

1256

1256 Westgate Ave
Los Angeles, CA 90025

Offering Memorandum
10 Unit Apartment Building

THE JAMES GROUP
www.JamesGroupRE.com

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THE JAMES GROUP

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Section 1

The Opportunity

EXECUTIVE SUMMARY

The James Group is pleased to present 1256 S. Westgate Ave in a prime West Los Angeles submarket just a block south of Wilshire Blvd and adjacent to Brentwood, another premier rental pocket of LA's westside. The subject property is a 10 unit apartment building built in 1960. The building boasts an excellent unit mix including (7) 1 bed / 1 bath and (3) 2 bed / 1 bath units spread out over 7,391 square feet and sits on a 7,202 square foot LAR3 zoned lot. 1256 Westgate is a unique value-add opportunity in one of the best rental pockets of Los Angeles. With approximately 44% upside in rents a future investor will benefit from a well located asset and long term growth potential. There are currently 2 vacancies at the building allowing for immediate access to upside potential.

LA's Westside continues to be one of the, if not the best, rental pockets in all of Los Angeles. With continued rent growth and low vacancy rates, renters continue to seek out opportunities in the immediate area surrounding the subject property. With Santa Monica directly to the west, Brentwood directly to the north and Westwood just a short distance to the east, the property is strategically positioned. Area amenities include high end restaurants, bars and nightlife along with shopping and a robust office market, making it a perennial economic hub in Southern California. The location and rental upside make this an opportunity to own a generational real estate asset in one of LA's best neighborhoods.



INVESTMENT HIGHLIGHTS

- First time on the market. Value-add opportunity with approximately 45% upside in rents. There are currently 2 vacancies at the building allowing for immediate access to the upside potential.
- 10 Units in Prime West Los Angeles submarket consisting of (1) 2 Bed / 2 Bath, (2) 2 Bed / 1 Bath and (7) 1 Bed / 1 Bath units
- One block south of Wilshire, adjacent to Brentwood in a premiere rental pocket of LA's Westside
- Excellent Walk Score with shops, high-end restaurants and nightlife within walking distance of the subject property
- Strategic location with Santa Monica directly to the West, Brentwood one block to the north and Westwood to the east. Surrounded by all of the major Economic hubs of the Westside
- Soft Story retrofit completed
- 7,391 square foot building on a 7,202 square foot lot zoned LAR3
- Opportunity to acquire generational real estate asset in a premiere Westside submarket





Section 2

The Property

PROPERTY OVERVIEW



PROPERTY DETAILS

No. of Units	10
Year Built	1960
Rentable SF	7,391
Lot Area	7,202
APN	4263-007-025
Zoning	LAR3
Rent Control	LARSO
Roof Type	Flat
Parking	10 Spaces On-Site
Unit Mix	(1) 2 Bed / 2 Bath, (2) 2 Bed/1 Bath, (7) 1 Bed/1 Bath
Utilities	Separately Metered

PROPERTY DESCRIPTION

The subject property is a 10 unit apartment building located at 1256 Westgate Ave. The property sits in the West Los Angeles submarket of Los Angeles just south of Brentwood in a prime rental pocket of LA's westside. Built in 1960, the property consists of (2) 2 Bed / 1 Bath, (1) 2 Bed / 2 Bath and (7) 1 Bed / 1 Bath units. Sitting on a 7,202 sf lot zoned LAR3, the improvements consist of 7,391 square feet of leasable area. Utilities are separately metered. Parking for the subject property is located at the rear and side of the property totalling 10 spaces. The soft-story retrofit has been completed.



PROPERTY PHOTOS





BRENTWOOD

WESTWOOD



1256 S. Westgate

MARINA DEL REY

VENICE

SANTA MONICA

1256 S. WESTGATE



Section 3

The Financials

RENT ROLL

UNIT	UNIT TYPE	UNIT SF	CURRENT	RENT/SF	MARKET RENT	PF RENT/SF	
1	2 Bed / 1 Bath	950	\$2,850	\$3.00	\$2,850	\$3.00	Vacant
2	1 Bed / 1 Bath	650	\$1,436	\$2.21	\$2,350	\$3.62	
3	1 Bed / 1 Bath	650	\$1,782	\$2.74	\$2,350	\$3.62	
4	2 Bed / 2 Bath	950	\$636	\$0.67	\$2,950	\$3.11	
5	2 Bed / 1 Bath	950	\$2,228	\$2.35	\$2,850	\$3.00	
6	1 Bed / 1 Bath	650	\$2,089	\$3.21	\$2,350	\$3.62	
7	1 Bed / 1 Bath	650	\$1,866	\$2.87	\$2,350	\$3.62	
8	1 Bed / 1 Bath	650	\$1,643	\$2.53	\$2,350	\$3.62	
9	1 Bed / 1 Bath	650	\$2,350	\$3.62	\$2,350	\$3.62	Vacant
10	1 Bed / 1 Bath	650	\$538	\$0.83	\$2,350	\$3.62	
TOTAL		7,400	\$17,419		\$25,100		

FINANCIAL SUMMARY

Price **\$2,750,000**

Down (50%) \$962,500

Price/Unit \$275,000

Price/SF \$372.07

Cap Rate 4.73%

Proforma Cap Rate 7.86%

GRM 13.16

Proforma GRM 9.13

PROPERTY

Street 1256 S. Westgate Ave

City Los Angeles

State CA

Zip 90025

No. of Units 10

Net Rentable Sq. Ft. 7,391

Lot Size 7,202

Zoning LAR3

APN 4263-007-025

Year Built 1960

FINANCING

Loan Amount \$1,787,500

Interest Rate 6.00%

Monthly Payment (\$10,716.97)

Loan-to-Value 65%

Amortization 30

Term 5 Year Fixed

INCOME

		Current		Proforma
Base Rental Income		\$209,028		\$301,200
Laundry Income(estimated)		\$594		\$594
Gross Potential Income		\$209,623		\$301,794
Less Vacancy	3%	\$6,289	3%	\$9,054
Effective Gross Income		\$203,334		\$292,740
Operating Expenses	36%	\$73,252	26%	\$76,628
Net Operating Income		\$130,082		\$216,113
Debt Service		\$107,250		\$107,250
Pre-Tax Cash Flow	2.37%	\$22,832	11.31%	\$108,863
Principal Reduction		-\$21,951		-\$21,951
Total Return Before Taxes	4.65%	\$44,783	13.59%	\$130,813

EXPENSES

Taxes (1.1199398%)		\$30,798		\$30,798
Insurance (Actual 2025)		\$10,000		\$10,000
Utilities (Actual 2025)		\$14,213		\$14,213
Repairs & Maintenance (\$500/Unit)		\$5,000		\$5,000
Management Fee (4% of EGI)		\$8,133		\$11,710
Gardener (\$100/month)		\$1,200		\$1,200
Pest Control (Estimated)		\$600		\$600
Reserves (\$200/Unit)		\$2,000		\$1,800
Direct Assessments		\$1,307		\$1,307
Total Expenses		\$73,251.53		\$76,627.79
Expenses per Unit		\$7,325.15		\$7,662.78
Expensest per SF		\$9.91		\$10.37

RENT SUMMARY

Unit Mix	No. of Units	Average Rent	Monthly	Average Rent	Monthly
1 Bed / 1 Bath	7	\$1,672	\$11,705	\$2,350	\$16,450
2 Bed / 1 Bath	2	\$2,539	\$5,078	\$2,850	\$5,700
2 Bed / 2 Bath	1	\$636	\$636	\$2,950	\$2,950

UNDERWRITING NOTES

INCOME

Income	Building is 80% occupied. Laundry income is actual. Other income includes retrofit reimbursement
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

EXPENSES

Property Tax Rate	Actual per Los Angeles Tax Assessor 1.1199398%
Insurance	Actuals based on 2025
Utilities	Actuals based on 2025, Includes trash
Repairs & Maintenance	Estimated annually \$500 per unit
Management Fee	4% of Effective Gross Income.
Direct Assessments	Actual per Los Angeles Tax Assessor
Gardener	\$100/month
Reserves	\$200 per unit





Section 4

The Location

DEMOGRAPHIC OVERVIEW

TOP EMPLOYERS

Los Angeles County	111,800
LAUSD	75,676
Kaiser	40,876
USC	22,876
UPS	11,643
Wells Fargo	7,075
Children's Hospital	6,405
Bank of America	5,200
JP Morgan Chase	4,000
City National Bank	3,480

HOUSEHOLDS

	1 Mile	2 Mile	3 Mile
2010 Population	24,583	65,313	114,475
2023 Population	25,375	66,240	115,333
2027 Population Projection	24,991	65,017	113,059
Annual Growth 2010–2023	0.3%	0.4%	0.4%
Annual Growth 2023–2028	-0.3%	-0.4%	-0.4%
Owner Occupied Homes	4,274	19,177	46,757
Renter Occupied Homes	19,119	44,377	72,546
Avg Household Size	1.9	2	2
Avg Household Vehicles	1	1	1
Avg Household Income	\$128,336	\$130,086	\$136,658



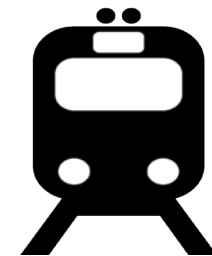
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VERY BIKEABLE



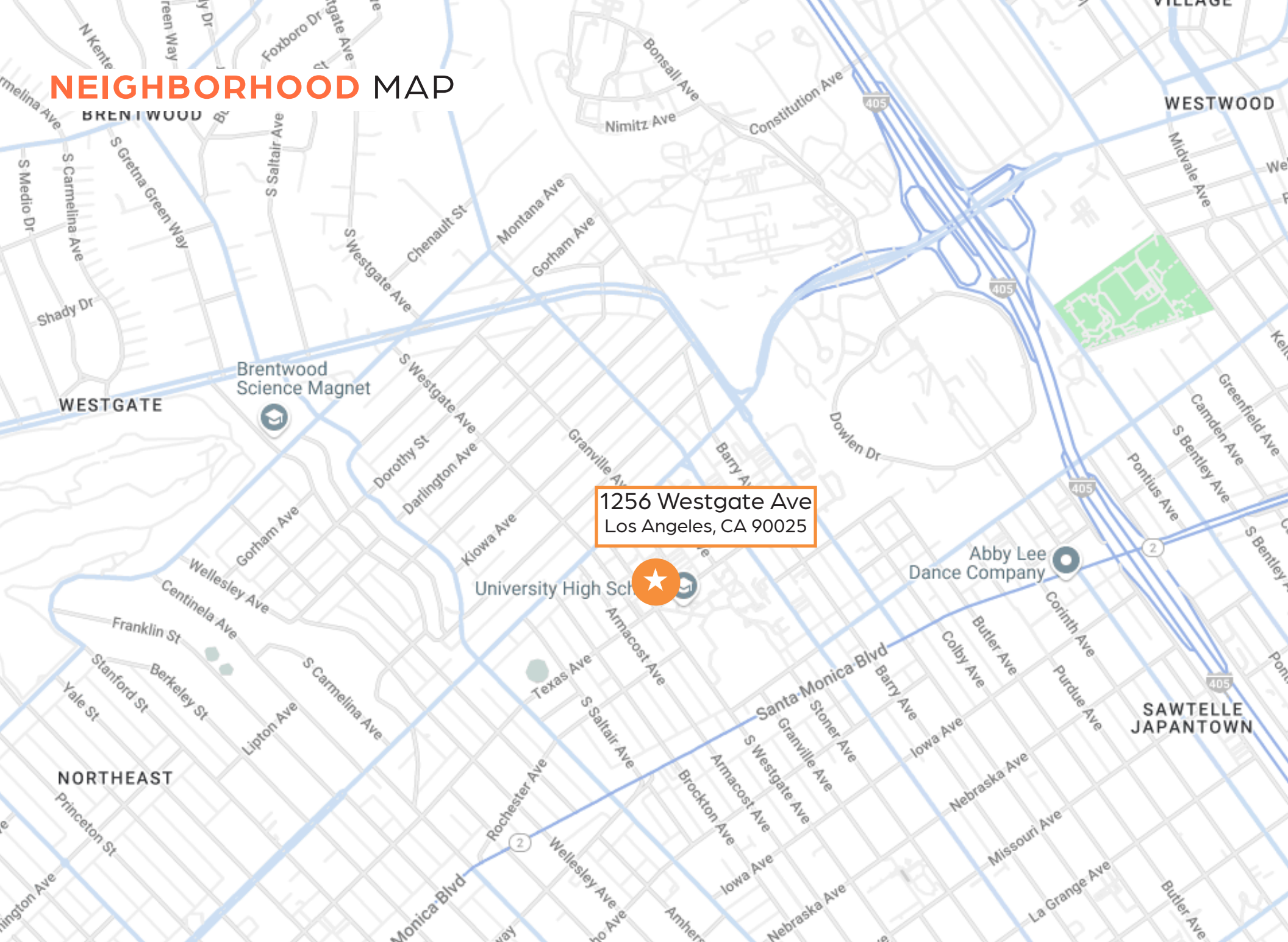
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VERY WALKABLE



GOOD TRANSIT

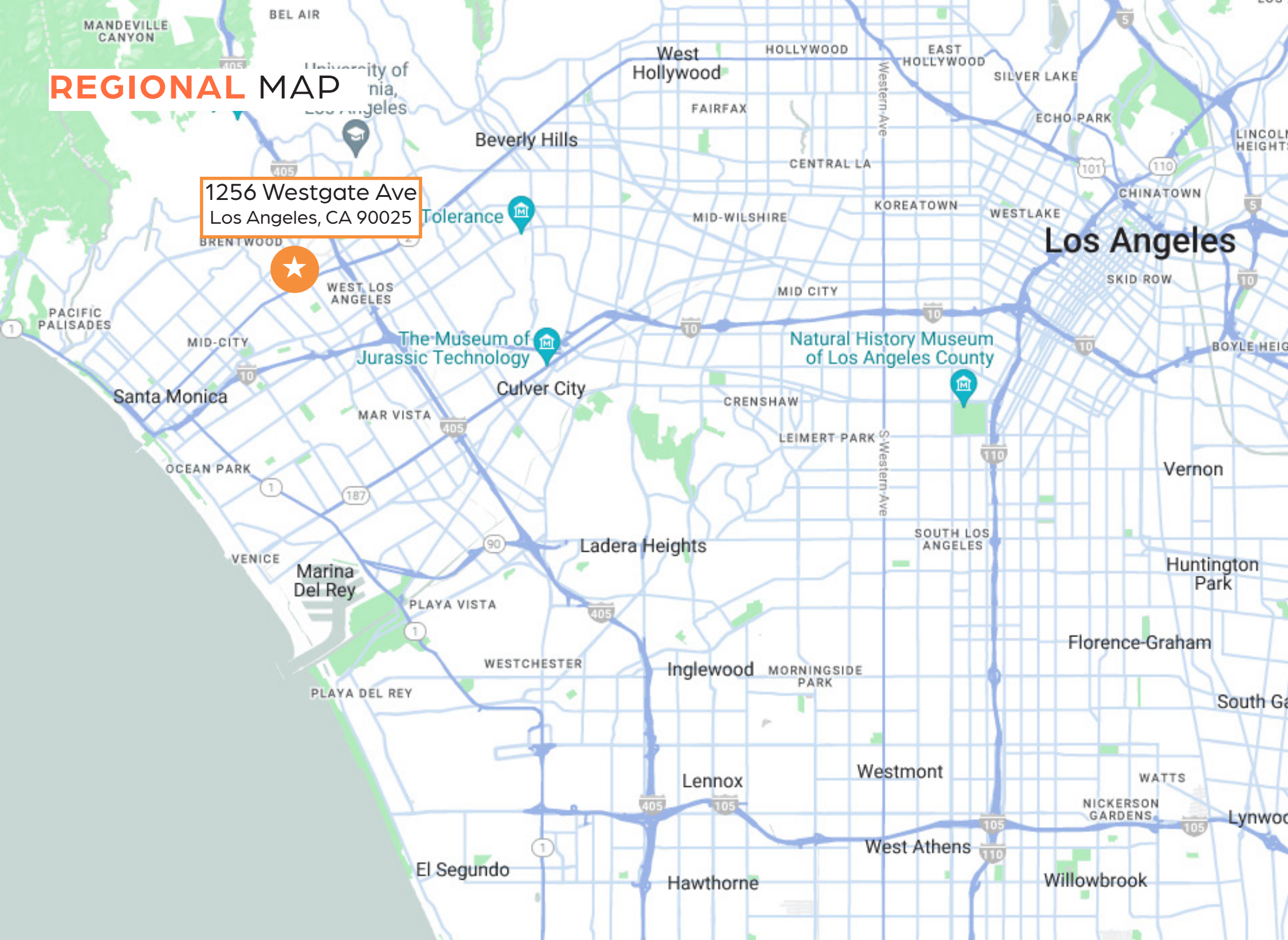
NEIGHBORHOOD MAP



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REGIONAL MAP

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PURPLE LINE EXTENSION

The Purple (D Line) Extension rail project will provide a transportation alternative from downtown Los Angeles to Westwood with an expected travel time of about 25 minutes. The project will be built in 3 sections with an expected completion in 2027.

Section	Section 1	Section 2	Section 3
New Stations	Wilshire/LA Brea Wilshire/ Fairfax Wilshire/La Cienega	Wilshire/Rodeo Century City/Constellation	Westwood/UCLA Westwood/VA Hospital
Projected Completion	2025	2026	2027



CONTACT US

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