

OFFERING MEMORANDUM

1366 WEST 37TH PLACE

OFFERED AT \$1,150,000

A value-add 6-unit apartment building located within the USC Patrol Zone, with 2 vacancies and student housing potential.

LOS ANGELES, CA 90007

 **Kidder
Mathews**

TABLE OF CONTENTS

01

EXECUTIVE
SUMMARY

02

FINANCIAL
ANALYSIS

03

AREA
OVERVIEW

*Exclusively
Listed by*

DARIN SPILLMAN
Senior Vice President
310.592.8269
darin.spillman@kidder.com
LIC N°01366902

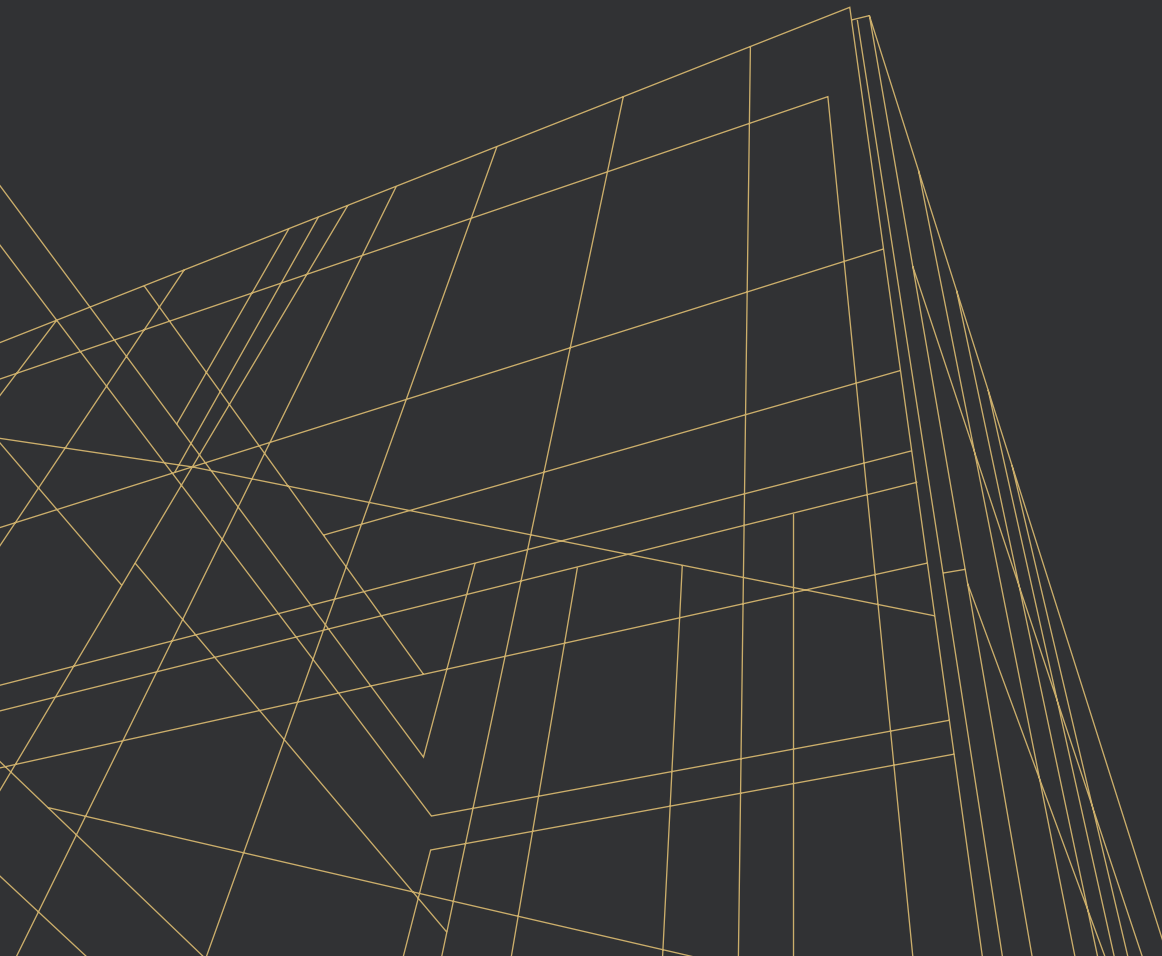
KIDDER.COM



The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Kidder Mathews and should not be made available to any other person or entity without the written consent of Kidder Mathews.

This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Kidder Mathews has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Kidder Mathews has not verified, and will not verify, any of the information contained herein, nor has Kidder Mathews conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

This information has been secured from sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Recipient of this report must verify the information and bears all risk for any inaccuracies.



EXECUTIVE SUMMARY

VALUE ADD OPPORTUNITY WITHIN WALKING DISTANCE TO USC CAMPUS

Kidder Mathews, as exclusive listing agent, is pleased to present for sale 1366 W 37th Place, a 6-unit apartment building located within the USC Patrol Zone. The property is located 2.5 blocks west of the USC Campus and currently has two vacant 1 bedroom bungalow-style units.

With an ideal unit mix of four 1 bedroom 1 bath, one 3 bedroom 1 bath, and one 3 bedroom 2 bath units, the asset presents an opportunity for an investor to convert the tenancy to student housing.

2.5 blocks away from this property, the \$1 Billion dollar Lucas Museum's structure is taking shape. The 5-story museum includes 300,000 SF of exhibition space, which will house the 100,000-piece collection of George Lucas' paintings, sculpture, photographs and other forms of art related to film. Next to the Lucas Museum stands the L.A. Coliseum, site of the 2028 Olympic Games.



\$1.15M
ASKING PRICE

\$313
PRICE / SF / BLDG

5.4%
CURRENT
CAP RATE

| | |
|----------------|---------------------------------------|
| ADDRESS | 1366 W 37th Pl, Los Angeles, CA 90007 |
| UNITS | 6 |
| YEAR BUILT | 1904 |
| TOTAL LAND SF | ±6,600 |
| TOTAL BLDG SF | ±3,678 |
| ZONING | RD2-1 / Tier 3 TOC |
| PARKING SPACES | 0 |

INVESTMENT HIGHLIGHTS

2 vacant units

6 units / (4) 1BR/1BA; (1) 3BR/1BA; (1) 3BR/2BA

Student housing potential

2.5 blocks from USC Campus

Alley access

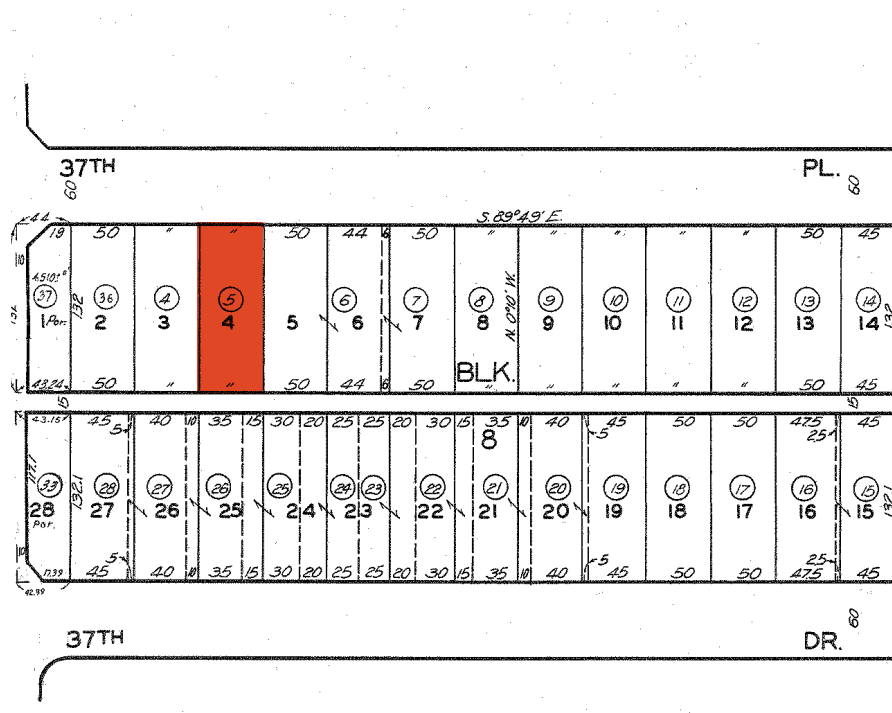
2.5 blocks from \$1 billion Lucas Museum

3 blocks from L.A. Coliseum, host to 2028 Olympic Games

Walking distance to Expo/Western and Expo/Vermont light rail stations

RD2-1 Zoning / Tier 3 T.O.C. allows for up to 6 units by right

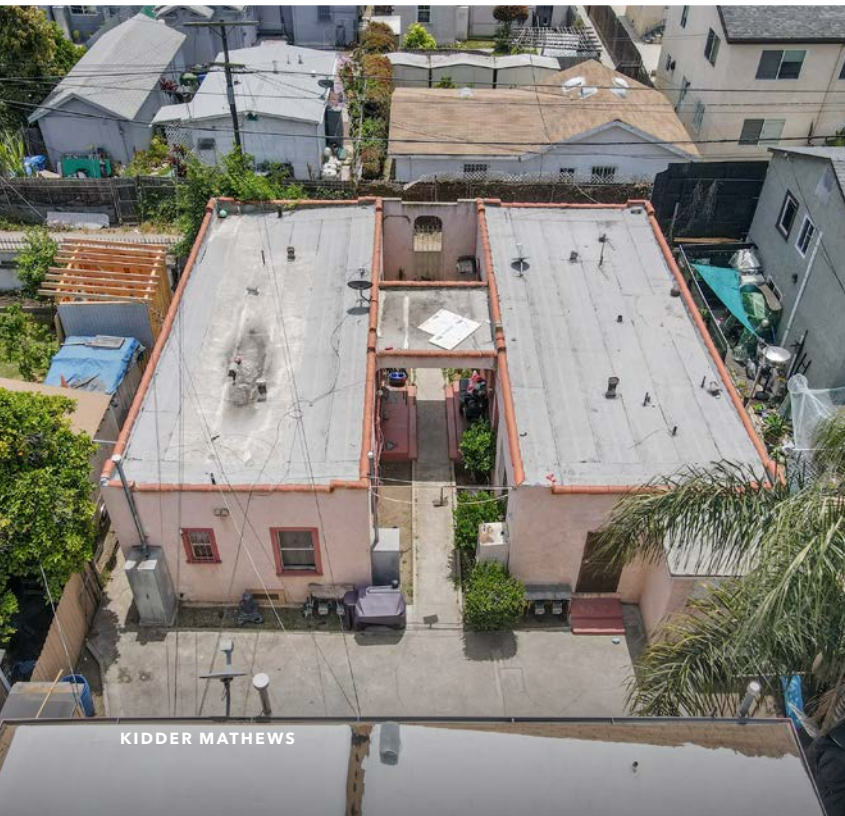
Situated within USC Patrol Zone



EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

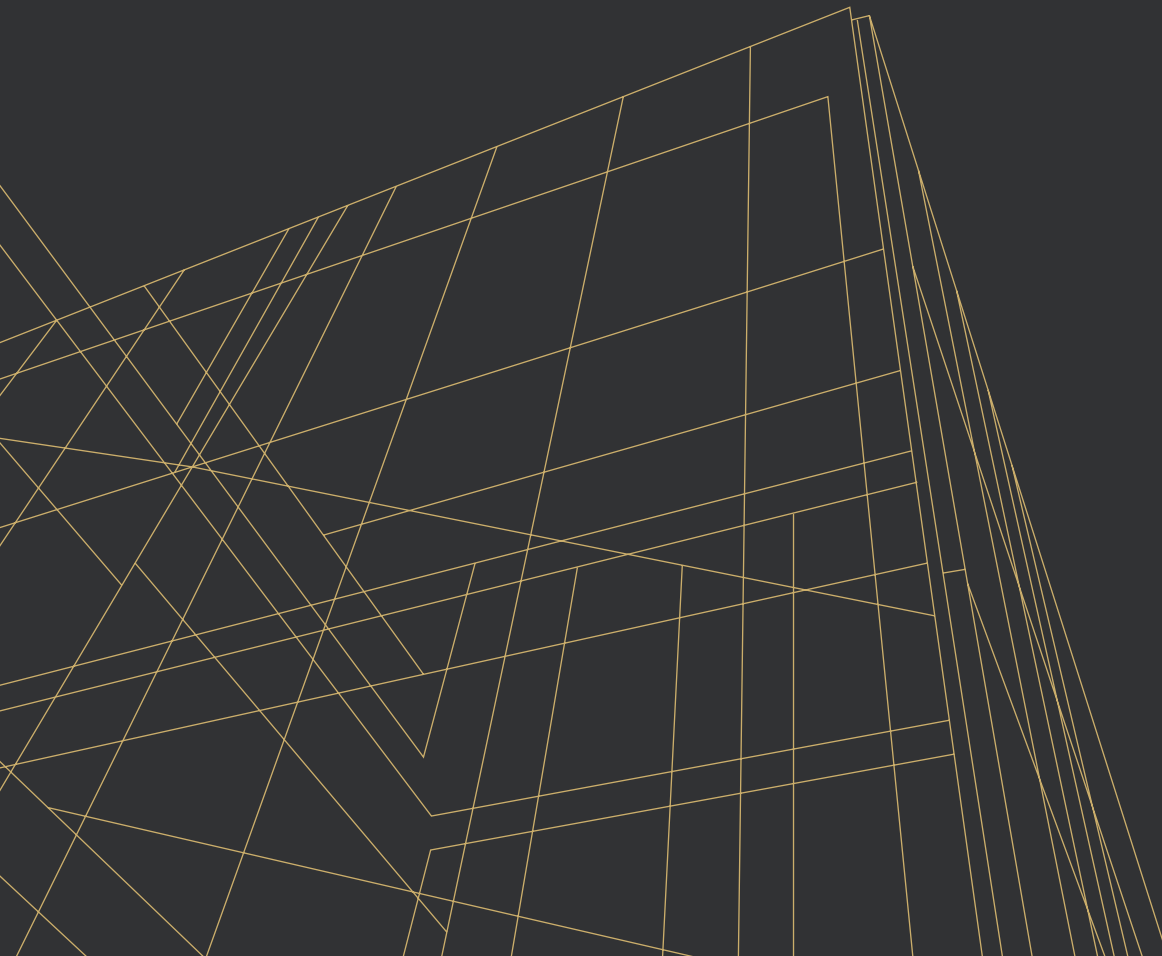


EXECUTIVE SUMMARY



KIDDER MATHEWS





FINANCIALS

Section 02

FINANCIAL ANALYSIS

PRICING DETAILS

| | |
|---------------------|-------------|
| OFFERING PRICE | \$1,150,000 |
| CURRENT CAP | 5.4% |
| MARKET CAP | 11.1% |
| CURRENT GRM | 11.8 |
| MARKET GRM | 7.0 |
| COST PER SF | \$313 |
| COST PER UNIT | \$191,667 |
| CASH ON CASH RETURN | 5.4% |
| EXPENSES PER UNIT | \$5,501 |
| EXPENSES PER SQ FT | \$8.97 |

BUILDING DATA

| | |
|---------------------|-------|
| UNITS | 6 |
| YEAR BUILT | 1904 |
| TOTAL LAND SF | 6,600 |
| TOTAL BLDG GROSS SF | 3,678 |
| PARKING SPACES | 0 |

EST ANNUALIZED OPERATING EXPENSES

| | |
|---------------------------------|---------------------|
| NEW PROPERTY TAXES | \$13,750 |
| UTILITIES - WATER, SEWER | \$2,796 |
| UTILITIES - ELECTRIC | \$936 |
| PROPERTY INSURANCE | \$4,476 |
| REPAIRS & MAINTENANCE | \$3,500 |
| LANDSCAPING | \$2,244 |
| CITY FEES | \$500 |
| OFFSITE MANAGEMENT (3% OF SGI) | \$2,916 |
| RESERVES & REPLACEMENTS | \$1,890.00 |
| Total Estimated Expenses | -\$33,008.36 |

| SOURCE OF INCOME | | CURRENT RENTS | | MARKET RENTS | |
|-----------------------------|----------------|---------------|-----------------|------------------|---------|
| # OF UNITS | Unit Type | Avg. Rent | Total | Avg Rent | Income |
| 1 | 3 Bed / 1 Bath | \$1,462 | \$1,462 | \$3,000 | \$3,000 |
| 1 | 3 Bed / 2 Bath | \$1,452 | \$1,452 | \$3,500 | \$3,500 |
| 4 | 1 Bed / 1 Bath | \$1,296 | \$5,187 | \$1,800 | \$7,200 |
| Rental Income | | | \$8,101 | | |
| Laundry Income | | | | | |
| Total Monthly Income | | | \$8,101 | \$13,700 | |
| Total Annual Income | | | \$97,212 | \$164,400 | |

EST ANNUALIZED OPERATING DATA

| | Current | Market |
|-----------------------------|-----------------|------------------|
| SCHEDULED GROSS INCOME | \$97,212 | \$164,400 |
| LESS VACANCY | 2.0% (\$1,944) | 2.0% (\$3,288) |
| GROSS OPERATING INCOME | \$95,268 | \$161,112 |
| LESS EXPENSES | 35% (\$33,008) | 20% (\$33,008) |
| Net Operating Income | \$62,259 | \$128,104 |

Notations / Estimated Expenses:







- 1) Repairs & Maintenance: Based upon a proforma expense of \$750 / Unit / Year based on market rates
- 2) Vacant units: Underwritten with market rents
- 3) Rents have been increased and are due on August 1, 2024
- 4) Property Management Fee: Projected at 3% of Total Annual Income
- 5) Real Estate Taxes: Underwritten based a tax rate of 1.113%
- 6) Property Insurance: current policy
- 7) Reserves & Replacements : Based upon 2% of SGI

RENT ROLL

| Unit # | Unit Type | Status | Current Rent | Market Rent (Post Renovation) |
|---------------|------------------------|----------|----------------|-------------------------------|
| 1368 | 3 Bedroom / 1 Bathroom | Occupied | \$1,468 | \$3,000 |
| 1368 1/2 | 3 Bedroom / 2 Bathroom | Occupied | \$1,452 | \$3,500 |
| 1366 | 1 Bedroom / 1 Bathroom | Occupied | \$750 | \$1,800 |
| 1366 1/2 | 1 Bedroom / 1 Bathroom | Occupied | \$776 | \$1,800 |
| 1370 | 1 Bedroom / 1 Bathroom | Vacant | \$1,800 | \$1,800 |
| 1370 1/2 | 1 Bedroom / 1 Bathroom | Vacant | \$1,800 | \$1,800 |
| Totals | | | \$8,046 | \$13,700 |



SALE COMPARABLES

| | Property | Sale Price | Sale Date | Price/Unit | Price/SF | Cap | Year Built | Units |
|----|---|-------------|----------------|------------|----------|-------|------------|-------|
| SP |  1366 W 37TH PL Los Angeles, CA | \$1,150,000 | - | \$191,667 | \$313 | 5.40% | 1904 | 6 |
| 01 |  2827 ORCHARD AVE Los Angeles, CA | \$3,200,000 | 1/12/2024 | \$320,000 | \$442.48 | 4.50% | 1962 | 10 |
| 02 |  1210 W 36TH ST Los Angeles, CA | \$1,400,000 | 8/17/2023 | \$280,000 | \$516.22 | - | 1954 | 5 |
| 03 |  635 W 30TH ST Los Angeles, CA | \$3,000,000 | 8/3/2022 | \$375,000 | \$715.31 | 4.00% | 1922 | 8 |
| 04 |  1517 W 28TH ST Los Angeles, CA | \$2,000,000 | 7/15/2022 | \$285,714 | \$450.45 | 4.75% | 1961 | 7 |
| 05 |  2626 RAYMOND AVE Los Angeles, CA | \$1,250,000 | Under Contract | \$250,000 | \$234.70 | 3.22% | 1922 | 5 |



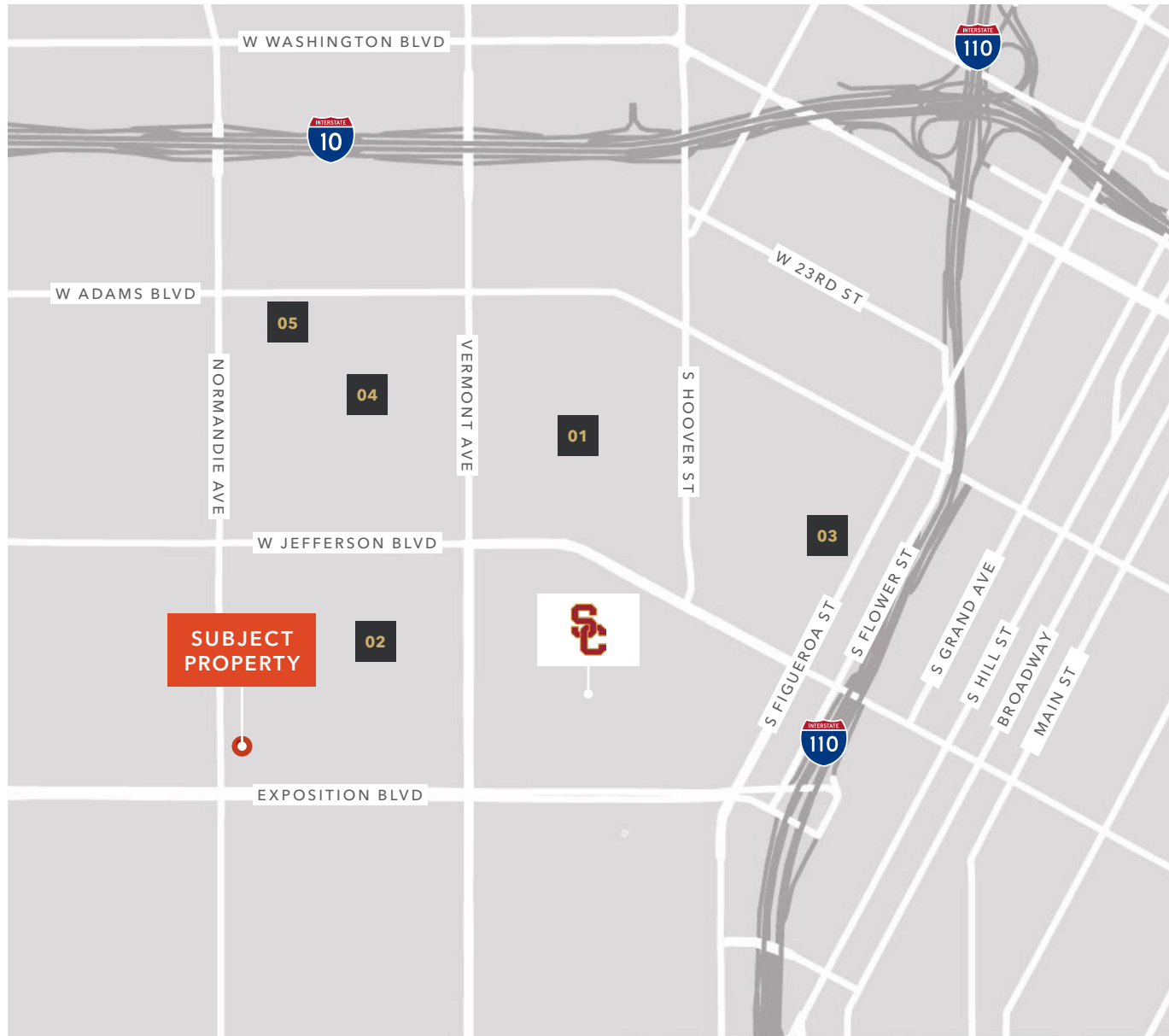
- 01 **2827 ORCHARD AVE**
Los Angeles, CA

- 02 **1210 W 36TH ST**
Los Angeles, CA

- 03 **635 W 30TH ST**
Los Angeles, CA

- 04 **1517 W 28TH ST**
Los Angeles, CA

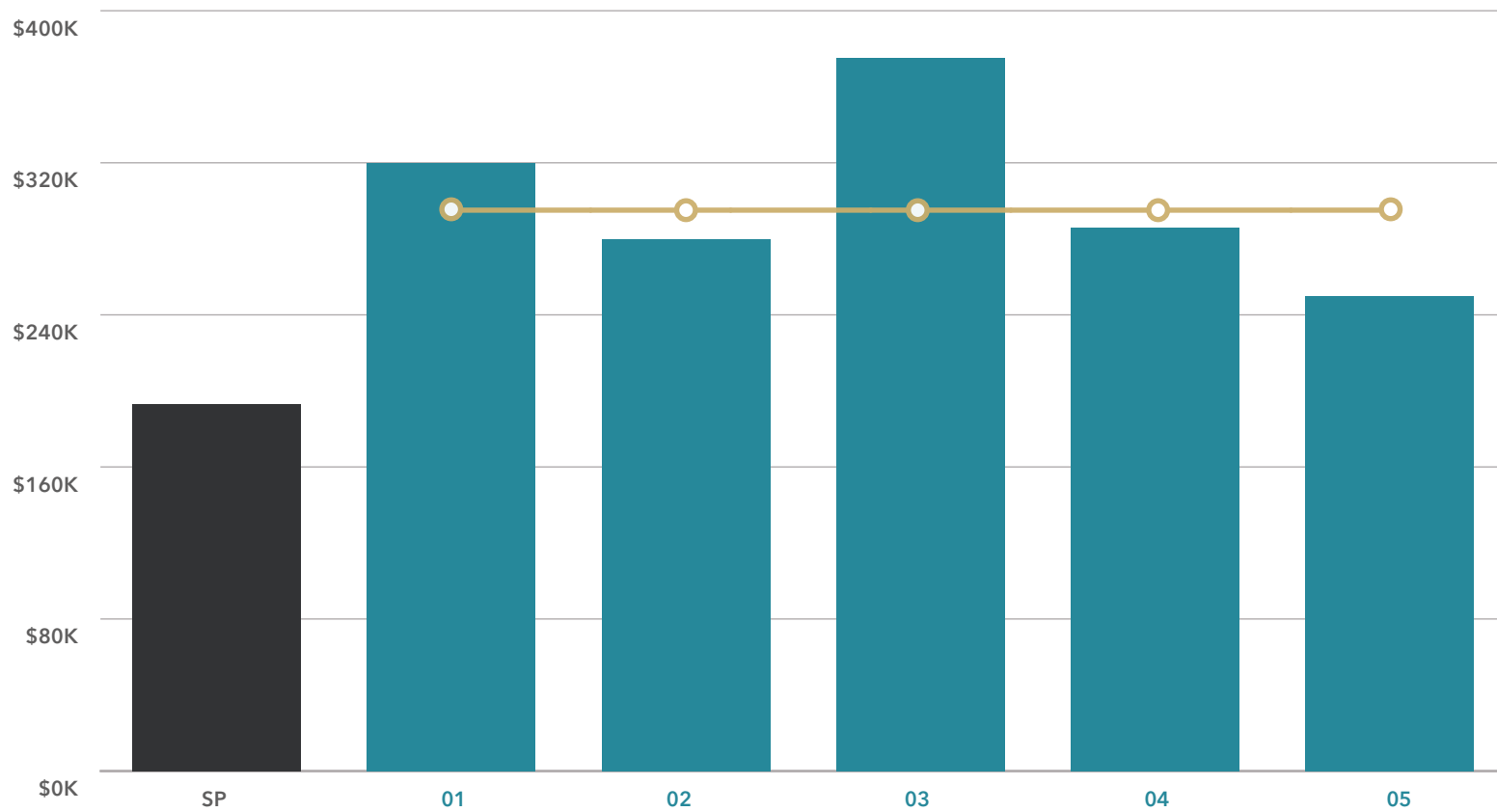
- 05 **2626 RAYMOND AVE**
Los Angeles, CA



AVERAGE PPU

■ SUBJECT PROPERTY ■ CLOSED SALES
○ CLOSED SALES AVG PPU

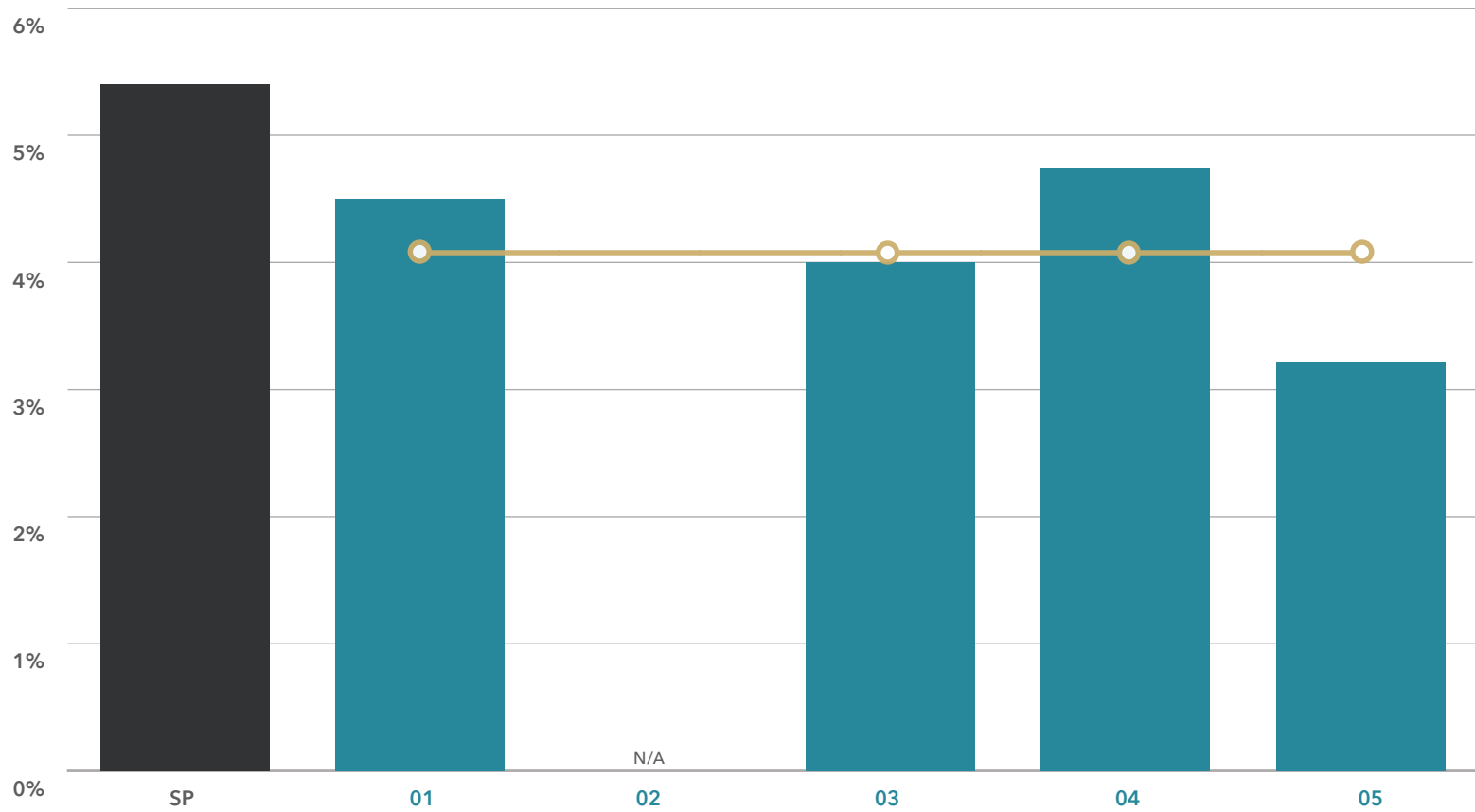
\$289,286
AVERAGE SALE PPU



AVERAGE CAP RATE

■ SUBJECT PROPERTY ■ CLOSED SALES
○ CLOSED SALES AVG CAP

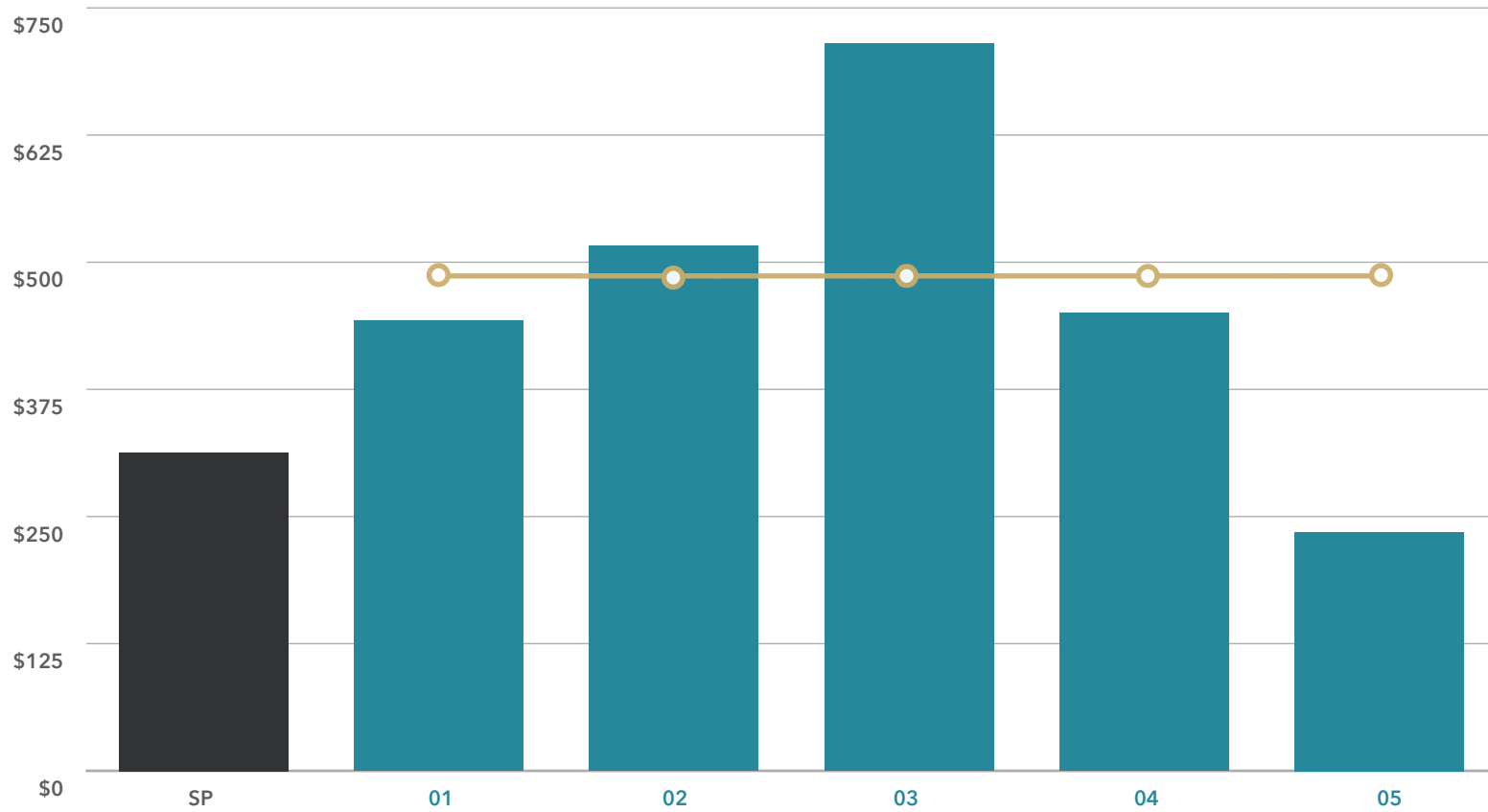
4.12%
AVERAGE SALE CAP RATE

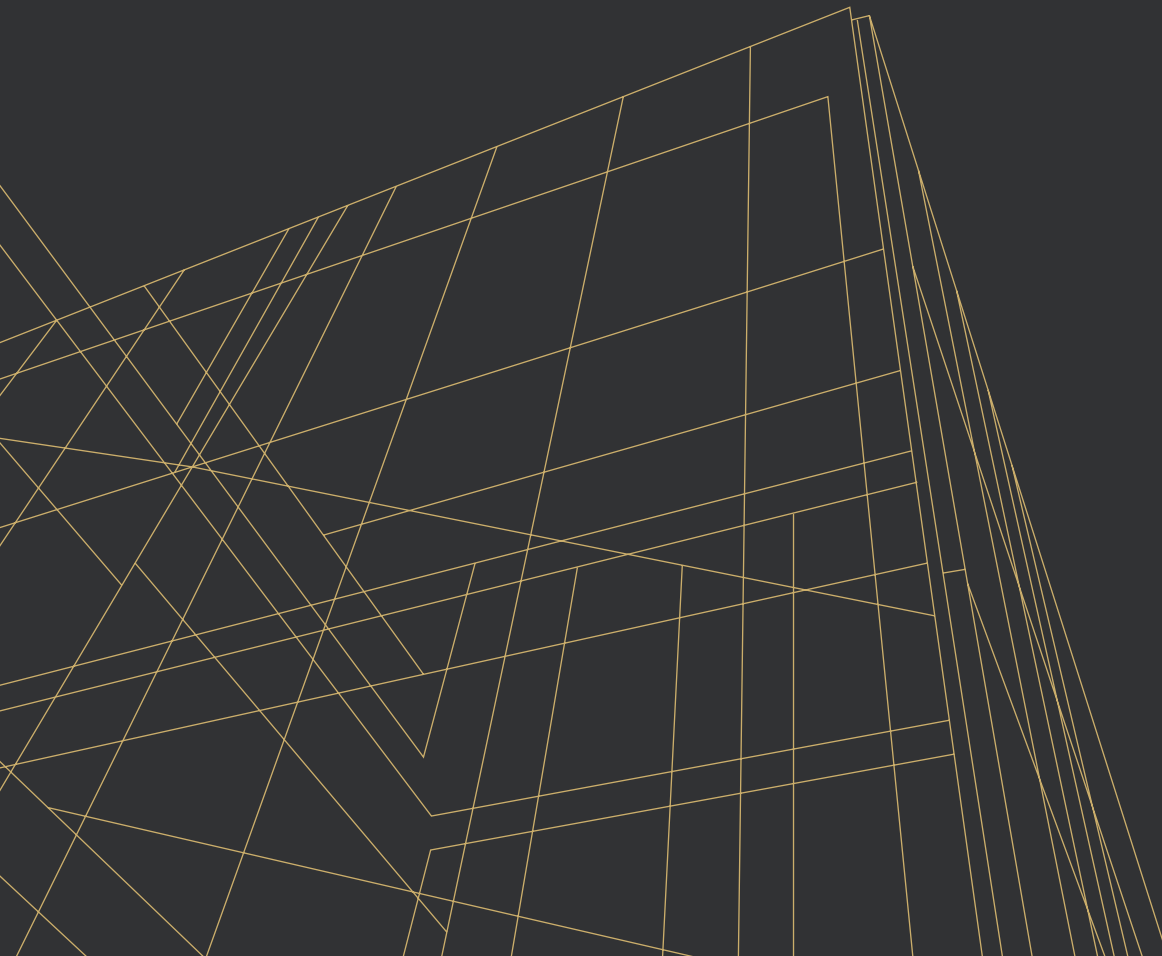


AVERAGE PPSF

■ SUBJECT PROPERTY ■ CLOSED SALES
○ CLOSED SALES AVG PPU

\$471.83
AVERAGE SALE PPSF





AREA OVERVIEW

Section 03



Exposition Park, bordering the University of Southern California (USC), is a dynamic neighborhood brimming with energy, historic charm, and a central location.

USC is bordered by other iconic Los Angeles neighborhoods like Pico-Union, Downtown Los Angeles, Historic South Central, University Park, and West Adams. The neighborhood's diverse community enjoys easy access to intellectual pursuits and cultural events offered by USC, Mount St. Mary's College, and Hebrew Union College. The neighborhood is known for the massive Exposition Park itself, which is filled with several cultural attractions. USC boasts a walk score of 89, is very bike friendly, and in proximity to a variety of public transportation options.

The neighborhood's surrounding the University of Southern California boast a flourishing market, fueled by soaring demand. For the 2023-2024 academic year, USC has a total student population of 47,000. In addition, the university has 4,767 full-time faculty members and 18,123 staff members. With USC's growing enrollment and limited on-campus housing, rental prices are experiencing steady growth, reflecting the high desirability of the location. Multifamily properties within the Exposition Park neighborhood have an average asking rent of \$1,826 per unit which has been steadily growing over the last ten years.

Sources: CoStar, Walk Score, USC

AREA OVERVIEW



LUCAS MUSEUM OF NARRATIVE ART

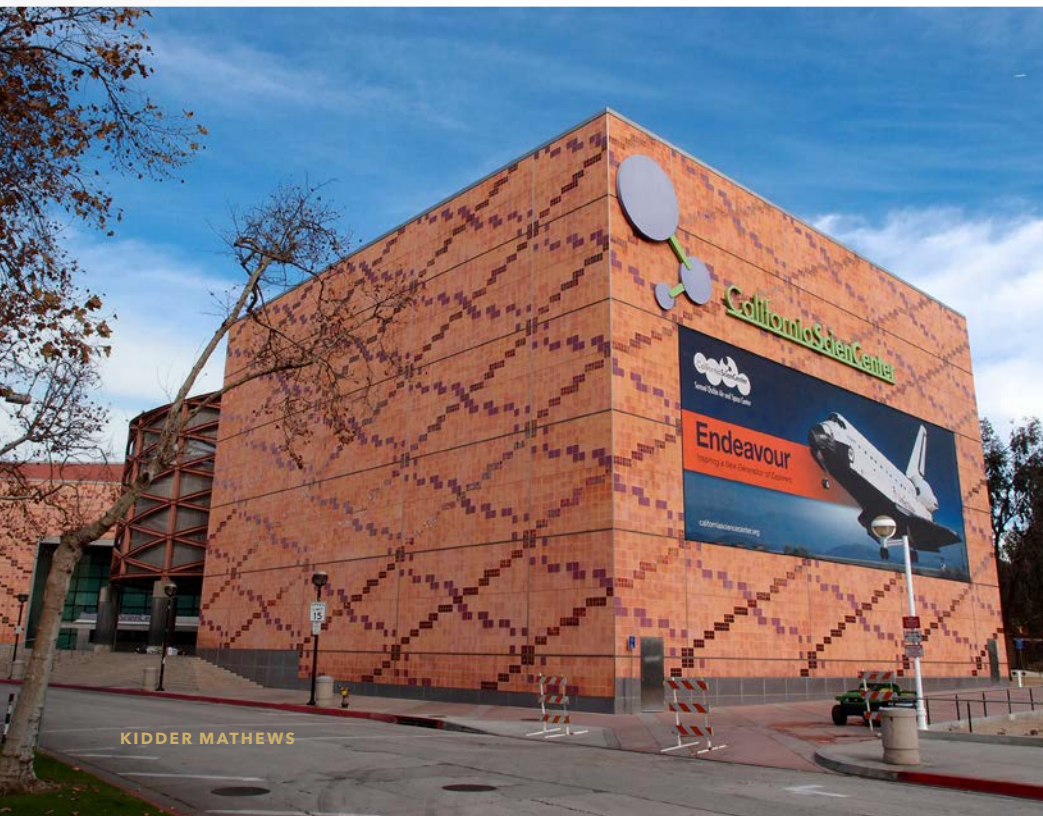
Pioneering the art of visual storytelling, the Lucas Museum of Narrative Art plans to open its doors in 2025 in Exposition Park, Los Angeles. Founded by George Lucas and Mellody Hobson, the museum boasts a dynamic collection spanning cultures, eras, and mediums. From paintings and sculptures to films and comic illustrations, these artworks will explore the power of narrative art. Nestled within an 11-acre campus featuring expansive green space, the 300,000-square-foot building promises expansive galleries, state-of-the-art theaters, and dedicated areas for learning, dining, shopping, and events.

Source: <https://lucasmuseum.org/>

CALIFORNIA SCIENCE CENTER

A leader in science education on the West Coast, the California Science Center offers a fun and interactive experience for visitors of all ages. Founded in 1951, this Los Angeles Museum showcases permanent exhibits like the iconic space shuttle Endeavour, alongside rotating special exhibitions. General admission is free for permanent galleries, which cover diverse topics like human biology, space exploration, ecosystems, and innovation. Museum guests can explore space travel with Endeavour, delve into the world of living things, and discover human ingenuity through interactive displays. Guests can also challenge themselves on the climbing wall, experience a simulated flight, or test their balance on a high-wire bicycle. Located in Exposition Park, the California Science Center is a must-visit for families and anyone curious about the world around them.

Source: <https://californiasciencecenter.org/>





CALIFORNIA AFRICAN AMERICAN MUSEUM

The California African American Museum (CAAM), located in the heart of Exposition Park, boasts a permanent collection of over 5,000 works spanning from 19th century landscapes to contemporary mixed-media pieces. CAAM houses a deep collection of art by and about African Americans in the western United States, alongside significant contemporary pieces from the wider African diaspora and traditional African art. This commitment to showcasing the diverse experiences of African Americans extends to collecting historical artifacts like interviews with civil rights activists, ensuring the museum reflects not just the present, but the path that led us here. Constantly growing and evolving, CAAM's collection serves as a testament to the ongoing impact of African American creativity and history.

Source: <https://caamuseum.org/>



COLISEUM

Home of the USC Trojans football team, the Los Angeles Memorial Coliseum, is a historic landmark and multi-purpose stadium in Exposition Park. Completed in 1923 as a tribute to World War I veterans, it has hosted not only countless USC games but also the 1932 and 1984 Summer Olympics, making it a future three-time Olympic host in 2028. This iconic venue has witnessed a variety of sporting events featuring the Los Angeles Rams, UCLA football, and even the Los Angeles Dodgers for a brief period. Beyond athletics, the Coliseum has been a stage for concerts, rallies, and cultural events, solidifying its place as a centerpiece of Los Angeles' sporting and entertainment history.

Source: <https://www.lacoliseum.com/>

AREA OVERVIEW



NATURAL HISTORY MUSEUM

Unveiled in 1913, the Natural History Museum of Los Angeles County (NHM) houses a staggering 35 million specimens and artifacts, some old as 4.5 billion years. Located in Exposition Park, the museum offers a gateway to the past through expansive galleries showcasing everything from dinosaur bones to ancient Egyptian mummies. The museum has immersive exhibitions, allowing

visitors to explore the "big picture" of our planet, the stories they hold, and the ever-growing connection between the natural and cultural worlds. Whether you're a paleontology enthusiast or simply fascinated by our planet's wonders, the NHM promises an enriching and awe-inspiring journey through time.

Source: <https://nhm.org/>

BMO STADIUM

BMO Stadium, formerly known as Banc of California Stadium, is a modern soccer stadium located in the heart of Los Angeles' Exposition Park. Opened in 2018, it's the first open-air stadium built in the city since Dodger Stadium in 1962. The 22,000-seat venue serves as the home field for both Los Angeles FC of Major League Soccer and Angel City FC of the National Women's Soccer League. The stadium places fans close to the action and offers stunning views of the downtown LA skyline. Beyond soccer, BMO Stadium can also be used for private events and concerts, featuring premium amenities for a memorable experience.



AREA OVERVIEW



Koreatown

Westlake

USC VILLAGE

DOWNTOWN
LOS ANGELES

| | | |
|--|--|--|
| | | |
| | | |

| | | |
|--|--|--|
| | | |
|--|--|--|



EXPOSITION
PARK



University
Village

Historic
South Central

**SUBJECT
PROPERTY**



CAAM

EXPOSITION / WESTERN
METRO STATION

W JEFFERSON BLVD

NATURAL
HISTORY
MUSEUM
LOS ANGELES COUNTY

EXPOSITION BLVD

EXPOSITION / VERMONT
METRO STATION

Lucas Museum
of Narrative Art

100
L.A. MEMORIAL
COLISEUM

BMO
STADIUM

S WESTERN AVE

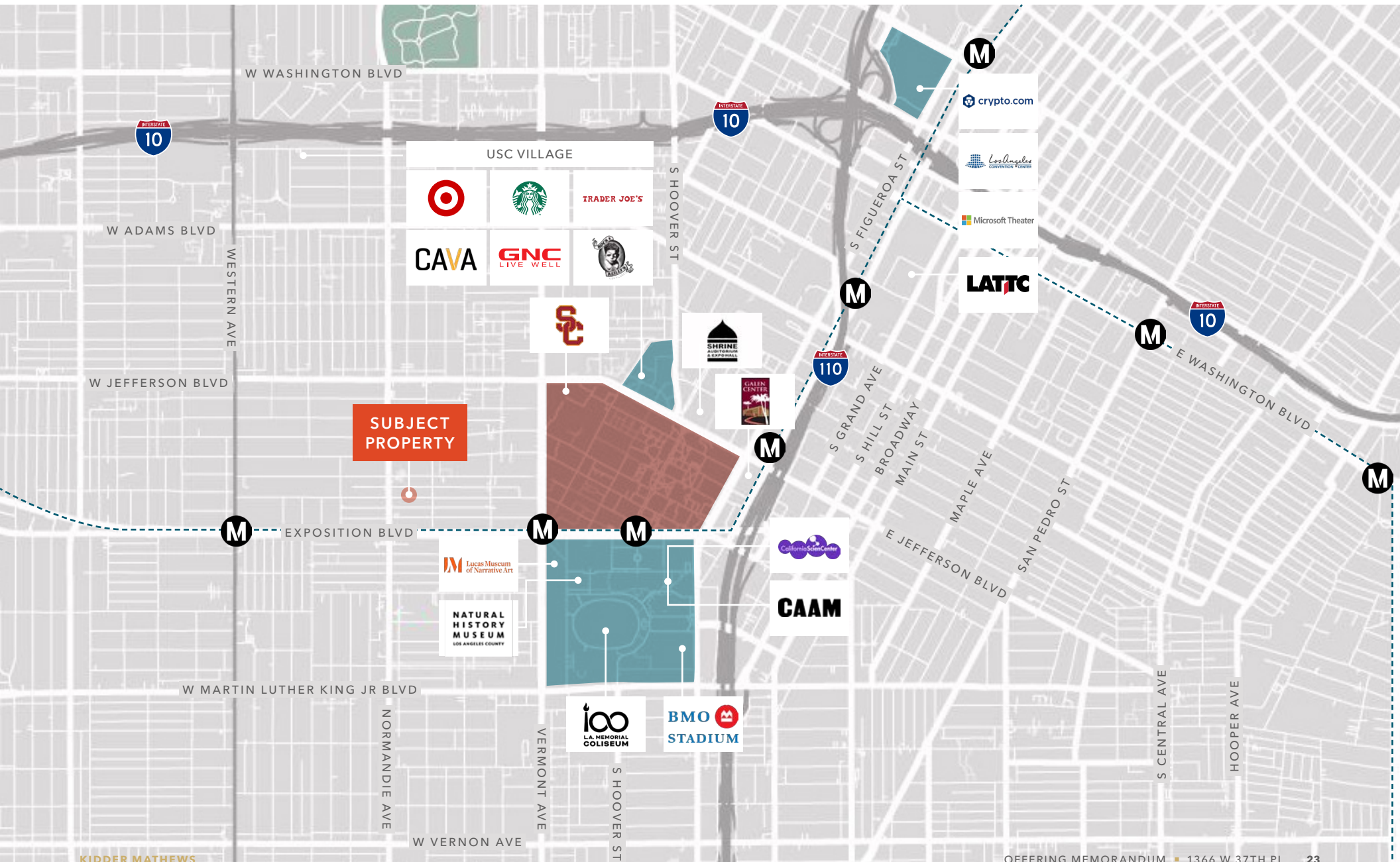
MARTIN LUTHER KING JR BLVD

NORMANDIE AVE

VERMONT AVE

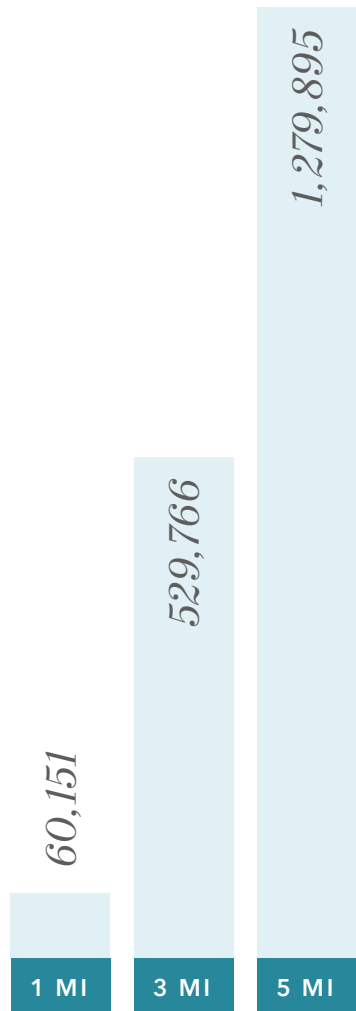
W VERNON AVE

AREA OVERVIEW

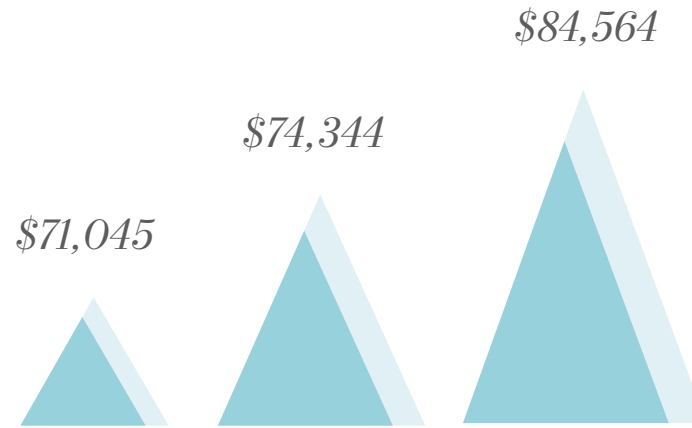


DEMOGRAPHICS

ESTIMATED POPULATION



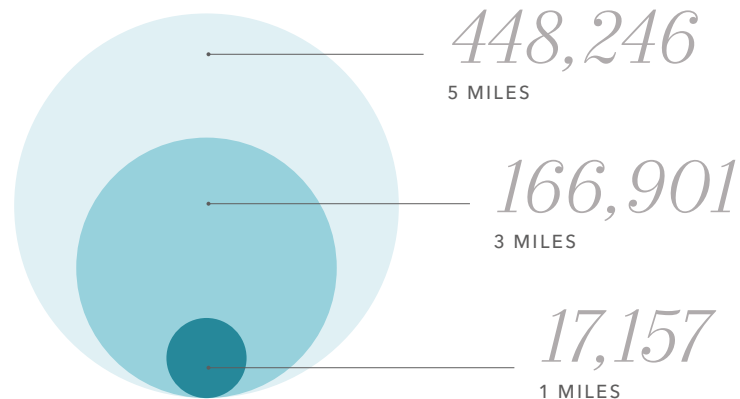
AVERAGE HOUSEHOLD INCOME



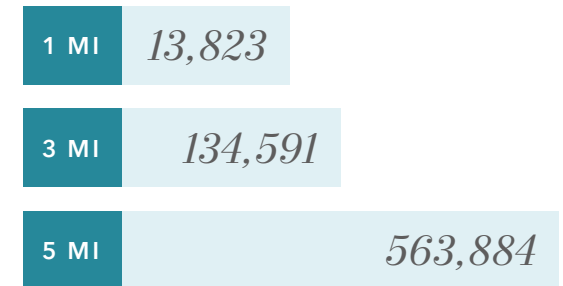
MEDIAN AGE



ESTIMATED HOUSEHOLDS



ESTIMATED EMPLOYEES



Data Source: ©2023, Sites USA

Exclusively listed by

DARIN SPILLMAN

Senior Vice President

310.592.8269

darin.spillman@kidder.com

LIC N°01366902

KIDDER.COM

