

OFFERING MEMORANDUM

The Occidental | 4 Units



Video Tour



- One Unit Currently Vacant
- List Price \$1,485,000
- Ideal for an Owner/ User or Investor

343 N Occidental Blvd
Los Angeles, CA 90026



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EXECUTIVE SUMMARY

343 N Occidental Blvd, Los Angeles



EXECUTIVE SUMMARY

343 N Occidental Blvd, "The Occidental" is a spanish style fourplex built in 1936 and partially upgraded in 2019. It is located in Echo Park which is touted as one of the most desirable places to live which has resulted in an increase in rental rates.



Offering Memorandum | 343 N Occidental Blvd, Los Angeles

SITE DESCRIPTION

Units	4
Gross Square Footage	2,624
Parcel Size	6,243
Parking Spaces	6
Assessors Parcel Number	5156-015-027
Zoning	LARD2
Location	Fantastic
Opportunity	Extremely Rare
Current Vacant Units	1



PROPERTY INFORMATION

Offering Memorandum | 343 N Occidental Blvd, Los Angeles



4

Total Units



1936

Year Built



2,624 SF

Building Size



6,243 SF

Lot Size



6 SPACES

Parking



ZIMAS PUBLIC Generalized Zoning 07/27/2020 City of Los Angeles Department of City Planning



Address: 343 N OCCIDENTAL BLVD
APN: 5156015027
PIN #: 139-5A203 409

Tract: AOME TRACT
Block: 2
Lot: 21
Arb: None

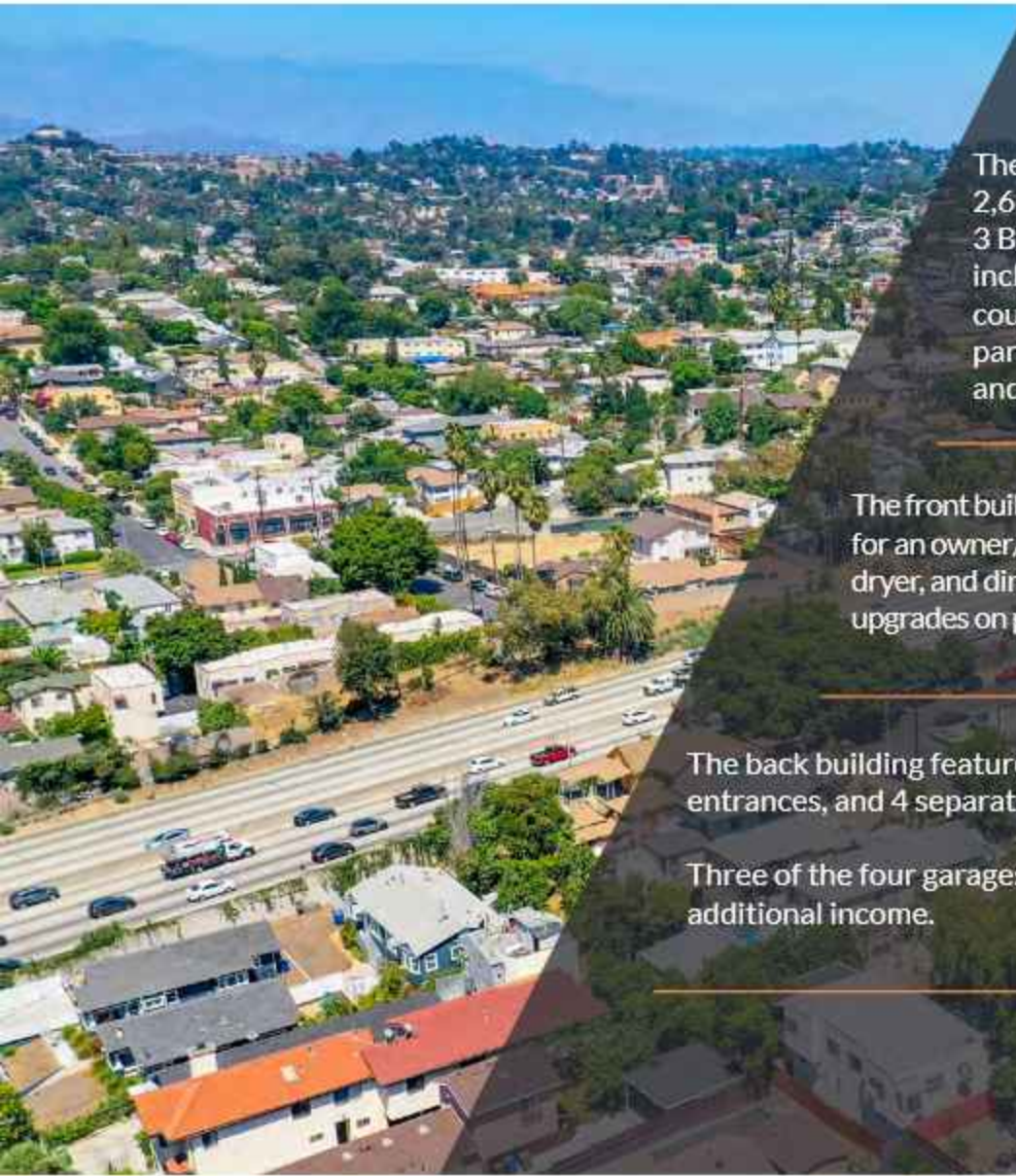
Zoning: RD2-1VL
General Plan: Low Medium II Residential



PROPERTY HIGHLIGHTS

343 N Occidental Blvd, Los Angeles





The Occidental is comprised of two separate buildings, totaling 2,624 SF, and sits on a 6,243 SF Lot. The building is made up of (1) 3 Bed/2 Bath | (1) 2 Bed/1 Bath | (2) 1 Bed/1 Bath Units. Amenities include, a secure gate, private parking, landscaped front yard and courtyard, gated front entry, 4 separate garages and uncovered parking, nearby shopping & dining options, as well as views of DTLA and the Hollywood Sign!



The front building at The Occidental is an excellent, newly remodeled unit, perfect for an owner/user, that features 3 beds, 2 baths, hardwood floors, in unit washer/dryer, and direct access to the courtyard and common areas. You can find a list of upgrades on page 11 of the Offering Memorandum.



The back building features a duplex consisting of 1 Bed/1 Bath units, separate entrances, and 4 separate tandem parking garages attached.



Three of the four garages are vacant which provide ample opportunity to rent out for additional income.



THE OPPORTUNITY:

The Occidental is exactly what you are seeing in a residential income property. A highly desirable location, with significant upside potential, surrounded by new developments, and close to DTLA, Hollywood, and SilverLake.

Options:

- **OPTION # 1** - Live in the 3 Bedroom + 2 Bathroom and offset your mortgage with rental income from the other units.
- **OPTION # 2** - Rent all the units out to revel in a 4.5%+ return on your money with the potential to reach a 7% return.
- **OPTION # 3** - Rent out the vacant garages as flex space perfect for an office, yoga studio, or leave as is for parking cars.



PRIDE OF OWNERSHIP:

This building has been loved and cared for. Take a look at the capital expenditures and property improvements on page 11 of the Offering Memorandum.



ECHO PARK HAS IT ALL:

Feel the vibe and energy! Residents enjoy the history, architecture, diversity, community, walkability, food and entertainment options, the area provides. The Occidental is in close proximity to the newly reimagined Echo Park Lake, Sunset Junction, and DTLA.



STRONG RENTAL DEMAND:

Echo Park has a low vacancy rate due to the highly desirable location where prospective tenants compete to find housing.



EXCEPTIONAL FINANCING / LOAN OPTIONS:

Buyers can acquire the property with historically low interest rates and attractive financing options. See page 12 for loan quote.



Capital Expenditures and Upgrades to the front two units:

- Tankless water heaters
- New in unit washer dryer combos (for front units)
- New floors
- New wall texture and completely painted the entire interior
- Completely new kitchens including new appliances counters and cabinets
- All new canned lighting throughout
- Bolted and secured foundation
- All new electrical for front units and new panel for all four units
- New vinyl windows front units
- Newly updated bathrooms in both front units
- New concrete driveway nearest unit 343
- New wood fencing on both sides of property and at the front of property
- Newly landscaped front yard for both front units
- Painted both buildings on property
- New split unit A/C's
- New ceiling fans

RATES BROUGHT TO YOU BY*



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Beverly Hills, CA 90210



SIZE AND LOCATION

Echo Park Place comprises two separate buildings, totaling 2,624 SF, and sits on a 6,243 SF Lot. The building is made up of (1) 3 Bed/2 Bath | (1) 2 Bed/1 Bath | (2) 1 Bed/1 Bath. Amenities include, a secure gate, private parking, landscaped front yard and courtyard, gated front entry, 4 separate garages and uncovered parking, nearby shopping & dining options, and views of DTLA and the Hollywood Sign! 4 separate tandem parking garages attached. Three of the four garages are vacant which provide ample opportunity to rent out for additional income.

**Conforming 30 Year Fixed, 20%
down rate: 3.250% (APR 3.287%)***

mtg. payment	\$5,170.25
mtg. insurance	\$0.00
tax, insurance & hoa	\$1,700.00
total monthly	\$6,870.25
down payment	\$297,000

**FHA 30 Year Fixed, 3.5% down
rate: 2.750% (APR 3.984%)****

mtg. payment	\$5,850.20
mtg. insurance	\$1,241.45
tax, insurance & hoa	\$1,700.00
total monthly	\$8,791.65
down payment	\$51,975

*Sample monthly Principal and Interest (P&I) payment of \$5,170.25 is based on a purchase price of \$1,485,000, down payment of 20%, 30 year fixed rate mortgage and rate of 3.250%/3.287% APR (annual percentage rate). Advertised rates and APR effective as of 01/19/20 and are subject to change. Above scenario assumes a first lien position, 740 FICO score, 45 day rate lock, based on a Multi-Family in CA and are subject to change without notice. Subject to underwriting guidelines and applicant's credit profile. Sample payment does not include taxes, insurance or assessments. Mortgage Insurance Premium (MIP) is required for all FHA loans and Private Mortgage Insurance (PMI) is required for all conventional loans where the LTV is greater than 80%. Actual payment obligation will be greater. Not all applicants will be approved. Applicant's interest rate will depend upon the specific characteristics of applicant's loan transaction, credit profile and other criteria. Contact Guaranteed Rate for more information and up to date rates.

**Sample monthly Principal and Interest (P&I) payment of \$5,850.20 is based on a purchase price of \$1,485,000, down payment of 3.5%, 30 year fixed rate mortgage and rate of 2.750%/3.984% APR (annual percentage rate). Advertised rates and APR effective as of 01/19/20 and are subject to change. Above scenario assumes a first lien position, 740 FICO score, 45 day rate lock, based on a Multi-Family in CA and are subject to change without notice. Subject to underwriting guidelines and applicant's credit profile. Sample payment does not include taxes, insurance or assessments. Mortgage Insurance Premium (MIP) is required for all FHA loans and Private Mortgage Insurance (PMI) is required for all conventional loans where the LTV is greater than 80%. Actual payment obligation will be greater. Not all applicants will be approved. Applicant's interest rate will depend upon the specific characteristics of applicant's loan transaction, credit profile and other criteria. Contact Guaranteed Rate for more information and up to date rates.



343 N Occidental Blvd
ECHO PARK, CA 90026

OFFERED AT

\$1,485,000




MARKET OVERVIEW

343 N Occidental Blvd, Los Angeles



ECHO PARK MARKET OVERVIEW



343 N. Occidental, Echo Park Place is located in a vibrant neighborhood where many of its residents are prospering artists, writers, and musicians. Music venues like The Echo bring in upstart indie bands and established music groups alike. The main road cutting through town, Sunset Boulevard, is lined with boutiques, shops, cafes, and popular restaurants. All around town street art adorns buildings and bridges. It also boasts a great location: you can quickly get to some amazing nearby neighborhoods, including Chinatown, Los Feliz, and Silver Lake.

Echo Park is bordered on the north by Elysian Valley, on the east by Elysian Park, on the south by Downtown Los Angeles and Westlake, and on the west by Silver Lake.



Popular Spots in Echo Park for Residents

- Echo Park Lake
- MASA of Echo Park
- The Echo
- Mohawk Blend
- Sunset Junction
- Baxter Street Stairs

PHOTOS

343 N Occidental Blvd, Los Angeles









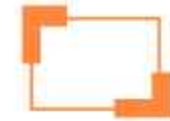


FLOORPLANS

343 N Occidental Blvd, Los Angeles



343 N Occidental Blvd



Click Here for
3D Tour

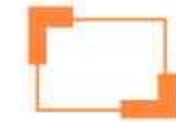
3+2



FLOOR 1

GROSS INTERNAL AREA
TOTAL: 765 sq ft
FLOOR 1: 765 sq ft
SIZE AND DIMENSIONS ARE APPROXIMATE, ACTUAL MAY VARY.

343.5 Occidental, Los Angeles, CA, 90026



Click Here for
3D Tour

1+1

FLOOR 1

GROSS INTERNAL AREA
TOTAL: 439 sq ft
FLOOR 1: 439 sq ft
SIZE AND DIMENSIONS ARE APPROXIMATE. ACTUAL MAY VARY.

FINANCIALS

343 N Occidental Blvd, Los Angeles



FINANCIAL INDICATORS	
Offering Price	\$1,485,000
Current CAP	4.53%
Market CAP	7.00%
Current GRM	15.42
Market GRM	11.10
Cost Per SF	\$566
Cost Per Unit	\$371,250
Cash on Cash Return	4.53%
Expenses Per Unit	\$6,784
Expenses Per Sq Ft	\$10.34

ESTIMATED ANNUALIZED EXPENSES	
New Property Taxes	\$17,438
Utilities	\$4,200
Insurance	\$1,727
Repairs & Maintenance	\$1,500
Pest Control & Cleaning	\$1,200
LA housing License	\$271
Reserves & Replacements	\$800
Total Estimated Expenses	-\$27,136

SOURCE OF INCOME		CURRENT RENTS		MARKET RENTS	
# of Units	Unit Type	Avg. Rent	Total	Avg. Rent	Income
1	3 Bed / 2 Bath	\$2,900	\$2,900	\$4,000	\$4,000
1	2 Bed / 1 bath	\$2,895	\$2,895.00	\$3,400	\$3,400
2	1 Bed / 1 Bath	\$1,115	\$2,230	\$1,750	\$3,500
Total Rental Income			\$8,025		\$10,900
Garage Income			\$0		\$250
Total Monthly Income			\$8,025		\$11,150
Total Annual Income			\$96,300		\$133,800

BUILDING DATA	
Units	4
Year Built	1936
Lot Sq Ft	6,243
Bldg Gross Sq Ft	2,624
Parking Spaces	4

EST. ANNUALIZED OPERATING DATA	CURRENT		MARKET	
Scheduled Gross Income		\$96,300		\$133,800
Less Vacancy	2.0%	(\$1,926)	2.0%	(\$2,676)
Gross Operating Income		\$94,374		\$131,124
Less Expenses	29%	(\$27,136)	20%	(\$27,136)
Net Operating Income		\$67,238		\$103,988

Underwriting Notations:

- 1) Real Estate Taxes: Underwritten based a tax rate of 1.174279%
- 2) Repairs & Maintenance: based upon \$200 per unit per year
- 3) Contract Services: Based upon actual figures from 2019
- 4) Utilities: Based upon actual figures for 2019
- 5) Property Insurance: Based upon actual figures from 2019
- 6) Reserves & Replacements : Based upon \$200 per unit per year.



UNIT	STATUS	UNIT TYPE	NOTATIONS	CURRENT RENT	POST RENOVATION MARKET RENT
343	Vacant	3 Bed / 2 Bath	800 SF	\$2,900	\$4,000
345	Occupied	2 Bed / 1 Bath		\$2,895	\$3,400
343.5	Occupied	1 Bed / 1 Bath		\$1,140	\$1,850
345.5	Occupied	1 Bed / 1 Bath		\$1,090	\$1,850
TOTAL:				\$8,025	\$11,100

LEASE COMPARABLES

343 N Occidental Blvd, Los Angeles



3 + 2 LEASE COMPS

	Address	Bed	Bath	SqFt	Lot	Year Built	Rental Rate	Furnished
1	810 N Benton Way, Silverlake	3	2	1588	6304	1914	\$3,700	Unfurnished
2	1310 N Coronado St, Los Angeles	3	2	1508	5526	1922	\$4,200	Unfurnished
3	1632 Waterloo St, Los Angeles	3	2	1215	7992	1919	\$4,600	Both

	Address	Bed	Bath	SqFt	Lot	Year Built	Rental Rate	Furnished
1	3501 Bellevue Ave #1, Los Angeles	2	1	900	5000	1927	\$2,695	Unfurnished
2	2704 Bellevue Ave, Los Angeles	2	1	700	6250	1958	\$2,950	Unfurnished
3	1735 W Silver Lake Dr #B, Los Angeles	2	1	0	4803	1982	\$2,950	Unfurnished
4	1820 Ashmore Pl, Echo Park	2	1	914	6996	1920	\$3,200	Unfurnished
5	2201 Scott Ave, Los Angeles	2	1	903	6666	1937	\$3,350	Unfurnished

	Address	Bed	Bath	SqFt	Lot	Year Built	Rental Rate	Furnished
1	1924 Echo Park Ave, Los Angeles	1	1	680	7500	1964	\$1,850	Unfurnished
2	1192 3/4 Innes Ave, Los Angeles	1	1	700	7686	1948	\$1,995	Unfurnished
3	1386 1/2 Edgecliffe Dr, Los Angeles	1	1	650	11032	1923	\$2,100	Unfurnished
4	1861 Echo Park Ave #B, Los Angeles	1	1	627	7493	1920	\$2,295	Unfurnished
5	1727 Webster Ave, Los Angeles	1	1	600	6623	1960	\$2,400	Unfurnished
6	608 Douglas St, Los Angeles	1	1	600	5253	1921	\$2,550	Unfurnished

NEW DEVELOPMENTS

343 N Occidental Blvd, Los Angeles



EIGHT NEW DEVELOPMENTS

are within a close distance to "The Occidental" which will increase rents, bring stable and "trendy" businesses to the area and attract tenants who can pay a premium for this rapidly gentrifying location.

Developers are putting millions of dollars into these projects which is a great sign that this portion of Echo Park will reap the benefits. These projects will boost rents in the area as well as continue to pull in a younger and more professional demographic.



2510 W. TEMPLE STREET - A mixed-use development on a .65-acre site located at 2510 Temple Street (few blocks east of "The Douglas"), will consist of a four-story structure featuring 47 apartments and approximately 2,000 square feet of ground-level restaurant space. The low-rise complex, will feature exterior finishes including seam metal, cement boards. The \$10-million development project is highlighted by a sculptural entry building along Temple Street and will feature ground-floor retail space and parking accommodations for 63 automobiles and 65 bicycles.



1647 TEMPLE STREET - A \$10-million-dollar development for a new 44-unit complex near the southwest corner of Temple Street and Glendale Boulevard (A few blocks West of "The Douglas") has just been completed. The project known as "The Echo" has 1 Bedrooms renting for \$1,995 and is reflective of the changes occurring in the area.



330 N UNION AVENUE - A mixed use project with commercial space on the ground floor and 69 units above have been built between Temple Street & Belmont Avenue. The apartment complex is commanding the highest rents in the area with a studio renting for \$2,000 per month.



3321 W. TEMPLE - sits 67 units that cost \$20M to develop. This project was one of the first to create the gentrification in the neighborhood.



ALEXAN SOUTH ECHO 1910 W. TEMPLE - Home of the Derby Dots is being demolished to construct a mixed-use development called the "Alexan South Echo" which will include 200 apartments, 20,000 square feet of retail and two floors of underground parking. The project is expected to be completed in 2017.



391 N. BEAUDRY AVENUE - Will be known as "Ferrante Apartments" will consist of 1,500 units and 30,000 square feet of retail space will be built. Currently in the demolishing phase. A well-known developer paid 61 for the site. The building intersects with 1000 W. Temple.



401 N. BOYLSTON - 121 units call, "The Boylston Arms" is being built on Temple and Boylston. The project, which is being developed by the Lion Real Estate Group, will rise from an approximately .8-acre site and straddles the border between Echo Park and Westlake.



1620 W. TEMPLE - A Developer is requesting a zoning change to build a 6-story, 55-unit housing development.



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