

OFFERING MEMORANDUM

FOUR UNITS WITH "READY-TO-ISSUE" PLANS FOR GARAGE CONVERSION ACCESSORY DWELLING UNIT

601 WEST 49TH STREET

LOS ANGELES, CA 90037



AGGREGATE
INVESTMENT
PARTNERS

601 WEST
49TH STREET
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BROKER OF RECORD
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An aerial photograph of a residential neighborhood. The central focus is a two-story house with a light-colored facade and a dark roof. The house has a prominent front porch with a tiled roof and a satellite dish on the roof. The house is surrounded by other houses with similar architectural styles. The image is overlaid with a semi-transparent white box containing the text "EXECUTIVE SUMMARY".

EXECUTIVE SUMMARY

Four Units with "ready-to-issue" Plans for a Garage Conversion Accessory Dwelling Unit

EXECUTIVE SUMMARY



Pricing Overview ⁽¹⁾

Asset Pricing	\$1,050,000	
Price per Unit	\$210,000	
Price per SF	\$189.33	
GRM	10.24	9.40
Cap Rate	7.04%	7.94%
	CURRENT	PROJECTED

Asset Overview ⁽¹⁾

Number of Units	4 Units + "RTI" Garage Conversion ADU
Year Built	1922
Gross SF	5,546
Lot SF	6,794
APN	5018-025-019

(1) The asset overview includes four existing units with a "ready-to-issue" ADU



PROPERTY OVERVIEW

THE OPPORTUNITY

THE ASSET

Located at 601 West 49th Street in Los Angeles, California, this four-unit apartment complex offers a “ready-to-issue” garage conversion accessory dwelling unit for a legal market-rate fifth unit. Currently, three of the four units are vacant offering huge upside to a new buyer. Inclusive of the fifth unit ADU, the building offers a total square footage of ±5,546 on a ±6,794 square foot lot.

POTENTIAL FOR ADDITIONAL BEDROOMS IN EXISTING UNITS

Each of the existing four units are large with a possibility to create additional bedrooms for higher potential rent (buyer to verify). Furthermore, each unit offers separate water heaters and washer/dryer hook-ups allowing for an owner to provide premium finishes for a new potential renter.

RESIDENTIAL FINANCING

Currently, the asset qualifies for a 30-year fixed residential financing. With proper timing, there is potential for a Buyer to lock in double digit cash flows for the following 30 Years (Buyer to verify). By refinancing the asset prior to the issuance of the ADU's certificate of occupancy, a Buyer may finance their new five-unit asset with residential financing (Buyer to Verify).

- Four units with “ready-to-issue” plans for a garage conversion accessory dwelling unit
- Existing 1-bedroom units are approximately ±1,150 SF allowing possibilities for a buyer to increase bedroom counts to two or three bedrooms (buyer to verify)
- Great price per SF inclusive of accessory dwelling unit of \$189.33
- Located in vastly improving marketplace with the asset’s location near 110 Freeway, University of Southern California, and Downtown Los Angeles
- Each unit maintains a separate water heater and washer/dryer hook-ups
- The upper level units maintain private balconies
- Kitchens offer private dining nooks with built in seating
- Potential for thirty-year residential financing with five units (buyer to verify)

USC VILLAGE



George Lucas Museum



Microsoft Theater

LA LIVE

Staples Center

Los Angeles Convention Center

Ritz Carlton

Wilshire Grand Center

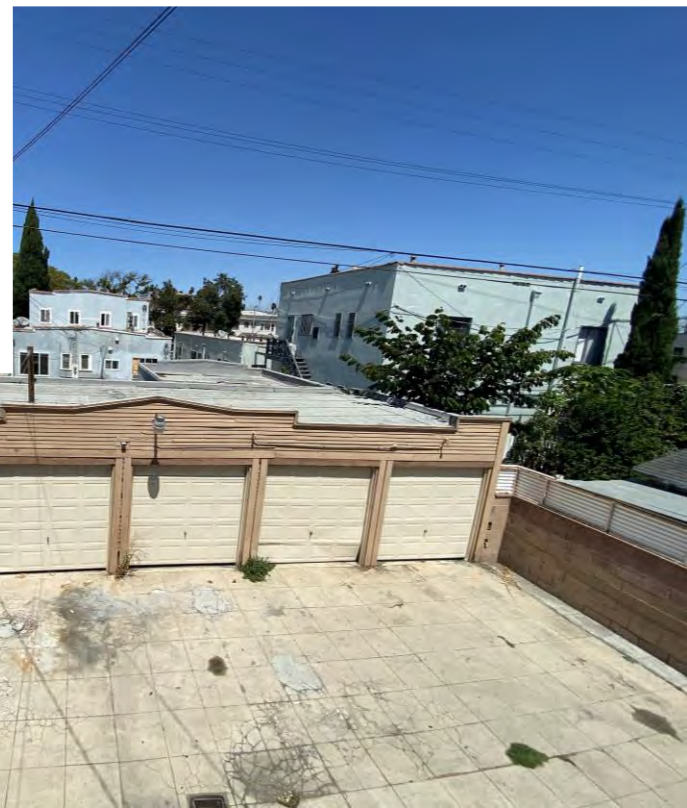
US Bank Tower

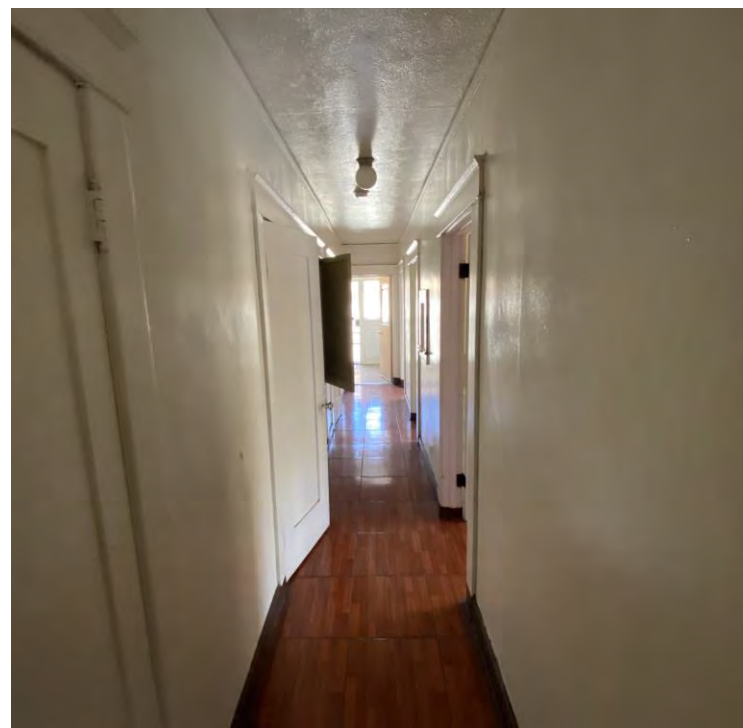


49TH STREET

FIGUEROA ST











FINANCIAL OVERVIEW

Four Units with "ready-to-issue" Plans for a Garage Conversion Accessory Dwelling Unit

FINANCIAL OVERVIEW

EXISTING UNIT CONFIGURATIONS

Pricing Overview		
Asset Pricing		\$1,050,000
Price per Unit		\$210,000
Price per SF		\$189.33
GRM	10.24	9.40
Cap Rate	7.04%	7.94%
	CURRENT	PROJECTED

Financing Overview		
Down	25%	\$262,500
Loan	75%	\$787,500
Amort Years		30
Interest Rate		3.75%
Payments		(\$3,647)

Asset Overview ⁽¹⁾	
Number of Units	5
Year Built	1922
Gross SF	5,546
Lot SF	6,794
APN	5018-025-019



Annual Income		Current ⁽²⁾	Projected
Gross Potential Rent		\$102,540.00	\$111,756.00
General Vacancy	3%	(\$3,076.20)	(\$5,587.80)
Effective Gross Income		\$99,463.80	\$106,168.20

Annual Expenses		Current ⁽²⁾	Projected
Real Estate Taxes	1.174279%	(\$12,329.93)	(\$12,329.93)
Direct Assessments	per LA County	(\$473.00)	(\$473.00)
Insurance	\$.50 PER SF	(\$2,773.00)	(\$2,773.00)
Utilities	\$975 per Unit	(\$4,875.00)	(\$1,950.00)
Repairs & Maintenance	3% of EGI	(\$2,983.91)	(\$3,185.05)
Landscaping	\$100 per Month	(\$1,200.00)	(\$1,200.00)
Pest Control	\$75 per Month	(\$900.00)	(\$900.00)
Total Expenses		(\$25,534.84)	(\$22,810.98)
Expenses per Unit		\$5,106.97	\$4,562.20
Expenses/SF		\$4.60	\$4.11
% of EGI		25.67%	21.49%

Return		Current ⁽²⁾	Projected
NOI		\$73,928.96	\$83,357.22
Less Debt		(\$43,764.42)	(\$43,764.42)
Cashflow		\$30,164.53	\$39,592.80
Cash on Cash		11.49%	15.08%
DSCR		1.69	1.90

Underwriting Notes

(1) :The asset overview includes four existing units with a "ready-to-issue" ADU

(2): Currently, three of the four existing units are vacant. The vacant units have been marked-to-market with Section 8 rents of \$1,668

FINANCIAL OVERVIEW WITH POTENTIAL ADDITIONAL BEDROOMS

Pricing Overview		
Listing Price		\$1,050,000
Price per Unit		\$210,000
Price per SF		\$189.33
GRM	7.78	6.63
Cap Rate	9.55%	11.90%
	2 BEDROOM PROJECTED	3 BEDROOM PROJECTED

Financing Overview		
Down	25%	\$262,500
Loan	75%	\$787,500
Amort Years		30
Interest Rate		3.75%
Payments		(\$3,647)

Asset Overview ⁽¹⁾	
Number of Units	5
Year Built	1922
Gross SF	5,546
Lot SF	6,794
APN	5018-025-019



Annual Income		Projected ⁽²⁾	Projected ⁽³⁾
Gross Potential Rent		\$134,940.00	\$158,460.00
General Vacancy	3%	(\$6,747.00)	(\$4,753.80)
Effective Gross Income		\$128,193.00	\$153,706.20

Annual Expenses		Projected ⁽²⁾	Projected ⁽³⁾
Real Estate Taxes	1.174279%	(\$12,329.93)	(\$12,329.93)
Direct Assessments	per LA County	(\$473.00)	(\$473.00)
Insurance	\$.50 PER SF	(\$2,773.00)	(\$2,773.00)
Utilities	\$1,020 per Unit	(\$5,100.00)	(\$4,875.00)
Repairs & Maintenance	4% of EGI	(\$5,127.72)	(\$6,148.25)
Landscaping	\$100 per Month	(\$1,200.00)	(\$1,236.00)
Pest Control	\$75 per Month	(\$900.00)	(\$900.00)
Total Expenses		(\$27,903.65)	(\$28,735.18)
Expenses per Unit		\$5,580.73	\$5,747.04
Expenses/SF		\$5.03	\$5.18
% of EGI		21.77%	18.69%

Return		Projected ⁽²⁾	Projected ⁽³⁾
NOI		\$100,289.35	\$124,971.02
Less Debt		(\$43,764.42)	(\$43,764.42)
Cashflow		\$56,524.93	\$81,206.60
Cash on Cash		21.53%	30.94%
DSCR		2.29	2.86

Underwriting Notes

- (1) : The asset overview includes four existing units with a "ready-to-issue" ADU
- (2) : Projected income with existing units converted to two bedrooms with Section 8 rents of \$2,151 and three bedroom ADU with Section 8 rents.
- (3) : Projected Income with existing units converted to three bedroom units with Section 8 Rents of \$2,641

RENT ROLL

EXISTING UNIT CONFIGURATIONS

Unit Number	Unit Type	Unit SF	Current Rent	Rent per SF	Projected Rent	Projected Rent per SF
601	1 Bed / 1 Bath	1150	-	-	\$1,668	\$1.45
601 1/2	1 Bed / 1 Bath	1150	\$900	\$0.78	\$1,668	\$1.45
603	1 Bed / 1 Bath	1150	-	-	\$1,668	\$1.45
603 1/2	1 Bed / 1 Bath	1150	-	-	\$1,668	\$1.45
603 3/4	3 Bed / 2 Bath ADU	842	-	-	\$2,641	\$3.14
Totals / Averages		5,442	\$900	\$0.78	\$9,313	\$1.79

PROJECTED RENT ROLL

POTENTIAL ADDITIONAL BEDROOMS OF TWO BEDS (SCENARIO ONE) OR THREE BEDS (SCENARIO TWO)

Unit Number	Scenario One Type	Unit SF	Current Rent	Rent per SF	Scenario Two Type	Projected Rent	Projected Rent per SF
601	2 Bed / 1 Bath	1150	\$2,151	\$1.87	3 Bed / 1 Bath	\$2,641	\$2.30
601 1/2	2 Bed / 1 Bath	1150	\$2,151	\$1.87	3 Bed / 1 Bath	\$2,641	\$2.30
603	2 Bed / 1 Bath	1150	\$2,151	\$1.87	3 Bed / 1 Bath	\$2,641	\$2.30
603 1/2	2 Bed / 1 Bath	1150	\$2,151	\$1.87	3 Bed / 1 Bath	\$2,641	\$2.30
603 3/4	3 Bed / 2 Bath ADU	842	\$2,641	\$0.78	3 Bed / 2 Bath ADU	\$2,641	\$3.14
Totals / Averages		5,442	\$11,245	\$1.65		\$13,205	\$2.46



LOCATION OVERVIEW

Four Units with "ready-to-issue" Plans for a Garage Conversion Accessory Dwelling Unit

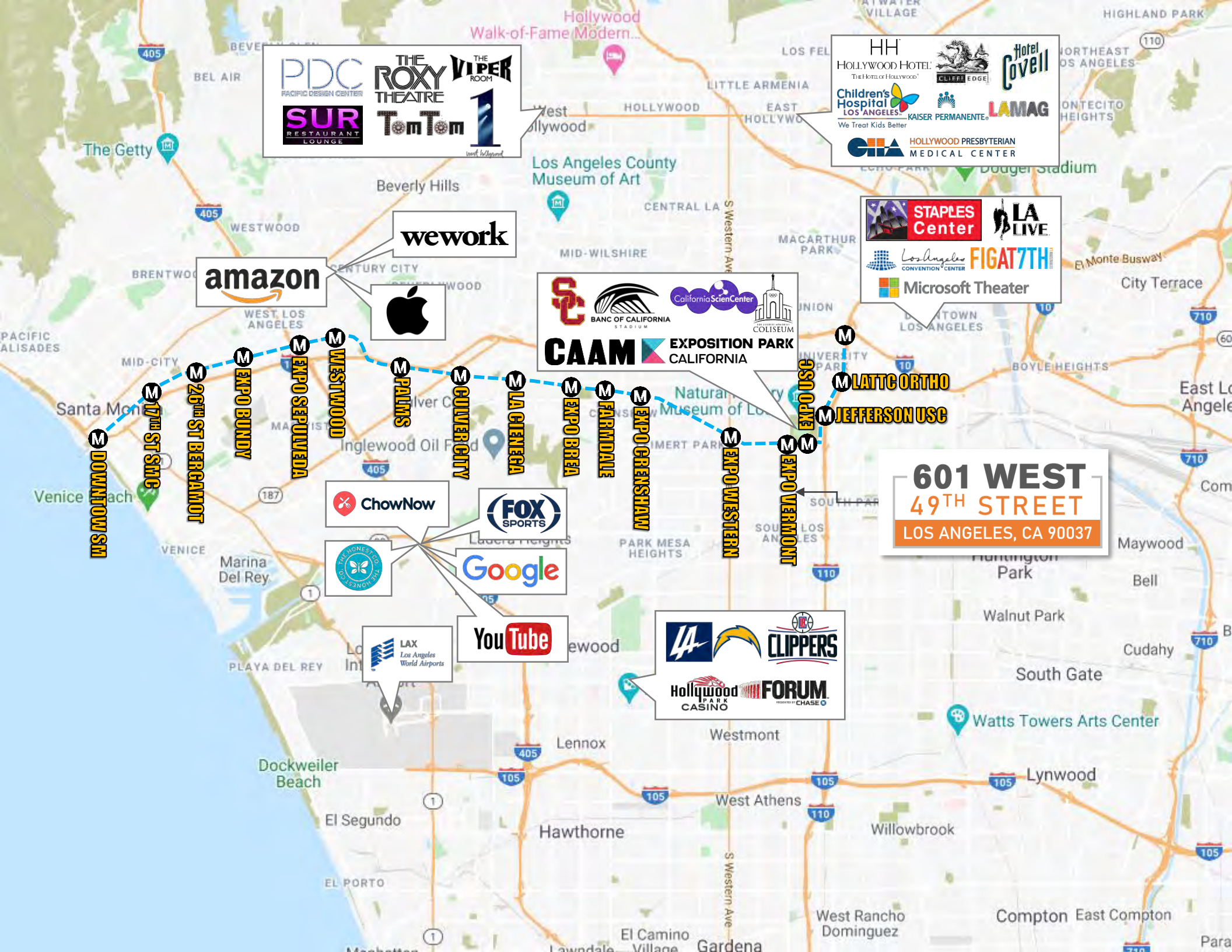


COUNTY OF LOS ANGELES



Los Angeles is on the leading edge of several growth industries. L.A. County, with more than 87,000 jobs in the fashion industry, has surpassed New York's fashion district workforce. The L.A. five-county area also has more than 700,000 people at work in health services/biomedical activities and 190,000 people in aerospace/technology.

The City of Los Angeles holds many distinctions. L.A. is the entertainment capital of the world, a cultural mecca boasting more than 100 museums, and a paradise of idyllic weather. From tourist attractions like the Walk of Fame's collection of stars (numbering more than 2,614 and growing by one or two a month) to career opportunities like those presented in the expanding tech industry, Los Angeles is the place to be. It is the only city in North America to have hosted the Summer Olympics twice. Downtown L.A. is the largest government center outside of Washington, D.C. Los Angeles has the only remaining wooden lighthouse in the state (located in San Pedro's Fermin Park) and the largest historical theater district on the National Register of Historic Places (located Downtown on Broadway).



PDC PACIFIC DESIGN CENTER
 THE ROXY THEATRE
 THE VIPER ROOM
 TomTom 1
 SUR RESTAURANT LOUNGE

HH HOLLYWOOD HOTEL
 Children's Hospital LOS ANGELES
 Kaiser Permanente
 LAMAG
 CITA
 HOLLYWOOD PRESBYTERIAN MEDICAL CENTER

amazon
 wework
 Apple

CAAM EXPOSITION PARK CALIFORNIA
 Banc of California Stadium
 California Science Center
 Coliseum

STAPLES Center
 LA LIVE
 Los Angeles CONVENTION CENTER
 Microsoft Theater

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ChowNow
 FOX SPORTS
 Google
 YouTube

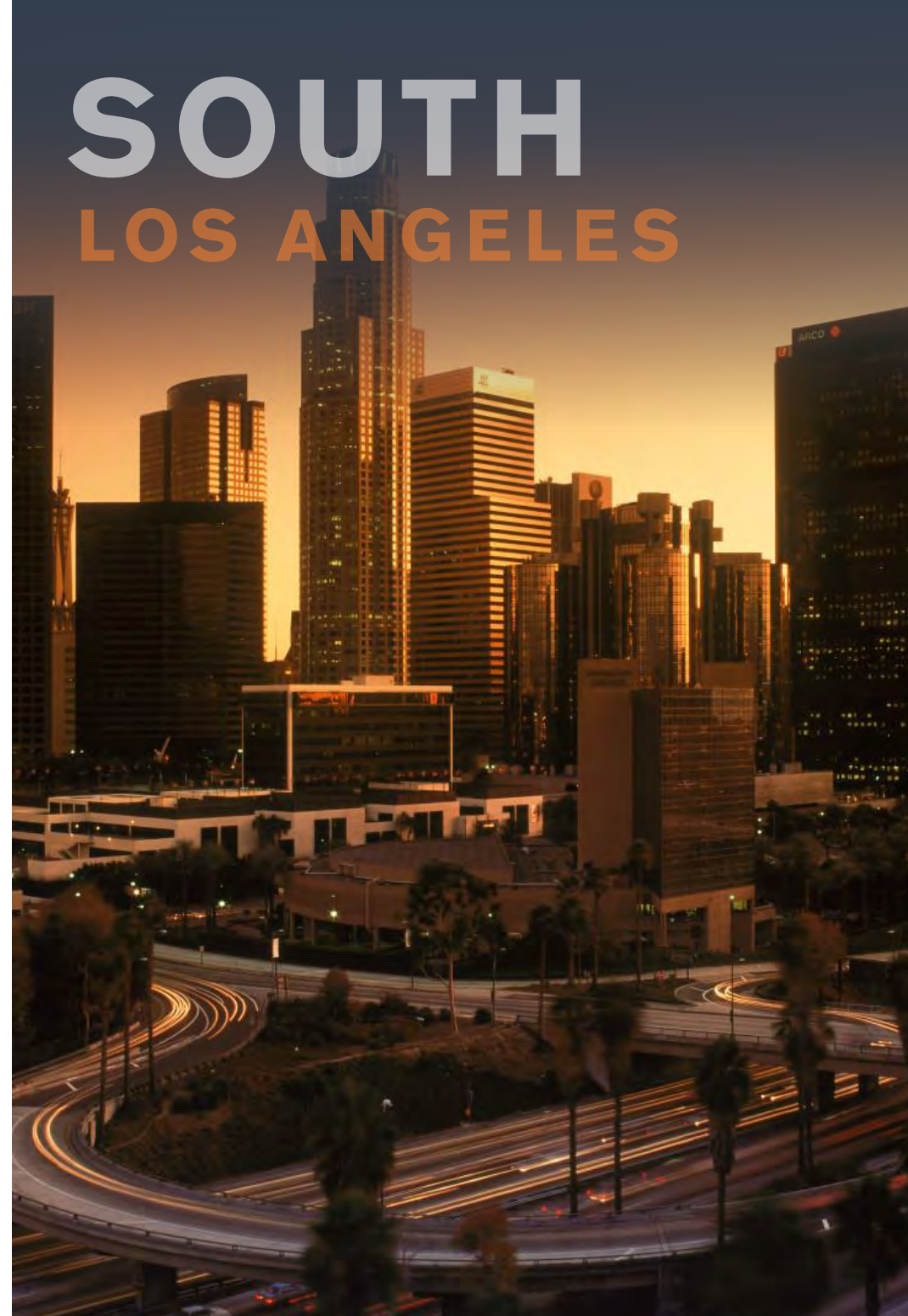
44 CLIPPERS
 Hollywood CASINO
 FORUM



SOUTH LOS ANGELES

South Los Angeles is a region in southern Los Angeles County, California, and mostly lies within the city limits of Los Angeles, California, just south of downtown. According to the Los Angeles Times, South Los Angeles “is defined on Los Angeles city maps as a 16-square-mile rectangle with two prongs at the south end.” In 2003, the neighborhoods of Southwest Los Angeles and South-Central were merged, and the Los Angeles City Council renamed this area “South Los Angeles.” The name South Los Angeles is also commonly used to identify a larger 51-square mile area that includes areas within the city limits of Los Angeles as well as unincorporated areas in the southern portion of the County of Los Angeles. Thus, depending on the source, the specific boundary of South Los Angeles can differ.

POPULATION	1 MILE	3 MILE	5 MILE
2018 Total Population	48,153	434,839	1,172,595
2023 Population	48,783	441,364	1,190,814
Population Growth 2018-2023	1.31%	1.50%	1.55%
Average Age	35.70	35.10	35.00
POPULATION			
2018 Total Households	13,384	126,273	350,351
Household Growth 2018-2023	1.12%	1.39%	1.57%
Median Household Income	\$34,651	\$34,832	\$36,767
Average Household Size	3.5	3.3	3.2
2018 Average HH Vehicles	2.0	1.0	1.0
POPULATION			
Median Home Value	\$344,018	\$394,552	\$423,056
Median Year Built	1948	1951	1956





Metro[®]

METRO CRENSHAW/LAX LINE – TRANSIT PROJECT

The Metro Crenshaw/LAX Line will extend from the existing Metro Exposition Line at Crenshaw and Exposition Boulevards. The Line will travel 8.5 miles to the Metro Green Line and will serve the cities of Los Angeles, Inglewood and El Segundo; and portions of unincorporated Los Angeles County. The new Metro Rail extension will offer an alternative transportation option to congested roadways and provide significant environmental benefits, economic development and employment opportunities throughout Los Angeles County. Riders will be able to make easy connections within the entire Metro Rail system, municipal bus lines and other regional transportation services.

The Crenshaw/LAX Transit Project will serve the Crenshaw District, Inglewood, Westchester and surrounding area with eight stations. The Crenshaw/LAX Project is one of 12 transit projects funded by Measure R, the half-cent sales tax approved by Los Angeles County voters in 2008.

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