

KW COMMERCIAL™



± 50  
YEARS

*1860 N. Alexandria Ave*

**LOS ANGELES, CA 90027**

FIRST TIME ON MARKET



**A 16-unit Multifamily Opportunity on the Highly Desirable Franklin Avenue Corridor**



**1860 N. ALEXANDRIA AVENUE  
LOS ANGELES, CA 90027**

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**DESIGN BY CRESC**



# SECTION 1

## **EXECUTIVE SUMMARY**



# PROPERTY SUMMARY

**UNITS**      ▪ 16

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**YEAR BUILT**      ▪ 1951

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**GROSS SF**      ▪ 9,920

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**LOT SF**      ▪ 10,494

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**APN**      ▪ 5589-033-042

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**METERING**      ▪ Individual Gas, Electric

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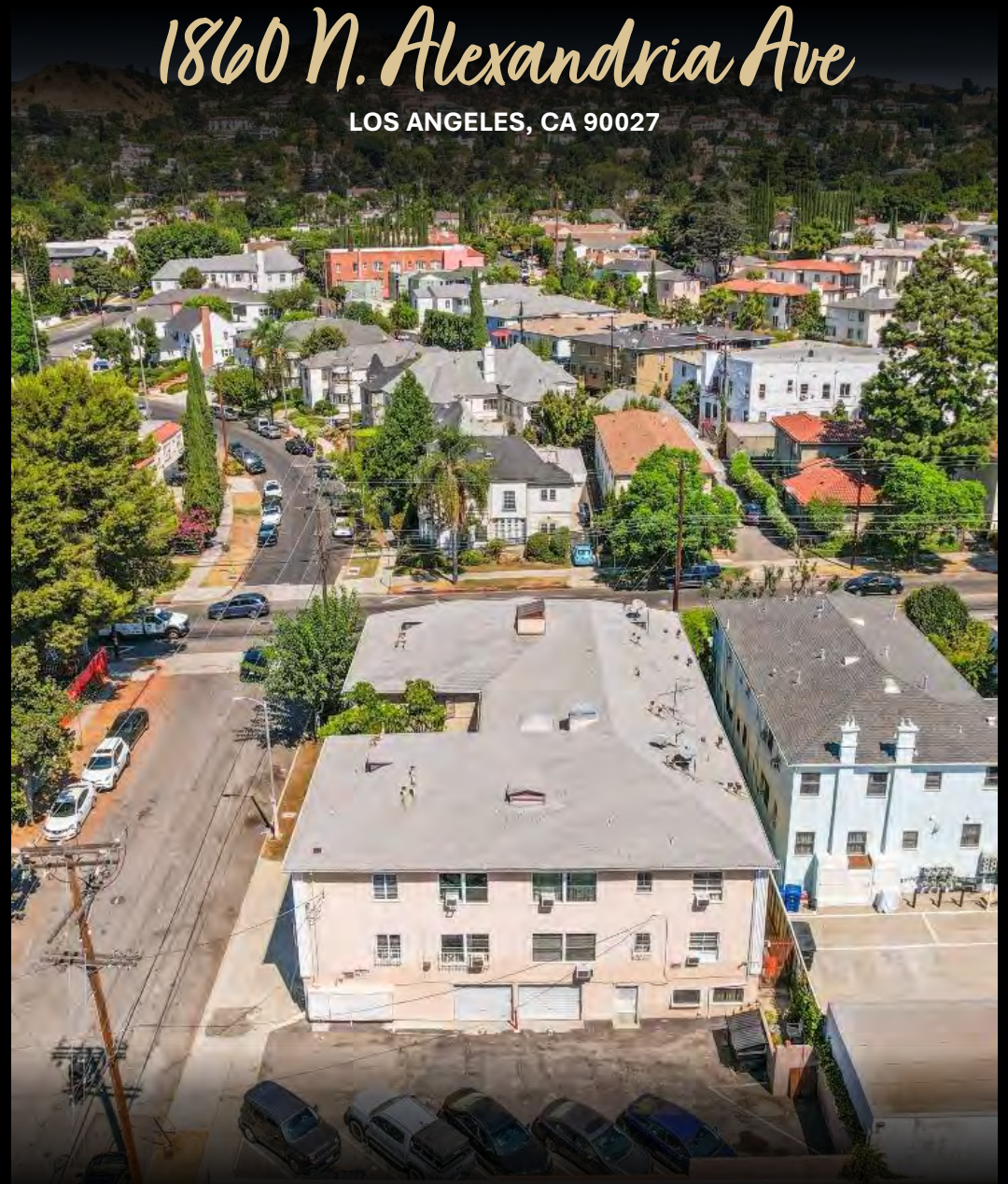
**PARKING**      ▪ 12 Spaces

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**ZONING**      ▪ LARD1.5

*1860 N. Alexandria Ave*

LOS ANGELES, CA 90027



16 Unit Apartment Building

# Property Overview

KW Commercial is pleased to present 1860 North Alexandria Avenue, Los Angeles, CA, which is **being offered for sale for the first time in nearly 50 years**. The offering is located within the Hollywood submarket, which is considered one of the country's world-class employment centers and offers access to an enormous and diverse set of employers.

This 16-unit garden-style apartment community is situated on the southeast corner of Franklin Avenue and Alexandria Avenue within the **highly coveted Los Feliz zip code of 90027**. The immediate area has historically provided investors with exceptional long-term capital appreciation and wealth preservation.

1860 North Alexandria Avenue, built in 1951, features an ideal unit composition of **Twelve (12) One-Bedroom | One-Bathroom and Four (4) Single | One-Bathroom apartment** homes that surround a quiet gated courtyard with mature landscaping. The oversize corner parcel measures 10,494 square feet.

Updated unit interiors feature **original oak flooring, tiled baths and kitchens, wooden windows, refrigerator, stove, dishwasher, and abundant closets/storage**. As units turn over, enhancements could be made to realize market rents.

The property demonstrates true pride of ownership with multiple capital improvements made, specifically new plumbing—including the replacement of horizontal lines and risers completed in 2010. **The mandatory soft-story retrofit was completed in 2019**, new handrails were installed on the staircases and walkways in 2021, and gas shut-off valves were installed in 2019.

Property attributes include **12 vehicle parking spaces (6 individual garages and 6 on-grade spaces)**, common area laundry room, separate gas & electrical utilities, one central hot-water tank.

While producing stable current income, the property would be well-served with progressive management practices, cosmetic improvements, implementing RUBS utility billing, and alternate revenue streams.

# INVESTMENT HIGHLIGHTS

1860 N. ALEXANDRIA AVE

## The Property

- **THE OPPORTUNITY:** A 16-unit Multifamily Opportunity on the Highly Desirable Franklin Avenue Corridor, a premier rental area known for excellent rent growth and very low vacancy rates.
- **VALUE-ADD OPPORTUNITY:** Future increases in income could be achieved through unit attrition, progressive management practices and future property enhancements.
- **GREAT UNIT COMPOSITION:** Twelve (12) One-Bedroom | One-Bathroom AND Four (4) Single | One-Bathroom apartment homes. Most units feature original oak hardwood flooring, wood windows, vintage tiled baths and kitchens, and numerous closet and linen storage.
- **PARKING & SOFT-STORY RETROFIT:** The property provides Twelve (12) parking spaces consisting of six (6) garages and six (6) on-grade parking spaces. Soft-story retrofit work was completed in 2019
- **LOW EXPENSES:** Each unit is separately metered for gas and electric utilities, thus keeping operating expenses low.

## The Location

- **LACK OF HOUSING AFFORDABILITY:** There is a significant affordability gap to home ownership within the zip code of 90027. The median home price in the area is \$2,280,250, with the typical monthly mortgage payment being more than 3-4 times more than the average renovated rents at 1860 North Alexandria Avenue
- **STRONG EMPLOYMENT:** 1860 North Alexandria Avenue is located within the Hollywood submarket which is considered one of the country's world-class employment centers and offers access to an enormous and diverse set of employers.
- **LOCATED NEAR NEW COMMERCIAL DEVELOPMENTS:** More than 2.3 million SF of commercial space is currently under development in the Hollywood submarket representing more than \$1.58B in project costs



FAIRFAX | 19 MIN DRIVE

WEHO | 19 MIN DRIVE

# The Location



MAJOR EMPLOYERS | 7 MIN DRIVE



The offering is an ideal investment for forward-thinking, long-term investors expecting meaningful rental growth/value appreciation in an outstanding area. 1860 North Alexandria Avenue is centrally located in the 90027 / Los Feliz area—one of LA’s most stable and desirable neighborhoods. Furthermore, the subject property offers residents access to a myriad of entertainment venues, cultural destinations, and dining options within Los Feliz itself and neighboring Silver Lake, Hollywood, and DTLA. Given the property’s prime location and significant value add component, 1860 North Alexandria Avenue is an ideal investment for hands-on operators seeking long-term returns and appreciation.







1860 N. ALEXANDRIA AVE



16 UNITS | HOLLYWOOD SUBMARKET





# SECTION 2

## **FINANCIAL ANALYSIS**



# Rent Roll

Unit #	Type	Current Rent	Market Rent	Occupied	Lease Start
1860	Single   One Bath	\$707	\$1,650	Occupied	12/1/2006
1862	One Bed   One Bath	\$1,995	\$2,150	Occupied	4/1/2023
1864	One Bed   One Bath	\$1,482	\$2,150	Occupied	4/1/2010
1866	One Bed   One Bath	\$1,763	\$2,150	Occupied	8/15/2021
1868	One Bed   One Bath	\$1,815	\$2,150	Occupied	10/1/2020
1870	One Bed   One Bath	\$958	\$2,150	Occupied	6/1/1995
1872	One Bed   One Bath	\$1,815	\$2,150	Occupied	3/1/2022
1874	Single   One Bath	\$1,650	\$1,650	Vacant	
1876	Single   One Bath	\$1,425	\$1,650	Occupied	8/26/2023
1878	One Bed   One Bath	\$1,995	\$2,150	Occupied	12/1/2022
*1880	One Bed   One Bath	\$673	\$2,150	Occupied	1/1/2000
1882	One Bed   One Bath	\$1,763	\$2,150	Occupied	6/2/2021
1884	One Bed   One Bath	\$1,924	\$2,150	Occupied	5/30/2022
1886	One Bed   One Bath	\$1,794	\$2,150	Occupied	7/25/2021
1888	One Bed   One Bath	\$1,271	\$2,150	Occupied	12/1/2013
1890	Single   One Bath	\$1,300	\$1,650	Occupied	2/13/2021
<b>Totals:</b>		<b>\$24,330</b>	<b>\$32,400</b>		

\* Onsite Key Holder - Resides in Unit 1880 - Monthly rent of \$673.20 is waived plus receives monthly compensation of \$225/mo.

Lease-up - Any estimates of market rents and/or projected rents do not necessarily mean that rents can be established at or increased to that level and are subject to many factors. The Pro Forma rents used are post renovation and modernization of the unit interiors and common areas.



# Financial Analysis

## PRICING

**OFFERING PRICE** **\$3,600,000**

PRICE/UNIT \$225,000

PRICE/SF \$362.90

GRM 12.2 **9.2**

CAP RATE 5.0% **7.6%**

Current Market

## THE ASSET

Units 16

Year Built 1951

Gross SF 9,920

Lot SF 10,494

APN 5589-033-042

Metering Individual Gas, Electric

Parking 12 Spaces

Zoning LARD1.5

## MONTHLY RENT SCHEDULE

# of Units	Type	Avg. Current	Current Total	Market	Market Total
12	1+1	\$1,604	\$19,248	\$2,150	\$25,800
4	Single+1	\$1,271	\$5,082	\$1,650	\$6,600

**Total Scheduled Rent** **\$24,330** **\$32,400**

Laundry Income Estimated per Month \$73 \$73

SCEP /Registration Fees per Month \$84 \$84

Misc / Other Income per Month \$8 \$8

Monthly Scheduled Gross Income \$24,495 \$32,565

## ANNUALIZED INCOME

	Current	Market
Gross Potential Rent	\$293,937	\$390,774
Less: Vacancy/Deductions	2% (\$5,879)	2% (\$7,815)
Effective Gross Income	\$288,058	\$382,959

## ANNUALIZED EXPENSES

	Current	Market
New Property Taxes	\$43,200	\$43,200
Utilities: Water, Sewer, Electricity	\$8,219	\$8,219
Waste	\$3,549	\$3,549
Property Insurance	\$16,000	\$16,000
Landscaping	\$1,440	\$1,440
Repairs, Supplies & Maintenance	\$12,000	\$12,000
Rental Registration	\$1,344	\$1,344
Pest Control Service	\$516	\$516
Onsite Key Holder	\$10,776	\$10,776
3rd Party Property Mgt (3.75% of SGI)	\$11,023	\$11,023

**ESTIMATED EXPENSES** **\$108,067** **\$108,067**

Expenses/Unit \$6,754 \$6,754

Expenses/SF \$10.89 \$10.89

## RETURN

NOI **Current** **Market**  
 \$179,992 \$274,892



# Underwriting Notations

## INCOME

- **RSO & SCEP Fees-** Pro Forma income assumes new ownership will collect from residents RSO fees of \$1.61 and SCEP fees of \$3.61 monthly.
- **Other Income:** Other Income is a combination of Miscellaneous Fees such as Bank Fees, **Repair/Maintenance Pass-Through Fees**, Rental Registration Fees, Credit Check Fees, Late Fees, Pet Rent, etc.
- **Laundry Income:** Laundry income is based on actual 2023 monthly average.

## ESTIMATED EXPENSES

- **Repairs, Supplies & Maintenance:** Estimated at a proforma expense of \$750/unit/year, less certain CapX expenditures
- **Contract Services:** Proforma expenses used for landscaping \$120/mo and pest control is shown as an actual 2023 expense.
- **Utilities:** Annual utility expenses are based on actual 2023 expenses for waste, gas, water/sewer, trash and electrical. Separately metered for gas and electricity.
- **Insurance:** Current insurance coverage is expiring. Pro forma insurance premium calculated at \$1,000/unit (\$1.61 per SF) annually.
- **3rd Party Property Management:** Projected at 3.75% of Total Annual Income
- **Rental Registration:** Proforma expense of \$84 per unit per year.
- **Real Estate Taxes:** Taxes have been underwritten based upon a tax rate of 1.2%

## ONSITE KEY HOLDER

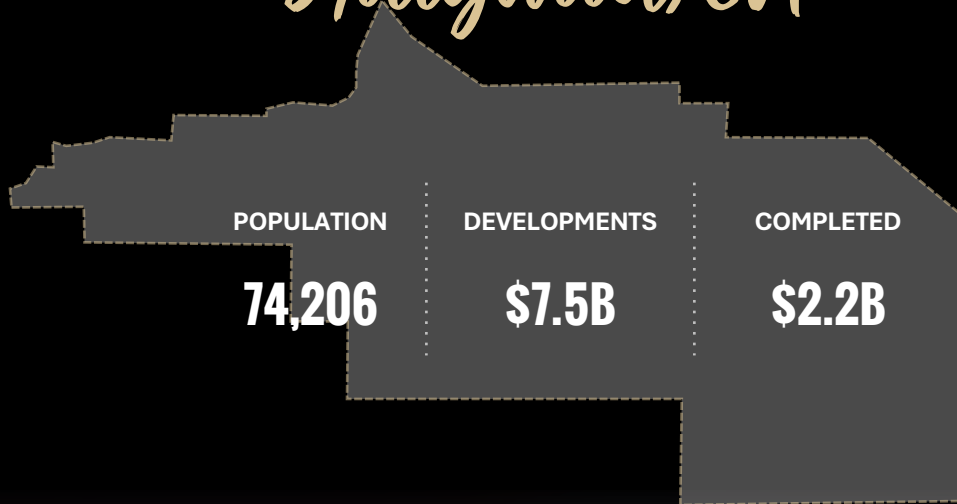
- **Resides in Unit 1880 -** Monthly rent of \$673.20 is waived plus receives monthly compensation of \$225/mo
- **CapX Notations:** Certain one time or CapX related items are excluded
- **Market/Projected and/or Estimated Rents:** Any estimates of market rents and/or projected rents do not necessarily mean that rents can be established at or increased to that level and are subject to many factors. The Pro Forma rents used are post renovation and modernization of the unit interior and common areas.



SECTION 3  
**LOCATION OVERVIEW**



# Hollywood, CA



Few places carry the same immediate name recognition or intrigue as Hollywood. The neighborhood attracts a diverse mix of people from all over the globe to live and work in the world's creative capital. With its central location, modern amenities, and walkable scale as the "most walkable neighborhood" in Los Angeles, Hollywood has its own unique character that appeals to modern-day creatives.

Known as the true entertainment capital of the world, Hollywood is a collection of meaningful, enduring, and iconic places. This district within the city of Los Angeles, California, is located northwest of downtown Los Angeles, it is bounded by Hyperion Avenue and Riverside Drive (east), Beverly Boulevard (south), the foothills of the Santa Monica Mountains (north), and Beverly Hills (west). After years of limited development, the city is BOOMING. It is now a model of urban revitalization bringing together educational, retail, hospitality and residential properties to an eclectic neighborhood.





# VICINITY MAP





# Entertainment Employers

At its heart, Hollywood is a mecca for creativity and storytelling. Buoyed by a robust entertainment production ecosystem and brandishing a priceless name representing a neighborhood and an industry, Hollywood combines the best of laid-back Southern California culture with dedicated work, creative energy, and drive.



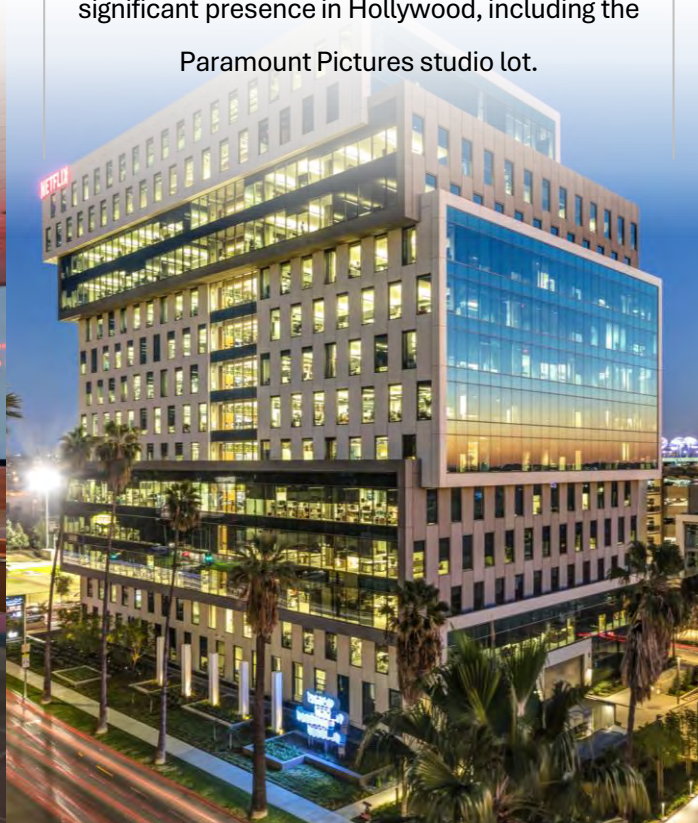
Netflix: A streaming media company that produces and distributes original content under the Netflix brand, as well as content from other studios and networks. Netflix has significant operations in Hollywood.



1860 N. ALEXANDRIA AVE



Viacom: A multinational media conglomerate that owns various television networks, including CBS, MTV, and Nickelodeon. The company has a significant presence in Hollywood, including the Paramount Pictures studio lot.



16

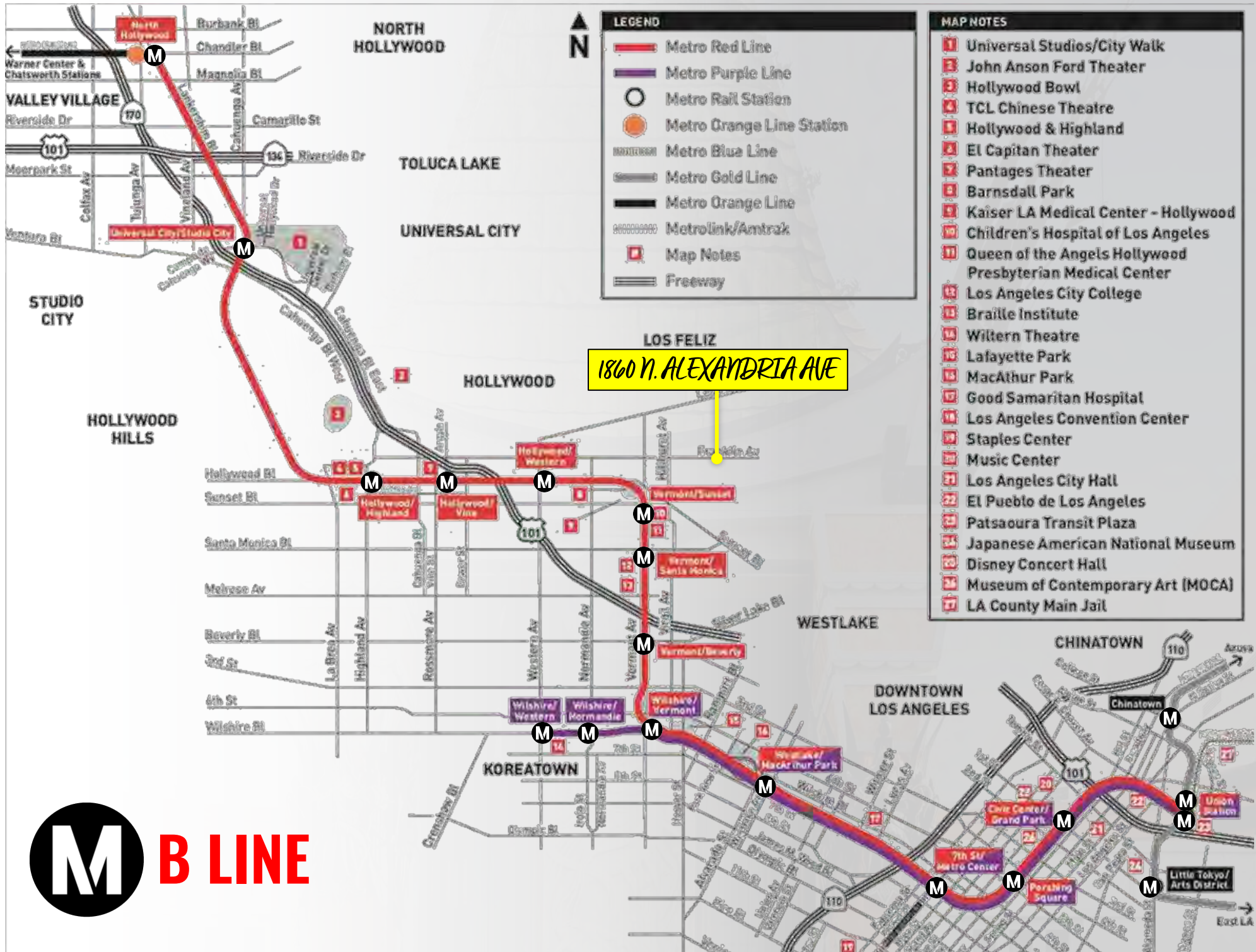


Sunset Bronson Studios: A historic film studio complex in Hollywood that has been renovated and modernized for modern use. The complex includes production facilities, office space, and retail shops.



16 UNITS | HOLLYWOOD SUBMARKET







# Major Employers



## MAJOR EMPLOYMENT DRIVERS

- NETFLIX** 6 Campuses, 1.4MM SF Office Space
- SUNSET STUDIOS** 42 Acres, 37 Sound Stages
- PARAMOUNT** 65 Acre, \$700M Master Plan Dev.
- RALEIGH STUDIOS** 11-Acres, 180K SF Office Space
- TECHNICOLOR** 115K SF Office Space
- WEWORK** 113K SF Office Space
- KTLA** 94K SF Office Space



# Location

## EMPLOYMENT PROFILE

Los Feliz benefits from its proximity to a wide variety of major employers. In the immediate area are Capitol Records, Paramount Pictures, Kaiser Permanente, Hollywood Presbyterian Medical Center, Ticketmaster, Universal City Studios, Disney and Warner Bros. As such, residents have easy access to myriad jobs in the entertainment industry as well as the health care sector. Additionally, Hollywood offers easy commutes to major nearby employment hubs in Downtown Los Angeles, West Los Angeles, and the San Fernando Valley.

#	EMPLOYER	EMPLOYEES
1	Kaiser Permanente Hospital	5,400
2	Universal Studios, Inc.	5,000
3	Children's Hospital of Los Angeles	4,994
4	Sunset Gower / Sunset Bronson Studio	2,500
5	Paramount Pictures	2,000
6	Netflix	1,500
7	Los Angeles City College	1,383
8	Live Nation	1,300
9	Hollywood Presbyterian Medical Center	1,200
10	Viacom	900

**NETFLIX** VINCE.

**VIACOM** **KTLA 5**

**BuzzFeed** **wework**

 **Touchstone Pictures** **nielsen**



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