

04-PSR-003

August 08, 2004
A+ Storage
2458 Newport Blvd.
Costa Mesa, Calif. 92627

To whom it may concern:

I would like to develop a state of the art storage facility in the city of Agoura Hills, located at 28320 Roadside Drive. The lot size is 35,931 square feet. My proposal is to build a storage facility with high security and partial climate control.

A+ Storage offers more than the average storage facility. We will have a wide range of storage units, including elevator access to all floors. Mail boxes and U.P.S. service will also be available. Our storage facility will sell boxes for moving, storage and shipping, as well as packaging supplies.

I currently operate a storage facility in the City of Costa Mesa. The city's concern was that we were on Newport Blvd and they wanted to have a retail operation. In retrospect our boxes and other retail items account for more than 40% of our total sales. The retail and service part of our operation has been very successful. The service of having a U.P.S. counter has helped us in exposing our company to the community. We have also found our customers enjoy the convenient we provide due to the wide selection of box sizes at a competitive price. We work closely with U-Haul and supply their moving boxes and we use a national supplier for our shipping boxes.

I have submitted a feasibility study from an independent company, Emove which is part of U-Haul. We are currently in our 6th year of operation. I have enclosed a letter from the mayor of Costa Mesa supporting our operation in Costa Mesa.

I would like to get an appointment with those in charge of this type of development; I can be reached at (626) 786-4363. We have enclosed 10 sets of plans including a plot plan, floor plan elevation plan and landscape plan.

Sincerely,



Gene Chan / A+ Storage & A+ Boxes



CITY OF COSTA MESA

CALIFORNIA 92628-1200

P.O. BOX 1200

FROM THE OFFICE OF THE MAYOR

March 30, 2004

The Honorable Dan Kuperberg, Mayor
The Honorable City Council
City of Agoura Hills
30001 Ladyface Court
Agoura Hills, California 91301

RE: STORAGE FACILITY PROPOSED BY GENE CHAN

Dear Mayor Kuperberg and City Council Members:

It is with pleasure that I write you to convey my support of Gene Chan and his desire to build a storage facility in Agoura Hills. Mr. Chan constructed a two-story, 14,735 square foot facility in Costa Mesa approximately six years ago. The storage facility, which contains 150 cubicles, was designed to complement surrounding buildings and is a quiet use. City Council unanimously approved the Conditional Use Permit to allow Mr. Chan's project to proceed.

I have found that Gene has been a good business owner who worked well with City staff in submitting plans, understanding the zoning and building processes, and obtaining proper permits. I hope you will give him the same opportunity in Agoura Hills.

Please call me at (714) 754-5192 if you have any questions.

Sincerely,

Gary Monahan
Mayor

GM:ccp/df



SUBJECT
PROPERTY



**Feasibility Study
28320 Roadside Drive
Agoura Hills, CA**

**Prepared by Carlos Vizcarra
April 26, 2004**

**Feasibility Study
28320 Roadside Drive
Agoura Hills, CA**

The purpose of this study is to summarize the local conditions that will affect the proposed development and provide information on which to base the feasibility of the site for a self-storage facility.

For purposes of this report we have gathered demographic information on the subject property and the existing facilities that will be in competition with the proposed development, and have provided the current rates being charged at these facilities. Our findings are summarized below and the referenced exhibits are presented in the remainder of this report.

Subject Neighborhood

The subject property is located in the western portion of Los Angeles County, northwest of the Los Angeles central business district, and it is just south of the Ventura (101) Freeway. The property is in the eastern portion of the city of Agoura Hills, just west of the city of Calabasas. It is located on the south side of Roadside Road, east of Kanan Road. The subject property only has access from Roadside Drive. Although, Roadside Drive is a secondary road the site may have potential commercial exposure due to its proximity to Hwy 101. The subject's property is located in a high traffic area; nearly 184,000 vehicles pass the property daily. Lewis Road is a north-south secondary road. Agoura Road, just south of the subject's property, is an east-west arterial road (Exhibit A).

Demographics

In order to assess the business prospects for the subject property, we obtained a demographic analysis of the immediately surrounding area of the property from Mapinfo, a copy of which is included as Exhibit B to this report. The demographic analysis of the immediate area is summarized in market areas at two levels: one-mile radius of the subject and three-mile radius of the subject. These defined market areas represent the primary tenant prospects for the subject property. Selected demographic data is summarized as follows:

Market Area Overview

	1 Mile	3 Mile
Population		
2005 Projected	3,895	42,126
2000 Estimate	3,537	38,984
1990 Census	3,009	32,958
% Change 1990-2000	17.5%	18.3%
% Change 2000-2005	10.1%	8.1%
Households		
2005 Projected	1,405	14,393
2000 Estimate	1,271	13,202
1990 Census	1,117	11,316
% Change 1990-2000	13.8%	16.7%
% Change 2000-2005	10.5%	9.0%
1990 Housing Units		
Owner Occupied	64.9%	76.4%
Renter Occupied	35.1%	23.6%

The above data indicates that the population in the local market is projected to grow slightly over the near term. The percentage of renter occupied housing in the area is generally considered an important demographic fact for the self-storage product. Renter occupancy is at 35.1% within a one-mile radius and at 23.6% within a three-mile radius. The subject's proportion of renter-occupied housing is within the parameters for a successful self-storage facility. These demographics would be expected to have a positive overall effect on the performance of a self-storage facility. However, the low population growth rate from 2000 to 2005 is not indicative of an emerging storage market.

Competitor Analysis

Based on the population density and general development of the subject neighborhood, the subject's market area is estimated to be within a 3-mile radius of the subject property. Within this radius, there are four competing self-storage properties (Exhibit A).

Location is the single most critical factor in selecting a self-storage location. Drive-by visibility of the facilities signage and product creates consumer awareness and are critical to the success of a self-storage facility. The degree of a facilities success will be directly proportional to the traffic volume. The subject's location is inferior to two of the competing properties. These two storage facilities are along Agoura Road and benefit from better egress and ingress. The majority of competing facilities are situated along the Hwy 101 corridor, a high traffic area.

The subject's facility is situated in a developed area south of the Hwy 101 (see Exhibit A). The most densely populated residential areas within the subject's market area are to the northwest and west of the subject, both of which are along Hwy 101. In addition, there is a residential area to the southeast of the subject. There are three competing facilities in the residential area to the west, Conejo Valley U-Store-It, Agoura Self Storage and Corsa Self Storage. A Calabasas Self Storage is in the residential area to the southeast. In its immediate area, the subject will be in strong competition with these existing facilities due to their proximity to the residential markets, affordability of their product, and the fact that convenience weighs heavily on the consumers selection of a self-storage facility.

Storage Rates

As can be observed in Exhibit C, rental rates for 10' x 10' storage rooms fluctuate modestly in the \$158.00 to \$169.00 range, which is significantly higher than the national average. According to a six-year rental rate trend sample in the Self-Storage Almanac, rental rates in the west United States have remained relatively stable. Rates can be expected to slightly increase in the subject's market as a result of normal inflationary factors. Due to the limitations and location the subject's facility will have to compete on rates.

Conclusion

The subject market appears to be stable and allows room for growth in the storage industry. Success of a self-storage facility on the subject site will be dependent on the site's accessibility and the ability to create drive-by visibility to the consumers. Also, we recommend the site plan should be developed for maximum visibility of storage room doors to drive-by traffic and to Hwy 101. Another successful strategy would be to advertise in the Yellow Pages and include a directional map to the storage facility.

Exhibits:

- A. Market Area Map
- B. Mapinfo Demographic Report
- C. Storage Rates

POPULATION		42,126
2005 Projection	3,895	38,984
2000 Estimate	3,537	32,958
1990 Census	3,009	18.3%
% 90-00 Change	17.5%	101
In Group Quarters 2000	0	
HOUSEHOLDS		14,393
2005 Projection	1,405	13,202
2000 Estimate	1,271	11,316
1990 Census	1,117	16.7%
% 90-00 Change	13.8%	
NUMBER OF FAMILIES CURRENT YEAR		11,038
2000 Estimate	1,015	
AVERAGE HOUSEHOLD SIZE		2.9
2000 Estimate	2.7	
RACE 2000		86.5%
White	84.9%	1.3%
Black	1.5%	7.2%
Asian/Pacific Islander	6.6%	0.3%
American Indian/Eskimo/Aleut	0.4%	
HISPANIC ORIGIN 2000		6.3%
Hispanic Ethnicity	7.6%	
MEDIAN AGE 2000		33.9
2000 Estimate	32.0	
OCCUPATION 1990		81.2%
White Collar	78.9%	18.8%
Blue Collar	21.1%	
HOUSEHOLD INCOME 2000		\$40,527
Per Capita Income	\$39,959	\$97,370
Median HH Income	\$88,934	\$118,385
Average Income	\$110,012	
\$0 - \$14,999	5.7%	4.1%
\$15,000 - \$24,999	2.8%	3.3%
\$25,000 - \$34,999	4.2%	3.7%
\$35,000 - \$49,999	9.7%	8.1%
\$50,000 - \$74,999	20.1%	17.2%
\$75,000 - \$99,999	15.0%	15.0%
\$100,000 - \$149,999	25.1%	30.0%
\$150,000 +	14.3%	15.5%
Average Family	\$110,012.2	\$118,384.7
HOUSING TENURE 1990		76.4%
Owner Households	64.9%	23.6%
Renter Households	35.1%	