

Marcus & Millichap
TAG INDUSTRIAL GROUP

LANCASTER AUTO ROW

45003-45027 YUCCA AVENUE

LANCASTER, CA 93534

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SECTION 1

INVESTMENT OVERVIEW

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OFFERING SUMMARY

- 24,320-Square-Foot Multi-Tenant Industrial Automotive Asset Situated on 1.04 Acres
- Masonry/Metal Construction Featuring 10'-15' Clear-Height, 11 Grade-Level Doors, and Ample Parking
 - Value-Add Investment or Owner-User Opportunity with Seller Financing
 - Located in T.O.D. Zone Creating Redevelopment Opportunity
- Landlord Friendly Leases with Ability to Terminate for Owner Occupancy or Redevelopment
- Proximate to CA 14, Metrolink, and Palmdale Regional Airport, Less Than One Hour from San Fernando Valley
 - Tight Barrier-to-Entry Submarket with 2.5% Vacancy Rate, 4.4% Rent Growth (CoStar)

Marcus & Millichap is pleased to present the opportunity to acquire the property located at 45003 to 45027 Yucca Avenue in Lancaster, California, anchored by various automotive-related tenants. The subject property consists of approximately 24,320 square feet of industrial space and is situated on 1.04 acres of land. The multi-tenant asset features two buildings (one masonry and one metal construction), clear heights ranging from 10' to 15', 11 grade-level doors, and 36 parking spaces. With 1,600 square feet of vacant space and multiple leases on month-to-month, this sale offers both a value-add and owner-use opportunity with seller financing available.

Thanks to the property's location in a Transit Oriented Development (T.O.D) zone that promotes the development of communities with easy access to transit services, the property can also be acquired for redevelopment purposes. The property sits one block away from Lancaster Boulevard (known as "The BLVD") which houses the city's entertainment and shopping district. Approximately 1.5 miles from the property is the Lancaster Metrolink train station that connects passengers to Downtown Los Angeles. Situated less than an hour's drive from the San Fernando Valley, the property has proximate access to State Route 14 and Palmdale Regional Airport.

The subject property is positioned in the Antelope Valley, a midsize submarket containing 11.9 million square feet of industrial space. While Antelope Valley is notably home to the large aerospace and defense companies Lockheed Martin and Northrop Grumman, 55 percent of the inventory is concentrated in properties under 100,000 square feet. Over the last two years, the vacancy rate has remained low and steady, sitting at 2.5 percent in Q3 2023. Despite tight availability, market rents have decelerated, but remain 4.4 percent higher year-over-year. New construction activity was largely subdued over the last decade and only 160,000 square feet were in the pipeline during Q3, representing just 1 percent of current inventory levels. As a result, vacancies and rent growth will continue to go essentially unimpeded by new supply for the foreseeable future (CoStar).

The Los Angeles metropolitan area is home to a diverse population of 10.1 million, including over 4 million residents within city limits. The second largest city in the U.S. boasts an 81-mile coastline along the Pacific Ocean and is encircled by the picturesque Santa Monica and San Gabriel mountains, including the towering Mount San Antonio. Simply known as L.A., the city features a well-connected transportation network, including major interstates, Amtrak, Metrolink, and Los Angeles International Airport (LAX). The entertainment industry, nine Fortune 500 companies, and a prominent aerospace sector drive the economy. Los Angeles' industrial activity is anchored by the Ports of L.A. and Long Beach which play a major role in the domestic supply chain as the leading point of imports from East Asia. With a growing population and high home prices, Los Angeles remains a vibrant and culturally rich metropolis.

PROPERTY DETAILS

LANCASTER AUTO ROW
45003-45027 YUCCA AVENUE, LANCASTER, CA 93534

Number of Suites	11
Number of Buildings	2
Total Square Feet	24,320
Year Built	1955
Lot Size	1.04 Acres
Type of Ownership	Fee Simple
Clear Height	10'-15'
Parking Spaces	36
Parking Surface	Crushed Gravel
Building Class	C
Tenancy	Multi
Grade Level Doors	11
Construction	Masonry/Metal
Zoning	TOD-EC
Roof Type	TPO
Market	Los Angeles
Submarket	Antelope Valley
Submarket Vacancy	2.50%

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OFFERING PRICE
Request for Offers

Offering Price	Request for Offers
Total Square Feet	24,320
Rental Rate	\$0.67 - \$1.06
Lease Type	Industrial Gross
Lease Term	Varies
Tenancy	Multi
Occupancy	93.42%

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RENT ROLL

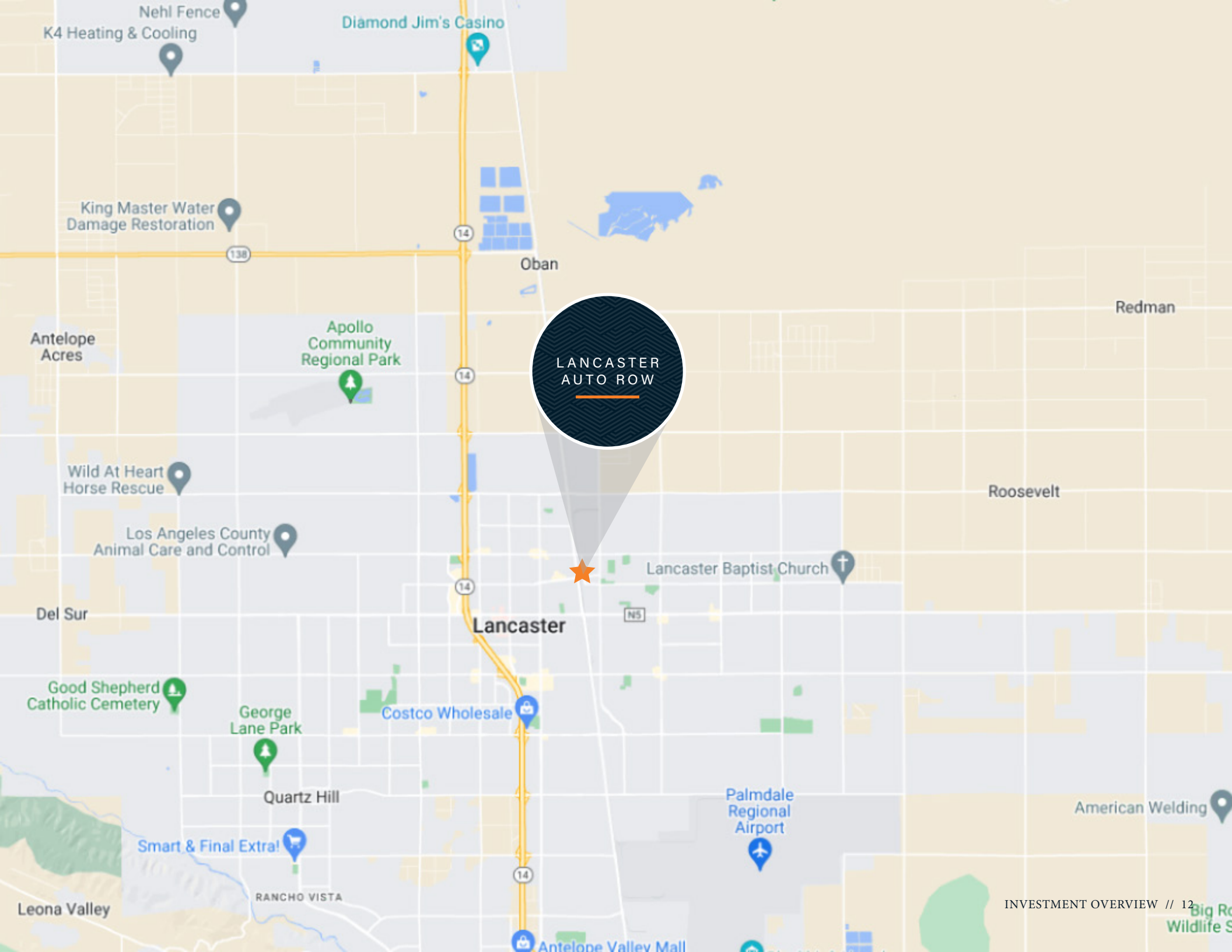
Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Monthly Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Pro Forma Rent Per Year	Changes on	Rent Increase	Lease Type	Renewal Options and Option Year Rental Information
Leo's Auto Body	45003-45005	5,600	23.0%	4/1/23	3/31/26	\$0.65	\$3,650	\$43,800	\$51,660	Jan-2024	15.07%	Gross	Rent Increases to \$4,200 Eff. 01/01/24; (2) 12 Month Renewal Options at Fair Market
Auto Repair	45009	2,400	9.9%	4/1/23	4/30/26	\$0.92	\$2,200	\$26,400	\$28,416	Jan-2024	5.00%	Gross	Rent Increases to Greater of 5% or CPI Eff. 01/01/24; (2) 12 Month Renewal Options at Fair Market
Cabinet Maker	45011	2,080	8.6%	8/1/15	M-T-M	\$0.67	\$1,400	\$16,800	\$24,960	N/A	N/A	Gross	Notice to Vacate 10/31/23
Machine Shop (Handiman)	45013	2,080	8.6%	M-T-M	M-T-M	\$0.00	\$0.00	\$0.00	\$24,960	N/A	N/A	Gross	No Lease in Place
Deny Auto Repair	45015	1,600	6.6%	5/1/23	4/30/24	\$1.06	\$1,700	\$20,400	\$21,420	Jan-2024	5.00%	Gross	Rent Increases to Greater of 5% or CPI Eff. 01/01/24
Vacant	45017	1,600	6.6%	-	-	\$0.00	\$0.00	\$0.00	\$19,200	N/A	N/A	Gross	-
Riteway Alternators	45019	1,600	6.6%	8/1/07	M-T-M	\$0.66	\$1,060	\$12,720	\$19,200	N/A	N/A	Gross	-
Top Notch Customs	45021-45025	5,600	23.0%	3/1/23	3/31/26	\$0.71	\$4,000	\$48,000	\$51,660	Jan-2024	5.00%	Gross	Rent Increases to Greater of 5% or CPI Eff. 01/01/24; (2) 12 Month Renewal Options at Fair Market
Garcia Auto Body	45027	1,760	7.2%	9/29/14	M-T-M	\$0.77	\$1,350	\$16,200	\$21,120	N/A	N/A	Gross	-
Total		24,320				\$0.68	\$15,360	\$184,320	\$262,596				
Occupied Tenants: 8				Unoccupied Tenants: 1		Occupied GLA: 93.40%		Unoccupied GLA: 6.60%					
Total Current Rents: \$14,899						Occupied Current Rents: \$14,899		Unoccupied Current Rents: \$0					

OPERATING STATEMENT

Income	Current	Per SF	Pro Forma	Per SF
Scheduled Base Rental Income	178,790	7.35	262,596	10.80
Expense Reimbursement Income				
Net Lease Reimbursement				
CAM	845	0.03	1,120	0.05
Management Fees	0	0.00	0	0.00
Total Reimbursement Income	\$845 0.9%	\$0.03	\$1,120 1.0%	\$0.05
Effective Gross Revenue	\$179,635	\$7.39	\$263,716	\$10.84

Operating Expenses	Current	Per SF	Pro Forma	Per SF
Electric	438	0.02	438	0.02
Water	1,685	0.07	1,685	0.07
Internet	1,080	0.04	1,080	0.04
Trash Removal	9,115	0.37	9,115	0.37
Insurance	13,246	0.54	13,246	0.54
Real Estate Taxes	70,883	2.91	70,883	2.91
Management Fee	0 0.0%	0.00	12,000 4.6%	0.49
Total Expenses	\$96,447	\$3.97	\$108,447	\$4.46
Expenses as % of EGR	53.7%		41.1%	
Net Operating Income	\$83,189	\$3.42	\$155,270	\$6.38

*Pro-Forma Expenses Match Seller's Current Estimated Expenses.

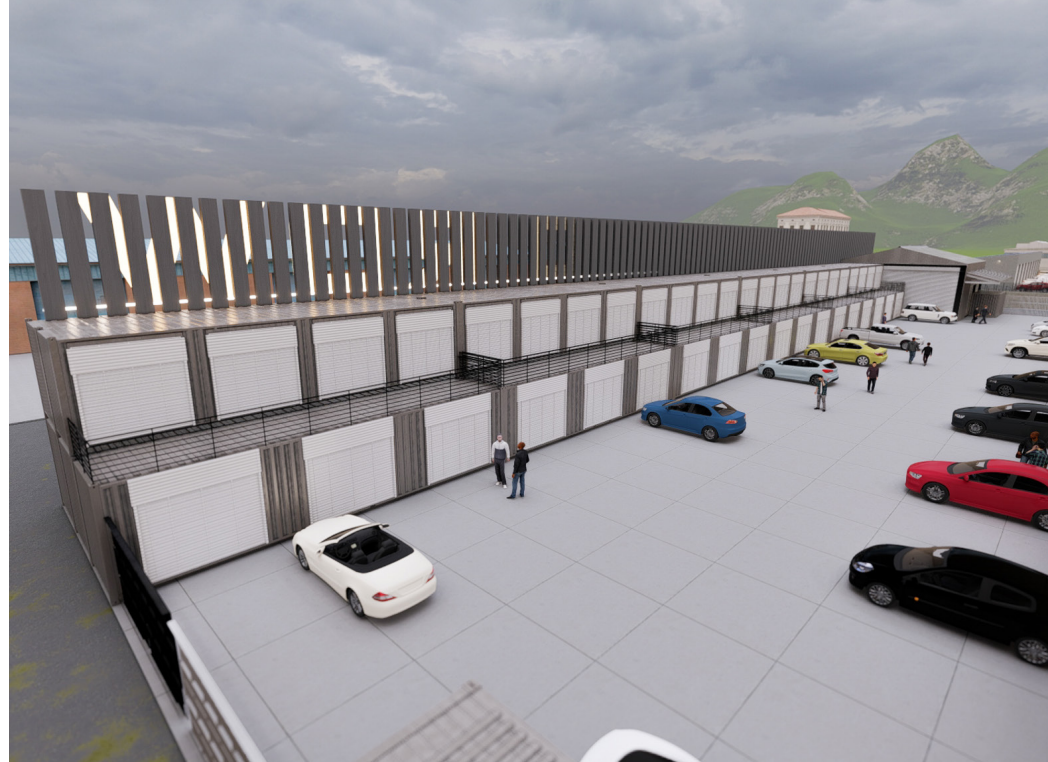


LANCASTER
AUTO ROW



LANCASTER
AUTO ROW





CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources, providing the most competitive rates and terms.

We leverage out prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac, and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 2,143 debt
and equity
financings in 2022



National platform operating
within the firm's
brokerage offices



\$12.8 billion total
national volume
in 2022



Access to more capital sources
than any other firm in the
industry

WHY MMCC?

Optimum financing solutions to
enhance value

Enhanced control through MMCC's
ability to qualify investor finance
contingencies

Enhanced control through quickly
identifying potential debt/equity sources,
processing, and closing buyer's
finance alternatives

Enhanced control through MMCC's
ability to monitor investor/due diligence
and underwriting to ensure timely,
predictable closings

The background of the slide is a dark, blue-toned photograph of an industrial interior. It features a complex network of steel beams, girders, and pipes. Several large, dome-shaped industrial lights are visible, hanging from the ceiling. The overall atmosphere is gritty and industrial.

SECTION 2

MARKET OVERVIEW

Marcus & Millichap

LOS ANGELES CALIFORNIA

The Los Angeles-Long Beach metro is located entirely within Los Angeles County, covering 4,751 square miles. The county encompasses 88 incorporated cities and numerous unincorporated areas. It is bordered on the east by San Bernardino County, on the north by Kern and Ventura counties, on the west by the Pacific Ocean and on the south by Orange County. The area is home to 10.1 million residents. The city of Los Angeles accounts for more than 4 million people. The Los Angeles coastline stretches along 81 miles of world-famous beaches. The Santa Monica and San Gabriel mountains are located in the county, with the highest point at Mount San Antonio reaching more than 10,000 feet.



ECONOMIC
CENTER



PROMINENT
PORT ACTIVITY



JOB AND
POPULATION
GROWTH

METROPLEX GROWTH

ECONOMY

The motion picture/entertainment industry is one of the most high-profile sectors of the economy. The gross metropolitan product is expected to grow at a pace faster than the United States rate this year. Nine Fortune 500 companies are currently headquartered in the metro. A significant aerospace presence exists in the South Bay, led by employers that include Boeing, Northrop Grumman, Raytheon Technologies Corp. and SpaceX. Employers across a variety of industries employed nearly 4.6 million individuals at the onset of 2023. The metro's two ports make the area a major player in the domestic supply chain, fueling demand for warehouse and distribution space.



7%
MANUFACTURING



15%
PROFESSIONAL AND
BUSINESS SERVICES



13%
GOVERNMENT



11%
LEISURE AND HOSPITALITY



5%
FINANCIAL
ACTIVITIES



19%
TRADE, TRANSPORTATION,
AND UTILITIES



3%
CONSTRUCTION



19%
EDUCATION AND
HEALTH SERVICES



5%
INFORMATION



3%
OTHER SERVICES



METROPLEX GROWTH

TRANSPORTATION

The region has well-established and interconnected transportation systems by road, rail and sea, allowing access to most of the world's markets. Various interstate routes make the area accessible nationwide. This list includes interstates 5, 10, 15, 110, 210, 215, 405 and 710. Amtrak and Metrolink provide passenger rail service. Freight rail lines servicing the county include Union Pacific and BNSF. The expanding light rail network provides increased access to in-town travel. LAX is one of the busiest airports in the nation. Other commercial airports serving the county include Long Beach, Burbank and Palmdale. Alameda Corridor, a 20-mile railroad express line, facilitates port activity, connecting the two local ports to the transcontinental rail network east of downtown.



QUALITY OF LIFE

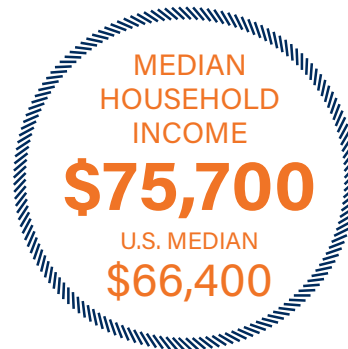
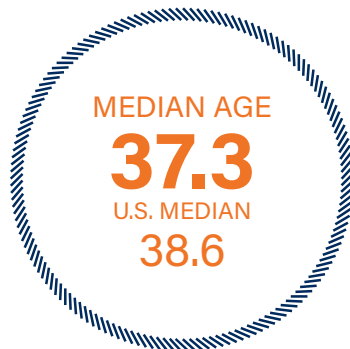
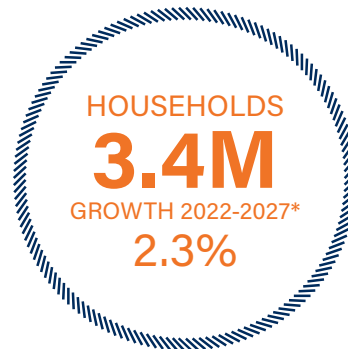
The Los Angeles region enjoys pleasant weather, with sunshine throughout the year. Bounded by mountains and the Pacific Ocean, the temperature rarely rises above 85 degrees or falls below 40 degrees, and rainfall is minimal most years. During winter and early spring, it's possible to swim in the ocean and ski on the mountains during the same day. There are almost 60 institutes of higher learning in the county, including one campus of the University of California system and six California State University campuses. Private institutions, such as Caltech, the Claremont Colleges, Occidental College and the University of Southern California, along with a number of community colleges, are also included in this count. A number of professional and college teams are located in the area. Cultural venues include Walt Disney Concert Hall, Dorothy Chandler Pavilion, the Hollywood Bowl, Warner Bros. Studios, the Huntington Library, the Museum of Art, and the Natural History Museum of Los Angeles County.



METROPLEX GROWTH

DEMOGRAPHICS

The population of roughly 10.1 million people makes Los Angeles County the most populous metropolitan area in the U.S. More than 192,000 new residents are expected through 2027, translating into roughly 78,000 households formed during the period. A median home price that is more than twice that of the U.S. average translates to a homeownership rate that is well below the national level. Approximately 30 percent of residents ages 25 and older have attained at least a bachelor's degree. More than 10 percent also hold a graduate or professional degree.



DEMOGRAPHICS



151,216

Total Population
Within 5 miles



50.2%



49.8%



\$74,422

Average Household Income
Within 5 miles



61,125

Employees
Within 1 Mile

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Population	15,330	101,782	155,913
2022 Estimate			
Total Population	15,077	99,466	151,216
2010 Census			
Total Population	14,757	96,513	143,701
2000 Census			
Total Population	13,782	82,414	114,155
Daytime Population			
2022 Estimate	17,384	94,974	135,198
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Households	5,256	32,964	47,594
2022 Estimate			
Total Households	5,177	32,244	46,232
Average (Mean) Household Size	2.9	3.0	3.1
2010 Census			
Total Households	5,015	30,976	43,805
2000 Census			
Total Households	4,691	28,013	37,317

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2022 Estimate			
\$200,000 or More	1.9%	2.4%	3.6%
\$150,000-\$199,999	1.4%	3.8%	5.0%
\$100,000-\$149,999	6.3%	12.1%	14.6%
\$75,000-\$99,999	8.0%	13.3%	13.9%
\$50,000-\$74,999	12.2%	17.3%	17.3%
\$35,000-\$49,999	13.1%	14.0%	13.2%
\$25,000-\$34,999	10.5%	8.8%	7.5%
\$15,000-\$24,999	14.7%	10.6%	9.3%
Under \$15,000	31.9%	17.8%	15.6%
Average Household Income	\$46,909	\$65,322	\$74,422
Median Household Income	\$28,820	\$48,698	\$56,097
Per Capita Income	\$16,418	\$21,435	\$23,406
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2022 Estimate Total Population	15,077	99,466	151,216
Under 20	31.0%	29.4%	28.5%
20 to 34 Years	22.1%	23.1%	23.8%
35 to 39 Years	5.7%	6.1%	6.3%
40 to 49 Years	10.9%	11.3%	11.9%
50 to 64 Years	16.8%	17.6%	17.9%
Age 65+	13.4%	12.5%	11.7%
Median Age	32.6	33.2	33.4
Population 25+ by Education Level			
2022 Estimate Population Age 25+	9,312	63,061	96,572
Elementary (0-8)	12.3%	8.8%	7.8%
Some High School (9-11)	13.5%	10.1%	10.6%
High School Graduate (12)	32.8%	30.7%	29.7%
Some College (13-15)	22.9%	25.7%	25.7%
Associate Degree Only	7.7%	9.4%	9.5%
Bachelor's Degree Only	6.4%	10.2%	10.9%
Graduate Degree	4.5%	5.1%	5.8%
Travel Time to Work			
Average Travel Time to Work in Minutes	33.0	34.0	34.0

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