

OFFERING MEMORANDUM

# 12-UNIT FAIRFAX DISTRICT

637 N SPAULDING AVE.  
LOS ANGELES, CA 90036

EXCLUSIVELY LISTED BY

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10.14.2024



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# 01

## INVESTMENT OVERVIEW

*THE OFFERING*

*PROPERTY SUMMARY*

*INVESTMENT HIGHLIGHTS*

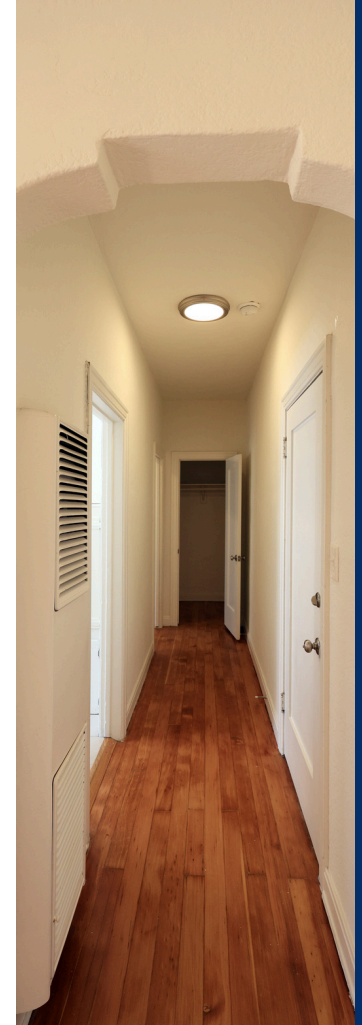




# THE OFFERING

SALES PRICE	\$3,225,000
NUMBER OF UNITS	12 Units
CAP RATE / PROFORMA CAP RATE *	5.03% / 7.24%
GRM / PRO FORMA GRM *	11.38 / 8.96
PRICE/SF	\$334.06
PRICE/UNIT	\$268,750
TOTAL BLDG SF	9,654 SF
TOTAL LOT SF	6,415 SF
# OF PARKING	0
YEAR BUILT	1928
APN	5527-022-004
ZONING	RD1.5

\*Vacant Units Projected at Fully Renovated Market Rents







# PROPERTY SUMMARY

Charming Melrose Village 12-unit ideally situated in the city of LA, adjacent to and benefiting from all that West Hollywood has to offer. Located ½ block from Melrose Avenue and 5 blocks from The Grove & Pan Pacific Park 637 North Spaulding represents an opportunity to acquire a generational asset in a great area with great upside potential and located next to trendy restaurants, schools, houses of worship, parks and shopping.



## HIGHLIGHTS

- Over 5% CAP and over 7% CAP Proforma!
- Twelve 1BD + 1BA in Fantastic Farifax Disctrict Location
- Located in the City of LA and benefiting from everything WeHo has to offer
- 5 Blocks to The Grove & Pan Pacific Park
- 3 Units Delivered Vacant
- Great Rental Upside!
- Walk Score: Very Walkable & Very Bikeable
- Same ownership for over 50 Years!



# INVESTMENT HIGHLIGHTS

Opportunity to acquire a great property in great rental market with large rental upside at a low price per foot and price per unit.



637 N SPAULDING AVE  
LOS ANGELES, CA 90036



ASKING PRICE: \$3.225MM



PRICE/SF: \$334.06



PRICE/UNIT: \$268,750



CAP RATE: 5.03% CURRENT \*



GRM: 11.38 CURRENT\*



BUILDING SQUARE  
FOOTAGE : 9,654 SF



LOT SIZE : 6,415 SF



ZONING : RD1.5

*\* 3 Units delivered vacant projected at market Rents post renovation*



# 02

## MAPS

*PLAT MAP*

*LOCATION MAP*





# PLAT MAP





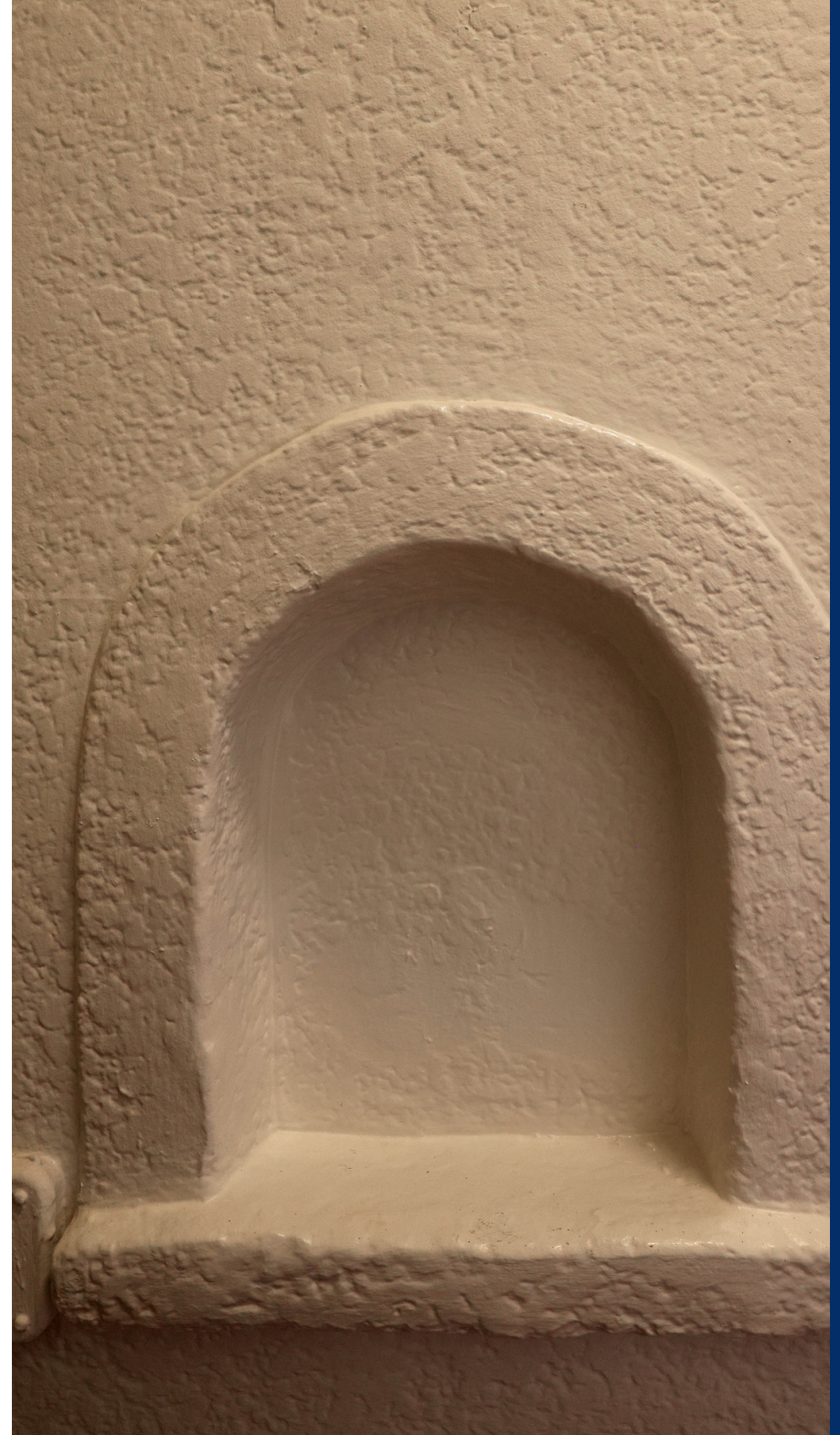
# FLOOR PLANS





# 03

## PROPERTY PHOTOS











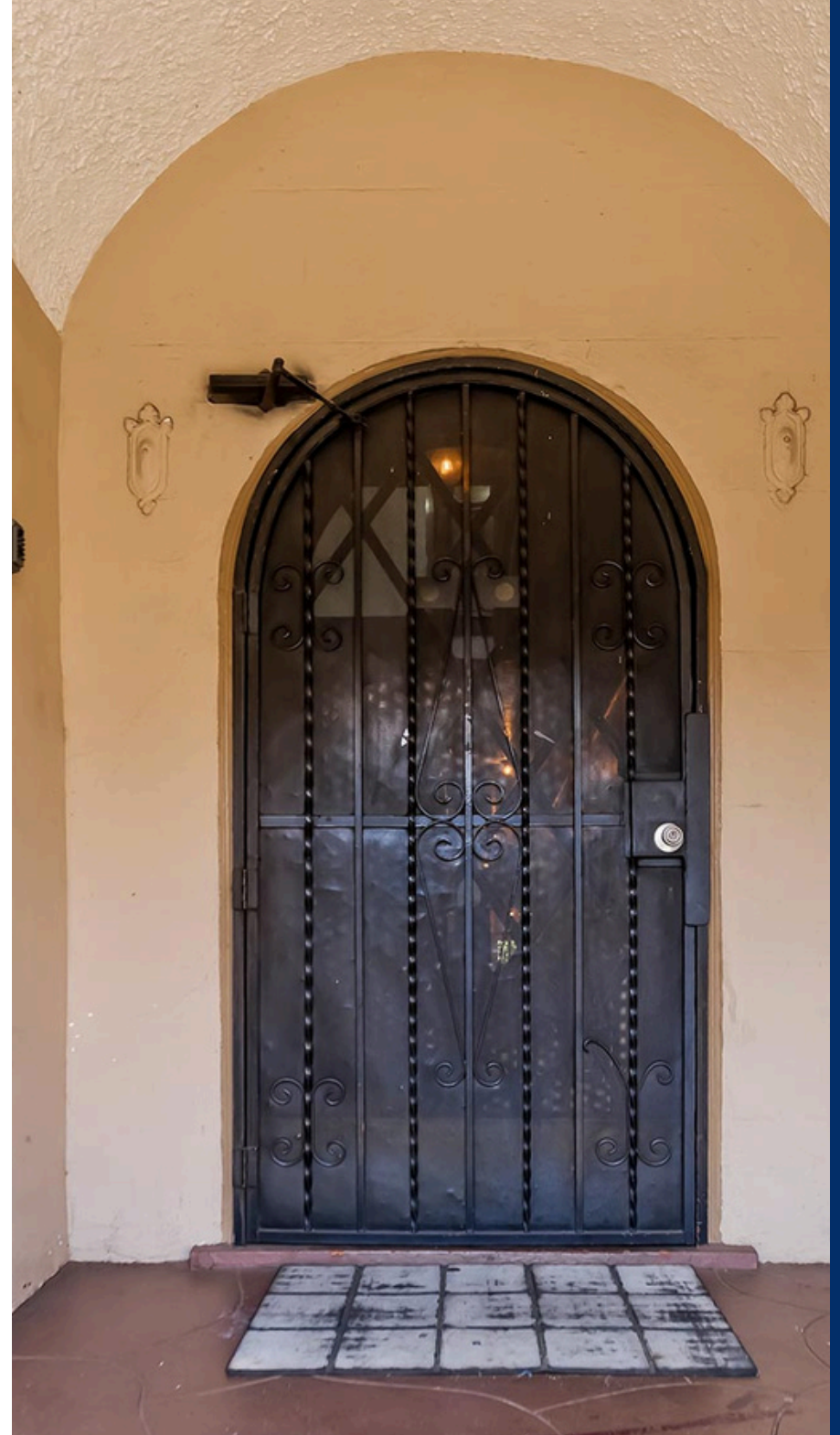


# 04

## FINANCIAL OVERVIEW

*FINANCIAL SUMMARY*

*RENT ROLL*





# FINANCIAL SUMMARY

## ANNUALIZED OPERATING DATA - ESTIMATE

	CURRENT	MARKET
<b>Potential Rental Income / Gross Income (GI)</b>	\$283,385	\$360,000
Less: Vacancy & Cr. Losses (3%)	\$(8,502)	\$(10,800)
<b>Effective Rental Income</b>	\$274,883	\$349,200
Other Income (Collectable)	None	None
<b>Gross Operating Income (GOI)</b>	\$274,883	\$349,200
Less: Operating Expenses	\$(112,777)	\$(115,750)
Expense % of GI	39.80%	32.15%
<b>Net Operating. Income (NOI)</b>	\$162,106	\$233,451

## DEBT SERVICE - PROPOSED

6.50% - 50% Down Payment	CURRENT	MARKET
Loan payment YR 1	\$122,305	\$122,305
DCR	1.33	1.91
<b>Pre-Tax Cash Flow</b>	\$39,801	\$111,145
Plus Principal Reduction	\$17,493	\$17,493
<b>Total Return Before Taxes</b>	\$57,294	\$128,638



# FINANCIAL SUMMARY

## TOTAL EXPENSES - ACTUAL & ESTIMATE

	CURRENT	MARKET	YE 2024 ACTUAL OR ESTIMATE
RE Taxes (1.25%)	\$40,312.50	\$40,312.50	Estimate - 1.25% of Asking Price
Management (4%)	\$10,995.33	\$13,968.00	Estimate - 4% of GI
Repairs & MTN	\$12,000.00	\$12,000.00	Estimate- \$1000/Unit
Utilities - Water & Power	\$6,187.00	\$6,187.00	YE 2024 Actual
Utilities - Gas	\$3,842.00	\$3,842.00	YE 2024 Actual
Trash	\$9,211.00	\$9,211.00	YE 2024 Actual
Contract Services - Pest	\$660.00	\$660.00	YE 2024 Actual
Contract Services - Gardener	\$840.00	\$840.00	YE 2024 Actual
Insurance	\$25,000.00	\$25,000.00	Estimate
License and Fees + Administrative	\$1,134.00	\$1,134.00	YE 2024 Actual
Janitorial	\$2,595.00	\$2,595.00	YE 2024 Actual
<b>Total Expenses</b>	<b>\$112,776.83</b>	<b>\$115,749.50</b>	
<b>Expenses Per RSF</b>	<b>\$11.68</b>	<b>\$11.99</b>	
<b>Expense as % of GI</b>	<b>39.80%</b>	<b>32.15%</b>	



# RENT ROLL

UNIT #	TYPE	MOVE-IN DATES	MONTHLY RENT (CURRENT)	MONTHLY RENT (MARKET)	NOTES
UNIT 1	1+1	11/1/10	\$1,297.49	\$2,500.00	
UNIT 2	1+1	3/7/23	\$2,195.00	\$2,500.00	
UNIT 3	1+1	7/1/12	\$1,406.07	\$2,500.00	
UNIT 4	1+1	9/11/23	\$2,145.00	\$2,500.00	
UNIT 5	1+1	11/1/15	\$1,591.01	\$2,500.00	
UNIT 6	1+1	vacant	\$2,500.00	\$2,500.00	DELIVERED VACANT
UNIT 7	1+1	1/13/23	\$2,500.00	\$2,500.00	DELIVERED VACANT
UNIT 8	1+1	2/1/23	\$2,184.00	\$2,500.00	
UNIT 9	1+1	4/1/19	\$1,664.00	\$2,500.00	
UNIT 10	1+1	vacant	\$2,500.00	\$2,500.00	DELIVERED VACANT
UNIT 11	1+1	6/10/79	\$1,437.82	\$2,500.00	
UNIT 12	1+1	11/3/23	\$2,195.00	\$2,500.00	
<b>TOTAL</b>			<b>\$23,615.39</b>	<b>\$30,000.00</b>	
<b>RENT/SF</b>			<b>\$2.45</b>	<b>\$3.11</b>	



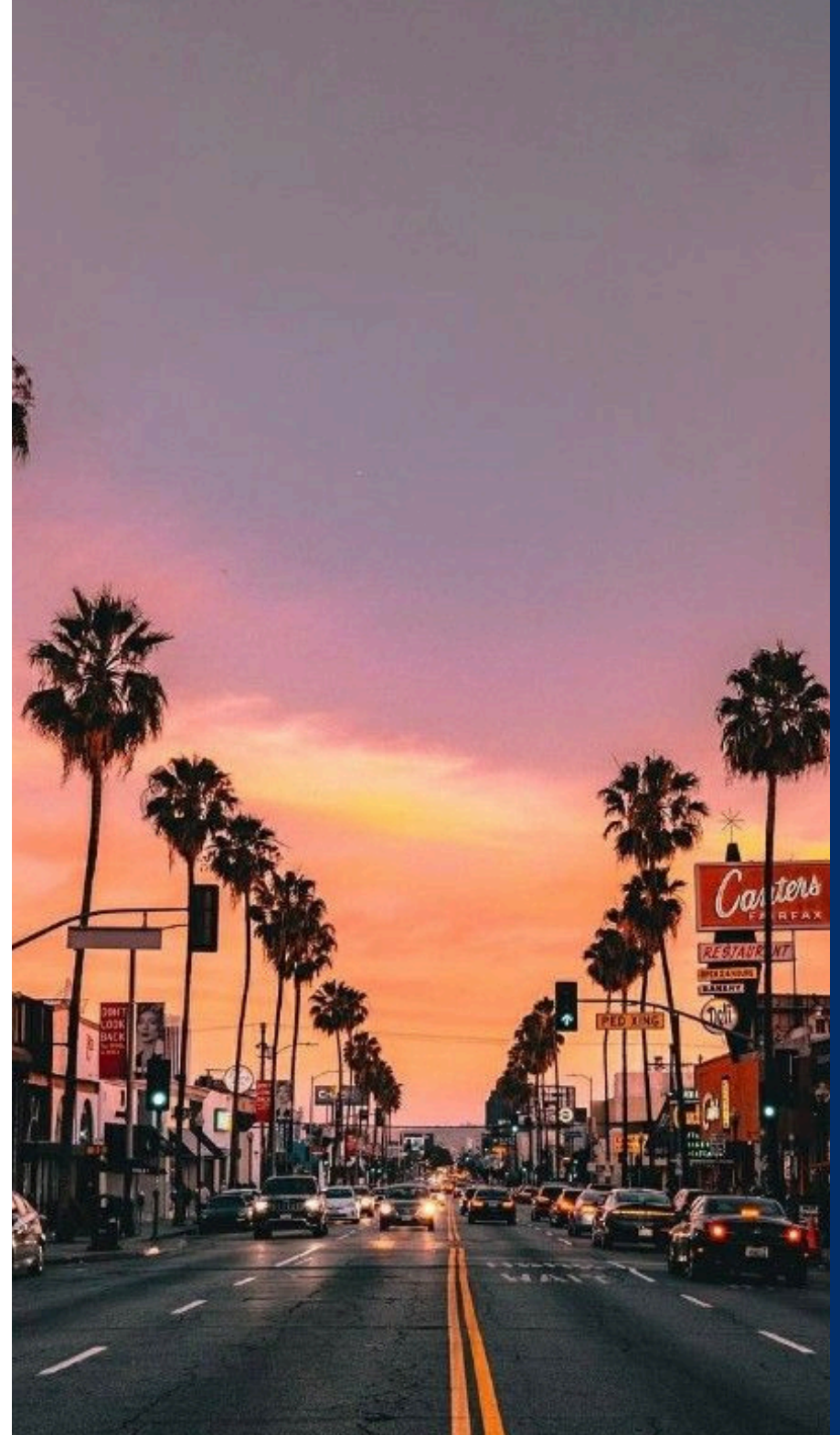
# 05

## AREA OVERVIEW

AREA OVERVIEW

NEARBY AMENITIES

DEMOGRAPHICS





# AREA OVERVIEW

Property is located few blocks from The Grove, Pan Pacific Park, Television City and some of the trendiest boutique shops, restaurants, theaters and cafes along Melrose Avenue, earning this property a walk score of 94. The walkable stretch of North Fairfax Avenue between Melrose Ave and Beverly Blvd, The Fairfax District is a vibrant and historic neighborhood located in the central part of Los Angeles, California. It is bordered by the Hollywood Hills to the north, West Hollywood to the west, Mid-City to the south, and Hancock Park to the east.

This neighborhood is known for its rich cultural and architectural heritage, as well as its many landmarks and attractions. It is home to the world-famous Farmers Market, which features a diverse array of food vendors and shops. The Grove, an outdoor shopping and entertainment complex, is also located in the Fairfax District and is a popular destination for locals and tourists alike.

The neighborhood boasts a mix of architectural styles, from historic homes and apartment buildings to modern condos and lofts. The area is also known for its excellent dining options, including iconic institutions such as Canter's Deli and newer, trendy restaurants.

In addition to its cultural and entertainment offerings, the Fairfax District is also home to several parks, including the Pan Pacific Park, which offers sports facilities, picnic areas, and a community center. The neighborhood also has several public transportation options, including bus and metro lines.

Overall, the Fairfax District is a dynamic and desirable neighborhood with a diverse mix of residents, from young professionals to families to retirees. It offers a unique blend of history, culture, and urban living that is highly sought after in Los Angeles.





## DEMOGRAPHICS

	1 MILE	2 MILES	3 MILES
<b>MEDIAN HH INCOME</b>	\$114,869	\$115,545	\$111,083
<b>2024 POPULATION</b>	49,123	175,061	49,123
<b>2024 HOUSEHOLDS</b>	27,864	96,930	173,806
<b>OWNER OCCUPIED HOUSEHOLDS</b>	4,801	19,400	38,744
<b>OWNER OCCUPIED HOUSEHOLDS</b>	22,399	75,642	131,793



\$115,545  
MEDIAN HH  
INCOME



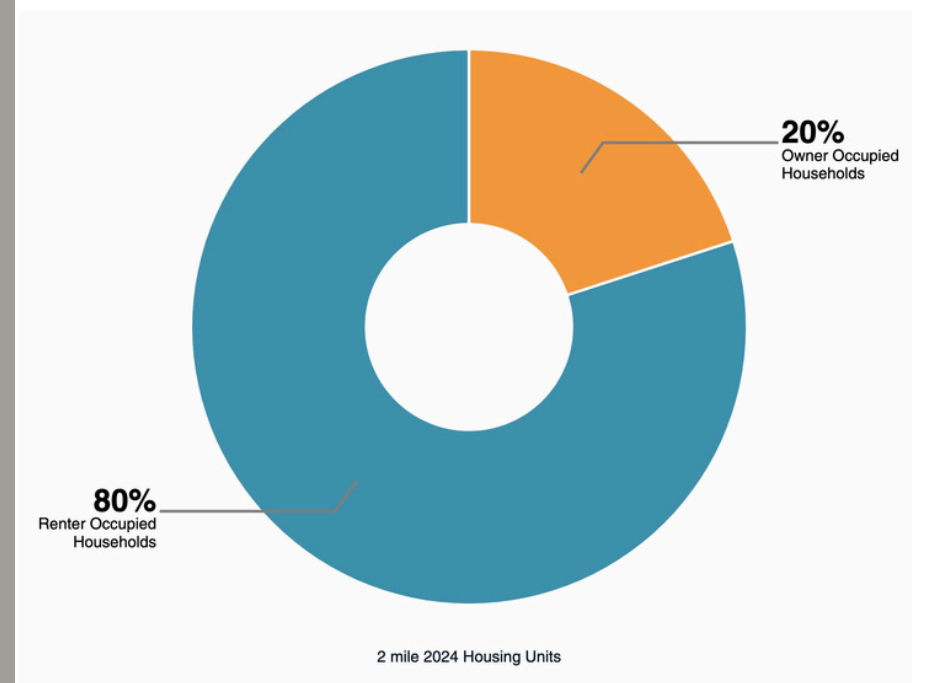
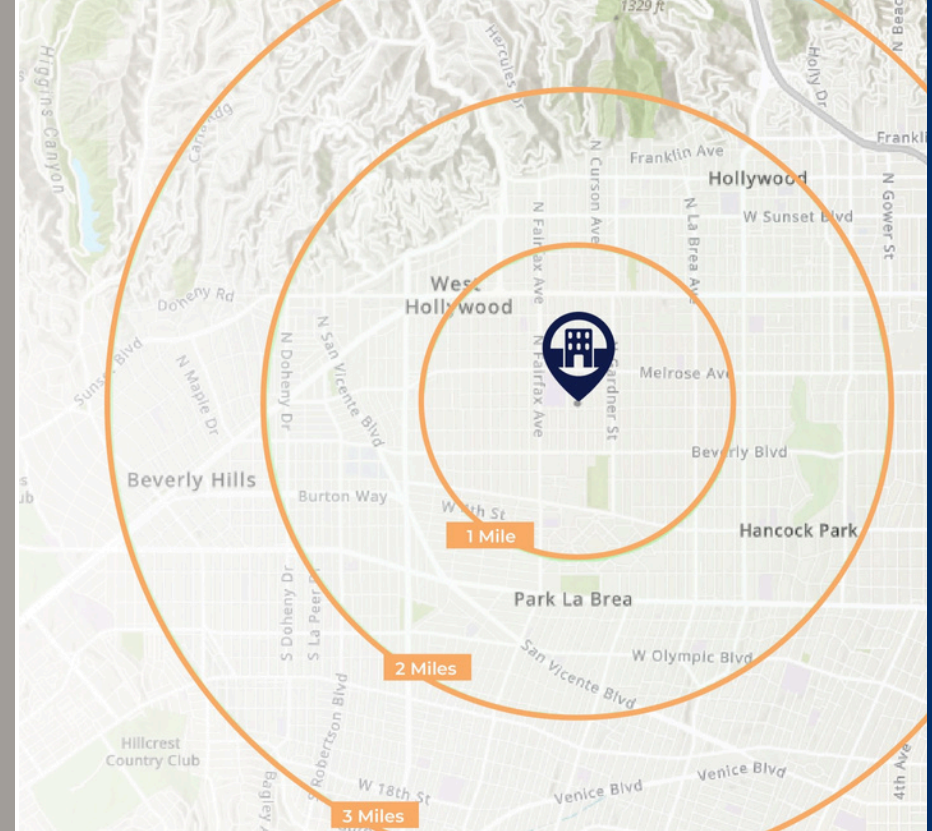
\$1,080,634  
MEDIAN  
PROPERTY VALUE



162,655  
DAYTIME EMPLOYED  
POPULATION



39.5  
MEDIAN  
AGE





# 06

## CONTACTS





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