUNT | \$2,812,200 | \$2,812,200 | \$2,812,200 | |
| FIXED | 3 YEARS | 5 YEARS | 10 YEARS | |
| AMORTIZATION | 30 YEARS | 30 YEARS | 30 YEARS | |
| INTEREST ONLY PERIOD | -- | -- | -- | |
| PREPAY | 3-2-1 | 3-2-1 | 3-2-1 | |
| RATE LOCK PERIOD | STANDARD | STANDARD | STANDARD | |
| MINIMUM DEBT COVERAGE RATIO | -- | -- | -- | |
| MAX LOAN TO VALUE | 60% | 60% | 60% | |
| DEBT COVERAGE RATIO AS UNDERWRITTEN | -- | -- | -- | |
| ESTIMATED INTEREST RATE | 6.60% | 6.75% | 6.875% | |
| APPROXIMATE ANNUAL PAYMENT | \$215,570 | \$218,925 | \$221,737 | |
| APPROXIMATE ANNUAL PAYMENT (IO) | -- | -- | -- | |

The interest rates listed above and any spreads derived there f rom are subject to market influences, which may impact loan proceeds. All terms are subject to review and approval by the lender and are subject to change until rate/spread lock. This analysis is based upon information provided by Matthews Capital Markets. Final terms and conditions are subject to change. | July 7, 2023



FINANCIALS

VALUE METRICS & OPERATING DATA

| | | |
|---------------------------|---------|-------------|
| PRICE | | \$4,688,000 |
| VALUE METRICS | | |
| Cap Rate | | 6% |
| Price Per Square Foot | | \$375.31 |
| ANNUAL INCOME | | |
| Scheduled Gross Income | | \$289,056 |
| Expenses | 34.67%* | (\$100,221) |
| Expenses Reimbursement | | \$92,415 |
| Net Operating Income | | \$281,250 |
| Less Debt Service | | (\$215,570) |
| Pre-Tax Cash Flow | 3.52%** | \$65,980 |
| Plus Principal Reduction | | \$30,848 |
| Total Return Before Taxes | 5.16%** | \$96,828 |
| EXPENSES | | |
| Real Estate Taxes | | \$34,162 |
| Insurance | | \$4,725 |
| Utilities | | \$6,700 |
| CAM | | \$54,634 |
| Total Expenses | | \$100,221 |
| Per Square Foot | | \$8.02 |

* As a percentage of Scheduled Gross Income.

** As a percentage of Down Payment.

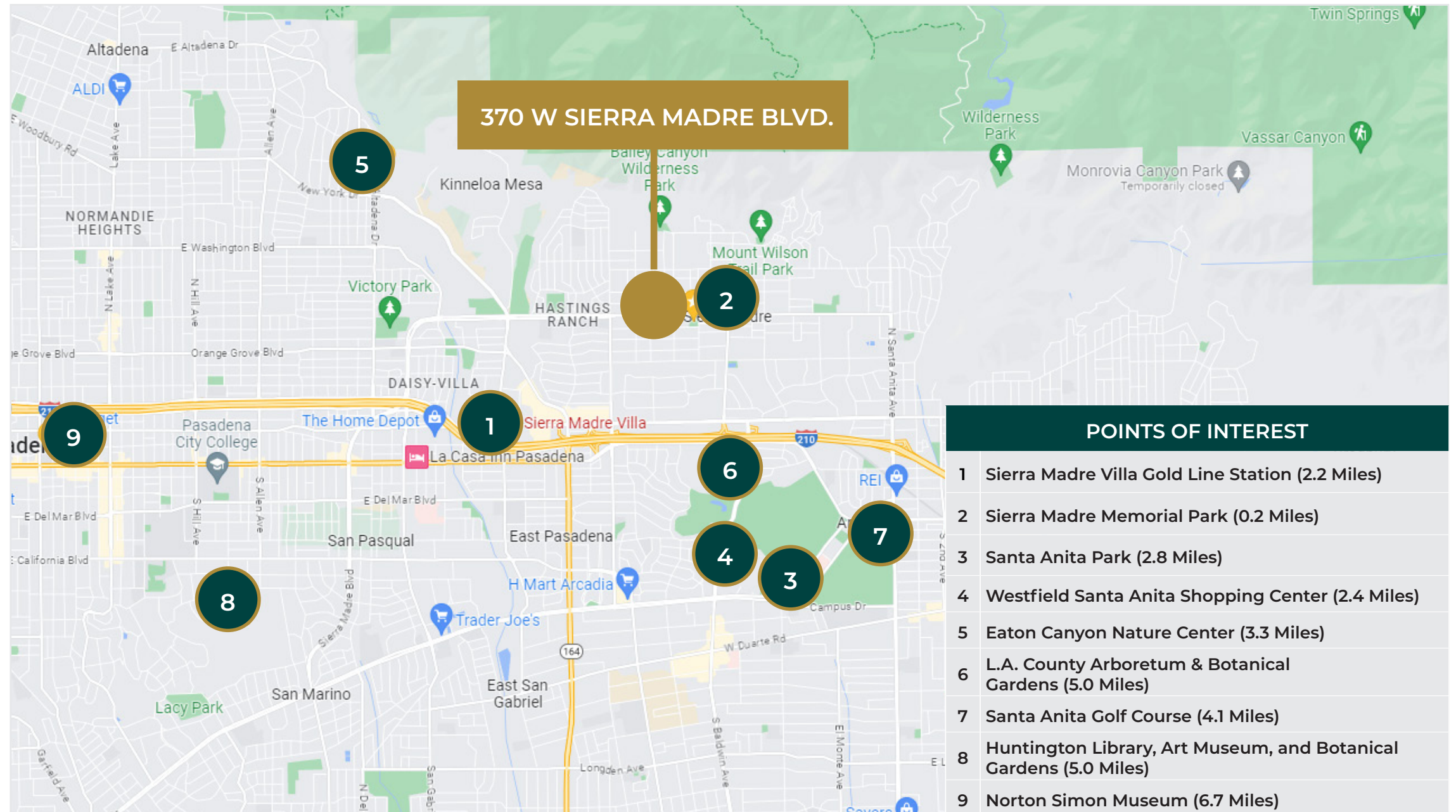


SIERRA VISTA PLAZA

03. AREA OVERVIEW



POINTS OF INTEREST





LOCAL DEVELOPMENTS



THE HYATT PLACE

The Hyatt Place Pasadena is a hotel development project that started construction in 2021 and now in operation. Located near the Pasadena Convention Center, it offers convenient accommodations for visitors attending events in the area. The construction of the Hyatt Place was initiated relatively recently to cater to the growing demand for hospitality services in Pasadena.



PASEO COLORADO

The Paseo Colorado is a mixed-use development located in the heart of Pasadena's downtown district. It features a blend of retail, dining, entertainment, and residential spaces. The construction for this project began in 2018 and was completed within a few years.



LAKE AT WALNUT

Construction started in 2021 for this apartment community located near Huntington Hospital. The development includes modern living spaces and amenities.



DEMOGRAPHICS

SIERRA MADRE, LOS ANGELES, CA

Wilmington is a vibrant neighborhood located in the southern part of Los Angeles, California. Known for its rich maritime history and diverse community, it offers a variety of attractions and convenient access to nearby transit options. With its historical landmarks, picturesque waterfront, and access to transportation, Wilmington offers visitors and residents diverse range of experiences, blending the charm of its past with the conveniences of the present.

QUICK FACTS:

+ Wilmington is home to the Port of Los Angeles, one of the busiest ports in the world. It serves as a major economic center, handling a significant portion of the nation's cargo and international trade.

- + Wilmington is known for its diverse community, with a mix of ethnicities and cultures. The neighborhood has a strong sense of community pride and hosts events and festivals that celebrate its multicultural heritage.
- + Wilmington offers convenient access to public transportation. The neighborhood is served by the Metro Blue Line, which provides easy connections to downtown Los Angeles, Long Beach, and other parts of the city. The proximity to major freeways also allows for easy commuting and travel within the region.



AVERAGE HOUSEHOLD
INCOME

\$73,967



MEDIAN AGE

31 years old



2021 ESTIMATED
POPULATION

57,030



TOTAL HOUSEHOLDS

14,995



BACHELORS DEGREE
OR HIGHER

38.10%



OVERVIEW

LOS ANGELES, CALIFORNIA

The Los Angeles Metro Rail is an urban rail transportation system serving Los Angeles County, California. It consists of six lines, including two subway lines and four light rail lines serving 93 stations. It connects with the Metro Busway bus rapid transit system and also with the Metrolink commuter rail system.



The City of Los Angeles holds many distinctions. L.A. is the entertainment capital of the world, a cultural mecca boasting more than 100 museums, and a paradise of idyllic weather. From tourist attractions like the Walk of Fame's collection of stars (numbering more than 2,614 and growing by one or two a month) to career opportunities like those presented in the expanding tech industry, Los Angeles is the place to be. It is the only city in North America to have hosted the Summer Olympics twice. Downtown L.A. is the largest government center outside of Washington, D. C. Los Angeles has the only remaining wooden lighthouse in the state (located in San Pedro's Point Fermin Park) and the largest historical theater district on the National Register of Historic Places (located Downtown on Broadway).

Los Angeles is on the leading edge of several growth industries. LA County, with more than 87,000 jobs in the fashion industry, has surpassed New York's fashion district workforce. The LA Five-County area also has more than 700,000 people at work in health services / biomedical activities and 190,000 people in aerospace and technology.





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