# ROYAL PLAZA

INVESTMENT OFFERING MEMORANDUM

2503 – 2549 Royal Avenue, Simi Valley, CA 93065


**$3,375,000**
ASKING PRICE

**$255**
PRICE / SF

**13,230 SF**
BUILDING

**1973**
YEAR BUILT

# Executive Summary

Royal Plaza is a 13,230 SF neighborhood retail center located on Royal Avenue in Simi Valley, California. Built in 1973 on a 44,738 SF lot zoned CPD, the property offers an attractive value-add opportunity with significant upside through lease-up of three vacant units. The center is anchored by a long-term liquor store tenant with a lease through 2038 and features a diverse mix of service-oriented tenants.

**$3,375,000**

**Asking Price**

$245 per SF

**73%**

**Current Occupancy**

8 of 11 units leased

**$227,424**

**Annual Revenue**

Current in-place rent

**125,493**

**Population**

Simi Valley (2026)

# Property Overview

| | |
|---|---|
| **Property Name** | Royal Plaza |
| **Address** | 2503 – 2549 Royal Ave |
| **City / State** | Simi Valley, CA 93065 |
| **Property Type** | Neighborhood Retail Center |
| **Building Size** | 13,230 SF |
| **Lot Size** | 44,738 SF (1.03 Acres) |
| **Year Built** | 1973 |
| **Zoning** | CPD |
| **Number of Units** | 11 |
| **Parking** | Surface Lot |
| **Asking Price** | $3,375,000 |
| **Price Per SF** | $255 |

# Location & Demographics

## Simi Valley, California

A thriving suburban community in Ventura County with strong household incomes, high homeownership rates, and a growing retail landscape. Located along the SR-118 corridor with excellent freeway access.

**125,493**
Population (2026)

**$122,081**
Median HH Income

**44,457**
Households

**72.9%**
Homeownership Rate

**41.9 yrs**
Median Age

**3.9%**
Unemployment Rate

**39.1%**
Bachelor's Degree+

**5.1%**
Poverty Rate

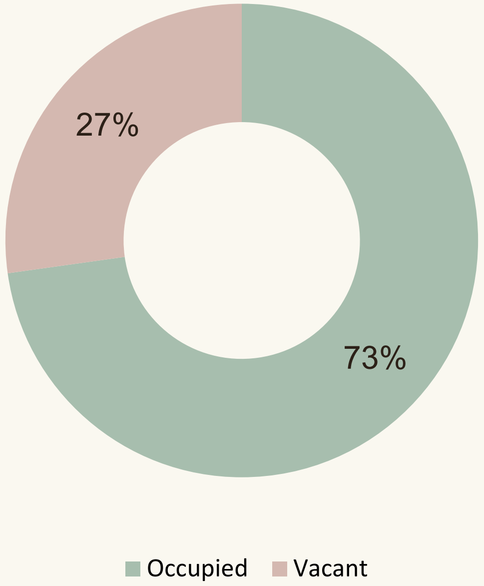
*Source: U.S. Census Bureau, ACS 2024*

# Current Rent Roll

| Suite | Tenant | SF | Base Rent | CAM | Total Rent | Lease End | Option |
|---|---|---|---|---|---|---|---|
| 2503 | Simi Bagel | 1,200 | $1,600 | $0 | $1,600 | MTM | — |
| 2505 A | AT&T | 300 | $1,850 | $0 | $1,850 | N/D | 5 Yr Renewal |
| 2505 C | Catering | 600 | $1,400 | $0 | $1,400 | 3 Yr Term | 3 Yr Term |
| 2507 | Verizon | 1,350 | $2,152 | $0 | $2,152 | N/D | 5 Yr Renewal |
| *2511* | *Vacant* | *1,200* | — | — | — | — | — |
| 2515 | Massage | 1,200 | $1,800 | $0 | $1,800 | MTM | — |
| *2519* | *Vacant* | *1,200* | — | — | — | — | — |
| *2523* | *Vacant* | *1,200* | — | — | — | — | — |
| 2527 | Beauty Salon | 1,200 | $1,900 | $0 | $1,900 | 5 Year | — |
| 2531 | Pizza Mia | 1,380 | $3,200 | $0 | $3,200 | 5 Year | — |
| 2539 | Liquor Store | 2,400 | $4,522 | $528 | $5,050 | 7/31/2038 | 5 Year |
| | **TOTAL** | **13,230** | **$18,424** | **$528** | **$18,952** | | |

*Note: N/D = Not Disclosed. MTM = Month-to-Month. All rents shown are monthly.*

# Occupancy & Tenant Analysis




**72.8%**

**Current Occupancy**

9,630 of 13,230 SF occupied

**8 / 11**

**Units Leased**

3 vacant units totaling 3,600 SF

**$1.97/SF**

**Avg. In-Place Rent**

Based on occupied NRA

**7/2038**

**Longest Lease Term**

Liquor Store — 2,400 SF anchor

**Lease Structure**

2 MTM • 2 Multi-Year • 3 Undisclosed • 1 Long-Term (2038) • 3 Vacant

# Current Operating Statement

| | Current (Annual) | Per SF |
|---|---|---|
| Rent in Place* | $227,424 | $17.19 |
| Vacancy (27.2%) | --- | --- |
| **Effective Gross Income** | **$227,424** | **$17.19** |
| | | |
| Operating Expenses | | |
| Property Taxes | $35,750 | $2.70 |
| Insurance | $6,000 | $0.45 |
| Management (4%) | $6,626 | $0.50 |
| Repairs & Maintenance | $3,000 | $0.23 |
| Landscaping | $3,600 | $0.27 |
| Utilities (Common Area) | $2,400 | $0.18 |
| Reserves | $2,646 | $0.20 |
| **Total Expenses** | **$60,022** | **$4.54** |
| | | |
| **Net Operating Income** | **$167,402** | **$12.65** |

KEY METRICS

**4.96%**
Current Cap Rate

**$167,402**
Current NOI

**$12.65/SF**
NOI Per SF

**26.39%**
Expense Ratio

# Pro Forma Operating Statement

*Stabilized projection assumes lease-up of 3 vacant units at market rents ($1.75/SF/month NNN)*

| | Current | Pro Forma | Variance |
|---|---|---|---|
| Income: Current In Place / Proforma | $227,424 | $303,024 | +$75,600 |
| Less: Vacancy (5%) | ----------- | ($15,151) | +$46,625 |
| **Effective Gross Income** | **$227,424** | **$287,873** | **+$122,225** |
| | | | |
| Property Taxes | $35,750 | $35,750 | $0 |
| Insurance | $6,000 | $6,500 | +$500 |
| Management (4%) | $6,626 | $11,515 | +$4,889 |
| Repairs & Maintenance | $3,000 | $4,000 | +$1,000 |
| Landscaping | $3,600 | $3,600 | $0 |
| Utilities | $2,400 | $2,400 | $0 |
| Reserves | $2,646 | $3,969 | +$1,323 |
| **Total Expenses** | **$60,022** | **$67,734** | **+$7,712** |
| | | | |
| **Net Operating Income** | **$105,626** | **$220,139** | **+$114,513** |

STABILIZED METRICS

**6.55%**
Pro Forma Cap Rate

**$220,139**
Stabilized NOI

**$16.63/SF**
NOI Per SF

**23.5%**
Expense Ratio

**+108%**
NOI Upside

# Ventura County Retail Market

Q4 2025 Market Intelligence

**5.5%**

**County Vacancy Rate**

Down 30 bps QoQ, 10 bps YoY

**$2.15/SF**

**Avg. Asking Rent (NNN)**

Flat year-over-year

**$312/SF**

**Avg. Sale Price**

Stabilized after volatility

**5.6%**

**Avg. Retail Cap Rate**

Q2 2025, down 150 bps QoQ

**949,941 SF**

**YTD Leasing Volume**

Up 34.6% from 2024

**96,882 SF**

**Q4 Net Absorption**

Positive occupancy gains

*Source: NAI Capital Commercial, CBRE, Avison Young Q4 2024 / Q2 2025 Reports*

# Investment Highlights

## Value-Add Opportunity

Three vacant units (3,600 SF) offer immediate upside through lease-up at market rents, potentially increasing NOI by over 108% to $220K+ annually.

## Strong Anchor Tenancy

Liquor Store anchors the center with a long-term NNN lease through 2038, providing stable base income of $5,050/month with a 5-year renewal option.

## Telecom Tenants

AT&T and Verizon occupy two units with lease renewal options, providing credit-quality tenancy in a recession-resistant category.

## Affluent Trade Area

Simi Valley's $122,081 median household income is 50% above the national average, with 72.9% homeownership and low 3.9% unemployment.

## Improving Market

Ventura County retail vacancy fell to 5.5% in Q4 2025 with leasing volume up 34.6% YoY — a signal of continued recovery and tenant demand.

## Below Replacement Cost

At $245/SF, the asset is priced well below the $312/SF county average sale price and far below new construction costs.

# Comparable Sales & Market Context

| Property | Location | Size (SF) | Sale Price | $/SF | Cap Rate |
|---|---|---|---|---|---|
| Griffin Plaza | Simi Valley | 85,022 | $22,100,000 | $260 | ~6.0% |
| 2387 Tapo St | Simi Valley | 11,306 | Undisclosed | — | — |
| DIY Home Center | Simi Valley | 44,881 | $6,750,000 | $150 | 7.85% |
| Simi Town Center | Simi Valley | 593,827 | $38,000,000 | $64 | — |
| Mountaingate Plaza | Simi Valley | 285,383 | $~60M* | $~210* | — |

**Mountaingate Plaza estimate based on portfolio-level pricing of $625M for 10 properties.*

## Market Context

Royal Plaza at $245/SF represents competitive pricing relative to Ventura County's $312/SF average retail sale price. The 2023 sale of Griffin Plaza (grocery-anchored, 94% occupied) at $260/SF provides a close comp for stabilized neighborhood centers in Simi Valley. The recent $625M institutional portfolio trade (including Mountaingate Plaza in Simi Valley) underscores strong investor appetite for well-located retail in the submarket. With lease-up potential driving the pro forma cap rate to ~6.8%, Royal Plaza offers an attractive risk-adjusted return versus institutional-quality assets trading at sub-6% cap rates.

# ROYAL PLAZA

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**$3,375,000 • 13,230 SF • $255/SF**

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