

Marcus & Millichap
LAAA TEAM

CONFIDENTIAL BROKER OPINION OF VALUE

500 N Alexandria Avenue

Los Angeles, California 90004

7

UNITS

4,360

SQUARE FEET

1923/1929

YEAR BUILT

0.10 Ac

ACRES



Glen Scher
SMDI



Filip Niculete
SMDI

February 2026

Team Track Record

LA APARTMENT ADVISORS AT MARCUS & MILLICHAP

LAAA Team of Marcus & Millichap

Expertise, Execution, Excellence.

501

CLOSED TRANSACTIONS

All-Time

\$1.6B

TOTAL SALES VOLUME

All-Time

5,000+

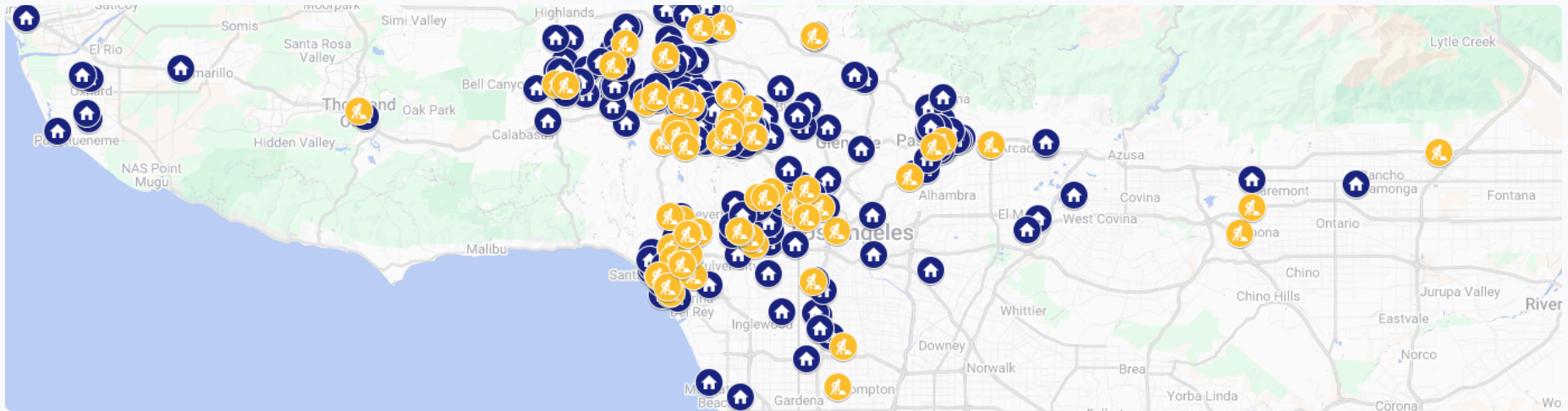
UNITS SOLD

All-Time

34

MEDIAN DAYS ON MARKET

Apartments



We Didn't Invent Great Service, We Just Work Relentlessly to Provide It

At LAAA Team, we are dedicated to delivering expert multifamily brokerage services in Los Angeles, helping investors navigate the market with precision, strategy, and results-driven execution. With over 500 closed transactions and \$1.6B in total sales volume, our team thrives on providing data-driven insights, strategic deal structuring, and hands-on client service to maximize value for our clients.

Founded by Glen Scher and Filip Niculete, LAAA Team operates with a commitment to transparency, efficiency, and unmatched market expertise. We take a relationship-first approach, guiding property owners, investors, and developers through every stage of acquisition, disposition, and asset repositioning.

Our mission is simple: To be the most trusted and results-oriented multifamily advisors in Los Angeles, leveraging deep market knowledge, innovative technology, and a proactive deal-making strategy to drive long-term success for our clients.

Our Team

#1 Most Active Multifamily Sales Team in LA County

COSTAR • 2019, 2020, 2021 • #4 IN CALIFORNIA



Glen Scher

SENIOR MANAGING DIRECTOR INVESTMENTS

Senior Managing Director at Marcus & Millichap and co-founder of the LAAA Team. Over 500 transactions and \$1.6B in closed sales across LA and the Ventura & Santa Barbara counties, consistently closing 40+ deals per year. Glen joined M&M in 2014 after graduating from UC Santa Barbara with a degree in Economics. Before real estate, he was a Division I golfer at UCSB, earning three individual titles, a national top-50 ranking, and UCSB Male Athlete of the Year.



Filip Niculete

SENIOR MANAGING DIRECTOR INVESTMENTS

Senior Managing Director at Marcus & Millichap and co-founder of the LAAA Team. Together, Glen and Filip have closed over \$1.6B in transactions and consistently lead the market in inventory. Born in Romania and raised in the San Fernando Valley, Filip studied Finance at San Diego State University and joined M&M in 2011. He has built a reputation for execution, integrity, and relentless work ethic across 15 years in Los Angeles multifamily.



Aida Memary Scher

SENIOR ASSOCIATE



Morgan Wetmore

ASSOCIATE



Alexandro Tapia

ASSOCIATE INVESTMENTS



Logan Ward

ASSOCIATE



Jason Mandel

ASSOCIATE



Luka Leader

ASSOCIATE



Blake Lewitt

ASSOCIATE INVESTMENTS



Mike Palade

AGENT ASSISTANT



Tony H. Dang

BUSINESS OPERATIONS MANAGER

KEY ACHIEVEMENTS

- **Chairman's Club** - Marcus & Millichap's top-tier annual honor (Glen: 2021; Filip: 2018, 2021)
- **National Achievement Award** - Glen: 5 years; Filip: 8 consecutive years
- **Sales Recognition Award** - Glen: 10 consecutive years; Filip: 12 years total
- **Traded.co National Rankings** - Glen Scher: #8 Deal Junkies, #8 Hot List, #8 Rising Talent
- **Connect CRE Next Generation Award** - Filip Niculete (2019)
- **SFVBJ Rookie of the Year** - Glen Scher

Our Marketing Approach & Results

HOW WE MARKET YOUR LISTING

30,000+

EMAILS SENT

Per Listing

10,000+

ONLINE VIEWS

Per Listing

3.7

AVERAGE OFFERS

Per Listing

18

DAYS TO ESCROW

Per Listing Average

*"We are **PROACTIVE** marketers, not reactive. We don't list online and wait for calls. We pick up the phone, call every probable buyer, and explain why your property is a good investment for them."*

Direct Phone Outreach

- **30+ probable buyers** called directly per listing
- **1,500 cold calls per week** across our team of 8 agents
- Focus on 1031 exchange buyers, recent purchasers, and nearby property owners

Email Campaigns

- **30,000+ verified** investor and broker email addresses
- **~8,000 unique opens** per "Just Listed" email blast
- **~800 clicks** per campaign downloading the full marketing package

Online Platforms

- **9 listing platforms** with highest-tier exposure on each
- **10,000+ views per listing** across all platforms combined
- Custom profile on MLS, CoStar, LoopNet, Crexi, Brevitas, Redfin, M&M, LAAA.com, ApartmentBuildings.com

Additional Channels

- **"Just Listed" postcards** mailed to nearby property owners
- **Social media** across Facebook, LinkedIn, Instagram, and X
- **Current inventory attachment** sent ~25 times/day by all team members

Pricing Accuracy

- **97.6%** average sale-price-to-list-price ratio
- **1 in 5 listings** sell at or above the asking price
- Our pricing methodology is data-driven and comp-backed

Marketing Speed

- **18 days** average to open escrow after hitting the market
- **17.5%** of our listings sell in the first week
- **3.7 signed offers** per listing on average

Contract Strength

- **10-day average** contingency period
- We almost never allow a loan or appraisal contingency
- **Less than 60 days** average escrow timeframe
- **10%** open escrow with zero contingencies

Exchange Expertise

- **61%** of our sellers complete a 1031 exchange
- **29%** of listings sell to a 1031 exchange buyer
- **76%** of transactions involve at least one exchange

ADVERTISED ON MLS CoStar LoopNet Crexi Brevitas Redfin Marcus & Millichap LAAA.com ApartmentBuildings.com

Investment Overview

500 N ALEXANDRIA AVE - LOS ANGELES, CA 90004

7

TOTAL UNITS

4,360

BUILDING SF

0.10 Ac

LOT SIZE

1923

YEAR BUILT

The LAAA Team of Marcus & Millichap is pleased to present for sale 500 N Alexandria Avenue, a 7-unit multifamily investment opportunity in the heart of Los Angeles' Koreatown-East Hollywood corridor. Situated on a quiet residential block between Rosewood Avenue and Clinton Street, the property comprises a well-maintained two-story front building (1923) and a rear accessory dwelling unit completed in 2025. The property offers immediate cash flow with significant embedded rent upside through tenant turnover.

The property features a diverse unit mix of four 2-bedroom/1-bathroom apartments, two studios, and one recently completed ADU - all 100% occupied. In-place rents range from \$895 to \$2,400 per month, with three units already at or near market levels and four rent-stabilized units offering substantial upside as tenants vacate naturally. The building benefits from recent capital improvements including a full electrical upgrade (400 amps, 6 panels) and the newly constructed ADU.

Zoned R3-1 with TOC Tier 3 overlay and located within a federally designated Opportunity Zone, 500 N Alexandria presents a compelling value-add opportunity. At a suggested list price of \$1,275,000, the property delivers a current-year cap rate of 5.48% with a pro forma cap rate of 7.42% upon full renovation and turnover - offering investors attractive risk-adjusted returns with meaningful upside in one of LA's strongest rental markets.



Investment Highlights

- **Value-Add Upside** - 18.5% rent lift potential (\$26,064/yr) through natural RSO turnover and classic unit renovations (\$18K-\$25K per unit)
- **Newly Completed ADU** - 2025 Certificate of Occupancy; fully legal 248 SF studio generating \$1,875/month (\$22,500/yr)
- **100% Occupied** - Immediate cash flow from day one with zero vacancy risk; \$141,036 annual gross rent
- **TOC Tier 3 & Opportunity Zone** - Enhanced development potential and tax benefits for qualified investors holding 10+ years
- **Strong Koreatown Location** - Walk Score 85, 0.6 miles to Metro B Line, premier dining and retail within blocks
- **Recent Capital Improvements** - New electrical system (2024), ADU conversion (2025), reducing near-term capital expenditure requirements

Location Overview

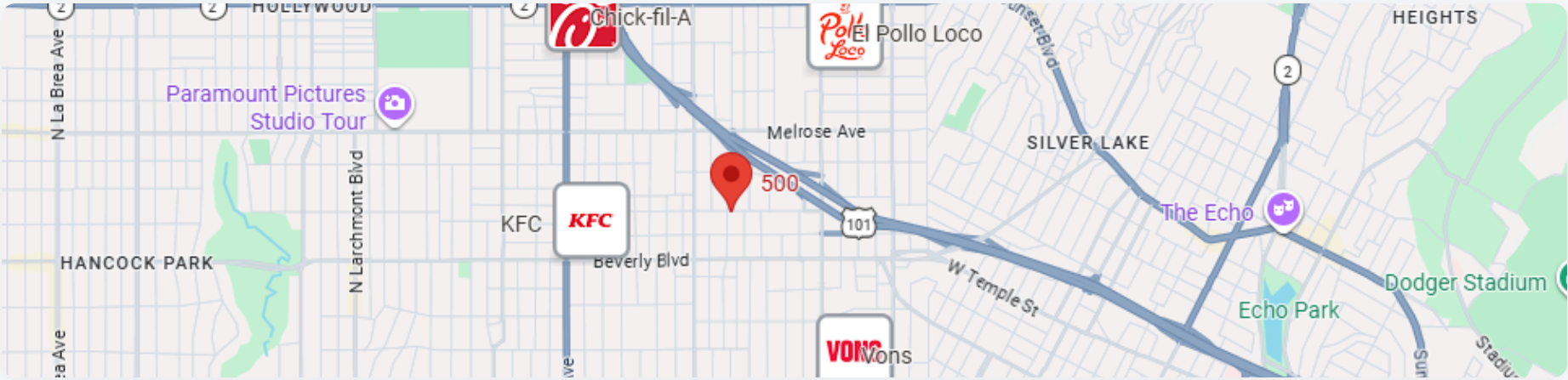
KOREATOWN / EAST HOLLYWOOD - 90004

500 N Alexandria Avenue occupies a prime position at the intersection of two of Los Angeles' most dynamic neighborhoods - Koreatown and East Hollywood. This area has experienced a remarkable transformation over the past decade, evolving into one of the city's most desirable rental markets driven by proximity to major employment centers, world-class dining, and unparalleled transit access. The neighborhood's dense urban fabric and walkable streetscape attract a young, professional tenant base that values convenience and lifestyle amenities. Koreatown consistently ranks among the lowest-vacancy multifamily submarkets in Los Angeles County.

The property benefits from exceptional connectivity. The Metro B (Red) Line station at Vermont/Beverly is just 0.6 miles away, providing direct access to Hollywood, Downtown LA, and North Hollywood. Major arterials including Vermont Avenue, Western Avenue, and the 101 Freeway are all within minutes. Residents enjoy walkable access to hundreds of restaurants, cafés, and shops along Vermont and Western corridors, Wilshire Boulevard's commercial district, and cultural institutions including the Wilshire Country Club, Barnsdall Art Park, and the forthcoming Metro Purple Line extension stations that will further enhance connectivity.

The property sits in a clean environmental zone - outside of flood, landslide, liquefaction, fire hazard, methane, and Alquist-Priolo earthquake fault zones per ZIMAS records. The location scores highly across walkability and transit metrics, reflecting the urban density and infrastructure that make this submarket particularly attractive to car-optional tenants.

LOCATION DETAILS	
Walk Score	85
Transit Score	Good
Nearest Metro	Vermont/Beverly (B Line) - 0.6 mi
Council District	CD 13 (Hugo Soto-Martinez)
Community Plan	Wilshire
Neighborhood	Koreatown / East Hollywood
ZIP Code	90004
Major Cross Streets	Vermont Ave & Beverly Blvd
Freeway Access	US-101 (0.8 mi)
Promise Zone	Yes



Property Details

500 N ALEXANDRIA AVE, LOS ANGELES, CA 90004

PROPERTY OVERVIEW		SITE & ZONING	
Address	500 N Alexandria Ave, Los Angeles, CA 90004	Zoning	R3-1
APN	5520-009-026	General Plan	Medium Residential
Year Built	1923 (Front) / 1929 (Rear)	TOC Tier	Tier 3
Units	7 (incl. 1 ADU)	TOIA Tier	Tier 2
Building SF	4,360	Opportunity Zone	Yes
Lot Size	4,558 SF (0.10 acres)	Promise Zone	Yes
Construction	Wood Frame (Type V-B)	AB 2097 / AB 2334	Eligible
Stories	2 (Front), 1 (Rear ADU)	Community Plan	Wilshire
Parking	Garage (~1 space)	Council District	CD 13
Occupancy	100%	HPOZ	No
BUILDING SYSTEMS		REGULATORY & COMPLIANCE	
Roof	Composition (last replaced ~1993)	Rent Stabilization	Yes - RSO (pre-10/1/1978)
Electrical	Upgraded 2024 - 400 amps, 6 panels	Soft-Story Retrofit	NOT Required (LADBS)
Plumbing	Original (galvanized)	Code Enforcement	0 open cases (LADBS)
Foundation	Concrete perimeter	Seismic Zone	Zone 4
Exterior	Stucco over wood frame	Flood Zone	Not in flood zone
Water Heater	Central (gas)	Fire Hazard	Not in fire hazard zone
HVAC	Wall heaters (individual)	Methane Zone	Not in methane zone
Metering	Electric: Individual (6 meters)	ADU Certificate	Issued 7/14/2025 (#239092)
ADU	248 SF, CoFO 7/14/2025	LAHD Registration	Required (RSO property)

Transaction History

OWNERSHIP CHAIN & PRICE APPRECIATION

DATE	EVENT	PRICE / DETAILS
10/09/2017	Teddy Management LLC acquired from Cho, Eric S.	\$800,000 (Grant Deed)
04/06/2021	Refinance	\$728,750 loan from Bank of Hope (variable rate)
09/02/2015	Cho, Eric S. acquired from Cheng, Yen Nien	\$550,000 (Grant Deed)
05/02/2012	Cheng, Yen Nien acquired from SB Holdings LLC	\$390,000 (Grant Deed)

DATE	EVENT	PRICE / DETAILS
Prior	Multiple transfers	Dating back to early 2000s

Price Appreciation

500 N Alexandria Avenue has demonstrated consistent value appreciation over the past decade. The property last traded in October 2017 for \$800,000 (\$114,286/unit) when Teddy Management LLC acquired it from Cho, Eric S. Prior to that, the property traded twice in rapid succession - \$390,000 in 2012 and \$550,000 in 2015 - reflecting the broader market recovery following the Great Recession and growing investor appetite for rent-controlled assets with upside.

Since the 2017 acquisition, the current ownership has added significant value through the construction of a legal ADU (Certificate of Occupancy issued July 2025), effectively increasing the unit count from 6 to 7 and adding approximately \$22,500 in annual rental income. The existing financing - a \$728,750 variable-rate loan from Bank of Hope originated in April 2021 - suggests the owner refinanced to fund improvements, positioning the property for its current market-rate potential.

The property's assessed value of \$1,707,340 (2025) represents a 113% increase from the \$800,000 acquisition price, reflecting both the ADU addition and assessed value growth. At the suggested list price of \$1,275,000, the owner would realize approximately 59% appreciation over their 8.5-year hold period - a strong outcome for a rent-controlled asset.

Buyer Profile & Anticipated Objections

TARGET INVESTORS & DATA-BACKED RESPONSES

TARGET BUYER PROFILE

1031 Exchange Investor - Time-constrained exchangers seeking a stabilized asset with immediate cash flow. The 100% occupancy, diverse unit mix, and sub-\$1.5M price point make this an ideal downleg replacement within a 45-day identification window.

Local Value-Add Operator - Hands-on investors targeting RSO turnover plays. With 4 below-market units and a proven renovation playbook (\$18K-\$25K per unit), an experienced operator can capture \$26,064 in annual rent lift through natural tenant turnover.

Portfolio Consolidator - Small to mid-size multifamily investors adding an income-producing asset to an existing LA portfolio. R3-1 zoning, TOC Tier 3 overlay, and Opportunity Zone designation offer long-term optionality.

ADU-Focused Investor - Investors drawn to the recently completed ADU (CofO 2025) as proof of concept for LA's growing ADU market. The legal unit adds \$22,500/yr income and demonstrates the property's ability to support additional density.

Broad appeal across buyer segments supports competitive pricing and a compressed marketing timeline.

Anticipated Buyer Objections

"The building is over 100 years old - won't maintenance costs be astronomical?"

While the building's pre-war vintage requires responsible stewardship, several factors mitigate maintenance risk: the electrical system was fully upgraded in 2024 (400 amps, 6 panels), the ADU was professionally constructed with a 2025 Certificate of Occupancy, and LADBS records show zero code enforcement cases. The building is NOT on the soft-story retrofit list. Pre-war construction in Los Angeles has proven remarkably durable - the original 1923 building has stood for over a century.

"Only ~1 parking space for 7 units - won't that scare buyers and tenants?"

Parking is the most common objection in Koreatown, yet it rarely affects occupancy or rents in practice. The property has maintained 100% occupancy, and comp buildings with zero parking (212 S Berendo, 101 S Kenmore) have traded at \$191K-\$199K/unit. The Walk Score of 85 and proximity to Metro B Line (0.6 mi) attract the growing population of car-optional renters. AB 2097 further reduces parking requirements for transit-adjacent development.

"RSO limits my ability to increase rents."

RSO is an advantage for sellers, not a liability. Vacancy decontrol under Costa-Hawkins allows owners to reset rents to market upon natural tenant turnover. The 4 RSO tenants represent \$2,172/month (\$26,064/year) in embedded upside - a built-in value-add that doesn't require entitlements, approvals, or construction.

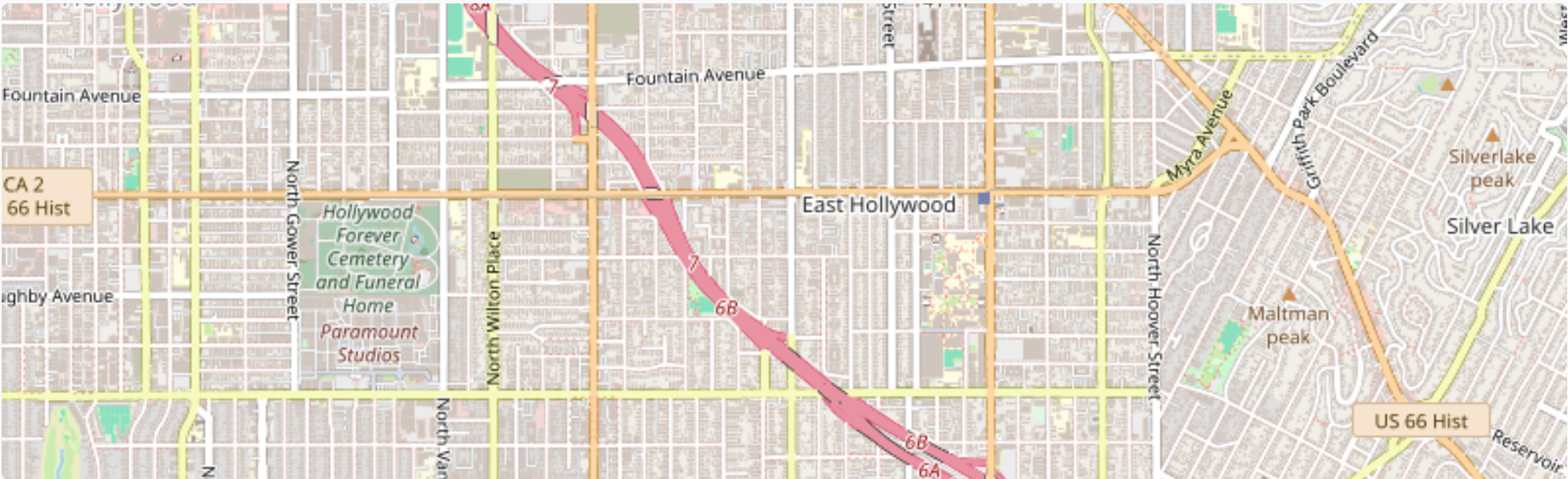
"Why is the price per unit lower than other recent sales?"

The \$182,143/unit price reflects the property's unique position as a 7-unit building with limited parking and a mixed unit mix (studios, 2BRs, and ADU). However, this is precisely what creates the opportunity: the pro forma cap rate of 7.42% exceeds comparable closed sales, and the ADU - which adds ~\$215K in capitalized value - is a premium feature not available in most vintage comp properties.



Comparable Sales Analysis

4 CONFIRMED CLOSED SALES IN KOREATOWN / MID-WILSHIRE - PAST 8 MONTHS



Interactive map available at the live URL.

#	ADDRESS	CITY	UNITS	SALE DATE	PRICE	\$/UNIT	\$/SF	CAP	GRM	YR BUILT	NOTES
S	500 N Alexandria Ave	Los Angeles	7	Proposed	\$1,275,000	\$182,142	\$292	5.71%	9.04	1923	Subject Property
1	101 S Kenmore Ave	Los Angeles	8	07/21/2025	\$1,595,000	\$199,375	\$204	7.29%	9.08	1925	Anchor comp; 8× 1BR, RSO, on-site laundry, best data quality
2	212 S Berendo St	Los Angeles	8	08/28/2025	\$1,525,000	\$190,625	\$228	4.15%	12.61	1923	8× 2BR, deep RSO, 108% rent upside, 1031 exchange
3	247 N New Hampshire Ave	Los Angeles	12	08/27/2025	\$1,400,000	\$116,667	\$181	n/a	9.59	1922	12 studios, off-market, financial data unreliable
4	143 N Commonwealth Ave	Los Angeles	6	01/21/2026	\$1,425,000	\$237,500	\$271	n/a	11.10	1951	DISTRESSED — Auction/Trust sale, SP/LP 79.2%
Averages			8		\$1,486,250	\$186,041	\$221	5.72%	10.59		
Medians			8		\$1,475,000	\$195,000	\$216	5.72%	10.34		

Individual Comp Analysis

101 S Kenmore Ave (8 units, \$1,595,000, 07/2025): The anchor comparable and highest-quality data point in the comp set. This 1925-vintage 8-unit building features all one-bedroom units under RSO with on-site laundry. At \$199,375/unit with a 7.29% adjusted cap rate, it establishes the premium end of the market for well-maintained vintage RSO buildings in the 90004 zip code. The strong cap rate reflects reliable income documentation and stabilized operations. The subject at \$182,143/unit represents an 8.6% discount to this benchmark, an appropriate adjustment for the smaller building size (7 vs 8 units), mixed unit types, and limited parking. Sold at 94.1% SP/LP, this comp confirms approximately 3-6% negotiation from list price in the current market.

212 S Berendo St (8 units, \$1,525,000, 08/2025): An 8-unit building composed entirely of 2-bedroom units, making it the closest unit-mix match to the subject's 2BR-heavy configuration. Built in 1923 - the same year as the subject's front building - this comp traded at \$190,625/unit with a deeply compressed 4.15% cap rate. The low cap reflects 108% rent upside embedded in deeply below-market RSO leases, demonstrating that buyers willingly accept lower current yields when the embedded upside is substantial and clearly documented. Purchased by a 1031 exchange buyer, confirming the active exchange market at this price point. The subject offers a more balanced risk-return profile: higher current yield (5.48% cap) with a more moderate 18.5% rent upside. Sold at 90.8% SP/LP after significant negotiation.

247 N New Hampshire Ave (12 units, \$1,400,000, 08/2025): An off-market sale of 12 studios with unreliable financial data. At \$116,667/unit, this represents the floor of the comp range and reflects the significant discount applied to studio-heavy buildings with limited income transparency. The off-market nature (100% SP/LP) suggests a relationship sale or principal-to-principal transaction. While the per-unit price is dramatically below the subject's \$182,143, the comparison is of limited direct relevance due to the fundamentally different unit mix (100% studios vs. subject's 57% 2BR / 29% studio / 14% ADU) and the absence of verifiable income data. This comp serves primarily as a floor reference.

143 N Commonwealth Ave (6 units, \$1,425,000, 01/2026): A DISTRESSED sale through auction/trust with an SP/LP ratio of just 79.2%, indicating significant negotiation from the original ask. The 1951 vintage is newer than the subject (1923/1929), and the \$237,500/unit price is the highest in the comp set - but the distressed circumstances and smaller unit count (6 units) make it an outlier. The absence of verifiable cap rate or financial data limits its analytical utility. This comp is used as a ceiling reference for distressed pricing, demonstrating that even under duress, Koreatown multifamily commands \$237K+ per unit for post-war product. The subject's non-distressed, fully occupied positioning supports a more favorable marketing outcome.

Market Narrative

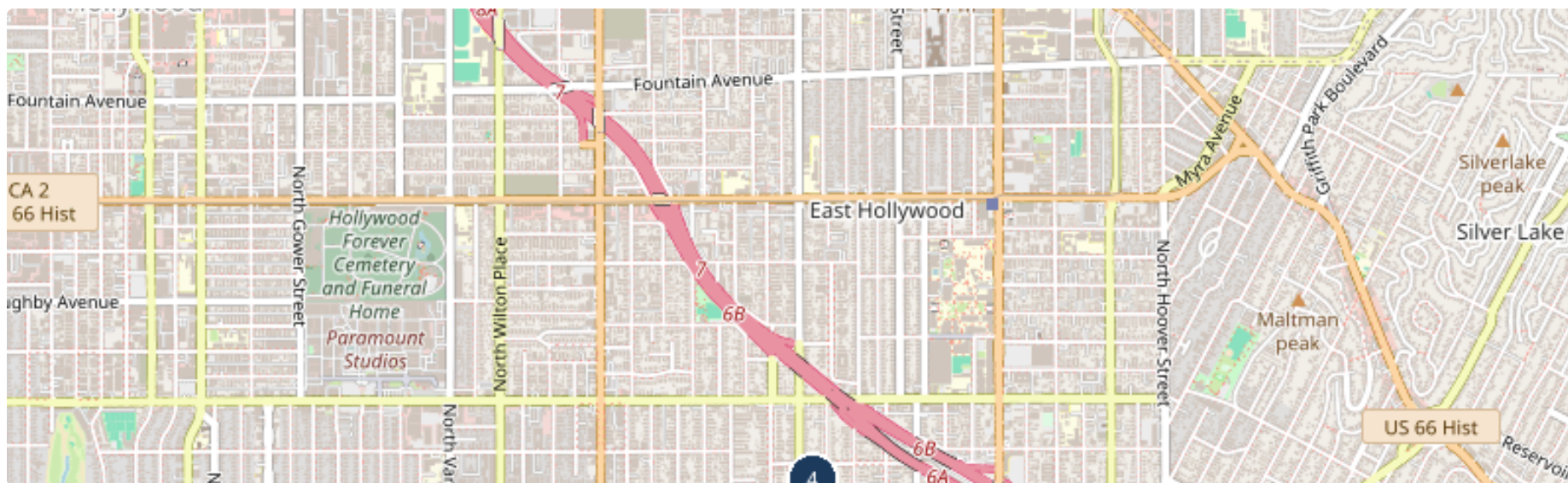
The Koreatown-Mid Wilshire multifamily market has demonstrated resilience through the rate cycle. Three arm's-length closed sales within the past eight months provide a clear pricing framework for vintage RSO apartment buildings in the 90004 zip code. The anchor comparable - 101 S Kenmore Avenue, an 8-unit 1925-vintage building - traded at \$199,375 per unit with a 7.29% adjusted cap rate, establishing the premium end of the market for well-maintained properties with reliable financial data.

Pricing dynamics reflect a market that rewards income quality. 212 S Berendo - with 8 deeply rent-controlled 2BR units and 108% rent upside - traded at a compressed 4.15% cap rate, demonstrating that buyers are willing to accept lower current yields when the embedded upside is substantial and clearly documented. In contrast, 247 N New Hampshire's off-market sale at \$116,667/unit illustrates the discount applied to smaller units (studios) with unreliable financial data.

At \$182,143 per unit, 500 N Alexandria is competitively positioned within the closed comp range. The subject's mixed unit types (2BR + studio + ADU), limited parking, and smaller building footprint justify a modest discount to the Kenmore benchmark, while the 2025 ADU, TOC Tier 3 overlay, and Opportunity Zone status provide upside optionality not available in any closed comp. The SP/LP ratio averaging 95% suggests list-to-close negotiation of approximately 3-5%.

On-Market Comparables

ACTIVE & PENDING LISTINGS IN KOREATOWN / MID-WILSHIRE



Interactive map available at the live URL.

#	ADDRESS	UNITS	LIST PRICE	\$/UNIT	CAP	GRM	DOM	STATUS	NOTES
1	502 N Serrano Ave	8	\$1,795,000	\$224,375	5.57%	10.97x	145	Pending	Copper, seismic retrofit, CBRE listing
2	121 S Oxford Ave	9	\$1,800,000	\$200,000	5.66%	13.73x	1	Active	9× 1BR, 3 garage; brand new listing
3	127 S Oxford Ave	8	\$1,800,000	\$225,000	5.51%	12.34x	1	Active	8× 1BR, 0 parking; adjacent to 121 S Oxford
4	543 N Ardmore Ave	12	\$2,300,000	\$191,667	4.77%	11.36x	12	Active	New roof 2025, seismic retrofit, 12 parking
5	310 N St Andrews Pl	8	\$2,490,000	\$311,250	5.06%	13.72x	20	Active	6 main + 2 ADU (2025), renovated
6	426 N Virgil Ave	5	\$1,599,000	\$319,800	5.95%	14.08x	133	Active	Price reduced from \$1,799K; market resistant
7	4053 Oakwood Ave	12	\$2,600,000	\$216,667	5.83%	10.47x	285	Active	Price reduced from \$2,800K; very stale

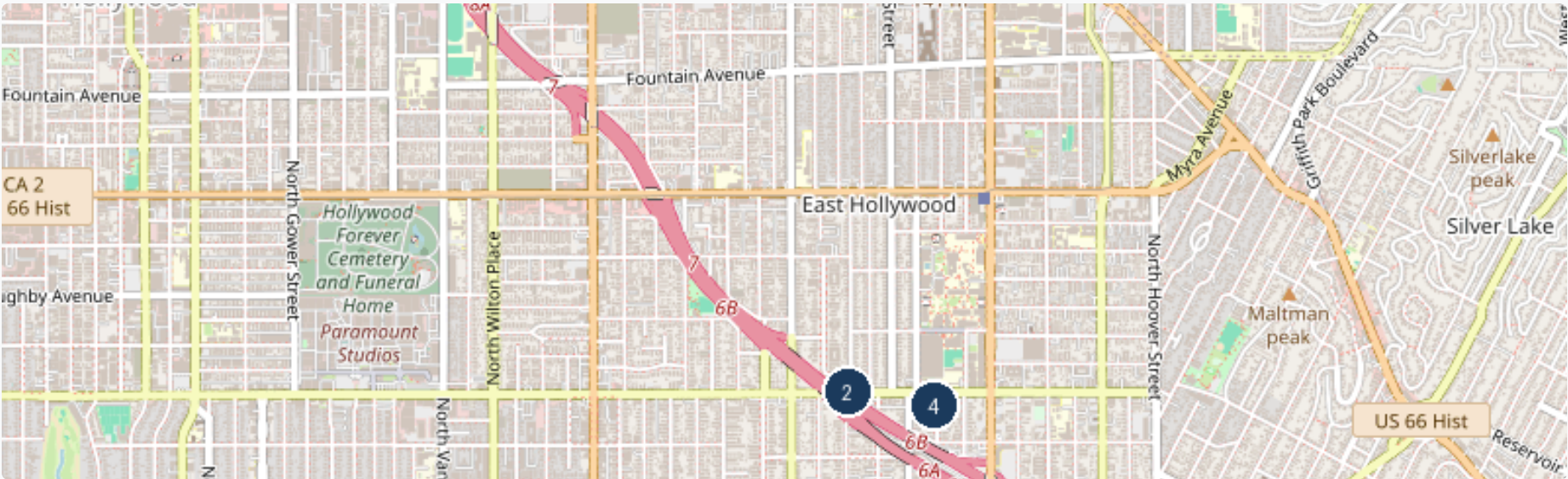
Competitive Positioning

The active on-market inventory provides important context for the subject's competitive positioning. The pending sale at 502 N Serrano (\$224,375/unit) validates buyer demand in the submarket at a higher price point, while fresh listings at 121 and 127 S Oxford (\$200K-\$225K/unit) will test the market's appetite for post-war 1BR product. Two stale listings - 426 N Virgil (133 DOM) and 4053 Oakwood (285 DOM) - have both reduced their asking prices, suggesting the market has a clear ceiling for aggressive pricing.

At \$182,143 per unit, 500 N Alexandria is priced below every active and pending comparable in the submarket, creating an immediate competitive advantage. The most relevant on-market comparable - 310 N St Andrews Place, which also features 2025 ADUs - is asking \$311,250/unit, nearly 70% higher than the subject. While St Andrews benefits from a more extensive renovation program, the pricing gap highlights the value proposition available at 500 N Alexandria for buyers seeking ADU exposure at an accessible price point.

Rent Comparables

CURRENT MARKET RENTS IN KOREATOWN / EAST HOLLYWOOD



Interactive map available at the live URL.

2-Bedroom Rent Comparables

#	ADDRESS	RENT	RENO LEVEL	DISTANCE	KEY FEATURES
1	313 N Alexandria Ave	\$2,150	Classic	0.4 mi	New stove, laminate floors, 2-car tandem parking
2	634 N Alexandria Ave	\$2,200	Classic	0.3 mi	Newly renovated, on-site manager
3	229 S Normandie Ave	\$2,150	Classic	0.7 mi	Wood-style flooring, on-site laundry
4	466 N Westmoreland Ave	\$2,095	Classic	0.4 mi	Renovated, near Virgil/Melrose
5	111 N Normandie Ave	\$2,200	Classic	0.6 mi	Recently renovated (within 6 yrs)
6	955 Fedora St	\$2,350	Classic/Premium	0.8 mi	Modern renovated, Koreatown
Summary		\$2,095-\$2,350		Avg \$2,190 Median \$2,175	

Studio Rent Comparables

#	ADDRESS	RENT	RENO LEVEL	DISTANCE	KEY FEATURES
1	247 S Alexandria Ave	\$1,395	Classic	0.5 mi	Marble tile, SS appliances, hardwood

#	ADDRESS	RENT	RENO LEVEL	DISTANCE	KEY FEATURES
2	326 S Normandie Ave	\$1,445	Classic	0.8 mi	Granite counters, exposed brick
3	520 S Mariposa Ave	\$1,425	Classic	0.9 mi	Renovated, appliances included
4	739 S Normandie Ave	\$1,425	Classic	1.1 mi	Spacious renovated studio
5	516 S St Andrews Pl	\$1,395	Classic	0.9 mi	Built-in shelving, charming kitchen
6	132 Westmoreland Ave	\$1,425	Classic	0.5 mi	Updated kitchen + bath
Summary		\$1,395-\$1,445			Avg \$1,418 Median \$1,425

Pro Forma Rent Narrative

The rent comp survey confirms meaningful upside for 500 N Alexandria's below-market units. Renovated 2-bedroom apartments in pre-war Koreatown buildings are consistently achieving \$2,095 to \$2,350 per month, with the median settling at \$2,200 - the basis for our pro forma assumption on the RSO 2BR units (502 and 504). This represents a conservative approach, positioned at the center rather than the top of the comparable range.

Studios in the same vintage-building profile lease at \$1,395 to \$1,445 post-renovation, with the median at \$1,425. The subject's ADU at \$1,875 for 248 SF (\$7.56/SF) is already at or near the market ceiling for micro-unit product. No additional rent lift is assumed for the ADU, reflecting a realistic assessment of the size constraint. The overall pro forma rent schedule of \$13,925/month (\$167,100/year) represents an 18.5% increase over current in-place rents - achievable through natural RSO turnover and a classic renovation scope of \$18K-\$25K per unit.

Confidence level is moderate-conservative. The pro forma rents are set at or slightly below the median comp range to account for the subject's smaller lot, limited parking, and absence of premium amenities like in-unit washer/dryers or central air. Vintage small buildings in this submarket are largely insulated from new Class A competition, which targets a different tenant demographic at a higher price point.

Financial Analysis

INVESTMENT UNDERWRITING

Unit Mix & Rent Roll

UNIT	TYPE	SF	CURRENT RENT	RENT/SF	MARKET RENT	MARKET/SF
500	2BR/1BA	620	\$2,400	\$3.87	\$2,400	\$3.87
502	2BR/1BA	620	\$1,290	\$2.08	\$2,200	\$3.55
504	2BR/1BA	620	\$1,599	\$2.58	\$2,200	\$3.55
506	2BR/1BA	620	\$2,200	\$3.55	\$2,300	\$3.71
508(1)	Studio	400	\$1,494	\$3.73	\$1,500	\$3.75
508(2)	Studio	400	\$895	\$2.24	\$1,450	\$3.62
510	ADU	248	\$1,875	\$7.56	\$1,875	\$7.56
TOTAL	7 Units	3,528	\$11,753	\$3.33	\$13,925	\$3.95

Note: All 7 units are 100% occupied. Total SF reflects approximate livable area per unit; the 4,360 SF used in \$/SF calculations is gross building area per LA County Assessor records.

Operating Statement

INCOME	ANNUAL	PER UNIT	\$/SF	% EGI
Gross Scheduled Rent	\$141,036	\$20,148	\$32.35	-
Less: Vacancy (5%)	(\$7,052)	(\$1,007)	(\$1.62)	-
Other Income ^[1]	\$0	\$0	\$0.00	-
Effective Gross Income	\$133,984	\$19,141	\$30.73	100.0%
EXPENSES	ANNUAL	PER UNIT	\$/SF	% EGI
Real Estate Taxes ^[2]	\$14,918	\$2,131	\$3.42	11.1%
Insurance ^[3]	\$6,300	\$900	\$1.44	4.7%
Water / Sewer ^[4]	\$4,400	\$629	\$1.01	3.3%
Trash ^[5]	\$2,450	\$350	\$0.56	1.8%
Common Area Electric ^[6]	\$1,500	\$214	\$0.34	1.1%
Repairs & Maintenance ^[7]	\$8,400	\$1,200	\$1.93	6.3%
Contract Services ^[8]	\$1,500	\$214	\$0.34	1.1%
Administrative ^[9]	\$1,000	\$143	\$0.23	0.7%
Marketing ^[10]	\$0	\$0	\$0.00	0.0%
Management Fee ^[11]	\$18,000	\$2,571	\$4.13	13.4%
Reserves ^[12]	\$2,100	\$300	\$0.48	1.6%
LAHD Registration ^[13]	\$303	\$43	\$0.07	0.2%
Other ^[14]	\$250	\$36	\$0.06	0.2%
Total Expenses	\$61,120	\$8,732	\$14.02	45.6%
Net Operating Income	\$72,864	\$10,409	\$16.71	54.4%

Note: Property taxes reassessed at the \$1,275,000 list price. The pricing matrix recalculates taxes at each price point.

Notes to Operating Statement

[1] Other Income: None. No laundry, no separate parking income, no RUBS.

[2] Real Estate Taxes: Reassessed to list price at 1.17% LA County rate. Seller's Prop 13 basis: \$21,283 on \$1.707M assessed.

[3] Insurance: \$900/unit. Broker-optimistic \$800 + \$100 pre-1950 adjustment. Wood frame, soft-story NOT required.

[4] Water / Sewer: \$400/bedroom × 11 bedrooms. Broker-optimistic floor of \$400-650 range. Always landlord-paid. No pool.

[5] Trash: \$350/unit × 7. Broker-optimistic floor of \$350-500 range. LA recycling/organic bins included.

[6] Common Area Electric: \$1,500 flat (Tier 1). Minimal common area, no elevator/pool.

[7] Repairs & Maintenance: \$1,200/unit. Base \$1,200 + \$150 pre-1940 adj (50%) – \$150 CapEx credit (electrical upgrade + ADU = 2 major systems).

[8] Contract Services: \$1,500 flat (Tier 1). Small lot, minimal landscaping.

[9] Administrative: \$1,000 flat (Tier 1). Accounting, legal, bank fees, permits.

[10] Marketing: \$0. Market condition override: 100% occupied, strong Koreatown rental submarket with organic tenant demand.

[11] Management Fee: MAX(4% EGI, \$18,000). Minimum binding at \$18K for this small property.

[12] Reserves: \$300/unit. Pre-1940 broker-optimistic base \$400 – \$100 CapEx credit (electrical + ADU = 2 major systems).

[13] LAHD Registration: \$43.32/unit × 7. RSO property, partially passable to tenants.

[14] Other: \$250 flat (Tier 1). Miscellaneous catch-all.

SUMMARY				
OPERATING DATA				
Price		\$1,275,000		
Down Payment (45%)		\$573,750		
Number of Units		7		
Price Per Unit		\$182,143		
Price Per SqFt		\$292.43		
Gross SqFt		4,360		
Lot Size		0.1 Acres		
Approx. Year Built		1923/1929		
RETURNS		CURRENT	PRO FORMA	
CAP Rate		5.71%		7.66%
GRM		9.04		7.63
Cash-on-Cash		3.91%		8.22%
Debt Coverage Ratio		1.44		1.93
FINANCING				
Loan Amount		\$701,250		
Loan Type		New		
Interest Rate		6.00%		
Amortization		30 Years		
Loan Constant		0.0719		
LTV (Actual)		55.0%		
DSCR (Current)		1.44x		
Constraint		LTV		
Year Due		2031		
UNIT SUMMARY	#	AVG SF	SCHED.	MARKET
2 Bed / 1 Bath	4	620	\$1,872	\$2,275
Studio	2	400	\$1,194	\$1,475
ADU	1	248	\$1,875	\$1,875
INCOME		CURRENT	PRO FORMA	
Gross Scheduled Rent		\$141,036		\$167,100
Less: Vacancy (5%)		(\$7,052)		(\$8,355)
Effective Rental Income		\$133,984		\$158,745
Other Income		\$0		\$0
Effective Gross Income		\$133,984		\$158,745
CASH FLOW		CURRENT	PRO FORMA	
Net Operating Income		\$72,864		\$97,624
Less: Debt Service		(\$50,452)		(\$50,452)
Net Cash Flow		\$22,412		\$47,172
Cash-on-Cash Return		3.91%		8.22%
Principal Reduction (Yr 1)				\$8,611
Total Return (Yr 1)		5.41%		9.72%
EXPENSES		CURRENT	PRO FORMA	
Real Estate Taxes		\$14,918		\$14,918
Insurance		\$6,300		\$6,300
Water / Sewer		\$4,400		\$4,400
Trash		\$2,450		\$2,450
Common Area Electric		\$1,500		\$1,500
Repairs & Maintenance		\$8,400		\$8,400
Contract Services		\$1,500		\$1,500
Administrative		\$1,000		\$1,000
Marketing		\$0		\$0
Management Fee		\$18,000		\$18,000
Reserves		\$2,100		\$2,100
LAHD Registration		\$303		\$303
Other		\$250		\$250
Total Expenses		\$61,120		\$61,120
Expenses as % of EGI		45.6%		38.5%
Expenses / Unit		\$8,732		\$8,732
Expenses / SF		\$14.02		\$14.02

SUGGESTED LIST PRICE

\$1,275,000

\$182,143

PRICE PER UNIT

\$292

PRICE PER SF

5.71%

CURRENT CAP RATE

9.04

CURRENT GRM

Pricing Matrix

Highlighted row represents the suggested list price. Cap rates are tax-adjusted (property taxes recalculated at 1.17% of sale price per LA County Prop 13 reassessment), which adjusts NOI and cap rate at every row.

PURCHASE PRICE	CURRENT CAP	PRO FORMA CAP	CASH-ON-CASH	\$/SF	\$/UNIT	PF GRM
\$1,400,000	5.10%	6.87%	2.54%	\$321	\$200,000	8.38x
\$1,375,000	5.21%	7.01%	2.79%	\$315	\$196,429	8.23x
\$1,350,000	5.33%	7.17%	3.06%	\$310	\$192,857	8.08x
\$1,325,000	5.45%	7.32%	3.33%	\$304	\$189,286	7.93x
\$1,300,000	5.58%	7.49%	3.61%	\$298	\$185,714	7.78x
\$1,275,000	5.71%	7.66%	3.91%	\$292	\$182,143	7.63x
\$1,250,000	5.85%	7.83%	4.21%	\$287	\$178,571	7.48x
\$1,225,000	6.00%	8.02%	4.53%	\$281	\$175,000	7.33x
\$1,200,000	6.15%	8.21%	4.86%	\$275	\$171,429	7.18x
\$1,175,000	6.30%	8.41%	5.21%	\$269	\$167,857	7.03x
\$1,150,000	6.46%	8.62%	5.57%	\$264	\$164,286	6.88x

A TRADE PRICE IN THE CURRENT INVESTMENT ENVIRONMENT OF

\$1,200,000 - \$1,275,000

Pricing Rationale

The suggested list price of **\$1,275,000** positions 500 N Alexandria as one of the most compelling value-add opportunities currently available in the Koreatown submarket. At \$182,143 per unit and a 5.48% current cap rate, the pricing falls within the established range of comparable closed sales while offering a materially superior pro forma return of 7.42% upon full renovation and turnover - an outcome supported by 12 building-level and 16 unit-level rent comparables.

The pricing strategy balances seller optimization with buyer accessibility. At 55% LTV, a buyer can secure conventional financing at approximately 6.00% with a comfortable 1.38x debt service coverage ratio, generating positive cash flow from day one. The \$573,750 equity requirement is accessible to the 1031 exchange investor pool that comprises 61% of LAAA Team's closed transactions, ensuring a deep bench of qualified buyers.

Three independent valuation methods - cap rate, price-per-unit, and gross rent multiplier - converge tightly around the \$1,225,000-\$1,300,000 range, providing high confidence in the suggested price. On-market competition is limited at this price point (every comparable listing exceeds \$1,595,000), giving the subject a meaningful competitive advantage that should drive strong buyer interest and a compressed marketing timeline.

Assumptions & Conditions: Financing terms are estimates and subject to change; contact your Marcus & Millichap Capital Corporation representative. Vacancy modeled at 5.0% based on Koreatown market conditions. Management fee at MAX(4% EGI, \$18,000) reflects third-party professional management minimum for small properties. Real estate taxes estimated at 1.17% of sale price reflecting Proposition 13 reassessment at close of escrow. Operating reserves at \$350/unit. All information believed reliable but not guaranteed; buyer to verify independently.

Marcus & Millichap
LAAA TEAM



Glen Scher

Senior Managing Director Investments

(818) 212-2808

Glen.Scher@marcusmillichap.com

CA License: 01962976



Filip Niculete

Senior Managing Director Investments

(818) 212-2748

Filip.Niculete@marcusmillichap.com

CA License: 01905352

16830 Ventura Blvd, Ste. 100, Encino, CA 91436 | (818) 212-2700

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies. Marcus & Millichap Real Estate Investment Services, Inc. | License: CA 01930580.