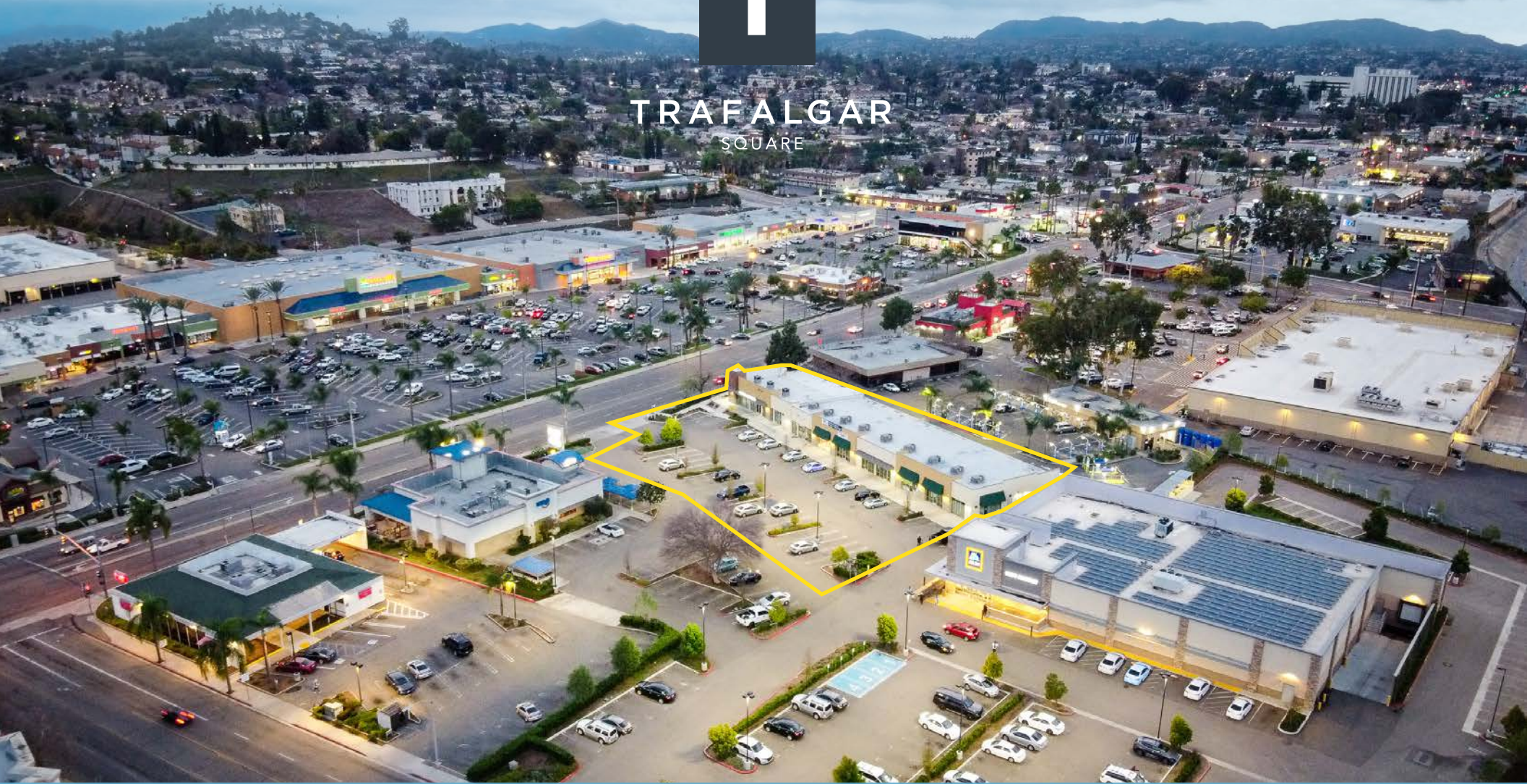


NEWLY RENOVATED STRIP CENTER

THE SHOPS AT



TRAFALGAR
SQUARE



ESCONDIDO (SAN DIEGO), CALIFORNIA

THE SHOPS AT



TRAFALGAR SQUARE

1310 E. VALLEY PARKWAY
ESCONDIDO, CA 92027



ANOTHER CENTERS DYNAMIC
PARTNERS REDEVELOPMENT

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STATEMENT OF CONFIDENTIALITY & DISCLAIMER

Faris Lee Investments ("FLI") has been engaged as the exclusive financial advisor to the Seller in connection with Seller's solicitation of offers for the purchase of the property known as The Shops at Trafalgar Square, City of Escondido, County of San Diego, State of California. 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 written consent of Seller or FLI. The material is based in part upon information

supplied by the Seller and in part upon financial information obtained by FLI 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, FLI, 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 potentially 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 Seller or FLI 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 or sale of the Property.

Prospective purchasers are not to construe the contents of this Offering Memorandum or any prior or subsequent communication from FLI or Seller or 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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PROPERTY OVERVIEW

TRAFFIC



\$6,525,000

PRICE

\$358,870

NOI

5.50%

CAP RATE

SPECIFICATIONS:

GLA: 14,164 SF

Land Area: 1.13 AC

LOCATION:

**1310 E. Valley Parkway
Escondido, CA 92027**

Faris Lee Investments is pleased to offer for sale the fee simple (land and building) interest in the Shops at Trafalgar Square, a 100% occupied, 14,164 SF strip center located in the densely populated City of Escondido (San Diego County), California. The Property is within an ALDI (NAP) anchored center, featuring an IHOP (NAP) pad, and is comprised of a mix of essential local/regional, internet-resistant tenants, providing an investor security in the real estate, tenant lineup, and long-term cash flow. All of the Tenants within the Property have recently signed new 5 to 10 leases, which feature rare 3% annual rent increases.

The subject property's location is strategically positioned on the East Valley Parkway corridor at the signalized intersection of East Valley Parkway and Harding which features over ±32,500 VPD traffic volume at intersection. The trade area demographics feature a 1-Mile population base of nearly 42,000 residents and over 140,000 residents within a 3 mile radius. East Valley Parkway is the main "East / West" Arterial providing access to and from the I-5 Freeway and Highway 78.

INVESTMENT HIGHLIGHTS

Newly Repositioned Center (2021) with Broad Mix of Essential & Internet-Resistant Tenants

- » 76% of the GLA features essential businesses providing peace of mind to investors
- » Rare 3% annual increases for all Tenants, hedging inflation and increasing cash flow year over year
- » No deferred maintenance with the recent renovations to building
- » New long-term leases, 5 to 10 years across the rent roll, provide security to investors



Unique and Dynamic Regional Trade Area with Strong Demographics

- » Shops at Trafalgar Square is strategically positioned at the Commercial Core of Escondido
- » Approximately 192,000 population within a 5-mile radius with Average Household Incomes exceeding \$99,000
- » Daytime employment of nearly 8,400 within a 1-mile radius
- » Shops at Trafalgar Square is located near the signalized intersection of E. Valley Parkway and Harding Street ($\pm 32,500$ VPD), which is at the heart of the trade area
- » Located within two blocks of six major shopping centers that include tenants such as The Home Depot, Wal-Mart, Albertsons, CVS and 24 Hour Fitness
- » The Property is positioned at the most travelled portion of E. Valley Parkway, which is the main corridor connecting Escondido and Valley Center to Interstate 15



Part of Record Breaking Regional Grocery Anchored Shopping Center with National Tenants | ALDI and IHOP

- » ALDI (2000+ locations in the US) sold for a National Record 4.03% CAP Rate
- » IHOP was purchased pre-market by the Tenant at a 4.38% CAP Rate, highlighting the exceptional performance of the location



THE SHOPS AT TRAFALGAR SQUARE



PROPERTY SPECIFICATIONS

* Regis 2020

ADDRESS

1310 E. Valley Parkway
Escondido, CA 92027

LAND AREA

± 1.15 Acres

PARKING

65 dedicated parking spots
(4.58 per 1000 SF)

ACCESS

There are three (3) access points to the entire center, one (1) along E. Valley Parkway and two (2) along Harding Street.

PARCEL MAP

APN: 230-141-33-00

RENTABLE AREA

14,164 SF

OWNERSHIP

Fee Simple (Land & Building)

TRAFFIC COUNTS

E. Valley Parkway: ±27,247 VPD
Harding Street: ±5,659 VPD
Interstate 15: ±291,000 VPD

YEAR BUILT/ RENOVATED

1980 / 2019



TENANT SYNOPSIS



DENTAL EXPRESS

The Art Deco, train-themed dental practice focuses on patient-centered care. The beautiful décor in the office is equally matched with a warm and inviting team of professionals that immediately make patients feel comfortable. Their approach to providing care is to make it easy for patients to be seen and provide prices that make sense to the pocketbook. They are the “one stop” shop for the entire family because we see both adults and children.

Company Type: Private



FIT BODY BOOT CAMP

Fit Body Boot Camp is the world’s fastest growing fitness boot camp brand, and we offer our members around the world affordable, convenient, 30-minute fat loss boot camps that challenge the body and deliver results every time. Their specialized Afterburn workouts use a combination of High Intensity Interval Training (HIIT) and Active Rest Training to get your body to burn up to twice the fat and calories that traditional workouts burn in only half the time. Every group training session is led by an experienced and certified personal trainer and is designed to be fun, high energy, and challenging so that you burn the maximum fat and tone your muscles.

Company Type: Private



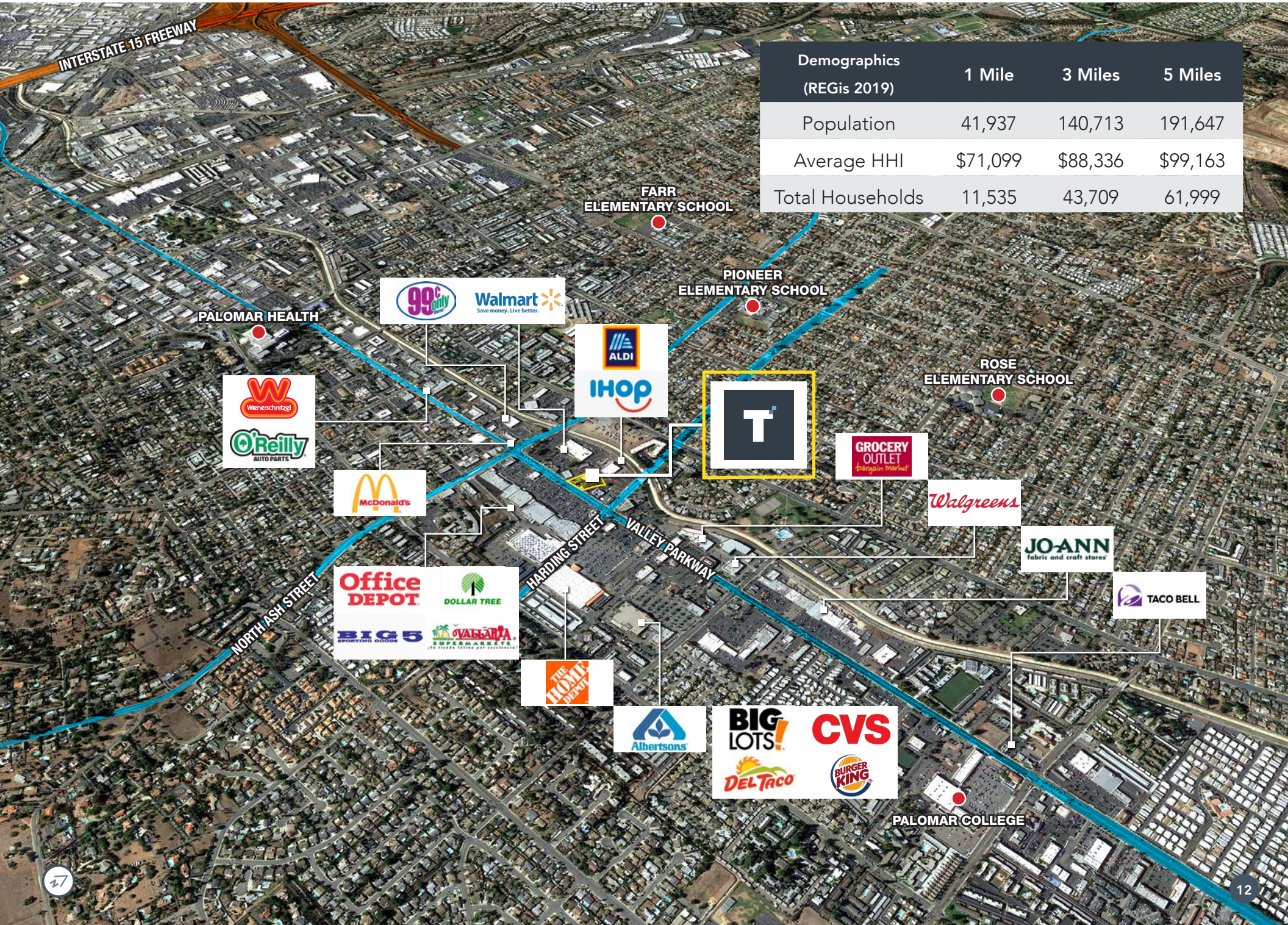




AREA OVERVIEW

TRAFFIC

AERIAL VIEW



Demographics (REGis 2019)	1 Mile	3 Miles	5 Miles
Population	41,937	140,713	191,647
Average HHI	\$71,099	\$88,336	\$99,163
Total Households	11,535	43,709	61,999

PALOMAR HEALTH

FARR ELEMENTARY SCHOOL

PIONEER ELEMENTARY SCHOOL

ROSE ELEMENTARY SCHOOL

PALOMAR COLLEGE

NORTH ASH STREET

HARDING STREET
VALLEY PARKWAY



DISTANCE FROM ESCONDIDO:



14 Miles

Pacific Coast



30 Miles

San Diego



45 Miles

Orange County



57 Miles

Palm Springs



151,300

City Population as of 2020



33.6%

Future job growth in the next 10 years



3.94%

Average annual home appreciation since 2000



191,647

Estimated population in 5 mile radius



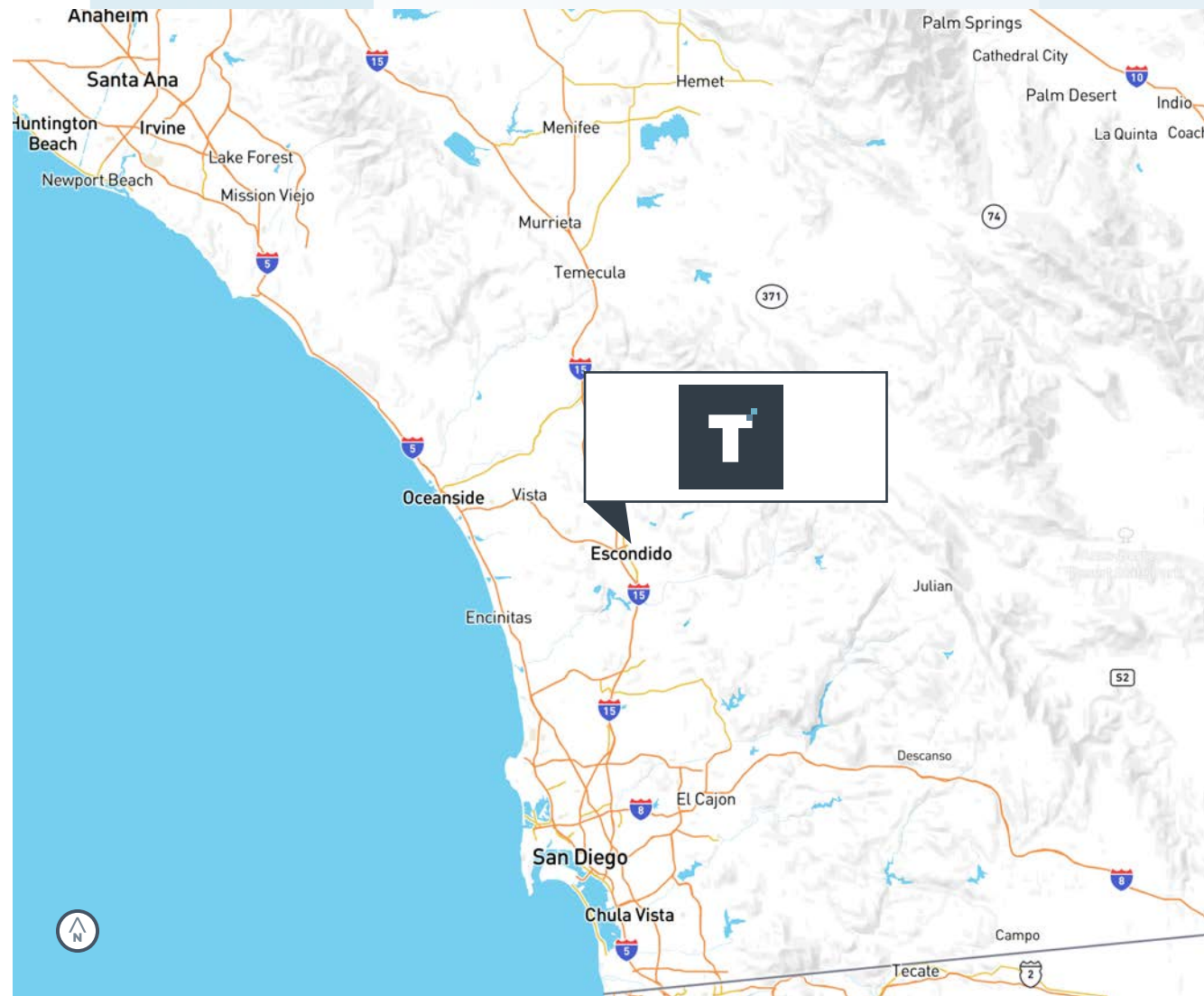
\$99,163

Average household income in 5 mile radius



30 Minutes

From Downtown San Diego



CITY OVERVIEW

THE CITY OF ESCONDIDO

Founded in 1881, Escondido is one of the oldest towns in Southern California. It lies just 30 minutes North of Downtown San Diego and 25 minutes from some of the best beaches in the area. The town and surrounding region are known for their incredibly mild climate, with temperatures consistently between 65 and 85 degrees year-round. Escondido offers all of its residents, human and otherwise, a plethora of outdoor spaces and conservation areas in which to thrive. In 1996, the City acquired Daly Ranch, a 3,058 Acre conservation area dedicated to the perpetuity of the area's rare and diverse wildlife.

Once considered a City with more obstacles than entry ways for new businesses, Escondido now holds a reputation as one of the finest places for workers to live and do business in the state.

ECONOMIC HIGHLIGHTS

A Place to do Business

The young and relatively affluent population keeps the town's retail, dining, and recreation areas vibrant and profitable. Residents work in a range of industries. Out of the approximately 64,000 employed civilian residents over the age of 16, 15% work in educational, health care and social services; 13% in retail trade; 13% in construction; 12% in professional, scientific, management, administrative, and waste management services; 11% in arts, entertainment, recreation, and accommodation and food services; 11% in manufacturing; and 11% in other services.

An Arts and Entertainment Hub

Escondido is well known across the state and the country for its extensive investment in arts and entertainment. Many famous museums, theaters, eateries, and state parks call the City home, including The California Center for the Arts, The Deer Park Winery and Auto Museum, the Escondido Children's Museum, the San Pasquel Battlefield State Park, and the Patio Playhouse. For sports enthusiasts, both Escondido and nearby San Diego provide a wide assortment of professional and amateur offerings for spectators and athletes alike.



MAJOR EMPLOYERS IN THE AREA



DEMOGRAPHICS



Population

Escondido, CA (REGis 2020)	1 Mile	3 Mile	5 Mile
2020 Estimated Population	41,937	140,713	191,647
2025 Projected Population	42,443	142,035	193,884
2010 Census Population	39,756	131,885	180,278
2000 Census Population	38,833	122,455	164,721
Projected Annual Growth 2020 to 2025	0.2%	0.2%	0.2%
Historical Annual Growth 2000 to 2020	0.4%	0.7%	0.8%
2020 Median Age	31.0	34.3	36.4
2020 Estimated Households	11,535	43,709	61,999
2025 Projected Households	12,016	45,581	64,813
2010 Census Households	10,833	40,679	57,900
2000 Census Households	11,237	39,317	54,554
Projected Annual Growth 2020 to 2025	0.8%	0.9%	0.9%
Historical Annual Growth 2000 to 2020	0.1%	0.6%	0.7%
2020 Estimated White	50.4%	56.1%	60.4%
2020 Estimated Black or African American	2.9%	2.9%	2.8%
2020 Estimated Asian or Pacific Islander	4.6%	7.0%	7.7%
2020 Estimated American Indian or Native Alaskan	1.3%	1.1%	1.0%
2020 Estimated Other Races	40.9%	32.9%	28.2%
2020 Estimated Hispanic	69.7%	53.9%	46.1%
2020 Estimated Average Household Income	\$71,099	\$88,336	\$99,163
2020 Estimated Median Household Income	\$61,358	\$74,508	\$82,386
2020 Estimated Per Capita Income	\$19,763	\$27,579	\$32,220
2020 Estimated Total Businesses	953	4,614	7,020
2020 Estimated Total Employees	8,414	41,576	64,150
2020 Estimated Employee Population per Business	8.8	9.0	9.1
2020 Estimated Residential Population per Business	44.0	30.5	27.3

Ethnicity



Households



Income



Business

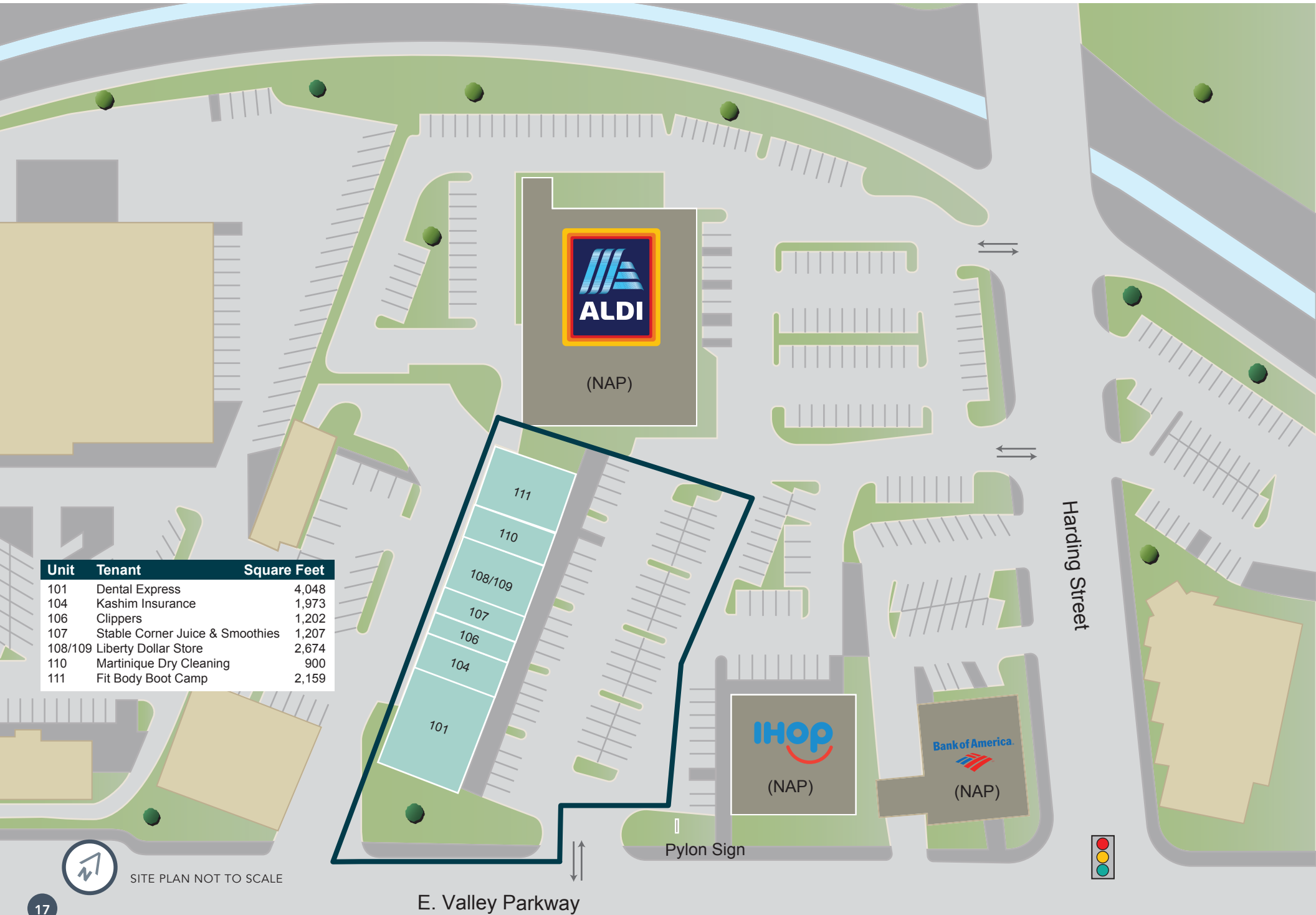




TRAFFIC

FINANCIAL ANALYSIS

SITE PLAN



Unit	Tenant	Square Feet
101	Dental Express	4,048
104	Kashim Insurance	1,973
106	Clippers	1,202
107	Stable Corner Juice & Smoothies	1,207
108/109	Liberty Dollar Store	2,674
110	Martinique Dry Cleaning	900
111	Fit Body Boot Camp	2,159



SITE PLAN NOT TO SCALE

RENT ROLL

Suite #	Tenant	Size (SF)	% of Total (SF)	Rental Rates						% of Total (Rent)	Recovery Type	CAM Estimate (\$/SF/MO)	Lease Start	Lease Expiration	Market Rent (\$/SF/Mo)	Lease Options
				Date	Increase	Monthly Rent	Monthly \$/SF	Annual Rent	Annual \$/SF							
Trafalgar Square (Strip Center Portion)																
101	Dental Express	4,048	29%	Current		\$10,478	\$2.59	\$125,736	\$31.06	34%	NNN	\$1.06	11/1/2020	1130/2030	2 (5-Year) 3% annual inc.	
				Dec-2021	3%	\$10,792	\$2.67	\$129,508	\$31.99							
				Dec-2022	3%	\$11,116	\$2.75	\$133,393	\$32.95							
				Dec-2023	3%	\$11,450	\$2.83	\$137,395	\$33.94							
				Dec-2024	3%	\$11,793	\$2.91	\$141,517	\$34.96							
				Dec-2025	3%	\$12,147	\$3.00	\$145,762	\$36.01							
				Dec-2026	3%	\$12,511	\$3.09	\$150,135	\$37.09							
				Dec-2027	3%	\$12,887	\$3.18	\$154,639	\$38.20							
				Dec-2028	3%	\$13,273	\$3.28	\$159,279	\$39.35							
Dec-2029	3%	\$13,671	\$3.38	\$164,057	\$40.53											
104	Kashim Insurance	1,973	14%	Current		\$3,946	\$2.00	\$47,352	\$24.00	13%	NNN	\$1.06	1/1/2021	12/31/2025	2 (3-Year) 3% annual inc.	
				Jan-2022	3%	\$4,064	\$2.06	\$48,773	\$24.72							
				Jan-2023	3%	\$4,186	\$2.12	\$50,236	\$25.46							
				Jan-2024	3%	\$4,312	\$2.19	\$51,743	\$26.23							
106	Clippers	1,202	8%	Current		\$2,404	\$2.00	\$28,848	\$24.00	8%	NNN	\$1.06	1/2/2021	5/31/2026	2 (2-Year) 3% annual inc.	
				Jan-2022	3%	\$2,476	\$2.06	\$29,713	\$24.72							
				Jan-2023	3%	\$2,550	\$2.12	\$30,605	\$25.46							
				Jan-2024	3%	\$2,627	\$2.19	\$31,523	\$26.23							
				Jan-2025	3%	\$2,706	\$2.25	\$32,469	\$27.01							
107	Stables Corner Juice and Smoothies	1,207	9%	Current		\$2,595	\$2.15	\$31,141	\$25.80	8%	NNN	\$1.06	1/2/2021	5/31/2026	1 (5-Year) 3% annual inc.	
				Feb-2022	2.71%	\$2,667	\$2.21	\$32,010	\$26.52							
				Feb-2023	3.07%	\$2,752	\$2.28	\$33,024	\$27.36							
				Feb-2024	2.98%	\$2,836	\$2.35	\$34,037	\$28.20							
				Feb-2025	2.89%	\$2,921	\$2.42	\$35,051	\$29.04							
108	Liberty Dollar Store	2,674	19%	Current		\$5,348	\$2.00	\$64,176	\$24.00	17%	NNN	\$1.06	10/1/2021	9/1/2026	Est. Commencement Date	
110	Martinique Dry Cleaning	900	6%	Current		\$1,716	\$1.91	\$20,592	\$22.88	6%	NNN	\$1.06	7/7/2005	6/30/2025	1 (5-Year) 3% annual inc.	
				Oct-2021	3%	\$1,767	\$1.96	\$21,210	\$23.57							
				Oct-2022	3%	\$1,821	\$2.02	\$21,846	\$24.27							
				Oct-2023	3%	\$1,875	\$2.08	\$22,501	\$25.00							
				Oct-2024	3%	\$1,931	\$2.15	\$23,176	\$25.75							
111	Fit Body Boot Camp	2,159	15%	Current		\$4,356	\$2.02	\$52,272	\$24.21	14%	NNN	\$1.06	10/1/2020	1/31/2026	2 (5-Year) 3% annual inc.	
				Oct-2021	3%	\$4,487	\$2.08	\$53,840	\$24.94							
				Oct-2022	3%	\$4,621	\$2.14	\$55,455	\$25.69							
				Oct-2023	3%	\$4,760	\$2.20	\$57,119	\$26.46							
				Oct-2024	3%	\$4,903	\$2.27	\$58,833	\$27.25							
				Oct-2025	3%	\$5,050	\$2.34	\$60,598	\$28.07							
Total Occupied				14,163	100%	Total Occupied	\$30,843	\$2.18	\$370,117	\$26.13	100%					
Total Vacant				0	0%	Total Vacant	\$0		\$0		0%					
Total / Wtd. Avg				14,163	100%	Total / Wtd. Avg:	\$30,843	\$2.18	\$370,117	\$26.13	100%					

TRANSACTION SUMMARY

Financial Information

Price: \$6,525,000

Property Specifications

Rentable Area: 14,163 SF
 Land Area: 1.13 Acres
 Year Built / Renovated: 1980 / 2021
 Address: 1310 E. Valley Parkway
 Escondido, CA 92027

APN: 230-141-33-00
 Major Tenants: Dental Express, Fit Body Bootcamp, Liberty Dollar Store

Estimated Potential 1st Loan:

Loan Amount: \$4,241,000 65%
 Down Payment: \$2,284,000 35%
 Payment (monthly): (\$19,044)
 Interest Rate: 3.50%
 Amortization: 30 Years
 Maturity: 10 Years

Operating Information

	In-Place	Dec-25
Gross Potential Rent	\$369,061	\$413,999
Plus Recapture	\$176,352	\$193,985
Tot. Gross Potential Income	\$545,413	\$607,984
Less Vacancy (Rent)	(\$11,072) 3%	(\$12,420) 3%
Less Vacancy (NNN)	(\$5,291) 3%	(\$5,820) 3%
Effective Gross Income	\$529,050	\$589,744
Less Expenses	(\$170,180)	(\$187,196)
Net Operating Income	\$358,870	\$402,548
Less Loan Pmt.	(\$228,528)	(\$228,528)
Cash Flow	\$130,343	\$174,021
Cap Rate	5.50%	6.17%
Cash/Cash	5.71%	7.62%

Operating Expenses

		PSF/Yr	PSF/Yr
Taxes ⁽¹⁾	1.156%	(\$75,431) (\$5.33)	(\$82,974) (\$5.86)
Insurance ⁽²⁾		(\$8,349) (\$0.59)	(\$9,184) (\$0.65)
CAM ⁽³⁾		(\$70,011) (\$4.94)	(\$77,012) (\$5.44)
Management ⁽⁴⁾		(\$16,362) (\$1.16)	(\$17,999) (\$1.27)
Total		(\$170,180)	(\$187,196) (\$13.22)

- (1) Taxes reassessed on new purchase price based on current millage rate
- (2) Insurance based on owner's 2021 budget
- (3) CAM based on owner's 2021 budget
- (4) Management estimated at owner's 2021 budget



THE SHOPS AT



TRAFALGAR
SQUARE



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ESCONDIDO (SAN DIEGO), CALIFORNIA