



OFFERING MEMORANDUM

# THE ARCHWAY

5507 - 5509 S. MANHATTAN PLACE | LOS ANGELES, CA 90062

Multifamily / Residential

FOR SALE

PROPERTY WEBSITE

—[lucrumre.com](http://lucrumre.com)







INVESTMENTS CONTACTS

## THE ARCHWAY

**LUCRUM GROUP | KW COMMERCIAL**

**RAY RODRIGUEZ**

FOUNDING PARTNER

D: +1 866-582-7865

M: +1 818-581-5829

[ray@lucrumre.com](mailto:ray@lucrumre.com)

Lic. #01402283

**MATHEW FREEDMAN**

PARTNER

M: +1 818-585-6888

[matt@lucrumre.com](mailto:matt@lucrumre.com)

Lic. #01487954





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THE ARCHWAY

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THE ARCHWAY

# 01. PROPERTY OVERVIEW





# THE ARCHWAY

## PROPERTY OVERVIEW

<b>Street Address:</b>	5507-5509 S. Manhattan Pl.
<b>City:</b>	Los Angeles
<b>State:</b>	California
<b>Zip Code:</b>	90062
<b>APN:</b>	5005-025-026
<b>Building Square Feet:</b>	1,836 SF
<b>Lot Size:</b>	6,055 SF
<b>Year Built:</b>	1923 / 1928
<b>Number of Units:</b>	2
<b>Number of Buildings:</b>	1
<b>Number of Stories:</b>	1
<b>Water:</b>	Master-Metered
<b>Electric:</b>	Individually-Metered
<b>Gas:</b>	Master-Metered
<b>Construction:</b>	Wood-frame Stucco
<b>Roof:</b>	Flat
<b>Parking:</b>	Street
<b>Zoning:</b>	LAR2
<b>Unit Mix:</b>	(2) 3 Beds/2 Baths





# THE ARCHWAY



## PROPERTY DESCRIPTION

The Archway is a beautiful Spanish style duplex located in the dynamically emerging market of South Los Angeles. This investment opportunity presents an ideal income property for either an owner-user or an astute investor looking to acquire a 50% vacant value-added asset. This charming duplex is comprised of 2 units in a one-story building built in 1928. This property totals 1,836± building square feet and is constructed of wood frame, flat roof, and painted stucco exterior. The property sits on a large 6,056± square foot lot zoned LAR2 and the building is located in a Transit Oriented Community (TOC), Tier 2 which may allow for a larger redevelopment of the lot. In addition, a preliminary ADU study has been completed which could allow for an additional 2 units that would significantly increase the NOI. Buyer to verify.

These extremely spacious units at S. Manhattan Place, one of which will be delivered vacant, average 918± square feet. The units are comprised of (2) 3 Bedroom + 2 Bath units. One of the units has been highly improved with granite countertops, wood floors, stainless-steel appliances, and a Ring home security system. Both units offer laundry rooms with washer/dryer hookups and individual hot water heaters. Each unit offers a private backyard. There is also a rear gated parking lot currently with no ally access. Capital improvements include a newer roof, hot water heaters and new AC unit for unit 5509. Aesthetically, the property grounds and building are well maintained and offer curb appeal.





## LOCATION DESCRIPTION

The Archway is located at 5507 S. Manhattan Place in the swiftly emerging submarket of Los Angeles known as Park Mesa Heights. The property is adjacent to Leimert Park and just south of The University of Southern California. Located on the 5500 block of S. Manhattan Place, the property is situated between W. 54th St and W. Slauson Ave., just east of S. Van Ness Ave.

The property is ideally located within proximity to The Natural History Museum, Los Angeles Memorial Coliseum, University of Southern California and Banc of California Stadium. Also nearby is a hub of restaurants, shopping and public transportation.

In addition, 5507 S. Manhattan Place is a central Los Angeles location and minutes to Downtown Los Angeles, Jefferson Park, Huntington Park and Mid City, making this property the ideal location to call home and a pride of ownership investment.







# THE ARCHWAY

## PROPERTY HIGHLIGHTS

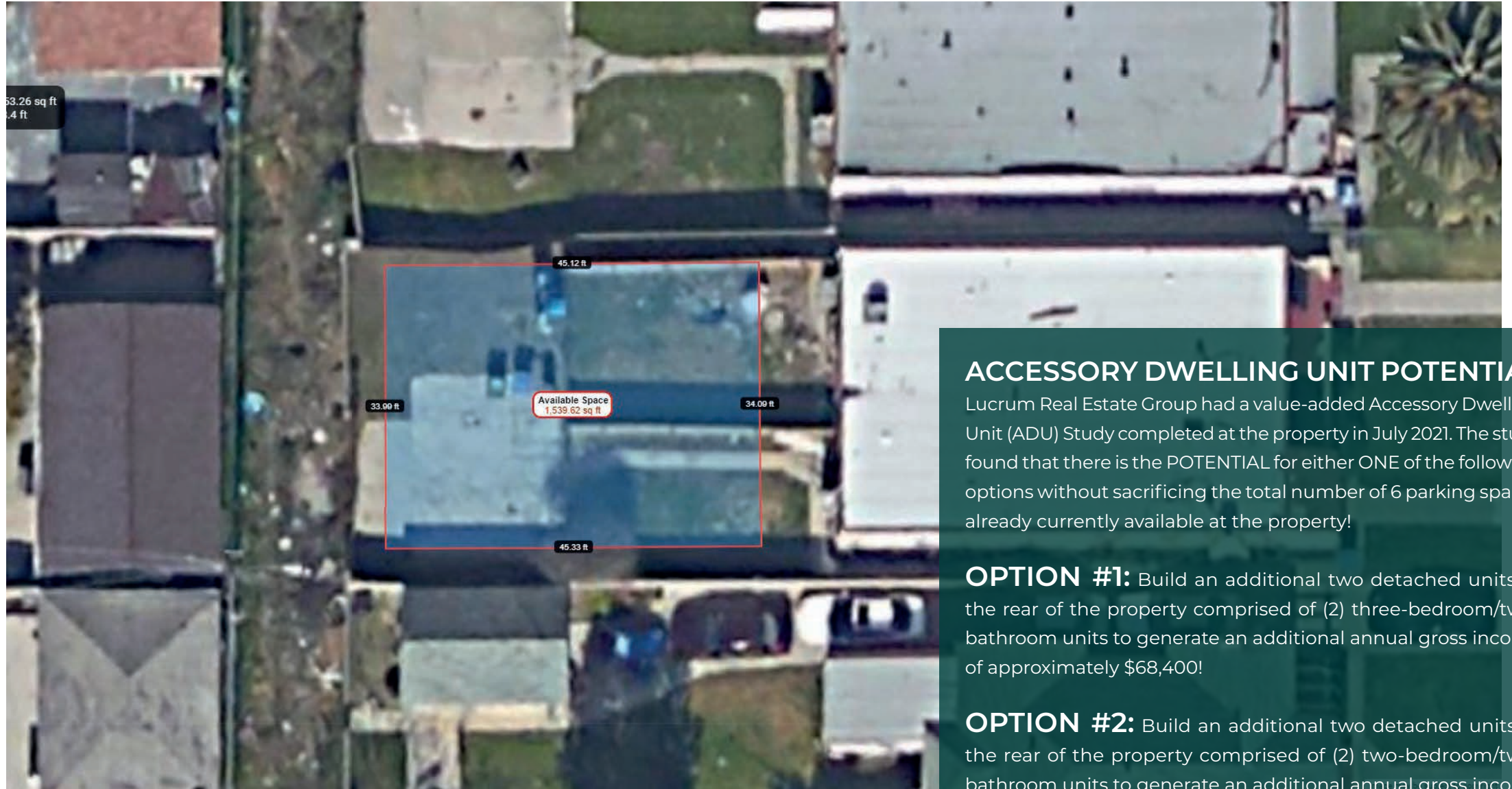
- + One unit delivered vacant at the close of escrow in renovated condition
- + Private backyards for each unit
- + Individual hot water heaters
- + Newer roof, hot water heaters and new AC unit for # 5509
- + Preliminary study completed identifying potential to add (2) ADU units
- + Zoned LAR2 and located in the Opportunity Zone & TOC Tier 2
- + Excellent unit mix of (2) 3 bedroom + 2 bath units
- + Spacious average unit size of 918± SF
- + Central A/C, Wi-Fi, Stainless Steel Appliances (select units)
- + Gated parking lot in rear of property (currently no ally access)
- + Central Los Angeles location
- + Strong rental market







# POTENTIAL ADU



## ACCESSORY DWELLING UNIT POTENTIAL

Lucrum Real Estate Group had a value-added Accessory Dwelling Unit (ADU) Study completed at the property in July 2021. The study found that there is the POTENTIAL for either ONE of the following options without sacrificing the total number of 6 parking spaces already currently available at the property!

**OPTION #1:** Build an additional two detached units at the rear of the property comprised of (2) three-bedroom/two-bathroom units to generate an additional annual gross income of approximately \$68,400!

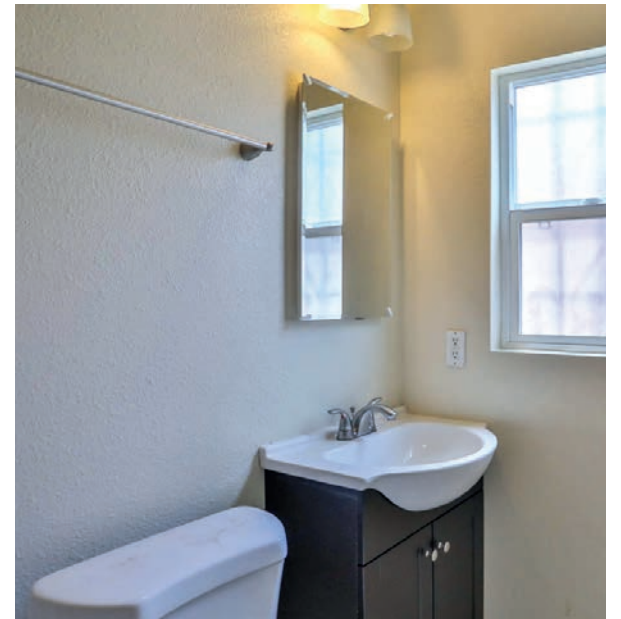
**OPTION #2:** Build an additional two detached units at the rear of the property comprised of (2) two-bedroom/two-bathroom units to generate an additional annual gross income of approximately \$49,200!

*\*Seller, broker, and listing agents make no guarantees as to the potential for ADUs at the subject property. Buyer to verify ADU potential with their own engineer, architect, contractor and any other professionals they deem necessary.*



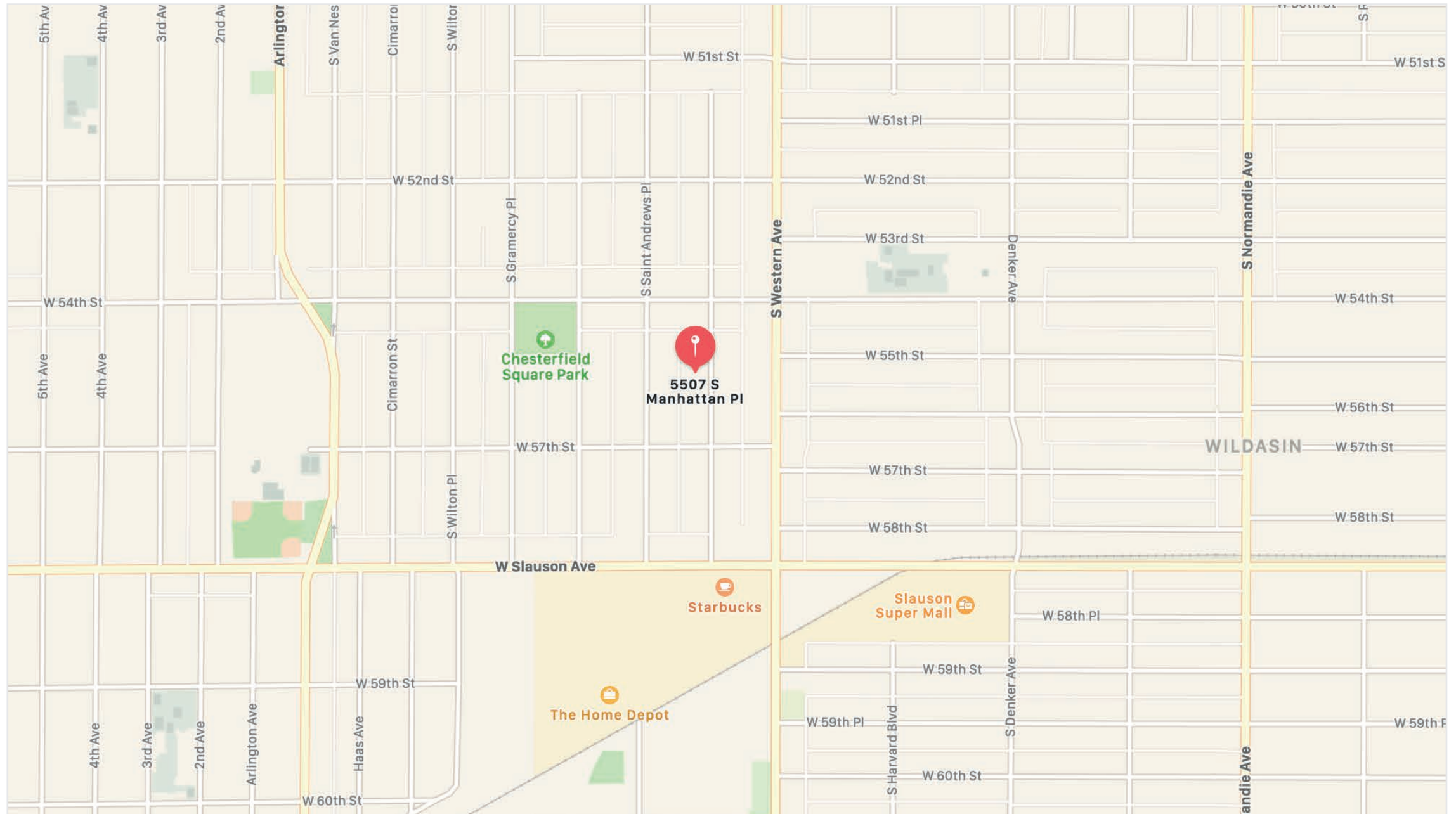








# STREET MAP







# SATELLITE MAP (2D)







THE ARCHWAY

## 02. FINANCIAL ANALYSIS





# FINANCIALS **PRICING DETAILS**

<b>PRICE</b>	<b>\$650,000</b>
Number of Units	2
Price Per Unit	\$325,000
Price Per Square Foot	\$354.03
Gross Square Footage	1,836
Lot Size	6,055
Year Built	1923 / 1928

<b>RETURNS</b>	<b>CURRENT</b>	<b>PRO FORMA</b>
CAP Rate	5.29%	6.19%
GRM	12.63	11.31

## RENT ROLL SUMMARY

<b># OF UNITS</b>	<b>UNIT TYPE</b>	<b>AVG CURRENT</b>	<b>PRO FORMA</b>
1	3 + 2	\$1,895	\$2,395
1	3 + 2	\$2,395	\$2,395





# FINANCIALS OPERATING DATA

ANNUAL INCOME	CURRENT	MARKET
SCHEDULED GROSS INCOME	\$51,480	\$57,480
LESS VACANCY RESERVE	(\$1,544) 3.00%*	(\$1,724) 3.00%*
GROSS OPERATING INCOME	\$49,936	\$55,756
LESS EXPENSES	(\$15,537) 30.18%*	(\$15,537) 27.03%*
NET OPERATING INCOME	\$34,399	\$40,219
LESS DEBT SERVICE	(\$25,889)	(\$25,889)
PRE-TAX CASH FLOW	<b>\$8,509</b>   6.55%	<b>\$14,329</b>   11.02%
PLUS PRINCIPAL REDUCTION	\$11,085	\$11,085
TOTAL RETURN BEFORE TAXES	<b>\$19,594</b>   15.07%	<b>\$25,414</b>   19.55%

\* As a percentage of Scheduled Gross Income.

\*\* As a percentage of Down Payment.

## EXPENSES

TAX YEAR	2021
TAX RATE	1.25%   \$8,125
INSURANCE (NEW)	\$918
MAINT. / REPAIRS	\$1,200
*UTILITIES	\$2,220
RUBBISH	\$500
MISC. / RESERVES	-
OFF-SITE MGMT.	\$2,574
ON-SITE MGMT.	-
TOTAL EXPENSES	<b>\$15,537</b>
PER GROSS SQ. FT.	<b>\$8.46</b>
EXPENSES PER UNIT	<b>\$7,768.50</b>





# FINANCIALS RENT ROLL

#	UNIT TYPE	SF	RENT	NOTES
5507	3/2	-	\$1,895.00	
5509	3/2	-	\$2,395.00	Vacant   Remodeled







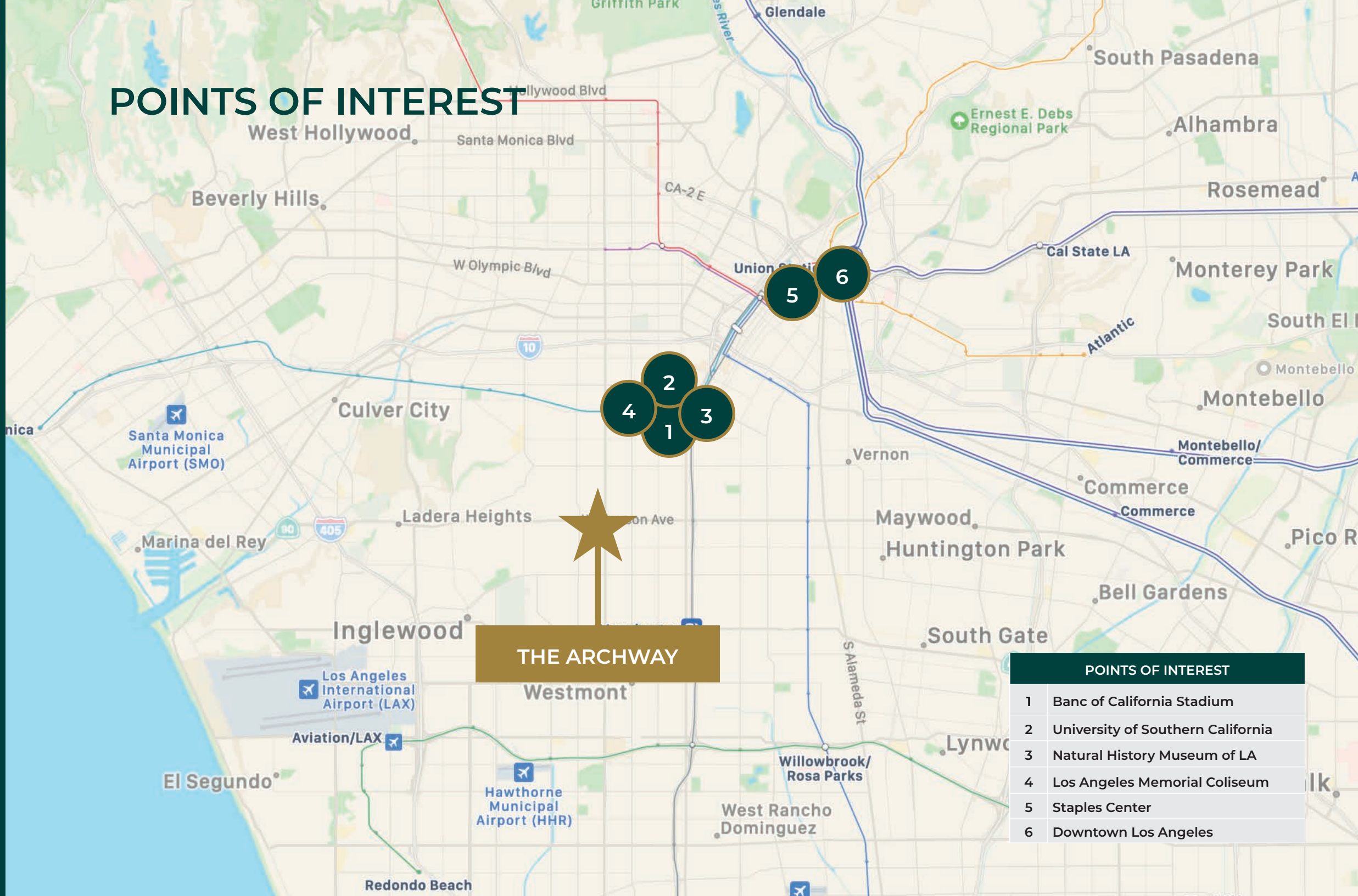
THE ARCHWAY

## 03. AREA OVERVIEW





# POINTS OF INTEREST



**THE ARCHWAY**

POINTS OF INTEREST	
1	Banc of California Stadium
2	University of Southern California
3	Natural History Museum of LA
4	Los Angeles Memorial Coliseum
5	Staples Center
6	Downtown Los Angeles





# PARK MESA HEIGHTS, CA OVERVIEW

## PARK MESA HEIGHTS SUMMARY & DEMOGRAPHICS

Park Mesa Heights is a neighborhood in Los Angeles with a total population of 35,849. It occupies approximately 3.78 square miles. Overall, expenses in Park Mesa Heights are 7% higher than the National Average. Most people in the neighborhood rent their home, with 54% of households being occupied by renters.

As for the demographics in the neighborhood, the median age is 36, 35% of residents are married, and 33% of residents have at least one child. About 10% of adults here have a bachelor's degree or higher.

The overall risk of crime in Park Mesa Heights is 24% higher than the National Average. As for weather, the average summer temperature is 74.2°F, while the

average winter temperature is 58.3°F.

This area is zoned for Los Angeles Unified School District, which has approximately 646,683 students enrolled across 1153 schools and is rated below average overall based on student test scores. To see detailed information on the schools near any individual property, look that property up by street address.

Regarding weather, the average summer temperature is 74.2°F, while the average winter temperature is 58.3°F.



AVERAGE HOUSEHOLD  
INCOME

**\$43,238**



MEDIAN AGE

**36 years old**



2021 ESTIMATED  
POPULATION

**35,849**



TOTAL HOUSEHOLDS

**15,367**



BACHELORS DEGREE  
OR HIGHER

**10%**





## OVERVIEW

# LOS ANGELES, CALIFORNIA

The Los Angeles Metro Rail is an urban rail transportation system serving Los Angeles County, California. It consists of six lines, including two subway lines and four light rail lines serving 93 stations. It connects with the Metro Busway bus rapid transit system and also with the Metrolink commuter rail system.



The City of Los Angeles holds many distinctions. L.A. is the entertainment capital of the world, a cultural mecca boasting more than 100 museums, and a paradise of idyllic weather. From tourist attractions like the Walk of Fame's collection of stars (numbering more than 2,614 and growing by one or two a month) to career opportunities like those presented in the expanding tech industry, Los Angeles is the place to be. It is the only city in North America to have hosted the Summer Olympics twice. Downtown L.A. is the largest government center outside of Washington, D. C. Los Angeles has the only remaining wooden lighthouse in the state (located in San Pedro's Point Fermin Park) and the largest historical theater district on the National Register of Historic Places (located Downtown on Broadway).

Los Angeles is on the leading edge of several growth industries. LA County, with more than 87,000 jobs in the fashion industry, has surpassed New York's fashion district workforce. The LA Five-County area also has more than 700,000 people at work in health services / biomedical activities and 190,000 people in aerospace and technology.







## INVESTMENT CONTACT

### RAY RODRIGUEZ

FOUNDING PARTNER

D: +1 866-582-7865

M: +1 818-581-5829

[ray@lucrumre.com](mailto:ray@lucrumre.com)

Lic. #01402283

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PARTNER

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[matt@lucrumre.com](mailto:matt@lucrumre.com)

Lic. #01487954

