

High Performing Character Building with Upside

1533 6th Ave, Los Angeles, CA 90019

Peikin PROPERTIES

Property Summary

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Property Description:

1533 6th Avenue is a charming 11-unit garden apartment building situated in the Central Arlington Heights Historic District. The beautiful Spanish Colonial Revival architecture is a throwback to old Los Angeles with a touch of Andalusia. Each casita features vaulted barrel ceilings, hardwood flooring, and patios that open into a shared courtyard. The majority of the units have been extensively renovated to include new windows, chef's kitchens with stainless steel appliances, washer/dryer hook-ups, and private yards. The property's diverse unit mix consists of seven 2+1's and four 1+1's. The property consistently generates above market rents while still maintaining opportunity for growth. In addition, there is ample tenant parking and owned communal laundry machines for extra income. Lastly, the property is positioned on a massive 21,750 square foot double lot. 1533 6th Avenue offers investors the opportunity to cash flow, hedge against inflation, leverage tax advantages, and add more value.

Location Overview:

Superbly located, 1533 6th Avenue provides residents with many of the great things LA has to offer right outside their front door. The property features a stellar 85 walk score and is central to major employment, freeways, and points of interest alike. Tenants with children have numerous nearby parks and schools to choose from, including Queen Anne Park, Arlington Heights Elementary, and Johnnie Cochran Middle School. Public transit is easily accessible at the corner bus stop where the line 33 Metro takes riders to Santa Monica, Downtown, and everywhere in-between.

Highlights

- Approximately $700,000 spent on interior remodels
- Most windows have been replaced
- Building foundations extensively bolted
- Strong in-place rents with approximately 29% rental upside
- Huge double lot
- Parking available for 9 units
- Laundry on site for added income
- Central LA location
- Private yards
- Drought tolerant landscaping

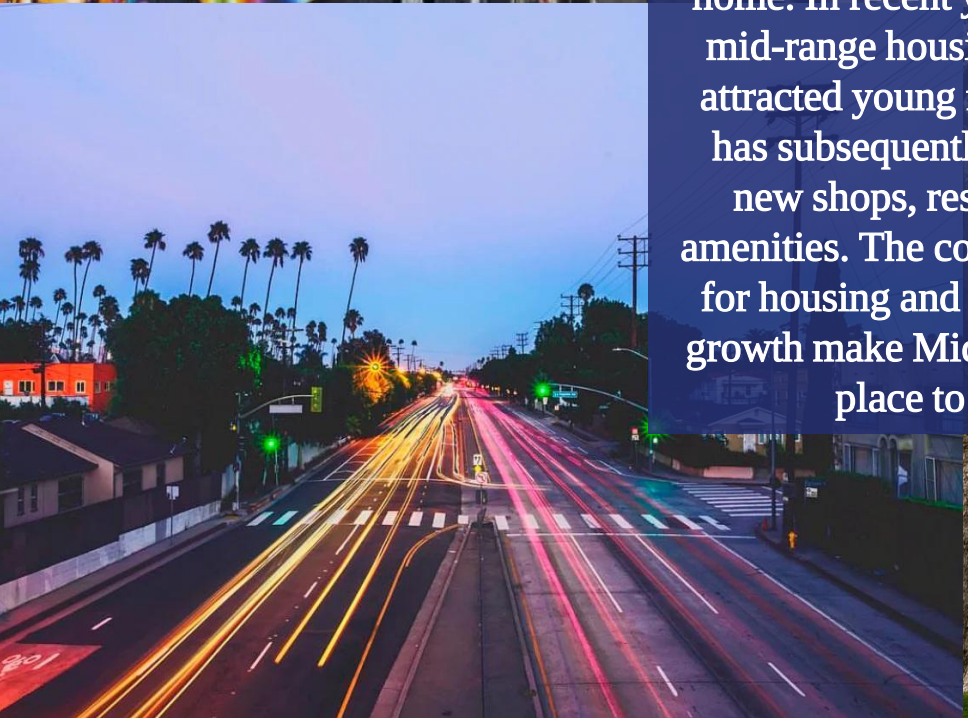
$2,900,000 Offering Price	**~29%** Rental Upside	**11** Number of Units
10.69/10.20 GRM/GIM	**6.3%** CAP Rate	**9,145** Rentable SqFt

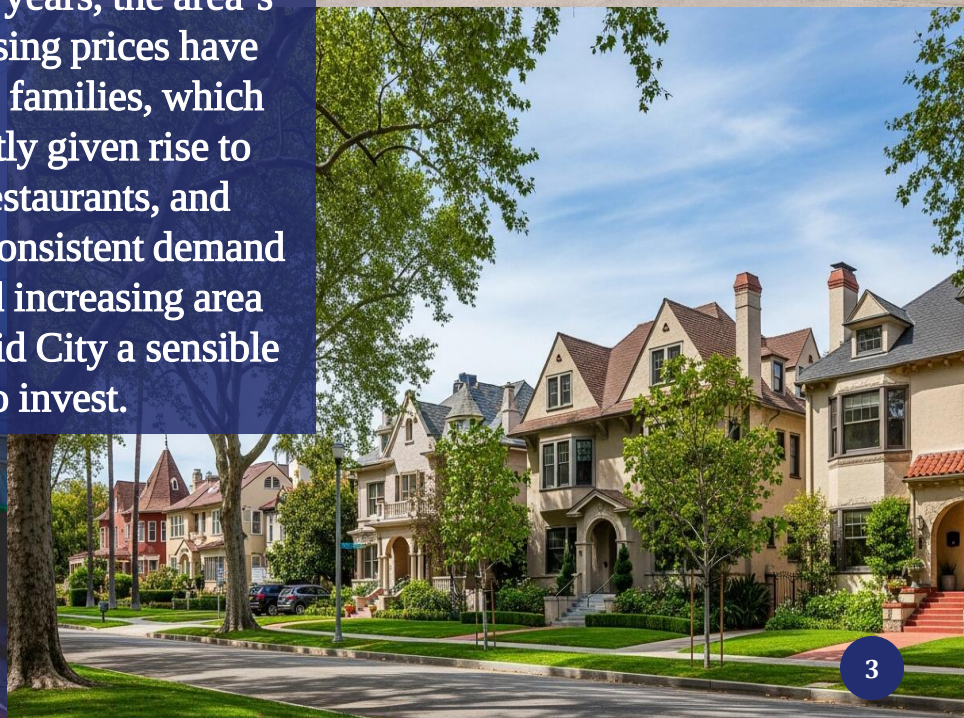
Area Overview





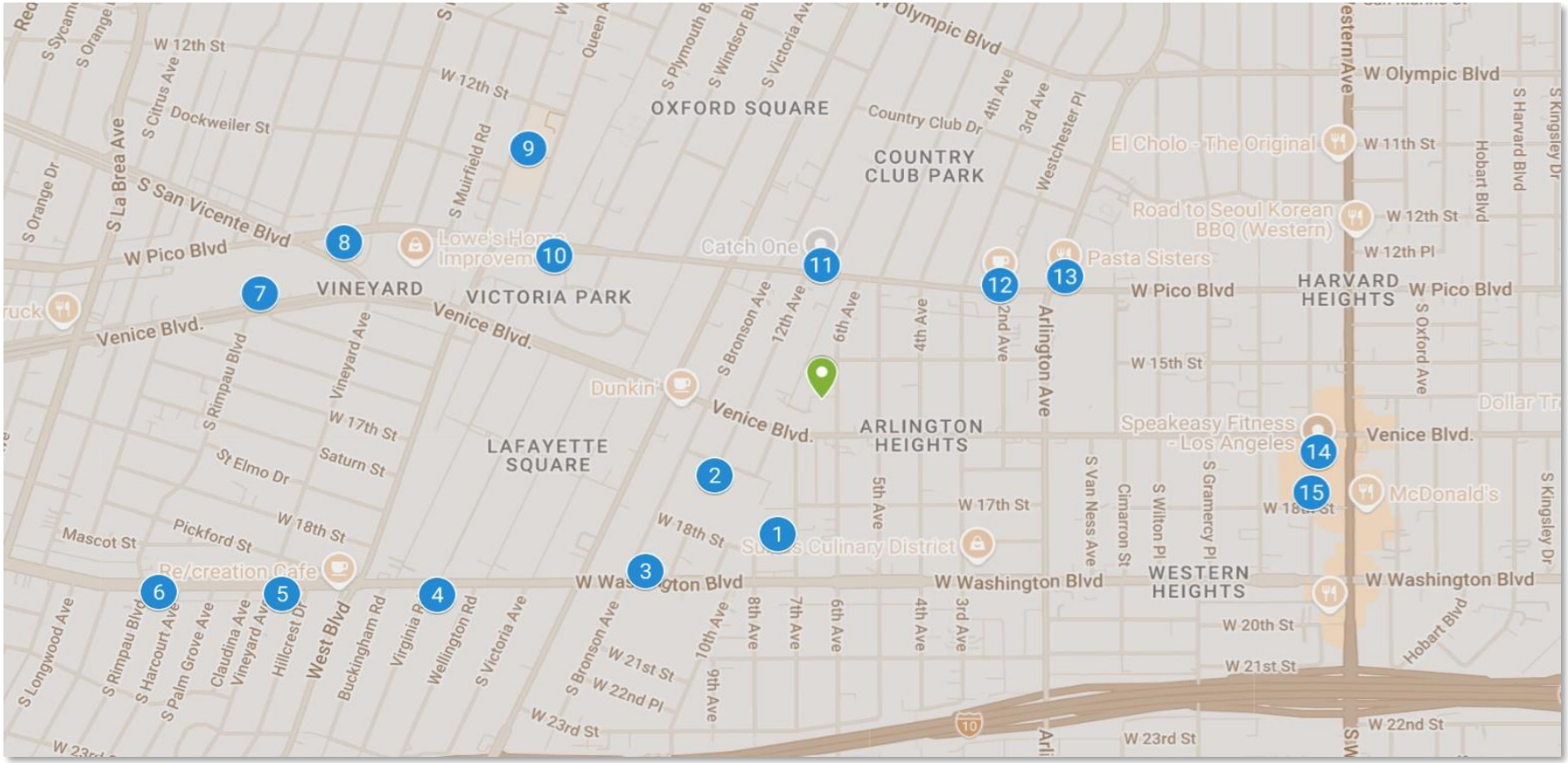
Mid-City Los Angeles is the central point between the coast and Downtown. The location is especially valuable as it's very walkable and provides excellent access to the most frequented areas of the city. As a result, many commuters choose to call the area home. In recent years, the area's mid-range housing prices have attracted young families, which has subsequently given rise to new shops, restaurants, and amenities. The consistent demand for housing and increasing area growth make Mid City a sensible place to invest.





Location & Local Points of Interest

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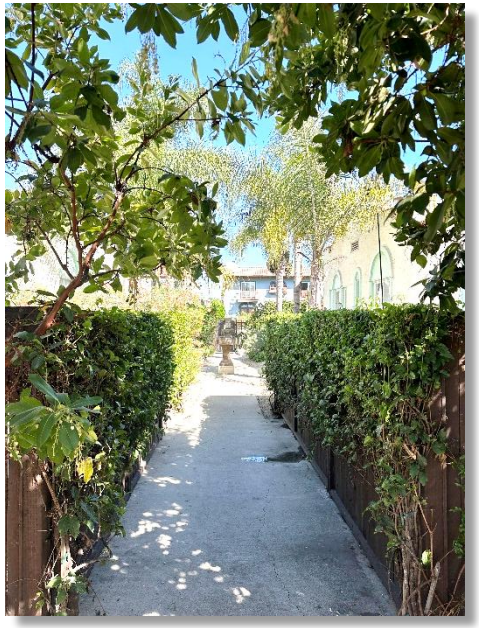
1. Arlington Heights Elementary
2. Johnnie Cochran Middle School
3. Washington Irving Library
4. Wellington Square Farmers Market
5. n/soto
6. Nate Holden Performing Arts Center
7. Midtown Shopping Center
8. Carbon Health Urgent Care
9. Queen Anne Park
10. Pico Preschool
11. Catch One Night Club
12. The History Coffee
13. Pasta Sisters
14. Speakeasy Fitness
15. Food 4 Less

Property Photos









Click here
for courtyard
walkthrough

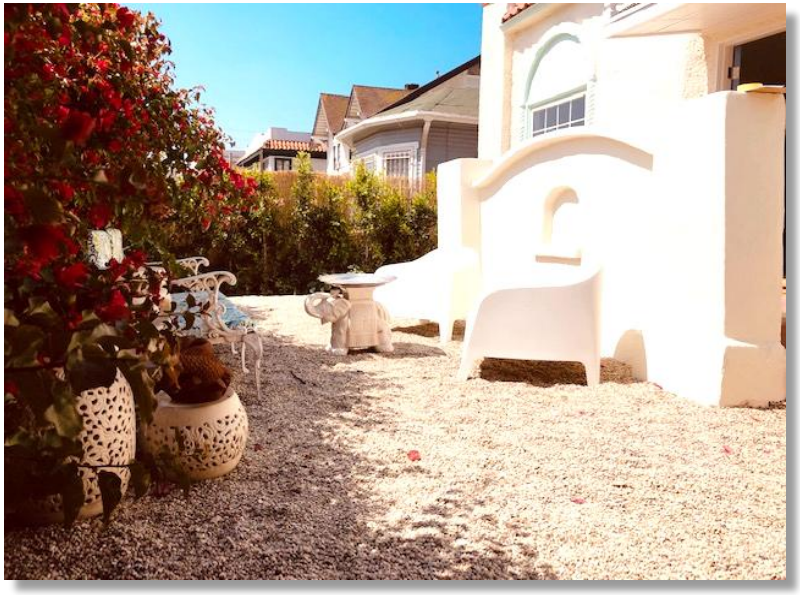


Property Photos









Property Photos



Financial Summary

1533 6th Ave, Los Angeles, CA 90019

Financial Indicators	
Offering Price	$2,900,000
Year Built	1922
# of Units	11
Zoning	LARD2
Price/Unit	$263,636
Rentable Square Feet	9,145
Price Per Square Foot	$317
Lot Size	21,750
Cap Rate	6.3%
Market Cap Rate	9.2%
Gross Rent Multiplier	10.69
Market Gross Rent Multiplier	8.29
Gross Income Multiplier	10.20
Market Gross Income Multiplier	7.80

Proposed Financing Summary	
Loan Amount (65%)	$1,885,000
Down Payment (35%)	$1,015,000
Loan Type	5 year fixed
Term	30 years
Interest Rate	6.5%
Monthly Payment	$11,914
DSCR	1.29









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Rent Roll

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Unit	Unit Type	Est. Unit SF	Current Rent	Market Rent	Current Rent/SF	Market Rent/SF	Rental Upside
1533	2+1	875	$1,662.50	$2,795	$1.90	$3.19	68%
1533 1/4	2+1	875	$2,545	$2,795	$2.91	$3.19	10%
1533 1/2	2+1	875	$1,516.81	$2,795	$1.73	$3.19	84%
1533 3/4	2+1	875	$2,795	$2,795	$3.19	$3.19	0%
1535	1+1	755	$989.78	$2,395	$1.31	$3.17	142%
1535 1/4	1+1	755	$2,145	$2,395	$2.84	$3.17	12%
1535 1/2	1+1	755	$913.73	$2,395	$1.21	$3.17	162%
1537	2+1	875	$1,737.48	$2,795	$1.99	$3.19	61%
1537 1/4	2+1	875	$3,010	$2,795	$3.44	$3.19	-7%
1537 1/2	2+1	875	$2,890	$2,795	$3.30	$3.19	-3%
1537 3/4	1+1	755	$2,395*	$2,395	$3.17	$3.17	0%
	Monthly Income		**$22,600.30**	**$29,145**			**29%**

*Vacant

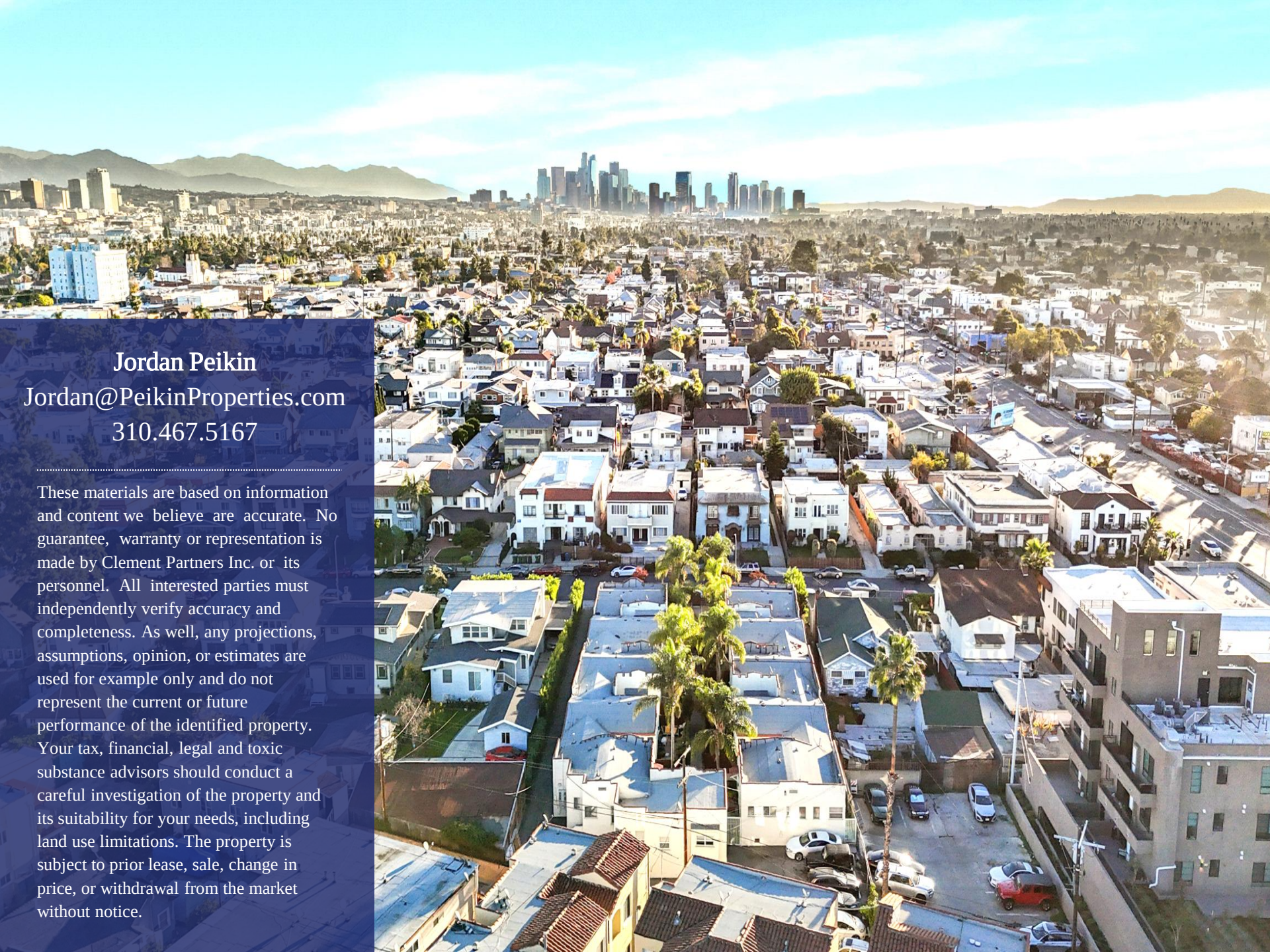
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Underwriting

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Income	Current Pro Forma	Market Pro Forma
Scheduled Market Rent	$271,204	$349,740
Less: Vacancy (5%)	-$13,560	-$17,487
Gross Rental Income	$257,644	$332,253
Plus: Parking Income	$7,200	$13,200
Plus: Laundry Income	$1,500	$1,800
Plus: Trash Pass Through	$4,465	$6,996
Total Operating Income	**$270,809**	**$354,249**
Estimated Expenses		
Property Tax (1.25%)	$36,250	$36,250
Insurance	$8,166	$8,166
Utilities/Trash	$22,250	$22,250
Landscaping	$1,440	$1,440
Pest Control/Cleaning	$960	$960
Repairs & Maintenance	$5,800	$5,800
Property Management	$12,000	$12,000
Total Estimated Expenses	**$86,866**	**$86,866**
Operating Expense Ratio	32.1%	24.5%
Cash Flow		
Net Operating Income	$183,943	$267,383
Less: Debt Service	-$142,974	-$142,974
Net Cash Flow after Debt Service	$40,969	$124,409
+ Principal Reduction	$21,069	$21,069
Total Return (EGI)	**$62,038**	**$145,478**

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Jordan Peikin

Jordan@PeikinProperties.com

310.467.5167

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