



8 Unit Multifamily Investment
Offering Memorandum

THE JAMES GROUP
www.JamesGroupRE.com

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THE **JAMES** GROUP



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

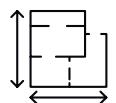


INVESTMENT HIGHLIGHTS



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

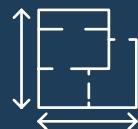
PROPERTY OVERVIEW

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

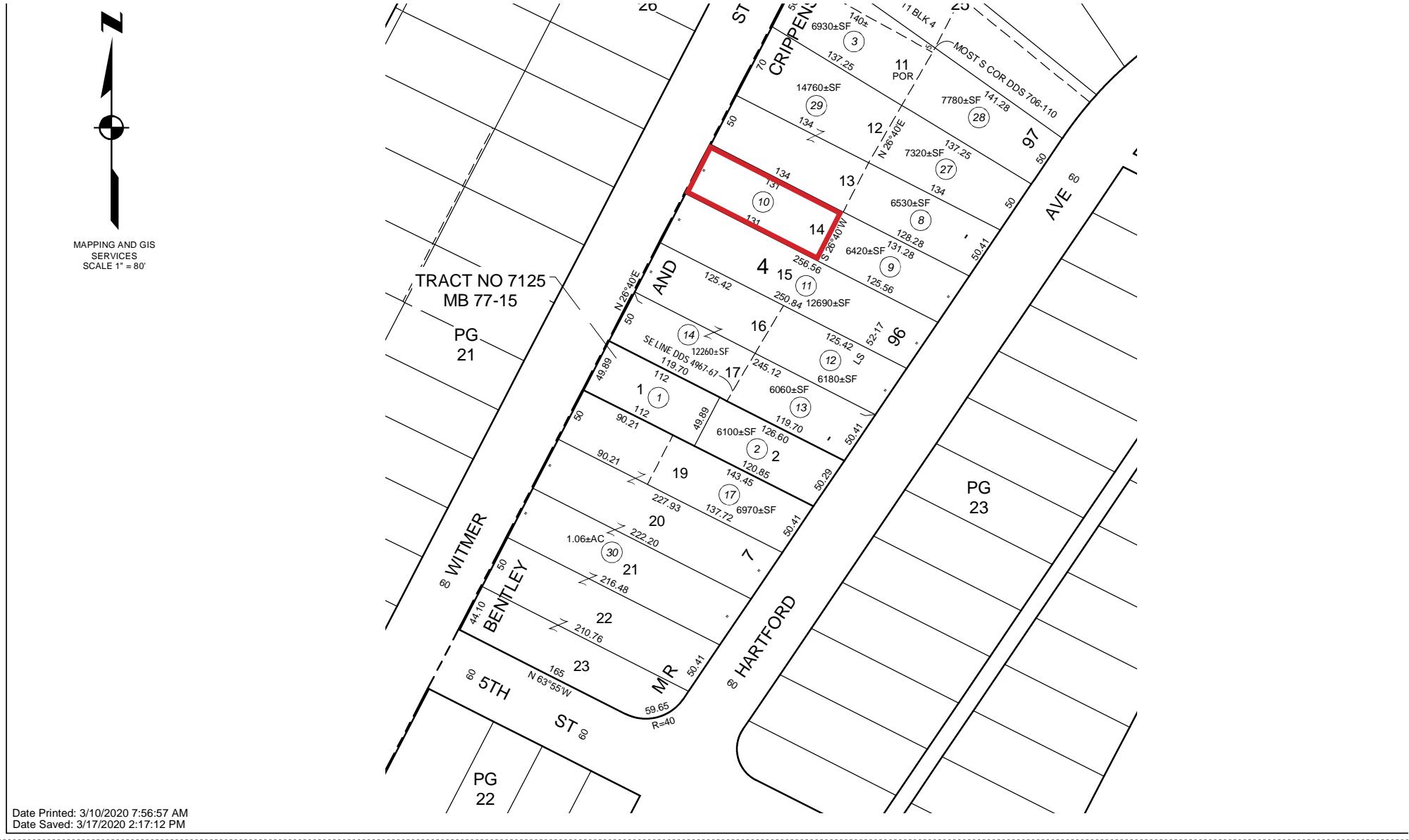


8
Units



1949
Year Built

PARCEL MAP



PROPERTY PHOTOS



AERIAL PHOTOS



428
SOUTH
WITMER
STREET

AERIAL PHOTOS





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

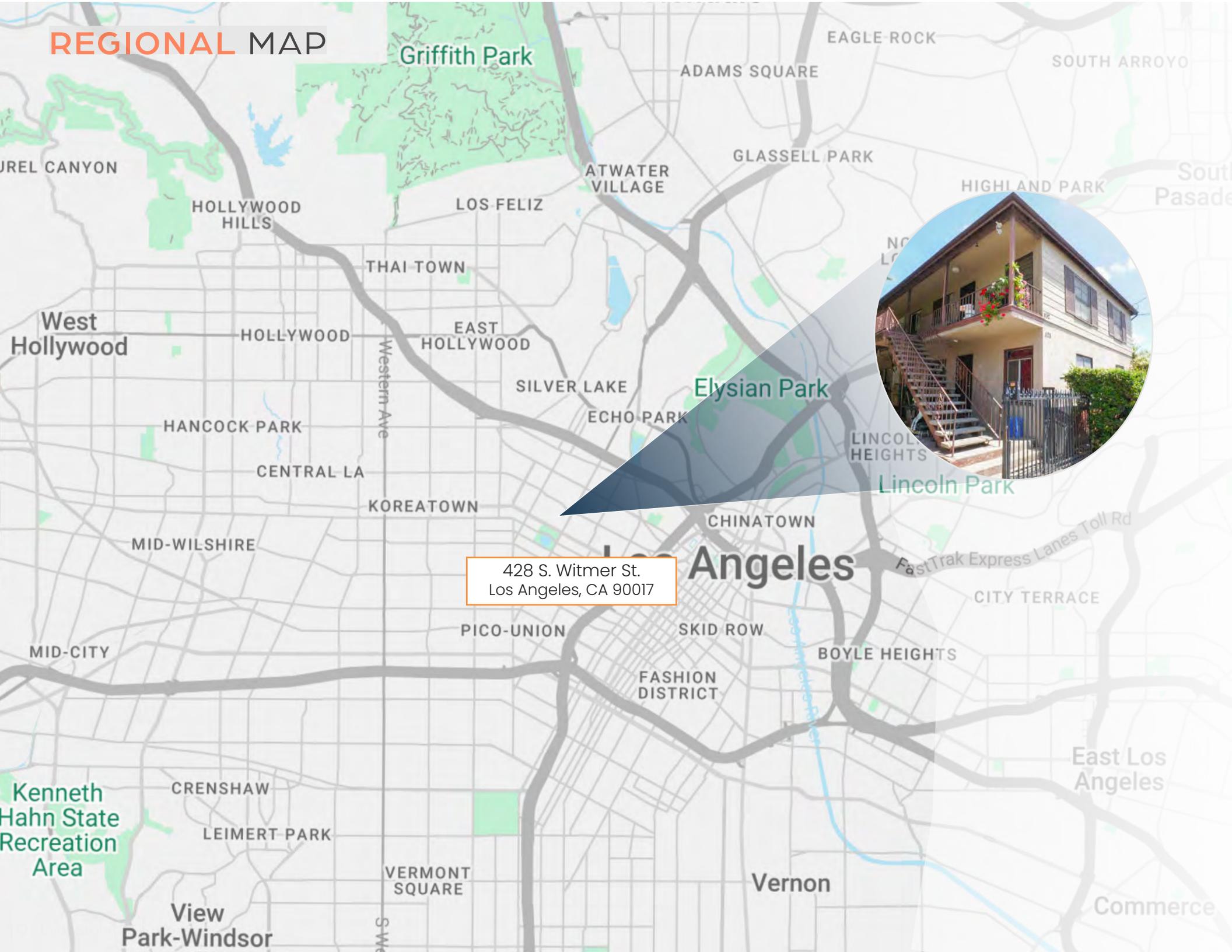




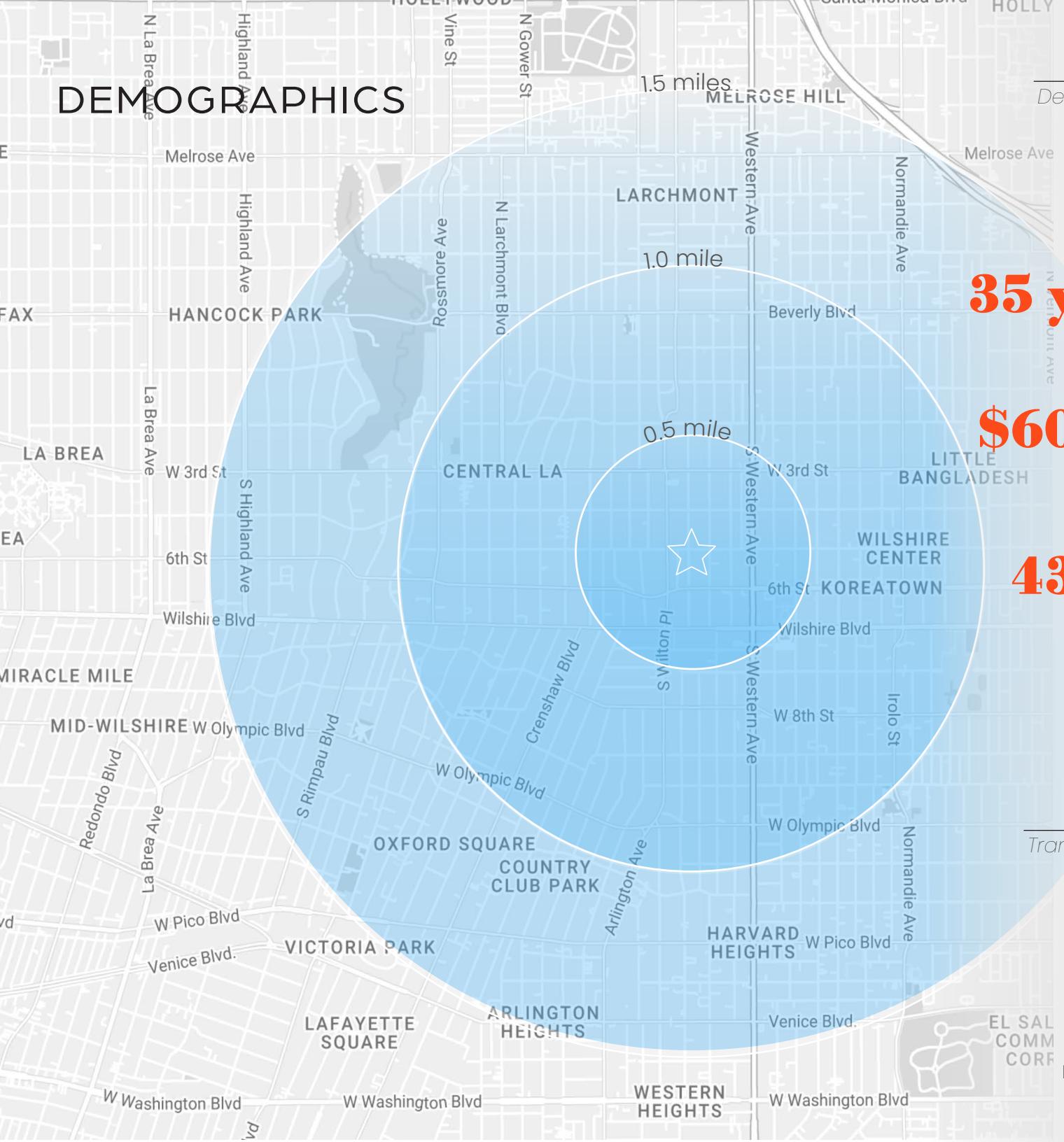
Section 4

Market Overview

REGIONAL MAP



DEMographics



Demographics

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

60%

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

35 years

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

\$60,000

Population
There are 43,000 people living in the submarket

43,000

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

30%

Transportation



92

Walker's Paradise

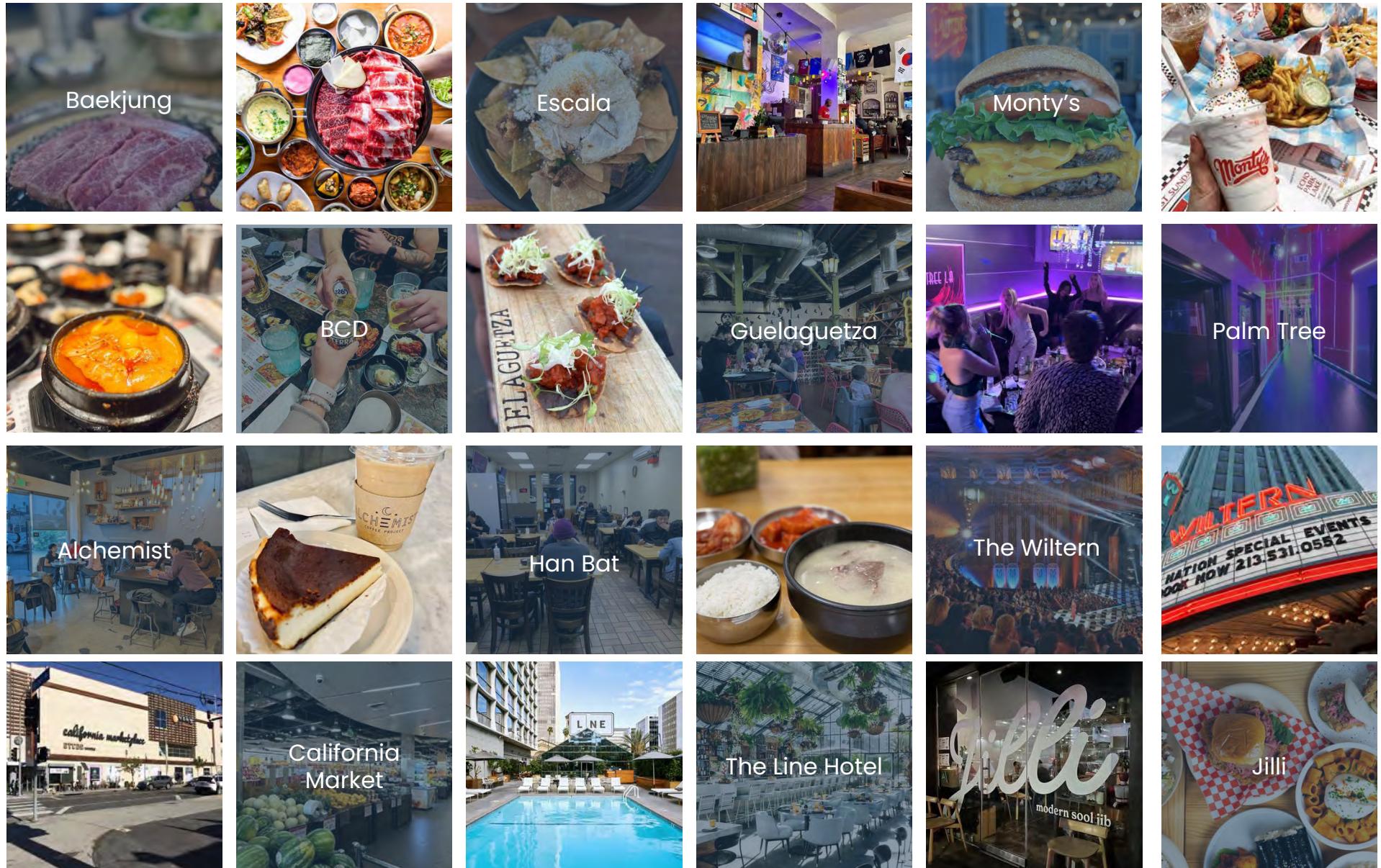
60

Bikeable

93

Excellent Transit

THE NEIGHBORHOOD



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