

5611

FULCHER AVE
NORTH HOLLYWOOD, CA 91601

Offering Memorandum



Rosano Capital Partners

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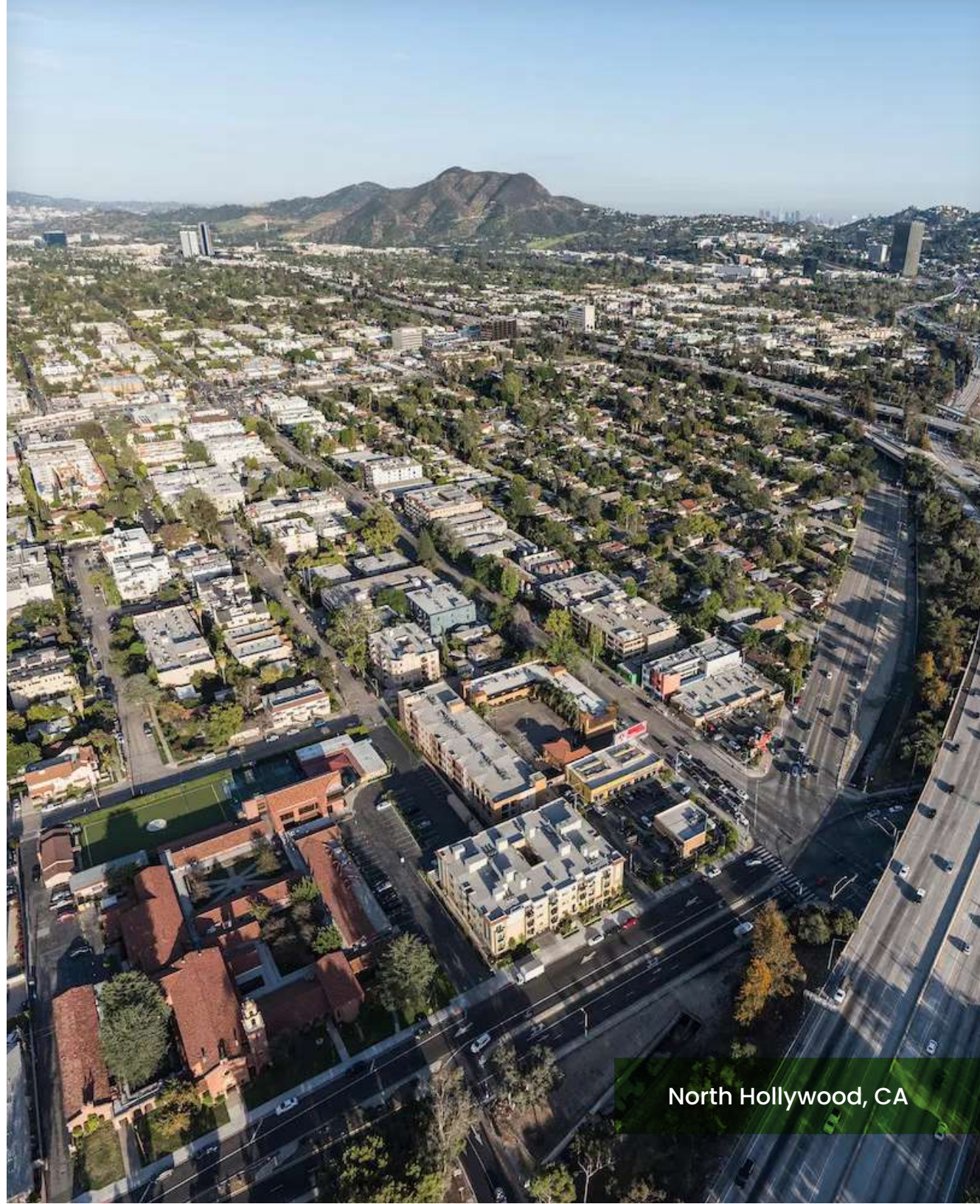
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North Hollywood, CA

Property Overview

ADDRESS

5611 Fulcher Ave
North Hollywood, CA 91601

OFFERING PRICE

\$4,750,000

COMMUNITY AREA

North Hollywood

CITY COUNTY DISTRICT

2nd District
Paul Krekorian

APN (Parcel No.)

6020003015

PROPERTY USE

Apartment Building (LARD2)



Offering Summary

Rosano Capital Partners is pleased to present 5611 Fulcher Avenue, a 21-unit multifamily investment opportunity in prime North Hollywood Arts District.

This rare investment opportunity is a well-maintained high cash flow asset located in one of LA's strongest rental markets. The building is comprised of 21 units with a mix of (3) Studios, (16) 1 Bed, 1 Bath, and (2) 2 Bed, 1 Bath units. Two of the studios are brand new ADUs included and leased up. Several of the units have been renovated in the past 5 years with hardwood floors, new cabinetry, updated bathrooms, stainless steel appliances.

5611 Fulcher Avenue is ideally located in the high demand submarket of North Hollywood, which boasts a high-end young adult demographic, dense immediate population, high barriers to entry, and strong market fundamentals yielding an investor/developer landlord favored market conditions with significant growth potential. Centrally located within walking distance of NoHo Arts District and the Metro Red Line Station, and conveniently positioned in the center of a broad range of employment and retail options, 5611 Fulcher Avenue is surrounded by affluent high-end neighborhoods, boutique bars / restaurants, and numerous high profile office towers and mixed use developments.

Attractive Assumable Financing Available

- Fixed at 4.643% until January 2026
- SOFR + 0.125% thereafter
- Maximum 1.00% annual rate increase
- Loan Maturity: 2049
- Approximate balance: \$2,500,000



Investment Highlights

- Trophy 21 unit Investment Opportunity located in highly sought after NoHo Arts District
- High Cash Flow Asset with Strong Rental Upside Potential
- Extremely rare over 6% Cap Rate for the neighborhood
- Well-maintained property with several renovated units
- Two brand new ADUs included and leased up
- Located in the heart of North Hollywood, one of LA's strongest rental markets
- Potential for assumable financing at 4.6% for 2.5 years



Building Overview

NUMBER OF UNITS

21

BUILDING SIZE

12,598 SF

AVERAGE UNIT SF

602 SF

LOT SIZE

14,030 SF

PRICE PER UNIT

\$226,190

BUILDING PRICE/SF

\$377.04

YEAR BUILT

1964

ZONING

LARD2

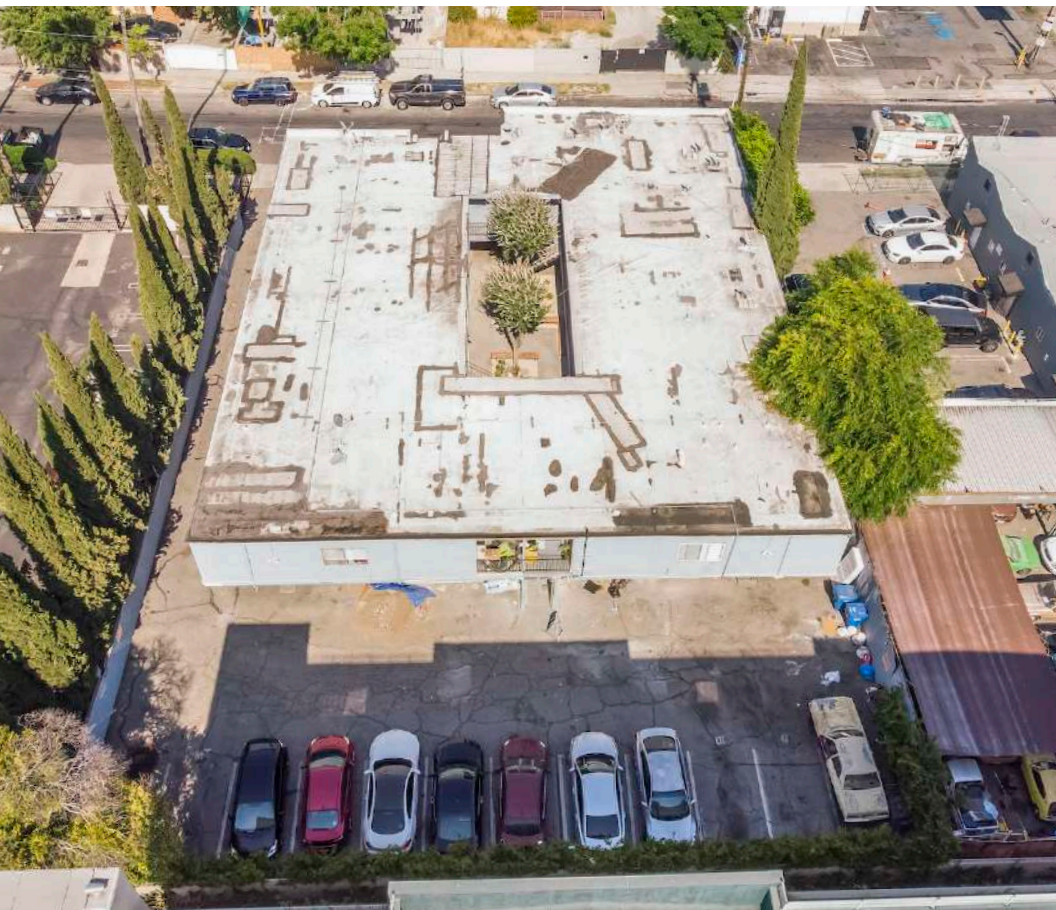
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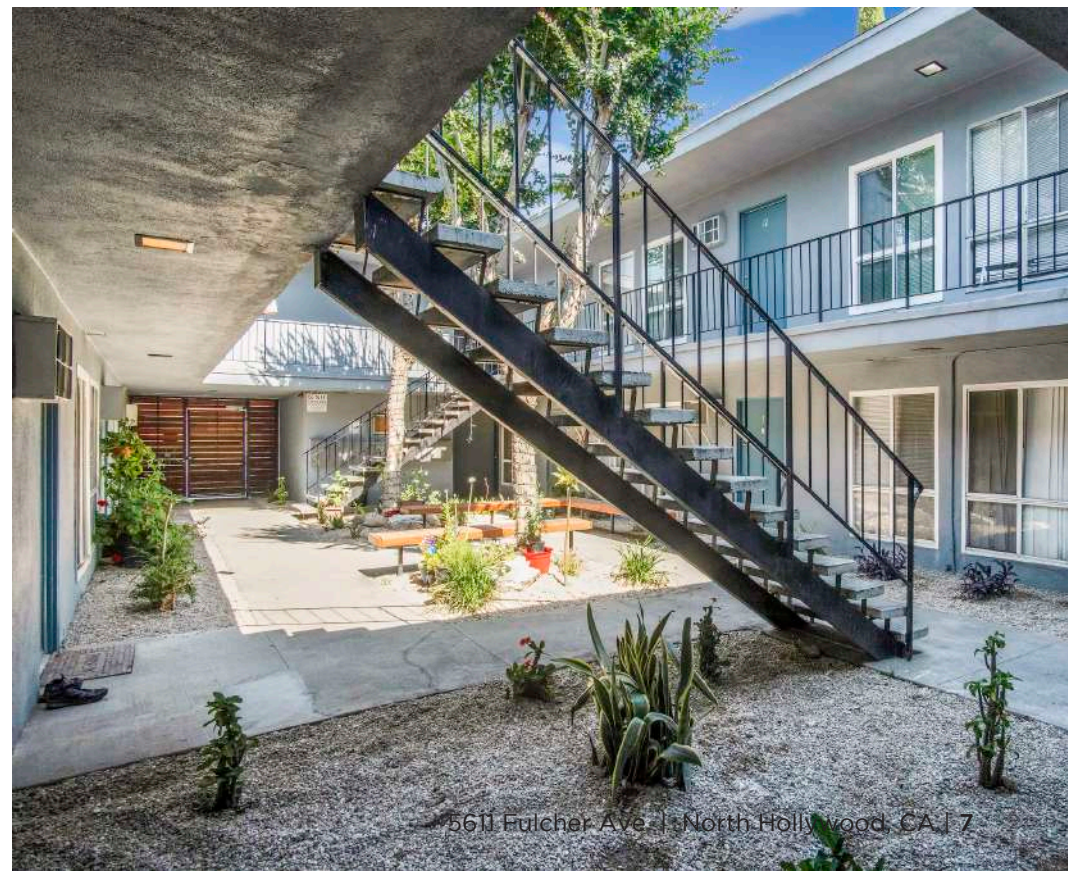
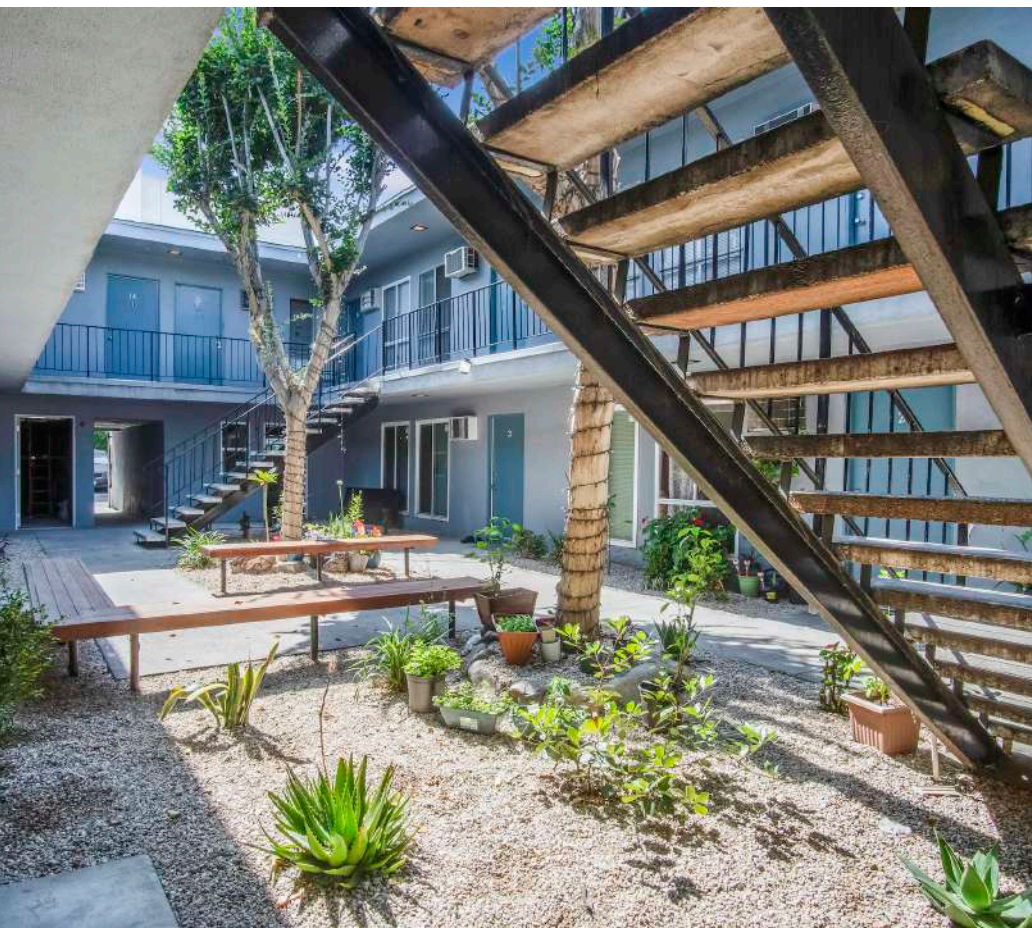
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CONSTRUCTION

Wood

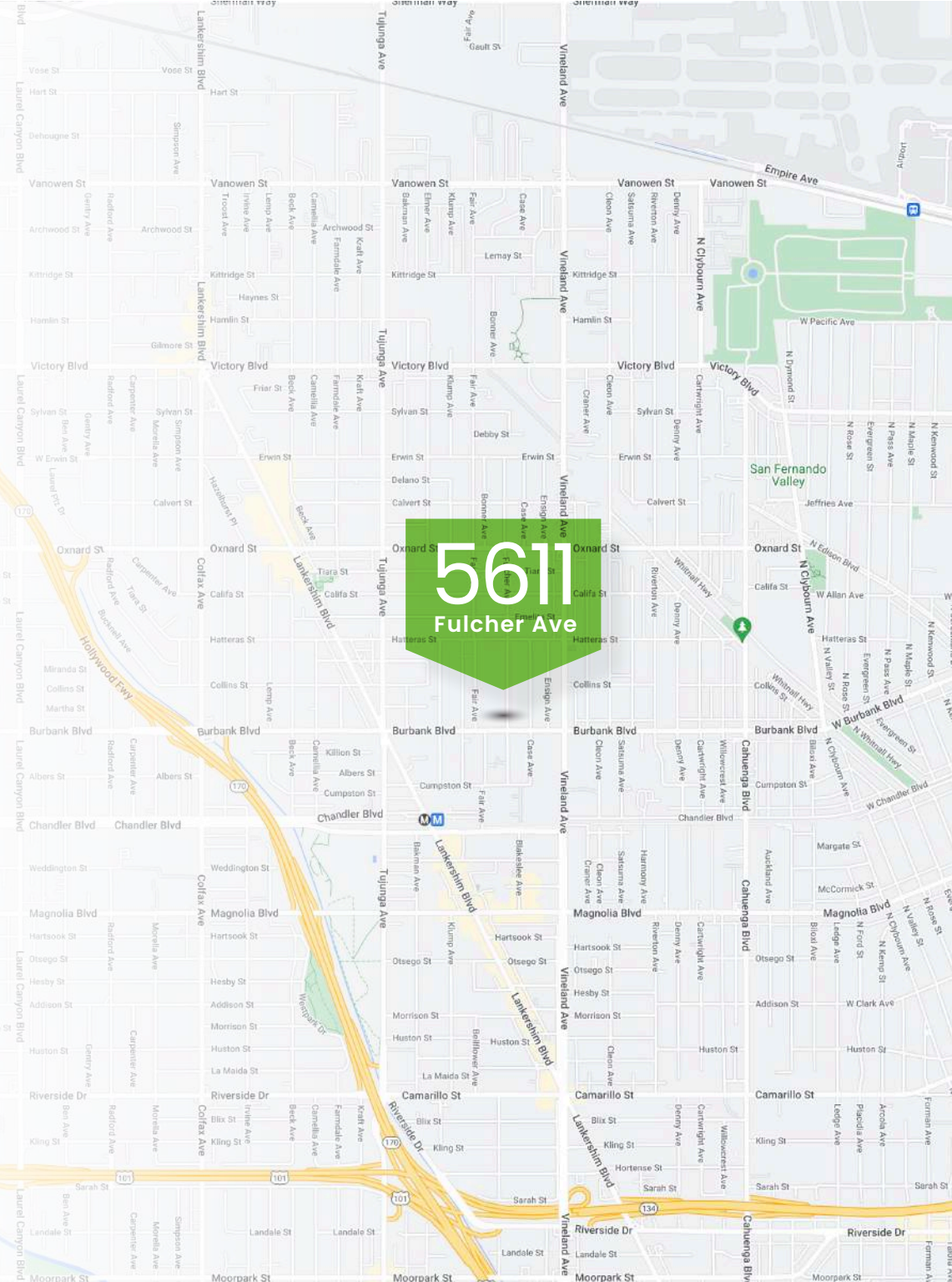




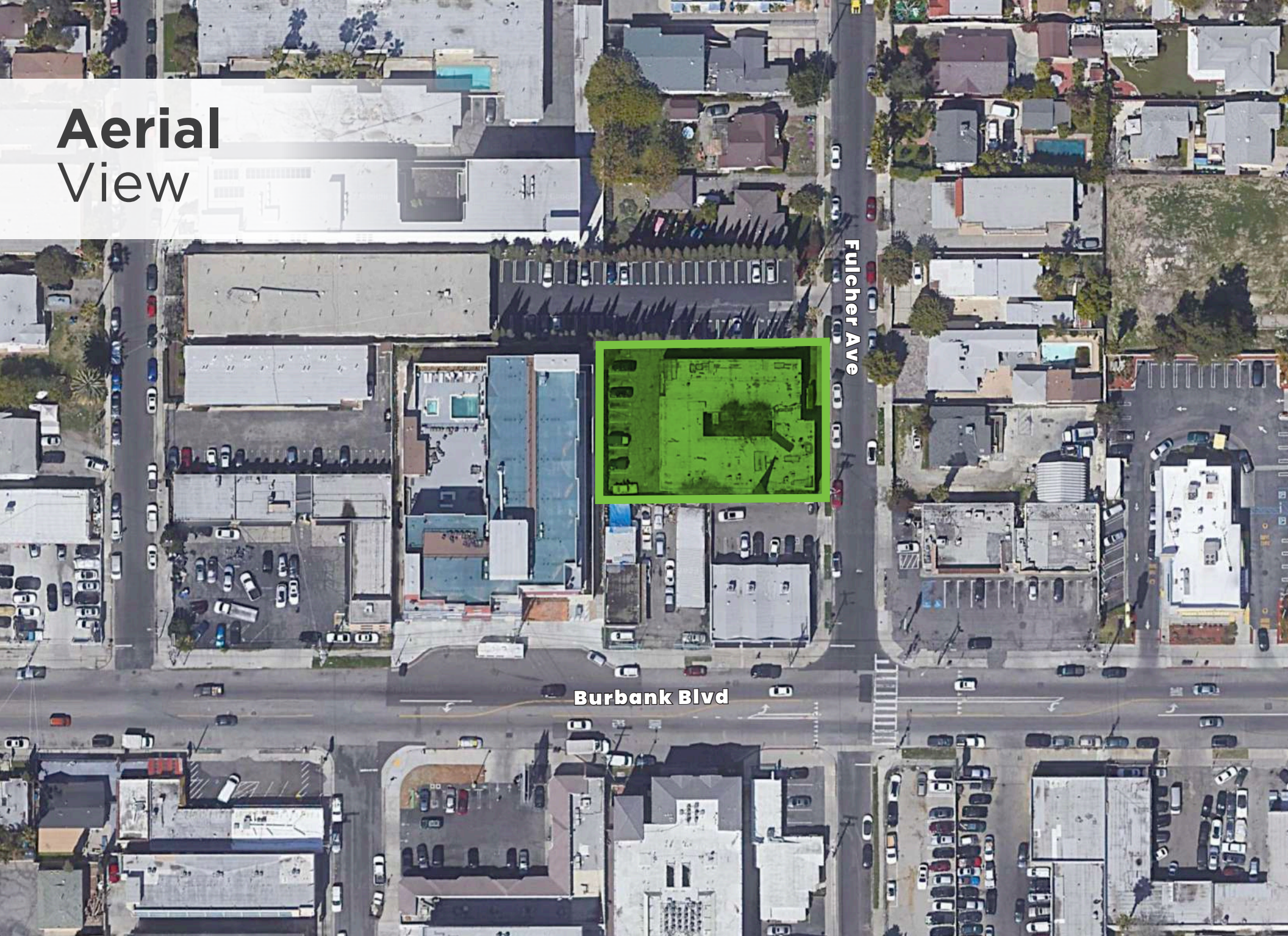


Location Overview

North Hollywood has experienced a major influx of development over the last couple years. With dozens of large-scale projects now in the pipeline, Downtown is well on its way to becoming one of the most thriving and walkable places to live, work and play in greater Los Angeles. Smart development, increasing economic activity and transportation improvements are transforming NoHo into one of the most desirable neighborhoods in the region. Retail development also continues to improve. Lankershim Boulevard is emerging as an artistic destination as several new theatres, bars, and boutique restaurants joined the Arts District's historically mom n' pop retailers. Whole Foods, The Federal Bar, NoHo Commons and HAHa Comedy Club each bring something unique to the boulevard and attract a wide range of tourists and nightlife visitors. Due to the city's sought-after dining, nightlife and artistic lifestyle...demand for housing has reached an all-time high. In order to meet the demand for housing, developers have flocked to North Hollywood to build close to \$4 billion in mixed use projects from 2015 - 2025. North Hollywood has experienced a dramatic transformation over the past decade with a steady migration of higher-income residents attracted to the area's urban amenities, improved schools, and convenient location near key employment and entertainment centers.



Aerial View



Burbank Blvd

Fulcher Ave

Sales Comparables

BUILDING P/SF:

\$200 \$300 \$400 \$500



SUBJECT PROPERTY



5060 BAKMAN AVE



11940 BURBANK BLVD



5027-5043 BUFFALO AVE



4918 CAHUENGA BLVD



13022 BURBANK BLVD



5550 DENNY AVE



13226 VANOWEN ST



14803 SYLVAN ST

Sales Comparables

SUBJECT PROPERTY

5611

Fulcher Ave

North Hollywood, CA



Sale Price	\$4,750,000
Sale Date	-
Year Built	1964
Units	21
Building SF	12,598 SF
Price/SF	\$377
Price/Unit	\$226,190
Cap Rate	6.22%
GRM	10.39
Studios	3
1 BR	16
2 BR	2
3 BR	0

5060

Bakman Ave

North Hollywood, CA



Sale Price	\$2,725,000
Sale Date	11/27/23
Year Built	1962
Units	14
Building SF	6,900 SF
Price/SF	\$395
Price/Unit	\$194,643
Cap Rate	5.32%
GRM	12.2
Studios	0
1 BR	14 (1+1)
2 BR	0
3 BR	0

11940

Burbank Blvd

Valley Village, CA



Sale Price	\$6,100,000
Sale Date	10/30/23
Year Built	1960
Units	22
Building SF	18,661 SF
Price/SF	\$327
Price/Unit	\$277,273
Cap Rate	4.31%
GRM	15.15
Studios	1 (0+1)
1 BR	12 (1+1)
2 BR	8 (2+2) 1 (2+2.5)
3 BR	0

5027-5043

Buffalo Ave

Van Nuys, CA



Sale Price	\$3,800,000
Sale Date	10/3/23
Year Built	1961
Units	12
Building SF	12,792 SF
Price/SF	\$297
Price/Unit	\$316,667
Cap Rate	5.02%
GRM	12.81
Studios	0
1 BR	2 (1+1)
2 BR	6 (2+2)
3 BR	4 (3+2)

4918

Cahuenga Blvd

North Hollywood, CA



Sale Price	\$2,250,000
Sale Date	9/29/23
Year Built	1948
Units	8
Building SF	6,083
Price/SF	\$370
Price/Unit	\$281,250
Cap Rate	5.80%
GRM	13.27
Studios	-
1 BR	-
2 BR	-
3 BR	-

Sales Comparables

13022
Burbank Blvd
Sherman Oaks, CA



Sale Price	\$2,126,000
Sale Date	9/29/23
Year Built	1954
Units	8
Building SF	5,504 SF
Price/SF	\$386
Price/Unit	\$265,750
Cap Rate	-
GRM	-
Studios	0
1 BR	6 (1+1)
2BR	2 (2+1)
3BR	0

5550
Denny Ave
North Hollywood, CA



Sale Price	\$1,765,000
Sale Date	8/29/23
Year Built	1964
Units	8
Building SF	6,068 SF
Price/SF	\$291
Price/Unit	\$220,625
Cap Rate	4.89%
GRM	11.4
Studios	8 (0+0)
1 BR	0
2BR	0
3BR	0

13226
Vanowen St
North Hollywood, CA



Sale Price	\$2,070,000
Sale Date	8/9/23
Year Built	1953
Units	8
Building SF	4,794 SF
Price/SF	\$432
Price/Unit	\$258,750
Cap Rate	5.59%
GRM	11.34
Studios	1 (0+1)
1 BR	6 (1+1)
2BR	1 (2+1)
3BR	0

14803
Sylvan St
Van Nuys, CA



Sale Price	\$1,590,000
Sale Date	8/1/23
Year Built	1977
Units	8
Building SF	4,984
Price/SF	\$319
Price/Unit	\$198,750
Cap Rate	3.66%
GRM	14.25
Studios	0
1 BR	8 (1+1)
2BR	0
3BR	0

Sales Comparables Averages

\$251,713

AVERAGE PRICE / UNIT

\$352

AVERAGE PRICE / SF

4.94%

AVERAGE CAP RATE

12.92

AVERAGE GRM

Rental Comparables

11047 Otsego St
North Hollywood, CA



Rent	\$2,090-\$3,631
Unit Type	1-3 Bed / 1-2 Bath
Square Feet	800-1,355 SF

11040 Hesby St #209
North Hollywood, CA



Rent	\$1,995
Unit Type	1 Bed / 1 Bath
Square Feet	-

5055 Bakman Ave
North Hollywood, CA



Rent	\$2,175
Unit Type	1 Bed / 1 Bath
Square Feet	800 SF

11347 Califa St
North Hollywood, CA



Rent	\$1,600-\$2,500
Unit Type	Studio-2 Bed / 1-2 Bath
Square Feet	350-750 SF

5914 Willowcrest Ave
North Hollywood, CA



Rent	\$2,395
Unit Type	2 Bed / 1 Bath
Square Feet	700 SF

5644 Riverton Ave #B
North Hollywood, CA



Rent	\$2,195
Unit Type	1 Bed / 1 Bath
Square Feet	-

6018 Hazelhurst Pl #7
North Hollywood, CA



Rent	\$2,450
Unit Type	2 Bed / 2 Bath
Square Feet	830 SF

Financial Summary

PRICING SUMMARY		
Offering Price		\$4,750,000
Down Payment	47%	\$2,250,000
Number of Units		21
Price/Unit		\$226,190
Current Cap:		6.22%
Scheduled Cap (2024):		6.57%
Pro Forma Cap:		8.14%
Current GRM:		10.39
Scheduled GRM:		10.02
Pro Forma GRM:		8.56
Price / Bldg sq/ft:		\$377.04

PROPERTY DESCRIPTION	
Leasable Area (sq/ft)	12,598
Lot Size (sq/ft)	14,030
Year Built	1964

FINANCING	
Loan Amount:	\$2,500,000
Amortization:	30
Interest Rate:	4.643%
Monthly Payment:	(\$12,880)
Yearly Payment:	(\$154,565)

Financial Summary:
The said quote is the most competitive that the capital markets can offer.

ANNUALIZED OPERATING DATA		Current		Schedule (2024)		Proforma	
Gross Rental Revenue		\$446,245		\$460,999		\$538,200	
Parking Income		\$4,740		\$4,740		\$4,740	
Laundry Income (est.)		\$3,600		\$3,600		\$3,600	
RUBS Income		\$6,398		\$8,530		\$8,530	
Gross Potential Income		\$457,383		\$474,269		\$555,070	
Less: Vacancy Allowance		\$13,721	3%	\$14,228	3%	\$16,652	3%
Effective Gross Incomes		\$443,661		\$460,041		\$538,418	
Less Expenses:		\$147,987	33.4%	\$147,987	32.2%	\$151,777	28.2%
Net Operating Income:		\$295,674		\$312,054		\$386,641	
Debt Service		(\$154,565)		(\$154,565)		(\$154,565)	
Cash Flow After Debt Service/ CoC Return		\$141,109	6.3%	\$157,489	7.0%	\$232,076	10.3%
Principal Reduction		\$76,305		\$76,305		\$76,305	
Total Return Before Taxes		\$217,414	9.7%	\$233,794	10.4%	\$308,381	13.7%

NOTES: *As a percent of Effective Gross Income **As a percent of Down Payment

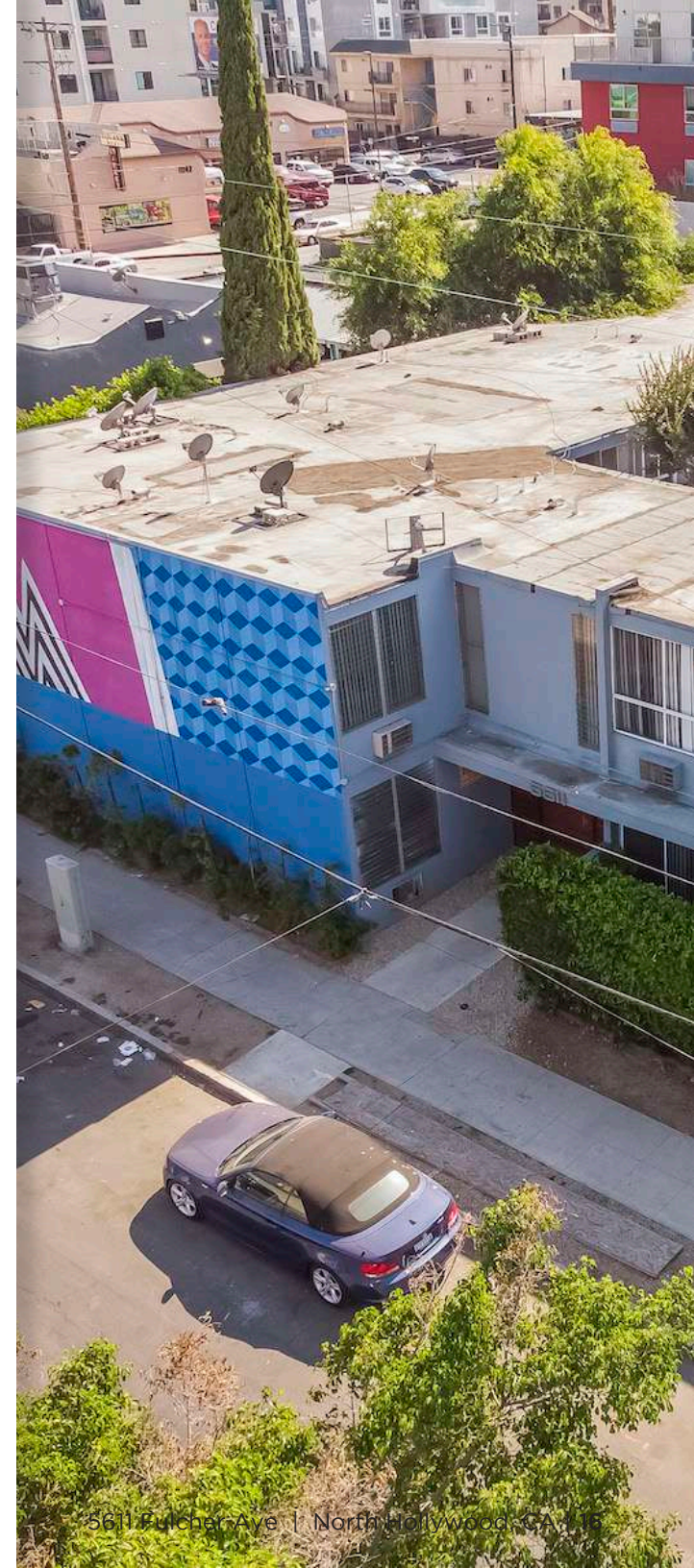
ANNUALIZED EXPENSES		GPR%	Current	Pro Forma
Real Estate Taxes		1.198%	\$56,881	\$56,881
Insurance			\$14,815	\$14,815
Utilities - LADWP			\$14,760	\$14,760
Utilities - Gas			\$3,900	\$3,900
Maintenance/Repairs		\$500/unit	\$10,500	\$10,500
Trash Removal			\$12,134	\$12,134
Management		4% of EGI	\$17,746	\$21,537
On Site Manager		Rent Credit	\$9,600	\$9,600
Cleaning/Gardening			\$2,400	\$2,400
Reserves			\$5,250	\$5,250
Total Expenses			\$147,987	\$151,777
Annual/SF			\$11.75	\$12.05
Annual/Unit			\$7,046.99	\$7,227.48

UNIT MIX	# of Units	Current Rents	Market Rents
Single	1	\$739	\$1,750
Studio	2	\$1,725	\$1,750
1+1	16	\$1,795	\$2,150
2+1	2	\$2,143	\$2,600

This information has been secured from sources we believe to be reliable, however we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify all information.

Rent Roll

Unit #	Unit Type	Status	Current Rent	Scheduled Rent	Parking Rent	Market Rent
1	1bd+1ba	Evicted Vacated by 2/1/24	\$1,763	\$1,833		\$2,150
2	2bd+1ba		\$1,985	\$2,064		\$2,600
3	2bd+1ba		\$2,300	\$2,392		\$2,600
4	1bd+1ba		\$1,015	\$1,056		\$2,150
5	1bd+1ba	Vacant	\$1,650	\$1,716		\$2,150
6	1bd+1ba		\$1,045	\$1,087		\$2,150
7	1bd+1ba		\$2,100	\$2,184		\$2,150
8	Single		\$739	\$769		\$1,750
9	1bd+1ba	Vacant	\$1,950	\$2,028	\$100	\$2,150
10	1bd+1ba		\$2,150	\$2,150		\$2,150
11	1bd+1ba		\$1,675	\$1,742		\$2,150
12	1bd+1ba		\$2,150	\$2,150		\$2,150
13	1bd+1ba	Vacant	\$2,000	\$2,080	\$100	\$2,150
14	1bd+1ba		\$2,100	\$2,184	\$95	\$2,150
15	1bd+1ba		\$2,150	\$2,150		\$2,150
16	1bd+1ba		\$2,100	\$2,184		\$2,150
17	1bd+1ba	ADU	\$1,015	\$1,056		\$2,150
18	1bd+1ba		\$2,100	\$2,184		\$2,150
19	1bd+1ba		\$1,750	\$1,820		\$2,150
20	Studio		\$1,700	\$1,768		\$1,750
21	Studio	ADU	\$1,750	\$1,820	\$100	\$1,750
Totals			\$37,187	\$38,417	\$395	\$44,850



Presenting Agent



BRANDON EVANS

**Managing Director
Multi-Family Group**

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North Hollywood, CA

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