



Plaza Del Rio

Confidential Offering Memorandum

28999 Old Town Front Street, Temecula, California

Partnership. Performance.

CAPITAL MARKETS GROUP



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Investment Highlights

Outstanding Owner / User Opportunity

- Plaza Del Rio is a unique opportunity to acquire a 22,013 square foot, two-story, elevator served, office building as a potential owner-occupied location boasting excellent access to a major Interstate Highway.
- Represents the only purchase option for a free-standing, single-user office building from 10,000 - 40,000 square feet in Temecula Valley at the time of initial offering.
- Timeless Spanish style architecture.
- Flexible to accommodate medical and professional uses due to extensive in-place wet and dry utility distribution throughout plus ample on-site and street parking.
- Short-term in place occupancy provides passive cash flow and expansion capabilities in the event an owner-occupant does not require all the space (contact leasing agents for details).
- Potential for roof-top freeway visible signage. Monument signage at Old Town Front Street which is visible to over 10,000+ cars daily.
- Within walking distance to various retail, professional, hotel and restaurant amenities.

OFFERING SUMMARY

Plaza Del Rio	
Location:	28999 Old Town Front Street Temecula, CA 92590
ASKING PRICE:	\$3,300,000.00
Building Size:	22,013 square feet
Land Area:	0.89 acres
Parking:	4.00 per 1,000 square feet
Ownership:	Fee Simple

Extensive Improvements Completed March 2017

- Recent interior / exterior renovations include: complete exterior paint job, new flooring, new street front monument signage, tasteful landscape upgrades and new irrigation system as well as interior common area paint, electronic suite directory signage, electronically controlled door locks at building entries for enhanced security, upgraded LED common area lighting and more.

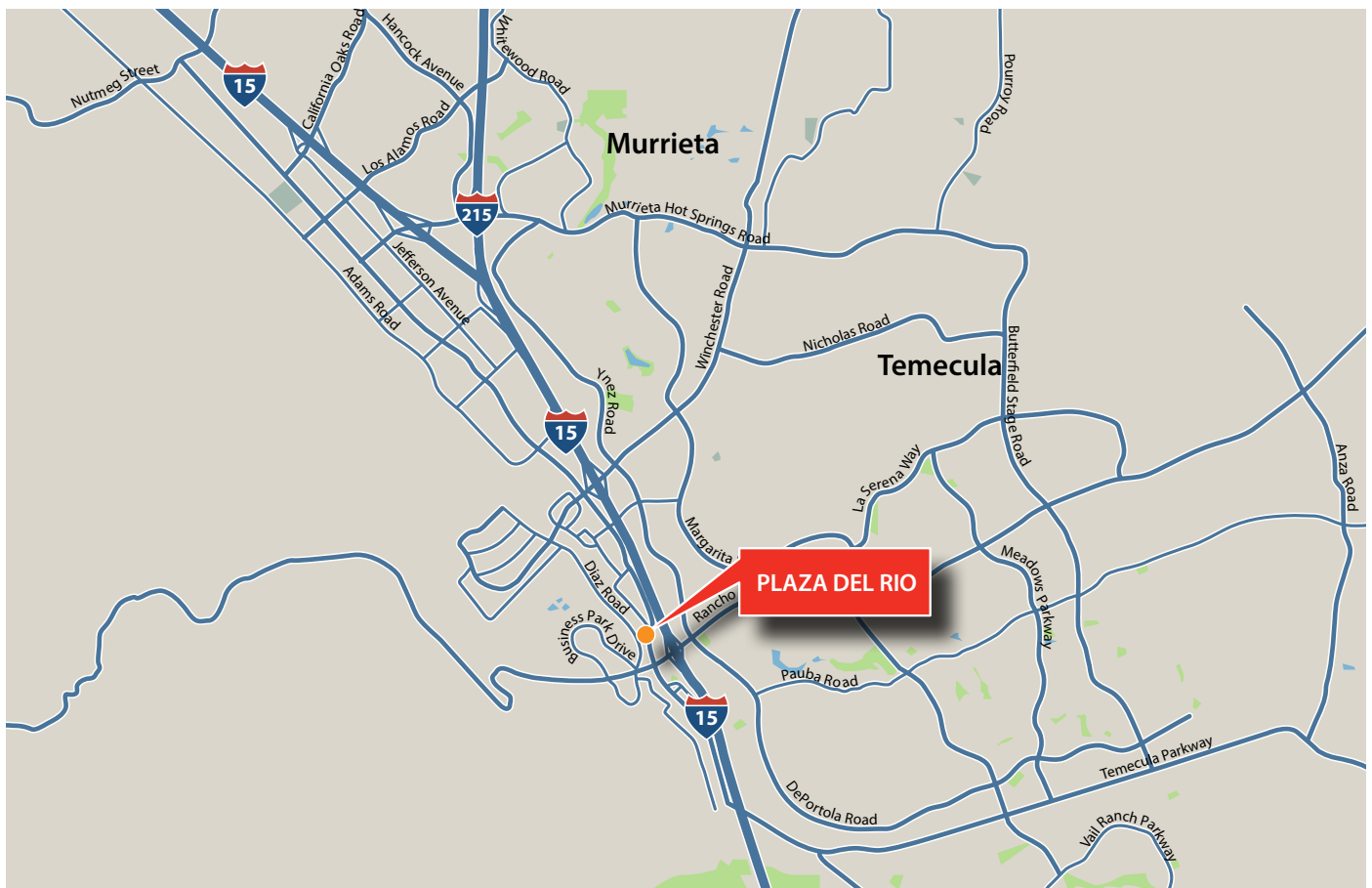
Public Works Circulation Improvement Project

- ±50M+ Temecula Parkway / I-15 Interchange improvement project currently under construction



Premier South West Riverside Location

- Strategically situated near the convergence of the Interstate 215 and 15 freeways with direct access to the Orange County and Riverside County marketplaces (via I-15 and I-215 north) and the San Diego County marketplace (via I-15 south and Highway 78 west).
- Only 15 miles east of the Pacific Ocean and 4 miles south of the French Valley Airport.
- Old Town Temecula is less than a mile away and offers some of the area's best retail, restaurant, night-life and entertainment for the entire family.
- Additional area comforts include resorts, wine country, Pechanga Resort and Casino and the Promenade Regional Mall.
- Pechanga Resort and Casino is under construction on a \$285 M expansion project which includes a new wing of hotel rooms, a resort-style pool complex, a large showroom designated to attract A-list stars, a huge new spa, two new restaurants and more space for special events.
- One of the fastest growing and centrally located business districts on the West Coast - The City of Temecula offers a cost-effective and business-friendly environment and provides access to a highly skilled labor force, high-quality of living and a surplus of available affordable housing, making it a successful location for a wide variety of professional service firms and high technology companies.
- Affluent trade area demographics - average household incomes of \$98,349 in the 5-mile trade area and \$89,697 in the 3-mile trade area.
- Poised to benefit from the influence of growing technology and biotechnology companies, Temecula sees a strong future business growth potential.



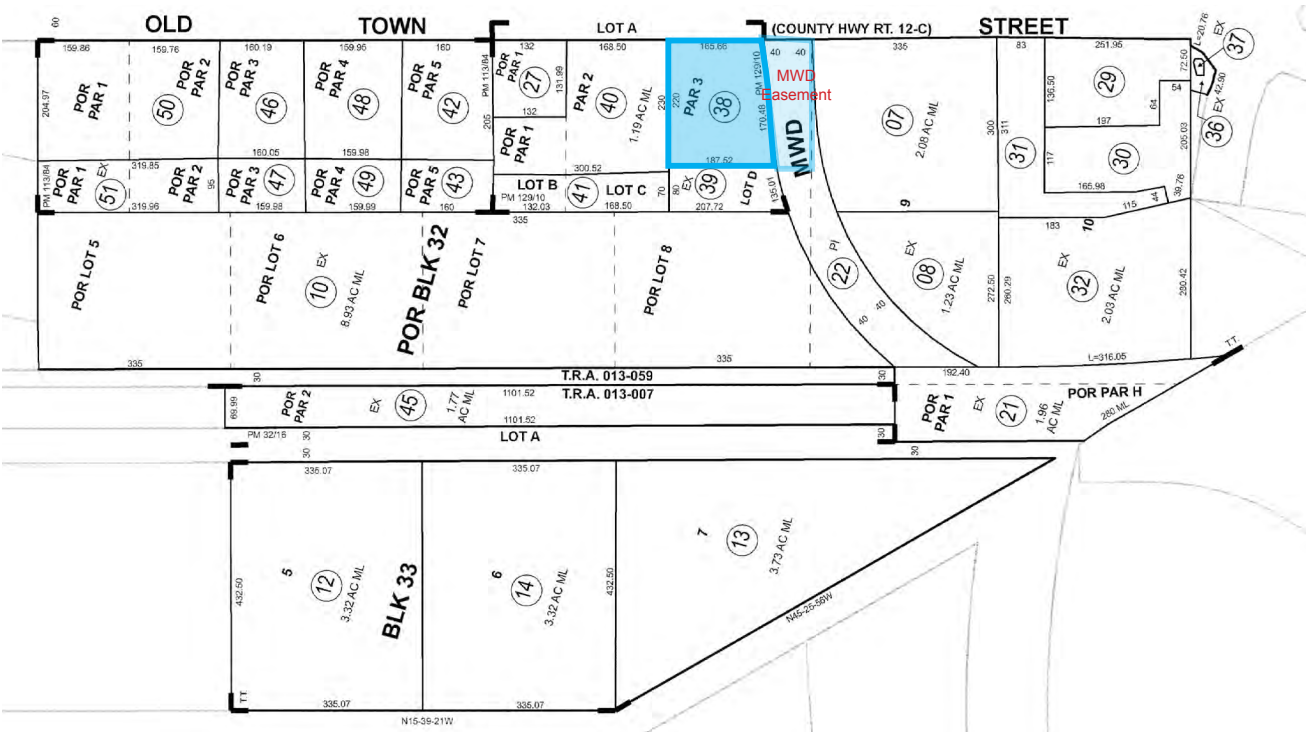
PROPERTY DESCRIPTION

Project Description

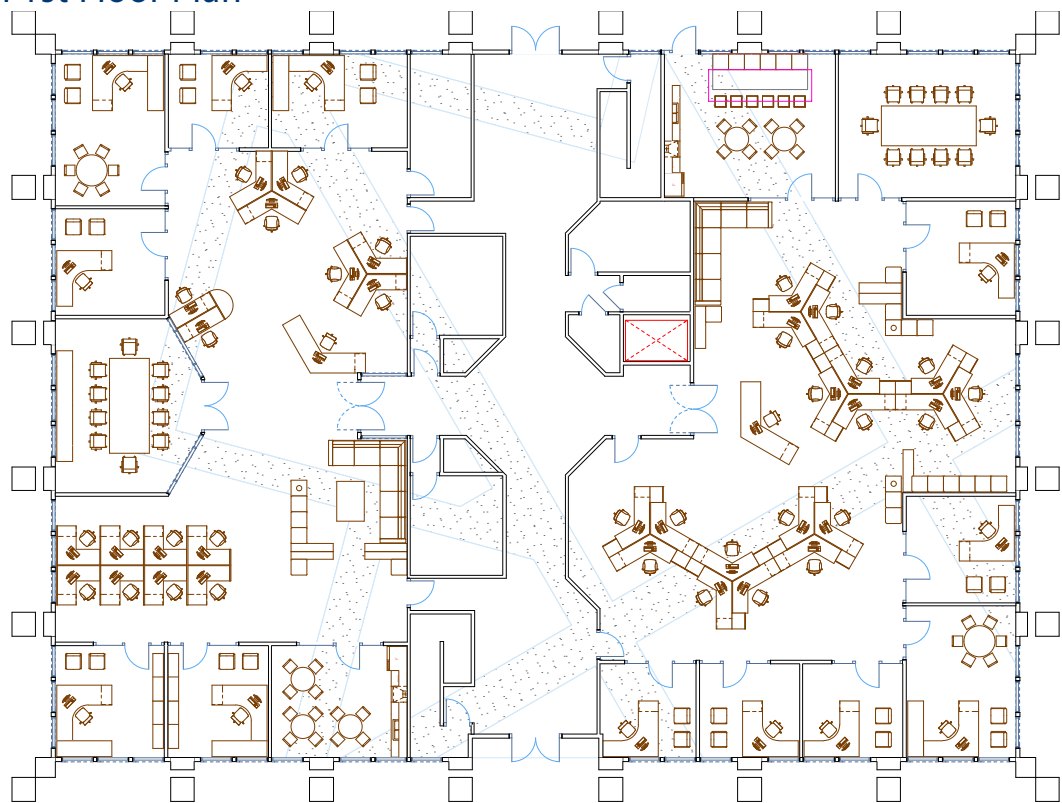
Address:	28999 Old Town Front Street	Stories:	Two (2)
City:	Temecula	Parking Ratio:	4.00 per 1,000 square feet
State, Zip:	California 92590	HVAC:	(18) roof mounted units
APN:	922-110-038	Construction Type:	Wood frame
Building Size:	22,013 square feet	Elevator:	Yes
Land Size:	0.89 acres	Slab-to-Slab Height:	12 feet
Year Built:	1986	Zoning:	SC (Service Commercial)



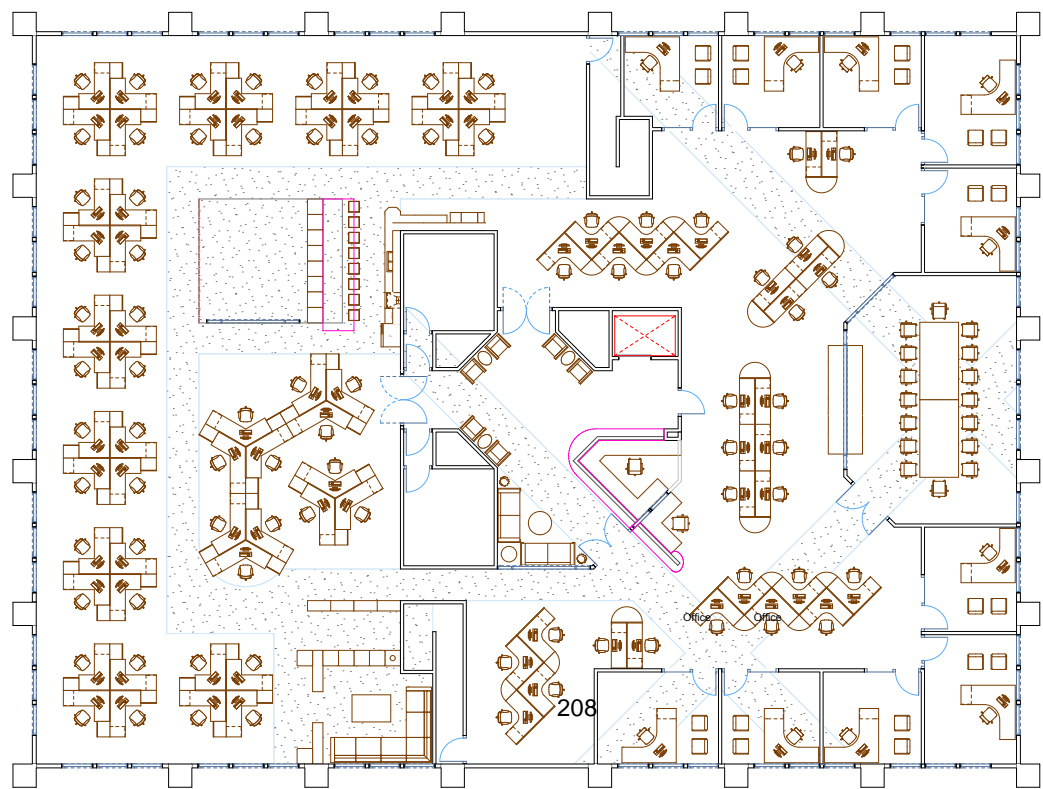
Parcel Map



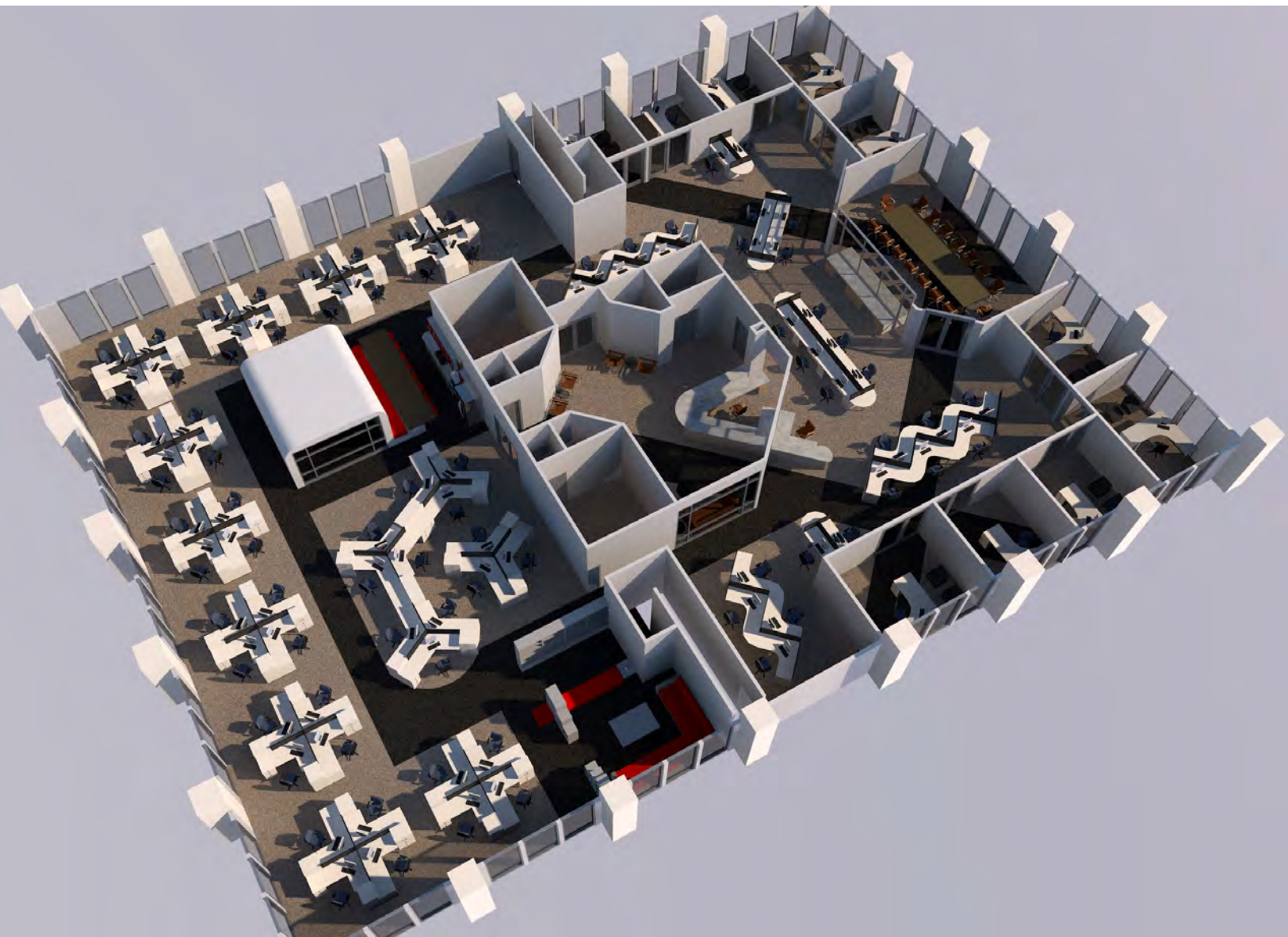
Conceptual 1st Floor Plan



Conceptual 2nd Floor Plan



Second Floor



Second Floor





Owner of Plaza Del Rio was granted an easement on perpetuity of ingress, egress, roads, water lines, public utilities, traffic, pipelines or utility improvements or placement over, upon and across those portion of that certain 80.00 foot strip of land described in the deed to the Metropolitan Water District of Southern California by deed recorded September 3, 1969.





REPLACEMENT COST

Land Size	38,768	SF	
Building Size	22,013	SF	
HARD COSTS			
Land Acquisition Cost	\$13.00		\$503,989.00
Hard Costs	\$95.00		\$2,091,235.00
Tenant Improvements	\$50.00		\$1,100,650.00
TOTAL HARD COSTS			\$3,695,874.00 74%
Cost Per Square Foot			\$167.90
SOFT COSTS			
Architect & Engineer	2.00%		\$73,917.00
Property Taxes	1.11%	Hard Cost	\$41,172.00
Insurance	\$0.36	PSF	\$7,925.00
Development Fees	\$10.00	PSF Building Area	\$220,130.00
Legal Fees	1.00%	Hard Cost	\$36,959.00
Developer's Fee	10.00%	Hard Cost	\$369,587.00
Load Fee	1.00%	Hard Cost	\$36,959.00
Contingency	5.00%	Hard Cost	\$84,794.00
Interest on Land Carry	3.00%	Land Cost	\$15,120.00
Interest on Construction	5.00%	Hard Cost	\$184,794.00
Lease Up Interest	3.00%	Hard Cost	\$110,876.00
Leasing Commissions	0.00%	PSF	\$0.00
TOTAL SOFT COSTS			\$1,282,232.00 26%
Cost per square foot			\$58.25
TOTAL DEVELOPMENT COSTS			\$4,978,107.00 100%
Cost Per Square Foot			\$226.14

Economic Rent Calculation

Replacement Costs		\$226.14
Required Return	10.00%	\$22.61
Operating Expenses	\$0.00	\$0.00
Less Vacancy / Credit	5.00%	\$1.13
Economic Rent Required, PSF Per Year (NNN)		\$23.75
Economic Rent Required, PSF Per Month (NNN)		\$1.98



Temecula

Temecula is a place of rolling vineyards, historic traditions and modern conveniences combined to offer entertainment for people of all ages. Covering 30,169 square miles, Temecula is centrally located along the I-15 and I-215 freeway corridor in Southwest California, just north of the San Diego county line. Branded as Southern California Wine Country, Temecula has award winning schools, higher educational opportunities, vast array of parks and trails, diverse shopping and dining options and beautiful residential communities. With its beautiful wine country, charming Old Town and four-diamond Pechanga Resort & Casino, Temecula remains a premier city within Southwest Riverside County. With a population of more than 100,000, this city continues to build on its success; it attracts those who demand a high quality of life.

Over the past two decades, the City of Temecula has evolved into a innovative, dynamic City and a regional economic center for Southwest Riverside County, all while retaining its small town feel and character. Many families began to move to the area from San Diego and Orange County drawn by the affordable housing prices and the popular wine country. Temecula is an

affluent community. Supported by high median and mean income levels as well as the city's favorable tourist and resort industries, the city is a prominent tourist destination. Temecula remains the ideal city for relocating, expanding and developing a new project in Southern California.

Located in the heart of Temecula, Old Town Temecula blends historic 1880's buildings with over 640 antique dealers, unique shopping and restaurants. Old Town Temecula is the site of many special events including car shows, semi-annual Road Runs, Western Days and summer weekend entertainment and also home to the Temecula Museum which features exhibits about the local band of Native Americans and the local natural history and city development.

The Temecula Valley boasts 153 holes at eight golf courses, including seven championship courses. The well-bunkered Oaks at Temecula Creek Inn is known for its tree-lined beauty and playability, while Pechanga's Journey will take your breath away on the sixth hole, where the intimidating 175-yard drop may make your knees quiver during your tee shot.



AREA OVERVIEW

Temecula has a perfect climate for serene and beautiful hot-air ballooning adventures and award-winning wineries nestled in 3,000 acres of picturesque wine country but that's just the beginning. The community's mix of entertaining activities and friendly residents makes visitors want to return again and again.

The Pechanga Band of Luiseno Indians built the current Pechanga Resort and Casino complex in 2001 and began a \$285 expansion project in 2016. Linked together in an architectural design that subtly highlights the tribe's Luiseno culture, the facility includes a vast 188,000 square foot gaming floor, that makes Pechanga the biggest casino in California. Designed with player comfort in mind, the casino is equipped with a state-of-the-art filtration system and offers extensive non-smoking areas. Pechanga Resort and Casino is Temecula Valley's largest employer, with over 4,000 people employed.



TEMECULA DEMOGRAPHICS

Census 2010 Summary

Population:	100,107
Household:	31,7840
Median Age:	33.4

Census 2017 Summary

Population:	110,802
Household:	35,004
Median Age:	34.5
Median Household Income:	\$84,322
Average Household Income:	\$101,330

Census 2022 Estimated

Population:	118,834
Household:	37,345
Median Age:	35.0
Median Household Income:	\$92,870
Average Household Income:	\$115,271

Trends: 2017 - 2022 Annual Rate

Population:	1.41%
Household:	1.30%
Median Household Income:	1.95%

Temecula Top Employers

Company Name	Products / Services
Pechanga Resort & Casino	Tourism / Resort
Temecula Valley Unified School District	Education
Abbott Laboratories	Medical Device Innovations
Professional Hospital Supply	Medical Supplies
International Rectifier / Hexfe	Power semi-conductors & related devices
Channell Commercial Corporation	Radio / TV Communications Equipment
DCH Auto Group	Automobile Dealership
Milgard Manufacturing	Custom Windows & Tempered Glass
Opto 22	Electric / Automation Controls
Airbus DS Communications	Emergency Response Systems
Tension Envelope	Envelope Manufacturer
Southwest Traders	Distributor Dry Goods
FFF Enterprises	Biopharmaceutical
Southwest healthcare	Healthcare

Riverside County

Riverside County is one of the fastest growing counties in the United States, leading the rapidly changing Inland Empires market, with rivers, mountain peaks, deserts and fertile valleys, Riverside County offers diversity that few locations can match. More than two million people live in Riverside County, making it the fourth most populous county in California, taking advantage of affordable housing, nearby beaches, mountains, hiking and bike trails, the Wine Country near Temecula and resorts that offer oases in the desert. Riverside County covers 7,208 square miles on Southern California. Together, Riverside and San Bernardino Counties have been dubbed the Inland Empire.

California’s fourth largest county by population is expanding its economy, working to diversify beyond the housing industry that has driven the region’s economy for years.

Centrally located in the heart of Southern California, Riverside County borders San Bernardino, Orange and San Diego Counties. Interstate 10 runs through the entire County from east to west, and Interstate 15 and 215 connect Riverside County with San Diego County and San Bernardino County. Highway 60 and 91 link Riverside County to Los Angeles and Orange Counties. Attractive to many businesses, rail service connects Riverside County businesses with important markets, ports of entry and key airports to expedite major national and international commerce transactions. Metrolink accommodates a large number of commuters from Riverside to Los Angeles, Orange and San Bernardino Counties. In addition, Riverside County is presently served by 3 airports including the rapidly expanding Ontario International Airport, Palm Springs International Airport and San Bernardino International Airport.

RIVERSIDE DEMOGRAPHICS

Census 2010 Summary	
Population:	2,189,641
Household:	686,260
Median Age:	33.7
Census 2017 Summary	
Population:	2,388,710
Household:	741,071
Median Age:	34.6
Median Household Income:	\$60,180
Average Household Income:	\$83,526
Census 2022 Estimated	
Population:	2,542,192
Household:	583,386
Median Age:	35.3
Median Household Income:	\$66,148
Average Household Income:	\$94,665
Trends: 2017 - 2022 Annual Rate	
Population:	1.25%
Household:	1.16%
Median Household Income:	1.91%



Inland Empire

The largest region of Southern California, the Inland Empire, comprises of both Riverside and San Bernardino Counties, is one of the most significant economies in the United State. It has been rated in the top tier for various measures of growth from population and job creation to construction and office space absorption over the last decade. It is generally considered to be the area between the southern coastal areas of Orange County, Los Angeles and the Palm Springs, California and other desert cities. Inland Empire contains over 50 cities, including Riverside, San Bernardino, Rancho Cucamonga, Ontario and Temecula's Wine Country to the south.

The U.S. Census Bureau-defined Riverside - San Bernardino - Ontario metropolitan area covers more than 27,000 square miles (70,000 km²) and has a population of approximately 4 million. Most of the area's population is located in southwestern San Bernardino County and northwestern Riverside County. At the end of the 19th century and since the 1970s a rapidly growing population, fed by families migrating in search of affordable house, has led to more residential, industrial and commercial development.

The Inland Empire is poised for extreme growth and has added over half a million people on the past five years, bringing the current population to 4.4 million. The Southern California work force has been migrating to the Inland Empire for reasons such as affordable land, excellent quality of life and relatively lower housing prices couples with efficient and multiple transportation routes. In fact, the Riverside - San Bernardino primary metropolitan statistical area is California's 2nd and the Nation's 12th most populous region. The Inland Empire market continues to be one of the largest and most dynamic areas in the country, with diminishing land supply as well as steady absorption and demand, the area is poised for continued success. The area benefits from its infrastructure and the growing population who would prefer to live and work in the same community. There are many factors that continue to contribute to the sustained economic growth of the Inland Empire. These include:

- The Inland Empire offers a strategic West Coast location, vast amounts of available land for future

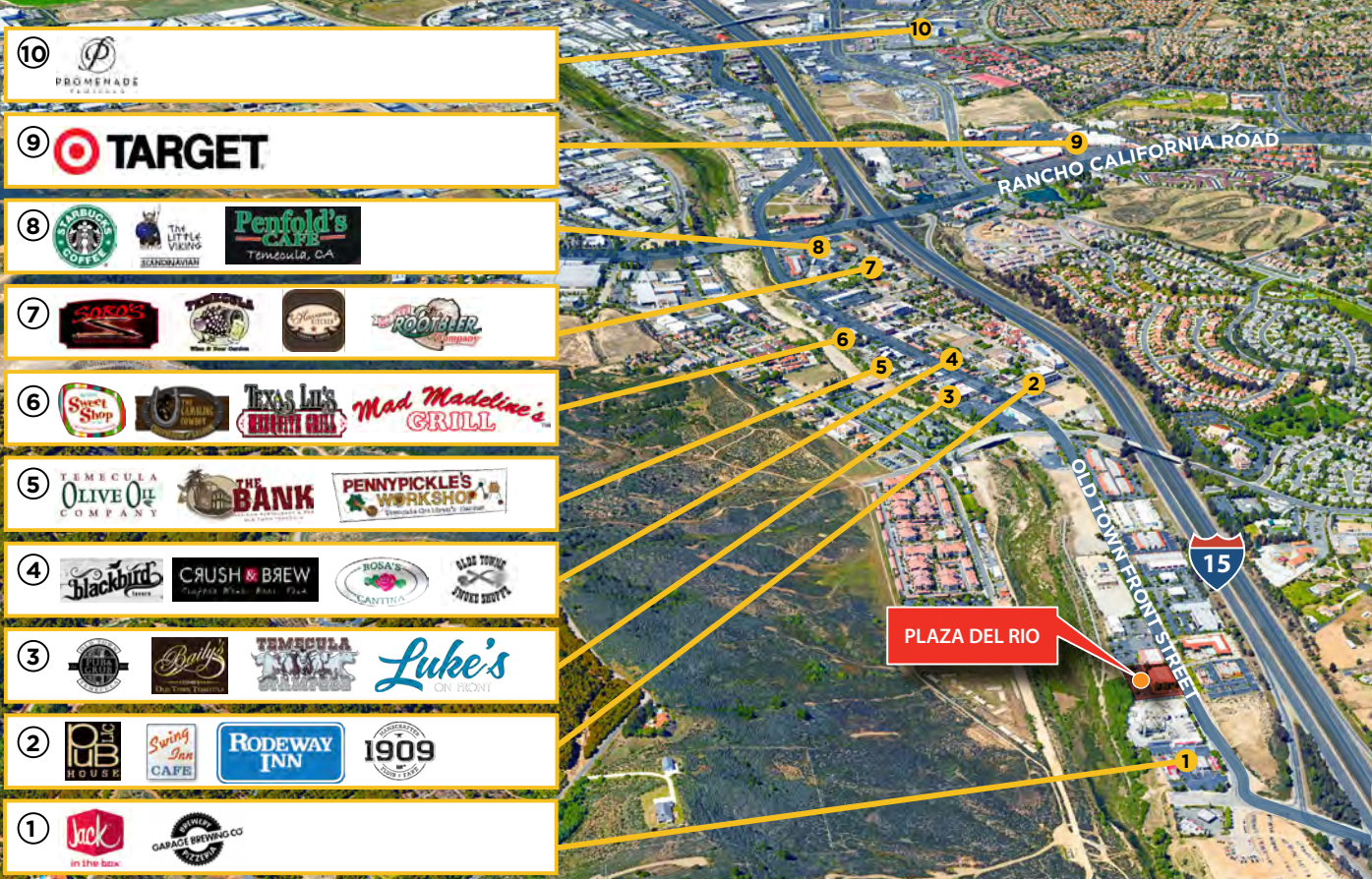
growth, a highly-skilled and educated work force, a sophisticated transportation infrastructure and access to 27 colleges and universities, including seven research institutions. The area features a changing economic landscape with emerging technological productivity and employs an excess of 1 million people. The Inland Empire is also one of America's most unique regions, featuring impeccable mountains, lakes, deserts and ample recreation and sporting activities, all within an hour drive to the shores of the Pacific Ocean.

- Each year, million people visit the county to take advantage of the glorious desert winter, attend the Riverside County Fair and National Date Festival, the Balloon and Wine Festival, the Palm Springs International Film Festival, the Coachella and Stagecoach mega-concerts, the Paribas Open at the Indian Wells Tennis Center and the Humana Challenge, the golf tournament formerly known as the Bob Hope Classic. All those, joined with a rich, cultural heritage and frontier history, make Riverside County a great place to live, work and visit.



AREA OVERVIEW

Area Amenities



Area Development



For More Information Please Contact:

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