OFFERING MEMORANDUM

506 S KERN AVE LOS ANGELES, CA 900022

LIST PRICE

$1,145,000

LYON STAHL
INVESTMENT REAL ESTATE

JACOBSON
INVESTMENT GROUP

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The Property owner (“Owner”) expressly reserves the right, at its sole discretion, to reject any or all offers to purchase the Property, and/or terminate discussions at any time with or without notice. The Owner shall have no legal commitment or obligation unless and until written agreement(s) have been fully executed , delivered and approved by the Owner and any conditions to the Owner’s obligation therein have been satisfied or waived.

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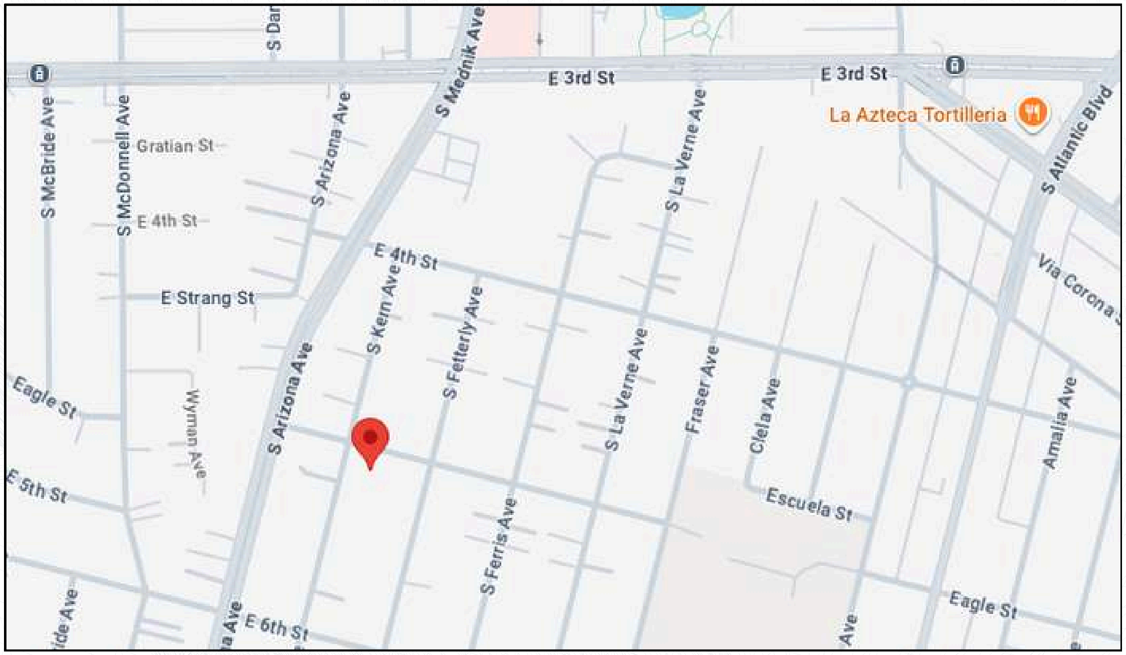
Los Angeles, CA 90022

SECTION 1

PROPERTY DESCRIPTION

506 S Kern Ave Los Angeles, CA 90022

PROPERTY OVERVIEW



PROPERTY DETAILS

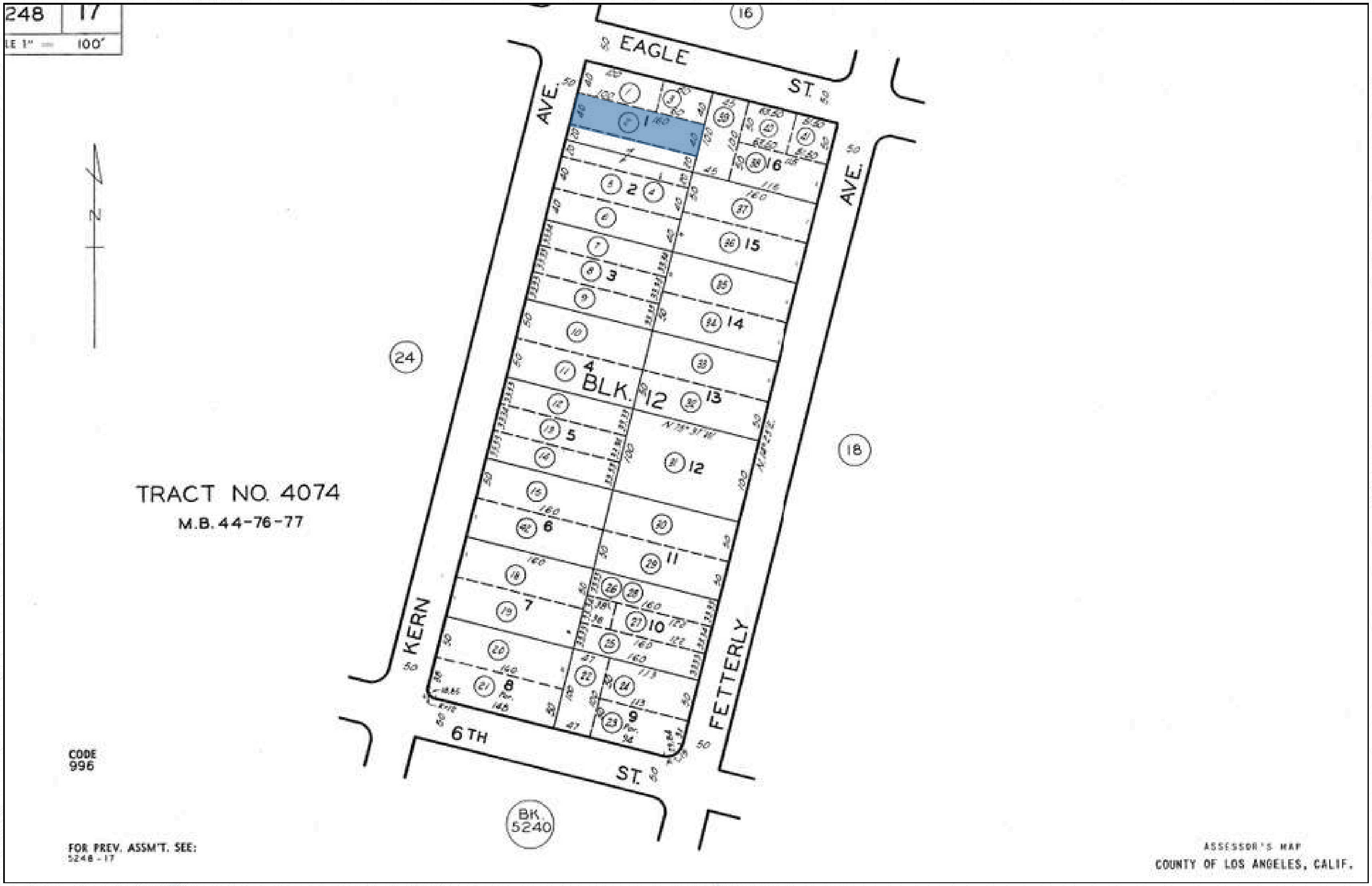
Address	506 Kern Ave
City, State, Zip	Los Angeles, CA 90022
Units	4
Building Sq Ft.	2,770
Land Sq Ft.	6,400
Year Built	1962
Occupancy	0%
Zoning	LCC1YY
Parking	4
APN	5248-017-002
Rent Control	County RSO
Unit Mix	(1) 1 Bed/1 Bath (3) 2 Bed/1 Bath

INVESTMENT HIGHLIGHTS

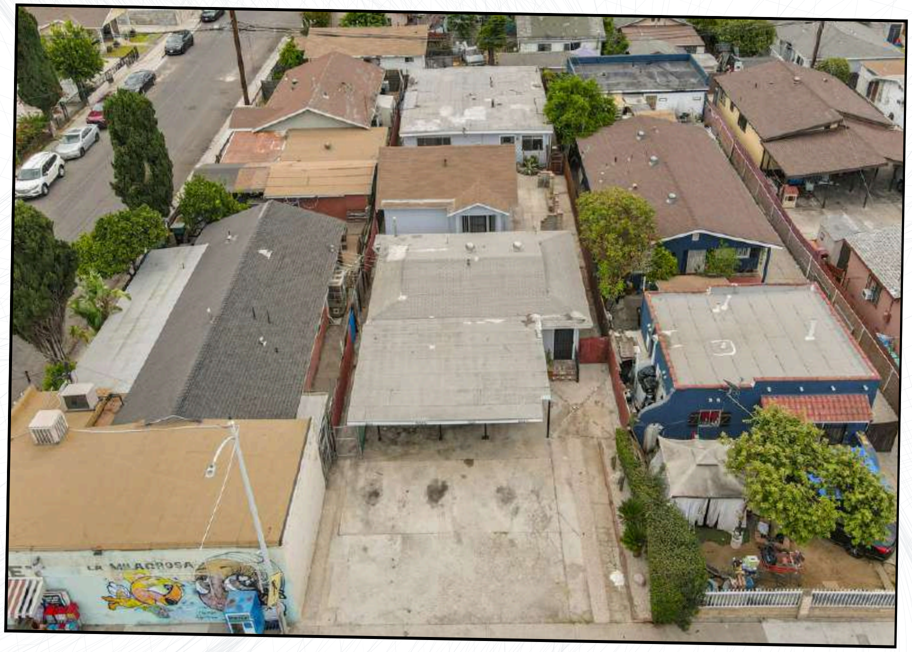
- **FULLY VACANT 4PLEX** with an ideal unit mix, consisting of (1) 1 Bed/1 Bath and (3) 2 Bed/1 Bath Units
- Upon stabilization, the asset is projected to operate at a 7.60% Cap Rate, collecting over $10,000 in total scheduled monthly rent
- Conveniently located in East Los Angeles, in close proximity to trendy coffee shops, restaurants, and major metropolitan hubs

PARCEL MAP

APN: 5248-017-002



INVESTMENT SUMMARY



506 S Kern Ave presents a rare opportunity to acquire a **FULLY VACANT** 4-unit multifamily asset in one of Los Angeles' fastest-growing neighborhoods.

Upon stabilization, the property is projected to achieve an attractive **7.60% Cap Rate** and 9.47 GRM, offering investors strong in-place cash flow potential. Situated on a spacious 6,000+ square foot lot, the property includes four on-site parking spaces, further enhancing its long-term value and tenant appeal.

All four units will be delivered fully vacant and move-in ready, allowing a new owner to lease at market rents immediately without the challenges of tenant relocation. Once fully leased, the property is projected to generate over $10,000 in scheduled monthly rental income.

Whether for an investor seeking strong cash flow or an owner-user looking to occupy a unit while maximizing rental income from the remaining units, 506 S Kern Ave offers exceptional flexibility and upside.

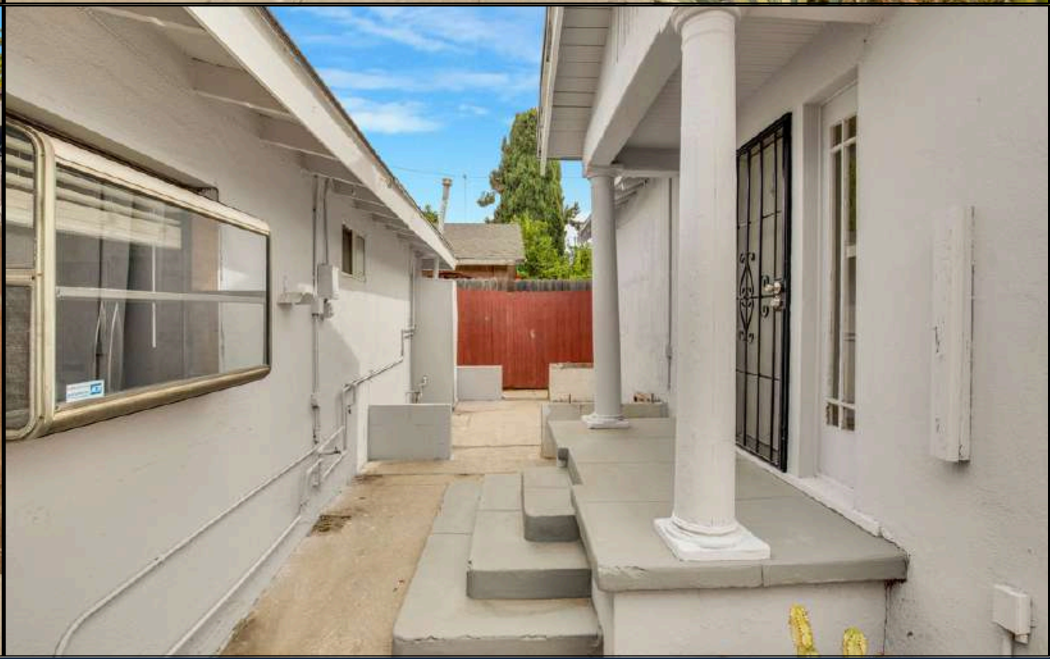
Ideally located in a rapidly appreciating submarket, the property is within close proximity to major employment and educational centers, including the USC Keck School of Medicine and the East Los Angeles Civic Center, as well as a growing collection of popular restaurants, cafés, and neighborhood amenities, including Sofreh.

SECTION 2

PROPERTY PHOTOS

506 S Kern Ave Los Angeles, CA 90022

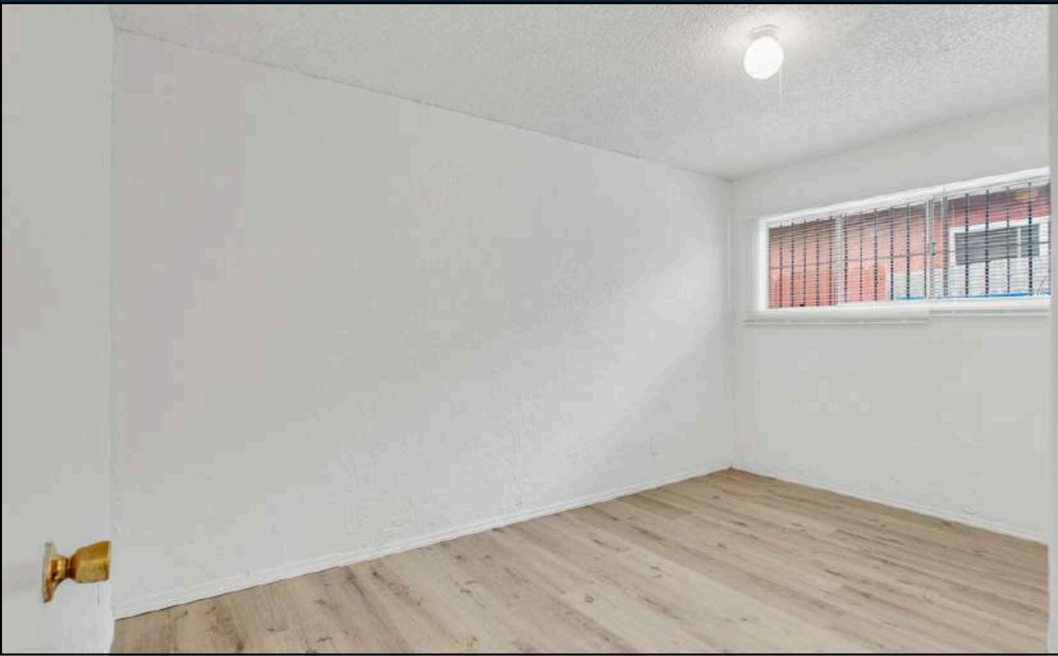
PROPERTY EXTERIOR



PROPERTY EXTERIOR

PROPERTY INTERIOR

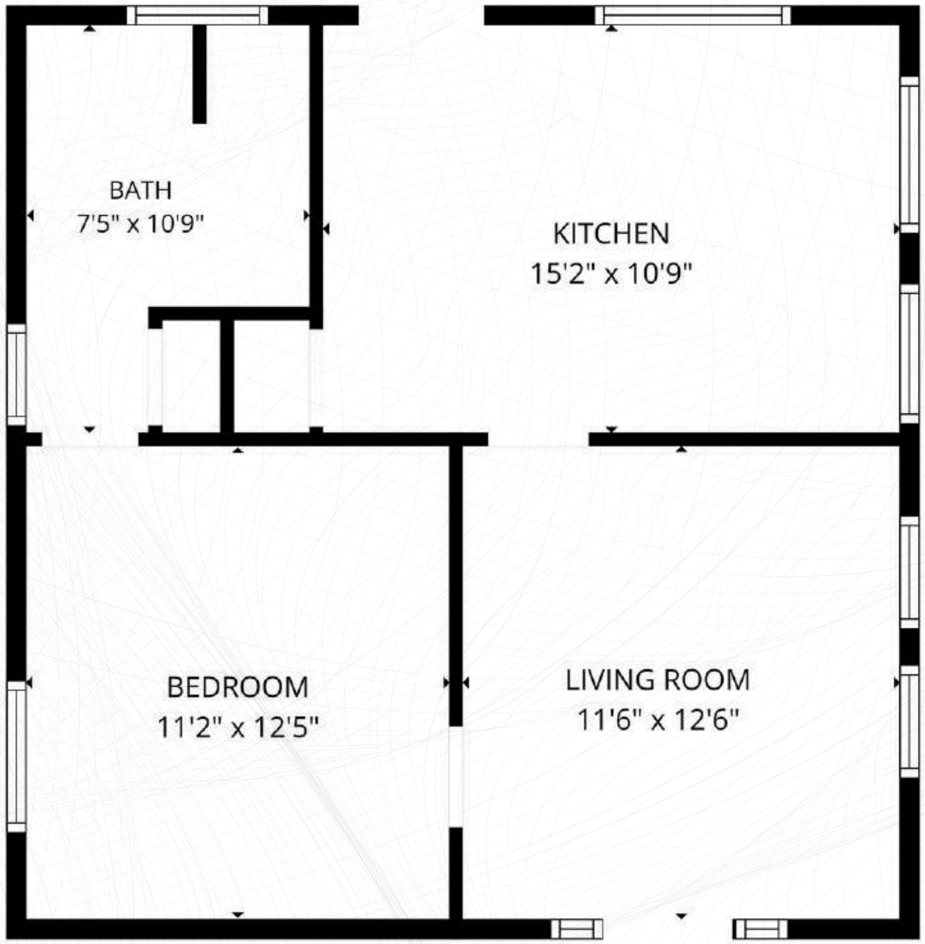
PROPERTY INTERIOR



PROPERTY INTERIOR

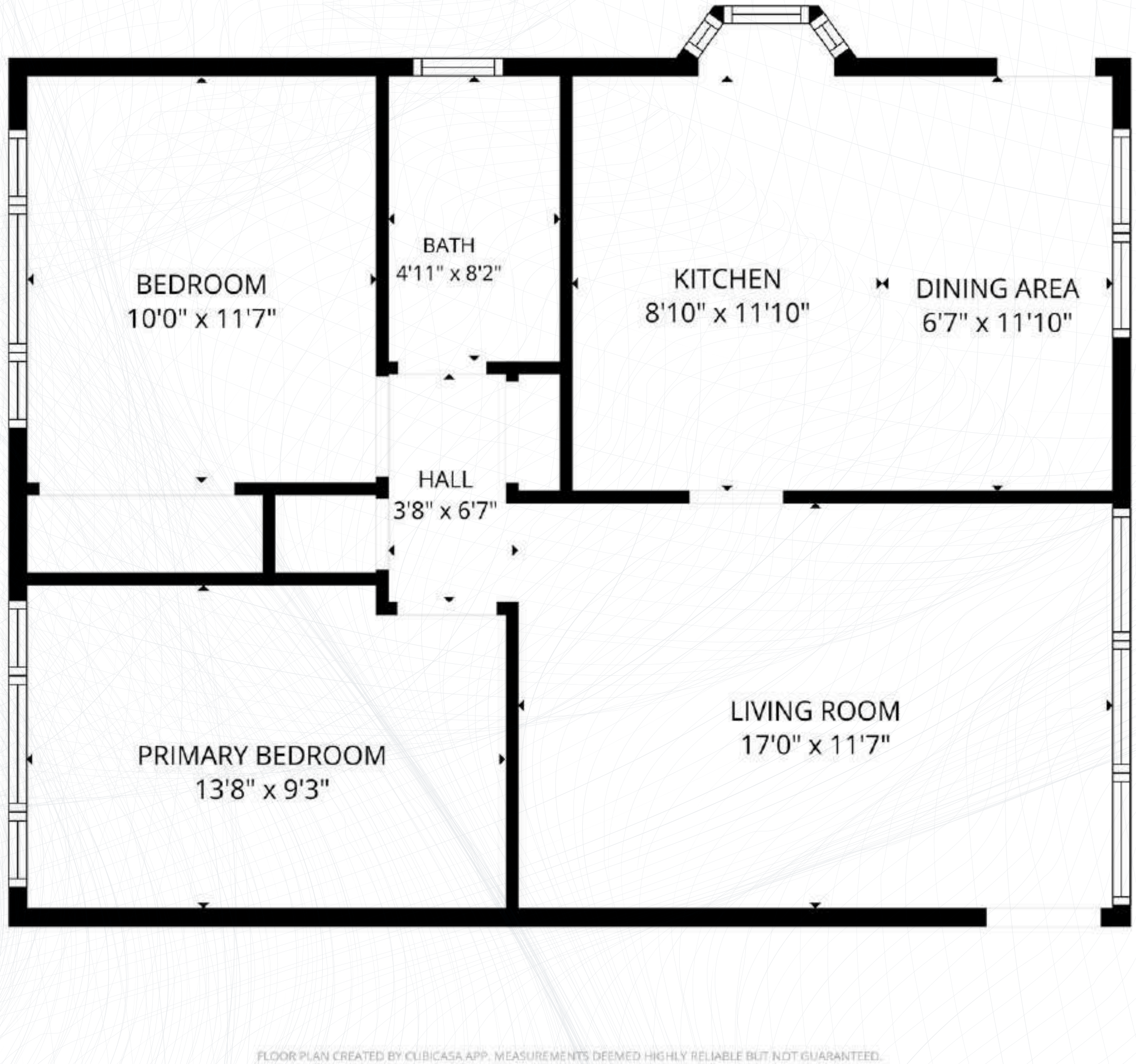
PROPERTY INTERIOR

1 Bed/1 Bath Unit



FLOOR PLAN CREATED BY CUBICASA APP. MEASUREMENTS DEEMED HIGHLY RELIABLE BUT NOT GUARANTEED.

2 Bed/1 Bath Unit

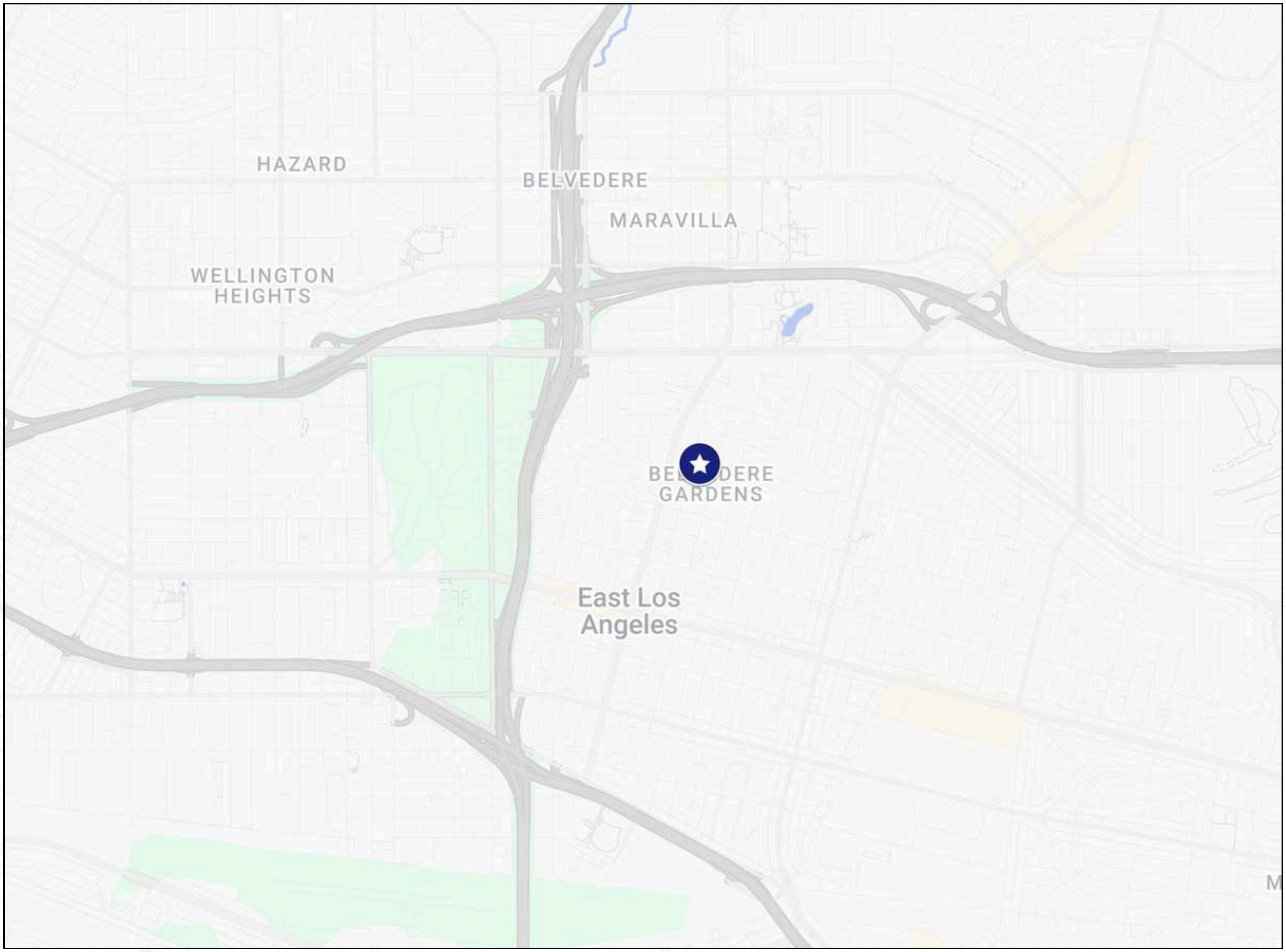


SECTION 3

LOCATION OVERVIEW

506 S Kern Ave Los Angeles, CA 90022

LOCATION MAP



CITY OVERVIEW: LOS ANGELES

As the most populous county in the nation, Los Angeles remains a global center for culture, innovation, and commerce. The region's diverse economy is driven by entertainment, technology, healthcare, logistics, and aerospace, supported by a highly educated workforce, world-class universities, and unparalleled infrastructure. Los Angeles continues to attract residents, investors, and businesses from around the world.

Across the county, major development projects continue to redefine the skyline and strengthen local communities. Thousands of new housing units, creative office campuses, and mixed-use developments are underway — from the revitalization of Downtown Los Angeles and Hollywood to large-scale projects in Inglewood, Culver City, and the Westside.

Landmark developments such as SoFi Stadium — a $5 billion sports and entertainment destination — and the new $2 billion Intuit Dome, home of the Los Angeles Clippers, have catalyzed a wave of surrounding investment.

As a hub for Fortune 500 companies, global media production, and international trade through the Ports of Los Angeles and Long Beach, the region's economy remains resilient and diverse. With continuous infrastructure improvements, housing growth, and private investment, Greater Los Angeles is well positioned for long-term economic strength and cultural leadership.

ABOUT THE AREA

East Los Angeles is a vibrant and culturally rich community known for its strong sense of neighborhood and heritage. The area offers a mix of residential and commercial spaces, with local shops, authentic dining, and lively street art reflecting its diverse roots. Residents enjoy a variety of amenities, including parks, community centers, and easy access to schools, making it an attractive area for families.

USC Keck School of Medicine

East LA Civic Center

Sofreh

Conveniently located near major freeways and public transit, East LA provides seamless connections to downtown Los Angeles, Hollywood, and other key destinations. The neighborhood has also seen steady interest from new businesses and redevelopment projects, underscoring its appeal as both a place to live and a smart investment opportunity.

SECTION 4

FINANCIAL ANALYSIS

506 S Kern Ave Los Angeles, CA 90022

INVESTMENT SUMMARY

506 S Kern Ave	
List Price:	$1,145,000
Cost Per Unit:	$286,250
Cost Per SF:	$413.36
Current GRM:	9.47
Pro Forma GRM:	9.47
Current Cap Rate:	7.60%
Pro Forma Cap Rate:	7.60%

Unit Mix & Scheduled Income

Total Units	Unit Mix	Unit Mix %	Average Rent	Total Current Rent	Average Market Rent	Total Market Rent
1	1+1	25%	$1,995	$1,995	$1,995	$1,995
3	2+1	75%	$2,695	$8,085	$2,695	$8,085

RENT ROLL

Unit No.	Unit Type	Unit SF	Monthly Rent	Pro Forma Rents	Notes
1	2+1	800	$ 2,695.00	$ 2,695.00	*Vacant*
2	2+1	697	$ 2,695.00	$ 2,695.00	*Vacant*
3	2+1	697	$ 2,695.00	$ 2,695.00	*Vacant*
4	1+1	576	$ 1,995.00	$ 1,995.00	*Vacant*

	Current	Pro Forma
Total Scheduled Rent	$10,080.00	$10,080.00
Annualized Total Scheduled Rent	$120,960.00	$120,960.00

INCOME AND EXPENSES

Income Summary

	Current	Pro Forma
Scheduled Gross Income	$ 120,960	$ 120,960
Vacancy Cost (5% SGI)	$ 6,048	$ 6,048
Gross Operating Income	$ 114,912	$ 114,912

Expense Summary

*Estimated Annualized Expenses	Current	Pro Forma
New Taxes (1.18% Purchase Price)	$ 13,455	$ 13,455
Repairs & Maintenance ($800/Unit)	$ 3,200	$ 3,200
Insurance ($1.20/SF)	$ 3,324	$ 3,324
Utilities ($800/Month)	$ 3,200	$ 3,200
Trash ($0)	$ -	$ -
Landscaping ($100/Month)	$ 1,200	$ 1,200
Pest Control ($75/Month)	$ 900	$ 900
Direct Assessments	$ 2,643	$ 2,643

	Current	Pro Forma
Total Operating Expenses	$ 27,922	$ 27,922
Net Operating Income	$ 86,990	$ 86,990

FINANCIAL ANALYSIS

506 S Kern Ave		
List Price:		**$1,145,000**
Down Payment:	5.0%	$57,250
Number of units:		4
Cost per Unit:		$286,250
Current GRM:		9.47
Pro Forma GRM:		9.47
Current Cap Rate:		7.60%
Pro Forma Cap Rate:		7.60%
Year Built:		1962
Approx. Lot Size:		6,400
Approx. Gross RSF:		2,770
Cost per Net RSF:		$413.36

Annualized Operating Data	Current Rents		Pro Forma Rents	
Scheduled Gross Income:	$ 120,960		$ 120,960	
Vacancy Rate Reserve:	$ 6,048	5%[1]	$ 6,048	5%[1]
Gross Operating Income:	$ 114,912		$ 114,912	
Expenses:	$ 27,922	23%[1]	$ 27,922	23%[1]
Net Operating Income:	$ 86,990		$ 86,990	
Debt Service:	$ 78,259		$ 78,259	
Pre Tax Cash Flows:	$ 8,730	15.25% [2]	$ 8,730	15.25% [2]
Principal Reduction:	$ 13,941		$ 13,941	
Total Return Before Taxes:	$ 22,671	39.60% [2]	$ 22,671	39.60% [2]

1 As a percent of Scheduled Gross Income

2 As a percent of Down Payment

Proposed Financing			
First Loan Amount:	$1,087,750	Amort:	30
Terms:	**6.000%**	Fixed:	5
Payment	$6,522	DCR:	1.11

Scheduled Income:						
			Current Income		Pro Forma Income	
# of Units	**Bdrms/ Baths**	***Notes***	**Monthly Rent/Average**	**Total Monthly Income**	**Monthly Rent/Unit**	**Total Monthly Income**
1	2+1	*Vacant*	$ 2,695.00	$ 2,695.00	$ 2,695.00	$ 2,695.00
1	2+1	*Vacant*	$ 2,695.00	$ 2,695.00	$ 2,695.00	$ 2,695.00
1	2+1	*Vacant*	$ 2,695.00	$ 2,695.00	$ 2,695.00	$ 2,695.00
1	1+1	*Vacant*	$ 1,995.00	$ 1,995.00	$ 1,995.00	$ 1,995.00

Total Scheduled Rent:	$10,080.00		$10,080.00
Additional Income:	**$0.00**		**$0.00**
Parking:	**$0.00**		**$0.00**
SCEP:	**$0.00**		**$0.00**
Monthly Scheduled Gross Income:	$10,080.00		$10,080.00
Annualized Scheduled Gross Income:	$120,960.00		$120,960.00
Utilities Paid by Tenant:	Trash, Gas and Electric	Rental Upside:	**0%**

Annualized Expenses:		
***Estimated**	**Current**	**Pro Forma**
New Taxes (1.175148% Purchase Price):	$13,455	$13,455
Direct Assessments ($2642.93):	$2,643	$2,643
Repairs & Maintenance ($800/Unit):	$3,200	$3,200
Insurance ($1.2/SF):	$3,324	$3,324
Utilities ($800/Unit):	$3,200	$3,200
Trash ($0/Month):	$0	$0
Landscaping ($100/Month):	$1,200	$1,200
Pest Control ($75/Month):	$900	$900
Total Expenses:	$27,922	$27,922
Expenses as %/SGI	23.08%	23.08%
Per Net Sq. Ft:	$10.08	$10.08
Per Unit:	$6,981	$6,981

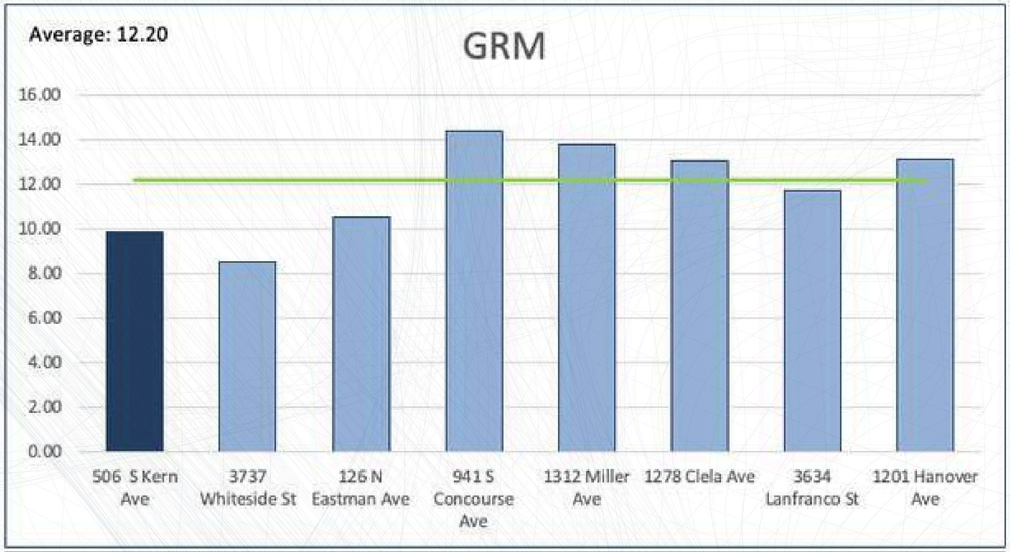
SALES COMPARABLES

506 S Kern Ave Los Angeles, CA 90022

SALES COMPARABLES

Address	Price	Units	Yr Built	RSF	GRM	Cap Rate	$/SF	$/Unit	COE	Unit Mix
3737 Whiteside St	$1,200,000	4	1958	2,256	8.55	7.60%	$531.91	$300,000	5/22/26	(2) 3+2 (2) 2+1
126 N Eastman Ave	$1,050,000	4	1909	2,976	10.54	6.17%	$352.82	$262,500	12/10/25	(1) 3+2 (1) 2+2 (1) 1+1 (1) 0+1
941 S Concourse Ave	$1,385,000	4	1975	3,920	14.43	4.51%	$353.32	$346,250	10/23/25	(4) 2+1
1312 Miller Ave	$1,330,000	4	1940	3,498	13.80	4.71%	$380.22	$332,500	9/17/25	(4) 1+1
1278 Clela Ave	$1,095,000	4	1954	3,442	13.11	4.96%	$318.13	$273,750	9/8/25	(4) 2+1
3634 Lanfranco St	$1,085,000	4	1911	3,132	11.77	5.52%	$346.42	$271,250	9/4/25	(1) 3+2 (3) 2+1
1201 Hanover Ave	$1,075,000	4	1951	2,675	13.17	4.93%	$401.87	$268,750	7/1/25	(4) 1+1
Average	***$1,174,286***				***12.20***	***5.49%***	***$383.53***	***$293,571***		
506 S Kern Ave	***$1,145,000***	***4***	***1962***	***2,770***	***9.47***	***7.60%***	***$413.36***	***$286,250***		***(3) 2+1 (1) 1+1***

SALES COMPARABLES



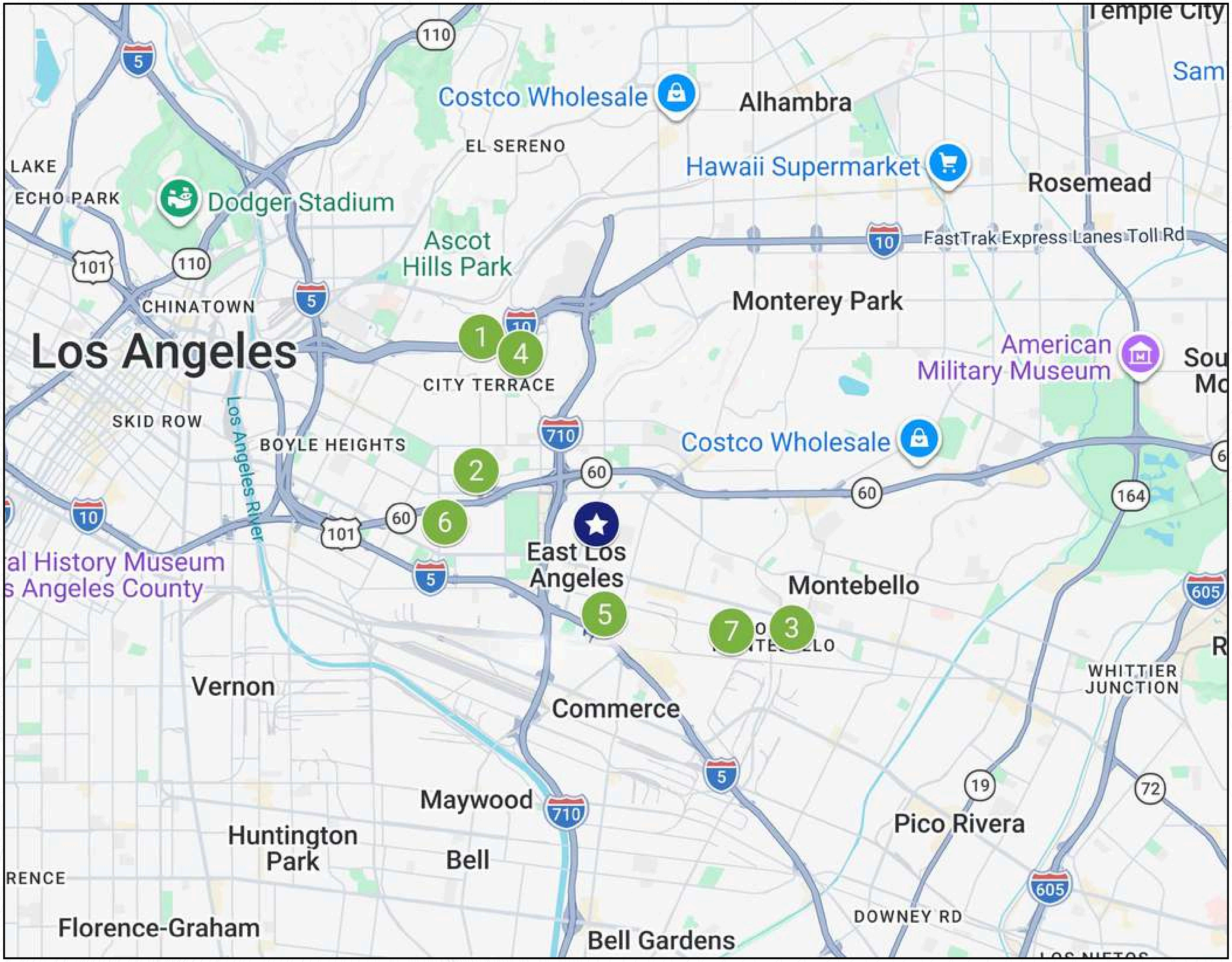
SALES COMPARABLES: BY LOCATION

Subject Property

- 506 S Kern Ave

Sales Comparables

1. 3737 Whiteside St
2. 126 N Eastman Ave
3. 941 S Concourse Ave
4. 1312 Miller Ave
5. 1278 Clela Ave
6. 3634 Lanfranco St
7. 1201 Hanover Ave



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