

# PRIME HOLLYWOOD RETAIL

1612 N. CAHUENGA BOULEVARD :: LOS ANGELES, CA 90028



**EXCLUSIVELY LISTED:**

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Located in the heart of Hollywood known as the Cahuenga Corridor, 1612 N Cahuenga Boulevard is situated just south of Hollywood Boulevard and just north of Selma Avenue - situated just east of the newly built "Dream" boutique hotel and Tao restaurant with excellent 101 freeway access from Cahuenga Boulevard.



HOLLYWOOD



US ROUTE 101 

OUTPOST THE ROOM RELOAD



BEAUTY & Essex.  
HOTEL CAFE Luchini AVENUE

DREAM  
LOS ANGELES | HOLLYWOOD

TAO

C

BURGUNDY ROOM  
COMMISSION  
NO FILTER

CAHUENGA BLVD

the room  
SUBJECT

Triangle Square Apartments

IVAR AVENUE  
Sound FACTORY

the room  
GALLERY

HOLLYWOOD BLUE CRAWL  
ST FELIX  
CAFFÉ ETC  
POWDER ROOM

SELMA AVE



TRAVELING PICTURE SHOW  
COMPANY

stout





**SUBJECT**

**CAHUENGA BOULEVARD**

An aerial, high-angle photograph of a city skyline, likely Los Angeles, showing a dense urban landscape with various buildings, streets, and a prominent tall skyscraper on the left. The image is semi-transparent, serving as a background for the text.

# EXECUTIVE SUMMARY

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## EXECUTIVE SUMMARY

**R**are value add opportunity in the heart of Hollywood. Over 35% upside potential with two below market month to month tenants. The property consists of 7,200 SF of building. The three retail tenants include; the well-known La Velvet Margarita Cantina, True Tattoo, and a Smoke Shop. La Velvet Margarita Cantina has been located there for over a decade and has been featured on the LA weekly paper.

The bar is permitted with multiple liquor licenses and is authorized to be open until 4:00 AM, it also has city approval for alcohol sales in the rear of the property. True Tattoo is popular due to their show and filming - being one of the limited permitted tattoo shops in Hollywood. The third unit is leased by a Smoke Shop. The Smoke Shop and Tattoo Shop are both on month-to-month leases, well below market rents.

## INVESTMENT HIGHLIGHTS

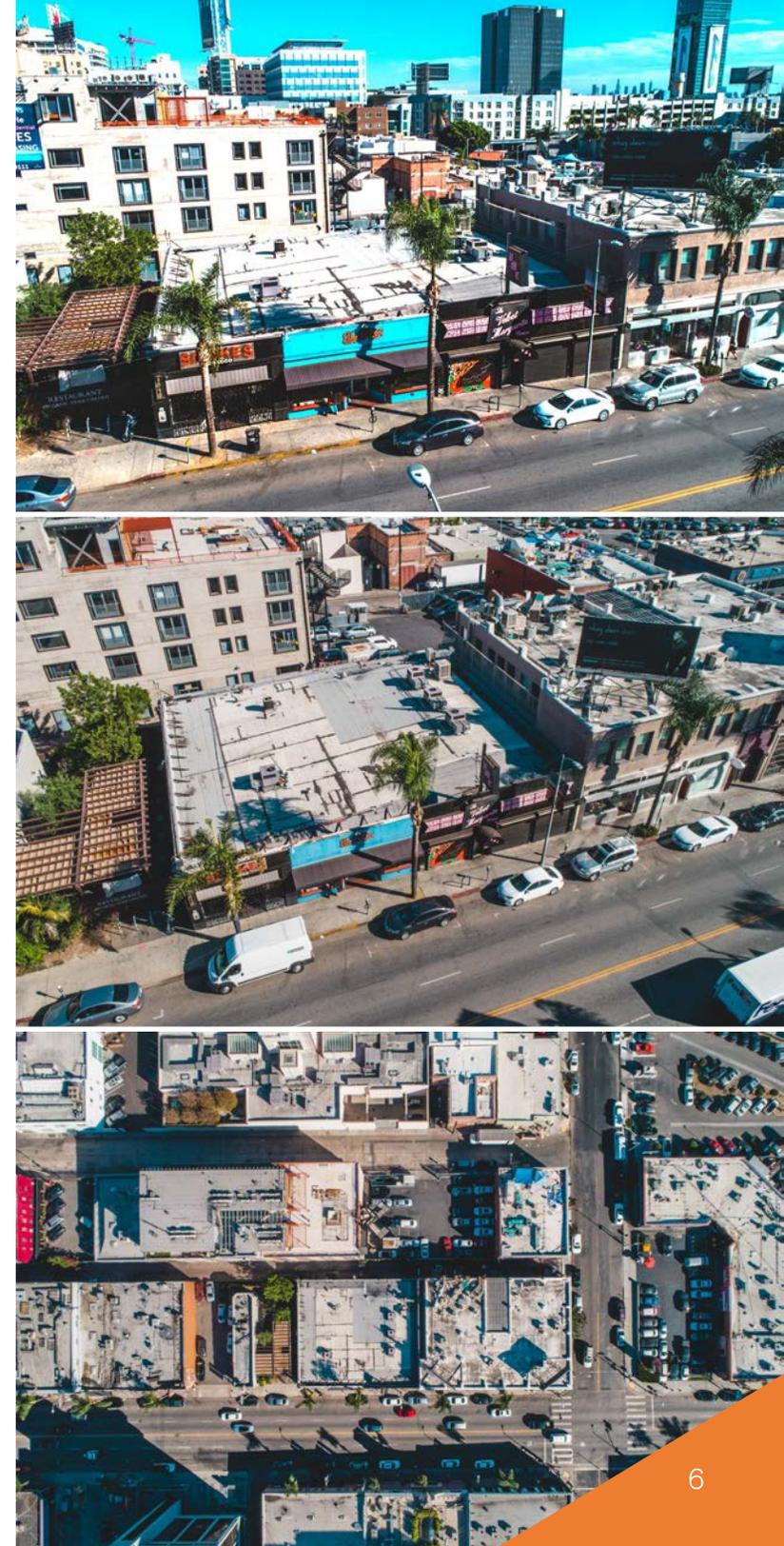
- ▶ *Over 35% Upside in Rents*
- ▶ *Month to Month Leases ( 2 Tenants )*
- ▶ *New Sale Lease Back Between Tenant and Owner For \$25,000 Per Month 5 Years with 5 Year Option - 3% Annual Increases*
- ▶ *Multiple Liquor Licenses for La Velvet Margarita*
- ▶ *Prime Cahuenga Corridor Location*

### PRICING

Price	\$6,500,000	
Price/SF	\$902.78	
Cap	4.53%	6.27%
	<i>Current</i>	<i>Market</i>

### FINANCING

Down	50%	\$3,250,000
Ammort Years	4.50%	25
Payments		\$16,675



# PRIME HOLLYWOOD RETAIL

## FINANCIAL ANALYSIS

1612 N. CAHUENGA BOULEVARD :: LOS ANGELES, CA 90028

PRICING			FINANCING			THE ASSET	
Price		\$6,500,000	Down	50%	\$3,250,000	Units	3
Price/SF		\$902.78	Ammort Years	4.50%	25	Gross SF	7,200
Cap	4.53%	6.27%	Payments		\$16,675	APN	5546-008-008
	<i>Current</i>	<i>Pro Forma</i>					

### MONTHLY RENT SCHEDULE

# of Units	Type	Estimated SF	Avg. Current	Rent/SF	Current Total	Pro Forma	Rent/SF	Pro Forma Total
1	Retail	3,346	\$25,000	\$7.47	\$25,000	\$25,000	\$7.47	\$25,000
1	Retail	2,277	\$4,500	\$1.98	\$4,500	\$10,816	\$4.75	\$10,816
1	Retail	1,577	\$4,120	\$2.61	\$4,120	\$7,491	\$4.75	\$7,491
					\$33,620			\$43,307

ANNUALIZED INCOME		Current	Pro Forma
Gross Potential Rent		\$403,440	\$519,684
Less Vacancy	3%	(\$12,103)	3% (\$15,591)
Scheduled Gross Income		\$391,337	\$504,093

ANNUALIZED EXPENSES		Current	Pro Forma
Real Estate Taxes	1.250000%	\$81,250	\$81,250
Insurance		\$12,000	\$12,000
Trash		\$3,569	\$3,569
Total Expenses		\$96,819	\$96,819
Expenses/Unit		\$32,273	\$32,273
Expenses/SF		\$13.45	\$13.45
% of EGI		24.74%	19.21%

RETURN		Current	Pro Forma
NOI		\$294,518	\$407,274
Less Debt		\$216,768	\$216,768
Cashflow		\$77,750	\$190,506
Cash on Cash		2.39%	5.86%

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## RENT ROLL

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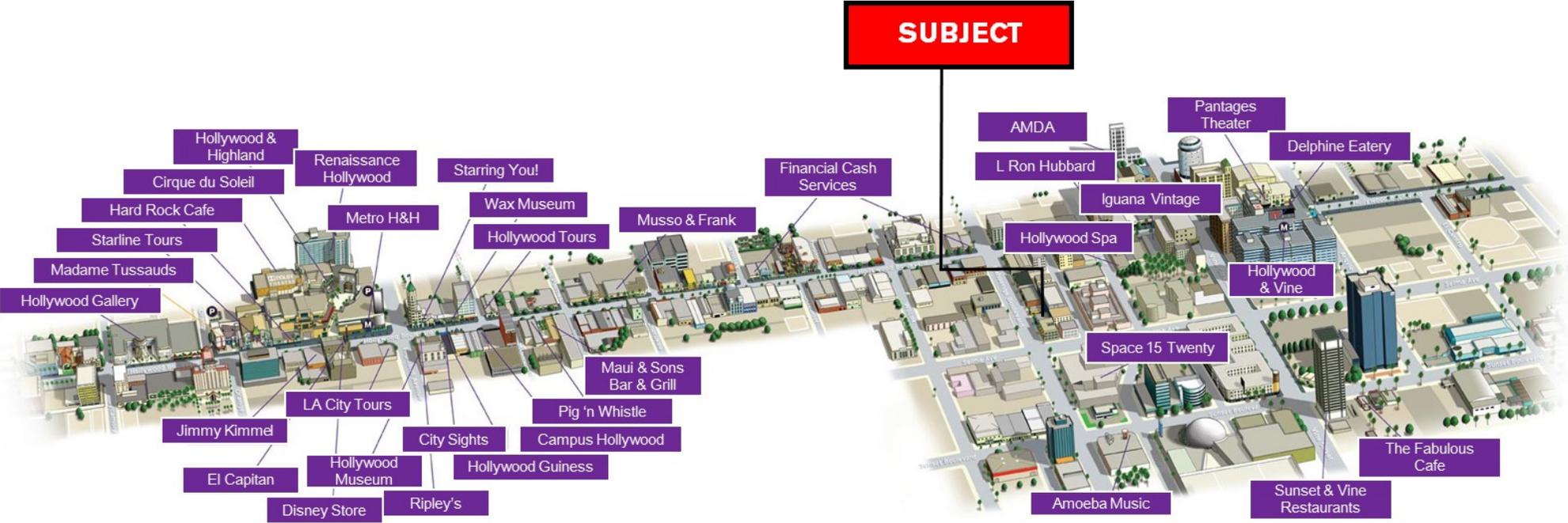
Unit #	Type	Estimated SF	Current Rent	Current Rent/SF	Pro Forma Rent	Pro Forma Rent/SF	Occupied	Lease Start	Lease End	Lease Status	Rent Type
1616	Smoke Shop	1,577	\$4,120	\$2.61	\$7,491	\$4.75	Yes	11/1/16	12/1/18	M2M	Mod Gross
1614	Tattoo Shop	2,277	\$4,500	\$1.98	\$10,816	\$4.75	Yes	5/1/12	5/1/17	M2M	Mod Gross
1612	The Velvet Margarita	3,346	\$25,000	\$7.47	\$25,000	\$7.47	Yes			5 Year Lease	Mod Gross
Totals:		7,200	\$33,620		\$43,307						





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Located in the heart of Hollywood known as the Cahuenga Corridor, 1612 N. Cahuenga Boulevard is situated just south of Hollywood Boulevard and just north of Selma Avenue - situated just east of the newly built "Dream" boutique hotel and Tao restaurant with excellent 101 freeway access from Cahuenga Boulevard. Hollywood has seen a dramatic transformation, as there has been over \$5 billion invested since 2000. Being synonymous with the American entertainment industry, Hollywood is recognized worldwide for its fame and cultural identity as the historical center of stars. This unprecedented industry concentration is complemented by extensive retail and entertainment amenities such as the world famous Hollywood & Highland complex with the Dolby Theater home to the Academy Awards.



An aerial photograph of a city, likely Los Angeles, showing a dense urban landscape with numerous buildings, streets, and parking lots. In the background, there are rolling hills and mountains under a clear sky. The image has a semi-transparent overlay, and the text 'SALES COMPARABLES' is centered in the middle. A thin orange horizontal line is positioned directly below the text.

# **SALES COMPARABLES**

# PRIME HOLLYWOOD RETAIL

## SALES COMPARABLES

1612 N. CAHUENGA BOULEVARD :: LOS ANGELES, CA 90028

	Address	Price	Sale Date	Gross Leasable Area	Price/SF
1	1518 Cahuenga Boulevard Los Angeles, CA 90028 <i>Two story property sold vacant with high deferred maintenance.</i>	\$6,075,000	5/5/2017	9,400	\$646.28
2	1312 N Highland Avenue Los Angeles, CA 90028 <i>Single tenant retail property delivered vacant. Investor intends in leasing the space as a restaurant.</i>	\$6,026,000	5/18/2016	4,962	\$1,214.43
3	5936-5946 W Sunset Boulevard Los Angeles, CA 90028 <i>Multi tenant retail property.</i>	\$4,600,000	3/17/2016	4,586	\$1,003.05
4	6848 W Sunset Boulevard Los Angeles, CA 90028	\$1,075,000	4/30/2015	1,125	\$955.56
5	1917-1931 N Bronson Ave Los Angeles, CA 90068	\$12,251,201	7/1/2016	13,075	\$936.99

# PRIME HOLLYWOOD RETAIL

## SALES COMPARABLES

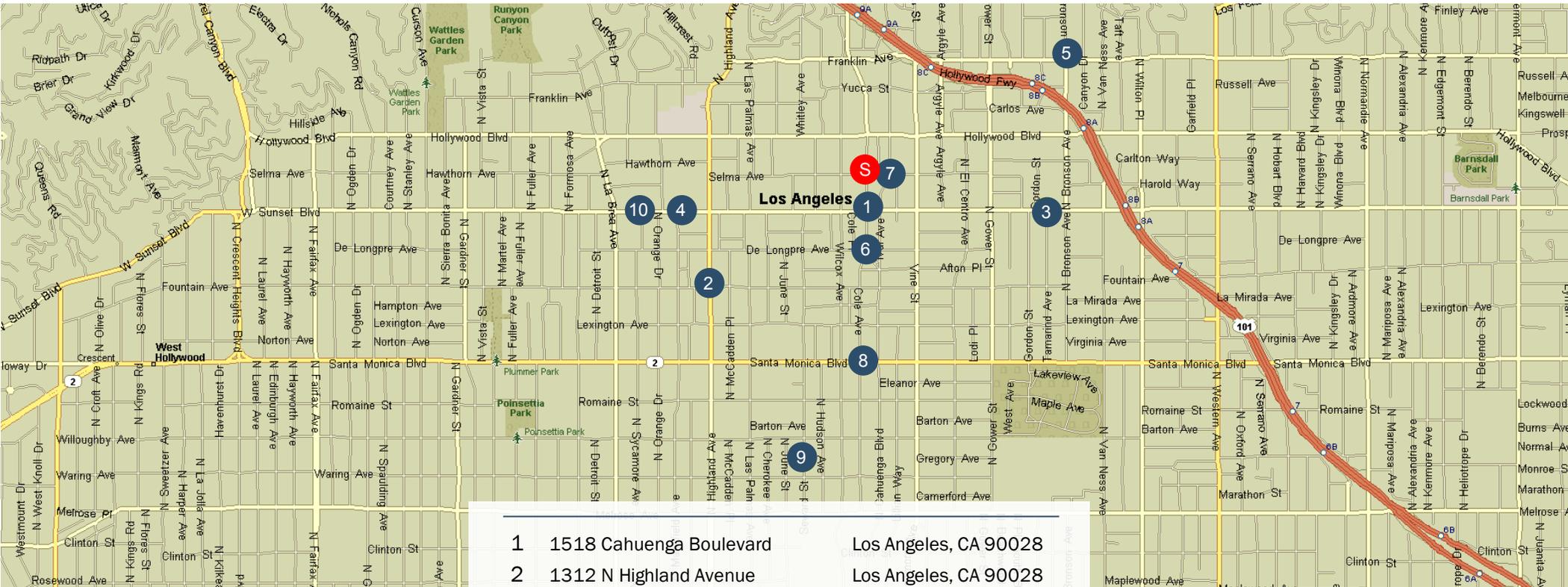
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	Address	Price	Sale Date	Gross Leasable Area	Price/SF
6	1400 N Cahuenga Blvd Los Angeles, CA 90028	\$16,500,000	8/18/2016	11,845	\$1,392.99
7	1601 Ivar Ave Los Angeles, CA 90028 <i>Multi tenant office building delivered vacant.</i>	\$4,250,000	4/6/2017	5,414	\$785.00
8	6424 Santa Monica Blvd Los Angeles, CA 90028 <i>Vacant two story office building.</i>	\$4,750,000	5/9/2017	6,006	\$790.88
9	843 Seward Street Los Angeles, CA 90038 <i>Multi tenant office building delivered vacant. Sold after an extension renovation, adding 1,690SF.</i>	\$3,725,000	7/1/2016	4,234	\$879.78
10	7038 W Sunset Blvd Los Angeles, CA 90028	\$9,000,000	10/6/2017	9,511	\$946.27
<i>Averages/Totals</i>				7,016	\$955.12
<b>S</b>	<b>1612 Cahuenga Boulevard</b> Los Angeles, 90028	\$6,500,000		7,200	\$902.78

# PRIME HOLLYWOOD RETAIL

## SALES COMPARABLES

1612 N. CAHUENGA BOULEVARD :: LOS ANGELES, CA 90028



- |          |                                |                              |
|----------|--------------------------------|------------------------------|
| 1        | 1518 Cahuenga Boulevard        | Los Angeles, CA 90028        |
| 2        | 1312 N Highland Avenue         | Los Angeles, CA 90028        |
| 3        | 5936-5946 W Sunset Boulevard   | Los Angeles, CA 90028        |
| 4        | 6848 W Sunset Boulevard        | Los Angeles, CA 90028        |
| 5        | 1917-1931 N Bronson Ave        | Los Angeles, CA 90068        |
| 6        | 1400 N Cahuenga Blvd           | Los Angeles, CA 90028        |
| 7        | 1601 Ivar Ave                  | Los Angeles, CA 90028        |
| 8        | 6424 Santa Monica Blvd         | Los Angeles, CA 90028        |
| 9        | 843 Seward Street              | Los Angeles, CA 90038        |
| 10       | 7038 W Sunset Blvd             | Los Angeles, CA 90028        |
| <b>S</b> | <b>1612 Cahuenga Boulevard</b> | <b>Los Angeles, CA 90028</b> |



# LOCATION OVERVIEW

# HOLLYWOOD CALIFORNIA

## CITY OVERVIEW

Hollywood, CA 90028

City Population

40,245

Households

21,980

Median Household Income

\$65,893

Located in a premier pedestrian location the asset benefit from easy access to employers, major studios, financial firms, entertainment and historic attractions.

Hollywood has seen a tremendous revitalization over the last decade. An influx of capital dedicated to the revitalization of Hollywood has attracted a new resident base of young urban dwellers. This new, hip client base has brought new restaurants, night clubs, and retail opportunities, making Hollywood one of the more desirable submarkets in the greater Los Angeles area.

In the past decade, Hollywood has experienced significant gentrification and development, specifically along Hollywood Boulevard. Most notable is the Hollywood and Highland Center, which includes 75 retailers, several historic theatres along with night clubs, restaurants, movie theatre, and bowling lanes.

Nearly 84.2 percent of all Hollywood residents are currently renters. A significant portion of the population still falls into key renter age groups. Younger age cohorts are expected to post solid growth over the next several years, which bodes well for apartment owners.

Additionally, residents enjoy easy access to the 101 Freeway as well as a stop on the Metro Red Line. Beyond the city limits, residents can quickly travel South to Orange County and San Diego and North to Ventura and Santa Barbara.



**ACCOMMODATION**

- Banana Bungalow
- Hollywood Celebrity
- Hollywood International
- Hollywood Roosevelt
- Orbit Hotel
- Orchid Suites
- Renaissance Hollywood

- A**
- B**
- F**
- E**
- G**
- D**
- C**

Runyon Canyon Park

Wattles Park

Bowwowood  
Hollywood Bowl

Hollywood Bowl  
Museum

Hollywood  
Heritage  
Museum

WHITLEY  
HEIGHTS

Kodak Theatre

Hollywood &  
Highland  
Mall

Chinese  
Theatre

Second City  
Studio Theater

**SUBJECT**

5  
Movie star  
Sculpture

E  
F  
El  
Capitan  
Theater

6  
8  
Egyptian  
Theater

Hollywood  
Museum

Stages  
Theater  
Center

Amoeba  
Music

0 500 yds

# ENTERTAINMENT CAPITAL OF THE WORLD

Things to do in Hollywood include must-see shows and attractions, celebrity frequented restaurants, and world class hotels. Experience Tinseltown glamour at TCL Chinese Theatre or the Hollywood Walk of Fame, which has honored celebrities for over 50 years. The state-of-the-art Dolby Theatre is home to the Academy Awards.

Universal Studios Hollywood is a world famous theme park that includes the mind-blowing “Transformers: The Ride 3-D.” Other things to do in Hollywood include the shops and restaurants at Hollywood & Highland Center, or the delicious multicultural cuisines of nearby Thai Town and Little Armenia.

Search for the best Hollywood hotels and start discovering the entertainment capital of the world. Hollywood & Highland is the entertainment center of Los Angeles for tourists and locals alike. Steps away from landmarks like the world famous Walk of Fame and TCL Chinese Theatre, formerly Grauman’s, Hollywood & Highland is the perfect place for a Hollywood beginning. With world-class shopping and dining, red carpet movie premieres and celebrated live theatre it’s the ultimate entertainment destination Steeped in Hollywood history, this iconic destination also features the Dolby Theatre, home of the Academy Awards® and over 70 brand-name retailers from Louis Vuitton, L’Occitane, Victoria’s Secret and MAC to quintessential California stores like GAP, Hot Topic, Oakley, Skechers and Lucky Brand Jeans. Visitors can enjoy 25 full-service and fast-casual restaurants such as The Grill on Hollywood, Hard Rock Cafe, Dave & Busters, Trastevere Ristorante, California Pizza Kitchen, Cabo Wabo Cantina, and nightlife at Lucky Strike Lanes and OHM Nightclub.



**\$4.8 BILLION**

INVESTED SINCE 2000



**\$2.2 BILLION**

COMPLETED PROJECTS



**\$1 BILLION**

PROJECTS UNDER  
CONSTRUCTION

Hollywood, Hard Rock Cafe, Dave & Busters, Trastevere Ristorante, California Pizza Kitchen, Cabo Wabo Cantina, and nightlife at Lucky Strike Lanes and OHM Nightclub.

Arclight Theatre	210	
Beachwood Canyon	DASH Beachwood Canyon	C
Bob Hope Airport (BUR)	222	D
Brentwood	2, 302	I
Burbank Media District	222	D
Cahuenga Bl (Cahuenga Pass)	222	D
Castellammare	2, 302	I
CBS Television City	217, 780	B, F
Crenshaw	210	E
Crenshaw Bl	210	E
Crenshaw Metro Rail Station	Metro Red Line ● 210	E
Downtown Los Angeles	Metro Red Line ● 2, 302	G
Egyptian Theatre	212, 217, 222, 780	B, F, H
El Capitan Theatre	212, 217, 222, 780	B, F, H
Fairfax Av	217, 780	B, F
Farmer's Market/The Grove	217, 780	B, F
Fountain Av	DASH Hollywood	C, J
Franklin Av	DASH Hollywood	C, J
Glendale	180, 181, 780	A
Gower St	DASH Hollywood/Wilshire	C
Greyhound Station	on Cahuenga Bl	
Hancock Park	210	E
Henry Fonda Theatre	One block east	
Hillhurst Av	DASH Hollywood	J
Hollywood Bowl	222	D
Hollywood Walk of Fame	At station exit	
Hollywood Way	222	D
Inglewood	212	F
Kodak Theatre	212, 217, 222, 780	B, F, H
La Brea Av	212	F
L.A. LIVE	Metro Red Line ● to Metro Blue Line ● 2, 302	G
Los Feliz	180, 181, 780	A
North Hollywood	Metro Red Line ●	
Pacific Palisades	2, 302	I
Pasadena	180, 181, 780	A
Rossmore Av	210	E
South Bay Galleria	210	E
Sunset Bl	2, 302	G, I
Sun Valley	222	D
Universal City/CityWalk	Metro Red Line ●	
Vine St	210	E
Washington/Fairfax	217, 780	B, F
Westwood/UCLA	2, 302	I
Wilshire Center	Metro Red Line ● to Metro Purple Line ●	

**Municipal Bus Services**

**LADOT Buses (DASH)**

DASH Beachwood Canyon	
DASH Hollywood	
DASH Hollywood/Wilshire	

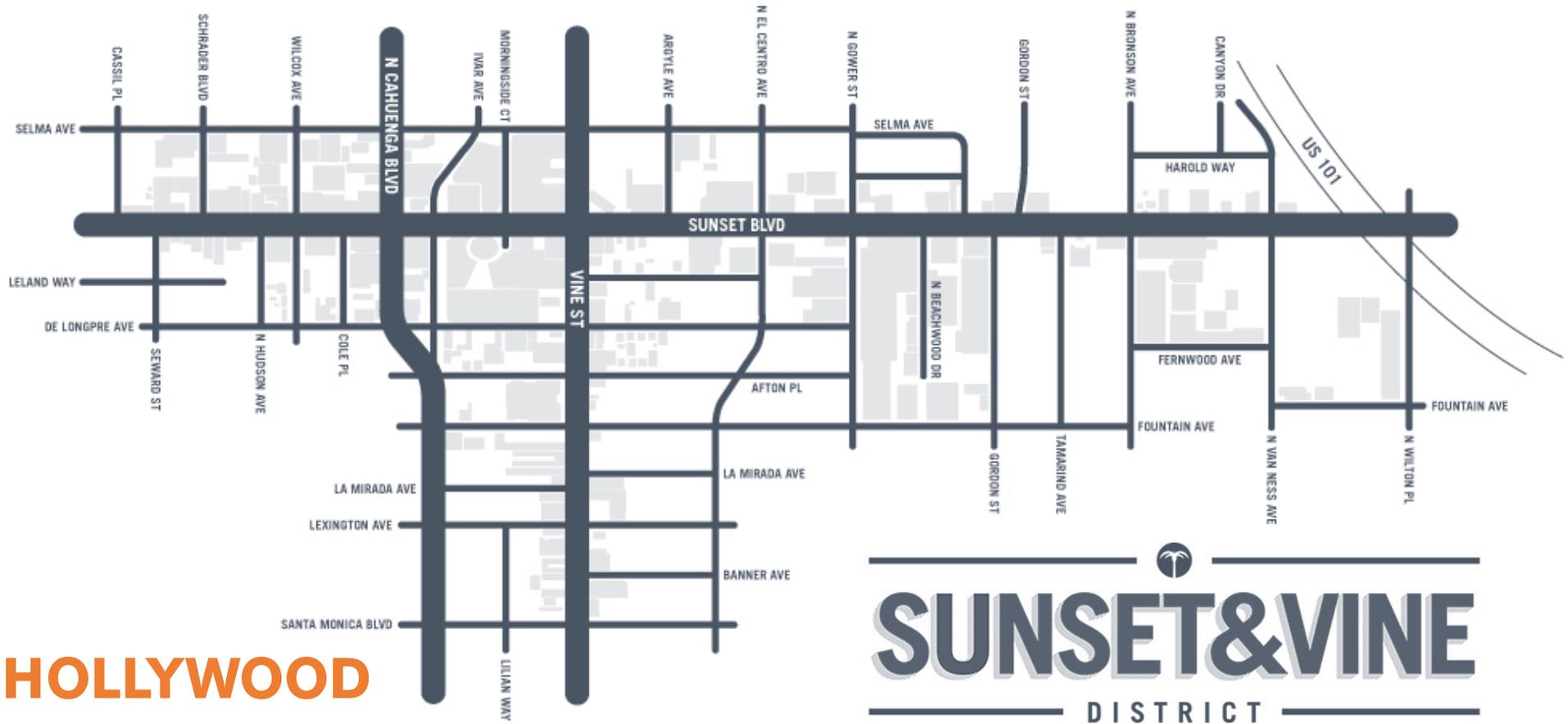
B
J, L
L



Coloring Services	
● Metro Rail Lines: Red, Purple and Blue	
● Metroink Station	
● Amtrak Station	
● Greyhound Station	
Municipal Bus Services	
DASH	LADOT DASH



<b>A</b>	Metro Local Stop
<b>○ A</b>	Metro Rapid Stop
<b>-----</b>	Metro Rapid Line
	Metro Rail Station and Entrance
<b>-----</b>	Metro Red Line
	Metroink Station
	Amtrak Station
	Greyhound
	Civic Building
	Cultural Building
	Hotel Building
	Other Building



# HOLLYWOOD

The Sunset & Vine Business Improvement District (BID) is a five-year, property-based BID that spans 15 blocks along the world-renowned Sunset Boulevard, from roughly Schrader Boulevard on the west to the 101 Freeway on the east. Reestablished in 2006, the SVBID is composed of approximately 150 property owners and 276 parcels.

Sunset Boulevard, the focal point of the SVBID, has been central to the entertainment industry for nearly a century. It has inspired numerous songs, television shows and movies; and at one time or another has played host to nearly every radio station in Los Angeles. Today, Sunset Boulevard, along with the entirety of the SVBID, is reclaiming its status as the epicenter of the entertainment industry. The SVBID is undergoing an exciting transformation into

a vibrant district, complete with movie and television studios, post-production companies, production-related services, art-based schools, cinemas, cafes and sophisticated apartments. New developments, combined with the rehabilitation of old buildings, is helping to create a stylish, yet casual neighborhood, where the streets buzz 'round the clock with entertainment seekers, students, residents and business professionals.

New developments, combined with the rehabilitation of old buildings, is helping to create a stylish, yet casual neighborhood, where the streets buzz 'round the clock with entertainment seekers, students, residents and business professionals.

# DEVELOPMENTS

With recently completed, ongoing and planned developments that total approximately \$7.4 billion, Hollywood is experiencing incredible residential, commercial, and infrastructure growth. The office market in the immediate area is strong, with companies such as Nickelodeon, Nielsen, BuzzFeed, OpenTable, Fender, Paramount Pictures, Live Nation, Capitol Records, CNN, and Viacom all currently having an office presence.

Netflix, the streaming movie and TV giant, plans to move its Southern California operations from Beverly Hills to Hollywood by 2017 and expects to occupy 200,052 SF at the \$200 million ICON complex at 5800 West Sunset Boulevard. The deal is the largest office lease signed in Hollywood to date in terms of square footage. In addition, new hotels are currently being developed including the Thompson Hollywood Hotel, a 12 story hotel including restaurant space and a rooftop lounge.

This development, as well as the many others either approved or currently under construction, will continue to drive educated professionals to the area who are attracted to the “live/work/play” environment that Hollywood offers.



COLUMBIA SQUARE, a mixed-use project located down the block from 6266 West Sunset Boulevard was recently completed and includes a 22-story residential tower, 200 apartment units, 100 extended-stay hotel units, 93,000 SF of office space, and 30,000 SF of retail and restaurant space. Current office tenants include Viacom and Neuehouse, a coworking space. The residential tower is called the The Proper and features luxury furnished and unfurnished residences that were designed by Kelly Wearstler. *EXPECTED DELIVERY DATE: COMPLETED*



DREAM HOTELS is working on its first West Coast outpost on Selma right now. The 10-story hotel will hold 179 guest rooms, a double-height lobby, a rooftop with a pool, two onsite pools, and a landscaped "public alley" outside. The hotel's design comes from heavyweights Rockwell Group, which also designed the private coworking club Neuehouse in Hollywood's Columbia Square project. *EXPECTED DELIVERY DATE: JAN 2017*



ICON Located on a four acre site at the northeast corner of Sunset Bronson Studios lot, ICON will be a 14-story, Class A office tower adjacent to a new five-story creative and production office building called “Cue” and a 1,600-space parking structure. Located in the heart of Hollywood and West Hollywood-Burbank media corridor just one block west of the 101 Freeway and minutes from the Hollywood/Vine LA Metro Red Line station, the vertical campus features innovative design by Gensler Architects and state-of-the-art building systems expected to achieve LEED gold certification. *EXPECTED DELIVERY DATE: JAN 2017*

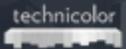
# DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
Total Population	11,976	41,424	87,431
Median Age	29.3	31.2	32.1
Households	21980.0	31.4	32.2
Median Age Female	65893.0	31.0	32.4

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
Average HH Income	\$42,994	\$49,153	\$53,041
Average House Value	\$411,154	\$443,804	\$462,070

DIVERSITY	1-MILE	3-MILE	5-MILE
White	42.2%	43.5%	49.8%
Black	2.4%	4.6%	3.7%
Asian	6.5%	7.1%	6.9%
Hawaiian	0.0%	0.1%	0.2%
Indian	0.2%	0.3%	0.4%
Other	46.4%	42.8%	36.8%
Hispanic	77.4%	71.3%	65.3%

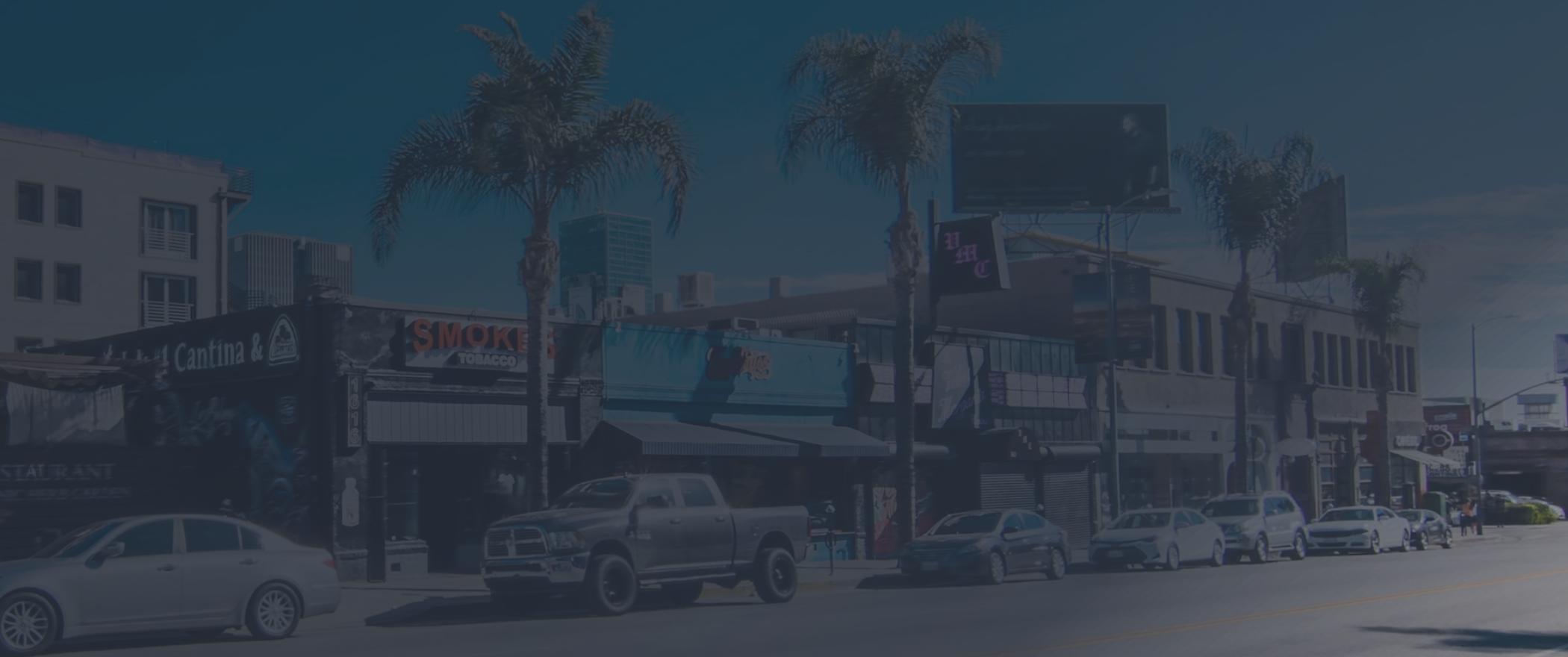
## TOP EMPLOYERS

COMPANY	# EMPLOYEES
 AT&T	500
 Church of Scientology	2,000
 Capitol Records	600
 Color by Deluxe	626
 Kaiser Permanente	3,000
 Los Angeles City College	1,800
 Farmers Insurance	3,000
 Guardian Eagle Security	500
 Ticketmaster	1,300
 Universal City Studios	2,000
 Technicolor	600
 Agile Brands	1,000
 Shell Oil	560
 Disney Walgreens	500

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