

Gardena, CA 90249

32-UNIT TROPHY ASSET



14715-14719
CHADRON AVENUE

 HG HARLEY GROUP

 LYON STAHL

14715-14719 CHADRON AVENUE ■ GARDENA, CA 90249

LARSON HARLEY

Senior Investment Sales

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DRE 02045736

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This Offering Memorandum has been prepared to provide summary, unverified financial and physical 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. The Harley Group 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, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, 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 Offering Memorandum has been obtained from sources we believe to be reliable; however, The Harley Group has not verified, and will not verify, any of the information contained herein, nor has The Harley Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided.

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SECTION 1
EXECUTIVE SUMMARY

32 Units Gardena

14715-14719 Chadron Avenue*



PROPERTY SUMMARY

PRICING

OFFERING PRICE		\$7,795,000
PRICE/UNIT		\$243,594
PRICE/SF		\$380.62
GRM	10.07	8.76
CAP RATE	6.23%	7.64%
	Current	Market

THE ASSET

Units		32
Year Built		1959
Gross SF		20,480
Lot SF		31,240
APN		4071-015-018
Zoning		LCR3YY

*Subject Property is Located in Unincorporated LA County (Gardena P.O.)

OVERVIEW

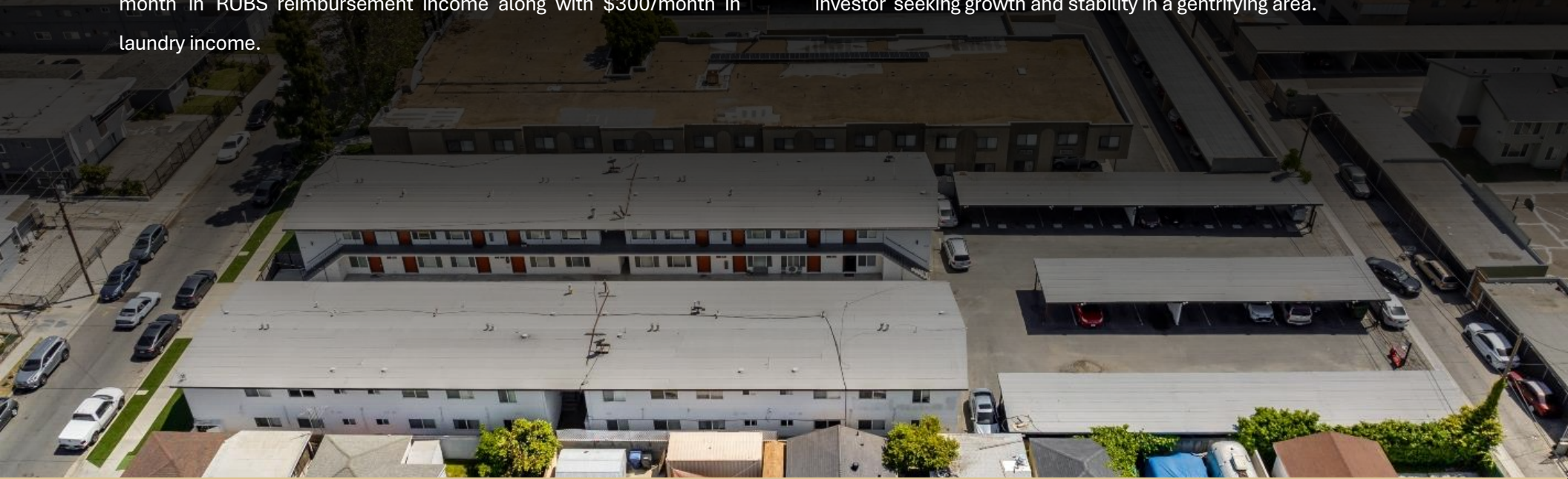
The Harley Group at Lyon Stahl is pleased to present 14715-14719 Chadron Ave, Gardena. **This trophy 32-unit property consists of 50% 1-bedroom/1-bath units and 50% 2-bedroom/1-bath units with 32 covered parking spaces.**

Based on actual expenses, the property is operating over a **6.2% CAP rate and is being offered for under \$245,000/Unit.** There are two identical 16-unit buildings each with their own laundry room and new 100-gallon water heaters. Separately metered for gas and electricity, this stabilized asset generates an additional \$2,000/month in RUBS reimbursement income along with \$300/month in laundry income.

14715-14719 Chadron Avenue

The building has **extensive capital improvements:** copper plumbing, drought-resistant landscaping, electrical upgrades, modernized facade, and a gated perimeter. The interior of all units has been renovated with new floors, kitchens, bathrooms, and stainless steel appliances.

Conveniently located in the South Bay, the subject property is less than a mile from El Camino College with easy freeway access. Offered at almost a 5% cash-on-cash return and over a 6.2% CAP rate, this is an excellent opportunity for a yield-focused investor seeking growth and stability in a gentrifying area.



INVESTMENT HIGHLIGHTS

14715-14719 Chadron Avenue

Stabilized Asset Operating Over a 6.2% CAP Rate and a 10 GRM

Interior Renovations: New Floors, Kitchens, Bathrooms, and Stainless Steel Appliances

Strong Unit Mix: (16) 2-Bed/1-Bath Units & (16) 1-Bed/1-Bath Units

Situated on a **Large 31,240 Sq Ft Lot** | 32 Covered Parking Spaces in Rear

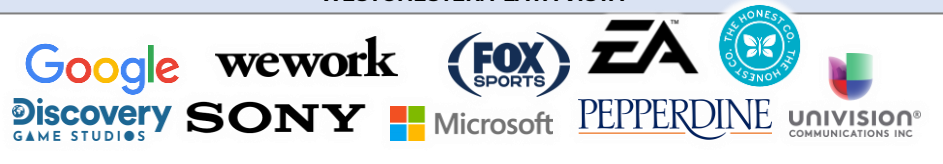
Substantial CAPEX: Copper Plumbing, Electrical Upgrades, New Water Heaters, Well-Maintained Roof

Approx. \$2,000/Month in RUBS Income and \$300/Month in Laundry Income



The Location

WESTCHESTER/PLAYA VISTA

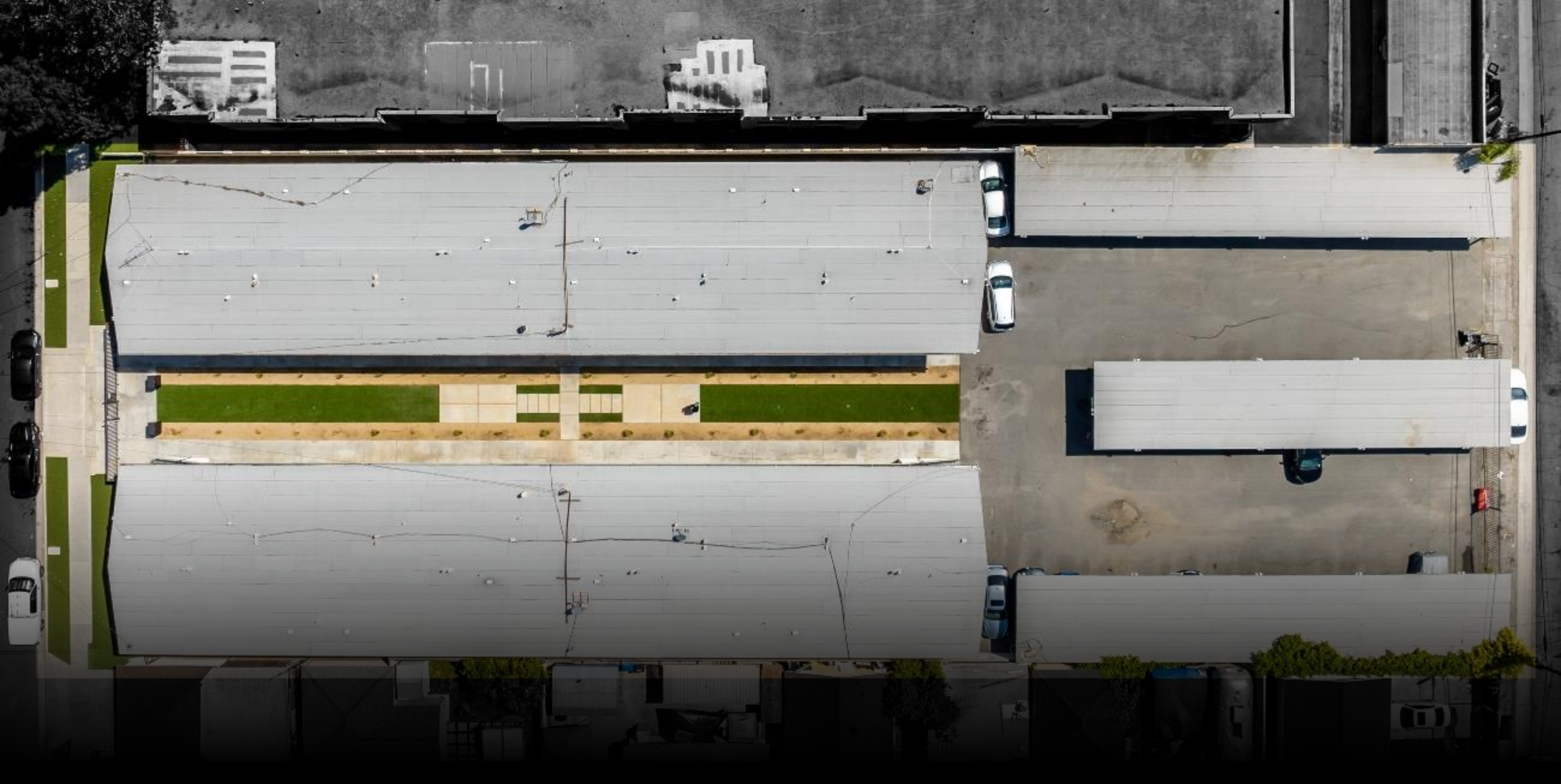


INGLEWOOD



VILLAGE AT CENTURY





14715-14719 Chadron Avenue



32-Unit Trophy Asset





SECTION 2
FINANCIAL ANALYSIS

Rent Roll

14715 CHADRON AVENUE

Unit #	Type	Current Rent	Market Rent
14715-01	2+1	\$2,095	\$2,495
14715-02*	1+1	\$1,655	\$1,995
14715-03	1+1	\$1,745	\$1,995
14715-04*	2+1	\$2,017	\$2,495
14715-05	2+1	\$2,150	\$2,495
14715-06	1+1	\$1,745	\$1,995
14715-07	1+1	\$1,736	\$1,995
14715-08	2+1	\$2,095	\$2,495
14715-09	2+1	\$2,145	\$2,495
14715-10	1+1	\$1,785	\$1,995
14715-11	1+1	\$1,745	\$1,995
14715-12	2+1	\$2,095	\$2,495
14715-14	2+1	\$2,161	\$2,495
14715-15	1+1	\$1,745	\$1,995
14715-16	1+1	\$1,745	\$1,995
14715-17	2+1	\$2,161	\$2,495

14719 CHADRON AVENUE

Unit #	Type	Current Rent	Market Rent
14719-01	2+1	\$2,145	\$2,495
14719-02*	1+1	\$1,682	\$1,995
14719-03	1+1	\$1,745	\$1,995
14719-04	2+1	\$2,145	\$2,495
14719-05	2+1	\$2,095	\$2,495
14719-06	1+1	\$1,695	\$1,995
14719-07	1+1	\$1,695	\$1,995
14719-08; Mgr	2+1	\$2,495	\$2,495
14719-09	2+1	\$2,095	\$2,495
14719-10	1+1	\$1,695	\$1,995
14719-11	1+1	\$2,006	\$1,995
14719-12	2+1	\$2,055	\$2,495
14719-14	2+1	\$2,161	\$2,495
14719-15	1+1	\$1,785	\$1,995
14719-16	1+1	\$1,785	\$1,995
14719-17	2+1	\$2,095	\$2,495
Totals:		\$62,194	\$71,840

Financial Analysis

PRICING

OFFERING PRICE		\$7,795,000
PRICE/UNIT		\$243,594
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GRM	10.07	8.76
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MONTHLY RENT SCHEDULE

# of Units	Type	Avg. Current	Current Total	Market	Market Total
16	1+1	\$1,749	\$27,989	\$1,995	\$31,920
16	2+1	\$2,138	\$34,205	\$2,495	\$39,920
Total Scheduled Rent			\$62,194		\$71,840
Laundry			\$300		\$300
RUBS			\$2,000		\$2,000
Monthly Scheduled Gross Income			\$64,494		\$74,140

ANNUALIZED INCOME

	Current	Market
Annualized Scheduled Gross Income	\$773,928	\$889,680
Less: Vacancy/Deductions	5% (\$38,696)	5% (\$44,484)
Effective Gross Income	\$735,232	\$845,196

ANNUALIZED EXPENSES

	Current	Market
New Taxes (New Estimated):	\$106,787	\$106,787
Repairs & Maintenance (Actual):	\$20,000	\$20,000
Insurance (Actual):	\$19,000	\$19,000
Utilities (Actual):	\$52,000	\$52,000
Property Management (4%):	\$30,957	\$30,957
Payroll (Salary/Leasing Commission)	\$16,000	\$16,000
Administrative/Legal:	\$2,000	\$2,000
Landscaping (Actual):	\$1,400	\$1,400
Pest Control (Actual):	\$1,300	\$1,300

ESTIMATED EXPENSES

	Current	Market
Expenses/Unit	\$7,795	\$7,795
Expenses/SF	\$12.18	\$12.18
% of GOI	33.9%	29.5%

RETURN

	Current	Market
NOI	\$485,787	\$595,751
Less Debt	(\$375,895)	(\$375,895)
Cashflow	4.70% \$109,892	9.40% \$219,856
Principal Paydown	\$72,165	\$72,165
Total Return Before Taxes	7.79% \$182,057	12.49% \$292,021



PROPOSED LOAN QUOTE

Tyler Bradford
 (310) 850-7197 (Mobile)
tyler@convoy-cap.com
 DRE #01860008

Loan Options	Option 1 2-Year Fixed	Option 2 3-Year Fixed	Option 3 5-Year Fixed
Purchase Price	\$7,795,000	\$7,795,000	\$7,795,000
Loan Amount	\$5,456,500	\$5,456,500	\$5,456,500
Down Payment	\$2,338,500	\$2,338,500	\$2,338,500
Loan-to-Value	70%	70%	70%
Debt Coverage Ratio (DCR)	1.20	1.20	1.20
Current Interest Rate	5.50%	5.60%	5.75%
Interest-Only Period	N/A	N/A	1 Year
Index	6 Mo. SOFR	6 Mo. SOFR	6 Mo. SOFR
Margin	3.00%	3.25%	2.50%
Floor / Ceiling	5.50% / None	5.60% / None	5.75% / 9.50%
Loan Term	10	10	30
Amortization in Years	30	30	30
Interest-Only Monthly Payment	N/A	N/A	\$26,146
Monthly Payment	\$30,981	\$31,325	\$26,146
Recourse	Yes	Yes	Yes
Impounds	No	No	No
Pre-Payment Penalty	Years 1-2 1-1%	Years 1-3 3-2-1%	Years 1-2 3-2-1%
Loan Fee	1%	1%	1%
Estimated Costs:			
Appraisal/Due Diligence	\$10,000	\$10,000	\$10,000
Closing/Processing/Underwriting	Included Above	Included Above	Included Above

Alternative fixed and adjustable rate options may be available upon request

Quote subject to satisfactory lender review of rent roll, I & E, property condition, and borrower's financials


Rates and programs are subject to change without notice

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 Dept. of Real Estate - License Number: DRE# 02117282



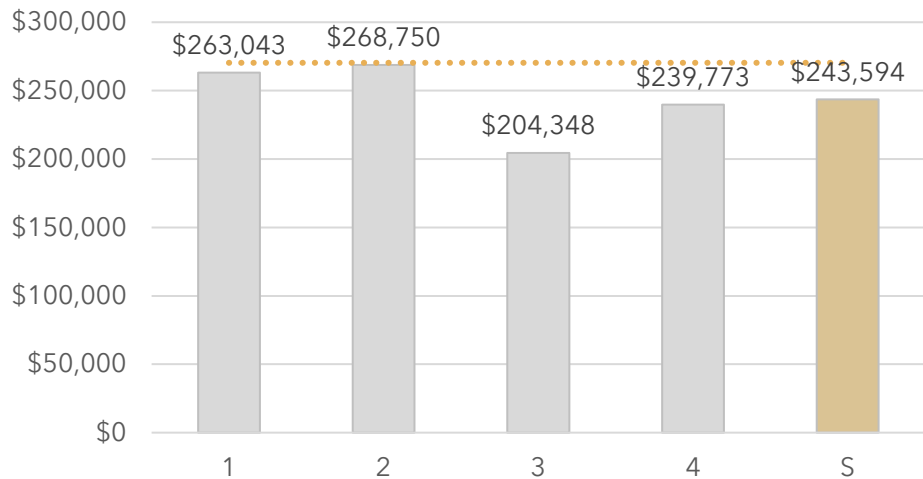
SECTION 3
MARKET COMPARABLES

Sales Comparables

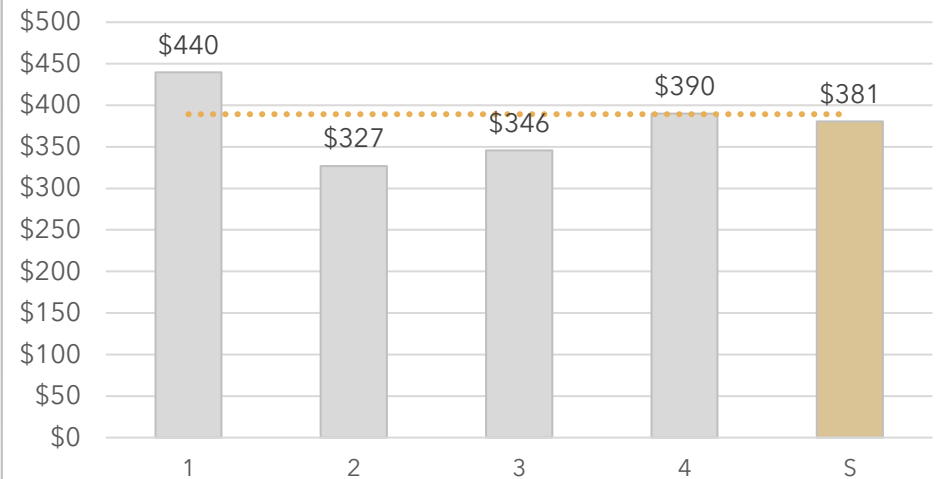
PHOTO	ADDRESS	UNITS	BUILT	GROSS SF	LOT SF	UNIT MIX	SALE DATE	PRICE	PRICE/UNIT	PRICE/SF	CAP	GRM
	1 1300 W 134th St Gardena 90247	23	1951	13,760	34,122	1 - 3+1 3 - 2+1 1 - 0+1 17 - 1+1	Active	\$6,050,000	\$263,043	\$439.68	6.00%	11.46
	2 1034 Magnolia Ave Gardena 90247	16	1961	13,156	17,337	2 - 0+1 1 - 1+1 13 - 2+1	8/18/2023	\$4,300,000	\$268,750	\$326.85	5.32%	12.11
	3 1834 W 146th St Gardena 90249	23	1957	13,602	18,544	2 - 2+1 21 - 1+1	3/30/2023	\$4,700,000	\$204,348	\$345.54	5.20%	11.10
	4 1130 Marine Ave Gardena 90247	44	1960	27,044	42,029	33 - 1+1 11 - 2+1	12/28/2022	\$10,550,000	\$239,773	\$390.11	3.41%	16.80
AVERAGES		19	1965	12,710	19,324				\$270,349	\$389.29	5.28%	12.49
	S Subject 14715-14719 Chadron Ave Gardena, CA 90249	32	1959	20,480	31,240	16 - 1+1 16 - 2+1	On Market	\$7,795,000	\$243,594	\$380.62	6.23%	10.07

Sales Comparables

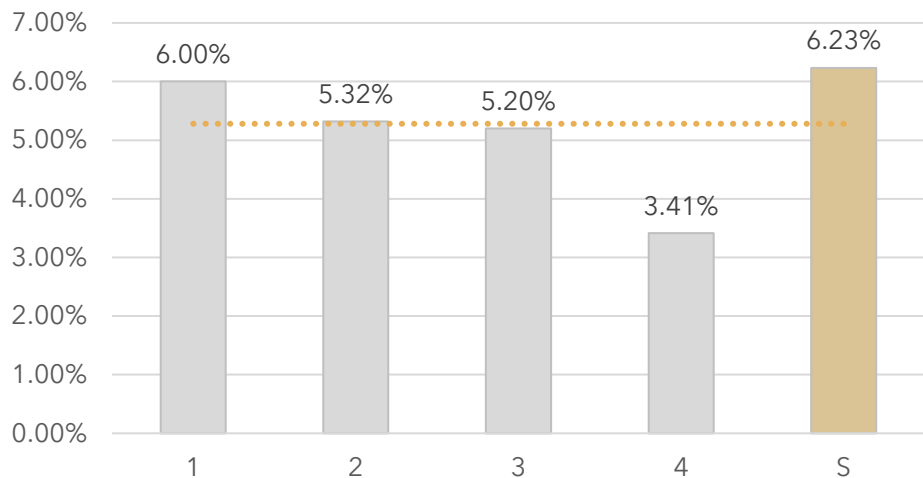
PRICE/UNIT



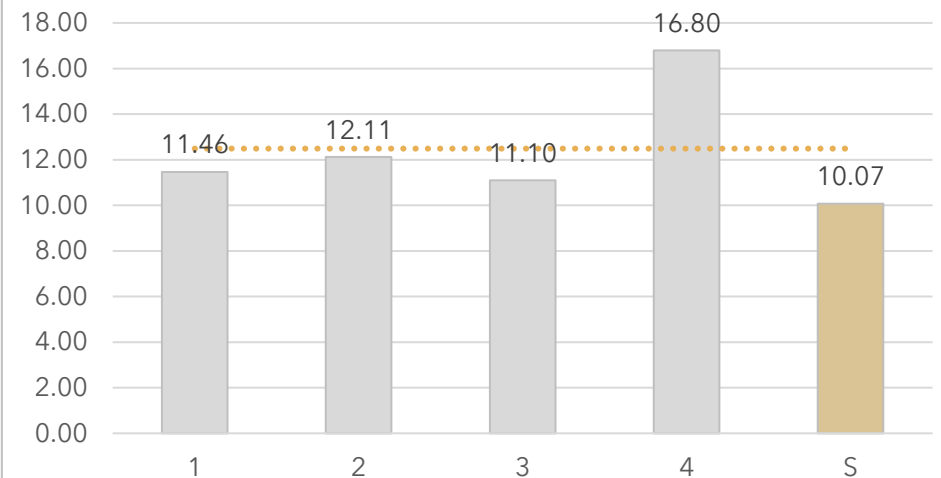
PRICE/SF



CAP RATE

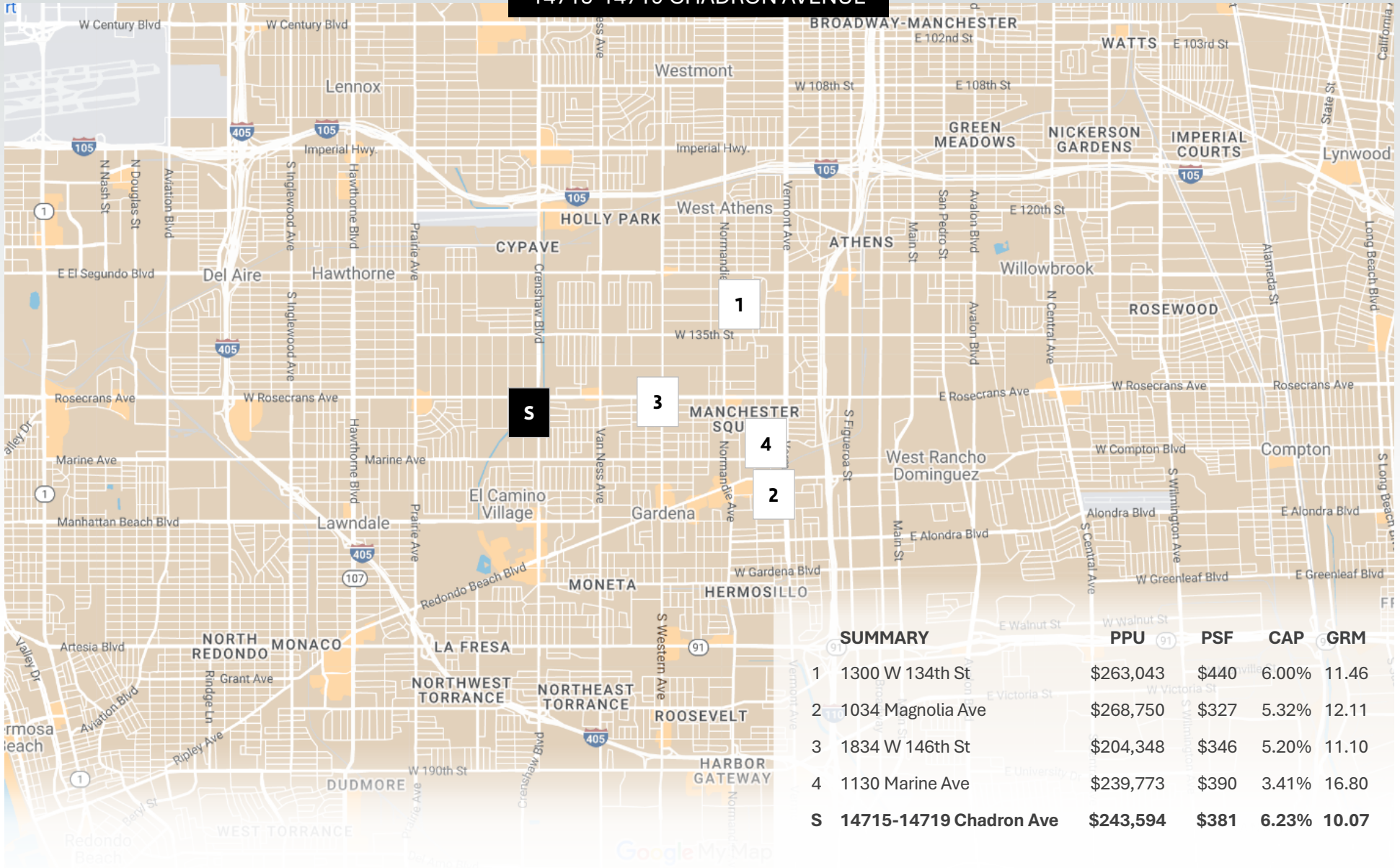


GRM



Sales Comparables

14715-14719 CHADRON AVENUE



		SUMMARY	PPU	PSF	CAP	GRM
1	1300 W 134th St	\$263,043	\$440	6.00%	11.46	
2	1034 Magnolia Ave	\$268,750	\$327	5.32%	12.11	
3	1834 W 146th St	\$204,348	\$346	5.20%	11.10	
4	1130 Marine Ave	\$239,773	\$390	3.41%	16.80	
S	14715-14719 Chadron Ave	\$243,594	\$381	6.23%	10.07	



SECTION 4
LOCATION OVERVIEW

The Location



61,027
Population

20,391
Households

\$64,015
Avg HH Income

Gardena, CA

Located in the heart of the South Bay, Gardena is known as a high quality business environment. A multi-cultural community which has historically been a haven for Japanese immigrants and descendants, Gardena is home to a number of high profile companies, especially catering to those headquartered in the Asia Pacific region. Top employers in the city include Memorial Hospital of Gardena, Hustler Casino, The Boring Company (owned by Elon Musk), United Parcel Service, Hitco Carbon Composites, Southwest Offset Printing and Nissin Foods.





AMENITIES

SUBJECT

14715-14719 Chadron Avenue

20

32-Unit Trophy Asset

The Freeway City

With its ideal, centralized location, Gardena is particularly well-situated to conduct business throughout. Gardena's close proximity to the major Southern California freeways, the 405, 104, 110, 91, provides easy and convenient access to the Los Angeles International Airport and the Ports of Long Beach and Los Angeles. The Gardena Bus Lines, or G-Trans links with regional bus transportation as well as with Metrolink and Amtrak passenger rail.



Demographics

POPULATION

61,027

HOUSING UNITS

22,393

HOUSING

Gardena's attractive, family-oriented neighborhoods provide a wide variety of housing options for all residents. There are 22,393 residential units available in the City. About one-half of the residential units are single family units. The City has 280 subsidized senior housing units in three senior communities. The apartments/multi-family housing have very livable densities. About 15% of the housing stock in the City was built in the last 25 years. The majority of the residential neighborhoods are mature with lush landscaping, well maintained buildings, and large family-sized yards. The persons per household ratio is 2.78. The City has a 3.6% vacancy rate.

LABOR POOL

Home to a large labor pool, Gardena can provide employers with qualified and well educated workers. Nearly 27% of adults age 25 and older have four years' college. The work force is extremely diverse, including men and women with a wide variety of job capabilities, from entry-level to technical and to supervisory and management skills. The city's One Stop Employment and Training Center can assist employers in filling a variety of jobs customized to their specific needs including, but not limited to, clerical, office administration, accounting, computer operators, retail sales, truck drivers and other technicians.



Memorial Hospital of Gardena

MISSION STATEMENT

“We provide affordable, high-quality healthcare services to our communities with consistency and compassion. Memorial Hospital of Gardena is the only hospital located in the Gardena area and has proudly offered high-quality health care to the community for more than 70 years. We are designated as a Primary Stroke Center and accredited as a Geriatric Emergency Department, making us your hospital of choice for emergencies.”

70

YEARS OF SERVICE

175

IN-PATIENT BEDS

170

PHYSICIANS

For more than 70 years, Memorial Hospital of Gardena provides affordable, high-quality healthcare services to our communities with consistency and compassion. Memorial Hospital of Gardena is the only hospital located in the Gardena, and also serves the surrounding South Bay communities.

With 175 in-patient beds, services include Cardiology, Critical Care, an Emergency Department, Gastroenterology, Orthopedics, a Primary Stroke Center, Pulmonary, Radiology and Imaging, Rehabilitation, Surgical services and Urology.



Employment Hubs

The city of Gardena, has a diverse array of industries, including manufacturing, healthcare, retail, and hospitality. One of the largest employers in Gardena is the Memorial Hospital of Gardena, which provides healthcare services to the city and surrounding areas. Other major employers in the city include several manufacturing companies, such as Pacific Industrial Co. and Precision Dynamics Corporation, which produce a range of products including aerospace components, medical equipment, and identification wristbands. The city also has a strong retail sector, with several shopping centers and strip malls throughout the city. Popular retail destinations in Gardena include the Gardena Valley Shopping Center and the Pacific Square Shopping Center.

MEMORIAL HOSPITAL

735

HUSTLER CASINO

712

LUCKY LADY CASINO

410



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23



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