



LITTLE TOKYO



DOWNTOWN LA

LA WHITE MEMORIAL HOSPITAL



LA ARTS DISTRICT



5 FWY



352 N CHICAGO ST



OFFERING MEMORANDUM

352 N Chicago ST,
Los Angeles, CA 90033

Exclusively Listed By:
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Table of Contents

The Growth Investment Group

SECTION 01. EXECUTIVE SUMMARY

Summary
Aerial Photos
Property Photos
Regional Map
Local Map

SECTION 02. FINANCIAL ANALYSIS

Rent Roll

SECTION 03. MARKET OVERVIEW

City of East LA
Demographics

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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:
352 N CHICAGO ST, LOS ANGELES, CA 90033 ("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:	352 N Chicago St Los Angeles, CA 90033
Price:	\$1,080,000
Price per Unit:	\$216,000
Price per SF:	\$183
Year Built/ Renovated:	1903 & 1928
Building Area:	5,915 SF
Lot Size:	6,392 SF
APN:	5175-012-016
Cap Rate:	5.80%
GRM:	11.63
Number of Units:	5 Units 3 x 3B+1B 2 x 2B+1B



INVESTMENT HIGHLIGHTS

- Value-Add opportunity with excellent unit-mix of 3 Bed and 2Bed Units
- One (1) unit of 3 Bedroom + 2 Baths able to be delivered vacant
- Three (3) new developments on same street including next door!
- Located in historic Boyle Heights sub-market of Los Angeles
- Low price per square foot and HIGH proforma Cap Rate for the area
- Superb location off Soto Street, near Cesar Chavez Avenue and FWY 5
- Commuter friendly with easy access to FWY's 5, 10, 101, 110 and 710
- Rapidly gentrifying area of Los Angeles
- Tenants pay their own utilities (water, sewer, trash, electric and gas)
- Walking distance to White Memorial Hospital of Los Angeles
- Close to Downtown L.A., Arts District, Little Tokyo, Chinatown, Cal State L.A. and USC Keck Medical Center
- Conveniently located short distance to a variety of amenities such as: Mariachi Plaza, Grand Central Market, El Mercadito, Art Walk DTLA, Union Station, Little Tokyo Marketplace and much more.
- Close to schools: Keck School of Medicine of USC, Cal State L.A., Sheridan Elementary, Bridge Street Elementary, Roosevelt High and more.

PROPERTY HIGHLIGHTS

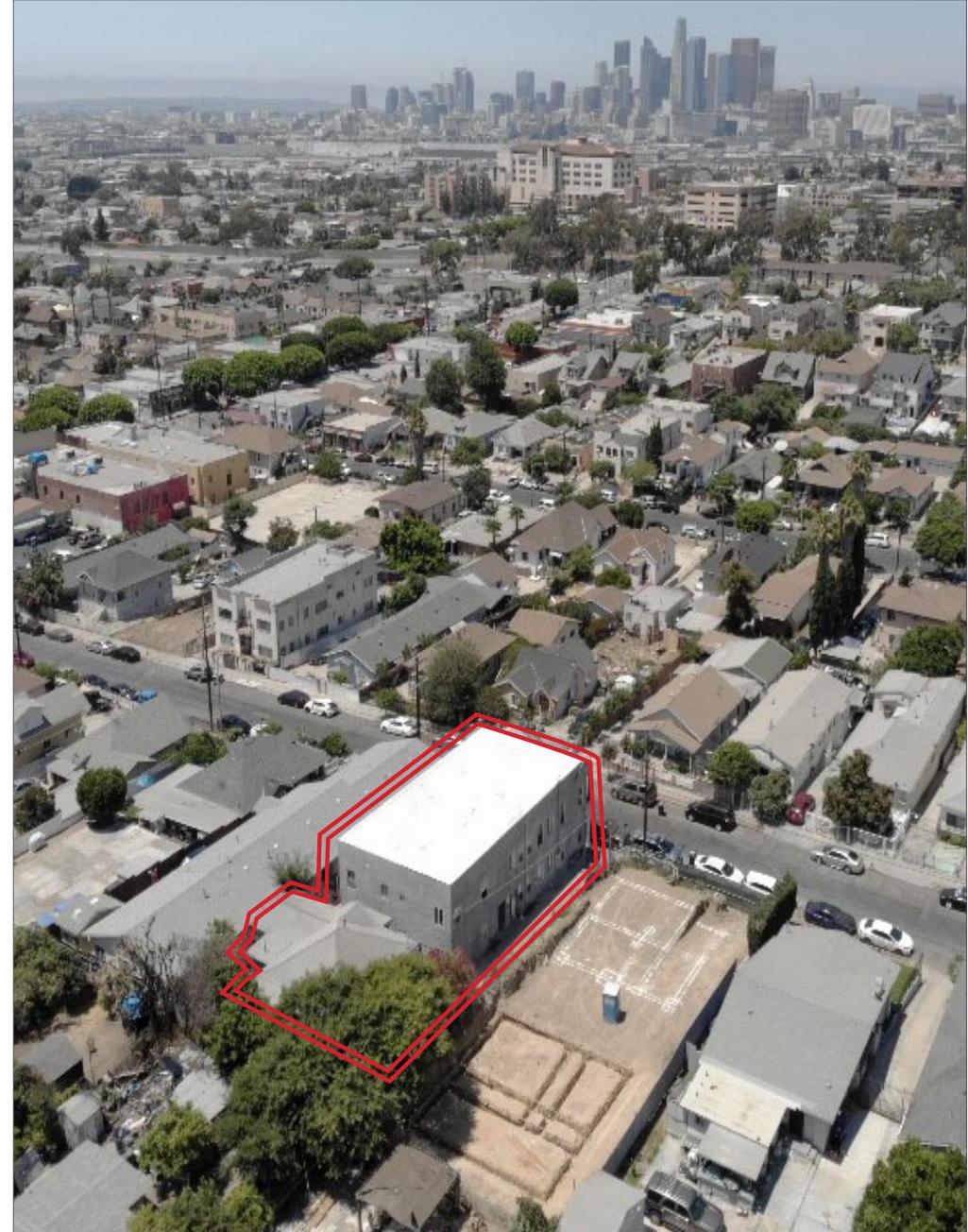
- Extremely large units with majority being three bedroom and two baths
- Private balcony on both upstairs units overlooking Downtown Los Angeles
- Private 3-bedroom back house with enclosed yard
- Each unit separately metered for electricity and gas
- Individual water heaters for each unit
- Sub Metered for Water/Sewer (tenants pay all their own utilities)
- Low price per square foot with excellent upside potential
- New exterior smooth stucco on entire front building
- New roof on front building within last few years
- Some units feature authentic oak hardwood floors
- Complete remodel and rehab on back house prior to new tenancy
- Easy to maintain asset with minimal landscaping



EXECUTIVE SUMMARY

The Growth Investment Group is proud to offer 352 N Chicago Ave, a 5-unit apartment property in the highly desirable sub-market of Boyle Heights within the city of Los Angeles, California. This property is comprised of two buildings totaling 5,915 square feet featuring three (3) 3Bedroom+2Bathroom units and two (2) 2Bedroom+1Bathroom units. Each unit is extremely large with designated dining area and living room area and both upstairs units have a spectacular view of downtown provided by a private balcony. This investment is a value-add opportunity with one unit currently vacant making it perfect for an investor looking to acquire an apartment property and maximize its income potential. With being situated in the Boyle Heights sub-market of L.A., the investment maintains excellent proximity to Downtown L.A., Arts District, Little Tokyo, and Chinatown as well as enjoying the benefits of a rapidly improving area with limited inventory. The property is conveniently located near Cesar Chavez Avenue in between Soto Street and the 5 FWY close to many amenities such as Mariachi Plaza, Grand Central Market, El Mercado, Art Walk DTLA, Union Station, Little Tokyo Marketplace and much more. It is within walking distance to White Memorial Hospital of Los Angeles and USC Keck Medical Center while offering superb access to FWY 5, 10, 101, 110 & 710.

The front building has new smooth stucco around the entire building was recently replaced with a new roof as well. The back house prior to recent tenancy had been completely upgraded and rehabbed and contains a privately enclosed yard. Each tenant pays their own utilities such as water, trash, electric, gas and sewer making this investment very easy to maintain.



LOCATION AMENITIES AND ACCESS

The property is in the prestigious city of Los Angeles with all its appropriate amenities, suitable dining and fashionable shopping. The property is situated on Chicago Avenue, a quiet residential street walking distance to White Memorial Hospital nestled in between Soto street and the 5 fwy north of Cesar Chavez and south of the 10 fwy. It's located in the Boyle Heights sub-market, close to the Arts District, Downtown L.A., Chinatown and Little Tokyo while enjoying all the benefits L.A has to offer.



Aerial Photos



Aerial Photos



Aerial Photos



Aerial Photos



Aerial Photos



Property Photos



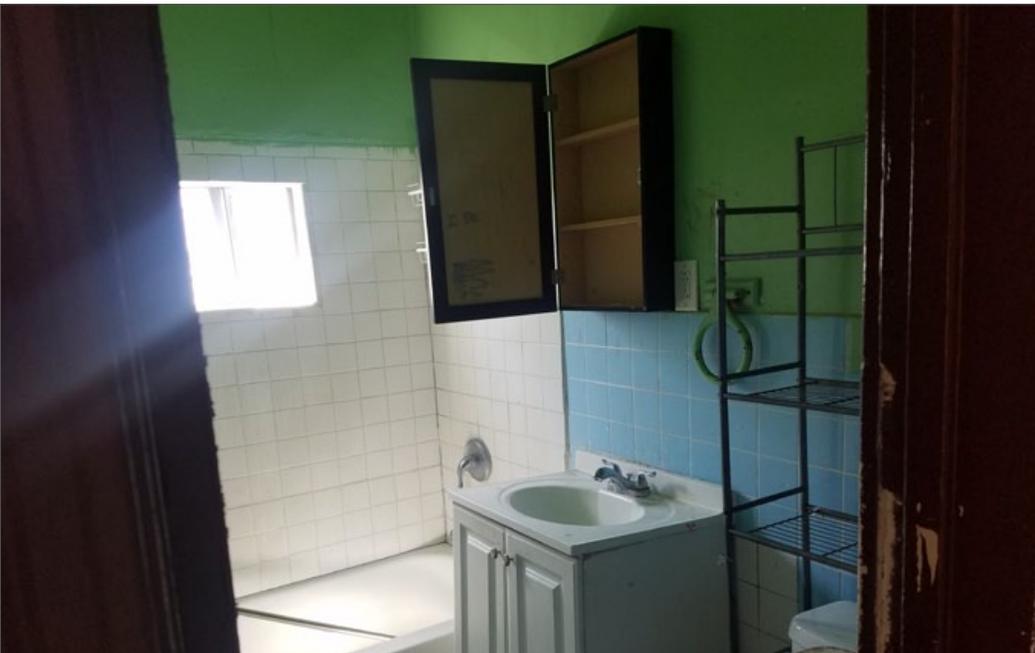
Property Photos



Property Photos



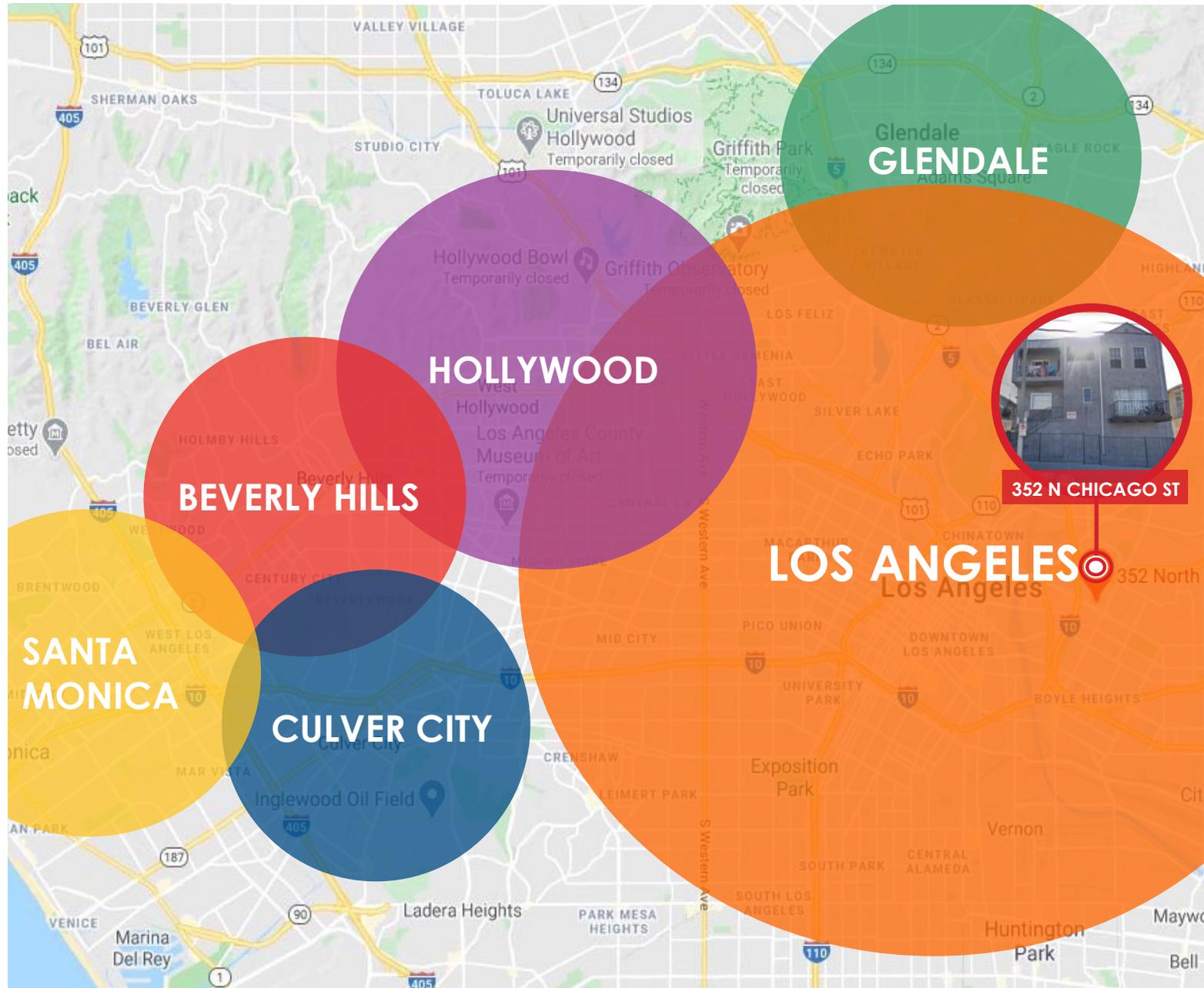
Property Photos



LOCAL MAP



REGIONAL MAP





02. FINANCIAL ANALYSIS

Financial Analysis

Investment Overview

Price	\$	1,080,000
Price Per Unit	\$	216,000
Price Per SF	\$	183
Cap Rate		5.80%
GRM		11.63

Property Information

Building Size	5,915
Lot Size	6,392
Number of Units	5
Year Built / Renovated	1903 & 1928
Parcel(s)	5175-012-016
Zoning	LARD1.5

Proposed Financing - New Loan

Down Payment	\$324,000
Approximate Loan Amount	\$756,000
Interest Rate	3.850%
Loan To Value	70.0%
Annual Debt Service	\$42,530
Debt Coverage Ratio	1.48
Year-1 Net Cash-Flow	\$20,344
Year-1 Principal Reduction	\$13,664
Year-1 Cash-On-Cash Return	\$34,008
Year-1 Cash-On-Cash Return	10.50%
Loan Type	new 5 year fixed loan, 30-year term, 30-year amortization

Proforma Evaluation

Estimated Rehab/Relocation Per Unit	\$	30,000
Total Rehab Cost	\$	150,000.00
Total Project Cost	\$	1,230,000.00
Proforma CAP Rate		8.69%
Proforma GRM		9.43

** 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 and Rent Schedule

Units	Type	Avg. Monthly Rent	Total Rent	Proforma	Total Proforma
3	3B + 1B	\$ 1,574	\$ 4,722	\$ 2,300	\$ 6,900
2	2B + 1B	\$ 1,185	\$ 2,369	\$ 1,985	\$ 3,970
5			\$ 7,091		\$ 10,870

Income

	Current	Proforma
Annual Gross Scheduled Rent	\$ 7,091 per month	\$ 85,092
RUBS (Tenant Bill Back)	\$ 886.50 per month	\$ 10,638
Annual Gross Income	\$ 95,730	\$ 141,078
Vacancy Factor	3% of GSI	\$ (2,872)
Effective Gross Income	\$ 92,858	\$ 136,846

Expenses

Operating Expenses	Current	Proforma
New Property Taxes	1.174279% \$ 12,682	\$ 12,682 per tax assessor
Direct Assessments	\$ 1,042	\$ 1,042 per tax assessor
LADWP	\$ 10,638	\$ 10,638 Actual
Insurance	\$ 722	\$ 722 Actual
Repairs and Maintenance	\$ 2,500	\$ 2,500 Estimated
Pest Control	\$ 660	\$ 660 Estimated
Supplies	\$ 1,740	\$ 1,740 Estimated
Total Operating Expenses	\$ 29,984	\$ 29,984
Expenses Per Unit	\$ 5,997	\$ 5,997
Expenses Per SF	\$ 5.07	\$ 5.07

Net Operating Income

	Current	Proforma
Net Operating Income	\$ 62,874	\$ 106,862

**Est. Upside
53%**

Rent Roll

Unit	Last Increase	Unit Type	Current Rent	Proforma Rent	Remark	SF Est.
1	10/1/2017	2B + 1B	\$ 1,236.00	\$ 1,985.00		1,050
2	10/1/2017	3B + 1B	\$ 1,133.00	\$ 2,250.00		1,200
3	10/1/2017	2B + 1B	\$ 1,133.00	\$ 1,985.00		1,050
4		3B + 1B	\$ 2,250.00	\$ 2,250.00	Vacant w/Private Balcony	1,150
5	10/1/2017	3B + 1B	\$ 1,339.00	\$ 2,400.00	back-house	1,200
TOTAL			\$ 7,091.00	\$ 10,870.00		5650

# Units	Unit Type	AVG RENT	MAX RENT	MIN RENT	PROFORMA RENT
1	3B + 1B	\$ 1,574.00	\$ 2,250.00	\$ 2,250.00	\$ 2,300.00
5	2B + 1B	\$ 1,184.50	\$ 1,236.00	\$ 1,133.00	\$ 1,985.00



03. MARKET OVERVIEW

Market Overview

Boyle Heights was called Paredón Blanco ("White Bluff") when Alta California was part of the First Mexican Republic. The area is named after Andrew Boyle, an Irishman born in Ballinrobe Co. Mayo in 1818 who purchased 22 acres on the bluffs overlooking the Los Angeles River after fighting in the Mexican-American War. Its current population is approximately 100,000 and sits just two miles away from LA's best foods and activities.

TRANSPORTATION

Citizens and visitors may visit East Los Angeles with ease by using the city's light rail service. The transportation rail is provided by the Metro Gold Line's East-side Extension. This rail was recently opened in 2009. Nearby Metro Gold Line stations include Lincoln/Cypress station, Heritage Square, Pico/Aliso Station, Mariachi Plaza/Boyle Heights station, Soto station, Indiana Station, Maravilla Station, Atlantic station and the East LA Civic Center station.

EDUCATION

Boyle Heights is home to a plethora of public schools and private schools. This allows for convenience in terms of proximity. The percentage of people obtaining a degree continues to grow and

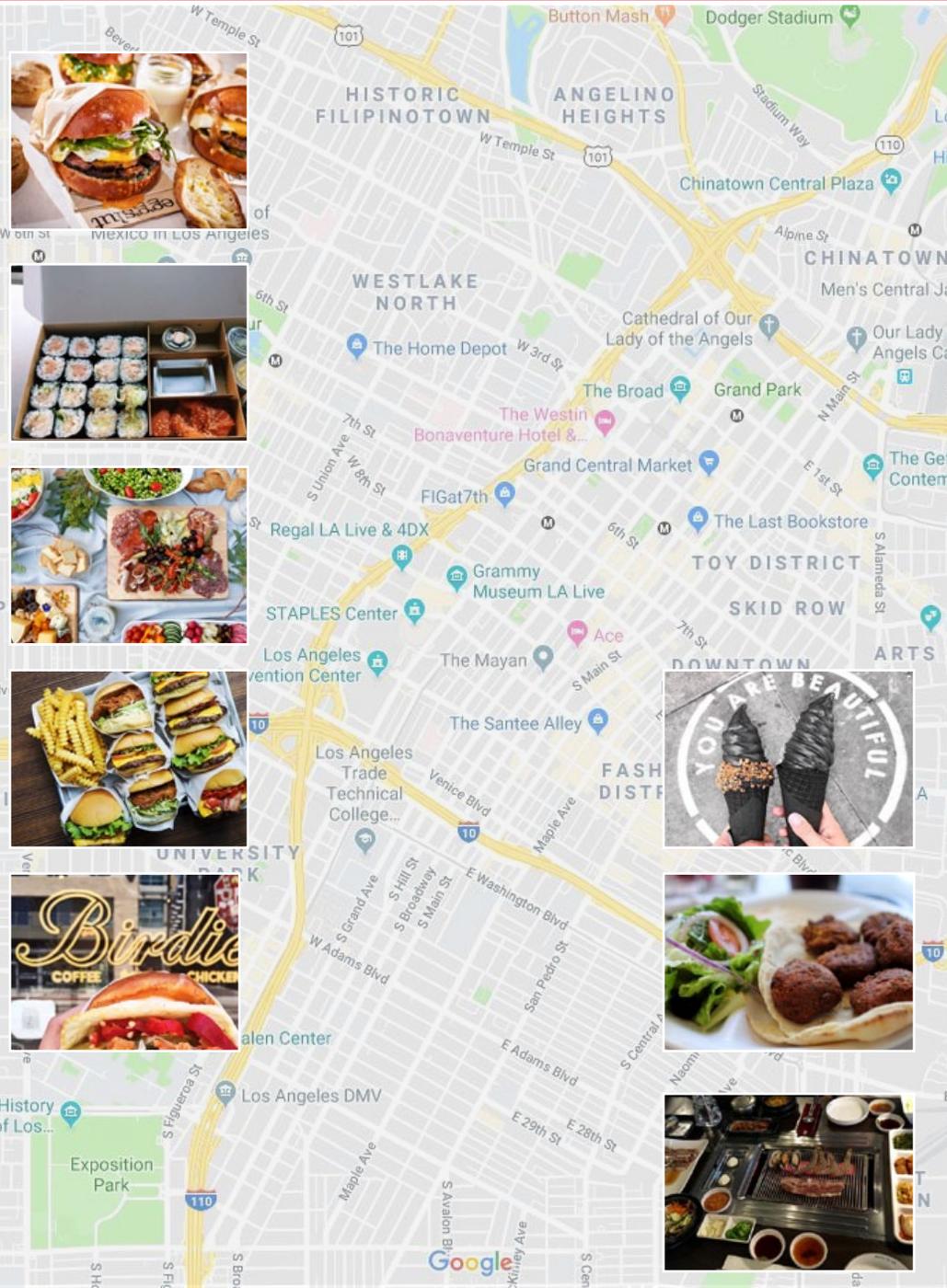
teachers are often found very active in student's lives to encourage them with their education.

NEARBY ATTRACTIONS

The Latino Walk of Fame was inaugurated on April 30, 1997, to honor outstanding leaders who have made historical and social contributions with a Sun Plaque on Whittier Boulevard the heart of East L.A. Spaces have been created for over 280 plaques. Apart from the 'walk of fame,' visitors are welcome to read at the East Los Angeles library, or visit the Veterans monument at Atlantic Park,

Downtown LA is sprinkled with all sorts of museums and views, whether you just want to look at nice architecture or murals, the possibilities are endless. There is a gem within each district to be found and therefore Los Angeles is never boring.





PLACES TO EAT & DRINK IN DTLA

- Guisados
- DTLA Ramen
- Kazunori
- Bottega Louie
- The Original Pantry Cafe
- Sugarfish
- Bestia
- Wurstkuche
- Salt and Straw
- Perch
- Eggslut
- Daikokuya
- Marugame Monzo
- Faith and Flower
- Backyard Bowls
- Five Guys
- Shake Shack
- Palm Los Angeles
- Birdies
- Terroni
- Little Damage
- The Palm Los Angeles
- No Ghost Bears
- Bento Ya
- Golden Road
- G&B Coffee
- Kismet Falafel
- Jose Chiquito
- Knead & Co, Pasta Bar & Market
- McConnell's Fine Ice Cream
- Lucky Bird
- La Tostaderia
- PBJ.LA
- The Oyster Gourmet
- Ramen Hood
- Sari Sari STORE
- Sticky Rice
- Broken Mouth
- Broken Shaker
- 71 Above
- Redbird
- Howlin' Rays
- PASTA e PASTA by Allegro
- Manuela
- Sushi Enya
- Chinchikurin - Little Tokyo
- Library Bar
- Prank
- FryMadness
- Koja Kitchen DTLA
- Poppy and Rose
- Au Lac
- Fogo de Chao
- Comfort LA
- RiceBox
- Smorgasburg LA
- Zinc Cafe and Market
- Marugame Udon
- Bon Ga Korean
- Shinsengumi Hakata Ramen

Demographic & Income Profile (3 mile radius)

Summary	Census 2010	2020	2025	
Population	299,539	324,846	340,304	
Households	87,262	99,688	107,823	
Families	56,356	60,440	63,175	
Average Household Size	3.21	3.06	2.97	
Owner Occupied Housing Units	22,213	22,610	23,303	
Renter Occupied Housing Units	65,049	77,077	84,519	
Median Age	32.1	33.2	35.0	
Trends: 2020-2025 Annual Rate	Area	State	National	
Population	0.93%	0.55%	0.72%	
Households	1.58%	0.50%	0.72%	
Families	0.89%	0.50%	0.64%	
Owner HHs	0.61%	0.65%	0.72%	
Median Household Income	2.63%	1.81%	1.60%	
Households by Income	2020		2025	
	Number	Percent	Number	Percent
<\$15,000	20,297	20.4%	19,933	18.5%
\$15,000 - \$24,999	11,877	11.9%	11,546	10.7%
\$25,000 - \$34,999	9,100	9.1%	9,000	8.3%
\$35,000 - \$49,999	12,311	12.3%	12,817	11.9%
\$50,000 - \$74,999	15,543	15.6%	16,948	15.7%
\$75,000 - \$99,999	10,173	10.2%	12,260	11.4%
\$100,000 - \$149,999	11,637	11.7%	13,787	12.8%
\$150,000 - \$199,999	4,444	4.5%	5,610	5.2%
\$200,000+	4,306	4.3%	5,922	5.5%
Median Household Income	\$44,454		\$50,622	
Average Household Income	\$66,281		\$75,151	
Per Capita Income	\$20,617		\$24,057	