



CHINO HILLS PLAZA

14500-14660 Pipeline Ave.
Chino, CA 91710

Offered At: \$9,995,000
Cap Rate: 6.5%
Occupancy: 85%





MIKE LIN

Vice President, Investment Sales

9471 Haven Avenue, Suite 110 | Rancho Cucamonga, CA 91730

T 909.230.4500 | C 949.209.9696

mike@progressiverep.com

DRE #01970414



BRAD UMANSKY

President

9471 Haven Avenue, Suite 110 | Rancho Cucamonga, CA 91730

T 909.230.4500 | C 909.816.4884

brad@progressiverep.com

DRE #01137100

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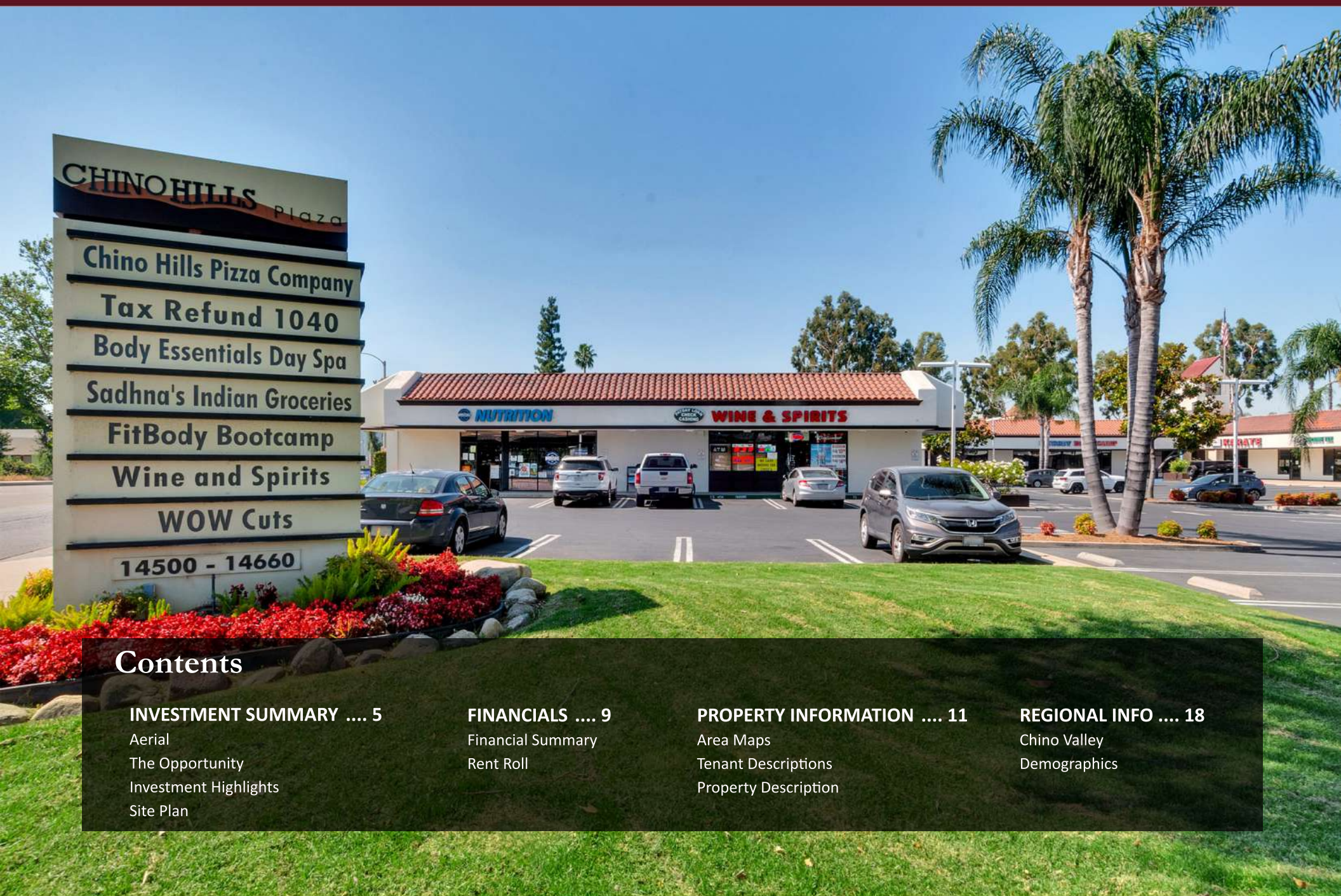
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Chino Valley
Demographics



14500-14660 Pipeline Ave., Chino, CA 91710

THE OPPORTUNITY

Progressive Real Estate Partners is pleased to offer for sale Chino Hills Plaza, a multi-tenant retail center with opportunity for current and long term income growth. The ownership recently invested over \$250,000 in capital improvements, including upgrades to the roof, HVAC, parking lot, plumbing, and paint. Chino Hills Plaza is located in a high income trade area, where the average household income within a 3-mile radius exceeds \$108,000. This property features a strong mix of tenants, most of whom have been at the property for over ten years. All but three tenants have annual increases of 3-5% per year, offering a hedge against inflation.

OFFERING SUMMARY

Sale Price:	\$9,995,000
Cap Rate (Actual/Proforma):	6.5%/7.6%
NOI:	\$650,738
Occupancy:	85%
Total Land Area:	3.34 Acres
Property Size:	33,583 SF





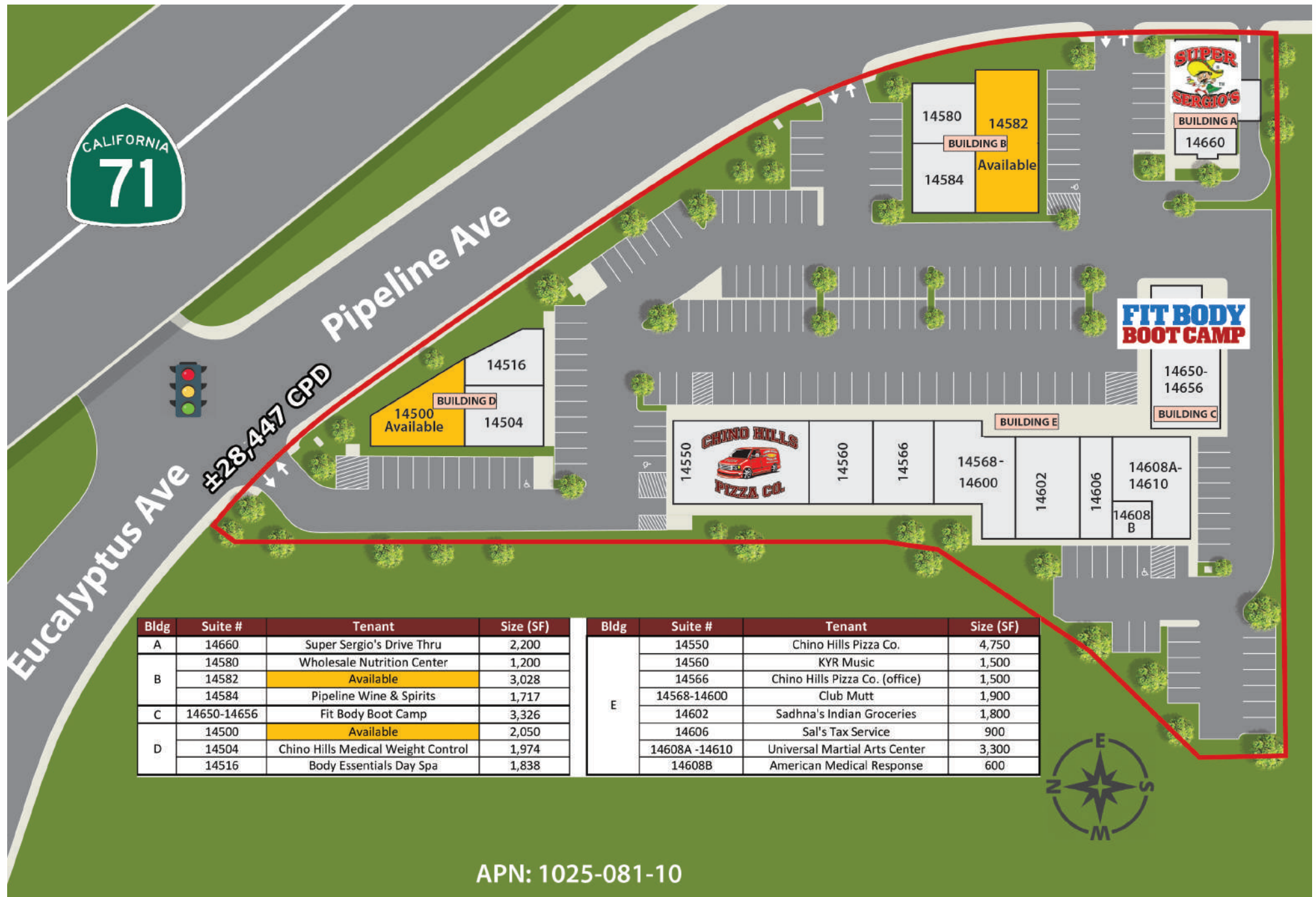
PROPERTY HIGHLIGHTS

- **RECENT PROPERTY UPGRADES:** In 2020, ownership has recently invested over 250k in capital improvements, including adding a new energy efficient roof, new HVAC units, slurry sealing the parking lot, upgrading common area plumbing, and re-painting the shopping center
- **PRIDE OF OWNERSHIP CENTER:** The center has been under the same ownership for over 30 years, and is very well maintained and managed by a long-term, knowledgeable property management company
- **TREMENDOUS OPPORTUNITY:** Big upside through scheduled rent increases, lease up of vacant space, and 25% of square footage below market
- **LONG TERM TENANTS:** 70% of tenants have been at the property longer than 5 years, and 60% have been there for over 10 years
- **LONG LEASE TERMS REMAINING:** 64% of the leases have at least 4 years of term remaining
- **INFLATION RESISTANT:** All but three tenants have annual increases of 3-5% per year
- **SINGLE PARCEL PROPERTY:** Chino Hills Plaza is on one parcel, which gives an owner complete control over the entire center and opens the possibility for an owner to reparcelize and sell off each parcel individually
- **WELCOMING ENVIRONMENT:** Center is well lit in the evening with CFL lighting; and there is excellent parking availability with a ratio over 5:1000



LOCATION HIGHLIGHTS

- **PRESTIGIOUS LOCATION:** Located in the prestigious Chino Valley, on the border of Chino and Chino Hills
- **FREEWAY ACCESS:** Accessible from the 91, 60, and 71 freeways. Directly across from the CA-71 with over 88,000 cars per day
- **SITE ACCESS:** Located at the signalized intersection of Pipeline and Eucalyptus (28,447 CPD) with a total of three ingress and egress points
- **HIGHLY POPULATED, HIGH INCOME TRADE AREA:** Excellent demographics with over 112,000 residents and a average household income of \$108,000 within a 3-mile radius
- **RETAIL-CENTRIC LOCATION** Significant retail density along Pipeline Ave. to the North and South of the center



Bldg	Suite #	Tenant	Size (SF)
A	14660	Super Sergio's Drive Thru	2,200
	14580	Wholesale Nutrition Center	1,200
B	14582	Available	3,028
	14584	Pipeline Wine & Spirits	1,717
C	14650-14656	Fit Body Boot Camp	3,326
	14500	Available	2,050
D	14504	Chino Hills Medical Weight Control	1,974
	14516	Body Essentials Day Spa	1,838

Bldg	Suite #	Tenant	Size (SF)
E	14550	Chino Hills Pizza Co.	4,750
	14560	KYR Music	1,500
	14566	Chino Hills Pizza Co. (office)	1,500
	14568-14600	Club Mutt	1,900
	14602	Sadhna's Indian Groceries	1,800
	14606	Sal's Tax Service	900
	14608A -14610	Universal Martial Arts Center	3,300
	14608B	American Medical Response	600

REVENUE	Current (85%)	Projected (95%)
Base Annual Rent:	\$685,764	\$804,589
Signage Income:	\$4,500	\$4,500
Expense Reimbursements:	\$221,875	\$261,400
Gross Operating Income:	\$912,138	\$1,070,489
Less Vacancy Factor (5%)	ACTUAL	(\$53,524)
Effective Operating Income	\$912,138	\$1,016,965

OPERATING EXPENSES		
Property Maintenance	\$25,000	\$25,000
Utilities	\$38,800	\$38,800
Trash Services	\$46,500	\$46,500
HVAC Maint. & Repairs	\$4,200	\$4,200
Property Management	\$34,000	\$34,000
Property Tax [1]	\$106,200	\$106,200
Insurance	\$6,700	\$6,700
NNN Expenses	\$261,400	\$261,400
	NNN/SF/mo: \$0.65	NNN/SF/mo: \$0.65
NET OPERATING INCOME	\$650,738	\$755,564

PRICING	
Purchase Price	\$9,995,000
Size	33,583
Price/Sq. Ft.	\$297.62
Cap Rate (85% Occupancy)	6.5%
Cap Rate (95% Occupancy)	7.6%

PROPOSED FINANCING [2]		
Loan to Value		60%
Down Payment		\$3,998,000
Loan Amount		\$5,997,000
Rate		4.250%
Amortization/Term (yrs)		30/7
	Current	Projected
Loan Payment	(\$354,020)	(\$354,020)
Leveraged Cash Flow	\$296,718	\$401,545
Cash-on-Cash Return	7.42%	10.04%
Principal Paydown	\$101,101	\$110,054
Total Return	9.95%	12.80%

FOOTNOTES

[1] Property taxes reassessed for sale at 1.0% plus city assessments

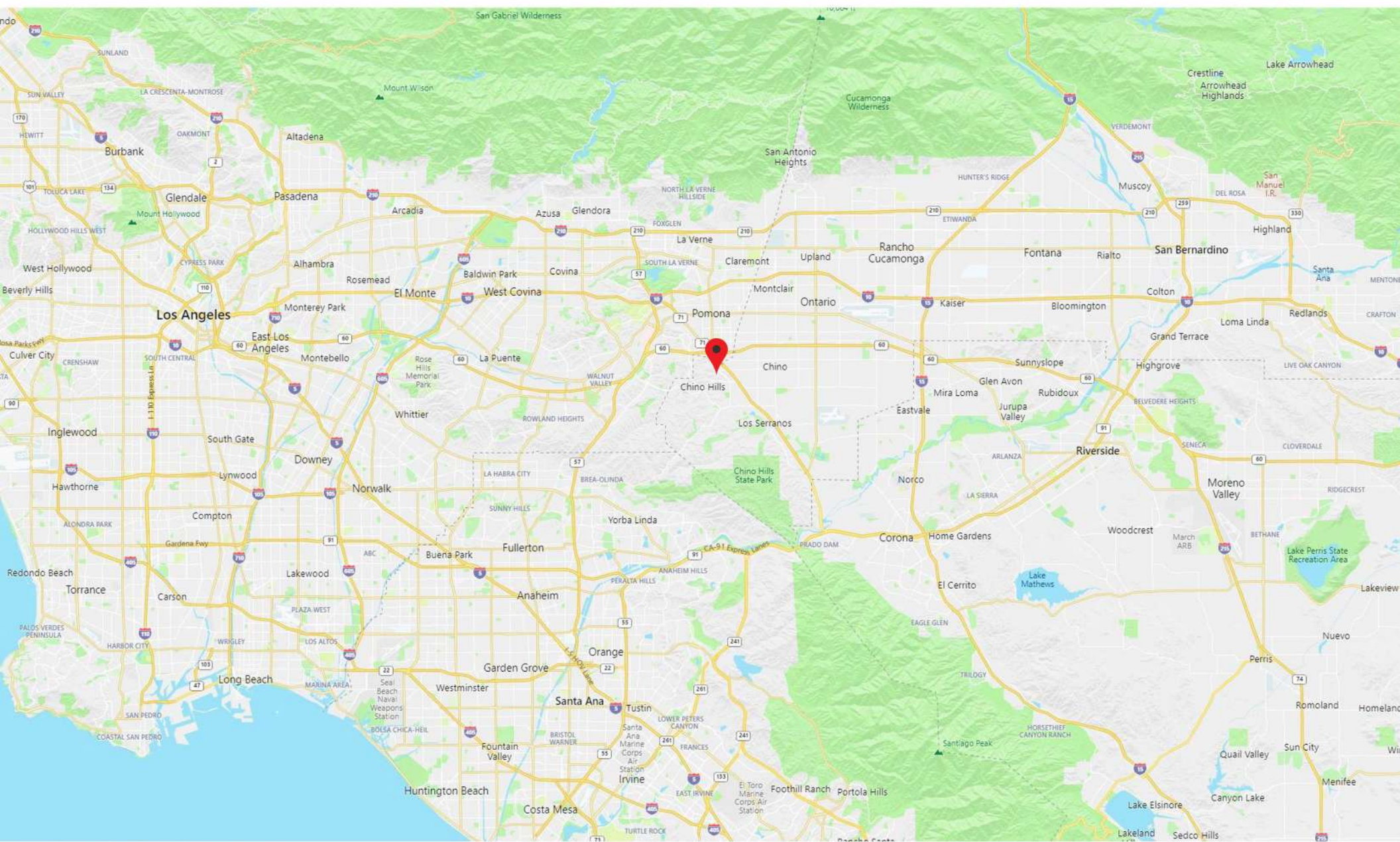
[2] For more information regarding financing, call Will James with Sunrise Mortgage & Investment Co at (805) 451-4331.

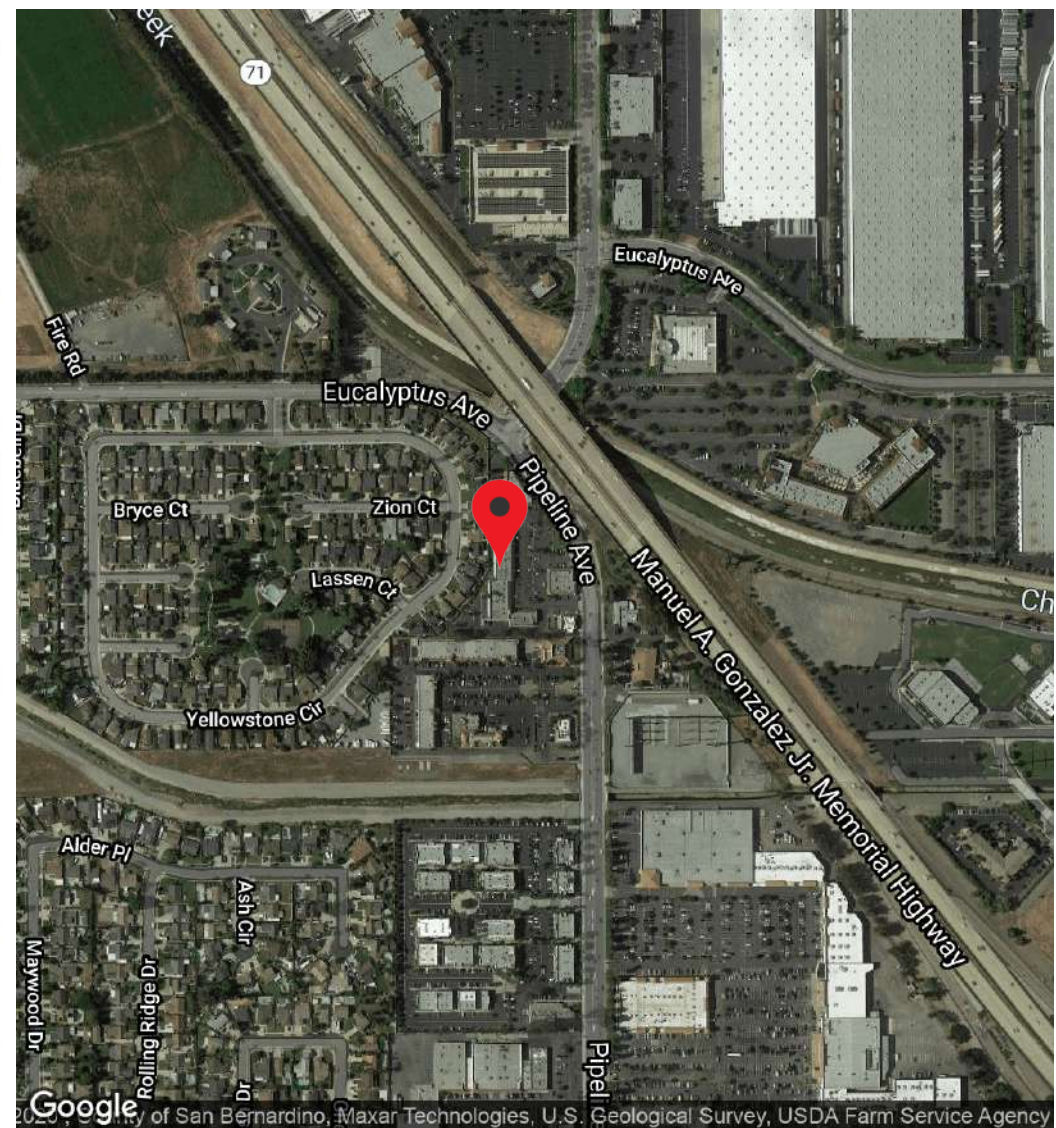
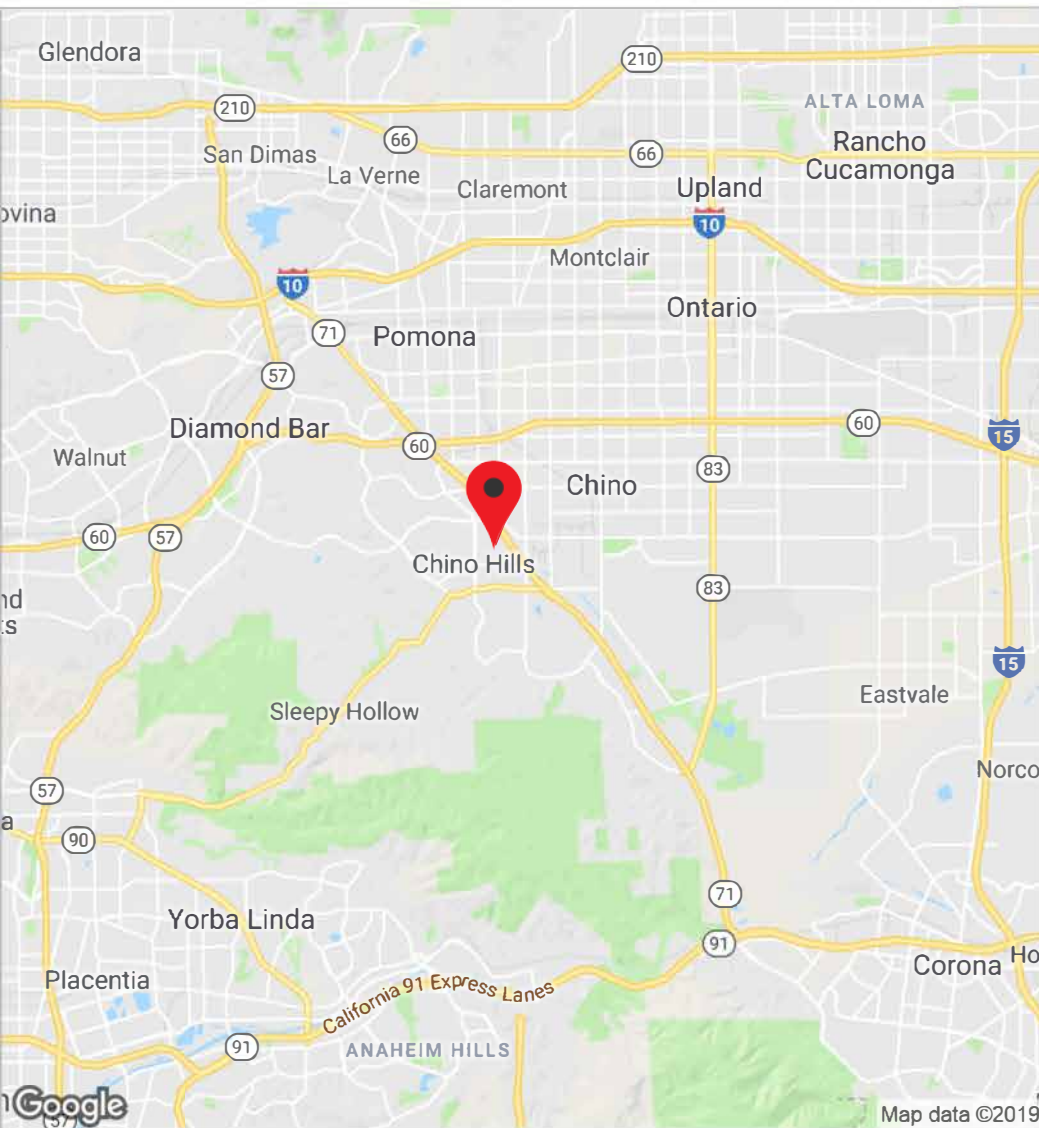
RENT ROLL | Chino Hills Plaza

Tenant Information					Lease Term		Rent Summary						
Bldg	UNIT	TENANT	LEASE TYPE	SF	ORIGINAL START	END	BASE RENT/MO	RENT/SF/MO	NNN/MO	SIGN INCOME	ANNUAL BASE RENT	Increases	Options
A	14660	Super Sergio's Restaurant (Drive-Thru)	NNN	2,200	1/1/2019	12/31/2028	\$6,118	\$2.78	\$1,992.07		\$73,418	3% annual	Two 5-year
B	14580	Wholesale Nutrition Center	NNN	1,200	1/6/2016	1/1/2025	\$3,136	\$2.61	\$780.00		\$37,632	Greater of 5% or CPI; annual	One 5-year
	14582-14586	Available (Proforma)		3,028			\$5,905	\$1.95	\$1,968.20		\$70,855	-	-
	14584	Pipeline Wine & Spirits	NNN	1,717	2/1/2006	12/31/2028	\$4,286	\$2.50	\$1,116.05	\$70	\$51,428	Greater of 4% or CPI; annual	None
C	14650-14652-14656	Fit Body Boot Camp	NNN	3,326	3/27/2014	12/31/2025	\$6,153	\$1.85	\$2,161.90		\$73,837	4% annual	Two 5-year
D	14500	Available (Proforma)		2,050			\$3,998	\$1.95	\$1,332.50		\$47,970	-	-
	14504-14512	Chino Hills Medical Weight Control	NNN	1,974	12/1/2009	12/31/2023	\$4,442	\$2.25	\$1,283.10	\$50	\$53,298	Greater of 5% or CPI; annual	One 4-year
	14516	Body Essentials Day Spa	NNN	1,838	12/1/2018	12/31/2024	\$3,502	\$1.91	\$1,194.70		\$42,028	3% annual	Two 5-year
E	14550-14556 and 14566	Chino Hills Pizza Company	NNN	6,250	4/8/2010	12/31/2033	\$10,313	\$1.65	\$4,062.50	\$50	\$123,750	2% annual starting 1/1/23	None
	14560	KYR Music	NNN	1,500	6/10/2002	12/31/2021	\$3,925	\$2.62	\$975.00	\$85	\$47,095	Greater of 5% or CPI; annual	None
	14568	Club Mutt (Expansion)	NNN	1,000	8/1/2020	12/31/2026	\$1,950	\$1.95	\$650.00		\$23,400	4% annual, starting 1/1/22	None
	14600	Club Mutt	NNN	900	2/4/2014	12/31/2026	\$1,755	\$1.95	\$585.00		\$21,060	4% annual, starting 1/1/22	None
	14602	Sadhna's Indian Groceries	NNN	1,800	11/10/2011	5/31/2021	\$3,474	\$1.93	\$1,170.00		\$41,694	4% annual	One 5-year
	14606	Sal's Tax Service	NNN	900	1/1/1997	3/1/2025	\$2,070	\$2.30	\$585.00	\$70	\$24,840	Greater of 5% or CPI; annual; starting 1/1/22	Two 2-year
	14608-A - 14610	Universal Martial Arts Center	NNN	3,300	4/23/2010	12/31/2025	\$4,616	\$1.40	\$2,145.00	\$50	\$55,388	3% annual	One 5-year
	14608-B	American Medical Response	NNN	600	3/10/2000	12/31/2023	\$1,408	\$2.35	\$390.00		\$16,896	None	None
CURRENT OCCUPANCY				28,505	85%		\$57,147	\$2.00	\$ 19,090	\$375	\$ 685,764		
TOTAL				33,583	100%		\$67,049	\$2.00	\$ 22,391	\$375	\$ 804,589		

NOTES: Super Sergio's pays additional NNN fees for trash, landscaping, and pressure washing
Space 14568 (Club Mutt's Expansion space) rent commences December 2020. Rent is \$975+NNN for Dec. 2020 and Jan 2021, increasing to \$1,950+NNN thereafter.
Club Mutt has right to terminate the lease on the Expansion Space (14568) on 12/31/22

REGIONAL MAP | Chino Hills Plaza







There's nothing that goes better with your favorite game than delicious pizza and a cold beer. At the Chino Hills Pizza Company, they're proud to say that you can get all three. For 20 years overall, and 9 years at this location, the Pizza Companies have been cooking up great quality food and creating an environment that's enjoyable for the whole family. Whether you're there to have a pint and watch a game on one of their many TV's, or have family bonding with the kids in our arcade, they're there to make sure you have an awesome time.

The Chino Hills Pizza Company has been in this location for nine years and recently expanded to take another space in Chino Hills Plaza. The Pizza Companies' other locations are in Hacienda Heights, Duarte, La Verne, Sierra Madre, E. Los Angeles, Monrovia, and Pomona.

<http://chinohillspizzaco.net/>

FIT BODY BOOT CAMP



Fit Body Boot Camp has undergone tremendous growth and expansion at the Chino Hills Plaza! They originally opened in 2014 occupying only 1,784 square feet. In 2015, they expanded their space to 3,028 square feet. In 2020, they signed a new lease to relocate to Building C at 3,326 square feet and are now fully operational!

Fit Body Boot Camp is the world's fastest growing fitness boot camp brand with 700 locations around the globe. Fit Body Boot Camp offers affordable, convenient, 30-minute fat loss boot camps that challenge the body and deliver results every time. Whether you're new to working out or you're an experienced fitness buff, their professional trainers and coaches will help modify every workout so that you'll achieve your goals! The operator of this location also operates two other locations in the region.

<http://www.fitbodybootcamp.com>



Super Sergio's has been a mainstay in the San Diego scene with three locations in the San Diego area. Now they have brought their style of delicious Mexican food to Chino! Whether you crave a burrito, carne asada or carnitas taco, Super Sergio's has you covered. The drive-thru is convenient for a mom with kids in the back, or just when you're feeling lazy and don't want to get out of your car.

Some of the great comments from Yelpers include: "Carne asada burrito, California burrito, carne asada fries, rolled tacos are a few to name that are so delicious." and "The beef tacos are amazing and I can always be sure that if I'm trying something new, that it'll be delicious." For your Mexican food fix, look no further than Super Sergio's!



Whether you want to lose weight, maintain weight, or just be healthier, Chino Hills Medical Weight Control has the tools to help you reach your goals. At their clinics, they strive to make your weight loss and body contouring goals a reality. You will find an inviting atmosphere with friendly staff and a program that is guaranteed to help you lose weight. This was the first of the 8 locations for Chino Hills Weight Control, and also serves as their corporate headquarters.

<https://www.medicalweightcontrols.com/>



Universal Martial Arts Center started their business here at the Chino Hills Plaza, then left for a few years, and then came back in 2010. UMAC has over 25 years of experience in martial arts, and became one of the first licensed Krav Maga schools in Southern California. Their goal is to teach their students to be the best they can be through fitness, conditioning, a healthy lifestyle, and the peace of mind that comes from knowing self defense. The owner operates a second location in Palm Desert.

<https://www.umacchinohills.com/>



PIPELINE | WINE & SPIRITS

Pipeline Wine & Spirits carries a great selection of high end wines and other spirits and also operates a successful check cashing business. They have been in the center since the 1990's. Yelpers report that Pipeline Wine & Spirits is a "great liquor store" and the people are "friendly, willing to make suggestions, and knowledgeable about their products."



KYR Music has successfully taught over 8500 students since its opening in 2002. With multiple teachers for Guitar, Voice, Piano, Violin, Drums, Saxophone, Flute, Clarinet, Trumpet, Trombone and Tuba, they have the tools and the right teacher to meet your needs. Their teachers are experienced with students of all ages and at all levels of instruction.

<http://www.kyrmusicstore.com/>



BODY ESSENTIALS
Day Spa and Relaxation Center

Body Essentials offers a variety of spa services designed to make their clients look and feel great. Just a small sample of their services includes massage therapy, waxing, facials, tanning, and more. Body Essentials Day Spa had operated at 4183 Chino Hills Parkway, but relocated in late 2019 into a larger space at the Chino Hills Plaza.



Sadhna's
Indian Groceries

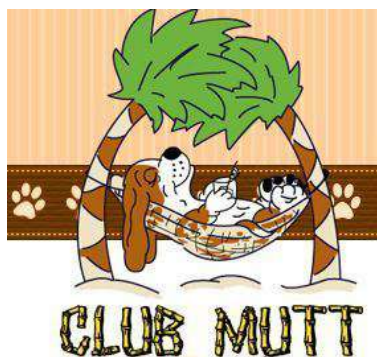
Sadhna's has been at the center since 2011 and is one of the top rated Indian grocery stores in the region, according to Yelp users. Inside, you will find a wide variety of Indian and other South Asian vegetables, spices, teas, and other food products. There's no better place to go when you want to try your hand at making some Indian food for dinner.



Are you confused about your taxes? Not sure how to deal with the IRS? Let Sal take care of you. He can handle all of your tax needs. **Sal's Tax Service** has been at the Chino Hills Plaza since 1997, longer than any other business - that's over 23 years!



Wholesale Nutrition Center has been in the Chino Hills Plaza since 2016, when they acquired a former vitamin store, Nutrition 4 Less, which had been in the center since 2009; showing the longevity and need for a nutrition center to serve the local community. Wholesale Nutrition Center sells vitamins, juices, and other health supplements, offering a wide selection at good prices. They have 15 locations throughout Southern California. Customer Service is of prime importance at Wholesale Nutrition Center, and it has earned a perfect 5 star rating on Yelp.



Club Mutt was initially founded as a dog boarding business, but along with a business partner who focused on grooming, the two owners opened Club Mutt. As the business grew, it became clear that how they got started was not only innovative but also a good fit for dogs in the community. Dogs have a wonderful experience when visiting the grooming shop, daycare and spa. Their client testimonials compliment the friendly staff, reasonable prices and efficient, quality services. Club Mutt's success in this location has led them to open a second location in Montclair in 2018 and also expand their space in the Chino Hills Plaza from 900 SF to 1,900 SF in August 2020.

<https://www.club-mutt.com/>



American Medical Response has been at the location for over 20 years! AMR provides emergency and non-emergency medical transport services to the local community. The San Bernardino chapter, which also includes locations in Rancho Cucamonga, employs approximately 640 paramedics and EMTs and responds to approximately 170,000 calls each year.

<http://www.amr.net>

ADDRESS

14500-14660 Pipeline Ave

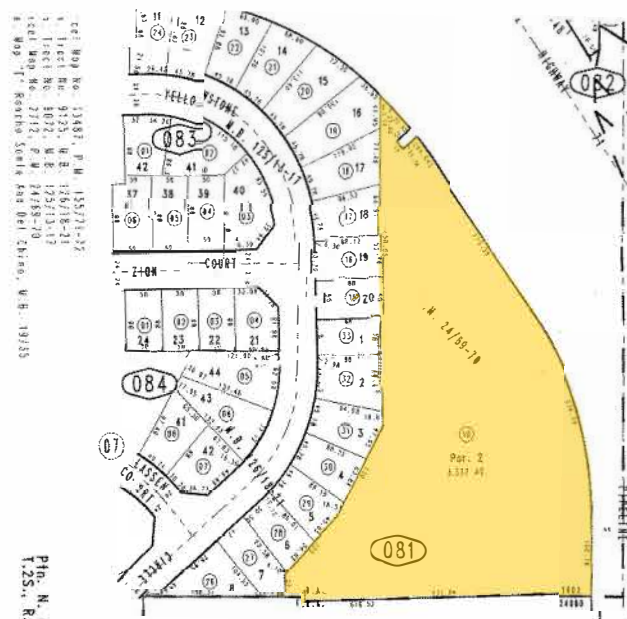
APN

1025-081-10

LAND AREA

3.34 AC

PARCEL MAP



LOCATION DESCRIPTION

The property is located on the intersection of Pipeline Avenue and Eucalyptus Avenue, adjacent to California SR-71.

BUILDING AREA

Approximately 33,583 square feet of rentable building area.

PARCEL

The property consists of a single parcel containing approximately 3.34 acres or 145,490 square feet of land area.

YEAR BUILT

1984

ACCESS

There are three (3) primary access points: two (2) along Pipeline Ave and one (1) at the signalized intersection of Pipeline and Eucalyptus Avenues.

ZONING

CG - General Commercial

TRAFFIC COUNTS

SR-71 Freeway	88,000 CPD
Pipeline Ave	14,250 CPD



CHINO VALLEY

Chino Valley is located in the western Inland Empire and borders Los Angeles County. It is comprised of two prominent cities: Chino and Chino Hills. Chino's population has increased over 16% since the year 2000 and is projected to increase another 2.9% by the year 2020. The City of Chino has been given the prestigious title of "100 Best Communities for Young People" by the America's Promise Alliance for the past 5 years which is a true testament to its business friendly and strong community.

Its counterpart, Chino Hills, is well known for its high quality of life and beautiful rural atmosphere. The community has a population of 83,159, and boasts 3,000 acres of publicly-owned open space, 43 parks, and 48 miles of trails. Not only is Chino Hills a place where people want to live, it's also a safe City in which to live. Based on FBI crime statistics for 2016, Chino Hills is ranked #4 safest city relative to violent crime and 13th safest city for property crimes. The Chino Valley's demographics are the driving force to its success in sustaining businesses. The City of Chino's workforce population ranges just above 35,127 with 55.6% of these people holding white collar jobs. Even more influential in fostering business and spending is that 27.1% of the households in the City of Chino exceed a household income of \$100,000, with the majority of the population being at average ages of 25-34. Chino Hills is also home to a professional workforce. Nearly 41.2% of Chino Hills' adult residents have a bachelor's degree or higher and the community ranks among the top 17 Southern California cities in its share of residents employed as scientist, professionals, or managers.

The Chino Valley has proven to be ideal for business and retail. Its strong demographics and its location at the convergence of Orange, Riverside, Los Angeles, and San Bernardino Counties make it attractive to commercial developers. The City of Chino's retail establishments are the heart of its success and aim to bring together the community.

Chino is currently home to national retailers such as Walmart, The Home Depot, Nordstrom Rack, Kohl's, JC Penney, and Target, just to name a few. The City of Chino Hills is home to prominent retailers, like Trader Joe's, H & M, and Forever 21, among others. Many high-end national retailers have chosen to locate in the Chino Valley to take advantage of the friendly business and retail environment.



	<u>1-Mile</u>	<u>3-Mile</u>	<u>5-Mile</u>
Population			
2025 Projection	9,136	116,130	268,918
2020 Estimate	8,867	112,003	262,231
Projected Growth 2020-2025	0.6%	0.7%	0.5%
Average Household Income			
2020 (current)	\$108,751	\$108,864	\$101,404
2025 (projected)	\$121,281	\$131,368	\$123,329
2020 Population by Ethnicity			
White Alone	61.1%	48.9%	48.5%
Black or African American Alone	5.3%	5.3%	5.6%
Asian or Pacific Islander	16.4%	24.3%	20.0%
American Indian or Alaska Native	0.7%	0.7%	0.8%
Other Races	16.4%	20.9%	25.0%
2020 Data for all Businesses in the Area			
Total Businesses	1388	5,191	8,771
Total Employees	12,601	45,633	74,247
2020 Population 25+ by Educational Attainment			
College Degree	36.9%	34.0%	29.4%