

# 4020 W 137<sup>th</sup> St, Hawthorne

\$1,299,000 | 3 Units | 15.0 GRM | 3.8% Cap Rate

Offering memorandum presented by:  
Chris Crosby  
CA DRE License # 02116879  
Chris.Crosby@BuckinghamInvestments.com  
(650) 549-4849



INVESTMENT HIGHLIGHTS 3

AREA OVERVIEW 4

INVESTMENT SUMMARY 5

RENT ROLL 6

PROPERTY PHOTOS 7

DISCLAIMER 8

# TABLE OF CONTENTS

# INVESTMENT HIGHLIGHTS

- Fantastic Unit Mix: (1) 3-bedroom 2-bath and (2) 2-bedroom 1-bath units.
- Strong Rental Income of \$7,200/mo with 17% upside.
- Parking: (3) 1-Car Garages, may have potential for conversion into an ADU (buyer to verify).
- Large Front & Back Yards, may have potential for an addition (buyer to verify).
- Prime Location: Across from Prairie Vista Middle School, easy access to the 405 and 105 freeways, just 15 minutes from the beach and LAX.
- Great Tenants with a track record of timely rent payments.



# AREA OVERVIEW

Located in Hawthorne, close to rapidly growing industry within the South Bay

Within a few blocks of Jim Thorpe Park and across from Prairie Vista Middle School

5 miles from LAX Airport

Close access to the 405, 105, and 110

# INVESTMENT SUMMARY

ANNUALIZED OPERATING DATA

## GENERAL INFORMATION

Price	\$1,299,000
Year Built	1960
Units	3
Building Sq. Ft	2,992
Lot Sq. Ft	8,704
Price / Sq. Ft	\$434
Price / Lot Sq. Ft	\$149
Price / Unit	\$433,000
Current GRM	15.03
@ Market GRM	12.81
Current Cap Rate	3.8%
@ Market Cap Rate	4.8%

Income	Actual	Pro Forma
Gross Scheduled Rents	\$86,400	\$97,800
Parking Income	-	\$3,600
Less Vacancy @ 5%	(\$2,592)	(\$2,934)
<b>Effective Gross Income</b>	<b>\$83,808</b>	<b>\$98,466</b>
Expenses	Actual	Market
Taxes	\$16,238	\$16,238
Insurance	\$3,740	\$3,740
Repairs and Maintenance	\$4,190	\$4,923
Property Management	\$5,028	\$5,908
Utilities	\$2,160	\$2,160
Pest Control	\$1,200	\$1,200
Cleaning/Gardening	\$1,800	\$1,800
City Licensing and Permits	-	-
<b>Total Expenses</b>	<b>\$34,356</b>	<b>\$35,969</b>
<b>Net Operating Income</b>	<b>\$49,452</b>	<b>\$62,497</b>

## PROPOSED FINANCING

Loan Amount (75%)	\$974,250
Down Pmt (25%)	\$324,750
Rate (%)	6.5%
Amortization (years)	30
Payment (monthly)	(\$6,158)
Debt Cov. Ratio	0.67



# RENT ROLL



# of Units	TYPE	ACTUAL RENT	MARKET RENT
1	3BD/2BA	\$2,750	\$3,250
1	2BD/1BA	\$2,450	\$2,450
1	2BD/1BA	\$2,000	\$2,450
TOTAL		\$7,200	\$8,150

# PROPERTY PHOTOS



## DISCLAIMER AND CONFIDENTIALITY AGREEMENT

The information contained in this document is private, confidential, and intended solely for the addressed recipient. By receiving and reviewing this document, the intended recipient agrees to maintain the confidentiality of this document. This document is not to be shared, duplicated, recorded, viewed, or disseminated in any fashion without the express written consent of Buckingham Investments. If you are not the intended recipient, do not review the document. Instead, please notify Buckingham Investments that you have received this document erroneously and arrange the return the document to Buckingham Investments.

The sole intended purpose of this document is to provide a brief synopsis of the potential investment in a specific property. The information in this document has been compiled by Buckingham Investments and is only a representation of Buckingham Investments' opinions at the time the document was created. This document may not represent the current or future opinions of Buckingham Investments regarding this investment opportunity. While Buckingham Investments believes the sources of this information to be reliable, Buckingham Investments has not verified specific information including but not limited to: profit and loss statements, financial statements, size, condition, tenancy, lease status, operational history, or any other details of the property which may be addressed in this document. Buckingham Investments does not warranty the information in this document for any purpose other than as preliminary information regarding a potential real estate investment. This document is not a substitute for due diligence investigations. Buckingham Investments strongly encourages all potential real estate investors to conduct thorough due diligence investigations prior to entering into any transaction.

