

646 N Madison Ave  
Los Angeles, CA 90004

\$2,249,000



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# TABLE OF CONTENTS

- 1 INVESTMENT OVERVIEW**
- 2 FINANCIAL ANALYSIS**
- 3 LOCATION OVERVIEW**
- 4 MEET THE TEAM**

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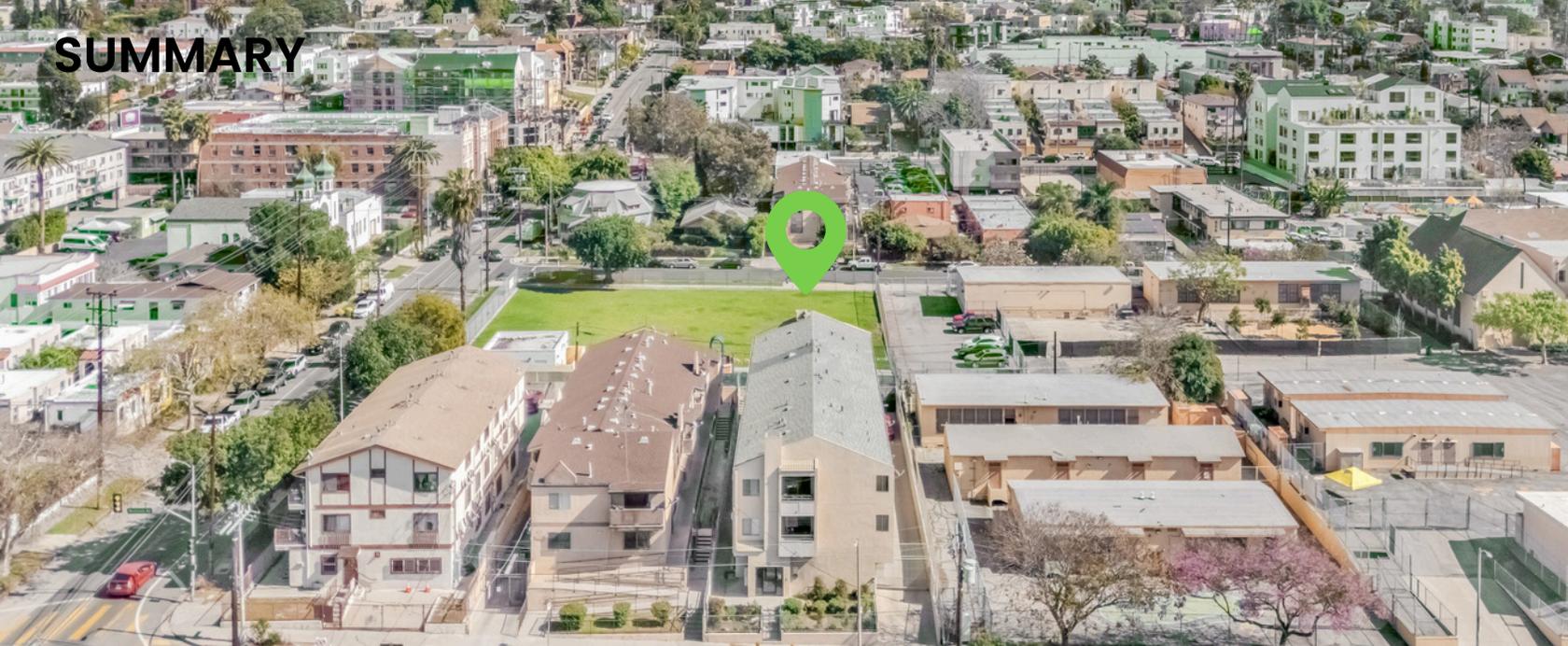
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# INVESTMENT OVERVIEW

# SUMMARY



**646 N Madison Ave, Los Angeles, CA 90004**

## ASKING PRICE

**\$2,249,000**

UNITS 10

UNIT MIX 4 (1-BED / 1-BATH) 6 (2-BED / 1 BATH)

TOTAL BUILDING SQ. FT. 7,134

TOTAL LOT SQ. FT. 7,513

YEAR BUILT 1988

ZONING LAR3

APN 5539-024-008

# HIGHLIGHTS

- Built in 1988 – Not Subject to LA RSO Rent Control
- Located in an Opportunity Zone and Designated TOC Tier 3
- 7,134 SF Building Situated on a 7,513 SF Lot
- Desirable Unit Mix: (4) 1 Bed / 1 Bath Units and (6) 2 Bed / 1 Bath Units
- Approximately 60% Upside in Rental Income
- Current Cap 5.14% – Projected Market Cap 10.26%
- 21 Ground Level Parking Spaces
- Additional Income Producing Shared Laundry Facility

# THE OFFERING



We are pleased to present 646 N Madison Ave, a 10-unit multifamily investment opportunity in the heart of East Hollywood, Los Angeles, featuring 1988 construction and not subject to LA RSO rent control. Situated in an Opportunity Zone and designated TOC Tier 3, the property offers strong long term investment fundamentals with potential density and development advantages. The building totals approximately 7,134 square feet on a 7,513 square foot lot and features a desirable unit mix of (4) one bedroom one bath units and (6) two bedroom one bath units, appealing to a broad tenant base. The asset includes 21 ground level parking spaces, gated tuck under parking access, and a coin operated shared laundry facility, providing both tenant convenience and additional income potential. With solid in place income and approximately 60% upside in rental income, the property presents a compelling value add opportunity. Based on projected market rents, the property offers an estimated 10.26% market cap rate, positioning 646 N Madison Ave as a rare high yield acquisition in one of Los Angeles' most consistently strong rental markets.

**PROPERTY  
PHOTOGRAPHS**



PROPERTY  
PHOTOGRAPHS



**PROPERTY  
PHOTOGRAPHS**



# FINANCIAL ANALYSIS

## PROPERTY METRICS

PRICE	\$2,249,000
UNITS	10
BUILDING SQ. FT.	7,134
LOT SQ FT	7,513
YEAR BUILT	1988
PRICE / UNIT	\$224,900
PRICE / SQ FT	\$315.25

## INCOME DATA

	CURRENT	PRO FORMA
NOI	\$115,557	\$230,793
CAP	5.14%	10.26%
GRM	11.79	7.26

## PROPOSED FINANCING

DOWN PAYMENT	\$899,600
LOAN AMOUNT	\$1,349,400
INTEREST RATE	5.800%
AMORTIZATION	30
DEBT COVERAGE RATIO	1.22

# INCOME AND EXPENSES

## RENT ROLL

UNIT	TYPE	NOTES	CURRENT	PRO FORMA
1	1-BED / 1-BATH		\$1,341	\$ 2,200
1	1-BED / 1- BATH		\$ 1,875	\$ 2,200
1	1-BED / 1- BATH		\$ 1,341	\$ 2,200
1	1-BED / 1- BATH		\$ 850	\$ 2,200
1	2-BED / 1- BATH		\$ 1,607	\$ 2,800
1	2-BED / 1- BATH		\$ 1,725	\$ 2,800
1	2-BED / 1- BATH		\$ 1,742	\$ 2,800
1	2-BED / 1- BATH		\$ 1,607	\$ 2,800
1	2-BED / 1- BATH		\$ 2,005	\$ 2,800
1	2-BED / 1- BATH		\$ 1,607	\$ 2,800
MONTHLY SCHEDULED RENTAL INCOME			\$ 15,700	\$ 25,800
LAUNDRY			\$ 200	\$ 200
ANNUAL SCHEDULED RENTAL INCOME			\$190,800	\$309,600

## OPERATING DATA

	CURRENT		PRO FORMA	
GROSS MARKET RENT	\$190,800		\$309,600	
LESS: VACANCY RESERVE	\$5,724	3.0%	\$9,288	3.0%
GROSS OPERATING INCOME	\$185,076		\$ 300,312	
LESS: EXPENSES	\$ 69,519	36%	\$ 69,519	22%
NET OPERATING INCOME	\$ 115,557		\$230,793	
LESS: LOAN PAYMENTS PRE-TAX	\$ 95,012		\$ 95,012	
CASH FLOW	\$ 20,545	2.28%	\$ 135,781	15.09%
PRINCIPAL REDUCTION	\$ 17,199		\$ 17,199	
TOTAL RETURN BEFORE TAXES	\$ 37,744	4.20%	\$ 152,980	17.01%

## CURRENT EXPENSES

NEW TAXES (ESTIMATED)	\$ 28,113
MAINTENANCE	\$ 5,724
INSURANCE	\$ 8,561
UTILITIES	\$ 16,382
LANDSCAPING	\$ 1,200
TOTAL EXPENSES:	\$ 69,519.30
EXPENSES AS % GSI	36.44%
PER NET SQ.FT.	\$ 9.74
PER UNIT:	\$ 6,951.93

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# LOCATION OVERVIEW



Los Angeles County is the most heavily populated county with approximately 9.9 million people, including about 1 million that live in unincorporated areas of the county. The metropolis—formed by the six neighboring counties of Los Angeles, Ventura, Kern, San Bernardino, Riverside, and Orange—is home to approximately 19 million residents. Los Angeles County is home to one of the most educated labor pools in the country and offers a labor force of more than 4.7 million, of which more than 1.5 million are college graduates. Los Angeles County has the largest population of any county in the nation, exceeded only by eight states. According to the United States Conference of Mayors, Los Angeles County boasts a GDP among the twenty largest in the world. Los Angeles County's continued economic growth, in contrast to other areas of the state and nation, is due to its diversified economy and abundant, well-trained workforce.

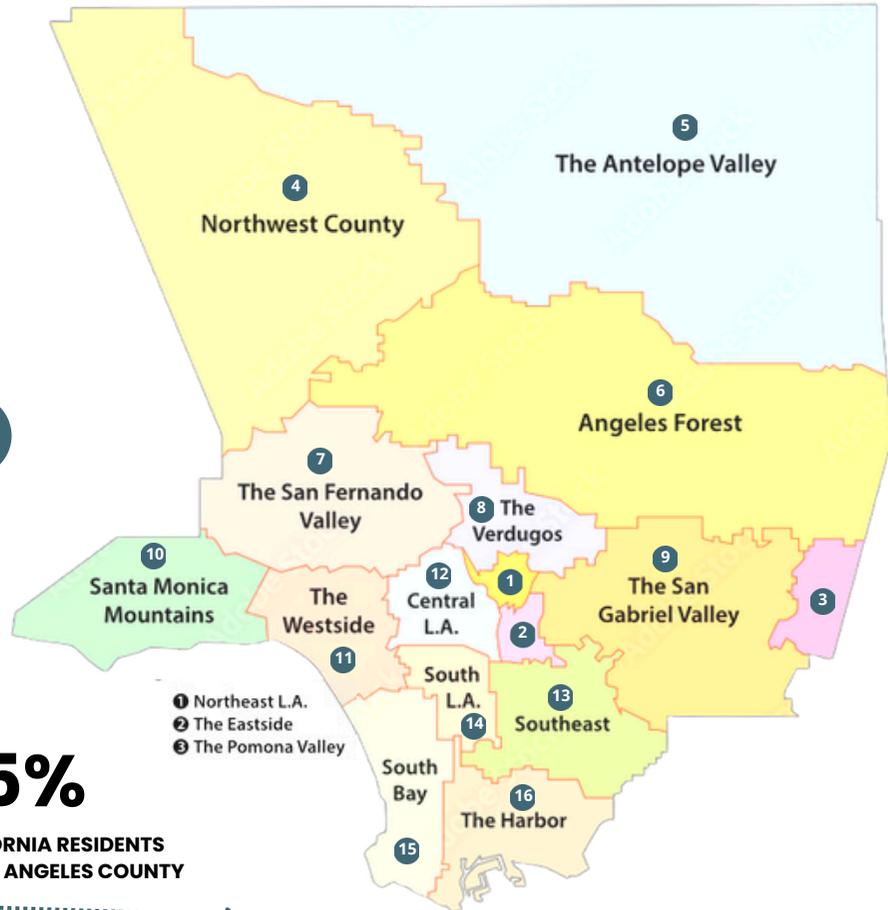
LA County is well located on the Southern Coast of California, and covers 4,061 square miles, including the San Clemente and Santa Catalina islands. The county comprises approximately 88 vibrant and diverse cities hosting more than 244,000 business establishments—the greatest concentration in the state. LA County has a Gross Domestic Product (GDP) of approximately \$446 billion—placing it among the top 20 economies in the world. The combined GDP of LA and its five surrounding neighboring counties places it in the top 10. California is generally considered to be in the top five.

If LA County were its own nation, its economy would be the 18th largest in the world. It is home to more than 244,000 businesses, with more minority and women owned businesses than any other state in the nation and is the nation's top international trade center and manufacturing center. LA is recognized worldwide as a leader in entertainment, health sciences, business services, aerospace and international trade. Because the LA area is so large and diverse, it has something to offer everyone. While Hollywood and the Los Angeles beach culture are part of our collective image of LA, the city also has more museums than any other city and some of the best hotels in the world.

# LOS ANGELES COUNTY

DUE TO THE LARGE SIZE OF LA COUNTY (4,300 SQUARE MILES), IT HAS BEEN DIVIDED INTO THE FOLLOWING COLLECTION OF NEIGHBORHOODS GEOGRAPHIC REGIONS:

- |                        |                            |
|------------------------|----------------------------|
| 1. NORTHEAST L.A.      | 9. SAN GABRIEL VALLEY      |
| 2. THE EASTSIDE        | 10. SANTA MONICA MOUNTAINS |
| 3. POMONA VALLEY       | 11. THE WESTSIDE           |
| 4. NORTHWEST COUNTY    | 12. CENTRAL L.A.           |
| 5. ANTELOPE VALLEY     | 13. SOUTHEAST              |
| 6. ANGELES FOREST      | 14. SOUTH LA               |
| 7. SAN FERNANDO VALLEY | 15. SOUTH BAY              |
| 8. THE VERDUGOS        | 16. THE HARBOR             |



LOS ANGELES CALIFORNIA  
9.83 MILLION  
39.24 MILLION

## 25%

OF ALL CALIFORNIA RESIDENTS  
LIVE WITHIN LOS ANGELES COUNTY



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# LISTING TEAM

# MEET THE TEAM



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