

428 S. Witmer St.
Los Angeles, CA 90017

8 Unit Multifamily Investment
Offering Memorandum

THE JAMES GROUP
www.JamesGroupRE.com

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THE **JAMES** GROUP

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Section 01

Executive Summary

EXECUTIVE SUMMARY

428 S. Witmer St offers a stabilized multi-family investment property located in a strong rental demand submarket.

428 S. Witmer Street represents an attractive opportunity for a new investor to acquire a stabilized apartment building with low operating expense ratios in a proven rental market. The property is offered at an asking price of \$1,600,000 and is priced at a 6.35% cap rate and 10.07 GRM based on in-place operations, providing solid going-in returns on a fully occupied asset.

Operating expenses are well controlled at approximately 34% of effective gross income, supported by separately metered utilities and efficient property operations. With continued rent growth to market levels, the property offers meaningful upside. On a pro forma basis, rental income increases to approximately \$192,000 annually, resulting in a projected 8.27% cap rate and 8.33 GRM, with net operating income increasing from approximately \$101,500 to \$132,300.

The strong in-place income supports attractive financing at approximately 70% loan-to-value, allowing investors to acquire a well-performing asset with favorable leverage and long-term upside.

- Prime Rental Demand Submarket
- Efficient unit mix of (8) one bedroom one bathroom units.
- Well Maintained Asset



INVESTMENT SUMMARY

PRICING SUMMARY

Price	\$1,600,000
Price / Unit	\$200,000
Price / SF	\$324
Cap Rate	6.35%
Market Cap Rate	8.237%
GRM	10.07
Market GRM	8.33

PROPERTY SUMMARY

Address	428 S. Witmer St.
APN	5153-024-010
Year Built	1949
No. of Units	8
Square Feet	4,928
Average Unit SF	616
Lot Size	6,550
Parking	8 Spaces
Zoning	LACW
Utilities	Separately Metered
Construction	Wood Frame Stucco

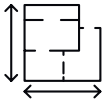


INVESTMENT HIGHLIGHTS



High Rental Demand Location

The property is located in a **Prime Rental Demand Pocket** of Los Angeles, located in between downtown Los Angeles and Koreatown.



Good Unit Mix

The property consist of eight **(8)one bedroom, one bathroom units**.



Upside Potential

Current rents are below market leaving approximately \$34,000 in additional annual upside. Current rents are approximately \$2.68/sf. There is approximately **22% upside in rents**.



On-Site Parking

The property offers **on-site parking** for 8 individual parking spaces.



Attractive Financing

The property is producing very good income allowing a new buyer to secure favorable purchase loan terms.





Section 2

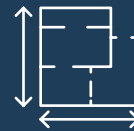
Property Description

PROPERTY OVERVIEW

Property Address	428 S. Witmer St., Los Angeles, CA 90017
Year Built	1949
Building SF	4,928
Lot Area SF	6,550
APN	5153-024-010
Zoning	LACW
No. of Units	8
Unit Mix	(8) 1 Bed / 1 Bath
Parking	8 Onsite Spaces
Construction	Wood-Frame Stucco
Utilities	Individually Metered
Occupancy	100%

428 S. Witmer St. is a well-located multifamily investment opportunity situated in MacArthur Park one of Los Angeles' predominant rental markets. The property consists of 8 units totaling 4,928 building square feet on an 6,550 square foot lot. Built in 1949, the asset features wood-frame stucco construction and is located on a quiet residential street with convenient access to major employment centers, transit lines, and neighborhood retail.

The property offers a strong unit mix of seven (8) one-bedroom / one-bath units. The building is 100% occupied, individually metered for utilities, and includes 8 uncovered parking spaces at the rear of the property. Units are separately metered for both gas and electricity.



(8) 1 Bed / 1 Bath

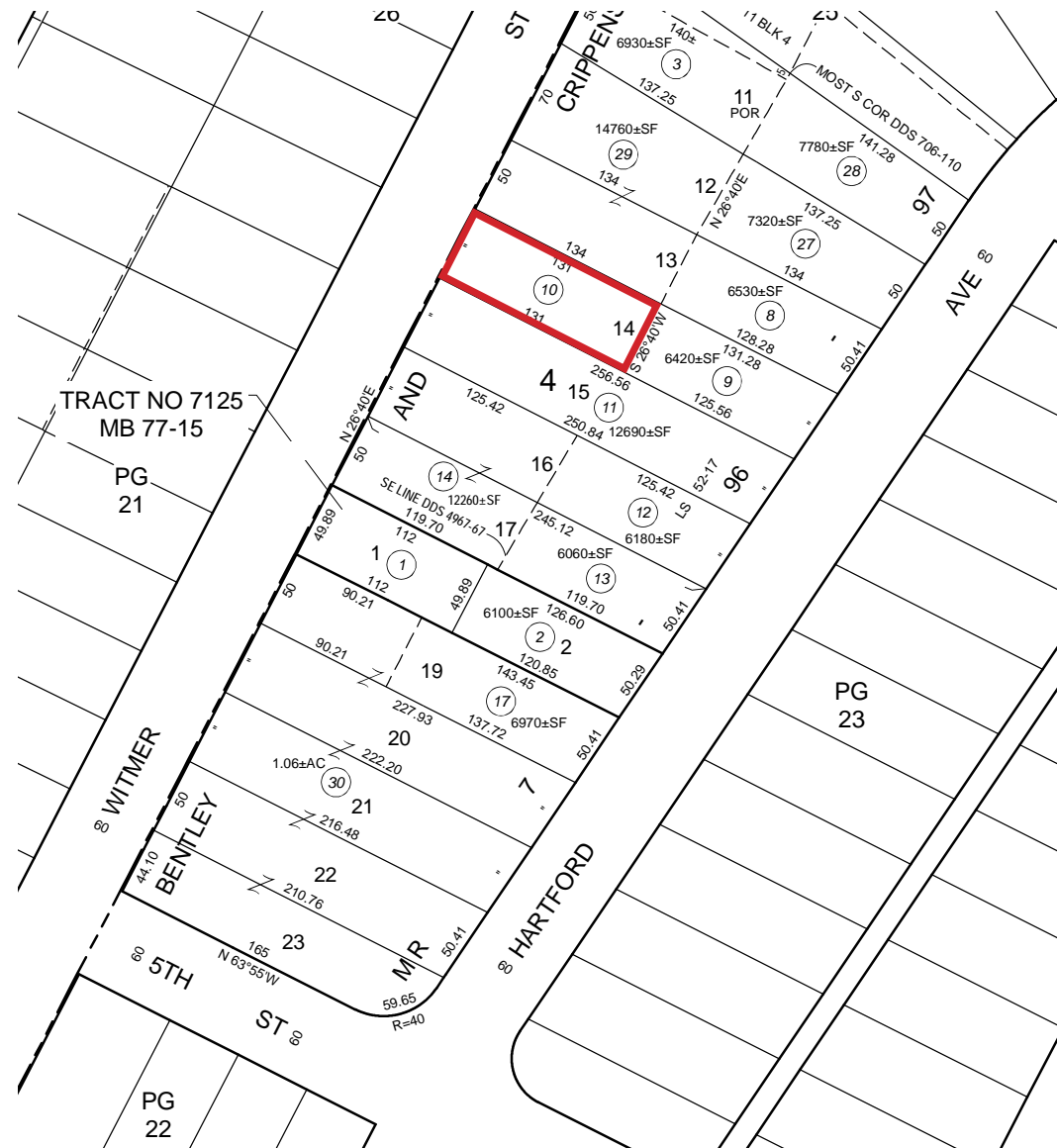


8
Units



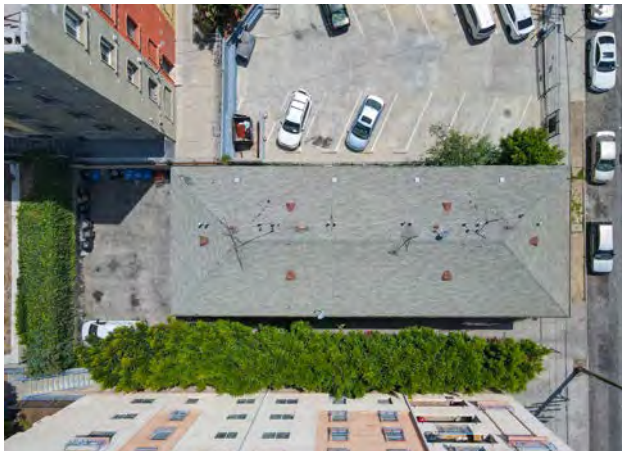
1949
Year Built

MAPPING AND GIS
SERVICES
SCALE 1" = 80'



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PROPERTY PHOTOS



AERIAL PHOTOS

428
SOUTH
WITMER
STREET



AERIAL PHOTOS

Dodger Stadium

DTLA

Echo Park

428
SOUTH
WITMER
STREET





Section 3

Financial Summary

RENT ROLL

Unit No.	Unit Type	Unit SF	Monthly Rent	Rent/SF	Pro Forma Monthly	PF Rent/SF
428	1 Bed, 1 Bath	616	\$718	\$1.17	\$2,000	\$3.25
428 1/2	1 Bed, 1 Bath	616	\$1,947	\$3.16	\$2,000	\$3.25
430	1 Bed, 1 Bath	616	\$1,947	\$3.16	\$2,000	\$3.25
430 1/2	1 Bed, 1 Bath	616	\$1,947	\$3.16	\$2,000	\$3.25
432	1 Bed, 1 Bath	616	\$954	\$1.55	\$2,000	\$3.25
432 1/2	1 Bed, 1 Bath	616	\$1,947	\$3.16	\$2,000	\$3.25
432 1/4	1 Bed, 1 Bath	616	\$1,893	\$3.07	\$2,000	\$3.25
432 3/4	1 Bed, 1 Bath	616	\$1,893	\$3.07	\$2,000	\$3.25
TOTAL		4,928	\$13,245		\$16,000	

FINANCIAL SUMMARY

Price	\$1,600,000
Down (30%)	\$480,000
Price/Unit	\$200,000
Price/SF	\$324.68
Cap Rate	6.35%
Proforma Cap Rate	8.27%
GRM	10.07
Proforma GRM	8.33
Street	428-432 S. Witmer
City	Los Angeles
State	CA
Zip	90004
No. of Units	8
Net Rentable Sq. Ft.	4,928
Lot Size	6,550
Zoning	CW
Year Built	1949
Loan Amount	\$1,120,000
Interest Rate	5.75%
Monthly Payment	\$6,536
Loan-to-Value	70.0%
Amortization	30 Years
Term	5 Year Fixed

INCOME				
	Current		Proforma	
Scheduled Rental Income	\$158,940		\$192,000	
Gross Operating Income	\$158,940		\$192,000	
Vacancy	3%	-\$4,768	3%	-\$5,760
Effective Gross Income	\$154,172		\$186,240	
Expenses	34%	\$52,636	29%	\$53,919
Net Operating Income	\$101,536		\$132,321	
Debt Service	-\$78,432		-\$78,432	
Pre-Tax Cash Flow	4.81%	\$23,104	11.23%	\$53,889
Principal Reduction	\$14,408		\$14,408	
Total Return Before Taxes	7.81%	\$37,512	14.23%	\$68,297
Total Return Before Taxes	4.31%	\$55,694	10.25%	\$132,399

EXPENSES		
Taxes (1.17%)	\$18,720	\$18,720
Insurance (Estimated \$1.50/sf)	\$7,392	\$7,392
Utilities (Actual 2024)	\$12,520	\$12,520
Repairs & Maintenance (Estimated)	\$4,000	\$4,000
Management Fee (4%)	\$6,167	\$7,450
Janitorial (\$100/month)	\$1,200	\$1,200
Reserves (\$200/Unit)	\$1,600	\$1,600
Direct Assessment	\$1,037	\$1,037
Total Expenses	\$52,636	\$53,919
Expenses per Unit:	\$6,579	\$6,740
Expenses per SF:	\$10.68	\$10.94

RENT SUMMARY					
Unit Mix	No. of Units	Average Rent	Monthly	Average Rent	Monthly
1 Bed / 1 Bath	8	\$1,656	\$13,245	\$2,000	\$16,000



UNDERWRITING NOTES

INCOME

Income	Building is 100% occupied and market rent used in vacancy.
Vacancy	Vacancy Rate is 3% of Gross Rental Income.
Proforma	Market Rents based on Rent Analysis of Submarket Area.
Unit SF	Unit Square Footages are Estimated and assumed equal in size

EXPENSES

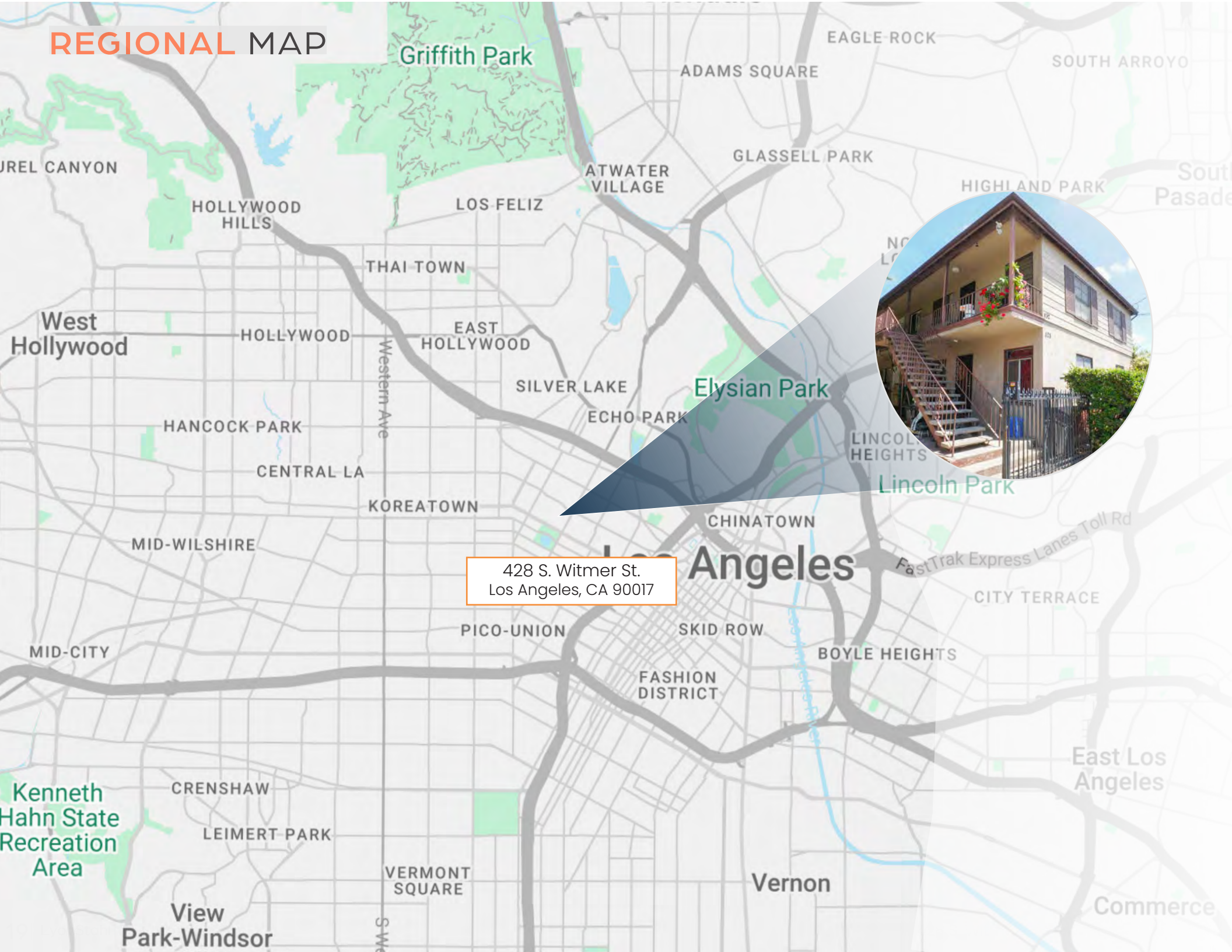
Property Tax Rate	Actual per Los Angeles Tax Assessor 1.199398%
Insurance	Estimated @ \$1.50/sf
Utilities	Actual 2024
Repairs & Maintenance	Estimated annually \$500 per unit
Management Fee	4.0% of Effective Gross Income.
Direct Assessments	Actual per Los Angeles Tax Assessor
Reserves	\$200 per unit
Trash	Actual 2024 Expense



Section 4

Market Overview

REGIONAL MAP



428 S. Witmer St.
Los Angeles, CA 90017



DEMOGRAPHICS

Demographics

60%

Household Renters
60% of the households are renting their homes.

35 years

Median Age
The median age of people living is 35 years old.

\$60,000

Household Income
The average household income is \$60,000 a year.

43,000

Population
There are 43,000 people living in the submarket

30%

Public Transportation
25% of the people use public transportation to get to work.

Transportation



92
Walker's Paradise

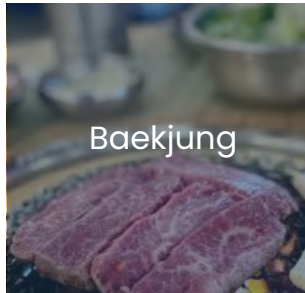


60
Bikeable

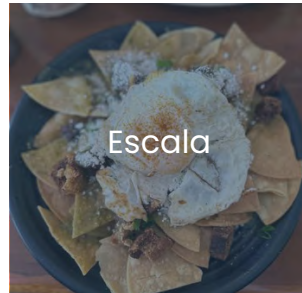


93
Excellent Transit

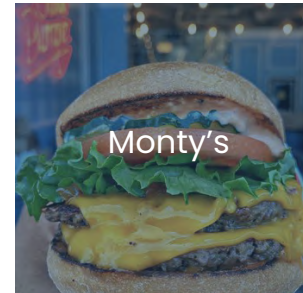
THE NEIGHBORHOOD



Baekjung



Escala



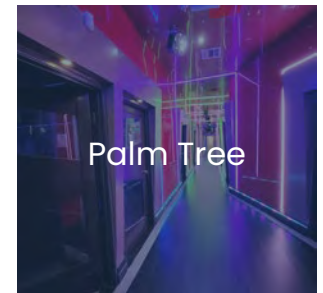
Monty's



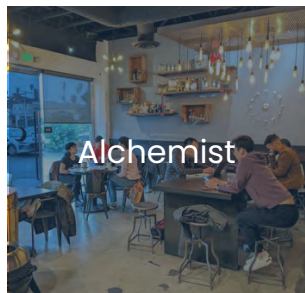
BCD



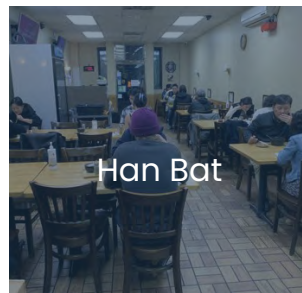
Guelaguetza



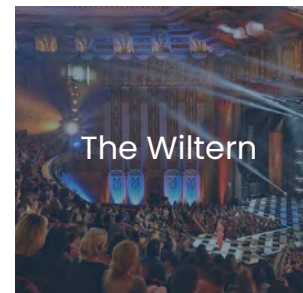
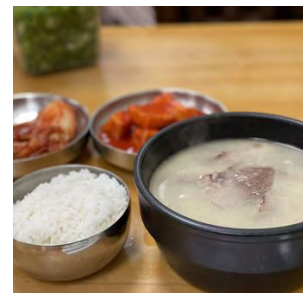
Palm Tree



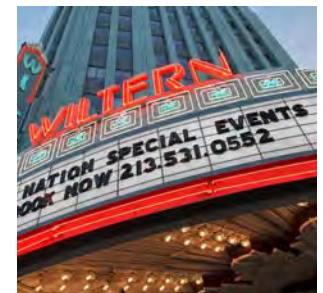
Alchemist



Han Bat



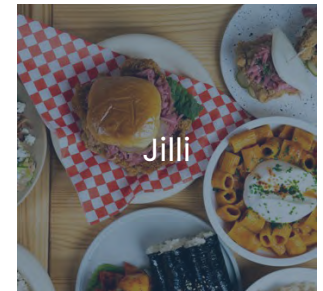
The Wiltern



California Market



The Line Hotel



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