

8619-8621

WILSHIRE BLVD.

BEVERLY HILLS, CA 90211

OFFERING MEMORANDUM

- ▶ Offered at \$13,500,000
- ▶ 2-Story Retail Building | First Time on the Market in 43 Years
- ▶ May Have Potential to Develop 42 Units (100% Density Bonus)
- ▶ Zoning: BHC3 | Total Lot Size: 11,581 SF
- ▶ May qualify for City of Beverly Hills Medical Use Ordinance Conversion
- ▶ Sale is Subject to Court Confirmation and may be Subject to Overbid

[CLICK HERE FOR
POTENTIAL DEVELOPMENT
SITE ASSESSMENT](#)



DAVID WEINBERGER
PRESIDENT

818.970.0915 | David@SWGRP.com

PHIL SEYMOUR
CEO

310.612.9800 | Phil@SWGRP.com

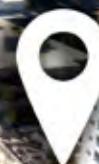
MEGAN HUSRI
EXECUTIVE VICE PRESIDENT

661.839.3032 | Megan@SWGRP.com

SW SEYMOUR | WEINBERGER
REAL ESTATE GROUP

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SUBJECT
PROPERTY

EXECUTIVE SUMMARY

The offering presents a rare opportunity to acquire 8619-8621 Wilshire Blvd. - An iconic two-story retail building, constructed in 1948, in the heart of the highly coveted Beverly Hills. The property offers five suites, totaling 7,200 SF, with 6,750 SF of RBA and 14 parking spaces on an expansive 11,581 SF lot spanning two parcels.

The offering presents investors and developers the opportunity to acquire one of the few development opportunities available for sale in Beverly Hills. The BHC3 zoned site presents a multitude of possibilities for the new owner, including the potential to develop up to 42 residential units (utilizing a 100% density bonus) along with a ground level commercial component. Providing the option to operate as an owner-user or investor, or the ability to make strategic improvements to capitalize on the premium rental rates synonymous with Beverly Hills.

Alternatively, the property may qualify for the City of Beverly Hills Medical Conversion Use Ordinance 22-0-2864, providing tremendous value to any medical professionals, including doctors and dentists.

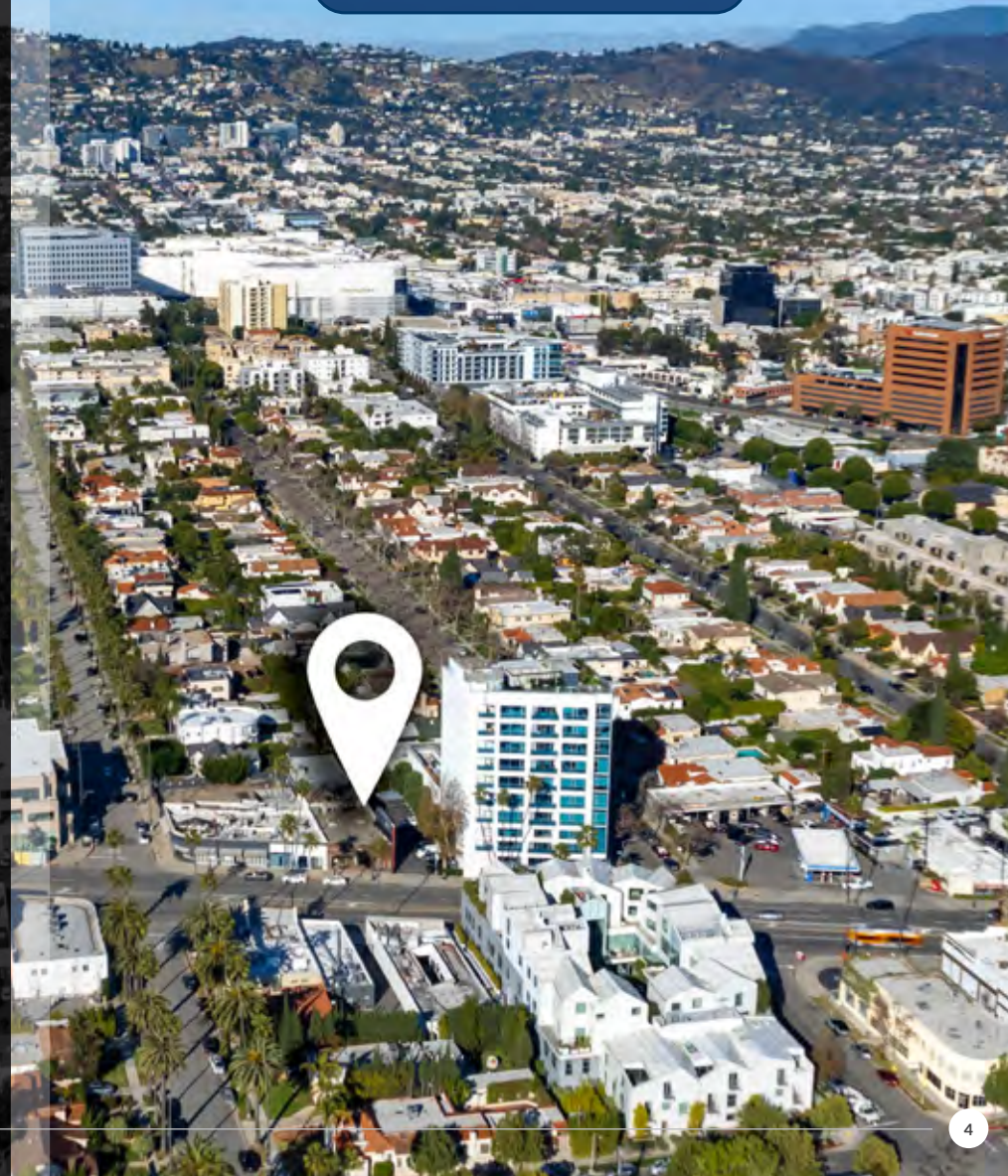
Surrounded by a vibrant mix of commercial properties, single-family residences, restaurants, retail establishments, and medical offices, this location benefits from the robust infrastructure and high-earning residents that support businesses and new developments in Beverly Hills.

*Sale is subject to Court Confirmation and may be subject to overbid.

**Buyer to verify all information through survey, feasibility, constructibility with their vendors, and the Beverly Hills Planning and Development Department.

**MAJOR DEVELOPMENT PROJECT IMMEDIATELY
WEST OF SUBJECT PROPERTY ON THE CORNER
OF N. CARSON ROAD & WILSHIRE BLVD.**

8633WILSHIREDEV.COM



PROPERTY HIGHLIGHTS



4334-014-043
4334-014-044

ASSESSOR PARCEL NUMBER



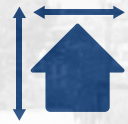
5
TOTAL UNITS



2
BUILDINGS



2
STORIES



7,200 SF
BUILDING SIZE



11,581 SF
LOT SIZE



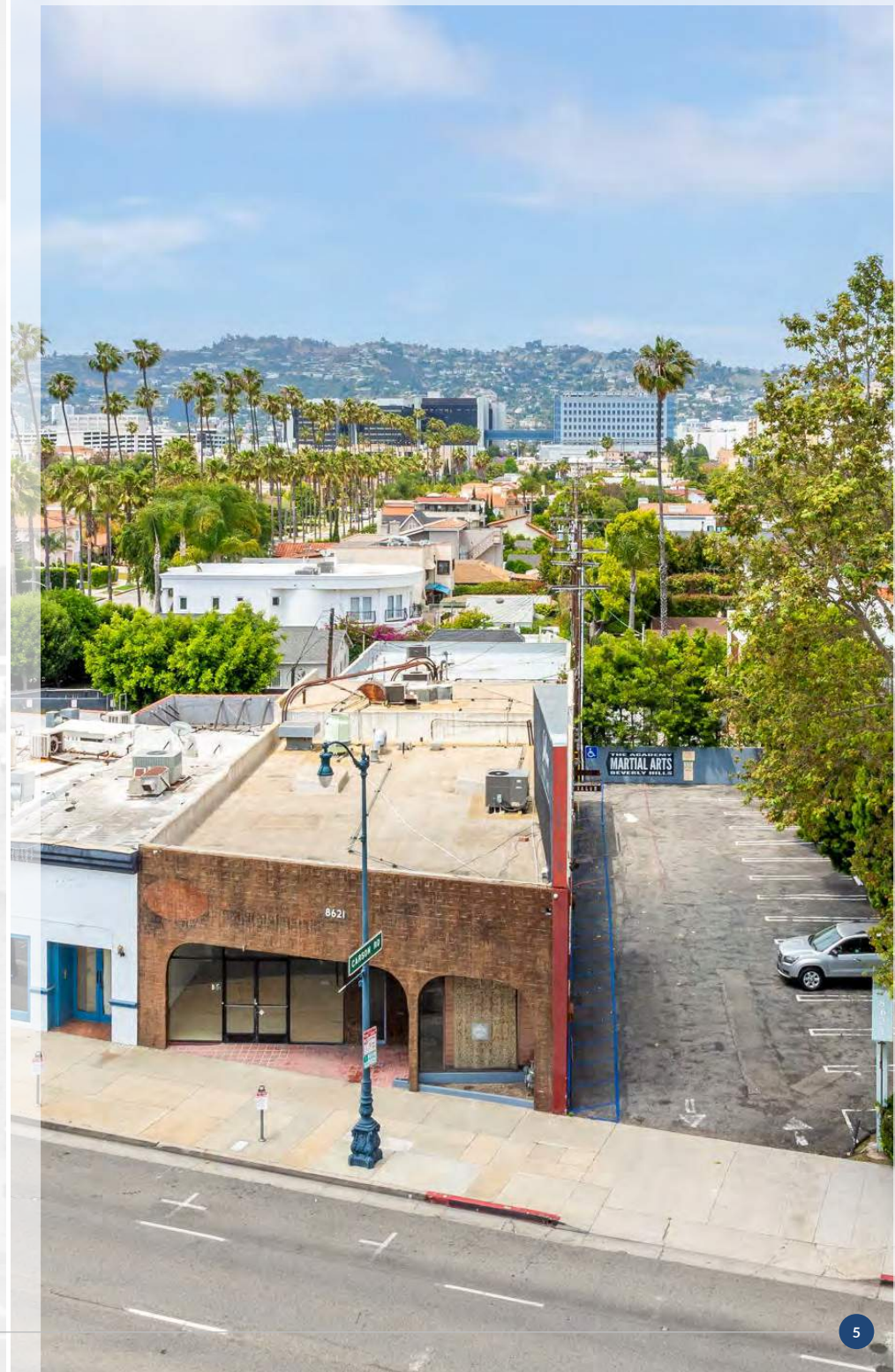
1948
YEAR BUILT



BHC3
ZONING



14
PARKING SPACES



PROPERTY INFORMATION

8619-8621 Wilshire Blvd. is made up of 2 parcels situated between Carson Road and Stanley Drive on the north side of Wilshire Blvd. The property is made up of 2 buildings. The 2-story building fronting Wilshire Blvd. is 5,250 SF and is occupied by a dry cleaner business, rug store, and salon. This building shares a wall with the building immediately adjacent to the west, creating a continuous street frontage.

The second building is a standalone, 1-story building located in the rear of the parcel, and is 1,950 SF. Easy access to these buildings is located from the sidewalk and the adjacent parking lot.

THE OPPORTUNITY

With limited inventory in Beverly Hills, 8619-8621 Wilshire Blvd. is a unique opportunity for Developers, Investors or Owner/Users to purchase a retail building with a development component in a world-renowned location.

Beverly Hills continues to be one of the most sought-after cities in which to own real estate. Business owners, doctors, dentists, attorneys, developers, and other professionals now have the ability to create their vision with this perfectly situated building.





LOCATION
OVERVIEW

LOCATION

OVERVIEW

Beverly Hills continues to be one of the most sought-after cities in which to live and work. Beverly Hills is known for its luxurious lifestyle, exclusive shopping, dining experiences and famous residents.. The city spans 5.7 square miles and is bordered by West Hollywood to the east and Century City to the west.

It is home to many famously known residential neighborhoods, five-star hotels, and thriving businesses, and is a popular tourist destination, receiving over 7 million visitors per year who spend over \$3 billion annually. Tourism, retail sales, entertainment, and law and tech firms drive the economy of Beverly Hills.

The city is known for its beautiful Mediterranean climate and its tree-lined streets, as well as its iconic Beverly Hills Hotel. With a population of just over 34,000, Beverly Hills is a small, tight-knit community that values its cultural and historical significance.



SITE ASSESSMENT SUMMARY

The project site currently allows commercial uses but has opportunity for residential development, as it is close to existing and future major transit stops, was identified in the Sites Inventory of the City's 6th Cycle Housing Element and is located in a zone which will feature revised development standards as the City implements the 6th Cycle Housing Element. The title report review revealed existing easements as well as an Oil and Gas lease from 1964, the effect of the same on the development contemplated herein has not been determined.

Under current development regulations, the site may develop 21 residential units. However, the site's size, required setbacks from the existing single-family residential to the north, and parking requirements form large constraints in achieving 21 units. Based on the existing regulations, it is estimated that approximately 16 to 21 base residential units may be developed, along with a required commercial component on the site. The type and mix of units should be evaluated to determine the highest returns.

With the State Density Bonus law, the site may develop up to 32 residential units (a 50% density bonus). These provisions are described on page 10. With the provisions of AB 1287, the site may develop up to 42 residential units (a 100% density bonus). These provisions are described on page 10.

Note that because the City has an inclusionary housing policy, any development with 5 or more units must provide affordable units or pay an in-lieu fee. These affordable units would be subject to the State Density Bonus program, which has the potential to waive or reduce development standards that pose a constraint on development.

As mentioned before, implementation of the City's 6th Cycle Housing Element may greatly affect the development standards for this site, as the City of Beverly Hills is actively finding ways to support new residential development. Program 12.1 of the City's Housing Element (adopted 3/18/2024) indicates that some key development standards (such as maximum density, unit sizes, transit bonuses, and other development standards) will likely change. These reforms will increase the total development potential of the site in the near future.

*TO BE USED AS A GUIDE AND NOT RELIED UPON – INFORMATION SHOULD BE CONFIRMED AS REGULATIONS ARE CHANGING DAILY

[CLICK HERE FOR
POTENTIAL DEVELOPMENT
SITE ASSESSMENT](#)

SITE ASSESSMENT

KEY FINDINGS

▶ **KEY FINDINGS FROM SITE ASSESSMENT REPORT**

- Possible development of the property is shown in the 3 renderings at the end of the site assessment report. Those renderings were prepared without a survey and must be verified for accuracy and feasibility.
- Based on current development regulations, it is believed 21 residential units can be developed on the site.
- Pursuant to the State Density Bonus Law, it is believed 32 residential units may be developed on the site (a 50% density bonus).
- The provisions of AB 1287 could allow for up to 42 residential units on the site (a 100% density bonus).

▶ **SETBACKS AND HEIGHT**

- The site has required setbacks from existing single-family residential areas to the north, which is why the model shows single-story in that area. However, a concession/waiver can be requested.
- The front and side setbacks for mixed-use developments in the Mixed-Use Overlay Zone are 0 feet.
- The rear setback for mixed-use developments may vary based on adjacent uses and the underlying zone.
- The maximum building height allowed is 45 feet (3 stories), but this can be increased through a waiver and was approved on another property on Wilshire Blvd.

▶ **PARKING REQUIREMENTS**

- The site has parking requirements based on the type of units and commercial spaces.
- Under AB 2097, the site's parking requirements may be reduced to zero spaces per unit.
- The site may also benefit from special parking requirements for projects near major transit stops.

▶ **AFFORDABLE HOUSING**

- The City of Beverly Hills has an inclusionary housing policy.
- Projects with 5 or more units must provide a certain number of affordable units or pay an in-lieu of fee. (but we are seeing cities reduce or eliminate this fee since it impedes multifamily development)
- The number of required affordable units depends on the total number of units in the project.

▶ **FUTURE DEVELOPMENT STANDARDS**

- The City's 6th Cycle Housing Element indicates that development standards may change.
- Proposed changes may include increasing density and height, modifying parking requirements, and adopting objective design standards.

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MEDICAL USE

ORDINANCE

MEDICAL USE ORDINANCE (22-0-2864)

The Medical Use Ordinance is intended to replace the Medical Urgency Ordinance, which was enacted in 2020 and allowed the conversion of existing commercial spaces to office space. The new ordinance contains regulations that are mostly the same as the Urgency Ordinance. A summary of the regulations is below.

Conversion of existing commercial space to medical is allowed, and new medical space in newly constructed buildings is allowed through the issuance of a building permit upon meeting the following criteria:

- Property must be located in the C-3, C-3T-1, C-3T-2, C-3T-3, C-R-PD, C-R, C-3A, C-3B, or E-0-PD zone.
- Medical uses may not be located on the ground floor.
- Parking is required for medical uses at a rate of 1 parking space per 350 SF of floor area, which is the same as the general commercial/retail requirement.

The parking requirement allows medical users to occupy existing commercial spaces without triggering the need for more parking.

- No “specialty clinics” (as defined in BHMC section 10-3-1604.5) are permitted.

This generally prohibits new surgery centers, but a maximum of one operating room that is no more than 10% of the overall floor area of the suite is allowed, not precluding an operating room that is up to 250 square feet in size.

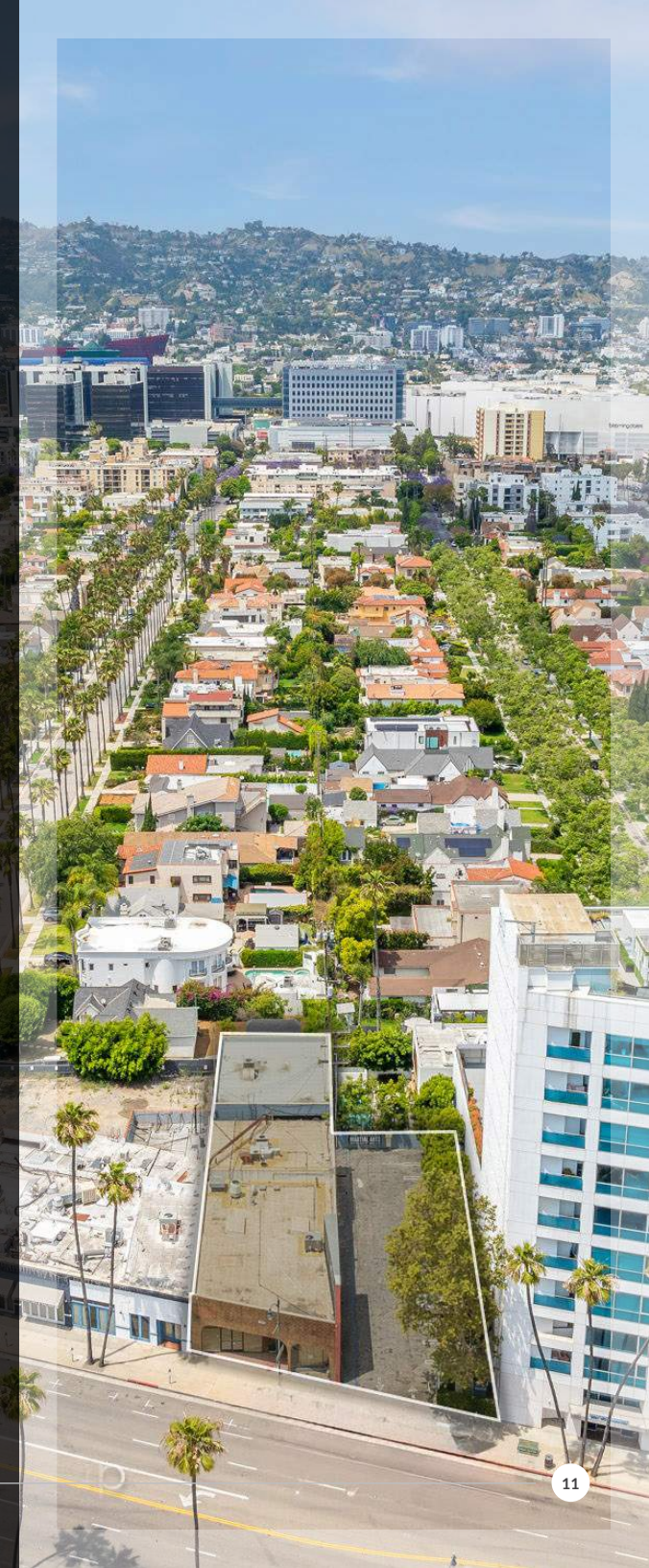
Requirements for a medical building permit:

- The active lease and business tax license are no longer required for building permit submittal.
- For conversion, a floor plan for the medical suite should show each room’s floor areas and uses.
- Normal requirements will apply for new medical and TI.

A review of the ordinance by the Council will be required within 3 years from the date it was adopted.

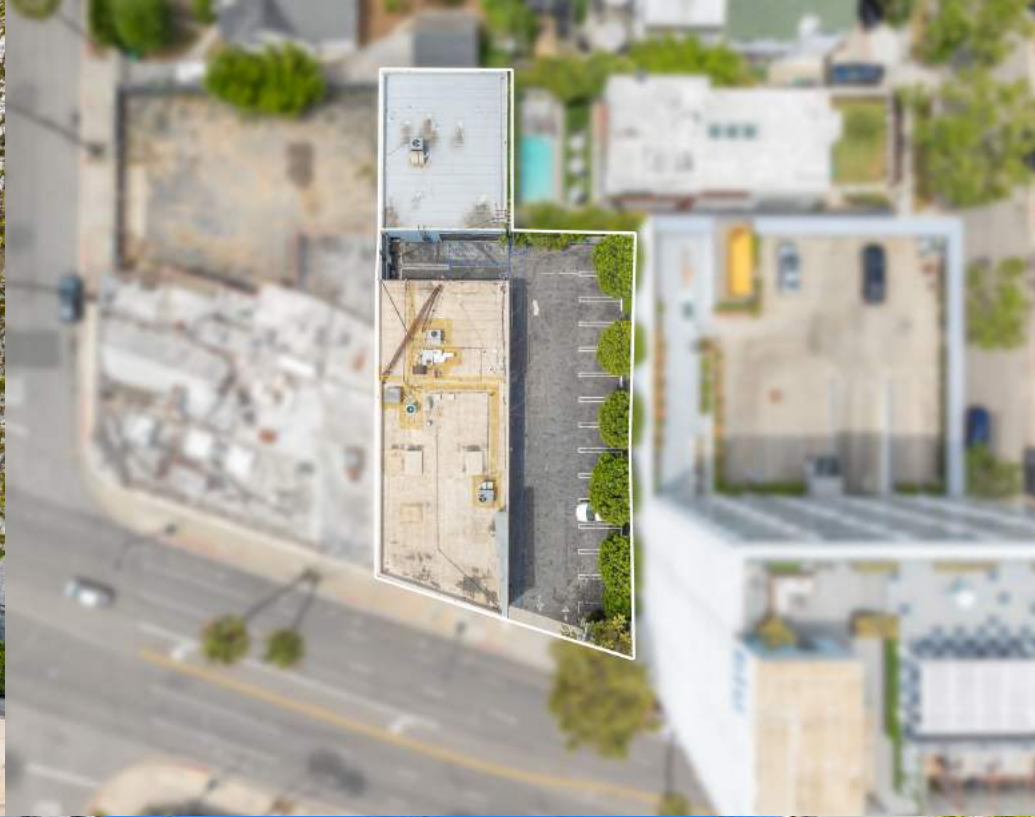
- Medical Uses are allowed in the underlying zone. However, medical uses in the ground floor commercial area will not be permitted if an applicant requests residential uses via the Mixed Use Overlay.

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PROPERTY
PHOTOS



8619 - 8621
WILSHIRE BLVD

WILSHIRE BLVD

H CARSON RD



FINANCIAL

Sullivan
RUG CO. OVERVIEW



8619-8621 WILSHIRE BLVD.

FINANCIALS

INCOME	ANNUAL
Base Rental Income	\$361,399
Utility Income	\$4,359
TOTAL GROSS OPERATING INCOME	\$365,758
OPERATING EXPENSES ESTIMATED 2023	
Ad Valorem Property Taxes (Based on 1.200779%)	\$180,117
Insurance	\$5,357
Repairs & Maintenance	\$7,215
Pest Control	\$750
Security Alarm System	\$716
Garbage	\$2,113
Electricity	\$985
Water	\$1,400
Gas	\$1,905
Business Tax	\$3,728
Total Expenses	\$204,286
Net Operating Income	\$161,473
Cap Rate	1.2%
PRICE	\$13,500,000

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*The oil & gas lease fluctuates and the rent roll reflects the estimated amount from the 2023 P&L.

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RENT ROLL

UNIT	TENANT	SQ. FT.	LEASE TYPE	BASE RENT	CAM	TOTAL MONTHLY RENT	START DATE	ENDING DATE
N/A	N/A	N/A	Oil & Gas	\$75.58	N/A	\$75.58	5/15/1965	TBD
Front Unit	Vacant	1,200	NNN	\$8,400*	\$0	\$8,400	TBD	TBD
Back Unit	Vacant	1,200	NNN	\$8,400*	\$0	\$8,400	TBD	TBD
8621 (Rear Building)	Machado Wheeler Academy (Jiu Jitsu Academy)	2,000	MG	\$5,689	\$350	\$6,039	3/31/2017	Month-to-Month
8621 (2nd floor)	AOTC (Office Management)	1,200	MG	\$2,780	\$0	\$2,780	5/1/1996	Month-to-Month
8621 (StoreFront)	Sullivan Rug Company (Rug Sales & Service)	1,150	NET	\$4,772	\$0	\$4,772	11/1/2017	Month-to-Month
TOTALS / AVERAGE		6,750		\$30,117	\$350	\$30,467		
YEARLY				\$361,399	\$4,200	\$365,599		

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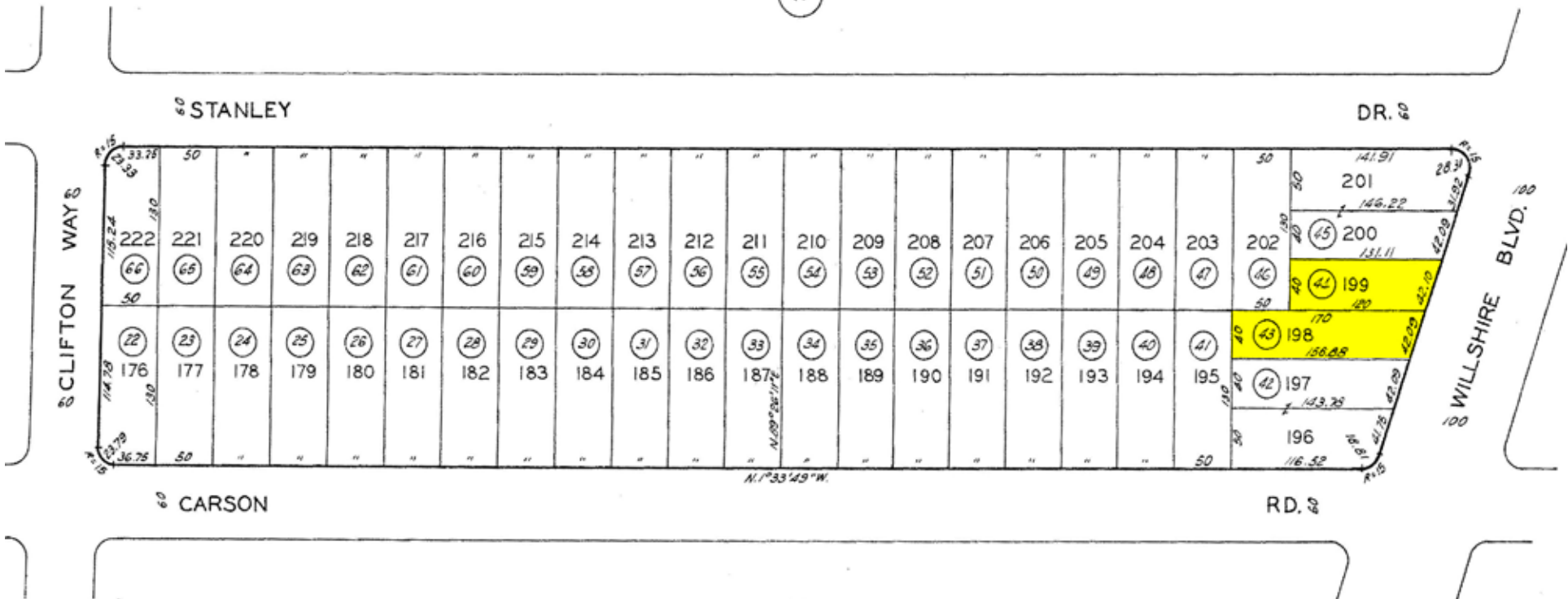
*The oil & gas lease fluctuates and the rent roll reflects the estimated amount from the 2023 P&L.

*Projected Rent.

8619-8621 WILSHIRE BLVD.

PLAT MAP

17



13

I MILE		
2023 Households by HH Income	20,577	
<\$25,000	2,628	12.77%
\$25,000 - \$50,000	2,368	11.51%
\$50,000 - \$75,000	3,037	14.76%
\$75,000 - \$100,000	2,172	10.56%
\$100,000 - \$125,000	2,319	11.27%
\$125,000 - \$150,000	1,693	8.23%
\$150,000 - \$200,000	2,342	11.38%
\$200,000+	4,018	19.53%
2023 AVG HOUSEHOLD INCOME	\$128,802	
2023 MED HOUSEHOLD INCOME	\$100,900	

Total Specified Consumer Spending	\$724.6M	
Total Apparel	\$35.1M	4.85%
Women's Apparel	\$14.4M	1.98%
Men's Apparel	\$7.4M	1.02%
Girl's Apparel	\$2.3M	0.32%
Boy's Apparel	\$1.6M	0.23%
Infant Apparel	\$1.5M	0.21%
Footwear	\$7.9M	1.09%

Total Entertainment & Hobbies	\$108.9M	15.03%
Entertainment	\$11.5M	1.59%
Audio & Visual Equipment/Service	\$21.7M	3.00%
Reading Materials	\$2.1M	0.29%
Pets, Toys, & Hobbies	\$19.5M	2.68%
Personal Items	\$54M	7.46%

I MILE		
Total Food and Alcohol	\$200.8M	27.72%
Food At Home	\$95.4M	13.16%
Food Away From Home	\$89.5M	12.35%
Alcoholic Beverages	\$16M	2.20%

Total Household	\$120.6M	16.64%
House Maintenance & Repair	\$14.1M	1.95%
Household Equip & Furnishings	\$46.3M	6.40%
Household Operations	\$40.4M	5.58%
Housing Costs	\$19.7M	2.71%

Total Transportation/Maintenance	\$164M	22.63%
Vehicle Purchases	\$67.8M	9.35%
Gasoline	\$41M	5.65%
Vehicle Expenses	\$5.8M	0.80%
Transportation	\$27.2M	3.76%
Automotive Repair & Maintenance	\$22.2M	3.07%

Total Health Care	\$34.4M	4.74%
Medical Services	\$21.1M	2.91%
Prescription Drugs	\$9.5M	1.31%
Medical Supplies	\$3.8M	0.53%

Total Education/Day Care	\$60.9M	8.40%
Education	\$37.3M	5.14%
Fees & Admissions	\$23.6M	3.26%

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SW

SEYMOUR WEINBERGER
FIDUCIARY REAL ESTATE GROUP

12711 Ventura Blvd., Ste 110 | Studio City, CA 91604

www.SWGRP.com

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