

LA CRESCENTA MULTI-TENANT OFFICE BUILDING

4250 PENNSYLVANIA AVE

OFFERING MEMORANDUM ■ LA CRESCENTA, CA 91214



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4250 PENNSYLVANIA AVE

Rare Offering of a Multi-Tenant Office Building in La Crescenta, California

Extreme Convenience with 210 Freeway On/Off Ramp Less Than 100' Away

Currently, 100% Occupied, with Potential Owner-User Opportunities

Plentiful Parking with 34 On-Site Spaces Plus Adjacent Residential Street Parking

Well Maintained & Modern Interior Hallways and Lobby

La Crescenta is an Affluent Blue-Ribbon School District with a Small-Town Feel

PRICING

OFFERING PRICE	\$4,750,000
CURRENT GROSS INCOME	\$328,632
CURRENT NOI	\$237,813
OPERATING EXPENSES	\$84,246 \$6.43 SF
CURRENT CAP	5.01%

PROPERTY SUMMARY

IMPROVEMENTS	14 Suite Office Building
BUILDING SIZE	13,106 SF
LOT SIZE	20,768 SF
YEAR BUILT	1983
PARKING	34 Spaces (3:1 Ratio)

BUILDING DETAILS

UNITS	▪ 14
TYPE	▪ Office
STORIES	▪ 2
CONSTRUCTION	▪ Woodframe Stucco
ROOF	▪ Flat
ZONING	▪ C-1 ▪ LA County Jurisdiction ▪ GIS-NET LA County for zoning info.

PROPERTY OVERVIEW

4250 PENNSYLVANIA AVE

We are pleased to present a multi-tenant office building located in the beautiful neighborhood of La Crescenta and strategically located in very close proximity to the 210 Freeway. La Crescenta is a quiet and affluent neighborhood nestled in the foothills of Los Angeles County; residents in La Crescenta take pride in their Blue-Ribbon school district and small-town feel.

This office building contains a total of 14-units which are currently all occupied by a total of 7 tenants. There are 2 floors with stair access to the 2nd floor. Parking is plentiful at 34 spaces, a near 3 to 1 parking ratio. There are residential streets adjacent to the property which provide further parking conveniences.

Currently the asset is 100% occupied with a group of seasoned and diverse tenants specializing in healthcare administration to various logistics companies. The occupancy ranges in size from 842 square feet to 4,648 square feet units, with the largest unit being occupied by the administration office of a regional healthcare provider. There may be an owner-user opportunity as one of the 1,300 square foot units is occupied by the ownership. Additional owner-user opportunity exists by leases which will remain on a month-to-month as their term comes to expiration.

The building is, in general, well maintained and in good operating condition. The lobby area and hallways have modern upgrades and high-end finishes. The parking lot and most major operational functions of the asset are well maintained appear well attended to. La Crescenta, is a high barrier of entry market and the commercial real estate is limited and unique. The Buyer of this asset will be sure to enjoy a timeless office building, in one of LA's best neighborhoods with extreme convenience of freeway accessibility.





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LA CRESCENTA, CA 91214





MULTI-TENANT OFFICE BUILDING

100% OCCUPIED, POTENTIAL OWNER-USER OPPORTUNITY







PENNSYLVANIA AVE

ENCINAL AVE



210 FWY
ON RAMP

PENNSYLVANIA AVE

ENCINAL AVE

SNAPSHOT

34

PARKING
SPACES

1983

YEAR
BUILT

14

OFFICE
SUITES

210

FREEWAY
ACCESS



USC Verdugo
Hills Hospital
Keck Medicine of USC

CRESCENTA VALLEY
HIGH

ENCINAL AVE

210 FWY
OFF RAMP

PENNSYLVANIA AVE

TENANT PROFILES



<https://www.freightright.com>

Recognized as one of the Fastest Growing Private Companies in the US, Freight Right boasts a network that spans over 180 countries and has connections in every gateway in the US and major gateways worldwide. We are insured, bonded, and licensed by the Federal Maritime Commission (FMC), the Transport Security Administration (TSA), and the Department of Transportation (DOT).

Mission: Our mission is to provide simple, reliable supply chain solutions that empower our customers to succeed in the marketplace and accomplish their goals, and we are doing it through the power of people, processes, and technology.



<https://newvista.us/>

New Vista Health Services' guiding principle is to provide outstanding and innovative healthcare in an environment that remembers the importance of the individual and family. It is proud to offer long-term care, skilled nursing, assisted living, nursing homes, and sub-acute care to the residents at its southern Los Angeles locations.

Mission: We strive to be the provider of choice in the communities we serve by caring for people as if they are our family.

An aerial photograph of a residential neighborhood. In the foreground, a large, light-colored building with a red-tiled roof and multiple air conditioning units on its flat roof is visible. It has a paved parking lot with several cars. To the left of this building is a smaller, white, single-story building. The surrounding area is filled with various houses, some with solar panels on their roofs, and trees. A street runs along the bottom and right side of the image. The overall scene is a typical suburban residential area.

FINANCIAL ANALYSIS

4250 PENNSYLVANIA AVE

RENT ROLL

Suite	Tenant	Square Feet (Approx)[4]	% of Property	Lease Term		CURRENT RENT			RENT TYPE
				Begin	End	Monthly	PSF	TYPE	
1ST FLOOR									
101-102	Deistic Home Health Care, Inc.[1]	1,685	13%	01/01/22	12/31/24	\$3,448	\$2.05	MG	MG
103-107	New Vista Health Services, LLC [2]	4,648	35%	03/11/15	MTM	\$9,605	\$2.07	MG	MG
2ND FLOOR									
201-202	Freight Right Global Logistics	1,800	14%	07/01/19	MTM	\$3,748	\$2.08	MG	MG
203	Treasure Care Hospice	842	6%	05/01/23	MTM	\$1,622	\$1.93	MG	MG
204	Gorian Development, Inc. [3]	1,289	10%	01/01/16	MTM	\$2,770	\$2.15	MG	MG
205-206	Freight Right Global Logistics	1,850	14%	06/01/18	MTM	\$3,975	\$2.15	MG	MG
207	Elpis Home Health	986	8%	12/01/19	MTM	\$2,218	\$2.25	MG	MG
Totals/Averages		13,100	0%	TOTAL		\$27,386	\$2.10		
TOTAL ANNUAL						\$328,632	\$25.15		

[1] Diestic Home Health has a scheduled Rent Increase in 2024. Tenant has one 3-year option to renew.

[2] New Vista does not have a scheduled Rent Increase in April. Landlord and Tenant are in negotiation over extension term. Although New Vista occupies Units 103 through 107, their Suite Number is referred to as Suite 100.

[3] Gorian Development, Inc. is part of the ownership and can stay or leave based on a Buyers request and negotiation.

[4] All unit sizes are approximate. Neither Seller nor Broker can guarantee or warrantee unit sizes to be accurate.

FINANCIALS

PRICING SUMMARY [10]		CURRENT
PRICE		\$4,750,000
Net Operating Income		\$237,813
Cap Rate		5.01%
Gross Rent Multiplier		14.45
Price/Per Unit		\$339,286
Number of Units		14
Building Size		13,106
Lot Size		20,768
Price Per Square Foot (Building)		\$362
Price Per Square Foot (Lot)		\$229

PROPOSED FINANCING [11]		
Down Payment	50%	\$2,375,000
Loan Balance		\$2,375,000
Interest Rate		6.50%
Term (Years)		25
Loan Due (Years)		5
Mortgage (Annual)		\$194,706
Mortgage (Monthly)		\$16,226
Cash on Cash Return (Annual)		\$43,107
Cash on Cash Return (Monthly)		\$3,592
Return on Investment		1.82%
Debt Coverage Ratio		1.22

[10] Building and Lot sizes have not been verified by Agent or Seller. Buyer to conduct its own investigation.

[11] Proposed Financing may be substantially different or unavailable to Buyer.

Revenue		CURRENT
Scheduled Gross Income (Projected)		\$328,632
Vacancy Factor		(\$6,573) 2.00%
Total Gross Rental Income		\$322,059

Operating Expenses [5]			
Property Tax	[6]		\$51,682 1.08%
Insurance			\$5,000
Utilities - Edison Electric			\$1,210
Trash			\$2,160
Pest Control			\$900
Repairs & Maintenance			\$3,000
Gardener			\$1,800
Management Fee	[7]	4%	\$12,674
Total Operating Expenses			\$84,246
Expense Ratio (% of EGI)			26%
Expense PPSF			\$6.43
NET OPERATING INCOME			\$237,813

[5] Some expenses are estimates.

[6] Real Estate tax calculations assume a 1.08% tax rate.

[7] Management Fee is estimated, current ownership does not have outside management.

LOCATION OVERVIEW

4250 PENNSYLVANIA AVE



LA CRESCENTA

"The Balcony of Southern California."



26

California
Distinguished Schools



9

National Blue
Ribbon Schools



17

Title 1 Achieving
Schools

The secret to La Crescenta's unbeatable climate also gives rise to its motto, "The Balcony of Southern California." A deep cleft in the hills to the south opens La Crescenta to a clear view of the Pacific Ocean, a shimmering source of sea breezes that brings a welcome afternoon relief to summer heat, a relief not found in many inland cities and towns.

La Crescenta is known for its beautiful natural surroundings, including parks, hiking trails, and open spaces. The community also has a vibrant downtown area with shops, restaurants, and other amenities.



MONTROSE, CA

Glendale's Historic Old Town

By the 1920's, a two-block business district had grown up along Honolulu Ave., boasting a bank, hardware store, café, men's clothier, drug store and a local newspaper, foreshadowing the opening of the Montrose Shopping Park in 1967.

Today, along shady, tree-lined streets, nearly 200 independently owned businesses satisfy busy shoppers with high quality gifts, retail merchandise, men's, women's and children's apparel, an art gallery, antiques, dance and fitness studios and service businesses of every imaginable type. Montrose's many restaurants, cafes and bakeries offer outside dining, serving up everything from beignets to barbecue and sashimi to spaghetti.



AREA OVERVIEW

As one of its core functions, Glendale provides well-maintained streets and a variety of transportation services. The City's historic success at attracting employers is partially attributed to the result of its location at the center of four major freeways including the I-5 Golden State Freeway, SR-2 Glendale Freeway, ST-134 Ventura Freeway, and the 210 Foothill Freeway; all provide easy access for residents, workers, and customers from around the region. Glendale also offers its own bus services, the Beeline, with 13 routes connecting customers to Jet Propulsion Laboratory (JPL), the City of Burbank, and the Metrolink Stations in both Burbank and Glendale.



205,000

POPULATION



\$724,800

MEDIAN HOME PRICE

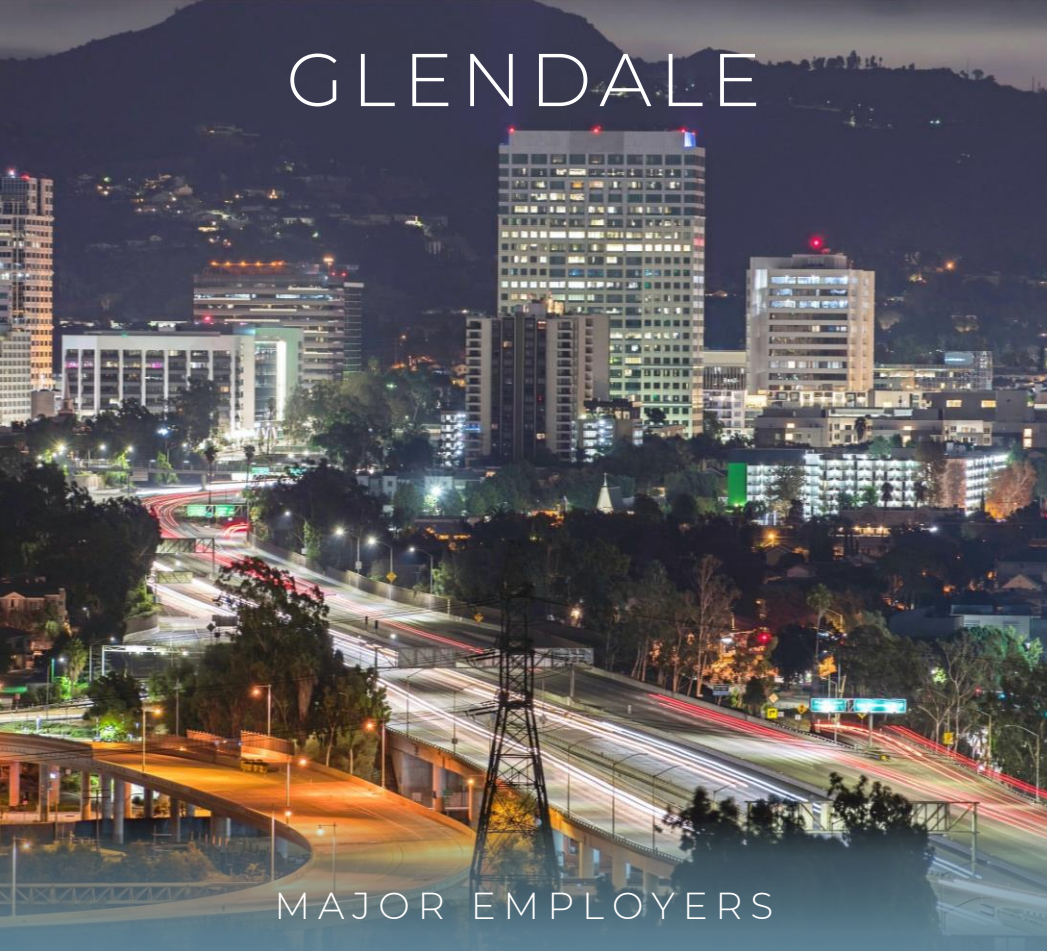


\$62,531

AVG HH INCOME



GLENDALE



MAJOR EMPLOYERS



DOWNTOWN LA



MAJOR EMPLOYERS

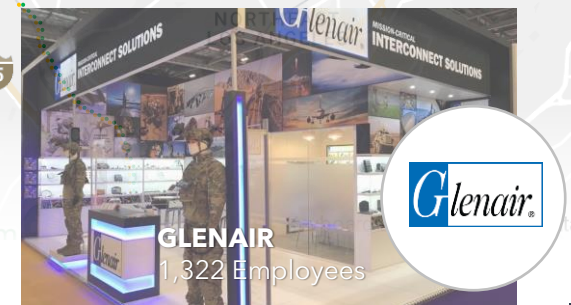
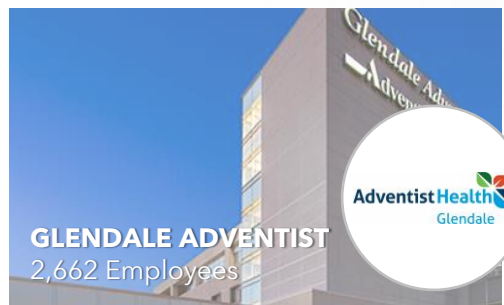


CORPORATE SYNERGY

The subject property sits between the major jobs centers of Downtown Los Angeles and Glendale CA. The former, with a daytime population of some 207,000 people, is home to a large concentration of firms from the legal, utilities, accounting and financial services sectors, as well as many federal, state and local government agencies. The latter, on the other hand, has an employer base that skews more toward a mix of firms in arts, design, entertainment, sports and media.

CORPORATE HEADQUARTERS

Several large companies have offices in Glendale including the U.S. headquarters of International House of Pancakes. The Los Angeles regional office of California's State Compensation Insurance Fund is in Glendale. Americas United Bank was founded in Glendale in 2006 and is still headquartered there. In August 2013, Avery Dennison Corp., a label maker for major brands, announced plans to move its headquarters from Pasadena to Glendale. Avery employs about 26,000 people. Other recognizable firms have expanded within or relocated from other parts of Los Angeles including Whole Foods, DreamWorks, Union Bank, Legal Zoom, and Canon.



BUSINESS DISTRICTS

Downtown Glendale is home to a variety of unique specialty stores, fine dining, movie theaters, night clubs, and three live performance theaters: the Alex Theatre, Glendale Center Theatre, and Anteaus Theatre. You will also find the nationally known Glendale Galleria and Americana at Brand.

Kenneth Village was established in 1923, it is a collection of shops, eateries, and services on Kenneth road in northwest Glendale, it's architecture dating back to the 1920s. Because of its old time Mayberry-esque charm, Kenneth Village is the scenic location for hundreds of television shows and commercials.

The South Brand Boulevard Auto Dealers and City staff have been working to implement several programs that assist the dealers with strengthening and expanding their Glendale Dealerships. Efforts include assistance with permitting processes, vehicle storage, directional signage, and improvements to the physical aesthetics of the South Brand Boulevard area.

Montrose Shopping Park, Glendale's official Old Town, is located along a park-like main street where very quaint shops and restaurants line the street. Montrose offers goods and services in a down-home atmosphere. It also boasts yearlong activities like the weekly Farmers Market, Arts & Crafts Festival, Halloween Spooktacular, Oktoberfest, and so much more.

Known for the art deco building at the intersection of E. Chevy Chase Drive and S. Adams Street, Adams Square, which also includes Palmer Street, is full of charming eateries and service-oriented retail where visitors can while away an afternoon.





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