



\$4,150,000

14.6 Current Gross Rent Multiplier

4.74% Current Capitalization Rate

Fourteen-Unit Apartment Building

2017 Modern Renovation

Prime Western Koreatown/Larchmont

Location North of Wilshire Blvd.

453 South Gramercy Place

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Investment Summary

Transwestern as the exclusive listing agent is pleased to present the opportunity to acquire 453 S Gramercy Place, Los Angeles, CA 90020, a 14-unit apartment building located in the prime Western Koreatown/Larchmont-Hancock Park area, just two blocks north of Wilshire Boulevard office, retail and entertainment and one mile east of retail and entertainment in hip Larchmont Village.

The Opportunity

- Modern renovation completed in 2017
- Significant in-place cash flow
- Excellent unit mix – eight large studios and six large 1bed+1bath units
- 14 parking spaces allows landlord to offer parking to every studio unit, a rarity in this neighborhood
- Soft-story retrofit has been completed
- Great long-term investment in supply-constrained area



Offering Price: \$4,150,000
14.6 Current Gross Rent Multiplier¹
4.74% Current Capitalization Rate¹

¹Assumes that vacant Unit 6 will be leased by Seller at \$1,595/month

Property Description

Built in 1966, 453 S Gramercy Place is a 14-unit apartment building with a unit mix of eight large studios and six large 1bed+1bath units. The property is a two-story, 8,594-square-foot garden-style walk-up building with wood frame and stucco construction situated on two land parcels totaling approximately 8,008 land square feet.

The property was renovated in 2017 and is producing significant cash flow. 13 of the 14 tenants are new since 2017. Unit 8 has the only long-term tenant at the property and is currently rented at well below market rent, providing additional long-term rental upside. The studios feature large kitchens and living areas, significant closet and storage space, and bathroom vanities have a separate space from the toilets/showers in many of the units. The one-bedroom units feature large kitchens, ample closet and storage space and the living areas and bedrooms are uniquely large for this unit type. Five of the ground floor units feature large enclosed patio spaces, and two of the downstairs and two of the upstairs units feature large balconies. Each of the units are separately metered for gas and electricity. One washer and dryer is available on-site for tenant use. There is approximately 450 square feet of concrete patio area in the back of the building that can be updated and utilized as a tenant gathering area.



Renovation highlights include:

Exterior

- New front façade architectural elements
- Updated large front balconies
- New drought resistant landscaping
- New modern paint scheme
- New sliding glass doors on 3 units
- New Exterior hallway lighting

Unit Interiors¹

- New paint and smoothed ceilings
- New vinyl/laminate flooring
- New recessed lighting and additional lighting fixtures throughout living areas and bedrooms
- Kitchens have new stainless appliances, range oven hoods, quartz countertops and tile flooring
- Bathrooms have new vanities, new light fixtures, new tile floors, new shower fixtures and subway-tiled showers in some units
- New closet sliding mirrored doors
- Wall air-conditioning units
- Wall heaters

¹Unit 8 has not been renovated.

Property Description



PROPERTY LOCATION

453 S Gramercy Place is situated on a wide, quiet street, between Western Avenue and Wilton Place, and just north of 5th St in the prime Western Koreatown/Larchmont-Hancock Park area, within a two block walk from Wilshire Boulevard office, retail and entertainment. The property is also less than 15 minutes away from the heart of Koreatown, Larchmont Village and the Grove/Park La Brea area and less than 20 mins from Hollywood, West Hollywood and Downtown Los Angeles.

NUMBER OF UNITS

14 total units
Eight studio units
Six 1 bed +1 bath units

YEAR BUILT

1966

BUILDING SIZE

±8,594 SF (Per TitlePro - Buyer to verify)

LAND SIZE

±8,008 SF (Per TitlePro - Buyer to verify)

ZONING

LAR4 (Per zimas.lacity.org - Buyer to verify)

PARKING

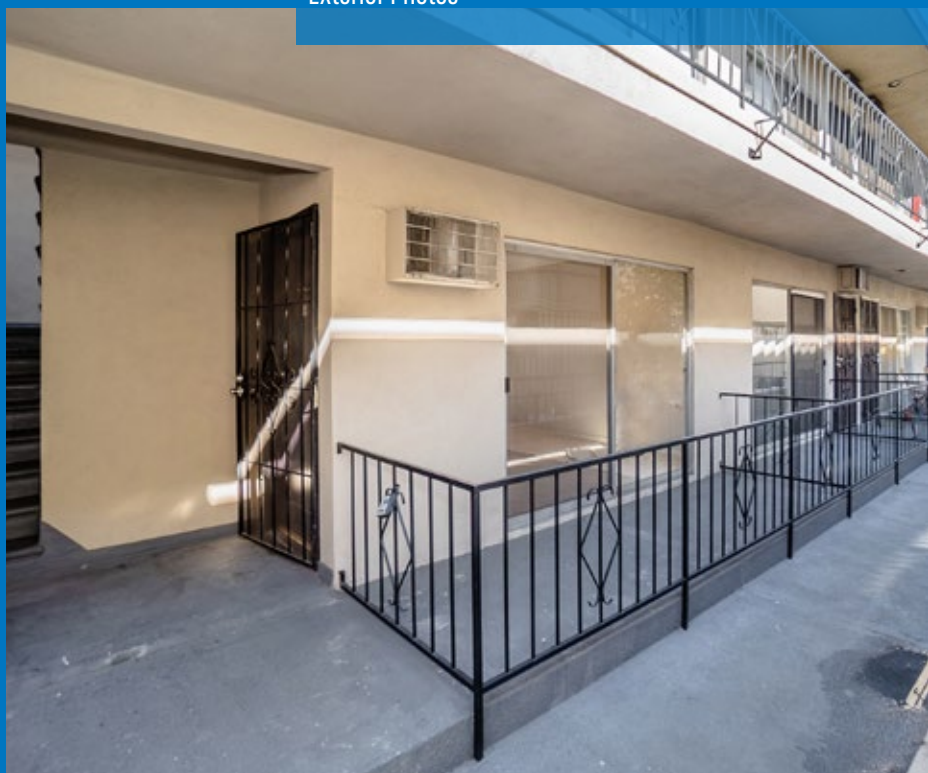
14 total spaces

ASSESSOR PARCEL NUMBERS

5504-025-021; 5504-025-024



Exterior Photos





Exterior Photos





Interior Photos





Aerial View Facing Hollywood



Aerial View Facing Downtown Los Angeles

Location Overview

LOS ANGELES APARTMENT MARKET OVERVIEW

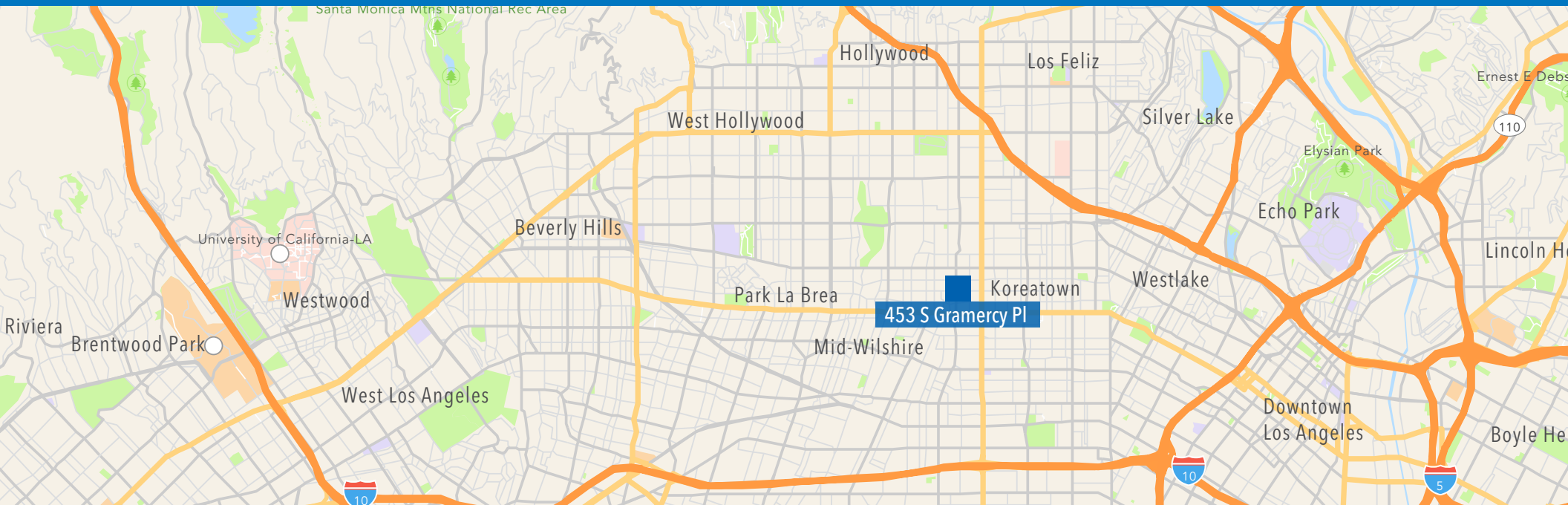
In the second half 2019, the Los Angeles County apartment real estate market continued to see high occupancy levels and strong year-over-year effective rent growth. According to Costar, the average asking rental rate in the third quarter 2019 in Los Angeles County was \$1,863 per month, up 0.4% over the previous quarter and up 2.1% year-over-year. Apartment occupancy increased 20 basis points over the previous quarter to 96.1%. Despite over 27,000 units now under construction county-wide, the Los Angeles apartment market remains severely supply-constrained.

With the overall US economy currently in its longest period of expansion ever, the Los Angeles regional economy also continues to grow. Despite anxiety from many market watchers that the current economic expansion is getting long in the tooth, the fact remains that the overall housing market remains severely supply-constrained. On

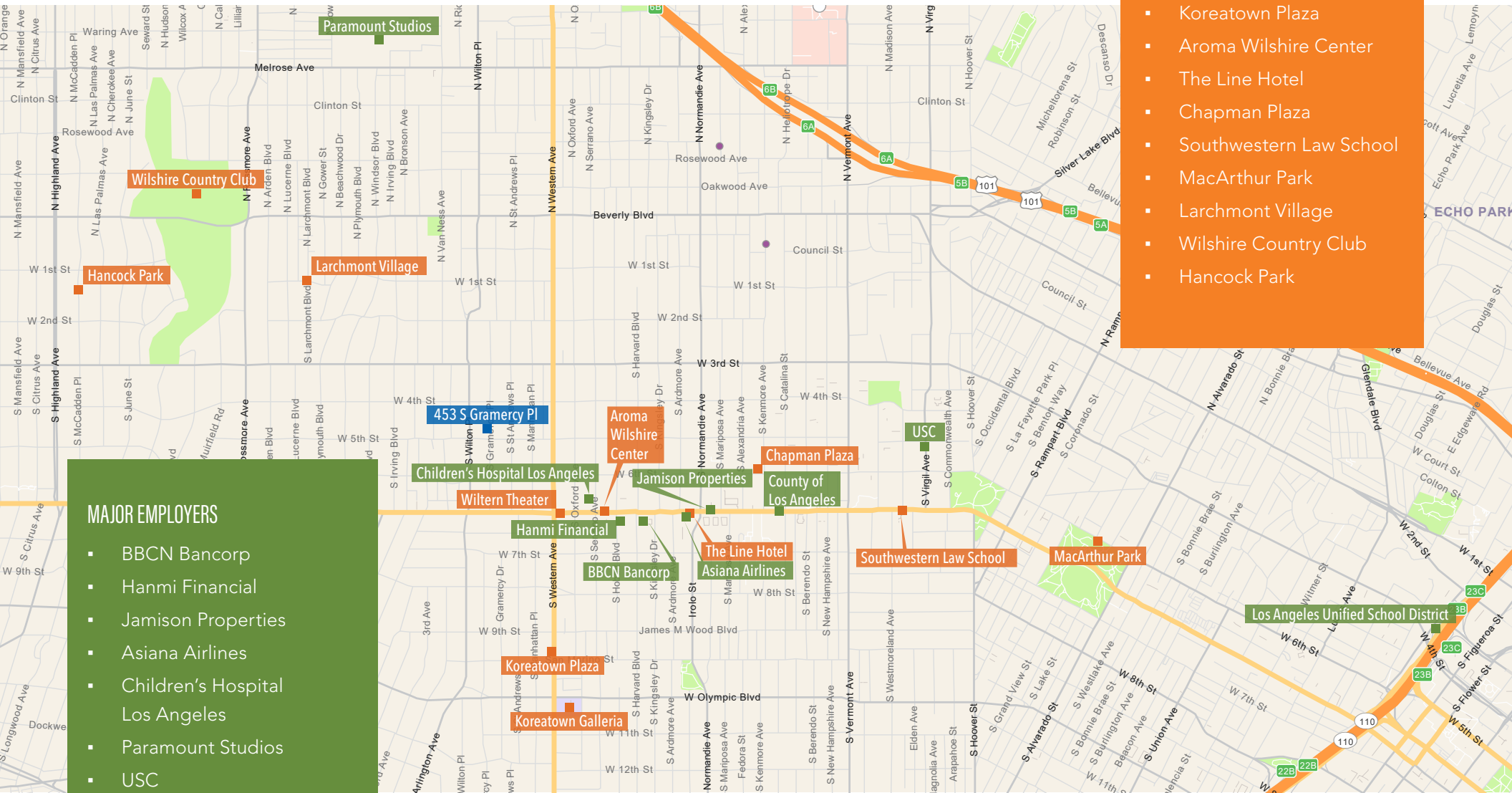
the capital markets side, adequate debt and equity availability bode well for continued, healthy performance, and as a result, expect the Los Angeles apartment market to remain strong going into the first half of 2020 despite the twin challenges of a historically tight labor market and the increasingly high cost of housing and doing business.

KOREATOWN SUBMARKET OVERVIEW

Located in central Los Angeles, Koreatown is one of the most vibrant and densely populated districts in Southern California. Currently in the middle of a two decade-long urban renaissance, Koreatown is one of the centers of Los Angeles nightlife with new hotels and restaurants opening on a weekly basis. The district is served by the Metro Red Line and Purple Line with several new transit-oriented development projects in the pipeline. In addition, the neighborhood's is near the major employment clusters of Downtown LA, Hollywood, and the Miracle Mile.



Places of Interest and Major Employers



MAJOR EMPLOYERS

- BNBC Bancorp
- Hanmi Financial
- Jamison Properties
- Asiana Airlines
- Children's Hospital Los Angeles
- Paramount Studios
- USC
- County of Los Angeles
- Los Angeles Unified School District

NEARBY PLACES OF INTEREST

- Wiltern Theater
- Koreatown Galleria
- Koreatown Plaza
- Aroma Wilshire Center
- The Line Hotel
- Chapman Plaza
- Southwestern Law School
- MacArthur Park
- Larchmont Village
- Wilshire Country Club
- Hancock Park

Demographics



2019 POPULATION

108,533 (+0.4% since 2010)



2024 POPULATION

110,961 (+0.4% est. over 2019)



MEDIAN AGE

35.6 years old



EDUCATION

31% have bachelor's or higher



AVERAGE INCOME

\$57,414

	1 MILE RING		3 MILE RING		5 MILE RING	
POPULATION SUMMARY	#	%	#	%	#	%
2010 Census	114,542		568,637		1,075,082	
2019 Estimate	104,988		603,972		1,149,436	
2024 Projection	108,533		629,444		1,197,015	
Estimated Growth 2010-2019		0.36%		0.65%		0.73%
Projected Growth 2019-2024		0.44%		0.83%		0.81%
HOUSEHOLD SUMMARY	#	%	#	%	#	%
2010 Census	37,627		223,818		419,983	
2019 Estimate	38,745		238,048		451,057	
2024 Projection	39,517		248,195		471,547	
Estimated Growth 2010-2019		0.32%		0.67%		0.77%
Projected Growth 2019-2024		0.40%		0.84%		0.89%
Ethnicity/Race Summary	#	%	#	%	#	%
White	35,056	32.3%	247,629	41.0%	489,660	42.6%
Black	3,690	3.4%	27,783	4.6%	104,599	9.1%
Asian	30,715	28.3%	133,478	22.1%	210,347	18.3%
Hispanic Origin (Any Race)	62,189	57.3%	308,630	51.1%	544,833	47.4%
Other	38,963	35.9%	195,083	32.3%	345,980	30.1%
EDUCATION SUMMARY	#	%	#	%	#	%
Less than 9th grade	12,406	16.5%	65,103	15.1%	113,625	13.9%
Some High School, no diploma	7,895	10.5%	37,079	8.6%	69,483	8.5%
High School Graduate	15,489	20.6%	74,588	17.3%	137,331	16.8%
GED/Alternative Credential	1,203	1.6%	5,174	1.2%	11,444	1.4%
Some College, no degree	10,677	14.2%	62,516	14.5%	126,704	15.5%
Associate Degree	3,910	5.2%	21,988	5.1%	44,959	5.5%
Bachelor's Degree	18,421	24.5%	117,272	27.2%	217,440	26.6%
Graduate/Professional Degree	5,188	6.9%	46,995	10.9%	96,458	11.8%
WORKPLACE & INCOME SUMMARY	#	%	#	%	#	%
Median Household Income	\$40,664		\$44,359		\$48,367	
Average Household Income	\$57,414		\$71,669		\$77,454	
All Employees	58,856		336,024		615,184	
White Collar	27,486	46.7%	189,518	56.4%	369,110	60.0%
Blue Collar	11,889	20.2%	60,820	18.1%	105,196	17.1%
Services	19,481	33.1%	85,686	25.5%	140,877	22.9%
Daytime Population	67,019		532,869		1,258,257	

Financial Summary

PRICING SUMMARY

Price	\$4,150,000
Price Per Unit	\$296,429
Price Per SF	\$483
Current NOI ¹	\$196,842
Pro Forma NOI	\$208,513
Cap Rate - Current ¹	4.74%
Cap Rate - Pro Forma	5.02%
GRM - Current ¹	14.6x
GRM - Pro Forma	13.5x

PROPERTY SUMMARY

Year Built	1966
Total Units	14
Building Area	8,594 SF
APN#	5504-025-021; 5504-025-024
Land Area	8,008 SF
Zoning	LAR4
Parking	14 Spaces

OPERATING STATEMENT SUMMARY

REVENUE	IN-PLACE	PRO FORMA	
Gross Potential Rent ¹	\$284,080	\$305,400	
Vacancy (3%)		(9,162)	
Net Rental Income	\$284,080	\$296,238	
Other Revenue	900	900	
Effective Gross Income	\$284,980	\$297,138	
ESTIMATED EXPENSES		Per Unit	Per Unit
Repairs & Maintenance	7,000	500	500
Turnover Expense	2,800	200	200
Management Fee (4%)	11,399	814	849
Utilities	11,200	800	800
Contract Services	2,100	150	150
Property Taxes (1.1743%)	48,733	3,481	3,481
Direct Property Tax Assessment	1,407	100	100
Insurance	3,500	250	250
Total Expenses	\$88,138	\$6,296	\$6,330
Net Operating Income	\$196,842	\$208,513	
Expense Ratio (% of EGI)	30.9%	29.8%	
	\$10.26 PSF	\$10.31 PSF	

RENT ROLL SUMMARY

NO. UNITS	FLOOR PLAN	IN-PLACE AVERAGE RENT	CURRENT			PRO FORMA			LOSS TO LEASE %
			TOTAL MONTHLY INCOME	SCHEDULED GROSS INCOME	AVG PRO FORMA RENT	TOTAL MONTHLY INCOME	SCHEDULED GROSS INCOME	LOSS TO LEASE	
8	Studio	\$1,604	\$12,835	\$154,020	\$1,625	\$13,000	\$156,000	\$1,980	1%
6	1B+1BA	\$1,806	\$10,838	\$130,060	\$2,075	\$12,450	\$149,400	\$19,340	15%
Totals/WTD Avg.	14	\$1,691	\$23,673	\$284,080	\$1,818	\$25,450	\$305,400	\$21,320	8%

¹Assumes that vacant Unit 6 will be leased by Seller at \$1,595/month.

Rent Roll


CURRENT						PRO FORMA		
UNIT	OCCUPIED / VACANT	UNITTYPE	MOVE-IN DATE	CURRENT RENT ¹	SCHEDULED GROSS INCOME	MARKET RENT	SCHEDULED GROSS INCOME	LOSS TO LEASE
1	Occupied	1B+1BA	10/28/2018	\$2,075	\$24,898	\$2,075	\$24,900	\$0
2	Occupied	Studio	08/24/2019	\$1,595	\$19,140	\$1,625	\$19,500	\$30
3	Occupied	1B+1BA	02/07/2020	\$1,995	\$23,940	\$2,075	\$24,900	\$80
4	Occupied	Studio	10/01/2017	\$1,625	\$19,500	\$1,625	\$19,500	\$0
5	Occupied	Studio	03/26/2019	\$1,595	\$19,140	\$1,625	\$19,500	\$30
6	Vacant	Studio	N/A	\$1,595	\$19,140	\$1,625	\$19,500	\$30
7	Occupied	1B+1BA	09/16/2017	\$2,025	\$24,300	\$2,075	\$24,900	\$50
8	Occupied	1B+1BA	06/29/1985	\$754	\$9,043	\$2,075	\$24,900	\$1,321
9	Occupied	Studio	09/21/2017	\$1,625	\$19,500	\$1,625	\$19,500	\$0
10	Occupied	1B+1BA	08/20/2019	\$1,995	\$23,940	\$2,075	\$24,900	\$80
11	Occupied	Studio	01/01/2020	\$1,595	\$19,140	\$1,625	\$19,500	\$30
12	Occupied	Studio	11/01/2017	\$1,580	\$18,960	\$1,625	\$19,500	\$45
14	Occupied	Studio	09/18/2017	\$1,625	\$19,500	\$1,625	\$19,500	\$0
15	Occupied	1B+1BA	07/15/2019	\$1,995	\$23,940	\$2,075	\$24,900	\$80
Totals	14	8,594 SF		\$23,673	\$284,080	\$25,450	\$305,400	\$1,777
							Loss To Lease %	7.50%

¹ Current monthly rent assumes that vacant Unit 6 will be leased by Seller at \$1,595/month.



Rent Roll Summary

CURRENT					PRO FORMA		
NO. UNITS	OCCUPANCY %	FLOOR PLAN	AVG. IN-PLACE RENT	TOTAL MONTHLY INCOME	AVG. PRO FORMA RENT	TOTAL MONTHLY INCOME	LOSS TO LEASE
8	57%	Studio	\$1,604	\$12,835	\$1,625	\$13,000	\$165
6	43%	1B+1BA	\$1,806	\$10,838	\$2,075	\$12,450	\$1,612
Total/WTD Avg.	100%	14	\$1,691	\$23,673	\$1,818	\$25,450	\$1,777
Gross Potential Income				\$284,080		\$305,400	\$21,320

Sales Comparables

PROPERTY ADDRESS	YEAR BUILT	SALE DATE	SALE PRICE	CAP RATE	GRM	\$PSF	\$ PER UNIT	BLDG SF	AVG UNIT SF	# OF UNITS
 <p>321 S Harvard Bl Los Angeles, CA 90020</p>	1965	Nov-2019	\$3,200,000	3.65%	18.3	\$373	\$320,000	8,576	858	10
 <p>4960 Rosewood Ave Los Angeles, CA 90004</p>	1921	Jul-2019	\$1,900,000	N/A	17.2	\$360	\$316,667	5,278	880	6
 <p>702 S St Andrews Pl Los Angeles, CA 90005</p>	1957	Jan-2019	\$4,950,000	5.17%	12.8	\$491	\$309,375	10,082	630	16
 <p>3980 Ingraham St Los Angeles, CA 90005</p>	1957	Jan-2019	\$2,500,000	5.06%	12.6	\$500	\$250,000	4,998	500	10

Sales Comparables

PROPERTY ADDRESS	YEAR BUILT	SALE DATE	SALE PRICE	CAP RATE	GRM	\$PSF	\$ PER UNIT	BLDG SF	AVG UNIT SF	# OF UNITS
 837 S Berendo St Los Angeles, CA 90005	1972	Oct-2018	\$2,020,000	4.60%	16.3	\$352	\$336,667	5,732	955	6
 3410 W 7th St Los Angeles, CA 90005	1956	Oct-2018	\$3,558,000	N/A	N/A	\$455	\$323,455	7,828	712	11
TOTAL / AVERAGE			\$18,128,000	4.67%	14.7	\$427	\$307,254	42,494	720	59
453 S GRAMERCY PLACE	1966		\$4,150,000	4.74%¹	14.6¹	\$483	\$296,429	8,594	614	14

¹ Assumes that vacant Unit 6 will be leased by Seller at \$1,595/month.

Sales Comparables

4960 Rosewood Ave

321 S Harvard Blvd

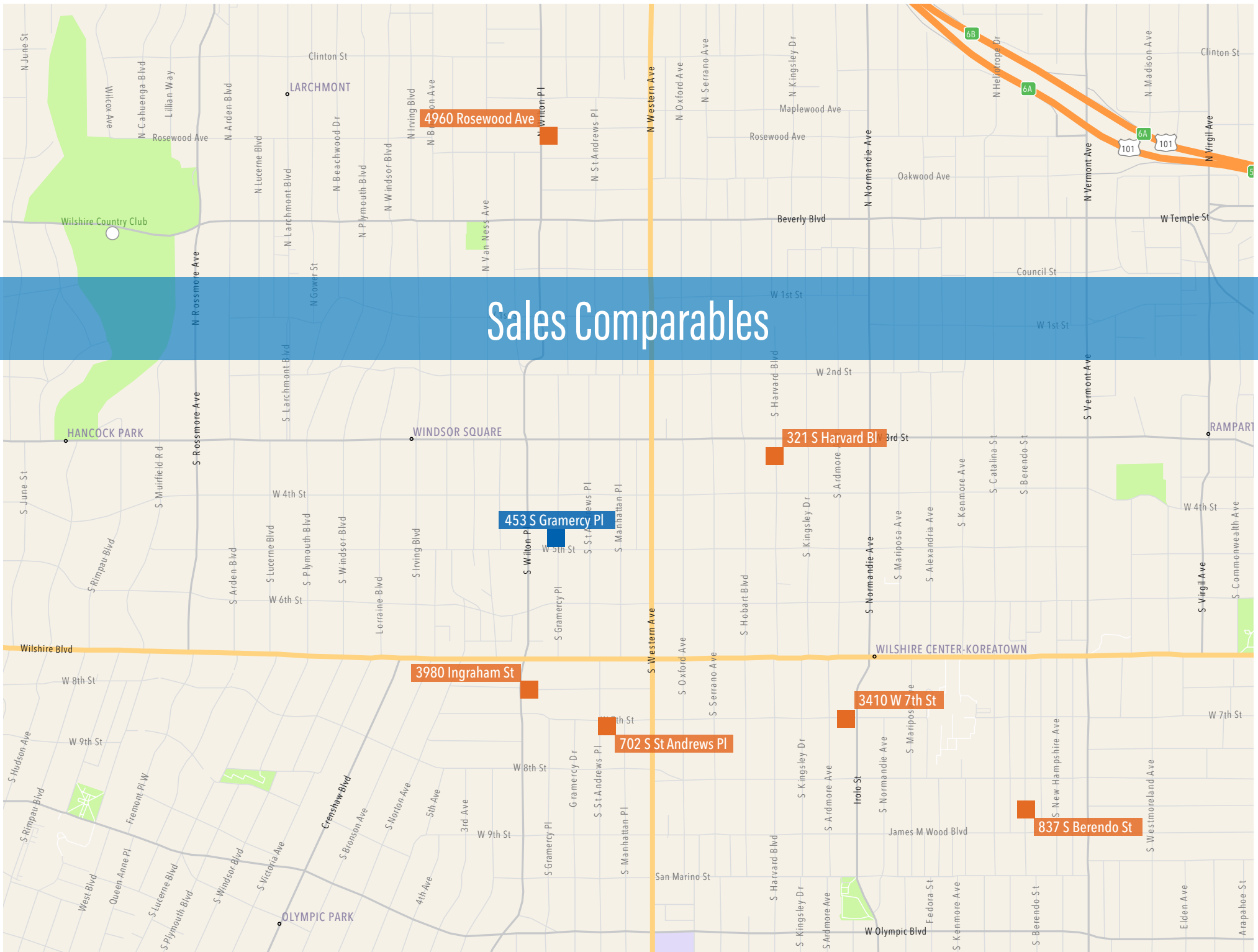
453 S Gramercy Pl

3980 Ingraham St

702 S St Andrews Pl

3410 W 7th St

837 S Berendo St



Rent Comparables

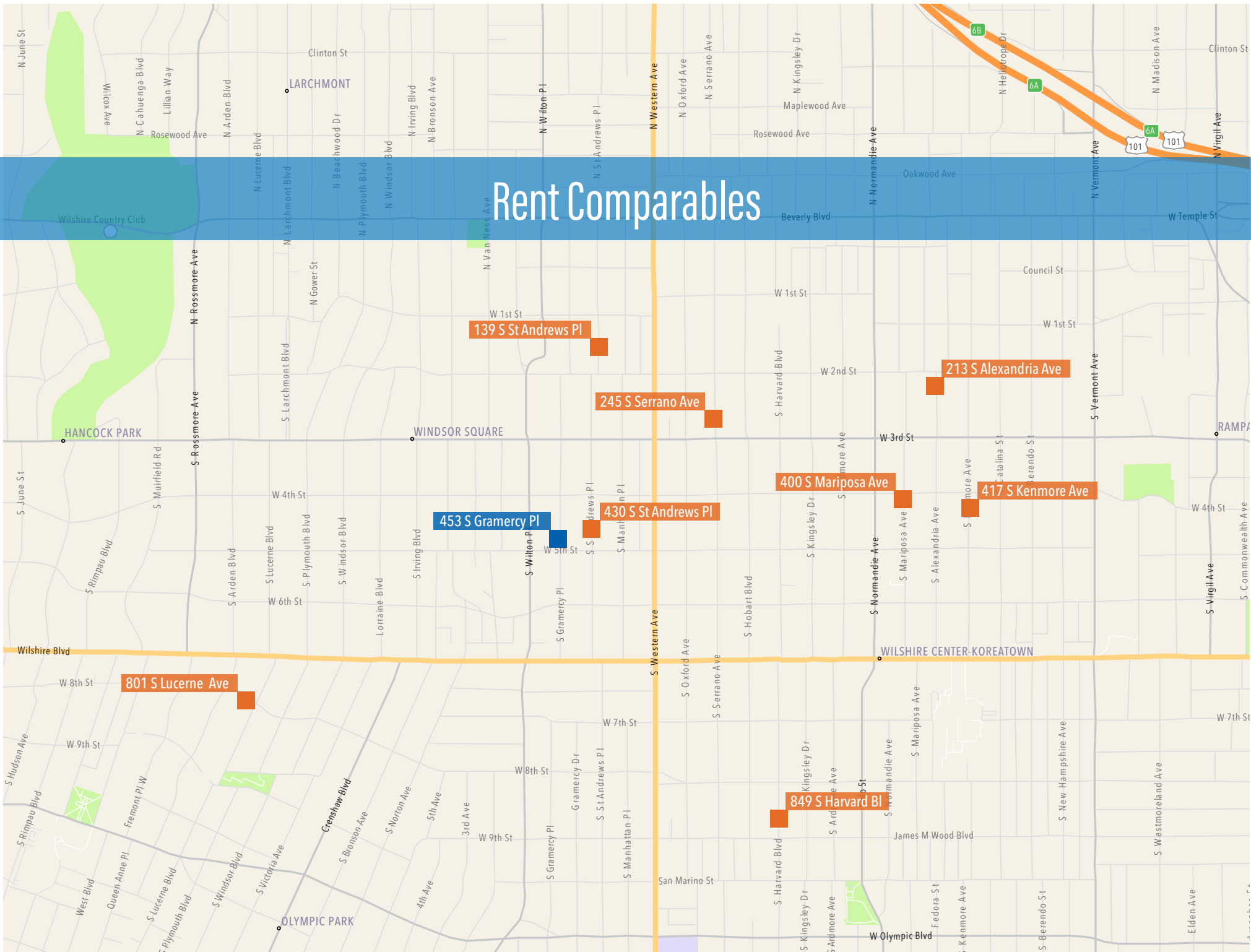
	PROPERTY ADDRESS	UNIT TYPE	RENT	COMMENTS
	139 S St Andrews Pl	Studio	\$1,600	This 1st story unit has large windows, large closet, a built in vanity, breakfast nook, and tons of cabinets space in the kitchen! This used to be an actors hotel with full concierge. We rarely have a vacancy in this building. Tenant pays gas & electric, owner pays water. - Frig stove included - Laundry on premises - Street Parking only Garage available for an extra \$100.00
	245 S Serrano Ave	Studio	\$1,598	600 Sq Ft. -Central AC/heating -all appliances included; fridge, stove/oven, microwave, and dishwasher - hardwood floor in living area and new carpets in bedroom -granite trendy countertops - pool on-site.
	417 S Kenmore Ave	Studio	\$1,650	515 Square Feet. The community offers newly renovated spacious studio apartments featuring hardwood-inspired flooring, spacious closets, fireplace and brand new stainless steel appliances. No on-site amenities.
	430 S St Andrews Pl	Studio	\$1,650	Secure gated community that has a recently renovated interior. Updated pool and lounge area. Onsite manager available. At La Jolla Courtyard Apartments, you'll have a wide selection of features and amenities. Some of these include: smoke-free options, granite counter tops, and convenient on-site parking options.
	400 S Mariposa Ave	1B+1BA	\$1,995	Spacious 1 bd apartment situated on the 2nd floor, light and bright! Newly renovated with wood flooring throughout, large kitchen with new appliances. Lots of storage and organizational closet space. A must see! This one will go quickly!
	245 S Serrano Ave	1B+1BA	\$1,998	800 Sq Ft. 1bed 1bath 1 parking in gated controlled garage Laminate/carpet foors, non-stainless appliances in kitchen, pool on-site.

Rent Comparables

	PROPERTY ADDRESS	UNIT TYPE	RENT	COMMENTS
	213 S Alexandria Ave	1B+1BA	\$2,000	700 Sq Ft. Available immediately, generous size 1-bedroom, 1-full bathroom apartment. Security building, 1-car parking. Completely renovated, with a tasteful modern touch in the new bathroom and kitchen. New appliances, dishwasher and microwave. Laundry room on the premises.
	801 S Lucerne Ave	1B+1BA	\$2,200	Chic one bedroom unit, recently redone with modern finishes, including granite counter tops and plank tile floors. Laundry on-site; manager on-site; controlled-access building; subterranean parking
	849 S Harvard Bl	1B+1BA	\$2,200	Unit offers comfort on many levels, the unit has large spaces for living an entertainment. This home features hardwood floors through out and offers plenty of natural light. Enjoy the updated kitchen and in unit w/d.

SUMMARY			SUBJECT
UNIT TYPE	# OF UNITS	AVG RENT	PROPERTY
Studio	4	\$1,625	\$1,625
1B+1BA	5	\$2,079	\$2,075

Rent Comparables



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