

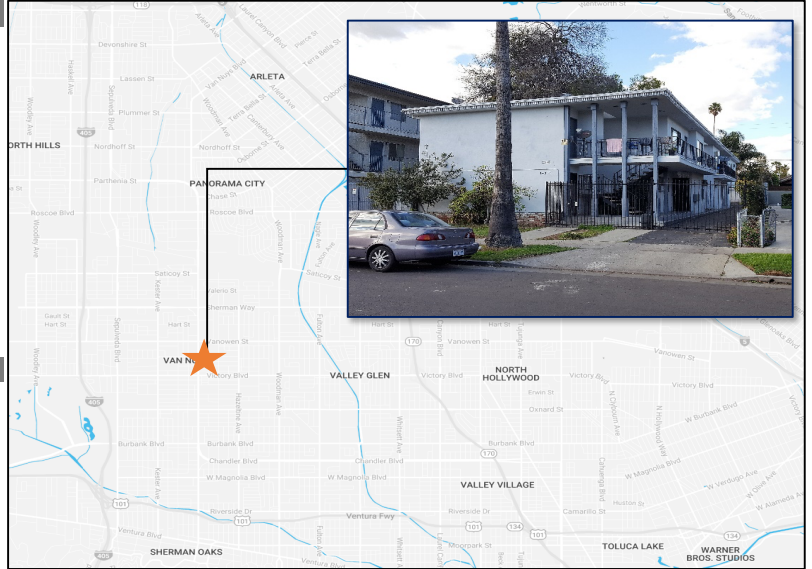
Value-Add, Rent-Controlled Multifamily Property in Van Nuys Submarket of the San Fernando Valley
14317 Haynes Street, Van Nuys, CA 91401
7-Units

Offering Summary

Price:	\$1,750,000
Per Unit:	\$250,000
Per SF:	\$291.23
Current CAP Rate:	5.52%
Pro Forma CAP Rate:	9.15%
Current GRM:	11.93
Pro Forma GRM:	8.10
Current Cash on Cash:	3.01%
Pro Forma Cash on Cash:	12.77%
Year Built:	1964
No. of Units:	7
Net Rentable SF	6,009

Proposed Financing

Financing:	\$1,100,000
Down Payment:	\$650,000
LTV %:	63.00%
Interest Rate:	5.75%
Amortization Period:	30
Debt Service:	-\$77,032
DSCR	1.25



Unit Type	Units	Units SF	Current Rent		Pro Forma Rent		Loss/Gain to Lease		Rental Upside	
			Per Unit	Per Month	Per Unit	Per Month	Monthly	Annually	(\$)	(%)
1 Bedroom + 1 Bathroom	1	735	\$2,035	\$ 2,035.28		\$2,200	\$165	\$1,977	\$1,977	8.09%
2 Bedroom + 2 Bathroom	2	950	\$1,567	\$ 1,566.75		\$2,850	\$1,283	\$15,399	\$15,399	81.91%
1 Bedroom + 1 Bathroom	3	737	\$1,280	\$ 1,279.56		\$2,200	\$920	\$11,045	\$11,045	71.93%
1 Bedroom + 1 Bathroom	4	737	\$1,941	\$ 1,941.47		\$2,200	\$259	\$3,102	\$3,102	13.32%
2 Bedroom + 2 Bathroom	5	950	\$1,696	\$ 1,696.32		\$2,850	\$1,154	\$13,844	\$13,844	68.01%
2 Bedroom + 2 Bathroom	6	950	\$1,322	\$ 1,322.26		\$2,850	\$1,528	\$18,333	\$18,333	115.54%
2 Bedroom + 2 Bathroom	7	950	\$2,158	\$ 2,157.79		\$2,850	\$692	\$8,307	\$8,307	32.08%
Unit 2,3,5,6 Cost recovery \$55				\$ 220.00						
Totals / Weighted Averages	7	6009	\$4,030	\$ 12,219.43	\$0	\$18,000	\$6,001	\$72,007	\$72,007	155.67%
<i>Other Income (Laundry Income)</i>				\$350		\$250				
Gross Scheduled Rent (Monthly)				\$12,249		\$18,021				
Gross Scheduled Rent (Annualized)				\$146,983		\$216,250				

Annualized Operating Data

		Current	Pro Forma
Gross Potential Rent		\$216,000	\$216,000
<i>Loss/Gain to Lease</i>		\$69,367	\$0
Gross Scheduled Rent		\$146,633	\$216,000
<i>Vacancy</i>	3.00%	\$4,399	\$6,480
<i>Non-Revenue Units</i>	0.00%	\$0	\$0
Effective Rental Income		\$142,234	\$209,520
<i>Other Income</i>		\$4,200	\$3,000
Effective Gross Income		\$146,434	\$212,520
<i>Expenses</i>	34.01%	\$49,810	\$52,453
Net Operating Income		\$96,625	\$160,067
<i>Debt Service</i>		-\$77,032	-\$77,032
Pre-Tax Cash Flow	3.01%	\$19,593	\$83,035
<i>Principal Reduction</i>		\$14,151	\$14,151
Total Return Before Taxes	5.19%	\$33,744	\$97,186

Annualized Operating Expenses

	Current	Pro Forma
Real Estate Taxes (1.25%)	\$21,875	\$21,875
Insurance (est. @ \$.80/SF)	\$4,807	\$4,807
Utilities	\$8,750	\$8,750
Repairs & Maintenance	\$3,150	\$3,150
Rubbish	\$2,660	\$2,660
Landscaping	\$960	\$960
Management Fee (4% of EGI)	\$5,857	\$8,501
Operating Reserves	\$1,750	\$1,750
Total Expenses	\$49,810	\$52,453
<i>Per Sq. Ft.</i>	<i>\$8.29</i>	<i>\$8.73</i>
<i>Per Unit</i>	<i>\$7,116</i>	<i>\$7,493</i>

Contact Information

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