

9310 Topanga Canyon Blvd.

Chatsworth, CA 91311

Owner User/Investment Opportunity  
High-Image Corporate Headquarters  
Heavy Power & Advanced Telecom Upgrades



CONFIDENTIAL OFFERING MEMORANDUM

**NAI**Capital  
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

# Confidentiality Agreement

**THIS IS A CONFIDENTIAL MEMORANDUM** intended solely for your own limited use in considering whether to pursue negotiations to purchase 9310 Topanga Canyon Blvd., Chatsworth (the "Property"). The Owner has retained NAI Capital Commercial ("NAI") as the exclusive sales broker to sell the Property. No other agent or broker is authorized to offer the Property unless and until that agent or broker has executed a written agreement with NAI and that agreement has been executed by their interested purchaser.

This confidential memorandum contains brief, selected information pertaining to the business and affairs of the Property and has been prepared by NAI. Although this confidential memorandum has been reviewed by representatives of the Owner, it does not purport to be all-inclusive or to contain all of the information which a prospective purchaser may desire. Neither the Owner nor NAI, nor any of their partners, officers, employees or agents have independently verified the information contained herein and they are not responsible for any errors or inaccuracies in the information. No representation or warranty, express or implied, is made as to the accuracy or completeness of this confidential memorandum or any of its contents, or any other written or oral communication transmitted to a prospective purchaser in the course of its evaluation of the proposed sale of the Property. There is no representation as to the environmental condition of the Property.

You agree that the memorandum and its contents are confidential, that you will hold and treat it in confidence and that you will not disclose this memorandum or its contents to any other firm or entity without prior written authorization. Photocopying or other duplication is prohibited. You will use this confidential memorandum only for the purpose of evaluating the possible acquisition of the Property. All prospective purchasers agree that they will conduct their own independent investigation of those matters which they deem appropriate in order to evaluate this offering.

Owner and NAI expressly reserve the right at their sole discretion to reject any or all proposals, offers, or expressions of interest in the Property and to terminate discussions with any party at any time with or without notice.

This confidential memorandum shall not be deemed a representation of the state of affairs of the Property or imply that there has been no change in the business or affairs of the Property since the date of preparation of this memorandum. The Property is submitted for sale subject to the right to make changes in any of the terms without notice.



# 9310 Topanga Canyon Blvd.

Chatsworth, CA 91311

## Exclusive Advisors:

### Matt Ehrlich

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CA DRE #01936772

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### Encino Office – Corporate HQ

15821 Ventura Boulevard  
Suite 320 Encino, CA 91436



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# Executive Summary

## INVESTMENT SUMMARY

<b>Price:</b>	\$9,000,000 (\$262 psf)
<b>Property Type:</b>	Multi-Tenant Office Building
<b>Total Building SF:</b>	34,376
<b>SF Available for Owner User:</b>	19,970 (58% of Building)
<b>SF Currently Occupied:</b>	14,582 (42% of Building)
<b>Annual Rental Income:</b>	\$297,877.00
<b>Tenants:</b>	Three (3)
<b>Stories:</b>	Two (2) Stories
<b>Parking:</b>	133 Spaces (3.70:1,000 SF)
<b>Power:</b>	1,200 Amps, 277-480 Volts, 3Phase, 4Wire
<b>HVAC:</b>	100%
<b>Fire Suppression:</b>	FM-200 system & .33/3000 sprinkler
<b>Fiber:</b>	DS-3, OC-3, T-1
<b>Cable:</b>	CAT-7
<b>Backup Power:</b>	High-Capacity UPS System & Emergency Generator

## OFFERING HIGHLIGHTS

- **High-Image Corporate Headquarters** – the property features premium finishes, dramatic window lines with plantation shutters, outdoor eating areas, balcony space, a prominent location on Topanga Canyon Blvd, and abundant free on-site parking on a durable concrete parking lot.
- **Dramatically Reduced Owner-User Occupancy Costs** – the building is 42% (14,582 SF) leased to long-term tenants which generate over \$297,000 in Annual Rental Income. After factoring in Ownership Benefits, Owner-User Occupancy Cost will be approximately \$2,586/month for 19,970 sf (or \$0.13 per sq. ft.).\*\*
- **Wide Range of Uses Supported by Power and Telecom Upgrades** – previously a Data Center, the building features OC-3 and DS-3 fiber, CAT-7 cable, high-capacity UPS system, and 1,200 Amps of Power. Potential Uses include Data Center, Call Center, Research Lab, and Software Development, among others.
- **Long-Term, Stable Tenancy** – the property boasts a weighted average tenancy of 10-years.
- **SBA Financing Available** – 58% (19,970 SF) of the building to be delivered vacant, enabling Owner-User to obtain SBA 504 Financing with as little as 10% down (\$900,000).

\*\*Consult your CPA regarding Ownership Tax Benefits.

# Executive Summary

**NAI Capital Commercial** is pleased to present the opportunity to acquire 9310 Topanga Canyon Blvd, a high-image Corporate Headquarters with premium finishes and a prominent location on Topanga Canyon Blvd. The two-story, 34,376 SF building is situated on 1.39-acres with 133 parking stalls (3.70:1,000) and is easily accessible via the 118-Freeway.

Up to 23,526 SF is available for an Owner User, including the entire first floor (18,200 SF) and two suites on the second floor (5,506 SF). One of these second floor suites is occupied by a long-term tenant who's lease recently expired and is currently month-to-month. This tenant would like to sign an extension but has been kept month-to-month in order to maximize flexibility for a potential buyer.

42% of the building is currently leased to three long-term Tenants with a weighted average tenancy of 10-years. These tenants generate over \$297,000 in Annual Rental Income which dramatically reduces Owner-User occupancy costs.

The property supports a wide range of uses due to its massive power and telecom upgrades. Previously a Data Center, the property features OC-3 and DS-3 fiber, CAT-7 cable, high-capacity UPS system, FM-200 fire suppression system, and 1,200 Amps of Power. Potential alternate uses include Data Center, Call Center, Research Lab, and Software Development, among others.



# Property Overview

# Property Overview

## Property Specifications



### Property Type

Multi-Tenant Office Building



### Address

9310 Topanga Canyon Blvd  
Chatsworth, CA 91311



### Total Building SF

34,376



### APN Number

2746-013-027



### Year Built

1985



### Stories

Two (2) Stories



### Site Area

1.39-Acres (60,548)



### Elevators

None



### Parking

133 Spaces (3.70:1,000 SF)



### Zoning

MR1-1 & [T][Q]P-1



### Power

1,200 Amps, 277-480 Volts,  
3Phase, 4Wire



### Construction

Concrete Tilt Up



### Loading Doors

One (1) Ground-Level Loading  
Door (10'x12')



### HVAC

100%



### Clear Height

10'



### Fire Suppression

FM-200 system & .33/3000  
sprinkler



### Fiber

DS-3, OC-3, T-1



### Cable

CAT-7



### Backup Power

High-Capacity UPS System &  
Emergency Generator

# Property Specification

## 1st Floor Specifications – Owner-User Occupied Space

**Total 1st Floor SF:** 18,200

**Executive Offices:** Three (3)

**Private Offices:** Twenty-Three (23)

**Cubicles:** Forty-One (41)

**Conference Rooms:** One (1)

**Restrooms:** Six (6)

**Training Rooms:** One (1)

**Bullpen:** Two (2) large bullpen areas

**Kitchen:** Two (2)

**Entrances:** Five (5)

**Warehouse/Storage:** One (1) ±1,750 SF area with Roll-Up Door

**HVAC:** 100%

**Fire Suppression:** FM-200 system & .33/3000 sprinkler

**Fiber:** DS-3, OC-3, T-1

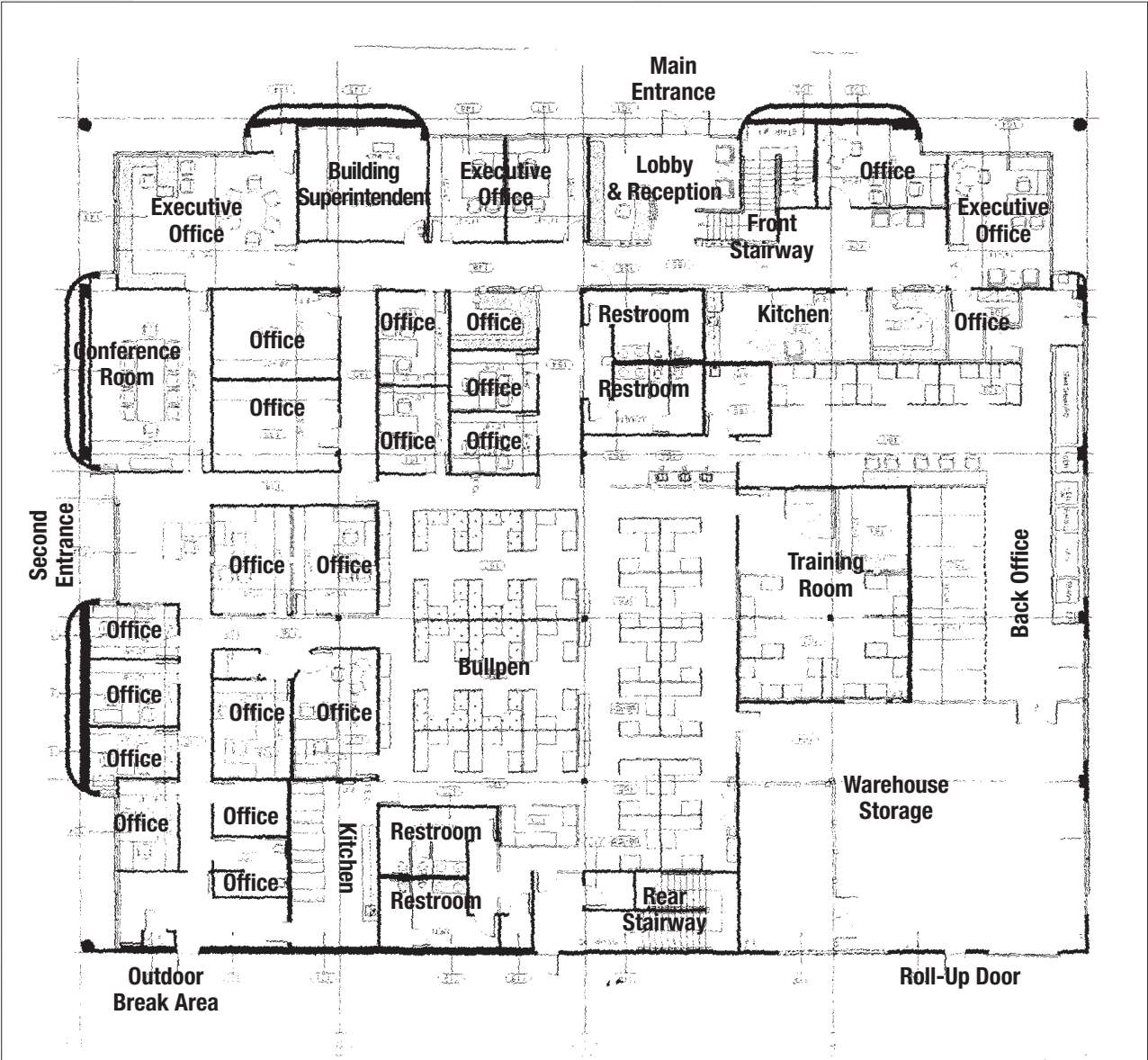
**Cable:** CAT-7

**Backup Power:** High-Capacity UPS System & Emergency Generator

**Power:** 1,200 Amps, 277-480 Volts, 3Phase, 4Wire

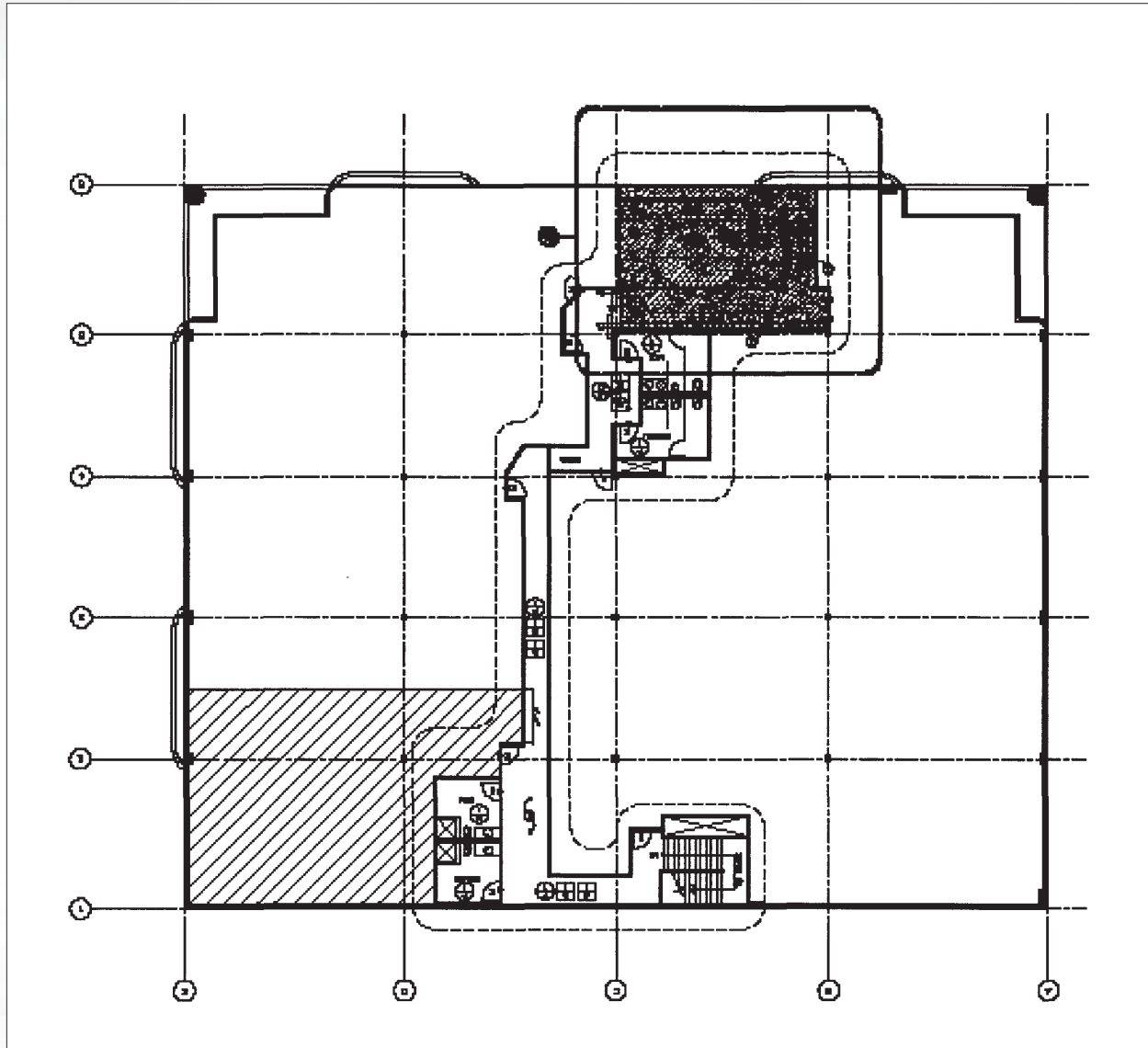
# Floor Plan

## First Floor



# Floor Plan

## Second Floor



# Property Photos



# Property Photos



# Property Photos



# Property Photos



# Property Photos

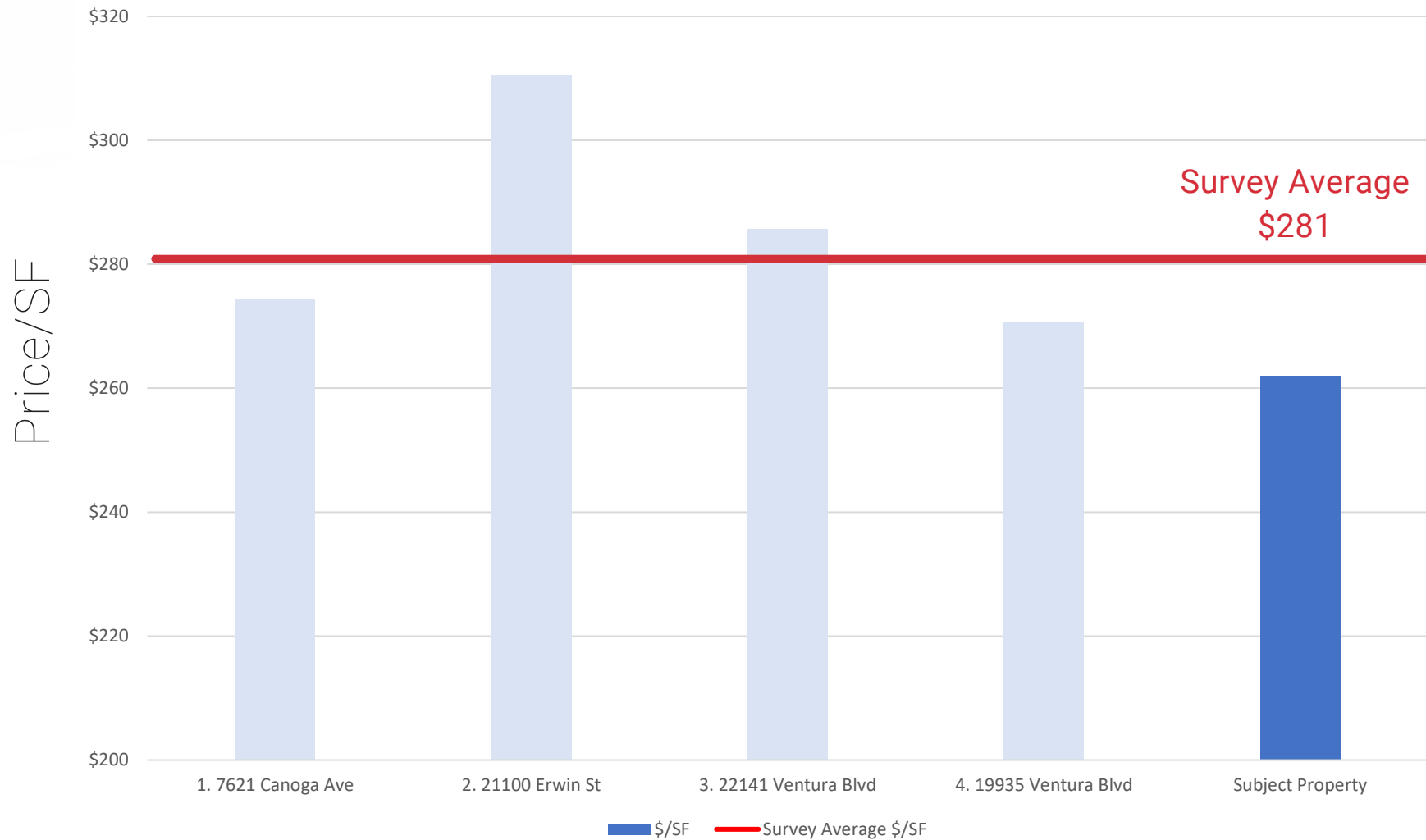


# Property Photos

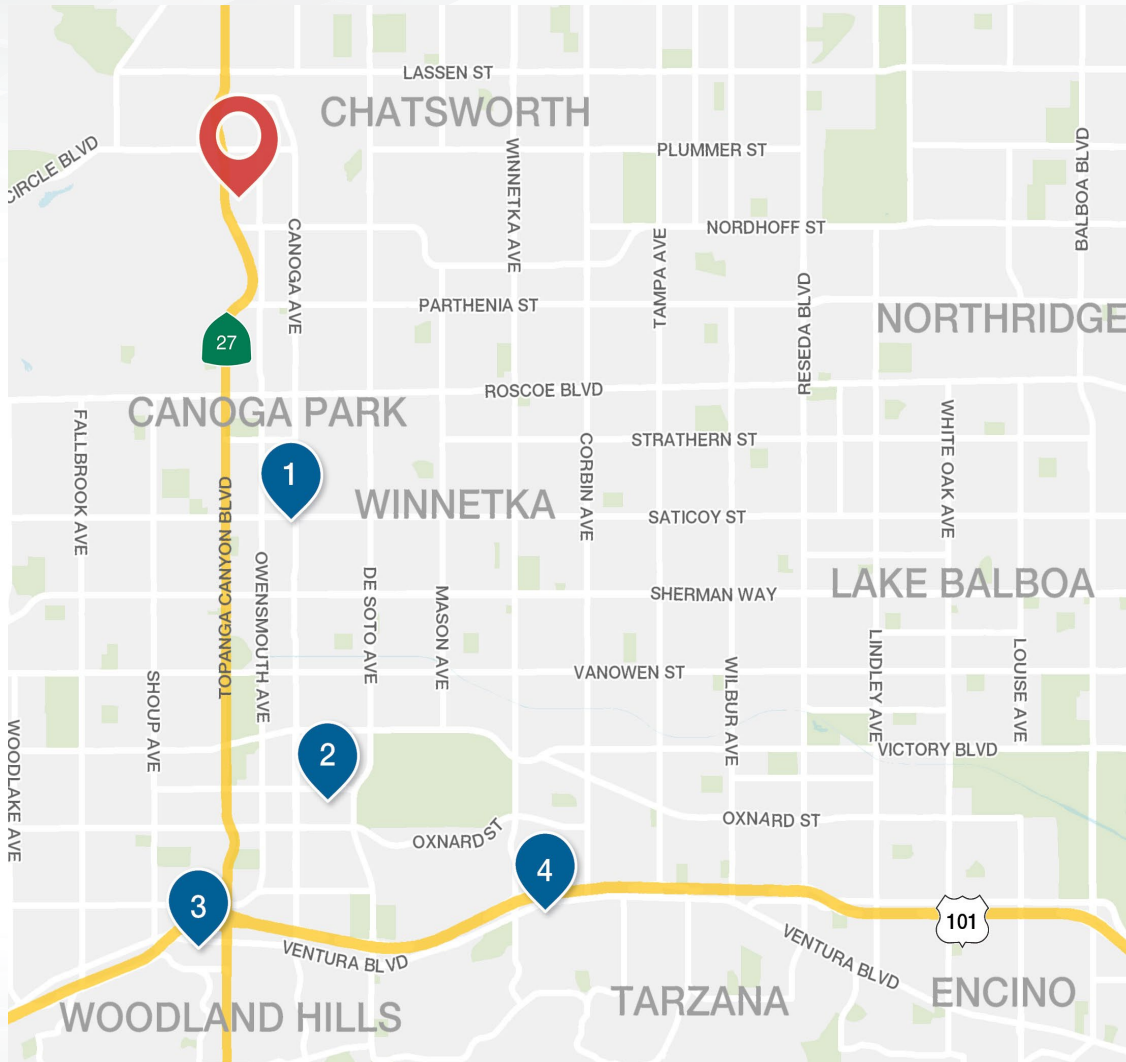


# Financial Analysis

# Sales Comparables



# Sales Comparables



**7621 Canoga Ave.**  
Canoga Park, CA

Type:	Office
Year Built:	1964
Size:	16,000
Sale Date:	6/28/2019
Price:	\$4,390,000
\$/SF:	\$274



**21100 Erwin St.**  
Woodland Hills, CA

Type:	Office
Year Built:	1971
Size:	41,058
Sale Date:	5/5/2020
Price:	\$12,750,000
\$/SF:	\$311



**22141 Ventura Blvd.**  
Woodland Hills, CA

Type:	Office
Year Built:	1987
Size:	20,557
Sale Date:	9/10/2019
Price:	\$5,872,500
\$/SF:	\$286



**19935 Ventura Blvd.**  
Woodland Hills, CA

Type:	Office
Year Built:	1982
Size:	18,285
Sale Date:	5/1/2018
Price:	\$4,950,000
\$/SF:	\$271



**9310 Topanga Canyon Blvd.**  
Chatsworth, CA

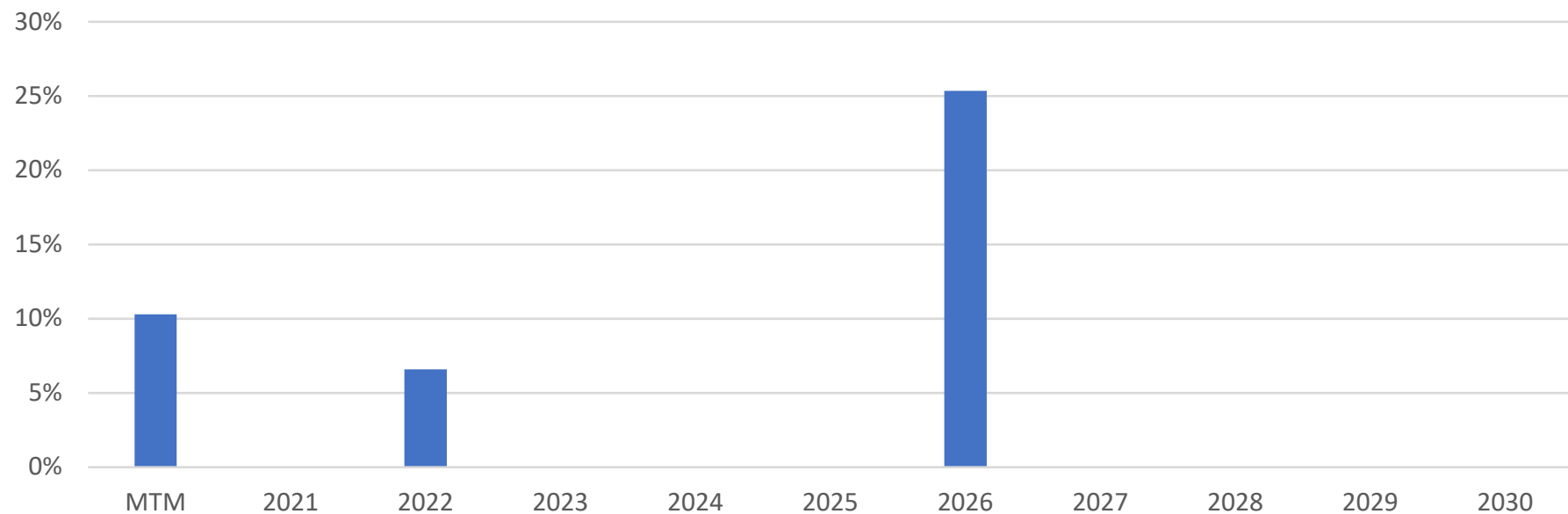
Type:	Office
Year Built:	1985
Size:	34,376
Sale Date:	-
Price:	\$9,000,000
\$/SF:	\$262

# Rent Roll


Unit	Tenant	Sq. Ft.	%	Lease Start	Expiration	Gross Rate	Monthly Rent
1st Floor	Vacant	15,997	46%	-	-	-	-
1st Floor	Vacant	2,023	6%	-	-	-	-
2nd Floor	Vacant	1,950	6%	-	-	-	-
2nd Floor	Occupied	2,270	7%	9/1/1998	8/31/2022	\$1.99	\$4,520
2nd Floor	Occupied	3,556	10%	12/15/2008	MTM*	\$1.75	\$6,233
2nd Floor	Occupied	8,756	25%	8/1/2015	2/27/2026	\$1.61	\$14,070
		<b>34,552</b>	<b>100%</b>				<b>\$24,823</b>

Summary		
Occupied	14,582	42%
Vacant	19,970	58%

Lease Expiration Graph



# SBA Financing

PROPOSED SBA 504 LOAN STRUCTURE			
		Dean Aloe Vice President Sr. Commercial Lender Cell: (626) 757-1024 daloe@cdcloans.com	
9310 Topanga Canyon Blvd., Chatsworth, CA			
<b>USE OF PROCEEDS</b>		<b>ESTIMATED MONTHLY PAYMENTS</b>	
Land & Building	\$9,000,000	Bank 1st TD	\$21,621
Square Footage Building	34,376	SBA 2nd TD	\$17,913
Cost Per Square Foot	\$261.81	<b>Combined Monthly Payment</b>	<b>\$39,535</b>
Building Improvement costs	\$0	<b>BANK LOAN AMOUNT AND TERMS</b>	
Equipment	\$0	Bank Loan Amount	\$4,500,000
Soft Costs (estimated):		Interest Rate (Fixed)	3.12% <sup>1</sup>
Appraisal Cost	\$0	Years	25
Environmental Report	\$0	Bank Fees	0.50%
Title Cost	\$0		\$22,500
Total Soft Costs	\$0	<sup>1</sup> Bank's interest rate and fee are negotiable between borrower and bank. The information contained herein is for discussion purposes only and is not binding.	
Total Project Cost	\$9,000,000		
FINANCE STRUCTURE		504 TERMS & ESTIMATED PAYMENTS	
<b>Source of funds</b>		Term (Years)	25 <sup>2</sup>
Bank 1st TD Loan	50.0% \$4,500,000	Note Rate (Fixed)	1.360% <sup>2</sup>
Net Debenture Proceeds	40.0% \$3,600,000	Regulatory Fees	1.177% <sup>2</sup>
Borrower	10.0% \$900,000	Effective Rate	2.752% <sup>2</sup>
		Payment presented in the following schedule includes standard principal & interest amortization plus regulatory fees as described below	
Total Project Cost	100% \$9,000,000	Years	Total Payment
		1-5	\$17,913
		6-10	\$17,292
		11-15	\$16,627
		16-20	\$15,916
		20-25	\$15,154
<b>504 ESTIMATED FEES</b>		<sup>2</sup> <b>Explanation of Note Rate and Regulatory Fees</b>	
Bank Interim Loan	\$3,600,000	The Note Rate is not determined until funding of the Note. The Effective Rate shown here is based on current rates; your rate may be different.	
CDC Processing Fee (1.5%) (\$54,000 Savings)	\$0	The Effective Rate is based in part on a calculation of the amount paid over the life of the loan. The calculation provided in this document is made with no representation or warranty that this is the amount to be paid under your loan. Please confirm all information and calculations.	
SBA guaranty fee (0.5%)	\$18,000	To ensure the 504 program is self funded Regulatory Fees are collected monthly and paid to CDC, SBA, and a Central Servicing Agent. Fees are adjusted every 5 years based on the outstanding balance of the Note.	
Funding Fee (0.25%)	\$9,000		
Legal Closing Fees	\$2,500		
Underwriting Fee (0.40%)	\$14,580		
Subtotal	\$3,644,080		
Balance to Borrower	\$920		
Gross Debenture	\$3,645,000		
Debenture rounded up to nearest \$1,000			
Summary Debenture loan fees paid	\$44,080		
Prepared for:		Borrower:	
NAI Capital			
Matt Ehrlich, Executive Vice President			
Grant Bullen, Senior Associate			
Visit us online for a lease vs. buy analysis, SBA rate history, online prequalification, and more: www.cdcloans.com			

# Financial Analysis

Occupancy Assumptions		
SF Currently Leased	42%	14,582
SF Available for Owner User	58%	19,970
Total Building SF	100%	34,376

Financing Assumptions		
Purchase Price		\$9,000,000
TI	\$0.00	\$0.00
Total Cost		\$9,000,000
Equity	10%	\$900,000
Debt (LTV)	90%	\$8,100,000
Loan Type		SBA 504
Interest Rate (Blended)		2.96%
Amortization		25
Monthly Debt Service		\$38,228
Annual Debt Service		\$458,734

Owners Equity Build - Estimated 2.00% Annual Appreciation			
Year	Property Value	Loan Balance	Owner Equity
Year 5	\$9,741,889	\$6,920,076	\$2,821,813
Year 10	\$10,755,833	\$5,552,432	\$5,203,401
Year 15	\$11,875,309	\$3,967,200	\$7,908,109
Year 20	\$13,111,301	\$2,129,764	\$10,981,536

Proforma Profit & Loss		
<b>Income</b>	<u>\$/SF/Yr</u>	<u>Annual</u>
Rental Income***	\$8.67	\$297,877
OpEx Reimbursement	\$0.71	\$24,417
<b>Total Income</b>	<b>\$9.38</b>	<b>\$322,295</b>
<b>Operating Expenses</b>		
Utilities	\$1.66	\$56,918
Cleaning and Maintenance	\$0.98	\$33,624
Insurance	\$0.81	\$27,975
Repairs	\$1.52	\$52,220
Trash Removal	\$0.09	\$3,163
Pest Control	\$0.07	\$2,255
Gardening and Landscaping	\$0.49	\$16,918
Security	\$0.01	\$509
Taxes	\$3.14	\$108,012
<b>Total Operating Expenses</b>	<b>\$8.77</b>	<b>\$301,593</b>
<b>Net Operating Income</b>	<b>\$0.60</b>	<b>\$20,702</b>
<b>Debt Service</b>		<b>(458,734.43)</b>
<b>Pre-Tax Cash Flow (Occupancy Cost) - Annual</b>		<b>(438,032.45)</b>
Pre-Tax Cash Flow (Occupancy Cost) - Monthly		(36,502.70)
Pre-Tax Cash Flow (Occupancy Cost) - Monthly PSF		(1.83)

\*\*\* Proforma P&L assumes no income from Owner occupied space (19,970 sf). Rental Income amount only includes rental income from current Tenants (14,582 sf).

# Lease vs Own Analysis

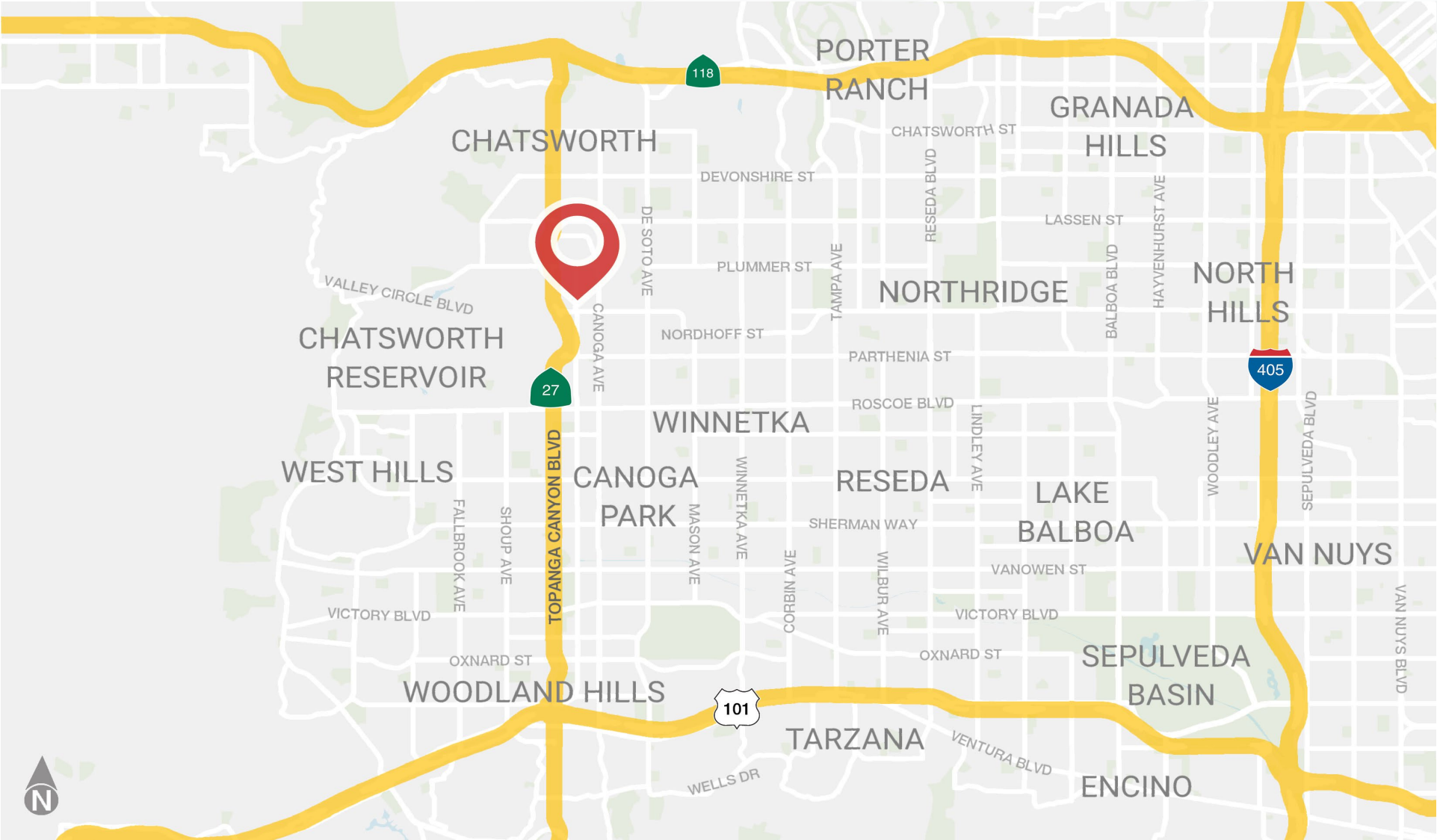
Lease Scenario	PSF	Amount
Leased SF		19,970
<b>Lease Assumptions</b>		
Base Rate per Month (FSG)	\$2.25	\$44,933
Operating Expenses	\$0.00	\$0
Total		\$64,903
<b>Start-Up Costs</b>		
Due on Signing (1st Month Rent & SD)	-	\$89,865
Tenant Improvements (Net of Landlord Allowance)	\$0.00	\$0
Total	\$0.00	\$89,865
<b>Gross Monthly Income</b>		
Rental Income	\$0.00	\$0
Total	\$0.00	\$0
<b>Lease Cost of Occupancy</b>		
Base Rent	\$2.25	\$44,933
Operating Expenses	\$0.00	\$0
Total	\$2.25	\$44,933
<b>Lease Benefits</b>		
Depreciation Tax Benefit (35% Tax Rate)	\$0.00	\$0
Principal Reduction Year 1 Monthly Average	\$0.00	\$0
Interest Expense Deduction Tax Benefit (35% Tax Rate)	\$0.00	\$0
Rent Deduction Tax Benefit (35% Tax Rate)	\$0.79	\$15,726
Operating Expense Deduction	\$0.00	\$0
Total		\$15,726
<b>Lease Cost of Occupancy after Benefits</b>		
Cost of Occupancy	\$1.46	\$29,206

Own Scenario	PSF	Amount
Owner Occupied SF		19,970
<b>Purchase Assumptions</b>		
Purchase Price	-	\$9,000,000
Tenant Improvements	-	\$0
Total	-	\$9,000,000
<b>Start-Up Costs</b>		
Down Payment	-	\$900,000
Loan Fees	-	\$66,580
Total	-	\$966,580
<b>Gross Monthly Income</b>		
Rental Income	\$1.24	\$24,823
OpEx Reimbursement	\$0.10	\$2,035
Total	\$1.34	\$26,858
<b>Ownership Cost of Occupancy</b>		
Loan Payment	\$1.91	\$38,228
Operating Expenses	\$1.26	\$25,133
Less: Gross Monthly Income	-\$1.34	-\$26,858
Total	\$1.83	\$36,503
<b>Ownership Benefits</b>		
Depreciation Tax Benefit (35% Tax Rate)	\$0.20	\$3,987
Estimated Appreciation Benefit (Net of Capital Gains Tax)	\$0.47	\$9,300
Principal Reduction Year 1 Monthly Average	\$0.93	\$18,522
Interest Expense Deduction Tax Benefit (35% Tax Rate)	\$0.35	\$6,897
Less: Tax on Rental Income (35% Tax Rate)	-\$0.03	-\$604
Less: Interest on Delta of Start-Up Costs (Net of 35% Tax)	-\$0.21	-\$4,189
Total	\$1.70	\$33,914
<b>Ownership Cost of Occupancy after Benefits</b>		
Cost of Occupancy	\$0.13	\$2,589




# Market Overview

# Market Overview

Location Map



# Chatsworth, CA

	Chatsworth	City of Los Angeles	Los Angeles County
	POPULATION 37,131	POPULATION 3.99M	POPULATION 10.05M
	MEDIAN HOUSEHOLD INCOME \$99,046	MEDIAN HOUSEHOLD INCOME \$69,765	MEDIAN HOUSEHOLD INCOME \$75,112
	NUMBER OF EMPLOYEES 48,938	NUMBER OF EMPLOYEES 1.67M	NUMBER OF EMPLOYEES 4.27M
	MEDIAN PROPERTY VALUE \$605,243	MEDIAN PROPERTY VALUE \$628,483	MEDIAN PROPERTY VALUE \$601,395
	MEDIAN AGE 42.7	MEDIAN AGE 35.7	MEDIAN AGE 36.5
	TOTAL BUSINESSES 3,561	TOTAL BUSINESSES 191,589	TOTAL BUSINESSES 466,088

## Los Angeles County Chatsworth, CA

Chatsworth is primarily a suburban neighborhood in the northwestern San Fernando Valley region of Los Angeles. While known for its natural beauty, the area contains a sizable commercial base featuring industrial as well as modern office and retail space.

Chatsworth offers convenient access to the 118 freeway and serves as a gateway between LA and Ventura Counties for easy commuting.

Several new developments in the community demonstrate the area's long-term viability for office, retail and hospitality. MGA Entertainment, the brand behind the popular Bratz dolls, invested in a 250K+ SF built-to-suit corporate headquarters at 2000 Prairie. Phase I of the project delivered in 2020 — Phase II will add 268 luxury multifamily units along with 21K SF of retail and restaurant space at 24, a hot new development expected to bring high-income earners to the area. The nearby Gateway at Lassen neighborhood center currently under construction will feature a Residence Inn hotel scheduled to deliver Q4 2021.

Source: Applied Geographic Solutions

# Amenities Map



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NAI Capital Commercial CA DRE #02130474

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