



**240-42**  
**N VAN NESS AVE**  
**LOS ANGELES, CA**

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES

OFFERING MEMORANDUM



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DOWNTOWN  
LOS ANGELES

240-42  
N VAN NESS AVE





# PROPERTY OVERVIEW





## | OPPORTUNITY

Welcome to the heart of Hancock Park, just steps from Larchmont Village: A distinctive, Los Angeles neighborhood nestled between Hollywood to the north and Koreatown to the south, is a favorite destination among foodies city-wide for its endless selection of authentic restaurants, cafes, shopping, and entertainment. As one of the most popular sections of LA during Hollywood's golden age, many historic buildings, bars, and restaurants have been preserved or restored to vintage appeal and continues to attract renters from all over the country.

240-42 N Van Ness Ave is a mid-century, 8-unit apartment building that consists of mostly one-bedroom and two-bedroom units. This two-story, courtyard-style apartment was built in 1948, is in phenomenal condition, and preserves the classic character and charm that is lost in new construction. The property features eight (8) parking spaces, an on-site laundry facility owned by the landlord, recently completed soft story retrofit, hardwood floors, original bath tiles, crown moldings, and new windows and stucco. Every unit has dual access points (front and back door) and three (3) of the units will be delivered vacant for immediate upside potential. Furthermore, this property has minimal operating expenses as the tenants pay for their portion of trash, gas, and electric expenses.

240-42 N Van Ness Ave represents a unique opportunity to acquire a pride of ownership property in a great neighborhood of LA. With homes selling for over \$5MM on the same street, a savvy investor will capitalize on the renter's neighborhood that is Larchmont Village for decades to come. With this rare buying opportunity, you can immediately renovate the three (3) vacant units, easily convert the additional, existing bachelor unit to a conforming 9th-unit, and enjoy the healthy rental income on day one due to the building's little to no deferred maintenance.





**NO. OF UNITS**  
**8**



**YEAR BUILT**  
**1948**



**APN**  
**5516-012-033**



**GROSS SF**  
**7,242**



**AVG SF PER UNIT**  
**905**



**LOT SIZE**  
**12,147**

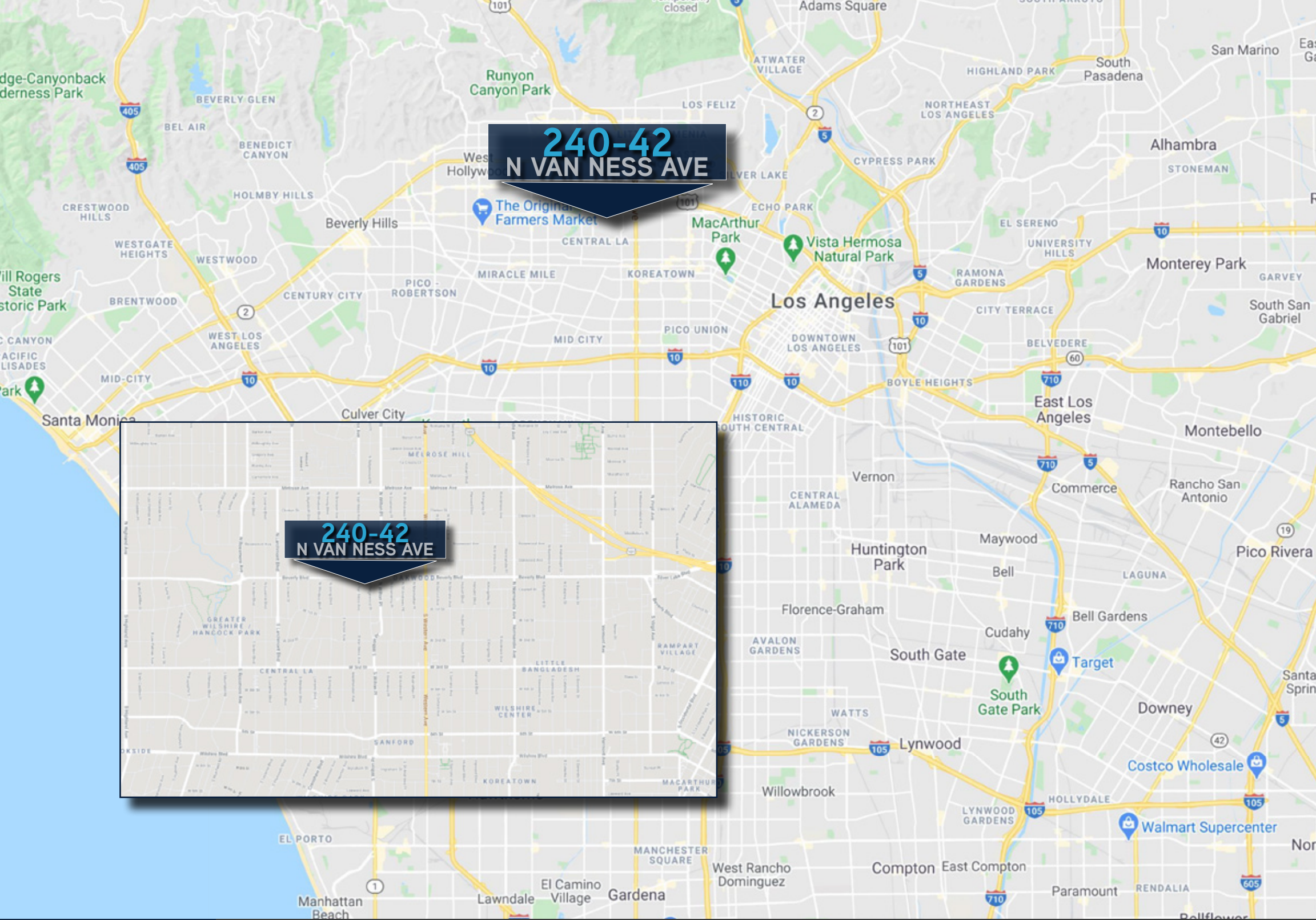
## | PROPERTY DESCRIPTION

- » 8 Unit Apartment, Built in 1948 on the Beautiful Tree-lined Street of Van Ness Avenue
- » Located in the Heart of the Historical Windsor Square Neighborhood Surrounded by Victorian Style Homes | One of the Only Properties that isn't Designated Historical
- » Unit Mix: (4) – 1Bed/1Bath & (3) – 2Bed/1Bath Units & (1) – 2Bed/1Bath+Den Units
- » Three (3) Units Deliverable Vacant | Immediate Upside Potential
- » Hardwood Floors, Original Bath Tiles, Crown Moldings, New Windows, and Stucco
- » Every Unit has Dual Access Points | Front Door & Back Door
- » Tuck-Under Parking for Every Unit | Soft-Story Retrofit Work Completed
- » Potential Conversion of Existing Bachelor Unit for Additional Income | Has Hookups, Plumbing, & Fixtures
- » Low Operating Expenses | Tenants Pays for Trash, Gas, and Electric
- » On-Site Laundry for Additional Income | Owned by the Landlord
- » Easy access to 101 freeway, downtown Los Angeles, Hollywood, Westside
- » Perfect for a Private Client, Value Add Investor or Owner-User
- » 7,242 Rentable SqFt on a 12,147 SqFt Lot with LAR3 Zoning











# DOWNTOWN LOS ANGELES

± 3.4 MILES AWAY

## OAKWOOD

### MAJOR TENANTS



Mr. BOSSAM



HAE  
HAE  
HENG

BALCONY COFFEE + TEA  
CASTLE BBQ  
DRAGON BOBA  
LAB COFFEE ROASTERS  
MESON CAFE  
NOSHI SUSHI  
TEN-RAKU  
WAISSADA  
WESTERN DOMA NOODLES  
ZZAMONG  
ETC.

## RAMPART VILLAGE

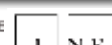
### MAJOR TENANTS



BUFFALO WILD WINGS  
CAFE MAK  
CALIFORNIA DONUTS  
DAYBIRD  
DON FELIX  
JULIES TACOS  
KASTURI  
KOBAWOO  
LOCK & KEY  
MIA JEE TANDOORI  
MOODAPO  
PHO LEGEND  
SEAFOOD CITY SUPERMARKET  
TOKYO HAMBURGER  
YUK DAE JANG  
ETC.

## DOWNTOWN KOREATOWN

### MAJOR TENANTS



24 HOUR FITNESS  
CAFFE CONCERTO  
CAFE FONTANA  
CASSELL'S HAMBURGERS  
FALAFEL CORNER  
RALPHS  
ETC.

SUBJECT  
PROPERTY

BEVERLY BLVD

N. VAN NESS AVE



# THE MUSEUM OF DREAMS

LACMA  
LOS ANGELES COUNTY  
MUSEUM OF ART

LARCHMONT  
VILLAGE

## THE GROVE MAJOR TENANTS



AMERICAN GIRL STORE  
ATHLETA  
ARITZIA  
BANANA REPUBLIC  
BARNES & NOBLE  
BRANDY MELVILLE  
COACH  
MADEWELL  
RAY-BAN  
SPACE BY BMW  
TOPSHOP  
VINCE  
ETC.



## SUNSET STRIP MAJOR TENANTS



40 LOVE  
ALFRED COFFEE  
EVERLEIGH  
SHAKE SHACK  
SUNSET BLVD  
THE ABBEY FOOD BAR  
THE BELMONT  
URTH CAFFE  
ETC.

SUBJECT  
PROPERTY



N. VAN NESS AVE

BEVERLY BLVD



# HOLLYWOOD

**HOLLYWOOD**  
SIGN

GRIFFITH OBSERVATORY



**NETFLIX**



N. VAN NESS AVE

## HOLLYWOOD

MAJOR TENANTS



CAPITOL RECORDS BUILDING  
CHIPOTLE  
ELBOW ROOM  
ORIGINAL TOMMY'S  
ROSCOE'S CHICKEN & WAFFLES  
TE'KILA  
TENDER GREENS  
ETC.

## MELROSE HILL

MAJOR TENANTS



A GREEN SPOT  
EASY STREET BURGERS  
EL COMAL  
LA FONDA ANTIOQUENA  
MELROSE HOTEL  
SUNSHINE  
TLAYUDA L.A.  
WINGSTOP  
ETC.

## FRANKLIN VILLAGE | LOS FELIZ

± 2.3 MILES AWAY



BOO'S PHILLY CHEESESTEAKS  
HOME  
KISMET  
LAMILL COFFEE  
ETC.

BEVERLY BLVD

**SUBJECT  
PROPERTY**





# PROJECTED PRO FORMA FINANCIAL ANALYSIS





## INVESTMENT SUMMARY

Offering Price:	\$3,200,000
Property Address:	240 N Van Ness Ave Los Angeles, CA 90004
Price Per Unit:	\$400,000
Price Per S.F.:	\$441.87
Cap (current/market):	4.25% / 5.54%
GRM (current /market):	15.21 / 12.59

## PROPERTY DESCRIPTION

Number of Units:	8
Year Built:	1948
APN:	5516-012-033
Gross Sq. Ft.:	7,242
Average S.F. Per Unit:	905
Lot Size:	12,147
Zoning:	LAR3



## UNIT MIX

Total Units	Unit Mix	Unit Mix %	Current Avg Rent	Current Monthly Rent	Market Rent	Market Monthly Rent
4	1+1	50%	\$1,745	\$6,981	\$2,200	\$8,800
3	2+1	38%	\$2,491	\$7,473	\$2,700	\$8,100
1	2+1+Den	13%	\$3,000	\$3,000	\$3,000	\$3,000
<b>Scheduled Monthly Rent:</b>				<b>\$17,454</b>		<b>\$19,900</b>
<b>Scheduled Yearly Rent:</b>				<b>\$209,448</b>		<b>\$238,800</b>



ANNUALIZED OPERATING DATA		CURRENT		MARKET	
Scheduled Gross Income:			\$209,448	\$238,800	21% Upside
Less Vacancy Reserve:	3.0%	\$6,283	3.0%	\$7,164*	
Laundry Income: (estimated)		\$960		\$960	
Other Income: Conversion of Existing Bachelor Unit @ \$1,200 x Month		\$0		\$14,400	
Gross Operating Income:		\$204,125		\$246,996	
Expenses:	32.5%	\$68,106	29.2%	\$69,821*	
<b>Net Operating Income:</b>		<b>\$136,019</b>		<b>\$177,175</b>	
Loan Payments:		\$104,639		\$104,639	
Cash-on-Cash Return:	2.5%	\$31,380	5.8%	\$72,537**	
* As a percent of Scheduled Gross Income					
** As a percent of Down Payment					

PROJECTED PRO FORMA ANNUAL OPERATING EXPENSES			CURRENT	PER UNIT	% OF SGI
*Taxes	1.210%	x Sale Price	\$38,720	\$4,840	18%
*Insurance	\$0.50	x GSF	\$3,621	\$453	2%
Off-Site Management	4.0%	x GOI	\$8,165	\$1,021	4%
Repairs & Maintenance	\$500	x Units	\$4,000	\$500	2%
Contract Services	\$300	x Units	\$2,400	\$300	1%
Utilities	\$1,200	x Units	\$9,600	\$1,200	5%
General Administration	\$200	x Units	\$1,600	\$200	0.76%
<b>Total Expenses</b>			<b>\$68,106</b>	<b>\$8,513</b>	<b>32.5%</b>
			CURRENT	PER UNIT	% OF SGI
Non-controllable expenses: Taxes, Insurance			\$42,341	\$5,293	20.2%
Total Expense with out Taxes			\$29,386	\$3,673	14.03%

FINANCING					
Loan Amount		\$1,954,000	Terms:		30
Down Payment:	39%	\$1,246,000	Interest:		3.45%
Yearly Pmt:		\$104,639	Monthly Pmt:		\$8,720
Debt Coverage:		1.30			

For the purposes of this financial analysis, we are utilizing pro forma financials. A pro forma financial analysis is one that contains estimates and projections of both the income and expenses to show the possible operational performance of this investment property on an annual basis.



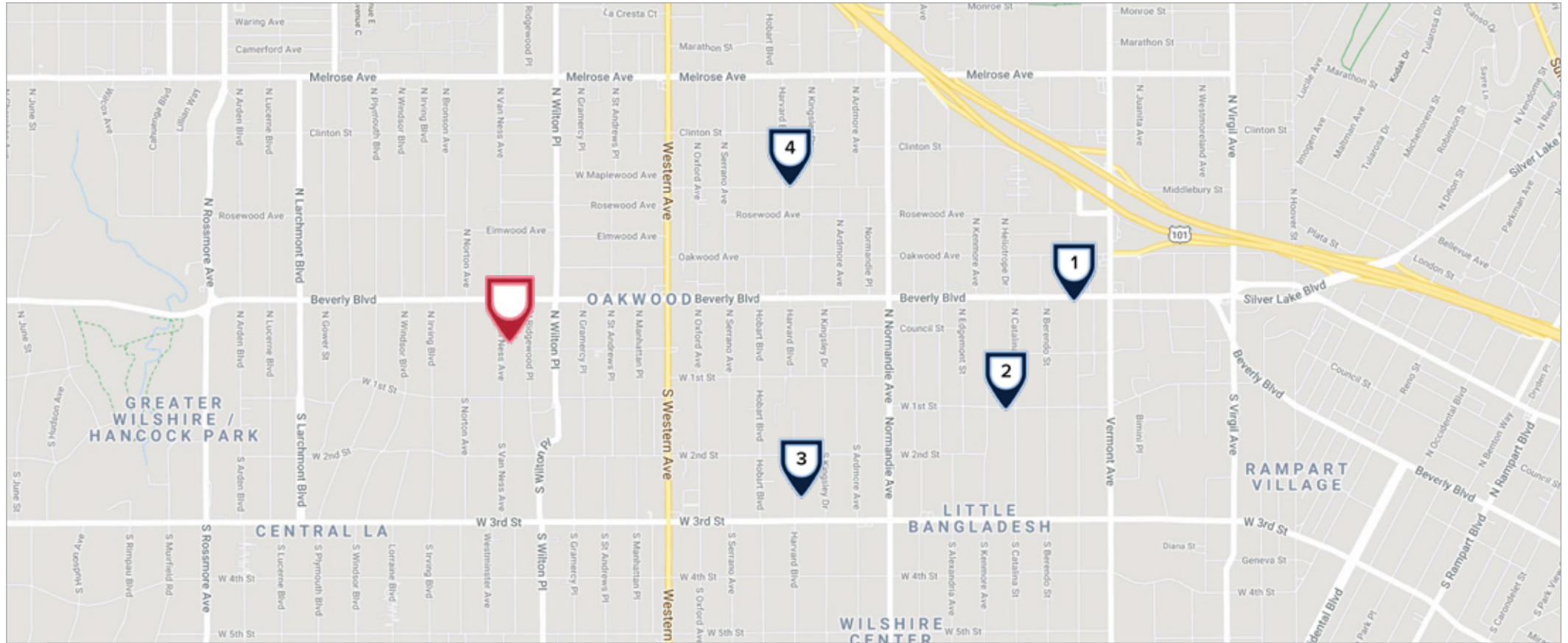
# RENT ROLL

#	Unit	Mix	Rent	Notes	Market Rent
1	240	2+1	\$2,485		\$2,700
2	240 1/4	1+1	\$1,525		\$2,200
3	240 1/2	2+1	\$2,700	VACANT	\$2,700
4	240 3/4	1+1	\$2,200	VACANT	\$2,200
5	242	2+1	\$2,288		\$2,700
6	242 1/4	1+1	\$1,416		\$2,200
7	242 1/2	2+1+Den	\$3,000	VACANT	\$3,000
8	242 3/4	1+1	\$1,840		\$2,200
Totals		8	\$17,454		\$19,900
Averages			\$2,182		\$2,488





# SALES COMPARABLES



	ADDRESS	ZIP	UNITS	YR BUILT	SQ FT	PRICE	PER UNIT	PER FOOT	SOLD DATE
	320-326 N New Hampshire Ave	90004	12	1940	12,121	\$5,100,000	\$425,000	\$420.76	1/12/21
	127-129 N Catalina St	90004	5	1937	5,268	\$1,970,000	\$394,000	\$373.96	2/21/20
	208 S Harvard Blvd	90004	8	1954	5,934	\$3,150,000	\$393,750	\$530.84	2/10/21
	4575 Maplewood Ave	90004	10	1961	8,616	\$3,712,500	\$371,250	\$430.88	3/2/20
	AVERAGES		9	1948	7,985	\$3,483,125	\$396,000	\$439.11	

	ADDRESS	ZIP	UNITS	YR BUILT	SQ FT	PRICE	PER UNIT	PER FOOT	SOLD DATE
	240 N Van Ness Ave	90004	8	1948	7,242	\$3,200,000	\$400,000	\$441.87	TBD





DOWNTOWN  
LOS ANGELES

# AREA OVERVIEW

240-42  
N VAN NESS AVE



# LOS ANGELES, CA

Los Angeles officially the City of Los Angeles and often known by its initials L.A., is the most populous city in California; the second most populous city in the United States, after New York City; and the third most populous city in North America, after Mexico City and New York City. With an estimated population of nearly four million people, Los Angeles is the cultural, financial, and commercial center of Southern California.

The city of Los Angeles holds many distinctions. L.A. is the entertainment capital of the world, a cultural mecca boasting more than 100 museums, many of them world-class, and a paradise of idyllic weather. From tourist attractions like the Walk of Fame's collection of stars (numbering more than 2,614 and growing by one or two a month) to career opportunities like those presented in the expanding tech industry, Los Angeles is the place to be.

Los Angeles is on the leading edge of several growth industries. The Los Angeles metropolitan area, with more than 23,000 art jobs, is the country's leading artistic center, surpassing the previous champion, New York. In other words, Los Angeles has both a larger concentration and an absolute number of artists than New York. The L.A. five-county area is also a major tech center, with more than 700,000 people at work in health services/biomedical activities and 190,000 people in aerospace. Here are some more facts and figures about Los Angeles: the city, the county, and the region.

## PROPERTY DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2026 Projection	70,248	628,529	1,167,233
2021 Estimate	70,695	625,669	1,158,754
2010 Census	67,681	584,273	1,075,351
Growth 2010-2021	4.45%	7.09%	7.76%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	30,003	279,985	518,281
2021 Estimate	29,013	268,229	493,429
2010 Census	26,519	238,058	431,545
Growth 2021-2026	3.41%	4.38%	5.04%
Growth 2010-2021	9.40%	12.67%	14.34%

INCOME	1-MILE	3-MILE	5-MILE
2021 Avg. Household Income	\$84,250	\$79,821	\$89,726



*Los Angeles County employs over 913,000 people in several growing industries*



*A culturally diverse city, with a growing culinary scene, shopping, museums, and a reputation for being the creative center of America.*



*It is the largest and most populous city in the state of California and the cultural, financial, and commercial center of Southern California.*



# ECONOMY

The LA economy is famously and heavily based on the entertainment industry, with a particular focus on television, motion pictures, interactive games, and recorded music - the Hollywood district of Los Angeles and its surrounding areas are known as the “Movie Capital of the United States” due to the region’s extreme commercial and historical importance to the American motion picture industry. Other significant sectors include shipping/ international trade - particularly at the adjacent Port of Los Angeles and Port of Long Beach, together comprising the United States’ busiest seaport - as well as aerospace, technology, petroleum, fashion and apparel, and tourism.

L.A. County is an entertainment, manufacturing and international trade behemoth, with a fast-growing high-tech and digital media industry cluster largely centered in West L.A. and, increasingly, in the Hollywood area and beyond.

## MAJOR EMPLOYERS IN LOS ANGELES



With \$807 billion in annual output, Los Angeles County ranks among the world’s largest economies. Its GDP, which would rank No. 19 in the world if it were a standalone nation, is larger than Switzerland and Saudi Arabia, and right behind Netherlands and Turkey, underscoring the magnitude of the region’s economy.





# TOURISM

Tourism accelerated Los Angeles County's economic prosperity in 2018 as visitors pumped an all-time high \$23.9 billion directly into the L.A. economy, generating a record \$36.6 billion in total economic impact. A new economic impact report released today by Los Angeles Tourism & Convention Board demonstrates the power of tourism in Los Angeles during National Travel & Tourism Week, an annual event established by Congress and organized by the U.S. Travel Association to celebrate the impact of travel.

Tourism supported 534,258 jobs in L.A. County's Leisure & Hospitality sector, its highest total on record, employing 1 in every 8.5 workers in the county. Reaffirming the strength of the sector, tourism added 9,700 new jobs last year.



# ATTRACTIONS

Some of the world's best-known and most iconic landmarks and attractions call Los Angeles home: the Hollywood Sign; Griffith Observatory; the Getty Center; the Walt Disney Concert Hall at the Music Center in Downtown L.A.; the Hollywood Walk of Fame; the TCL Chinese Theatre; Space Shuttle Endeavour at the California Science Center; the Battleship USS Iowa located at the Port of Los Angeles in San Pedro; Air Force One at the Ronald Reagan Library; and Universal Studios Hollywood, with its dynamic immersive experience, The Wizarding World of Harry Potter™.



**50 MILLION**

*50 Million People traveled to Los Angeles last year*



**\$22 BILLION**

*LA visitors spent \$22 billion on hotels, restaurants, shopping, attractions and more*



**525,000**

*There are 525,000 jobs supported by the Los Angeles tourism industry*



**8 YEARS**

*LA has celebrated 8 consecutive years of record growth*



# ARTS & CULTURE

With various museums and exhibits, Los Angeles is full of inspiring art and diverse cultural experiences. In fact, Los Angeles has more museums and theatres than any other city in the U.S., making it the perfect place to be immersed in arts and culture. Los Angeles is home to more than 105 museums, 225 theaters, 55 magnificent structures by the world's top architects and 16 of the world's most beautiful gardens. It also boasts more than 1,500 theatrical productions annually.

# SPORTS

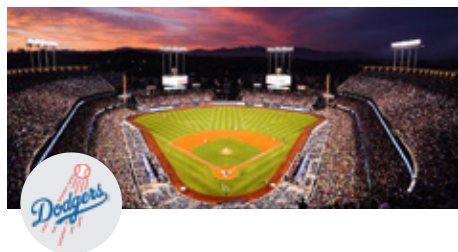
With famous venues like the Staples Center at L.A. LIVE, home to the NBA's Los Angeles Lakers and Los Angeles Clippers, NHL's L.A. Kings, and Dodger's Stadium, where the Los Angeles Dodgers serve as a main attraction sports fans flock to in L.A. Los Angeles is also home to several esteemed universities that have large sports followings such as USC and UCLA.



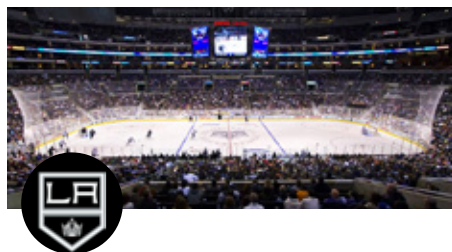
**LOS ANGELES LAKERS**  
(National Basketball Association)  
18,997 Avg. Attendance



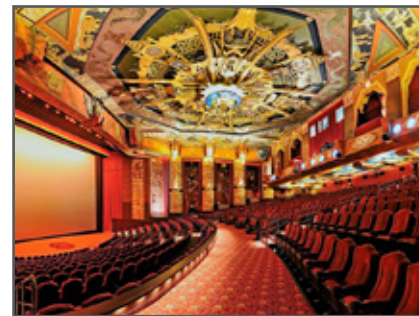
**LOS ANGELES RAMS**  
(National Football Association)  
71,229 Avg. Attendance



**LOS ANGELES DODGERS**  
(Major League Baseball)  
49,065 Avg. Attendance



**LOS ANGELES KINGS**  
(National Hockey Association)  
18,000 Avg. Attendance





# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **240-42 N Van Ness Ave, Los Angeles, CA 90004**. (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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