

Garfield Medical Plaza

103 N. Garfield Avenue, Alhambra, CA 91801



IMPROVING
OUR COMMUNITIES
ONE PROPERTY
AT A TIME
*We understand
We care*

OFFERING MEMORANDUM

MEDICAL OFFICE INVESTMENT OPPORTUNITY



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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.

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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.

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INVESTMENT SUMMARY

Offering Price	Best Offer
NOI (Projected)	\$165,558
Leasable Area	10,500 SF
Building Area	11,224 SF
Land Area	14,998 SF
Ownership	Fee Simple
Year Built	1990
Parking	21 spaces, plus free public parking in back lot



Stable Income Property Ideal for 1031 Exchange

- **100% Leased** with well-known, **long term medical tenants** who have **thriving** businesses

Highly Maintained

- The property has been managed and leased by current ownership, providing the utmost care to the property and the tenants
- **One of the newest** buildings in the surrounding area
- No deferred maintenance
- Equipped with an **elevator**

High Identity, High Traffic Location

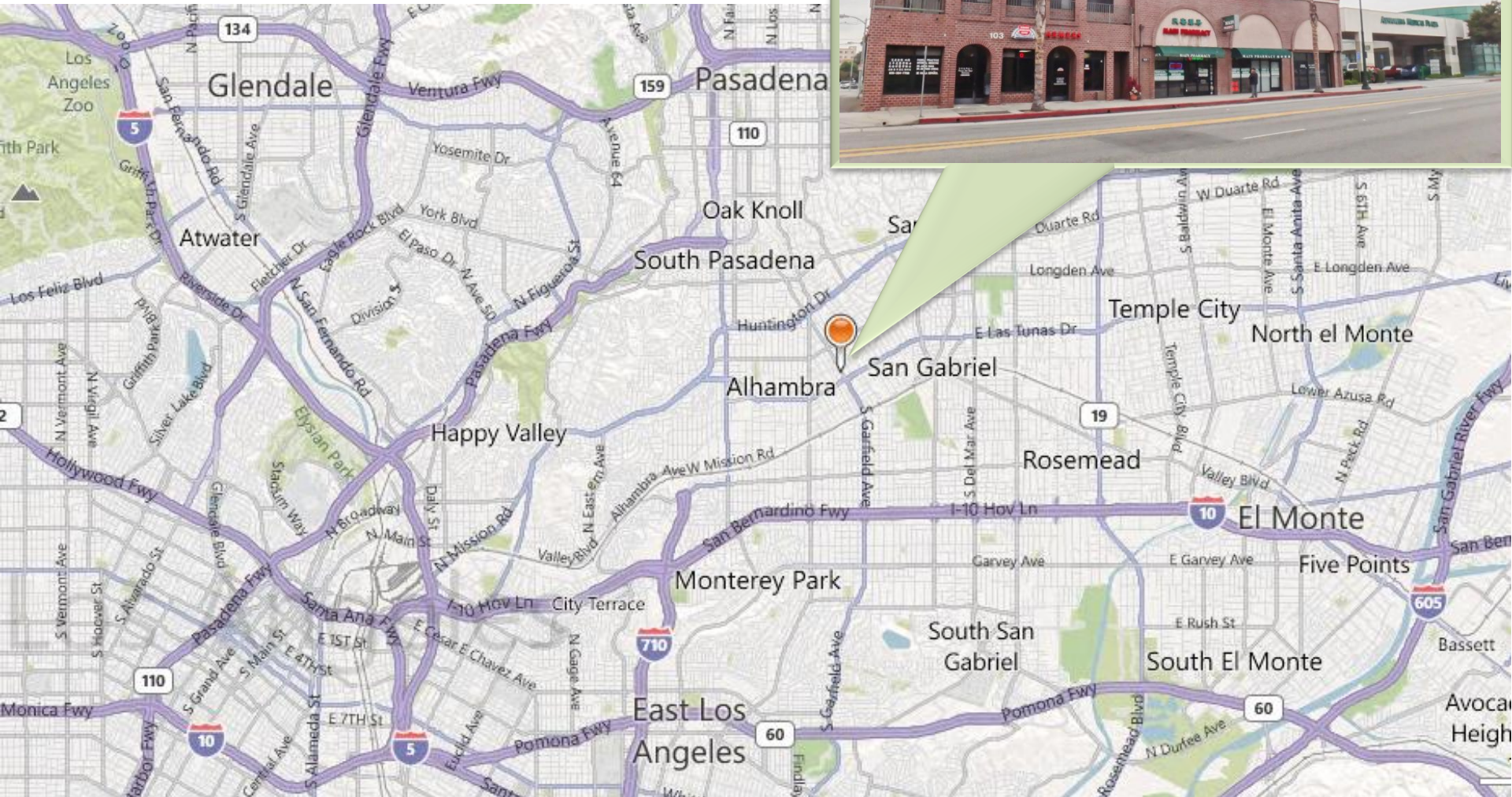
- Ideal Location on **Garfield Corridor** (comprised of new medical and professional office facilities) and by **Main Street Corridor** (comprised of numerous restaurants, retail, service and entertainment venues, as well as the Auto Row)
- **Excellent street frontage** along Garfield Ave., one of the major thoroughfares of San Gabriel
- Located within one mile of Alhambra Hospital Medical Center

Mature, Infill Demographics

- 1 Mile: **44,868 people** / Average Household Income **\$60,943**
- 3 Mile: **273,621 people** / Average household **\$74,462**
- 5 Mile: **720,913 people** / Average Household **\$70,873**

PROPERTY LOCATION

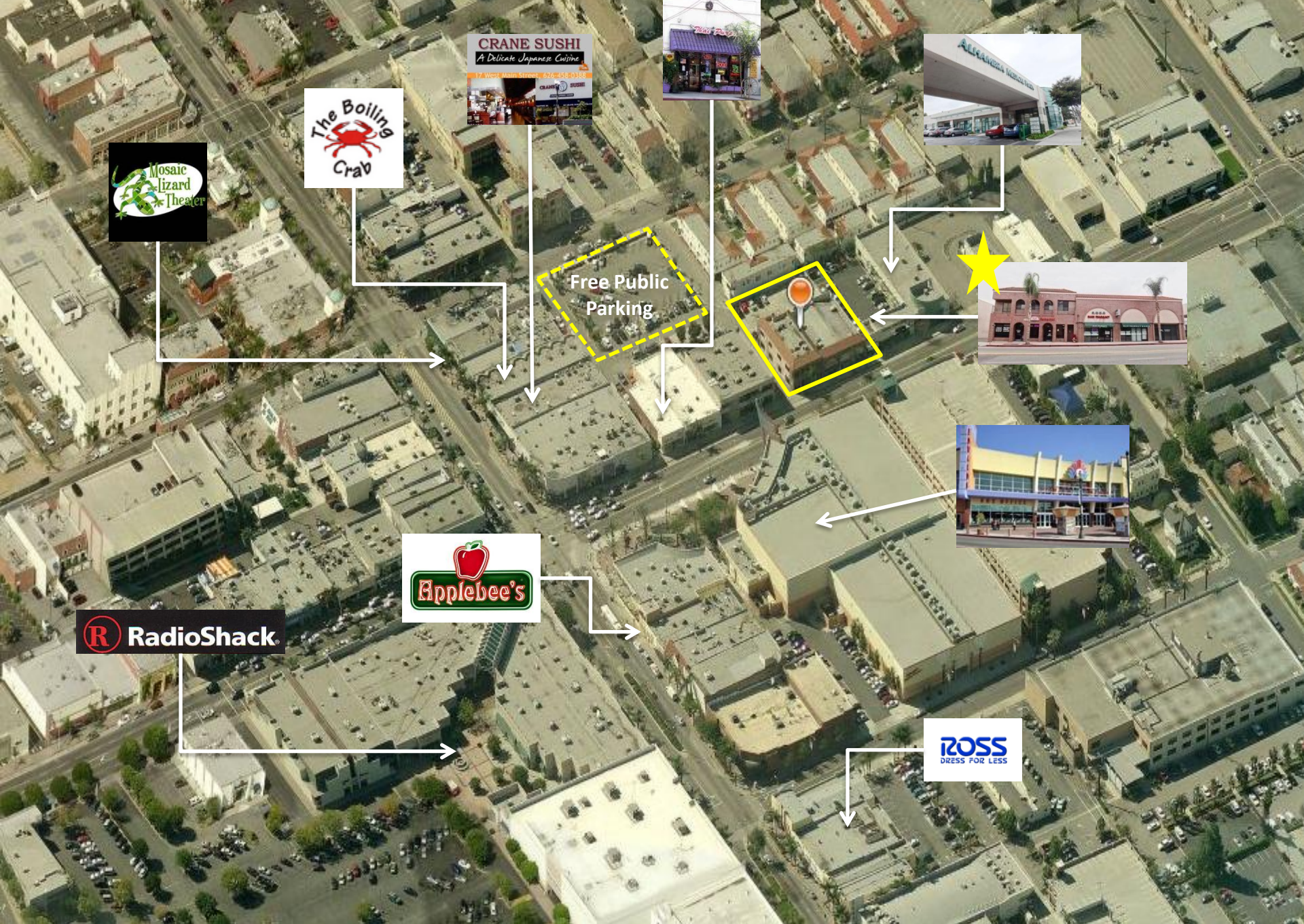
103 N. Garfield Avenue
Alhambra, CA 91801



PROPERTY DESCRIPTION

APN	5337-019-021
Address	103 N. Garfield Ave. Alhambra, CA 91801
Zoning	ALCBD/DRD
Number of Stories	Two
Parking	21 spaces, plus free public parking in back lot





GARFIELD CORRIDOR

Garfield Avenue has increasingly become the site of new medical and professional office facilities. The magnitude of expansion of is exemplified by the highly visible Pacific Orthopedic & Medical Center at 701 S. Garfield Ave. (near the corner of Mission & Garfield). The Medical Center includes the Pacific Orthopedic Medical Group (and their Rehabilitation Department), Pacific Ambulatory Surgical Center, Central Hematology Oncology Medical Group, Pacific Medical Imaging & Oncology Center, Alhambra Medical Plaza, and Alhambra Pacific Pharmacy.



MAIN STREET CORRIDOR



The intersection of Main and Garfield has been a center of commerce since 1895. By the 1950s, Main Street had taken on the upscale look of Wilshire Boulevard's Miracle Mile and was the "in" place in the San Gabriel Valley. In recent years, the City of Alhambra has won several redevelopment awards from the California Redevelopment Association for its work on Main Street. The District is home to a variety of opportunities, including:

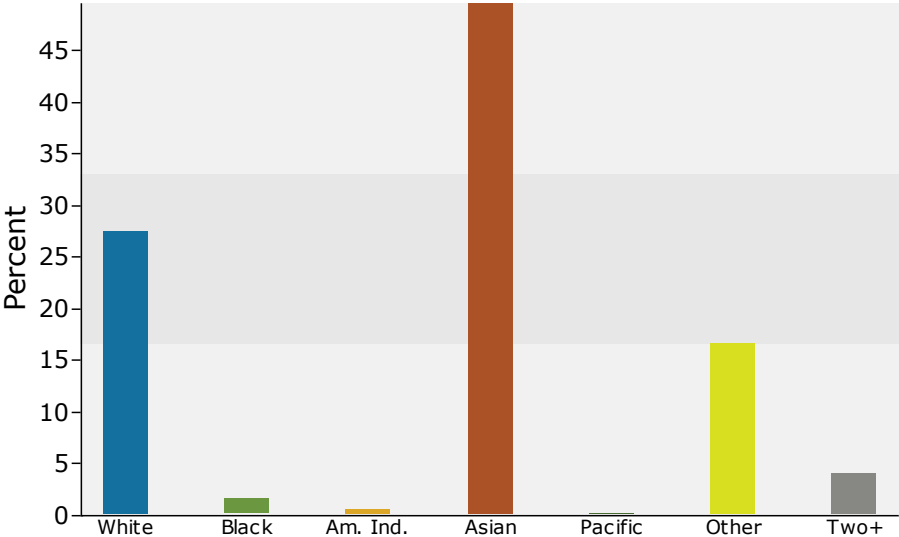
- ❖ Dining
- ❖ Entertainment
- ❖ Retail (big box and small retailers)
- ❖ Mixed-use facilities/retail plazas
- ❖ Alhambra Auto Row district
- ❖ West Main Street Corridor



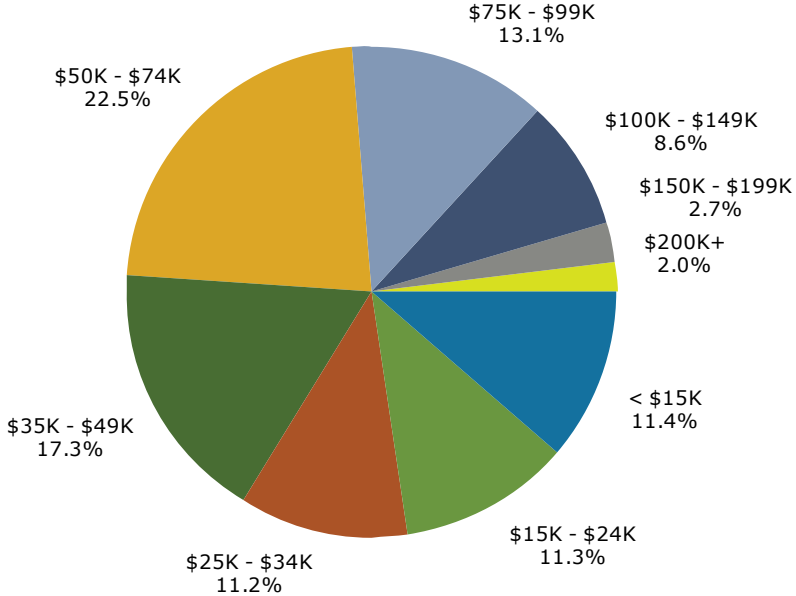
DEMOGRAPHICS



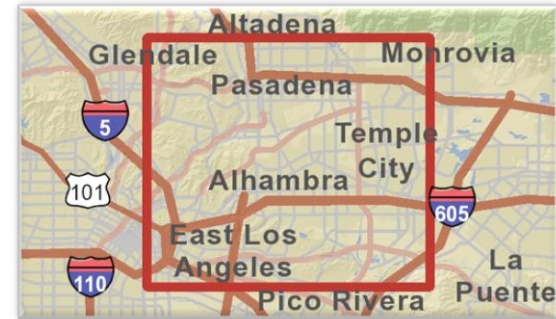
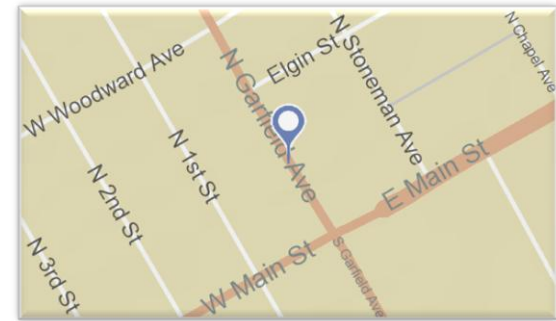
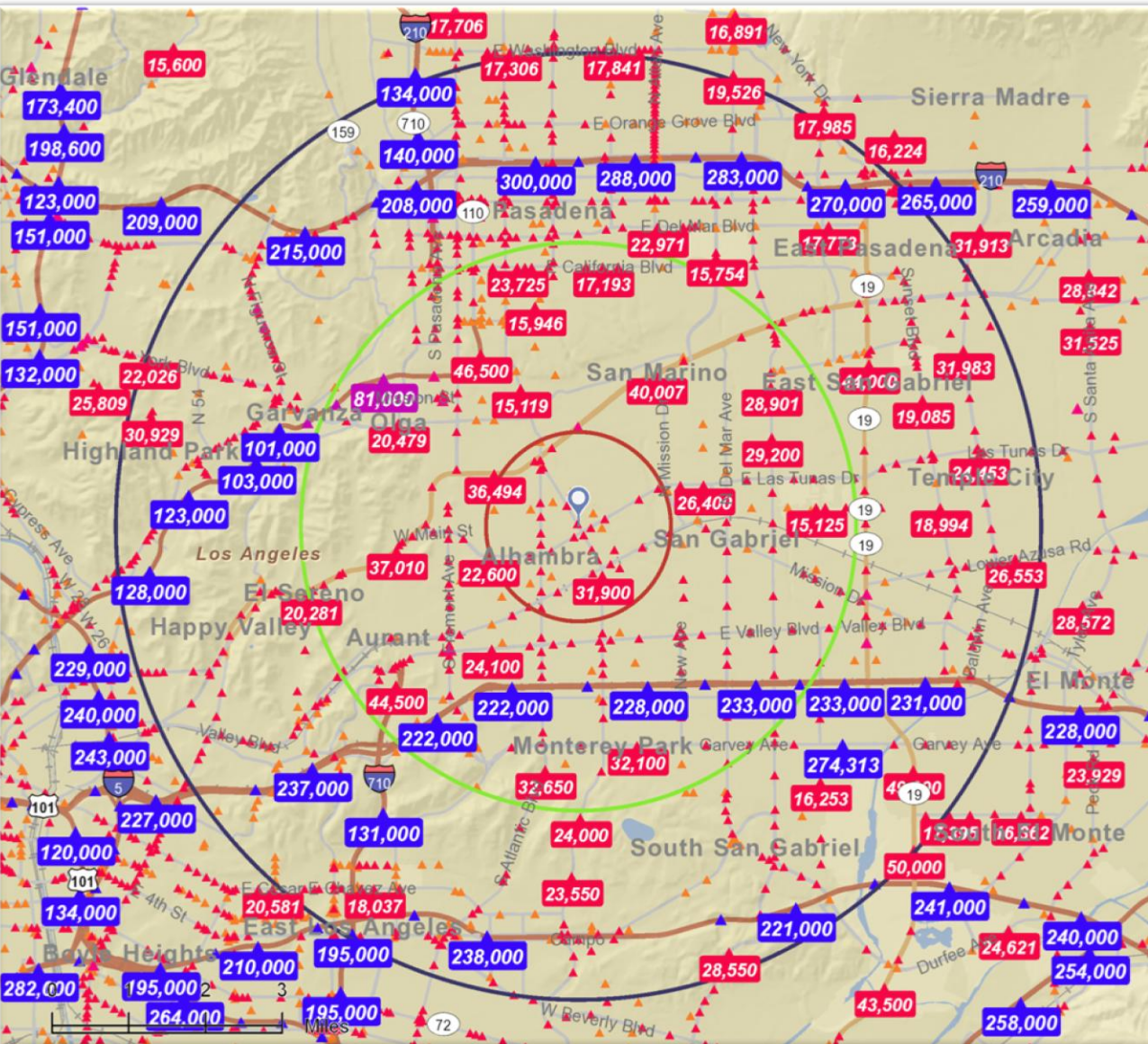
2010 Population by Race



2010 Household Income



TRAFFIC COUNT



- 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

RENT ROLL

Suite	Tenant Name	Square Feet	Pro-Rata	Lease Start	Lease Expiration	Recovery Type
A	Allen Yung MD	3,300	31.43%	Apr-03	Apr-12	MG
				May - 2013 (Option)		MG
				May - 2014 (Option)		MG
B	James Wang Do	1,426	13.58%	Sep-06	Oct-12	MG
C	Xun Wang (Helen)	1,212	11.54%	Oct-10	Sep-13	NNN
				Oct-2013 to September 2015 (Option) Market Rent		NNN
D	Main Pharmacy	1,086	10.34%	Oct-00	Sep-12	MG
				Oct - 2013 (Option)		MG
				Oct - 2014 (Option)		MG
				Oct - 2015 (Option)		MG
E	Gustavo Nino DC	1,450	13.81%	Mar-11	Feb-14	NNN
				Mar-2014 to February 2016 (Option) Market Rent		NNN
F	Paul Hovsepian MD	2,026	19.30%	May-10	Apr-13	MG
Totals / Averages		10,500				

CASH FLOW ASSUMPTIONS

Timing & Inflation

Reporting Period:	January 1, 2011 to December 31, 2020
Inflation Month:	Analysis Start
General Inflation Rate:	3.00%

Property Size & Occupancy

Property Size:	10,434 Square Feet
Number of rent roll tenants:	6
General Vacancy	3% of Potential Gross Revenue
Credit & Collection Loss	3% of Potential Gross Revenue

Debt Financing

Number of Notes:	1
Beginning Principal Balance:	\$1,886,000
Average Year 1 Interest Rate:	5.50%

Property Purchase & Resale

Purchase Price:	\$3,900,000
Initial Equity:	\$2,014,000
Resale Method:	Income Capitalization
Disposition Cap Rate:	5.00%
Commission/Closing Cost:	3% of Disposition price
Net Cash Flow from Sale:	\$4,369,977

IRR

Discount Method:	Annually
Unleveraged Discount Rate:	5.00%
Unleveraged Annual IRR:	8.85%
Leveraged Discount Rate:	5.00%
Leveraged Annual IRR:	10.80%

CASH FLOW PROJECTIONS

	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-2012	Dec-2013	Dec-2014	Dec-2015	Dec-2016	Dec-2017	Dec-2018	Dec-2019	Dec-2020	Dec-2021
Potential Gross Revenue										
Base Rental Revenue	\$202,435	\$213,171	\$222,110	\$227,562	\$248,274	\$260,835	\$283,170	\$294,497	\$306,277	\$318,528
Scheduled Base Rental Revenue	202,435	213,171	222,110	227,562	248,274	260,835	283,170	294,497	306,277	318,528
Expense Reimbursement Revenue										
CAM	10,389	10,701	11,022	27,900	45,029	51,900	53,457	55,061	56,713	58,414
Total Reimbursement Revenue	10,389	10,701	11,022	27,900	45,029	51,900	53,457	55,061	56,713	58,414
Total Potential Gross Revenue	202,435	213,171	222,110	227,562	248,274	260,835	283,170	294,497	306,277	318,528
General Vacancy										
Collection Loss	-6,069	-6,073	-6,395	-6,663	-6,827	-7,448	-7,825	-8,495	-8,835	-9,188
Effective Gross Revenue	212,824	223,872	233,132	255,462	293,303	312,735	336,627	349,558	362,990	376,942
Operating Expenses										
CAM	30,218	31,125	32,058	33,020	34,011	35,031	36,082	37,164	38,279	39,428
Insurance	1,533	1,564	1,595	1,627	1,659	1,693	1,726	1,761	1,796	1,832
Property Tax	15,515	15,825	16,142	16,465	16,794	17,130	17,472	17,822	18,178	18,542
Owner's Expense	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	47,266	48,514	49,795	51,111	52,464	53,853	55,281	56,747	58,254	59,802
Net Operating Income	165,558	175,359	183,337	204,351	240,839	258,882	281,346	292,811	304,736	317,140
Debt Service										
Interest Payments	103,041	101,609	100,096	98,497	96,809	95,025	93,140	91,149	89,046	86,824
Principal Payments	25,393	26,825	28,338	29,937	31,625	33,409	35,294	37,285	39,388	41,610
Origination Points & Fees	18,850									
Total Debt Service	147,284	128,434	128,434	128,434	128,434	128,434	128,434	128,434	128,434	128,434
Cash Flow After Debt Service	\$18,274	\$46,925	\$54,903	\$75,917	\$112,405	\$130,448	\$152,912	\$164,377	\$176,302	\$188,706
But Before Taxes	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====



STC

**資產管理
MANAGEMENT**

Lic. No. 01299442



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 the 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 our 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, CAR, etc. that open up opportunities and resources that allow for creative control in putting together an effective tenant mix.

STC proprietary systems possess information on local and international businesses. The Leasing Management System (LMS) documents our existing relations with current tenants and is also a client management system for the leasing division – effectively bringing together tenants and vacant spaces. For existing tenants, we use the Business Marketing System (BMS) to strengthen their businesses through advertising campaigns using our established consumer database.