OFFERING MEMORANDUM

22 Units | Built 2017 | Hancock Park | Priced Below Replacement

5026 Rosewood Ave, Los Angeles, CA 90004

Marcus & Millichap

LAAA TEAM

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Activity ID #ZAE0120140

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DISCLAIMER

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OFFERING SUMMARY

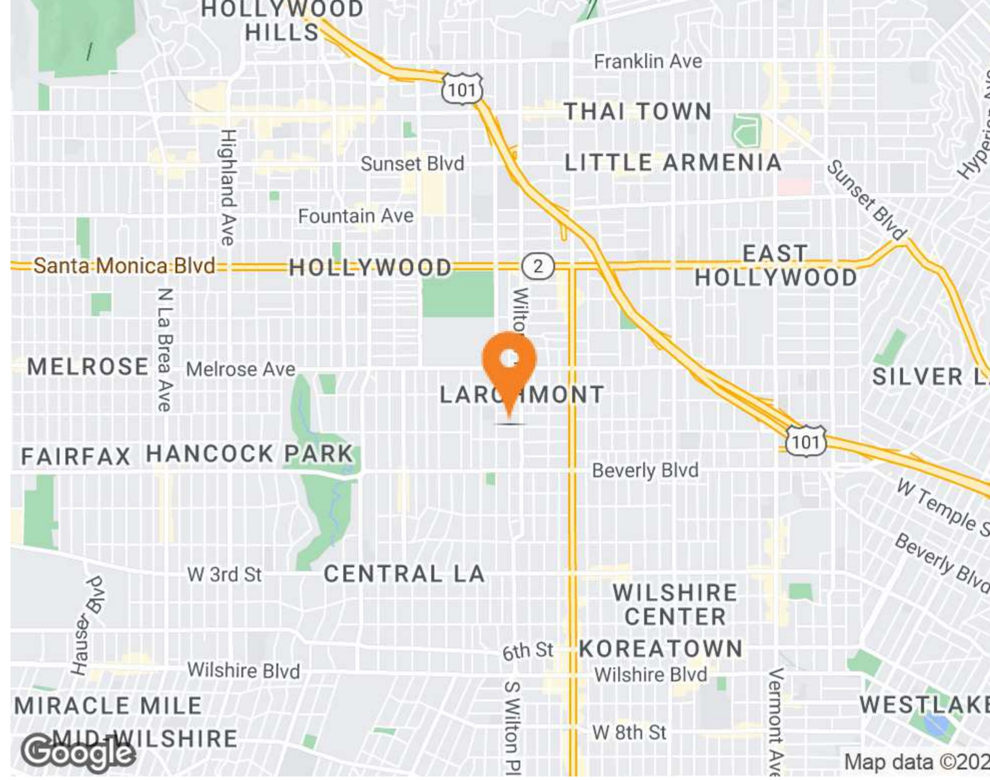
Listing Price	Cap Rate	# of Units
$11,400,000	**4.87%**	**22**

FINANCIAL

Listing Price	$11,400,000
Down Payment	50% / $5,700,000
NOI	$555,590
Cap Rate	4.87%
Price/SF	$361.84
Rent/SF	$2.16
Price/Unit	$518,182

OPERATIONAL

Gross SF	31,506 SF
# of Units	22
Lot Size	0.31 Acres (13,503 SF)
Year Built	2017



5026 ROSEWOOD AVE

5026 Rosewood Ave, Los Angeles, CA 90004

INVESTMENT OVERVIEW

The LAAA Team at Marcus & Millichap is proud to present this newer construction 22-unit multifamily property located at 5026 Rosewood Ave, Los Angeles, CA 90004.

Built in 2017, the property is 100% non-rent controlled. This 31,506 square foot property sits on a large 0.31-acre lot, and it boasts an excellent unit mix of (16) 2 bed units and (6) 3 bed units. The units are very large with the average unit being about 1,400 square feet.

All units come with a full suite of new stainless-steel appliances, central HVAC system with NEST thermostat, a private balcony, and an in-unit washer & dryer. The very secured and gated property has a subterranean parking lot operating by an automatic gate with ample parking and bicycle storage, and the tenants also have convenient access to an elevator serving all four floors.

At $362 per square foot, this offering is priced below replacement cost, and it offers the buyer an estimated 20% upside potential on current rental income.

Hancock Park is a distinguished and affluent neighborhood located in central Los Angeles, celebrated for its picturesque tree-lined streets and historic charm. This prime location offers a serene residential atmosphere while maintaining convenient access to the vibrant cultural and culinary offerings of nearby Hollywood and Downtown Los Angeles. With the prestigious Wilshire Country Club and the Los Angeles Tennis Club within its boundaries, Hancock Park is a highly desirable area for upscale living. This new 22-unit apartment building represents a unique investment opportunity in one of the city's most sought-after communities, perfect for discerning residents seeking both luxury and accessibility in the heart of Los Angeles.

INVESTMENT HIGHLIGHTS

22 Units | Built 2017 | Great Hancock Park Location

Priced Below Replacement Cost at $362 per SqFt

100% Non-Rent Controlled Property

Very Large 2 and 3 Bed Units | Average Unit is 1,400 SqFt

Approximately 20% Upside in Rents

88 Walk Score | Very Walkable

SECTION 2

Property Information

Marcus & Millichap
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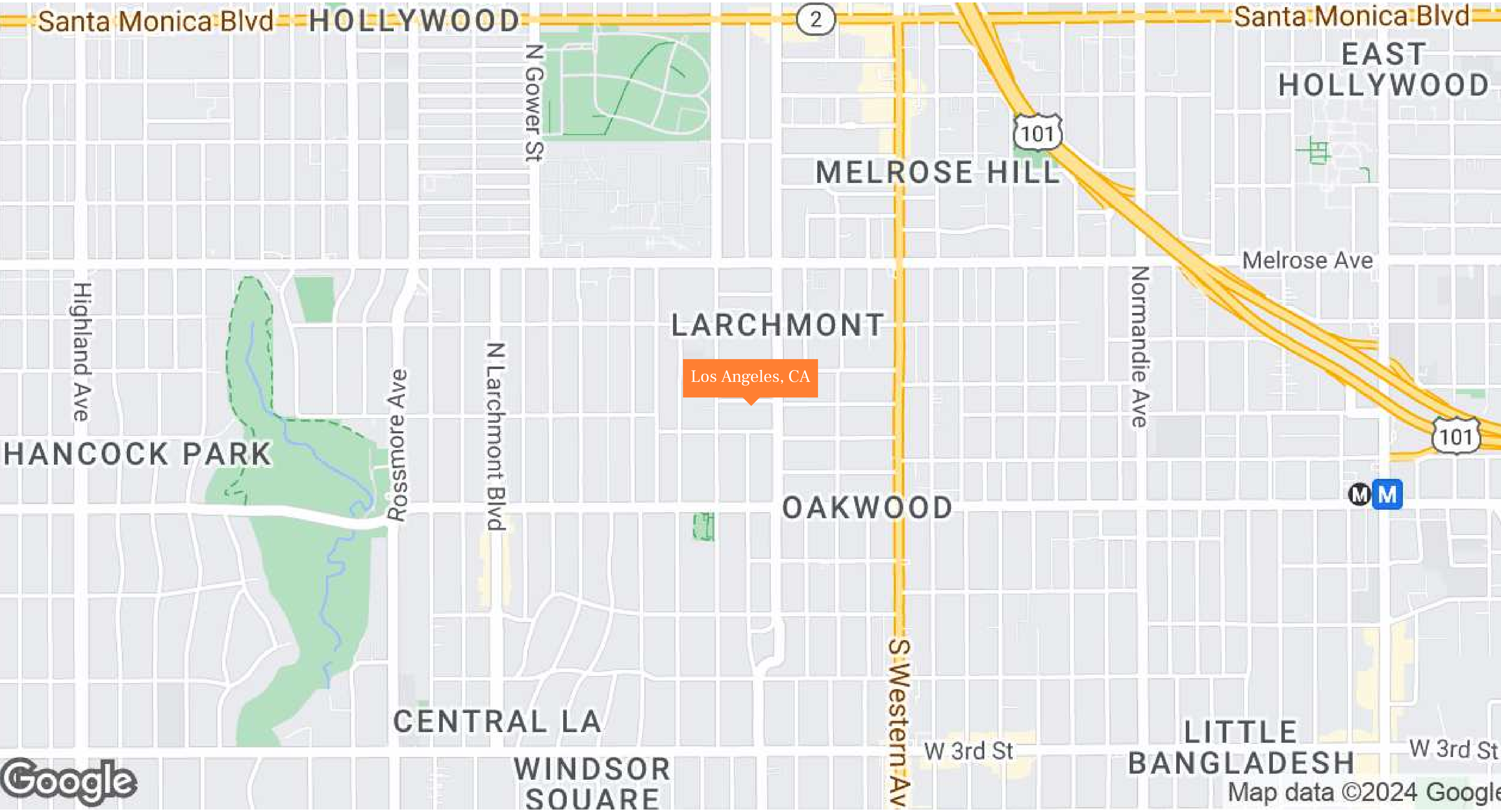
UNIT AMENITIES

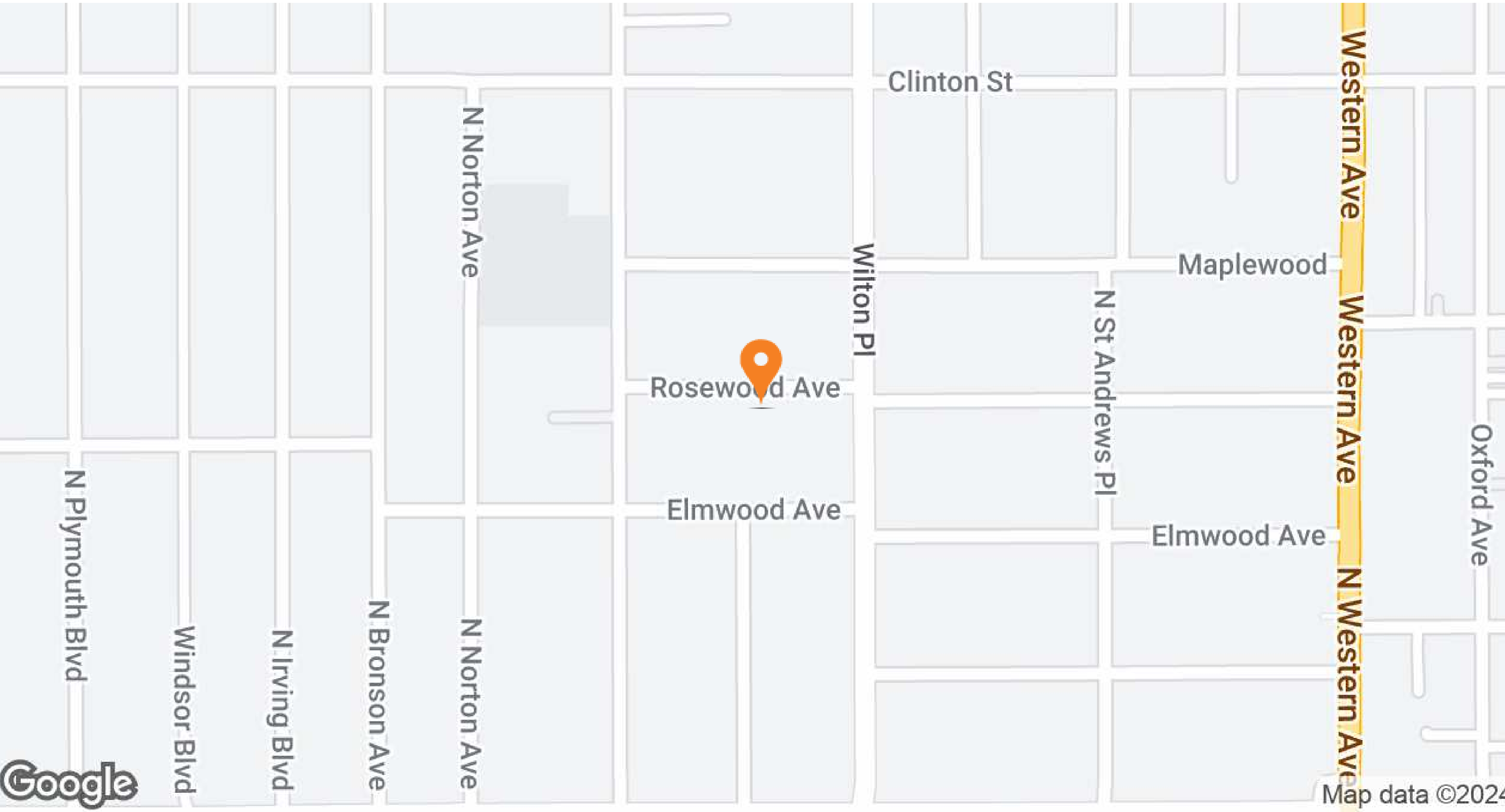
- Large and Bright Units
- New Stainless Steel Appliances
- All Units have Balconies
- Central HVAC with Nest Thermostat
- In Unit Washer & Dryer

COMMON-AREA AMENITIES

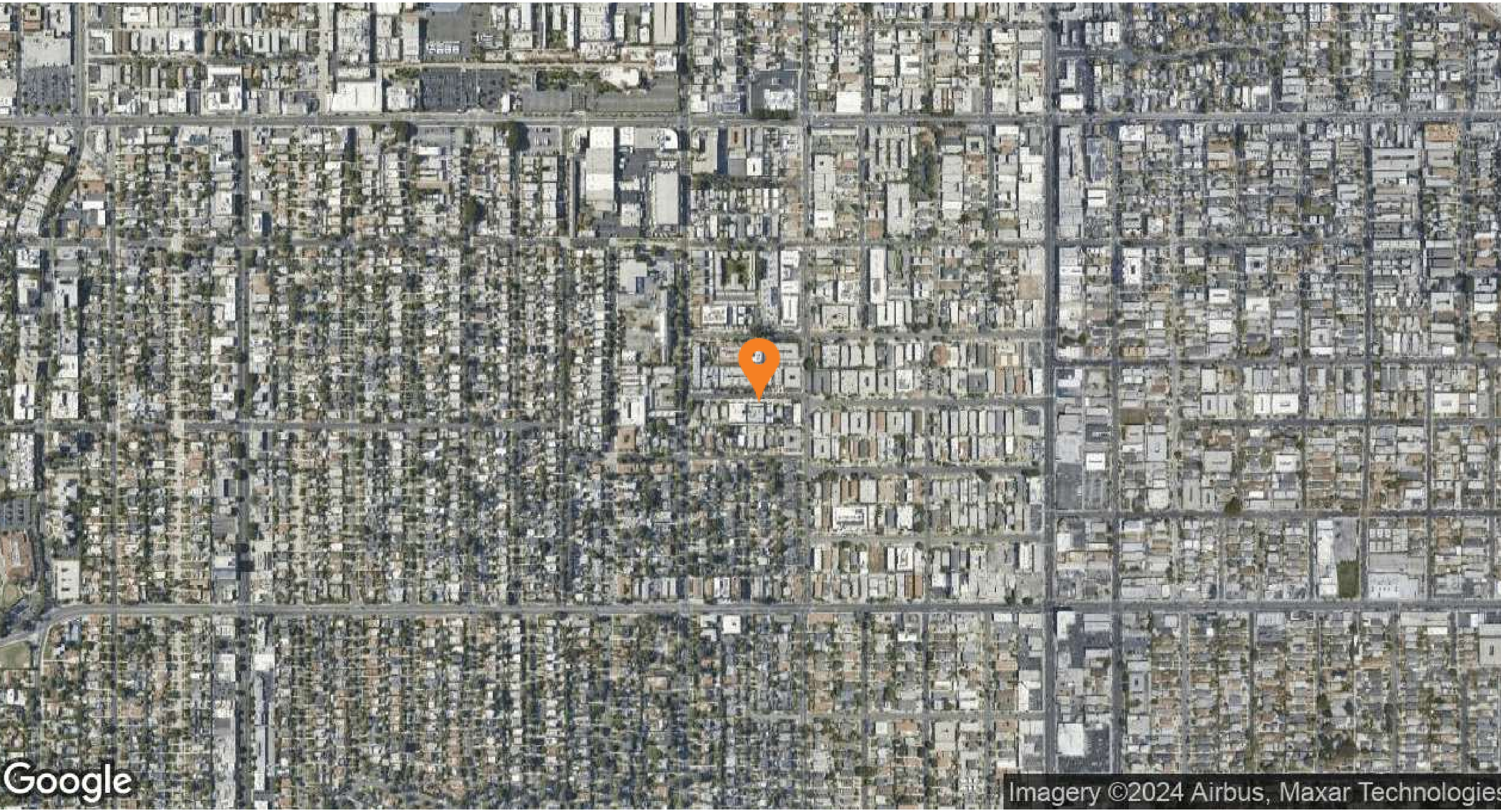
- Secured Property with Semi Subterranean Parking
- Ample Parking and Bicycle Storage
- Elevator from Parking Lot to all Four Floors
- Central Hancock Park Location



Santa Monica Blvd
HOLLYWOOD
2
Santa Monica Blvd
EAST HOLLYWOOD
N Gower St
101
MELROSE HILL
Melrose Ave
Highland Ave
LARCHMONT
Normandie Ave
Los Angeles, CA
Rossmore Ave
N Larchmont Blvd
HANCOCK PARK
101
OAKWOOD
M
S Western Av
CENTRAL LA
W 3rd St
LITTLE BANGLADESH
W 3rd St
WINDSOR SQUARE
Google
Map data ©2024 Google


Clinton St
Western Ave
N Norton Ave
Maplewood
Wilton Pl
N St Andrews Pl
Rosewood Ave
Western Ave
Oxford Ave
Elmwood Ave
Elmwood Ave
N Plymouth Blvd
Windsor Blvd
N Irving Blvd
N Bronson Ave
N Norton Ave
N Western Ave
Google
Map data ©2024

AERIAL MAP // 5026 Rosewood Ave



SECTION 3

Financial Analysis

FINANCIAL DETAILS

Marcus & Millichap
LAAA TEAM





As of June,2024

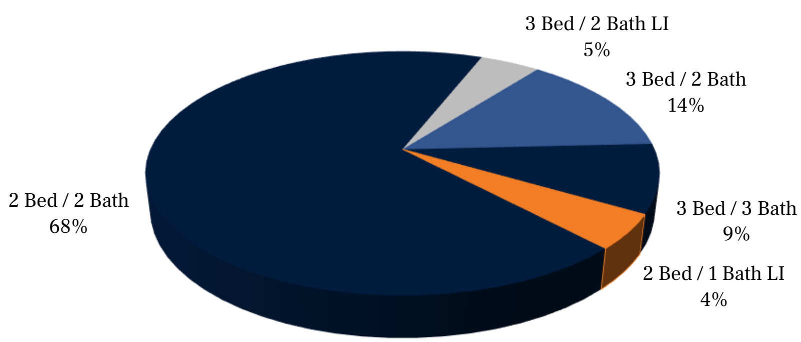
UNIT	UNIT TYPE	Square Feet	CURRENT Rent / Month	CURRENT Rent / SF/ Month	POTENTIAL Rent / Month	POTENTIAL Rent/ SF/ Month
201	2 Bed / 2 Bath	1,300	$3,300	$2.54	$3,575	$2.75
202	3 Bed / 2 Bath	1,245	$3,650	$2.93	$3,950	$3.17
203	2 Bed / 2 Bath (manager)	1,300	$3,575	$2.75	$3,575	$2.75
204	2 Bed / 1 Bath LI	900	$987	$1.10	$3,052	$3.39
205	2 Bed / 2 Bath	1,300	$2,995	$2.30	$3,575	$2.75
206	3 Bed / 3 Bath	1,625	$3,850	$2.37	$4,500	$2.77
301	2 Bed / 2 Bath	1,300	$3,190	$2.45	$3,575	$2.75
302	3 Bed / 2 Bath LI	1,245	$1,097	$0.88	$3,915	$3.14
303	2 Bed / 2 Bath	1,300	$3,150	$2.42	$3,575	$2.75
304	2 Bed / 2 Bath	1,300	$3,085	$2.37	$3,575	$2.75
305	2 Bed / 2 Bath	1,300	$3,080	$2.37	$3,575	$2.75
401	2 Bed / 2 Bath	1,300	$3,245	$2.50	$3,575	$2.75
402	3 Bed / 2 Bath	1,245	$3,450	$2.77	$3,950	$3.17
403	2 Bed / 2 Bath	1,300	$3,080	$2.37	$3,575	$2.75
404	2 Bed / 2 Bath	1,300	$3,170	$2.44	$3,575	$2.75
405	2 Bed / 2 Bath	1,300	$2,950	$2.27	$3,575	$2.75
501	2 Bed / 2 Bath	1,300	$3,172	$2.44	$3,575	$2.75
502	3 Bed / 2 Bath	1,245	$3,600	$2.89	$3,950	$3.17
503	2 Bed / 2 Bath	1,300	$3,080	$2.37	$3,575	$2.75
504	2 Bed / 2 Bath	1,300	$3,080	$2.37	$3,575	$2.75
505	2 Bed / 2 Bath	1,300	$3,200	$2.46	$3,575	$2.75
506	3 Bed / 3 Bath	1,625	$4,100	$2.52	$4,500	$2.77
Total		**Square Feet: 31,506**	**$68,086**	**$2.16**	**$81,442**	**$2.58**

FINANCIAL DETAILS // 5026 Rosewood Ave

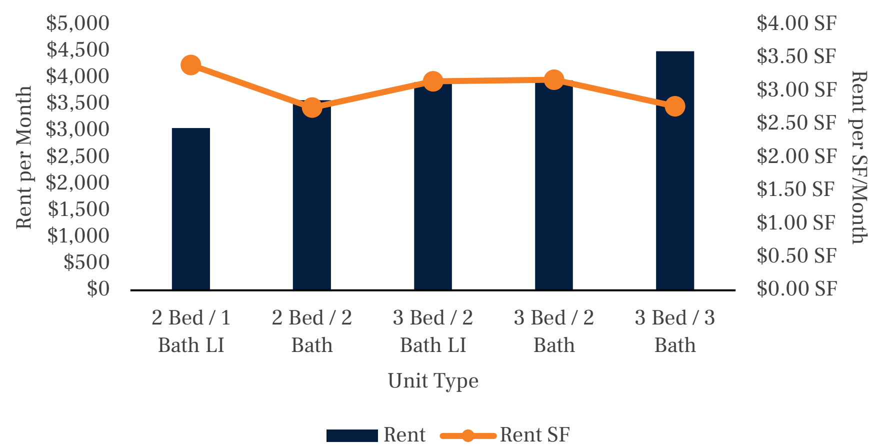
UNIT TYPE	# OF UNITS	AVG SQ FEET	RENTAL RANGE	Current Average Rent	Current Average Rent / SF	Current Monthly Income	POTENTIAL AVERAGE RENT	POTENTIAL AVERAGE RENT / SF	POTENTIAL MONTHLY INCOME
2 Bed / 1 Bath LI	1	900	$987 - $987	$987	$1.10	$987	$3,052	$3.39	$3,052
2 Bed / 2 Bath	14	1,300	$2,950 - $3,300	$3,127	$2.41	$43,777	$3,575	$2.75	$50,050
2 Bed / 2 Bath (manager)	1	1,300	$3,575 - $3,575	$3,575	$2.75	$3,575	$3,575	$2.75	$3,575
3 Bed / 2 Bath LI	1	1,245	$1,097 - $1,097	$1,097	$0.88	$1,097	$3,915	$3.14	$3,915
3 Bed / 2 Bath	3	1,245	$3,450 - $3,650	$3,567	$2.86	$10,700	$3,950	$3.17	$11,850
3 Bed / 3 Bath	2	1,625	$3,850 - $4,100	$3,975	$2.45	$7,950	$4,500	$2.77	$9,000
TOTALS/WEIGHTED AVERAGES	22	1,432		$3,095	$2.16	$68,086	$3,702	$2.58	$81,442

	Current	Potential
GROSS ANNUALIZED RENTS	$817,035	$977,304

Unit Distribution



Unit Rent



INCOME	Current		Pro Forma		NOTES	PER UNIT	PER SF
Rental Income							
Gross Current Rent	817,035		977,304			44,423	31.02
Physical Vacancy	(24,511)	3.0%	(29,319)	3.0%		(1,333)	(0.93)
TOTAL VACANCY	($24,511)	3.0%	($29,319)	3.0%		($1,333)	($1)
Effective Rental Income	792,524		947,985			43,090	30.09
Other Income							
All Other Income	6,632		6,632		[1]	301	0.21
TOTAL OTHER INCOME	$6,632		$6,632			$301	$0.21
EFFECTIVE GROSS INCOME	$799,156		$954,617			$43,392	$30.30

EXPENSES	Current		Pro Forma		NOTES	PER UNIT	PER SF
Real Estate Taxes	136,800		136,800		[2]	6,218	4.34
Insurance	12,602		12,602		[3]	573	0.40
Utilities - Electric	7,243		7,243		[4]	329	0.23
Utilities - Water & Sewer	4,819		4,819		[5]	219	0.15
Utilities - Internet	720		720		[6]	33	0.02
Trash Removal	9,063		9,063		[7]	412	0.29
Repairs & Maintenance	11,000		11,000		[8]	500	0.35
Landscaping	4,200		4,200		[9]	191	0.13
Elevator	4,255		4,255		[10]	193	0.14
Janitorial	7,800		7,800		[11]	355	0.25
Fire Protection	1,793		1,793		[12]	82	0.06
General & Administrative	3,300		3,300		[13]	150	0.10
Onsite Manager	12,000		12,000		[14]	545	0.38
Management Fee	27,970	3.5%	33,412	3.5%	[15]	1,519	1.06
TOTAL EXPENSES	$243,567		$249,008			$11,319	$7.90
EXPENSES AS % OF EGI	30.5%		26.1%				
NET OPERATING INCOME	$555,590		$705,609			$32,073	$22.40

Notes and assumptions to the above analysis are on the following page.

NOTES TO OPERATING STATEMENT	
[1]	Owner provided financials
[2]	1.20% of the purchase price
[3]	$0.40 per Square Foot
[4]	Owner provided financials
[5]	Owner provided financials
[6]	Owner provided financials
[7]	Owner provided financials
[8]	$500 per unit
[9]	$350 per month
[10]	Owner provided financials
[11]	Owner provided financials
[12]	Owner provided financials
[13]	$150 per unit
[14]	$1,000 per month
[15]	3.5% of the gross income

SUMMARY		
Price	$11,400,000	
Down Payment	$5,700,000	50%
Number of Units	22	
Price Per Unit	$518,182	
Price Per SqFt	$361.84	
Gross SqFt	31,506	
Lot Size	0.31 Acres	
Approx. Year Built	2017	

RETURNS	Current	Pro Forma
CAP Rate	4.87%	6.19%
GIM	13.84	11.59
Cash-on-Cash	3.25%	5.88%
Debt Coverage Ratio	1.50	1.90

FINANCING	1st Loan
Loan Amount	$5,700,000
Loan Type	New
Interest Rate	6.50%
Amortization	30 Years
Year Due	2029

Loan information is subject to change. Contact your Marcus & Millichap Capital Corporation representative.

# OF UNITS	UNIT TYPE	SQFT/UNIT	SCHEDULED RENTS	MARKET RENTS
1	2 Bed / 1 Bath LI	900	$987	$3,052
15	2 Bed / 2 Bath	1,300	$3,157	$3,575
1	3 Bed / 2 Bath LI	1,245	$1,097	$3,915
3	3 Bed / 2 Bath	1,245	$3,567	$3,950
2	3 Bed / 3 Bath	1,625	$3,975	$4,500

OPERATING DATA

INCOME		Current		Pro Forma
Gross Scheduled Rent		$817,035		$977,304
Less: Vacancy/Deductions	3.0%	$24,511	3.0%	$29,319
Total Effective Rental Income		$792,524		$947,985
Other Income		$6,632		$6,632
Effective Gross Income		$799,156		$954,617
Less: Expenses	30.5%	$243,567	26.1%	$249,008
Net Operating Income		$555,590		$705,609
Cash Flow		$555,590		$705,609
Debt Service		$370,500		$370,500
Net Cash Flow After Debt Service	3.25%	$185,090	5.88%	$335,109
Principal Reduction		$0		$0
TOTAL RETURN	3.25%	$185,090	5.88%	$335,109

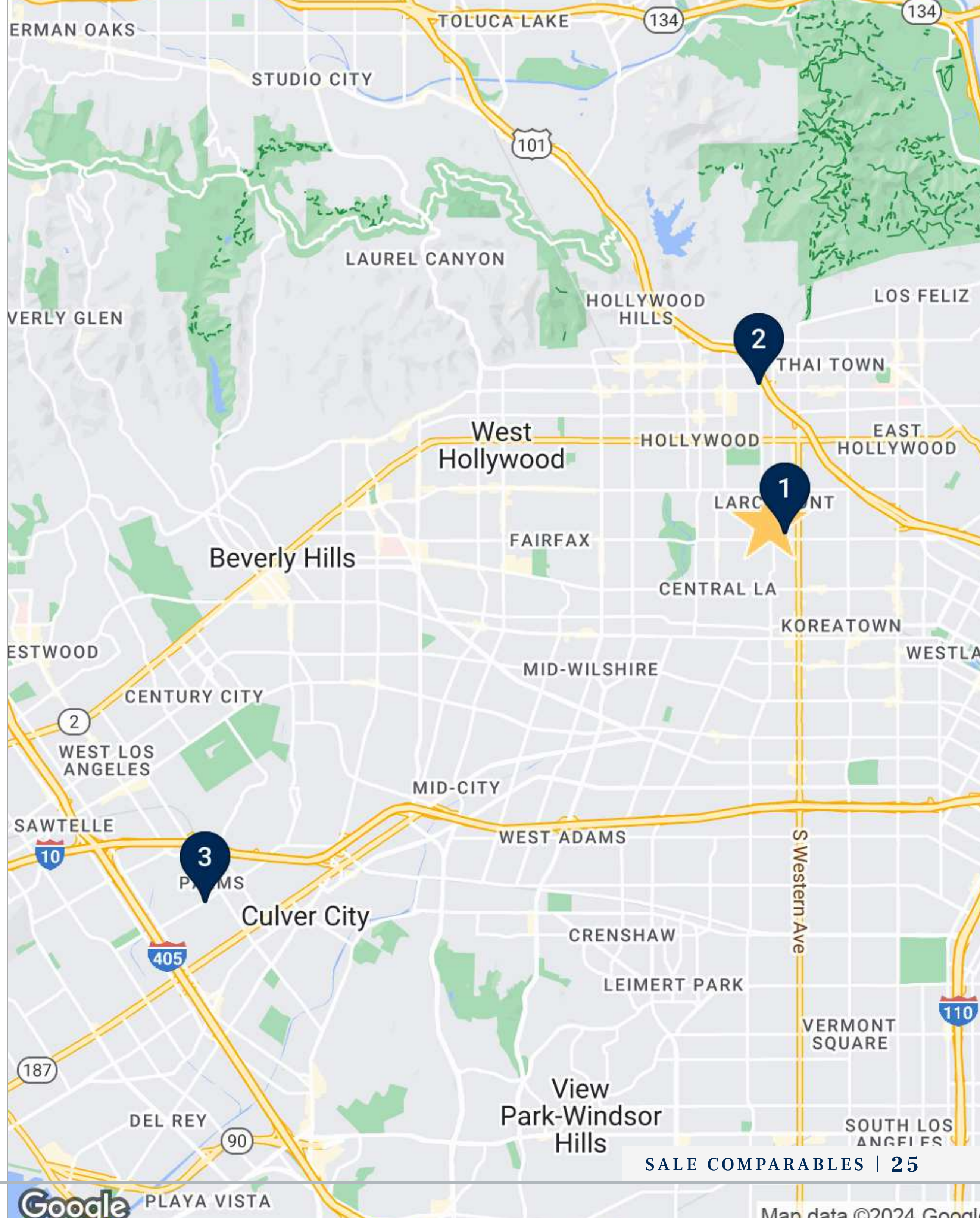
EXPENSES	Current	Pro Forma
Real Estate Taxes	$136,800	$136,800
Insurance	$12,602	$12,602
Utilities - Electric	$7,243	$7,243
Utilities - Water & Sewer	$4,819	$4,819
Utilities - Internet	$720	$720
Trash Removal	$9,063	$9,063
Repairs & Maintenance	$11,000	$11,000
Landscaping	$4,200	$4,200
Elevator	$4,255	$4,255
Janitorial	$7,800	$7,800
Fire Protection	$1,793	$1,793
General & Administrative	$3,300	$3,300
Onsite Manager	$12,000	$12,000
Management Fee	$27,970	$33,412
TOTAL EXPENSES	$243,567	$249,008
Expenses/Unit	$11,071	$11,319
Expenses/SF	$7.73	$7.90

SECTION 4

Sale Comparables

SALE COMPS MAP

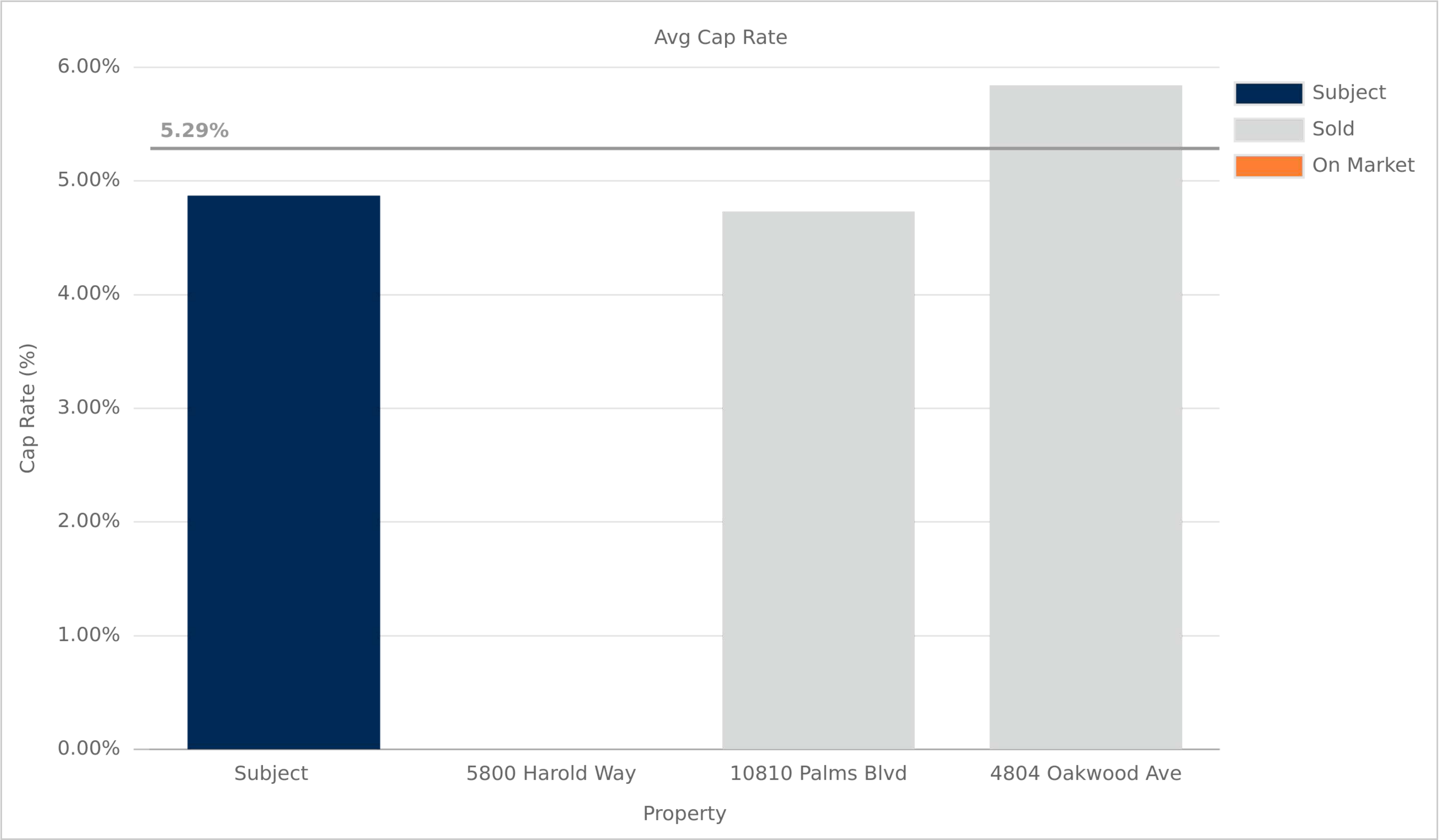
- ★ 5026 Rosewood Ave
- 1 4804 Oakwood Ave
- 2 5800 Harold Way
- 3 10810 Palms Blvd



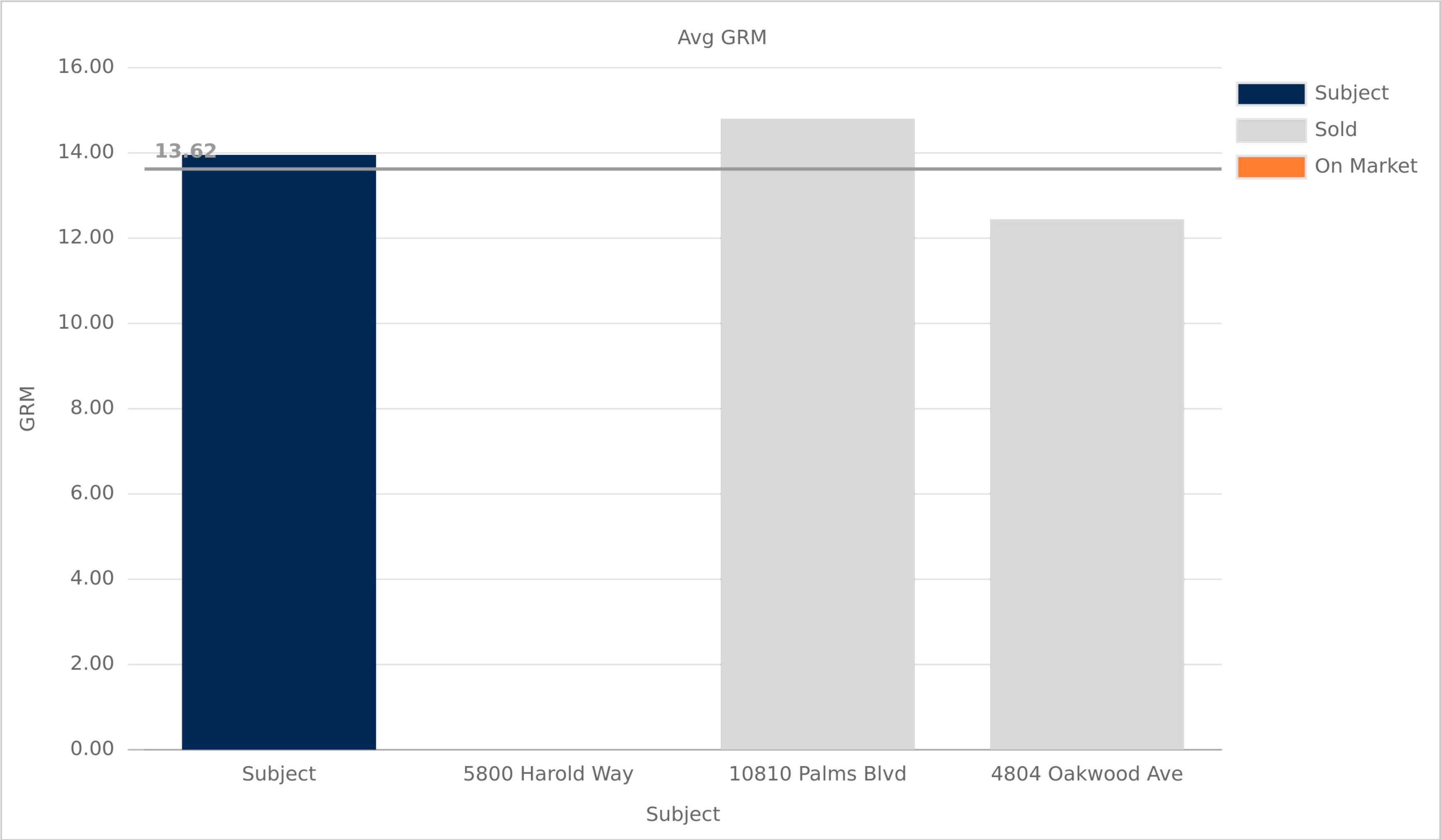
SALE COMPS SUMMARY // 5026 Rosewood Ave

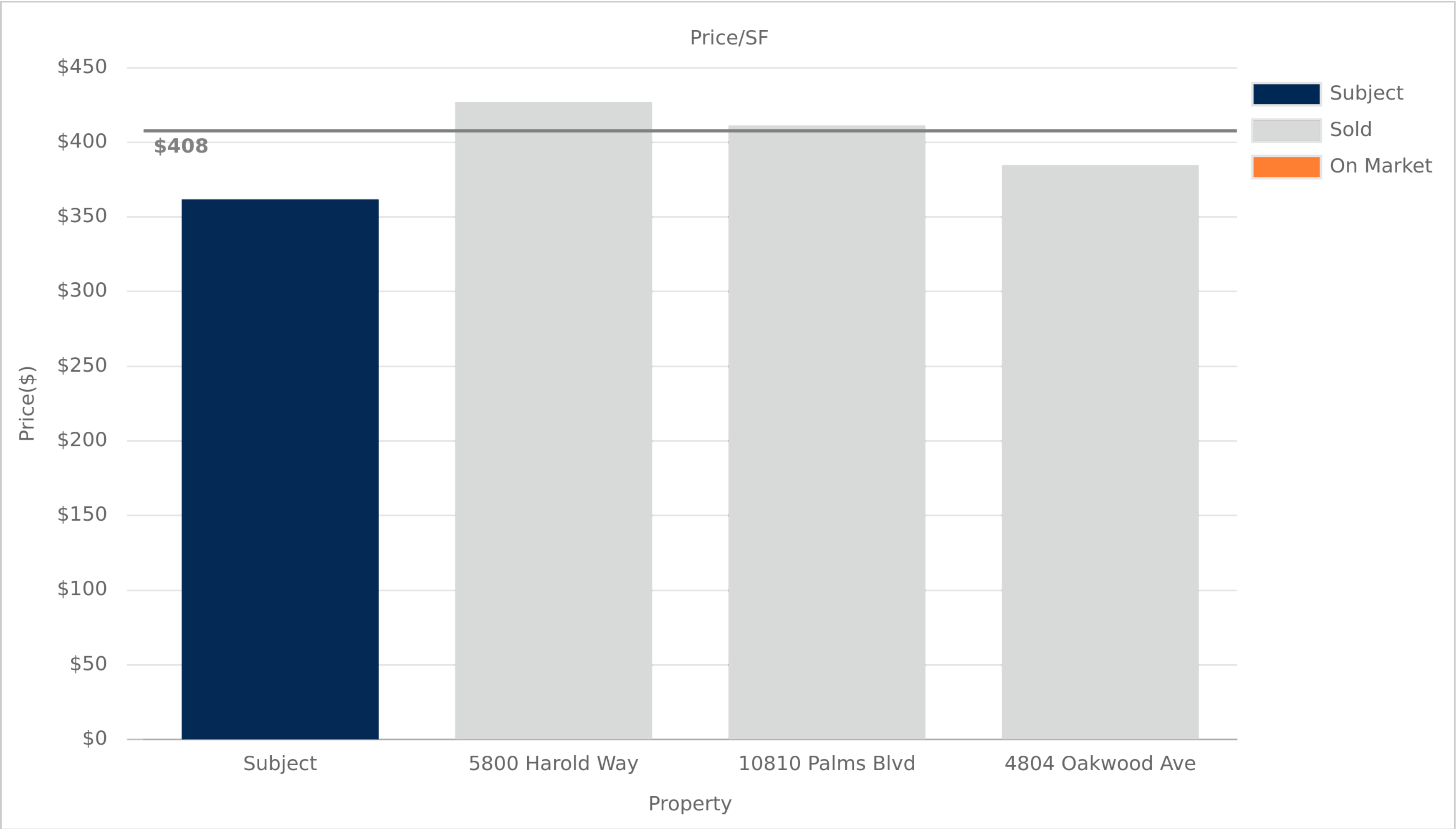
	SUBJECT PROPERTY	PRICE	BLDG SF	PRICE/SF	LOT SIZE	PRICE/UNIT	CAP RATE	# OF UNITS	CLOSE
★	**5026 Rosewood Ave** 5026 Rosewood Ave Los Angeles, CA 90004	$11,400,000	31,506 SF	$361.84	0.31 AC	$518,182	4.87%	22	On Market

	SALE COMPARABLES	PRICE	BLDG SF	PRICE/SF	LOT SIZE	PRICE/UNIT	CAP RATE	# OF UNITS	CLOSE
1	**4804 Oakwood Ave** Los Angeles, CA 90004	$13,450,000	34,953 SF	$384.80	0.33 AC	$448,333	5.84%	30	03/15/2024
2	**5800 Harold Way** Los Angeles, CA 90028	$25,350,000	59,345 SF	$427.16	0.81 AC	$452,678	-	56	03/03/2023
3	**10810 Palms Blvd** Los Angeles, CA 90034	$10,500,000	25,524 SF	$411.38	0.34 AC	$420,000	4.73%	25	03/31/2023
	AVERAGES	**$16,433,333**	**39,941 SF**	**$407.78**	**0.49 AC**	**$440,337**	**5.29%**	**37**	**-**

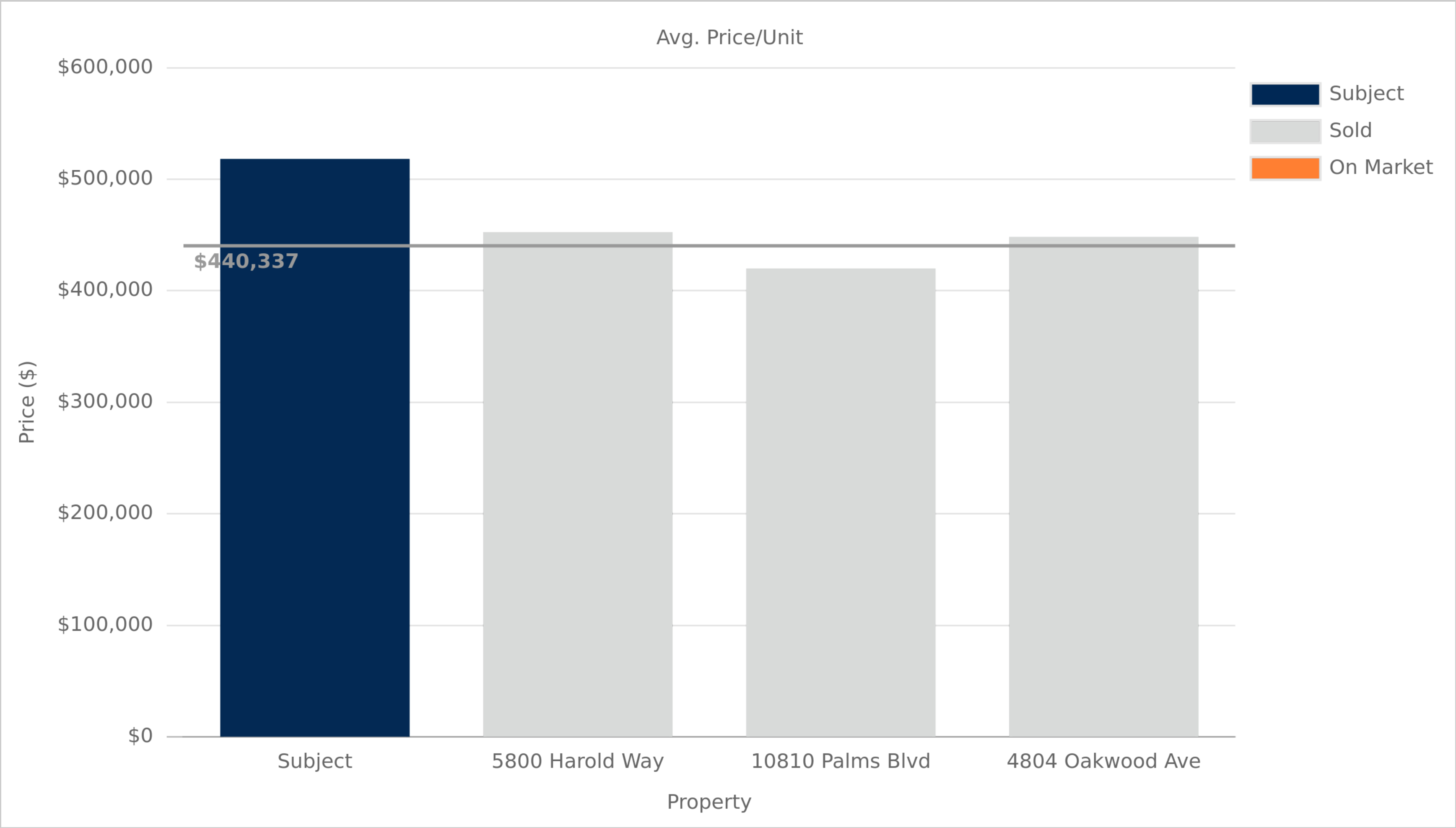

Avg Cap Rate
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
Cap Rate (%)
5.29%
Subject
Sold
On Market
Subject
5800 Harold Way
10810 Palms Blvd
4804 Oakwood Ave
Property

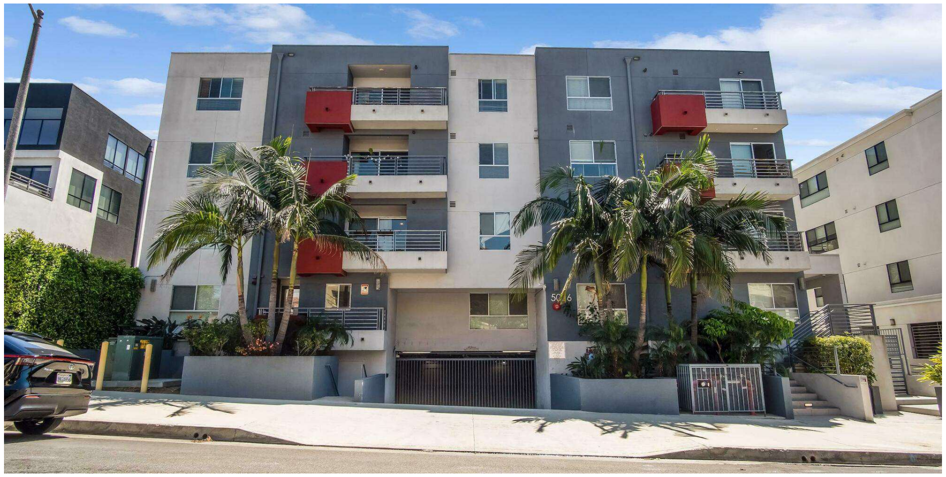
GRM CHART // 5026 Rosewood Ave




Price/SF
$450
$400
$350
$300
$250
$200
$150
$100
$50
$0
$408
Price($)
Subject
5800 Harold Way
10810 Palms Blvd
4804 Oakwood Ave
Property
Subject
Sold
On Market

PRICE PER UNIT CHART // 5026 Rosewood Ave

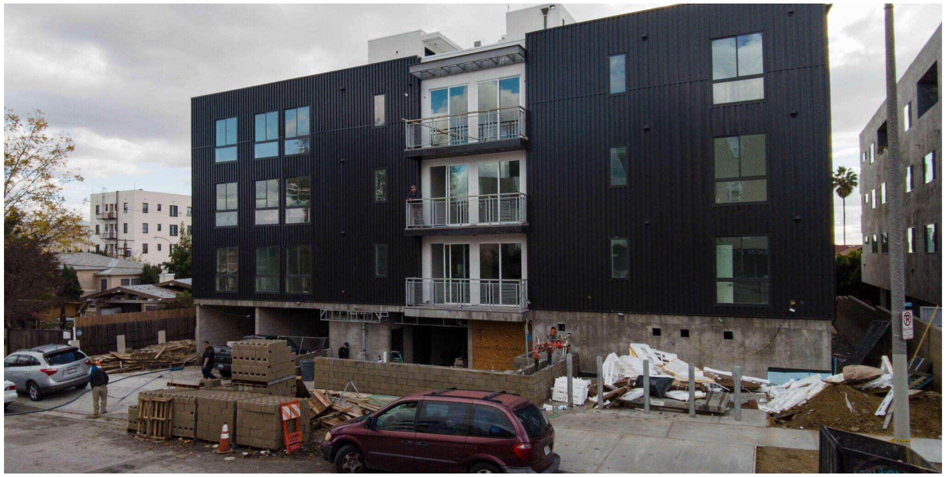




5026 Rosewood Ave
5026 Rosewood Ave, Los Angeles, CA 90004

Listing Price:	$11,400,000	Price/SF:	$361.84
Property Type:	Multifamily	GRM:	13.95
NOI:	$555,590	Cap Rate:	4.87%
Occupancy:	97%	Year Built:	2017
COE:	On Market	Number Of Units:	22
Lot Size:	0.31 Acres	Price/Unit:	$518,182
Total SF:	31,506 SF		

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
2 Bed / 1 Bath LI	1	4.5	900	$987	$1.10
2 Bed / 2 Bath	15	68.2	1,300	$3,157	$2.43
3 Bed / 2 Bath	3	13.6	1,245	$3,567	$2.87
3 Bed / 2 Bath LI	1	4.5	1,245	$1,097	$0.88
3 Bed / 3 Bath	2	9.1	1,625	$3,975	$2.45
TOTAL/AVG	22	100%	1,301	$3,095	$2.38



1 4804 Oakwood Ave
Los Angeles, CA 90004

Sale Price:	$13,450,000	Price/SF:	$384.80
Property Type:	Multifamily	GRM:	12.44
NOI:	-	Cap Rate:	5.84%
Occupancy:	-	Year Built:	2022
COE:	03/15/2024	Number Of Units:	30
Lot Size:	0.33 Acres	Price/Unit:	$448,333
Total SF:	34,953 SF		

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
1 Bed / 1 Bath	18	60			
2 Bed / 2 Bath	12	40			
TOTAL/AVG	30	100%	0	$0	

2 5800 Harold Way
Los Angeles, CA 90028

Sale Price:	$25,350,000	Price/SF:	$427.16
Property Type:	Multifamily	GRM:	-
NOI:	-	Cap Rate:	-
Occupancy:	-	Year Built:	2016
COE:	03/03/2023	Number Of Units:	56
Lot Size:	0.81 Acres	Price/Unit:	$452,678
Total SF:	59,345 SF		

3 10810 Palms Blvd
Los Angeles, CA 90034

Sale Price:	$10,500,000	Price/SF:	$411.38
Property Type:	Multifamily	GRM:	14.8
NOI:	-	Cap Rate:	4.73%
Occupancy:	-	Year Built:	2013
COE:	03/31/2023	Number Of Units:	25
Lot Size:	0.34 Acres	Price/Unit:	$420,000
Total SF:	25,524 SF		

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
Studio / 1 Bath	1	4		$550	
1 Bed / 1 Bath	24	96		$2,187	
TOTAL/AVG	25	100%	0	$2,121	

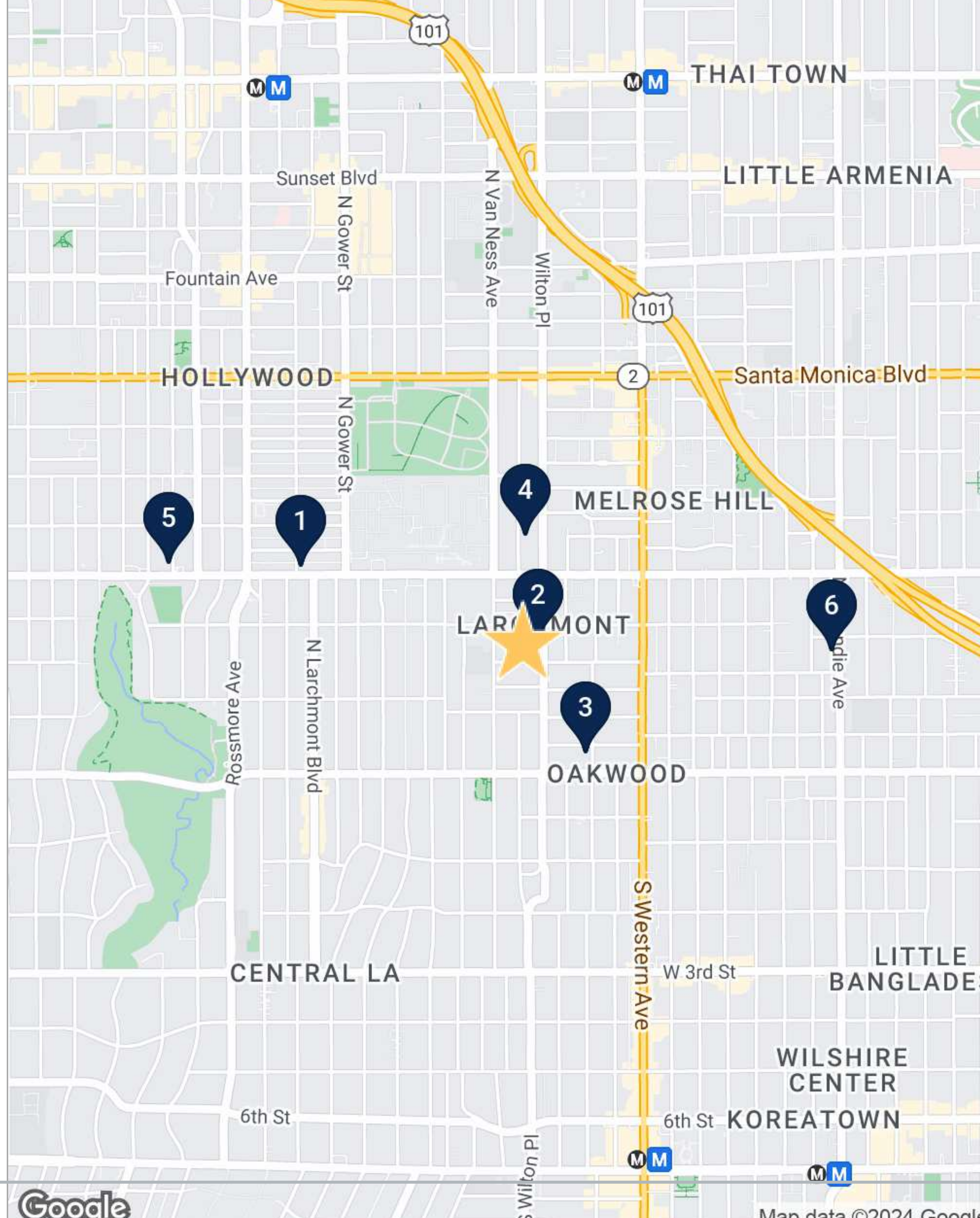
SECTION 5

Lease Comparables

Marcus & Millichap
LAAA TEAM

RENT COMPS MAP

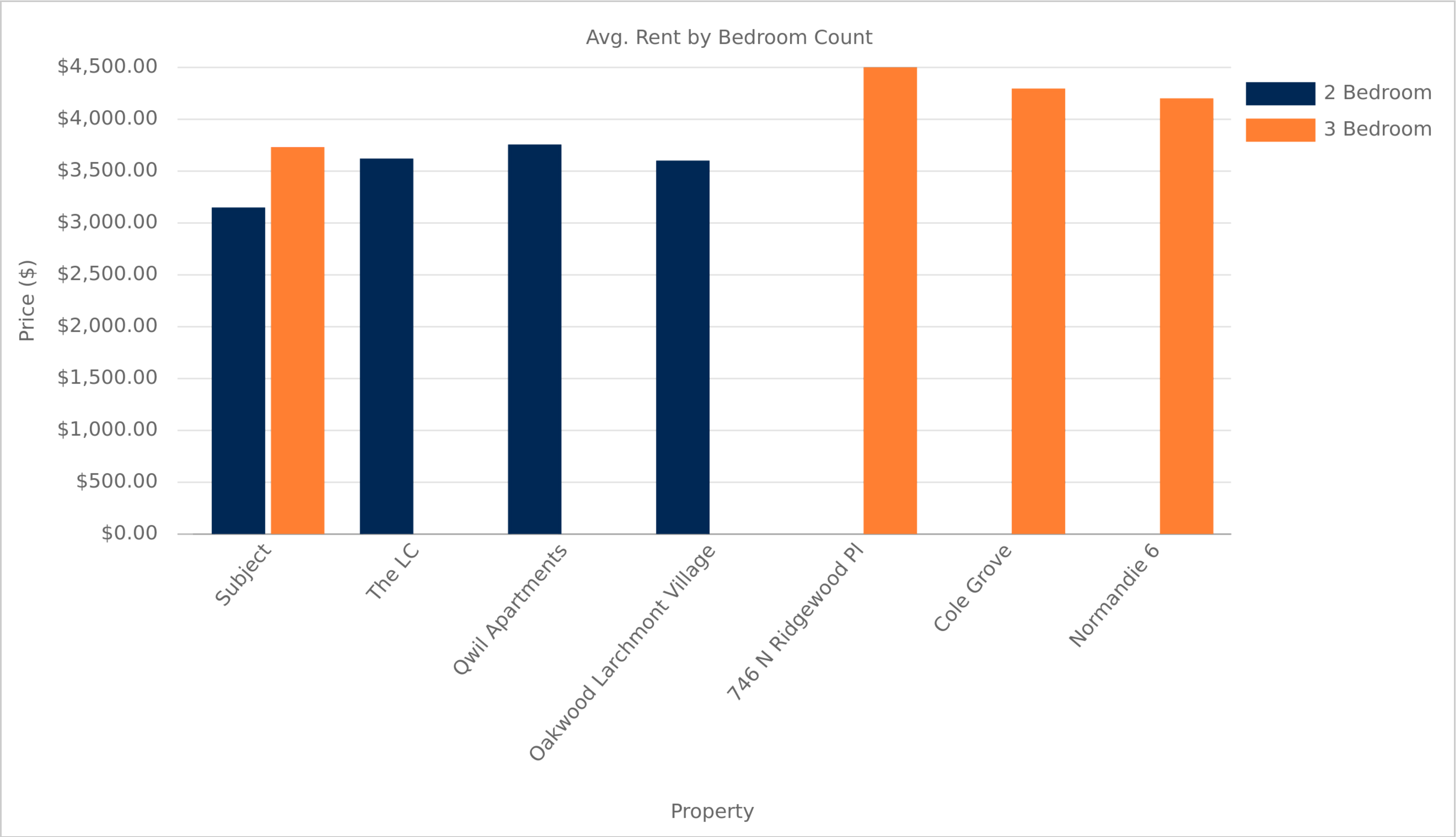
- 5026 Rosewood Ave
- 1 The LC
- 2 Qwil Apartments
- 3 Oakwood Larchmont Village
- 4 746 N Ridgewood Pl
- 5 Cole Grove
- 6 Normandie 6



	SUBJECT PROPERTY	RENT/SF	AVG SIZE	AVG RENT/UNIT	LOT SIZE	# OF UNITS
★	**5026 Rosewood Ave** 5026 Rosewood Ave Los Angeles, CA 90004	$2.16	1,301 SF	$3,095	0.31 AC	22

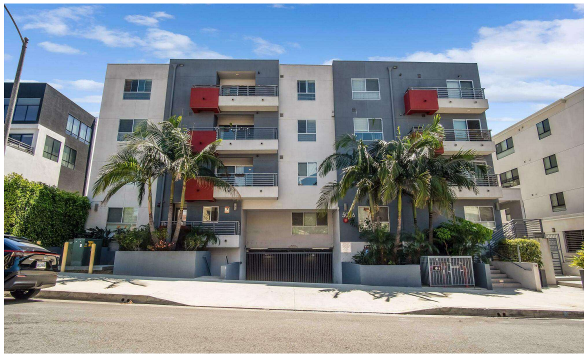
	RENT COMPARABLES	RENT/SF	AVG SIZE	AVG RENT/UNIT	LOT SIZE	# OF UNITS
1	**The LC** 710 N El Centro Ave Los Angeles, CA 90038	$3.87	936 SF	$3,620	0.57 AC	2015
2	**Qwil Apartments** 525 Wilton Pl Los Angeles, CA 90004	$3.55	1,058 SF	$3,755	1.2 AC	88
3	**Oakwood Larchmont Village** 4804 Oakwood Ave Los Angeles, CA 90004	$3.80	947 SF	$3,600	0.33 AC	30
4	**746 N Ridgewood Pl** 746 N Ridgewood Pl Los Angeles, CA 90038	$3.09	1,458 SF	$4,500	0.14 AC	1
5	**Cole Grove** 711 Cole Ave Los Angeles, CA 90038	$2.77	1,549 SF	$4,295	1.01 AC	84
6	**Normandie 6** 525 Normandie Ave Los Angeles, CA 90004	$2.50	1,678 SF	$4,200	0.19 AC	6
	AVERAGES	**$3.26**	**1,271 SF**	**$3,995**	**0.57 AC**	**371**

RENT BY BED CHART // 5026 Rosewood Ave



5026 Rosewood Ave
5026 Rosewood Ave, Los Angeles, CA 90004

22 Units | 97% Total Occupancy | Year Built 2017



UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
2 Bed / 1 Bath LI	1	4.5	900	$987	$1.10
2 Bed / 2 Bath	15	68.2	1,300	$3,157	$2.43
3 Bed / 2 Bath	3	13.6	1,245	$3,567	$2.87
3 Bed / 2 Bath LI	1	4.5	1,245	$1,097	$0.88
3 Bed / 3 Bath	2	9.1	1,625	$3,975	$2.45
TOTAL/AVG	22	100%	1,301	$3,095	$2.38

1
The LC
710 N El Centro Ave, Los Angeles, CA 90038

2015 Units | Year Built 84

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
2 Bed / 2 Bath	1	100	936	$3,620	$3.87
TOTAL/AVG	1	100%	936	$3,620	$3.87

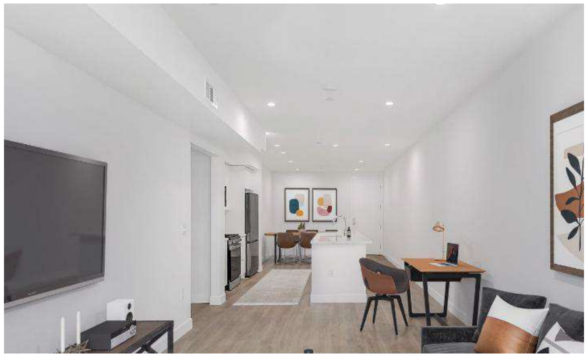
2 Qwil Apartments
525 Wilton Pl, Los Angeles, CA 90004

88 Units | Year Built 2019

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
2 Bed / 2 Bath	1	100	1,058	$3,755	$3.55
TOTAL/AVG	1	100%	1,058	$3,755	$3.55

3 Oakwood Larchmont Village
4804 Oakwood Ave, Los Angeles, CA 90004

30 Units | Year Built 2022



UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
2 Bed / 2 Bath	1	100	947	$3,600	$3.80
TOTAL/AVG	1	100%	947	$3,600	$3.80

4

746 N Ridgewood Pl
746 N Ridgewood Pl, Los Angeles, CA 90038

1 Units | Year Built 2023

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
3 Bed / 3 Bath	1	100	1,458	$4,500	$3.09
TOTAL/AVG	1	100%	1,458	$4,500	$3.09

5

Cole Grove
711 Cole Ave, Los Angeles, CA 90038

84 Units | Year Built 2017

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
3 Bed / 3 Bath	1	100	1,549	$4,295	$2.77
TOTAL/AVG	1	100%	1,549	$4,295	$2.77

6

Normandie 6
525 Normandie Ave, Los Angeles, CA 90004

6 Units | Year Built 2022

UNIT TYPE	# UNITS	% OF	SIZE SF	RENT	RENT/SF
3 Bed / 3 Bath	1	100	1,678	$4,200	$2.50
TOTAL/AVG	1	100%	1,678	$4,200	$2.50

SECTION 6

Market Overview

Marcus & Millichap
LAAA TEAM

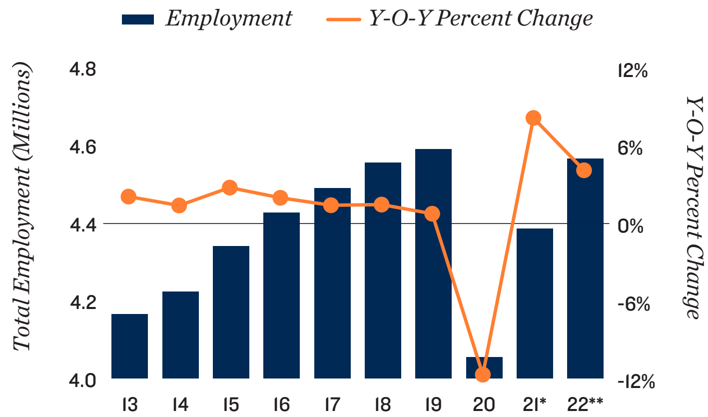
LOS ANGELES

Lowest Vacancy in Two Decades, Pipeline Moderation Propel Investor Activity Throughout Los Angeles

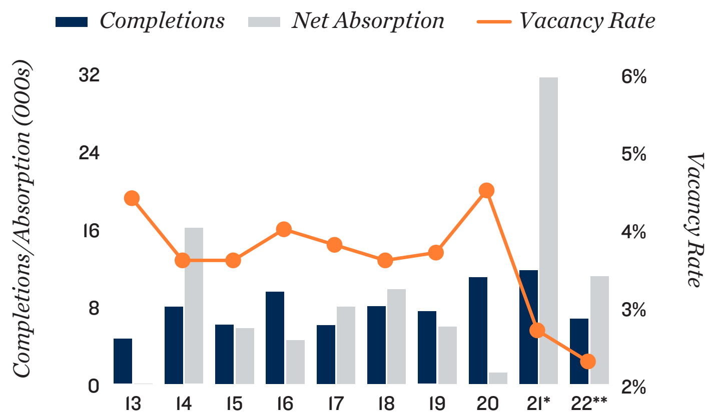
Robust leasing velocity widespread for a second consecutive year. Los Angeles County renters absorbed more than 30,000 units last year, slashing apartment vacancy to a 20-year low. Conditions that supported stout multifamily demand will extend through 2022, further compressing unit availability. Organizations are expected to push the metro's total job count to a tally slightly below the pre-pandemic mark this year, supporting the formation of more than 30,000 new households. For many of these residents, dwelling options will be limited as the county's median home price surpasses $800,000. Suburban submarkets, neighborhoods south of Downtown Los Angeles and Silicon Beach should all benefit as more households seek areas of regionally lower rent or proximity to tech hubs. Additionally, demand for rentals in the San Fernando Valley, South Bay and Westside Cities will coincide with a moderation in each regions' construction pipeline. Year -over-year declines in delivery volumes will direct more renters to existing properties, enabling regional vacancies to hold at historically low levels this year.

Long-term outlook for lower- and mid-tier assets bolsters buyers' confidence. Tight Class C vacancy is attracting more investors to the property tier, including those seeking to reduce risk exposure via 1031 exchanges. These buyers and other private investors from California are competing for sub-30-unit complexes. Those targeting returns in the 5 percent range pursue listings in Southeast Los Angeles, Greater Inglewood and Korea town. In these locales, Class C pricing remains largely below $300,000 per unit. Similar pricing is available in Long Beach, a top target among out-of-state investors seeking areas of double-digit rent growth. Investors focused on mid-tier assets are competing for similar-sized Class B complexes in higher priced Westside and San Fernando Valley cities. Competition for rentals in Santa Monica, Glendale and Studio City-North Hollywood has lowered local cap rates into the 2 percent to 3 percent band for many properties.

Employment Trends



Supply and Demand



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

2022 MARKET FORECAST

Employment up 4.1% — Hiring velocity exceeds the national rate of increase for a second straight year as employers add 180,000 positions in 2022.

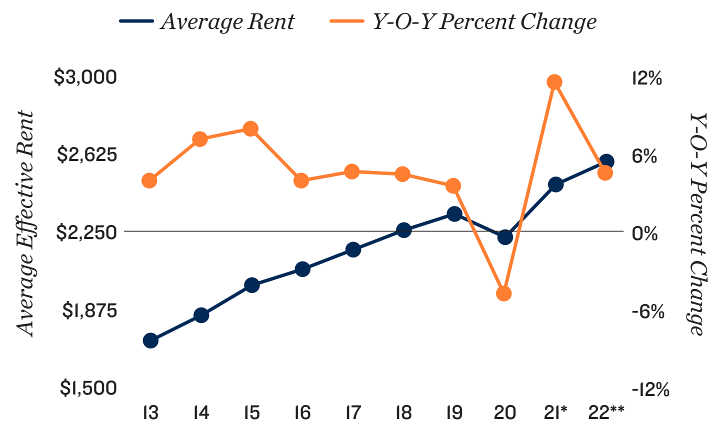
Construction 6,700 units — After completing more than 10,000 apartments in each of the prior two years, developers increase the metro's rental inventory by just 0.6 percent in 2022.

Vacancy down 40 bps — Net absorption exceeds delivery volume by more than 4,000 units in 2022, lowering vacancy to 2.3 percent. This compression follows last year's 180-basis-point decrease.

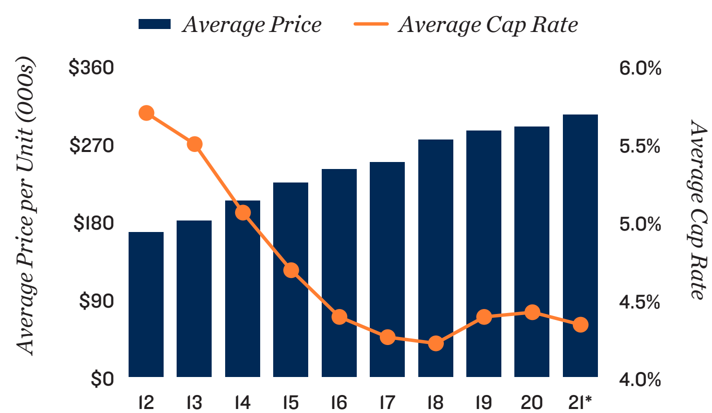
Rent up 4.5% — The average effective rent in Los Angeles rises at a pace consistent with increases registered from 2016 through 2019. This gain elevates the mean monthly rate to $2,580.

Investment — Rent control in Los Angeles, Santa Monica and West Hollywood may lift investor demand for post-1980-built assets in these cities as complexes of this vintage are not subject to restrictions.

Rent Trends



Sales Trends



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

POPULATION	1 Mile	3 Miles	5 Miles
2027 Projection			
Total Population	71,490	595,731	1,131,086
2022 Estimate			
Total Population	70,638	586,830	1,106,811
2010 Census			
Total Population	68,690	565,272	1,053,386
2000 Census			
Total Population	74,853	596,061	1,070,090
Daytime Population			
2022 Estimate	53,201	551,924	1,334,106
HOUSEHOLDS	**1 Mile**	**3 Miles**	**5 Miles**
2027 Projection			
Total Households	27,698	253,605	471,526
2022 Estimate			
Total Households	27,021	246,916	456,144
Average (Mean) Household Size	2.6	2.3	2.3
2010 Census			
Total Households	25,665	233,214	425,400
2000 Census			
Total Households	25,908	231,754	413,198
Growth 2022-2027	2.5%	2.7%	3.4%
HOUSING UNITS	**1 Mile**	**3 Miles**	**5 Miles**
Occupied Units			
2027 Projection	29,962	277,427	518,378
2022 Estimate	29,124	268,873	499,151
Owner Occupied	4,460	35,574	90,585
Renter Occupied	22,561	211,343	365,558
Vacant	2,103	21,956	43,007
Persons in Units			
2022 Estimate Total Occupied Units	27,021	246,916	456,144
1 Person Units	31.4%	38.3%	39.0%
2 Person Units	26.9%	29.0%	28.5%
3 Person Units	15.8%	13.3%	12.8%
4 Person Units	13.5%	9.9%	9.6%
5 Person Units	6.5%	4.9%	5.0%
6+ Person Units	5.9%	4.7%	5.2%

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2022 Estimate			
$200,000 or More	7.4%	8.0%	9.7%
$150,000-$199,999	3.8%	5.2%	6.0%
$100,000-$149,999	12.8%	13.3%	14.0%
$75,000-$99,999	12.3%	11.3%	11.4%
$50,000-$74,999	16.4%	16.3%	15.0%
$35,000-$49,999	13.2%	12.2%	10.9%
$25,000-$34,999	10.6%	9.4%	8.4%
$15,000-$24,999	11.2%	10.3%	9.6%
Under $15,000	12.3%	14.0%	15.0%
Average Household Income	$87,120	$90,666	$98,398
Median Household Income	$53,918	$55,943	$59,990
Per Capita Income	$33,468	$38,556	$41,325
POPULATION PROFILE	**1 Mile**	**3 Miles**	**5 Miles**
Population By Age			
2022 Estimate Total Population	70,638	586,830	1,106,811
Under 20	20.4%	18.5%	19.3%
20 to 34 Years	25.2%	28.0%	27.6%
35 to 39 Years	8.7%	9.4%	8.8%
40 to 49 Years	14.7%	14.6%	14.2%
50 to 64 Years	18.6%	17.2%	17.2%
Age 65+	12.3%	12.3%	13.0%
Median Age	37.5	36.7	36.7
Population 25+ by Education Level			
2022 Estimate Population Age 25+	51,990	443,314	818,455
Elementary (0-8)	14.9%	13.4%	13.6%
Some High School (9-11)	9.8%	8.1%	8.2%
High School Graduate (12)	19.6%	17.6%	17.4%
Some College (13-15)	14.2%	14.9%	15.9%
Associate Degree Only	4.8%	5.6%	5.5%
Bachelor's Degree Only	27.3%	29.0%	27.0%
Graduate Degree	9.4%	11.4%	12.4%
Population by Gender			
2022 Estimate Total Population	70,638	586,830	1,106,811
Male Population	50.1%	51.1%	50.9%
Female Population	49.9%	48.9%	49.1%

POPULATION

In 2022, the population in your selected geography is 1,106,811. The population has changed by 3.4 percent since 2000. It is estimated that the population in your area will be 1,131,086 five years from now, which represents a change of 2.2 percent from the current year. The current population is 50.9 percent male and 49.1 percent female. The median age of the population in your area is 36.7, compared with the U.S. average, which is 38.6. The population density in your area is 14,090 people per square mile.

HOUSEHOLDS

There are currently 456,144 households in your selected geography. The number of households has changed by 10.4 percent since 2000. It is estimated that the number of households in your area will be 471,526 five years from now, which represents a change of 3.4 percent from the current year. The average household size in your area is 2.3 people.

INCOME

In 2022, the median household income for your selected geography is $59,990, compared with the U.S. average, which is currently $66,422.The median household income for your area has changed by 108.1 percent since 2000. It is estimated that the median household income in your area will be $70,326 five years from now, which represents a change of 17.2 percent from the current year.

The current year per capita income in your area is $41,325, compared with the U.S. average, which is $37,200. The current year's average household income in your area is $98,398, compared with the U.S. average, which is $96,357.

EMPLOYMENT

In 2022, 563,015 people in your selected area were employed. The 2000 Census revealed that 60.7 percent of employees are in white-collar occupations in this geography, and 39.3 percent are in blue-collar occupations. In 2022, unemployment in this area was 8.0 percent. In 2000, the average time traveled to work was 28.4 minutes.

HOUSING

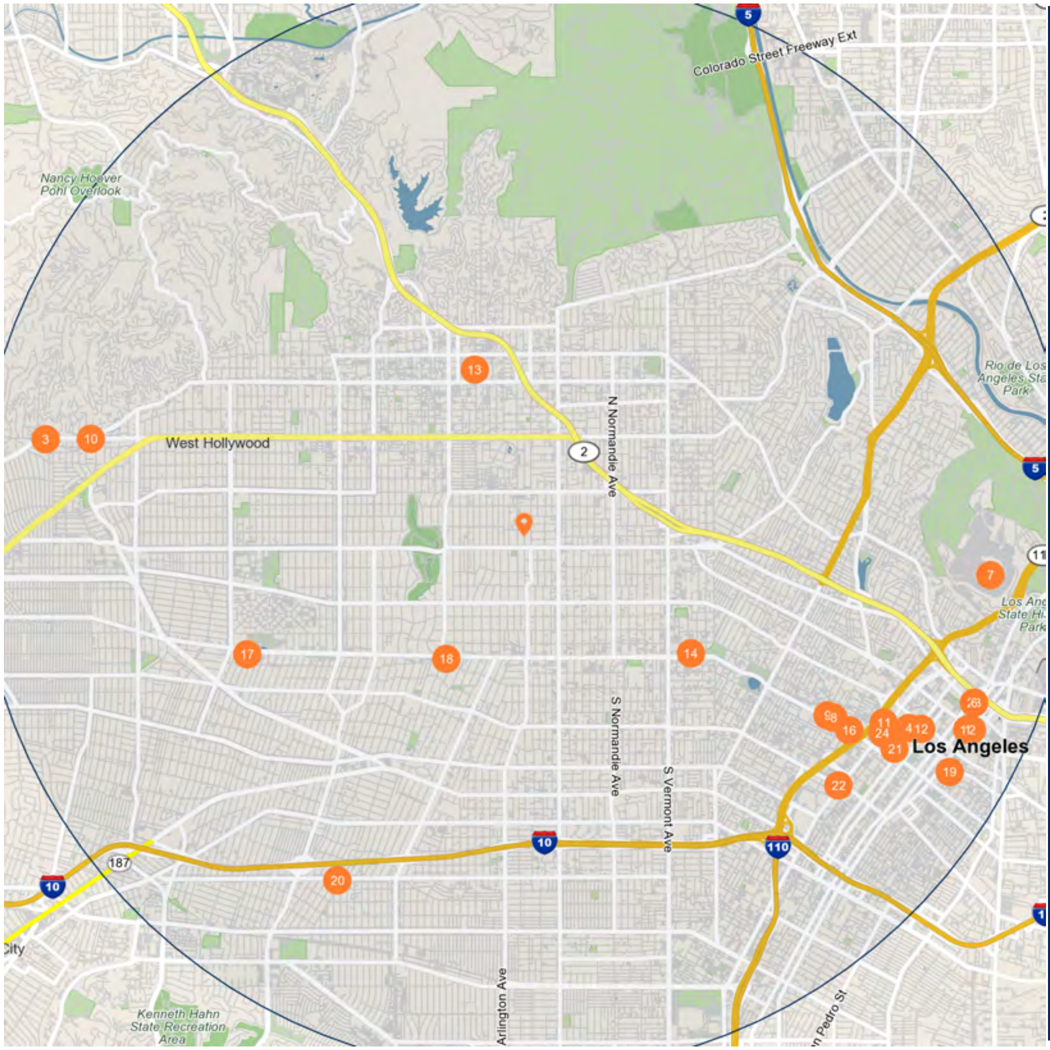
The median housing value in your area was $841,172 in 2022, compared with the U.S. median of $250,735. In 2000, there were 85,897 owner-occupied housing units and 327,300 renter-occupied housing units in your area. The median rent at the time was $579.

EDUCATION

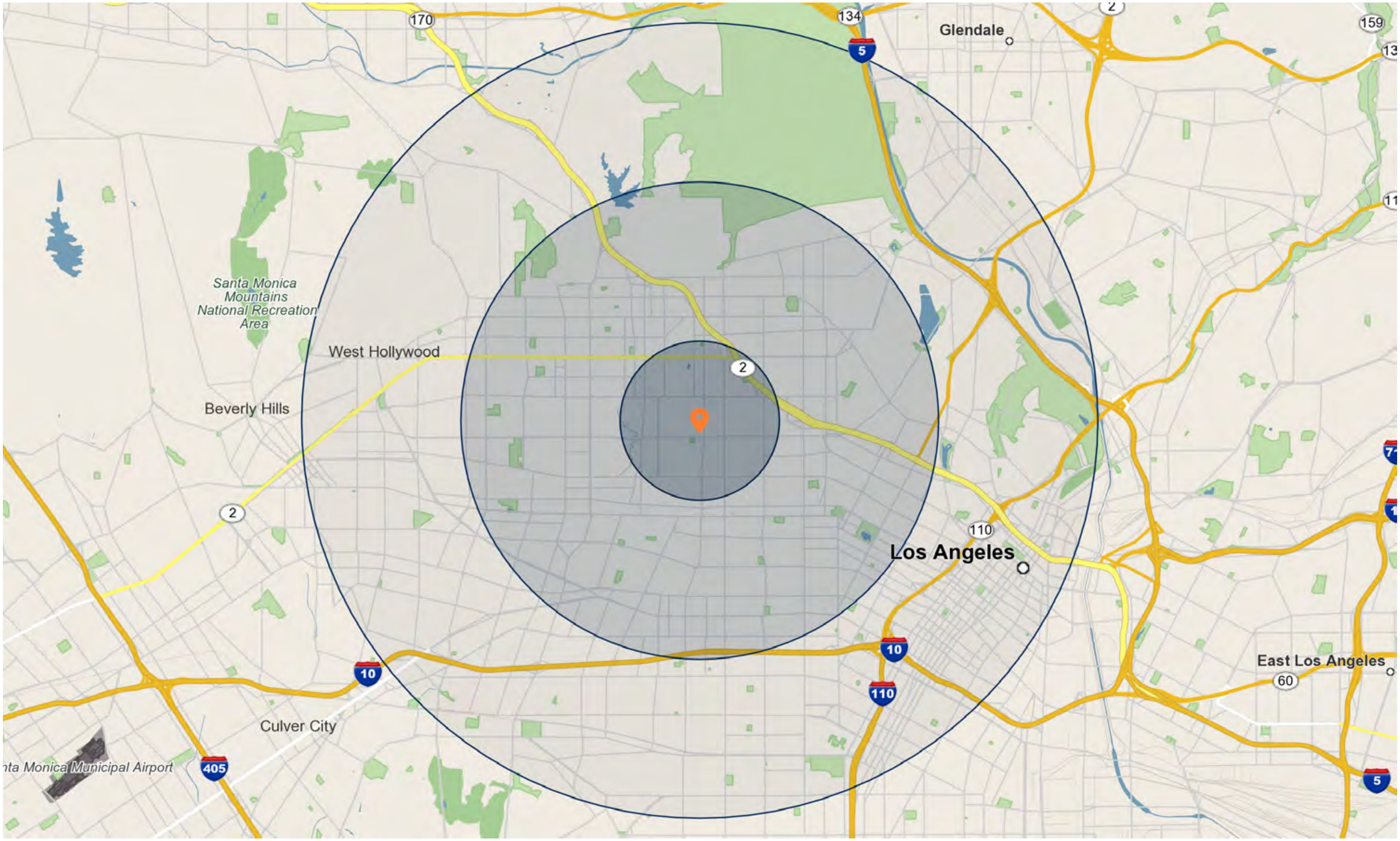
The selected area in 2022 had a lower level of educational attainment when compared with the U.S averages. 12.4 percent of the selected area’s residents had earned a graduate degree compared with the national average of only 12.3 percent, and 27.0 percent completed a bachelor’s degree, compared with the national average of 19.7 percent.

The number of area residents with an associate degree was lower than the nation’s at 5.5 percent vs. 8.4 percent, respectively.

The area had fewer high-school graduates, 17.4 percent vs. 27.1 percent for the nation. The percentage of residents who completed some college is also lower than the average for the nation, at 15.9 percent in the selected area compared with the 20.4 percent in the U.S.



	Major Employers	Employees
1	City of Los Angeles	40,000
2	City of Los Angeles-Dept of Transportation	25,000
3	Yf Art Holdings Gp LLC	10,600
4	Ocm Pe Holdings LP	10,000
5	Live Nation Worldwide Inc	8,800
6	County of Los Angeles-Sheriffs Dept	8,053
7	Fox BSB Holdco Inc-GUGGENHEIM INVESTMENTS	5,156
8	Samaritan Imaging Center	5,005
9	The Orthopedic Institute of	5,004
10	Ticketmaster Entertainment LLC	4,390
11	Mufg Union Bank Foundation	4,200
12	Earth Technology Corp USA	3,771
13	Viacom Networks-Mtv Networks	3,645
14	Service Employees Intl Un-Services Intl Employees Un	3,343
15	City of Los Angeles-Police Dept	3,000
16	Employment Dev Cal Dept	3,000
17	Stockbridge/Sbe Holdings LLC-SBE	3,000
18	Mercury Insurance Services LLC	2,978
19	Golden International	2,968
20	Wand Topco Inc	2,713
21	Kpmg LLP	2,700
22	Sbeeg Holdings LLC	2,693
23	Los Angeles Cnty Dst Attys Off-Lada	2,222
24	Mpg Inc-Metaldyne	2,117
25	Project Skyline Intermediate H	2,020


Glendale
Santa Monica Mountains National Recreation Area
West Hollywood
Beverly Hills
Los Angeles
East Los Angeles
Culver City
ta Monica Municipal Airport
170
134
5
159
2
10
110
405
60

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