227 Justin Ave

Glendale CA 91201

LYONSTAHL
INVESTMENT REAL ESTATE

Offering Memorandum

14 Unit Apartment Building

THE JAMES GROUP

www.JamesGroupRE.com

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This Memorandum has been prepared to provide summary, unverified information to establish a preliminary level of interest in the subject property ("Property"). The information in this Memorandum has been obtained from sources Broker believes to be reliable; however, Broker has not conducted sufficient investigation to make any warranty or representation whatsoever including but not limited to the accuracy or completeness of the information, veracity or accuracy of the information, condition of the Property or its compliance or lack of compliance with applicable governmental requirements, developability, suitability or financial performance of the Property, income or expenses for the Property, the size and square footage of the Property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State or Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant or any tenant's plans or intentions to continue occupancy of the Property. The Memorandum has selected information relating to the Property and does not purport to be an all - inclusive representation regarding the Property or to contain all or part of the information which prospective investors may require to evaluate the purchase of the Property. Additional information and an opportunity to investigate the Property will be made available to interested and qualified prospective purchasers.
All information is based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of Broker, therefore, all information is subject to material variation. The information contained herein is not a substitute for a thorough due diligence investigation. Interested parties are expected to review all information of whatever nature independently and not rely on the contents of this Memorandum in any manner.

The Property owner ("Owner") expressly reserves the right, at its sole discretion, to reject any or all offers to purchase the Property, and/or to terminate discussions at any time with or without notice. The Owner shall have no legal commitment or obligation unless and until written agreement(s) have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

THE JAMES GROUP

Section 1

The Opportunity

EXECUTIVE SUMMARY

227 Justin Ave is a 14 unit offering in the city of Glendale that is ideally situated adjacent to Burbank providing numerous amenities to residents in the immediate area. With significant upside potential and AB1482 statewide rent control, an investor will benefit from long term growth in a tremendous rental pocket.

The James Group is pleased to present 227 Justin Ave, a 14 unit apartment building located in Glendale, CA just north of Griffith Park and adjacent to Burbank.

Built in 1957, the property consists of a great unit mix of two (2) studio, one bathroom units, ten (10) one-bedroom, one bath units, and two (2) two-bedroom, one bath units. The units are spread out over 8,988 square foot of gross leasable area. The units are separately metered for gas and electricity. Individual parking spaces are located on the ground floor along with the communal laundry room.

The investment is offered at an attractive cap rate along with upside in the rents. The loss-to-lease is more easily achieved with AB1482 rent control.

- Located in The City of Glendale West of the 5 freeway and North of the 134 Freeway adjacent to major employment hubs in both Glendale and Burbank.

- With statewide rent control (AB 1482), the allowed rent increase in 2024 is approximately 8.8%. Partial rent increases have been issued in 2024 with additional increases available.

INVESTMENT HIGHLIGHTS

Location

The subject property is located in Glendale, West of the 5 fwy and just North of Griffith Park, an incredible amenity for tenants and locals in this area. With golf courses, the LA Zoo, hiking and other recreational activities, the property is ideally situated in a premiere location.

Great Unit Mix

The property consists of a great unit mix of two (2) studio, one bathroom units, ten (10) one-bedroom, one bath units, and two(2) two-bedroom, one bath units. The units are spread out over 8,988 square foot of gross leasable area.

Upside in Rents

There is approximately 22% upside in current rents. The property is subject to AB1482 allowing an owner to quickly recapture the loss-to-lease, allowing an investor to benefit from future growth in an area that continues to experience tremendous rent growth.

On-Site Parking

The property is amply parked allowing for each unit to have an individual parking space located on the ground floor. This is a great amenity for tenants now and for renters in the future

Statewide Rent Control (AB 1482)

The subject property is subject to rent control restricted by AB1482. In 2024, the allowable rent increase is 8.8% (5% + CPI).

Major Business Hubs

The property is centrally located just east of Downtown Burbank, west of Downtown Glendale and in close proximity to Pasadena. and the Studios. With major businesses, tech, and a strong office presence, the location is ideal as all of these markets are easily accessible.

Section 2

The Property

PROPERTY OVERVIEW

Property Details

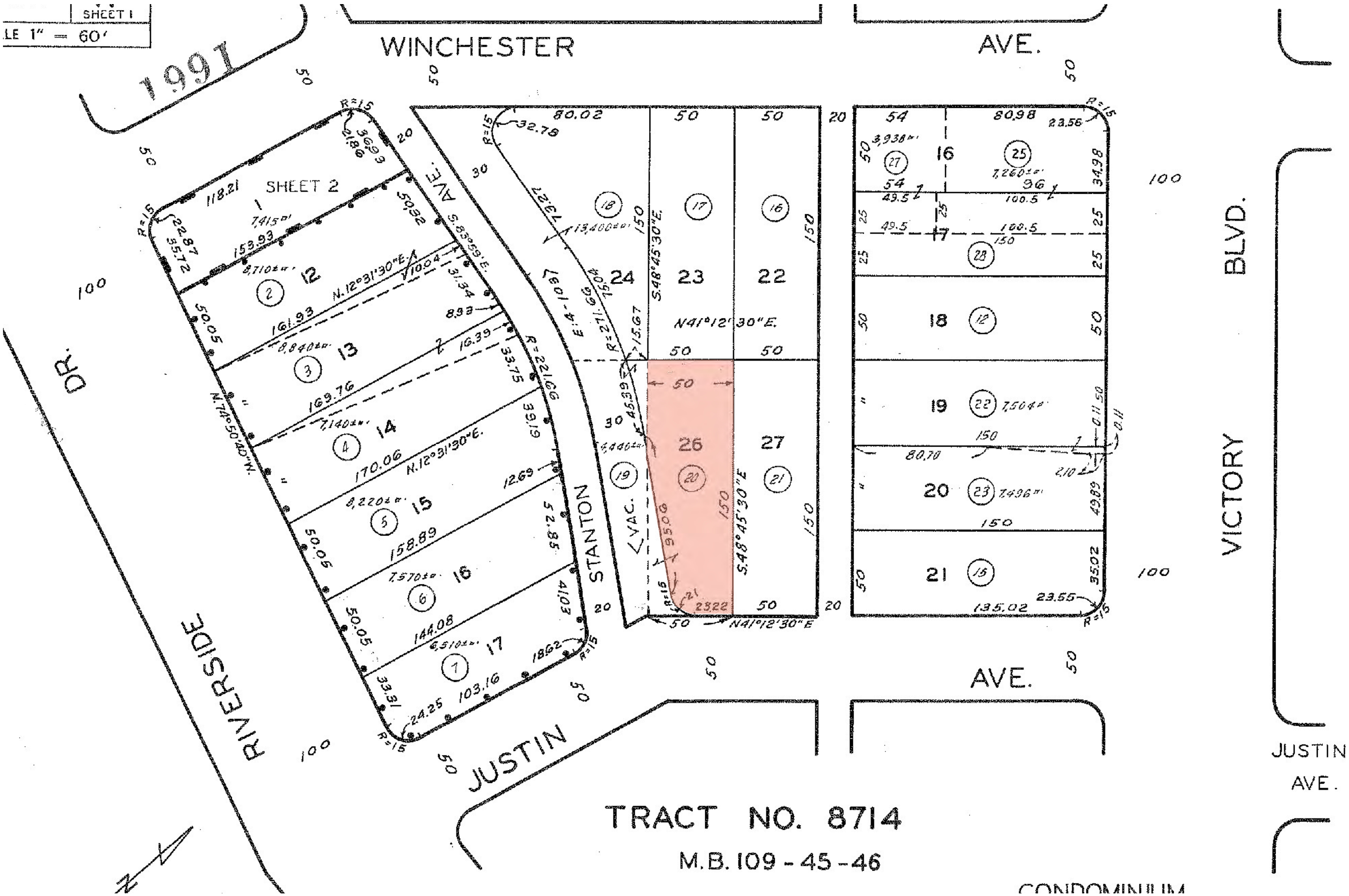
No. of Units	14
Year Built	1957
Rentable SF	8,988
Lot Area	7,408
APN	5626-011-020
Zoning	GLR4H
Rent Control	AB 1482
Roof Type	Pitched
Parking	On-Site 14 Spaces
Unit Mix	(2) Single/1 Bath (10) 1 Bed /1 Bath (2) 2 Bed / 1 Bath
Utilities	Separately Metered for Gas and Electricity

Property Description

227 Justin Ave is an eleven unit apartment building built in 1957. The property features a great unit mix consisting of two (2) studio units, ten (10) one-bedrooms, two (2) two bedroom units. Each unit is separately metered for gas and electricity and includes an individual parking space. The 7,408 square foot site is zoned GLR4H and located mid block between Victory Blvd and Riverside Dr.

Parking is located at the ground floor and each unit is allocated a parking space. Some of the parking spaces allow for tandem parking. The communal laundry room is also located on the ground floor with 2 washer and 2 dryers.

PARCEL MAP


WINCHESTER
AVE.
VICTORY
BLVD.
RIVERSIDE
DR.
STANTON
AVE.
JUSTIN
AVE.
JUSTIN
AVE.
SHEET 2
SHEET 1
1991
TRACT NO. 8714
M.B. 109 - 45 - 46
CONDOMINIUM

PROPERTY PHOTOS








PROPERTY PHOTOS

PROPERTY PHOTOS


Section 4

The Financials

RENT ROLL

Unit No.	Unit Type	Unit SF	Current Rent (Partial Increase)	Rent/SF	Allowable Rent (Full Increase)**	Rent/SF	Pro Forma Rent	PF Rent/SF	Comments
1	2 Bed, 1 Bath	800	$1,850	$2.31	$1,958.40	$2.45	$2,400	$3.00	
2	1 Bed, 1 Bath	650	$1,800	$2.77	$1,800.00	$2.77	$2,000	$3.08	
3	1 Bed, 1 Bath	650	$1,490	$2.29	$1,512.32	$2.33	$2,000	$3.08	
4	1 Bed, 1 Bath	650	$1,850	$2.85	$1,904.00	$2.93	$2,000	$3.08	
5	1 Bed, 1 Bath	650	$1,645	$2.53	$1,680.96	$2.59	$2,000	$3.08	
6	1 Bed, 1 Bath	650	$1,645	$2.53	$1,680.96	$2.59	$2,000	$3.08	
7	Single, 1 Bath	400	$1,275	$3.19	$1,387.20	$3.47	$1,650	$4.13	
8	2 Bed, 1 Bath	800	$1,854	$2.32	$1,854.00	$2.32	$2,400	$3.00	
9	1 Bed, 1 Bath	650	$1,441	$2.22	$1,567.81	$2.41	$2,000	$3.08	
10	1 Bed, 1 Bath	650	$1,696	$2.61	$1,845.25	$2.84	$2,000	$3.08	
11	1 Bed, 1 Bath	650	$2,000	$3.08	$2,000.00	$3.08	$2,000	$3.08	Vacant
12	1 Bed, 1 Bath	650	$1,750	$2.69	$1,750.00	$2.69	$2,000	$3.08	
14	Single, 1 Bath	400	$1,081	$2.70	$1,176.13	$2.94	$1,650	$4.13	
15	1 Bed, 1 Bath	650	$2,000	$3.08	$2,000.00	$3.08	$2,000	$3.08	Vacant
TOTAL			$23,377		$24,117.03		$28,100		

**Ownership has issued partial rent increases in 2024. "Allowable Rent (Full Increase)" column represents rents at full allowable rent increases (8.8%).

FINANCIAL SUMMARY

Price	**$3,595,000**
Down (40%)	$1,438,000
Price/Unit	$256,786
Price/SF	$399.98
Cap Rate	5.62%
Proforma Cap Rate	6.68%
GRM	12.42
Proforma GRM	10.66

Property

Street	227 Justin Ave
City	Glendale
State	CA
Zip	91201
No. of Units	14
Net Rentable Sq. Ft.	8,988
Lot Size	7,408
Zoning	GLR4H
APN	5626-011-020
Year Built	1957

Financing

Loan Amount	$2,157,000
Interest Rate	6.75%
Monthly Payment	($13,990.26)
Loan-to-Value	60%
Debt Cover Ratio	1.20
Term	5 Year Fixed

Operating Data

		Current		Proforma
Base Rental Income		$289,404		$337,200
Laundry Income		$2,400		$2,400
Gross Potential Income		$291,804		$339,600
Less Vacancy	3%	$8,754	5%	$16,980
Effective Gross Income		$283,050		$322,620
Operating Expenses	29%	$80,962	26%	$82,545
Net Operating Income		$202,088		$240,075
Debt Service		-$167,883		-$167,883
Pre-Tax Cash Flow	2.38%	$34,205	5.02%	$72,192
Principal Reduction		-$22,988		-$22,988
Total Return Before Taxes	3.98%	$57,193	6.62%	$95,181

Expenses

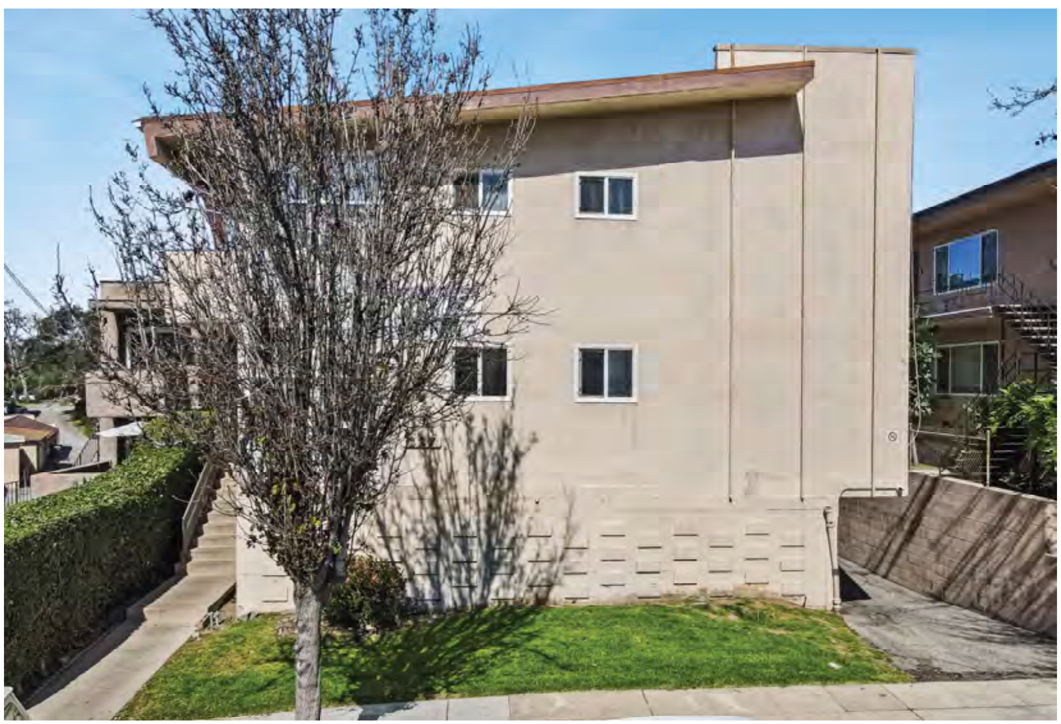
Property Tax (1.0734%)	$38,589	$38,589
Insurance (Estimated $.75/ft)	$6,741	$6,741
Utilities (Actual 2023)	$8,563	$8,563
Repairs & Maintenance ($500/Unit)	$7,000	$7,000
Management Fee (4.0% of EGI)	$11,322	$12,905
Pest Control (estimated)	$720	$720
Direct Assessments (Actual)	$1,910	$1,910
Trash (Estimated $6,288year)	$6,117	$6,117
Operating Expenses	$80,962	$82,545
Total Expenses per Unit	$5,783	$5,896
Total Expenses per SF	$9.01	$9.18

Rent Roll Summary

Unit Mix	No. of Units	Average Rent	Monthly	Average Rent	Monthly
Single, 1 Bath	2	$1,178	$2,356	$1,650	$3,300
1 Bed, 1 Bath	10	$1,738	$17,377	$2,000	$20,000
2 Bed, 1 Bath	2	$1,827	$3,654	$2,400	$4,800

**Ownership has issued partial rent increases in 2024. "Allowable Rent (Full Increase)" column represents rents at full allowable rent increases (8.8%).

UNDERWRITING NOTES



INCOME

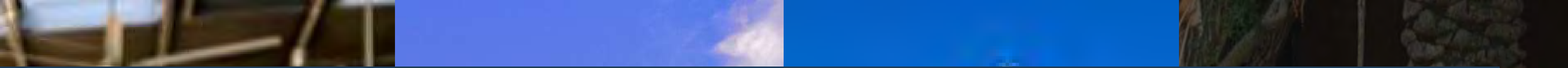
Income	Building is 71% occupied. Market rents used for 2 vacancies
Vacancy	Vacancy Rate is 5% of Gross Rental Income.
Proforma	Market Rents based on Rent Analysis of Submarket Area.
Unit SF	Unit Square Footages are Estimated

EXPENSES

Property Tax Rate	Actual per Los Angeles County Tax Assessor 1.0734%
Insurance	Estimated @ $.75/sf
Utilities	Estimated @ $90/unit/month
Repairs & Maintenance	Estimated annually $500 per unit
Management Fee	4% of Effective Gross Income.
Direct Assessments	Actual per Los Angeles Tax Assessor
Gardener	$75/month
Reserves	$200 per unit
Trash	Estimated @ $295/mo

Section 5

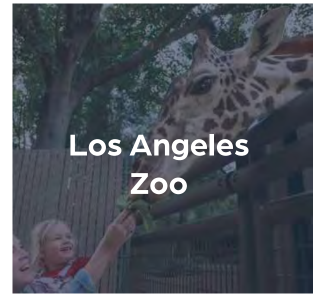
The Location

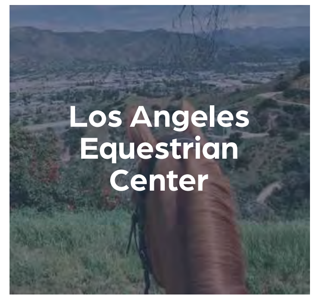


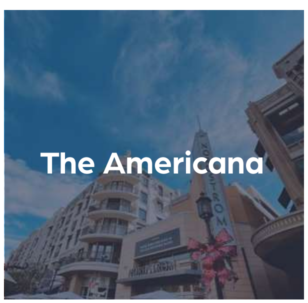
Glendale

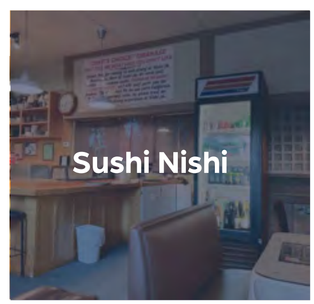
Glendale is a vibrant city located in Los Angeles County, known for its diverse population, rich cultural heritage, and bustling urban environment. It is home to several cultural and historical landmarks, including the Alex Theatre, a historic performing arts venue, and the Brand Library & Art Center, housed in a beautiful mansion surrounded by gardens. The city also has museums, galleries, and public art installations that showcase its artistic heritage. Glendale offers a dynamic blend of urban amenities, cultural attractions, and recreational opportunities, making it a dynamic and appealing city for residents and visitors alike.

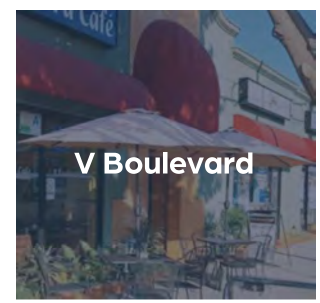
THE NEIBORHOOD



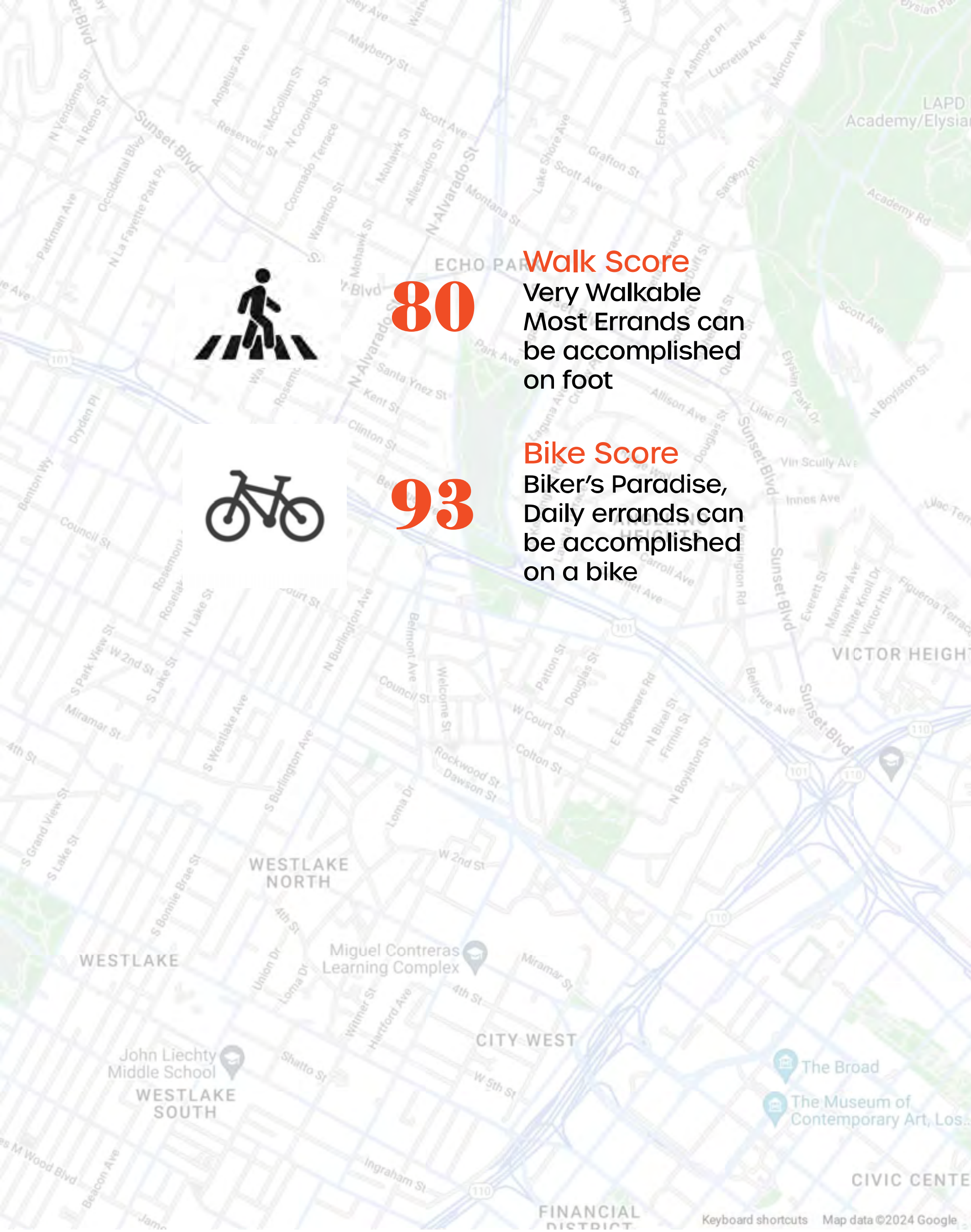








THE STATISTICS



80 Walk Score
Very Walkable
Most Errands can be accomplished on foot

93 Bike Score
Biker's Paradise,
Daily errands can be accomplished on a bike

Glendale Demographics

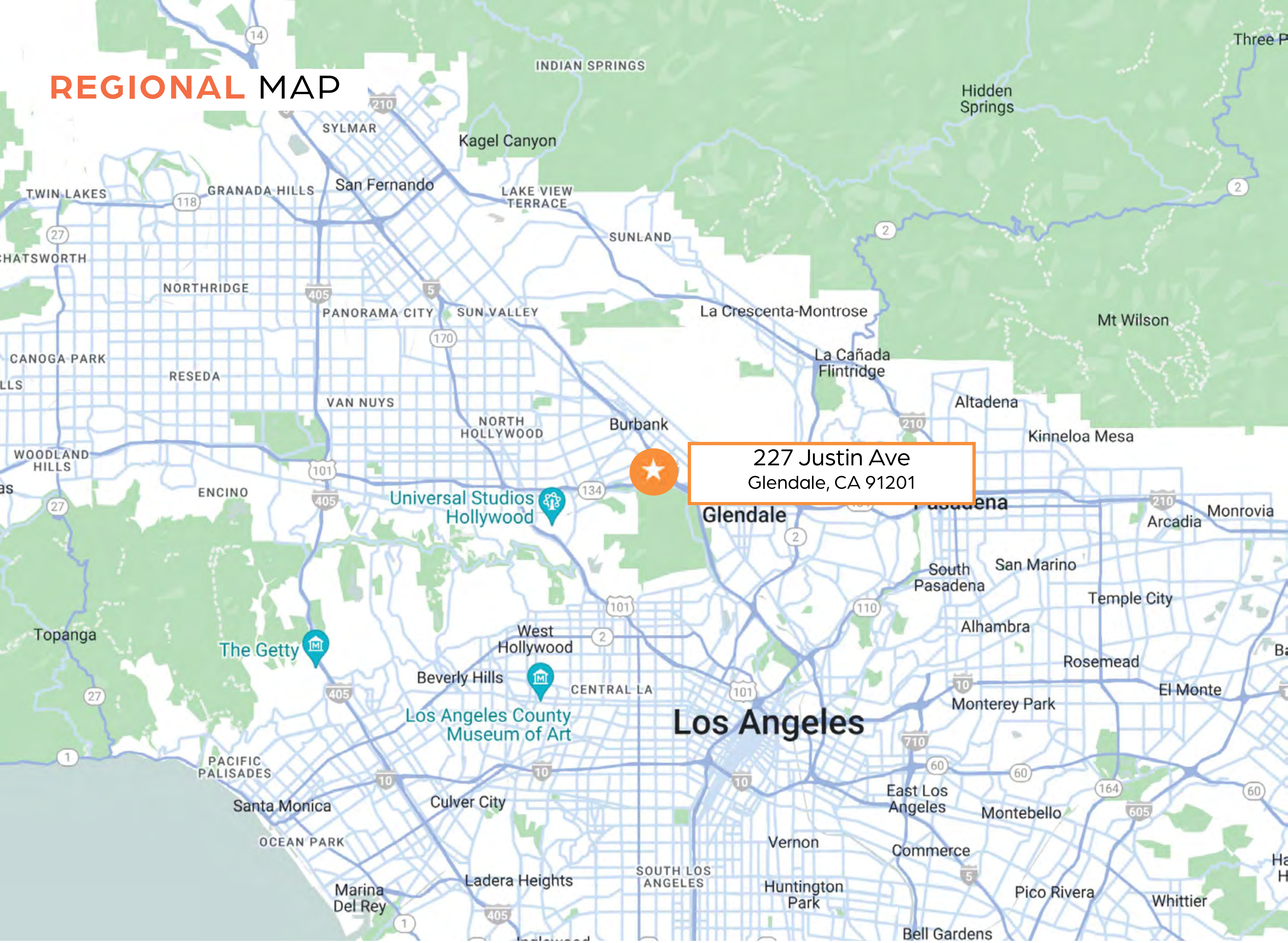
74% **Household Renters**
74% of the households are renting their homes.

41 years **Median Age**
The median age of people living in is 35 years old.

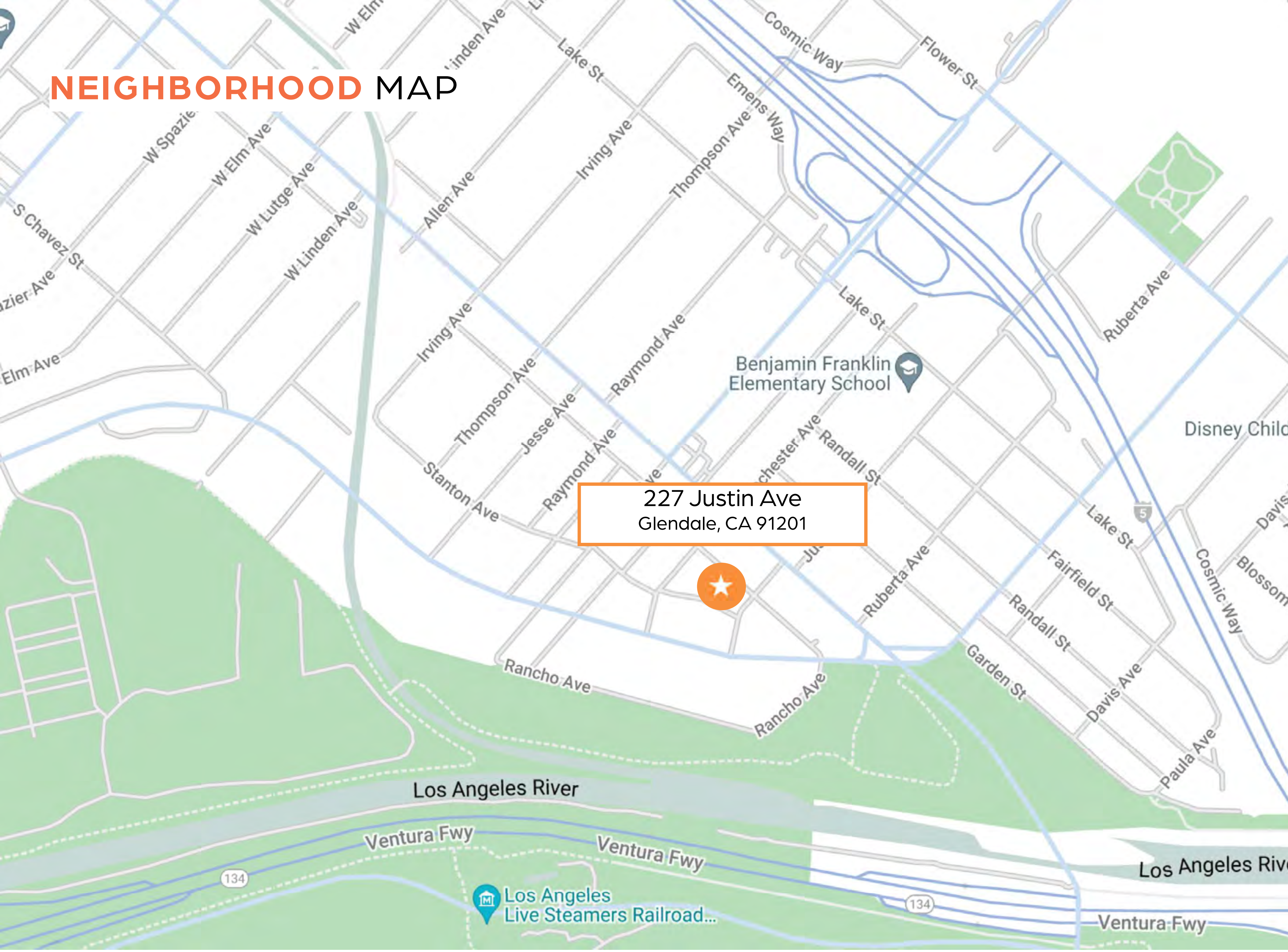
$91,175 **Household Income**
The average household income is $91,175 a year.

$810,169 **Median Home Value**
The Median Home Value in a 1 mile radius is $810,169

REGIONAL MAP



NEIGHBORHOOD MAP



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