



1260-1264 N Hayworth Ave
West Hollywood, California 90046

JULY 2024
OFFERING MEMORANDUM

1260-1264

N HAYWORTH AVE

WEST HOLLYWOOD | CALIFORNIA 90046



This document/email has been prepared by Northmarq for advertising and general information only. Northmarq makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Northmarq excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Northmarq and/or its licensor(s).

© 2024. All rights reserved.

EL SEGUNDO 841 APOLLO STREET, SUITE 465 | EL SEGUNDO, CALIFORNIA 90245

CONTACTS

BRENT SPRENKLE

Managing Director, Investment Sales

C 310.621.8221 E bsprenkle@northmarq.com

CA DRE #01290116

PARKER BOEHLE

Associate, Investment Sales

C 310.988.8361 E pboehle@northmarq.com

CA DRE #02054215

ALEX PETERSON

Associate, Investment Sales

C 213.248.7047 E apeterson@northmarq.com

CA DRE #02207186

ZALMI KLYNE

Managing Director, Debt & Equity

T 410.422.0903 E zklyne@northmarq.com

CA DRE #01957868

ALEX KANE

Senior Vice President, Debt & Equity

T 424.422.0912 E akane@northmarq.com

CA DRE #01858487

TABLE OF Contents

04

THE ASSET

16

MARKET OVERVIEW

22

FINANCIAL ANALYSIS

30

MARKET COMPARABLES

12600-1264

N HAYWORTH AVE



THE ASSET

PROPERTY DESCRIPTION

PRICE REDUCED \$975,000

The Hayworth Courtyard Apartments consists of 40 units and was constructed in 1946.

Situated in the West Hollywood neighborhood, 1260-1264 N Hayworth Ave Apartments consists of 40 charming units in a beautiful lushly landscaped courtyard setting. The Hayworth Courtyard Apartments is located between two major streets, Sunset Blvd and Santa Monica Blvd. Residents benefit from walking distance to all the nearby amenities along Sunset Strip, Santa Monica Blvd, and Fairfax Ave. 1260-1264 N Hayworth Ave offers 7 studio/one-bath apartments each measuring approximately 400 square feet, 25 one-bedroom/one-bath apartments each measuring approximately 650 square feet, and 8 two-bedroom/one-bath apartments each measuring approximately 800 square feet. There are 35 covered and secured parking spaces, a beautiful swimming pool, a courtyard with mature lush landscaping, and units are individually metered for gas and electricity with separate hot water heaters. Units feature large casement windows, abundant closet space, tiled kitchen and bathrooms, ceiling fans and laminate flooring.



40
Units Total



\$270,625
\$/Unit



\$1,904
Current Avg. Rent/Unit



\$2,795
Market Avg. Rent/Unit



11.82
GRM Current



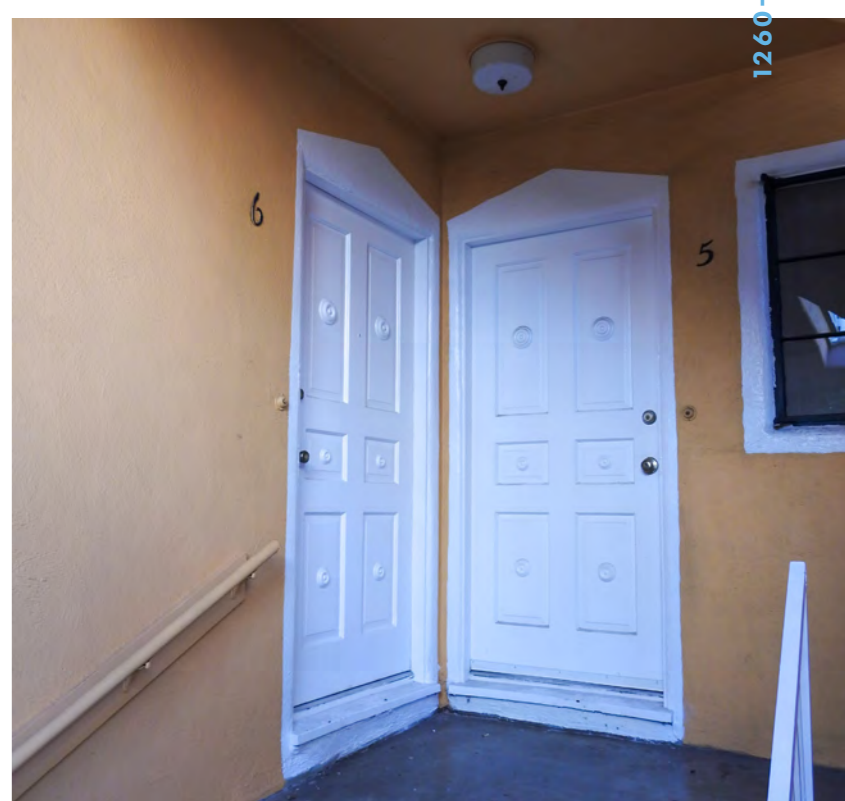
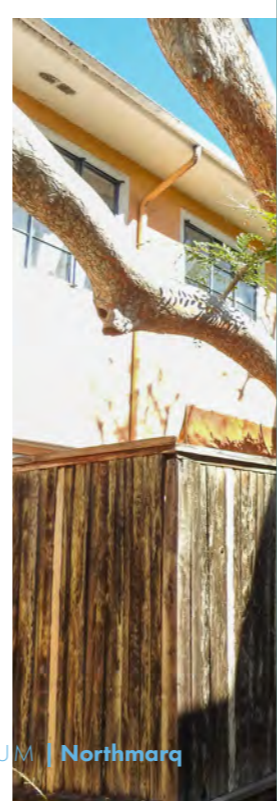
5.25%
Cap Rate Current

PROPERTY SUMMARY

UNITS	40
YEAR BUILT	1946
LOCATION	West Hollywood
PARCEL NUMBER	5554-012-022
TYPE OF BUILDING	Low-Rise Apartments
PARKING	Approx. 35 Parking Spaces



Priced to Sell at \$270,625 Per Unit & and 11.82 GRM Current.





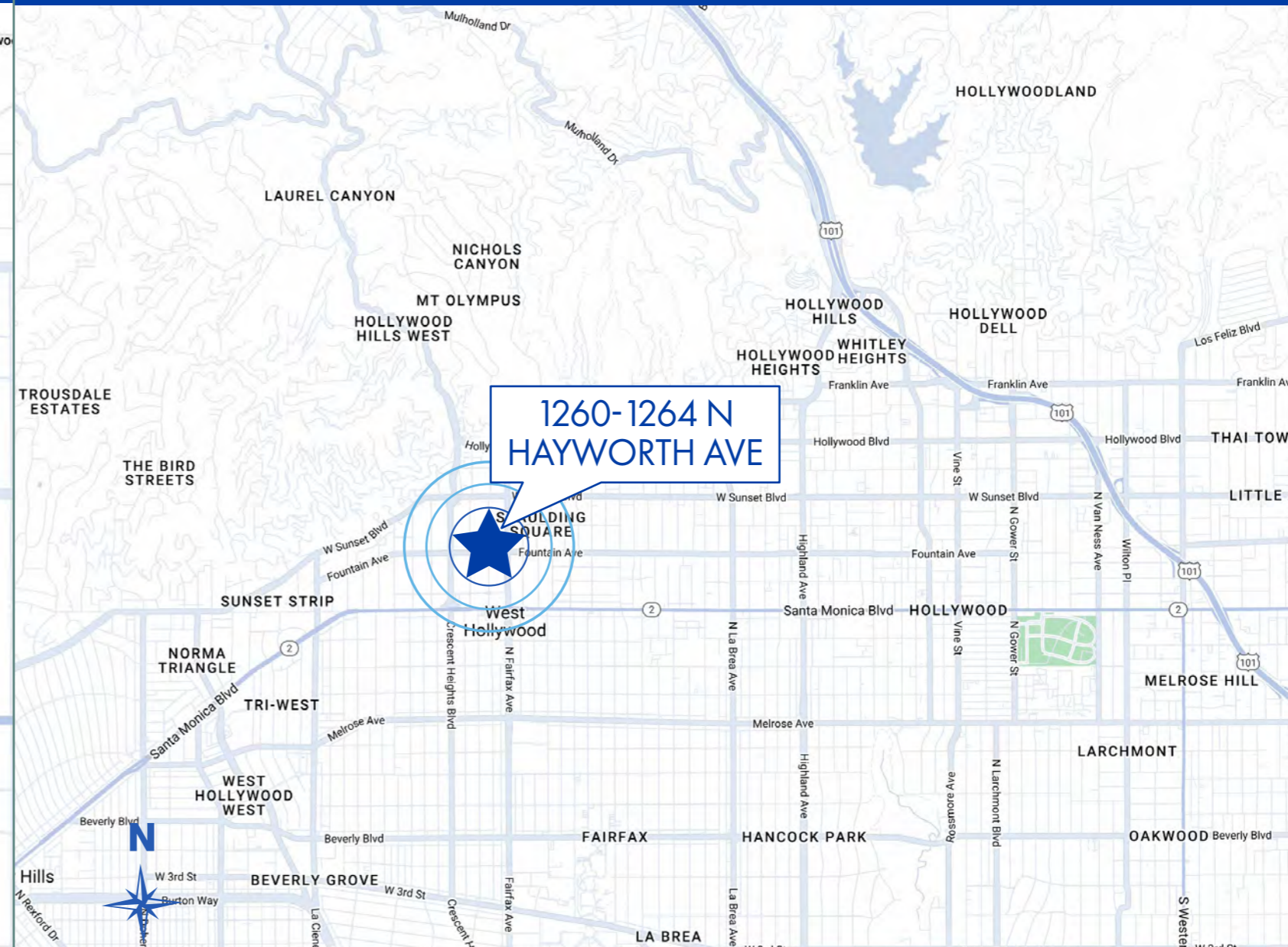
1260-1264 N HAYWORTH AVE
WEST HOLLYWOOD

1260-1264 N HAYWORTH AVE
WEST HOLLYWOOD

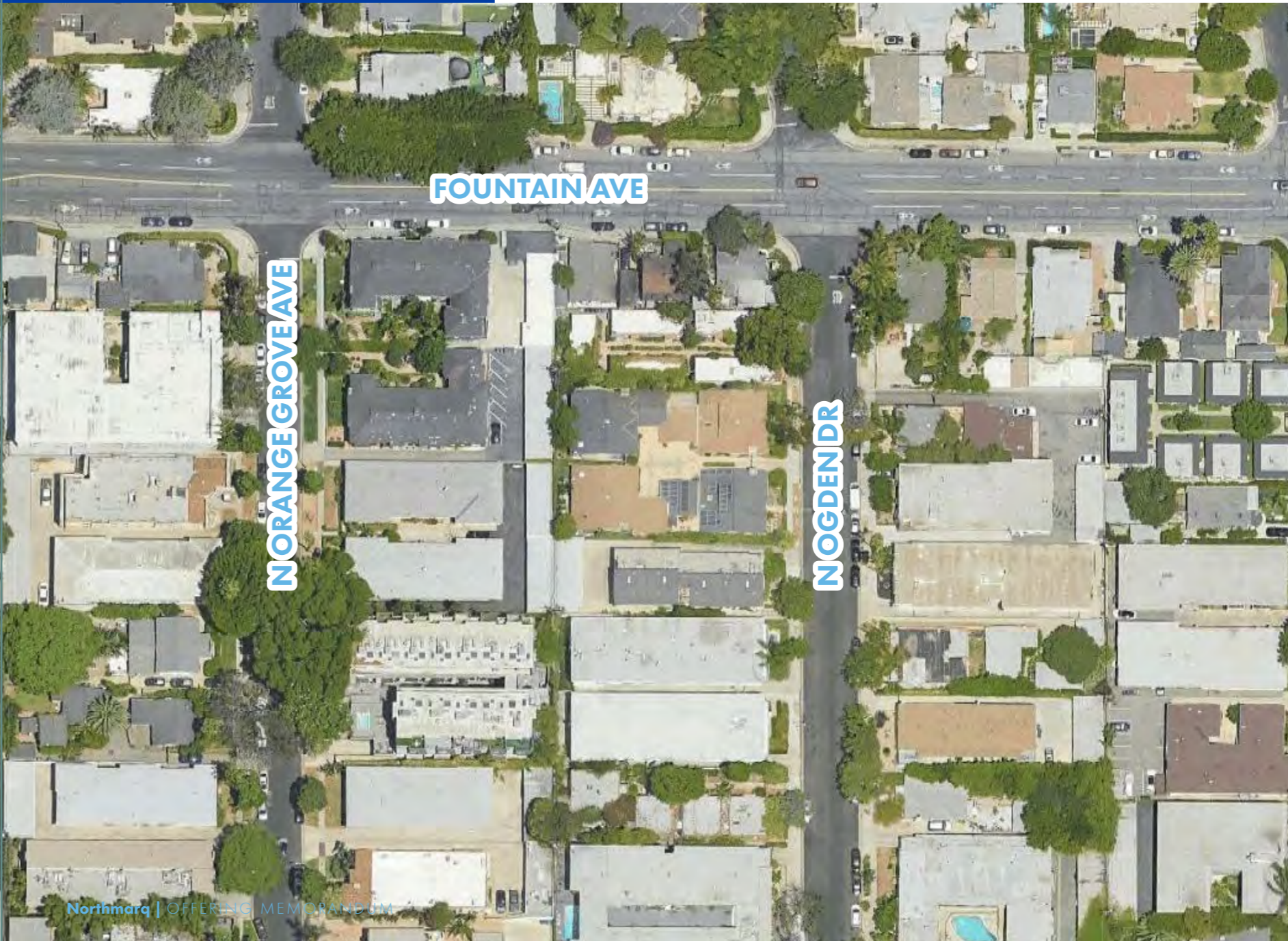
OFFERING MEMORANDUM | Northmarq

Northmarq | OFFERING MEMORANDUM

LOCATION MAPS



BOUNDARY AERIAL



1260-1264

N HAYWORTH AVE



MARKET OVERVIEW

LOCATION DESCRIPTION

WEST HOLLYWOOD & SURROUNDING SUBMARKETS

1260-1264 N Hayworth Ave is located in the West Hollywood community of Los Angeles. Situated just north of Santa Monica Blvd and south of Hollywood Blvd, Hollywood Blvd echoes that same sentiment with a number of high-profile retailers continuing to operate. Hollywood and Santa Monica Boulevard are the main arteries that runs through and adjoining Downtown, Beverly Hills and Bel Air. Lined with a nearly endless number of trendy shops, nightlife, and restaurants, Hollywood Boulevard attracts both local residents and people from across Los Angeles.

1260-1264 N Hayworth Ave is in a submarket surrounded by expensive single-family homes, high-end retail destinations, transformative developments, and main thoroughfares allowing easy access to Los Angeles' largest employment hubs. Within the 90046-zip code, singlefamily home values have seen an increase like the rest of Los Angeles but feature a median sales price of \$1.585M per Redfin statistics. forcing most of the population to be long term renters. Additionally, 1260-1264 N Hayworth Ave is surrounded by rent drivers such as: Fairfax Shopping District, Melrose Shopping and Design District and La Brea Avenue's retail corridor which all feature local, regional, and national tenants catering to a wide array of customers. The Subject property is also a short 5-minute drive from The Grove – one of the most prolific retail centers in the Country and features Fortune 500 companies such as Apple, Nike, and Nordstroms and surrounding retail centers with Whole Foods and Trader Joes. The neighborhood amenities are endless which is why 1260-1264 N Hayworth Ave features a WalkScore of 96.

1260-1264 N HAYWORTH AVE APARTMENTS NEIGHBORHOOD QUICK FACTS



271K
POPULATION
WITHIN 3 MILES



140K
HOUSEHOLDS
WITHIN 3 MILES



75%
RENTER-OCCUPIED HOUSING
UNITS WITHIN 3 MILES



\$85K
MEDIAN HOUSEHOLD
INCOME WITHIN 3 MILES



\$1.02M
MEDIAN HOUSING UNIT
VALUE WITHIN 3 MILES



42.5
MEDIAN AGE
WITHIN 3 MILES



NEIGHBORHOOD SHOPPING

1.9 MILES
FROM THE PROPERTY

500K
SF OF RETAIL SPACE

50
TOTAL STORES

APPLE | NORDSTROM | AMC THEATRES

NEIGHBORHOOD CONVENIENCES



WITHIN A FIVE TO TEN-MINUTE DRIVE FROM THE PROPERTY



PRIMARY EDUCATION

574.6K
STUDENTS SERVED

1.4K
SCHOOLS & CENTERS

75.7K
JOBS SUPPORTED

GARDNER STREET (K-5) | LAUREL SPAN SCHOOL (6-8) | FAIRFAX HIGH SCHOOL (9-12)

DEMAND DRIVERS



3.1 MILES
FROM THE PROPERTY

4.3 MILES
FROM THE PROPERTY

2.7 MILES
FROM THE PROPERTY

4.3K
JOBS SUPPORTED

6.1K
JOBS SUPPORTED

5.0K
JOBS SUPPORTED

800K
SF OF OFFICE SPACE

528K
HOSPITAL BEDS

17.5K
SF OF SPACE

WEST HOLLYWOOD

UNPARALLELED ACCESS

One Million Jobs within 30 Minutes:
1260-1264 N Hayworth Ave offers its residents unparalleled accessibility to all of Metro Los Angeles.

As shown here, the subject property is located within a 30-minute drive of nearly 225 million square feet of office space and prominent employers across a wide variety of industries. This high level of accessibility has routinely driven demand to live in West Hollywood as it affords residents a great balance of urban living with manageable commute times to more than one million jobs throughout Los Angeles. Additionally, the property's proximity to the Metro Purple Line and Metro Red Line which is one station away allow immediate traffic-free access to Downtown Los Angeles, Hollywood, Koreatown, and the Westside (upon completion of the Purple Line extension in 2026).

This high level of accessibility appeals to the cosmopolitan spirit of 1260-1264 N Hayworth Ave target renter profile who desire to have access to the best of everything within arm's reach. Furthermore, the continued gentrification of the immediate area continues to draw attractive lifestyle amenities within walking distance, thereby increasing demand to live at West Hollywood.

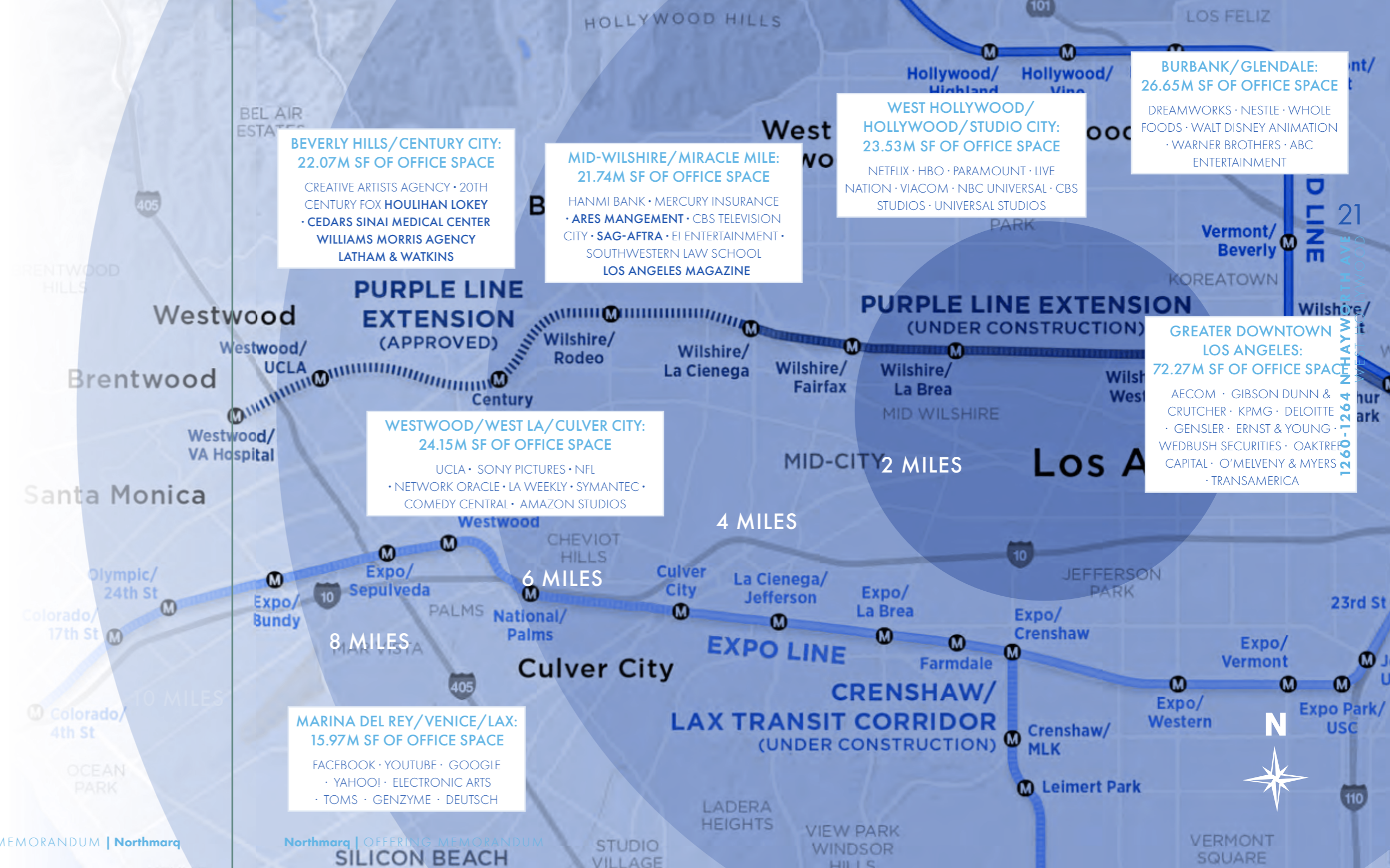
BAIN & COMPANY

VIACOM

NETFLIX **Discovery COMMUNICATIONS**

HBO **LIVE NATION**

abc studios **LATHAM & WATKINS LLP**



1260-1264

N HAYWORTH AVE

WEST HOLLYWOOD | CALIFORNIA 90046



FINANCIAL ANALYSIS

RENT ROLL

Unit #	Address	Unit Description	Estimated Unit SF	Current Rate	Current Rent/SF	Projected Market Rate	Projected Rent/SF	Status
1	1260	Two Bedroom, One Bath	800	\$2,950.00	\$3.69	\$3,300.00	\$4.13	Vacant
2	1260	One Bedroom, One Bath	650	\$2,800.00	\$4.31	\$2,800.00	\$4.31	Manager
3	1260	One Bedroom, One Bath	650	\$2,065.23	\$3.18	\$2,800.00	\$4.31	
4	1260	One Bedroom, One Bath	650	\$2,057.03	\$3.16	\$2,800.00	\$4.31	
5	1260	One Bedroom, One Bath	650	\$1,956.98	\$3.01	\$2,800.00	\$4.31	
6	1260	Two Bedroom, One Bath	800	\$2,671.00	\$3.34	\$3,300.00	\$4.13	Just Leased
7	1260	One Bedroom, One Bath	650	\$1,306.73	\$2.01	\$2,800.00	\$4.31	
8	1260	Studio, One Bath	400	\$1,642.93	\$4.11	\$2,200.00	\$5.50	
9	1260	One Bedroom, One Bath	650	\$1,607.05	\$2.47	\$2,800.00	\$4.31	
10	1260	Two Bedroom, One Bath	800	\$2,698.68	\$3.37	\$3,300.00	\$4.13	
11	1260	One Bedroom, One Bath	650	\$1,635.75	\$2.52	\$2,800.00	\$4.31	
12	1260	One Bedroom, One Bath	650	\$2,056.00	\$3.16	\$2,800.00	\$4.31	
14	1260	One Bedroom, One Bath	650	\$1,304.68	\$2.01	\$2,800.00	\$4.31	
15	1260	One Bedroom, One Bath	650	\$1,315.95	\$2.02	\$2,800.00	\$4.31	
16	1260	Two Bedroom, One Bath	800	\$2,400.40	\$3.00	\$3,300.00	\$4.13	
17	1260	One Bedroom, One Bath	650	\$2,038.58	\$3.14	\$2,800.00	\$4.31	
18	1260	Studio, One Bath	400	\$1,756.00	\$4.39	\$2,200.00	\$5.50	
19	1260	One Bedroom, One Bath	650	\$2,086.00	\$3.21	\$2,800.00	\$4.31	
37	1260	Studio, One Bath	400	\$1,682.50	\$4.21	\$2,200.00	\$5.50	
38	1260	Studio, One Bath	400	\$1,145.80	\$2.86	\$2,200.00	\$5.50	
39	1260	Studio, One Bath	400	\$880.33	\$2.20	\$2,200.00	\$5.50	
40	1260	One Bedroom, One Bath	650	\$2,568.50	\$3.95	\$2,800.00	\$4.31	
1	1264	Two Bedroom, One Bath	800	\$2,698.68	\$3.37	\$3,300.00	\$4.13	

Unit #	Address	Unit Description	Estimated Unit SF	Current Rate	Current Rent/SF	Projected Market Rate	Projected Rent/SF	Status
2	1264	One Bedroom, One Bath	650	\$1,371.30	\$2.11	\$2,800.00	\$4.31	
3	1264	One Bedroom, One Bath	650	\$2,097.00	\$3.23	\$2,800.00	\$4.31	
4	1264	One Bedroom, One Bath	650	\$1,700.33	\$2.62	\$2,800.00	\$4.31	
5	1264	One Bedroom, One Bath	650	\$1,948.38	\$3.00	\$2,800.00	\$4.31	
6	1264	Two Bedroom, One Bath	800	\$2,956.98	\$3.70	\$3,300.00	\$4.13	
7	1264	One Bedroom, One Bath	650	\$1,685.98	\$2.59	\$2,800.00	\$4.31	
8	1264	Studio, One Bath	400	\$1,189.88	\$2.97	\$2,200.00	\$5.50	
9	1264	One Bedroom, One Bath	650	\$2,040.00	\$3.14	\$2,800.00	\$4.31	
10	1264	Two Bedroom, One Bath	800	\$3,015.40	\$3.77	\$3,300.00	\$4.13	
11	1264	One Bedroom, One Bath	650	\$1,343.63	\$2.07	\$2,800.00	\$4.31	
12	1264	One Bedroom, One Bath	650	\$1,956.00	\$3.01	\$2,800.00	\$4.31	
14	1264	One Bedroom, One Bath	650	\$1,959.65	\$3.01	\$2,800.00	\$4.31	
15	1264	One Bedroom, One Bath	650	\$1,956.00	\$3.01	\$2,800.00	\$4.31	
16	1264	Two Bedroom, One Bath	800	\$1,333.38	\$1.67	\$3,300.00	\$4.13	
17	1264	One Bedroom, One Bath	650	\$1,288.28	\$1.98	\$2,800.00	\$4.31	
18	1264	Studio, One Bath	400	\$1,656.00	\$4.14	\$2,200.00	\$5.50	
19	1264	One Bedroom, One Bath	650	\$1,342.60	\$2.07	\$2,800.00	\$4.31	

	Unit Description	Estimated SF	Current Rate	Rent Range/SF	Projected Market Rate	Percent Vacant	Number Vacant	Number of Units	Percentage of Total
Totals:	Studio, One Bath	2,800.00	\$9,953.44	\$2.20 - \$4.39	\$15,400.00	0.00%	0	7	17.50%
	One Bedroom, One Bath	16,250.00	\$45,487.63	\$1.98 - \$4.31	\$70,000.00	0.00%	0	25	62.50%
	Two Bedroom, One Bath	6,400.00	\$20,724.52	\$1.67 - \$3.77	\$26,400.00	12.50%	1	8	20.00%
		25,450	\$76,165.59		\$111,800.00	2.50%	1	40	

	Unit Description	Estimated SF	Current Rate	Current Rent/SF	Projected Market Rate	Projected Rent/SF	% Estimated Upside	Rental Range
Averages:	Studio, One Bath	400.00	\$1,421.92	\$3.55	\$2,200.00	\$5.50	54.72%	\$880 - \$1,756
	One Bedroom, One Bath	650.00	\$1,819.51	\$2.80	\$2,800.00	\$4.31	53.89%	\$1,288 - \$2,800
	Two Bedroom, One Bath	800.00	\$2,590.57	\$3.24	\$3,300.00	\$4.13	27.39%	\$1,333 - \$3,015

Unit Mix & Rent Schedule

Units	Unit Type	Estimated Unit SF	Current Rental Range	Current Avg. Rent	Market Rent	Current Avg. Rent/SF	Market Rent/SF	Est. Total Net SF
7	Studio / 1 Bath	400	\$880 - \$1,756	\$1,422	\$2,200	\$3.55	\$5.50	2,800
25	1 Bed / 1 Bath	650	\$1,288 - \$2,800	\$1,820	\$2,800	\$2.80	\$4.31	16,250
8	2 Bed / 1 Bath	800	\$1,333 - \$3,015	\$2,591	\$3,300	\$3.24	\$4.13	6,400
40		636		\$1,904	\$2,795	\$2.99	\$4.39	25,450
							Gross SF	25,452



FINANCIALS

Income		Current Proforma	Market Proforma
Scheduled Market Rent		\$913,987	\$1,341,600
Less: Vacancy	3.00%	(\$27,420)	(\$40,248)
Net Rental Income		\$886,567	\$1,301,352
Plus: Laundry Income		\$1,675	\$1,675
Total Operating Income (EGI)		\$888,242	\$1,303,027
Estimated Expenses	Percentage	Per Unit	
Administrative		\$35	\$1,400
Advertising & Promotion		\$25	\$1,000
Payroll		\$675	\$27,000
Repairs & Maintenance		\$700	\$28,000
Management Fee	4.00%	\$914	\$36,559
Utilities (Water, Sewer, Electric & Gas)		\$822	\$32,878
Contracted Services		\$527	\$21,086
Base Property Taxes	1.188%	\$3,215	\$128,596
Property Tax Direct Assessments		\$84	\$3,368
Insurance		\$800	\$32,000
Replacement Reserve		\$200	\$8,000
Total Estimated Expenses		\$319,887	\$336,992
	% of Scheduled:	35.00%	25.12%
	Per SF:	\$12.57	\$13.24
	Per Unit:	\$7,997	\$8,425
Net Operating Income (NOI)		\$568,355	\$966,035
Less: Debt Service		(\$439,918)	(\$439,918)
Projected Net Cash Flow		\$128,437	\$526,117
Total Economic Loss		3.0%	3.0%
Cash-on-Cash Return (Based on Asking Price)		2.62%	10.63%
Debt Service Coverage		1.29	2.20

INVESTMENT SUMMARY

NEW ASKING PRICE	\$10,825,000
PRICE/UNIT	\$270,625
PRICE/SF	\$425.31
CAP RATE CURRENT	5.25%
CAP RATE MARKET	8.88%
GRM CURRENT	11.82
GRM PROFORMA	8.10

ALL FINANCING

TOTAL LOAN AMOUNT	\$5,954,000
DOWN PAYMENT	\$4,900,770
LTV	55%
MONTHLY PAYMENT	(\$36,660)
DEBT CONSTANT	7.4%

NEW FIRST MORTGAGE

(to be originated at purchase)

LTV FOR THIS LOAN	55%
AMOUNT	\$5,954,000
INTEREST RATE	6.25%
AMORTIZATION	30
PAYMENT	(\$36,660)
FEES	1.00%
I/O TERM (YRS)	0

PRICING SUMMARY



Cap Rate Analysis	Price	Price/Unit	Price/Foot	Cap Rate Current	Cap Rate Market	GRM Current	GRM Pro Forma
New Asking Price	\$10,825,000	\$270,625	\$425.31	5.25%	8.88%	11.82	8.10

1260-1264

N HAYWORTH AVE

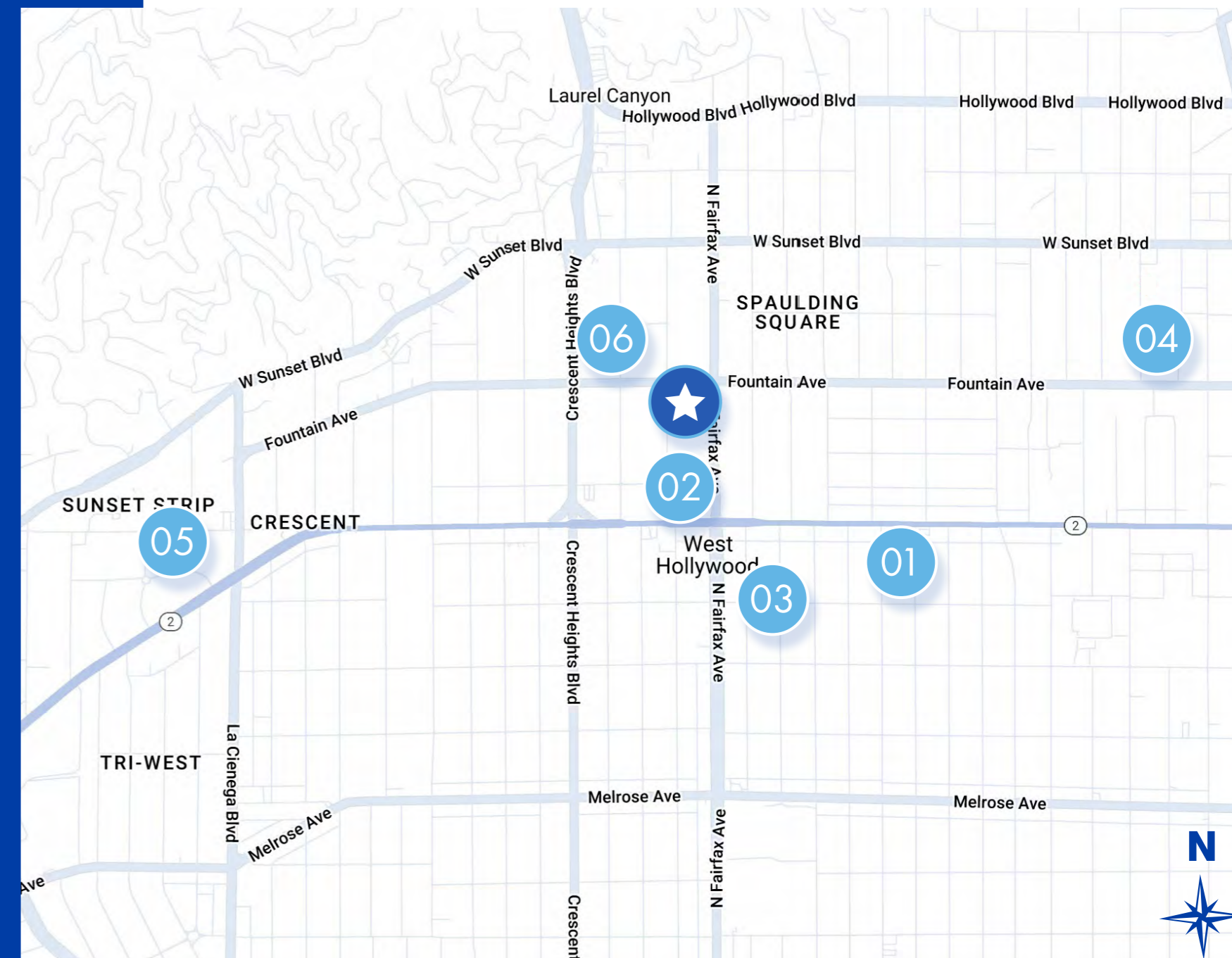
WEST HOLLYWOOD | CALIFORNIA 90046



MARKET
COMPARABLES

SALES COMPARABLES

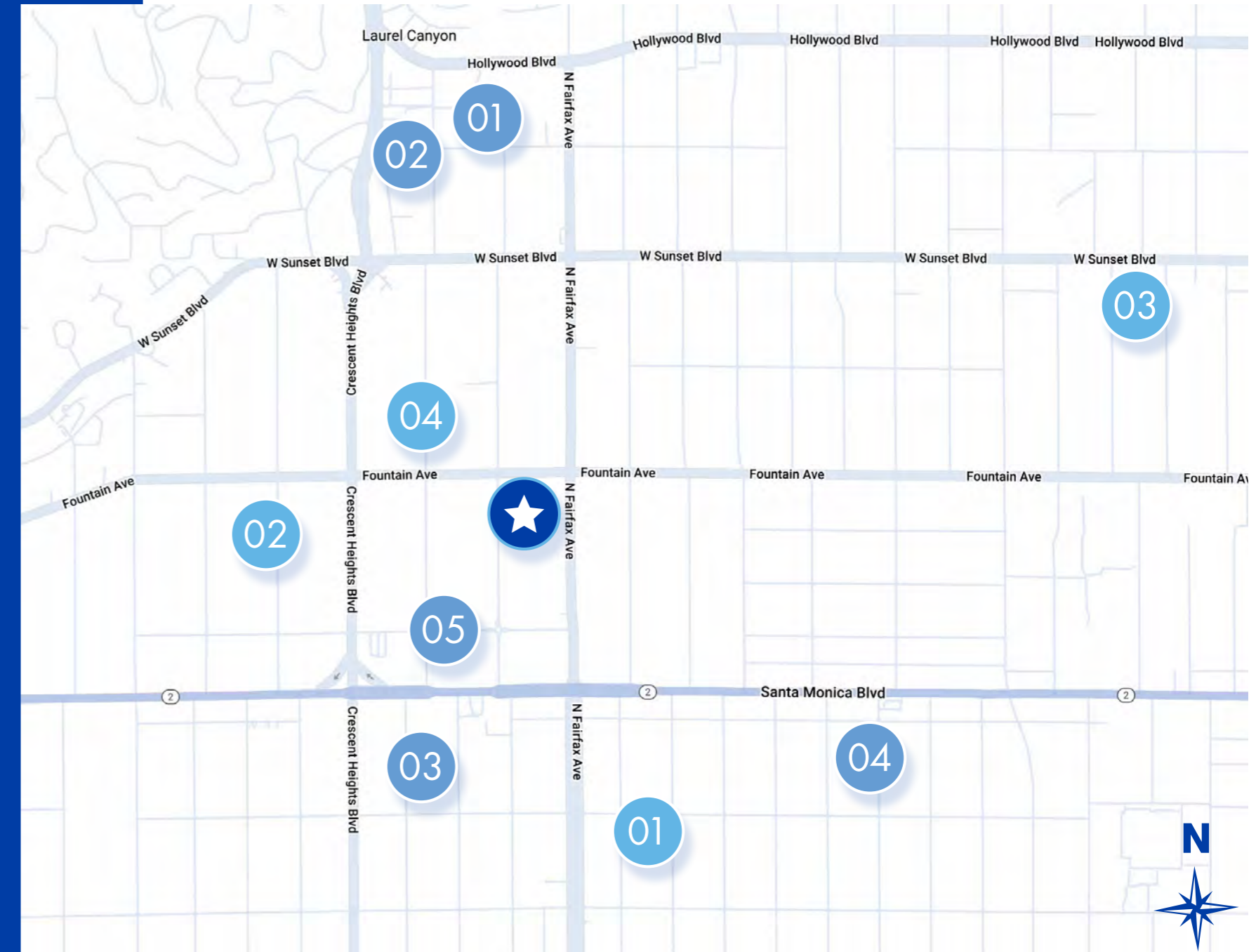
#	Property	Units	Year Built	RSF	Price	Price/Unit	Sale Date
★	1260-1264 N Hayworth Ave	40	1946	25,452	\$10,825,000	\$270,625	ON MARKET
01	1031 N Curson Ave	38	1963	30,622	\$12,100,000	\$318,421	12/29/2023
02	1122 N Hayworth Ave	24	1960	19,534	\$7,000,000	\$291,667	12/29/2023
03	939 N Ogden Dr	35	1957	34,785	\$10,500,000	\$300,000	12/29/2023
04	1340 N Pointsetta	73	1976	51,303	\$22,000,000	\$301,370	12/28/2023
05	8558 Holloway Dr	26	1960	34,341	\$8,800,000	\$338,462	12/5/2023
06	1327 N Laurel Ave	20	1956	15,985	\$5,800,000	\$290,000	11/27/2023
Property Averages (excl. subject property)			1962	31,095	\$11,033,333	\$306,653	



RENT COMPARABLES

#	Property	Year Built	Unit Type	Avg. SF	Rent	Rent/SF
★	1260-1264 N Hayworth Ave	1946	Studio	400	\$1,422	\$3.55
01	939 N Ogden Dr	1957	Studio	312	\$2,300	\$7.37
02	1253 Havenhurst Dr	1956	Studio	315	\$1,798	\$2.92
03	1443 N Fuller Ave	1987	Studio	375	\$2,200	\$3.26
04	1327 N Laurel Ave	1956	Studio	425	\$2,123	\$5.00
Property Averages (excl. subject property)			Studio:	357	\$2,105	\$4.64

#	Property	Year Built	Unit Type	Avg. SF	Rent	Rent/SF
★	1260-1264 N Hayworth Ave	1946	1Bd/1Ba 2Bd/1Ba	650 800	\$1,820 \$2,591	\$2.80 \$3.24
01	7941 Selma Ave	1957	1Bd/1Ba 2Bd/1Ba	750 1,200	\$3,195 \$3,995	\$4.26 \$3.33
02	1545 N Laurel Ave	1956	1Bd/1Ba 2Bd/1Ba	780 980	\$3,340 \$3,390	\$4.28 \$3.46
03	1020 N Laurel Ave	1958	1Bd/1Ba	600	\$2,995	\$4.99
04	1031 N Curson Ave	1963	1Bd/1Ba 2Bd/1Ba	712 913	\$2,850 \$3,725	\$4.00 \$4.08
05	7976 Norton Ave	1950	1Bd/1Ba 2Bd/1Ba	685 1,141	\$2,950 \$3,795	\$4.31 \$3.33
Property Averages (excl. subject property)			1Bd/1Ba: 2Bd/1Ba:	705 1,059	\$3,066 \$3,726	\$4.37 \$3.55





Northmarq

EL SEGUNDO

841 APOLLO STREET, SUITE 465
EL SEGUNDO, CALIFORNIA 90245