

5103-5109

WALKER STREET

5120-5126

RALSTON STREET

VENTURA, CA

CONFIDENTIAL OFFERING MEMORANDUM



CBRE



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Confidentiality Agreement

Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc. (“CBRE”), and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE.

Disclaimer

This Memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

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5103-5109

WALKER STREET

5120-5126

RALSTON STREET

VENTURA, CA

table of contents

- 1** EXECUTIVE SUMMARY

- 2** PROPERTY DESCRIPTION

- 3** INVESTMENT OVERVIEW

- 4** AREA OVERVIEW

5103-5109

WALKER STREET

5120-5126

RALSTON STREET

VENTURA, CA



01

EXECUTIVE
SUMMARY

THE OFFERING

MULTI-TENANT INDUSTRIAL INVESTMENT FOR SALE

CBRE, Inc., as exclusive agent, is pleased to present a rare opportunity to acquire a two-building, multi-tenant industrial complex in an excellent location. Walker-Ralston Square is located on the beautiful Southern California Pacific Coast in Ventura, California. The City of Ventura, in Ventura County, is located approximately 68 miles northwest of Downtown Los Angeles and 25 miles south of Santa Barbara. Ventura County boasts some of the richest agricultural land in California, and is a thriving center of commerce, tourism and industry.

Built in 1979, the offering consists of two multi-tenant buildings totaling approximately ±113,418 square feet, located on 5.14 acres of MPD zoned land, and are 100% leased. Located off the Victoria Avenue 101 Freeway exit, the Property has excellent 101 Freeway visibility and access.



PROPERTY VIDEO
[CLICK HERE](#)



BUILDING SIZE
±113,418 SF



SALE PRICE
\$19,817,000



PRICE PER SF
\$174.73/SF



PARCEL SIZE
5.14



ZONING
MPD

5103-5109

WALKER STREET

5120-5126

RALSTON STREET

VENTURA, CA



02

PROPERTY
DESCRIPTION

PROPERTY OVERVIEW

OPPORTUNITY TO ACQUIRE 2 HIGHLY FUNCTIONAL INDUSTRIAL BUILDINGS IN IN-FILL VENTURA COUNTY, CALIFORNIA • WELL LEASED MULTI-TENANT BUILDINGS TOTALING ±113,418 SF • BELOW REPLACEMENT COSTS WITH SIGNIFICANT BARRIERS TO ENTRY

Address	5103-5109 Walker Street 5120-5126 Ralston Street
Interest Offered	Fee Simple
Zoning	M1PD
APN	137-0-072-045
Offering Price	\$19,817,000
Square Footage	113,418
Lot Size	5.14
% of Office	±35%
Year Built	1979
# of Buildings/Tenants	2 / 8
Occupancy	100%
Type	Industrial multi-tenant
Parking	225
Clear Height	19'
Loading	10 (10' X 14')
Construction Type	CTU
Roof	Built up roof
Sprinklers	Yes



PROPERTY HIGHLIGHTS

- › Very flexible configuration with space for office or industrial users
- › Excellent access to freeways, shopping, restaurants, and other retail
- › Below replacement costs due to increasing costs and land values

5103-5109

WALKER STREET

5120-5126

RALSTON STREET

VENTURA, CA



03

INVESTMENT
OVERVIEW

INVESTMENT HIGHLIGHTS

CLASS A MULTI-TENANT INDUSTRIAL BUILDINGS

- › Excellent opportunity to acquire a best-in-class leased investment with a mix of office, industrial and retail tenants in an A+ location.
- › Well-designed two building project.
- › Adjacent to the newly constructed VA hospital, police department, shopping, banks, restaurants, and numerous other retail uses.
- › The City of Ventura has a pro-business environment with a 1.1% vacancy rate in industrial product as of the fourth quarter of 2023.
- › 8 tenant configuration provides maximum leasing flexibility and greatly reduces vacancy risk

LIMITED FUTURE DEVELOPMENT

- › Increasing construction costs, expensive new building code requirements (Title 24 and MS4) and higher land values coupled with a lack of available land have created barriers to new development. This will significantly restrict the development of future competitive multi-tenant projects.

SIGNIFICANT BARRIERS TO ENTRY

- › With the S.O.A.R. Initiative putting a cap on industrial zoned land and the recent conversion of several large industrial parcels to multi-family developments, there will be long-term constraint on the supply of new industrial product. This, coupled with high city fees, soaring construction costs, and a recovering user market, will translate into a spike in rents for existing product (particularly those that are well-located and functional).

PROXIMITY TO PORT

- › The property is just over 20 minutes or less from the Port of Hueneme, the only deep water harbor between Los Angeles and San Francisco. Trade through all the ports in the state of California, including the Port of Hueneme, is soaring particularly in automobiles and agricultural products.



TENANCY HIGHLIGHTS



THE ARC OF VENTURA

The ARC of Ventura County assists individuals in support of their goals towards a life of opportunity, choice, participation and contribution.



COUNTY OF VENTURA

Office and records storage for the County of Ventura Superior Courts.



ADVANCED PPE COMPANY

Advanced PPE Company is a verified ISP (Independent Service Provider) serving Central and Southern California. Owned and operated by Firefighters here to assist departments with their NFPA 1851 care and maintenance programs. We have built a team dedicated to doing our part in the fight against occupational cancer. The health and safety of our brothers and sisters is our priority.



APPLIED INDUSTRIAL TECHNOLOGIES

With 100 years of leadership, Applied Industrial Technologies, is a leading value-added distributor and technical solutions provider of industrial motion, fluid power, flow control, automation technologies, and related maintenance supplies.



MAIL MANAGER

Founded in 1988, Mail Manager supports clients in industries as diverse as insurance and healthcare, schools, universities and non-profits with their direct marketing efforts such as mailing lists, print on demand, database management and direct mail services.



DRAPERY AFFAIR & THE FLOOR STORE

Serving Ventura County, Drapery Affair and The Floor Store is your one-stop source for all your interior design and home decor needs, including custom drapery, custom window shades, shutters, draperies and curtains. We also carry a large selection of flooring products, including hardwood flooring, home and commercial carpets, area rugs and much more.



REDLINE ATHLETICS

Sports performance training center for young athletes.



WHOLESALE DESIGN WAREHOUSE FINE FURNITURE

For over 10 years, Wholesale Design Warehouse has been dedicated to providing a combination of quality, service and value from a furniture store in Ventura County.

Wholesale Design Warehouse offers an outstanding variety of living room, dining room, bedroom, home office and kids furniture for shoppers to browse through.

To find out more information on each business, click their logo to visit their website.

INVESTMENT HIGHLIGHTS



Walker Ralston Square
10-Year Hold Period

EXECUTIVE SUMMARY

PROPERTY DESCRIPTION				
Property Type	Office/Industrial		Size of Improvements	113,418 SF
Property Owner	Gordon Family Trust		Currently Vacant as of 12/1/23	0 SF
Property Address	5103-5109 Walker Street & 5120-5126 Ralston Street Ventura, CA		Current Occupancy as of 12/1/23	100.00%
			Projected Occupancy as of 1/1/24	100.00%

ACQUISITION AND RESIDUAL SUMMARY			LEVERAGE SUMMARY [1]		
Purchase Price as of January 1, 2024	\$175 PSF	\$19,817,000	Initial Loan Funding (as of Jan-24)	<u>MARKET LOAN</u>	
			Loan-To-Value Ratio (Initial Funding)	\$9,908,604	
			Future Funding (TI/LC/CapEx)	50.00%	
			Total Loan Funding (Incl. Future Funding)	\$0	
			Total Loan-To-Cost (Incl. Future Funding)	\$9,908,604	
				50.00%	
			Funding Date	Jan-24	
Capitalization Rate	Year 1	Year 5	Year 10	Maturity Date	Dec-33
Unleveraged Cash Return	4.62%	6.07%	7.09%	Remaining Loan Term During Analysis	10.0 Years
Leveraged Cash Return	4.32%	5.98%	6.98%	Amortization Period	30 Years
Return on Cost	1.05%	4.33%	6.32%	Initial Interest Only Period (If Any)	-
	4.61%	5.97%	6.86%	Interest Rate	6.50%
In-Place Capitalization Rate	4.50%	100.00% Occupancy		Origination Fee on Total Loan Funding	1.00%
Mark-to-Market Cap Rate	5.32%	97.00% Occupancy			
				Loan Constant	7.58%
Average Capitalization Rate	3-Year	5-Year	10-Year	Initial Debt Yield	9.01%
Average Cash Return	4.83%	5.26%	5.97%	Debt Service Coverage Ratio (NOI)	1.19x
Average Leveraged Cash Return	4.45%	4.92%	5.63%	Debt Service Coverage Ratio (CF)	1.14x
	1.30%	2.23%	3.64%		
Gross Residual Value as of December 31, 2033	\$244 PSF	\$27,709,000	Purchase Price as of January 1, 2024	\$19,817,207	
Net Residual Value as of December 31, 2033	\$239 PSF	\$27,154,000	Total Initial Loan Principal	(9,908,604)	
Net Residual Value Adjusted For Inflation	\$178 PSF	\$20,205,126	Total Initial Loan Fees	99,086	
Residual Capitalization Rate		5.25%	Holdbacks and Escrows	0	
Residual Cost of Sale		2.00%	Initial Equity	<u>\$10,007,690</u>	
NOI Compound Annual Growth Rate (CAGR)		4.88%			
ALL CASH IRR		8.00%	LEVERAGED IRR	8.99%	
ALL CASH EQUITY MULTIPLE		1.93x	LEVERAGED EQUITY MULTIPLE	2.24x	

[1] Leveraged analysis is based on financing that a particular investor may or may not be able to obtain.

Cash Flow Projections Based on Argus Enterprise Version 14.0.2

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INVESTMENT HIGHLIGHTS



Walker Ralston Square

10-Year Hold Period

IN-PLACE vs. PRO FORMA vs. MARK-TO-MARKET NOI SUMMARY

	In-Place NOI		Year 1 Pro Forma NOI		Mark-to-Market NOI	
	Jan-24, Annualized	\$ PSF	Jan-24 to Dec-24	\$ PSF	Jan-24, Annualized	\$ PSF
Size of Improvements		113,418 SF		113,418 SF		113,418 SF
REVENUES						
Scheduled Base Rent						
Gross Potential Rent	\$1,185,134	\$10.45	\$1,239,091	\$10.92	\$1,417,817	\$12.50
Absorption & Turnover Vacancy	0	0.00	0	0.00	0	0.00
Free Rent	0	0.00	0	0.00	0	0.00
Total Scheduled Base Rent	1,185,134	10.45	1,239,091	10.92	1,417,817	12.50
Expense Recoveries	27,727	0.24	27,727	0.24	0	0.00
TOTAL GROSS REVENUE	1,212,861 [1]	10.69	1,266,818	11.17	1,417,817	12.50
General Vacancy Loss	0	0.00	(29,848)	(0.26)	(41,958)	(0.37)
EFFECTIVE GROSS REVENUE	1,212,861	10.69	1,236,970	10.91	1,375,859	12.13
OPERATING EXPENSES						
Repairs & Maintenance	(4,366)	(0.04)	(4,366)	(0.04)	(4,366)	(0.04)
Landscaping	(25,828)	(0.23)	(25,828)	(0.23)	(25,828)	(0.23)
Utilities	(14,788)	(0.13)	(14,788)	(0.13)	(14,788)	(0.13)
Management Fee	(23,660)	(0.21)	(24,739)	(0.22)	(24,739)	(0.22)
Insurance	(33,374)	(0.29)	(33,374)	(0.29)	(33,374)	(0.29)
Real Estate Taxes	(218,449)	(1.93)	(218,449)	(1.93)	(218,449)	(1.93)
TOTAL OPERATING EXPENSES	(320,466) [2]	(2.83)	(321,545)	(2.84)	(321,545)	(2.84)
NET OPERATING INCOME	\$892,395	\$7.87	\$915,424	\$8.07	\$1,054,314	\$9.30
Capitalization Rate	4.50%		4.62%		5.32%	
PURCHASE PRICE AS OF JANUARY 1, 2024	\$19,817,207	\$174.73	\$19,817,207	\$174.73	\$19,817,207	\$174.73
In-Place Occupancy (At Start of Analysis With No Vacant Lease-Up)		100.00%		100.00%		97.00%
Average Occupancy (Includes Vacant Lease-Up and Rollover)		-		100.00%		97.00%

Notes:

[1] In-Place Net Operating Income is calculated using contractual rents and expense reimbursements as of January 2024, Annualized (with no General Vacancy Loss).

In-Place NOI does not include vacant lease-up revenue, downtime due to near-term expirations, or future rent increases for existing tenants.

[2] Real Estate Taxes are reassessed based on the sales price. See 'Summary of Financial Assumptions' for details.



SALE COMPS

ADDRESS	BUILDING SF	SALE PRICE (PSF)	SALE DATE
709 Science Drive Moorpark	255,306	\$65,500,000 \$(256.55)	6/17/2022
405 Science Drive Moorpark	105,256	\$25,055,000 \$(238.04)	6/17/2022
609 Science Drive Moorpark	135,000	\$24,100,000 \$(178.52)	10/18/2023
3935-3949 Heritage Oak Court Simi Valley	186,726	\$56,400,000 \$(302.05)	6/22/2022
1785 Voyager Avenue Simi Valley	157,745	\$29,711,453 \$(188.35)	2/24/2022
1955 Surveyor Avenue Simi Valley	96,132	\$16,136,566 \$(167.86)	2/24/2022
1915 Surveyor Avenue Simi Valley	68,750	\$11,151,981 \$(162.21)	2/24/2022
1515 Rancho Conejo Blvd. Thousand Oaks	89,277	\$35,782,681 \$(400.81)	4/11/2022
1489 Lawrence Drive Thousand Oaks	83,880	\$33,717,319 \$(401.97)	4/11/2022
1756 - 1996 Eastman Avenue Ventura	136,760	\$25,600,000 \$(187.19)	3/4/2022

5103-5109

WALKER STREET

5120-5126

RALSTON STREET

VENTURA, CA



04

AREA
OVERVIEW

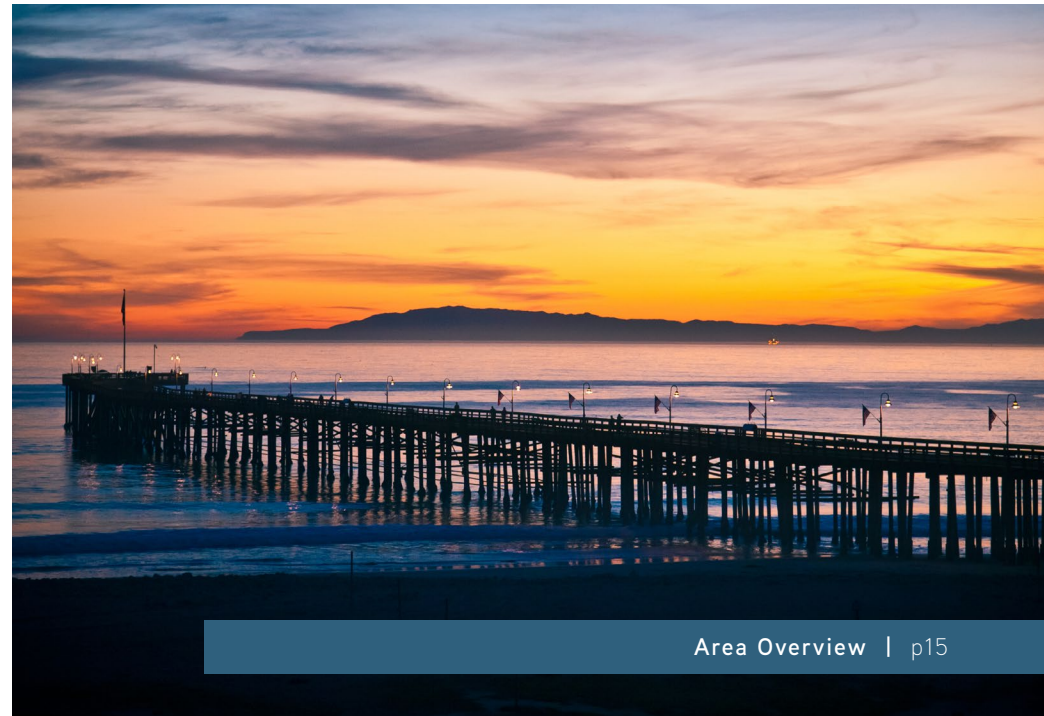
VENTURA OVERVIEW

VENTURA: A VITAL PLACE TO WORK, RAISE A FAMILY AND ENJOY LIFE

Recently named one of the most livable communities in America, Ventura is a classic Southern California beach town. Home to a commercial harbor and located 63 miles northwest of Los Angeles and 30 miles south of Santa Barbara, Ventura is an ideal location.

Ventura County's labor force is educated, skilled and within an easy commute for employers who need professional, sales and clerical staff. The workforce also includes a significant number of skilled and semi-skilled technicians and tradespeople. Major employers and prominent companies include Kaiser Permanente, Patagonia, Dow Key Microwave, FedEx, Pepsi-Cola, Coca-Cola, United Blood Services and Community Memorial Hospital.

Ventura's warm Mediterranean climate, wonderful quality of life, miles of uncrowded beaches and bikeways, and a thriving downtown cultural district are only a few of the benefits to its 111,000 residents.





MOST DESIRABLE PLACE TO LIVE IN THE U.S.

- Washington Post

VENTURA CALIFORNIA

AMENITIES MAP



VENTURA COUNTY GOVERNMENT CENTER

VENTURA GATEWAY
KOHL'S, SPROUTS,
MICHAEL'S,
BARNES & NOBLE,
PET SMART

RIVIERA PLAZA
WINCO, BURLINGTON,
DOLAR TREE,
CHUCK-E-CHEESE'S

REGENCY BUENAVENTURA 6

KAISER

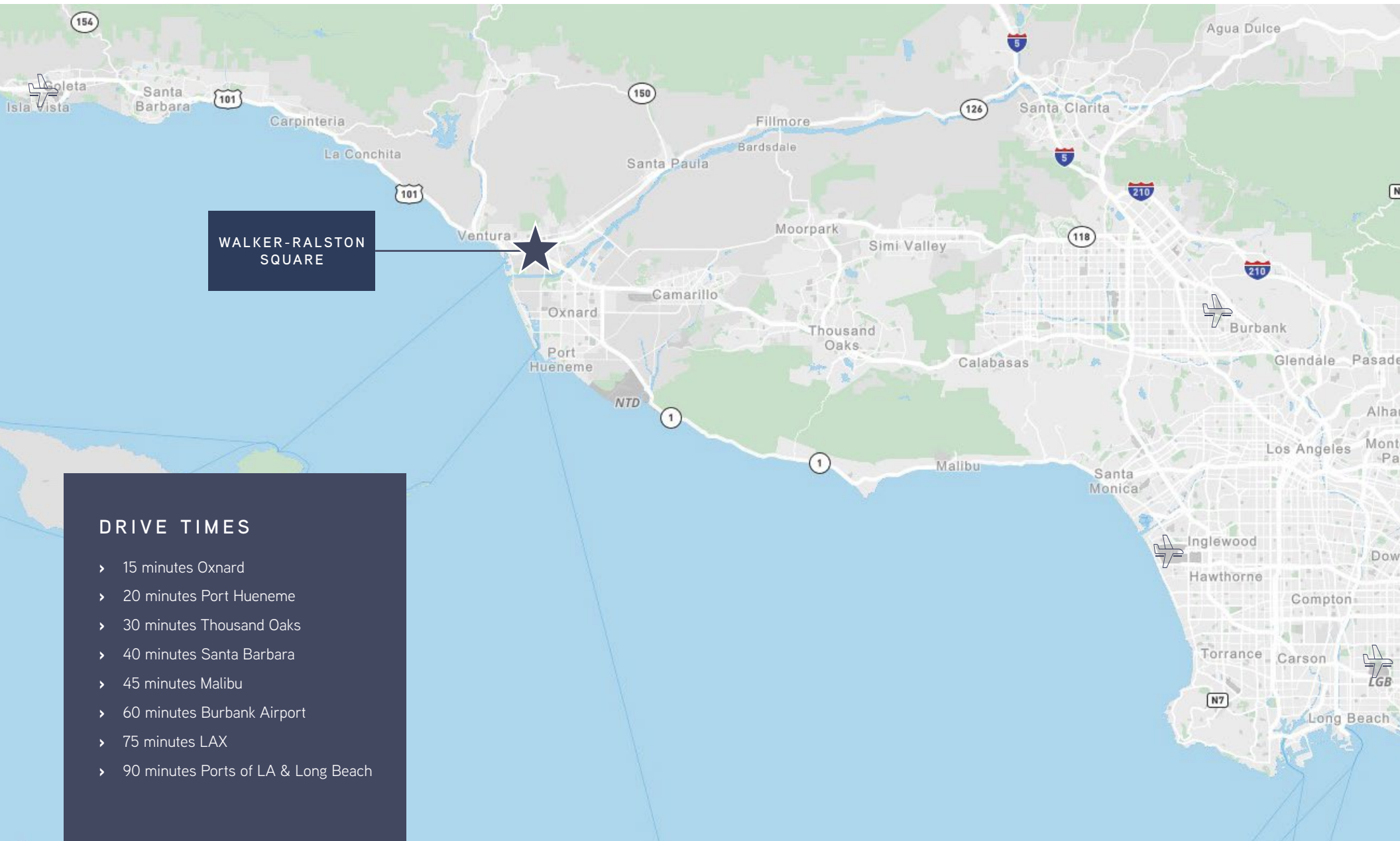
VENTURA POLICE DEPARTMENT

WALKER RALSTON SQUARE

VA

WAL-MART
TRADER JOE'S

REGIONAL DRIVE TIMES



VENTURA COUNTY ECONOMIC DRIVERS

Given its proximity to Los Angeles, Ventura County has a high presence of high-technology companies. Aside from the high-technology industry, professional and business services, as well as trade, transportation and utilities have seen significant increases in recent years. Alternatively, manufacturing, financial activities, construction and government have all seen decreases in jobs.

One of the top employers in Ventura County, the Naval Construction Battalion Center in Port Hueneme, is one of two bases in the United States dedicated to the support of U.S.'s naval construction force. Another popular industry in the area is healthcare & biotechnology. Amgen, one of the leading biotechnology companies in the world, is based and headquartered in Thousand Oaks.

Additional economic drivers in Ventura County include Ventura County Medical Center and Community Memorial Hospital in Ventura, Los Robles Hospital and Medical Center in Thousand Oaks, Simi Valley Hospital, and St. John's Regional Medical Center in Oxnard.



13,600
jobs supported

\$1.5B
annual economic output



10TH
highest crop value in CA

\$2.1B
total annual crop value
(2018 data)



19,000
personnel

\$2B
economic output



**Community Memorial
Health System**
Where Excellence Begins with Caring

21,000
industry related jobs

SEVEN
area hospitals

5103-5109

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5120-5126

RALSTON STREET

VENTURA, CA



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