

SAN PEDRO PROPERTY 560 W 4TH

560 W 4th | San Pedro, CA
OFFERING MEMORANDUM



San Pedro Property 560 W 4th

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General Demographics

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01 **Executive Summary**

Investment Summary

Unit Mix Summary

OFFERING SUMMARY

ADDRESS	560 W 4th San Pedro CA 90731
COUNTY	Los Angeles
MARKET	Los Angeles
SUBMARKET	San Pedro
BUILDING SF	3,032 SF
LAND SF	5,000 SF
LAND ACRES	0.11
NUMBER OF UNITS	5
YEAR BUILT	1980
APN	7451018017
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

OFFERING PRICE	\$1,100,000
PRICE PSF	\$362.80
PRICE PER UNIT	\$220,000
OCCUPANCY	97.00%
NOI (CURRENT)	\$65,095
NOI (Pro Forma)	\$83,984
CAP RATE (CURRENT)	5.92%
CAP RATE (Pro Forma)	7.63%
CASH ON CASH (CURRENT)	5.87%
CASH ON CASH (Pro Forma)	7.59%
GRM (CURRENT)	10.65
GRM (Pro Forma)	8.91

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2025 Population	36,877	110,055	220,118
2025 Median HH Income	\$62,433	\$89,810	\$88,381
2025 Average HH Income	\$96,213	\$133,999	\$129,030



Investment Highlights

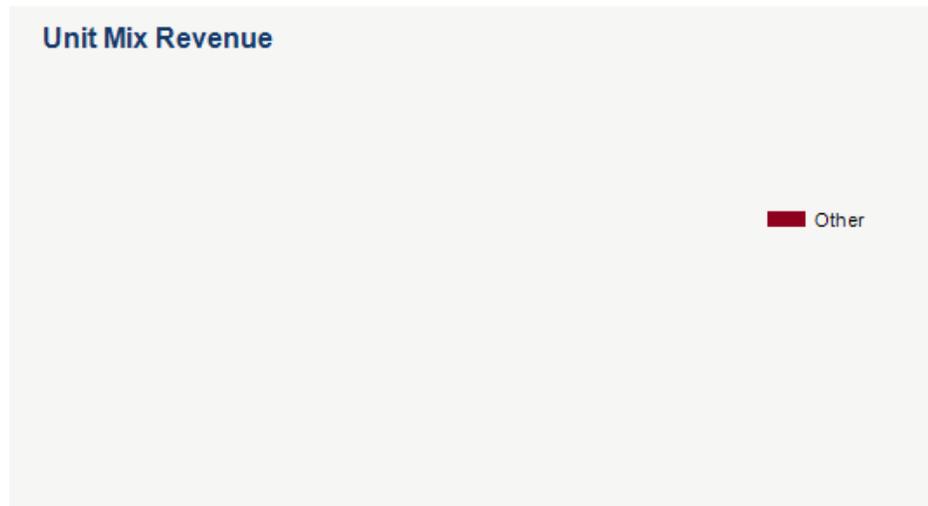
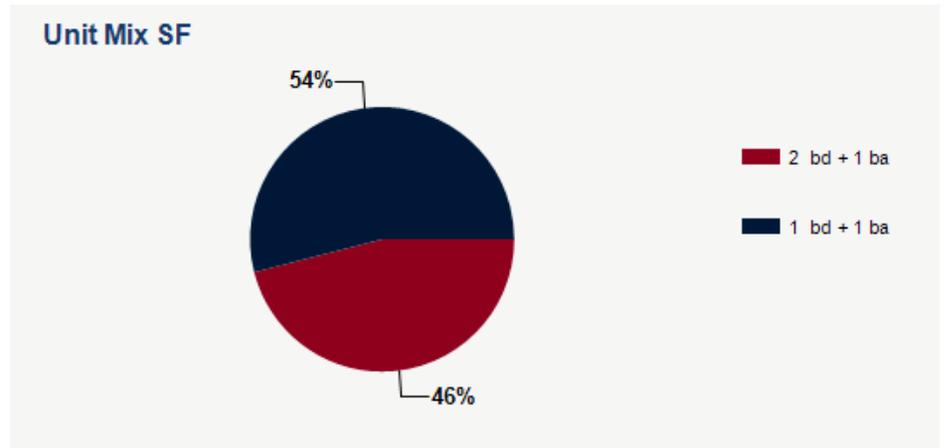
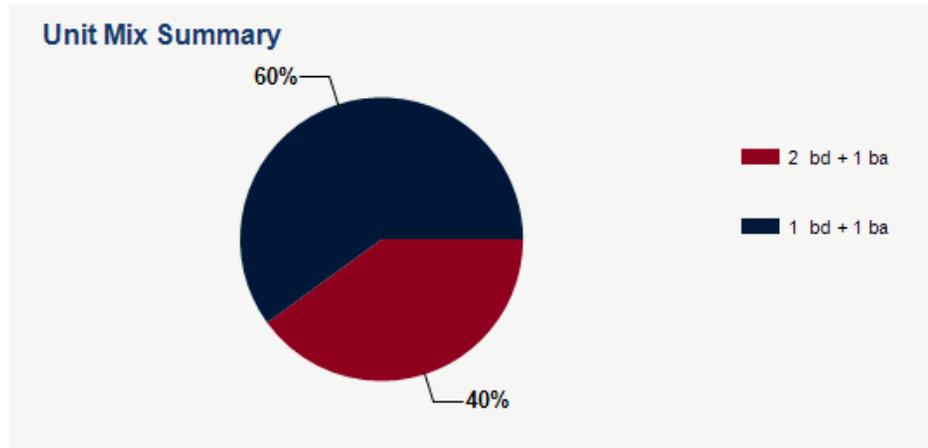
- The property located in San Pedro, surrounded by many shops, restaurants and entertainment establishments, and beaches. Stable occupancy and income stream with substantial up side potential (approximately 21% below the market rent).

Property Highlights

- High Demand Rental Area
- On-Site Laundry Room for additional income
- Sold "As Is" Condition



Unit Mix	# Units	Square Feet	Current Rent	Monthly Income
2 bd + 1 ba	2	700	\$0	\$0
1 bd + 1 ba	3	545	\$0	\$0
Totals/Averages	5	607	\$0	\$0



02

Location

- Location Summary
- Locator Map
- Regional Map
- Aerial Map

Los Angeles

- Los Angeles, with a population at the 2010 United States Census of 3,792,621, is the most populous city in the state of California, and the second most populous in the United States, after New York City. It has an area of 468.67 square miles (1,213.8 km²), and is located in Southern California. Often known by its initials, L.A., the city is the focal point of the larger Los Angeles-Long Beach-Santa Ana metropolitan statistical area, which contains 12,828,837 people as of 2010, and is one of the most populous metropolitan areas in the world and the second largest in the United States. Los Angeles is also the seat of Los Angeles County, the most populated and one of the most ethnically diverse counties in the United States, while the entire Los Angeles area itself has been recognized as the most diverse of the nation's largest cities. The city's inhabitants are referred to as "Angelenos".
- Los Angeles is a world center of business, international trade, entertainment, culture, media, fashion, science, sports, technology, and education. It is home to renowned institutions covering a broad range of professional and cultural fields and is one of the most substantial economic engines within the United States. Los Angeles has been ranked the third richest city and fifth most powerful and influential city in the world. The Los Angeles combined statistical area (CSA) has a gross metropolitan product (GMP) of \$831 billion (as of 2008), making it the third largest economic center in the world, after the Greater Tokyo and New York metropolitan areas. As the home base of Hollywood, it is also known as the "Entertainment Capital of the World," leading the world in the creation of television and stage production, motion pictures, video games, and recorded music.

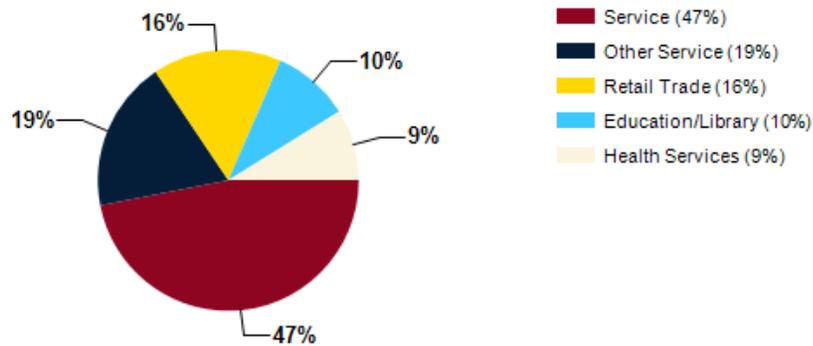
- The economy of Los Angeles is driven by international trade, entertainment (television, motion pictures, video games, recorded music), aerospace, technology, petroleum, fashion, apparel, and tourism. Los Angeles is also the largest manufacturing center in the western United States. The contiguous ports of Los Angeles and Long Beach together comprise the fifth-busiest port in the world and the most significant port in the Western Hemisphere and is vital to trade within the Pacific Rim. Other significant industries include media production, finance, telecommunications, law, healthcare, and transportation. The Los Angeles-Long Beach-Santa Ana metropolitan statistical area (MSA) has a gross metropolitan product (GMP) of \$735.7 billion (as of 2010), making it the third largest economic center in the world, after the Greater Tokyo Area and the New York-Newark-Bridgeport CSA.

San Pedro

- San Pedro is a community within the city of Los Angeles, California. Formerly a separate city, it consolidated with Los Angeles in 1909. The Port of Los Angeles, a major international seaport, is partially located within San Pedro. The district has grown from being dominated by the fishing industry, to a working-class community within the city of Los Angeles, to a rapidly gentrifying community. San Pedro fronts on the Pacific Ocean to the south and is bounded inland by Harbor City and Torrance on the north, Wilmington and Long Beach on the east and Rancho Palos Verdes and Lomita on the west.
- A total of 80,065 people lived in San Pedro's 12.06 square miles, according to the 2000 U.S. census - averaging 6,640 people per square mile, near Los Angeles' total population density rate. The \$57,508 median household income in 2008 dollars was average for the city and county. Renters occupied 56.1% of the housing units, and homeowners occupied the rest.

- The San Pedro Historic Waterfront Property Business Improvement District (PBID) is one of the last underdeveloped waterfronts up and down the California Coast, the final frontier. For decades there have been plans of new developments to the waterfront, and now the time has come. Multiple developments, from commercial to residential, are being announced and shovels are hitting the ground in Downtown San Pedro and the LA Waterfront. The Harbor Boulevard Roadway Improvements Project is underway and in 2020 the San Pedro Public Market will open for a

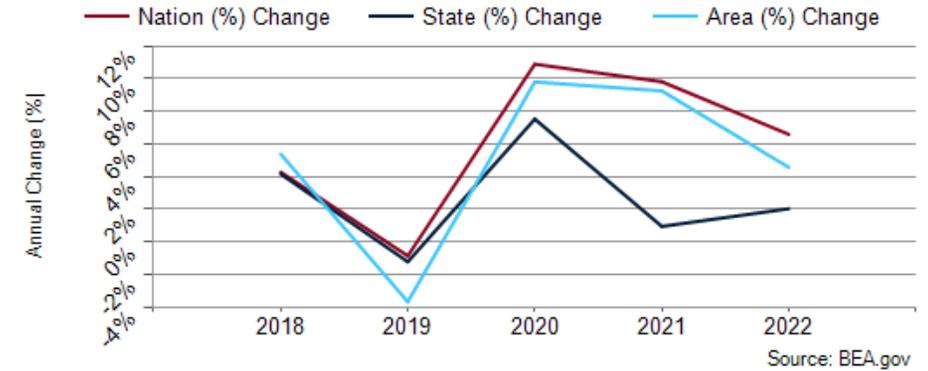
Major Industries by Employee Count

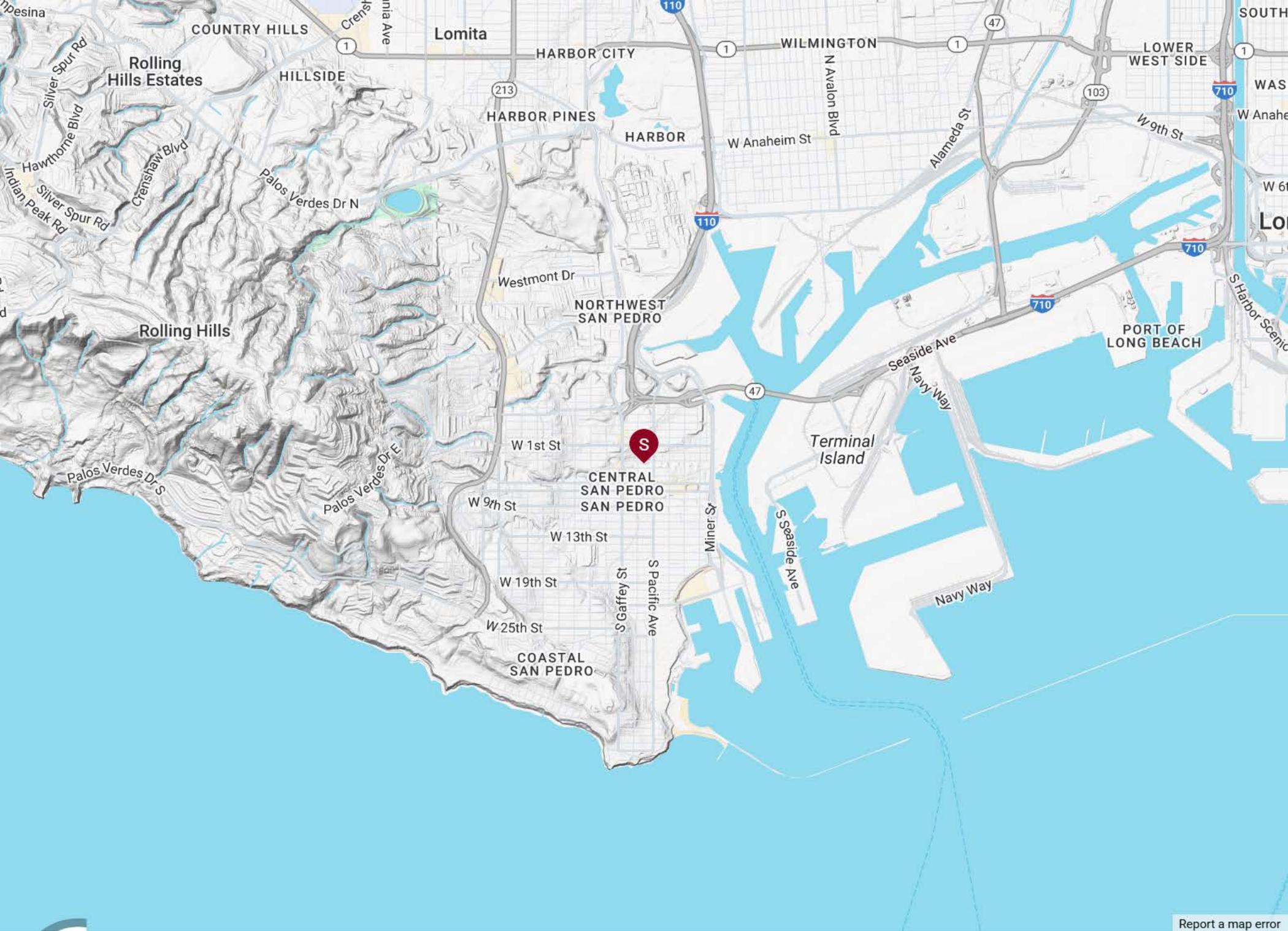


Largest Employers

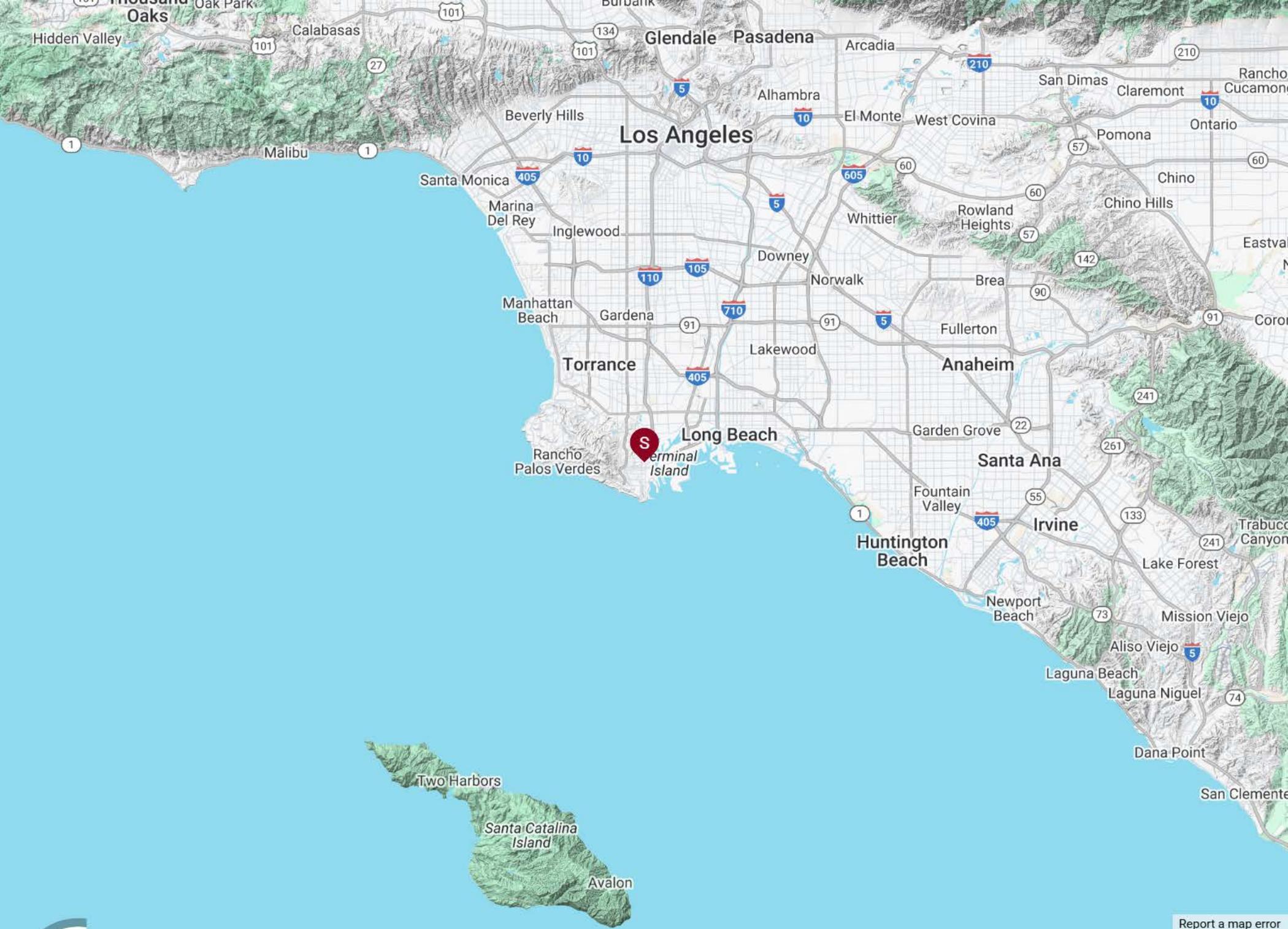
Microsoft	10,000
IBM	10,000
Google	10,000
SLB	10,000
AstraZeneca	10,000
UNDP	10,000
Siemens Digital Industries Software	500,110,000
The Nature Conservancy	10,015,000

Los Angeles County GDP Trend

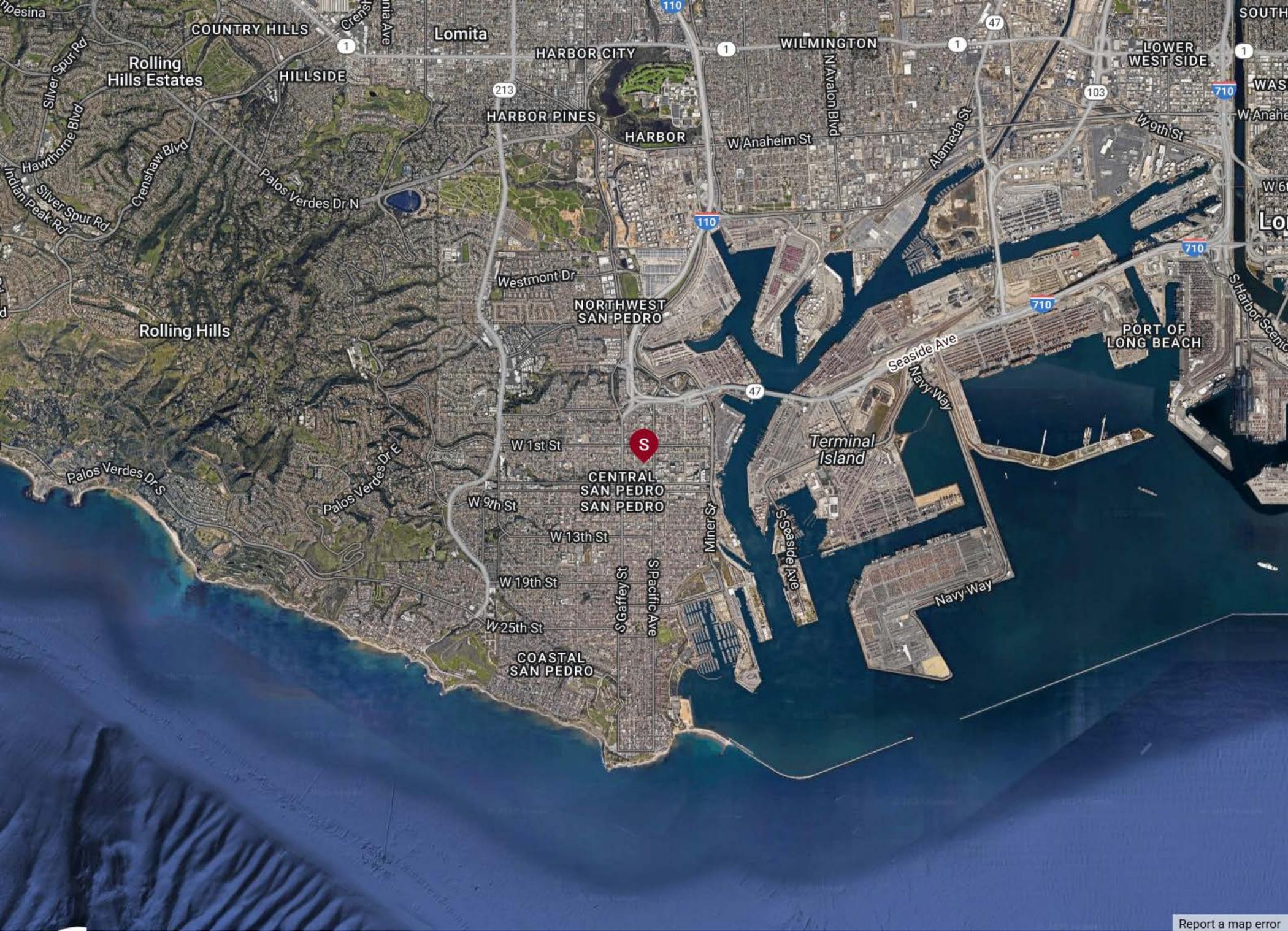




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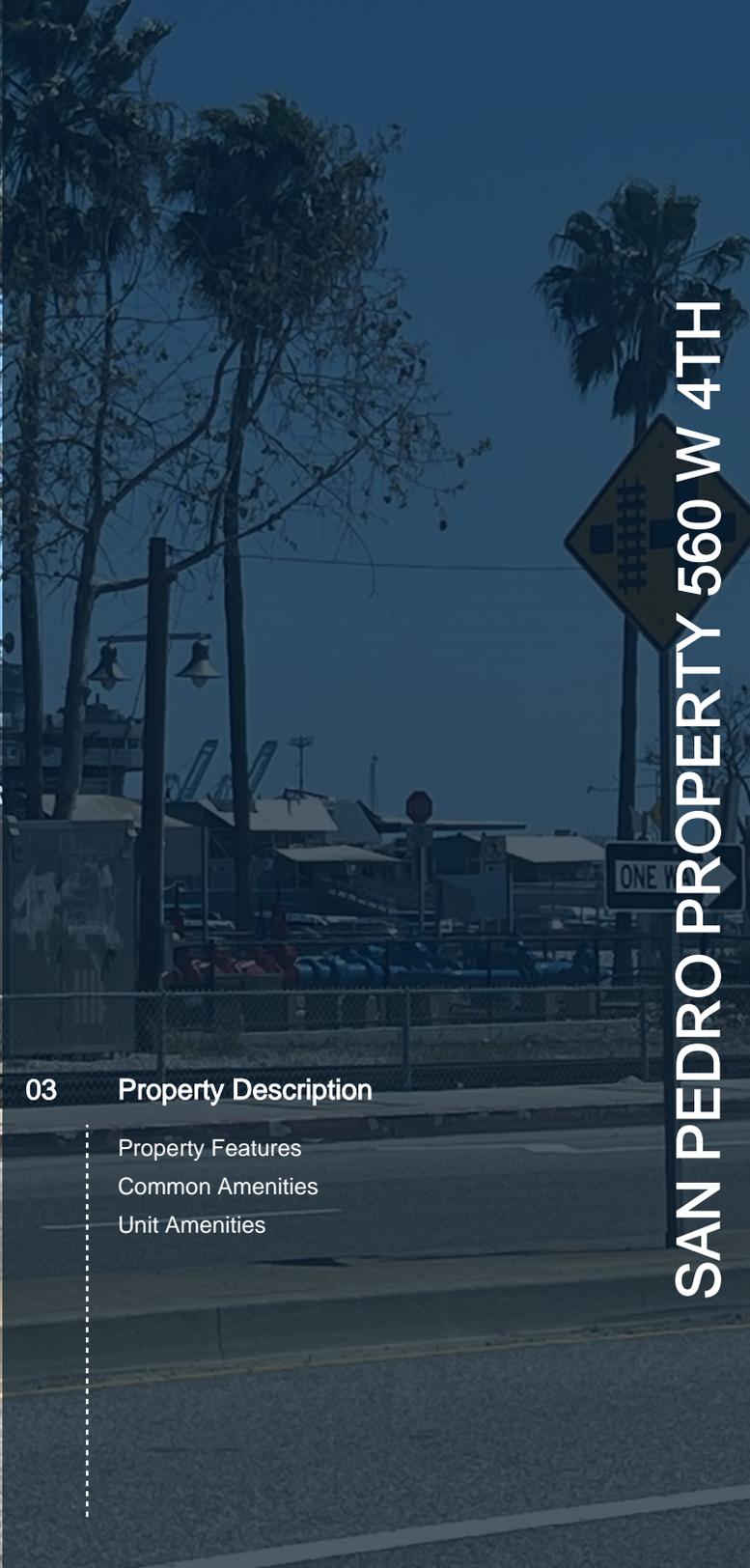


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03 Property Description

- Property Features
- Common Amenities
- Unit Amenities



PROPERTY FEATURES

NUMBER OF UNITS	5
BUILDING SF	3,032
LAND SF	5,000
LAND ACRES	0.11
YEAR BUILT	1980
# OF PARCELS	1
ZONING TYPE	R2
BUILDING CLASS	D
TOPOGRAPHY	Level
LOCATION CLASS	Urban
NUMBER OF STORIES	Two
NUMBER OF BUILDINGS	One
NUMBER OF PARKING SPACES	12
WASHER/DRYER	Shared

UTILITIES

WATER	Landlord
TRASH	Landlord
GAS	Tenant
ELECTRIC	Tenant

San Pedro Property 560 W 4th | Common Amenities





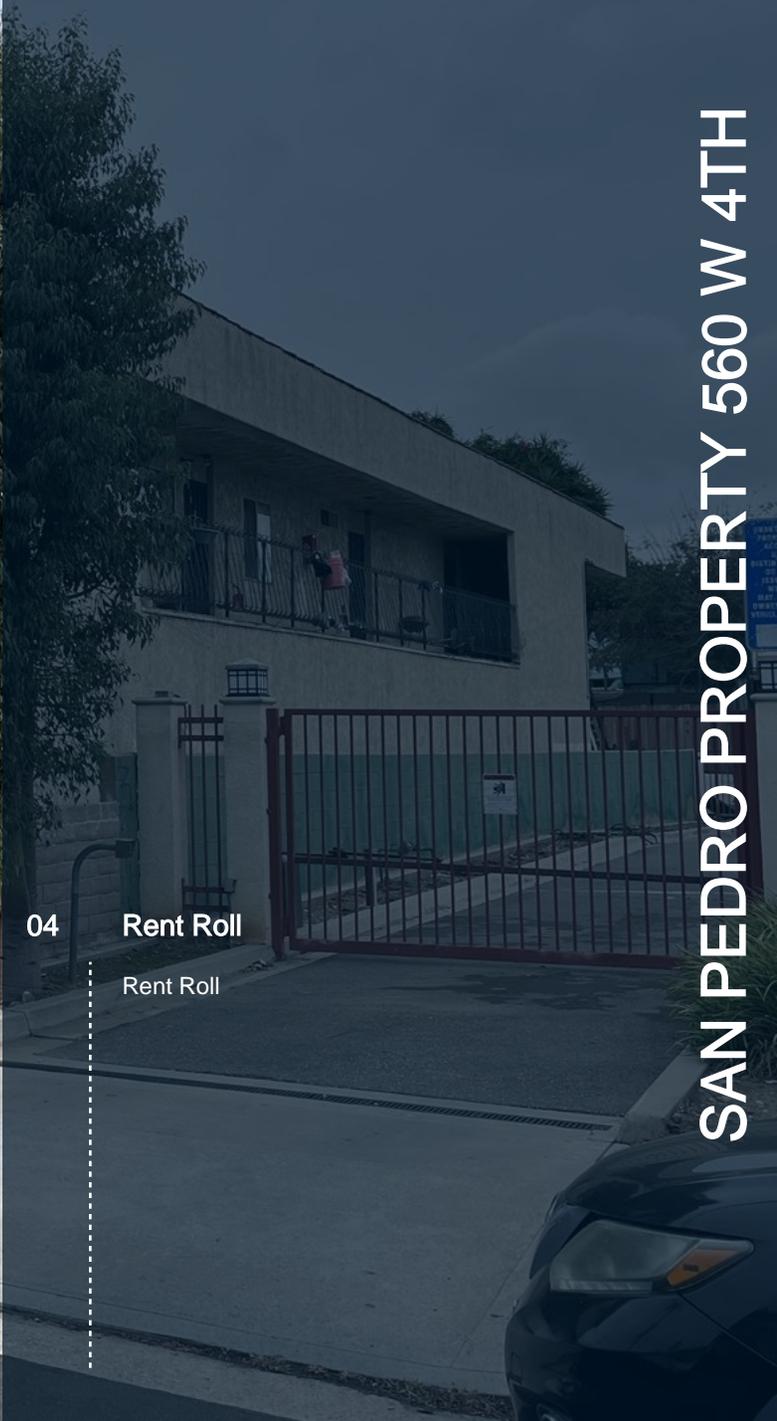
NOTICE
THIS AREA IS UNDER
24 HOUR
VIDEO
SURVEILLANCE



04

Rent Roll

Rent Roll



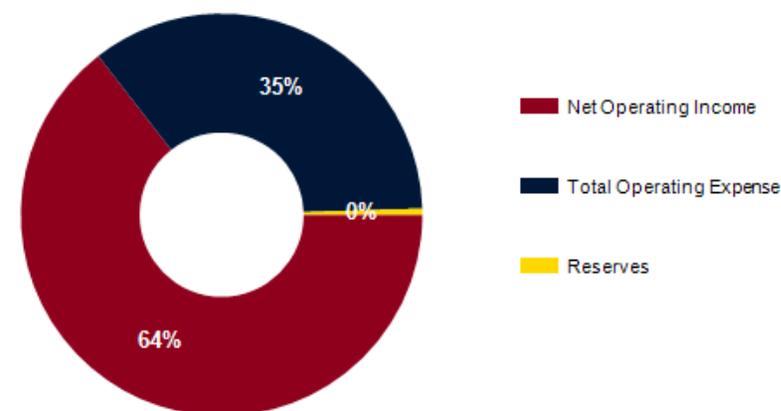
Unit	Unit Mix	Square Feet	Rent PSF	Current Rent	Market Rent	Move-in Date	Notes
1	2 bd + 1 ba	700	\$2.14	\$1,501.00	\$2,100.00	03/01/2016	
2	2 bd + 1 ba	700	\$2.14	\$1,501.00	\$2,100.00	03/01/2010	
3	1 bd + 1 ba	545	\$3.30	\$1,800.00	\$1,800.00		*Vacant
4	1 bd + 1 ba	545	\$3.30	\$1,800.00	\$1,800.00		*Vacant
5	1 bd + 1 ba	545	\$2.43	\$1,325.00	\$1,800.00	05/01/2007	
Totals / Averages		3,035	\$2.67	\$7,927.00	\$9,600.00		

05 Financial Analysis

Income & Expense Analysis

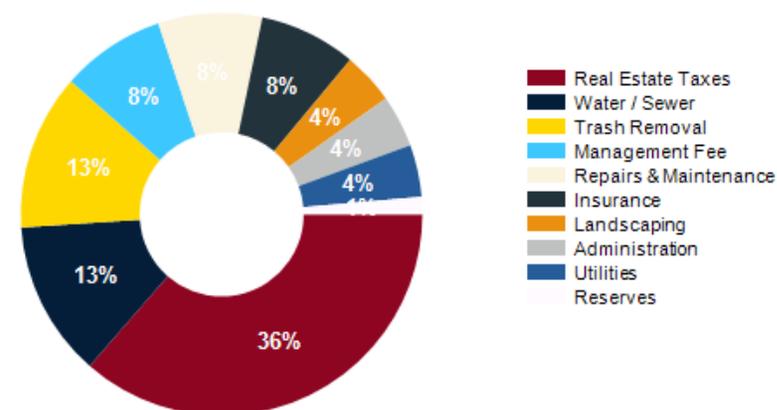
REVENUE ALLOCATION CURRENT

INCOME	CURRENT		PRO FORMA	
Gross Potential Rent	\$95,124	92.1%	\$115,200	93.4%
Parking/Garage	\$6,000	5.8%	\$6,000	4.9%
Other Income	\$2,200	2.1%	\$2,200	1.8%
Gross Potential Income	\$103,324		\$123,400	
General Vacancy	-3.00%		-3.00%	
Effective Gross Income	\$100,470		\$119,944	
Less Expenses	\$35,376	35.21%	\$35,960	29.98%
Net Operating Income	\$65,095		\$83,984	



EXPENSES	CURRENT	Per Unit	PRO FORMA	Per Unit
Real Estate Taxes	\$13,062	\$2,612	\$13,062	\$2,612
Insurance	\$2,800	\$560	\$2,800	\$560
Management Fee	\$3,014	\$603	\$3,598	\$720
Repairs & Maintenance	\$3,000	\$600	\$3,000	\$600
Water / Sewer	\$4,500	\$900	\$4,500	\$900
Landscaping	\$1,500	\$300	\$1,500	\$300
Administration	\$1,500	\$300	\$1,500	\$300
Utilities	\$1,500	\$300	\$1,500	\$300
Trash Removal	\$4,500	\$900	\$4,500	\$900
Total Operating Expense	\$35,376	\$7,075	\$35,960	\$7,192
Reserves	\$500	\$100	\$500	\$100
Expense / SF	\$11.67		\$11.86	
% of EGI	35.21%		29.98%	

DISTRIBUTION OF EXPENSES CURRENT

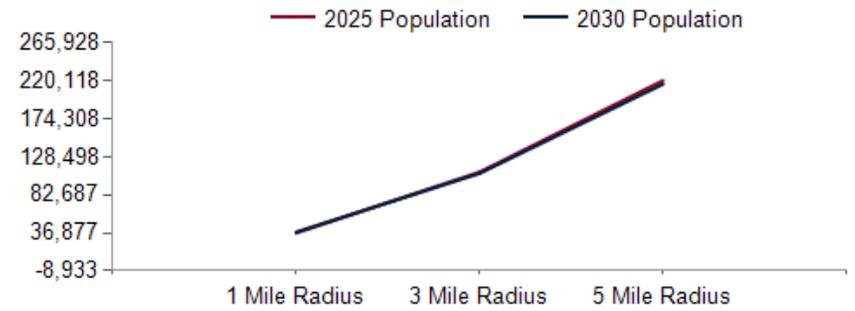


06 Demographics

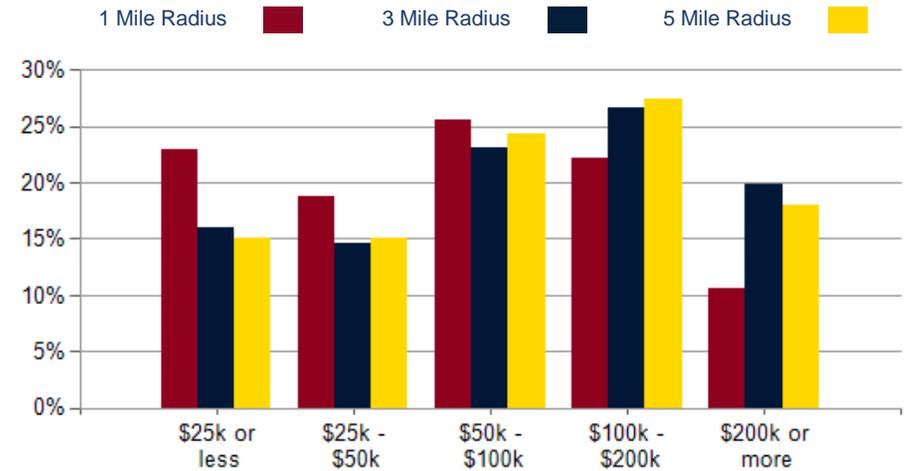
General Demographics

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	37,025	109,804	220,604
2010 Population	38,206	111,011	223,621
2025 Population	36,877	110,055	220,118
2030 Population	37,804	108,593	215,960
2025 African American	2,974	7,144	13,462
2025 American Indian	796	1,929	3,679
2025 Asian	2,126	9,292	27,516
2025 Hispanic	24,010	55,498	115,830
2025 Other Race	14,005	29,869	65,856
2025 White	10,505	43,262	72,862
2025 Multiracial	6,260	18,009	35,309
2025-2030: Population: Growth Rate	2.50%	-1.35%	-1.90%

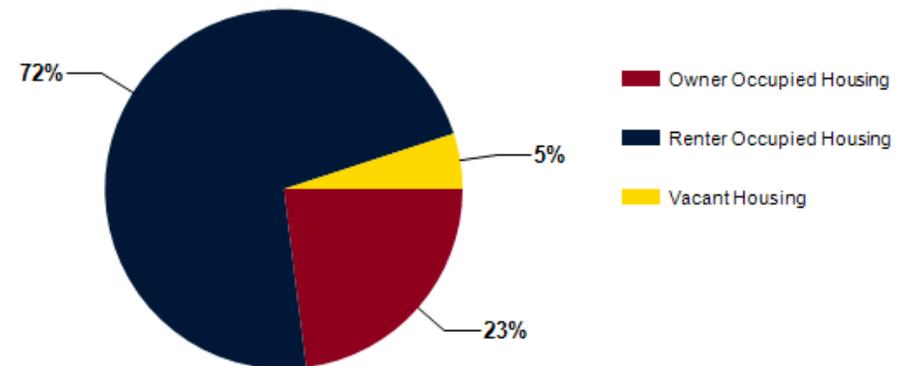
2025 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	1,723	3,725	6,661
\$15,000-\$24,999	1,515	2,906	5,339
\$25,000-\$34,999	977	2,381	4,601
\$35,000-\$49,999	1,688	3,712	7,379
\$50,000-\$74,999	2,019	5,224	10,323
\$75,000-\$99,999	1,594	4,358	8,941
\$100,000-\$149,999	2,040	6,658	13,422
\$150,000-\$199,999	1,105	4,377	8,344
\$200,000 or greater	1,496	8,221	14,283
Median HH Income	\$62,433	\$89,810	\$88,381
Average HH Income	\$96,213	\$133,999	\$129,030



2025 Household Income



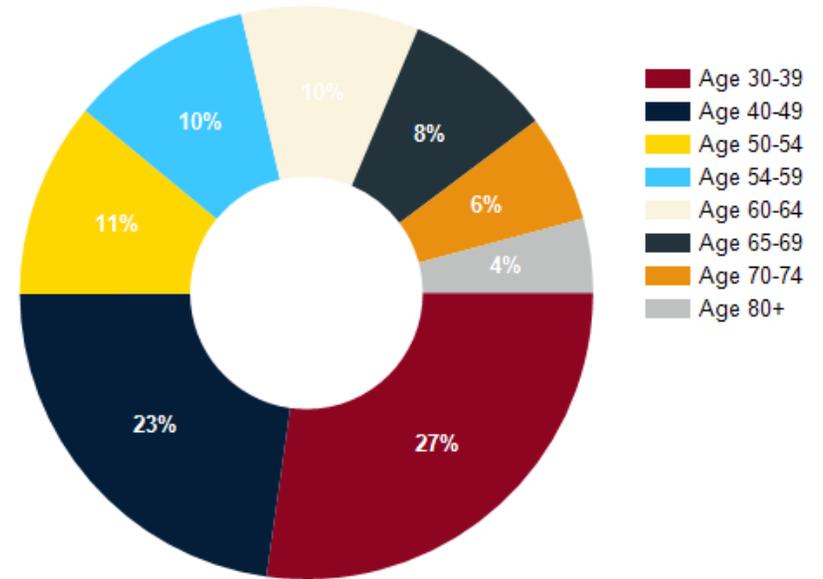
2025 Own vs. Rent - 1 Mile Radius



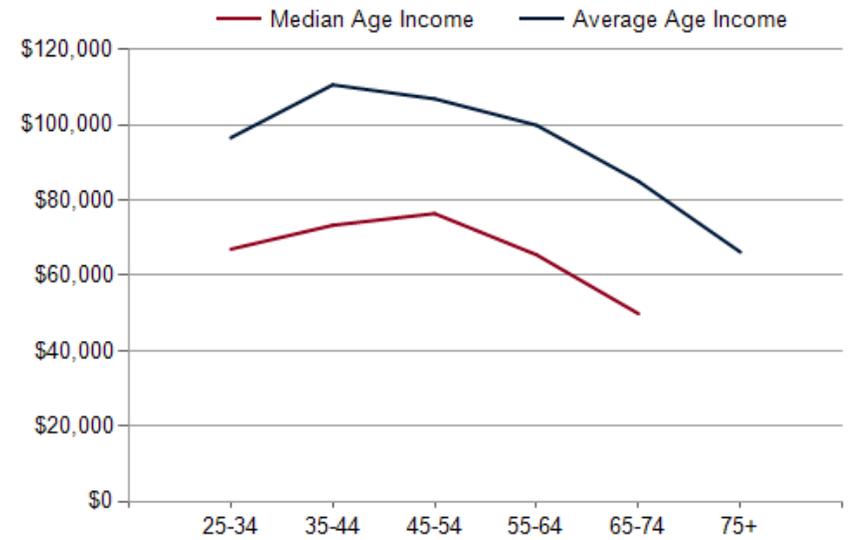
Source: esri

2025 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2025 Population Age 30-34	3,108	7,834	15,450
2025 Population Age 35-39	2,821	7,428	14,522
2025 Population Age 40-44	2,609	7,455	14,770
2025 Population Age 45-49	2,330	6,854	13,785
2025 Population Age 50-54	2,406	7,337	14,730
2025 Population Age 55-59	2,256	7,344	14,438
2025 Population Age 60-64	2,184	7,134	14,378
2025 Population Age 65-69	1,825	6,181	12,639
2025 Population Age 70-74	1,322	4,835	9,741
2025 Population Age 75-79	909	3,745	7,439
2025 Population Age 80-84	583	2,414	4,755
2025 Population Age 85+	648	2,633	5,081
2025 Population Age 18+	29,194	88,050	176,039
2025 Median Age	38	41	41
2030 Median Age	39	41	41

Population By Age



2025 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$66,969	\$82,987	\$82,116
Average Household Income 25-34	\$96,573	\$116,717	\$114,700
Median Household Income 35-44	\$73,326	\$101,798	\$101,767
Average Household Income 35-44	\$110,628	\$144,267	\$141,175
Median Household Income 45-54	\$76,445	\$113,469	\$109,562
Average Household Income 45-54	\$106,903	\$158,201	\$150,931
Median Household Income 55-64	\$65,492	\$107,615	\$103,880
Average Household Income 55-64	\$99,893	\$155,903	\$147,613
Median Household Income 65-74	\$49,843	\$81,450	\$79,055
Average Household Income 65-74	\$85,019	\$122,353	\$116,989
Average Household Income 75+	\$66,218	\$97,370	\$92,839



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