



OFFERING MEMORANDUM

FAIRVIEW HEIGHTS

571 FAIRVIEW AVE., LOS ANGELES, CA 90033

Multifamily Investment Opportunity

FOR SALE

PROPERTY WEBSITE

—lucrumre.com





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FAIRVIEW HEIGHTS

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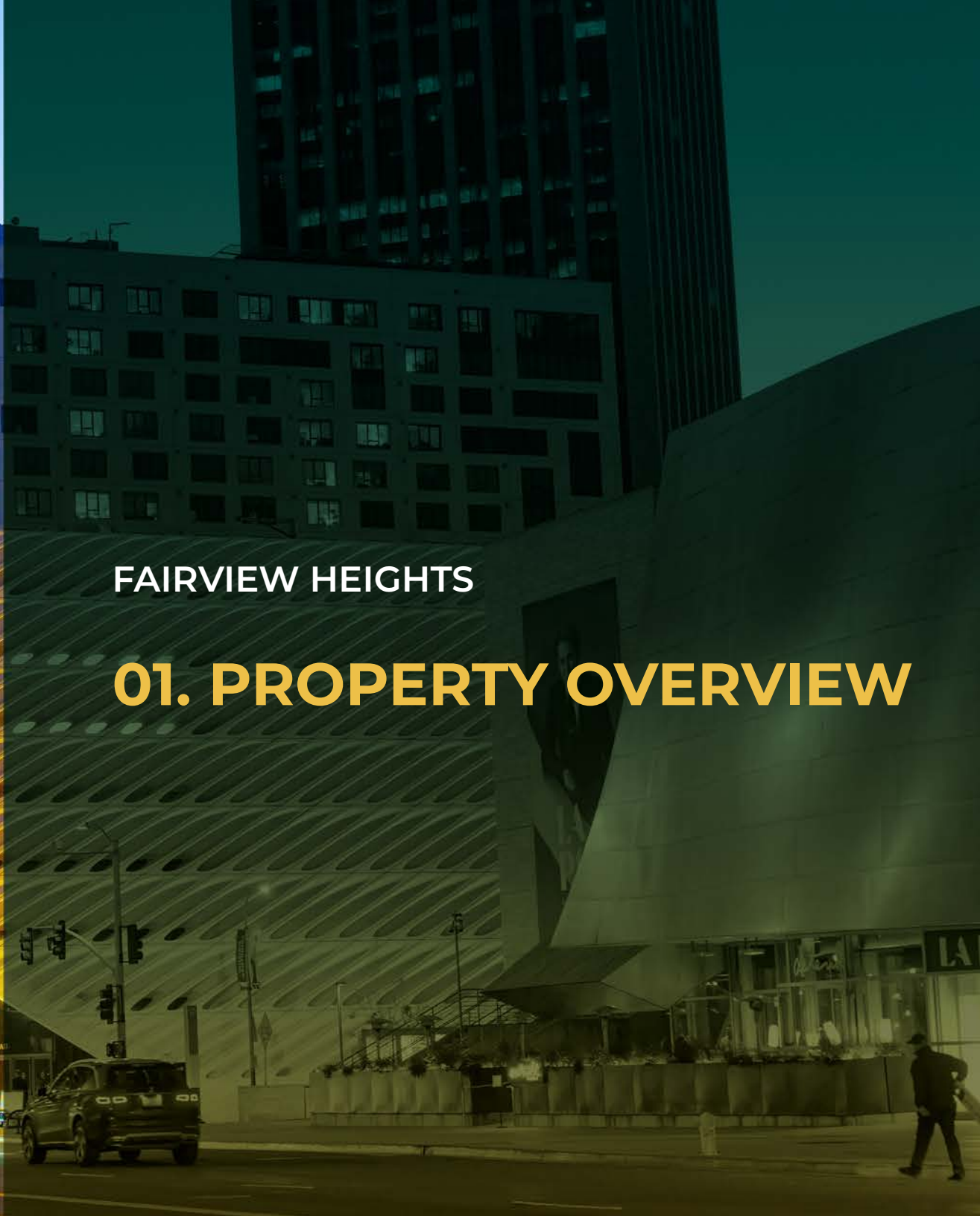
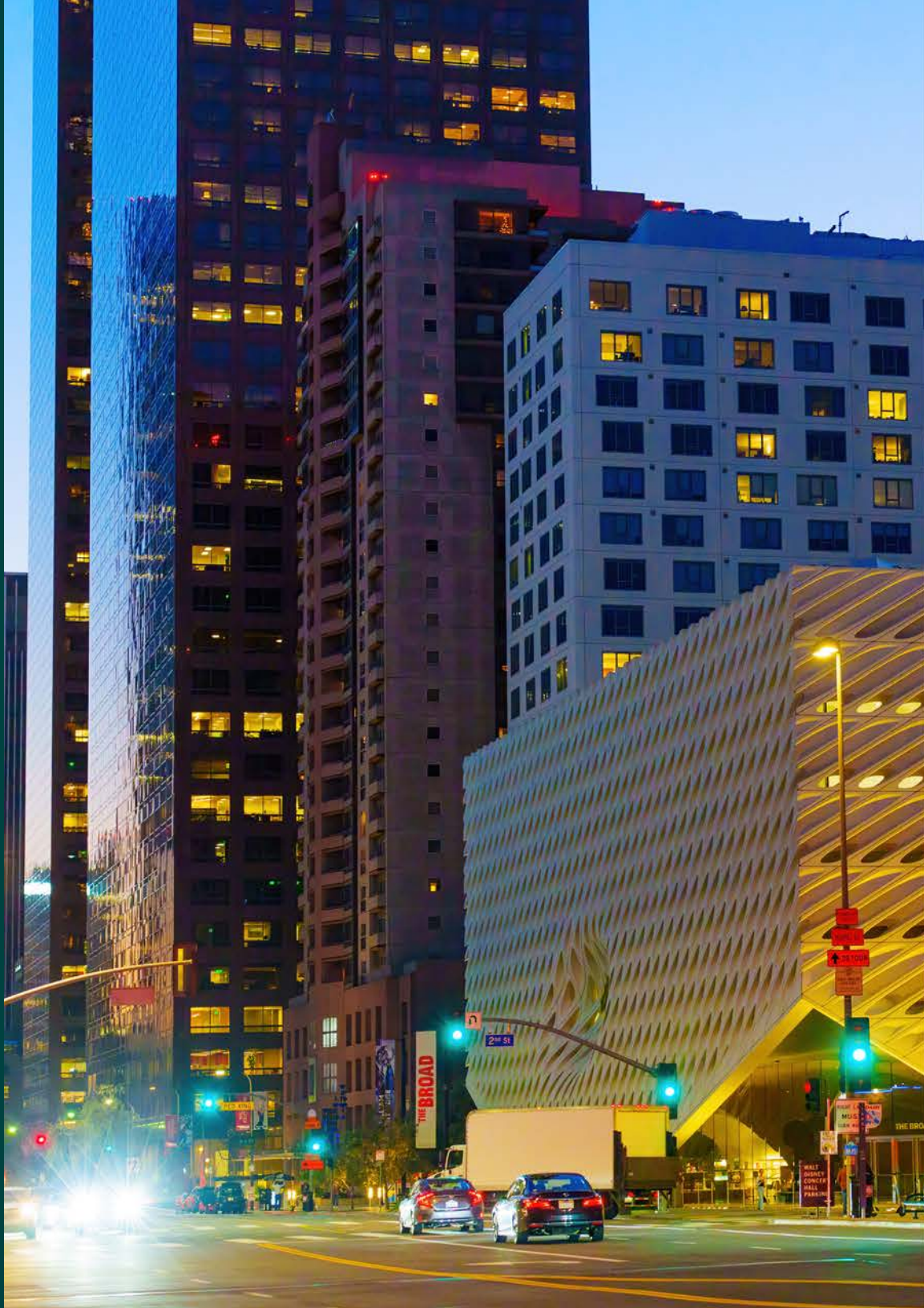


FAIRVIEW HEIGHTS

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FAIRVIEW HEIGHTS

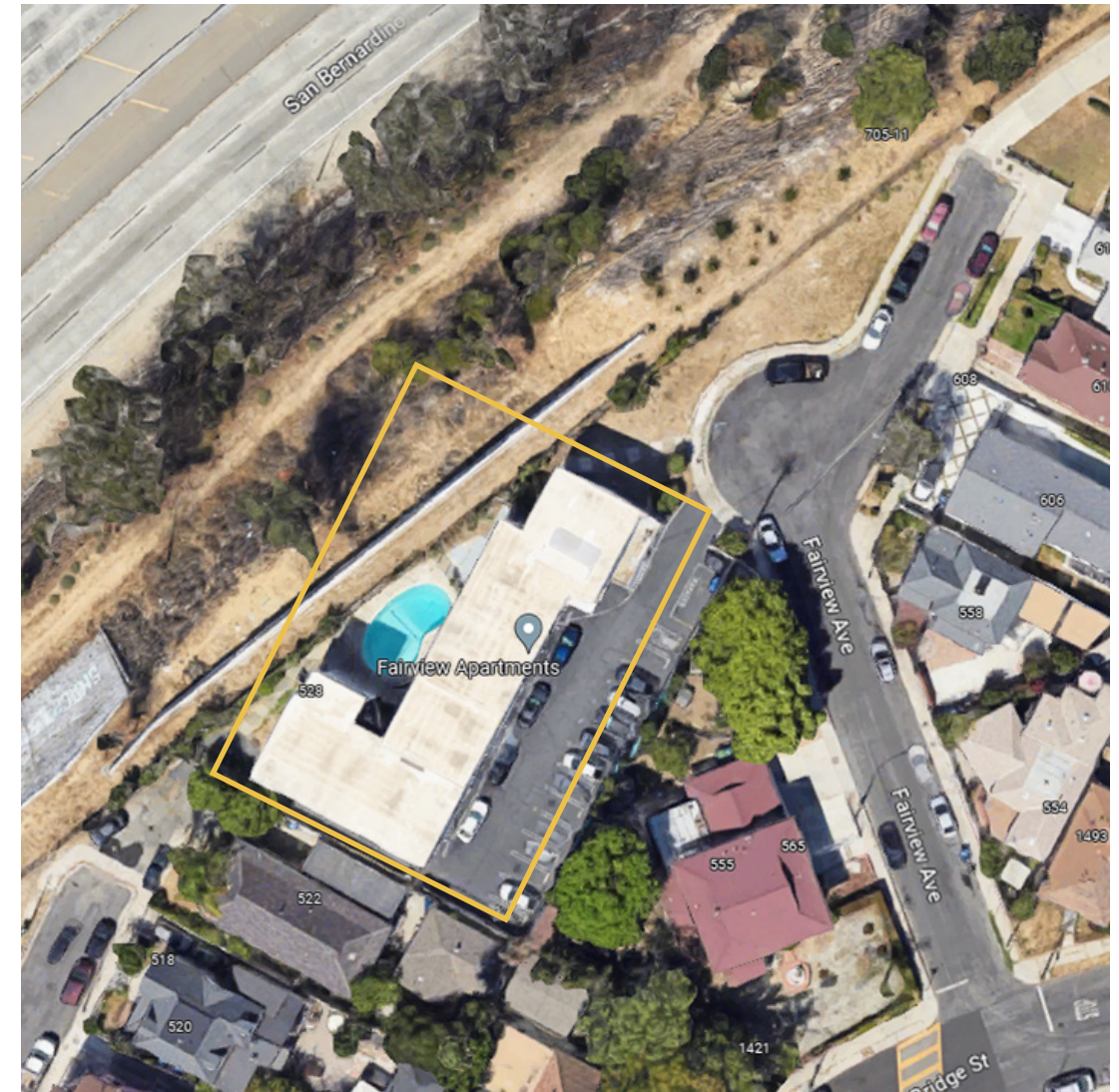
01. PROPERTY OVERVIEW



FAIRVIEW HEIGHTS

PROPERTY OVERVIEW

Street Address:	571 Fairview Ave.
City:	Los Angeles
State:	California
Zip Code:	90033
APN:	5174-011-022
Rentable Square Feet:	± 12,006 SF
Lot Size:	± 16,874 SF
Year Built:	1964
Number of Units:	38
Number of Buildings:	1
Number of Stories:	3
Water:	Master-Metered
Electric:	Master-Metered
Gas:	Master-Metered
Construction:	Wood-frame
Roof:	Flat
Parking:	16 Spaces
Zoning:	LAR3
Unit Mix:	(37) Single/1 Bath (1) 1 Bed/1 Bath





FAIRVIEW HEIGHTS



PROPERTY DESCRIPTION

Lucrum Real Estate Group is proud to present a rare investment opportunity to acquire Fairview Heights, a stunning 38-unit multi-family investment property offering incredible views of Los Angeles. Centrally located at 571 Fairview Ave. in the historic neighborhood of Boyle Heights, in East L.A., this special property has been under the same caring ownership for nearly a half century.

Fairview Heights features beautiful mid-century modern architecture. Positioned on a corner lot cul-de-sac off Fairview Ave. and perched regally atop a bluff. The property offers 16 parking spaces, a laundry room, swimming pool, and a charming community garden area that also offers space to add a BBQ area with tables & chairs. The apartment building totals 38 cozy units comprised of 37 singles and 1 one-bedroom / one-bathroom plus office unit (at least 5 units will be delivered vacant). Unit amenities include wall A/C units, plenty of closet space and kitchens outfitted with a stove and refrigerator. The construction is of a wood frame, flat roof, and painted stucco exterior. Built in 1964 totaling +/- 12,006 square feet on a +/- 16,874 square foot lot currently zoned R3 and located in an Opportunity Zone. The units are master metered for gas and electricity.

This unique value-added investment offers significant income upside potential of +/- 47% and represents an attractive price per unit and pro-forma Cap Rate of +/- 9.01%! All units are currently eligible for annual rental increases at a maximum of +/- 6% in February 2024,



allowing for an investor to quickly realize a significant portion of the rental upside potential. In addition, an investor could benefit greatly from leasing parking spaces (currently on first come first serve and not included in lease agreements), implementing a ratio utility billing system (RUBS), and consider how the new valuable vouchers being offered by the Housing Authority of City of Los Angeles (HACLA) could further positively impact income potential.

LOCATION DESCRIPTION

Located in the heart of the historic and charming Boyle Heights neighborhood of Los Angeles, CA., 571 Fairview Avenue is nestled in a peaceful and family-friendly neighborhood, offering tenants a perfect blend of suburban serenity and convenient city access along with picturesque views of the DTLA skyline.

Pride of ownership is evident as one pulls up to the property with its meticulously manicured trees, landscaping, curb appeal and charming walkway leading past a drought friendly garden. Positioned on a hilltop street and adjacent to a church, the neighborhood exudes a wholesome welcoming atmosphere, making it an ideal place for families, couples, professionals, and anyone seeking a tranquil living experience.

The area around Fairview Heights is characterized as a bastion for Latin culture with many Latin-owned businesses, Mexican restaurants, and schools providing a sense of community, and fostering a strong neighborly bond. Residents here take pride in maintaining their properties and adding to the overall charm of the locale.

Within a short distance, residents can enjoy the convenience of various amenities and services along Cesar Chavez Avenue. There are grocery stores, restaurants, cafes, and local shops nearby, ensuring that daily necessities are within easy reach. The nearby Prospect Park, situated just a few blocks away, offers additional recreation for a more outdoor experience.





Boyle Heights is ideally located, making it an accessible hub for commuters to and from DTLA. The proximity to major highways and public transportation options ensures smooth travel to neighboring cities and attractions. The 10, 5 and 101 Freeways are all a short drive away, allowing accessibility to 3 of the City's major routes.

Overall, Fairview Heights offers an inviting and comfortable living environment in the Latin American inspired area of Boyle Heights. With its peaceful setting, friendly neighborhood, and convenient location, this property provides the perfect place for tenants to call home and represents an ideal investment for multifamily investors.

Overall, Boyle Heights offers a range of opportunities for those interested in real estate, whether as homeowners, investors, or business owners. With its strong community, convenient location, and affordable real estate prices, it is a popular choice to live and do business.





FAIRVIEW HEIGHTS

PROPERTY HIGHLIGHTS

- + 1st time available for sale in nearly a half-century
- + Significant income upside potential of +/- 47%
- + Due for +/- 6% rental increases in February 2024
- + At least 5 units delivered vacant
- + Additional upside potential through RUBS & new HACLA voucher program
- + Attractive cost per unit
- + 16 on-site parking spaces
- + Pool and beautiful tranquil courtyard
- + Stunning skyline views of DTLA
- + Cozy & charming units with plenty of natural sunlight
- + 37 singles and 1 one-bedroom plus office
- + Coin operated laundry room





FAIRVIEW HEIGHTS

LOCATION HIGHLIGHTS

- + Robust Boyle Heights Rental Market
- + 82 Transit Score
- + 76 Walk Score
- + Easy Access to 5, 101, & 10 Fwys
- + Short Commute to DTLA
- + Near Keck Medical Center of USC













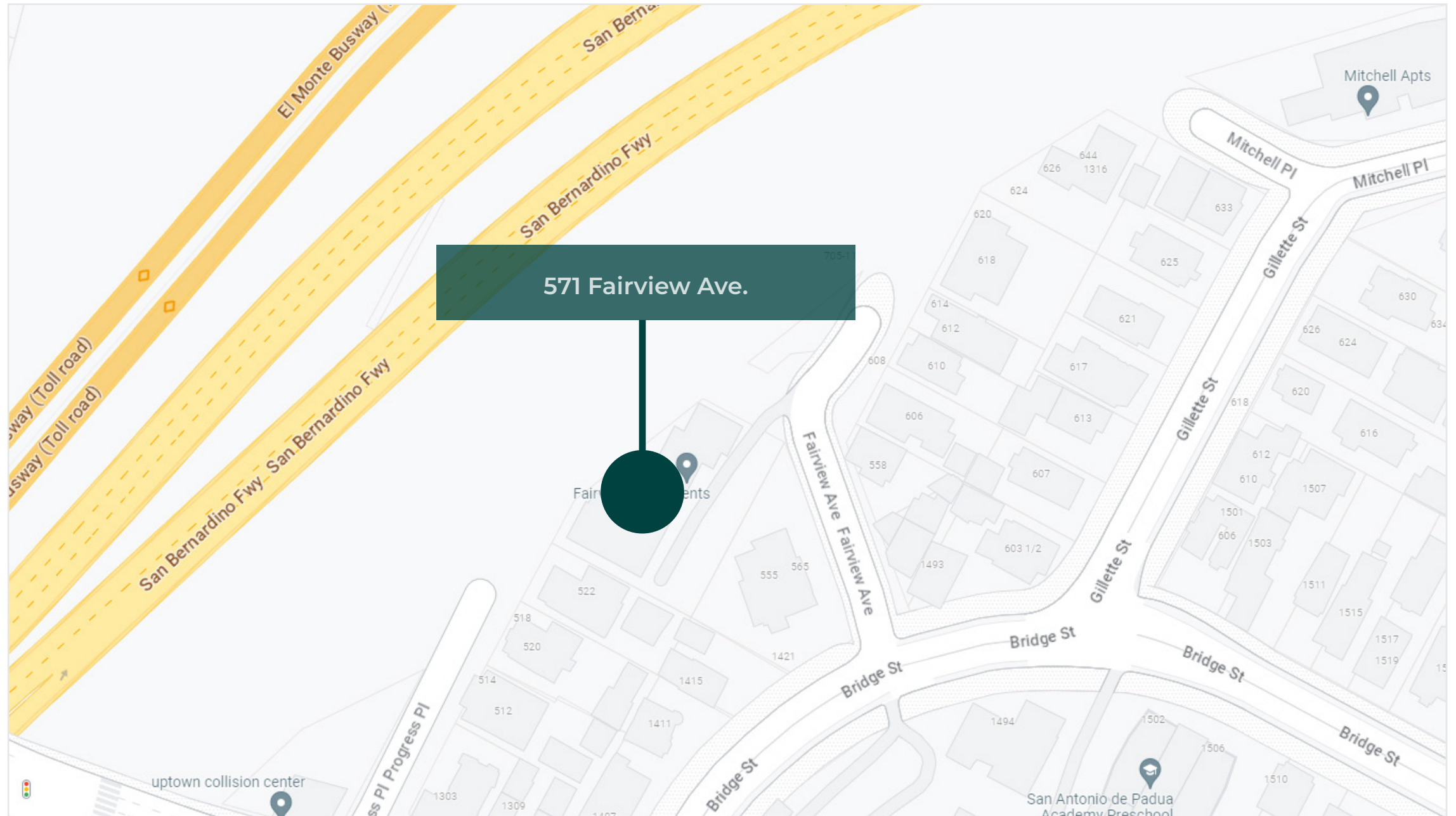






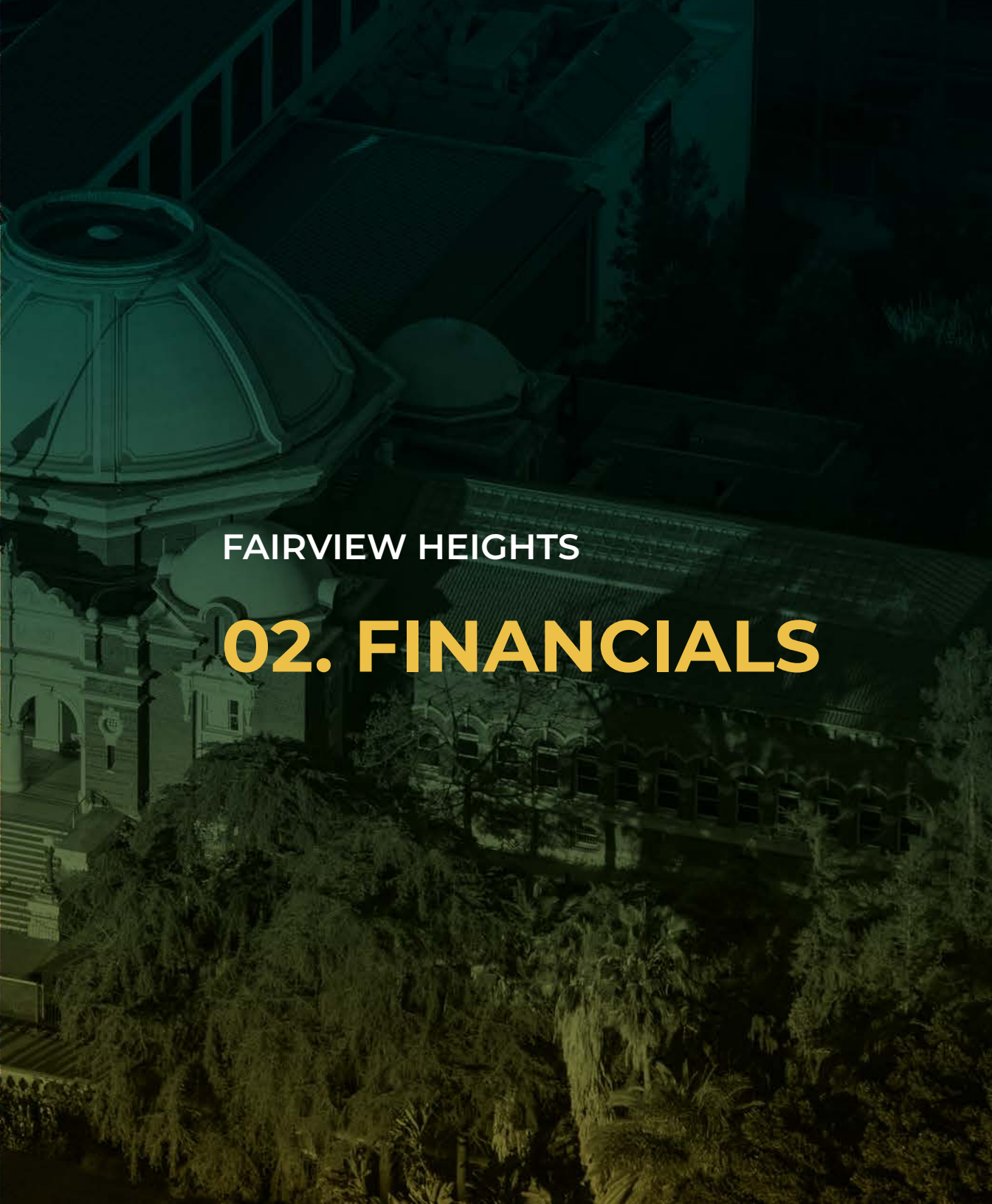
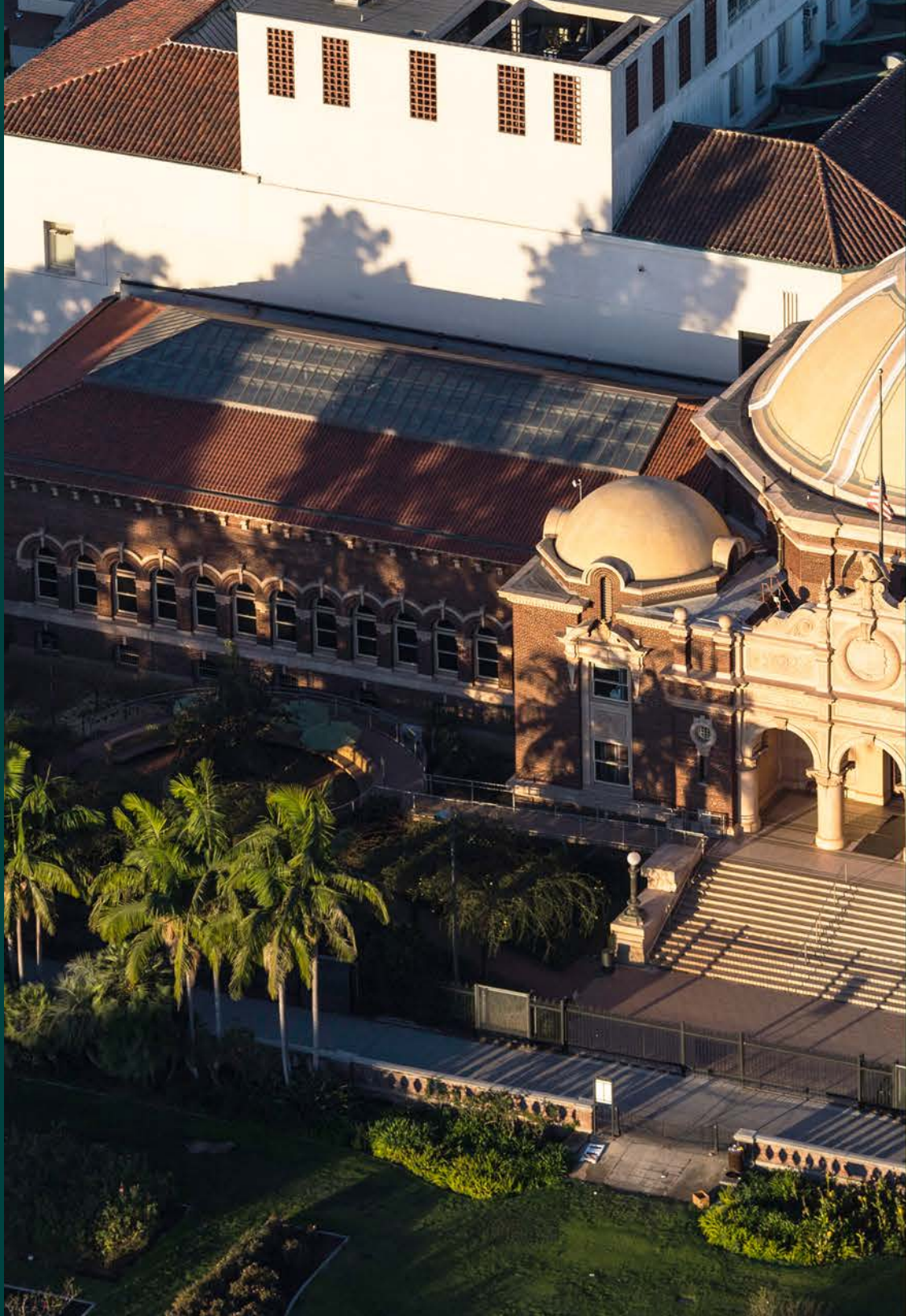


STREET MAP



SATELLITE MAP (3D)





FAIRVIEW HEIGHTS

02. FINANCIALS



FINANCIALS **PRICING DETAILS**

PRICE	\$6,000,000
Number of units	38
Price per unit	\$157,895
Price per Square Foot	\$499.75
Gross Square Footage	12,006
Lot Size	16,874
Year Built	1964

RETURNS	CURRENT	PRO FORMA
CAP Rate	4.91%	9.01%
GRM	11.75	7.85

RENT ROLL SUMMARY

# OF UNITS	UNIT TYPE	AVG CURRENT	PRO FORMA
37	Studio	\$1,039	\$1,595
1	1+1+OFC	\$1,850	\$1,850



FINANCIALS OPERATING DATA

ANNUAL INCOME		CURRENT		PRO FORMA
Scheduled Gross Income		\$510,578		\$764,280
Less: Vacancy/Deductions	3.00%*	(\$15,317)	3.00%*	(\$22,928)
Gross Operating Income		\$495,261		\$741,352
Less: Expenses	39.32%*	(\$200,769)	26.27%*	(\$200,769)
Net Operating Income		\$294,492		\$540,582
Pre-Tax Cash Flow	4.91%**	\$294,492	9.01%**	\$540,582
EXPENSES				
Real Estate Taxes				\$75,000
Insurance				\$10,789
Rubbish				\$6,600
Maintenance & Repairs				\$22,800
Utilities				\$47,221
Miscellaneous & Reserves				\$7,600
Off-Site Mgmt.				\$21,759
On-Site Mgmt.				\$9,000
Total Expenses				\$200,769
Per Square Foot				\$16.72
Per Unit				\$5,283.340

* As a percentage of Scheduled Gross Income.

** As a percentage of Down Payment.



FINANCIALS RENT ROLL

#	UNIT TYPE	SF	RENT	*YEAR 1 RENTS	PRO FORMA RENT	PRO FORMA RENT PER SF	NOTE
1	Studio/1 Bath	--	\$950.00	\$1,007.00	\$1,595.00	--	--
2	Studio/1 Bath	--	\$860.00	\$911.60	\$1,595.00	--	--
3	Studio/1 Bath	--	\$1,195.00	\$1,266.70	\$1,595.00	--	--
4	Studio/1 Bath	--	\$950.00	\$1,007.00	\$1,595.00	--	--
5	Studio/1 Bath	--	\$800.00	\$848.00	\$1,595.00	--	--
6	Studio/1 Bath	--	\$810.00	\$858.60	\$1,595.00	--	--
7	Studio/1 Bath	--	\$950.00	\$1,007.00	\$1,595.00	--	--
8	Studio/1 Bath	--	\$1,595.00	\$1,595.00	\$1,595.00	--	Vacant Market Rent Reflected



FINANCIALS RENT ROLL

#	UNIT TYPE	SF	RENT	*YEAR 1 RENTS	PRO FORMA RENT	PRO FORMA RENT PER SF	NOTE
9	Studio/1 Bath	--	\$1,595.00	\$1,595.00	\$1,595.00	--	Vacant Market Rent Reflected
10	Studio/1 Bath	--	\$1,400.00	\$1,484.00	\$1,595.00	--	--
11	Studio/1 Bath	--	\$695.00	\$736.70	\$1,595.00	--	--
12	Studio/1 Bath	--	\$725.00	\$768.50	\$1,595.00	--	--
--	--	--	--	--	--	--	--
14	Studio/1 Bath	--	\$1,295.00	\$1,372.70	\$1,595.00	--	--
15	Studio/1 Bath	--	\$750.00	\$795.00	\$1,595.00	--	--
16	Studio/1 Bath	--	\$890.00	\$943.40	\$1,595.00	--	--



FINANCIALS RENT ROLL

#	UNIT TYPE	SF	RENT	*YEAR 1 RENTS	PRO FORMA RENT	PRO FORMA RENT PER SF	NOTE
17	Studio/1 Bath	--	\$800.00	\$848.00	\$1,595.00	--	--
18	Studio/1 Bath	--	\$750.00	\$795.00	\$1,595.00	--	--
19	Studio/1 Bath	--	\$750.00	\$795.00	\$1,595.00	--	--
20	Studio/1 Bath	--	\$895.00	\$948.70	\$1,595.00	--	--
21	Studio/1 Bath	--	\$1,400.00	\$1,484.00	\$1,595.00	--	--
22	Studio/1 Bath	--	\$750.00	\$795.00	\$1,595.00	--	Delinquent
23	Studio/1 Bath	--	\$750.00	\$795.00	\$1,595.00	--	Delinquent
24	Studio/1 Bath	--	\$1,400.00	\$1,484.00	\$1,595.00	--	--



FINANCIALS RENT ROLL

#	UNIT TYPE	SF	RENT	*YEAR 1 RENTS	PRO FORMA RENT	PRO FORMA RENT PER SF	NOTE
25	Studio/1 Bath	--	\$1,595.00	\$1,595.00	\$1,595.00	--	Vacant Market Rent Reflected
26	Studio/1 Bath	--	\$750.00	\$795.00	\$1,595.00	--	--
27	Studio/1 Bath	--	\$830.00	\$879.80	\$1,595.00	--	--
28	Studio/1 Bath	--	\$1,595.00	\$1,595.00	\$1,595.00	--	Vacant Market Rent Reflected
29	Studio/1 Bath	--	\$750.00	\$795.00	\$1,595.00	--	--
30	Studio/1 Bath	--	\$800.00	\$848.00	\$1,595.00	--	--
31	Studio/1 Bath	--	\$1,400.00	\$1,484.00	\$1,595.00	--	--
32	Studio/1 Bath	--	\$1,595.00	\$1,595.00	\$1,595.00	--	Vacant Market Rent Reflected



FINANCIALS RENT ROLL

#	UNIT TYPE	SF	RENT	*YEAR 1 RENTS	PRO FORMA RENT	PRO FORMA RENT PER SF	NOTE
33	Studio/1 Bath	--	\$875.00	\$927.50	\$1,595.00	--	--
34	Studio/1 Bath	--	\$1,400.00	\$1,484.00	\$1,595.00	--	--
35	Studio/1 Bath	--	\$850.00	\$901.00	\$1,595.00	--	--
36	Studio/1 Bath	--	\$760.00	\$805.60	\$1,595.00	--	--
37	Studio/1 Bath	--	\$740.00	\$784.40	\$1,595.00	--	--
38	Studio/1 Bath	--	\$1,550.00	\$1,643.00	\$1,595.00	--	--
M	1 Bed/1 Bath	--	\$1,850.00	\$1,850.00	\$1,850.00	--	1+1+Office Manager's Unit
Totals		--	\$40,295.00	\$42,123.20	\$60,865.00	--	

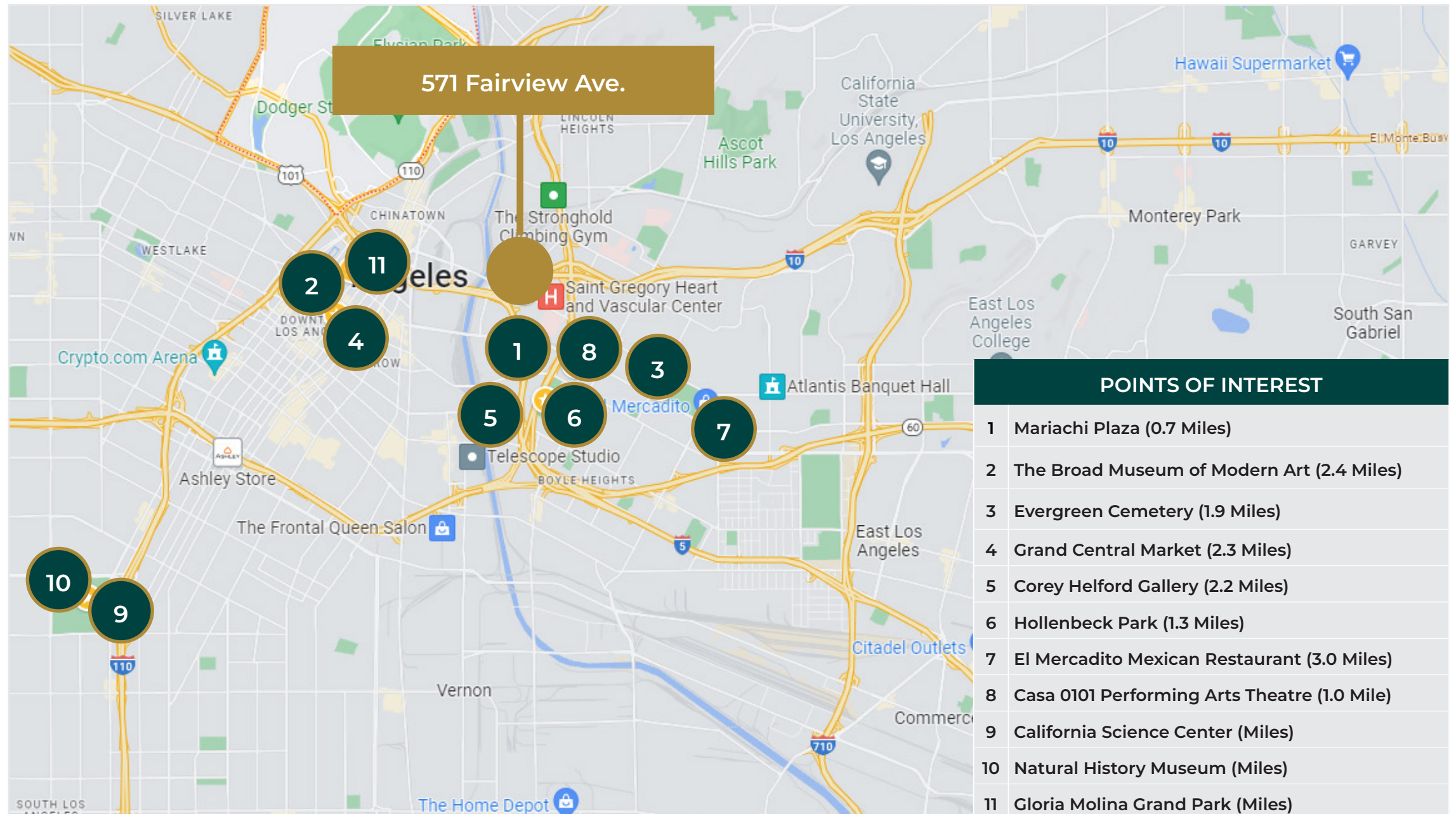


THE COLLECTION IN SAN FERNANDO

03. AREA OVERVIEW



POINTS OF INTEREST





LOCAL DEVELOPMENTS



LA VERANDA

A cost-effective housing development is in progress at 2420 E Cesar E Chavez Avenue in Boyle Heights. La Veranda, the upcoming project, will comprise two four-story buildings. Upon completion, it will provide a total of 77 apartments situated above commercial space on the ground floor, along with parking facilities. This initiative, which commenced construction in mid-2021, aims to offer an affordable housing solution in the area.



MODULAR AFFORDABLE HOUSING COMPLEX AT 3552 WHITTIER BOULEVARD

An emerging modular affordable housing complex is taking shape at 3552 Whittier Boulevard. This project, located at 3552 Whittier Boulevard, has received approval for the construction of a new multi-story building. It will consist of 63 studio apartments, each averaging 305 square feet in size, along with one manager's unit.



LOS LIRIOS APARTMENTS

Situated adjacent to Metro's Soto Station at 113 S. Soto Street, comprises a five-story building. It will encompass a total of 64 apartments, with 63 of them designated as affordable units. Additionally, there will be approximately 2,400 square feet of ground-floor retail space and accommodations for 50 vehicles in the subterranean parking area. The completion timeline for this apartment complex remains on track for the year 2024.



DEMOGRAPHICS

LOS ANGELES, LOS ANGELES, CA

Los Angeles, located in Southern California, is a vibrant city known for its diverse range of attractions. With its sunny weather and beautiful beaches like Santa Monica and Venice, it's a paradise for outdoor enthusiasts. The city boasts a rich history, from its Native American roots to the Spanish colonization, and eventually becoming a hub for the entertainment industry. Los Angeles offers convenient access to a network of freeways, making it easy to explore the surrounding areas, including iconic destinations like Disneyland and Universal Studios.

QUICK FACTS:

+ The city's real estate market is famously diverse, offering everything from luxurious beachfront properties in Malibu to trendy lofts in the Arts District, catering

- + Los Angeles City boasts proximity to world-class destinations like Disneyland, just a short drive away in Anaheim, making it a family-friendly city with easy access to entertainment.
- + The city's real estate landscape often includes iconic landmarks such as the historic Hollywood Hills, where many celebrities reside, and the stunning Pacific Palisades with its scenic coastal properties.
- + With a temperate climate year-round, Los Angeles is an attractive destination for real estate investors, offering a lifestyle that combines business opportunities with access to a multitude of outdoor activities and cultural experiences.



AVERAGE HOUSEHOLD INCOME

\$106,931



MEDIAN AGE

36 years old



2021 ESTIMATED POPULATION

3,902,440



TOTAL HOUSEHOLDS

1,384,851



BACHELORS DEGREE OR HIGHER

33.51%



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.





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