

# 26 UNIT DEVELOPMENT IN A QUALIFIED OPPORTUNITY ZONE WILL BE DELIVERED READY TO ISSUE

14715-14721 BLYTHE STREET, PANORAMA CITY, CA 91402 :: OFFERING MEMORANDUM



EXCLUSIVELY LISTED BY  
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**BROKER OF RECORD**

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# EXECUTIVE SUMMARY

# PROPERTY ABSTRACT

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## PROPERTY SUMMARY

PROPERTY NAME Blythe QOZ Development

ADDRESS 14715-14721 Blythe Street

CITY STATE Panorama City, CA 91402

PROJECTED BUILD DATE Late 2021-Early 2022

UNITS 26

BUILDING SF ± 25,047 SF

LOT SIZE ± 15,137 SF

APN(S) 2210-020-017/8

COUNCIL DISTRICT CD 6- Nury Martinez

TRANSIT ORIENTED COMMUNITY Tier 1

STATE ENTERPRISE ZONE YES

QUALIFIED OPPORTUNITY ZONE YES

SCHOOL AREA YES



## UNIT MIX

# of UNITS	TYPE	AVG UNIT SIZE
5	1 Bed / 1 Bath	596 SF
12	2 Bed / 2 Bath	680 SF
3	2 Bed / 2.5 Bath	1,080 SF
1	1 Bed / 1 Bath ELI	561 SF
2	2 Bed / 2 Bath ELI	759 SF
2	2 Bed / 2 Bath VLI	746 SF
1	2 Bed / 2 Bath LI	838 SF

## STRUCTURE OVERVIEW

- TYPE-V Construction
- On-grade Parking
- (23)-Standard + (1)- Disabled Spaces
- Plans call for RUBS system for individual water meters
- Designated area for installation of solar panels

# THE OPPORTUNITY

## OPPORTUNITY HIGHLIGHTS

26 units located in an opportunity zone. Huge tax savings upon proper execution of investment and hold strategy

Project shall be delivered with all permits Ready-to-Issue at the Close of Escrow

Within walking distance to the newly approved Metro Light Rail. Construction begins in 2021 with passenger service slated for 2027

Six units are set aside for affordable housing with a fifty-five (55) year affordability restriction along with two of the units serving as rent controlled market rate rentals

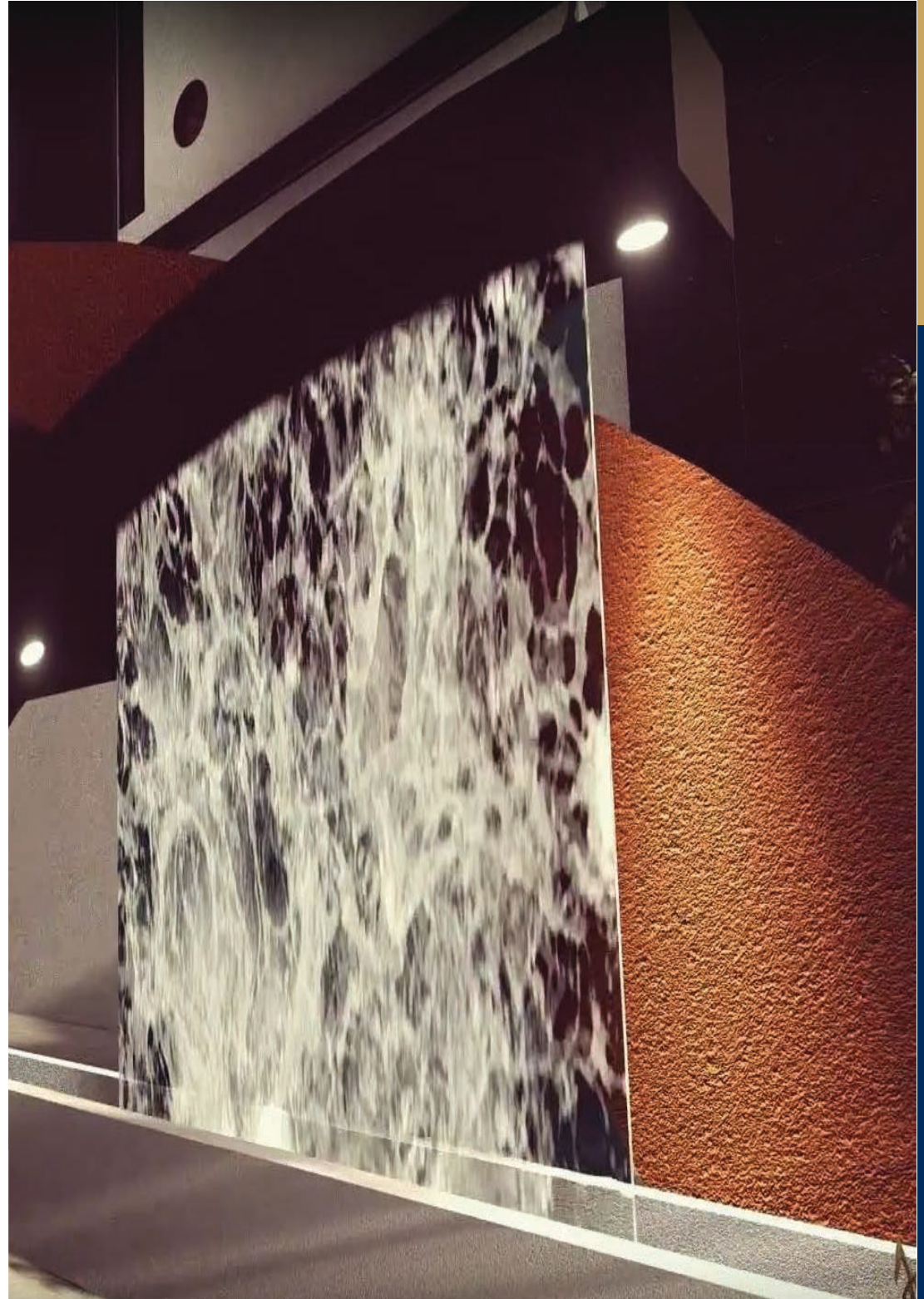
Within proximity to many retailers including Walmart, Home Depot, Ross Dress for Less, Smart & Final, PetSmart, Regency Theaters, and Kaiser Permanente

The Seller is a licensed professional contractor with experience of 20 years in building residential dwellings. Will consider building the project for a potential buyer and/or joint venture

Panorama City has seen a large influx of new developments setting the area as a great market for growth for an investor

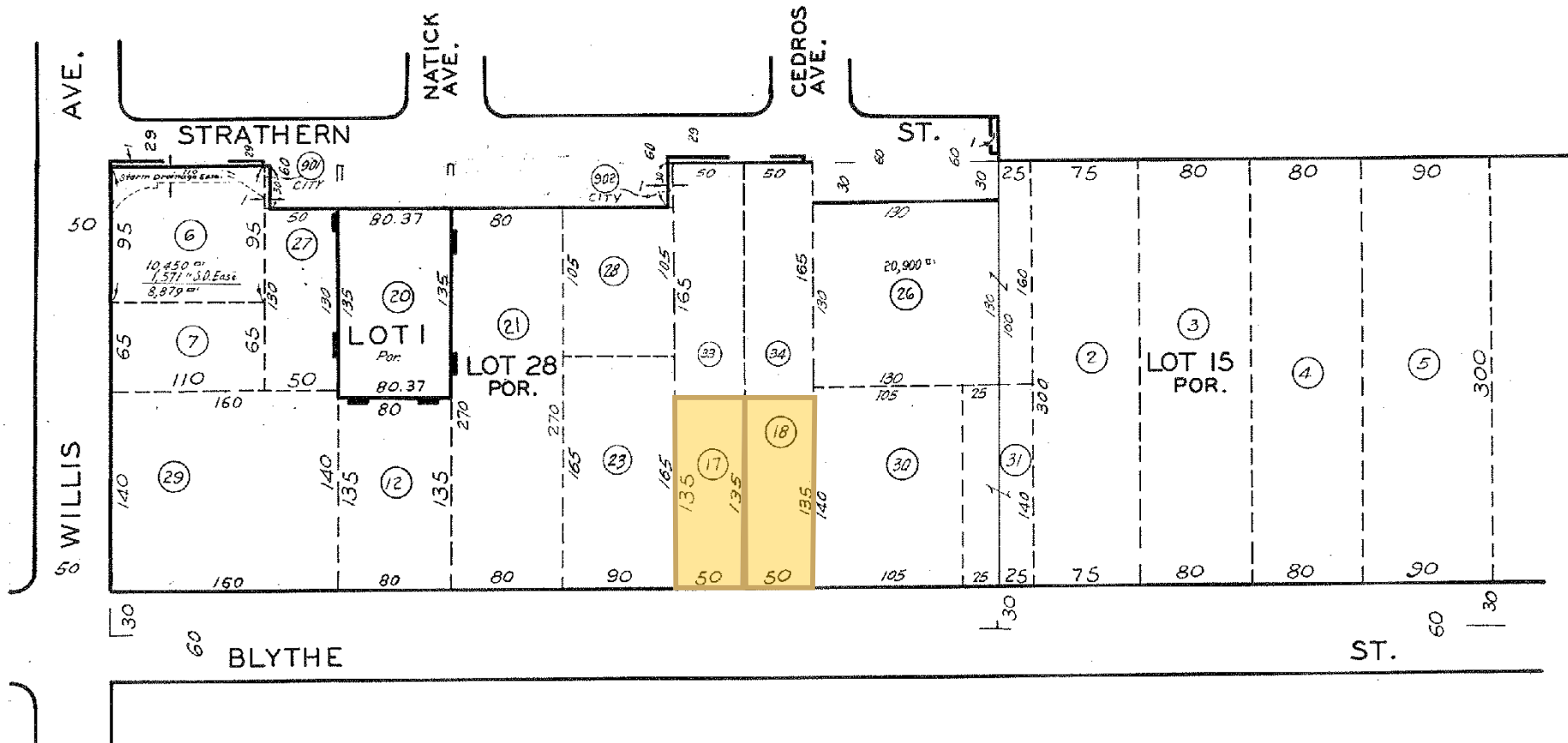
Easy access to CSUN, Panorama High School, Cal Burke High School, Michelle Obama Elementary, Andres and Maria Cardenas Recreation Center

Quick access to 405, 5, and 210 Freeways & Highways 170 & 118



# PARCEL MAP

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# AERIAL VIEW

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**70 VERY WALKABLE**

*Most errands can be accomplished on foot.*



**50 SOMEWHAT BIKEABLE**

*Flat as a pancake, some bike lanes.*



**69 GOOD TRANSIT**

*Many nearby public transportation options*

# PROPERTY RENDERINGS

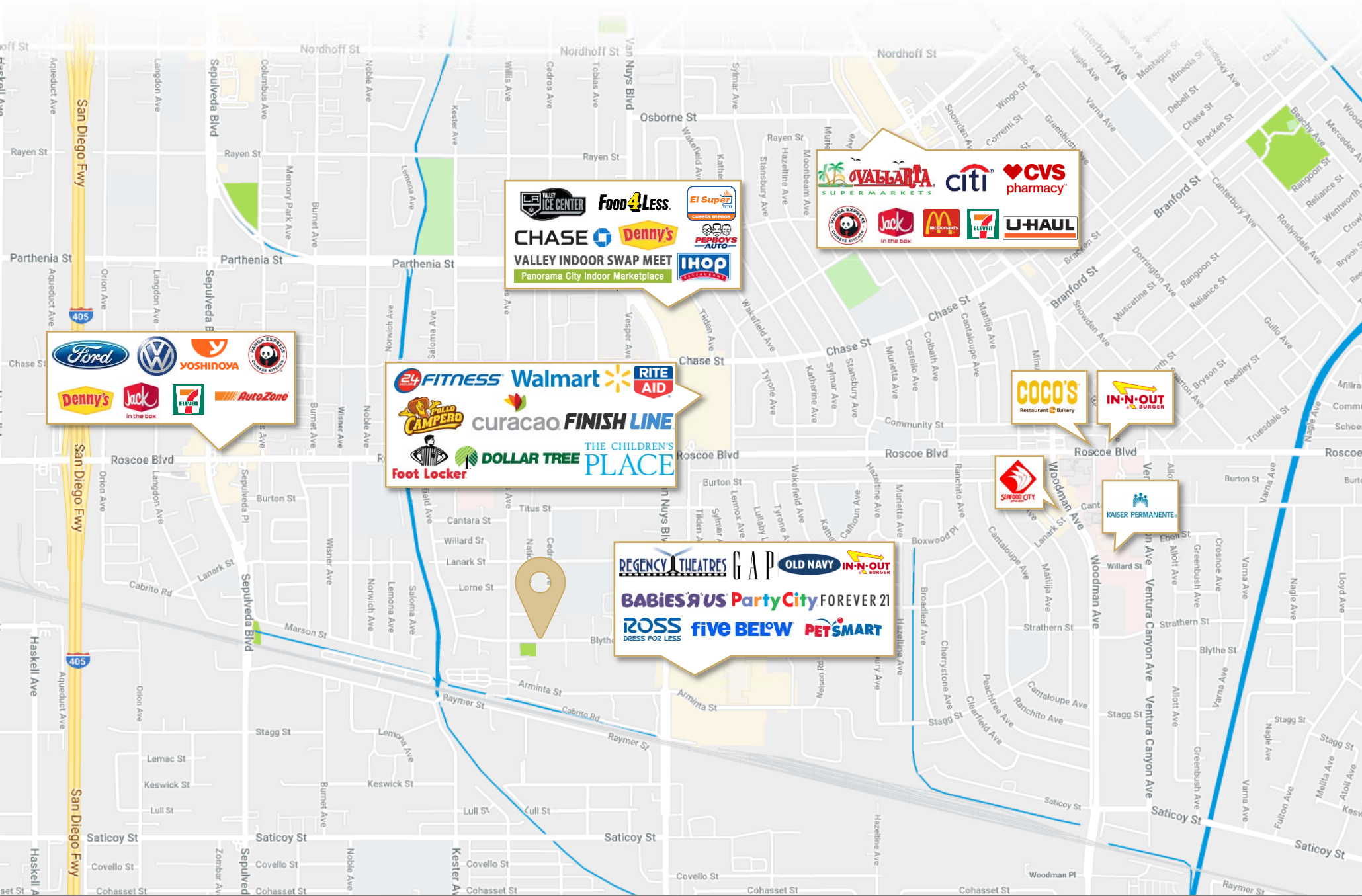
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# LOCATION MAP

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# CONSTRUCTION PRO-FORMA

# PROJECTED CONSTRUCTION COSTS

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## SUMMARY OF PROJECT

Entitled Units	26
Approximate Buildable Footprint:	25,047
Parking Footprint	8,170
Blended Total Construction Cost per SF (Hard Costs)	\$181.31
Approximate Construction Loan Amount	\$3,178,879

## ESTIMATED CONSTRUCTION COSTS

Land Cost	(\$2,199,000)
Hard Costs on Structure at \$165 per SF (±25,047)	(\$4,132,755)
Parking Construction Hard Costs at \$50 per SF (±8170 SF)	(\$408,500)
Permit Fees	(\$150,000)
Loan Interest (14 Months @ 5.5% interest)	(\$220,296)
GC Fees @ 5% of Hard Costs	(\$227,063)
Loan Origination @ 1% of Loan Amount	(\$31,789)
Property Taxes (14 Months @ 1.190162%)	(\$32,976)
Builders Insurance @ \$650 per Unit	(\$16,900)
<b>Total Costs</b>	<b>(\$7,419,279)</b>
Total Costs per SF (Not Including Land)	\$208.42

DISCLAIMER: The information contained herein is not a substitute for a thorough due diligence investigation. The Broker has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, zoning & land use, and the size and square footage of the property and improvements.

# BUILD AND HOLD CASHFLOW OVERVIEW

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TOTAL BUILD PRICE		
Price		\$7,419,279
Price per Unit		\$285,357
Price per SF		\$296.21
GRM	13.07	
Cap Rate	5.29%	
PROJECTED		

FINANCING <sup>(1)</sup>		
Down	40%	\$2,967,712
Loan	60%	\$4,451,567
Amort Years		30
Interest Rate		4.50%
Payments		(\$22,555)

THE ASSET		
Number of Units		26
Year Built		2021
Gross SF		25,047
Lot SF		15,137
APN		2210-020-017/8

**NOTES**  
Interest rates and loan-to-value figures are quotes of today's market terms and are subject to change. Contact your loan professional or financial institution for more accurate metrics.



## MONTHLY RENT SCHEDULE

NUMBER OF UNITS	UNIT TYPE	UNIT SF	PROJECTED	RENT / SF	PROJECTED TOTAL
5	1 Bed / 1 Bath	596	\$1,623.41	\$2.77	\$8,117.05
12	2 Bed / 2 Bath	951	\$2,303.80	\$2.43	\$27,645.60
3	2 Bed / 2.5 Bath	1,080	\$2,537.22	\$2.35	\$7,611.66
1	1 Bed / 1 Bath ELI	561	\$426.00	\$0.76	\$426.00
2	2 Bed / 2 Bath ELI	759	\$479.00	\$0.63	\$958.00
2	2 Bed / 2 Bath VLI	746	\$798.00	\$1.07	\$1,596.00
1	2 Bed / 2 Bath LI	838	\$958.00	\$1.14	\$958.00
					\$47,312.31

ANNUALIZED INCOME		PROJECTED
Gross Potential Rent		\$567,748
Loss-to-Lease	2%	(\$11,355)
Effective Gross Income		\$556,393

ANNUALIZED EXPENSES	ASSUMPTION	PROJECTED
Real Estate Taxes	1.196046%	(\$88,737.99)
Insurance	\$.30 per SF	(\$7,514.10)
Utilities	\$500 per Unit	(\$13,000.00)
Landscaping	\$150 per month	(\$1,800.00)
Repairs & Maintenance	2.5% of EGI	(\$13,909.82)
Rubbish	\$400 per Month	(\$4,800.00)
RUBS Monitoring	\$300 per Month	(\$3,600.00)
On-Site Management	\$500 per Unit	(\$13,000.00)
Off-Site Management	3% of EGI	(\$16,691.78)
Pest Control	\$75 per month	(\$900.00)
Total Expenses		(\$163,953.69)
Expenses per Unit		\$6,305.91
Expenses/SF		\$6.55
% of EGI		29.47%

RETURN		PROJECTED
NOI		\$392,439.07
Less Debt		(\$270,665.26)
Cashflow		\$121,773.82
Cash on Cash		4.10%
DSCR		1.45

# PROJECTED RENT ROLL

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UNIT NUMBER	UNIT TYPE	UNIT SF	PROJECTED RENT	RENT PER SF	NOTES
1	1 Bed / 1 Bath	561	\$426.00	\$0.76	Extremely Low Income
2	1 Bed / 1 Bath	528	\$1,504.80	\$2.85	
3	1 Bed / 1 Bath	685	\$1,781.00	\$2.60	
4	2 Bed / 2 Bath	1030	\$2,420.50	\$2.35	
5	2 Bed / 2 Bath	719	\$479.00	\$0.67	Extremely Low Income
6	2 Bed / 2 Bath	807	\$2,017.50	\$2.50	
7	2 Bed / 2 Bath	924	\$2,310.00	\$2.50	
8	2 Bed / 2 Bath	954	\$2,241.90	\$2.35	
9	2 Bed / 2.5 Bath	1079	\$2,535.65	\$2.35	
10	1 Bed / 1 Bath	560	\$1,568.00	\$2.80	
11	1 Bed / 1 Bath	521	\$1,484.85	\$2.85	
12	1 Bed / 1 Bath	684	\$1,778.40	\$2.60	
13	2 Bed / 2 Bath	1029	\$2,366.70	\$2.30	
14	2 Bed / 2 Bath	745	\$798.00	\$1.07	Very Low Income
15	2 Bed / 2 Bath	798	\$479.00	\$0.60	Extremely Low Income
16	2 Bed / 2 Bath	923	\$2,307.50	\$2.50	
17	2 Bed / 2 Bath	980	\$2,401.00	\$2.45	
18	2 Bed / 2.5 Bath	1078	\$2,533.30	\$2.35	
19	2 Bed / 2 Bath	838	\$958.00	\$1.14	Low Income
20	2 Bed / 2 Bath	1052	\$2,440.64	\$2.32	
21	2 Bed / 2 Bath	1034	\$2,429.90	\$2.35	
22	2 Bed / 2 Bath	746	\$798.00	\$1.07	Very Low Income
23	2 Bed / 2 Bath	807	\$2,017.50	\$2.50	
24	2 Bed / 2 Bath	922	\$2,305.00	\$2.50	
25	2 Bed / 2 Bath	955	\$2,387.50	\$2.50	
26	2 Bed / 2.5 Bath	1082	\$2,542.70	\$2.35	
TOTALS / AVERAGES		848	\$47,312	\$2.12	

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# MARKET COMPARABLES

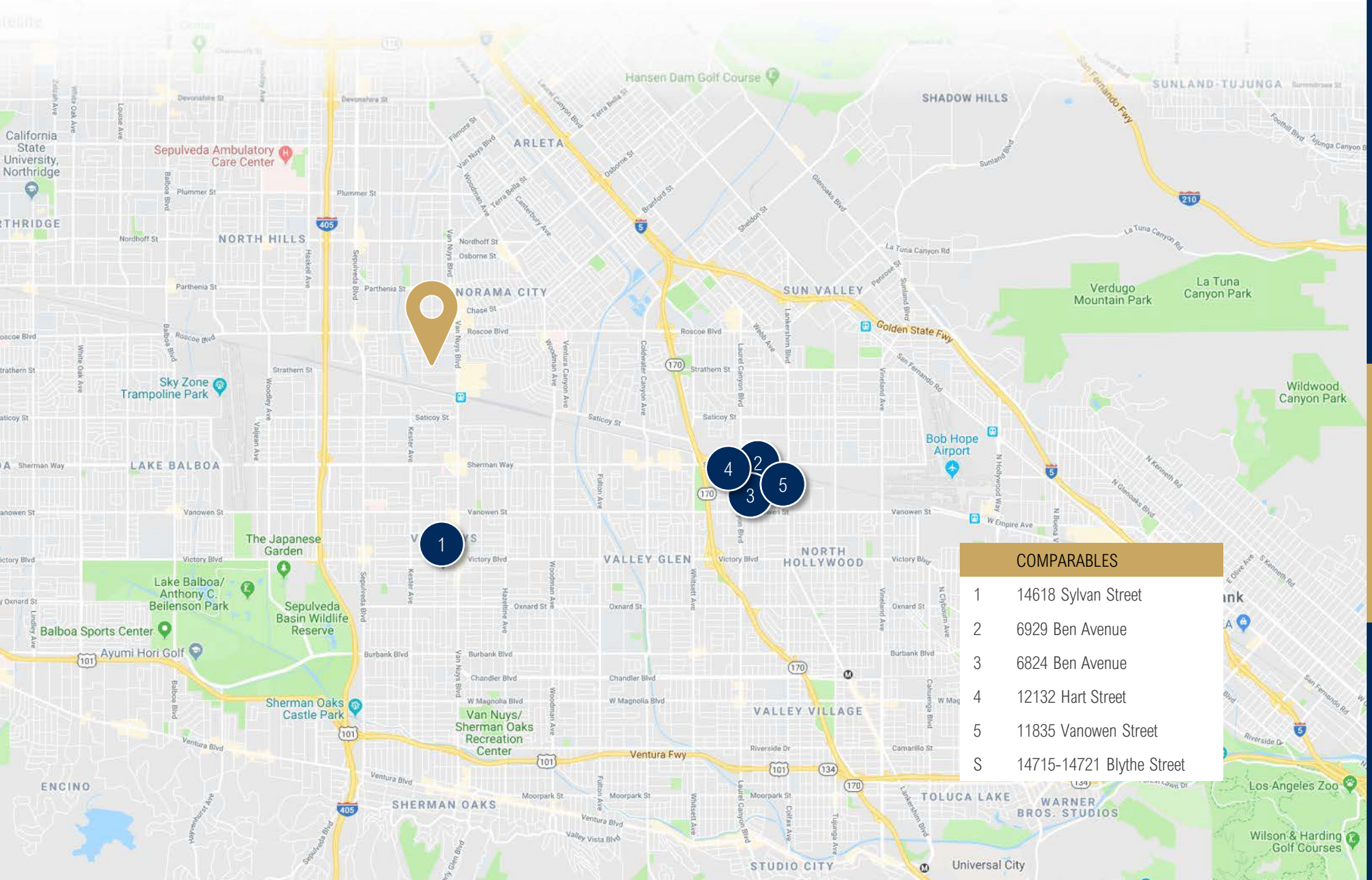
# SALE COMPARABLES

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ADDRESS	# OF UNITS	BUILDING SF	LOT SIZE	YEAR BUILT	UNIT MIX	SALE DATE	PRICE	PRICE PER SF	PRICE PER UNIT	CAP RATE	GRM
1 14618 Sylvan Street Van Nuys, CA 91411	10	10,550	7,841	2016	(4)-1 Bed / 1 Bath (6)- 2 Bed / 2 Bath	08/16/19	\$4,000,000	\$379	\$400,000	4.26%	15.95
2 6929 Ben Avenue North Hollywood, CA 91605	6	5,324	7,841	2005	(4)- 3 Bed / 2 Bath (2)- 2 Bed / 1 Bath	06/14/19	\$1,950,000	\$366	\$325,000	4.58%	14.33
3 6824 Ben Avenue North Hollywood, CA 91605	5	5,400	7,989	2018	(5)- 3 Bed / 2 Bath	09/21/18	\$2,000,000	\$370	\$400,000	5.25%	11.90
4 12132 Hart Street North Hollywood, CA 91605	9	8,035	8,816	2017	(3)- 1 Bed / 1 Bath (6)- 2 Bed / 2 Bath	07/31/18	\$3,912,000	\$444	\$434,667	3.35%	19.03
5 11835 Vanowen Street North Hollywood, CA 91605	10	15,514	8,276	2011	(6) - 2 Bed / 2 Bath (4)- 3 Bed / 2 Bath	09/28/18	\$3,655,000	\$236	\$365,500	4.26%	15.22
<b>Total/Averages</b>	<b>8</b>	<b>8,965</b>	<b>8,153</b>	<b>2013</b>	<b>-</b>	<b>01/09/19</b>	<b>\$3,103,400</b>	<b>\$359</b>	<b>\$385,033</b>	<b>4.34%</b>	<b>15.29</b>
<b>Subject</b> 14715-14721 Blythe Street Panorama City, CA 91402	26	25,047	15,131	2021	(6)- 1 Bed / 1 Bath (3)- 2 Bed / 2.5 Bath (17)- 2 Bed / 2 Bath	Issuance of Certificate of Occupancy	<b>\$7,419,279</b>	<b>\$296</b>	<b>\$285,357</b>	<b>5.29%</b>	<b>13.07</b>

# SALE COMPARABLES

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COMPARABLES	
1	14618 Sylvan Street
2	6929 Ben Avenue
3	6824 Ben Avenue
4	12132 Hart Street
5	11835 Vanowen Street
S	14715-14721 Blythe Street



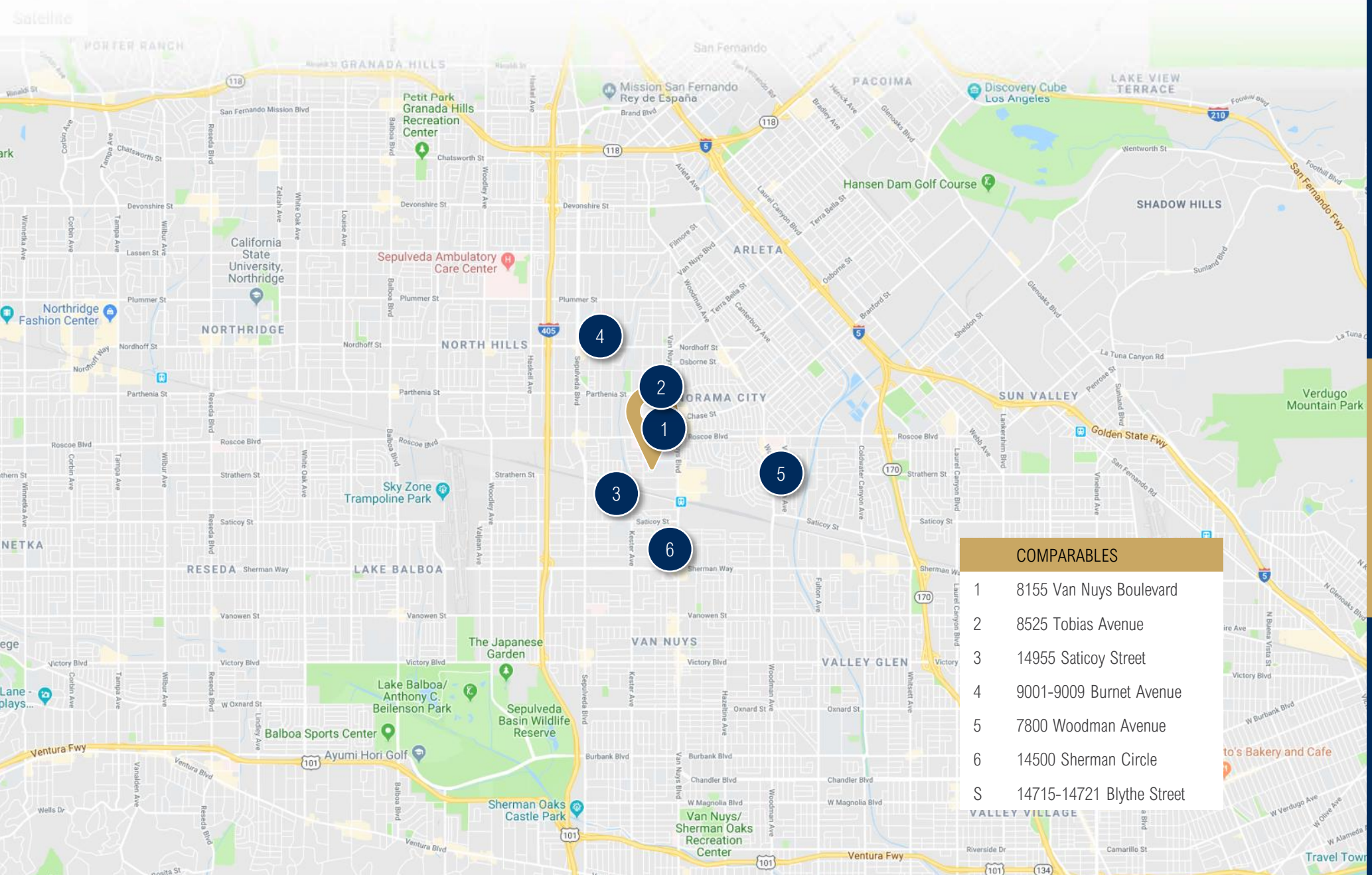
# LEASE COMPARABLES

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ADDRESS	UNIT TYPE	UNIT SF	RENT AMOUNT	RENT PER SF	YEAR BUILT	UNIT AMENITIES
<b>1 PANORAMA TOWER</b> 8155 Van Nuys Boulevard Panorama City, CA 91402	1 Bed / 1 Bath 2 Bed / 2 Bath	715 996	\$1,900 \$2,350	\$2.66 \$2.36	2019	Concrete polished floors, Floor to ceiling windows, On-site laundry room, Swimming pool, Common area lounge, Fitness center, On site security
<b>2 CIELO</b> 8525 Tobias Avenue Panorama City, CA 91402	1 Bed / 1 Bath	585	\$1,580	\$2.70	1985	On-site laundry facility, Dish washers, Carpet floorings, Fitness Center, Sauna, Pool, Basketball court, High speed internet access, Business center
<b>3 SATICOY GARDENS</b> 14955 Saticoy Street Van Nuys, CA 91405	2 Bed / 2 Bath	915	\$2,040	\$2.23	1986	Fitness center, Spa, Pool, On-site laundry facilities, Zen garden, Courtyard, Mixture of hardwood floors, carpet, and/or vinyl flooring
<b>4 BURNET TOWNHOMES</b> 9001-9009 Burnet Avenue North Hills, CA	2 Bed / 2.5 Bath TH	1,489	\$3,461	\$2.32	2009	Some units have balcony or patio, Granite countertops, Washer / dryer hook-ups, Two assigned parking spaces, Large walk-in closets
<b>5 SUNSET POINTE APARTMENTS</b> 7800 Woodman Avenue Panorama City, CA 91402	1 Bed / 1 Bath	640	\$1,700	\$2.66	1970	Spa , Pool, On-site laundry room, Common area fire pit, Owner pays gas, Walk-in closets, Carpet or vinyl flooring
<b>6 IMT SHERMAN CIRCLE</b> 14500 Sherman Circle Van Nuys, CA 91405	1 Bed / 1 Bath	834	\$2,181	\$2.62	2016	Balconies, Fitness Center, Clubhouse, Picnic Area, On-site laundry facilities, High speed internet access, Spa & Pool
<b>AVERAGES</b>	1 Bedrooms 2 Bedrooms	647 1,133	\$1,727 \$2,617	\$2.66 \$2.30		
<b>S Subject</b> 14715-14721 Blythe Street Panorama City, CA 91402	1 Bed / 1 Bath 2 Bed / 2 Bath	596 976	\$1,633 \$2,214	\$2.74 \$2.27		

# LEASE COMPARABLES

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# LOCATION OVERVIEW

# COMMUNITY OF PANORAMA CITY

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## PANORAMA CITY

Panorama City is a neighborhood in the city of Los Angeles, California, in the San Fernando Valley. It has a generally young age range as well as the highest population density in the San Fernando Valley.

Known as the valley's first planned community following a transition from agriculture to a post-World War II housing boom, it has produced several notable residents. Today it is a mixture of single-family homes and low-rise apartment buildings. Panorama City has three high schools, two recreational centers, a senior center, two hospitals and a chamber of commerce.

## COMMUNITY SNAPSHOT



8.2

Area Square Miles



60,363

Total Population



\$53,969

Average HH Income



\$484,583

Average Home Price

# KEY AREA DEVELOPMENTS

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**8802 Van Nuys Boulevard**  
5-Story building featuring 24 apartments with office space. The proposed development is contingent on a determination of compliance with the Panorama City community design overlay.



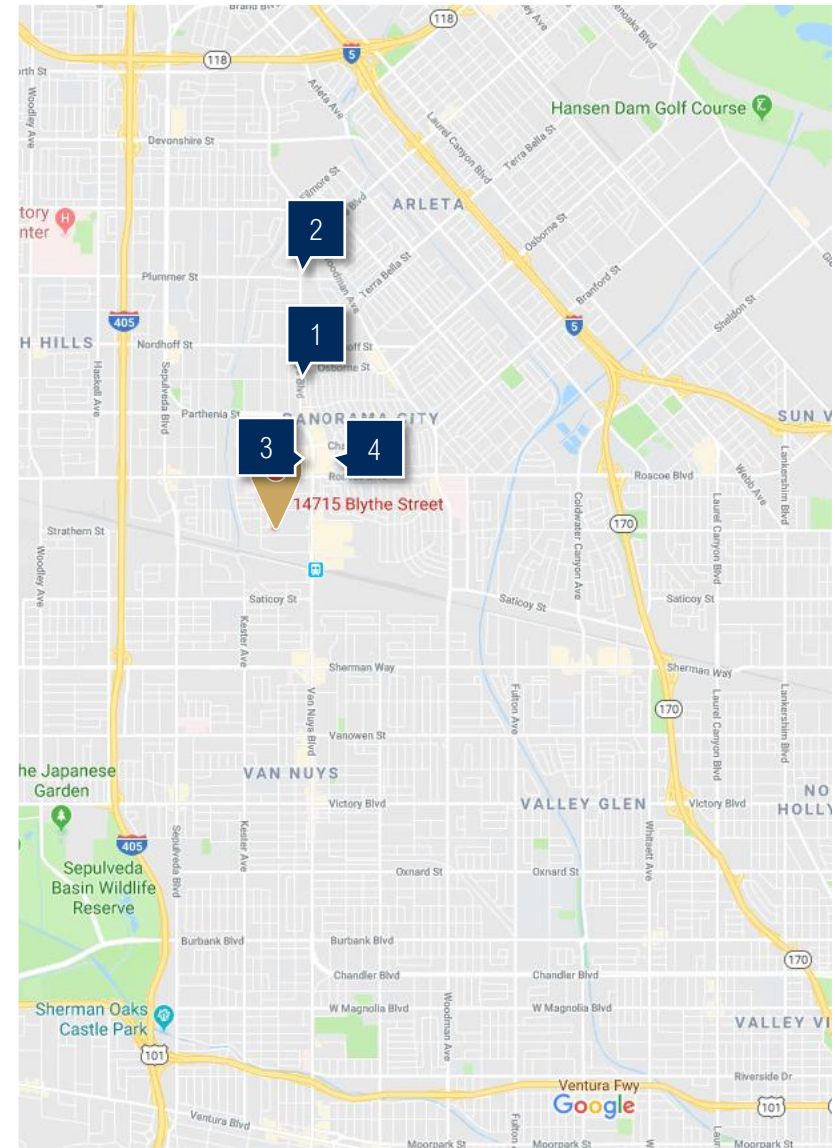
**9502 Van Nuys Boulevard**  
4-Story building featuring 59 residential units above basement and at-grade parking for 94 vehicles.



**Roscoe Blvd & Tobias Ave**  
422 apartments and approximately 200,000 square feet of commercial uses.



**Van Nuys Blvd & Roscoe Blvd**  
266,000 square feet new new programmed space on the parking lot along adjacent to the mall. The project would include 130,000 square feet of shops and restaurants, a 2,000-seat theater, a 100-to-120-room hotel, as well as landscaped plazas and open space throughout.



# SAN FERNANDO VALLEY

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## SAN FERNANDO VALLEY




Almost 2.5 million people reside in the San Fernando Valley, which includes the submarkets of Northridge-Northwest San Fernando Valley; Van Nuys-Northeast San Fernando Valley; Woodland Hills; Burbank-Glendale-Pasadena; as well as Sherman Oaks-North Hollywood-Encino. The area's population is expected to increase by 1.9 percent through 2019, or by nearly 45,000 new residents.

## ENTERTAINMENT INDUSTRY

Known for its entertainment industry, the Valley boasts more than 100 soundstages. Entertainment giants calling the Valley home include Walt Disney Co., Universal Studios, Warner Brothers, DreamWorks and Paramount Ranch. The entertainment industry continues to set the area's economic pulse. Local motion picture and entertainment companies employ roughly 25,000 people.

## LIMITLESS OPPORTUNITIES

While the Valley has grown into the world's center for entertainment, aerospace giants Boeing and Northrop Grumman, and 21st Century Insurance also generate numerous well-paying jobs. Healthcare is also a major source of employment with providers that include Kaiser Permanente, and Providence Health & Services. As a result of its large concentration of high-salaries and successful companies, the area's median household income of \$59,300 per year has risen dramatically since 2000. Although the median home prices dipped during the recession, affordability remains a challenge for much of the local population. High home prices keep the homeownership rate near 50% in the San Fernando Valley and provide a large rental base.

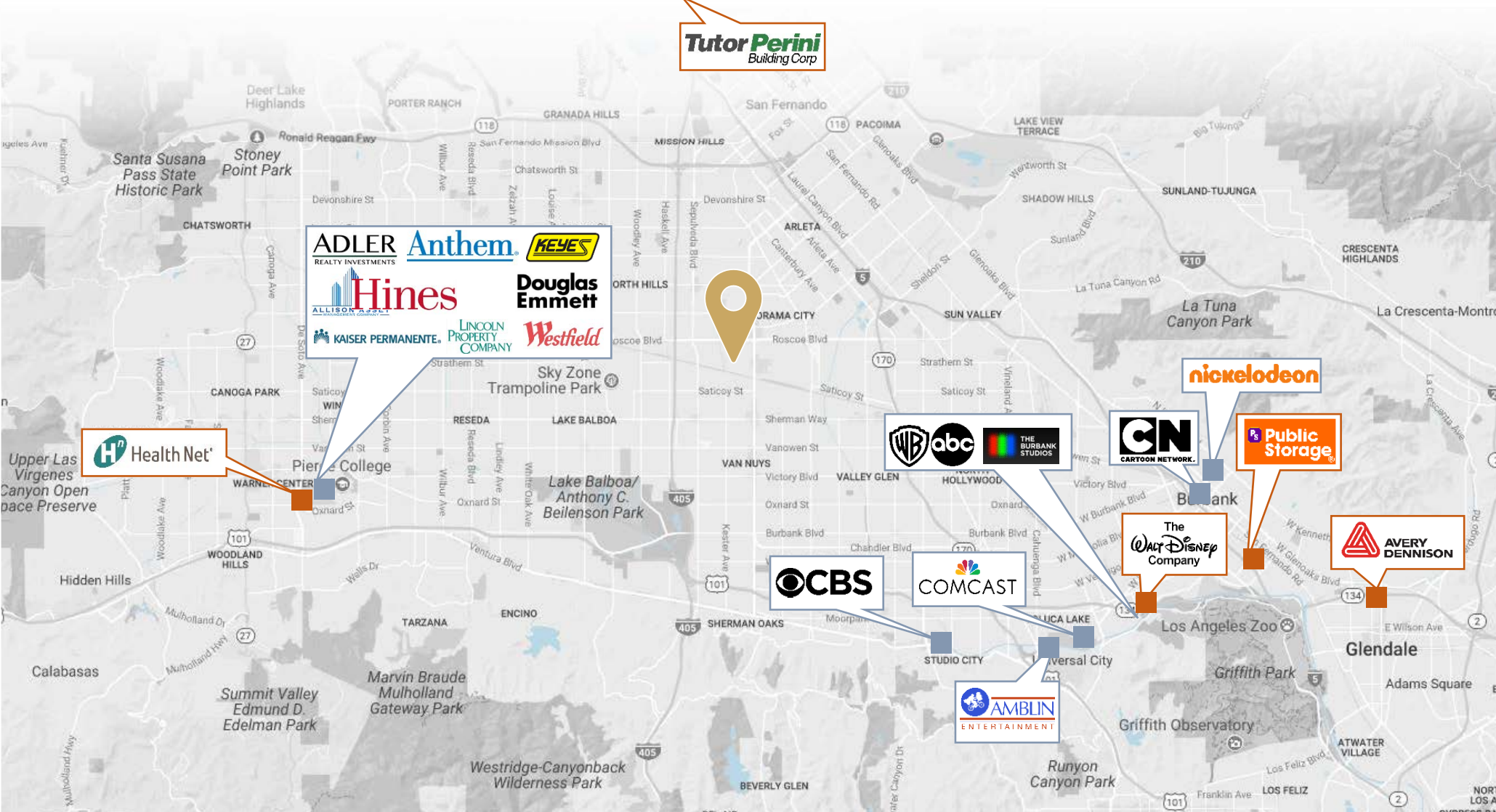
DEMOGRAPHICS		1 Mi.	3 Mi.	5 Mi.
<b>POPULATION</b>				
	2022 Projection	35,663	220,315	651,770
	2017 Estimate	33,795	210,621	626,983
	Growth %	5.53%	4.60%	3.95%
<b>HOUSEHOLDS</b>				
	2022 Projection	19,044	98,338	285,055
	2017 Estimate	18,006	93,615	273,249
	Growth %	5.76%	5.04%	4.32%
<b>INCOME</b>				
	2017 Avg. HH Income	\$91,741	\$101,647	\$94,147
	2017 Median HH Income	\$66,984	\$65,594	\$59,492

## SAN FERNANDO VALLEY COMPANY HEADQUARTERS

<b>FORTUNE 500/1000</b>				
				
<b>OTHER MAJOR FIRMS</b>				
				
				

# SAN FERNANDO VALLEY TOP EMPLOYERS

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## COMPANIES HEADQUARTERED IN THE SAN FERNANDO VALLEY

■ FORTUNE 500/1000 COMPANIES: Dole, AMGEN, TELEDYNE TECHNOLOGIES, NORTHROP GRUMMAN, Tutor Perini Building Corp, Public Storage, Health Net, Nestle, AVERY DENNISON  
■ OTHER MAJOR FIRMS: MARVEL, RYLAND HOMES, WB, abc, THE BURBANK STUDIOS, ADLER REALTY INVESTMENTS, KAISER PERMANENTE, Westfield, Anthem, KEYES, Hines, LINCOLN PROPERTY COMPANY, Douglas Emmett

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AGGREGATE INVESTMENT  
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