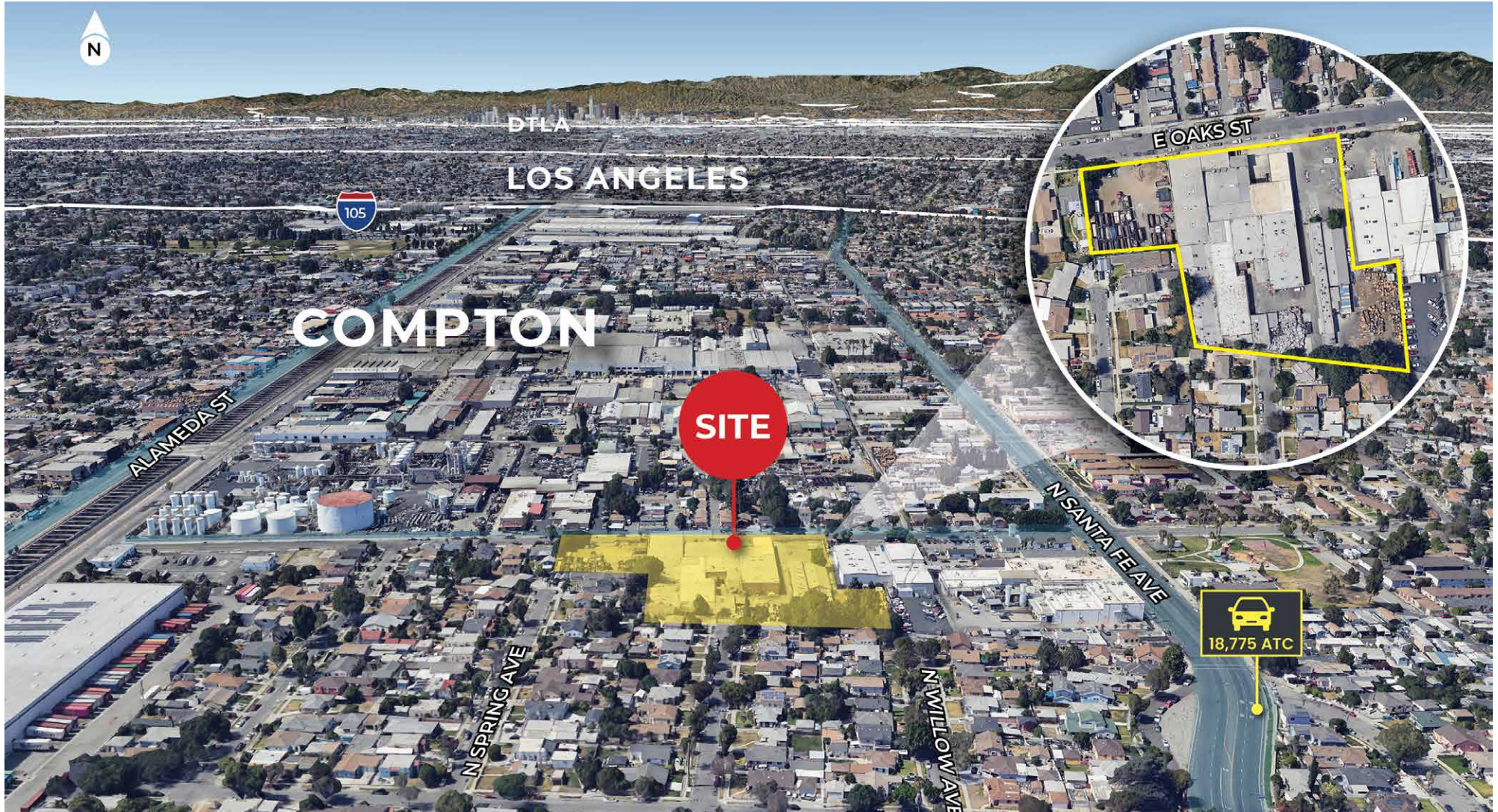


# 500-526 E. OAKS STREET & 1739 N. WILLOW AVE

COMPTON, CA

FOR SALE - \$12,000,000



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**NAI Capital**  
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

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## 500-526 E Oaks Street & 1739 N Willow Ave, Compton, CA

NAI Capital is pleased to present an exceptional opportunity to purchase a combined industrial property located at 500-526 E Oaks Street and 1739 N Willow Ave, Compton. Together, these properties offer approximately ±139,000 square feet (±3.19 Acres) of land and approximately ±71,000 square feet of industrial buildings, situated in a highly strategic Compton location within an Opportunity Zone.

The City of Compton, home to over 96K residents and approximately 24K households, is known for its robust industrial sector and strategic positioning within Los Angeles County. Within a five-mile radius of the property, the population exceeds 700K, with over 200K households, providing a substantial customer and labor base for businesses.

Compton offers an advantageous location for industrial activities, featuring excellent connectivity to major freeways, including the I-105, I-110, SR-91, and I-710, facilitating efficient transportation and logistics operations. The city is also served by the Metro Blue Line, providing convenient public transit options.

Additionally, being located in an Opportunity Zone, these properties offer significant tax incentives for investors looking to maximize returns while contributing to the economic development of the area.

Compton is poised for continued growth, with planned developments and improvements enhancing its appeal as a prime industrial hub. The city's proactive approach to economic development, coupled with its strategic location and ample resources, makes this combined property an exceptional opportunity for industrial investors and users.



# CONFIDENTIALITY AGREEMENT

NAI Capital Commercial, Inc. (Hereinafter “NAI”) has been retained as the exclusive advisor and broker regarding the sale of the Property located at 500-526 E. Oaks and 1739 N. Willow Ave, Compton, CA.

This Offering has been prepared by NAI for use by a limited number of parties and does not purport to provide a necessarily complete summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective investors may need or desire. All projections have been developed by NAI, the Owner, and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and, therefore, are subject to variation. No representation is made by NAI or Owner as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as, promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, NAI, Owner, and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or for omission from, this Investment Offering or any other written or oral communication transmitted or made available to the recipient. This Offering does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the package. Analysis and verification of the information contained in this package is solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner and NAI each expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers regarding the Property and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligation to any entity reviewing this Offering or making an offer to purchase the Property unless and until a written agreement for the purchase of the Property has been fully executed, delivered, and approved by Owner and its legal counsel, and any conditions to Owner's obligations thereunder have been satisfied or waived. NAI is not authorized to make any representations or agreements on behalf of Owner.

This Offering and the contents, except such information which is a matter of public record or is provided in sources available to the public (such contents as so limited herein are called the “Contents”), are of a confidential nature. By accepting the package, you agree (i) to hold and treat it in the strictest confidence, (ii) not to photocopy or duplicate it, (iii) not to disclose the package or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or NAI, (iv) not use the package or any of the contents in any fashion or manner detrimental to the interest of Owner or NAI, and (v) to return it to NAI immediately upon request of NAI or Owner.

If you have no further interest in the Property, please return this Investment Offering forthwith.

## **DO NOT DISTURB OCCUPANTS**

# PROPERTY PROFILE

▶ **EXCELLENT REDEVELOPMENT POTENTIAL:**

Over 3 acres of land able to be redeveloped.

▶ **PRIME LOCATION:**

Great access to the Ports of LA and Long Beach as well as Downtown

▶ **LARGE LAND AREA:**

Approximately 139,000 square feet (±3.19 Acres) of industrial land.

▶ **SIGNIFICANT BUILDING SPACE:**

Approximately 71,000 square feet of industrial buildings.

▶ **OPPORTUNITY ZONE BENEFITS:**

Located within an Opportunity Zone, offering significant tax incentives.

▶ **STRATEGIC CONNECTIVITY:**

Excellent access to major freeways, including the I-105, I-110, SR-91 and I-710.

▶ **PUBLIC TRANSIT ACCESS:**

Served by the Metro Blue Line, providing convenient public transportation options.

▶ **ROBUST INDUSTRIAL SECTOR:**

Situated in a city known for its strong industrial infrastructure and strategic positioning within Los Angeles County.

▶ **HIGH POPULATION DENSITY:**

Within a five-mile radius, the population exceeds 700K with over 200K households.

▶ **GROWTH POTENTIAL:**

Compton is poised for continued growth, with planned developments and improvements.



<b>ADDRESS:</b>	500-526 E Oaks Street & 1739 N Willow Ave Compton, CA 90221
<b>SALE PRICE:</b>	\$12,000,000
<b>AVAILABLE SF:</b>	±71,000 SF Industrial Space ±139,000 square feet land (3.19 Acres)
<b>POWER:</b>	2,000 Amps
<b>ZONING:</b>	Limited Manufacturing (M-L)
<b>APN:</b>	6167-013-021, 6167-014-021, 023, 027
<b>LEASE EXPIRATION DATE:</b>	Month to month
<b>LOADING:</b>	3 exterior dock high positions.

# SITE PLAN

E OAKS ST



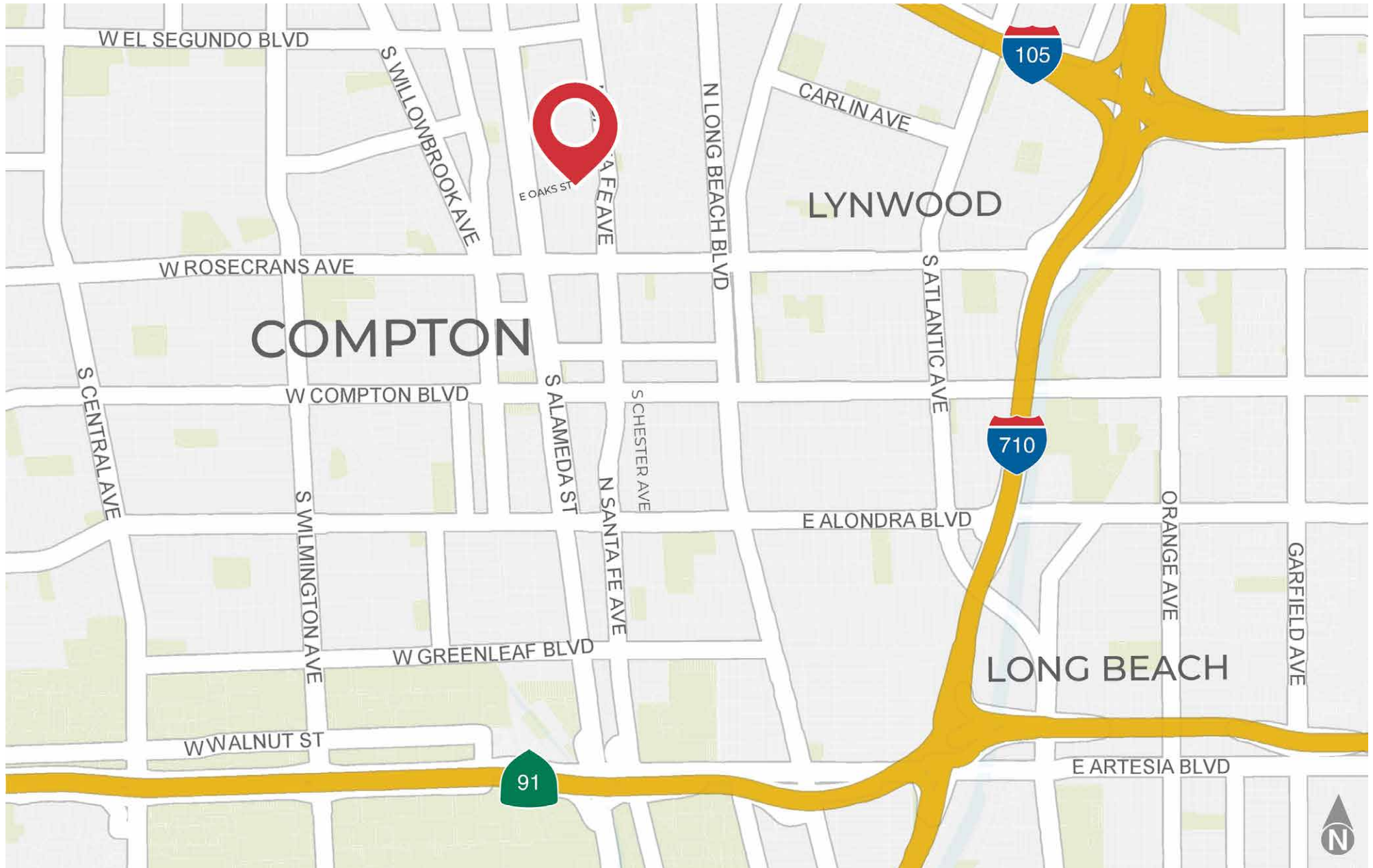
# PARCEL MAP



# PARCEL MAP

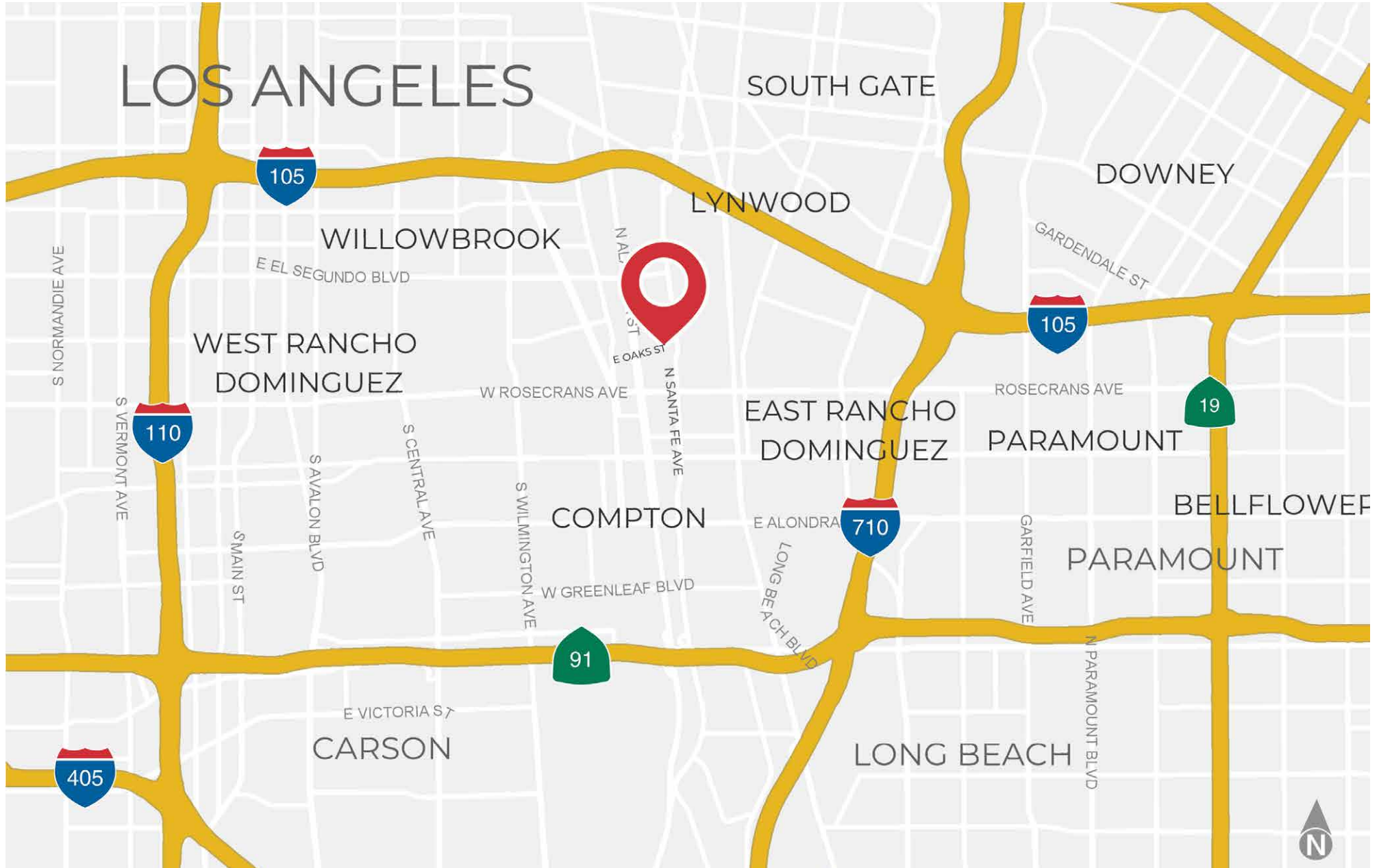


# LOCATION MAP





# REGIONAL MAP



# QUALIFIED OPPORTUNITY ZONE

## WHAT INVESTORS SHOULD KNOW

### WHAT IS AN OPPORTUNITY ZONE?

An Opportunity Zone is a community nominated by the state and certified by the Treasury Department as qualifying for this program. The Treasury Department has certified zones in all 50 states; Washington, D.C.; and U.S. territories. A list can be found at the U.S. Department of Housing and Urban Development.

### HOW DOES THIS PROGRAM WORK?

The Opportunity Zone program allows for the sale of any appreciated assets, such as real estate or stocks, with a reinvestment of the gain into a Qualified Opportunity Fund. Unlike a 1031 Exchange, there is no requirement to invest in a like-kind property to defer the gain.

To defer a capital gain (including net §1231 gains), a taxpayer has 180 days from the date of the sale of the appreciated asset, to invest the realized capital gain dollars into a Qualified Opportunity Fund, an investment vehicle that files either a partnership or corporate federal income tax return and is organized for the purpose of investing in Qualified Opportunity. The fund then invests in Qualified Opportunity Zone property.

The taxpayer may invest the return of principal as well as the recognized capital gain, but only the portion of the investment attributable to the capital gain will be eligible for the exemption from tax on further appreciation of the Opportunity Zone investment, as explained below.

Note that a taxpayer who receives a reported capital gain from a flow-through entity, such as a partnership, an S-corporation, or a trust/estate, has the option to start the 180 day investment period on any of the following dates:

- The last day of the entity taxable year;
- The same date that the entity's 180 day period begins; or
- The due date for the entity's tax return, without extensions, for the taxable year in which the entity realized the eligible gain.

### QUALIFIED OPPORTUNITY FUND

A Qualified Opportunity Fund is any investment vehicle that is organized as a corporation or a partnership for the purpose of investing in Qualified Opportunity Zone property (other than another Qualified Opportunity Fund) that holds at least 90% of its assets in Qualified Opportunity Zone property. Similar to other investments, an investment in a Qualified Opportunity Fund may increase or decrease in value over the holding period. In addition, income may be paid on this investment. Given that the purpose of the program is to improve particular areas, it is expected that the fund will continue to invest in the improvement of the property in which it is invested. Cash flow may occur once the property improvements are complete and the property is leased or sold to third parties.

Because Qualified Opportunity Funds are income tax planning tools and are investment options for taxpayers, these investments may involve risk. Like many other types of investments, the risks may potentially include market loss, liquidity risk, and business risk, to name just a few. Because this investment may not be appropriate for all investors, consult with your investment advisor before pursuing such an investment to determine if this fits with your risk profile and diversification of your investments.

### QUALIFIED OPPORTUNITY ZONE PROPERTY

Qualified Opportunity Zone property is used to refer to property that is a Qualified Opportunity Zone stock, a Qualified Opportunity Zone partnership interest, or a Qualified Opportunity Zone business property acquired after December 31, 2017, used in a trade or business conducted in a Qualified Opportunity Zone or ownership interest in an entity (stock and partnership interests) operating with such tangible property.

Conceptually, the Qualified Opportunity Fund must bring property new to the entity to be used in the Opportunity Zone. A fund that simply acquires property already

# QUALIFIED OPPORTUNITY ZONE

## WHAT INVESTORS SHOULD KNOW

being used in the zone will not qualify without substantial improvement. Substantial improvement requires improvements to exceed the Qualified Opportunity Fund's initial investment into the existing property over a 30-month period. (Note: investment only applies to the amount paid for the building.)

For instance, if a Qualified Opportunity Fund acquires existing real property in an Opportunity Zone and \$1 million, of the purchase price is allocated to the value of the building, the fund has 30 months to invest an amount greater than the \$1 million building value for improvements to the property in order to qualify for this program. Certain businesses, such as golf courses, country clubs, massage parlors, hot tub facilities, suntan facilities, race tracks or other facilities used for gambling, and liquor stores, are prohibited for Qualified Opportunity Fund investments.

### **TAX DEFERRAL AND SAVINGS**

A Qualified Opportunity Fund investment provides potential tax savings in three ways:

#### **TAX DEFERRAL THROUGH 2026**

A taxpayer may elect to defer the tax on some or all of a capital gain if, during the 180-day period beginning at the date of sale/exchange, they invest in a Qualified Opportunity Fund. Any taxable gain invested in a Qualified Opportunity Fund is not recognized until December 31, 2026 (due with the filing of the 2026 return in 2027), or until the interest in the fund is sold or exchanged, whichever occurs first. In addition, the deferred gain has the potential to be reduced as described below.

#### **STEP-UP IN TAX BASIS OF 10% OR UP TO 15% OF DEFERRED GAINS**

A taxpayer who defers gains through a Qualified Opportunity Fund investment receives a 10% step-up in tax basis after five years and an additional 5% step-up after seven years. Thus, to be eligible for the 10% step-up in tax basis, the taxpayer needed to invest by December 31, 2021 and invest by December 31, 2019 for the additional 5% step-up in tax basis. If the taxpayer will have held the investment

in the fund for seven years at the end of 2026, the taxpayer would qualify for the 15% increase in tax basis. Due to the rule regarding recognition of gain no later than December 31, 2026, the step-up in tax basis benefit was no longer available for new investors beginning with the 2022 tax year.

### **NO TAX ON APPRECIATION**

Perhaps the most significant tax benefit of the program, remaining in the Qualified Opportunity Fund for at least 10 years results in the cost basis of the property being equal to the fair market value on the date of sale/exchange.

#### ***1. Tax deferral through 2026***

The gain deferral applies to any investment gain (for example, the sale of appreciated stock or a business). It is important to note that the tax cannot be deferred indefinitely — only until 2026. The tax savings, however, may still be significant. Qualifying for deferral does not require an intermediary, and the taxpayer has 180 days from a sale to invest the gains into a Qualified Opportunity Fund.

**Example 1:** In July 2019, a taxpayer sold a zero-basis business for \$10 million, resulting in a \$10 million capital gain. The taxpayer invested the entire amount in a Qualified Opportunity Fund within 180 days. None of the sale proceeds were taxable in 2019. At 2019 federal capital gains rates of 20%, this allowed the taxpayer to keep over \$2 million that would otherwise have been taxed as a capital gain and paid in the 2019 tax year. Instead the funds were invested in the Qualified Opportunity Fund. Assuming even a conservative rate of return on that \$2 million, it could provide a significant return to the taxpayer over the length of the investment.

#### ***2. NO TAX ON 10% OR UP TO 15% OF DEFERRED GAINS***

**Example 2:** Given the fund (10% of the original capital gain deferred). After seven years, the taxpayer is given another \$500,000 of basis in the fund (5% of the

# QUALIFIED OPPORTUNITY ZONE

## WHAT INVESTORS SHOULD KNOW

original capital gain deferred). After seven years, hypothetically the taxpayer sells the \$10 million investment and would pay tax on only \$8,500,000 of the gain. At current federal capital gains rates, that's a savings of over \$300,000 simply for holding the investment for seven years.

### **3. INVESTING IN A QUALIFIED OPPORTUNITY ZONE IN 2022**

Although the contribution deadline for the step-up in basis provisions have passed, the Qualified Opportunity Zone still provides taxpayers the ability to defer the capital gains. A taxpayer may defer the gain until 2026 or a year prior to that if the investment is sold. Plus, tax on the appreciation from the Qualified Opportunity Zone investment (if any) would be avoided if the investment is held for over 10 years.

### **WHAT IF THERE IS A LOSS IN VALUE IN THE QUALIFIED OPPORTUNITY FUND?**

The taxpayer is still eligible for the increase in basis for holding the investment for five or seven years, so long as they met the previously described investment deadlines. The taxpayer's recognized gain for 2026 (or the year of divesting from the fund) will be the lesser of the original deferred gain or the fair market value of the fund interest reduced by the taxpayer's adjusted basis in the fund, if any.

Because of the complicated nature of these investments and the complicated rules that are associated with it, please consult your tax advisor before committing any funds. The example below is simplified for illustration purposes only.

**Example 3:** Again, given the same situation, after seven years, the Qualified Opportunity Zone property is sold at a loss. Let's presume the taxpayer realizes \$8 million from the Qualified Opportunity Fund (80% of the original investment). Because the taxpayer held the investment for seven years, the taxpayer receives a 15% increase in basis, or \$1,500,000. The gain realized would be \$6,500,000

(\$8,000,000 - \$1,500,000).

### **4. POTENTIALLY NO TAX ON APPRECIATION**

**Example 4:** In 2019, a taxpayer makes a \$10 million investment in a Qualified Opportunity Fund. In 2030, the taxpayer sells the investment for \$15 million. The \$5 million in appreciation is not taxable. At current federal capital gains rates, that's a savings of over \$1 million. The taxpayer will, however, have phantom income (taxable income without corresponding sale) on the original \$10 million investment in 2027 for the 2026 tax year because the investment in the fund was held beyond December 31, 2026, when the deferred gain on the original investment must be recognized.

For each example: This information is hypothetical and is provided for illustrative purposes only. It is not intended to represent any specific strategy, nor is it indicative of future results.

### **CONCLUSION:**

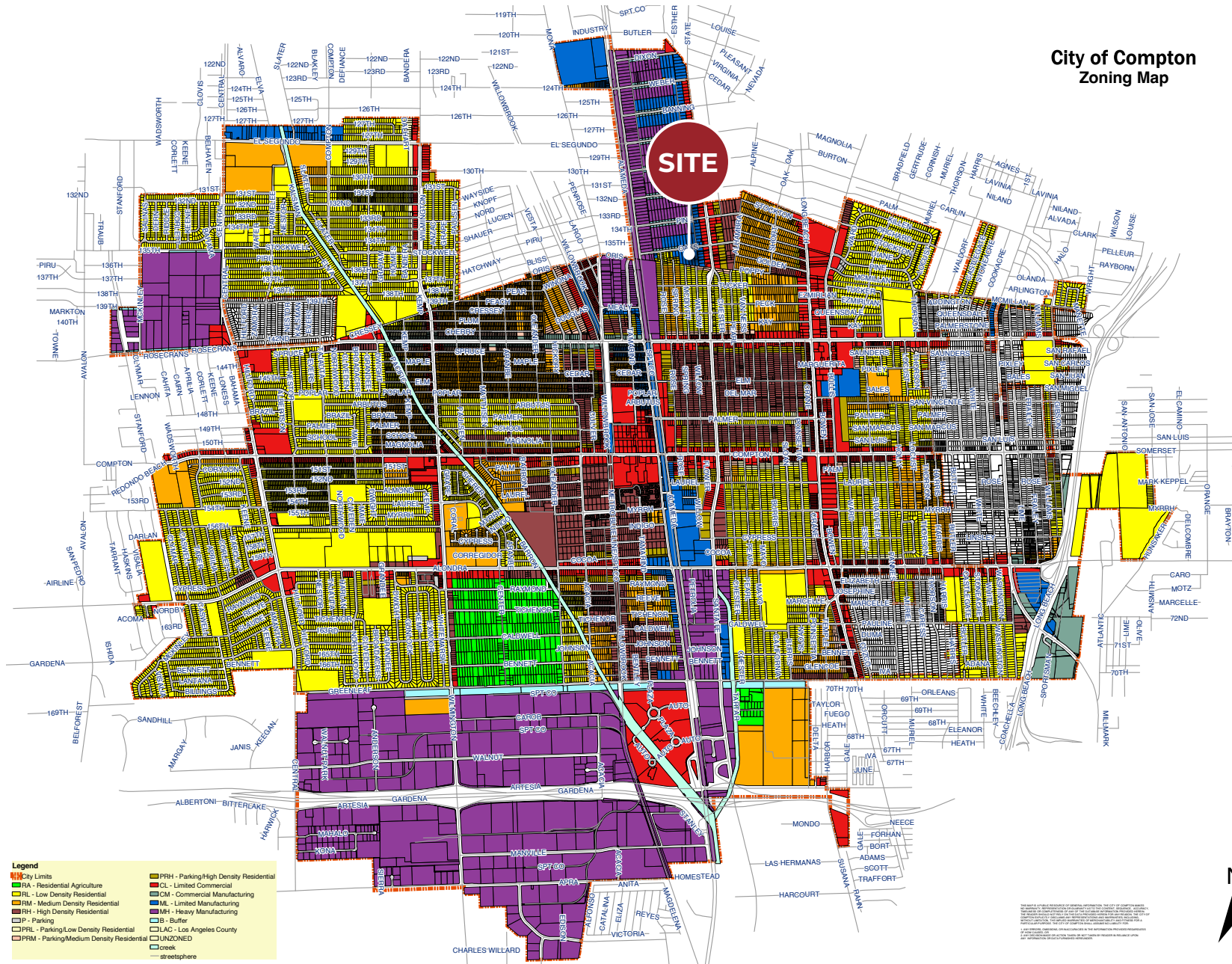
Qualified Opportunity Funds remain an option for deferral of capital gains as long as you are able to retain the investment for the noted time frames. Keep in mind that depending on any future tax legislation, capital gains rates at the time of sale in 2026 could be at a higher rate than in 2024. Taxpayers should seek the advice of their professional legal and tax counselors when considering a Qualified Opportunity Zone investment.

*Source: Internal Revenue Service. (28 April 2022). Opportunity Zones. <https://www.irs.gov/newsroom/opportunity-zones>*



# ZONING MAP

## City of Compton Zoning Map



# AMENITIES MAP



# AREA DEMOGRAPHICS

## City of Compton 5 Mile Demographics & Economy



**POPULATION**  
767,833



**HOUSEHOLDS**  
211,798



**AVG HH INCOME**  
\$96,739



**MEDIAN HOME VALUE**  
\$632,025



**MEDIAN AGE**  
33.7



**TOTAL BUSINESSES**  
21,497



**TOTAL EMPLOYEES**  
217,645



**UNEMPLOYMENT RATE**  
4.4%



**ANNUAL HH RETAIL EXPENDITURES**  
\$7.13 Billion



**MONTHLY HH RETAIL EXPENDITURES**  
\$2,806



<b>Population</b>	1 Mile	3 miles	5 Miles
Estimated Population (2024)	39,985	273,621	767,833
Projected Population (2029)	37,826	261,239	737,475
Census Population (2020)	42,733	287,502	797,730



<b>Households</b>	1 Mile	3 miles	5 Miles
Estimated Households (2024)	10,315	70,046	211,798
Projected Households (2029)	9,905	67,805	206,243
Census Households (2020)	10,634	72,127	216,628



<b>Daytime Demos</b>	1 Mile	3 miles	5 Miles
Total Businesses (2024)	886	7,135	21,497
Total Employees (2024)	7,641	78,674	217,645



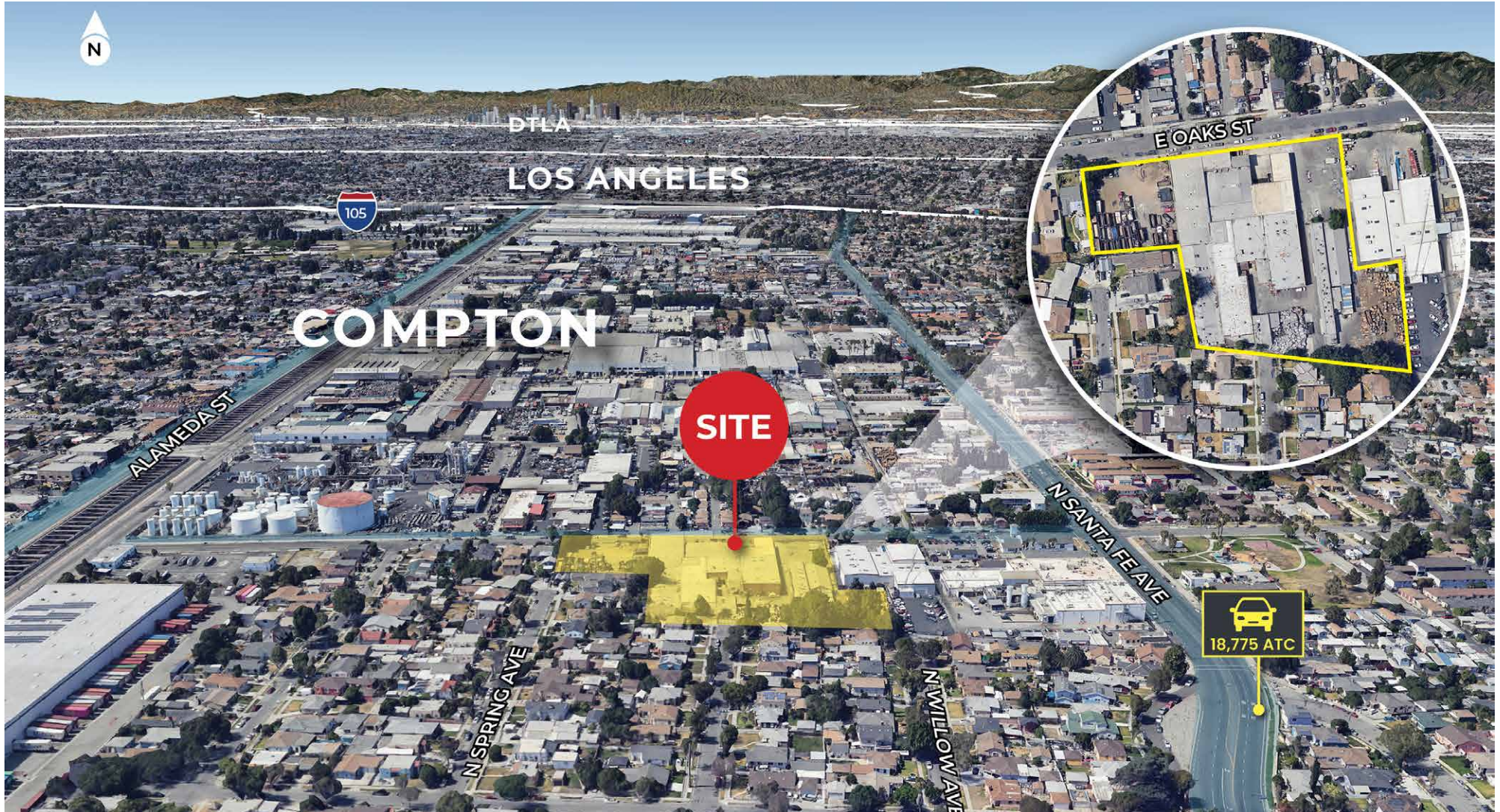
<b>Income</b>	1 Mile	3 miles	5 Miles
Estimated Average Household Income (2024)	\$82,525	\$90,277	\$96,739
Projected Average Household Income (2029)	\$85,397	\$93,644	\$100,665
Census Average Household Income (2010)	\$45,058	\$50,174	\$52,378

Source: Applied Geographic Solutions

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