



ORIGINAL MIKE'S

100 S Main St • Santa Ana • CA

CONTRACTOR & DEVELOPER



CARIBOU INDUSTRIES

PRESERVING THE PAST | ENSURING THE FUTURE

OFFERING MEMORANDUM



Original Mike's

TABLE OF CONTENTS

EXECUTIVE SUMMARY	4
The Opportunity	5
Transaction Summary	6
Investment Highlights	8
Site History	10
PROPERTY OVERVIEW	12
AREA OVERVIEW	16
FINANCIAL ANALYSIS	30

EXECUTIVE SUMMARY





Original Mike's

100 S. MAIN ST.

Santa Ana, CA

The Ultimate Full City Block Event & Entertainment Center



TRANSACTION SUMMARY

Offering Price: \$11,500,000

NOI: \$613,200

Cap Rate: 5.33

Total Building Area: ±19,378 SF

Restaurant GLA: ±15,856 SF

Apartment GLA: ±3,522 SF

Total Land Area: ±1.74 acres (±75,794 SF)

Ownership Type: Fee Simple

Traffic Count: exceed 65,300 CBD





INVESTMENT HIGHLIGHTS

New Urbanization of Downtown Santa Ana: Downtown Santa Ana is quickly becoming the epicenter of Orange County's urban lifestyle experience and is developing into a trendy urban live/work/play neighborhood similar to other Southern California locations, such as: Downtown Los Angeles, Downtown Long Beach, and Downtown San Diego. Complimenting established cultural attractions like the Artist Village and the Civic Center, the recent revival of Downtown Santa Ana has brought galleries, restaurants, breweries, street art, a certified organic farmer's market, record store, one-of-a-kind culinary center art house movie theater, and ample creative space to this urban area. Several major urban planning and design firms have collaborated to create a Vertical Urbanization vision for Santa Ana, illustrating future potential development massing of Downtown Santa Ana and targeting the City as the ideal destination for higher density in Orange County.

Entire City Block: The site consists of ± 1.74 acres of land at one of the busiest intersections in DTSA; Traffic counts at this intersection - Main Street (27,100 CPD) and First Street (38,200 CPD) - exceed 65,300 CPD.

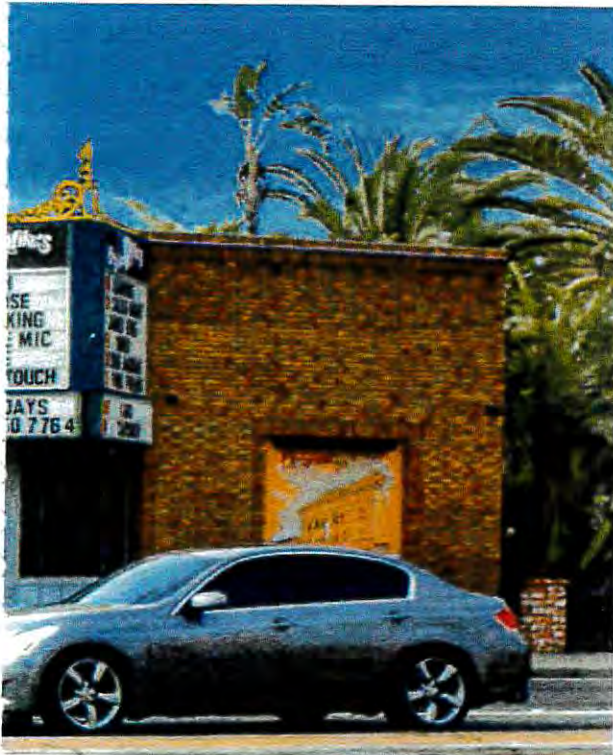


Owner User Opportunity: This is an ideal opportunity for an owner/user restaurateur or retail operator looking to open a site within one of the most populated neighborhoods of Orange County.

Downtown Santa Ana Location: The site is located within the heart of Downtown Santa Ana and is within the Downtown Santa Ana Specific Plan. The City of Santa Ana has encouraged and supported additional retail and/or mixed-use developments, that would promote economic growth, connectivity, and urbanism, within the Downtown Santa Ana area.

Excess Land: Currently, Original Mike's restaurant has excess parking creating an opportunity for a developer to construct additional leasable area in the adjacent parking lots.

Ideal Restaurant Opportunity: Original Mike's restaurant building boasts incredible architecture and character with open ceilings and a modern open kitchen concept. It has been recognized as a top-rated restaurant and event center for over 13 years



Thriving Downtown Santa Ana Location: Join other retail operators that have transformed the Downtown Santa Ana landscape including Playground, Mix-Mix Kitchen, Eat Chow, Crave, Lola Gaspar, Wursthau, Chapter One, Pizza Press, Portola's Coffee, and many others

Tremendous Access and Street Frontage: Original Mike's site has multiple access points and curb cuts at the rear of the property along both Sycamore Street and W. Walnut Street, and has over 525 linear feet of frontage along W. 1st Street and S. Main Street

CUP for Residential: The site has a CUP for fourteen (14) new live/work style lofts (call listing broker for details).

SITE HISTORY

The original construction started March 25, 1919 completed in 1922. In the Late 1923 the First Horseless Carriage Motor Car Company was born in Santa Ana. The hull, Winter Haynes Co. (Haynes & Oldsmobile Motorcars (Buick, Cadillac, Oldsmobile) started selling their 1923 / 1924 Buicks & Cadillacs. R.W. Townsend Motor Co. took over in 1925 - 27 as a Marmons, and Piece auto Dealership. Hub Motor Company occupied the site in 1927 - 1930 as a Hudson and Essex autos dealership, Marmon Motors followed in 1931 to 1933 (Marmons, Roosevelts, and Austins), P&L Motors came in until 1937 with Hudson Terraplane. In 1937 United Automotive Service began a long term occupancy from 1937 into 1981.





History

The United Auto Building includes 100-110 S. Main. 100-108 S. Main completed in 1922 by W.E. Chilson (for a Public Garage) 108-110 s. Main completed later in 1923 (includes second floor 9 unit apartments - the Biltwell apartments). The First Horseless carriage tenant was the Hull, Winter Haynes Company 1924 (Haynes & Oldsmobile motorcars - Buicks & Cadillacs) R.W. Townsend Motor Co. 1925. Hub Motorcars Company in 1927, followed by Marmon Motors 1931-1933, P&L Motors in 1933-1937. The United Automotive Service Owned by Leonard Forcey and Arthur Tobey in 1937 and Boarded up from @ 1981 to 2001. (Condemned for 20 years - Slated to be torn down until Mike Harrah came along).

PROPERTY OVERVIEW



SITE DESCRIPTION

Location

100 S. Main Street, Santa Ana, CA 92701

Site

Situated on 8 parcels of land (APNs:398-278-01; 398-278-02; 398-278-03; 398-278-04; 398-278-05; 398-278-06; 398-278-07; 398-278-08;) totaling approximately ± 1.74 acres or $\pm 75,794$ SF of land area

Zoning

Downtown Santa Ana Specific Plan - SD-72

Year Built

1919 - In 2004, a complete \$13,750,000 Historic Restoration, Seismic Compliance and World Class Restaurant Build-Out were completed. Additionally, 9 Apartments were fully restored with new MEP (mechanical, electrical, plumbing), structural & architectural advances to meet 2005 Code Compliance.

Improvements

The property consists of one structure containing approximately $\pm 15,856$ SF of ground floor retail space and nine (9) studio apartments on the second floor

Parking

The parking consists of surface parking throughout the property. Actual number of parking spaces to be determined by Buyer.

Frontage

The subject property benefits from approximately 225 linear feet of frontage along W. 1st Street and 300 linear feet of frontage along S. Main Street

Access

The property has three (3) public points of ingress/egress. Two (2) at the south side of the property along Walnut Street and One (1) at the west side of the property along Sycamore Street.

Structural Elements

Exterior Walls - Reinforced masonry brick

Exterior Windows - Glass in anodized aluminum frames

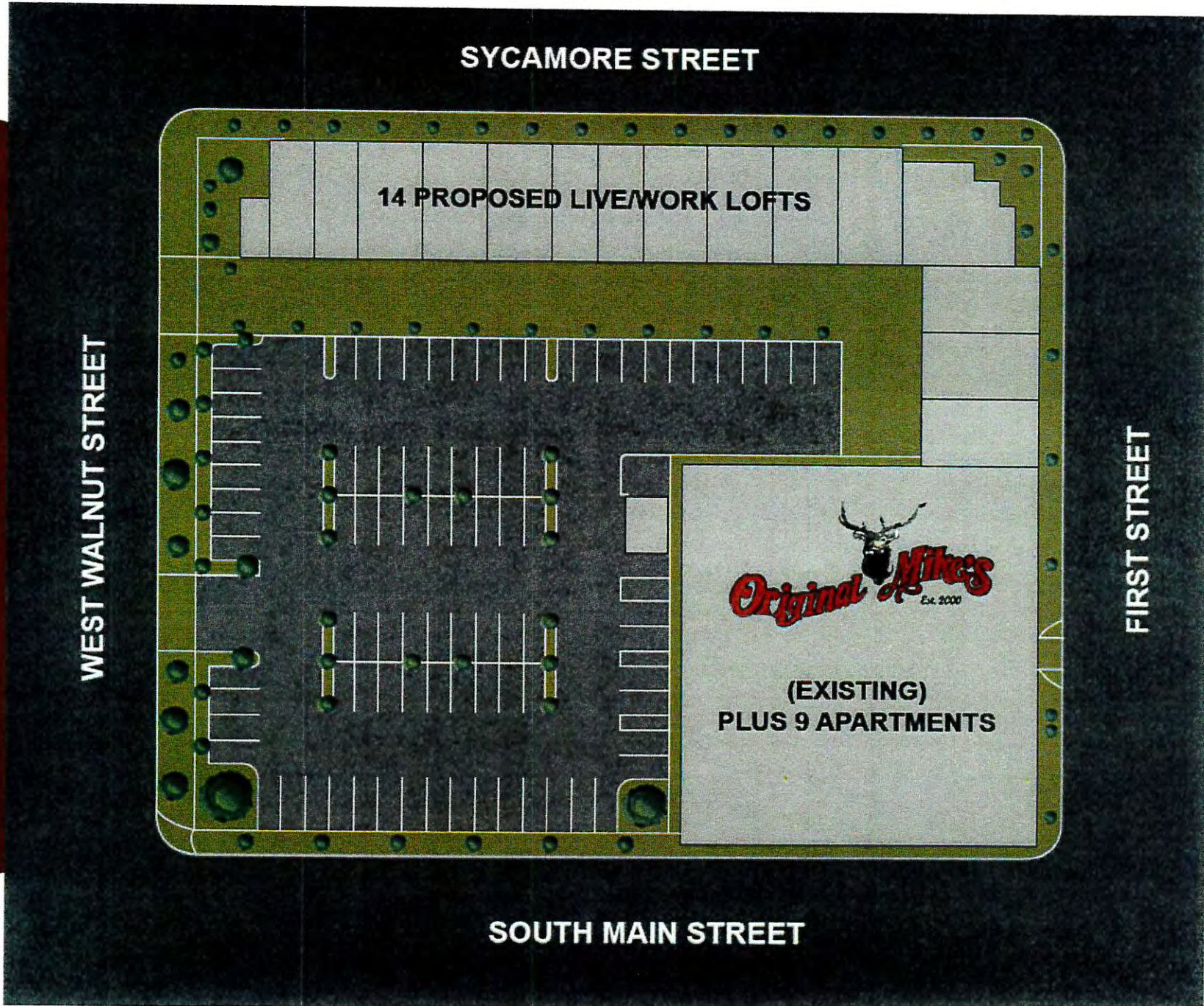
Roof - Built up composition

HVAC - Mounted roof units

Topography

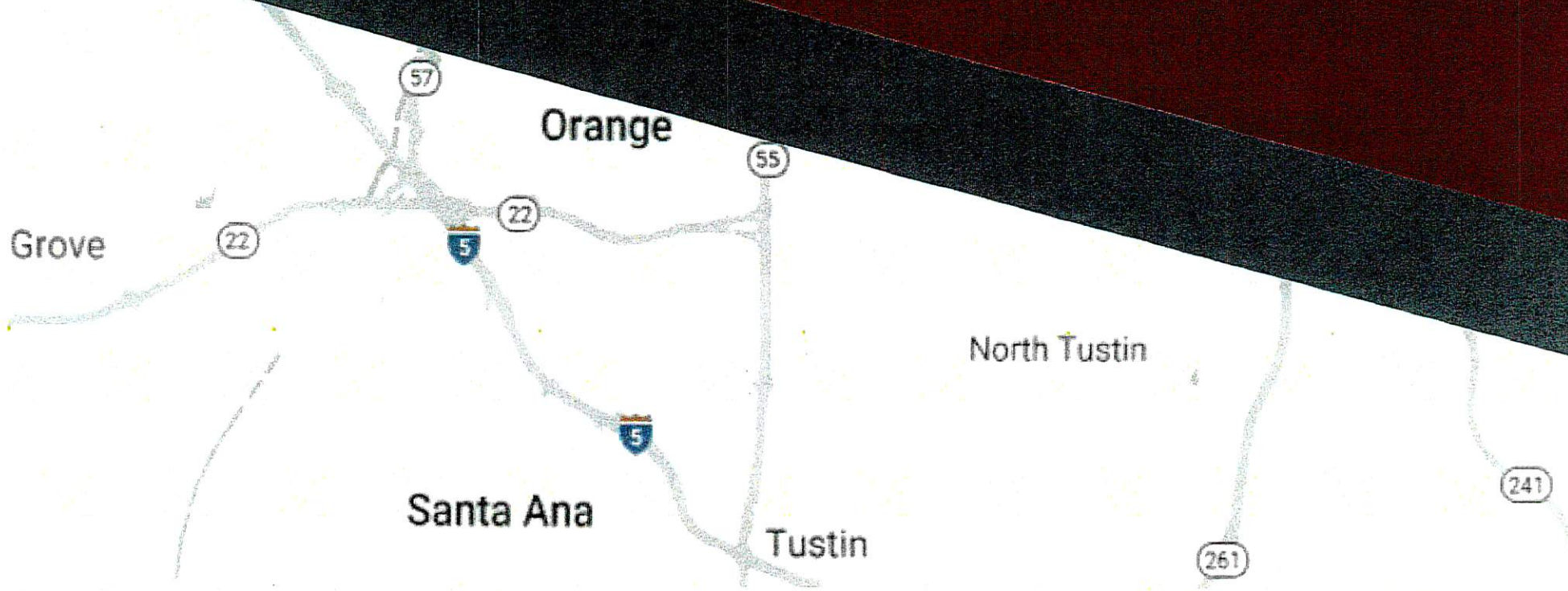
The property sits at grade level along both S. Main Street and W. 1st Street.

ORIGINAL MIKE'S






AREA OVERVIEW



ORANGE COUNTY

Also known as the Santa Ana-Anaheim-Irvine Metropolitan Statistical Area (MSA), Orange County encompasses 34 incorporated cities. Orange County is one of California's leading economic markets and one of the most desirable residential regions in the entire nation. Known for its luxurious suburban lifestyle and its spectacular coastline, Orange County continues to benefit from a well-diversified economy, high quality labor force, direct access to major airport facilities, and its strategic location along the Pacific Ocean. The vibrant economy, along with the area's tremendous residential desirability, strong educational institutions, and various recreational and cultural options, provide an excellent location for commercial properties. Orange County is a strategically important logistics hub with pro-business communities, access to the Ports, a desirable labor pool, and a broad infrastructure network that make it a sought after commercial location and a great place to live.

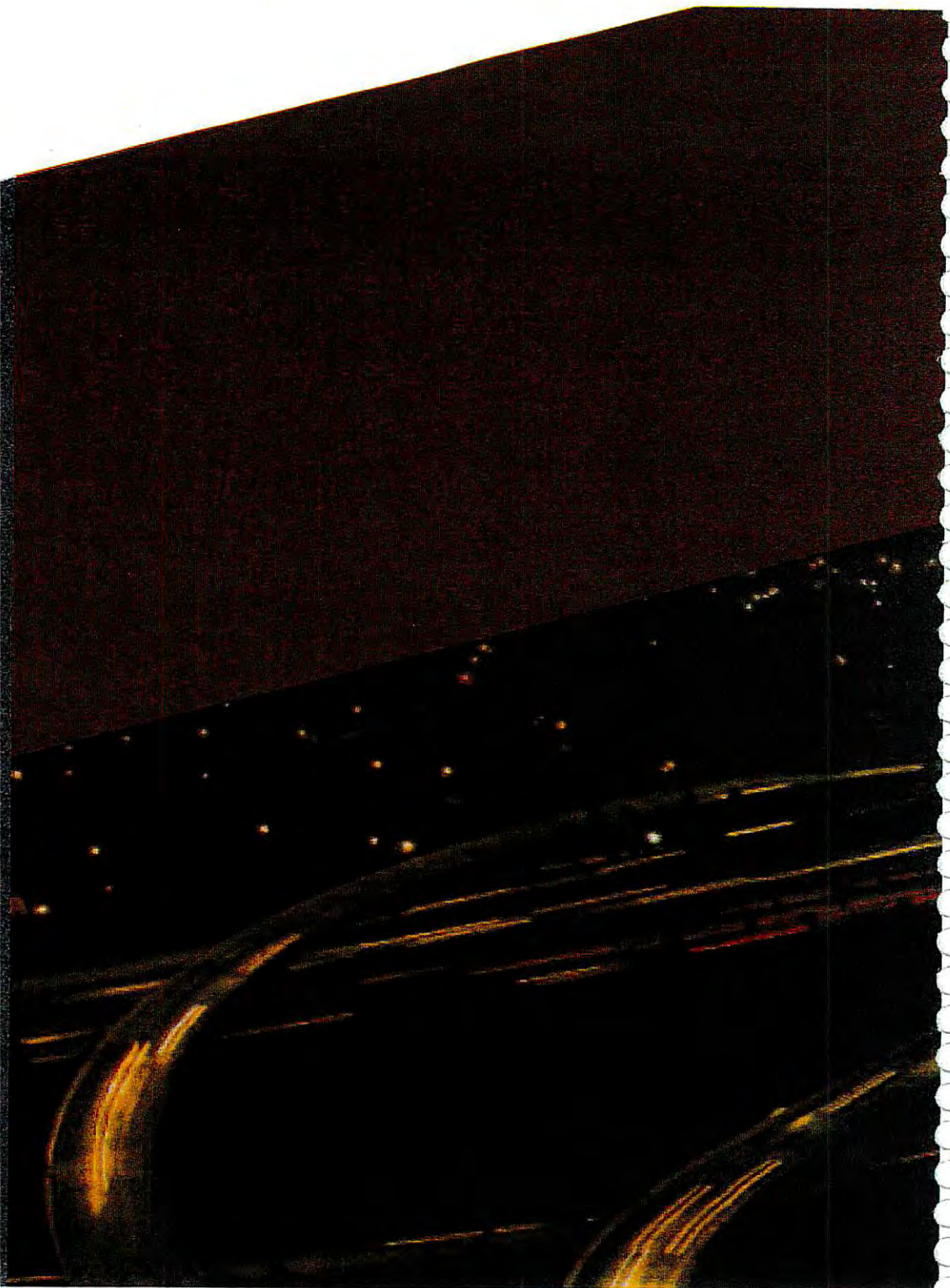
AREA HIGHLIGHTS

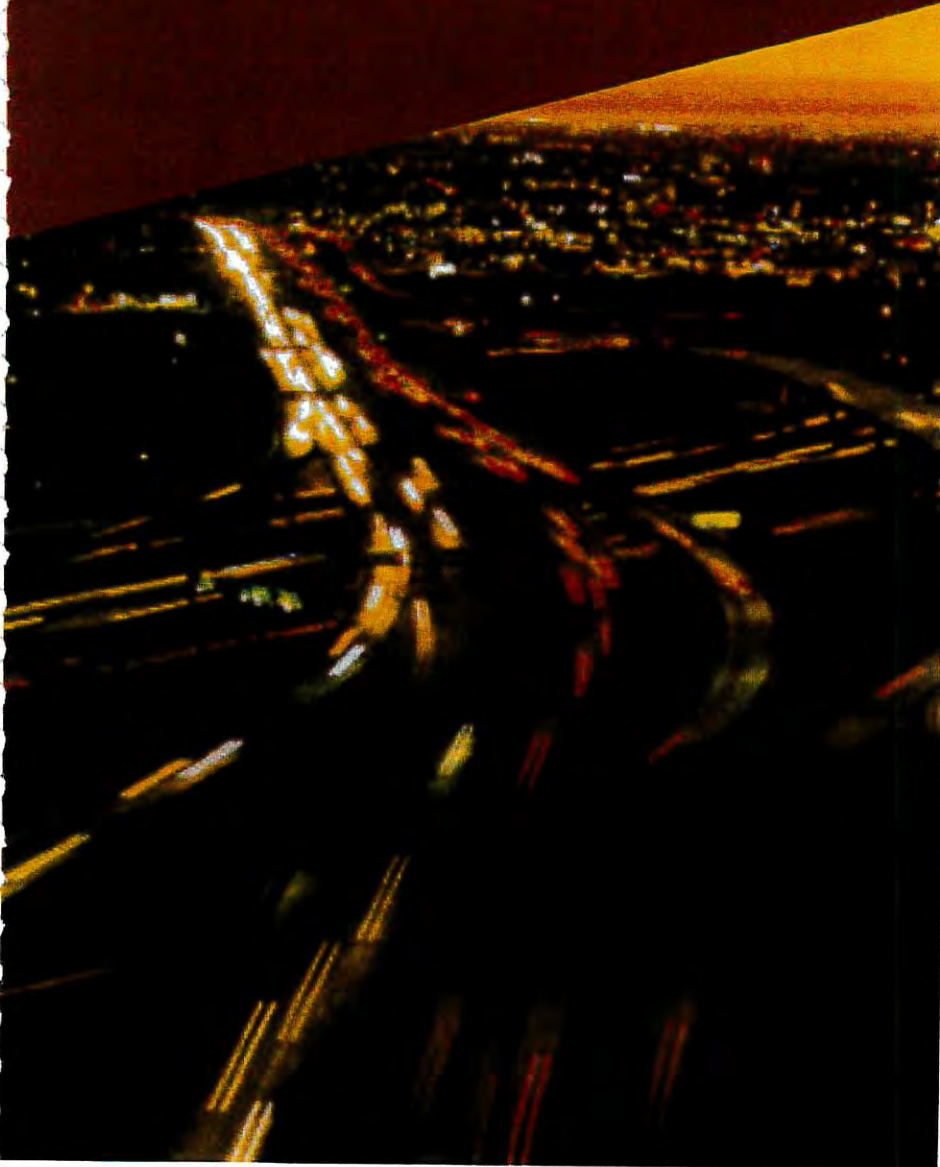
- Diverse economy with a wide range of industries and global appeal.
 - Perpetual demand for an Orange County address due to the incredible quality of life attributed to its warm climate, plentiful job opportunities, low crime, and extensive amenities.
 - Convenient and improving transportation infrastructure including the toll road system, Metrolink stations, and the renewed Measure M providing over \$15 billion in additional investment through 2041.
 - Relatively low rental rates compared to other metropolitan areas both regionally and globally.
 - Excellent educational institutions including the University of California Irvine, Chapman University, California State University Fullerton, as well as Santa Ana College, a regional gem that recently celebrated its 100th year as a celebrated institution.
- 
- Top-notch medical facilities led by UCI Medical Center, St. Joseph's Hospital, Children's Hospital of Orange County, and Hoag Hospital.
 - Wide range of excellent entertainment options and cultural traditions such as the award-winning Discovery Cube, Orange County Performing Arts Center, South Coast Repertory Theatre, Segerstrom Concert Hall, Laguna Festival of the Arts, Pacific Symphony, and Disney Resorts.

ORANGE COUNTY

EXCEPTIONAL DEMOGRAPHICS

Orange County encompasses a 948-square mile area, which makes it the smallest in size among neighboring Southern California counties. Yet, its population is more than 3.2 million, making it the sixth largest county in the nation, with more residents than twenty-one of the U.S. states. Orange County is among the most affluent metro areas in the country. The median household income in Orange County is \$86,217 (2017), with per capita income at \$39,038. Orange County's Gross County Product was \$254 billion in 2018 and is the second highest in California. Orange County's highly skilled and young workforce is attractive to numerous high-profile employers from diverse industries. When compared to the top 100 U.S. metropolitan areas, Orange County's population is significantly younger, more affluent, and better educated. An estimated 36.0 percent of Orange County's population holds a bachelor or graduate degree, compared to an average of 27.9 percent among all U.S. citizens.





ROBUST ECONOMY

One of California's leading economic engines, Orange County accounts for approximately 10 percent of the state's economy. With a \$254 billion economy in 2018, Orange County ranks as one of the largest economies in the world. The area enjoys a diverse employment base with no single industry accounting for more than 20% of the county's economic output or labor market.

Orange County serves as headquarters to more than a dozen of the nation's Fortune 1,000 corporations, four of which are among the Fortune 500: Ingram Micro, The First American Corporation, Western Digital, and Pacific Life. Orange County has experienced tremendous job growth that has pushed the unemployment rate down to 2.8% as of November 2018, near pre-Great Recession levels, and lower than both the state (4.2%) and nation (4.0%). On top of 32,000 new jobs for 2017, 26,000 new jobs are expected for 2018 and 22,000 new jobs in 2019 according to California State University Fullerton's Economic Forecast.

EDUCATION

The county's 28 school districts are among the best in the country, including standout institutions such as Mater Dei, Orange Lutherans, Junipero Serra, and Orange County School of the Arts. In higher education, Orange County offers a wide range of options, from community colleges to small liberal arts colleges to large prestigious research universities, such as:

**California State University
of Fullerton**

Chapman University

Santa Ana College

University of California Irvine

**WORLD-CLASS SHOPPING,
ENTERTAINMENT, CULTURE**

Orange County has several world-renowned tourist attractions. The county's world-famous South Coast Plaza in Costa Mesa and Fashion Island in Newport Beach offer shoppers access to hundreds of high end retail stores. For those looking for entertainment, Orange County offers several all-inclusive entertainment hubs at Main Place Mall in Santa Ana, The District in Tustin, Downtown Disney, Irvine Spectrum, and the Outlets at Orange. Those living in Orange County enjoy a vibrant cultural scene. Orange County hosts several premier museums, including The Museo in Anaheim, Bowers Museum and the Orange County Center for Contemporary Art in Santa Ana, and Laguna Art Museum in Laguna Beach. Additionally, art galleries proliferate throughout the Artist's Village in Santa Ana and the famed arts community in Laguna Beach. In Costa Mesa, the Orange County Performing Arts Center is home to the premier Pacific Symphony and numerous concerts, and Broadway plays and musicals.



UNIVERSITY

ABUNDANT RECREATION/SPORTS ACTIVITIES

Orange County's warm Mediterranean climate and 42 miles (68 km) of year-round beaches attract millions of tourists annually. Huntington Beach, nicknamed "Surf City, USA," is a hot spot for sunbathing and surfing. Laguna Beach offers some of the most scenic beaches and unique coastal terrain in all of California, including world class mountain biking trails. Orange County also has several world-renowned theme parks, including Disneyland and Disney's California Adventure in Anaheim and Knott's Berry Farm in Buena Park. Also in Anaheim is the Anaheim Convention Center, the largest such facility on the West Coast. Orange County is the home of national sport teams in Major League Baseball (The Los Angeles Angels of Anaheim) and the National Hockey League (Anaheim Ducks).





336 Restaurants • 34 Banks • 23 Hotels • 49 Grocers • 10 Health clubs

*"The 20th coolest city
in the US"*

- Forbes

SANTA ANA

Downtown Santa Ana is quickly returning to its roots as the epicenter of Orange County's urban lifestyle experience and is developing into a trendy urban live/work/play neighborhood akin to the recent emergence in Los Angeles, Long Beach and San Diego in California, as well as in such out-of-state cities as Portland, Brooklyn and Austin. Under a great transformation Santa Ana is capitalizing on the city's rich history and cultural ties to the regional community to re-imagine downtown and to create a Vertical Urbanization centering on walk-ability and proximity to work, public transportation, and quality-of-life amenities.

LOCATION HIGHLIGHTS

- Adjacent to Orange County School of the Arts campus, the leading arts school in the nation.
- Adjacent to Orange County Pavilion of the Performing Arts, part of the Orange County School of the Arts campus.
- Short walk to Santa Ana Arts District, complete with galleries and entertainment venues.
- Short walk to Santa Ana East End, with four square blocks of unique shops, galleries, restaurants, and creative space.
- Short walk to Santa Ana Historic District, including those built in the early 1900s.
- Short walk to Civic Center, including the Regan Federal Building, the Central Justice Center, and the Santa Ana Public Library.
- Short walk to the Yost Theatre, the area's most exciting entertainment venue.
- 1 mile from 100-year old Santa Ana Community College & Rancho Santiago College.
- 1 mile from the Discovery Cube, one of America's largest science museums.
- 2 miles from the Santa Ana Zoo, with 20 acres of wildlife.
- 3 miles from Main Place Mall, a 1.1M SF indoor shopping center with 140 stores and 30 dining options.



ORIGINAL MIKE'S

23

Within a 5 mile drive to Santa Ana Civic Center, MainPlace Mall, The Outlets of Orange and Tustin Marketplace

Within 2 train stops (10 min) away from world famous Angel Stadium of Anaheim and the Honda Center

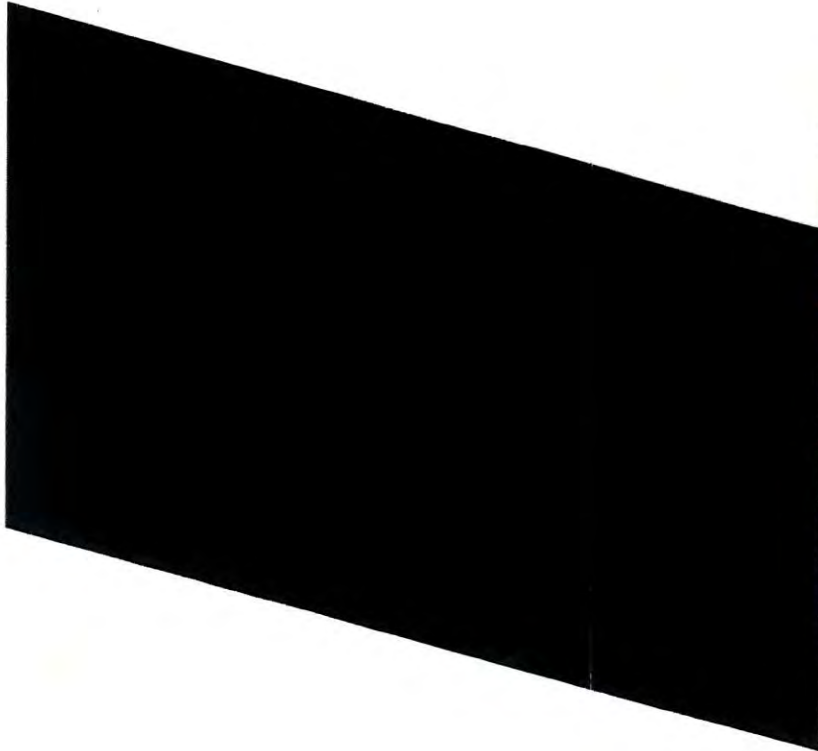
Ideally located to recruit and retain the top talent in the greater Orange / LA County market, the Inland Empire and San Diego County markets.

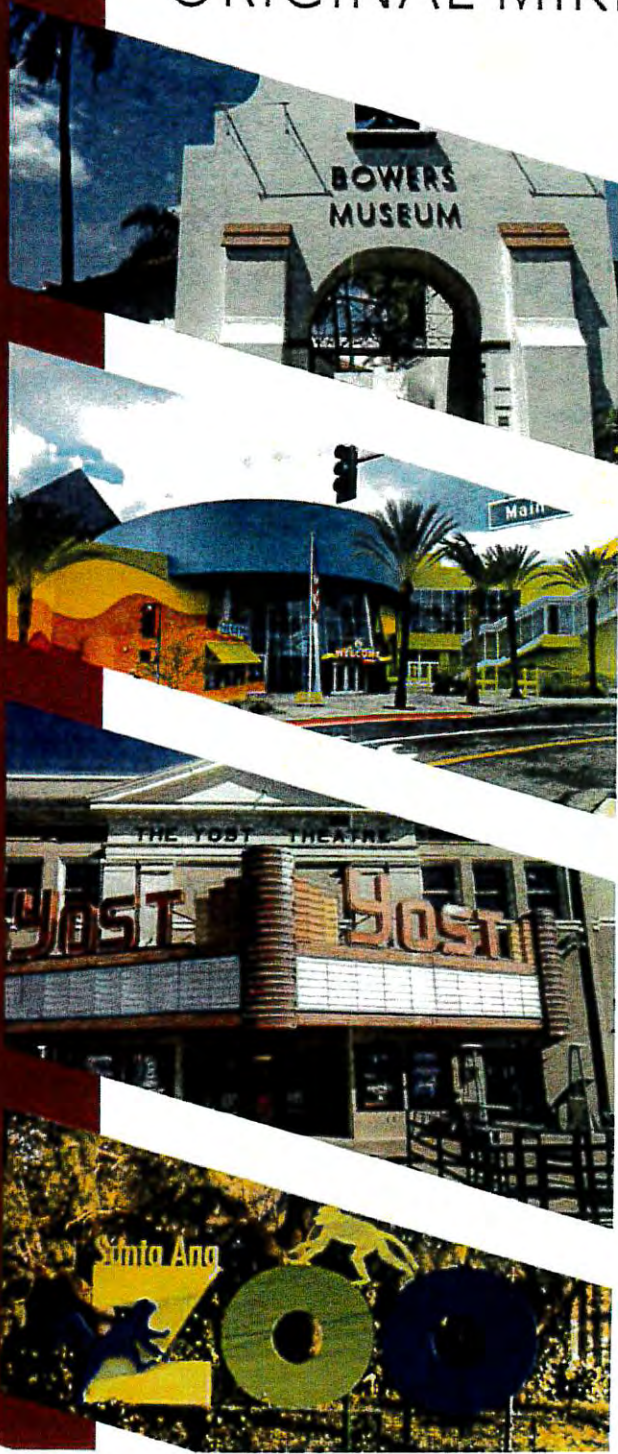
Adjacent to the Santa Ana Regional Transportation Center (SARTC) - Orange County & regional mass transit hub which combines the Amtrak, Metrolink, OCTA bus service, taxi service and the under construction OC Streetcar (Santa Ana's \$400 million light rail line) all in one location.

*"Top 10
Healthiest Cities
for Women"*

Self Magazine

ORIGINAL MIKE'S





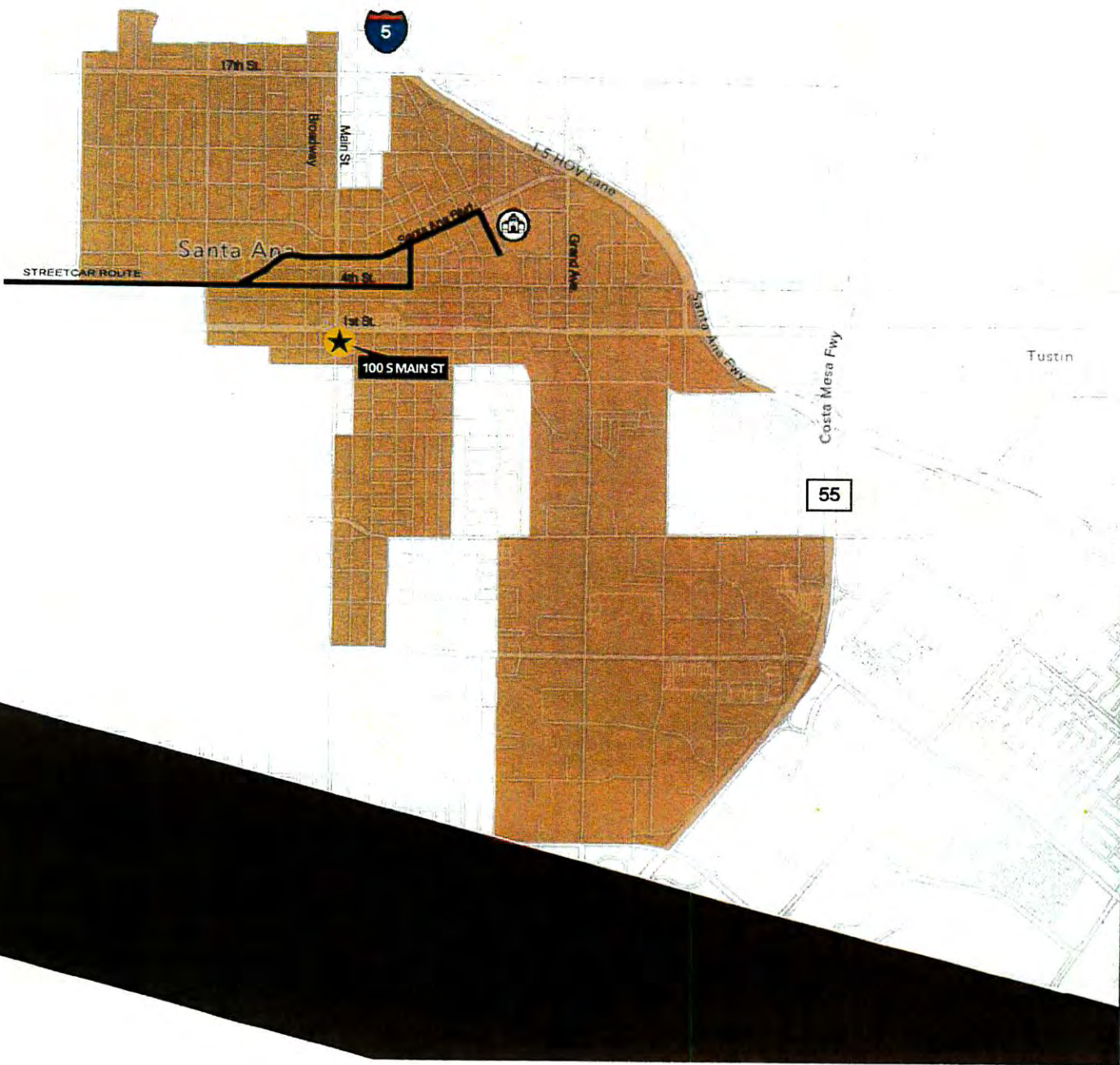
OPPORTUNITY ZONE

Original Mike's is located in a newly created Opportunity Zone. Added to the tax code by the Tax Cuts and Jobs Act on December 22, 2017, an Opportunity Zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Opportunity Zones are designed to spur economic development by providing tax benefits to investors. First, investors can defer tax on any prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026. If the QOF investment is held for longer than 5 years, there is a 10% exclusion of the deferred gain. If held for more than 7 years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at least ten years, the investor is eligible for an increase in basis of the QOF investment equal to its fair market value on the date that the QOF investment is sold or exchanged.

To read more about Opportunity Zones and the qualification process, please visit the website: www.dof.ca.gov

*"Among the Top Five
Great Neighborhoods in USA"*

American Planning Association



- **BENEFITS**
- Deferral of Capital Gains
- Reduction of Capital Gains
- No Tax on Capital Gains Realized on Qualified Opportunity Zone Property

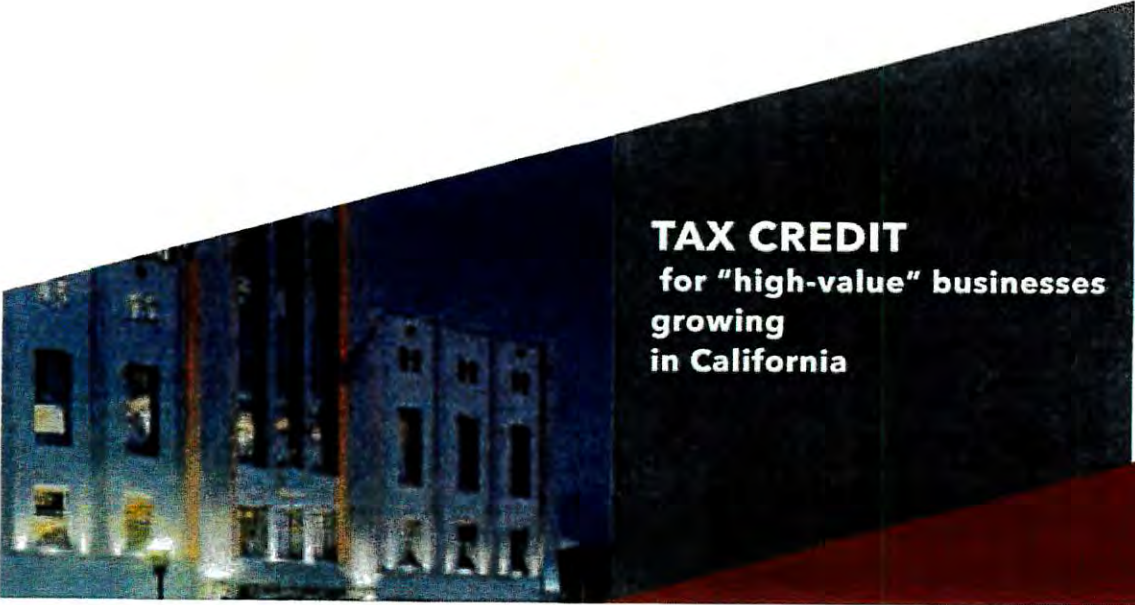
- ★ Property is Located in Designated Qualified Opportunity Zone
- Targeted for Shovel Ready Projects
- Zones will Provide Incentive for Investors Making Equity Investment

ORIGINAL MIKE'S

Original Mike's is located in a former Santa Ana Enterprise Zone, which has been reclassified as the Santa Ana Go-Biz Zone, and a Designated Geographic Area (DGA), where new businesses as those that are relocating or expanding into Santa Ana's Go-Biz designated zone can qualify for substantial economic benefits through the form of the California Competes Tax Credit program.

The California Competes Tax Credit is an income tax credit for "high-value" businesses growing in California. The purpose is to attract and retain employers in California in industries with high economic multipliers and that provide their employees good wages and benefits. The California Governor's Office of Business and Economic Development (GO-Biz) administers the process for allocation of tax credits to qualifying businesses.

The credit is awarded through a two-phase competitive process, with three rounds of applications planned for FY 2018 and for FY 2019. The program is targeting \$220 million for this fiscal year and \$180 million for the next fiscal year. Since 2014, Go-Biz has awarded 829 million to 974 companies projected to create 95,139 new jobs and make \$17.9 billion and new investment. Any business can apply, and 25% of the available credits are reserved for small businesses.

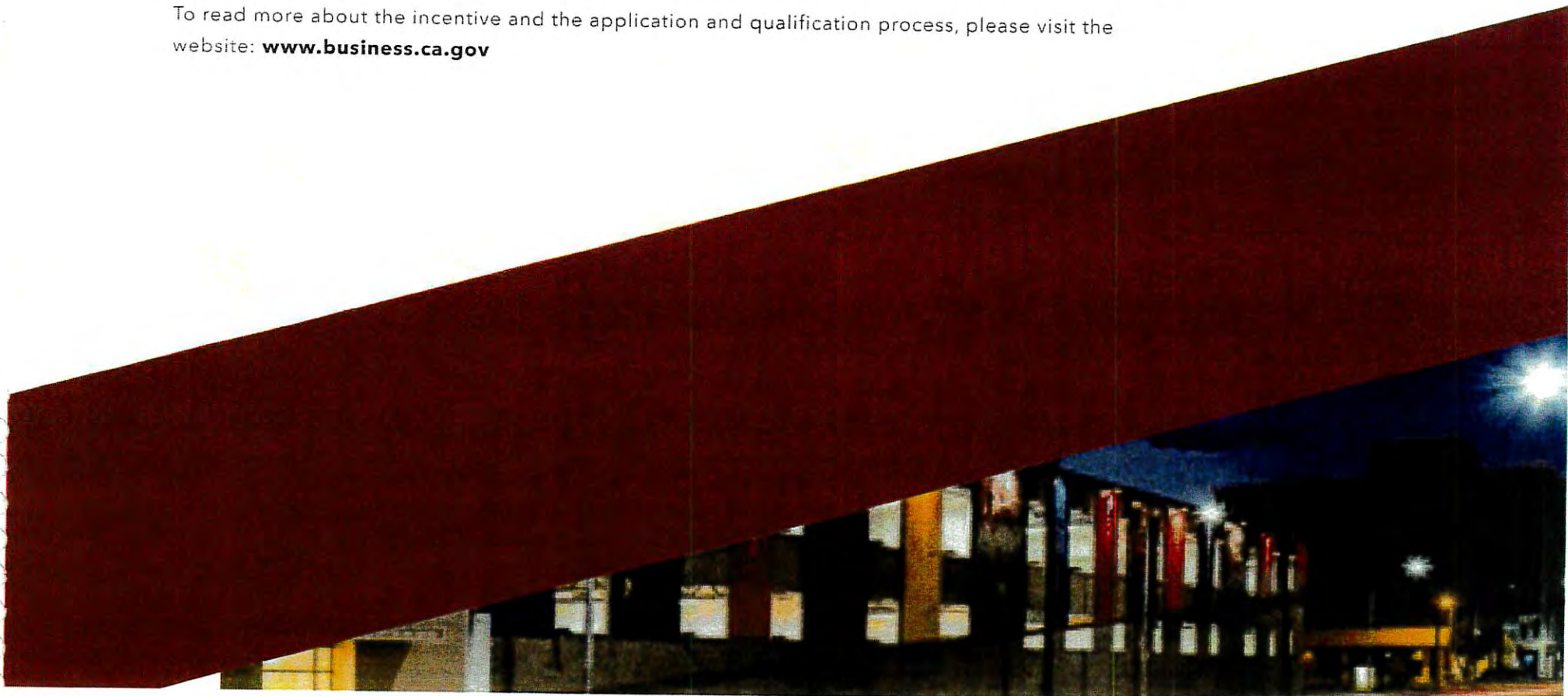


TAX CREDIT
for "high-value" businesses
growing
in California

California Competes is one of three programs that replaced the state's poorly performing Enterprise Zone program. The other two are a partial sales tax exemption for manufacturing equipment and the New Employment Credit that provides a tax credit for hiring qualified employees in designated census tracts or economic development areas.

The Enterprise Zone program was the state's marquee incentive, but it was considered ineffective for business attraction purposes and it excluded many high-value companies in the state due to the geographic designation. California Competes was designed to remedy those problems. The California Competes Tax Credit, focused on helping businesses grow and stay in California, is part of the Governor's Economic Development Initiative, signed in to legislation in 2013.

To read more about the incentive and the application and qualification process, please visit the website: www.business.ca.gov



FINANCIAL ANALYSIS



FINANCIAL SUMMARY

Property	Unit	Tenant	Sq. Ft.	Monthly Rent	Lease Start	Lease End
100 S. Main Street	Restaurant & Alfresco Live Entertainment/ Event Deck	Original Mike's	15,856	\$43,000	9/1/21	8/31/31
100 S. Main Street	201	Apartment #1	404	\$1,200		12/17/24
100 S. Main Street	202	Apartment #2	404	\$850	11/1/14	MTM
100 S. Main Street	203	Apartment #3	404	\$700	3/1/11	MTM
100 S. Main Street	204	Apartment #4	385	\$850	4/1/06	MTM
100 S. Main Street	205	Apartment #5	385	\$1,000	6/1/22	5/31/25
100 S. Main Street	206	Apartment #6	385	\$850	7/1/17	MTM
100 S. Main Street	207	Apartment #7	385	\$750	4/1/15	MTM
100 S. Main Street	208	Apartment #8	385	\$700	4/12/23	3/30/26
100 S. Main Street	209	Apartment #9	385	\$1,200	2/1/20	MTM

Total Monthly Rent \$51,100

Total Annual Rent \$613,200