

AMIGO FLATS

8449 AMIGO AVENUE | NORTHRIDGE, CA 91324

OFFERING MEMORANDUM







AMIGO FLATS

INVESTMENT CONTACTS

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01
INVESTMENT SUMMARY



AMIGO FLATS

On behalf of ownership as the exclusive listing agent, Lucrum Real Estate Group of KW Commercial is proud to offer for sale – for the first time in 26 years, Amigo Avenue Apartments. Located at 8449 Amigo Avenue, Amigo Avenue Apartments is a tranquil 7-unit garden-style multifamily complex built in 1959 located in Northridge, CA. The building is 2 stories and construction is of wood frame with a pitched roof and painted stucco exterior. The asset is +/- 5,156 building square feet on a +/- 7,630 square foot lot zoned LAR3.

The apartment units are spacious and consist of 7 one-bedroom/one-bath units. Unit #3 features a large backyard. Four of the 7 units have been renovated. Common area amenities include partial covered / garage parking and a laundry room. Unit amenities include air conditioning, forced air heating, stove, plenty of closet space, semi private balconies / patios, and in select units new flooring and counter tops.

The building is accessible in the front of the property off Amigo Ave. and offers 10 parking spaces.

Capital improvements include soft story retrofit completion, installation of a new water heater, electrical panel and garage doors.

Aesthetically, the property grounds and building are well maintained and attractive. The landscaping is well kept and manicured. The structure has impressive frontage providing for attractive curb appeal.

INVESTMENT SUMMARY

LOCATION AND COMMUNITY DESCRIPTION

8449 Amigo Ave. is located in Northridge, CA north of Roscoe Blvd. and west of Reseda Blvd. The property is centrally located near the 101, 405 & 118-freeways. Boasting a “walk score” of 78 and a “bike score” of 83, the location is conveniently walkable and bikeable for tenants. Nearby destinations include CSUN, shopping centers, parks & recreation center. The closest grocery store is Vallarta Supermarket and nearby coffee shops include Joyce’s Coffee Shop and Restaurant, Cafe Aficionado and Starbucks.

ECONOMIC INDICATORS & MARKET TRENDS

Low vacancy rates in the San Fernando Valley coupled with continued low interest rates have led to multifamily investment properties becoming a highly attractive asset class. With many units at below market rents amidst a thriving rental market, 8449 Amigo Ave offers astute investors significant rental upside potential of roughly 24.63%

DEAL POINTS & FINANCING OPTION

- Offered at \$1,515,000
- 4.16% current cap rate | 5.88% pro forma cap rate
- 13.81 current GRM
- \$216,429 cost per unit
- \$293.83 building price per square foot

Debt options remain strong for those seeking a loan. The offering includes a rate quoted for 40% down at 3.5% interest rate fixed for 5 years.







02

PROPERTY DESCRIPTION

PROPERTY DESCRIPTION

AMIGO FLATS



APN: 2785-015-056



ZONING: LAR3



BUILDING: ± 5,156 SF



SITE: LOT SIZE ACREAGE: ±0.1752
LOT SIZE SF: ±7630

UNITS: 7 | 0 VACANT



ADDRESS: 8449 AMIGO AVE,
NORTHRIDGE, CA 91324

USE: APARTMENT BUILDING

ANNUAL OPERATING DATA	CURRENT	MARKET
SCHEDULED GROSS INCOME	\$109,703	\$136,500
LESS VACANCY RESERVE	(\$3,291) 3.00%*	(\$4,095) 3.00%*
GROSS OPERATING INCOME	\$106,412	\$132,405
LESS EXPENSES	(\$43,370) 39.53%*	(\$43,370) 31.77%*
NET OPERATING INCOME	\$63,042	\$89,035
LESS DEBT SERVICE	(\$48,982)	(\$48,982)
PRE-TAX CASH FLOW	\$14,061 2.32%**	\$40,054 6.61%**
PLUS PRINCIPAL REDUCTION	\$17,445	\$17,445
TOTAL RETURN BEFORE TAXES	\$31,505 5.20%**	\$57,498 9.49%**

* As a percentage of Scheduled Gross Income.

** As a percentage of Down Payment.

ESTIMATED ANNUAL EXPENSES	
TAX YEAR	2020
TAX RATE	1.25% \$18,938
INSURANCE (NEW)	\$2,578
MAINT. / REPAIRS	\$3,500
UTILITIES	\$10,105
RUBBISH	\$2,461
MISC. / RESERVES	\$1,400
OFF-SITE MGMT.	\$4,388
TOTAL EXPENSES	\$43,370
PER GROSS SQ. FT.	\$8.41
EXPENSES PER UNIT	\$6,195.66



8449

PRIVATE PROPERTY
NO TRESPASSING
NO PARKING
NO LOADING
NO UNLOADING





03
PROPERTY LEASE DATA

SUMMARY	CURRENT	MARKET
PURCHASE PRICE	\$1,515,000	
DOWN PAYMENT	40% – \$606,000	
NUMBER OF UNITS	7	
COST PER LEGAL UNIT	\$216, 429	
CURRENT GRM	13.81	11.10
CURRENT CAP	4.16%	5.88%
YEAR BUILT	1959	
APPROX. BUILDING SF	±5,156	
COST PER BUILDING SF	\$293.83	
APPROX. LOT SF	±7,630	
ZONING	LAR3	
PARKING	10	

RENT ROLL

APT #	BEDS / BATHS	RENTS	NOTES
1	1 1	\$1,197.04	
2	1 1	\$1,450.00	Renovated Unit
3	1 1	\$1,000.00	Renovated Unit Backyard Mgr.
4	1 1	\$1,750.00	Renovated Unit
5	1 1	\$1,500.00	Renovated Unit
6	1 1	\$1,086.20	
7	1 1	\$1,083.68	



PROPERTY LEASE DATA

MONTHLY RENTAL INCOME:	\$9,066.92
MONTHLY LAUNDRY INCOME:	\$75.00
MONTHLY GARAGE INCOME:	\$0.00
MONTHLY OTHER INCOME:	\$0.00
TOTAL GROSS MONTHLY INCOME:	\$9,141.92
UTILITIES PAID BY TENANT:	ELECTRICITY & GAS

PROPOSED FINANCING	
LOAN	\$909,000
INTEREST	3.50%
INTEREST TYPE	5 YEARS FIXED
TERM (YRS.)	30
AMORTIZATION (YRS.)	30

SCHEDULED INCOME			CURRENT		MARKET	
NO. OF UNITS	BEDS / BATHS	APPROX. SF	MONTHLY AVG. RENT / UNIT	MONTHLY INCOME	MONTHLY RENT / UNIT	MONTHLY INCOME
6	1 + 1	-	\$1,344	\$8,067	\$1,600	\$9,600
1	1+1+Yard	-	\$1,000	\$1,000	\$1,700	\$1,700
MONTHLY SCHEDULED RENT				\$9,067	\$11,300	
LAUNDRY INCOME				\$75	\$75	
OTHER INCOME						
MONTHLY SGI				\$9,142	\$11,375	
ANNUAL SGI				\$109,703	\$136,500	
UTILITIES PAID BY TENANT		Electricity & Gas				





04 HIGHLIGHTS & LOCATION

AMIGO FLATS HIGHLIGHTS



**SOFT-STORY
RETROFIT COMPLETED**



**CENTRAL SFV LOCATION
NEAR CSUN**



**NEWLY INSTALLED
WATER HEATER**



**ATTRACTIVE
CURB APPEAL**



**NEW ELECTRICAL
PANEL INSTALLED**



**RESIDENTIAL
TREE LINED STREET**



**NEW
GARAGE DOORS**

8449



**THRIVING
RENTAL MARKET**



**24.63% RENTAL
UPSIDE POTENTIAL**



**4 UNITS
NICELY RENOVATED**



AMIGO FLATS
8449 AMIGO AVENUE

CHASE ST

RESEDA BLVD





05
AREA OVERVIEW

NORTHRIDGE, CALIFORNIA OVERVIEW

Northridge is a neighborhood in the San Fernando Valley region of the City of Los Angeles, California. The community is home to California State University, Northridge, the Northridge Fashion Center, as well as LA's historic roller skating rink: Northridge Skateland. Originally named Zelzah, the community was renamed North Los Angeles in 1929. In 1938, a civic leader decided to rename the community once more to Northridge.

QUICK FACTS

- Northridge is conveniently a 30 minute drive from downtown Angeles.
- The median yearly household income in 2008 was \$67,906, considered high for the city.
- Thirty-four percent of Northridge residents aged 25 and older had earned a four-year degree by 2000, an average percentage for the city but high for the county.



AVERAGE HOUSEHOLD INCOME
\$77,366



2020 ESTIMATED POPULATION
124,312



BACHELORS DEGREE OR HIGHER
26.8%



MEDIAN AGE
33.5



TOTAL HOUSEHOLDS
38,349

CAL STATE UNIVERSITY, NORTHRIDGE OVERVIEW

California State University, Northridge, or CSUN, part of the California State University system, offers bachelor's and master's degrees in a number of disciplines. The school is a major producer of K12 teachers in the region and the nation as a whole. CSUN also has engineering, business, and film programs.

CSUN had its beginnings as a college on Nordhoff Street and Etiwanda Avenue and officially opened in 1956 as "San Fernando Valley Campus of Los Angeles State College of Applied Arts and Sciences." Two years later it separated from its parent and became "San Fernando Valley State College." By the early 1970s, however, this institution became known as "California State University, Northridge." By fall of 2016, CSUN had reached enrollment of almost 40,000 students.



CSUN: NORTHRIDGE, CA

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