

Marcus & Millichap
THE NEEMA GROUP



20401

S Avalon Boulevard

Carson, CA 90746

INVESTOR, OWNER/USER, OR REDEVELOPMENT OPPORTUNITY
LOCATED DIRECTLY OFF THE 405 IN THE HEART OF CARSON

5,382 SF RETAIL | 20,138 SF LAND | ZONED CACR&D*

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EXECUTIVE SUMMARY

01

The Neema Group of Marcus & Millichap is pleased to present 20401 S Avalon Boulevard, Carson, CA 90746. Built in 1978 this property is an ideal investment, owner/user, or redevelopment opportunity and is located directly off the 405 freeway with easy access from the Avalon Boulevard exit. The subject property consists of a 5,382 SF retail building, currently subdivided into 3 units, and is located on a large 20,138 SF lot zoned CACR&D*.

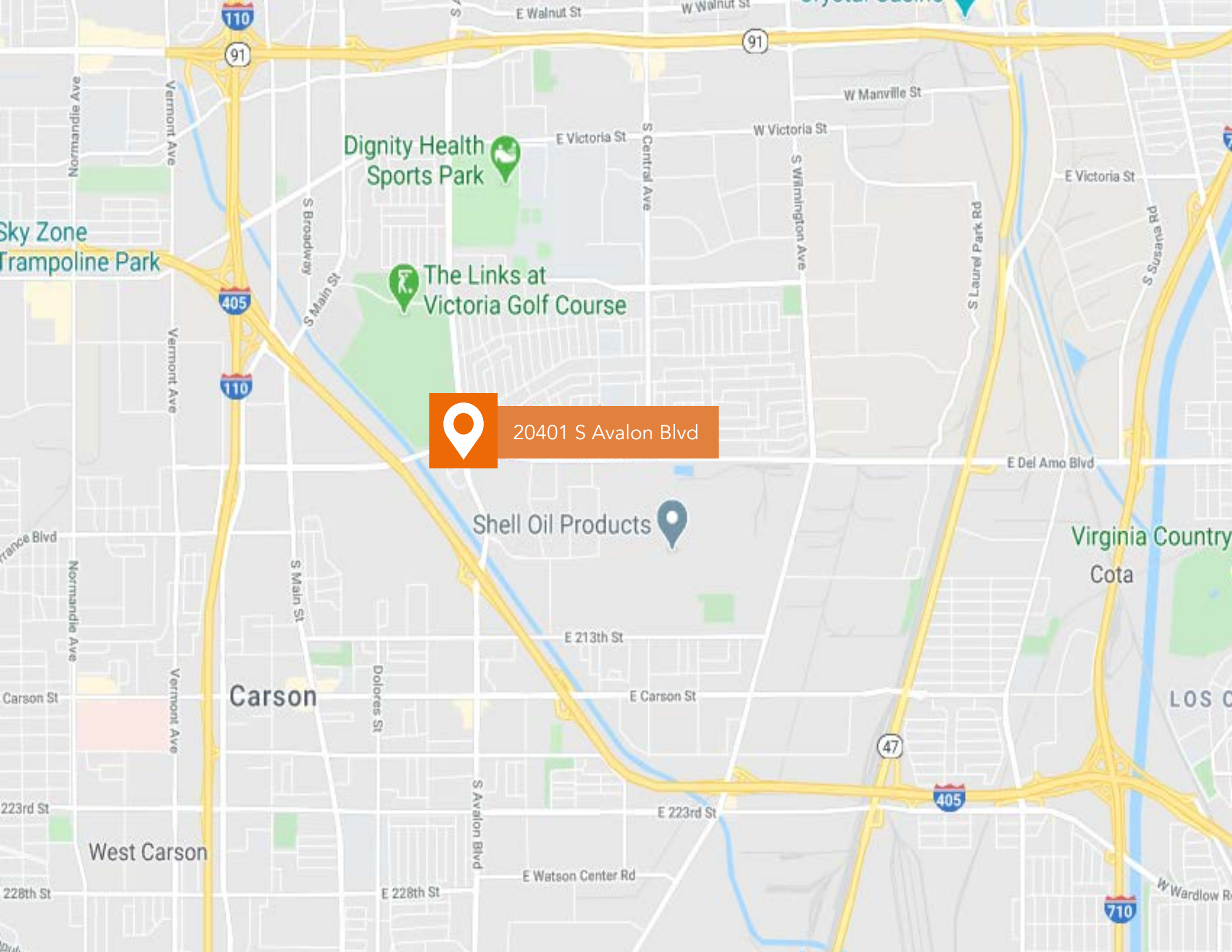
This offering presents the investor an opportunity to acquire an asset with an in-place cash-flow of 4.89% with the upside potential to achieve a 6.32% pro forma CAP rate when market rents are achieved.

The property is currently 100% occupied with one short term lease expiring 6/30/2021 (1,660 SF), one month-to-month lease (2,350 SF) and one tenant who just exercised their five year option to extend. This presents an owner/user the ability to occupy over 50% of the building immediately. The landlord will have minimal operating expenses as the current tenants pay approximately \$0.43 per SF monthly in CAM reimbursement.

Located on the hard corner of Avalon and Carson Plaza Court with over 30,500 cars per day – located right across the street from the South Bay pavilion that includes Ikea, Sears, JC Penny, and a newly constructed Target.

The South Bay submarket continues to be one of the strongest centers of office, industrial and retail locations in all of Los Angeles. The subject property sits less than 2 miles from the new 53 acre Porsche Experience Center. Furthermore, the city plans to partner with private investors to develop a new regional center on 147 acres off of the 405 Freeway. With continued development, numerous job opportunities in the office, retail and industrial sectors and densely populated residential community, the city of Carson is projected to increase growth tremendously as a premier South Bay location.





INVESTMENT HIGHLIGHTS

02

» 20401 S Avalon Boulevard is an ideal investment, owner-user, or redevelopment opportunity located directly off the 405 freeway with easy access from the Avalon Boulevard exit	» The property is currently 100% occupied with one short term lease expiring 6/30/2021 (1,660 SF), one month-to-month lease (2,350 SF) and one tenant who just exercised their five year option to extend. This presents an owner/user the ability to occupy over 50% of the building immediately.
» The subject property, built in 1978, consists of a 5,382 SF retail building subdivided into 3 units and is located on a large 20,138 SF zoned CACR&D*	» Located on the hard corner of Avalon and Carson Plaza Court with over 30,500 cars per day – located right across the street from the South Bay pavilion that includes Ikea, Sears, JC Penny, and Target
» Low asking price of \$124 per SF on land	
» Immediate upside in rents with in-place cash-flow of 4.89% with the upside potential to achieve a 6.32% pro forma CAP	
» The landlord will have minimal operating expenses as the current tenants pay approximately \$0.43 per SF monthtly in CAM reimbursement.	

20,138
LOT SF

25,832
BLDG SF

Zoning
CACR&D



20401 S Avalon Boulevard

APN	7339-018-034
Zoning	CACR&D*
Year Built	1978
Gross Square Feet	5,382 SF
Lot Size	20,138 SF
Type of Ownership	Fee Simple

Construction

Foundation	Concrete
Framing	Wood Frame
Exterior	Stucco
Roof	Flat

Pricing

Asking Price	\$2,500,000
Price per SF	\$465
Price per SF Land	\$124
Current CAP	4.89%
Market CAP	6.32%

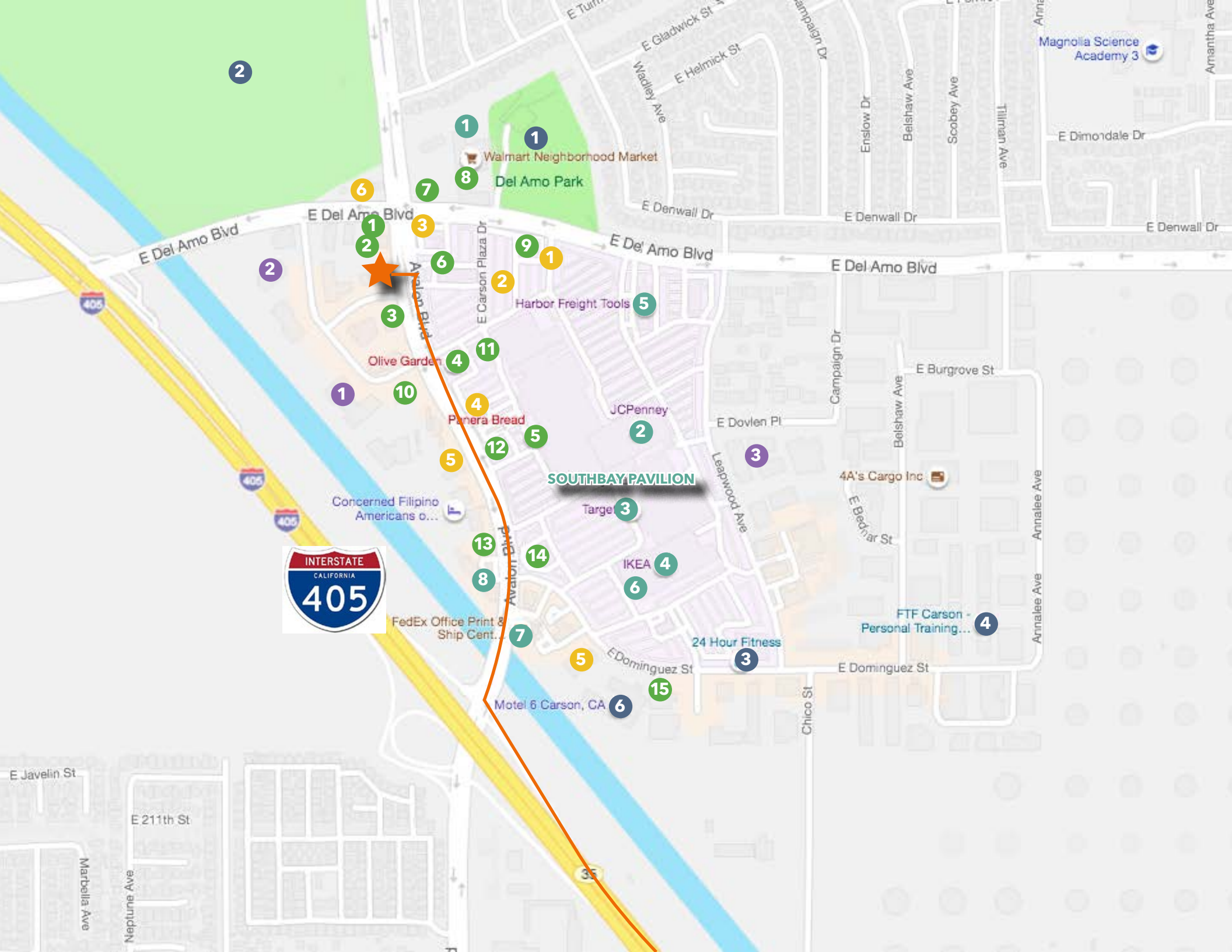
AREA OVERVIEW

CARSON

Carson is in the South Bay's "Golden Triangle" of trade, an area bounded by LAX, the Twin Ports of Long Beach and Los Angeles, and the Alameda Corridor. Carson is bordered by the city of Long Beach on the east, and the city of Torrance on the west. California's famous coastline and beaches are about 6 miles to the west of Carson. Carson is served by 3 different freeways: The Harbor (110) Freeway (which runs between the Los Angeles Harbor and Downtown L.A.) the San Diego (405) Freeway (which runs from Orange County up through the San Fernando Valley), and the Artesia (91) Freeway (which runs from Redondo Beach east to Riverside County).

Nearby, the South Bay Pavilion is an 800,000-square foot shopping mall anchored by Ikea, Sears, JC Penny, and a newly constructed Target. The center is also conveniently adjacent to the San Diego 405 freeway providing excellent exposure, access, and visibility. Avalon Boulevard is a highly traveled street that routes traffic from the 405 freeway to the South Bay Pavilion, Home Depot Center and California State University Dominguez Hills (approximately 13,000 students and 978 facility members). Avalon Boulevard eventually connects to the 91 freeway two miles to the north. The average daily traffic count on Avalon Boulevard is 36,768 cars per day and this number increases two fold for Home Depot Center events. The traffic counts exceed 500,000 per day on the 405 freeway.





Location

20401 S Avalon Boulevard's Location offers its residents access to a wide variety of everyday local amenities. Notble attractions are listed below and highlighted on the map on the previous page.

Direct access from the 405 Freeway! Surrounded by premiere retail, office, and industrial buildings

30,500 Cars per Day

RESTAURANTS & CAFES

1. Mcdonald's
2. Pizza Hut
3. Jack in the Box
4. Olive Garden
5. Panera Bread
6. Chipotle
7. Starbucks
8. Subway
9. Buffalo Wild Wings
10. Denny's
11. Five Guys
12. Tony Roma's
13. Sizzler
14. Chili's
15. Carson Buffet

SHOPPING

1. Walmart Neighborhood Market
2. JCPenney
3. Target
4. IKEA
5. Harbor Freight Tools
6. T-Mobile
7. FedEx Office Print & Ship Center
8. Sprint Store

PARKS AND RECREATION

1. Del Amo Park
2. The Links at Victoria Golf Course
3. 24 Hour Fitness
4. FTF Carson - Personal Training
5. Motel 6 Carson

OFFICE BUILDINGS

1. Carson Plaza Office Park
91,942 SF
2. Avalon Plaza
97,688 SF
3. PS Business Parks
~ 80,000 SF Warehouse
& Office

OTHER AMENITIES

1. Bank of America
2. USPS
3. Chevron
4. Chase Bank
5. Firestone Complete Auto Care
6. Pep Boys
7. Carson Mobil

RENT ROLL

#	Unit Type	Approx SF	Current Avg Monthly Rent/SF	Monthly Income	Market Avg Monthly Rent/SF	Monthly Income	Notes
1	Dentist	1,440	\$2.75	\$3,961	\$2.85	\$4,104	Leased until 1/31/2021, exercised option for five years, rent should be \$4,185 but no increase due to covid
2	Medical Office A	1,660	\$2.15	\$3,573	\$2.80	\$4,648	Expiration of June 30, 2021, most likely not renewing, open to breaking the lease
3	Medical Office B	2,350	\$1.71	\$4,024	\$2.25	\$5,288	Month-to-Month, 3% Increase every January
Total Scheduled Rent				\$11,558		\$14,040	

	Cam Charges	Pro Forma	
Dentist	\$800	\$1,055	
Medical Office A	\$800	\$1,121	
Medical Office B	\$750	\$1,121	(\$500 per month plus estimated \$3,500 at the end of each year currently)
CAM Monthly Total	\$2,350	\$3,297	
Monthly Gross Income	\$13,908	\$17,337	
Annual Scheduled Gross Income:	\$166,896	\$208,038	



FINANCIALS

	CURRENT RENTS		MARKET RENTS	
Scheduled Gross Income:	\$166,896		\$208,038	
Less Vacancy Rate Reserve:	\$(5,007)	3.0%	\$(10,402)	5.0%
Gross Operating Income:	\$161,889		\$197,636	
Less Expenses:	\$(39,564)	23.7%	\$(39,564)	19.0%
Net Operating Income:	\$122,325		\$158,072	
Reserves:	\$600		\$600	
Less Debt Service:	\$(88,549)		\$(88,549)	
Pre-Tax Cash Flow:	\$34,376	3.4%	\$70,123	7.0%
Plus Principal Reduction:	\$25,647		\$25,647	
Total Return Before Taxes:	\$60,023	6.0%	\$95,770	9.6%

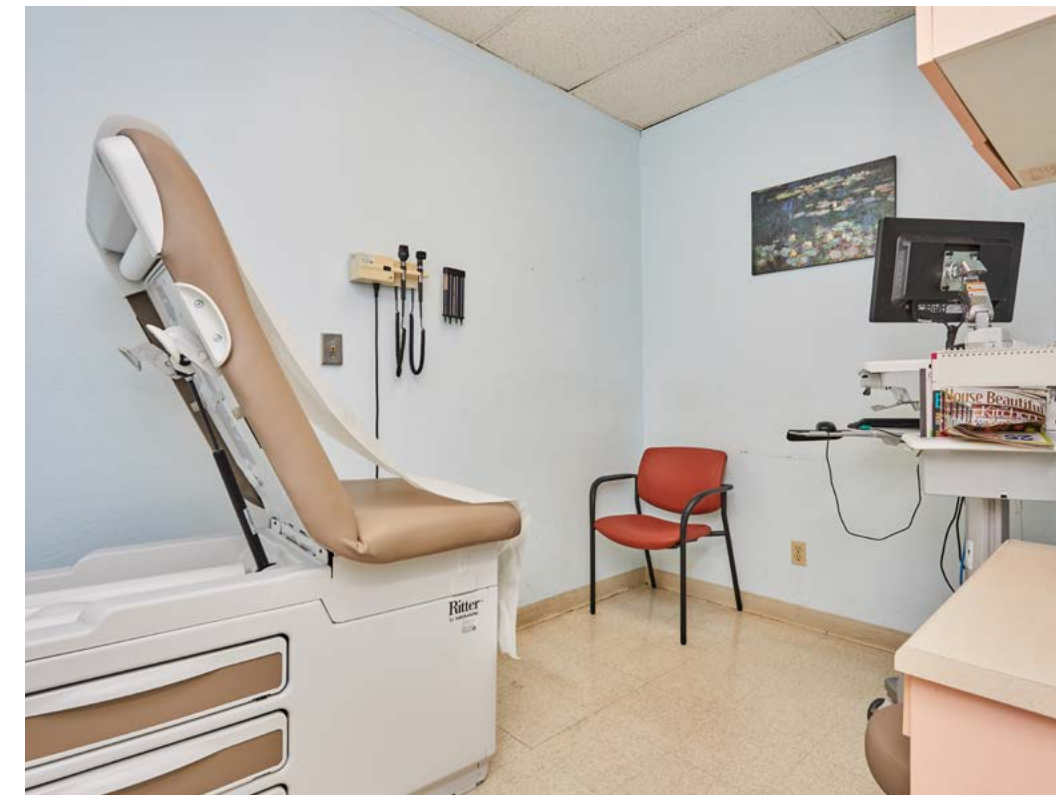
EXPENSES	%	CURRENT	PROFORMA
Taxes	1.16%	\$29,000	\$29,000
Insurance		\$1,726	\$1,726
Utilities		\$2,061	\$2,061
Repairs & Maintenance		\$2,300	\$2,300
Landscaping		\$2,080	\$2,080
City Licensing Fee		\$180	\$180
Waste Removal		\$1,902	\$1,902
Pest Control		\$315	\$315
Total Expenses:		\$39,564	\$39,564
Per Net Sq. Ft.:		\$7.35	\$7.35
Per Unit:		\$13,188	\$13,188

PRICING

Price:		\$2,500,000
Down Payment:	35%	\$1,000,000
Number of Units:		3
Current CAP:		4.89%
Market CAP:		6.32%
Approx. Age:		1978
Approx. Lot Size:		20,138
Approx. Gross SF:		5,382
Cost per Net GSF:		\$465
Cost per SF Land:		\$124

NEW POTENTIAL FINANCING

New First Loan:	\$1,500,000
Interest Rate:	4.25%
Amortization:	30
Monthly Payment:	\$7,379.10
DCR:	1.38



DENTIST

MEDICAL OFFICE A

RENTAL COMPARABLES

	ADDRESS	SF	RENT PER SF	RENT	LEASE TYPE
1	1500 Crenshaw Blvd, Torrance, CA 90501	1,573	\$2.25	\$3,539	FSG
2	16020 S Western Ave, Gardena, CA 90247	1,600	\$2.50	\$4,000	MG
3	3950 Long Beach Blvd, Long Beach, CA 90807	2,053	\$2.00	\$4,106	MG
4	3838 Atlantic Ave, Long Beach, CA 90807 (Suite 2)	2,100	\$2.00	\$4,200	NNN
5	3932 Long Beach Blvd, Long Beach, CA 90807	2,569	\$2.95	\$7,579	NNN
6	3838 Atlantic Ave, Long Beach, CA 90807 (Suite 3)	2,700	\$2.75	\$7,425	NNN



MEDICAL OFFICE B



20401
Avalon Blvd

05

SALES COMPARABLES



ADDRESS	20401 S Avalon Blvd, Carson, CA 90746
SALES PRICE	\$2,500,000
BLDG SF	5,382
LOT SIZE	20,138
PRICE/SF	\$465
DATE SOLD	N/A
YEAR BUILT	1978



ADDRESS	14619-14627 S Western Ave, Gardena, CA 90249
SALES PRICE	\$3,199,000
BLDG SF	7,282
LOT SIZE	18,295
PRICE/SF	\$439
DATE SOLD	For Sale
YEAR BUILT	1956



ADDRESS	1740 W Gardena Blvd Gardena, CA 90247
SALES PRICE	\$1,250,000
BLDG SF	2,294
LOT SIZE	7,405
PRICE/SF	\$545
DATE SOLD	4/6/20
YEAR BUILT	1961

03



ADDRESS 1201 W 190th St
Gardena, CA 90248

SALES PRICE \$4,250,000

BLDG SF 9,493

LOT SIZE 38,951

PRICE/SF \$448

DATE SOLD 1/14/20

YEAR BUILT 1985

04



ADDRESS 17519-17521
Crenshaw Blvd
Torrance, CA 90504

SALES PRICE \$825,000

BLDG SF 1,800

LOT SIZE 6,098

PRICE/SF \$458

DATE SOLD 1/2/20

YEAR BUILT 1960

05



ADDRESS 920 E Wardlow Rd
Long Beach, CA 90807

SALES PRICE \$1,460,000

BLDG SF 2,593

LOT SIZE 9,139

PRICE/SF \$563

DATE SOLD 9/11/19

YEAR BUILT 1949

06



ADDRESS 16502 S Main St
Main & Gardena Plaza
Gardena, CA 90248

SALES PRICE \$2,353,000

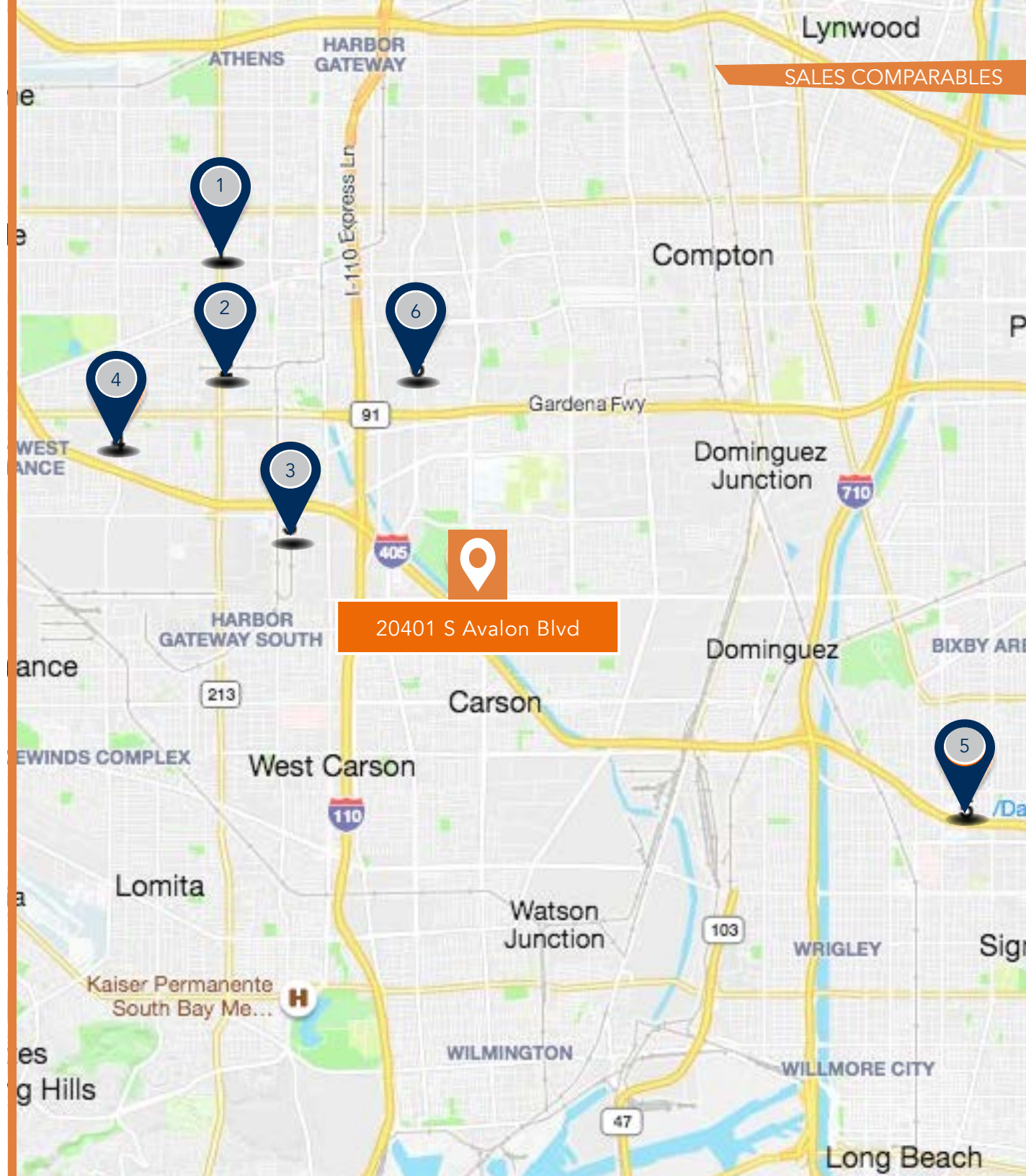
BLDG SF 4,810

LOT SIZE 15,085

PRICE/SF \$489

DATE SOLD 2/25/19

YEAR BUILT 1993





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Los Angeles Multifamily Brokerage & Advisory Services

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EXCLUSIVELY LISTED BY

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