

*Offering Memorandum*

# LAKE ELSINORE FORD

31500 AUTO CENTER DRIVE | LAKE ELSINORE, CALIFORNIA





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## INVESTMENT HIGHLIGHTS

- Strong National Brand - Ford Motor Company
- 33,769 SF of Improvements
- Dealership Constructed in 1998
- Excellent Visibility from Interstate 15
- Within Close Proximity to Interstate 15 and Highway 74
- Located along Auto Center Drive
- Twenty Five (25) Years Plus Five (5) Years of Options
- Only Ford Dealership Within 15 Mile Radius
- Located in One of the Fastest Growing Cities in Riverside County & Northern Submarket of San Diego

## INVESTMENT SUMMARY

The Maling Team of Colliers International is pleased to exclusively present the single tenant, Ford Dealership located at 31500 Auto Center Drive in Lake Elsinore, California. The building is comprised of approximately 33,769 rentable square feet and is situated on a 9.42 gross acre lot (6.0 acres of net area).

The Ford Dealership runs parallel to the north-south connector of Interstate 15 and houses other competitors such as: Chevrolet, Buick, GMC, Chrysler, Dodge, Jeep and Ram. To emphasize the desirability of the Lake Elsinore Auto Mall, Toyota plans to build a new location in the future on the vacant land across from the Ford Dealership.

The offering is a sale-leaseback consisting of a twenty five (25) year absolute bonded NNN lease with five (5) five (5) year options from the close of escrow.

This investment is an excellent opportunity for an investor to take advantage of the current income stream and ideal location of this asset.



**LAKE ELSINORE, CALIFORNIA** is currently the second fastest growing area in all of California - a virtual “hot spot” for retail, residential, light industrial and commercial growth. Many developers are taking root and building quality projects in their valley. During the last decade, there have been many new retail and commercial establishments built, some of which have boasted the highest opening-day sales ever in their chain.

Lake Elsinore Valley provides businesses the perfect climate for growth and development in over 100 square miles of planned commercial, light industrial, residential and resort-oriented communities within the valley. With more than 1,100 acres of freeway frontage available for new commercial and industrial park development, lower housing and land costs, close proximity to skilled labor and universities, and a strategic location within the Southern California market, Lake Elsinore Valley is indeed a rare find!

Job creation is encouraged by expanding local industries such as tourism, electronics, computer animation, machining, telecommunications, aero sports, wood and building products. New industries will diversify the job base as relocating companies take advantage of brine line infrastructure now under construction.

The Lake Elsinore Valley is continuing its tradition of providing a quality lifestyle, leisure living, and a multitude of economic growth opportunities within their business communities



The total household income within 3 miles is

**\$71,479**



The population within 5 mile is

**103,384**



The home ownership rate within 5 mile is

**67.95%**

Source: The Nielson Company & LakeElsinoreChanmber.com



# DEMOGRAPHICS

Area Demographics	1 Mile	3 Mile	5 Mile
<b>Population</b>			
Estimated Population (2015)	3,591	39,423	103,384
Census Population (2000)	1,475	21,127	67,192
Projected Population (2020)	3,916	42,467	109,480
Historical Annual Growth 2010-15	10.71%	9.04%	6.54%
<b>Households</b>			
2020 Projection	1,129	12,480	32,890
2015 Estimate	1,047	11,666	31,204
2010 Census	975	10,920	29,648
<b>2015 Est. Average Household Income</b>	<b>\$67,533</b>	<b>\$71,479</b>	<b>\$68,498</b>
<b>Employment</b>			
Blue Collar	22.84%	20.58%	24.57%
White Collar	57.32%	57.98%	54.50%
Service and Farm	19.84%	21.44%	20.93%
<b>Residential Tenure</b>			
Owner Occupied	62.08%	67.30%	67.95%
Renter Occupied	37.92%	32.71%	32.05%

Demographics source: The Nielson Company



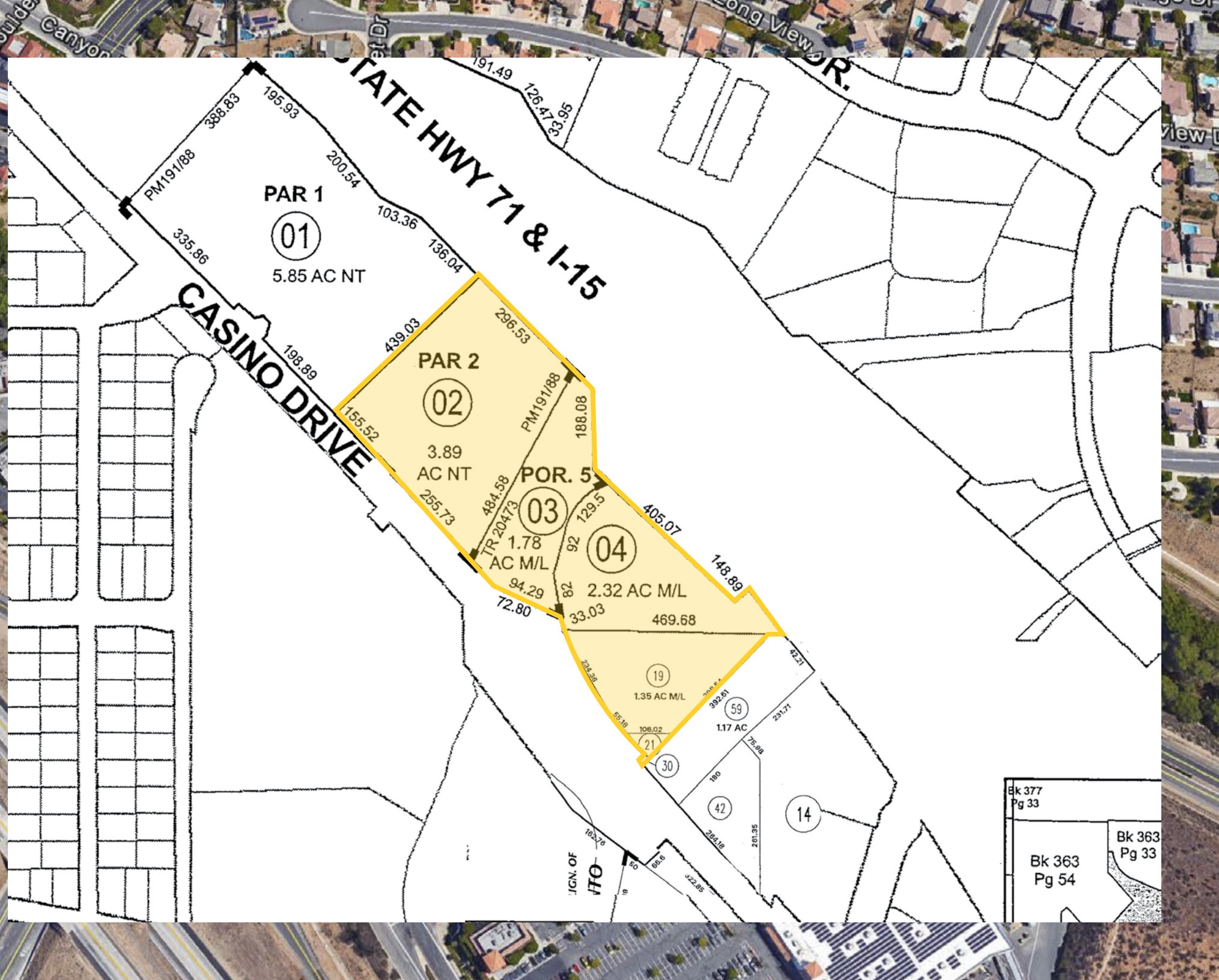


PROPERTY OVERVIEW



  
**TOYOTA**  
FUTURE  
TOYOTA  
SITE

SUBJECT



**RETAIL/OFFICE CENTER**

- Chase Bank
- Shell Gas Station
- Circle K
- U.S. Post Office
- Lake Elsinore Pet Hospital
- Lake View Pharmacy
- Holiday Inn Express

**RETAIL CENTER**

- In-N-Out
- KFC
- Jiffy Lube
- Alberto's Mexican Food

**LAKE ELSINORE CITY CENTER**  
115,519 SF

- Vons
- Walmart
- O'Reilly Auto Parts
- Goodwill
- Wells Fargo
- Payless Shoe Source
- Denny's
- Verizon Wireless
- Jersey Mikes
- Sports Clips
- El Pollo Loco
- GNC
- UPS Store

**RETAIL CENTER**

- Subway
- 7 Eleven
- Carl's Jr

**SHOPPERS SQUARE**  
41,818 SF

- Coco's Bakery
- Arco Gas & AMPM
- Econo Lube N Tube & Brakes
- Pizza Hut

**RETAIL CENTER**

- Cardenas
- Verizon Wireless
- Del Taco

**RETAIL CENTER**

- Trevi Bowling/Entertainment Center
- Regal Diamond Cinemas

**LAKE CHEVY**  
66,166 SF

- Chevrolet

**LAKE BUICK GMC**  
36,916 SF

- Buick
- GMC
- Chrysler
- Jeep
- Ram
- Dodge

**RETAIL CENTER**

- CVS Pharmacy
- McDonald's
- Chevron Gas Station

**LAKE ELSINORE VALLEY CENTER**  
58,683 SF

- Bank of America
- Century 21
- Lake Elsinore Family Medical Center

**RETAIL CENTER**

- Circle K
- Taco Bell
- Mobile Gas Station

**RETAIL/MEDICAL CENTER**

- Walgreens
- Lake Elsinore Urgent Care

**LAKE ELSINORE TOWN CENTER**  
88,551 SF

- Stater Bros
- Dollar Tree
- Big Lots
- US Bank
- LA Nails
- H + R Block
- Fantastic Sams
- Radio Shack
- RAC Rent-A-Center
- State Farm
- Autozone

**SUBJECT**







31500 AUTO CENTER DRIVE, LAKE ELSINORE, CA 92530

Tenant	Strebor Prop, Kevin Roberts
Building Size	33,769 SF
Site Size	9.42 AC (gross) 6.0 (net)
Building Age/Year Built	1998
Annual Rent: Year 1	\$720,000
Monthly Rent	\$60,000
Rental Increase: Year 6	10% fixed every 5 years
Lease Commencement	at close of escrow
Lease Expiration	2040
Term Remaining	25 years
Options	Five (5) - five (5) year
Option Rents	10% Fixed
Lease Type	absolute bonded NNN

**Lease Guarantee**

Strebor Prop to guarantee the lease for the entire term including the option periods. Kevin Roberts to personally guarantee the lease for the first two (2) years from the close of escrow

**Size of Building Improvements**

- 33,769 square feet:
- 4,092 SF - showroom and customer lounge
  - 8,721 SF - sales offices, executive offices, administravit office and breakroom
  - 14,259 SF - service department and related areas
  - 1,181 SF - parts warehouse/storage
  - 5,516 SF - canopies

**Total Lot Size**

- 9.42 gross acres, 6.0 net buildable acres:
- total land consists of six parcels, three contiguous parcels which compromise the dealership facility improvements and three other contiguous parcels which comprise the nearby inventory parking



The Ford Motor Company (commonly referred to as simply Ford) is an American multinational automaker headquartered in Dearborn, Michigan, a suburb of Detroit. It was founded by Henry Ford and incorporated on June 16, 1903. The company sells automobiles and commercial vehicles under the Ford brand and most luxury cars under the Lincoln brand. Ford also owns Brazilian SUV manufacturer, Troller, and Australian performance car manufacturer FPV. In the past it has also produced tractors and automotive components. Ford owns a 2.1% stake in Mazda of Japan, an 8% stake in Aston Martin of the United Kingdom, and a 49% stake in Jiangling of China. It also has a number of joint-ventures, two in China (Changan Ford Mazda and Ford Lio Ho), one in Thailand (AutoAlliance Thailand), one in Turkey (Ford Otosan), and one in Russia (Ford Sollers). It is listed on the New York Stock Exchange and is controlled by the Ford family, although they have minority ownership.

Ford introduced methods for large-scale manufacturing of cars and large-scale management of an industrial workforce using elaborately engineered manufacturing sequences typified by moving assembly lines; by 1914 these methods were known around the world as Fordism. Ford is the second-largest U.S.-based automaker (preceded by General Motors) and the fifth-largest in the world based on 2010 vehicle sales. At the end of 2010, Ford was the fifth largest automaker in Europe. Ford is the eighth-ranked overall American-based company in the 2010 Fortune 500 list, based on global revenues in 2009 of \$118.3 billion. In 2008, Ford produced 5.532 million automobiles and employed about 213,000 employees at around 90 plants and facilities worldwide.

Source: Wikipedia



## FINANCIAL SUMMARY

List Price **\$9,600,000**

Address 31500 Auto Center Drive  
Lake Elsinore, CA 92530

NOI **\$720,000**

Cap Rate **7.5%**

Building Square Footage 33,769 SF

Land Square Footage **9.42 AC**

APN(s) 363-550-002 & 363-550-003

Lease Type Absolute Bonded **NNN**

Landlord Responsibilities None

Projected 2015 Sales \$41,000,000



## CONFIDENTIALITY AGREEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of *31500 Auto Center Drive, Lake Elsinore, CA*. It has been prepared by Colliers International. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Colliers International. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from Colliers, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of *31500 Auto Center Drive, Lake Elsinore, CA*, or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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