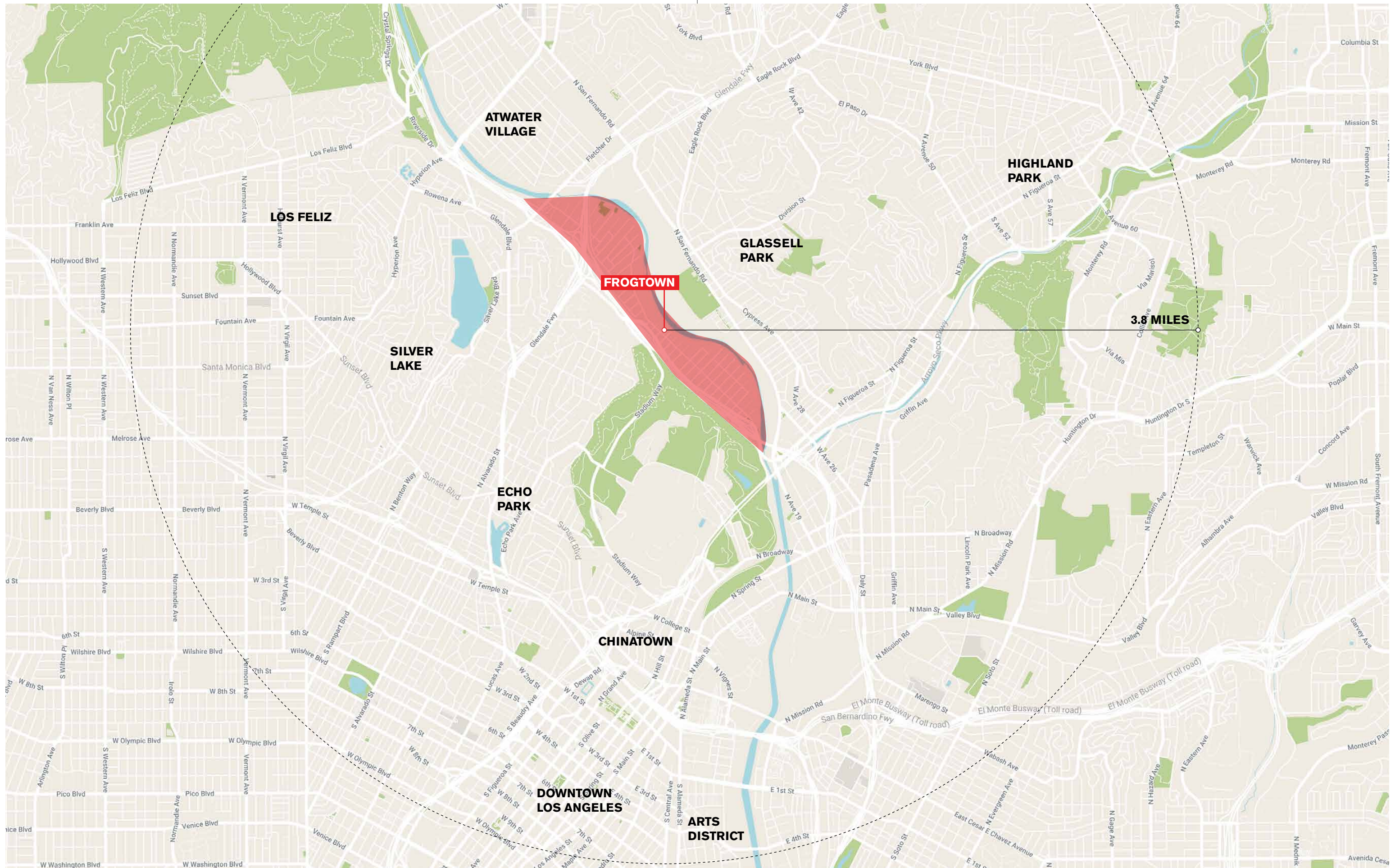


redcar

Frogtown Portfolio,
Los Angeles, CA

CONFIDENTIAL INVESTMENT SUMMARY





▼ 1498 Sunset Blvd 1.3 MILES AWAY

Redcar Existing Assets
 Subject Properties
 Local Amenities

PORTFOLIO SUMMARY

At a Glance

PORTFOLIO PRICE	TOTAL EXISTING BUILDING AREA	TOTAL LAND AREA	PRICE / LAND SF
\$17,100,000	29,577 SF	55,470 SF	\$308 SF
TOTAL REDEV. BUILDING AREA	AREA GROWTH	RSF INCREASE	PRICE / REDEV. RSF
40,390 SF	+10,813 SF	+37%	\$423 SF

#	ADDRESS	PROPERTY TYPE	SALE PRICE	EXISTING BUILDING SF	REDEVELOPED RSF	PRICE / REDEVELOPED RSF	LAND SF	PRICE / LAND SF
1	1498 Sunset	Retail Strip Center	\$5,700,000	7,063	7,546	\$755	15,218	\$375
2	1833 San Fernando	Warehouse	2,000,000	5,800	7,500	267	11,348	176
3	2800 Clearwater	Industrial	2,200,000	4,249	5,000	440	4,795	459
4	2352 Ripple Street	Manufacturing	1,000,000	1,850	5,600	179	4,796	209
5	2079 Blake Ave	Office	1,750,000	1,739	3,500	500	6,747	259
6	3010 Coolidge	Industrial	1,800,000	3,000	4,400	409	5,266	342
7	2471 Fletcher	Industrial	1,400,000	2,256	2,500	560	2,503	559
8	2752 Clearwater	Duplex	1,250,000	3,620	4,344	288	4,797	261
PORTFOLIO TOTAL			\$17,100,000	29,577	40,390	\$423	55,470	\$308

PORTFOLIO HIGHLIGHTS

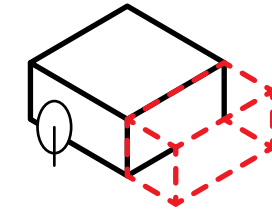
The Opportunity

Frogtown Portfolio (the “Properties” or “Investment”) is a collection of eight buildings with a mix of uses. Seven of the properties are located in bustling Frogtown, by the LA River, and one is located in Echo Park, on Sunset Blvd, the neighborhood’s major retail strip. The deal was sourced off-market and presents a unique opportunity to create a best-in-class creative office and retail repositioning project.

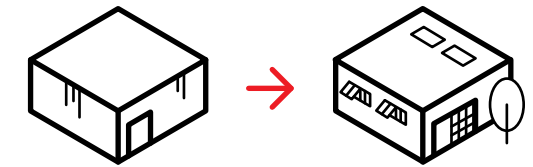
Business Plan

- Redcar Fund I (“Redcar” or the “Sponsor”) is under contract to acquire the Frogtown Portfolio for \$17.1mm (\$423/Redev SF) and is investing \$13.4mm (\$332/Redev SF) of investor equity and obtaining approximately \$15.2mm (\$376/Redev SF) of debt (50% LTC) to fund acquisition costs, base building improvements and leasing costs.
- Closing is scheduled for April 2nd, 2019.
- The Properties will be redeveloped into approximately 40,390 RSF of best-in-class creative office and retail by implementing \$6.8mm (\$169/Redev SF) of base building upgrades.
- Redcar Fund I plans to obtain financing of 50% LTC followed by a permanent loan upon stabilization. Based on a total project cost of \$30.5mm (\$754/Redev SF), Redcar aims to achieve a return on cost of 6.5% by Q3 2021.
- An exit at the end of year 5 at a blended 5.5% cap rate will generate **gross proceeds of \$40.5mm (\$1,003/Redev SF) and a total gross IRR / Equity Multiple of 20.5% / 2.0x.**

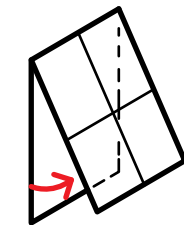
Add rentable area & activate outdoor patio areas



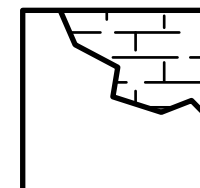
Redevelop and reposition into creative office



Install new operable steel windows and doors



Expose wood ceilings, walls, floors, and original raw materials



SOURCES & USES

At Close (April 2nd 2019)

SOURCES	\$	\$/RSF	%	USES	\$	\$/RSF	%
Debt	\$8,550,000	\$212	47%	Purchase Price	\$17,100,000	\$423	94%
Total Equity	9,607,500	238	53%	Closing Costs	427,500	11	2
				Working Capital	250,000	6	1
				Loans Fees / Costs	380,000	11	3
Total Sources	\$18,157,500	\$450	100%	Total Uses	\$18,157,000	\$450	100%

Fully Funded (July 31st 2021)

SOURCES	\$	\$/RSF	%	USES	\$	\$/RSF	%
Debt Outstanding	\$15,200,000	\$376	50%	Purchase Price	\$17,100,000	\$423	56%
Equity	13,400,000	332	44%	Closing Costs	427,500	11	1%
NOI	1,854,957	46	6%	Parking Covenant	800,000	20	3%
				Remaining Working Capital	283,545	7	1%
				Base Building	6,812,190	169	22%
				TI/ LC	2,798,668	69	9%
				Operating Shortfall	128,576	3	0%
				Loan Fees / Costs	380,000	9	1%
				Debt Service	1,724,479	43	6%
Total Sources	\$30,454,957	\$754	100%	Total Uses	\$30,454,957	\$754	100%

ASSUMPTIONS, RISKS & MITIGANTS

Underwriting Assumptions

Redevelop the Properties into 40,390 RSF over 22 months and lease based on today's market rents range of \$2.85 to \$4.00 / SF NNN for office and \$6.00 / SF NNN for retail (stabilizing at a 6.5% yield on cost).

Returns Summary

Hold Period	60 months
Blended Exit Cap Rate	5.5%
Exit Price	\$40,524,782
Exit Price / RSF	\$1,003
Gross IRR	20.5%
Gross Equity Multiple	2.0x
Gross Profits	\$13,270,807
Stabilized Return on Cost	6.5%
Stabilized Cash on Cash Yield	17.0%

Risks and Mitigants

Redevelopment Risk: Risks inherent in any redevelopment project.

- Extensive sponsor experience successfully repositioning similar buildings in multiple Los Angeles submarkets, including the nearby property at 2828 Newell Street.

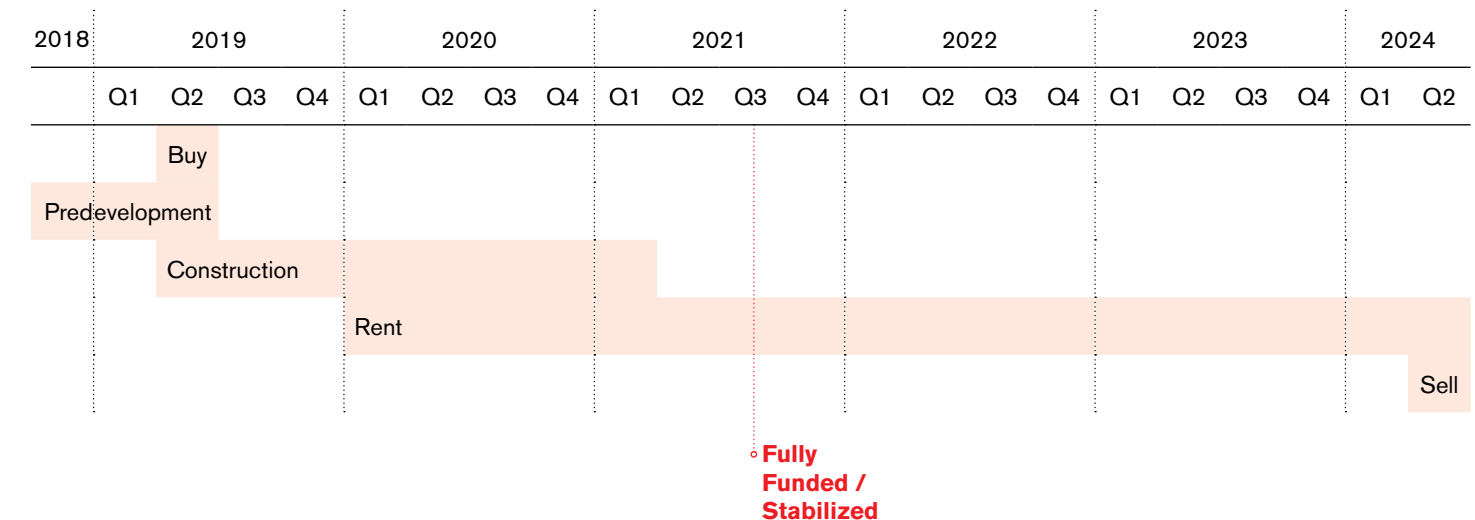
Market Risk: Rental rates could decline if market momentum stalls.

- Sponsor's project at 2828 Newell Street was 80% pre-leased at delivery
- Creative office supply in the area is extremely limited

Cap Rates: Capitalization rates may widen

- Properties in this part of Los Angeles are trading at cap rates below underwritten exit cap

Project Time Line



PROPERTY DETAILS

1498 Sunset Blvd



Key Building Metrics

Purchase Price	5,700,000 (\$755 / Redev. RSF)
Year Built	1983
Land SF	15,218
Building SF at Acquisition	7,063
Redevelopment RSF	7,546 (+7%)
Parking at Acquisition	11
Redevelopment Parking	11

Business Plan

- Single story, 7,063 SF retail property on Sunset Boulevard, the main retail thoroughfare in Echo Park
- Currently fully leased to 6 tenants for a total of \$16,395/mo.
- Unit 3 expires in 2020 and Units 1 & 2 expire in 2022
- Remaining units (Units 4, 5 & 6) are on MTM agreements producing \$7,700 a month
- Upon the tenants vacating, \$200k (\$27/ Redev RSF) of base building improvements will be completed over a 5-month period
- Lease based on today's market rent of \$6.00/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q4 2019

Rent roll at acquisition

UNIT	TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Unit 1	Alternate Universe	Aug-22	1,087	\$2,500	\$2.30 PSF
Unit 2	Bar Calo	Sep-22	1,089	\$3,250	\$2.98 PSF
Unit 3	Sunset Beer	May-20	2,020	\$2,995	\$1.48 PSF
Unit 4	Dr Phillip Fu	Dec-18	1,017	\$2,900	\$2.85 PSF
Unit 5	Beauty Box	Dec-18	975	\$2,400	\$2.46 PSF
Unit 6	Apple Repair	Dec-18	875	\$2,400	\$2.74 PSF

Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Retail (Speculative)	Feb-23	Jan-30	1,175	\$7,935	3.0%	\$56.28	\$6.75 PSF	3 mo.
Bar Calo ¹	Oct-22	Sep-32	1,089	\$4,163	4.0%	-	\$3.82 PSF	-
Retail (Speculative)	Nov-20	Oct-27	2,183	\$13,491	3.0%	\$51.50	\$6.18 PSF	3 mo.
Retail (Speculative)	Oct-19	Sep-26	1,099	\$6,594	3.0%	\$50.00	\$6.00 PSF	3 mo.
Retail (Speculative)	Oct-19	Sep-26	1,054	\$6,324	3.0%	\$50.00	\$6.00 PSF	3 mo.
Retail (Speculative)	Oct-19	Sep-26	946	\$5,676	3.0%	\$50.00	\$6.00 PSF	3 mo.

1— Lease expiration. Tenant is assumed to execute two 5-year options. Base rent will increase 6% at the commencement of each option with subsequent 4% annual increases for the term.

PROPERTY DETAILS

1833 San Fernando Rd



Key Building Metrics

Purchase Price	2,000,000 (\$267 / Redev. RSF)
Year Built	1957
Land SF	11,348
Building SF at Acquisition	5,800
Redevelopment RSF	7,500 (+29%)
Parking at Acquisition	3
Redevelopment Parking	8

Business Plan

- Located across the river from Frogtown and on San Fernando which connects Atwater Village and Glassell Park
- Building consists of 5,800 SF and Redcar plans on growing the building to 7,500 RSF of creative office space
- Upon closing, \$1.17mm (\$156 /Redev RSF) of base building improvements will be completed over a 9-month period
- Lease based on today's market rent of \$2.85/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q1 2020

Rent roll at acquisition

TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Vacant	-	5,800	-	-

Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Off (Speculative)	Feb-20	Jan-27	7,500	\$22,677	3.0%	\$53.05 PSF	\$3.02 PSF	5 mo.

PROPERTY DETAILS

2800 Clearwater St



Key Building Metrics

Purchase Price Allocation	2,200,000 (\$440 / Redev. RSF)
Year Built	1937
Land SF	4,795
Building SF at Acquisition	4,249
Redevelopment RSF	5,000 (+18%)
Parking at Acquisition	0
Redevelopment Parking	4

Business Plan

- Prime corner building consisting of 4,249 SF and Redcar plans on growing the building to 5,000 RSF of creative office space
- Currently leased to a single tenant at \$6,500 per month until August 31st, 2020
- Upon the tenant vacating, \$1.14mm (\$228 /Redev RSF) of base building improvements will be completed over a 6-month period
- Lease based on today's market rent of \$3.50/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q1 2021

Rent roll at acquisition

TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Theodore J Rozsa	Aug-20	4,249	\$6,500	\$1.53 PSF

Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Off (Speculative)	Mar-21	Feb-28	5,000	\$19,123	3.0%	\$54.64 PSF	\$3.82 PSF	5 mo.

PROPERTY DETAILS

2352 Ripple St



Key Building Metrics

Purchase Price Allocation	1,000,000 (\$179 / Redev. RSF)
Year Built	1987
Land SF	4,796
Building SF at Acquisition	1,850
Redevelopment RSF	5,600 (+203%)
Parking at Acquisition	0
Redevelopment Parking	12

Business Plan

- The property sits opposite 2800 Clearwater Street
- Building consists of 1,850 SF and Redcar plans on growing the building to 5,600 RSF of creative office space
- Upon closing, \$1.4mm (\$250 / Redev RSF) of base building improvements will be completed over a 9-month timeframe
- Lease based on today's market rent of \$3.50/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q1 2020

Rent roll at acquisition

TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Vacant	-	1,850	-	-

Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Off (Speculative)	Feb-20	Jan-27	5,600	\$20,794	3.0%	\$53.05 PSF	\$3.71 PSF	5 mo.

PROPERTY DETAILS

2079 Blake Ave



Key Building Metrics

Purchase Price Allocation	1,750,000 (\$500 / Redev. RSF)
Year Built	1924
Land SF	6,747
Building SF at Acquisition	1,739
Redevelopment RSF	3,500 (+101%)
Parking at Acquisition	2
Redevelopment Parking	9

Business Plan

- Building consists of 1,739 SF and Redcar plans on growing the building to 3,500 RSF of creative office space
- Upon closing, \$750k (\$215 /Redev RSF) of base building improvements will be completed over a 9-month period
- Lease based on today's market rent of \$3.50/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q1 2020

Rent roll at acquisition

TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Vacant	-	1,739	-	-

Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Off (Speculative)	Feb-20	Jan-27	3,500	\$12,996	3.0%	\$53.05 PSF	\$3.71 PSF	5 mo.

PROPERTY DETAILS

3010 Coolidge Ave



Key Building Metrics

Purchase Price Allocation	1,800,000 (\$409 / Redev. RSF)
Year Built	1980
Land SF	5,266
Building SF at Acquisition	3,000
Redevelopment RSF	4,400 (+47%)
Parking at Acquisition	6
Redevelopment Parking	10

Business Plan

- Currently leased to a single tenant at \$4,200 per month until April 29th, 2019
- Building consists of 3,000 SF and Redcar plans to grow the building to 4,400 RSF of creative office space
- Upon closing, \$1mm (\$230 / Redev RSF) of base building improvements will be completed over a 9-month period
- Lease based on today's market rent of \$3.50/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q1 2020

Rent roll at acquisition

TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Vacant	-	3,000	-	-

Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Off (Speculative)	Feb-20	Jan-27	4,400	\$16,338	3.0%	\$53.05 PSF	\$3.71 PSF	5 mo.

PROPERTY DETAILS

2471 Fletcher Dr



Key Building Metrics

Purchase Price Allocation	1,400,000 (\$560 / Redev. RSF)
Year Built	1969
Land SF	2,503
Building SF at Acquisition	2,256
Redevelopment RSF	2,500 (+11%)
Parking at Acquisition	0
Redevelopment Parking	0

Business Plan

- Building consists of 2,256 SF and Redcar plans to grow the building to 2,500 RSF of creative office space
- Upon closing, \$300k (\$120 / Redev RSF) of base building improvements will be completed over a 9-month period
- Lease based on today's market rent of \$4.00/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q1 2020

Rent roll at acquisition

TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Vacant	-	2,256	-	-

Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Off (Speculative)	Feb-20	Jan-27	2,500	\$10,000	3.0%	\$53.05 PSF	\$4.00 PSF	5 mo.

PROPERTY DETAILS

2752 Clearwater St



Key Building Metrics

Purchase Price Allocation	1,250,000 (\$288 / Redev. RSF)
Year Built	1946
Land SF	4,797
Building SF at Acquisition	3,620
Redevelopment RSF	4,344 (+20%)
Parking at Acquisition	0
Redevelopment Parking	3

Business Plan

- Building consists of 3,620 SF and Redcar plans on growing the building to 4,344 RSF of creative office space
- Upon closing, \$847k (\$195 / Redev RSF) of base building improvements will be completed over a 9-month period
- Lease based on today's market rent of \$3.25/MO (NNN) with a \$50/Redev RSF tenant improvement allowance in Q1 2020

Rent roll at acquisition

TENANT	LEASE EXP	PERMITTED SF	RENT MO.	RENT /SF MO. FSG
Vacant	-	3,620	-	-

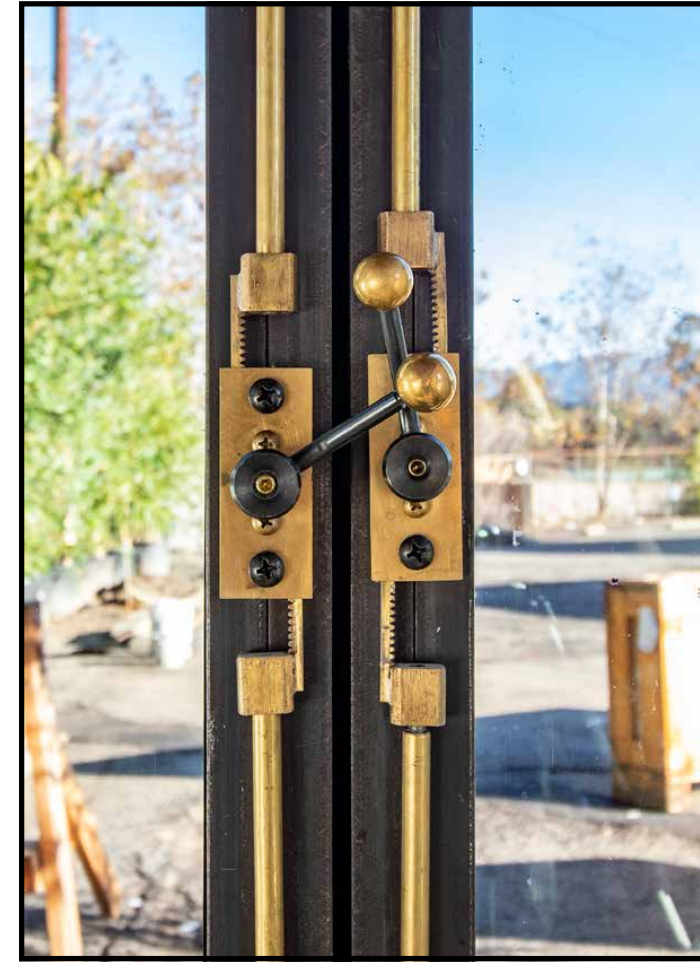
Rent roll post-redevelopment

TENANT	LCD	LEASE EXP	RED. SF	RENT MO.	ESC.	TIs /SF	RENT /SF MO.	FREE RENT
Off (Speculative)	Feb-20	Jan-27	4,344	\$14,978	3.0%	\$53.05 PSF	\$3.45 PSF	5 mo.

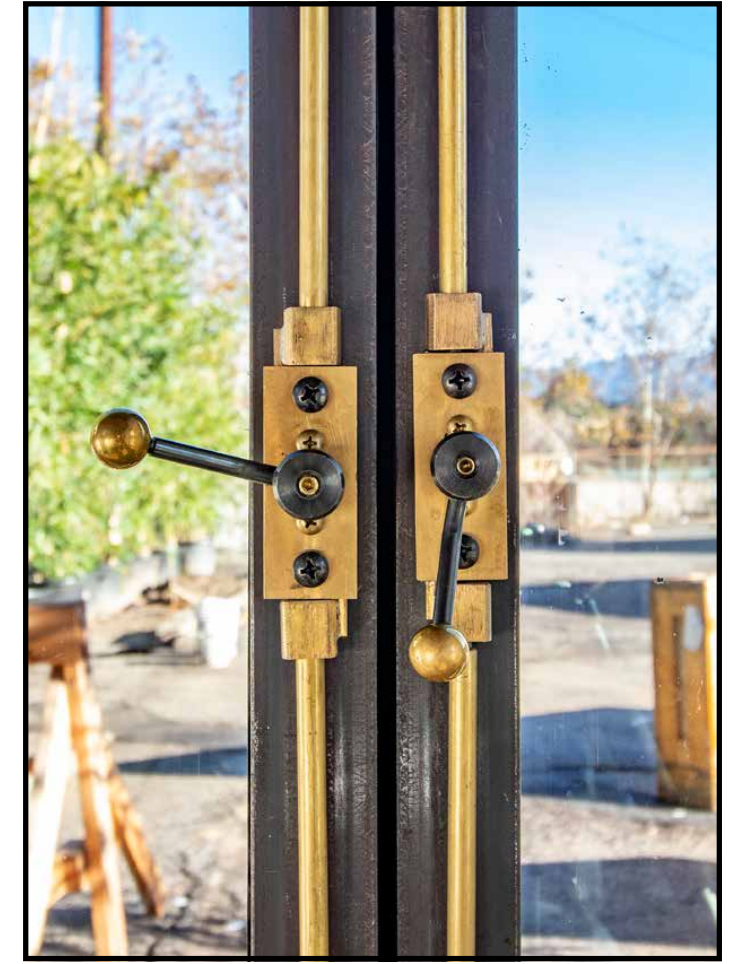
REDCAR REPRESENTATIVE SPACES



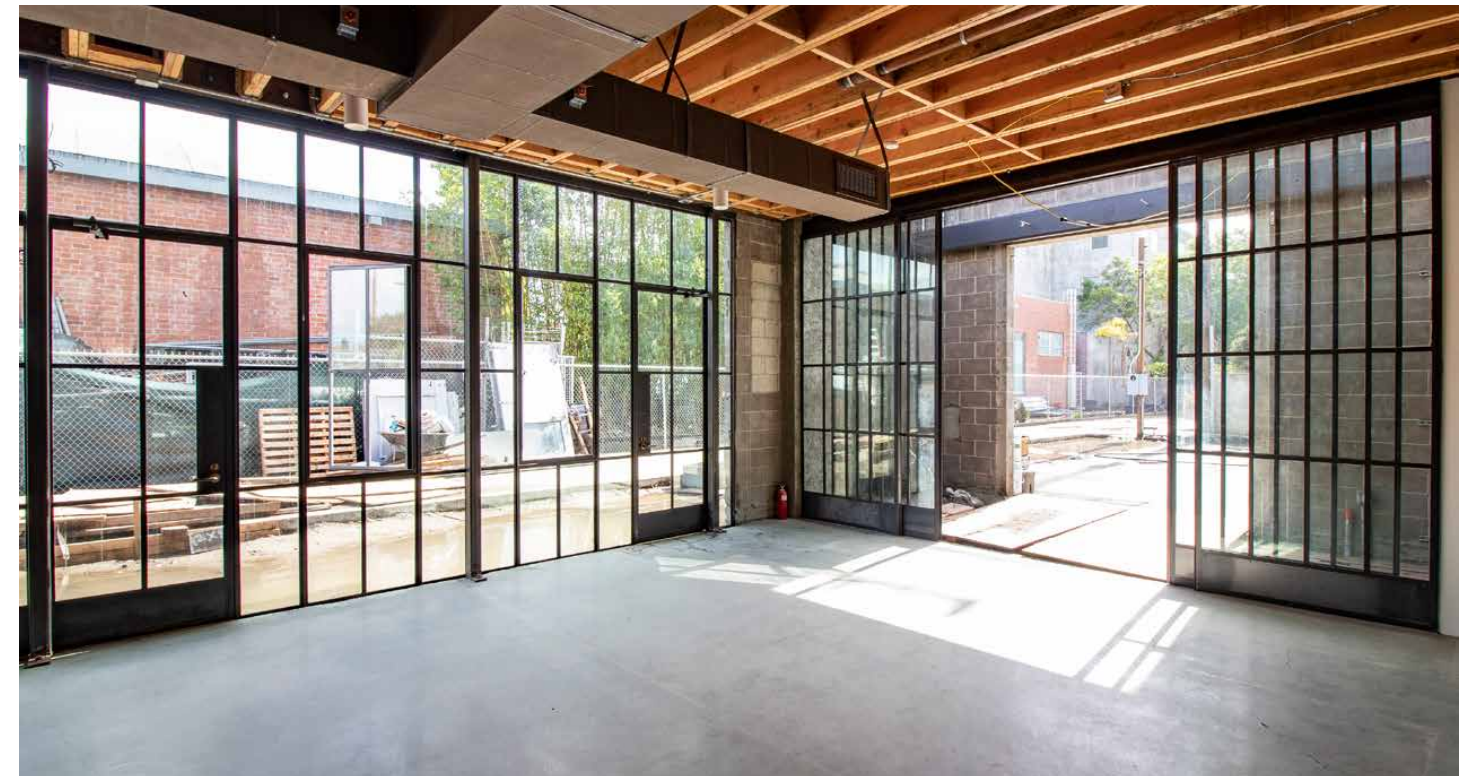
Operable hinged steel windows



Custom door mechanism

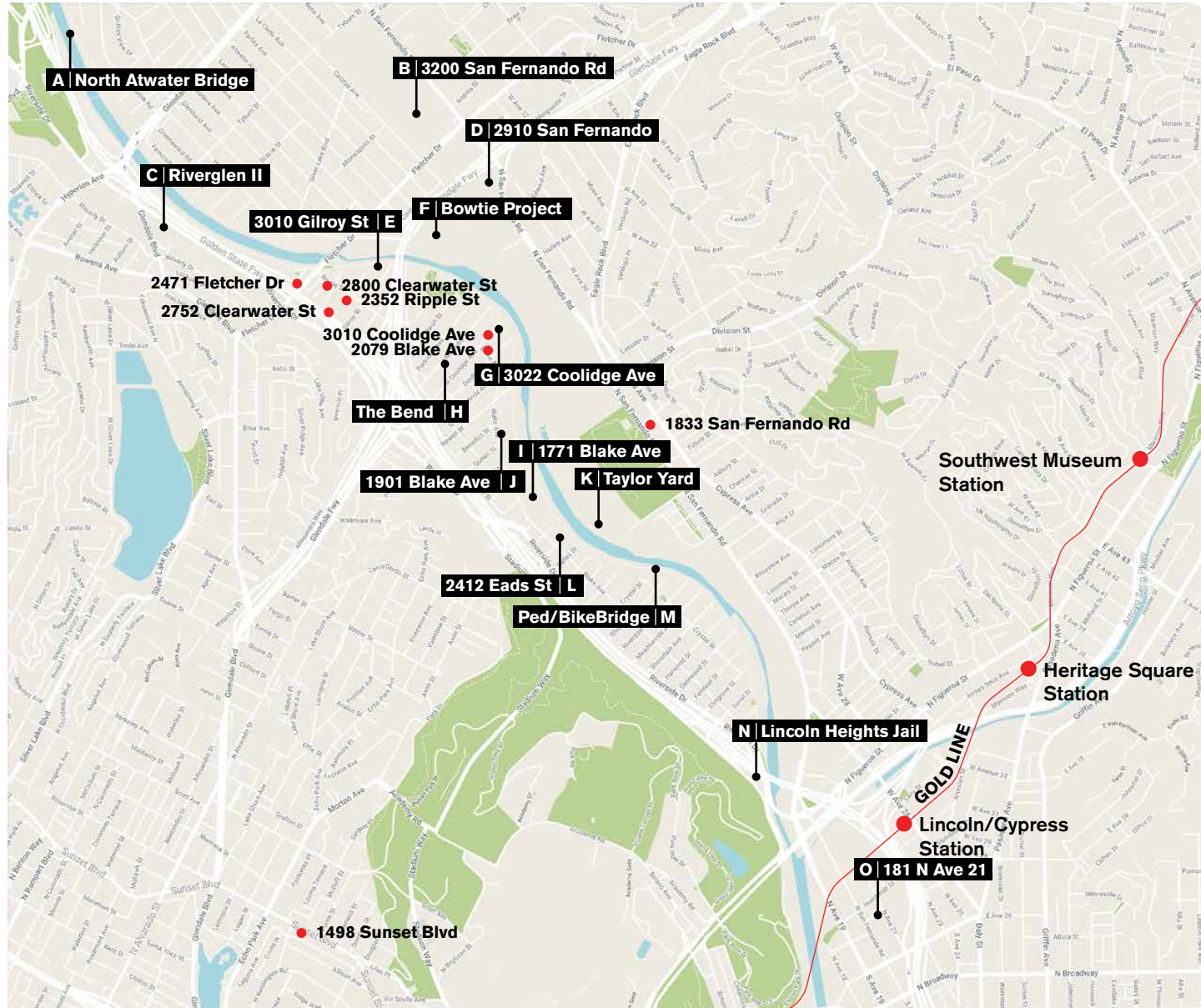


Steel windows, and doors
redcar



Steel windows, doors, and sliders — Open

ABOUT THE AREA



A	B	C	D	E
NORTH ATWATER BRIDGE \$16-million pedestrian bridge	3200 SAN FERNANDO RD 84,000 SF of Office	RIVERGLEN APARTMENTS 120 Residential Units	2910 SAN FERNANDO RD 370 Residential Units	3010 GILROY ST 67,000 SF of Office <i>Redcar Development</i>
BOWTIE PROJECT 419 Residential Units 39,600 SF of Retail	3022 COOLIDGE AVE 30 Small Lot Houses	THE BEND 40 Live/Work Units 8,000 SF of Retail	1771 BLAKE AVE 100 Single Family Homes 17 Condo Units 25,000 SF of Retail	1901 BLAKE AVE 52 Residential Units
TAYLOR YARD 42 Acre Re-development Plan. Part of LA River Revitalization	2412 EADS ST 8 Residential Units Ground Retail	TAYLOR YARD BRIDGE \$21-million pedestrian bridge	LINCOLN HEIGHTS JAIL 270,000 SF of Residential 220,000 SF of Office 57,000 SF of Retail	181 N AVE 21 100 Residential Units 100 Room Hotel 4,600 SF of Retail

FROGTOWN

The Neighborhood

Frogstown in Los Angeles began as a collection of Mexican-American communities within Chavez Ravine in the early 20th century and is now a burgeoning center for restaurants, culture, and arts.

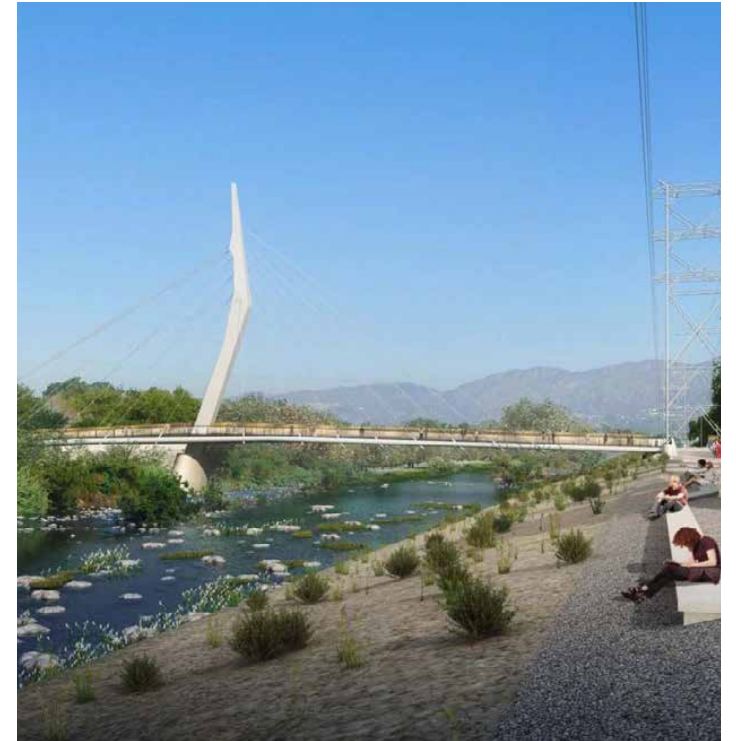
Turn onto the wrong street from Riverside Drive and you might never find it. You'll hit the 2 or the 5 freeway, or maybe wind up at a side entrance to Home Depot. But once you do enter this neighborhood of single-family homes and low industrial buildings, nestled along the curving, soft-bottom section of the L.A. River, you'll know that you're in a part of Los Angeles like no other—secret and self-contained, where the hum of industry is quieted by a blanket of tranquility that seems to emanate from the river. This is Frogstown. The name comes from the frogs that used to emerge from the grassy banks. But things have changed over the past few years—dramatically in the last year alone—and a genuinely thriving creative community has blossomed.

Office newcomers include Ways & Means, Clare V, Rocket Science Studios, and Epic Media, and in the food & beverage side Salazar, La Colombe and Frogstown brewery have made recent headlines in the area.

In The Pipeline



Glendale Hyperion Bridge. Opened in 1928, the bridge will be redesigned and retrofitted for pedestrians, cyclists, and drivers. In addition, an entirely new pedestrian-only bridge will be built just south of the Glendale-Hyperion Viaduct, along a former Pacific Electric Red Car right-of-way, where P.E.'s Glendale-Burbank Line



North Atwater Bridge (A). Called the North Atwater Bridge bridge, it will offer pedestrians, cyclists, and equestrians a way to cross the river between North Atwater Park and Griffith Park.



1901 Blake Ave (J). Santa Monica-based KFA Architecture is designing the proposed development, which would consist of two connected three-story buildings with a mix of studio, one-, and two-bedroom apartments. A central courtyard would run between the buildings, which would be connected above by bridges.

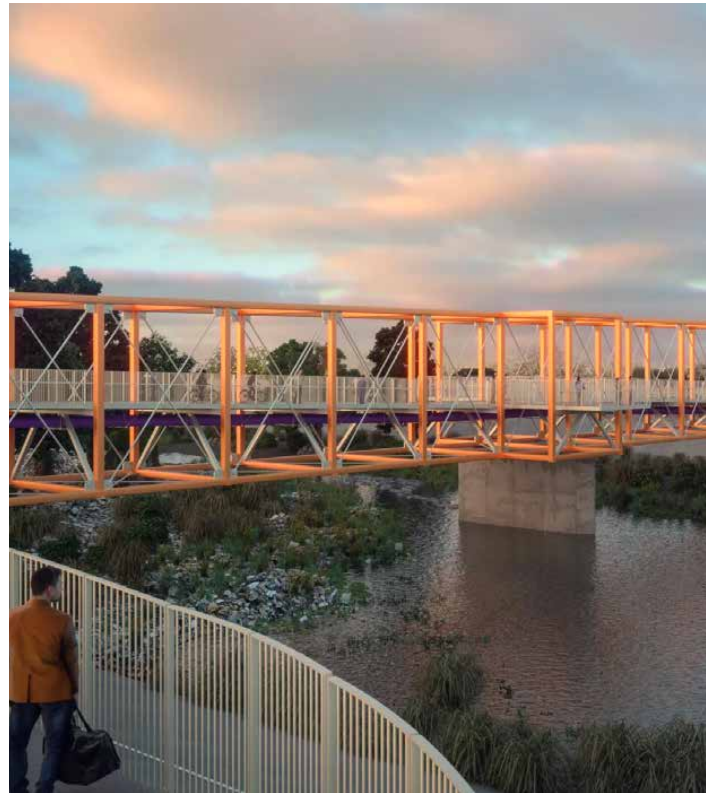
IN THE PIPELINE



Bowtie Project (F). The apartments would be on the east side of the river, in five-story buildings that form a triangle shape. A parking garage would serve as a buffer between the units and the freeway. Plans call for 39,600 square feet of ground-floor commercial space, likely to translate into restaurants and a community center for artists.



The Bend (H). Leasing started last year for the large new apartment complex next to the LA River in Frogtown. Called The Bend, the three-story building designed by Killefer Flammang Architects holds 40 “loft-style” units geared toward “creatives and makers.”



Taylor Yard Bridge (M). Officially called the Taylor Yard Bikeway and Pedestrian Bridge, the bridge will span 400 feet between Elysian Valley (aka Frogtown) and Cypress Park. It will allow bicyclists and pedestrians to travel between the existing path on the south side of the river and, on the north, to a small side street called Kerr Road.

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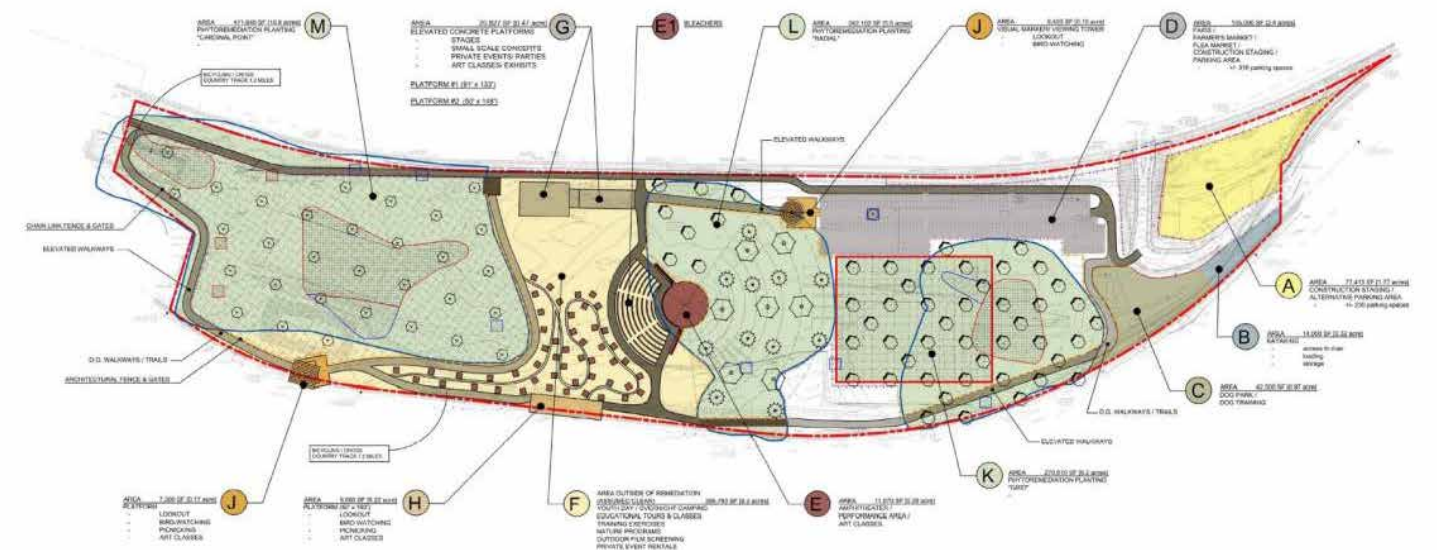


Lincoln Heights Jail (N). Plans call for repurposing the existing jail and developing an adjacent 3.2-acre site owned by Fifteen Group with 268,250 square feet of residential space - including affordable housing - as well as 220,000 square feet of commercial space, 57,000 square feet of manufacturing and retail, and over four acres of open space.

IN THE PIPELINE



Riverglen II Apartments (C). The development consists of a trio of four-story buildings with one- and two-bedroom dwellings. “Glass-enclosed modules” link the buildings to joint amenities, such as a rooftop pool and a recreation center.



Taylor Yard Site (K). A draft plan drawn up by the Bureau of the Engineering proposes features such as: An access point for L.A. River kayaking; A one-acre dog park; An amphitheater; 8.2 acres for day camps, overnight camping, training exercise, nature programs, film screenings and music events; Platforms for bird watching, picnicking, small concerts and art classes; A parking lot that could double as space for a farmer’s market or flea market; Elevated walkways, trails and bike paths

FROGTOWN

Recreation & Amenities

In recent years, the name Frogtown has stuck to what has long be known as Elysian Valley. Frogtown getting its alias from the amphibious creatures that hopped on the river until the 1970s. It's now a hotbed of activity, where visitors and residents bike along the L.A. River, with an increasing number of excellent coffee shops, restaurants, and bars.

During the summer, the Mountains Recreation and Conservation Authority allows the public to use two designated areas to walk, fish, and use non motorized and steerable boats such as kayaks. The Elysian Valley zone, between Fletcher Avenue and the 5, is open from May 30 to September 25. The zone

resides in the Glendale Narrows, the only channelized section of the river with a non-concrete bottom. As a result, you'll find trees and grassy islands growing in the middle of the river.

The L.A. River bike path is made up of multiple sections, including the Glendale Narrows Elysian Valley Bicycle Path which cuts through Frogtown. It runs from Victory Boulevard and Riverside Drive to Elysian Valley's Egret Park, though you can also access the bike path at various points in Frogtown, like Marsh Park and Rattlesnake Park. The path varies in beauty along the way, but be sure to pass by elaborate murals in Frogtown, as well as popular coffee pit stops.



Wax Paper. The sandwiches may be named after National Public Radio hosts or another hip celebrity at this small take-out sandwich shop alongside the LA River in up-and-coming Frogtown. Two restaurant vets add playful twists to seriously built sandwiches – from roasted pork loin with miso-bacon aioli to avocado and veggies – on locally baked breads.

FROGTOWN



Salazar. A former Frogtown auto body shop has been transformed into a stop for Mexican barbecue, tacos, margaritas on tap and micheladas, all to be enjoyed on a colorful and expansive patio. The funky locale is the perfect setting for mesquite-grilled meats, seafood and seasonal produce often folded into tacos and quesadillas, plus a few salads, smoky beans and vegetable side dishes.



La Colombe (Redcar Tenant). After launching three Los Angeles locations in less than two years, La Colombe's fourth location opened in Frogtown in early 2018. This time, the specialty coffee company took over a 3,500 square foot Frogtown building, and took a year to convert the space into a cafe and roastery. The airy mixed-use space showcases large windows in view of the LA River bike path, with an additional 800-square-foot of mezzanine space which can be reserved for meetings and coffee trainings. Nearby cyclists along the LA River find it especially convenient for coffee.

FROGTOWN

The Los Angeles River

Since the 1940s, the Los Angeles River has been more or less a concrete eyesore. The concrete shell was the result of a flood containment plan developed by the US Army Corp of Engineers. Today, the LA River is a source of inspiration for leaders looking to bring more open and civic space to Angelenos.

In June 2016, the LA City Council approved a new plan from the US Army Corp of Engineers to remove the concrete encasement, restore the river's natural habitat and widen the river. The Corp's report from 2015 provides guidelines to revitalize the first 11-mile stretch of river starting around Griffith Park, through Frogtown and into Downtown LA.

L.A. River existing condition



Concept rendering of restored L.A. River



As part of this grand effort, the City of Los Angeles purchased 41 acres of land across from the subject property to convert into a mega park. Considered by many as the 'crown jewel' of the river's revitalization, the site was one of seven parcels owned by the Union Pacific Railroad. The City and County of L.A. have already garnered several funding sources to make the revitalization happen at an estimated cost of over \$1 billion. Work is now in progress to select the design firms that will envision how the river will be revitalized, followed by the execution of those plans.

REDCAR EXPERIENCE IN THE EAST SIDE

Neighbors

Redcar has broad development experience in LA's east-side. The company first acquired 759 N Spring St in Chinatown, in 2014. Since then, Redcar was able to acquire several more properties in Chinatown, Highland Park and Frogtown.

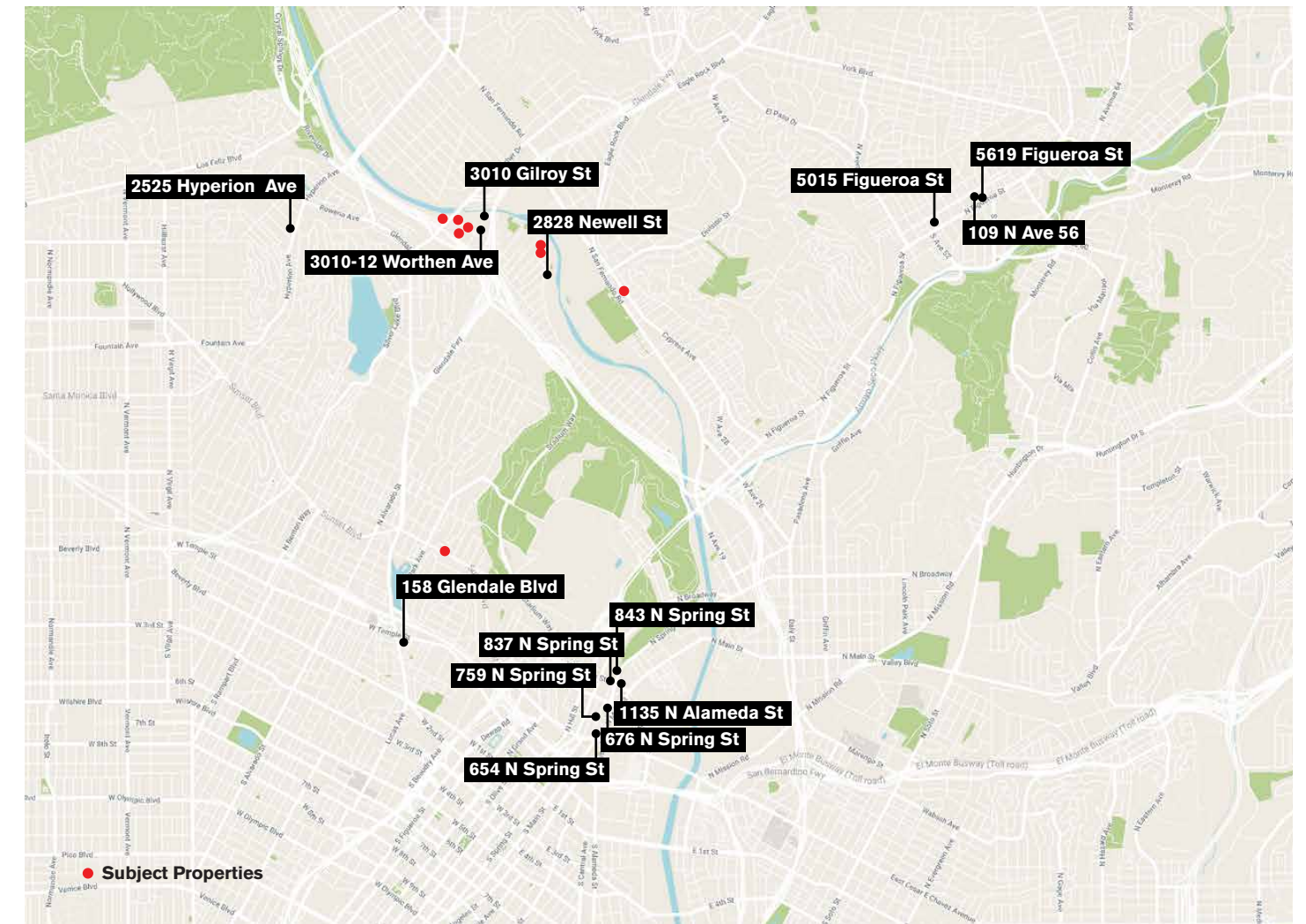
One of Redcar's re-development strategies includes acquiring low density riverfront properties for adaptive reuse. With the city plan to revitalize the Los Angeles River, all of the east-side—and Frogtown in particular, is poised to benefit from the various economic and cultural movements progressing in the area.

Along the LA River, just blocks from 2079 Blake Ave and 3010 Coolidge Ave, Redcar successfully redeveloped 2828 Newell St into a cohesive mixed use creative campus with a balance of office and retail space. The building is now fully leased to La Colombe, Lucas Salon,

Clare V, Rocket Science Studios, Heat Waves, Black Box, and Epic Media, adding to a creative network that is already blossoming in the area.

Part of Redcar's unique re-development strategy includes increasing the square footage of assets to maximize rentable area.

Redcar's development team includes architecture and development firm RAC Design Build, which is also located in Frogtown and is personally invested in enhancing the neighborhood. The unique process Redcar leads begins in the pre-acquisition stage, when the company establishes investment goals and performs systematic due diligence studies. The RACDB team then begins design and construction, with each discipline honoring the shared objectives and pro forma goals.



SELECTED REDCAR TENANTS IN FROGTOWN



La COLOMBE[®] COFFEE ROASTERS

La Colombe sits at the forefront of the ethical trade movement and regularly dabbles in new terrain, inventing ground-breaking new brewing devices and beverages, such as the first ever Draft Latte. Founder, Todd Charmichael's passion is to push the U.S. coffee scene forward. La Colombe's flagship cafe and roastery is located within 2828 Newell. It's an airy mixed-use space which showcases large windows in view of the LA River bike path, with an additional mezzanine space. You'll find nearby cyclists along the LA River stopping here for a coffee break.



W&M Ways & Means

Ways & Means is located within 2828 Newell and is an award-winning creative studio based in Los Angeles. They work with a remarkable community of filmmakers, photographers and designers to solve problems and create content across all platforms including commercials, music videos, television and feature films.



Clare V.

Clare Vivier's line of apparel and accessories, Clare V., has cultivated a cult-like following since its 2008 launch, with a total of seven store locations, cool collaborations, and a recognizable aesthetic of minimal-chic designs infused with French je ne sais quoi. Clare V. has many shops in Los Angeles, one of which is at 2828 Newell, and another within Silver Lake.

SELECTED REDCAR TENANTS IN FROGTOWN



Lucas

Lucas Salon, located at 2828 Newell, is a creative, thoughtfully curated, private hair salon specializing in hair cuts and coloring. Luca Salon has the personal, neighborhood feel of a local barber. Their speciality doesn't stop at hair, they also provide waxing and eye lash tinting services.



rocket science studios

Rocket Science Studios is an independent digital production company with offices in Amsterdam and Los Angeles, at 2828 Newell. They are designed to partner up with advertising agencies, design agencies & production firms to handle any digital challenge. Rocket Science Studios believes in collaboration, creativity & technology.



EPIC MEDIA

Epic writers travel the world searching for encounters with the unknown. Wartime romance, unlikely savants, deranged detectives, gentlemen thieves, and love struck killers: stories that tap into the thrill of being alive.

Epic publishes extraordinary true stories that get noticed. More than 25 of their articles have been optioned by Hollywood, including Argo, which won the Academy Award for Best Picture, and Fox Film Studios has signed a first look deal with us.



HEAT WAVES

Heat Waves is a digital branding and marketing company that creates and manages creative content. They operate as a turn-key innovation team designed to create the best possible user experiences quickly.

They work with companies like Sonos, Sephora, Vans, Sweetgreens, Sugarfina, and many more.



2828 Newell St, as acquired in September 2014.



2828 Newell St, as acquired in September 2014.



2828 Newell St, April 2018.



2828 Newell St, April 2018.



646-654 N Spring St, as acquired in May 2016.



3010-3021 Gilroy St, as acquired in December 2017.



646-654 N Spring St, as initial design and massing proposal, 2018.



3010-3021 Gilroy St, as initial design and massing proposal, 2018.



759 N Spring St, as acquired in May 2014.



759 N Spring St, during demolition in May 2015.

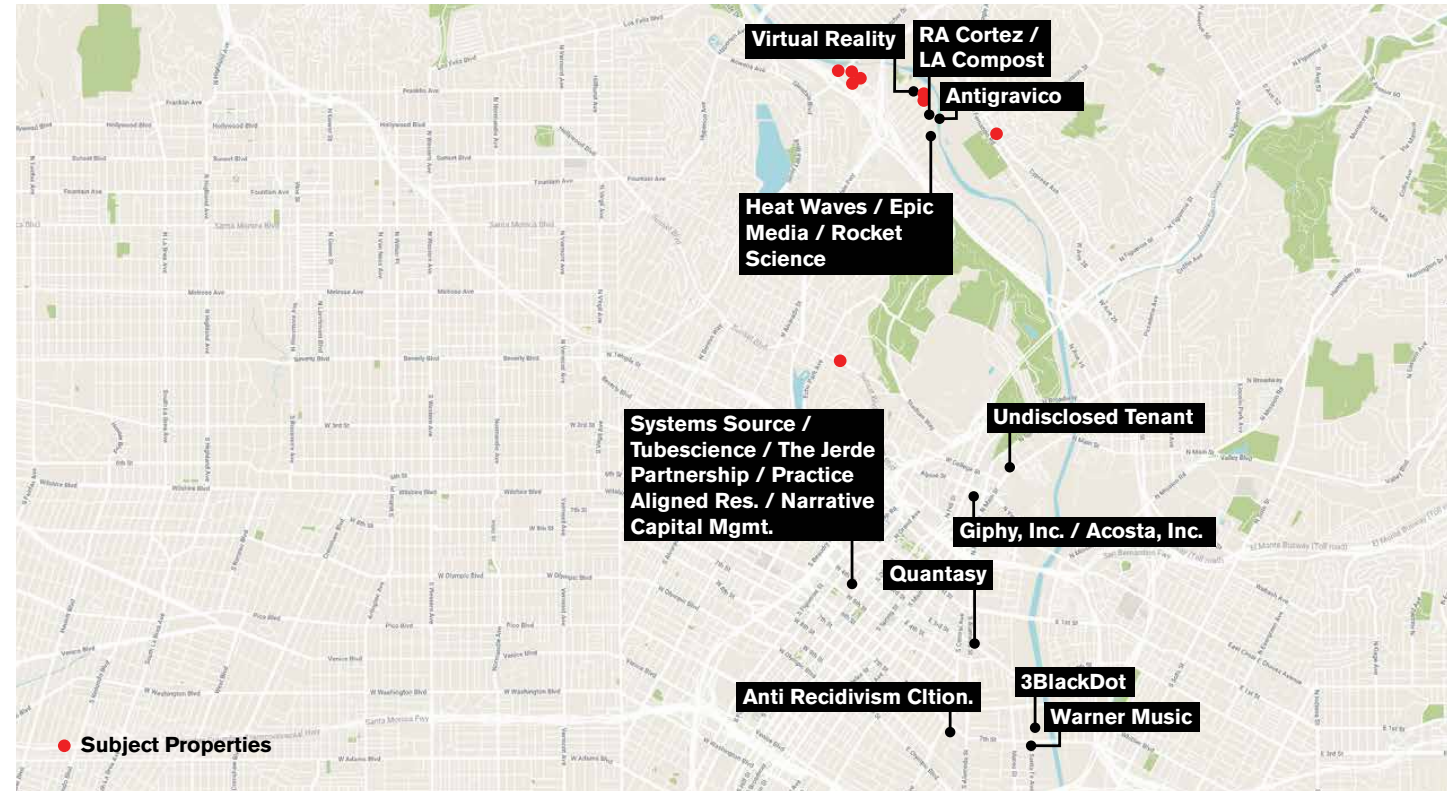


759 N Spring St, January 2018.



759 N Spring St, January 2018.

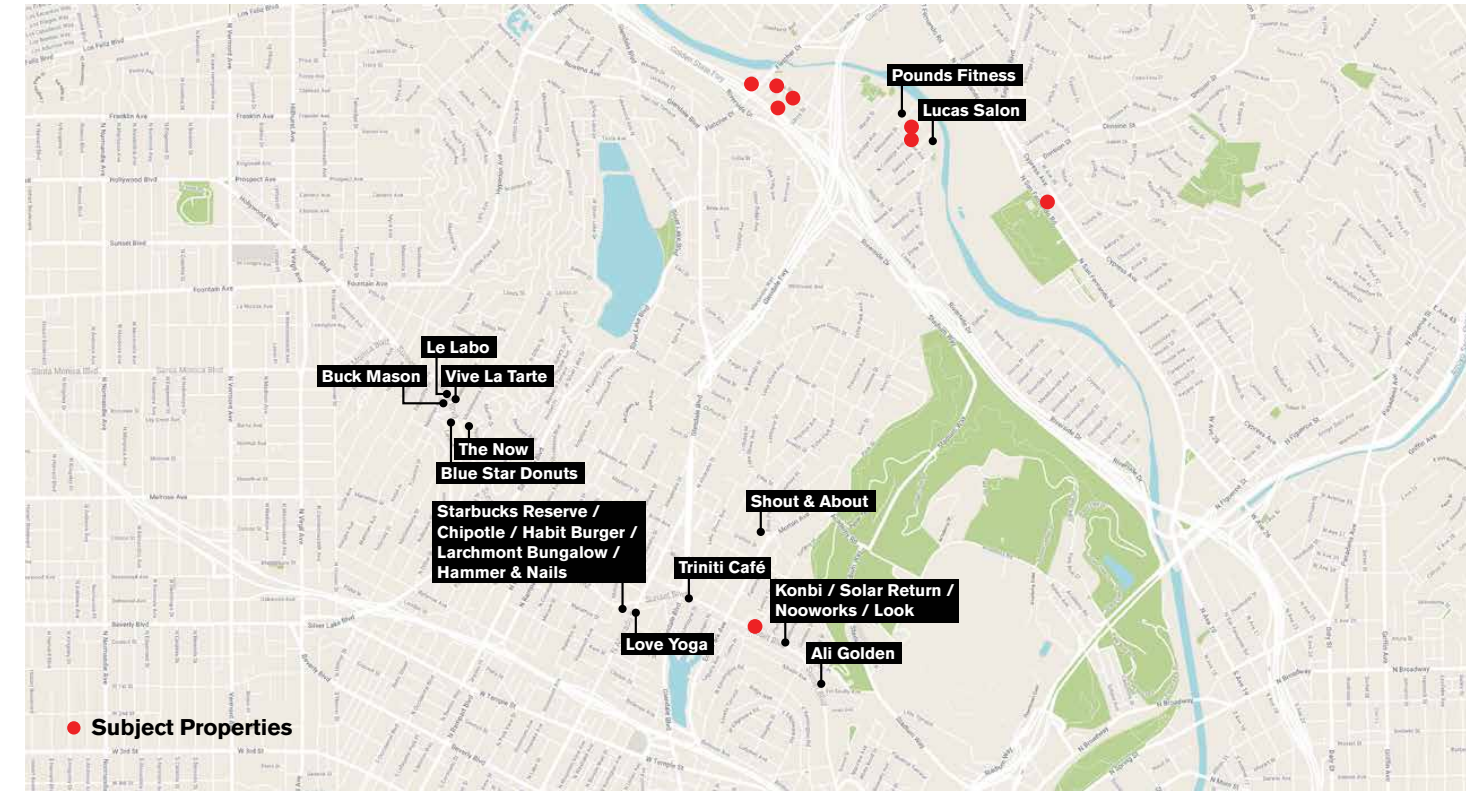
OFFICE LEASE COMPARABLES



TENANT	ADDRESS	SUBMARKET	LCD	TERM (MOS.)	SF LEASED	RENT ¹ (NNN)	ESC. %	TIS	FREE RENT	
Epic Media	2828 Newell St	Frogtown	18-Jan	24	1,852	\$3.25	3.00%	N/A	N/A	
Rocket Science	2828 Newell St	Frogtown	18-Mar	24	1,920	\$3.25	3.00%	N/A	N/A	
Virtual Reality Inc	2990 Allessandro St	Frogtown	18-Feb	60	4,000	\$3.50	3.00%	\$50	4 mo.	
Antigraivico	2940-44 Denby Ave	Frogtown	N/A	N/A	1,894	\$4.28	N/A	N/A	N/A	
RA Cortez	2939 Denby Ave	Frogtown	N/A	N/A	3,600	\$2.78	N/A	N/A	N/A	
LA Compost	2939 Denby Ave	Frogtown	N/A	N/A	400	\$3.50	N/A	N/A	N/A	
Soylent	555 Mateo St	Arts District	17-Aug	120	26,637	\$3.65	3.00%	N/A	N/A	
Quantasy	312 Alameda St	Arts District	18-Jun	64	5,500	\$3.60	3.00%	\$75	4 mo.	
Honey	963 E 4th St	Arts District	18-Aug	120	130,000	\$3.85	3.00%	\$115	N/A	
Undisclosed Tenant	129 Llewellyn St	Chinatown	17-Sep	N/A	5,200	\$3.65	N/A	0	N/A	
3BlackDot	1580 Jesse St	Arts District	18-Apr	120	28,000	\$3.60	3.00%	\$35	2 mo.	
Spotify	555 Mateo St	Arts District	18-May	120	110,000	\$5.00	3.00%	\$70	NA	
Systems Source	601 W 5th St	DTLA	18-Jul	91	10,831	\$3.15	3.00%	N/A	7 mo.	
Tubescience	601 W 5th St	DTLA	18-May	65	18,667	\$3.50	3.00%	\$85	5 mo.	
The Jerde Partnership	601 W 5th St	DTLA	18-Feb	132	18,819	\$3.84	3.00%	\$115	10mo.	
Anti Recidivism Cltion.	777 Alameda St	Arts District	17-Sep	66	12,623	\$3.30	3.00%	N/A	6 mo.	
Warner Music	777 S Santa Fe Ave	Arts District	17-Aug	153	257,000	\$3.25	3.00%	\$60	12mo.	
Practice Aligned Res.	601 W 5th St	DTLA	17-Jun	84	2,278	\$3.70	3.00%	\$120	5 mo.	
Narrative Capital Mgmt.	601 W 5th St	DTLA	17-Jun	65	2,677	\$3.35	3.00%	\$80	5 mo.	
Acosta, Inc.	759 N Spring St	Chinatown	16-Dec	66	11,135	\$3.08	3.00%	\$50	6 mo.	
Giphy, Inc.	759 N Spring St	Chinatown	16-May	65	17,203	\$2.65	3.00%	\$55	5 mo.	
Weighted Average Lease Rate						\$3.70				

1— FSG have been adjusted by \$0.50/SF and modified gross by \$0.25 to reflect NNN rents based on Redcar's recent leases in the nearby area.

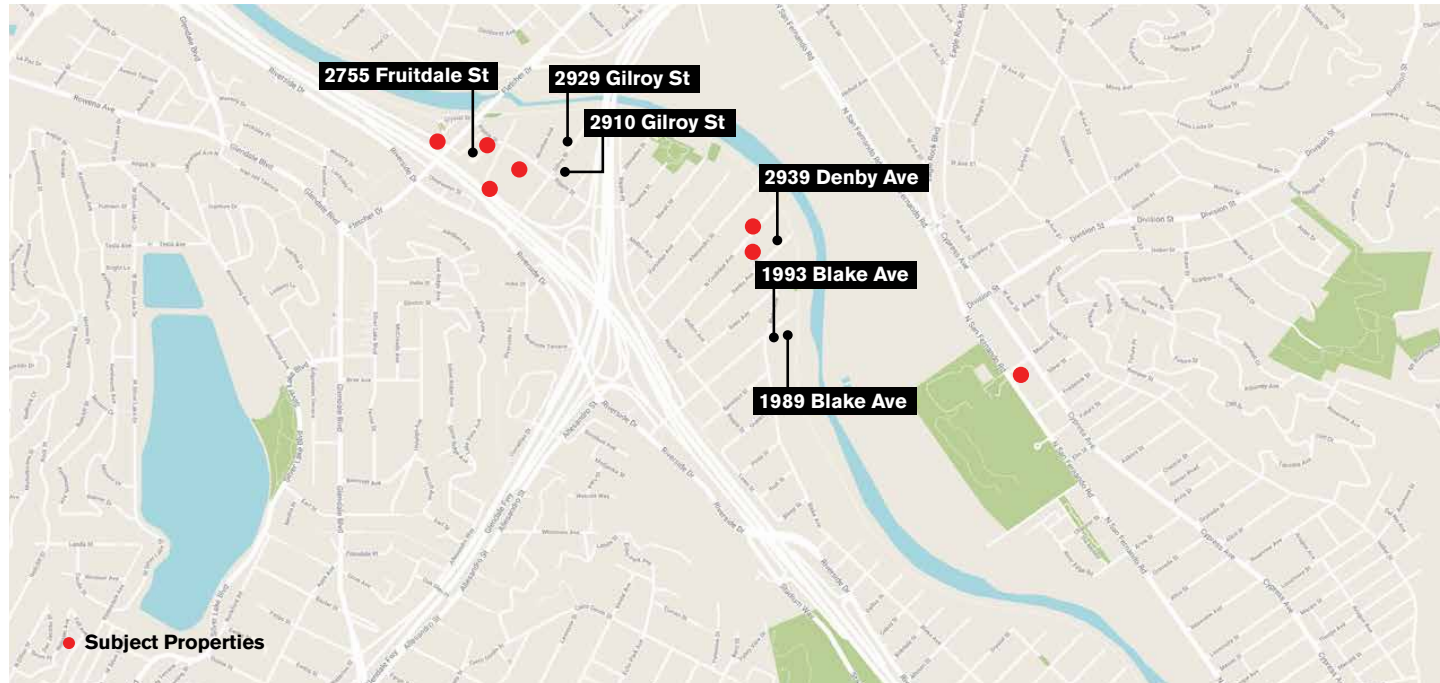
RETAIL LEASE COMPARABLES



TENANT	ADDRESS	SUBMARKET	LCD	TERM (MOS.)	SF LEASED	RENT ¹ (NNN)	ESC. %	TIS	FREE RENT	
Lucas Salon	2828 Newell St	Frogtown	17-Nov	62	1,081	\$3.60	3.00%	N/A	N/A	
Pounds Fitness	2990 Allessandro St	Frogtown	18-Feb	60	6,000	\$3.50	3.00%	\$50	3 mo.	
Blue Star Donuts	3430 Sunset Blvd	Silver Lake	18-Jun	NA	1,000	\$7.00	3.00%	\$90	4 mo.	
Vive La Tarte	3515 Sunset Blvd	Silver Lake	NA	120	1,429	\$9.52	3.00%	\$0	2 mo.	
Buck Mason	3532 Sunset Blvd	Silver Lake	18-Jan	60	700	\$6.78	3.00%	\$0	2 mo.	
Le Labo	3531 Sunset Blvd	Silver Lake	16-Jun	60	900	\$6.50	3.00%	\$0	3 mo.	
The Now	3329 Sunset Blvd	Silver Lake	16-Jun	NA	4,700	\$3.00	3.00%	\$0	NA	
Starbucks Reserve	2134 Sunset Blvd	Echo Park	18-Jan	120	3,000	\$4.35	3.00%	\$75	5 mo.	
Shout & About	1551 Echo Park Ave	Echo Park	15-Dec	NA	450	\$6.00	3.00%	\$80	3 mo.	
Chipotle	2134 Sunset Blvd	Echo Park	18-Jan	120	3,000	\$5.31	3.00%	NA	10 mo.	
Habit Burger	2134 Sunset Blvd	Echo Park	18-Jan	120	3,000	\$5.00	3.00%	NA	4 mo.	
Larchmont Bungalow	2134 Sunset Blvd	Echo Park	18-Jan	120	3,000	\$6.50	3.00%	NA	10 mo.	
Konbi	1461 Sunset Blvd	Echo Park	17-May	120	560	\$7.00	3.00%	NA	NA	
Love Yoga East	2110 Sunset Blvd	Echo Park	16-Oct	120	1,495	\$5.00	3.00%	NA	2 mo.	
Hammer and Nails	2134 Sunset Blvd	Echo Park	18-Oct	120	1,000	\$4.25	3.00%	NA	3 mo.	
Solar Return	1461 Sunset Blvd	Echo Park	17-Feb	60	540	\$4.38	3.00%	\$20	10 mo.	
Nooworks	1461 Sunset Blvd	Echo Park	17-Feb	60	500	\$6.00	3.00%	\$25	5 mo.	
Look	1461 Sunset Blvd	Echo Park	16-Dec	60	550	\$6.00	3.00%	\$25	5 mo.	
Triniti Café	1814 Sunset Blvd	Echo Park	18-Jan	84	700	\$6.00	3.00%	\$25	5 mo.	
Ali Golden	1298 Sunset Blvd	Echo Park	15-Jun	60	660	\$6.00	3.00%	\$25	5 mo.	
Weighted Average Lease Rate						\$4.93				

1— FSG have been adjusted by \$0.50/SF and modified gross by \$0.25 to reflect NNN rents based on Redcar's recent leases in the nearby area.

FROGTOWN SALE COMPARABLES



ADDRESS	SUBMARKET	SALE DATE	BLDG SF	LAND SF	TYPE	SALE PRICE	\$/BLDG SF	BUYER
1993 Blake Ave	Frogtown	18-Jul	4,988	13,166	Industrial	\$4,100,000	\$822	Malloy Brothers
2755 Fruitdale	Frogtown	18-May	2,834	9,733	Industrial	1,750,000	618	MALEX LLC
2929 Gilroy St	Frogtown	18-Jan	2,349	4,411	Industrial	1,200,000	511	Shepherd Fairy
1989 Blake Ave	Frogtown	17-Augv	9,180	15,912	Industrial	3,700,000	403	TBD
2939 Denby Ave	Frogtown	17-Aug	4,000	5,678	Industrial	1,775,000	444	Rick Cortez
2910 Gilroy St	Frogtown	16-Sep	3,600	9,999	Office	1,800,000	500	Claude Kent

Weighted Average Sale Price \$550

Frogtown Subject Properties Average ¹ \$506 (9% Discount)



1—Excludes 1498 Sunset Blvd, which is not located within Frogtown.

BASE CASE CREATIVE OFFICE UNDERWRITING

Returns Summary

RETURNS SUMMARY	UNLEVERAGED	LEVERAGED
IRR	12.4%	20.5%
EM	1.7x	2.0x
Profits	19,238,235	13,270,807
ROC ¹	6.5%	
Cash on Cash Yield ²		17.0%

Exit Assumptions

Exit Date	4/30/24
Hold Period (in Months)	60 Months
Fwd Exit NOI	\$2,228,863
Fwd Exit Free Rent	-
Adjusted Fwd NOI	\$2,228,863
Exit Cap Rate	5.50%
Gross Proceeds	\$40,524,782
\$ PSF	\$1,003
(Less) Cost of Sale	1.50% (\$607,872)
(Less) Free Rent	-
Net Proceeds	\$39,916,910
\$ PSF	\$988

Property Summary

Property	Frogtown Portfolio
Property Type	Creative Office/Retail
Market	Frogtown
Year Built	Variable
Parking	21
Existing Building SF	29,577 SF
Land Area (Sq. Ft.)	55,470 SF
Acquisition Date	4/2/19

Acquisition Metrics

	EXISTING	POST-REDEV
Total RSF	29,577	40,390
Purchase	\$17,100,000	\$17,100,000
\$PSF	\$578	\$423
All-in	\$30,454,957	\$30,454,957
\$PSF	\$1,030	\$754
Parking Stalls	21	57
\$/Stall	\$0	\$150



1—ROC calculated based on fwd 12-month NOI upon stabilization

2—CoC calculated based on fwd 12-month leveraged cash flow upon stabilization

BASE CASE CREATIVE OFFICE UNDERWRITING

Sources & Uses at Close

SOURCES		\$/SF	%	USES		\$/SF	%
Debt	\$8,550,000	\$212	47%	Purchase Price	\$17,100,000	\$423	94%
				Acquisition Fee	-	0	-
				Closing Costs ¹	427,500	11	2%
Equity	9,607,500	238	53%	Tenant Buyout	-	0	-
				Working Capital	250,000	6	1%
				Base Building	-	0	-
				TI/ LC	-	0	-
				Operating Shortfall	-	0	-
				Loan Fees / Costs	380,000	9	2%
				Interest Carry	-	0	-
Total	\$18,157,500	\$450	100%	\$18,157,500	\$450	100%	

Sources & Uses Fully Funded - 7/31/21

SOURCES		\$/SF	%	USES		\$/SF	%
Debt Outstanding	15,200,000	\$376	50%	Purchase Price	\$17,100,000	\$423	56%
Excess Reserves	0			Acquisition Fee	-	0	-
				Closing Costs ¹	427,500	11	1%
NOI	1,854,957	46	6%	Parking Covenant	800,000	20	3%
				Remain Working Cap.	283,545	7	1%
				Base Building	6,812,190	169	22%
Equity	13,400,000	332	44%	TI/ LC	2,798,668	69	9%
				Operating Shortfall	128,576	3	0%
				Loan Fees / Costs	380,000	9	1%
				Debt Service	1,724,479	43	6%
Total	\$30,454,957	\$754	100%	\$30,454,957	\$754	100%	

Financing Assumptions

	CONSTRUCTION	RECAP
Repayment (Month)	8/31/21	8/31/31
Date	4/2/19	8/31/21
Total Loan	15,200,000	24,712,875
LTC	50%	81%
Spread	L+350 bps	0 bps
Index Floor/ Rate	1.00%	1.00%
Index Cap/ Rate	10.00%	10.00%
Accrual Rate	0%	0%
Fixed Rate	0.00%	5.00%
Loan Type	IO	IO
Amortization	NA	NA
Months of IO	NA	NA
Term	28 Months	120 Months
Loan Fees / Costs	2.50%	2.00%
Exit Fee	0.00%	0.00%

1— Closing Costs include 1% commission for Industry Partners.

SUMMARY FINANCIALS

Summary Financials

	39%	82%	90%	89%	90%
Physical Occupancy					
Net Economic Occupancy	23%	87%	98%	99%	100%
FISCAL YEAR ENDING 08/2031	YR 1 2019	YR 2 2020	YR 3 2021	YR 4 2022	YR 5 2023
Base Rental Revenue ¹	610,246	1,631,652	1,922,686	1,982,952	2,103,629
(Less) Rent Abatement	(349,130)	(274,281)	(57,368)	(23,805)	-
Scheduled Base Rent	261,116	1,357,371	1,865,318	1,959,147	2,103,629
Expense Reimb. Income	146,399	487,574	586,902	602,861	630,596
Parking Income	33,697	96,236	107,584	109,491	114,134
Other Income	-	-	-	-	-
Total Gross Revenue	441,212	1,941,181	2,559,804	2,671,499	2,848,359
Vacancy	-	-	-	-	-
Effective Gross Revenue	441,212	1,941,181	2,559,804	2,671,499	2,848,359
Operating Expenses	474,190	609,937	655,880	668,215	685,678
Net Operating Income	(32,978)	1,331,244	1,903,924	2,003,284	2,162,681
ROC	-0.1%	4.4%	6.3%	6.6%	7.1%
Tenant Improvements	1,631,934	385,607	-	66,124	-
Leasing Commissions	609,363	171,764	-	42,348	-
Base Building	5,570,680	1,241,510	-	-	-
Tenant Buyout	100,000	700,000	-	-	-
Net Cash Flow	(7,944,955)	(1,167,637)	1,903,924	1,894,812	2,162,681

1— Base Rental Revenue is net of Absorption & Turnover Vacancy

SUMMARY FINANCIALS

Investment Summary

FISCAL YEAR ENDING 12/2031	YR 0 APR 2019	YR 1 2019	YR 2 2020	YR 3 2021	YR 4 2022	YR 5 2023	TOTAL
Investment	(17,777,500.00)						(17,777,500)
NOI		(32,978)	1,331,244	1,903,924	2,003,284	2,162,681	7,368,155
CapEx		(7,911,977)	(2,498,881)	-	(108,472)	-	(10,519,330)
Disposition Proceeds	-	-	-	-	-	39,916,910	39,916,910
NCF	(17,777,500)	(7,944,955)	(1,167,637)	1,903,924	1,894,812	42,079,591	18,988,235
Constr. Funding	8,550,000	5,301,241	1,341,821	6,938	-	-	15,200,000
Constr. Loan Fees/Costs	(380,000)	-	-	-	-	-	(380,000)
Constr. Interest		(660,529)	(843,145)	(294,446)	-	-	(1,798,120)
Constr. Principal		-	-	-	-	-	-
Constr. Repayment		-	-	(15,200,000)	-	-	(15,200,000)
Constr. Penalty		-	-	-	-	-	-
TIs & LCs Reserve Draw		1,556,861	378,824	-	-	-	1,935,685
Base Bldg Reserve Draw		3,719,466	962,997	-	-	-	4,682,463
Interest Carry Rsr. Draw		24,914	-	-	-	-	24,914
Acq. Financing CF	8,170,000	4,640,712	498,675	(15,487,508)	-	-	-
Refi Funding		-	-	24,218,618	-	-	24,218,618
Refi Interest		-	-	(823,763)	(1,235,644)	(1,235,644)	(3,295,050)
Refi Principal		-	-	-	-	-	-
Refi Repayment		-	-	-	-	(24,712,875)	(24,712,875)
Refi Penalty		-	-	-	-	-	-
Refi Financing CF		-	-	23,394,855	(1,235,644)	(25,948,519)	-
Takeout Funding		-	-	-	-	-	-
Takeout Interest		-	-	-	-	-	-
Takeout Principal		-	-	-	-	-	-
Takeout Repayment		-	-	-	-	-	-
Takeout Penalty		-	-	-	-	-	-
Takeout Financing CF		-	-	-	-	-	-
Contributions to WC		-	-	-	-	-	-
CF Sweep		-	(69,296)	(207,311)	-	-	(276,606)
Proceeds from Financing		-	-	(6,938)	-	-	(6,938)
Capital Call		(3,054,243)	(738,258)	-	-	-	(3,792,500)
Distributions from WC		-	-	-	-	-	-
Return of Capital		-	-	283,545	-	-	283,545
Drawdown of Work Cap.		3,304,243	738,258	-	-	-	-
Work Capital Beginning Bal.		250,000	-	69,296	-	-	-
Work Capital Ending Bal.	250,000	-	69,296	-	-	-	-
NFC After DS	(9,607,500)	(3,054,243)	(738,258)	9,880,567	659,168		
Levered IRR	(9,607,500)	(3,054,243)	(738,258)	9,880,567	659,168	16,131,072	13,270,807
Leveraged CF (Net Holdbacks)	(9,607,500)	(3,054,243)	(738,258)	9,839,615	700,121	16,131,072	13,270,807
Average Outstanding Equity		11,052,865	12,986,964	7,198,559	4,104,663	4,138,790	
Cash on Cash Yield ¹		-48.0%	-9.8%	10.9%	16.1%	22.4%	
Debt Outsanting at YE		13,851,241	15,193,062	24,712,875	24,712,875	-	
DSCR		(0.05x)	1.58x	1.70x	1.62x	1.75x	
Debt Yield		-0.4%	9.6%	4.8%	8.1%	8.8%	
Gross IRR	20.5%						
Gross Profit	13,270,807						
Gross EM	1.99						
Peak Equity	13,400,000						

1—Base Rental Revenue is net of Absorption & Turnover Vacancy

ASSUMPTION SUMMARY

Rent Roll (Existing)

BLDG	TENANT	STATUS	SUITE	TYPE	LCD	EXP.	RSF	LOAD FACTOR	USF	Y1 BASE RENT	BASE RENT (\$/MO.)	ESC.%	ABAT. MOS.	LEASE TYPE	TIS (\$/SF)	LC'S (%)
1833 SF	Vacant	-	1833	-	-	-	5,800	0%	5,800	\$0	\$0.00 PSF	0.0%	0 Months	Gross	\$0.00	0.00%
2800 C	Existing Tenant	Constr.	2800	Industrial	Jan-18	Aug-20	4,249	0%	4,249	\$78,000	\$1.53 PSF	0.0%	0 Months	Gross	\$0.00	0.00%
2352 R	Vacant	-	2352	-	-	-	1,850	0%	1,850	\$0	\$0.00 PSF	0.0%	0 Months	Gross	\$0.00	0.00%
2079 B	Vacant	-	2079	-	-	-	1,739	0%	1,739	\$0	\$0.00 PSF	0.0%	0 Months	Gross	\$0.00	0.00%
3010 C	Vacant	-	3010	-	-	-	3,000	0%	3,000	\$0	\$0.00 PSF	0.0%	0 Months	Gross	\$0.00	0.00%
2471 F	Vacant	-	2471	-	-	-	2,256	0%	2,256	\$0	\$0.00 PSF	0.0%	0 Months	Gross	\$0.00	0.00%
2752 C	Vacant	-	2752	-	-	-	3,620	0%	3,620	\$0	\$0.00 PSF	0.0%	0 Months	Gross	\$0.00	0.00%
1498 S	Alternative Univ. ²	Constr.	1	Retail	Sep-17	Aug-22	1,087	0%	1,087	\$30,000	\$2.30 PSF	Fixed	0 Months	MG	\$0.00	0.00%
1498 S	Bar Calo ¹	Constr.	2	Retail	May-17	Sep-22	1,089	0%	1,089	\$39,000	\$2.98 PSF	Fixed	0 Months	MG	\$0.00	0.00%
1498 S	Sunset Beer	Constr.	3	Retail	Jun-15	May-20	2,020	0%	2,020	\$35,940	\$1.48 PSF	0.0%	0 Months	MG	\$0.00	0.00%
1498 S	Dental Office	Constr.	4	Retail	Jan-18	Dec-18	1,017	0%	1,017	\$34,800	\$2.85 PSF	3.0%	0 Months	MG	\$0.00	0.00%
1498 S	Beauty Box	Constr.	5	Retail	Jan-18	Dec-18	975	0%	975	\$28,800	\$2.46 PSF	3.0%	0 Months	MG	\$0.00	0.00%
1498 S	NW Mac (M2M)	Constr.	6	Retail	Jan-18	Dec-18	875	0%	875	\$28,800	\$2.74 PSF	3.0%	0 Months	MG	\$0.00	0.00%

Rent Roll (Redevelopment)

BLDG	TENANT	STATUS	SUITE	TYPE	LCD	EXP.	RSF	LOAD FACTOR	USF	Y1 BASE RENT	BASE RENT (\$/MO.)	ESC.%	ABAT. MOS.	LEASE TYPE	TIS (\$/SF)	LC'S (%)
1833 SF	Office (Spec)	Spectve	1833	Office	Feb-20	Jan-27	7,500	0%	7,500	\$272,121	\$3.02 PSF	3.0%	5 Months	NNN	\$53.05	6.00%
2800 C	Office (Spec)	Spectve	2800	Office	Mar-21	Feb-28	5,000	0%	5,000	\$229,473	\$3.82 PSF	3.0%	5 Months	NNN	\$54.64	6.00%
2352 R	Office (Spec)	Spectve	2352	Office	Feb-20	Jan-27	5,600	0%	5,600	\$249,524	\$3.71 PSF	3.0%	5 Months	NNN	\$53.05	6.00%
2079 B	Office (Spec)	Spectve	2079	Office	Feb-20	Jan-27	3,500	0%	3,500	\$155,952	\$3.71 PSF	3.0%	5 Months	NNN	\$53.05	6.00%
3010 C	Office (Spec)	Spectve	3010	Office	Feb-20	Jan-27	4,400	0%	4,400	\$196,054	\$3.71 PSF	3.0%	5 Months	NNN	\$53.05	6.00%
2471 F	Office (Spec)	Spectve	2471	Office	Feb-20	Jan-27	2,500	0%	2,500	\$120,000	\$4.00 PSF	3.0%	5 Months	NNN	\$53.05	6.00%
2752 C	Office (Spec)	Spectve	2752	Office	Feb-20	Jan-27	4,344	0%	4,344	\$179,733	\$3.45 PSF	3.0%	5 Months	NNN	\$53.05	6.00%
1498 S	Retail (Spec)	Spectve	1498-1	Retail	Feb-23	Jan-30	1,175	0%	1,175	\$95,218	\$6.75 PSF	3.0%	3 Months	NNN	\$56.28	6.00%
1498 S	Bar Calo ¹	Spectve	1498-2	Retail	Oct-22	Sep-32	1,089	0%	1,089	\$49,950	\$3.82 PSF	4.0%	-	MG	\$0.00	0.00%
1498 S	Retail (Spec)	Spectve	1498-3	Retail	Nov-20	Oct-27	2,183	0%	2,183	\$161,891	\$6.18 PSF	3.0%	3 Months	NNN	\$51.50	6.00%
1498 S	Retail (Spec)	Spectve	1498-4	Retail	Oct-19	Sep-26	1,099	0%	1,099	\$79,128	\$6.00 PSF	3.0%	3 Months	NNN	\$50.00	6.00%
1498 S	Retail (Spec)	Spectve	1498-5	Retail	Oct-19	Sep-26	1,054	0%	1,054	\$75,888	\$6.00 PSF	3.0%	3 Months	NNN	\$50.00	6.00%
1498 S	Retail (Spec)	Spectve	1498-6	Retail	Oct-19	Sep-26	946	0%	946	\$68,112	\$6.00 PSF	3.0%	3 Months	NNN	\$50.00	6.00%

Parking

BUILDING	STALLS	\$/STALL	% FIXED
1833 San Fernando	2	\$0.00	0.00%
2079 Blake Ave	2	\$0.00	0.00%
3010 Coolidge	6	\$0.00	0.00%
1498 Sunset	11	\$0.00	0.00%

BUILDING	STALLS	\$/STALL	% FIXED
1833 San Fernando	8	\$150.00	0.00%
2352 Ripple Street	12	\$150.00	0.00%
2800 Clearwater	4	\$150.00	0.00%
2079 Blake Ave	9	\$150.00	0.00%
3010 Coolidge	10	\$150.00	0.00%
2752 Clearwater	3	\$150.00	0.00%
1498 Sunset	11	\$150.00	0.00%

Notes on the above rent roll

1—Bar Calo: upon Expiration, tenant is assumed to execute two, 5-year options. Base Rent will increase 6% at the commencement of each option term with subsequent 4% annual increases for the term.

2—Alternative Universe: rent increases to \$2,687.50/mo on Sep-19.

ASSUMPTION SUMMARY

Base Building

Building	RSF / Parking Stalls	\$ / RSF	Base Building	BB Start Date	BB Completion
1833 San Fernando	7,500 RSF	\$156 / SF	\$1,170,000	May-19	Jan-20
2800 Clearwater	5,000 RSF	\$228 / SF	\$1,137,500	Sep-20	Feb-21
2352 Ripple Street	5,600 RSF	\$250 / SF	\$1,397,760	May-19	Jan-20
2079 Blake Ave	3,500 RSF	\$215 / SF	\$750,750	May-19	Jan-20
3010 Coolidge	4,400 RSF	\$230 / SF	\$1,010,100	May-19	Jan-20
2471 Fletcher	2,500 RSF	\$120 / SF	\$299,000	May-19	Jan-20
2752 Clearwater	4,344 RSF	\$195 / SF	\$847,080	May-19	Jan-20
1498 Sunset - Suite 1	1,175 RSF	\$31 / SF	\$36,395	Sep-22	Jan-23
1498 Sunset - Suite 3	2,183 RSF	\$31 / SF	\$67,617	Jun-20	Oct-20
1498 Sunset - Suite 4	1,099 RSF	\$31 / SF	\$34,041	May-19	Sep-19
1498 Sunset - Suite 5	1,054 RSF	\$31 / SF	\$32,647	May-19	Sep-19
1498 Sunset - Suite 6	946 RSF	\$31 / SF	\$29,302	May-19	Sep-19
TOTAL BASE BUILDING	40,390 RSF		\$6,812,190		
2800 Clearwater_Parking Covenant	12 Stalls	\$50,000 / Stall	\$600,000	Sep-20	Feb-21
2352 Ripple Street_Parking Covenant	4 Stalls	\$50,000 / Stall	\$200,000	May-19	Jan-20
TOTAL PARKING COVENANT	16 RSF		\$800,000		

Inflation

TYPE	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24
General Inflation	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Market Rent	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Reimbursable Expenses	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Property Taxes	-	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Non-Reimbursable Exp.	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Miscellaneous Income	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Leasing Costs	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
CPI	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Retail	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Capital Expense	-	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

MLAs

BLDG	NAME	RENT (\$/MO)	ANNUAL RENT INCREASES	TI'S		LC'S		TERM	DOWN-TIME	RENEWAL PROBABILITY	ABATEMENT		REIMBURS.
				NEW	RENEW	NEW	RENEW				NEW	RENEW	
1833 S	\$2.85 NNN	\$2.85	3.00%	\$50.00	\$25.00	6.00%	3.00%	7 Years	6 Months	75.00%	5 Months	0 Months	NNN
2800 C	\$3.50 NNN	\$3.50	3.00%	\$50.00	\$25.00	6.00%	3.00%	7 Years	6 Months	75.00%	5 Months	0 Months	NNN
2352 R	\$3.50 NNN	\$3.50	3.00%	\$50.00	\$25.00	6.00%	3.00%	7 Years	6 Months	75.00%	5 Months	0 Months	NNN
2079 B	\$3.50 NNN	\$3.50	3.00%	\$50.00	\$25.00	6.00%	3.00%	7 Years	6 Months	75.00%	5 Months	0 Months	NNN
3010 C	\$3.50 NNN	\$3.50	3.00%	\$50.00	\$25.00	6.00%	3.00%	7 Years	6 Months	75.00%	5 Months	0 Months	NNN
2471 F	\$4.00 NNN	\$4.00	3.00%	\$50.00	\$25.00	6.00%	3.00%	7 Years	6 Months	75.00%	5 Months	0 Months	NNN
2752 C	\$3.00 NNN	\$3.00	3.00%	\$50.00	\$25.00	6.00%	3.00%	7 Years	6 Months	75.00%	5 Months	0 Months	NNN
1498 S	\$6.00 NNN	\$6.00	3.00%	\$50.00	\$25.00	6.00%	3.00%	5 Years	3 Months	75.00%	3 Months	0 Months	NNN

Expirations

YEAR ENDING	DEC-18	DEC-19	DEC-20	DEC-21	DEC-22	DEC-23	DEC-24	DEC-25	DEC-26	DEC-27	DEC-28
January	11,312	8,445	11,544	35,302	40,302	39,215	40,390	40,390	40,390	40,390	40,390
February	11,312	8,445	39,388	35,302	40,302	40,390	40,390	40,390	40,390	12,546	40,390
March	11,312	8,445	39,388	40,302	40,302	40,390	40,390	40,390	40,390	12,546	35,390
April	11,312	8,445	39,388	40,302	40,302	40,390	40,390	40,390	40,390	40,390	35,390
May	11,312	8,445	39,388	40,302	40,302	40,390	40,390	40,390	40,390	40,390	40,390
June	11,312	8,445	37,368	40,302	40,302	40,390	40,390	40,390	40,390	40,390	40,390
July	11,312	8,445	37,368	40,302	40,302	40,390	40,390	40,390	40,390	40,390	40,390
August	11,312	8,445	37,368	40,302	40,302	40,390	40,390	40,390	40,390	40,390	40,390
September	11,312	8,445	33,119	40,302	39,215	40,390	40,390	40,390	40,390	40,390	40,390
October	11,312	11,544	33,119	40,302	39,215	40,390	40,390	40,390	37,291	40,390	40,390
November	11,312	11,544	35,302	40,302	39,215	40,390	40,390	40,390	40,390	38,207	40,390
December	11,312	11,544	35,302	40,302	39,215	40,390	40,390	40,390	40,390	40,390	40,390
Avg. Occupied SF	11,312	9,220	34,837	39,469	39,940	40,292	40,390	40,390	40,132	35,567	39,557
Total NRA	40,390	40,390	40,390	40,390	40,390	40,390	40,390	40,390	40,390	40,390	40,390
Occupancy %	28%	23%	86%	98%	99%	100%	100%	100%	99%	88%	98%

