

SUNSHINE MOUNTAIN VINEYARD

2284 Sunshine Mountain Rd | San Marcos, CA

Investment Memorandum



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Sunshine Mountain Vineyard

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Market Analysis by



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01 Executive Summary

Investment Summary

OFFERING SUMMARY

ADDRESS	2284 Sunshine Mountain Rd San Marcos CA 92069-9726
COUNTY	San Diego
2ND APN	182-190-74-00
SUBMARKET	San Diego County
BUILDING SF	12,065 SF
LAND ACRES	12.00
LAND SF	522,720 SF
YEAR BUILT	2000
YEAR RENOVATED	2000
APN	182-190-91-00
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

PRICE	\$6,890,000
PRICE PSF	\$571.07
OCCUPANCY	100%
NOI (2024 adjusted)	\$260,677
CAP RATE (2024 ADJUSTED)	3.78%

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2024 Population	1,223	40,572	185,466
2024 Median HH Income	\$125,979	\$125,095	\$103,777
2024 Average HH Income	\$152,680	\$157,637	\$134,107



Estate Home

- Overlooking this enchanting vineyard is a magnificent 6,800 square foot estate home that boasts breathtaking valley views of San Marcos. This luxurious residence includes five bedrooms, a gourmet kitchen, a private wine cellar, and a range of exclusive amenities such as a pool with views of the vineyards, koi ponds, a jacuzzi, a sauna, and a private putting green. The house is 6,800 sf, the winery 3,328 sf and the wine caves are 1,875 for a total of 12,065 sf

Perfect for hosting events, the winery offers three distinct venues, each licensed for special occasions, providing an idyllic setting for memorable celebrations. Whether you're sipping on a crisp Chardonnay in the elegant tasting room or lounging by the pool with a glass of full-bodied Cabernet Sauvignon, this vineyard and winery promise an unforgettable experience amidst the beauty of San Diego County's wine country.

Winery

- Nestled in the picturesque hillsides of San Marcos, one of San Diego's most beautiful vineyards and wineries offers a serene escape for wine enthusiasts and connoisseurs alike. This expansive estate features a meticulously maintained vineyard and a stunning winery with 3,300 square feet of premier tasting rooms, a charming gift shop, and a fully equipped commercial kitchen. The wine caves are 1,875 sf. The total sf of the house and winery facilities is 12,065

The winery, renowned for its broad selection of both estate-grown and bottled wines, proudly presents their collection of award-winning wines. Enjoy their Viognier, Sweet Syrah Rosé, Merlot, Cabernet Sauvignon, Cabernet Franc, Zinfandel, and Chardonnay. These exquisite wines are aged to perfection in cooling caves nestled beneath the hillside vineyards, ensuring a unique and flavorful experience in every bottle.

Special Event Venues

- Sunshine Mountain Vineyard has several venues for private events, parties, reunions or weddings.

1.) Upper Level, Canopy 1 can host up to 25 people. This venue price is \$500 plus six bottles of wine. Canopy 1 will be closed off from the public for 4 hours. \$250 for each hour thereafter. Guests may hire vendors for catering. Afternoon events must end by 7:30PM

2.) Upper Level, Canopy 2 can also host up to 25 people with similar terms as Canopy 1.

3.) Lower Level can host up to 50 people. The venue price is \$1,000 plus a case of wine. The entire lower level will be closed off from the public for 4 hours and must end by 7:30 pm. An option to stay open from 7:30-9:30 pm will require an additional \$250 per hour.

- The Entire Venue - You may host up to 120 people. The venue cost is \$8,999 plus 2 cases of wine. Guests may supply their own beer for an additional \$500. The Venue access is from 12pm to 10pm. Every hour thereafter will be \$250/hour. Tables, chairs, wine glasses, and clean up are included. Guests may hire their own vendors but must show proof of liability insurance. The 50% booking fees are non-refundable, the remaining of the cost will be due on the day of the event.

Wine Varietals & Price Lists

- \$38 * Sunshine Cuvee Red Blend
- \$45 * Sunshine Estate Syrah
- \$52 * Sunshine Merlot
- \$55 * Sunshine Cabernet Franc
- \$60 * Sunshine Cabernet Sauvignon
- \$30 * Sunshine Estate Sweet Rose
- \$30 * Sunshine Dry Rose
- \$30 * Sunshine Riesling
- \$33 * Sunshine Sauvignon Blanc
- \$32 * Sunshine Viognier
- \$49 * Sunshine Zinfandel
- \$32 * Sunshine Chardonnay

Prices are per bottle and subject to change. Wine prices may vary depending on year





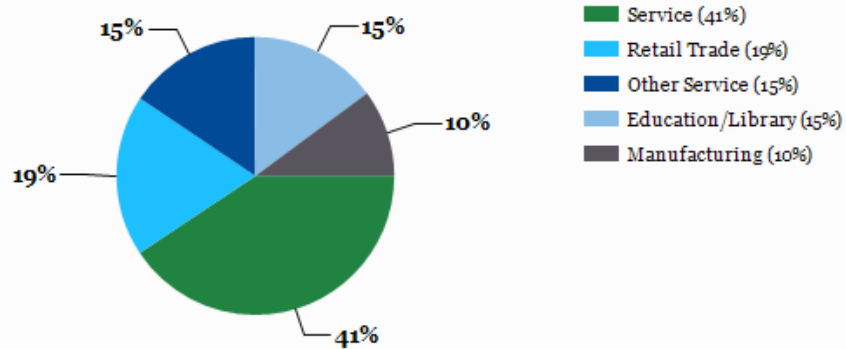
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Location

Location Summary

Drive Times (Heat Map)

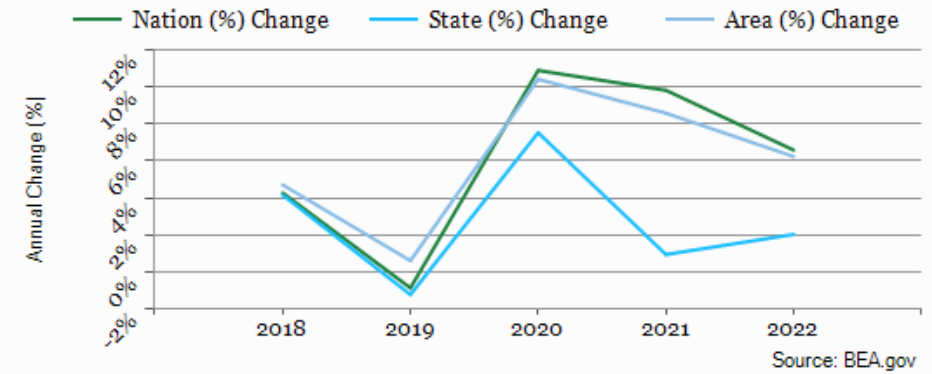
Major Industries by Employee Count



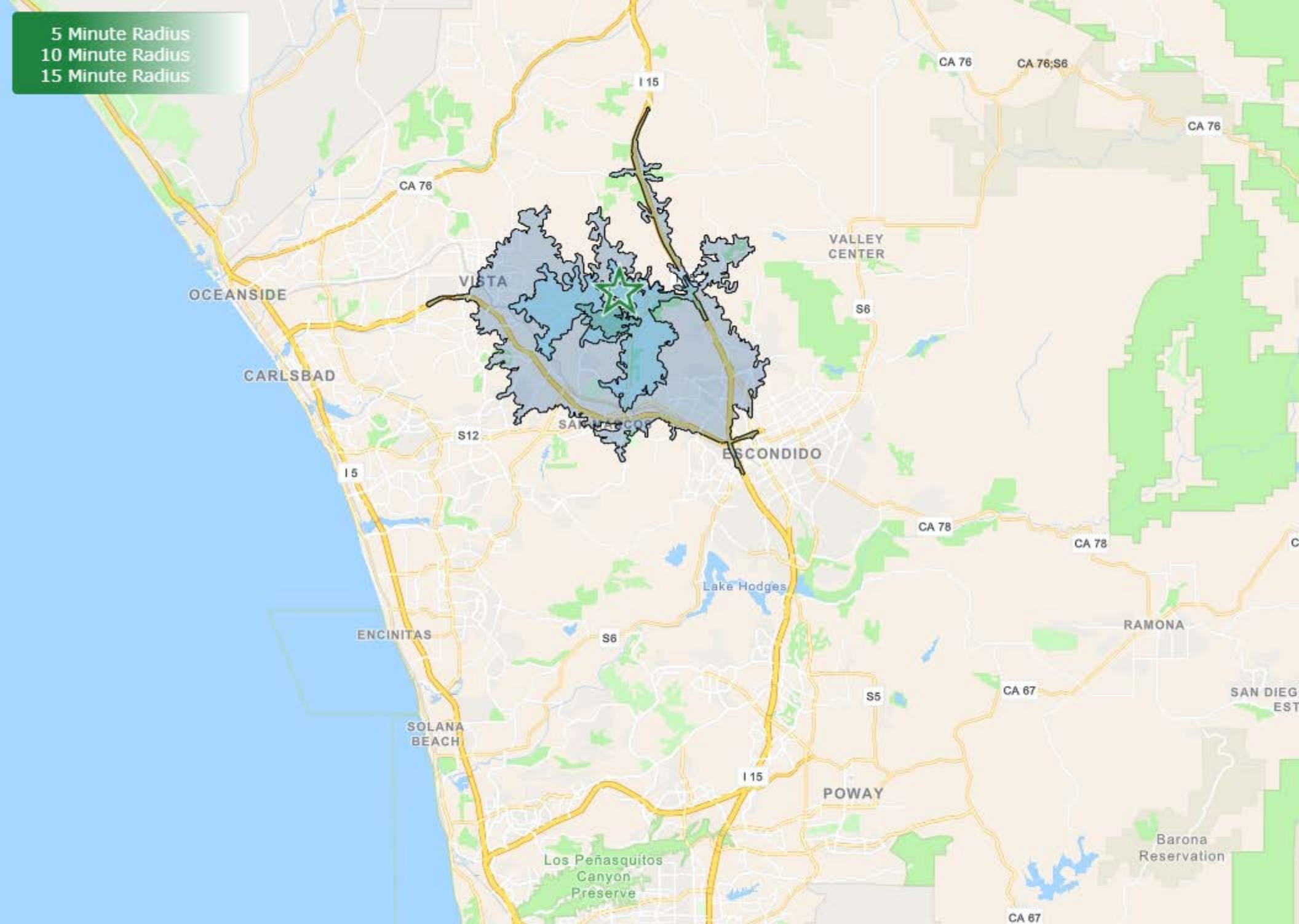
Largest Employers

San Marcos Unified School District	3,272
Palomar Community College	1,910
California State University, San Marcos	1,749
Kaiser Permanente	1,300
Hunter Industries	831
United Parcel Service	560
TrueCare	454
Costco	384

San Diego County GDP Trend



5 Minute Radius
10 Minute Radius
15 Minute Radius





03

Property Description

Property Features

Property Images

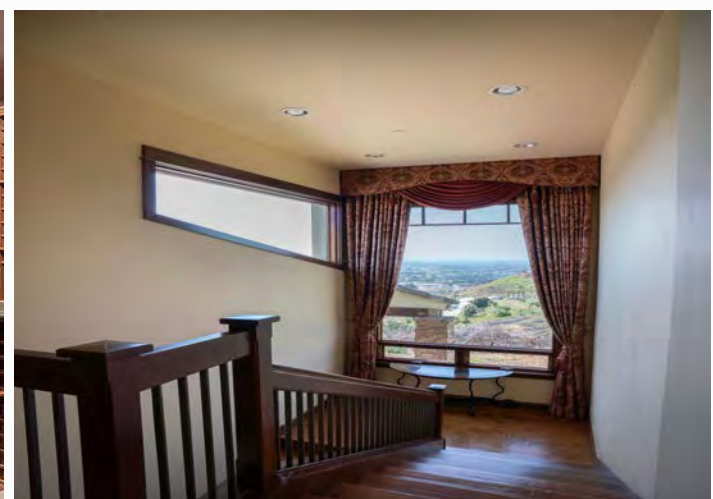
PROPERTY FEATURES

NUMBER OF TENANTS	1
BUILDING SF	12,065
LAND SF	522,720
LAND ACRES	12.00
YEAR BUILT	2000
YEAR RENOVATED	2000
# OF PARCELS	2
ZONING TYPE	Agriculture
TOPOGRAPHY	Rolling Hills
NUMBER OF STORIES	2
NUMBER OF PARKING SPACES	50
PARKING RATIO	10.00/1000 sf























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Financial Analysis

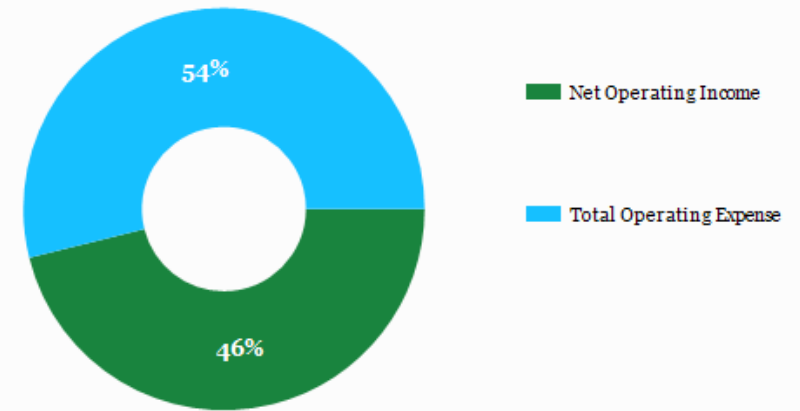
Income & Expense Analysis

Multi-Year Cash Flow Assumptions

Cash Flow Analysis

REVENUE ALLOCATION 2024 ADJUSTED

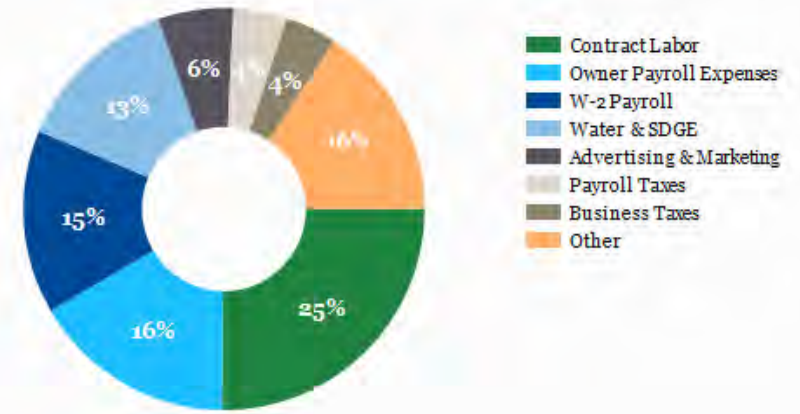
INCOME	2024 ADJUSTED		NORMALIZED	
Tasting Room Retail	\$373,634	66.1%	\$373,634	66.1%
Wine Club Sales	\$197,839	35.0%	\$197,839	35.0%
Cost of Goods Sold	(\$23,569)	-4.2%	(\$23,569)	-4.2%
Supplies and Materials Cost	(\$96,468)	-17.1%	(\$96,468)	-17.1%
Residential Property Income	\$114,000	20.2%	\$114,000	20.2%
Effective Gross Income	\$565,436		\$565,436	
Less Expenses	\$304,759	53.89%	\$304,759	53.89%
Net Operating Income	\$260,677		\$260,677	



EXPENSES	2024 ADJUSTED	NORMALIZED
Advertising & Marketing	\$18,405	\$18,405
Website	\$60	\$60
Business License	\$1,633	\$1,633
Contract Labor	\$76,665	\$76,665
General Business Expenses	\$425	\$425
Bank Fees	\$3,598	\$3,598
Subscriptions	\$145	\$145
Insurance	\$7,188	\$7,188
Interest Paid	\$1,678	\$1,678
Business Loan Interest	\$4,971	\$4,971
Legal Accounting Fees	\$7,787	\$7,787
Bookkeeping	\$1,537	\$1,537
Software Apps	\$6,131	\$6,131
Small Tools & Equipment	\$425	\$425
Owner Payroll Expenses	\$50,000	\$50,000
W-2 Payroll	\$45,016	\$45,016
Repairs and Materials	\$1,547	\$1,547
Business Taxes	\$12,697	\$12,697
Payroll Taxes	\$13,240	\$13,240
Supplies and Materials	\$7,463	\$7,463
Water & SDGE	\$40,760	\$40,760
Disposal & Waste	\$3,388	\$3,388
Total Operating Expense	\$304,759	\$304,759
Expense / SF	\$25.26	\$25.26
% of EGI	53.89%	53.89%

DISTRIBUTION OF EXPENSES

2024 ADJUSTED



GLOBAL

Price	\$6,890,000
Analysis Period	5 year(s)
Millage Rate (not a growth rate)	0.27000%
Exit Cap Rate	5.00%

INCOME - Growth Rates

Tasting Room Retail	4.00%
Wine Club Sales	5.00%
Residential Property Income	4.00%

EXPENSES - Growth Rates

Advertising & Marketing	2.00%
Website	2.00%
Business License	2.00%
Contract Labor	2.00%
General Business Expenses	2.00%
Bank Fees	2.00%
Subscriptions	2.00%
Insurance	2.00%
Interest Paid	2.00%
Business Loan Interest	2.00%
Legal Accounting Fees	2.00%
Bookkeeping	2.00%
Software Apps	2.00%
Small Tools & Equipment	2.00%
Owner Payroll Expenses	2.00%
W-2 Payroll	2.00%
Repairs and Materials	2.00%
Business Taxes	2.00%
Payroll Taxes	2.00%
Supplies and Materials	2.00%
Water & SDGE	2.00%
Disposal & Waste	2.00%



Calendar Year	2024 adjusted	Year 2	Year 3	Year 4	Year 5
Gross Revenue					
Tasting Room Retail	\$373,634	\$373,634	\$388,579	\$404,123	\$420,287
Wine Club Sales	\$197,839	\$197,839	\$207,731	\$218,117	\$229,023
Cost of Goods Sold	(\$23,569)	(\$23,569)	(\$24,276)	(\$25,004)	(\$25,754)
Supplies and Materials Cost	(\$96,468)	(\$96,468)	(\$96,468)	(\$96,468)	(\$96,468)
Residential Property Income	\$114,000	\$114,000	\$118,560	\$123,302	\$128,234
Effective Gross Income	\$565,436	\$565,436	\$594,126	\$624,070	\$655,323
Operating Expenses					
Advertising & Marketing	\$18,405	\$18,405	\$18,773	\$19,148	\$19,531
Website	\$60	\$60	\$61	\$62	\$64
Business License	\$1,633	\$1,633	\$1,666	\$1,699	\$1,733
Contract Labor	\$76,665	\$76,665	\$78,198	\$79,762	\$81,358
General Business Expenses	\$425	\$425	\$434	\$442	\$451
Bank Fees	\$3,598	\$3,598	\$3,670	\$3,743	\$3,818
Subscriptions	\$145	\$145	\$148	\$151	\$154
Insurance	\$7,188	\$7,188	\$7,332	\$7,478	\$7,628
Interest Paid	\$1,678	\$1,678	\$1,712	\$1,746	\$1,781
Business Loan Interest	\$4,971	\$4,971	\$5,070	\$5,172	\$5,275
Legal Accounting Fees	\$7,787	\$7,787	\$7,943	\$8,102	\$8,264
Bookkeeping	\$1,537	\$1,537	\$1,568	\$1,599	\$1,631
Software Apps	\$6,131	\$6,131	\$6,254	\$6,379	\$6,506
Small Tools & Equipment	\$425	\$425	\$434	\$442	\$451
Owner Payroll Expenses	\$50,000	\$50,000	\$51,000	\$52,020	\$53,060
W-2 Payroll	\$45,016	\$45,016	\$45,916	\$46,835	\$47,771
Repairs and Materials	\$1,547	\$1,547	\$1,578	\$1,609	\$1,642
Business Taxes	\$12,697	\$12,697	\$12,951	\$13,210	\$13,474
Payroll Taxes	\$13,240	\$13,240	\$13,505	\$13,775	\$14,050
Supplies and Materials	\$7,463	\$7,463	\$7,612	\$7,765	\$7,920
Water & SDGE	\$40,760	\$40,760	\$41,575	\$42,407	\$43,255
Disposal & Waste	\$3,388	\$3,388	\$3,456	\$3,525	\$3,595
Total Operating Expense	\$304,759	\$304,759	\$310,854	\$317,071	\$323,412
Net Operating Income	\$260,677	\$260,677	\$283,273	\$306,999	\$331,911



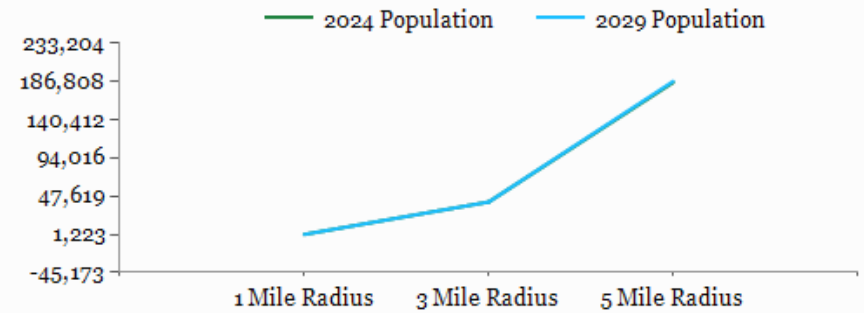
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Demographics

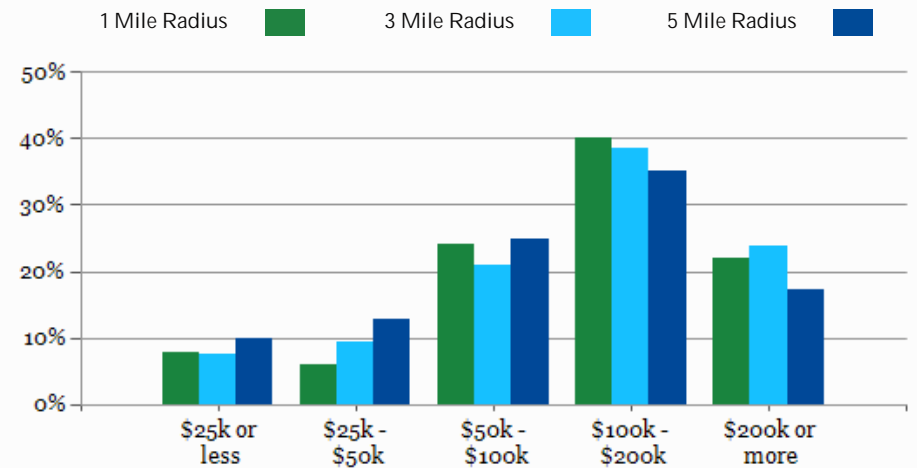
General Demographics

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	736	30,114	145,041
2010 Population	1,164	38,811	169,136
2024 Population	1,223	40,572	185,466
2029 Population	1,229	40,613	186,808
2024 African American	16	798	4,350
2024 American Indian	9	509	3,128
2024 Asian	114	4,432	15,565
2024 Hispanic	382	15,304	78,977
2024 Other Race	197	7,740	40,655
2024 White	689	20,059	89,268
2024 Multiracial	195	6,864	31,714
2024-2029: Population: Growth Rate	0.50%	0.10%	0.70%

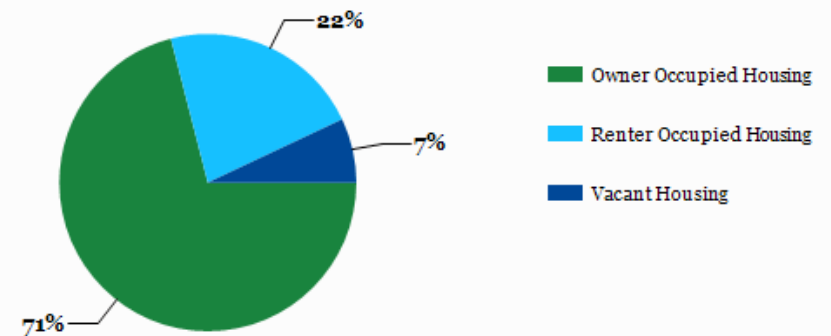
2024 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	13	676	3,512
\$15,000-\$24,999	14	280	2,635
\$25,000-\$34,999	9	410	3,116
\$35,000-\$49,999	12	788	4,864
\$50,000-\$74,999	56	1,446	8,503
\$75,000-\$99,999	28	1,221	7,029
\$100,000-\$149,999	69	2,623	12,820
\$150,000-\$199,999	71	2,293	8,973
\$200,000 or greater	77	3,058	10,778
Median HH Income	\$125,979	\$125,095	\$103,777
Average HH Income	\$152,680	\$157,637	\$134,107



2024 Household Income



2024 Own vs. Rent - 1 Mile Radius

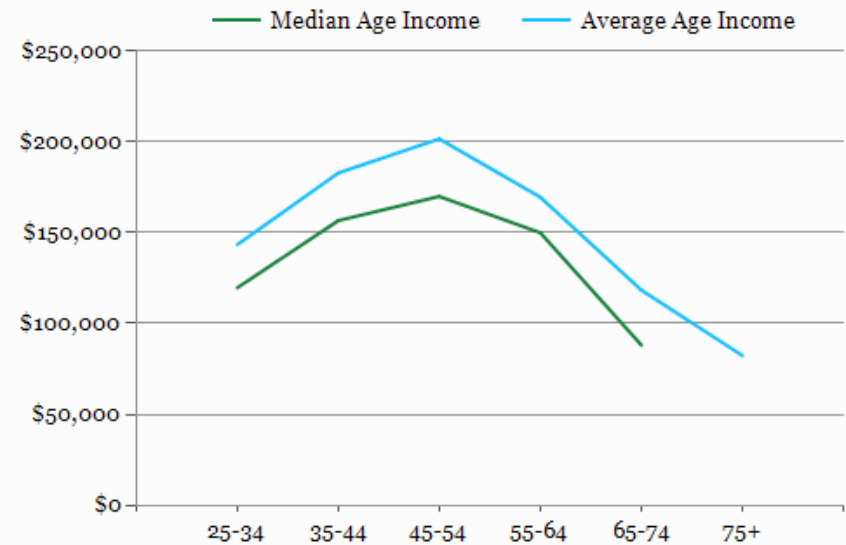
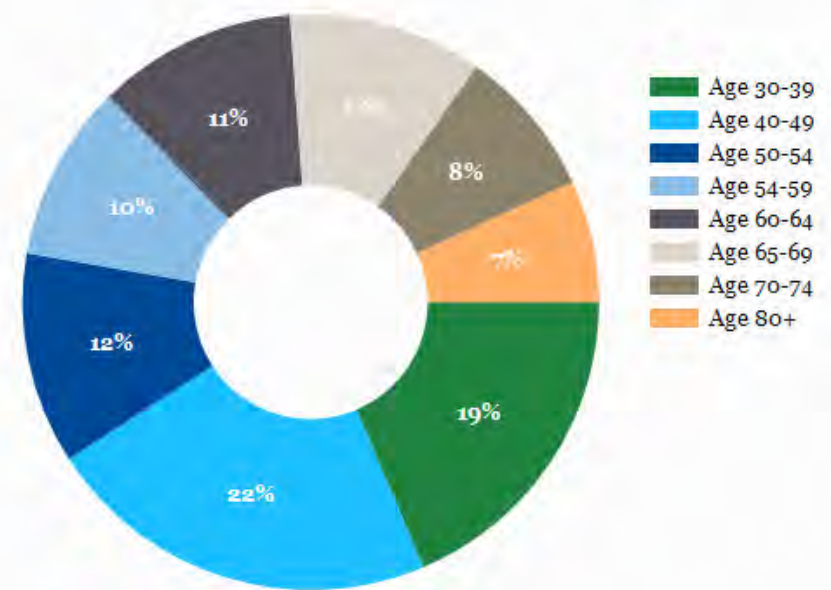


Source: esri

2024 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2024 Population Age 30-34	67	2,562	13,092
2024 Population Age 35-39	66	2,585	12,835
2024 Population Age 40-44	77	2,955	12,881
2024 Population Age 45-49	82	2,634	11,001
2024 Population Age 50-54	85	2,747	11,290
2024 Population Age 55-59	71	2,524	10,521
2024 Population Age 60-64	80	2,526	10,788
2024 Population Age 65-69	78	2,141	9,830
2024 Population Age 70-74	60	1,694	8,018
2024 Population Age 75-79	49	1,280	6,079
2024 Population Age 80-84	24	718	3,603
2024 Population Age 85+	19	674	3,877
2024 Population Age 18+	953	31,414	145,315
2024 Median Age	41	39	38
2029 Median Age	41	40	39

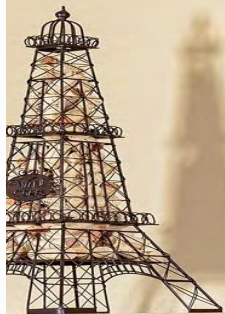
2024 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$119,679	\$116,035	\$100,663
Average Household Income 25-34	\$143,459	\$147,974	\$126,141
Median Household Income 35-44	\$156,705	\$153,774	\$124,728
Average Household Income 35-44	\$182,922	\$179,489	\$155,558
Median Household Income 45-54	\$169,996	\$157,408	\$130,030
Average Household Income 45-54	\$201,679	\$187,431	\$161,824
Median Household Income 55-64	\$150,000	\$147,972	\$118,241
Average Household Income 55-64	\$169,572	\$177,264	\$151,310
Median Household Income 65-74	\$88,098	\$101,209	\$89,381
Average Household Income 65-74	\$118,413	\$131,584	\$119,723
Average Household Income 75+	\$82,348	\$91,937	\$82,795

Population By Age





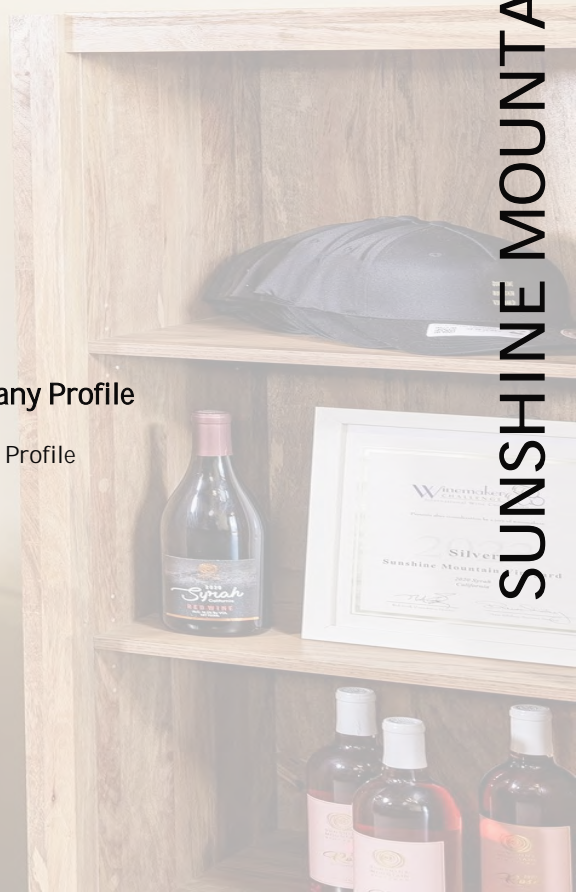
SUNSHINE MOUNTAIN VINEYARD



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Company Profile

Advisor Profile



SUNSHINE MOUNTAIN VINEYARD



Jerry Henberger
President

"Jerry Henberger: The Business Innovator Changing the Game in Commercial Real Estate"

Through innovative use of proprietary technology and years of experience in the real estate industry, HRE Commercial, Inc leverages the latest market data, and trends, that create new opportunities. They use this information to help you make informed decisions and maximize your returns.

Whether you are looking to buy, sell, or lease commercial property, HRE Commercial, Inc's agents have a deep understanding of the real estate market and can provide valuable insights and guidance to help you make informed decisions.

At HRE Commercial, Inc they understand that every client has unique needs and preferences. That's why they take the time to listen to your needs, understand your goals, and tailor their services to meet your specific requirements. Their personalized approach ensures that you receive the highest level of service and attention, no matter how large or small your project may be.

With their extensive network of industry contacts and years of experience, Jerry and his team can help you navigate the complexities of commercial real estate transactions. They will work closely with you every step of the way, providing guidance, support, and expert advice to help you achieve your objectives.

It's through this expertise in commercial real estate, Jerry and his team are known for their integrity, honesty, and professionalism. They treat every client with the utmost respect and care, and they will go above and beyond to ensure your satisfaction. With Jerry's extensive experience, expertise, and commitment to giving back to the community, you can trust that HRECommercial is dedicated to providing exceptional service and delivering excellent results.

Don't settle for just any real estate agency – choose HRE Commercial, Inc and experience the difference that comes with working with a team of true professionals. Contact them today to get started.

Sunshine Mountain Vineyard

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The information contained herein is not a substitute for a thorough due diligence investigation. HRE Commercial, Inc. has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this offering memorandum has been obtained from sources we believe reliable; however, HRE Commercial, Inc. has not verified, and will not verify, any of the information contained herein, nor has HRE Commercial, Inc. conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

Market Analysis by



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