

Best in class "A" credit tenant
Core infill Los Angeles location
137,000 car per day intersection
New construction
Relocation of very high volume store

Marshalls
6854 La Tijera Blvd.
Los Angeles, CA





PACIFIC PALISADES
SANTA MONICA
VENICE
MARINA DEL REY
PLAYA VISTA



CULVER CITY



S. La Tijera Blvd.



La Cienega Blvd.



Centinela Ave.

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Overview



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1 > Investment Summary



Marshalls

Marshalls
Spectrum▶

La Tijera Blvd
6800



Investment Summary

Newmark Knight Frank, as exclusive advisor, is pleased to present the opportunity to acquire a single tenant Marshalls located at the Southeast corner of Centinela Avenue and La Tijera Boulevard in the City of Los Angeles, California ("The Property"). Completed in 2020 as part of a new grocery anchored shopping center, the building incorporates the highest quality design and architectural finishes along with an exceptional infill location. The property is prominently situated at one the most heavily traveled intersections in Los Angeles with over 63,600 CPD. Marshalls executed a new then (10) year lease with strong contractual rent increases. The property provides investors with the rare opportunity to acquire exceptional real estate occupied by a "best in class" credit ensuring reliable cash flow and appreciation.

Investment Highlights

Stable and Secure Investment Opportunity

100% leased to Marshalls, a wholly owned division of TJX Companies (NYSE: TJX), which currently has a market cap of \$51.5 billion, providing attractive security for investors seeking stable tenancy and returns

Forced relocation of a very successful store in Culver City ensuring this will be a high volume, flagship location in terms of sales performance

Predictable income growth associated with scheduled fixed rent increases throughout the lease term and option period, and limited landlord responsibilities

Best in class operator with “A” credit ensuring long term stability and surety of income

High Profile, High Barrier to Entry Location

Located at one of the most heavily trafficked intersections in the City of Los Angeles with a combined traffic count of 137,000 cars per day

Situated in immediate proximity to the communities of Culver City, Playa Del Rey, and Playa Vista

Property is immediately accessible via the San Diego (405) Freeway

Building is part of a new grocery anchored shopping center

Exceptional Demographic Characteristics

Very strong densities and incomes with over 247,000 residents with average household incomes in excess of \$95,000 per year located within a three (3) mile radius of the property

There is a daytime population of 143,000 employees within three miles, there are more than 810,000 residents in the expanded trade area that spans a five mile radius from the subject property

Asking Price

\$20,730,000



Cap Rate

4.00%



Lease Term

Ten Years





Marshall's

High Tech
CreditGrocer



S. La Tijera Blvd.

Centinela Ave.

La Cienega Blvd.

2 > Market Overview



Marshalls

Marshalls
Spectrum ▶

La Tijera Blvd
6800



Newmark
Knight Frank



Los Angeles Overview

The city of Los Angeles (also known simply as L.A., and nicknamed the “City of Angels”) is the most populous city in California. Located on a broad basin in Southern California, the city is surrounded by vast mountain ranges, valleys, forests, beautiful beaches along the Pacific Ocean, and nearby desert. Los Angeles is an important center of culture, medicine, agriculture, business, finance, energy, aerospace, science, food processing, media, international trade, and tourism. International tourists regard Los Angeles as most famous for “Hollywood,” but a long-running trend in favor of outsourcing of film and television production has critically undermined the sector to the point where entertainment and media employ only about 120,000 people in the entire metro area (and most of them work in Burbank or Culver City, not Hollywood). Many major motion picture deals and premieres still occur in Los Angeles, but the vast majority of those films are actually shot elsewhere. However, some post-production, editing, promotion, distribution, and archiving work still occurs in Los Angeles. In addition, L.A. remains a major center for production of television shows and television commercials, as well as music recordings.

The economy of Los Angeles employs 2.06M people

Largest industries in Los Angeles > Health Care, Retail, and Accommodation & Food Services





Los Angeles County Overview

Los Angeles County has developed a diverse economic base, supported by a number of Fortune 500 companies headquartered in the area, including Walt Disney, Northrop Grumman, Occidental Petroleum, Computer Sciences, DirecTV Group, Health Net, KB Home, Jacobs Engineering Group, Avery Dennison, and Mattel.

Los Angeles County has the largest population (10,170,292 estimate as of 2019) of any county in the nation. Los Angeles County is one of the nation's largest counties, housing 10.4 million residents across 4,084 square miles. Approximately 27% of California's residents live in Los Angeles County. Its mainland coastline is 75 miles long.

Los Angeles is served by one of the largest freeway networks in the county, providing access to the five neighboring counties of Orange, Riverside, San Bernardino, Kern and Ventura. Los Angeles County's extensive freeway network facilitates the movement of people and freight throughout the region, the state and the nation. Los Angeles International Airport (LAX) services the Los Angeles County area with nearly 62 million passengers per year. Municipal bus and light rail service is provided by the Los Angeles County Metropolitan Transportation Authority (MTA).

Los Angeles County is commonly associated with the entertainment industry; all six major film studios — Paramount Pictures, 21st Century Fox, Sony, Warner Bros., Universal Pictures and Walt Disney Studios — are located within the county. Other major industries of Los Angeles County are international trade, supported by the Port of Los Angeles and the Port of Long Beach, music recording and production, aerospace, and professional services such as law and medicine. It is the nation's top international trade center, largest manufacturing center, and aerospace research/development capital.

Demographics Location Map

Population

3 Miles
247,035
5 Miles
810,721

Employees

3 Miles
143,741
5 Miles
166,908

HH Income

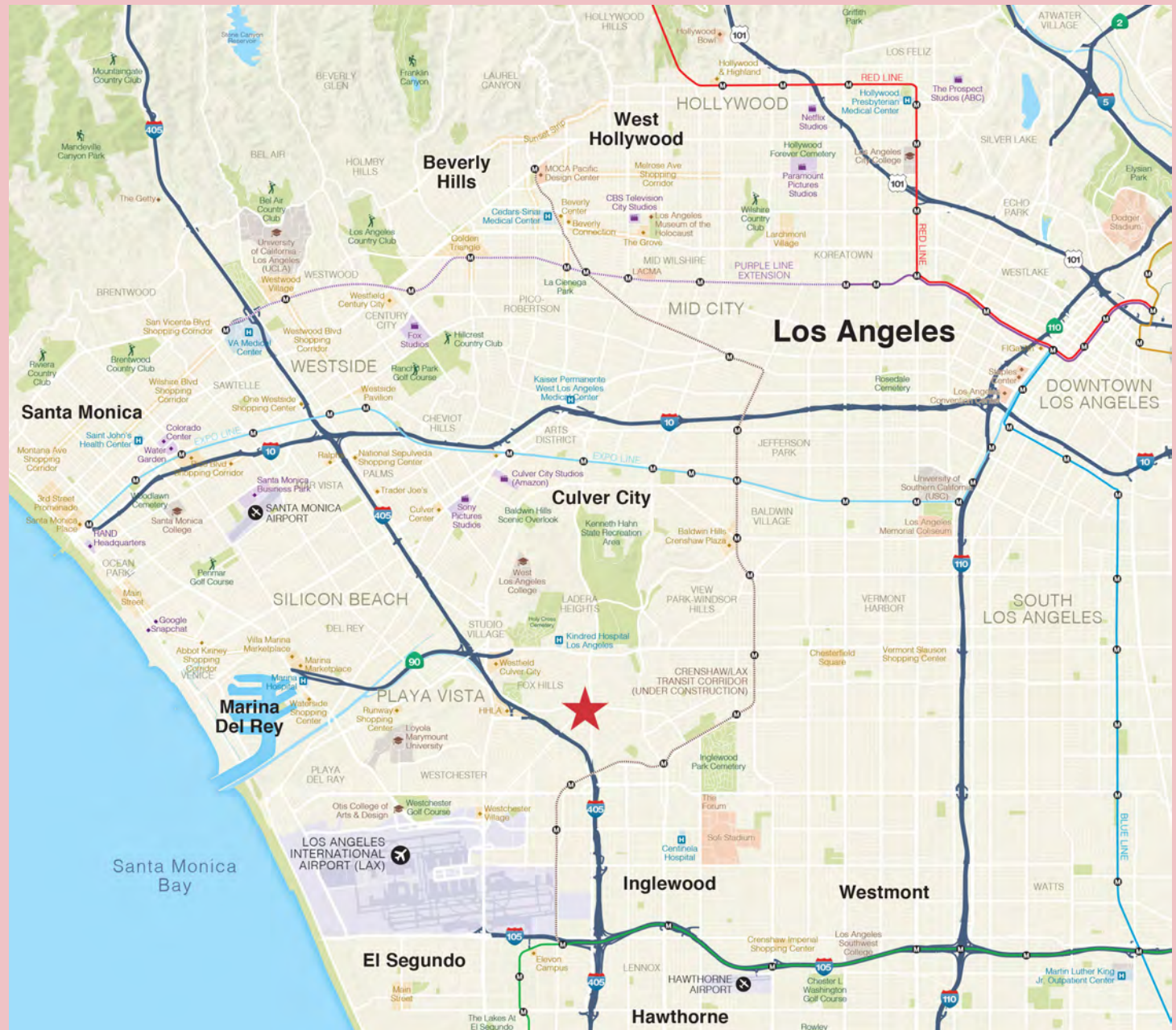
3 Miles
\$95,674
5 Miles
\$92,065

Homeowners

3 Miles
38,472
5 Miles
112,213

Median Age

3 Miles
37.0
5 Miles
36.1



Regional Aerial

MANHATTAN
BEACH

EL SEGUNDO

LAX
Los Angeles
World Airports

Ralphs
TRADER
JOE'S
Bank of America

CVS pharmacy
HomeGoods
KOHLS
TJ-maxx

ROSS
DRESS FOR
BED BATH
BEYOND
IN-N-OUT

105

SoFi Stadium



405



405

Marshall's

High Tech
CreditGrocer

La Cienega Blvd.

S. La Tijera Blvd.

99¢ only



Centinela Ave.



Traffic Counts

La Cienega Blvd.

69,867 cars per day

La Tijera Blvd.

35,658 cars per day

Centinela Ave.

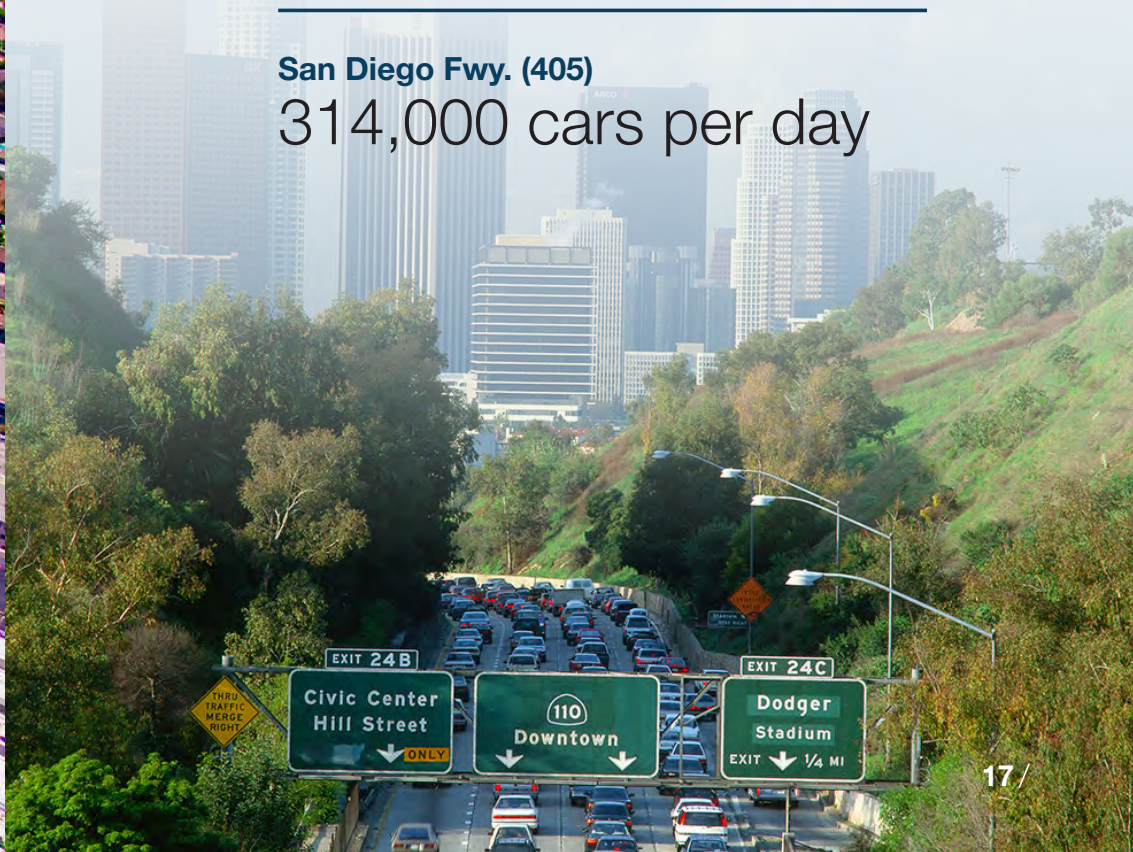
32,000 cars per day

Combined Count

137,525 cars per day

San Diego Fwy. (405)

314,000 cars per day



3 > Property Description



Marshalls

Marshalls
Spectrum ▶

La Tijera Blvd
6800



Newmark
Knight Frank

Property Description

The subject property is a single tenant Marshalls located at the Southeast corner of Centinela Avenue and La Tijera Boulevard in the City of Los Angeles.

The building is located within a new 80,000 square foot grocery anchored shopping center scheduled for completion in the fall 2020. The building area is approximately 25,913 square feet located on a 1.014 acre parcel of land. Co-tenants in the project include a 30,000 square foot national grocer, Chick Fil-A, and a thoughtfully curated mix of restaurants and retailers.

The building is prominently located at the convergence of three major arterials, with a combined traffic count of 137,525 cars per day. In addition, the property has excellent ingress and egress with vehicular access from La Cienega and La Tijera Boulevards as well as Centinela Avenue, all major regional arterials.

This is anticipated to be a very high volume store for Marshalls establishing this as one of their flagship Los Angeles locations.

The building incorporates a very high end, sophisticated design with top tier finishes enhancing the aesthetic appeal of the property.

The property is supported by a very dense and affluent population base with over 247,000 and 810,721 residents with average household incomes in excess of \$92,000 and \$95,000 per year within three and five miles respectively of the property. Densities in a five mile radius exceed 810,000 residents.

The project services the communities of Culver City, Play Vista, and Westchester, and is located in close proximity to the new \$5 billion stadium for the Los Angeles Rams and Chargers.





Property Highlights

GLA

25,913 SF



Year Built

2020



Occupancy

100%



Zoning

LAC2



APN

4103-02-27
4103-02-28
4103-02-29





Floor Plan



4 > Financial Summary



Marshalls

Marshalls
Spectrum ▶

La Tijera Blvd
6800



Lease Abstract

Tenant/Guarantor	Marshalls of CA LLC	
Address	6842 La Tijera Blvd. Los Angeles, CA 90045	
Lease Type	NNN	
Rentable Area	25,913	
Year Built	2020	
Lease Commencement	5/15/2020	
Primary Term	10 Years	
Lease Expiration	5/31/2030	
Rent	Annual	PSF
Year 1	\$829,216	\$32.00
Year 6	\$906,955	\$35.00
Renewal Options	Four (4) Five (5) Year	
Notification	Written Notice at lease 6 months in advance	
Renewal Option Rent	Annual	PSF
Option 1	\$984,694	\$38.00
Option 2	\$1,062,433	\$41.00
Option 3	\$1,140,172	\$44.00
Option 4	\$1,217,911	\$47.00

CAM	NNN
CAM Cap	Shall not exceed \$4.50 PSF during the 1st year. There is no Cap on CAM following the first year. The cap shall not apply to taxes, insurance, utilities, snow removal
Administrative Fee	\$1,500 per year. Admin Fee is subject to and included within the CAM Cap
Property Taxes	NNN - TT to pay LL within 30 days of receipt of tax bill and no less than 15 days prior to due date
Utilities	Tenant pays direct
HVAC	TT shall maintain a regular service and maintenance contract throughout term
Insurance (10.3)	
Commercial General Liability	LL shall maintain policy in amounts of not less than \$2,000,000 combined single limit per occurrence for bodily injury & property damage & \$3,000,000 aggregate limit per location. All such policies shall name TT as additionally insured
Tenant Responsibility	Tenant shall make all repairs, alterations & replacements to interior of Demised Premises including all glass & utilities, conduits, fixtures & equipment
Landlord Responsibility	Foundation, roof, exterior walls, roof drainage system, canopy



Rent Roll

Tenant	Size	Lease		Rental Schedule				Recovery	Options
		Start	Exp	Begin	Monthly	Annual	Annual PSF		
Marshalls	25,913 SF	5/15/2020	5/31/2030	Current	\$69,101	\$829,216	\$32.00	NNN	Four (4) Five (5) Year
				Year 6-10	\$75,580	\$906,955	\$35.00		
				Option 1	\$82,058	\$984,964	\$38.00		
				Option 2	\$88,536	\$1,062,433	\$41.00		
				Option 3	\$95,014	\$1,140,172	\$44.00		
				Option 4	\$101,493	\$1,217,911	\$47.00		
Totals	25,913 SF				\$69,101	\$829,216			



5 > Tenant Overview



Marshalls

Marshalls
Spectrum▶

La Tijera Blvd
6800

Tenant Summary

Marshalls is a chain of off-price department stores owned by TJX Companies. Marshalls has over 1,000 American stores, including larger stores named Marshalls Mega Store, covering 42 states and Puerto Rico, and 61 stores in Canada. Marshalls first expanded into Canada in March 2011. Marshalls is the U.S.'s second largest off-price family apparel and home fashion retailer, behind its sister company, TJ Maxx.

Marshalls traces its history to 1956, when Alfred Marshall gathered a band of innovative entrepreneurs on the East Coast to collectively start up the “Brand Names For Less” concept. Marshall and associates opened a self-service department store in Beverly, Massachusetts, offering apparel and homewares at alluringly low prices. Additional floor space was “sublet” to offer customers shoes, hardware, and sporting goods from separate sellers, but the separate ownership of those departments was invisible to the shopper.

The concept proved extremely successful. 10 years later, Marshalls had become the leading off-price retail chain in the nation. Given the volatility of the American economy in the 1970s, with recession affecting the spending habits of most shoppers, the off-price industry gathered speed. By buying up manufacturers’ post-season, overrun, and close-out stock, Marshalls was able to offer fashionable, high-quality “designer” items at prices 20 to 60 percent less than those of the department stores.

In 1976, Marshalls was acquired by Melville Corporation and experienced tremendous growth from 1977 into the 1980s. By 1993, Marshalls had expanded throughout 42 states including Hawaii, and had opened several downtown locations. In 1995, Marshalls was purchased by TJX, for \$606 million. TJ Maxx had originated when TJX’s predecessor, Zayre, hired former Marshalls executive Ben Cammerata to create a Marshalls clone.

Marshalls and T.J. Maxx operate as sister stores, and share a similar footprint throughout the country. While the two operate at near-identical price points and have similar store layouts, Marshalls differentiates itself by featuring a larger emphasis on family footwear and larger men’s and juniors departments.



Marshalls online debut delivered a 5% increase in net sales and a 2% increase in sales at established stores

Financial Highlights

Stores

4,300+



Headquarters

Framingham, MA



Founded

1956



Stock Symbol

TJX



Revenue

\$41.72B



Market Cap

\$71.57B



Disclaimer

Newmark Knight Frank, exclusive marketing representative of the Seller, is solely authorized to present this property investment offering (the "Offering"). This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of (the "Property").

Prior to submitting an offer to purchase the Property, interested parties should perform and rely upon their own investigations, analyses, estimates and projections and otherwise satisfy any concerns regarding material aspects of the proposed transaction including, but not limited to, legal, municipal, environmental, operational, seismic, financial and physical issues, and all other matters affecting or pertaining to the Property. The Seller will be offering the Property including all appurtenances and tenant improvements, solely on an "As-Is, With-All-Faults" basis, without any representations or warranties. No person is authorized to make any representations or warranties on behalf of the Seller regarding the Property. Any and all information regarding the Property provided to any interested party by the Seller or Newmark Knight Frank, including all information contained in the Offering, is provided without any representation or assurance, express or implied, regarding the accuracy, completeness or current status of applicability of such information. Each interested party is expected to undertake such reviews and investigations and make such inquiries as such party may believe to be necessary, appropriate or advisable for the purpose of forming a decision to make an offer to acquire the Property.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with an entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

The material contained herein is confidential and is presented strictly as information for the exclusive use of the prospective purchaser. Receipt and review of this Offering by the prospective purchaser constitutes an agreement not to divulge, share or distribute the information to any other party, except the prospective purchaser's legal counsel and financial advisors, without the prior specific written authorization of the Seller or Newmark Knight Frank. Each prospective purchaser shall also agree to and comply with the provisions of the confidentiality agreement executed by such prospective purchaser prior to receipt of this Offering.

This Offering is submitted subject to errors, changes, omissions, changes in price, market and other conditions. It contains selected information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information that prospective purchasers may desire. It should be noted that any and all market analyses, estimates and projections contained in this Offering are provided for general reference purposes only and are based on assumptions related to the general economy, competition, real estate market trends, and other factors beyond the control of the Seller or Newmark Knight Frank.

Such analyses, estimates and projections are therefore subject to material variation, and may not be consistent with the views or assumptions held by other professionals.

PHOTOCOPYING OR OTHER DUPLICATION OF THIS OFFERING IS NOT AUTHORIZED

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