

INVESTMENT OFFERING MEMORANDUM



201 LORANNE AVE.

204 LORANNE AVE.

100% NNN LEASED SINGLE TENANT INDUSTRIAL COLD STORAGE INVESTMENT FOR SALE

201-204 LORANNE AVE.

P O M O N A | C A 9 1 7 6 7



CENTRALLY LOCATED BETWEEN THE 10, 71 AND 60 FREEWAYS

TABLE OF CONTENTS



04

INVESTMENT SUMMARY
PROJECT OFFERING
PROPERTY HIGHLIGHTS
SALE COMPS

11

DATA
RENT ROLL
PROFORMA

13

PROPERTY SPECIFICS
LOCATION MAP

15

ABOUT THE AREA
MARKET SNAPSHOT

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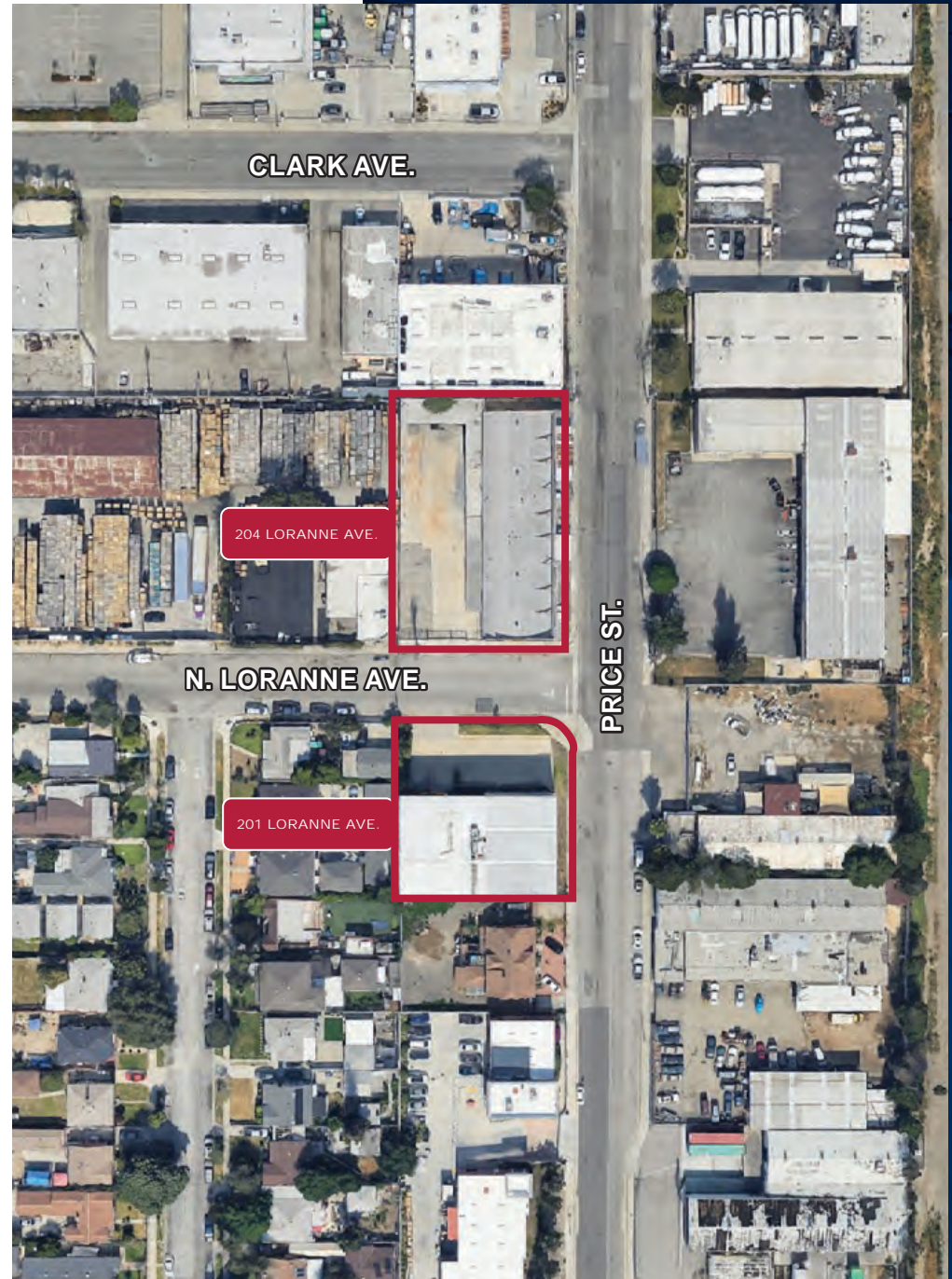
INVESTMENT HIGHLIGHTS

THE OFFERING

201 - 204 Loranne Ave. Pomona are three (3) separate corner parcels totaling 39,993 sq ft of land. This property consists of two (2) separate buildings on their own parcels; 201 Loranne Ave. which is approximately 8,800 sq ft and 204 Loranne Ave. which is approximately 10,150 sq ft, totaling +/- 18,950 sq ft building area. This property has a total of four (4) Dock High Loading Positions and two (2) Ground Level Doors, a maximum ceiling of 27' and a private fenced yard with a convenient central location between the 10, 71 and 60 Freeways.

CALL BROKER TO SCHEDULE TOUR

- + 100% single tenant leased NNN Industrial Buildings
- + Contractual annual lease bumps of 3%
- + Combination of Freezer & Cooler Rooms Food Processing Facility
- + Four (4) Dock High Loading Positions and Two (2) Ground Level Doors
- + Centrally Located Between the 10, 71 and 60 Freeways
- + 27' Clear Height Dry Storage
- + Private Fenced Concrete Yards
- + Bonus +/- 2,709 sq ft Mezzanine not included in the square footage



4

201-204 LORANNE AVE.
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PROPERTY HIGHLIGHTS

100% LEASED

BUILDING SIZE	±18,950 SF
LOT SIZE	±39,993 SF
ZONING	M1
NUMBER OF BUILDINGS	2
NUMBER OF FLOORS	1
YEAR BUILT	1990/1940
OCCUPANCY	100% Occupied Multi-tenant
PARCELS	8326-018-029, 8326-021-032, & 8326-021-009
YARD	Concrete Paved and Fenced
CEILING HEIGHT	27'
DOCK HIGH DOORS	4
GRADE LEVEL DOORS	2
SPRINKLERS	Yes
OPPORTUNITY ZONE	Yes
ASKING PRICE	\$5,100,000
INVESTMENT HIGHLIGHTS	Rare Cold Storage/Food Processing Facility
LEASE STRUCTURE	Triple Net (NNN) - Inflation Protection Minimal Management Responsibilities



SALE COMPS

	Address	Building SF	Land SF	Sale Price	Price PSF	CAP Rate	Year Built	Date Sold	
1	3720-3750 Warner Ave. Santa Ana, CA 92704	38,643	95,832	\$11,275,000	\$291.77	4.70%	1973	12/5/2023	
2	41 Columbia. Aliso Viejo, CA 92656	32,657	96,703	\$13,129,681	\$402.05	4.61%	1991	9/5/2023	
3	6281 Chalet Dr. Commerce, CA 90040	10,000	39,204	\$3,150,000	\$315.00	4.00%	1960	8/14/2023	
4	1820 S Grand Ave. Santa Ana, CA 92705	11,200	25,091	\$2,360,000	\$210.71	4.04%	1976	8/1/2023	
5	411 E Greenleaf Blvd. Compton, CA 90221	13,958	40,946	\$5,700,000	\$408.37	4.50%	1953	7/10/2023	
6	10428 Rush St. South El Monte, CA 91733	10,112	21,344	\$2,980,000	\$294.70	4.79%	1968	6/16/2023	
7	1250 E Francis St. Ontario, CA 91761	15,244	98,881	\$5,200,000	\$341.12	4.80%	1985	4/10/2023	
8	13117 Meyer Rd. Santa Fe Springs, CA 90605	18,371	46,269	\$5,625,000	\$306.19	5.26%	1981	4/5/2023	
Averages		18,773	58,034		\$321.24	4.59%	1973		

PROPERTY PHOTOS



PROPERTY PHOTOS



PROPERTY HIGHLIGHTS



27'
CLEAR
HEIGHT



4 / 2
DH / GL



18,905 SF
BLDG. SIZE



COMBINATION
OF FREEZER &
COOLER ROOMS



CONCRETE
PAVED AND
FENCED YARDS



N. RESERVOIR ST.

N. LORANNE AVE.

CLARK AVE.

PRICE ST.

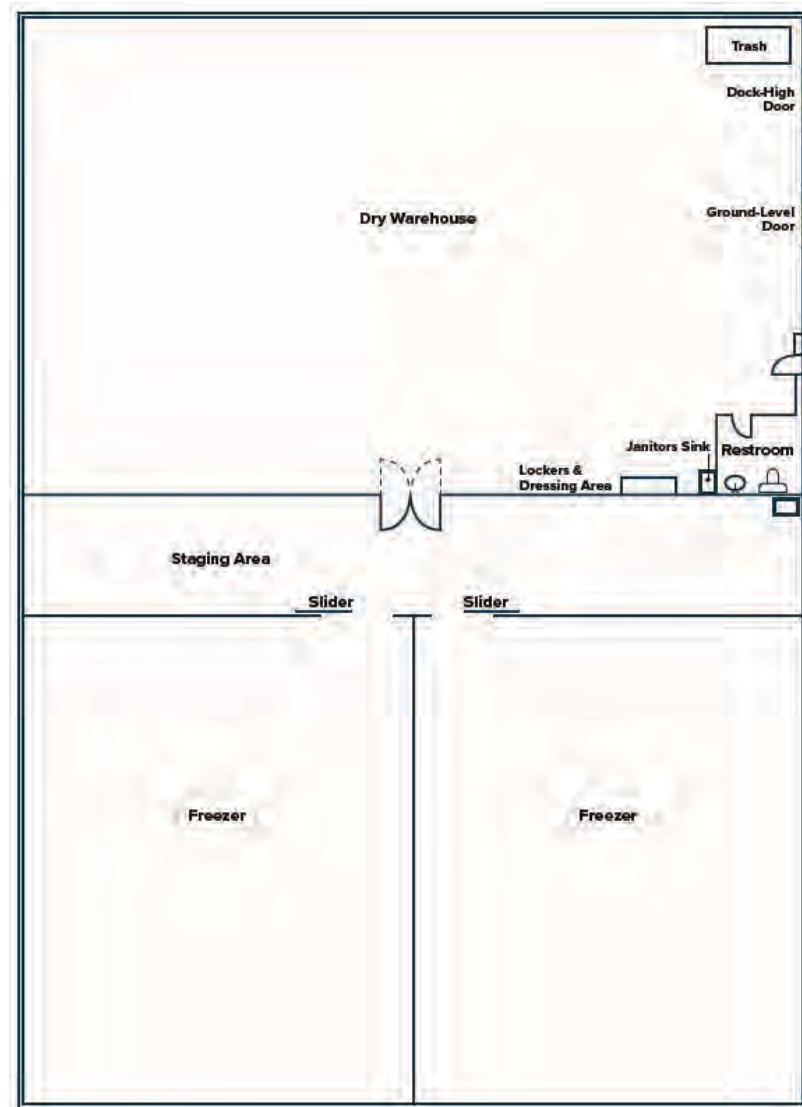
9

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FLOOR PLAN

201 LORANNE AVE.



201-204 LORANNE AVE.

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OFFERING ATTRIBUTES

- 100% single tenant leased NNN Industrial Buildings
- Contractual annual lease bumps of 3%
- Combination of Freezer & Cooler Rooms Food Processing Facility
- Four (4) Dock High Loading Positions and Two (2) Ground Level Doors
- Centrally Located Between the 10, 71 and 60 Freeways
- 27' Clear Height Dry Storage
- Private Fenced Concrete Yards
- Bonus +/- 2,709 sq ft Mezzanine not included in the square footage

PROPERTY FACTS

BUILDING SF	18,950 SF	LOADING	4 DH/ 2 GL
LAND SF	39,993 SF	CLEAR HEIGHT	27'

RENT ROLL

TENANT NAME	SQUARE FEET	LEASE START DATE	LEASE END DATE	MONTHLY RENT AS OF 1/1/2024	MONTHLY RENT PSF	LEASE TYPE	ANNUAL INCREASES	OPTION TO RENEW
San Lorenzo Foods, LLC	18,950	1/1/2023	12/31/2029	\$26,492.98	\$1.40	NNN	3.00%	Two (2) Sixty (60) Month Options

FINANCIAL PROFORMA

Acquisition of Property

Building Sq. Ft.	18,950
Purchase Price	\$5,100,000
Purchase Price / SF	\$269.13
Going-In Cap Rate	5.23%
Analysis Start Date	4/1/2024

Tenancy

Leased Sq. Ft.	18,950	Current Monthly Rent	\$26,492.98
Type	NNN	Monthly Rent \$/SF	\$1.40
Lease Start	1/1/2023	Annual Rent Increase	3.00%
Lease End	12/31/2029	Expense Growth Rate	2.00%
Months Remaining	69		
Options to Renew	Two (2) Sixty (60) Month Options		

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	11-Yr. Totals
	Year Ending		3/31/25	3/31/26	3/31/27	3/31/28	3/31/29	3/31/30	3/31/31	3/31/32	3/31/33	3/31/34	3/31/35	
Revenue	SF	\$/SF/Month	1ST OPTION PERIOD											
San Lorenzo Foods, LLC	18,950	\$1.41	\$320,716	\$331,989	\$341,833	\$348,111	\$358,555	\$369,311	\$380,391	\$391,802	\$403,556	\$415,663	\$428,133	\$4,090,062
Rent Abatement			-\$53,919	-\$55,810										-\$109,730
Annual Rental Income		\$1.17	\$266,797	\$276,179	\$341,833	\$348,111	\$358,555	\$369,311	\$380,391	\$391,802	\$403,556	\$415,663	\$428,133	\$3,980,332
Expense Reimbursement		\$0.36	\$82,206	\$83,850	\$85,527	\$87,238	\$88,982	\$90,762	\$92,577	\$94,429	\$96,317	\$98,244	\$100,208	\$1,000,340
Annual Gross Revenue	18,950	\$1.53	\$349,003	\$360,029	\$427,360	\$435,349	\$447,537	\$460,073	\$472,968	\$486,231	\$499,874	\$513,907	\$528,342	\$4,980,672
Operating Expenses		\$/SF/Month	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	11-Yr. Totals
Property Taxes	1.186062%	\$0.27	\$60,489	\$61,699	\$62,933	\$64,192	\$65,475	\$66,785	\$68,121	\$69,483	\$70,873	\$72,290	\$73,736	\$662,339
Other OpEx		\$0.10	\$21,717	\$22,151	\$22,594	\$23,046	\$23,507	\$23,977	\$24,457	\$24,946	\$25,445	\$25,953	\$26,473	\$237,792
Total OPEX		\$0.36	\$82,206	\$83,850	\$85,527	\$87,238	\$88,982	\$90,762	\$92,577	\$94,429	\$96,317	\$98,244	\$100,208	\$900,131
Net Operating Income		\$1.17	\$266,797	\$276,179	\$341,833	\$348,111	\$358,555	\$369,311	\$380,391	\$391,802	\$403,556	\$415,663	\$428,133	\$4,080,541
Cash Flow Before Taxes	(\$5,100,000)		\$266,797	\$276,179	\$341,833	\$348,111	\$358,555	\$369,311	\$380,391	\$391,802	\$403,556	\$415,663	\$428,133	\$3,552,199
Cash-on-Cash Return (All Cash)			5.23%	5.42%	6.70%	6.83%	7.03%	7.24%	7.46%	7.68%	7.91%	8.15%	8.39%	7.10%

Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax, and other factors, which should be evaluated by your tax, financial and legal advisors. 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.

LOCATION HIGHLIGHTS



PUBLIC TRANSPORTATION
Downtown Pomona Commuter Rail (Riverside Line)
5 min | 1.7 mi

Claremont Commuter Rail (San Bernardino Line)
7 min | 3.2 mi



AIRPORT
Ontario International Airport
15 min | 1.7 mi

John Wayne Airport
45 min | 35 mi

Long Beach Airport
53 min | 40.2 mi

201-204
LORANNE AVE.
POMONA, CA 91767

10 MILES

20 MILES

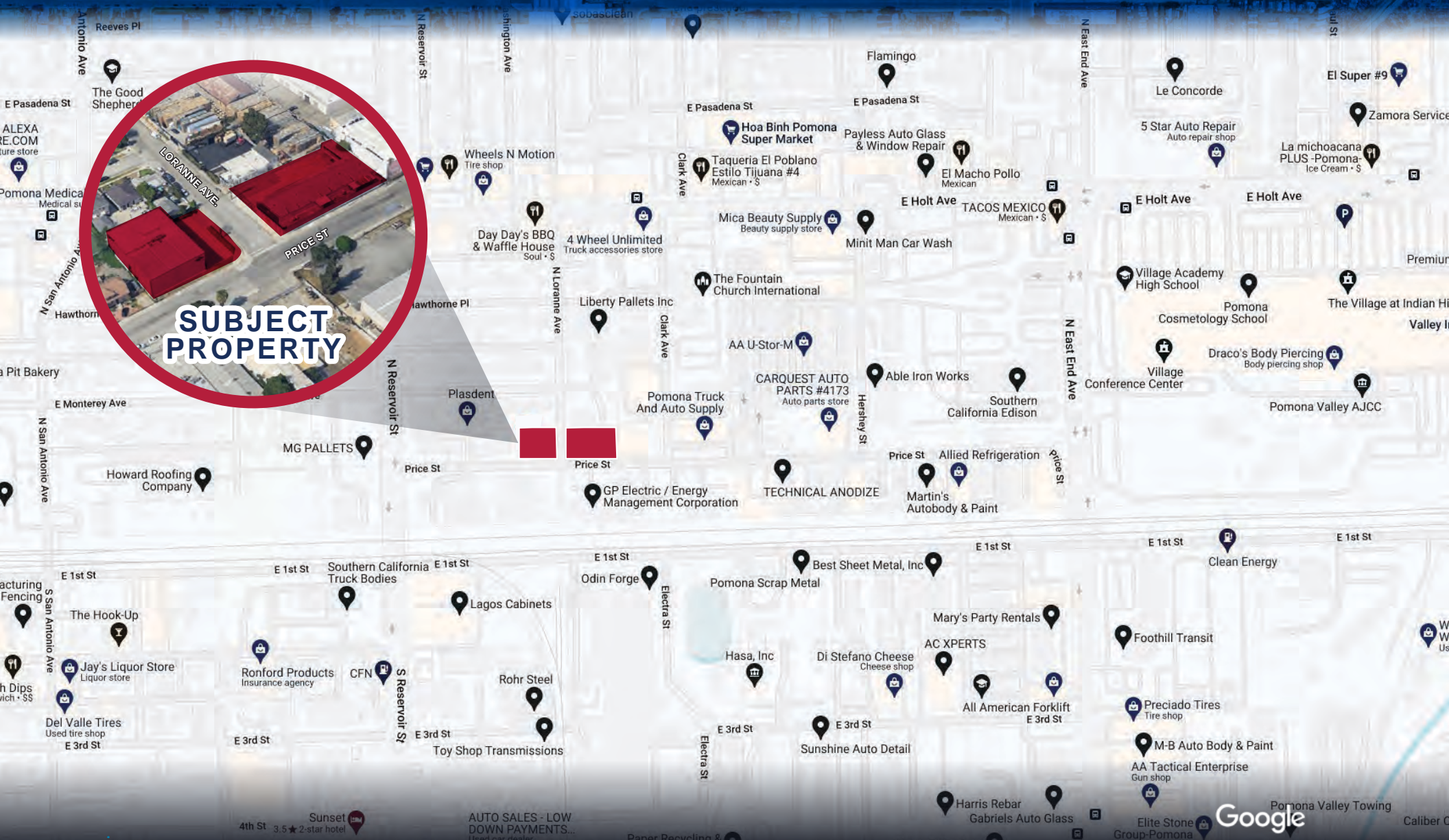
40 MILES



Zip	91767
Submarket	East San Gabriel Valley
Submarket Cluster	San Gabriel Valley
Location Type	Suburban
Market	Los Angeles
County	Los Angeles
State	California
CBSA	Los Angeles- Long Beach-Glendale, CA
DMA	Los Angeles, CA-NV
Country	United States



LOCATION MAP



SUBJECT PROPERTY

15

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Google

DAUM
COMMERCIAL REAL ESTATE SERVICES

MARKET ACTIVITY

<p>Direct Vacancy ▲ 3.5%</p>	<p>Net Absorption ▲ 194,852 SF</p>
<p>Overall Vacancy ▲ 4.1%</p>	<p>Gross Absorption ▲ 3,051,810 SF</p>
<p>Under Construction ▼ 2,892,121 SF</p>	<p>Rental Rates (NNN) ▼ \$1.55</p>
<p>Median Sale \$/SF ▼ \$278.18</p>	<p>Deal Volume ▲ \$263.7M</p>

KEY TAKE AWAYS

MARKET

- Vacancy Rate: Increased by 81 bps to a rate of 4.1%.
- Asking Rents: Declined by 1.3% or \$0.02 PSF from Q3 to \$1.55 PSF NNN in Q4.
- Industrial Supply: 1.74M SF was delivered in Q4. Construction activity revised to 2.89M SF.
- Sale: The median price PSF in Q4 was \$278.18. Sales volume increased 2.5% totaling \$263.7M in Q4. Bringing the total sales volume in 2023 to \$987.7M. A decline of 51.4% compared to 2022.

ECONOMIC OUTLOOK

- Interest Rates: At the December meeting, the FOMC decided once again to maintain rates at the current range of 5.25-5.50%. The median forecast of FOMC members currently projects three rate cuts to occur in 2024.
- Inflation: Continued to decelerate in Q4, but at a slower pace. CPI remains above the Fed's 2% target rate.
- Supply Chain: The cost from China/East Asia to North America West Coast increased 0.5% over Q4, ending at \$1,695 per container. (Freightos). Tensions in the Middle East have caused shipping rates to surge to start the year & will be something to follow throughout 2024.

ECONOMIC OUTLOOK

<p>U.S. Employment ▼ 3.7%</p>	<p>U6 Rate ▲ 7.1%</p>
<p>Interest Rate ▼ 6.6% <small>(30 year fixed)</small></p>	<p>Changing GDP ▼ 2.0%</p>
<p>Port Traffic Y/Y Δ ▼ 14.5%</p>	<p>NYSE Performance ▲ 12.4%</p>
<p>Inflation Change ▼ 3.1%</p>	<p>10 Yr. - 2 Yr. Spread ▲ -35 BPS</p>

EXPERIENCE IN A CHANGING MARKET

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