



# 8886 Vermont St Apartments

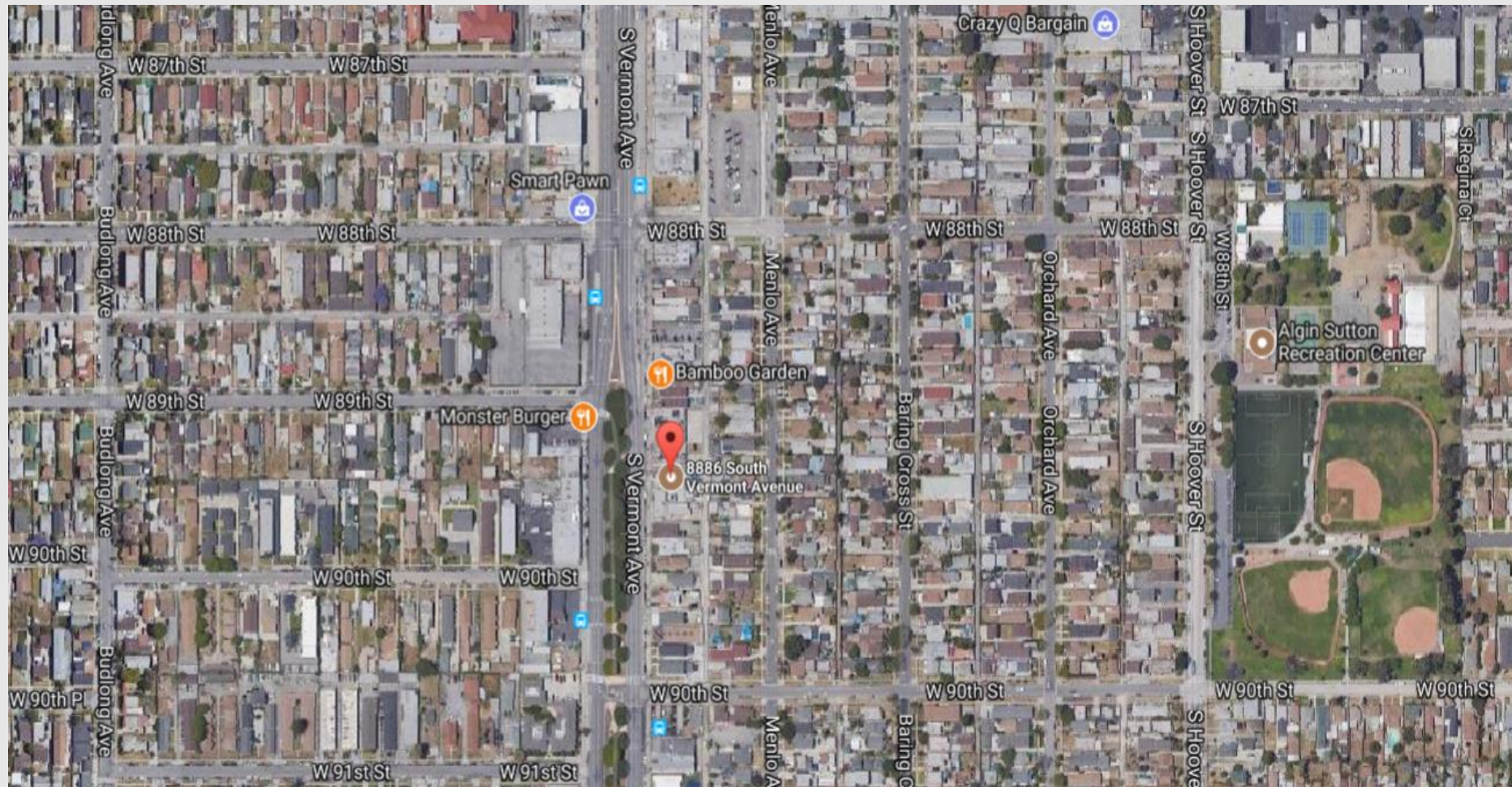
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## Investment Summary

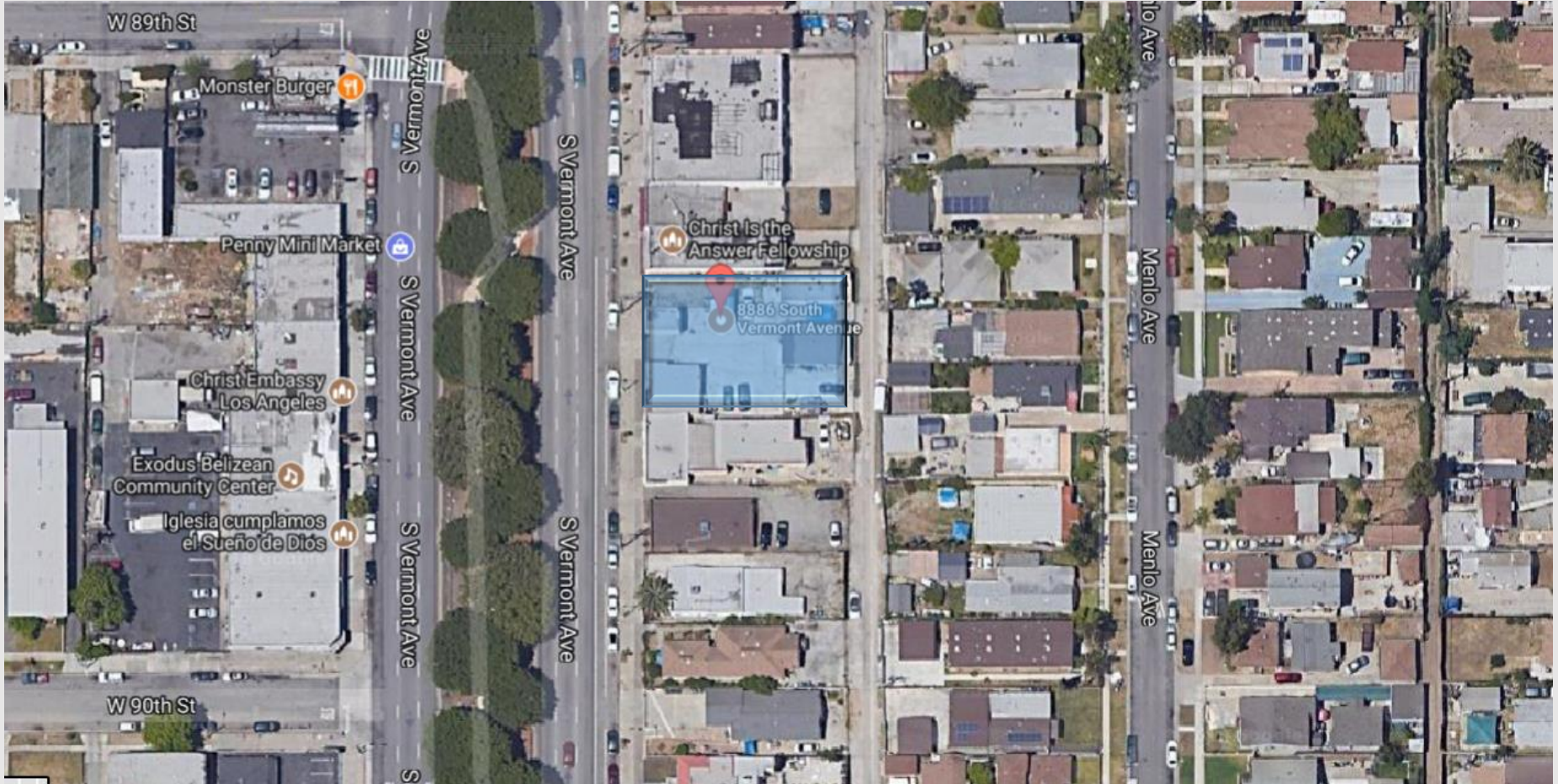
# 8886 S Vermont | Opportunity

- Opportunity to invest in a 22 unit apartment development project
- Existing on the lot are three structures, a church, single family residence, and duplex unit
  - Church: Month to Month Lease collecting \$1,100/mo
  - Single Family Residence: Vacant
  - Duplex Unit: 2 Two-Bedroom Units, currently leased under Rent Control totaling \$2,400/mo
- The lot is 10,734 sf of land located on 8886-8904 S Vermont St Los Angeles, CA
- The property is zoned C2-1VL and lies within the Transit Oriented Communities (TOC) Tier 2 overlay, allowing an increase of 60% to density on the C2 zone with parking incentives reducing the minimum to a .5 stall per bedroom or 1 space per unit
- The proposed development would be 3 stories tall, given the 45 foot height limit, and allows for sufficient on-grade parking upon application of TOC incentives for 22 one & two bedroom units (19 market rate units and 3 Extremely Low Affordable Housing Units; 11% Affordable Housing Dedication per TOC Guidelines & Linkage Fee Exemption)

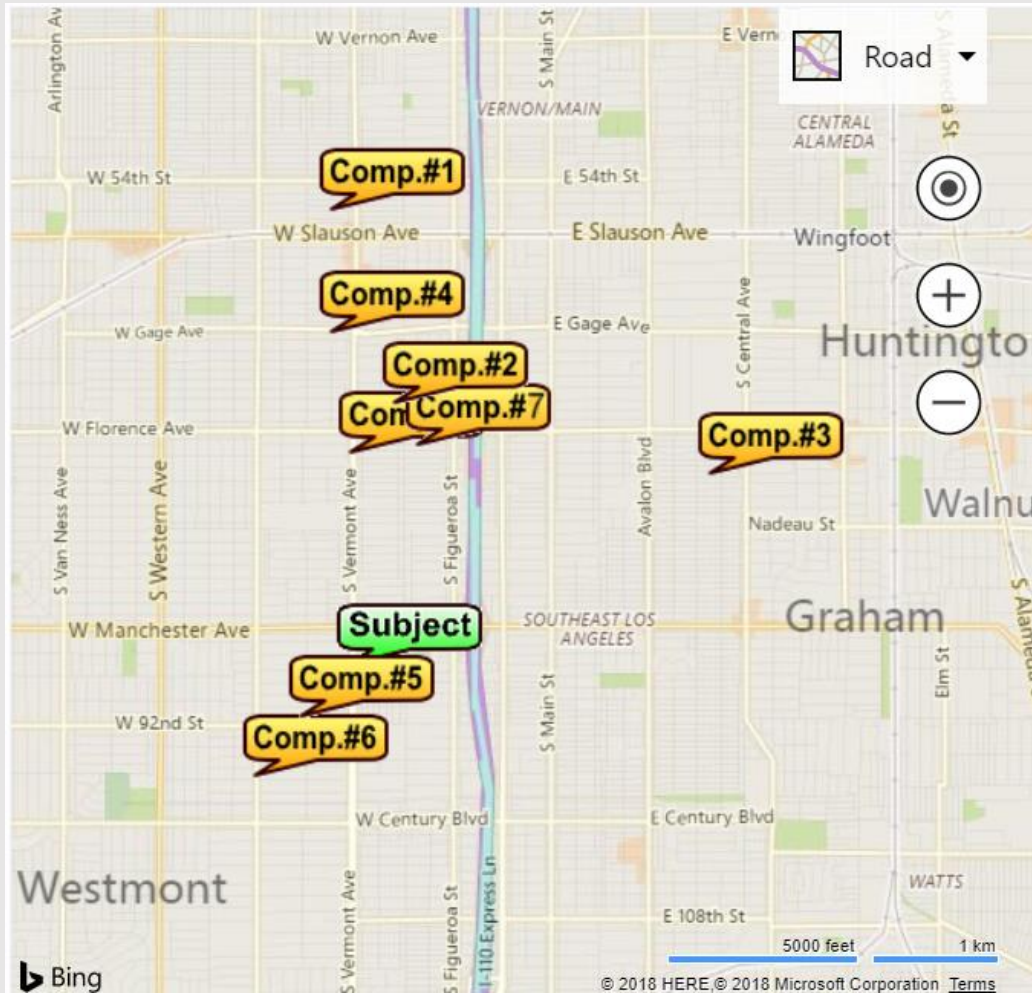
# 8886 S Vermont | Aerial



# 8886 S Vermont | Google Earth



# 8886 S Vermont | Rent Comparables



Subject	8886 S Vermont				
Comp ID	Address	Distance	Size	Monthly Rent	\$/sf/mo
<b>One Bedroom Rental Comparables</b>					
1	1026-1036 57th St.	2.4 mi	527	1,400	2.66
2	7006 Hoover St.	1.37 mi	575	1,400	2.43
3	7621 Wadsworth Ave	2.1 mi	680	1,495	2.20
4	1022 W 64th St	1.72 mi	700	1,500	2.14
5	9222 Budlong Ave	.36 mi	750	1,350	1.80
<b>Two Bedroom Rental Comparables</b>					
6	1341 W 97th St (2+1)	.75 mi	925	2,000	2.16
7	638 74th St (2+1)	1.18 mi	750	1,550	2.07
8	7416 1/2 S Vermont Ave (2+1)	1.09 mi	775	1,795	2.32

# 8886 S Vermont | Unit Mix

GENERAL	
Units	22
Lot Size	10,734
Net Rentable Sq Footage	17,897
Parking Sq Footage	8,347
Common Area (Hallways, Stairs, Etc)	2,685
Total Gross Building Sq Footage	30,255

MARKET RENTS							
Units	# of Units	Today's Monthly Rent/Unit	RSF	SF/Unit	Post Dev Monthly Rent	Post Dev Market Rent (PSF)	Post Dev Market Rent/Unit
1B+1B A	2	\$1,550	1,464	732	\$3,289	\$2.25	\$1,644
1B+1B B	3	\$1,600	2,235	745	\$5,092	\$2.28	\$1,697
1B+1B C	3	\$1,550	2,193	731	\$4,933	\$2.25	\$1,644
2B+2B A	1	\$1,900	790	790	\$2,016	\$2.55	\$2,016
2B+2B B	3	\$1,985	2,874	958	\$6,318	\$2.20	\$2,106
2B+2B C	3	\$1,975	2,796	932	\$6,286	\$2.25	\$2,095
2B+2B D	1	\$1,925	890	890	\$2,042	\$2.29	\$2,042
2B+2B E	2	\$2,000	2,012	1,006	\$4,244	\$2.11	\$2,122
STUDIO	1	\$1,200	331	331	\$1,273	\$3.85	\$1,273
1B+1B AFFORDABLE	1	\$373	732	732	\$373	\$0.51	\$373
2B+2B AFFORDABLE	2	\$420	1,580	790	\$840	\$0.53	\$420
<b>TOTAL</b>	<b>22</b>		<b>17,897</b>		<b>\$35,865</b>	<b>\$2.05</b>	<b>\$17,013</b>

- Post Dev Rent assumes 3% Annual Inflation on Today's Market Rent for 2 years; assuming project takes 2 years for stabilization

# 8886 S Vermont | Project Cost Breakdown

PROJECT COST BREAKDOWN			Costs	Per Unit	\$/Gross SF	\$/NRSF
<b>Acquisition Cost</b>	Land SF	SF Calc 10,734	<u>1,200,000</u>	<u>54,545</u>	<u>111.79</u> Land SF	<u>67.05</u>
<b>Land Development Costs</b>						
Demo	GSF	30,255	75,000	3,409	2.48	4.19
<b>Total Land Development Costs</b>		30,255	<u>75,000</u>	<u>3,409</u>	<u>2.48</u>	<u>4.19</u>
<b>Hard Costs</b>						
Direct Building	GSF	30,255	2,117,850	96,266	70.00	118.34
Parking	Parking SF	8,347	500,000	22,727	59.90	27.94
General Conditions		30,255	65,383	2,972	1.50	3.65
Liability Insurance & Security Bonds		30,255	31,768	1,444	1.05	1.78
Construction GC Fee		30,255	60,510	2,750	2.00	3.38
<i>GC Contingency @ 2%</i>	2.00%	30,255	57,010	2,591	2.13	3.19
<i>HC Contingency @ 10%</i>	10.00%	30,255	<u>290,752</u>	<u>13,216</u>	<u>10.87</u>	<u>16.25</u>
<b>Total Hard Costs</b>			<u>3,123,273</u>	<u>141,967</u>	<u>103.23</u>	<u>174.51</u>
<b>Soft Costs</b>						
A&E	GSF	30,255	80,000	3,636	2.64	4.47
A&E Construction Admin (Plan Submittal)		30,255	10,000	455	0.33	0.56
Builder's Risk Insurance		30,255	2,000	91	0.07	0.11
Permits & Fees		30,255	175,000	7,955	5.78	9.78
Misc Consultants		30,255	5,000	227	0.17	0.28
Taxes		30,255	13,344	607	0.44	0.75
Construction Management Consultant		30,255	5,000	227	0.17	0.28
Project Legal		30,255	2,000	91	0.07	0.11
Survey		30,255	2,500	114	0.08	0.14
Financing/Interest Costs		30,255	<u>204,224</u>	9,283	6.75	11.41
<i>Soft Cost Contingency (6% of Total SC)</i>	6.00%	30,255	<u>17,691</u>	<u>804</u>	<u>0.58</u>	<u>0.99</u>
<b>Total Soft Costs</b>		30,255	<u>516,759</u>	<u>23,489</u>	<u>17.08</u>	<u>28.87</u>
<b>TOTAL DEVELOPMENT COSTS</b>		30,255	<u>\$ 3,715,032</u>	<u>\$ 168,865</u>	<u>\$ 123</u>	<u>\$ 208</u>
<b>TOTAL COSTS</b>		30,255	<u>\$ 4,915,032</u>	<u>\$ 223,411</u>	<u>\$ 162</u>	<u>\$ 275</u>

# 8886 S Vermont | Profit Breakdown

<b>UNLEVERED ASSUMPTIONS</b>		
<i>Annual Proforma: Post Development Forecast</i>		
EGI		\$430,385
Op Ex	25%	(\$107,596)
NOI (Residential)		\$322,789
Exit Cap		5.00%
	<u>\$/Unit</u>	
Disposition Price	293,444	\$6,455,774
Less: Commissions	5%	(\$322,789)
Total Sales		\$6,132,985
Less: Total Costs		(\$4,915,032)
<b>NET PROFIT</b>		<b>\$1,217,953</b>
<b>Unlevered Stablized NOI YIELD</b>		<b>6.57%</b>
<b>YIELD ON COST</b>		<b>24.78%</b>