



SOUTH STREET SHOPS | STABLE VALUE ADD LA COUNTY RETAIL CENTER

10745 SOUTH STREET, CERRITOS, CA 90703 (LOS ANGELES COUNTY)





EXCLUSIVELY MARKETING BY

ARA ROSTAMIAN, MRED | VICE PRESIDENT SRS INVESTMENT PROPERTIES GROUP

610 Newport Center Drive, Suite 1500 | Newport Beach, CA 92660

DL: 949.270.8213 | M: 818.823.0832

Ara.Rostamian@srsre.com | CA License No. 01814678

ERIC MANDELL | VICE PRESIDENT APEX PROPERTIES

11040 Santa Monica Blvd #210 | Los Angeles, CA 90025

DL: 424.293.8085 | M: 818.642.1765

eric@gowithapex.com | CA License No. 01904203

MATTHEW MOUSAVI | MANAGING PRINCIPAL SRS INVESTMENT PROPERTIES GROUP

610 Newport Center Drive, Suite 1500 | Newport Beach, CA 92660

DL: 949.698.1116 | M: 714.404.8849

Matthew.Mousavi@srsre.com | CA License No. 01732226

PATRICK R. LUTHER, CCIM | MANAGING PRINCIPAL SRS INVESTMENT PROPERTIES GROUP

610 Newport Center Drive, Suite 1500 | Newport Beach, CA 92660

DL: 949.698.1115 | M: 480.221.4221

Patrick.Luther@srsre.com | CA License No. 01209944

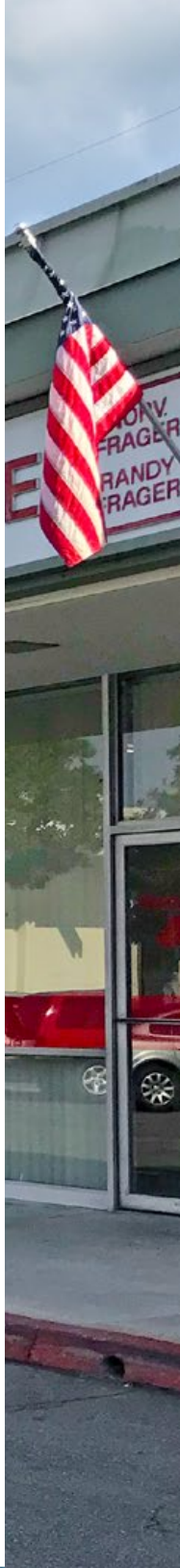




TABLE OF CONTENTS

4

INVESTMENT SUMMARY

OFFERING SUMMARY | INVESTMENT HIGHLIGHTS

7

PROPERTY OVERVIEW

AERIALS | SITE PLAN | LOCATION MAP

14

AREA OVERVIEW

DEMOGRAPHICS

16

FINANCIALS

RENT ROLL | PRICING
BRAND PROFILE

INVESTMENT SUMMARY

SRS Investment Properties Group, in collaboration with Apex Properties, is pleased to present the opportunity to acquire the fee simple interest (land & building) in a 100% occupied, three-tenant, Goodwill anchored investment property located in Cerritos, California (Los Angeles County). South Street Shops presents an investor the rare opportunity to own an infill Los Angeles asset with ample parking at a low price point. Goodwill features a newly signed 10-year lease renewal with a 10% rental increase in 2022, and SJJ Fitness & Sports Performance just signed a new 5-year lease with 2% annual increases. In addition, both Goodwill and SJJ Fitness have options to extend. The remaining tenant, Cerritos Bike Shop is currently paying \$1.15 / SF / Mo on a MTM lease (seller to offer a 1-year rent guarantee at market rate of \$1.40 / SF / Mo for this suite - see page 16 for details). South Street Shops is located in a shopping center which also features not-a-part tenants, Chuze Fitness (newly signed lease), Sky Zone (opening March 31), Rosewoods Restaurant, VCA Lakewood Animal Hospital, and more, increasing consumer traffic and promoting crossover shopping.

The subject site is located along South Street (29,000 vehicles per day), with excellent visibility and convenient access. South Street Shops is ideally located within close proximity to both the Los Cerritos Center Mall (1,367,000 SF) and Cerritos Auto Square. Los Cerritos Center Mall features tenants Nordstrom, Macy's, Harkins, Dick's, Forever 21, and more. Cerritos Auto Square is the largest Auto Mall in the world with over 29 dealerships including Toyota, Honda, Chevrolet, Volkswagen, Nissan, and more. On/off ramp access to Interstate-605 (276,000 vehicles per day) is located just 0.5 miles east of the subject property. The dense and affluent 1-mile trade area serves over 21,000 residents with an average household income exceeding \$108,000. Nearly 12,000 employees support the 1-mile trade area.

Cerritos is ideally located along the Los Angeles-Orange County line, about 30 driving minutes from Los Angeles International Airport and the John Wayne Orange County Airport. Cerritos is seven miles from the Long Beach Airport and 10 miles from the Port of Los Angeles. Together, the flourishing retail and industrial trades are responsible for the city's \$2.1 billion taxable retail sales and the \$7.2 billion assessed property valuation. Cerritos features excellent public schools, including the number one ranked high school in the state Whitney High School (U.S. News Rankings).



OFFERING SUMMARY

OFFERING

PRICING:	\$4,820,000
NET OPERATING INCOME:	\$301,245
CAP RATE:	6.25%
OCCUPANCY:	100%

PROPERTY SPECIFICATIONS

RENTABLE AREA:	18,096 SF
LAND AREA:	1.57 Acres
PROPERTY ADDRESS:	10745 South Street, Cerritos, CA 90703
YEAR BUILT:	1969
PARCEL NUMBER:	7038-007-009
OWNERSHIP:	Fee Simple (Land and Building)



INVESTMENT HIGHLIGHTS

100% OCCUPIED | LOS ANGELES COUNTY 3-TENANT OFFERING | GOODWILL RECENT 10-YEAR RENEWAL WITH INCREASES

- New Goodwill, 10-year, corporate guaranteed, lease extension and two (5-year) options to extend
- Goodwill has occupied for over 10 years, demonstrating their commitment to the site
- SJJ Fitness & Sports Performance features a brand new 5-year lease with annual rental increases and options to extend
- Cerritos Bike Shops currently MTM with below market rent at \$1.15 / SF / Mo - Seller to guarantee 1 year of rent for this space at \$1.40 / SF / Mo (see page 16)

LOS CERRITOS CENTER MALL | 1,300,000+ SQUARE FEET OF RETAIL ALONG SOUTH STREET

- Located less than a mile from South Street Shops
- Anchored by Nordstrom, Forever 21, Harkins, Macy's, Dick's, and Zara, the mall is a significant driver of traffic within the area

CERRITOS AUTO SQUARE | LESS THAN 0.5 MILES EAST (3 MINUTE DRIVETIME)

- The largest auto mall in the world with more than 29 dealerships, including Toyota, Honda, Chevrolet, Volkswagen, Nissan, and more
- Located just 0.5 miles east along South Street

MAJOR THOROUGHFARE | EXCELLENT VISIBILITY | FREEWAY ACCESS (INTERSTATE-605)

- Located along South Street with 29,000 vehicles passing by daily
- Excellent visibility, access, and frontage
- Interstate-605 (276,000 vehicles per day) located just 0.5 miles east of the subject property with convenient on/off ramp access

AFFLUENT DEMOGRAPHICS IN DENSE 1-MILE TRADE AREA | SIX FIGURE INCOMES

- More than 21,000 residents and nearly 12,000 employees support the trade area
- Affluent average household income exceeding \$108,000

NET LEASES | FEE SIMPLE OWNERSHIP | MINIMAL LANDLORD RESPONSIBILITIES

- Tenant reimburse for CAM, taxes, insurance
- Minimal landlord responsibilities

LOCATION WITHIN LARGER SHOPPING CENTER | FUTURE UPSIDE

- South Street Shops offers the opportunity to own part of a Los Angeles infill shopping center at a low price point
- Not-a-part tenants including Chuze Fitness (newly signed lease), Sky Zone (opening March 31), VCA Lakewood Animal Hospital (outparcel), and Rosewoods Restaurant
- South Street Shops offers future upside through repositioning, retenanting, or assembling of the entire center's parcels (center currently features multiple owners)

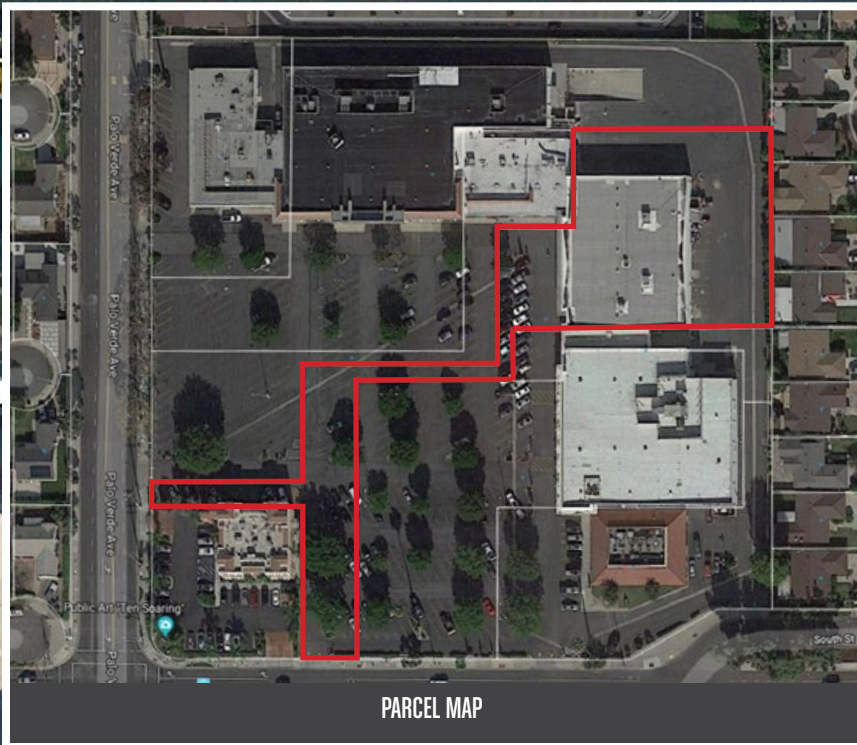
IDEALLY LOCATED WITHIN CITY OF CERRITOS

- Located in the heart of the Los Angeles/Orange County metro center, midway between downtown Los Angeles and the business centers of Irvine, Santa Ana and Anaheim
- City of Cerritos' strategic location along the 91 and 605 Freeways contribute toward a greater demand for retail space
- Retail and industrial trades are responsible for the city's \$2.1 billion taxable retail sales and the \$7.2 billion assessed property valuation
- Cerritos features excellent public schools, including the number one ranked high school in the state Whitney High School (U.S. News Rankings).



PROPERTY OVERVIEW

Goodwill



PARCEL MAP



ACCESS

South Street: 3 Access Point(s)
Palo Verde Avenue: 3 Access Point(s)



TRAFFIC COUNTS

South Street: 29,000 Cars Per Day
San Gabriel River Freeway/ Interstate 605: 276,000 Cars Per Day



IMPROVEMENTS

There is approximately 18,096 SF of existing building area.



PARKING

There are approximately 68 parking spaces on the owned parcel.
The parking ratio is approximately 13.89 stalls per 1,000 SF of leasable area.
There is a parking easement within the entire shopping center.



YEAR BUILT

1969



PARCEL

Parcel Number: 7038-007-009 Acres: 1.57 Square Feet: 68,256 SF



ZONING

CN - Neighborhood Commercial



Los Cerritos Center - 1,367,000 SF Mall



Valley Christian Middle School

605 Freeway



Cerritos Auto Square
Largest Auto Mall in the World



Opening
March 31, 2019

Newly Signed Lease
30,000 SF Anchor



Rosewoods Restaurant



Palo Verde Ave.



South St.





 **29,000**
CARS PER DAY



CERRITOS BIKE SHOP

Opening
March 31, 2019



Rosewoods
Restaurant



Newly Signed Lease
30,000 SF Anchor



9,700
CARS PER DAY 

Affluent Average Household Income
One Mile Radius:
\$108,000

Palo Verde Ave.



9,700
CARS PER DAY



29,000
CARS PER DAY



Palo Verde Ave.

Newly Signed Lease
30,000 SF Anchor

CHUZE
FITNESS

Vista point

STRAW HAT PIZZA

STATE FARM
INSURANCE

SKY ZONE
TRAMPOLINE PARK

Rosewoods
Restaurant

VCA

Opening
March 31, 2019

goodwill
S&J Fitness
& Kickboxing
CERRITOS BIKE SHOP

South St.



Orchard
SUPPLY HARDWARE

Hertz

CVS pharmacy



Luther Burbank Elementary School

NORDSTROM
24 FITNESS
OLD NAVY
TJ-maxx

Junior Center
Burlington

BUICK GMC

Valley Christian High School
Valley Christian Middle School

KIA

INFINITI

LAND-ROVER

Olive Garden

BUFFALO WILD WINGS

BIG 5

Cerritos Auto Square
Largest Auto Mall in the World

VW

BUICK GMC

HONDA

CHEVROLET

NISSAN

TOYOTA

Jeep RAM

MAZDA

LEXUS

HYUNDAI

Ford

macy's
sears
Harkins THEATRES
FOREVER 21
NORDSTROM
DICK'S SPORTING GOODS

Los Cerritos Center
1,367,000 Square Foot Mall

TARGET

21,800
CARS PER DAY



Woodruff Avenue

Palo Verde Avenue

MayFair Middle/High School

Saint Joseph High School

Esther Lindstrom Elementary School

goodwill
S&J Fitness & Kickboxing
CERRITOS BIKE SHOP

GROCERYOUTLET
Bargain Market
ROSS
DRESS FOR LESS

CHASE

South Street

29,000
CARS PER DAY



MITSUBISHI

CVS pharmacy
Orchard

usbank

Toys R Us

276,000
CARS PER DAY



ALDI

Bragg Elementary School

H&R BLOCK
sears
Tuesday Morning
SALLY BEAUTY SUPPLY
VONS
RITE AID

9,700
CARS PER DAY



605 Freeway





Vista paint

Newly Signed Lease
30,000 SF Anchor

CHUZE
FITNESS

COIN-OP WASH
AND DRY

goodwill

CERRITOS BIKE SHOP

S&J Fitness
& Kickboxing

CROCK N KETTLE

STRAW HAT PIZZA

STATE FARM
INSURANCE

Opening
March 31, 2019

SKY ZONE
TRAMPOLINE PARK

PALO VERDE AVE. (9,700 VPD)

VCA

ROSEWOODS
RESTAURANT

SOUTH ST. (29,000 VPD)

2018 ESTIMATED POPULATION

1 Mile.....	21,496
3 Mile.....	262,794
5 Mile.....	672,838

2018 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$108,256
3 Mile.....	\$92,202
5 Mile.....	\$90,915

2018 ESTIMATED TOTAL EMPLOYEES

1 Mile.....	11,715
3 Mile.....	72,720
5 Mile.....	228,828



CERRITOS BIKE SHOP

AREA OVERVIEW

Cerritos, California

Cerritos (Spanish for little hills), formerly named Dairy Valley because of the preponderance of dairy farms in the area, is an affluent suburban city in Los Angeles County, California, United States, and is one of several cities that constitute the Gateway Cities of southeast Los Angeles County. The City of Cerritos had a population of 50,293 as of July 1, 2017. Cerritos ranks in the upper quartile for Population Density when compared to the other cities, towns and Census Designated Places (CDPs) in California.

A total of 28 parks and recreation facilities in Cerritos provide residents and visitors with a wide variety of recreational options. The Cerritos Center for the Performing Arts (CCPA), a first-rate performing arts and conference facility, offers live performances in music, dance and theater; and includes unique facilities for meetings, banquets and special events. Since its 1993 opening, the CCPA has earned four awards for design and has been named one of the nation's top-grossing theaters in its category. The new Cerritos Sculpture Garden, which opened its doors in March of 2006, offers an inviting setting, framed with graceful trees and textured courtside stone walls, to enjoy the city's growing collection of public artwork. The Los Cerritos Center, an upscale regional commercial shopping mall with a gross lease area of over one-million square feet, opened in 1971 and since that time has served as an integral part of the city's revenue stream.

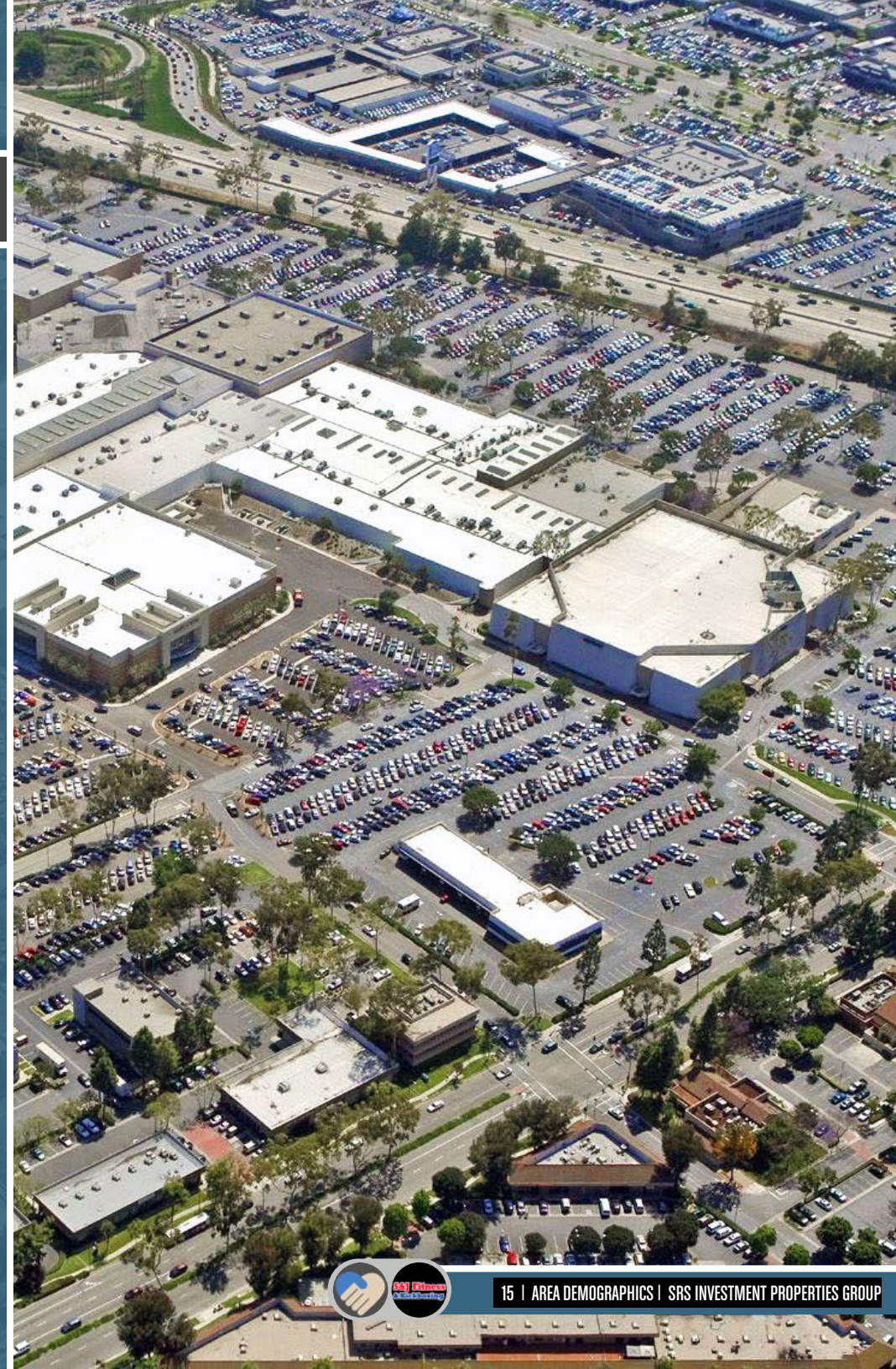
Employment within Cerritos is primarily located in two districts, Los Cerritos Shopping Center and Cerritos Industrial Park. Businesses found in Cerritos Industrial Park provide jobs in light manufacturing and assembly of electronic and automotive parts, among other things. United Parcel Service, the city's largest employer with a staff of 6,000, is located in the park. In 2010, Los Cerritos Center provided for 4,450 full and part-time positions, and the Cerritos Auto Square employs 2,160 people. Retail and industrial trades are responsible for Cerritos' \$2 billion taxable retail sales and \$7.2 billion assessed property valuation.

The majority of Cerritos is under the jurisdiction of the ABC Unified School District with a small portion on the west side of the city bounded by Palo Verde Avenue on the west, the San Gabriel River on the east, Artesia Boulevard on the north and South Street on the south.



AREA DEMOGRAPHICS

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
2018 Estimated Population	21,496	262,794	672,838
2023 Projected Population	21,829	267,581	685,519
2010 Census Population	20,922	253,714	650,226
Projected Annual Growth 2018 to 2023	0.31%	0.36%	0.37%
Historical Annual Growth 2010 to 2018	0.33%	0.43%	0.42%
2018 Estimated Households	7,120	80,589	203,006
2023 Projected Households	7,189	81,557	205,547
2010 Census Households	7,005	78,761	198,757
Projected Annual Growth 2018 to 2023	0.19%	0.24%	0.25%
Historical Annual Growth 2010 to 2018	0.20%	0.28%	0.26%
2018 Estimated White	55.26%	44.09%	42.91%
2018 Estimated Black or African American	6.29%	8.35%	8.42%
2018 Estimated Asian or Pacific Islander	22.85%	21.15%	19.35%
2018 Estimated American Indian or Native Alaskan	0.54%	0.73%	0.74%
2018 Estimated Other Races	9.37%	17.96%	19.90%
2018 Estimated Hispanic	25.46%	41.59%	46.11%
2018 Estimated Average Household Income	\$108,256	\$92,202	\$90,915
2018 Estimated Median Household Income	\$94,449	\$73,102	\$69,805
2018 Estimated Per Capita Income	\$35,939	\$28,689	\$27,766
2018 Estimated Total Businesses	793	6,454	19,127
2018 Estimated Total Employees	11,715	72,720	228,828



RENT ROLL

Suite #	Tenant Name	Size SF	Pro					Pro Rata (\$)	Rental Increases					Lease Start Date	Lease End Date	Lease Options	
			Rata (SF)	Rent Monthly	Rent \$/SF/Mo	Rent Annual	Rent \$/SF/Yr		Increase Date	Inc.	Rent Monthly	Rent \$/SF/Mo	Rent Annual				Rent \$/SF/Yr
1	Goodwill	10,200	56%	\$14,790	\$1.45	\$177,480	\$17.40	56%	Mar-22	10.34%	\$16,320	\$1.60	\$195,840	\$19.20	Mar-08	Feb-27	2 (5-year) *renewed March-2017 10% incr. every 5-years
2	SJJ Fitness & Sports Performance	3,000	17%	\$4,682	\$1.50	\$56,182	\$18.73	18%	Mar-19	2.00%	\$4,775	\$1.59	\$57,305	\$19.10	Mar-17	Feb-22	1 (5-year) 2% annual increases thereafter 3% annual incr.
3	Rent Guaranty ⁽¹⁾ (Currently Cerritos Bike Shop)	4,896	27%	\$6,854	\$1.40	\$82,253	\$16.80	26%	-	-	-	-	-	-	Sep-18	MTM	-
Total Occupied		18,096	100%	\$26,326	\$1.45	\$315,914	\$17.46	100%									
Total Vacant		0	0%	\$0		\$0		0%									
Total / Wtd. Avg:		18,096	100%	\$26,326	\$1.45	\$315,914	\$17.46	100%									
(1) Seller to guarantee up to 1-year of rent for this suite at \$1.40 / SF / Mo. Suite is currently occupied by Cerritos Bike Shop on MTM lease at \$1.15 / SF / Mo.																	



REIMBURSEMENT SUMMARY

Suite #	Tenant Name	Size SF	Pro Rata (SF)	Prop. Taxes	Ins.	CAM	Mgmt.	Admin Fee	Reimbursement Total	Reimbursement PSF	Notes
1	Goodwill	10,200	56%	Net	Net	Net	-	-	\$45,122	\$4.42	-
2	SJJ Fitness & Sports Performance	3,000	17%	Net	Net	Net	Net	-	\$15,226	\$5.08	-
3	Rent Guaranty (1 Year)	4,896	27%	Net	Net	Net	Net	-	\$24,849	\$5.08	-
Total Occupied									\$85,198	\$4.71	93%
Total Vacant									\$0	\$0.00	0%
Total Reimbursement									\$85,198	\$4.71	93%
Total / Wtd. Avg:									\$91,845	\$5.08	100%



PRICING SUMMARY

OPERATING CASH FLOW	IN PLACE	
Potential Rental Revenue:	\$315,914	
Potential Reimbursement Revenue:	\$85,198	
Gross Potential Revenue:	\$401,112	
Rental Vacancy Factor: ⁴	(\$6,318)	2%
Reimbursement Vacancy Factor: ⁴	(\$1,704)	2%
Effective Gross Revenue (EGR):	\$393,090	
Less Expenses:	(\$91,845)	
Net Operating Income:	\$301,245	

OPERATING EXPENSES	IN PLACE	PSF/YR
Taxes: ¹	\$52,913	\$2.92
Special Assessments: ¹	\$3,200	\$0.18
Insurance: ²	\$4,477	\$0.25
CAM: ²	\$19,462	\$1.08
Management: ³	\$11,793	\$0.65
Total:	\$91,845	\$5.08

PRICING SUMMARY

Price:	\$4,820,000
Price/SF:	\$266
Cap Rate:	6.25%

For financing options and loan quotes, please contact our SRS Debt & Equity team at debtequity-npb@srsre.com.

NOTES

- 1) Taxes recalculated based on estimated sales price (2018 county rate of 1.097774%).
- 2) Insurance and CAM are based off of 2017 operating statements.
- 3) Management is estimated at 3% of EGR.
- 4) 2% vacancy factor applied to income.



BRAND PROFILE



GOODWILL

Goodwill Industries International (GII) is a network of 162 community-based, autonomous organizations in the United States and Canada with a presence in 13 other countries. Goodwill organizations are innovative and sustainable social enterprises that create job training programs, employment placement and other community-based programs by selling donated clothing and household items in more than 3,300 stores collectively and online. Last year, local Goodwill organizations collectively placed more than 288,000 people in employment in the United States and Canada. In addition, more than 35 million people used computers and mobile devices to access Goodwill education, training, mentoring and online learning services to strengthen their skills, and more than 2 million people received in person services.

Company Type: Private(Not for Profit)
Locations: 3,300 +
Website: www.goodwill.org



S&J FITNESS & KICKBOXING

S & J Fitness and Kickboxing can be enriching in many ways through weight loss, reducing bodyfat, losing dress sizes, improving self-esteem, increasing energy levels, improving sleep, decreasing stress, just to name a few. However, they know the challenges of trying to stay active and healthy, while juggling career, spending quality time with the family, and maintaining a happy marriage. They had found ways to overcome all the obstacles to getting fit and would love. "To positively influence people to have an enriching relationship with physical activity and acquire a lifelong fitness habit, while strengthening family ties and forming lasting friendships".

Company Type: Private
locations: 1
Website: www.sjfitnessandkickboxing.com





INVESTMENT PROPERTIES GROUP


SRS GLOBAL STATS



1000+
PROPERTIES CURRENTLY
REPRESENTED



600+
CLIENTS REPRESENTED
IN 2016



\$2.6B*
TRANSACTION VALUE



20+
OFFICES



250+
BROKERS,
PROFESSIONALS,
AND STAFF



#1
LARGEST REAL ESTATE FIRM
EXCLUSIVELY DEDICATED TO
RETAIL SERVICES IN NORTH AMERICA

*STATISTICS ARE FOR 2017.

This Offering Memorandum has been prepared by SRS Investment Properties Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.