PINEWOOD VIEW APARTMENTS

10165 Pinewood Avenue, Tujunga, CA 91042

OFFERING MEMORANDUM

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KW COMMERCIAL

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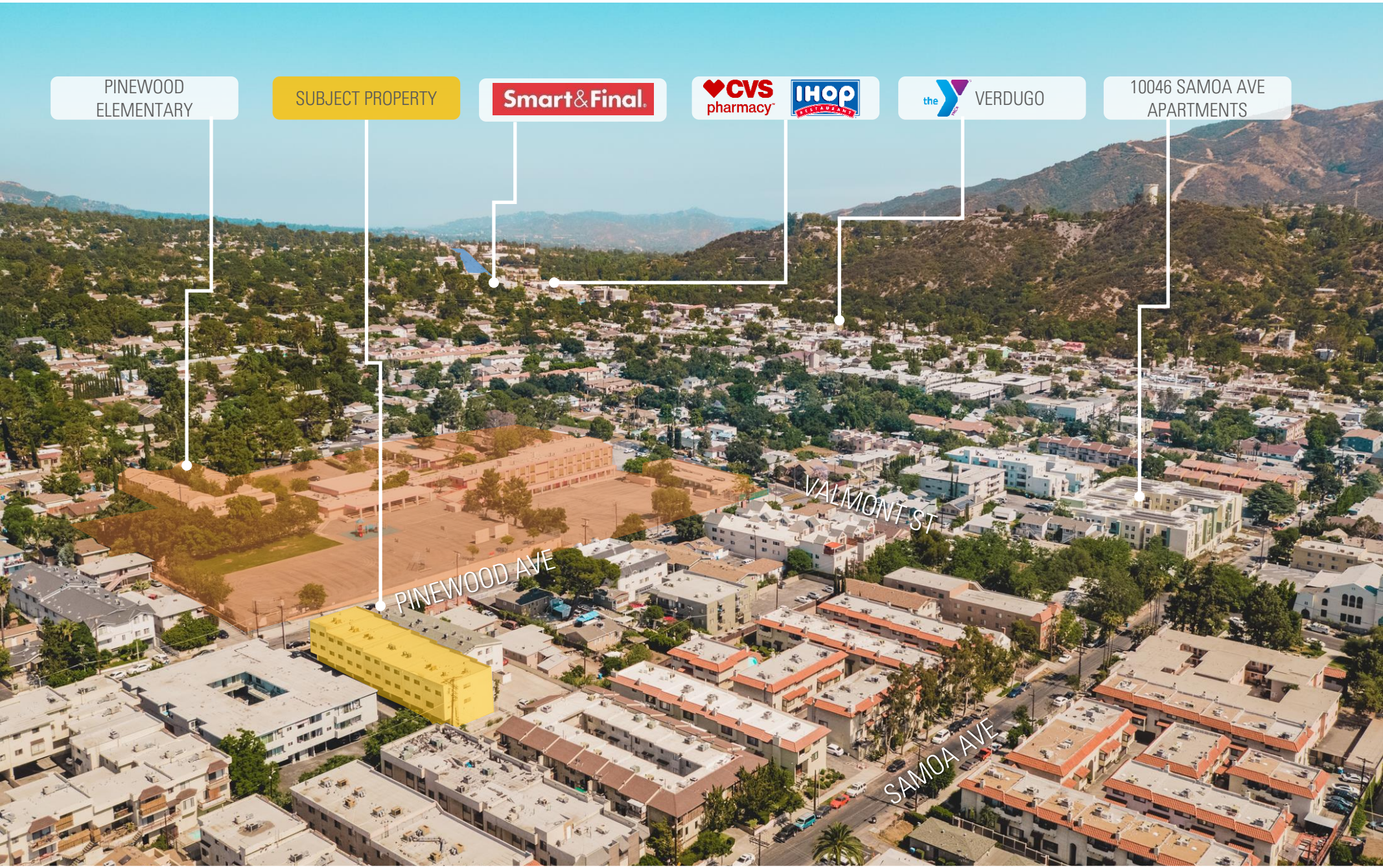
THE PROPERTY

SOUTHERN VIEW



AERIAL VIEW

THE ASSET

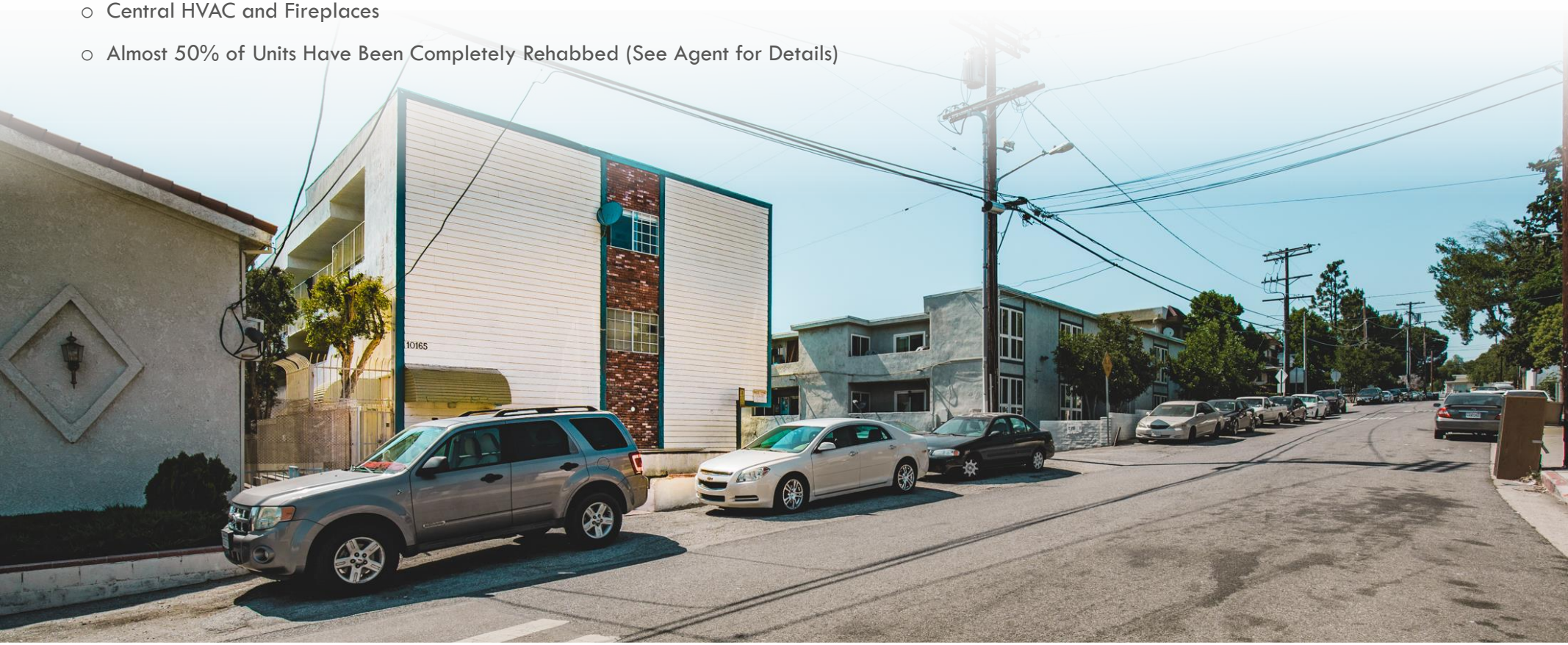
PROPERTY SUMMARY	
Address	10165 Pinewood Avenue
City State Zip	Tujunga, CA 91042
APN	2565-014-024
Number of Units	14
Building Size	10,224
Lot Size	10,428
Year Built	1987
Parking	24 Total Spaces One Bedrooms get 1 Space Two Bedrooms get 2 Tandem Spaces
Construction	Wood Frame & Stucco
Metering	Individual Gas & Electric

Built in 1987, the Pinewood View Apartments offers investors a rare opportunity to acquire a non-rent controlled, 14-unit apartment community in Tujunga. The property is comprised of an ideal unit mix featuring (4) one-bedroom/one-bath units at an estimated 600 square feet, and (10) two bedroom/one-bath units at approximately 775 square feet. Seller has upgraded 50% of the units (see rent roll for details). Individual units are outfitted with central air conditioning, dishwashers, fireplaces, and most feature stunning mountain views. Tenants additionally benefit from plentiful, secured parking comprised of individual enclosed garages with direct access to the building.

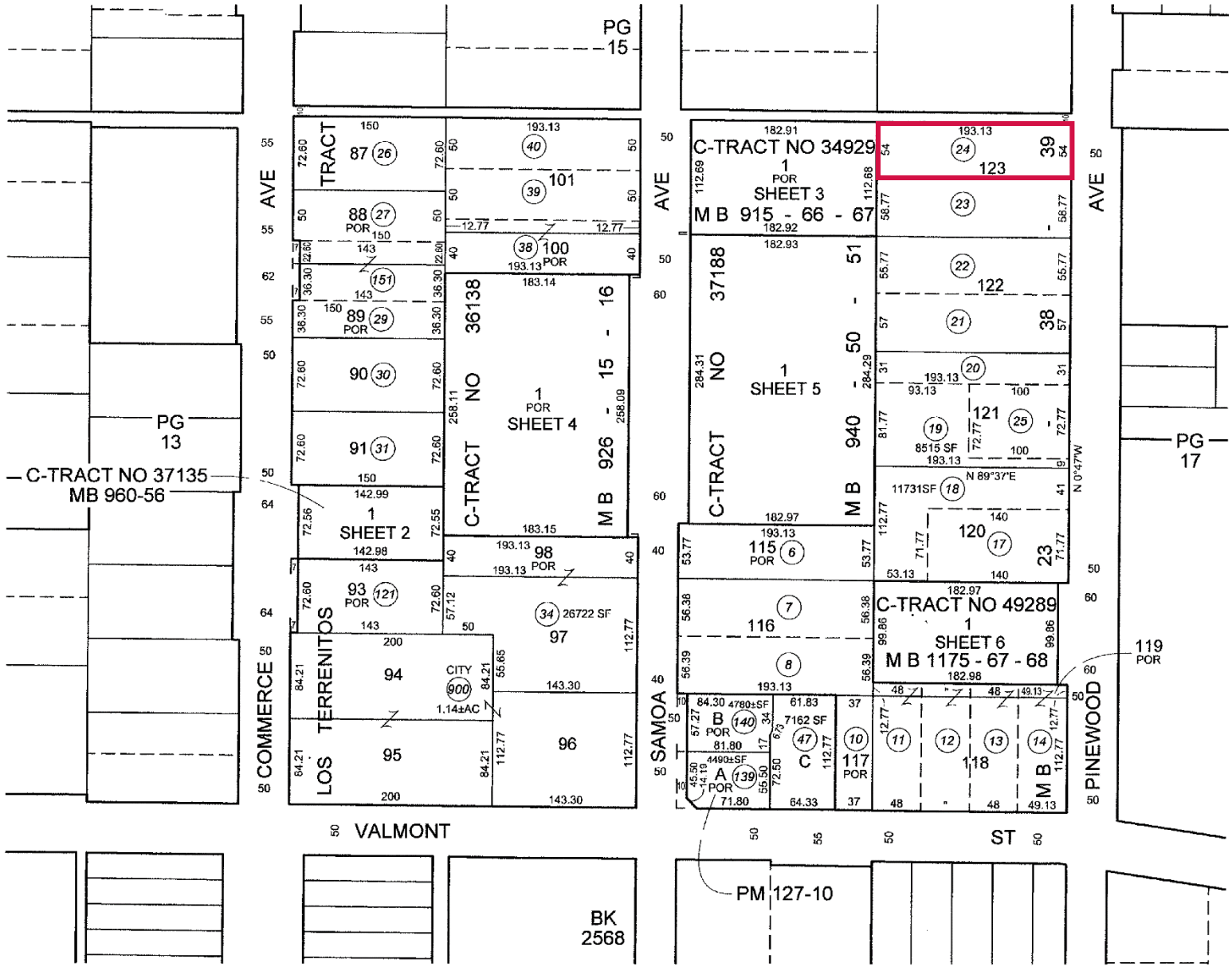
THE OPPORTUNITY

PINEWOOD VIEW APARTMENTS

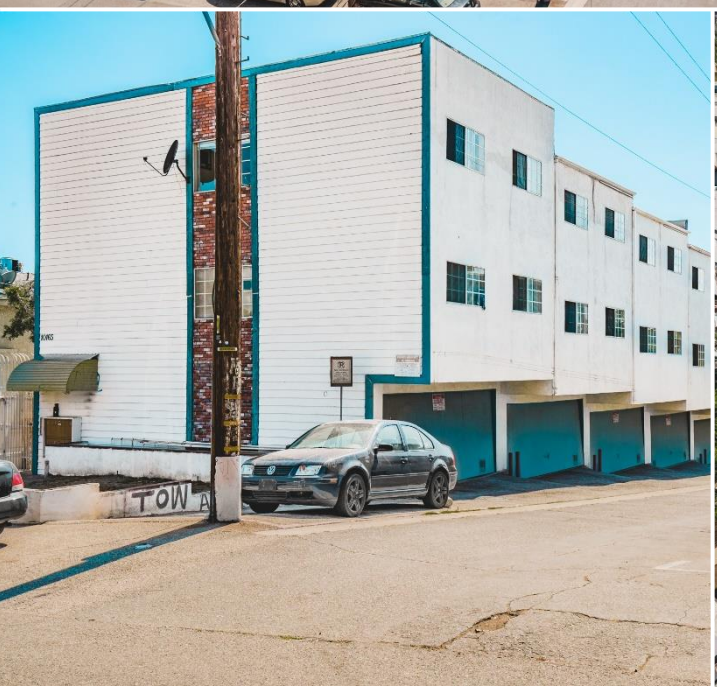
- Actual GRM 14.12 - Market GRM 12.67
- Actual Cap 4.46% - Market Cap 5.20%
- Built in 1987, Subject Property is Not Subject to Rent Control
- Ideal Unit Mix: (4) One Bedrooms, (10) Two Bedrooms
- Individual (Shared) Garages with Direct Access to the Building
- 24 Total Parking Spaces: One Bedrooms get 1 Space, Two Bedrooms get 2 Tandem Spaces
- Central HVAC and Fireplaces
- Almost 50% of Units Have Been Completely Rehabbed (See Agent for Details)

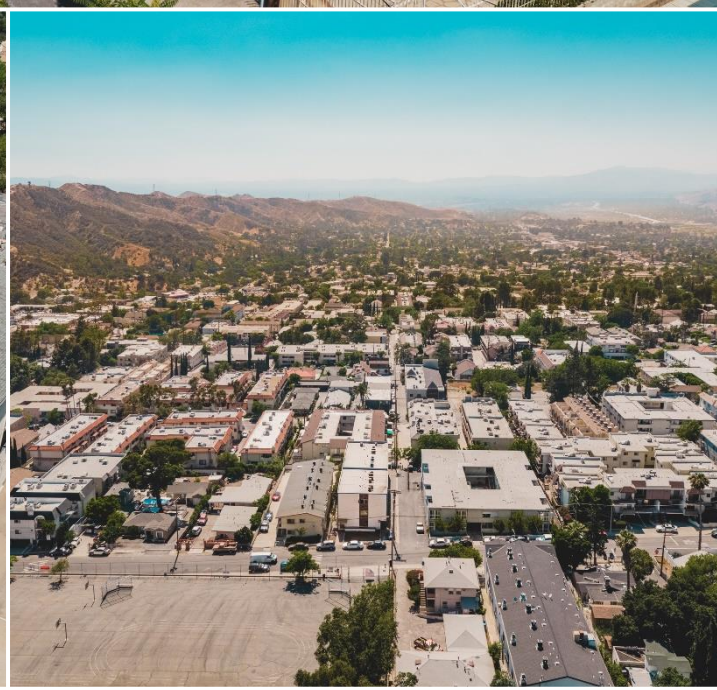


PARCEL MAP


PG 15
PG 13
PG 17
C-TRACT NO 37135
MB 960-56
C-TRACT NO 34929
1
POR
SHEET 3
M B 915 - 66 - 67
C-TRACT NO 49289
1
SHEET 6
M B 1175 - 67 - 68
C-TRACT NO 36138
1
POR
SHEET 4
M B 926 - 15 - 16
C-TRACT NO 37188
1
SHEET 5
M B 940 - 50 - 51
1
SHEET 2
LOS TERRENITOS TRACT
COMMERCE AVE
SAMOA AVE
PINEWOOD AVE
VALMONT
ST
87 (26)
88 (27) POR
89 (29) POR
90 (30)
91 (31)
93 (121) POR
94
95
96
97
98 POR
100 POR
101
115 POR 6
116
117 POR
118
119 POR
120 (17)
121 (25)
122
123
CITY (900) 1.14±AC
26722 SF
8515 SF
11731SF (18)
4780±SF B (140) POR
4490±SF A (139) POR
7162 SF C (47)
BK 2568
PM 127-10

ASSET PHOTOS

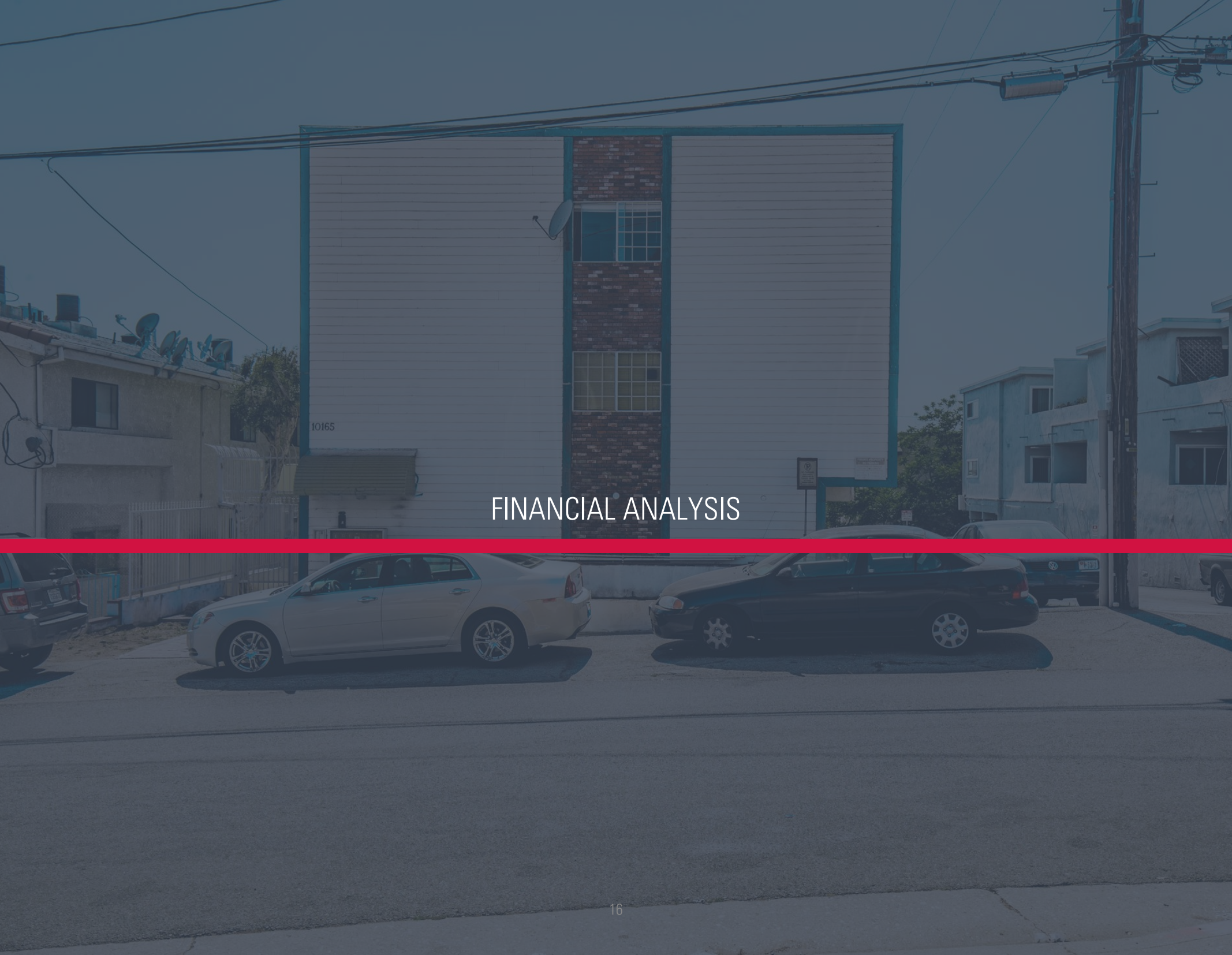




INTERIOR PHOTOS

DEAD
END

EXIT



FINANCIAL ANALYSIS

FINANCIAL ANALYSIS

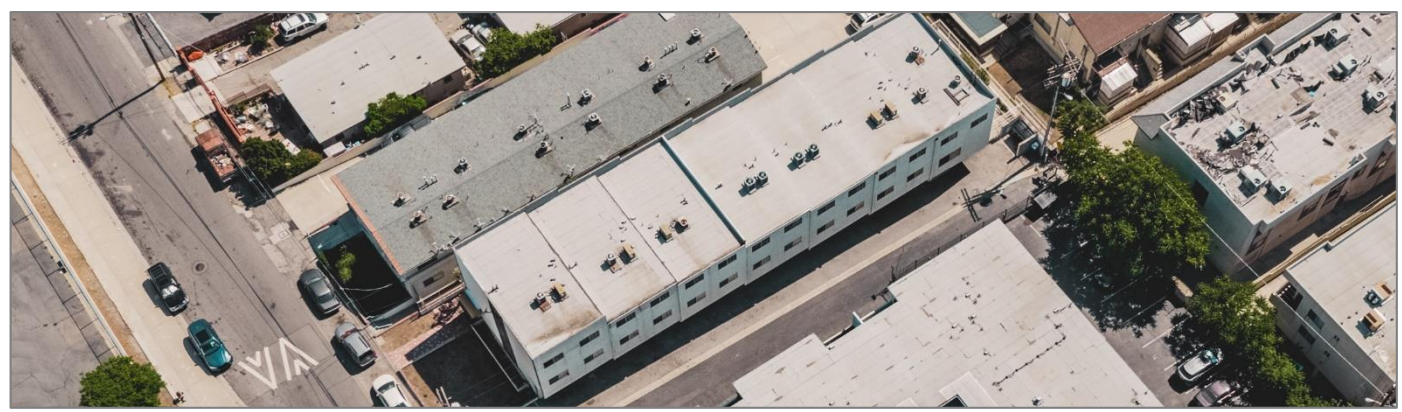
FINANCIAL SUMMARY	
Price	**$3,600,000**
Price/Unit	$257,143
Price/SF	$352.11
GRM – Current	14.12
GRM – Market	12.67
Cap Rate – Current	4.46%
Cap Rate – Market	5.20%

PROPOSED FINANCING	
Loan Amount	$2,160,000 (60%)
Down Payment	$1,440,000 (40%)
Amortization Years	30
Interest Rates	4.5%
Monthly Payment	$10,944

RETURN	
NOI – Current	$160,534
NOI – Market	$187,124
Less Debt	$131,333
Cash Flow – Current	$29,201
Cash Flow – Market	$55,792
Cash on Cash – Current	2.03%
Cash on Cash – Market	3.87%

Units	Type	Estimated Unit SF	Avg Current Rent	Current Rent/SF	Total Rent	Market Rent	Total Market Rent
4	1/1	600	$1,250	$2.08	$5,000	$1,500	$6,000
10	2/1	775	$1,607	$2.07	$16,065	$1,750	$17,500
Scheduled Monthly Rent					**$21,065**		**$23,500**
Laundry					$175		$175
Total Monthly Scheduled Income					$21,240		$23,675
Scheduled Gross Income					**$254,880**		**$284,100**
Less Vacancy			3%		$7,646		$8,523.00
Gross Operating Income					**$247,234**		**$275,577**

Expenses				Current	Market
Real Estate Taxes		*1.191849%*		$42,907	$42,907
Direct Assessments		*(Actual)*		$816	$816
Gardener		*(Actual)*		$1,200	$1,200
Insurance		*(Actual)*		$5,208	$5,208
Utilities (Gas, Water, Electric)		*(Actual)*		$10,200	$10,200
Trash		*(Actual)*		$2,676	$2,676
Maintenance & Repairs (Estimated)		*6%*	*SGI*	$15,293	$17,046
Management				$8,400	$8,400
% of SGI	**Per SF**	**Per Unit**		**Total**	**Total**
34%	*$8.48*	*$6,193*		$86,699	$88,453



RENT ROLL

Unit #	Type	Estimated SF	Current Rent	Current Rent/SF	Market Rent	Market Rent/SF	Occupied	Comments
1**	1/1	600	$1,350	$2.25	$1,500	$2.50	Yes	
2**	2/1	775	$1,650	$2.13	$1,750	$2.26	Yes	
3**	2/1	775	$1,650	$2.13	$1,750	$2.26	Yes	
4*	2/1	775	$1,750	$2.26	$1,750	$2.26	Yes	
5*	2/1	775	$1,650	$2.13	$1,750	$2.26	Yes	
6*	2/1	775	$1,595	$2.06	$1,750	$2.26	Yes	
7*	1/1	600	$1,250	$2.08	$1,500	$2.50	Yes	
8**	1/1	600	$1,350	$2.25	$1,500	$2.50	Yes	
9*	2/1	775	$1,495	$1.93	$1,750	$2.26	Yes	
10*	2/1	775	$1,650	$2.13	$1,750	$2.26	Yes	
11**	2/1	775	$1,650	$2.13	$1,750	$2.26	Yes	
12	2/1	775	$1,325	$1.71	$1,750	$2.26	Yes	
13*	2/1	775	$1,650	$2.13	$1,750	$2.26	Yes	
14	1/1	600	$1,050	$1.75	$1,500	$2.50	Yes	
		Total Monthly Rent	$21,065		$23,500			
		Laundry Income	$175		$175			
		Total Monthly Income	$21,240		$23,675			
		Scheduled Gross Income	$254,880		$284,100			

Units	Type	Unit SF	Avg Current Rent	Current Rent/SF	Avg Market Rent	Market Rent/SF	Total Units	Occupied Units	Occupancy %
4	1/1	600	$1,250	$2.08	$1,500	$2.50	14	14	100%
10	2/1	775	$1,607	$2.07	$1,750	$2.26			
14									

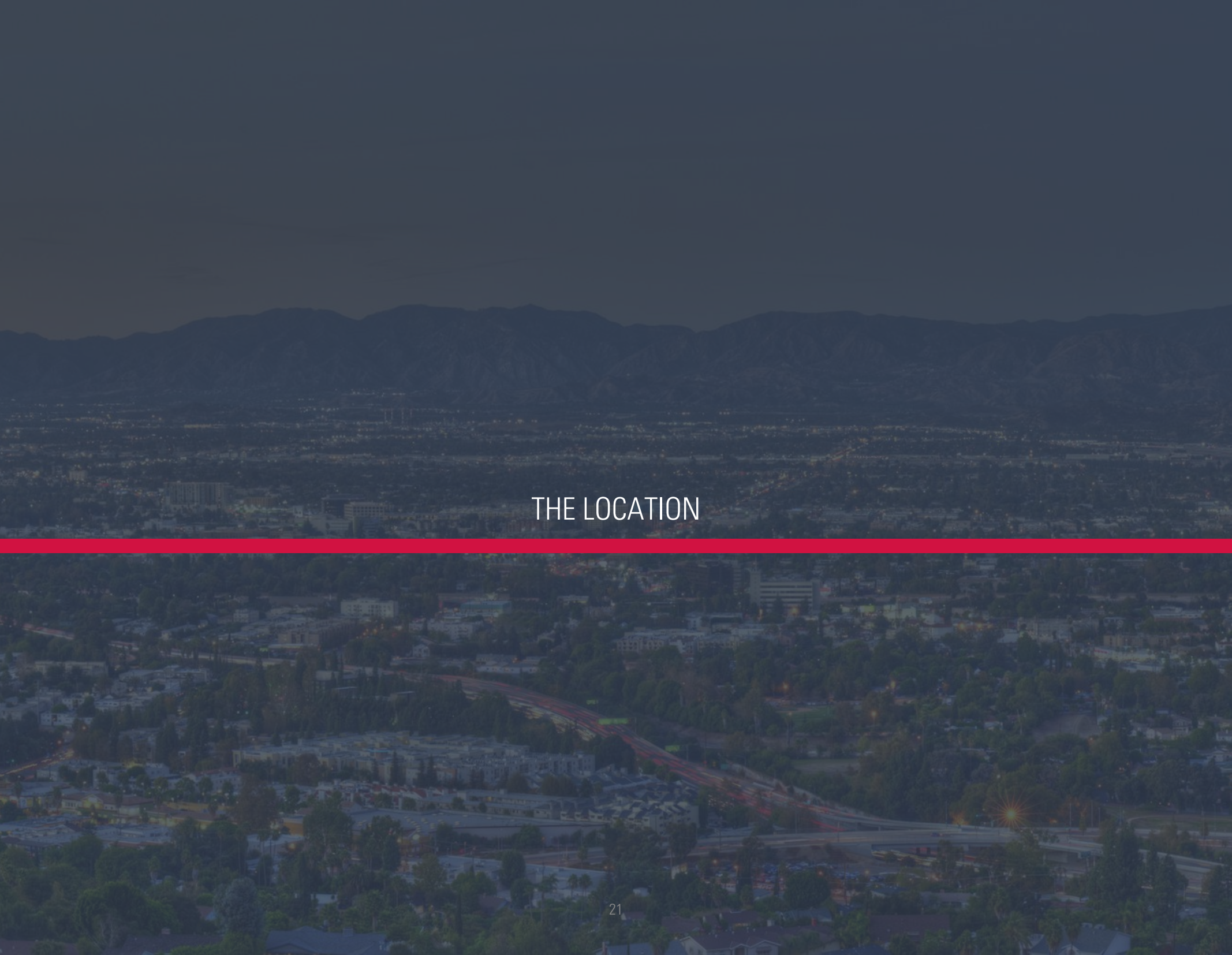
* Units have been completely rehabbed to include flooring, tile, fixtures, countertops, recessed lighting, stainless steel appliances, and cabinets. Seller spends upwards of $10,000 per unit for each rehab.

** Tenants are Section 8. New owner may renegotiate contract or give tenant 90 days written notice to vacate and re-rent unit to market rate tenant.

SALES COMPARABLES

SALES COMPARABLES

		Address & Total Units	Unit Mix	Built	Sale Date	Price	Price/Unit	Price/SF	Cap Rate	GRM
1		**8608 Foothill Boulevard** Sunland, CA. 91040 Total Units 36 + (2 Non Conforming)	2 - 0/1 6 - 2/1 26 - 2/2 4 - 3/2	1983	In Escrow	$9,250,000	$256,944	$250.96	4.32%	13.42
2		**11134 Arminta St** Sun Valley, CA. 91352 Total Units 27	2 - 0/1 7 - 1/1 17 - 2/2 1 - 3/2.5	1989	06/09/17	$5,715,000	$211,667	$237.14	4.30%	13.10
3		**10209 Hillhaven Ave** Tujunga, CA. 91042 Total Units 11	1 - 1/1 2 - 2/2 8 - 3/3	2009	03/28/17	$4,160,000	$378,182	$259.81	4.29%	16.70
		Total/Averages				**$6,375,000.00**	**$282,264**	**$249.30**	**4.30%**	**14.41**
S		**Pinewood View Apartments** 10165 Pinewood Avenue Tujunga, CA 91042 Total Units 14	4 - 1/1 10 - 2/1	1987	List Price	$3,600,000	$257,143	$352.11	4.46%	14.12



THE LOCATION

SUBMARKET OVERVIEW

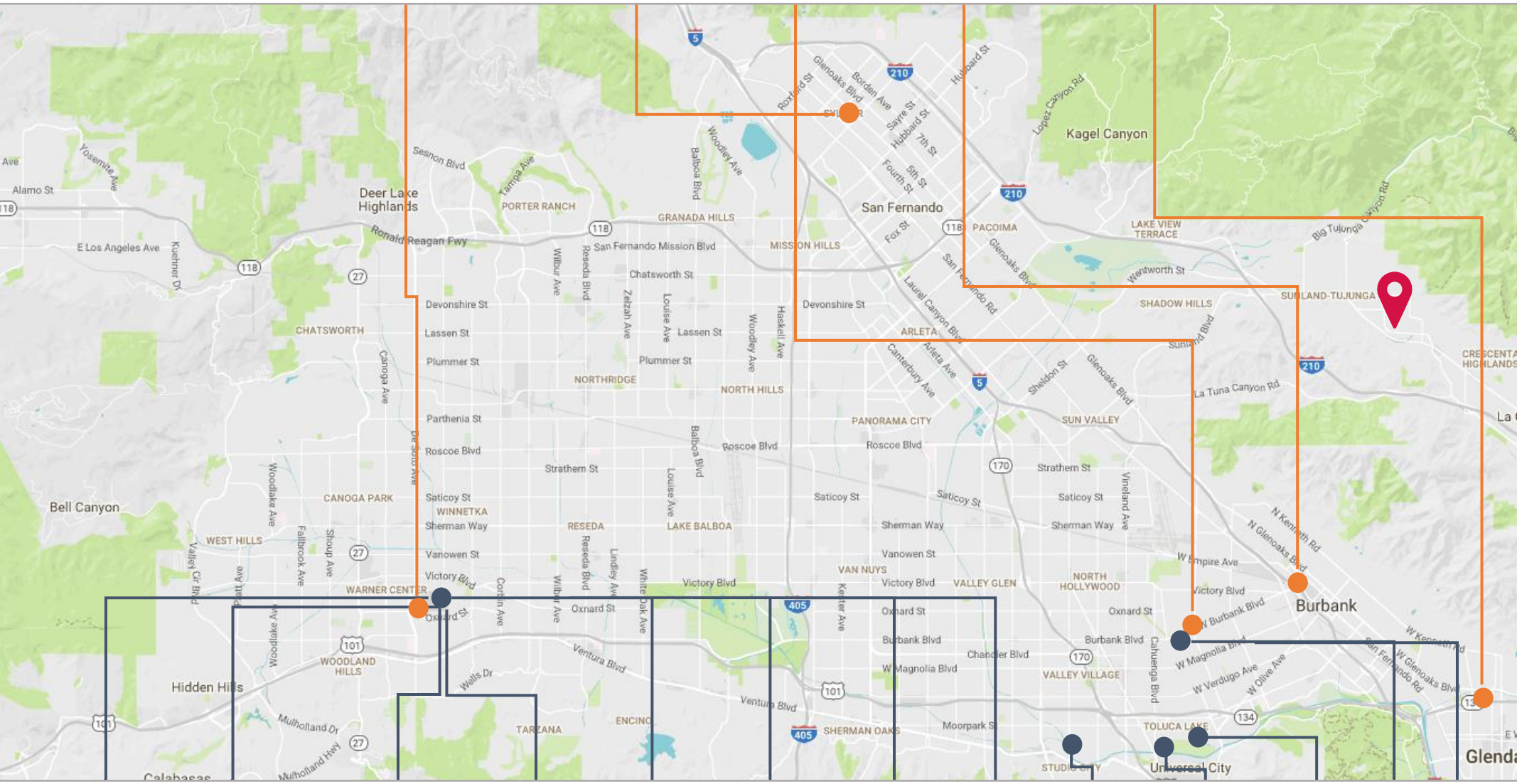
SAN FERNANDO VALLEY

The Valley is home to many major corporate names, and has traditionally been known as the entertainment capital of the world. Not only does The Valley have a support structure from its governments and cities, but it also enjoys enormous strength from the great businesses that are already here. They include Fortune 500 Companies such as The Walt Disney Co., Amgen Inc., Health Net Inc., and Avery Dennison Corp., as well as Fortune 1,000 Companies Tutor Perini Corp., Teledyne Technologies Inc., The Ryland Group Inc., and Public Storage. Naturally, there are numerous other Fortune 500 and 1000 companies located in Los Angeles County adjacent to The Valley.

Other major companies headquartered in The Valley include Nestlé USA, Steven Spielberg and partners' DreamWorks Animation SKG, Marvel Animation Studios, Nickelodeon, Cartoon Network, CBS and ABC western headquarters, Comcast NBC/Universal, Hilton Foundation, PS Business Parks Inc., On Assignment Inc., Yellow Pages, Farmers Insurance, Ixia, REC Solar Inc., Northrop Grumman Navigation Systems, Superior Industries International, DineEquity, Dole Food Company, and Cheesecake Factory.

SAN FERNANDO VALLEY MAJOR EMPLOYERS

FORTUNE 500 · Health Net · Tutor Perini Building Corp · The Walt Disney Company · Public Storage · Avery Dennison



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TUJUNGA DEMOGRAPHICS

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