

# 15095 Amargosa Road Victorville, CA

- SINGLE STORY BUILDING
- ±10,572 SF
- ±1.09 ACRE LOT
- ±7.21/1000 PARKING
- IN OPPORTUNITY ZONE



## **OFFERING MEMORANDUM**

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**AYZAR**  
COMMERCIAL



# INVESTMENT HIGHLIGHTS



## VICTORVILLE GROWTH

Located in the Victor Valley of SW San Bernardino County, Victorville is the largest metropolitan area between the city of San Bernardino and Las Vegas. Population is estimated at 125,000 with an average household income of \$65,311. Largest employer is Southern California Logistics Airport, a 2,500-acre world-class aerospace services hub. Top employers include Hesperia Unified School District, Victor Valley College, Desert Valley Hospital and Verizon. Future job growth over the next ten years is predicted to be 35.2% which is higher than the US average of 33.5%.

Numerous local recreational options range from historic Route 66 Museum, Old Town Victorville featuring a nostalgic selection of antique stores and specialty shops, San Bernardino County Fair boasting of carnival rides, livestock competitions, a rodeo, a demolition derby, and nearby Mall of Victor Valley with diverse shops and dining options.

## STRONG TENANTS

The **State Water Board** occupies  $\pm 78\%$  of the project. Responsible for management of water quality, delivery, usage, conservation, protection, and rights allocation of water resources throughout California.

**Amargosa Family Clinic** occupies  $\pm 22\%$ . Offering a variety of medical services for the whole family, including lab work, heart exams, minor surgeries, and vaccinations for children.

Tenants are in long term leases, ending in 2024 and 2028 respectively.

## PROJECT FEATURES

- 1.09 Acre development with above-average parking at + 7.21 / 1,000 SF
- C-A Zoning: Administrative, Professional and Medical Offices
- Best of class, high image mixed use development project with excellent elegance, location and synergy, located in Opportunity Zone w/tax incentives.
- Parcel 3 approved for Medical and Food use scheduled for development, adding imminent value to the property. For an opportunity to purchase Parcel 3 please contact us for details.
- Per city, a 444 unit Multi-Family apartment project abutting the property's east side and a CarMax dealership on Civic Drive are in the entitlement process.

Information deemed reliable but not guaranteed. Buyer to verify all information.



# VICTORVILLE

## INVESTMENT SUMMARY

Asking Price	\$2,950,000
Price / SF	\$279.00
Year 1 Cap Rate	7%
Property Size	± 10,572 SF
Land Size	± 1.09 Acres
APN	3106-201-34
Year Built	2006
Parking Ratio	± 75 Stalls ± 7.21 / 1K SF

\*Opportunity available to purchase adjacent Parcel 3. Please contact for details.



IMPRESSIONS AT VALLEY CENTER

DESERT PLAZA SHOPPING CENTER

444 UNIT COMPLEX IN PROGRESS

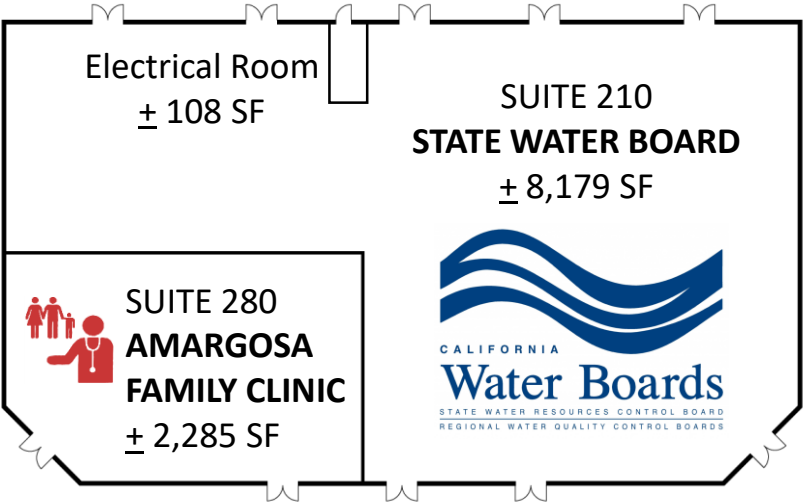
SITE



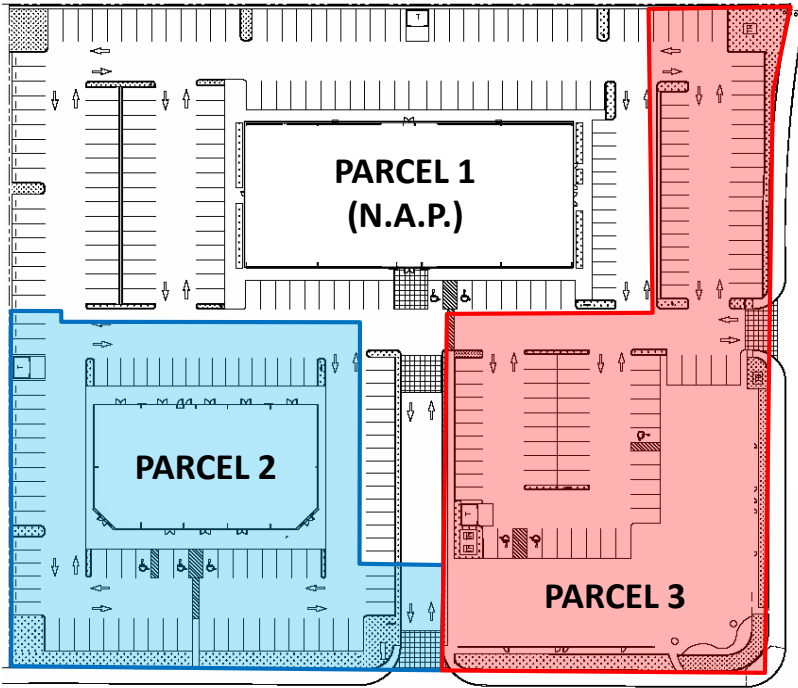
# PROPERTY

	LOT SF	ACRE	BLDG SF	PARKING (#/1K SF)
PARCEL 1 (NOT A PART)	83,970	1.93	35,079	175 (5/1,000)
PARCEL 2	47,694	1.09	10,575	75 (7.21/1,000)
PARCEL 3	60,251	1.38	UP TO 20,700	84 (Varies per build-out)

Note: Parking is reciprocal, open stalls shared by all tenants.



**BUILDING 2 • ± 10,572 SF**



FOR SALE  
PARCEL 2

AVAILABLE  
PARCEL 3





# TENANT – STATE WATER BOARD

**SUITE 210 ± 8,179 SF**

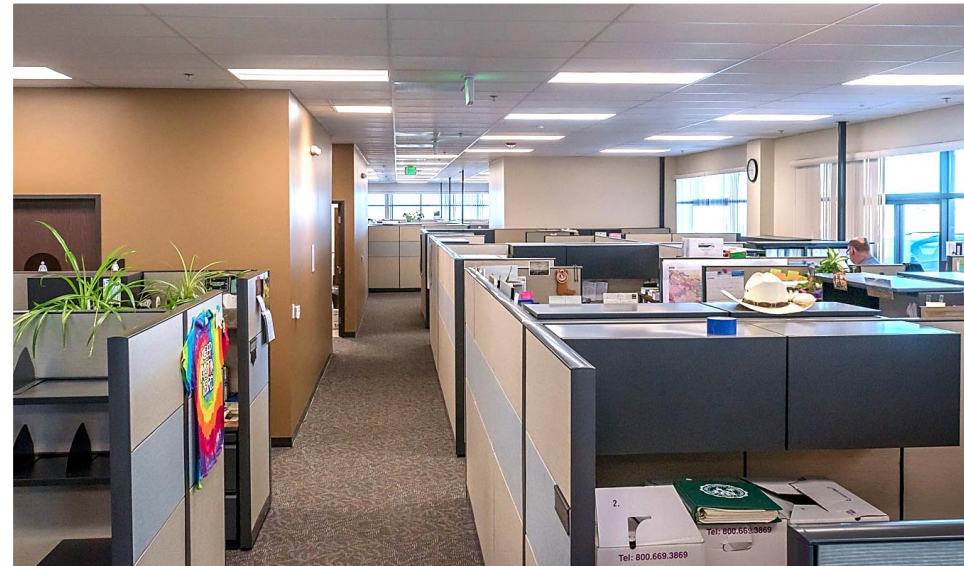
## About the Tenant:

The **California State Water Boards** occupies ±78% of the project. The State Organization is Responsible for management of water quality, delivery, usage, conservation, protection, and rights allocation of water resources throughout California.

Prior to 2016, State occupied premises within one mile of subject property at which it maintained tenancy for over 20 years.

## About the lease:

- 3% Annual increases. Lease ends 6/30/2024 with Early Termination Option 6/30/2020.
- Total of \$703K was invested in 2016 into Tenant Improvements per State's specifications, of which \$474K was paid by the State, indicating State's long-term commitment to the space.
- Lease does not grant a Renewal Options, providing Landlord with the opportunity to implement a higher rate for a lease renewal and continued occupancy.





# TENANT – AMARGOSA FAMILY CLINIC

**SUITE 280 ± 2,285 SF**

## About the Tenant:

**Amargosa Family Clinic** occupies ±22%. Offering a variety of medical services for the whole family, including lab work, heart exams, minor surgeries, and vaccinations for children.

## About the lease:

- 3% Annual increases. Lease ends 3/31/2028.
- NNN lease
- TI spent: \$200,000 by both current and former tenants providing a state of the art and highly efficient medical space conducive to multi discipline medical services.
- Options to Renew: Two 5-year options to extend the lease at prevailing rate with 6-month notice.



# FINANCIALS – 2019 PROJECTED REVENUE

## MIDTOWN SPECTRUM BUILDING 2 Projected Revenue - Fiscal Year 2019

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Rent</b>													
Amargosa Family Clinic	4,710.00	4,710.00	4,710.00	4,710.00	4,710.00	4,710.00	4,710.00	4,710.00	4,710.00	4,710.00	4,845.00	4,845.00	56,790.00
State Water Board	19,089.62	19,089.62	19,089.62	19,089.62	19,089.62	19,089.62	19,089.62	19,662.31	19,662.31	19,662.31	19,662.31	19,662.31	231,938.89
<b>Total</b>	<b>23,799.62</b>	<b>23,799.62</b>	<b>23,799.62</b>	<b>23,799.62</b>	<b>23,799.62</b>	<b>23,799.62</b>	<b>23,799.62</b>	<b>24,372.31</b>	<b>24,372.31</b>	<b>24,372.31</b>	<b>24,507.31</b>	<b>24,507.31</b>	<b>288,728.89</b>
<b>CAM</b>													
Amargosa Family Clinic	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	12,019.56
<b>Total</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>1,001.63</b>	<b>12,019.56</b>
<b>Total</b>													
Amargosa Family Clinic	5,711.63	5,711.63	5,711.63	5,711.63	5,711.63	5,711.63	5,711.63	5,711.63	5,711.63	5,711.63	5,846.63	5,846.63	68,809.56
State Water Board	19,089.62	19,089.62	19,089.62	19,089.62	19,089.62	19,089.62	19,089.62	19,662.31	19,662.31	19,662.31	19,662.31	19,662.31	231,938.89
<b>Total</b>	<b>24,801.25</b>	<b>24,801.25</b>	<b>24,801.25</b>	<b>24,801.25</b>	<b>24,801.25</b>	<b>24,801.25</b>	<b>24,801.25</b>	<b>25,373.94</b>	<b>25,373.94</b>	<b>25,373.94</b>	<b>25,508.94</b>	<b>25,508.94</b>	<b>300,748.45</b>

Annual Rent Increases: 3%



# FINANCIALS – 2019 PROJECTED INCOME

## MIDTOWN SPECTRUM Building 2 Fiscal Year 2019 Projected Income

Account Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Rent Income	23,799.62	23,799.62	23,799.62	23,799.62	23,799.62	23,799.62	23,799.62	24,372.31	24,372.31	24,372.31	24,507.31	24,507.31	288,728.89
OTHER INCOME													
Tenant Reimbursables	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	12,019.56
Misc Income													-
TOTAL OTHER INCOME	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	1,001.63	12,019.56
TOTAL INCOME	24,801.25	24,801.25	24,801.25	24,801.25	24,801.25	24,801.25	24,801.25	25,373.94	25,373.94	25,373.94	25,508.94	25,508.94	300,748.45
EXPENSES													
DIRECT EXPENSES													
Repair - Misc/Other	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Repair - Misc/Other 2-210	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Janitorial 2-210	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	1,213.34	14,560.08
Janitorial - Supplies 2-210	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
HVAC Maint	-	494.00	-	-	494.00	-	-	494.00			494.00		1,976.00
HVAC Rpr/Supp/Mater	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
Electrical & Lighting R/S/M	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Plumbing R/S/M	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Window Maintenance	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Fire/Life/Safety Monitor	180.00			180.00			180.00			180.00			720.00
Management	713.99	713.99	713.99	713.99	713.99	713.99	713.99	731.17	731.17	731.17	735.22	735.22	8,661.87
Dayporter/Facilities	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
Insurance											1,554.00		1,554.00
Property Tax *	-	-	-	17,187.50								16,225.00	33,412.50
Utility - Electricity	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	300.00
Utility - Electricity (2-210)	600.00	600.00	600.00	600.00	900.00	1,000.00	1,500.00	1,500.00	1,700.00	1,200.00	800.00	800.00	11,800.00
Utility - Gas	200.00	350.00	600.00	650.00	200.00	100.00	50.00	50.00	50.00	50.00	250.00	350.00	2,900.00
Utility - Water	160.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	150.00	150.00	150.00	150.00	1,600.00
Association Dues	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	9,574.05
TOTAL DIRECT EXPENSES	4,465.17	4,889.17	4,645.17	22,062.67	5,039.17	4,545.17	5,175.17	5,506.35	5,242.35	4,922.35	6,594.40	20,871.40	93,958.50
GENERAL & ADMINISTRATIVE													
Admin Fee	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
TOTAL G & A EXPENSE	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
TOTAL EXPENSES	4,515.17	4,939.17	4,695.17	22,112.67	5,089.17	4,595.17	5,225.17	5,556.35	5,292.35	4,972.35	6,644.40	20,921.40	94,558.50
NET INCOME	20,286.08	19,862.08	20,106.08	2,688.58	19,712.08	20,206.08	19,576.08	19,817.59	20,081.59	20,401.59	18,864.54	4,587.54	206,189.95

\* Real Estate Taxes based on \$2,950,000



# FINANCIALS – ASSOCIATION ANNUAL FINANCES

## MIDTOWN SPECTRUM ASSOCIATION Annual Finances

Account Name	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>Association Dues</b>													-
Association Dues-MS1	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	1,403.43	16,841.10
Association Dues-MS2	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	797.84	9,574.05
Association Dues-MS3	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	1,002.90	12,034.85
Misc Income													-
<b>TOTAL ASSOCIATION DUES</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>38,450.00</b>
<b>TOTAL INCOME</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>3,204.17</b>	<b>38,450.00</b>
<b>EXPENSES</b>													
<b><u>DIRECT EXPENSES</u></b>													
Repair - Misc/Other	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Painting Rpr/Supp/Materials	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Landscaping Maint	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	4,800.00
Landscaping Repair/Supplies/Ma	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	3,000.00
Electrical & Lighting R/S/M	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Plumbing R/S/M	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Sign Rpr/Supp/Materials	50.00		50.00		50.00		50.00		50.00		50.00		300.00
Fire/Life/Safety Monitor	-	-	-	350.00	-	-	-	-	-	-	600.00	-	950.00
Pest Control	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Management	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	8,400.00
Dayporter/Facilities	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00
Utility - Water	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	3,600.00
Utility - Sewer	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
Trash Disposal	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	6,600.00
Reserve	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	2,400.00
<b>TOTAL DIRECT EXPENSES</b>	<b>3,100.00</b>	<b>3,050.00</b>	<b>3,100.00</b>	<b>3,400.00</b>	<b>3,100.00</b>	<b>3,050.00</b>	<b>3,100.00</b>	<b>3,050.00</b>	<b>3,100.00</b>	<b>3,050.00</b>	<b>3,700.00</b>	<b>3,050.00</b>	<b>37,850.00</b>
<b>GENERAL &amp; ADMINISTRATIVE</b>													
Admin Fee	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Admin-Other													-
<b>TOTAL G &amp; A EXPENSE</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>	<b>600.00</b>
<b>TOTAL EXPENSES</b>	<b>3,150.00</b>	<b>3,100.00</b>	<b>3,150.00</b>	<b>3,450.00</b>	<b>3,150.00</b>	<b>3,100.00</b>	<b>3,150.00</b>	<b>3,100.00</b>	<b>3,150.00</b>	<b>3,100.00</b>	<b>3,750.00</b>	<b>3,100.00</b>	<b>38,450.00</b>
<b>NET INCOME</b>	<b>54.17</b>	<b>104.17</b>	<b>54.17</b>	<b>(245.83)</b>	<b>54.17</b>	<b>104.17</b>	<b>54.17</b>	<b>104.17</b>	<b>54.17</b>	<b>104.17</b>	<b>(545.83)</b>	<b>104.17</b>	<b>-</b>



# FINANCIALS – ROI

## Midtown Spectrum Building 2

**Projected NOI -Year 1**

**Purchase Price**

**Purchase Price CAP Rate**

### Financing Assumptions

Rate

Amortization

L/V Ratio

Loan Amount

Down payment

Loan Fee %

Loan Fee

**Total Initial Cash Outlay**

Monthly Loan Payment-P&I

Monthly NOI Before Debt Service

Debt Ratio

Annual Debt Service

Annual Cash Flow After Debt Service

### Return On Investment

**Monthly Cash Flow After Debt Service**

**RRI (Annual Cash on Cash)**

Interest Expense

Annual NOI After Interest Expense

**ROI (Annual Return on Investment)**

### Independent Financing

\$ 206,190

\$ 2,950,000

7.0%

4.25%

30

75%

\$ 2,212,500

\$ 737,500

0.5%

\$ 11,063

\$ 748,563

\$ 10,884

\$ 17,182

1.58

\$ 130,610

\$ 75,580

\$ 6,298

10.1%

\$ 94,031

\$ 112,159

15.0%

### Assumption Option \*

\$ 206,190

\$ 2,950,000

7.0%

4.25%

30

39%

\$ 1,140,000

\$ 1,810,000

1.0%

\$ 11,400

\$ 1,821,400

\$ 5,903

\$ 17,182

2.91

\$ 70,839

\$ 135,351

\$ 11,279

7.4%

\$ 48,450

\$ 157,740

8.7%

\* Current loan is assumable with a 1% point