

FULLY LEASED, 2024 FOURPLEX + ADU | 6.19% STABILIZED CAP RATE!

1724 MENLO AVE



OFFERING MEMORANDUM

Prepared by
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OFFERING SUMMARY

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The 5+ Unit Specialists are pleased to present 1724 Menlo Ave, a NON-RENT-CONTROLLED 2024 build, five-unit community located in the vibrant Pico-Union neighborhood – just minutes from Downtown Los Angeles and Koreatown. This prime central location attracts strong rental demand from young professionals, students, and creatives, offering investors an impressive 6.19% stabilized cap rate with minimal expenses.

The property showcases an ideal unit mix across two modern buildings, featuring two spacious 4-bedroom/4-bathroom units, two 3-bedroom/3.5-bathroom units, and one highly rentable 1-bedroom/1-bathroom unit. Designed with premium layouts, each residence is separately metered for gas, water, and electric, and comes equipped with in-unit washers/dryers, private entrances, and dedicated parking (8 spaces total), ensuring long-term tenant appeal and low operating costs.

Luxury finishes include sleek modern kitchens, designer tile, high ceilings, expansive windows, and thoughtfully designed interiors that maximize both function and style. With an impressive Walk Score of 85, residents enjoy easy access to neighborhood dining, cafes, and entertainment, while being a short drive from LA Live, USC, Crypto.com Arena, the Arts District, and Koreatown's vibrant nightlife.

With SB-8 limiting new construction, opportunities like this are increasingly rare. The combination of a high cap rate, desirable unit mix, premium finishes, and unbeatable location make 1724 Menlo Ave a turn-key, cash-flowing investment and a perfect 1031 exchange option in one of LA's strongest rental corridors.



OFFERING SUMMARY



PROPERTY OVERVIEW

THE PROPERTY:	Address:	1724 Menlo Ave, Los Angeles, CA 90006
	APN:	5056-021-016
	# Units:	5
	# Buildings:	2
	Unit Mix:	2x 4b/4b, 2x 3b/3.5b, 1x 1b/1b
	Year Built:	2024
	Building Size (SF):	7,300
	Lot Size (SF):	6,122
	Zoning:	LARD1.5
	Rent Control:	No
	Opportunity Zone:	No



THE OFFERING:	List Price:	\$2,975,000
	Cap Rate:	6.19%
	GRM:	12.72
	Price Per Unit:	\$595,000
	Price Per SF:	\$407.53

UTILITIES:	Water:	Separately Metered
	Electric:	Separately Metered
	Gas:	Separately Metered

AMENITIES:	Laundry:	Private Washers/Dryers for Each Unit
	Parking:	8 Parking Spots



INVESTMENT HIGHLIGHTS



- NO RENT CONTROL!
- Located in the heart of Pico-Union neighborhood, just minutes from Downtown Los Angeles and Koreatown!
- Outstanding REAL cap rate of 6.19%! Cash cow, making you money on day 1!
- Thoughtfully designed units with premium floorplans that renters love.
- Boasts high-end, modern finishes.
- Ideal unit mix of two 4-bedroom units, two 3-bedroom units, and one 1-bedroom unit. High income producing property!
- All units separately metered for electric, water and gas! Very low expenses!
- Dream 1031 exchange opportunity. Ready to close now!
- With SB-8 in effect, less new constructions are being built, making properties like these an even more rare and hot commodity.
- An impressive walk score of 85, you'll find a vibrant mix of dining, cafes and entertainment!
- Short drive to LA Live, USC Campus, Crypto.com Arena, the Arts District, and cultural landmarks. Plus just a few miles from tons of major employers and creative hubs!

LOCATION HIGHLIGHTS

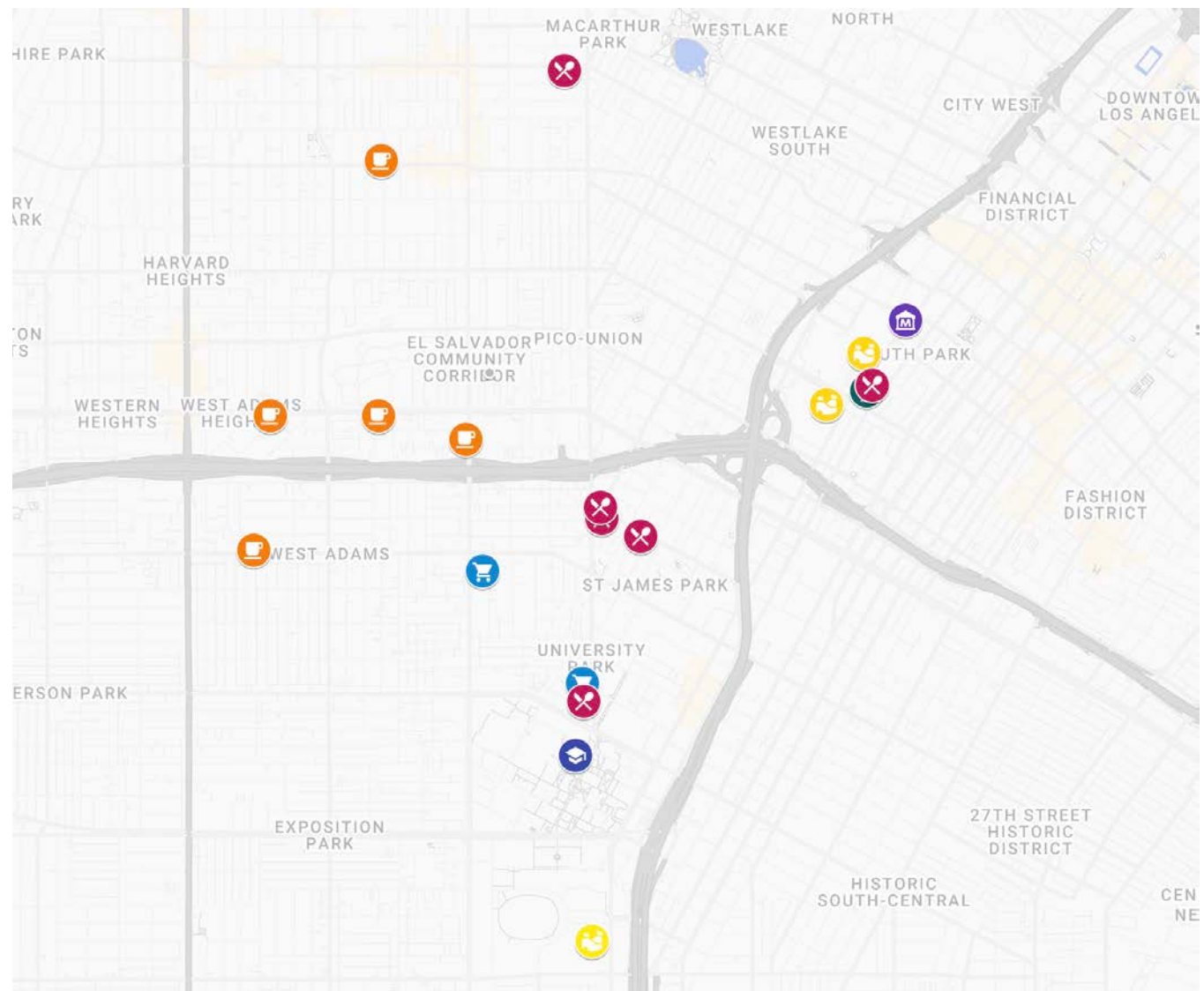


- Located in the heart of the vibrant Pico-Union neighborhood, just minutes from Downtown Los Angeles and Koreatown!
- Only a short drive to Koreatown nightlife and dining hotspots such as Quarters BBQ, Parks BBQ, The Line Hotel, and Escala.
- Close to major shopping destinations including the Midtown Shopping Center (Target, Lowe's, Ralphs, and more) and the nearby FIGat7th in Downtown LA.
- Convenient access to USC, LA Live, Crypto.com Arena, the Arts District, and cultural landmarks like the Natural History Museum and California Science Center.
- Easy commuting via the 10 and 110 freeways, plus excellent public transit connections with the Metro Pico Station and numerous bus lines nearby.
- Just a few miles from major employers and creative hubs in Downtown, Koreatown, and Mid-City, offering strong rental demand and long-term growth.



LOCATION HIGHLIGHTS MAP

-  With Love Market & Cafe
-  Blue Elephant Café
-  Alibi Coffee Co.
-  Espresso Social Club
-  MEMORYLOOK
-  Bacari W. Adams
-  Mastro's Ocean Club
-  CAVA
-  CAFE 23
-  Everytable
-  Calic Bagel
-  Trader Joe's
-  Ralphs
-  33 Taps DTLA
-  Crypto.com Arena
-  BMO Stadium
-  Los Angeles Convention Cen...
-  GRAMMY Museum
-  University of Southern Califo...





PRICING & FINANCIALS

FINANCIAL SUMMARY & RENT ROLL

SUMMARIZED PRICING METRICS:

Price:	\$2,975,000
Down: 40%	\$1,190,000
Current GRM:	12.72
Pro Forma GRM:	12.72
Current Cap Rate:	6.19%
Pro Forma Cap Rate:	6.19%
\$/Unit:	\$595,000
\$/SF:	\$407.53

BUILDING DESCRIPTION:

No. of Units:	5
Yr. Built:	2024
Bldg SF:	7,300
Lot Size (SF):	6,122
Lot Size (acres):	0.14
Zoning:	LARD1.5
Opportunity Zone:	No
Rent Control:	No

FINANCING:

Loan Amount:	\$1,785,000
Interest Rate:	5.75%
Monthly Payment:	(\$8,553.13)
LTV:	60%
Amortization (Years):	30
Proposed/Assumption:	Proposed
Loan Type:	7/1 Interest Only ARM

RENT ROLL:

UNIT #	STATUS	UNIT TYPE	UNIT SIZE	CURRENT RENT	SCHEDULED GROSS INCOME	CURRENT RENT PER SF	PRO FORMA RENT	PRO FORMA RENT PER SF	LOSS-TO-LEASE
1	Occupied	4b/4b	1,825	\$4,500	\$4,500	\$2.47	\$4,500	\$2.47	\$0
2	Occupied	4b/4b	1,825	\$4,495	\$4,495	\$2.46	\$4,500	\$2.47	\$5
3	Occupied	3b/3.5b	1,450	\$4,195	\$4,195	\$2.89	\$4,195	\$2.89	\$0
4	Occupied	3b/3.5b	1,450	\$4,100	\$4,100	\$2.83	\$4,100	\$2.83	\$0
5	Occupied	1b/1b	750	\$2,200	\$2,200	\$2.93	\$2,200	\$2.93	\$0
5	Totals/Averages:		7,300	\$19,490	\$19,490	\$2.67	\$19,495	\$2.67	\$1

FINANCIAL ANALYSIS

# UNITS	UNIT MIX	% OF TOTAL	SIZE	AVG RENT	AVERAGE RENT/ SF	MONTHLY INCOME	AVG PRO FORMA RENT	AVERAGE PRO FORMA RENT/ SF	PRO FORMA MONTHLY INCOME
2	4b/4b	40%	1,825	\$4,498	\$2.46	\$8,995	\$4,500	\$2.47	\$9,000
2	3b/3.5b	40%	1,825	\$4,148	\$2.27	\$8,295	\$4,148	\$2.27	\$8,295
1	1b/1b	20%	750	\$2,200	\$2.93	\$2,200	\$2,200	\$2.93	\$2,200
Totals/Averages:			1,460	\$19,490	\$13.35	\$19,490	\$19,495	\$13.35	\$19,495
Gross Potential Income:						\$233,880			\$233,940

ANNUALIZED OPERATING DATA:

	CURRENT	PRO FORMA
Gross Potential Rental Income	\$233,940	\$233,940
Gain (Loss)-to-Lease	(\$60)	\$0
Gross Scheduled Rental Income	\$233,880	\$233,940
Less: Vacancy	3.0% (\$7,016)	3.0% (\$7,018)
Effective Gross Income	\$226,864	\$226,922
Less: Expenses	(\$42,808)	(\$42,808)
Miscellaneous Other Income	\$0	\$0
Net Operating Income	\$184,056	\$184,114
Debt Service	(\$102,638)	(\$102,638)
Pre-Tax Cash Flow	6.84% \$81,418	6.85% \$81,476
Principal Reduction	\$0	\$0
Total Return	6.84% \$81,418	6.85% \$81,476

ANNUALIZED EXPENSES:

	CURRENT	PRO FORMA
Fixed Expenses		
Real Estate Taxes	1.1996% \$35,688	\$35,688
Insurance	.40/s.f. \$2,920	\$2,920
Utilities	\$200/unit \$1,000	\$1,000
Controllable Expenses		
Contract Services	\$240/unit \$1,200	\$1,200
Repairs & Maintenance	\$400/unit \$2,000	\$2,000
TOTAL EXPENSES	\$42,808	\$42,808
EXPENSES/UNIT	\$8,562	\$8,562
EXPENSES/SF	\$5.86	\$5.86
% of EGI	18.9%	18.9%

The background of the top half of the image features a gradient from orange on the left to pink on the right, overlaid with a pattern of thin, wavy, concentric lines that resemble topographical contours or liquid ripples.

PROPERTY PHOTOS

PHOTOS



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