

Investment Offering



**1240 South Norton Ave
Los Angeles, CA 90019**

A DIVISION OF Q PROPERTIES

Eric Quiros
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Rare opportunity to acquire a 16-unit garden walk-up apartment building in the heart of Mid-City Los Angeles. Built in 1963, the property offers approximately 9,822 square feet of building area on a ±12,963-square-foot lot. The unit mix consists primarily of one-bedroom apartments, along with a three-bedroom manager's unit.

Six apartments will be delivered **vacant**, creating an immediate opportunity to renovate, reposition and increase rental income. Recent improvements include a new roof and an updated electrical system. Additional features include 16 secured parking spaces, on-site laundry, separately metered gas and electricity, and a completed earthquake retrofit.

Conveniently located near the Pico and Washington Boulevard corridors with easy access to Koreatown, Mid-Wilshire, Downtown Los Angeles, Culver City, public transportation, shopping and dining. Zoned LAR3 and situated on a substantial ±0.30-acre parcel, the property presents strong value-add potential in a centrally located Los Angeles rental market.

1240 South Norton Ave, Los Angeles CA 90019				
Unit (16) Number	Occupant	# of Bed/Bath	Monthly Rent	Potential Monthly Rent
1	Vacant	1Bd/1Ba	\$0.00	\$1,900.00
2	Vacant	1Bd/1Ba	\$0.00	\$1,900.00
3	Vacant	1Bd/1Ba	\$0.00	\$1,900.00
4	Occupied	1Bd/1Ba	\$876.22	\$876.22
5	Vacant	1Bd/1Ba	\$0.00	\$1,900.00
6	Occupied	1Bd/1Ba	\$938.06	\$938.06
7	Vacant	1Bd/1Ba	\$0.00	\$1,900.00
8	Vacant	1Bd/1Ba	\$0.00	\$1,900.00
9	Occupied	1Bd/1Ba	\$1,326.62	\$1,326.62
10	Occupied	1Bd/1Ba	\$1,242.25	\$1,242.25
11	Occupied	1Bd/1Ba	\$1,254.57	\$1,254.57
12	Occupied	1Bd/1Ba	\$914.34	\$914.34
13	Occupied	1Bd/1Ba	\$914.34	\$914.34
14	Occupied	1Bd/1Ba	\$1,365.99	\$1,365.99
15	Occupied	1Bd/1Ba	\$1,800.00	\$1,800.00
16	Occupied (MGR)	3Bd/1Ba	\$877.26	\$2,815.74
Laundry			\$0.00	\$100.00
Total Monthly			\$11,509.65	\$24,948.13
Scheduled Gross Income			\$138,115.80	\$299,377.56

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Price	\$2,875,000	Scheduled Gross Income	\$299,378
Down Payment 50%	\$1,437,500	Less Vacancy Reserve (3%)	\$8,981
Units	16	Effective Gross Income	\$290,396
Cost/Unit	\$179,688	Less Expenses (40%)	\$119,751
Cost/Sq. Ft.	\$293	Net Operating Income	\$170,645
Cap Rate on Projected Annual Operation	5.96	Less Loan Payment (6.5 Var)	\$109,980
GRM on Projected Annual Operation	9.56	Cash Flow Pre Tax	\$60,665

Unit Mix

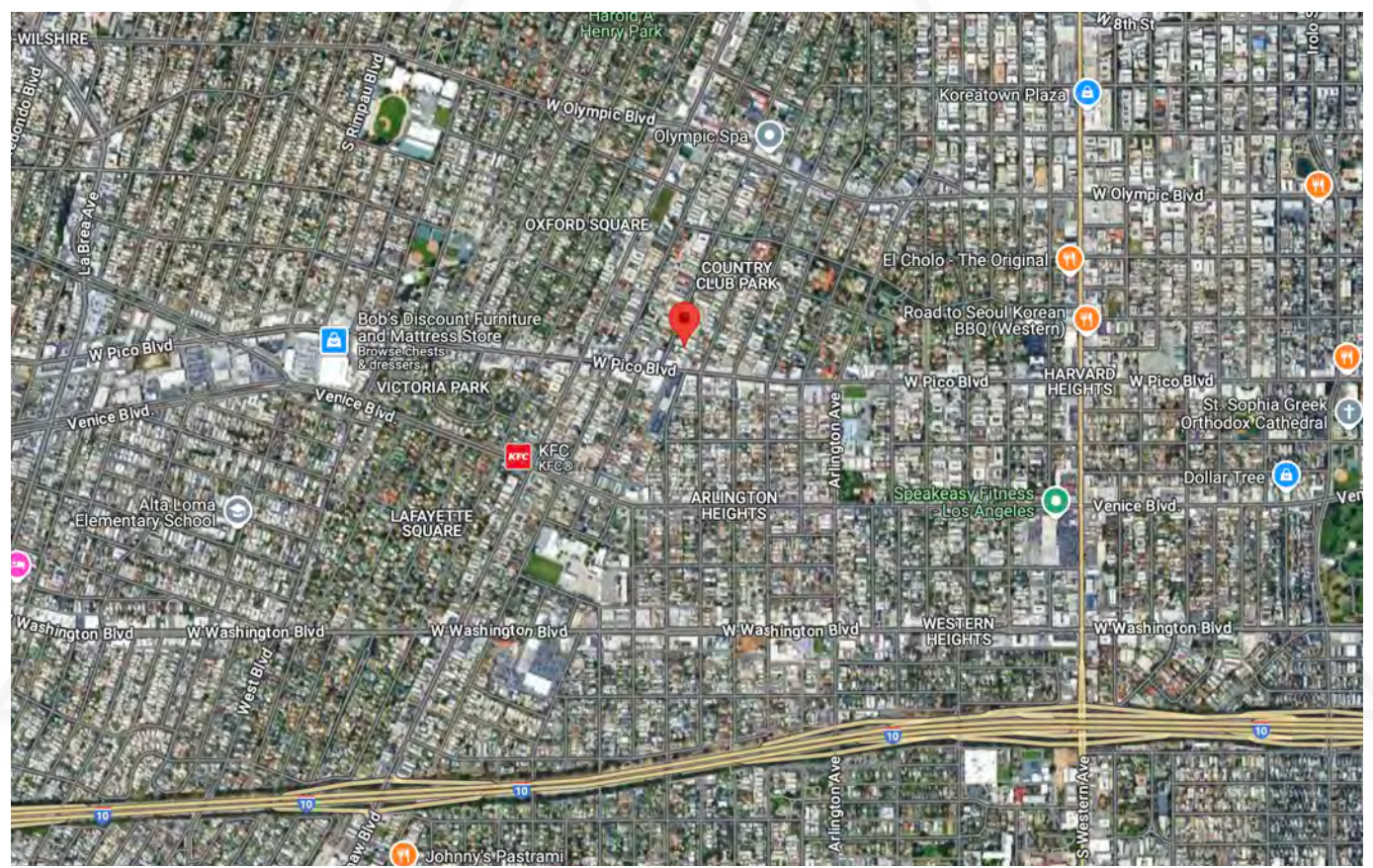
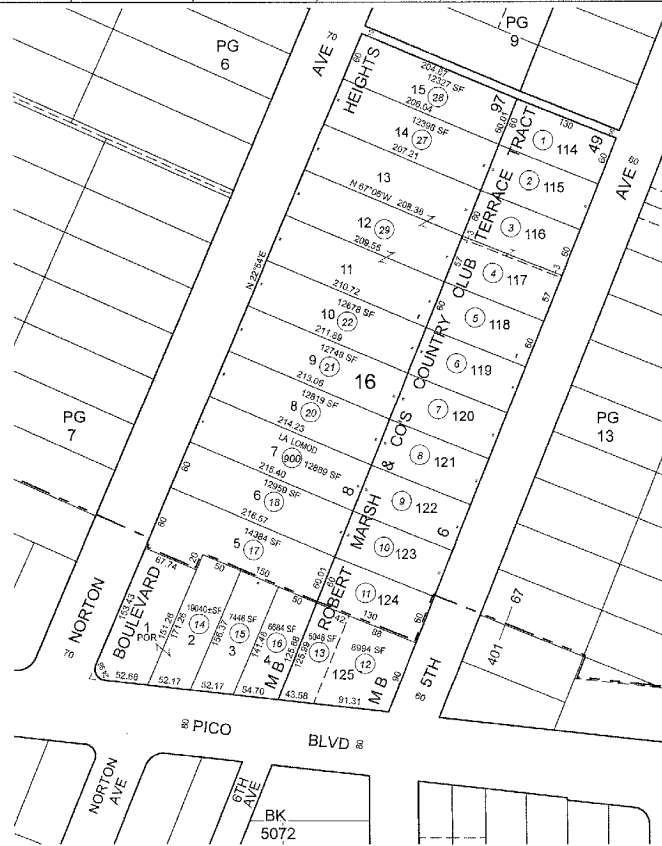
# Units	# Bed/Bath	Current	Projected
1	3br/1ba	\$877.26	\$2,815.74
15	1br/1ba	\$10,632.39	\$22,032.39
	Laundry	\$0	\$100.00
Total Monthly Rent		\$11,509.65	\$24,948.13
Annual Scheduled Gross Income		\$138,115.80	\$299,377.56

Expenses	Actual	Projected	Notes:
Taxes	\$5,802	\$35,937	Earthquake retrofit has been completed
Insurance	\$13,539	\$13,639	16 Parking Spaces
Utilities	\$29,723	\$40,000	Independently Metered for Gas and Electricity
Management	\$33,792	\$12,000	6 Apartments delivered vacant
Maintenance	\$5,160	\$10,000	Zoning LAR3
Variable Allowance		\$4,362	APN 5081-008-018
*Projected Expenses 40%		\$119,751	Building 9,822
Year Built	1963		Lot 13,063

*Potential rent and projected expenses are estimated



2011







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