2809 W. ROSECRANS AVENUE

GARDENA



Shield
COMMERCIAL REAL ESTATE

EXCLUSIVELY LISTED
BY

Shield
COMMERCIAL REAL ESTATE

JONATHAN NIKFARJAM
Managing Principal

Direct 310.593.9868
Mobile 310.880.6807
jonathan@shieldcre.com
CalDRE #01856803

Disclaimer: Some property photos have been digitally enhanced/ altered.

Link to Disclosure Regarding Digitally Enhanced Photos



PROPERTY
DESCRIPTION

PROPERTY SUMMARY

PROPERTY ADDRESS
2809 W. Rosecrans Avenue, Gardena, CA 90249

ASSESSOR'S PARCEL NUMBER
4059-019-027

ZONING
GAR4

YEAR BUILT
1958

UNITS
5

RENTABLE SQUARE FEET
4,133

LOT SIZE (SF)
6,309

PARKING
5 Garage Spaces

UTILITIES

ELECTRIC
Individually Metered

GAS
Individually Metered

ASSET

5-unit apartment property located in Gardena. No local rent control – defaults to AB 1482.* The property contains a unit mix of (1) 3-bedroom/2-bathroom unit, (1) 2-bedroom/1-bathroom unit and (3) 1-bedroom/1-bathroom units. It has newer windows, and the main electrical panel and electrical subpanels have been upgraded (with permits).

The spacious front 3-bedroom unit has been renovated and features hardwood floors, an updated kitchen, upgraded bathrooms, a large private patio and washer/dryer hook-ups. The 2-bedroom unit will be delivered vacant and features a private patio. The property has 5 garage parking spaces, and three of the units have private patios.

LOCATION

2809 W. Rosecrans Avenue is located approximately 1 mile from SpaceX and 3 miles from SoFi Stadium and Intuit Dome. With direct access to the 110 Freeway, the property is conveniently connected to the many surrounding employment hubs of the South Bay and Downtown Los Angeles.

FINANCIALS

This 4,133-SF asset offers stable in-place rents as well as legitimate rental upside. The property is offered at a 6.76% current cap rate and 9.73 current GRM, with a pro-forma cap rate of 7.83% and pro-forma GRM of 8.78.

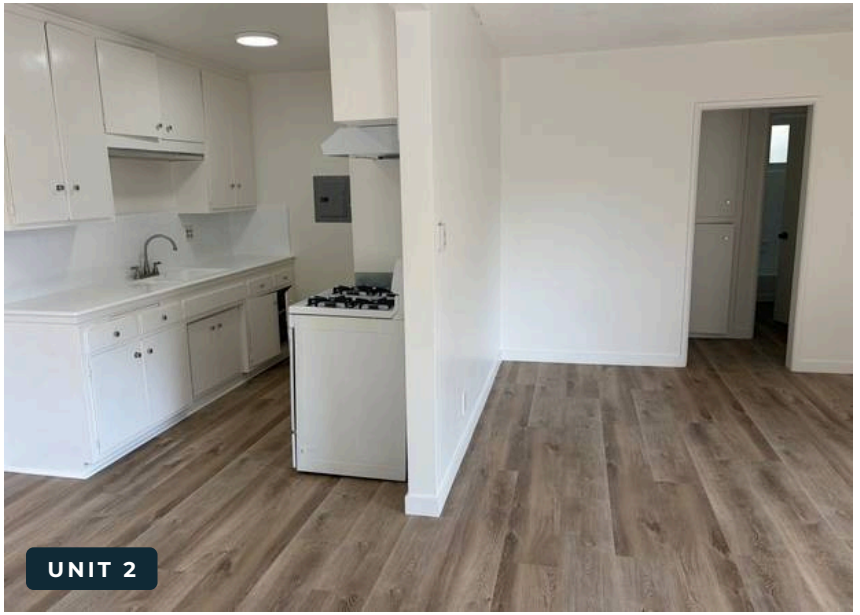
*Gardena does not have local rent control; however, the City of Gardena has a Rent Mediation Ordinance.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate, buyer must verify the information and bears all risk for any inaccuracies.

INVESTMENT HIGHLIGHTS

- Desirable Gardena Location – Approximately 1 Mile from SpaceX & 3 Miles from SoFi Stadium & Intuit Dome
- Unit Mix of (1) 3-Bedroom/2-Bathroom Unit, (1) 2-Bedroom/1-Bathroom Unit & (3) 1-Bedroom/1-Bathroom Units
- Spacious & Renovated Front 3-Bedroom Unit with Hardwood Floors, Updated Kitchen, Upgraded Bathrooms, Large Private Patio & Washer/Dryer Hook-Ups
- Two-Bedroom Unit with Private Patio Delivered Vacant
- Upgraded Main Electrical Panel & Subpanels
- Newer Windows
- 6.76% Current Cap Rate & 9.73 Current GRM
- 7.83% Pro-Forma Cap Rate & 8.78 Pro-Forma GRM
- Total of 5 Garage Spaces
- Three Units with Private Patios
- 4,133-SF Building on a 6,309-SF Lot
- No Local Rent Control – Defaults to AB 1482*

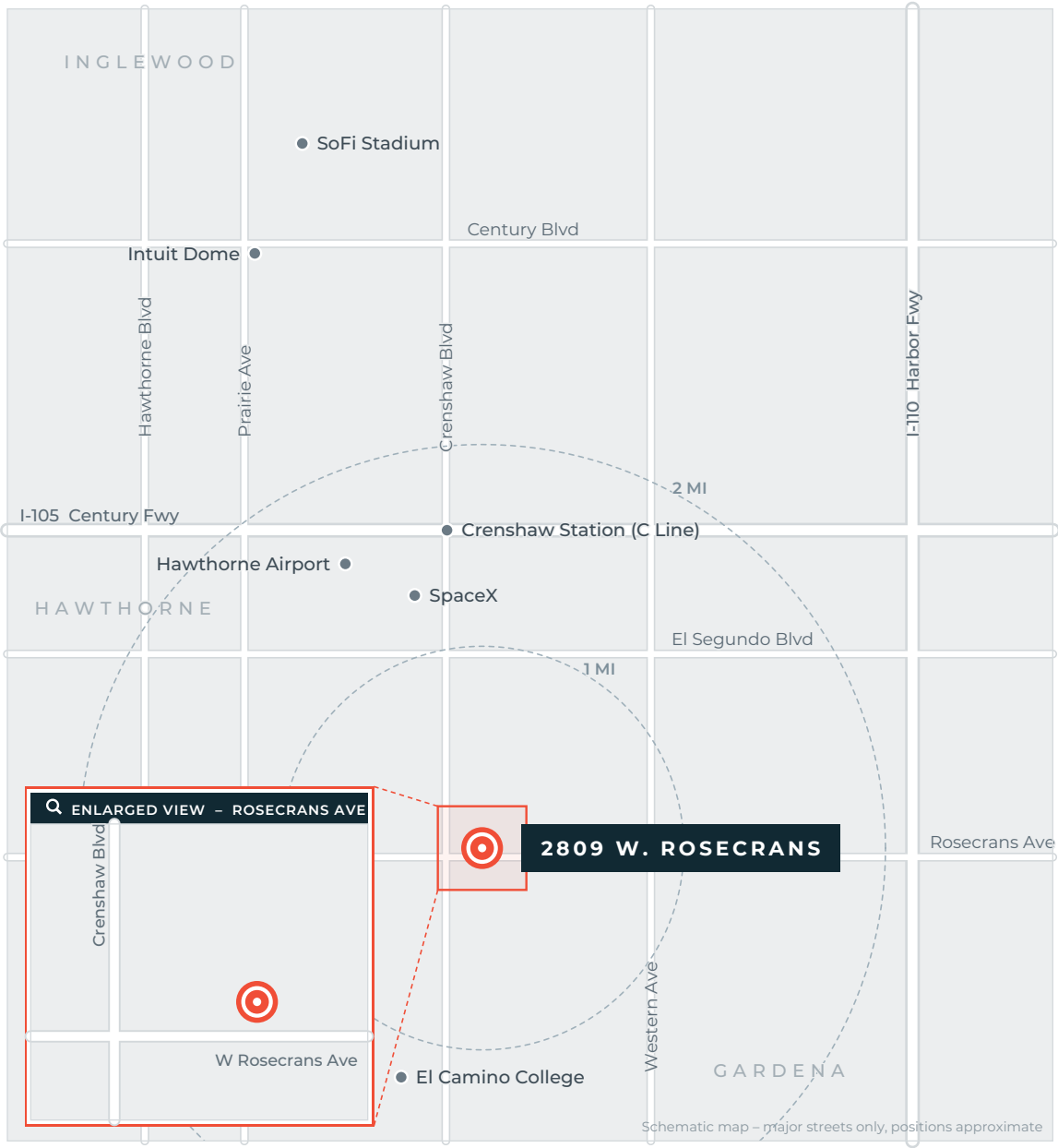




*Gardena does not have local rent control; however, the City of Gardena has a Rent Mediation Ordinance.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate, buyer must verify the information and bears all risk for any inaccuracies.

LOCATION OVERVIEW



SUBMARKET

Gardena – 90249
W. Rosecrans Ave / Crenshaw Blvd

Located on West Rosecrans Avenue just east of Crenshaw Boulevard, approximately 1 mile from SpaceX and 3 miles from SoFi Stadium and Intuit Dome, with direct access to the 110 Freeway and the employment hubs of the South Bay and Downtown Los Angeles.

WALK AND DRIVE

SpaceX	1 mi
El Camino College	1.2 mi
Hawthorne Municipal Airport	1.6 mi
Crenshaw Station (Metro C Line)	1.6 mi
I-110 Harbor Fwy (Rosecrans Ave)	2.1 mi
Intuit Dome	3 mi
SoFi Stadium	3 mi
LAX	5.6 mi
Downtown Los Angeles	11.4 mi

Approximate straight-line distances from the property; rings on the map at 1 and 2 miles.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate, buyer must verify the information and bears all risk for any inaccuracies.


intuit DOME
SoFi Stadium
SPACEX
TESLA
2809 W. Rosecrans Ave.


2809



UNIT 2 – LIVING ROOM

*Photo digitally enhanced/altered. Virtually staged with furniture and décor. Window blinds removed and dining area light fixture replaced.



UNIT 2 – KITCHEN

*Photo digitally enhanced/altered. Virtually staged with furniture and décor. Refrigerator added; open cabinet door closed; stains on cabinet end panel removed.



UNIT 2 – BEDROOM

*Photo digitally enhanced/altered. Virtually staged with furniture and décor. Smudges removed from closet mirror doors.



UNIT 2 – BATHROOM

*Photo digitally enhanced/altered. Virtually staged with furniture and décor.
Photo widened; shower curtain, tub front & door at left digitally generated; towel bar extended.



UNIT 2 – PRIVATE PATIO

*Photo digitally enhanced/altered. Virtually staged with furniture and décor. Outdoor rug placed over cracks in concrete slab; string lights added.


2809




2809
NO PARKING
TOWED AWAY




2809





FINANCIAL SUMMARY

RENT ROLL

UNIT NO.	STATUS	UNIT TYPE	CURRENT MONTHLY RENT	MARKET MONTHLY RENT
1	Occupied	3 Bed / 2 Bath	$3,010	$3,100
2	Delivered Vacant*	2 Bed / 1 Bath	$2,350	$2,350
3	Occupied	1 Bed / 1 Bath	$1,380	$1,900
4	Occupied	1 Bed / 1 Bath	$1,620	$1,900
5	Occupied	1 Bed / 1 Bath	$1,705	$1,900
TOTAL			**$10,065**	**$11,150**

*Unit 2 is shown at market rent in the current rent column and will be delivered vacant.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate, buyer must verify the information and bears all risk for any inaccuracies.

INCOME & EXPENSE

	CURRENT	PER UNIT	PRO-FORMA	PER UNIT
INCOME				
Scheduled Rent Income	$120,780	$24,156	$133,800	$26,760
GROSS POTENTIAL INCOME	**$120,780**	**$24,156**	**$133,800**	**$26,760**
Vacancy/Collection Allowance (3.0%)	($3,623)	($725)	($4,014)	($803)
EFFECTIVE GROSS INCOME	**$117,157**	**$23,431**	**$129,786**	**$25,957**
EXPENSES				
Taxes (1.25%)	$14,688	$2,938	$14,688	$2,938
Insurance (Estimated)	$4,960	$992	$4,960	$992
Water & Sewer (Actual)	$5,583	$1,117	$5,583	$1,117
Electricity (Actual)	$616	$123	$616	$123
Gas (Actual)	$1,201	$240	$1,201	$240
Trash (Actual)	$4,012	$802	$4,012	$802
Pest Control (Actual)	$1,223	$245	$1,223	$245
Landscaping (Actual)	$2,475	$495	$2,475	$495
Repairs & Maintenance ($400/Unit)	$2,000	$400	$2,000	$400
Reserves & Replacements ($200/Unit)	$1,000	$200	$1,000	$200
TOTAL EXPENSES	**$37,757**	**$7,551**	**$37,757**	**$7,551**
Expenses Per SF	$9.14		$9.14	
Expenses Per Unit	$7,551		$7,551	
% of EGI	32.2%		29.1%	
NET OPERATING INCOME	**$79,399**	**$15,880**	**$92,029**	**$18,406**

*Some expenses are estimated. Taxes are estimated at 1.25% of the list price.

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate, buyer must verify the information and bears all risk for any inaccuracies.

FINANCIAL SUMMARY

PRICING	
Price	**$1,175,000**
Down (40%)	**$470,000**
Current Cap	**6.76%**
Pro-Forma Cap	**7.83%**
Price/Unit	**$235,000**
Price/SF	**$284.30**
Current GRM	**9.73**
Pro-Forma GRM	**8.78**

PROPERTY INFORMATION	
Address	**2809 W. Rosecrans Avenue**
No. of Units	**5**
Year Built	**1958**
Lot Size (SF)	**6,309**
Lot Size (AC)	**0.14**
Net Rentable SF	**4,133**
APN	**4059-019-027**

FINANCING	
Loan Amount	**$705,000**
Interest Rate	**7.00%**
Monthly Payment	**$4,690**
Loan-to-Value	**60%**
Amortization (Years)	**30**
Term	**5-Year Fixed**

ANNUALIZED INCOME	CURRENT	PRO-FORMA
Scheduled Rent Income	$120,780	$133,800
Scheduled Gross Income	**$120,780**	**$133,800**
Less Vacancy 3.0%	($3,623)	($4,014)
Effective Gross Income	**$117,157**	**$129,786**
Less Operating Expenses % of EGI	($37,757) 32.2%	($37,757) 29.1%
Net Operating Income	**$79,399**	**$92,029**
Debt Service	($56,285)	($56,285)
Pre-Tax Cash Flow % of Down Payment	**$23,115** 4.92%	**$35,744** 7.61%
Principal Reduction	$7,161	$7,161
Total Return Before Taxes % of Down Payment	**$30,276** 6.44%	**$42,905** 9.13%

ANNUALIZED EXPENSES	CURRENT	PRO-FORMA
Taxes	$14,688	$14,688
Insurance	$4,960	$4,960
Water & Sewer	$5,583	$5,583
Electricity	$616	$616
Gas	$1,201	$1,201
Trash	$4,012	$4,012
Pest Control	$1,223	$1,223
Landscaping	$2,475	$2,475
Repairs & Maint.	$2,000	$2,000
Reserves	$1,000	$1,000
Total Expenses	**$37,757**	**$37,757**
Expenses Per Unit	$7,551	$7,551
Expenses Per SF	$9.14	$9.14

UNIT MIX

# OF UNITS	UNIT TYPE	CURRENT AVG RENT	CURRENT MONTHLY INCOME	MARKET AVG RENT	MARKET MONTHLY INCOME
1	3 Bed / 2 Bath	$3,010	$3,010	$3,100	$3,100
1	2 Bed / 1 Bath	$2,350	$2,350	$2,350	$2,350
3	1 Bed / 1 Bath	$1,568	$4,705	$1,900	$5,700
5			**$10,065**		**$11,150**

Current Occupancy	**80.0%**	Annual Current	**$120,780**	Annual Market	**$133,800**

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate, buyer must verify the information and bears all risk for any inaccuracies.

CONFIDENTIALITY AGREEMENT

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party intended to be receiving it from Shield CRE and should not be made available to any other person or entity without the written consent of Shield CRE. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation nor shall any information contained herein be relied upon in connection with such due diligence. Shield CRE has not made any investigation, and makes no warranty or representation, with respect to any aspect of the subject property or business, including but not limited to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Shield CRE has not verified, and will not verify, any of the information contained herein, nor has Shield CRE conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein and nothing contained herein is intended to be relied upon in any manner in connection with the purchase of the subject property.

NON-ENDORSEMENT NOTICE

Shield CRE is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Shield CRE, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Shield CRE, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

Disclaimer: Some property photos have been digitally enhanced/altered.

Link to Disclosure Regarding Digitally Enhanced Photos

Shield
COMMERCIAL REAL ESTATE

JONATHAN NIKFARJAM
Managing Principal

Direct 310.593.9868
Mobile 310.880.6807
jonathan@shieldcre.com
CalDRE #01856803

shieldcre.com
11150 W. Olympic Boulevard, Suite 1090,
Los Angeles, CA 90064