



±400 Lots

South Hemet, Riverside County, CA



EXCLUSIVE OFFERING MEMORANDUM



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Site Detail

Overview

Stetson Ranch is a 85.77-acre property with an existing residential land use located in the highly desirable submarket of southern Hemet. Potential master plan for single family detached homes in small lot configurations, offering affordable price points to buyers relative to the housing stock coming on-line in the area. Offsite recreational amenities include the master-planned Seven Hills Golf Club & Retirement Community, immediately east of the project site, which features a 16,000 square foot clubhouse facility pro shop, bar, restaurant and banquet facilities. South of the subject site are the proposed Diamond Valley Lake recreational facilities, www.dvlake.com. In addition, the site has several new schools in the area, including McSweeny Elementary and Diamond Valley Middle School. Excellent access to the master plan is provided along Stetson Avenue and State Street.

Property Highlights

- Prime South Hemet location near recently improved Domenigoni Parkway/Newport Road Extension
- Close proximity to Diamond Valley Lake Recreation
- New Elementary & Middle Schools nearby
- Master Planned Community Opportunity
- ±400 Potential 4,000, 5,000 and 6,000 square foot lots
- Site in super pad condition
- Offsites including streets, curb, gutter, utilities, and streetlights complete
- Seller will give Buyer time to entitle

Municipality

City of Hemet

Assessor Parcel Numbers

464-270-002 thru -006, -008 & -009, 464-300-001 & -002, 464-312-001 thru 009, 464-311-001 thru -009 & 464-292-020

Directions

From Highway 215 take the 74 Freeway East to State Street. Drive South along State Street to Stetson Road. The subject property is located at the southeast corner of Stetson Road and Lyon Street in South Hemet.

Entitlements

Residential Land Use

Acres

85.77 gross acres

Utilities

Water/Sewer: Eastern Municipal Water District

Gas: Southern California Gas Company

Electric: Southern California Edison

CFD/HOA

The property currently does not have a CFD or HOA.

Site Detail

School District

Hemet Unified School District



McSweeney Elementary School
451 Chambers Street, Hemet, CA
T 951.925.4366



Diamond Valley Middle School
291 Chambers Street, Hemet, CA
T 951.925.2899



West Valley High School
3401 Mustang Way, Hemet, CA
T 951.765.1600

Broker Contacts

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Southwesterly view from the middle of Stetson Ranch at South Elk Street and West Thornton Avenue

Offering Guidelines

Seller

River Oaks Ridge, L.P.

Letter of Intent

Please submit a Letter of Intent ("LOI") outlining the terms and conditions under which Buyer proposes to acquire the property.

Proposed Deal Structure

Option to purchase property.

Asking Price

Submit.

Due Diligence Period

The Due Diligence Period shall commence upon execution of an Option Agreement. The due diligence review period shall be 45 days.

Option Payments

Option Payments shall be made quarterly and will be applicable to the purchase price.

Escrow

Escrow shall be held with Chicago Title Company.

Opening of Escrow

Upon delivery of Escrow of (i) the mutually executed Option Agreement and (ii) the Initial Deposit equal to (2.0%) of the purchase price.

Close of Escrow

The Close of Escrow shall occur the earlier of 18 months or 30 days after approval of Tentative Tract Map.

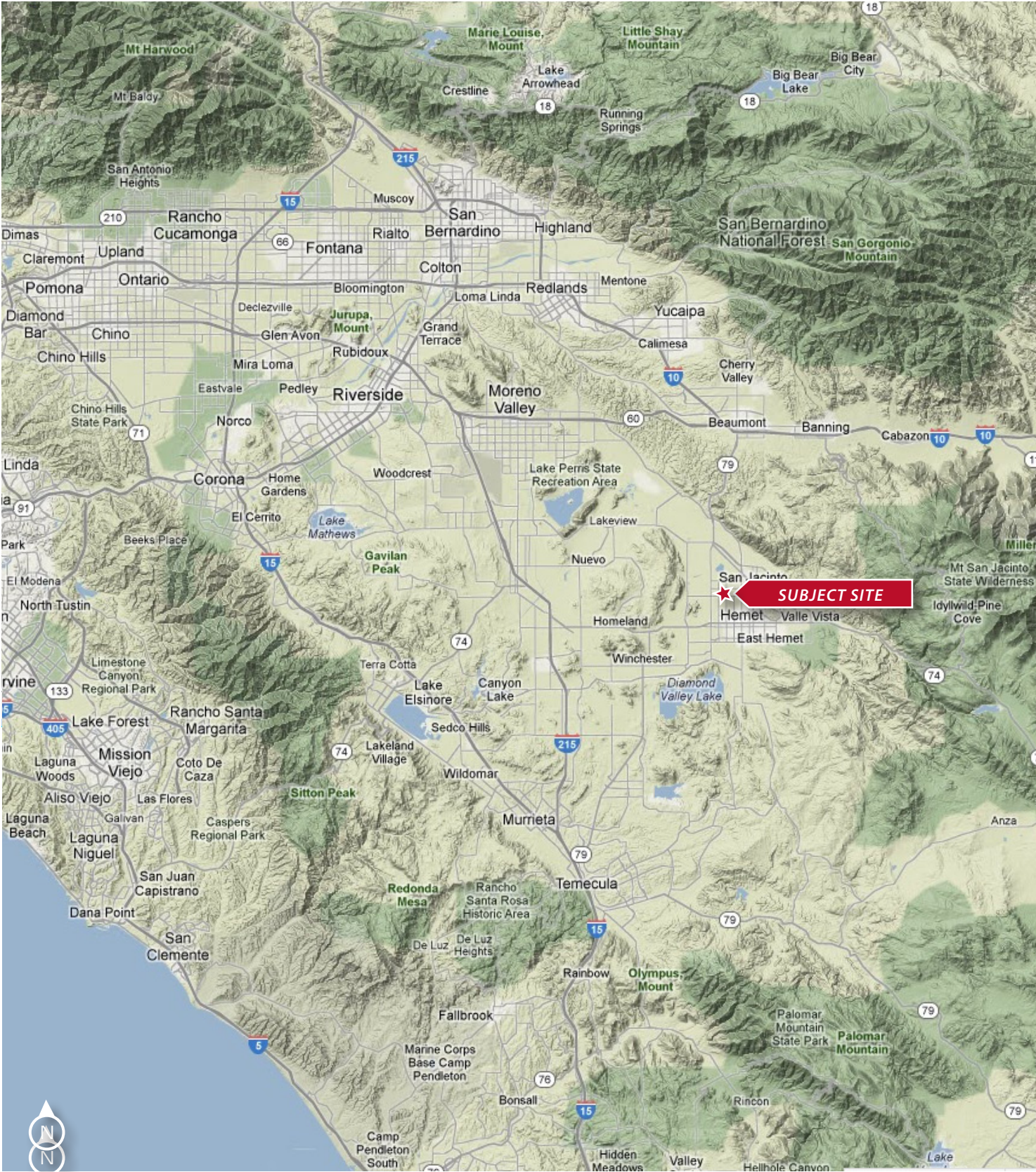
Brokerage Commission

The Brokerage Commission shall be paid by Seller pursuant to separate agreement.

Offer Date

To be determined.

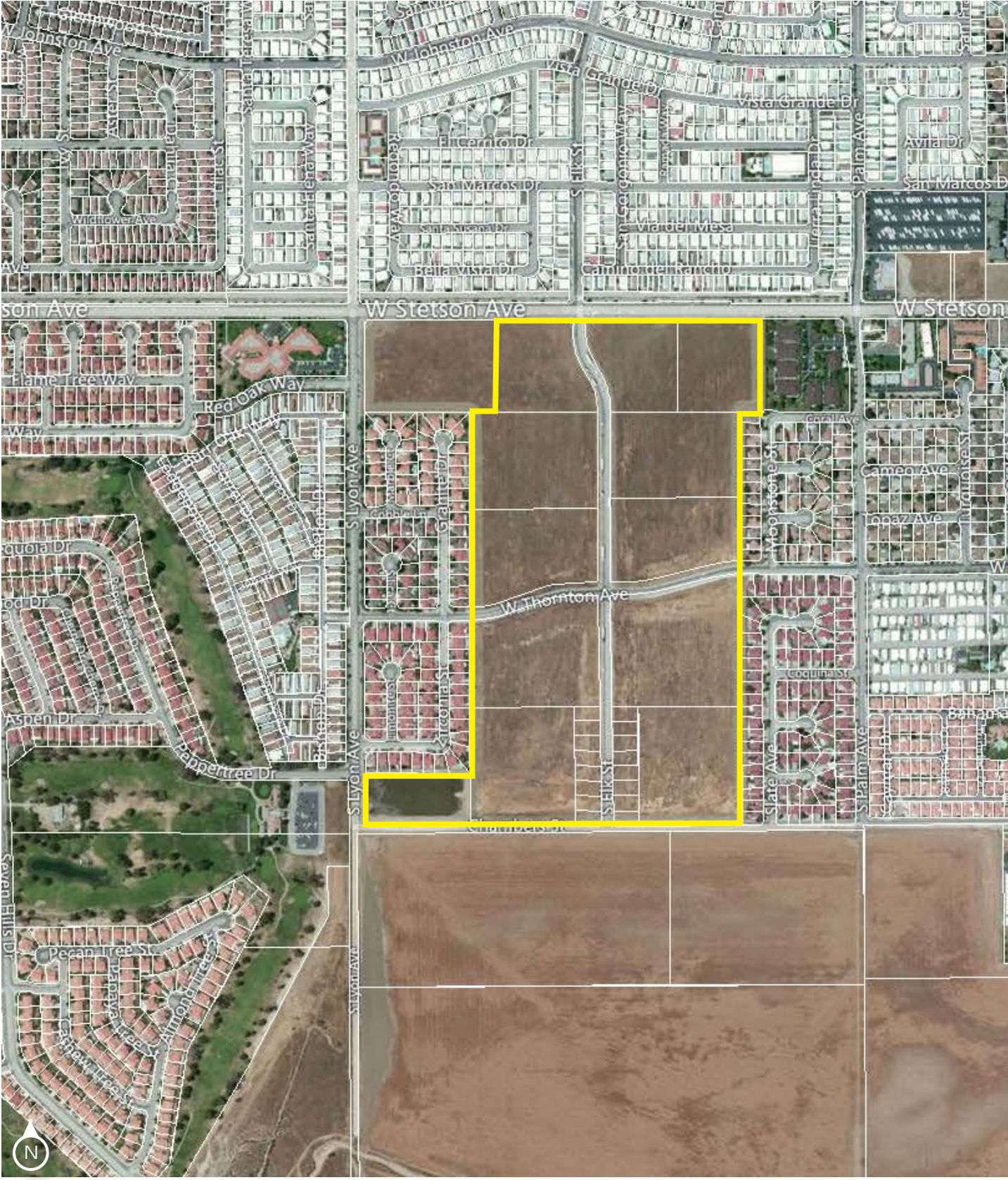
Regional Location



Vicinity Aerial



Close Up Aerial



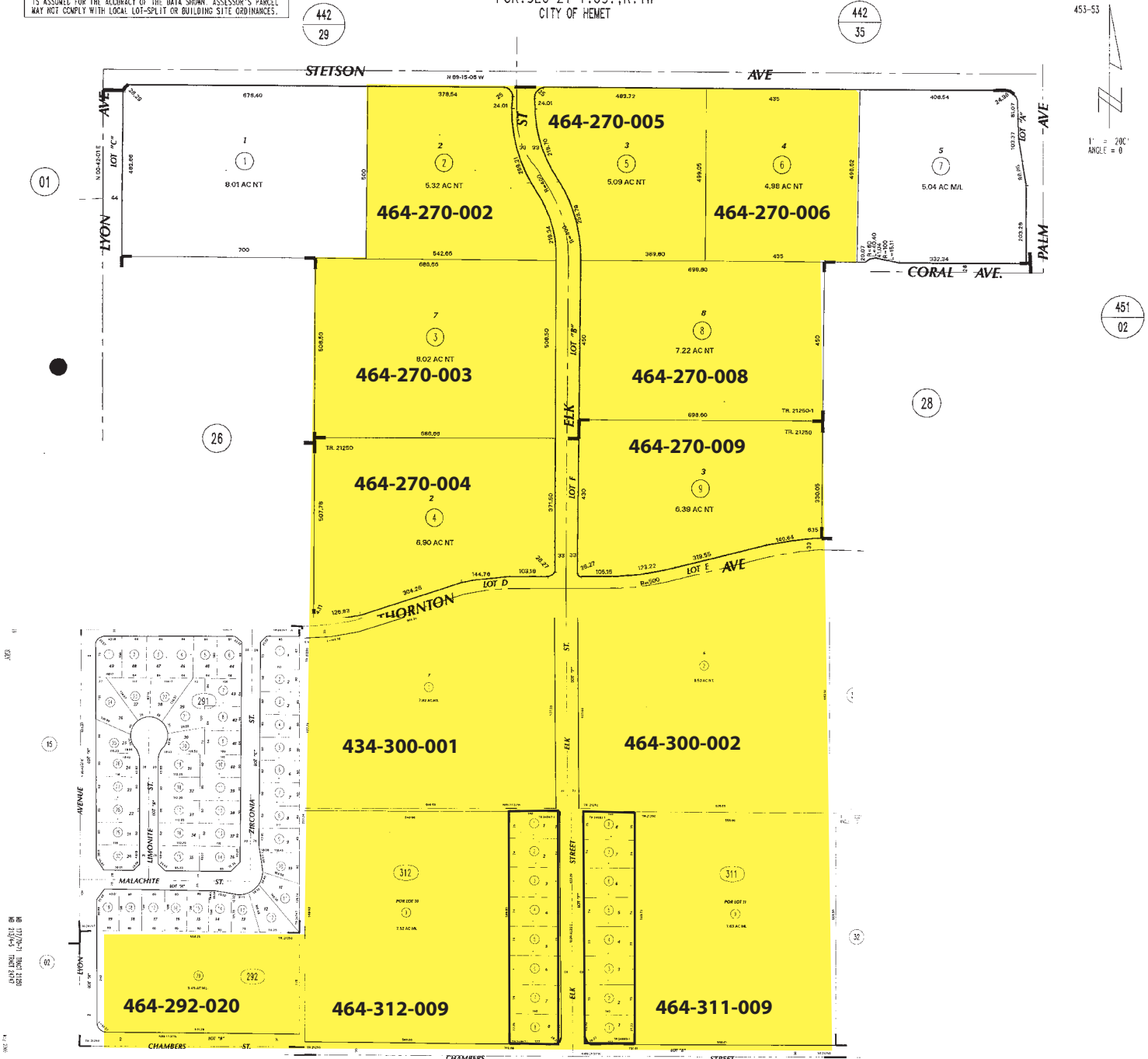
Assessor's Parcel Map

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL MAP MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

POR. SEC 21 T. 5S., R. 1W
CITY OF HEMET

T.R.A. 006-035

464-27
453-53



Potential Conceptual Architectural Site Plan



Street View Photos



South view from Stetson Avenue and Elk Street



South view from Stetson Avenue

Street View Photos



Northeasterly view from Chambers Street



Northerly view from Chambers Street and South Elk Street

Street View Photos



Southwesterly view from the middle of the property at South Elk Street and West Thornton Avenue

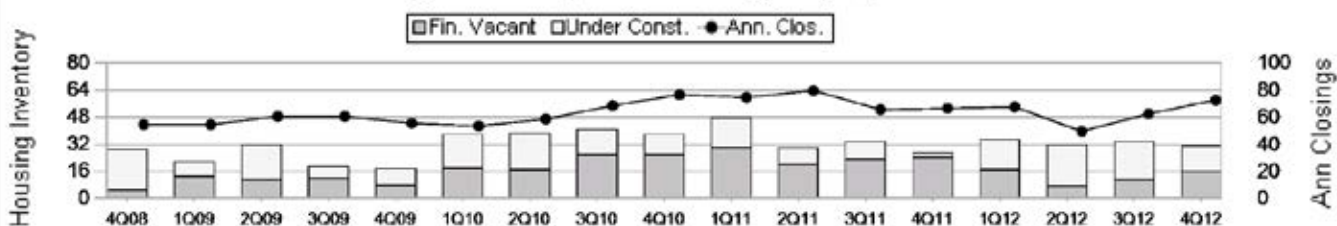


Southeasterly view from the middle of the property at South Elk Street and West Thornton Avenue

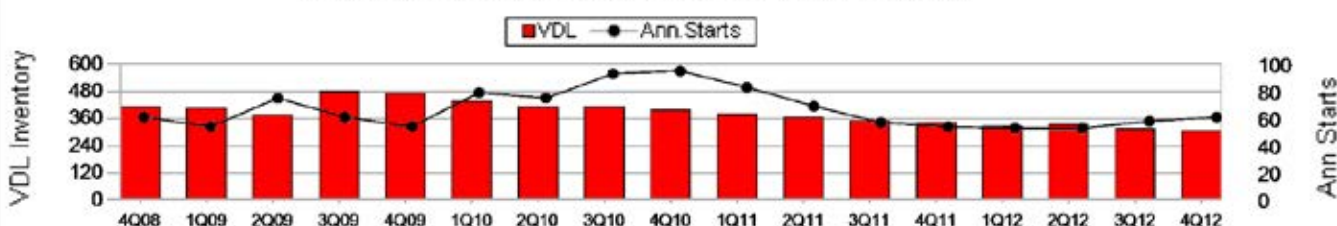
Historical Housing Activity Summary *Hemet & San Jacinto*

Qtr	Qtr Clos	Ann Clos	Model	FinVac	UC	Total Inv	Total Supply	Qtr Starts	Ann Starts	VDL	VDL Supply	Fut Lots	Ann Lot Deliv
4Q08	13	55	7	5	24	36	7.9	18	63	414	78.9	551	324
1Q09	14	55	7	13	9	29	6.3	7	56	407	87.2	551	0
2Q09	20	61	7	11	21	39	7.7	30	77	377	58.8	551	0
3Q09	14	61	14	12	7	33	6.5	8	63	481	91.6	551	112
4Q09	8	56	18	8	10	36	7.7	11	56	470	100.7	551	112
1Q10	12	54	18	18	20	56	12.4	32	81	438	64.9	551	112
2Q10	25	59	18	17	22	57	11.6	26	77	412	64.2	551	112
3Q10	24	69	18	26	15	59	10.3	26	95	412	52.0	551	26
4Q10	16	77	18	26	12	56	8.7	13	97	399	49.4	551	26
1Q11	10	75	18	30	18	66	10.6	20	85	379	53.5	551	26
2Q11	30	80	18	20	10	48	7.2	12	71	367	62.0	551	26
3Q11	10	66	18	23	11	52	9.5	14	59	353	71.8	551	0
4Q11	17	67	18	24	3	45	8.1	10	56	343	73.5	551	0
1Q12	11	68	18	17	18	53	9.4	19	55	327	71.3	572	3
2Q12	12	50	21	7	25	53	12.7	12	55	336	73.3	551	24
3Q12	23	63	15	11	23	49	9.3	19	60	317	63.4	551	24
4Q12	27	73	4	16	15	35	5.8	13	63	304	57.9	551	24

Housing Inventory and Closings By Quarter



Vacant Developed Lots and Starts By Quarter



Future Lots and Deliveries By Quarter



Southern California Residential Survey (4Q12)
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Current Activity and Profile Report *Hemet & San Jacinto*

Sorted by Subdivision

Map No	Subdivision Name	Submarket	Status	Lot Size	Price Range	Qtr Starts	Ann Starts	Qtr Clos	Ann Clos	Occ	Inventory			VDL	Future	Total
											Mod	Fin Vac	U/C			
126	Coventry Acres	WRivsd-Ctrl	Act 1Q12	7,200	\$210-\$228	0	24	9	13	13	0	11	0	0	0	24
12	Edgewood @ The Cove	WRivsd-Ctrl	Act 3Q09	6,000	\$172-\$201	5	8	4	14	77	4	0	4	27	0	112
23	Solera @ Rancho Diamante	WRivsd-Ctrl	Act 3Q06	5,000-6,000	\$171-\$264	8	19	10	39	299	0	5	6	263	551	1,124
170	The New House in San Jacinto	WRivsd-Ctrl	Act 3Q10	8,000	\$163-\$179	0	12	4	7	7	0	0	5	14	0	26
Selection Totals						13	63	27	73	396	4	16	15	304	551	1,286

Quarterly Plan Detail

Hemet & San Jacinto

Sorted by Subdivision

Map No	Subdivision	Submarket	Builder	Lot Size	Active Plan Name	Total Units	Total Remain	Avg Start/Mo	Avg Clos/Mo	Plan Notes	BR	Ba	St	Gar	Finish SqFt	1Q12 Price	2Q12 Price	3Q12 Price	4Q12 Price	Most Recent \$/SqFt
126	Coventry Acres	WRivsd-Ctrl		7,200	1Q12	24	11	2.00	1.00											
	D.R. Horton			7,200	1						4	3	1	3	2,351		\$197,625			\$89.36
				7,200	2						3	2.5	2	3	2,695		\$210,890			\$81.87
				7,200	3						4	3	2	3	2,989		\$217,055			\$76.12
															2,678	\$208,523			\$82.45	
12	Edgewood @ The Cove	WRivsd-Ctrl		6,000	3Q09	112	35	0.67	1.00											
	KB Home			6,000	1394						3	2	1	2	1,394	\$170,990			\$172,490	\$123.74
				6,000	1581						3	2	1	2	1,581	\$185,990	\$180,990		\$182,490	\$115.43
				6,000	1895						3	2	1	2	1,895	\$196,990	\$191,990		\$193,490	\$102.11
				6,000	2233						3	2	2	2	2,233	\$204,990	\$199,990		\$201,490	\$90.23
															1,776	\$189,740	\$190,990		\$187,490	\$107.88
Selected Plan Averages															2,163	\$189,740	\$199,757	\$219,420	\$187,490	\$96.98

5=5 Plex 6=6 Plex A=Affordable C=Casita D=Master Down Den=Den G=Guesthouse GS=Guest Suite I=Inventory Spec L=Loft M=Model ME=Media NP=New Plan
 O=Office P=Plan S=Split Level ST=Studio W=Water View

Price vs. Square Footage Hemet & San Jacinto

