27th Street Apartments

23-UNIT TURN-KEY VALUE-ADD
HISTORIC SOUTH CENTRAL

OFFERING MEMORANDUM

440 E 27th Street
Los Angeles, CA 90011

ALTMAN
APARTMENTS

27th Street Apartments

CONTENTS

Exclusively Marketed by:

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CalDRE # 01965826

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27TH STREET APARTMENTS

OFFERING SUMMARY

ADDRESS	**440 E 27th Street, Los Angeles CA 90011**
COUNTY	**Los Angeles**
MARKET	**Los Angeles Metro**
SUBMARKET	**Historic South Central / University Park**
BUILDING SF	**7,312 SF**
LAND SF	**6,250 SF (0.14 ac)**
NUMBER OF UNITS	**23 (all residential)**
YEAR BUILT	**1925**
YEAR RENOVATED	**2024 (gut renovation, new COFO)**
ZONING	**RD1.5-1**
APN	**5128-009-006**
OWNERSHIP TYPE	**Fee Simple**

FINANCIAL SUMMARY

PRICE	$3,000,000
PRICE PSF	$410.28
PRICE PER UNIT	$130,435
OCCUPANCY	**~87%**
NOI (CURRENT)	$198,666
NOI (Pro Forma)	$245,766
CAP RATE (CURRENT)	6.62%
CAP RATE (Pro Forma)	8.19%
CASH ON CASH (CURRENT)	5.29%
CASH ON CASH (Pro Forma)	10.52%
GRM (CURRENT)	7.30
GRM (Pro Forma)	6.52

PROPOSED FINANCING

LOAN TYPE	**Amortized**
DOWN PAYMENT	$900,000
LOAN AMOUNT	$2,100,000
INTEREST RATE	**6.00%**
ANNUAL DEBT SERVICE	$151,087
LOAN TO VALUE	**70%**
AMORTIZATION PERIOD	**30 Years**

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2026 Population	50,365	498,977	1,286,957
2026 Median HH Income	$47,787	$56,166	$61,929
2026 Average HH Income	$68,108	$81,857	$88,012

Investment Highlights

● **Turn-Key 2024 Gut Renovation with New COFO:** The entire building was gut renovated with a new Certificate of Occupancy issued in 2024 — over $1.2 million in capital improvements including all-new plumbing, electrical, HVAC, drywall, flooring and cabinetry, with five additional units created during the reno. A new owner inherits a de-risked, minimal-capex asset.

● **Deep Mark-to-Market Upside:** Seventeen of 23 units are below market or vacant. Marking legacy leases to the property's own recently-achieved renovated rents grows scheduled income from ~$34,300 to ~$38,300/mo, lifting the cap rate from 6.62% to 8.19% and compressing the GRM from 7.30 to 6.52 — the core of the value-add thesis.

● **High-Efficiency Micro-Unit Model:** Twenty of 23 units are studios (87%) serving deep, budget-oriented rental demand in Central Los Angeles — the most liquid, resilient segment of the market, with quick lease-up and low turnover downtime in a supply-constrained submarket.

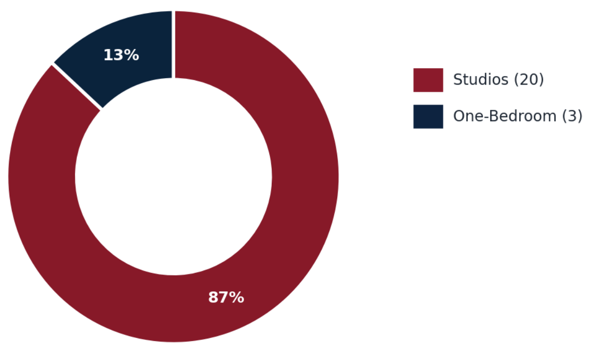
● **Owner-Friendly, Individually-Metered Operations:** All but nine units are individually electric-metered, holding down owner-paid utility exposure; the building adds laundry income and passes through utility, city-tax and insurance reimbursements — real recurring revenue captured in the all-in rents.

● 6.62% **In-Place Cap** → 8.19% **Pro Forma:** Priced at $3,000,000 $130,435 unit), the offering pairs positive in-place leverage today (1.24 DCR, on buyer-reassessed taxes) with a clear, self-help path to a 7.7% stabilized cap and a 9% cash-on-cash return as legacy leases roll to market.

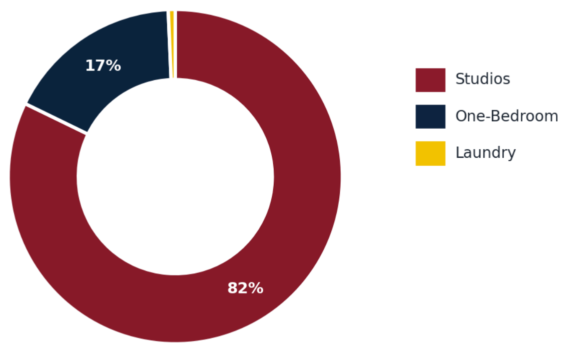
● **Historic South Central / University Park Location:** Minutes from USC, the LA Memorial Coliseum and the Metro Expo Line into Downtown — an actively revitalizing neighborhood with roughly 1.29 million residents within five miles and rising household incomes.

UNIT MIX	# UNITS	SQ FT	CURRENT AVG RENT	CURRENT RENT PSF	CURRENT MO. INCOME	MARKET MKT RENT	MARKET RENT PSF	MARKET MO. INCOME
Studio + 1 Bath	20	154–344	$809–$2,071	$5.28	$24,320	$1,500–$2,071	$7.28	$32,125
One-Bedroom + 1 Bath	3	248–356	$1,136–$2,112	$5.58	$5,067	$1,950–$2,112	$6.61	$6,012
Laundry (on-site)	—	—	—	—	$200	—	—	$200
TOTALS / AVERAGES	**23**	**7,312 SF**	**—**	**—**	**$29,587**	**—**	**—**	**$38,337**

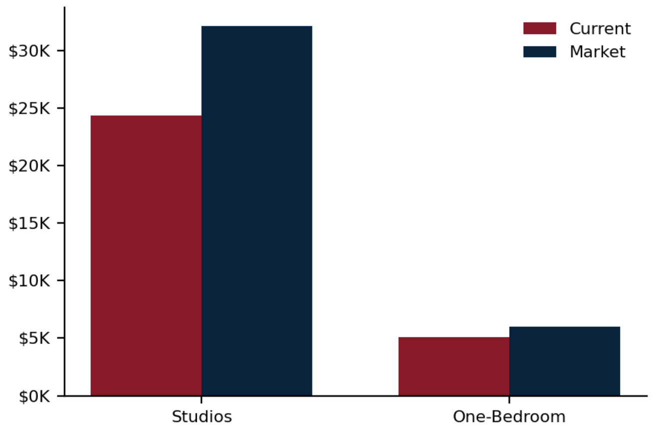
Unit Composition



Current Revenue Split



Current vs. Market Monthly Income



27th Street comprises **20 renovated studios** plus **3 one-bedroom units** — **23 total units** in a turn-key 2024 gut-renovated building. Effective gross income of **$399,144** (scheduled, net of 3% vacancy) rises to **$446,244** at market as the seventeen below-market and vacant units are leased to the property's own recently-achieved renovated rents.

27TH STREET APARTMENTS

● Located in **Historic South Central / University Park**, a dense, overwhelmingly renter-occupied neighborhood minutes south of Downtown Los Angeles.

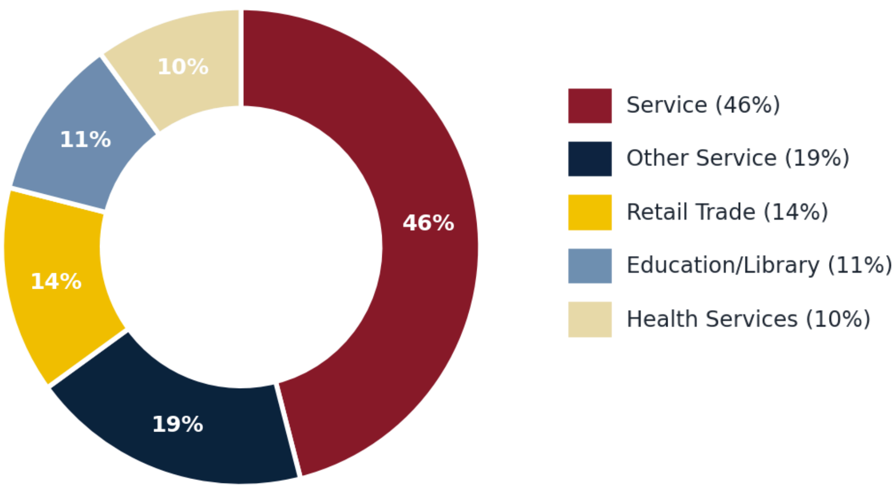
● Close to the **University of Southern California (USC)** and the LA Memorial Coliseum — a durable, education- and event-anchored rental demand base.

● Convenient access to the **Metro Expo Line**, providing a direct connection into the Downtown LA employment core and west toward Culver City / Santa Monica.

● An actively revitalizing submarket, with new development and renovation activity lifting neighborhood appeal and rents.

● Deep demand for entry-priced studio housing keeps turnover low and lease-up fast in a supply-constrained market.

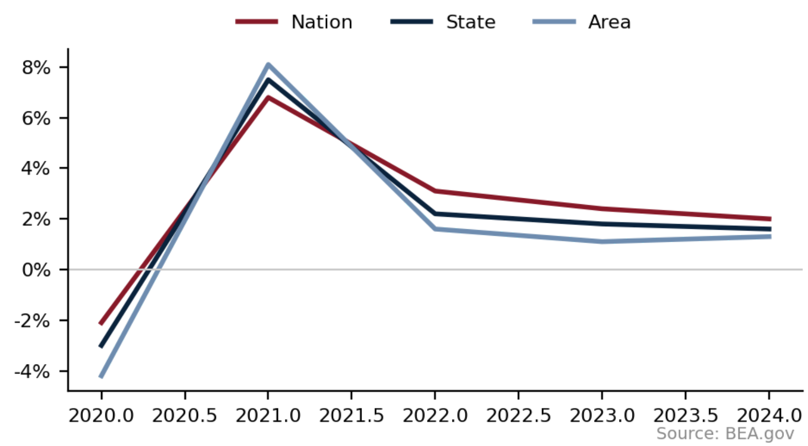
Major Industries by Employee Count



Largest Employers

Kaiser Permanente	44,769
University of Southern California	23,227
Northrop Grumman Corp.	18,000
Cedars-Sinai Medical Center	16,730
Allied Universal	15,326
Target Corp.	15,000
Ralphs / Food 4 Less (Kroger)	14,000

Los Angeles County GDP Trend



AERIAL VIEW — 440 E 27TH STREET, SOUTH CENTRAL LA

USC & Downtown LA skyline beyond

27TH STREET APARTMENTS

PROPERTY FEATURES

NUMBER OF UNITS	**23 (20 studios + 3 one-bed)**
BUILDING SF	**7,312 (plus basement laundry)**
LAND SF	**6,250 (0.14 ac)**
YEAR BUILT	**1925**
YEAR RENOVATED	**2024 (gut renovation; new COFO)**
ZONING	**RD1.5-1**
APN	**5128-009-006**
STORIES / BUILDINGS	**2 / 1**
PARKING	**None**

MECHANICAL

HVAC	**New systems (2024 gut reno)**
PLUMBING / ELECTRICAL	**All-new plumbing & electrical (2024)**
FIRE SPRINKLERS	**None**
METERING	**Individual electric (all but 9 units)**

UTILITIES

WATER	**LADWP**
TRASH	**RecycLA**
GAS	**SoCalGas**
ELECTRIC	**LADWP**

CONSTRUCTION

FRAMING	**Wood Frame**
EXTERIOR	**Stucco**
ROOF	**Flat**
USE	**Multifamily (studios & one-bed)**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EXIT



440

Common Amenities

- Turn-key 2024 gut-renovated interiors
- New kitchens, baths, flooring & cabinetry
- On-site laundry room
- Spectrum Cable & WiFi throughout
- Individually electric-metered (most units)
- Half-court basketball in backyard
- Close to USC, Coliseum & Metro Expo Line

04 **On Market Comps**

Comp Set - 27th Street

27TH STREET APARTMENTS

On-Market Comparables

STATUS	TYPE	ADDRESS	ZIP	PRICE	PRICE/UNIT	CAP	PRICE/SF	SF	UNITS	NOI
Subject	**Multifamily**	**440 E 27th St**	**90011**	$3,000,000	$130,435	6.62%	**$431**	**7,312**	**23**	$198,666
On-Market	Mixed Use	2600 S San Pedro St	90011	$4,950,000	$133,784	8.08%	$226	21,876	37	$399,964
On-Market	Multifamily	428-434 S Burlington Ave	90057	$2,450,000	$136,111	6.15%	$209	11,750	18	$150,637
On-Market	Multifamily	2809 W 8th St	90005	$2,350,000	$97,917	7.20%	$177	13,290	24	$169,087
On-Market	Multifamily	2222 W 15th St	90006	$2,999,000	$103,414	6.93%	$166	18,108	29	$207,749
On-Market	Multifamily	307 S Boyle Ave	90033	$3,400,000	$100,000	6.96%	$206	16,488	34	$236,487
On-Market	Multifamily	225 W Adams Blvd	90007	$1,950,000	$121,875	5.54%	$228	8,540	16	$108,037
On-Market	Multifamily	1511 11th Pl	90015	$1,726,000	$107,875	8.20%	$252	6,852	16	$141,561
Under Contract	Multifamily	685 S Coronado St	90057	$2,895,000	$144,750	7.59%	$253	11,430	20	$219,752

AVERAGE	**$118,216**	**7.08%**	**$215**
SUBJECT	$130,435	6.62%	**$431**

27TH STREET APARTMENTS

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Sale Comps

Sale Comp Set - 27th Street

Sale Comparables

ADDRESS	ZIP	SALE DATE	SOLD PRICE	UNITS	PRICE/UNIT	CAP	PRICE/SF	BLDG SF	YR BUILT	LOT SF	NOI
440 E 27th St	**90011**	—	$3,000,000	**23**	$130,435	6.62%	$410.28	**7,312**	**1925**	**6,250**	$198,666
1915 S Central Ave	90011	06/09/2025	$1,540,000	20	$77,000	6.04%	$208.11	7,400	1905	5,142	$113,197
1102 S Mariposa Ave	90006	08/22/2025	$2,600,000	24	$108,333	7.00%	$265.28	9,801	1927	5,921	$201,245
446 S Rampart Blvd	90057	07/09/2025	$3,525,000	30	$117,500	6.26%	$224.69	15,688	1922	8,399	$250,555
250 S Kenmore Ave	90004	12/10/2025	$5,200,000	40	$130,000	7.87%	$211.45	24,592	1926	8,945	$425,045
5617 La Mirada Ave	90038	11/25/2025	$3,350,000	30	$111,666	5.43%	$275.31	12,168	1925	7,492	$213,278
212 S Catalina St	90004	01/28/2025	$2,425,000	18	$134,722	5.67%	$167.08	14,514	1925	9,345	$150,253
4215 S Kansas Ave	90037	11/17/2025	$2,500,000	24	$104,166	4.90%	$261.78	9,550	1924	6,665	$121,984
			AVERAGE	**27**	**$111,912**	**6.17%**	**$230.53**				
			SUBJECT	**23**	$130,435	6.62%	$410.28				

8.19% stabilized cap.

06 **Rent Roll**

27th Street Rent Roll

27TH STREET APARTMENTS

27th Street Rent Roll

UNIT	TYPE	STATUS	SF	RENT
02	Studio	Current	322	$1,178
09	Studio	Current	155	$809
15	Studio	Current	322	$967
19	Studio	Current	285	$967
24	1 Bed	Current	356	$1,136
101	Studio	Vacant	344	*$1,600**
103	Studio	Current	156	$1,467
104	Studio	Current	164	$1,758
105	Studio	Current	154	$1,362
106	Studio	Current	163	$1,349
107	Studio	Current	154	$1,758
108	Studio	Vacant	163	*$1,500**

UNIT	TYPE	STATUS	SF	RENT
110	Studio	Current	164	$1,404
111	1 Bed	Current	304	$1,819
112	Studio	Current	157	$1,676
113	Studio	Current	256	$1,499
201	Studio	Vacant	256	*$1,600**
203	Studio	Current	181	$1,487
204	Studio	Current	330	$1,544
205	Studio	Current	232	$2,071
206	Studio	Current	264	$1,462
208	Studio	Current	182	$1,562
210	1 Bed	Current	248	$2,112

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Financial Analysis

Income & Expense Analysis

Income & Expense Analysis

INCOME	CURRENT		PRO FORMA	
Residential Rental Income	$409,089		$457,645	
Laundry / Other Income	$2,400		$2,400	
Gross Scheduled Income	**$411,489**	**100%**	**$460,045**	**100%**
Vacancy & Credit Loss (3%)	-$12,345		-$13,801	
Effective Gross Income	**$399,144**		**$446,244**	
Less Operating Expenses	$200,478	50.2%	$200,478	44.9%
Net Operating Income	$198,666	49.8%	$245,766	55.1%
Annual Debt Service	$151,087		$151,087	
Cash Flow After Debt Service	$47,579		$94,679	
Debt Coverage Ratio	1.31		1.63	

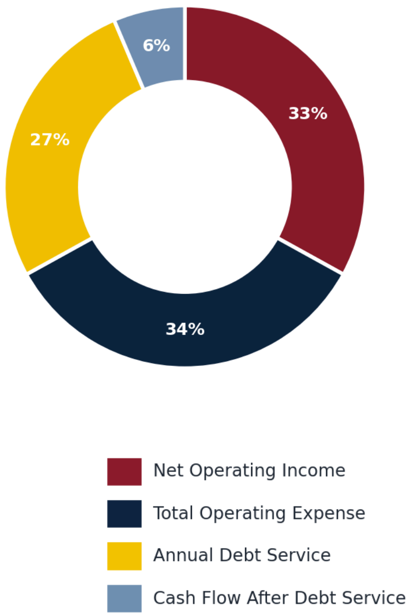
Valuation & Return Summary

	CURRENT	PRO FORMA
Gross Rent Multiplier (GRM)	7.30	6.52
Cap Rate	6.62%	8.19%
Cash-on-Cash Return	5.29%	10.52%
Debt Coverage Ratio	1.31	1.63

GRM = Price ÷ Gross Scheduled Income $3,000,000 ÷ $411,489 current, ÷ $460,045 pro forma). Vacant units are shown at market rent in scheduled income with a 3% vacancy & credit-loss allowance. Operating expenses from the owner's 2026 budget, normalized (R&M reduced $10K per budget note; one-time penalty excluded; property tax reassessed to 1.25% of price pro forma). Pro forma reflects marking the 17 below-market / vacant units to the property's own recently-achieved renovated rents.

Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

REVENUE ALLOCATION
CURRENT

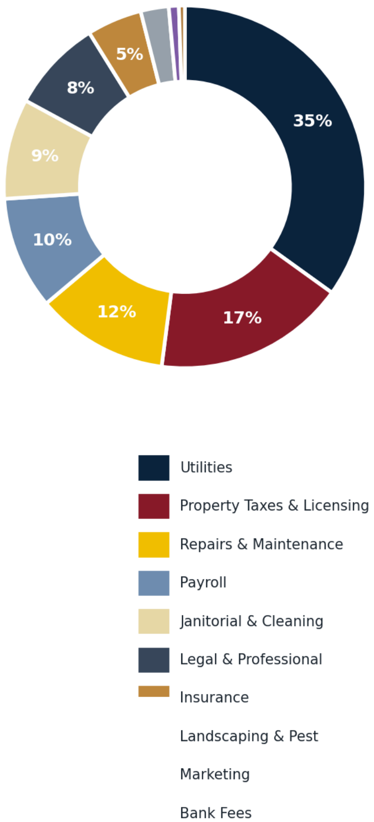


Distribution of Expenses

EXPENSES	CURRENT	PER UNIT	PRO FORMA
Utilities	$65,500	$2,848	$65,500
Property Taxes & Licensing	$45,057	$1,959	$45,057
Repairs & Maintenance	$22,173	$964	$22,173
Payroll	$18,878	$821	$18,878
Janitorial & Cleaning	$16,780	$730	$16,780
Legal & Professional	$15,488	$673	$15,488
Insurance	$9,222	$401	$9,222
Landscaping & Pest Control	$4,700	$204	$4,700
Marketing	$1,680	$73	$1,680
Bank Fees	$1,000	$43	$1,000
Total Operating Expense	$200,478	$8,716	$200,478
Expense / SF	$27.42		$27.42
% of EGI	50.2%		44.9%

Operating expenses per the owner's 2026 budget, normalized: R&M reduced $10K per the budget's own note; a one-time $900 penalty excluded; property tax shown at the reassessed 1.25%-of-price basis $37,500 in both columns (a buyer is reassessed at close). Capital expenditures and mortgage excluded.

DISTRIBUTION OF EXPENSES
CURRENT



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