

SINGLE TENANT NET LEASED INVESTMENT

±25,000 SF Industrial Building on ±1.21 Acres

42355 Rio Nedo, Temecula



INVESTMENT OPPORTUNITY

\$3,580,000
(\$143.18/PSF)
±5.62% CAP RATE



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BRE#: 01000597

No warranty or representation has been made to the accuracy of the foregoing information. Terms of sale or lease and availability are subject to change or withdrawal without notice.
Lee & Associates Commercial Real Estate Services, Inc. - Riverside. 25240 Hancock Ave, Suite 100, Murrieta, CA 92562 | Corporate ID# 01048055

THE OPPORTUNITY



- Tenant: PHS/MWA, Inc. (Division of Wencor Group)
- Use: Aviation Services - FAA/EASA Repair Facility
- Existing Tenant since 2006
- Triple Net Lease: NOI = \$201,354
- Current Lease Expires 3/31/2020 with one 5 year option to renew at market rate



BUILDING FEATURES



- +/-6,390 sq. ft. 2 story office area
- +/-22' warehouse clear height
- Fully air conditioned warehouse with insulated ceilings
- 2016 Silicone/Fiberglass Roof Upgrade
- Two GL doors, 10'x14' and 20'x14' (Former interior double truckwell)
- 800 Amps, 277/480V, 3 phase electric
- 44 exclusive parking stalls on site
- Easy truck access



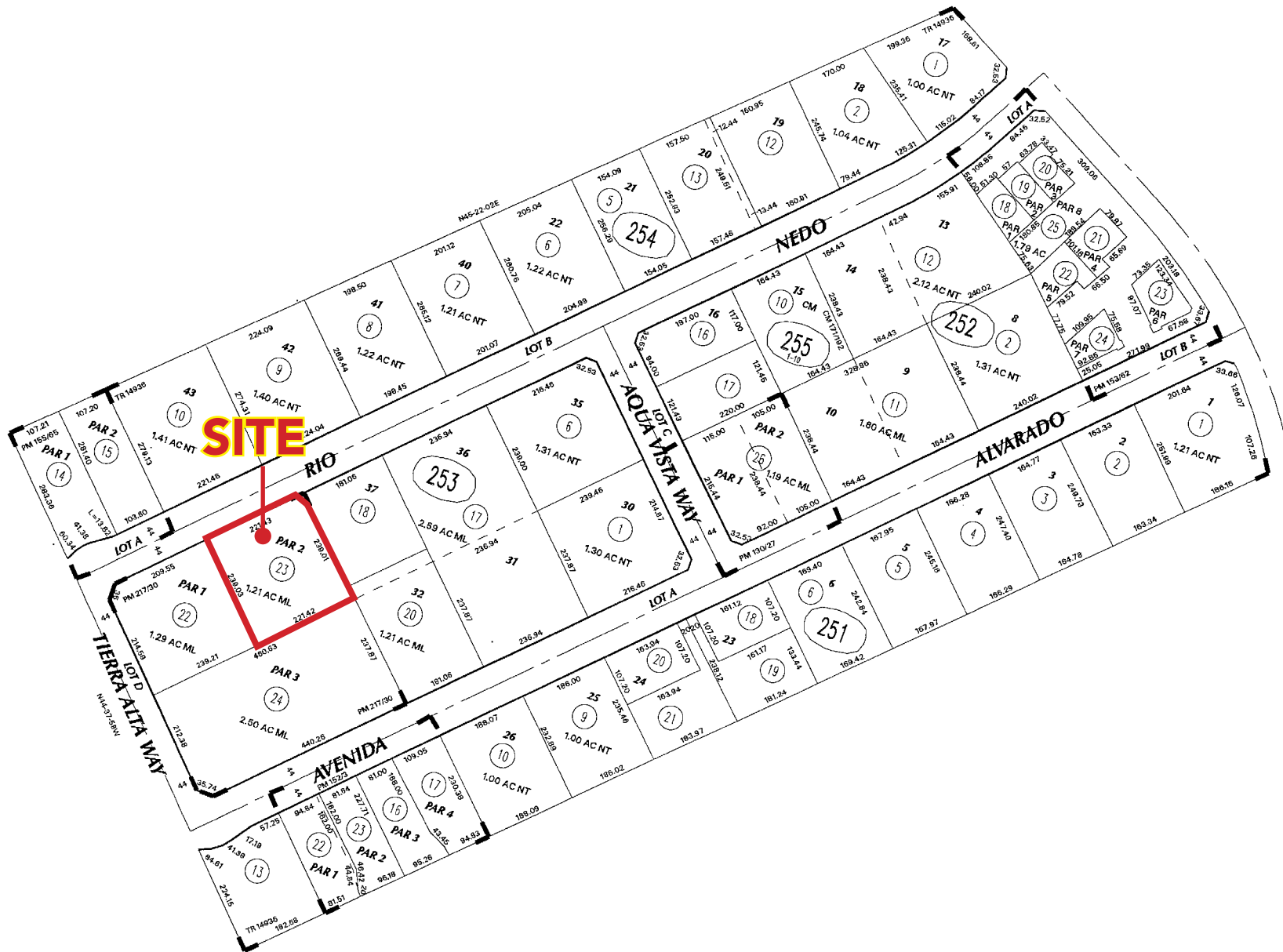
LOCATION



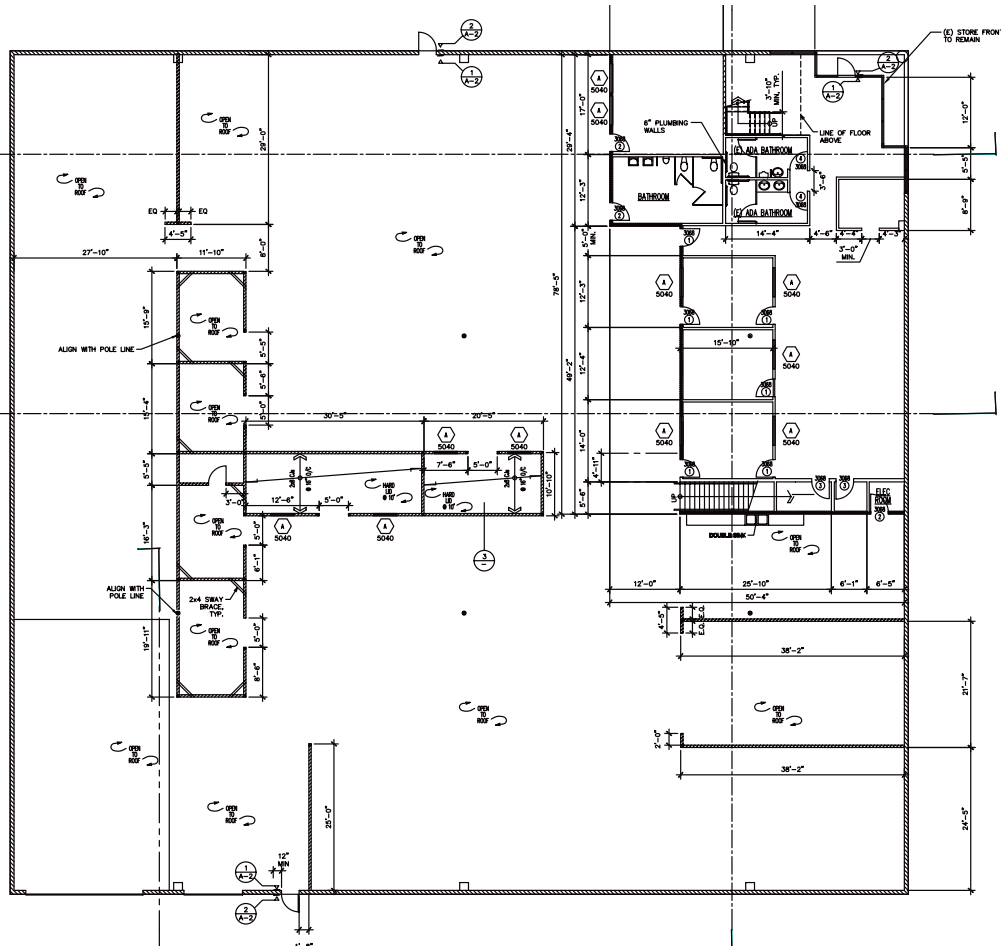
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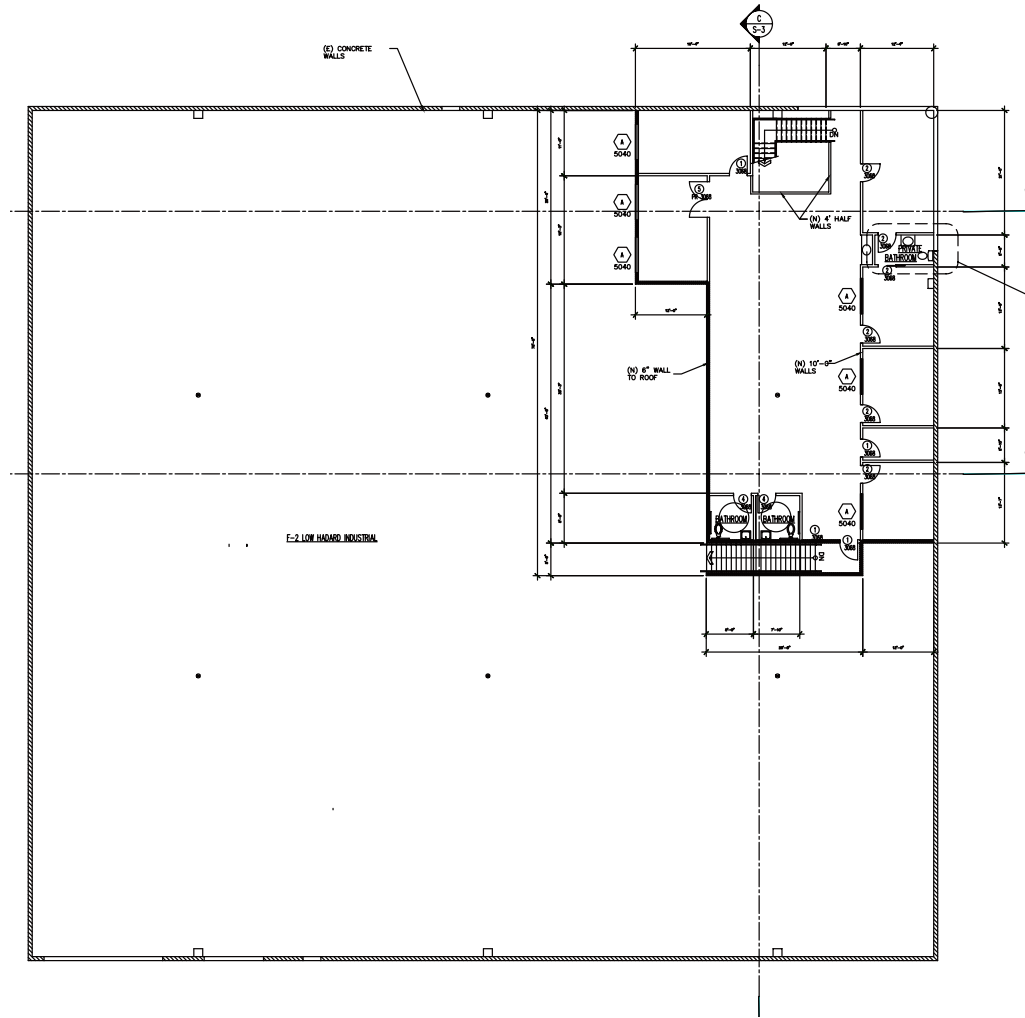
TAX MAP



SITE PLAN / FLOOR PLAN



1st Floor



2nd Floor



PHS/MWA Aviation Services is the present day, single operating entity made up of the former Motor Winding Associates Division (MWA) and the former Pacific Hydraulic Systems Division (PHS). Motor Winding Associates (MWA) was founded by the Bale Family in 1967 for the sole purpose of manufacturing high quality electric motors, stators, and rotors in support of various Original Equipment Manufacturers (OEM's) for Military and Commercial Aerospace applications. Motor Winding Associates became an FAA Certified Repair Station in 1992 to support aftermarket activities for its growing customer base.

Pacific Hydraulic Systems (PHS) was founded by the Bale Family as an FAA Certified Repair Station in 1993 resulting from support opportunities established for National Water Lift (NWL) during the acquisition of Abex Aerospace. Capabilities and MRO support included Electro-Hydraulic Servo Valves, Hydraulic Pumps, and Hydraulic Actuators. In 1995, PHS/MWA gained

MIDO approval from the FAA and began a focused campaign placing more emphasis on reverse engineering through DER Repairs and PMA replacement parts to support aftermarket MRO services.

In 2011, Pacific Hydraulic Systems Division (PHS) and Motor Winding Associates Division (MWA) merged under one campus to become a single 70,000 sq. ft. operating center with combined MRO capabilities, engineering, and various shop & product support resources. In 2013, PHS/MWA secured an additional 30,000 sq. ft. of shop space and began developing MRO and Support capabilities for Fuel Accessories. In 2014, PHS/MWA is operating in approximately 100,000 sq. ft. of total space made up of 6 MRO shops across two buildings on the same campus.

In April 2015, PHS/MWA was acquired by The Wencor Group.

Our Advantage

PHS/MWA is dedicated to maintaining a name for quality, integrity, experience and innovation while producing economical pricing and quick turnaround times.

Experience

- Family Owned and Operated Since 1967
- Equal Background in Manufacturing and Repair
- Complete Product Knowledge
- OEM Trained Technicians
- Global Service Provider
- Long Term Repair Contracts with Major Airlines Worldwide
- Long Term Repair Contracts with Aircraft/ Component OEMs
- Long Term Support Contracts for PMA/ New Production Piece Parts

Customer Satisfaction

- Detailed Communication
- Highly Responsive
- Accountable
- Custom Designed Programs
- Quick Turn Time
- Economical Pricing
- Alliance Type Relationships
- AOG Support

Quality & Reliability

- Quality Program Exceeding Industry Standards
- Increased MTBUR
- Detailed Workmanship
- Continuous Improvements in Internal Processing
- State of the Art Testing and Inspection Equipment
- OEM/OEM equivalent Tooling and Fixtures
- Onsite DMIR

Engineering

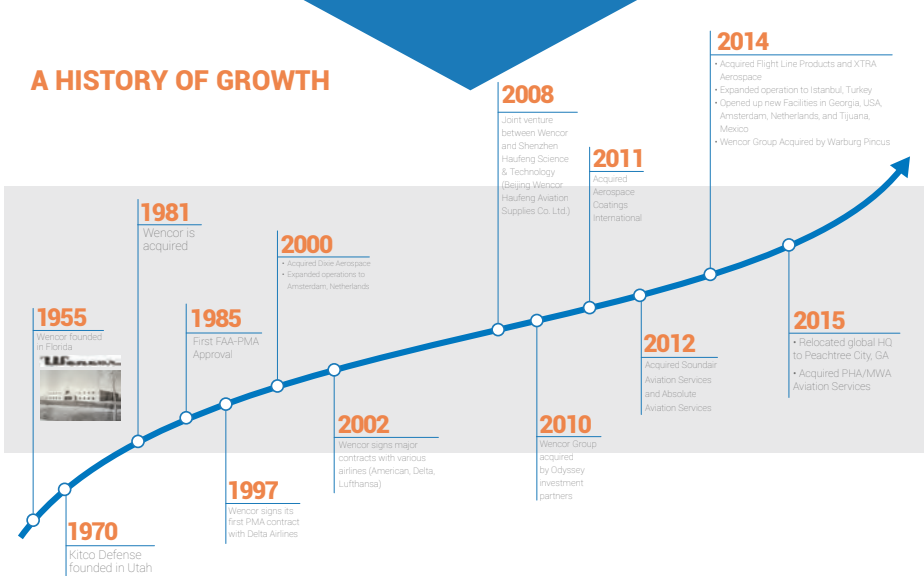
- Fully Staffed Credentialed Engineering Department
- DER Repair Solutions
- PMA Parts Design & Manufacturing
- Tooling/Fixture Design & Manufacturing



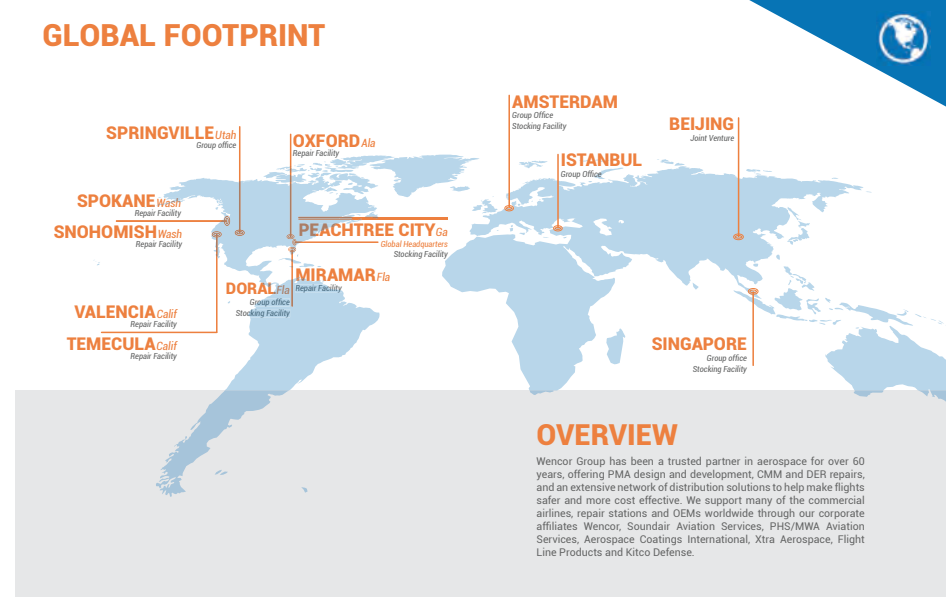


Wencor Group has been a trusted partner in aerospace for over 60 years, offering PMA design and development, CMM and DER repairs, and an extensive network of distribution solutions to help make flights safer and more cost effective. We support many of the commercial airlines, repair stations and OEMs worldwide through our corporate Services, Aerospace Coatings International, Xtra Aerospace, Flight Line Products and Kitco Defense.

A HISTORY OF GROWTH



GLOBAL FOOTPRINT



OVERVIEW

Wencor Group has been a trusted partner in aerospace for over 60 years, offering PMA design and development, CMM and DER repairs, and an extensive network of distribution solutions to help make flights safer and more cost effective. We support many of the commercial airlines, repair stations and OEMs worldwide through our corporate affiliates Wencor, Soundair Aviation Services, PHS/MWA Aviation Services, Aerospace Coatings International, Xtra Aerospace, Flight Line Products and Kitco Defense.

CITY OF TEMECULA

Since 1966 the Chamber has made every effort to promote business development and give our members direct access to business and community leaders who share their economic, civic and social concerns. We provide access to a complete list of members who embody the expertise needed to help you manage the financial, organizational, and marketing issues that businesses face every day. We are an advocate for business, dedicated to regional prosperity by informing our members of the latest business trends. The Chamber unites the efforts of business, industrial and professional individuals to ensure an enhanced business climate, harnessing the tremendous potential of the private enterprise system and enabling its members to accomplish collectively what no one could do individually.

The variety and scope of Chamber activities is unlimited, depending on the needs of its members and the desire and ability of the chamber to carry them out. The chamber represents and promotes the area's economy, and encourages business and industrial investment, broadening the tax base and providing employment. To business prospects and newcomers, the Chamber represents the community's "front door." Your Chamber is involved in non-commercial areas, such as education, human relations, and environmental, cultural and governmental concerns. These challenges have caused the TVCC to become a viable force in seeking solutions to today's social problems. Our ability to exert influence in national, state, and local legislation affecting business is evident now more than ever before.

The rewards of belonging to the Chamber are full-time representation and year-round results. Our activities, programs, and initiatives all serve one purpose – to make Temecula a better place to live, work, and play. With more than 50 years of experience, the Chamber offers unprecedented benefits, discounts, and opportunities to make area businesses prosperous. The Temecula Valley Chamber of Commerce is excited to pave the way for a growing regional economy.



SALES COMPARABLES

Address:

41638 Eastman Drive
Murrieta, CA

Building Size:
11,946 SF

Escrow Closing Date:
9/14/17

Buyer Type:
Investor

Sales Price/PSF:
\$1,880,000/\$157.37 PSF



Address:
42381 Rio Nedo
Temecula, CA

Building Size:
22,000 SF

Escrow Closing Date:
Scheduled 1/9/18

Buyer Type:
Investor

Escrow Contract
Price/PSF:
\$3,150,000/\$143.18 PSF



SALES COMPARABLES

Address:
26342-46 Madison Ave
Murrieta, CA

Building Size:
14,736 SF

Escrow Closing Date:
2/1/17

Buyer Type:
Investor

Sales Price/PSF:
\$2,247,240/\$152.50 PSF



SALES COMPARABLES

Address:
29410 Hunco Way
Lake Elsinore, CA

Building Size:
18,215 SF

Escrow Closing Date:
3/3/2017

Buyer Type:
User

Sales Price/PSF:
\$2,691,000/\$147.74 PSF

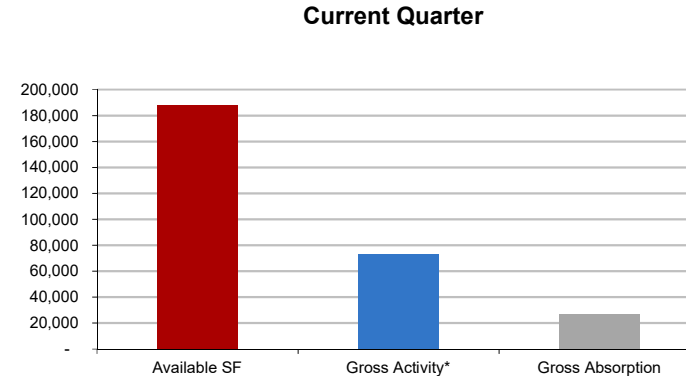
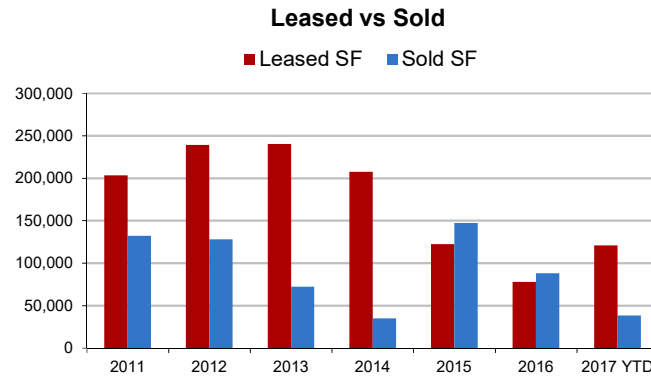


Manufacturing & Distribution Buildings

Southwest Riverside County 10,000-24,999 SF

MARKET REPORT

Size	Bldgs	Total SF	Available SF	Availability Rate	Vacant	Vacancy Rate	Gross Activity*
10-24,999 SF	294	4,548,002	188,288	4.14%	10,400	0.23%	73,047



Absorption Figures

	2011	2012	2013	2014	2015	2016	2017 YTD
Leased SF	203,392	239,034	240,151	207,364	122,316	77,687	120,789
Number Leases	14	14	16	13	9	6	8
Sold SF	132,230	127,844	72,152	34,724	146,994	87,804	38,157
Number Sales	8	9	5	2	9	7	2
Total SF	335,622	366,878	312,303	242,088	269,310	165,491	158,946

Current Average Asking Rates and Sales Prices

GRS	\$0.91
NNN	N/A
PSF	\$104.74

Current Average Actual Lease Rates and Sales Prices

GRS	\$0.99
NNN	N/A
PSF	N/A

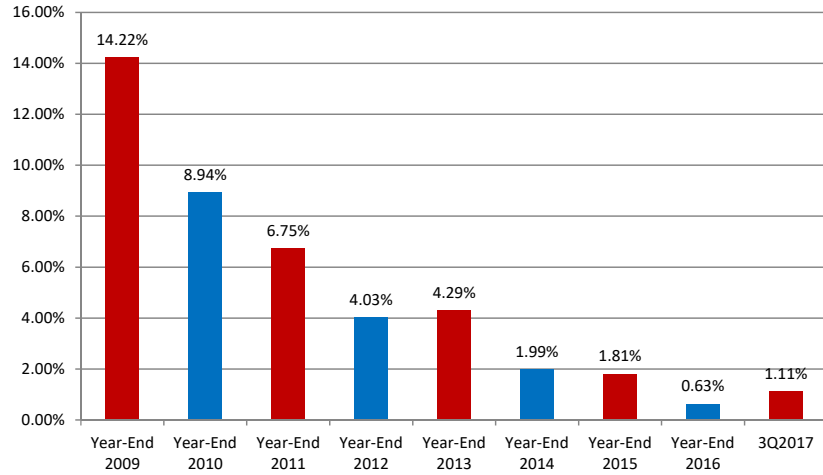
Total Available Square Feet Includes Available Existing, Under Construction and Vacant.

Gross Activity Includes Investments, Options, and/or Renewals (Absorption Does Not).

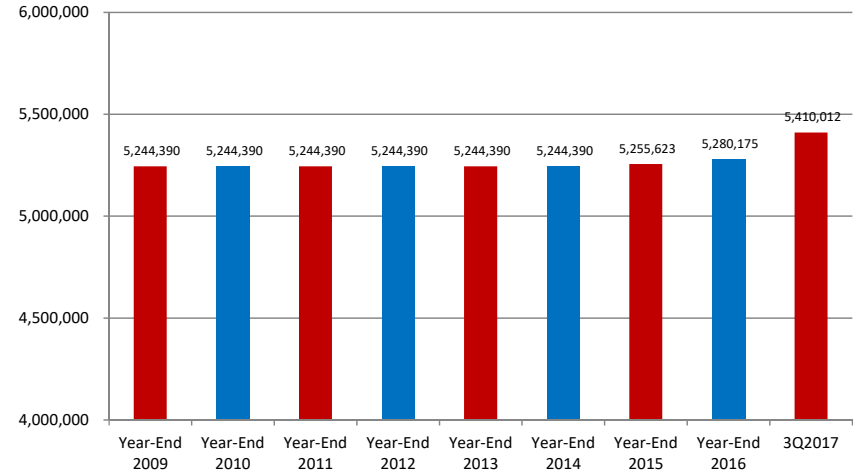
*Activity Represents All Activity SF From 7/1/2017-9/30/2017.



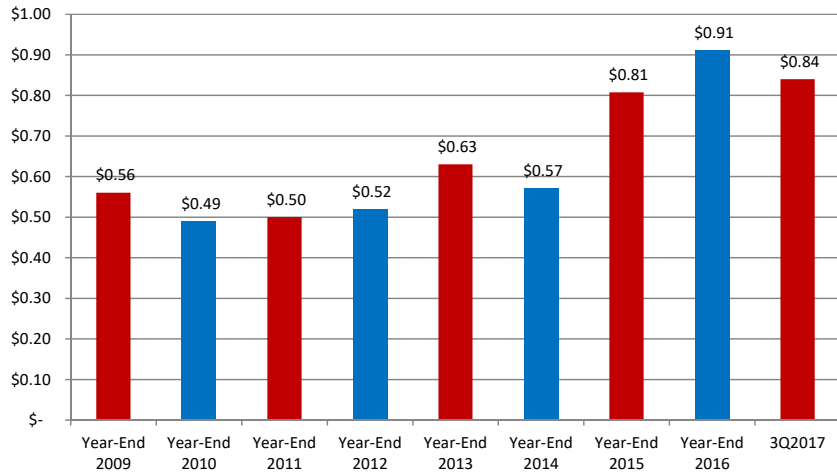
Manufacturing & Distribution Buildings
5,000-49,999 SF
Vacancy



Manufacturing & Distribution Buildings
5,000-49,999 SF
Inventory SF



Manufacturing & Distribution Buildings
5,000-49,999 SF
Asking Rate Per SF GRS



Manufacturing & Distribution Buildings
5,000-49,999 SF
Asking Sale Price Per SF

