

Alvarado Apartments

MIXED-USE VALUE-ADD +
DEVELOPMENT UPSIDE — WESTLAKE

OFFERING MEMORANDUM

721-729 S Alvarado Street
Los Angeles, CA 90057



Alvarado Apartments

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01	Executive Summary
	Investment Summary
	Unit Mix Summary

OFFERING SUMMARY

ADDRESS	721-729 S Alvarado St, Los Angeles CA 90057
COUNTY	Los Angeles
MARKET	Los Angeles Metro
SUBMARKET	Westlake / MacArthur Park
BUILDING SF	13,386 SF
LAND SF	11,733 SF (0.27 ac)
NUMBER OF UNITS	35 (24 residential + 11 commercial)
YEAR RENOVATED	2018 (full repipe & rewire)
ZONING	LAC2 (C2-2)
APN	5141-018-017
USE	Mixed-use; designated Residential Hotel
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

PRICE	\$4,000,000
PRICE PSF	\$298.82
PRICE PER UNIT	\$114,286
OCCUPANCY	~88%
NOI (CURRENT)	\$285,082
NOI (Pro Forma)	\$328,268
CAP RATE (CURRENT)	7.13%
CAP RATE (Pro Forma)	8.21%
CASH ON CASH (CURRENT)	6.97%
CASH ON CASH (Pro Forma)	10.57%
GRM (CURRENT)	6.19
GRM (Pro Forma)	5.80

Financing is an illustrative 70% LTV scenario; property is offered free of existing financing. NOI reflects budget-based operating

s normalized (property tax reassessed at pro forma); pro forma property tax at 1.25% of price.

PROPOSED FINANCING

LOAN TYPE	Amortized
DOWN PAYMENT	\$1,200,000
LOAN AMOUNT	\$2,800,000
INTEREST RATE	6.00%
ANNUAL DEBT SERVICE	\$201,449
LOAN TO VALUE	70%
AMORTIZATION PERIOD	30 Years

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2026 Population	99,000	660,000	1,350,000
2026 Median HH Income	\$51,100	\$58,500	\$65,200
2026 Average HH Income	\$74,100	\$89,500	\$98,500



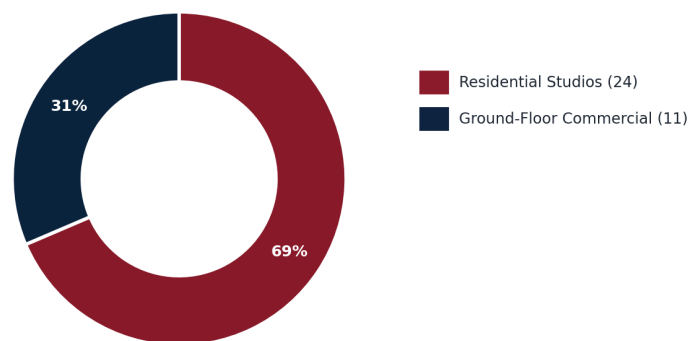
Investment Highlights

- **Mixed-Use MacArthur Park Asset:** A 35-unit mixed-use property fronting South Alvarado — one of Westlake's busiest retail corridors — pairing 24 renovated residential units (including a detached rear single-family unit with attached storage) with 11 ground-floor commercial spaces (two restaurants, retail bays, and storage).
- **Substantial Development Upside:** The site is a designated Residential Hotel on a C2-2 lot with a TOC + State Density Bonus entitlement pathway (per DLA Piper analysis) to as many as 82 guest rooms plus up to 54 dwelling units — a total of ~136 units/guestrooms at up to 9.3:1 FAR — versus 35 units today, a rare ground-up densification play atop in-place cash flow.
- **2018 Systems Modernization:** The building was fully repiped and rewired in 2018, with renovated studios featuring new kitchens and baths and fire sprinklers throughout — a low-capex, de-risked asset relative to its 1920s-vintage peers.
- **7.13% In-Place Cap → 8.21% Pro Forma:** Strong in-place yield today with defensible upside: the 721 restaurant just signed a new 3-yr lease (\$3,300 + \$150) freeing the 725-C bay to re-lease at \$800, plus vacant-bay lease-up, mark-to-market of legacy studios and full parking utilization — carrying the pro forma cap to 8.21% and GRM to 5.80
- **Diversified, Durable Income:** Residential studios — the most liquid segment of the LA rental market — plus a diversified retail rent roll and multiple Section 8 / HACLA tenancies that add government-backed, recession-resilient cash flow.
- **Irreplaceable Transit-Rich Location:** Steps from MacArthur Park and the Metro B/D lines, minutes west of Downtown LA — a dense, overwhelmingly renter neighborhood with roughly 1.35 million residents within five miles.

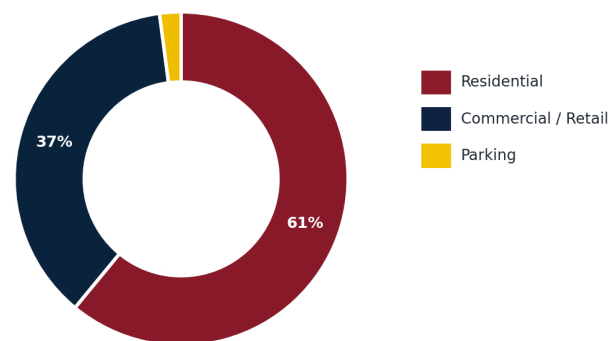


UNIT MIX	# UNITS	SQ FT	CURRENT			MARKET		
			AVG RENT	RENT PSF	MO. INCOME	MKT RENT	RENT PSF	MO. INCOME
Studio / 1-Bed (Residential)	24	142–500	\$1,256	\$5.30	\$30,133	\$1,511	\$6.37	\$36,268
Retail & Storage (Commercial)	11	60–886	—	—	\$18,265	—	—	\$19,855
Parking (7 rentable)	—	—	—	—	\$1,025	—	—	\$1,400
TOTALS / AVERAGES	35	13,386 SF	—	—	\$49,423	—	—	\$57,523

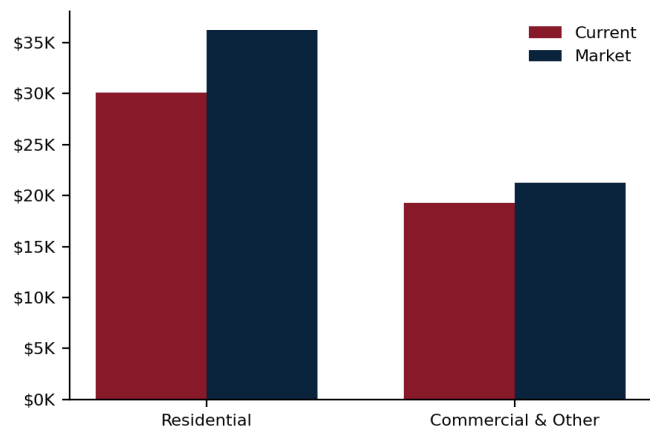
Unit Composition



Current Revenue Split



Current vs. Market Monthly Income



Alvarado Apartments comprises **24 renovated residential studios** plus **11 ground-floor commercial spaces** (two restaurants, retail bays and storage) — **35 total units**. Effective gross income of **\$626,378** (scheduled, net of 3% vacancy) rises to **\$669,564** at market; retail lease-up, mark-to-market of legacy studios and full utilization of the 7 rentable parking spaces drive the upside.



02

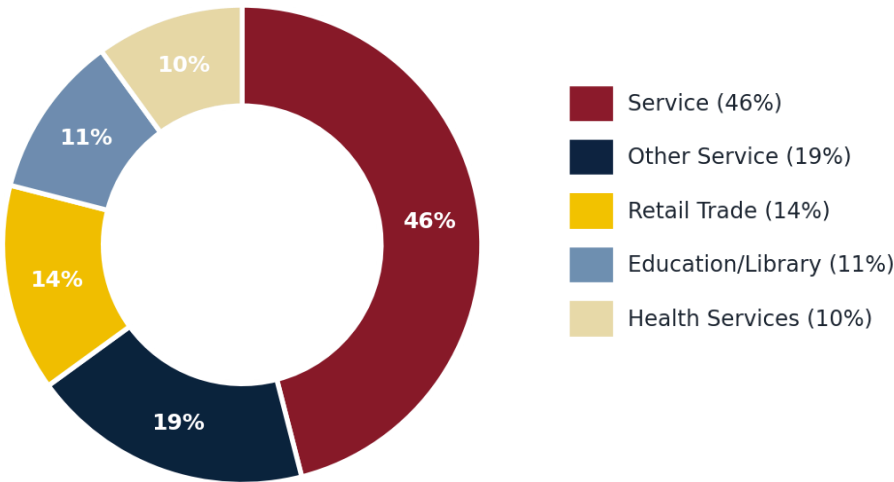
Location

Location Summary

Aerial View

- Located in the heart of **Westlake / MacArthur Park**, one of the densest, most transit-connected neighborhoods in Los Angeles, just west of Downtown.
- Fronting **South Alvarado Street**, a high-traffic retail corridor — strong foot traffic supporting the ground-floor commercial tenancies.
- Overwhelmingly renter-occupied, with deep, consistent demand for entry-priced studio housing and neighborhood retail.
- Immediate access to the Metro B/D lines, MacArthur Park, Koreatown, and the Downtown LA employment core.
- Major employers nearby include Kaiser Permanente, the County of Los Angeles, and the Financial District.

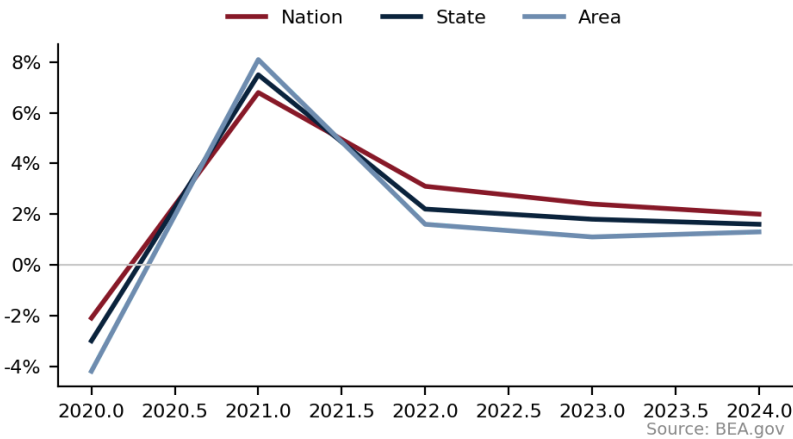
Major Industries by Employee Count



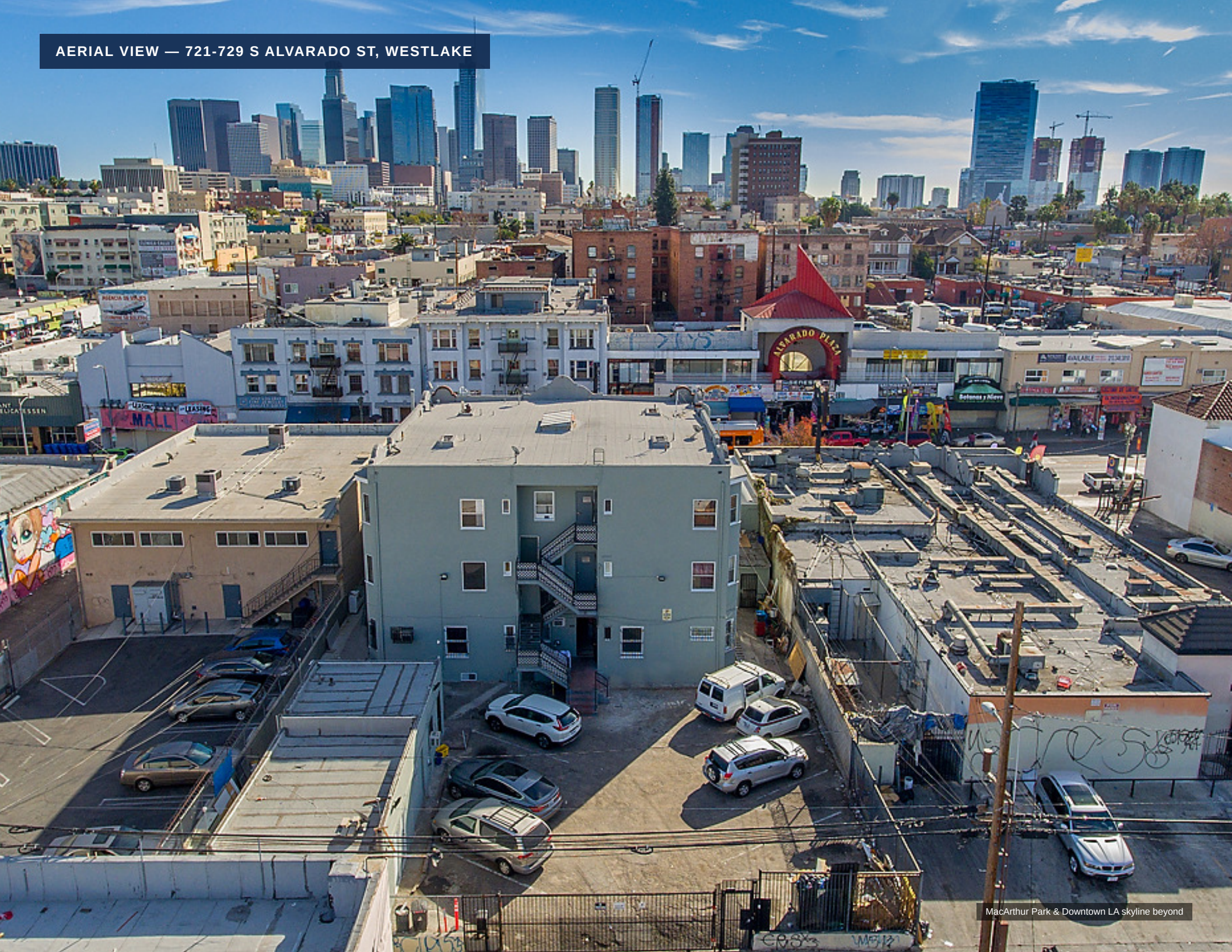
Largest Employers

Kaiser Permanente	44,769
County of Los Angeles	38,000
City of Los Angeles	32,000
University of Southern California	23,227
Cedars-Sinai Medical Center	16,730
Good Samaritan Hospital	11,000
Target Corp.	15,000

Los Angeles County GDP Trend



AERIAL VIEW — 721-729 S ALVARADO ST, WESTLAKE



MacArthur Park & Downtown LA skyline beyond



03

Property Description

- Property Features
- Property Images
- Common Amenities

PROPERTY FEATURES

NUMBER OF UNITS	35 (24 residential + 11 commercial)
BUILDING SF	13,386
3-story residential	9,798 SF
1-story commercial	2,588 SF
detached rear SFR (#105) + storage	1,000 SF
LAND SF	11,733 (0.27 ac)
ZONING	LAC2 (C2-2)
APN	5141-018-017
PARKING	9 spaces (7 rentable; 2 to retail)

MECHANICAL

FIRE PROTECTION	Fire sprinklers throughout
PLUMBING / ELECTRICAL	Fully repiped & rewired (2018)
YEAR RENOVATED	2018

UTILITIES

WATER	LADWP
TRASH	RecycLA
GAS	SoCalGas
ELECTRIC	LADWP

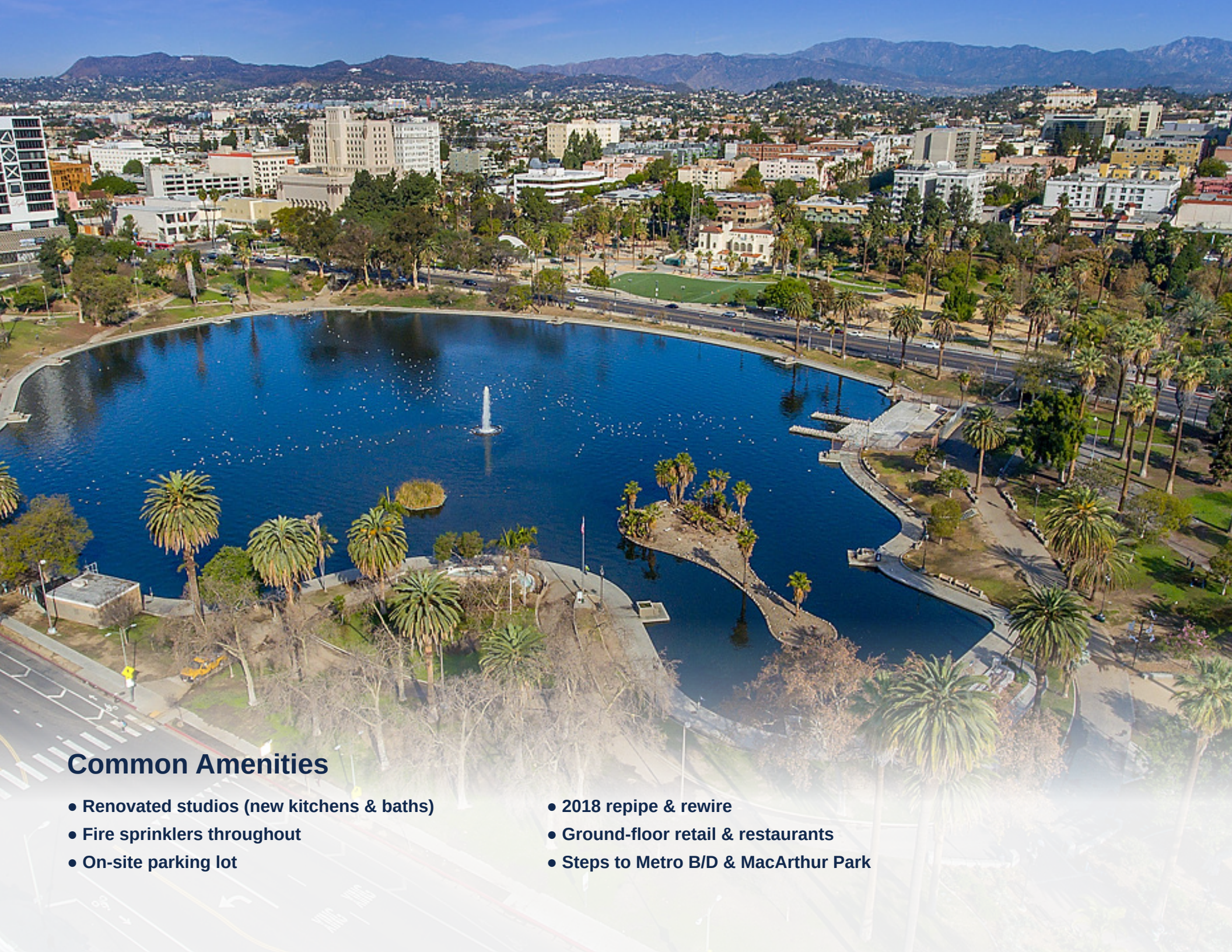
CONSTRUCTION

3-STORY RESIDENTIAL	Stucco & frame
DETACHED SFR / 1-STORY	Masonry
USE	Mixed-use; designated Residential Hotel
COMMERCIAL	2 restaurants, retail bays, storage









Common Amenities

- Renovated studios (new kitchens & baths)
- Fire sprinklers throughout
- On-site parking lot
- 2018 repipe & rewire
- Ground-floor retail & restaurants
- Steps to Metro B/D & MacArthur Park

04

On Market Comps

Comp Set - Alvarado

On-Market Comparables

STATUS	TYPE	ADDRESS	ZIP	PRICE	PRICE/UNIT	CAP	PRICE/SF	SF	UNITS	NOI
Subject	Mixed-Use	721-729 S Alvarado St	90057	\$4,000,000	\$114,286	7.13%	\$317	13,386	35	\$285,082
On-Market	Multifamily	667 S Carondelet St	90057	\$7,900,000	\$133,898	6.86%	\$281	28,156	59	\$542,009
On-Market	Multifamily	511 S Carondelet St	90057	\$7,750,000	\$267,241	6.04%	\$284	27,284	29	\$468,178
On-Market	Mixed Use	2600 S San Pedro St	90011	\$4,950,000	\$133,784	8.08%	\$226	21,876	37	\$399,964
On-Market	Multifamily	428-434 S Burlington Ave	90057	\$2,450,000	\$136,111	6.15%	\$209	11,750	18	\$150,637
Under Contract	Multifamily	685 S Coronado St	90057	\$2,895,000	\$144,750	7.59%	\$253	11,430	20	\$219,752
On-Market	Multifamily	2222 W 15th St	90006	\$2,999,000	\$103,414	6.93%	\$166	18,108	29	\$207,749
On-Market	Multifamily	845 N Bunker Hill Ave	90012	\$3,000,000	\$166,667	6.22%	\$259	11,578	18	\$186,712

AVERAGE\$155,1246.84%\$240

SUBJECT\$114,2867.13%\$317

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Sale Comps

Sale Comp Set - Alvarado

Sale Comparables

ADDRESS	ZIP	SALE DATE	SOLD PRICE	UNITS	PRICE/UNIT	CAP	PRICE/SF	BLDG SF	YR BUILT	LOT SF	NOI
721-729 S Alvarado St	90057	—	\$4,000,000	35	\$114,286	7.13%	\$298.82	13,386	1920s	11,733	\$285,082
446 S Rampart Blvd	90057	07/09/2025	\$3,525,000	30	\$117,500	6.26%	\$224.69	15,688	1922	8,399	\$250,555
427 S Alvarado St	90057	10/17/2025	\$1,575,000	16	\$98,437	4.08%	\$143.49	10,976	1909	7,750	\$99,739
301 N Rampart Blvd	90026	10/31/2025	\$7,800,000	46	\$169,565	7.99%	\$223.62	34,880	1926	9,995	\$638,660
250 S Kenmore Ave	90004	12/10/2025	\$5,200,000	40	\$130,000	7.87%	\$211.45	24,592	1926	8,945	\$425,045
212 S Catalina St	90004	01/28/2025	\$2,425,000	18	\$134,722	5.67%	\$167.08	14,514	1925	9,345	\$150,253
1435 Alvarado Ter	90006	08/08/2024	\$3,300,000	30	\$110,000	3.94%	\$205.65	16,047	1912	7,505	\$156,614
1411 S Burlington Ave	90006	02/13/2024	\$2,650,000	24	\$110,416	3.70%	\$247.76	10,696	1924	7,147	\$125,970

AVERAGE

29

\$124,377

5.64%

\$203.39

SUBJECT

35

\$114,286

7.13%

\$298.82

income comps.

Alvarado Rent Roll

UNIT	TYPE	STATUS	SF	RENT
100	Studio	Current	276	\$1,871
101	Studio	Current	311	\$1,168
102	Studio	Current	142	\$1,351
103	Studio	Current	247	\$1,511
104	Studio	Current	216	\$1,444
105	1 Bed	Current	500	\$2,112
200	Studio	Current	249	\$1,711
201	Studio	Current	260	\$816
202	Studio	Vacant	221	\$1,400*
203	Studio	Current	244	\$1,467
204	Studio	Current	246	\$1,982
205	Studio	Current	284	\$658
206	Studio	Current	253	\$1,454
207	Studio	Current	150	\$1,204
208	Studio	Current	284	\$813
300	Studio	Current	249	\$1,404
301	Studio	Current	240	\$1,467
302	Studio	Current	200	\$1,404

UNIT	TYPE	STATUS	SF	RENT
303	Studio	Current	244	\$1,081
304	Studio	Current	246	\$1,349
305	Studio	Current	284	\$1,790
306	Studio	Current	253	\$859
307	Studio	Current	150	\$1,217
308	Studio	Vacant	284	\$1,400*
721	Retail (Restaurant)	Current	447	\$3,450
723	Retail	Current	676	\$3,725
725 A	Retail	Vacant	100	\$795*
725 B	Retail	Current	100	\$850
725 C	Retail	Current	180	\$800
725 D	Retail	Current	100	\$440
725 F	Retail	Vacant	—	\$395*
727	Retail (Restaurant)	Current	886	\$4,650
729	Retail	Current	600	\$3,850
Stg 1	Storage	Current	250	\$500
Stg 2	Storage	Vacant	—	\$400*



07

Financial Analysis

Income & Expense Analysis

Income & Expense Analysis

INCOME	CURRENT	PRO FORMA
Residential Rental Income	\$395,191	\$435,212
Commercial / Retail Income	\$238,260	\$238,260
Parking Income	\$12,300	\$16,800
Gross Scheduled Income	\$645,751 100%	\$690,272 100%
Vacancy & Credit Loss (3%)	-\$19,373	-\$20,708
Effective Gross Income	\$626,378	\$669,564
Less Operating Expenses	\$341,296 54.5%	\$341,296 51.0%
Net Operating Income	\$285,082 45.5%	\$328,268 49.0%
Annual Debt Service	\$201,449	\$201,449
Cash Flow After Debt Service	\$83,633	\$126,819
Debt Coverage Ratio	1.42	1.63

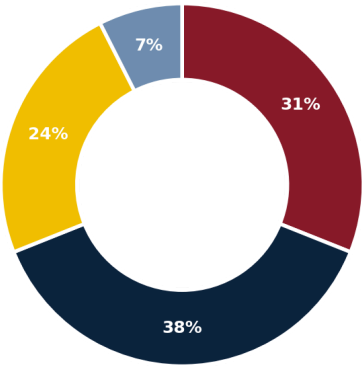
Valuation & Return Summary

	CURRENT	PRO FORMA
Gross Rent Multiplier (GRM)	6.19	5.80
Cap Rate	7.13%	8.21%
Cash-on-Cash Return	6.97%	10.57%
Debt Coverage Ratio	1.42	1.63

GRM = Price ÷ Gross Scheduled Income (\$4,000,000 ÷ \$645,751 current, ÷ \$690,272 pro forma). Vacant units shown at market with a 3% vacancy allowance; property tax reassessed to 1.25% of price in both columns (buyer's basis). Excludes development upside (see Investment Highlights).

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

REVENUE ALLOCATION
CURRENT

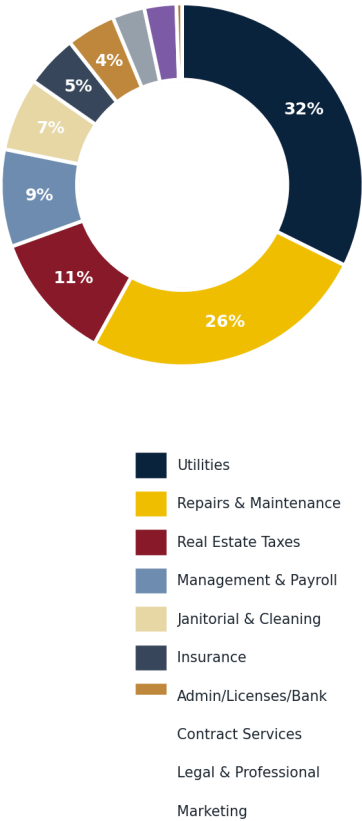


- Net Operating Income
- Total Operating Expense
- Annual Debt Service
- Cash Flow After Debt Service

Distribution of Expenses

EXPENSES	CURRENT	PER UNIT	PRO FORMA
Real Estate Taxes	\$50,000	\$1,429	\$50,000
Utilities	\$106,299	\$3,037	\$106,299
Repairs & Maintenance	\$84,596	\$2,417	\$84,596
Management & Payroll	\$28,561	\$816	\$28,561
Janitorial & Cleaning	\$21,492	\$614	\$21,492
Insurance	\$15,393	\$440	\$15,393
Admin, Licenses & Bank	\$14,405	\$412	\$14,405
Contract Services	\$9,480	\$271	\$9,480
Legal & Professional	\$9,382	\$268	\$9,382
Marketing	\$1,688	\$48	\$1,688
Total Operating Expense	\$341,296	\$9,751	\$341,296
Expense / SF	\$25.50		\$25.50
% of EGI	54.5%		51.0%

DISTRIBUTION OF EXPENSES
CURRENT



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