

FOR SALE

TROPHY OWNER USER
RETAIL/OFFICE/MEDICAL/RESTAURANT
OR INVESTMENT

214
SOUTH
LAKE
PASADENA, CA



(RENDERING IS CONCEPTUAL)



OFFERING MEMORANDUM

Cheryl Pestor

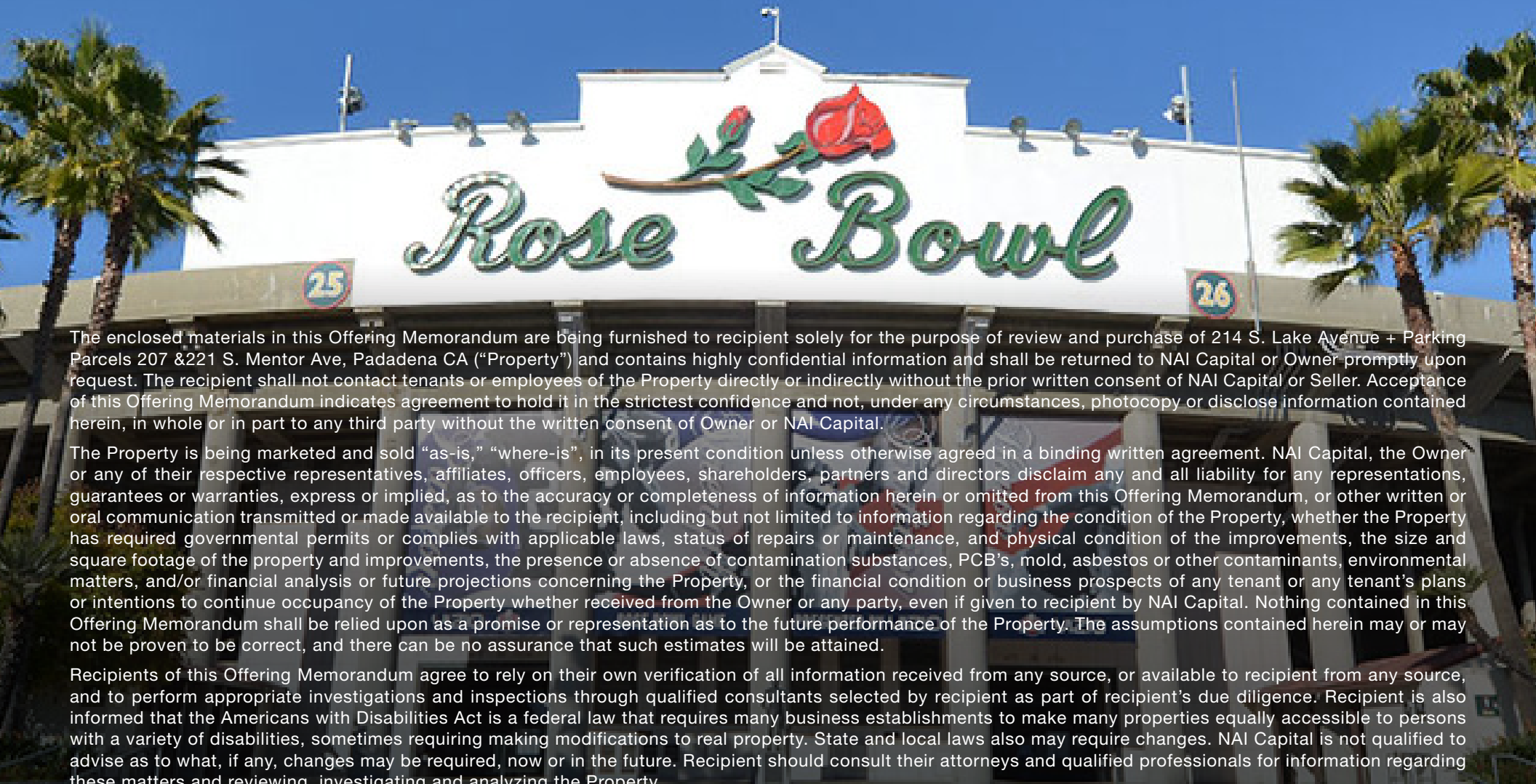
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NAI Capital – Pasadena

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Disclaimer and Confidentiality Agreement



The enclosed materials in this Offering Memorandum are being furnished to recipient solely for the purpose of review and purchase of 214 S. Lake Avenue + Parking Parcels 207 & 221 S. Mentor Ave, Pasadena CA ("Property") and contains highly confidential information and shall be returned to NAI Capital or Owner promptly upon request. The recipient shall not contact tenants or employees of the Property directly or indirectly without the prior written consent of NAI Capital or Seller. Acceptance of this Offering Memorandum indicates agreement to hold it in the strictest confidence and not, under any circumstances, photocopy or disclose information contained herein, in whole or in part to any third party without the written consent of Owner or NAI Capital.

The Property is being marketed and sold "as-is," "where-is", in its present condition unless otherwise agreed in a binding written agreement. NAI Capital, the Owner or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors disclaim any and all liability for any representations, guarantees or warranties, express or implied, as to the accuracy or completeness of information herein or omitted from this Offering Memorandum, or other written or oral communication transmitted or made available to the recipient, including but not limited to information regarding the condition of the Property, whether the Property has required governmental permits or complies with applicable laws, status of repairs or maintenance, and physical condition of the improvements, the size and square footage of the property and improvements, the presence or absence of contamination substances, PCB's, mold, asbestos or other contaminants, environmental matters, and/or financial analysis or future projections concerning the Property, or the financial condition or business prospects of any tenant or any tenant's plans or intentions to continue occupancy of the Property whether received from the Owner or any party, even if given to recipient by NAI Capital. Nothing contained in this Offering Memorandum shall be relied upon as a promise or representation as to the future performance of the Property. The assumptions contained herein may or may not be proven to be correct, and there can be no assurance that such estimates will be attained.

Recipients of this Offering Memorandum agree to rely on their own verification of all information received from any source, or available to recipient from any source, and to perform appropriate investigations and inspections through qualified consultants selected by recipient as part of recipient's due diligence. Recipient is also informed that the Americans with Disabilities Act is a federal law that requires many business establishments to make many properties equally accessible to persons with a variety of disabilities, sometimes requiring making modifications to real property. State and local laws also may require changes. NAI Capital is not qualified to advise as to what, if any, changes may be required, now or in the future. Recipient should consult their attorneys and qualified professionals for information regarding these matters and reviewing, investigating and analyzing the Property.

The information contained herein is subject to change without notice. This Offering Memorandum is a solicitation of interest only and is not an offer to sell the Property. The Owner reserves the right, at its sole and absolute discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to correction of errors, omissions, change of terms or price, prior sale or withdrawal from the market without notice.

To the extent Owner or any agent of Owner corresponds with any interested party, any interested party should not rely on any such correspondence or statements as binding Owner. Owner shall have no legal commitment or obligation to any interested party whatsoever until a binding written Real Estate Purchase Agreement has been fully executed, delivered, and approved by Owner and any conditions to Owner's obligations thereunder have been satisfied or waived.

214 SOUTH LAKE AVENUE AVE + PARKING PARCELS 207 & 221 S. MENTOR AVE



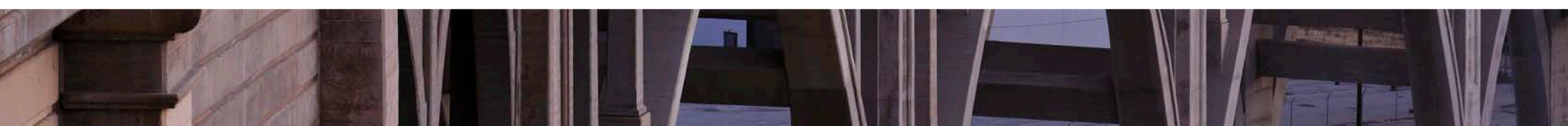
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1 INVESTMENT OVERVIEW



214 South Lake

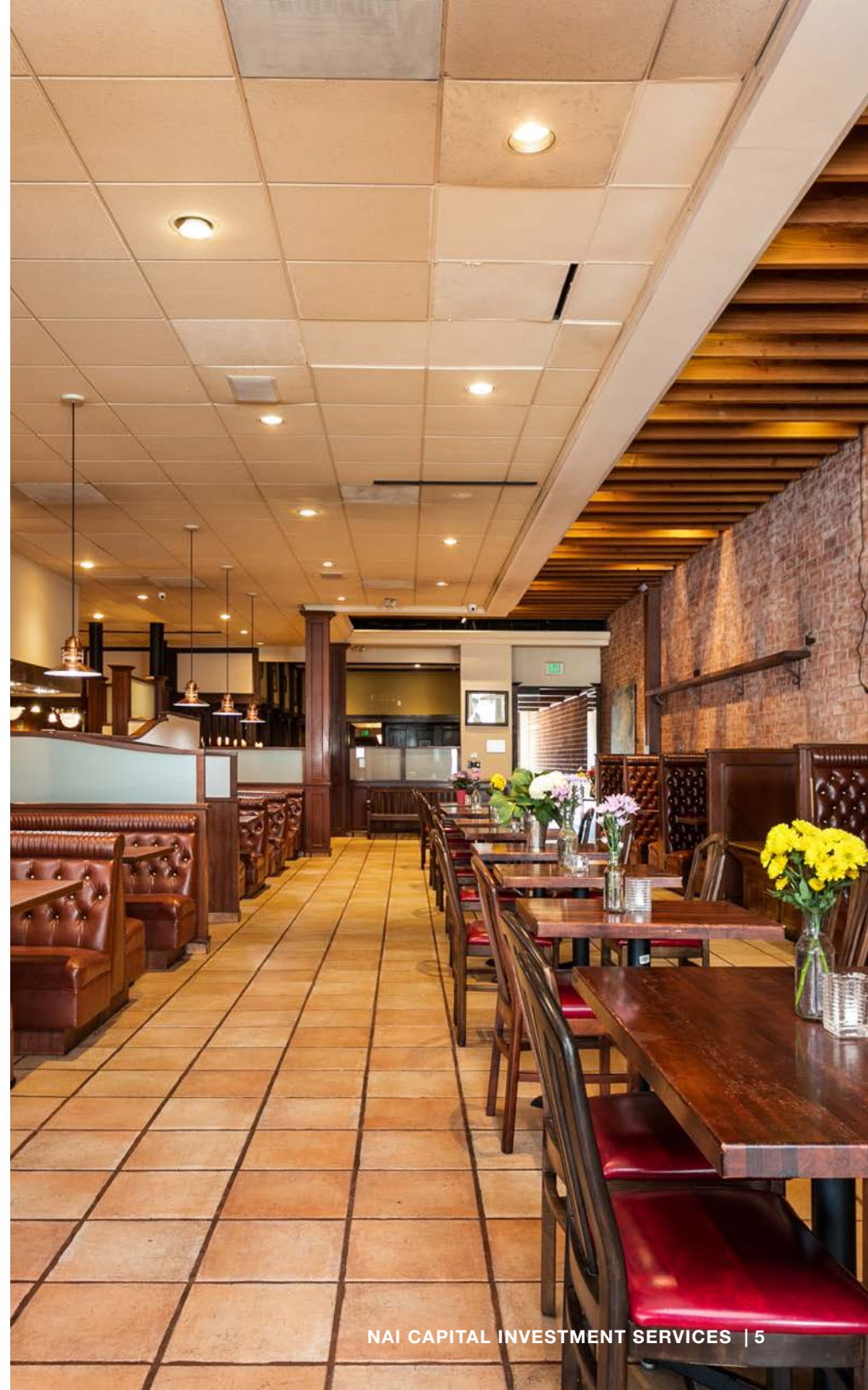
INVESTMENT SUMMARY

| | |
|-----------------------|--|
| ADDRESS | 214 S. Lake Ave. + 207 & 221 S. Mentor Ave., Pasadena |
| IMPROVED ASKING PRICE | \$5,300,000 \$4,990,000 |
| TENANTS | Vacant Owner-User Retail/Office/Medical/Restaurant or Investment. Previous tenants were Du-Pars Restaurant and Hamburger Hamlet |
| YEAR BUILT | 1966 |
| SQUARE FEET | ± 9,714 SF: ± 8,090 SF ground floor & ± 1,624 SF on 2nd floor |
| PRICE/SF | \$513.69 |
| PARCEL SIZES | 3 parcels with a total of 26,700 SF i.e. 0.61 AC |
| APNs | 214 S. Lake Retail Building: 5735-033-043 – 9,900 SF Land 207 S. Mentor Ave. parking lot: 5735-033-041 – 8,000 SF Land 221 S. Mentor Ave. parking lot: 5735-033-040 – 8,800 SF Land |
| TYPE OF OWNERSHIP | Fee Simple |
| ZONING | CD-5. Allows for a 2.00 FAR ratio and 50' height |
| PARKING SPACES | Ample metered 48 surface spaces in the rear parking lot shared reciprocal parking with 255 Spaces in this block. First 90 minutes are free. Monthly Parking Permit w/City of Pasadena are \$75.00 each. 25 – 1 day permits are \$75.00 |

FINANCING SUMMARY

All Cash or Cash to New Financing. See page 6 for SBA Financing Assumptions
George Smith Partners

The Property is being sold free and clear of debt



214 South Lake

Property Address: 214 S. Lake Ave. + Parking Parcels 207 & 221 S. Mentor Ave., Pasadena, CA 91101

| SOURCES AND USES | | | LOAN SUMMARY | |
|-----------------------------------|--------------------|------|---------------------------------------|-------------|
| | Amount | % | | |
| SOURCES | | | Senior Loan Request | \$4,491,000 |
| New 1st Trust Deed | \$4,491,000 | 90% | Purchase Price | \$4,990,000 |
| Borrower's Cash Equity at Closing | \$509,000 | 10% | Loan to Purchase Price | 90% |
| Total Sources of Funds | \$5,000,000 | 100% | All-In Interest Rate (as of 9/8/2020) | 2.40% |
| USES | | | Amortization | 25 |
| Purchase Price | \$4,990,000 | 100% | Annual Debt Service | \$239,063 |
| Financing Cost | | | Monthly Debt Service | \$19,922 |
| Estimated Closing Cost | \$10,000 | 0% | Loan per SF | \$460.14 |
| Lender's Fee | 0.00% | \$0 | Loan Term | 25 Year |
| Mortgage Broker's Fee (GSP) | TBD | | | |
| Total Uses of Funds | \$5,000,000 | 100% | | |

- Interest rate is subject to change.
- The Financing Assumptions above is provided by George Smith Partners for discussion purposes only.
- The terms and conditions herein will be subject to satisfactory review of borrower's creditworthiness and financial strength, and no change in the financial, banking, capital or secondary market conditions and receipt of all necessary internal committee and other approvals by Lender.
- Restaurants need to be strong financially to qualify for 85 – 90% LTV.
- Tenant Improvements can be included and funded as well.



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214 South Lake

PROPERTY HIGHLIGHTS

- **Pride of Ownership Asset** – operated since 2014 as Du-Par's restaurant and prior to that operated as the iconic Hamburger Hamlet for 47 years since 1967. Rare opportunity to acquire a prominent, highly sought after "trophy" street front retail with tremendous visibility, along South Lake Avenue in the vibrant South Lake Avenue District trade area.
- **Owner-User or Investor.** The building is now vacant and an ideal opportunity for both an owner-user and/or investor.
- Building offers 55' of frontage along Lake Avenue and features both indoor and outdoor dining options
- ±8,090 SF on the ground floor and ±1,624 SF on the second floor
- The Restaurant has an occupancy of 259 people and consists of the following dining options:
 - Front area Café
 - The Diner
 - The Tap Room
 - The Main Room
 - Fireside Room
 - The Terrace with outdoor dining patio
- **Full Service Kitchen** - Consists of a 34' 9" long hood, 9' 4" long fryer hood, 11' 10" X 5' 6" walk in cooler, 17' 4" X 6' 4" walk in freezer



The Diner



The Cafe

PROPERTY HIGHLIGHTS

- **Restrooms** – 2 customer restrooms on the ground floor & 2 customer restrooms on second floor. Also 2 employee restrooms on the second floor.
- **CD-5 zone** - Allows for uses such as Restaurants, Offices and Retail Sales. Please check with the Pasadena Code of Ordinances to confirm.
- **Ease of parking** – Convenient, accessible parking totals 2 parcels of 16,800 SF and approximately 48 parking spaces shared by reciprocal adjacent parking of 255 total spaces.
- **Generational Asset** – Since the development of the building in 1966, the ownership has passed to 2nd generation in the same family, making this a rare opportunity to acquire this property
- **No In-Place Financing** – The Property is offered free and clear of existing debt and is available for a quick close to accommodate 1031 Exchange identification and closing periods. A new Owner-User or Investor will be able to purchase all cash or with new financing
- **Flexibility** – Can accommodate a single user up to ±9,714 SF, or the building can be divided to meet the high demand of small to medium retail/restaurant office or medical businesses.





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2 PROPERTY OVERVIEW

PROPERTY PHOTOS



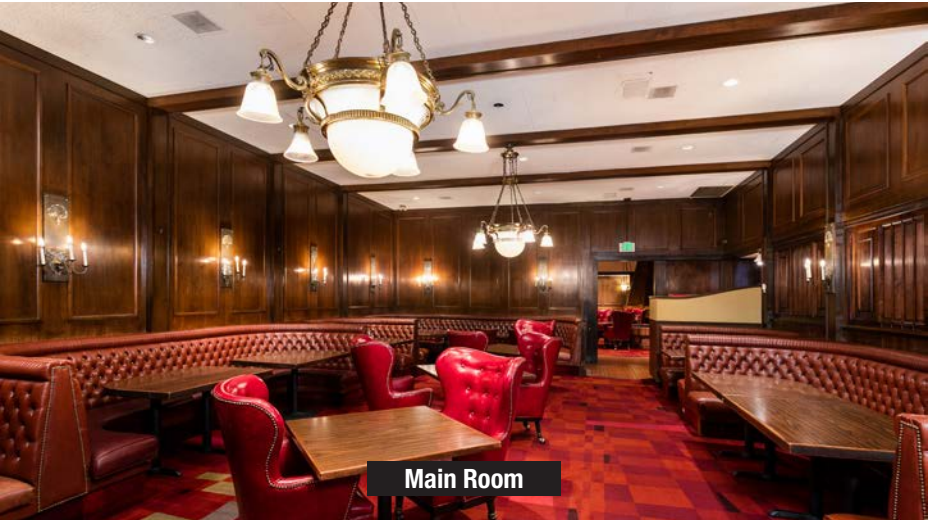
The Tap Room



Fireside Room



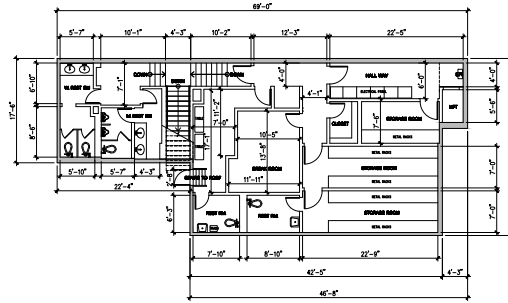
The Tap Room



Main Room

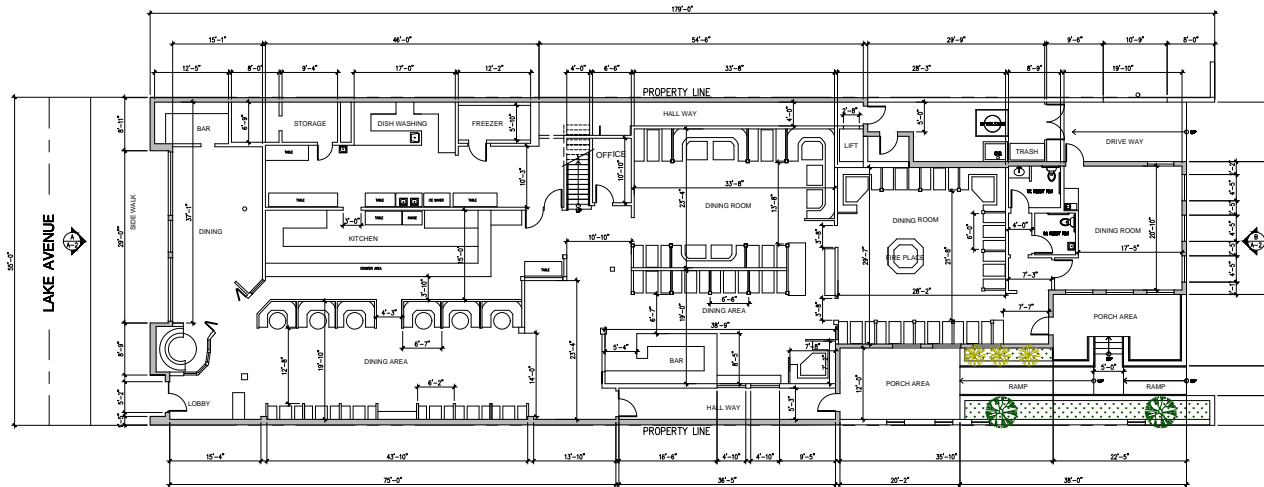
EXISTING FLOOR PLAN

| | |
|-----------------------------|----------------------|
| EXISTING FIRST FLOOR AREA: | 8,090 SQ. FT. |
| EXISTING SECOND FLOOR AREA: | 1,624 SQ. FT. |
| TOTAL SQUARE FOOT: | 9,714 SQ. FT. |



(E) SECOND FLOOR PLAN

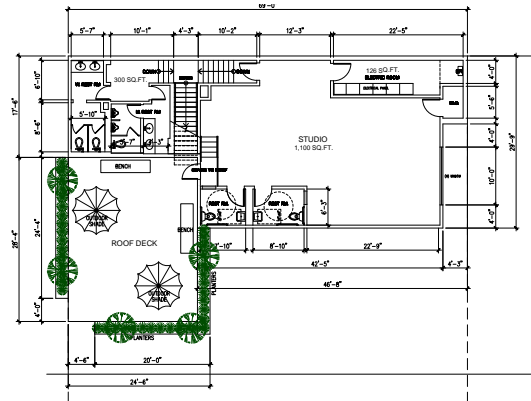
SCALE: 1/8" = 1' - 0"



(E) FIRST FLOOR PLAN


SCALE: 1/8" = 1' - 0"

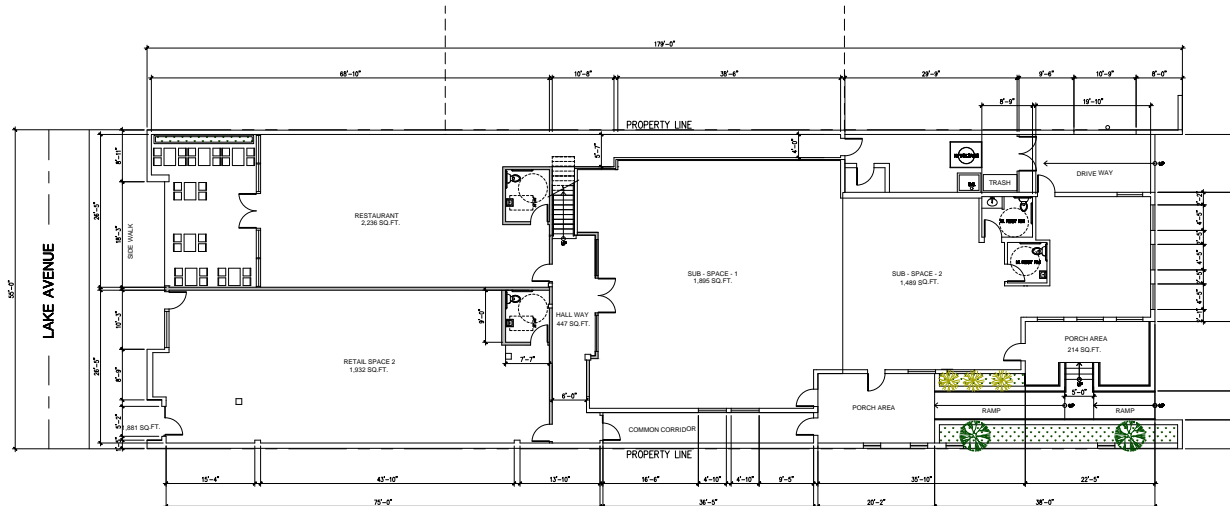
PROPOSED MULTI-TENANT FLOOR PLAN




WALL LEGEND:
 - - - - (E) WALL TO BE DEMOLISHED
 - - - - (E) STUD WALL TO REMAIN
 ——— NEW STUD WALL / PARTITION WALL

PROPOSED SECOND FLOOR PLAN

SCALE: 1/8" = 1' - 0" 



PROPOSED FIRST FLOOR PLAN

SCALE: 1/8" = 1' - 0" 

CONCEPTUAL ROOF DECK RENDERING



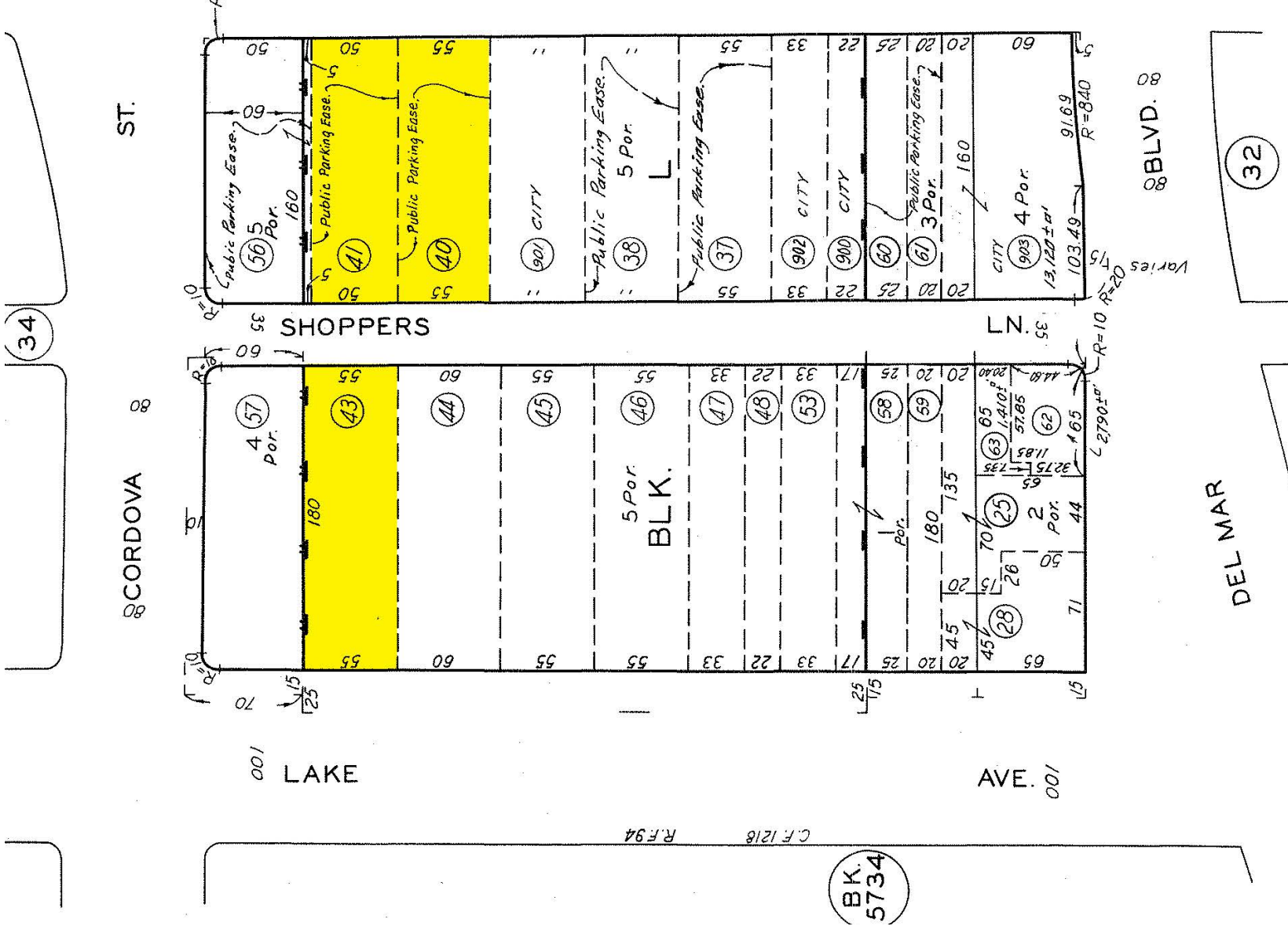
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Property Aerial

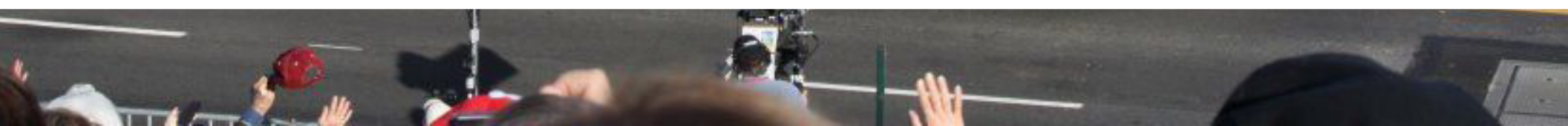


Parcel Map



SAN PASQUAL TRACT - M.R. 3-315 & M.
 DEFRIEZ TRACT M
 LYMAN, RICE AND GILES SUBDIVISION M

ASSMT. SEE:



AREA HIGHLIGHTS

- High profile South Lake Avenue location 3 doors south of the southeast corner of Lake Ave. and Cordova St.
- Centrally located on the most desired blocks of South Lake Avenue
- Convenient Regional and Local Location – The property is ideally situated less than 0.70 mile to the Metro Gold Line Lake Ave. Station and the 134/210 Freeway (over ±270,000 cars per day) just south of the strategic intersection of S. Lake Ave. and Cordova St. providing convenient regional and local accessibility.
- Approximately 23,213 Average Daily Traffic Counts on Lake Avenue Northbound and Southbound between Cordova St. and Del Mar Blvd (City of Pasadena 2019)
- The South Lake Avenue District is a unique 12-block area with a unique blend of 600 businesses, 2 million square feet of Class A office space and the 450,000 square foot regional mall known as The Shops on Lake Avenue anchored by Macy's.
- Ease of Access – 214 S. Lake Ave. features traditional, sidewalk frontage and ample parking in the rear of the property with the first 90 minutes free. Insures desirability for leasing flexibility to future tenants.



214 South Lake

AREA HIGHLIGHTS

- Primary Retail Location – Primary retail hub location is located in the same block as Panda Express, Jamba Juice, Veggie Grill, Urbane Café, Mendocino Farms, Chipotle and Granville Café. Coming Soon on the same block are Five Guys Burger & Fries, Randy's Donuts and Susie Cakes.
- Pasadena is Los Angeles' Rising Tech Hub: Strategically Located Within 3 blocks of Cal Tech and 5 blocks from Pasadena City College and drawing from NASA's Jet Propulsion Laboratory (JPL) and central business district businesses.
- Pasadena is home to high-income earners. Within a 3-mile radius, the average annual household income exceeds \$129,000 a year
- Dense Infill, Urban Location in Excess of 540,000 People within a 5-Mile Radius, reflecting Pasadena's excellent high quality-of-life factors.
- Excellent San Gabriel Valley Location – Located in an integral part of the Los Angeles Metro area.





SOUTH LAKE AVENUE - SHOP. DINE. LIVE.

- The South Lake Avenue Business District (southlakeavenue.org) is bounded by Colorado Boulevard on the north, Mentor Avenue on the east, California Boulevard on the south and Hudson Avenue on the west.
- South Lake Avenue provides a unique blend of upscale shopping, dining, professional services and urban living within 12 blocks of the City of Pasadena. The district is home to over 600 businesses, 2 million square feet of Class A office space, and the 450,000 square foot regional mall The Shops on Lake anchored by Macy's, Trader Joe's, Breakthru Fitness and T.J. Maxx.
- The majority of Pasadena's offices reside on South Lake Avenue with a workforce of 52,951 employees in a 1 mile radius, giving it the reputation of the "Corporate Center" of the City.
- 214 S. Lake Avenue has the privilege to be in the most desired blocks of South Lake Avenue along with Veggie Grill, Jamba Juice, Panda Express + Tea Bar, Urbane Café, Mendocino Farms, First Financial, Granville Restaurant, Homestreet Bank and Real Food Daily. New arrivals soon to be opening on this block are Five Guys Burger & Fries, Randy's Donuts and Susie Cakes.
- Other national retailers in South Lake Avenue are Williams-Sonoma, Vitamin Shoppe, Talbots, SoulCycle, Pottery Barn Kids, Pet Food Express, Orvis, Pacific Sales, Jos. A. Bank, Ann Taylor, Ross Dress for Less, Pavilions and L.A. Fitness

Retail Map



CITY OF PASADENA

Incorporated in 1887, the 23-square-mile City of Pasadena is located at the foot of the San Gabriel Mountains near the western end of the San Gabriel Valley, 10 miles northeast of Downtown Los Angeles. Pasadena is bordered by the City of Glendale and Eagle Rock to the west, La Canada Flintridge to the northwest, Altadena to the north, Sierra Madre to the northeast, Arcadia to the east and San Marino and South Pasadena to the south.

The city has grown to ±145,000 residents and is one of the most dynamic markets in Los Angeles County with one of the strongest demographic profiles with historically low unemployment and a highly educated workforce. Pasadena is a top innovation and tech hub in the U.S. where 17% of the jobs are in creative and professional fields which is higher than Austin, Portland, Seattle and San Jose.






Pasadena is rich with amenities of local, national and international stature. From the Cultural -Museum of California Art, the Norton Simon Museum, Huntington Library/Art Museum/Botanical Gardens, Ambassador Auditorium, USC Pacific Asia Museum, Kidspace Children's Museum, Charles & Henry Greene's Gamble House and Pasadena Museum of History; Educational Institutions - such as Caltech, Art Center of Design, Pasadena City College, Fuller Theological Seminary and Entertainment – such as The Pasadena Playhouse, The Ambassador Auditorium, A Noise Within Theatre, Beckman & Ramo Auditoriums at Caltech, Boston Court Performing Arts, Levitt Pavilion at Memorial Park and MUSE/IQUE'S live music events and the Iconic Rose Bowl home to the UCLA Bruins football team and the New Year's Day Rose Bowl football game and the annual world-famous Rose Parade – “America's New Year Celebration” with an attendance over 700,000 and viewership of more than 37 million in more than 100 countries, bringing global recognition to Pasadena.

The draw of a dynamic younger population between the ages of 25-36 years of age, easy access to the Gold Line Rail system, renowned institutions such as Caltech and NASA's Jet Propulsion Laboratory, South Lake Avenue and Old Town Pasadena restaurants, upscale boutiques and design stores add to Pasadena's vibrant community with cultural, institutional and entertainment amenities unrivaled in Southern California.

214 South Lake



DEMOGRAPHICS

| |  Daytime Population |  Average HH Income |  Median Age |  Daytime Employees |  College Degree |
|---------------|--|---|--|---|--|
| 1 Mile | 34,673 | \$101,440 | 35.9 | 52,951 | 64.0% |
| 3 Mile | 202,494 | \$129,148 | 39.3 | 117,857 | 53.3% |
| 5 Mile | 540,477 | \$115,797 | 39.6 | 217,448 | 44.0% |


Walkers Score
 95 out of 100 (Walker's Paradise)


Bikers Score
 92 out of 100 (Biker's Paradise)

DAILY TRAFFIC COUNTS

| Intersection | ADT |
|--|------------------------------------|
| 210 Freeway at Lake Ave. | 331,000 (2017 Caltrans) |
| S. Lake Ave. between Cordova & Del Mar | 23,213 (Northbound and Southbound) |

TOP EMPLOYERS

Pasadena offers a diversified employment base from Fortune 500 companies, educational institutions, hospitals, hotels, technology and aerospace companies, financial services and small businesses. Pasadena’s economy attracts a highly educated labor base with a depth of technology related institutions, world-class universities where over 300 start-up companies have been launched from Caltech, JPL, Art Center and IdeaLab. Pasadena has filed the most patents in the U.S. outside of Silicon Valley.

There is also a growing biotech community, which has attracted Kaiser Permanente School of Medicine who has a four-story 80,000 square foot building under construction at 94 S. Los Robles Avenue and Doheny Eye Institute currently renovating 123,000 former Avery Dennison property at 150 N. Orange Grove Blvd., which will be their corporate headquarters.

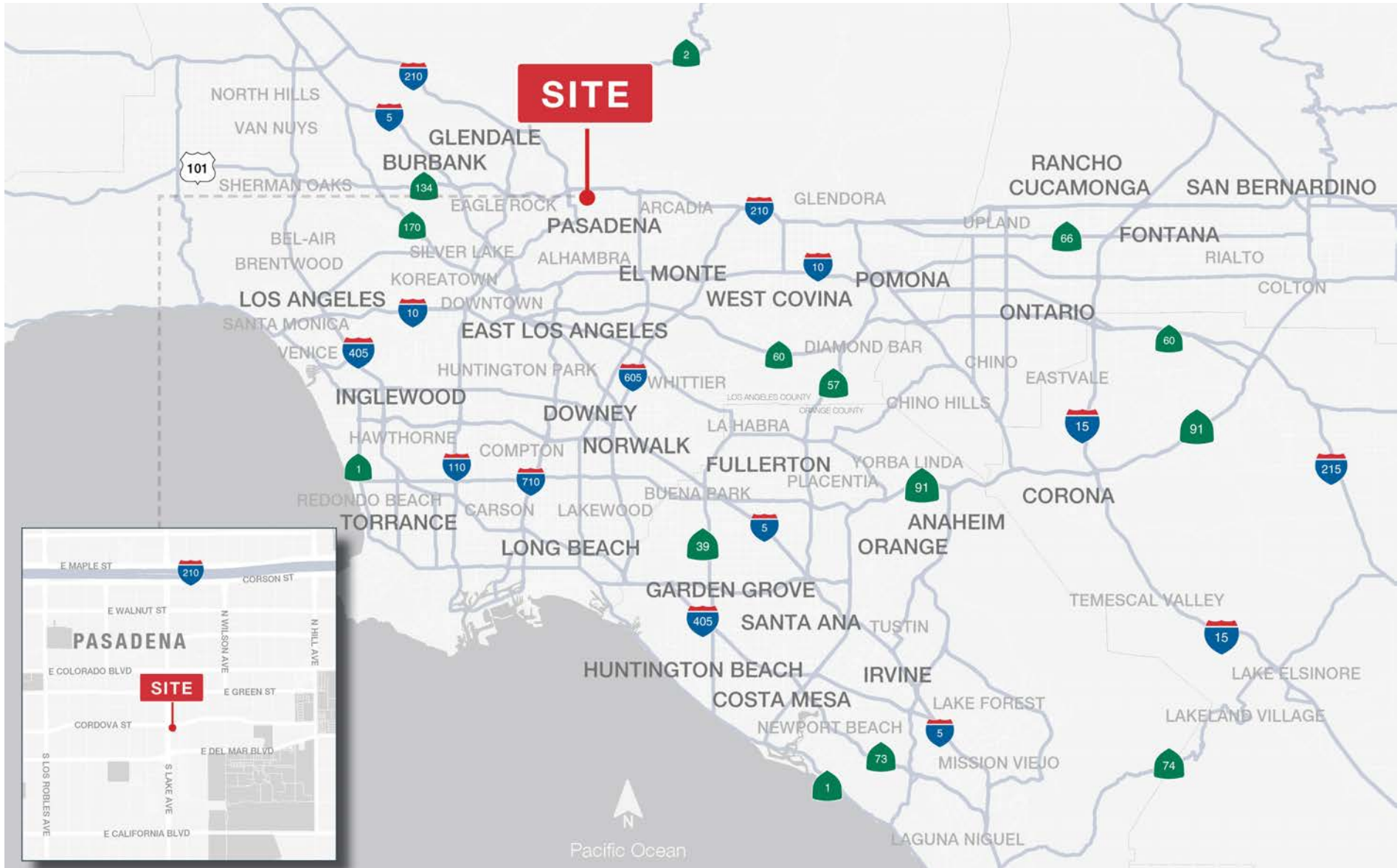
With over 110,000 jobs, 16 million square feet of office space, excellent freeway and transit access, Pasadena’s economy is a major employment center in the region.

| | | | | |
|---|---|---|---|---|
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|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

Location Map



Regional Map





4 SALE COMPARABLES

Sale Comparables



214 S. Lake Avenue | Pasadena

Asking Price: \$5,300,000
Square Feet: ±9,760
Price Per SF: \$543.03
CAP Rate: N/A
Year Built: 1966
Occupancy: Vacant Owner User
Land SF: ±26,700
Parking: 48 spaces



614-618 E. Colorado Blvd. | Pasadena, CA 91101

Close of Escrow: 07/10/2018
Sale Price: \$3,550,000
Square Feet: ±7,013
Price Per SF: \$506.20
CAP Rate: N/A Vacant
Year Built: 1955
Occupancy: Vacant Owner User
Land SF: ±10,019
Parking: 16 Spaces
Comments: Purchased by an Investor who remodeled & demised into 2 spaces. Leased 1 space to Healthy Spot Natural Pet Store.



1202 E. Green Street | Pasadena, CA 91106

Close of Escrow: 4/13/2020
Sale Price: \$2,680,000
Square Feet: ±4,061
Price Per SF: \$659.94
CAP Rate: N/A Vacant
Year Built: 1924
Occupancy: Vacant Owner User
Land SF: ±13,322
Parking: 17 spaces
Comments: Purchased by a Medical Owner User.



336 S. Lake Avenue | Pasadena, CA 91101

Close of Escrow: 2/16/2018
Sale Price: \$6,000,000
Square Feet: 6,000
Price Per SF: \$1,000.00
CAP Rate: 5.00%
Year Built: 1952 Renov 2016
Occupancy: Nicks Restaurant 100%
Land SF: ±13,322
Parking: Approx. 24 spaces
Comments: 10 year single tenant NNN Leased Investment.



310 S. Lake Avenue | Pasadena, CA 91101

Close of Escrow: 8/29/2018
Sale Price: \$23,000,000
Square Feet: 39,290
Price Per SF: ±\$585.39
CAP Rate: 4.90%
Year Built: 1949
Occupancy: 100%
Land SF: 35,552
Parking: 80 spaces
Comments: Single Tenant NNN Leased Investment Walgreens & Sit'n Sleep



380 S. Lake Avenue | Pasadena, CA 91101

Close of Escrow: 9/7/2018
Sale Price: \$4,800,000
Square Feet: 9,010
Price Per SF: \$532.74
CAP Rate: 3.50%
Year Built: 1976
Occupancy: 100%
Land SF: 30,000
Parking: Approx. 48 spaces
Comments: Multi-Tenant retail w/approx. \$1.2M differed maintenance

214 SOUTH LAKE AVENUE

Pasadena, CA

Exclusive Advisor:

Cheryl Pestor

Senior Vice President

Investment Services Group

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COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE | SERVICES GROUP