OFFERING MEMORANDUM

23060 ALESSANDRO BLVD

MORENO VALLEY, CALIFORNIA

PACWEST MANAGEMENT
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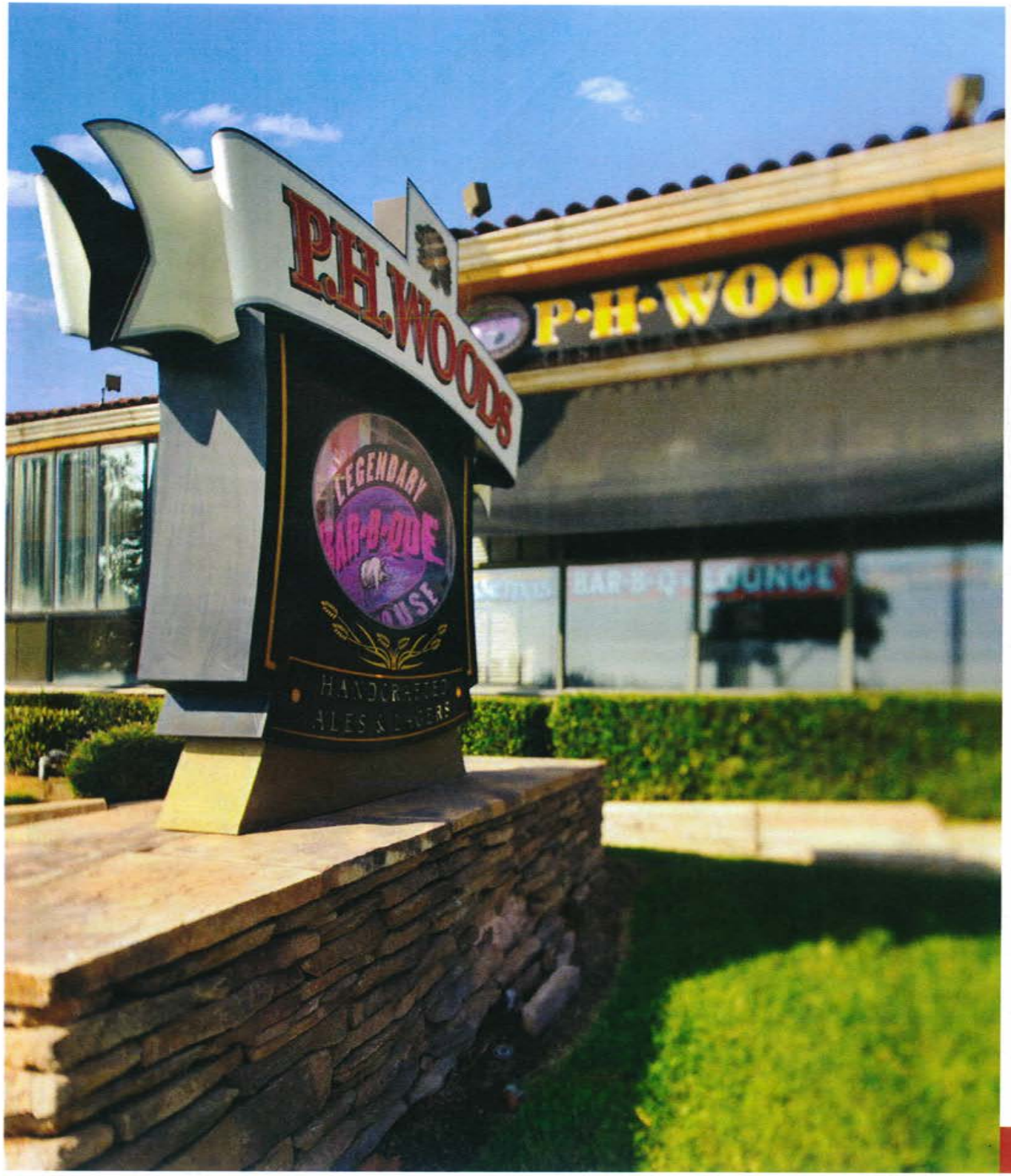
310-474-8844



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INVESTMENT SUMMARY

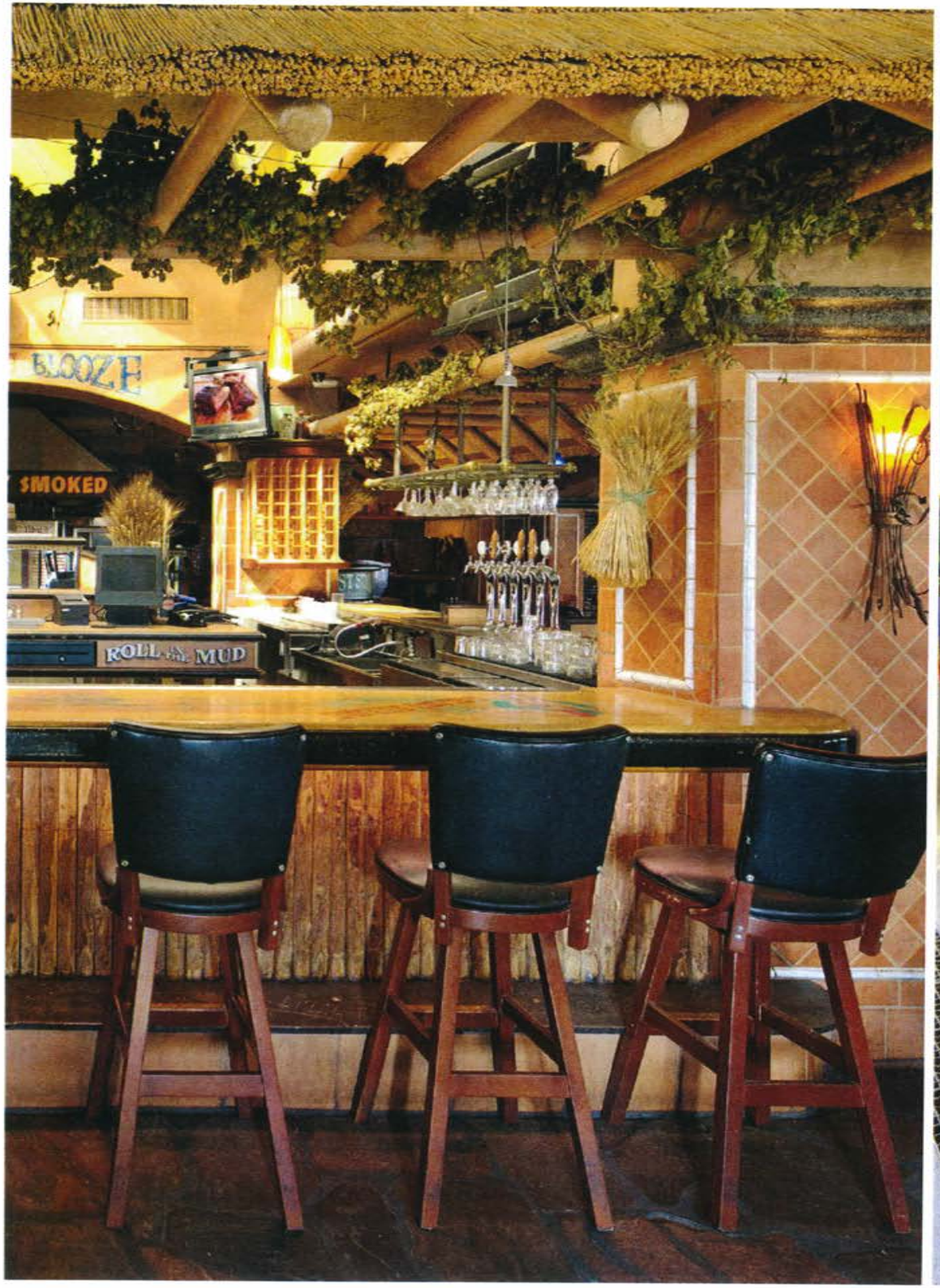
Offering Price	$1,800,000
Price PSF	$201
Total Building Area	8,927 SF
Total Land Area	22,216 SF
Website	www.nrigwest.com/23060alessandroblvd

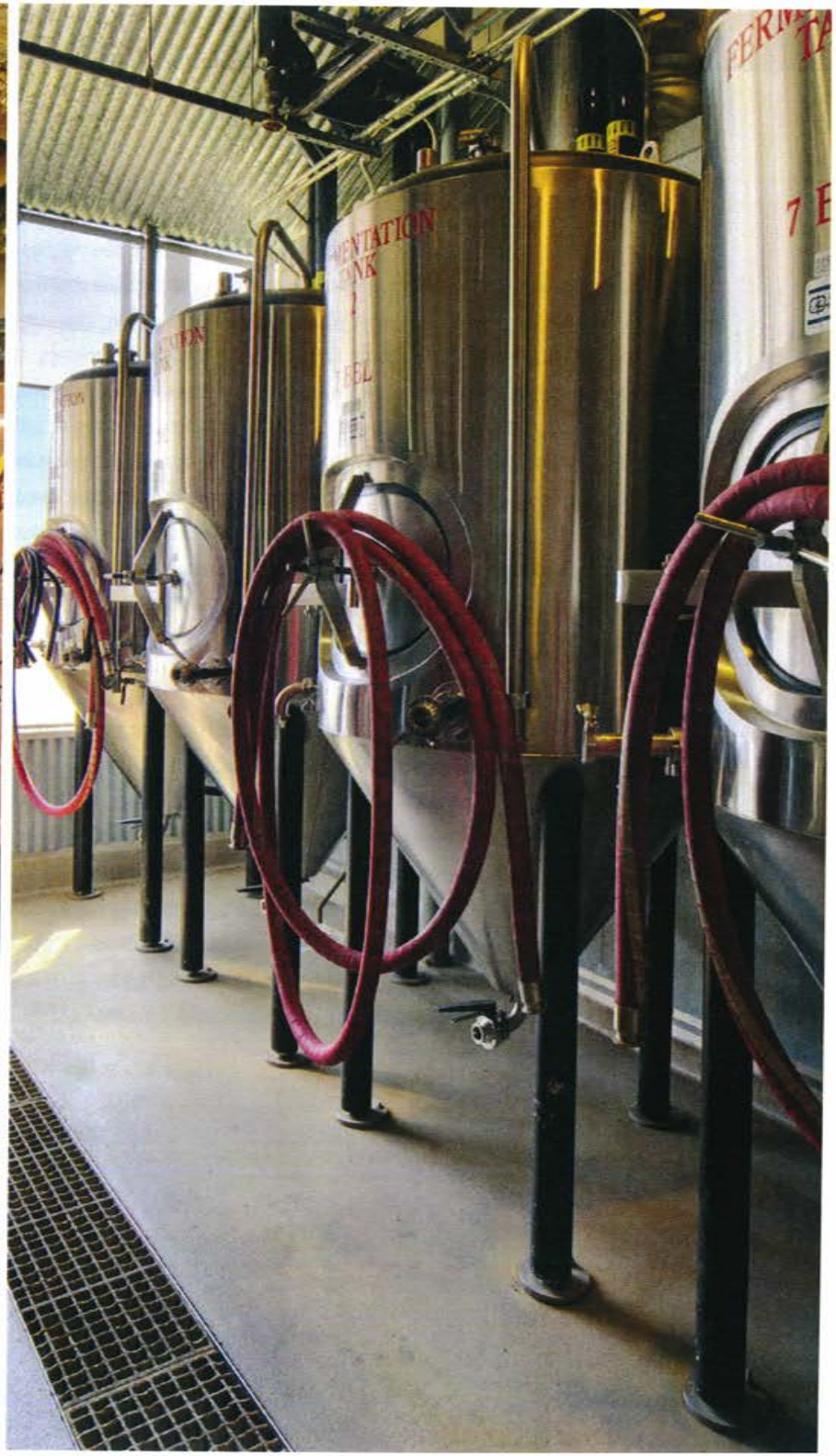
INVESTMENT HIGHLIGHTS

Highly-Improved "Turn-Key" Restaurant and Brewery Opportunity - Owner/ User or Investment

- **Own versus Lease** – take advantage of historically low interest rate owner/user financing, the after tax benefits of ownership, and equity appreciation (see page 16 for **Financing and Own vs. Lease scenarios**)
- Purchase as an investor and capitalize on the fully improved **"turn-key" restaurant and brewery** improvements by leasing the property
- The building's configuration, location and high-quality improvements are well suited for a full-service restaurant, bar and brewery with its **extensive tenant improvements, micro-brewery system, fully equipped kitchen including BBQ/smoking and pizza oven stations, and outdoor patio area**
- **All improvements and FF&E are included** (estimated **+$4 million**) in the sale, minimizing a restaurant user's timing and capital expenditures in preparing the building for occupancy
- At the contemplated pricing, this fully-improved restaurant and brewery opportunity is being sold at a **significant discount to its land and equipment inclusive replacement cost**

RESTROOMS


BOOZE
SMOKED
ROLL IN THE MUD



CITY OVERVIEW (CONTINUED)

Employment is on the rise in Moreno Valley. In addition to a notable surge in service employment, jobs are increasing in other industries. Adjacent to the city is March Air Reserve Base. This joint-use military facility includes 350 acres inside the base perimeter that is being developed as the Greater LA March GlobalPort. Another 1,290 acres located nearby will host the new March Business Center. The City of Moreno Valley sits on the March Joint Powers Authority that oversees both developments. There is increasing interest in Moreno Valley on the part of manufacturing, distribution and commercial businesses.

MORENO VALLEY TOP EMPLOYERS

Rank	Employer	# of Employees
1	March Air Reserve Base	9,000
2	Moreno Valley Unified School District	3,752
3	Riverside County Regional Medical Center	2,215
4	Moreno Valley Mall	1,669
5	City of Moreno Valley	1,183
6	Riverside Community College	1,038
7	Val Verde Unified School District	734
8	Walgreens	650
9	Ross Stores	600
10	Walmart	465

March Air Reserve Base

UC Riverside

Moreno Valley Mall

Moreno Valley Ranch Golf Club

Riverside County Medical Center

Box Springs Mountain Trail

COUNTY OVERVIEW

Riverside County

Centrally located in the heart of Southern California; Riverside County borders San Bernardino, Orange and San Diego Counties. More than two million people live in Riverside County, taking advantage of affordable housing, nearby beaches, mountains, hiking and bike trails, the Wine Country near Temecula and resorts that offer oases in the desert.

RIVERSIDE COUNTY DEMOGRAPHICS

2014 Estimated Population	2,308,610
2019 Projected Population	2,449,331
2010 Census Population	2,189,641
2000 Census Population	1,545,387
Growth 2010-2014	5.43%
Growth 2014-2019	6.10%
2014 Estimated Median Age	34.17

2014 Estimated Average Age	36.19
2013 Estimated Households	715,501
2014 Projected Households	756,267
2010 Census Households	686,260
2000 Census Households	506,220
Growth 2010-2014	4.26%
Growth 2014-2019	5.70%

Demographics

- Riverside County is one of the fastest growing counties in the United States, leading the rapidly changing Inland Empire market.
- Riverside County covers 7,208 square miles in Southern California.
- Together, Riverside and San Bernardino Counties have been dubbed the Inland Empire. California's fourth largest county by population.

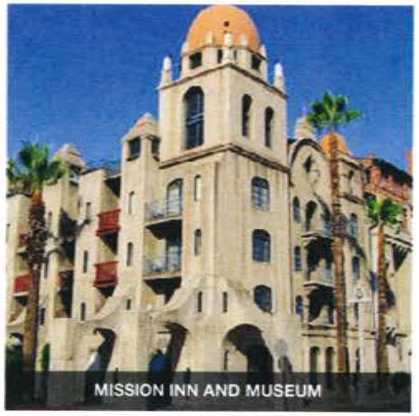
Transportation

- Interstate 10 runs through the entire County from east to west.
- Interstates 15 and 215 connect Riverside County with San Diego County and San Bernardino County.
- Highway 60 and 91 link Riverside County to Los Angeles and Orange Counties.
- Attractive to many businesses, rail service connects Riverside County businesses with important markets, ports of entry, and key airports to expedite major national and international commerce transactions.
- Metrolink provides a large number of commuters from Riverside to Los Angeles, Orange and San Bernardino Counties.
- Riverside County is presently served by 3 airports including the rapidly expanding Ontario International Airport, Palm Springs International Airport and San Bernardino International Airport.

Each year, millions visit the county to take advantage of the glorious desert winter, attend the Riverside County Fair and National Date Festival, the Balloon and Wine Festival, the Palm Springs International Film Festival, the Coachella and Stagecoach mega-concerts, the Paribas Open at the Indian Wells Tennis Center and the Humana Challenge, the golf tournament formerly known as the Bob Hope Classic. All those, combined with a rich cultural heritage and frontier history, make Riverside County a great place live, work or visit.

http://en.wikipedia.org/wiki/Centers_for_Disease_Control_and_Prevention
http://en.wikipedia.org/wiki/Riverside_County,_California

TOP TOURIST ATTRACTIONS IN RIVERSIDE COUNTY


MISSION INN AND MUSEUM

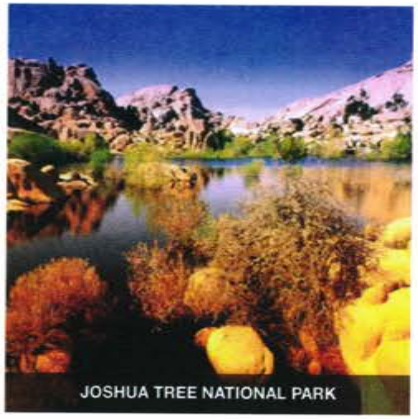
MARCH FIELD AIR MUSEUM

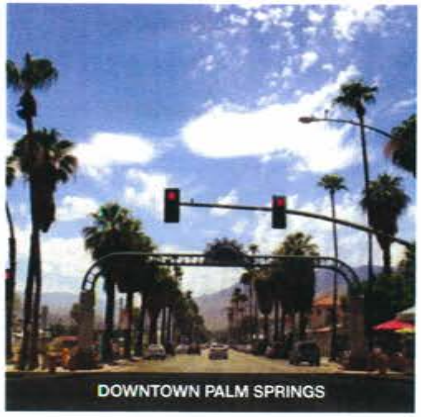
GLEN IVY HOT SPRINGS SPA

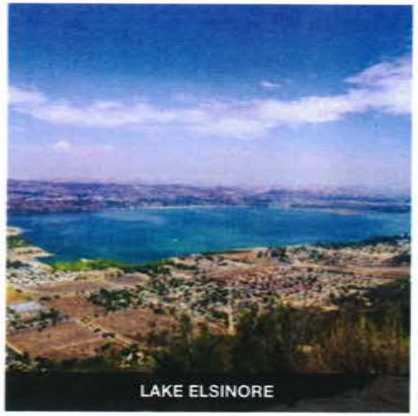
PALM SPRINGS INTERNATIONAL FILM FESTIVAL

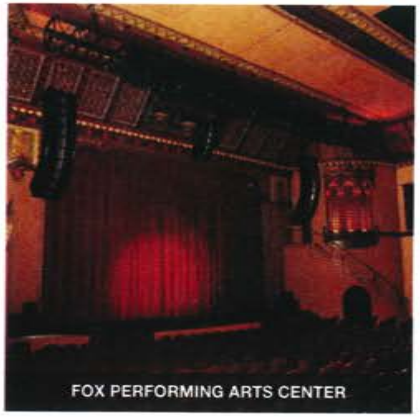
LA QUINTA RESORT AND CLUB

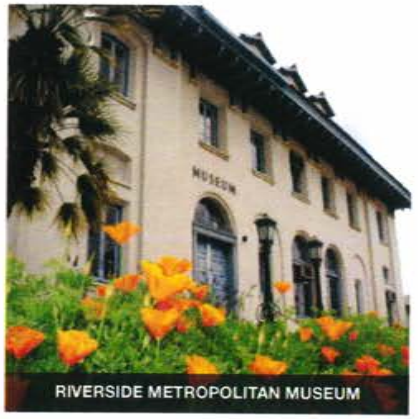
AGUA CALIENTE CASINO


JOSHUA TREE NATIONAL PARK

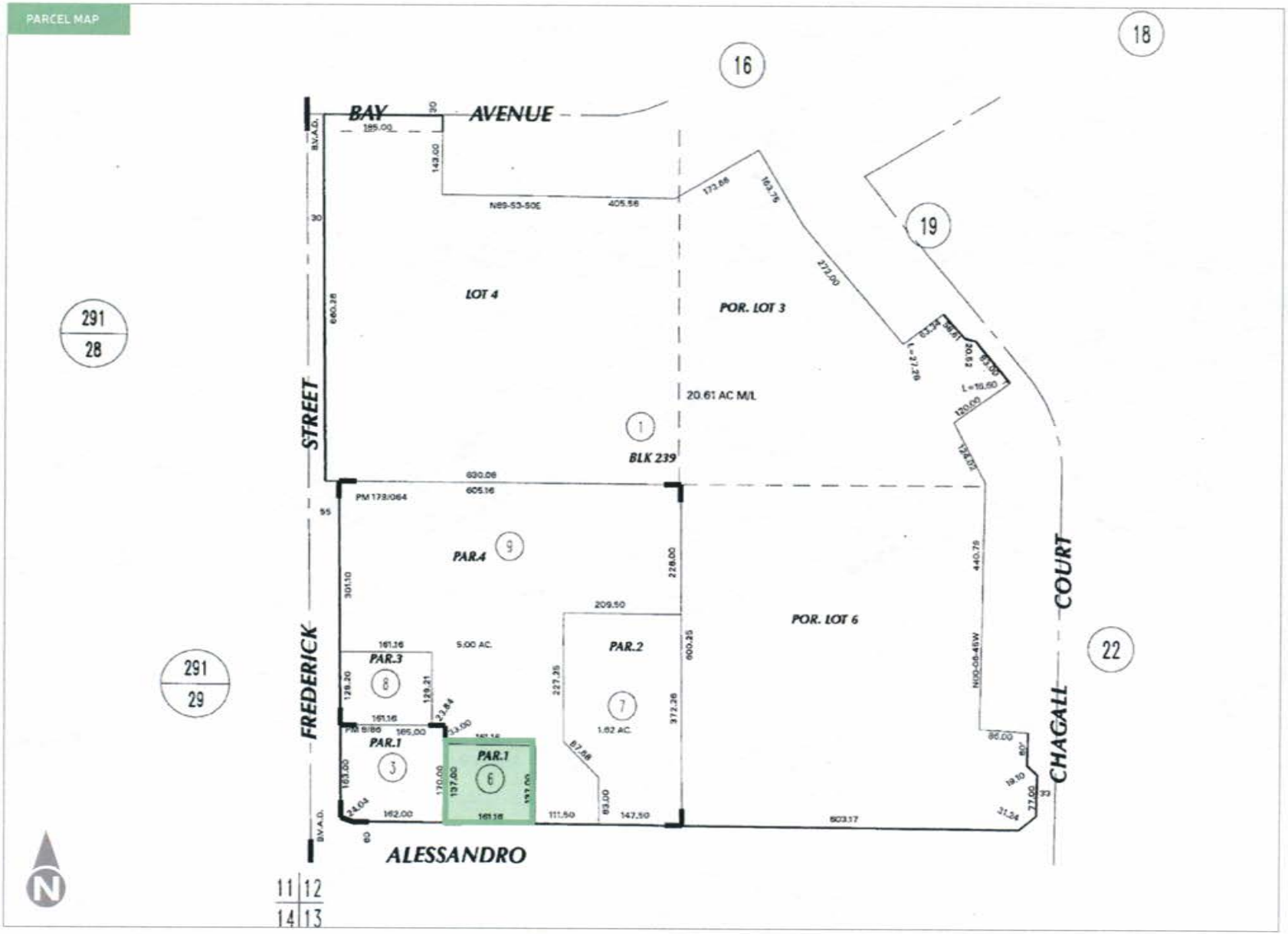

DOWNTOWN PALM SPRINGS


LAKE ELSINORE

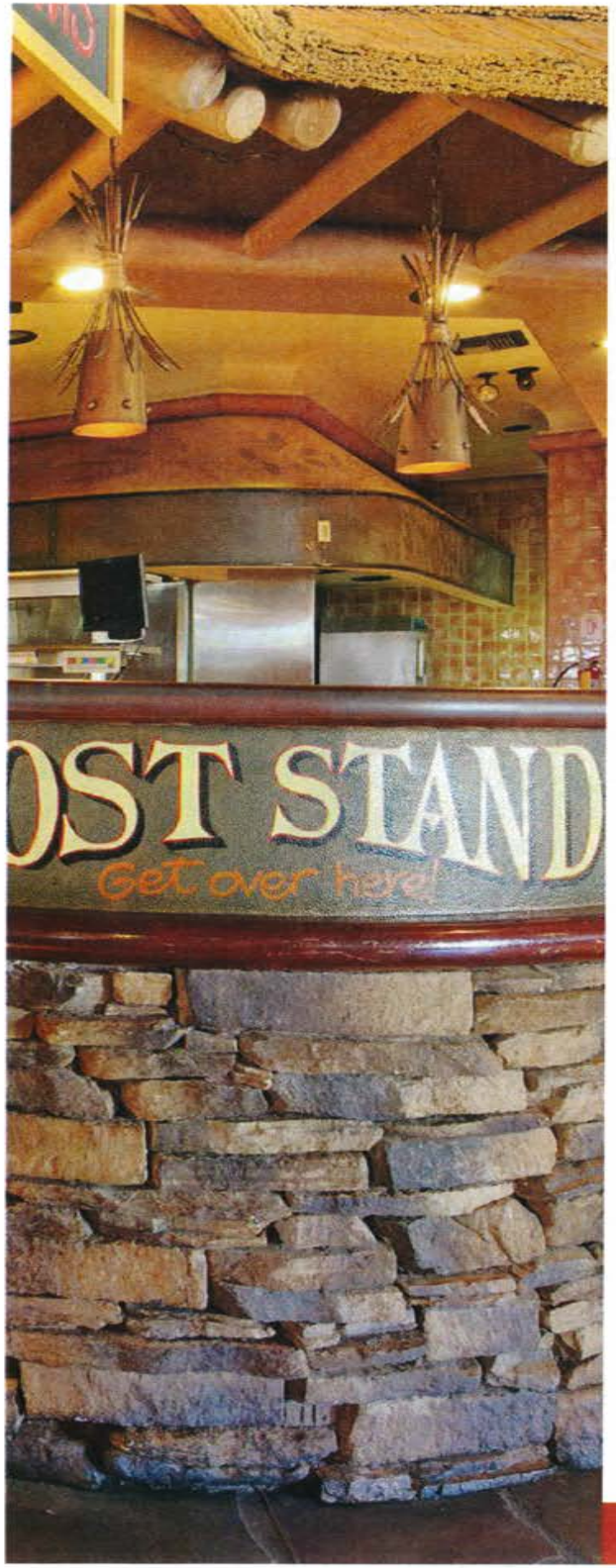

FOX PERFORMING ARTS CENTER


RIVERSIDE METROPOLITAN MUSEUM

PARCEL MAP


18
16
19
22
BAY AVENUE
FREDERICK STREET
CHAGALL COURT
ALESSANDRO
LOT 4
POR. LOT 3
20.61 AC M/L
BLK 239
PAR.4
5.00 AC.
PAR.2
1.62 AC.
POR. LOT 6
PAR.3
PAR.1
PAR.1
291
28
291
29
11 12
14 13

GULF SHRIMP
BREWERY



OWN VS LEASE SCENARIO

OWN	
Purchase Assumptions	
Size (Square Feet)	8,927
Improvements	-
Total Project Cost	$1,800,000
Start-Up Costs:	
15% Down Payment	$270,000
Loan Fee/Costs	$9,000
Total Start-Up Costs	$279,000

LEASE	
Lease Assumptions	
Size (Square Feet)	8,927
Lease rate per sq ft/mth NNN	$1.75
Monthly Lease	$15,622
Start-Up Costs	
Prepaid Rent	$15,622
Security Deposit	$15,622
Total Start-Up Costs	$31,245

MONTHLY COSTS	PSF	
Mortgage Payment (P&I)	$1.10	$9,805
Operating Expenses	$0.25	$2,232
Property Taxes	$0.18	$1,650
Total Monthly Costs	$1.53	$13,687

MONTHLY COSTS	PSF	
Lease Payment	$1.75	$15,622
Operating Expense	$0.25	$2,232
Property Taxes	$0.18	$1,650
Total Monthly Costs	$2.18	$19,504

MONTHLY OWNERSHIP BENEFITS (ESTIMATED)		
Tax Benefits		
Interest Deduction (10 yr Avg.)		$2,263
Operating Expense Deduction		$870
Property Tax Deduction		$644
Depreciation Benefit		$595
Other Benefits		$0
Rental Income		
Avg. Appreciation	2.0%	$3,000
Total Ownership Benefits		$5,109
Total Effective Monthly Cost		**$8,578**

MONTHLY LEASE BENEFITS (ESTIMATED)	
Tax Benefits	
Lease Deduction	$6,093
Operating Expense Deduction	$870
Property Tax Deduction	$644
Depreciation Benefit	n/a
Other Benefits	
Rental Income	$0
Avg. Appreciation	n/a
Total Lease Benefits	$6,963
Total Effective Monthly Cost	**$12,541**

OWNERSHIP ANALYSIS SUMMARY	
Annual Effective Cost Difference	$47,555
Average Annual Principal Pay down	$45,873
Annual Wealth Creation	$93,428
15 Year Wealth Creation	**$1,401,414**

- Depreciation Tax Benefit = Purchase Price X 40% Improvements / 39.5years / 12months X 39% Tax Rate
- Estimated Monthly Appreciation = Purchase Price x 2% Appreciation Rate / 12 months
- Financing: SBA Loan, 85% LTV financed over 23 years at 5.19% blended interest rate

All figures are provided for informational purposes only.
Consult with your tax and financial advisors regarding the tax benefits of property ownership and deductibility of mortgage loan interest.

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