1232 SMITHWOOD DR

OFFERING MEMORANDUM | LOS ANGELES, CA 90035

Exclusively Listed By:

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LYON STAHL INVESTMENT REAL ESTATE

THE SAGHIAN GROUP

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Investment Summary

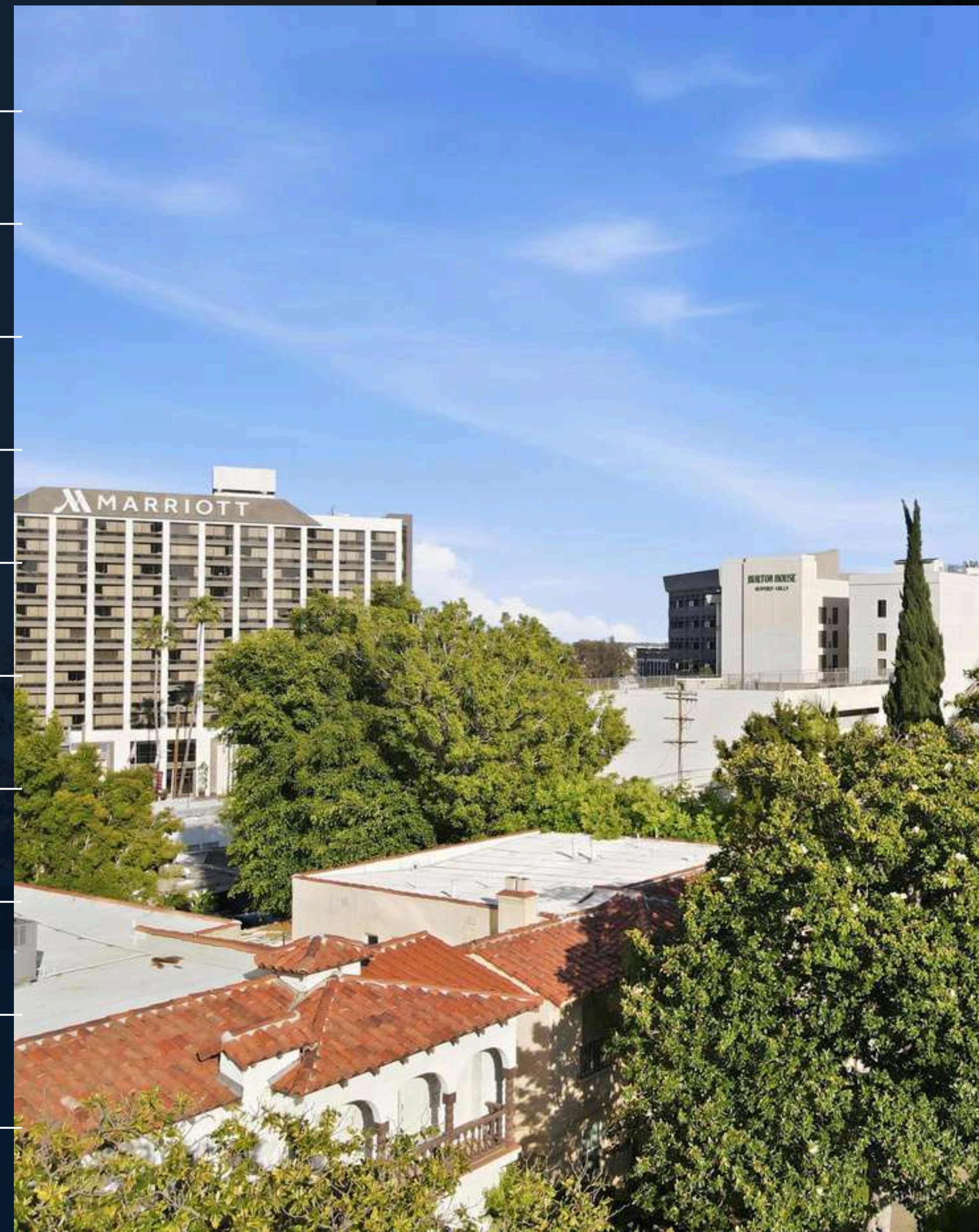
THE OFFERING

1232 Smithwood Drive is a 2-unit multifamily residence offered at $1,849,000 ($924,500/unit, $564/SF) in the heart of Beverlywood — one of the most desirable and tightly-held neighborhoods on LA's Westside, directly adjacent to Beverly Hills. The tree-lined streets of Beverlywood offer a rare combination of walkability, top-rated schools, and a quiet residential character — all within minutes of the boutique shops along Robertson Blvd, the dining scene on Pico, and easy access to Century City, Culver City, and the greater Westside. Multifamily properties in this pocket rarely trade, and when they do, they command premium pricing due to virtually zero new supply and persistent rental demand.

The defining feature of this offering is vacancy. Unit 2 is vacant and delivered vacant at close, leaving a buyer free to occupy it immediately or lease it at the $4,500/mo market rent — no buyout, no relocation cost, no waiting for turnover. Unit 1 remains leased at $3,538/mo, 21.4% below market, and the property's LA luxury rent exemption permits annual increases of 5% + CPI, well above the standard RSO cap. Marked to market at $9,000/mo, gross income reaches $108,000/yr, pro forma NOI is $63,608 and the cap rate improves to 3.44%. Vacant Unit 2 is underwritten at the $4,500/mo market rent.

Combined with an oversized 6,603 SF lot offering ADU potential in the rear, this is a generational asset in one of Southern California's most supply-constrained and appreciating submarkets.

Address	1232 Smithwood Dr, Los Angeles, CA 90035
No. of Units	2
Building SF	3,276 SF
Lot Size	6,603 SF
Year Built	1933
Price	$1,849,000
Price/Unit	$924,500
Price/SF	$564.41
NOI	$52,756
Gross Income	$93,562
Cap Rate	2.85%
GRM	19.17x



1232 Smithwood Dr
Investment Highlights

‣ **Beverly Hills Adjacent — Premier Beverlywood Location Situated in Beverlywood, one of LA's most sought-after neighborhoods bordering Beverly Hills. Exceptional walkability, top-rated schools, and proximity to premium retail and dining along Robertson and Pico Blvds.**

‣ **Luxury Exemption — Uncapped Rent Growth Potential Property qualifies for the LA luxury rent exemption, allowing annual rent increases of 5% + CPI — significantly above the standard RSO cap. Unit 1 is leased at $3,538/mo, 21.4% below market, and can be closed to $4,500 without waiting for turnover.**

‣ **Unit 2 Delivered Vacant — Immediate Mark-to-Market Opportunity Unit 2 is currently vacant and will be delivered vacant at close — a buyer can lease it at the $4,500/mo market rent or occupy it immediately, with no tenant buyout, relocation cost, or RSO friction. At market rents of $9,000/mo ($108,000/yr), pro forma NOI is $63,608 and the cap rate is 3.44% on the $1,849,000 asking price.**

‣ **ADU Potential — Room to Add a Unit in the Rear The 6,603 SF lot provides space to construct an ADU in the backyard, adding a third income-producing unit and meaningfully improving the property's income and per-unit basis under CA ADU-friendly legislation.**

‣ **Fantastic Owner-User Opportunity — Move-In Ready With Unit 2 vacant, an owner-occupant can move in at close and immediately collect rental income from Unit 1. Beverly Hills adjacent lifestyle at a fraction of the price, with in-place income helping offset the mortgage from day one.**

‣ **Strong Rental Fundamentals — High-Barrier Infill Market Beverlywood benefits from extremely limited multifamily inventory and virtually zero new construction, creating persistent demand pressure. The 90035 zip code consistently ranks among the lowest-vacancy rental markets on the Westside.**

‣ **Generational Hold — Proven 1933 Construction with Long-Term Upside A well-maintained duplex with large 1,638 SF units — rare for the area. Attractive basis at $564/SF and $924,500/unit positions this property as a long-term wealth builder with compounding rent growth and principal paydown.**

Transportation in 90035

Very walkable	89/100
Good Transit	48/100
Very Bikeable	55/100

INVESTMENT SUMMARY

Purchase Price	$1,849,000
Down Payment	$900,000
Loan Amount (1st TD)	$949,000
Interest Rate	6.50%
Amortization	30 Years
LTV	51.3%
Equity Required	$900,000

PROPERTY DETAILS

Property Type	Multifamily
Number of Units	2
Net Rentable SF	3,276
Year Built	1933
Parking	6,603 SF
Submarket	Beverlywood
MSA	Los Angeles













MARRIOTT

Rent Roll

1232 Smithwood Dr

Unit	Unit Mix	Square Footage	Rent / Mo	Market Rent
1	2BR / 1BA	1,638	$3,538	$4,500
2	2BR / 1BA	1,638	$4,500	$4,500
	TOTALS	3,276	$8,038	$9,000
	Laundry Income		$0	
	TOTAL MONTHLY		$8,038	
	Avg Rent / SF / Mo		$2.45	

Operating Statement

1232 Smithwood Dr

	Annual
REVENUE	
Gross Rental Income	$96,456
Less: Vacancy (3%)	-($2,894)
Effective Gross Income	$93,562
OPERATING EXPENSES	
Property Taxes (1.25%)	$23,113
Property Management (3%)	$2,894
Insurance	$3,500
Trash	$3,600
Utilities (LADWP + Gas)	$1,200
Repairs & Maintenance	$3,500
Cleaning & Landscaping	$1,800
Pest Control	$1,200
Total Operating Expenses	$40,806
NET OPERATING INCOME	$52,756
Annual Debt Service	$71,980
PRE-TAX CASH FLOW	-$19,224

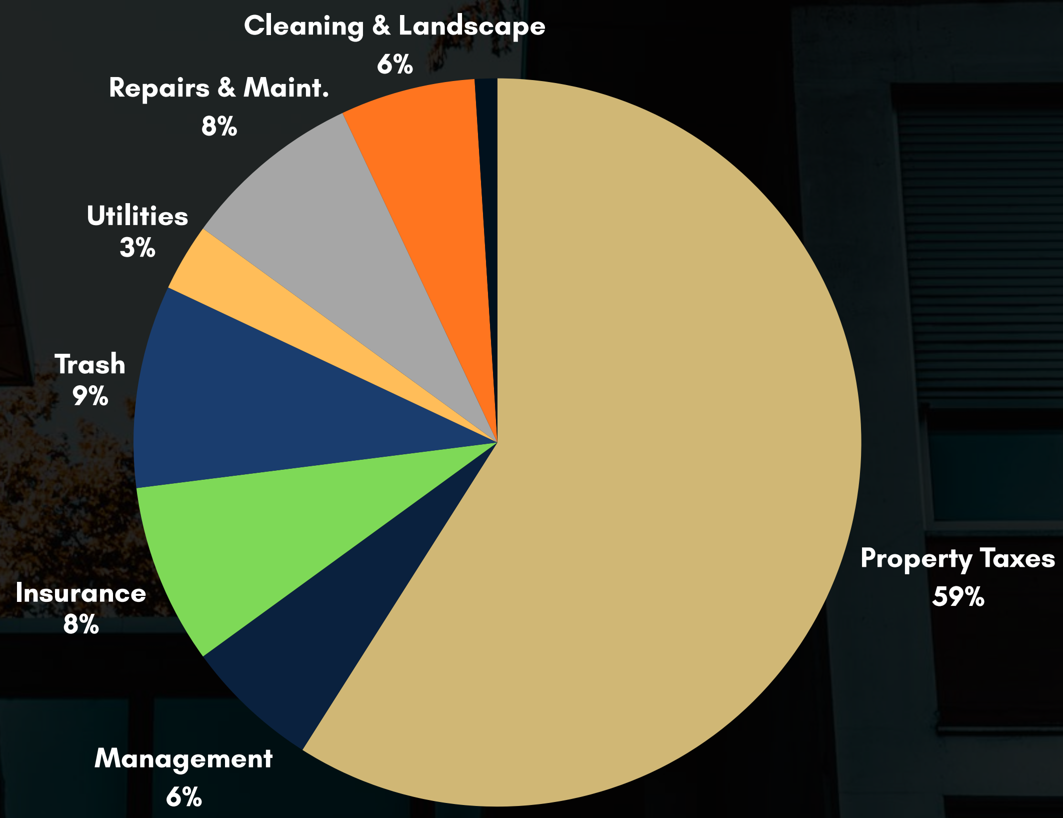
KEY METRICS	
Price / Unit	$924,500
Price / SF	$564.41
In-Place Cap Rate	2.85%
GRM (Actual)	19.17x
Cash-on-Cash Return	-2.14%
DSCR	0.73x
Expense Ratio	42.3%
Pro Forma Cap Rate	3.44%

Expense Breakdown

1232 Smithwood Dr

OPERATING EXPENSE BREAKDOWN

Category	Amount
Property Taxes	$23,113
Management	$2,894
Insurance	$3,500
Trash	$3,600
Utilities	$1,200
Repairs & Maint.	$3,500
Cleaning & Landscape	$1,800
Pest Control	$1,200



*EXPENSES, INCOME AND OTHER INFORMATION MUST BE VERIFIED AND ANY INTERESTED PARTY MUST COMPLETE THEIR OWN INVESTIGATIONS.

MARKET OVERVIEW

BEVERLYWOOD

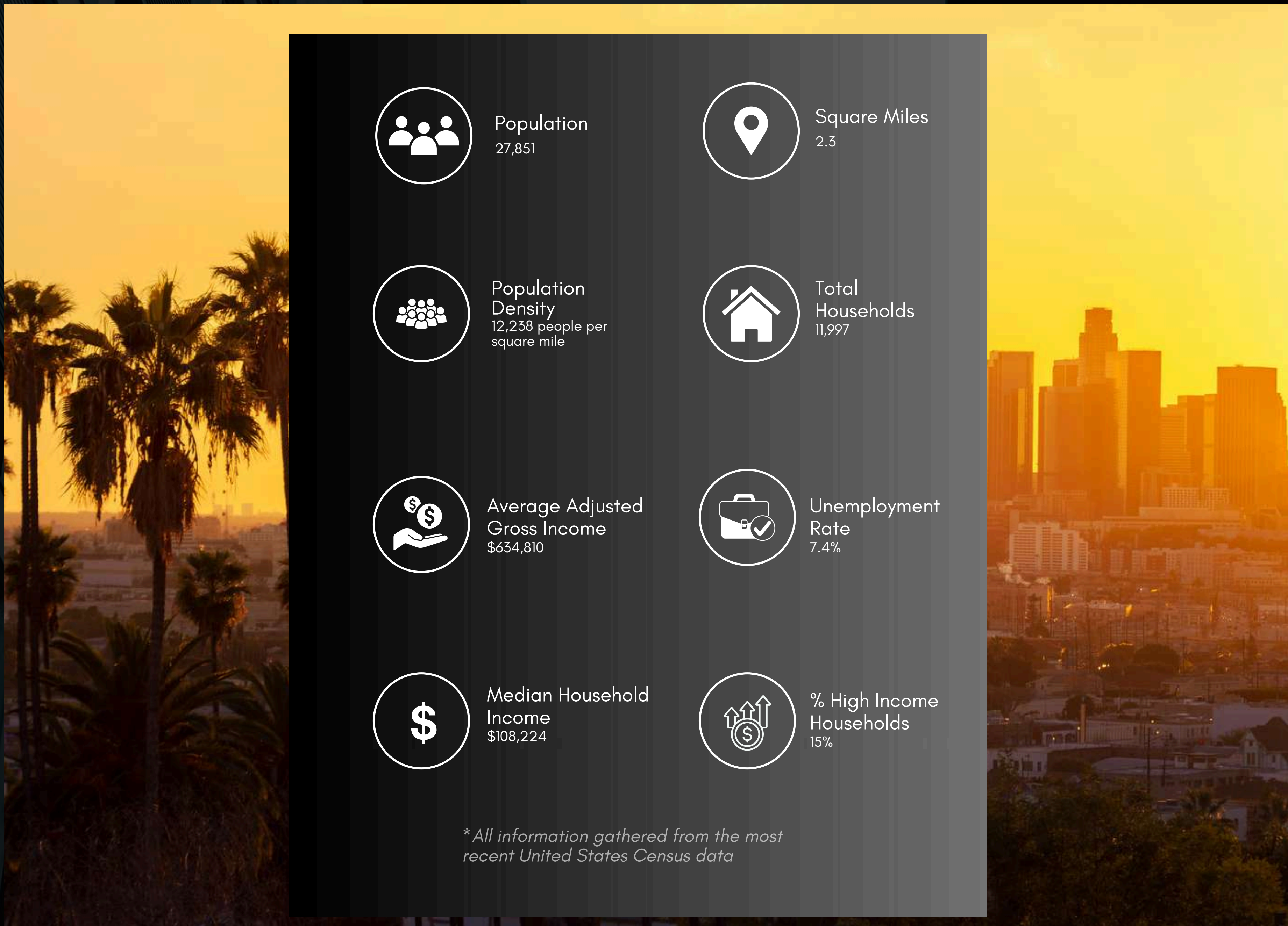
Beverlywood is a highly desirable residential neighborhood located on the Westside of Los Angeles, just south of Beverly Hills and near major employment hubs such as Century City, Culver City, and Mid-City. Its central location provides excellent regional connectivity while maintaining a quiet, suburban feel, making it attractive to families and professionals seeking both accessibility and privacy.

The neighborhood is characterized by well-maintained single-family homes, tree-lined streets, and a strong homeowners association that preserves architectural consistency and neighborhood quality. Originally developed in the 1940s, Beverlywood remains predominantly residential with limited commercial intrusion, contributing to its stable and upscale environment.

Demographically, Beverlywood is a small, affluent, and owner-occupied community with a population of roughly 6,000–6,600 residents. The area exhibits a higher-than-average income profile, with median household incomes exceeding $100K–$130K and a strong concentration of professionals in management, business, and creative industries.
From a real estate perspective, Beverlywood is considered a premium single-family housing submarket, with limited inventory and consistent demand driving long-term price stability. The housing stock primarily consists of mid-century homes, many of which have been renovated or expanded, with ongoing redevelopment contributing to rising property values. Strict neighborhood guidelines further support value preservation and community appeal.

Lifestyle amenities are centered around nearby corridors such as Robertson Boulevard and Pico Boulevard, offering access to restaurants, retail, and daily services. While Beverlywood itself is primarily residential, its proximity to surrounding high-amenity areas enhances livability. The neighborhood is also known for top-rated schools, private parks, and a strong sense of community, making it particularly attractive for families.

Demographics (90035)



Population
27,851

Square Miles
2.3

Population Density
12,238 people per square mile

Total Households
11,997

Average Adjusted Gross Income
$634,810

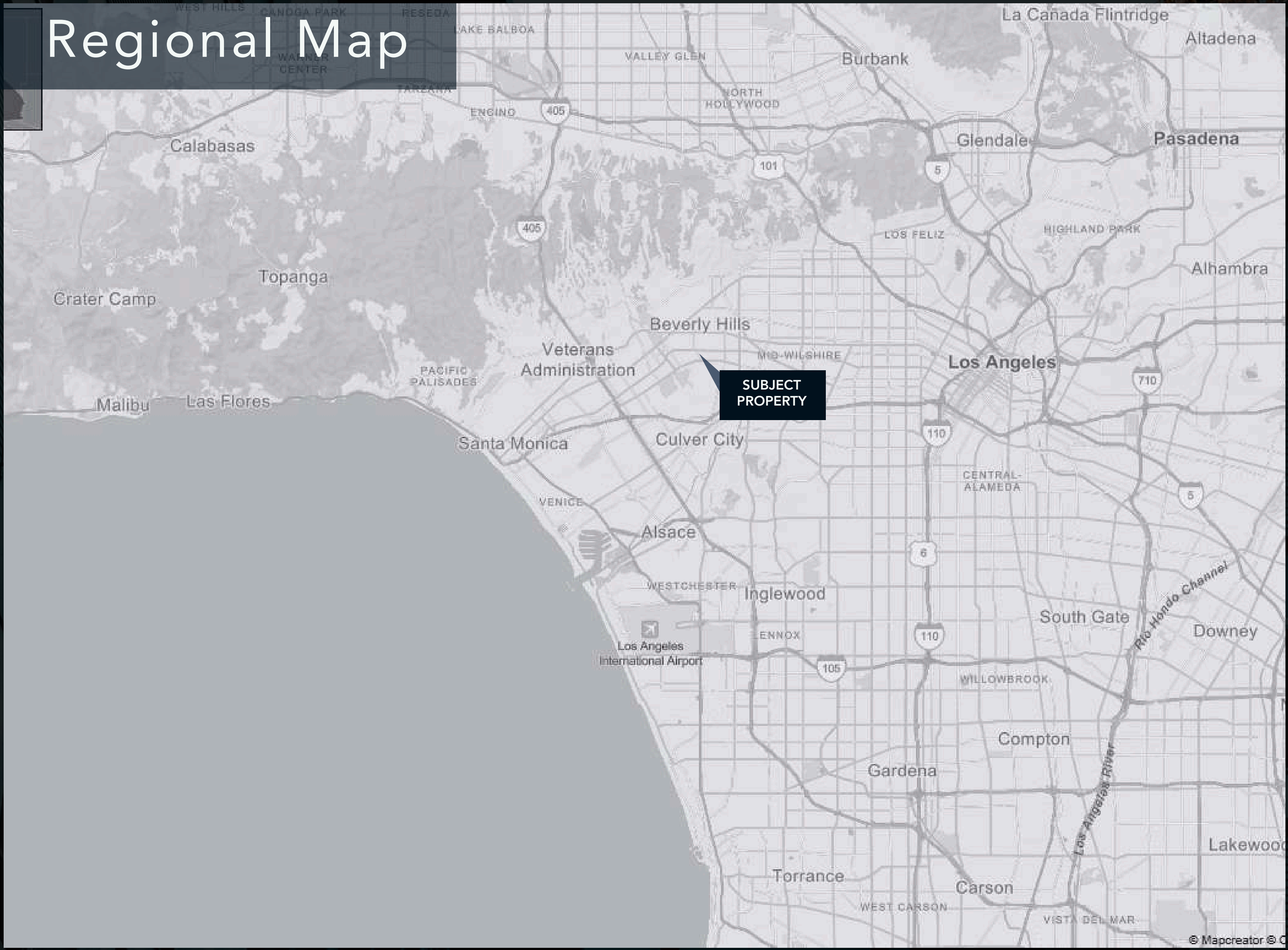
Unemployment Rate
7.4%

Median Household Income
$108,224

% High Income Households
15%

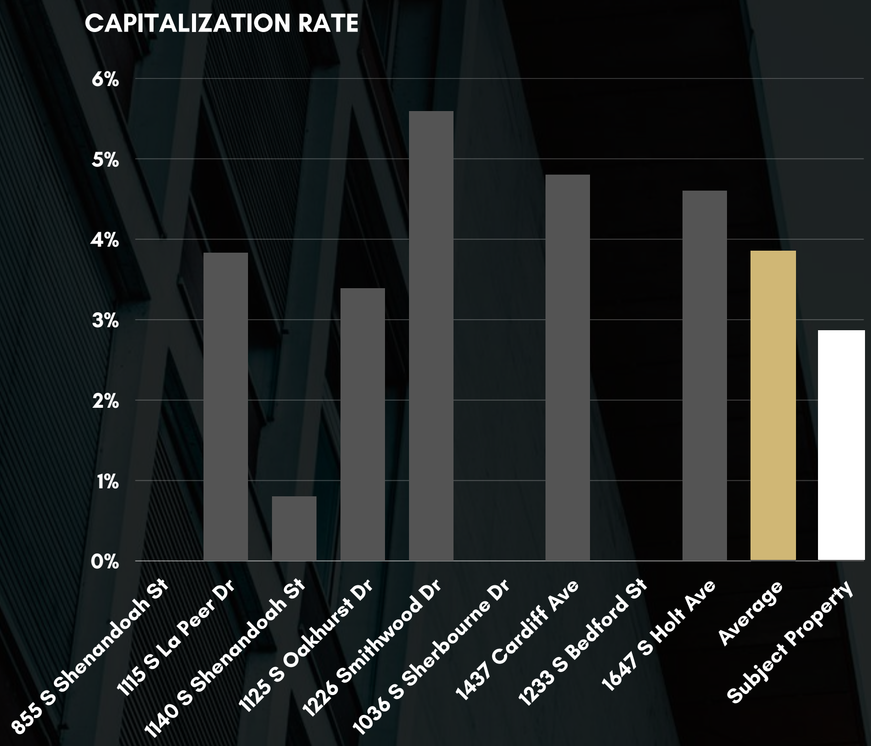
**All information gathered from the most recent United States Census data*

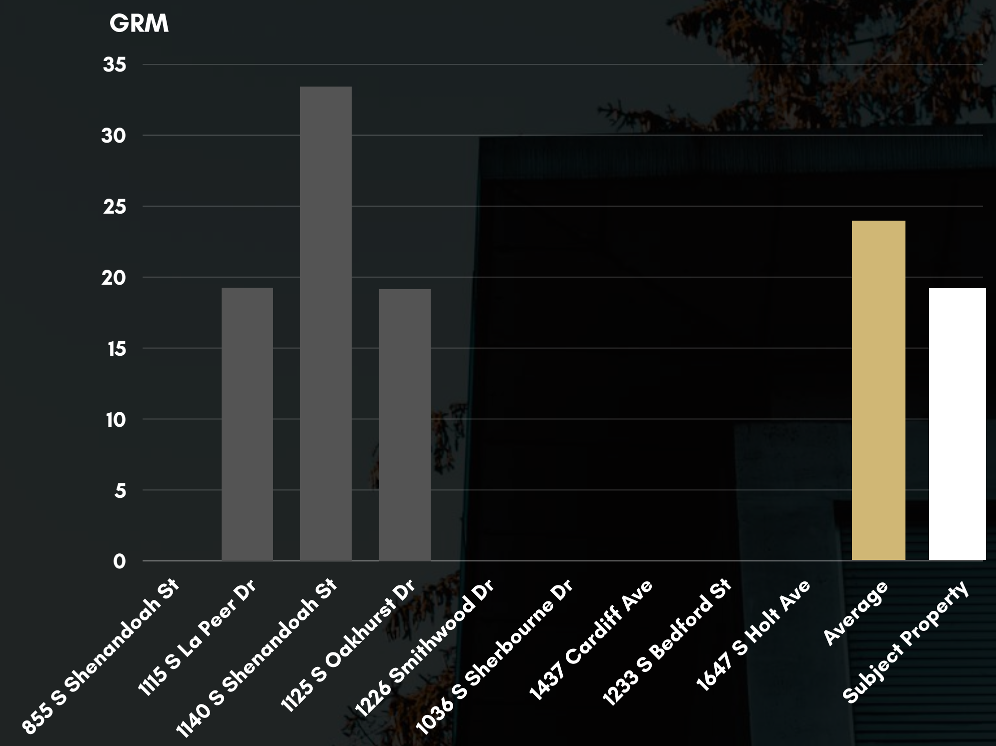
Regional Map



Sale Comparables
1232 Smithwood Dr

Property	Sold Date	# of units	Building SF	Sale Price	PPU	PPSF	GRM	Cap Rate	Year Built
855 S Shenandoah St, Los Angeles, CA 90035	02/06/2026	4	5,340	$2,300,000	$575,000	$430.71	N/A	N/A	1931
1115 S La Peer Dr, Los Angeles, CA 90035	01/16/2026	2	3,082	$1,900,000	$950,000	$616.48	19.23	3.83%	1931
1140 S Shenandoah St, Los Angeles, CA 90035	12/15/2025	2	3,022	$1,800,000	$900,000	$595.63	33.40	0.80%	1933
1125 S Oakhurst Dr, Los Angeles, CA 90035	07/07/2025	2	3,118	$2,160,000	$1,080,000	$692.75	19.14	3.39%	1928
1226 Smithwood Dr, Los Angeles, CA 90035	5/20/2025	4	5,662	$2,025,000	$506,250	$357.65	N/A	5.59%	1931
1036 S Sherbourne Dr, Los Angeles, CA 90035	4/10/2025	4	6,958	$2,218,500	$554,625	$318.84	N/A	N/A	1960
1437 Cardiff Ave, Los Angeles, CA 90035	9/25/2024	3	4,982	$3,500,000	$1,166,667	$702.53	N/A	4.80%	2008
1233 S Bedford St, Los Angeles, CA 90035	9/16/2024	4	3,660	$2,100,000	$525,000	$573.77	N/A	N/A	1940
1647 S Holt Ave, Los Angeles, CA 90035	7/16/2024	2	2,957	$1,725,000	$862,500	$583.36	N/A	4.60%	1930
				Averages	$791,116	$541.30	23.92	3.84%	
1232 Smithwood Dr, Los Angeles, CA 90035		2	6,603	$1,849,000	$924,500	$564.41	19.17	2.85%	1933


CAPITALIZATION RATE
6%
5%
4%
3%
2%
1%
0%
855 S Shenandoah St
1115 S La Peer Dr
1140 S Shenandoah St
1125 S Oakhurst Dr
1226 Smithwood Dr
1036 S Sherbourne Dr
1437 Cardiff Ave
1233 S Bedford St
1647 S Holt Ave
Average
Subject Property


GRM
35
30
25
20
15
10
5
0
855 S Shenandoah St
1115 S La Peer Dr
1140 S Shenandoah St
1125 S Oakhurst Dr
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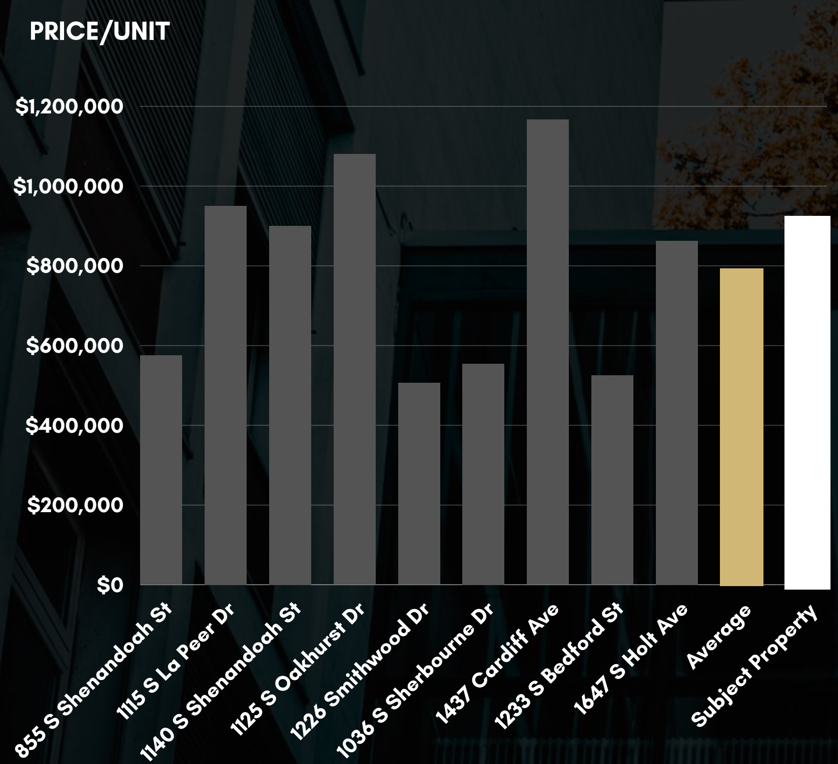
PRICE/UNIT
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
855 S Shenandoah St
1115 S La Peer Dr
1140 S Shenandoah St
1125 S Oakhurst Dr
1226 Smithwood Dr
1036 S Sherbourne Dr
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1233 S Bedford St
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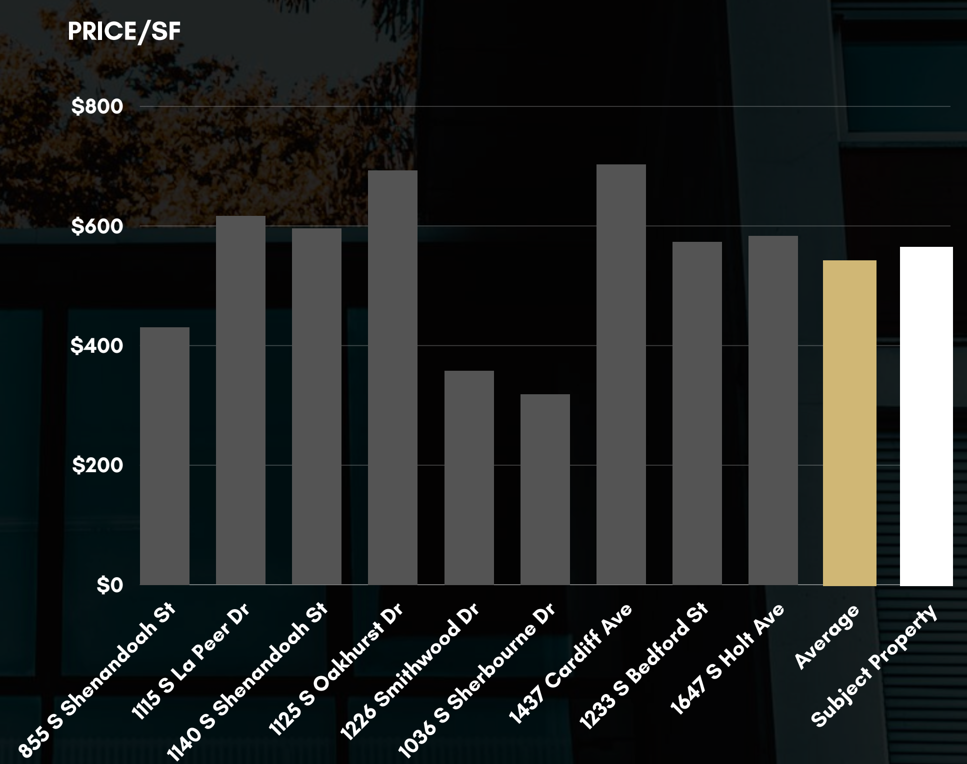
PRICE/SF
$800
$600
$400
$200
$0
855 S Shenandoah St
1115 S La Peer Dr
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