

701 E SAN YSIDRO BLVD,
SAN YSIDRO, CA 92173

GATEWAY PARKING DEVELOPMENT OPPORTUNITY



CUSHMAN &
WAKEFIELD



INVESTMENT ADVISORS

JOSEPH LISING

Managing Director
Irvine Office
+1 949 372 4898 Direct
+1 949 474 0405 Fax
joseph.lising@cushwake.com
Lic. 01248258

MATTHEW GODMAN

Associate
Irvine Office
+1 772 200 5554 Direct
+1 949 474 0405 Fax
matthew.godman@cushwake.com

RICHARD SALINAS

Brokerage Coordinator
Irvine Office
+1 949 372 4887
richard.salinas@cushwake.com

CONFIDENTIALITY AGREEMENT

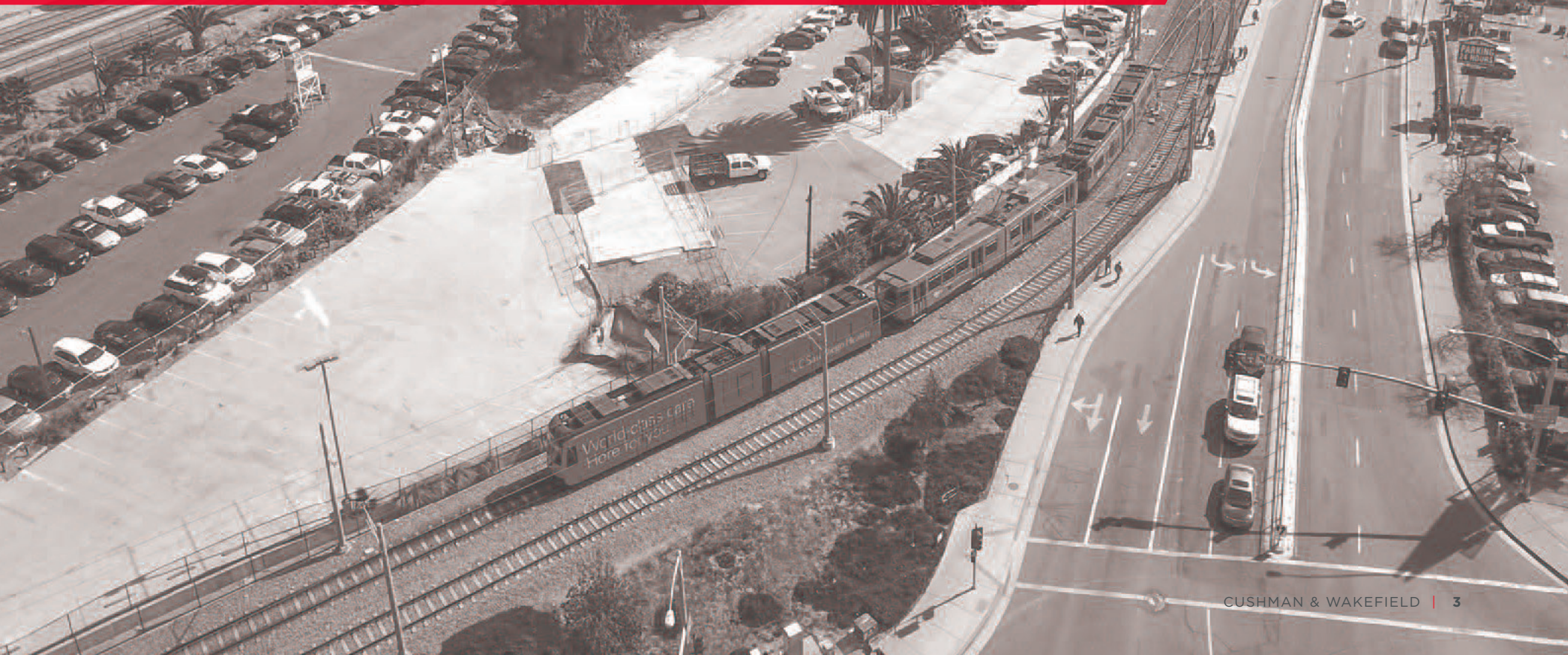
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EXECUTIVE SUMMARY

Cushman & Wakefield is pleased to present an exclusive opportunity to purchase an approved parking lot, located in San Ysidro, California. The property was formerly utilized as a motel but has been permitted and scraped as a potential site for development. The property is located just North of the U.S. Customs and Border Protection facilities, next to the San Diego trolley station.

Viewing by Appointment Only - Please Do Not Disturb Tenant





INVESTMENT SUMMARY

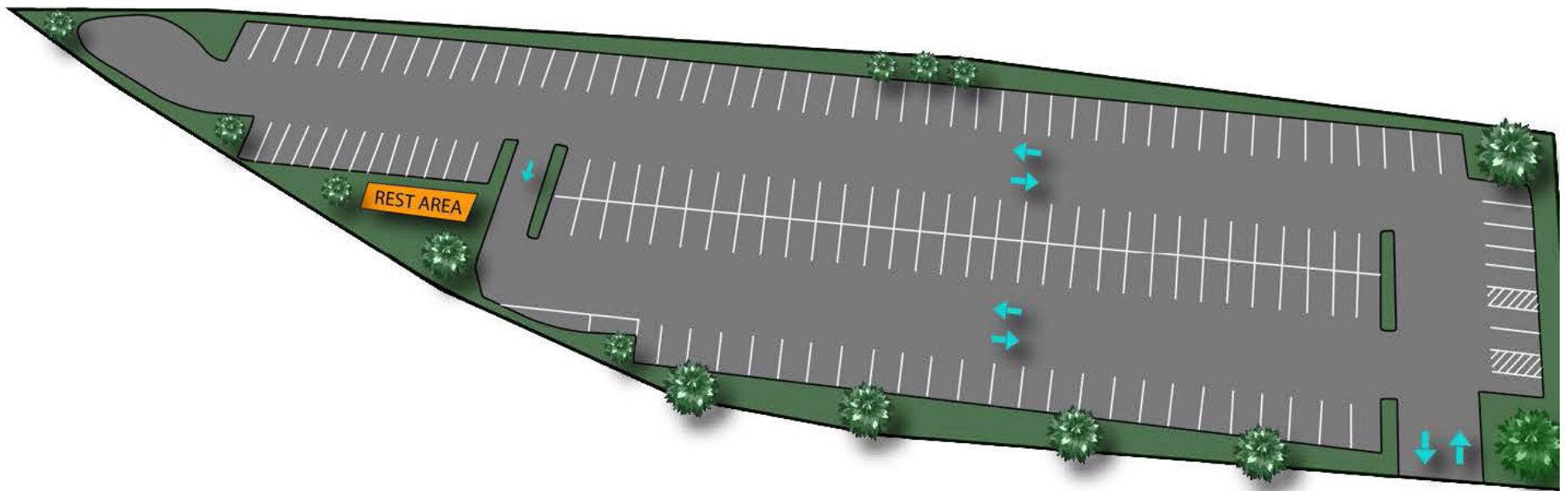
Address	701 E San Ysidro Blvd San Ysidro, CA 92173
Parcel	667-020-64-00
List Price	\$7,900,000
Pro Forma Cap Rate	10.59%*
Lot Size	1.38 AC (60,112 SF)
Current Use	Parking Lot
Parking Surface	Asphalt

* Financial Projections Provided Upon Request

- Rare opportunity to acquire a 156 space development site unanimously approved by San Ysidro Community Planning Group
- Property to be delivered as vacant & scraped parcel - currently utilized as a paid parking lot
- Large Parcel located next to the busiest Port of Entry and the U.S. Border and Customs facilities
- Located within an infill area South of Camino de la Plaza exit from I-5
- Adjacent to one of the few high volume Jack-in-the-Box locations nationally where the restaurant portion is open 24 hours.

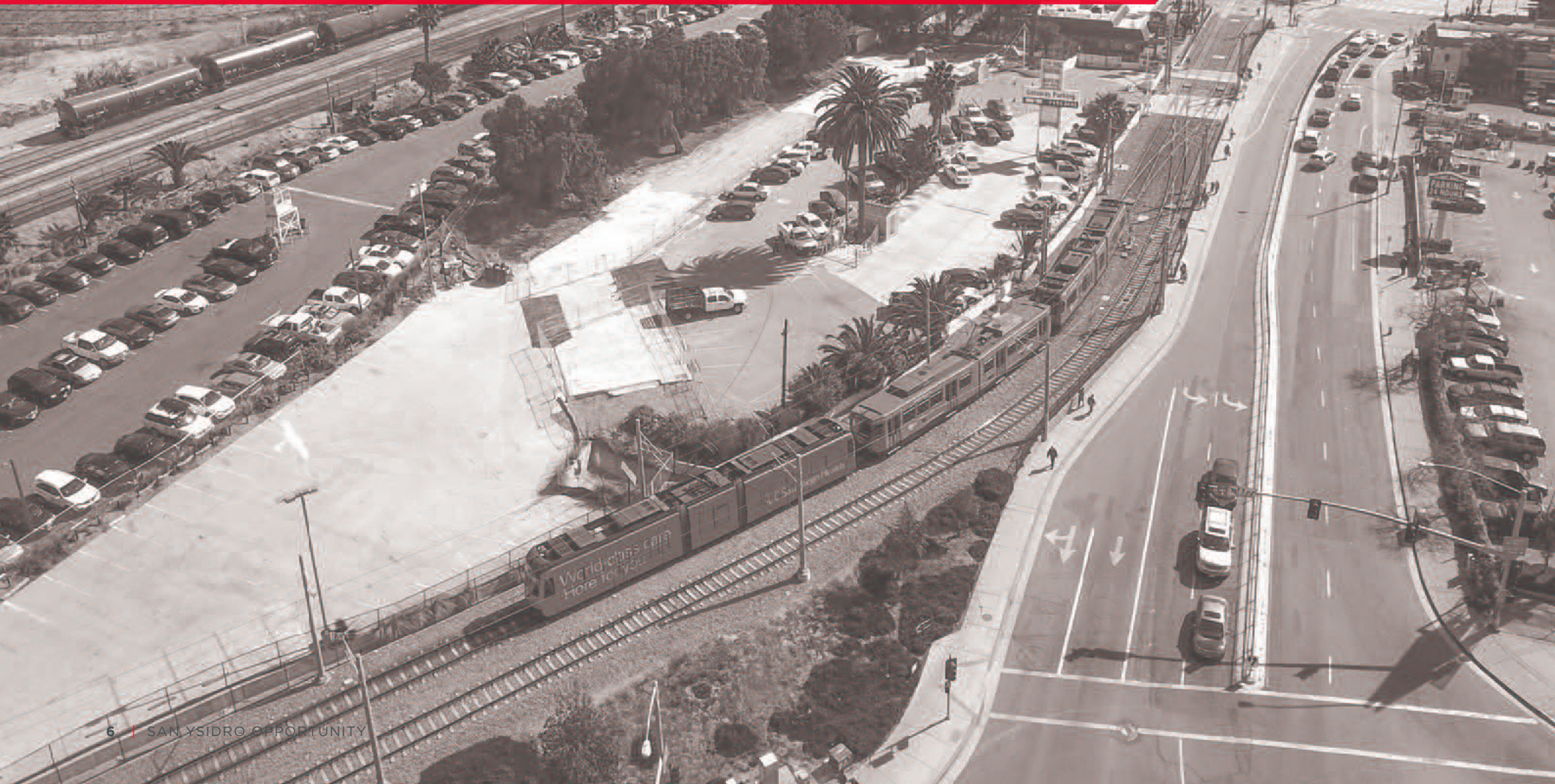
PROPERTY DETAILS

The subject property has been given unanimous approval by the San Ysidro community planning, to be utilized as a parking lot - this is a potential outcome of the real estate. The landlord has provided the below conceptual plan demonstrating that approximately 156 parking stalls may be created through redeveloping the site, creating a single point of entry along Beyer Boulevard, and reconfiguring the layout of the parking lot to accommodate the increased stall count.



SAN YSIDRO PORT OF ENTRY

Located in the southernmost point of California, the San Ysidro Port of Entry in San Diego County is known as the Gateway to the Americas. This is both the largest and the busiest land border crossing in the world, with over 70,000 vehicles and 20,000 pedestrians crossing each day. Over the years, there has been approximately \$625 million invested into the Port of Entry to do a complete overhaul which was organized into three phases. The total project is estimated to be completed by the year 2019.



SAN YSIDRO PORT OF ENTRY



Location	701 E San Ysidro Blvd San Ysidro, CA 92173
GLA	402,754 SF
Project Area	50 Acres
Total Project Cost	\$741 Million
Funding Status	
Phase 1:	Fully Funded
Phase 1:	Fully Funded
Phase 1:	Fully Funded

PROJECT PHASING COMPLETION SCHEDULE		
Phase 1A	Pedestrian Bridge	April 2011
Phase 1B	Northbound Vehicular Inspection	December 2014
Phase 1C	Southbound Vehicular Inspection	August 2012
Phase 1D	PedWest	July 2016
Phase 1E	Virginia Ave Transit Center	July 2016
Phase 2	Administration & Pedestrian Building	Summer 2019
Phase 3	I-5 North & Southbound Inspection Facilities	Summer 2019

The San Ysidro Land Port of Entry (LPOE) is the busiest land border crossing in the Western Hemisphere; currently processing an average of 70,000 northbound vehicle passengers and 20,000 northbound pedestrians per day. The San Diego Association of Governments (SANDAG) projects an 87% increase in vehicle traffic in San Ysidro by the year 2030. To accommodate that growth and to better meet the changing needs of the tenant agencies and the traveling public, GSA is conducting a complete reconfiguration and expansion of the port.

The scope includes the demolition and construction of the LPOE, including primary and secondary inspection areas, administration and pedestrian buildings, and all other support structures. The project will expand pedestrian processing facilities including a new pedestrian crossing on the east side of the LPOE that will connect with a new multimodal transportation hub in Mexico and expanded northbound inspection facilities. Additionally, there will be a new bi-directional crossing at El Chaparral/Virginia Avenue with an associated transit center. Once all three phases are complete, the new port will boast 62 northbound vehicle primary inspection booths, one dedicated bus lane and inspection booth spread over 34 lanes, as well as improved processing facilities for bus and Secure Electronic Network for Travelers Rapid Inspection (SENTRI) travelers. The LPOE will have over 110,000 square feet of new primary and secondary vehicle inspection canopy utilizing state-of-the-art materials that will both conserve and produce energy. In addition, a portion of the Interstate 5 South freeway will be realigned and expanded from the current five lanes to ten lanes which will connect to Mexico's new El Chaparral facility. A corresponding southbound inspection canopy will be constructed to support the U.S. Customs and Border Protection's (CBP) southbound vehicle inspection efforts.

GSA recently collaborated with local agencies to develop the additional pedestrian improvements on the west side of the port and is constructing a bidirectional pedestrian crossing (PedWest) and the Virginia Avenue Transit Center (VATC). PedWest includes ten northbound and two reversible pedestrian processing lanes and serves the traveling public crossing into the U.S. from Mexico's El Chaparral Inspection Station. The VATC accommodates taxis, buses, pedicabs and privately owned vehicles dropping off and picking up passengers. This transit center was jointly funded by GSA and the Caltrans District 11 using Coordinated Border Infrastructure program funds administered by Federal Highway Administration. The facility is a collaborative effort that involves the federal government, Caltrans, the city of San Diego, the San Diego Metropolitan Transit System, and SANDAG. In designing the new San Ysidro LPOE, GSA is committed to build the "Port of the Future" and strives to build a facility that is sustainable, operationally scalable, and will dramatically reduce the Port's carbon footprint, while at the same time enhancing CBP's ability to conduct their mission. With the innovative applications of energy production projects, as well as sustainable energy and water-saving features, the San Ysidro LPOE aspires to receive the Leadership in Energy and Environmental Design (LEED) Platinum certification.

SAN YSIDRO INTERMODAL TRANSPORTATION STUDY (SYITS)

Public Facility Phase Schedule



Phase I

Initial Public Facility

- ① Land acquisition
- ② Earthwork and retaining wall
- ③ Relocated LRT tracks
- ④ Expanded LRT platforms
- ⑤ Prefab retail at LRT platforms
- ⑥ Interim at-grade bus bays
- ⑦ Prefab retail at bus bays
- ⑧ Bike center
- ⑨ Streetscape of San Ysidro Blvd
- ⑩ Streetscape of plaza and PPUDO
- ⑪ Plaza-level retail (non-GSA land)



Phase II

Ultimate Public Facility

- ① Bus access and flyover
- ② At-grade car parking
- ③ Bus center and access to plaza
- ④ Station canopy
- ⑤ Plaza-level retail (GSA land)



Phase III

Private Sector Development

- ① Parking structure
- ② Street-level retail
- ③ Retail + hotel building
- ④ Prefab retail moved to station
- ⑤ Retail + office + community building
- ⑥ Future phase IV expansion
- ⑦ Private development outside project

The final San Ysidro Intermodal Transportation Study (SYITS) was accepted by the SANDAG Transportation Committee on Friday, June 20, 2014. The study identifies a concept for a potential future multimodal Intermodal Transportation Center (ITC) in the vicinity of the San Ysidro Port of Entry (POE) and includes a financial feasibility analysis and strategies for development of the ITC.

SANDAG and the City of San Diego, in collaboration with Caltrans, the Metropolitan Transit System (MTS), and the San Ysidro community, conducted a study to identify a multimodal concept for a world-class ITC in the vicinity of the San Ysidro Port of Entry (POE). A financial feasibility analysis was conducted and strategies were identified for development of the ITC.

The San Ysidro Port of Entry (POE) is reported to be the busiest international land border crossing in the world. The POE currently processes an average of 35,000 northbound vehicles and 25,000 northbound pedestrians per day and these volumes are projected to increase over time. Currently, Trolley, local and regional bus, jitney and taxi operations are located at multiple locations through the constrained area surrounding the POE.



SAN YSIDRO COMMUNITY GROUPS

San Ysidro is the most southern community in California and is known as the Gateway to the Americas because of its international border. This area is of great importance for U.S. and Mexico tourism alike. San Ysidro Port of Entry is the most visited and busiest in the world as it attracts a tremendous number of tourists from many countries. It's a great place to shop, eat and enjoy with the family.

With seven schools and a preschool, the San Ysidro School District serves more than 5,230 students. We offer a rigorous and engaging instructional program, with the strong belief that every child deserves a high-quality education that effectively prepares them for life beyond our classrooms.

Our strong commitment to increasing academic achievement for all students is evident in the wide variety of programs and services we offer. We believe that strong partnerships and collaboration with our parents, staff, teachers and broader community are key to student success.

SAN YSIDRO SCHOOLS

- Beyer Elementary
- Ocean View Hills
- Sunset Elementary
- San Ysidro Middle School
- Vista Del Mar
- Willow Elementary
- La Mirada Elementary

SAN YSIDRO COMMUNITY GROUPS

- San Ysidro Friends of the Library
- San Ysidro Planning Group
- San Ysidro Recreation Center
- Casa Familiar



The César Chávez recreational center offers soccer fields, baseball and softball fields, tennis courts, a children's play area, indoor basketball and volleyball courts, and a meeting room.



Casa Familiar was formed to organize and empower residents in an Ysidro and South San Diego to take an active role in their communities by engaging them in the civic, sustainability, and quality of life issues affecting our region.



LOCATION HIGHLIGHTS

New Pedestrian Plaza in San Ysidro Port of Entry

A new southbound pedestrian plaza at the San Ysidro Port of Entry is set to open to the public on Monday, the latest project to be completed as part of a major overhaul of the land border crossing with Mexico.

The plaza routes pedestrians onto a pathway that leads south to a crossing point with Mexico. The area is located on the southeast side of the recently opened PedEast facility and right off the San Diego Metropolitan Transit System trolley and bus station.

San Ysidro, the busiest land border crossing in the Western Hemisphere, has been undergoing a massive \$741 million modernization and expansion to process travelers quickly and securely. The port sees some 70,000 northbound vehicle passengers and 20,000 pedestrian crossers a day.

Another part of the project involves realigning part of southbound Interstate 5 into Mexico's El Chaparral Port of Entry. The construction will expand the number of southbound vehicle inspection lanes on the U.S. side from five to 10, and from 10 to 19 at El Chaparral.

More Than \$1B Has Gone Into Opening Up The Border - Here's What It's Done So Far

In the last few years, the region has expanded one port of entry, opened a cross-border airport hub and a new transit center and expanded highway infrastructure near the border. A new port of entry is in the works. Here's a rundown of the upgrades that have come online, and what we can expect to see in the near future.

The federal government and local agencies have been investing millions of dollars in recent years in border infrastructure to facilitate the flow of goods and people across the U.S.-Mexico border.

Since 2015, the region has seen an expansion of one port of entry, a new cross-border airport facility, additional highway infrastructure to access border crossings and a new transit hub to make it easier for people in San Diego to get to and from the border. By 2023, we can expect to see the expansion of two ports of entry, a new bus route from downtown to the border and a new, state-of-the-art port of entry east of the two existing ones.



TIJUANA: FROM PARTY TOWN TO TECH HUB

Today, a city that has seen it all and done it all is seeking a new identity, using its location, industrial power and young, bilingual population to position itself as a cross-border technology hub.

Tijuana has always been innovative, according to Claudio Tapia, operations manager at Sonata Services, a US IT company with offices in Asia and Mexico. Sonata's Mexican engineers augment the IT departments at big US companies including Cisco, IBM and golf club maker TaylorMade.

Planned high-end residential developments, such as the Bajalta California skyscraper complex, are wooing buyers with aspirational "Spanglish" advertising, designed to appeal on both sides of the border. One flagship innovative design in place is the airport's Cross Border Express, a purple bridge running over the border fence, allowing passengers to arrive in Mexico and disembark in the US, or park in San Diego and fly out of Tijuana.

But Tijuana has something unique. It is the closest Mexican city to Silicon Valley offering US skills at Mexican prices in California's timezone, supplied by bicultural millennials who grew up watching US TV and often cross the border daily.

The city has a big business in medical tourism, which last year pulled in about \$600m of the annual \$3.5bn spent in Mexico overall. According to Patients Beyond Borders, which publishes an annual guide to medical travel, between 200,000 and 1.1m patients come over the border every year for cut-price tummy tucks, dental work, plastic surgery, hair restoration and other procedures. Tijuana even has a dedicated medical tourism border crossing.

From the Financial Times' perspective, one success story is the innovation of the first binational airport terminal in the world, thanks to the Cross Border Xpress bridge, which connects Tijuana Airport with facilities at San Diego.



SAN YSIDRO PARKING DEFICIT

A parking assessment for the study area surrounding the subject property was provided by IBI Group. The study was done to review the existing parking supply and demand at paid parking facilities both east and west of Interstate 5. The existing parking lot surveys indicated a 44 percent weekday occupancy and 78 percent weekend occupancy - for both east and west of Interstate 5.

The off-street parking demand forecasts were then developed using the following factors:

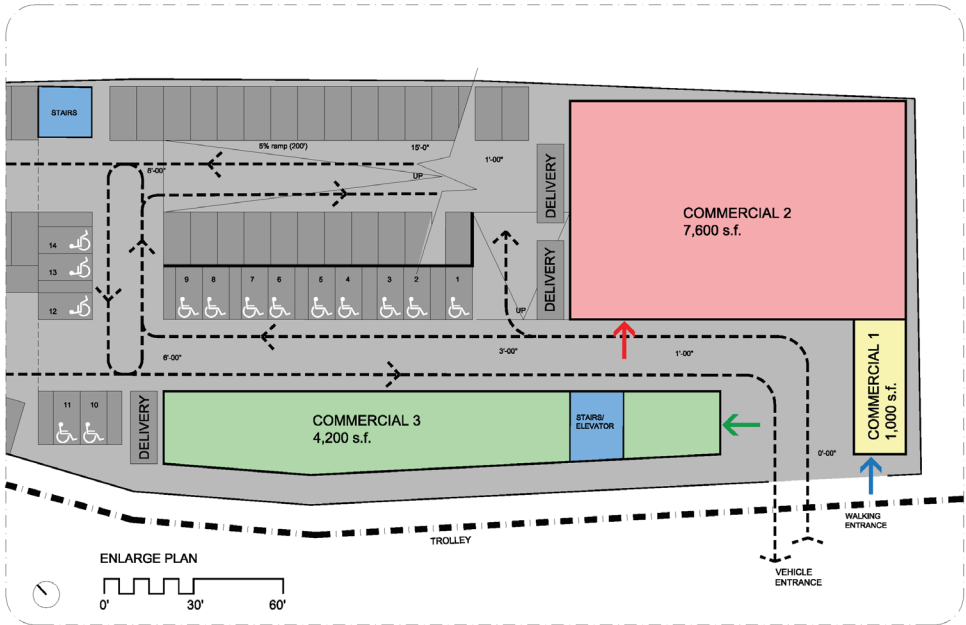
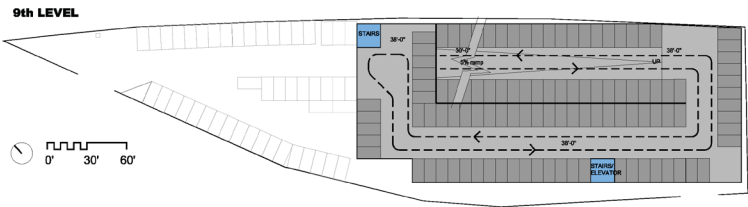
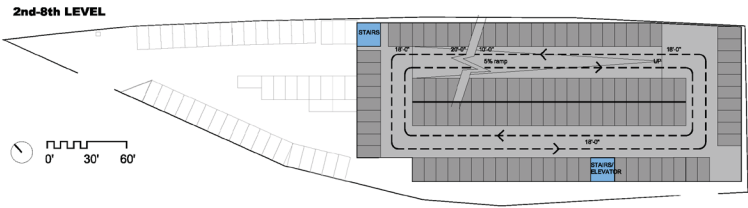
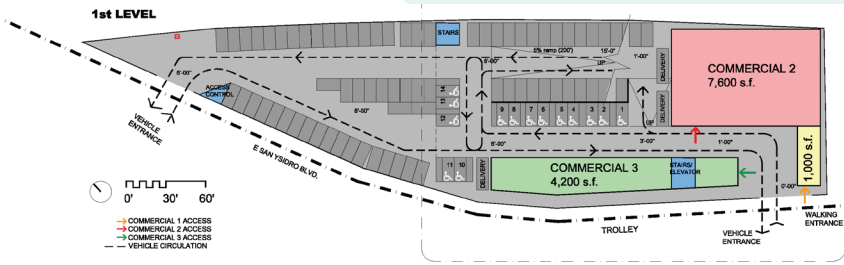
- Existing and Future Border Crossers
- Local Land Uses within 1/4 mile of the potential SYITC
- Land Uses at the Future ITC (high-end estimates were used)
- Existing and Future Transit Facilities
- Walkshed
- Shared Parking Opportunities

LOCATION	Supply After GSA Phase 3	Peak Utilization	
		Weekday	Weekend
East of i-5	537	1,350	1,470
West of I-5	415	528	577
Total	952	1,878	2,047
Parking Deficit	-	(926)	(1,095)

Using these factors an estimated 2030 parking demand was developed as shown in Table 1. The estimates in the table do not reflect what must be accommodated at the SYITC but give an indication of the potential off-street parking demand for the study area at buildout. Table 1 also shows a parking deficit for both the weekday and weekend demand. This deficit is due to the anticipated loss of over 900 parking spaces with the development of Phase 3 of U.S. General Services Administration's (GSA) San Ysidro POE reconfiguration and expansion project west of Interstate 5. The City has anticipated that the future parking supply and demand would be phased over time and accommodated by a combination of off-street public parking at the SYITC as well as off-site parking locations. The off-street public parking resources and strategies for the area would include surface lots, and structures. The SYITC project itself could provide additional parking supply east of Interstate 5 by adding above ground parking structures - it is estimated that a 560 space structure can be accommodated within the site. While this would help meet a portion of the demand for the land uses within the SYITC as well as the border crossers that utilize the paid parking facilities, it is unlikely that the full deficit can be addressed within the SYITC site alone.

The additional future parking demand could be met by converting the surface parking lots east and west of Interstate 5 to above ground parking structures. There are a number of paid parking lots owned by private entities in the area, and if the right market conditions are in place, they may choose to invest in parking structures or other parking strategies. Nevertheless, given the build out nature of the study area, the options to relocate parking are limited, further necessitating the need for parking management strategies for the study area. The only other location within the general vicinity that has sufficient parking supply is The Outlets at Las Americas. The parking facilities at the SYITC could negotiate a leasing agreement with The Outlets at Las Americas for a set number of parking spaces that could be utilized in the future to accommodate future parking demand through parking management strategies such as valet parking. Table 2 below describes a range of parking supply and management strategies suitable for consideration in the San Ysidro border area.

PARKING STRUCTURE RENDERING



6A

	NUM. #	PARKING S.F.	COMMERCIAL S.F.
P+1	74	46,120	12,800
P+2	113	34,050	0
P+3	113	34,050	0
P+4	113	34,050	0
P+5	113	34,050	0
P+6	113	34,050	0
P+7	113	34,050	0
P+8	113	34,050	0
P+9	109	34,050	0
TOT.	974	145,420	12,800

	S.F.
COMMERCIAL 1	1,000
COMMERCIAL 2	7,600
COMMERCIAL 3	4,200

SOUTHBOUND



NORTHBOUND



LOCATION OVERVIEW

San Ysidro, CA

San Ysidro is home to the world's busiest land border crossing, where U.S. Interstate 5 crosses into Mexico at Tijuana; however, the U.S. government only states that it is the busiest in the Western Hemisphere. Statistics from the U.S. Department of Transportation state more than 14 million vehicles and 33 million people entered the United States at the San Ysidro Port of Entry in 2015. The substantial majority of these are workers commuting from Tijuana to jobs in the greater San Diego area and throughout southern California.

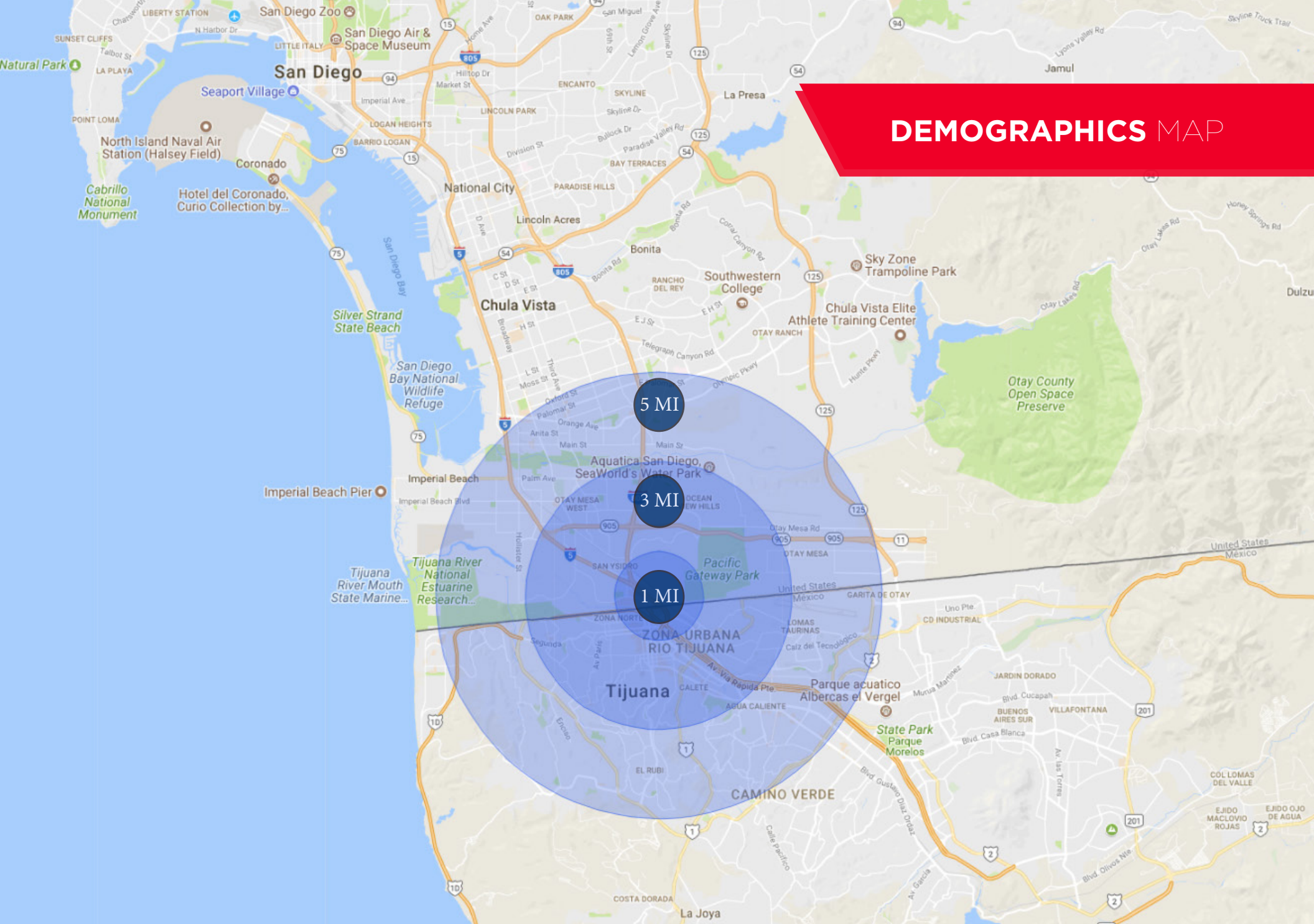
There is also reverse traffic, both of workers traveling to maquiladoras in Mexico and those purchasing services or seeking entertainment in Tijuana. 2009 studies estimated that wait times for vehicles at the San Ysidro LPOE averaged 1.5 to 2 hours during the commuter peak period. For pedestrians, in 2012, morning waits to enter the United States could last more than two hours — and twice that time during peak weekend periods. Roughly one-fifth of the 25,000 daily northbound crossers remained in San Ysidro to work, shop, visit family etc., according to the San Ysidro Chamber of Commerce. Many more boarded the San Diego Trolley or other public transportation to work, schools, stores, banks, medical appointments and family gatherings across San Diego County. In 2016 a second pedestrian crossing was opened, "PedWest", connecting Plaza Viva Tijuana via a walkway to the border next to the El Chaparral auto crossing, with Virginia Avenue in San Ysidro. Trucks cannot use the San Ysidro crossing and must use the Otay Mesa Port of Entry instead.

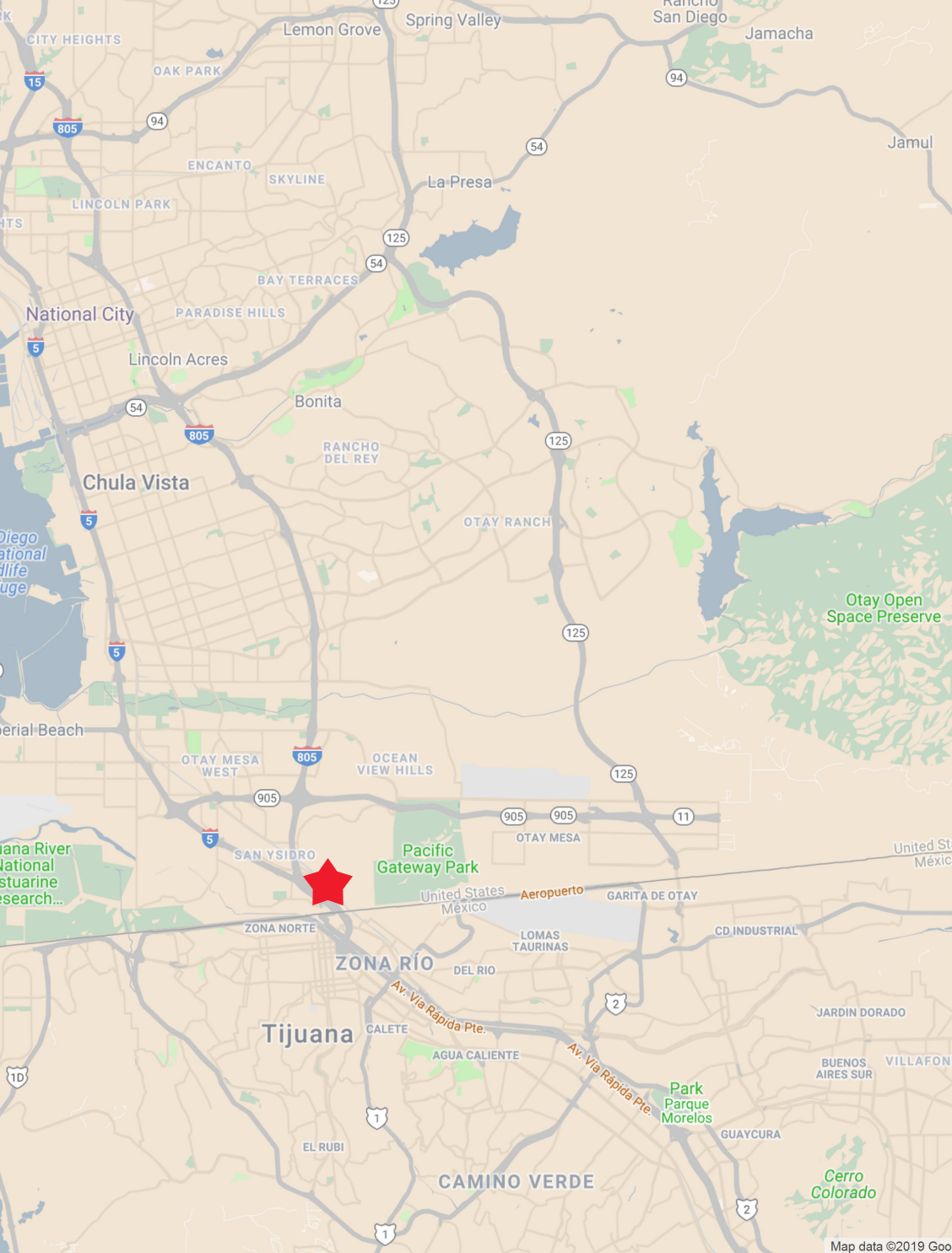
An expansion of the San Ysidro Port of Entry is taking place in three parts and was scheduled to be completed in the spring of 2014. The \$577 million project will expand and veer Interstate 5 to the west. Slated to be built are a new northbound inspection facility, including primary vehicle inspection booths, a secondary inspection area, an administration space, and a pedestrian-processing facility.



Known as the Gateway to the Americas because of its international border, San Ysidro is the most southern community in California. The area is of significant importance for U.S. and Mexico, for tourism and commerce, alike. San Ysidro Port of Entry is the most visited and busiest in the world as it attracts a tremendous number of commuters and tourists every day.

DEMOGRAPHICS MAP





MARKET DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
2021 Total Population	7,832	83,158	184,296
2016 Total Population	6,406	78,544	178,842
2010 Total Population	5,967	70,922	163,889
2000 Total Population	5,244	60,970	143,857

HOUSEHOLDS	1 Miles	3 Miles	5 Miles
2021 Total Households	10,964	82,003	190,462
2016 Total Households	10,779	80,672	184,939
2010 Total Households	10,028	76,396	173,967
2000 Total Households	9,828	76,353	165,877

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
\$150,000 or More	8.76%	10.13%	13.70%
\$100,000 - \$149,000	13.14%	14.88%	16.61%
\$75,000 - \$99,999	13.75%	12.91%	14.09%
\$50,000 - \$74,999	18.22%	18.10%	17.62%
\$35,000 - \$49,999	15.39%	14.86%	12.99%
Under \$35,000	30.74%	29.13%	24.99%
Average Household Income	\$76,071	\$81,260	\$93,798
Median Household Income	\$54,943	\$57,499	\$66,312
Per Capita Income	\$22,936	\$21,922	\$25,885



POPULATION

In 2016, the population in your selected geography is 6,406. The population has changed by 22.16% since 2000. It is estimated that the population in your area will be 7,832 five years from now, which represents a change of 22.26% from the current year. The current population is 47.24% male and 52.76% female. The median age of the population in your area is 28.51, compare this to the US average which is 37.83. The population density in your area is 2,039.36 people per square mile.



HOUSEHOLDS

There are currently 1,553 households in your selected geography. The number of households has changed by 18.19% since 2000. It is estimated that the number of households in your area will be 1,928 five years from now, which represents a change of 24.15% from the current year. The average household size in your area is 3.95 persons.



HOUSEHOLD INCOME

In 2016, the median household income for your selected geography is \$34,330, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 44.70% since 2000. It is estimated that the median household income in your area will be \$41,845 five years from now, which represents a change of 21.89% from the current year. The current year per capita income in your area is \$12,724, compare this to the US average, which is \$30,982. The current year average household income in your area is \$52,499, compare this to the US average which is \$81,217.



RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 49.55% White, 2.68% Black, 0.45% Native American and 18.69% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.36% Asian/Pacific Islander. People of Hispanic origin make up 92.90% of the current year population in your selected area. Compare this to the US average of 17.88%.



HOUSING

The median housing value in your area was \$312,972 in 2016, compare this to the US average of \$193,953. In 2000, there were 369 owner occupied housing units in your area and there were 945 renter occupied housing units in your area. The median rent at the time was \$569.



EMPLOYMENT

In 2016, there are 6,873 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 43.81% of employees are employed in white-collar occupations in this geography, and 56.66% are employed in blue-collar occupations. In 2016, unemployment in this area is 7.54%. In 2000, the average time traveled to work was 33 minutes.

INVESTMENT ADVISORS

JOSEPH LISING

Managing Director

Irvine Office

+1 949 372 4898 Direct

+1 949 474 0405 Fax

joseph.lising@cushwake.com

Lic. 01938395

MATTHEW GODMAN

Associate

Irvine Office

+1 772 200 5554 Direct

+1 949 474 0405 Fax

matthew.godman@cushwake.com

RICHARD SALINAS

Brokerage Coordinatort

Irvine Office

+1 949 372 4887 Direct

+1 949 419 3210 Fax

richard.salinas@cushwake.com

