

Non-Rent Control 5-Units

REAL 5.4% CAP RATE IN LA!

Offering Memorandum

5229 Alhambra Ave. El
Sereo, CA 90032

Armin Soleimani
Realtor
(310) 666-2246
ziuroiluj@gmail.com
Lic: 01846872

Mr. Julio Ruiz
Broker
8185240706
ziuroiluj@gmail.com
Lic: 01911261



Non-Rent Control 5 Units

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Global Platinum Properties



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OFFERING SUMMARY

ADDRESS	5229 Alhambra Ave. El Sereno CA 90032
COUNTY	Los Angeles
MARKET	El Sereno
SUBMARKET	City of Los Angeles
BUILDING SF	3,500 SF
LAND SF	5,000 SF
NUMBER OF UNITS	5
YEAR BUILT	1989
YEAR RENOVATED	2022
APN	5217-020-033
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

OFFERING PRICE	\$1,995,000
PRICE PSF	\$570.00
PRICE PER UNIT	\$399,000
OCCUPANCY	97.00 %
NOI (CURRENT)	\$119,195
NOI (Pro Forma)	\$136,645
CAP RATE (CURRENT)	6%
CAP RATE (Pro Forma)	6.8 %
GRM (CURRENT)	12.4
GRM (Pro Forma)	11.1

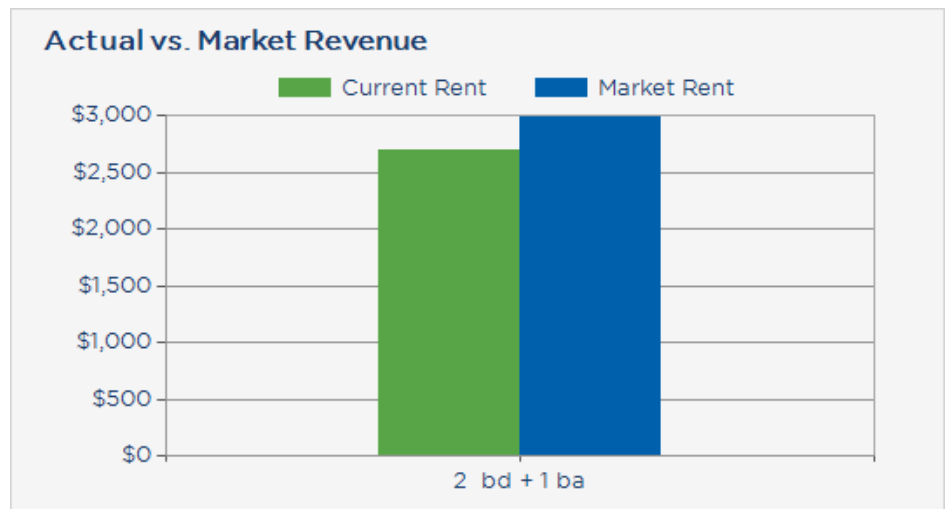
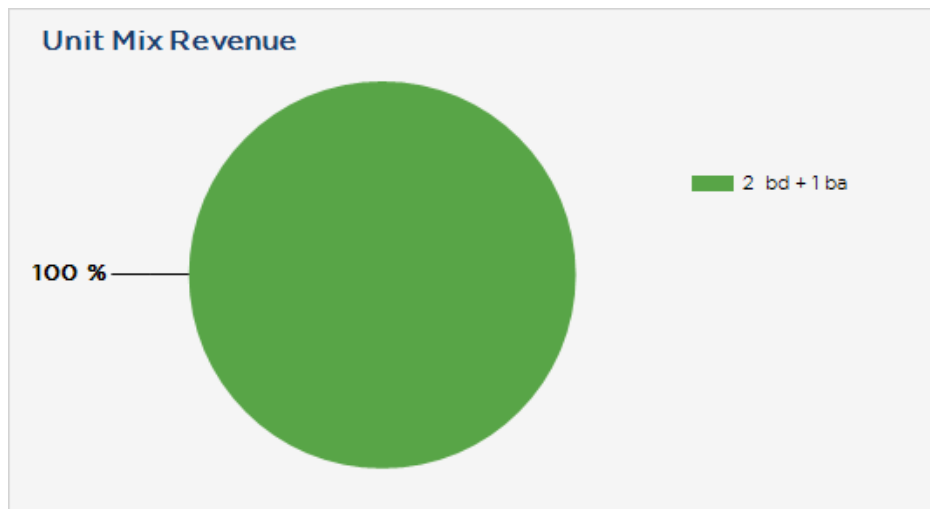
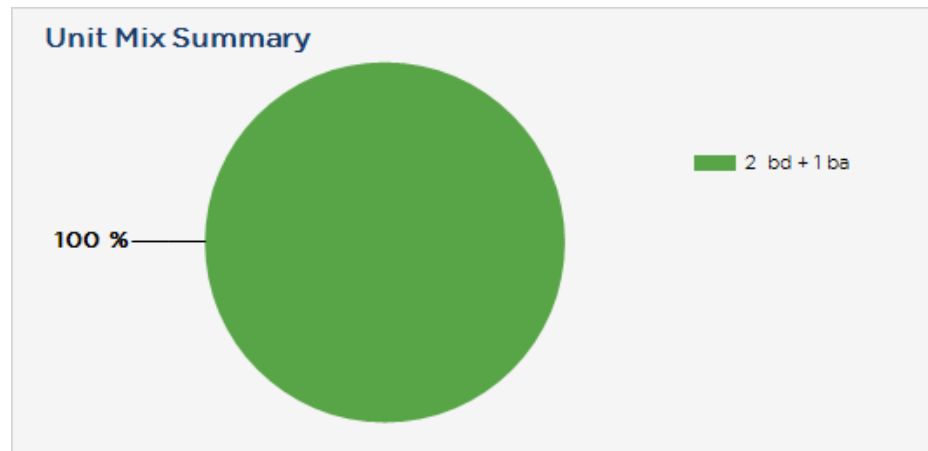
- **Newer Built 5-Unit Building in El Sereno Not subject to LA City Rent Control**
- **Incredible Current Cap Rate of 6% and 12.4 GRM with upside to 6.8% Cap Rate and 11.1 GRM on the Proforma**
- **Excellent Unit Mix of All Large 2 Bedroom 1 Bathroom Units**
- **Individually metered for Gas & Electricity. Minutes away from Pasadena & DTLA.**
- **Built in 1989 and fully renovated in 2022 allowing for 10% annual increases (5% + CPI)**
- **10 Tandem Parking spaces in the back (2 parking spots per unit)**
- **Preliminary plans to add 2 detached ADUs in the back**



Description

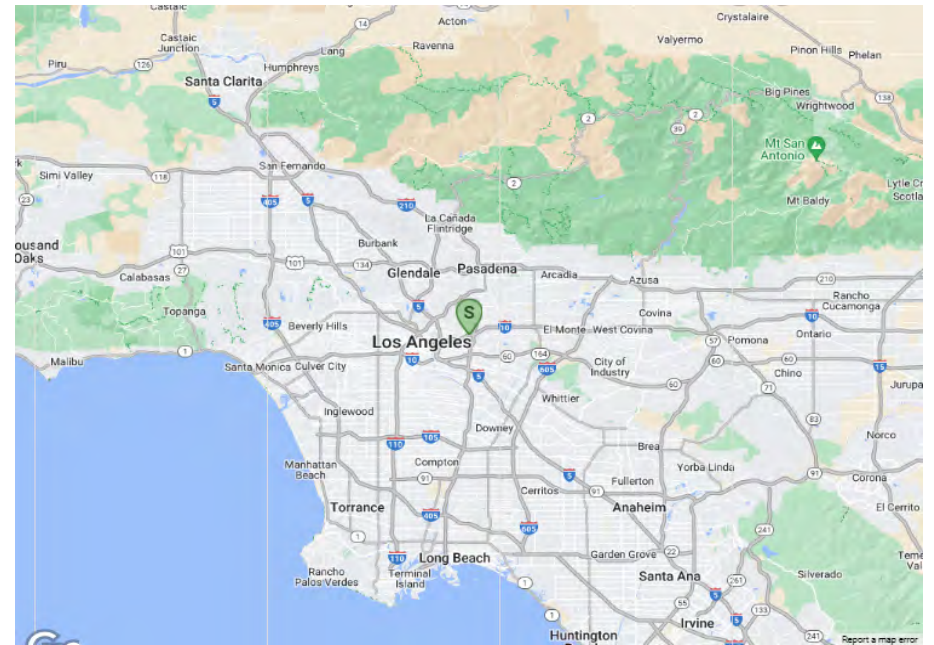
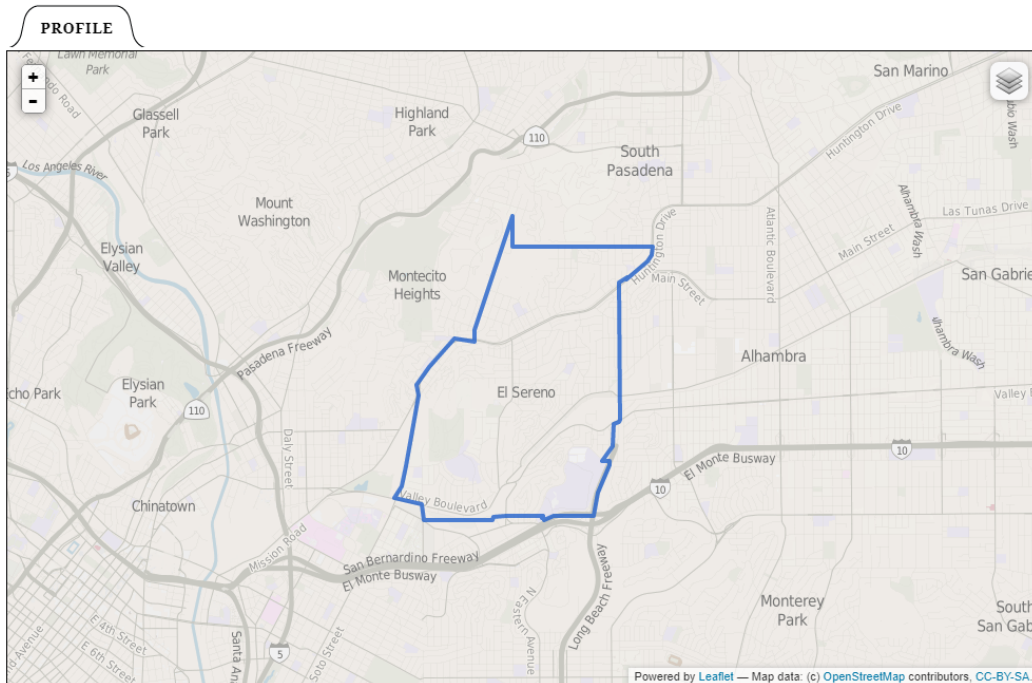
Rare Non-Rent Control (1989 built) 5-unit opportunity with 4 fully renovated vacancies in prime El Sereno. The property is ready to cash flow at an amazing Current Cap Rate of 6% and 12.4 GRM. Excellent unit mix of all spacious 2 bedroom, 1 bath units with 2 parking spaces for each unit. There's an additional upside to a 6.8% Cap Rate and 11.1 GRM on proforma. The property was built in 1989 and is not subject to LA City Rent control, therefore allowing for 10% annual increases (5% + CPI). The property was meticulously renovated in 2022 featuring exterior upgrades, new cabinets, flooring, lighting, bathrooms, stainless steel appliances, and washer/dryer in unit. Located in the El Sereno neighborhood of Los Angeles which is centrally located to downtown LA, Cal State LA University, and neighboring Alhambra and Pasadena. All units are individually metered for gas and the property has 10 tandem parking spaces in the back. In addition, there are preliminary plans to add 2 detached ADUs in the back for future upside.

		Actual		Market	
Unit Mix	# Units	Current Rent	Monthly Income	Market Rent	Market Income
2 bd + 1 ba	5	\$2,692	\$13,460	\$2,995	\$14,975
Totals/Averages	5	\$2,692	\$13,460	\$2,995	\$14,975

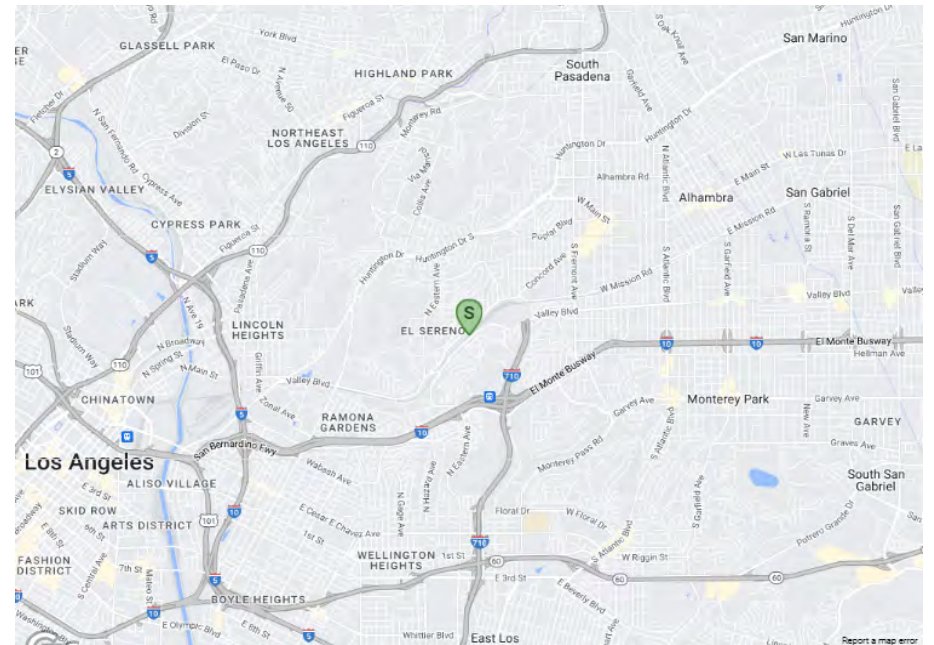


El Sereno

Located in the El Sereno neighborhood of Los Angeles which is centrally located to downtown LA, Cal State LA University, and neighboring Alhambra and Pasadena. Easy access to the 10, 110 and 5 freeways.



Regional Map



Locator Map

PROPERTY FEATURES

NUMBER OF UNITS	5
BUILDING SF	3,500
LAND SF	5,000
YEAR BUILT	1989
YEAR RENOVATED	2022
ZONING TYPE	C2
NUMBER OF STORIES	3
NUMBER OF BUILDINGS	1
NUMBER OF PARKING SPACES	10
PARKING RATIO	2:1

UTILITIES

WATER	Landlord
TRASH	Landlord
GAS	Tenant
ELECTRIC	Tenant
RUBS	Landlord

CONSTRUCTION

FOUNDATION	Slab
FRAMING	Frame
EXTERIOR	Stucco
PARKING SURFACE	Paved
ROOF	Pitched
STYLE	Traditional
LANDSCAPING	Drought Friendly



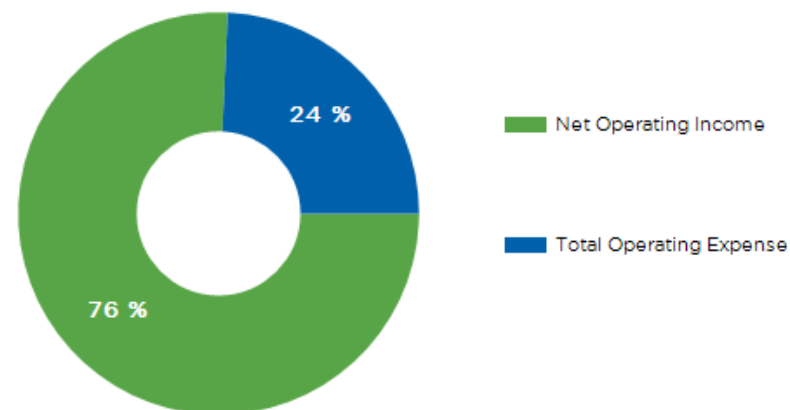


Unit	Unit Mix	Current Rent	Market Rent	Notes
1	2 bd + 1 ba	\$2,995	\$2,995	Vacant
2	2 bd + 1 ba	\$2,995	\$2,995	Vacant
3	2 bd + 1 ba	\$2,995	\$2,995	Vacant
4	2 bd + 1 ba	\$2,995	\$2,995	Vacant
5	2 bd + 1 ba	\$1,480	\$2,995	
Totals/Averages		\$13,460	\$14,975	



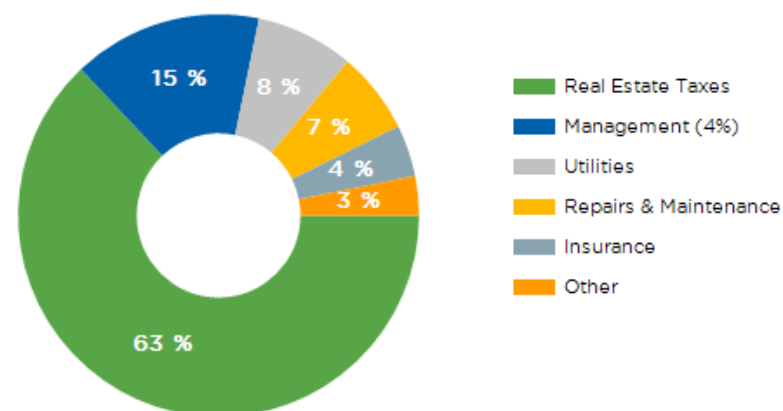
REVENUE ALLOCATION CURRENT

INCOME	CURRENT		PRO FORMA	
Gross Potential Rent	\$161,520		\$179,700	
Gross Potential Income	\$161,520		\$179,700	
General Vacancy	-\$4,846	3.0 %	-\$5,391	3.0 %
Effective Gross Income	\$156,674		\$174,309	
Less Expenses	\$38,026	24.27 %	\$38,026	21.81 %
Net Operating Income	\$118,648		\$136,283	



EXPENSES	CURRENT	Per Unit	PRO FORMA	Per Unit
Real Estate Taxes	\$23,940	\$4,788	\$23,940	\$4,788
Insurance	\$1,575	\$315	\$1,575	\$315
Utilities	\$3,000	\$600	\$3,000	\$600
Pest Control (\$50/Month)	\$600	\$120	\$600	\$120
Repairs & Maintenance	\$2,500	\$500	\$2,500	\$500
Management (4%)	\$5,811	\$1,162	\$5,811	\$1,162
Cleaning & Gardening (\$50/Month)	\$600	\$120	\$600	\$120
Total Operating Expense	\$38,026	\$7,605	\$38,026	\$7,605
Expense / SF	\$10.86		\$10.86	
% of EGI	24.27 %		21.81 %	

DISTRIBUTION OF EXPENSES CURRENT



POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	31,300	312,240	786,852
2010 Population	30,494	309,013	786,915
2022 Population	28,938	297,400	773,069
2027 Population	28,041	290,599	759,942
2022 African American	818	5,595	22,352
2022 American Indian	796	6,448	15,183
2022 Asian	4,174	75,661	203,826
2022 Hispanic	21,378	183,647	431,171
2022 Other Race	12,121	107,089	250,591
2022 White	5,106	52,030	159,483
2022 Multiracial	5,879	50,254	120,809
2022-2027: Population: Growth Rate	-3.15 %	-2.30 %	-1.70 %
2022 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	761	9,263	27,657
\$15,000-\$24,999	661	8,124	20,617
\$25,000-\$34,999	567	7,224	18,400
\$35,000-\$49,999	942	11,122	27,809
\$50,000-\$74,999	1,576	16,776	41,991
\$75,000-\$99,999	1,181	12,382	31,125
\$100,000-\$149,999	1,719	16,635	45,126
\$150,000-\$199,999	717	7,424	21,399
\$200,000 or greater	653	8,715	26,543
Median HH Income	\$72,396	\$67,832	\$70,127
Average HH Income	\$95,961	\$97,969	\$103,193

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	8,955	96,127	245,863
2010 Total Households	8,565	93,345	245,475
2022 Total Households	8,778	97,666	260,668
2027 Total Households	8,532	95,874	258,154
2022 Average Household Size	3.16	3.00	2.87
2000 Owner Occupied Housing	4,500	35,969	93,795
2000 Renter Occupied Housing	4,139	55,790	140,696
2022 Owner Occupied Housing	4,631	39,482	101,723
2022 Renter Occupied Housing	4,147	58,184	158,944
2022 Vacant Housing	357	4,623	15,252
2022 Total Housing	9,135	102,289	275,920
2027 Owner Occupied Housing	4,553	39,158	100,637
2027 Renter Occupied Housing	3,979	56,716	157,517
2027 Vacant Housing	612	6,561	19,381
2027 Total Housing	9,144	102,435	277,535
2022-2027: Households: Growth Rate	-2.85 %	-1.85 %	-0.95 %



Source: esri

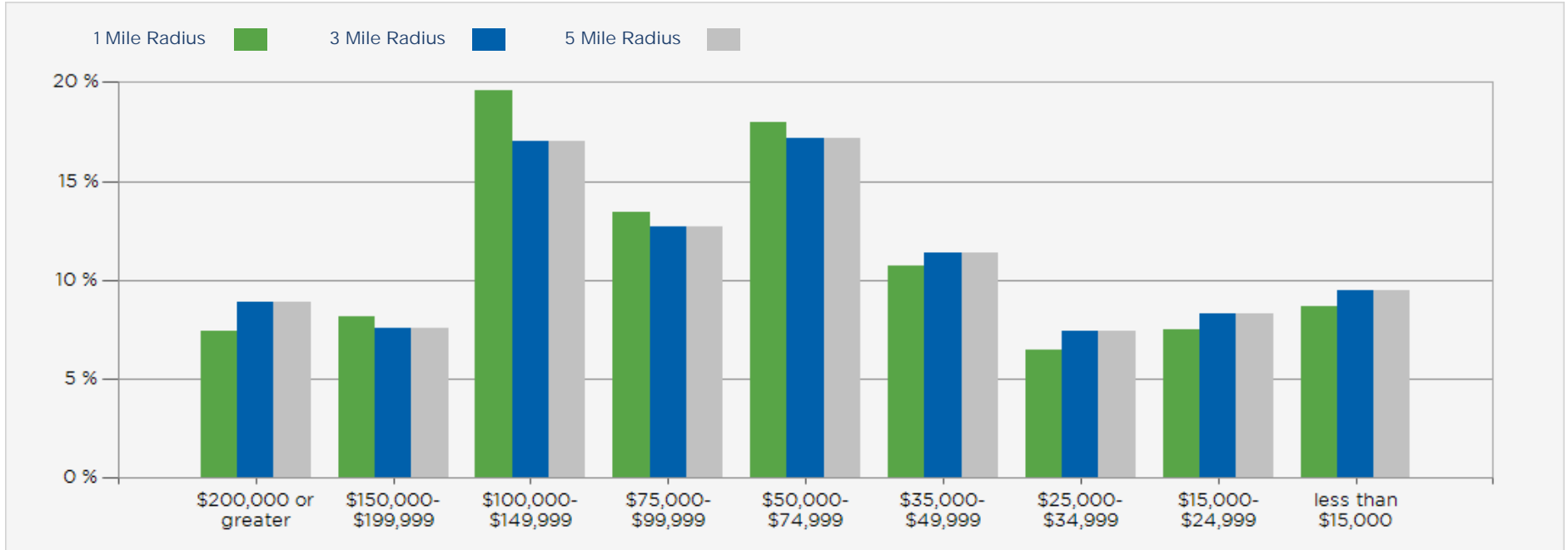
2022 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2022 Population Age 30-34	2,284	23,233	61,316
2022 Population Age 35-39	2,014	21,089	56,617
2022 Population Age 40-44	1,788	19,175	51,181
2022 Population Age 45-49	1,805	18,482	49,466
2022 Population Age 50-54	1,607	17,577	47,387
2022 Population Age 55-59	1,498	16,718	44,161
2022 Population Age 60-64	1,365	15,408	41,046
2022 Population Age 65-69	1,141	13,074	35,603
2022 Population Age 70-74	1,015	10,454	29,068
2022 Population Age 75-79	727	7,689	21,591
2022 Population Age 80-84	476	5,042	14,416
2022 Population Age 85+	453	5,542	16,121
2022 Population Age 18+	22,156	228,534	607,671
2022 Median Age	34	35	37

2022 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$74,933	\$69,767	\$73,720
Average Household Income 25-34	\$94,521	\$92,637	\$97,597
Median Household Income 35-44	\$87,842	\$78,876	\$81,803
Average Household Income 35-44	\$112,688	\$108,885	\$115,334
Median Household Income 45-54	\$90,185	\$82,095	\$85,186
Average Household Income 45-54	\$112,697	\$114,481	\$120,349
Median Household Income 55-64	\$77,839	\$74,349	\$76,794
Average Household Income 55-64	\$99,937	\$105,850	\$111,829
Median Household Income 65-74	\$56,227	\$56,224	\$58,948
Average Household Income 65-74	\$81,725	\$86,272	\$93,492
Average Household Income 75+	\$60,994	\$68,125	\$71,772

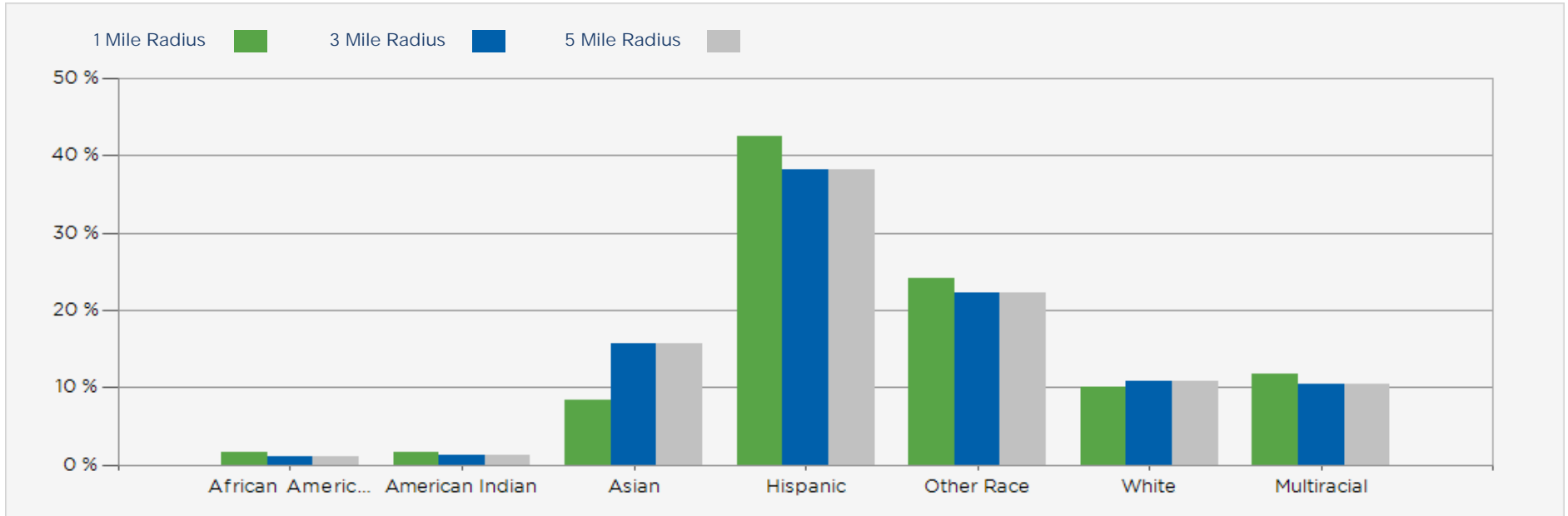
2027 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2027 Population Age 30-34	2,083	22,922	59,755
2027 Population Age 35-39	2,179	21,747	57,477
2027 Population Age 40-44	1,879	19,922	53,532
2027 Population Age 45-49	1,729	18,453	49,364
2027 Population Age 50-54	1,655	17,313	46,459
2027 Population Age 55-59	1,513	16,606	44,324
2027 Population Age 60-64	1,335	15,254	39,967
2027 Population Age 65-69	1,147	13,456	36,190
2027 Population Age 70-74	1,025	11,400	31,433
2027 Population Age 75-79	837	8,749	24,682
2027 Population Age 80-84	560	6,070	17,280
2027 Population Age 85+	484	5,874	17,060
2027 Population Age 18+	21,716	226,535	605,601
2027 Median Age	36	37	38

2027 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$89,379	\$83,494	\$88,465
Average Household Income 25-34	\$116,404	\$113,356	\$119,514
Median Household Income 35-44	\$106,327	\$93,478	\$98,583
Average Household Income 35-44	\$138,358	\$130,976	\$137,931
Median Household Income 45-54	\$107,187	\$99,657	\$103,111
Average Household Income 45-54	\$138,224	\$136,635	\$143,394
Median Household Income 55-64	\$93,904	\$89,318	\$94,781
Average Household Income 55-64	\$121,102	\$126,581	\$133,537
Median Household Income 65-74	\$68,028	\$71,148	\$75,907
Average Household Income 65-74	\$102,957	\$107,664	\$115,123
Average Household Income 75+	\$81,151	\$90,007	\$94,479

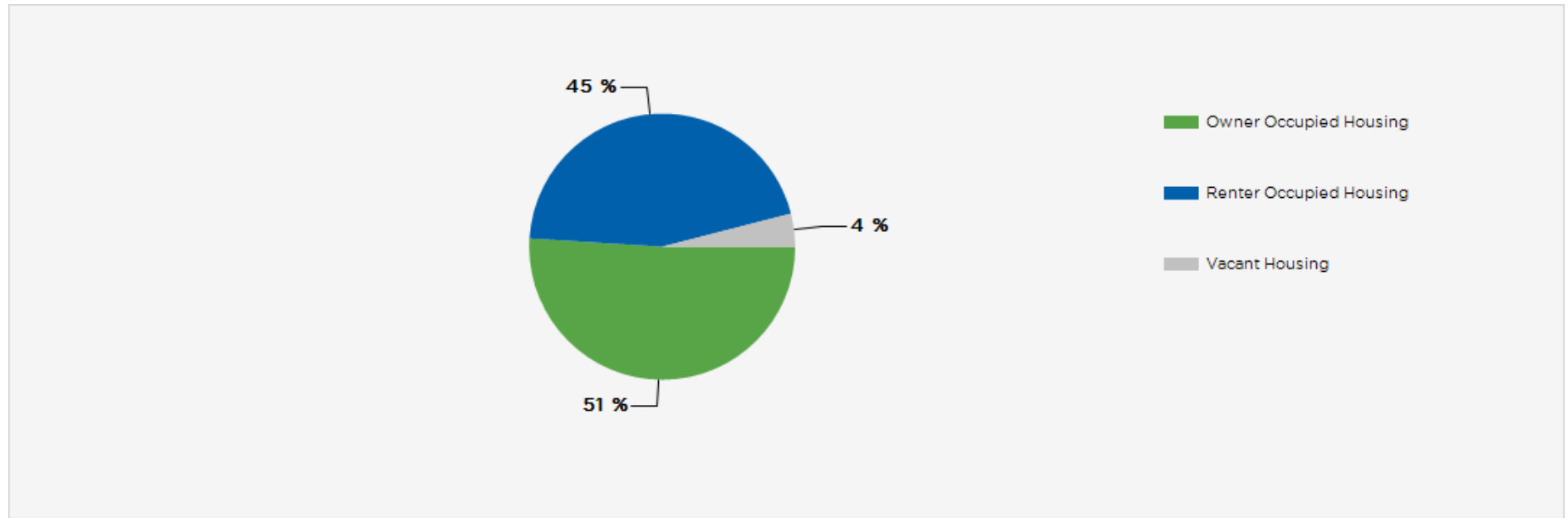
2022 Household Income



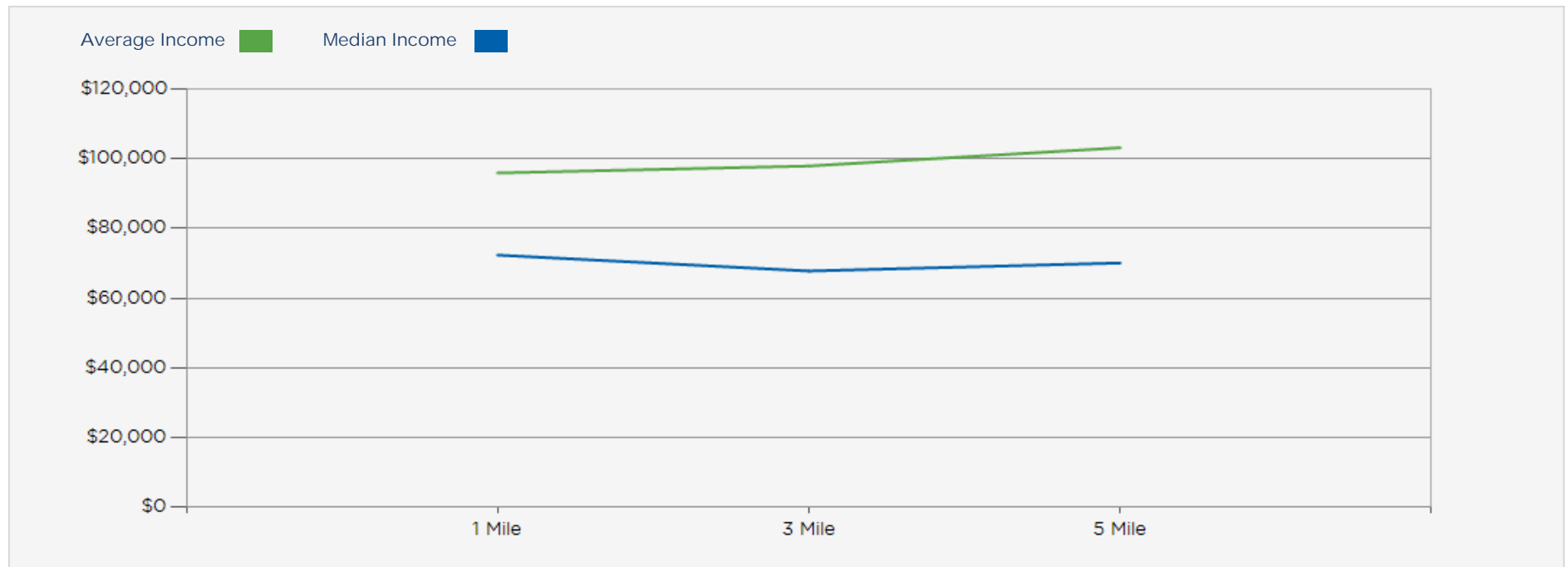
2022 Population by Race



2022 Household Occupancy - 1 Mile Radius



2022 Household Income Average and Median



Non-Rent Control 5 Units

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