

# 9860

LOWER AZUSA ROAD  
EL MONTE, CA 91731



## RARE EL MONTE OFFERING

CANNABIS ZONE - GRADE

MANUFACTURING | EXTRACTION, CULTIVATION ZONE



NRT

# 9860

LOWER AZUSA ROAD  
EL MONTE, CA 91731



NRT

## EXCLUSIVELY MARKETED BY

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FLAIR BUESINESS PARK

WELLS FARGO  
DEL TACO  
STARBUCKS  
JACK IN THE BOX  
IRS



ELLIS AVE

GIDLEY AVE

TEMPLE CITY BLVD

ROWLAND AVE

BALDWIN AVE

SHIRLEY AVE

9830 LOWER AZUSA

LOWER AZUSA

76





# 9860

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# INVESTMENT SUMMARY

OFFERING PRICE

TBD BY MARKET

NET RENTABLE SQUARE FEET

12,536 SQ FT

LAND

1.01 ACRES

CANNABIS ZONED MANUFACTURING, CULTIVATING, EXACTING

CUP

POPULATION (5-MILES)

600,111

HOUSING UNITS (5-MILES)

178,074

AVERAGE HOUSEHOLD INCOME (1-MILE)

\$63,500

TRAFFIC COUNTS

20,240 CPD

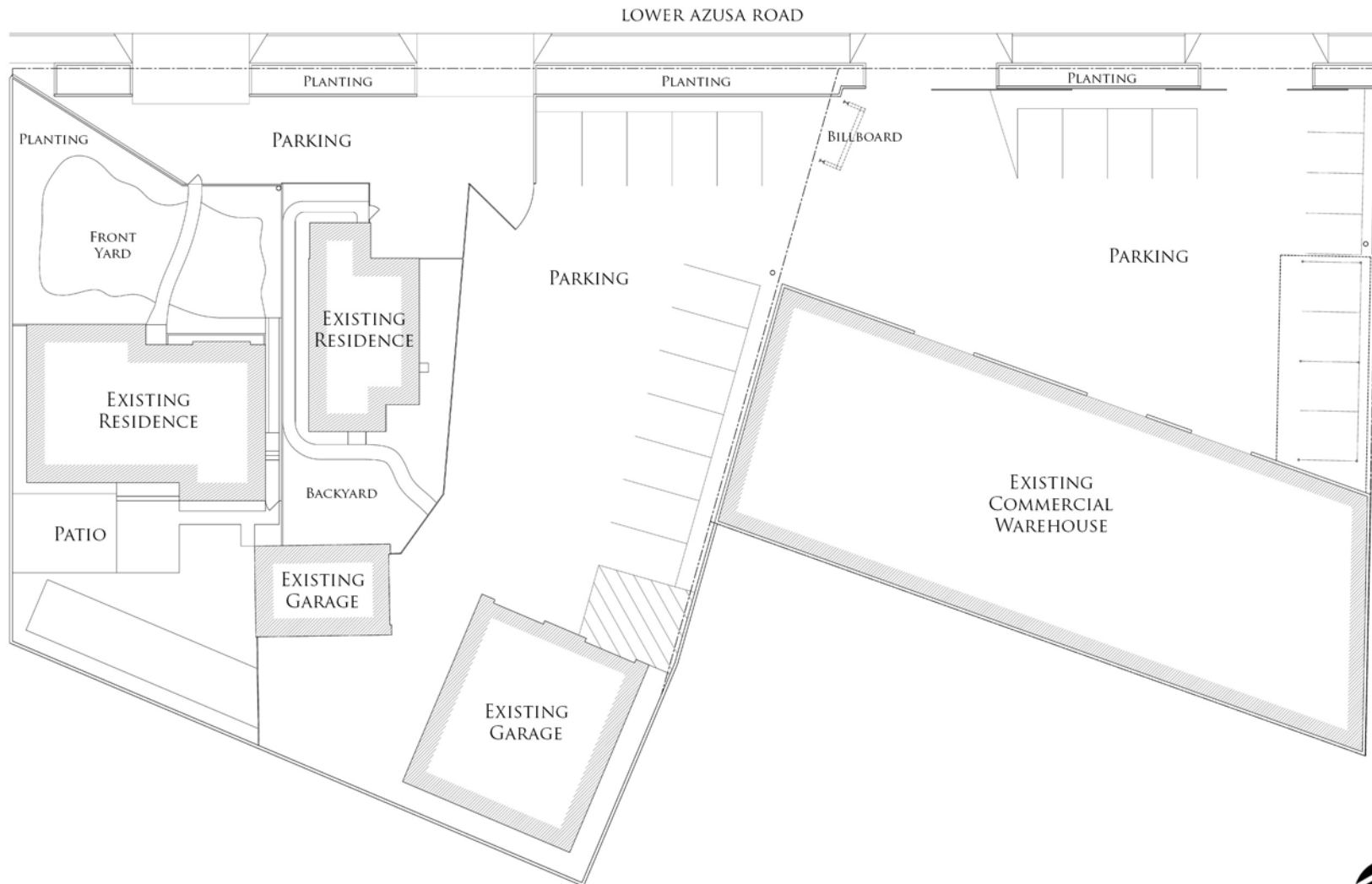
COLDWELL BANKER COMMERCIAL NRT  
15 EAST FOOTHILL BLVD., ARCADIA, CA 91006

# 9860 LOWER AZUSA



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EL MONTE, CA 91731



## Site Plan

All measurements are approximate. While deemed reliable, no information on these floor plans should be relied upon without independent verification.

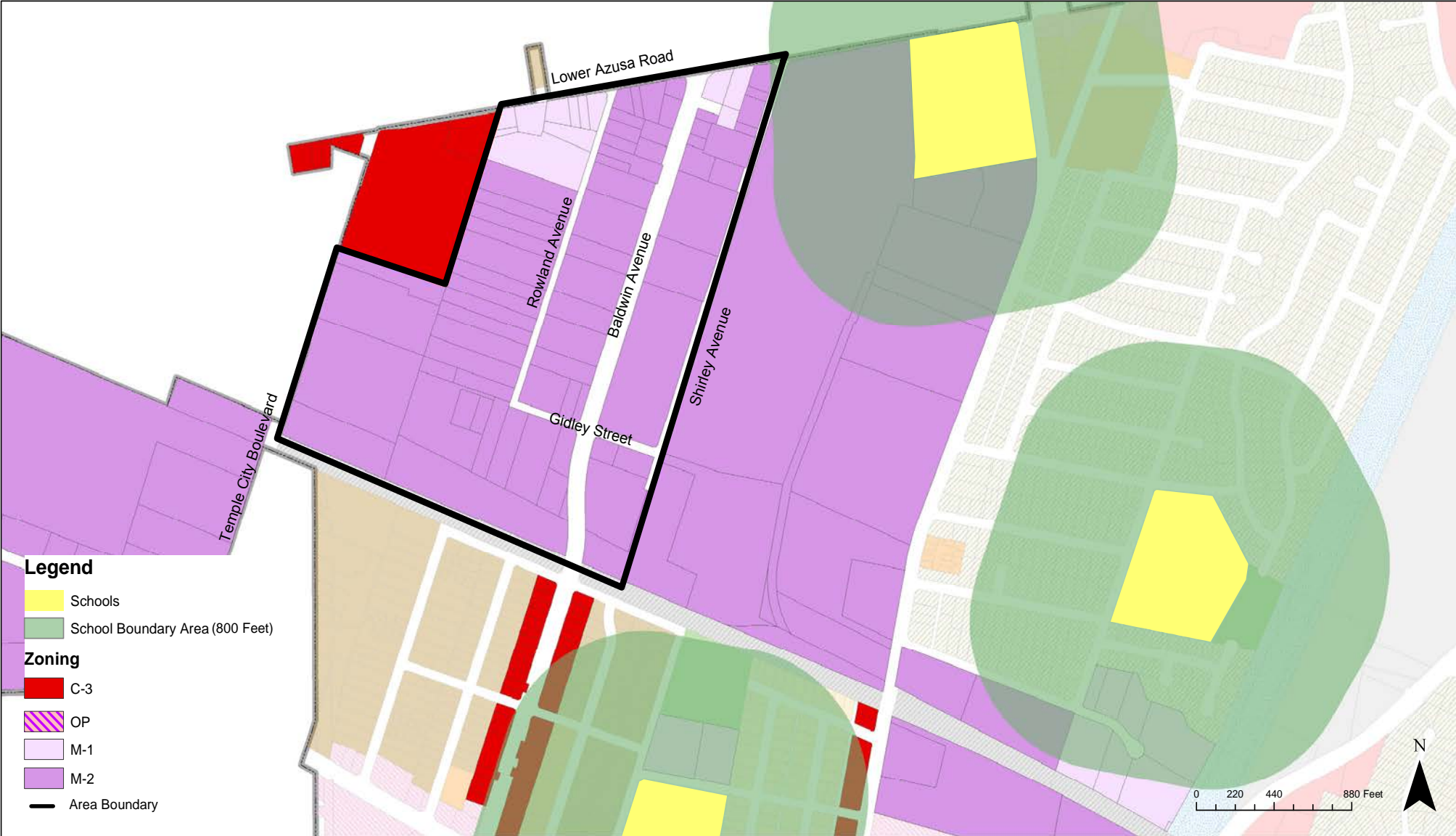


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# ZONING MAP



## Medicinal-Only Commercial Cannabis Northwest Area





# OFFERING

The Offering consists of two (2) parcels: 9844 Lower Azusa Road (APN: 8577-001-036) and 9860 Lower Azusa Road (APN: 8577-001-029).

9844 Lowr Asuza Road is a 25,196 SF lot with two (2) income generating residential properties on-site. The Leases are month to month and generate \$3,425 per month in rent.

9860 Lower Azusa Road is a 17,137 SF lot with one (1) 7,911 SF industrial building on-site (per assessor). The Building consists of approximately 2138 SF of office space and 6,383 SF of warehouse space (to be verified by the Buyer).

Warehouse space is 6,383 sq ft. based on assessors total, minus footprint of the east and west first floor office space. There are currently two (2) 200 amp 3 phase 208 meters serving the 9860 Building. Additional power is available as there are transformers on-site.

Together, these properties total 43,053 SF or land – almost 1 acre. The

properties, per the City of El Monte (which is subject to change and to be verified by the Buyer) are zoned M1 and fall within the cannabis overlay boundary within the City. Within this boundary, medicinal only commercial cultivation, manufacturing, distribution, and testing are allowed uses pending a Conditional Use Permit and Development Agreement. The FAR ratio within the City of El Monte for M1 zones is 1:1, making this a great value add development opportunity.

Buyer to verify all information with the City of El Monte.

## HIGHLIGHTS

1. Acres of industrial land zoned for cannabis Cultivation, Manufacturing and Extracting
2. Very Rare Opportunity in N. El Monte 12,356 Sq Ft of existing warehouse
3. Secured gated property. Video camera surveillance system
4. Easy Ingress and Egress to the property located on a major thoroughfare
5. Prime Location

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## CANNABIS INDUSTRY

Recreational cannabis sales began in California on January 1 — and the market is expected to haul in billions in revenue next year as dispensaries roll out across the state.

A report from the cannabis industry research firm BDS Analytics estimates sales of cannabis to hit \$3.7 billion by the end of 2018 alone, and predict that number will increase to \$5.1 billion in 2019 as more dispensaries come online. For comparison, beer sales in California hit \$5 billion in 2017, according to industry research group IBIS World.

California — the world's sixth largest economy with a population of close to 40 million — will be a huge chunk of the total market for cannabis in North America. Legal marijuana sales hit \$9.7 billion across the seven states where recreational marijuana is legal, excluding California, and Canada in 2017 alone, according to BDS. That number is expected to hit \$24.5 billion in sales by 2021, despite continued federal prohibition.

On top of that, the price of pot is expected to increase up to 15% as California applies a new excise tax on recreational sales. According to Green State, the price of an eighth-ounce of marijuana — now around \$54 including tax — is approximately \$65, though local municipalities may levy different fees.

# EL MONTE, CALIFORNIA

El Monte is a residential, industrial, and commercial city in Los Angeles County, California, the United States. The city lies in the San Gabriel Valley east of the city of Los Angeles.

El Monte's slogan is "Welcome to Friendly El Monte" and historically is known as "The End of the Santa Fe Trail." As of the 2010 census, the city had a total population of 113,475, down from 115,965 at the 2000 census. As of 2010, El Monte was the 51st largest city in California.

El Monte was incorporated as a municipality in 1912. During the 1930s, the city became a vital site for the New Deal's federal Subsistence Homestead project, a Resettlement Administration program that helped grant single-family ranch houses to qualifying applicants. It became home to many 1930s white immigrants from the Dust Bowl Migration. Famous photographer Dorothea Lange took many pictures of the houses for her work for the Farm Security Administration. The area also experienced social and labor conflict during this period, as the El Monte Berry Strike of 1933 shed light upon institutional racism experienced by Japanese tenant farmers and Latino farm laborers.



## EL MONTE DEMOGRAPHICS

### DEMOGRAPHICS

Population  
Average Home Value  
Average Household Income  
Median Age  
Bachelor's Degree or Higher  
White Collar Employment

EL MONTE	L.A COUNTY	CALIFORNIA
115,665	10,147,765	38,986,171
\$374,900	\$576,890	\$518,280
\$40,654	\$93,392	\$98,876
35.4	35.4	35.8
11%	31.0%	32.0%
58%	59.8%	60.7%

The city has evolved into a majority Hispanic community. Representing the historical significance of the Santa Fe Trail, El Monte built the Santa Fe Trail Historical Park in 1989, at Valley Blvd and Santa Anita Ave. The trail remained America's greatest route for several decades thereafter. The El Monte Historical Museum at 3150 Tyler Avenue is considered to be one of the best community museums in the state of California.

By 2008 there had been an influx of Asians into El Monte. Bang Tran, a resident of Monrovia and a former El Monte resident quoted in the Los Angeles Times, stated that year that there was overpopulation in Alhambra, Monterey Park, and other nearby heavily Asian municipalities; this is why Asians began moving to El Monte.

Source: areavibes.com

source: en.wikipedia.org/wiki/El\_Monte,\_California



# SAN GABRIEL VALLEY AIRPORT

EL MONTE, CALIFORNIA

Located in the heart of the San Gabriel Valley with access to the I-10 and 210 Freeways, El Monte Airport facilitates over 97,000 general aviation takeoffs and landings each year. Originally constructed in 1936, today the airport, owned and operated by the County of Los Angeles since 1969, is publicly available to general aviation aircraft 24-hours a day seven days a week and is home to over 300 based aircraft, a restaurant, and numerous aviation-related businesses.

El Monte Airport safely and efficiently accommodates a wide range of fixed-wing and rotary-wing general aviation aircraft ranging from small two-seat, single-engine propeller aircraft up to much larger and higher capacity turbo-prop and jet aircraft. Among other features, the airport has an Air Traffic Control Tower operating daily, a single 3,995' by 75' runway equipped with runway end identifier lights (REILs), pilot controlled medium-intensity runway lighting (MIRLs) and a precision approach path indicator (PAPIs), full- and self-service fueling services (JetA and 100LL) available around the clock, and advanced weather reporting

equipment such as the recently installed state-of-the-art Automated Weather Observing System (AWOS).

El Monte Airport truly is a great place for pilots to base, operate and/or service their aircraft. Additionally, whether you live in the local area or are visiting the area for business or pleasure and you'd like to learn how to fly, participate in the various events and activities held at the airport throughout the year, or you'd just like to spend some time watching general aviation aircraft in action, you are more than welcome at El Monte Airport. It's your airport!

Overall, the airport plays a vital role in the nation's integrated system of thousands of general aviation airports and is also a valuable asset to the local community, serving the diverse constituents of the City of El Monte, the San Gabriel Valley and the broader County of Los Angeles.

SOURCE: [DPW.LACOUNTY.GOV/AV/AIRPORTS/ELMONTE.ASPX](http://DPW.LACOUNTY.GOV/AV/AIRPORTS/ELMONTE.ASPX)

# CITY OF EL MONTE

## MEDICINAL COMMERCIAL CANNABIS BUSINESS APPLICATION PROCEDURES

REVISED JANUARY 9, 2018

ROUND ONE SUBMITTAL DEADLINE: JANUARY 31, 2018



The application to operate a Medicinal Commercial Cannabis Business ("MCCB") in the City of El Monte will be available on Wednesday, December 6, 2017. Applications will be available at the Economic Development Department, Planning Division located at City Hall and on the City's webpage at <http://www.elmonteca.gov/549/Cannabis-Guidelines>. For questions regarding the application process please review the FAQ's, on the City's webpage:

<http://www.elmonteca.gov/549/Cannabis-Guidelines>.

This outlines the application process, required materials, and other information necessary to operate a MCCB in El Monte. To be considered, final applications must be received by 4:00 PM on Wednesday, January 31, 2018 at the Economic Development Department, Planning Division located at 11333 Valley Boulevard, City Hall West, El Monte, CA, 91731. This application process is adopted pursuant to City of El Monte Municipal Code Chapter 5.18. The City has the discretion to open a second round of request for permit applications to be determined after review of Round One applications.

### BEFORE YOU APPLY:

- Review the information to learn about the application process and which documents you will need.
- Review the application in its entirety to ensure that it is complete and accurate.
- Review the information regarding the medicinal commercial cannabis business permit application on the City
- webpage: <http://www.elmonteca.gov/549/Cannabis-Guidelines> which includes the following information:
  - Cannabis Business Permit Application
  - Background Information Form for Owners/Employees
  - Liability and Indemnification Certification
  - Council Reports and Presentations on Cannabis
  - Ordinance No. 2924 (EMMC Chapter 5.18)
  - Link to Local Zoning Ordinances EMMC Title 17
  - Links to State Law Resources

"Owner" means any of the following:

1. A person with an aggregate ownership interest of 20% or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance.
2. The chief executive officer of a nonprofit or other entity.
3. A member of the board of directors of a not-for-profit.
4. An individual who will be participating in the direction, control, or management of the person applying for the license.

### DESCRIPTION OF EVALUATION CRITERIA:

Proposed Location. Your application must include the address and a detailed description of the proposed location. (Note that proof of ownership, or a notarized letter of the owner's willingness to lease will not be given any additional consideration until Phase 4). This section should also describe all sensitive uses within eight hundred (800) feet of the proposed location from the property line of a K-12 school, daycare

center and youth center, and proximity to sensitive uses such as residential, parks, churches, etc. The MCCB must be in the appropriate zoning and meet all the locational requirements as described in EMMC Sections 17.24.040 and 5.18.030.

**BUSINESS PLAN.** With as much detail as possible, the Business Plan should describe:

- Description of day-to-day operations which meet industry best practices for the specific type of permit in which they will be applying for in the City.
- How the MCCB will conform to local and state law. See EMMC Sections 5.18.020, 5.18.040, 5.18.210, 5.18.290, 5.18.340 and Ordinance No. 2924.
- Mechanisms for ensuring that the MCCB will operate on a Not-for-Profit basis for medicinal cannabis until the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) is fully in effect or until amendments are made to Chapter 5.18.
- How products will be tracked and monitored to prevent diversion.
- A schedule for beginning operation, including a narrative outlining any proposed construction and improvements and a timeline for completion.

**The Business Plan should include:**

1. A budget for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs. The budget must demonstrate sufficient capital in place to pay startup costs and at least three months of operating costs, as well as a description of the sources and uses of funds. Proof of capitalization, in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets.
2. A pro forma for at least three years of operation.

**Neighborhood Compatibility Plan.** For the proposed location, your application should address how the MCCB, including its exterior areas and surrounding public areas, will be managed, to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community. Furthermore, a site plan (accurate, dimensioned and to-scale [minimum scale of 1/4"]) should be included for each potential location.

**Safety and Security Plan.** For each proposed location, your application should include:

1. A detailed safety plan. This plan should describe the fire prevention, suppression, HVAC and alarm systems the facility will have in place. It shall include an assessment of the facility's fire safety by a qualified licensed fire prevention and suppression consultant. An appropriate plan will have considered all possible fire, hazardous material, and inhalation issues/threats and will
2. Have both written and physical mechanisms in place to deal with each specific situation.
3. A **floor plan** showing existing and proposed conditions. The floor plan(s) should be accurate, dimensioned and to-scale (minimum scale of 1/4") and show all areas of operations.

# MEDICINAL COMMERCIAL CANNABIS PERMIT

## 1 DETERMINATION OF ELIGIBILITY & APPLICATION

- Application
- Background Check
- Draft Development Agreement
- Staff Internal Review for Completeness

## 2 THIRD PARTY REVIEW, INTERVIEWS & COMMUNITY BENEFITS MEETING

- Third-party review application items based on point-system.
- Qualified applicants to be interviewed by reps from Planning, Finance, Fire, Police.
- Qualified applicants attend community benefits meeting.

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- Applicants cleared to apply for conditional use permit, design review, if applicable.
- Development agreement (monetary and public benefits).
- CEQA review.
- Planning Commission & City Council approval

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## APPLICATION PROCESS PHASE 1 PHASE 1: DETERMINATION OF ELIGIBILITY & APPLICATION – FEE \$3,665

1. Application
2. Background Check: HdL and Live Scan
3. Scoring Categories
  - Location
  - Neighborhood Compatibility Plan
  - Business Plan
  - Qualification of Owners
  - Safety & Security Plan
  - Air Quality Plan
  - Enhanced Product Safety
  - Labor & Employment
  - Local Enterprise
  - Conservation & Sustainability
  - Community Benefits & Fees

## APPLICATION PROCESS PHASE 2&3

### PHASE 2: THIRD PARTY EVALUATION AND RANKING – FEE \$713

1. Applicants that pass background check will move onto Phase 2.
2. Applications evaluated and ranked by independent third-party, who shall score the 11 categories based on a point system.
3. Applicant's score based on ability to meet or exceed minimum requirements of each category.
4. Third-party reviewer recommends applicants who score a min. of 80% to advance to Phase 3.

### PHASE 3: COMMUNITY BENEFITS MEETING – NO FEE

1. Applicants who score a min. of 80% in Phase 2 will be required to attend a community benefits meeting with stakeholders and the Development Ad Hoc Committee to discuss possible benefits to the community.
2. Applicants would use this information to respond to the "Community Benefits" category during the Interview process in Phase 4.

## APPLICATION PROCESS PHASE 4 PHASE 4: SITE INSPECTION & SELECTION COMMITTEE INTERVIEW – FEE \$1,798

1. Applicants provide proof of ownership of the site or a signed and notarized statement from the owner.
2. Staff will conduct site inspection prior to interviews to determine if applicants have been operating prior to issuance of permits. Any applicant identified as having been in operation without a permit will be disqualified.
3. Panel interview by the Selection Committee: Representative from City Manager Office, Economic Development Dept., Finance Dept., Police Dept., and LA County Fire Dept.
4. Applicants who continue to maintain a score of at least 80% will advance to Phase 5.

## APPLICATION PROCESS PHASE 5 PHASE 5: ENTITLEMENTS AND ENVIRONMENTAL REVIEW – FEE \$10,391

1. Applicants scoring at least 80% in Phase 4 may apply for entitlements: Conditional Use Permit (CUP), Design Review (DR) and Development Agreement (DA).
  - 500 foot noticing requirements (increased from 300 feet).
  - Planning Commission and City Council can impose conditions to mitigate potentially negative impacts.
  - DA would set forth terms and conditions under which the facility will operate: signage and advertising, public outreach and education, community benefits, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety and welfare.
  - Environmental Review pursuant to CEQA.
  - At the public hearings, the community will be allowed to present concerns and/or support and provide additional considerations for potential permit conditions that may be implemented by staff, the Planning Commission and the City Council.
  - Approval by Planning Commission and City Council.

## APPLICATION PROCESS PHASE 6 PHASE 6: ISSUANCE OF PERMIT – FEE \$405

1. Applicant apply for and receive permits for all construction related permits:
  - Building Division: tenant improvements, plumbing, electrical, etc.
  - Police Dept.: Security Plan
  - LA County Fire Dept.: Safety Plan
  - LA County Public Health Department
  - Utility agencies
  - El Monte Business License
2. Once all agencies have signed off on the permits, City Manager will issue the Medicinal Commercial Cannabis Business Permit. Permit valid for 12 months and shall be renewed annually.

# OFFERING PROCEDURES



NRT

Offers should be in the form of a letter of intent (LOI) and at a minimum offers should include the following:

1. Price
2. Earnest Money Deposit
3. Due Diligence Time Period
4. Closing Period
5. Any other substantial business points the buyer wants the seller to know
6. Number of Facilities operating and experience in obtaining permits, lic etc..
7. Final Round of buyers to consult with sellers preferred entitlement consultant
8. Source of Funds
9. ***\*\*Disclaimer\*\* Seller reserves the unrestricted right to reject any or all offers.***

## OFFERS SHOULD BE ADDRESSED TO:

### CRESA

Attn: GRIFFIN FARRISS

O: 213.430.2455

gfarriss@cresa.com

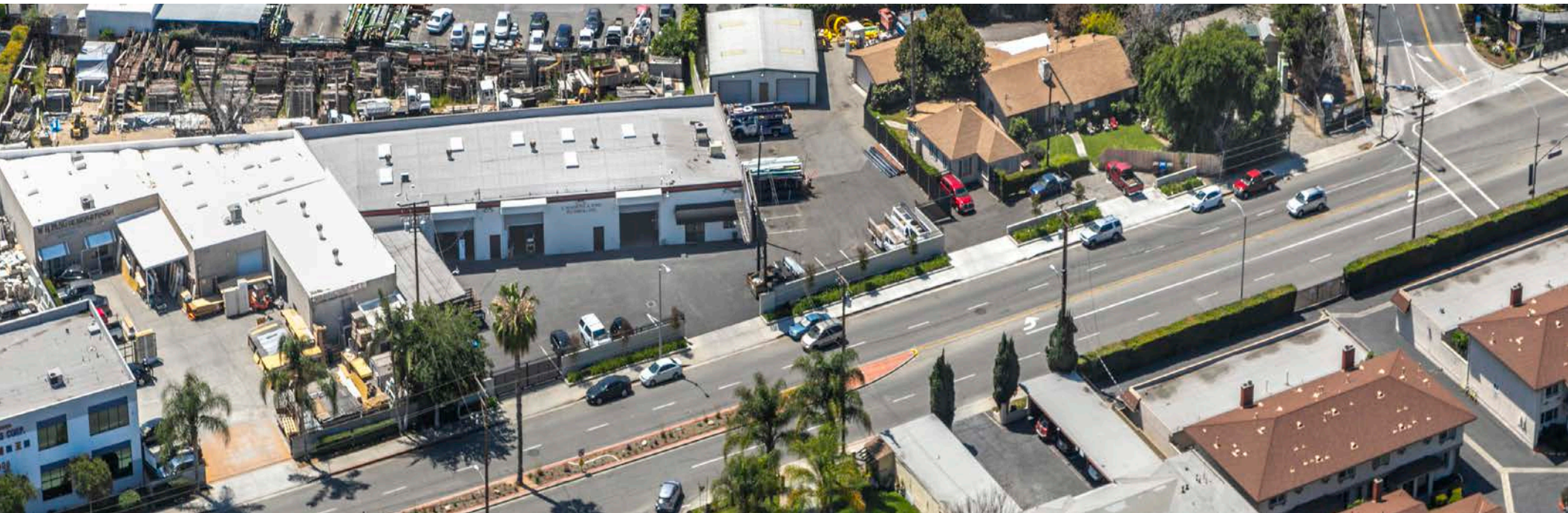
### COLDWELL BANKER COMMERCIAL NRT

Attn: Nicholas Borrelli & Patrice Jacobs

15 E. Foothill Boulevard

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Nborrelli@coldwellbanker.com | Patrice.Jacobs@camoves.com



# 9860

LOWER AZUSA ROAD  
EL MONTE, CA 91731

## STATEMENT OF CONFIDENTIALITY & DISCLAIMER

Coldwell Banker Commercial NRT “CBC” has been engaged as the exclusive financial advisor to the Seller in connection with the Seller’s solicitation of offers for the purchase of the property located at 9860 Lower Azusa Road, in the City of El Monte, County of Los Angeles, State of California (the “Property”). The Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Seller expressly reserves the right in its sole and absolute discretion to evaluate the terms and conditions of any offer and to reject any offer without providing a reason therefore. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property, and it is not to be used for any other purpose or made available to any other person without the express or written consent of Seller or CBC. The material is based in part upon information supplied by the Seller and in part upon financial information obtained by CBC from sources it deems reasonably reliable. Summaries of any documents are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and qualified in their entirety by the actual document to which they relate.

No representation or warranty, expressed or implied, is made by the Seller, CBC, or any of their respective affiliates as to the accuracy or

completeness of the information contained herein. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence, including engineering and environmental inspections to determine the condition of the Property and the existence of any potential hazardous material located at the Property site or used in the construction or maintenance of the building at the Property site. A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against the Seller or CBC or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing sale of the Property.

Prospective purchasers are not to construe the contents of the Offering Memorandum or any prior or subsequent communication from CBC or Seller of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents as legal, tax, or other advice. Prior to submitting an offer, prospective purchasers should consult with their own legal counsel and personal and tax advisors to determine the consequences of an investment in the Property and arrive at an independent evaluation of such investment.



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