

Business Seminars

Monrovia Business Seminar

Monrovia Homeless Discussion
Tuesday Sep 17 11:30am
Monrovia Library

MADIA TECH LAUNCH

TBD

Monrovia Kiwanis

Meets at the Monrovia
Restaurant
Every Thursday 12-1:30 PM

Duarte Kiwanis

Meets at the Duarte Teens Center
Every 3rd Tuesday 12-1:30 PM

Quotes for the Month

“The pessimist sees difficulty in every opportunity. The optimist sees opportunity in every difficulty.” – Winston Churchill

“Don’t let yesterday take up too much of today.” – Will Rogers

“We may encounter many defeats but we must not be defeated.” – Maya Angelou

Here’s Why Owners Will Sell Their Properties

There are a number of reasons why owners will sell their properties, and these reasons can differ, too, depending on whether or not you occupy the building that you own for your business, or whether you own the building purely as an investment.



When you occupy the building for your business, one of the main, underlying reasons to sell may be because the building no longer suits the needs of your business, and you now want to find another building that will better serve your company’s needs. However, when you own your building purely as an investor, this reason won’t come into play, because you’re not running your business out of your building.

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Los Angeles May Consider Taxing Landlords Who Keep Properties Empty

SEPTEMBER 4, 2019 | KAREN JORDAN

City May Join Municipalities Around the World Looking at Idea Opposed by Many Owners

Los Angeles City Councilman Mike Bonin is offering what he sees as a solution to the city’s housing and affordability crisis: taxing landlords who keep habitable housing units empty. The council’s Housing Committee is supporting a plan to study the issue, a possible prelude to a move to put a housing tax measure on the ballot next year.

Should the proposal go forward, the city would become the latest to consider such a penalty, following passage of similar measures in places like Vancouver, Paris and Oakland, California.

“No bed in this city should be empty when people are being forced to sleep on pavement,” Bonin said in a statement. “Empty home penalties encourage landlords to keep people housed, and they help raise needed funds to create more affordable housing. This is an important tool for addressing one of the root causes of homelessness in L.A., and it is a step we desperately need to take.”

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Los Angeles is [second to New York](#) in the number of people who are [homeless](#). Nearly 60,000 people are without shelter in Los Angeles County, up 12% from the previous year, according to the Los Angeles Homeless Services Authority. U.S. Census data suggested that there were 111,810 vacant housing units in the city in 2017.

Bonin, whose Council District 11 includes Venice, Pacific Palisades, Brentwood and Playa Vista, contends so-called vacancy penalties elsewhere have reduced the number of empty homes. In Vancouver, for instance, the number of vacant properties dropped by 15 percent in one year after that Canadian city adopted a similar law.

The Housing Committee urged the City Council to instruct city staff to report on the number of vacant properties in Los Angeles and suggest policy options for voters to consider in 2020. The full city council could take up the proposal later this month.

While some tenant and community groups applauded the action, others say Councilman Bonin's proposal is being unfair to landlords.

"It's just the wrong thing to do," said Daniel Yukelson, president at the Apartment Association of Greater Los Angeles. "Nobody in their right mind purposely leaves their units vacant. It's just a smoke screen that he's throwing up to make it look like he's doing something to address the homeless situation, and all he's doing is punishing people who have invested in property."

Yukelson said landlords might have vacant units on their properties for a variety of reasons, including wanting to rehab a unit after a previous tenant has moved out.

Landlords already have enough incentives to lease out their vacant units, he added. Many need rent checks to cover the costs of their mortgages, maintenance, property taxes and property insurance, according to Yukelson, who presides over an association that represents more than 10,000 property owners who manage more than 150,000 combined units in Los Angeles, Ventura and San Bernardino counties.

Mark Ventre, senior vice president at multifamily commercial real estate firm Stepp Commercial, said the housing tax proposal is "another government overreach" that will do little to curb the housing crisis.

"It is likely an effort to clamp down on the growing short-term rental market, which is taking an increasingly larger slice of the overall rental pie," Ventre noted in an email. "The solution to cheaper housing is less regulation and more development, not more taxes."

The vacancy rate in Los Angeles is currently about 4%, according to CoStar data.

The rate "picked up just slightly over the past year or so, but, in general, they've held at or below 4% for going on five years now," said Steve Basham, a managing analyst tracking the Southern California region with [CoStar Market Analytics](#).

Basham attributes the low rate to a strong local economy and relatively high home prices, which push more people into the renter pool.

San Francisco is also considering taxing vacant housing units as well as storefronts, according to news reports. That Northern California city could vote on a ballot measure this fall.

Oakland, California, approved a similar tax last year and officials there estimate it will raise \$10 million annually for 20 years to fund affordable housing initiatives, according to the Los Angeles housing committee's motion urging the full council to act.



But whether or not you own the property for your business, or you own it purely for investment, there are other underlying reasons that can occur that can cause you to sell your property. For example, a death, a divorce, or a dissolution of partnership can cause you to sell your property, in order to distribute the equity among everyone involved. In addition, sometimes estate planning and/or the desire to distribute the funds among your children while you're still living can be a valid reason, too. Then again, in addition to this, you may decide when planning for your future that you want to own property in a different location, or you may decide that you want to own property that requires a lot less management.

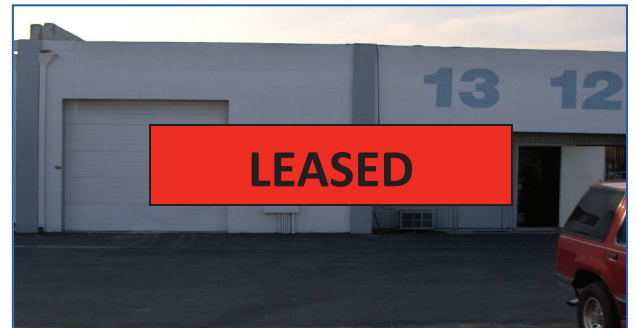
Or, in looking at your expected retirement income, you may decide that you want to trade out of a property that's producing a lower amount of cash flow, and trade into one that's producing a higher amount of cash flow. Then in doing so, this may require trading into a property that's located in a different state, where property appreciation has been lower, but the cap rates and cash-on-cash returns have been higher.

In addition, you may observe that you don't like the transition that you're seeing going on within the area where you own your property, and you've decided that it's now time to get out, and buy property in a different location. Or you may see a transition going on in another area, and determine that the market is really going to explode there within the coming years, and you'll now want to trade out of your property in the area where you currently own it, and exchange into owning another property in the area that you believe is now poised to have a more successful future.

So there can be different reasons why you may want to sell, and some of them may be thrust upon you, while others may involve you more proactively controlling and charting your own destiny. However, in the end, the major key will always be you making the best financial decisions that will completely secure your future.



**2604 S. Myrtle Ave. Unit 2,
Monrovia
1,500 SF LEASED**



**2320 Central Ave. Unit 2,
Duarte
1,800 SF LEASED**



**805 W. Gladstone Ave.,
Azusa
800 SF LEASED**



**724 E. Huntington Dr.,
Monrovia
9,150 SF LEASED**



FOR LEASE

109 E. Chestnut, Monrovia, CA 91016



3D Tour: please follow the link below
<https://my.matterport.com/show/?m=1DDRdQZS8iK>

Shown by appointment only. Please
call listing office to
schedule an appointment.

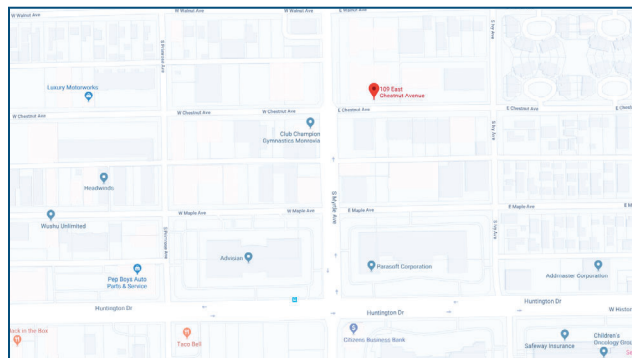
Myrtle Avenue Industrial Park

Property Highlights

- R&D/Lab Space Available For Lease
- Approx. 1,500 SF Available with Small Warehouse Area
- Asking \$1.50/SF Modified Gross
- Electrical: 200 AMPS, 3 Phase
- Unit Contains 2 Kewaunee Fume Hoods and Emergency Lab Shower
- Clear Height is 15 Feet
- Ground Level Roll Up Door
- Walking Distance to Old Town Monrovia
- Close Access to 210 and 605 Freeways

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