

# Investment Offering Memorandum

2110

2114

2020

East 1st St  
Santa Ana, CA

A ±6.84 acre (±297,950 SF) Multi-Family Redevelopment Investment Opportunity





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# Executive Summary

## THE OFFERING

Avison Young and Voit Real Estate Services, as exclusive advisors, are pleased to present the unique opportunity to acquire a 99-year leasehold interest or purchase the fee simple interest in an approximate 6.84 acre site in the heart of Santa Ana, Orange County’s downtown.

The site is comprised of three parcels (402-191-01, 02 and 04) and is strategically located on the south side of First Street, between the Santa Ana (I-5) and the Costa Mesa (SR-55) Freeways. Assessor Parcel 402-191-01 is improved with an automobile sales facility and comprises the northeast two-thirds of the subject’s frontage along the south side of First Street. Assessor Parcel 402-191-02 fronts First Street in its northwest corner. This parcel contains a parking lot used by the adjacent 2020 First Street office building (Not a Part) and a private street that intersects with First Street to provide access to the business park property on Assessor Parcel 402-191-04 in the southerly most portion of the subject property. **All existing leasehold interest affecting the entire property will expire on or before June 30, 2014 without any further rights to extend the term of those leases.**

The property is also located within the in Metro East Mixed Use (MEMU) Overlay Zone. The MEMU Overlay Zone is comprised of the properties generally bounded by the Santa Ana (I-5) Freeway on the west, Park Court Place and its prolongation to Tustin Avenue on the north, First Street on the south, and Tustin Avenue and the Costa Mesa State Route (SR-55) on the east. The intent of The MEMU Overlay Zone is to encourage the development of a mix of attached residential, retail, service, transient and office commercial uses at high densities.

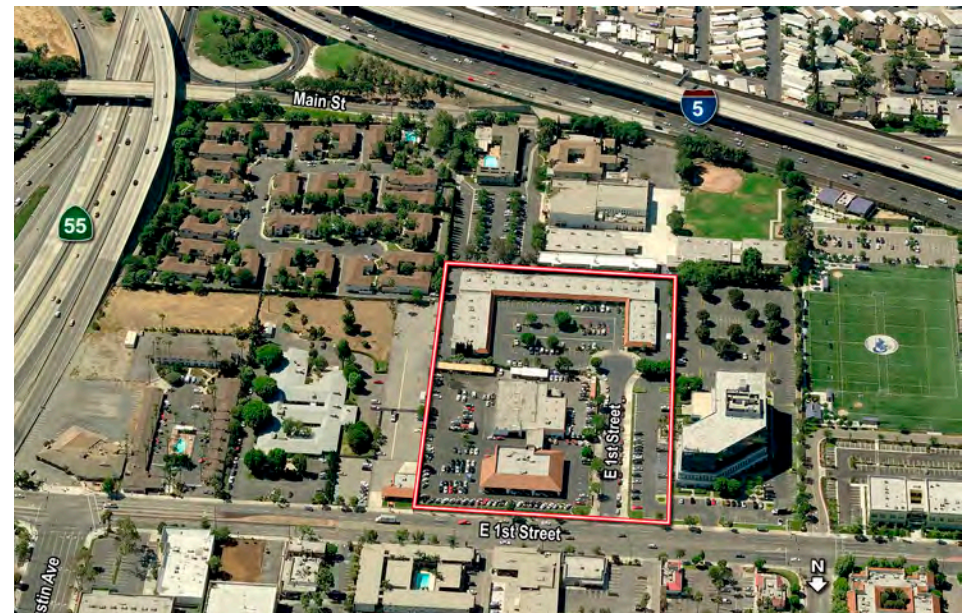
The subject property is located specifically within the “Active Urban District” within the MEMU Overlay Zone. The Active Urban District is the most intensive in scale within the MEMU area and is designed to create a highly urbanized environment. In this sub-district, the minimum story height is three stories with no maximum, and live/work units and multi-family residential units are permitted at the highest density that parking will support (2.00-2.25 spaces per unit).

## PROPERTY DESCRIPTION

<b>Address</b>	2110 E. 1st	2114 E. 1st	2020 E. 1st
<b>APN</b>	402-191-04	402-191-01	402-191-02
<b>Site Area</b>	2.86 Acres	2.78 Acres	1.20 Acres
<b>Improvements</b>	Business Park	Auto Dealership	Private Street & Parking for Adjacent Building
<b>Year Built</b>	1964	1984	N/Ap

## OFFERING SUMMARY

<b>Total Site Area</b>	6.84 Acres
<b>Date of Last Lease Expiration</b>	June 30, 2014
<b>Options to Extend Leaseholds</b>	None w/ No Options to Renew/Extend
<b>Interest Conveyed</b>	Either 99-year leasehold interest in the land or fee interest for sale
<b>Asking Price</b>	None – Submit Offer to Purchase or Proposal to Lease Land



# Executive Summary (continued)

## INVESTMENT HIGHLIGHTS

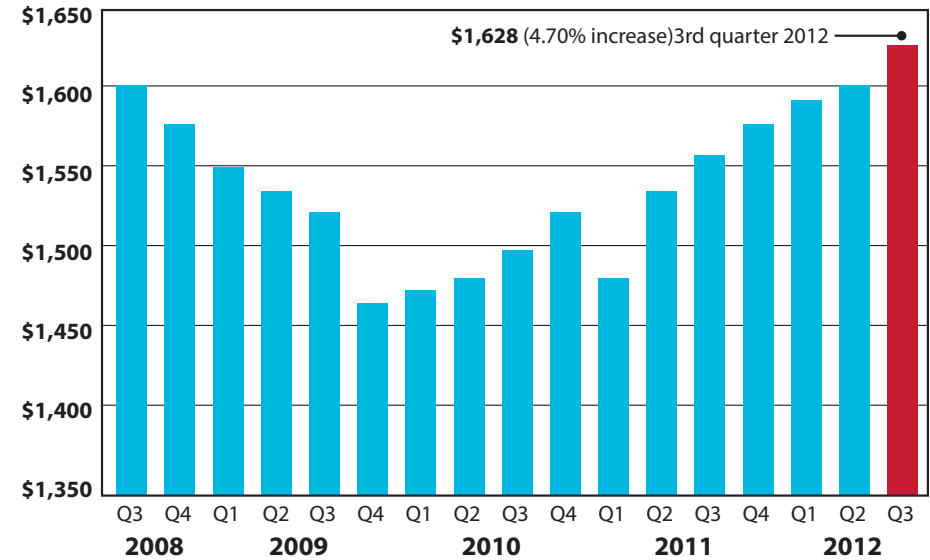
**Excellent Value-Add Opportunity.** As rental rates for apartments in Orange County have increased in ten of the past eleven quarters, this site would provide an unparalleled opportunity for a prospective investor to redevelop this site as a multi-family project in accordance with the underlying Metro East Mixed Use overlay zone.

**Demand Trends.** Demand growth will be bolstered by a nice combination of economic recovery and demographics. Orange County has historically led Southern California in terms of timing and magnitude of job growth coming out of recessions. The concentration of jobs in technology, R&D, and other knowledge-intensive sectors helps the metro get a jump on the recovery, a key driver for apartment demand. Furthermore, over the next five years, Orange County is expected to add about 55,000 new apartment renters, as a surge of Echo Boomers will graduate from college and seek out more housing.

**Access.** Santa Ana is easily accessible via several major freeways servicing Orange County and surrounding areas. The Santa Ana (I-5) Freeway, which intersects the northeastern portion of the city, is a major interstate connecting this area and Orange County with the cities of Los Angeles and San Diego. The Newport/Costa Mesa (SR-55) Freeway lies along the eastern border of the city and provides convenient access to beach cities to the south and the Inland Empire to the north. In addition, three other major Southern California freeways are within 5 to 10 miles of Santa Ana, namely the San Diego (405), Garden Grove (22) and Riverside (91) Freeways.

**Population & Migration.** Santa Ana is the second most populous city in Orange County, comprising over 10.8% of total County residents. Current population estimates by the U.S. Census indicate a population base of approximately 324,528 residents as of April 11, 2010. The city of Santa Ana was one of the first areas in Orange County to encounter a rapid influx of people during the 1950s and early 1960s. Accordingly, Santa Ana is one of the more mature communities in the County.

**Rent Rebounds to Record**  
O.C. apartment rents increased in 10 of the past 11 quarters:





# Property Description

## Contents

Property Overview

2110 E. 1st Overview

2114 E. 1st Overview

2020 E. 1st Overview

Site Plan & Plat Map

Location Map

Photos

Aerial Site



2110, 2114 & 2020 E. 1st St Santa Ana, CA



## Land Description (Size, Shape and Layout)

The overall subject property and each of its sub-parcels are rectangular in shape. According to the Orange County Assessor Map, the subject property, comprised of Assessor Parcels 402-191-01 (2.78 acres), 402-191-02 (1.20 acres) and 402-191-04 (2.86 acres), contains a total land area of 6.84 acres or approximately 297,950 square feet. Assessor Parcel 402-191-01 is improved with an automobile sales facility and comprises the northeast  $\pm$ two-thirds of the subject's frontage along the south side of First Street. Assessor Parcel 402-191-02 fronts the larger subject property in its northwest corner. This parcel contains a parking lot used by the adjacent 2020 First Street office building and a private street that intersects with First Street to provide access to the business park property on Assessor Parcel 402-191-04 in the southerly most portion of the subject.



<b>Address</b>	2110, 2114 and 2020 E. 1st Santa Ana, CA
<b>Location</b>	South side of First Street between the Interstate 5 and California Route 55 freeways.
<b>APN</b>	2110 E. 1st: 402-191-04 2114 E. 1st: 402-191-01 2020 E. 1st: 402-191-02
<b>Site Acres/RSF</b>	2110 E. 1st: 2.86 Acres 2114 E. 1st: 2.78 Acres 2020 E. 1st: 1.20 Acres Total: 6.84 Acres ( $\pm$ 297,950 SF)
<b>Improvements</b>	2110 E. 1st: Multi-Tenant Business Park 2114 E. 1st: Auto Dealership 2020 E. 1st: Private Street and Parking for Adjacent Office Building (NAP)
<b>Year Built</b>	2110 E. 1st: 1964 2114 E. 1st: 1984 2020 E. 1st: N/A
<b>Zoning</b>	C-2 with Metro East Mixed-Use Residential Overlay

### Business Park Property

The southerly site of the subject is improved with a single story business park style structure, a parking lot and landscaping.

The individual units are arranged in a U-shape around a central parking lot. The overall structure is actually comprised of four separate concrete tilt-up buildings, two at the rear and one on each side of the parking lot, that are linked by roof-covered breezeways. The rear walls are smooth concrete, but the front elevations reflect a masonry pattern, all are painted a beige color. The roof is a standard built-up composition type with red tile mansard trims.

The individual base rental unit sizes range from 817 square feet to just over 2,000 square feet, although several have been combined into larger lease spaces that are occupied by a single tenant, the largest occupied by a single tenant being 3,360 square feet.

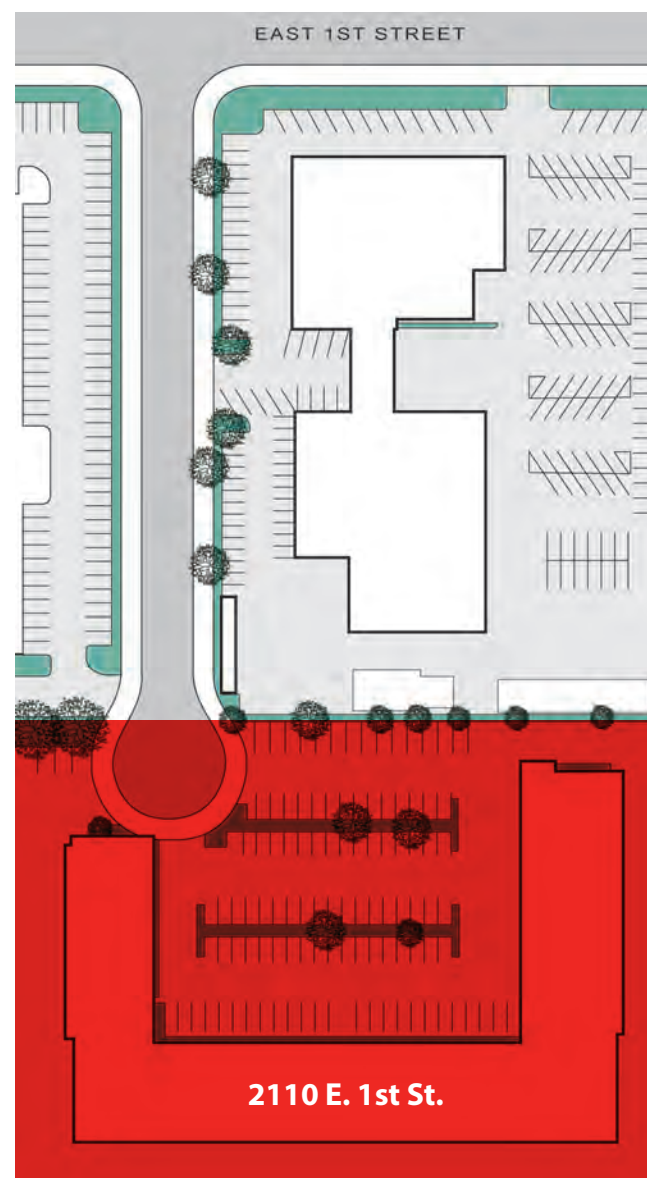
The west building reflects a total area of 6,048 gross square feet and contains five rental units (units 101-105) ranging from 817 rentable square feet to 1,440 rentable square feet.

The east building reflects a total gross area of 9,647 square feet and contains six rental units (units 119-124) ranging from 886 rentable square feet to 1,744 rentable square feet.

The southeast and southwest buildings (units 106-118) are the same size, both reflecting 10,320 gross square feet each with an average unit size of approximately 1,588 gross square feet and rentable unit sizes between 1,020 square feet and 3,360 square feet. The total rentable area of the multi-tenant industrial park is 36,724 SF.



2110, 2114 & 2020 E. 1st St Santa Ana, CA



**Latest lease expires 9/30/2013.**

**None of the leases within the Business Park contain options to renew.**

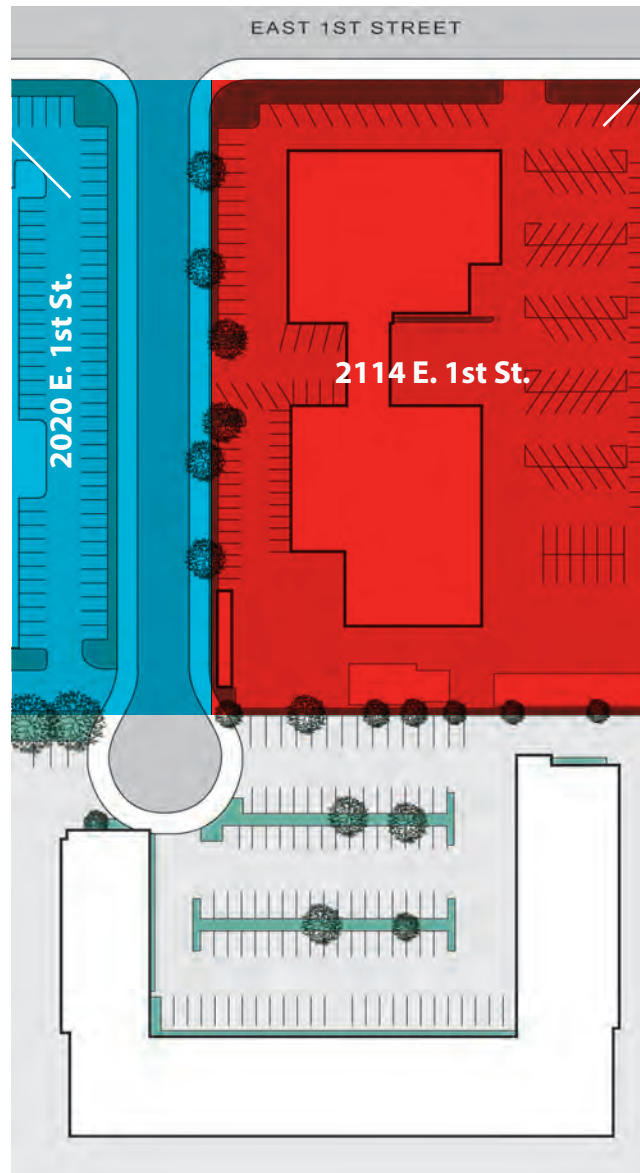


## Private Street & Parking Lot

This parcel contains a parking lot used by the adjacent 2020 First Street office building and a private street that intersects with First Street to provide access to the business park property. The property is ground leased by the Colton Company for parking through 6/30/14 with no options to renew.

**Ground lease with the Colton Company expires 6/30/14 with no options to renew.**

 Parking spaces for The Colton Company



## Automobile Dealership with Service Department

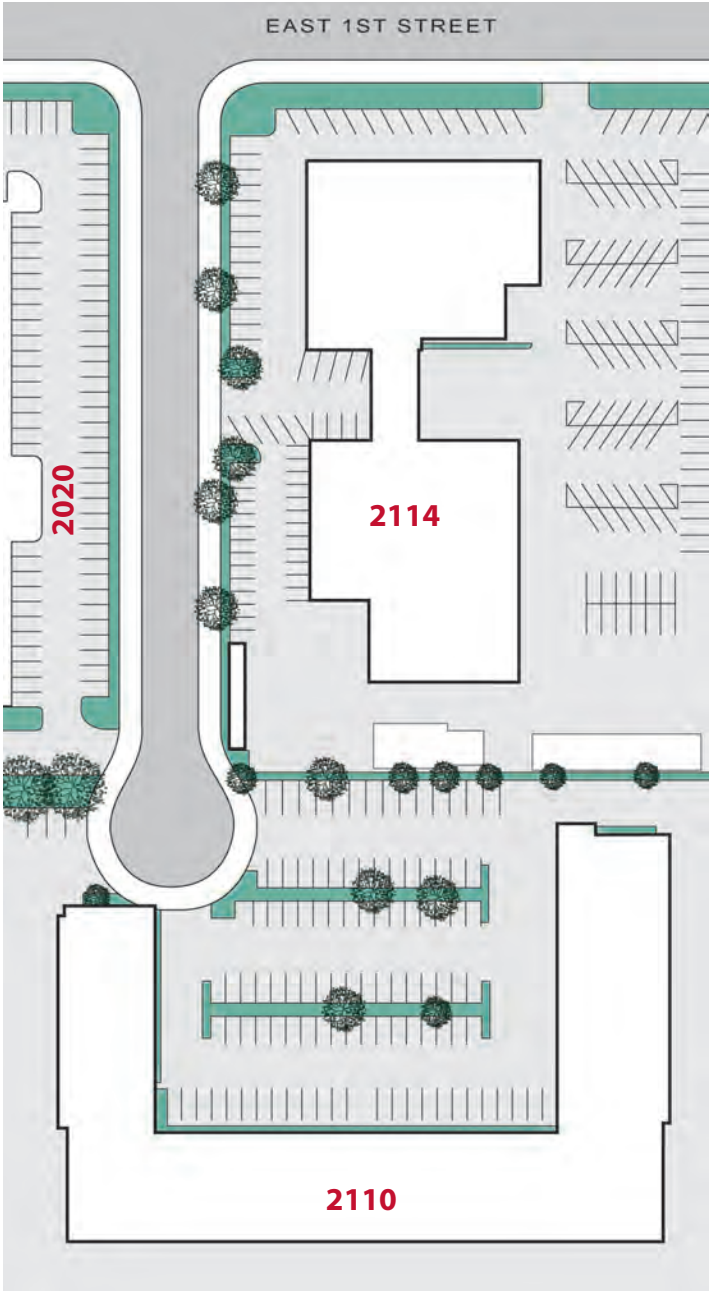
The improvements on the automobile dealership site include a showroom/administrative offices building, an automobile service entrance and service departments, including a mechanical repair shop, and body and paint shops. The facility is used as a used car/car auction sales center and there is no parts department open to the public. All three areas are connected into a single large structure.

The showroom/administrative offices building is situated in the northerly most portion of the subject with full exposure to First Street. This is two-story, wood framed structure with a stucco exterior and red tile mansard-trimmed flat composition roof. The interior showroom contains 2,925 square feet. An exterior covered display patio surrounds the showroom on three sides. This area contains approximately 4,420 square feet. The office portion of the building contains approximately 8,420 square feet. The total interior area of the showroom administrative office building is 11,345 square feet, plus there is the 4,420 square foot roof-covered display patio.

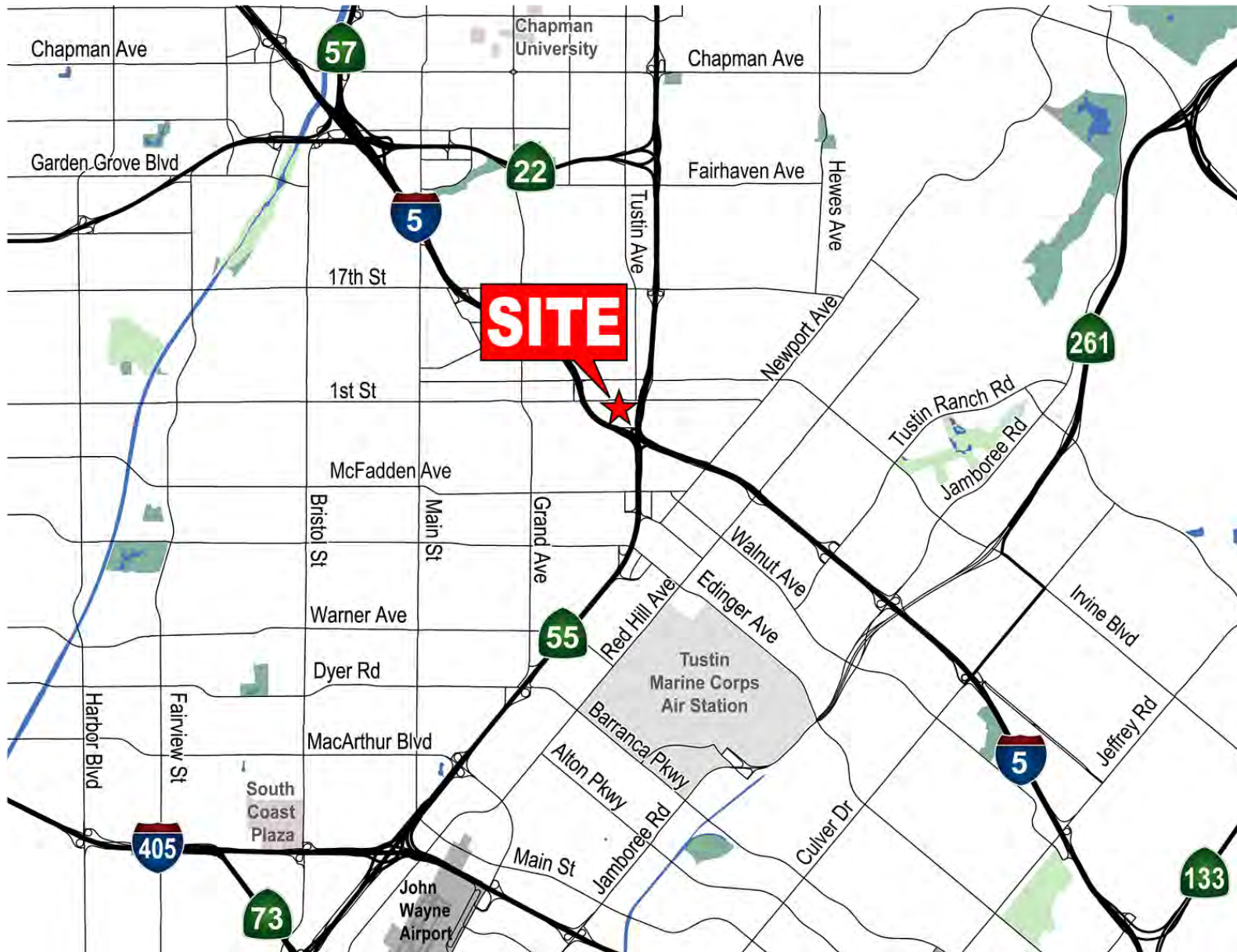
The service department shop areas are connected to the south side of the showroom/administrative office building by a roof covered service entrance area. The service department shop building is constructed of concrete block masonry over an exposed concrete slab foundation with a standard flat composition roof over glu-lam beam clear span framing. The total interior area of the service department inclusive of the service writer's kiosk, according to our measurements taken in the field is 27,047 square feet. The Orange County Assessor reports 26,231 square feet for the property.

**The lease for the automobile dealership expires 6/30/13 with no options to renew.**











Aerial



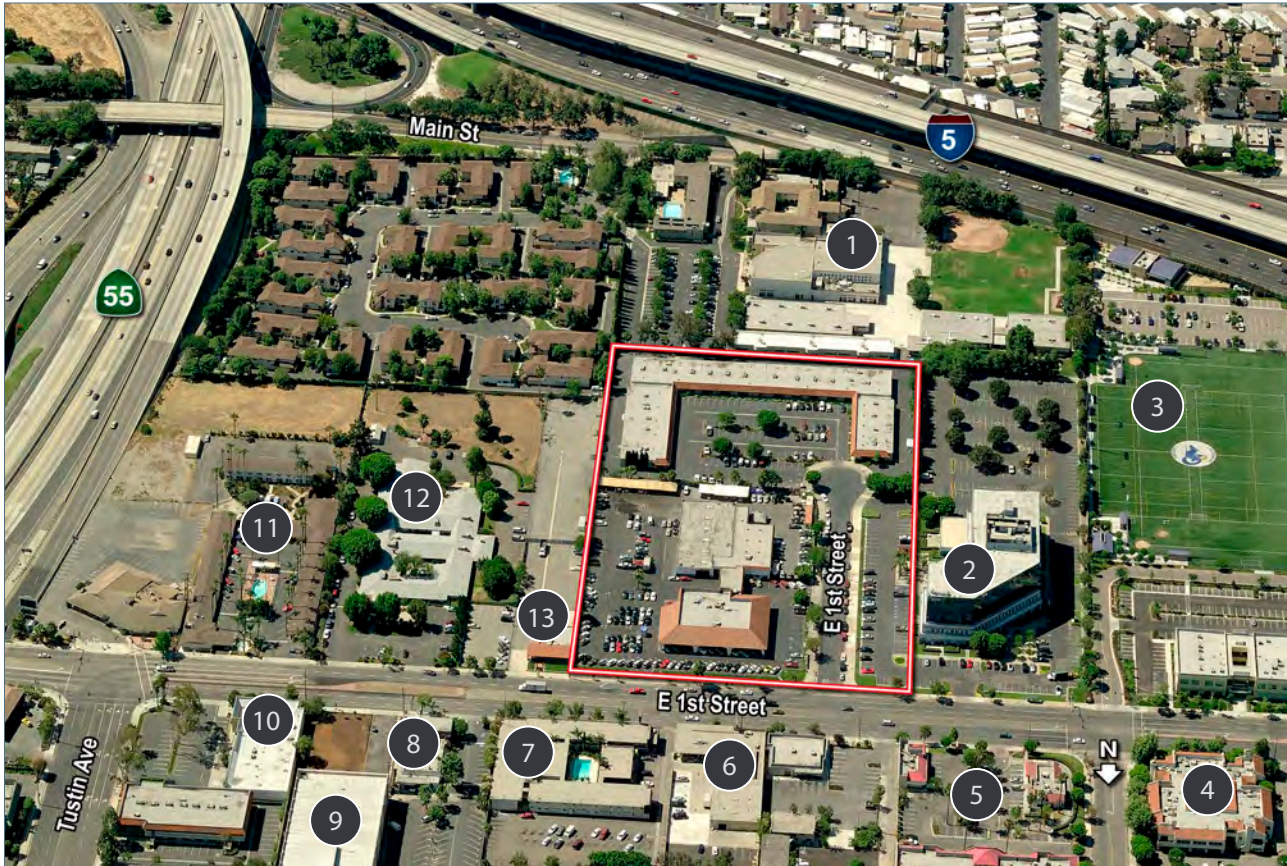
2110 E. 1st



2114 E. 1st







#	Address	Description	Owner
1	16791 E Main St	School	Sisters Of Company Of Mary Our Lady
2	2020 E 1St	Office	Colton Family Trust
3	2000 E 1St	School	Sisters Of Company Of Mary Our Lady
4	2001 E 1St	Office	Sa Plaza Llc
5	2101 E 1St	Office/Medical	Hwang Ing Wen
6	2131 E 1St	Retail	Nat Llc
7	2151 E 1St	Hospitality - Motel	Guest Inc Llc
8	2201 E 1St	Retail - Restaurant	Avila Victor / El Ranchito
9	2212 E 4Th St	Health Care - Hospital	Santa Ana Mob Llc
10	100 N Tustin Ave	Flex Building	Southern California Reference Laboratory
11	2222 E 1St St	Hospitality - Motel	Boyajian Layla
12	2210 E 1St St	Rehabilitation Center	Strich Eva Strich/Family Credit Shelter Tr
13	2207 W 1St St	Auto	Executive Car Leasing Co



# Metro East Residential Overlay

## Contents

- Metro East Mixed-Use Overlay Zone Summary
- Active Urban District Overlay
- Active Urban District Development Standards
- Amenities Map



2110, 2114 & 2020 E. 1st St Santa Ana, CA



The City's *General Plan* designation for the subject is District Center, which is intended to include a high intensity mixture of office, commercial, and residential uses. District Centers are projected to serve as an anchor to the City's commercial corridor and to accommodate major development activity. District Centers are to be developed with an urban character that includes a mixture of high-rise office, commercial, and residential uses which provide shopping, business, cultural, education, recreation, entertainment, and housing opportunities. Additionally, the *General Plan* identifies District Centers as Major Development Areas, and the most intense development in the City is targeted for these areas. The District Center *General Plan* designation, allows for up to 90 dwelling units per acre (du/acre).

The subject is also located within the **Metro East Mixed-Use Overlay Zone (MEMU)**. The MEMU Overlay Zone is comprised of the properties generally bounded by the Santa Ana (I-5) Freeway on the west, Park Court Place and its prolongation to Tustin Avenue on the north, First Street on the south, and Tustin Avenue and the Costa Mesa State Route (SR-55) on the east. The boundaries of the MEMU Overlay Zone are depicted in Figure 1 and the existing zoning sectional district maps.

This objectives of this zone are probably the most relevant of the land use designations affecting the future redevelopment of the subject property. The purpose and objective of this zone is to provide the creation of a high-intensity mixed-use urban village within a mid-rise to high rise office environment. The intent of this zone is to encourage the development of a mix of attached residential, retail, service, transient and office commercial uses in three to ten-story buildings (higher in some sub-districts) at high densities. The provisions of the MEMU Overlay zone apply to all properties within the Overlay Zone, but do not supersede the underlying zoning districts. All regulations, development standards and requirements in the underlying zoning districts shall continue to apply to those properties that are currently developed according to the existing standards. Properties within the MEMU Overlay Zone may choose to develop to the standards of the underlying zoning districts or to the standards contained within this MEMU Overlay Zone. New projects may also be developed to the existing underlying zoning district provided that all standards and requirements of the underlying zone are met.



Overlay Zone Location



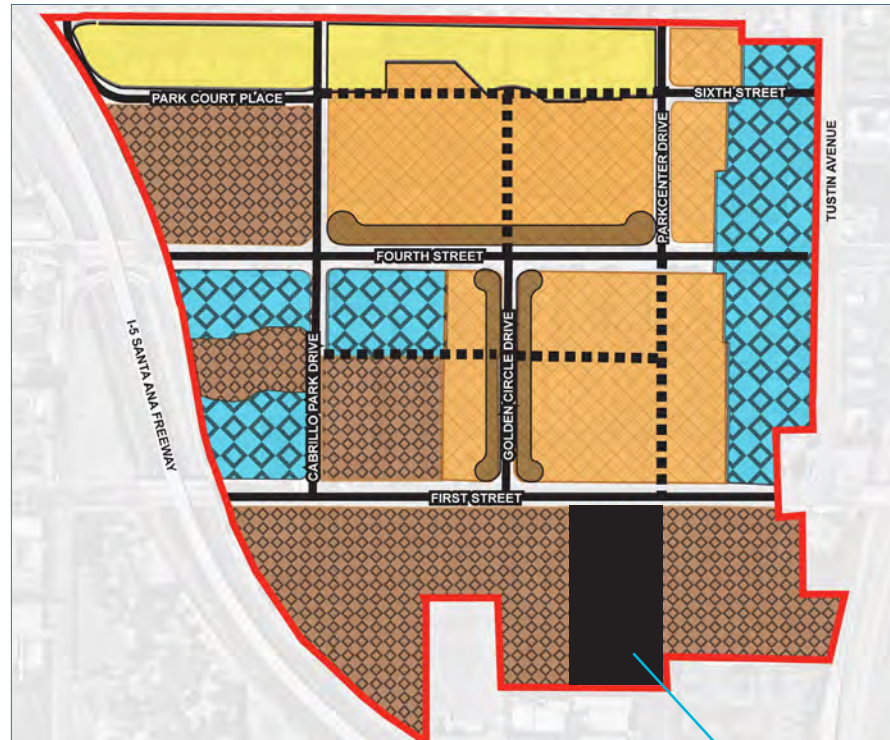
# Metro East Residential Overlay | Active Urban District Overlay

The subject property is located specifically within the **“Active Urban District”** within the MEMU overlay zone. The Active Urban District is the most intensive in scale within the MEMU area, and is designed to create a highly urbanized environment. In this sub-district the minimum story height for new development is three stories and there is no maximum. New development in this District shall relate in scale height and configuration with adjacent buildings. New development shall be designed and oriented to promote intensive public activity at the ground level that integrates and establishes a cohesive transition to adjacent Districts. Any new development that is ten stories or greater in the Active Urban District and is proposed at a location adjacent to a multiple-family residential use or zone outside of the MEMU area shall be set back at least 150” from the property line of the adjacent residentially used or zoned property.

Within the Active Urban District the minimum lot area is one acre. Building setbacks are twenty feet in the front and ten feet side and rear. Publicly accessible open space must be provided at 15% of total land area and private common open space must be included at 100 square feet per unit. Live/work units and multiple family residential units are permitted.

Residential Uses
Live/Work Units
Multiple-Family Residential
Non-Residential Uses
Art galleries and studios.
Eating establishments, (cafes, restaurants)
Bakeries
Retail and Service uses
Medical and Dental offices*
Professional, administrative and business offices*
Child care facilities
Gymnasiums and health clubs
Hotels
Indoor/outdoor entertainment
Schools
Temporary outdoor activities
Theaters and cinemas
Use/Operational Standards
Drive through establishments

\* No merchandise may be sold in these establishments.



- MEMU Overlay Zone Boundary
- Neighborhood Transitional District
- Village Center District
- Active Urban District
- Office District
- Pedestrian-Oriented Design at Ground Level
- Parcel Lines
- Potential Roadways
- Existing Roadways

**SITE**



# Metro East Residential Overlay | Active Urban District Development Standards

The Active Urban District is intended as the location for well-designed high rise mixed use developments in a highly urbanized environment that capitalizes on the exposure and access provided by two adjacent freeways, the Santa Ana (I-5) and Costa Mesa (SR-55), and two major arterials (First and Fourth Streets and Tustin Avenue). Development in this District is envisioned to reflect signature architecture that reinforces the identity and character of Metro East as a vibrant urban village that serves as a regional employment and activity center. The Active Urban District will include major office, residential, commercial, hotel, and entertainment opportunities that are more intensive in scale and design than the adjacent Village Center. Developments in this District may combine office, commercial, and residential uses within one vertical mixed use-building with commercial on the ground floor and office or residential on the upper floors or a mix of uses within freestanding buildings on the same site. Developments will be designed to showcase an amenity-enhanced environment that provides numerous open space opportunities within this urban environment for the enjoyment of residents, employees, and visitors, and to promote pedestrian connections between this District and the Village Center as well as Cabrillo Park located north of Metro East area.

## Fore Court



## Gallery



## Shop Front



## Arcade



## Active Urban Development Standards

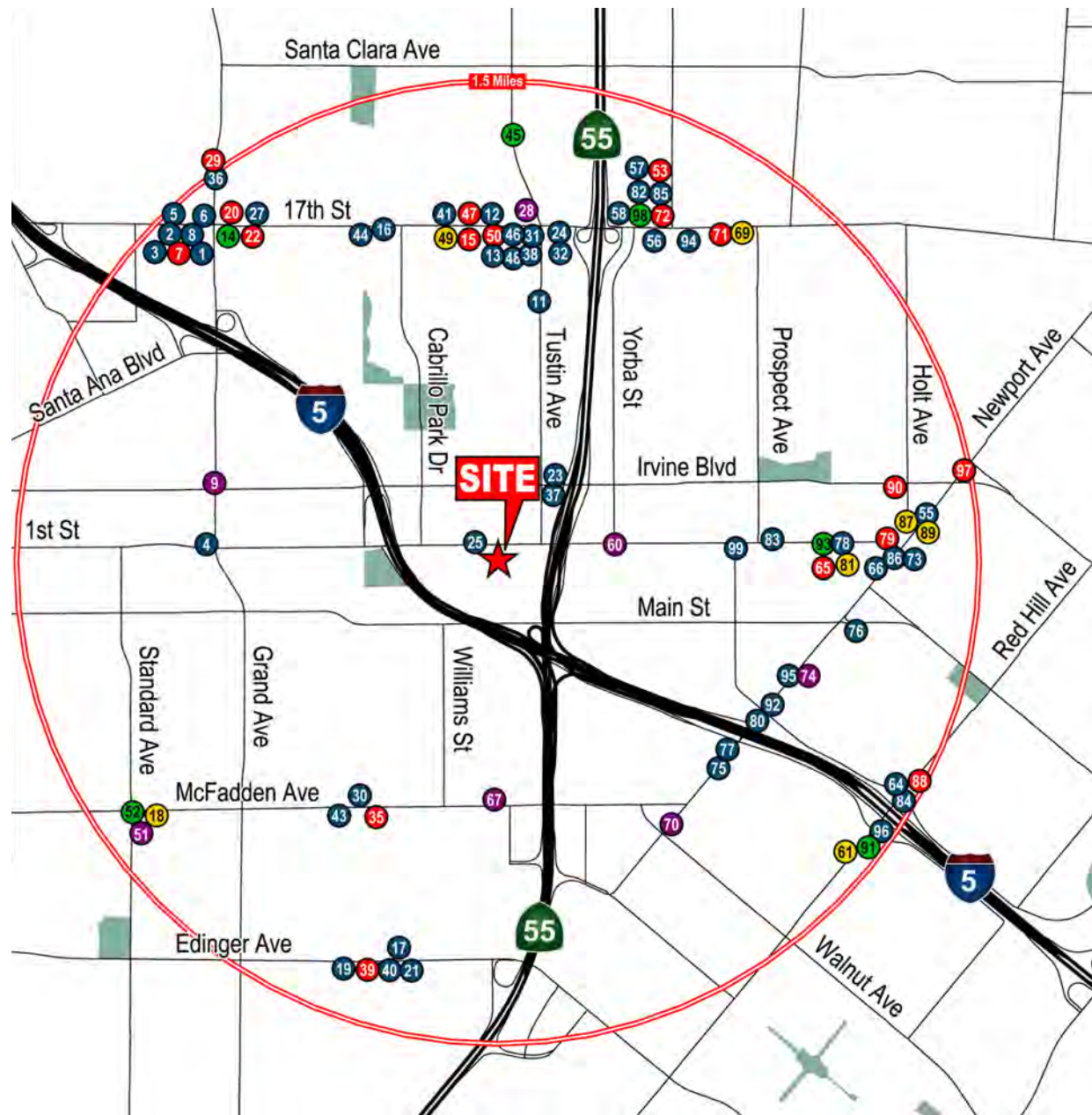
Maximum No. Stories	No Maximum & 3 Stories Minimum
Minimum Development Site Area	1 acre
Front Porch	No
Stoop	No
Fore Court	Yes
Shop Front	Yes
Gallery	Yes
Arcade	Yes
Publicly Accessible Open Space	15 % of Total Lot Area
Private/Common Open Space	100 sq. ft. per unit
Front	0 - 20 ft.
Side	0 - 10 ft.
Rear	0 - 10 ft.
Parking	Residential: 2.0-2.25 spaces per unit Non-Residential: Per Code



Retail Amenities			
#	Name	#	Name
1	Denny's	51	7-Eleven
2	Popeye's Chicken & Biscuits	52	Autozone
3	Round Table Pizza	53	Marshalls
4	Subway	54	Autozone
5	Subway	55	Coco's Bakery Restaurant
6	Taco Bell	56	El Torito Mexican Grill
7	Gamestop	57	Jack In The Box
8	Starbucks	58	Mimi's Cafe
9	7-Eleven	59	Radioshack
10	Albertsons	60	7-Eleven
11	Black Angus Steakhouse	61	Stater Bros Markets
12	Carl's Jr	62	Starbucks
13	Clalm Jumper Restaurant	63	Albertsons
14	O'Reilly Auto Parts	64	Subway
15	Radioshack	65	Rite Aid
16	Wendy's	66	El Pollo Loco
17	Carl's Jr	67	7-Eleven
18	Stater Bros Markets	68	Pizza Hut
19	El Pollo Loco	69	Vons
20	Walgreens	70	7-Eleven
21	iHop Restaurant	71	CVS Pharmacy
22	Target	72	Dollar Tree
23	Subway	73	KFC
24	Starbucks	74	7-Eleven
25	Flame Broiler	75	Taco Bell
26	KFC	76	Subway
27	Long John Silver's	77	Carl's Jr
28	7-Eleven	78	Starbucks
29	Dollar Tree	79	CVS Pharmacy
30	Subway	80	Jack In The Box
31	Rubio's Fresh Mexican Grill	81	Vons
32	Denny's	82	Starbucks
33	Panda Express	83	Mc Donald's
34	Pizza Hut	84	Wendy's
35	99 Cents Store	85	Subway
36	Marie Callender's	86	Chipotle Mexican Grill
37	Del Taco	87	Sprouts Farmers Market
38	Coffee Bean & Tea Leaf	88	Big Lots
39	Home Depot	89	Albertsons
40	Jack In The Box	90	Kohl's Department Store
41	Chipotle Mexican Grill	91	Chevron
42	Albertsons Delicatessen	92	Arby's
43	Wienerschnitzel	93	O'Reilly Auto Parts
44	El Pollo Loco	94	Taco Bell
45	Firestone Complete Auto Care	95	Round Table Pizza
46	Juice It Up	96	Taco Bell
47	Orchard Supply Hardware	97	Walgreens
48	Quiznos	98	Chevron Self Serve
49	Albertsons Sav-on Pharmacy	99	Wienerschnitzel
50	Ross Dress For Less		

<span style="color:blue">●</span> Restaurants	<span style="color:yellow">●</span> Grocery
<span style="color:red">●</span> Retail Stores	<span style="color:purple">●</span> Convenience Stores
<span style="color:green">●</span> Auto Parts Stores	





# Tenant Information

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[Rent Roll](#)



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## Industrial Business Park (2110 E. 1st)

Unit	Tenant	Start	End	Monthly Rent	
101	URS Corporation	07/01/2007	12/31/2012	\$1,224.00	
102,103	Imania Education Center & Yasen	06/01/2006	01/31/2013	\$1,550.00	
105	Imania Education Center & Yasen	10/01/2011	01/31/2013	\$950.00	
109	NIPA Inc.	01/01/2007	12/31/2012	\$1,200.00	
110	South Coast Systems	04/01/1992	12/31/2012	\$1,836.00	
112	Centro Familiar Cristiano Buena Nue	10/01/2010	08/31/2013	Total: \$4,410.00	
	Centro Scristiano Buena Nueva	04/03/2006	08/31/2013		
113	Centro Familiar Cristiano Buena Nue	11/01/2008	08/01/2013		
114	Centro Familiar Cristiano Buena Nue	11/01/2007	08/01/2013		
115	Centro Familiar Cristiano Buena Nue	07/01/2006	08/01/2013		
116	URS	09/01/1994	12/31/2012		\$6,174.00
119	Premium Design	10/01/2012	09/30/2013		\$950.00
120	Word Of Life Church	08/15/2012	08/14/2013		\$2,000.00

## Automobile Dealership (2114 E. 1st)

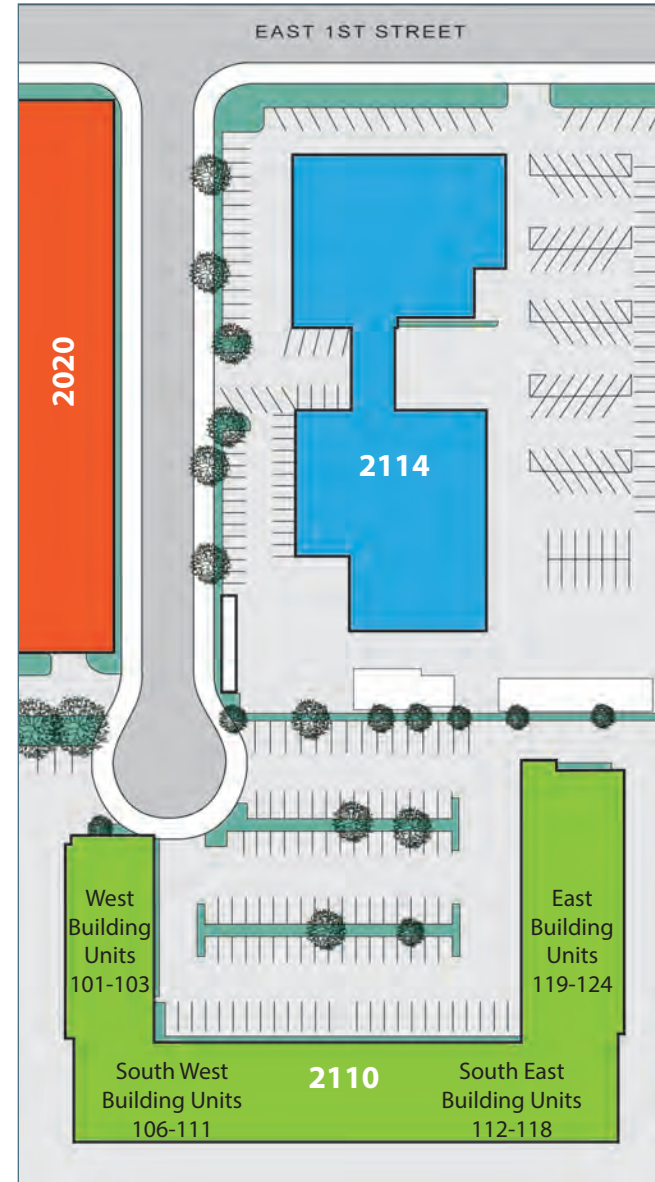
Tenant	Start	End	Monthly Rent
Public Motors Orange County	10/01/2009	06/30/2013	\$10,000.00

## Ground Lease - Parking for 2020 Main Office (2020 E. 1st)

Tenant	Start	End	Monthly Rent
The Colton Company	7/1/1984	6/30/2014	\$2,327.19

**NO OPTIONS TO RENEW ANY OF THE LEASES ABOVE.**

Total Monthly Rent
\$32,621.19



# Market Overview

## Contents

Orange County Residential Market Summary  
Central County Submarket Overview  
Tustin / West Santa Ana



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## Market Summary

Supply has caught up to demand in Orange County, effectively marking an end to the fundamentals recovery. While job growth continues apace, rising rents and the exhaustion of pent-up demand have taken a toll on absorption. Meanwhile, development is really starting to heat up.

## Economic Trends

Orange County's economic recovery continues to move forward. The metro has now added 50,000 jobs and its unemployment rate has gone down by two points since the trough of the last cycle. Many sectors are showing gains over year-ago levels and virtually all are expected to be in the black by year end. At the forefront is leisure and hospitality; 12,000 jobs have been created over the past two years by a rebound in families heading to Disneyland and the metro's other attractions. Other important sectors that are looking up include professional and business services and education and health services. This metro still has a long climb to make up for all of the jobs lost in the housing bust, but it is moving in the right direction. Economic green shoots are sprouting up everywhere. The past few quarters have seen a return to hiring at many of the county's top software makers, drug makers, and chip manufacturers. Some notable job gains have also come from eyewear and apparel firm Oakley Inc. (added 450 local jobs), hybrid car maker Fisker Automotive (100), Home Depot (350), and Pimco (300). There are even indications that the residential mortgage lending industry might be trending back up—Irvine-based Greenlight Financial Services is planning to hire 500 local workers in its wholesale mortgage division while LoanDepot.com reportedly plans to expand its workforce by 1,000. So far, no one industry appears to be behind the recovery; rather, small contributions are being made from many sectors of the economy. The professional and business services sector will lead the metro over the forecast. High-value office work is what this metro does best. While it is not yet clear what segment of the industry will drive the economy over the next cycle, the metro's heavy concentration of highly educated and dynamic workers will undoubtedly carry the industry to the forefront of the next big thing, just like it has done in past cycles. Through 2016, this industry is expected to create 50,000 jobs, good for a cumulative growth rate of 20%.

## Population and Migration

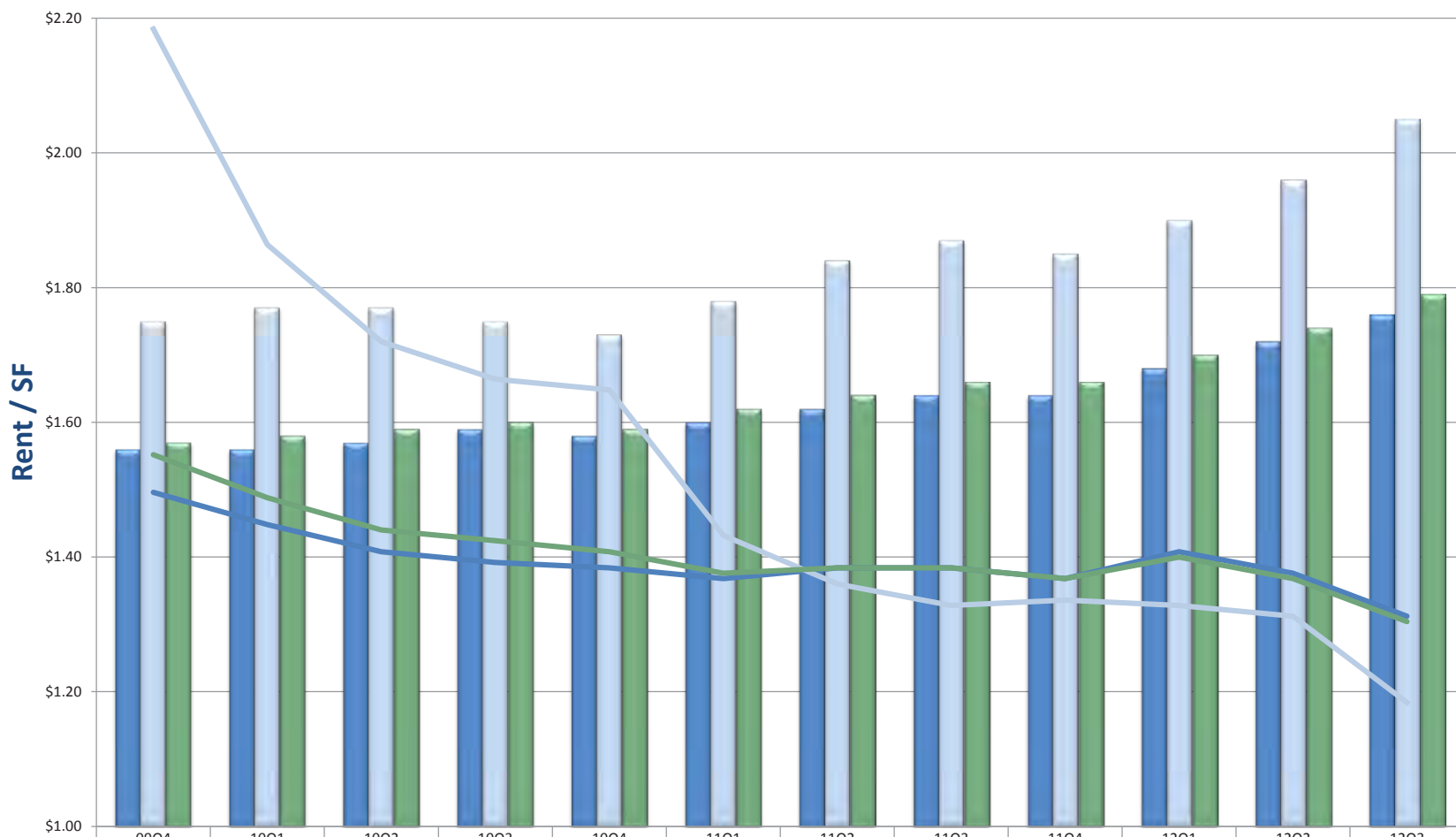
Population growth in Orange County has outpaced that of the nation since the implosion of the housing market. The metro was beset by high levels of out-migration during the middle of the last decade as residents deserted in droves to chase the dream of an affordable home in the Inland Empire. But now that the dream has faded, the "push" effect of the housing market has dissipated. The health of this economy relative to the rest of Southern California has even begun pulling in residents from outside the region.

## Demand Trends

Demand growth will be bolstered by a nice combination of economic recovery and demographics. Orange County has historically led Southern California in terms of timing and magnitude of job growth coming out of recessions. The concentration of jobs in technology, R&D, and other knowledge-intensive sectors helps the metro get a jump on the recovery, a key driver for apartment demand. Furthermore, over the next five years, Orange County is expected to add about 55,000 new apartment renters, as a surge of Echo Boomers will graduate from college and seek out more housing.



## Orange County - Rent Summary



	09Q4	10Q1	10Q2	10Q3	10Q4	11Q1	11Q2	11Q3	11Q4	12Q1	12Q2	12Q3
Rent/SqFt (Garden)	\$1.56	\$1.56	\$1.57	\$1.59	\$1.58	\$1.60	\$1.62	\$1.64	\$1.64	\$1.68	\$1.72	\$1.76
Rent/SqFt (Mid- Rise)	\$1.75	\$1.77	\$1.77	\$1.75	\$1.73	\$1.78	\$1.84	\$1.87	\$1.85	\$1.90	\$1.96	\$2.05
Rent/SqFt (All)	\$1.57	\$1.58	\$1.59	\$1.60	\$1.59	\$1.62	\$1.64	\$1.66	\$1.66	\$1.70	\$1.74	\$1.79
Vacancy (Garden)	6.20%	5.60%	5.10%	4.90%	4.80%	4.60%	4.80%	4.80%	4.60%	5.10%	4.70%	3.90%
Vacancy (Mid- Rise)	14.80%	10.80%	9.00%	8.30%	8.10%	5.40%	4.50%	4.10%	4.20%	4.10%	3.90%	2.30%
Vacancy (All)	6.90%	6.10%	5.50%	5.30%	5.10%	4.70%	4.80%	4.80%	4.60%	5.00%	4.60%	3.80%

**Note:** Market totals 502 buildings, of which 479 are garden style and 22 are mid-rise.



## Submarket Overview

Central County is the largest submarket in the metro, home to 60% of the metro's apartment stock. It largely dictates the broader market's direction. This submarket covers a wide geographic area, including Anaheim, Irvine, Orange, and Santa Ana. Major employment drivers here include financial firms located near the airport and tourism-oriented jobs near Disneyland and the Anaheim Convention Center. Some of the largest projects in planning today are in the southern part of the submarket in the Irvine Company's undeveloped land parcels.

## Supply Trends

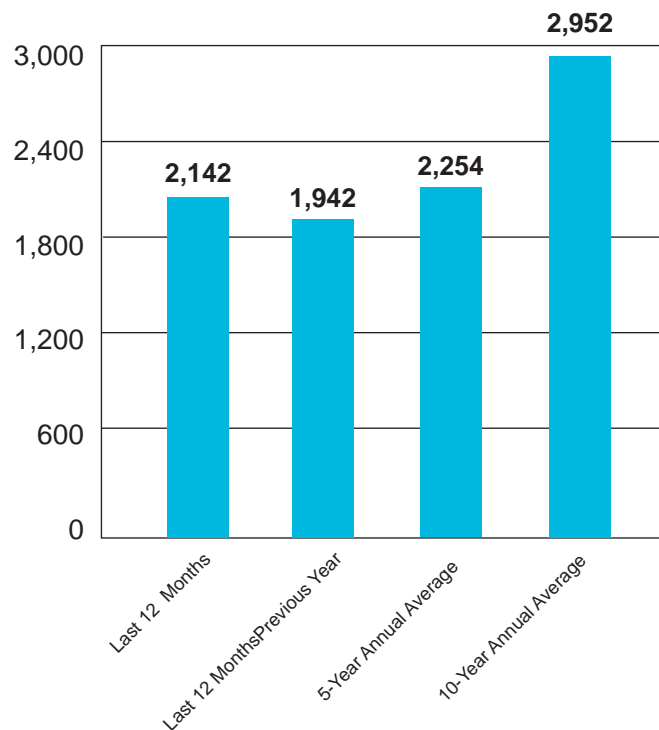
Enthusiasm for development is heating back up. The Irvine Company has begun work on several buildings in its massive Cypress Village. This project will ultimately deliver 1,600 units near the Irvine Spectrum when complete. The developer has also submitted plans to develop 1,000 units at its Park Place campus on Michelson Avenue. But the Irvine Co. is not the only developer getting the shovels ready. Kilroy Realty Corp. is reportedly set to kick off work this year on a 470-unit project on Von Karman Avenue. Vineyard Development Corp. has petitioned the city of Irvine to allow it to build rental apartments on a site currently permitted for condo development. The project, called the Met at South Coast, would deliver 284 units on MacArthur Boulevard under VDC's new plans. This is nearby another development site on MacArthur where Lyon Communities is set to break ground on a 300-unit building this summer. Elsewhere in Irvine, the Wild Rivers Waterpark is being moved from its present location near the I-5/405 interchange to make room for up to 1,700 apartment units. The city of Anaheim is doing its part to encourage growth by rezoning its Platinum Triangle district to double the number of permissible multifamily units. Likewise, Tustin is gearing up for development by selling off several parcels of land zoned for residential construction and committing to \$40 million in roadwork at the former Marine Corps Air Station. These parcels have the potential to add more than 1,000 rental units in Tustin over the next few years.

## Development Highlights

Related California is now at work on one 114 unit low rise property which will expand the apartment base 0.6%. Dubbed Station District, the community will be delivered in two phases. The first phase, which consists of 74 conventional units, is slated to wrap up in 2013's 1st quarter. The second iteration, 40 affordable units, is set to hit the scene shortly thereafter in 2013's 2nd quarter. Station District is located in the northwest quadrant of the intersection of North Lacy and East 6th Streets, caddy-corner to Garfield Elementary School and about five blocks from the Santa Ana Metrolink station.

*The site of this development falls outside the Tustin/West Santa Ana submarket, where in the subject property is located, discussed later in the Market Overview Section.*

## Santa Ana Multifamily Permits



Occupancy	
Submarket	Rate
Buena Park/Cypress	98.1%
Santa Ana	97.1%
Huntington Beach	97.0%
West Anaheim	96.8%
Costa Mesa	96.3%

Units Under Construction	
Submarket	Units
North Irvine	3,507
South Irvine	980
Fullerton	350
West Irvine	179
Santa Ana	114

## Properties Completed in the Last Four Quarters

Address	Developer	Property Type
Union Place 1500 Cherry St, Placentia, CA	The Resmark Companies	Conventional
Bonterra 700 E South St, Anaheim, CA	3 Jamboree Housing Corp	Affordable
South Street Apartment Homes 700 E South St, Anaheim, CA	4 Related California	Affordable
Coventry Court at Columbus Square* 17100 Cambridge Way, Tustin, CA	Lennar Homes of California	Senior
Cypress Village Cadenza 100 Piccolo, Irvine, CA	Irvine Apartment Communities	Conventional
Cypress Village Veneto 100 Contessa, Irvine, CA	Irvine Apartment Communities	Conventional
Doria Apartment Homes 1000 Crested Bird, Irvine, CA	Jamboree Housing Corp	Affordable
Park Landing 8850 W La Palma Ave, Buena Park, CA	Jamboree Housing Corp	Affordable
University House Fullerton 555 N Commonwealth Ave, Fullerton, CA	Inland American Communities Group	Student
Station District 600 N Lacy St, Santa Ana, CA	Related California	Affordable
Station District II 600 N Lacy St, Santa Ana, CA	Related California	Affordable
Los Olivos 350 Gitano, Irvine, CA	Irvine Apartment Communities	Conventional
Cypress Village Murano 100 Grand Canal, Irvine, CA	Irvine Apartment Communities	Conventional
Cypress Village Umbria 100 Pendio, Irvine, CA	Irvine Apartment Communities	Conventional
Park at Irvine Spectrum Center II 18000 Spectrum, Irvine, CA	Irvine Apartment Communities	Conventional
Avalon Irvine II 16901 Jamboree Rd, Irvine, CA	AvalonBay Communities Inc	Conventional
Park Place 3195 Michelson Dr, Irvine, CA	Irvine Apartment Communities	Conventional

## Nearby Construction

Project	Construction Cost	Units	Phase	Distance (mi)
Tustin Cottages 1361 El Camino Real Tustin, CA	\$12,701,150	93	Completed	1.34
Santa Ana Station Phase II E Santa Ana Blvd & N Lacy St Santa Ana, CA	\$18,552,572	40	Underway	1.50
Armstrong Apartments 16808 Armstrong Ave Irvine, CA	\$2,300,000	334	Planning	3.23
The Met Multi Family Residences First American Way E Santa Ana, CA	\$60,000,000	284	Planning	3.31
Santa Ines Senior Villas 184 N Prospect St Orange, CA	\$10,000,000	42	Pre-Planning	3.31
Met At South Coast 200 E First American Way Santa Ana, CA	\$38,786,309	284	Planning	3.40
Millikan Avenue Apartments Millikan Ave, Irvine, CA	\$33,280,000	190	Planning	3.42
The Market 100 W Macarthur Blvd Santa Ana, CA 92707	\$60,000,000	439	Post Bid	3.55
Essex Skyline At Macarthur Place 15 Macarthur Pl, Santa Ana, CA	\$47,663,457	349	Completed	3.57
The Market At South Coast Metro 100 E Macarthur Blvd Santa Ana, CA	\$40,971,453	300	Planning	3.57

\* Originally planned or started as a for-sale condominium property but switched to rental during construction.

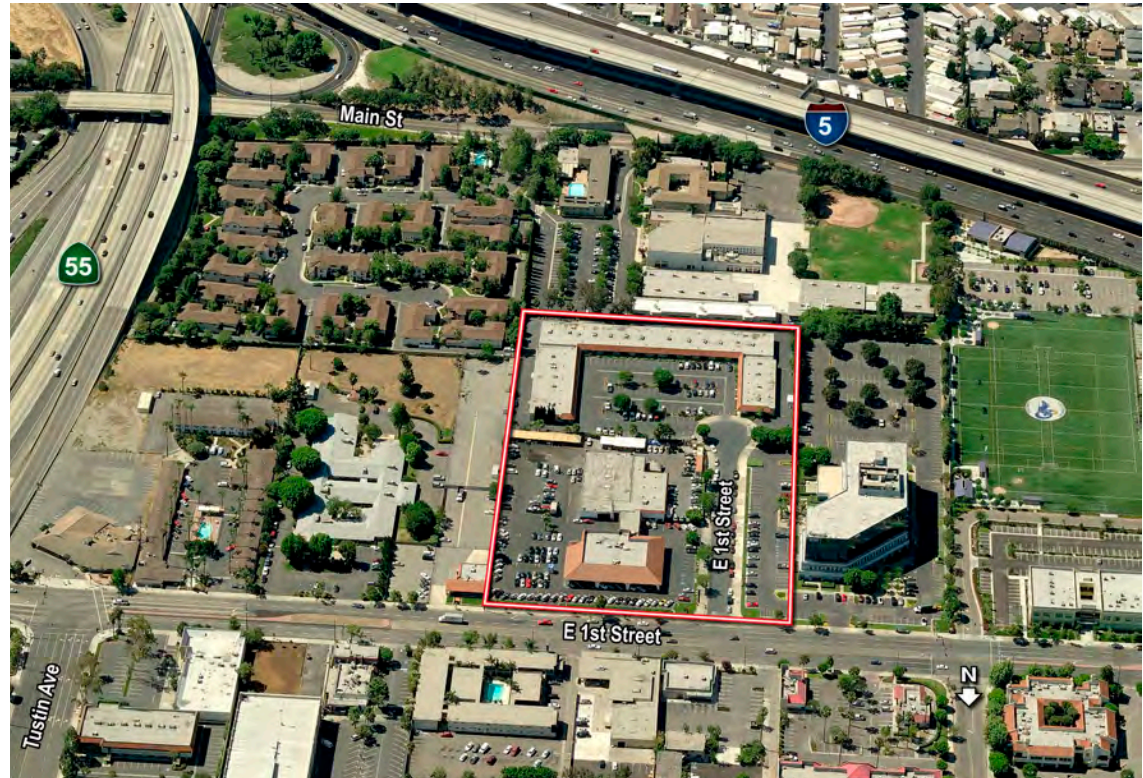


## Product Niche Highlights

- 1990s: Posted the only niche-level rent contraction (-1.4%) in the year-ending 3rd quarter and trailed most other age groups for occupancy (95.7%).
- Pre-1970: Led product age niches in terms of annual rent growth (6.2%) and occupancy (98.1%).
- 1980s: Bucked the submarket norm with quarterly declines in both occupancy (-0.6 points) and same-store rents (-0.4%).
- One-bedrooms: Topped two-bedrooms for occupancy (96.7% to 95.9%) and annual rent growth (3.8% to 2.5%).

## Tustin/West Santa Ana

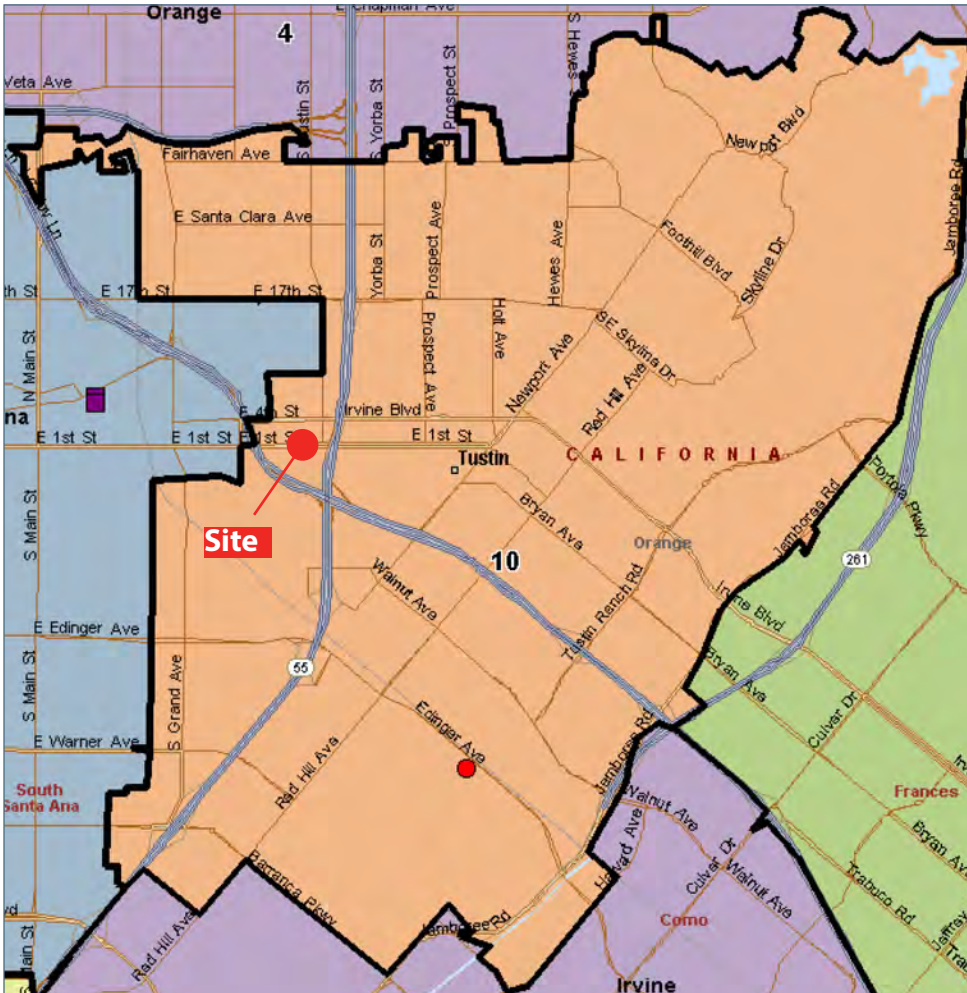
Snapshot	Submarket	Metro
Existing Units	11,887	228,213
Percent Sampled	86.6%	59.8%
Supply and Demand		
Qtrly/Ann Supply (units)	0/240	739/1,226
Ann Inventory Change	2.1%	0.5%
Five-Year Average Ann Supply (units)	54	2,474
Five Year Peak/Trough in Ann Supply (units)	267/0	4,995/109
Qtrly/Ann Demand (units)	98/100	122/1,544
Occupancy		
Current Rate	96.1%	95.9%
Qtrly/Ann Change	0.9/-1.0	-0.3/0.1
Five-Year Peak/Trough	97.1%/91.1%	96.2%/92.5%
Five-Year Average	95.3%	94.9%
Rent		
Monthly Rent	\$1,447	\$1,575
Rent Per Square Foot	\$1.633	\$1.780
Qtrly/Ann Change	1.0%/2.8%	0.7%/2.9%
Five-Year Peak/Trough in Ann Change	5.2%/-7.6%	4.9%/-7.6%
Five-Year Average Ann Change	0.6%	0.2%
Revenue Change		
Qtrly/Ann Change	1.9%/1.8%	0.4%/3.0%
Five Year Peak/Trough in Ann Change	6.9%/10.8%	5.7%/ 9.4%
Five-Year Average Ann Change	0.5%	0.1%



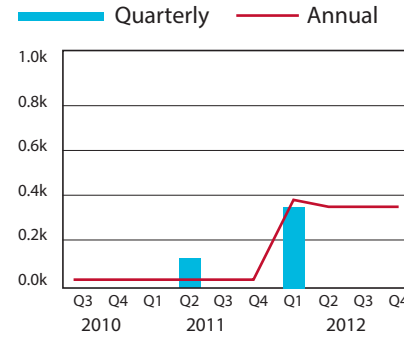
## Supplies and Details Map

Properties Completed in the Last Four Quarters	Developer	Property Type	Units	Stories	Start	Finish
Coventry Court at Columbus Square 17100 Cambridge Way, Tustin, CA 92782	Lennar Homes of California	Senior	240	3	03/11	03/12
						Total Units: 240

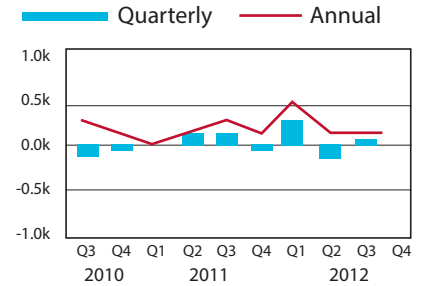
No properties are currently under construction.



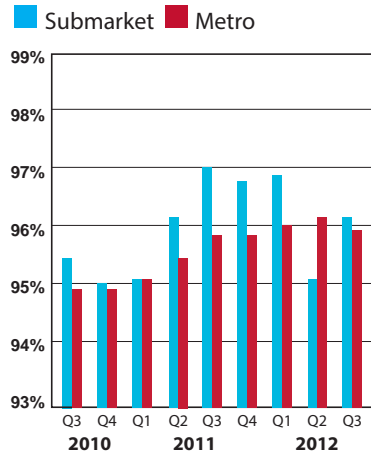
### Supply



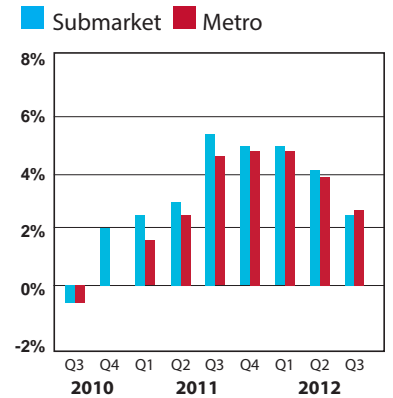
### Demand



### Occupancy



### Annual Rent Change





# Location Overview

## Contents

Orange County  
City of Santa Ana



2110, 2114 & 2020 E. 1st St Santa Ana, CA



Orange County continues to benefit from a well-diversified economy, high quality labor force, direct access to major airport facilities and strategic location on the Pacific Rim. This vibrant economic health, along with the area's tremendous residential desirability as well as established education/recreation and cultural base, provide an excellent location for commercial properties.

The mid and long-term picture for Orange County is bright for the following reasons:

- Overall diversity in Orange County's economy.
- Projected continuation of population growth.
- Low rental rates as compared to other metropolitan areas both regionally and globally.
- Orange County's transportation infrastructure provides less congested commutes with the completion of the toll road system, addition of Metrolink (commuter rail) stations and the renewal of Measure M providing a \$20 billion-plus addition to the infrastructure through 2030.
- World-class location ... truly the American Riviera.
- Unparalleled living environment ... temperate weather, safe cities, excellent housing, beautiful beaches.
- World-Class Amenities with the opening or recently completed, major renovations of premier facilities (e.g. Pelican Hill Resort & GC, Big Canyon GC, Pacific Club and Shady Canyon GC).
- Standard-of-excellence healthcare institutions... UCI Medical Center (expanding), Children's Hospital of OC (expanding) and Hoag Hospital (recently completed women's hospital expansion).
- World-class education institutions ... University of California, Irvine (UCI), Chapman University and Soka University are expanding to accommodate student demand.
- World-class entertainment & culture... Segerstrom Center for the Arts, South Coast Repertory Theatre, Segerstrom Concert Hall, Laguna Festival of the Arts, Pacific Symphony, Disney Resorts (Disney injecting \$1.5 billion into local economy with planned renovation of California Adventure theme park).





# Location Overview | Orange County

OC's Diversified Industry Base Top 20 Public and Private Companies in Order of Company wide Revenue.

Public Companies	Private Companies
Ingram Micro, Inc.	Pacific Life Insurance Company
Western Digital Corporation	Golden State Foods Corporation
First American Corporation	Kingston Technology Company
Spectrum Group International, Inc.	Automobile Club of Southern California
Allergan, Inc.	Vizio, Inc.
Broadcom Corporation	Ventura Foods, LLC
Beckman Coulter, Inc.	Young's Market Company
Quicksilver, Inc.	Apria Healthcare Group, Inc.
Sun Healthcare Group, Inc.	Newport Beach Company
Corinthian Colleges, Inc.	David Wilson Automotive Group



Orange County's estimated population for 2011 is 3,063,500 and is expected to reach approximately 3,213,280 by the year 2016. Orange County is the sixth largest county in the United States; if it were a city, it would be the third largest in the nation.

Select Area Demographics - Orange County

	Population	Household
2011 Estimate	3,063,500	984,115
2016 Estimate	3,213,280	1,031,019
2000 Census	2,846,289	935,287
2000-2011 % Change	7.63%	5.22%
2011-2016 % Change	4.89%	4.77%
2011 Median Household Income (estimate)		\$71,302
2011 Average Household Income (estimate)		\$95,446

Source: Orange County Business Journal, 2011 Book of Lists



## Employment

Orange County is a major employment center. The county presently employs approximately 9.1% of the state's workers, despite having only 8.2% of the state's population. Many workers in Orange County commute from adjacent counties.

Orange County continues to post a lower unemployment rate than the state. The county unemployment rate was 7.8% as of January 2012 compared to California at 11.1%. The national rate was 9.3%. The broad-based economy of Orange County is regarded as a key component of its economic stability and will continue to contribute to its long-standing, successful performance record.

Orange County's diverse economy is driven by both manufacturing and service-producing industries. A highly educated workforce, deep international trade links and a high per capita income make Orange County a very diverse and strong market relative to other metropolitan areas.

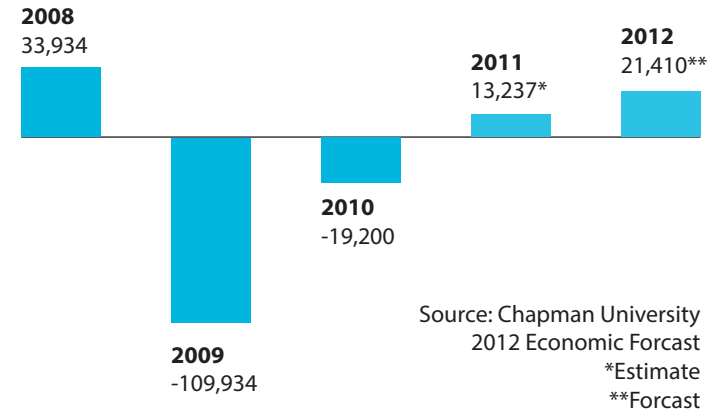
According to Chapman University's Economic and Business Review, June 2010, suggests that year-over-year payroll job growth will increase from virtually no growth to 1.8% by the fourth quarter of 2011. This growth points to the projected creation of 21,000 jobs in Orange County in 2011. Most of the jobs will be in the services sector, with the most rapid growth forecasted in the education and health services sector, increasing at 2.6% in Orange County. Additionally, the retail and wholesale sectors are forecasted to show recovery in 2012. The manufacturing sector is also improving as expected improvements in the export market and turnaround in business capital investment point to future increases in manufacturing output leading to hiring in this sector through 2012.

## Top Employers in Orange County

University of California, Irvine	20,650	California State University, Fullerton	5,032
Walt Disney Company	20,000	Wells Fargo & Company	4,622
St. Joseph Health System	11,965	Home Depot, Inc.	4,500
The Boeing Company	8,060	MemorialCare Health System	4,270
Bank of America Corporation	6,500	Kroger Company	4,250
Yum Brands, Inc.	6,500	Cedar Fair LP	3,900
Supervalu, Inc.	5,900	UnitedHealth Group, Inc.	3,800
Kaiser Permanente	5,397	Walmart Stores, Inc.	3,800
Target Corporation	5,325	Tenet Healthcare Corporation	3,700
Hoag Memorial Hospital Presbyterian	5,107	Costco Wholesale Corporation	3,660

Source: Orange County Business Journal, 2011 Book of Lists

## Orange County Job Growth





## Orange County Industry Breakdown

Sector	Total Employment (X 1000)	Monthly Change	Annual Change
Professional & Business Services	247,100	Up	Up
Leisure & Hospitality Services	179,300	Down	Up
Manufacturing	151,600	Up	Up
Government	139,200	Down	Down
Retail Trade	138,800	Up	Down
Health Services	135,900	No Change	Up
Financial Activities	103,400	Down	Down
Wholesale Trade	77,300	Down	Down
Construction	71,100	Down	Up
Other Services	41,000	Down	Down
Transportation & Warehousing	26,900	No Change	Up
Information	24,500	Down	Down
Education	22,500	Down	Up

Source: CA Economic Development Dept. Data Release September 16, 2011

Orange County is served by a large freeway network, which provides access to the four neighboring counties of Los Angeles, San Diego, Riverside and San Bernardino. The transportation corridor network, consisting of the SR-73, SR-241 and SR-261 toll roads, has been completed in recent years and several existing major freeways, including the I-5, SR-55 and I-405, have recently been expanded and upgraded.

The major airport serving the Orange County area is John Wayne Airport, located just 12 miles from the Property and accessible via a dedicated exit from the Costa Mesa Freeway (SR-55). The airport is served by nine commercial and five freight carriers and features a 300,000 square foot terminal. John Wayne Airport also accommodates private and corporate flights. Construction of a new, \$652-million terminal project is currently underway. The project is the airport's first major improvement since 1990 and is designed to meet future demands for air travel as well as maintain the airport's position as an attractive alternative to Los Angeles International Airport. The new, third passenger terminal will increase the gates for commercial aircraft from 14 to 20 and help the airport accommodate up to 10.8 million passengers per year. Also included in the project is a

2,000-space parking structure, renovation of the two existing terminals and a marketplace with restaurants and shopping. The county-owned airport also plans to resurface the runway, add more parking for commercial aircraft and build permanent facilities for commuter air services. In addition, space will be added for a federal customs and immigration facility to process passengers from international carriers that airport officials hope to attract in the future. Municipal bus service is provided by the Orange County Transportation Authority (OCTA). Orange County has several freight rail lines and passenger service is provided by Amtrak. Deep-water ports and an international airport are nearby via the freeway network in neighboring Los Angeles County.

The OCTA has recently completed a long range transportation plan that spans a 29-year period and lays the groundwork to ensure future mobility in Orange County. Between 2002 and 2030, Orange County is expected to invest \$24.3 billion in transportation improvements. Upgrades and improvements to Orange County's extensive freeway system will continue along with enhancement of Metrolink commuter rail service and municipal bus service.

Industry/Product Focus of OC's Top Public and Private Companies	
Apparel & Apparel Retailing	Manufacturer of Medical Devices
Auto Dealerships	Newspaper & Broadcasting
Biomedical	Savings and Loan
Computer Chipmaker, Manufacturer & Products	Real Estate Owner/ Homebuilder/Developer
Drug Maker	School Operator
Food Processor/Distributor	Surgical Devices
Grocery Products Brokerage	Technology Products Distributor
Healthcare Provider	Title Insurance
Insurance Provider	Wine & Liquor Distributor

Santa Ana is the county seat and second most populous city in Orange County, California, and with a population of 324,528 at the 2010 census, Santa Ana is the 57th-most populous city in the United States. Santa Ana is the corporate headquarters of several companies including Behr Paint, CoreLogic, Corinthian Colleges, First American Corporation, Greenwood & Hall, Ingram Micro, The Orange County Register, Powerwave Technologies, SchoolsFirst Federal Credit Union, STEC, TTM Technologies, and Wahoo's Fish Taco. It also houses major regional headquarters for the Xerox corporation, Ultimate Software Ultimate Software, and T-Mobile.

In recent years, the nearby city of Irvine has outpaced Santa Ana in commercial growth, with the Irvine Business District located near John Wayne Airport. To compete with this, Santa Ana has approved commercial projects in the South Coast Metro area, as well as the "Metro East" development, located at the confluence of the Santa Ana 5 Freeway and the Costa Mesa 55 Freeway.

The Historic South Main Business District contains many older retail shops and other small businesses. It extends from downtown Santa Ana southwards on Main Street to the South Coast Metro area.



### Bowers Museum



### Santa Ana Train Station





Demographics	
2011 Estimate	327,731
2016 Projection	342,424
Avg. Household Income	\$61,613
Percent Married	42.5%
Average Age	29

Housing	
Median Property Value	\$310,300
Housing Units	78,415
Owner-Occupied	48.7%
Avg. Household Size	4.55

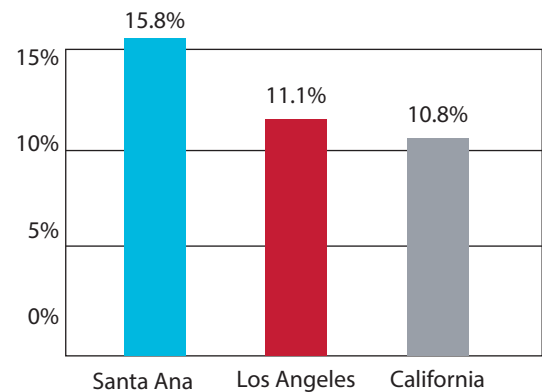
Taxable Sales in Thousands: 2010	
Santa Ana	\$ 3,178,264,
Los Angeles	\$116,942,334
California	\$ 477,347,986

Business By Industry	(# of Businesses)
Services	1,492
Manufacturing	919
Retail	892
Wholesale Trade	603
Trans, Comm, Elec, Gas & Sanitation	416
Finance, Insurance & Real Estate	292

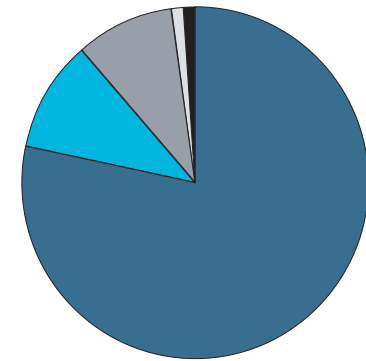
Major Employers	(# of Employees)
Orange County	15,390
Ingram Micro	4,000
Rancho Santiago Community College District	2,300
United States Postal Service	2,000
Tenet Healthcare	1,500

Landmarks & Tourist Attractions
Artist Village and Civic Center
Bowers Museum
Discovery Science Center
Santa Ana Zoo

Unemployment percentage: May 2012

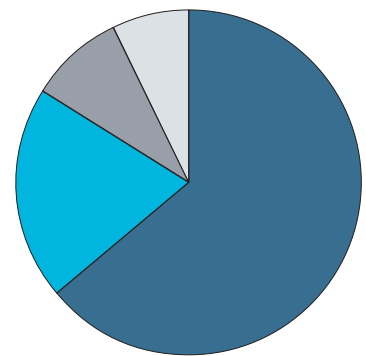


Population



- Hispanic = 78%
- White = 10%
- Asian = 9%
- Black = 2%
- Other = 1%

Employment by Occupation



- Trade & Labor = 64%
- Administrative & Support = 20%
- Service Personnel = 9%
- Executive & Professional = 7%

# Building Comparables

## Contents

- Land Sales Comparables
- Sales Comparables - Existing Product
- Sales Comparables Map

















2110, 2114 & 2020 E. 1st St Santa Ana, CA



## Building Comparables | Land Sales Comparables

Property Name Address	Land Area Price/AC Land Gross	Sale Price Sale Date	Proposed Use	Buyer Seller	Notes
2501 Alton Pky Irvine, CA	1.76 AC (76,578 SF) \$2,844,140 (\$65.30 PSF)	\$5,000,000 08/31/2012	Redevelopment Project	Equity Residential Sam Benjamin	
Desert Bloom Park Place Irvine, CA	27.33 AC (1,190,338 SF) \$2,234,730 (\$51.30 PSF)	\$61,067,000 06/19/2012	Single Family Development	KB Home The Irvine Company	Number of Lots: 174
Michelson Dr Park Place Irvine, CA	14 AC (609,840 SF) \$7,242,860 (\$166.27 PSF)	\$101,400,000 10/01/2011	Apartment Units	The Irvine Company LBA Realty Inc	The Irvine Copmany plans to build a 980 unit apartment complex
16931 Millikan Ave Sage/Garden Hill at Portola Springs Irvine, CA	2.20 AC (95,832 SF) \$2,545,460 (\$58.44 PSF)	\$5,600,000 09/02/2011		Equity Residential Grimmway Enterprises, Inc	
2211 E. Orangewood Ave I Zoned Acreage Anaheim, CA	3.81 AC (165,964 PSF)	\$8,580,000 03/31/2011	MultiFamily	Integral Communities Cathay General Bancorp	Sales Conditions: REO Sale Financing: \$4,400,000.00 from Cathay BK Entitled for 320 multifamily units
2100 E. Orangewood Ave Anaheim, CA	6.49 AC (282,792 SF) \$3,543,914 (\$81.33 PSF)	\$23,000,000 11/31/2012	Redevelopment Project	The Irvine Company Robert Wells Family Patnership & Twedt Family Partnership	The Irvine Company plans to build a 395 unit apartment project.
17872 Cartwright Rd Irvine, CA	5.15 AC (224,334 SF) \$6,019,418 (\$138.19 PSF)	\$31,000,000 10/25/2012	Redevelopment Project	Garden Communities of California Sares-Regis Group	457 unit apartment/condo project.

# Building Comparables | Sales Comparables - Existing Product

Photo	Property Name Address	Price Price/Unit	CAP Rate Units	Year Built Sale Date	Buyer Seller
	Oceanair Apartment Homes 931 W 19th St, Costa Mesa	\$5,350,000 \$140,789	5.0% 38	1962 8/2/2012	Edwin A Muradliyan LSREF2 Chalk REO LLC
	La Quinta Hermosa 16211 Parkside Ln., Huntington Beach	\$18,400,000 \$195,745	N/Av 94	1969 7/10/2012	Village Investments Westbrook Partners
	1407 N Bush St Santa Ana	\$6,250,000 \$120,192	5.9% 52	N/A 7/10/2012	James & Susan Colombo Trust Wood Family Trust
	The Huntington 8400 Edinger Ave. Huntington Beach	\$48,250,000 \$174,819	N/Av 276	1976 7/5/2012	Essex Property Trust, Inc. Friedkin Realty Group, Inc.
	Via Verde 15555 Huntington Village Ln Huntington Beach	\$65,700,000 \$237,184	5.2% 277	1977 6/27/2012	Kennedy-Wilson Properties, Ltd. Westbrook Partners
	Orange Villas 715 N Lemon St, Orange	\$6,400,000 \$160,000	4.8% 40	1955 6/12/2012	HR Heritage Village LLC Lemon Orange, LLC
	Tustin View 2010 Ponderosa St, Santa Ana	\$14,400,000 \$171,429	N/Av 84	1968 4/17/2012	Tustin View Land Partners LLC The Capital Foresight LP
	Essex Skyline at MacArthur Place 15 MacArthur Pl, Santa Ana	\$85,000,000 \$243,553	4.2% 349	2008 4/15/2012	Essex Property Trust, Inc. Rockpoint Group LLC
	1544 E Quincy Avenue Orange	\$5,900,000 \$125,532	5.1% 47	1973 11/7/2011	Trovil Properties III, LLC PE Group LLC
	Valencia Gardens 15742 Williams St, Tustin	\$25,500,000 \$154,545	5.1% 165	1970 9/21/2011	Valencia Garden Apartment Owner LLC Bb & K of Nnc Valencia Gardens LLC
	Sandalwood-Coco Palms 2007 Ponderosa St, Santa Ana	\$9,318,440 \$155,307	6.1% 60	1962 6/17/2011	Sandalwood Cottages Investment LP Raintree Realty LLC
	Las Casitas Garden Apartments 20102 SW Birch St, Newport Beach	\$10,400,000 \$200,000	5.5% 52	1973 3/30/2011	MK Las Casitas, LLC 20102 SW Birch LLC
	Anavia 2045 S State College Blvd, Anaheim	\$80,600,000 \$322,400	4.8% 250	2009 12/20/2010	Essex Anavia LP Coastal SFA anaheim I LLC
	Crystal View Apartments 12021 Bayport St, Garden Grove	\$52,500,000 \$130,597	N/Av 402	1968 12/1/2010	Crystal View Apartments, L.P. Crystal View Tower LLC





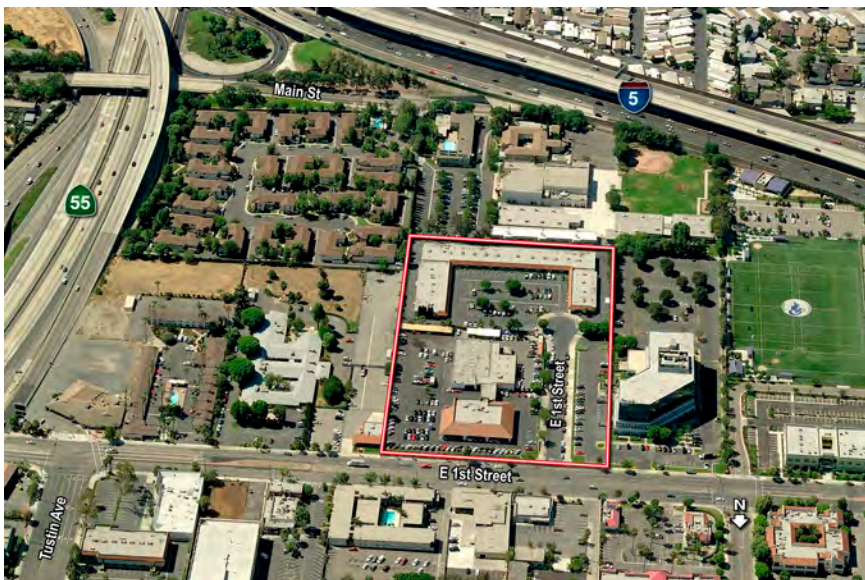
# 2110, 2114 & 2020 E. 1st Santa Ana, CA

Avison Young and Voit Real Estate Services, as exclusive advisors, are pleased to present the unique opportunity to acquire a 99-year leasehold interest or purchase the fee simple interest in an approximate 6.84 acre site in the heart of Santa Ana, Orange County's downtown.

The site is comprised of three parcels (402-191-01, 02 and 04) and is strategically located on the south side of First Street, between the Santa Ana (I-5) and the Costa Mesa (SR-55) Freeways. Assessor Parcel 402-191-01 is improved with an automobile sales facility and comprises the northeast two-thirds of the subject's frontage along the south side of First Street. Assessor Parcel 402-191-02 fronts First Street in its northwest corner. This parcel contains a parking lot used by the adjacent 2020 First Street office building (Not a Part) and a private street that intersects with First Street to provide access to the business park property on Assessor Parcel 402-191-04 in the southerly most portion of the subject property. **All existing leasehold interest affecting the entire property will expire on or before June 30, 2014 without any further rights to extend the term of those leases.**

The property is also located within the in Metro East Mixed Use (MEMU) Overlay Zone. The MEMU Overlay Zone is comprised of the properties generally bounded by the Santa Ana (I-5) Freeway on the west, Park Court Place and its prolongation to Tustin Avenue on the north, First Street on the south, and Tustin Avenue and the Costa Mesa State Route (SR-55) on the east. The intent of The MEMU Overlay Zone is to encourage the development of a mix of attached residential, retail, service, transient and office commercial uses at high densities.

The subject property is located specifically within the "Active Urban District" within the MEMU Overlay Zone. The Active Urban District is the most intensive in scale within the MEMU area and is designed to create a highly urbanized environment. In this sub-district, the minimum story height is three stories with no maximum, and live/work units and multi-family residential units are permitted at the highest density that parking will support (2.00-2.25 spaces per unit).



## PROPERTY DESCRIPTION

<b>Address</b>	2110 E. 1st	2114 E. 1st	2020 E. 1st
<b>APN</b>	402-191-04	402-191-01	402-191-02
<b>Site Area</b>	2.86 Acres	2.78 Acres	1.20 Acres
<b>Improvements</b>	Business Park	Auto Dealership	Private Street & Parking for Adjacent Building
<b>Year Built</b>	1964	1984	N/Ap

## OFFERING SUMMARY

<b>Total Site Area</b>	6.84 Acres
<b>Date of Last Lease Expiration</b>	June 30, 2014
<b>Options to Extend Leaseholds</b>	None w/ No Options to Renew/Extend
<b>Interest Conveyed</b>	Either 99-year leasehold interest in the land or fee interest for sale
<b>Asking Price</b>	None – Submit Offer to Purchase or Proposal to Lease Land



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