

5400 Carlton Way

5400 Carlton Way
Los Angeles, Ca 90027

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Units:	34	
List Price:	\$2,700,000	
Year Built:	1941	
Parking:	*16	
Building Sq. Ft.:	13,382	
Lot Sq. Ft.:	15,102	
Price/Unit:	\$79,412	
Price/Sq. Ft.:	\$202	
CAP Rate:	6.42%	
Pro Forma CAP:	9.20%	
GRM:	8.49	
Pro Forma GRM:	6.99	
Proposed Loan Amount:	\$1,991,629	73.76% @ 1.14 DCR
Proposed Down Payment:	\$708,371	26.24%
Assumable 8 Year Loan Fixed Rate:	6.60%	



ESTIMATED ANNUALIZED OPERATING DATA:

	ACTUAL	PROFORMA
Potential Gross Income:	\$312,086	\$371,160
Annual RUBS Income:	\$0	\$8,976
Annual Other Income:	\$6,100	\$6,096
- Vacancy/Collection:	6.00% (\$18,725)	3.00% (\$11,587)
Effective Gross Income:	\$299,461	\$374,645
- Operating Expenses:	(\$126,103)	(\$126,132)
Net Operating Income:	\$173,358	\$248,513
- Debt Service:	(\$152,637)	(\$152,637)
Before Tax Cash Flow:	\$20,721	\$95,877
Cash on Cash:	2.9%	13.5%
Annualized 5 Year IRR:	16.5%	24.9%

RENT ROLL SUMMARY:

# Units	Type	ACTUAL Avg Rent	PRO FORMA Avg Rent
10	Efficiency	\$599	\$906
24	Studio	\$834	\$908

34

ESTIMATED ANNUALIZED EXPENSES:

Taxes ¹	\$ 34,402	<ul style="list-style-type: none"> 34 Unit Two Story Contemporary Apartment Complex in Hollywood, CA Highly Visible Corner Lot With Approx 80 ft Frontage on Carlton Way and Approx 188 ft Frontage on Serrano Ave Value Add Potential with Good Rental Upside Priced Below Replacement Cost at \$79,412 a unit Close Proximity to Major Hollywood Studios and Production Companies, as well as Shopping, Dining and Nightlife in Hollywood Centrally Located Near Retail and Entertainment Areas on Sunset Blvd, Western Ave., and Hollywood Blvd Minutes from Public Transportation, Major Thoroughfares, and the 101 Freeway Sub-market occupancy of 97.4% with increasing rents Strong Rental Location – Asking Rents in this Sub-market have out performed both Los Angeles and the Nation
Insurance ²	\$ 6,378	
Payroll ³	\$ 4,800	
Offsite Management ⁴	\$ 12,750	
Utilities & Rubbish ⁵	\$ 29,368	
G&A ⁶	\$ 7,897	
Landscaping & Pest Control ⁷	\$ 3,985	
Maintenance and Repair ⁸	\$ 21,424	
Misc. & Reserves ⁹	\$ 5,100	
TOTAL EXPENSES:	\$ 126,103	

* Estimated based on BOMA guidelines and prevailing market conditions

Operating Expenses as % of PGI	39.6%
Operating Expenses Per Unit	\$3,709
Operating Expenses Per Sq. Ft.	\$9.42

The information listed above has been obtained from sources we believe to be reliable, however, we accept no responsibility for its correctness.

Rent Roll
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Rent Roll as of 10/24/2008

Unit #	Unit Type	Sq Ft	Actual Rent	Pro Forma
101	Studio		\$850	\$995
102	Efficiency		\$582	\$995
103	Efficiency		\$551	\$895
104	Studio		\$750	\$895
105	Efficiency		\$524	\$895
106	Efficiency		\$515	\$895
107	Studio		\$830	\$895
108	Studio		\$750	\$895
109	Efficiency		\$716	\$895
110	Studio		\$866	\$895
111	Studio		\$856	\$895
112	Efficiency		\$750	\$895
113	Studio		\$830	\$895
114	Efficiency		\$551	\$895
115	Studio		\$830	\$895
116	Efficiency		\$524	\$895
117	Studio		\$745	\$895
201	Studio		\$573	\$995
v 202	Studio		\$975	\$995
203	Studio		\$900	\$995
204	Efficiency		\$675	\$895
v 205	Studio		\$875	\$895
206	Studio		\$866	\$895
207	Studio		\$875	\$895
208	Studio		\$875	\$895
209	Studio		\$769	\$895
210	Studio		\$857	\$895
211	Efficiency		\$607	\$895
212	Studio		\$882	\$895
213	Studio		\$830	\$895
214	Studio		\$875	\$895
215	Studio		\$830	\$895
216	Studio		\$830	\$895
217	Studio		\$893	\$895

Total Rentable Sq.ft.

v Vacant Unit
2 Total Vacant Units

Gross Scheduled Monthly Rental Income	\$ 26,007	\$ 30,930
Gross Scheduled Annual Rental Income	\$ 312,086	\$ 371,160
Monthly Laundry Income		\$ -
Annual Laundry Income	\$ -	\$ -
Monthly RUBS Income	\$ -	\$ 748
Annual RUBS Income	\$ -	\$ 8,976
Monthly Other Income	\$ 508	\$ 508
Annual Other Income	\$ 6,100	\$ 6,096
Total Yearly Schedule Income	\$ 318,186	\$ 386,232

Operating Expenses

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Assumptions

* Estimated based on BOMA guidelines and prevailing market conditions.

ACTUAL	Annually	Monthly	Per Unit	Per Sq. Ft.	As a % of PGI
¹ Taxes	\$ 34,402	\$ 2,867	\$ 1,012	\$ 2.57	10.81%
² Insurance	\$ 6,378	\$ 532	\$ 188	\$ 0.48	2.00%
³ Payroll	\$ 4,800	\$ 400	\$ 141	\$ 0.36	1.51%
⁴ Offsite Management	\$ 12,750	\$ 1,063	\$ 375	\$ 0.95	4.01%
⁵ Utilities & Rubbish	\$ 29,368	\$ 2,447	\$ 864	\$ 2.19	9.23%
⁶ G&A	\$ 7,897	\$ 658	\$ 232	\$ 0.59	2.48%
⁷ Landscaping & Pest Control	\$ 3,985	\$ 332	\$ 117	\$ 0.30	1.25%
⁸ Maintenance and Repair	\$ 21,424	\$ 1,785	\$ 630	\$ 1.60	6.73%
⁹ Misc. & Reserves	\$ 5,100	\$ 425	\$ 150	\$ 0.38	1.60%
TOTAL ACTUAL	\$ 126,103	\$ 10,509	\$ 3,709	\$ 9.42	39.63%

PRO FORMA	Annually	Monthly	Per Unit	Per Sq. Ft.	As a % of PGI
¹ Taxes	\$ 34,402	\$ 2,867	\$ 1,012	\$ 2.57	8.91%
² Insurance	\$ 6,569	\$ 547	\$ 193	\$ 0.49	1.70%
³ Payroll	\$ 4,944	\$ 412	\$ 145	\$ 0.37	1.28%
⁴ Offsite Management	\$ 15,477	\$ 1,290	\$ 455	\$ 1.16	4.01%
⁵ Utilities & Rubbish	\$ 30,249	\$ 2,521	\$ 890	\$ 2.26	7.83%
⁶ G&A	\$ 8,133	\$ 678	\$ 239	\$ 0.61	2.11%
⁷ Landscaping & Pest Control	\$ 4,105	\$ 342	\$ 121	\$ 0.31	1.06%
⁸ Maintenance and Repair	\$ 17,000	\$ 1,417	\$ 500	\$ 1.27	4.40%
⁹ Misc. & Reserves	\$ 5,253	\$ 438	\$ 155	\$ 0.39	1.36%
TOTAL PRO FORMA	\$ 126,132	\$ 10,511	\$ 3,710	\$ 9.43	32.66%