

**11077
Rush St**

South El Monte

Colliers

Offering Memorandum

±159,780 SF

Warehouse/Manufacturing

Net Leased Multi-Tenant Industrial





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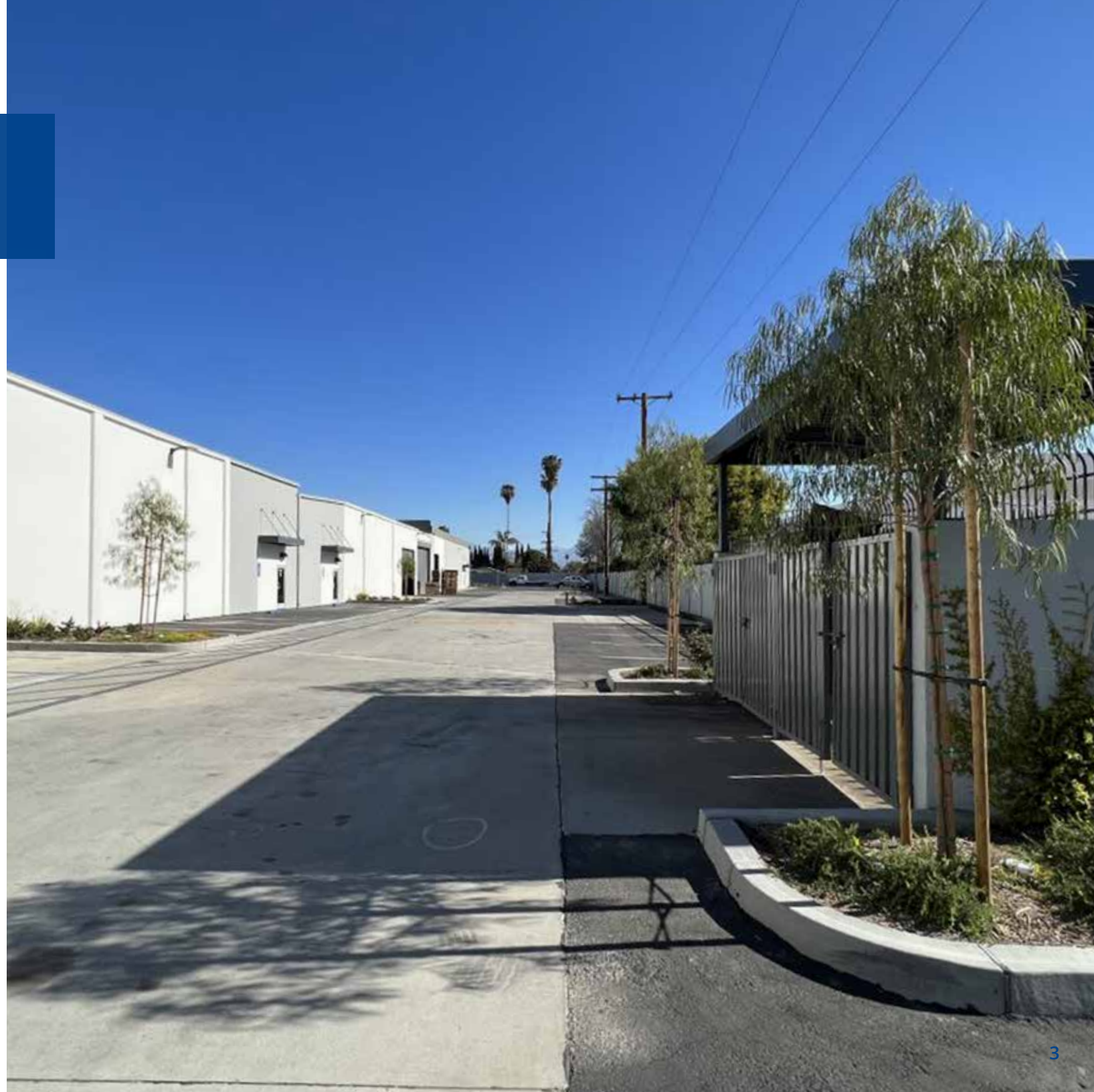
Market
Overview

Executive Summary

The Offering

A 159,780-square-foot industrial multi-tenant building is 86% leased to six tenants. Located in the heart of the San Gabriel Valley, the property represents an extremely rare multi-tenant industrial space in a high barrier to entry infill market. In 2021, the building completed an extensive renovation with numerous upgrades, including a new shared mobile dock, ground level doors, private offices and restrooms, trash enclosures, landscaping and security gate with 24/7 access.

11077 Rush is positioned in a supply constrained, high demand area with virtually no sites available for future development, and in a centralized location with superior regional access to key Southern California Markets. This strategic access to major transportation corridors and critical distribution and logistics hub secures the property's long-term growth and continued value creation. The current tenant mix and lease structures makes it an ideal asset for multiple investment strategies, with stable cash flow in place and immediate upside potential with further lease-up and stabilization.



Property Overview

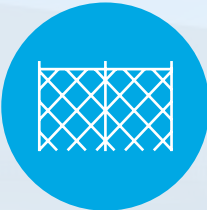
Address	11077 Rush Street, South El Monte, CA 91733
Description	Single-story multi-tenant industrial building
Property Size	159,780 SF
Year Built / Rennovated	1968 / 2021
Site Size	268,995 SF 6.17 Ac
Parcel Numbers	8114-010-015
Zoning	M - Manufacturing
Parking	247 parking stalls with drive-around access
Clearance	19'-22.6"



Individually metered
distributed power



Modern offices with
private bathrooms



Large private secured
fenced yard



Access to 10, 60, and
605 freeways



5 dock high doors,
9 dock positions

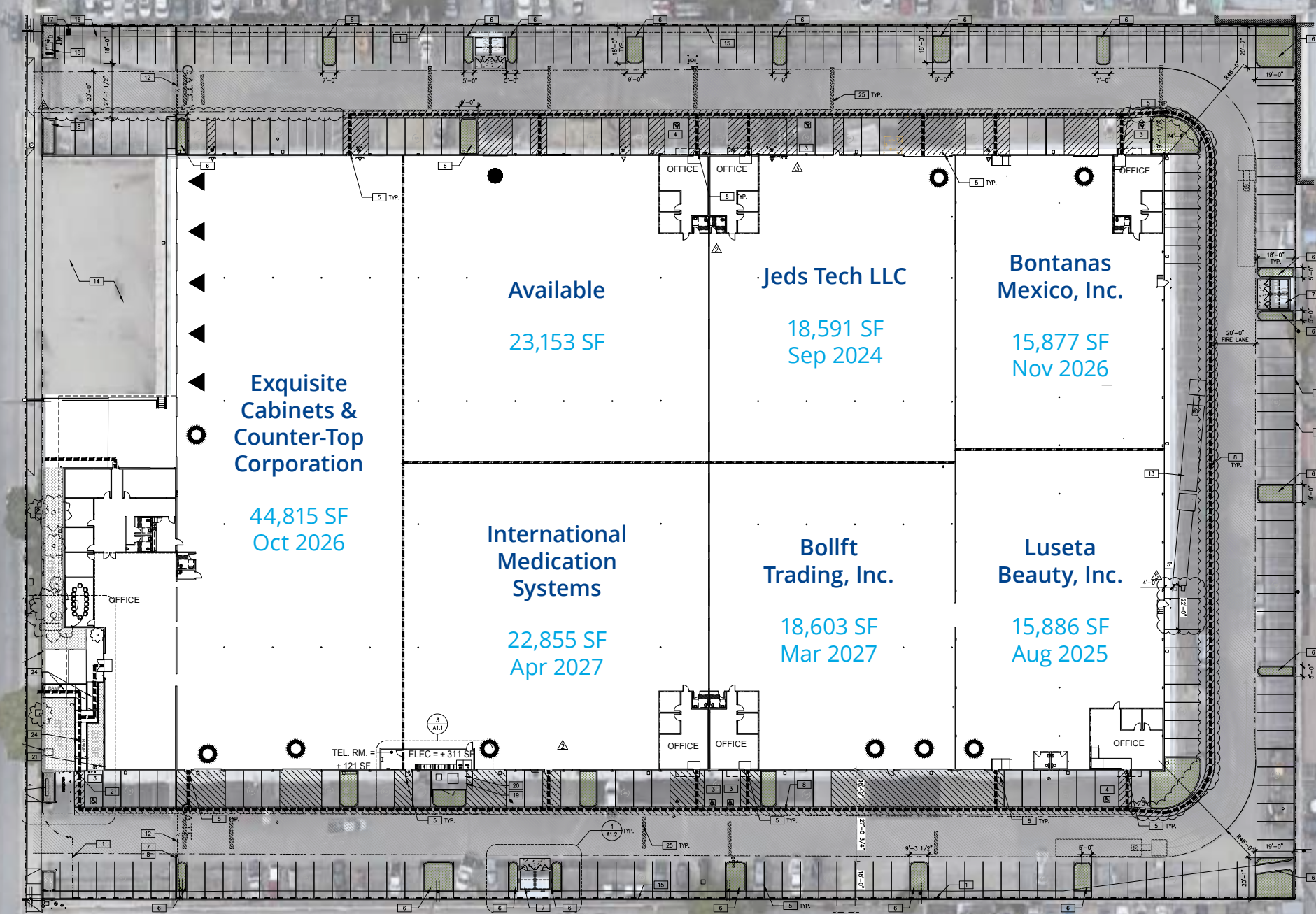


Additional mobile
dock access

Location Aerial



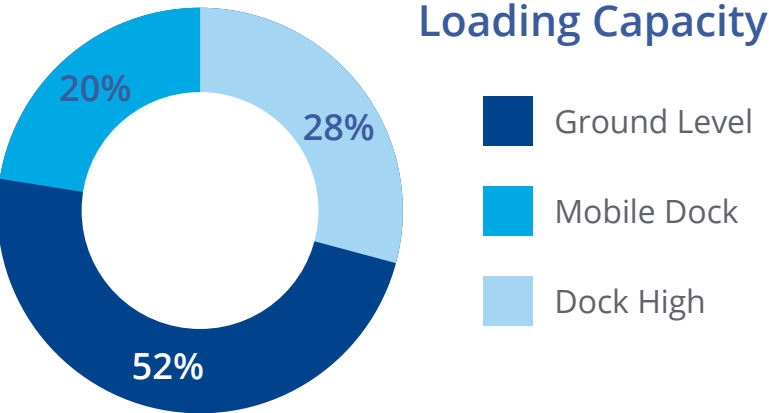
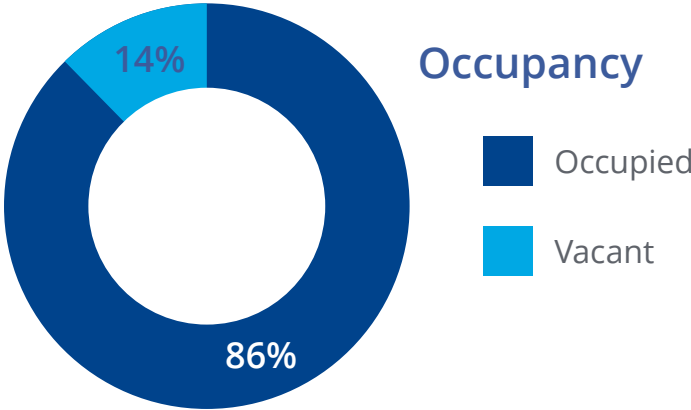
Site Plan





Unit Breakdown

Suite	Total SF	% of Building	Office SF	Loading
1(A)	44,815 SF	28%	7,454 SF	5 Dock High Doors 3 Ground Level Doors
2(B)	23,153 SF	14.5%	958 SF	1 Ground Level Door
3(C)	22,855 SF	14.3%	958 SF	1 Ground Level Door
4(D)	18,591 SF	11.6%	958 SF	1 Ground Level Door
5(E)	18,603 SF	11.6%	959 SF	2 Ground Level Doors
6(F)	15,877 SF	9.9%	990 SF	1 Mobile Dock 1 Ground Level Door
7(G)	15,886 SF	9.9%	1,128 SF	1 Mobile Dock 1 Ground Level Door



Rent Roll

Unit	Occupying	Tenant Lease Term	Commence Expire	Term (Months)	Free Rent	Lease Type	Annual Increases	June-22 Rate/SF	Monthly Income	Annual Income	Options
1(A)	44,815 SF 28.0%	Exquisite Cabinets & Counter-Top Corp	09/01/21 10/31/26	62	2 Months	NNN	3% annually	\$0.78 PSF	\$34,956	\$419,468	None
2(B)	23,153 SF 14.5%	Vacant - Market Leasing Assumptions	05/01/22 05/31/27	61	1 Month	NNN	4% annually	\$1.30 PSF	\$30,099	\$361,187	None
3(C)	22,855 SF 14.3%	International Medication Systems	03/01/22 04/30/27	62	2 Months	NNN	4% annually	\$1.05 PSF	\$23,998	\$287,973	(1) X 5 yrs @ FMV
4(D)	18,591 SF 11.6%	Jeds Tech LLC	09/01/21 09/30/24	37	1 Month	NNN	\$0.05/SF annually	\$1.00 PSF	\$18,591	\$223,092	None
5(E)	18,603 SF 11.6%	Bollft Trading, Inc.	02/01/22 03/31/27	62	2 Months	NNN	4% annually	\$1.05 PSF	\$19,533	\$234,398	(1) X 3 yrs @ FMV
6(F)	15,877 SF 9.9%	Bontanas Mexico, Inc.	09/01/21 11/30/26	63	3 Months	NNN	4% annually	\$0.98 PSF	\$15,559	\$186,714	None
7(G)	15,886 SF 9.9%	Luseta Beauty, Inc	09/01/21 08/31/25	48	None	NNN	4% annually	\$0.98 PSF	\$15,568	\$186,819	None

Tenant Profiles

Exquisite Cabinet and Countertop

Founded in 2003, Exquisite Cabinets and Countertop is a privately owned company providing wholesale pricing for prefabricated cabinetry and countertops. The company's tenancy at Rush St represents the launch of their first brick & mortar location, as they continue to expand operations through multiple locations in the Los Angeles Area.

Botanas Mexico

One of the few authentic specialty Mexican food distributors in Los Angeles, Botanas Mexico supplies wholesale food products across the Southland. Privately owned and headquartered at the project, Botanas has become known for its distribution of fine herbs & spices.

Luseta Beauty

Established in 2011, Luseta Beauty is a industry leader in creative hair expression, providing the most creative and affordable collection of hair products and tools for both professional and home use through their eCommerce platform. Luseta Beauty is headquartered in Los Angeles, CA, with their fulfillment center located at Rush St and an office presence in Old Town Pasadena.

Bollft Trading, Inc.

Bollft Trading is a distributor of wholesale furniture and accessories which opened in 2016. With multiple locations throughout Los Angeles this site serves as one of the main distribution facilities for the company's operations.

International Medication Systems

IMS is an internationally licensed manufacturer of sterile injectable pharmaceuticals supplying worldwide markets. IMS is supported by on-site microbiology, chemistry, plastic molding and rubber molding plants. These resources provide IMS the ability to design, manufacture, assemble and fill drug delivery systems at one location. Amphastar, a publicly traded company acquired IMS from Medeva, PLC, a London-based pharmaceutical company in 1998.

Jeds Tech LLC

Jeds Tech LLC is a manufacturer of safety floor and tub treatment products under their parent company, JEDS based in Dubai. Their products create and an invisible, sophisticated tread design into the surface of hard mineral floors and porcelain/enamel bathtubs. Every floor that has even a few drops of water on it becomes an injury risk area and are therefore potential liability claims. Jeds Tech solves for that.

Financial Highlights

\$1.02/SF

Average lease rate, nearly
30% below market

3% - 4%

Base rent annual
increases

4.35 yrs

Average lease term
remaining



Rental Income

Year One Scheduled Monthly Rental Income

			2022							2023					
Existing Tenants	Suite	Sq Ft	June	July	August	September	October	November	December	January	February	March	April	May	Total
Exquisite Cabinets & Counter-Top Corporation	1(A)	44,815 SF	\$34,956	\$34,956	\$34,956	\$36,044	\$36,044	\$36,044	\$36,044	\$36,044	\$36,044	\$36,044	\$36,044	\$36,044	\$428,906
Vacant - Market Lease Assumption	2(B)	23,153 SF	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$30,099	\$361,187
International Medication Systems	3(C)	22,855 SF	\$23,998	\$23,998	\$23,998	\$23,998	\$23,998	\$23,998	\$23,998	\$23,998	\$23,998	\$24,958	\$24,958	\$24,958	\$290,853
Jeds Tech LLC	4(D)	18,591 SF	\$18,591	\$18,591	\$18,591	\$19,521	\$19,521	\$19,521	\$19,521	\$19,521	\$19,521	\$19,521	\$19,521	\$19,521	\$231,458
Bollft Trading, Inc.	5(E)	18,603 SF	\$19,533	\$19,533	\$19,533	\$19,533	\$19,533	\$19,533	\$19,533	\$19,533	\$20,314	\$20,314	\$20,314	\$20,314	\$237,523
Bontanas Mexico, Inc	6(F)	15,877 SF	\$15,559	\$15,559	\$15,559	\$16,182	\$16,182	\$16,182	\$16,182	\$16,182	\$16,182	\$16,182	\$16,182	\$16,182	\$192,315
Luseta Beauty, Inc.	7(G)	15,886 SF	\$15,568	\$15,568	\$15,568	\$16,191	\$16,191	\$16,191	\$16,191	\$16,191	\$16,191	\$16,191	\$16,191	\$16,191	\$192,424
			\$158,304	\$158,304	\$158,304	\$161,528	\$161,528	\$161,528	\$161,528	\$161,528	\$162,309	\$163,269	\$163,269	\$163,269	\$1,934,666

Year 1 NOI as of June 2022: \$1,934,666

Cash Flow

	Year 1 Jun-2022 May-2023	Year 2 Jun-2023 May-2024	Year 3 Jun-2024 May-2025	Year 4 Jun-2025 May-2026	Year 5 Jun-2026 May-2027	Year 6 Jun-2027 May-2028	Year 7 Jun-2028 May-2029	Year 8 Jun-2029 May-2030	Year 9 Jun-2030 May-2031	Year 10 Jun-2031 May-2032	Year 11 Jun-2032 May-2033
Net Rentable Area - Sq. Ft.	159,780										
Base Rental Revenue PSF/month	\$1.02	\$1.06	\$1.12	\$1.19	\$1.40	\$1.60	\$1.66	\$1.73	\$1.80	\$1.87	\$1.96
Total Operating Expenses PSF/year	\$5.26	\$5.38	\$5.50	\$5.62	\$5.75	\$5.88	\$6.02	\$6.15	\$6.29	\$6.44	\$7.57
Absorption & Turnover Vacancy %	-	-	0.9%	0.7%	4.6%	0.9%	-	0.7%	0.6%	4.4%	-
Vacancy Allowance %	2.0%	2.0%	1.1%	1.3%	-	1.1%	2.0%	1.3%	1.4%	-	2.0%
Rental Revenue											
Potential Base Rent	1,948,493	2,023,911	2,139,854	2,283,398	2,675,464	3,068,466	3,189,740	3,317,329	3,448,751	3,585,570	3,757,871
Absorption & Turnover Vacancy	-	-	(26,140)	(23,230)	(163,215)	(36,620)	-	(31,804)	(28,263)	(198,577)	-
Total Rental Revenue	1,948,493	2,023,911	2,113,714	2,260,168	2,512,249	3,031,846	3,189,740	3,285,525	3,420,488	3,386,993	3,757,871
Total Expense Recoveries	840,442	859,432	870,346	891,313	870,151	928,606	961,285	973,583	997,130	973,548	1,209,446
Potential Gross Revenue	2,788,935	2,883,343	2,984,060	3,151,481	3,382,400	3,960,452	4,151,025	4,259,108	4,417,618	4,360,541	4,967,317
Vacancy Allowance	(55,779)	(57,667)	(34,064)	(40,264)	-	(43,322)	(83,020)	(54,014)	(60,654)	-	(99,346)
Effective Gross Revenue	2,733,156	2,825,676	2,949,996	3,111,217	3,382,400	3,917,130	4,068,005	4,205,094	4,356,964	4,360,541	4,867,971
Operating Expenses											
Taxes @ 1.127%	622,282	634,727	647,422	660,370	673,578	687,049	700,790	714,806	729,102	743,684	916,257
Insurance - \$0.25	39,945	41,143	42,378	43,649	44,958	46,307	47,696	49,127	50,601	52,119	53,683
Utilities	50,460	51,974	53,533	55,139	56,793	58,497	60,252	62,059	63,921	65,839	67,814
Repairs / Maintenance	19,376	19,957	20,556	21,173	21,808	22,462	23,136	23,830	24,545	25,281	26,040
Road / Ground Expenses	18,680	19,240	19,818	20,412	21,025	21,655	22,305	22,974	23,663	24,373	25,104
Security Expenses	16,800	17,304	17,823	18,358	18,909	19,476	20,060	20,662	21,282	21,920	22,578
Administrative	70,139	72,243	74,410	76,643	78,942	81,310	83,750	86,262	88,850	91,515	94,261
Parking Operations	2,760	2,843	2,928	3,016	3,106	3,200	3,296	3,394	3,496	3,601	3,709
Total Operating Expenses	840,442	859,431	878,868	898,760	919,119	939,956	961,285	983,114	1,005,460	1,028,332	1,209,446
NET OPERATING INCOME	1,892,714	1,966,245	2,071,128	2,212,457	2,463,281	2,977,174	3,106,720	3,221,980	3,351,504	3,332,209	3,658,525
Leasing & Capital Costs											
Tenant Improvements	-	-	14,792	13,019	86,228	20,131	-	17,148	15,093	59,392	65,124
Leasing Commissions	-	-	63,713	56,621	397,812	89,255	-	77,517	68,888	297,031	303,040
Reserves - \$0.10	15,978	16,457	16,951	17,460	17,983	18,523	19,079	19,651	20,240	20,848	21,473
Total Leasing & Capital Costs	15,978	16,457	95,456	87,100	502,023	127,909	19,079	114,316	104,221	377,271	389,637
Cash Flow Before Debt Service	1,876,736	1,949,788	1,975,672	2,125,357	1,961,258	2,849,265	3,087,641	3,107,664	3,247,283	2,954,938	3,268,888

Operating Expenses

2022 Estimated Operating Expense Detail

Repairs/Maintenance	\$19,376.04
Utilities	\$50,460.00
Road/Ground Expenses	\$18,680.00
Security Expenses	\$16,800.00
Administrative	\$70,139.00
Parking Operations	\$2,760.00
Taxes & Insurance	\$662,227.00
Total	\$840,442.00



Amenities Map



Market Overview

Q4 2021 Industrial Market Report

San Gabriel Valley

The San Gabriel Valley industrial market closed out the fourth quarter with 571,888 SF of positive net absorption and 2.1M SF for the year. The overall vacancy rate decreased to 0.4% from 0.6% at the end of Q3 2021 and 60 basis points below its mark from one year ago. Average asking rents increased 7.7% quarter over quarter, bringing the weighted average to a historical high of \$1.19 NNN PSF per month. Construction activity remains active with 1.5M SF currently underway. Like the rest of greater Los Angeles, the San Gabriel Valley has historically low vacancy and exponential growth in rental rates.

Vacancy Rate

0.4%



FORECAST

Net Absorption

572K SF



FORECAST

Under Construction

1.5M SF



FORECAST

Overall Asking Lease Rates (NNN)

\$1.19/SF



FORECAST

Market Indicators



7.1%

Unemployment Rate



6.1%

GDP - Quarterly % Change YOY



1.514%

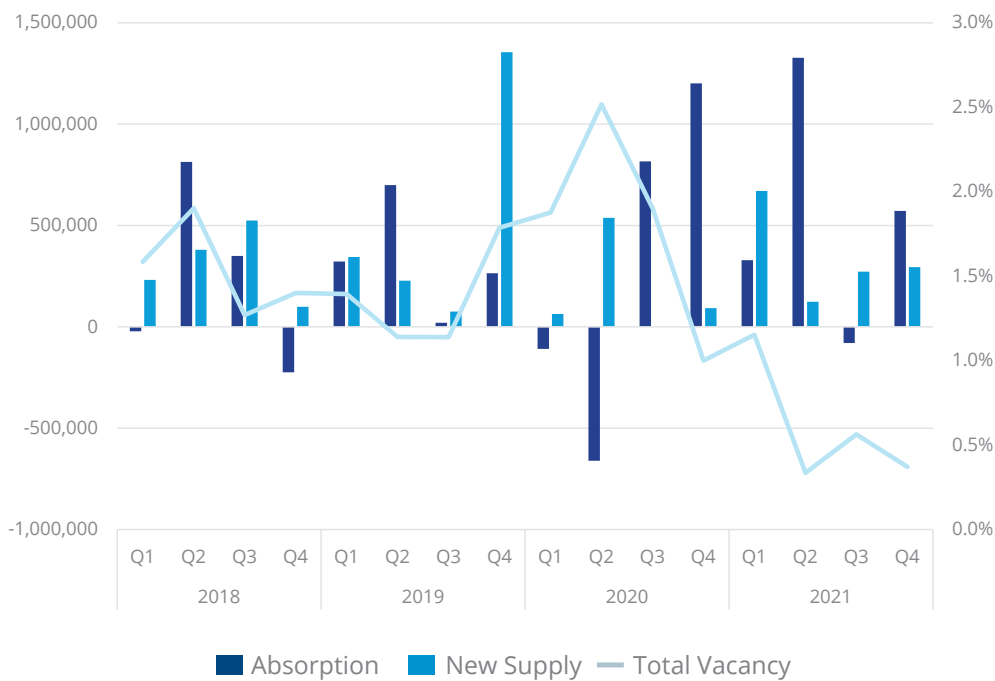
U.S. 10-Year Treasury Note

Market Overview

Q4 2021 Industrial Market Report

San Gabriel Valley

Market Graph



Labor Force

	Construction	Manufacturing	Transportation, Trade & Utilities
12-Mo Employment Growth (%)	3.3%	0.6%	3.9%
12-Mo Actual Employment Change	4,800	1,700	32,000

Historic Comparison

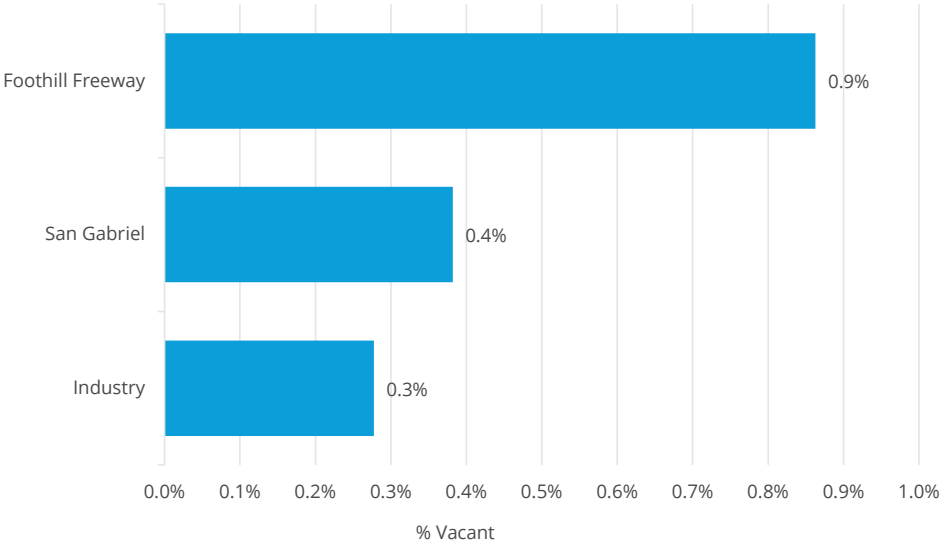
	Q4 2020	Q3 2021	Q4 2021
Total Inventory (SF)	153,902,383	154,916,267	154,991,242
New Supply (SF)	92,900	272,250	294,714
Net Absorption (SF)	1,201,200	-80,123	571,888
Overall Vacancy	1.0%	0.6%	0.4%
Under Construction (SF)	2,191,300	1,691,614	1,544,390
Overall Asking Lease Rates (NNN)	\$0.87	\$1.11	\$1.19

Market Overview

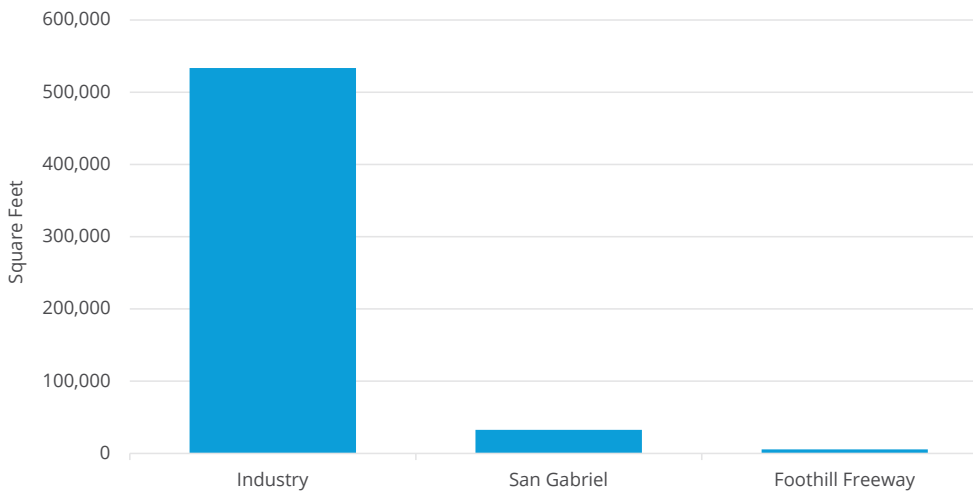
Q4 2021 Industrial Market Report

San Gabriel Valley

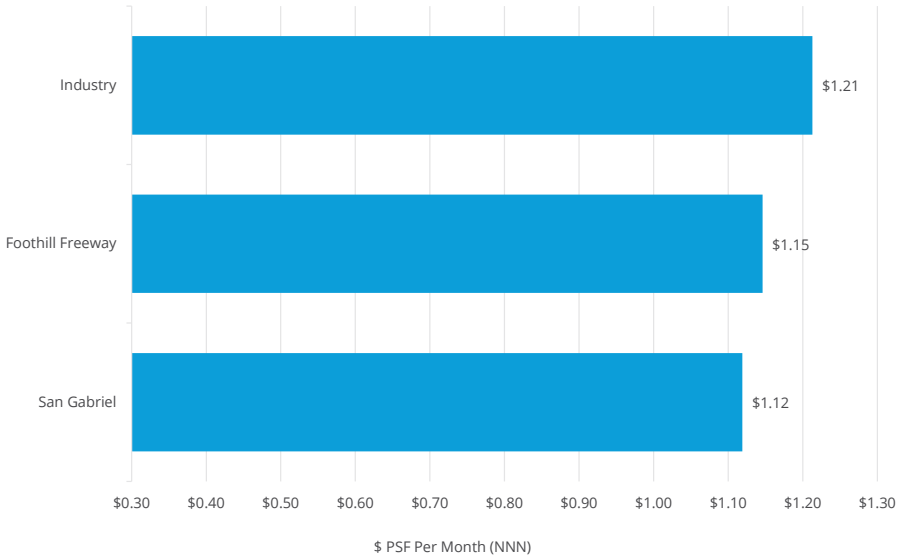
Vacancy



Absorption & Leasing Activity



Rental Rates



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