

NEW PRICE: \$2.8 MILLION



TWO STORY RETAIL INVESTMENT FOR SALE ON MELROSE

7257-7257½ MELROSE AVENUE, LOS ANGELES, CA 90046

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MULTI-TENANT INVESTMENT FOR SALE

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Summary

Two Story Retail Building for Sale. Multi-tenant investment includes a restaurant tenant, Poke Shack and a psychic who has been at this location for over 30 years. Poke Shack's offices are located on the second floor. The building was renovated in 2015 and includes many premium upgrades. Outdoor patio for dining and parking on the Property.

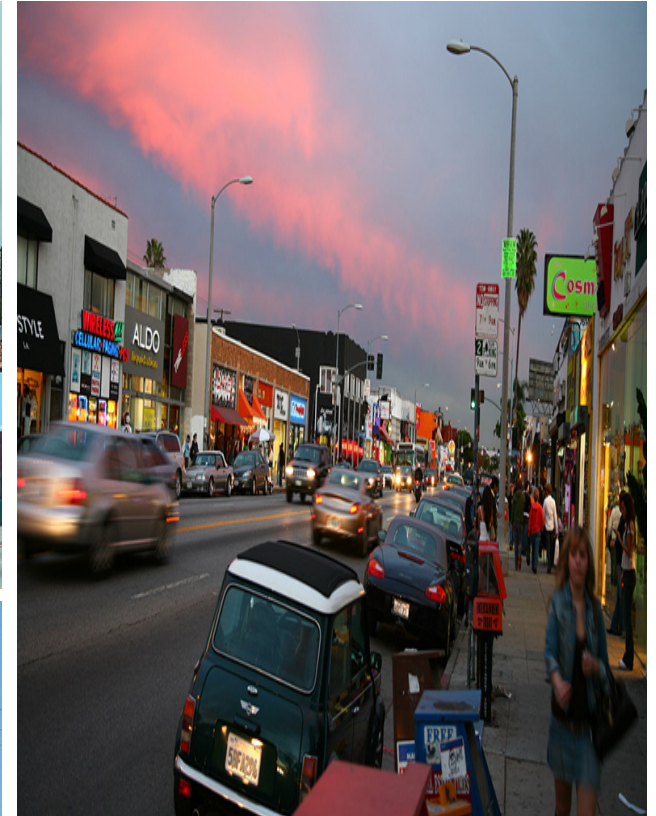
Located on the newly gentrified Melrose Avenue corridor just west of La Brea Avenue. In close proximity to new mixed use developments, upscale eateries and trendy boutiques. This location makes for the perfect destination.

Highlights

- Prime Location on Melrose Avenue between Fairfax and La Brea Avenue.
- Closest Cross Street is N. Alta Vista
- High Traffic Counts
- Adjacent to Mixed-Use Developments

INVESTMENT SUMMARY

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Pricing	\$2,800,000
Building SF	+/-2,855 SF
Occupancy	100%
Year Built	1956
Land SF	+/-4,399 SF
Parking	6 Tandem
Parcel Number	5525-012-011

- Densely populated trade area with over 410,000 residents within a 3-mile radius
- Over 490,000 daytime employees within 3 miles
- Traffic counts of 44,000 CPD
- Great exposure with 52 feet of frontage of Melrose Avenue
- Located in the Melrose Business Improvement District
- Outdoor patio

FINANCIAL ANALYSIS

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Tenant	Floor	SF	Current Rent	Current Rent PSF	Increases	% of Building	Lease Expiration	Options
*Poke Shack	1st	± 1,429	\$6,500.00	\$4.54	3% NNN	51%	April 2020	Two - 5 Year
Psychic	1st	± 663	\$4,500.00	\$6.79	N/A	24%	MTM	None
Office	2nd	± 691	\$3,000.00	\$4.43	3% NNN	25%	April 2020	Two - 5 Year
Total Monthly			\$14,000.00					

*Poke Shack comes with an outdoor corridor/patio which is approximately 572 square feet at no cost to the Tenant.

Expenses			
Taxes (Based on 1.24% of Asking Price)	\$35,000.00	Scheduled Gross Rent	\$168,000.00
Insurance	\$3,400.00	Expense Reimbursement	\$34,656.00
Maintenance	\$7,200.00	Total Gross Revenue	\$202,656.00
Total	\$45,600.00	Expenses	(\$45,600.00)
Reimbursed (76%)	\$34,656.00	N.O.I.	\$157,056.00
		Current CAP	5.7%

SPACE PHOTOS - POKE SHACK

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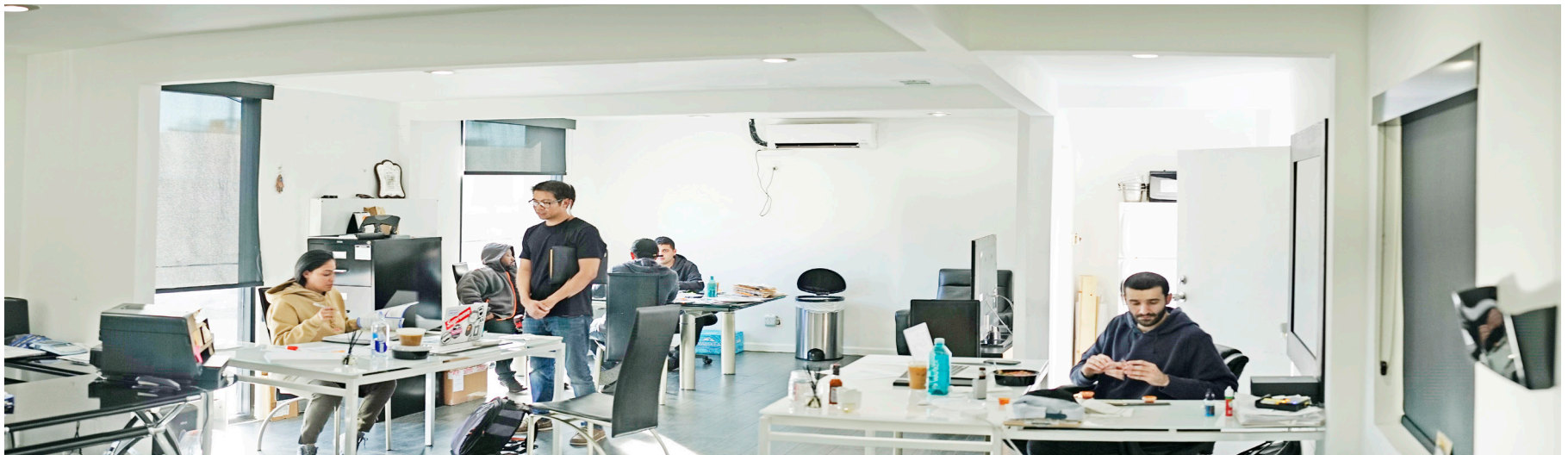
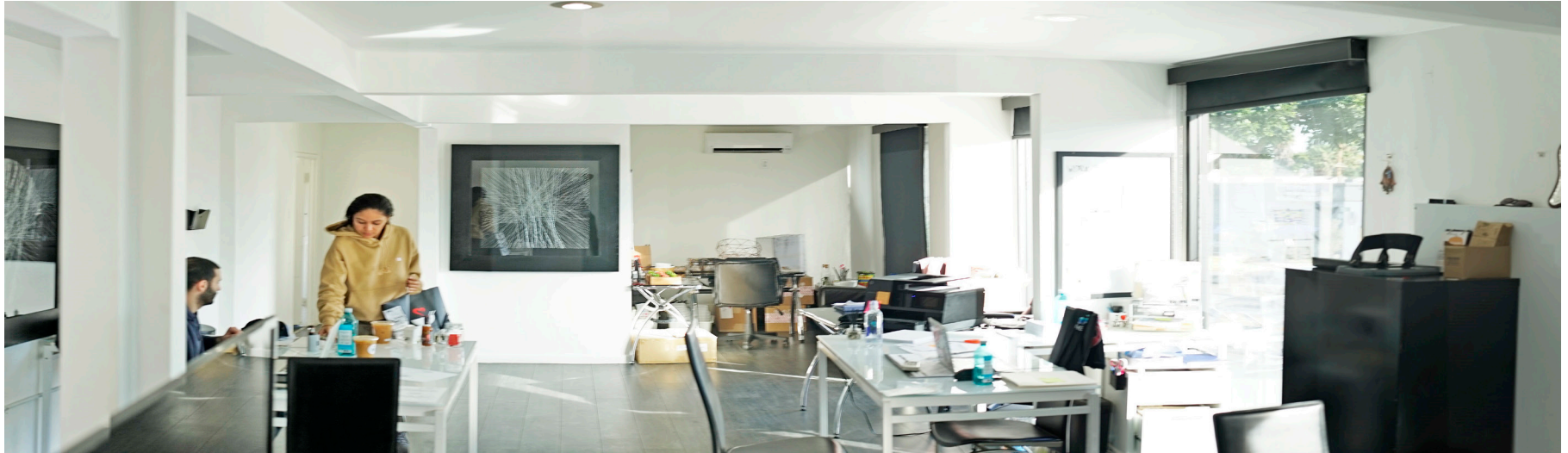
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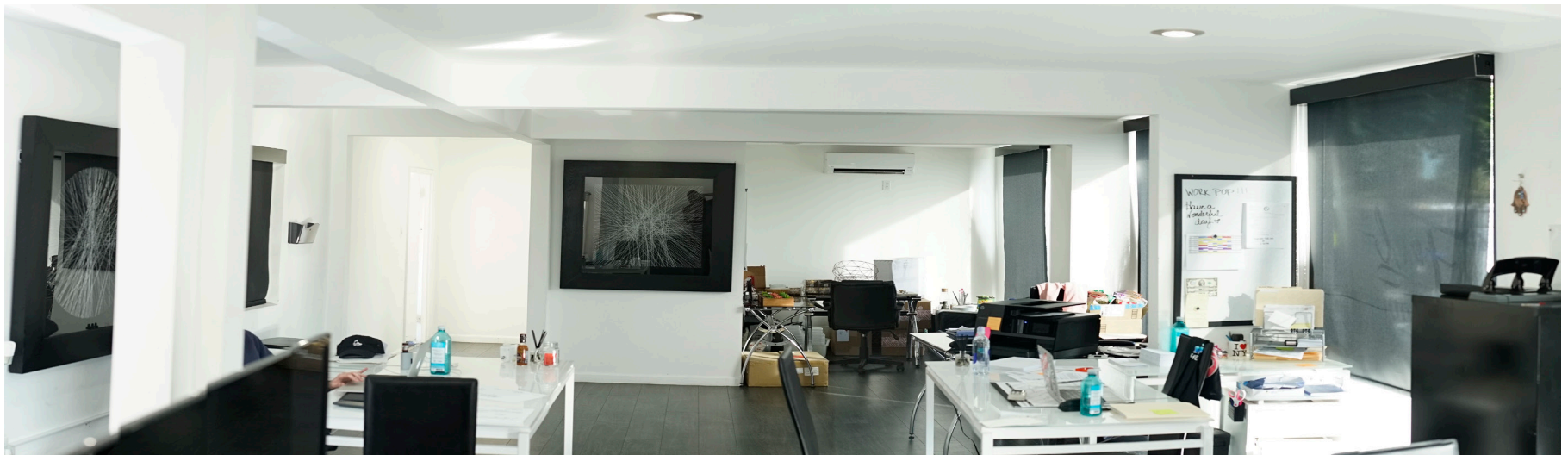
SPACE PHOTOS - SECOND FLOOR OFFICE SPACE

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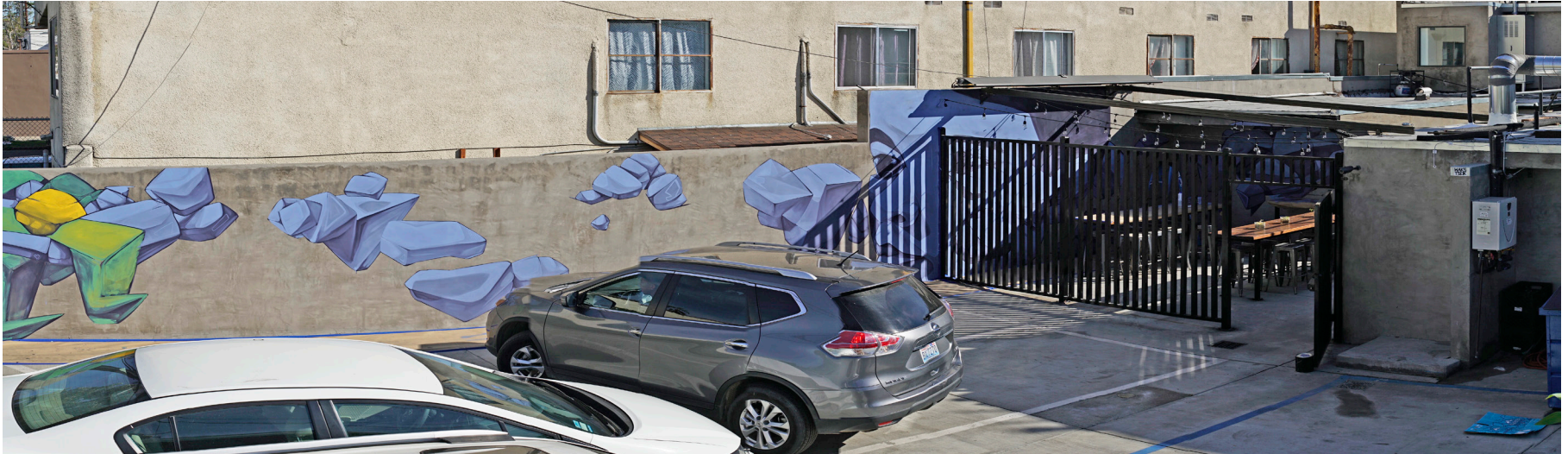
SPACE PHOTOS - SECOND FLOOR OFFICE SPACE

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PARKING PHOTOS

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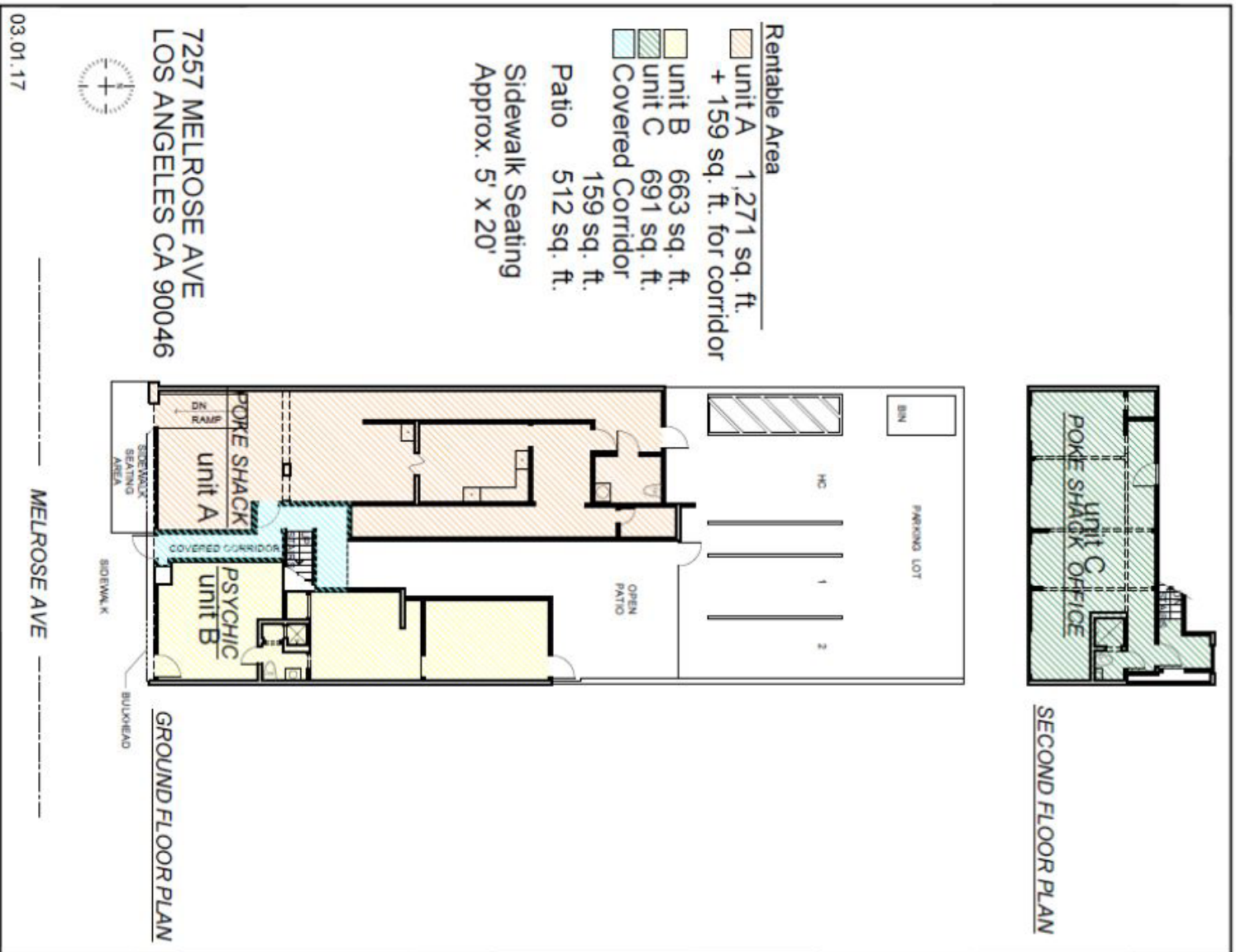
EXTERIOR PHOTOS

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FLOOR PLAN

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NEW DEVELOPMENTS

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#	ADDRESS	USE	BUILDING SF
1	7907 Beverly Boulevard	Multi-Family	56,800
2	1440 N. Detroit Street	Mixed Use	40,000
3	631 N. Fairfax Avenue	Mixed Use	59,580
4	920 N. Fairfax Avenue	Mixed Use with Office Space	16,000
5	1250 Fairfax Avenue	Multi-Family	65,610
6	1041 N. Formosa Avenue	Mixed Use with Office Space	100,000
7	419 N. Hayworth Avenue	Multi-Family	62,260
8	1233 N. Highland Avenue	Multi-Family	33,600
9	1333 N. Highland Avenue	Retail	3,500
10	904 N. La Brea Avenue	Mixed-Use	173,000
11	925 N. La Brea Avenue	Mixed-Use with Creative Office Space	64,000
12	7100 Melrose Avenue	Retail	10,000
13	7000 W. Melrose Avenue	Mixed Use	67,000
14	7007 Romaine Street	Mixed Use with Loft/Creative Space	60,508
15	6901 Santa Monica Boulevard	Mixed Use	218,316
16	7141-7155 Santa Monica Boulevard	Mixed Use	172,000
17	7300-7328 Santa Monica Boulevard	Mixed Use	45,804

LOCATION AND AMENITIES

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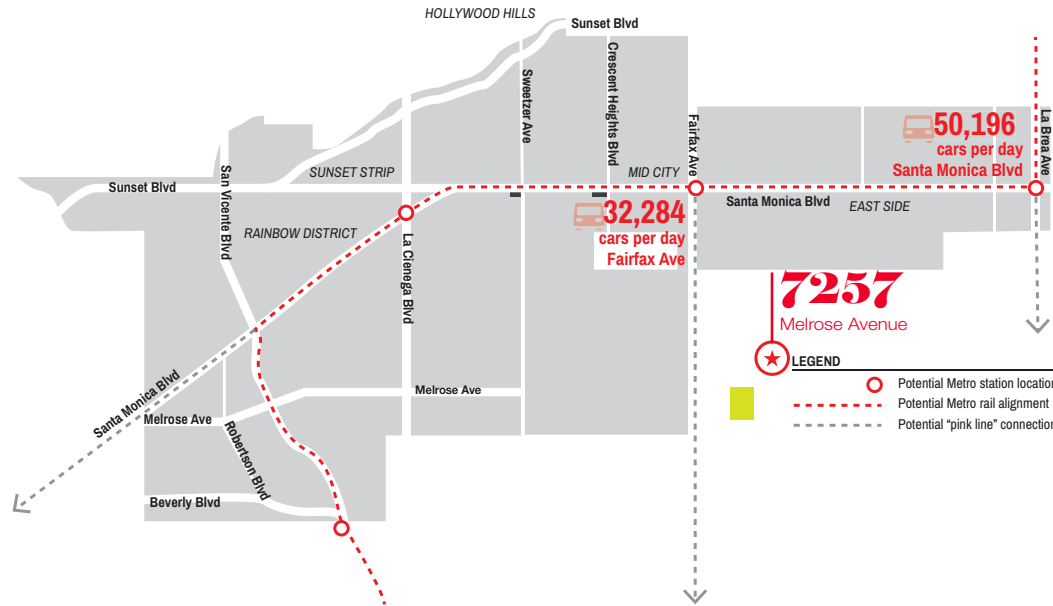
PROPOSED METRO MAP

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39,900
Anticipated daily riders

324,000
Residents to be served

116,900
Jobs accessed



^ The Pickup, Weho's free shuttle service from Robertson Boulevard to La Brea

DEMOGRAPHICS

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Population	1 Mile	3 Mile	5 Mile
2016 Total Population	45,602	417,751	992,518
2021 Population	47,112	432,856	1,026,573
Pop Growth 2016-2021	3.31%	3.62%	3.43%
Average Age	39.30	39.10	38.20
Households			
2016 Total Households	22,751	198,021	412,421
HH Growth 2016-2021	3.01%	3.46%	3.31%
Median Household Income	\$59,314	\$50,795	\$46,156
Avg Household Size	1.90	2.10	2.30
2016 Avg HH Vehicles	1.00	1.00	1.00
Housing			
Median Home Value	\$953,954	\$898,726	\$837,728
Median Year Built	1953	1957	1957



Traffic Counts

Melrose Ave	44,298
Melrose Ave & La Brea	46,122
Poinsettia Pl & Melrose	1,970

MARKET REPORT

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Submarket Overview

The Santa Monica/Westside/Downtown submarket, one of twelve distinct geographic concentrations within Los Angeles, contains 5.3 million square feet, or 7.8% of the metro's total inventory of neighborhood and community shopping center space. In the ten-year period beginning with Q2 2006, new additions to the submarket totaled 377,000 square feet, amounting to an annualized inventory growth rate of 0.7%; over the same period, the metro growth rate has been 0.4%.

SUBMARKET



MARKET

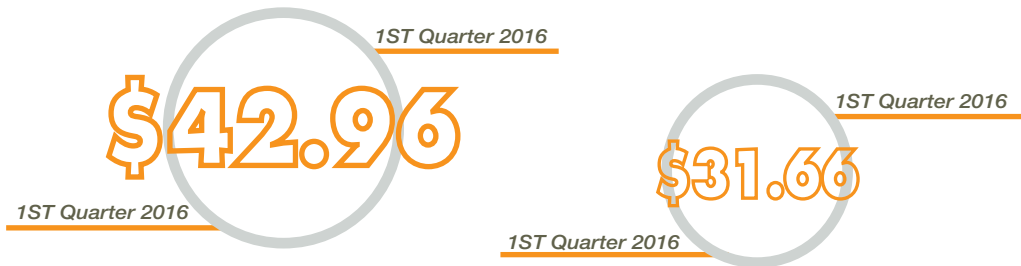


Asking and Effective Rent

Asking rents climbed by 1.4% during the first quarter of 2016 to an average of \$42.96, the highest observed across the metro's twelve submarkets. This advance extends the submarket's streak of gains to nine quarters, during which asking rents have risen by a total of 7.1%. The Santa Monica/Westside/Downtown submarket's current asking rent levels and growth rates compare favorably to the metro's averages of \$31.66 and 0.7%. Effective rents, which exclude the value of concessions offered to prospective tenants, increased by 1.5% during the first quarter to an average of \$38.06.

Submarket Overview

Since the beginning of Q2 2006, the metro posted an average annual absorption rate of 31,000 square feet. During the first quarter, metropolitan absorption totaled 45,000 square feet, of which the Santa Monica/Westside/Downtown submarket captured 10,000 square feet. Over the last four quarters, submarket absorption totaled 37,000 square feet, 0.3% greater than the average annual absorption rate of 36,900 square feet recorded since the beginning of Q2 2006. The submarket's average vacancy rate drifted downward by 20 basis points during the first quarter to 4.0%, which is 0.2 percentage points lower than the long-term average, and 2.4 percentage points lower than the current metro average.



Submarket Overview

Between now and year's end, 40,000 square feet of competitive retail stock will be introduced to the submarket, and Reis estimates that net total absorption will be positive 21,000 square feet. Consequently, the vacancy rate will drift upward by 0.3 percentage points to 4.3%. During 2017 and 2018, developers are expected to deliver a total of 127,000 square feet of neighborhood and community shopping center space to the submarket amounting to 9.9% of the new construction introduced to Los Angeles. Total employment growth during 2017 and 2018 is projected to average 1.7% annually, while household formations are expected to average an increase of 1.1% per year. Over the same period the metro absorption rate is expected to average 839,000 square feet per year. The Santa Monica/Westside/Downtown submarket will capture 9.5% of this absorption. The submarket vacancy rate will finish 2017 at 3.7% and will decline 0.1 percentage points to 3.6% by year end 2018. Between now and year-end 2016 asking rents are expected to rise 2.7% to a level of \$44.12, while effective rents will advance by 2.9% to \$39.16. On an annualized basis through 2017 and 2018, asking and effective rents are projected to increase by 5.2% and 5.4%, respectively, to finish 2018 at \$48.85 and \$43.47.



For more information, please call.



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