

16 UNIT MULTI-FAMILY PORTFOLIO

LOS ANGELES, CALIFORNIA



- ❖ Stabilized Portfolio
- ❖ Recent Rehab circa. 2010–2012
(12 of 16 units)
- ❖ Very Low Vacancy
- ❖ Section 8 Offers Excellent Income Stream
(11 of 16 units)
- ❖ Low Ownership Expenses
- ❖ Competitively Priced



IN COOPERATION

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KENNEDYWILSONRE.COM

Do Not Disturb Tenants

PRICE REDUCTION

PRICE: ~~\$3,125,000~~ **\$3,075,000**
VIEWING: *Upon Acceptance Of Offer*
Do Not Disturb Occupants

All offers must be on the CAR Residential Income Purchase Agreement (RIPA) and include Seller's disclosure statement, show proof of funds and include a photo-copy of a 5% good faith deposit check made payable to MB Escrow Company.

Price / Unit: \$192,188
 Price / S.F.: \$295
 CAP Rate – Current: 5.46%
 CAP Rate – Pro Forma: 5.88%
 GRM – Current: \$12.80
 GRM – Pro Forma (2018): \$12.14

ABSTRACT:

Number of Units: 16
 Year Built: 1919 -1948
 Gross S.F.⁽¹⁾: 10,432
 Lot Size S.F. ⁽¹⁾: 27,639
 Parking Spaces: 21 off street (garage + spaces)

- ❖ Many utilities individually metered
- ❖ Most units rehabbed upon acquisition by current ownership (2010 – 2012)
- ❖ Typical rehab included flooring, windows, electrical, plumbing, int./ext. paint, kitchen & baths, cabinets, doors/locks & light fixtures (some roofs)

PROPERTY DESCRIPTION	9206 S. Hoover St Los Angeles 90044	4810 E. Compton Bl Compton 90221	6915 S. Harvard Bl Los Angeles 90047	8451 Towne Av Los Angeles 90003	9806 S. Main St Los Angeles 90003
No. of Units ¹ :	4	4	3	3	2
Occupancy ² :	100%	100%	100%	100%	100%
Total Beds:	6	4	4	4	6
Total Baths:	4	4	3	3	4
Building Size ¹ :	2,265	1,824	2,202	2,120	2,021
Lot Size ¹ :	6,312	3,819	5,503	6,500	5,505
APN:	6039-014-026	6180-022-003	6015-028-001	6030-025-018	6052-002-002
Zoning ¹ :	LA RD1.5	CO CL	LA R1	LA R2	LA CM-1
Year Built (Rehab):	1948 (2012)	1947 (2012)	1941 (2011)	1922 (2012)	1919 (2010)
Rent Control:	YES	NO	YES	YES	YES
Section 8:	3 of 4 units	1 of 4 units	3 of 3 units	3 of 3 units	1 of 2 units
Parking (GARAGE, CARPORT, OPEN)	C3; P1	P4	G4	G1; P2	P6
2016 Tax Value:	192,441	208,044	266,233	272,726	130,843
2016 - 2017 Real Estate Tax:	2,681	3,906	3,456	3,551	2,060

HIGHLIGHTS

- § High occupancy (95%)² with stable rental income and low turnover;
- § All properties are freeway close with excellent mass transit options nearby (i.e. bus every 10 mins to Downtown area);
- § Approx. 5 miles from future Los Angeles Rams NFL Stadium and approx. less than 10 miles from Downtown Los Angeles and LAX;
- § No rent control for Compton property;
- § History of pro-active management with excellent property condition;
- § Buildings which are separately metered:
 - Electricity in all five buildings (16 units)
 - Natural gas in four buildings (12 units)
 - Water in two buildings (5 units)

Notes:
 (1) Per Los Angeles County Tax Assessor Portal
 (2) Effective 09/19/2017



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9206 S. Hoover St

4810 E. Compton Blvd

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9806 S. Main St



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9806 S. Main Street – Interior Photos



INTERIOR SHOTS OF THE REAR UNIT OF 9806 S. MAIN TAKEN 07.27.2017

This unit was remodeled in July 2017 at the cost of \$30,000 to include finish electrical, finish plumbing, wood flooring, dual pane vinyl windows, granite, cabinets, kitchen, bathrooms, interior paint plus exterior paint on entire building and fencing.



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1

9206 S. Hoover St
Los Angeles 90044

2

4810 E. Compton Bl
Compton 90221

3

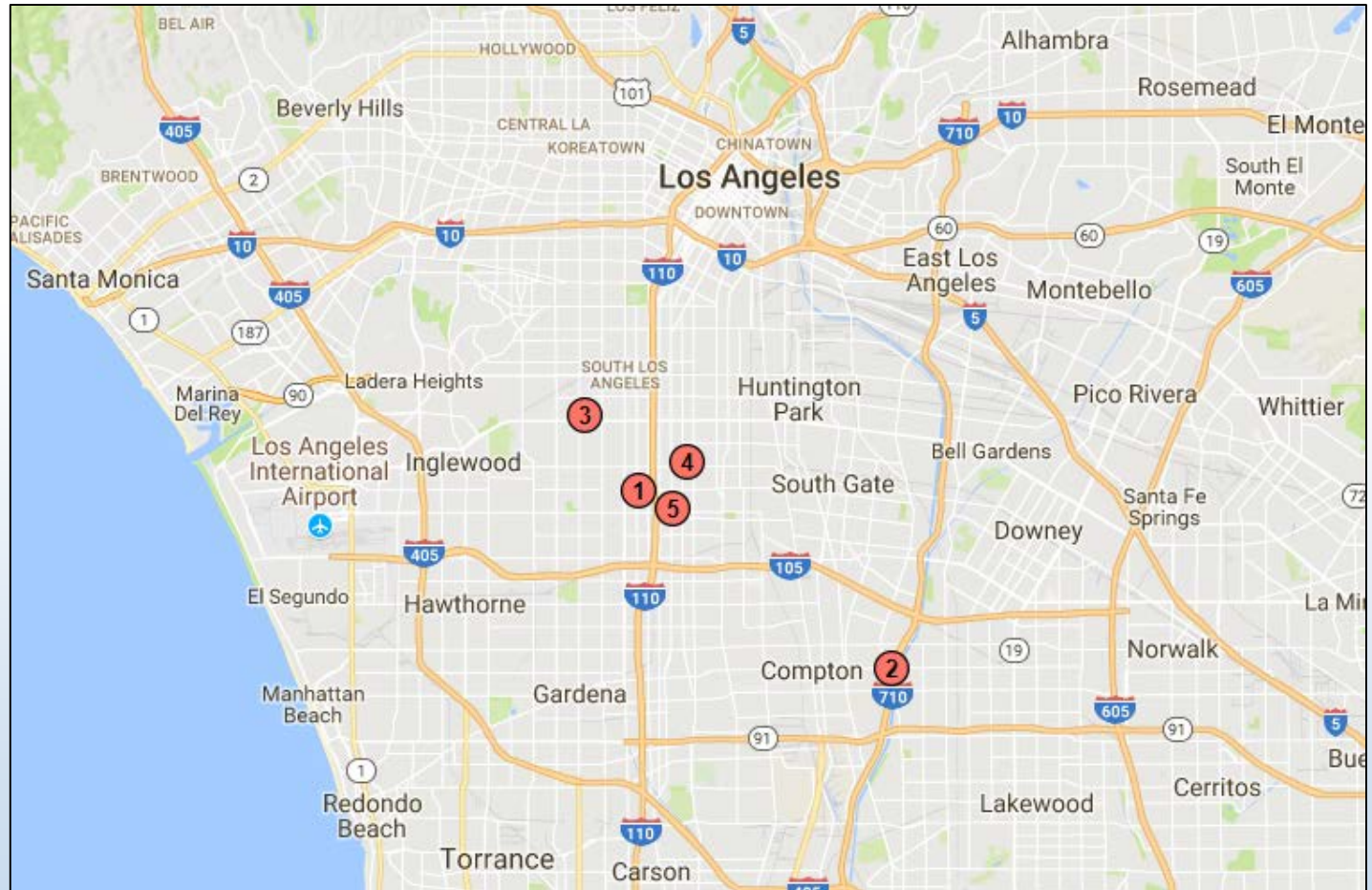
6915 S. Harvard Bl
Los Angeles 90047

4

8451 Towne Av
Los Angeles 90003

5

9806 S. Main St
Los Angeles 90003

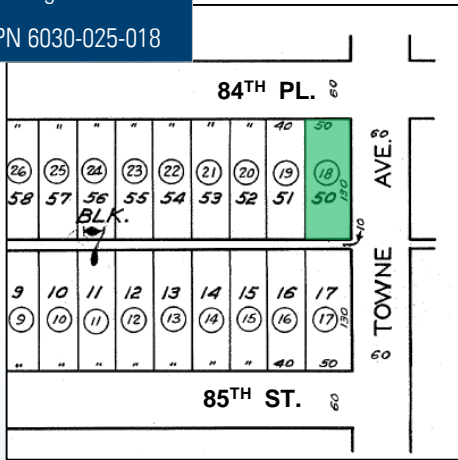


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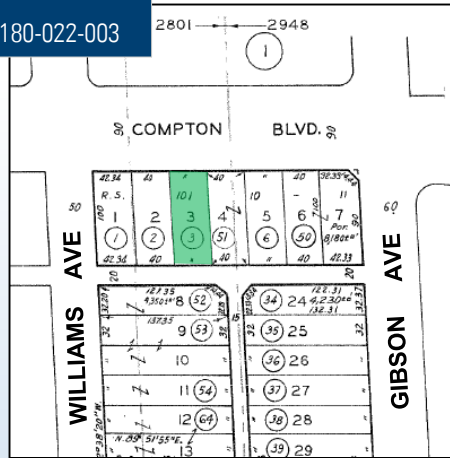


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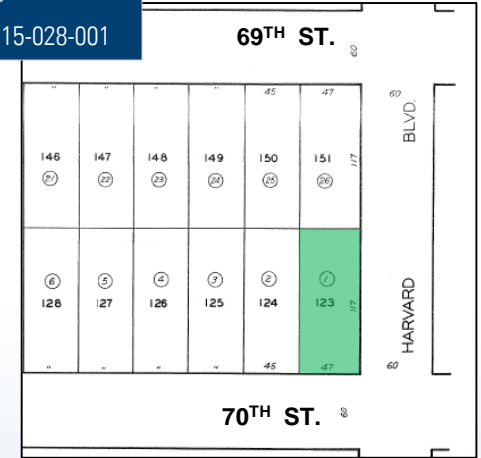
8451 Towne Av
Los Angeles 90003
APN 6030-025-018



4810 E. Compton Bl
Compton 90221
APN 6180-022-003



6915 S. Harvard Bl
Los Angeles 90047
APN 6015-028-001



9206 S. Hoover St
Los Angeles 90044
APN 6039-014-026

9806 S. Main St
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APN 6052-002-002



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Los Angeles-Long Beach-Anaheim, CA CBSA

PROVIDED BY
MEYERS RESEARCH
a Kennedy Wilson Company

Though the region still suffers from low home supply, rising prices, and skyrocketing rents, 9 out of 10 residents are optimistic about the economy and feel that it's in better shape compared to the rest of the nation. Despite those sentiments, the region still has the lowest rate of Millennial homeownership across the nation at 17.8%. For Millennials looking to save for a 20% down payment, Los Angeles residents would need 32 years. A bit of relief could be on the way as the Los Angeles City Council recently approved a plan to bring back a down payment loan program for middle income earning first-time buyers.

Job figures don't tell entire story.

Recent figures show slowing job growth, and UCLA forecasters predict growth will weaken throughout the year.

This trend has more to do with an economy that is operating at full employment instead of slowing fundamentals.

Newhall Ranch gets the green light.

After years of debate, the Los Angeles County recently approved two of Newhall Ranch's 5 subdivisions.

The massive project by FivePoint has plans for 21,500 homes in Santa Clarita Valley.

Home construction lags in the region.

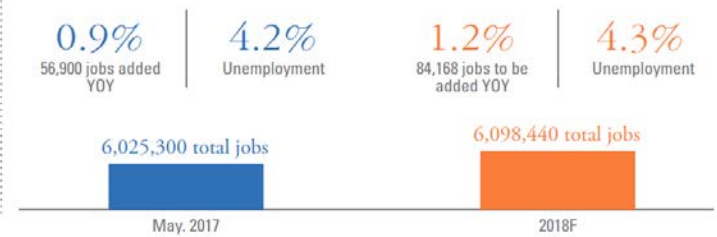
A recent analysis of Census data showed that housing growth in Los Angeles County is significantly behind the national average.

This is exacerbating an affordability problem in the region.

MEYERS INDEX



EMPLOYMENT SUMMARY



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Summary

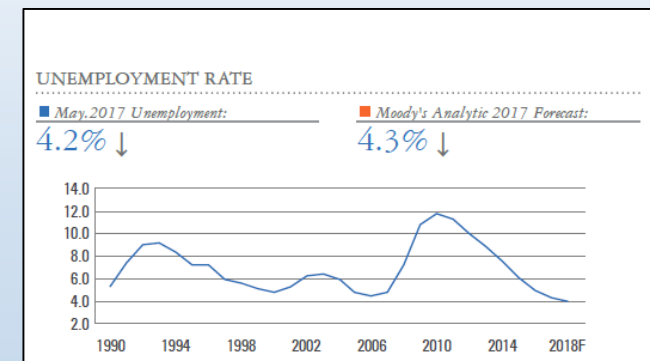
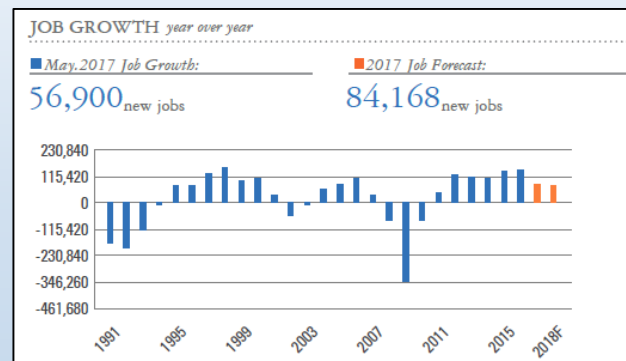
Total non-farm employment in the Los Angeles-Long Beach-Anaheim, CA metropolitan statistical area increased 0.9% from the same period last year to 6,025,300 payrolls in May 2017. There are approximately 56,900 more jobs than May of last year. The local unemployment rate decreased to 4.2% in May 2017 compared to 4.3% in the previous month. May's jobless rate is lower than it was this time last year when it stood at 5.0%. Forecasts from Moody's Analytics show that the region's unemployment rate will finish the year at 4.3%.

Key Highlights

- Roughly 36% of the metro's population spent 30% of their income on housing. Another 17% spent 50% compared to 10% nationally.
- A Redfin report shows only 6.6% of homes listed in Los Angeles are considered affordable to those making the median income of about \$61K.
- Census data shows that middle class African American and Latino families in LA County are only able to afford +/-1% and 2.2% of homes in the area, respectively.
- Under HUD's new income limits, LA County residents making \$50,500 a year are eligible for low-income housing.
- There are approx. 4.5 million households region which is up 0.7% year-over-year. Forecasts show that household formation is expected to increase by an annual growth rate of 0.8% for 2017.
- Median household income in the area increased 1.7% from the previous year to \$63,799.

Incomes are forecasted to increase 1.7% for the year in 2017.

- Rents have risen 5% since June 2016. The median monthly rent for a 2-bedroom apt is \$1,720 compared to \$1,150 nationally.
- The Clippers could be joining the Rams in building a new stadium in Inglewood. The Inglewood City Council recently voted to approve an exclusive negotiating agreement with the team for a 22-acre site between Prairie and Yukon Avenues just south of Century Boulevard.



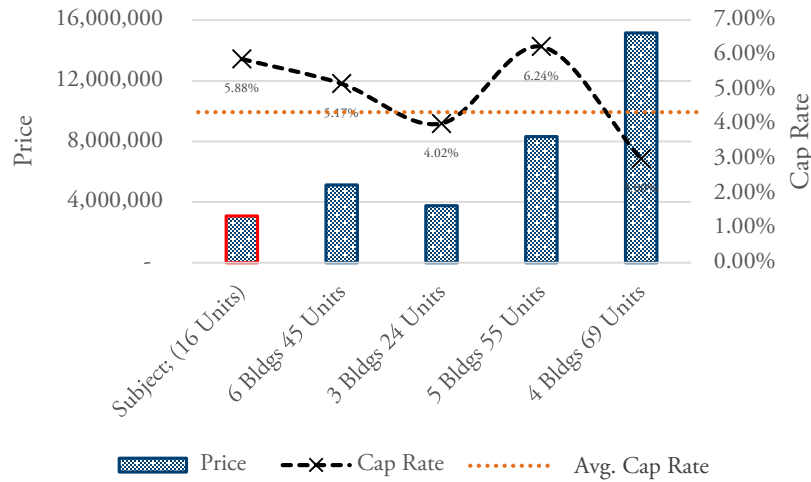
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BULK PORTFOLIO COMPARISONS

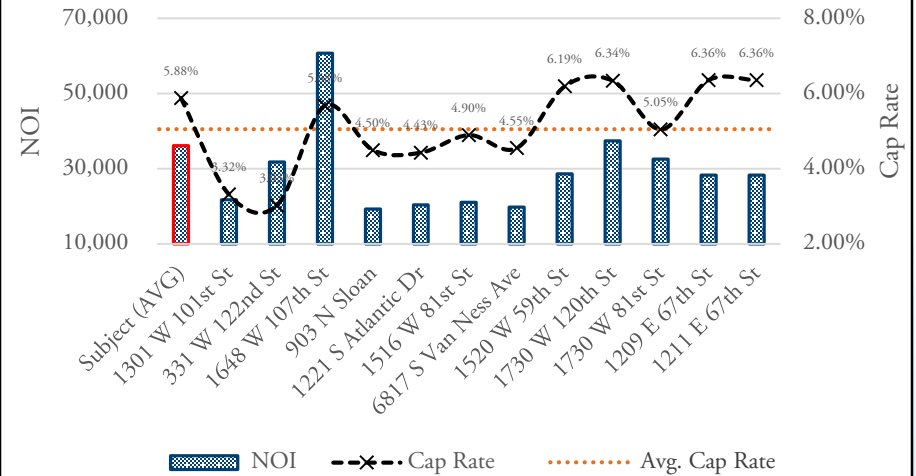
Nov. 2016 - June 2017



Property	Areas	Size	Size (Avg)	Cap Rate	Price	NOI
Subject: 16 Units	90003; 90044; 90221	10,432	652	5.88%	3,075,000	180,925
6 Bldgs; 45 Units	90044; 90744	26,690	593	5.17%	5,125,000	264,963
3 Bldgs; 24 Units	90255; 90280	23,246	969	4.02%	3,755,000	150,951
5 Bldgs; 55 Units	90011; 90037; 90044	57,506	1,046	6.24%	8,320,000	519,168
4 Bldgs; 69 Units	90034; 90301	77,996	1,130	3.00%	15,150,000	454,500
AVERAGE COMPARISONS		46,360	961	4.30%	8,087,500	347,395

SINGLE PROPERTY COMPARISONS

Jan. 2017 - Jun. 2017



Address	City	Zip	# Units	Size	Size (Avg)	Cap Rate	Sales Price	NOI
Subject (Average)	Los Angeles		3	2,086	695	5.88%	615,000	36,185
1301 W 101st St	Los Angeles	90044	4	2,938	735	3.32%	655,000	21,746
331 W 122nd St	Los Angeles	90061	5	4,886	977	3.03%	1,050,000	31,824
1648 W 107th St	Los Angeles	90047	6	4,002	667	5.68%	1,069,000	60,719
903 N Sloan	Compton	90221	4	2,582	646	4.50%	429,000	19,305
1221 S Atlantic Dr	Compton	90221	4	2,288	572	4.43%	460,000	20,378
1516 W 81st St	Los Angeles	90047	3	2,092	697	4.90%	430,000	21,066
6817 S Van Ness Ave	Los Angeles	90047	3	1,560	520	4.55%	435,000	19,800
1520 W 59th St	Los Angeles	90047	3	2,076	692	6.19%	462,000	28,620
1730 W 120th St	Los Angeles	90047	3	3,146	1,049	6.34%	590,000	37,429
1730 W 81st St	Los Angeles	90047	3	2,584	861	5.05%	645,000	32,564
1209 E 67th St	Los Angeles	90001	3	1,998	666	6.36%	445,000	28,302
1211 E 67th St	Los Angeles	90001	3	1,752	584	6.36%	445,000	28,302
AVERAGE COMPARISONS			4	2,659	722	4.92%	592,917	29,171



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