2505 Malabar Street

an exclusively offered
10-unit multifamily asset
with massive upside
in Los Angeles'
Boyle Heights

Marcus & Millichap

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Malabar Street
2505 Malabar Street
Fickett Street

INVESTMENT ANALYSIS

Marcus & Millichap

EXECUTIVE SUMMARY

PRICING INFORMATION

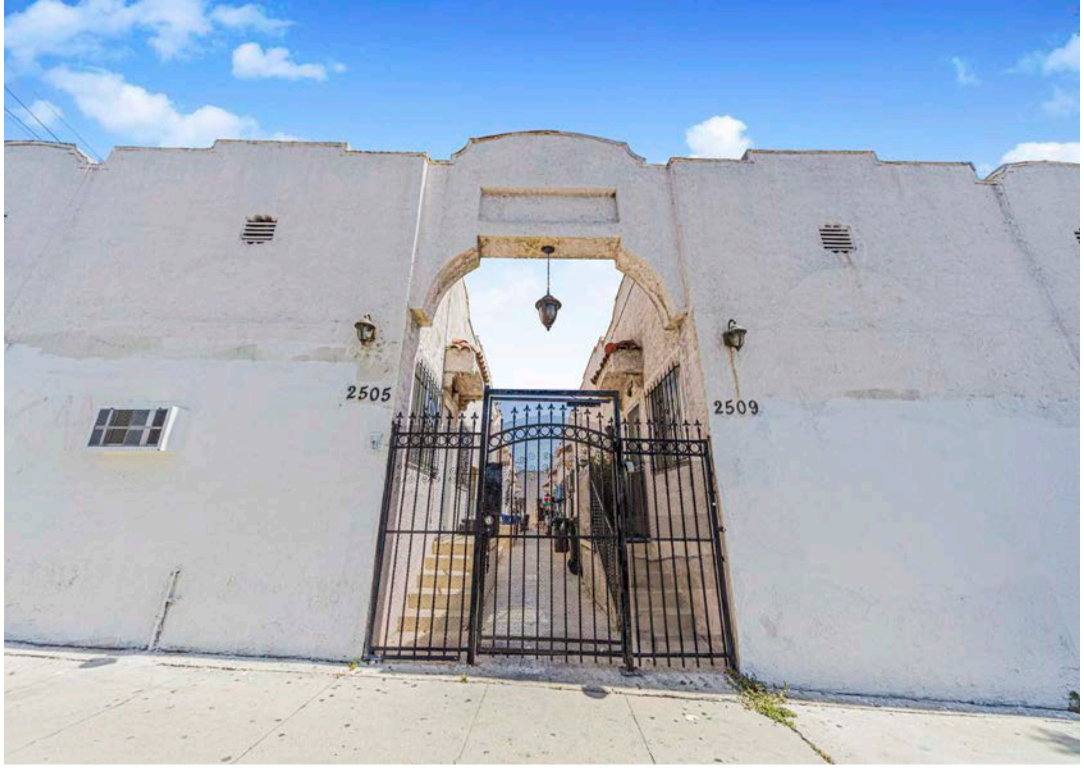
Offering Price	$1,100,000
Price/Unit	$110,000
Price/SF	$221
Cap Rate (Current)	5.50%
Cap Rate (Market)	12.46%

PROPERTY DETAILS

Address	2505 Malabar Street, Los Angeles, CA 90033
Units	10
Building SF	4,974
Year Built	1924
Lot SF	7,002
APN	5177-020-025
Zoning	LARD1.5

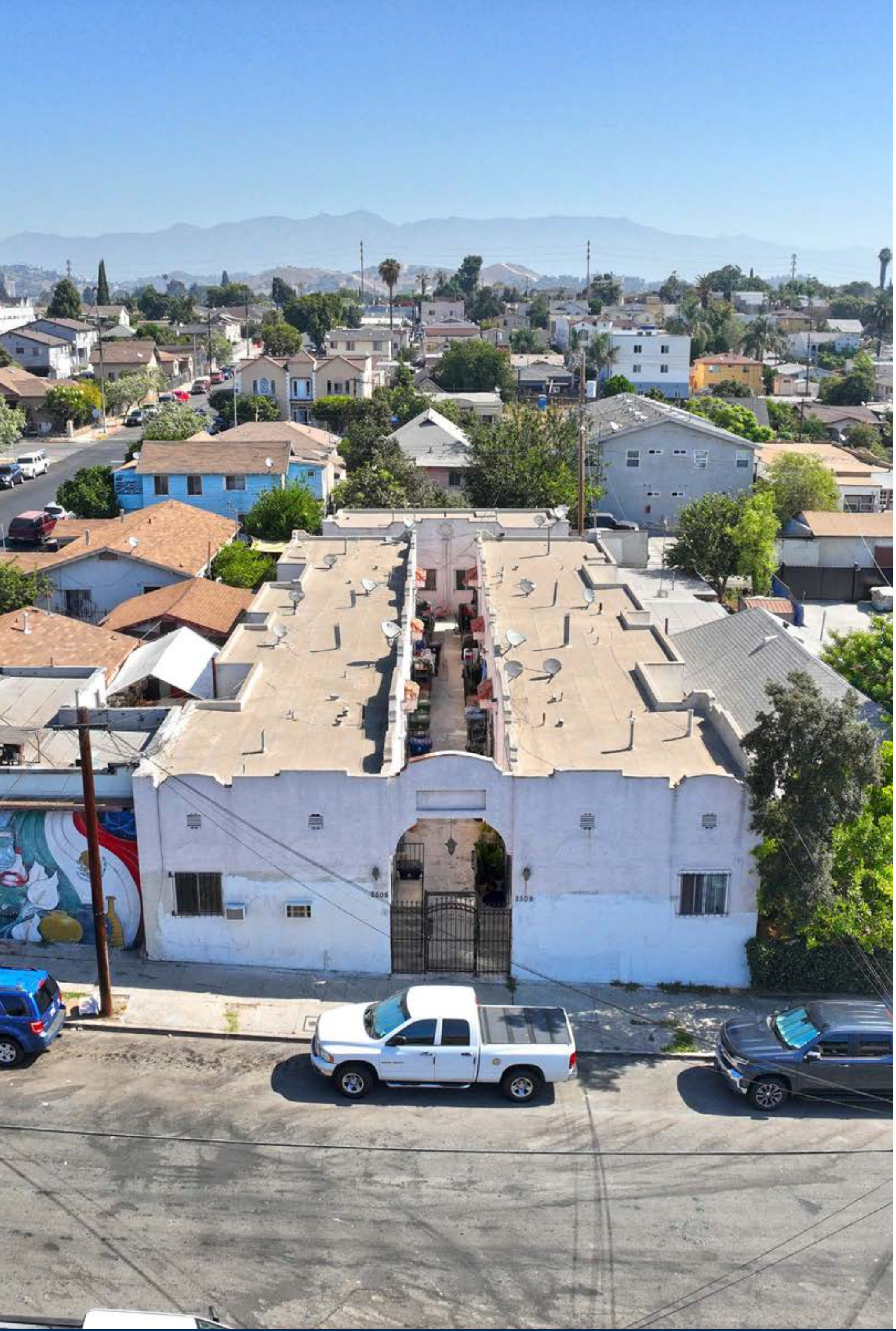
UTILITIES

Electric	Separately Metered
Gas	Separately Metered
Water	Master Metered



INVESTMENT HIGHLIGHTS

- Value-Add Opportunity With Massive Upside: Current rents are well-below market and offer 68 percent potential upside
- Single-Story 10-Unit Apartment Complex: Gated community with all one-bed/ one-bath units and laundry facilities
- Boyle Heights Location: Conveniently near Downtown LA employers and attractions, less than one mile from USC Medical Center, and proximate to freeways and transit
- Located in One of Los Angeles' Most Active Infill Development Markets: Ongoing development supports investor sentiment in the area's consistent rental demand



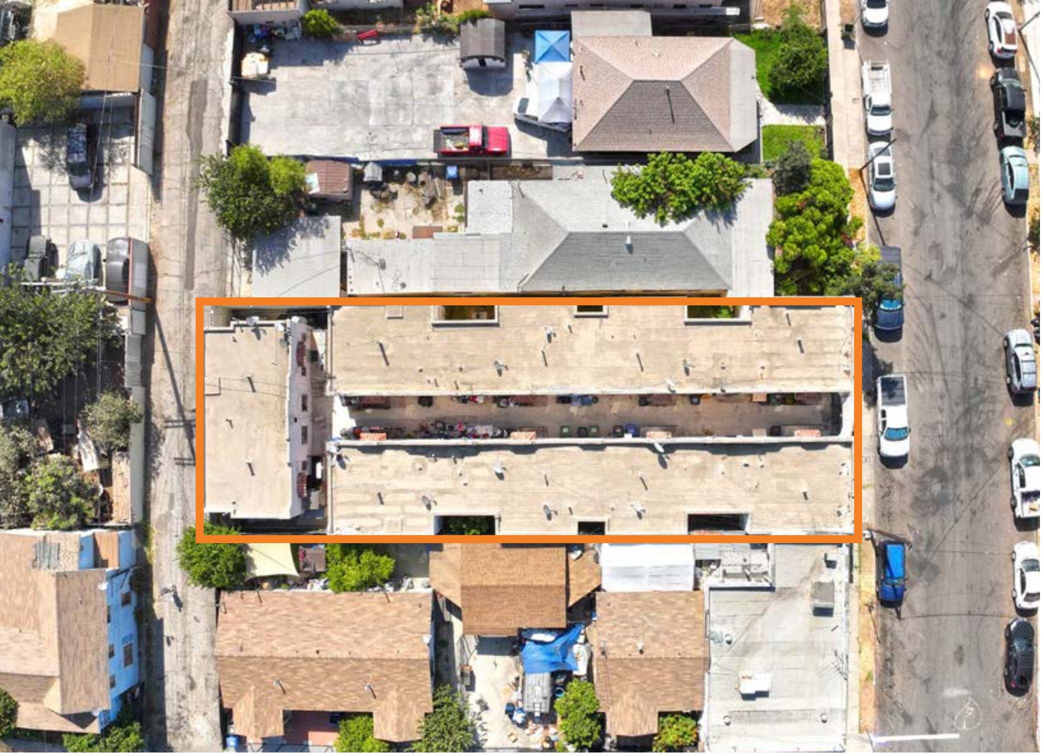
INVESTMENT DESCRIPTION

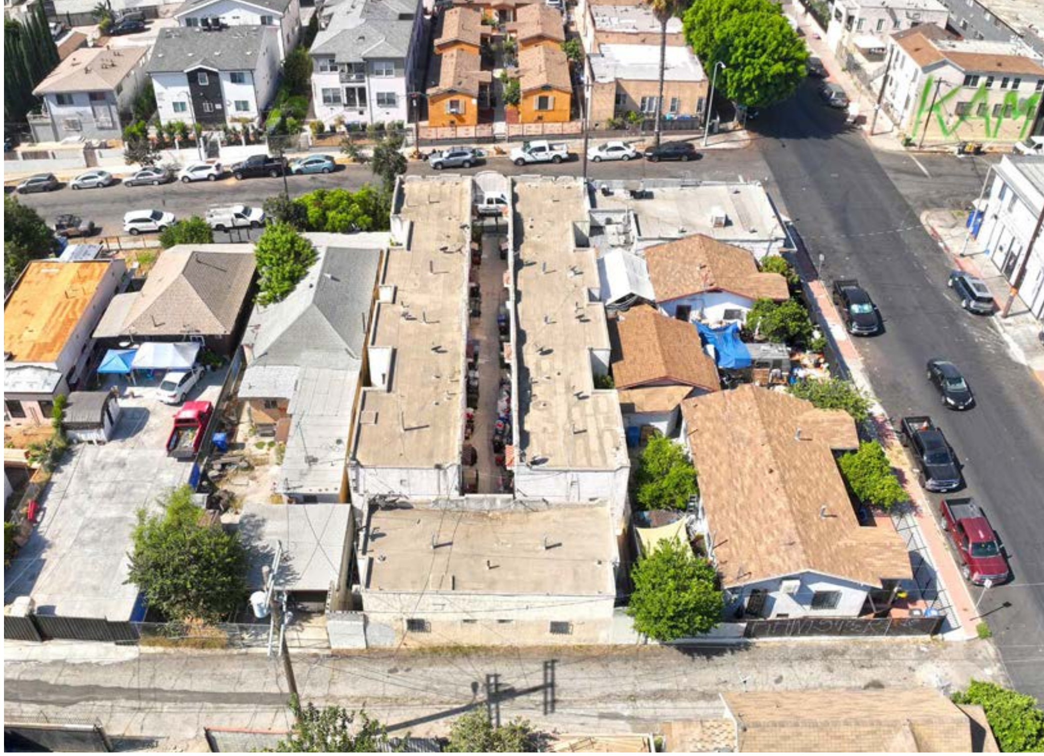
Marcus & Millichap is pleased to present to market 2505 Malabar Street, a 10-unit multifamily asset in Los Angeles' Boyle Heights neighborhood. This offering is an excellent acquisition opportunity for an investor seeking value-add potential: current rents are well-below market and present 68 percent rental upside.

2505 Malabar Street is a 1924 construction single-story apartment complex with all one-bedroom/one-bath units. Select units feature interior upgrades and wall A/C units. and the building also offers laundry facilities.

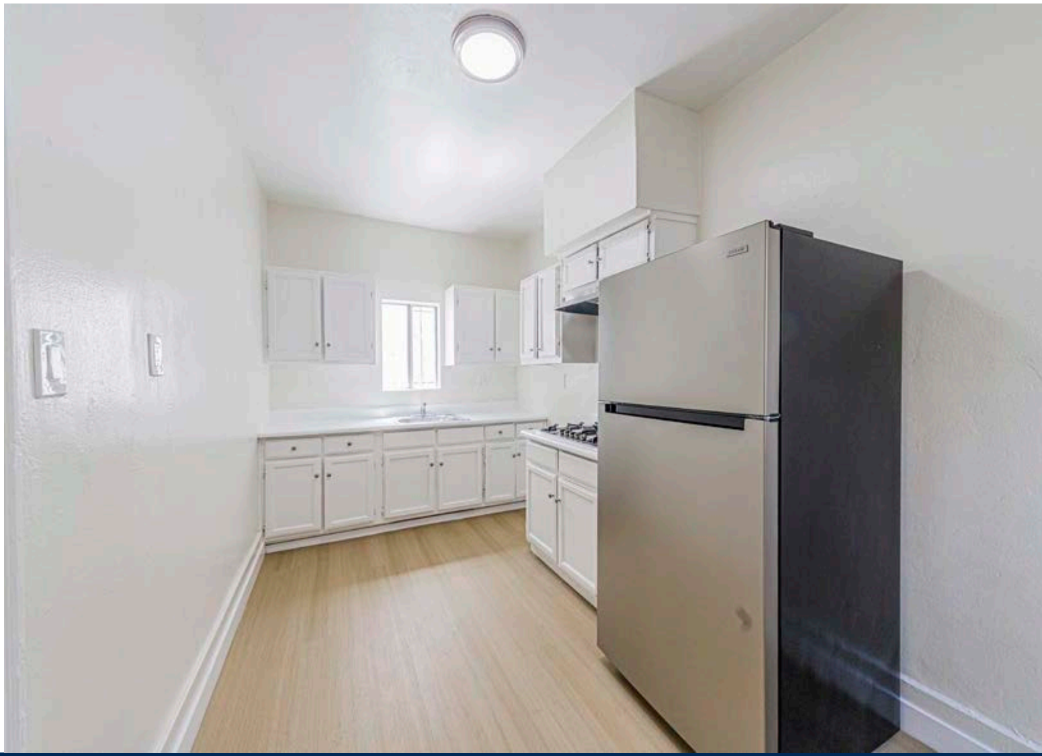
The property is located in Boyle Heights with convenient access to major employers and attractions in Downtown Los Angeles, less than a mile to USC Medical Center, and proximate to freeways and the Metro E Line. This area is one of Los Angeles' most active infill development markets, signaling investor sentiment in the area and its consistent rental demand.


USC Medical Center
2505 Malabar Street
Fickett Street
Malabar Street

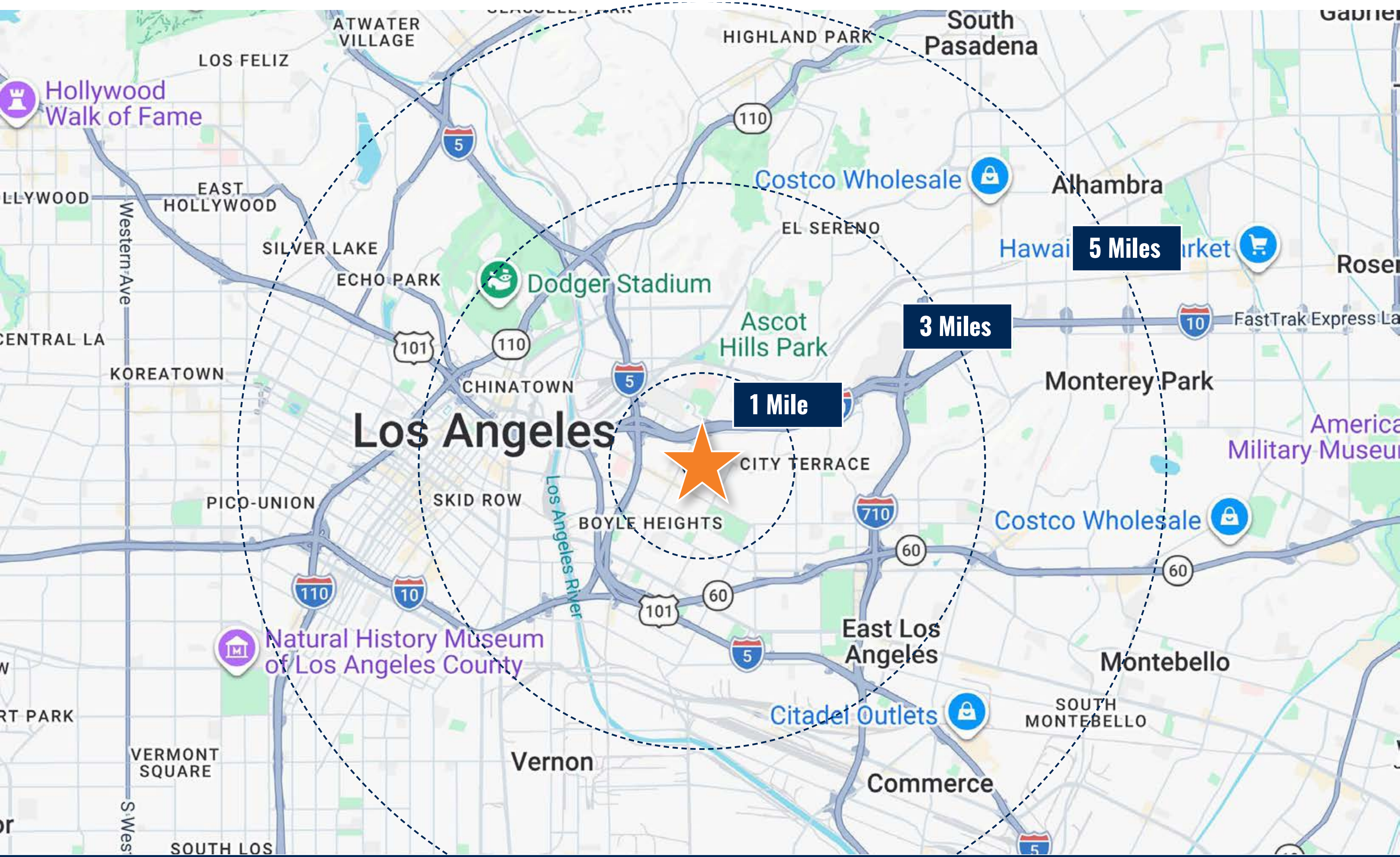




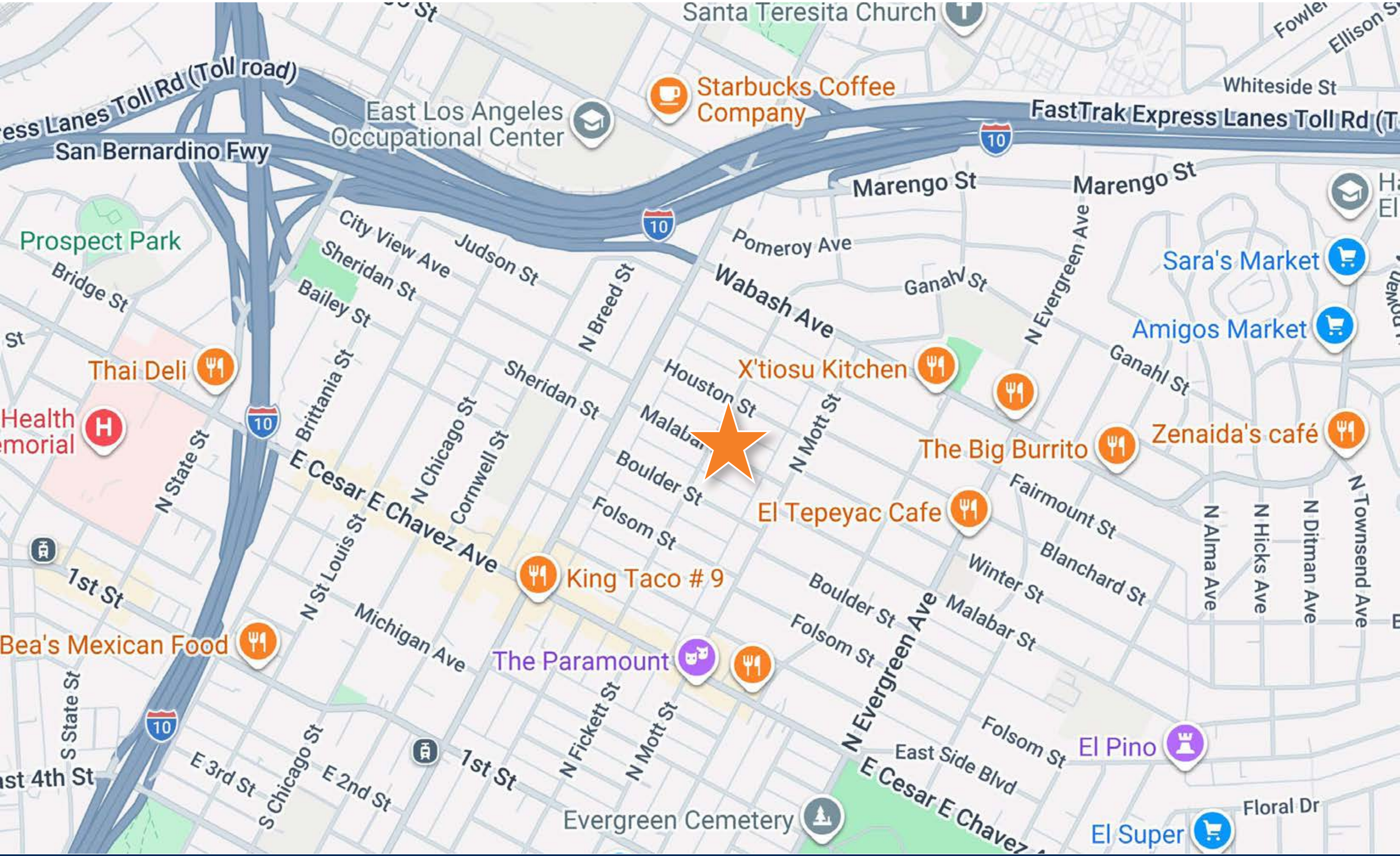

2505
2509



PROPERTY LOCATION



PROPERTY LOCATION



PRICING SUMMARY

PRICING & PROPERTY DETAILS	
Address	2505 Malabar Street
	Los Angeles, CA 90033
List Price	$1,100,000
No. of Units	10
Rentable SF	4,974
Price/Unit	$110,000
Price/SF	$221
Lot Size (SF)	7,002
Year Built	1924

VITAL DATA	CURRENT	PRO FORMA
NOI	$60,466	$137,021
Cap Rate	5.50%	12.46%
GRM	9.10	5.39

INCOME & EXPENSES

NO. OF UNITS	UNIT TYPE	% OF UNITS	AVG. CURRENT RENT	TOTAL RENT	PRO FORMA RENT	TOTAL RENT
10	1 BR / 1 BA	100%	$1,008	$10,077	$1,700	$17,000
10	Total			$10,077		$17,000

ANNUALIZED EXPENSES	CURRENT	PRO FORMA
Real Estate Taxes	$14,261	$14,261
Insurance	$8,705	$8,705
Utilities	$9,000	$9,000
Repairs & Maint.	$10,000	$10,000
General & Admin	$1,000	$1,000
Management Fee	$5,865	$9,894
Contract Services	$2,500	$2,500
Turnover Costs	$3,000	$3,000
CAPEX/Reserves	$2,500	$2,500
Total	$56,830	$60,859
Per Unit	$5,683	$6,086
Per SF	$11.43	$12.24
% EGI	48.45%	30.76%

ANNUALIZED OPERATING DATA	CURRENT	PRO FORMA
All Units at Market Rent	$204,000	$204,000
Less: Loss to Lease	$83,076	$0
Gross Potential Rent	$120,924	$204,000
Less: Vacancy Allowance	$3,628	$6,120
Effective Gross Income	$117,296	$197,880
Less: Expenses	$56,830	$60,859
Net Operating Income	$60,466	$137,021

RENT ROLL

UNIT NO.	UNIT TYPE	CURRENT RENT	PRO FORMA RENT
1*	1 BR / 1 BA	$1,700	$1,700
2	1 BR / 1 BA	$893	$1,700
3*	1 BR / 1 BA	$1,700	$1,700
4	1 BR / 1 BA	$963	$1,700
5	1 BR / 1 BA	$767	$1,700
6	1 BR / 1 BA	$800	$1,700
7	1 BR / 1 BA	$825	$1,700
8	1 BR / 1 BA	$720	$1,700
9	1 BR / 1 BA	$885	$1,700
10	1 BR / 1 BA	$824	$1,700
10	Total	$10,077	$17,000

*Vacant

10-YEAR CASH FLOW

	AUG-27	AUG-28	AUG-29	AUG-30	AUG-31	AUG-32	AUG-33	AUG-34	AUG-35	AUG-36
Income										
All Units at Market Rent	$212,160	$220,646	$229,472	$238,651	$248,197	$258,125	$268,450	$279,188	$290,356	$301,970
Gain (Loss)-to-Lease	($80,584)	($78,166)	($75,821)	($73,546)	($71,340)	($69,200)	($67,124)	($65,110)	($63,157)	($61,262)
Gross Potential Rent	$131,576	$142,480	$153,651	$165,105	$176,857	$188,925	$201,326	$214,078	$227,199	$240,708
Vacancy Allowance	($3,947)	($4,274)	($4,610)	($4,953)	($5,306)	($5,668)	($6,040)	($6,422)	($6,816)	($7,221)
Effective Gross Income	$127,629	$138,206	$149,042	$160,152	$171,551	$183,257	$195,286	$207,656	$220,383	$233,486
Expenses										
Real Estate Taxes	$14,546	$14,837	$15,134	$15,436	$15,745	$16,060	$16,381	$16,709	$17,043	$17,384
Insurance	$8,705	$8,966	$9,235	$9,512	$9,797	$10,091	$10,394	$10,705	$11,027	$11,357
Utilities	$9,000	$9,270	$9,548	$9,835	$10,130	$10,433	$10,746	$11,069	$11,401	$11,743
Repairs & Maint.	$10,000	$10,300	$10,609	$10,927	$11,255	$11,593	$11,941	$12,299	$12,668	$13,048
General & Admin	$1,000	$1,030	$1,061	$1,093	$1,126	$1,159	$1,194	$1,230	$1,267	$1,305
Management Fee	$6,381	$6,910	$7,452	$8,008	$8,578	$9,163	$9,764	$10,383	$11,019	$11,674
Contract Services	$2,500	$2,575	$2,652	$2,732	$2,814	$2,898	$2,985	$3,075	$3,167	$3,262
Turnover Costs	$3,000	$3,090	$3,183	$3,278	$3,377	$3,478	$3,582	$3,690	$3,800	$3,914
CAPEX/Reserves	$2,500	$2,575	$2,652	$2,732	$2,814	$2,898	$2,985	$3,075	$3,167	$3,262
Total Expenses	$57,632	$59,553	$61,526	$63,552	$65,634	$67,773	$69,973	$72,234	$74,558	$76,949
Net Operating Income	$69,997	$78,653	$87,516	$96,600	$105,917	$115,484	$125,314	$135,422	$145,824	$156,537

INCOME & EXPENSE NOTES

Pro forma rents represent all units at adjusted market rents. Market rents are underwritten using comparable market rents and assume that the buyer will continue to upgrade the units to market levels, with similar features, upgrades, and amenities as surrounding area properties.

Pro forma vacancy loss is underwritten at 3%, which is common for an asset located in this area. Loss-to-lease is underwritten as market rents, less the properties current rent roll.

Real estate taxes are calculated on proposed pricing at an ad valorem rate of 1.18738% on the full value of the land and improvements and $1,199.67 for special assessments which was obtained from the LA County Tax Assessor's Office.

Pro forma insurance is estimated at industry standards at $1.75 per square foot.

Pro forma utilities is estimated at industry standards at $900 per unit.

Pro forma repairs and maintenance expense is estimated at $1000 per unit. A standard amount for a building of this size, age, and condition.

Pro forma general and administrative expense is underwritten at $100 per unit.

Pro forma management fee expense is underwritten at 5% of gross operating income.

Pro forma pest control expense is underwritten at $100 per unit, pro forma landscaping expense is underwritten at $150 per unit, and both are rolled into contract services.

Pro forma turnover cost is underwritten at $300 per unit.

Pro forma replacements and reserves is underwritten at $250 per unit, and represents industry standards for an asset of this size and age.

SALES COMPARABLES

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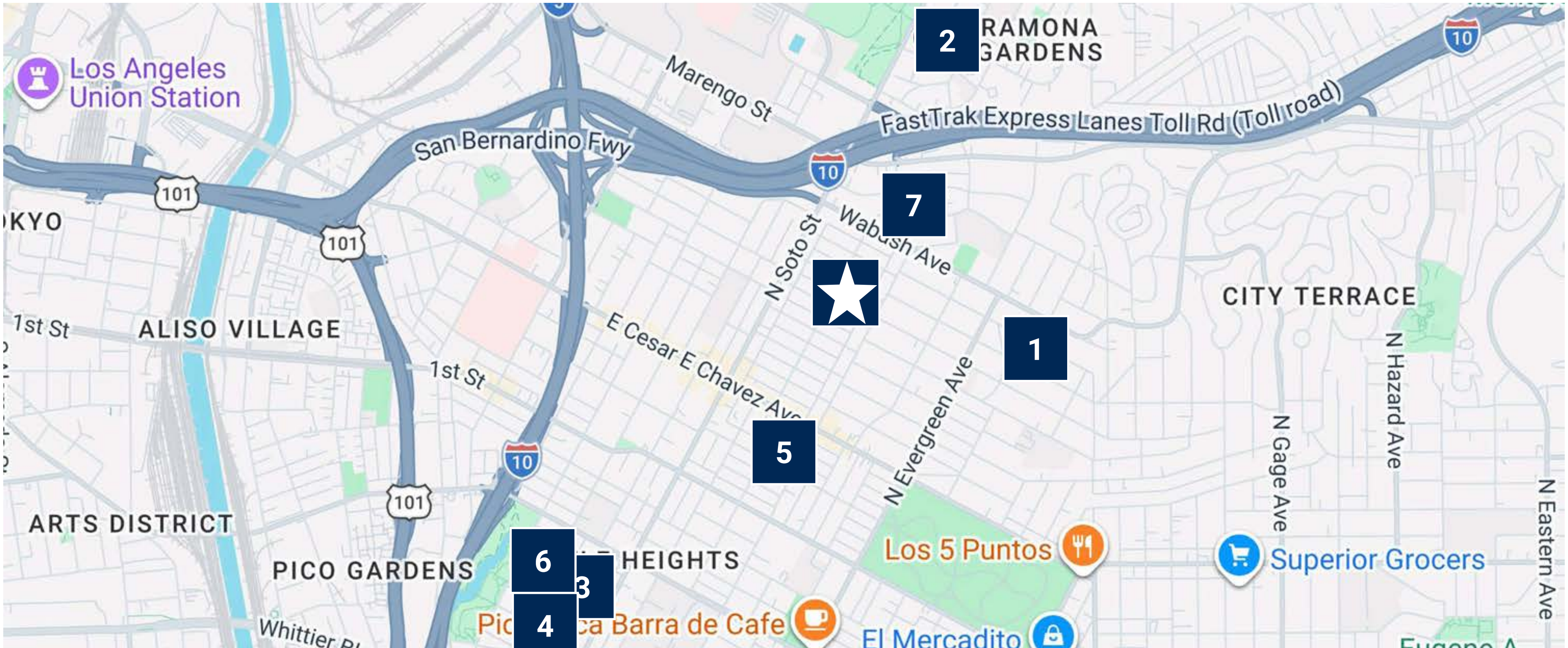
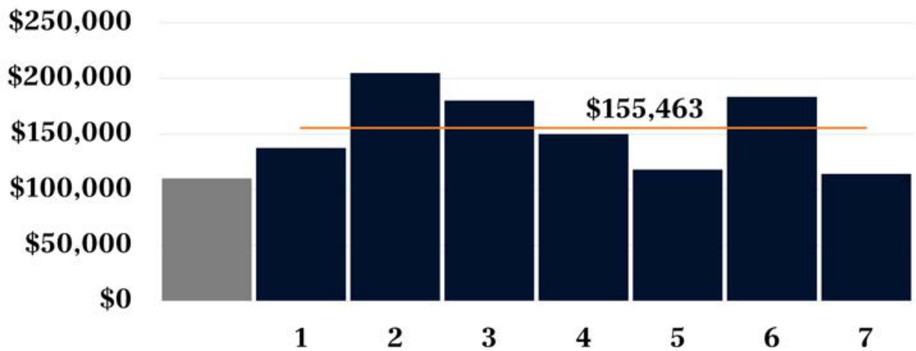
SALES COMPARABLES



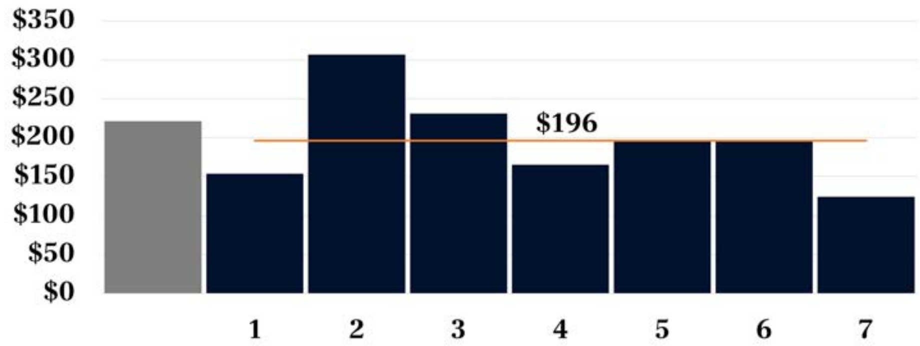
NO.	ADDRESS	PRICE	UNITS	PRICE/UNIT	PRICE/SF	CAP RATE	GRM	SALE DATE
1	919 N Stone St	$1,100,000	8	$137,500	$154	7.03%	8.92	7/17/2026
2	2466 Lancaster Ave	$1,230,000	6	$205,000	$307	6.22%	11.69	5/14/2026
3	451 S Breed St	$900,000	5	$180,000	$231	7.01%	8.95	4/14/2026
4	545 S Breed St	$750,000	5	$150,000	$165	7.57%	8.42	1/16/2026
5	322 N Fickett St	$945,000	8	$118,125	$195	5.92%	10.36	12/31/2025
6	445 S Chicago St	$1,100,000	6	$183,333	$197	9.67%	6.41	6/11/2025
7	2518 Pomeroy Ave	$800,000	7	$114,286	$125	9.27%	7.00	6/10/2025
		Comparables Average		$155,463	$196	7.53%	8.82	
Subject	2505 Malabar Street	$1,100,000	10	$110,000	$221	5.50%	9.10	

SALES COMPARABLES

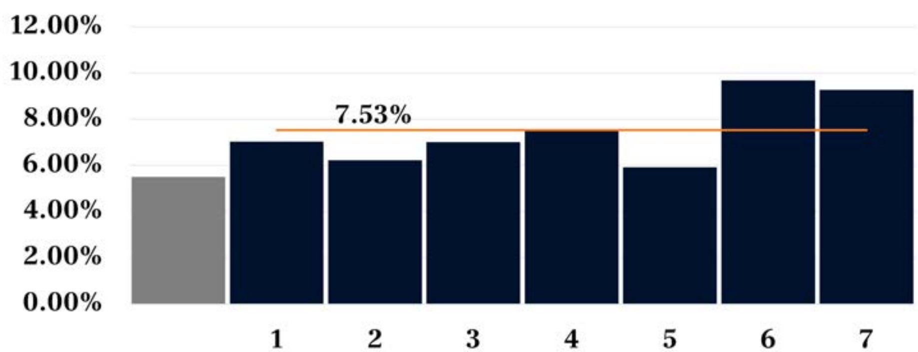
Price Per Unit



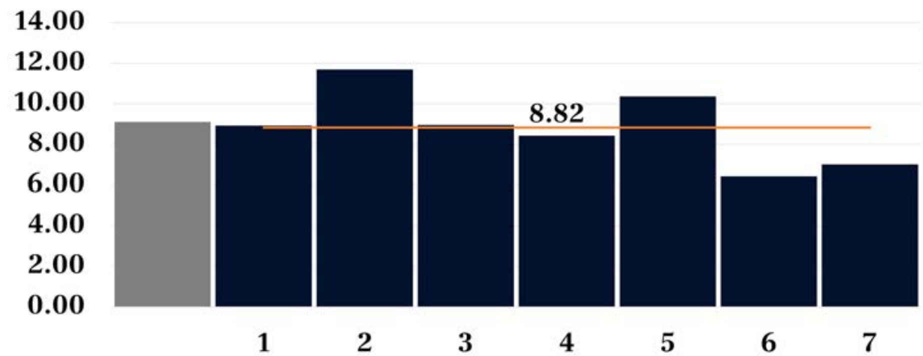
Price Per SF



Cap Rate



GRM



SALES COMPARABLES

1

919 N Stone St
Los Angeles, CA 90063-2743

Sale Date	7/17/2026
Price	$1,100,000
Units	8
Price/Unit	$137,500
Price/SF	$153.55
Cap Rate	7.03%
GRM	8.92
Year Built	1930

Unit Mix	
4	One-Bedroom
4	Two-Bedroom

2

2466 Lancaster Ave
Los Angeles, CA 90033-1561

Sale Date	5/14/2026
Price	$1,230,000
Units	6
Price/Unit	$205,000
Price/SF	$306.81
Cap Rate	6.22%
GRM	11.69
Year Built	1959

Unit Mix	
5	One-Bedroom
1	Two-Bedroom

3

451 S Breed St
Los Angeles, CA 90033-4391

Sale Date	4/14/2026
Price	$900,000
Units	5
Price/Unit	$180,000
Price/SF	$230.89
Cap Rate	7.01%
GRM	8.95
Year Built	1895

Unit Mix	
4	Two-Bedroom
1	Three-Bedroom

SALES COMPARABLES

4

545 S Breed St
Los Angeles, CA 90033

Sale Date	1/16/2026
Price	$750,000
Units	5
Price/Unit	$150,000
Price/SF	$165.13
Cap Rate	7.57%
GRM	8.42
Year Built	1924
Unit Mix	
4	One-Bedroom
1	Two-Bedroom

5

322 N Fickett St
Los Angeles, CA 90033-3008

Sale Date	12/31/2025
Price	$945,000
Units	8
Price/Unit	$118,125
Price/SF	$194.81
Cap Rate	5.92%
GRM	10.36
Year Built	1914
Unit Mix	
7	One-Bedroom
1	Two-Bedroom

6

445 S Chicago St
Los Angeles, CA 90033

Sale Date	6/11/2025
Price	$1,100,000
Units	6
Price/Unit	$183,333
Price/SF	$197.27
Estimated Cap Rate	9.67%
GRM	6.41
Year Built	1926
Unit Mix	
6	One-Bedroom

SALES COMPARABLES

7

2518 Pomeroy Ave
Los Angeles, CA 90033-2033

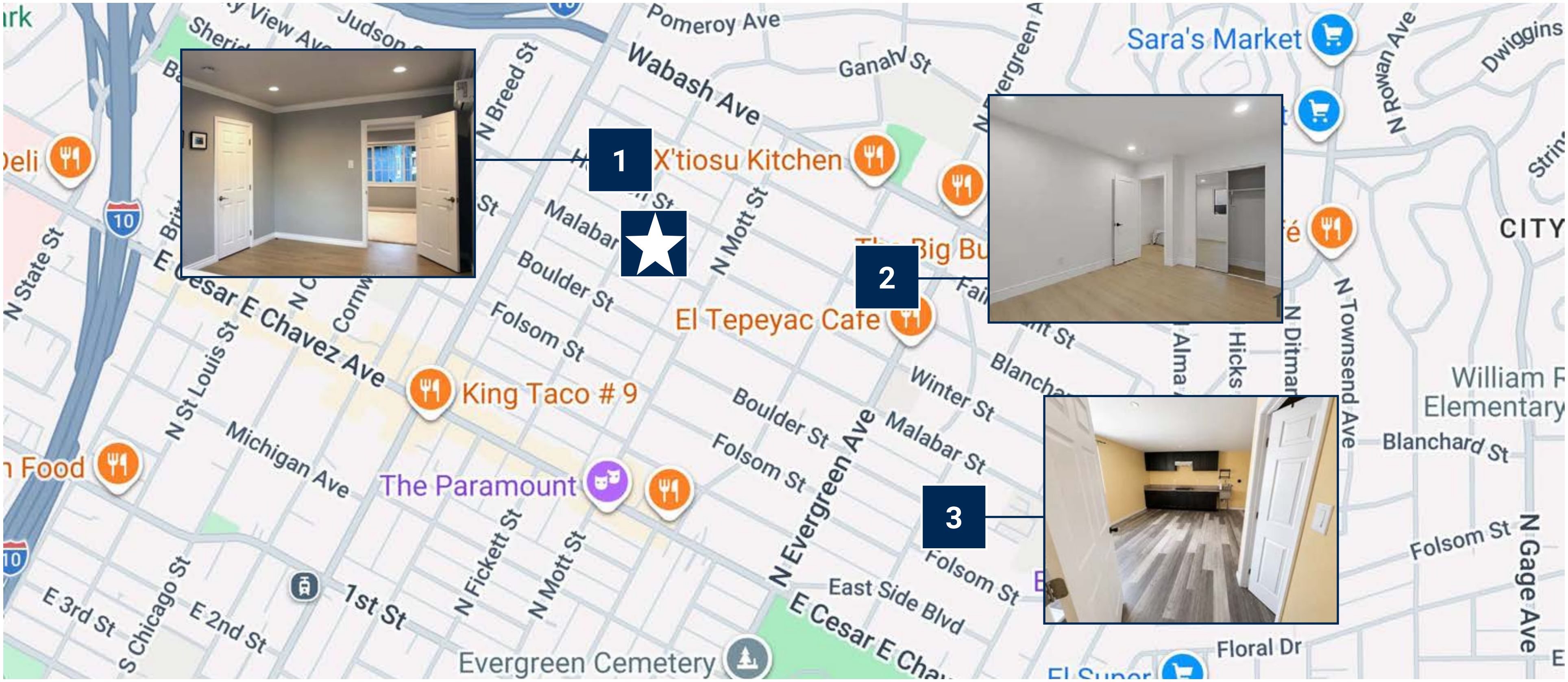
Sale Date	6/10/2025
Price	$800,000
Units	7
Price/Unit	$114,286
Price/SF	$124.51
Cap Rate	9.27%
GRM	7.00
Year Built	1928

Unit Mix	
7	One-Bedroom

RENT COMPARABLES

Marcus & Millichap

RENT COMPARABLES



NO.	ADDRESS	UNIT TYPE	UNIT SQFT	MONTHLY RENT	RENT PER SF
1	2437 Houston Street	1 BR / 1 BA	410	$1,800	$4.39
2	2821 Blanchard Street	1 BR / 1 BA	650	$1,800	$2.77
3	3110 Boulder Street	1 BR / 1 BA	450	$1,700	$3.78

MARKET OVERVIEW

Marcus & Millichap

MARKET OVERVIEW
GREATER DOWNTOWN L.A.

Greater Downtown Los Angeles consists of the Downtown, Mid-Wilshire and Hollywood submarkets. The market has been an epicenter of multifamily development in the county over the past five years, as more than 20,000 units were added during this span. The market's sizable development pipeline will support continued revitalization that will boost the local populace, which is projected to exceed 800,000 residents by 2029. Downtown's numerous corporations, retail and entertainment venues are positioned to benefit from this growth.

Population
794K

Growth 2024-2029*
1.6%

Households
370K

Growth 2024-2029*
2.7%

Median Age
37.0

U.S. Median
39.0

Median HH Income
$73,200

U.S. Median
$76,100

* Forecast
Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

Metro Highlights

- Improved Infrastructure & Connectivity: Nearly $900 million of public funds has been allocated to the Los Angeles area in preparation for the 2028 Summer Olympics, including extensions to the D Line subway.
- Rapid Household Growth: Household formation will increase during the next five years, with the addition of roughly 13,000 households.
- Robust Health Sector: Health care provides many jobs in the downtown area, employing thousands of workers and supported by public health care initiatives.

Economy Highlights

- Major employers in the market include Farmers Insurance, Kaiser Permanente, Paramount Pictures, Deloitte, Ernst & Young, the University of Southern California and Transamerica Insurance.
- Professional sports is a major economic driver in the area, as the Los Angeles Lakers and Clippers of the NBA, Kings of the NHL, and Dodgers of the MLB, all play their home games here. Professional sports across Los Angeles and Orange Counties is a $3 billion a year industry.
- A well-educated population provides companies with a skilled workforce. Roughly 40 percent of people ages 25 and older hold a bachelor's degree; among those residents, about a quarter have also gone on to earn a graduate or professional degree.

LOCAL DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2030 Projection			
Total Population	53,039	296,418	923,587
2025 Estimate			
Total Population	53,105	295,318	917,255
2020 Census			
Total Population	54,745	302,633	937,956
2010 Census			
Total Population	59,116	306,888	942,916
Daytime Population			
2025 Estimate	39,185	477,833	1,161,973
HOUSEHOLDS	**1 Mile**	**3 Miles**	**5 Miles**
2030 Projection			
Total Households	15,808	101,879	328,043
2025 Estimate			
Total Households	15,627	99,921	321,571
Average (Mean) Household Size	3.4	3.0	2.9
2020 Census			
Total Households	15,295	96,258	309,438
2010 Census			
Total Households	14,892	87,577	281,462
Growth 2025-2030	1.2%	2.0%	2.0%
HOUSING UNITS	**1 Mile**	**3 Miles**	**5 Miles**
Occupied Units			
2030 Projection	16,581	109,044	351,005
2025 Estimate	16,393	106,911	343,754
Owner Occupied	3,816	25,361	84,879
Renter Occupied	11,804	74,501	236,673
Vacant	766	6,990	22,184
Persons in Units			
2025 Estimate Total Occupied Units	15,627	99,921	321,571
1 Person Units	18.0%	31.2%	29.1%
2 Person Units	21.8%	23.7%	25.8%
3 Person Units	16.3%	14.1%	15.5%
4 Person Units	17.6%	13.1%	13.5%
5 Person Units	13.2%	8.8%	8.3%
6+ Person Units	13.2%	9.0%	7.9%

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2025 Estimate			
$200,000 or More	3.2%	7.0%	8.7%
$150,000-$199,999	5.8%	7.2%	7.6%
$100,000-$149,999	14.9%	15.2%	15.6%
$75,000-$99,999	14.3%	12.8%	12.5%
$50,000-$74,999	17.9%	14.4%	15.1%
$35,000-$49,999	11.2%	10.2%	10.3%
$25,000-$34,999	10.0%	7.9%	8.4%
$15,000-$24,999	9.6%	9.3%	8.5%
Under $15,000	13.0%	15.9%	13.4%
Average Household Income	$74,037	$83,224	$87,871
Median Household Income	$60,858	$64,240	$68,494
Per Capita Income	$22,023	$29,588	$32,516
POPULATION PROFILE	**1 Mile**	**3 Miles**	**5 Miles**
Population By Age			
2025 Estimate Total Population	53,105	295,318	917,255
Under 20	28.7%	22.9%	22.9%
20 to 34 Years	24.4%	25.1%	25.4%
35 to 39 Years	7.0%	7.9%	8.1%
40 to 49 Years	12.8%	13.4%	13.5%
50 to 64 Years	15.7%	17.2%	16.8%
Age 65+	11.4%	13.6%	13.3%
Median Age	35.0	38.0	38.0
Population 25+ by Education Level			
2025 Estimate Population Age 25+	33,525	206,701	641,359
Elementary (0-8)	29.4%	21.3%	20.9%
Some High School (9-11)	16.4%	13.5%	11.7%
High School Graduate (12)	24.1%	21.9%	20.3%
Some College (13-15)	13.6%	15.5%	14.9%
Associate Degree Only	3.1%	5.0%	5.3%
Bachelor's Degree Only	9.8%	15.3%	18.2%
Graduate Degree	3.6%	7.5%	8.8%
Population by Gender			
2025 Estimate Total Population	53,105	295,318	917,255
Male Population	50.0%	51.9%	50.9%
Female Population	50.0%	48.1%	49.1%

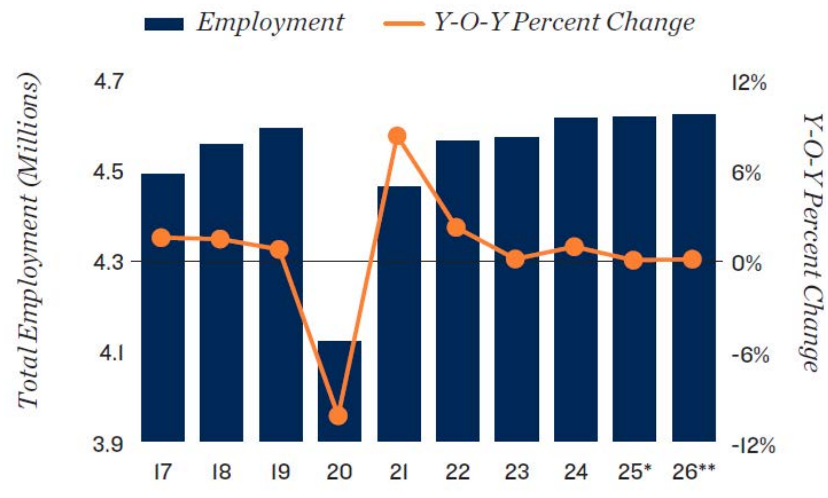
INVESTMENT FORECAST
LOS ANGELES METRO 2026

Rental Demand Proves Steadfast, but Metro Faces Heightened Exposure to Broader Headwinds

Emerging and longstanding tailwinds limit the impact of near-term hurdles. After two years of moderate vacancy compression, Los Angeles' rental market will face several challenges in 2026 that could alter the trajectory of local demand. Home to the nation's fourth-largest immigrant population — more than 4 million people as of 2023 — the market will continue to be acutely affect-ed by stricter immigration policies, which reduced the number of individuals arriving to the U.S. legally last year. The ongoing decline in local film- and entertainment-related jobs may also affect the metro's renter pool. Over the past three years, the number of Los Angelenos employed in the motion picture industry has declined by at least 40,000. Fortunately, the market will face limited supply pressure in 2026, as approximately 6,200 units are slated for delivery — the lowest total since 2015. This, along with the metro's longstanding barriers to homeownership, will counter the headwinds affecting the renter pool, keeping the metro in a low-vacancy state over the near term.

Private investor interest apparent. Los Angeles tallied the most transactions among major markets last year, with sub-$5 million sales accounting for nearly 90 percent of deal flow. Home to below-average rent and Class C vacancy in the 3 percent to 4 percent range, Greater Ingle-wood, Long Beach, and other parts of South Bay should continue to attract upside-seeking buyers targeting assets that command similar capital infusions. Exhibiting comparable fundamentals, the San Gabriel and San Fernando valleys will represent additional centers of Class C trading in 2026, with investors often acquiring assets via 1031 exchange. In Los Angeles proper, investor demand for these assets will be impacted by recent changes to the city's rent stabilization ordinance, which now caps rent increases for apartments built before 1978 at 4 percent or 90 percent of CPI.

EMPLOYMENT TRENDS



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

2026 Market Forecast

EMPLOYMENT

+0.1%
employment increase

Aided by healthcare hiring, Los Angeles registers a second straight year of modest job creation that translates to the addition of 6,000 positions.

CONSTRUCTION

6,200
units will be completed

For the fifth consecutive year, local apartment inventory expands by less than 1 percent. Deliveries in Los Angeles proper account for nearly half the units added metrowide.

VACANCY

10
basis point increase in vacancy

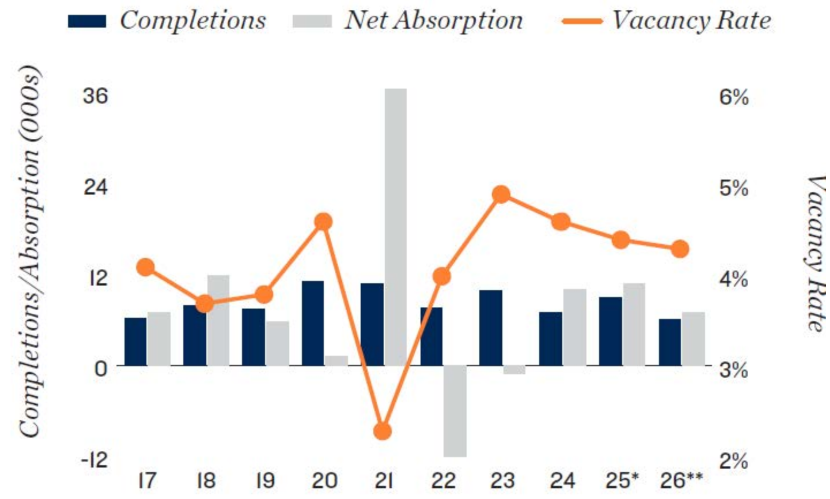
Supply and demand remain aligned despite the metro's exposure to several significant headwinds. As such, vacancy dips slightly to 4.3 percent — on par with the market's long-term average.

RENT

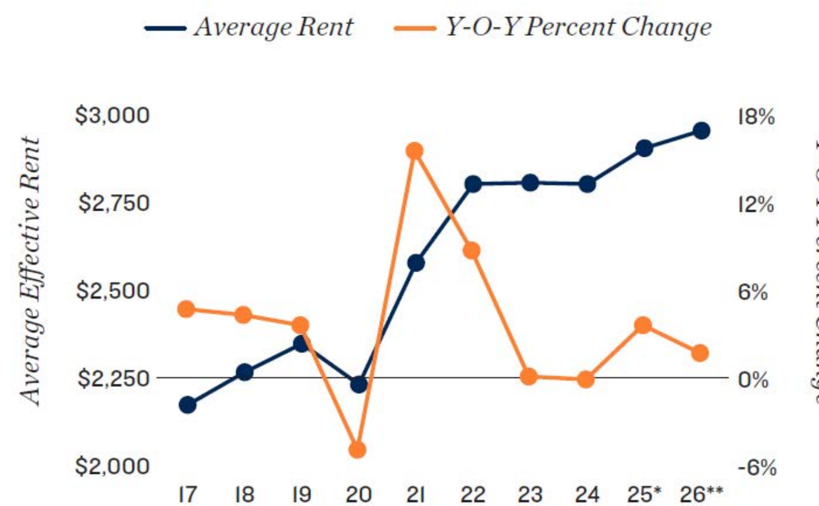
1.7%
increase in effective rent

Four-year-low vacancy, fueled partially by encouraging renewal ac-tivity, supports moderate rent growth in 2026. The metro's average effective rate ends this year at $2,950 per month.

SUPPLY & DEMAND



RENT TRENDS



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Marcus & Millichap

Steve Bogoyevac
(562) 257-1231
Executive Managing Director
Lic: CA 01332755
SBogoyevac@MarcusMillichap.com

Kevyn Calleja
(424) 405-3867
Associate
Lic: CA 02242420
Kevyn.Calleja@marcusmillichap.com