Marcus & Millichap
THE AZZI GROUP

LYON STAHL
INVESTMENT REAL ESTATE

1959 GRACE AVE - *The Palms*

Los Angeles, CA 90068

OFFERING MEMORANDUM

DISCLAIMER NOTICE

The information contained in this Offering Memorandum (“Memorandum”) is proprietary and strictly confidential; it is intended to be reviewed only by the party receiving it from Broker and should not be made available to anyone else without the written consent of Broker. By retention or use of this Memorandum, you agree that its contents are confidential, that you will hold it in the strictest confidence, and that you will not disclose any of its contents contrary to these terms.

This Memorandum has been prepared to provide summary, unverified information to establish a preliminary level of interest in the subject property (“Property”). The information in this Memorandum has been obtained from sources Broker believes to be reliable; however, Broker has not conducted sufficient investigation to make any warranty or representation whatsoever including but not limited to the accuracy or completeness of the information, condition of the Property or its compliance or lack of compliance with applicable governmental requirements, developability, suitability or financial performance of the Property, income or expenses for the Property, the size and square footage of the Property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State or Federal regulations, the physical condition of the improvements thereon, or the financial condition or business Property and does not purport to be an all inclusive representation regarding the Property or to contain all or part of the information which prospective investors may require to evaluate the purchase of the Property. Additional information and an opportunity to investigate the Property will be made available to interested and qualified prospective purchasers. All information is based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of Broker, therefore, all information is subject to material variation. The information contained herein is not a substitute for a thorough due diligence investigation. Interested parties are expected to review all information of whatever nature independently and not rely on the contents of this Memorandum in any manner.

The Property owner (“Owner”) expressly reserves the right, at its sole discretion, to reject any or all offers to purchase the Property, and/or to terminate discussions at any time with or without notice. The Owner shall have no legal commitment or obligation unless and until written agreement(s) have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

BROKER OF RECORD

JOSEPH “WOODY” STAHL

DRE License: 01972083

1959 GRACE AVE
LOS ANGELES, CA 90068

PRICE	$8,500,000
UNITS	35
PRICE/UNIT	$242,857
CAP RATE (CURRENT)	5.94%
GRM (CURRENT)	10.37

Exclusively Listed by:

JORDAN ASHEGHIAN

1st Vice President, Lyon Stahl
President & Founder, The Jordan Group
310.922.0238
jordan.asheghian@lyonstahl.com
DRE #01886605

TONY AZZI

Executive Managing Director Investments, Marcus & Millichap
President & Founder, The Azzi Group
310.909.5454
tony.azzi@marcusmillichap.com
DRE #00910513

PROPERTY DESCRIPTION

1959 GRACE AVE
LOS ANGELES, CA 90068

PROPERTY DESCRIPTION

PROPERTY DETAIL

Property Address	1959 Grace Ave
Assessor's Parcel Number	5575-005-026
Number of Units	35
Number of Buildings	1
Number of Stories	4
Year Built	1962
Gross Square Feet	23,776
Lot Size	24,143
Zoning	LARD1.5
Type of Ownership	Fee Simple

UTILITIES

Water	Master Metered
Gas	No Gas In Units - Master Metered for Hot Water
Electric	Separately Metered

PROPERTY AMENITIES

Parking	Gated Parking & Surface Lot Behind Building - 41 Total Spaces
Access	Controlled Entry Access System
Laundry Facilities	Common - 3 Washers / 3 Dryers - Leased

PROPERTY SYSTEMS

Roof	Re-Roof 2009 Per LADBS (Buyer to Verify)
Electrcial Main Panel	Original
Plumbing	Mix - Copper / Galvanized
Sewer Line	Original

INVESTMENT HIGHLIGHTS

- 1st Time to be sold in over 38 Years!
- Rare Classic Mid Century Model Style Property
- Excellent Whitley Heights Location
- Views Of the Hollywood Sign!
- Excellent Unit Mix offering Studio, 1 & 2 Bedroom Units
- Spacious Units Averaging Approx. 679 SF Each
- Approximately Over 23% Rental Upside!
- On Site Parking, Swimming Pool & Laundry Facility for Tenants
- Camera Security System Throughout Property!
- 41 Parking Spots - Over a 1:1 Parking to Unit Ratio
- Pool Pumps Recently Fixed/Replaced
- Select Units Offer Private Balcony/Patio Space
- City Views from Select Units!
- Controlled Entry Access System
- Large 24,143 SF Corner Lot Zoned LARD1.5

*Buyer to Verify All Information
*Property Sits Within the Whitley Heights HPOZ boundary

EXTERIOR / INTERIOR PHOTOS



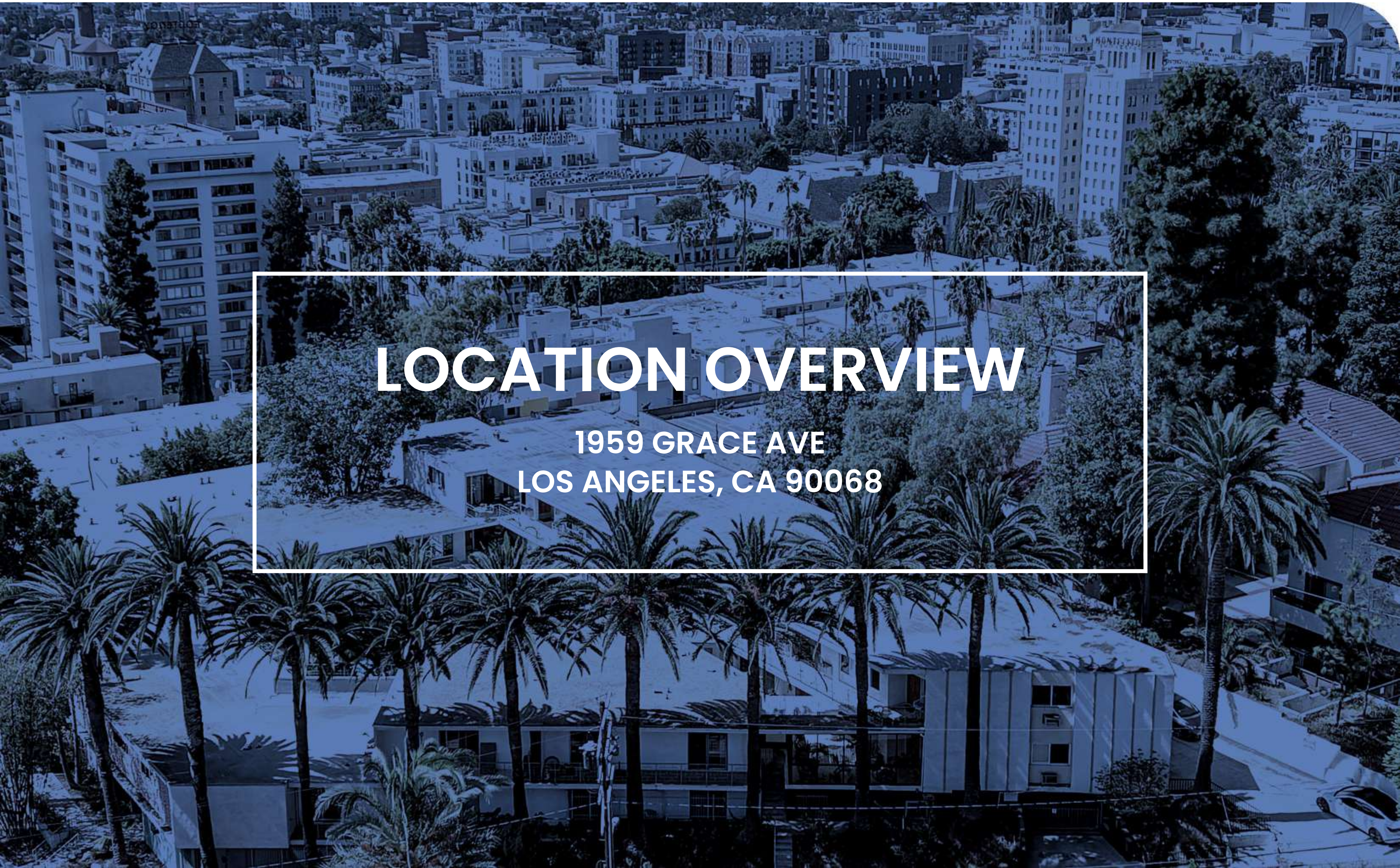

EXTERIOR / INTERIOR PHOTOS

EXTERIOR / INTERIOR PHOTOS

EXTERIOR / INTERIOR PHOTOS

EXTERIOR / INTERIOR PHOTOS

EXTERIOR / INTERIOR PHOTOS



LOCATION OVERVIEW

1959 GRACE AVE
LOS ANGELES, CA 90068

WALKABILITY

The property sits on Grace Avenue in the Whitley Heights section of Hollywood, on the hillside just above Franklin Avenue. With a Walk Score of 89 the location is "Very Walkable" -- most errands can be accomplished on foot -- and its Transit Score of 66 rates the area "Good Transit." Metro's B Line runs about half a mile south, where the Hollywood/Highland and Hollywood/Vine stations put Downtown Los Angeles roughly twenty minutes away by rail and North Hollywood a similar ride in the other direction, and Hollywood DASH and Metro Local routes stop within a block or two of the property. The Hollywood Bowl is under half a mile north, the Capitol Records Building and the Pantages Theatre about the same distance southeast, and Runyon Canyon's trailheads roughly a mile west.

89

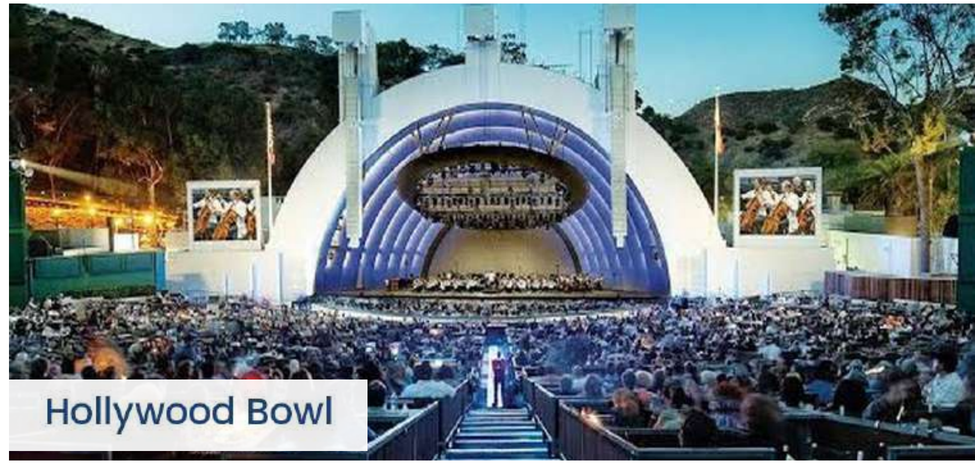
Walk Score

Most errands can be accomplished on foot

66

Transit Score

Good transit; many nearby options



Hollywood Bowl

Hollywood/Vine Station

Runyon Canyon

Ovation Hollywood

TCL Chinese Theatre

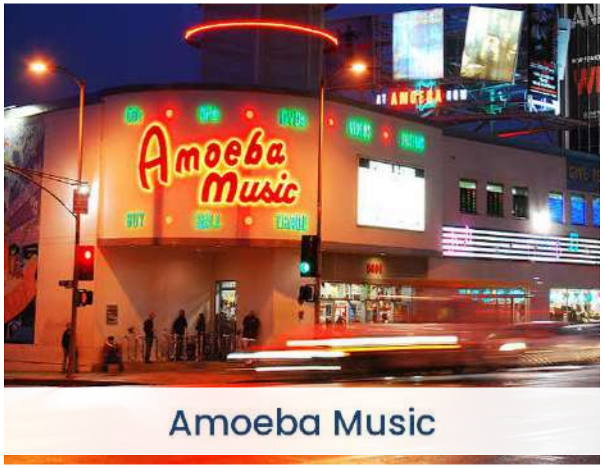
Walk of Fame

Shopping, Dining and Entertainment

Hollywood Boulevard's entertainment core begins a few blocks south. Ovation Hollywood, the TCL Chinese Theatre, and the Walk of Fame draw visitors year-round, while the Pantages Theatre and Amoeba Music anchor the stretch toward Vine. Everyday shopping is just as close: Trader Joe's at Vine, Gelson's on Franklin, and the Sunday farmers market on Ivar each sit under a mile from the front door.

Entertainment is the neighborhood's industry as well as its scenery. The Hollywood Bowl is under half a mile north, and the Capitol Records Building, the Hollywood Palladium, and the studios along Sunset Boulevard -- Netflix among them -- all fall within about a mile. Paramount Pictures lies to the south, while Griffith Observatory and Runyon Canyon put hiking and citywide views minutes from the property.

Pantages Theatre



Amoeba Music

Griffith Observatory

NEARBY DEVELOPMENTS

Subject Property

1959 Grace Ave

Nearby Points of Interest

1. 6400 Franklin Ave – Franklin & Cahuenga -- 20 stories, 223 apartments, entitlement
2. 1716 N Cahuenga Blvd – Onni Group -- 14 stories, 210,000 SF offices, completing 2026
3. 6220 W Yucca St – 30 stories, 269 apartments, approved by City Council
4. 6800 Sunset Blvd – 42 stories, 304 apartments + 115 hotel rooms, approved 2026

1959 GRACE AVE

Los Angeles, CA 90068

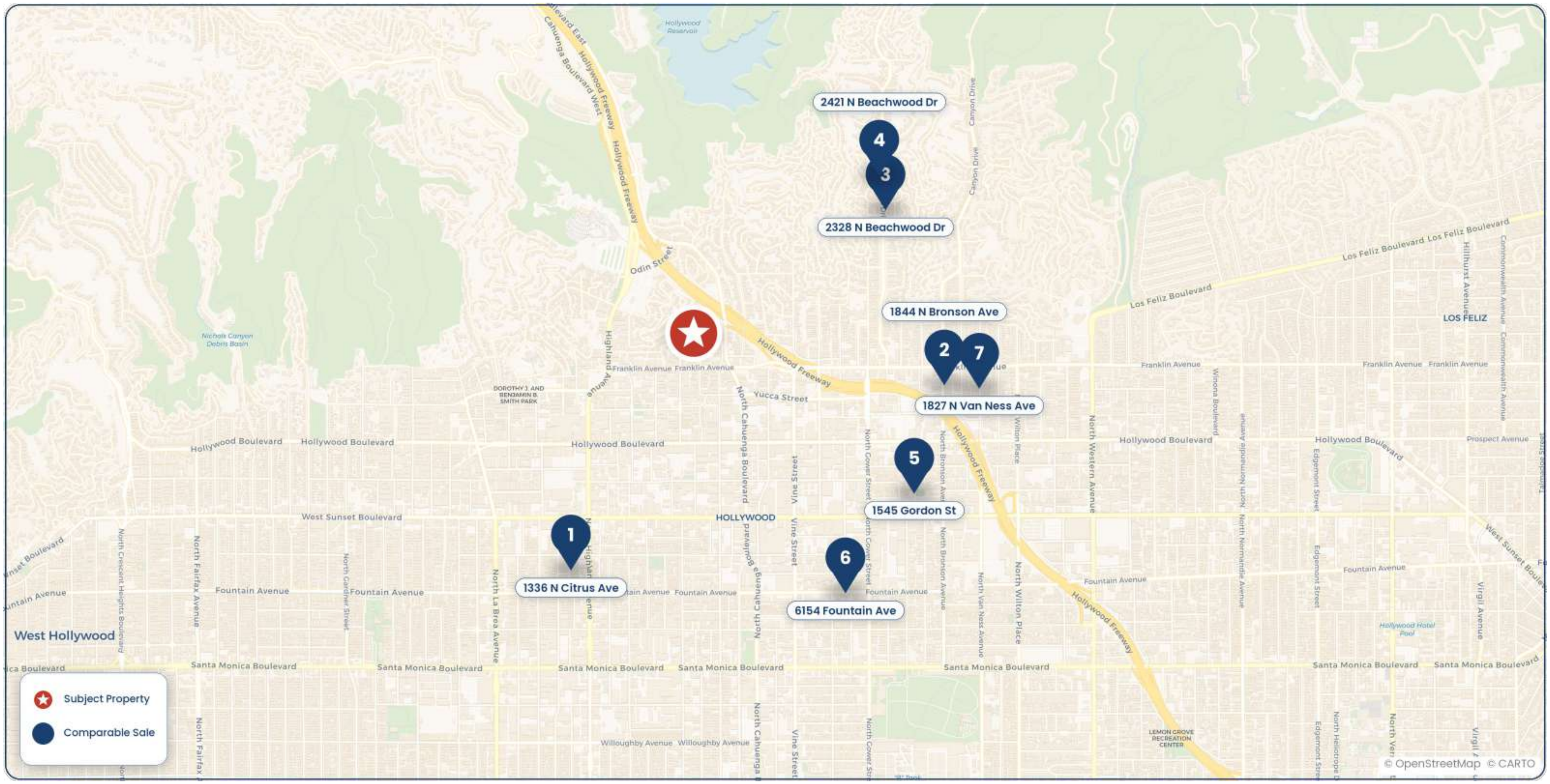
SALE COMPARABLES

SALE COMPARABLES

		Property Name	SALE PRICE	YEAR BUILT	NO. OF UNITS	BUILDING SF	PRICE/UNIT	PRICE/SF	CAP RATE	GRM	COE	UNIT MIX	Notes
		1959 Grace Ave Los Angeles, CA 90068	$8,500,000	1962	35	23,776	$242,857	$358	5.94%	10.37	N/A	(6) Studios (21) 1+1 (2) 2+1.5 (6) 2+2	
1.		1336 N Citrus Ave Los Angeles, CA 90028	$2,200,000	1962	9	7,123	$244,444	$309	5.72%	11.00	4/24/2026	(7) 1 + 1 (2) 2+2	
2.		1844 N Bronson Ave Los Angeles, CA 90028	$7,500,000	1956	26	16,558	$288,462	$453	—	—	4/10/2026	(19) Studios (7) 1+1	
3.		2328 N Beachwood Dr Los Angeles, CA 90068	$1,400,000	1960	5	5,906	$280,000	$237	5.91%	11.42	2/26/2026	(3) 1 +1 (2) 2+2	
4.		2421 N Beachwood Dr Los Angeles, CA 90068	$1,950,000	1972	7	7,784	$278,571	$251	5.30%	11.19	2/6/2026	(2) 1+1 (5) 2+2	
5.		1545 Gordon St Los Angeles, CA 90028	$4,000,000	1965	16	14,502	$250,000	$276	5.17%	11.00	12/31/2025	(9) 1+1 (7) 2+2	
6.		6154 Fountain Ave Los Angeles, CA 90028	$1,550,000	1940	6	5,242	$258,333	$296	4.15%	14.42	11/21/2025	(4) 1 + 1 (2) 2+2	
7.		1827 N Van Ness Ave Los Angeles, CA 90028	$3,700,000	1964	16	14,300	$231,250	$259	5.75%	11.71	11/7/2025	(8) 1 +1 (8) 2+2	
					AVG		$261,580	$297	5.33%	11.79			

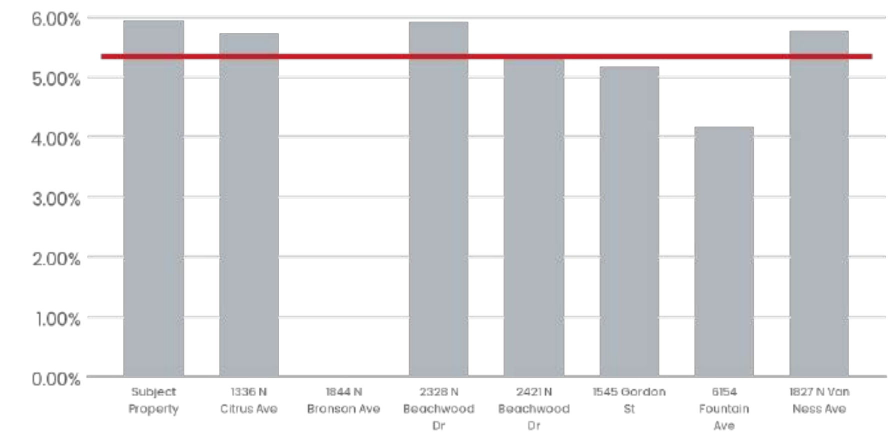
SALE COMPARABLES

Subject property and comparable sales

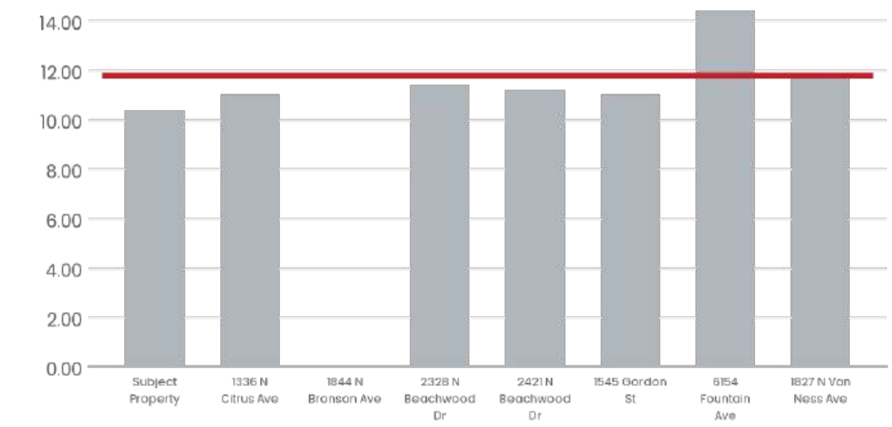


SALES COMPARABLES

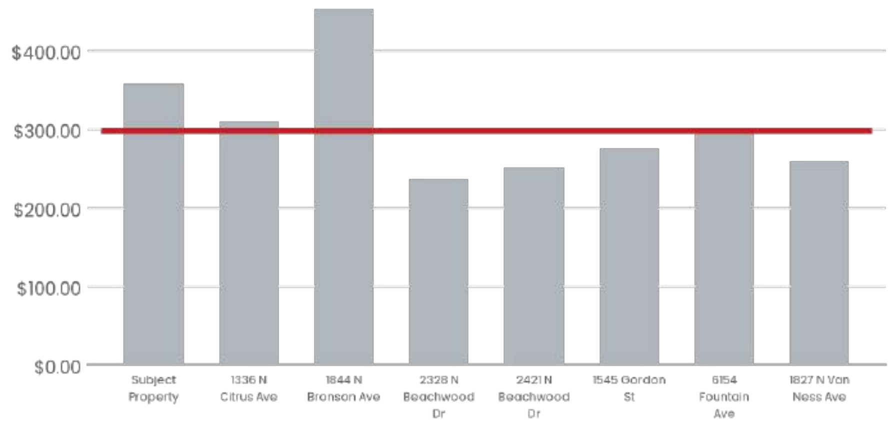
AVERAGE CAP RATE 5.33%



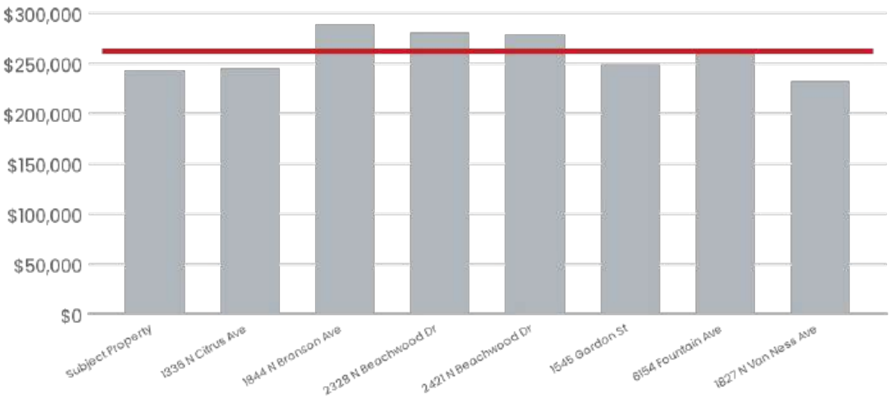
AVERAGE GRM 11.79



AVERAGE PRICE/SF $297.09 SF



AVERAGE PRICE/UNIT $261,580



1959 GRACE AVE

Los Angeles, CA 90068

LEASE COMPARABLES

RENT COMPARABLE

STUDIO - 1 BATH

PROPERTY NAME	UNIT TYPE	NO. OF UNITS	YEAR BUILT	ASKING RENT	UNIT SIZE (SF)	RENT (SF)
1959 GRACE AVE LOS ANGELES, CA 90068	Studio - 1 Bath	35	1962	$1,800	550	$3.27
1800 EL CERRITO PL LOS ANGELES, CA 90068	Studio - 1 Bath	50	1923	$1,700	408	$4.17
2212 N CAHUENGA BLVD LOS ANGELES, CA 90068	Studio - 1 Bath	35	1963	$2,150	500	$4.30
			AVG.	$1,925	454	$4.23

1 BDR - 1 BATH

PROPERTY NAME	UNIT TYPE	NO. OF UNITS	YEAR BUILT	ASKING RENT	UNIT SIZE (SF)	RENT (SF)
1959 GRACE AVE LOS ANGELES, CA 90068	1 Bdr - 1 Bath	35	1962	$2,300	650	$3.54
1917 GRACE AVE LOS ANGELES, CA 90068	1 Bdr - 1 Bath	11	1951	$1,895	750	$2.53
1931 WILCOX AVE LOS ANGELES, CA 90068	1 Bdr - 1 Bath	21	1958	$2,395	650	$3.68
			AVG.	$2,145	700	$3.11

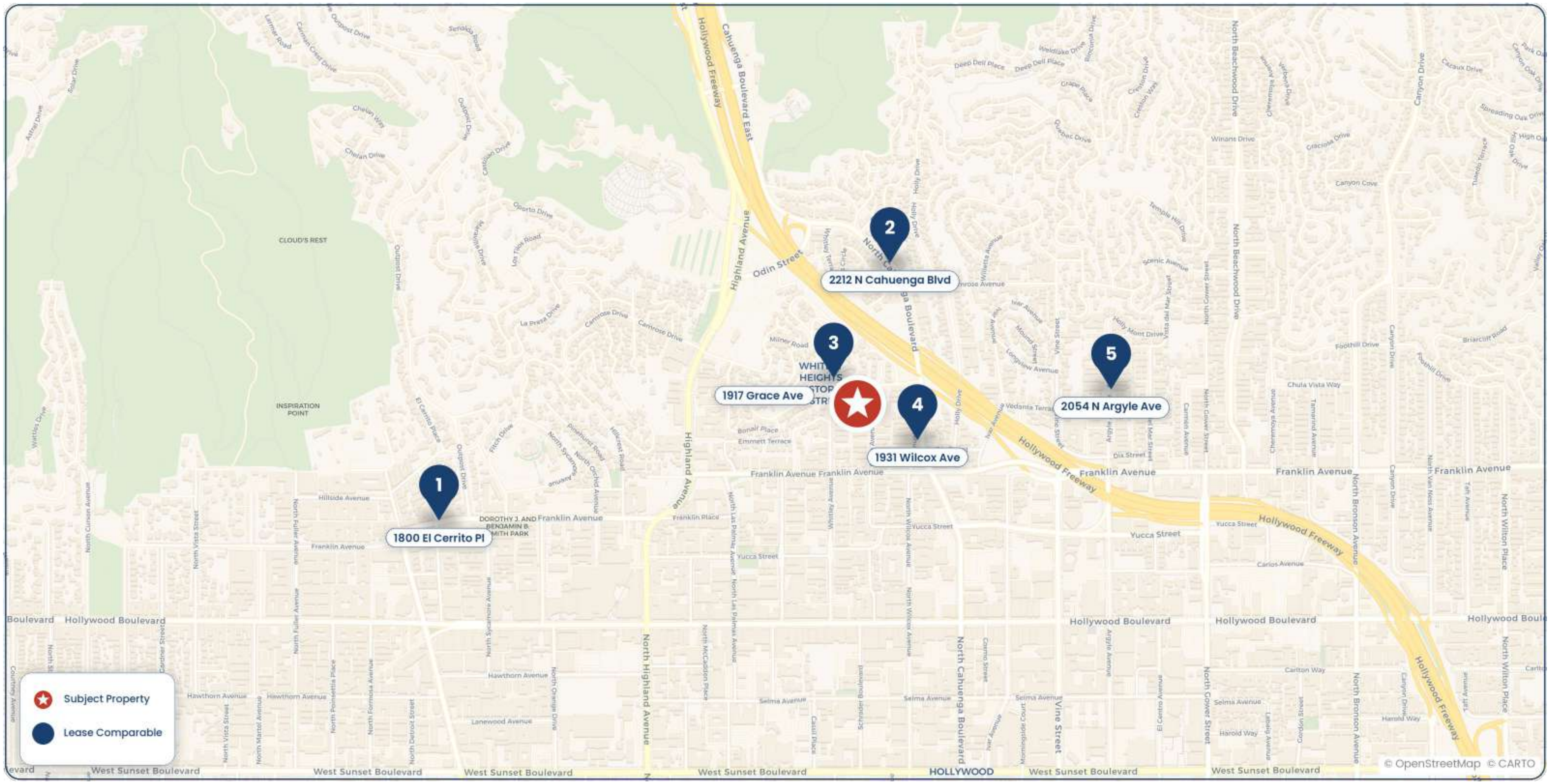
RENT COMPARABLE (continued)

2 BDR - 2 BATH

PROPERTY NAME	UNIT TYPE	NO. OF UNITS	YEAR BUILT	ASKING RENT	UNIT SIZE (SF)	RENT (SF)
1959 GRACE AVE LOS ANGELES, CA 90068	2 Bdr - 2 Bath	35	1962	$3,200	900	$3.56
2054 N ARGYLE AVE LOS ANGELES, CA 90068	2 Bdr - 2 Bath	31	1957	$2,850	850	$3.35
2212 N CAHUENGA BLVD LOS ANGELES, CA 90068	2 Bdr - 2 Bath	35	1963	$3,550	800	$4.44
			AVG.	$3,200	825	$3.90

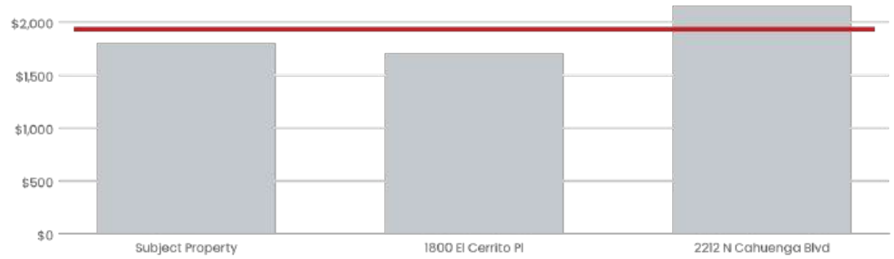
LEASE COMPARABLES

Subject property and comparable rentals



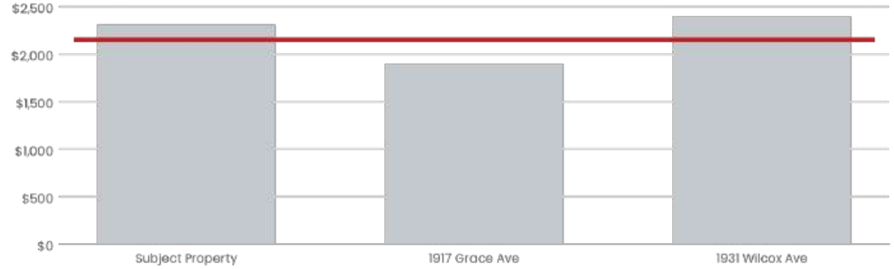
Average Studio

$1,925



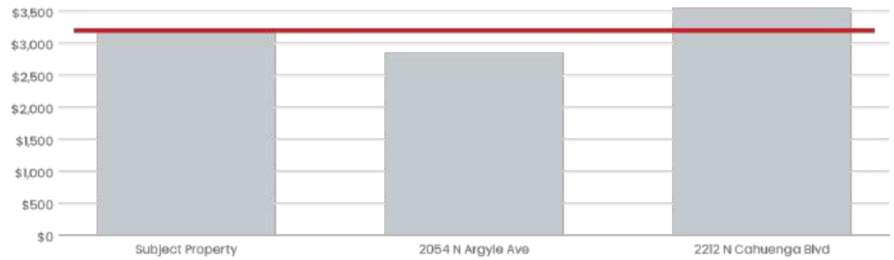
Average 1 Bedroom

$2,145



Average 2 Bedroom

$3,200



1959 GRACE AVE

Los Angeles, CA 90068

FINANCIAL OVERVIEW

RENT ROLL

Unit #	Unit Type – Bed	Unit Type – Bath	Notes	Add Notes	Approx. Unit SF	Current Rent	Rent/SF	Pro Forma Rent	Pro Forma Rent/SF	Move In Date
101	1 Bdr	1 Bath			650	$1,962	$3.02	$2,300	$3.54	10/1/2022
102	1 Bdr	1 Bath			650	$1,900	$2.92	$2,300	$3.54	7/1/2025
103	1 Bdr	1 Bath			650	$1,950	$3.00	$2,300	$3.54	6/1/2026
104	2 Bdr	1.5 Bath			900	$1,962	$2.18	$3,100	$3.44	8/1/2024
201	Studio	1 Bath			550	$1,540	$2.80	$1,800	$3.27	5/1/2025
202	Studio	1 Bath			550	$679	$1.23	$1,800	$3.27	1/1/2000
203	Studio	1 Bath			550	$1,550	$2.82	$1,800	$3.27	3/1/2026
204	1 Bdr	1 Bath			650	$2,100	$3.23	$2,300	$3.54	8/27/2023
205	1 Bdr	1 Bath			650	$2,100	$3.23	$2,300	$3.54	10/1/2025
206	1 Bdr	1 Bath			650	$1,920	$2.95	$2,300	$3.54	2/1/2023
207	1 Bdr	1 Bath			650	$2,010	$3.09	$2,300	$3.54	8/24/2024
208	2 Bdr	2 Bath			900	$2,650	$2.94	$3,200	$3.56	2/27/2024
209	1 Bdr	1 Bath			650	$1,950	$3.00	$2,300	$3.54	12/17/2025
210	2 Bdr	2 Bath			900	$2,678	$2.98	$3,200	$3.56	3/25/2023
301	Studio	1 Bath			550	$1,650	$3.00	$1,800	$3.27	1/17/2026
302	Studio	1 Bath			550	$1,586	$2.88	$1,800	$3.27	12/9/2023
303	Studio	1 Bath			550	$1,586	$2.88	$1,800	$3.27	6/15/2024
304	2 Bdr	2 Bath			900	$2,013	$2.24	$3,200	$3.56	3/28/2008
305	2 Bdr	2 Bath			900	$2,276	$2.53	$3,200	$3.56	12/1/2021

RENT ROLL (continued)

Unit #	Unit Type – Bed	Unit Type – Bath	Notes	Add Notes	Approx. Unit SF	Current Rent	Rent/SF	Pro Forma Rent	Pro Forma Rent/SF	Move In Date
306	1 Bdr	1 Bath			650	$2,150	$3.31	$2,300	$3.54	8/1/2025
307	1 Bdr	1 Bath			650	$2,100	$3.23	$2,300	$3.54	5/1/2026
308	1 Bdr	1 Bath			650	$1,584	$2.44	$2,300	$3.54	11/1/2009
309	1 Bdr	1 Bath			650	$2,100	$3.23	$2,300	$3.54	8/14/2024
310	1 Bdr	1 Bath			650	$1,567	$2.41	$2,300	$3.54	5/26/2001
311	1 Bdr	1 Bath			650	$1,589	$2.45	$2,300	$3.54	2/15/2015
312	2 Bdr	1.5 Bath			900	$2,700	$3.00	$3,100	$3.44	1/9/2026
313	1 Bdr	1 Bath			650	$1,671	$2.57	$2,300	$3.54	2/8/2011
401	2 Bdr	2 Bath			900	$2,168	$2.41	$3,200	$3.56	7/5/2022
402	2 Bdr	2 Bath			650	$2,276	$3.50	$3,200	$4.92	5/5/2020
403	1 Bdr	1 Bath			650	$2,200	$3.38	$2,300	$3.54	7/15/2023
404	1 Bdr	1 Bath			650	$2,005	$3.08	$2,300	$3.54	12/1/2019
405	1 Bdr	1 Bath			650	$2,100	$3.23	$2,300	$3.54	12/4/2023
406	1 Bdr	1 Bath			650	$1,608	$2.47	$2,300	$3.54	2/1/2015
407	1 Bdr	1 Bath	On Site Manager		650	$2,200	$3.38	$2,300	$3.54	3/1/2026
408	1 Bdr	1 Bath			650	$2,250	$3.46	$2,300	$3.54	2/21/2026
0	TOTAL	VACANT				$0		$0		
35	TOTAL	OCCUPIED				$68,331		$84,500		
35	TOTAL				23,776	$68,331	$2.87	$84,500	$3.53	

*Rent Roll as of 10/1/2026

INCOME AND EXPENSE

Total Number of Units 35

Total Area (Gross) 23,776 SF

Income		Current	Per Unit		Pro Forma	Per Unit
GROSS POTENTIAL RENT		$819,972	$23,428		$1,014,000	$28,971
Laundry*		$2,035	$58		$2,035	$58
Total Other Income		$2,035	$58		$2,035	$58
GROSS POTENTIAL INCOME		$822,007	$23,486		$1,016,035	$29,030
Vacancy/Collection Allowance (GPR)	3.0%	$24,599	$703	3.0%	$30,420	$869
EFFECTIVE GROSS INCOME		$797,407	$22,783		$985,615	$28,160

Expenses						
Real Estate Taxes*	1.1874%	$100,927	$2,884		$100,927	$2,884
Insurance*		$29,720	$849		$29,720	$849
R&M*		$35,000	$1,000		$35,000	$1,000
Trash		$16,612	$475		$16,612	$475
Utilities - Power, Gas & Water		$52,033	$1,487		$52,033	$1,487
On Site Manager		$13,200	$377		$13,200	$377
Off Site Manager*		$32,799	$937		$40,560	$1,159
Gardening		$3,600	$103		$3,600	$103
Pool		$4,320	$123		$4,320	$123
Pest Control		$620	$18		$620	$18
Rent Registration		$3,827	$109		$3,827	$109
TOTAL EXPENSES		$292,658	$8,362		$300,419	$8,583
Expenses per SF		$12.31			$12.64	
% of EGI		36.7%			30.5%	
NET OPERATING INCOME		$504,749	$14,421		$685,195	$19,577

*Estimated

FINANCIAL OVERVIEW

Location

1959 Grace Ave
Los Angeles, CA 90068

Price		$8,500,000
Down Payment	36%	$3,060,000
Number of Units		35
Price/Unit		$242,857
Gross Square Feet		23,776
Price/SF		$358
CAP Rate - Current		5.94%
CAP Rate - Pro Forma		8.06%
GRM - Current		10.37
GRM - Pro Forma		8.38
Year Built		1962
Lot Size		24,143 SF
Zoning		LARD1.5
Type of Ownership		Fee Simple

Financing

Loan Amount	$5,440,000
Loan Type	Proposed New
Interest Rate	6.250%
Amortization	30 Years
Monthly Payments	$33,495

*Loan information is time sensitive and subject to change
*Please speak with Lender to verify

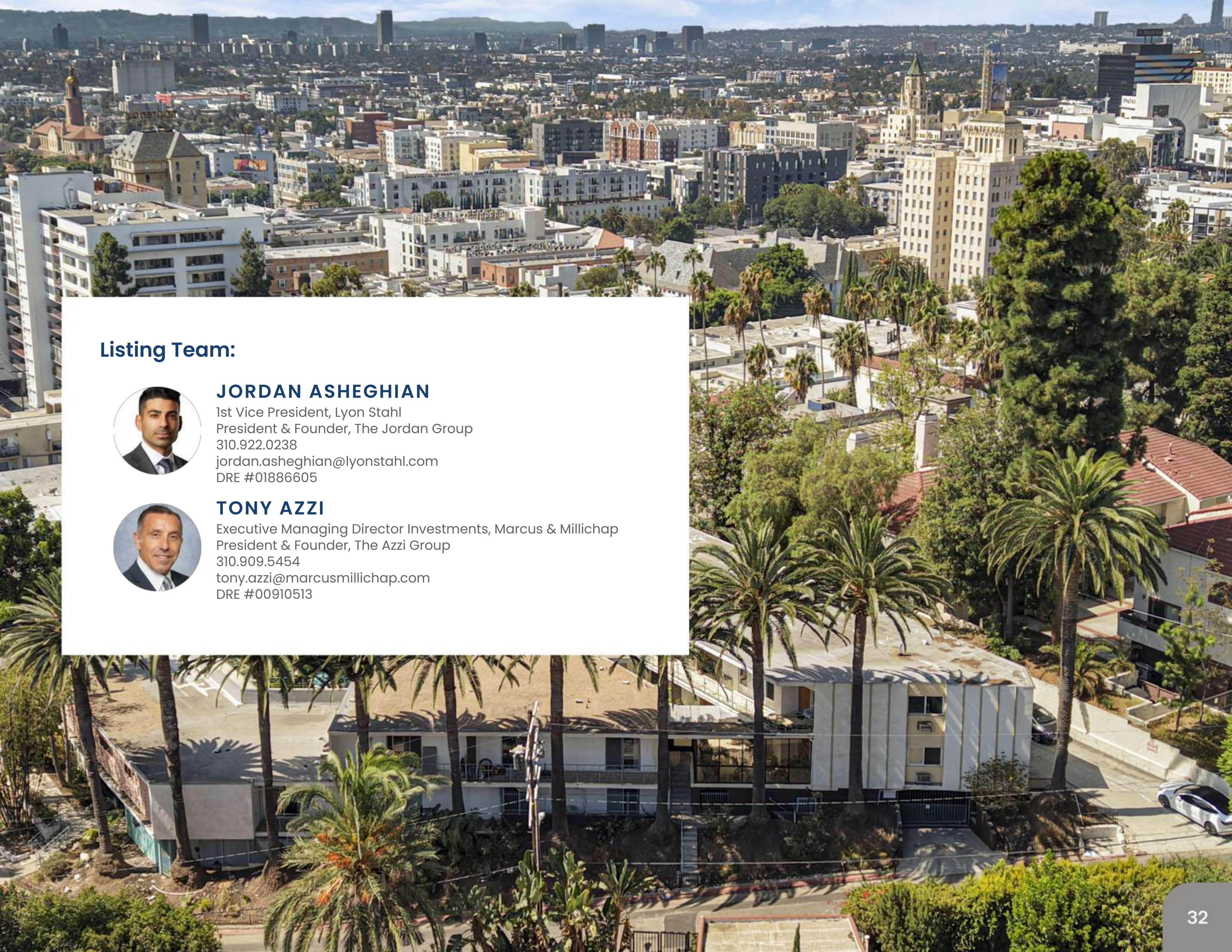
Annualized Operating Data

Income		Current		Pro Forma
Gross Potential Rent		$819,972		$1,014,000
Other Income		$2,035		$2,035
Gross Potential Income		$822,007		$1,016,035
Less: Vacancy/Deductions (GPR)	3.0%	$24,599	3.0%	$30,420
Effective Gross Income		$797,407		$985,615
Less: Expenses		$292,658		$300,419
Net Operating Income		$504,749		$685,195
Net Cash Flow Before Debt Service		$504,749		$685,195
Debt Service		$401,940		$401,940
Debt Service Coverage Ratio (DSCR)		1.26		1.70
Net Cash Flow After Debt Service	3.36%	$102,809	9.26%	$283,255
Principal Reduction		$65,839		$65,839
Total Return	5.5%	$168,648	11.4%	$349,094

Expenses

Real Estate Taxes*	1.1874%	$100,927	$100,927
Insurance*	$1.25/SF	$29,720	$29,720
R&M*		$35,000	$35,000
Trash		$16,612	$16,612
Utilities - Power, Gas & Water		$52,033	$52,033
On Site Manager		$13,200	$13,200
Off Site Manager*	4.0%	$32,799	$40,560
Gardening		$3,600	$3,600
Pool		$4,320	$4,320
Pest Control		$620	$620
Rent Registration		$3,827	$3,827
Total Expenses		$292,658	$300,419
Expenses/Unit		$8,362	$8,583
Expenses/SF		$12.31	$12.64

*Estimated



Listing Team:

JORDAN ASHEGHIAN

1st Vice President, Lyon Stahl
President & Founder, The Jordan Group
310.922.0238
jordan.asheghian@lyonstahl.com
DRE #01886605

TONY AZZI

Executive Managing Director Investments, Marcus & Millichap
President & Founder, The Azzi Group
310.909.5454
tony.azzi@marcusmillichap.com
DRE #00910513