

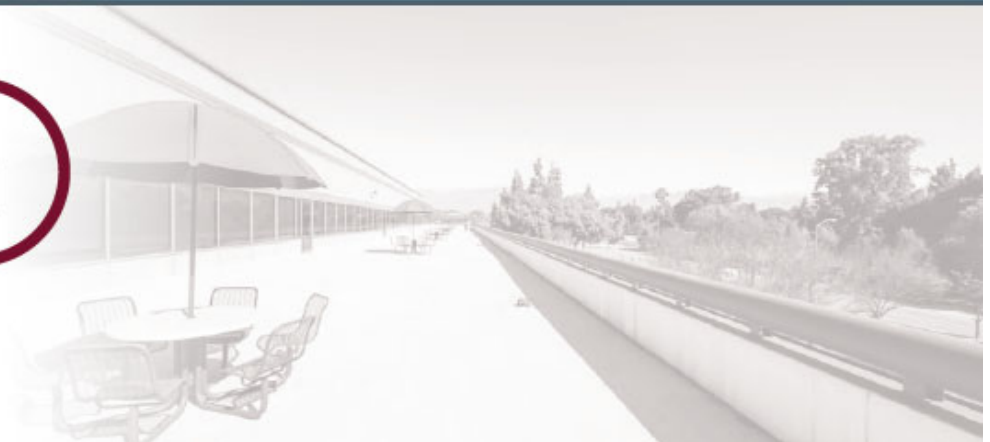


CBRE

**TO-BE-VACANT
CORPORATE
DISPOSITION**

1 5 1 5

**WALNUT GROVE AVE
ROSEMEAD, CA**



EXECUTIVE SUMMARY

THE OFFERING

CBRE Capital Markets, as exclusive advisor, is pleased to present the opportunity to acquire the leasehold interest in 1515 Walnut Grove Avenue in Rosemead, California (the "Property" or "Building"). The Property consists of a to-be-vacant, four-story headquarters facility on an expansive 9.26-acre site and is being offered for sale on an "as-is, where-is" basis.

The sale of the Property is subject to the approval of the California Public Utilities Commission in accordance with CA Pub Util Code § 851. The approval process is anticipated to take approximately 12 months after the execution of the accepted Purchase and Sale Agreement ("PSA").

PROPERTY SPECIFICATIONS

APN	Site Area	Zoning	Year Built	# of Floors	Building SF	Parking Stalls
5279-027-001	9.26 acres	C3-D (Design Overlay)	1983	4	287,877 ⁽¹⁾	670

[1] The Building has been remeasured pursuant to current BOMA standards.



INVESTMENT HIGHLIGHTS



EXCESS CORPORATE REAL ESTATE

Currently owned by Southern California Edison ("SCE"), who will be vacating the campus in Q1 2024.



DIRECT PATH TO FEE SIMPLE OWNERSHIP

As Lessee under an existing ground lease (the "Lease"), SCE benefits from several favorable Lease provisions.

- Right of First Offer ("ROFO") - The Lessee has ongoing ROFO rights for the duration of the Lease.
- Purchase Options - In addition, the Lessee has four separate favorable Purchase Options effective in 2033, 2038, 2048 and 2058 that would enable them to consolidate the ownership interests at a time of their choosing.
 - ✦ The Purchase Option prices are at the then appraised value for unimproved land, using the income method approach and based on the Lease's contractual ground rent through the fully extended Lease term.
 - ✦ The ground rent from Lease commencement in 1983 through the end of the last option period in 2058 is fixed at \$400,000 per year, with no escalations, and is deemed conclusive evidence of the Fair Market Rent for the site in calculating the Purchase Option price.
 - ✦ The Lessee's ROFO and Purchase Option rights do not expire following any transfer of the Lessor's interest in the Property.

INVESTMENT HIGHLIGHTS (CONT'D)



CENTRAL LOCATION

Located approximately 15 miles east of Downtown Los Angeles, providing access to an enormous labor pool of over 8 million people that reside within 20 miles of the Property in the San Gabriel Valley and surrounding areas.



MOVE-IN READY

Recently renovated and fully furnished interior space allow for immediate occupancy following the potential leaseback.



OVER-IMPROVED REAL ESTATE

Originally constructed in 1983 as a data center for California Federal Savings and Loan and subsequently occupied in its entirety by Countrywide and now currently by SCE. SCE has continuously maintained and upgraded the Property to the highest level.



EXPANSIVE BALCONIES

The 2nd, 3rd, and 4th floors each contain expansive, interconnected balconies overlooking the adjacent Whittier Narrows Golf Course.



MATERIAL DISCOUNT TO REPLACEMENT COST

Fee simple ownership can be consolidated at a fraction of current replacement cost.



STRONG MARKET CONDITIONS

The San Gabriel Valley (SGV) office market has historically been on one of Los Angeles' best performing submarkets in the County, currently ranked 2nd lowest in vacancy across all submarkets. There are currently no immediately available competitive availabilities over 100,000 SF in the SGV.





DOWNTOWN LA

MONTEREY PARK

BURBANK

PASADENA

ALHAMBRA

SAN MARINO

SOUTH SAN GABRIEL

1 5 1 5
WALNUT GROVE AVE
ROSEMEAD, CA

San Gabriel Blvd

Walnut Grove Ave

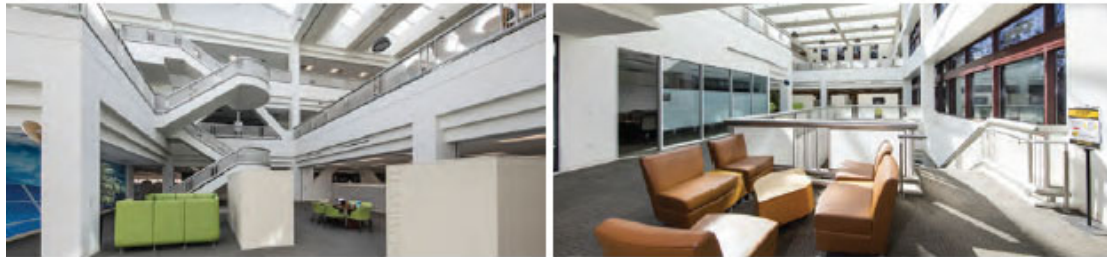
Rush Street

PROPERTY DESCRIPTION

PROPERTY SUMMARY

Address	1515 Walnut Grove Avenue, Rosemead, CA 91770
Site area	9.26 acres (~403,366 SF)
Parking Stalls	670 surface parking stalls, all single stalls (no tandem)
Year Built	1983
Loading Docks	Two (2) Dock High Loading Doors and Freight Elevator
Zoning	C3-D (Design Overlay)

[City of Rosemead Zoning Map](#)



BUILDING AREA - BOMA 2017 METHOD A

Floor	Gross	Rentable	Total Usable	Interior Usable	Exterior Usable	Load Factor
Lower Level (East Lobby)	704 SF	-	-	-	-	-
Floor 1	83,850 SF	80,842 SF	67,569 SF	67,569 SF	-	1.1964
Floor 2	81,971 SF	89,763 SF	74,919 SF	59,434 SF	15,485 SF	1.1981
Floor 3	64,132 SF	69,527 SF	57,197 SF	43,935 SF	13,262 SF	1.2156
Floor 4	45,146 SF	47,745 SF	38,123 SF	27,464 SF	10,659 SF	1.2524
1 - Central Plant	10,850 SF	0 SF	0 SF	0 SF	0 SF	0
2 - Central Plant	7,276 SF	0 SF	0 SF	0 SF	0 SF	0
TOTAL	293,929 SF	287,877 SF	237,808 SF	198,403 SF	39,406 SF	1.2105

RECENT CAPITAL EXPENDITURES*

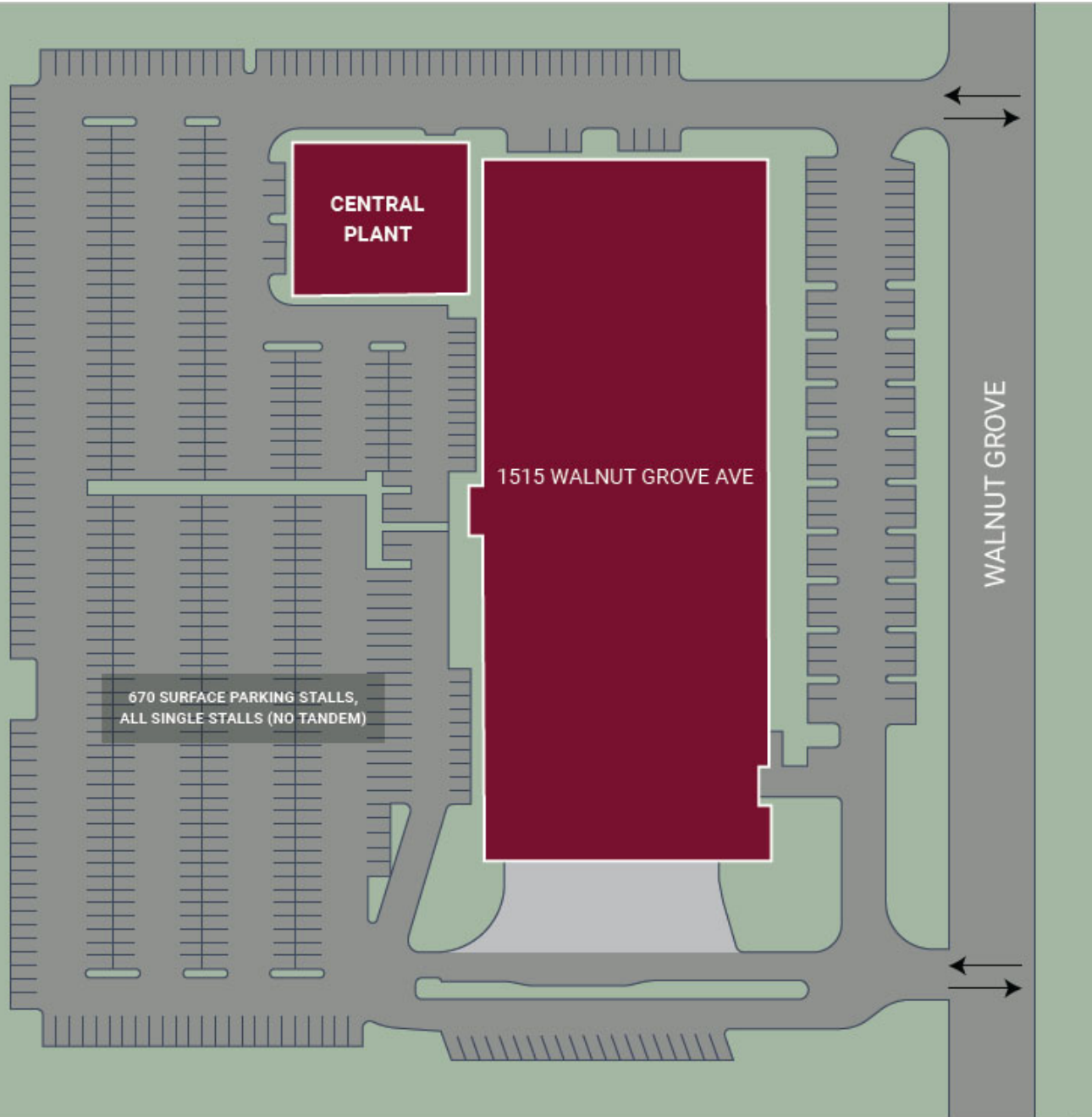
2017-2022 Total Capital Invested

West Lobby Upgrades	\$446,095
ADA Upgrades	\$246,448
Decommission of 3rd Floor Kitchen	\$206,242
Replace 200-Ton Pony Chiller	\$303,645
Replace Cast Iron Piping (1st & 2nd Flr)	\$41,236
Replace Concrete Curbing & Trees	\$506,977
Replace Irrigation Lines	\$9,244
Replace & Remove Trees	\$5,671
Repave Parking Lot	\$516,265
Replace Piping in Soft Water Tanks	\$29,530
Replace UPS Batteries	\$44,054
Replace Water Main	\$33,221
Upgrade Sewer Lift System	\$78,199
Remodel 1st Floor Training Room	\$109,014
Replace Piping in Cooling Towers	\$64,474
Replace 2 Main Panel Breakers (2000A)	\$164,821
TOTAL	\$2,805,136

*Not including Tenant Improvements



SITE PLAN



GROUND LEASE ABSTRACT

PRIMARY TERM:

25 years and 1 day

LEASE COMMENCEMENT:

November 1, 1983

LEASE EXPIRATION (PRIMARY TERM):

November 1, 2008

EXTENSION OPTIONS:

Lessee has ten (10) consecutive options to extend the term, each for five (5) years, at same Basic Rent as Primary Term. The fully extended term of the Lease expires November 1, 2058.

BASIC RENT:

\$400,000 per year (payable quarterly in arrears in \$100,000 installments)

LEASE TYPE:

Net (Lessee pays all operating expenses and property taxes)

PURCHASE OPTIONS:

Lessee may purchase the Lessor's interest, with 10-18 months prior notice, effective the last day of fifth (5th), sixth (6th), eighth (8th) or tenth (10th) extended terms of the Lease (on November 1 in either 2033, 2038, 2048 or 2058).

The purchase price payable upon the exercise of such option shall be the market value of the unimproved land as of the purchase date, as determined pursuant to the appraisal procedures outlined in the Lease, considering the land as unimproved and taking into consideration Lessee's continuing rights and obligations under the Lease, including Lessee's options to extend the Lease for all extended terms.

In making such determination of fair market value, the appraiser(s) are to utilize the income method with the rent payable under the lease being deemed conclusive evidence of the fair market rental through the expiration of all extended terms of the Lease.

RIGHT OF FIRST REFUSAL:

If, at any time during the term or extended terms of the lease, Lessor shall receive and be willing to accept a bona fide offer from a third party to purchase Lessor's interest, Lessor shall promptly offer its interest to Lessee at the same terms and conditions as set forth in the offer.

Lessee shall have 40 days from receipt to accept the terms of the offer, or upon other terms and conditions that Lessor may be willing to accept.

If the leased premises are sold to a third party the sale shall be subject to the Lease and all of its provisions, including without limitation this Right of First Refusal.

