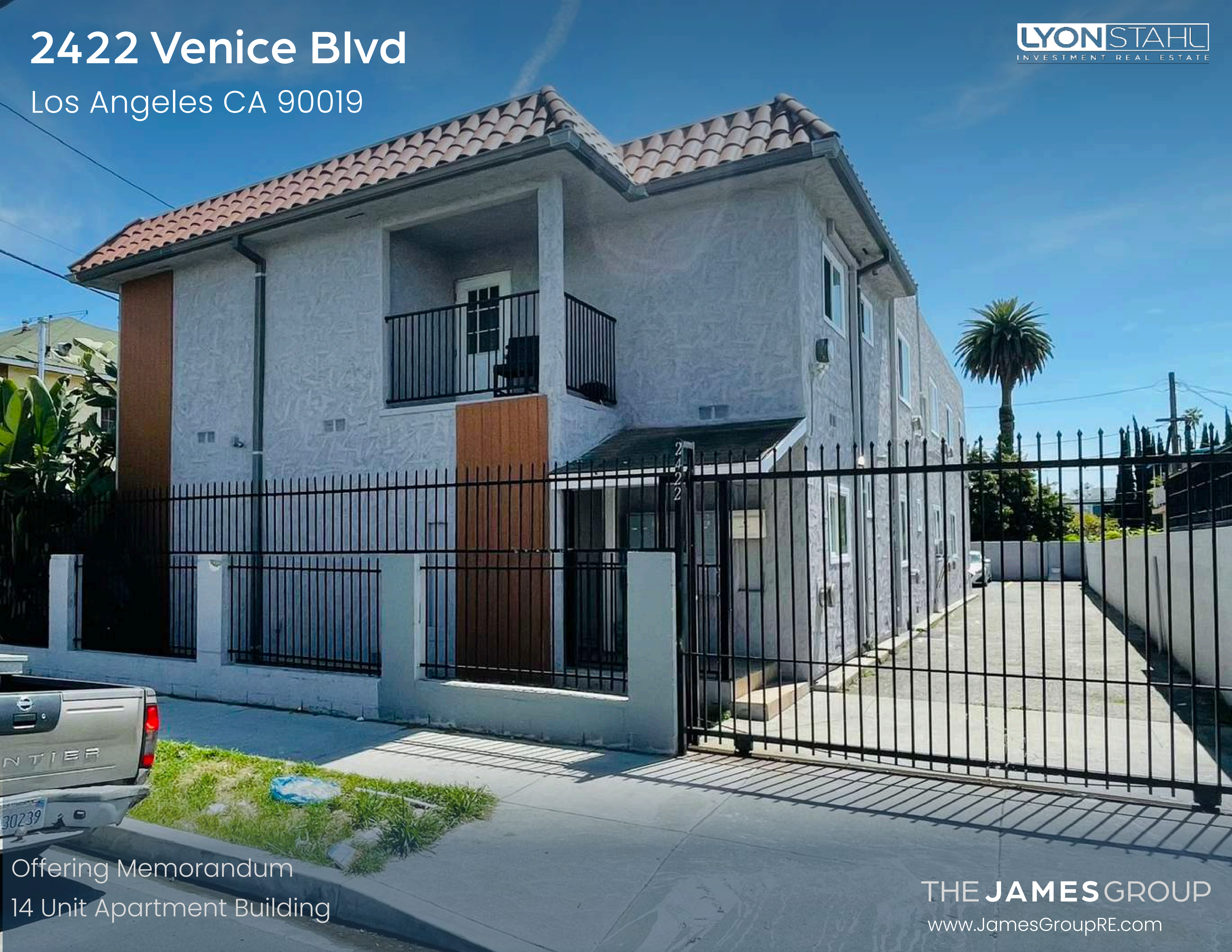
2422 Venice Blvd

Los Angeles CA 90019

LYONSTAHL
INVESTMENT REAL ESTATE



Offering Memorandum

14 Unit Apartment Building

THE JAMES GROUP

www.JamesGroupRE.com

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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.

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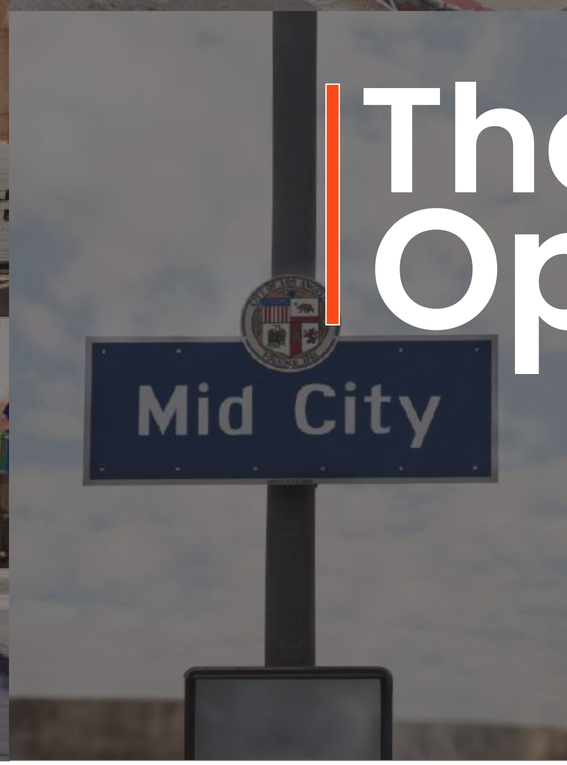


Section 1

The Opportunity

EXECUTIVE SUMMARY

2422 Venice Blvd is a 14 unit SRO property located in the Mid-City sub market of Los Angeles. With significant upside in rents and 9 vacancies the subject property offers a fantastic value add opportunity in a great location.

The James Group is pleased to present 2422 Venice Blvd, a 14 unit apartment building located in the Mid-City Submarket of Los Angeles. Located west of Western Ave, in between Gramercy and St Andrews.

Built in 1913, the property consists of (13) SRO units and (1) 1 Bedroom/1 Bathroom unit. The property includes 4 recently renovated shared bathrooms totaling 7 toilets and 5 showers, on-site gated parking for 5 cars in the rear, on-site laundry, and a recently renovated shared kitchen space. The subject property sits on a 6,006 sf lot zoned LAR3.

The investment is offered at a very attractive cap rate and GRM with significant upside in rents. This along with the significant amenities for an SRO property make this an attractive opportunity for an investor.

- Delivered with 9 vacancies and 118% upside in rents, this property offers a significant value add opportunity.

- The subject property has a great walk score of 86, located on a prime street on Venice blvd. just west of western this property is strategically located.

INVESTMENT HIGHLIGHTS

Vacancies

The subject property is to be delivered with 9 vacant units allowing an investor to capture instant upside

Rental Upside

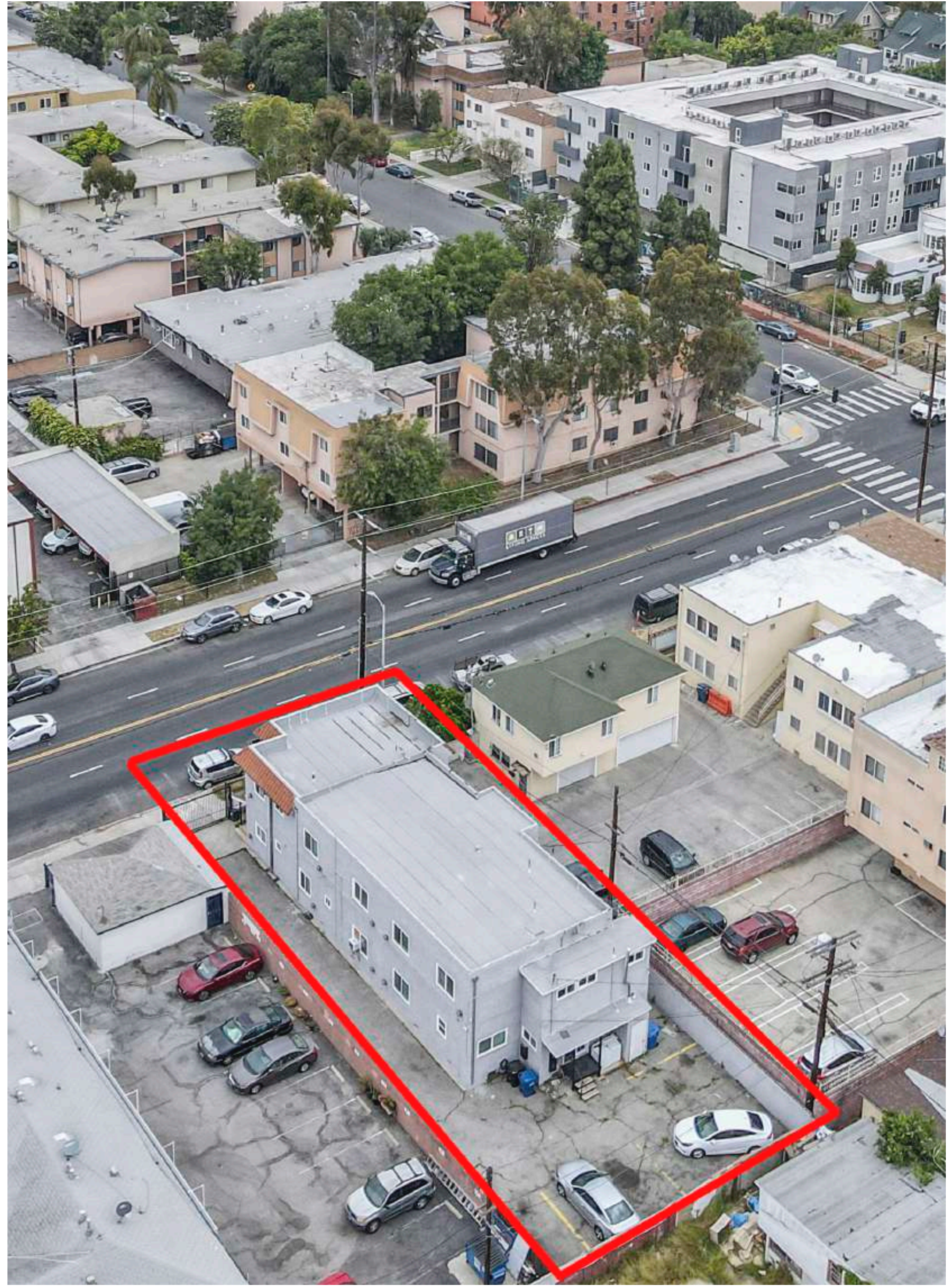
The current rents are 118% below the market rate, allowing an investor to improve the value of the property through rental

Parking

The subject property features on-site parking with a parking area in the rear for 5 cars.

Amenities

The Subject property features a spacious shared kitchen area, 4 separate bathrooms, and on-site laundry.



Section 2

The Property

PROPERTY OVERVIEW

Property Details

Property Address	2422 Venice Blvd
Current Improvement	14 Unit Apartment Building
Year Built	1913
Building SF	4,716
Lot Area SF	6,006
APN	5073-015-001
Zoning	LAR3
No. of Units	14
Unit Mix	(13) Studio SRO
	(1) 1 Bed / 1 Bath
Parking	On-Site
Construction	Wood Frame Stuco
Occupancy	35.71%

Property Description

2422 Venice Blvd is a fourteen unit apartment building built in 1913. The property is SRO style featuring a unit mix consisting of (13) studio units, and (1) one bedroom-one bathroom unit. The property also features 4 separate bathrooms in the common area, consisting of 7 toilets and 5 showers, additionally the property features a shared kitchen area and on-site laundry. The 6,006 square foot site is zoned R3 with parking located at the rear of the property.

In addition, current rents are 118% below the market rate, this opportunity provides an incredible value-add play within a prime rental demand pocket in the heart of the Mid-city/KoreaTown Pocket. With the current in place rents, the property should debt cover for an approximate $1,400,000 Variable Rate Loan at a 8.50% interest rate for interest only for a 24 month period.

5073 | 15

SCALE 1" = 40'

PARCEL MAP

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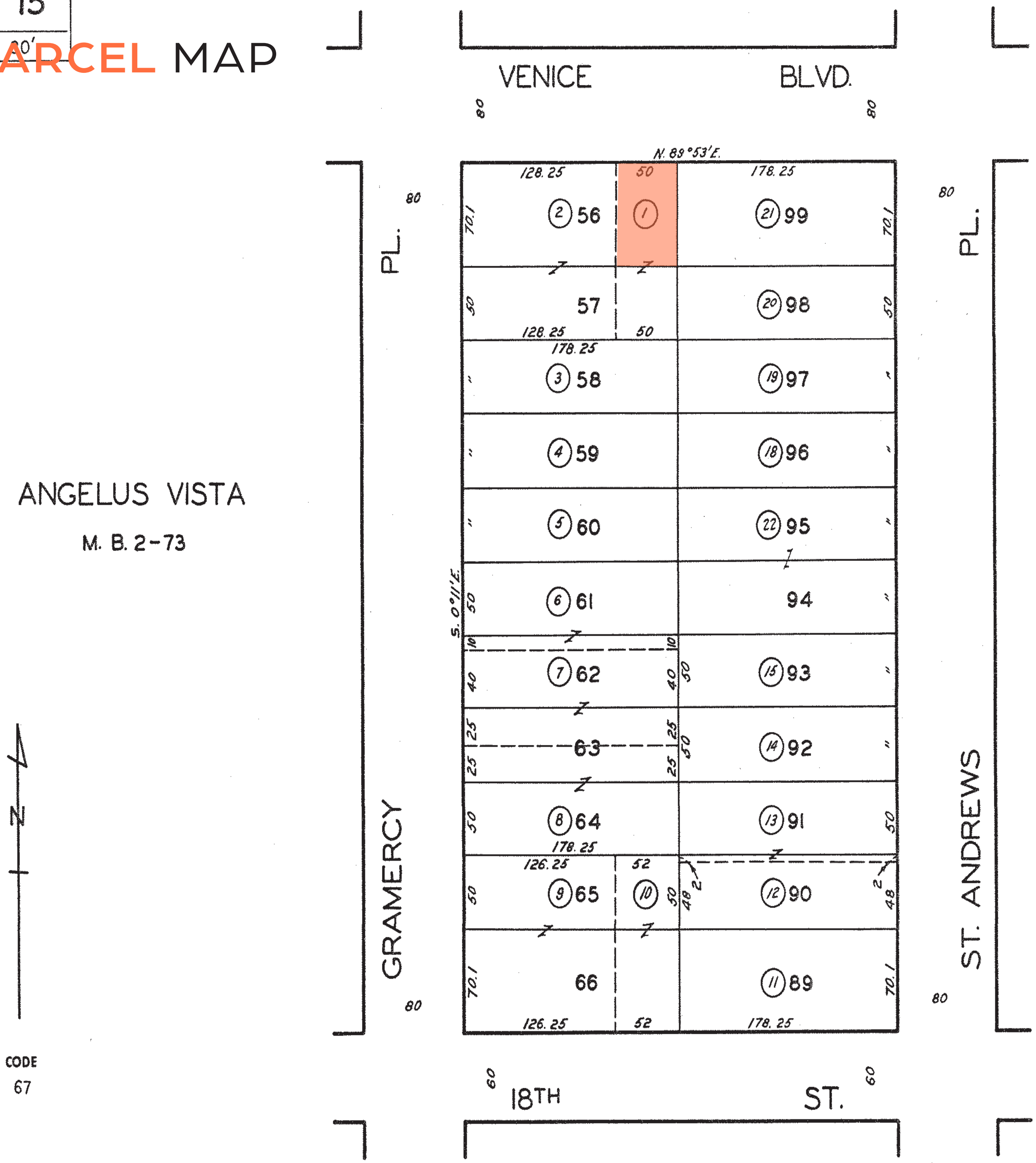


CODE
67

FOR PREV. ASSM'T. SEE: 255-31 & 33

ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.

PROPERTY PHOTOS

PROPERTY PHOTOS

PROPERTY PHOTOS

Section 3

The Financials

RENT ROLL

Unit No.	Unit Type	Unit SF	Monthly Rent	Rent/SF	Proforma	PF Rent/SF	Comments
1	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
2	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
3	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
4	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
5	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
6	Studio SRO	300	$1,082	$3.61	$1,250	$4.17	Daily
7	Studio SRO	300	$1,000	$3.33	$1,250	$4.17	Year Lease
8	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
9	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
10	Studio SRO	300	$662	$2.21	$1,250	$4.17	Daily
11	1 Bed, 1 Bath	500	$1,800	$3.60	$1,800	$3.60	Vacant
12	Studio SRO	300	$801	$2.67	$1,250	$4.17	Daily
13	Studio SRO	300	$1,250	$4.17	$1,250	$4.17	Vacant
14	Studio SRO	300	$1,100	$3.67	$1,250	$4.17	Year Lease
TOTAL		4,400	$16,445		$18,050		

FINANCIAL SUMMARY

Price	**$2,000,000**
Down (30%)	$600,000
Price/Unit	$142,857
Price/SF	$424.09
Cap Rate	6.10%
Proforma Cap Rate	6.78%
GRM	10.13
Proforma GRM	9.23

Address	2422 Venice Blvd
City	Los Angeles
State	CA
Zip	90019
No. of Units	14
Net Rentable Sq. Ft.	4,716
Lot Size	6,006
Zoning	LAR3
APN	5073-015-001
Year Built	1913

Loan Amount	$1,400,000
Interest Rate	8.50%
Monthly Payment	($9,916.67))
Loan-to-Value	70%
Debt Cover Ratio	1.20
Term	24 Month IO

INCOME

		Current		Proforma
Base Rental Income		$197,338		$216,600
Laundry Income		$1,000		$1,000
Gross Potential Income		$198,338		$217,600
Less Vacancy	3%	$5,950	5%	$10,880
Effective Gross Income		$192,388		$206,720
Operating Expenses	37%	$70,357	34%	$71,074
Net Operating Income		$122,030		$135,646
Debt Service		-$96,224		-$96,224
Pre-Tax Cash Flow	3.35%	$25,806	5.12%	$39,422
Principal Reduction		-$12,984		-$12,984
Total Return Before Taxes	5.04%	$38,790	6.81%	$52,406

EXPENSES

Taxes (1.1962%)	$23,925	$23,925
Insurance (Estimated $1/sf)	$4,716	$4,716
Utilities (Estimated $100/unit/month)	$16,800	$16,800
Repairs & Maintenance ($750/Unit)	$10,500	$10,500
Management Fee (5% of EGI)	$9,619	$10,336
Gardener ($100/month)	$1,200	$1,200
Reserves ($200/Unit)	$2,800	$2,800
Direct Assessments (Actual)	$797	$797
Operating Expenses	$70,357	$71,074
Total Expenses per Unit	$5,026	$5,077
Total Expenses per SF	$14.92	$15.07

RENT SUMMARY

Unit Mix	No. of Units	Average Rent	Monthly	Average Rent	Monthly
Studio SRO	13	$1,127	$14,645	$1,250	$16,250
1 Bed, 1 Bath	1	$1,800	$1,800	$1,800	$1,800

UNDERWRITING NOTES

INCOME

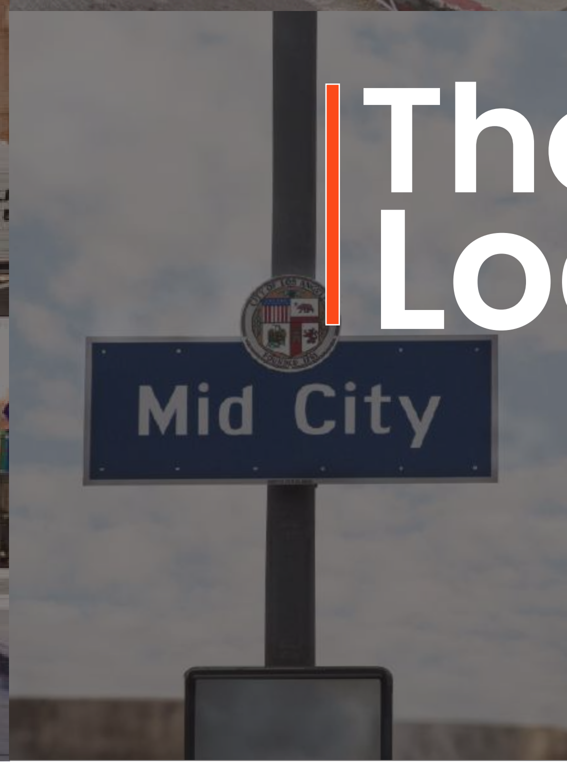
Income	Building is 35.71% occupied.
Vacancy	Vacancy Rate is 3.0% of Gross Rental Income.
Proforma	Market Rents are based on Rent Analysis of submarket area.
Unit SF	Unit Square Footages are estimated

EXPENSES

Property Tax Rate	Actual per Los Angeles Tax Assessor 1.1962%
Insurance	Estimated at $1.00 per building square footage
Utilities	Estimated at $100/unit/month
Repairs & Maintenance	Estimated annually $750 per unit
Management Fee	5.0% of effective gross income
Direct Assessments	Actual per Los Angeles Tax Assessor
Gardener	Estimated $100/mo
Reserves	$200/Unit

Section 4

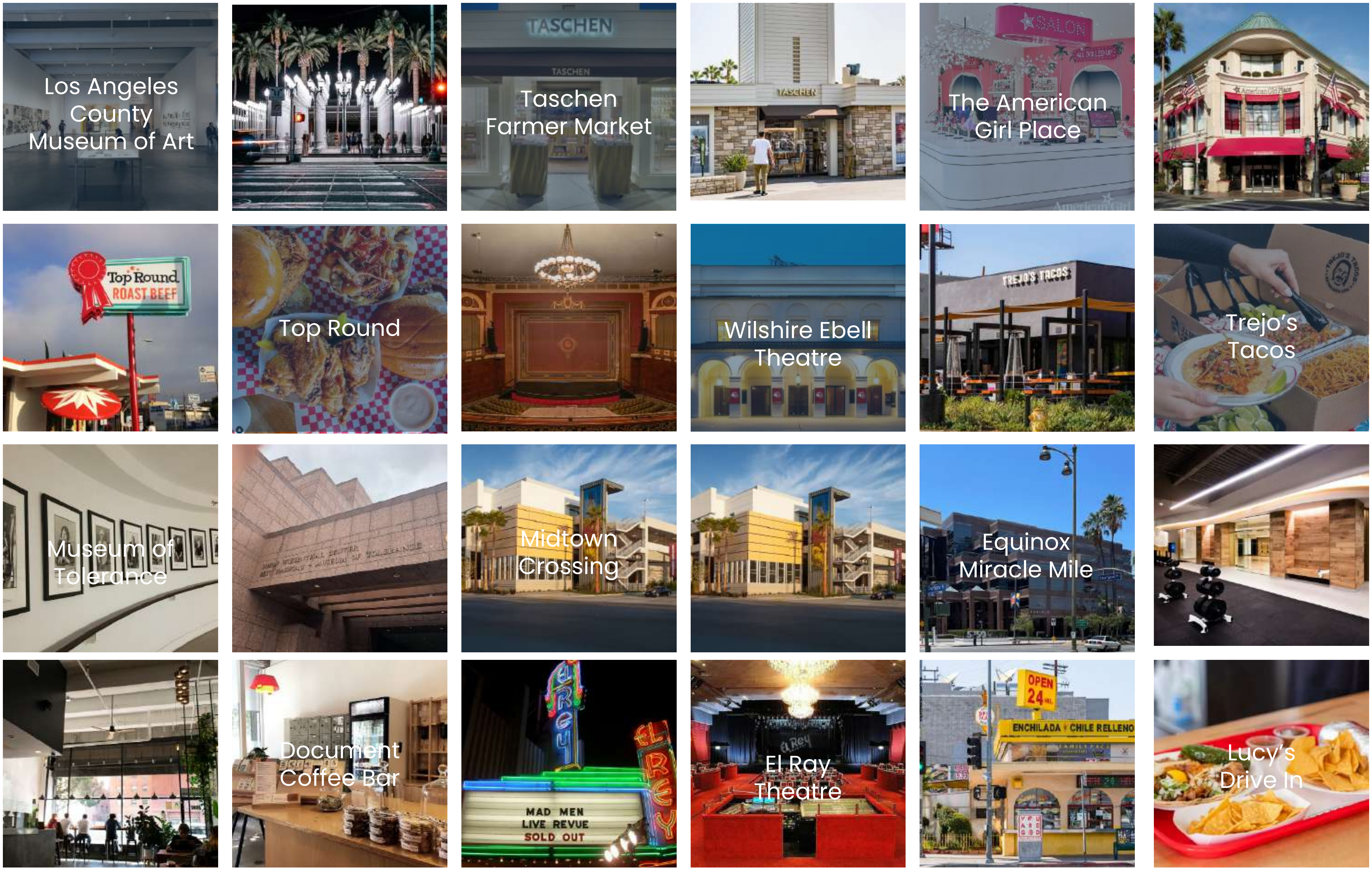
The Location



Mid City

Nestled in the heart of Los Angeles, Mid-city exudes a vibrant and diverse atmosphere that captivates residents and visitors alike. Boasting a rich cultural tapestry, this dynamic neighborhood is celebrated for its eclectic culinary scene, offering an array of international cuisines to tantalize taste buds. From trendy cafes to acclaimed restaurants, Mid-city caters to every palate. Beyond its gastronomic delights, the area is renowned for its thriving arts and entertainment scene, with local galleries, theaters, and live music venues adding to its cultural allure. With its central location, residents enjoy convenient access to the city's major attractions and amenities, while still maintaining a sense of community and neighborly charm. Whether exploring the historic architecture, strolling through picturesque parks, or immersing oneself in its vibrant street life, Mid-city embodies the essence of urban living at its finest.

THE NEIBORHOOD



THE STATISTICS

Walk Score
83
Walker's Paradise
Daily errands do not require a car

Transit Score
60
Many nearby public transportation options

Bike Score
71
Very bikeable, most errands can be done by bike.

Mid-City Demographics

60%
Household Renters
60% of the households in the area are renting their homes.

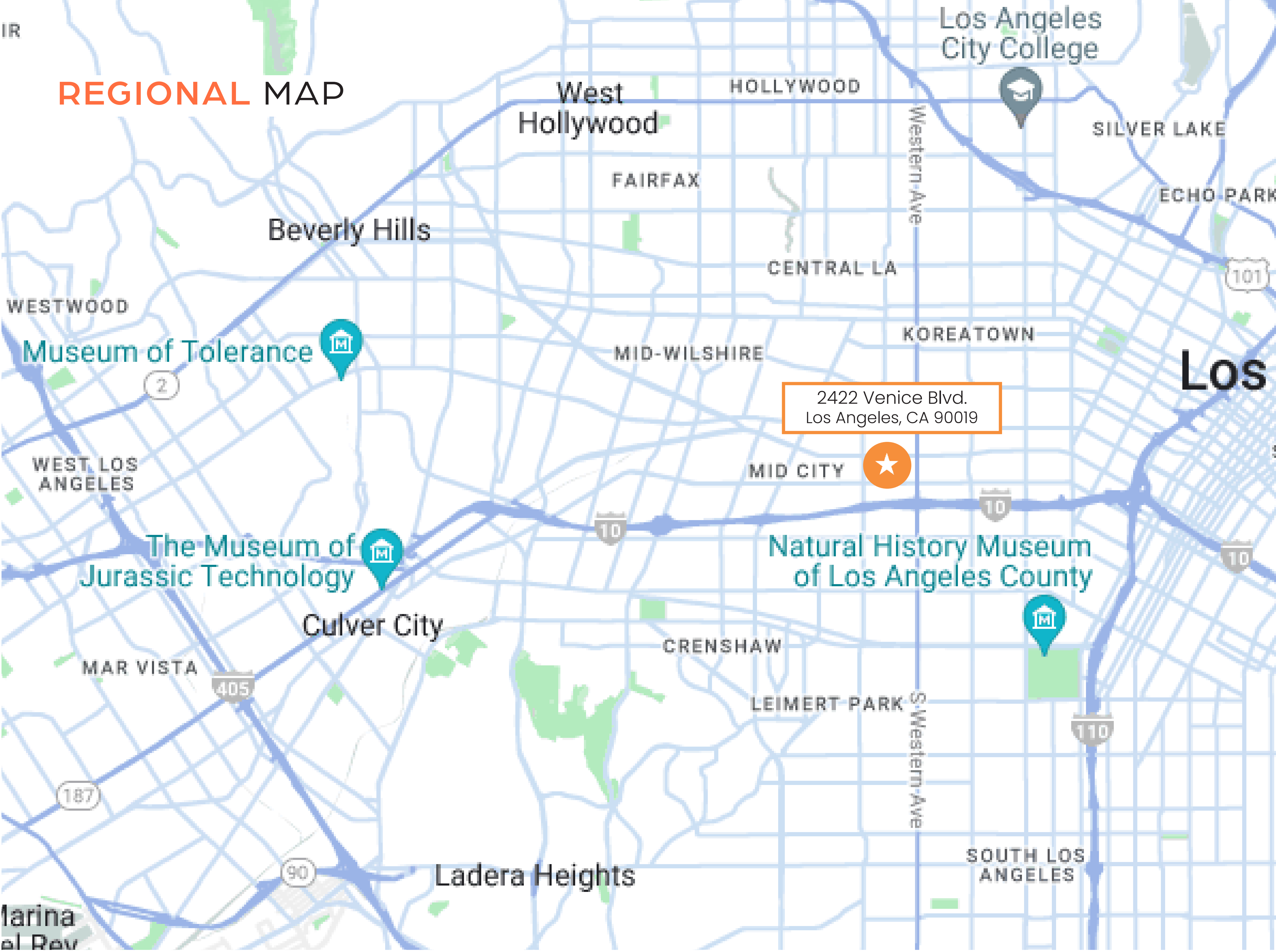
41 years
Median Age
The median age of people living in Inglewood Blvd is 41 years old.

$122,006
Household Income
The average household income in the area is $122,006 a year.

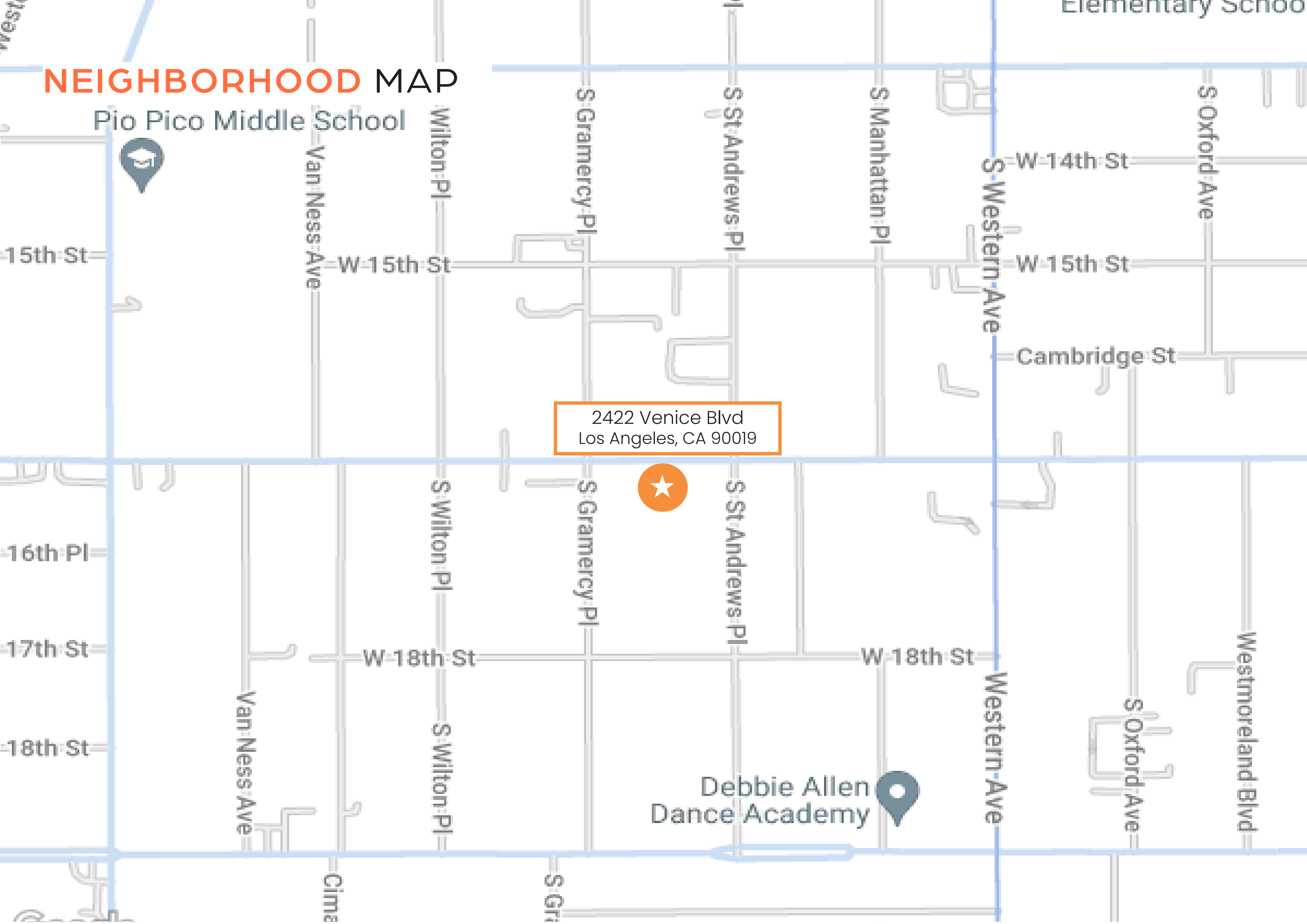
43,000
Population
There are 43,000 people living in the immediate area

30%
Public Transportation
30% of the people in the area use public transportation to get to work.

REGIONAL MAP



NEIGHBORHOOD MAP



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