

OFFERING MEMORANDUM

NEW 22 UNITS IN OPP ZONE

14629 ERWIN ST, VAN NUYS, CA 91411

SUBJECT
PROPERTY

km Kidder
Mathews



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COMPARABLES

PREMIER NEW 22 UNITS OPPORTUNITY ZONE

Kidder Mathews is pleased to present a brand new 22-unit, multifamily property in the thriving heart of Van Nuys, CA.

New development opportunity - Ground-up multifamily development, received TCO & currently waiting for the Certificate of Occupancy.

Turnkey delivery - A rare turnkey opportunity, potentially stabilized at a near 5.70% CAP rate at market rents, with a majority of units currently vacant - allowing for immediate lease-up & optimized rental positioning from day one.

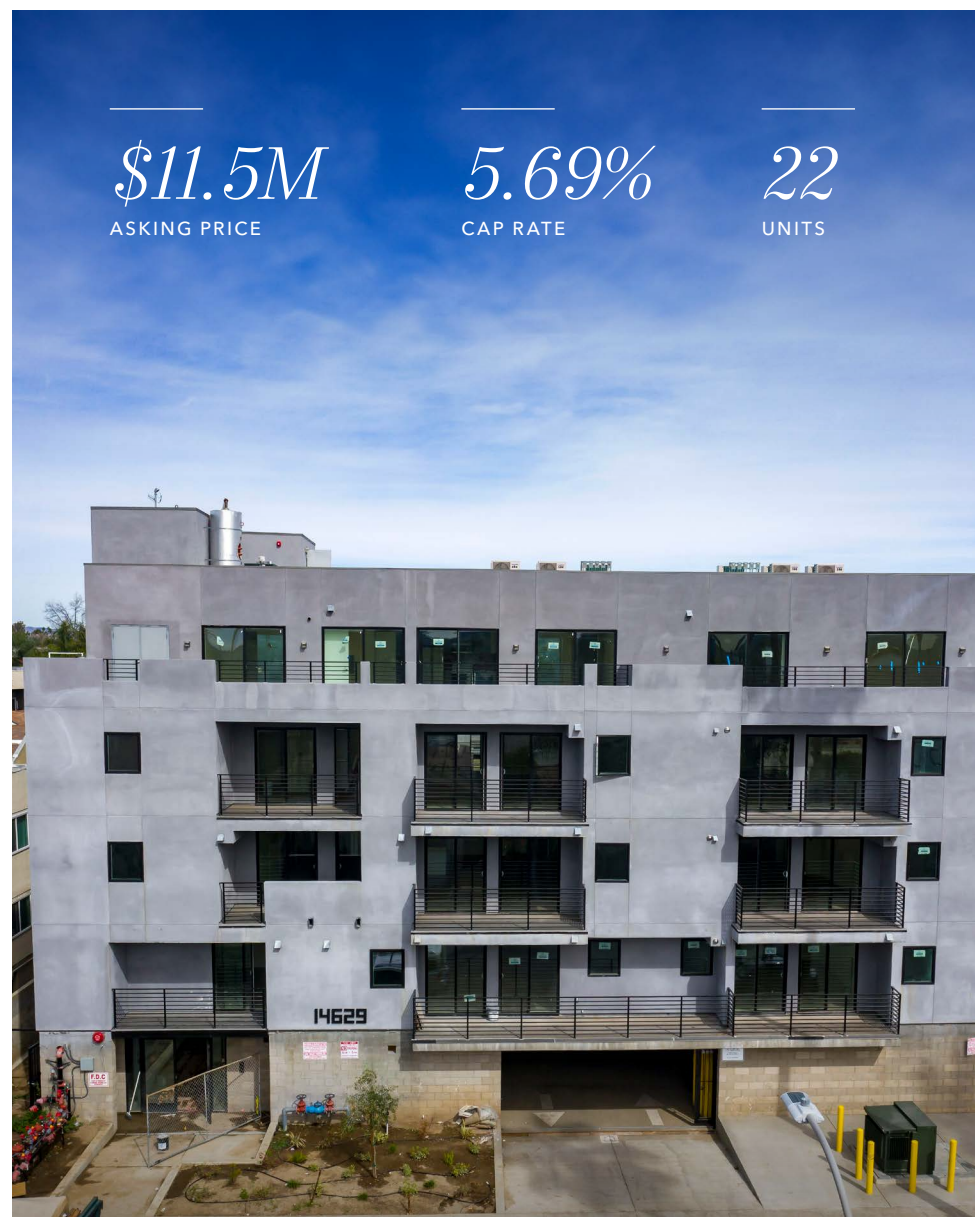
Elevated living experience - Spacious & thoughtfully designed, the units feature private balconies & in-unit washer/dryers for modern convenience. Two oversized penthouse units crown the property, offering expansive balconies that deliver a premium living experience. The property offers 30 dedicated parking spaces located behind a secure, gated entrance, providing residents with both convenience & peace of mind.

Located in an opportunity zone - Uniquely positioned within a designated opportunity zone, providing potential tax advantages for long-term investors.

Development hotspot - Located in a thriving neighborhood with ±20 new multifamily development projects within the Van Nuys submarket. Also bordering other developing cities such as Sherman Oaks & North Hollywood, where nearly 40 major development projects are currently underway.

High-demand rental submarket - The Van Nuys submarket continues to benefit from robust rental demand & high occupancy rates, fueled by consistent job growth, affordability, & an increase in population.

Strategic location - Its convenient location offers residents easy access to green space, outdoor recreation, & a range of lifestyle amenities - with popular restaurants, cafes, & shopping destinations just minutes away.



STRATEGIC TAX BENEFITS

OPPORTUNITY ZONE

WHAT IS THE BENEFIT OF AN OPPORTUNITY ZONE?

Benefits

Tax Deferral - Capital gains reinvested into a QOF are deferred until Dec 31, 2026.

10-Year Tax-Free Growth - Appreciation on the OZ investment can be 100% tax-free if held for 10+ years.

Eligible Project Types - Must be new construction or include substantial improvement to an existing property.

Impact for Investors Today

Allows investors to delay paying tax on gains from prior asset sales.

Eliminates federal capital gains tax when exiting the asset after the 10-year holding period.

Ideal for ground-up multifamily, adaptive reuse, and redevelopment projects.

ACCELERATED DEPRECIATION

WHAT IS THE BENEFIT OF ACCELERATED DEPRECIATION?

Benefits

Front-Loaded Tax Deductions - Allows a larger portion of the property's value to be written off in the early years of ownership.

Cost Segregation Study - Reclassifies building components (appliances, flooring, cabinets, mechanical systems, parking, landscaping, etc.) into shorter 5-15 year depreciable lives rather than the property's 27.5/39 years of useful life.

Flexible Depreciation Strategy - Investors may front-load, smooth, or phase depreciation depending on income needs and tax planning.

Impact for Investors Today

Reduces or eliminates taxable income during lease-up and initial operations, increasing early cash flow.

Enables greater depreciation sooner, allowing investors to accelerate tax savings rather than waiting over decades.

Creates control over taxable income timing, allowing investors to align deductions with financial and return objectives.

Why this is especially valuable in Opportunity Zone Investments?

In Opportunity Zone investments held for 10+ years, accelerated depreciation is especially valuable because there is no depreciation recapture tax at exit. The upfront depreciation deductions taken during the hold period do not need to

be repaid, and any gain upon sale is fully tax-free. By contrast, in a typical real estate sale outside of an Opportunity Zone, accelerated depreciation generally triggers depreciation recapture tax, reducing net proceeds at exit.

RENT ROLL

Unit Number	Bed/Bath Count	Square Feet	Projected Rent	Parking Rent	Price/SF/ Month
201 (V)	3+2	1,383	\$3,800	\$200	\$2.75
202 (V)	3+2	1,383	\$3,800	\$200	\$2.75
203 (V)	2+2	1,038	\$3,200	\$200	\$3.08
Manager	1+1	850	\$700	\$200	\$0.82
205 (V) Affordable	1+1	856	\$1,900	\$200	\$2.22
206 (V)	2+2	1,040	\$3,200	\$200	\$3.08
301 (V)	3+2	1,125	\$3,800	\$200	\$3.38
302 (V)	3+2	1,125	\$3,800	\$200	\$3.38
303 (V)	2+2	1,145	\$3,200	\$200	\$2.79
304 (V) Affordable	1+1	782	\$1,900	\$200	\$2.43
305	1+1	893	\$2,250	\$200	\$2.52
306 (V)	2+2	1,053	\$3,200	\$200	\$3.04
401 (V)	3+2	1,125	\$3,900	\$200	\$3.47
402 (V)	3+2	1,125	\$3,900	\$200	\$3.47
403 (V)	2+2	1,145	\$3,300	\$200	\$2.88
404 (V)	3+2	1,680	\$4,200	\$200	\$2.50
406 (V) Affordable	2+2	1,071	\$2,500	\$200	\$2.33
501 (V)	3+2	1,125	\$3,900	\$200	\$3.47
502 (V)	3+2	1,125	\$3,900	\$200	\$3.47
503 (V)	2+2	1,042	\$3,300	\$200	\$3.17
504 (V) *	2+2	975	\$4,000	\$200	\$4.10
505 (V) *	2+2	1,029	\$4,000	\$200	\$3.89
Average		1,096			\$2.95
Total			\$71,650	\$4,400	

(V) - Vacant

* Luxury top floor penthouse suites with large balcony



PRO FORMA SUMMARY

INVESTMENT SUMMARY

PRICE	\$11,500,000
YEAR BUILT	2025
UNITS	22
PRICE/UNIT	\$522,727
RSF	24,115
PRICE/SF	\$476.88
LOT SF	14,009
FLOORS	5
APN	2241-011-020
ZONING	LAR3
CAP RATE*	5.69%
GRM*	13.38

STABILIZED FINANCING

LOAN 1 (FIXED)	\$6,900,000
INITIAL EQUITY	\$4,600,000
INTEREST RATE	6.50%
TERM	30
MONTHLY PAYMENT	\$43,613
DCR	1.25

POTENTIAL RENT ROLL

Units	Total
22	\$71,650

POTENTIAL ANNUALIZED INCOME

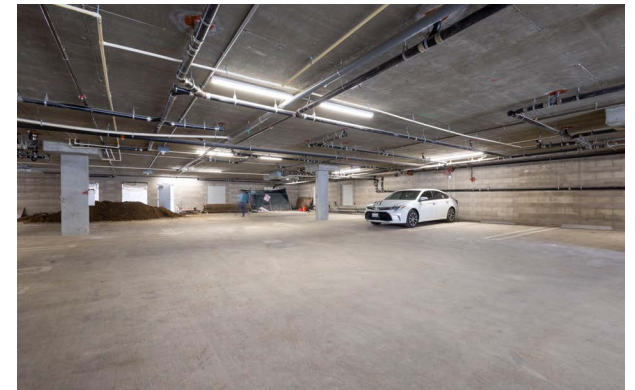
	Market
Gross Potential Rent*	\$859,800
- LESS: VACANCY	\$17,196
+ REIMBURSABLE INCOME (RUBS)	\$13,200
+ PARKING INCOME	\$52,800
Effective Gross Income	\$908,604
- LESS: EXPENSES	\$253,938
Net Operating Income	\$654,666
- REPLACEMENT RESERVES	\$6,600
- DEBT SERVICE	\$523,352
Net \$ Flow After Debt Service	\$124,714
+ PRINCIPAL REDUCTION	\$74,852
Total Return	\$199,566

POTENTIAL ANNUALIZED EXPENSES

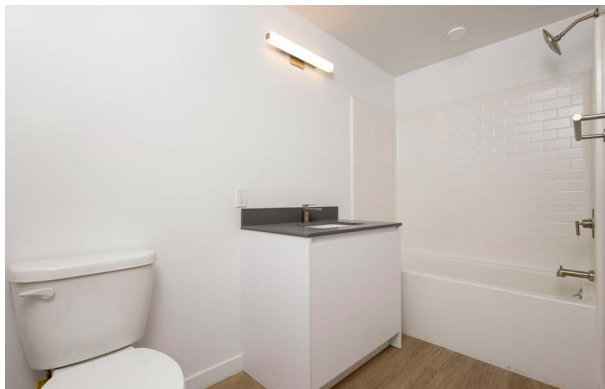
Expenses	Market
PROPERTY MANAGEMENT FEE	\$30,093
ON-SITE PROPERTY MANAGEMENT	\$10,800
LEGAL + REGISTRATION	\$1,320
BUILDING INSURANCE	\$24,115
REPAIRS/MAINTENANCE	\$11,000
TAXES - REAL ESTATE	\$141,450
ELEVATOR	\$1,800
LANDSCAPE + CLEANING	\$3,000
WATER	\$13,200
ELECTRIC	\$2,640
TRASH	\$9,240
GAS	\$5,280
Total Expenses	\$253,938
Expenses Per RSF	\$10.53
Expenses Per Unit	\$11,543

*Income and expense projections based on potential stabilized estimates.

PROPERTY OVERVIEW



PROPERTY OVERVIEW





VAN NUYS
DMV

VAN NUYS
HIGH SCHOOL

MACHU PICCHU
RESTAURANT & BAR

VAN NUYS
GOVERNMENT
CENTER

SUBJECT
PROPERTY

LIDO
PARK

DELANO
PARK

COSTCO
WHOLESALE

INTERSTATE
405

SEPULVEDA BASIN
RECREATION AREA

MACLEOD
RECROSS CO.

ARM TABLE

Chevron

KIA

HONDA

Chevrolet

LEXUS

TOYOTA

VAN NUYS

VAN NUYS OVERVIEW

Located just north of the Greater Los Angeles, Van Nuys is a hub for multifamily locations in the L.A. Metro Area, with solid demographics.

Vacancy in Van Nuys, currently 3.0%, compares to 3.4% four quarters ago. During the past 12 months, rental rates saw gains of 0.5%. Average asking rents in the area are \$1,830/month, about 20% less than marketwide averages. Units in the area are among the more affordable in Greater Los Angeles.

During the past decade, the submarket has witnessed moderate multifamily construction. While market-wide unit growth was above the expansion seen in Van Nuys during this period, the increase in units in the area was the greatest on a percentage basis among San Fernando Valley submarkets, except for Woodland Hills and North Hollywood/Studio City. The current construction pipeline comprises 310 units, which will expand unit count once all projects finish by 1.3%.

The fourth quarter saw \$33.6 million in multifamily sales, compared to \$37.6 million in properties trading quarterly, on average, during the past decade. Average apartment pricing in the submarket, \$270,000/unit, has softened by around 15% from a peak in 2022.

Source: 2025 CoStar

DEMOGRAPHICS



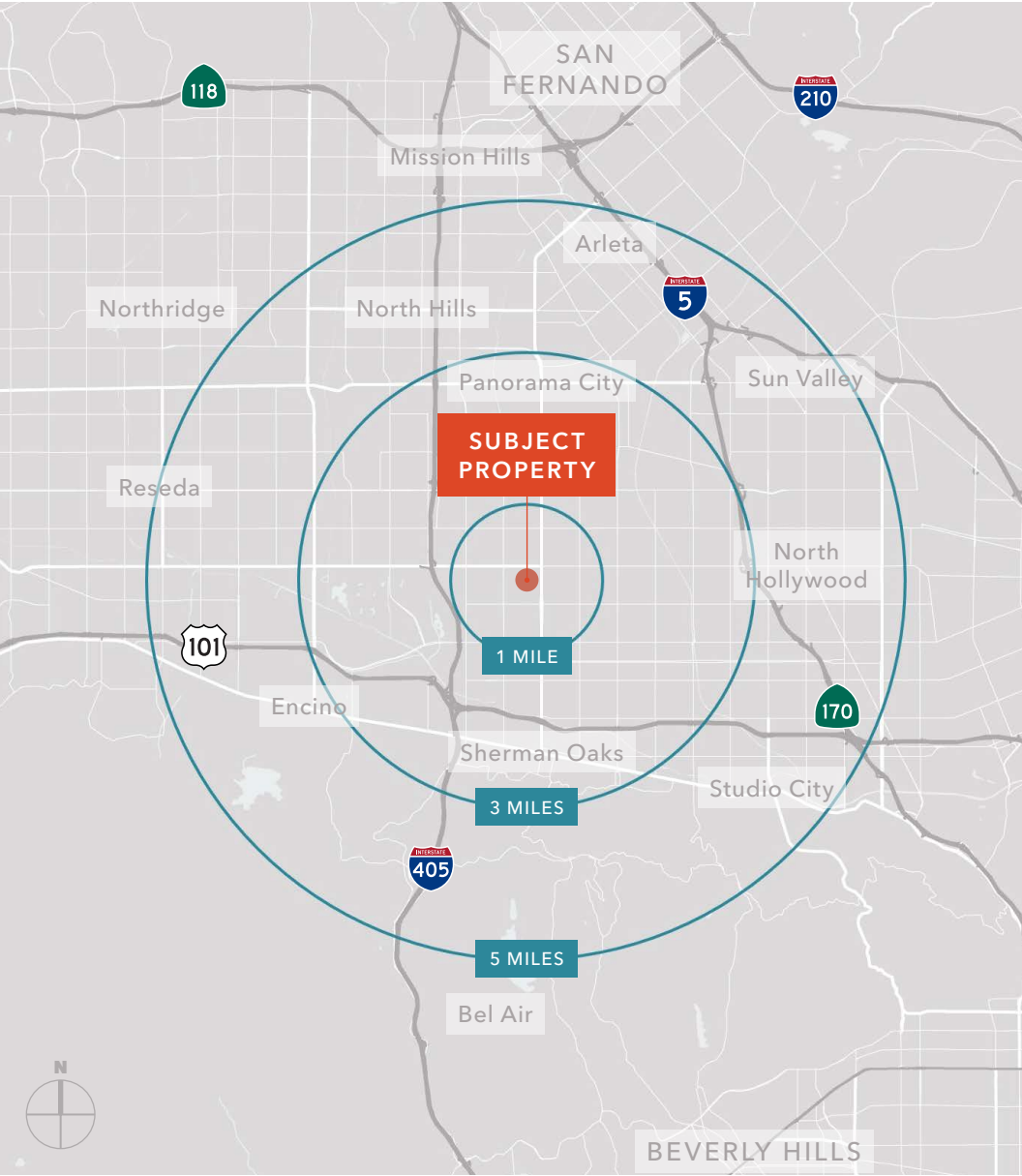
Population

	1 Mile	3 Miles	5 Miles
2010 CENSUS	43,173	283,751	687,695
2020 CENSUS	43,886	289,515	697,708
2024 ESTIMATED	43,934	288,018	689,810
2029 PROJECTED	43,274	277,604	671,067











Household Income

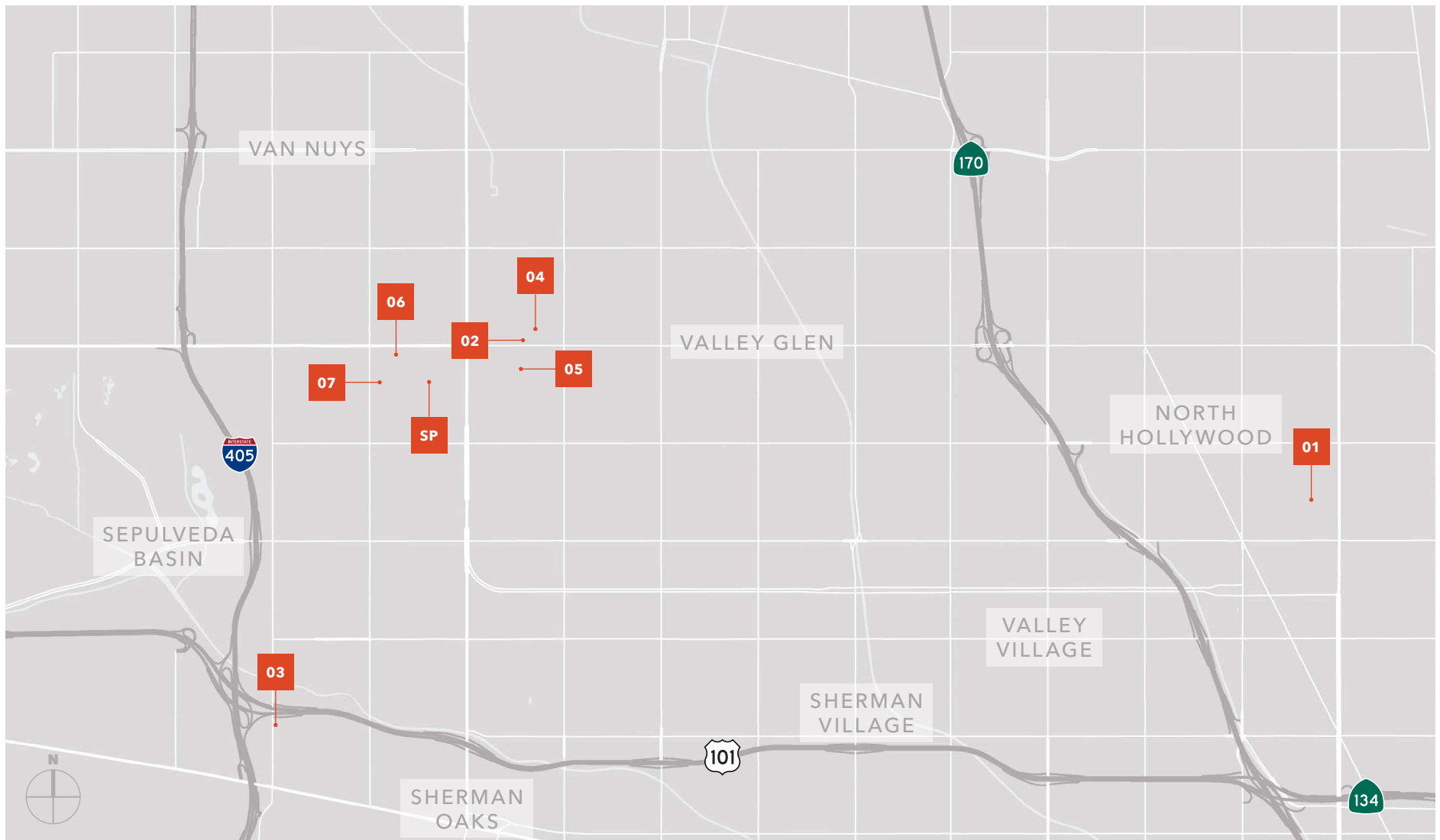
	1 Mile	3 Miles	5 Miles
2024 MEDIAN	\$75,734	\$82,911	\$91,102
2029 MEDIAN PROJECTED	\$77,416	\$85,100	\$93,245
2024 AVERAGE	\$99,066	\$119,954	\$131,466
2029 AVG PROJECTED	\$103,205	\$125,452	\$137,180




COMPARABLE SOLD PROPERTIES

		Property Name	Sale Price	Units	Price/Unit	RSF	Price/SF	Cap Rate	GRM	Year Built	Sale Date
SP		14629 W ERWIN ST Van Nuys, CA 9141	\$11,500,000.00	22	\$522,727	24,115	\$476.88	5.69%	13.38	2025	For Sale
01		5740 FULCHER AVE North Hollywood, CA 91601	\$3,460,000.00	5	\$692,000.00	8,132	\$425.48	5.57%	12.36	2024	12/19/2024
02		14243 VICTORY BLVD Van Nuys, CA 91401	\$2,665,000.00	5	\$533,000.00	5,888	\$452.62	4.90%	13.33	2021	10/25/2024
03		4818 SEPULVEDA BLVD Sherman Oaks, CA 91403	\$25,848,000.00	36	\$718,000.00	51,843	\$498.58	-	-	2024	5/16/2024
04		14209 GILMORE ST Van Nuys, CA 91401	\$3,445,000.00	6	\$574,166.67	7,012	\$491.30	5.60%	12.62	2023	11/2/2023
05		14249 SYLVAN ST Van Nuys, CA 91401	\$3,695,000.00	6	\$615,833.33	7,788	\$474.45	5.67%	12.36	2023	10/10/2023
06		14759 FRIAR ST Van Nuys, CA 91411	\$3,100,000.00	5	\$620,000.00	7,062	\$438.97	5.00%	14.14	2021	7/10/2023
07		14833 ERWIN ST Van Nuys, CA 91411	\$3,150,000.00	6	\$525,000.00	6,990	\$450.64	5.44%	13.37	2023	6/30/2023
Average					\$611,142.86		\$461.72	5.36%	13.03		

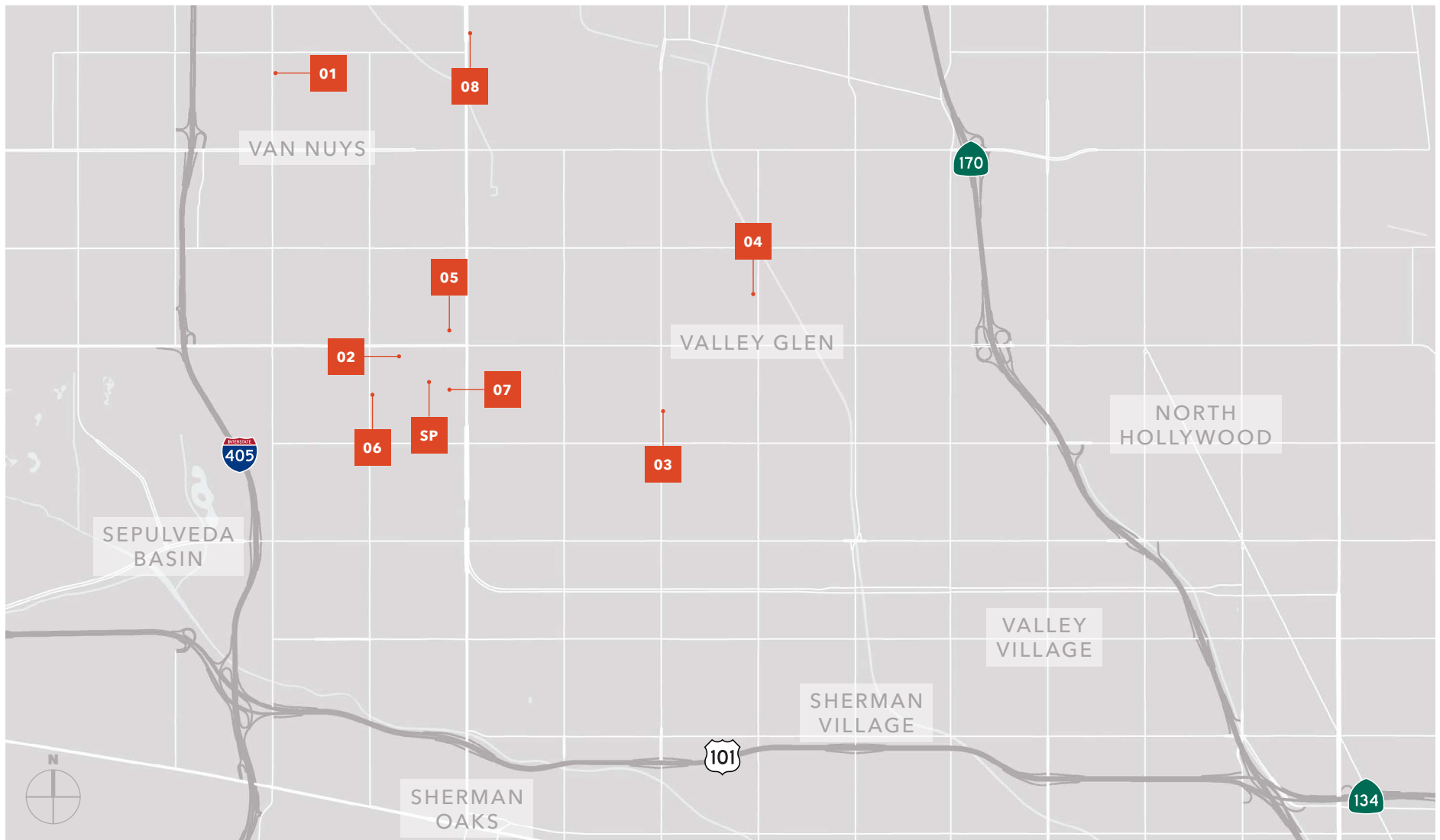
SOLD COMPARABLES MAP



COMPARABLE RENT PROPERTIES

		Property Name	Unit Mix	Rent Price	RSF	Price/SF	Year Built
01		7510 SEPULVEDA BLVD Van Nuys, CA 91405	3+2	\$4,100	1,280	\$3.20	2025
02		14747 FRIAR ST Van Nuys, CA 91411	3+2	\$3,750	1,500	\$2.50	2025
03		6120 WOODMAN AVE Van Nuys, CA 91401	3+2	\$3,750	1,500	\$2.50	2025
04		6603 FULTON AVE Van Nuys, CA 91401	2+2	\$2,995	1,000	\$3.00	2024
05		14541 GILMORE ST Van Nuys, CA 91411	2+2	\$3,150	1,272	\$2.48	2023
06		6200 KESTER AVE Van Nuys, CA 91411	2+2	\$3,051	1,095	\$2.79	2018
07		14540 ERWIN ST Van Nuys, CA 91411	1+1	\$2,379	688	\$3.46	2021
08		7650 VAN NUYS BLVD Van Nuys, CA 91405	1+1	\$2,300	691	\$3.33	2025
		Average				\$2.91	

RENT COMPARABLES MAP



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