

Existing Units

14

Current Cap Rate

7.50%

Current Cash on Cash

12.28%

Assumable Loan

\$2.5 MM

Assumable Loan
Interest Rate

3.9%

Units to Add

20

Pro-Forma Cap Rate

13.93%

Pro-Forma
Cash on Cash

21.97%

Est. Net Value Add

\$2.78 MM

Levered Equity ROI

117.23%

Confidentiality Agreement

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A Division of Alactic Systems

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PROPERTY HIGHLIGHTS

12600 CORRENTI ST, PACOIMA, CA 91331

Cash on Cash Return of \$98,255 | 12.28%

14 Renovated Units

Potential to Add 20 Additional Units, 7 by right and 13 ADUs

Attractive Assumable Loan of \$2.5MM @ 3.9% through 9/1/2027

Covered Land Play with Huge Upside

OFFERING SUMMARY

Price:	\$3,300,000	APN #:	2537-012-024
Number of Units:	14	Unit Mix:	1 (0+1) 13 (1+1)
Cap Rate:	7.50%	Building Sq Ft Approximate:	5,334
GRM:	9.89	Approximate Lot Size:	9,001
Price per Unit:	\$235,714	Year Built:	1950
Price per Square Foot:	\$619	Parking:	14

PRO-FORMA AFTER ADDING 20 ADDITIONAL PROPOSED UNITS/ADUs

Cap Rate:	13.93%	Number of Units:	34
GRM:	5.78	Building Sq Ft Approximate:	12,018
Price Per Unit:	\$146,206	Total Price:	\$4,971,000
Price per Square Foot:	\$414	Construction Cost: (\$250/SF)	\$1,671,000

ESTIMATED RETURN ON INVESTMENT

Purchase Price	+	Construction Cost	=	Total Cost
\$3,300,000		\$1,671,000		\$4,971,000
Estimated Resale Value		Total Cost <small>*Including Resale Closing Costs</small>	=	Estimated Profit
\$8,265,000		\$5,483,394		\$2,781,606
Total Cash Investment		Current Cash on Cash Return	=	Net Cash Investment
\$2,971,000		\$98,255		\$2,372,745

The Value Add Guy



Levered Equity ROI
117.23%

Potential to refi out total cash investment after Unit/ADU additions.

*All figures are projections and subject to due diligence.
*See page 28 for breakdown. Please verify our numbers.

A photograph of a two-story apartment building with a white stucco exterior. A prominent metal staircase with a railing leads to the second floor. On the ground floor, there are several units with white doors and windows. A set of black mailboxes is mounted on the wall. A blue truck is partially visible in the foreground on the right. The sky is blue with some clouds.

PROPERTY PHOTOS

12600 CORRENTI ST, PACOIMA, CA 91331

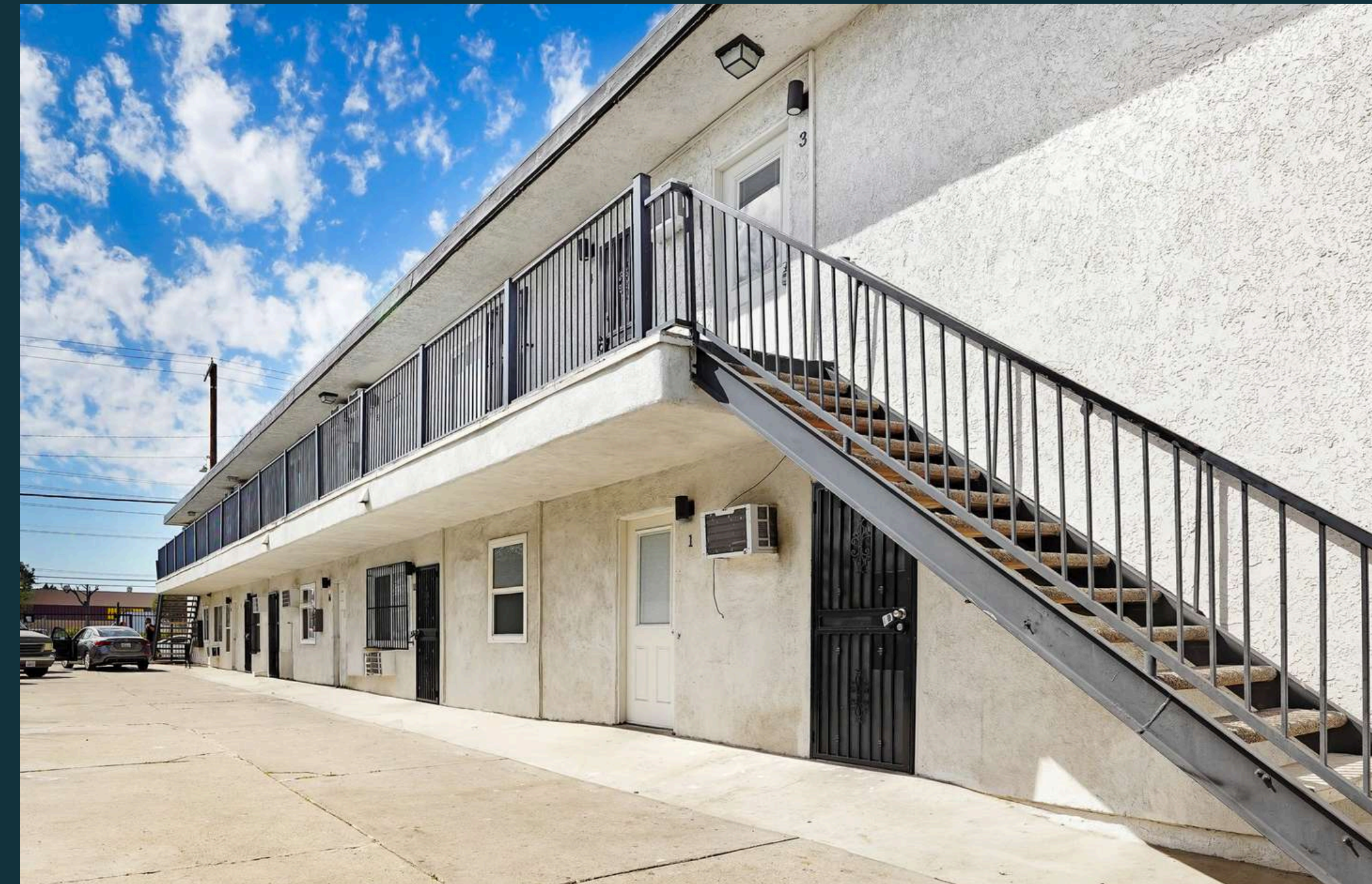




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ADDITIONAL UNITS POTENTIAL
12600 CORRENTI ST, PACOIMA, CA 91331

**This information is conceptual only. Buyers are advised to conduct a thorough investigation and consult with professionals as to the feasibility of adding additional units.*

CURRENT CONDITIONS

PROPOSED ADDITIONAL UNITS

This image has been digitally altered.



CURRENT CONDITIONS

PROPOSED ADDITIONAL UNITS

This image has been digitally altered.



Existing 14 Units

Proposed 7 New Units + 5 Attached ADUs = Total 12 Units

Proposed 8 Detached ADUs

CURRENT CONDITIONS

PROPOSED ADDITIONAL UNITS

This image has been digitally altered.



**Proposed 8
Detached ADUs**

**Proposed 7 New Units + 5
Attached ADUs = Total 12 Units**

See recommended courtyard upgrades on page 22.

Existing 14 Units



FINANCIAL ANALYSIS

12600 CORRENTI ST, PACOIMA, CA 91331

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Rent Roll

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ESTIMATED RETURN ON INVESTMENT

Purchase Price **\$3,300,000** + Construction Cost **\$1,671,000** = Total Cost **\$4,971,000**

Estimated Resale Value **\$8,265,000** - Total Cost **\$5,483,394** *Including Resale Closing Costs = Estimated Profit **\$2,781,606**

Total Cash Investment **\$2,971,000** - Current Cash on Cash Return **\$98,255** = Net Cash Investment **\$2,372,745**

Levered Equity ROI
117.23%

Potential to refi out total cash investment after Unit/ADU additions.

*All figures are projections and subject to due diligence.
*See page 28 for breakdown. Please verify our numbers.



CASH FLOW ANALYSIS

Cash Flow Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Disposition Cash Flow
Scheduled Gross Income	\$333,766	\$869,331	\$895,411	\$922,273	\$949,941	\$978,440
Vacancy Rate Reserve	(\$10,013)	(\$26,080)	(\$26,862)	(\$27,668)	(\$28,498)	(\$29,353)
Capital Improvement Recoup From Tenants						
Gross Operating Income	\$323,753	\$843,251	\$868,549	\$894,605	\$921,443	\$949,086
Estimated Expenses	(\$76,218)	(\$141,284)	(\$145,522)	(\$149,888)	(\$154,385)	(\$159,016)
Net Operating Income	\$247,535	\$701,967	\$723,026	\$744,717	\$767,059	\$790,070
ADU Construction Costs	(\$1,671,000)					
Exterior Rehab	\$0					
Interior Rehab	\$0					
Number of Units Turned						
Loan Payments	(\$149,280)	(\$176,026)	(\$176,026)	(\$176,026)	(\$176,026)	(\$176,026)
Pre-Tax Cash on Cash Return \$	(\$1,572,745)	\$525,941	\$547,000	\$568,691	\$591,033	\$614,044
Pre-Tax Cash on Cash Return %	-196.59%	21.28%	22.14%	23.01%	23.92%	24.85%
Cap Rate	7.50%	14.12%	14.54%	14.98%	15.43%	15.89%
Property Value Based on Below Disposition Cap Rate		\$8,265,000				\$9,610,000
Original Loan Amount		(\$2,500,000)				(\$2,500,000)
Principal Reduction	\$37,500	\$38,500	\$39,500	\$40,500	\$41,500	\$197,500
Closing Costs (Including ULA if Applicable)		(\$649,150)				(\$754,463)
Cash at Sale		\$5,154,351				\$6,553,037
Cash Flow Stream (Pre-Tax)	(\$800,000)	(\$1,572,745)	\$525,941	\$547,000	\$568,691	\$7,144,070
	Total Cost After Cash Flow ↓	Net Return From Sale	Return on Investment ↓	Net Return From Sale After 5 Yrs ↓		Return on Investment ↓
Return on Investment	(\$2,372,745)	\$2,781,606	117.23%	\$6,412,958		270.28%
5 Yr Average Annual Return (IRR Compounding)	40.40%					
Rent Increase Assumption	3.00%					
Disposition Cap Rate	7.00%					

**The figures above assume adding 7 units & 13 ADUs and are merely projections to be verified by Buyer. Seller and his/her representative do not warrant the accuracy of these figures. Buyer to conduct his/her own due diligence.

FINANCIAL ANALYSIS

CURRENT

Summary	Current Rents	Pro Forma	Proposed Financing		
Price	\$3,300,000		First Loan Amount	\$2,500,000	Assumable
Down Payment	24%	\$800,000	Terms	3.90%	thru 9/1/2027
Number of Units	14				
Cost per Unit	\$235,714				
GRM	9.89	8.58			
CAP	7.50%	8.98%			
Year Built / Age	1950				
Approx. Lot Size	9,001				
Approx. Bldg SF	5,334				
Cost per Net RSF	\$619				

Scheduled Income		Current Rents	Pro Forma		
No. of Units	Bdrms/ Baths	Monthly Rent/Unit (\$)	Monthly Income (\$)	Monthly Rent/Unit (\$)	Monthly Income (\$)
1	0+1	\$911	\$911	\$2,289	\$2,289
13	1+1	\$2,069	\$26,903	\$2,289	\$29,757
Total Scheduled Rent			\$27,814		\$32,046

*Market Rents Based on Section 8 Standards

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied as to accuracy of the information. References to square footage are approximate. Buyer must verify the information and bears all risk for any inaccuracies. The future income and expenses of the Property may vary significantly during Buyer's ownership. Buyer shall rely on Buyer's expertise to project the future income and expense of the Property.

ANNUALIZED OPERATING DATA

CURRENT

Total Gross Current Monthly Rents	Current	Pro Forma
Total Scheduled Rent	\$27,814	\$32,046
Annualized Scheduled Gross Income	\$333,766	\$384,552

Annualized Operating Data	Current	Pro Forma
Scheduled Gross Income	\$333,766	\$384,552
Vacancy Rate Reserve	(\$10,013) 3.0%	(\$11,537) 3.0%
Gross Operating Income	\$323,753	\$373,015
Expenses	(\$76,218) -22.8%	(\$76,518) -20%
Net Operating Income	\$247,535	\$296,498
Loan Payments	(\$149,280)	(\$176,026)
Cash on cash return	\$98,255 12.28%	\$120,472 15.06%
Principal Reduction	\$37,500	\$37,500
Total Return	\$135,755 16.97%	\$157,972 19.75%

Estimated Expenses	Current	Pro Forma
Taxes (1.2%)	\$39,600	\$39,600
Insurance (\$1.25/SF)	\$6,668	\$6,668
Utilities (\$500/unit)	\$7,000	\$7,000
Cleaning & Gardener (\$175/month)	\$2,100	\$2,100
Off Site Manager (4%)	\$12,950	\$12,950
Pest Control (\$75/month)	\$900	\$900
Maint/Repairs (\$500/unit)	\$7,000	\$7,000
Total Expenses	(\$76,218)	(\$76,218)
Per Net Sq. Ft.	(\$14.29)	(\$14.29)
Per Unit	(\$5,444)	(\$5,444)

FINANCIAL ANALYSIS

WITH 20 ADDITIONAL UNITS / ADUS CONSTRUCTION COSTS & INCOME

Summary	Current Rents	Pro Forma	Proposed Financing	
Price	\$3,300,000		First Loan Amount	\$2,500,000
Down Payment 24%	\$800,000		Terms	3.90% thru 9/1/2027
*ADU Construction Costs (\$250/Sq Ft)	\$1,671,000	\$1,671,000		
Exterior Rehab	\$0	\$0		
Interior Rehab	\$0			
Total Cost	\$4,971,000	\$4,971,000		
Total Cash Investment	\$2,471,000	\$2,471,000		
Number of Units	34			
Cost per Unit	\$146,206			
GRM	5.78	5.46		
CAP	13.93%	14.92%		
Year Built / Age	1950			
Approx. Lot Size	9,001			
Approx. Bldg SF	12,018			
Cost per Net RSF	\$414			

Scheduled Income			Current Rents		Pro Forma	
No. of Units	Bdrms/ Baths	Approx. Sq. Ftg.	Monthly Rent/Unit (\$)	Monthly Income (\$)	Monthly Rent/Unit (\$)	Monthly Income (\$)
1	0+1		\$911	\$911	\$2,289	\$2,289
13	1+1		\$2,069	\$26,903	\$2,289	\$29,757
13 ADUs & 7 Additional units						
7	1+1	391	\$2,289	\$16,023	\$2,289	\$16,023
5	1+1	391	\$2,289	\$11,445	\$2,289	\$11,445
8	S	249	\$2,041	\$16,328	\$2,041	\$16,328
Total Scheduled Rent				\$71,610		\$75,842

*Market Rents Based on Section 8 Standards. Construction costs of \$250/Sq Ft based on Seller's estimate.

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ANNUALIZED OPERATING DATA

WITH 20 ADDITIONAL UNITS / ADUS CONSTRUCTION COSTS & INCOME

Total Gross Current Monthly Rents	Current	Pro Forma
Total Scheduled Rent	\$71,610	\$75,842
Annualized Scheduled Gross Income	\$859,318	\$910,104

Annualized Operating Data	Current Rents		Pro Forma	
Scheduled Gross Income	\$859,318		\$910,104	
Vacancy Rate Reserve	(\$25,780)	3.0%	(\$27,303)	3.0%
Gross Operating Income	\$833,538		\$882,801	
Expenses	(\$141,284)	-16.4%	(\$141,284)	-16%
Net Operating Income	\$692,255		\$741,517	
Loan Payments	(\$149,280)		(\$176,026)	
Cash on cash return	\$542,975	21.97%	\$565,491	22.89%
Principal Reduction	\$37,500		\$37,500	
Total Return	\$580,475	23.49%	\$602,991	24.40%

Estimated Expenses	Current	Pro Forma
Taxes (1.2%)	\$39,600	\$39,600
Insurance (\$1.25/SF)	\$15,023	\$15,023
Utilities (\$500/unit)	\$17,000	\$17,000
Cleaning & Gardener (\$175/month)	\$2,100	\$2,100
Off Site Manager (4%)	\$33,342	\$33,342
On Site Mgr (\$40/unit/month)	\$16,320	\$16,320
Pest Control (\$75/month)	\$900	\$900
Maint/Repairs (\$500/unit)	\$17,000	\$17,000
Total Expenses	\$141,284	\$141,284
Per Net Sq. Ft.	(\$11.76)	(\$11.76)
Per Unit	(\$4,155)	(\$4,155)

FINANCIAL ANALYSIS

RESALE AFTER 20 ADDITIONAL UNITS / ADUS

Summary	Current Rents	Pro Forma	Proposed Financing		
Price	\$8,265,000		First Loan Amount	\$6,198,750	NEW
Down Payment 25%	\$2,066,250		Terms	5.80%	5 YR Fixed i/o
Number of Units	34				
Cost per Unit	\$243,088		Potential to refi out total cash investment after unit additions		
GRM	9.62	9.08			
CAP	7.00%	7.60%			
Year Built / Age	1950				
Approx. Lot Size	9,001				
Approx. Bldg SF	12,018				
Cost per Net RSF	\$688				

Scheduled Income			Current Rents		Pro Forma	
No. of Units	Bdrms/ Baths	Approx. Sq. Ftg.	Monthly Rent/Unit (\$)	Monthly Income (\$)	Monthly Rent/Unit (\$)	Monthly Income (\$)
1	0+1		\$911	\$911	\$2,289	\$2,289
13	1+1		\$2,069	\$26,903	\$2,289	\$29,757
13 ADUs & 7 Additional units						
7	1+1	391	\$2,289	\$16,023	\$2,289	\$16,023
5	1+1	391	\$2,289	\$11,445	\$2,289	\$11,445
8	S	249	\$2,041	\$16,328	\$2,041	\$16,328
				\$71,610		\$75,842

*Market Rents Based on Section 8 Standards

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ANNUALIZED OPERATING DATA

RESALE AFTER 20 ADDITIONAL UNITS / ADUS

Total Gross Current Monthly Rents	Current	Pro Forma
Total Scheduled Rent	\$71,610	\$75,842
Annualized Scheduled Gross Income	\$859,318	\$910,104

Annualized Operating Data	Current Rents		Pro Forma	
Scheduled Gross Income	\$859,318		\$910,104	
Vacancy Rate Reserve	(\$25,780)	3.0%	(\$27,303)	3.0%
Gross Operating Income	\$833,538		\$882,801	
Expenses	(\$254,810)	-29.7%	(\$254,810)	-28%
Net Operating Income	\$578,728		\$627,991	
Loan Payments	(\$359,528)		(\$436,456)	
Cash on cash return	\$219,201	10.61%	\$191,535	9.27%
Principal Reduction	\$0		\$92,981	
Total Return	\$219,201	10.61%	\$284,516	13.77%

Estimated Expenses	Current	Pro Forma
Taxes (1.25%)	\$103,313	\$103,313
Insurance (\$2/Sq Ft)	\$24,036	\$24,036
Utilities (\$100/unit/month)	\$40,800	\$40,800
Cleaning & Gardener (\$175/month)	\$2,100	\$2,100
Off Site Manager (4%)	\$33,342	\$33,342
On Site Mgr (\$40/unit/month)	\$16,320	\$16,320
Pest Control (\$75/month)	\$900	\$900
Maint/Repairs (\$500/unit)	\$17,000	\$17,000
Misc/Reserves (\$500/unit)	\$17,000	\$17,000
Total Expenses	\$254,810	\$254,810
Per Net Sq. Ft.	(\$21.20)	(\$21.20)
Per Unit	(\$7,494)	(\$7,494)

RENT ROLL

Unit	Unit Type	Move in Dates	Current Rent
1	1+1	10/18/24	\$2,500.44
2	1+1		\$1,680.00
3	1+1	08/20/25	\$1,745.00
4	1+1	11/15/24	\$2,331.00
5	1+1	11/05/25	\$1,690.00
6	1+1	05/29/21	\$1,945.44
7	1+1	08/14/25	\$2,271.44
8	0+1	04/01/12	\$910.63
9	1+1	05/22/24	\$2,488.00
10	1+1	05/16/25	\$1,990.00
11	1+1		\$1,924.00
12	1+1	01/08/21	\$1,944.44
13	Newer Unit Built in 2021	02/16/22	\$2,126.44
14	Newer Unit Built in 2021	08/06/25	\$2,267.00
Current Monthly Income			\$27,814
Annual Income			\$333,766

Unit	Unit Type	Approx Sq Ft	Current Rent
New Unit 1	1+1	391	\$2,289.00
New Unit 2	1+1	391	\$2,289.00
New Unit 3	1+1	391	\$2,289.00
New Unit 4	1+1	391	\$2,289.00
New Unit 5	1+1	391	\$2,289.00
New Unit 6	1+1	391	\$2,289.00
New Unit 7	1+1	391	\$2,289.00
New Attached ADU 1	1+1	391	\$2,289.00
New Attached ADU 2	1+1	391	\$2,289.00
New Attached ADU 3	1+1	391	\$2,289.00
New Attached ADU 4	1+1	391	\$2,289.00
New Attached ADU 5	1+1	391	\$2,289.00
New Detached ADU 1	0+1	266	\$2,041.00
New Detached ADU 2	0+1	260	\$2,041.00
New Detached ADU 3	0+1	260	\$2,041.00
New Detached ADU 4	0+1	263	\$2,041.00
New Detached ADU 5	0+1	266	\$2,041.00
New Detached ADU 6	0+1	216	\$2,041.00
New Detached ADU 7	0+1	216	\$2,041.00
New Detached ADU 8	0+1	245	\$2,041.00
Pro Forma Monthly Income			\$71,610
Pro Forma Annual Income			\$859,318



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