

34.6 ACRE LAND DEVELOPMENT OPPORTUNITY



STRATEGIC INLAND EMPIRE LOCATION
EXCELLENT I-215 FREEWAY ACCESS
LOCATED IN MORENO VALLEY, AN EXCELLENT DISTRIBUTION GATEWAY TO SERVICE SOUTHERN CALIFORNIA



EXECUTIVE SUMMARY

The Offering

CBRE, Inc. is pleased to present the opportunity to acquire a land site totaling 34.6 acres located in the city of Moreno Valley in the Inland Empire, California. This is an excellent opportunity to acquire a critical mass of land in a well located area within half a mile of the Cactus Avenue/I-215 on/off ramp. Very few large, vacant land parcels remain in the Inland Empire.

The site is currently zoned commercial but can be re-zoned in the future. The ownership is willing to participate in a longer escrow process to accommodate a zone change. If a future owner decided to rezone the site to an industrial use, which is in very high demand, the site could accommodate a 600,000 SF building and a 150,00 SF building.

INVESTMENT THESIS

This is an excellent opportunity to acquire a 34.6 acre land site in the highly desired Inland Empire market.

LAND ACQUISITION SUMMARY

- Large, well-located land site in Inland Empire
- Strategic "Path of Progress" location
- Potential to rezone to industrial
- Excellent access to the I-215 freeway



INVESTMENT HIGHLIGHTS

Desirable Land Parcel:

- The site totaling nearly 35 acres offers an excellent opportunity to acquire a critical mass of land in the highly sought after Moreno Valley market.
- Very few large, vacant land parcels remain in the Inland Empire, and the site's size allows for a large scale development.

Potential for Industrial Zoning

- The property is currently in commercial and office zones, though it has the potential to be rezoned for industrial uses.
- If the rezoning is successful, the industrial market is in high demand. The site could accommodate a 600,000 SF building and a 150,000 SF building as demonstrated on the site plan on page 4.
- At the end of 2014, the industrial market generated a total of 33.4 million SF of gross activity, and 16.1 million square feet of net absorption. The Inland Empire East market accounted for 15.7 MSF and 9.3 MSF of the totals respectively.
- The Inland Empire industrial market has a low vacancy rate of 4.5%.

High Profile Surrounding Tenants and Institutional Owners

- The dwindling supply of available land in the Inland Empire West is driving tenant demand for buildings in the Inland Empire East. This strategic I-215 corridor location is a hotspot for Fortune 500 tenants and institutional investors. High profile corporate neighbors include:

- Aldi
- Amazon.com
- Big 5
- Deckers Outdoor
- Hanesbrands
- Harbor Freight Tools
- Home Depot
- Kraft Foods
- Lowe's Home Improvement
- Minka Lighting
- Pepsi
- Philips Electronic
- Proctor & Gamble
- Ross Stores
- Sysco Foods
- Walgreen's
- Whirlpool



Limited Supply of Larger, Class A Buildings

- The vacancy rate for buildings 500,000 SF and larger is only 6.0% in the Inland Empire East with only eight buildings under construction. There are many deals pending on these buildings which will bring the vacancy down even further.
- With vacancy rates continuing to decrease in the Inland Empire West, investors and developers are optimistic about the forecasted absorption and rental growth for this size segment in the Inland Empire East.
- The dwindling supply of available buildings in this size range in the West has begun to drive tenant demand for buildings in the East along the I-215 corridor.

Strong E-Commerce Growth

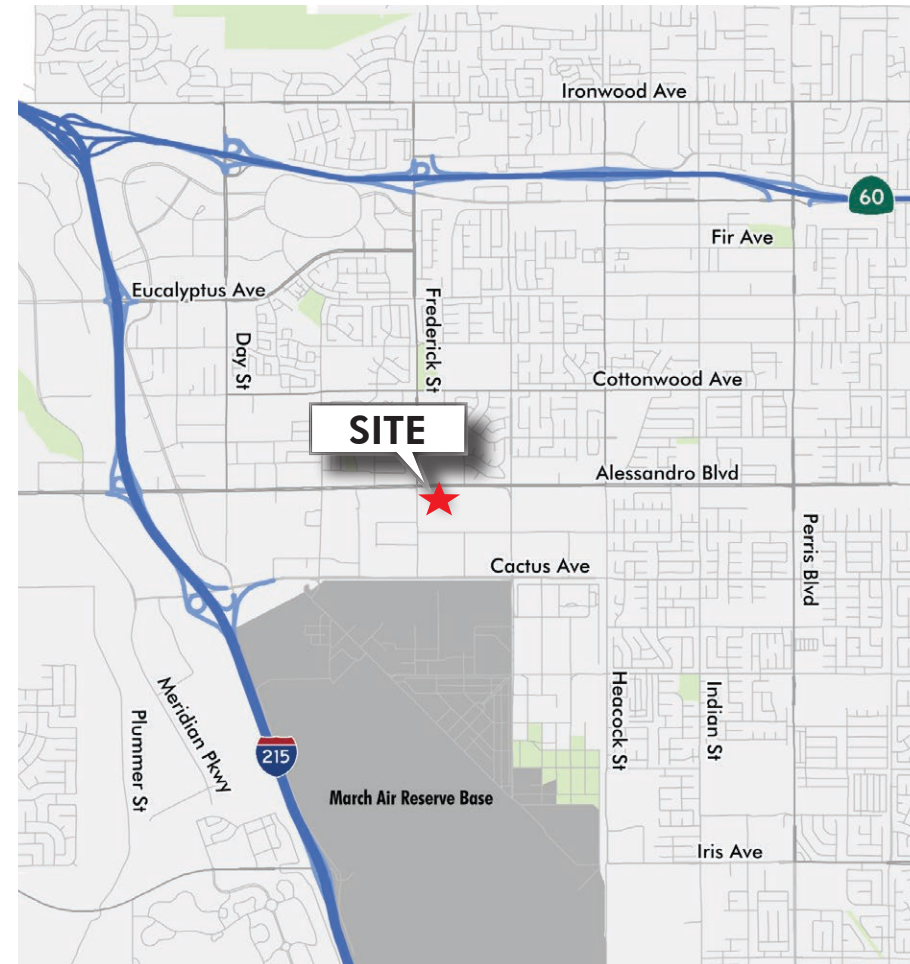
- Growing e-commerce activity is driving demand for larger warehouses which will benefit the site.
- E-commerce sales are growing at more than five times the rate of traditional retail sales, and are expected to increase by 61% by 2016, with projected sales reaching \$327 billion.

Increased User Activity

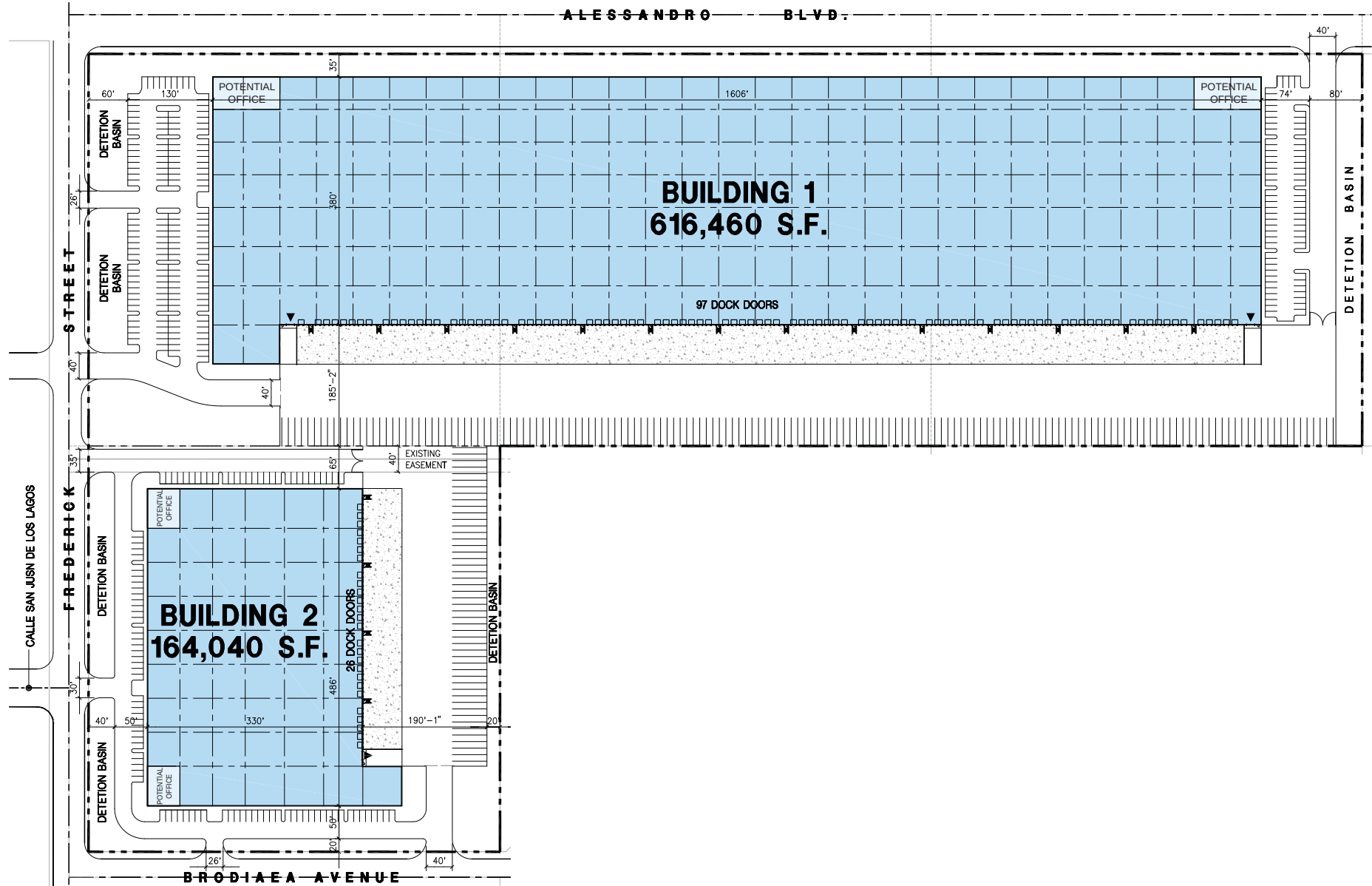
- The size of the footprint and credit of tenants along the I-215 corridor bode well for absorption and prospective tenant interest in the site. The desirable market conditions are demonstrated by the 53 users in the market that have requirements for 13-15 million SF in the Inland Empire.

Strategic Path of Progress Location

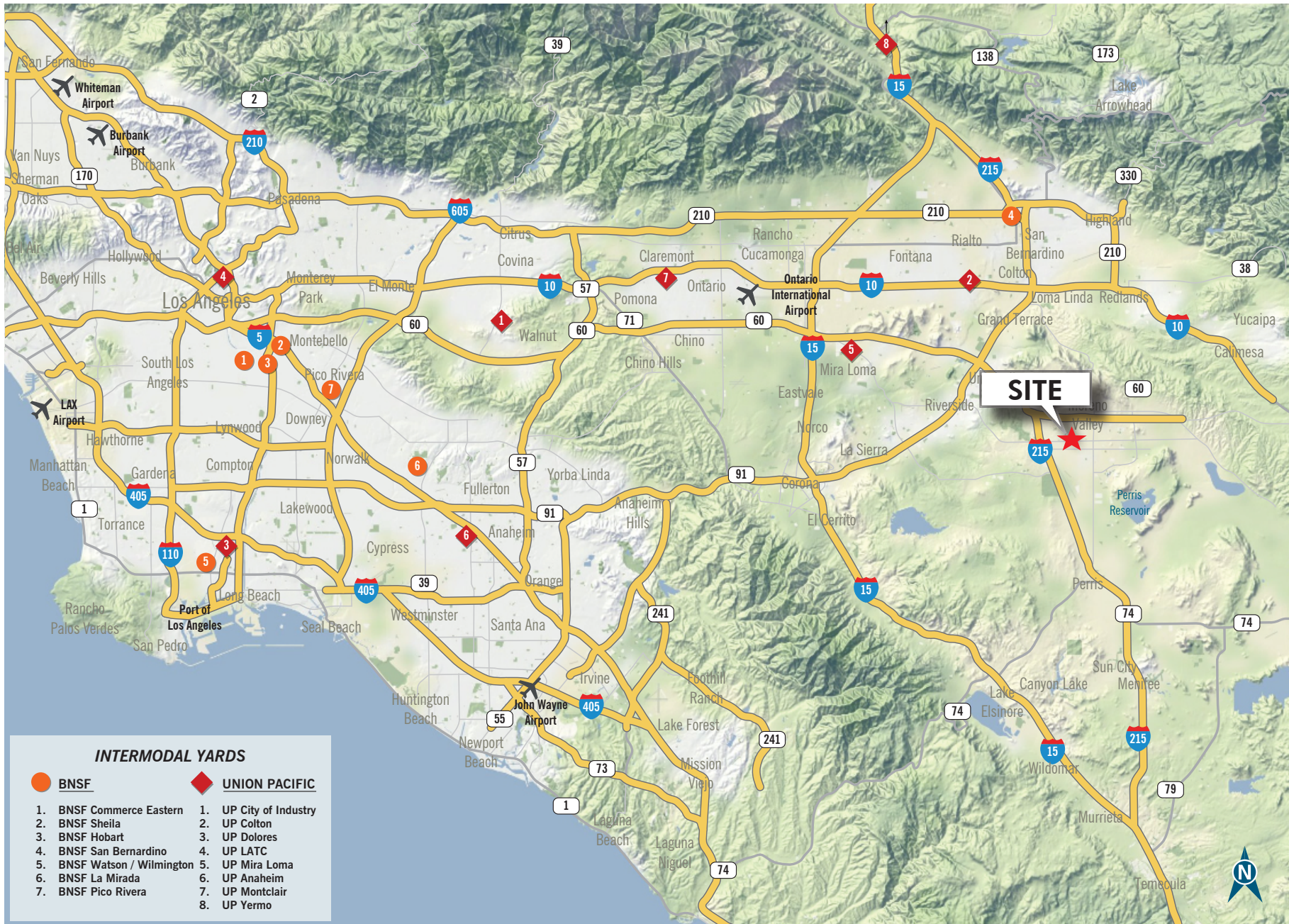
- The site is strategically located off the I-215 in Moreno Valley with excellent freeway access.
- The dwindling supply of available land in Moreno Valley, combine dwith increasing tenant demand, has pushed demand further south down the I-215 corridor.
- As a result, the site will attract users who cannot find suitable space in alternate markets.
- The market demand should continue to drive positive net absorption and rising rents into the future. Low vacancy rates, a lack of available land and continued absorption are the main contributors to rent growth. Due to these market fundamentals, the potential for continued growth and appreciation remain intact.



CONCEPTUAL SITE PLAN FOR INDUSTRIAL



REGIONAL MAP





CAPITAL MARKETS EXPERTS

Darla Longo

Vice Chairman/Managing Director
Lic. 00639911
+1 909 418 2105
darla.longo@cbre.com
CBRE
4141 Inland Empire Blvd., Suite 100
Ontario, CA 91764

Barbara Emmons

Vice Chairman
Lic. 00969169
+1 213 613 3033
barbara.emmons@cbre.com
CBRE
400 S Hope Street, 25th Floor
Los Angeles, CA 90071

LOCAL MARKET EXPERT

Grant Ross

First Vice President
Lic. 01443252
+1 213 613 3443
grant.ross@cbre.com
CBRE
400 S Hope Street, 25th Floor
Los Angeles, CA 90071

NATIONAL PARTNERS

www.cbre.com/np

NORTHEAST

Michael D. Hines
Robert Fahey
Lizann McGowan
Brian Fiumara
Jerome Kranzel
Brad Ruppel

SOUTHEAST

Chris Riley
Frank Fallon
Brian Budnick
Jennifer Klingler

SOUTH CENTRAL

Jack Fraker
Josh McArtor
Jonathan Bryan
Heather McClain

NORTH CENTRAL

Mike Caprile
Ted Staszak
Stephanie Park

DEBT & STRUCTURED FINANCE

Steve Roth
Steve Kundert

WEST

Darla Longo
Barbara Emmons
Rebecca Perlmutter

DEBT & STRUCTURED FINANCE

Val Achtemeier

Offering integrated real estate capital markets solutions from strategy to execution—delivered by a seamless national partnership

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