



USC



LA MEMORIAL COLISEUM



NATURAL HISTORY MUSEUM



BANC OF CA STADIUM



Downtown LA

FASHION DISTRICT

ARTS DISTRICT

## OFFERING MEMORANDUM

315 West 47th Street.  
Los Angeles, CA 90037

Exclusively Listed By:

Matthew Guerra

Senior Associate  
CalBRE# 02022646

Dir 909.997.9765 | [mguerra@GrowthInvestmentGroup.com](mailto:mguerra@GrowthInvestmentGroup.com)



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## The Growth Investment Group

### Matthew Guerra

Senior Associate  
Dir 626.898.9740  
mguerra@growthinvestmentgroup.com  
License No. 02022646

### Leo Shaw

Vice President  
Dir 626.716.6968  
leo.shaw@growthinvestmentgroup.com  
Broker License No. 01879962

### Justin McCardle

Vice President  
Dir 909.486.2069  
justin@growthinvestmentgroup.com  
License No. 01895720

### Ryan Yip

Broker Associate  
Dir 626.594.4901  
ryan@growthinvestmentgroup.com  
License No. 02087685

### Han Widjaja Chen, CCIM

President  
Dir 626.594.4900 | Fax 626.316.7551  
Han.Chen@GrowthInvestmentGroup.com  
Broker License No. 01749321

### Donald T. La

Vice President  
Dir 626.824.8853  
donald.la@growthinvestmentgroup.com  
Broker License No. 01928418

### Jeanelle Mountford

Broker Associate  
Dir 818.839.0222  
jmountford@growthinvestmentgroup.com  
License No. 01737872

### Ann Ma

Marketing Associate  
Dir. 626.594.4901  
ann.ma@growthinvestmentgroup.com

### DISCLAIMER AND CONFIDENTIALITY AGREEMENT:

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of:

315 W 47TH STREET, LOS ANGELES, CA 90037 ("Property").

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Owner or the Property, to be all-inclusive or to contain all or part of the information that prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition, and other factors beyond the control of the Owner and Growth Investment Group. Therefore, all projections, assumptions, and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. Neither the Owner nor Growth Investment Group, nor any of their respective directors, officers, affiliates, or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time, with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered, and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or Growth Investment Group. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or Growth Investment Group. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to Growth Investment Group.



# 01. EXECUTIVE SUMMARY

## SUMMARY

Subject Property:	315 West 47th Street. Los Angeles, CA 90037
Price:	\$738,000
Price per Unit:	\$184,600
Year Built:	1922
Building Area:	2,451 SF
Lot Size:	4,566 SF
Assessor's parcel number:	5110-009-027
Number of Units:	4
Zoning:	LARD2
Unit Mix:	1 x 4Bed + 1Bath 3 x 1Bed + 1Bath
CAP Rate:	5.44%
GRM:	12.75
Market CAP Rate:	8.50%



## Executive Summary

The Growth Investment Group is proud to offer 315 W 47th street, an attractive investment opportunity conveniently located near Downtown Los Angeles, California. The property is a four unit apartment building comprised of three (3) 1 bedroom + 1 bathroom units and one (1) 4 bedroom + 1 bathroom unit with approximately 2,541 square feet. This opportunity is in a centralized area of Los Angeles with less than 3.5 miles from Downtown Los Angeles near University of Southern California (USC), Banc of California Stadium, Los Angeles Memorial Coliseum and Exposition Park. The site is surrounded by residential and multifamily residential communities. The area is comprised mostly of blue-collar hard working families with a historically low vacancy and high rental demand.

The property has excellent street frontage, situated on 47th street in between Broadway and I 10 FWY and a few blocks east of Figueroa Street. It provides easy access to the rest of the Greater Los Angeles area with close proximity to FWY's 110, 10 & 105.

## LOCATION AMENITIES & ACCESS

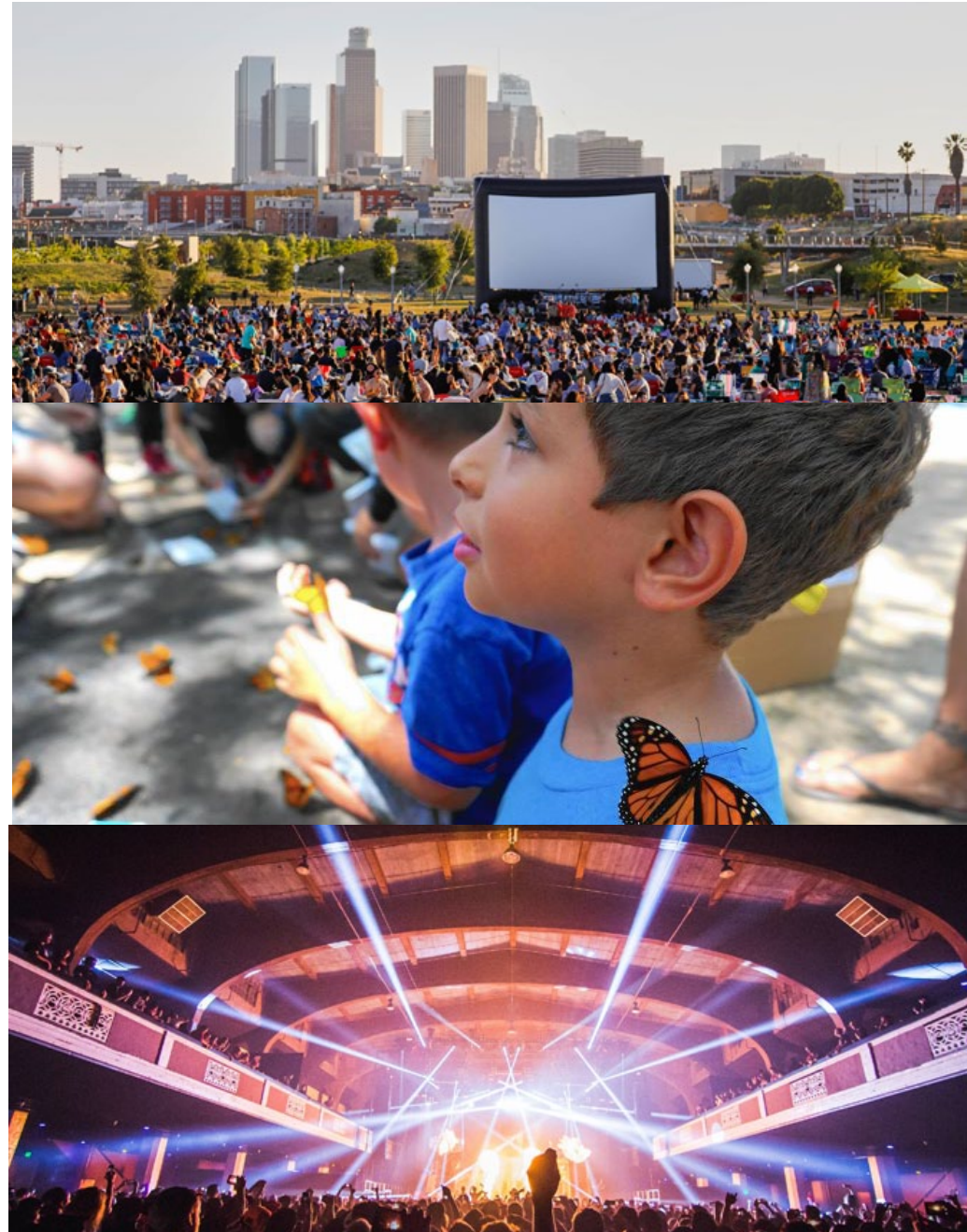
The property is situated conveniently in the city of Los Angeles with all its appropriate amenities, suitable dining, and shopping. Los Angeles is densely populated with nearly four (4) million people situated in the city of Los Angeles it is regarded as the second most populous city in the United States, and third most populous in North America.

Los Angeles has a diverse economy driven by international trade, entertainment, aerospace, technology, fashion, tourism, finance, telecommunications, healthcare, and more. In 2017, the greater L.A. area was ranked as the third-largest economic metropolitan area in the world with \$1.0 Trillion of gross metropolitan product; and is the largest manufacturing center in the United States. The ports of Los Angeles and Long Beach together comprise the busiest port in the United States and is the fifth-busiest port in the world.



## HIGHLIGHTS

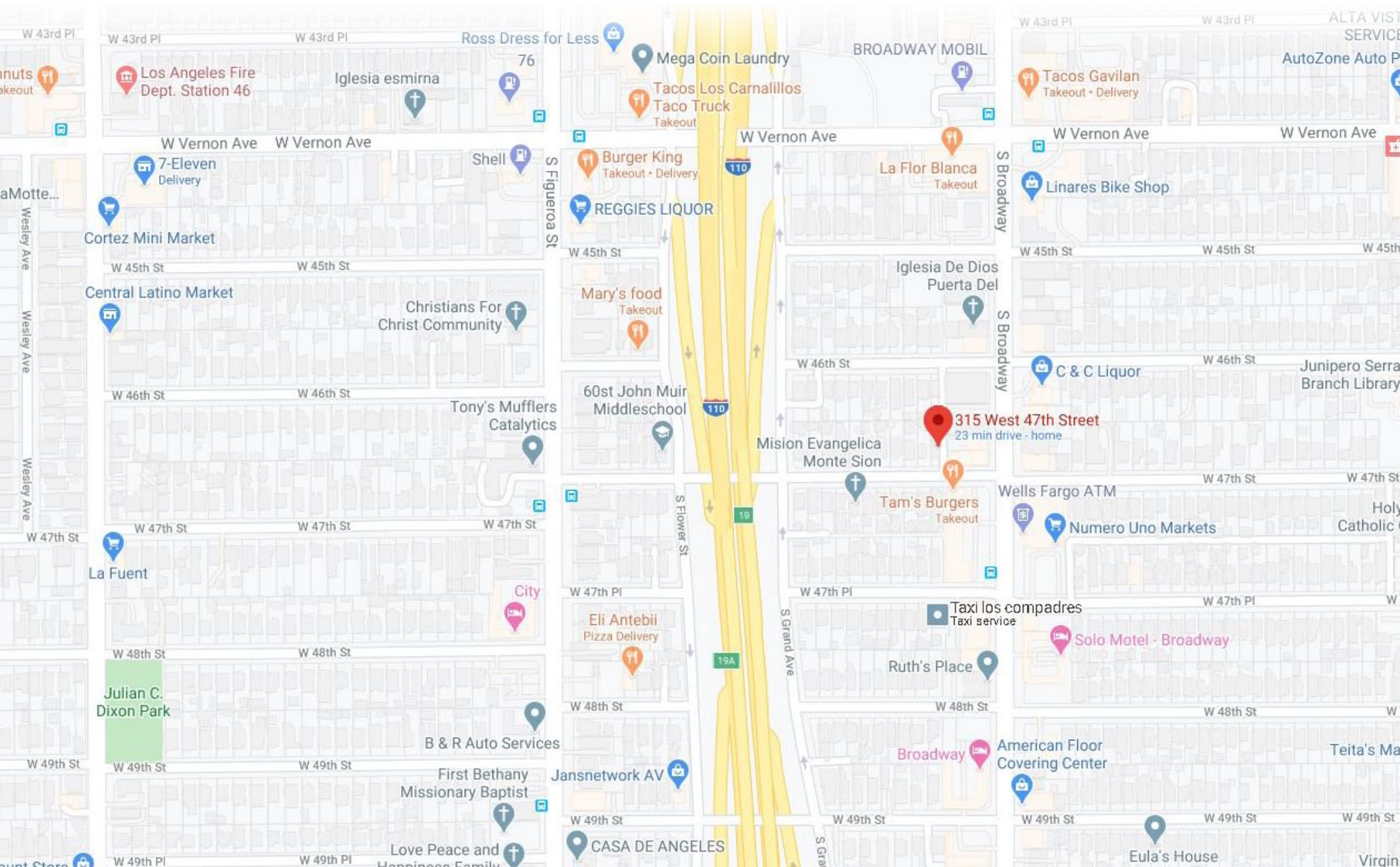
- Attractive single-story investment opportunity 3.5 miles from Downtown L.A.
- Good unit mix comprised of three (3) 1bed+1bath units and one (1) 4bed+1bath unit
- High demand rental property area with no vacancies
- Actual CAP Rate of 5.44% and GRM 12.76x
- Qualifies for long-term single-family residential financing (1-4 units)
- Easy access to FWY's 110, 10, & 105
- Located close to many jobs in Vernon and Downtown L.A.
- Centrally located 3.5 miles from Downtown Los Angeles
- Property completely gated with front door facing south
- Ideally situated near University of Southern California (USC), LA Memorial Coliseum, Banc of California Stadium, Exposition Park, Natural History Museum of Los Angeles and more
- Nearby to many schools: West Vernon Elementary, 52nd St Elementary, 60st John Muir Middle, Alliance Patti & Peter Neuwirth Leadership Academy, Alliance College-Ready Middle Academy 12, Marguerite Poindexter LaMotte Elementary, ICEF Innovation Los Angeles Charter School and more.





**GIG**  
GROWTH INVESTMENT GROUP

## Local Map



## AREA AMENITIES

### University of Southern California



**5 minute drive, 1.8 miles**

The University of Southern California is a leading private research university located in Los Angeles — a global center for arts, technology and international business. It is home to the College of Letters, Arts and Sciences and 21 exceptional academic schools and units. USC's Health Sciences campus houses renowned specialized care and research in cancer, stem cell and regenerative medicine, orthopedics and sports medicine. The university is the largest private sector employer in the city of Los Angeles, responsible for \$8 billion annually in economic activity in the region.

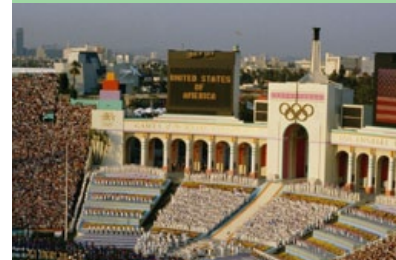
### Banc of California Stadium



**5 minute drive, 1.4 miles**

Banc of California Stadium is a soccer-specific stadium in the Exposition Park neighborhood of Los Angeles, California. It is the home of Major League Soccer's Los Angeles FC. Opened on April 18, 2018, it was the first open-air stadium built in the City of Los Angeles since 1962.

### LA Memorial Coliseum



**4 minute drive, 1.3 miles**

The Los Angeles Memorial Coliseum is an American outdoor sports stadium located in the Exposition Park neighborhood of Los Angeles, California. Conceived as a hallmark of civic pride, the Coliseum was commissioned in 1921 as a memorial to L.A. veterans of World War I.

The stadium serves as the home to the University of Southern California (USC) Trojans football team and located in Exposition Park.

### Natural History Museum



**5 minute drive, 1.8 miles**

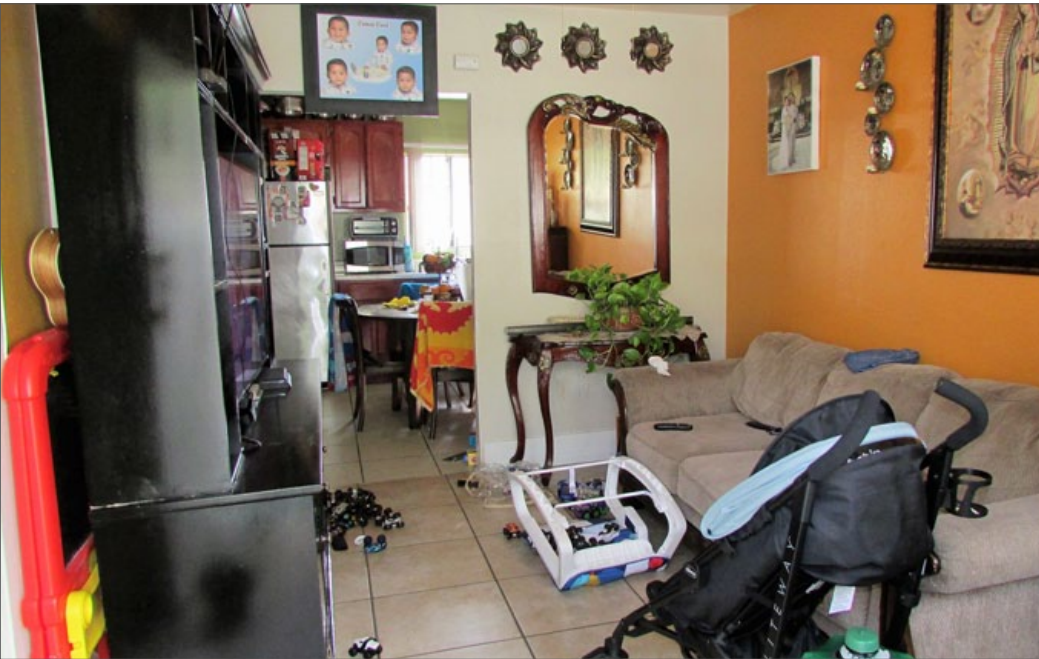
The Natural History Museum (NHM) occupies a special place in Los Angeles: It's one of L.A.'s oldest cultural institutions, and today, it's the anchor of an emerging cultural, educational, and entertainment hub in Exposition Park. In all of the experiences at the museum, whether they're inside or outside, we're interested in the intersection of nature and culture—in L.A. and beyond.

315 W 47TH STREET, LOS ANGELES.

## Property Photos









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Downtown LA

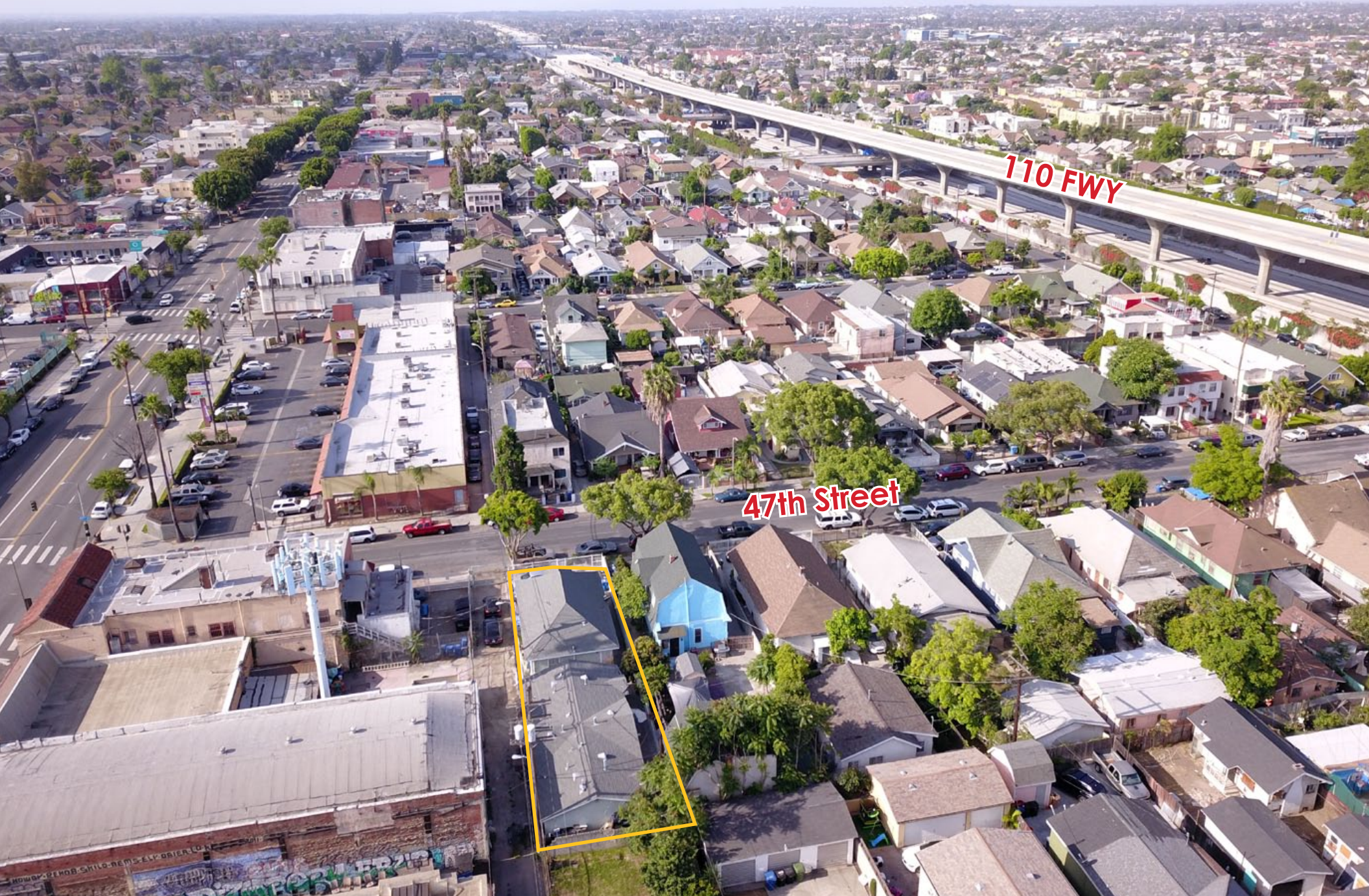
FASHION DISTRICT

ARTS DISTRICT

47th Street



47th Street



110 FWY

47th Street





## 02. FINANCIAL ANALYSIS

## Financial Analysis

## Investment Overview

Price	\$	738,000
Price Per Unit	\$	184,500
Price Per SF	\$	301
Cap Rate		5.44%
GRM		12.75

## Property Information

Building Size	2,451
Lot Size	4,566
Number of Units	4
Year Built	1922
Parcel(s)	5110-009-027
Zoning	LARD2

## Proposed Financing

Down Payment	\$147,600
Approximate Loan Amount	\$590,400
Interest Rate	4.450%
Loan To Value	80.0%
Annual Debt Service	\$36,033
Debt Coverage Ratio	1.17
Year-1 Cash-On-Cash Return \$	15,168.65
Year-1 Cash-On-Cash Return %	10.28%
Year-1 Net Cash-Flow	\$6,118
Loan Type	New loan, 5-year fixed, 30-year amortization

## General Assumptions \*

Estimated Rehab/Unit	\$	7,000
Estimated Rehab Total	\$	28,000
Estimated Project Cost	\$	766,000
Post Rehab CAP Rate		8.50%
Post Rehab GRM		9.18

**\*General Assumptions are estimate only! Buyer shall conduct their own due diligence and use their own underwriting guidelines to evaluate the performance of this investment offering.**

## Unit Mix &amp; Rent Schedule

Units	Type	Avg. Monthly Rent	Total Rent	Proforma Rent	Total Proforma Rent
1	4B + 1B	\$ 1,820.00	\$ 1,820	\$ 2,500	\$ 2,500
3	1B + 1B	\$ 1,001.00	\$ 3,003	\$ 1,485	\$ 4,455
4	TOTAL		\$ 4,823		\$ 6,955

**Est. Upside  
44%**

## Income

		Current	Proforma
Annual Gross Rent (Current/Potential)	\$ 4,823 per month	\$ 57,876	\$ 83,460
Gross Scheduled Income		\$ 57,876	\$ 83,460
Vacancy Factor	3.00%	\$ (1,736)	\$ (2,504)
Laundry Income			\$ 120
Effective Gross Income		\$ 56,140	\$ 81,076

## Expenses

Operating Expenses (Current/Potential)		Current	Proforma
New Property Taxes	1.174279%	\$ 8,666	\$ 8,666 per tax assessors
Direct Assessment		\$ 392	\$ 392 per tax assessors
Water	\$ 185.00 per month	\$ 2,220	\$ 2,220 estimated
Insurance	\$ 0.45 per Sq. Ft	\$ 1,103	\$ 1,103 estimated
Repairs & Maintenance	\$ 500.00 per year	\$ 2,000	\$ 2,000 estimated
Pest Control	\$ 50.00 per month	\$ 600	\$ 600 estimated
Trash	\$ 85.00 per month	\$ 1,020	\$ 1,020 estimated
Total Operating Expenses	28% of GSI	Current	Proforma
Expenses Per Unit		\$ 16,001	\$ 16,001
Expenses Per SF		\$ 4,000	\$ 4,000
		\$ 6.53	\$ 6.53

## NET Operating Income

Current	Proforma
\$ 40,139	\$ 65,076

## Rent Roll

Unit No.	Unit Type	Estimated Unit Size	CURRENT				PROFORMA			
			Rent		Rent/SF		Rent		Rent/SF	
1	4B + 1B	1,026	\$	1,820	\$	1.77	\$	2,500	\$	2.44
2	1B + 1B	475	\$	1,014	\$	2.13	\$	1,485	\$	3.13
3	1B + 1B	475	\$	1,014	\$	2.13	\$	1,485	\$	3.13
4	1B + 1B	475	\$	975	\$	2.05	\$	1,485	\$	3.13
TOTAL		4-units	2,451	\$	4,823		\$	6,955		
			AVERAGE		\$	2.02		\$		2.95

# Units	Unit Type	AVG RENT	MIN RENT	MAX RENT	PROFORMA RENT
1	4B + 1B	\$ 1,820	\$ 1,500	\$ 1,500.00	\$ 2,500
5	1B + 1B	\$ 1,001	\$ 975	\$ 1,014	\$ 1,485

## Rent Comparables (1 Bed's &amp; 3 Bed's)

	Property	City	Unit Type	Rent	Estimated Size	Est. Rent/SF	Comments
Sub	315 W 47th St	Los Angeles	4B + 1B	\$ 1,820	1,026	\$ 1.77	
1	703 1/2 W 48th St	Los Angeles	3B + 1B	\$ 2,641	-	-	wood flooring new interior paint
2	4606 S Vermont Ave #2	Los Angeles	3B + 1B	\$ 2,641	-	-	wood flooring partially remodeled
3	202 E 49th St	Los Angeles	3B + 1B	\$ 2,450	905	\$ 2.71	newer interior paint
4	302 E 49th St	Los Angeles	3B + 1B	\$ 2,650	-	-	remodeled kitchen, floor, and bathroom
AVERAGE				\$ 2,596			

	Property	City	Unit Type	Rent	estimated Siz	Est. Rent/SF	Comments
Sub	315 W 47th St	Los Angeles	1B + 1B	\$ 1,001	475	\$ 2.11	
1	327 W 45th St	Los Angeles	1B + 1B	\$ 1,550	-	-	upgraded unit with laminate h/w floor, granite countertops
2	810 W 42nd St	Los Angeles	1B + 1B	\$ 1,595	-	-	upgraded interior
3	154 E 54th St	Los Angeles	1B + 1B	\$ 1,650	-	-	section 8
4	239 W 50th St	Los Angeles	1B + 1B	\$ 1,700	-	-	upgraded SFR
AVERAGE				\$ 1,848			

## Sales Comparables

Address	City	Price	Year Built	# Units	Size	Lot Size	Price/Unit	Price/SF	CAP	GRM	COE	REMARK
315 W 47th St	Los Angeles	\$ 738,000	1922	4	2,451	4,566	\$ 184,500	\$ 301	5.44%	12.75		Value-Add Opportunity. Estimated 44% Rental Upside
4716 S Figueroa St	Los Angeles	\$ 1,545,000	1925	5	4,466	6,761	\$ 309,000	\$ 346	-	-	12/13/2019	upgraded units
5001 S Figueroa St	Los Angeles	\$ 1,060,000	1905	4	4,348	7,850	\$ 265,000	\$ 244	-	-	12/2/2019	high vacancy
807 43rd St	Los Angeles	\$ 1,815,000	1925	8	8,464	5,502	\$ 226,875	\$ 214	5.96%	11	11/5/2019	
707 W 48th St	Los Angeles	\$ 870,000	1924	4	4,754	6,970	\$ 217,500	\$ 183	5.75%	-	10/16/2019	
358 W 41st St	Los Angeles	\$ 800,000	1964	4	3,484	-	\$ 200,000	\$ 230	5.31%		12/10/2018	
873 W 47th St	Los Angeles	\$ 985,000	1928	5	4,315	7,518	\$ 197,000	\$ 228	-	-	6/21/2019	all-cash sale
940 W 48th St	Los Angeles	\$ 815,000	1965	4	3,658	5,850	\$ 203,750	\$ 223	4.50%	-	5/22/2019	
TOTAL		\$ 7,890,000		34	33,489	40,451						
AVERAGE		\$ 232,059					\$ 236	5.38%	11.00			



## 03. MARKET OVERVIEW

## Market Overview

Los Angeles, officially the City of Los Angeles, often known by its initials L.A., is the most populous city in the U.S. state of California and the second-most populous in the United States, after New York City, with a population at the 2010 United States Census of 3,792,621. It has a land area of 469 square miles (1,215 km<sup>2</sup>), and is located in Southern California.

The city is the focal point of the larger Los Angeles–Long Beach–Santa Ana metropolitan statistical area and Greater Los Angeles Area region, which contain 13 million and over 18 million people in Combined statistical area respectively as of 2010, making it one of the most populous metropolitan areas in the world and the second-largest in the United States. Los Angeles is also the seat of Los Angeles County, the most populated and one of the most ethnically diverse counties in the United States, while the entire Los Angeles area itself has been recognized as the most diverse of the nation's largest cities. The city's inhabitants are referred to as Angelenos.

## TRANSPORTATION AND ACCESS

The city and the rest of the Los Angeles metropolitan area are served by an extensive network of freeways and highways. The Texas Transportation Institute, which publishes an annual Urban Mobility Report, ranked Los Angeles road traffic as the most congested in the United States in 2005 as measured by annual delay per traveler.

Among the major highways that connect LA to the rest of the nation include Interstate 5, which runs south through San Diego to Tijuana in Mexico and north through Sacramento, Portland, and Seattle to the Canadian border; Interstate 10, the southernmost east–west, coast-to-coast Interstate Highway in the United States, going to Jacksonville, Florida; and U.S. Route 101, which heads to the California Central Coast, San Francisco, the Redwood Empire, and the Oregon and Washington coasts.

The LA County Metropolitan Transportation Authority and other agencies operate an extensive system of bus lines, as well as subway and light rail lines across Los Angeles County, with a combined monthly ridership (measured in individual boardings) of 38.8 million as of September 2011. The majority of this (30.5 million) is taken up by the city's bus system, the second busiest in the country. The subway and light rail combined average the remaining roughly 8.2 million boardings per month. In 2005, 10.2% of Los Angeles commuters rode some form of public transportation.

The city's subway system is the ninth busiest in the United States and its light rail system is the country's second busiest. The rail system includes the Red and Purple subway lines, as well as the Gold, Blue, Expo, and Green light rail lines. The Metro Orange and Silver lines are bus rapid transit lines with stops and frequency similar to those of light rail. The city is also central to the commuter rail system Metrolink, which links Los Angeles to all neighboring counties as well as many suburbs.

## EDUCATION

There are three public universities located within the city limits: California State University, Los Angeles (CSULA), California State University, Northridge (CSUN) and University of California, Los Angeles (UCLA). Private colleges in the city include the American Film Institute Conservatory, Alliant International University, Biola University, Charles R. Drew University of Medicine and Science, Fashion Institute of Design & Merchandising's Los Angeles campus (FIDM), National University of California, Occidental College ("Oxy"), Southwestern Law School, and University of Southern California (USC).



## Demographic & Income Profile (3 mile radius)

Summary	Census 2010	2019	2024			
Population	466,146	490,523	501,016			
Households	120,998	126,248	128,892			
Families	89,620	93,301	95,032			
Average Household Size	3.75	3.79	3.79			
Owner Occupied Housing Units	36,363	35,435	36,746			
Renter Occupied Housing Units	84,635	90,813	92,146			
Median Age	28.0	29.1	30.9			
Trends: 2019 - 2024 Annual Rate	Area	State	National			
Population	0.42%	0.67%	0.77%			
Households	0.42%	0.62%	0.75%			
Families	0.37%	0.62%	0.68%			
Owner HHs	0.73%	0.79%	0.92%			
Median Household Income	2.79%	2.99%	2.70%			
		2019	2024			
Households by Income		Number	Percent	Number	Percent	
<\$15,000		27,279	21.6%	23,972	18.6%	
\$15,000 - \$24,999		19,586	15.5%	17,125	13.3%	
\$25,000 - \$34,999		15,756	12.5%	14,930	11.6%	
\$35,000 - \$49,999		19,146	15.2%	18,960	14.7%	
\$50,000 - \$74,999		20,281	16.1%	21,929	17.0%	
\$75,000 - \$99,999		10,599	8.4%	12,986	10.1%	
\$100,000 - \$149,999		9,344	7.4%	12,534	9.7%	
\$150,000 - \$199,999		2,537	2.0%	3,812	3.0%	
\$200,000+		1,719	1.4%	2,645	2.1%	
Median Household Income		\$35,278		\$40,474		
Average Household Income		\$49,176		\$58,507		
Per Capita Income		\$12,776		\$15,185		
Census 2010		2019		2024		
Population by Age	Number	Percent	Number	Percent	Number	Percent
0 - 4	40,379	8.7%	40,212	8.2%	40,472	8.1%
5 - 9	37,065	8.0%	38,891	7.9%	36,726	7.3%
10 - 14	38,348	8.2%	37,293	7.6%	37,368	7.5%
15 - 19	45,933	9.9%	40,777	8.3%	39,768	7.9%
20 - 24	48,665	10.4%	49,765	10.1%	45,693	9.1%
25 - 34	73,065	15.7%	85,572	17.4%	84,197	16.8%
35 - 44	62,872	13.5%	61,918	12.6%	68,575	13.7%
45 - 54	53,683	11.5%	53,118	10.8%	54,207	10.8%
55 - 64	34,223	7.3%	42,887	8.7%	45,458	9.1%
65 - 74	17,943	3.8%	25,111	5.1%	30,351	6.1%
75 - 84	10,025	2.2%	10,868	2.2%	13,757	2.7%
85+	3,945	0.8%	4,110	0.8%	4,442	0.9%