



5727 Virginia Ave
Los Angeles, CA 90038

11 Unit Apartment Building
Offering Memorandum

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INVESTMENT REAL ESTATE

THE JAMES GROUP
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TABLE OF CONTENTS

01

The Opportunity

Executive Summary
Investment Highlights

02

The Property

Property Overview
Parcel Map
Property Photos

03

The Financials

Rent Roll
Financial Summary
Underwriting Notes
Sensitivity Analysis

04

The Location

Maps
The Statistics



Section 1

The Opportunity

EXECUTIVE SUMMARY

5727 Virginia present an opportunity for investors to acquire a value-added 11 unit in a great Hollywood location that will offer rent growth and upside in an area that will continue to see tremendous growth.

We are pleased to present 5727 Virginia Ave, an 11 unit offering in a prime Hollywood location just north of Santa Monica Blvd and west of Wilton in a pocket of Hollywood that has seen tremendous growth. The subject property was built in 1964 and boasts an excellent unit mix consisting of (5) Studio, 1 Bath, (3) 1 Bed, 1 Bath, (2) 2 Bed, 1 Bath and (1) 3 Bed, 1 Bath units spread out over 6,544 square feet. The building sits on a 7,500 square foot lot that is zoned LAR3.

With over 30% upside in rents, the investment offers investors the opportunity to capitalize on a market that is continuing to see tremendous growth and development, with trendy bars, restaurants, and shopping surrounding the area. Notably, the property is near major developments like Echelon Studios, a cutting-edge entertainment village featuring 110,000 square feet of production facilities and creative office space. This strategic location positions 5727 Virginia Ave for strong future appreciation and investment growth.

- Ideal Hollywood location surrounding by studios, production facilities and new developments
- Great value-add opportunity with over 30% upside in rents in an excellent rental pocket
- Diverse unit mix offering (5) Studio, 1 Bath, (3) 1 Bed, 1 Bath, (2) 2 Bed, 1 Bath and (1) 3 Bed, 1 Bath units



INVESTMENT HIGHLIGHTS

Great Hollywood Location

The subject property is located in a **Prime Hollywood** location near Wilton and Santa Monica Blvd. Surrounded by trendy restaurants, shopping and nightlife, the location provides a plethora of amenities for residents in the area

Great Unit Mix

The property consists of a **great unit mix** of (5) Studio, 1 Bath, (3) 1 Bed, 1 Bath, (2) 2 Bed, 1 Bath and (1) 3 Bed, 1 Bath units spread out over 6,544 square feet

Upside in Rents

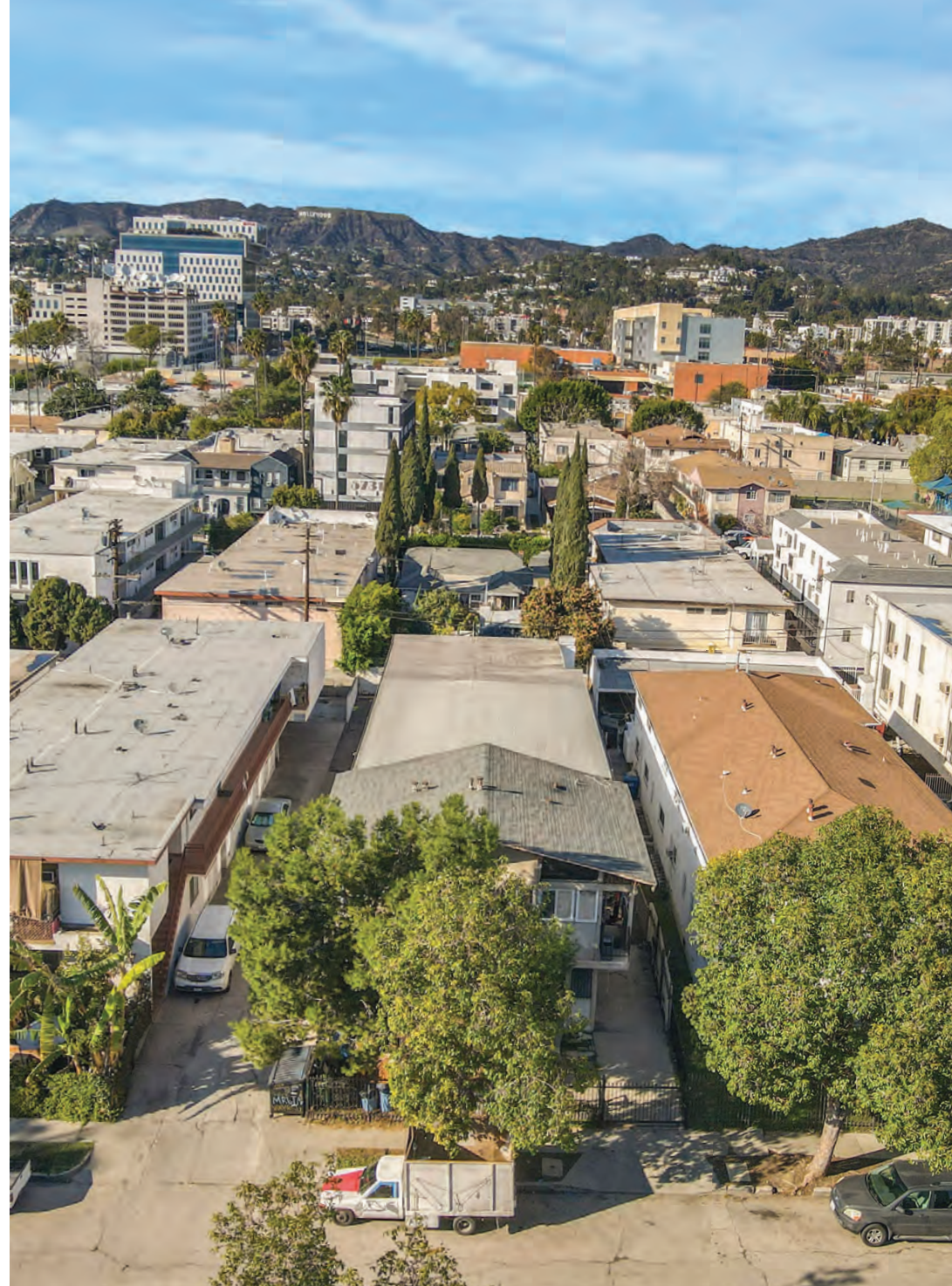
There is significant upside in rents. Current rents are **32% below market rate** allowing a new owner to increase cash flow with unit renovations as units turn.

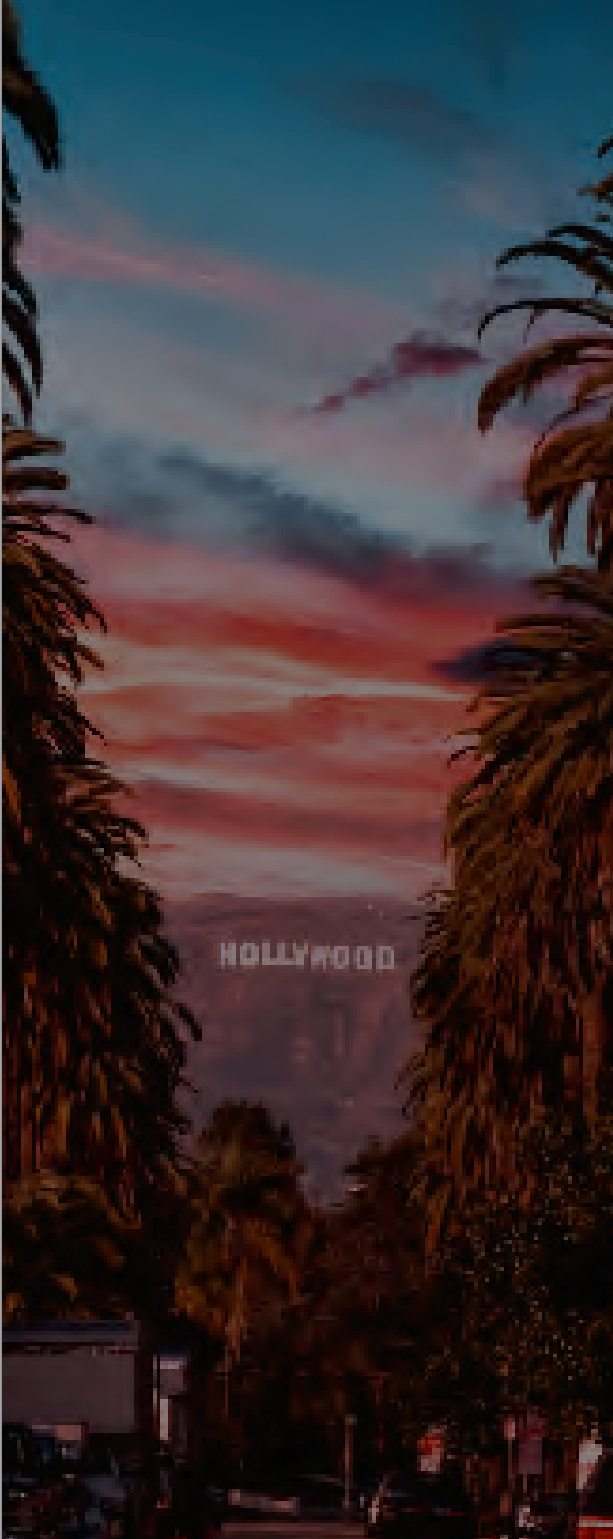
On-Site Parking

There is **onsite parking** for 9 individual spaces located at the rear of the property. The property is not subject to a soft story parking retrofit as this has already been completed by current owner.

Echelon Studios

Located one block away from the recently approved **Echelon Studio** complex located at the famed 5601 Santa Monica Blvd development site. The 110,000 square foot creative campus includes production facilities, creative office and ground floor retail.





Section 2

The Property

PROPERTY OVERVIEW



PROPERTY DETAILS

Property Address	5727 Virginia Ave
Year Built	1964
Building SF	6,544
Lot Area SF	7,500
APN	5536-006-008
Zoning	LAR3
No. of Units	11
Unit Mix	(5) Studio / 1 Bath (3) 1 Bed / 1 Bath (2) 2 Bed / 1 Bath (1) 3 Bed / 1 Bath
Parking	9 Parking Spaces On-Site
Construction	Wood-Frame Stucco
Occupancy	82%

PROPERTY DESCRIPTION

5727 Virginia Avenue is an eleven unit apartment building built in 1964. The property features a great unit mix consisting of five (5) studio units, three (3) one-bedrooms, two (2) two bedrooms, and one (1) large three bedroom owner's unit. The 7,500 square foot lot is zoned R3 with parking located at the rear of the property. The soft-story parking retrofit has been completed by the current ownership.

In addition, current rents are 32% below the market rate, this opportunity provides a promising value-add play within a prime

rental demand pocket in the heart of Hollywood. There is an ability to add additional units in the carport area at the rear of the property

The property is located in a high rental demand market in a prime Hollywood. The site is one block away from the recently approved Echelon Studios which will include 110,000 sf of production studios, 388,000 sf of office and 12,300 sf of ground floor restaurant space.

60'



PROPERTY PHOTOS



HOLLYWOOD

5727
VIRGINIA AVE

AERIAL PHOTOS

KOREATOWN

LARCHMONT

5727
VIRGINIA AVE



Section 3

The Financials

RENT ROLL

Unit No.	Unit Type	Square Feet	Monthly Rent	Rent/SF	PFMonthly Rent	PF Rent/SF	Comments
1	Studio, 1 Bath	475	\$1,750	\$3.68	\$1,750	\$3.68	Vacant
2	Studio, 1 Bath	475	\$1,352	\$2.85	\$1,750	\$3.68	
3	Studio, 1 Bath	475	\$1,118	\$2.35	\$1,750	\$3.68	\$100/mo Parking
4	3 Bed, 1 Bath	950	\$1,401	\$1.47	\$3,000	\$3.16	
5	1 Bed, 1 Bath	675	\$1,850	\$2.74	\$2,200	\$3.26	
6	Studio, 1 Bath	475	\$1,137	\$2.39	\$1,750	\$3.68	
7	1 Bed, 1 Bath	675	\$2,200	\$3.26	\$2,200	\$3.26	
8	2 Bed, 1 Bath	800	\$1,226	\$1.53	\$2,400	\$3.00	
9	2 Bed, 1 Bath	800	\$1,477	\$1.85	\$2,400	\$3.00	
10	1 Bed, 1 Bath	675	\$1,109	\$1.64	\$2,200	\$3.26	
11	Studio, 1 Bath	300	\$731	\$2.44	\$1,750	\$5.83	\$100/mo Parking
TOTAL		6,475	\$15,351		\$23,150		

FINANCIAL SUMMARY

Price \$2,100,000

Down (33.5%) \$703,500

Price/Unit \$190,909

Price/SF \$320.90

Cap Rate 5.61%

Proforma Cap Rate 9.50%

GRM 11.40

Proforma GRM 7.56

Address 5727 Virginia Ave

City Los Angeles

State CA

Zip 90038

No. of Units 11

Net Rentable Sq. Ft. 6,544

Lot Size 7,500

Zoning LAR3

APN 5536-006-008

Year Built 1964

Loan Amount \$1,396,500

Interest Rate 5.80%

Monthly Payment (\$8,194.01)

Loan-to-Value 67%

DCR 1.2

Term 5 Year Fixed

INCOME

	Current		Proforma	
Base Rental Income	\$184,208		\$277,800	
Additional Income	\$4,200		\$4,200	
Gross Potential Income	\$188,408		\$282,000	
Less Vacancy	3%	\$5,652	5%	\$14,100
Effective Gross Income	\$182,756		\$267,900	
Operating Expenses	36%	\$64,924	26%	\$68,330
Net Operating Income	\$117,831		\$199,570	
Debt Service	-\$97,060		-\$97,060	
Pre-Tax Cash Flow	2.91%	\$20,772	14.36%	\$102,510
Principal Reduction	-\$17,830		-\$17,830	
Total Return Before Taxes	5.41%	\$38,601	16.85%	\$120,340

EXPENSES

Taxes (1.199%)	\$25,179	\$25,179
Insurance (Estimated \$1.00/sf)	\$6,544	\$6,544
Utilities (Estimated \$100/unit/mo)	\$13,200	\$13,200
Repairs & Maintenance (\$500/Unit)	\$5,500	\$5,500
Management Fee (4% of EGI)	\$7,310	\$10,716
Reserves (\$200/Unit)	\$2,200	\$2,200
Direct Assessments (Actual)	\$1,271	\$1,271
Trash (Actual)	\$3,720	\$3,720
Operating Expenses	\$64,924	\$68,330
Total Expenses per Unit	\$5,902	\$6,212
Total Expenses per SF	\$9.92	\$10.44

RENT SUMMARY

Unit Mix	No. of Units	Average Rent	Monthly	Average Rent	Monthly
Studio, 1 Bath	5	\$1,218	\$6,088	\$1,750	\$8,750
1 Bed, 1 Bath	3	\$1,720	\$5,159	\$2,200	\$6,600
2 Bed, 1 Bath	2	\$1,352	\$2,703	\$2,400	\$4,800
3 Bed, 1 Bath	1	\$1,401	\$1,401	\$3,000	\$3,000



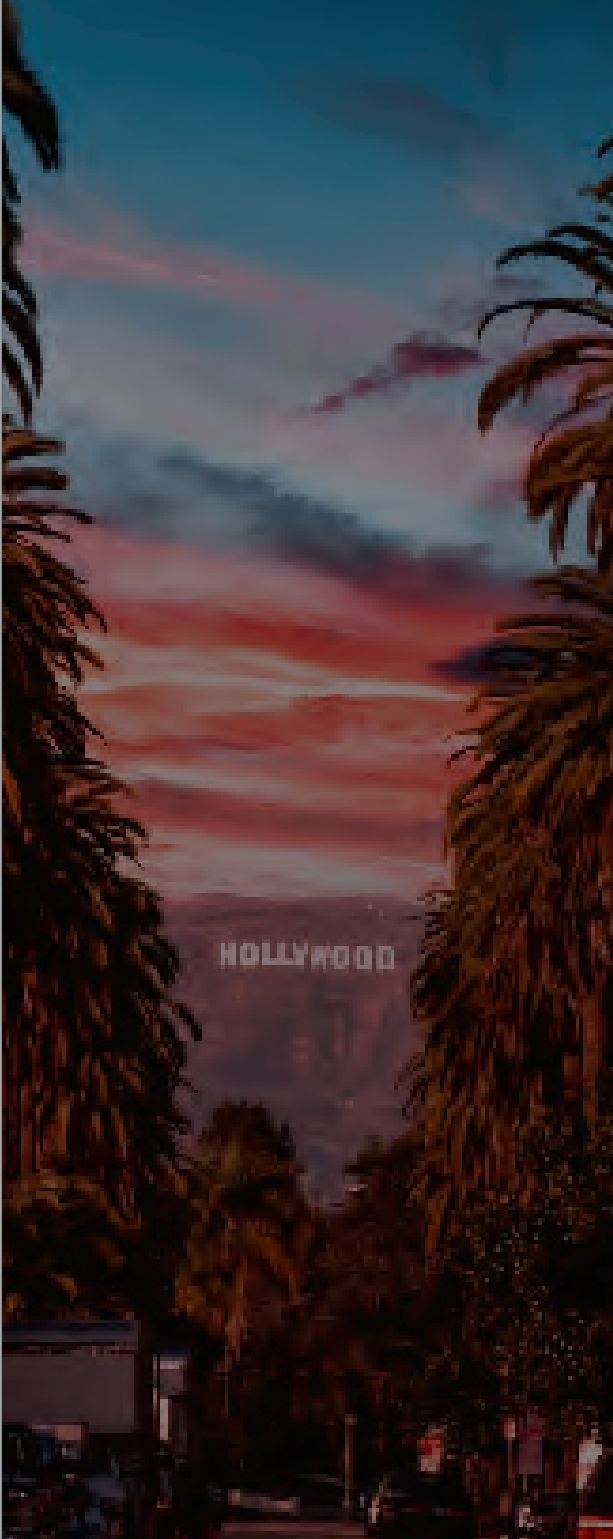
UNDERWRITING NOTES

INCOME

Income	Building is 82% occupied and market rent used in vacancy. 2 tenants pay \$100/mo for parking.
Vacancy	Vacancy Rate is 3% of Gross Rental Income.
Proforma	Market Rents based on Rent Analysis of Submarket Area.
Unit SF	Unit Square Footages are Estimated and assumed equal in size

EXPENSES

Property Tax Rate	Actual per Los Angeles Tax Assessor 1.199398%
Insurance	Estimated @ \$1.00/sf
Utilities	Estimated
Repairs & Maintenance	Estimated annually \$500 per unit
Management Fee	4.0% of Effective Gross Income.
Direct Assessments	Actual per Los Angeles Tax Assessor
Reserves	\$200 per unit
Trash	Actual provided by owner



Section 4

The Location

NEIGHBORHOOD MAP



5727 Virginia Ave
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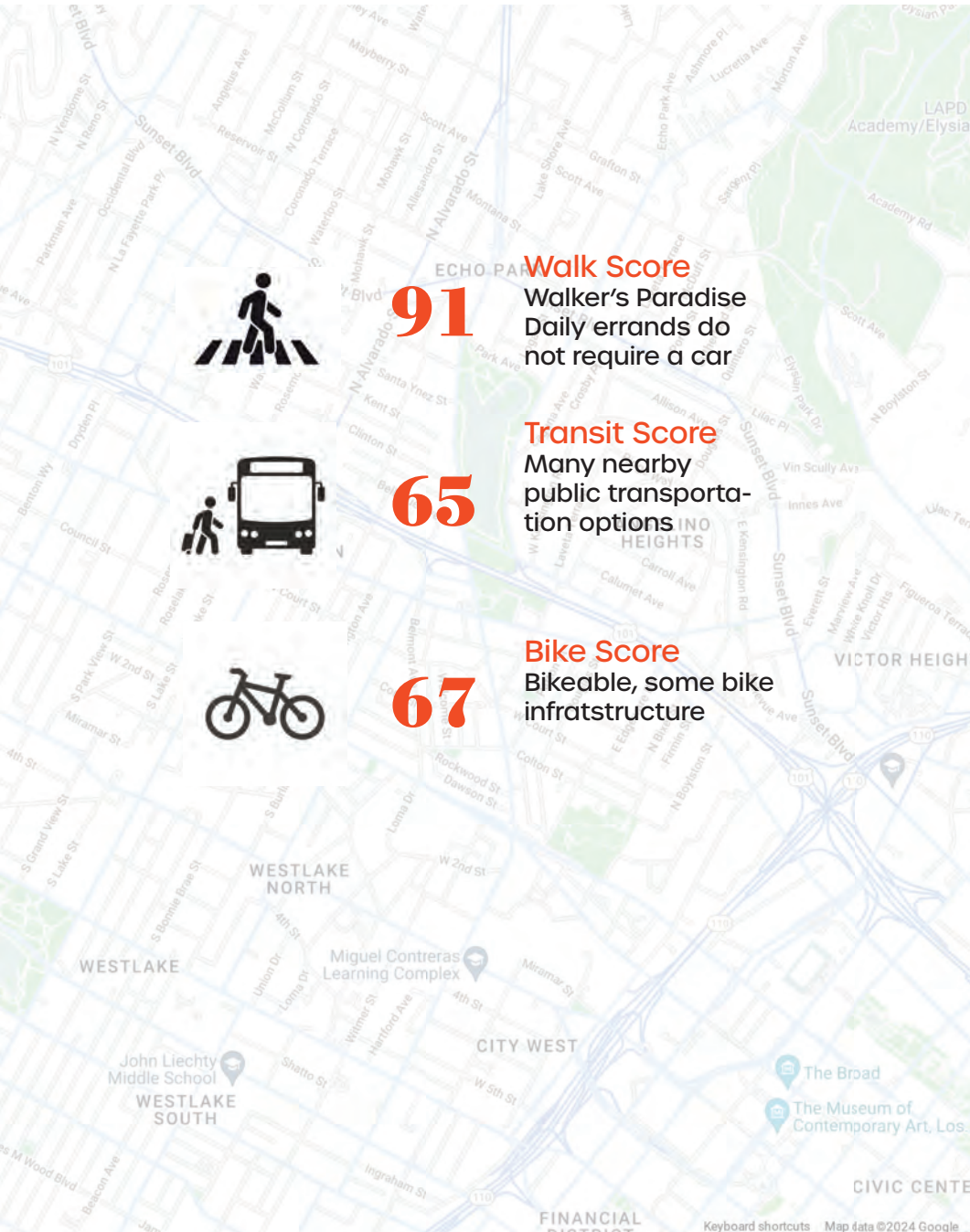


REGIONAL MAP



5727 Virginia Ave
Los Angeles, CA 90038

THE STATISTICS



Hollywood Demographics

Household Renters

88% of the households in Hollywood are renting their homes within a 2 mile radius.

Median Age

The median age of people living in Hollywood is 38 years old.

Household Income

The average household income in Hollywood is \$72,558 a year.

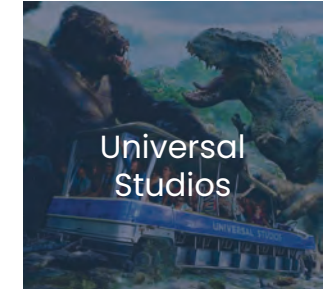
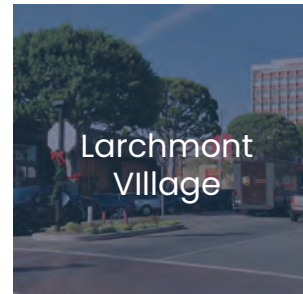
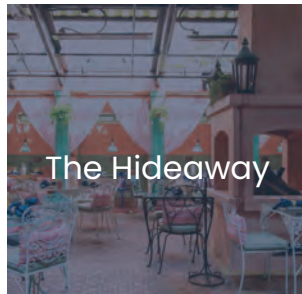
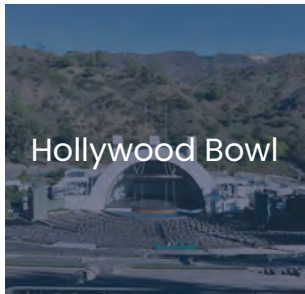
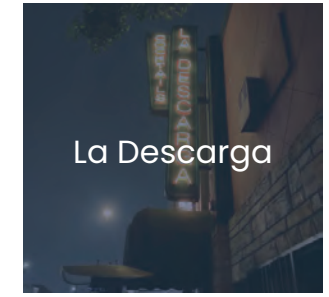
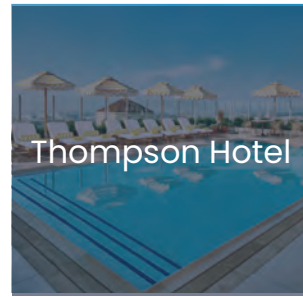
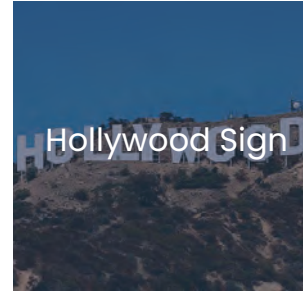
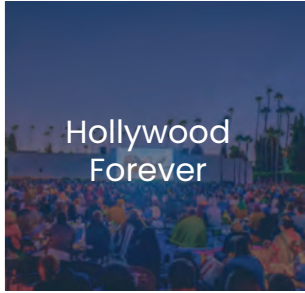
Population

There are 79,013 people living in a 1 mile radius

Median Home Value

\$953,413 median home value in a 1 mile radius

THE NEIBORHOOD



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