



LOCATED IN PRIME WESTCHESTER NEIGHBORHOOD

8820

S. Sepulveda Boulevard
Los Angeles | 90045



Trophy Asset
Irreplaceable Location

100% Occupied
NNN Leases

Anchored by
Bed Bath & Beyond



EL SEGUNDO

DOCKWEILER BEACH

LOS ANGELES INTERNATIONAL AIRPORT

1



8820
S. Sepulveda Boulevard
Los Angeles | 90045

WESTCHESTER



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Westchester
Crenshaw/LAX Metro Line
LAX Automated People Mover

C O N T E N T

EXECUTIVE SUMMARY

OFFERING SUMMARY

The Hirth Group of Keller Williams Commercial, as exclusive advisor, is pleased to offer for sale 8820 S. Sepulveda Boulevard, a two-story building located in prime Westchester, on Sepulveda Boulevard just south of La Tijera Boulevard and just north Westchester Parkway. The area features a traffic count of more than 80,000 cars per day, with nearly 200 feet of frontage and is in close proximity to the Los Angeles International Airport (LAX) and the Crenshaw/LAX Transit Project.

8820 S. Sepulveda Boulevard offers a rare opportunity to acquire a trophy multi-tenant retail building that is a 100% leased with ample parking located behind the structure. The Property is occupied by national and local tenants — **Bed Bath & Beyond**, **Starbucks**, **Coldwell Banker** and **Movement Performance Institute**. All of the tenants are on NNN leases, offering ease of management to new ownership.



8820

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PROPERTY SUMMARY

Property Details

Address	8820 S. Sepulveda Boulevard Los Angeles, CA 90045
Property Type	Multi-Tenant Retail
Building SF	± 51,632
Rentable SF	± 50,861
Lot SF	± 73,202
APN	4123-001-010 011 012 032
Year Built	2007
Zoning	LAC2
Parking	± 130
Type of Ownership	Fee Simple

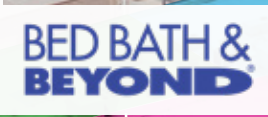
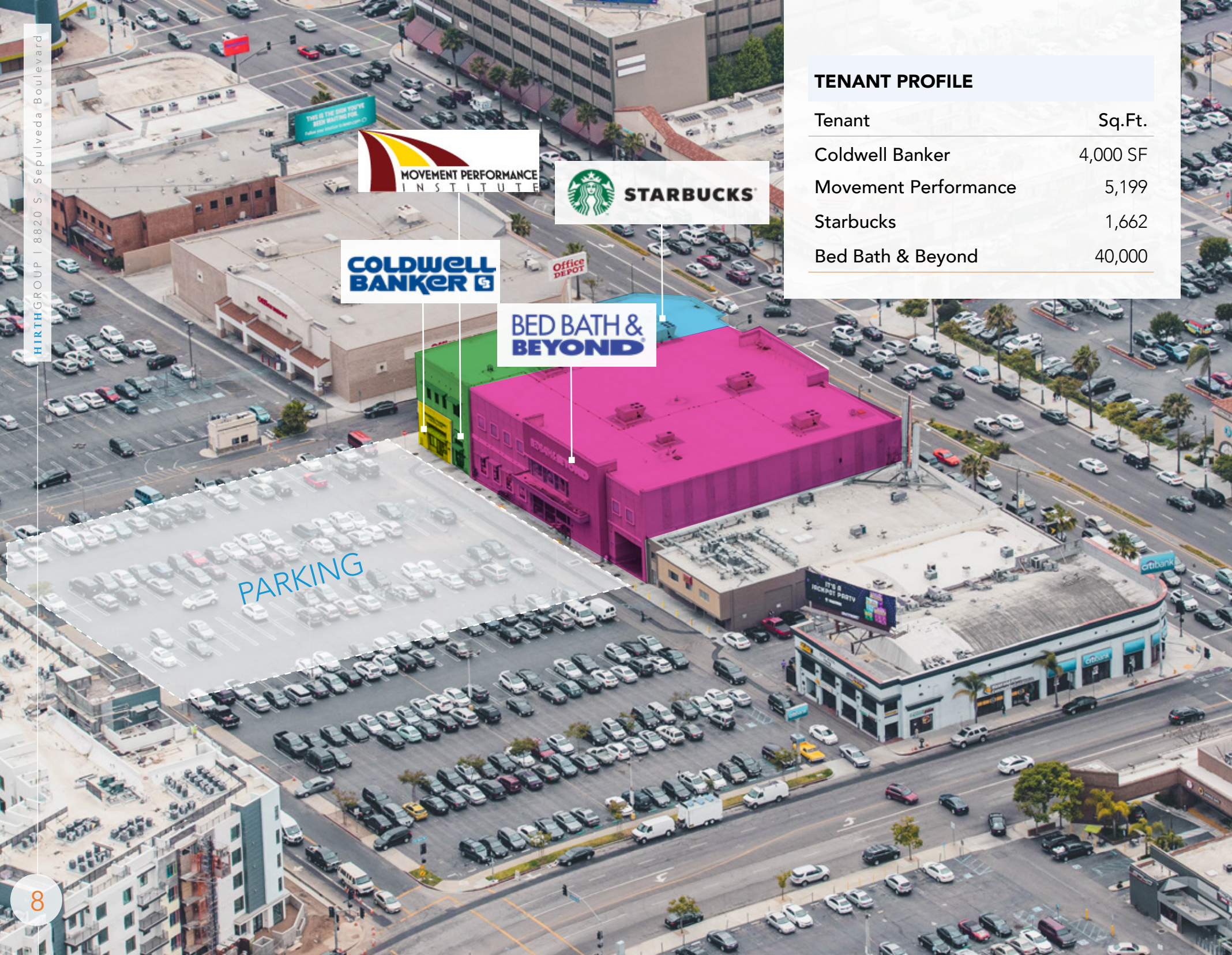
Financial Indicators

Price	\$25,000,000
Price/Bldg SF	\$484
Price/Lot SF	\$342
CAP Rate	5.04%

Proposed Financing

Down Payment	50%	\$12,500,000
Loan	50%	\$12,500,000
Amortization		25 Years
Interest Rate		4.50%
Payments		(\$69,479)





PARKING

TENANT PROFILE

Tenant	Sq.Ft.
Coldwell Banker	4,000 SF
Movement Performance	5,199
Starbucks	1,662
Bed Bath & Beyond	40,000

BED BATH & BEYOND



STARBUCKS

COLDWELL BANKER



Bank of America

IN-N-OUT BURGER

BOSTON MARKET

WESTCHESTER PWKY

Office DEPOT

ROBEKS

Pizza Hut

CVS pharmacy

WELLS FARGO

Ralphs

Tuesday Morning

CHASE

petco

Sprint

Yogurtland

citibank

S. LA TIJERA BOULEVARD

SEPUVEDA EASTWAY

S. SEPUVEDA BOULEVARD

STAPLES

ROSS DRESS FOR LESS

KOHL'S

Panera BREAD

TRADER JOE'S

HomeGoods





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DEVELOPMENT PROJECT:
LA TIJERA APARTMENTS »



STRATEGIC LOCATION & HIGH TRAFFIC COUNTS

Located along Westchester's busiest main street, Sepulveda Boulevard intersection of La Tijera Boulevard with over ± 80,000 cars passing the site daily.



STRONG DEMOGRAPHICS

A population of 41,074 residents are located within the radius of the Property with the average household income exceeding \$115,000.



NEW CONSTRUCTION

The structure was built in 2007.



LONG-TERM LEASES PROVIDE SECURITY TO THE OFFERING

Bed Bath & Beyond and Starbucks which make up 80% of the GLA is leased through 2023.

INVESTMENT HIGHLIGHTS





Bed Bath & Beyond Inc. is an American-owned chain of domestic merchandise retail stores in the United States, Puerto Rico, Canada and Mexico. Formed in 1971, the stores sell goods primarily for the bedroom and bathroom, as well as kitchen and dining room. The company is included in the S&P 500 and Global 1200 Indices and the NASDAQ-100 Index. It is also counted among the Fortune 500 and the Forbes Global 2000 as well. Since the liquidation of Linens 'n Things, Bed Bath & Beyond has had few major retail competitors except Walmart, Target, J. C. Penney, and some mid-sized players like Pier 1 Imports.

In 1971, Warren Eisenberg and Leonard Feinstein opened a store in Springfield, New Jersey called Bed 'n Bath. By 1985, Eisenberg and Feinstein were operating 17 stores in the New York metropolitan area and California. Also in 1985, the first superstore was opened, as an attempt to remain competitive with Linens 'n Things, Pacific Linen, and Luxury Linens. In order to properly represent the size increase in its retail stores, the company changed its name to Bed Bath & Beyond.



Starbucks Corporation is an American coffee company and coffeehouse chain. Starbucks was founded in Seattle, Washington in 1971. As of November 2016, it operates 23,768 locations worldwide, including 13,107 (+170) in the United States, 2,204 (+86) in China, 1,418 (-12) in Canada, 1,160 (+2) in Japan and 872 in South Korea (bumping United Kingdom from 5th place) (Differences reflect growth since Jan 8, 2016). Starbucks is considered the main representative of "second wave coffee", initially distinguishing itself from other coffee-serving venues in the US by taste, quality, and customer experience while popularizing darkly roasted coffee. Since the 2000s, third wave coffee makers have targeted quality-minded coffee drinkers with hand-made coffee based on lighter roasts, while Starbucks nowadays uses automated espresso machines for efficiency and safety reasons.

TENANT PROFILES



Coldwell Banker Real Estate LLC is an American real estate franchise owned by Realogy with headquarters in Madison, New Jersey. It was founded in 1906 in San Francisco, and has approximately 3,000 offices in 43 countries and territories. Coldwell Banker analyzes data from more than 81,000 similar-sized four-bedroom, two-bedroom homes in over 2,700 real estate markets nationwide and publishes the findings in its annual Home Listing Report. The report serves as a guide for determining most affordable and most expensive housing markets. After the devastating 1906 San Francisco earthquake and fires, Colbert Coldwell and two partners formed Tucker, Lynch and Coldwell on August 27, 1906. Benjamin Arthur Banker joined the firm as a salesman in 1913, and became a partner in 1914. The company was renamed Coldwell Banker in the same year. Banker and Coldwell remained active in the company throughout their lives. In 1920 Coldwell Banker moved to a three-story building in San Francisco.



USC base, **Movement Performance Institute (MPI)** is a state-of-the-art clinical facility dedicated to understanding the biomechanical basis of healthy and disordered human motion. The basic philosophy behind MPI is human health and quality of life depends on the ability to move skillfully and efficiently. Furthermore, it is our belief that movement dysfunction is the root cause of many overuse and sport related injuries of the musculoskeletal system. To this end, we provide in-depth biomechanical evaluations as well as rehabilitation and consultation services for persons with musculoskeletal complaints or those looking to enhance physical performance and/or prevent injury.

FINANCIALS

Rent Roll

Tenant	SF	%	Lease Start	Lease Exp.	Rent	Rent/SF	Increases	Options
Bed Bath & Beyond	40,000	77%	10/26/04	1/31/23	\$85,333.33	\$2.13	2023	One - 10 Year, One - 5 Year
Starbucks	1,662	3%	3/15/08	3/31/23	\$11,000.00	\$6.62	3% Increase on 4/1/2020	Three - 5 Year
Coldwell Banker	4,000	8%	3/30/07	12/31/17	\$21,093.33	\$5.27	M2M	N/A
Movement Performance Institute	5,199	12%	4/5/10	11/30/20	\$11,504.00	\$2.21	3% Annually	One - 3 year @FMV
Total	50,861	100%	-	-	\$128,930.66	\$2.53		

Annualized Operating Data

Income and Expense	Current
Scheduled Lease Income	\$1,547,168
NNN Charges	\$209,806
Effective Gross Income	\$1,756,974
Expenses	\$496,536
Net Operating Income	\$1,260,438
Loan Payment	\$(833,749)
Pre-Tax Cash Flow	\$426,689
Principal Reduction	\$230,646
Total Return Before Taxes	\$657,335

Expenses

Income and Expense	Annual
Taxes (1.13% Est.)	\$281,250
Insurance	\$23,234
Utilities	\$51,632
Repairs & maintenance	\$25,816
Management Fee	\$33,361
Vacancy	\$81,243
Total	\$496,536

MARKET OVERVIEW

WESTCHESTER

About Westchester

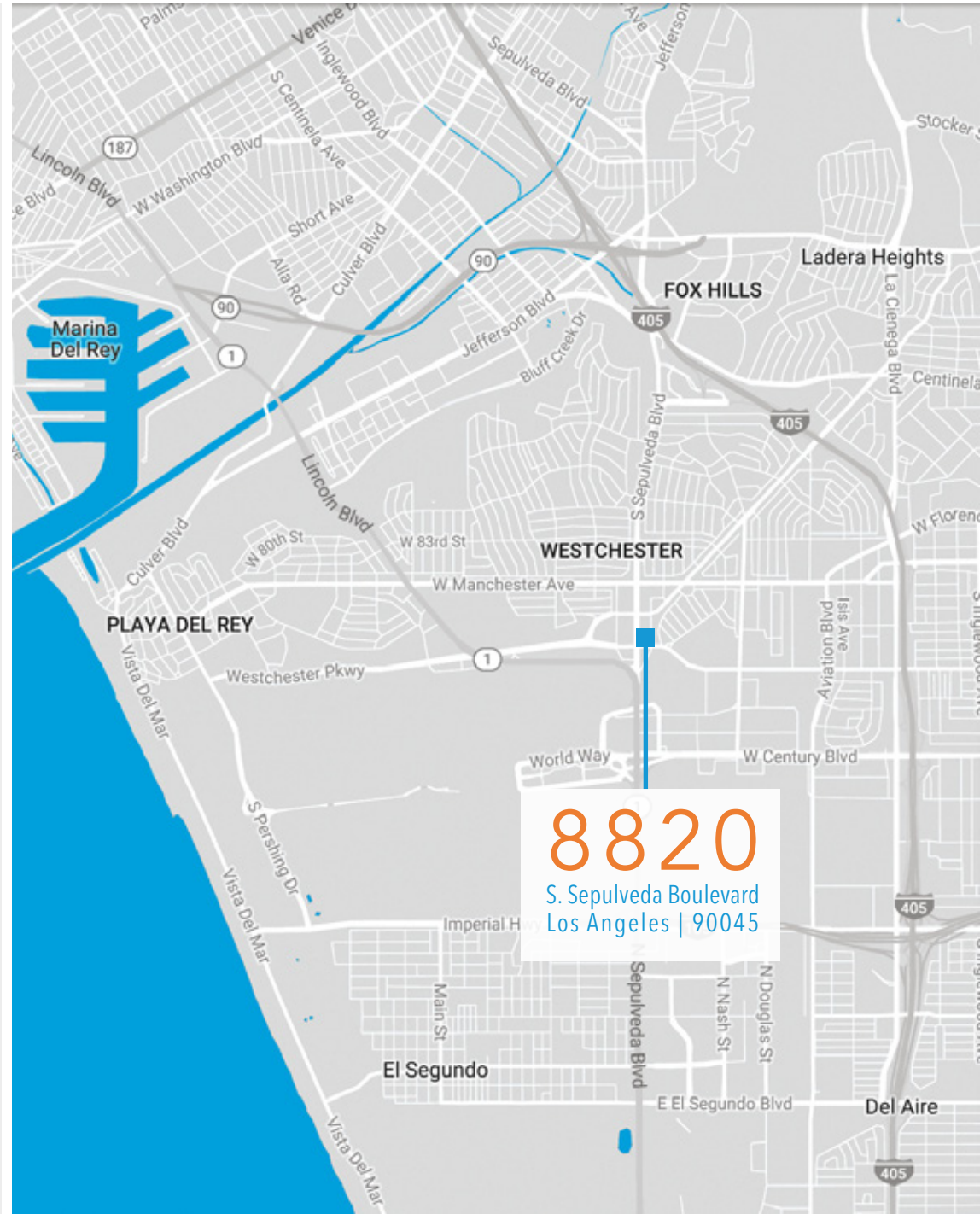
Surrounded by bluffs, the ocean, the 405 Freeway and LAX, Westchester started out as a windswept plain in a remote corner of the Los Angeles basin. Westchester includes Los Angeles International Airport, whose runways and service facilities, along with the associated hotels and travel services, dominate the southern portion of the neighborhood. In contrast, the northern half is largely residential and retail.

In close proximity are the tech hubs in Venice, Playa Vista, Culver City and El Segundo which make Westchester an appealing home-buying destination for technology workers.

The cities and neighborhoods that border Westchester include the following:

- **Culver City** - Westchester's neighbor to the northeast is the home of Sony Studios. Culver City has been undergoing a rebirth in recent years, and now has a number of very impressive restaurant options.
- **Marina Del Rey** - The "Marina of the king" is Westchester's northern neighbor, and is home to a vast number of restaurants, hotels, and the Ballona wetlands.
- **Playa Del Rey** - Located northeast of Westchester and adjacent to LAX, Playa del Rey is home to extensive beaches and a variety of dining options.
- **El Segundo** - Home to Dockweiler State Beach, Westchester's southern neighbor provides numerous dining and lodging options.
- **Hawthorne** - Bordering Westchester to the southeast, Hawthorne is home to several aerospace companies including SpaceX, and is an option for those needing lodging near LAX.
- **Inglewood** - A booming neighborhood that borders Westchester to the east, Inglewood is home to sites that include the landmark Randy's Donuts.

Source: [https://en.wikivoyage.org/wiki/Westchester_\(California\)](https://en.wikivoyage.org/wiki/Westchester_(California))



Developments in Westchester

The **Metro Crenshaw/LAX Line** will extend from the existing Metro Exposition Line at Crenshaw and Exposition Boulevards. The Line will travel 8.5 miles to the Metro Green Line and will serve the cities of Los Angeles, Inglewood and El Segundo; and portions of unincorporated Los Angeles County. The new Metro Rail extension will offer an alternative transportation option to congested roadways and provide significant environmental benefits, economic development and employment opportunities throughout Los Angeles County. Riders will be able to make easy connections within the entire Metro Rail system, municipal bus lines and other regional transportation services.

The **Crenshaw/LAX Transit Project** will serve the Crenshaw District, Inglewood, **Westchester** and surrounding area with eight stations, at:

1. Expo/Crenshaw
2. Martin Luther King Jr.
3. Leimert Park
4. Hyde Park
5. Fairview Heights
6. Downtown Inglewood
7. **Westchester/Veterans**
8. **Aviation/Century**



Source: https://www.metro.net/projects/crenshaw_corridor/





LAX Automated People Mover

The APM, a monorail-like system, will operate along a 2.25-mile elevated guideway with six stops between the LAX Consolidated Rental Car Facility and the Central Terminal Area.

Utility relocation and surveying for the APM are expected to **begin in the second quarter of 2018**, with construction of the guideway set to start as early as 2019. By the end of 2019, construction will begin on the APM stations, and delivery of the first vehicles will follow by the end of 2020. Construction will mostly be complete by mid-2022, allowing for system testing prior to an expected opening date in early 2023.



The APM will have **nine total trains**, each operating in four-car sets capable of containing up to 200 passengers. Trains will operate every two minutes, with a ten-minute end-to-end travel time.

Total project costs for the landside access modernization program are estimated at \$5.5 billion.

When completed, the new APM will provide the **long-sought link between Metro Rail and LAX**, with construction set to begin in the coming years on a \$600-million light rail station at 96th Street and Aviation Boulevard that will connect to the new Crenshaw/LAX Line, the Green Line and various local and regional buses.



Source: <https://urbanize.la/post/renderings-galore-lax-automated-people-mover>



Planned Face Lift for the Promenade at Howard Hughes Center

Big changes are on the way for the huge, but somewhat sleepy, Promenade at Howard Hughes Center in Westchester. In 2015, the mall's new owner, Laurus Corporation, announced plans for a \$30 million makeover that would transform the not-so-pedestrian-friendly shopping center into a more open and accessible space.

Source: <https://la.curbed.com/2017/1/18/14318096/promenade-howard-hughes-center-mall-update>



Multifamily Housing Rises in Westchester

Developer CIM Group is now in the midst of construction on a multifamily residential complex in Westchester, a short distance from 8820 S. Sepulveda Boulevard and the Los Angeles International Airport.

The **La Tijera Apartments**, now rising from a triangular one-acre site and La Tijera Boulevard and Sepulveda Eastway, will feature 136 rental units in addition to amenities such as a fitness room, a club room, a rooftop deck, underground parking for 221 vehicles and 136 long-term bicycle parking spaces.

The project is being designed by the Architecture Design Collaborative, a full-service architecture firm with offices in both Southern California and Colorado. Their website provides elevation plans for the La Tijera development, which depict a wood-frame structure coated in cement plaster and lined with glass balconies.

Completion is on pace to occur this year.

Source:<http://urbanize.la/post/curtain-lifts-la-tijera-apartments>

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