

EXCLUSIVE ADVISORS:

AVISON  
YOUNG

FOR SALE: VALUE-ADD INCUBATOR  
**INDUSTRIAL BUILDING**

— 5266 VALLEY BLVD —

LOS ANGELES | CALIFORNIA

W VALLEY BOULEVARD



EXCLUSIVE ADVISORS:

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Downtown Los Angeles

USC Health Science Campus

Cal State Los Angeles

W VALLEY BOULEVARD





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# EXECUTIVE SUMMARY

## PROPERTY LOCATION

5266 VALLEY BOULEVARD,  
LOS ANGELES CA 90032

## OFFERING SUMMARY

Price	\$2,050,000
ACTUAL NOI / Cap Rate	\$83,804/ 4.1%
PROFORMA NOI / Cap Rate	\$106,564/ 5.2%
Gross Building Area	±7,463 SF
Total Gross Area	\$275 / SF
Lot Size	17,743 SF
Parking	16 Spaces

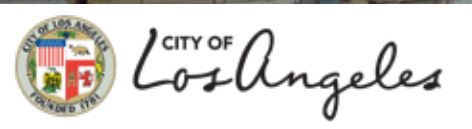
## INVESTMENT HIGHLIGHTS

- Property designed and constructed as a multi-tenant incubator building with 9 units, each unit having their own roll up doors, office area, restroom, mezzanine storage and individual meter for own electric
- All tenants are month-to-month ave.\$1.41psf/mo. MG, below current market rent for Industrial/ Auto Repair units of >1,000 sf -
- Estimated market rent for industrial/Auto Repair units .1,000sf is \$1.63psf/ mo MG
- Convenient access to Highway 710, two blocks east and Interstate 10 one mile south via the 710.
- Major Thoroughfare location Visible to Over 28,000 Cars per day in one of the hottest appreciating industrial/commercial submarkets for small business ownership in the City of Los Angeles - University Hills - due to the zoning, location and affordability
- Housing Demand and Population Growth Driven Incubator Market-Demand for housing is up over 60% since 2011. Home building continues to expands and wages are rising. As the economy continues to improve, demand for incubator units from small business ownership will continue.

# INCUBATOR INDUSTRIAL BUILDING

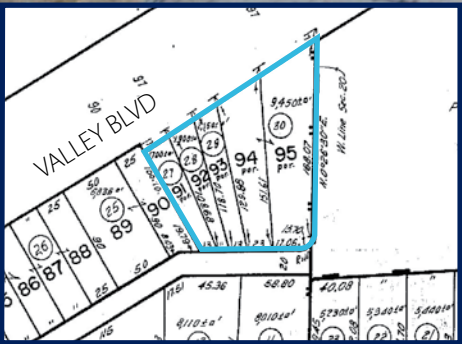
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W VALLEY BOULEVARD



## PROPERTY OVERVIEW

5266 VALLEY BOULEVARD, LOS ANGELES, CA 90032

### PROPERTY DETAILS

APN's	5221-005-027, 5221-005-028, 221-005-029 & 5221-005-030
County	Los Angeles
Land Size (AC/ SF)	±0.36 AC / 17,743 SF
Total Building Area	±7,463 SF
Floor Area	±6,498 SF
Mezzanine Space	±965 SF
Year Built	1990
Construction Type	Concrete Block
Building Type	Industrial / Auto Repair Building
Ceiling Height	±16'
# of Leasable Units	9
Average Unit Size	±722
Zoning	LAC2 - IVL
Parking	16 Spaces (2.56/1,000 SF)

### PROPERTY SUMMARY

5266 Valley Boulevard is a freestanding multi-tenant industrial building located on the Eastern edge of Central Los Angeles, California in the University Heights neighborhood.

The subject property consists of ±7,463 SF net rentable building area situated on 0.36 Acres (±17,743 SF) of land. Constructed in 1990, the building features 20' ceiling height, 9 repair bays with 10'x14' metal roll up doors and concrete paved yard, secured with rod iron fencing and 16 surface parking spaces (ratio of 2.56/1,000 SF). This asset is located within walking distance of California State University Los Angeles on the heavily trafficked commercial thoroughfare Valley Blvd with exposure to over over 28,000 vehicle trips per day. The property benefits from great street visibility and signage opportunities with ±75 feet of frontage on Valley Boulevard.

The premises has convenient access to the 710 freeway located 2 blocks east and the 10 Freeway located 1 mile south via the 710. This is a Rare opportunity to acquire a well designed and constructed multi-tenant industrial building with immediate upside.

# Site & Building Plan







W VALLEY BOULEVARD

# Rent Roll - March 2019

SUITE	TENANT	SIZE	LEASE END	MONTHLY RENT	MONTHLY PSF	ANNUAL RENT	ANNUAL PSF	PROFORMA RENT			
								MONTHLY MARKET RENT	MONTHLY PSF	ANNUAL MARKET RENT	ANNUAL MARKET PSF
52566 A1	Auto Repair Tenant	1,070	M-T-M	\$1,445	\$1.35	\$17,340	\$16.21	\$1,819	\$1.70	\$21,828	\$20.40
52566 A2	Auto Repair Tenant	760	M-T-M	\$980	\$1.29	\$11,760	\$15.47	\$1,216	\$1.60	\$14,592	\$19.20
52566 A3	Leased	760	M-T-M	\$1,100	\$1.45	\$13,200	\$17.37	\$1,216	\$1.60	\$14,592	\$19.20
52566 A4	Leased	760	M-T-M	\$1,100	\$1.45	\$13,200	\$17.37	\$1,216	\$1.60	\$14,592	\$19.20
52566 A5	Auto Repair Tenant	760	M-T-M	\$998	\$1.31	\$11,976	\$15.76	\$1,216	\$1.60	\$14,592	\$19.20
52566 A6	Leased	767	M-T-M	\$1,100	\$1.43	\$13,200	\$17.21	\$1,227	\$1.60	\$14,726	\$19.20
52566 B7	Auto Repair Tenant	1,091	M-T-M	\$1,637	\$1.50	\$19,638	\$18.00	\$1,855	\$1.70	\$22,256	\$20.40
52566 B8	Auto Repair Tenant	905	M-T-M	\$1,358	\$1.50	\$16,290	\$18.00	\$1,539	\$1.70	\$18,462	\$20.40
52566 B9	Auto Repair Tenant	590	M-T-M	\$850	\$1.44	\$10,200	\$17.29	\$944	\$1.60	\$11,328	\$19.20
<b>TOTAL</b>		<b>7,463</b>		<b>\$10,567.00</b>	<b>\$1.41</b>	<b>\$126,804</b>		<b>\$12,247.40</b>		<b>\$146,968.80</b>	<b>\$20.40</b>



# Income & Expenses

	ACTUAL	PROFORMA
Full Occupancy Rental Income	\$126,804	\$146,969
Less Vacancy	\$3,804	\$3,674
Effective Rental Income:	\$123,000	\$143,295
Plus: Expense Recoverables; etc	\$0	\$6,269
Gross Operating Income	\$123,000	\$149,564
Operating Expenses:		
Property Taxes	\$22,000	\$22,000
Insurance	\$5,500	\$5,500
Utilities (Water & Trash)	\$3,500	\$3,500
Repair & Maintenance (Estimated)	\$4,800	\$4,800
Gardener	\$1,200	\$1,200
Management (Estimated)	\$6,000	\$6,000
Total Operating Expenses	\$43,000	\$43,000
Net Operating Income	\$80,000	\$106,564

\* We assumed that on the proforma income analysis that new ownership can pass through a CAM charge of \$0.07psf/month.





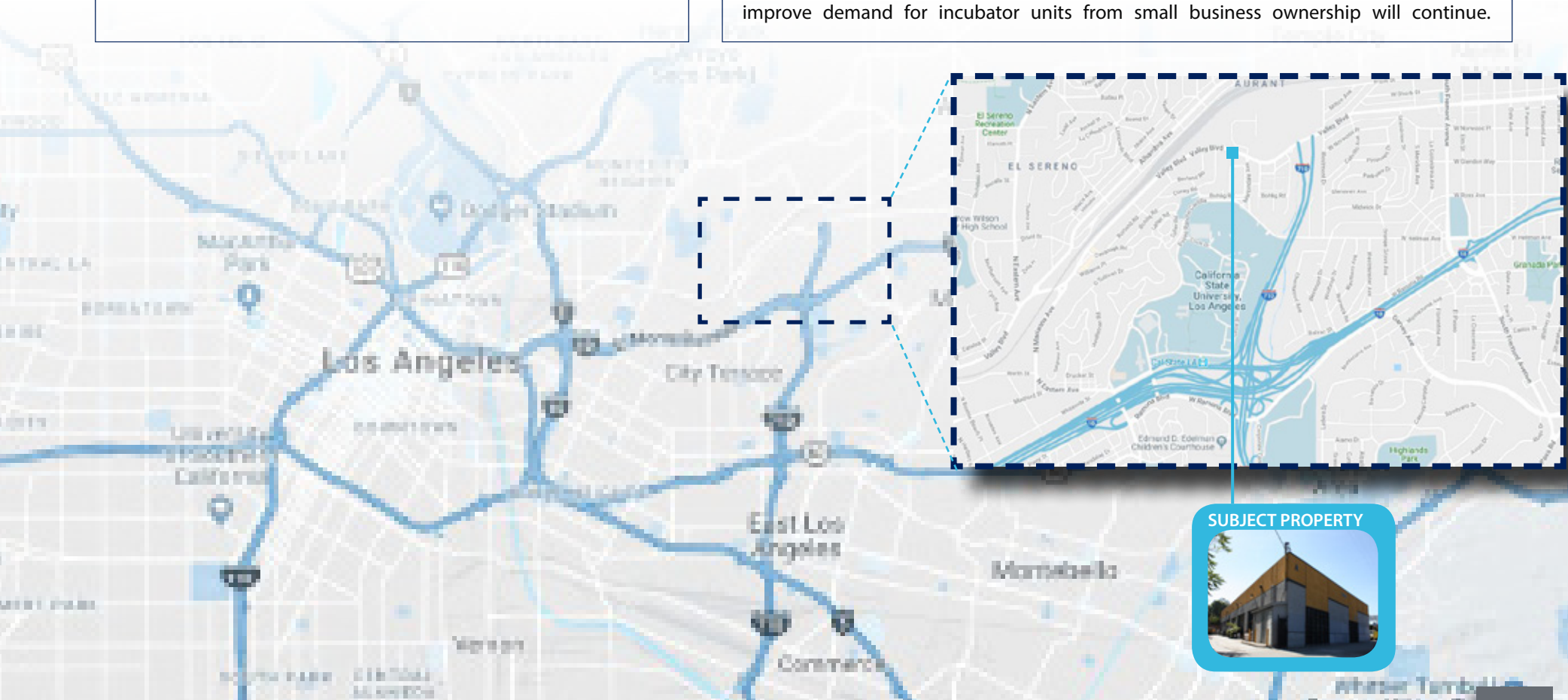
Los Angeles, California is the second-most populous city in the United States, after New York City. With an estimated population of four million, Los Angeles is the largest and most populous city in the state of California and the cultural, financial, and commercial center of Southern California. Known for its Mediterranean climate, ethnic diversity, and sprawling metropolis, the city is one of the most substantial economic engines within the nation, with a diverse economy in a broad range of professional and cultural fields. Los Angeles is also famous as the home of Hollywood, a major center of the world entertainment industry. A global city, it has been ranked 6th in the Global Cities Index and 9th in the Global Economic Power Index. The Los Angeles combined statistical area also has a gross metropolitan product of \$831 billion, making it the third-largest in the world, after the Greater Tokyo and New York metropolitan areas. Los Angeles hosted the 1932 and 1984 Summer Olympics and will host the event for a third time in 2028.

## C.S.U. LOS ANGELES

California State University, Los Angeles is, one of the 23 universities in the CSU system. Cal State LA is located in the eastern region of Los Angeles, in the University Hills district, facing the San Gabriel Mountains, at the center of Los Angeles metropolitan area just five miles east of Downtown. Cal State LA has a student body of more than 24,000 students primarily from the greater Los Angeles area, as well as 240,000 alumni. Cal State LA operates on the semester system with two semesters, each 15 weeks in duration per year.

## CENTRAL L.A. INDUSTRIAL MARKET

Central Los Angeles is the largest industrial market in Los Angeles County. Comprised of 248.8 million square feet of space, it represents 21 percent of the total industrial space in the Los Angeles Basin for buildings 10,000 square feet and greater. It is the oldest market, with 74 percent of its space built before 1980. It has a mix of property types, with 43 percent in big-box space (100,000+ square feet) and the balance in small- and medium-sized buildings. Firms in this market include a large number of manufacturing companies and machine shops as well as call centers and operations that need a central location. Incubator industrial market is tied to housing growth and economic growth. Demand for housing is up over 60% since the late 2011. Home building continues to expand and wages are rising. As the economy continues to improve demand for incubator units from small business ownership will continue.





# Area Demographics

## POPULATION

	1 Mile	3 Mile	5 Mile
2010 Census Population	27,413	304,329	769,612
2018 Estimate Population	27,703	305,526	774,668
2023 Projected Population	28,066	309,155	784,189
2010-2016 Population Growth	1.06%	0.39%	0.66%

## HOUSING

	1 Mile	3 Mile	5 Mile
2010 Census Households	8,161	93,871	235,152
2018 Estimated Households	8,163	94,166	237,092
2023 Projected Households	8,253	95,276	240,111
Owner Occupied Housing	39.29%	35.18%	37.46%
Renter Occupied Housing	60.71%	64.82%	62.54%

## EMPLOYMENT

	1 Mile	3 Mile	5 Mile
Civilian Employed	60.59%	58.41%	57.93%
Civilian Unemployed	4.28%	3.91%	3.80%
Civilian Non-Labor Force	35.13%	37.69%	38.27%
2018 Average Household Income	\$80,715	\$74,147	\$76,932
2018 Median Household Income	\$64,268	\$53,853	\$53,631







## CONFIDENTIALITY AGREEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of 5266 Valley Boulevard, Los Angeles, CA 90032. It has been prepared by Avison Young. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Avison Young. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum from Avison Young, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Avison Young expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of 5266 Valley Boulevard, Los Angeles, CA 90032 or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Avison Young or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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