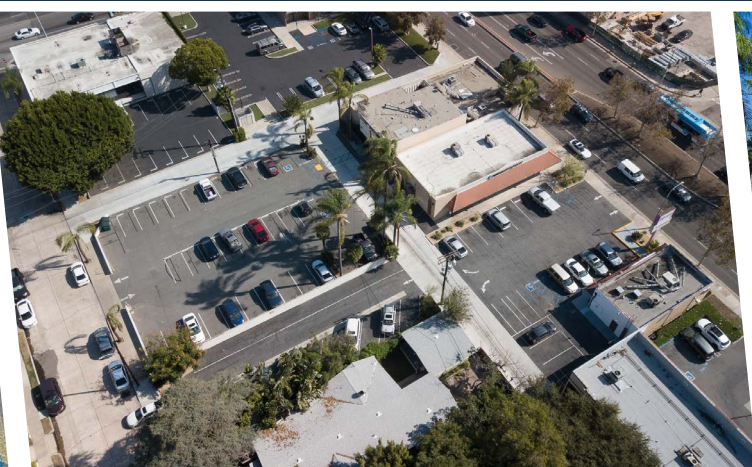




SANTA ANA, CA

# 17TH STREET RETAIL CENTER





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**BR** baskin  
robbins

 CAREMORE'S  
NIFTY *after* FIFTY

baskin **BR** robbins







One More NINETY & FIFTY

155

155

155





Main Street

17th Street

18th Street





## Executive Summary

List Price	\$2,100,000
CAP Rate	5%
Price Per Square Foot GLA	\$541.23
Price Per Square Foot Land	\$117.50

### Exceptional Investment Opportunity Located in Orange County, CA

- Located on 17th Street, North of Downtown Santa Ana, with a high level of daily activity and exposure to approximately 40,000 VPD.
- 17th Street is one of Santa Ana's main retail thoroughfares, stretching from Tustin in the East to Westminster in the West.
- Subject Property is located within the NEW Opportunity Zone. See page 9 for further information.

### Long-term Operating History with NNN Leases

- Excellent tenant operating history provides a passive stream of income from seasoned tenants.
- Offered free and clear of debt at a 5% cap rate, however excellent financing options are available.
- 100% occupied asset with two recognizable tenants, including Baskin Robbins and Nifty After Fifty.

### Strong Real Estate Fundamentals

- Offering includes adjacent parking lot, which provides 10 parking stalls to accommodate the properties retail zoning requirements.
- Extremely dense, infill location with over 707,300 population within a five-mile radius.
- Multiple points of ingress and egress located on 17th Street and 18th Street. An Access Way also runs through the property.
- Unique two-building layout with high visibility along 17th Street has continued to promote the co-tenant synergy, while offering potential for future repositioning for a wide variety of retail uses.



# Investment Summary

## Property Details

Address	201 W 17th St & 122 W 18th St Santa Ana, CA 92706
APN	002-164-28, 002-164-07
GLA	3,880 SF
Lot Size	17,872 SF (0.41 AC)
Year Built	1976
Zoning	C1 - Community Commercial P - Professional
Parking Stalls	28 Stalls
Parking Ratio	7.22 per 1,000 SF

## Offering Price

List Price	\$2,100,000
CAP Rate	5%
Price Per Square Foot GLA	\$541.23
Price Per Square Foot Land	\$117.50

## Annualized Operating Data

Gross Potential Rent	\$105,000
Total Expenses	NNN
Net Operating Income	\$105,000





## Investment Rent Roll

As of November 1st, 2018

TENANT	SQUARE FOOTAGE	PRO RATA	LEASE START	LEASE EXPIRE	MONTHLY RENT	RENT PER SF	INCREASES	LEASE TYPE	OPTIONS/COMMENTS
Nifty After 50	2,755	71%	10/01/2012	10/31/2022	\$6,612.00	\$2.40		NNN	(1) 3-Year Option @ 95% of FMV
Baskin Robbins	1,125	29%	02/13/1976	10/31/2022	\$3,128.02	\$2.78	Annual CPI	NNN	(1) 10-Year Option @ Annual CPI
Total Available	0 SF	0%		Monthly:	\$9,740.02	Average:			
Total Occupied	3,880 SF	100%		Annual:	\$116,880.24	\$2.51 / SF			



Nifty After Fifty, LLC operates 29 fitness and wellness centers for mature adults from 50 to 100 years old in Arizona, California, Nevada, and Texas. There are 18 locations currently in Southern California. Nifty After Fifty, LLC was founded in 2006 and is based in Garden Grove, California. The Fitness program at Nifty after Fifty® is a clinically supervised full-body training program for mature adults, created by physicians. Uniquely tailored to each patron's needs, each member is offered a comprehensive health evaluation and customized workout.

website: [www.niftyafterfifty.com](http://www.niftyafterfifty.com)



Baskin-Robbins is the world's largest chain of ice cream specialty shops, providing guests with a wide array of ice cream flavors and delicious treats at more than 7,800 retail shops in more than 50 countries around the world. Its franchised ice cream shops serve as places where people can connect and create special memories while they explore a wide array of flavors, including a new Flavor of the Month every month. Headquartered in Canton, Mass., Baskin-Robbins is part of the Dunkin' Brands Group, Inc. (Nasdaq: DNKN) family of companies.

website: [www.baskinrobbins.com](http://www.baskinrobbins.com)



## Opportunity Zones

### HISTORY & OVERVIEW

In December 2017, Congress established the Tax Cut and Jobs Act as an innovative approach to spur long-term investment into low-income urban and rural communities. The program is based on the Investing in Opportunity Act. The program is a vehicle for investors with capital gains tax liabilities across the country to receive favorable tax treatment for investing in Opportunity Funds that are certified by the U.S. Treasury Department. These Opportunity Funds use the capital invested to make equity investments in businesses and real estate in Opportunity Zones designated by each state. It is estimated that the private investment sector currently holds more than \$2.3 trillion in unrealized capital gains. This represents a significant resource for economic development, as the Opportunity Funds will allow these investors throughout the country to deploy their capital as Opportunity Zone investments.

### *NEW Program Connecting Low Income Communities with Private Investment*

Investment Length	Benefits Received
Fewer than 5 years	Deferred payment of existing capital gains until date the Opportunity Fund investment is sold or exchanged.
5 - 7 years	Includes benefits of Fewer than 5 years, plus 10% of tax on existing capital is canceled.
7 - 10 years	Deferred payment of existing capital gains until December 31, 2026 or the date the opportunity Fund investment is sold or exchanged, plus 15% of tax on existing capital gain is cancelled.
Greater than 10 years	Includes benefits of 7-10 year investment, plus investments are exempt from any capital gains beyond those which were previously deferred.

**OPPORTUNITY FUND REQUIREMENTS:** Investments must be made in Qualified Opportunity Funds to receive above benefits

- ▶ Must be certified by the U.S. Treasury Department.
- ▶ Must be organized as a corporation or partnership for the purpose of investing in Qualified Opportunity Zone Property.
- ▶ Must hold at least 90% of their assets in Qualified Opportunity Zone Property.
- ▶ Qualified Opportunity Zone property includes newly issued stock, partnership interests, or business property in a Qualified Opportunity Zone business.
- ▶ Opportunity Fund investments are limited to equity investments in businesses, real estate, and business assets that are located in a Qualified Opportunity Zone. Opportunity Fund investments in real estate are subject to a substantial rehabilitation requirement.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services is a service mark of Marcus & Millichap, Inc



# Market Overview



## Santa Ana, CA

Santa Ana is the county seat and second most populous city in Orange County, California. The United States Census Bureau estimated its 2011 population at 329,427, making Santa Ana the 57th most-populous city in the United States. Santa Ana is located in Southern California, adjacent to the Santa Ana River, about 10 miles (16 km) away from the California coast. Founded in 1869, the city is part of the Greater Los Angeles Area, the second largest metropolitan area in the United States with almost 18 million residents in 2010. Santa Ana is a very densely populated city, ranking fourth nationally in that regard among cities of over 300,000 residents (trailing only New York City, San Francisco, and Boston). In 2011 Forbes ranked Santa Ana the fourth-safest city of over 250,000 residents in the United States. Santa Ana lends its name to the Santa Ana Freeway (I-5), which runs through the city. It also shares its name with the nearby Santa Ana Mountains, and the Santa Ana winds, which have historically fueled seasonal wildfires throughout Southern California.



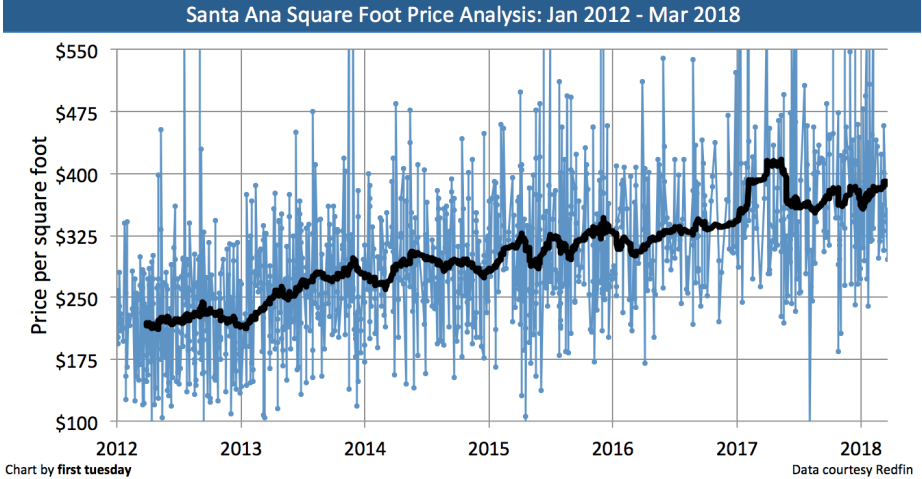
## Orange County, CA

Orange County is a county in the U.S. state of California. As of the 2010 census, the population was 3,010,232 making it the third-most populous county in California, the sixth-most populous in the United States, and more populous than twenty-one U.S. states. It is the second most densely populated county in the state, behind San Francisco County to the far north.

The county's four largest cities by population, Anaheim, Santa Ana (county seat), Irvine, and Huntington Beach, each have a population exceeding 200,000. Several of Orange County's cities are on the Pacific Ocean western coast, including Huntington Beach, Newport Beach, Laguna Beach, Dana Point, and San Clemente. The northern and central portions of the county are heavily urbanized and fairly dense, despite the prevalence of the single-family home as a dominant land use. The southern portion of the county is more suburban, with less density and limited urbanization. There are several "edge city"-style developments such as Irvine Business Center, Newport Center, and South Coast Metro.

The county is known for tourism with attractions like Disneyland, Knott's Berry Farm, and several popular beaches along its more than 40 miles (64 km) of coastline. It is also known for its political conservatism—a 2005 academic study listed three Orange County cities as among America's 25 most conservative, making it one of two counties in the United States containing more than one such city. (Maricopa County, Arizona also had three cities on the list.) Orange County is part of the "Tech Coast".

[www.wikipedia.org/wiki/Orange\\_County,\\_California](http://www.wikipedia.org/wiki/Orange_County,_California)





# Market Overview

## Projects to Re-Urbanize Santa Ana



**OC Streetcar**

The OC Streetcar is a proposed light rail line in Orange County, California in the United States, running through the cities of Santa Ana and Garden Grove. The electric-powered streetcar will be operated by the Orange County Transportation Authority (OCTA), and will serve at least twelve stops along its 4.15-mile (6.68 km) route. With the exception of a short loop in downtown Santa Ana, the line will be double-tracked for its entire length. Most of the route follows the original path of the Pacific Electric Railway "Red Cars" that served Santa Ana in the early 20th century, before being abandoned in 1950. The streetcar is expected to open to the public by 2021. The streetcar will provide a link from Southern California's regional commuter rail and bus systems to downtown Santa Ana, one of Orange County's largest centers for employment, arts, and entertainment, as well as nearby residential neighborhoods, parks, and trails.

[www.wikipedia.org/wiki/OC\\_Streetcar](http://www.wikipedia.org/wiki/OC_Streetcar)



**3rd & Broadway Development**

The property, located on the north side of 3rd Street between Broadway and Main Street represents the largest developable parcel in the downtown with the greatest opportunity for development. The property is located within the Transit Zoning Code, specifically within the Downtown sub zone. This zone is applied to the historical shopping district of Santa Ana, a vital pedestrian oriented area that is defined by multi-story urban building types accommodating a mixture of retail, office, light service, and residential uses. The Transit Zoning Code is a form-based code meaning that the development standards vary based on the building type proposed. The General Plan land use designation for the property is District Center.

<http://www.ci.santa-ana.ca.us/pba/3rdandBroadwayProject/3rdandBroadwayDevelopmentProject.asp>

## Surrounding Local Attractions



**Downtown Santa Ana**

The Downtown's recent revitalization process has brought new restaurants, bars and unique designers, but there are also bakeries, bridal shops and clothing stores that have been a part of the makeup of this city, with owners who are long time City residents. Downtown Santa Ana maintains its sense of history and culture through a number of different landmarks and businesses.

[www.ocexplore.org/dtsa/](http://www.ocexplore.org/dtsa/)



**Santa Ana Zoo**

The Santa Ana Zoo at Prentice Park in Santa Ana, California is a 20-acre (8.1 ha) zoo which hosts more than 270,000 people annually. The zoo opened in 1952 and is owned and operated by the City of Santa Ana. The city has agreed to keep at least 50 monkeys at all times, and now has over a dozen species from around the world. The focus of the Santa Ana Zoo is recreation, education, and conservation.

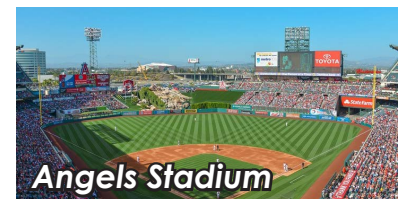
[www.wikipedia.org/wiki/Santa\\_Ana\\_Zoo](http://www.wikipedia.org/wiki/Santa_Ana_Zoo)



**Disneyland**

Disneyland is a beloved Southern California destination where generations of families have made their Disney dreams come true. Walt Disney's original Disneyland theme park, which first opened on July 17, 1955, is now divided into 8 extravagantly themed lands: Main Street, U.S.A., Tomorrowland, Fantasyland, Mickey's Toontown, Frontierland, Critter Country, New Orleans Square and Adventureland. It is operated year-round, 365 days each year..

[www.wikipedia.org/wiki/Disneyland](http://www.wikipedia.org/wiki/Disneyland)



**Angels Stadium**

Angels Stadium is a modern-style ballpark located in Anaheim, California. Since its opening in 1966, it has served as the home ballpark of the Los Angeles Angels of Major League Baseball (MLB), and was also the home stadium to the Los Angeles Rams of the National Football League (NFL) from 1980 to 1994. It is the fourth-oldest active Major League Baseball stadium, behind Fenway Park, Wrigley Field, and Dodger Stadium. It hosted the 1967, 1989, and 2010 Major League Baseball All-Star Games.

[www.wikipedia.org/wiki/Angel\\_Stadium](http://www.wikipedia.org/wiki/Angel_Stadium)



# Market Demographics

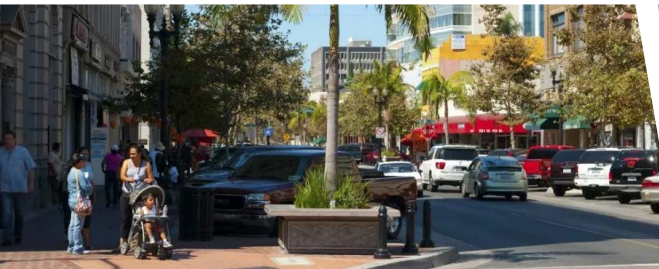
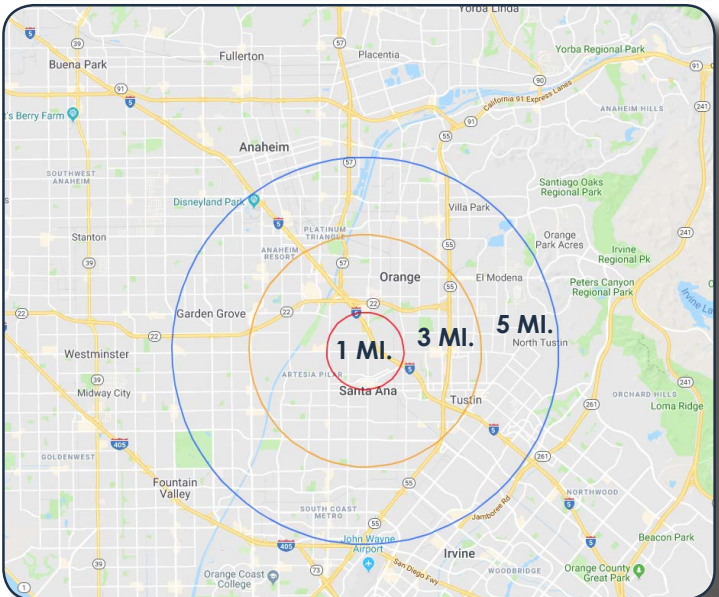
## Demographic Summary

Population	1 Miles	3 Miles	5 Miles
2022 Population	41,275	347,628	715,071
2017 Population	41,964	347,157	714,513
2010 Population	39,493	330,951	679,925
2000 Population	42,410	340,376	680,847

Households	1 Miles	3 Miles	5 Miles
2022 Households	10,742	86,395	193,620
2017 Households	10,625	84,770	189,884
2010 Households	9,937	80,225	179,190
2000 Households	9,875	79,451	175,766

Households by Income	1 Miles	3 Miles	5 Miles
\$150,000 or More	9.13%	8.12%	11.18%
\$100,000 - \$149,000	12.20%	13.97%	16.13%
\$75,000 - \$99,999	10.89%	12.81%	14.21%
\$50,000 - \$74,999	16.98%	18.67%	18.34%
\$35,000 - \$49,999	13.78%	15.25%	13.67%
Under \$35,000	37.02%	31.17%	26.47%
Average Household Income	\$74,762	\$74,777	\$86,033
Median Household Income	\$48,953	\$54,066	\$62,509
Per Capita Income	\$19,115	\$18,861	\$23,241

 **84,800 ±**  
Households within a Three-mile Radius





# Market Demographics

## Geography - 1 Mile Radius

### Population

In 2017, the population in your selected geography is 41,149. The population has changed by -0.04% since 2000. It is estimated that the population in your area will be 40,526.00 five years from now, which represents a change of -1.51% from the current year. The current population is 50.92% male and 49.08% female. The median age of the population in your area is 29.37, compare this to the US average which is 37.83. The population density in your area is 13,096.97 people per square mile.

### Households

There are currently 10,966 households in your selected geography. The number of households has changed by 8.91% since 2000. It is estimated that the number of households in your area will be 11,112 five years from now, which represents a change of 1.33% from the current year. The average household size in your area is 3.65 persons.

### Household Income

In 2017, the median household income for your selected geography is \$48,261, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 28.86% since 2000. It is estimated that the median household income in your area will be \$54,012 five years from now, which represents a change of 11.92% from the current year. The current year per capita income in your area is \$19,704, compare this to the US average, which is \$30,982. The current year average household income in your area is \$73,108, compare this to the US average which is \$81,217.



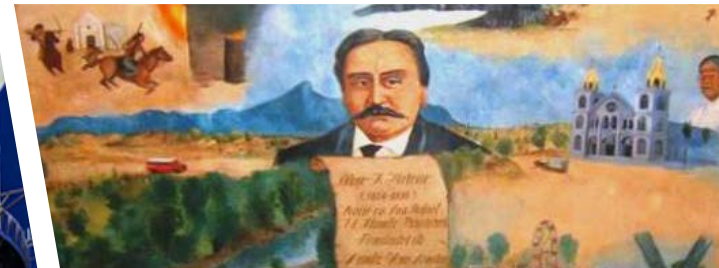
**347,000±**  
Population within a Three-mile Radius

### Race and Ethnicity

The current year racial makeup of your selected area is as follows: 54.57% White, 1.53% Black, 0.14% Native American and 3.78% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race. People of Hispanic origin make up 81.46% of the current year population in your selected area. Compare this to the US average of 17.88%.

### Employment

In 2017, there are 30,238 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 36.53% of employees are employed in white-collar occupations in this geography, and 63.64% are employed in blue-collar occupations. In 2017, unemployment in this area is 6.47%. In 2000, the average time traveled to work was 28.00 minutes.







# Marcus & Millichap

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