



# 515 SHATTO PLACE

Investment-Grade Income Security | LG Beauty |  
5.2-Year Triple-Net Lease

*515 Shatto Place, Los Angeles, CA*





# The Offering

JLL, as exclusive advisor, is pleased to offer to qualified investors an opportunity to acquire the 100% fee simple interest in 515 Shatto Place (the “Property”), a strategic ±18,100 square foot office building in the heart of Los Angeles’ Koreatown. The Property is 100% leased to LG Beauty and their subsidiary AVON, with 5.2 years of remaining lease term, offering investors \$675,000 annual in secure, credit-backed income.

515 Shatto Place is located in Los Angeles’ Koreatown, serving as a mission-critical facility for LG Beauty’s North American operations for the following reasons:

- Strategically houses the CEO’s office and core corporate divisions, including marketing, sales, and finance
- Geographical and demographic link to the Korean parent organization
- Experiential retail on ground floor catering to both third party and wholesale product buyers

This exceptional investment opportunity combines investment-grade tenancy, operational significance, and strategic location with high-quality cash flow backed by one of the world’s leading beauty conglomerates.



## Property Summary

Address	515 Shatto Place, Los Angeles, CA 90020
Buildings	1
Year Built	1961 / 2020
Occupancy	100%
WALT	5.2 Years
Parking	32 Surface Stalls (1.77: 1,000 SF)
Land Area	0.45 Acres





# Asset Highlights



## Significant Capital Investment:

Over \$5 million in common area and tenant specific upgrades since LG Beauty took occupancy in 2020.



## Mission-Critical Facility:

Custom-built experiential retail environment in AVON's ground floor suite creates an innovative showroom and purchasing hub for third-party sellers, making 515 Shatto Place essential to AVON's wholesale distribution strategy.



## Corporate Headquarters Presence:

The Koreatown Property houses LG Beauty's core North American operations. Top executives, including the CEO during U.S. visits, work alongside key finance, sales, and marketing teams. This location bridges LG Beauty's Korean heritage with its North American expansion, underscoring the building's importance to the company's global strategy. The Koreatown setting facilitates seamless communication with the Korean parent company while supporting local market growth.



## Strategic Koreatown Location:

Centrally located in Koreatown, this Property is a vital link for LG's Korean parent company operating in the US. Its location offers the best of both worlds: a familiar cultural environment and easy access to LA's major business hubs. Downtown LA, Beverly Hills, and Culver City are all within a 30-minute drive.



## Connectivity to Public Transit

The Property boasts excellent transit connectivity, with the Wilshire/Vermont metro station less than a quarter-mile away. This prime location puts rapid public transportation within a brief 5-minute walk, offering tenants and visitors quick access to Greater Los Angeles.



## Enhanced Neighborhood Security and Walkability

The neighborhood benefits from a subtle, yet reassuring level of security, thanks to its high-profile neighbors. With the Chinese Consulate across the street, a county office next door, and schools like New Covenant Academy nearby, there's a natural increase in police presence, keeping the streets clean, and tenants feeling safe.



# Investment Highlights



## Investment Grade Tenancy:

100% leased to LG H&H USA, a subsidiary of the global LG conglomerate, providing institutional-quality covenant strength and secure income stability.



## Predictable Cash Flow:

Strong in-place cash flow of \$675,000 annually with 5.2 years of weighted average lease term (WALT) offers investors dependable, credit-backed returns through 2030 with two 5-year options at 95% of fair market rent.



## Favorable Market Dynamics:

Zero new office development in Koreatown, coupled with ongoing conversions to other uses, creates a diminishing supply environment. This supply constraint positions the asset favorably for tenants requiring a Koreatown presence.





# Market Overview

## Location and Accessibility

515 Shatto Place occupies a prime location in the heart of Los Angeles’ dynamic business landscape. Its strategic position offers quick access to key economic hubs, with Downtown Los Angeles, Beverly Hills, and Culver City all within a 30-minute drive. Enhancing its connectivity, the Wilshire/Vermont metro station is less than a 5-minute walk away, offering seamless public transit from downtown Los Angeles all the way to the ocean. This ideal placement taps into the high commuter flow to major employment centers, making it a focal point for businesses seeking to leverage Los Angeles’ diverse economic ecosystem.

# Koreatown:

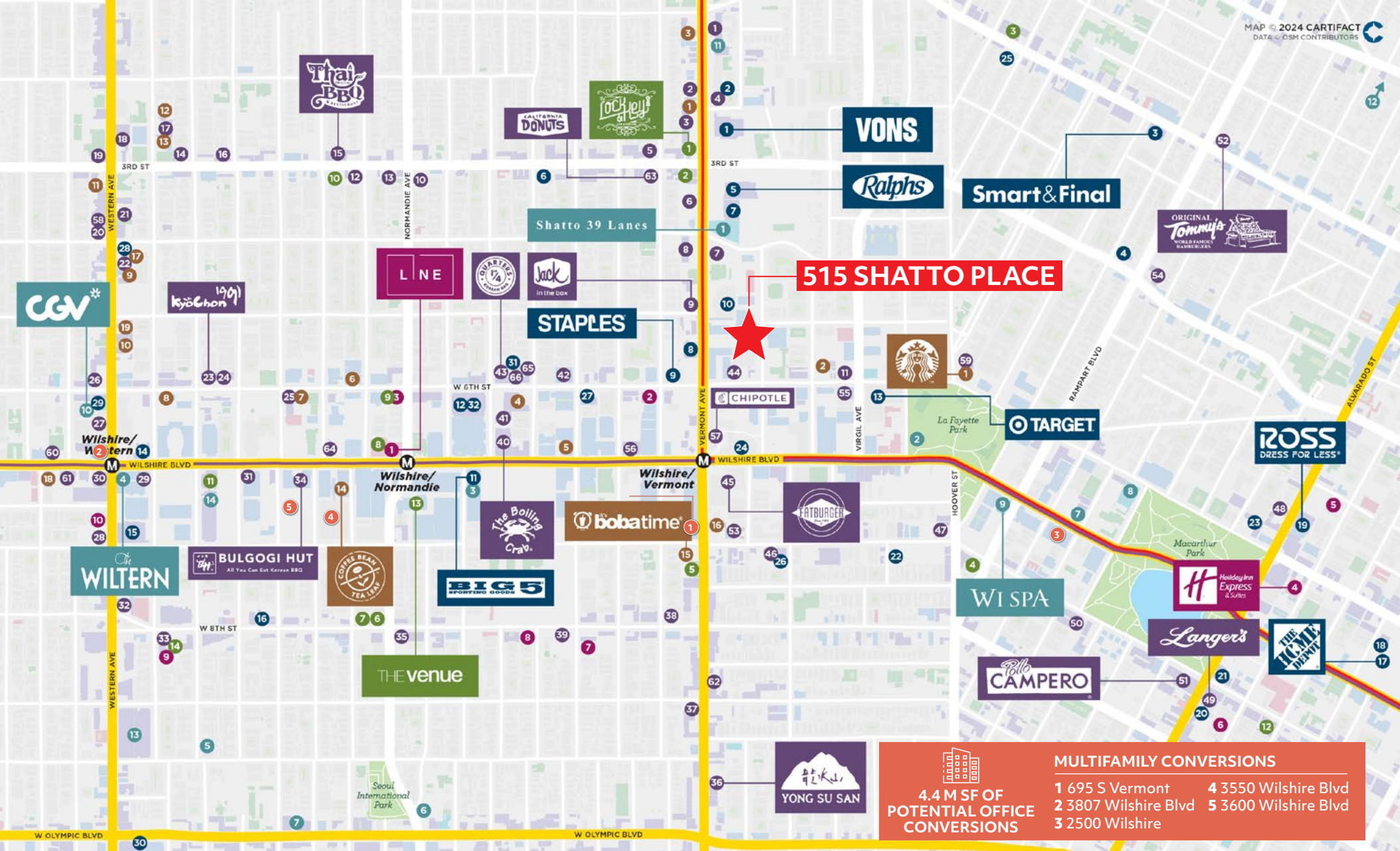
A Cultural and Economic Hub Koreatown, situated within the Mid-Wilshire corridor between Downtown Los Angeles and Hollywood, represents one of LA’s most vibrant neighborhoods. The district is remarkably accessible, located just nine minutes from Downtown via Metro and positioned between three major freeways – the 101, 110, and 10. This strategic location provides excellent connectivity to both Greater Los Angeles and Southern California through rail and highway networks.

As the most densely populated neighborhood in Los Angeles, Koreatown has evolved from its 1960s origins as an immigrant enclave into a dynamic multicultural district. The area features:

- A renowned dining scene with authentic Korean BBQ restaurants and modern fusion eateries
- Historic art deco buildings alongside contemporary developments
- Vibrant nightlife, including popular karaoke venues and craft cocktail bars
- Cultural institutions celebrating Korean-American heritage
- A mix of traditional markets and modern retail establishments

Koreatown is experiencing a substantial transformation, with 4.4 million square feet of infill residential projects and office-to-multifamily conversions underway. This significant development is dramatically expanding housing options for tenants and drawing in young professionals who desire an urban, transit-oriented lifestyle. The neighborhood’s trendy vibe and strategic location are particularly attractive to those who value work-life balance and cultural diversity. This evolution showcases a successful blend of Korean cultural heritage with contemporary urban development, resulting in a distinctive and energetic community within Los Angeles.





# Amenities

## Casual Dining/Cafes



Everytable

The Property is situated in a prime location for tenants to enjoy nearby amenities which make their working environment better overall. There are an abundance of shops and restaurants close by.



Alfred Coffee



Sharp Specialty

## Restaurants



Openaire



Quarters Korean BBQ



Intercrew

## Recreation/ Lodging



The Wiltern



The LINE Hotel



Shatto Recreation Center

**MULTIFAMILY CONVERSIONS**

1 695 S Vermont	4 3550 Wilshire Blvd
2 3807 Wilshire Blvd	5 3600 Wilshire Blvd
3 2500 Wilshire	

**4.4 M SF OF POTENTIAL OFFICE CONVERSIONS**

EATERIES	SHOPPING	CAFES	NIGHTLIFE	ATTRactions
1 KFC	1 Vons	1 Starbucks	1 Lock & Key	1 Shatto 39 Lanes
2 Aladin Sweets & Market Inc	2 Seafood City Supermarket	2 Yeoms Coffee	2 Monte Carlo Bar	2 La Fayette Skate Plaza
3 Pho Legend	3 Smart & Final	3 Salam Lounge	3 Genever	3 Archdiocese of Los Angeles
4 Subway	4 Silver Liquor Market	4 It's Boba Time	4 Silver Platter	4 The Wiltern
5 Rikas Peruvian Cuisine	5 Ralphs	5 Open Market	5 Dnbn Karaoke Wholesales	5 The Garden by Alice Pau
6 McDonald's	6 T-Mobile	6 Cafe London Monochrome	6 R Bar	6 Korean Pavilion
7 Sizzler	7 Rite Aid	7 Yifang Taiwan Fruit Tea	7 Members 470	7 Dynasty Typewriter At The Hayworth
8 Go Pocha	8 Hangari Kalguksu	8 Waigreens	8 The MacArthur	8 The MacArthur
9 Jack In the Box	9 Staples	9 Boba Bear	9 The Normandie Club	9 Wi Spa
10 Ocha Classic	10 Galleria Market		10 SoopSok Karaoke	10 CGV Cinemas Movie Theater
11 Carl's Jr.	11 Big 5 Sporting Goods		11 Apt 503 Lounge	11 Maze Rooms Escape Game
12 Baskin-Robbins	12 H Mart City Center		12 El Naco Bar	12 Echo Park Lake
13 California Ramen Factory	13 Target		13 The Venue	13 Koreatown Plaza
14 Zamong	14 CVS		14 Honey Night Restaurant	14 Aroma Spa & Sports
15 Thai Original BBQ	15 Ralphs			
16 Bangia Bazar	16 Top's Art Supplies			
17 Hyun Poong Gom Tang				
18 Chinatown Express				
19 The Dolly Llama				
20 Cho Mak				
21 Mr. Bossam K-town				
22 Hello Fish Sushi & Izakaya				
23 Kyochoon Chicken				
24 Hae Jang Chon				
25 Angasi Gochang				
26 Ubatuba Apal Koreatown				
27 Paris Baguette				
28 McDonald's				
29 Denny's				
30 Jamba				
31 Simply Salad				
32 IKI RAMEN				
33 Thank U Pho				
34 Bulgogi Hut				
35 JIAN Korean Gastropub				
36 Yongisun				
37 J BBQ				
38 Taco Bell				
39 Soot Bull Jeep				
40 The Boiling Crab				
41 Hangari Kalguksu				
42 Ham Ji Park				
43 Quarters Korean BBQ				
44 IHOP				
45 Fatburger & Buffalo's Express				
46 Moodaepo II				
47 Los Molcajetes				
48 El Pollo Loco				
49 Langer's Delicatessen				
50 Dofa Bibi's Restaurant				
51 Pollo Campero				
52 Original Tommy's				
53 Kobawoo House				
54 Domino's Pizza				
55 OH MY CRAB				
56 DGM - DwtGoiMok				
57 Chipotle Mexican Grill				
58 Gol Tong Chicken				
59 Crispy School				
60 Star Night				
61 M Grill Restaurant				
62 Soowon Galbi KBBQ				
63 California Donuts				
64 BCD Tofu House				
65 Escala				
66 Toe Bang				
67 The Home Depot				
68 Rite Aid				
69 Ross Dress for Less				
70 SPORTSLAND				
71 Boost Mobile				
72 Fashion World				
73 Laguna Market				
74 Gameditop				
75 7-Eleven				
76 Simeona Leona				
77 ssooniestyle Salon				
78 Atelier by Tiffany Salon				
79 MaDang Courtyard				
80 Koreatown Galleria				
81 Chapman Market				
82 City Center on 6th				
83 Dragon Boba				
84 Rose & Blanc Tea Room & Venue				
85 Yellow House Cafe				
86 Cafe Giverny				
87 The Coffee Bean & Tea Leaf				
88 It's Boba Time Vermont				
89 Alchemist Coffee Project				
90 Anko				
91 Document Coffee Bar				
92 Cafe Jack				
93 Olympic Hotel				
94 Catalina R Inn Motel				
95 Homtel Suites				
96 The Rumi				
97 Garden Suite Hotel				

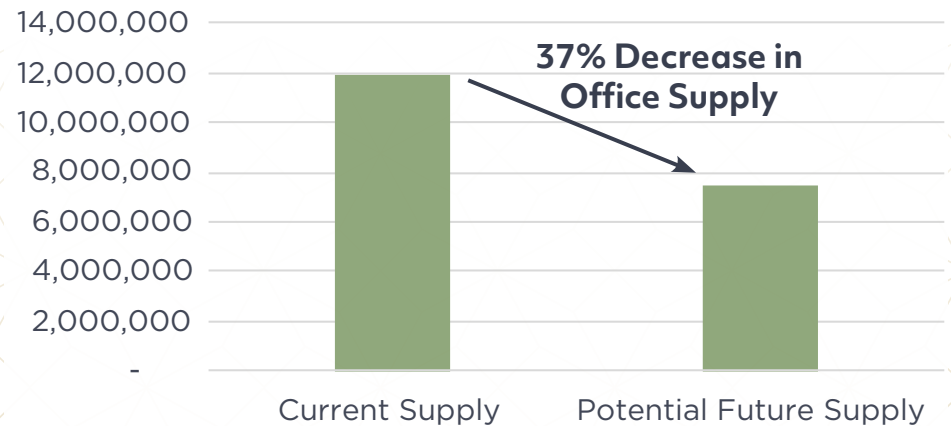


# Lack of Supply Side Pressure

The Koreatown submarket currently faces no supply-side pressures on vacancy or rent, with no office or retail projects under construction. Over recent years, the inventory of office and retail properties has contracted as demolition activity has exceeded new construction. The office development pipeline remains empty, with negative net deliveries over the past decade - except for 2021, which saw 468,000 square feet of new office space. Retail development has also stagnated, with no major groundbreakings in the past 36 months. Since 2011, the submarket has only added 360,000 square feet of new retail space, while 690,000 square feet has been removed as properties have been converted to other uses, primarily multifamily developments.



## Office Supply Could Potentially Decrease by 4.4mm SF







# Tenant Overview: LG Beauty

LG Beauty is a division of LG Household & Health Care, part of South Korea’s LG Corporation. Specializing in cosmetics and personal care products, LG Beauty offers a diverse range of high-quality skincare, makeup, haircare, and fragrance products. The company’s well-known brands include The Face Shop, O Hui, Belif, and AVON.

Renowned for combining advanced technology with natural ingredients, LG Beauty has a strong global presence across Asia, North America, and Europe. As a tenant, LG Beauty brings the financial backing of an international conglomerate, enhancing the commercial appeal of any property they occupy.



Remaining Term  
**5.2 Years**



Current Annual Rental Income  
**\$675,000 NNN**  
*as of March 2025*

## Remaining Rent Schedule

Start Date	End Date	Annual Rent	Monthly Rent	PSF
3/1/24	2/28/25	\$655,044.00	\$54,587.00	\$36.19
3/1/25	2/28/26	\$674,688.00	\$56,224.00	\$37.28
3/1/26	2/28/27	\$694,944.00	\$57,912.00	\$38.39
3/1/27	2/29/28	\$715,788.00	\$59,649.00	\$39.55
3/1/28	2/28/29	\$737,256.00	\$61,438.00	\$40.73
3/1/29	2/28/30	\$759,372.00	\$63,281.00	\$41.95
3/1/30	2/28/35	95% of FMV	-	- [1]
3/1/35	2/28/40	95% of FMV	-	- [1]

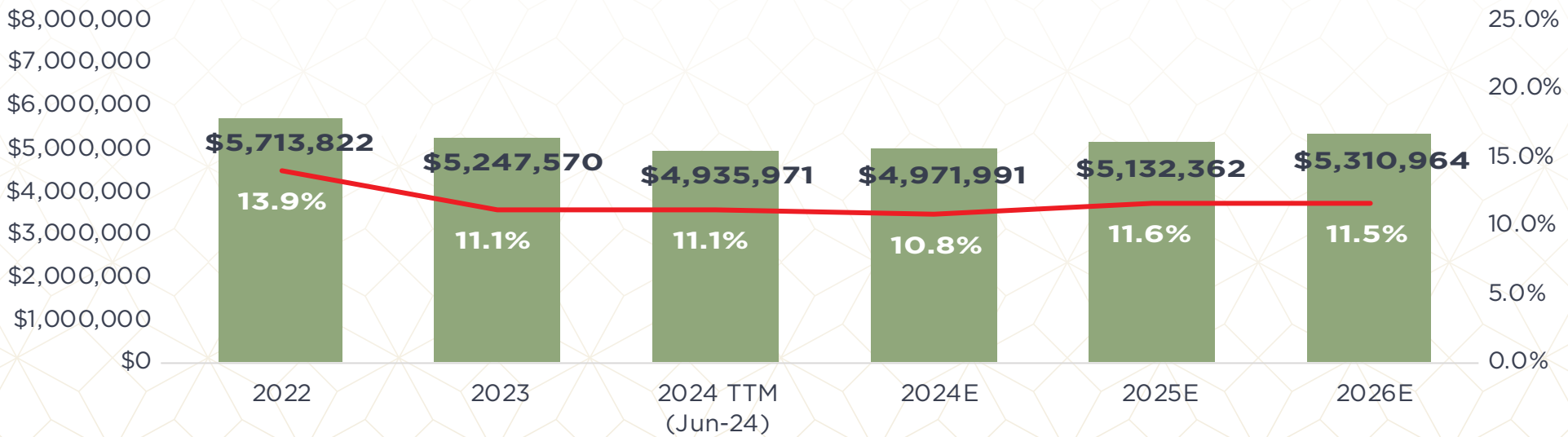
[1] 5-year fair market option



# Credit Analysis

- **Globally recognized consumer products with long-term track record** – Founded in 1947, LG H&H has a rich 70+ year history in Korea’s consumer goods market. The company has demonstrated 20+ years of consistent revenue growth before facing challenges from global supply chain disruptions and widespread inflation impacting major APAC markets in 2020, particularly China. Despite these recent setbacks, analysts predict a return to steady growth by 2025.
- **Resilient profitability amid economic headwinds** – In the face of experiencing a steep drop in revenue, the company managed to maintain relatively stable EBITDA and Gross Profit margins, showcasing effective cost management. This is particularly noteworthy given the company’s exposure to luxury brands within the beauty segment (78% of beauty sales, 2Q24) which are traditionally more susceptible to recessions.
- **Strong liquidity** – Growing cash balance of \$700+ million, 0.5x debt-to-EBITDA, and no interest coverage ensures the companies ability to meet its short and long-term debt obligations while providing flexibility for continued capital expenditures and strategic acquisitions
- **Diversified revenue streams** – S cosmetics. As of 1H 2024, the company’s revenue breakdown showcases this diversification: Beauty 42%, Home Care 33%, and Beverage 25%.

## Revenue & EBITDA Margin







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