

OFFERING MEMORANDUM

TRIPLE NET LEASED INVESTMENT

BIG 5 SPORTING GOODS

3970 EAST MAIN STREET

Ventura, CA 93003



AFFILIATED BUSINESS DISCLOSURE AND CONFIDENTIALITY AGREEMENT

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an “Affiliate”) engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the “Property”), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgement of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates’ interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms’ length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior

written authorization of the owner of the Property (“Owner”) or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and

information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property’s suitability for your needs. **ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.**

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.



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EXECUTIVE SUMMARY



THE OFFERING

CBRE is proud to present a retail investment opportunity to acquire a single tenant asset leased to Big 5 Sporting Goods. This is a rare opportunity to acquire an asset with a new long term lease, low management, and a long term stable cash flow.

Investment Summary

OFFERING PRICE	\$5,200,000
NOI	\$248,652
CAP RATE	4.78%
TOTAL BUILDING AREA	15,600 SF
TOTAL LAND AREA	36,220 SF (.83 acre)
OWNERSHIP	Fee Simple

Investment Highlights

- + Big 5 Sporting Goods Corp (BGFV) currently occupies 100% of the building.
- + Lease was recently renewed for 10-years extending the term from through January 31, 2029 (no termination right).
- + Tenant has (2) remaining 5-year options to renew at fixed rents.
- + Single tenant, NNN lease.
- + Provides a passive investment opportunity for investors with limited management responsibilities (Owner responsible for roof, gutters, downspouts, floor slab, exterior wall structure, foundation, footing and all structural portions of building).
- + Tenant has Prop 13 protection.

Property Overview

- + City of Ventura along the 101 Freeway Corridor.
- + Excellent location along a major city thoroughfare.
- + Located at a signalized intersection.
- + Surface parking lot with additional on-street parking.
- + Great access to both the Ventura (101) Freeway and Highway 126.
- + Located along the primary retail corridor in Ventura.
- + APN: 138-0-122-435



TENANT PROFILE



Founded in 1955 and headquartered in El Segundo, CA, Big 5 is a leading sporting goods retailer in western United States, operating 435 stores in 11 states as of the fiscal quarter ending December 2017. Big 5 provides a full-line product offering at compelling values including athletic shoes, apparel and accessories, as well as a broad selection of athletic equipment for team sports, fitness, camping, hunting, fishing, tennis, golf, winter and summer recreation and roller sports.

Big 5's stores are located in major metropolitan areas and in areas with as few as 30,000 people. The merchandise mix includes nationally recognized brands, merchandise produced exclusively for Big 5, private label merchandise, and specials on quality items. Big 5's merchandising strategy enables it to offer unique product lines and also establish itself as a value retailer which attracts and helps retain a diverse and large customer base.

Corporation

Type:	Public (Nasdaq: BGFV)
Corporate Location:	El Segundo, CA
Founded:	1955
Industry Sector:	Sporting goods retailing
Website:	www.big5sportinggoods.com

Financial Highlights

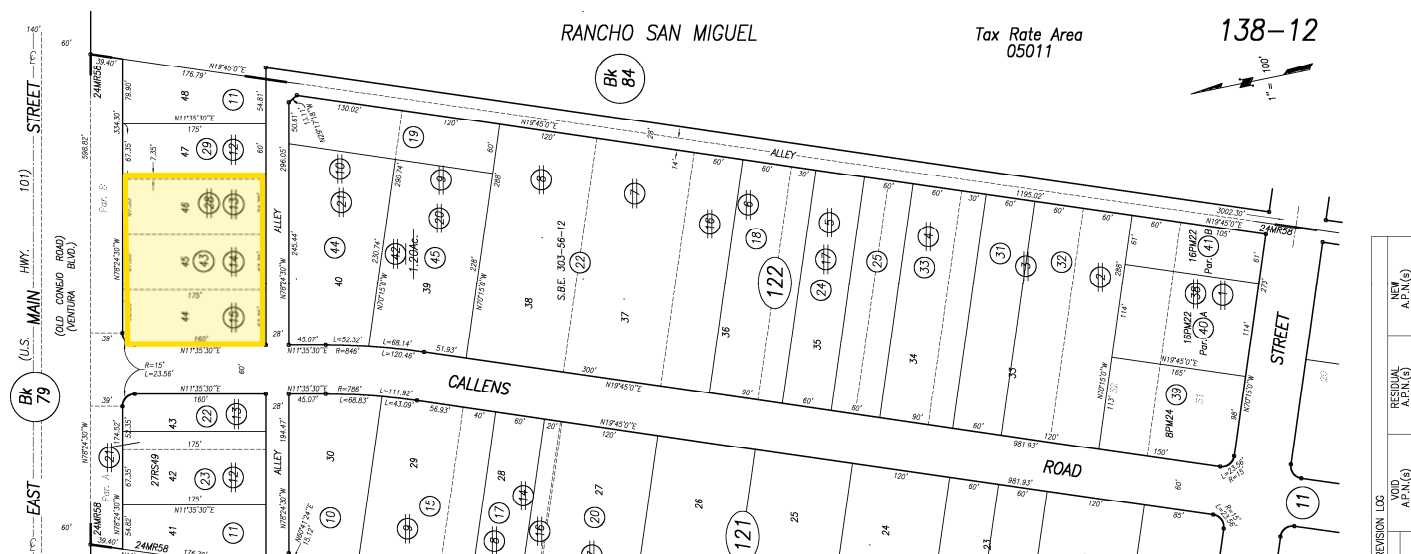
Fiscal Year End:	December 31
Net Sales:	\$1,009,635 (as of FYE 12/31/17)
Net Income:	\$1,104,000 (as of FYE 12/1/17)
No. of Locations:	435 stores and e-commerce platform
No. of Employees:	9,000

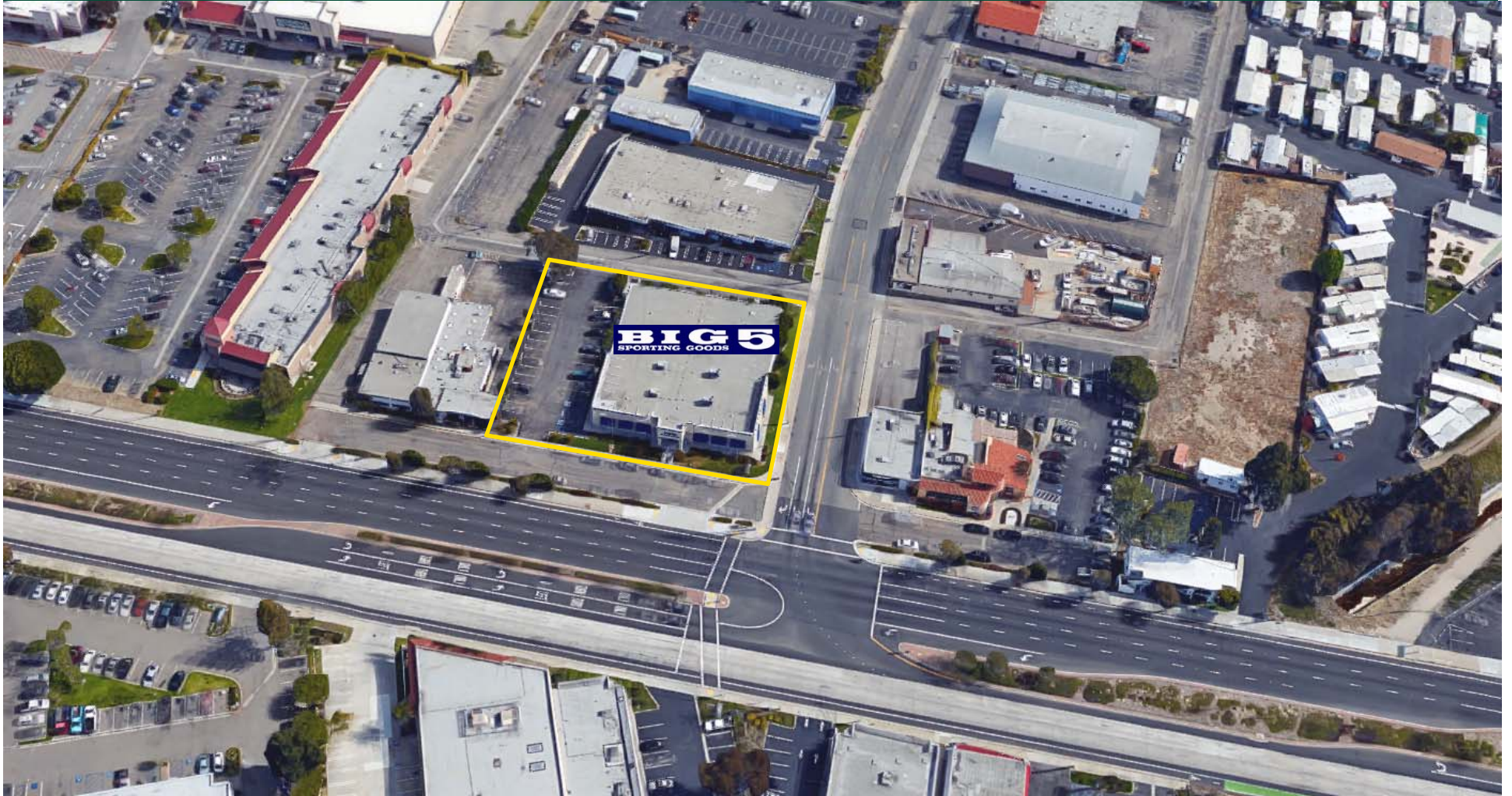
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PROPERTY OVERVIEW

According to the city of Ventura, the subject property is zoned M1









FINANCIAL OVERVIEW

						RENTAL INCREASES			
RENT ROLL	SIZE (SF)	START	EXPIRE	RENT	PSF/MO	DATE	AMOUNT	RENT/PSF	COMMENTS
Big 5 Corp	15,600	2/1/2019	1/31/2029	\$20,721	\$1.328	2/1/2024	\$21,757	\$1.395	
						Fixed Options (not exercised)			
						2/1/2029	\$23,933	\$1.534	3 rd Option
						2/1/2034	\$26,326	\$1.688	4 th Option

Investment Summary

OFFERING PRICE	\$5,200,000
NOI	\$248,652 / 4.78% Cap Rate
NOI (Commencing 2/2024)	\$261,084 / 5.02% Cap Rate



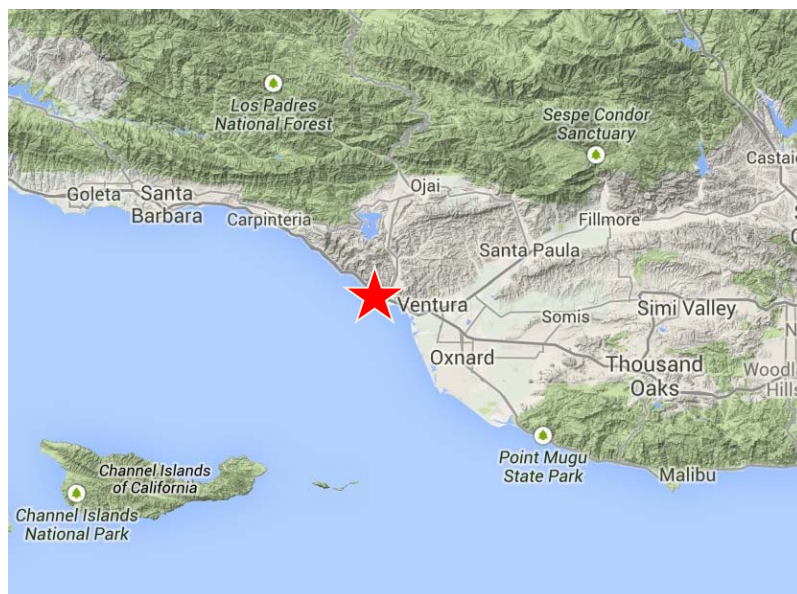
AREA OVERVIEW



AREA OVERVIEW

VENTURA

Ventura is located in western Ventura County, just 60 miles north of Los Angeles. Ventura's major freeways provide a direct link with the region's workforce. US-101, which runs through Ventura, provides a direct link to Los Angeles and Santa Barbara. SR-126 also provides access from the Santa Clarita and Heritage Valley communities of Valencia, Fillmore and Santa Paula. The Ventura area consistently provides one of the best values in Ventura County. Ventura's highly skilled labor force; regional location; close proximity to major airports and a deep-water port; and an eclectic blend of restaurants, shops, and attractions make it an ideal location for your business. Its central location can draw from both the Conejo Valley as well as the Santa Barbara areas.



LOCATION FEATURES

Location Amenities

- Close proximity to abundant retail amenities, several local hotels, regional shopping mall and other service oriented amenities.

Limited Supply

- Strong barriers to entry result in severe supply constraints. Currently, there are no competing sites in the pipeline according to the City of Ventura planning website.

Competitive Advantage

- Ventura has no gross receipts tax providing significant advantage for other competing submarkets.

Building Access

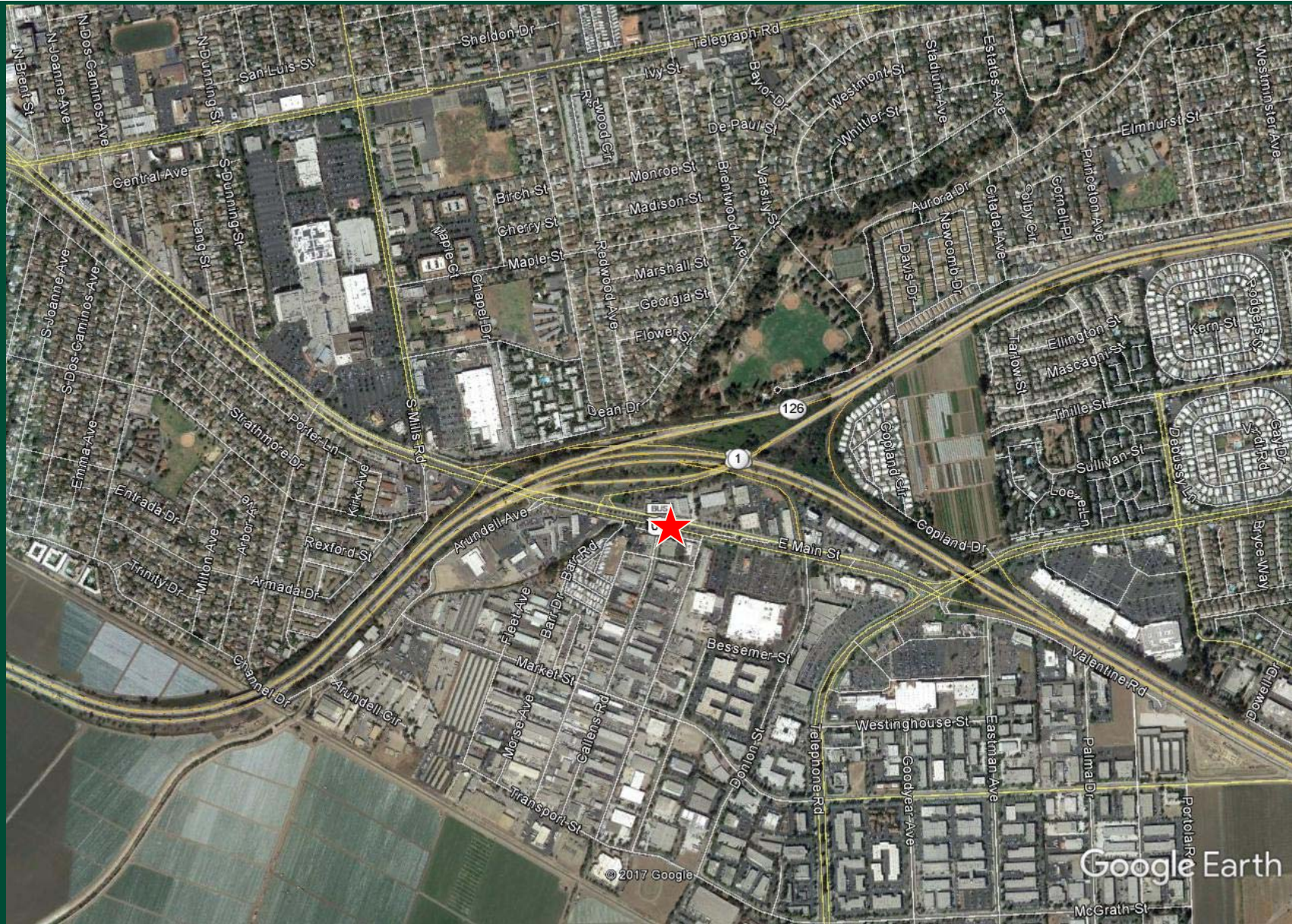
- Signalized intersection provides convenient access to the property.

Regional Access

- Located blocks from 101 and 126 freeways, 10 to 20 minutes from executive housing, 60 minutes from LAX International Airport and Downtown Los Angeles, and minutes to Malibu.

Demographics

- 166,708 people live within a 5-mile radius of the site with an estimated average household income \$95,356.





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