

## Inland Empire Retail Real Estate News

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By Mike Lin, Progressive Real Estate Partners

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### National Retail News:



In late December, **Fred's**, a chain with 647 locations in the Southeastern US, agreed to purchase 865 **Rite Aid** stores for \$965 million. The sale of these Rite Aid stores was required by the US Federal Trade Commission to avoid antitrust issues from the upcoming merger between **Walgreens** and Rite Aid. The merger is expected to be completed in the first quarter of 2017.

A survey conducted by the International Council of Shopping Centers (ICSC) indicated that **2016 holiday retail spending was 16% higher than in 2015**. About half (46.6%) of these expenditures took place in physical stores, and 22.6% was spent through the online platforms of these retailers. Two-thirds of survey respondents indicated they shopped at discount stores, making them the most popular shopping venue. This is all great news for the retail industry as it continues to grow despite increasing Internet competition. See the final survey results at: <http://tinyurl.com/post-holiday>.

### Local Happenings:

**New food hall coming to Rancho Cucamonga:** A former 85,000 foot JC Penney in Rancho Cucamonga, which closed in 2014, will be repurposed into the **Haven City Market**, which will be a food hall, gourmet food market, and retail space for food and beverage boutiques and retailers, with a 20,000 square foot outdoor garden eating area. The concept is similar to the Anaheim Packing House, and will be the first of its kind in the Inland Empire. The project is expected to be completed in 2018. <http://tinyurl.com/havencitymarket>.

**Highway CA-91 Update:** Last year, I reported on the progress of the 91 freeway construction in Corona. The project is now over 90% complete, with new freeway lanes opening in Spring 2017. Check out [www.sr91project.info](http://www.sr91project.info) for the latest updates on road closures and construction.

**Inland Empire Growth:** The IE has created 240,000 jobs since the low point of the Great Recession, and is nearly 100,000 jobs higher than before the Recession, according to John Husing, chief economist for the Inland Empire Economic Partnership. Logistics (goods movement) accounted for 23% of new jobs created in the past 5 years – the most of any industry, thanks to business like QVC and Amazon opening distribution centers in the region. Read more at <http://tinyurl.com/iegrowth>.

**Ontario Airport ownership returns to City of Ontario:** In late 2016, the ownership of Ontario Airport (ONT) was transferred from the Los Angeles World Airport organization back to a local authority called the Ontario International Airport Authority. Some benefits of this change will include more flights coming in and out of the airport, more local jobs in the area, and more investment in economic development. This will be a great change for the entire Inland Empire. Read a more detailed analysis written by Progressive Real Estate Partners' President, Brad Umansky, here: <http://tinyurl.com/ontarioair>.

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I'd love to hear your thoughts on this newsletter. Call or email me to let me know what you think!

### Mike Lin's Featured Listings:



**Single tenant leased investment: Rite Aid in Lakewood, CA (\$3,995,000) – PRIME LOS ANGELES LOCATION – 4.0% Cap Rate**

Rite Aid has been in this location for almost 30 years and pays only \$0.78/sf, well below market rates. The property is located in a Vons-anchored center, on a busy corner. The low rent and prime location makes this a great, low risk investment! See more at: <http://tinyurl.com/riteaidlakewood>.



**Single tenant leased investment: ROSS Dress for Less/dd's DISCOUNTS in Ontario, CA (\$4,995,000)**

This is a single tenant leased investment to Ross Dress for Less, operating as dd's DISCOUNTS, with 5 years remaining on the original lease term. Ross is rated A- by Standard & Poor's. Priced at a 5.5% cap rate. Learn more at <http://tinyurl.com/ddsdiscunts>



**Single tenant leased investment: Big 5 Sporting Goods in Victorville, CA (\$1,730,000) or Vallejo, CA (\$2,650,000)**

Big 5 just renewed their options in both locations for an additional 5 years. Big 5 reports sales and has a percentage rent provision to protect against inflation. The ground rent alone is worth more than the current lease. You'll wish that Big 5 vacates the premises! Visit <http://tinyurl.com/big5vallejo> or <http://tinyurl.com/big5victorville>



**Value-Add Shopping Center in Ontario, CA (\$3,200,000)**

This property is 62% vacant and occupies almost an entire city block. It is anchored by Secoya Grocery market and other tenants were Papa John's and Wells Fargo. We received multiple full price cash offers and ultimately sold the property to the City of Ontario.

**SOLD ON 1/6/17 – MULTIPLE FULL PRICE CASH OFFERS RECEIVED!**

### About me:



I specialize in representing buyers and sellers of retail investment properties, focusing primarily on the Western Inland Empire. Prior to commercial real estate brokerage, I worked as a full-time residential real estate investor, flipping houses in Orange County.

I am a New Jersey native, and have worked for multinational corporations such as Nestle PowerBar, Prudential, and Computer Sciences Corporation. I have a degree in Biomedical Engineering from Johns Hopkins University and an MBA from Duke University.

RETAIL PROPERTIES SOLD IN THE WESTERN INLAND EMPIRE IN 2016 OVER \$1.5MM

Address	City	Zip	Name/Property Type	Sale Status	Sale Price	Bldg SF	Price/SF	Cap Rate	Land Area (AC)	Sale Date
404-426 N Euclid Ave	Ontario	91762	Ontario Street Retail Center	Sold	\$ 3,200,000	64,002	\$ 50.00	4%	2.5	1/6/2017
57-263 E Foothill Blvd	Upland	91786	Upland Village Center; 99 Cent Only, Sizzler	Sold	\$ 17,200,000	126,953	\$ 135.48		11.1	12/29/2016
1888 W 6th St	Corona	92882	W. 6th St. Auto Center	Sold	\$ 1,800,000	20,535	\$ 87.66	6.14%	1.02	12/14/2016
4360 Mills Cir	Ontario	91764	Former Coco's restaurant	Sold	\$ 3,000,000	7,080	\$ 423.73		1.58	11/10/2016
1945 E Riverside Dr (3 Properties)	Ontario	91761	Value add Vineyard Shopping Center	Sold	\$ 4,975,000	48,696	\$ 102.16	2%	4.23	10/26/2016
2240 Compton Ave	Corona	92881	Unocal 76	Sold	\$ 5,500,000	3,566	\$ 1,542.34	6.27%	1.06	10/7/2016
2403-2411 S Vineyard Ave (5 Properties)	Ontario	91761	Vineyard Village: Carl's Jr.	Sold	\$ 23,950,000	97,131	\$ 344.84		9.8	9/29/2016
3140 Chino Ave	Chino Hills	91709	Taco Bell	Sold	\$ 1,882,000	2,466	\$ 763.18	4.25%	1.22	9/28/2016
9303-9407 Central Ave (3 Properties)	Montclair	91763	Strip Center with Starbucks, AT&T, Sleep Number	Sold	\$ 15,500,000	18,889	\$ 820.58		3.65	9/19/2016
5280 Holt Blvd	Montclair	91763	Former WSS Shoe Store	Sold	\$ 1,952,000	5,293	\$ 368.79		0.54	9/2/2016
9090 Central Ave	Montclair	91763	US Bank	Sold	\$ 5,410,434	4,171	\$ 1,297.16	4.62%	0.78	8/24/2016
12488 Central Ave	Chino	91710	Starbucks plus vacant space	Sold	\$ 2,200,000	5,513	\$ 399.06		0.44	8/22/2016
1337 N Mountain Ave	Ontario	91762	Multi-tenant strip; Pad to Walmart	Sold	\$ 5,968,800	6,786	\$ 879.58	5.02%	1.05	8/17/2016
12155-12233 Central Ave (3 Properties)	Chino	91710	Chino Towne Center	Sold	\$ 32,000,500	117,419	\$ 272.53	6%	10.73	8/11/2016
5128-5182 N Montclair Plaza Ln (2 Properties)	Montclair	91763	Montclair Place North Plaza	Sold	\$ 17,973,356	82,303	\$ 218.38	6.28%	7.93	8/4/2016
1002 W 6th St	Corona	92882	Strip Center	Sold	\$ 1,650,000	3,524	\$ 468.22		0.36	7/29/2016
12325 Mountain Ave	Chino	91710	Vacant former Carrow's restaurant	Sold	\$ 1,900,000	5,768	\$ 329.40		1.12	7/22/2016
1701 S Mountain Ave	Ontario	91762	Farmer's Market Grocery Store	Sold	\$ 1,800,000	9,651	\$ 186.51	7.58%	0.92	7/21/2016
1261 S Grove Ave	Ontario	91761	Auto repair building	Sold	\$ 1,500,000	4,000	\$ 375.00		2.35	7/19/2016
685 W Foothill Blvd	Upland	91786	24 Fitness	Sold	\$ 6,000,000	33,350	\$ 179.91	6.7%	3.08	7/14/2016
12358 S Central Ave	Chino	91710	Central Mobil	Sold	\$ 3,100,000	1,711	\$ 1,811.81		0.79	7/7/2016
1042 N Mountain Ave	Upland	91786	Shops in Smart & Final Extra Center	Sold	\$ 3,900,000	9,167	\$ 425.44	5.48%	0.49	6/30/2016
960 6th St (3 Properties)	Norco	92860	Norco Country Center	Sold	\$ 10,150,000	37,785	\$ 268.63		4	6/23/2016
1187 E Magnolia Ave	Corona	92879	Former Kindercare; Vacant	Sold	\$ 2,100,000	8,949	\$ 234.66		0.95	6/10/2016
1028 N Mountain Ave (Part of Portfolio)	Upland	91786	Smart & Final Extra Center	Sold	\$ 13,000,000	49,968	\$ 260.17		1.64	6/1/2016
5445-5467 Moreno St (2 Properties)	Montclair	91763	Montclair East Shopping Center	Sold	\$ 17,692,500	136,400	\$ 129.71		9.55	5/20/2016
7055 Schaefer Ave	Chino	91710	Starbucks Pad to Stater Bros	Sold	\$ 3,153,000	3,900	\$ 808.46		0.46	5/19/2016
2500 S Grove Ave	Ontario	91761	Wells Fargo Bank	Sold	\$ 3,100,000	5,182	\$ 598.22	4%	0.57	4/15/2016
14165 Pipeline Ave	Chino	91710	Wendy's	Sold	\$ 3,550,000	3,617	\$ 981.48		1.02	4/11/2016
4975 Mission Blvd	Montclair	91763	Vacant freestanding building	Sold	\$ 1,957,000	18,923	\$ 103.42		2.4	3/25/2016
14088 Euclid Ave	Chino	91710	Chevron	Sold	\$ 3,800,000	3,113	\$ 1,220.69		1.32	3/1/2016
14276 Schleisman Rd	Corona	92880	Prestige Preschool Academy	Sold	\$ 5,350,000	10,700	\$ 500.00	6.56%	1.5	2/29/2016
430 N Mountain Ave	Ontario	91762	99 Cent Only	Sold	\$ 1,800,000	22,400	\$ 80.36		1.54	2/16/2016
350-360 W Foothill Blvd (2 Properties)	Upland	91786	Redding Plaza: Strip Center with restaurants	Sold	\$ 5,250,000	18,677	\$ 281.09		1.69	2/3/2016
1964 W Foothill Blvd	Upland	91786	Former Joey's BBQ Restaurant	Sold	\$ 1,525,000	4,392	\$ 347.22		0.37	1/26/2016
15880 Soquel Canyon Pky	Chino Hills	91709	Firestone Complete Auto Care	Sold	\$ 2,700,000	7,212	\$ 374.38		6.16	1/4/2016

These recently sold properties help to determine the value of other nearby properties.

To learn more about how these comps affect your property's value, or to receive a complimentary valuation of your property, please call me!

PROPERTIES CURRENTLY FOR SALE IN THE WESTERN INLAND EMPIRE (\$1.5MM+)

Address	City	Zip	Name	Sale Status	Asking Price	Bldg SF	Price Per SF	Cap Rate	Land Area (AC)	Days on Market
2641-2681 Green River Rd (6 Properties)	Corona	92882	Ralphs anchored center	Active	\$ 34,800,000	113,233	\$ 307.33	5%	66	73
3060-3100 Chino Ave	Chino Hills	91709	Movie theater-anchored center	Active	\$ 28,375,000	90,879	\$ 312.23	6.5%	10.54	55
440 N Mountain Ave (7 Properties)	Upland	91786	Stewart Plaza	Active	\$ 24,575,000	145,011	\$ 169.47	8.24%	18.61	1056
1376-1410 W 7th St (3 Properties)	Upland	91786	Upland Freeway Center	Active	\$ 21,475,000	116,062	\$ 185.03	6.5%	25.26	104
4195 Inland Empire Blvd (4 Properties)	Ontario	91764	Near Ontario Mills - Ortho Mattress, Basset Fl	Active	\$ 18,000,000	60,036	\$ 299.82	6.11%	6.08	221
130-180 S Mountain Ave (3 Properties)	Upland	91786	Grocery Outlet, Dollar Tree anchored center	Escrow	\$ 17,450,000	59,084	\$ 295.34	5.75%	11.76	193
628 W Holt Blvd (6 Properties)	Ontario	91762	Shops to Stater Bros Ontario	Active	\$ 12,250,000	40,189	\$ 304.81		5.89	29
Hamner Rd	Eastvale	91752	Proposed 99 Cent Only-anchored center	Active	\$ 7,490,000	19,104	\$ 392.06		4.82	216
5282 W Mission Blvd	Ontario	91762	Freestanding Bar/Nightclub	Active	\$ 7,000,000	9,845	\$ 711.02		0.42	259
3000 S Archibald Ave	Ontario	91761	Rite Aid	Active	\$ 6,888,000	16,549	\$ 416.22	5.7%	1.47	84
4431 Ontario Mills Pky (4 Properties)	Ontario	91764	Parkway Plaza near Ontario Mills	Active	\$ 6,459,000	29,960	\$ 215.59	7.22%	3.44	927
2240 Compton Ave	Corona	92881	Unocal 76 Gas Station	Active	\$ 6,000,000	3,566	\$ 1,682.56		1.06	100
1135 W 4th St (3 Properties)	Ontario	91762	Strip center, office, and pizza. Value Add	Active	\$ 5,900,000	18,194	\$ 324.28		2.91	375
1443 W 6th St (3 Properties)	Corona	92882	3-building Auto Plaza	Active	\$ 5,680,000	48,999	\$ 115.92	6.22%	8.7	38
606 W Holt Blvd	Ontario	91762	Ross Dress for Less/dd's Discounts	Active	\$ 4,995,000	21,964	\$ 227.42	5.5%	1.96	144
4551 Mills Cir	Ontario	91764	Chevy's Fresh Mex	Active	\$ 4,228,570	7,197	\$ 587.55	5.25%	0.73	627
1182-1200 W 6th St	Norco	92860	Two strip centers	Active	\$ 4,000,000	8,811	\$ 453.98	6.23%	2.59	1339
1371 E Foothill Blvd	Upland	91786	Del Taco	Active	\$ 3,600,000	1,875	\$ 1,920.00		0.64	101
903-911 W Foothill Blvd	Claremont	91711	Pet-related stores	Active	\$ 3,400,000	9,226	\$ 368.52	6.09%	0.84	613
1050 W 6th St	Corona	92882	Pacific Western Bank	Active	\$ 3,190,000	5,936	\$ 537.40	5.25%	0.65	302
2645 E Riverside Dr	Ontario	91761	Vacant former Fresh & Easy building	Active	\$ 3,135,000	13,500	\$ 232.22		1.14	435
4609-4611 Holt Blvd (2 Properties)	Montclair	91763	Retail/light manufacturing	Active	\$ 2,990,000	32,401	\$ 92.28	4.62%	2.2	715
668 W Holt Blvd	Ontario	91762	El Pollo Loco	Active	\$ 2,742,900	2,305	\$ 1,189.98	4%	0.37	107
5086-5110 Holt Blvd	Montclair	91763	Strip center	Active	\$ 2,590,000	17,461	\$ 148.33	4.85%	1.25	715
2528-2538 S Grove Ave	Ontario	91761	Shops to 99 Cent Only and dd's Discounts	Active	\$ 2,562,440	6,600	\$ 388.25	6%	1.69	82
1656 W Foothill Blvd (3 Properties)	Upland	91786	Boutique store	Active	\$ 2,500,000	4,700	\$ 531.91		3.72	69
8660 S Central Ave	Montclair	91763	Central Park Plaza	Active	\$ 2,500,000	8,808	\$ 283.83		0.76	413
1151-1161 E Walnut St	Ontario	91761	Molina Health Care	Active	\$ 2,414,000	8,850	\$ 272.77	5.5%	0.96	82
4234 Holt Blvd	Montclair	91763	Laundromat, Korean restaurant	Active	\$ 2,400,000	9,352	\$ 256.63	7%	0.6	33
2896 Hamner Ave	Norco	92860	Carl's Jr	Active	\$ 2,380,954	2,474	\$ 962.39	4.2%	0.66	154
987 W Foothill Blvd (2 Properties)	Claremont	91711	Medical Center, 2 story retail building	Active	\$ 2,280,000	11,410	\$ 199.82		1.01	83
15709-15713 Euclid Ave	Chino	91710	Proposed retail strip center	Active	\$ 2,271,640	12,490	\$ 181.88		2.15	207
5526 Philadelphia St	Chino	91710	Olive Garden	Active	\$ 2,250,000	8,993	\$ 250.19		1.19	63
4943-4949 Holt Blvd	Montclair	91763	Barber shop, nail salon strip center	Active	\$ 2,200,000	7,500	\$ 293.33	7.6%	0.56	53
1614 E Holt Blvd (2 Properties)	Ontario	91761	Office/retail building	Active	\$ 2,200,000	22,424	\$ 98.11	7.3%	1.94	980
1099 E Foothill Blvd	Upland	91786	America's Tire Co	Active	\$ 2,000,000	8,155	\$ 245.25	6%	0.5	1
5010 W Mission Blvd	Montclair	91762	Auto dealership building	Active	\$ 2,000,000	8,400	\$ 238.10		2.64	68
118-124 W Holt Blvd	Ontario	91762	4 unit center including pawn shop	Active	\$ 1,899,999	6,966	\$ 272.75		0.2	255
3140 Chino Ave	Chino Hills	91709	Taco Bell	Pending	\$ 1,882,000	6,923	\$ 271.85	4.25%	1.22	32
3746 Riverside Dr	Chino	91710	Restaurant, tattoo business, apartments	Active	\$ 1,880,000	3,230	\$ 582.04		2.81	59
205-215 N Laurel Ave	Ontario	91762	Historic downtown Ontario multi-tenant	Active	\$ 1,850,000	19,000	\$ 97.37	5.18%	0.79	352
517-521 N Euclid Ave	Ontario	91762	Former Wachovia bank; street retail	Active	\$ 1,788,888	10,772	\$ 166.07		0.3	17
12564-12596 Central Ave (2 Retail Units)	Chino	91710	Retail condo units	Active	\$ 1,750,000	2,208	\$ 792.57	5.6%		28
606-644 E Francis St	Ontario	91761	Vacant former furniture store and grocery	Active	\$ 1,750,000	10,600	\$ 165.09		0.22	473
935 W Foothill Blvd	Claremont	91711	Orthopedic medical group	Pending	\$ 1,699,888	5,148	\$ 330.20		0.88	53
326 Adams Cir	Corona	92882	Pet Chalet	Active	\$ 1,650,000	8,000	\$ 206.25		0.66	772

If you are interested in buying any of these properties, or just want to know more about any of them, please call me!