

OFFERING MEMORANDUM

8562-8572

W 3RD ST

LOS ANGELES, CA
90048

OWNER / USER
INVESTMENT

4,173 SF BLDG*

6,502 SF LOT

*Gross rentable per appraisal



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INVESTMENT SUMMARY

8562-8572 W 3RD ST

Conroy Commercial Inc. is pleased to present the opportunity to purchase for the first time in over 40 years a Los Angeles landmark, an architectural building featuring an iconic A-frame, comprising 4,173 gross square feet of prime retail space on 6,502 square feet of land, with 130 line feet of frontage. This convenient 3rd street location is directly across the street from Cedars Sinai hospital, which staffs 10,000 employees and 2,000 physicians.

For an Owner-User: The lease on Nonna's ends in February 2020, and there is a possibility to deliver the larger restaurant space vacant as well. Both restaurants have beautiful patios, and the larger restaurant has a liquor license.

For an Investor: Market rents with annual escalations and a higher cap rate than most nearby properties.

Trophy Asset: This is a blue-chip property that can be parked in a portfolio for generations.

Foot Traffic: Proximity to Cedars makes this one of the most highly trafficked sites in Los Angeles.

Great Value: At under \$2,000/SF the asking price is lower than the recent sales comparable nearby, which sold north of \$3,000/SF.

Great Location: Signalized corner of 3rd St & Shenandoah; upscale section of 3rd St between Robertson & La Cienega, borders Los Angeles, Beverly Hills & West Hollywood

INVESTMENT SUMMARY

8562-8572 W 3RD ST



PROPERTY ADDRESS

**8562-8572 W 3rd St
Los Angeles, CA 90048**

PRICE

\$7,500,000

APN

4334-009-026

BUILDING SIZE (GLA)

**4,173 BLDG SF* (GLA Appraisal)
(3,348 SF on Title)**

LOT SIZE

6,502 SF

ZONING

LAC2

PARKING

9 Spaces

STREET FRONTAGE

130'

YEAR BUILT

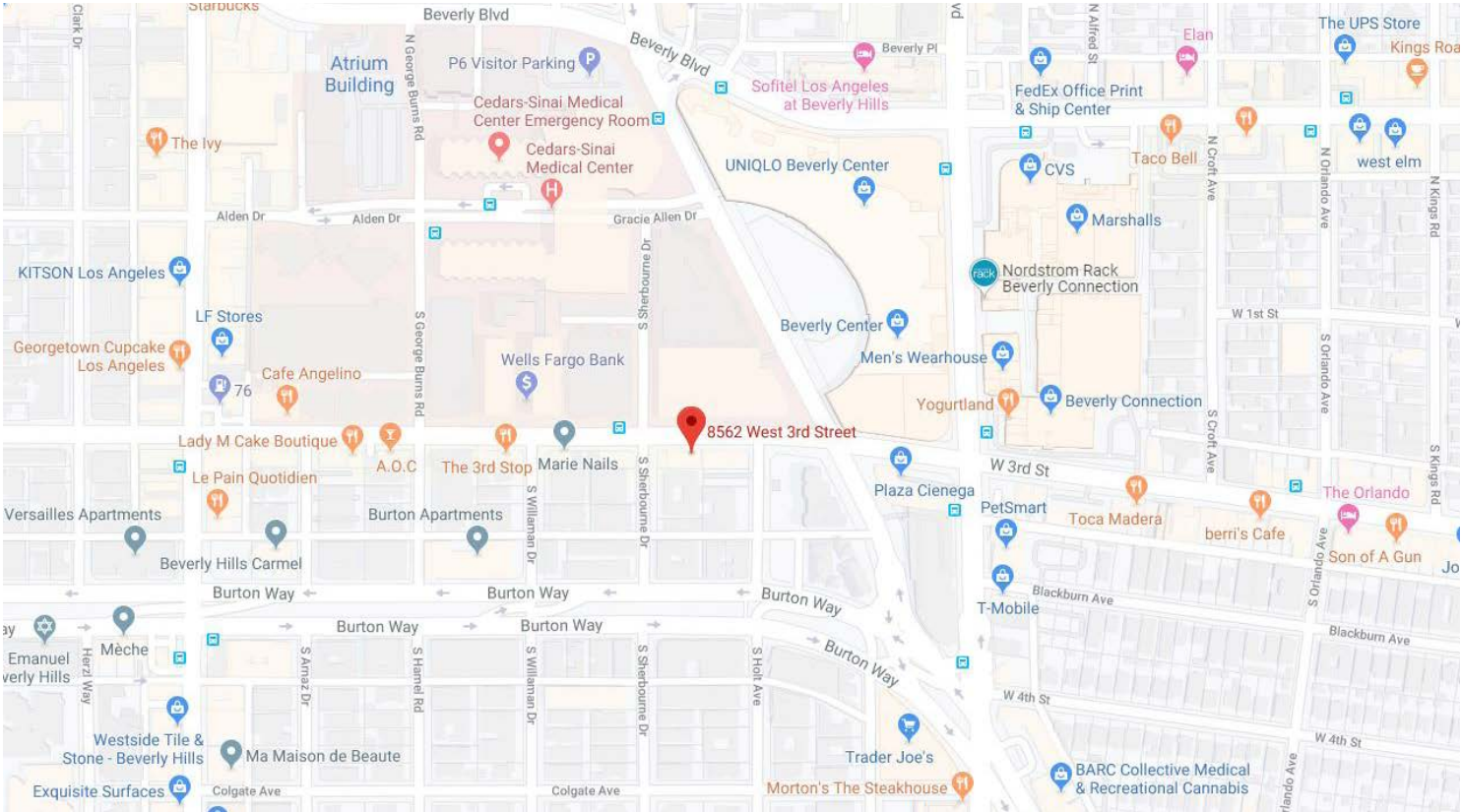
1957

STORIES

One Story

LOCATION

8562-8572 W 3RD ST



FINANCIAL ANALYSIS - Rent Roll

8562-8572 W 3RD ST

Unit	Tenant	Sq. Ft.	% of Property	Lease End	Rent/Mo	Sq. Ft.	Market Rent/Mo	Sq. Ft.	Option	Lease Type	Rent Bumps
8562 W 3rd St	Kopan Ramen	1,533	46%	10/31/2021	\$9,699	\$6.33	\$9,699	\$6.33	1 (5y) at FMV 3-5%	NNN	3%
8570 W 3rd St	Nonna's Empanadas	715	21%	2/28/2020	\$6,393	\$8.94	\$6,393	\$8.94	No	NNN	3%
8572 W 3rd St	Lee's Liquors	1,100	33%	5/31/2027	\$6,967	\$6.33	\$6,967	\$6.33	1 (5y) at FMV	NNN	3%
Billboard	Outdoor Advertising	0	0%	mtm	\$3,250	\$0.00	\$5,000	\$0.00	mtm		
Small billboard	Lamar	0	0%	mtm	\$325	\$0.00	\$325	\$0.00	mtm		
		3,348	100%		\$26,634		\$28,384				

Current Annual Rent: \$319,608
 Market Annual Rent: \$340,608



FINANCIAL ANALYSIS - Price

8562-8572 W 3RD ST

PRICE: \$7,500,000

Building (psf) \$1,812

Gross Rentable Sq. Ft. 4,173

Land (psf) \$1,153

Lot Sq. Ft. 6,502

Current NOI \$268,312

Current Cap Rate 3.58%

Market NOI \$340,608

Market Cap Rate 4.54%



FINANCIAL ANALYSIS - Income & Expense

8562-8572 W 3RD ST

REVENUES	Current	Market	
Scheduled Base Rent	\$319,608	\$340,608	
Expense Reimbursement	\$44,076	\$95,372	100%
Effective Gross Revenue	\$363,684	\$435,980	

OPERATING EXPENSES			
Real Estate Taxes	(\$89,700)	1.196%	(\$89,700) 1.196%
Insurance	(\$3,672)		(\$3,672)
Maintenance	(\$2,000)		(\$2,000)
Annual Operating Expenses	(\$95,372)		(\$95,372)

NET OPERATING INCOME (NOI)	\$268,312	\$340,608
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SALES COMPARABLES

8562-8572 W 3RD ST

Subject Property

8562-8572 W 3rd St, Los Angeles, CA 90048



Price	\$7,500,000	Bldg Size (SF)*	4,173
CAP Rate	4.54%	Price/SF	\$1,797
Closed		Lot Size (SF)	6,502
Zoning	LAC2	Year Built	1957
Parking Spaces	9	Notes:	* Gross rentable

106-110 S Robertson Blvd



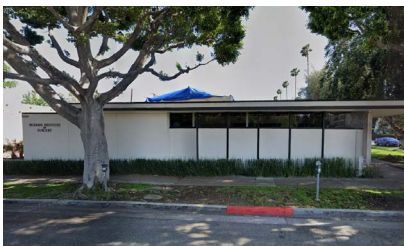
Sale Price	\$17,300,000	Bldg Size (SF)	5,166
CAP Rate		Price/SF	\$3,349
Closed	1/25/2019	Lot Size (SF)	6,050
Zoning	LAC2	Year Built	1948
Parking Spaces	5	Notes:	Purchased by cannabis REIT

8833 Beverly Blvd



Sale Price	\$25,919,500	Bldg Size (SF)	9,757
Cap Rate	4.1%	Price/SF	\$2,657
Closed	7/29/2016	Lot Size (SF)	11,024
Zoning	WDC2A	Year Built	1953
Parking Spaces	0	Notes:	

9090 Burton Way



Sale Price	\$5,900,000	Bldg Size (SF)	3,017
CAP Rate		Price/SF	\$1,956
Closed	12/15/2017	Lot Size (SF)	9,148
Zoning	HR1	Year Built	1962
Parking Spaces	10	Notes:	

SALES COMPARABLES

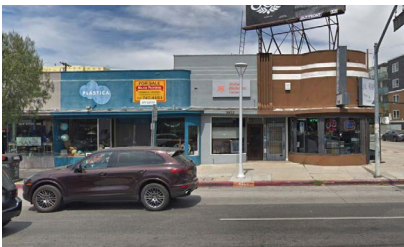
8562-8572 W 3RD ST

8400 W 3rd St



Sale Price	\$11,500,000	Bldg Size (SF)	7,430
CAP Rate	1.37%	Price/SF	\$1,548
Closed	Under contract	Lot Size (SF)	9,148
Zoning	LAC2	Year Built	1936
Parking Spaces	11	Notes: Fully leased	

8401 W 3rd St



Sale Price	\$6,810,000	Bldg Size (SF)	4,839
Cap Rate	approx. 1.1%	Price/SF	\$1,407
Closed	5/24/2019	Lot Size (SF)	8,564
Zoning	LAC2	Year Built	1936
Parking Spaces	10	Notes: Gross annual income \$76,680	

8811-8817 Beverly Blvd



Sale Price	\$16,948,500	Bldg Size (SF)	9,500
CAP Rate	-	Price/SF	\$1,784
Closed	2/21/2018	Lot Size (SF)	10,890
Zoning	C2	Year Built	1952
Parking Ratio	-	Notes:	

DISCLAIMER

8562-8572 W 3RD ST

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THE OWNER SHALL HAVE NO LEGAL COMMITMENT OR OBLIGATION TO ANY ENTITY REVIEWING THIS MEMORANDUM OR MAKING AN OFFER TO PURCHASE THE PROPERTY UNLESS AND UNTIL WRITTEN AGREEMENT(S) FOR THE PURCHASE OF THE PROPERTY HAVE BEEN FULLY EXECUTED, DELIVERED AND APPROVED BY THE OWNER AND ANY CONDITIONS TO THE OWNER'S OBLIGATIONS THEREIN HAVE BEEN SATISFIED OR WAIVED. BY RECEIPT OF THIS MEMORANDUM, YOU AGREE THAT THIS MEMORANDUM AND ITS CONTENTS ARE OF A CONFIDENTIAL NATURE, THAT YOU WILL HOLD AND TREAT IT IN THE STRICTEST CONFIDENCE AND THAT YOU WILL NOT DISCLOSE THIS MEMORANDUM OR ANY OF ITS CONTENTS TO ANY OTHER ENTITY WITHOUT THE PRIOR WRITTEN AUTHORIZATION OF THE OWNER OR CONROY COMMERCIAL, INC. YOU ALSO AGREE THAT YOU WILL NOT USE THIS MEMORANDUM OR ANY OF ITS CONTENTS IN ANY MANNER DETRIMENTAL TO THE INTEREST OF THE OWNER OR CONROY COMMERCIAL, INC. IF AFTER REVIEWING THIS MEMORANDUM, YOU HAVE NO FURTHER INTEREST IN PURCHASING THE PROPERTY, KINDLY RETURN THIS MEMORANDUM TO CONROY COMMERCIAL, INC. THE INFORMATION CONTAINED IN THIS DOCUMENT HAS BEEN OBTAINED FROM SOURCES BELIEVED RELIABLE. WHILE CONROY COMMERCIAL, INC. DOES NOT DOUBT ITS ACCURACY, CONROY COMMERCIAL, INC. HAS NOT VERIFIED IT AND MAKES NO GUARANTEE, WARRANTY OR REPRESENTATION ABOUT IT. IT IS YOUR RESPONSIBILITY TO INDEPENDENTLY CONFIRM ITS ACCURACY AND COMPLETENESS. ANY PROJECTIONS, OPINIONS, ASSUMPTIONS OR ESTIMATES USED ARE FOR EXAMPLE ONLY AND DO NOT REPRESENT THE CURRENT OR FUTURE PERFORMANCE OF THE PROPERTY. ESTIMATES USED ARE FOR EXAMPLE ONLY AND DO NOT REPRESENT THE CURRENT OR FUTURE PERFORMANCE OF THE PROPERTY. THE VALUE OF THIS TRANSACTION TO YOU DEPENDS ON TAX AND OTHER FACTORS WHICH SHOULD BE EVALUATED BY YOUR TAX, FINANCIAL AND LEGAL ADVISORS. YOU AND YOUR ADVISORS SHOULD CONDUCT A CAREFUL, INDEPENDENT INVESTIGATION OF THE PROPERTY TO DETERMINE TO YOUR SATISFACTION THE SUITABILITY OF THE PROPERTY FOR YOUR NEEDS.

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