



Colliers

Ghobadi Multifamily Investment Team

Multifamily Offering Memorandum

5623 Meridian Street , Los Angeles, CA 90042

Our Mission

“Our mission is to provide our multifamily clients with proven, personalized service that not only achieves—but exceeds—their investment objectives. Through a spirit of honesty, integrity and ingenuity, our team of brokerage, research and marketing professionals, with expertise in the San Fernando Valley and Tri-Cities markets, aims to maximize returns while safeguarding the best interests of our clients.”



Team Website



Team Video



Exclusive Advisors



Reza Ghobadi
Executive Vice President



Jared Papazian
Associate Vice President



Tony Sameyah
Associate



Blake Jauregui
Associate



Jim Jacobsen
Client Services Specialist

Disclaimer

This Memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented “as is” without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete, nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers.



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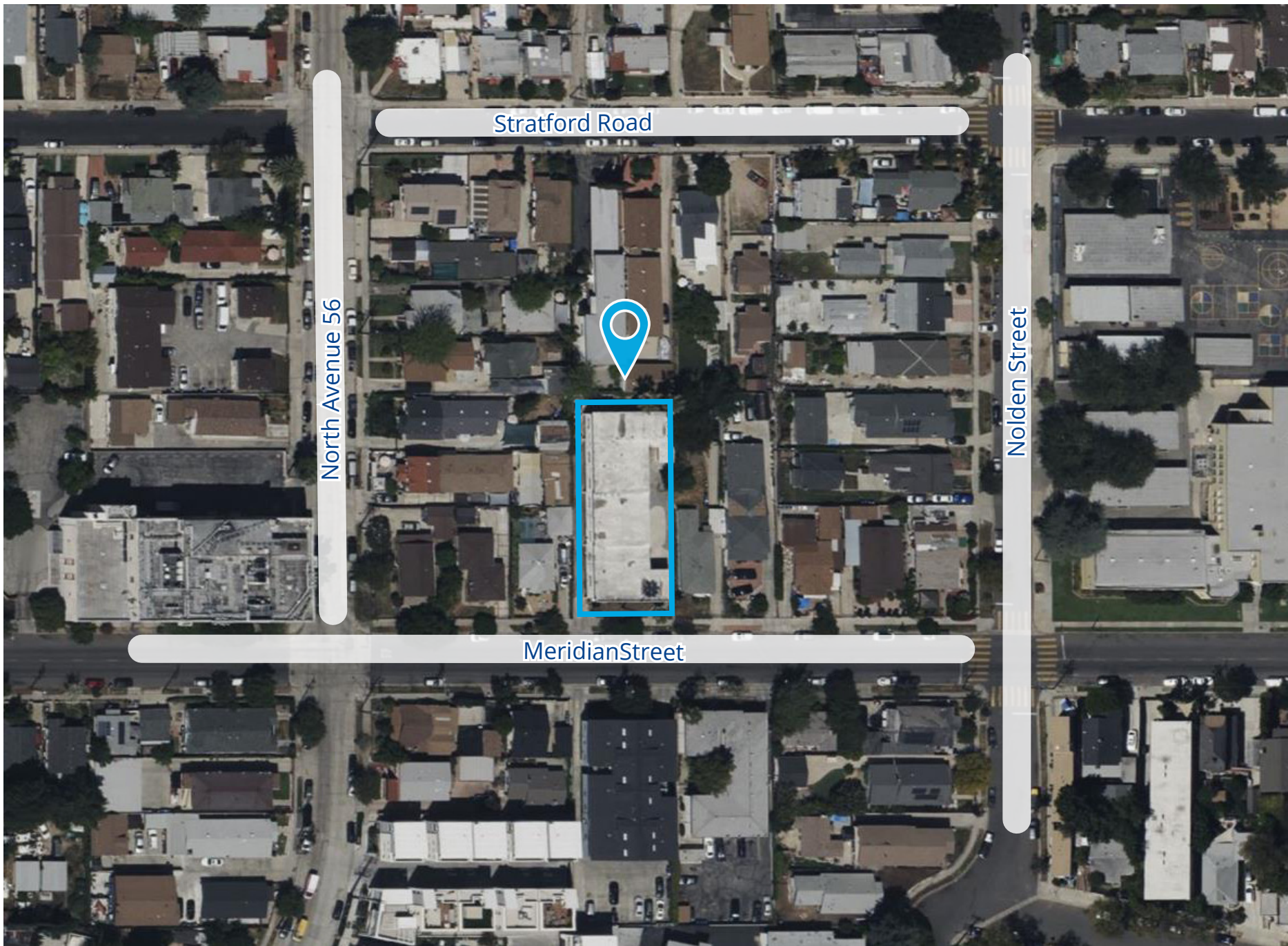
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Property **Profile**



Stratford Road

North Avenue 56

Nolden Street

Meridian Street



Property Overview

| | |
|----------------------------|---|
| Address | 5623 Meridian Street, Los Angeles, CA 90042 |
| APN | 5485-009-029 |
| Year Built | 1963 |
| Number of Units | 14 units |
| Number of Buildings | 1 |
| Building Area | ± 11,738 SF |
| Land Area | ± 12,615 SF |
| Zoning | LAR1 |
| Roof | Flat |
| Stories | 2 |
| Parking | 13 Majority Tandem |
| Soft Story | Yes, work not completed |
| Electricity, Gas | Separately metered |



Property Photos



Financial Analysis

BUSINESS
DASHBOARD

Revenue

Profit

Net Sales

Cost of Sales

New Customers

Customer Retention

Customer Satisfaction

Customer Lifetime Value

Customer Acquisition Cost

Customer Churn Rate

Customer Engagement

Customer Feedback

Customer Support

Customer Service

Customer Experience

Customer Loyalty

Global Market

North America

Europe

Asia

Africa

Oceania

Latin America

Middle East

Central America

South America

Caribbean

North America

Europe

Asia

Africa

Oceania

Latin America

Pricing & Financial Summary



| | | |
|----------------------|-----|--------------------|
| List Price | | \$4,200,000 |
| Down Payment | 48% | \$2,024,820 |
| Year Built | | 1963 |
| Units | | 14 |
| Price/Unit | | \$300,000 |
| Building Size | | 11,738 |
| Price/BSF | | \$357.81 |
| Lot Size (SF) | | 12,615 |
| Zoning | | LAR1 |
| APN | | 5485-009-029 |
| Cap Rate | | 3.58% |
| GRM | | 17.02 |
| Pro Forma Cap Rate | | 5.68% |
| Pro Forma GRM | | 12.53 |
| Existing Loan | | |
| Loan Amount | 52% | \$2,175,180 |
| Down Payment | 48% | \$2,024,820 |
| Loan Type | | Interest Only |
| Interest Rate (IO) | | 3.80% |
| Maturity Date | | June 1, 2031 |
| Monthly Payment | | \$6,888.08 |
| Debt Coverage Ratio | | 1.82 |

Rent Roll

| Unit # | Unit Type | Note | Move -In | Unit SF | Rent | Pro Forma |
|--|----------------|------|-----------|---------------|-----------------|-----------------|
| 1 | 2Bedroom/2Bath | | 11/1/2015 | 995 | \$1,421 | \$2,295 |
| 2 | 1Bedroom/1Bath | RUBS | 4/5/2020 | 732 | \$1,695 | \$1,795 |
| 3 | 1Bedroom/1Bath | | 9/10/2011 | 732 | \$936 | \$1,795 |
| 4 | 1Bedroom/1Bath | RUBS | 3/1/2020 | 732 | \$1,815 | \$1,795 |
| 5 | 1Bedroom/1Bath | | 5/15/2015 | 732 | \$938 | \$1,795 |
| 6 | 2Bedroom/1Bath | | 8/14/1995 | 907 | \$1,051 | \$2,095 |
| 7 | 2Bedroom/2Bath | | 7/1/2011 | 995 | \$1,364 | \$2,295 |
| 8 | 2Bedroom/2Bath | RUBS | 4/1/2022 | 995 | \$2,295 | \$2,295 |
| 9 | 1Bedroom/1Bath | RUBS | 1/27/2021 | 732 | \$1,795 | \$1,795 |
| 10 | 1Bedroom/1Bath | RUBS | 7/6/2020 | 732 | \$1,750 | \$1,795 |
| 11 | 1Bedroom/1Bath | | 1/1/2014 | 732 | \$936 | \$1,795 |
| 12 | 1Bedroom/1Bath | | 9/1/2012 | 732 | \$936 | \$1,795 |
| 14 | 2Bedroom/2Bath | RUBS | 9/19/2018 | 995 | \$2,225 | \$2,295 |
| 15 | 2bedroom/2Bath | | 6/12/2009 | 995 | \$1,405 | \$2,295 |
| Total | 14 | | | 11,738 | \$20,562 | \$27,930 |
| Gross Scheduled Monthly Rental Income | | | | | \$20,562 | \$27,930 |
| Gross Scheduled Annual Rental | | | | | \$246,744 | \$335,160 |
| Monthly Laundry Income | | | | | \$295 | \$295 |
| Annual Laundry Income | | | | | \$3,540 | \$3,540 |

Unit Mix Summary

| Unit Type | # of Units | BSF | Total RSF | Current Rent/Unit | Current Rent/SF | Total Rent | Market Rent/Unit | Market Rent/SF | Total Market Rent |
|-------------------------------|------------|------------|---------------|-------------------|-----------------|-----------------|-------------------|----------------|-------------------|
| 1 Bedroom 1 Bath | 8 | | | \$1,350 | | \$10,801 | \$1,795 | | \$14,360 |
| 2 Bedroom 1 Bath | 1 | | | \$1,051 | | \$1,051 | \$2,095 | | \$2,095 |
| 2 Bedroom 2 Bath | 5 | | | \$1,742 | | \$8,710 | \$2,295 | | \$11,475 |
| Totals / Wtd. Averages | 14 | 838 | 11,738 | \$1,468.71 | \$1.75 | \$20,562 | \$1,965.00 | \$2.38 | \$27,930 |



Calculating Annualized Income

Expenses

| | Current % | Current | Pro Forma % | Pro Forma |
|----------------------------------|-----------|------------------|-------------|------------------|
| Gross Potential Rent | | \$246,744 | | \$335,160 |
| Laundry Income | | \$3,540 | | \$3,540 |
| RUBS Water & Sewer | | \$3,856 | | \$3,856 |
| RUBS Trash | | \$4,364 | | \$4,364 |
| Gross Potential Income | | \$258,504 | | \$346,920 |
| Less Economic Vacancy | -3.00% | -\$7,402 | -3.00% | -\$10,055 |
| Effective Gross Income | | \$251,102 | | \$336,865 |
| Less Expenses | 40.08% | \$100,652 | 29.15% | \$98,203 |
| Net Operating Income: | | \$150,450 | | \$238,662 |
| Less Debt Service | | \$82,657 | | \$82,657 |
| Net Cash Flow After Debt Service | 3.35% | \$67,793 | 7.70% | \$156,005 |

| Unit Type | Current | PSF | Per Unit | Pro Forma | PSF | Per Unit | Notes |
|-------------------------|------------------|---------------|----------------|-----------------|---------------|----------------|-----------------------------------|
| Real Estate Taxes | \$52,500 | \$4.47 | \$3,750 | \$52,500 | \$4.47 | \$3,750 | Tax Rate based on new value/price |
| Insurance | \$6,483 | \$0.55 | \$463 | \$6,483 | \$0.55 | \$463 | Actual 2022 P&L |
| Gas | \$3,992 | \$0.34 | \$285 | \$3,992 | \$0.34 | \$285 | Actual 2022 P&L |
| Electric & Water (DWP) | \$12,081 | \$1.03 | \$863 | \$12,081 | \$1.03 | \$863 | Actual 2022 P&L |
| Trash | \$3,500 | \$0.30 | \$250 | \$3,500 | \$0.30 | \$250 | Actual 2022 P&L |
| Professional Management | \$12,555 | \$1.07 | \$897 | \$10,106 | \$0.86 | \$722 | Estimated at 5% of EGI |
| Repairs & Maintenance | \$7,000 | \$0.60 | \$500 | \$7,000 | \$0.60 | \$500 | Estimated at \$500/Unit |
| Pest Control | \$516 | \$0.04 | \$37 | \$516 | \$0.04 | \$37 | Actual 2022 P&L |
| Landscaping | \$1,710 | \$0.15 | \$122 | \$1,710 | \$0.15 | \$122 | Actual 2022 P&L |
| License & Permit | \$315 | \$0.03 | \$23 | \$315 | \$0.03 | \$23 | Actual 2022 P&L |
| Total Expenses | \$100,652 | \$8.57 | \$7,189 | \$98,203 | \$8.37 | \$7,014 | |

Area **Overview**



Location Overview

A large sector of the city, Northeast Los Angeles encompasses neighborhoods like Echo Park and Highland Park. This expansive LA area offers rentals for every type of renter and every budget. Abundant apartments, houses, condos, and townhomes can be found in Northeast Los Angeles, ranging from affordable to upscale. Residents of this area can enjoy the great outdoors at locales like Ernest E. Debs Regional Park, Hermon Park, Rio De Los Angeles State Park, and Elysian Park. Although Northeast LA offers an escape from big-city living, residents can easily travel into downtown for work or leisure. Amenities and attractions like Dodger Stadium, Los Angeles State Historic Park, and Chinatown are all within reach of this sprawling district.



Major Roads

110 Arroyo Seco Parkway
6 min / 1.4 mi

2 Glendale Fwy
7 min / 2.1 mi



Transportation

Highland Park Station
6 min / .3 mi

South Padadena
6 min / 2.6 mi



International Airports

Burbank (BUR)
26 min / 17.4mi

Los Angeles (LAX)
32 min / 20.6 km



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