

Marcus & Millichap
OVANESS-ROSTAMIAN GROUP

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REDLANDS
GALLERY

17 EAST STATE STREET

17 EAST STATE STREET,
REDLANDS, CA 92373

REDLANDS GALLERIA

17 EAST STATE STREET

Marcus & Millichap
OVANESS-ROSTAMIAN GROUP





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OVANESS-ROSTAMIAN GROUP

OFFICES THROUGHOUT THE U.S. AND CANADA
www.marcusmillichap.com

OFFERING SUMMARY

REDLANDS GALLERIA

17 EAST STATE STREET

 **\$3,800,000**

PROPERTY DESCRIPTION

Property Address	17 East State Street
City, State, ZIP	Redlands, CA 92373
Total Building Area	21,476 SF
Total Land Area	10,640 SF (0.24 Acres)
Zoning	VG / DT (Mixed-Use)
APN	0171-061-03-0000 0171-061-04-0000
Year Built	1924
Building Price Per SF	\$177
Land Price Per SF	\$357
Current CAP Rate	7.35%
ProForma CAP Rate	10.41%

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INVESTMENT HIGHLIGHTS

- Prime Property – Exceptional Investment Opportunity
- Approximately 22,000 Square Feet of Retail Space Available on Historic State Street
- Additional 14,000 Square Feet of Retail Space Available Behind Buildings at 113 North 5th Street and 16 East Redlands Boulevard
Contact Agent for Pricing Details
- Adaptive Re-Use Potential with Transformation into an Array of Different Uses
- Excellent Value-Add or Owner User Opportunity
- Ability to Take Over Existing Business
- Highly Desirable East State Street Location with Extensive Upside
- Located in Downtown Redlands, Known for its Diverse Culture, Arts Scene, and Wide Range of Attractions from Nightlife to Museums, Hotels, Restaurants, and More
- Extremely Dense Demographics with Over 145,089 People in a 5-Mile Radius and an Average Household Income of \$115,382



INVESTMENT OVERVIEW

Ovaness-Rostamian Group of Marcus and Millichap is pleased to present the Redlands Galleria, an iconic 1924 property that offers a distinctive investment opportunity in the heart of Downtown Redlands, California. Situated between Redlands Avenue and East State Street, this property is ideally located in one of Redlands' most desirable walkable locations.

In addition to the approximately 22,000 square feet at 17 East State Street, there are two additional buildings accessible from Redlands Boulevard and 5th Street behind the main property. These buildings measure approximately 2,000 and 12,000 square feet respectively, totaling an additional 14,000 square feet of available space. Contact our agent for pricing details.

Investors are presented with a wide range of redevelopment possibilities. These include the creation of upscale retail spaces, the development of office spaces on upper levels, and other approved uses, subject to regulatory approvals. The property provides investors with the flexibility to optimize the building for its highest and best use.

Buyers have the freedom to choose from various ownership and investment strategies. Following redevelopment, options include leasing individual spaces or occupying a portion of the property. Moreover, there's potential for owner-user financing, with the possibility of securing SBA Financing with a minimal 10% down payment.

The property produces a healthy existing cash flow while investors work towards obtaining the necessary approvals for redevelopment. This feature ensures that investors can generate income during the transformation process.

Tenants include an Antique Shop facing East State Street, which the purchaser could continue to operate until they are ready to reposition the property. The buildings feature impressive high ceilings ranging from 15 to 20 feet.

Public records indicate the property comprises approximately 21,476 square feet of building space on a 10,640-square-foot land area, with an additional 13,896 of building space and 22,971 square feet of land additionally available. Buyers are advised to conduct their own due diligence to verify square footage.

For details regarding the buyer qualification process, property tours, and offer submission deadlines, we encourage prospective buyers to contact our listing agents. In accordance with the ownership's request, please coordinate property tours with our experienced team to ensure the current tenants are not disturbed.

The Redlands Galleria represents a significant investment opportunity in an evolving Downtown Redlands location. Its strategic position, redevelopment potential, and flexibility in ownership and usage make it an attractive prospect for investors looking to contribute meaningfully to the Redlands community while achieving a favorable return on investment.



EXTERIOR PHOTOS





INTERIOR PHOTOS





PROPERTY DETAILS

Total Building SF



21,476

Total Land SF



10,640

Zoning



VG / DT
(Mixed-Use)

Location



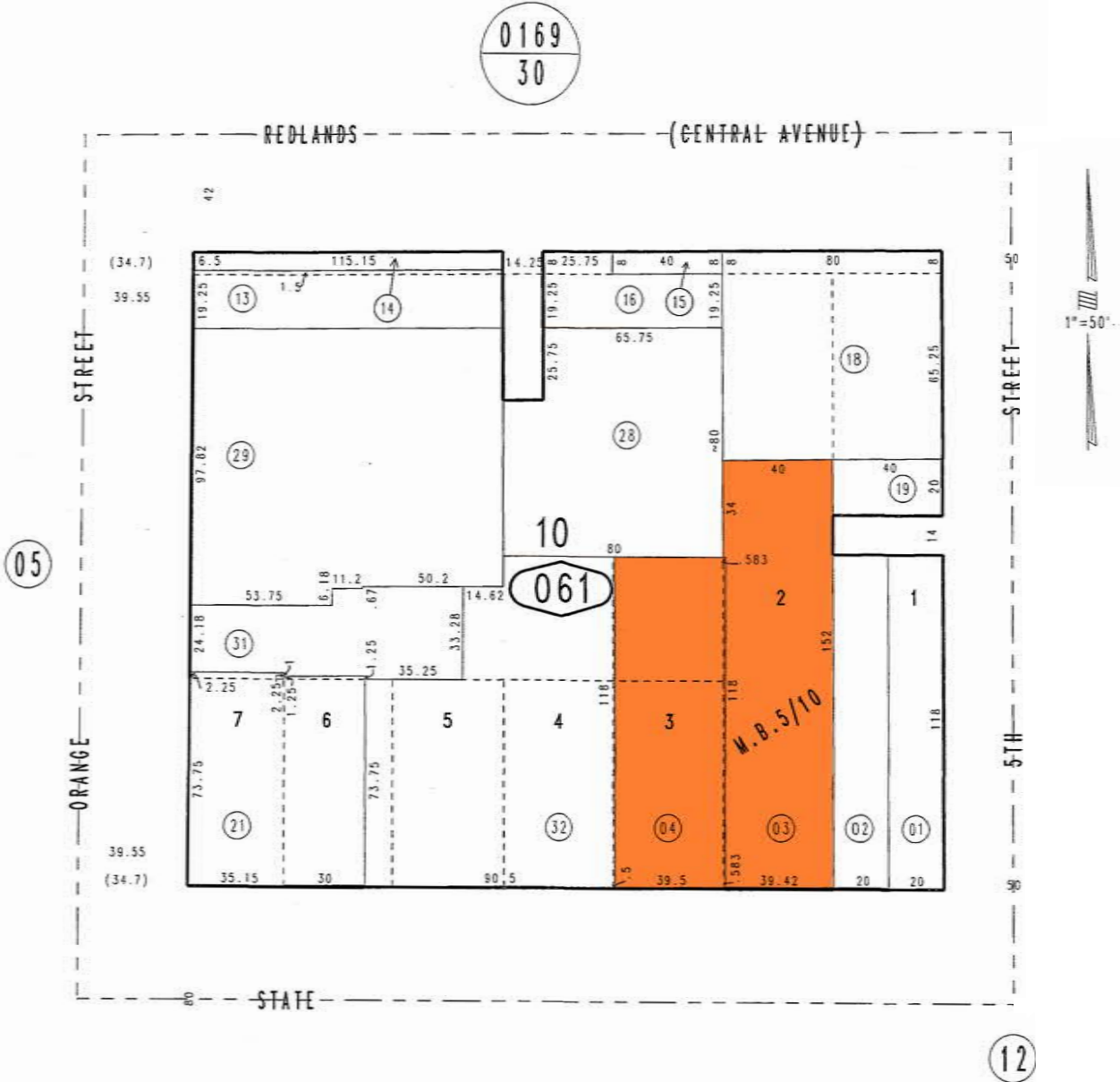
Redlands, CA

Year Built



1924

PROPERTY HIGHLIGHT



**17 EAST REDLANDS STREET,
REDLANDS, CA 92373**

APN: 0171-061-04-0000
Land Area: 4,700 SF

APN: 0171-061-03-0000
Land Area: 6,000 SF



Orange St.

Foothill Fwy.

127,500 CARS PER DAY



19,495 CARS PER DAY

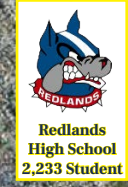
Redlands Fwy.



West Redlands Blvd.

19,495 CARS PER DAY

East State St.

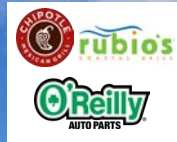


East Redlands Blvd.



158,500 CARS PER DAY





158,500 CARS PER DAY

Redlands Fwy.



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19,495 CARS PER DAY

West Redlands Blvd.

East Redlands Blvd.

19,495 CARS PER DAY

North 5th St.






East State St.







LEASED COMPARABLES

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied as to the accuracy of the information.

LEASED RETAIL | 1ST FLOOR GROUND:

Description	Property Address	City	Leased SF	Lease Type	Lease Rate PSF (Annual)	Yr. Built	Lease Rate PSF (Monthly)	Lease Signed	Lease Term (Years)	Start Date	Market Time (Months)
 Retail 1st FL	102-104 E State St	Redlands	1428	MG	\$39.00 Effective	1948	\$3.25	Feb-24	4	Feb-24	0
 Retail 1st FL	208 E State St	Redlands	2000	NNN	\$36.00 Effective	1949	\$3.00	Mar-24	5	Dec-23	2
 Office / Retail 1st FL	217-221 E State St	Redlands	1000	NNN	\$36.00 Effective	1956	\$3.00	Sep-23	3	Oct-23	4
 Retail / Office 1st FL	208 E State St	Redlands	800	NNN	\$28.20 Asking	1957	\$2.35	Jul-23	3	Aug-23	6
 Retail 1st FL	217-221 E State St	Redlands	2100	NNN	\$33.00 Asking	1956	\$2.75	Apr-22	5	Jun-22	2
Averages			1,466		\$34.44	1953	\$2.87		4		3




LEASED RETAIL | COMPS 2ND & 3RD FLOOR:

Description	Property Address	City	Leased SF	Lease Type	Lease Rate PSF (Annual)	Year Built	Lease Rate PSF (Monthly)	Lease Signed	Lease Term (Years)	Start Date	Market Time (Months)
 Office 2nd	102-104 E State St	Redlands	575	NNN	\$36.00 Effective	1948	\$3.00	Feb-24	3	Mar-24	0
 Office 2nd	102-104 E State St	Redlands	1342	MG	\$36.00 Effective	1948	\$3.00	Jan-24	4	Mar-24	2
 Office 2nd	233 E E State St	Redlands	1000	MG	\$19.20 Effective	1962	\$1.60	Jan-24	-	Jan-24	10
 Office 2nd	308 E E State St	Redlands	750	NNN	\$24.00 Asking	1988	\$2.00	May-23	5	May-23	5
Averages			917		\$28.80		\$2.40		4 Years		4




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FOR LEASE COMPARABLES

FOR LEASE RETAIL 1ST FLOOR GROUND:

	Description	Property Address	City	Lease SF	Lease Type	Lease Rate PSF (Annual)	Year Built	Lease Rate PSF (Monthly)	Min. Lease Term (Years)	Market Time (Months)
	Retail Office	116 Orange St	Redlands	3100	NNN	\$42.00	\$42.00	\$3.50	Negotiable	Vacant
	Retail Office	233 E State St	Redlands	1800	MG	\$30.00	\$1,962	\$2.50	Negotiable	Vacant
	Retail	220 E State St	Redlands	2500	MG	\$22.20	\$1,926.00	\$1.85	Negotiable	Vacant
Averages				2,467		\$31.40	1944	\$2.62		

FOR LEASE OFFICE / RETAIL COMPS 2ND- 4RD FLOOR:

	Description	Property Address	City	Lease SF	Lease Type	Lease Rate PSF (Annual)	Year Built	Lease Rate PSF (Monthly)	Min. Lease Term (Years)	Market Time (Months)
	Retail Office 2rd FL	19 E Citrus Ave	Redlands	3585	NNN	\$15.00	1940	\$1.25	3-10 Yrs.	Vacant
	Office 2rd FL	102-104 E State St	Redlands	770	MG	\$33.00	1948	\$2.75	Negotiable	Vacant
	Office 2rd FL	108-112 Orange	Redlands	475	MG	\$36.00	1891	\$3.00	Negotiable	Vacant
Averages				1,610		\$28.00	1926	\$2.33		Vacant

SOLD & FOR SALE COMPARABLES

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied as to the accuracy of the information.

SOLD COMPARABLES:

	Use	Property Address	Zoning	Sales Price	Building SF	Land SF	Price / SF	Year Built	Cap Rate	% Leased	Sale Date	Days on Market
	Retail	360 Orange St	GC	\$2,080,000	4,180	4,356	\$498	1920	-	100%	12/11/2023	180
	Retail	402 W Colton Ave	C	\$925,000	4,136	8,640	\$224	1955	-	-	8/18/2023	132
	Retail / Office	217-221 E State St	CG	\$1,730,000	4,080	4,792	\$424	1956	-	-	5/10/2023	295
Average				\$1,415,000	4,133	6,607	\$342	1946	-	100%		185

FOR SALE COMPARABLES :

	Use	Property Address	Zoning	Sales Price	Building SF	Land SF	Price / SF	Year Built	Cap Rate	% Leased	Days on
	Retail	346 & 348 Orange St	CG	\$2,500,000	11,440	11,822	\$219	1920	-	-	163
	Retail	330 & 336 Orange St	CG	\$3,500,000	7,296	7,786	\$480	1989	-	-	25
	Retail	217-221 E State St	CG	\$2,100,000	4,080	4,792	\$515	1956	5.70%	100%	117
Average				\$2,700,000	7,605	9,804	\$404	1955	5.70%	100%	102



PRICING DETAILS

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PRICING SUMMARY:

Price:	\$3,800,000			
Down Payment:	\$2,660,000	70%	LTV:	30%
Current Cap Rate:	7.35%		Current Cash on Cash:	7.50%
ProForma CAP Rate:	10.41%		Proforma Cash on Cash:	11.44%
TI / Leasing Commissions @50PSF:	\$1,073,800			
Year Built:	1924			
Total Building Size:	21,476		Zoning:	(Mixed-Use) VG / DT
Price Per Square Foot:	\$177		Parking:	Street
Lot Size (SF):	10,640		Land Price PSF:	\$357

FINANCIAL SUMMARY:

	<u>Current</u>		<u>ProForma 2025</u>	
Total Rental Income (GLA):	\$344,970		\$541,195	
Percentage Rent from Tenant Gross Sales	\$74,000		\$0	
Expense Reimbursements:	\$0		\$139,703	
Total Gross Revenue:	\$418,970		\$680,898	
Vacancy Factor:	\$0		(\$34,045)	5.00%
Operating Expenses:	(\$139,703)	40%	(\$139,703)	26%
Net Operating Income (NOI):	\$279,267	7.35%	\$507,150	10.41%
First Trust Deed/Mortgage:	\$79,833		\$79,833	
Pre-Tax Cash Flow:	\$199,434	7.50%	\$427,318	11.44%
Interest Payment:	\$65,168		\$64,302	
Principle Payment:	\$14,665		\$15,531	
Total Return:	\$214,099	8.05%	\$442,849	11.86%

FINANCING:

<u>Proposed Financing</u>	
Balance:	\$1,140,000
Term:	5
Rate:	5.75%
Amortization:	30
Maturity Date:	Aug-2029
Yearly Payment:	\$79,833

EXPENSES:

Property Tax:	\$47,500	1.25%
Insurance:	\$16,107	\$0.75 psf
Maintenance:	\$13,959	\$0.65 psf
Janitorial:	-	
Utilities:	\$28,091	
Management (5%):	\$34,045	
Total Expenses:	\$139,703	
Expenses PSF (GLA):	\$0.54	

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RENT ROLL

RENT ROLL (CURRENT):

Tenant	Address & Location	%	Building SF	Rent / SF/MO	Mo. Rent	Rent / SF/YR	Annual Rent	Exp Reimburse / YR	Total	Total / SF / MO	Lease Type
Redlands Galleria	17 East State ST (1st FL Bottom Right Front)	24.77%	5,320	\$1.33	\$7,059	\$15.92	\$84,709	-	\$84,709	\$1.33	MG
Redlands Galleria	17 East State ST (1st FL Bottom Left Front)	24.77%	5,320	\$1.33	\$7,059	\$15.92	\$84,709	-	\$84,709	\$1.33	MG
Redlands Galleria	17 East State ST (2nd FL Top Right Front)	25.23%	5,418	\$1.30	\$7,059	\$15.63	\$84,709	-	\$84,709	\$1.30	MG
Redlands Galleria	17 East State ST (2nd FL Top Left Front)	25.23%	5,418	\$1.30	\$7,059	\$15.63	\$84,709	-	\$84,709	\$1.30	MG
Total / Average		100%	21,476	\$1.31	\$28,236	\$15.78	\$338,836	\$0	\$338,836	\$5.26	MG

RENT ROLL (PROFORMA):

Tenant	Address & Location	%	Building SF	Rent / SF/MO	Mo. Rent	Rent / SF/YR	Annual Rent	Exp Reimburse / YR	Total	Total / SF / MO	Lease Type
New Retail Tenant	17 East State ST (1st FL Bottom Right Front)	24.77%	5,320	\$2.50	\$13,300	\$30.00	\$159,600	\$34,607	\$194,207	\$3.04	NNN
New Retail Tenant	17 East State ST (1st FL Bottom Left Front)	25.23%	5,418	\$2.50	\$13,545	\$30.00	\$162,540	\$35,244	\$197,784	\$3.04	NNN
New Office Tenant	17 East State ST (2nd FL Top Right Front)	24.77%	5,320	\$1.70	\$9,044	\$20.40	\$108,528	\$34,607	\$143,135	\$2.24	NNN
New Office Tenant	17 East State ST (2nd FL Top Left Front)	25.23%	5,418	\$1.70	\$9,211	\$20.40	\$110,527	\$35,244	\$145,772	\$2.24	NNN
Total / Average		100%	21,476	\$2.10	\$45,100	\$25.20	\$541,195	\$34,926	\$680,898	\$10.57	MG





City Of REDLANDS



About Redlands, CA

Redlands, California, nestled in San Bernardino County, blends historical charm with modern living. Founded in 1881, it features a historic downtown, the Redlands Bowl, and the University of Redlands. The city offers scenic trails, parks, and community events like the Redlands Market Night. With a diverse economy and excellent connectivity, Redlands stands out as a vibrant and inviting place to live and visit.





145,089

2023 Total Population
within 5-Mile Radius



\$115,382

Average Household Income
within 5-Mile Radius



\$81,564

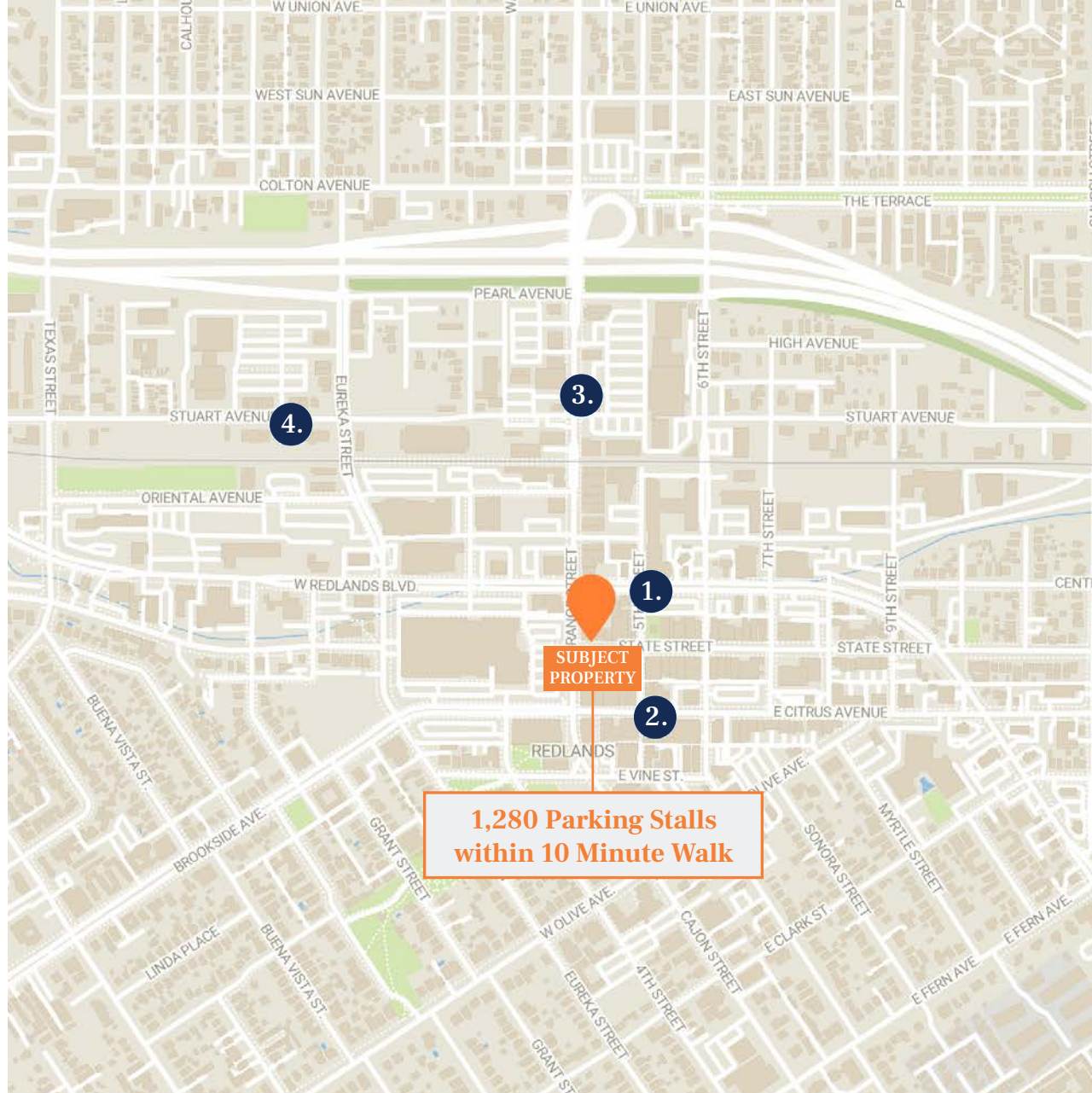
Total Average Household Retail Expenditure
within 5-Mile Radius

DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2028 Projection			
Total Population	18,836	78,185	147,793
2023 Estimate			
Total Population	18,640	76,918	145,089
2020 Census			
Total Population	18,550	77,192	146,669
2010 Census			
Total Population	17,462	71,616	136,841
Daytime Population			
2023 Estimate	25,395	96,741	166,117
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2028 Projection			
Total Households	7,208	28,587	52,548
2023 Estimate			
Total Households	7,095	27,982	51,310
Average (Mean) Household Size	2.6	2.7	2.8
2010 Census			
Total Households	7,047	27,627	50,614
2010 Census			
Total Households	6,721	25,850	47,272
Occupied Units			
2028 Projection	7,606	30,283	55,137
2023 Estimate	7,529	29,684	53,981
HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2023 Estimate			
\$150,000 or More	12.1%	21.3%	20.5%
\$100,000-\$149,999	12.3%	19.7%	19.9%
\$75,000-\$99,999	13.6%	13.1%	14.5%
\$50,000-\$74,999	18.7%	17.5%	16.8%
\$35,000-\$49,999	10.8%	8.1%	8.6%
Under \$35,000	32.5%	20.3%	19.8%
Average Household Income	\$81,746	\$117,269	\$115,382
Median Household Income	\$56,763	\$82,400	\$83,121
Per Capita Income	\$32,240	\$43,341	\$41,267

HOUSEHOLDS BY EXPENDITURE	1 Mile	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$68,037	\$81,154	\$81,564
Consumer Expenditure Top 10 Categories			
Housing	\$25,437	\$30,274	\$30,371
Transportation	\$11,832	\$13,551	\$13,667
Food	\$8,641	\$10,012	\$10,092
Personal Insurance and Pensions	\$7,384	\$9,376	\$9,462
Healthcare	\$4,768	\$5,715	\$5,763
Entertainment	\$2,714	\$3,378	\$3,389
Cash Contributions	\$1,894	\$2,408	\$2,356
Apparel	\$1,693	\$1,929	\$1,933
Gifts	\$1,318	\$1,608	\$1,574
Education	\$1,043	\$1,373	\$1,380
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2023 Estimate Total Population	18,640	76,918	145,089
Under 20	27.3%	24.6%	25.1%
20 to 34 Years	25.0%	22.3%	22.3%
35 to 39 Years	7.3%	6.7%	6.6%
40 to 49 Years	12.4%	12.1%	12.1%
50 to 64 Years	15.9%	19.0%	18.9%
Age 65+	12.2%	15.4%	15.0%
Median Age	33.7	37.3	36.9
Population 25+ by Education Level			
2023 Estimate Population Age 25+	12,111	52,631	98,696
Elementary (0-8)	6.4%	3.8%	4.7%
Some High School (9-11)	9.2%	5.7%	7.0%
High School Graduate (12)	21.4%	19.4%	20.3%
Some College (13-15)	21.6%	19.9%	20.4%
Associate Degree Only	9.0%	8.4%	8.6%
Bachelor's Degree Only	16.3%	22.9%	21.5%
Graduate Degree	16.3%	20.0%	17.5%

REDLANDS PARKING MAP



1.
**100 E REDLANDS BOULEVARD,
REDLANDS, CA 92373**

1 Minute Away
59 Spaces (Outdoor)

2.
**164 EAST CITRUS AVE.
REDLANDS, CA 92373**

4 Minutes Away
204 Spaces (Structure)

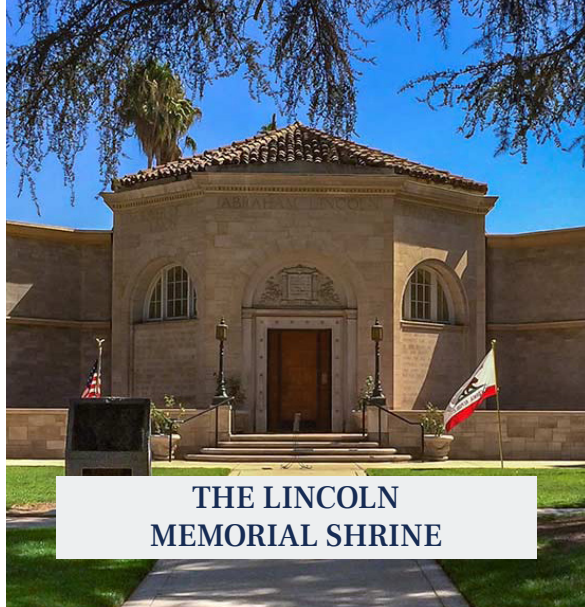
3.
**522 ORANGE STREET,
REDLANDS, CA 92374**

9 Minutes Away
570 Spaces (Structure)

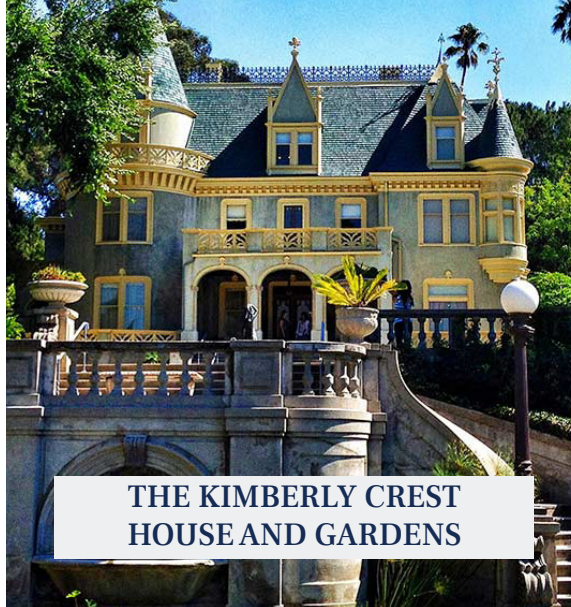
4.
**400 WEST STUART AVE.
REDLANDS, CA 92374**

16 Minutes Away
9 Minutes Away
455 Spaces (Structure)

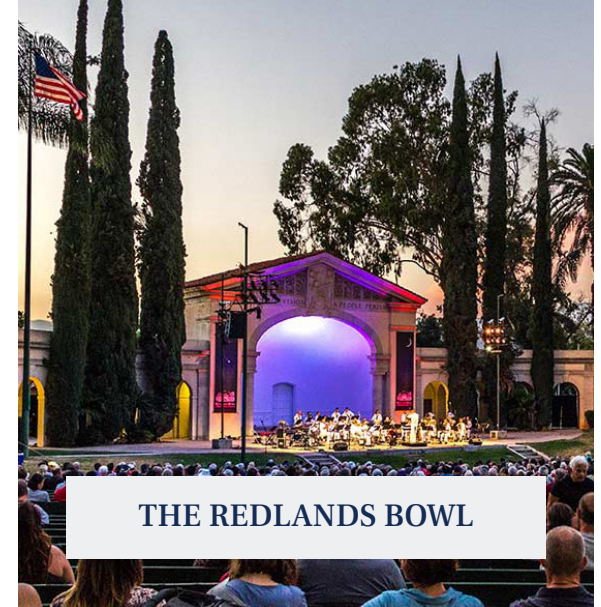
REDLANDS ATTRACTIONS & THINGS TO DO



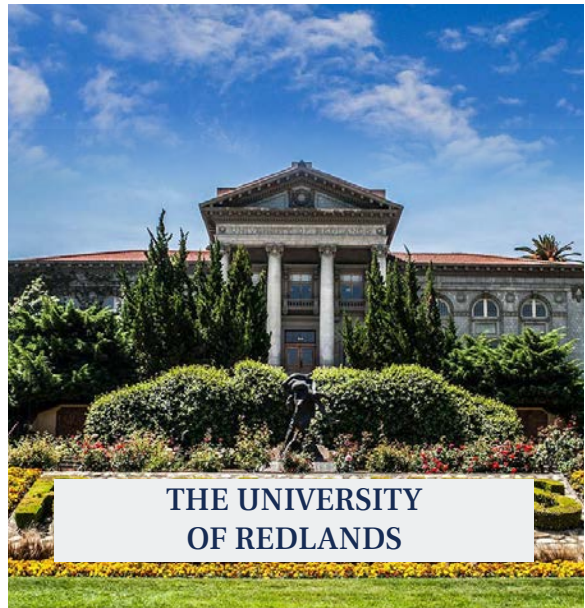
**THE LINCOLN
MEMORIAL SHRINE**



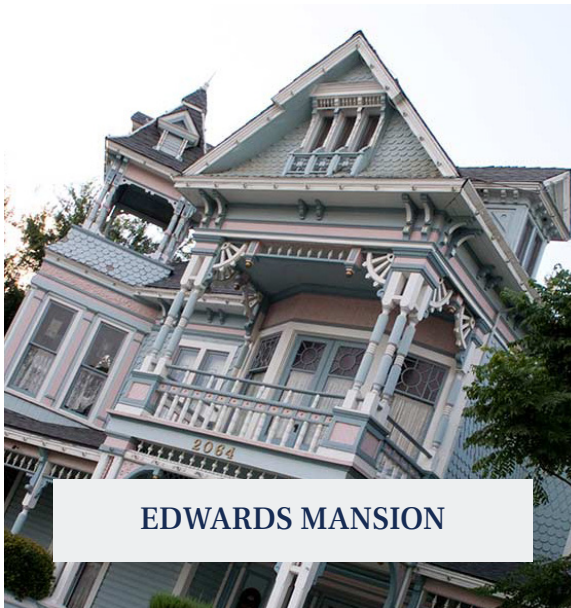
**THE KIMBERLY CREST
HOUSE AND GARDENS**



THE REDLANDS BOWL



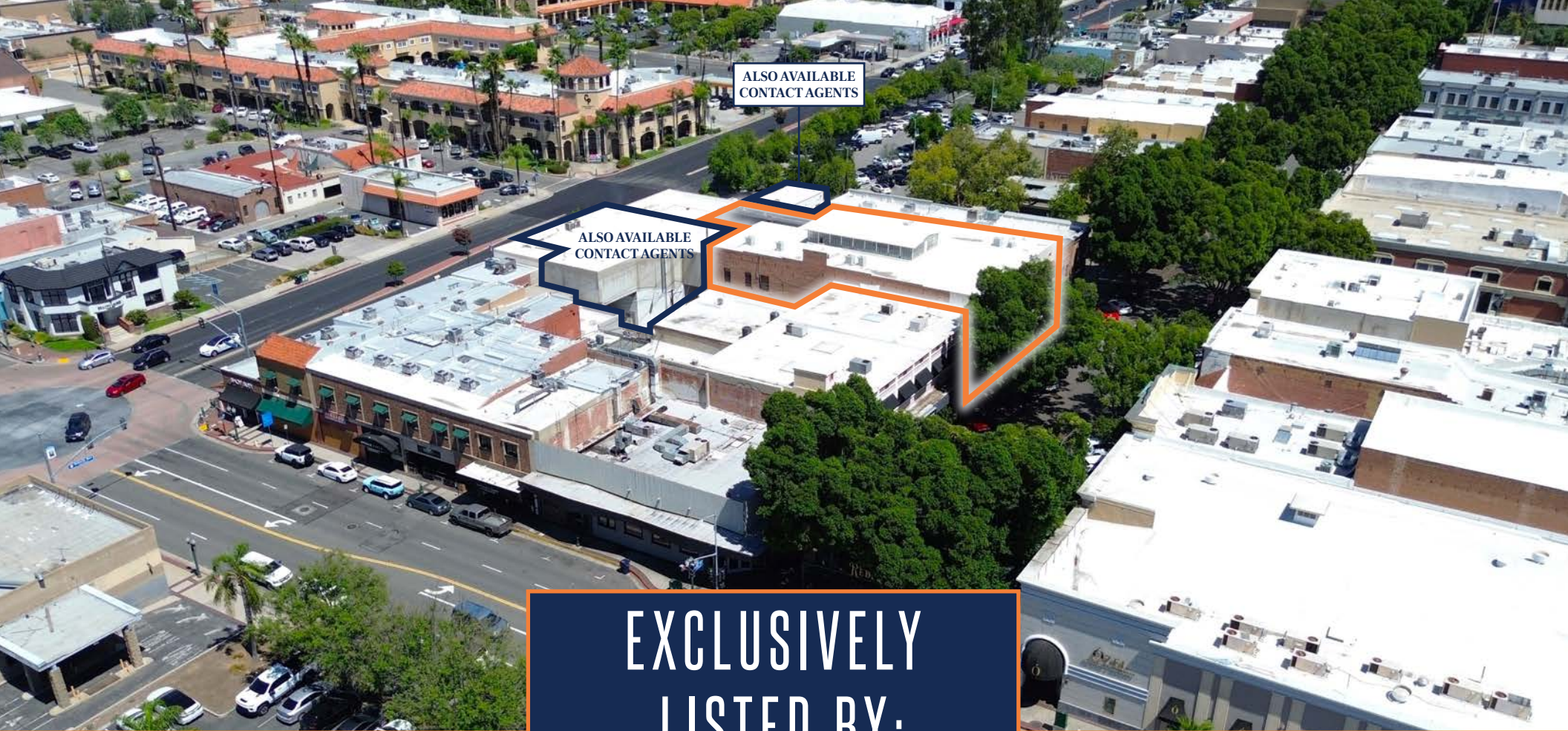
**THE UNIVERSITY
OF REDLANDS**



EDWARDS MANSION



SYLVAN PARK



ALSO AVAILABLE CONTACT AGENTS

ALSO AVAILABLE CONTACT AGENTS

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