

432 W. 107TH STREET | LOS ANGELES, CA 90003



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MULTI-FAMILY INVESTMENT OPPORTUNITY

LIST PRICE: \$1,650,000

INVESTMENT HIGHLIGHTS:

UNIT MIX: FIVE 1+1 & TWO 2+1 UNITS

SEVEN UNITS HAVE BEEN RECENTLY RENOVATED

NEW EXTERIOR PAINT AND LIGHTS

NEW BUILDING AND UNIT NUMBERS

SECURED GATED ENTRY

SEPERATELY METERED FOR GAS & ELECTRICITY

STRONG RENTAL DEMAND MARKET

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INVESTMENT OVERVIEW

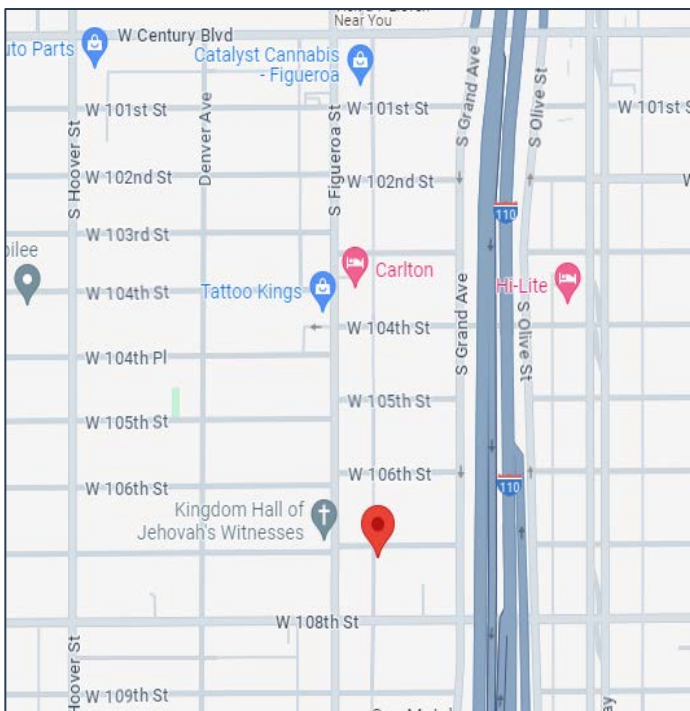
PROPERTY DESCRIPTION

The unit mix consists of five 1+1 and two 2+1 units. The investment consists of approximately 4,432 of rentable square feet and is situated on an approximately 9,110 square foot parcel. Recent property upgrades include new exterior paint, new exterior lighting, new exterior building and unit numbers, and all seven of the units have recently been renovated.. The building amenities include a secured gated entry, and the property is separately metered for both gas & electricity.



LOCATION DESCRIPTION

The subject property is located in the City of Los Angeles. The property is situated south of Century Boulevard, North of 108th Street, West of Grand Avenue and East of Figueroa Street. 432 W. 107th Street is located south of the redeveloping Downtown which is the central business district of Los Angeles as well as east of the University of Southern California, one of the worlds largest leading private research universities. This asset is in close proximity to local retail, schools, and the 110, 105 & 10 freeways. Nearby public transportation includes the Metro Blue Line, which runs north and south along the 110 Freeway.



EXTERIOR PHOTOS



RENT SCHEDULE

UNIT	UNIT TYPE	DETAILS	TENANT PORTION	HUD PORTION	CURRENT RENT	MARKET RENT	RENTAL UPSIDE
1	1+1	Section 8			\$1,764.00	\$2,407	27%
2	2+1				\$2,285.92	\$3,052	25%
3	2+1	Section 8			\$2,407.00	\$3,052	21%
4	1+1	Section 8			\$1,675.00	\$2,407	30%
5	1+1	Section 8			\$1,866.00	\$2,407	22%
6	1+1	Section 8			\$1,834.00	\$2,407	24%
7	1+1	Section 8			\$1,750.00	\$2,407	27%
RENTAL INCOME:					\$13,582	\$18,139	25%
LAUNDRY INCOME:					\$0	\$0	
OTHER INCOME:					\$0	\$0	
TOTAL MONTHLY INCOME:					\$13,582	\$18,139	
ANNUAL INCOME:					\$162,983	\$217,668	

INVESTMENT SUMMARY

PRICING SUMMARY

Listed Price:		\$1,650,000
Down Payment:	25%	\$412,500
Price per Unit:		\$235,714
Price per SF:		\$381.59
Price per SF Lot Size:		\$181.12

PROPERTY DESCRIPTION

Property	432 W. 107th Street	No. Units:	7
Address:	Los Angeles, CA 90003	Gross SF	4,324
APN:	6061-033-009	Lot Size:	9,110
Zoning:	LAR2	Year Built:	1934

INVESTMENT VALUATION

Current GRM:	10.12
Current CAP:	7.22%
Current Pre-Tax Cash Flow %:	7.63%
Market GRM:	7.58
Market CAP:	10.33%
Market Pre-Tax Cash Flow:	20.09%
Rental Upside:	25%

FINANCING TERMS

Loan Amount:	\$1,237,500
Term (Amortization):	3 Years Fixed (30)
Interest Rate:	5.85%
Monthly Payment:	\$7,301
Yearly Payment:	\$87,606
Debt Coverage Ratio (DCR):	1.36

ANNUALIZED OPERATING DATA

	<u>CURRENT</u>		<u>MARKET</u>	
Scheduled Gross Income:	\$162,983		\$217,668	
Less Vacancy Rate Reserve:	\$3,260	2%	\$4,353	2%
Gross Operating Income:	\$159,723		\$213,315	
Less Expenses:	\$40,655	25%	\$42,832	20%
Net Operating Income:	\$119,068		\$170,483	
Less Loan Payments:	\$87,606		\$87,606	
Pre-Tax Cash Flow:	\$31,462	7.6%	\$82,876	20.1%
Plus Principal Reduction:	\$15,595		\$15,595	
Total Return Before Taxes:	\$47,057	11.4%	\$98,471	23.9%

SCHEDULED INCOME

ANNUAL EXPENSES

# of Units	Unit Type	<u>CURRENT</u>		<u>MARKET</u>		Expense	Amount	%
		Average Rent	Monthly Totals	Average Rent	Monthly Totals			
5	1+1	\$1,778	\$8,889	\$2,407	\$12,035	Taxes (1.20% x Sales Price)	\$19,800	49%
2	2+1	\$2,346	\$4,693	\$3,052	\$6,104	Insurance (\$1.50/sq. ft.)	\$6,486	16%
						Maintenance & Repair (\$500/unit)	\$3,500	9%
						LADWP (\$625 x 6 months)	\$3,750	9%
						Landscaping (\$50/month)	\$600	1%
						Off-Site Management (4% of SGI)	\$6,519	16%

Scheduled Rental Income:	\$13,582	\$18,139		
Laundry Income:	\$0	\$0	Total:	\$40,655 100%
Other Income:	\$0	\$0	Per Gross SF:	\$9.40
Total Monthly Income:	\$13,582	\$18,139	Per Unit:	\$5,808
Annual Scheduled Gross Income:	\$162,983	\$217,668	% of SGI:	24.94%