

12012 HART STREET NORTH HOLLYWOOD

OFFERING MEMORANDUM PRESENTED BY AMIR JAWAHERIAN
100% AFFORDABLE HOUSING | 22 UNITS | RTI | TURNKEY ENTITLEMENTS





Executive Summary

ASKING PRICE: \$1,450,000

(Land + RTI + Soft Costs)

PERMIT PRICE: \$100,000

(Added to Cost)

HARD CONSTRUCTION ESTIMATE: \$4,500,000

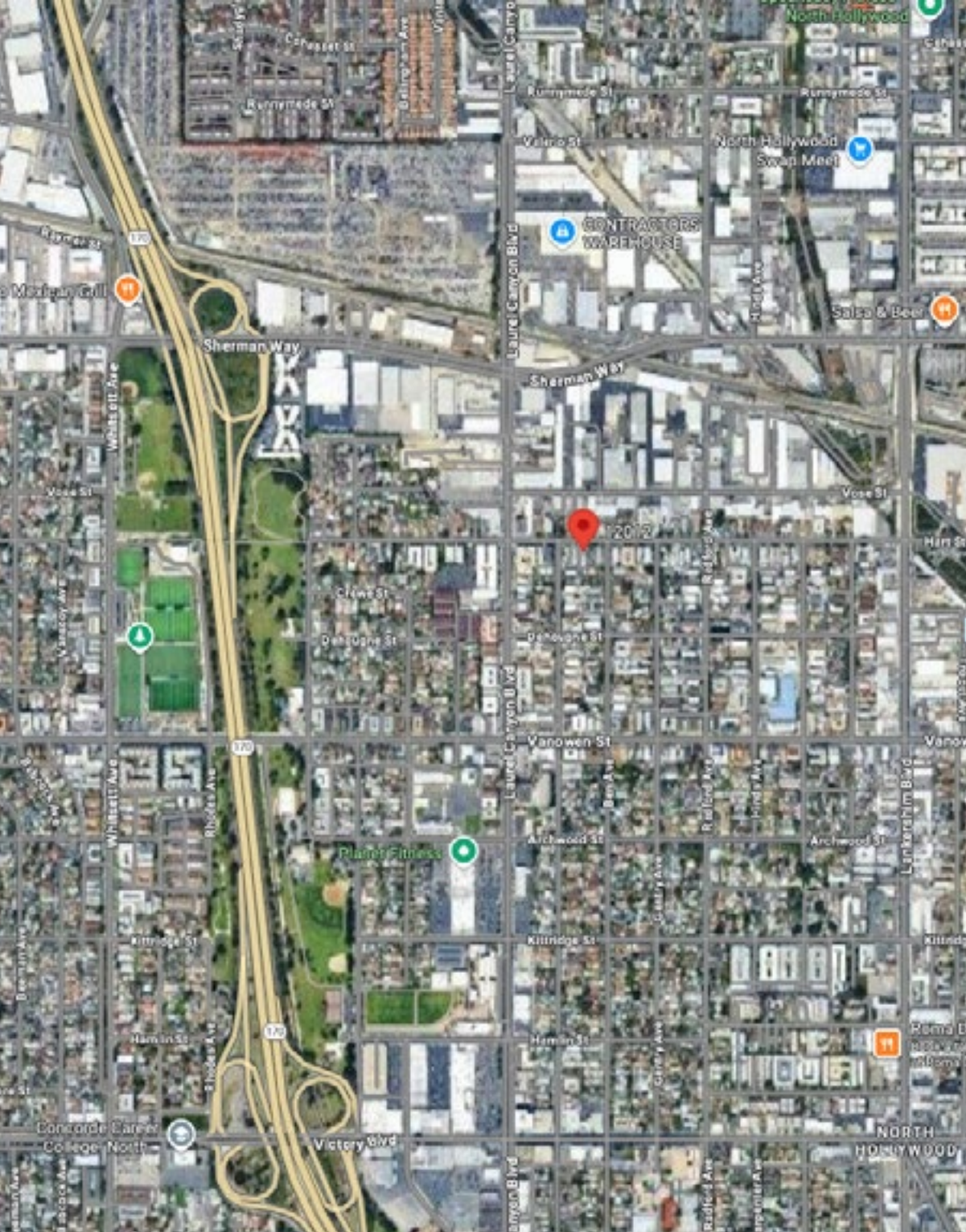
UNIT MIX:

19 One-Bedroom Affordable Units at \$2,289/month

3 Studio Affordable Units at \$2,041/month

TOTAL PROJECT COST:

\$4,500,000



Neighborhood Overview

A PRIME NORTH HOLLYWOOD
LOCATION NEAR NOHO ARTS
DISTRICT & NOHO WEST

TRANSIT ACCESSIBLE:
METRO RED & G LINES

SURROUNDED BY
MAJOR EMPLOYMENT
CENTERS: UNIVERSAL,
WARNER BROS, DISNEY

HIGH RENTAL DEMAND
AND ABSORPTION FOR
AFFORDABLE HOUSING



Feasibility *and* Stabilized Value

RENT ROLL AT STABILIZATION			
UNIT TYPE	UNITS	RENT	MONTHLY TOTAL
1-BEDROOM	19	\$2,289	\$43,491
STUDIO	3	\$2,041	\$6,123
TOTAL	22		\$49,614
ANNUAL GROSS INCOME			\$595,368
3% VACANCY			\$17,861
EFFECTIVE GROSS INCOME			\$577,507
OPERATING EXPENSES (25%)			\$144,377
NET OPERATING INCOME (NOI)			\$433,130
STABILIZED VALUE AT 5% CAP RATE			\$8,662,600



Total Project Cost

CATEGORY	AMOUNT
LAND + RTI STATUS	\$1,450,000
PERMIT COST	\$100,000
ESTIMATED CONSTRUCTION COST	\$4,500,000
TOTAL PROJECT COST	\$6,050,000

Capitalization *and* Financing

PERMANENT LOAN: BASED ON NOI OF \$433,130

5.25% INTEREST RATE

30-YEAR AMORTIZATION

80% LOAN-TO-VALUE (LTV) OF STABILIZED VALUE
(\$8,662,600) = \$6,930,080 MAX

ESTIMATED PRACTICAL LOAN SIZING BASED ON DSCR
LESS THAN OR EQUAL TO 1.25: \$5,700,000 TO \$5,800,000

Floor Plan

[CLICK HERE FOR PLANS PDF](#)



Rent Growth Projections

5% ANNUAL INCREASE

YEAR	GROSS INCOME	NOI	VALUE AT 5% CAP
Y1	\$595,368	\$433,130	\$8,662,600
Y2	\$625,136	\$454,786	\$9,095,720
Y3	\$656,392	\$477,525	\$9,550,500

Investment Highlights

RTI-READY:

No Entitlement Risk; Construction Can Begin Immediately

AFFORDABLE-ONLY:

High Tenant Demand, Steady Lease-Up

VALUE SPREAD:

\$6.05M Cost vs. \$8.66M+ Stabilized Value

TAX EXEMPTION OPPORTUNITY:

Partner with Non-Profit for Property Tax Relief

CASH-FLOW POSITIVE:

Stabilized Yield 7.2% on Cost

LOCATION ADVANTAGE:

Infill Parcel in a Booming Rental Corridor

GET *in* TOUCH



AMIR JAWAHERIAN

AMIR@THEAGENCYRE.COM
818.561.1600 | LIC. #01899893

THEAGENCYRE.COM

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