

MASSIVE CASH COW NEW CONSTRUCTION 6-UNIT IN HOLLYWOOD | 6.03% CAP!

724 N KINGLSEY



OFFERING MEMORANDUM

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OFFERING SUMMARY

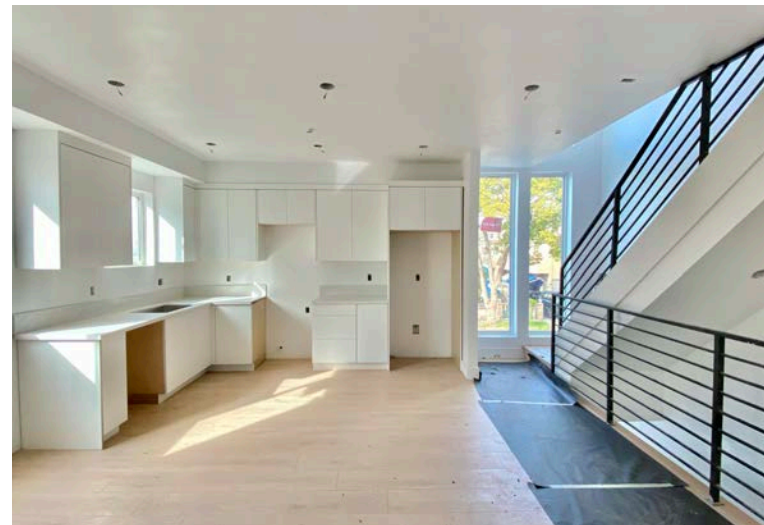
OFFERING SUMMARY

The 2-4 Unit Specialists are pleased to present 724 N Kingsley Dr, a massive new construction 6-unit (5 + large ADU) with the most impressive unit mix you'll find! With two 5 bedroom units and four 4 bedroom units, this gorgeous 2024 construction is predicted to bring in an annual rent of \$339,600, making for a pro forma cap rate of 6.03%. TOTAL CASH COW! Don't keep your money in the bank- invest in stable Los Angeles real estate with high cash flow.

724 N Kingsley is located in trendy Melrose Hill, minutes from the heart of Hollywood, Los Feliz, Larchmont Village and Silver Lake! Walk down the street to countless neighborhood destinations on both Melrose and Santa Monica Blvd.

You will find noteworthy features including, but not limited to: bedrooms with en-suite bathrooms, high ceilings, open floor plan living room/kitchen areas, huge walk in closets, balconies, large windows allowing for maximum light, built in storage throughout, designer tiles, modern cabinets, natural wood water proof vinyl, and more.

In addition to the unbeatable return and massive units, buyers will enjoy other notable perks including: a 1-year builder's warranty, brand new EVERYTHING, little to no maintenance, separate meters for gas, water & electric, and extreme desirability amongst renters for years to come.



PROPERTY OVERVIEW

THE PROPERTY:	Address:	724 N Kinglsey Dr, Hollywood, CA 90029
	APN:	5535-036-021
	# Units:	6
	# Buildings:	3
	Unit Mix:	2 x 5b/5b, 1x 4b/4b+den, 1x 4b/4b, 2x 4b/2b
	Year Built:	2024
	Building Size (SF):	9,249
	Lot Size (SF):	8,772
	Zoning:	LARD1.5
	Rent Control:	Yes
	Opportunity Zone:	No



THE OFFERING:	List Price:	\$4,395,000
	Cap Rate:	6.03%
	GRM:	12.94
	Price Per Unit:	\$732,500
	Price Per SF:	\$475.19

UTILITIES:	Water:	Separately Metered (Tenant Pays)
	Electric:	Separately Metered (Tenant Pays) + 1 House Meter
	Gas:	Separately Metered (Tenant Pays)

AMENITIES:	Laundry:	Private Washers/Dryers for Each Unit
	Parking:	12 Parking Spot, 10 + 2 Bonus Spots (3 Permitted/2 Bonus)



INVESTMENT HIGHLIGHTS



- MAJOR CASH COW! Out of this world pro forma cap rate of 6.03%!
- Unbeatable unit mix consisting of two 5 bedroom units and four 4 bedroom units.
- Property comes fully loaded with premium kitchen appliances, washers + dryers. Totally turnkey!
- UNHEARD OF price per door of \$732,500! This is a price per door you won't find elsewhere!
- Dream 1031 exchange opportunity. Ready to close soon!
- 12 PARKING SPACES on site!
- All units separately metered for gas, electric AND water! Microscopic expenses!
- Views of the Hollywood sign and the Griffith Observatory!
- Large open floorplans!
- Outstanding Hollywood (Melrose Hill) location minutes from the heart of Hollywood, Los Feliz, Silver Lake, Larchmont Village, and Koreatown.
- With SB-8 in effect, less new constructions are being built, making properties like these an even more rare and hot commodity.























LOCATION HIGHLIGHTS

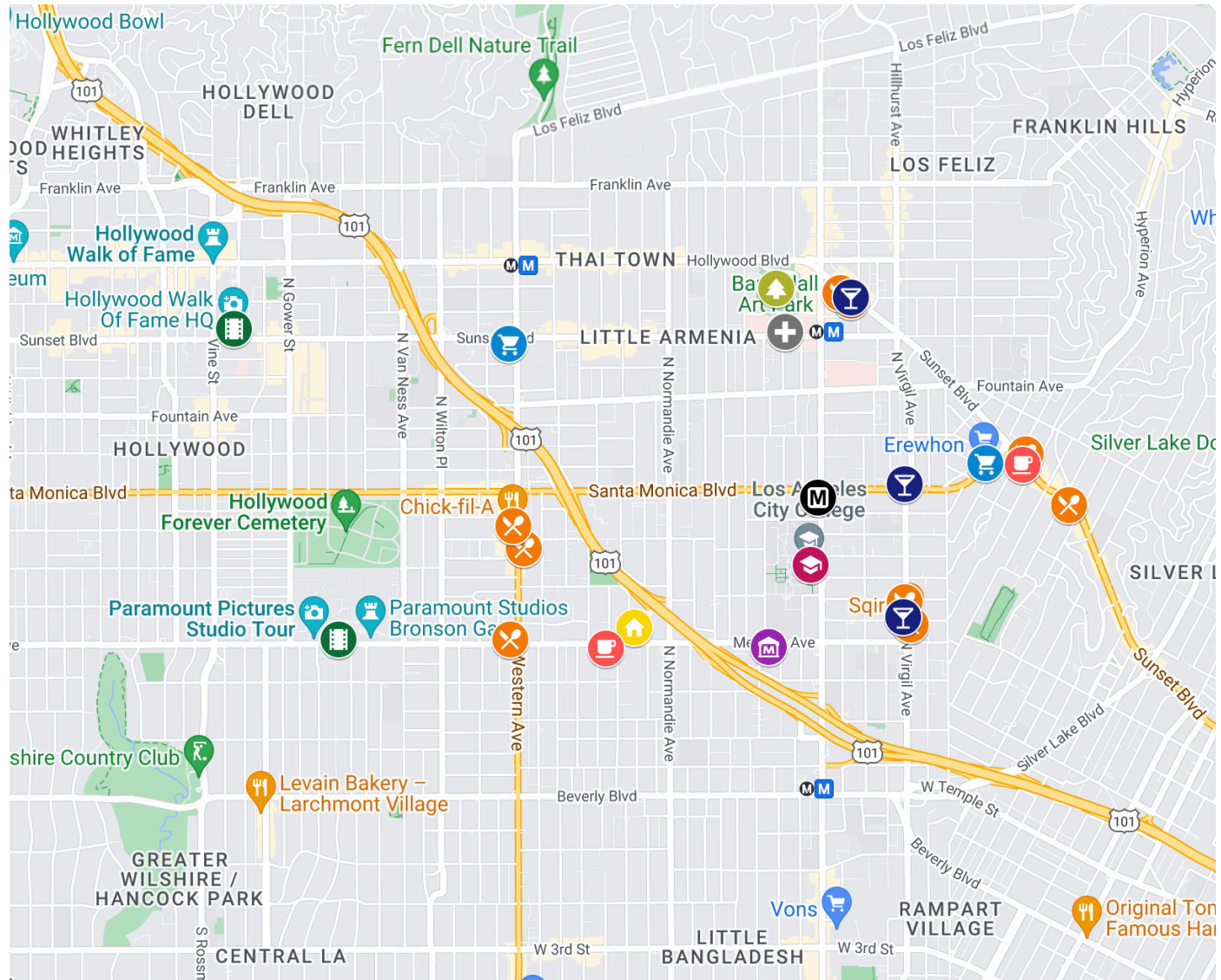


- Located in Melrose Hill, an area seeing a tremendous amount of development due to its central location moments from the heart of Hollywood, Los Feliz, Silver Lake, Larchmont Village, Virgil Village, Koreatown, Echo Park and Downtown Los Angeles!
- Minutes from shopping and dining in Virgil Village, such as Sqirl, Melody Wine Bar, Courage Bagel, Voodoo Vin, Bolita and Alma's Cider & Beer!
- Walking distance to the restaurants and local conveniences on Melrose and Santa Monica Blvd, such as Ggiata Delicatessen and Maison Matho.
- A 5-minute drive to trendy Vermont and it's countless hip destinations such as Covell, HomeState, Mirate, Figaro Bistro, Los Feliz Theater, Atrium, Kismet, Taco Tu Madre and so much more!
- 1.5 miles from Sunset Junction in Silver Lake, which boasts notable establishments like Intelligentsia Coffee, Café Stella, Sweetgreen, 4100 Bar, and 33 Taps, Salt & Straw, offering a diverse array of experiences in dining, shopping, and entertainment.
- A 7-minute drive to Paramount Pictures and Raleigh Studios, among countless other "Hollywood" destinations. This neighborhood is a magnet for tenants in the entertainment industry.



LOCATION HIGHLIGHTS MAP

-  724 N Kingsley Dr
-  Bacari Silverlake + Bar Bacari
-  sweetgreen
-  HomeState
-  Sqirl
-  Kismet
-  Dave's Hot Chicken
-  Courage Bagels
-  Intelligentsia Coffee
-  Maru Coffee
-  Maison Matho
-  Melody
-  The Virgil
-  4100 Bar
-  Covell
-  Target
-  Barnsdall Art Park
-  Los Feliz Theater
-  Los Angeles City College
-  Kaiser Permanente Medical
-  Vermont/Santa Monica
-  Erewhon





PRICING & FINANCIALS

FINANCIAL SUMMARY & RENT ROLL

SUMMARIZED PRICING METRICS:

Price:		\$4,395,000
Down:	40%	\$1,758,000
Current GRM:		12.94
Pro Forma GRM:		12.94
Current Cap Rate:		6.03%
Pro Forma Cap Rate:		6.03%
\$/Unit:		\$732,500
\$/SF:		\$475.19

BUILDING DESCRIPTION:

No. of Units:	6
Yr. Built:	2023
Bldg SF:	9,249
Lot Size (SF):	8,772
Lot Size (acres):	0.20
Zoning:	LARD1.5
Opportunity Zone:	No
Rent Control:	Yes

FINANCING:

Loan Amount:	\$2,637,000
Interest Rate:	7.00%
Monthly Payment:	(\$17,544.03)
LTV:	60%
Amortization (Years):	30
Proposed/Assumption:	Proposed
Minimum DSCR:	1.25

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	Vacant	5b/5b	1,920	\$0	\$5,200	\$2.71	\$5,200	\$2.71	\$0
2	Vacant	5b/5b	1,920	\$0	\$5,200	\$2.71	\$5,200	\$2.71	\$0
3	Vacant	4b/4b + den	1,660	\$0	\$5,000	\$3.01	\$5,000	\$3.01	\$0
4	Vacant	4b/4b	1,492	\$0	\$4,500	\$3.02	\$4,500	\$3.02	\$0
5	Vacant	4b/2b	1,162	\$0	\$4,200	\$3.61	\$4,200	\$3.61	\$0
6	Vacant	4b/2b	1,095	\$0	\$4,200	\$3.84	\$4,200	\$3.84	\$0
6	Totals/Averages:		9,249	\$0	\$28,300	\$3.06	\$28,300	\$3.06	\$0

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	5b/5b	33%	1,920	\$5,200	\$2.71	\$10,400	\$5,200	\$2.71	\$10,400
1	4b/4b + den	17%	1,660	\$5,000	\$3.01	\$5,000	\$5,000	\$3.01	\$5,000
1	4b/4b	17%	1,492	\$4,500	\$3.02	\$4,500	\$4,500	\$3.02	\$4,500
2	4b/2b	33%	1,129	\$4,200	\$3.72	\$8,400	\$4,200	\$3.72	\$8,400
Totals/Averages:			1,542	\$4,717	\$3.06	\$28,300	\$4,717	\$3.06	\$28,300
Gross Potential Income:						\$339,600	\$339,600		

ANNUALIZED OPERATING DATA:

		CURRENT		PRO FORMA
Gross Potential Rental Income		\$339,600		\$339,600
Gain (Loss)-to-Lease		\$0		\$0
Gross Scheduled Rental Income		\$339,600		\$339,600
Less: Vacancy	4.0%	(\$13,584)	4.0%	(\$13,584)
Effective Gross Income		\$326,016		\$326,016
Less: Expenses		(\$60,996)		(\$60,996)
Miscellaneous Other Income		\$0		\$0
Net Operating Income		\$265,020		\$265,020
Debt Service		(\$210,528)		(\$210,528)
Pre-Tax Cash Flow	3.10%	\$54,492	3.10%	\$54,492
Principal Reduction		\$26,787		\$26,787
Total Return	4.62%	\$81,279	4.62%	\$81,279

ANNUALIZED EXPENSES:

		CURRENT	PRO FORMA
Fixed Expenses			
Real Estate Taxes	1.1990%	\$52,696	\$52,696
Insurance	.40/s.f.	\$3,700	\$3,700
Utilities	\$167/unit	\$1,000	\$1,000
Controllable Expenses			
Contract Services	\$200/unit	\$1,200	\$1,200
Repairs & Maintenance	\$400/unit	\$2,400	\$2,400
TOTAL EXPENSES		\$60,996	\$60,996
EXPENSES/UNIT		\$10,166	\$10,166
EXPENSES/SF		\$6.59	\$6.59
% of EGI		18.7%	18.7%



SALES COMPS

SALES COMPARABLES CHART | NEW CONSTRUCTION COMPS

#	ADDRESS	UNITS	SALES PRICE	\$/SF	\$/UNIT	CAP RATE	GRM	BLDG SF	LOT SQFT	CLOSE DATE	YEAR BUILT
1	525 N Normandie Ave	6	\$5,100,000	\$489.44	\$850,000	4.66%	15.86	10,420	8,246	7/1/22	2022
2	6417 Lexington Ave	4	\$4,100,000	\$580.74	\$1,025,000	4.74%	16.18	7,060	6,925	6/27/22	2022
3	236 N Park View St	4	\$3,820,000	\$509.27	\$955,000	4.06%	17.25	7,501	8,023	1/13/23	2020
4	638 N Serrano Ave	4	\$3,450,000	\$533.07	\$862,500	4.92%	15.37	6,472	5,525	4/15/22	2022
5	837 N Kingsley Dr	4	\$3,400,000	\$496.50	\$850,000	4.26%	16.25	6,848	7,147	5/11/22	2021
6	1340 N Kenmore Ave	3	\$2,650,000	\$526.52	\$883,333	4.66%	15.02	5,033	6,337	2/23/22	2018
7	603 N Harvard Blvd	5	\$3,890,000	\$535.52	\$778,000	5.49%	14.09	7,264	6,306	9/29/23	2023
AVERAGE:		4.29	\$3,772,857	\$521.96	\$880,333	4.68%	15.72	7,228	6,930	N/A	N/A
724 N Kingsley Dr:		6	\$4,395,000	\$475.19	\$732,500	6.03%	12.94	9,249	8,772	N/A	2024

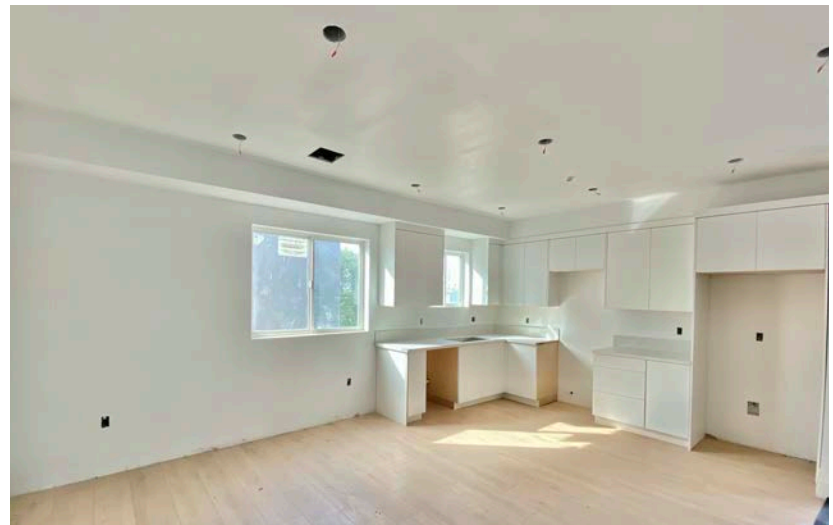
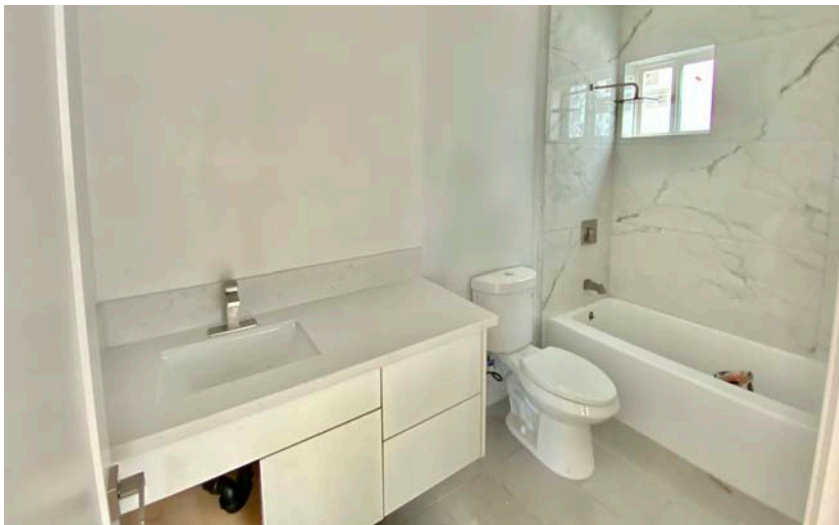
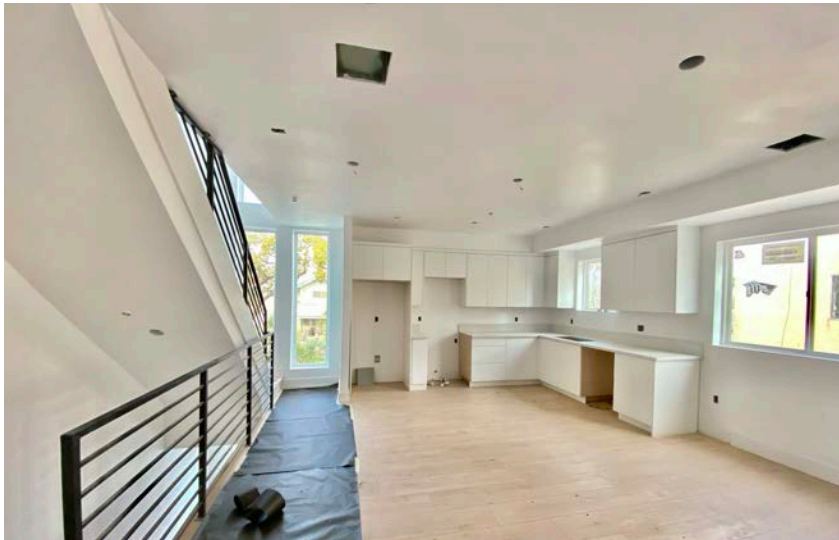


PROPERTY PHOTOS

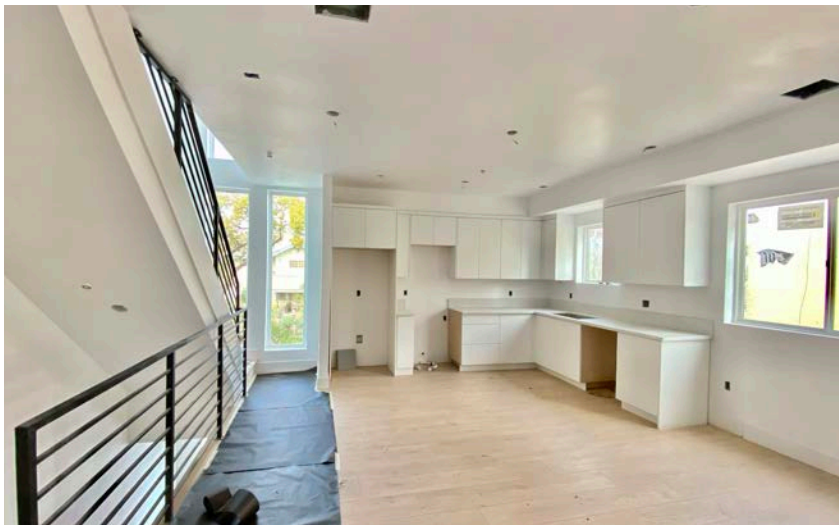
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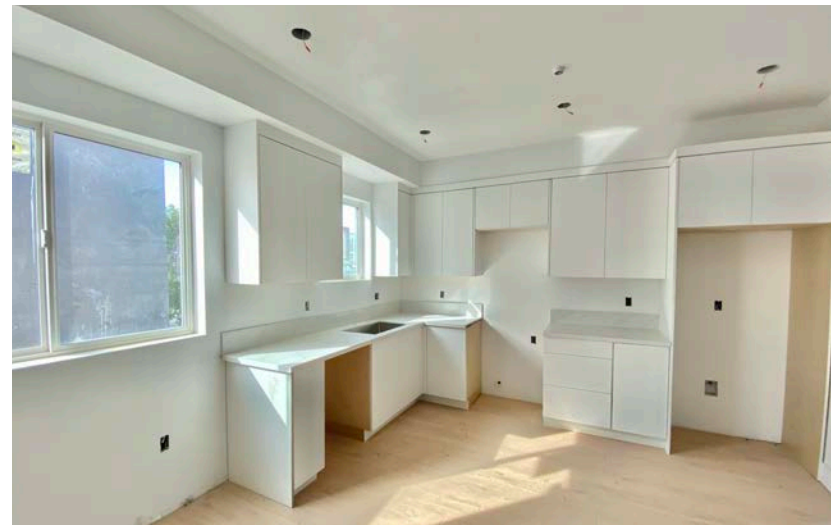
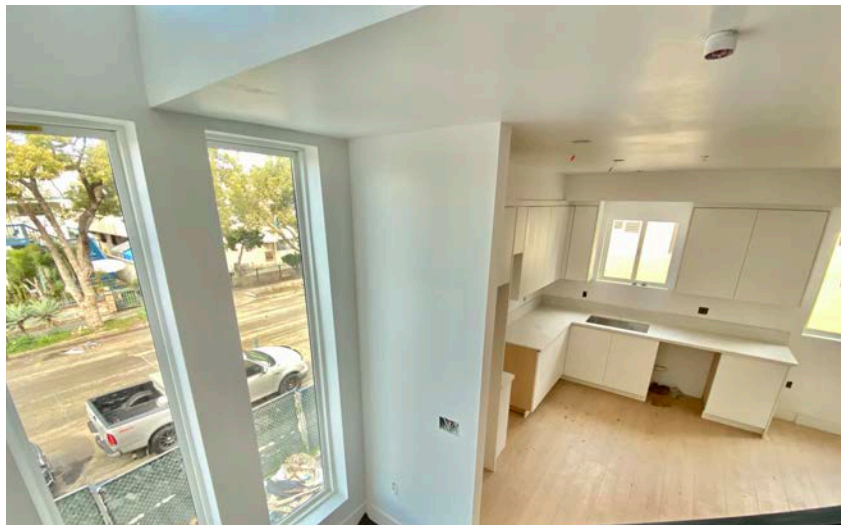
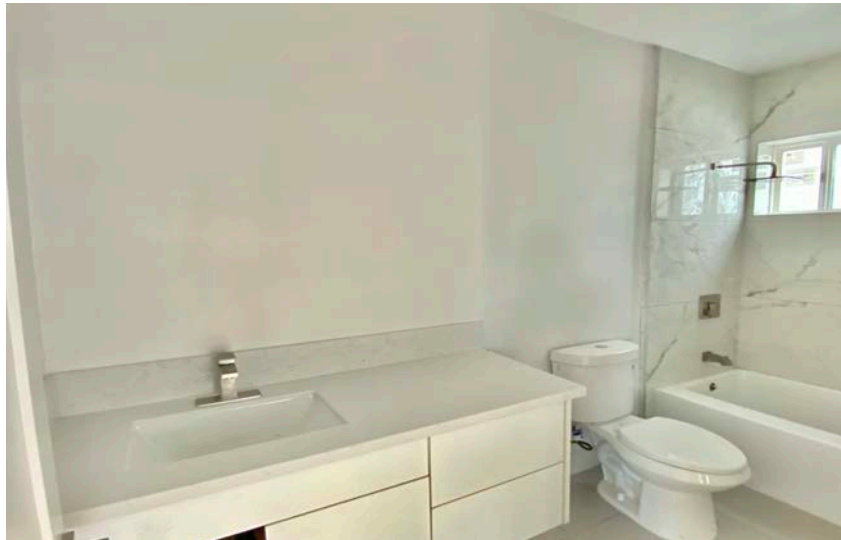
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