

## 1059 Western Ave

1059 Western Ave  
Glendale, CA 91201

*For more information contact:*

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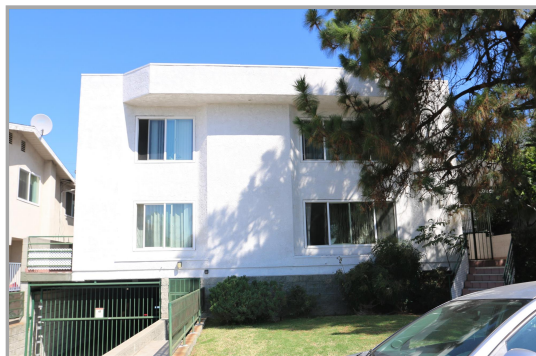
- Prime Glendale location
- Excellent unit mix-nearly all two bedroom two bath units
- Completely remodeled units
- Upside in rents-not subject to rent control
- Turn Key property

## Analysis

Analysis Date August 2017

## Property

Property 1059 Western Ave  
Property Address 1059 Western Ave  
Glendale, CA 91201  
Year Built 1985



## Purchase Information

Property Type MultiFamily  
Purchase Price \$3,200,000  
Units 8  
Total Rentable Sq. Ft. 7,404

## Financial Information

Down Payment \$1,770,000

## Loans

Type	Debt	Term	Amortization	Rate	Payment	LO Costs
Fixed	\$1,430,000	30 years	30 years	3.83%	\$6,688	

## Income & Expenses

Gross Operating Income \$167,681  
Monthly GOI \$13,973  
Total Annual Expenses (\$49,031)  
Monthly Expenses (\$4,086)

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**ACQUISITION COSTS**

Purchase Price, Points and Closing Costs	\$3,200,000
Investment - Cash	\$1,770,000
First Loan	\$1,430,000

**INVESTMENT INFORMATION**

Purchase Price	\$3,200,000
Price per Unit	\$400,000
Price per Sq. Ft.	\$432.20
Income per Unit	\$21,600
Expenses per Unit	(\$6,129)

**INCOME, EXPENSES & CASH FLOW**

Gross Scheduled Income	\$172,800
Total Vacancy and Credits	(\$5,119)
Operating Expenses	(\$49,031)
Net Operating Income	\$118,651
Debt Service	(\$80,252)
Cash Flow Before Taxes	\$38,399

**FINANCIAL INDICATORS**

Cash on Cash Return Before Taxes	2.17%
Debt Coverage Ratio	1.48
Capitalization Rate	3.71%
Gross Rent Multiplier	18.52
Gross Income / Square Feet	\$23.34
Gross Expenses / Square Feet	(\$6.62)
Operating Expense Ratio	29.24%

**INCOME**

	<b>Actual</b>	<b>Per Unit</b>	<b>Market</b>	<b>Per Unit</b>
Gross Potential Rent	\$170,640	\$21,330	\$210,000	\$26,250
Less: Vacancy	(\$5,119)	(\$640)	(\$6,300)	(\$788)
Misc. Income	\$2,160	\$270	\$2,160	\$270
<b>Effective Gross Income</b>	<b>\$167,681</b>	<b>\$20,960</b>	<b>\$205,860</b>	<b>\$25,733</b>

**OPERATING EXPENSES**

	<b>Actual</b>	<b>Per Unit</b>	<b>Market</b>	<b>Per Unit</b>
Building Insurance	\$2,106	\$263	\$2,106	\$263
Maintenance	\$2,500	\$313	\$2,500	\$313
Supplies	\$305	\$38	\$305	\$38
Taxes - Real Estate	\$40,000	\$5,000	\$40,000	\$5,000
Utilities	\$4,120	\$515	\$4,120	\$515
<b>Total Expenses</b>	<b>(\$49,031)</b>	<b>(\$6,129)</b>	<b>(\$49,031)</b>	<b>(\$6,129)</b>
<b>Net Operating Income</b>	<b>\$118,651</b>	<b>\$14,831</b>	<b>\$156,829</b>	<b>\$19,604</b>



### INVESTMENT SUMMARY

Price:	\$3,200,000
Year Built:	1985
Units:	8
Price/Unit:	\$400,000
RSF:	7,404
Price/RSF:	\$432.20
Lot Size:	7,483 sf
Floors:	2
APN:	5623-024-017
Cap Rate:	3.71%
Market Cap Rate:	4.9%
GRM:	18.52
Market GRM:	15.08

### FINANCING SUMMARY

Loan Amount:	\$1,430,000
Down Payment:	\$1,770,000
Loan Type:	Fixed
Interest Rate:	3.83%
Term:	30 years
Monthly Payment:	\$6,688
DCR:	1.48

### UNIT MIX & MONTHLY SCHEDULED INCOME

Type	Units	Actual	Total	Market	Total
2+1	1	\$1,800	\$1,800	\$2,100	\$2,100
2+2	7	\$1,774	\$12,420	\$2,200	\$15,400
<b>TOTALS</b>	<b>8</b>		<b>\$14,220</b>		<b>\$17,500</b>

### ANNUALIZED INCOME

	Actual	Market
Gross Potential Rent	\$170,640	\$210,000
Less: Vacancy	(\$5,119)	(\$6,300)
Misc. Income	\$2,160	\$2,160
<b>Effective Gross Income</b>	<b>\$167,681</b>	<b>\$205,860</b>
Less: Expenses	(\$49,031)	(\$49,031)
<b>Net Operating Income</b>	<b>\$118,651</b>	<b>\$156,829</b>
Debt Service	(\$80,252)	(\$80,252)
<b>Net Cash Flow after Debt Service</b>	<b>\$38,399</b>	<b>\$76,578</b>
Principal Reduction	\$25,935	\$25,935
<b>Total Return</b>	<b>\$64,334</b>	<b>\$102,513</b>

### ANNUALIZED EXPENSES

	Actual	Market
Building Insurance	\$2,106	\$2,106
Maintenance	\$2,500	\$2,500
Supplies	\$305	\$305
Taxes - Real Estate	\$40,000	\$40,000
Utilities	\$4,120	\$4,120
<b>Total Expenses</b>	<b>\$49,031</b>	<b>\$49,031</b>
<b>Expenses Per RSF</b>	<b>\$6.62</b>	<b>\$6.62</b>
<b>Expenses Per Unit</b>	<b>\$6,129</b>	<b>\$6,129</b>

## ***Pride of Ownership*** ***8 unit apartment building***

KW Commercial is proud to represent the pride of ownership 8-unit apartment building in an excellent location in Glendale. The property was built in 1985 and is 7,404 square feet and is situated on a 7,483-square foot lot. The property consists of (7) two bedroom two bath and (1) two bedroom one bath units and each unit averages 925 square feet.

The building is a “no smoking” building and the units have been remolded with tiles in the kitchen, bath, and living room and laminate flooring in the bedrooms. The kitchens and bedrooms have new cabinets, granite counter tops, stainless steel sinks and new plumbing fixtures. The building has new double pane glass windows and patio doors, newer central roof mounted air-conditioning package units, new paint, the roof has a polyurethane white reflective coating that has a 12 year no leak transferable warranty. The building is completely turn key. A new owner will take advantage of the numerous upgrades and the strong Glendale rental market.



The city of Glendale is a highly desirable rental market and was recently named as the neighborhood of the year by Curbs magazine. Glendale is a major production center for the entertainment and animation industry as The Walt Disney Company outgrew its Burbank Studio. In 1994, Steven Spielberg, Jeffrey Katzenberg, and David Geffen formed DreamWorks SKG, a diversified entertainment company. DreamWorks Animation remains located in the city's Grand Central Business Centre on land formerly occupied by a helicopter landing base next to the old airfield (and next to KABC-TV). Thus, many American animators who worked on feature films in the 1990's and 2000's have spent large portions of their careers in Glendale working for Disney or DreamWorks. Residents enjoy the excellent shopping and dining at the Americana at Brand which features 75 shops and restaurants and 18-plex Theatre.

The property has individual water heaters and a solar electricity generating pv system that has no electric bill for the owner for all common areas.

## 1059 Western Ave. Glendale, Ca. 91201

1059 Western has a walk score of 80 out of 100. This location is very walkable so most errands can be accomplished on foot.

### Capital Improvements

#### 8 Units: 7 units 2+2 & 2 units 2+1

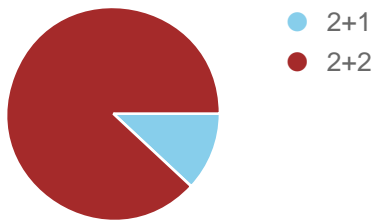
1. Newer 80's quality construction with all copper plumbing, water saving single handle water, saving plumbing fixtures and new low flush toilets (1.25 GPF) installed within past few years.
  2. "Electric Eye" that automatically turns common area lights on and off without a timer.
  3. "No smoking" building with subterranean parking and controlled access.
  4. All units remodeled within past few years with tiles in kitchen, bath, living room and laminate flooring in bedrooms. Remodeled Kitchen and bathroom have new cabinets, granite counter tops, stainless steel sinks including new related plumbing fixtures.
  5. Units equipped with energy saver E-square, double pane glass windows and patio doors with life time accidental breakage replacement warranty.
  6. Building installed with newer central roof mounted energy saving air conditioning package, within the past few years.
  7. Roof with minimum 1" Polyurethane white reflective energy saving coating with transferable "No Leak" warranty. For 12 years.
  8. Building with solar electricity generating PV system with zero electricity bill for owner for all common areas. Tenants pay for all their utilities, including individual separate, hot water heaters, gas bill.
  9. Building painted externally within the past few years.
  10. Excellent location, walking distance to Glenoaks Blvd.
- Hundreds of thousands spent in capital improvements, only in the past few years.
  - Very low maintenance extremely efficient newer building, generating good cash flow.
  - Same ownership, retiring after many years, and now exchanging into commercial property.
  - No Rent Control, with immediate substantial upside in rents per. Rent survey taken first quarter of 2017. Substantial rent increase potential in the future.
  - Completely Turn key property perfect for a 1031 exchange.

Unit	Description	Current Rent	Pro Forma Rent	Comments
1	2+2	\$1,830	\$2,200	
2	2+2	\$1,800	\$2,200	
3	2+1	\$1,800	\$2,100	
4	2+2	\$1,650	\$2,200	
5	2+2	\$1,710	\$2,200	
6	2+2	\$1,800	\$2,200	
7	2+2	\$1,830	\$2,200	
8	2+2	\$1,800	\$2,200	

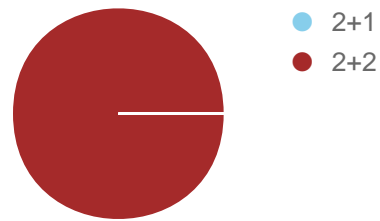
**UNIT MIXES**

Units	Type	Approx. SqFt	Avg. Rents	Monthly	Mkt Rents	Monthly
1	2+1	0	\$1,800	\$1,800	\$2,100	\$2,100
7	2+2	0	\$1,774	\$12,420	\$2,200	\$15,400
8		0		\$14,220		\$17,500

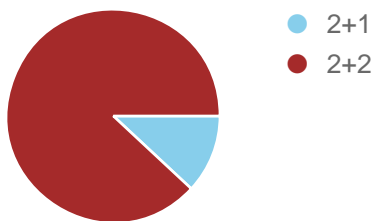
**UNIT MIX**



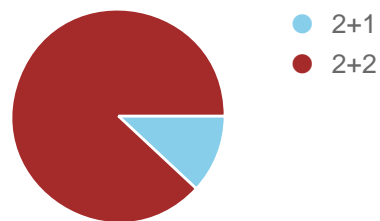
**UNIT MIX SQUARE FEET**



**UNIT MIX INCOME**



**UNIT MIX MARKET INCOME**



**8 Units in Glendale**  
*Not subject to rent control*



Open living areas



Large living rooms



Updated kitchens



Large bedrooms



Large laundry room

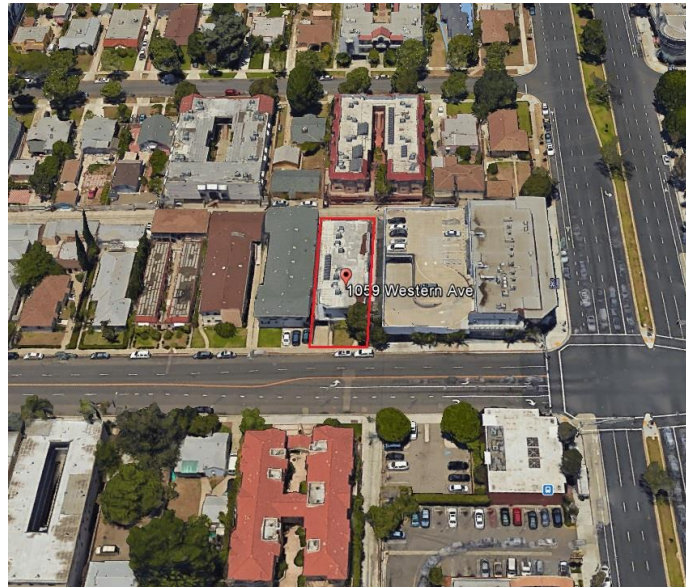
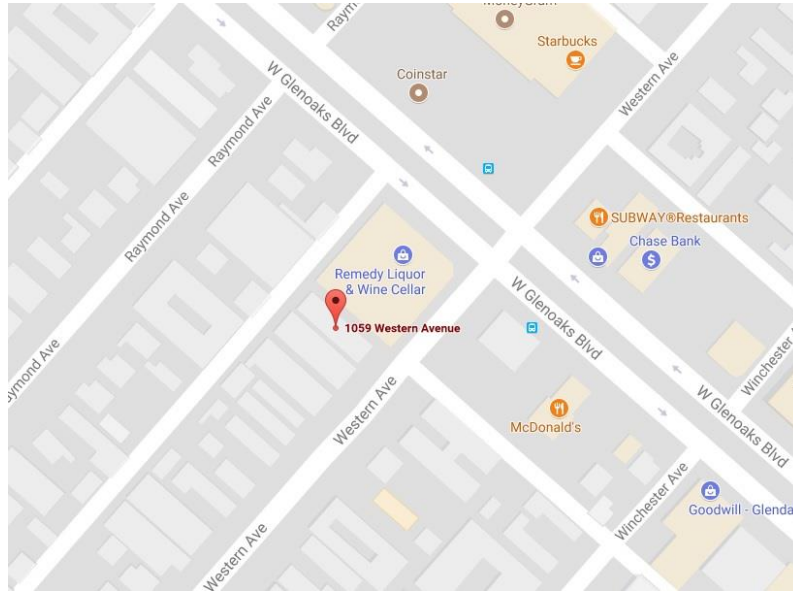


Street view South

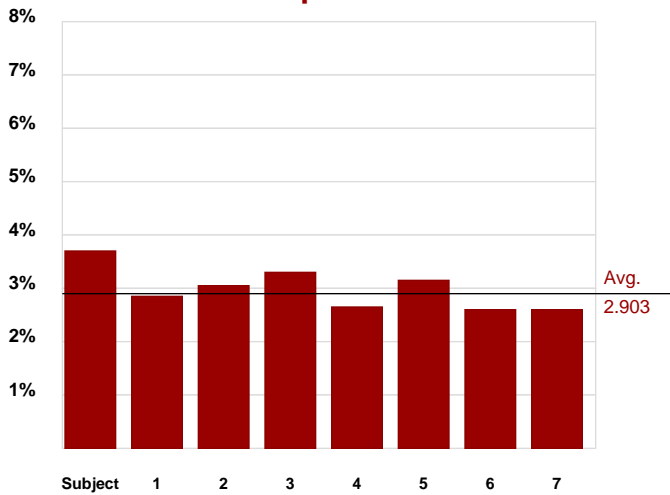
# 1059 Western Ave

Glendale, CA 91201

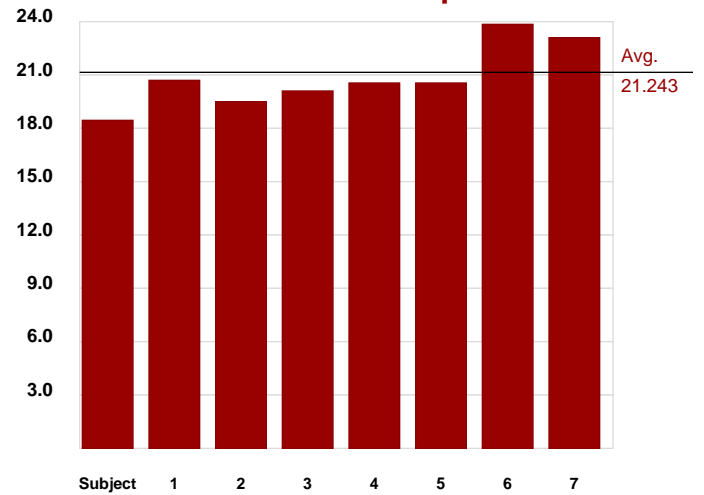
MAPS AND AERIALS



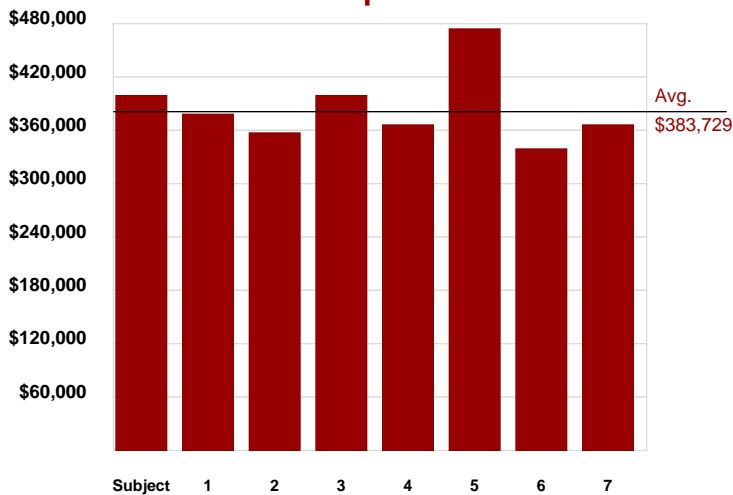
Cap Rate



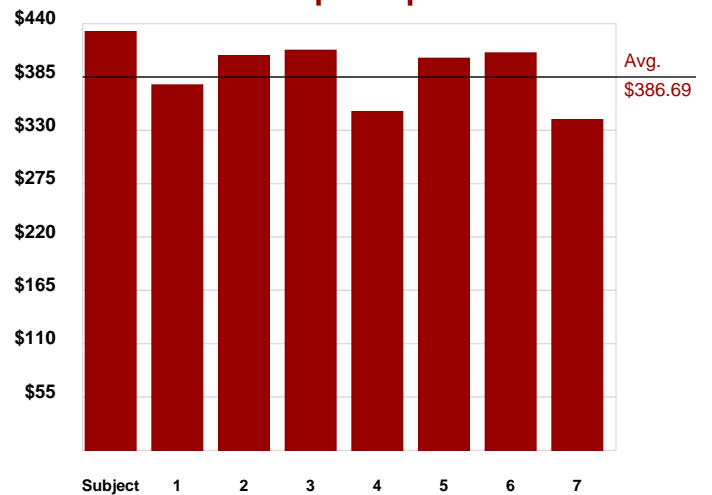
Gross Rent Multiplier



Price per Unit



Price per Sq. Ft.



S



**1059 Western Ave**  
**1059 Western Ave**  
**Glendale, CA 91201**

Sale Price	\$3,200,000	# Units	Unit Type
Units	8	1	2+1
Price/Unit	\$400,000	7	2+2
Price/SqFt	\$432.20		
Cap Rate	3.71%		
Year Built	1985		
GRM	18.52		

1



**1164 Allen Ave**  
**1164 Allen Ave**  
**Glendale, CA 91201**

Sale Price	\$3,030,000	# Units	Unit Type
Units	8	8	Two Bedroom Two Bath
Price/Unit	\$378,750		
Price/SqFt	\$377.19		
Cap Rate	2.88%		
Year Built	1986		
GRM	20.8		

Sale Date 4/30/2017

2



**507 Porter St**  
**507 Porter St**  
**Glendale, CA 91205**

Sale Price	\$2,500,000	# Units	Unit Type
Units	7	2	Two Bedroom One Bath
Price/Unit	\$357,143	4	Two Bedroom Two Bath
Price/SqFt	\$407.43	1	Three Bedroom Three Bath
Cap Rate	3.08%		
Year Built	1984		
GRM	19.6		

Sale Date 6/29/2016

3



Sale Date 9/15/2016

**501 Raleigh St  
501 Raleigh St  
Glendale, CA 91205**

		# Units	Unit Type
Sale Price	\$2,395,000		
Units	6	4	Two Bedroom Two Bath
Price/Unit	\$399,167	2	Three Bedroom Two Bath
Price/SqFt	\$413.50		
Cap Rate	3.33%		
Year Built	1986		
GRM	20.1		

4



Sale Date 1/18/2017

**615 Raleigh St  
615 Raleigh St  
Glendale, CA 91205**

		# Units	Unit Type
Sale Price	\$2,210,000		
Units	6	4	Two Bedroom Two Bath
Price/Unit	\$368,333	2	Three Bedroom Two Bath
Price/SqFt	\$350.79		
Cap Rate	2.67%		
Year Built	N/A		
GRM	20.6		

5



Sale Date 3/10/2017

**1144-1148 Rosedale Ave  
1144-1148 Rosedale Ave  
Glendale, CA 91201**

		# Units	Unit Type
Sale Price	\$3,795,000		
Units	8	4	Two Bedroom Two Bath
Price/Unit	\$474,375	4	Three Bedroom Two Bath
Price/SqFt	\$404.84		
Cap Rate	3.16%		
Year Built	1987		
GRM	20.6		

6



**1447 E Windsor Rd  
1447 E Windsor Rd  
Glendale, CA 91205**

Sale Price	\$2,050,000	# Units	Unit Type
Units	6	6	Two Bedroom Two Bath
Price/Unit	\$341,667		
Price/SqFt	\$410.66		
Cap Rate	2.6%		
Year Built	1982		
GRM	23.9		

Sale Date 7/21/2016

7



**121 S Pacific Ave  
121 S Pacific Ave  
Glendale, CA 91204**

Sale Price	\$2,200,000	# Units	Unit Type
Units	6	6	Two Bedroom Two Bath
Price/Unit	\$366,667		
Price/SqFt	\$342.41		
Cap Rate	2.6%		
Year Built	1987		
GRM	23.1		

Sale Date 11/17/2016

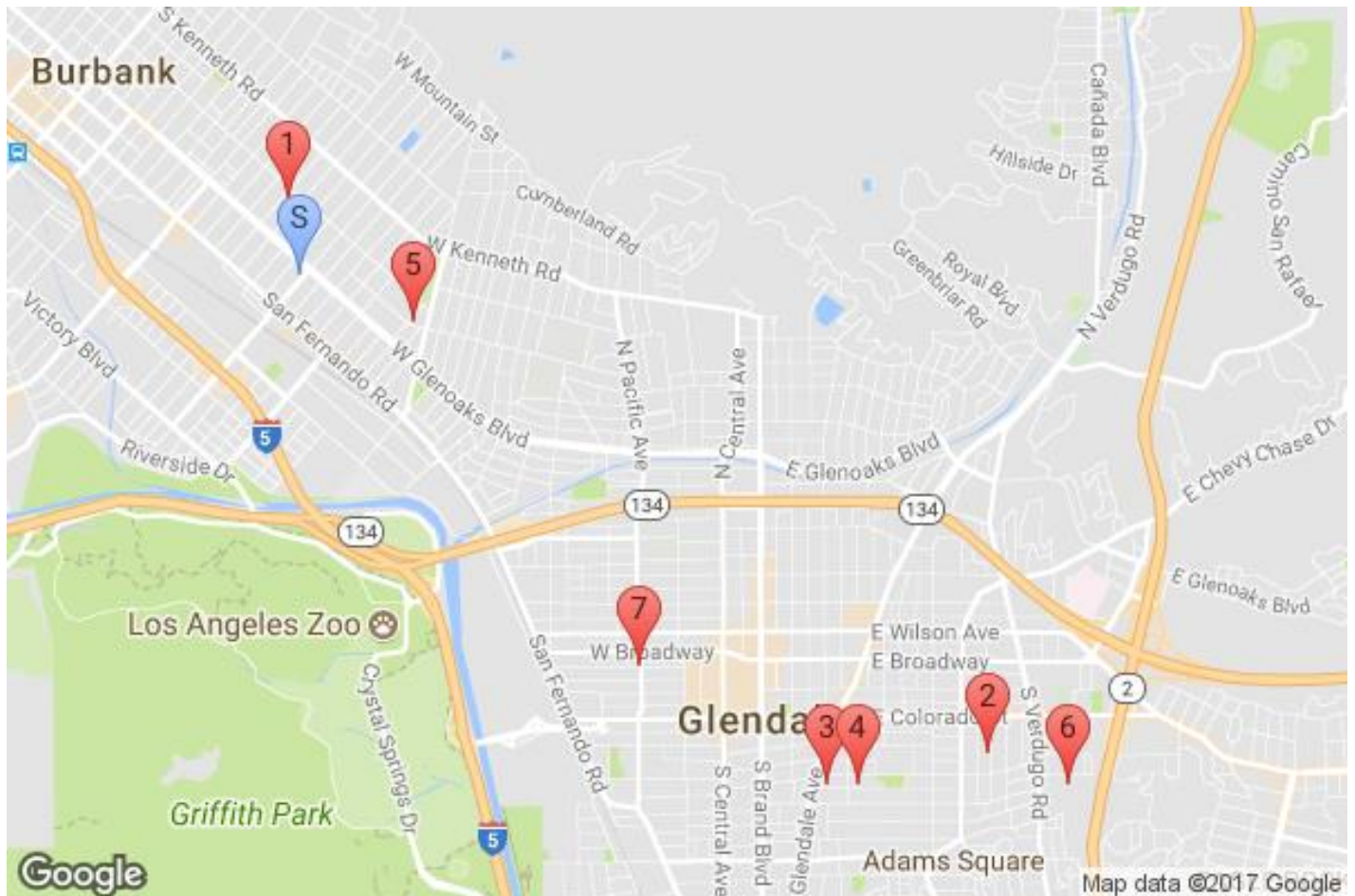
**NOTES**

Units are all Bed + 2.5 Bath

# 1059 Western Ave

Glendale, CA 91201

**SALES COMPARABLES**



**S** 1059 Western Ave  
Glendale, CA, 91201  
\$3,200,000

**1** 1164 Allen Ave  
Glendale, CA, 91201  
\$3,030,000

**2** 507 Porter St  
Glendale, CA, 91205  
\$2,500,000

**3** 501 Raleigh St  
Glendale, CA, 91205  
\$2,395,000

**4** 615 Raleigh St  
Glendale, CA, 91205  
\$2,210,000

**5** 1144-1148 Rosedale Ave  
Glendale, CA, 91201  
\$3,795,000

**6** 1447 E Windsor Rd  
Glendale, CA, 91205  
\$2,050,000

**7** 121 S Pacific Ave  
Glendale, CA, 91204  
\$2,200,000