

CONFIDENTIAL OFFERING MEMORANDUM

CBRE

Beautiful New
Construction with No
Rent Control

Net Lease Investment

“Hands-Off” Investment
with Few Annual
Expenses

Captive Audience of 50K
USC Students Nearby -
Rents Reset Every Fall

1571 & 1587

W. 37TH ST.
LOS ANGELES, CA 90018

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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE.

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1571 & 1587
W. 37TH ST.
LOS ANGELES, CA 90018



01

EXECUTIVE
SUMMARY



EXECUTIVE SUMMARY

The Offering

Two beautiful, identical, new-construction, 3-story co-living buildings near USC, only doors apart from one another. 25 Beds/25 Baths in each building, with a large kitchen on each floor. An exciting and unique Net Lease Opportunity (master lease) in a gentrifying location - Landlord ONLY pays for property taxes and insurance - Tenant/Lessee picks up ALL other expenses. These properties just received their Certificate of Occupancy and have been master-leased for a 2 year + 2 year (option) term to an LA County non-profit, Special Services for Groups, Inc. 3.5% annual rent increases, too. Perfect for USC students, in the future, alternatively. And the 4 car garages can be built out, adding 3 more bedrooms each - bumping the gross income 12%! Exclusively listed at \$8,799,000

Investment Highlights

- Newly Constructed and Net Lease = “Easy”
- A hands-off investment in a gentrifying, “ground floor-type” location, on the come.
- MASTER LEASED for a 2 year term + 2 year (option) to an LA County non-profit, Special Services for Groups, Inc. 3.5% annual rent increases, too.
- Value-Add Opportunity also: Build out the existing 4 car garages at each property, into 3 more bedrooms/baths - immediately boosting rent by 12%. BTV.
- Captive audience of 50K USC students only blocks away.





02

PROPERTY
DESCRIPTION



PROPERTY DESCRIPTION

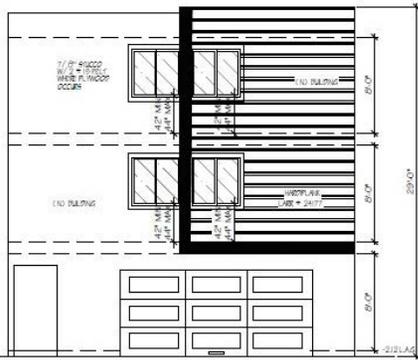
Property Overview

Address	1571 & 1587 W. 37th St., Los Angeles, CA 90018
Market/Submarket	Los Angeles/ USC
Square Footage	7,608 SF (Each)
Lot Size	5,617 SF (Each)
Year Built	2024
Occupancy	100%
Operating Expenses	\$16,000
Taxes	\$105,500

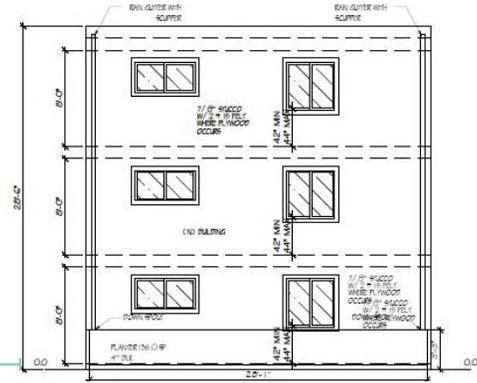


Elevations

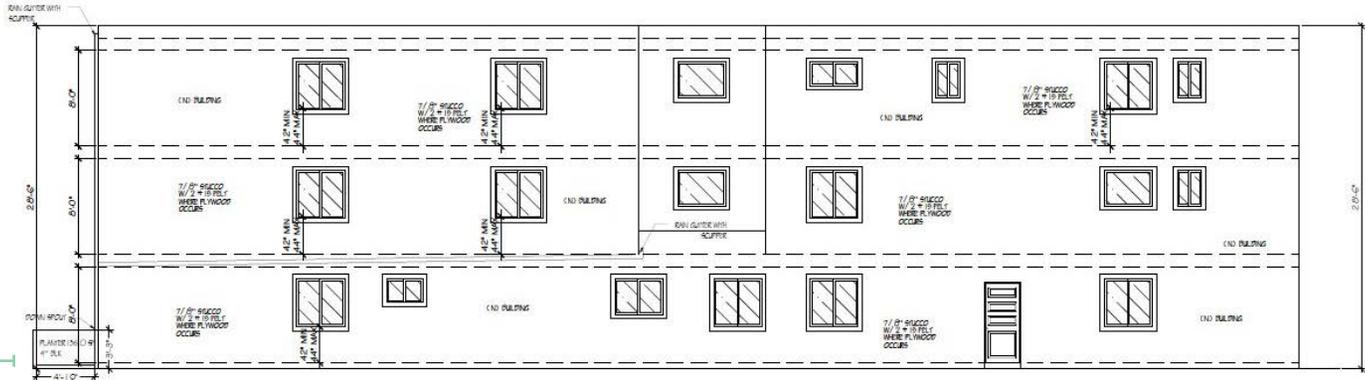
South Elevation



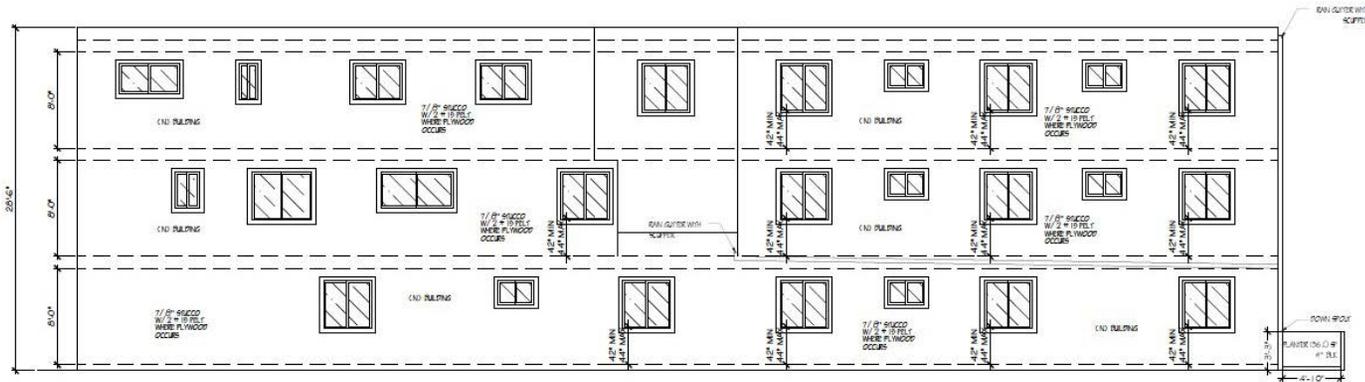
North Elevation



West Elevation



East Elevation





03

FINANCIAL
ANALYSIS

Operating Data

1571 and 1587 W. 37th St., Los Angeles

Two beautiful, identical, new-construction, 3-story co-living buildings near USC, only doors apart from one another. 25 Beds/25 Baths in each building, with a large kitchen on each floor. An exciting and unique Net Lease Opportunity (Master Lease) in a gentrifying location - Landlord ONLY pays for property taxes and insurance - Tenant/Lessee picks up ALL other expenses. These properties just received their Certificate of Occupancy and have been master leased for a 2 year + 2 year (option) term to an LA County non-profit, Special Services for Groups, Inc. 3.5% annual rent increases, too. PERFECT FOR USC STUDENTS, IN THE FUTURE, ALTERNATIVELY. AND THE 4 CAR GARAGES CAN BE BUILT OUT, ADDING 3 MORE BEDROOMS EACH - bumping the gross income 12%!



Unit Mix & Rent Schedule

	Unit Mix	Current Net Rent	2025-2026 Net Rent
1571	25 Beds/25 Baths	\$27,500	\$28,463
1587	25 Beds/25 Baths	\$27,500	\$28,463
		\$55,000	\$56,926

*convert garages to 3 more units in the future, making each building 28 Beds/28 Baths. BTV.

Pricing Summary

Price:	\$8,799,000
Down Payment:	\$3,520,000
Loan Amount:	\$5,279,000
Existing Cap Rate:	6.12%
2025-2026 Cap Rate:	6.38%
2026-2027 Cap Rate:	6.65%
2027-2028 Cap Rate:	6.94%
Property Profile	
# of Beds:	50
Year Built:	2024
Square Footage:	7,608 each
Lot Size:	5,617 each
Construction Type:	Woodframe/Stucco
Roof Type:	Flat Composite
Parking:	Garage & Street
Type:	Multifamily
APN:	5041-021-019, 015

Income & Expenses

	Scheduled Annualized	% SAI	Year Two Annualized
Scheduled Gross Income	\$660,000		\$683,112
Total Scheduled Gross Income	\$660,000		\$683,112
Effective Operating Income	\$660,000		\$683,112
Expenses			
Prop. Taxes (NEW)	\$105,500	16.00%	\$105,500
Property Ins.	\$16,000	2.40%	\$16,000
Utilities and Trash	\$-	0.00%	\$-
Off-Site Mgmt. Fee	\$-	0.00%	\$-
On-Site Mgmt.	\$-	0.00%	\$-
Repairs & Maintenance	\$-	0.00%	\$-
Landscaping/Cleaning	\$-	0.00%	\$-
Reserves/License/Permits	\$-	0.00%	\$-
*Property taxes bases on purchase price. Insurance amount estimated based on recent quote.			
Total Expenses	\$121,500	18.40%	\$121,500
Net Operating Income	\$538,500		\$561,612

NOTES: Figures are estimates only and based on industry standards. These numbers should be adequate considering the recent renovations and upgrades to the property. Property taxes are based on a reassessment at the current tax rate.

Rent Roll

1571 W. 37th St

Lease Term	Dates	Monthly Rent
Initial Lease Term	12/5/2024 - 12/4/2025	\$27,500
	12/5/2025 - 12/4/2026	\$28,463
Option to Renew	12/5/2026 - 12/4/2027	\$29,459
	12/5/2027 - 12/4/2028	\$30,490

1587 W 37TH ST LOS ANGELES, CA

1587 W. 37th St

Lease Term	Dates	Monthly Rent
Initial Lease Term	12/5/2024 - 12/4/2025	\$27,500
	12/5/2025 - 12/4/2026	\$28,463
Option to Renew	12/5/2026 - 12/4/2027	\$29,459
	12/5/2027 - 12/4/2028	\$30,490

1571 W 37TH ST LOS ANGELES, CA



04

LOCATION
OVERVIEW

LOCATION OVERVIEW

The USC Adjacent area is a vibrant and dynamic neighborhood that offers an ideal blend of urban convenience and community atmosphere. Being in close proximity to the University of Southern California, residents enjoy access to a plethora of amenities, including diverse dining options, cultural events, and recreational activities.

The presence of students, faculty, and university events fosters a lively environment while creating opportunities for social engagement. Additionally, the well-connected transportation infrastructure makes commuting easy, providing quick access to downtown Los Angeles and other key areas.

For potential investors, purchasing residential property in the USC Adjacent area presents significant long-term appreciation potential. With ongoing developments and revitalization efforts, this area has seen steady growth in property values over recent years. Furthermore, the consistent demand for rental properties driven by students and university staff ensures a strong rental market.

With strong demand fueled by LA's diverse workforce and growing tech industry presence, buildings like 1571 & 1587 W. 37th St. are poised to thrive as a reliable source of passive income. Additionally, the local economy is experiencing an influx of new businesses and developments, which further solidifies this area's appeal for renters seeking modern living spaces with easy access to employment hubs and entertainment options.



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