

## EXCLUSIVE COMMERCIAL OFFERING

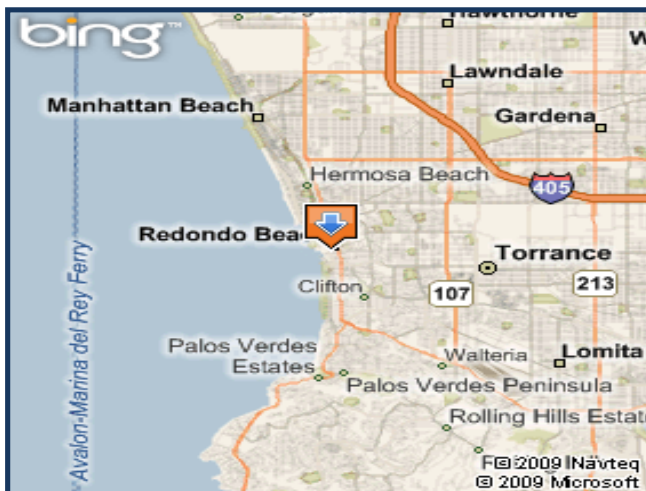
### Commercial Investment Summary (DEMO)

12345 Ocean Breeze Ave.

Redondo Beach, CA. 9025

Asking Price      \$10,000,000

47,559 Sq Ft Office / Retail Bldg.



- >> Ocean View Office Suites
- >> Close to Beach
- >> Prime Location
- >> 97% Occupancy
- >> Diverse Unit Mix (Lease Summary)
- >> Rents Below Market
- >> Upgraded Building
- >> 6.68% Cap Rate

## **EXCLUSIVE LISTING BY NAI CAPITAL (This is not a active listing. This is a demo/sample package)**

### **Property Description:**

The subject property consists of a 47,559 Sq Ft three level multi-tenant Retail & Office building located in the Hollywood Riviera area of Redondo Beach. The retail consists of six suites totalling 12,755 Sq Ft, all long term tenants on the ground floor with good street signage from the intersection. The retail suites range from 550 Sq Ft to 4,189 Sq Ft, including two successful restaurants, a bakery and woman's gym. The office suites range from 250 Sq Ft to 4,000 Sq Ft. many suites are divisible and also have ocean views. See attached lease summary for overview of tenants, square feet of suites and lease rates and terms. This impressive building is perfect for any professional office, Real Estate company or, on the Courtyard Level, we would consider a medical/surgicenter. Some spaces have private bathrooms/showers and most spaces are already built-out in a convenient floorplan. Space can be easily built to any custom design if current configuration does not fit your intended use. In addition to office space we have several storage spaces available in various sizes. Because of the abundant parking there are also several (private) parking spaces available. The subject property is a mixed commercial use, consisting of 26% ground floor retail space and 74% office suites. The physical vacancy is 3.72% and economic vacancy is 2.17%. The economic occupancy is 97.83%.

### **Property Location:**

Work just steps away from the beach and attract high quality clientele simply because of your location. Enjoy lunch at the building's highly rated restaurant ([Chez Melange Restaurant & Gastro Pub](#)) or have coffee at the cafe (Carissimo Cafe) next door to the restaurant or take a walk in the Riviera Village and choose from a wide variety of outstanding restaurants and/or bars designed to impress your clientele! The location also features many restaurants, boutiques and smaller office buildings that are all within walking distance of the subject property. The traffic count is heavy for Catalina Avenue. The subject property offers better on site parking than the competition and also includes superior ocean views from the third story layouts.

### **Parking:**

197 Spaces with 3 Level Underground Garage and Private Spaces Available. Most people know that parking is scarce in Redondo Beach...but not at the Plaza Riviera; we have nearly 200 parking spaces in the well-maintained underground parking garage!

### **Tenant Profile:**

The tenant profile consists of restaurants, pool & billiards bar, woman's gym, doctor offices, CPA accountants, law firms, property management company and many other local affluent business professionals. See attached Lease Summary.

### **Lease Expiration & Rollover:**

The current lease expirations scheduled for 2009 include 20,402 Sq Ft (42.90% of NRA), however, over 18,000 Sq Ft has executed lease renewals for two to three years. 2010 has 8,060 Sq Ft scheduled for expiration with long term tenants that currently plan to stay in the building. Additional lease rollover is minimal. See lease expiration schedule.

### **Signage & Visibility:**

The subject property offers excellent signage for the retail tenants including good street visibility from the intersection. The traffic count is heavy due to the area is the commercial district of the Hollywood Riviera of Redondo Beach. Pacific Coast Highway is very close and the Esplanade for local beach traffic.

### **Potential Financing Options offered from Wilshire Finance Partners (see Financing Addendum)**

- (1) 5.75%- Quarterly Adjustable: 70% LTV, 1.25 DCR (6.50% qualifying rate)
- (2) 6.25%- 3 Year Fixed-ARM; 73% LTV, 1.25 DCR
- (3) 6.50%- 5 Year Fixed-Balloon; 70% LTV, 1.25 DCR
- (4) 6.625%- 7 Year Fixed-Balloon; 69.50%, 1.25 DCR
- (5) 5.68%- 10 Year Fixed-Balloon; 68%, 1.25 DCR

## COMMERCIAL INVESTMENT SUMMARY

PROJECT NAME:	Commercial Investment Summary (DEMO)	TOTAL # UNITS	32	
PROPERTY ADDRESS	12345 Ocean Breeze Ave.	COST PER SQ FT (GBA)	\$192	
CITY, STATE, ZIP CODE	Redondo Beach, CA. 90250	Property Type		
		COST PER SQ FT (NRA)	210.27	
		BUILDING SQ FT (GBA)	52,000	
PROPOSED SALES PRICE	\$10,000,000	BUILDING SQ FT (NRA)	47,559	
PROPOSED FINANCING (1ST TD)	\$7,000,000	70.00%	CURRENT CAP RATE	6.68%
SECONDARY FINANCING			MARKET CAP RATE	6.68%
TOTAL FINANCING	\$7,000,000	70.00%	PHYSICAL VACANCY	3.72%
CASH DOWN PAYMENT	\$3,000,000	30.00%	ECONOMIC OCCUPANCY	97.83%

## PROPERTY DESCRIPTION

Total Net Rentable Area	Vacant Space	Montly Rent	Rent SF	Annual Rent SF	Lease Type
47,559	1,768	\$80,000	\$1.68	\$20.19	Modified Gross

## CASH FLOW ANALYSIS

	CURRENT LEASE RENTS	MARKET LEASE RENTS	
Total Current Base Rents:	\$80,000	\$80,000	
CAM RE Tax Reimbursement	\$4,000	\$4,000	
CAM / Insurance	\$2,000	\$2,000	
Storage	\$1,000	\$1,000	
Other Income (Including Vending)	\$1,000	\$1,000	
Utility Reimbursement	\$2,500	\$2,500	
Total Monthly Income:	\$90,500	\$90,500	
Total Gross Potential Income:	\$1,086,000	\$1,086,000	
Less Vacancy Allowance	(\$54,300)	(\$54,300)	
Gross Operating Income (EGI)	\$1,031,700	\$1,031,700	
Less Operating Expenses	(\$364,117)	(\$364,117)	<u>35.29%</u>
Net Operating Income	\$667,583	\$667,583	
Debt Service 1st TD	6.250% (\$517,202)	(\$517,202)	
Debt Service 2ndt TD			
Total Debt Service	(\$517,202)	(\$517,202)	
Total Cash Flow	\$150,381	\$150,381	
Total Cash on Cash Return	5.01%	5.01%	
Estimated Principal Reduction	\$79,702	\$79,702	
Estimated Annual Depreciation	\$206,349	\$206,349	

*Financing based upon 5.50% Fixed-5 Year at prevailing rates. For details call Lee O'Donnell (866) 575-5070 lee@wilshirefp.com*

<b>Net Rentable Sq Ft</b>	47,559
<b>Total Bldg Sq Ft</b>	52,000
<b>Year Built:</b>	1980
<b>Year Renovated:</b>	1980
<b># of Stories:</b>	3
<b># of Buildings:</b>	1
<b>Lot Size:</b>	1.5 acres
<b>Zoning:</b>	C2
<b>Type of Parking:</b>	3 Level parking garage.
<b># Parking Spaces:</b>	197
<b>Elevator:</b>	Yes (2)
<b>% Physical Vacancy:</b>	3.72%
<b>% Economic Vacancy:</b>	2.17%
<b>% Economic Occupancy:</b>	97.83%



### AMENITIES

<b>Annual Operating Expenses</b>		<b>Per / Sq Ft (NRA)</b>	<b>% EGI</b>
Real Estate Taxes	\$62,520	\$1.31	6.06%
Insurance	\$22,937	\$0.48	2.22%
Utilities	\$71,339	\$1.50	6.91%
Trash	\$8,000	\$0.17	0.78%
Maintenance & Repairs	\$24,780	\$0.52	2.40%
HVAC	\$9,600	\$0.20	0.93%
Elevator Maintenance	\$14,268	\$0.30	1.38%
Janitorial	\$23,780	\$0.50	2.30%
Payroll & Salaries	\$5,136	\$0.11	0.50%
Gardening	\$5,760	\$0.12	0.56%
Property Management	\$42,137	\$0.89	4.08%
General & Administrative	\$27,780	\$0.58	2.69%
Advertising & Marketing	\$500	\$0.01	0.05%
Contract Services	\$11,890	\$0.25	1.15%
Miscellaneous expenses	\$10,534	\$0.22	1.02%
Replacement Reserves	\$5,000	\$0.11	0.48%
Tenant Improvements & LC's			
<b>Total Operating Expenses</b>		<b>\$7.27</b>	<b>33.53%</b>

ADDITIONAL PHOTOS





## CONFIDENTIALITY AGREEMENT

**PLEASE DO NOT DISTURB THE TENANTS. PLEASE CALL THE LISTING AGENT FOR AN APPOINTMENT FOR A PREVIEW OF THE SUBJECT PROPERTY. ALL INSPECTIONS ARE SUBJECT TO OFFER AND ACCEPTANCE.**

**NOTE: THIS IS NOT A LIVE LISTING. THIS IS ONLY A SOFTWARE PDF PRESENTATION.**

The information contained in the following Investment Summary & Marketing Package is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving and should not be made available to any other person or entity without the written consent of NAI Capital.

This Marketing Package has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a complete due diligence investigation. NAI Capital has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue to occupy the subject property.

The information contained in the Marketing Package has been obtained from sources we believe to be reliable; however, this information has not been verified and we make no warranty or representation regarding the accuracy or completeness of the information provided. All potential buyers must conduct their own investigation. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The above information is from sources deemed to be reliable. Please complete your own due diligence and investigations.

The proposed Financing Options are provided by Wilshire Finance Partners. The loan programs and rates & terms are subject to change with market conditions.

**NAI Capital**  
Commercial Real Estate Services, Worldwide.  
1640 S. Sepulveda Blvd., Suite 500  
Los Angeles, Ca 90025

**David M. Condon**  
Senior Vice President  
DRE License # 00676270

(310) 440-8500 Ext 105  
Fax: (310) 440-8525  
Cell: (310) 413-8462  
dcondon@naicapital.com  
www.naidavidcondon.com

Real Estate Software Services provided by:



[www.WebVest.info](http://www.WebVest.info)



## COMMERCIAL LEASE EXPIRATION SCHEDULE

**Project Name:** Commercial Investment Summary (DEMO)  
**Property Address:** 12345 Ocean Breeze Ave.  
 Redondo Beach, CA. 90250

Lease Expiration (Rollover) Schedule			FOOTNOTES
Year	Square Feet	% of Total	
2009	20,402	42.90%	1 (80% lease renewel pending)
2010	8,060	16.95%	2 Long term tenants
2011	1,700	3.57%	
2012	522	1.10%	
2013	500	1.05%	
2014	4,189	8.81%	
2015	0	0.00%	
2016	550	1.16%	
2017	2,384	5.01%	
2018	0	0.00%	
2019	1,044	2.20%	
2020	0	0.00%	
Beyond 2020	0	0.00%	
Month to Month	0	0.00%	
<u>Vacant</u>	1,768	3.72%	
<b>Total Rollover</b>	39,351	86.46%	

<b>Comments:</b>
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- 1 High renewel probability with existing long term tenants.
- 2 Long term tenants have expressed interest to stay in building.
- 3 \_\_\_\_\_
- 4 \_\_\_\_\_
- 5 \_\_\_\_\_
- 6 \_\_\_\_\_
- 7 \_\_\_\_\_
- 8 \_\_\_\_\_
- 9 \_\_\_\_\_
- 10 \_\_\_\_\_
- 11 \_\_\_\_\_
- 12 \_\_\_\_\_
- 13 \_\_\_\_\_
- 14 \_\_\_\_\_
- 15 \_\_\_\_\_

	Subject Property	Sales Comp #1	Sales Comp #2	Sales Comp #3
Situs Address	12345 Ocean Breeze Ave.	100 Beach Street	200 Beach Street	300 Beach Street
City, State, Zip	Redondo Beach, CA. 90250	Redondo Beach, CA. 90250	Redondo Beach, CA. 90250	Redondo Beach, CA. 90250



	Commercial Investment Summary (DEMO)	Plaza Retail by the Beach	Plaza Del Mar	Ocean Office Suites
Project Name	Commercial Investment Summary (DEMO)	Plaza Retail by the Beach	Plaza Del Mar	Ocean Office Suites
Sales Price	\$10,000,000	\$8,500,000	\$8,000,000	\$9,000,000
Sale Date		07/01/09	06/01/09	05/01/09
Bldg Sq Ft (NRA)	47,559	44,700	40,000	42,500
Bldg Sq Ft (GBA)	52,000	46,500	42,000	44,000
# Units	32	28	25	20
Average Unit Size	1,486	1,596	1,600	2,125
Rent Per Sq Ft	\$1.72	\$1.70	\$1.70	\$1.70
Cap Rate	6.68%	6.75%	6.88%	6.25%
Value per Sq Ft	\$192	\$190	\$200	\$212
Lot Size	1.5 acres	1.15 Acres	0.95 Acres	1.25 Acres
Property Type	3 Story Office / Retail Building	2 Story Office / Retail	2 Story Office / Retail	3 Story Office / Retail
Year Built	1980	1978	1990	2009
Type of Parking	3 Story in structure	Below ground and open	Below ground and open	Below ground and open
Lease Type	Modified Gross	Modified Gross	Modified Gross (Office)	Modified Gross
Lease Type			NNN (Retail)	
Lease Type			15% Retail & 85% Office	
% Occupancy	97.83%	93.00%	95.00%	50% (Lease up pending)
Amenities				
Amenities	Storage available			
Comments	Some Ocean View Suites			New construction
Comments	Excellent parking	Average parking	Inferior parking	Average parking

**Comments / Amenities:**

Subject Property	The subject property is located in superior location to the sales comps. The street signage is also superior to the sales comps. (26% retail & 74% office space)
Comparable #1	Similar appeal with inferior location. 20% retail & 80% office space. Average parking.
Comparable #2	Similar appeal with inferior location. 10% retail & 90% office space. Limited parking.
Comparable #3	New construction with similar appeal, inferior street signage and average parking. 15% retail & 85% office space.

	<b>Subject Property</b>	<b>Rental Comp #1</b>	<b>Rental Comp #2</b>	<b>Rental Comp #3</b>
Situs Address	12345 Ocean Breeze Ave.	100 Beach Street	200 Beach Street	300 Beach Street
City	Redondo Beach, CA. 90250	Redondo Beach, CA. 90250	Redondo Beach, CA. 90250	Redondo Beach, CA. 90250
State, Zip				



Project Name	Commercial Demo	Plaza Retail by the Beach	Plaza Del Mar	Ocean Office Suites
Property Type	3 Story Office / Retail Building	2 Story Office / Retail	2 Story Office / Retail	3 Story Office / Retail
Year Built	1980	1978	1990	2009
% Vacancy	2.17%	7.00%	5.00%	N/A (Lease up pending)
Type of Parking	Carport Parking	Below ground and open	Below ground and open	Below ground and open

Lease Type	Modified Gross	\$1,700	Modified Gross	\$825	Modified Gross	\$850	Modified Gross	\$800
	Sq Ft / \$ Sq Ft	1,000	\$1.70	500	\$1.65	500	\$1.70	500
Unit Breakdown	Modified Gross	\$850	Modified Gross	\$1,650	Modified Gross	\$925	Modified Gross	\$1,400
	Sq Ft / \$ Sq Ft	500	\$1.70	1,000	\$1.65	1,000	\$0.93	750
Unit Breakdown	Modified Gross	\$3,400	Modified Gross	\$2,000	Triple Net (NNN)	\$1,250	Modified Gross	\$1,650
	Sq Ft / \$ Sq Ft	2,000	\$1.70	1,500	\$1.33	1,000	\$1.25	1,250
Condition	Superior		Average		Average		Good	
Amenities:	Ocean View							

**Comments / Amenities:**

Subject Property	Ocean view suites on 2nd & 3rd level. Parking is superior to immediate competition.
Rental Comp #1:	Inferior to subject. Higher vacancy.
Rental Comp #2:	Inferior to subject. Higher vacancy.
Rental Comp #3:	Similar to the subject. New construction.
Comments:	
Comments:	



**Financing Options Addendum**

www.WilshireLenders.com

www.WebVest.info

Lee O'Donnell, Senior Underwriter  
Wilshire Finance Partners  
(866) 575-5070 Toll Free  
(310) 736-1370 Local  
(310) 362-8989 Fax  
lee@wilshirefp.com

Prepared for: Demo Sample

RE: Commercial Investment Summary (DEMO)

12345 Ocean Breeze Ave.

Redondo Beach, CA. 90250

Date: 6/1/2007

CURRENT / MARKET RENTS	Current Rents	Current Rents	Current Rents	Current Rents	Current Rents
LOAN PROGRAM OPTIONS	ARM- 12 MAT	3-Year Fixed / ARM	5-Year Fixed / Balloon	7-Year Fixed / Balloon	10-Year Fixed / Balloon
PURCHASE PRICE / VALUE	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
LOAN AMOUNT	\$7,042,000	\$7,335,000	\$7,042,000	\$6,951,000	\$6,862,000
LOAN TO VALUE (DCR)	70.42%	73.35%	70.42%	69.51%	68.62%
LOAN TO VALUE (Guidelines)	75%	75%	75%	75%	75%
DEBT COVERAGE RATIO	1.25	1.20	1.25	1.25	1.25
CURRENT INTEREST RATE	5.750%	6.250%	6.500%	6.625%	6.750%
VARIABLE RATE MARGIN	2.55%	2.65%	0.00%	0.00%	0.00%
CEILING (First Adjustment)	10.700%	11.250%	0.000%	0.000%	0.000%
LOAN TERM	30/30	30/30	30/5	30/7	30/10
AMORTIZATION IN YEARS	30	30	30	30	30
MONTHLY PAYMENT	\$41,095	\$45,163	\$44,510	\$44,508	\$44,507
RECOURSE	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable
IMPOUNDS	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance	Taxes & Insurance
PRE-PAYMENT	1.25, 1.25, 1.25	1.25, 1.25, 1.25	Yield Maintenance	Yield Maintenance	Yield Maintenance
LOAN FEE	1.00%	1.00%	1.00%	1.00%	1.00%

Current financing options from preliminary underwriting as of above date. Please call for current update. To complete a preliminary submission (underwriting pre-qual), please provide the following documentation: Current Rent Roll, 2007-2008 and 2009-YTD Income & Expense (operating history), current Financial Statement or 1003 loan application for the borrowing entity and all applicable individuals, copy of schedule of real estate owned with resume and or profile of property management experience and current credit report if available.

Rates & Terms are subject to change without notice with market conditions.