



# A 2-PROPERTY PORTFOLIO IN A DENSE POCKET OF NORTHRIDGE

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## OFFERING MEMORANDUM

**NORTHRIDGE MANOR**

**18540 Prairie Street, Northridge, CA 91324**



**NORTHRIDGE CHALET**

**18551 Prairie Street, Northridge, CA 91324**



**Marcus & Millichap**  
LAAA TEAM



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# The Offering

Northmarq and Marcus & Millichap, as the exclusive listing agents, are pleased to present the opportunity to acquire 18551 & 18540 Prairie Street, a 28-unit and 26 Unit value-add opportunity adjacent to each other in the heart of Northridge, blocks away from CSUN.

Eloquently named Northridge Manor (18540) and Northridge Chalet (18551), the two properties are an extremely rare offering as this is the first time they have been offered for sale on the open market since they were built in the 1960's. The buildings' mid-century design and location near CSUN positions it as an ideal opportunity for value-add investors. Northridge Manor & Chalet features an expansive interior courtyard with a pool, parking for each unit, on-site shared laundry facilities, and efficient unit layouts. In addition to its exceptional physical plant, current ownership has maintained the buildings and improved select building systems throughout their ownership, including the completion of soft-story retrofit, copper plumbing throughout, electrical subpanel upgrades, and new heating systems. Additional upgrades include interior unit enhancements and landscaping with front façade improvements. With most of the units either in classic or moderately renovated, a potential buyer has a unique opportunity to focus mainly on revenue-generating upgrades.

Northridge Manor and Chalet is located on combined 48,090 square foot lots and is comprised of two, two story buildings with a pool and parking for each unit. The properties offer a desirable unit mix that bodes well for the renting community in the immediate area, including two (2) Studios, thirty-four (34) one-bedroom/one-bathroom units, six (6) two-bedroom/1.5-bathroom units, and twelve (12) two-bedroom/two-bathroom units for a total of 54 units. As units begin to turnover, savvy investors stand to capture a loss-to-lease of roughly 17% by capitalizing on high-end finishes sought by modern Northridge Renters.

Beyond the property's intrinsic value, its exceptional location carries notable allure. Located just steps from Cal-State University of Northridge, Northridge Manor & Chalet are within a 5-minute drive of some of the San Fernando Valley's most famed establishments such as the Northridge Fashion Center, Valley Performing Arts Center, the Matador Bowl, and Porter Valley Country Club.

Given the specific location, physical attributes of the asset, untapped value-add potential, and rarity of the offering, Northridge Manor and Chalet offer investors the unique opportunity to upgrade a premier value-add opportunity in one of the San Fernando Valley's most coveted rental submarkets.



**NORTHRIDGE MANOR**



**NORTHRIDGE CHALET**

# INVESTMENT HIGHLIGHTS

**THE OPPORTUNITY:** Northridge Manor & Chalet are two value-add properties totaled at 54-units located blocks from CSUN in Northridge.

**ATTRACTIVE FINANCING:** Being sold with attractive below-market assumable financing with interest rates that are well below current market rates.

**FIRST TIME ON THE MARKET SINCE CONSTRUCTION:** The properties have been under the same ownership since their construction in the 1960's, and this is the first time the property has been offered for sale on the open market since.

**UPSIDE IN RENTAL INCOME:** By implementing an extensive interior renovation concept upon turnover a subsequent buyer can capture a ~17% loss-to-lease via interior and common area renovations.

**Accretive Unit Mix and Parking:** Northridge Manor & Chalet features two (2) studios, thirty-four (34) one-bedroom units, and eighteen (18) 2-bedroom units. All units are provided with one parking space on a secured and covered lot.

**SURROUNDED BY RENT DRIVERS:** Northridge Manor & Chalet are surrounded by renowned rental drivers such as CSUN, entertainment centers, top tier retail, and public community sites. The subject property is within walking distance to some of Los Angeles' most popular establishments in the San Fernando Valley.

**IMMEDIATE ACCESS TO MAJOR EMPLOYMENT CENTERS:** Northridge Manor & Chalet are located centrally within a 30-minute radius to 225 million square feet of office space and prominent employers across a wide variety of industries. It's seamless access to prominent employers makes commute times manageable and desirable to the average Valley Renter.



NORTHRIDGE CHALET

# Market Overview

# Rarity

## OF OFFERING

**Northridge Manor and Northridge Chalet were constructed by sellers and are a generational piece of real estate. A Subsequent buyer can enjoy a property that has NEVER been on the market!**

Assets of Similar size and vintage to Northridge Manor and Chalet are rarely offered for purchase in the Northridge Submarket. As illustrated below, there have only been nineteen (19) recorded Sales of buildings 20-50 units over the past 10 years.

19

Total Multifamily Assets  
Over the 12+ years  
(20-50 Units)

2

Average Total Multifamily  
Assets sold per year

1

Sold in the past 12 months in Northridge  
(16+ Units)



# IMMEDIATE ACCESS — TO MAJOR — EMPLOYMENT + SOCIAL HUBS

**CALIFORNIA STATE UNIVERSITY, NORTHRIDGE (CSUN):** CSUN is a major educational hub in Northridge, offering a wide range of undergraduate and graduate programs. It is one of the largest universities in the California State University system.

**NORTHRIDGE FASHION CENTER:** This large shopping mall serves as a retail and entertainment hub, featuring numerous stores, restaurants, and a movie theater, creating employment opportunities and a social gathering place.

**NORTHRIDGE HOSPITAL MEDICAL CENTER:** As a prominent healthcare facility, this hospital provides jobs for medical professionals and supports the local community's health needs.

**NORTHRIDGE RECREATION CENTER:** This park and recreational area offer numerous opportunities for social activities, including sports fields, playgrounds, and community events.

**NORTHRIDGE ACADEMY HIGH SCHOOL:** This public high school offers a strong educational foundation for local students and employs teachers, staff, and administrators.

**LOCAL RETAIL AND DINING:** The Northridge area boasts a variety of restaurants, cafes, and shops, providing employment opportunities and serving as social hubs for residents.



CSUN



Northridge Hospital

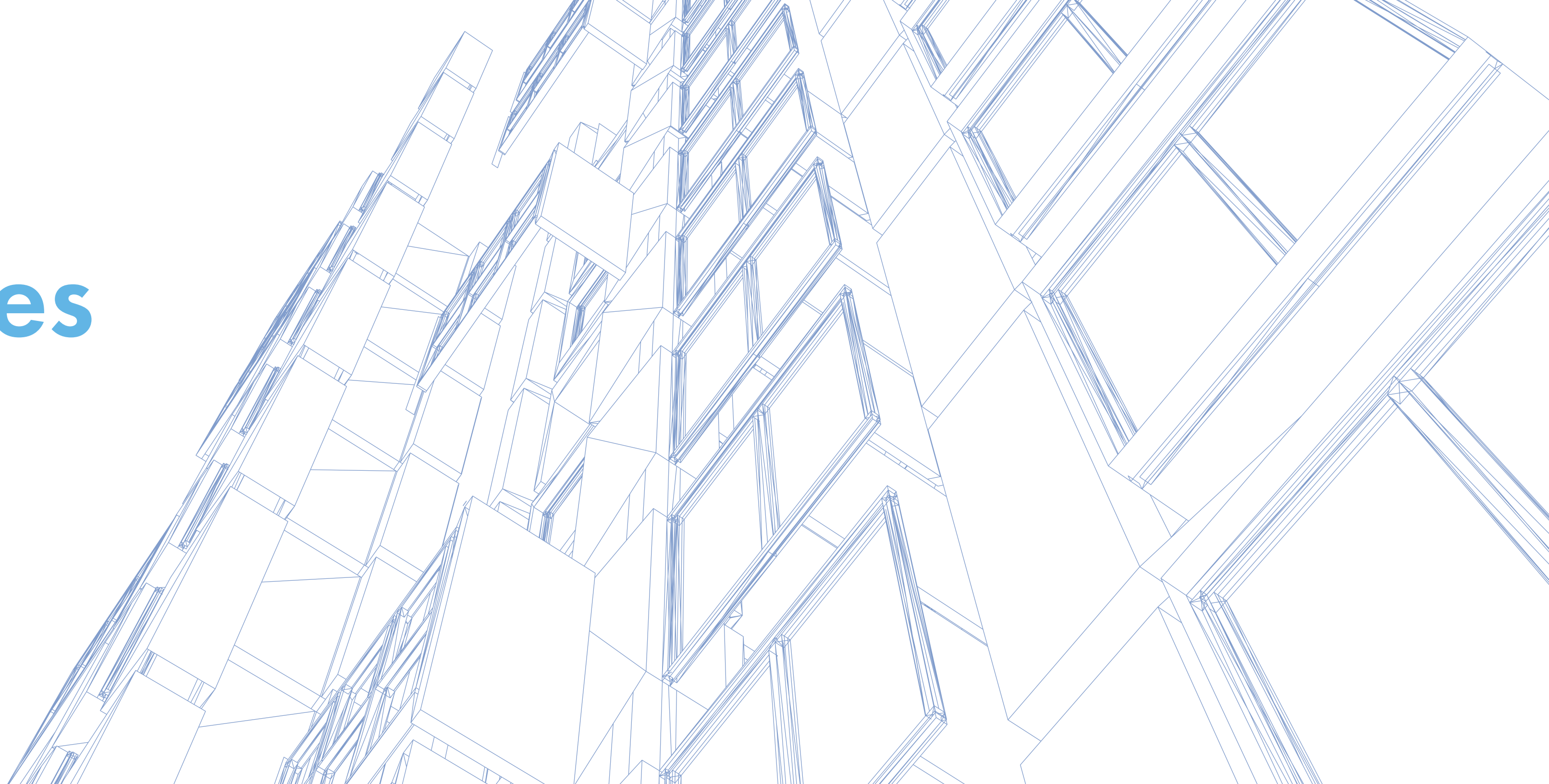


Northridge Recreation Center



Northridge Academy High School

# The Properties

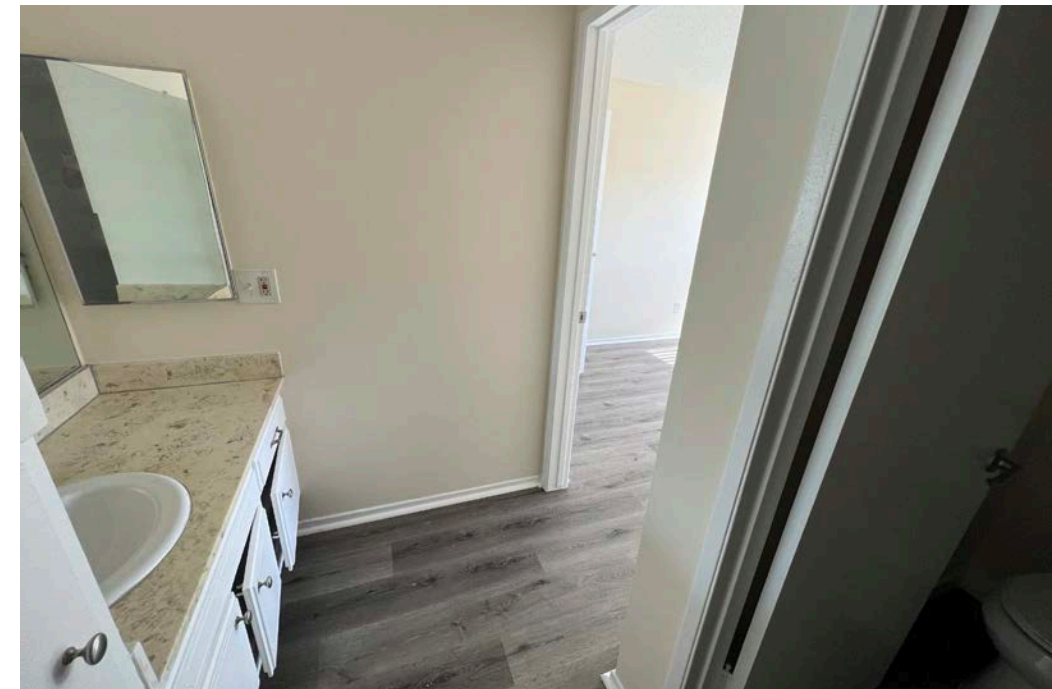




# Manor Current Exterior Property Photos



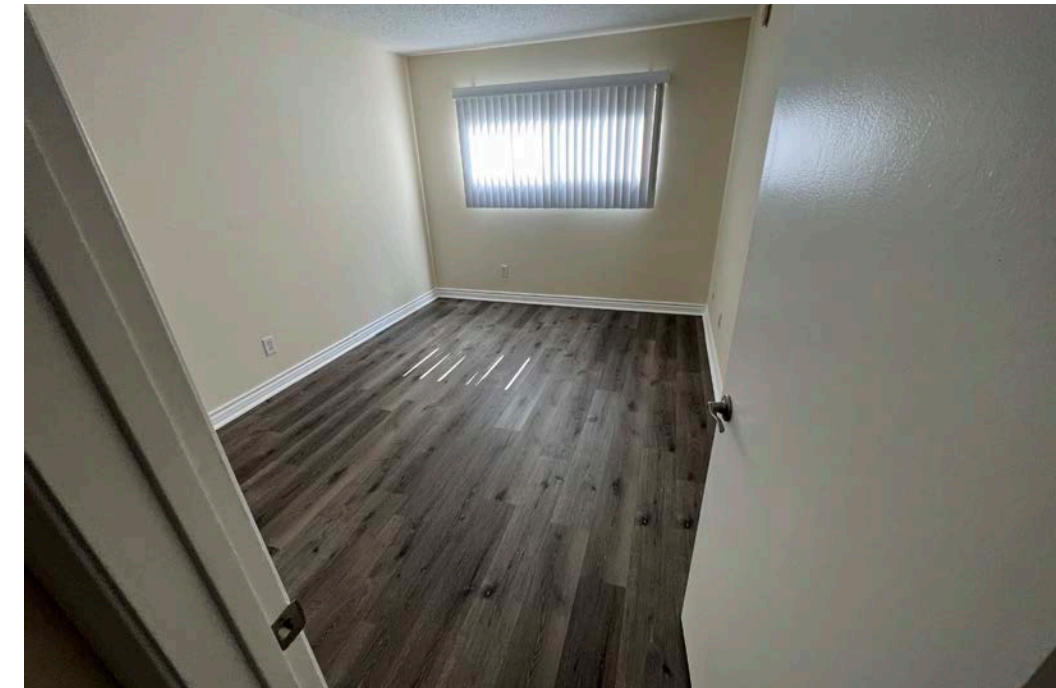
# Manor Current Interior Property Photos



# Chalet Current Exterior Property Photos



# Chalet Current Interior Property Photos



# Value-Add Opportunity

## Interior

### Value-Add Potential

- Stainless Steel Appliance Package
- Quartz Countertops
- New Built in Closets
- Upgraded hardware and fixtures
- Laminate Wood Flooring Throughout
- Bathroom Vanity & Tile Enclosures

While the subject properties have been well maintained under current ownership, investors will have the opportunity to upgrade the unit interiors to capitalize on the strong demand for renovated interiors and take advantage of the strong submarket fundamentals in Los Angeles City.

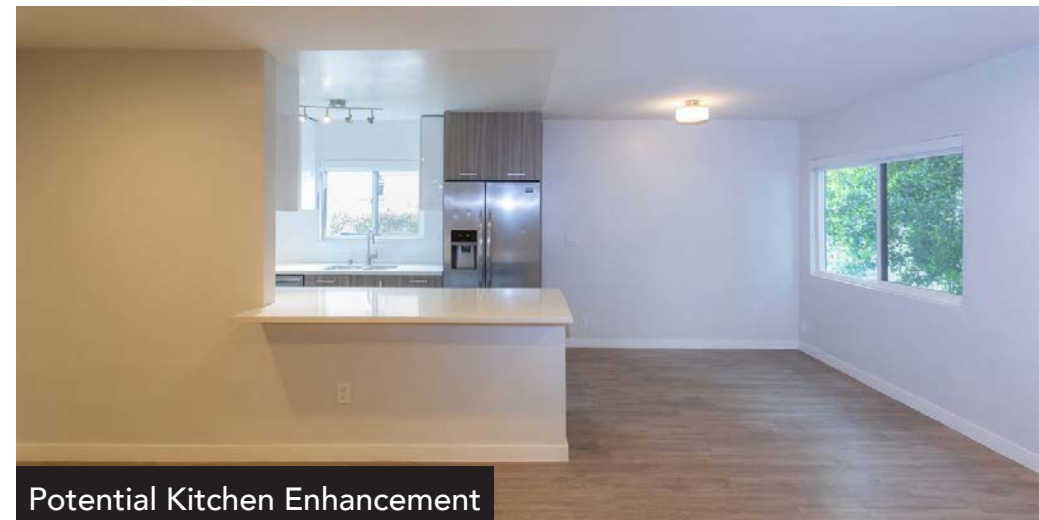
Highlighted here are some interior renovation concepts that the marketing team would present to potential buyers to influence them to underwrite the highest post renovation rents possible.



Potential Bedroom Enhancement



Potential Kitchen Enhancement



Potential Kitchen Enhancement



Potential Living Area Enhancement



Potential Kitchen Enhancement



Potential Closet Enhancement



Potential Bathroom Enhancement

# Community Enhancements

## Exterior

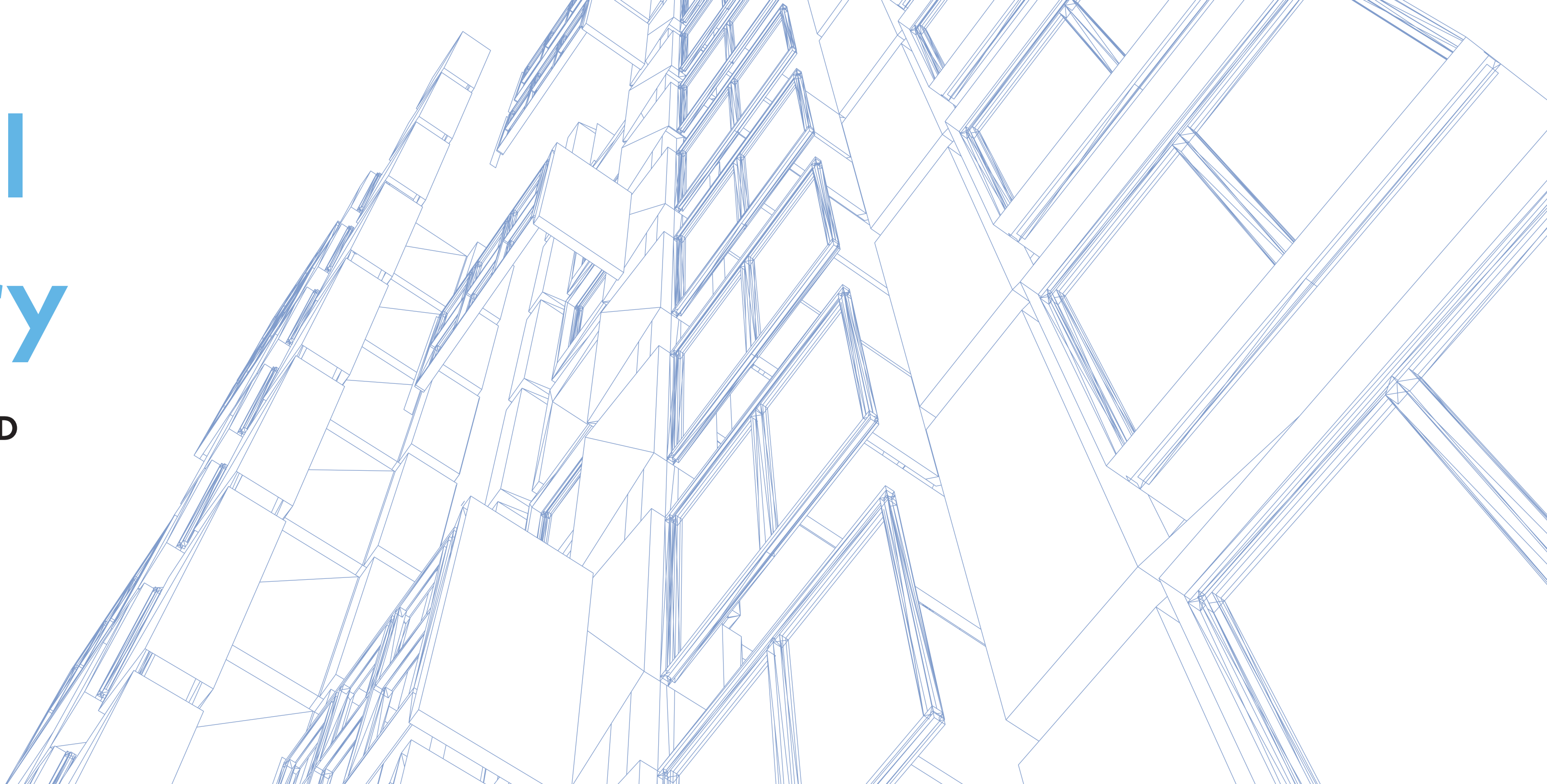
### Value-Add Potential

- Exterior paint upgrade
- Landscaping upgrade
- Balcony upgrade
- Window upgrade
- Lighting Upgrade
- Pool Upgrade



# Financial Summary

## **NORTHRIDGE COMBINED BLENDED PORTFOLIO**



# FINANCIAL SUMMARY

# FINANCIAL SUMMARY

## FINANCIAL INDICATORS

Price	\$14,000,000
Down 55%	\$7,750,000
Current CAP	4.82%
Year 1 CAP	5.02%
Market CAP	6.49%
Price/Unit	\$259,259
Price/Gross SF	\$319
Current GRM	12.46
Year 1 GRM	12.12
Market GRM	10.21
Current GIM	12.40
Market GIM	9.94
Ownership	Fee Simple

## BUILDING DATA

No. of Units	54
Year Built	1965 /1968
Lot Size (SF)	48,090
Gross SF	43,899
Net Rentable SF	41,600
APN	2763-009-009 / 2763-004-013

## FINANCING

Loan Amount	6,250,000
Interest Rate	4.78%
Monthly Payment - Interest Only	(\$24,891)
Monthly Payment - Amortizing	(\$32,712)
Loan-to-Value	45%
Amortization (Years)	30
Proposed/Assumption	Assumption
Debt Service Coverage Ratio IO	2.26
I/O Period (Years)	5

## UNIT MIX

Unit Type	# of Units	Unit Size	CURRENT				MARKET				
			Rental Range	Avg. Rent	Avg. Rent/SF	Monthly Income	Rental Range	Average Rent	Avg. Rent/SF	Monthly Income	Loss-to-Lease
Single	2	500	\$873 - \$1,450	\$1,162	\$2.32	\$2,323	\$1,650 - \$1,650	\$1,650	\$3.30	\$3,300	30%
1 Bed + 1 Bath	34	700	\$1,083 - \$1,800	\$1,584	\$2.26	\$53,868	\$1,950 - \$1,950	\$1,950	\$2.79	\$66,300	19%
2 Bed + 1.5 Bath	6	900	\$1,470 - \$2,184	\$1,988	\$2.21	\$11,928	\$2,450 - \$2,450	\$2,450	\$2.72	\$14,700	19%
2 Bed + 2 Bath	12	950	\$1,350 - \$2,300	\$2,128	\$2.24	\$25,542	\$2,500 - \$2,500	\$2,500	\$2.63	\$30,000	15%
<b>Totals/Weighted Averages:</b>	<b>770</b>			<b>\$1,734</b>	<b>\$2.25</b>	<b>\$93,661</b>		<b>\$2,117</b>	<b>\$2.75</b>	<b>\$114,300</b>	<b>18%</b>
<b>Current Occupancy: 94.44%</b>				<b>ANNUAL CURRENT</b>		<b>\$1,123,932</b>		<b>ANNUAL MARKET</b>		<b>\$1,371,600</b>	

## NOTES/ASSUMPTIONS

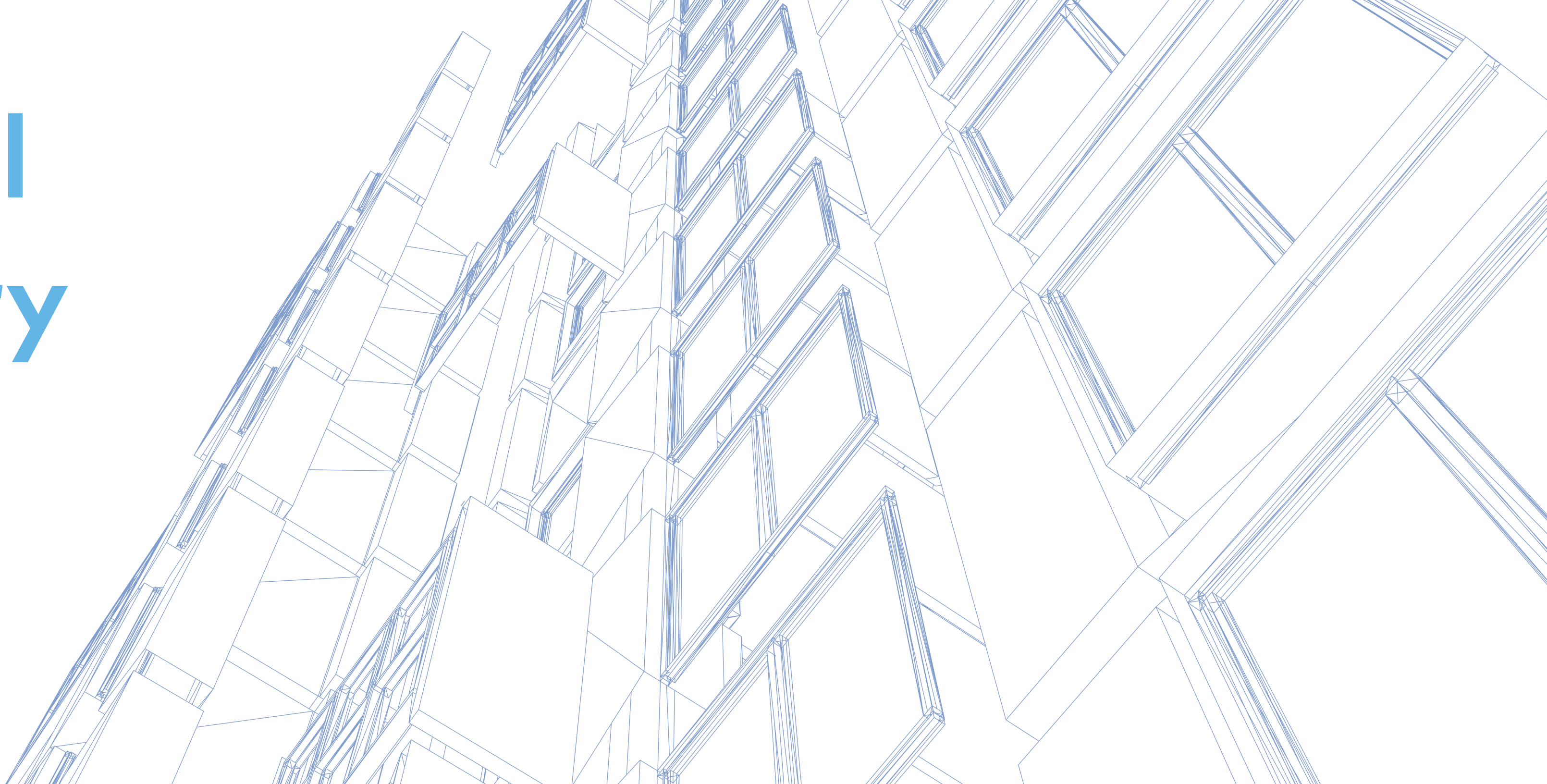
- All unit sizes are estimated. Rent Roll is per 5/24. Unit 101 (MGR) is Vacant and Marked to Market Rents.
- Laundry and Pet Rent is per '23 actuals. Market Scenario Reflects an implementation of RUBS @ 70% Recapture of total utility cost.
- Utilities and Contract Services are per annualized actuals. All other expenses are estimated per industry standard.
- All scenario reflects in-place \$3.075M loan assumption at 4.83% interest rate with IO through 12/29.
- All scenarios are inclusive on an on-site manager/keyholder split between Manor and Chalet expensed at \$30,000/year.
- Property Taxes have been reassessed upon new purchase price. Direct Assessments are 2023-24 Actuals provided by the assessor.
- YR 1 Scenario reflects an in-place 3% rent increase to all units.

ANNUALIZED OPERATING DATA	CURRENT PROFORMA	YEAR 1	MARKET
<b>Market Rent</b>	<b>\$1,371,600</b>	<b>\$1,371,600</b>	<b>\$1,371,600</b>
Gain (Loss)-to-Lease	18.06% (247,668)	15.78% (216,434)	0.00% -
<b>Gross Potential Rental Income</b>	<b>\$1,123,932</b>	<b>\$1,155,166</b>	<b>\$1,371,600</b>
Less: Vacancy	3.00% (33,718)	3.00% (34,655)	5.00% (68,580)
<b>Total Rental Income</b>	<b>\$1,090,214</b>	<b>\$1,120,511</b>	<b>\$1,303,020</b>
Laundry	\$8/unit/mo. 5,437	\$8/unit/mo. 5,437	\$8/unit/mo. 5,437
RUBS Income	\$/unit/mo. -	\$/unit/mo. -	\$48/unit/mo. 31,340
<b>Effective Gross Income</b>	<b>\$1,095,651</b>	<b>\$1,125,948</b>	<b>\$1,339,797</b>
Less: Expenses	38.45% (421,244)	37.52% (422,455)	32.17% (431,009)
<b>Net Operating Income</b>	<b>\$674,407</b>	<b>\$703,492</b>	<b>\$908,788</b>
Less: Debt Service	(298,688)	(298,688)	(298,688)
<b>Pre-Tax Cash Flow</b>	<b>4.85% 375,720</b>	<b>5.22% 404,805</b>	<b>7.87% 610,100</b>

ANNUALIZED OPERATING DATA	CURRENT PROFORMA	YEAR 1	MARKET
<b>Fixed Expenses</b>			
Real Estate Taxes	1.199398% 167,916	167,916	167,916
Direct Assessments	Est. 6,991	6,991	6,991
Insurance	\$750/unit 40,506	40,506	40,506
Utilities	\$829/unit 44,772	44,772	44,772
Reserves	\$250/unit 13,500	13,500	13,500
<b>Variable Expenses</b>			
On-Site Payroll	\$556/unit 30,000	30,000	30,000
General & Administrative	\$200/unit 10,800	10,800	10,800
Marketing & Promotion	\$100/unit 5,400	5,400	5,400
Contract Services	\$565/unit 30,534	30,534	30,534
Repairs & Maintenance	\$300/unit 16,200	16,200	16,200
Turnover	\$200/unit 10,800	10,800	10,800
Management Fee	4.0% of EGI 43,826	45,038	53,592
<b>Total Expenses</b>	<b>421,244</b>	<b>422,455</b>	<b>431,009</b>
<b>Expenses/Unit</b>	<b>\$7,801</b>	<b>\$7,823</b>	<b>\$7,982</b>
<b>Expenses/Gross SF</b>	<b>\$9.60</b>	<b>\$9.62</b>	<b>\$9.82</b>
<b>% of EGI</b>	<b>38.4%</b>	<b>37.5%</b>	<b>32.2%</b>

# Financial Summary

**NORTHRIDGE MANOR**  
**18540 PRAIRIE STREET**



# FINANCIAL SUMMARY

# FINANCIAL SUMMARY

## FINANCIAL INDICATORS

Price		\$7,100,000
Down	57%	\$4,025,000
Current CAP		4.98%
Year 1 CAP		5.20%
Market CAP		6.60%
Price/Unit		\$253,571
Price/Gross SF		\$319
Current GRM		12.03
Year 1 GRM		11.70
Market GRM		9.99
Current GIM		11.98
Market GIM		9.71
Ownership		Fee Simple

## BUILDING DATA

No. of Units	28
Year Built	1965
Lot Size (SF)	24,049
Gross SF	22,232
Net Rentable SF	21,450
APN	2763-009-009

## FINANCING

Loan Amount	\$3,075,000
Interest Rate	4.83%
Monthly Payment - Interest Only	(\$12,377)
Monthly Payment - Amortizing	(\$16,189)
Loan-to-Value	43%
Amortization (Years)	30
Proposed/Assumption	Assumption
Debt Service Coverage Ratio IO	2.38
I/O Period (Years)	5

## UNIT MIX

Unit Type	# of Units	Unit Size	CURRENT				MARKET				
			Rental Range	Avg. Rent	Avg. Rent/SF	Monthly Income	Rental Range	Average Rent	Avg. Rent/SF	Monthly Income	Loss-to-Lease
Single	2	500	\$873 - \$1,450	\$1,162	\$2.32	\$2,323	\$1,650 - \$1,650	\$1,650	\$3.30	\$3,300	30%
1 Bed + 1 Bath	16	700	\$1,248 - \$1,800	\$1,601	\$2.29	\$25,619	\$1,950 - \$1,950	\$1,950	\$2.79	\$31,200	18%
2 Bed + 1.5 Bath	5	900	\$1,470 - \$2,184	\$2,011	\$2.23	\$10,056	\$2,450 - \$2,450	\$2,450	\$2.72	\$12,250	18%
2 Bed + 2 Bath	5	950	\$2,080 - \$2,300	\$2,237	\$2.35	\$11,186	\$2,500 - \$2,500	\$2,500	\$2.63	\$12,500	11%
<b>Totals/Weighted Averages:</b>	<b>766</b>			<b>\$1,757</b>	<b>\$2.29</b>	<b>\$49,184</b>		<b>\$2,116</b>	<b>\$2.76</b>	<b>\$59,250</b>	<b>17%</b>
<b>Current Occupancy:</b>	<b>96.43%</b>			<b>ANNUAL CURRENT</b>		<b>\$590,208</b>		<b>ANNUAL MARKET</b>		<b>\$711,000</b>	

## NOTES/ASSUMPTIONS

- All unit sizes are estimated. Rent Roll is per 5/24. Unit 101 (MGR) is Vacant and Marked to Market Rents.
- Laundry and Pet Rent is per '23 actuals. Market Scenario Reflects an implementation of RUBS @ 70% Recapture of total utility cost.
- Utilities and Contract Services are per annualized actuals. All other expenses are estimated per industry standard.
- All scenario reflects in-place \$3.075M loan assumption at 4.83% interest rate with IO through 12/29.
- All scenarios are inclusive on an on-site manager/keyholder split between Manor and Chalet expensed at \$30,000/year.
- Property Taxes have been reassessed upon new purchase price. Direct Assessments are 2023-24 Actuals provided by the assessor.
- YR 1 Scenario reflects an in-place 3% rent increase to all units.

ANNUALIZED OPERATING DATA	CURRENT PROFORMA	YEAR 1	MARKET
<b>Market Rent</b>	<b>\$711,000</b>	<b>\$711,000</b>	<b>\$711,000</b>
Gain (Loss)-to-Lease	16.99% (120,792)	14.62% (103,968)	0.00% -
<b>Gross Potential Rental Income</b>	<b>\$590,208</b>	<b>\$607,032</b>	<b>\$711,000</b>
Less: Vacancy	3.00% (17,706)	3.00% (18,211)	5.00% (35,550)
Less: Bad Debt	0.50% (2,951)	0.50% (3,035)	0.50% (3,555)
<b>Total Rental Income</b>	<b>\$569,551</b>	<b>\$585,786</b>	<b>\$671,895</b>
Laundry	\$8/unit/mo. 2,669	\$8/unit/mo. 2,669	\$8/unit/mo. 2,669
RUBS Income	\$/unit/mo. -	\$/unit/mo. -	\$53/unit/mo. 17,640
<b>Effective Gross Income</b>	<b>\$572,220</b>	<b>\$588,455</b>	<b>\$692,204</b>
Less: Expenses	38.19% (218,515)	37.24% (219,164)	32.26% (223,314)
<b>Net Operating Income</b>	<b>\$353,705</b>	<b>\$369,291</b>	<b>\$468,890</b>
Less: Debt Service	(148,523)	(148,523)	(148,523)
<b>Pre-Tax Cash Flow</b>	<b>5.10% 205,182</b>	<b>5.48% 220,768</b>	<b>7.96% 320,367</b>

ANNUALIZED OPERATING DATA	CURRENT PROFORMA	YEAR 1	MARKET
<b>Fixed Expenses</b>			
Real Estate Taxes	<b>1.199398%</b>	85,157	85,157
Direct Assessments	<b>Est.</b>	3,512	3,512
Insurance	<b>\$750/unit</b>	21,009	21,009
Utilities	<b>\$900/unit</b>	25,200	25,200
Reserves	<b>\$250/unit</b>	7,000	7,000
<b>Variable Expenses</b>			
On-Site Payroll	<b>\$556/unit</b>	15,555	15,555
General & Administrative	<b>\$200/unit</b>	5,600	5,600
Marketing & Promotion	<b>\$100/unit</b>	2,800	2,800
Contract Services	<b>\$564/unit</b>	15,792	15,792
Repairs & Maintenance	<b>\$300/unit</b>	8,400	8,400
Turnover	<b>\$200/unit</b>	5,600	5,600
Management Fee	<b>4.0% of EGI</b>	22,889	23,538
<b>Total Expenses</b>	<b>218,515</b>	<b>219,164</b>	<b>223,314</b>
<b>Expenses/Unit</b>	\$7,804	\$7,827	\$7,976
<b>Expenses/Gross SF</b>	\$9.83	\$9.86	\$10.04
<b>% of EGI</b>	38.2%	37.2%	32.3%



# RENT ROLL

# RENT ROLL

#	STATUS	UNIT TYPE	UNIT SIZE	CURRENT		SCHEDULED GROSS INCOME		YEAR 1		MARKET		LOSS-TO-LEASE
				RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	
101	Vacant	2 Bed + 1.5 Bath	900	\$0	\$0.00	\$2,450	\$2.72	\$2,450	\$2.72	\$2,450	\$2.72	\$0
102	Occupied	2 Bed + 1.5 Bath	900	\$1,872	\$2.08	\$1,872	\$2.08	\$1,928	\$2.14	\$2,450	\$2.72	(\$578)
103	Occupied	1 Bed + 1 Bath	700	\$1,612	\$2.30	\$1,612	\$2.30	\$1,660	\$2.37	\$1,950	\$2.79	(\$338)
104	Occupied	2 Bed + 1.5 Bath	900	\$2,184	\$2.43	\$2,184	\$2.43	\$2,250	\$2.50	\$2,450	\$2.72	(\$266)
105	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
106	Occupied	1 Bed + 1 Bath	700	\$1,600	\$2.29	\$1,600	\$2.29	\$1,648	\$2.35	\$1,950	\$2.79	(\$350)
107	Occupied	1 Bed + 1 Bath	700	\$1,664	\$2.38	\$1,664	\$2.38	\$1,714	\$2.45	\$1,950	\$2.79	(\$286)
108	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
109	Occupied	2 Bed + 2 Bath	950	\$2,080	\$2.19	\$2,080	\$2.19	\$2,142	\$2.26	\$2,500	\$2.63	(\$420)
110	Occupied	1 Bed + 1 Bath	700	\$1,716	\$2.45	\$1,716	\$2.45	\$1,767	\$2.52	\$1,950	\$2.79	(\$234)
201	Occupied	2 Bed + 2 Bath	950	\$2,288	\$2.41	\$2,288	\$2.41	\$2,357	\$2.48	\$2,500	\$2.63	(\$212)
202	Occupied	2 Bed + 1.5 Bath	900	\$1,470	\$1.63	\$1,470	\$1.63	\$1,514	\$1.68	\$2,450	\$2.72	(\$980)
203	Occupied	1 Bed + 1 Bath	700	\$1,800	\$2.57	\$1,800	\$2.57	\$1,854	\$2.65	\$1,950	\$2.79	(\$150)
204	Occupied	1 Bed + 1 Bath	700	\$1,664	\$2.38	\$1,664	\$2.38	\$1,714	\$2.45	\$1,950	\$2.79	(\$286)
205	Occupied	1 Bed + 1 Bath	700	\$1,664	\$2.38	\$1,664	\$2.38	\$1,714	\$2.45	\$1,950	\$2.79	(\$286)
206	Occupied	2 Bed + 1.5 Bath	900	\$2,080	\$2.31	\$2,080	\$2.31	\$2,142	\$2.38	\$2,450	\$2.72	(\$370)
207	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
208	Occupied	2 Bed + 2 Bath	950	\$2,230	\$2.35	\$2,230	\$2.35	\$2,297	\$2.42	\$2,500	\$2.63	(\$270)
209	Occupied	2 Bed + 2 Bath	950	\$2,300	\$2.42	\$2,300	\$2.42	\$2,369	\$2.49	\$2,500	\$2.63	(\$200)
210	Occupied	1 Bed + 1 Bath	700	\$1,650	\$2.36	\$1,650	\$2.36	\$1,700	\$2.43	\$1,950	\$2.79	(\$300)

#	STATUS	UNIT TYPE	UNIT SIZE	CURRENT		SCHEDULED GROSS INCOME		YEAR 1		MARKET		LOSS-TO-LEASE
				RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	
211	Occupied	1 Bed + 1 Bath	700	\$1,445	\$2.06	\$1,445	\$2.06	\$1,488	\$2.13	\$1,950	\$2.79	(\$505)
212	Occupied	1 Bed + 1 Bath	700	\$1,476	\$2.11	\$1,476	\$2.11	\$1,520	\$2.17	\$1,950	\$2.79	(\$474)
213	Occupied	1 Bed + 1 Bath	700	\$1,700	\$2.43	\$1,700	\$2.43	\$1,751	\$2.50	\$1,950	\$2.79	(\$250)
214	Occupied	Single	500	\$873	\$1.75	\$873	\$1.75	\$899	\$1.80	\$1,650	\$3.30	(\$777)
215	Occupied	Single	500	\$1,450	\$2.90	\$1,450	\$2.90	\$1,494	\$2.99	\$1,650	\$3.30	(\$200)
216	Occupied	1 Bed + 1 Bath	700	\$1,248	\$1.78	\$1,248	\$1.78	\$1,285	\$1.84	\$1,950	\$2.79	(\$702)
217	Occupied	1 Bed + 1 Bath	700	\$1,700	\$2.43	\$1,700	\$2.43	\$1,751	\$2.50	\$1,950	\$2.79	(\$250)
218	Occupied	2 Bed + 2 Bath	950	\$2,288	\$2.41	\$2,288	\$2.41	\$2,357	\$2.48	\$2,500	\$2.63	(\$212)
UNITS	OCCUPIED UNITS	OCCUPANCY %	RENTABLE SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	LOSS-TO-LEASE
28	27	96.4%	21,450	\$46,734	\$2.27	\$49,184	2.29	\$50,586	2.36	\$59,250	\$2.76	(\$10,066)

# SUMMARY OF TERMS

COMMUNITY ADDRESS:	18540 Prairie Street, Northridge, CA 91324
PRICE:	\$7,100,000
GROSS BUILDING SQFT:	22,232
ASSESSOR'S PARCEL NUMBER:	2763-009-009
LAND USE:	Apartments
BUILDINGS:	Two
STORIES:	2 stories
YEAR BUILT:	1965
RENT RESTRICTIONS:	Subject to Los Angeles RSO

## INTEREST OFFERED

100% fee simple interest in an apartment building at 18540 Prairie Street, Northridge, CA 91324

## TERMS OF SALE

Property is being offered on a free and clear basis.

**PROPERTY TOURS:** Prospective purchasers are encouraged to visit the site prior to submitting offers. Please do not contact on-site management or staff without prior approval. All property tours must be coordinated through the listing team.

## SITE DESCRIPTION

UNITS:	28
PARCEL SIZE SQFT:	24,049
PARKING:	Covered

## UTILITIES

WATER:	LADWP - Master Metered
SEWER:	LADWP - Master Metered
ELECTRIC:	So Cal Edison – Individually Metered
GAS:	So Cal Gas – Master Metered
TRASH:	Waste Management

## CONSTRUCTION

FOUNDATION:	Raised concrete slab
FRAMING:	Wood
EXTERIOR:	Smooth stucco
ROOF:	Pitched
PARKING SURFACE:	Concrete

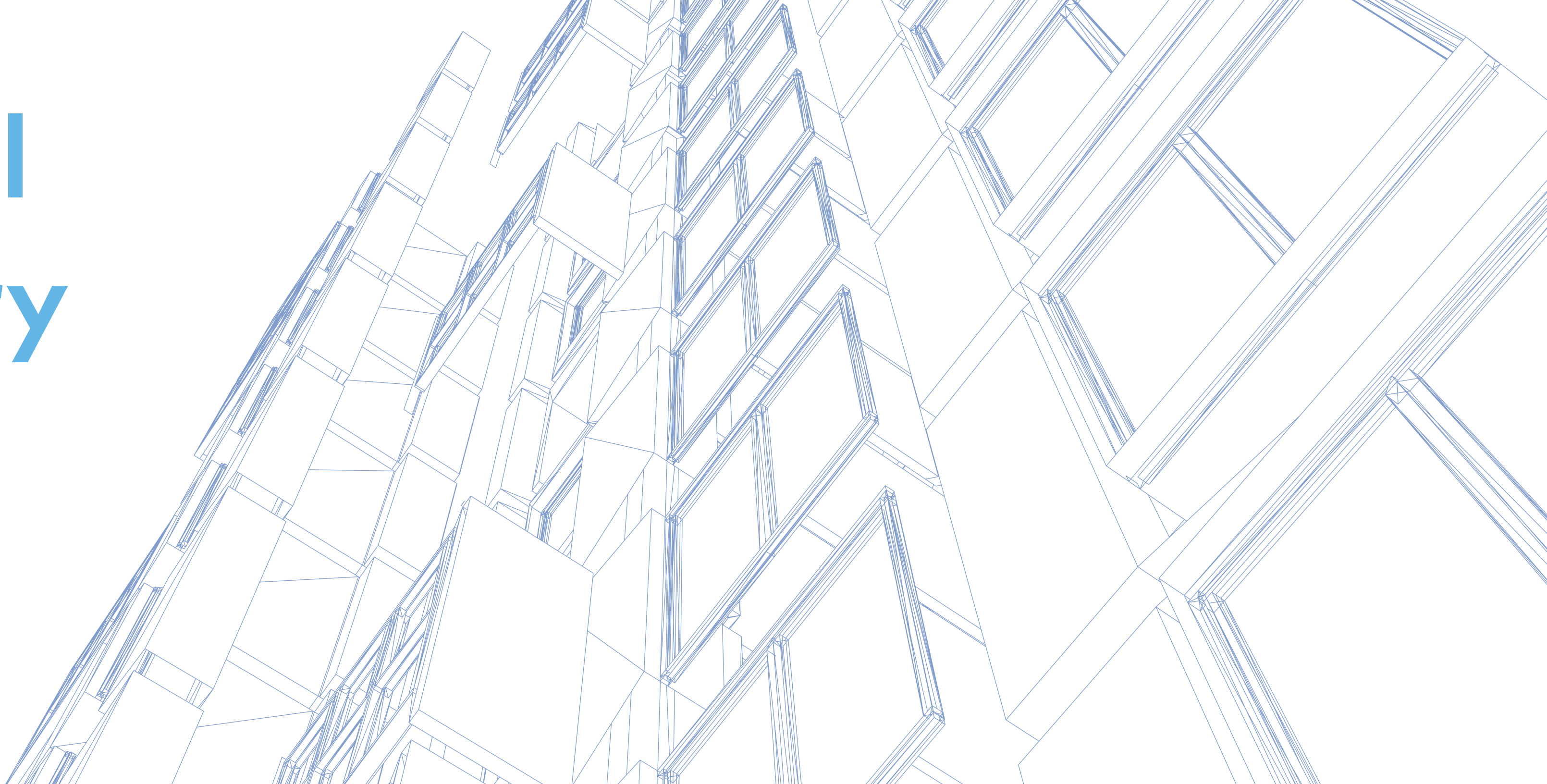
## MECHANICAL

HVAC:	Furnace Heaters, Wall-Unit AC
FIRE PROTECTION:	Hose and Fire Extinguishers
LAUNDRY:	Shared
PLUMBING:	Copper



# Financial Summary

**NORTHRIDGE CHALET**  
**18551 PRAIRIE STREET**



# FINANCIAL SUMMARY

# FINANCIAL SUMMARY

## FINANCIAL INDICATORS

Price		\$6,900,000
Down	54%	\$3,725,000
Current CAP		4.57%
Year 1 CAP		4.76%
Market CAP		6.30%
Price/Unit		\$265,385
Price/Gross SF		\$318
Current GRM		12.93
Year 1 GRM		12.59
Market GRM		10.45
Current GIM		12.86
Market GIM		10.19
Ownership		Fee Simple

## BUILDING DATA

No. of Units	26
Year Built	1968
Lot Size (SF)	24,041
Gross SF	21,667
Net Rentable SF	20,150
APN	2763-004-013

## FINANCING

Loan Amount	\$3,175,000
Interest Rate	4.73%
Monthly Payment - Interest Only	(\$12,515)
Monthly Payment - Amortizing	(\$16,524)
Loan-to-Value	46%
Amortization (Years)	30
Proposed/Assumption	Assumption
Debt Service Coverage Ratio IO	2.10
I/O Period (Years)	5

## UNIT MIX

Unit Type	# of Units	Unit Size	CURRENT				MARKET				
			Rental Range	Avg. Rent	Avg. Rent/SF	Monthly Income	Rental Range	Average Rent	Avg. Rent/SF	Monthly Income	Loss-to-Lease
1 Bed + 1 Bath	18	700	\$1,083 - \$1,716	\$1,569	\$2.24	\$28,249	\$1,950 - \$1,950	\$1,950	\$2.79	\$35,100	20%
2 Bed + 1.5 Bath	1	900	\$1,872 - \$1,872	\$1,872	\$2.08	\$1,872	\$2,450 - \$2,450	\$2,450	\$2.72	\$2,450	24%
2 Bed + 2 Bath	7	950	\$1,350 - \$2,288	\$2,051	\$2.16	\$14,356	\$2,500 - \$2,500	\$2,500	\$2.63	\$17,500	18%
<b>Totals/Weighted Averages:</b>	<b>775</b>			<b>\$1,711</b>	<b>\$2.21</b>	<b>\$44,477</b>		<b>\$2,117</b>	<b>\$2.73</b>	<b>\$55,050</b>	<b>19%</b>
<b>Current Occupancy:</b>	<b>92.31%</b>			<b>ANNUAL CURRENT</b>		<b>\$533,724</b>		<b>ANNUAL MARKET</b>		<b>\$660,600</b>	

## NOTES/ASSUMPTIONS

- All unit sizes are estimated. Rent Roll is per 5/24. Unit 2, 8,10, and 20 are Vacant and Marked to Market Rents.
- Laundry and Pet Rent is per '23 actuals. Market Scenario Reflects an implementaion of RUBS @ 70% Recapture of total utility cost.
- Utilities and Contract Services are per annualized actuals.. All other exepnses are estimated per industry standard.
- All scenario reflects in-place \$3.175M loan assumption at 4.73% interest rate with IO through 12/29
- All scenarios are inclusive on an on-site manager/keyholder split between Manor and Chalet expensed at \$30,000/year.
- Property Taxes have been reassessed upon new purchase price. Direct Assessments are 2023-24 Actuals provied by the assessor.
- YR 1 Scenario reflects an in-place 3% rent increase to all units.

ANNUALIZED OPERATING DATA	CURRENT PROFORMA	YEAR 1	MARKET
<b>Market Rent</b>	<b>\$660,600</b>	<b>\$660,600</b>	<b>\$660,600</b>
Gain (Loss)-to-Lease	19.21% (126,876)	17.02% (112,466)	0.00% -
<b>Gross Potential Rental Income</b>	<b>\$533,724</b>	<b>\$548,134</b>	<b>\$660,600</b>
Less: Vacancy	3.00% (16,012)	3.00% (16,444)	5.00% (33,030)
Less: Bad Debt	0.50% (2,669)	0.50% (2,741)	0.50% (3,303)
<b>Total Rental Income</b>	<b>\$515,044</b>	<b>\$528,949</b>	<b>\$624,267</b>
Laundry	\$9/unit/mo. 2,768	\$9/unit/mo. 2,768	\$9/unit/mo. 2,768
RUBS Income	\$/unit/mo. -	\$/unit/mo. -	\$44/unit/mo. 13,701
<b>Effective Gross Income</b>	<b>\$517,812</b>	<b>\$531,717</b>	<b>\$640,736</b>
Less: Expenses	39.11% (202,509)	38.19% (203,065)	32.15% (205,981)
<b>Net Operating Income</b>	<b>\$315,303</b>	<b>\$328,652</b>	<b>\$434,754</b>
Less: Debt Service	(150,178)	(150,178)	(150,178)
<b>Pre-Tax Cash Flow</b>	<b>4.43% 165,125</b>	<b>4.79% 178,474</b>	<b>7.64% 284,577</b>

ANNUALIZED OPERATING DATA	CURRENT PROFORMA	YEAR 1	MARKET
<b>Fixed Expenses</b>			
Real Estate Taxes	<b>1.199398%</b>	82,758	82,758
Direct Assessments	<b>Est.</b>	3,479	3,479
Insurance	<b>\$750/unit</b>	19,500	19,500
Utilities	<b>\$753/unit</b>	19,572	19,572
Reserves	<b>\$250/unit</b>	6,500	6,500
<b>Variable Expenses</b>			
On-Site Payroll	<b>\$500/unit</b>	14,445	14,445
General & Administrative	<b>\$200/unit</b>	5,200	5,200
Marketing & Promotion	<b>\$100/unit</b>	2,600	2,600
Contract Services	<b>\$567/unit</b>	14,742	14,742
Repairs & Maintenance	<b>\$300/unit</b>	7,800	7,800
Turnover	<b>\$200/unit</b>	5,200	5,200
Management Fee	<b>4.0% of EGI</b>	20,712	21,269
<b>Total Expenses</b>		<b>202,509</b>	<b>203,065</b>
<b>Expenses/Unit</b>		\$7,789	\$7,810
<b>Expenses/Gross SF</b>		\$9.35	\$9.37
<b>% of EGI</b>		39.1%	38.2%

# RENT ROLL

# RENT ROLL

#	STATUS	UNIT TYPE	UNIT SIZE	CURRENT		SCHEDULED GROSS INCOME		YEAR 1		MARKET		
				RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	LOSS-TO-LEASE
1	Occupied	1 Bed + 1 Bath	700	\$1,664	\$2.38	\$1,664	\$2.38	\$1,714	\$2.45	\$1,950	\$2.79	(\$286)
2	Occupied	2 Bed + 2 Bath	950	\$1,700	\$1.79	\$1,700	\$1.79	\$1,751	\$1.84	\$2,500	\$2.63	(\$800)
3	Occupied	1 Bed + 1 Bath	700	\$1,716	\$2.45	\$1,716	\$2.45	\$1,767	\$2.52	\$1,950	\$2.79	(\$234)
4	Occupied	2 Bed + 2 Bath	950	\$2,250	\$2.37	\$2,250	\$2.37	\$2,318	\$2.44	\$2,500	\$2.63	(\$250)
5	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
6	Occupied	1 Bed + 1 Bath	700	\$1,650	\$2.36	\$1,650	\$2.36	\$1,700	\$2.43	\$1,950	\$2.79	(\$300)
7	Occupied	2 Bed + 2 Bath	950	\$2,188	\$2.30	\$2,188	\$2.30	\$2,254	\$2.37	\$2,500	\$2.63	(\$312)
8	Occupied	2 Bed + 2 Bath	950	\$1,350	\$1.42	\$1,350	\$1.42	\$1,391	\$1.46	\$2,500	\$2.63	(\$1,150)
9	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
10	Vacant	2 Bed + 2 Bath	950	\$0	\$0.00	\$2,500	\$2.63	\$2,500	\$2.63	\$2,500	\$2.63	\$0
11	Occupied	2 Bed + 1.5 Bath	900	\$1,872	\$2.08	\$1,872	\$2.08	\$1,928	\$2.14	\$2,450	\$2.72	(\$578)
12	Occupied	1 Bed + 1 Bath	700	\$1,241	\$1.77	\$1,241	\$1.77	\$1,278	\$1.83	\$1,950	\$2.79	(\$709)
13	Occupied	1 Bed + 1 Bath	700	\$1,716	\$2.45	\$1,716	\$2.45	\$1,767	\$2.52	\$1,950	\$2.79	(\$234)
14	Occupied	2 Bed + 2 Bath	950	\$2,288	\$2.41	\$2,288	\$2.41	\$2,357	\$2.48	\$2,500	\$2.63	(\$212)
15	Occupied	1 Bed + 1 Bath	700	\$1,716	\$2.45	\$1,716	\$2.45	\$1,767	\$2.52	\$1,950	\$2.79	(\$234)
16	Occupied	1 Bed + 1 Bath	700	\$1,716	\$2.45	\$1,716	\$2.45	\$1,767	\$2.52	\$1,950	\$2.79	(\$234)

#	STATUS	UNIT TYPE	UNIT SIZE	CURRENT		SCHEDULED GROSS INCOME		YEAR 1		MARKET		
				RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	LOSS-TO-LEASE
17	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
18	Occupied	1 Bed + 1 Bath	700	\$1,456	\$2.08	\$1,456	\$2.08	\$1,500	\$2.14	\$1,950	\$2.79	(\$494)
19	Occupied	1 Bed + 1 Bath	700	\$1,716	\$2.45	\$1,716	\$2.45	\$1,767	\$2.52	\$1,950	\$2.79	(\$234)
20	Vacant	1 Bed + 1 Bath	700	\$0	\$0.00	\$1,950	\$2.79	\$1,950	\$2.79	\$1,950	\$2.79	\$0
21	Occupied	1 Bed + 1 Bath	700	\$1,499	\$2.14	\$1,499	\$2.14	\$1,544	\$2.21	\$1,950	\$2.79	(\$451)
22	Occupied	1 Bed + 1 Bath	700	\$1,083	\$1.55	\$1,083	\$1.55	\$1,115	\$1.59	\$1,950	\$2.79	(\$867)
23	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
24	Occupied	1 Bed + 1 Bath	700	\$1,326	\$1.89	\$1,326	\$1.89	\$1,366	\$1.95	\$1,950	\$2.79	(\$624)
25	Occupied	1 Bed + 1 Bath	700	\$1,560	\$2.23	\$1,560	\$2.23	\$1,607	\$2.30	\$1,950	\$2.79	(\$390)
26	Occupied	2 Bed + 2 Bath	950	\$2,080	\$2.19	\$2,080	\$2.19	\$2,142	\$2.26	\$2,500	\$2.63	(\$420)
UNITS	OCCUPIED UNITS	OCCUPANCY %	RENTABLE SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	RENT	RENT/SF	LOSS-TO-LEASE
26	24	92.3%	20,150	\$40,027	\$2.16	\$44,477	2.21	\$45,678	2.27	\$55,050	\$2.73	(\$10,573)

# SUMMARY OF TERMS

COMMUNITY ADDRESS:	18551 Prairie Street, Northridge, CA 91324
PRICE:	\$6,900,000
GROSS BUILDING SQFT:	21,667
ASSESSOR'S PARCEL NUMBER:	2763-004-013
LAND USE:	Apartments
BUILDINGS:	Two
STORIES:	2 stories
YEAR BUILT:	1968
RENT RESTRICTIONS:	Subject to Los Angeles RSO

## INTEREST OFFERED

100% fee simple interest in an apartment building located at 18551 Prairie Street, Northridge, CA 91324

## TERMS OF SALE

Property is being offered on a free and clear basis.

**PROPERTY TOURS:** Prospective purchasers are encouraged to visit the site prior to submitting offers. Please do not contact on-site management or staff without prior approval. All property tours must be coordinated through the listing team.

## SITE DESCRIPTION

UNITS:	26
PARCEL SIZE SQFT:	20,150
PARKING:	Covered

## UTILITIES

WATER:	LADWP - Master Metered
SEWER:	LADWP - Master Metered
ELECTRIC:	So Cal Edison – Individually Metered
GAS:	So Cal Gas – Master Metered
TRASH:	Waste Management

## CONSTRUCTION

FOUNDATION:	Raised concrete slab
FRAMING:	Wood
EXTERIOR:	Smooth stucco
ROOF:	Pitched
PARKING SURFACE:	Concrete

## MECHANICAL

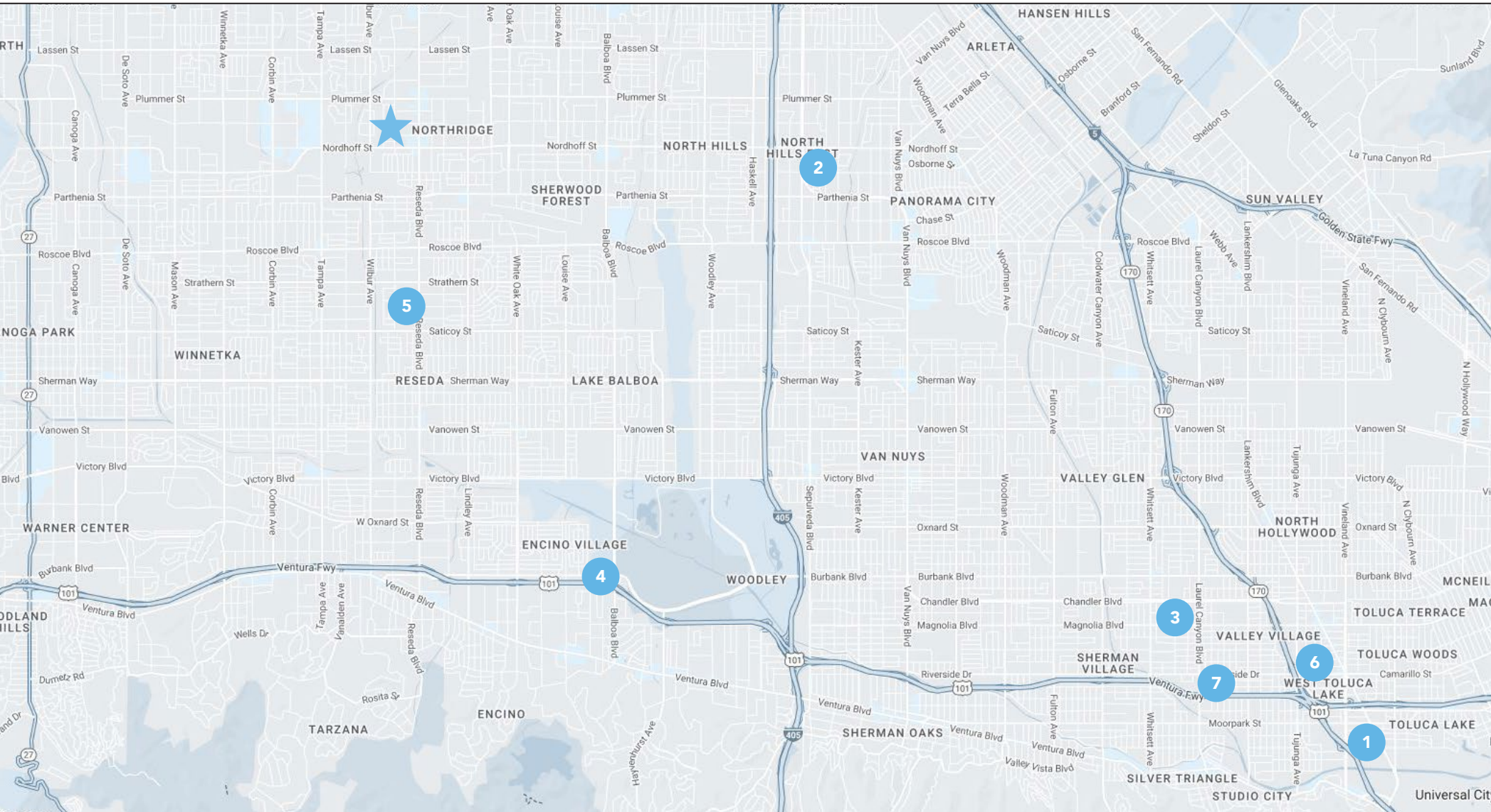
HVAC:	Furnace Heaters, Wall-Unit AC
FIRE PROTECTION:	Hose and Fire Extinguishers
LAUNDRY:	Shared
PLUMBING:	Copper



# Market Comparables

# Sales Comparables

# Sales Comparables



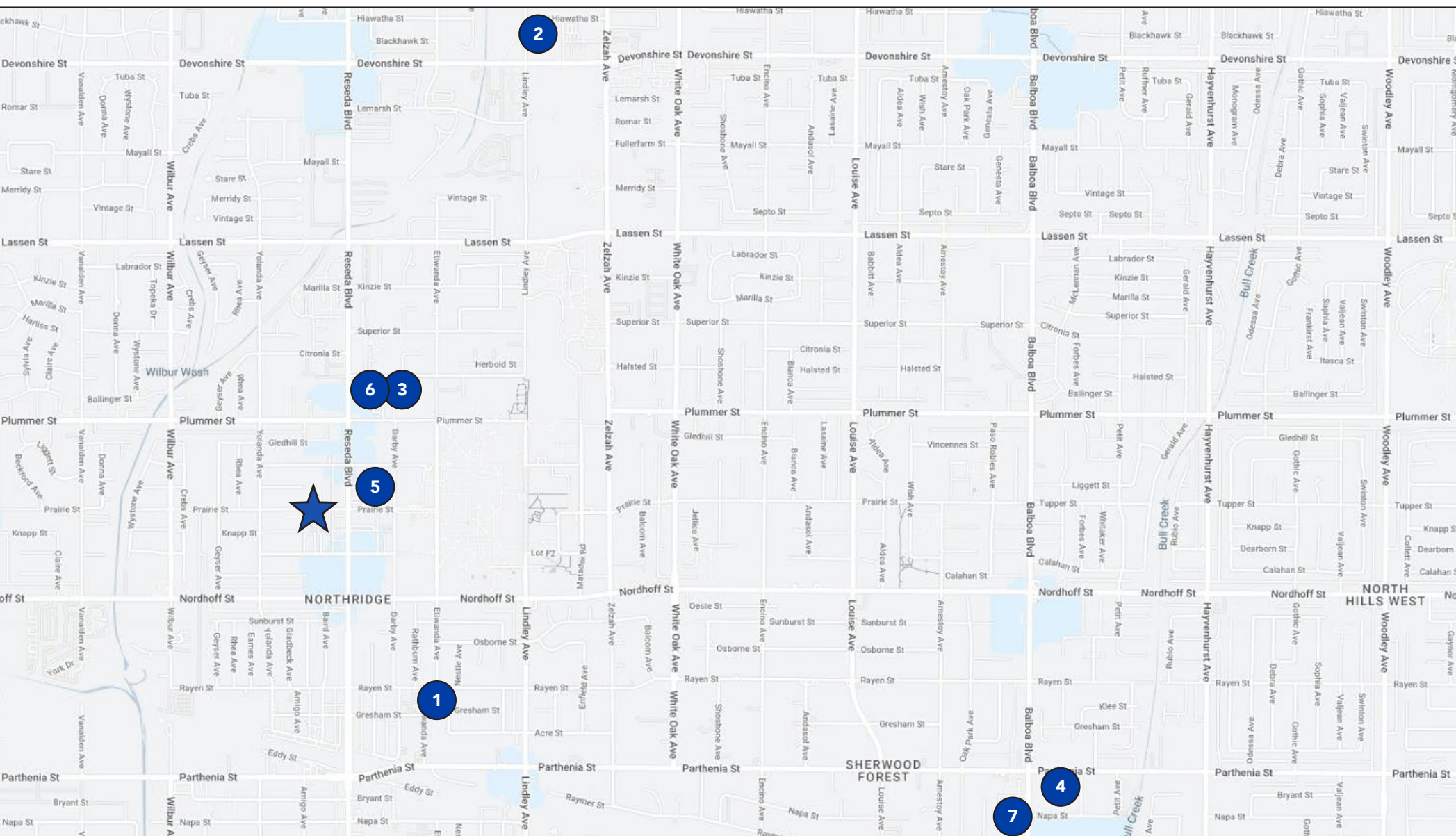
#	PROPERTY	SUBMARKET	YEAR BUILT	UNITS	BLDG SF	PRICE	PRICE/UNIT	PRICE/SF	CAP RATE	GRM	SALE DATE	STUDIO	1 BED	2 BED
★	<b>18540 Prairie Street</b>	Northridge	1965	28	22,232	\$7,100,000	\$253,571	\$319	4.98	12.03	-	2	16	10
	<b>18551 Prairie Street</b>	Northridge, CA 91324	1965	26	21,667	\$6,900,000	\$265,385	\$318	4.57	12.93	-	0	18	8
1	<b>10834 Bloomfield St</b>	North Hollywood, CA 91602	1954	18	12,198	\$4,315,000	\$239,722	\$354	4.50	12.93	7/28/2023	-	-	-
2	<b>15233 Rayen Street</b>	North Hills, CA 91343	1969	84	60,622	\$19,940,000	\$237,381	\$329	4.50	N/A	9/22/2023	-	-	-
3	<b>12310 Chandler Blvd</b>	Valley Village, CA 91607	1957	41	37,038	\$8,750,000	\$213,415	\$236	4.72	12.44	9/25/2023	-	-	-
4	<b>17000 Burbank Blvd</b>	Encino, CA 91316	1966	43	37,171	\$9,985,000	\$232,209	\$269	N/A	N/A	4/19/2024	-	-	-
5	<b>7745 Reseda Blvd</b>	Reseda, CA 91335	1963	59	29,578	\$8,920,000	\$151,186	\$302	5.50	N/A	12/15/2023	-	-	-
6	<b>11255 Camarillo St</b>	North Hollywood, CA 91602	1964	37	42,645	\$8,350,000	\$225,676	\$196	4.95	11.74	4/5/2024	-	-	-
7	<b>12015 Kling St</b>	Valley Village, CA 91607	1961	24	23,973	\$7,125,000	\$296,875	\$297	5.54	11.81	12/27/2023	-	-	-

<b>High:</b>	\$19,940,000	\$296,875	\$354	5.54	12.93
<b>Average:</b>	\$9,626,429	\$228,066	\$283	4.95	12.23
<b>Low:</b>	\$4,315,000	\$151,186	\$196	4.50	11.74



# Rent Comparables

# Rent Comparables



#	PROPERTY	UNITS	YEAR BUILT	STUDIO			1B/1B			2B/1B			
				RENT	SIZE	\$/SF	RENT	SIZE	\$/SF	RENT	SIZE	\$/SF	
★	18540 Prairie Street. 18551 Prairie Street. Northridge, CA 91324	28	1965	\$1,650	650	\$2.54	\$1,950	700	\$2.79	\$2,500	900	\$2.78	
1	8830 Etiwanda Ave Northridge, CA 91325	32	1961	-	-	-	\$1,795	625	\$2.87	-	-	-	
2	10338 Lindley Ave Northridge, CA 91325	42	1964	-	-	-	\$1,955	700	\$2.79	-	-	-	
3	18402 Halsted Street Northridge, CA 91325	56	1969	-	-	-	\$1,895	750	\$2.53	-	-	-	
				-	-	-	\$1,950	750	\$2.60	-	-	-	
				-	-	-	\$2,295	750	\$3.06	-	-	-	
4	16900 Parthenia Street Northridge, CA 91343	36	1964	-	-	-	\$1,950	700	\$2.79	\$2,550	800	\$3.19	
5	18400 Prarie St. Northridge, CA 91325	73	1969	\$1,598	700	\$2.28	\$1,748	750	\$2.33	\$2,498	1,200	\$2.08	
6	18424 Halsted Ave. Northridge, CA 91325	39	1970	\$1,698	550	\$3.09	\$1,748	695	\$2.52	-	-	-	
7	8441 Balboa Blvd Northridge, CA 91325	50	1964	\$1,500	580	\$2.59	\$1,900	800	\$2.38	-	-	-	
				<b>High:</b>	\$1,698	700	\$3.09	\$2,295	800	\$3.06	\$2,550	1,200	\$3.19
				<b>Average:</b>	\$1,599	610	\$2.65	\$1,915	724	\$2.65	\$2,524	1,000	\$2.63
				<b>Low:</b>	\$1,500	550	\$2.28	\$1,748	625	\$2.33	\$2,498	800	\$2.08



Marcus & Millichap  
LAAA TEAM

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