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OFFERING MEMORANDUM

1306 Talmadge St

Los Feliz · Los Angeles · 90027

A permitted 4-unit income property with bonus flex space — structured for investors seeking stable cash flow and owner-users seeking affordable living with income offset.

OFFERING

\$2.175M

Pricing
Guidance

NOI

\$143,520

Pro Forma

CAP RATE

6.60%

On Guidance

GROSS MONTHLY
RENT

\$14,150

In-Place

PRESENTED BY

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Coldwell Banker Realty

Investment Summary & Property Overview

A rare opportunity to acquire a well-located 4-unit income property in Los Feliz — structured to serve both owner-users seeking affordable living with income offset and investors targeting stable cash flow with long-term appreciation potential. A bonus flex space with rental history contributes additional income upside.

Property Specifications

Address	1306 Talmadge St
Market	Los Feliz / Silver Lake Adjacent
Property Type	4-Unit Multifamily
Structures	Two Duplexes
Building Size	±3,221 SF
Lot Size	±6,785 SF
Parking	2 Off-Street Spaces
Laundry	In-Unit

Unit Mix

UNIT	TYPE	STATUS
1	2 BR / 1 BA	Permitted
2	2 BR / 1 BA	Permitted
3	3 BR / 2 BA	Permitted
4	3 BR / 2 BA	Permitted
Flex	Bonus Space	Rental History

Bonus flex space is unpermitted and presented as optionality, not as a legal 5th unit.

Investment Highlights

- **Dual Buyer Appeal** — Functions as both a high-performing investment asset and an owner-user residence in a premium submarket.
- **Strong In-Place Income** — Stabilized rent roll with upside potential through rent increases and unit optimization.
- **Bonus Flex Upside** — Additional space with rental history provides meaningful embedded income optionality.
- **Los Feliz Market Strength** — High-demand rental submarket with historically strong appreciation trends.

Financial Overview

Pro forma performance reflects in-place rents, stabilized operating expenses, and an offering cap rate of 6.60% — positioning the asset competitively within the Los Feliz small-multifamily market.

Income

Gross Monthly Rent	\$14,150
Gross Annual Income	\$169,800

Expenses & NOI

Operating Expenses (est.)	(\$26,280)
Net Operating Income	\$143,520

Offering Summary

Offering Price	\$2,175,000
Price / Unit (4 permitted)	\$543,750
Price / SF (±3,221 SF)	\$675
Gross Rent Multiplier	12.81
Cap Rate (on offering)	6.60%

Investor Return Profile: Cap rate range of 6.5%–7.0% depending on final pricing, with cash-on-cash returns of approximately 2%–5% in a leveraged scenario before value-add execution.

Cap Rate Sensitivity

\$2,000,000 7.18%	\$2,087,500 6.88%	\$2,175,000 6.60%	\$2,262,500 6.34%	\$2,350,000 6.11%
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Cap rates calculated on NOI of \$143,520 across pricing scenarios.

SECTION THREE

Owner-User Strategy

This property is structured to allow an owner-user to occupy one of the larger units while leveraging rental income from the remaining units — offsetting a significant portion of monthly ownership costs and building long-term equity through forced savings.

Assumptions: 6.5% interest rate, 30-year term, PITI and operating reserves reflected in monthly mortgage estimate. Owner occupies one 3BR/2BA unit; market rent for that unit (≈\$4,500) is removed from the rent offset.

Financing Scenarios — Effective Monthly Cost

DOWN PAYMENT	LOAN AMOUNT	EST. MONTHLY MORTGAGE	RENT OFFSET	NET MONTHLY COST
5%	\$2,066,250	\$13,000	(\$9,400)	\$3,600
10%	\$1,957,500	\$12,300	(\$9,400)	\$2,900
15%	\$1,848,750	\$11,600	(\$9,400)	\$2,200
20%	\$1,740,000	\$11,000	(\$9,400)	\$1,600
25%	\$1,631,250	\$10,300	(\$9,400)	\$900
30%	\$1,522,500	\$9,600	(\$9,400)	\$200

At 30% down: \$200 per month.

An owner-user occupying one 3BR/2BA unit with 30% down can effectively live in Los Feliz for approximately \$200 per month — while tenants build equity on their behalf.

Rent offset of \$9,400 assumes three remaining permitted units at blended market rent plus partial contribution from the bonus flex space. Figures are illustrative; buyers should verify final underwriting against their own financing terms.

SECTION FOUR

5-Year Projection

As rents increase over time, the effective cost of ownership declines — fixed mortgage payments combined with rising rental income create a compounding affordability advantage while equity accumulates.

Assumptions: 3.5% annual rent growth · fixed mortgage payment · owner-occupied unit rent remains constant · 10% down scenario shown as illustrative baseline.

YEAR	AVG MONTHLY RENT	RENT OFFSET BENEFIT	NET MONTHLY COST (10% DOWN)
Year 1	\$14,150	\$9,400	\$2,900
Year 2	\$14,646	\$9,750	\$2,550
Year 3	\$15,158	\$10,100	\$2,200
Year 4	\$15,688	\$10,500	\$1,850
Year 5	\$16,237	\$10,900	\$1,500

Rent Growth vs. Declining Cost of Ownership

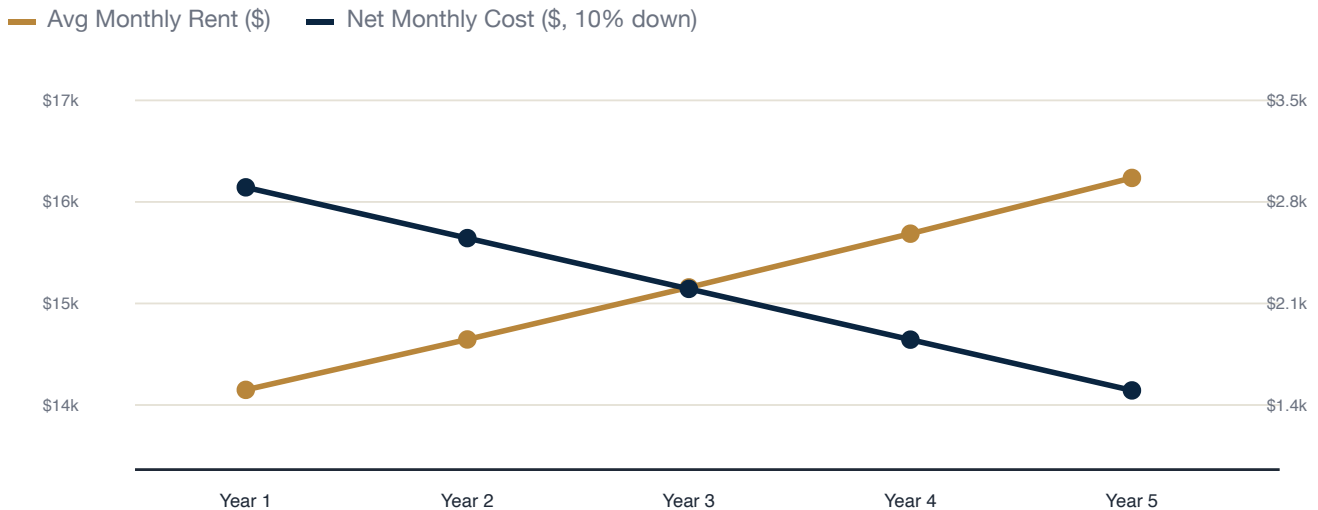


Chart illustrates directional trend. Actual results depend on rent growth rate, interest rate, financing structure, and expense trajectory.

Strategic Positioning

The asset's dual profile — stabilized income plus owner-user affordability — creates two distinct and complementary buyer narratives. Pricing supports either path.

FOR INVESTORS

Stable Cash Flow with Embedded Upside

- Stabilized income-producing asset in a supply-constrained Los Angeles submarket.
- Strong rent growth trajectory backed by Los Feliz fundamentals.
- Embedded upside through rent optimization and formalization of the bonus flex space.
- Two-duplex structure simplifies future unit-by-unit value-add execution.

FOR OWNER-USERS

Premium Lifestyle, Tenant-Funded

- Rare opportunity to materially reduce cost of living in a premium Los Feliz location.
- Tenants offset the majority of the monthly mortgage obligation.
- Pathway to long-term wealth building through forced savings and equity accumulation.
- At 30% down, effective monthly cost of ± \$200 — well below comparable rental alternatives.

Conclusion

1306 Talmadge St represents a rare intersection of lifestyle, income, and long-term appreciation. Whether positioned as a pure investment or an owner-user acquisition, the asset delivers flexibility, stability, and meaningful upside in one of Los Angeles's most desirable rental markets.

Tours available by appointment.

Confidentiality required prior to disclosure of tenant information and rent roll detail. Please contact either listing agent below.



YOUR LISTING TEAM

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