

OFFERING MEMORANDUM

Fully vacant Quadraplex with RTI plans for legal fifth unit ADU

961 WEST
47TH STREET

LOS ANGELES, CA 90037



AGGREGATE
INVESTMENT
PARTNERS

961 WEST
47TH STREET

LOS ANGELES, CA 90037

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BROKER OF RECORD
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EXECUTIVE SUMMARY

Fully vacant Quadraplex with RTI plans for legal fifth unit with ADU

EXECUTIVE SUMMARY

PRICE EXCLUDING CAP EX \$940,000

PRICE/UNIT \$188,000 (With ADU)

PRICE/SF \$278.77 (With ADU)

PROJECTED GRM 8.45

PROJECTED CAP RATE 8.91%

APN 5018-009-022

UNITS 4 + 1 ADU (RTI)

BUILDING SF 3,372 Building SF (Post ADU Issuance of C of O)

LOT SF 6,683

ZONING LARD3



- Fully vacant Quadraplex with RTI plans for legal fifth unit with ADU
- Amazing value-add opportunity with a post-renovation Cap Rate of 8.91%
- Utilize residential financing with a legal five unit (Buyer to verify)
- Great Unit mix of (4) - 2 Bed / 1 Bath & (1) - "Ready-to-Issue" 3 Bed / 2 Bath ADU
- Central location with easy access to LA Memorial Coliseum, Natural History Museum, USC, and 110 Freeway
- Less than two miles from Slauson Super Mall
- Three separate structures on one lot
- Located in a Tier 3 TOC

PROPERTY OVERVIEW

THE OPPORTUNITY

THE PROPERTY

Located on West 47th Street in Los Angeles, California, this fully vacant quadraplex offers a true COVID-19 hedge with "ready-to-issue" plans for a legal ADU. The asset offers an amazing unit mix with (4) - 2 Bed / 1 Bath and RTI plans for a (1) - 3 Bed / 2 Bath ADU.

HUGE CASH FLOWS

This asset offers huge cash flows for a potential Buyer with an all-in cap rate of 8.91% inclusive of a capital expenditure allowance of \$130,000. By capturing Section 8 rents, a potential Buyer will have the opportunity to cash-flow over 11.75%.

RESIDENTIAL FINANCING

Currently, the asset qualifies for a 30-year fixed residential financing. With proper timing, there is potential for a potential Buyer to lock in double digit cash flows for the following 30 Years (Buyer to verify). By refinancing the asset prior to the issuance of the ADU's certificate of occupancy, a Buyer may finance their new five-unit asset with residential financing (Buyer to Verify).

NATURAL HISTORY MUSEUM MAKEOVER

three-story expansion, adding approximately 60,000 square feet of space to the facility. Renderings portray a glass box, featuring a double-height entry hall and a rooftop restaurant facing towards the future Lucas Museum.

GEORGE LUCAS MUSEUM

The 300,000-square-foot building will house exhibition space for Lucas' 100,000-piece collection of paintings, sculptures, photographs, comic art, illustrations, and other forms of art related to movies. The facility will also contain a library, two theaters, two restaurants, classrooms and office space.



USC VILLAGE

The Village at USC
TRADER JOE'S
Target
wahlburgers
corepower YOGA
TRE JO'S TACOS

FIGAT7TH
Downtown LA

LA LIVE

THE RITZ-CARLTON®

Los Angeles
CONVENTION CENTER

STAPLES
Center

BANC OF CALIFORNIA
STADIUM

COLISEUM

California Science Center

VERMONT AVE

HOOPER ST

HARBOR FWY

PARCEL MAP





FINANCIAL OVERVIEW

Fully vacant Quadraplex with RTI plans for legal fifth unit with ADU

FINANCIAL ANALYSIS

PRICING OVERVIEW WITH ADU

Price Excluding Cap Ex	\$940,000
Price per Unit	\$188,000
Price per SF	\$278.77
GRM ⁽¹⁾	8.45
Cap Rate ⁽¹⁾	8.91%
	Projected

PRICING OVERVIEW WITHOUT ADU

Price Excluding Cap Ex	\$940,000
Price per Unit	\$235,000
Price per SF	\$339.11
GRM ⁽²⁾	10.22
Cap Rate ⁽²⁾	7.10%
	Projected

FINANCING

Down	35%	\$329,000
Loan	65%	\$611,000
Amort Years		30
Interest Rate		3.85%
Payments		(\$2,864)

THE ASSET WITHOUT ADU

Number of Units		4
Year Built	1925-1941-	1913
Gross SF		2,772
Lot SF		6,683
APN	5018-009-022	

THE ASSET WITH ADU

Number of Units		5
Year Built	1925-1941-	1913
Gross SF		3,372
Lot SF		6,683
APN	5018-009-022	

UNIT NUMBER	UNIT TYPE	UNIT SF	RENT W/O ADU	RENT PER SF	RENT W/ ADU	RENT PER SF
1	2 Bed /1 Bath	750	\$2,150	\$2.87	\$2,050	\$2.73
2	2 Bed /1 Bath	750	\$2,150	\$2.87	\$2,050	\$2.73
3	2 Bed /1 Bath	600	\$2,050	\$3.42	\$1,950	\$3.25
4	2 Bed /1 Bath	600	\$2,050	\$3.42	\$1,950	\$3.25
5	3 Bed / 2 Bath	600	-	-	\$2,550	\$4.25
TOTALS / AVERAGES		3,300	\$8,400	\$3.14	\$10,550	\$3.24

ANNUAL INCOME	W/O ADU	W/ ADU
Gross Potential Rent	\$100,800.00	\$126,600.00
General Vacancy	5% (\$5,040.00)	5% (\$6,330.00)
Effective Gross Income	\$95,760.00	\$120,270.00

ANNUAL EXPENSES	ASSUMPTION	W/O ADU	W/ ADU
Real Estate Taxes	1.174279%	(\$11,038.22)	1.174279% (\$11,038.22)
Direct Assessments	Estimated	(\$375.00)	Estimated (\$375.00)
Insurance	\$.50 per SF	(\$1,386.00)	\$.50 per SF (\$1,686.00)
Utilities	\$975 per Unit	(\$3,900.00)	\$975 per Unit (\$4,875.00)
Repairs & Maintenance ⁽³⁾	3% of EGI	(\$2,872.80)	3% of EGI (\$3,608.10)
Landscaping	\$100 per Month	(\$1,200.00)	3% Increase (\$1,236.00)
Reserves & Replacements	\$250 per Unit	(\$1,000.00)	3% of EGI (\$1,250.00)
Pest Control	\$75 per Month	(\$900.00)	\$75 per Month (\$900.00)
Total Expenses		(\$22,672.02)	(\$24,968.32)
Expenses per Unit		\$5,668.01	\$6,242.08
Expenses/SF		\$8.18	\$9.01
% of EGI		23.68%	20.76%

RETURN	W/O ADU	W/ADU
NOI	\$73,087.98	\$95,301.68
Less Debt	(\$34,373.02)	(\$34,373.02)
Cashflow	\$38,714.96	\$60,928.66
Cash on Cash	11.77%	18.52%
DSCR	2.13	2.77

NOTES

(1): GRM & Cap Rate are projected on an "all-in" basis with a capital expenditure allowance of \$130,000.

(2): GRM & Cap Rate are projected on an "all-in" basis with a capital expenditure allowance of \$90,000

(3) Repairs & Maintenance underwritten at lower than market standards due to projections including post renovation finishes.

RENT ROLL

UNIT NUMBER	UNIT TYPE	UNIT SIZE	PROJECTED RENT W/O ADU ⁽¹⁾	RENT PER SF	PROJECTED RENT W/ ADU ⁽¹⁾	RENT PER SF
1	2 Bed / 1 Bath	750	\$2,150	\$2.87	\$2,050	\$2.73
2	2 Bed / 1 Bath	750	\$2,150	\$2.87	\$2,050	\$2.73
3	2 Bed / 1 Bath	600	\$2,050	\$3.42	\$1,950	\$3.25
4	2 Bed / 1 Bath	600	\$2,050	\$3.42	\$1,950	\$3.25
5	3 Bed / 2 Bath	600	-	-	\$2,550	\$4.25
TOTALS		3,300	\$8,400	\$3.14	\$10,550	\$3.24

NOTES

(1): Rental amounts are projected from the max Section 8 rental amount allowed by the Housing Authority of the City of Los Angeles (HACLA). Projected rents are set due to comparable Section 8 rents in the area (Buyer to verify). ADU projected rental amounts have been discounted \$100 due to parking.



LOCATION OVERVIEW

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COUNTY OF LOS ANGELES



Los Angeles is on the leading edge of several growth industries. L.A. County, with more than 87,000 jobs in the fashion industry, has surpassed New York's fashion district workforce. The L.A. five-county area also has more than 700,000 people at work in health services/biomedical activities and 190,000 people in aerospace/technology.

The City of Los Angeles holds many distinctions. L.A. is the entertainment capital of the world, a cultural mecca boasting more than 100 museums, and a paradise of idyllic weather. From tourist attractions like the Walk of Fame's collection of stars (numbering more than 2,614 and growing by one or two a month) to career opportunities like those presented in the expanding tech industry, Los Angeles is the place to be. It is the only city in North America to have hosted the Summer Olympics twice. Downtown L.A. is the largest government center outside of Washington, D.C. Los Angeles has the only remaining wooden lighthouse in the state (located in San Pedro's Fermin Park) and the largest historical theater district on the National Register of Historic Places (located Downtown on Broadway).



PDC
PACIFIC DESIGN CENTER

THE ROXY THEATRE

THE VIPER ROOM

SUR RESTAURANT LOUNGE

TomTom

HH HOLLYWOOD HOTEL: "The Home of Hollywood"

CLIFFS EDGE

Hotel Covell

Children's Hospital LOS ANGELES

KAISER PERMANENTE

LAMAG

We Treat Kids Better

CIA HOLLYWOOD PRESBYTERIAN MEDICAL CENTER

amazon

wework

Apple

CAAM

BANC OF CALIFORNIA STADIUM

California Science Center

EXPOSITION PARK CALIFORNIA

COLISEUM

STAPLES Center

LA LIVE

Los Angeles CONVENTION CENTER

Microsoft Theater

FIGAT7TH

961 WEST
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ChowNow

FOX SPORTS

Google

THE HONEST CO.

YouTube

4A CLIPPERS

Hollywood CASINO

FORUM

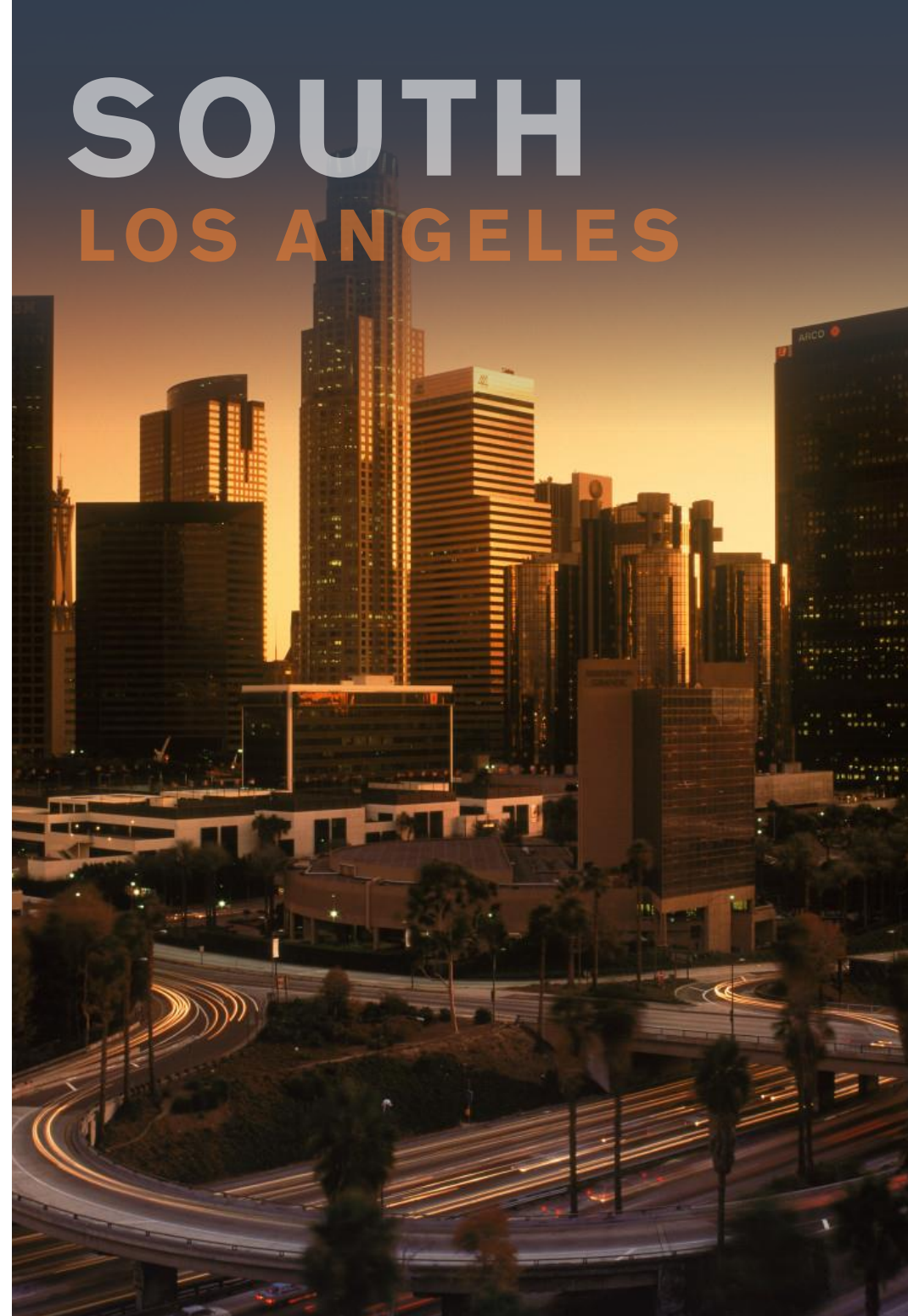
PRODUCED BY CHASE

LAX
Los Angeles World Airports

SOUTH LOS ANGELES

South Los Angeles is a region in southern Los Angeles County, California, and mostly lies within the city limits of Los Angeles, California, just south of downtown. According to the Los Angeles Times, South Los Angeles “is defined on Los Angeles city maps as a 16-square-mile rectangle with two prongs at the south end.” In 2003, the neighborhoods of Southwest Los Angeles and South-Central were merged, and the Los Angeles City Council renamed this area “South Los Angeles.” The name South Los Angeles is also commonly used to identify a larger 51-square mile area that includes areas within the city limits of Los Angeles as well as unincorporated areas in the southern portion of the County of Los Angeles. Thus, depending on the source, the specific boundary of South Los Angeles can differ.

POPULATION	1 MILE	3 MILE	5 MILE
2018 Total Population	48,153	434,839	1,172,595
2023 Population	48,783	441,364	1,190,814
Population Growth 2018-2023	1.31%	1.50%	1.55%
Average Age	35.70	35.10	35.00
POPULATION			
2018 Total Households	13,384	126,273	350,351
Household Growth 2018-2023	1.12%	1.39%	1.57%
Median Household Income	\$34,651	\$34,832	\$36,767
Average Household Size	3.5	3.3	3.2
2018 Average HH Vehicles	2.0	1.0	1.0
POPULATION			
Median Home Value	\$344,018	\$394,552	\$423,056
Median Year Built	1948	1951	1956





Metro®

METRO CRENSHAW/LAX LINE – TRANSIT PROJECT

The Metro Crenshaw/LAX Line will extend from the existing Metro Exposition Line at Crenshaw and Exposition Boulevards. The Line will travel 8.5 miles to the Metro Green Line and will serve the cities of Los Angeles, Inglewood and El Segundo; and portions of unincorporated Los Angeles County. The new Metro Rail extension will offer an alternative transportation option to congested roadways and provide significant environmental benefits, economic development and employment opportunities throughout Los Angeles County. Riders will be able to make easy connections within the entire Metro Rail system, municipal bus lines and other regional transportation services.

The Crenshaw/LAX Transit Project will serve the Crenshaw District, Inglewood, Westchester and surrounding area with eight stations. The Crenshaw/LAX Project is one of 12 transit projects funded by Measure R, the half-cent sales tax approved by Los Angeles County voters in 2008.

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