



819

N. LA BREA AVE.

HOLLYWOOD

FLAGSHIP RETAIL INVESTMENT OPPORTUNITY

Offering Memorandum



Intelligent
Real Estate
Solutions

819

N. LA BREA AVE.

HOLLYWOOD

A former 1920's ribbon factory is now home to the first Los Angeles store of fashion designer Rick Owens. Having installed architectural elements influenced by a legendary filmmaker, Owens stated.. "My goal was to create something Cecil B Demille worthy using the architectural vocabulary we have built up together over all this time.." Together with the famous architect Anna Tumaini, whom he has worked designing stores and personal projects with over the previous nine years, Owens turned an abandoned factory into a space that Hollywood founding father and The Ten Commandments director could have used as a set.



819

N. LA BREA AVE. HOLLYWOOD

EXECUTIVE SUMMARY

- **SALE PRICE: \$4,595,000** Cash (\$899.92 per building sq. ft.)
- Single Tenant Net Leased Retail Jewel Box
- West Coast Flagship of International Fashion and Design Icon Rick Owens
- 40% Below Market Rent, 7 Year Term, No Options
- Spectacular Location on Thriving North La Brea Adjacent to \$100 Million of New Developments
- One-Of-A-Kind Design Masterpiece by renowned architect Anna Tumaini
- Year 1 Contract Rent Cap 3.83% (Below Market Rental Rate)



819

N. LA BREA AVE.
HOLLYWOOD

THE OPPORTUNITY

Building Size:

Approximately 5,106 square feet including enclosed courtyard of 237 square feet.

Year Built/Renovated

1928/2015

Land Size:

Approximately 10,500 square feet with 100 feet fronting La Brea Avenue by 105 feet to a 15 foot alley.

APN:

5525-004-027

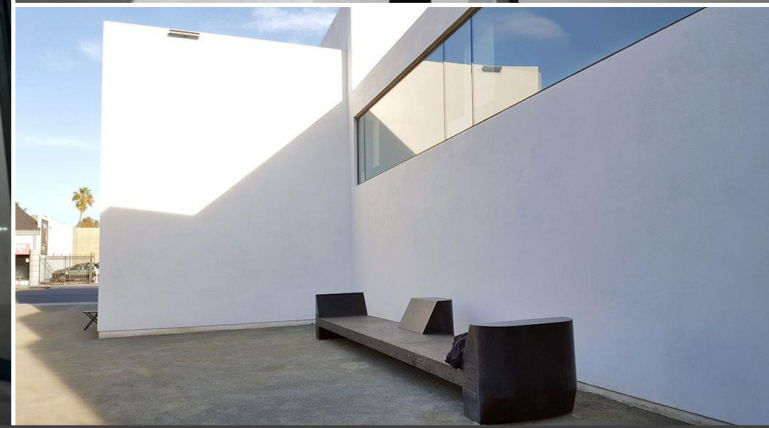
Zoning:

C4-IVL (Buyer to verify)

Parking:

High-design, gated, secure, surface lot for 19 cars

The open courtyard with high white-coloured walls was designed to reflect light into the space throughout the day.



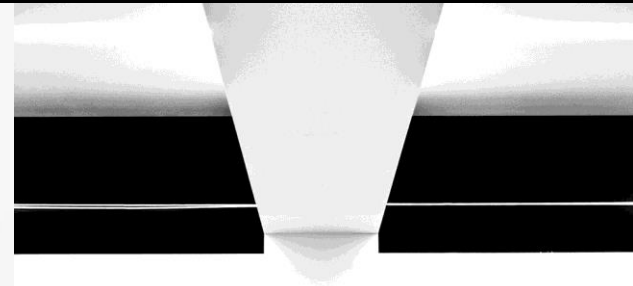
819

N. LA BREA AVE. HOLLYWOOD

PROPERTY PHOTOGRAPHS

The American fashion designer transferred his typically monochromatic color palette into the store design using referenced from religious films. "Epic biblical movies were the first idea of exoticism I could cling to when I was growing up and have influenced everything I do, doomed heroic purity in black and gray draped robes in huge, dusty marble temples," Owens said.

Owen's abstract version of a swimming pool is situated at the entrance, and center of the store, manifesting as a floor-to-ceiling tank that releases bubbles one by one in a "tranquillizing" motion.



819

N. LA BREA AVE.
HOLLYWOOD

LEASE SUMMARY

Tenant

Metropolais, LLC
a New York limited liability company

Term

May 1, 2014 – April 30, 2024
Inplace 40% Below Market Rent (\$2.83 psfNNN)
No Extension Terms

Year 1 Contract NOI (10/17-9/18)

\$176,017
Cap Rate 3.83%

Rapid increase in NOI as discounted rent
burns off.

Rent Schedule

Dates	Monthly NNN Rent	Rent/SF	Annual Captured NNN Rent
May 1, 2017 – April 30, 2018	\$ 14,457.33	\$ 2.83	\$ 173,487.96
May 1, 2018 – April 30, 2019	\$ 14,963.23	\$ 2.93	\$ 179,558.76
May 1, 2019 – April 30, 2020	\$ 18,248.95	\$ 3.57	\$ 218,987.40
May 1, 2020 – April 30, 2021	\$ 19,161.64	\$ 3.75	\$ 229,939.68
May 1, 2021 – April 30, 2022	\$ 20,120.12	\$ 3.94	\$ 241,441.44
May 1, 2022 – April 30, 2023	\$ 21,126.53	\$ 4.14	\$ 243,518.36
May 1, 2023 – April 30, 2024	\$ 24,183.01	\$ 4.74	\$ 290,196.12

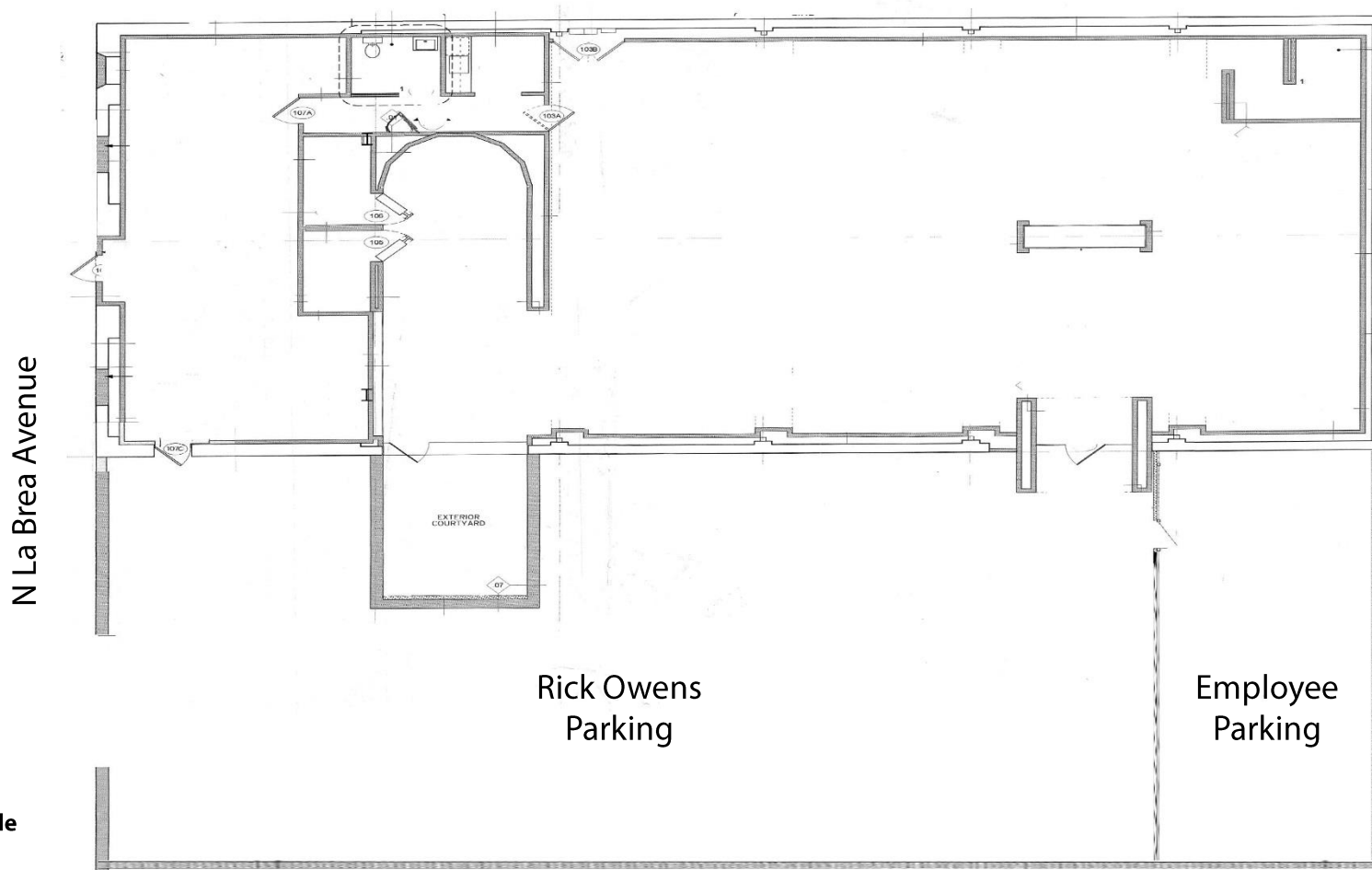
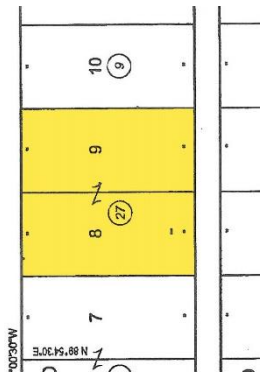
819

SITE PLAN

N. LA BREA AVE.

HOLLYWOOD

Parcel Map



***Not to scale**



The above statement was made based upon information furnished to us by the owner or from sources we believe are reliable. While we do not doubt its accuracy, we have not verified it and we do not make any guarantee, warranty or representation about it. The property offered is subject to prior sale, lease, change of price or withdrawal from the market without notice.

819

N. LA BREA AVE. HOLLYWOOD

NOTABLE DEVELOPMENTS



West Hollywood Gateway
2 Stories / 257,000 SF
18 Retail Tenants



The Dylan
6 Stories / 298,000 SF
187 Units / 19,559 SF of retail



953 Sycamore
8 Stories
90,000 SF Office / Parking



Formosa West @The Lot
5 Stories / 100,000 SF
Coming 2017



904 North La Brea
(Moll Richardson Site)
7 Stories / 150,000 SF
37,385 SF of retail/169 residential



925 North La Brea
(CIM Development)
6 Stories / 62,000 SF
16,000 SF retail (Burke Williams)
46,782 SF office (WeWork)



915 North La Brea
(Angelene)
4 Stories
33,000 SF of retail/179 residential units



The above statement was made based upon information furnished to us by the owner or from sources we believe are reliable. While we do not doubt its accuracy, we have not verified it and we do not make any guarantee, warranty or representation about it. The property offered is subject to prior sale, lease, change of price or withdrawal from the market without notice.

819

N. LA BREA AVE. HOLLYWOOD

DISTRICT LA BREA

La Brea, approximately 90,000 SF on the west side of La Brea Avenue between 1st and 2nd streets, is an urban adaptive-reuse development project that transformed an entire city block into one of Los Angeles' most sought-after shopping and dining destinations. The center features high-end fashion, accessories, home furnishings, an eco-urban home and garden store, specialty dining and office use. Strategically located amid high-density residential and studio production facilities, the La Brea neighborhood is powerfully influenced by fashion and film.



UNDEFEATED



BONOBOS



SUGARFISH
BY SUSHI NOZAWA

GANT

6660
GARRETT LEIGHT
CALIFORNIA OPTICAL

steven alan

WHAT GOES AROUND COMES AROUND

kellycole

BAKERY * CAFE
THE SYCAMORE KITCHEN



The above statement was made based upon information furnished to us by the owner or from sources we believe are reliable. While we do not doubt its accuracy, we have not verified it and we do not make any guarantee, warranty or representation about it. The property offered is subject to prior sale, lease, change of price or withdrawal from the market without notice.

819

N. LA BREA AVE. HOLLYWOOD

FUTURE OF LA METRO RAIL UNDER MEASURE M



819

N. LA BREA AVE. HOLLYWOOD

DEMOGRAPHICS

Population	1 Mile	3 Mile	5 Mile
2016 Total Population	47,686	428,738	994,268
2021 Est. Population	49,279	444,336	994,268
Pop Growth (2016/2021)	3.34%	3.64%	3.43%
Average Age:	38.8	39.1	38.1
2016 Total Households	24,901	199,445	411,573

Income	1 Mile	3 Mile	5 Mile
2016 Average HH Income	\$81,501	\$79,374	\$75,402
2016 Median HH Income	\$55,134	\$49,411	\$45,569
Average HH Size	1.9	2.0	2.3

Consumer Spending*	1 Mile	3 Mile	5 Mile
2016 Total Spending	\$629,182,000	\$5,017,969,000	\$10,325,343,000
Total Apparel	\$32,604,000	\$272,953,000	\$593,344,000
Total Ent, Hobbies & Pets	\$47,568,000	\$362,538,000	\$729,389,000
Total Food & Alcohol	\$170,836,000	\$1,374,214,000	\$2,854,560,000
Total Household	\$83,958,000	\$682,228,000	\$1,383,759,000
Total Transportation	\$172,182,000	\$1,372,913,000	\$2,854,461,000
Total Health Care	\$29,858,000	\$236,391,000	\$483,072,000
Total Education/Day Care	\$46,850,000	\$372,180,000	\$741,292,000


Traffic Counts	
N La Brea Avenue - Southbound	57,690
N La Brea Avenue - Northbound	46,122

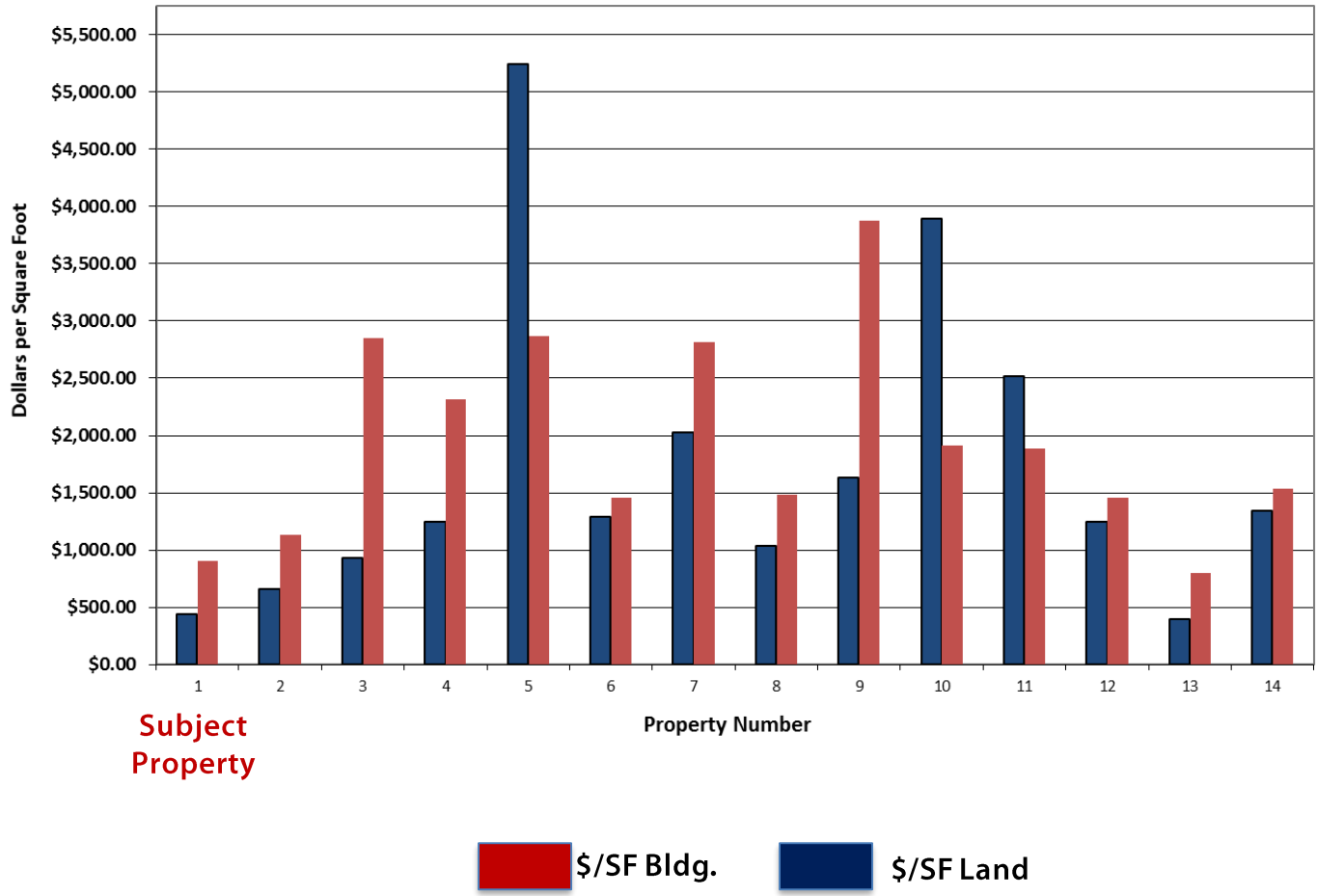
819

N. LA BREA AVE.

HOLLYWOOD

SALES COMPARABLES

-  **Subject Property**
819 N. La Brea Ave.
- ② 735-737 N La Cienega Blvd.
- ③ 38 N La Cienega Blvd.
- ④ 8823 Beverly Blvd.
- ⑤ 357 N. Beverly Dr.
- ⑥ 8831-8837 Beverly Blvd.
- ⑦ 157 N. Robertson Blvd.
- ⑧ 8100 Melrose Ave.
- ⑨ 8800 Melrose Ave.
- ⑩ 145 N. Robertson Blvd.
- ⑪ 131-133 N. Robertson Blvd.
- ⑫ 8532 Melrose Ave.
- ⑬ 852 N La Brea Ave.
- ⑭ 8721 Beverly Blvd.



The above statement was made based upon information furnished to us by the owner or from sources we believe are reliable. While we do not doubt its accuracy, we have not verified it and we do not make any guarantee, warranty or representation about it. The property offered is subject to prior sale, lease, change of price or withdrawal from the market without notice.

819

N. LA BREA AVE. HOLLYWOOD

SALE COMPARABLES



#	1	2	3	4	5	6	7
Address	819 N. La Brea Ave	735-737 N. La Cienega Blvd	38 N La Cienega Blvd	8823 Beverly Blvd	357 N. Beverly Dr	8831-8837 Beverly Blvd	157 N Robertson Blvd
City	Los Angeles	West Hollywood	Beverly Hills	West Hollywood	Beverly Hills	Los Angeles	West Hollywood
Stories	1	1		2	3	1	1
Built/Renovated	2015	1940	1958	1938	1931	1953	1949
Bldg SF	5,106	2,964	7,188	2,958	13,592	9,757	11,013
Land SF	10,500	5,053	21,998	5,506	7,628	10,000	15,309
Occupancy at time of Sale	Leased	100		100	100	100	100
Cap Rate	N/A	N/A			5%	N/A	4%
Sale Date	N/A	Dec-15	Mar-16	Nov-14	Jul-15	Sep-14	Feb-15
Sale Price	\$4,595,000	\$3,350,000	\$20,500,000	\$6,838,000	\$40,000,000	\$14,200,000	\$31,000,000
\$ Price PSF (Bldg)	\$899.92	\$1,130.23	\$2,851.98	\$2,311.70	\$2,866	\$1,455	\$2,814
\$ Price PSF (Land)	\$437.62	\$662.98	\$931.91	\$1,241.92	\$5,244	\$1,291	\$2,025
Notes	Subject Property For Sale	Retail Building	Adjacent to Wilshire/La Cienega Metro stop	Stella McCartney Trophy Tenant and Location	NNN Investment on behalf of Buyer with a 5% CAP. New owner procured financing from JP Morgan Bank in amount of \$19.5M. Over 50% of the purchase was put down.	Off Market Transaction	The Property was fully leased to multiple tenants on a NNN basis at time of sale.

819

N. LA BREA AVE. HOLLYWOOD

SALE COMPARABLES



#	8	9	10	11	12	13	14
Address	8100-8118 Melrose Ave	8800 Melrose Ave	145 N Robertson Blvd	131-133 N Robertson Blvd	8532 Melrose Ave	852 N La Brea Ave	8721 Beverly Blvd.
City	Los Angeles	West Hollywood	West Hollywood	Los Angeles	Los Angeles	Los Angeles	Los Angeles
Stories	1	1	2	2	1	1	2
Built/Renovated	1973	1941	1951		1939	1929	1954
Bldg SF	29,000	4,000	13,880	8,999	7,534	17,220	6,633
Land SF	41,659	9,505	6,831	6,743	8,800	34,804	7,580
Occupancy at time of Sale	100	100	100	100	100	100	100
Cap Rate	N/A	N/A	2.20%	N/A	N/A	N/A	N/A
Sale Date	Mar-16	Nov-15	Oct-13	Feb-13	Jul-15	Mar-16	Oct-16
Sale Price	\$43,000,000	\$15,500,000	\$26,600,000	\$17,000,170	\$11,000,000	\$13,720,000	\$10,200,000
\$ Price PSF (Bldg)	\$1,482.00	\$3,875.00	\$1,916.00	\$1,889	\$1,460	\$797	\$1,538
\$ Price PSF (Land)	\$1,032.00	\$1,630.00	\$3,894.00	\$2,521	\$1,250	\$394	\$1,346
Notes	Fred Segal	Storefront Building.	The Property was fully leased to a UK Clothing company retailer Reiss.	Off Market Transaction. The Buyer has a strong retail presence in Los Angeles and wanted to increase their position.	Off Market Transaction. This was an all cash deal	Net Leased 99 Cent Store	Sold to Cedars Sinai (10/27/16)

819

N. LA BREA AVE.

HOLLYWOOD

CONTACTS



CHRISTOPHER BONBRIGHT

Principal

323.851.6666

chris.bonbright@avisonyoung.com

BRE #00823957

BRANDON MASON

Vice President

323.603.5008

brandon.mason@avisonyoung.com

BRE #01893070



Intelligent
Real Estate
Solutions