

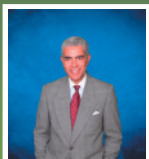


23090

23090 SUNNYMEAD BOULEVARD
MORENO VALLEY, CA 92553

POTENTIAL TAX CREDIT - ASSISTED
LIVING/PERMANENT OR AFFORDABLE
LIVING/CONVALESCENT HOME
CONVERSION OPPORTUNITY

Offering Memorandum



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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Sperry Commercial in compliance with all applicable fair housing and equal opportunity laws.

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FOR SALE |

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SECTION 1

PROPERTY INFORMATION



Property Summary



PROPERTY DESCRIPTION

POTENTIAL TAX CREDITS - OWNED FOR MORE THAN 10 YEARS BY SELLER - Zoning allows Assisted Living/Convalescent as well as Permanent Housing

Currently an operating La Quinta Inn, the property is a Potential Conversion of the Existing Hotel to Permanent Housing or Assisted Living/Convalescent Housing per the City of Moreno Valley Planning Department

Built in 2009 and situated on an approximate 1.36-acre concrete lot, the Property is comprised of 62 rooms and is three-story, with Interior Corridors. The Building is approximately 29669 square feet of construction with Concrete Parking

PROPERTY HIGHLIGHTS

- 10-Year Ownership Tax Credit Potential!
- Seller Familiar with the Conversion Process!
- Proper Zoning for Conversion to Permanent Housing/Assisted Living/Convalescent
- Well-Maintained and Located Property Built in 2009

OFFERING SUMMARY

Sale Price:	\$10,850,000
Number of Units:	62
Lot Size:	1.36 Acres
Building Size:	29,669 SF
NOI:	\$732,047.00
Cap Rate:	6.75% for Non Profit/5.5 for Profit

DEMOGRAPHICS

	0.25 MILES	0.5 MILES	1 MILE
Total Households	550	2,283	7,251
Total Population	1,636	6,827	25,186
Average HH Income	\$73,004	\$77,372	\$84,313

Property Description



PROPERTY DESCRIPTION

POTENTIAL TAX CREDITS - OWNED FOR MORE THAN 10 YEARS BY SELLER -
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Built in 2009 and situated on an approximate 1.36-acre concrete lot, the Property is comprised of 62 rooms and is three-story, with Interior Corridors. The Building is approximately 29669 square feet of construction with Concrete Parking

LOCATION DESCRIPTION

Located just to the South of Highway 60, the Property is located near significant retail establishments and to the immediate east of the Pigeon Pass and Sunnymead intersection.

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Complete Highlights



BUILDING INFORMATION

NOI	\$732,047.00
Cap Rate	6.75%
Number of Floors	3
Year Built	2009
Year Last Renovated	2020

PROPERTY HIGHLIGHTS

- 10-Year Ownership Tax Credit Potential!
- Seller Familiar with the Conversion Process!
- Proper Zoning for Conversion to Permanent Housing/Assisted Living/Convalescent
- Well-Maintained and Located Property Built in 2009
- Amenities include Kitchen, Dining Area, Indoor Pool, 11 Suites, Lobby Area, Meeting Room (approximately 750 Square Feet), and Gymnasium

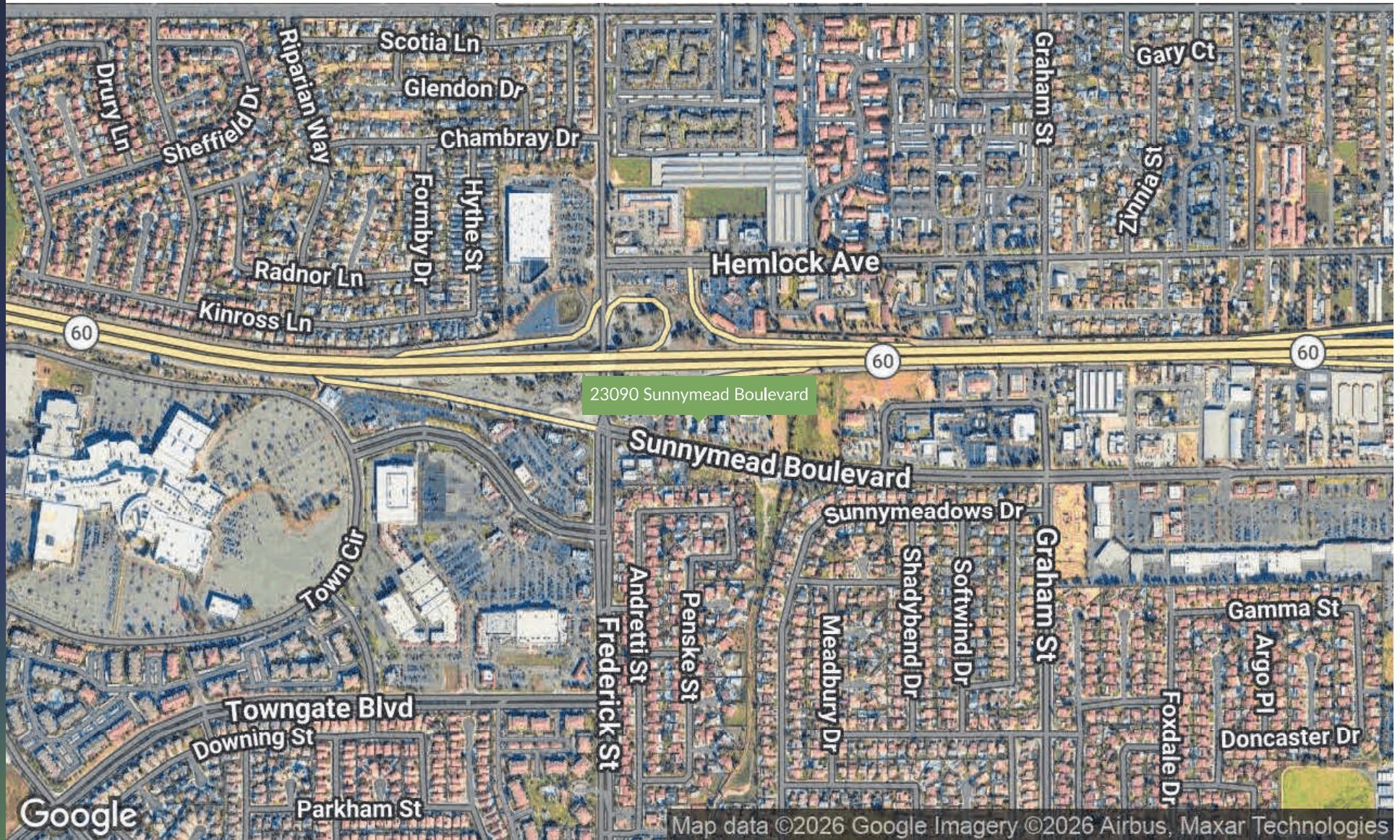
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SECTION 2

LOCATION INFORMATION

Aerial Map



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Retailer Map



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SECTION 3

CONVERSION/PATHWAY



City Position on Conversion to Affordable Housing, SRO, Assisted Living or Convalescent Home

Good morning,

As previously provided, the address 23090 Sunnymead Blvd. is Zoning Type: SP 204 CC (Community Commercial). Community Commercial District (CC). The primary purpose of the community commercial (CC) district is to provide for the general shopping needs of area residents and workers with a variety of business, retail, personal and related or similar services.

- Affordable Housing - <https://ecode360.com/43228862#43228862>
- Single Room Occupancy - <https://ecode360.com/43230322#43230322>
- Supportive and Transitional Housing - Nothing is shown – **Not permitted in commercial zones**
- Convalescent Home/Assisted Living - perhaps by CUP - **Permitted unless the use is located three hundred (300) feet or less from a residential zone or use, in which case the use is allowed with a conditional use permit.**

For any additional questions beyond what has already been provided, please use the proper channels and send your requests to planningemail@moval.org or contact 951-413-3206.

Thank you,

MORENO VALLEY - PATHWAY TO CONVERSION

It is suggested that the Pre-Application review process be utilized.

The Pre-Application Review process takes approximately 4-5 weeks to complete and the application fee is \$784. There is no approval or disapproval -- it is simply a pre-application review of your conceptual plans to obtain written feedback from the various reviewing departments regarding the application type and project requirements such as street improvements/curb/gutter, street lights, undergrounding of utilities, water quality management, landscape, parking, screening, etc.

The City of Moreno Valley has transitioned to paperless submittals and plans must be submitted online for electronic review. If you haven't done so already, please register as an ONLINE USER via the City's SimpliCITY portal at www.moval.gov/simplicity to submit your application and upload plans.

Listed here below are the submittal requirements. When prompted, please upload the following items:

- ☐ Notarized Property Owner Indemnification and Authorization Form (see attached) ☐ Letter of Intent (Project Description)
- ☐ Dimensioned Site Plan (additional information is optional)

If you have any additional questions, please call (951) 413-3206 or email the Planning Division at PlanningEmail@moval.org.

SECTION 4

FINANCIAL ANALYSIS - PRO FORMA

Financial Summary



INVESTMENT OVERVIEW

Price	\$10,850,000	\$10,850,000
Price per SF	\$366	\$366
Price per Unit	\$175,000	\$175,000
GRM	9.72	9.72
CAP Rate	6.75%	5.50%
Cash-on-Cash Return (yr 1)	6.75%	5.50%
Total Return (yr 1)	\$732,047	\$596,422

OPERATING DATA

Gross Scheduled Income	\$1,116,000	\$1,116,000
Total Scheduled Income	\$1,116,000	\$1,116,000
Vacancy Cost	\$33,480	\$33,480
Gross Income	\$1,082,520	\$1,082,520
Operating Expenses	\$350,473	\$486,098
Net Operating Income	\$732,047	\$596,422
Pre-Tax Cash Flow	\$732,047	\$596,422

FINANCING DATA

Down Payment	\$10,850,000	\$10,850,000
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Rent Estimated at \$1,500 Per Unit

Income & Expenses



INCOME SUMMARY

PRO FORMA - NON PROFIT

PRO FORMA - FOR PROFIT

Gross Scheduled Income	\$1,116,000	\$1,116,000
Less Vacancy - Estimated at 3%	(\$33,480)	(\$33,480)
Vacancy Cost	(\$33,480)	(\$33,480)
GROSS INCOME	\$1,082,520	\$1,082,520

EXPENSES SUMMARY

PRO FORMA - NON PROFIT

PRO FORMA - FOR PROFIT

Real Estate Tax (Estimated at 1.25%)	\$0	\$135,625
Insurance (Estimated at \$.55 Per Foot)	\$16,317	\$16,317
Maintenance (Estimated at 8% of Gross Income)	\$86,602	\$86,602
Management (Estimated at 8% of Gross Income)	\$86,602	\$86,602
Utilities (Estimated at \$200 Per Unit)	\$148,800	\$148,800
Trash (Estimated at \$8 Per Unit)	\$5,952	\$5,952
Administration (Estimated at \$100 Per Unit)	\$6,200	\$6,200
OPERATING EXPENSES	\$350,473	\$486,098
NET OPERATING INCOME	\$732,047	\$596,422

Income based on estimated \$1,500 per month for each Unit

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SECTION 5

LEASE COMPARABLES

Lease Comps



POTENTIAL TAX CREDIT - ASSISTED LIVING/PERMANENT OR AFFORDABLE LIVING/CONVALESCENT HOME CONVERSION OPPORTUNITY

23090 Sunnymead Boulevard, Moreno Valley, CA 92553

Subject Property

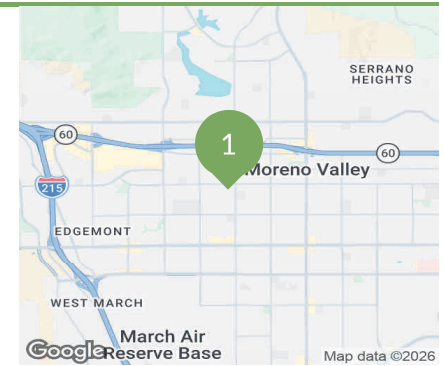


23925 EUCALYPTUS AVE

Moreno Valley, CA 92553

On Market

Avg Rent: \$1,590

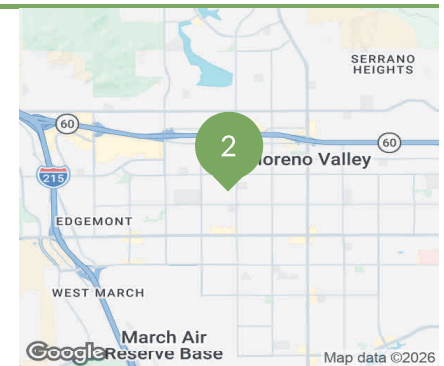


SUNNYMEAD APARTMENTS

13325 Heacock St, Moreno Valley, CA 92553

On Market

Avg Rent: \$1,553



Lease Comps

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NEW STAR

13810 Old Frontage Road, Moreno Valley, CA 92553

Leased

Avg Rent: \$1,590



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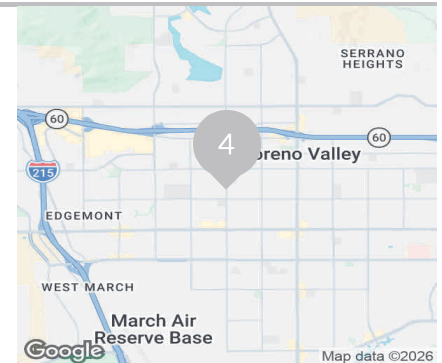


BEVIA APARTMENTS

13260 Heacock Street, Moreno Valley, CA 92553

Leased

Avg Rent: \$1,553



Lease Comps Map & Summary

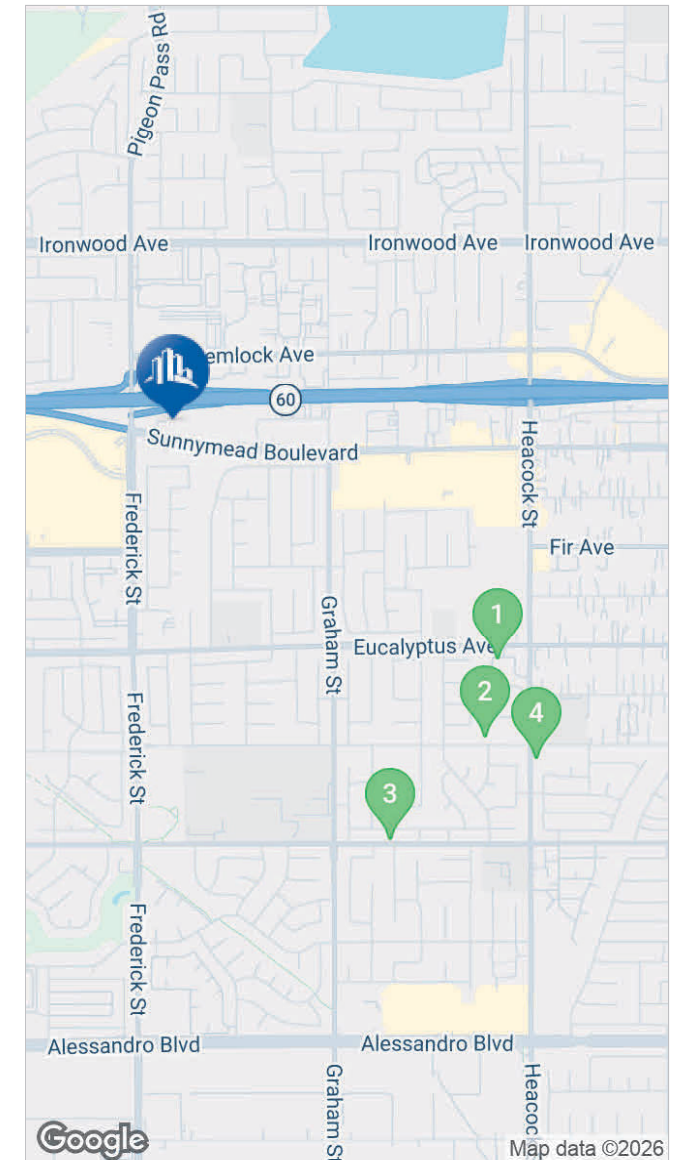


★ POTENTIAL TAX CREDIT - ASSISTED LIVING/PERMANENT OR AFFORDABLE LIVING/

23090 Sunnymead Boulevard
Moreno Valley, CA

Avg Rent -

	NAME/ADDRESS	AVG RENT
1	23925 Eucalyptus Ave Moreno Valley, CA 92553	\$1,590
2	Sunnymead Apartments 13325 Heacock St Moreno Valley, CA 92553	\$1,553
3	New Star 13810 Old Frontage Road Moreno Valley, CA 92553	\$1,590
4	Bevia Apartments 13260 Heacock Street Moreno Valley, CA 92553	\$1,553
AVERAGES		\$1,572



FOR SALE |

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FOR SALE |

SECTION 6

DEMOGRAPHICS