RENOVATED SIX-UNIT ASSET | 5.77% CURRENT CAP

517 W 42nd Pl, Los Angeles, CA 90037

Exclusively Listed by

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PROPERTY OVERVIEW

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EXECUTIVE SUMMARY

517 W 42nd Place is a six-unit multifamily property consisting of four one-bedroom units and two studios across two separate buildings.

The property totals approximately 2,984 square feet on a 4,800-square-foot lot. The front building is single-story, while the rear structure contains two larger, townhouse-style one-bedroom units.

Originally built in 1924, the property was renovated in 2020 with updated kitchens, bathrooms, flooring, interiors, and exterior improvements.

6
UNITS

497
AVG UNIT SQFT

METERS	
Water	1
Electrical	7
Gas	7

2,984
RENTABLE SQFT

$1,574
AVG CURRENT RENT

2
NUMBER OF BUILDINGS

1924 / 2020
YEAR BUILT

UPDATED INTERIORS & EXTERIORS

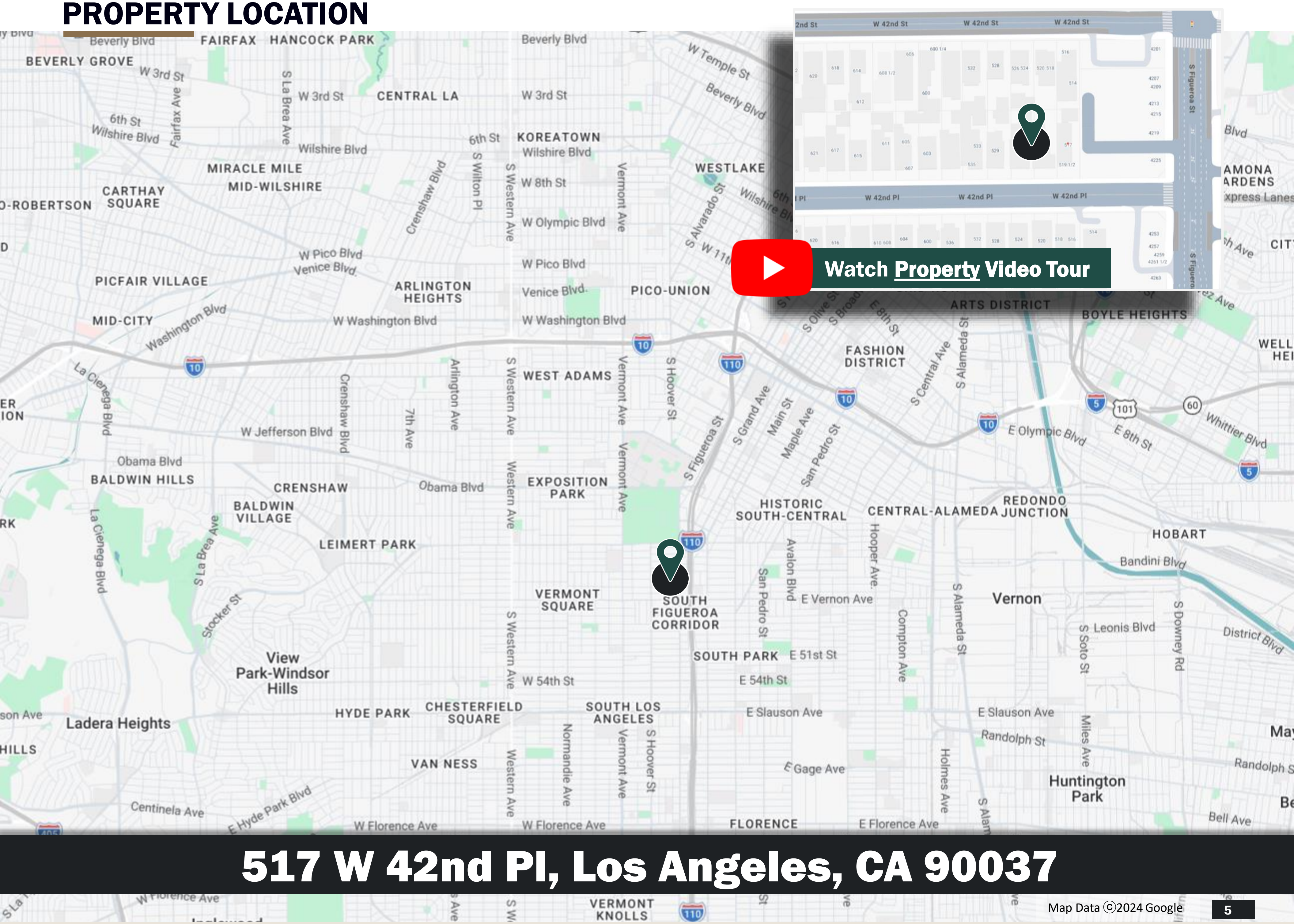
2
NUMBER OF STORIES

LARD2
ZONING

4,800
LOT SIZE SQFT

5019-015-012
APN

PROPERTY LOCATION



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KINGSTON


COMPACT
COMPACT

PROPERTY FINANCIALS

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6	1924 / 2020	2,984	4,800
UNITS	YEAR BUILT	RENTABLE SQFT	LOT SIZE

$1,190,000

LIST PRICE

5.77%	10.50	6.29%	9.89
CAP RATE - CURRENT	GRM - CURRENT	CAP RATE - PRO FORMA	GRM - PRO FORMA

INVESTMENT OVERVIEW

517 W. 42nd Place is a renovated six-unit multifamily asset offered at $1,190,000.

Current operations generate approximately $113,618 in gross scheduled income, producing a 5.77% current cap rate and a 10.50 GRM. The existing rent roll carries approximately 6.2% additional upside, providing room to grow income without relying on a major renovation program.

The property was renovated in 2020 with updated kitchens, bathrooms, flooring, interiors, and exterior improvements. The six-unit mix includes four one-bedroom units and two studios across two separate structures, including two larger townhouse-style one-bedroom units in the rear building.

One renovated one-bedroom is currently being offered for lease at $1,995 per month.

The investment case is straightforward: **renovated physical product, current cash flow, remaining rent upside, and a six-unit acquisition immediately south of USC and Exposition Park**.

INVESTMENT HIGHLIGHTS

- ❑ 5.77% Current Cap Rate
- ❑ $113,618 Gross Scheduled Income
- ❑ Renovated in 2020
- ❑ 6.2% Remaining Rent Upside
- ❑ USC / Exposition Park Proximity

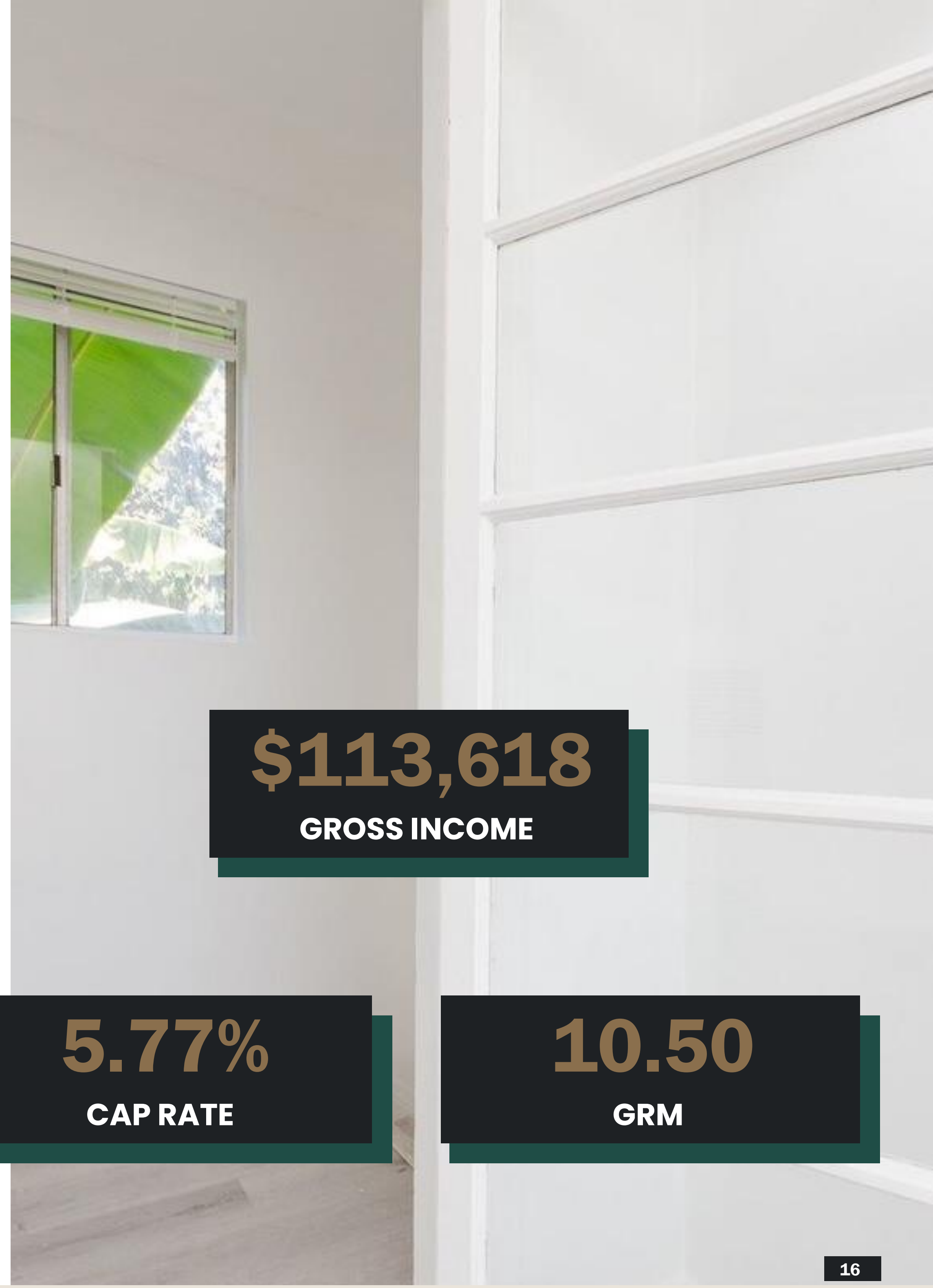
PRICING SUMMARY

PROPERTY DETAILS	
Number of Units	6
Year Built / Renovated	1924 / 2020
Rentable SQFT	2,984
Lot Size SQFT	4,800
Zoning	LARD2
APN	5019-015-012
Number of Buildings	2
Number of Stories	2

PRICING INFORMATION		
Listing Price		**$1,190,000**
Downpayment -	*41%*	$484,320
Price per Unit		$198,333
Price per SQFT		$399

POTENTIAL FINANCING		
Loan Amount -	*59%*	$705,680
Loan Type		Proposed New
Interest Rate		6.75%
Amortization Period		30
Debt Coverage Ratio		1.25
Annual Debt Service		$54,924

RETURN ANALYSIS	Current	Pro Forma
Cap Rate	**5.77%**	6.29%
GRM	**10.50**	9.89
Cash on Cash	2.84%	4.12%
Monthly Average Rent	$1,578	$1,676
Scheduled Gross Income	$113,618	$120,680
Expenses	$41,564	$42,180
NOI	$68,655	$74,889



$113,618
GROSS INCOME

5.77%
CAP RATE

10.50
GRM

CURRENT AND PRO-FORMA OPERATIONS

ANNUALIZED INCOME		Current	Pro Forma
Gross Potential Pro Forma Rent		$120,360	$120,360
Less: Loss to Lease		$7,062	$0
Scheduled Rent Income		$113,298	$120,360
Total other Income		$320	$320
GROSS SCHEDULED INCOME		**$113,618**	**$120,680**
Less: Vacancy Reserve	*3% / 3%*	$3,399	$3,611
Effective Gross Income		$110,219	$117,069
Less: Operating Exp.	*37.7% / 36%*	$41,564	$42,180
NET OPERATING INCOME		**$68,655**	**$74,889**
Less: Debt Service		$54,924	$54,924
Pre-Tax Cash Flow	*2.8% / 4.1%*	$13,731	$19,965
Principal Reduction		$7,521	$7,521
Total Return Before Taxes	*4.4% / 5.7%*	$21,252	$27,485

ANNUALIZED PRO-FORMA EXPENSES			
New Real Estate Taxes	1.1874% of Price	$14,130	$14,130
Direct Assessments	$892 Annual	$892	$892
Insurance*	$1.75/SF	$5,222	$5,222
Utilities*	$1750/Unit	$10,500	$10,500
Repairs & Maintenance*	5% of EGI	$5,511	$5,853
Landscaping & Pest	$75/Month	$900	$900
Off-Site Management Fee*	4% of EGI	$4,409	$4,683
TOTAL EXPENSES		**$41,564**	**$42,180**
Expenses per Unit		$6,927	$7,030
Expenses per SF		$13.93	$14.14
% EGI		37.71%	36.03%

UNIT NO.	UNIT TYPE	MIN RENT	MAX RENT	CURRENT AVG. RENT	MONTHLY INCOME	PRO FORMA RENT	MONTHLY AT PRO FORMA
4	1BR / 1BA	$1,540	$1,995	$1,706	$6,826	$1,845	$7,380
2	Studio	$1,282	$1,334	$1,308	$2,616	$1,325	$2,650
6		**Total**			**$9,442**		**$10,030**

*Pro forma figures reflect ownership underwriting and assume turnover-based rent adjustment. Buyers should independently verify income, expenses, and timing of any rent changes.

*The estimated pro-forma figures provided are derived from industry benchmarks applicable to buildings of similar size, age, and condition. These figures are intended to give an approximate idea of potential outcomes but should not be considered as guaranteed projections. Prospective buyers are advised to conduct their own due diligence and rely on their underwriting and financial analysis when evaluating this property. It is recommended that buyers engage with qualified professionals such as accountants, appraisers, or financial analysts to develop their own projections and assessments.

RENT ROLL

	UNIT NO.	UNIT TYPE	CURRENT RENT	ANNUAL RENT	PRO FORMA RENT	PRO FORMA ANNUAL RENT	LOSS-TO-LEASE
	517	1BR / 1BA	$1,700	$20,394	$1,695	$20,340	-$54
	517 1/2	Studio	$1,282	$15,384	$1,325	$15,900	$516
	518 1/4	Studio	$1,334	$16,008	$1,325	$15,900	-$108
	519 3/4	1BR / 1BA	$1,540	$18,480	$1,695	$20,340	$1,860
	519	1BR / 1BA	$1,591	$19,092	$1,995	$23,940	$4,848
*** VACANT UNIT**	519 1/2*	1BR / 1BA*	$1,995*	$23,940	$1,995	$23,940	$0
		Total	**$9,442**	**$113,298**	**$10,030**	**$120,360**	**$7,062**

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Watch Property Video Tour

WATCH THE 60-SECOND INVESTMENT OVERVIEW

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