

CHASE

OFFERING MEMORANDUM

LOS ANGELES·CA



NET LEASE INVESTMENTS

EXCLUSIVELY OFFERED BY: _____

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 **CUSHMAN &
WAKEFIELD**

EXECUTIVE SUMMARY

INVESTMENT OVERVIEW

TENANT:	JPMorgan Chase Bank, NA (successor in interest to Washington Mutual Bank, FA)
LOCATION:	1350 South Soto Street Los Angeles, CA 90023
APN:	5170-019-015
BUILDING SIZE:	5,548 +/- square feet
LAND SIZE:	22,376 +/- square feet (0.51 acres)
YEAR BUILT:	1973

LEASE COMMENCEMENT:	April 23, 1986 (original lease)
CURRENT RENEWAL COMMENCEMENT:	March 1, 2016
LEASE EXPIRATION:	February 28, 2021
OPTIONS:	None remaining
LEASE TYPE:	Absolute Net
BRANCH DEPOSITS:	\$80,627,000 (as of 6/2016)

OFFERING TERMS

ANNUAL RENT:	\$96,606
CAP RATE:	4.00%
PRICE:	\$2,415,150



INVESTMENT HIGHLIGHTS

- INVESTMENT GRADE CREDIT TENANT - S&P RATED A+**
- ABSOLUTE NET LEASE - NO LANDLORD RESPONSIBILITIES**
- LONG TERM TENANT / INCREASING DEPOSIT LEVELS**

- » Bank operation at this location for over 30 years
- » Bank deposit levels increasing - \$80.6M YE2016, \$75.1M YE2015, \$66.4M YE2014

ONE PARCEL OFF MAJOR SIGNALIZED INTERSECTION

- » Over 44,000 vehicles per day at the intersection of South Soto and East Olympic

STRONG TRADE AREA DEMOGRAPHICS

- » Over 14,000 people per square mile, making it one of the most densely populated areas in all of Los Angeles
- » Population over 116,000 within 2 miles of the subject property

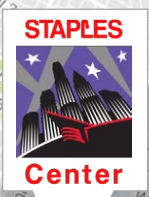
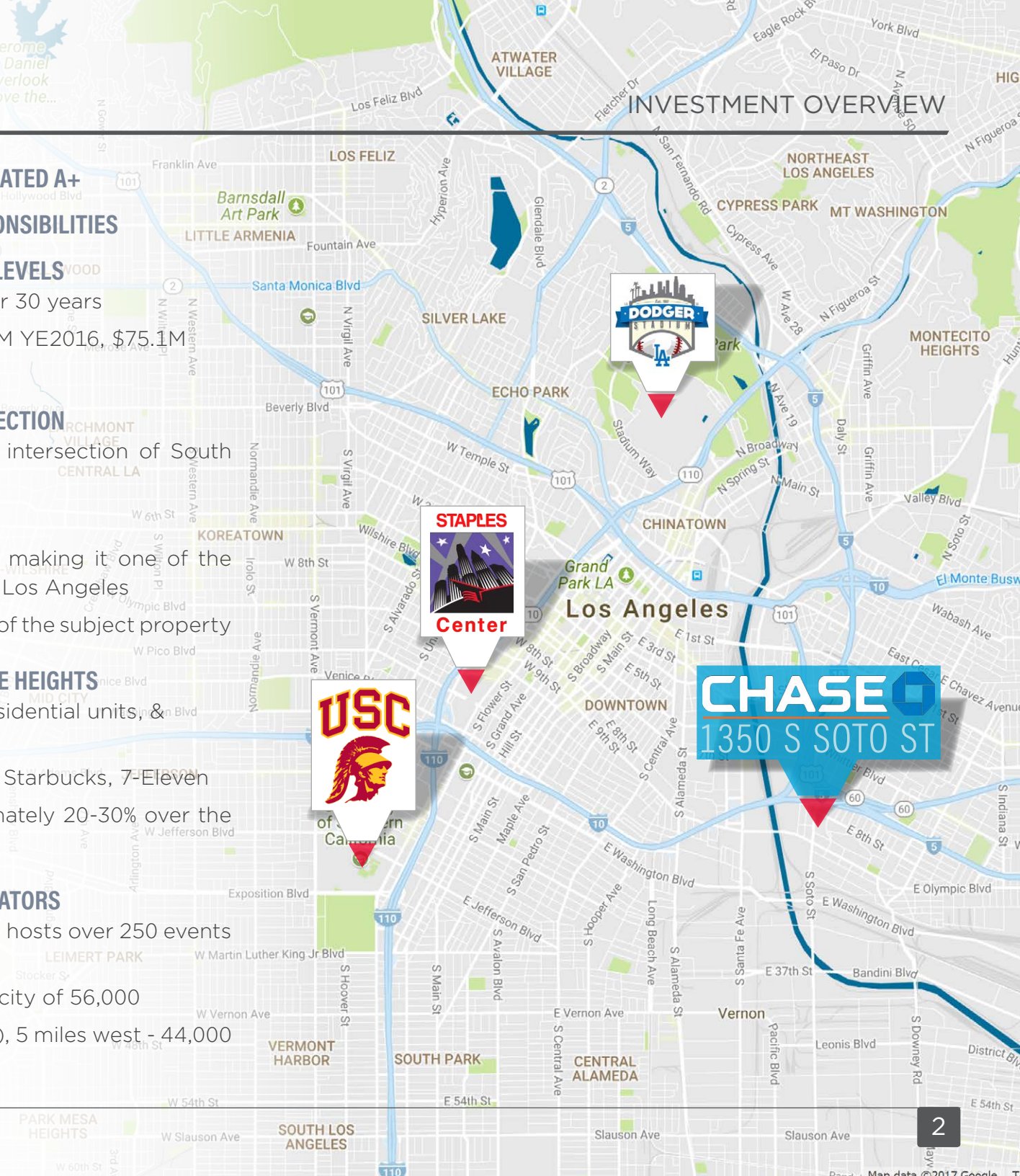
RECENT/PROPOSED IMPROVEMENTS IN BOYLE HEIGHTS

- » Sears Building conversion to ~1,000 residential units, & 545,000 SF of retail and office space
- » New proposed retail - Panda Express, Starbucks, 7-Eleven
- » Home prices have increased approximately 20-30% over the past 24 months

CLOSE PROXIMITY TO MAJOR TRAFFIC GENERATORS

- » Staples Center, 3 miles west - Annually hosts over 250 events and approximately 4 Million guests
- » Dodger Stadium, 5 miles north - Capacity of 56,000
- » University of Southern California (USC), 5 miles west - 44,000 students in 2016-2017

INVESTMENT OVERVIEW



CHASE
1350 S SOTO ST

AERIAL - NORTH



BLACK ORCHID
LOS ANGELES



CHASE
1350 S SOTO ST

S SOTO STREET (42,700 VPD)

I-5 FWY ON-RAMP



AERIAL - NORTHWEST

DOWNTOWN
LOS ANGELES



S SOTO STREET (42,700 VPD)



AERIAL - SOUTH



CHASE
1350 S SOTO ST



PROPERTY PHOTOS



CHASE

TENANT:	Chase Bank
PARENT COMPANY:	J.P. Morgan Chase & Co. (NYSE: JPM)
S&P CREDIT RATING:	A+
2016 REVENUE (\$BIL):	\$95.66
2016 NET INCOME (\$BIL):	\$24.73
# OF LOCATIONS (2016):	5,258
# OF EMPLOYEES (2016):	240,000+

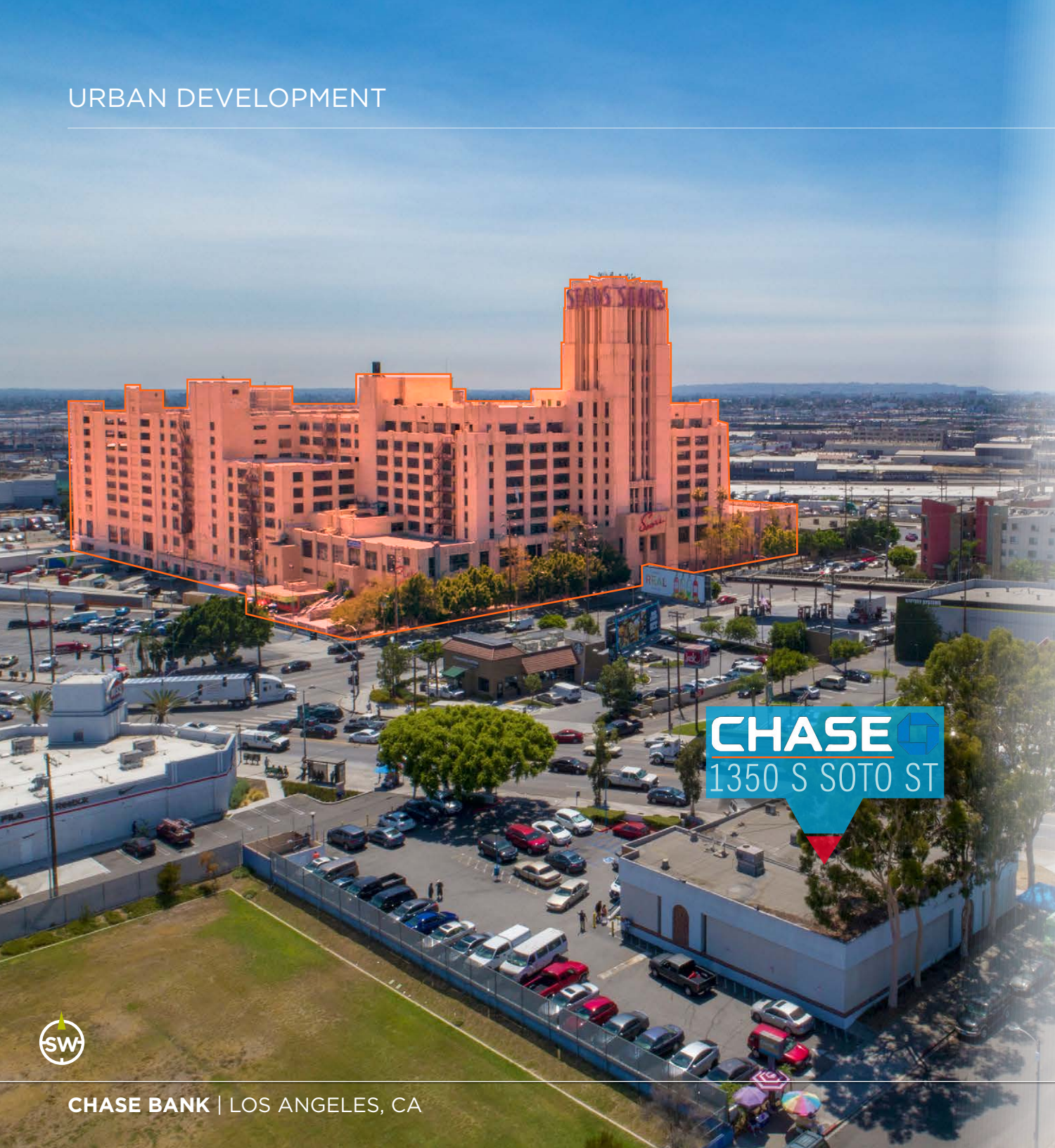
JPMorgan Chase Bank, N.A., doing business as Chase, is a national bank that constitutes the consumer and commercial banking subsidiary of the multinational banking corporation JPMorgan Chase. The bank was known as Chase Manhattan Bank until it merged with J.P. Morgan & Co. in 2000. Chase Manhattan Bank was formed by the merger of the Chase National Bank and the Bank of the Manhattan Company in 1955. The bank is headquartered in Chicago, since its merger with Bank One Corporation in 2004. In 2008, the bank acquired the deposits and most assets of Washington Mutual.



Chase offers more than 5,250 branches and 16,000 ATMs nationwide. JPMorgan Chase has more than 243,000 employees (as of 2016) and operates in more than 60 countries. JPMorgan Chase currently has assets of approximately \$2.49 trillion.

JPMorgan Chase, through its Chase subsidiary, is one of the Big Four banks of the United States.

Website: <http://www.chase.com/>



ARCHITECT RENDERING

SEARS COMPLEX

This iconic former 1.8 million square foot Sears Mail Order Building is currently being redeveloped by Izek Shomof into a massive mixed use project.

Building Plan includes:

- 1,000+/- - live/work units
- 95,000 SF - retail/restaurant
- 250,000 SF - Sears store
- 200,000 SF - creative office space



BUILDING PLANS



READING MATERIAL



DEMOGRAPHICS

MARKET OVERVIEW



LOCATED IN BOYLE HEIGHTS

Home prices have increased approximately 20-30% over the past 24 months



MEDIAN HOME LIST PRICE

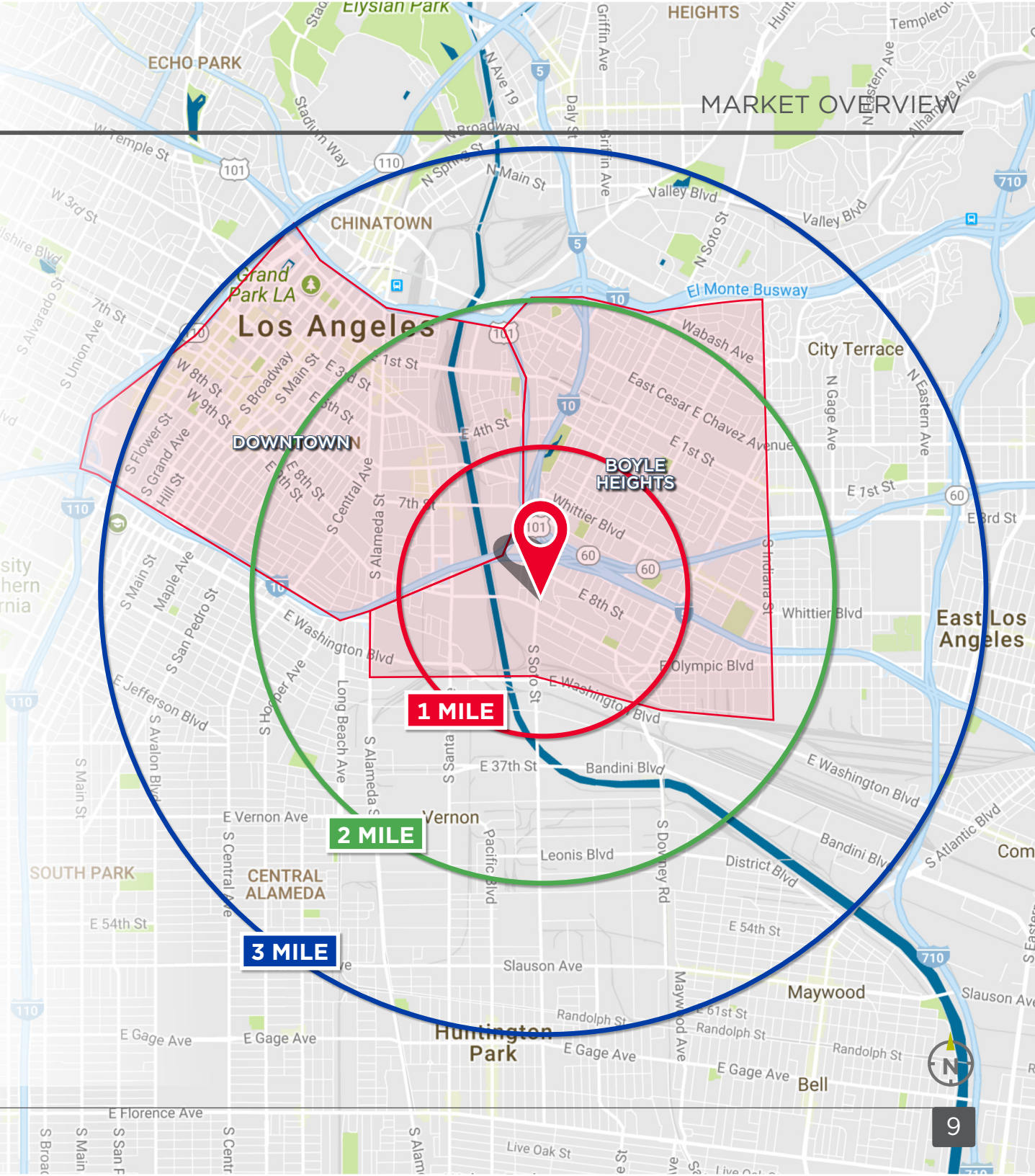
739K **415K**

DOWNTOWN
LOS ANGELES

BOYLE
HEIGHTS

POPULATION GROWTH

	1 MILE	2 MILE	3 MILE
2010	19,208	110,530	330,031
2016	19,776	116,082	347,033
2021	20,383	120,793	361,293



LOS ANGELES, CA

Los Angeles, often known by its initials L.A., is the most populous city in the state of California and the second most populous in the United States, after New York City, with a population at the 2010 United States Census of 3,792,621. The city is the focal point of the larger Los Angeles–Long Beach–Santa Ana metropolitan statistical area and Greater Los Angeles Area region, which contains 12,828,837 with a 2015 estimated population of 18.7 million, making it one of the most populous metropolitan areas in the world and the second largest in the United States. Los Angeles is also the seat of Los Angeles County, the most populated and one of the most ethnically diverse counties in the United States, while the entire Los Angeles area itself has been recognized as the most diverse of the nation's largest cities.

The city is divided into over 80 districts and neighborhoods, many of which were incorporated places or communities that were annexed

by the city. Greater Los Angeles includes a number of enclaves and nearby communities. Generally, the city is divided into the following areas: Downtown Los Angeles, East Los Angeles and Northeast Los Angeles, South Los Angeles, the Harbor Area, Greater Hollywood, Wilshire, the Westside, and the San Fernando and Crescenta Valleys.

Los Angeles County, one of California's original 27 counties, was established on Feb. 18, 1850. It is one of the nation's largest counties with 4,084 square miles, and has the largest population of any county in the nation - nearly 10 million residents who account for approximately 27% of California's population. As a subdivision of the state, the County is charged with providing numerous services that affect the lives of all residents, including law enforcement, tax collection, public health protection, public social services, elections and flood control.

Downtown Los Angeles

ECONOMY

MARKET OVERVIEW

The Los Angeles–Long Beach metropolitan area has a gross metropolitan product of \$866 billion (as of 2015), making it the third-largest economic metropolitan area in the world, after Tokyo and New York. Los Angeles has been classified an “Alpha world city” according to a 2012 study by a group at Loughborough University.

L.A. County is one of the best places to conduct international trade in the country, with Customs District trade values in excess of \$400 billion annually (number 1 in the U.S.); the two largest sea ports in the Western hemisphere handling over 40% of the inbound US containerized freight; a world hub airport (LAX) offering 910 weekly nonstop flights to 59 cities in 30 countries on 60 commercial air carriers; and over 163,600 workers supporting the international trade sector. As the world’s creative hub, L.A. County’s creative ecosystem employs more than 350,000 people and includes Entertainment (Movie and Television production), Fashion, Furniture & Decorative Arts, Visual & Performing Arts, Communication Arts, Architecture & Interior Design, Digital Media & Gaming, Printing & Publishing, and Toys.

From car design with 22 auto design centers including the world’s leading brands, to apparel with 87,000 workers in L.A. County’s fashion sector, L.A. County is the world’s innovative design capital. Los Angeles is often billed as the “Creative Capital of the World”, because one in every six of its residents works in a creative industry and there are more artists, writers, filmmakers, actors, dancers and musicians living and working in Los Angeles than any other city at any time in history.

Los Angeles is the largest manufacturing center in the western United States. The contiguous ports of Los Angeles and Long Beach together comprise the fifth-busiest port in the world and the most significant port in the Western Hemisphere and is vital to trade within the Pacific Rim. From salsa to satellites, furniture to fashion, and helicopters to hot tubs, over 365,000 people work in L.A. County’s manufacturing sector, spread across 12,500 establishments.

DOWNTOWN LA

Downtown Los Angeles is the central business district in the central area of Los Angeles, located close to the geographic center of the metropolitan area. The area features many of the city's major arts institutions and sports facilities, sightseeing opportunities, a variety of skyscrapers and associated large multinational corporations and an array of public art and unique shopping opportunities. Downtown Los Angeles is the hub of the city's freeway network and Metro rapid transit system.

Staples Center, located approximately 3 miles west of this Chase Bank, is one of downtown Los Angeles's major attractions. It is a multi-purpose sports arena, and is host to over 250 events and nearly 4,000,000 guests each year. The arena is home to the Los Angeles Lakers and the Los Angeles Clippers of the National Basketball Association (NBA), the Los Angeles Kings of the National Hockey League (NHL), and the Los Angeles Sparks of the Women's National Basketball Association (WNBA).

Dodger Stadium, approximately 5 miles northeast of the subject property, is another major regional attraction of downtown Los Angeles. The

stadium is the third oldest ballpark in Major League Baseball (MLB), and the largest in the world with a capacity of 56,000. Over the 2012 MLB season, Dodger Stadium recorded a total attendance of 3,324,246 fans, the fifth highest attendance record of the year. Through June 2017, Dodger Stadium has recorded a total attendance of over 2,234,000 for the year - the highest attendance of all MLB teams.

Finally, the University of Southern California (USC), five miles to the west, provides a steady stream of new residents in close proximity to this Chase Bank. USC has a 2016-2017 enrollment of approximately 44,000 students and over 26,000 faculty and staff. Additionally, nearly three-quarters of the more than 375,000 living USC alumni still live in California, increasing the university's influence in the immediate area.

- <https://www.lacity.org/>
- <http://www.lachamber.com/>
- <https://www.lacounty.gov/>
- <http://www.discoverlosangeles.com/>
- <http://laedc.org/>
- https://en.wikipedia.org/wiki/Los_Angeles

Downtown Los Angeles

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