

GARFIELD CENTER

201-215 S. Garfield Ave., Monterey Park, CA 91754

IMPROVING
OUR COMMUNITIES



ONE PROPERTY

AT A TIME

We understand
We care



OFFERING MEMORANDUM



1985

STC 資產管理
MANAGEMENT

RETAIL INVESTMENT OPPORTUNITY

Confidentiality Agreement

This Offering Memorandum was prepared by STC Management ("Broker") solely for the use of prospective purchasers of 201-215 S. Garfield Ave., Monterey Park, CA (the "Property"). Neither the Broker nor the Owner of the Property ("Owner") makes any representation or warranty, expressed or implied, as to the completeness or the accuracy of the material contained in the Offering Memorandum.

Prospective purchasers of the Property are advised that changes may have occurred in the physical or financial condition of the Property since the time of this Offering Memorandum. Prospective purchasers of the Property are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

This Offering Memorandum does not constitute an offer, and does not create or give rise to any agreement or contract, express, implied or in any other manner. Nothing in this Offering Memorandum creates any right or obligation. Only a written Purchase and Sale Agreement executed by all necessary parties will create any binding agreement.

This Offering Memorandum is confidential. By accepting the Offering Memorandum, you agree (1) that you will hold and treat the Offering Memorandum and its contents in the strictest confidence, (2) that you will not photocopy or duplicate any part of the Offering Memorandum, (3) that you will not disclose the Offering Memorandum or any of its contents to any other entity without the prior written authorization of the Owner, and (4) that you will not use the Offering Memorandum in any fashion or manner detrimental to the Owner or Broker.

© 2011 STC Management. The information provided was obtained from sources believed to be reliable. We have not verified the information and do not guarantee, warrant or represent that it is accurate. It is submitted subject to the possibility of errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. It is your responsibility to independently confirm the information's accuracy and completeness. Any projections, assumptions, estimates or opinions furnished or utilized are for illustrative purposes only and in no way represent the current or future performance of the property. The value of the property depends on each prospective purchaser's tax and investment factors and should be carefully reviewed by each potential purchaser's tax, financial, legal and investment advisors.

GARFIELD CENTER

Monterey Park, California

TABLE OF CONTENTS:

- Investment Highlights
- Property Description
- Traffic Counts
- Area / Market Overview
- Tenancy
- Comparables
- Financials

EXCLUSIVELY MARKETED BY:

John Hsu, Officer
562.695.1513 (x109)
jh@stcmanagement.com
License: 01299442

Dalerie Wu, Investment Manager
562.695.1513 (x124)
dalerie@stcmanagement.com
License: 01868250



IMPROVING

OUR COMMUNITIES



ONE PROPERTY

AT A TIME

We understand
We care

Investment Highlights

- Offering Price BEST OFFER
 - NOI (Stabilized Pro Forma) \$254,542
 - NOI (2010 Actual) \$243,113
 - Price/SF \$312/SF
 - Land Area 44,344 SF (1.018 Acres)
 - Ownership Fee Simple
 - Year Built 1946
-
- **Prime location in Monterey Park** with frontage along Garfield Ave
 - Site is across from a **large, planned mixed-use development** consisting of 109 residential condominiums and over 30,000 SF of retail space - plans have already been approved for the city and estimated time to completion is two years
 - Strategic location offers a **wide range of possibilities for new tenants**. City fully supports additional dining locations along property; demand exceeds supply for building materials & supplies, book stores, electronic mail-order houses, direct selling establishments, small diners/cafes, and bars
 - Close proximity to the **10 Freeway and Garvey Blvd.**
 - **Large lot size with abundant parking**, with the ability to support large amounts of traffic

IMPROVING

OUR COMMUNITIES



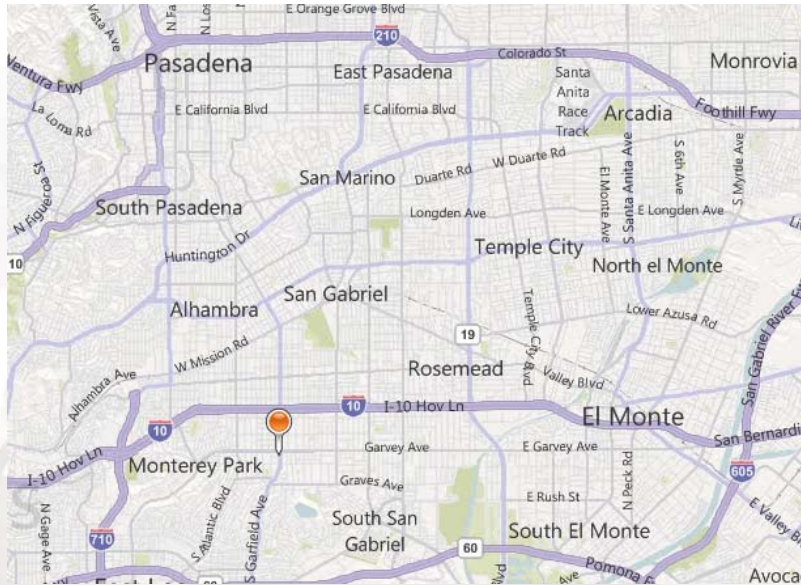
ONE PROPERTY

AT A TIME

We understand
We care

Property Description

201-215 S. Garfield Ave., Monterey Park, CA 91754



APN: 5257-013-064
Year Built: 1946
Land Area: 44,344 SF (1.018 AC)
Building Area: 15,927 SF
Zoning: Retail (MPC3)
Parking: 41 designated spaces
(Can be re-striped to accommodate additional spaces)



Nearby Developments

MONTEREY PARK TOWNE CENTER



This new, 5-story development is currently under construction and located at the intersection of Garvey Ave. and Garfield Ave. just down the street.

Towne Center features 71,366 SF of retail space in Monterey Park's downtown revitalization, plus 109 luxury condominiums. The large palm court entry will be surrounded by major anchors, specialty shops, and outdoor dining. Residents will also enjoy amenities such as a community clubhouse, recreational facilities, and private/secured parking.

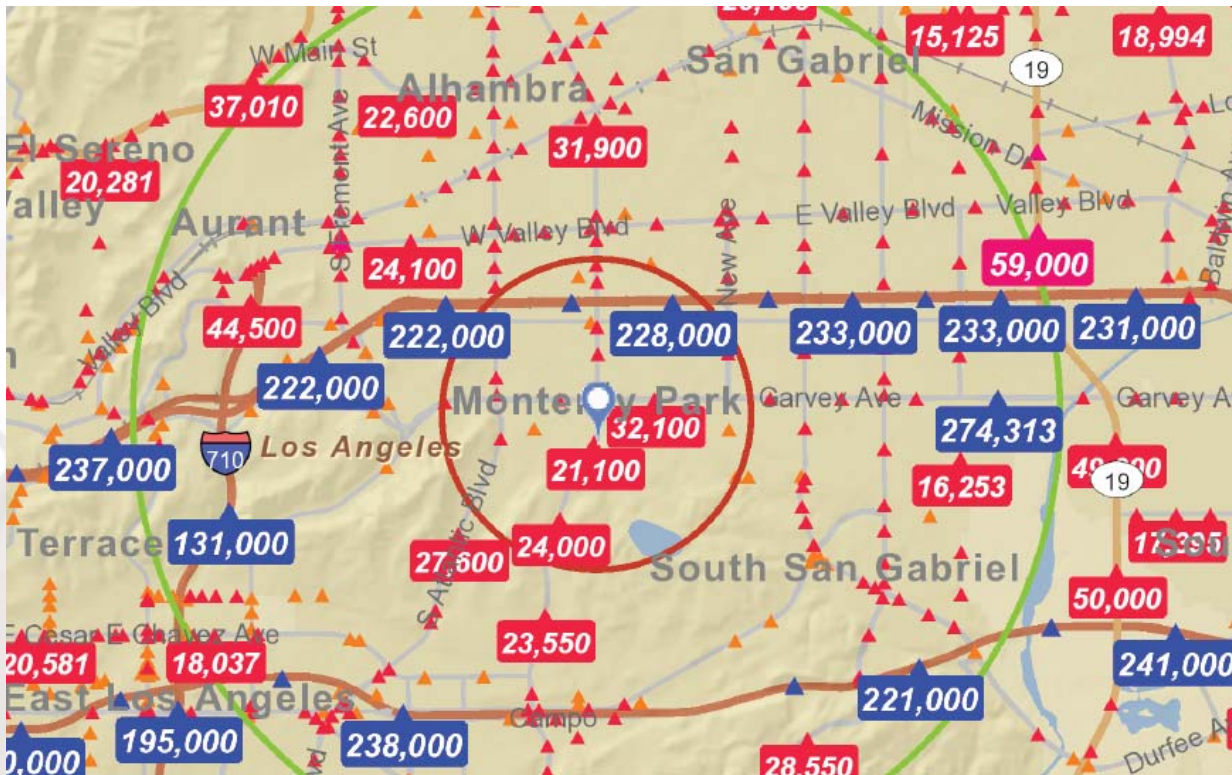


Garfield Center stands to benefit from the downtown revitalization tremendously, as the new development will drive increased traffic to the area and its businesses, as well as elevate its property value.

The project is scheduled to complete its foundation by July 2011 and will be fully completed in mid-2013.

Traffic Counts (1-Mile Radius)

GARFIELD CENTER



Average Daily Traffic Volume

- ▲ Up to 6,000 vehicles per day
- ▲ 6,001 - 15,000
- ▲ 15,001 - 30,000
- ▲ 30,001 - 50,000
- ▲ 50,001 - 100,000
- ▲ More than 100,000 per day

Demographics

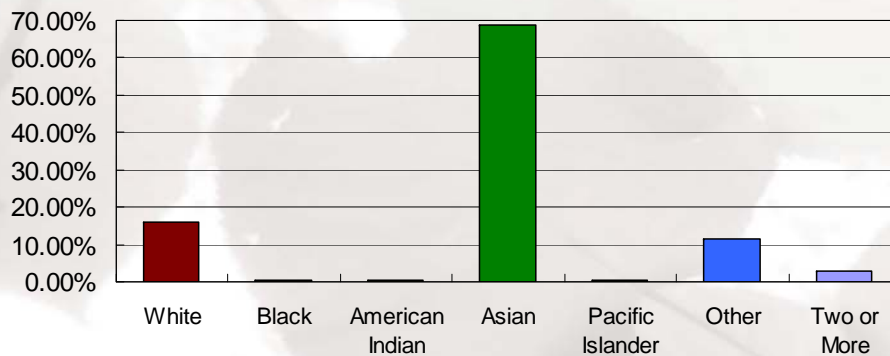
GARFIELD CENTER



| Population/Demographics | 1 Mile | 3 Mile | 5 Mile |
|---------------------------|--------|---------|---------|
| 2010 Estimated Population | 42,914 | 277,840 | 732,610 |
| 2015 Projected Population | 43,716 | 281,489 | 744,543 |
| Growth 2009-2014 | 0.37% | 0.26% | 0.27% |
| 2010 Est. Median Age | 36.9 | 36.0 | 32.4 |

| Households Data | 1 Mile | 3 Mile | 5 Mile |
|---------------------------|----------|----------|----------|
| 2010 Estimated Households | 12,644 | 81,757 | 209,834 |
| 2015 Projected Households | 13,169 | 83,965 | 211,608 |
| Growth 2010-2015 | 0.27% | 0.26% | 0.17% |
| 2010 Est. Avg HH Income | \$47,356 | \$50,724 | \$63,835 |
| 2015 Proj. Avg HH Income | \$60,296 | \$57,836 | \$74,558 |

Population by Race (Within 1 Mile)

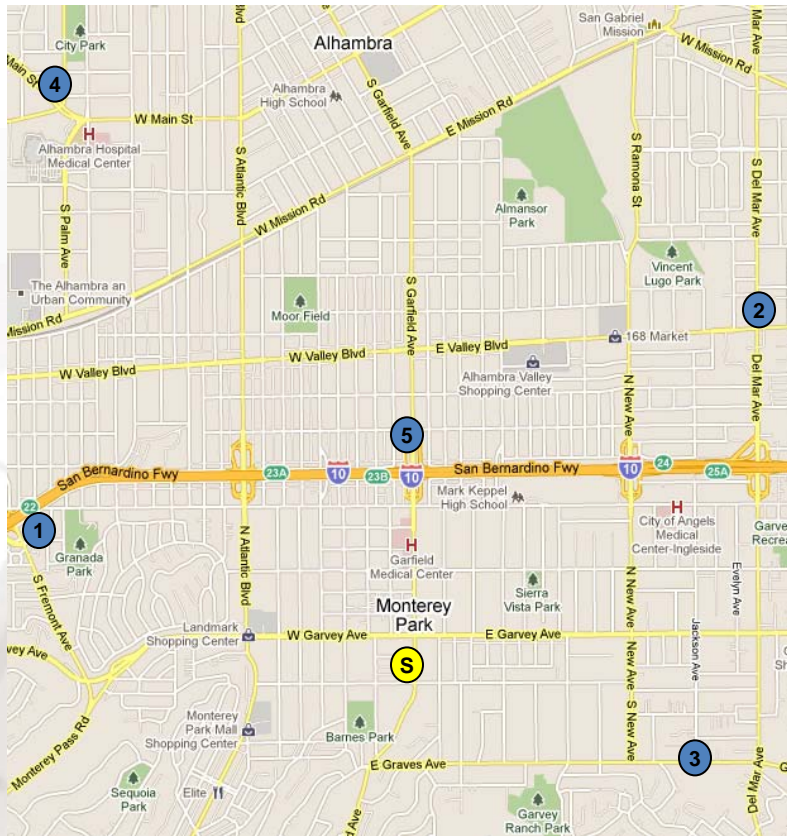


Rent Roll

| Suite | Tenant Name | Square Feet | Pro-Rata | Lease Start | Lease Expiration | Rental Rates | | | | Recovery Type | |
|--------------------------|-------------------------|---------------|----------|-------------|------------------|--------------|------------------|----------------|-------------------|-----------------|-----|
| | | | | | | Begin | Monthly | PSF | Annually | | PSF |
| 201 | California Beauty Suppl | 3,341 | 20.98% | Oct-2007 | Sep-2016 | Current | \$ 5,316 | \$ 1.59 | \$ 63,792 | \$ 19.09 | NNN |
| | | | | | | Oct-2011 | \$ 5,641 | \$ 1.69 | \$ 67,686 | \$ 20.26 | NNN |
| | | | | | | Oct-2012 | \$ 5,810 | \$ 1.74 | \$ 69,717 | \$ 20.87 | NNN |
| | | | | | | Oct-2013 | \$ 5,984 | \$ 1.79 | \$ 71,808 | \$ 21.49 | NNN |
| | | | | | | Oct-2014 | \$ 6,164 | \$ 1.84 | \$ 73,962 | \$ 22.14 | NNN |
| | | | | | | Oct-2015 | \$ 6,348 | \$ 1.90 | \$ 76,181 | \$ 22.80 | NNN |
| 207 | Retailer | 1,674 | 10.51% | Sep-2011 | Aug-2012 | Sep-2011 | \$ 1,674 | \$ 1.00 | \$ 20,088 | \$ 12.00 | NNN |
| | | | | | | Sep-2012 | \$ 1,724 | \$ 1.03 | \$ 20,691 | \$ 12.36 | NNN |
| 209 | Cocary Restaurant | 3,348 | 21.02% | Nov-2004 | Dec-2014 | Current | \$ 4,797 | \$ 1.43 | \$ 57,567 | \$ 17.23 | NNN |
| | | | | | | Jan-2012 | \$ 4,941 | \$ 1.48 | \$ 59,294 | \$ 17.75 | NNN |
| | | | | | | Jan-2013 | \$ 5,089 | \$ 1.52 | \$ 61,072 | \$ 18.28 | NNN |
| | | | | | | Jan-2014 | \$ 5,242 | \$ 1.57 | \$ 62,905 | \$ 18.83 | NNN |
| 211 | \$1 Mart | 3,844 | 24.14% | May-2005 | Dec-2014 | Current | \$ 4,455 | \$ 1.16 | \$ 53,460 | \$ 13.91 | NNN |
| | | | | | | Jan-2012 | \$ 4,589 | \$ 1.19 | \$ 55,064 | \$ 14.32 | NNN |
| | | | | | | Jan-2013 | \$ 4,589 | \$ 1.19 | \$ 55,068 | \$ 14.33 | NNN |
| | | | | | | Jan-2014 | \$ 4,727 | \$ 1.23 | \$ 56,720 | \$ 14.76 | NNN |
| 213 | Auto Genius Insurance | 1,860 | 11.68% | Dec-2004 | Nov-2015 | Current | \$ 2,300 | \$ 1.24 | \$ 27,600 | \$ 14.84 | NNN |
| | | | | | | Dec-2012 | \$ 2,369 | \$ 1.27 | \$ 28,428 | \$ 15.28 | NNN |
| | | | | | | Dec-2013 | \$ 2,440 | \$ 1.31 | \$ 29,281 | \$ 15.74 | NNN |
| | | | | | | Dec-2014 | \$ 2,513 | \$ 1.35 | \$ 30,159 | \$ 16.21 | NNN |
| | | | | | | Dec-2015 | \$ 2,589 | \$ 1.39 | \$ 31,064 | \$ 16.70 | NNN |
| 215 | Staffing Agency | 1,860 | 11.68% | Sep-2011 | Aug-2012 | Sep-2011 | \$ 1,860 | \$ 1.00 | \$ 22,320 | \$ 12.00 | NNN |
| | | | | | | Sep-2012 | \$ 1,916 | \$ 1.03 | \$ 22,990 | \$ 12.36 | NNN |
| Totals / Averages | | 15,927 | | | | | \$ 20,402 | \$ 1.43 | \$ 244,827 | \$ 17.18 | |

Sales Comparables

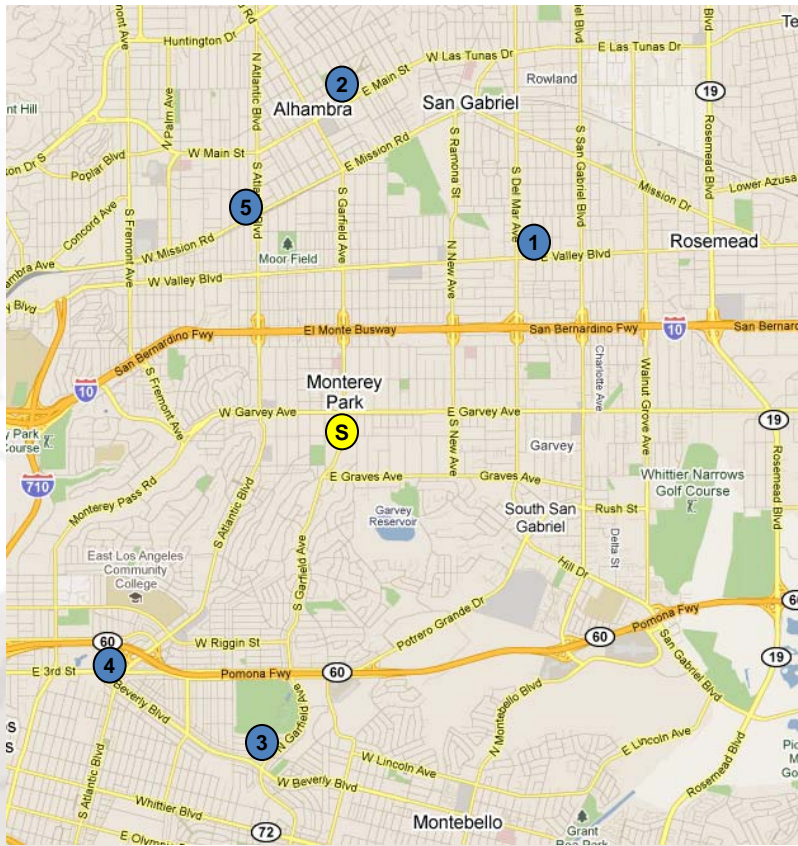
GARFIELD CENTER



| | Property Address | Sales Price | Bldg SF | \$/SF Bldg | Cap Rate | Sale Date |
|-----------------|--|--------------------|---------------|--------------|-------------|---------------|
| 1 | 2120-2150 S. Fremont Ave., Alhambra CA | \$4,680,000 | 14,116 | \$332 | 7.00% | Active |
| 2 | 1540 S. Del Mar Ave., San Gabriel, CA | \$7,380,000 | 20,000 | \$393 | N/A | Active |
| 3 | 7540 Garvey Ave., Rosemead, CA | \$4,495,000 | 10,377 | \$433 | 4.70% | Active |
| 4 | 2121 W. Main St., Alhambra, CA | \$9,296,500 | 17,315 | \$537 | 7.50% | Active |
| 5 | 1234 S. Garfield Ave., Alhambra, CA | \$5,397,052 | 12,000 | \$450 | N/A | 8/11 |
| AVERAGES | | \$6,249,710 | 14,762 | \$423 | 6.4% | |
| S | SUBJECT | \$4,980,000 | 15,927 | \$313 | N/A | Active |

Rent Comparables

GARFIELD CENTER



| | Property Address | Monthly Rent | Space (SF) | Rent/SF | Type | Sign Date |
|-----------------|---------------------------------------|----------------|--------------|---------------|----------------------|-----------|
| 1 | 311 E. Valley Blvd., San Gabriel, CA | \$1,106 | 632 | \$1.75 | Retail | Jul-10 |
| 2 | 349-401 E. Main St., Alhambra, CA | \$6,300 | 4,200 | \$1.50 | Retail | Sep-10 |
| 3 | 2900 W. Beverly Blvd., Montebello, CA | \$2,037 | 1,164 | \$1.75 | Retail | Feb-11 |
| 4 | 5161 Pomona Blvd., Los Angeles, CA | \$1,500 | 1000 | \$1.50 | Retail | Mar-10 |
| 5 | 429 S. Atlantic Blvd., Alhambra, CA | \$6,750 | 3,000 | \$2.25 | Office | May-11 |
| AVERAGES | | \$3,539 | 1,999 | \$1.75 | | |
| S | SUBJECT (Unit 207) | \$2,930 | 1,674 | \$1.75 | Retail/Office | |

Cash Flow Assumptions

GARFIELD CENTER

Timing & Inflation

| | |
|-------------------------|--------------------------------------|
| Reporting Period: | January 1, 2011 to December 31, 2020 |
| General Inflation Rate: | 3.00% |

Property Size & Occupancy

| | |
|------------------------------|-------------------------------|
| Property Size: | 15,927 Square Feet |
| Number of rent roll tenants: | 5 |
| Credit & Collection Loss | 5% of Potential Gross Revenue |

Debt Financing

| | |
|--------------------------------|---|
| Loan-to-Value Ratio (LTV): | 55% |
| Beginning Principal Balance: | \$2,739,000 |
| Loan Option: | 10-Year Fixed, 30 Year Amortization |
| Interest Rate: | 5.75% |
| <i>Alternative Loan Option</i> | <i>5-Year Fixed, 30-Year Amortization</i> |
| <i>Interest Rate:</i> | <i>4.50%</i> |

Property Purchase & Potential Resale

| | |
|--------------------------|------------|
| Asking Price: | BEST OFFER |
| Commission/Closing Cost: | 6% |

Projections

| | |
|------------------------------|-------------|
| Sales Price (10th Year): | \$8,705,317 |
| Future Cap Rate Assumption: | 6% |
| Leveraged IRR (10th Year): | 15.07% |
| Unleveraged IRR (10th Year): | 11.65% |

Cash Flow Projections

GARFIELD CENTER

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| For the Years Ending | Dec-2011 | Dec-2012 | Dec-2013 | Dec-2014 | Dec-2015 | Dec-2016 | Dec-2017 | Dec-2018 | Dec-2019 | Dec-2020 |
| Potential Gross Revenue | | | | | | | | | | |
| Base Rental Revenue | \$271,209 | \$279,345 | \$287,726 | \$296,357 | \$477,810 | \$492,144 | \$506,909 | \$522,116 | \$537,779 | \$553,913 |
| Absorption & Turnover Vacancy | 0 | (3,631) | 0 | (8,891) | 0 | (3,593) | 0 | 0 | 0 | 0 |
| Scheduled Base Rental Revenue | 271,209 | 275,714 | 287,726 | 287,467 | 477,810 | 488,552 | 506,909 | 522,116 | 537,779 | 553,913 |
| Expense Reimbursement Revenue | | | | | | | | | | |
| Utilities | 4,027 | 4,148 | 4,272 | 4,400 | 4,532 | 4,668 | 4,808 | 4,953 | 5,101 | 5,254 |
| Repairs & Maintenance | 15,905 | 16,382 | 16,874 | 17,380 | 17,901 | 18,438 | 18,991 | 19,561 | 20,148 | 20,752 |
| General & Administrative | 10,200 | 10,506 | 10,821 | 11,146 | 11,480 | 11,825 | 12,179 | 12,545 | 12,921 | 13,309 |
| Insurance | 3,721 | 3,833 | 3,948 | 4,066 | 4,188 | 4,314 | 4,443 | 4,576 | 4,714 | 4,855 |
| Property Tax | 28,272 | 28,837 | 29,414 | 30,002 | 30,603 | 31,215 | 31,839 | 32,476 | 33,125 | 33,788 |
| Total Reimbursement Revenue | 62,125 | 63,706 | 65,329 | 66,995 | 68,704 | 70,459 | 72,261 | 74,111 | 76,009 | 77,958 |
| Total Potential Gross Revenue | 333,334 | 339,420 | 353,054 | 354,461 | 546,514 | 559,011 | 579,170 | 596,226 | 613,788 | 631,871 |
| Collection Loss | (16,667) | (16,971) | (17,653) | (17,723) | (27,326) | (27,951) | (28,958) | (29,811) | (30,689) | (31,594) |
| Effective Gross Revenue | 316,667 | 322,449 | 335,402 | 336,738 | 519,189 | 531,061 | 550,211 | 566,415 | 583,099 | 600,277 |
| Operating Expenses | | | | | | | | | | |
| Common Area Maintenance | 30,132 | 31,036 | 31,967 | 32,926 | 33,914 | 34,931 | 35,979 | 37,059 | 38,170 | 39,315 |
| Insurance | 3,721 | 3,833 | 3,948 | 4,066 | 4,188 | 4,314 | 4,443 | 4,576 | 4,714 | 4,855 |
| Property Tax | 28,272 | 28,837 | 29,414 | 30,002 | 30,603 | 31,215 | 31,839 | 32,476 | 33,125 | 33,788 |
| Owner's Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Operating Expenses | 62,125 | 63,706 | 65,329 | 66,995 | 68,704 | 70,459 | 72,261 | 74,111 | 76,009 | 77,958 |
| Net Operating Income | 254,542 | 258,743 | 270,073 | 269,744 | 450,484 | 460,601 | 477,950 | 492,305 | 507,090 | 522,319 |
| Debt Service | | | | | | | | | | |
| Interest Payments | 157,493 | 155,410 | 153,209 | 150,880 | 148,418 | 145,814 | 143,061 | 140,149 | 137,069 | 133,813 |
| Principal Payments | 36,210 | 38,292 | 40,493 | 42,822 | 45,284 | 47,888 | 50,641 | 53,553 | 56,633 | 59,889 |
| Origination Points & Fees | 27,390 | | | | | | | | | |
| Total Debt Service | 221,093 | 193,702 | 193,702 | 193,702 | 193,702 | 193,702 | 193,702 | 193,702 | 193,702 | 193,702 |
| Cash Flow After Debt Service | \$33,449 | \$65,041 | \$76,371 | \$76,042 | \$256,782 | \$266,899 | \$284,248 | \$298,603 | \$313,388 | \$328,617 |
| But Before Taxes | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

Our Company

STC Management has been creating value for clients through managing, leasing and brokering real estate investments for over 20 years. Incorporated under Sung Tien Corporation and established in 1985, STC Management believes that good deeds bring good luck and harmonious results; "Sung Tien" is a Chinese saying that means "harmony with Heaven".

Our Team

We are a group of hard-working, motivated, and experienced real estate enthusiasts who pride ourselves in developing valuable long term partnership with our clients. Our dedicated professionals believe in enriching ourselves with continuing education, experience, fair dealings and ethical conduct at all times. Because we truly care about our clients' real estate investments as though we are the property owners, we manage every task with heart, and provide close attention and dedication to our managed portfolio.

All of our Leasing Managers are California licensed brokers with a minimum of two years of professional property management experience and three years of leasing experience with STC Management. A Certified Commercial Investment Member (CCIM) directly supervises and supports to our Leasing Team Members.

Our Work

We pride ourselves in the collaborative effort among our extensive team of professionals, which includes an in-house accounting department, independent contractors, property managers, property supervisors, property assistants, leasing team, brokerage team, marketing department, information system team, and back office support.

We are affiliated with professional networks such as ICSC, CCIM, AIR, IREM, AOA, MRMLS, NAR, CoSTAR, LoopNet, and CAR. These affiliations open up opportunities and resources that allow for creative control in putting together an effective tenant mix. Together, our network of resources strengthens our ability to serve the diverse needs of our clients.

