



2546 | 2554
WEST PICO BOULEVARD

Marcus & Millichap

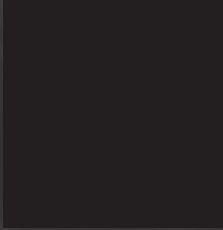


BRANDON MICHAELS
GROUP

A 100% OCCUPIED, 13,050 SQUARE FOOT MULTI-TENANT RETAIL PROPERTY IN PICO-UNION SITUATED ON A 16,258 SQUARE FOOT CORNER LOT WITH IMMEDIATE RENTAL UPSIDE AND MAJOR REDEVELOPMENT POTENTIAL

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EXCLUSIVELY LISTED BY

BRANDON MICHAELS

Senior Managing Director of Investments
Senior Director, National Retail Group
Tel: 818.212.2794
brandon.michaels@marcusmillichap.com
CA License: 01434685
www. BrandonMichaelsGroup .com

MATTHEW LUCHS

Chief Operating Officer
First Vice President Investments
Tel: 818.212.2727
matthew.luchs@marcusmillichap.com
CA License: 01948233
www. BrandonMichaelsGroup .com

ANDREW LEFF

First Vice President Investments
Senior Director, National Retail Group
Tel: 818.212.2815
andrew.leff@marcusmillichap.com
CA License: 01865688
www. BrandonMichaelsGroup .com

EXECUTIVE SUMMARY

Marcus & Millichap has been selected to exclusively to market for sale 2546-2554 West Pico Boulevard in Los Angeles, California. The subject property is ideally located just west of the signalized intersection of Pico Boulevard and Vermont Avenue on the southeast corner of Pico Boulevard and South Berendo Street, adjacent to Koreatown.

2546-2554 West Pico Boulevard consists of two buildings totaling 13,050 square-foot of multi-tenant storefront retail situated on 16,255 square-foot of land. The subject property is currently 100% occupied by longstanding local tenants on short term or month-to-month leases. Average monthly rents are \$1.19/SF gross, which is significantly below current market levels. This allows an investor to realize tremendous immediate upside in raising rents to market levels and converting the leases to NNN. The flexibility with the rent roll also offers the possibility for an owner-user to occupy at least 51% of the property and secure attractive SBA financing, while generating income from the other tenants to offset operating expenses. 2546 West Pico was entirely rebuilt in 1993. Both buildings have been seismically retrofitted and new roofs were installed in 2011.

The subject property is zoned C2-2D-CPIO and falls within Subarea E of the South Los Angeles CPIO, which also makes this a viable site for future redevelopment. Under the CPIO development standards for a mixed-income housing project, in exchange for 9% ELI units in a new project, the site allows for 58 units to be built (52 market rate). A developer can also elect to utilize Tier 3 TOC incentives as long as the project meets or exceeds the affordability percentages of a CPIO mixed-income project. BUYER TO VERIFY.

The subject property benefits from excellent frontage along Pico Boulevard on the corner of Pico Boulevard and S. Berendo Street. There is heavy foot traffic in the area and the property is located on a retail heavy corridor with plenty of local amenities. Located just minutes from Koreatown and Pico Union, the subject property is ideally located in a densely populated Los Angeles sub-market with a population of over one million within a five-mile radius. There is also significant development occurring in the immediate area, including hundreds of new residential units being constructed within a mile of the subject property.



DOWNTOWN LA



LA CONVENTION CENTER



VERMONT AVE

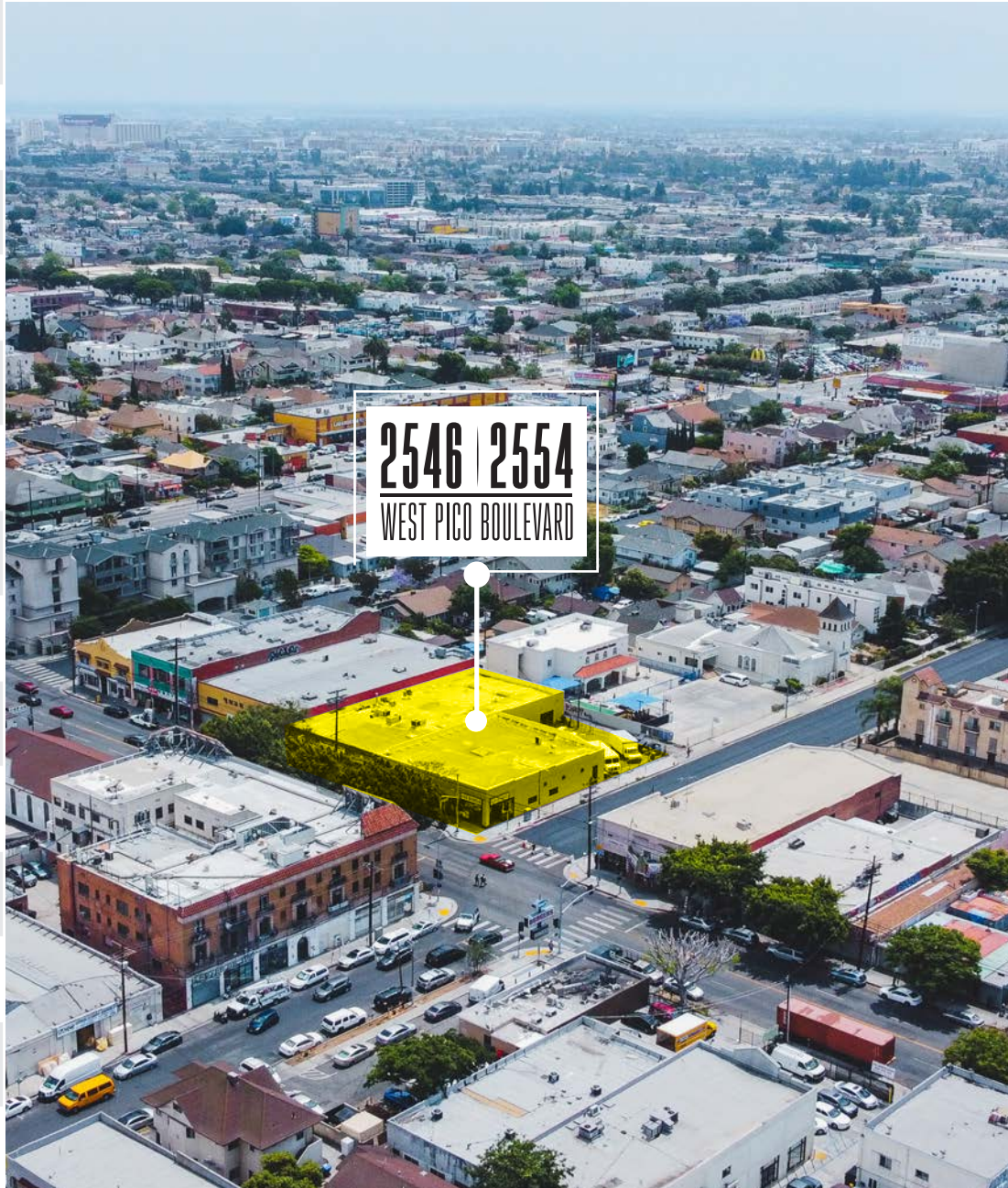
PICO BLVD

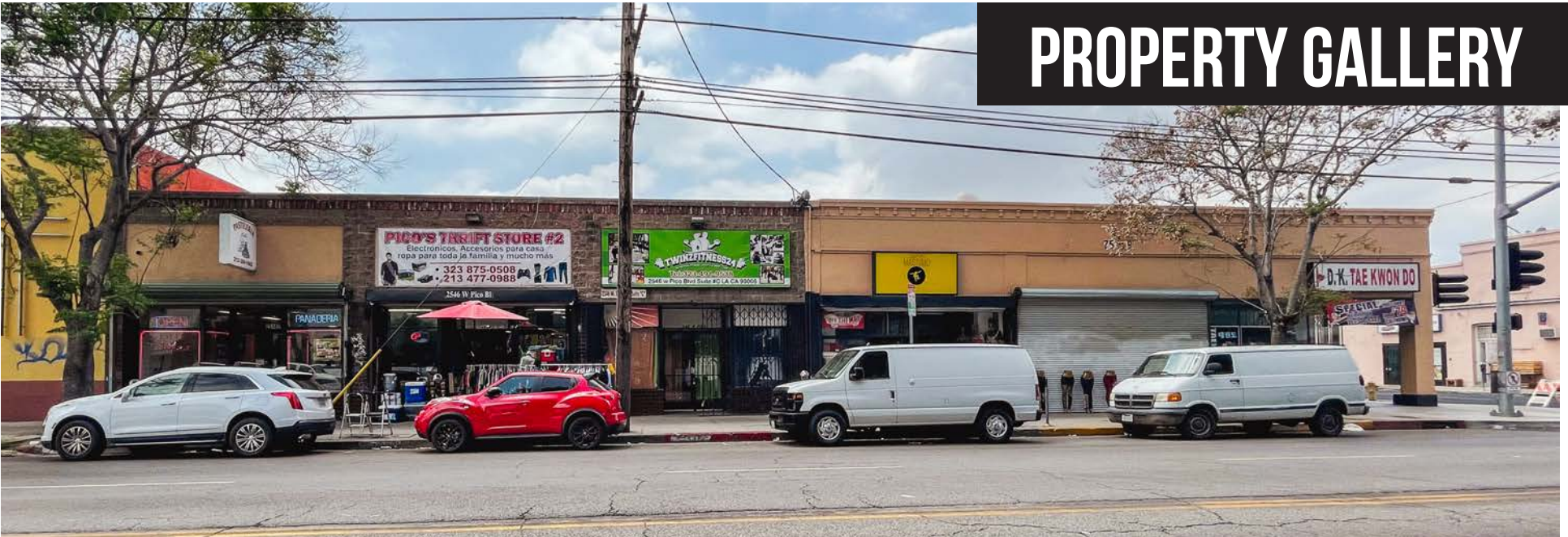
2546 2554
WEST PICO BOULEVARD



PROPERTY SUMMARY

Address:	2546-2554 West Pico Blvd. Los Angeles, CA 90006
Price:	\$4,250,000
Current CAP Rate:	2.73%
ProForma CAP Rate:	5.84%
Building SF:	13,050 SF
Lot Size:	16,258 SF
Price/SF (Building):	\$326
Price/SF (Land):	\$261
Year Built/Renovated:	1906/1993
Zoning:	C2-2D-CPIO (South LA CPIO Subarea E)
APN:	5075-003-025, 026
Parking:	8 Surface Spaces
Traffic Counts:	22,059 Vehicles Per Day
TOC:	Tier 3





PROPERTY GALLERY

INVESTMENT HIGHLIGHTS

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WEST PICO BOULEVARD

100% OCCUPIED MULTI-TENANT STOREFRONT RETAIL IN PICO-UNION

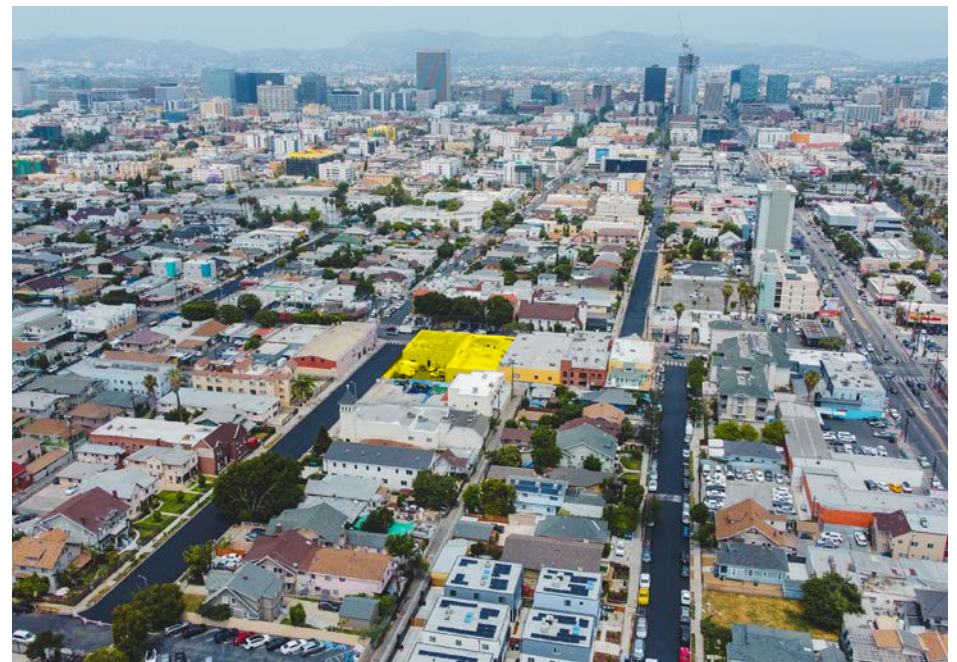
- 13,050 square-foot single-story retail occupied by 7 tenants
- 100% of the tenants are month-to-month or expire within 1 year
- All units individually metered for gas and electric
- 2546 W Pico Blvd (~7,930 SF building) was fully rebuilt in 1993, both buildings have been seismically retrofitted
- New roof on both properties installed in 2011

POTENTIAL AS A VALUE-ADD INVESTMENT, OWNER- USER, OR REDEVELOPMENT OPPORTUNITY

- Average monthly rents are \$1.19/SF gross offering significant rental upside
- Walk Score of 89/100 and 125 of Frontage along Heavily Trafficked West Pico Boulevard
- Owner-User can Occupy at least 51% of the Property and Collect Rents from other Tenants to Offset Costs
- 16,258 Square Foot Lot Zoned C2-2D-CPIO; Build up to 58 Units Under the CPIO Subarea E (9% ELI) (Buyer to verify)
- Potential to Build even more Units Utilizing Tier 3 TOC Incentives
- Rear Alley Access

PICO-UNION BENEFITS FROM DENSE IMMEDIATE POPULATION AND ONGOING GROWTH AND REDEVELOPMENT

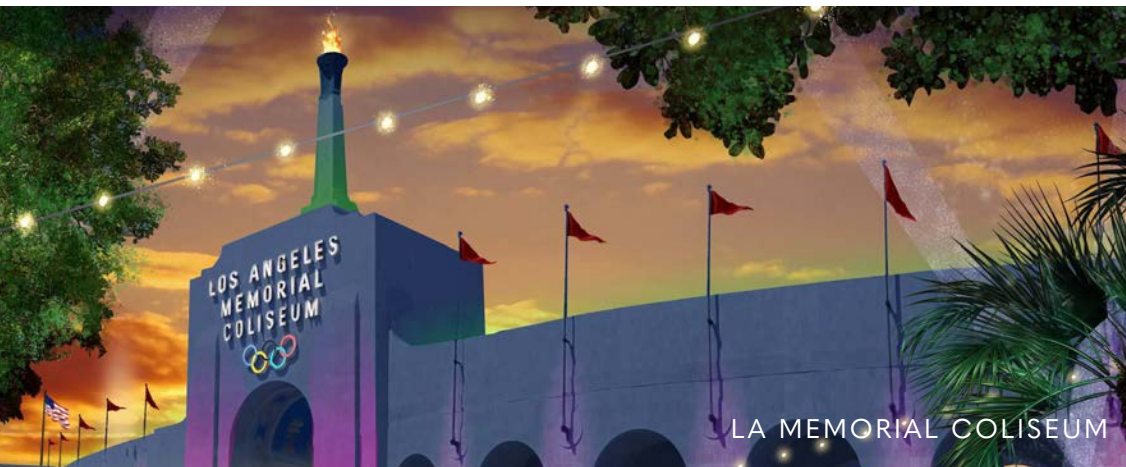
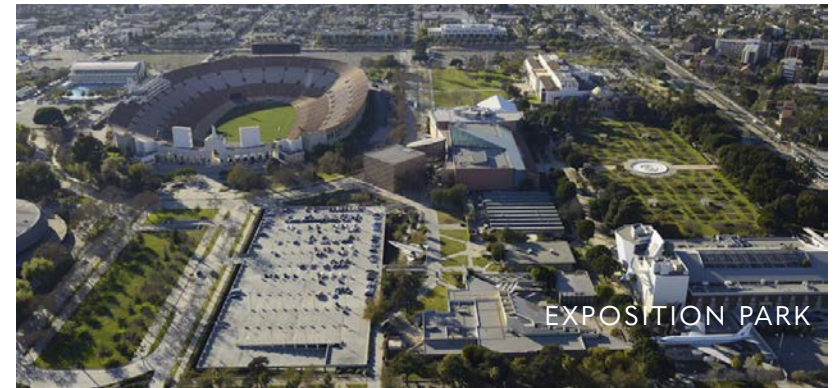
- Centrally Located less than 1 Mile from DTLA and minutes from Koreatown
- Over 1 Million People within a 5-Mile Radius
- Surrounded by many New or Planned Redevelopments such as:
 - 60 units @ 1037 S. Dewey Ave
 - 50 units @ 1047-53 S. Fedora St
 - 126 units @ Olympic/Kenmore
 - 84 units @ 1124-38 S. Normandie
 - 48 Unit @ 12th & Hoover
 - 128 Unit @ 1216-24 Menlo Ave
- Pico-Union is among one of the most Architecturally Diverse Communities in all of Los Angeles
- Close Proximity to many Local Restaurants, Shops and Bars, and other amenities



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WEST PICO BOULEVARD

AREA OVERVIEW

Pico-Union is a neighborhood in Central Los Angeles, California. The name “Pico-Union” refers to the neighborhood that surrounds the intersection of Pico Boulevard and Union Avenue. Located immediately west of Downtown Los Angeles, it is home to over 40,000 residents. The neighborhood contains two historic districts, both listed in the National Register of Historic Places. It has five public schools as well as a public library.



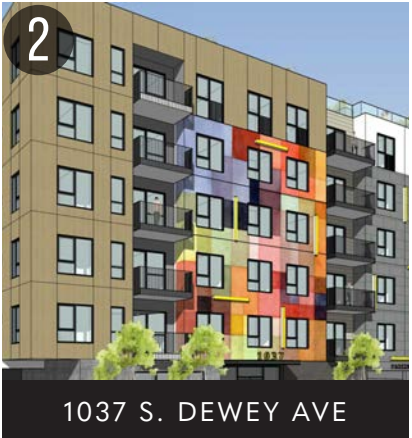
Pico-Union is the fourth-most-dense neighborhood in Los Angeles, surpassed only by East Hollywood, Westlake and Koreatown. The 2000 U.S. census counted 42,324 residents in the 1.67-square-mile neighborhood—an average of 25,352 people per square mile. In 2008, the city estimated that the population had increased to 44,664. The median age for residents was 27, considered young for the city and the county. The ethnic breakdown in 2000 was: Latinos, 85.4%; Asians, 7.6%; whites, 3.0%, blacks, 2.9%; and others, 1.1%. El Salvador (44.4%) and Mexico (23.3%) were the most common places of birth for the 64.6% of the residents who were born abroad, a figure that was considered high in comparison with foreign-born in the city as a whole. Other immigrants come from Guatemala, Honduras and Nicaragua.

NEARBY DEVELOPMENT

A concentration of developments are headed for the Pico Union neighborhood including impressive new apartments, mixed-use buildings and hotels in the pipeline. Here are some of the largest proposed and city-approved blueprints in the neighborhood are mapped. These projects are the largest and most conspicuous, but by no means are they the only ones slated for the neighborhood.



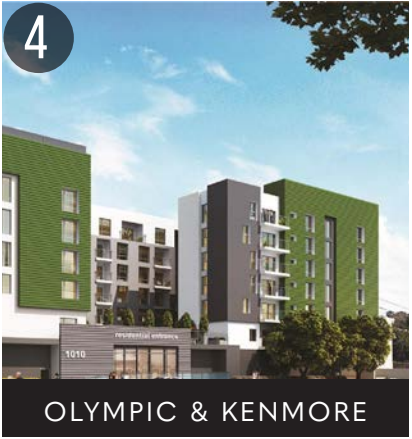
1047-1053 FEDORA ST



1037 S. DEWEY AVE



1216-1224 MENLO AVE



OLYMPIC & KENMORE



1124-1138 S NORMANDIE AVE



12TH & HOOVER





DODGER STADIUM



OLVERA STREET

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AREA OVERVIEW

The area encompassed by Pico-Union was developed as a middle and upper middle class residential district beginning in the 1910s. Easy access to downtown Los Angeles and the nearby Wilshire District drew large numbers of affluent homeowners. Following the Second World War, the Pico-Union area, like many inner city neighborhoods, experienced an outflux of residents to the suburbs. The loss of residents and business led to high vacancy rates and lower property values in much of the neighborhood by the 1960s.

In the late 1970s and 1980s, the area became a major point of entry for Salvadoran and Guatemalan immigrants seeking refuge from civil war, according to the Pico Union Self-Guided Walking Tour, published in 2009 by the Los Angeles Conservancy.

Pico-Union became the city's 19th Historic Preservation Overlay Zone on August 10, 2004. It contains two historic districts listed in the National Register of Historic Places: South Bonnie Brae Tract Historic District and Alvarado Terrace Historic District.

In August 2012, the City of Los Angeles designated a portion of Vermont Avenue in Pico-Union as El Salvador Community Corridor; parts of Pico-Union are also being considered for designation as The Central American Historical District.

The former First Church of Christ, Scientist, once one of Jim Jones' Peoples Temples, was located in Pico-Union, at the corner of Alvarado Street and Alvarado Terrace.

DOWNTOWN
LOS ANGELES



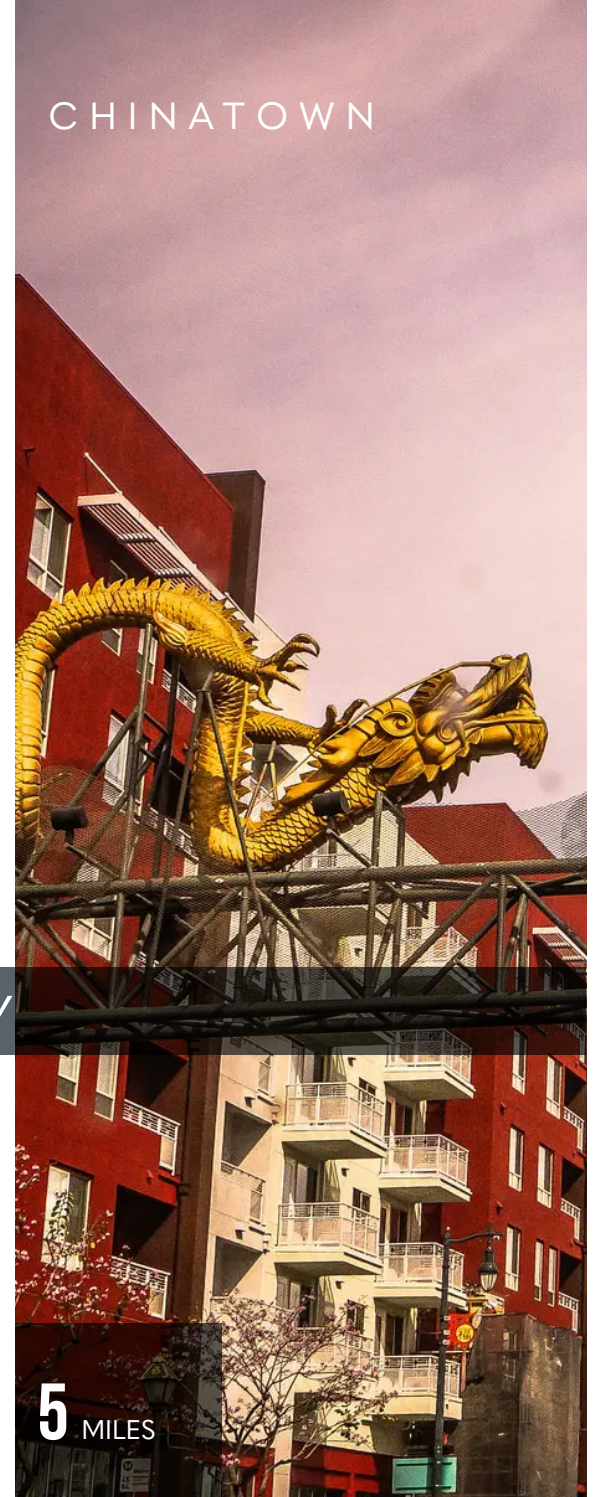
3 MILES

ECHO PARK



3.4 MILES

CHINATOWN



5 MILES

CLOSE PROXIMITY

DEMOGRAPHICS

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POPULATION



1,327,390

Total Population
within a 5-mile radius



37.6

Median Age
within a 5-mile radius



49.31%

Male



50.69%

Female

EDUCATION

3 mile 2022 % of Population



28%

Some High School



18%

Some College



10%

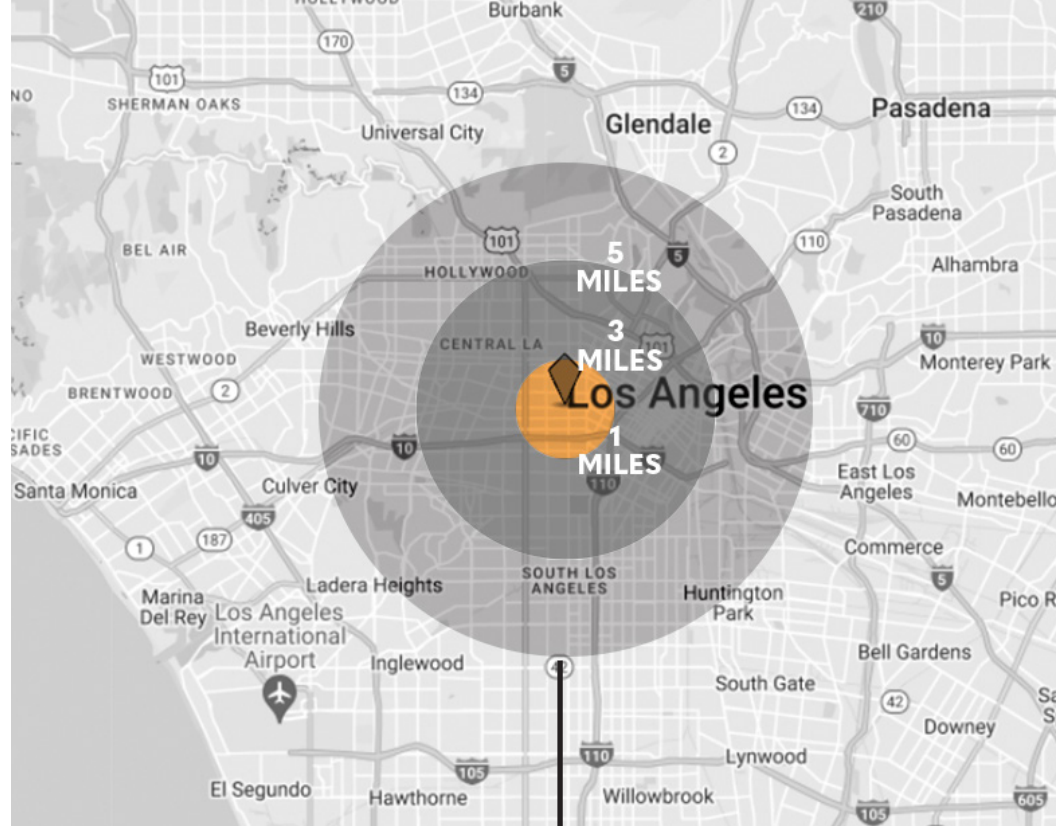
Associate Degree



19%

Bachelor's Degree

Demographics	1 Mile	3 Mile	5 Mile
2022 Population	105,227	661,726	1,327,390
2022 Households	33,988	231,441	475,221
2022 Avg. Household Size	3	2.7	2.6
Annual Growth 2022-2027	-0.1%	0%	-0.1%
2022 Median Age	36.9	37.2	37.6
2022 Owner Occupied Households	2,473	33,577	94,531
2022 Renter Occupied Households	31,290	197,984	378,715
2022 Avg. Household Income	\$51,995	\$69,715	\$78,056
2022 Median Household Income	\$38,174	\$46,438	\$53,326
Businesses	3,621	38,784	73,821



\$69,715

Average HH income within a 3-mile radius



1,327,390

Population within a 5-mile radius



94,531

Owner Occupied Housing within a 5-mile radius



475,221

Households within a 5-mile radius



73,821

Businesses within a 5-mile radius



378,715

Renter Occupied Housing within 5-mile radius



FINANCIAL ANALYSIS

RENT ROLL									
Tenant	SF	SF%	Lease Start	Lease Exp	Rent	Rent/SF	CAM	PF Rent	PF Rent/SF
2546A	1,905	15%	3/1/2007	M2M	\$2,118.00	\$1.11	\$130.00	\$3,428.28	\$1.80
2546B	1,787	14%	11/1/2021	10/31/2022	\$2,500.00	\$1.40	\$100.00	\$3,216.42	\$1.80
2546C	1,605	12%	3/1/2020	2/29/2023	\$2,400.00	\$1.50	\$100.00	\$2,889.00	\$1.80
2546D/E	2,889	22%	9/1/2008	M2M	\$2,270.00	\$0.79	\$100.00	\$3,466.80	\$1.20
2552A	1,605	12%	1/1/2016	M2M	\$1,500.00	\$0.93	\$100.00	\$2,889.00	\$1.80
2552B	1,391	11%	3/1/2020	M2M	\$2,000.00	\$1.44	\$100.00	\$2,503.80	\$1.80
2554	1,873	14%	6/1/2008	M2M	\$2,025.00	\$1.08	\$75.00	\$3,370.50	\$1.80
Total	13,054	100%			\$14,813.00	\$1.13	\$705.00	\$21,763.80	-

EXPENSES

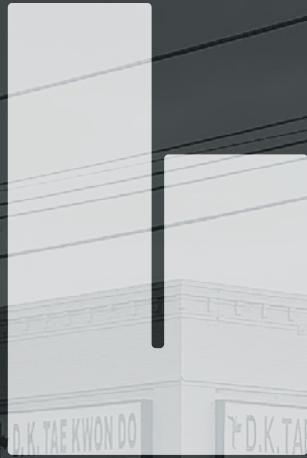
Expense Breakdown	Per Year	Per SF
Property Taxes @ 1.25%	\$53,125	\$4.07
Insurance	\$5,873	\$2.22
Utilities	\$1,662	\$0.13
Repairs & Maintenance	\$6,525	\$0.50
Trash	\$1,349	\$0.10
Misc	\$1,717	\$0.13
Total	\$70,251	\$5.38

ANNUALIZED OPERATING DATA

Income And Expense	Current	ProForma
Scheduled Lease Income	\$177,756	\$261,166
NNN Charges	\$8,460	\$79,016
Vacancy @ 5%		\$13,058
Expenses	\$70,251	\$70,251
Net Operating Income	\$115,966	\$248,107

PROPERTY

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TOC:	Tier 3



Berendo St

D.K. TAE KWON DO

BRANDON MICHAELS GROUP

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