



16935
VANOWEN STREET
VAN NUYS, CA 91406

Fully Occupied Retail Strip Center Totaling 16,374 SF in the Lake Balboa Neighborhood of Van Nuys

Long-Term Development Potential; 26,552 SF Lot Zoned C2-1VL

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Van Nuys
San Fernando Valley

EXECUTIVE SUMMARY

16935 Vanowen Street, Van Nuys

16935 Vanowen Street is a fully occupied retail strip center located between Balboa Blvd and Amestoy Ave in the Lake Balboa neighborhood of Van Nuys. This is a central location providing easy access to education, restaurants, shops, outdoor recreation, Van Nuys Airport, and I-405.

Built in 1984, the subject property consists of 16,374 SF occupied by 12 long-time tenants with the majority on NNN leases. Tenants have rent increases throughout the lease term and option periods to hedge against inflation. The building is suitable for a wide variety of uses with spaces ranging from 800-3,508 SF. There is also a total of 36 parking spaces.

There is a steady in-place cash flow with a current CAP rate of 4.83% with an additional rental upside of over 34%. Multiple tenants currently have short term leases at below market rents, offering an investor the opportunity to capture the upside efficiently. The property is being offered at \$321 price per square foot.

There is also strong future development potential with a large 26,552 SF lot zoned C2-1VL; with the ability to build up to 66 units-by-right and up to 91 units with an affordable component by utilizing the California density increase.

The property is centrally located in Lake Balboa and is very walkable with a walkscore of 79. It is located directly across the street from Mulholland Middle School, Valley Alternative School, Daniel Pearl Magnet High School, and two miles from Van Nuys Airport. The location boasts numerous national tenants nearby including Del Taco, McDonald's, Subway, GameStop, Jack in the Box, 7-Eleven, Arco, Sizzler, and In-N-Out. Lake Balboa/Anthony C Beilenson Park is located a half mile south, complete with the lake, golf courses, bike rentals, sports complex, Japanese garden, and wildlife reserve.



Property Information

ADDRESS	16935 Vanowen Street, Van Nuys
NO. OF TENANTS	12
APPROX. GROSS SF	16,374 SF
APPROX. LOT SIZE	26,552 SF
YEAR BUILT	1984
APN	2230-009-032
ZONING	C2-1VL

Pricing Information

SALES PRICE	\$5,250,000
CURRENT CAP RATE	4.83%
MARKET CAP RATE	7.01%
PRICE PER SF	\$321

INVESTMENT HIGHLIGHTS

- ✦ Highly visible retail strip center located between Balboa Blvd and Amestoy Ave in the Lake Balboa neighborhood of Van Nuys. A central location providing easy access to education, restaurants, shops, outdoor recreation, Van Nuys Airport, and I-405.
- ✦ Built in 1984, the subject property consists of 16,374 SF occupied by 12 long-time tenants with the majority on NNN leases. Tenants have rent increases throughout the lease term and option periods to hedge against inflation. The building is suitable for a wide variety of uses with spaces ranging from 800-3,508 SF. There is also a total of 36 parking spaces.
- ✦ Steady in-place cash flow with a current CAP rate of 4.83% with an additional rental upside of over 34%. The property is being offered at \$321 price per square foot.
- ✦ The property is centrally located in Lake Balboa and is very walkable with a walkscore of 79. It is located directly across the street from Mulholland Middle School, Valley Alternative School, Daniel Pearl Magnet High School, and two miles from Van Nuys Airport.
- ✦ The location boasts numerous national tenants nearby including Del Taco, McDonald's, Subway, GameStop, Jack in the Box, 7-Eleven, Arco, Sizzler, and In-N-Out. Lake Balboa/Anthony C Beilenson Park is located a half mile south, complete with the lake, golf courses, bike rentals, sports complex, japanese garden, and wildlife reserve.





12

Tenants

16,374

Bldg SF

4.83%

Current CAP

7.01%

Market CAP





VAN NUYS
AIRPORT

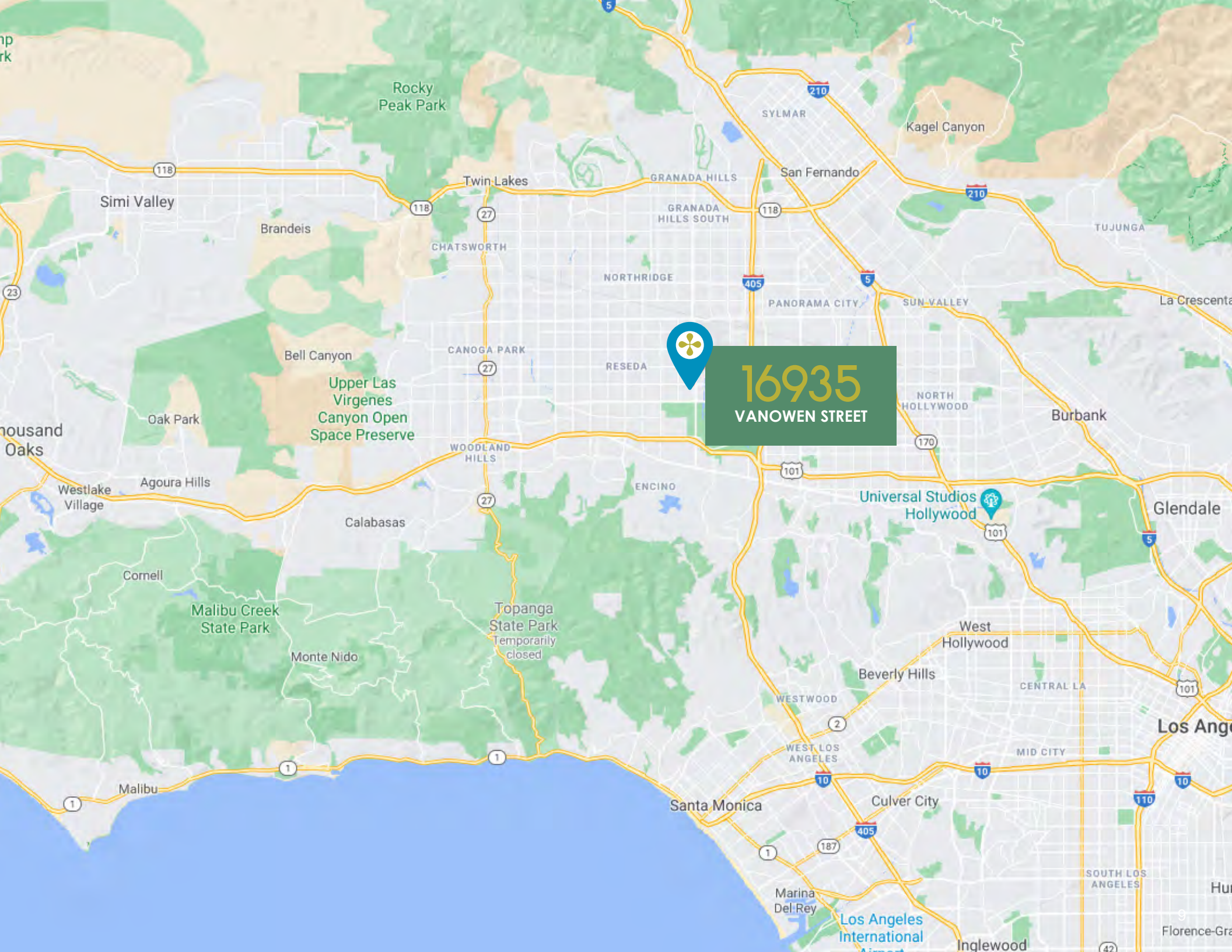


BALBOA BLVD

LAKE BALBOA
COLLEGE
PREPARATORY
MAGNET K-12

VANOWEN STREET

16935
VANOWEN STREET



16935
VANOWEN STREET

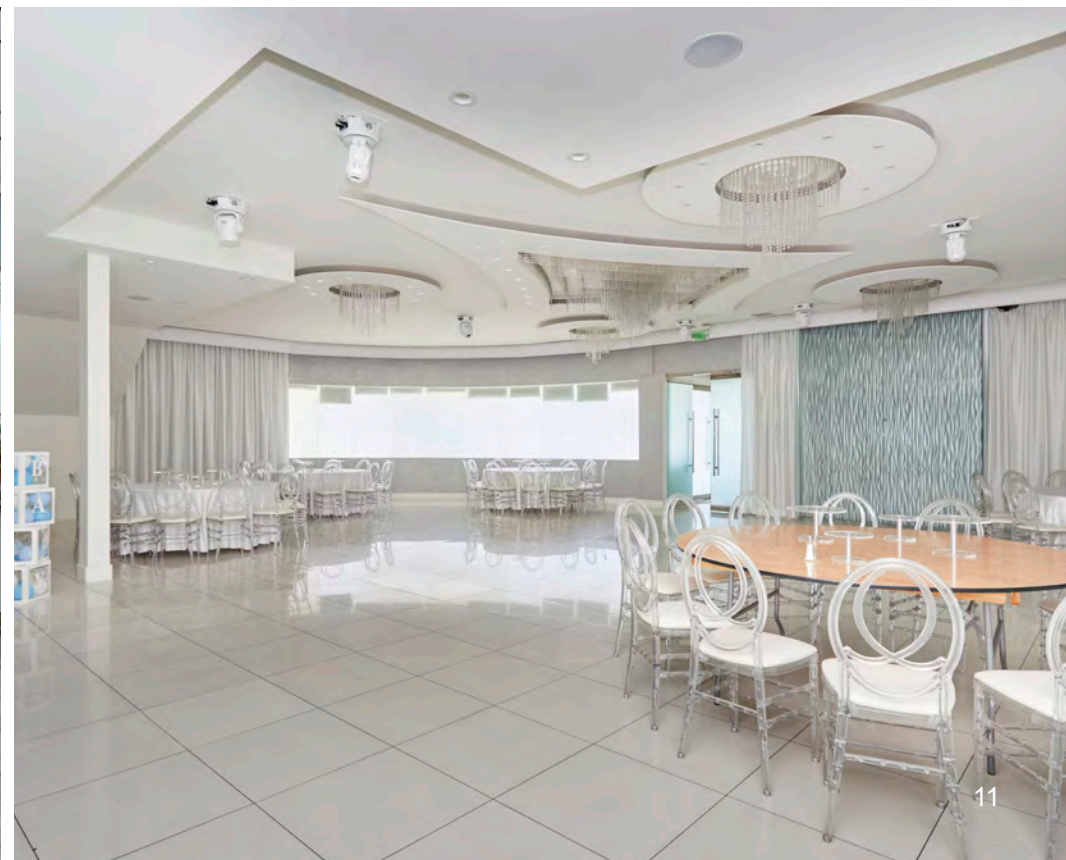
LEMAY
ELEMENTARY
SCHOOL

MUHOLLAND
MIDDLE
SCHOOL

LAKE BALBOA
COLLEGE
PREPARATORY
MAGNET K-12

VANOWEN STREET

16935
VANOWEN STREET



RENT ROLL

Unit	Tenant	SF	% of Total	Lease Start	Lease End	Base Rent PSF	Mthly Base Rent as of 06/2021	Mthly NNN's	Mthly Rent + Exp. Reimb	Mrkt Rent	Mrkt Rent Mthly	Next Rent Increase	Rent Increase Amount		Lease Type	Option
Unit A	Dentist	800	5%	6/1/2007	5/31/2022	\$1.97	\$1,576	\$440	\$2,016	\$2.60	\$2,080	6/1/2021	Prior year's rent plus CPI not less than 3% plus NNN		NNN	(3) 5Yr options
Unit B	Beauty Salon	800	5%	1/1/2018	12/31/2025	\$1.97	\$1,574	\$448	\$2,022	\$2.60	\$2,080	1/1/2022	Prior year's rent plus CPI not less than 3% plus NNN		NNN	(1) 5Yr option
Unit C	Thai Massage Therapy	800	5%	12/23/2009	12/31/2021	\$2.44	\$1,955	-	\$1,955	\$2.60	\$2,080	-	Prior year's rent plus CPI not less than 3% plus NNN		NNN	None
Unit D & E	Podiatric Care/ Healthcare Management	1,600	11%	3/15/2011	2/28/2022	\$2.13	\$3,400	-	\$3,400	\$2.40	\$3,840	-	-		NNN	None
Unit F	Duckyard Coffee	800	5%	3/2/2018	2/28/2022	\$1.95	\$1,560	\$448	\$2,008	\$2.60	\$2,080	-	Prior year's rent plus CPI not less than 3% plus NNN		NNN	None
Unit G & H	Mirage Banquet Hall	3,508	23%	4/1/2013	3/31/2023	\$1.60	\$5,610	\$1,925	\$7,535	\$2.15	\$7,542	4/1/2023	Prior year's rent plus CPI not less than 3% plus NNN		NNN	(1) 10Yr option
Unit J	Farmers Insurance	800	5%	9/6/2019	8/31/2024	\$2.13	\$1,700	\$440	\$2,140	\$2.60	\$2,080	9/1/2021	Fixed Rental Adj. 9/1/21 \$1803.53 9/1/22 \$1857.64 9/1/23 \$1913.36 9/1/24 \$1970.77 9/1/25 \$2029.89 9/1/26 \$2090.79 9/1/27 \$2153.51 9/1/28 \$2218.11		NNN	(1) 5Yr option

Unit	Tenant	SF	% of Total	Lease Start	Lease End	Base Rent PSF	Mthly Base Rent as of 06/2021	Mthly NNN's	Mthly Rent + Exp. Reimb	Mrkt Rent	Mrkt Rent Mthly	Next Rent Increase	Rent Increase Amount		Lease Type	Option
Unit K	Tikka Chicken	950	6%	4/1/2008	3/31/2023	\$1.86	\$1,768	\$494	\$2,262	\$2.55	\$2,423	4/1/2022	Fixed Annual with NNN increase not to exceed 5% cumulatively: 4/1/21 \$1875.56 4/1/22 \$1931.83		NNN	None
Unit L	KoKo's	1,500	10%	1/15/2009	2/1/2024	\$2.40	\$3,607	\$825	\$4,432	\$2.40	\$3,600	3/1/2022	Annual Base Rent Increase of 5% initially. 3rd Amendment to Lease: Prior year's rent plus CPI not less that 3% plus NNN		NNN	(1) 5Yr option
Unit 202, 203 & 204	General Office	2,000	13%	6/1/2019	6/30/2021	\$1.07	\$2,138	-	\$2,138	\$2.25	\$4,500	-	Fair market value, but not less that prior month rent plus CPI - Annual increases per COLA in Lease (CPI).		NNN	None
Unit 205	Marketing	800	5%	1/1/2020	1/31/2023	\$1.80	\$1,442	-	\$1,442	\$2.60	\$2,080	1/1/2022	Rent to increase by 3% on anniversary date through initial term/all extensions. Fixed Rental Adj. 1/1/22 \$1485.26		NNN	(1) 3Yr option with Market Rental Value Adjustment 1/1/2023
Unit 206	Patty Cosmetic Center, LLC Office Space / Skin Care	800	5%	4/1/2017	3/31/2021 / 2/8/2022	\$1.78	\$1,425	-	\$1,425	\$2.60	\$2,080	-	-		NNN	None
Total		15,158	100%			\$1.83	\$27,756	\$5,020	\$32,776		\$36,465					
						Annual	\$333,069	\$60,240	\$393,309		\$437,576					

FINANCIALS

Annualized Operating Data	Current Rents		ProForma Rents	
Scheduled Gross Income:	393,309		528,776	
Less Vacancy Rate Reserve:	(19,665)	5.0%	(37,014)	7.0%
Gross Operating Income:	373,644		491,762	
Less Expenses:	(120,086)	30.5%	(123,630)	23.4%
Net Operating Income:	253,558		368,132	
Reserves:	(6,000)		(6,000)	
Less Debt Service:	(175,058)		(175,058)	
Pre-Tax Cash Flow:	72,500	3.5%	187,074	8.9%
Plus Principal Reduction:	58,551		58,551	
Total Return Before Taxes:	131,051	6.2%	245,626	11.7%

Scheduled income		Current Rents		Market Rents	
Tenants	Size	Avg. Monthly Per SF	Monthly Income	Avg. Monthly Per SF	Monthly Income
12	800-3,508	\$1.83	\$27,756	\$2.41	\$36,465
Total Scheduled Rent			\$27,756		\$36,465
NNN Reimbursement			\$5,020		\$7,600
Monthly Scheduled Gross Income:			\$32,776		\$44,065
Annual Scheduled Gross Income:			\$393,309		\$528,776

Expenses		Current	ProForma
Taxes:	1.20%	\$63,000	\$63,000
Insurance		\$6,428	\$6,428
LADWP CAM		\$14,507	\$14,507
Management	3%	\$11,209	\$14,753
Repairs & Maintenance		\$4,850	\$4,850
Waste Removal		\$5,620	\$5,620
Landscaping		\$2,695	\$2,695
Janitorial		\$3,577	\$3,577
Pest Control		\$420	\$420
Leasing Commissions		\$2,600	\$2,600
License & Fees		\$2,600	\$2,600
Direct Assessment		\$2,580	\$2,580
Total Expenses:		\$120,086	\$123,630
Per Net Sq. Ft.:		\$7.33	\$7.55

Pricing	
Price:	\$5,250,000
Down Payment: 40%	\$2,100,000
Current CAP:	4.83%
Market CAP:	7.01%
Approx. Age:	1984
Approx. Lot Size:	26,552
Approx. Gross SF:	16,374
Cost per Net GSF:	\$321

Financing	
New First Loan:	\$3,150,000
Interest Rate:	3.75%
Amortization:	30
Monthly Payment:	\$14,588.14
DCR:	1.45

DEVELOPMENT SUMMARY

Address	16935 VANOWEN ST	
Square Feet	26,552 SF	
Total Land Value:	Price/SF:	Price Per Buildable Unit
\$5,250,000	\$198	\$57,692

Zoning	C2-1VL
Total Lot Size:	26,552
Minimum Area Per Dwelling Unit:	400
Units By Right:	66.38
California Density Increase:	35%
Total Units:	91



Sales Comparables

	Address	Sales Price	Lot Size (SF)	Price/SF Land	Closing Date
LAC4	5000 Vineland Ave	\$3,560,000	17,559	\$202.75	8/27/2020
LAC2	7052-7056 Van Nuys Blvd	\$4,620,000	24,781	\$186.43	11/13/2020
R3-1	11714 Archwood St	\$3,570,000	18,199	\$196.16	4/29/2021
LAC2	9502 Van Nuys Blvd	\$5,000,000	26,998	\$185.20	11/27/2019
LAC2	7650-7662 Van Nuys Blvd	\$5,000,000	28,750	\$173.91	1/7/2020
LAC2	11208 Burbank Blvd	\$2,150,000	10,019	\$214.59	6/28/2019



SALES COMPARABLES



Address	16935 Vanowen Street, Van Nuys
Sale Price	\$5,250,000
Price/SF	\$321
Bldg SF	16,374
Lot Size	26,552
Cap Rate	4.83%
Year Built	1984
Sale Date	-

01



Address	9346-9350 Corbin Avenue, Northridge
Sale Price	\$3,600,000
Price/SF	\$288
Bldg SF	12,500
Lot Size	23,274
Cap Rate	4.50%
Year Built	1972
Sale Date	11/6/2019

02



Address	6000-6022 Reseda Blvd, Tarzana
Sale Price	\$10,000,000
Price/SF	\$330
Bldg SF	30,255
Lot Size	69,600
Cap Rate	-
Year Built	1968
Sale Date	8/27/2020

03



Address	20021 Roscoe Blvd, Winnetka
Sale Price	\$6,950,000
Price/SF	\$393
Bldg SF	17,670
Lot Size	39,640
Cap Rate	5.92%
Year Built	1986
Sale Date	8/19/2019

04



Address	9500 Sepulveda Blvd, North Hills
Sale Price	\$9,500,000
Price/SF	\$458
Bldg SF	20,728
Lot Size	62,291
Cap Rate	5.79%
Year Built	1979
Sale Date	3/15/2021

05



Address	7650 Van Nuys Blvd, Van Nuys
Sale Price	\$5,000,000
Price/SF	\$417
Bldg SF	12,000
Lot Size	28,750
Cap Rate	-
Year Built	1965
Sale Date	1/7/2020

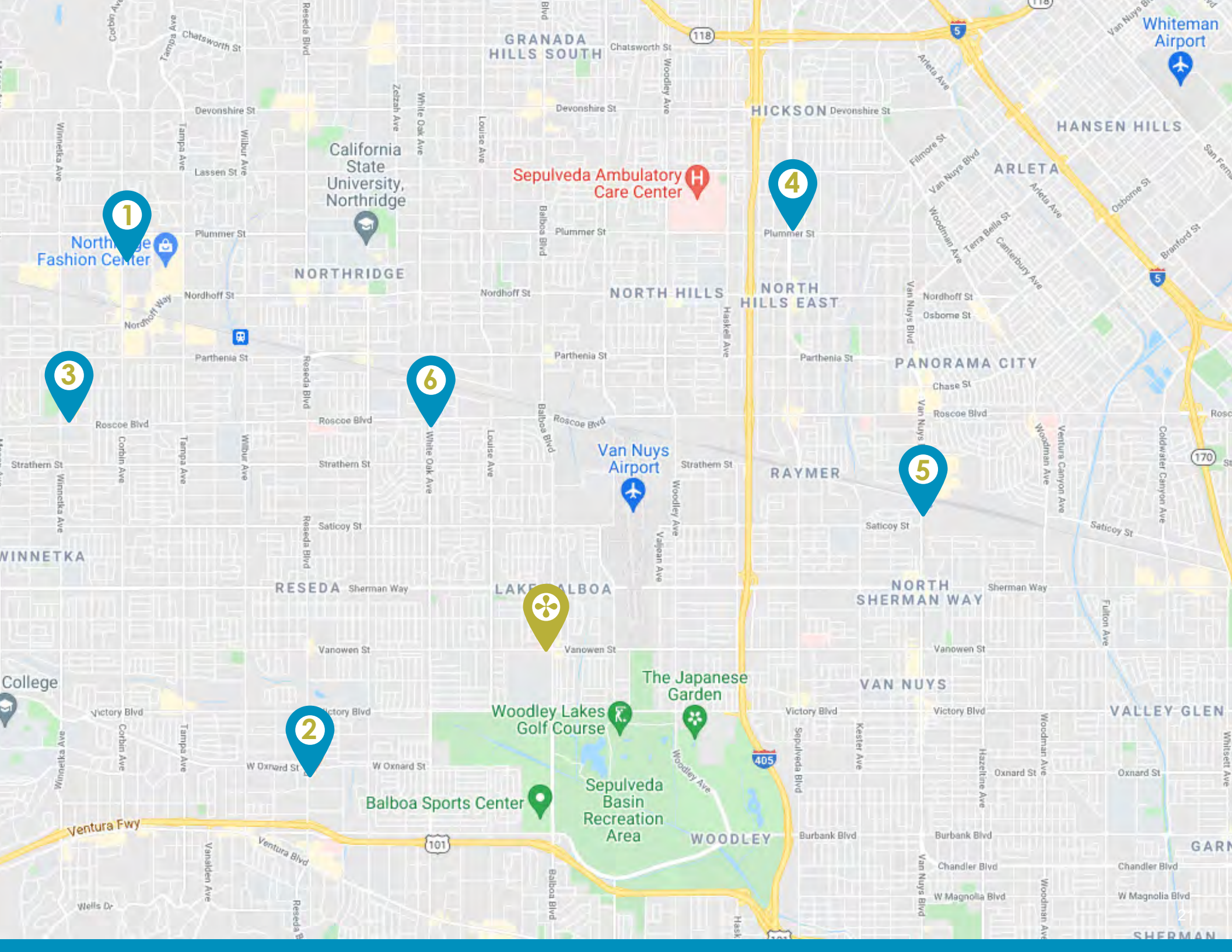


SALES COMPARABLES

06



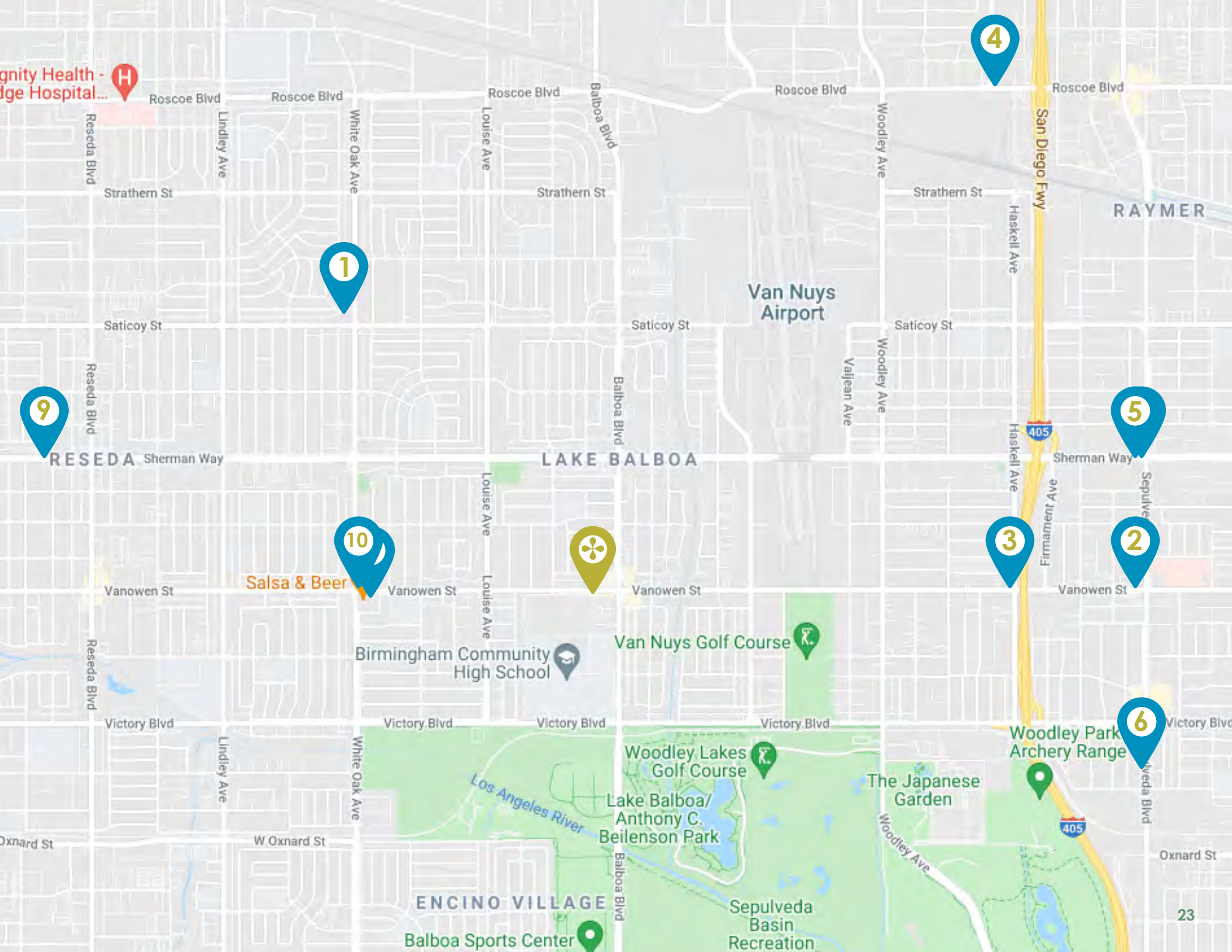
Address	8232 White Oak Avenue, Northridge
Sale Price	\$4,800,000
Price/SF	\$279
Bldg SF	17,200
Lot Size	34,412
Cap Rate	5.77%
Year Built	1954
Sale Date	8/20/2020



RENT COMPARABLES

	SF	Rent per SF	Rent	Lease Type
Subject Property - 16935 Vanowen St, Van Nuys, CA 91406	800	\$2.60	\$2,080	NNN
	1500-3508	\$2.15-\$2.40		NNN

#	Address	SF	Rent per SF	Rent	Lease Type
1	7629 White Oak Ave, Reseda, CA 91335	700	\$2.50	\$1,750	NNN
2	15317 Vanowen St, Van Nuys, CA 91406	800	\$3.00	\$2,400	MG
3	15707 Vanowen St, Van Nuys, CA 91406	700	\$2.75	\$1,925	NNN
4	15759 Roscoe Blvd, North Hills, CA 91343	900	\$2.50	\$2,250	NNN
5	15333 Sherman Way, Van Nuys, CA 91406	1,000	\$2.45	\$2,450	MG
6	6265 Sepulveda Blvd, Van Nuys, CA 91411	1,565	\$2.50	\$3,913	NNN
7	17638 Vanowen St, Van Nuys, CA 91406	1,500	\$2.50	\$3,750	NNN
8	15333 Sherman Way, Van Nuys, CA 91406	2,000	\$2.45	\$4,900	MG
9	18601 Sherman Way, Reseda, CA 91335	2,504	\$2.25	\$5,634	NNN
10	17651 Vanowen St, Van Nuys, CA 91406	3,300	\$2.09	\$6,905	MG



gnity Health -
dge Hospital...

RAYMER

Van Nuys
Airport

LAKE BALBOA

RESEDA

ENCINO VILLAGE

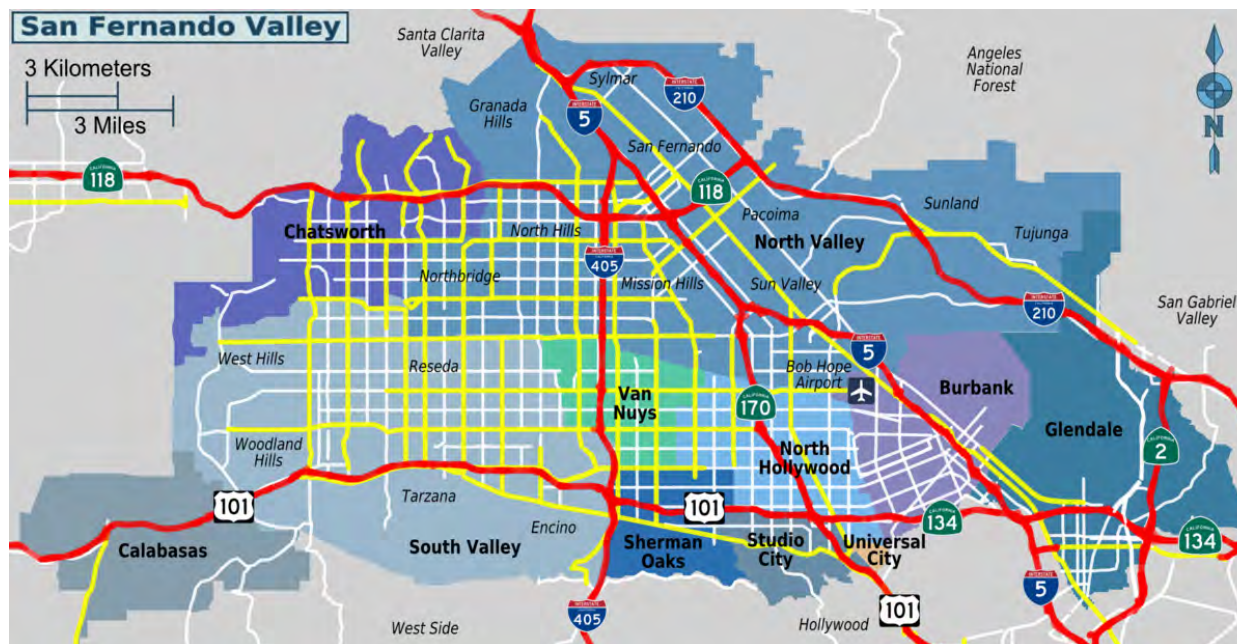
AREA OVERVIEW

San Fernando Valley

Approximately 2.5 million people reside in the San Fernando Valley, which includes the submarkets of Northridge-North-west San Fernando Valley, Van Nuys-Northeast San Fernando Valley, Woodland Hills, Burbank-Glendale-Pasadena and Sherman Oaks-North Hollywood-Encino. The area's population is expected to increase by 36,000 residents through 2023. Many people are attracted by the region's more affordable home prices.

Economy

Known for its entertainment industry, the Valley boasts more than 100 soundstages. Entertainment giants calling the Valley home include Walt Disney Co., Universal Studios, Warner Brothers, DreamWorks and Paramount Ranch. Aerospace giants Boeing and Northrop Grumman as well as 21st Century Insurance generate numerous well-paying jobs. Healthcare is also a major source of employment and providers here include Kaiser Permanente and Providence Health & Services. As a result of its large concentration of high salaries and successful companies, household incomes are above the national average.



Population and household growth will increase faster in SFV than other large metros in Southern California, generating a demand for housing, and goods and services.

Benefits of the San Fernando Valley

PROFIT-BOOSTING BUSINESS SUPPORT

The Valley gives businesses the advantage of strong strategic partners and support structures. These serve to connect businesses to the resources it needs for growth. The region is home to robust organizations which include The Valley Economic Alliance, Valley Economic Development Center, Valley Industry and Commerce Association, United States Small Business Association, United Chambers of Commerce, and many others.

NETWORK OF ILLUSTRIOUS CORPORATE HQ'S

The Valley is home to many major corporate names, and has traditionally been known as the entertainment capital of the world. They include Fortune 500 Companies such as The Walt Disney Co., Amgen Inc., Health Net Inc., and Avery Dennison Corp., as well as Fortune 1,000 Companies Tutor Perini Corp., Teledyne Technologies Inc., The Ryland Group Inc., and Public Storage.

EDUCATION CENTERS OFFER SOLID EMPLOYEE BASE

From private to public education, no other area comes close to the educational capacity of The Valley. The Greater San Fernando Valley is home to 121 accredited institutions that offer higher education degrees, and includes public and private universities, colleges, trade schools, and graduate institutions. Approximately 506,000 individuals have higher education degrees, roughly 25% of The Valley's entire population. This makes it easy for businesses to find future employees who are well-educated.

ACCESSIBLE TRANSPORTATION HUBS

The Valley makes transportation easy and accessible anchored by two major airports in the region, the world's largest general aviation airport in Van Nuys as well as Bob Hope Airport in Burbank. businesses have easy access to major airlines for business, trade, and private aircraft needs. On the ground, The Valley has commuter rail services, Surfliner trains, dedicated high-speed bus lanes, a subway, an elaborate freeway system, and will have a California High Speed Rail station, now in the planning stage.

MASSIVE ENTERTAINMENT & TOURISM CAPITAL

With an entertainment industry known around the world that is constantly bringing in new people and major new investors, there is no better market for getting creative talent for businesses. Tourism is constantly growing here, with over 42 million overnight and day visitors to the region annually as well as over \$18.4 billion spent by these visitors.





Van Nuys

Ideally located in the heart of the San Fernando Valley, Lake Balboa / Van Nuys is home to one of the most dense and diverse populations in the region. Van Nuys is one of the fastest growing cities in Los Angeles with a projected population growth of over 4% by 2022. Boasting a population more than 110,000 it is already one of the densest cities in LA County.

Home to a large range of employers, Van Nuys borders other large cities such as Sherman Oaks, North Hollywood, and Reseda it provides for a wide customer draw. Van Nuys Airport contributes more than \$2 billion each year to the Southern California economy through creating jobs, promoting businesses, and providing critical general aviation and emergency services. There are more than 100 businesses located at VNY, including four major fixed-base operators (FBOs): Castle & Cooke Aviation, Clay Lacy Aviation, Jet Aviation, and Signature Aviation.

Van Nuys Airport

Van Nuys Airport is one of the busiest general aviation airports in the world. With two parallel runways, Van Nuys Airport had over 220,000 takeoffs and landings in 2016. The airport is home to the Van Nuys FlyAway Bus service, which runs nonstop buses to Los Angeles International Airport for travelers that park their cars at Van Nuys. Many news, medical transport, and tour helicopters from the Los Angeles area are based at Van Nuys Airport. The Los Angeles City Fire Department operates its Air Operations Unit at Van Nuys Airport.

Van Nuys is the only community in the San Fernando Valley with a population exceeding 100,000 residents.

DEMOGRAPHICS

Population	1 mile	3 mile	5 mile
2026 Projection	20,022	256,599	686,732
2021 Estimate	20,024	255,502	685,197
2010 Census	18,976	236,106	640,637
Growth 2021 - 2026	-0.01%	0.43%	0.22%
Growth 2010 - 2021	5.52%	8.21%	6.96%

Households	1 mile	3 mile	5 mile
2026 Projection	6,711	87,032	225,233
2021 Estimate	6,731	86,896	225,351
2010 Census	6,472	81,547	213,962
Growth 2021 - 2026	-0.30%	0.16%	-0.05%
Growth 2010 - 2021	4.00%	6.56%	5.32%

Households by Income	1 mile		3 mile		5 mile	
2021 Households by HH Income	6,732		86,896		225,350	
<\$25,000	875	13%	15,259	18%	38,671	17%
\$25,000 - \$50,000	1,285	19%	17,472	20%	42,496	19%
\$50,000 - \$75,000	857	13%	15,587	18%	37,900	17%
\$75,000 - \$100,000	911	14%	10,279	12%	26,785	12%
\$100,000 - \$125,000	834	12%	8,887	10%	22,611	10%
\$125,000 - \$150,000	592	9%	5,581	6%	14,908	7%
\$150,000 - \$200,000	831	12%	6,799	8%	18,826	8%
\$200,000+	547	8%	7,032	8%	23,153	10%
2021 Avg Household Income	\$101,752		\$90,676		\$97,209	
2021 Med Household Income"	\$84,577		\$66,984		\$70,746"	



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