

FOR SALE OR LEASE IN
OPPORTUNITY ZONE:
PALMDALE, CA

EXTREMELY RARE GATEWAY PROPERTY

CBRE

APPROXIMATELY
**27.8 ACRES
OF LAND**
AVAILABLE FOR SALE
OR LONG-TERM
GROUND LEASE

ADJACENT TO
FREEWAY 14
AT PALMDALE BLVD.
OFFRAMP WITH
EXCELLENT ACCESS
AND VISIBILITY

LOCATED WITHIN
AN OPPORTUNITY
ZONE WITH
ACCOMPANYING TAX
INCENTIVES

IDEALLY
SUITED FOR
**MAJOR RETAIL
DESTINATION**





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MARKET OVERVIEW

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An aerial photograph of a large, undeveloped plot of land, likely a residential or commercial site. The land is mostly flat and appears to be in a semi-arid region. To the left, there is a residential area with houses and streets. A major highway, the Antelope Valley Freeway, runs vertically through the left side of the image. To the right, there are more developed areas with buildings and parking lots. A large red number '1' is overlaid on the top left corner of the image.

1

PROPERTY INFORMATION

San Mateo Ave

Antelope Valley Fwy

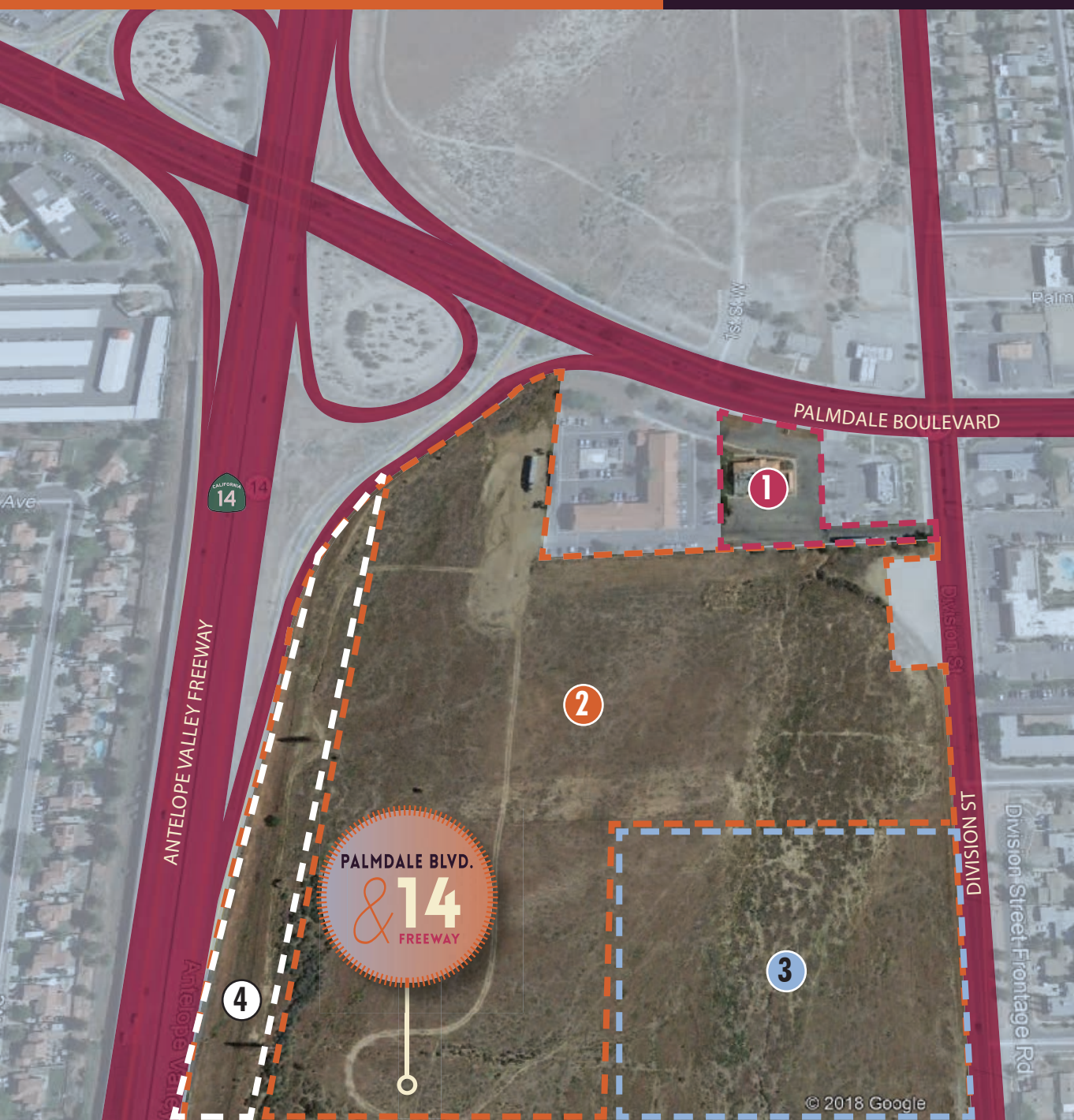
Ave Q-10 E

Division Street Frontage Rd

Carolside Ave

Tantor Rd

PROPERTY INFORMATION



1 120 W. PALMDALE BLVD.

APN	3009-026-004
YEAR BUILT	1968
BUILDING AREA	±5,253
LOT AREA	±56,666
ZONING	PDCPD*

2 VACANT LAND

APN	3009-026-012
LOT AREA	±834,211 SF
ZONING	PDCPD*

3 VACANT LAND

APN	3009-026-011
LOT AREA	±250,012 SF
ZONING	PDCPD*

4 VACANT LAND

APN	3009-026-005
LOT AREA	±129,622 SF
ZONING	PDCPD*

THE OFFERING

PROPERTY OVERVIEW

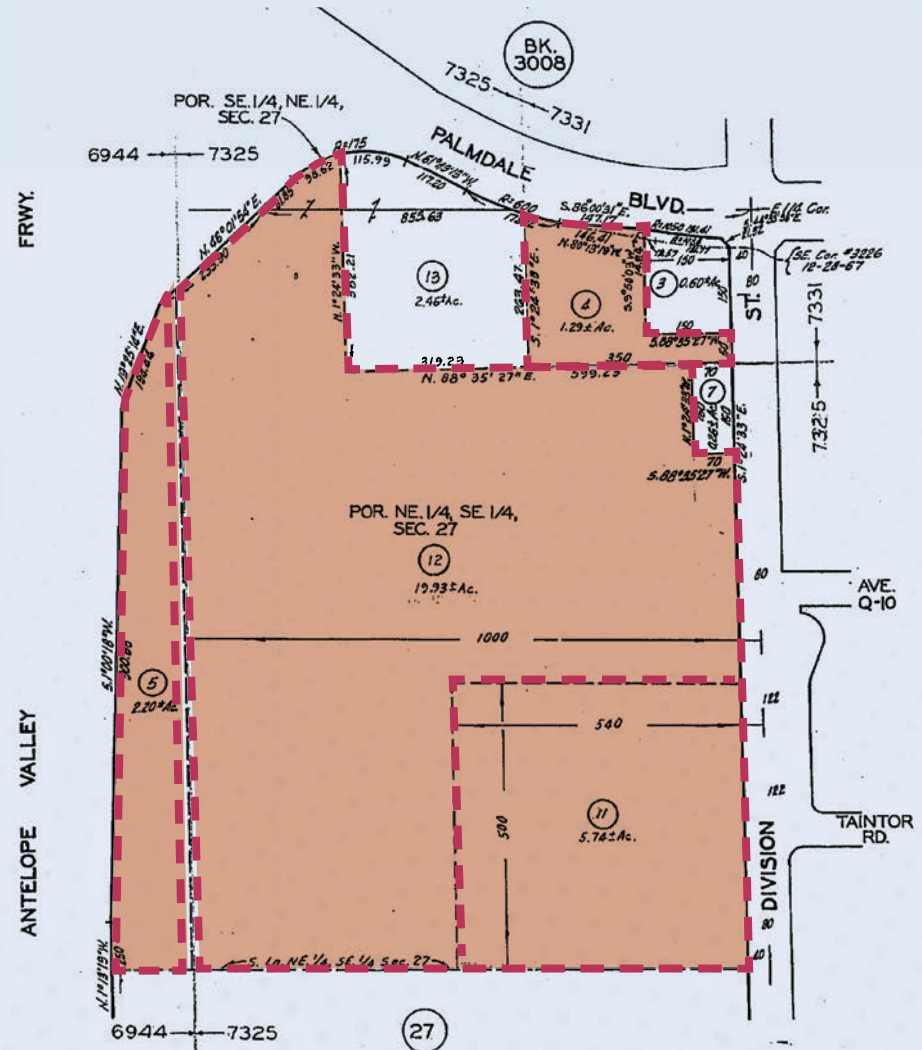
STRATEGICALLY
LOCATED, GATEWAY
TO PALMDALE

LOCATED WITHIN
AN OPPORTUNITY
ZONE WITH
ACCOMPANYING TAX
INCENTIVES

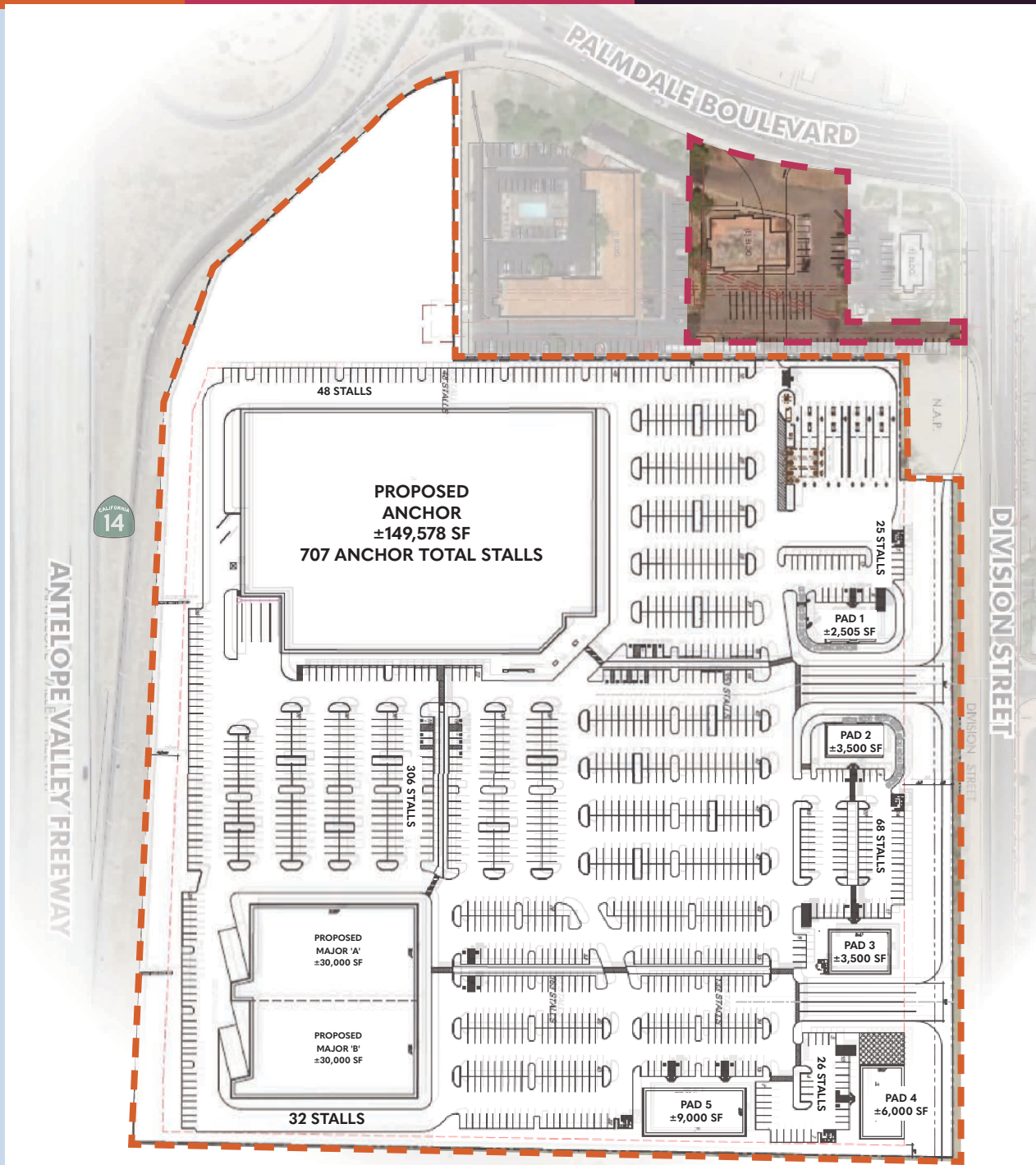
EXCELLENT
SHOPPING CENTER
OR MIXED-USE
DEVELOPMENT SITE.

ZONING

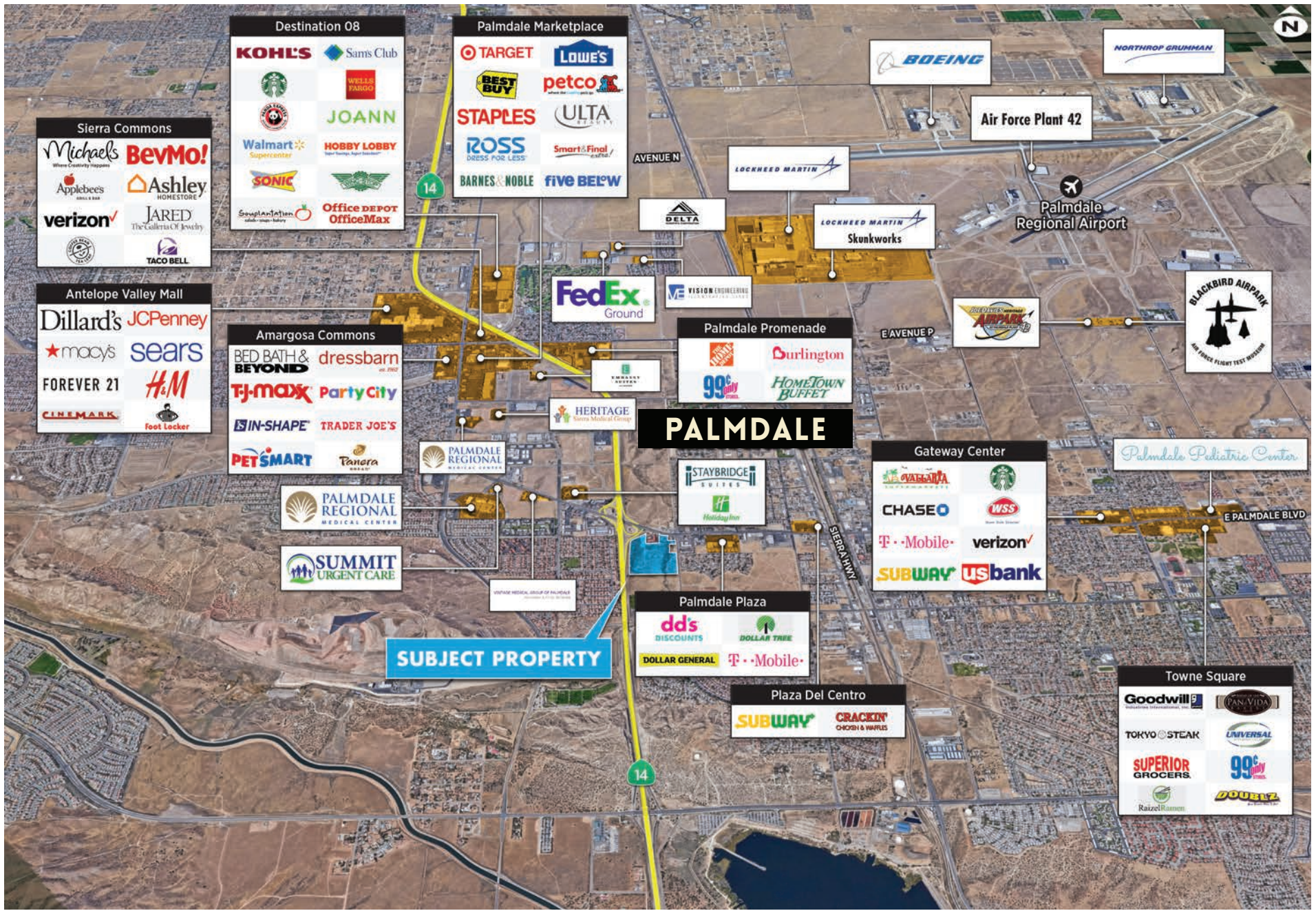
Because the property exceeds 20 acres in size, the site can be processed through the city for entitlements as a planned development. That designation offers the city the flexibility to partner with the developer to accommodate a change in zoning to allow mixed-use (residential and commercial) as well as make allowances with respect to density, parking, set backs etc. to modify existing Palmdale development standards.



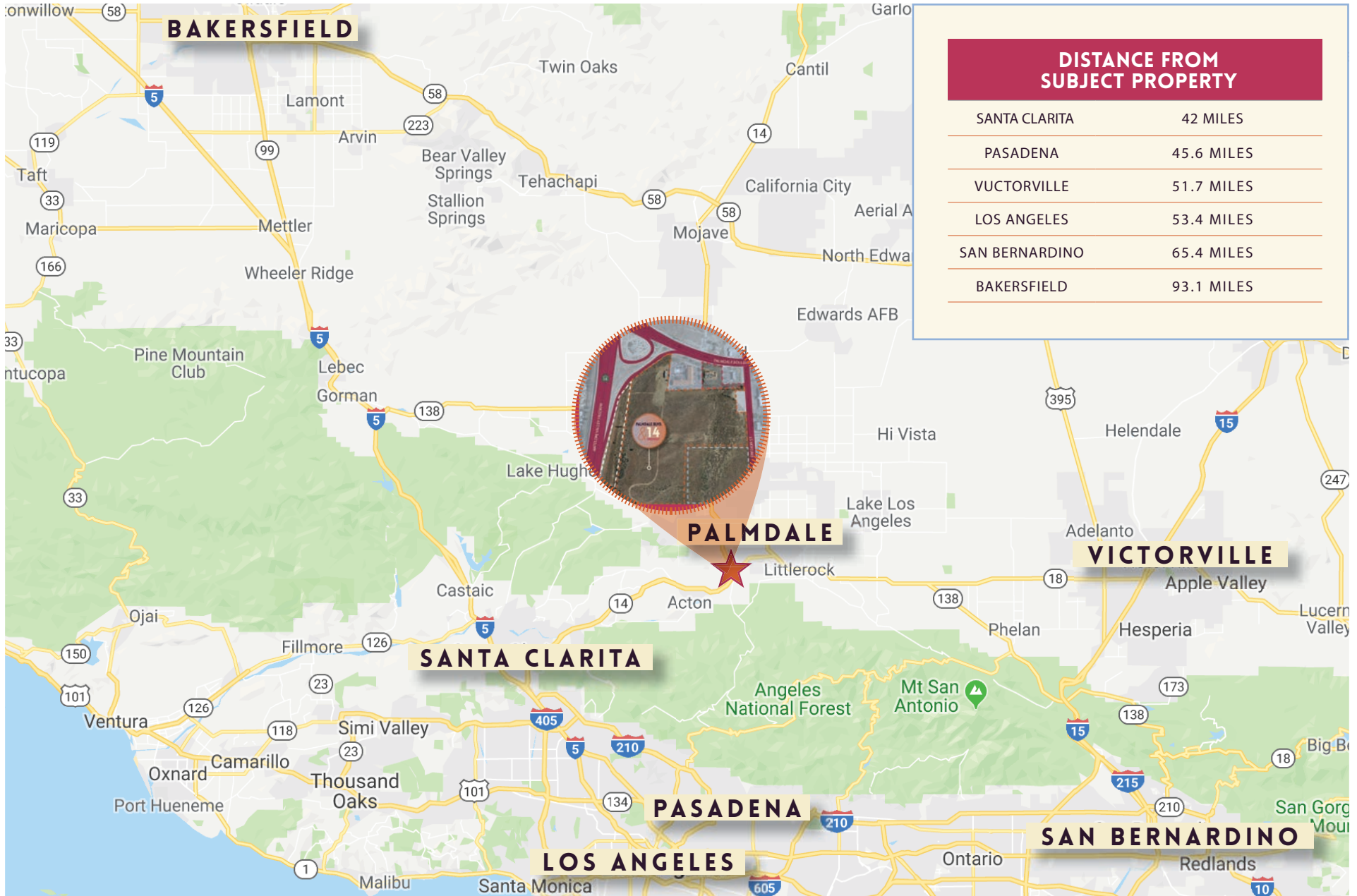
PRELIMINARY SHOPPING CENTER PLAN



AMENITY MAP

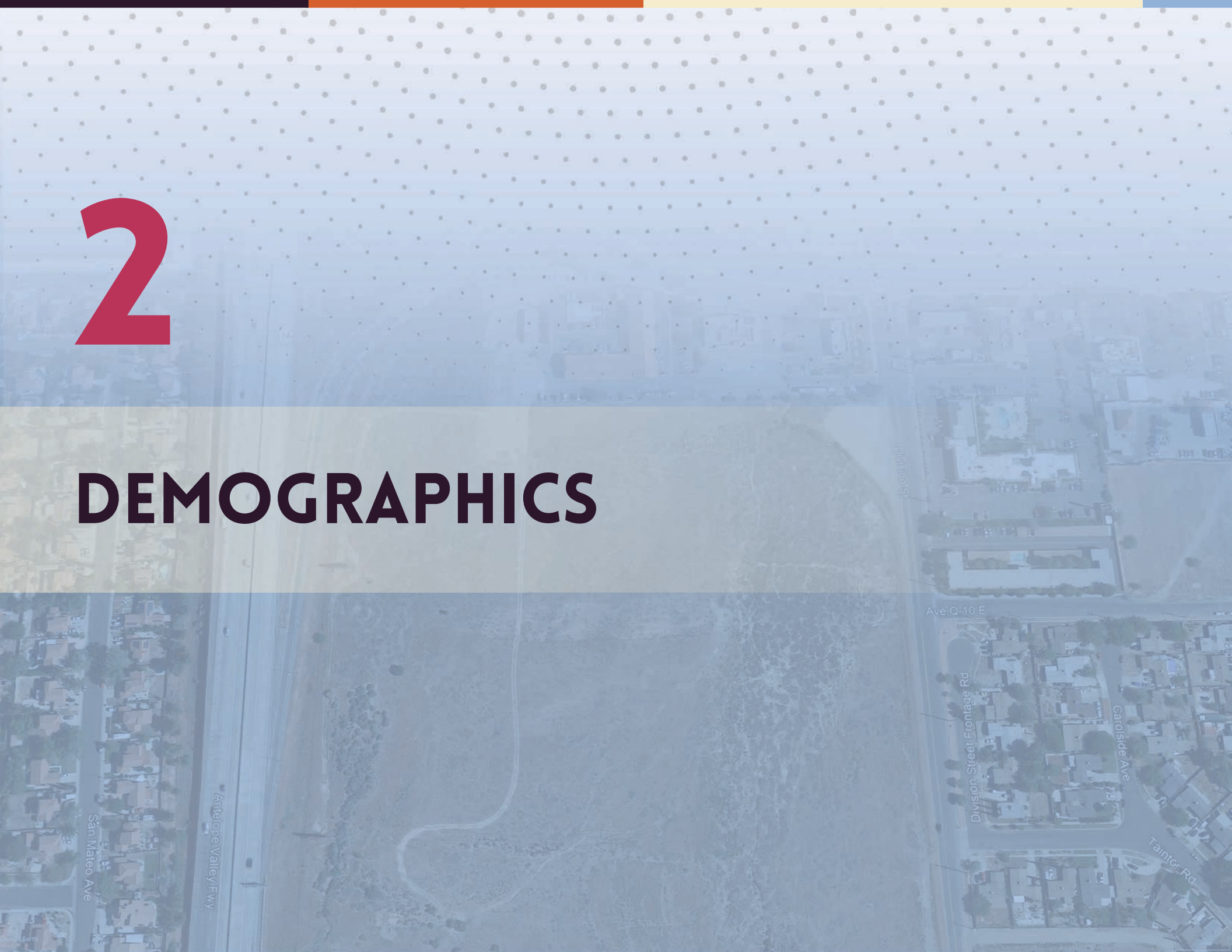


LOCATION MAP



2

DEMOGRAPHICS



DEMOGRAPHICS



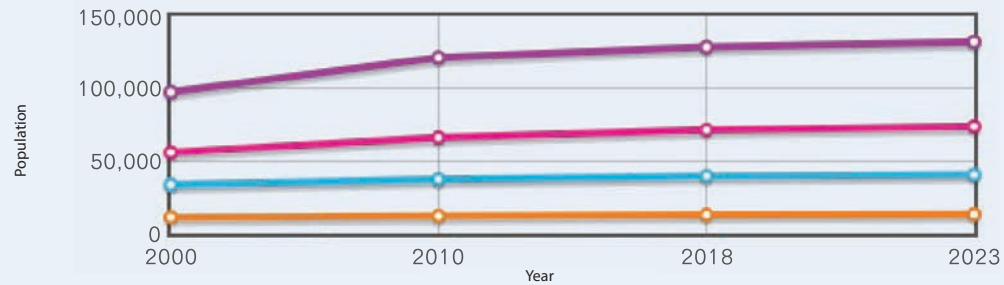
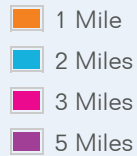
PLACE OF WORK

	1 Mile	2 Miles	3 Miles	5 Miles
2018 Businesses	604	1,331	2,076	3,011
2018 Employees	5,892	14,093	22,873	31,652



POPULATION

	1 Mile	2 Miles	3 Miles	5 Miles
2000 Population - Census	11,165	33,601	55,899	97,451
2010 Population - Census	12,014	37,178	66,117	121,235
2018 Population - Current Year Estimate	12,851	39,456	71,271	128,493
2023 Population - Five Year Projection	13,218	40,581	73,751	132,043



POPULATION GROWTH

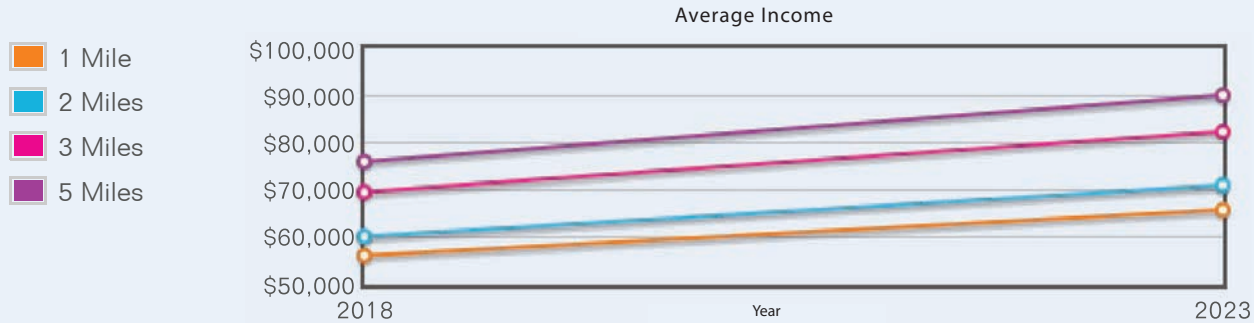
	1 Mile	2 Miles	3 Miles	5 Miles
2010-2018 Annual Population Growth Rate	0.82%	0.72%	0.91%	0.71%
2018-2023 Annual Population Growth Rate	0.56%	0.56%	0.69%	0.55%

DEMOGRAPHICS



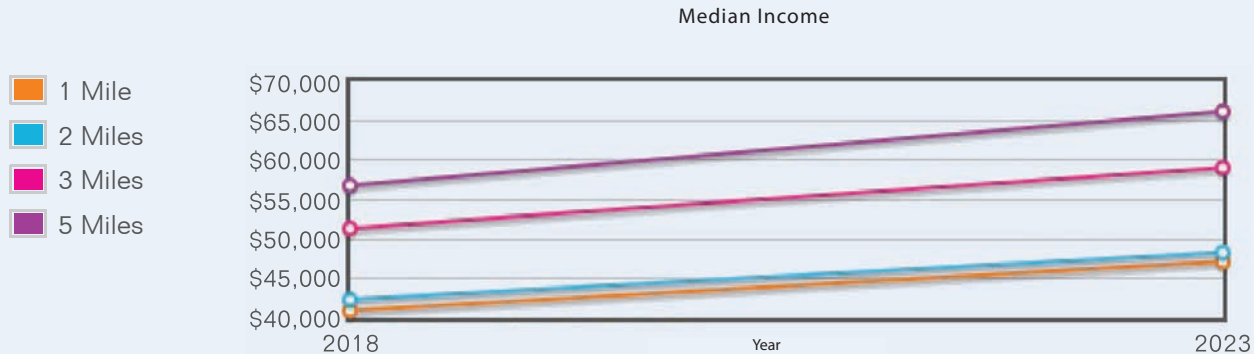
AVERAGE INCOME

	1 Mile	2 Miles	3 Miles	5 Miles
2018 Average Household Income	\$56,202	\$60,224	\$69,618	\$75,963
2023 Average Household Income	\$65,875	\$71,013	\$82,304	\$90,037



MEDIAN INCOME

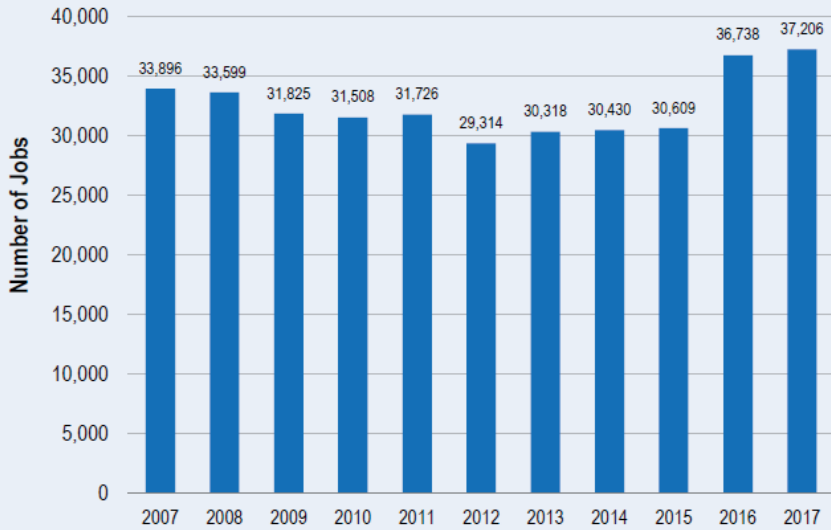
	1 Mile	2 Miles	3 Miles	5 Miles
2018 Median Household Income	\$40,943	\$42,320	\$51,362	\$56,740
2023 Median Household Income	\$47,139	\$48,286	\$59,004	\$66,144



Source: ©2019 CBRE. This information has been obtained from sources believed reliable. We have not verified it and make no guarantee, warranty or representation about it. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs. Source: Esri ProjectID:446816

DEMOGRAPHICS - JOB GROWTH

TOTAL JOBS: 2007-2017



Sources: California Employment Development Department, 2007 - 2017; InfoGroup; & SCAG

JOB GROWTH

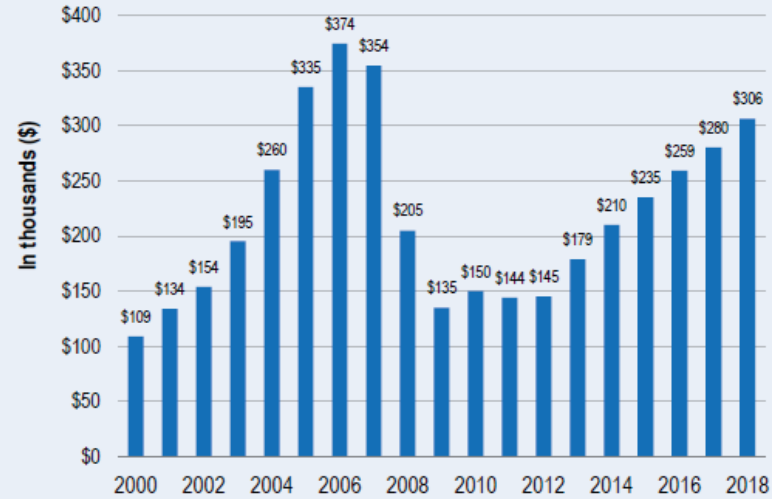
Antelope Valley is a growing hub nationally for aerospace development. Plant 42 in Palmdale houses the major aerospace companies: Northrop Grumman, Lockheed Martin, Boeing etc. Employment growth necessary to meet the awarded defense contracts over the next five years will add more than 500 engineers per year.

Add the multiplier effect of service jobs which will accompany the six figure engineering salaries and medical professionals, Palmdale will add over 1,000 jobs per year through 2023.

HOUSING

Palmdale is poised to start construction on a number of new market rate apartment projects, condos and townhomes to meet the housing needs of the new millennials coming to the engineering and medical professional jobs in Palmdale.

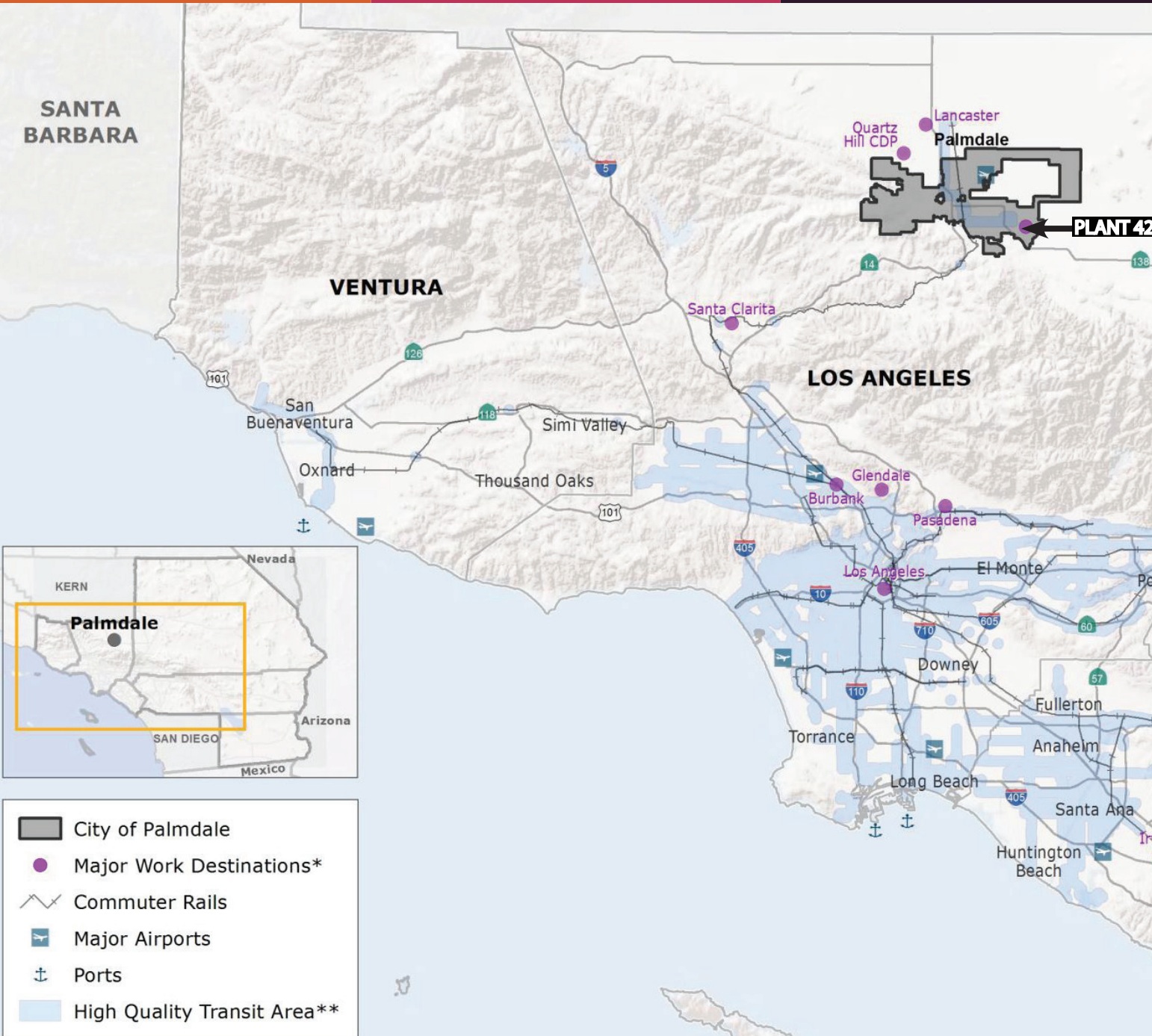
MEDIAN HOME SALES PRICE FOR EXISTING HOMES: 2000 - 2018



Source: CoreLogic/DataQuick, 2000-2018

- » **BETWEEN 2000 AND 2018, THE MEDIAN HOME SALES PRICE OF EXISTING HOMES INCREASED 181 PERCENT FROM \$109,136 TO \$306,500.**
- » **MEDIAN HOME SALES PRICE INCREASED BY 104 PERCENT BETWEEN 2010 AND 2018.**
- » **IN 2018, THE MEDIAN HOME SALES PRICE IN THE CITY WAS \$306,500.**
- » **NOTE: MEDIAN HOME SALES PRICE REFLECTS RESALE OF EXISTING HOMES, WHICH VARIES DUE TO TYPE OF UNITS SOLD.**
- » **ANNUAL MEDIAN HOME SALES PRICES ARE NOT ADJUSTED FOR INFLATION.**
- » **IN 2017, TOTAL JOBS IN THE CITY OF PALMDALE NUMBERED 37,206 AN INCREASE OF 9.8 PERCENT FROM 2007.**

DEMOGRAPHICS - MAJOR WORK DESTINATIONS



HISTORICALLY PALMDALE HAS BEEN A COMMUTER COMMUNITY - 70% DRIVING TO JOBS IN L.A. METRO AREA. THAT DYNAMIC IS SHIFTING AS MORE JOBS COME TO PALMDALE.

3

MARKET OVERVIEW

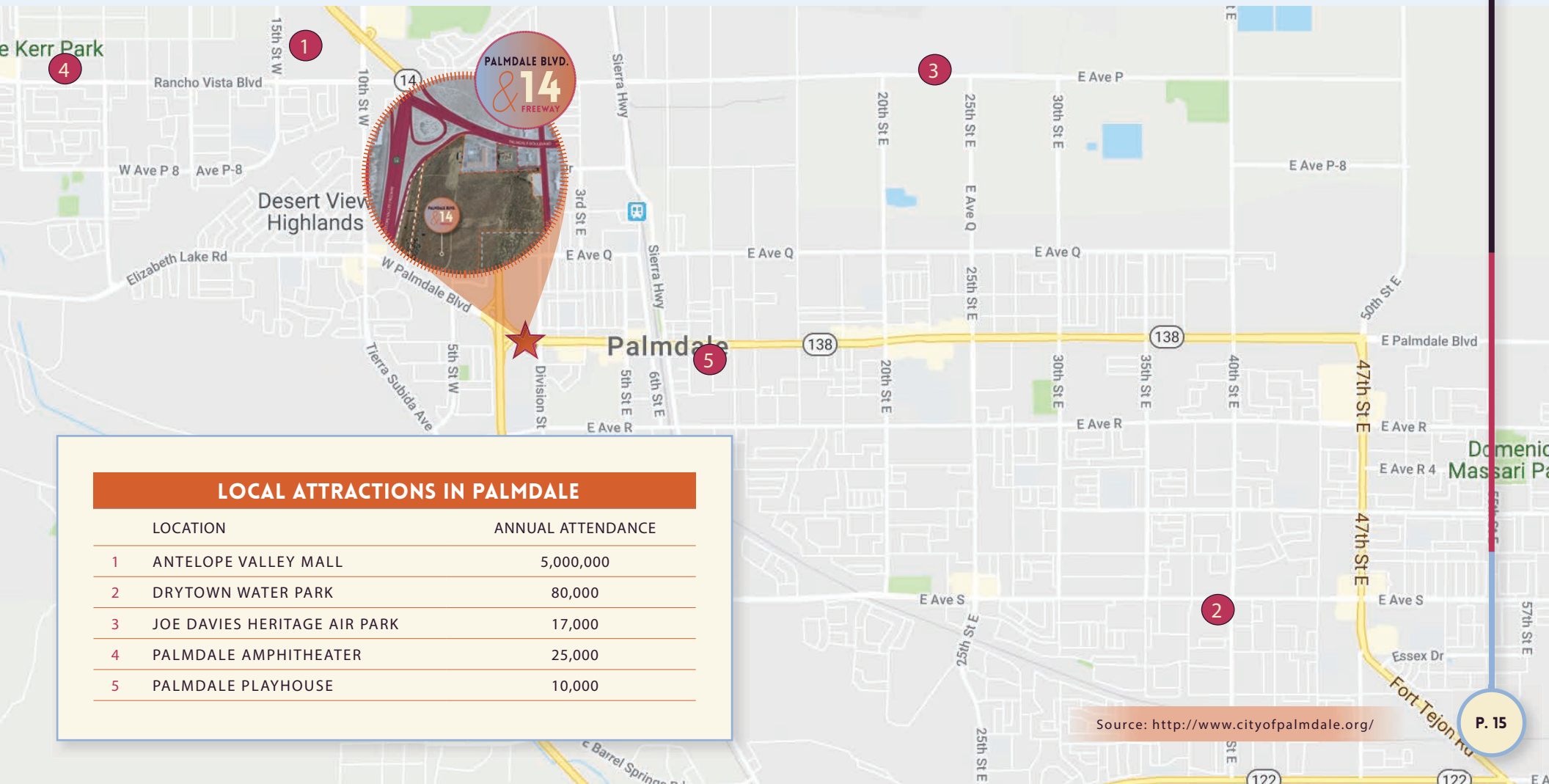


MARKET OVERVIEW - PALMDALE

The City of Palmdale is located in the High Desert region of Los Angeles County, approximately 60 freeway miles north of downtown Los Angeles.

The City of Palmdale has evolved from a small established agricultural town to a thriving urbanized city of more than 160,000 residents.

The City of Palmdale occupies a unique position. It lies at the entrance to the Antelope Valley, a spectacular location with strong physical assets including hillsides that define the western, southern, and eastern edges of town and an expansive central core. The City has been in a development boom with a potential to be an example to the region in terms of growth patterns.



LOCAL ATTRACTIONS IN PALMDALE

LOCATION	ANNUAL ATTENDANCE
1 ANTELOPE VALLEY MALL	5,000,000
2 DRYTOWN WATER PARK	80,000
3 JOE DAVIES HERITAGE AIR PARK	17,000
4 PALMDALE AMPHITHEATER	25,000
5 PALMDALE PLAYHOUSE	10,000

Source: <http://www.cityofpalmdale.org/>

MARKET OVERVIEW - PALMDALE

MAJOR EMPLOYERS IN PALMDALE

EMPLOYER	# OF EMPLOYEES
1 PALMDALE SCHOOL DISTRICT	1,792
2 NORTHROP GRUMMAN	2,100
3 LOCKHEED MARTIN	3,700
4 BOEING	850
5 PALMDALE REGIONAL MEDICAL CENTER	800



2

Northrop Grumman provides assembly, integration, testing and maintenance for aircrafts such as the B-2 Spirit, F-35 Lightning II and High Altitude-Long Endurance (HALE) systems, like the RQ-4 Global Hawk. Northrop Grumman's Palmdale Aircraft Integration Center of Excellence has been named the 2019 Quality Plant of the Year by Quality Magazine and was awarded a \$17.7 sales tax exclusion for the purchase of new equipment to expand and upgrade its aerospace manufacturing factory in Palmdale.

Source: <https://www.qualitymag.com/articles/95297-quality-plant-of-the-year-quality-takes-flight-at-northrop-grummans-palmdale-center-of-excellence>

Palmdale Regional Airport



3

Lockheed Martin Skunk Works has called Southern California home for more than 75 years and developed many aerospace firsts here, including the United States' first jet fighter, the world's first stealth fighter and the world's first 5th generation fighter. The Palmdale California-based unit of Lockheed Martin employs over 3,500 residents as of June 2018. That is half way to the near-term goal of about 4,000. On-boarding sessions for new employees are now scheduled twice a week.

Sources: <https://www.flightglobal.com/news/articles/analysis-does-skunk-works-hiring-binge-indicate-sec-449492/> <http://www.aerotechnews.com/blog/2019/01/05/lockheed-martin-skunk-works-announces-job-growth-continued-investment-in-southern-california/>



5

Desert View Highlands

Palmdale

Source: <http://www.cityofpalmdale.org/>

MARKET OVERVIEW - LANCASTER

HIGHLIGHTS

Lancaster, CA is the hub of the Antelope Valley and home to the beauty and clear blue skies of the California High Desert. Home to the Antelope Valley CA Poppy Reserve, Musical Road, and the Aerospace Walk of Honor, Lancaster has grown into a bustling urban destination, offering visitors an array of outdoor experiences with the backdrop of four seasons, local shopping, restaurants and entertainment. The city offers parklands, playgrounds, picnic areas and sports facilities. Their historic district features an array of boutiques, dining opportunities and entertainment.

In 1933 the United States Army Air Corps began conducting flight and weapons tests at Muroc Army Air Field (now Edwards Air Force Base) and Lancaster has grown steadily since that time. It is home to many employees of Edwards Air Force Base, as well as to employees of Boeing, Lockheed, and Northrop Grumman, all of which have manufacturing facilities at U.S. Air Force Plant 42 which is south of the Lancaster city limits.

ATTRACTIONS

- Willow Springs Raceway: Willow Springs International Motor sports Park is a 600-acre complex of eight racetracks embracing nearly every conceivable motor sports discipline.
- The Cat House: One of America's premier exotic animal sanctuaries.
- Boeing Plaza: The Boeing Plaza is a designated area on the corner of Lancaster BLVD and Sierra Hwy that highlights some of the greatest aviators known to the aerospace industry. It is composed of various monuments and tributes to honor these heroes and remember their significant achievements.
- Antelope Valley California Poppy Reserve: Each spring, the Antelope Valley California Poppy Reserve comes alive with a variety of wildflowers blooming around the park. The intense blooming season usually occurs from March through May.



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Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

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The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.



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