



205,000 VPD

555 E HOSPITALITY LN
PROMINENT FREEWAY ADJACENT INVESTMENT

San Bernardino, CA



ABSOLUTE NNN

PROMINENT FREEWAY VISIBILITY

OVER 200,000 VPD

555 E HOSPITALITY LN

PROPERTY SUMMARY

Property Type	Single Tenant Retail
Tenant	Esporta/LA Fitness
Year Built	1997 / Refurbished 2015
Building SF	38,652
Land Acres	1.218 AC
APN	0281-371-75-0000

LEASE GUARANTEED BY LA FITNESS

SALE TYPE

Sale Type	Investment NNN
Offering Price	\$13,950,000
Price/Building SF	\$360
NOI	\$877,920.12 (current)
Cap Rate	6.3%

NNN, Tenant pays Taxes, Insurance,
Building Maintenance, CAMS



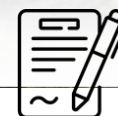
Investment Overview

Joe Kim of KW Commercial is pleased to offer an opportunity to purchase a single tenant investment leased to E. The tenant has a 15 year lease with 3, Five-Year Extensions.

The subject property is part of the Tri-City Shopping Center and is very well positioned with excellent visibility and access along Interstate 10 benefiting from over 205,000 vehicles per day



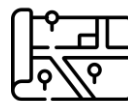
Highly Visible,
Irreplaceable FWY
Frontage



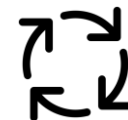
Absolute NNN 15 Year
Lease with (3) Five-Year
Options



Excellent Demographics:
Avg HH Income \$65K
within 5-Mi Radius



LA Fitness has
rebranded several
locations under Esporta



Excellent Retail Synergy
Corridor



Anchored by Home
Depot, ALDI, Office
Depot, and Five Guys

Representative Photo



Esporta Fitness is a brand new fitness model operating under the LA Fitness umbrella of clubs. As of January 1, 2020, 17 LA Fitness locations in the greater Phoenix market were converted to Esporta Fitness. Along with new signage on the exterior, Esporta Fitness clubs will see new colors, new graphics, and new club layouts designed to feature functional training.

LA Fitness plans to convert a total of 26 of its 43 Arizona health clubs as part of a \$13.6 million renovation project, which includes further developing the brand's emerging club-within-a-club concept. There are three levels of membership offered through Esporta Fitness: Esporta Basic, Esporta Plus, and Esporta Premium, all ranging in price and access to various amenities. Locations offer strength and cardio equipment, basketball and racquetball courts, and more.



YOUTUBE



INSTAGRAM



FACEBOOK



LA|FITNESS®

LA Fitness International LLC, known as LA Fitness, is the largest non-franchised fitness club operator in the United States. Founded in 1984 and headquartered in Irvine, California, LA Fitness is one of the fastest growing sports club chains in the country, with more than 700 clubs across the United States and Canada. Club Industry ranked LA Fitness #1 on their Top 100 Health Clubs list for the sixth consecutive year. The company's 2018 revenue totaled \$2.09 billion.

TRADE NAME	LA Fitness
TYPE	Private
INDUSTRY	Health Club
FOUNDED	1984
HEADQUARTERS	Irvine, CA
AREA SERVED	United States & Canada
WEBSITE	www.lafitness.com





555 E. Hospitality Ln

PROMINENT FREEWAY ADJACENT INVESTMENT







San Bernardino

San Bernardino is a city located in the Inland Empire and that serves as the county seat of San Bernardino County, California, United States. As one of the Inland Empire's anchor cities, San Bernardino spans 81 square miles on the floor of the San Bernardino Valley and as of 2019 has a population of 215,784. San Bernardino is the 17th-largest city in California and the 103rd-largest city in the United States.

Government, retail, and service industries dominate the economy of the city of San Bernardino. From 1998 to 2020, San Bernardino's economy grew by 26,217 jobs, a 37% increase, to 97,139. Government was both the largest and the fastest-growing employment sector, reaching close to 20,000 jobs in 2020. Other significant sectors were retail (16,000 jobs) and education (13,200 jobs).



219,709
POPULATION



226,408
DAY POPULATION



60,717
HOUSEHOLDS



\$63,454
MEDIAN INCOME



COMMUNITY PROFILE

Since Amazon built a new 950,000 SF fulfillment warehouse just south of the airport, Amazon has become one of the city's largest employers with multiple warehouse locations and has helped to attract other business and residents alike to the area.

The City has over 35 million square-feet of industrial space, which provides the manufacturing, transportation and warehousing industries with plenty of selection opportunities. Education and recreation are an integral part of the successful growth of the City. California State University, San Bernardino and San Bernardino Valley College are located within the City, with several universities within close proximity including Loma Linda University, University of Redlands and University of California, Riverside. The City is also the gateway to the San Bernardino Mountains, home to several ski resorts, numerous lakes and many other outdoor recreation opportunities.



CAL STATE SAN BERNARDINO

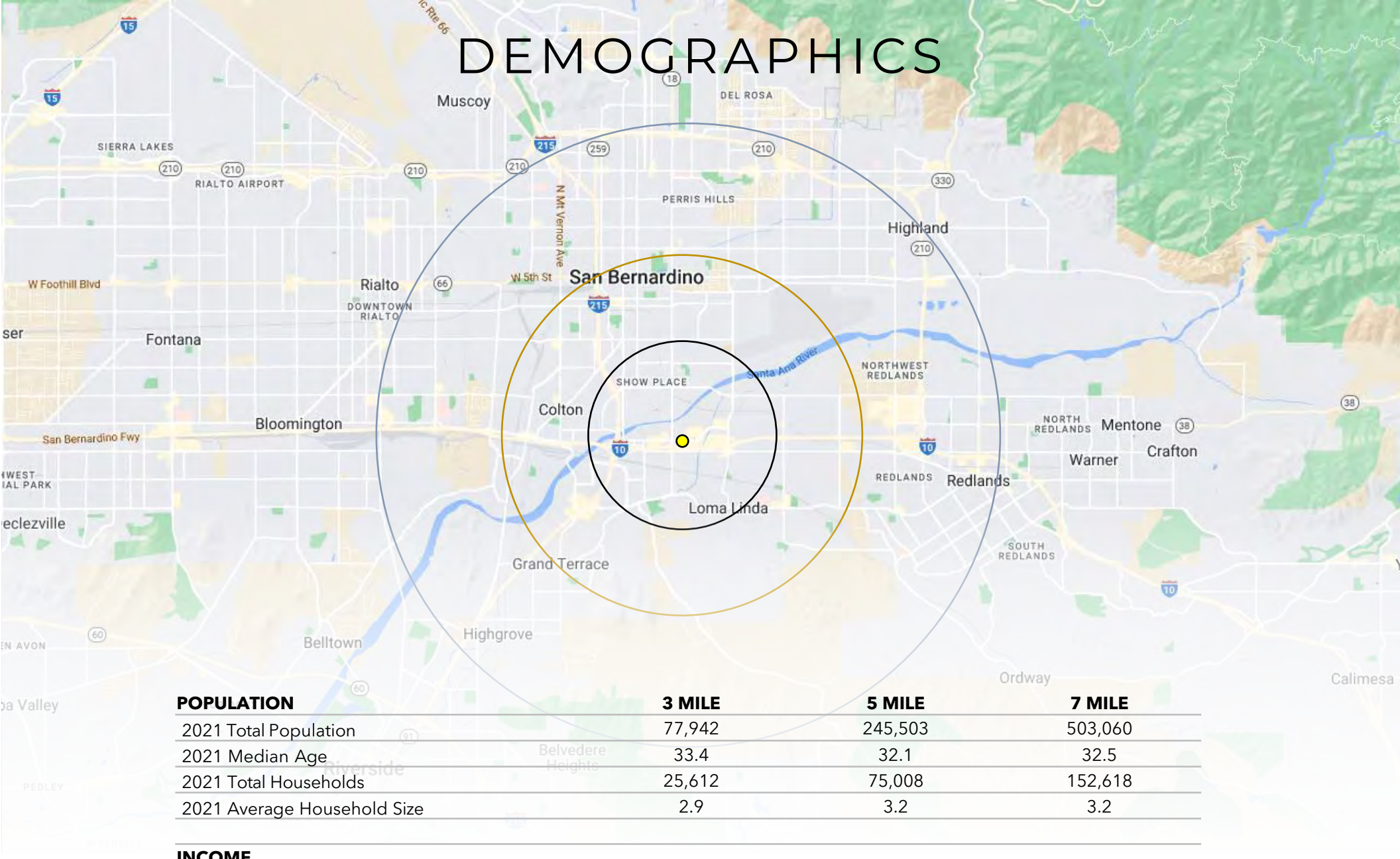


SAN BERNARDINO VALLEY COLLEGE



LOMA LINDA UNIVERSITY

DEMOGRAPHICS



POPULATION

	3 MILE	5 MILE	7 MILE
2021 Total Population	77,942	245,503	503,060
2021 Median Age	33.4	32.1	32.5
2021 Total Households	25,612	75,008	152,618
2021 Average Household Size	2.9	3.2	3.2

INCOME

2021 Avg HH Income	\$71,615	\$68,053	\$74,183
2021 Median Household Income	\$62,172	\$58,485	\$62,869
2021 Per Capita Income	\$23,977	\$21,042	\$22,763
2021 Total Businesses	4,130	8,685	14,726
2021 Total Employees	57,396	109,773	17,1464

EMPLOYMENT HUBS

Centrally located in Southern California, San Bernardino has been at the center of the Southland goods movement since 1875, when the Southern Pacific and Santa Fe Railroads reached the City. Today, the City is home to the BNSF Intermodal Facility and San Bernardino International Airport. The City is located at the convergence of the I-10, SR-210 and I-215 highways. The southbound I-215 connects to SR-91 leading to Orange County, with northbound connecting to I-15, which passes through several states leading to the Canadian border.

3,000 Employees



2,500+ Employees



1,000+ Employees



1,000+ Employees



SINGLES
PACK

Tourism Economy

Over the last few decades, the city's riverfront district along Hospitality Lane has drawn much of the regional economic development away from the historic downtown of the city so that the area now hosts a full complement of office buildings, big-box retailers, restaurants, and hotels situated around the Santa Ana River.

RESORTS & TOURISM

San Bernardino is home to the historic Arrowhead Springs Hotel and Spa, located in the Arrowhead Springs neighborhood, which encompasses 1,916 acres (7.75 km²) directly beneath the Arrowhead geological monument that presides over the San Bernardino Valley. The resort contains hot springs, in addition to mineral baths and steam caves located deep underground. Long the headquarters for Campus Crusade for Christ, the site now remains largely vacant and unused since their operations moved to Florida.

The \$300 million Casino San Manuel, one of the few in southern California that does not operate as a resort hotel, is located approximately one mile from the Arrowhead Springs Hotel and Spa.

The city is also home to the Arrowhead Country Club and Golf Course. In downtown, Clarion, adjacent to the San Bernardino Convention Center, is the largest hotel while the Hilton is the largest in the Hospitality Lane District.



Company Headquarters

Since 2000, San Bernardino County's population has grown by approximately 22%, with the population expected to reach about 2.66 million by 2035. This is equivalent to a growth rate of 27% between 2014 and 2035, which is toward the top of the range among other southern California counties, with Riverside County projected to grow the fastest at 33% and Orange County the slowest at 9%.



San Bernardino County

San Bernardino County has a skilled workforce of almost 900,000 people, and has access to over 21 millions strong regional consumer population. The County's infrastructure and transportation assets provide unrivaled access to lucrative consumer and business markets. The region is the nation's leading logistics, warehouse, and distribution market for a multitude of Fortune 500 firms thanks to a location of approximately 40 miles from the seaports of Los Angeles/Long Beach. The County also benefits from three large airports with spare capacity and available space nearby (ONT, SBD, and VCV). LA/Ontario International Airport (ONT) is a medium-hub, full-service airport with commercial passenger service to major U.S. cities. ONT is also a major cargo airport and serves as the UPS West Coast air hub. The busiest rail corridors in the U.S. run through the County. Union Pacific and BNSF rail lines connect the ports of Los Angeles/Long Beach with designation east of the Rockies providing even more reason that the County is a great location for U.S. regional distribution centers.

The County of San Bernardino embarked on a bold mission to develop a Countywide vision. For the first time in its history, all of the County's 24 cities and towns and County leadership worked together to create a vision for the future. This outreach included more than 25 groups of business leaders at specific subject area meetings ranging from the environment to home building, from transportation to education and from water to health care. The vision matters to the businesses that are here and those that consider this region for future investment.

SAN BERNARDINO COUNTY

San Bernardino County, officially the County of San Bernardino, is a county located in the southern portion of the U.S. state of California, and is located within the Inland Empire area. With an area of 20,105 square miles (52,070 km²), San Bernardino County is the largest county in the contiguous United States by area, although some of Alaska's boroughs and census areas are larger. The county is close to the size of West Virginia.



2.2M
POPULATION



20,105
AREA MILES



27
TOTAL CITIES



\$328,200
MEDIAN HOME VALUE



1,118,946
LABOR FORCE



\$63,362
MEDIAN HH INCOME

FINANCIAL SUMMARY

SALE TYPE

Sale Type	Investment NNN
Offering Price	\$13,950,000
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NOI	\$877,920.12 (current)
Cap Rate	6.3%

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RENT SCHEDULE*

Rent Start date: October 21, 2015 **

YEARS	ANNUAL RENT
1 THROUGH 5	\$798,109.20
6 THROUGH 10	\$877,920.12
11 THROUGH 15	\$965,712.13






* 15 YEAR LEASE WITH 3 FIVE YEAR EXTENSIONS

Minimum Rent shall be increased (a) on each of the commencement of the sixth Lease Year and the eleventh Lease Year by ten percent of the Minimum Rent in effect immediately prior to the applicable adjustment date, and (b) on the commencement of each Option Term (as applicable) by ten percent (10%) of the Minimum Rent in effect immediately prior to the applicable adjustment date.

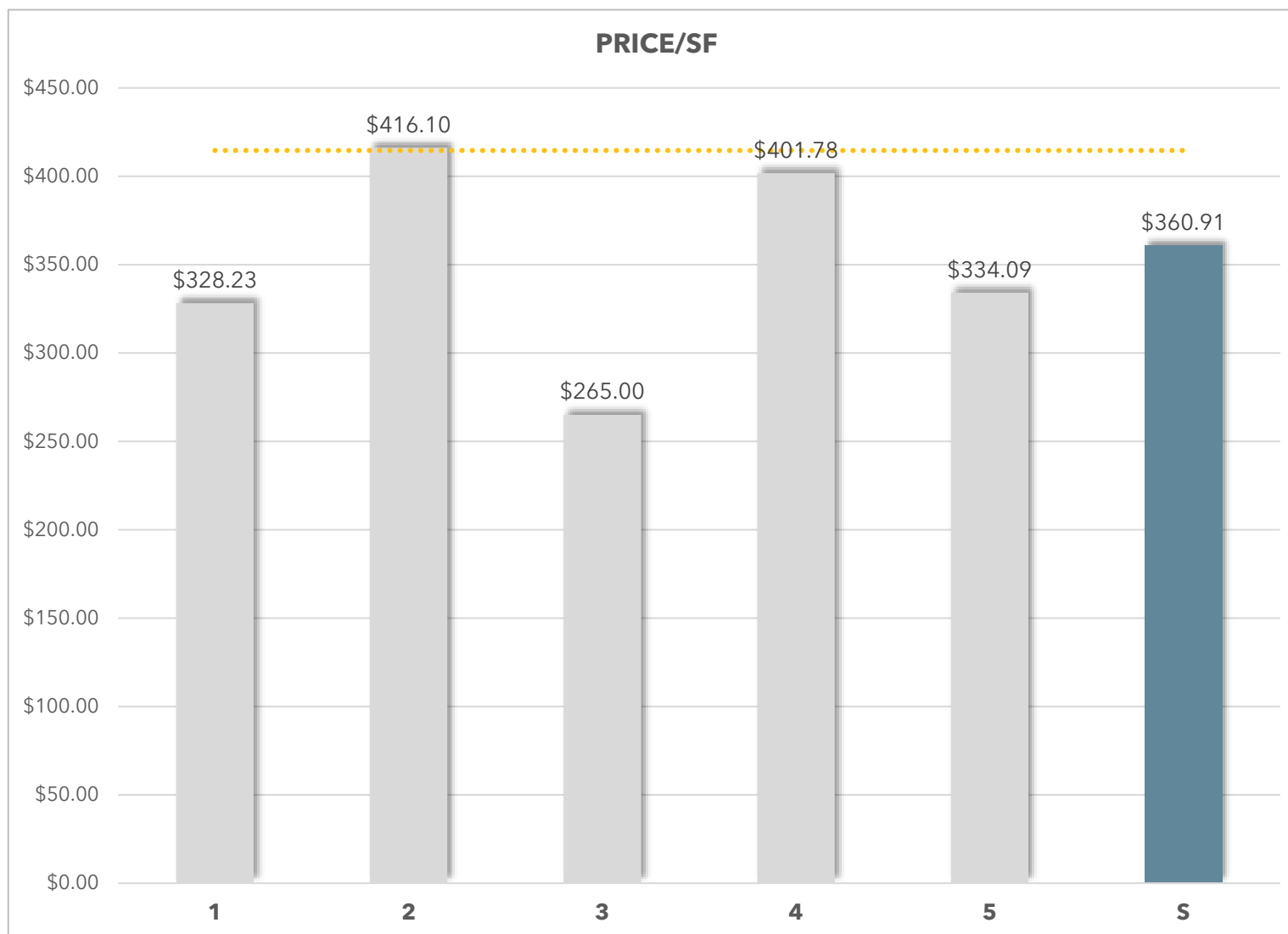
** Initial Rent End date unless LA Fitness extended the lease was June 30, 2031, but was extended by 7 months; therefore, end date is now January 31, 2032

9 Years 1 Month remaining on the initial term of the lease with a bump of 10% at year 4

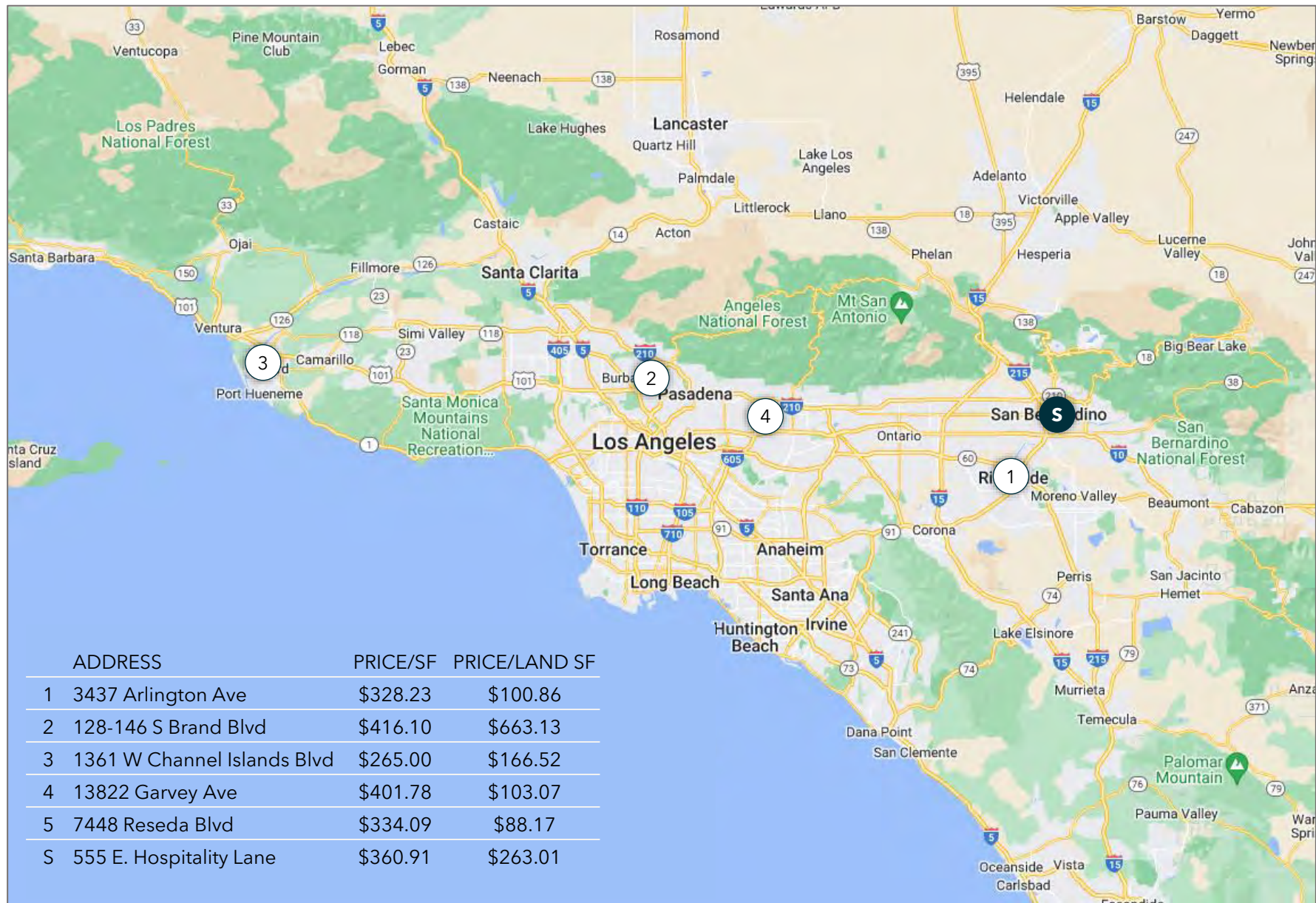
SALES COMPARABLES

	ADDRESS	BUILT	GROSS SF	LOT SIZE	SALE DATE	PRICE	PRICE/SF	PRICE/LAND SF	CAP	ZONING
	1 3437 Arlington Ave Riverside, CA 92506	2010	49,661	161,608	5/27/2022	\$16,300,000	\$328	\$100.86	6.86%	CG
	2 128-146 S Brand Blvd Glendale, CA 91204	1998	87,026	54,607	12/23/2021	\$36,211,638	\$416	\$663.13	-	CBD
	3 1361 W Channel Islands Blvd Oxnard, CA 93033	1970	37,500	59,677	4/19/2022	\$9,937,500	\$265	\$166.52	7.52%	C1
	4 13822 Garvey Ave Baldwin Park, CA 91706	2017	45,000	175,416	4/29/2022	\$18,080,000	\$402	\$103.07	-	BPCM
AVERAGES			19,506	44,471			\$415	\$168.15	6.49%	
	S Subject Property 555 E. Hospitality Lane San Bernardino, CA 92408	1997 R 2015	38,652	53,040	-	\$13,950,000	\$361	\$263.01	6.30%	CR-3

SALES COMPARABLES



SALES COMPARABLES





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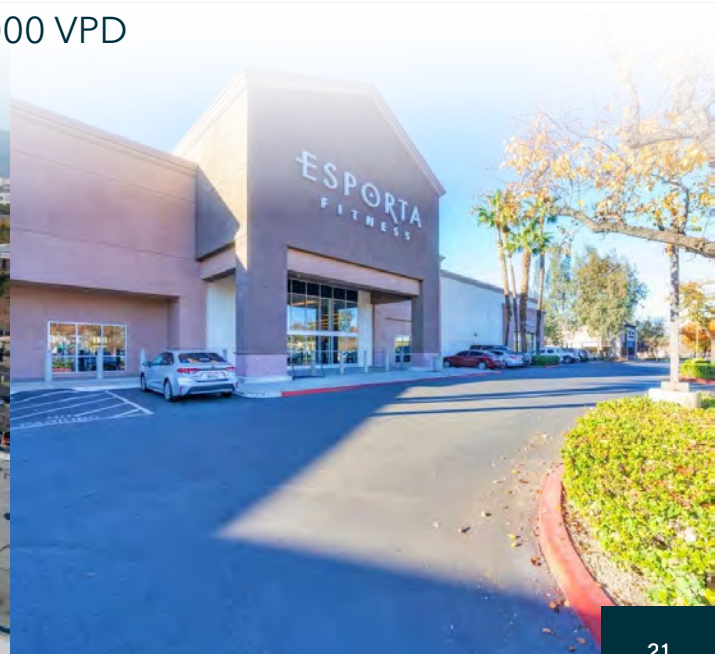


Representative Interior Photos



Absolute NNN

PROMINENT FREEWAY VISIBILITY | OVER 200,000 VPD



555 E HOSPITALITY LN SAN BERNARDINO, CA

PROMINENT FREEWAY ADJACENT INVESTMENT



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Affiliated Business Disclosure

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from KW Commercial and it should not be made available to any other person or entity without the written consent of KW Commercial. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the Offering Memorandum. If you have no interest in the subject property at this time, please return this Offering Memorandum to KW Commercial.

Confidentiality Agreement

This Offering Memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. KW Commercial has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, KW Commercial has not verified, and will not verify, any of the information contained herein, nor has KW Commercial conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. KW Commercial has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. KW Commercial's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. KW Commercial and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

