

7851 W Talbert St, Playa Del Rey, CA 90293



Presented By:



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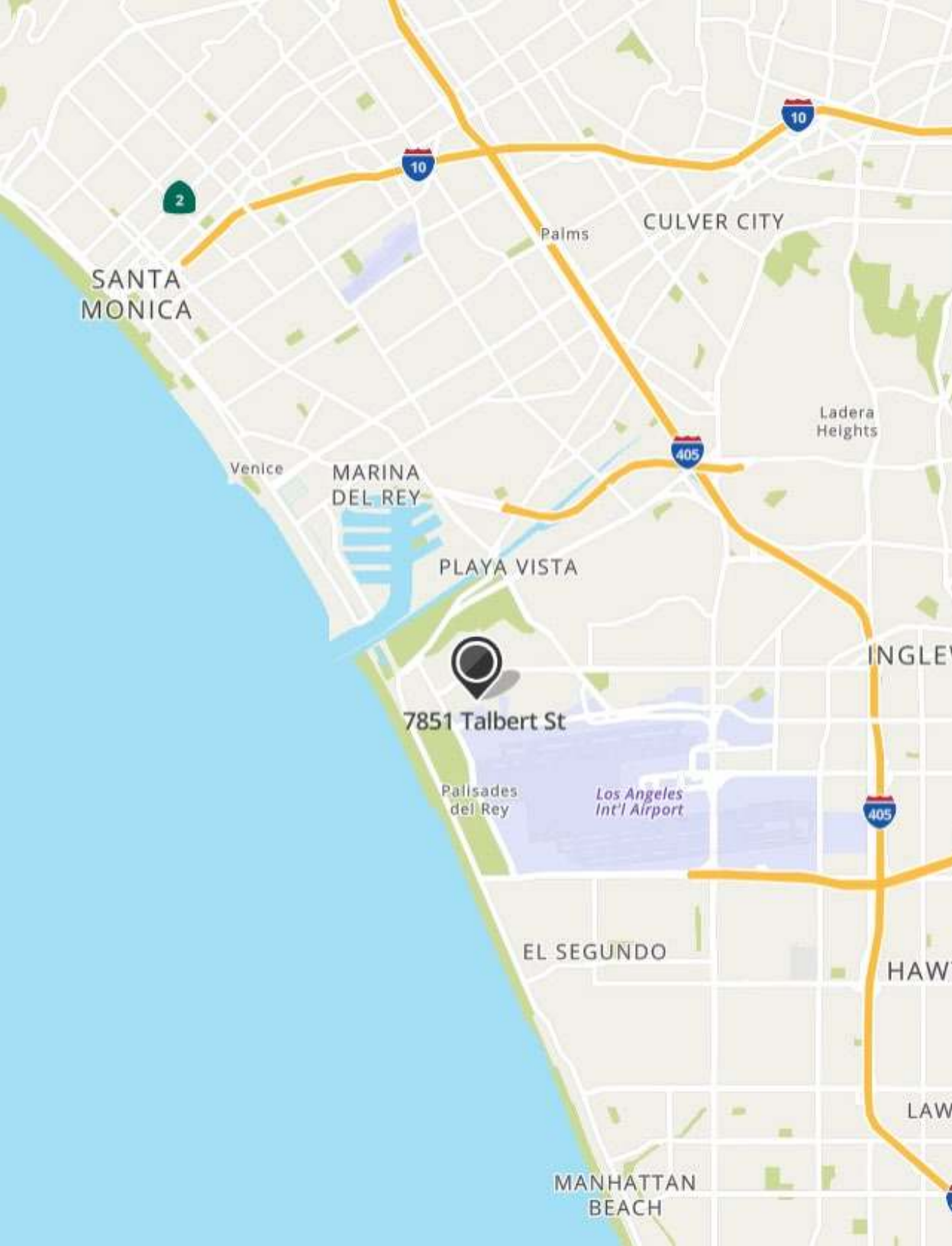


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Executive Summary

This six-unit building, located at 7851 W Talbert Street in the beautiful beachside community of Playa del Rey, represents a prime investment opportunity and a true trophy property. The property consists of a large unit mix, including two 2-bedroom/2-bathroom units, one 2-bedroom/1.5-bathroom unit, one 2-bedroom/1-bathroom unit, and two 1-bedroom/1-bathroom units. The building offers a total of 4,937 square feet of living space situated on a 4,849 square foot lot.

Built in 1960, this well-maintained property is listed at \$2,500,000, equating to \$416,667 per unit and \$506 per rentable square foot. The property currently generates \$14,614 per month and \$175,368 per year in rental income, with a potential increase to \$19,430 per month and \$233,160 per year at market rent levels, reflecting a significant 33% rental upside potential.

All tenants are currently on MTM leases with the exception of unit #3 who plans to vacate the property in the coming months and unit #4 which is also vacant. The property's exterior and walkways were recently pressure washed. The owner hired a professional painting company to paint the entire exterior, including trim, handrails, and all 6 garages. The roof was completely recoated with two coats of silicone that is warrantied up to 10 years. All these improvements have successfully revamped this gem into a beautiful, modern looking and easy to maintain property for the new owners. Rent was last raised on February 1st, 2024.

Give us a call to discuss ADU potential.
There is garage space for at least one if not two ADUs.





33%
Percent

Rental Upside

Investment Overview

Pricing Metrics

Offering Price	\$2,500,000
Price/Unit	\$416,667
Price/Sq Ft	\$506
CAP Rate (Current)	4.65%
GRM (Current)	14.26
CAP Rate (Market)	6.93%
GRM (Market)	10.72

Property Details

Units	6
Year Built	1960
Rentable Square Feet	4,937
Lot Size	4,849
APN	4118-001-018
Zoning	Lar3
Rent Control	RSO

Proposed Financing

Loan Amount	\$1,250,000
Loan Type	Conventional
Interest Rate	6.15%
Amortization	30
Fixed Period	5
Loan Costs	1%
Monthly Payment	\$7,615

Proposed Financing

Tyler Bradford
 (310) 850-7197 (Mobile)
tyler@convoy-cap.com
 DRE #01860008



Travis Bradford
 (310) 869-7490 (Mobile)
travis@convoy-cap.com
 DRE #02046147

Prepared for:
 Property Address:

C/O Dante Trudo & Jack McCann
 7851 Talbert St
 Playa Del Rey, CA 90293

7/17/2024
 Quote #1

Loan Options	Option 1 3-Year Fixed	Option 2 5-Year Fixed	Option 3 Floating Bridge-ARM
Purchase Price	\$2,600,000	\$2,600,000	\$2,600,000
Loan Amount	\$1,250,000	\$1,250,000	\$1,500,000
Down Payment	\$1,350,000	\$1,350,000	\$1,100,000
Loan-to-Value	48%	48%	58%
Debt Coverage Ratio (DCR)	1.15	1.15	1.25
Current Interest Rate	6.15%	6.15%	8.50%
Interest-Only Period	2-3 Years Available	2-3 Years Available	24 Months
Index	1-Year CMT	1-Year CMT	WSJ Prime
Margin	2.50%	2.50%	N/A
Floor / Ceiling	6.15% / 11.95%	6.15% / 11.95%	7.00% / None
Loan Term	30	30	24 Months
Amortization in Years	30	30	30
I/O Monthly Payment	\$6,510	\$6,510	\$10,625
Monthly Payment	\$7,615	\$7,615	\$11,534
Recourse	Yes	Yes	Yes
Impounds	No	No	TBD
Pre-Payment Penalty	Years 1-3	Years 1-5	None
	3-2-1%	5-4-3-2-1%	None
Loan Fee	1%	1%	1.25%
Estimated Costs:			
Appraisal/Due Diligence	\$3,500	\$3,500	\$9,500
Closing/Processing/Underwriting	Included Above	Included Above	Included Above

Property Photos: *Drone Exterior*



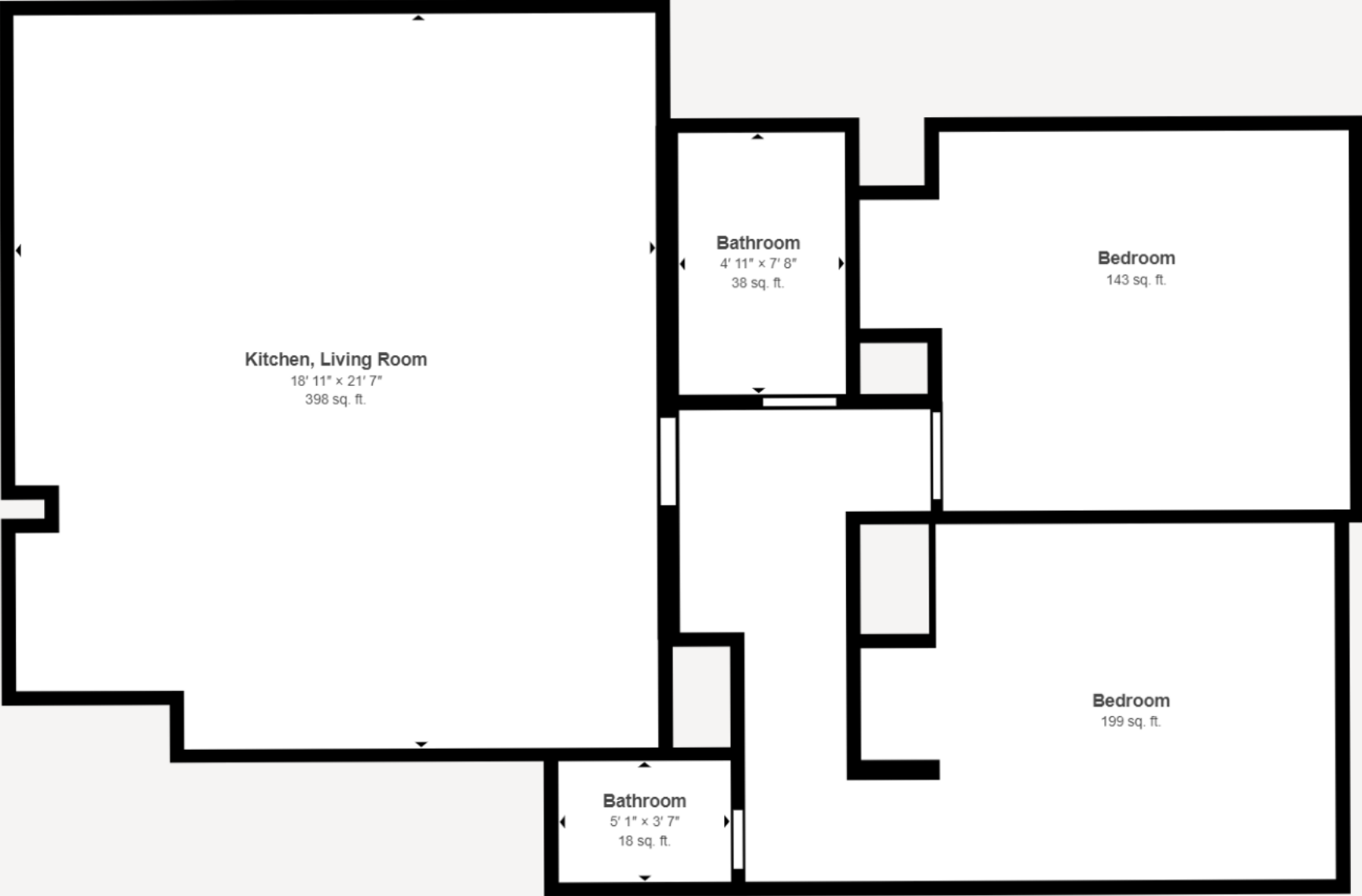
Property Photos: Unit #3 (1bd/1ba) – Vacant @ COE



Property Photos: Unit #4 (2bd/1.5ba) - Vacant



Property Photos: Unit #4 (2bd/1.5ba) - Vacant



Property Financials

RENT ROLL

UNIT	UNIT MIX	UNIT SQFT	RENT/SQFT	CURRENT	RENT/SQFT	PRO FORMA
1	2 BED / 2 BATH	1000	\$2.80	\$2,803	\$3.73	\$3,725
2	2 BED / 1 BATH	837	\$1.80	\$1,503	\$4.06	\$3,395
3	1 BED / 1 BATH	575	\$4.08	\$2,345	\$4.34	\$2,495
4	2 BED / 1.5 BATH	950	\$3.78	\$3,595	\$3.78	\$3,595
5	2 BED / 2 BATH	1000	\$2.28	\$2,281	\$3.73	\$3,725
6	1 BED / 1 BATH	575	\$3.63	\$2,087	\$4.34	\$2,495
TOTAL		4937	\$3.06	\$14,614	\$3.99	\$19,430

LEASES

UNIT	UNIT MIX	PARKING	LAUNDRY	NOTES	UTILITIES PAID	EXPIRATION
1	2 BED / 2 BATH	GARAGE + ON-SITE	ON-SITE	OCCUPIED	GAS/ELECTRIC	MTM
2	2 BED / 1 BATH	GARAGE + ON-SITE	ON-SITE	OCCUPIED	GAS/ELECTRIC	MTM
3	1 BED / 1 BATH	GARAGE + ON-SITE	ON-SITE	VACANT @ COE	GAS/ELECTRIC	WANTS TO MOVE
4	2 BED / 1.5 BATH	GARAGE + ON-SITE	ON-SITE	VACANT	GAS/ELECTRIC	N/A
5	2 BED / 2 BATH	GARAGE + ON-SITE	ON-SITE	OCCUPIED	GAS/ELECTRIC	MTM
6	1 BED / 1 BATH	GARAGE + ON-SITE	ON-SITE	OCCUPIED	GAS/ELECTRIC	MTM

Property Financials

OFFERING PRICE

\$2,500,000

\$/SQFT	\$506
\$/UNIT	\$416,667
TOTAL SQFT	4,937
TOTAL UNITS	6

33%

RENTAL UPSIDE

CURRENT METRICS

CAP RATE 4.65%

\$506

PRICE PER SQFT

GRM 14.26

PRO FORMA METRICS

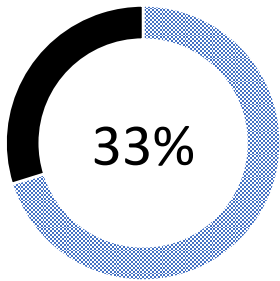
CAP RATE 6.93%

1960

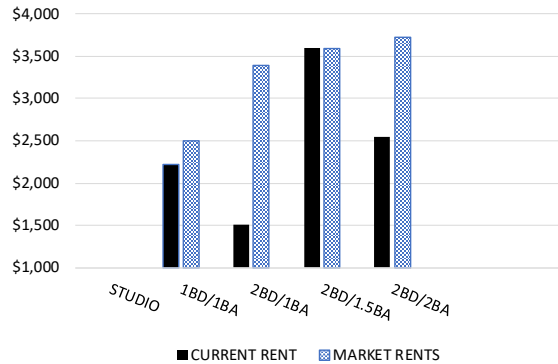
YEAR BUILT

GRM 10.72

EXPENSE RATIO



UPSIDE ANALYSIS



PROPOSED DEBT

LOAN AMOUNT	\$1,250,000	INTEREST RATE	6.15%
DOWN PAYMENT	50% \$1,250,000	FIXED (YRS)	5
DEBT COVERAGE RATIO	1.27	AMORTIZATION (YRS)	30
MONTHLY LOAN PAYMENT	\$7,615		

INCOME

	CURRENT	PRO FORMA
Gross Potential Income	\$175,368	\$233,160
Vacancy Reserve	(\$5,261)	(\$6,995)
Additional Income	\$2,400	\$9,600
Effective Gross Income	\$172,507	\$235,765
EXPENSES		
Property Taxes	\$30,250	\$30,250
Insurance	\$5,230	\$5,230
Repairs and Maintenance	\$5,261	\$6,995
Utilities	\$5,670	\$5,670
Gardener	\$1,200	\$2,700
Management	\$8,768	\$11,658
Total Expenses	(\$56,379)	(\$62,503)
Net Operating Income	\$116,128	\$173,262

UNIT MIX ANALYSIS

TYPE	% OF TOTAL	TOTAL	AVG. RENT
STUDIO	0%	0	\$0
1BD/1BA	33%	2	\$2,216
2BD/1BA	17%	1	\$1,503
2BD/1.5BA	17%	1	\$3,595
2BD/2BA	33%	2	\$2,542

AGENT CONTACT

JACK MCCANN (310) 382-1063 JACK@LYONSTAHL.COM

Comparable Sales: *Financials*

7701 W Manchester Ave

SALES PRICE: \$3,200,000

LIST PRICE: \$3,275,000

DOM: 36



UNITS	\$/SQFT	\$/UNIT	CAP RATE	GRM
10	\$470.52	\$320,000	4.82%	13.47

7849 W Manchester Ave

SALES PRICE: \$2,038,000

LIST PRICE: \$2,690,000

DOM: 147



UNITS	\$/SQFT	\$/UNIT	CAP RATE	GRM
5	\$500.12	\$407,600	4.78%	13.59

Comparable Sales: *Financials*

7718 Paseo Del Rey

SALES PRICE: \$3,375,000

LIST PRICE: \$3,495,000

DOM: 63



UNITS

\$/SQFT

\$/UNIT

CAP RATE

GRM

8

\$433.47

\$421,875

4.07%

15.73

7812 W Manchester Ave

SALES PRICE: \$2,595,000

LIST PRICE: \$2,640,000

DOM: 91



UNITS

\$/SQFT

\$/UNIT

CAP RATE

GRM

6

\$540.74

\$432,500

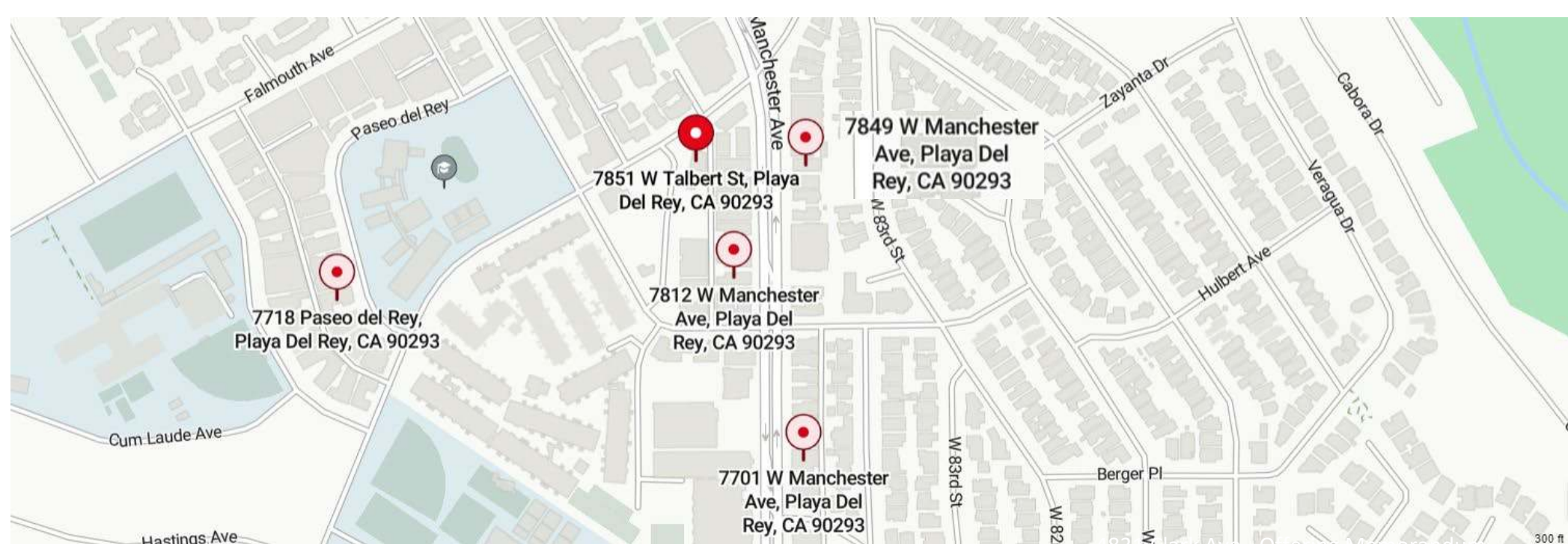
3.20%

20.00

Comparable Sales: *Analysis*

Address	Price	Units	SQFT	GSI	NOI	Cap Rate	GRM	Price/SF	Price/Unit	Sale Date
7701 W Manchester Ave	\$3,200,000	10	6801	\$237,500	\$154,375	4.82%	13.47	\$470.52	\$320,000	6/7/2024
7849 W Manchester Ave	\$2,038,000	5	4075	\$150,000	\$97,500	4.78%	13.59	\$500.12	\$407,600	3/4/2024
7718 Paseo Del Rey	\$3,375,000	8	7786	\$214,530	\$137,299	4.07%	15.73	\$433.47	\$421,875	12/20/2022
7812 W Manchester Ave	\$2,595,000	6	4799	\$129,730	\$83,027	3.20%	20.00	\$540.74	\$432,500	10/11/2022
AVERAGE				\$182,940	\$118,050	4.22%	15.70	\$486.21	\$395,494	

Subject Property										
7851 W Talbert St	\$2,500,000	6	4,937	\$175,368	\$116,128	4.65%	14.26	\$506.38	\$416,667	





Location Overview

Playa del Rey, often referred to as the "Beach of the Kings," is a serene coastal neighborhood located in the Westside region of Los Angeles. This charming beachside community offers a unique blend of natural beauty, recreational opportunities, and a relaxed lifestyle, making it a sought-after destination for residents and visitors alike.

Playa del Rey is renowned for its stunning beaches, picturesque ocean views, and scenic wetlands. The area is home to the Ballona Wetlands, one of the last remaining significant wetlands in Los Angeles, providing a sanctuary for various wildlife and a haven for birdwatchers. The beach itself is less crowded compared to neighboring Venice and Santa Monica, offering a peaceful retreat for sunbathing, surfing, and beachcombing.

The neighborhood exudes a laid-back, small-town atmosphere, characterized by its charming beach cottages, modern residences, and a tight-knit community. Residents enjoy a relaxed pace of life, with numerous outdoor activities such as biking, jogging, and rollerblading along the Marvin Braude Bike Trail, which runs parallel to the beach.

Playa del Rey offers a diverse array of dining options, from cozy beachfront cafes to upscale restaurants, catering to a variety of tastes. The local dining scene is complemented by a selection of boutique shops and bars, providing a vibrant yet tranquil nightlife experience.

Strategically located, Playa del Rey provides easy access to major freeways, including the 405 and 105, ensuring convenient commutes to downtown Los Angeles, Santa Monica, and other key destinations. The neighborhood is also in close proximity to Los Angeles International Airport (LAX), making it an ideal location for frequent travelers.

Playa del Rey has seen a steady rise in property values, driven by its desirable location and the increasing demand for coastal living. The area attracts a mix of young professionals, families, and retirees, drawn by the high quality of life and investment potential. The ongoing development and modernization efforts in the surrounding areas further enhance the appeal of Playa del Rey as a prime real estate market.

The community is served by reputable schools and educational institutions, providing quality education options for families. Additionally, Playa del Rey boasts well-maintained parks, recreational facilities, and community centers, fostering a strong sense of community and well-being among its residents.

With its unparalleled coastal beauty, relaxed lifestyle, and strategic location, Playa del Rey stands out as one of Los Angeles' premier beach communities. Whether as a place to call home or an investment opportunity, Playa del Rey offers a compelling blend of natural allure and modern convenience.



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