FOR SALE | VALUE-ADD 16 UNIT PROPERTY | EAST HOLLYWOOD

512 N alexandria avenue

LOS ANGELES | CA 90004

CONFIDENTIAL OFFERING MEMORANDUM

CBRE

Affiliated Business Disclosure

Confidentiality Agreement

Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc. ("CBRE"), and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE.

Disclaimer

This Memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner. CMPM 512 N Alexandria Ave_OM_Eng_v03_GG 09/17/25

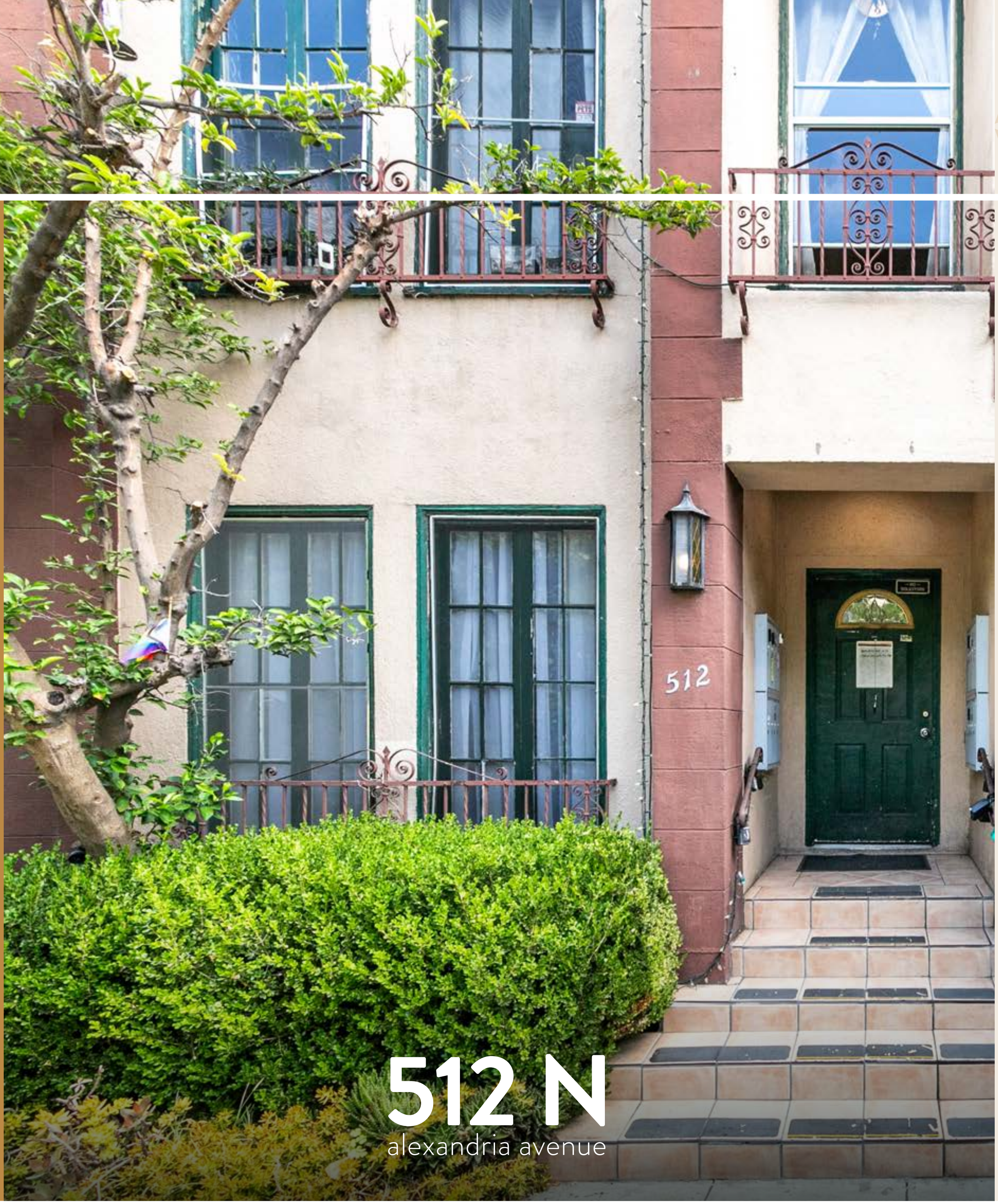


table of CONTENTS

01

executive SUMMARY

THE **OFFERING**

CBRE is proud to present 512 N Alexandria Avenue, a meticulously maintained 16-unit multifamily building in the highly desirable East Hollywood submarket. This property benefits from a prime location, boasting a Walk Score of 85, and providing residents with convenient access to public transportation and the 101 freeway. The property consists of a unit mix of four studios and twelve one-bedroom units. Among the amenities are a garden patio area, on-site, app-paid laundry facilities, solar panels, master-metered utilities, extensive storage space, and the benefits of an on-site manager, streamlining operations and enhancing tenant satisfaction.

This property's prime location, coupled with the attractive features, firmly positions 512 N Alexandria Avenue as a solid investment in a thriving submarket. The property offers significant potential for long-term value appreciation, driven by the continued desirability of the East Hollywood neighborhood, presenting a compelling and highly sought-after opportunity for discerning investors seeking a stable and profitable asset in a prime Los Angeles location.

02

property DESCRIPTION

THE **OFFERING**

ADDRESS
512 N Alexandria Avenue
Los Angeles, CA 90004

SUBMARKET
East Hollywood

ZONING
R3-1

APN
5520-009-025

SITE DESCRIPTION

UNITS
4 Studio Units
12 One Bedroom Units

BUILDING SQUARE FOOTAGE
11,184 SF

LOT SIZE
8,605 SF

NUMBER OF BUILDINGS
1

NUMBER OF STORIES
2

YEAR BUILT
1929

OCCUPANCY
93%

PARKING
Street Parking

INVESTMENT **HIGHLIGHTS**

DESIRABLE LOCATION

East Hollywood is a prime location for multifamily real estate due to its strong, consistent tenant demand. Located centrally in Los Angeles with excellent transit access, the submarket attracts a diverse mix of renters seeking proximity to job centers, amenities, and a vibrant lifestyle. This high demand, combined with the city's overall housing shortage, results in low vacancies and strong potential for long-term rent growth. Ongoing neighborhood revitalization and strategic development further enhance its appeal, making it a resilient market with significant potential for value appreciation.

VALUE-ADD POTENTIAL

A strategic approach to value creation is key. Implementing cosmetic upgrades within the units, such as modernizing kitchens and bathrooms with contemporary finishes, updating flooring, and refreshing interiors, is crucial. These targeted enhancements allow for increased rental rates, reflecting the premium quality and desirable features offered. This value-add strategy directly boosts income and improves tenant retention, leading to a stronger return on investment for 512 N Alexandria Avenue.

LIMITED VACANCY & STABLE RETURNS

The inherent stability of 512 N Alexandria Avenue is a significant advantage for investors seeking a reliable income stream. With minimal tenant turnover and only a single unit currently available, the property exhibits a high degree of stability. This low vacancy rate directly translates to a predictable and consistent income stream, providing a strong foundation for financial planning and performance.

SIGNIFICANT DEVELOPMENT POTENTIAL

512 N Alexandria Avenue's R3-1 zoning designation presents a significant opportunity for long-term value creation. This zoning classification unlocks substantial redevelopment potential, allowing for a substantial increase in the number of units on the existing site. By exploring options such as adding new units or potentially constructing additional structures within the allowable density, the investor can significantly maximize land utilization and ultimately expand the property's income-generating capacity.

03

location
OVERVIEW

512 N
alexandria avenue

EAST **HOLLYWOOD**

PRIME LOCATION & MARKET DEMAND

East Hollywood is a highly desirable submarket in Los Angeles, and its appeal to renters stems from a multitude of factors. Its central location provides easy access to major employment centers and a wealth of amenities. This, in turn, fuels strong and consistent demand from renters seeking proximity to job opportunities, entertainment, and cultural attractions, leading to higher occupancy rates. The neighborhood itself boasts impressive walkability and a diverse array of restaurants, bars, and shops, further enhancing its allure and attracting a wide range of tenants, from young professionals to creatives.

The neighborhood's desirability is amplified by its strategic location near some of Los Angeles' most trendy and sought-after enclaves. The close proximity to Larchmont Village, Silver Lake, and Koreatown provides residents with easy access to a vibrant tapestry of entertainment options, unique shops, and exceptional dining experiences. This access to diverse culinary landscapes, independent boutiques, and bustling nightlife adds significant value for renters seeking a dynamic and engaging lifestyle.

Furthermore, the robust tenant demand, combined with a limited new housing supply and an ongoing housing shortage across Los Angeles, creates a particularly tight rental market with high competition for available units. East Hollywood's high percentage of renters, with a significant portion of residents renting rather than owning their homes, solidifies the strength of the rental market and amplifies the potential for increased rent growth.

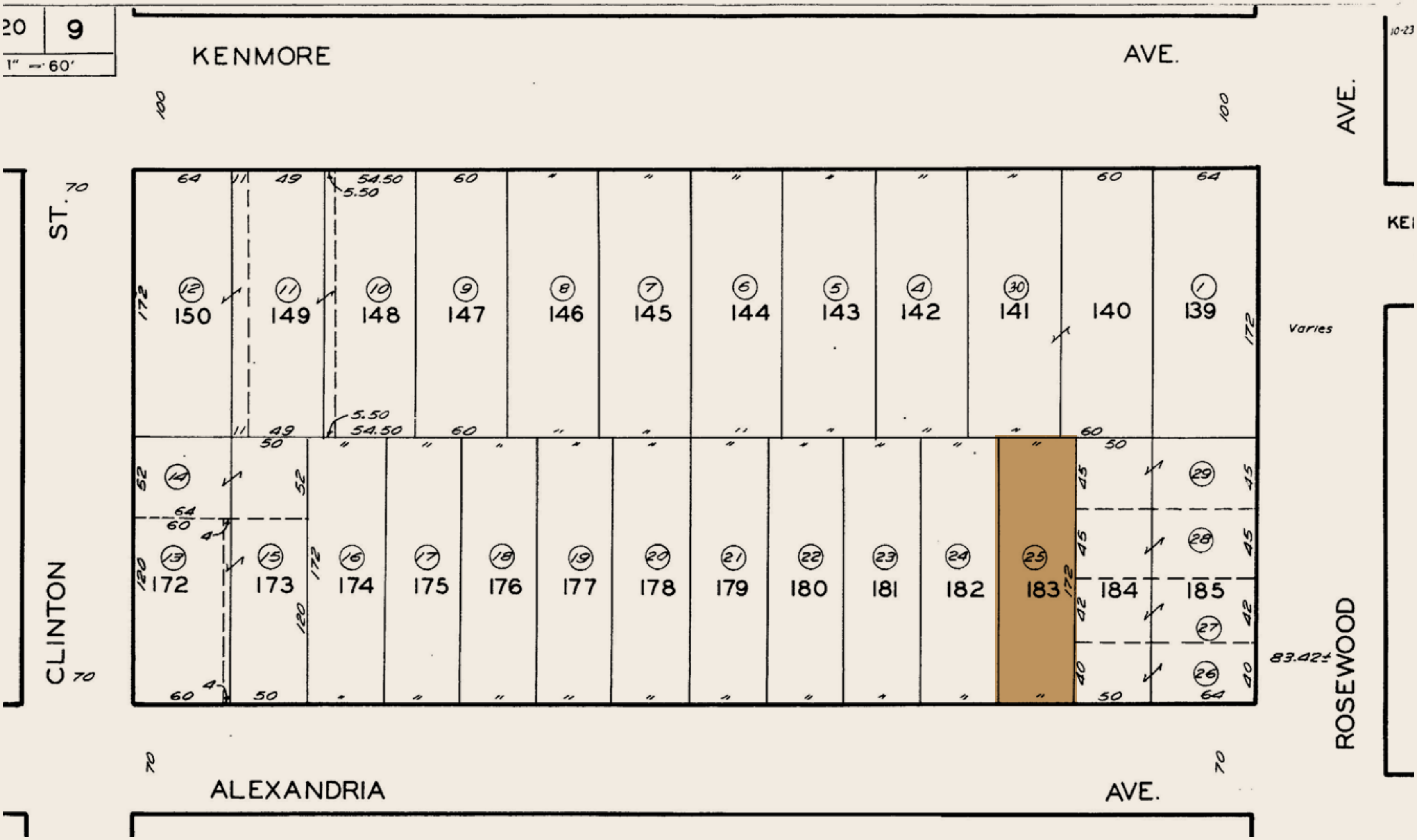
APPRECIATION OPPORTUNITY & LONG-TERM GROWTH

The potential for long-term value appreciation in the East Hollywood market is robust, driven by its desirable location and strong fundamentals within the broader Los Angeles real estate landscape. As a central, well-connected submarket, East Hollywood continues to attract a steady influx of residents drawn to its urban vibrancy, access to employment hubs, and a growing list of neighborhood amenities. The ongoing allure of a Los Angeles lifestyle, combined with the city's persistent housing supply shortage, creates a competitive environment that consistently drives demand and puts upward pressure on property values. Investors are strategically positioned to capitalize on this dynamic by holding assets in a market where a tight inventory of available housing aligns with a constant stream of new residents. Furthermore, the general trend of urban revitalization and the expansion of amenities typically leads to a steady rise in property values over time, offering a strong return on investment for those with a long-term perspective.

RENT GROWTH POTENTIAL

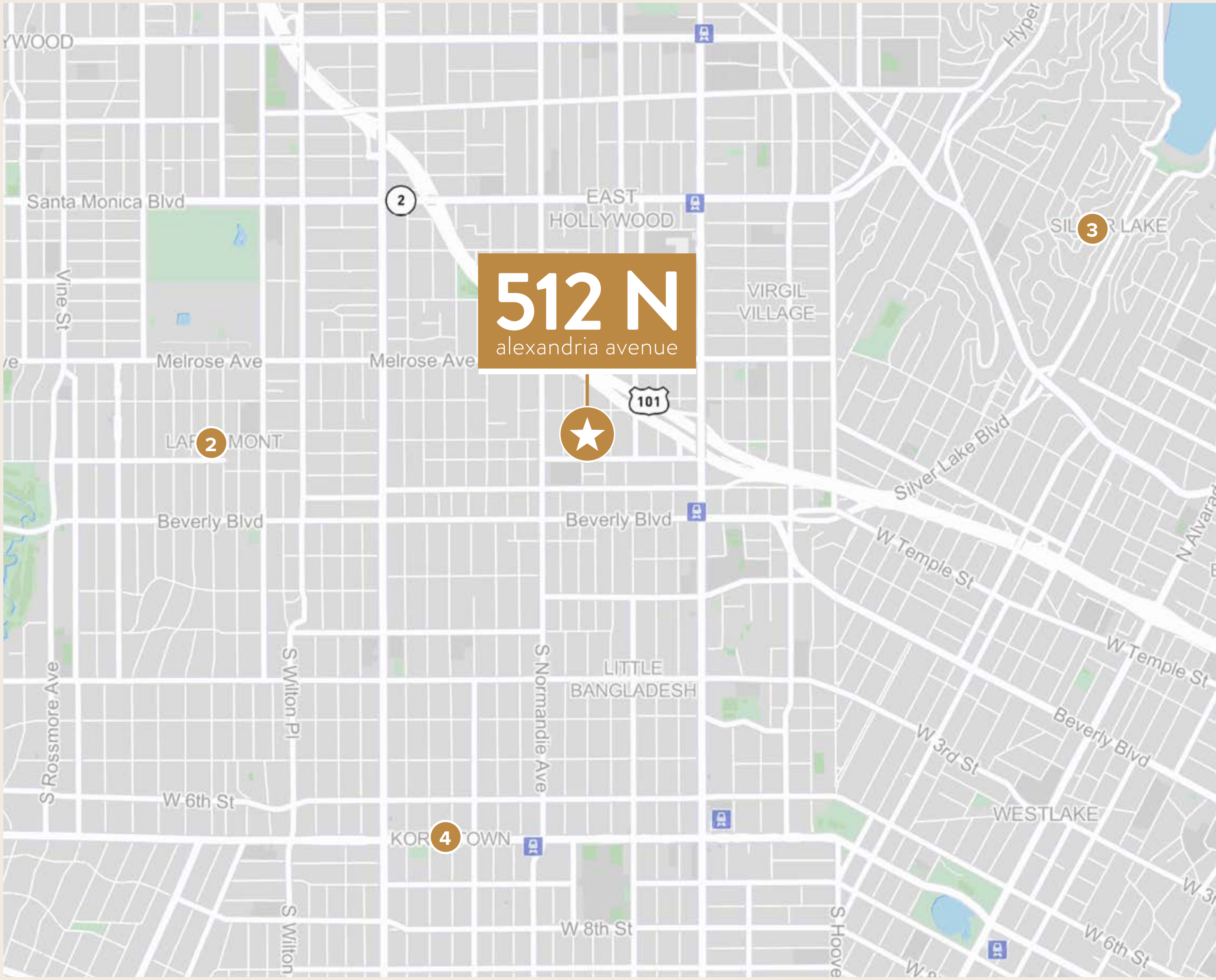
The flourishing East Hollywood market creates strategic opportunities to raise rental rates on lease renewals, tapping into strong demand and limited supply of quality units. Owners can adjust pricing to reflect increasing market values by staying informed on comparable rents and local regulations, such as California's statewide rent control (AB 1482) and the Los Angeles Rent Stabilization Ordinance (RSO). For properties with market-rate potential, thoughtful upgrades or smart features can justify higher rents, attracting and retaining tenants in a competitive environment. This ability to strategically adjust rents on lease cycles is key to maximizing long-term profitability within a desirable, supply-constrained submarket.

PARCEL **MAP**

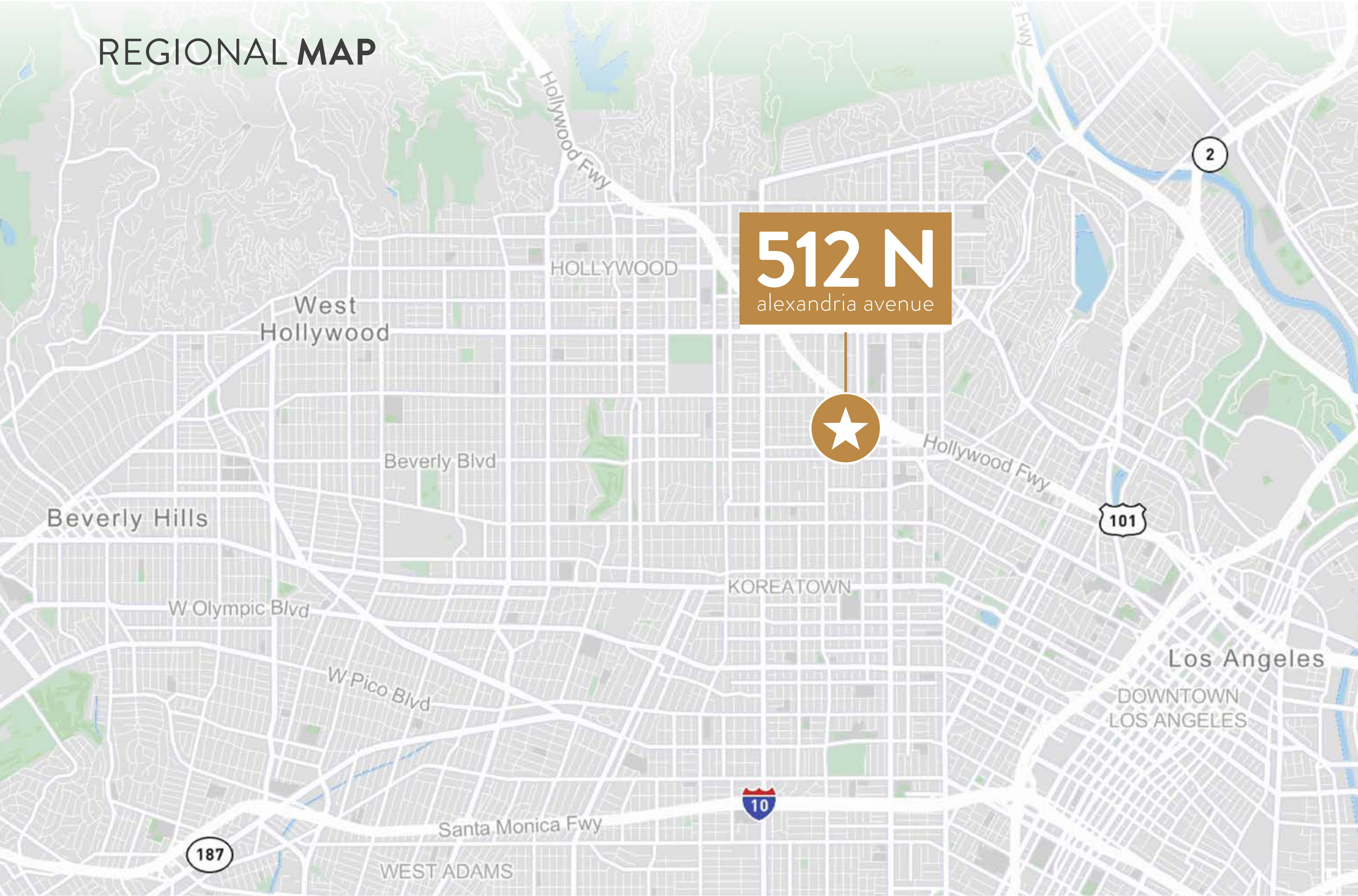

9
1" = 60'
KENMORE AVE.
ALEXANDRIA AVE.
CLINTON ST.
ROSEWOOD AVE.
Varies
150
149
148
147
146
145
144
143
142
141
140
139
172
173
174
175
176
177
178
179
180
181
182
183
184
185
83.42±

LOCAL **MAP**

- 512 N Alexandria Ave
- 2 Larchmont Village
- 3 Silverlake
- 4 Koreatown



REGIONAL **MAP**



05

financial ANALYSIS

RENT **ROLL**

UNIT	TYPE	UNIT SF	MONTHLY ACTUAL RENT	ANNUAL ACTUAL RENT	ACTUAL RENT/SF	MONTHLY MARKET RENT	ANNUAL MARKET RENT	MARKET RENT/SF
101	1B/1B	700	$1,994	$23,933	$2.85	$2,000	$24,000	$2.86
102	1B/1B	700	$1,855	$22,260	$2.65	$2,000	$24,000	$2.86
103	1B/1B	700	$1,741	$20,892	$2.49	$2,000	$24,000	$2.86
104	1B/1B	700	$1,850	$22,200	$2.64	$2,000	$24,000	$2.86
105	Studio	450	$1,426	$17,108	$3.17	$1,650	$19,800	$3.67
106	Studio	700	$1,610	$19,320	$2.30	$1,650	$19,800	$2.36
107	1B/1B	700	$1,607	$19,278	$2.30	$2,000	$24,000	$2.86
108	1B/1B	700	$1,550	$18,596	$2.21	$2,000	$24,000	$2.86
201*	1B/1B	450	$1,233	$14,796	$2.74	$2,000	$24,000	$4.44
202	1B/1B	450	$1,314	$15,768	$2.92	$2,000	$24,000	$4.44
203	1B/1B	700	$1,802	$21,624	$2.57	$2,000	$24,000	$2.86
204	1B/1B	700	$1,801	$21,616	$2.57	$2,000	$24,000	$2.86
205	Studio	700	$1,573	$18,876	$2.25	$1,650	$19,800	$2.36
206	Studio	450	$1,457	$17,484	$3.24	$1,650	$19,800	$3.67
207	1B/1B	700	$1,520	$18,241	$2.17	$2,000	$24,000	$2.86
208	1B/1B	700	$1,636	$19,626	$2.34	$2,000	$24,000	$2.86
16		10,200	$25,968	$311,618		$30,600	$367,200	

Vacant units underwritten at market rent

*Manager's unit underwritten at market rent

INCOME AND EXPENSES

TOTAL NUMBER OF UNITS
16

BUILDING SF
11,184

GROSS INCOME		CURRENT		PRO FORMA
Current/Market Rent		$311,618		$367,200
TOTAL INCOME		**$311,618**		**$367,200**
Vacancy Allowance	3%	$9,349	3%	$11,016
EFFECTIVE GROSS INCOME		**$302,269**		**$356,184**

EXPENSES			% OF EGI	PER UNIT			% OF EGI	PER UNIT
Real Estate Tax	1.199691%	$32,704	10.82%	$2,044	Actual Ad Valorem Rate	$32,704	9.18%	$2,044
Direct Assessments	per county	$1,696	0.56%	$106	Actual per 2023/24 Tax Bill	$1,696	0.48%	$106
Insurance		$17,889	5.92%	$1,118	Estimated Expenses	$17,889	5.02%	$1,118
Utiliies		$46,399	15.35%	$2,900	Actual 2024 Expense	$46,399	13.03%	$2,900
Landscaping		$1,200	0.40%	$75	Actual 2024 Expense	$1,200	0.34%	$75
Pest Control		$516	0.17%	$32	Actual 2024 Expense	$516	0.14%	$32
On-Site Management Fee		$14,400	4.76%	$900	Actual 2024 Expense	$14,400	4.04%	$900
Business License, Permits & Fees		$2,131	0.71%	$133	Actual 2024 Expense	$2,131	0.60%	$133
Repairs and Maintenance		$8,000	2.65%	$500	Actual 2024 Expense	$8,000	2.25%	$500
Reserves & Replacements		$8,000	2.65%	$500	Estimated @ $667/Unit/Yr	$8,000	2.25%	$500
TOTAL CAPITAL COSTS		**$132,934**	**43.98%**	**$8,308**		**$132,934**	**37.32%**	**$8,308**
NET OPERATING INCOME		**$169,335**				**$223,250**		

FINANCIAL **SUMMARY**

PROPERTY SUMMARY

Suggested List Price	$2,726,000
Down Payment	$1,032,655
Number of Units	16
Price/Unit	$170,375
Building SF	11,184
Price/SF	$244
CAP Rate - Current	6.00%
CAP Rate - Pro Forma	8.19%
GRM - Current	8.75
GRM - Pro Forma	7.42
Year Built	1929
Lot SF	8,605

ANNUALIZED OPERATING DATA

INCOME		CURRENT		PRO FORMA
Gross Potential Rental Income		$311,618		$367,200
Total Gross Potential Income		$311,618		$367,200
Vacancy Allowance	3%	$9,349	3%	$11,016
Effective Gross Income		$302,269		$356,184
Expenses	44.0%	$132,934	37.3%	$132,934
NET OPERATING INCOME		**$169,335**		**$223,250**
Net Cash Flow After Debt Service		$39,662		$93,577
Estimated Principal Reduction		$19,605		$19,605
Debt Coverage Ratio		1.31		1.72
TOTAL RETURN BEFORE TAXES	**5.74%**	**$59,267**	**10.96%**	**$113,182**

FINANCING

LTV	60%
Loan Amount	$1,693,345
Loan Type	5-Year Fixed
Interest Rate	6.50%
Amortization	30 Years
Annual Debt Service	($129,672)

EXPENSES

		CURRENT	PRO FORMA
Real Estate Tax	Actual Ad Valorem Rate	$32,704	$32,704
Direct Assessments	Actual per 2023/24 Tax Bill	$1,696	$1,696
Insurance	Estimated Expense	$17,889	$17,889
Utiliies	Actual 2024 Expense	$46,399	$46,399
Landscaping	Actual 2024 Expense	$1,200	$1,200
Pest Control	Actual 2024 Expense	$516	$516
On-Site Management Fee	Actual 2024 Expense	$14,400	$14,400
Business License, Permits & Fees	Actual 2024 Expense	$2,131	$2,131
Repairs and Maintenance	Actual 2024 Expense	$8,000	$8,000
Reserves & Replacements	Estimated @ $667/Unit/Yr	$8,000	$8,000
TOTAL EXPENSES		**$132,934**	**$132,934**

SCHEDULED INCOME

			ACTUAL				MARKET			
# OF UNITS	TYPE	AVERAGE UNIT SF	MONTHLY RENT RANGE	MONTHLY RENT	MONTHLY RENT/SF	ANNUAL RENT	RENT	MONTHLY RENT	MONTHLY RENT/SF	ANNUAL RENT
4	Studio	575	$1,457 - $1,573	$6,066	$2.64	$72,788	$1,650	$6,600	$2.87	$79,200
12	1B/1B	617	$1,233 - $1,802	$19,902	$2.69	$238,829	$2,000	$24,000	$3.24	$288,000
16				**$25,968**		**$311,618**		**$30,600**		**$367,200**

512 N
alexandria avenue

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