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 Date: 10/30/24



**SUMMARY FEASIBILITY REPORT  
 FOR PROPERTY LOCATED AT:  
 116-120 E Adams Blvd**

**GENERAL INFORMATION**

Address:	116-120 E Adams Blvd Los Angeles CA 90011	CPIO:	None
APN:	5128001005 5128001006	Specific Plan:	None
Parcel Size (SF):	14592	TOC:	Tier 3
Zoning:	(Q)R4-1	ED1 Eligible	Yes

**ADDITIONAL INFORMATION**

Council District:	CD 9	Alley :	No
HPOZ:	No	AB 2334 VMT Area:	Yes
Existing Units:	5	AB 2097 Eligible:	Yes
Hillside Grading:	No	Building Line:	No

While the lot has underlying zoning of R4-1, there is "Q" condition under Ordinance 167449 which effectively downzones the lot to RD2-1. Given this limitation, there are three primary options for multi-family development for the property located at 116 E Adams. The first option is a "by-right" project that requires no entitlement. With this approach, an owner can build up to 7 units in a structure of up to four stories, limited to a height of 45 feet. The second option involves utilizing the state density bonus program, allowing for a project totaling 16 units and 5 stories. This approval is ministerial, meaning it is not subject to CEQA review or appeal. Both of these options could also utilize a post-CoFo ADU conversion strategy to boost the unit count by 25% but would still be leaving considerable value on the table. The final option is a 100% affordable project utilizing the LA City ED1 program. This path maximizes the unit count and minimizes resistance, as the program offers ministerial approval and faster processing across all related departments. Although the building must be entirely affordable, covenanted rents can still yield a robust return. Approximately 91 units could be proposed using this strategy, which includes some designated parking. The units would be 1 beds at an average of 525SF, a healthy square footage. If ownership were so inclined, the units could be made smaller and the unit count could be inflated further.

By Right Entitlement	
Density: up to	7 Units
FAR: up to	31,833 Sq ft
Parking: low as	0 Spaces
Height: up to	45 feet
Floors: up to	4 Floors

100% Affordable / ED1	
Density: up to	unlim
FAR: up to	63,666 Sq ft
Parking: low as	0 Spaces
Height: up to	78 feet
Floors: up to	7 Floors

AB1287	
Density: up to	16 Units
FAR: up to	42,975 Sq ft
Parking: low as	0 Spaces
Height: up to	56 feet
Floors: up to	5 Floors

*General disclaimer: this analysis is meant to be a high level summary/feasibility of the property/parcel, and therefore does NOT take into account certain factors, such as impacts from (including but not limited to) environmental, watertable depth, utility requirements, commetrical space requirements, open space, tree planting, etc. These items and others could ultimately have an effect on the overall density, FAR, and height of the building structure.*

*This feasibility report is intended for informational purposes only and reflects the opinions and analyses of ODCS based on the information available at the time of preparation. The Report is not a guarantee of future performance or outcomes and should not be construed as legal, financial, or investment advice. The analyses within the Report are based on certain assumptions regarding key factors, including but not limited to projected rental income, construction costs, and financing costs. These assumptions are subject to change and may not reflect actual market conditions or costs at the time of development. Moreover, the Report may include interpretations of applicable codes, regulations, and laws. ODCS does not warrant that these interpretations are complete or accurate and disclaims any liability for errors, omissions, or misinterpretations that may arise from the application of such codes and regulations. ODCS makes no representations or warranties of any kind, express or implied, regarding the completeness, accuracy, or reliability of the information contained within the Report. Any reliance you place on such information is strictly at your own risk. Under no circumstances shall ODCS be liable for any direct, indirect, incidental, punitive, or consequential damages arising from or related to the use or interpretation of the Report. By utilizing this Report, you acknowledge that you have read, understood, and accepted this disclaimer and all terms and conditions herein.*

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**SUMMARY FINANCIAL FEASIBILITY REPORT  
 FOR PROPERTY LOCATED AT:  
 116-120 E Adams Blvd**

**LAND SUMMARY STATS FOR ED1**

Land Price:	\$ 1,950,000.00	# of Units:	91 Units
\$ Price/ Sq ft:	\$ 133.63	\$ Price/Unit:	\$ 21,428.57

**PROJECTED FINANCIAL STATEMENT**

	Low	Mid	High
Rents (5)	\$ 2,074,800	\$ 2,402,400	\$ 2,620,800
Less: Vacancy 5%	\$ (103,740)	\$ (120,120)	\$ (131,040)
Net Rents	\$ 1,971,060	\$ 2,282,280	\$ 2,489,760
Expenses 30%	\$ (591,318)	\$ (684,684)	\$ (746,928)
NOI	\$ 1,379,742	\$ 1,597,596	\$ 1,742,832
GRM	12.0x	10.5x	9.8x
Cost to Yield	5.52%	6.31%	6.78%

**PROJECTED CONSTRUCTION COSTS**

	Low	Mid	High
Total Land	\$ 1,950,000	\$ 1,950,000	\$ 1,950,000
Total Soft Costs Pre Construction(1)	\$ 1,737,328	\$ 1,737,328	\$ 1,737,328
Total Hard Costs(2)	\$ 19,099,800	\$ 19,418,130	\$ 19,736,460
Total Financing Costs(3)	\$ 1,948,180	\$ 1,980,649	\$ 2,013,119
Total Other(4)	\$ 250,000	\$ 250,000	\$ 250,000
Total Project Costs	\$ 24,985,308	\$ 25,336,107	\$ 25,686,907
\$ Project Cost/Unit	\$ 274,563.82	\$ 278,418.76	\$ 282,273.70

**PROJECTED RENTS**

	Low	Mid	High
Total Gross Sq Ft	63,666	63,666	63,666
Efficiency	75%	75%	75%
Rentable Sq Ft	47,775	47,775	47,775
Average Unit Size Sq Ft	525	525	525
Unit Mix			
1 Bed / 1 Bath	91	525	
2 Bed / 2 Bath			
Total Monthly Rents	\$ 172,900	\$ 200,200	\$ 218,400
Total Annual Rents	\$ 2,074,800	\$ 2,402,400	\$ 2,620,800

Note(1) Preconstruction soft costs are estimates; assumes quimbyfees @ \$8,000 per unit; assumes permits are \$8/Sqft  
 Note(2) Hard costs are estimates, as actual may differ based on a number of factors; assumes \$300/Sqft for low, \$305/Sqft for mid, \$310/Sqft for high  
 Note(3) Financing costs assume loan at 8.5%, 60% LTC and two years construction draw  
 Note(4) Assumes other overruns not picked up elsewhere  
 Note(5) Rents are estimates, actuals may differ based on a number of factors. Users to verify independently

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