



KOREK LAND COMPANY, INC.



~\$5,690/Acre with Income!
2.75% to Selling broker

616± ACRES
SANTA CLARITA VALLEY, CA
(LOS ANGELES COUNTY)

LOCATION: The Property is minutes from the City of Santa Clarita; west of the Valencia Commerce and Gateway Industrial employment centers; nearly adjacent to the Newhall Ranch project-expansion. Ventura County beaches are a short drive west on Hwy 126. The subject is located just north of Hwy 126 at 28190 Martinez Grande Canyon, which bisects this income-producing Property. We see this area's value growing with increasing employment opportunities as the industrial parks and Newhall Ranch continues to build out. (See maps.)

APN/SIZE: ~616 acres, 5 Assessor Parcel Numbers, in three adjacent Sections within T4N-R17W as follows (the "Property"):

Section 8 - APN 3272-017-008 = ~160 acres; APN 3272-029-015 = ~0.02 acres;
Section 9 - APN 3270-019-001 = ~80.6 acres;
Section 17 - APN 3272-021-018 = ~317 acres; APN 3272-021-019 = ~59.09 acres

FOR SALE: In addition to the real Property, this transaction intends to convey all of Seller's water rights, mineral rights, Lessor's Lease/Royalty rights and income in the existing oil lease, leases, appurtenances and easements.

OIL & GAS: Sellers are also Lessor in the 1940 Oil & Gas Lease wherein LBTH Inc. is the current Lessee. There are ~25 oil-wells located on ~200 acres of the Property; one well-cluster is generally located at the south-end of the Property and another cluster is at the north-end. Between the two-well clusters are ~400 acres that could be developed prior to removal of the other wells (the "Development Area"). The Lessee agreed to not prevent development of the land unencumbered by the oil-wells. LBTH Inc. and Chevron are responsible for any well clean-up. No Lessee assets/rights are involved with this transaction.

INCOME: The annual income has been ~\$65,000 to \$70,000 and is derived from three sources which could grow. The 2019 income as reported by the Seller was:

Two homes: ~\$16,000 per year.
Easement lease: ~\$12,000 per year.
Oil & Gas Lease/Royalty to Lessor: ~\$42,000 per year on 10 months of production (fire caused 2 month electrical disruption).

~ \$2,000,000 is the computed value of the income stream alone at a 3.5% Cap Rate - more than half the asking price.

DISCLAIMER NOTICE TO BUYER: The information contained herein was obtained from third parties and it has not been independently verified by Korek Land Company, Inc. ("KLC"). Buyer should have the experts of their choice inspect the property and verify all information. KLC is not qualified to act as or to select experts with respect to legal, tax, environment, zoning, building construction, soils-drainage or other such matters. Please see reverse for full disclaimer.

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CalDRE 00861992

TOPO: The topography varies from generally flat, to rolling, to steep. It appears there is space for a golf-course along San Martinez Grande Road. The general layout has solid development potential with commanding views in virtually every direction. A plateau in the middle of the Property, serviced by a loop road, can be developed to provide tremendous view opportunities.

GENERAL PLAN/

ZONING: The County General Plan land-use is RL 20 (Rural Land – 1 unit/20 acres) and the zoning is A-2-2. **BUYER TO VERIFY IF ZONING AND GENERAL PLAN WILL ALLOW BUYER'S INTENDED USE.**

UTILITIES: Electric at site. Sewer could be addressed in various ways. Annexing into Waterworks District 36 is possible provided a new water source is secured. Buyer needs to determine utility locations and capacities in relation to Buyer's intended use.

MARKET: The Santa Clarita Valley is alive with new projects and exciting housing products! We are seeing large well-appointed-one and two-story plans from 2,000 to 4,000 square feet, with 3 to 6 bedrooms, 2.5 to 5 baths, great rooms, 2 and 3 car garages and many options allowing buyers to customize their home to their liking. Pricing ranges from the \$600,000's to over \$1 Million. KB Home, normally associated with lower priced homes, offers homes for sale in excess of \$750,000.

View lots are being enhanced and accentuated by large viewing balconies, slick-outdoor rooms and entertainment centers. Examples of these elements are offered at the following projects:

- Pardee Homes and Tri-Pointe in both Aliento and Skyline Ridge;
- Toll Bros. Plum Canyon; and
- Tesoro del Valle.

POTENTIAL: There are many possibilities concerning this Property. Clearly this could be a hold anticipating value growth. Another approach might be along two avenues: 1.) Acquiring the Lessor Lease/Royalty rights and working to increase the Property's current income; and/or 2.) Work on Land-Use-Planning / entitlement processing for the Development Area (~400 acres) plus the ~200 acres, as a longer-term strategy. In both cases you would be taking advantage of the rising values and growing employment opportunities in the area. Additional uses – cemetery, school, cannabis cultivation and more.

PRICE: **Reduced significantly to \$3,510,000 –** Seller is open to offers. **2.75% commission to selling broker.**

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