

Offering Memorandum

LYONSTAHLL
INVESTMENT REAL ESTATE

Large 5,008 SF 4-Unit in Hawthorne

12717

Cranbrook Ave

\$1,559,999

HAWTHORNE



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12717 Cranbrook Ave,
Hawthorne, CA 90250



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Property Overview

12717 Cranbrook Ave,
Hawthorne CA 90250

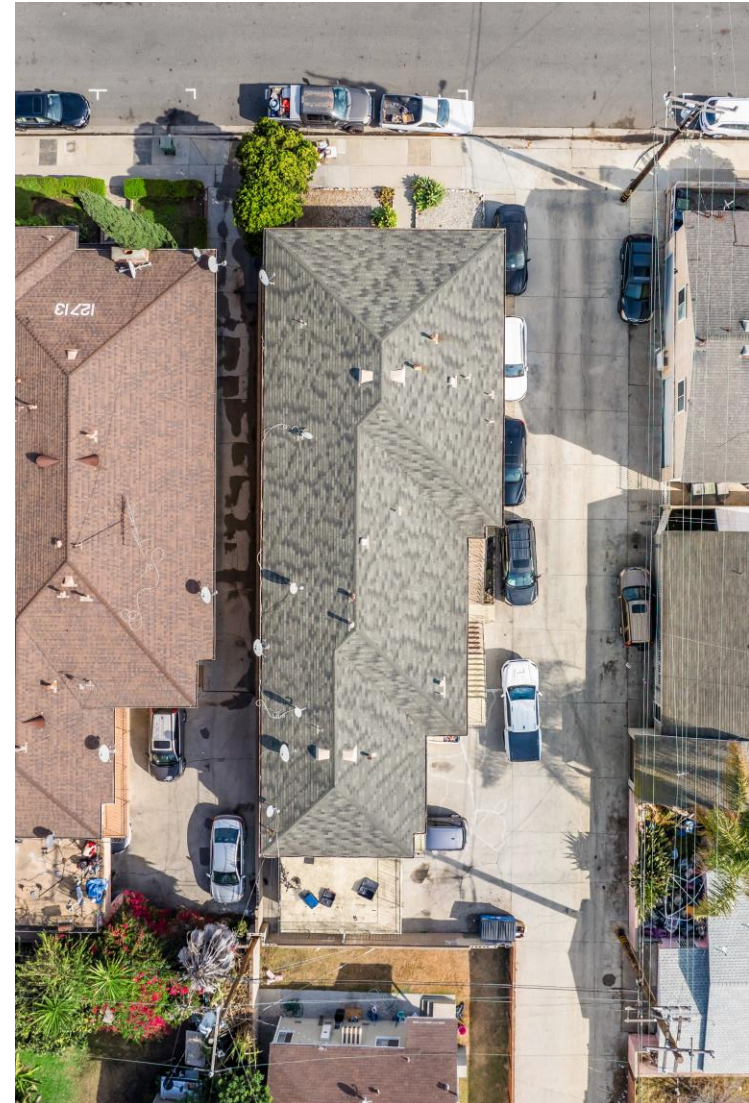


Property Overview

12717 Cranbrook Ave,
Hawthorne, CA 90250

Property Summary

| | |
|--------------------|--|
| Price | \$1,559,999 |
| Address | 12717 Cranbrook Ave |
| City, State, Zip | Hawthorne, CA 90250 |
| County | Los Angeles |
| Zoning | HAR3YY |
| Year Built | 1964 |
| Number Of Units | 4 |
| Parking | 8 Carport Parking Spaces + 3 Side Parking Spaces |
| Building Size | 5,008 SF |
| Price / Bldg Sf | \$311.50 |
| Price / Unit | \$390,000 |
| Lot Size | 6,119 SF |
| Cap Rate | 3.92% |
| Pro Forma Cap Rate | 6.76% |
| GRM | 15.40 |
| Pro Forma GRM | 10.61 |



Property Overview

12717 Cranbrook Ave,
Hawthorne, CA 90250



12717 Cranbrook Ave, Hawthorne 4-Units | \$1,559,999

- Massive 4 Unit Property in a Residential Pocket of Hawthorne | 5,008 RSF on a 6,119 SF Lot
- Excellent Unit Mix: (3) 3-Bed/2-Bath, (1) 2-Bed/1-Bath w/ Carport for 8 Cars + 3 Side Parking Spaces On-Site | Shared Laundry
- 3.92% CAP & 15.40 GRM
- 45% Rental Upside | 6.76% Market CAP | 10.61 Market GRM
- Well-Located in Hawthorne Down the Street from Hawthorne Memorial Park, SpaceX, and Chester Washington Golf Course
- Ideal Opportunity For Owner-User and/or Investor

Discover this large 4-unit property located in the city of Hawthorne. Situated on a 6,119 SF lot with 5,008 RSF, this property features a strong unit mix of (3) 3-bed/2-bath units and (1) 2-bed/1-bath unit. Offering a 3.92% CAP rate and 15.40 GRM, the property also boasts 45% rental upside with a 6.76% market CAP and 10.61 market GRM, making it an exceptional value-add opportunity. Additional amenities include carport parking for 8 vehicles and shared laundry facilities. Ideally located just down the street from Hawthorne Memorial Park, SpaceX, and Chester Washington Golf Course, this property is well-positioned in a gentrifying market with strong long-term potential.



Financial Overview

12717 Cranbrook Ave,
Hawthorne CA 90250



Financial Overview

12717 Cranbrook Ave,
Hawthorne, CA 90250

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Price **\$1,559,999**

Property Summary

| | | | |
|-------------------|---------------------|--------------------|--------------------------|
| ADDRESS | 12717 Cranbrook Ave | YEAR BUILT | 1964 |
| DOWN PAYMENT | 30.0% \$468,000 | PARKING | 8 Carport Parking Spaces |
| NUMBER OF UNITS | 4 | CURRENT NOI | \$61,098 |
| COST PER UNIT | \$390,000 | PRO FORMA NOI | \$105,400 |
| LOT SIZE | 6,117 SF | CURRENT CAP RATE | 3.92% |
| GROSS RENTABLE SF | 5,008 SF | PRO FORMA CAP RATE | 6.76% |
| PRICE PER BLDG SF | \$311.50 | CURRENT GRM | 15.40 |
| PRICE PER LAND SF | \$254.94 | PRO FORMA GRM | 10.61 |

Proposed Financing

| | | | |
|-----------------|-------------|---------------------------|---------------|
| LOAN AMOUNT | \$1,091,999 | LOAN-TO-VALUE | 70.0% |
| DOWN PAYMENT | \$468,000 | AMORTIZATION | 30-YEAR |
| INTEREST RATE | 6.490% | LOAN TERM | 10-YEAR FIXED |
| MONTHLY PAYMENT | \$6,895 | PROPOSED/EXISTING | PROPOSED |
| ANNUAL PAYMENT | \$82,739 | DEBT COVERAGE RATIO (DCR) | N/A |

Financial Overview

12717 Cranbrook Ave,
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Price \$1,559,999

Annualized Operating Data

| | Current Actuals | | Pro Forma Actuals | |
|---------------------------|-----------------|--------|-------------------|-------|
| GROSS SCHEDULED INCOME | \$101,328 | | \$147,000 | |
| VACANCY RATE RESERVE | \$3,040 | 3% | \$4,410 | 3% |
| GROSS OPERATING INCOME | \$98,288 | | \$142,590 | |
| EXPENSES | \$37,190 | 37% | \$37,190 | 25% |
| NET OPERATING INCOME | \$61,098 | | \$105,400 | |
| LOAN PAYMENTS | \$82,740 | | \$82,740 | |
| PRE TAX CASH FLOWS | \$(21,642) | -4.62% | \$22,660 | 4.84% |
| PRINCIPAL REDUCTION | \$12,229 | | \$12,229 | |
| TOTAL RETURN BEFORE TAXES | \$(9,413) | -2.01% | \$34,889 | 7.45% |

| Scheduled Income | Current | Market |
|-----------------------------------|-----------|-----------|
| TOTAL MONTHLY SCHEDULED RENT | \$8,444 | \$12,250 |
| LAUNDRY | \$0 | \$0 |
| ANNUALIZED SCHEDULED GROSS INCOME | \$101,328 | \$147,000 |

Expense Summary

| | | |
|--|-----------------|-----------------|
| Real Estate Taxes and Special Assessment Tax | (New Estimated) | \$20,012 |
| Maintenance/Repairs | (4%) | \$5,066 |
| Insurance | (\$1.5/SF) | \$6,260 |
| Utilities | (Actual) | \$3,400 |
| Landscaping/Cleaning | (Actual) | \$1,200 |
| Total Expenses | | \$37,190 |
| Expense Per Unit | | \$9,298 |
| Expense Per SF | | \$6.08 |

Financial Overview

12717 Cranbrook Ave,
Hawthorne, CA 90250



Jonathan Yoo
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NMLS #1590915



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Jonathan@Convoyhomeloans.com
NMLS #1590915

Prepared for:
Address: 12717 Cranbrook Ave

1/29/2025
Quote #1

| Loan Options | Option 1 30 Year Fixed | Option 2 30 Year Fixed | Option 3 30 Year Fixed | Option 4 30 Year Fixed with 10 Year IO | Option 5 30 Year Fixed with 10 Year IO |
|----------------------------------|---------------------------|---------------------------|---------------------------|---|---|
| Market Value | \$1,550,000 | \$1,550,000 | \$1,550,000 | \$1,550,000 | \$1,550,000 |
| Loan Amount | \$1,162,500 | \$1,085,000 | \$1,007,500 | \$1,007,500 | \$1,085,000 |
| Doc Type | Conventional Investment | Conventional Investment | Conventional Investment | Portfolio Investment Interest Only | Portfolio Investment Interest Only |
| Loan-to-Value | 75% | 70% | 65% | 65% | 70% |
| Debt Coverage Ratio (DCR) | N/A | N/A | N/A | N/A | N/A |
| Rate with NO Buydown | 6.625% | 6.490% | 6.375% | 7.250% | 7.375% |
| Rate with Buydown | 6.375% | 6.250% | 6.125% | 6.990% | 7.125% |
| Loan Term in Months | 360 | 360 | 360 | 360 | 360 |
| Amortization in Years | 30 | 30 | 30 | 20 | 20 |
| I/O Monthly Payment | | | | | |
| Monthly Payment (P+I+MI) | \$7,444 | \$6,851 | \$6,285 | \$6,087 | \$6,668 |
| Monthly Payment with Buydown | \$7,252 | \$6,681 | \$6,122 | \$5,869 | \$6,442 |
| PMI (Private Mortgage Insurance) | No | No | No | No | No |
| Index/Caps | | | | | |
| Pre-Payment Penalty* | None | None | None | None | None |
| Loan Origination | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% |
| Buydown (If Selected) | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |
| Estimated Costs: | | | | | |
| Appraisal | \$750 | \$750 | \$725 | \$725 | \$725 |
| Closing/Processing/Underwriting | \$1,295 | \$1,295 | \$1,295 | \$1,295 | \$1,295 |

Rent Roll

12717 Cranbrook Ave,
Hawthorne, CA 90250



| | Unit Type | Actual Rent | Market Rent | Move-in-Date | Last Increase Date | Notes |
|-------------------|-----------|-------------|-------------|--------------|--------------------|-------|
| A | 3+2 | \$2,100 | \$3,250 | | | |
| B | 3+2 | \$1,925 | \$3,250 | | | |
| C | 2+1 | \$2,050 | \$2,500 | | | |
| D | 3+2 | \$2,369 | \$3,250 | | | |
| MONTHLY TOTALS | | \$8,444 | \$12,250 | | | |
| ANNUALIZED TOTALS | | \$101,328 | \$147,000 | | | |

Property Photography

12717 Cranbrook Ave,
Hawthorne CA 90250



Exterior Photos

12717 Cranbrook Ave,
Hawthorne, CA 90250



Exterior Photos

12717 Cranbrook Ave,
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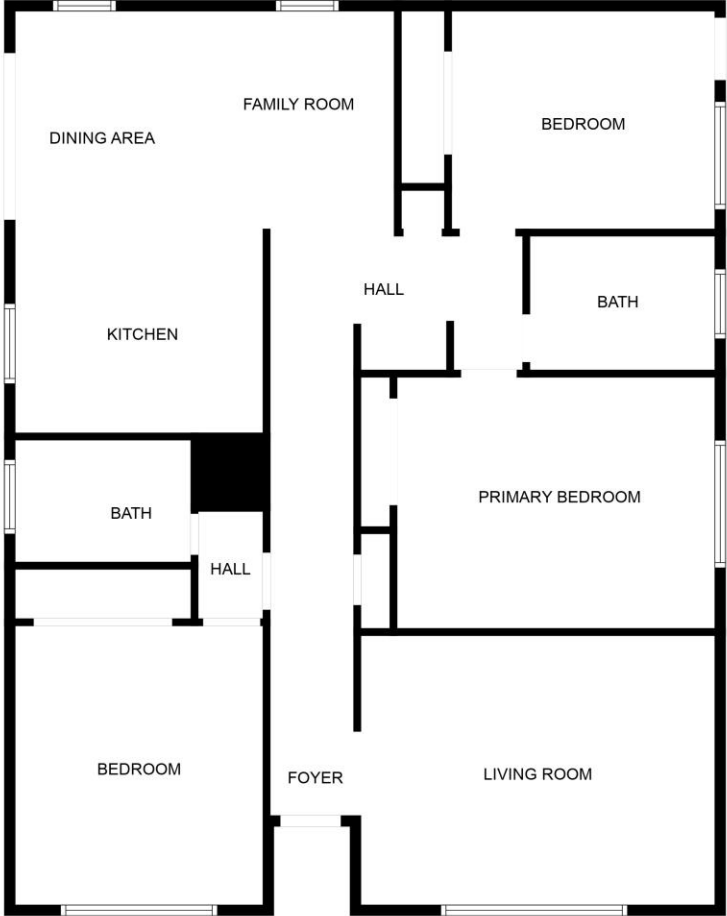


Floor Plans

12717 Cranbrook Ave,
Hawthorne, CA 90250



Unit A



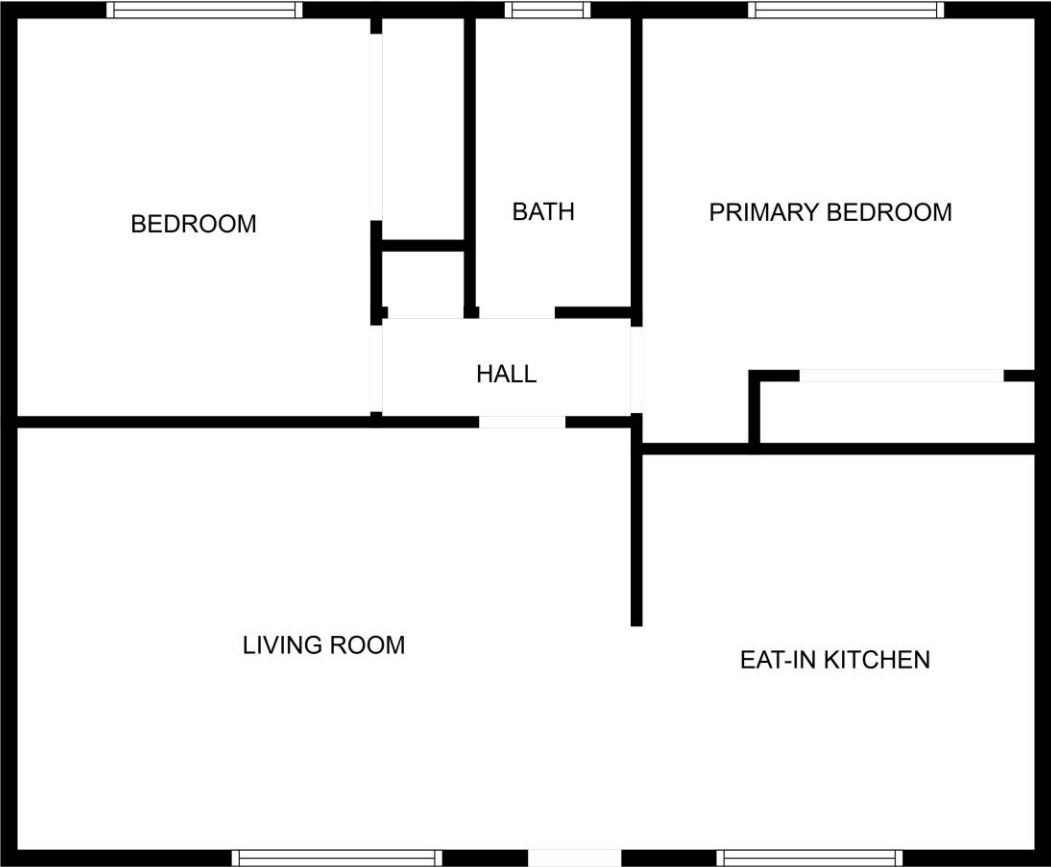
FLOOR PLAN CREATED BY CUBICASA APP. MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

Floor Plans

12717 Cranbrook Ave,
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Unit B



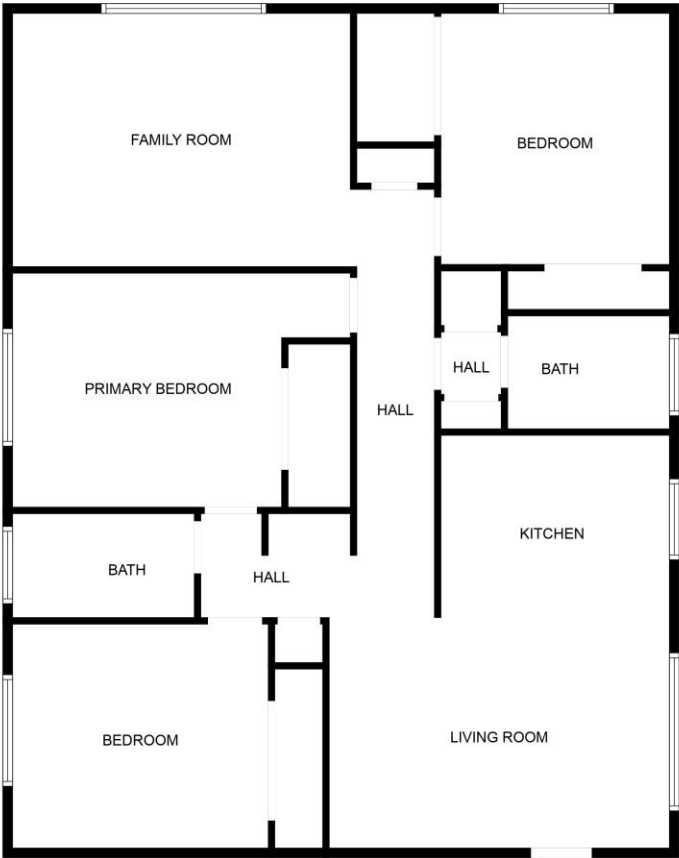
FLOOR PLAN CREATED BY CUBICASA APP. MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

Floor Plans

12717 Cranbrook Ave,
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Unit C



FLOOR PLAN CREATED BY CUBICASA APP. MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

Floor Plans

12717 Cranbrook Ave,
Hawthorne, CA 90250



Unit D



FLOOR PLAN CREATED BY CUBICASA APP. MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

Comparables

12717 Cranbrook Ave,
Hawthorne CA 90250



Sold Comparables

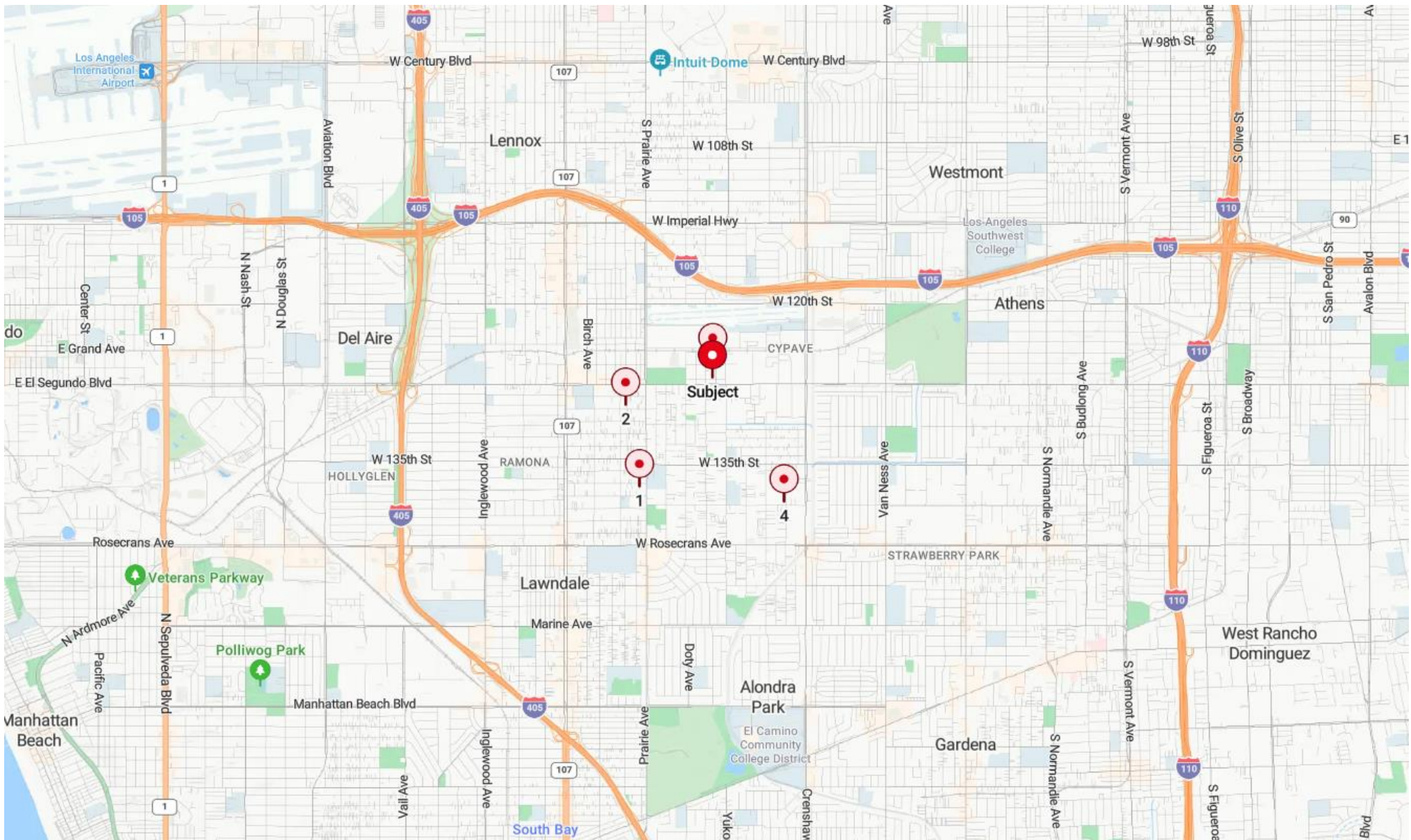
12717 Cranbrook Ave,
Hawthorne, CA 90250



| | Address | Price | Units | Year Built | Building Size | Price/Unit | Price/SF | CAP Rate | Sold Date |
|---|---|--------------------|----------|-------------|-----------------|------------------|-----------------|--------------|------------|
| 1 | 4020 W 137 th St, Hawthorne, CA 90250 | \$1,299,000 | 3 | 1960 | 2,992 SF | \$433,000 | \$434.16 | 3.80% | 11/22/2024 |
| 2 | 4087 W 130 th St, Hawthorne, CA 90250 | \$1,460,000 | 3 | 1972 | 3,336 SF | \$488,333 | \$437.65 | 6.90% | 12/21/2024 |
| 3 | 12527 Cranbrook Ave, Hawthorne, CA 90250 | \$1,235,000 | 4 | 1941 | 3,847 SF | \$323,750 | \$321.03 | 6.60% | 08/08/2024 |
| 4 | 3205 W 139 th St, Hawthorne, CA 90250 | \$1,500,000 | 4 | 1987 | 3,562 SF | \$398,750 | \$421.11 | N/A | 11/26/2024 |
| | Averages | \$1,373,500 | 4 | 1965 | 3,434 SF | \$410,958 | \$465.41 | 5.78% | |
| * | 12717 Cranbrook Ave, Hawthorne, CA 90250 | \$1,559,999 | 4 | 1964 | 5,008 SF | \$390,000 | \$311.50 | 3.92% | ACTIVE |

Sold Comparables Map

12717 Cranbrook Ave,
Hawthorne, CA 90250



Lease Comparables

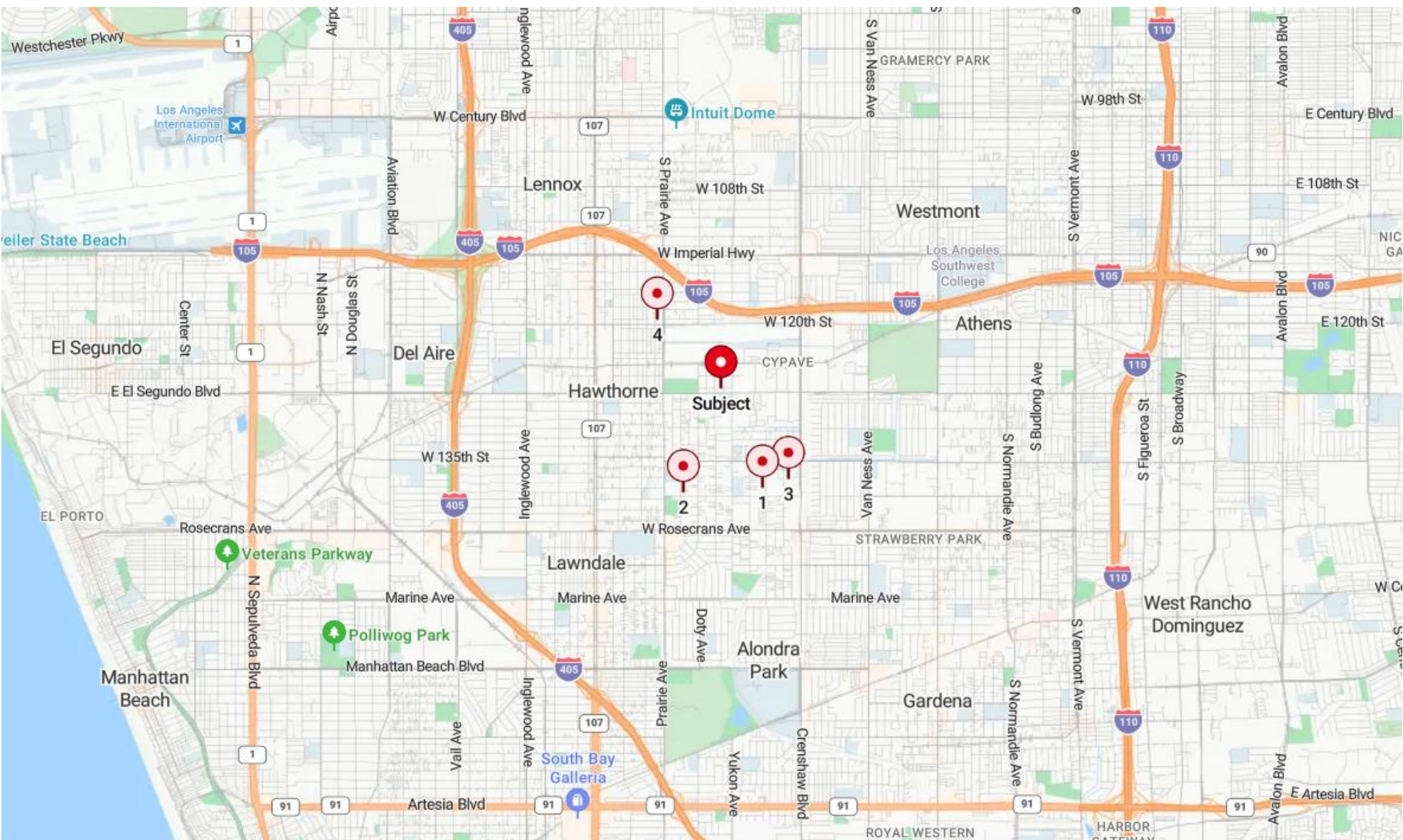
12717 Cranbrook Ave,
Hawthorne, CA 90250



| | Address | Date Listed | Unit Type | Unit Size | Rental Rate |
|----------------|---|-------------|--------------|-----------|----------------|
| 1 | 13751 Lemoli Ave, Hawthorne, CA 90250 | JAN 2025 | 3-Bed/2-Bath | 1,065 SF | \$3,253 |
| 2 | 13766 Cordary Ave, Hawthorne, CA 90250 | FEB 2024 | 3-Bed/2-Bath | 1,650 SF | \$3,795 |
| 3 | 13622 Chadron Ave, Hawthorne CA, 90250 | JUN 2024 | 2-Bed/2-Bath | 944 SF | \$2,605 |
| 4 | 11974 York Ave, Hawthorne, CA 90250 | JUL 2024 | 2-Bed/1-Bed | 1,100 SF | \$2,550 |
| Average | | | 3-Bed | | \$3,524 |
| | | | 2-Bed | | \$2,578 |
| * | 12717 Cranbrook Ave, Hawthorne, CA 90250 | | 3-Bed | | \$2,131 |
| | | | 2-Bed | | \$2,369 |

Lease Comparables Map

12717 Cranbrook Ave,
Hawthorne, CA 90250



Area Overview

12717 Cranbrook Ave,
Hawthorne CA 90250



City Overview

12717 Cranbrook Ave,
Hawthorne, CA 90250

Hawthorne

Hawthorne is a dynamic city nestled in the South Bay region of Los Angeles County, California, offering a vibrant living experience to its approximately 88,000 residents. Known for its diverse neighborhoods and economic vitality, Hawthorne has become an appealing destination for individuals and families seeking a balanced lifestyle.

Diverse housing options are a hallmark of Hawthorne, catering to a variety of preferences and budgets. The median home price in Hawthorne is approximately \$750,000, providing an affordable yet comfortable range of living spaces. The city showcases a mix of single-family homes, townhouses, and condominiums, ensuring there's a housing solution for every lifestyle.

Education is a top priority in Hawthorne, with a selection of esteemed public and private schools contributing to the city's excellent school system. Families find peace of mind in knowing their children have access to quality education within the community. Hawthorne is also recognized for its safe neighborhoods and tight-knit community, making it an ideal environment to raise a family.

Residents of Hawthorne enjoy an abundance of amenities and recreational opportunities. The city boasts numerous parks, including the popular Holly Park, offering playgrounds, sports facilities, and open spaces for leisure. Aviation enthusiasts can explore the nearby Hawthorne Municipal Airport, adding a unique touch to the city's recreational landscape.

For shopping and entertainment, Hawthorne residents can explore the nearby SouthBay Pavilion Mall, providing a diverse range of retail stores, dining options, and entertainment venues. This hub of activity ensures a lively experience for visitors of all ages.

Hawthorne's economic landscape is thriving, with a notable presence in aerospace and technology industries. Major corporations contribute to the city's prosperity, translating into a wealth of employment opportunities for residents.

Situated in close proximity to the stunning Southern California coastline, Hawthorne offers easy access to beautiful beaches like Manhattan Beach and Dockweiler State Beach. Outdoor enthusiasts can partake in water activities, including swimming and beach volleyball, while enjoying the breathtaking views of the Pacific Ocean.

Cultural diversity is celebrated in Hawthorne, evident through various community events held throughout the year. From food fairs and art exhibitions to music festivals and holiday celebrations, the city fosters a strong sense of community and camaraderie among its residents.

In summary, Hawthorne provides an enticing option for those seeking a dynamic and diverse community with excellent amenities, a thriving economy, and a desirable coastal proximity.



County Overview

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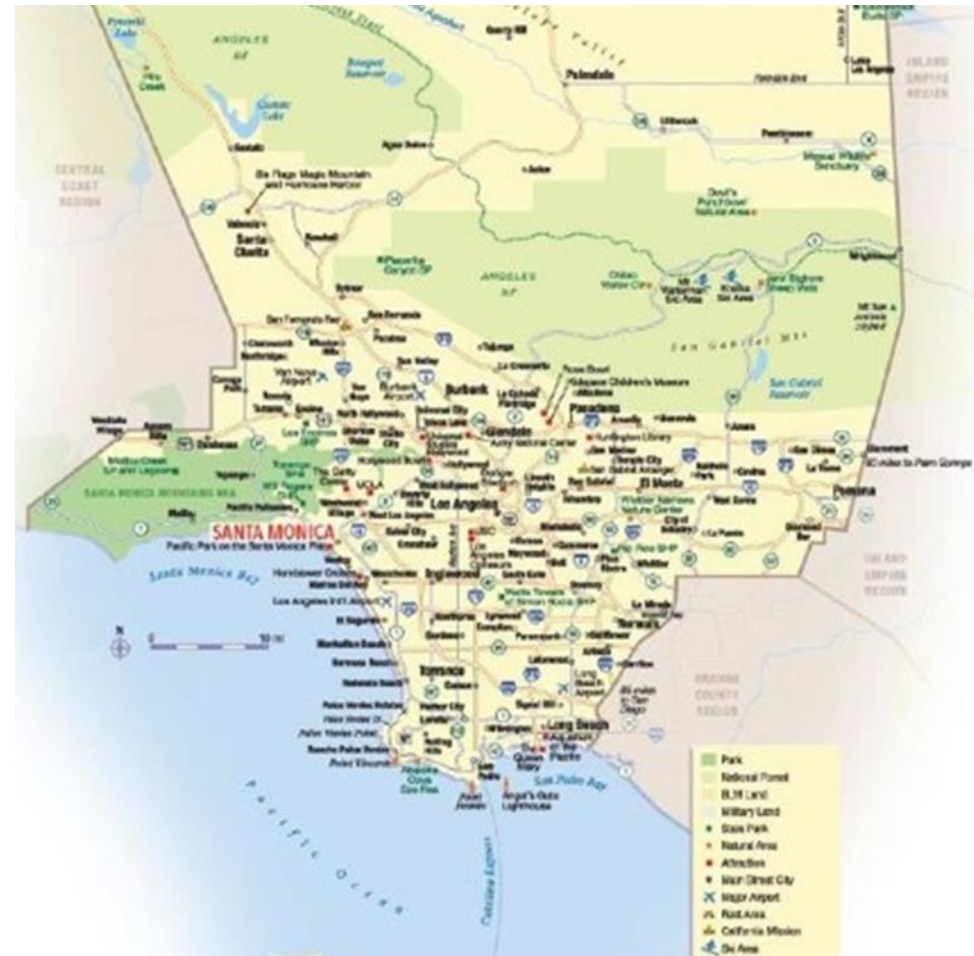


Los Angeles

Los Angeles County is the most heavily populated county with approximately 9.9 million people, including about 1 million that live in unincorporated areas of the county. The metropolis – formed by the six neighboring counties of Los Angeles, Ventura, Kern, San Bernardino, Riverside, and Orange – is home to approximately 19 million residents. Los Angeles County is home to one of the most educated labor pools in the country and offers a labor force of more than 4.7 million, of which more than 1.5 million are college graduates. Los Angeles County has the largest population of any county in the nation, exceeded only by eight states. According to the United States Conference of Mayors, Los Angeles County boasts a GDP among the twenty largest in the world. Los Angeles County's continued economic growth, in contrast to other areas of the state and nation, is due to its diversified economy and abundant, well-trained workforce.

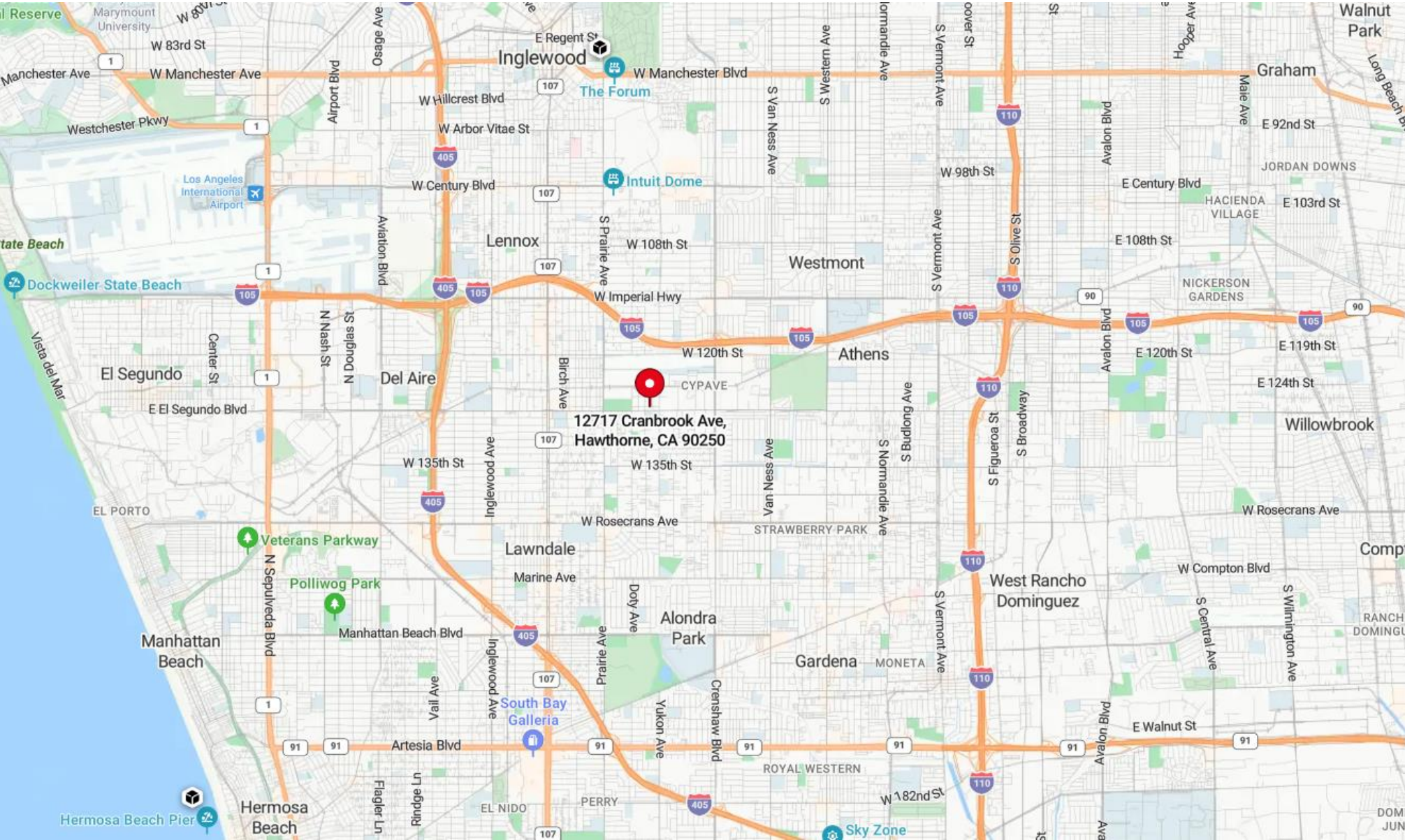
Los Angeles County is well located on the Southern Coast of California, and covers 4,061 square miles, including the San Clemente and Santa Catalina islands. The county is comprised of approximately 88 vibrant and diverse cities hosting more than 244,000 business establishments – the greatest concentration in the state. Los Angeles County has a Gross Domestic Product (GDP) of approximately \$446 billion – placing it among the top 20 economies in the world. The combined GDP of Los Angeles and its five surrounding neighboring counties places it in the top 10. California is generally considered to be in the top five.

If Los Angeles County were its own nation, its economy would be the 18th largest in the world. It is home to more than 244,000 businesses, with more minority and women owned businesses than any other state in the nation and is the nation's top international trade center and manufacturing center. Los Angeles is recognized worldwide as a leader in entertainment, health sciences, business services, aerospace and international trade. Because the Los Angeles area is so large and diverse, it has something to offer everyone. While Hollywood and the Los Angeles beach culture are part of our collective image of Los Angeles, the city also has more museums than any other city and some of the best hotels in the world.



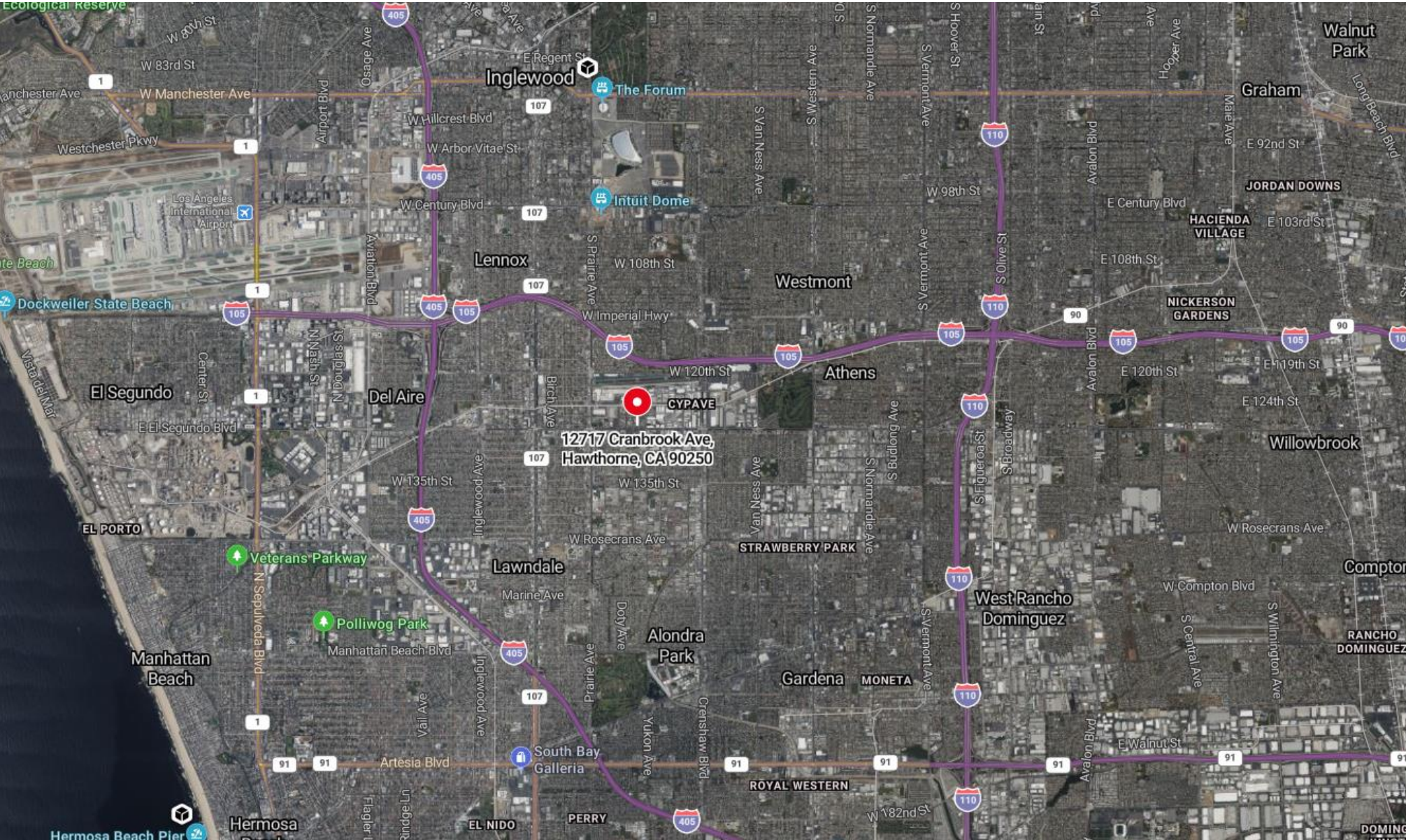
Local Map

12717 Cranbrook Ave,
Hawthorne, CA 90250



Local Map

12717 Cranbrook Ave,
Hawthorne, CA 90250



Disclaimer & Confidentiality Agreement



The information contained in this Offering Memorandum (“Memorandum”) is proprietary and strictly confidential; it is intended to be reviewed only by the party receiving it from Broker and should not be made available to anyone else without the written consent of Broker. By retention or use of this Memorandum, you agree that its contents are confidential, that you will hold it in the strictest confidence, and that you will not disclose any of its contents contrary to these terms.

This Memorandum has been prepared to provide summary, unverified information to establish a preliminary level of interest in the subject property (“Property”). The information in this Memorandum has been obtained from sources Broker believes to be reliable; however, Broker has not conducted sufficient investigation to make any warranty or representation whatsoever including but not limited to the accuracy or completeness of the information, veracity or accuracy of the information, condition of the Property or its compliance or lack of compliance with applicable governmental requirements, developability, suitability or financial performance of the Property, income or expenses for the Property, the size and square footage of the Property and improvements, the presence or absence of contaminating substances, PCB’s or asbestos, the compliance with State or Federal regulations, the physical condition of the improvements thereon, or the financial condition or business Property and does not purport to be an all – inclusive representation regarding the Property or to contain all or part of the information which prospective investors may require to evaluate the purchase of the Property. Additional information and an opportunity to investigate the Property will be made available to interested and qualified prospective purchasers. All information is based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of Broker, therefore, all information is subject to material variation. The information contained herein is not a substitute for a thorough due diligence investigation. Interested parties are expected to review all information of whatever nature independently and not rely on the contents of this Memorandum in any manner.

The Property owner (“Owner”) expressly reserves the right, at its sole discretion, to reject any or all offers to purchase the Property, and/or to terminate discussions at any time with or without notice. The Owner shall have no legal commitment or obligation unless and until written agreement(s) have been fully executed, delivered and approved by the Owner and any conditions to the Owner’s obligations therein have been satisfied or waived.

Exclusively Marketed By



Woody Stahl

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DRE - 01399621

Brett Lyon

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