MASSIVE $420K PRICE REDUCTION • 9.2% CURRENT CAP RATE • 6.9 GRM

5937-5957 AVALON BLVD

LOS ANGELES, CALIFORNIA 90003

Northmarq

OFFERING MEMORANDUM

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05.

EXECUTIVE SUMMARY

PROPERTY DESCRIPTION

PRICE REDUCED BY $420,000

5937-5957 Avalon Blvd is a mixed-use property with one level of apartments over a level of street front retail and commercial constructed in 1920. The property totals 28,648 gross square footage and consists of (13) Studio/One-Bathroom unit, (9) One-Bedroom/One-Bathroom units, (5) Retail units and (3) Commercial units, overall totaling 764 square feet per unit. The property includes a small parking lot for approximately 13 cars that is leased from the adjacent property, located off of East 59th Place. Additionally, the property is located in a federal qualified opportunity zone.

Situated on a lot of over 16,000 square feet, the low density 1920's construction property is the only large mixed-use property in the immediate area. The property is of wood frame and stucco construction. All units and commercial/retail tenants have separate gas and electric meters as well as individual hot water heaters. All commercial and retail leases are gross with the tenants only paying rent and utilities. The average retail lease is $2.11 per square feet gross and the industrial spaces are leased at

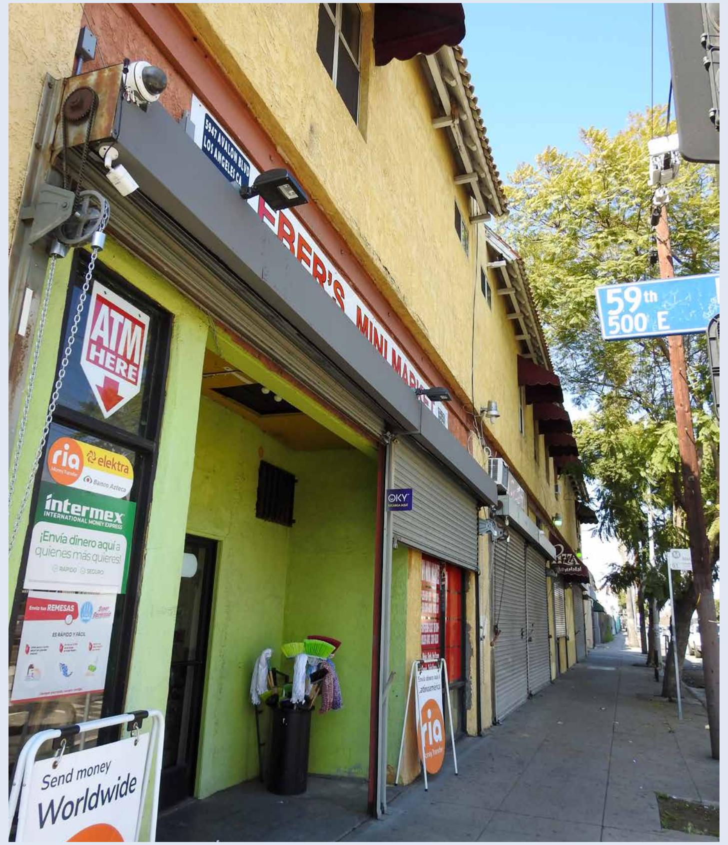
30
Units Total

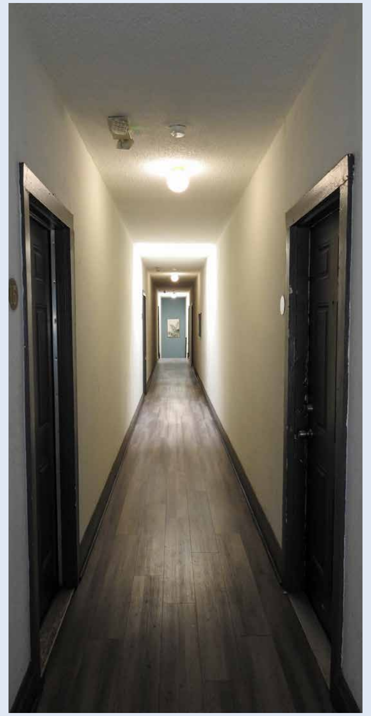
1920
Year Built

$166.85
$/SF

9.23%
Cap Rate
Current

6.99
GRM
Current

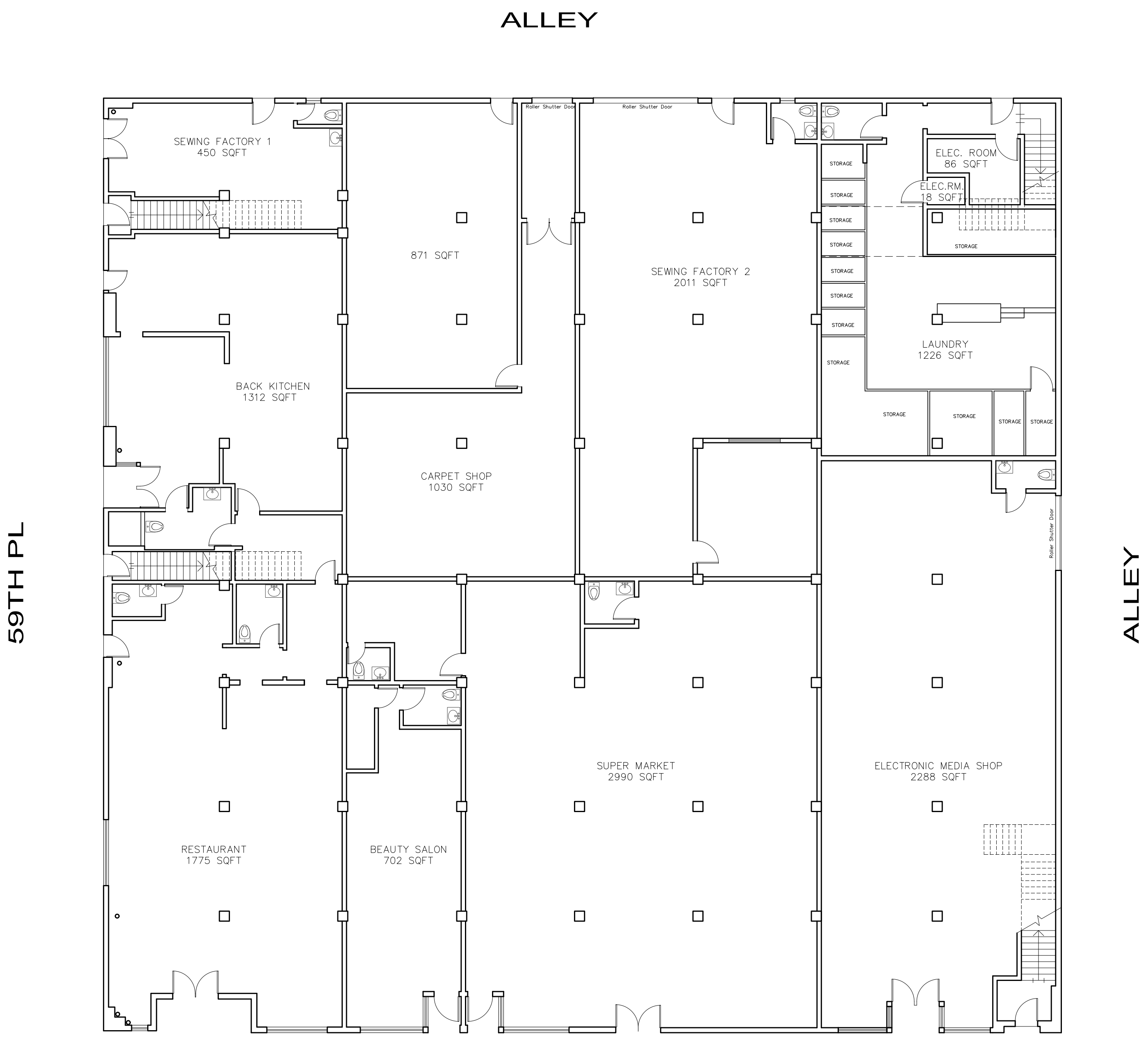




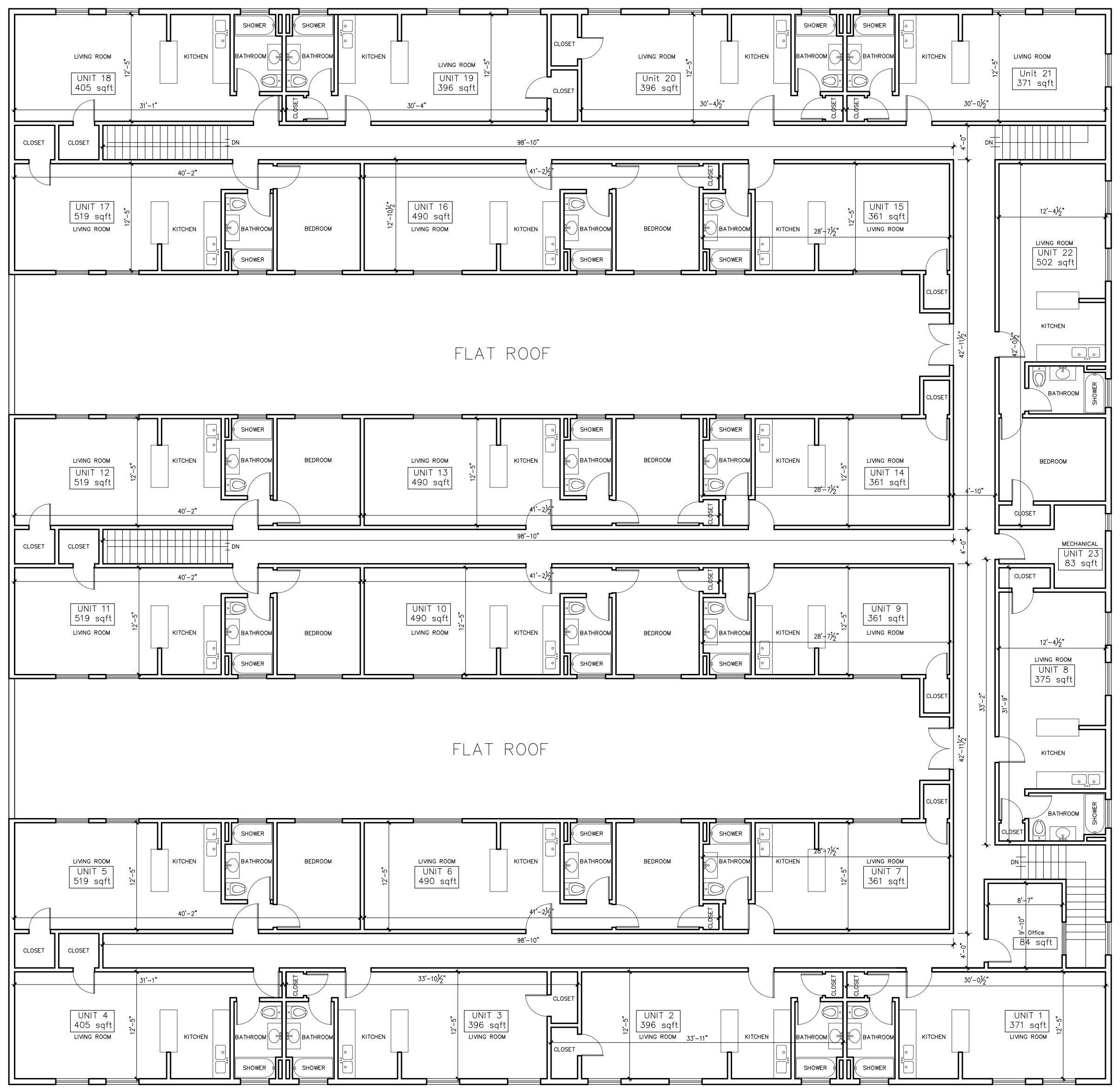
PROPERTY SUMMARY

ADDRESS	5937-5957 Avalon Blvd, Los Angeles, California 90003
UNITS	30
YEAR BUILT	1920
STORIES	2
GROSS SF	28,648
NRSF	22,922
LOCATION	South Los Angeles
PARCEL NUMBER	6006-032-028
TYPE OF BUILDING	Low-Rise Apartments/Mixed Use

FIRST FLOOR PLAN

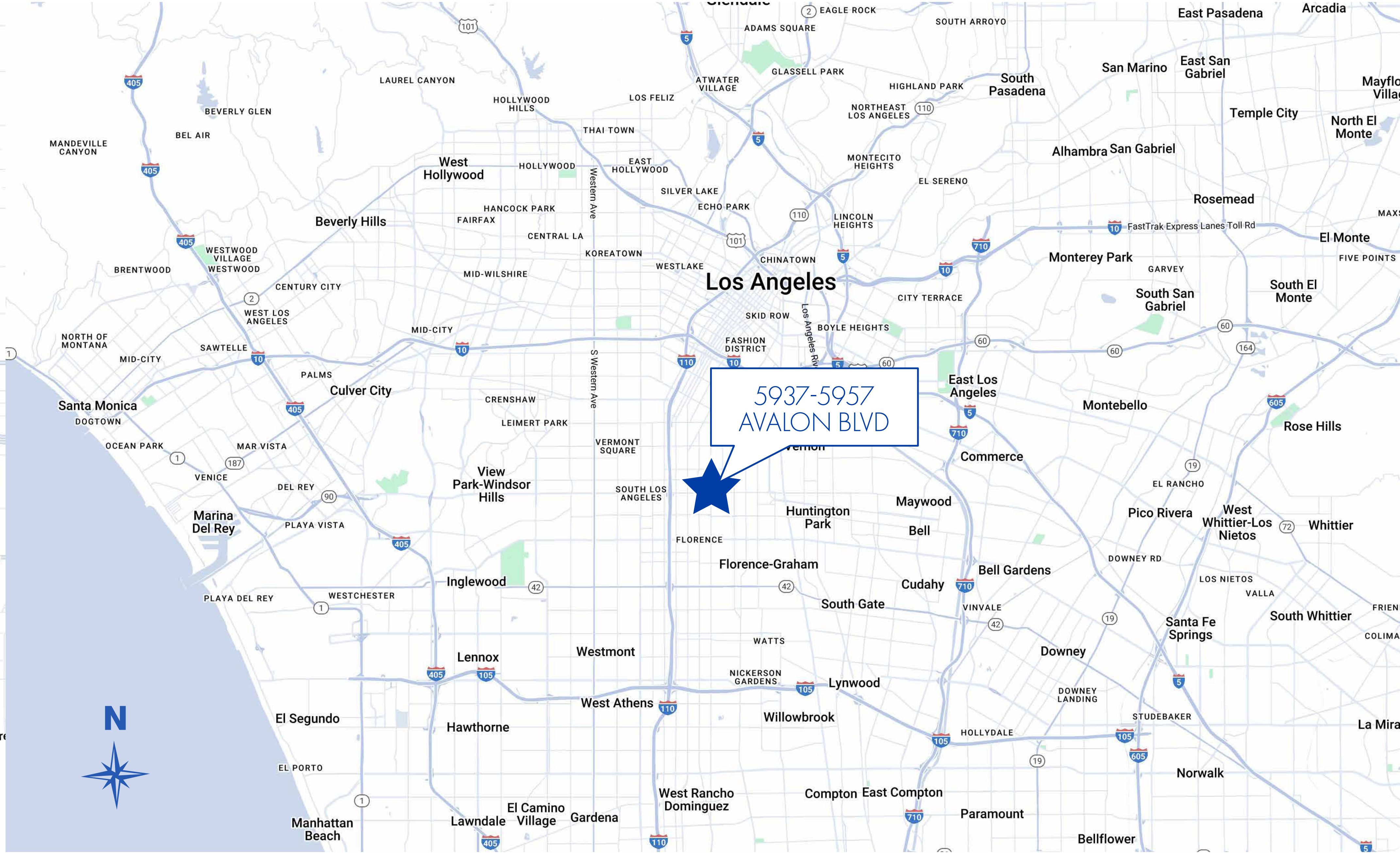


SECOND FLOOR PLAN



LOCATION MAP

REGIONAL MAP



13. FINANCIAL ANALYSIS

RENT ROLL

Unit #	Unit Description	Estimated Unit SF	Current Rate	Current Rent/SF	Projected Market Rate	Projected Rent/SF	Status	Terms	Parking
1	Studio, One Bath	371	$1,065.75	$2.87	$1,295.00	$3.49			
2	Studio, One Bath	396	$1,250.00	$3.16	$1,295.00	$3.27			
3	Studio, One Bath	396	$1,230.37	$3.11	$1,295.00	$3.27			
4	Studio, One Bath	405	$848.38	$2.09	$1,295.00	$3.20			
5	One Bedroom, One Bath	519	$1,400.00	$2.70	$1,600.00	$3.08			
6	One Bedroom, One Bath	490	$1,375.00	$2.81	$1,600.00	$3.27			
7	Studio, One Bath	361	$1,275.00	$3.53	$1,295.00	$3.59			
8	Studio, One Bath	375	$1,295.00	$3.45	$1,295.00	$3.45			
9	Studio, One Bath	361	$1,275.00	$3.53	$1,295.00	$3.59			
10	One Bedroom, One Bath	490	$1,475.00	$3.01	$1,600.00	$3.27			
11	One Bedroom, One Bath	519	$1,595.00	$3.07	$1,600.00	$3.08			
12	One Bedroom, One Bath	519	$1,400.00	$2.70	$1,600.00	$3.08			
13	One Bedroom, One Bath	490	$1,350.00	$2.76	$1,600.00	$3.27			
14	Studio, One Bath	361	$1,275.00	$3.53	$1,295.00	$3.59			
15	Studio, One Bath	361	$1,275.00	$3.53	$1,295.00	$3.59			
16	One Bedroom, One Bath	490	$1,283.36	$2.62	$1,600.00	$3.27			
17	One Bedroom, One Bath	519	$1,350.00	$2.60	$1,600.00	$3.08			
18	Studio, One Bath	405	$1,300.00	$3.21	$1,295.00	$3.20			
19	Studio, One Bath	396	$1,248.00	$3.15	$1,295.00	$3.27			
20	Studio, One Bath	396	$1,225.00	$3.09	$1,295.00	$3.27			
21	Studio, One Bath	371	$1,225.00	$3.30	$1,295.00	$3.49			
22	One Bedroom, One Bath	502	$1,485.00	$2.96	$1,600.00	$3.19			
5939	Retail	2,288	$3,900.00	$1.70	$4,004.00	$1.75	Vacant		
5941/5943	Retail	2,990	$6,100.18	$2.04	$7,475.00	$2.50	Just Leased		9/1/2023
5945	Retail	702	$2,008.00	$2.86	$2,106.00	$3.00	Beauty	Gross	7/1/2002
5947	Retail	1,775	$4,120.00	$2.32	$4,881.25	$2.75	Restaurant	Gross	8/23/2024
519	Retail	1,312	$3,000.00	$2.29	$4,592.00	$3.50	Just Leased		
515	Commercial	450	$1,460.00	$3.24	$562.50	$1.25	Industrial	Gross	4/1/2019
5945 B	Commercial	1,901	$2,781.00	$1.46	$4,277.25	$2.25	Industrial	Gross	4/1/2024
5941 B	Commercial	2,011	$2,678.00	$1.33	$2,513.75	$1.25	Industrial	Gross	1/1/2019

	Unit Description	Estimated SF	Current Rate	Rent Range/SF	Projected Market Rate	Percent Vacant	Number Vacant	Number of Units	Percentage of Total
Totals:	Studio, One Bath	4,955.00	$15,787.50	$2.09 - $3.53	$16,835.00	0.00%	0	13	43.33%
	One Bedroom, One Bath	4,538.00	$12,713.36	$2.60 - $3.07	$14,400.00	0.00%	0	9	30.00%
	Retail	9,067.00	$19,128.18	$1.70 - $2.86	$23,058.25	20.00%	1	5	16.67%
	Commercial	4,362.00	$6,919.00	$1.33 - $3.24	$7,353.50	0.00%	0	3	10.00%
		22,922	**$54,548.04**		**$61,646.75**	**3.33%**	**1**	**30**	

	Unit Description	Estimated SF	Current Rate	Current Rent/SF	Projected Market Rate	Projected Rent/SF	% Estimated Upside	Rental Range
Averages:	Studio, One Bath	381.15	$1,214.42	$3.19	$1,295.00	$3.40	6.63%	$848 - $1,300
	One Bedroom, One Bath	504.22	$1,412.60	$2.80	$1,600.00	$3.17	13.27%	$1,283 - $1,595
	Retail	1,813.40	$3,825.64	$2.11	$4,611.65	$2.54	20.55%	$2,008 - $6,100
	Commercial	1,454.00	$2,306.33	$1.59	$2,451.17	$1.69	6.28%	$1,460 - $2,781

Unit Mix & Rent Schedule

Units	Unit Type	Estimated Unit SF	Current Rental Range	Current Avg. Rent	Market Rent	Current Rent/SF	Market Rent/SF	Est. Total Net SF
13	Studio / 1 Bath	381	$848 - $1,300	$1,214	$1,295	$3.19	$3.40	4,955
9	1 Bed / 1 Bath	504	$1,283 - $1,595	$1,413	$1,600	$2.80	$3.17	4,538
5	Retail	1,813	$2,008 - $6,100	$3,826	$4,612	$2.11	$2.54	9,067
3	Commercial	1,454	$1,460 - $2,781	$2,306	$2,451	$1.59	$1.69	4,362
30		**764**		**$1,818**	**$2,055**	**$2.38**	**$2.69**	**22,922**
							Gross SF	**28,648**

FINANCIAL ANALYSIS

Income	Percentage	Per Apartment	Current Pro Forma	Market Pro Forma
Scheduled Market Rent			$654,576	$739,761
Less: Vacancy		3.00%	($19,637)	($22,193)
Net Rental Income			**$634,939**	**$717,568**
Plus: Storage Income			$4,800	$4,800
Plus: Parking Income			$17,400	$17,400
Plus: Laundry Income			$6,852	$6,852
Total Operating Income (EGI)			**$663,991**	**$746,620**
Estimated Expenses	**Percentage**	**Per Apartment**		
Administrative		$100	$2,200	$2,200
Commercial Leasing & TI		$610	$13,429	$13,429
Payroll-On Site Mgmt		$1,009	$22,200	$22,200
Parking Rent		$144	$4,326	$4,326
Repairs & Maintenance		$1,000	$22,000	$22,000
Management Fee	4.00%	$873	$26,183	$29,590
Utilities (Water, Sewer, Electric & Gas)		$1,158	$25,477	$25,477
Contracted Services		$491	$10,798	$10,798
Base Property Taxes	1.1997%	$1,912	$57,345	$57,345
Property Tax Direct Assessments		$116	$3,470	$3,470
Insurance		$1,400	$30,800	$30,800
Replacement Reserve		$200	$4,400	$4,400
Estimated Expenses			**$222,628**	**$226,036**
		% of Scheduled:	**34.01%**	**30.56%**
		Per SF:	$7.77	$7.89
		Per Unit:	$10,119	$10,274
Net Operating Income (NOI)			**$441,363**	**$520,585**
Less: Debt Service			($257,599)	($257,599)
Projected Net Cash Flow			$183,763	$262,985
Total Economic Loss			3.0%	3.0%
Cash-on-Cash Return (Based on Asking Price)			10.78%	15.43%
Debt Service Coverage			1.71	2.02

INVESTMENT SUMMARY

NEW ASKING PRICE	$4,780,000
PRICE/SF	$166.85
CAP RATE CURRENT	9.23%
CAP RATE MARKET	10.89%
GRM CURRENT	6.99
GRM PRO FORMA	6.22

ALL FINANCING

TOTAL LOAN AMOUNT	$3,107,000
DOWN PAYMENT	$1,704,070
LTV	65%
MONTHLY PAYMENT	($21,467)
DEBT CONSTANT	8.3%

NEW FIRST MORTGAGE

(to be originated at purchase)

LTV	65%
AMOUNT	$3,107,000
INTEREST RATE	6.75%
AMORTIZATION	25
PAYMENT	($21,467)
FEES	1.00%
I/O TERMS (YRS)	0

PRICING SUMMARY

Cap Rate Analysis	Price	Price/Foot	Cap Rate Current	Cap Rate Market	GRM Current	GRM Pro Forma
New Asking Price	$4,780,000	$166.85	9.23%	10.89%	6.99	6.22

19. MARKET COMPARABLES

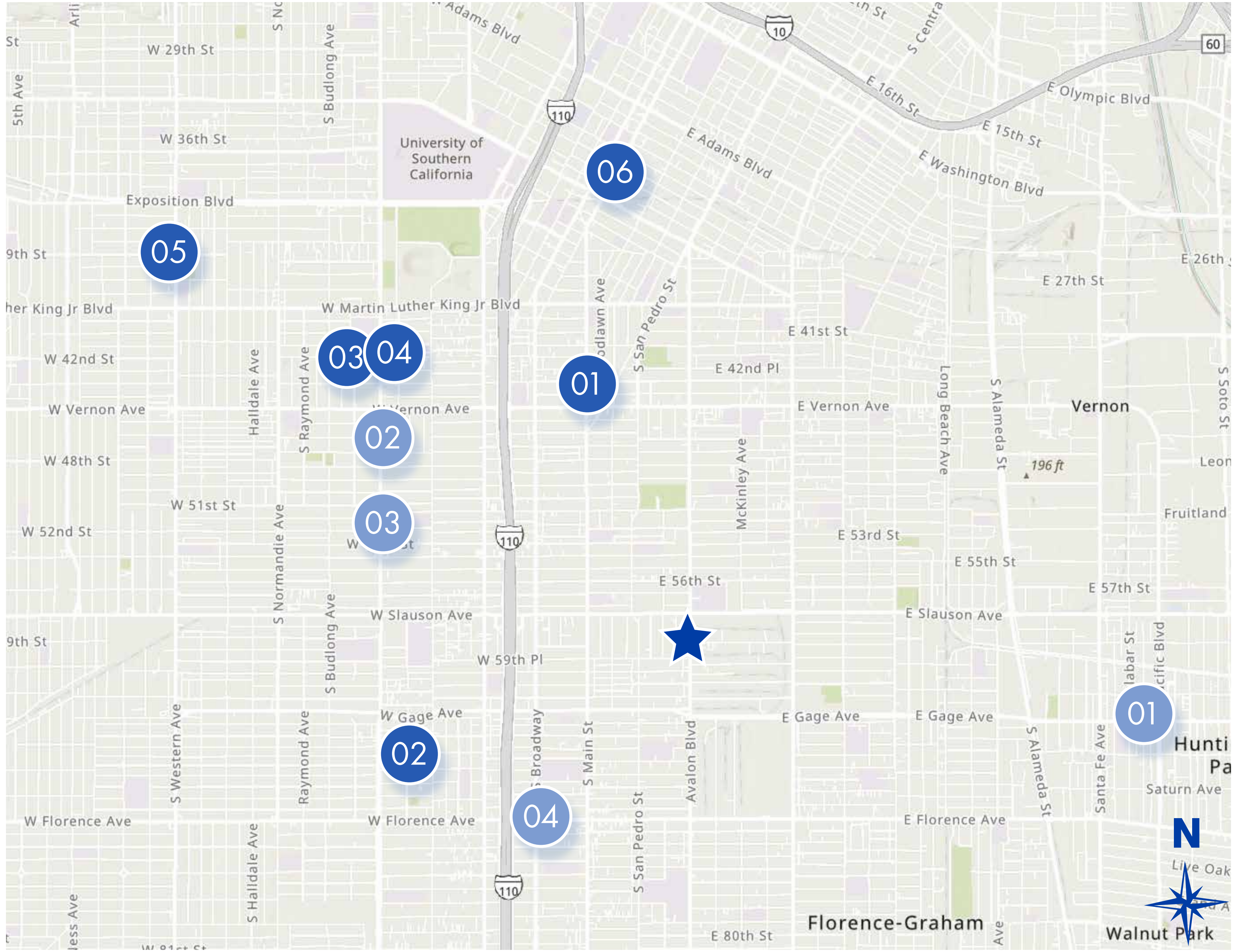
MARKET COMPARABLES

SALES COMPARABLES — APARTMENTS

#	Property	Units	Year Built	SF	Price	Price/Unit	Price/SF	Cap Rate	Sale Date
★	5937-5957 Avalon Blvd	30	1920	28,648	$4,780,000	$159,333	$166.85	9.23%	ON MARKET
01	4334 S Main St	10	1927	4,068	$1,312,500	$131,250	$322.64	6.22%	1/16/2026
02	6612 Menlo Ave	10	1925	4,620	$1,375,000	$137,500	$297.62	8.92%	12/31/2025
03	4215 S Kansas Ave	24	1924	12,000	$2,500,000	$104,167	$208.33	6.74%	11/17/2025
04	4217 Menlo Ave	11	1921	8,329	$1,800,000	$163,636	$216.11	5.71%	6/10/2025
05	1623 W 39th Pl	10	1930	8,076	$1,500,000	$150,000	$185.74	6.68%	5/6/2025
06	3212 S Main St	27	1912	15,270	$2,975,000	$110,185	$194.83	7.10%	1/6/2025
Property Averages (excl. subject property)			**1923**	**8,727**	**$1,910,417**	**$132,790**	**$237.55**	**6.90%**	

SALES COMPARABLES — RETAIL

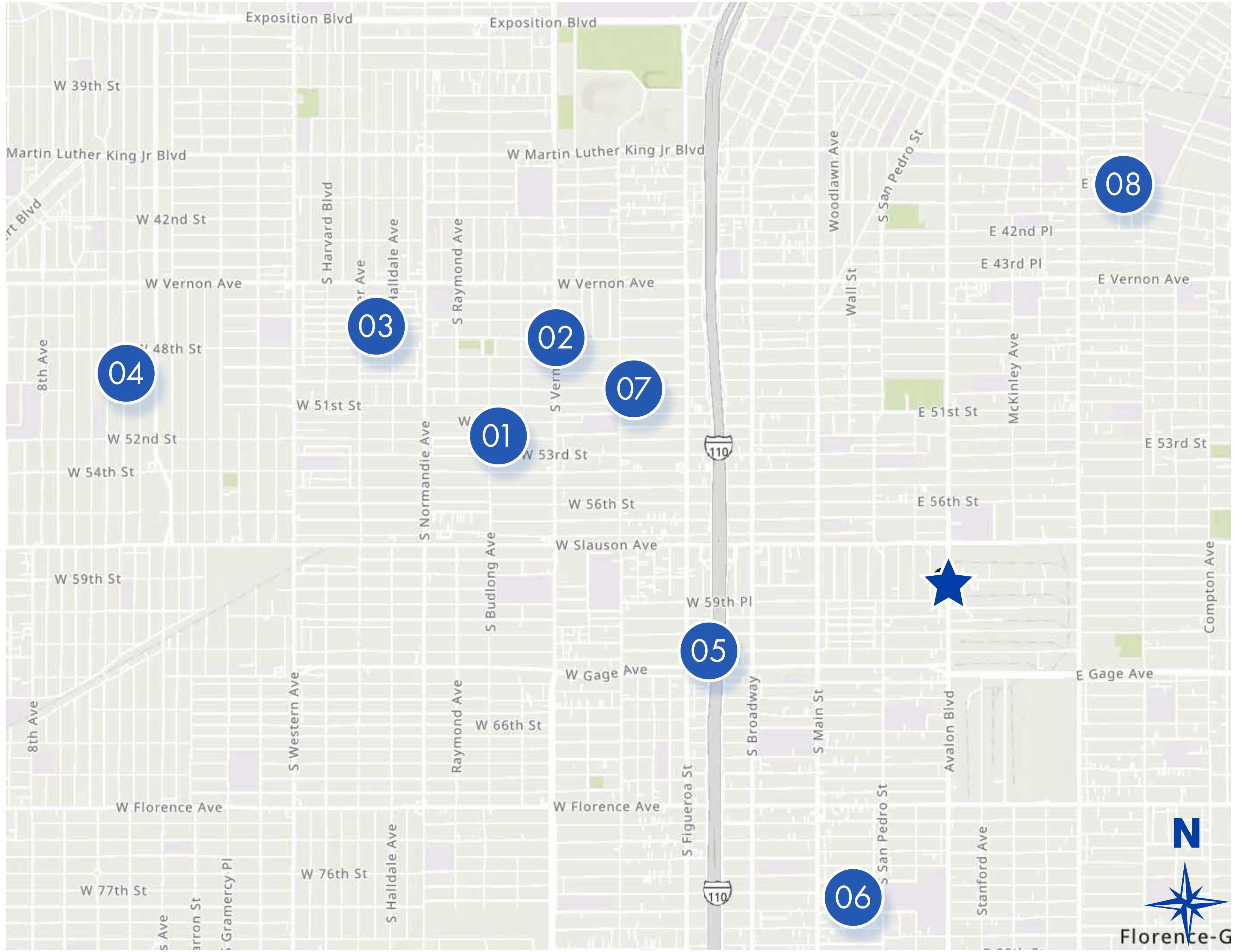
#	Property	Year Built	SF	Price/SF	Sale Date
★	5937-5957 Avalon Blvd	1920	28,648	$166.85	ON MARKET
01	6408-6414 Rugby Ave	1925	34,141	$59.34	9/18/2025
02	4610 S Vermont Ave	1913	4,730	$422.83	7/10/2025
03	5220-5224 S Vermont Ave	1921	2,500	$1600	9/30/2025
04	248-256 W Florence Ave	1918	17,074	$269.42	5/30/2024
Property Averages (excl. subject property)		**1919**	**14,611**	**$587.90**	



MARKET COMPARABLES

RENT COMPARABLES

#	Property	Unit Type	Year Built	Avg. SF	Rent	Rent/SF
★	**5937-5957 Avalon Blvd**	**Studio/1Ba**	**1920**	**381**	**$1,295**	**$3.19**
01	1138 W 52nd St	Studio/1Ba	1910	324	$1,800	$5.56
02	4710 S Vermont Ave	Studio/1Ba	1914	1,020	$2,050	$2.11
03	1496 W 47th St	Studio/1Ba	1915	390	$1,700	$4.36
04	4928 3rd Ave	Studio/1Ba	1921	400	$1,875	$4.69
Property Averages (excl. subject property)			**1915**	**533**	**$1,856**	**$4.18**
★	**5937-5957 Avalon Blvd**	**1Bd/1Ba**	**1920**	**504**	**$1,413**	**$2.80**
05	425 W Gage Ave	1Bd/1Ba	1909	500	$1,900	$3.80
06	204 E 78th St	1Bd/1Ba	1920	500	$2,450	$4.90
07	712 W 50th St	1Bd/1Ba	1925	520	$1,950	$3.75
08	4114 Naomi Ave	1Bd/1Ba	1926	633	$1,700	$2.69
Property Averages (excl. subject property)			**1920**	**538**	**$2,000**	**$3.79**



25. LOCATION OVERVIEW

LOS ANGELES
SOUTH LOS ANGELES

5937-5957 Avalon Blvd is located in the South Los Angeles submarket. South Los Angeles is a vast and dynamic region situated just south of Downtown L.A., known for its cultural and economic diversity. This historic area offers a dense suburban atmosphere, providing residents with convenient access to a variety of dining and entertainment venues within walking distance of the featured properties. A significant highlight for the region is the ongoing revitalization of South L.A., marking the first time in decades that major development projects are taking shape. Among the most notable is the recently completed, state-of-the-art NFL stadium in Inglewood, which will be the centerpiece of a master-planned community featuring thousands of new homes, dining establishments, and entertainment options.

This surge of development extends across the region, bringing new restaurants, grocery stores, and retail spaces to neighborhoods ranging from West Adams to Watts. Other major projects currently underway include the Lucas Museum of Narrative Art, South L.A. Wetlands Park, Hollywood Park, the Clipper's Arena, and Magic Johnson Park. The proximity to USC makes this an ideal housing choice for students seeking off-campus living, while working professionals will appreciate being just under four miles from Downtown L.A. Additionally, outdoor recreation is easily accessible within two miles, including Exposition Park—home to Banc of California Stadium—and Julian C. Dixon Park to the south. The area also boasts strong retail and dining options along key commercial corridors, such as Figueroa Street, which is just a short walk away.

5937-5957 AVALON BLVD
NEIGHBORHOOD QUICK FACTS

1.12M
POPULATION
WITHIN 5 MILES

230K
RENTER-OCCUPIED HOUSING
UNITS WITHIN 5 MILES

$647K
MEDIAN HOME VALUE
WITHIN 5 MILES

334K
HOUSEHOLDS
WITHIN 5 MILES

$51K
MEDIAN HOUSEHOLD
INCOME WITHIN 5 MILES

35
MEDIAN AGE
WITHIN 5 MILES

Westfield
CULVER CITY

Westfield Culver City

SHOPPING, DINING,
ENTERTAINMENT, & CULTURE

Westfield Culver City is a hub of retail activity that boasts an impressive array of shopping options. This shopping center is strategically located near major highways, making it easily accessible from various parts of Los Angeles, including The Q Playa. It also serves as a community landmark with a rich history of serving the local and surrounding communities.

Westfield Culver City covers a significant area and houses over 130 stores and services. These include major anchor stores like Target, Macy's, JCPenney, and Nordstrom Rack, alongside local boutiques offering unique products and personalized services. Shoppers can also enjoy a range of amenities, such as a modern food court, dining terrace, and valet parking, enhancing the convenience and overall shopping experience.

BJ's RESTAURANT BREWHOUSE
STARBUCKS COFFEE
adidas
TRADER JOE'S
H&M
SHAKE SHACK

Investment Sales

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