

27th Street Apartments

23-UNITS - HISTORIC SOUTH
CENTRAL - PRIME RENTAL
LOCATION

OFFERING MEMORANDUM

440 E 27th Street
Los Angeles, CA 90011

27th Street Apartments

CONTENTS

01 Executive Summary

Investment Summary
Unit Mix Summary

07 Financial Analysis

Income & Expense Analysis

02 Location

Location Summary
Aerial View Map

03 Property Description

Property Features
Property Images
Common Amenities

04 On Market Comps

For Sale Comp Set - 27th Street

05 Sale Comps

Sale Comp Set - 27th Street

06 Rent Roll

27th Street Rent Roll

Exclusively Marketed by:

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01 **Executive Summary**
Investment Summary
Unit Mix Summary

27TH STREET APARTMENTS

OFFERING SUMMARY

ADDRESS	440 E 27th Street Los Angeles CA 90011
COUNTY	Los Angeles
MARKET	Historic South Central
BUILDING SF	7,312 SF
LAND SF	6,250 SF
NUMBER OF UNITS	23
YEAR BUILT	1925
YEAR RENOVATED	2023
APN	5128009006
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

PRICE	\$3,150,000
PRICE PSF	\$430.80
PRICE PER UNIT	\$136,957
OCCUPANCY	95.00%
NOI (CURRENT)	\$254,307
NOI (Pro Forma)	\$269,411
CAP RATE (CURRENT)	8.07%
CAP RATE (Pro Forma)	8.55%
CASH ON CASH (CURRENT)	10.12%
CASH ON CASH (Pro Forma)	11.72%
GRM (CURRENT)	7.24
GRM (Pro Forma)	6.98

PROPOSED FINANCING

LOAN TYPE	Amortized
DOWN PAYMENT	\$945,000
LOAN AMOUNT	\$2,205,000
INTEREST RATE	6.00%
ANNUAL DEBT SERVICE	\$158,633
LOAN TO VALUE	70%
AMORTIZATION PERIOD	30 Years

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2026 Population	50,365	498,977	1,286,957
2026 Median HH Income	\$47,787	\$56,166	\$61,929
2026 Average HH Income	\$68,108	\$81,857	\$88,012



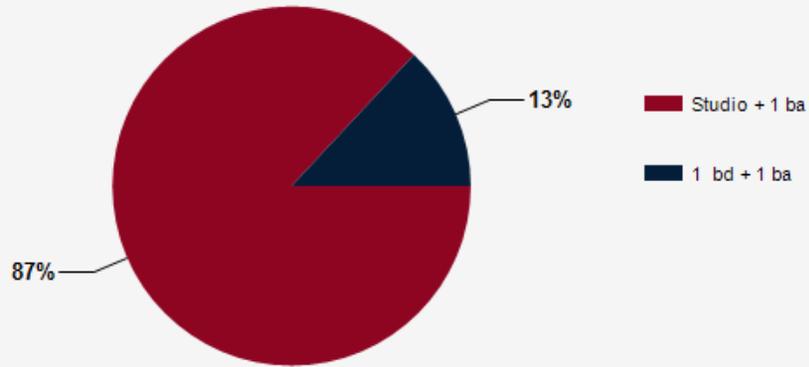
Investment Highlights

- **Comprehensive 2024 Gut Renovation with New COFO:** The entire building was gut renovated, resulting in a new Certificate of Occupancy issued in 2024. Over \$1.2 million in capital improvements were completed, including all-new plumbing, electrical systems, drywall, paint, flooring, and cabinetry. This turn-key status provides investors with a high-quality asset and minimal immediate maintenance requirements.
- **Proven Micro-Unit Model with Strong Rental Yield:** The building features 23 units comprised primarily of micro-units (87% studios) designed to serve budget-oriented residents in Los Angeles. This high-efficiency model yields an impressive rent of \$4.94 per square foot, justifying the property's valuation through proven rental demand for smaller, affordable living spaces.
- **Immediate Financial Performance and High Returns:** At an asking price of \$3,150,000, the property offers a current CAP rate of 8.07% and a 10.12% Cash-on-Cash return. This performance significantly exceeds the market average CAP rate of 7.11%, making it an exceptional opportunity for investors seeking robust, immediate cash flow.
- **Substantial Built-In Revenue Upside:** There is significant potential for growth, with the pro forma CAP rate projected at 8.55% and a Cash-on-Cash return of 11.72%. Financial projections show that monthly income can grow from the current \$33,661 to a market rate of \$41,375, representing a nearly 23% revenue increase as legacy leases are marked to market.
- **Strategic Location in Historic South Central Hub:** Located at 440 E 27th Street, the property is nestled in a thriving rental hub near the University of Southern California (USC) and major transit routes like the Expo Line. The neighborhood is experiencing active revitalization and sits within a demographic area projected to have an average household income of \$81,857 within a 3-mile radius by 2026.



Unit Mix	# Units	Square Feet	Actual			Market		
			Current Rent	Rent PSF	Monthly Income	Market Rent	Market Rent PSF	Market Income
Studio + 1 ba	20	155 - 344	\$804 - \$2,095	\$5.82	\$28,990	\$1,400 - \$2,100	\$7.03	\$35,000
1 bd + 1 ba	3	248 - 356	\$1,119 - \$1,995	\$5.16	\$4,671	\$2,000 - \$2,250	\$7.04	\$6,375
Totals/Averages	23	256	\$1,464	\$5.73	\$33,661	\$1,799	\$7.03	\$41,375

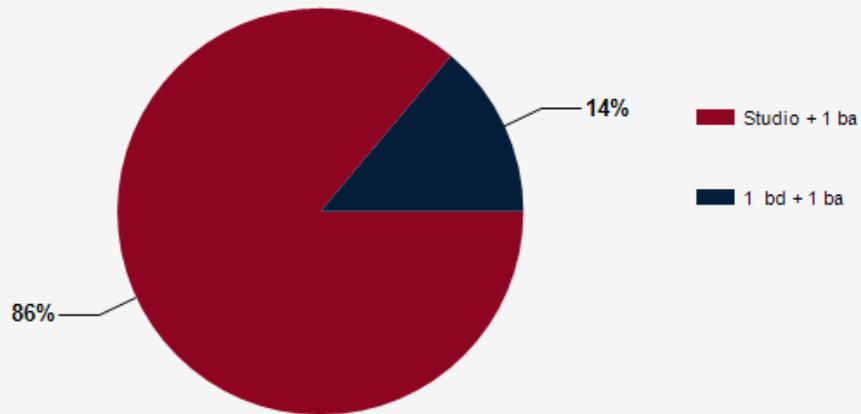
Unit Mix Summary



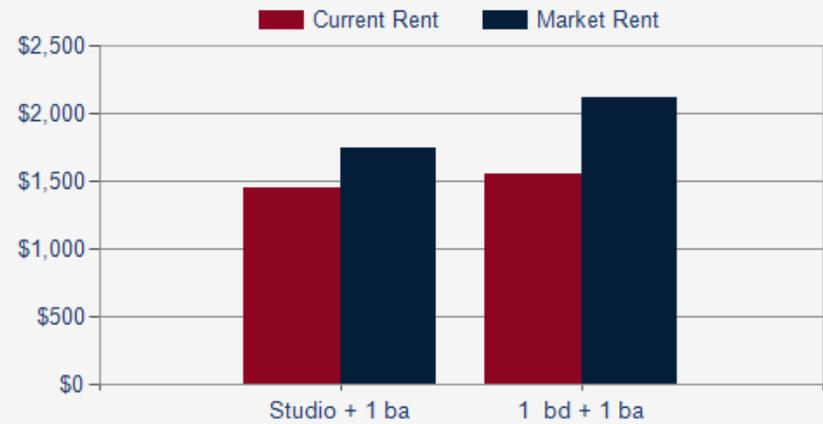
Unit Mix SF

Other

Unit Mix Revenue



Actual vs. Market Revenue





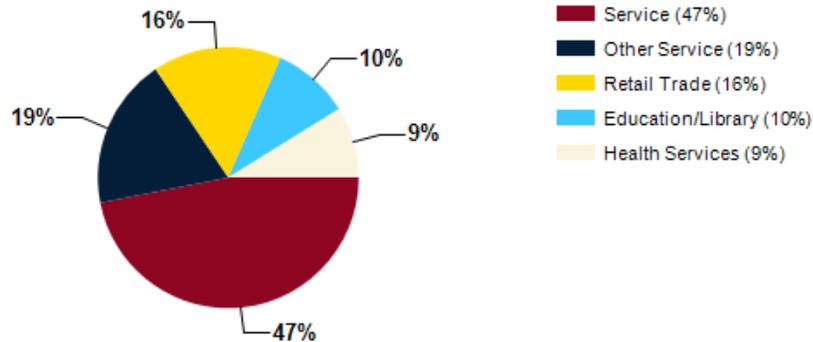
02 Location

Location Summary

Aerial View Map

- The property is located in the University Park neighborhood of Los Angeles, known for its diverse community and proximity to educational institutions such as the University of Southern California (USC).
- Nearby attractions include the Los Angeles Memorial Coliseum, a historic sports venue that has hosted major events such as the Olympics and NFL games.
- The neighborhood offers a variety of dining options, including popular spots like The Lab Gastropub and The Pantry Cafe, catering to different tastes and preferences.
- Public transportation is easily accessible, with the Expo Line providing convenient access to downtown Los Angeles and other parts of the city.
- The area has seen revitalization efforts in recent years, with new developments and renovations contributing to the overall appeal and potential growth of the neighborhood.

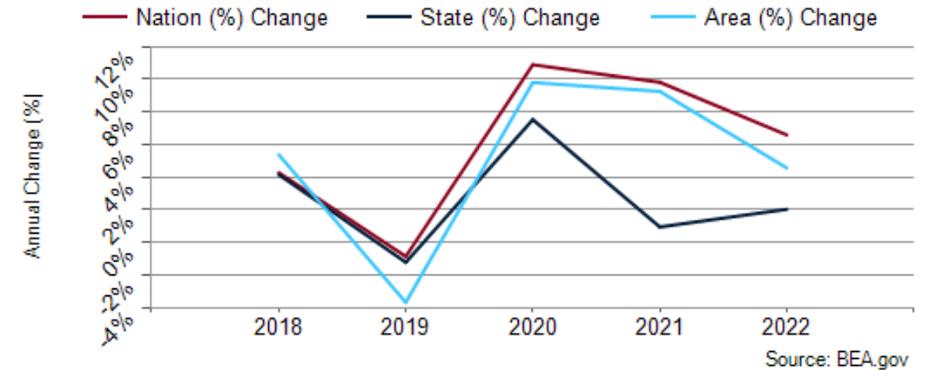
Major Industries by Employee Count

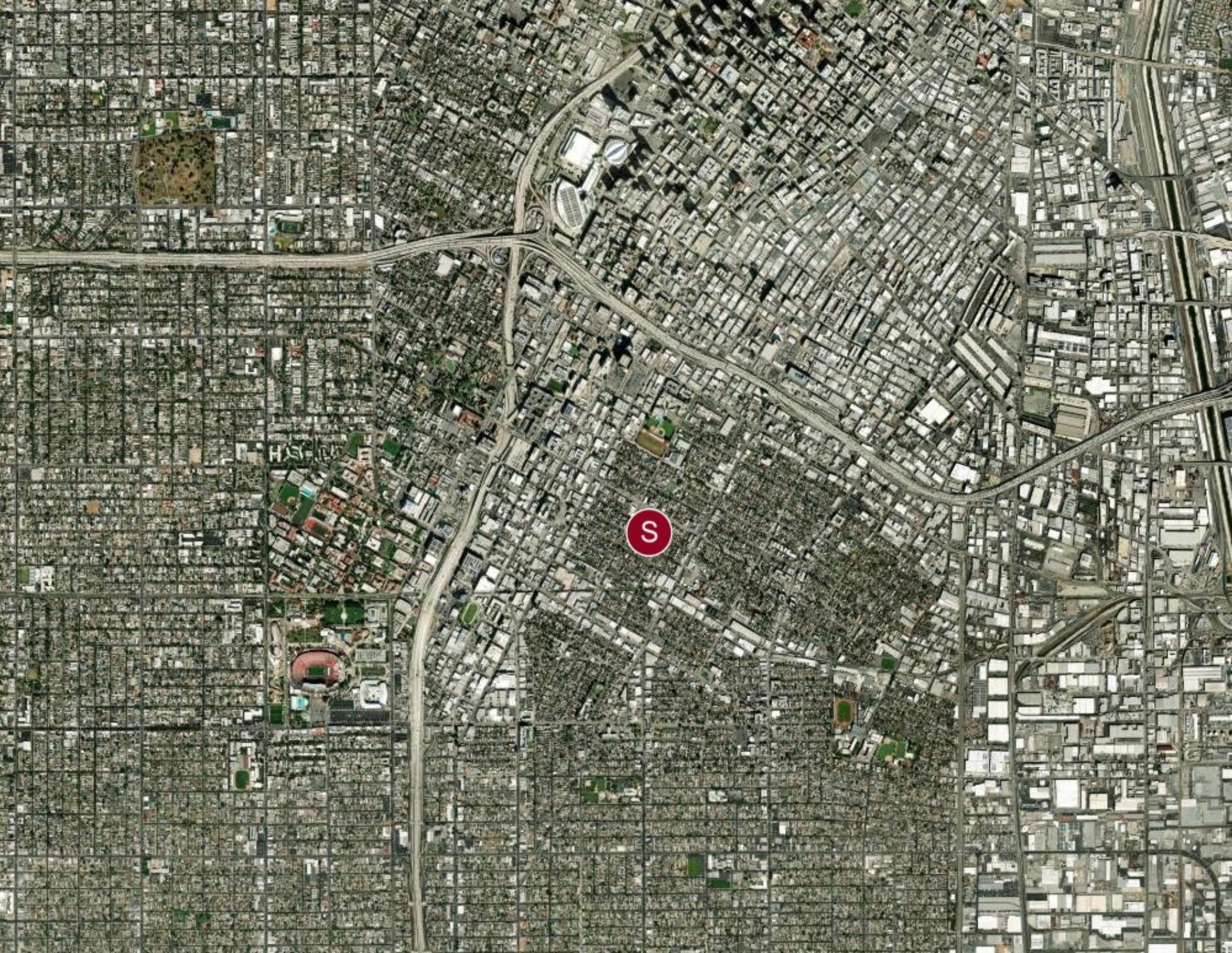


Largest Employers

Kaiser Permanente	44,769
University of Southern California	23,227
Northrop Grumman Corp.	18,000
Cedars-Sinai Medical Center	16,730
Allied Universal	15,326
Target Corp.	15,000
Providence Health and Services Southern California	14,395
Ralphs/Food 4 Less (Kroger Co. Division)	14,000

Los Angeles County GDP Trend







03 **Property Description**

Property Features

Property Images

Common Amenities

PROPERTY FEATURES

NUMBER OF UNITS	23
BUILDING SF	7,312
LAND SF	6,250
YEAR BUILT	1925
YEAR RENOVATED	2023
ZONING TYPE	RD1.5-1
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	1
NUMBER OF PARKING SPACES	None
WASHER/DRYER	Laundry Room

MECHANICAL

HVAC	Gas wall heaters
FIRE SPRINKLERS	None

UTILITIES

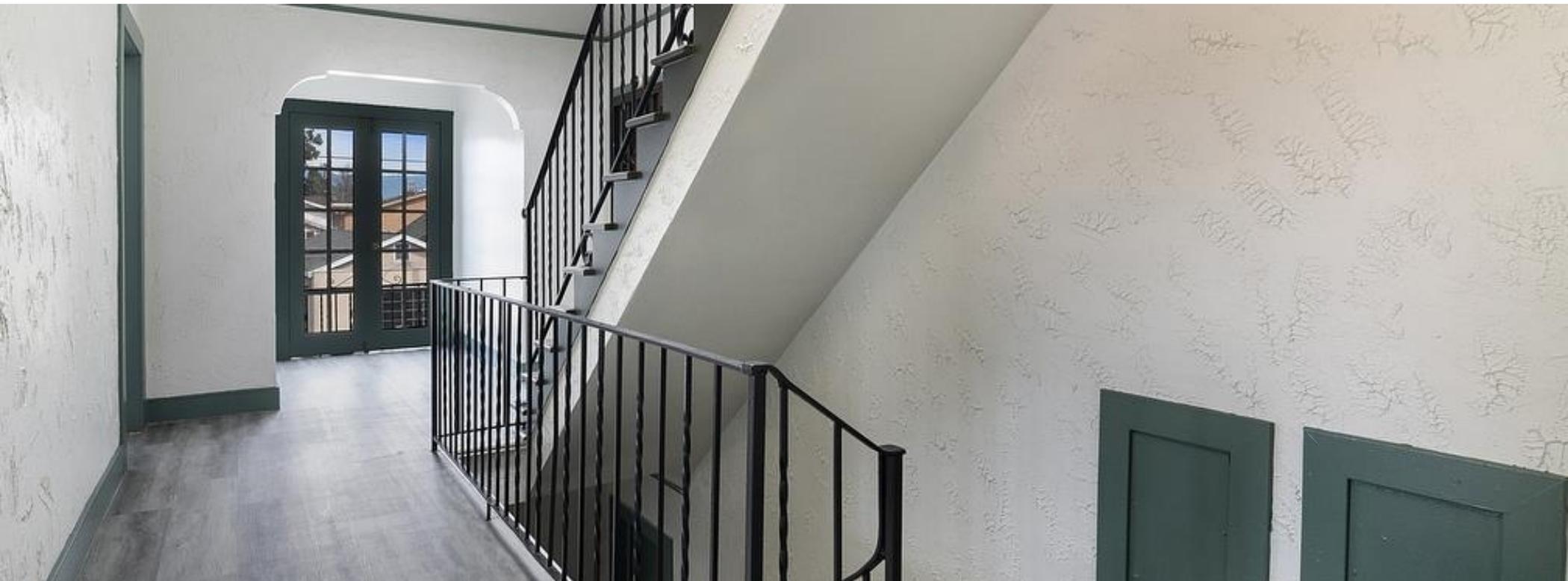
WATER	LADWP
TRASH	RecycLA
GAS	SoCalGas
ELECTRIC	LADWP

CONSTRUCTION

FRAMING	Wood Frame
EXTERIOR	Stucco
PARKING SURFACE	Cement
ROOF	Flat







Common Amenities

- Laundry Room
- Spectrum Cable & Wifi throughout
- Close to public transit
- Half court basketball in backyard

04

On Market Comps

For Sale Comp Set - 27th Street

27TH STREET APARTMENTS

Property Status	Type	Address	Zip	Asking Price	Price/Unit	Cap Rate	Price/SqFt	SqFt	Units	NOI
Subject Property	Multifamily	440 E 27th Street	90011	\$3,150,000	\$ 136,957	8.06%	\$ 431	7312	23	\$253,859.00
On-Market	Multifamily, Retail	2226 Whittier Blvd	90023	\$3,650,000		6.31%	\$ 215	17004	21	\$230,363.00
On-Market	Multifamily	428-434 S Burlington Ave	90057	\$2,450,000	\$ 136,111	6.15%	\$ 209	11750	18	\$150,637.00
On-Market	Multifamily	2809 W 8th St	90005	\$2,350,000	\$ 97,917	7.20%	\$ 177	13290	24	\$169,087.00
On-Market	Multifamily	2222 W 15th St	90006	\$2,999,000	\$ 103,414	6.93%	\$ 166	18108	29	\$207,749.00
On-Market	Retail, Multifamily	1315 Flower St	90015			8.00%		42136	117	
On-Market	Multifamily	667 S Carondelet Street	90057	\$7,900,000	\$ 133,898	6.86%	\$ 281	28156	59	\$542,009.00
On-Market	Mixed Use, Multifamily, Retail	2600 S. San Pedro St	90011	\$4,950,000	\$ 133,784	8.08%	\$ 226	21876	37	\$399,964.00
On-Market	Multifamily	553 Stanford Ave	90013	\$1,550,000	\$ 91,176	9.58%	\$ 208	7440	17	\$148,474.00
On-Market	Multifamily	2683 San Marino St	90006					15500	23	
On-Market	Mixed Use, Multifamily, Retail	315 W. 5th Street & 449 S. Broadway	90013					161232	88	
On-Market	Multifamily	939 W College St	90012	\$6,345,000	\$ 218,793		\$ 280	22677	29	
On-Market	Multifamily	225 W Adams Blvd	90007	\$1,950,000	\$ 121,875	5.54%	\$ 228	8540	16	\$108,037.00
On-Market	Multifamily	307 S Boyle Ave	90033	\$3,400,000	\$ 100,000	6.96%	\$ 206	16488	34	\$236,487.00
On-Market	Multifamily	511 S Carondelet St	90057	\$7,750,000	\$ 267,241	6.04%	\$ 284	27284	29	\$468,178.00
On-Market	Multifamily	845 N Bunker Hill Ave.	90012	\$3,000,000	\$ 166,667	6.22%	\$ 259	11578	18	\$186,712.00
On-Market	Multifamily	1511 11th Pl	90015	\$1,726,000	\$ 107,875	8.20%	\$ 252	6852	16	\$141,561.00
Under Contract	Multifamily	685 S Coronado St	90057	\$2,895,000	\$ 144,750	7.59%	\$ 253	11430	20	\$219,752.00

Average \$ 140,269 7.11% \$ 233
Subject \$ 136,957 8.06% \$ 431

05

Sale Comps

Sale Comp Set - 27th Street

27TH STREET APARTMENTS

Address	Zip Code	Sale Date	Sold Price	Number of Units	Sold Price/ Unit	Asking Cap Rate	Sold Price/ SqFt	Building SqFt	Year Built	Lot Size SqFt	Closing NOI
440 E 27TH STREET	90011		\$3,150,000	23	\$136,956.52	8.06%	\$430.80	7,312	1925	6,250	\$253,859
301 N RAMPART BLVD	90026	10/31/2025	\$7,800,000	46	\$169,565.22	7.99%	\$223.62	34,880	1926	9,995	\$638,660
1435 ALVARADO TER	90006	08/08/2024	\$3,300,000	30	\$110,000.00	3.94%	\$205.65	16,047	1912	7,505	\$156,614
212 S CATALINA ST	90004	01/28/2025	\$2,425,000	18	\$134,722.22	5.67%	\$167.08	14,514	1925	9,345	\$150,253
5510 LEXINGTON AVE	90038	10/16/2025	\$2,150,000	20	\$107,500.00	5.16%	\$179.83	11,956	1925	8,993	\$121,169
501 S KINGSLEY DR	90020	07/16/2024	\$2,052,500	22	\$93,295.45	4.75%	\$182.06	11,274	1956	11,210	\$206,493
1002 N MARIPOSA AVE	90029	02/24/2025	\$2,127,500	28	\$75,982.14	5.47%	\$95.11	22,368	1924	19,324	\$256,588
1915 S CENTRAL AVE	90011	06/09/2025	\$1,540,000	20	\$77,000.00	6.04%	\$208.11	7,400	1905	5,142	\$113,197
1102 S MARIPOSA AVE	90006	08/22/2025	\$2,600,000	24	\$108,333.33	7.00%	\$265.28	9,801	1927	5,921	\$201,245
446 S RAMPART BLVD	90057	07/09/2025	\$3,525,000	30	\$117,500.00	6.26%	\$224.69	15,688	1922	8,399	\$250,555
5737 LEXINGTON AVE	90038	06/17/2025	\$2,820,000	20	\$141,000.00	4.61%	\$274	10,292	1927	7,500	\$175,058
250 S KENMORE AVE	90004	12/10/2025	\$5,200,000	40	\$130,000.00	7.87%	\$211.45	24,592	1926	8,945	\$425,045
252 S NEW HAMPSHIRE AVE	90004	07/19/2024	\$4,237,000	19	\$223,000.00	5.28%	\$379.12	11,176	1955	14,999	\$230,100
427 S ALVARADO ST	90057	10/17/2025	\$1,575,000	16	\$98,437.50	4.08%	\$143.49	10,976	1909	7,750	\$99,739
1411 S BURLINGTON AVE	90006	02/13/2024	\$2,650,000	24	\$110,416.67	3.70%	\$247.76	10,696	1924	7,147	\$125,970
2809 W EIGHTH ST	90005	05/20/2025	\$1,800,000	24	\$75,000.00	6.56%	\$135.44	13,290	1923	6,250	\$159,013
4215 S KANSAS AVE	90037	11/17/2025	\$2,500,000	24	\$104,166.67	4.90%	\$261.78	9,550	1924	6,665	\$121,984
5617 LA MIRADA AVE	90038	11/25/2025	\$3,350,000	30	\$111,666.67	5.43%	\$275.31	12,168	1925	7,492	\$213,278
1047 IROLO ST	90006	04/25/2025	\$2,150,000	20	\$107,500.00	5.10%	\$246.79	8,712	1926	5,901	\$109,716
6454 LEXINGTON AVE	90038	02/28/2025	\$3,600,000	21	\$171,428.57	4.15%	\$210.92	17,068	1956	20,129	\$157,599

Average **\$119,290.23** **5.47%** **\$217.76**
Subject **\$136,956.52** **8.06%** **\$430.80**

06

Rent Roll

27th Street Rent Roll

27TH STREET APARTMENTS

Unit	BD/BA	Status	Sqft	Market Rent	Rent	Utility Fee	Pet Fee	Taxes & Insurance	Move In Date	Deposit	Notes	Separate Electric Meter
02	0/1.00	Current	322	\$2,000.00	\$1,173.88			\$4.44	11/17/2018	\$1,020.00	Legacy Tenant	X
09	0/1.00	Current	155	\$1,400.00	\$804.62			\$4.44	10/13/2017	\$650.00	Legacy Tenant	
15	0/1.00	Current	322	\$1,600.00	\$962.97			\$4.44	05/01/2020	\$0.00	Legacy Tenant	X
19	0/1.00	Current	285	\$1,600.00	\$962.97			\$4.44	09/01/1992	\$200.00	Legacy Tenant	X
24	1/1.00	Current	356	\$2,250.00	\$1,119.56			\$4.44	04/01/2011	\$300.00	Legacy Tenant	X
101	0/1.00	Current	344	\$2,100.00	\$2,094.75			\$16.94	04/25/2024	\$3,990.00		X
103	0/1.00	Vacant-Unrented	156	\$1,400.00	\$1,400.00			\$16.94				
104	0/1.00	Current	164	\$1,400.00	\$1,690.70			\$16.94	04/25/2024	\$3,190.00		
105	0/1.00	Vacant-Unrented	154	\$1,400.00	\$1,400.00			\$16.94				
106	0/1.00	Current	163	\$1,400.00	\$1,395.00			\$16.94	04/07/2025	\$1,395.00		
107	0/1.00	Current	154	\$1,400.00	\$1,690.70			\$16.94	05/01/2024	\$3,190.00		
108	0/1.00	Current	163	\$1,400.00	\$1,674.75			\$16.94	07/01/2024	\$1,595.00		
110	0/1.00	Vacant-Unrented	164	\$1,400.00	\$1,400.00			\$16.94				
111	1/1.00	Current	304	\$2,000.00	\$1,802.50			\$16.94	03/06/2025	\$1,750.00		X
112	0/1.00	Current	157	\$1,400.00	\$1,658.80			\$16.94	06/05/2024	\$3,190.00		X
113	0/1.00	Current	256	\$1,600.00	\$1,993.95			\$16.94	04/25/2024	\$3,798.00		X
201	0/1.00	Current	256	\$1,600.00	\$1,993.95			\$16.94	04/30/2024	\$3,798.00		X
203	0/1.00	Current	181	\$1,500.00	\$1,395.00	\$75.00		\$16.94	09/08/2025	\$1,000.00		X
204	0/1.00	Current	330	\$1,600.00	\$1,415.00	\$75.00	\$50.00	\$16.94	11/13/2025	\$1,000.00		X
205	0/1.00	Current	232	\$1,550.00	\$1,993.95			\$16.94	04/30/2024	\$3,798.00		X
206	0/1.00	Current	264	\$1,550.00	\$1,993.95			\$16.94	04/25/2024	\$3,798.00		X
208	0/1.00	Vacant-Unrented	182	\$1,500.00	\$1,500.00			\$16.94				X
210	1/1.00	Current	248	\$2,000.00	\$1,995.00		\$100.00	\$16.94	04/13/2024	\$1,005.00		X



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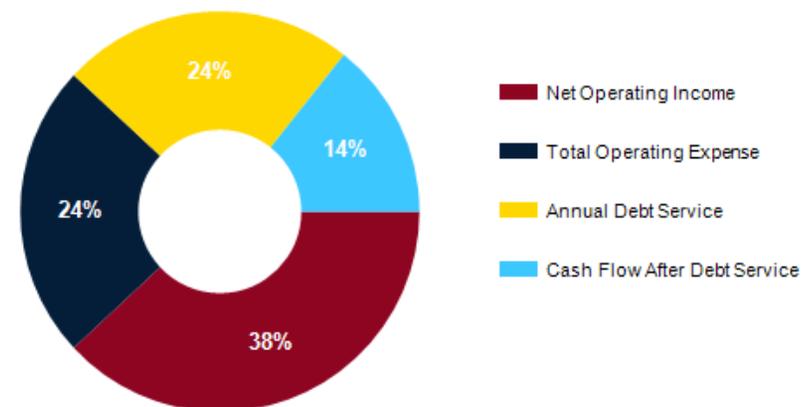
Financial Analysis

Income & Expense Analysis

27TH STREET APARTMENTS

REVENUE ALLOCATION
CURRENT

INCOME	CURRENT		PRO FORMA	
Gross Scheduled Rent	\$426,144	98.0%	\$444,600	98.5%
Utility Fees	\$1,800	0.4%		
Pet Fees	\$1,800	0.4%	\$1,800	0.4%
Taxes & Insurance Reimbursements	\$3,925	0.9%	\$3,925	0.9%
Laundry	\$1,200	0.3%	\$1,200	0.3%
Gross Potential Income	\$434,869		\$451,525	
General Vacancy	-5.00%		-5.00%	
Effective Gross Income	\$413,562		\$429,295	
Less Expenses	\$159,254	38.50%	\$159,884	37.24%
Net Operating Income	\$254,307		\$269,411	
Annual Debt Service	\$158,633		\$158,633	
Cash flow	\$95,674		\$110,778	
Debt Coverage Ratio	1.60		1.70	

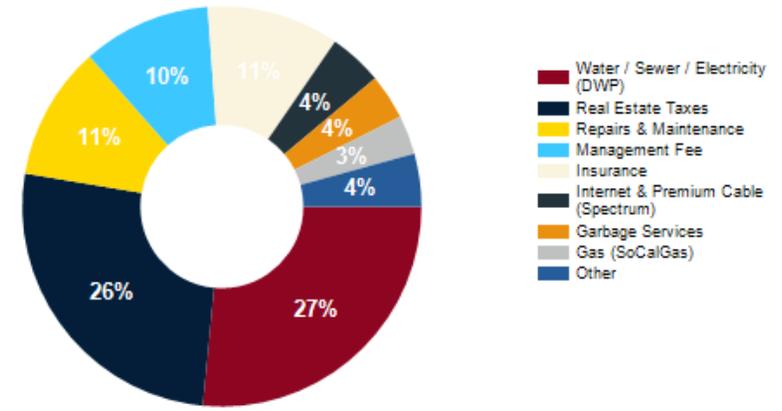


Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

EXPENSES	CURRENT	Per Unit	PRO FORMA	Per Unit
Real Estate Taxes	\$41,580	\$1,808	\$41,580	\$1,808
Insurance	\$17,104	\$744	\$17,104	\$744
Management Fee	\$16,542	\$719	\$17,172	\$747
Gas (SoCalGas)	\$5,027	\$219	\$5,027	\$219
Repairs & Maintenance	\$17,250	\$750	\$17,250	\$750
Water / Sewer / Electricity (DWP)	\$42,248	\$1,837	\$42,248	\$1,837
Landscaping & Janitorial	\$720	\$31	\$720	\$31
Administration	\$3,500	\$152	\$3,500	\$152
Garbage Services	\$5,838	\$254	\$5,838	\$254
Internet & Premium Cable (Spectrum)	\$6,900	\$300	\$6,900	\$300
Fire & Life Safety Systems	\$200	\$9	\$200	\$9
Pest Control Services	\$1,080	\$47	\$1,080	\$47
LAHD RSO & SCEP Fees	\$1,265	\$55	\$1,265	\$55
Total Operating Expense	\$159,254	\$6,924	\$159,884	\$6,951
Annual Debt Service	\$158,633		\$158,633	
Expense / SF	\$21.78		\$21.87	
% of EGI	38.50%		37.24%	

DISTRIBUTION OF EXPENSES

CURRENT



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