

3550 Hayden Ave



Project Overview

3550 Hayden Ave

In March 2020, the Fund acquired 3550 Hayden Avenue, an existing 11,042 SF asset located in the Culver City submarket of Los Angeles. The asset, acquired in an off-market transaction, sits just blocks away from the Apple Beats Campus

and presents an opportunity to create best-in-class creative space within walking distance from Apple and Nike. The business plan calls for delivering 25,147 RSF of creative office over a 5-year period.

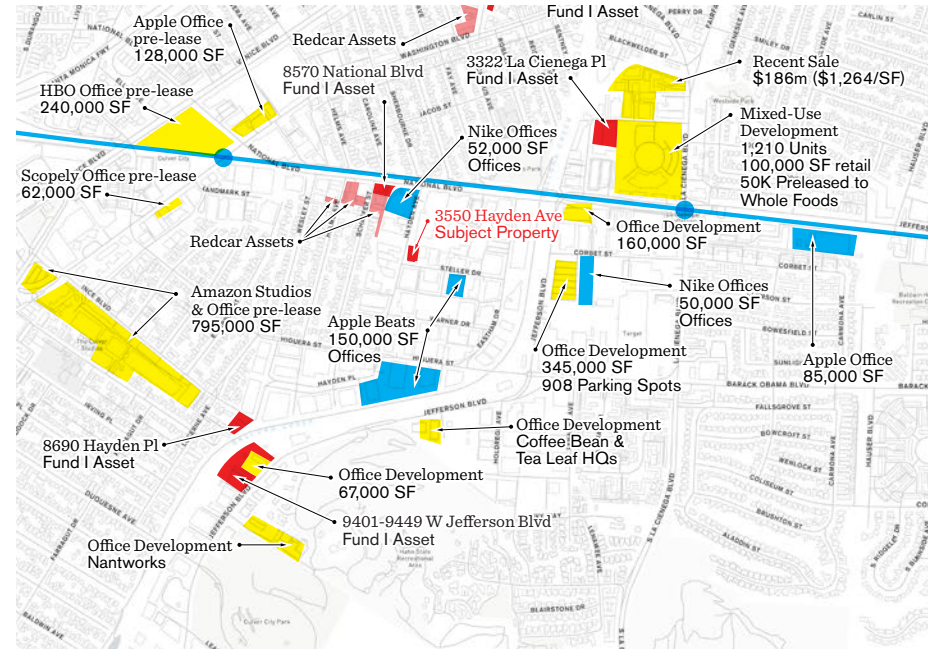
SUMMARY

Address	3550 Hayden Ave	UW Gross IRR / EM	19.2% / 1.9x
Acquisition Date	March 2020	Proj. Gross IRR / EM	16.9% / 1.8x
Purchase Price	\$13,250,000	Fund Ownership Percentage	100%
Sourcing	Off-Market	Current Equity / Debt (LTC)	\$13,818,085 / \$4,000,000 (16%)
RSF at Acquisition	11,042 SF	Proj. Fully Funded Equity/ Debt (LTC)	\$11,000,000 / \$13,800,000 (55%)
Proj. RSF as Redeveloped	25,147 SF	Proj. Fully Funded Basis (\$/RSF) ¹	\$25,096,728 (\$998)
Land Area	21,337 SF (0.5 acres)	Proj. Exit Date	3Q 2024
Status	Design	Proj. Gross Exit Price (\$/RSF / Cap Rate)	\$37,119,889 (\$1,476 / 4.50%)
Occupancy	100%		
Proj. Stabilized ROC / COC	6.5% / 8.3%		

¹ Fully funded basis includes NOI used to fund the project

Highlights

- + 3550 Hayden Avenue is currently fully occupied by Genius Produced, a film production company specializing in online learning. Redcar signed a six-month license agreement with the tenant upon acquisition of the property and Redcar is in negotiations to extend the agreement in order to maintain cash flow during the design phase.
- + In December 2020, Redcar placed a low leverage bridge loan on the property priced at 4.75% interest rate.
- + The property is located in Culver City, which has experienced impressive tenant demand and rent growth. The areas has become a favorite for original content production, and has attracted Apple, Amazon, and HBO, among others, that decide to locate outside of Silicon Beach.
- + Redcar is actively involved in the immediate area, owning existing assets in the Hayden Tract, as well as in the immediate Culver City and West Los Angeles submarkets.



Assumptions (As of 4Q 2020)

3550 Hayden Ave

Leasing

TENANT	TYPE	LCD	LXD	RSF	Y1 BASE RENT	BASE RENT (\$/MO.)	ABATEMENT MOS.	LEASE TYPE	TIS (\$/SF)	PARKING SPACES	Y1 PARKING REVENUE
Rent Roll (Existing)											
Genius Produced	Office	Aug-20	Jan-21	15,500	\$479,880	\$2.58 PSF	-	MG	\$0.00 PSF	10	-
Rent Roll (Redevelopment)											
Office	Office	Oct-23	Sep-28	25,147	\$1,615,754	\$5.35 PSF	5	NNN	\$81.95 PSF	10	\$240,000

Construction Costs

	RSF	\$/RSF	BASE BUILDING	CONSTRUCTION START	CONSTRUCTION END
Base Building	25,147 RSF	\$275/SF	\$6,915,480	July 2022	September 2023

Timeline

	2021				2022				2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Design / Permit	█				█							
Construction					█				█			
Leasing									█			

