

Existing Units

14

Current Cap Rate

7.92%

Current Cash on Cash

15.39%

Assumable Loan

\$2.5 MM

Assumable Loan
Interest Rate

3.9%

Units to Add

20

Pro-Forma Cap Rate

14.40%

Pro-Forma
Cash on Cash

23.47%

Est. Profit

\$2.79 MM

Levered Equity ROI

125.84%

Confidentiality Agreement

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310.836.3638

Kelly@KellyMorganCommercial.com

www.KellyMorganCommercial.com

CA DRE# 01898026



HOUZE REAL ESTATE MGMT & DEVELOPMENT

A Division of Alactic Systems

CA DRE# 01094448

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

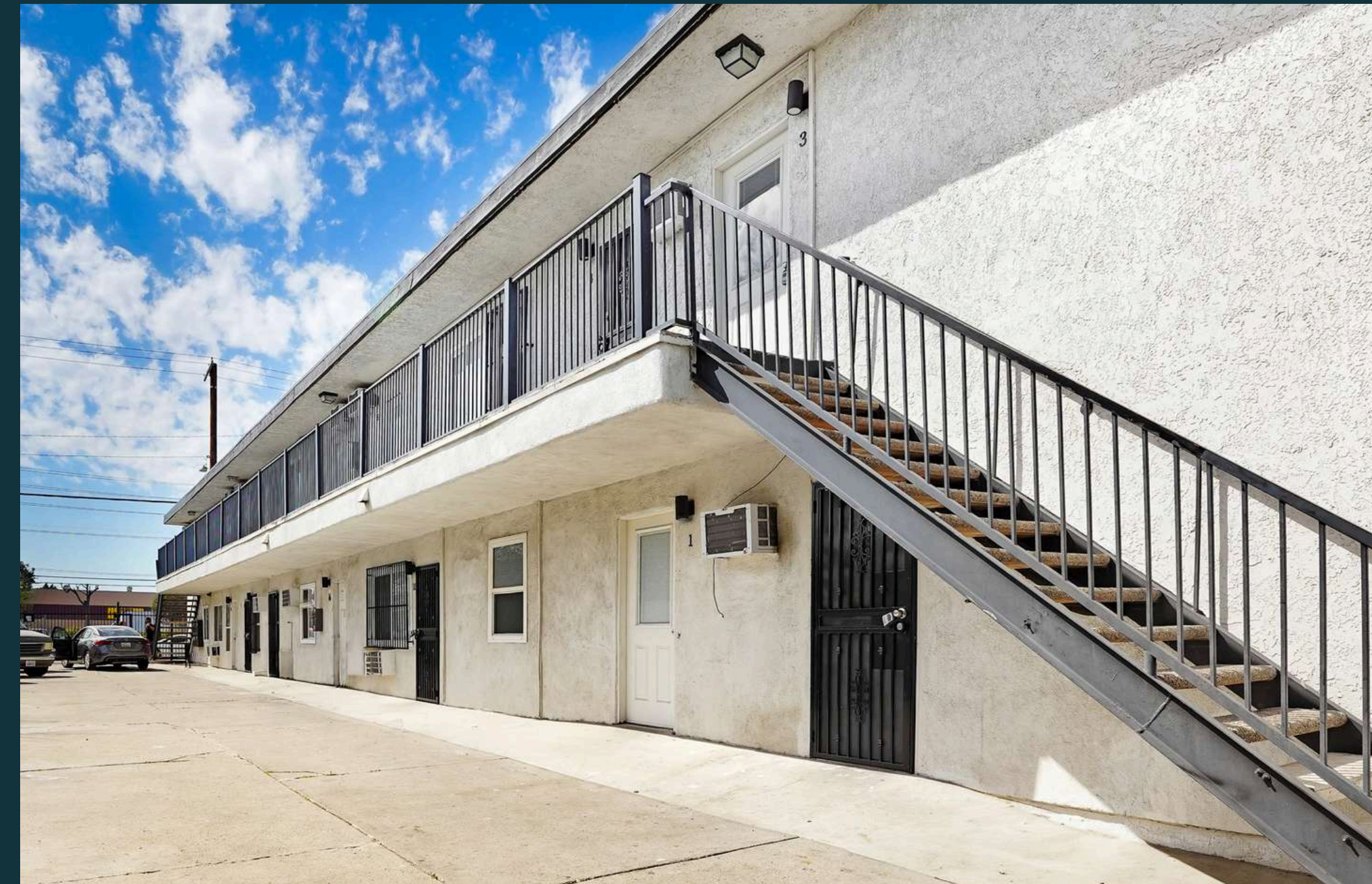
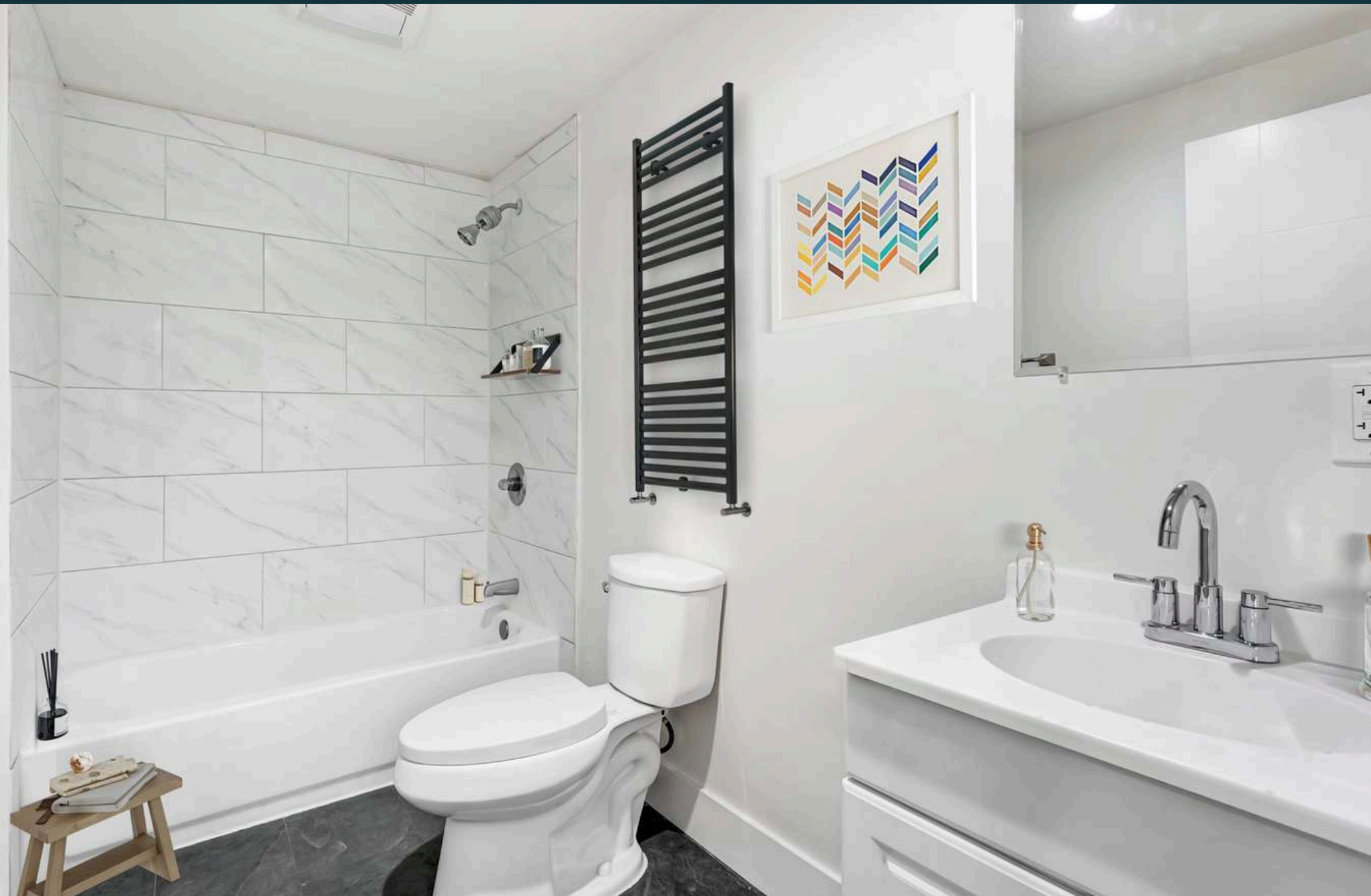




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ADDITIONAL UNITS POTENTIAL
12600 CORRENTI ST, PACOIMA, CA 91331

**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

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**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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FINANCIAL ANALYSIS

CURRENT

| Summary | Current Rents | Pro Forma | Proposed Financing | | |
|------------------|---------------|-----------|--------------------|-------------|-----------------|
| Price | \$3,150,000 | | First Loan Amount | \$2,500,000 | Assumable |
| Down Payment | 21% | \$650,000 | Terms | 3.98% | i/o thru 9/1/27 |
| Number of Units | 14 | | | | |
| Cost per Unit | \$225,000 | | | | |
| GRM | 9.44 | 8.19 | | | |
| CAP | 7.92% | 9.47% | | | |
| Year Built / Age | 1950 | | | | |
| Approx. Lot Size | 9,001 | | | | |
| Approx. Bldg SF | 5,334 | | | | |
| Cost per Net RSF | \$591 | | | | |

| 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 | Loan payment based on original loan of \$2,612,000, approx \$2,500,000 balance remaining

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 | (\$74,418) -22.3% | (\$74,718) -19% |
| Net Operating Income | \$249,335 | \$298,298 |
| Loan Payments | (\$149,280) | (\$178,067) |
| Cash on cash return | \$100,055 15.39% | \$120,231 18.50% |
| Principal Reduction | \$37,500 | \$37,125 |
| Total Return | \$137,555 21.16% | \$157,356 24.21% |

| Estimated Expenses | Current | Pro Forma |
|-----------------------------------|-------------------|-------------------|
| Taxes (1.2%) | \$37,800 | \$37,800 |
| 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 | (\$74,418) | (\$74,418) |
| Per Net Sq. Ft. | (\$13.95) | (\$13.95) |
| Per Unit | (\$5,316) | (\$5,316) |

FINANCIAL ANALYSIS

WITH 20 ADDITIONAL UNITS / ADUS CONSTRUCTION COSTS & INCOME

| Summary | Current Rents | Pro Forma | Proposed Financing | | |
|---------------------------------------|--------------------|-------------|--------------------|-------------|-----------------|
| Price | \$3,150,000 | | First Loan Amount | \$2,500,000 | Assumable |
| Down Payment 21% | \$650,000 | | Terms | 3.98% | i/o thru 9/1/27 |
| *ADU Construction Costs (\$250/Sq Ft) | \$1,671,000 | \$1,671,000 | | | |
| Exterior Rehab | \$0 | \$0 | | | |
| Interior Rehab | \$0 | | | | |
| Total Cost | \$4,821,000 | \$4,821,000 | | | |
| Total Cash Investment | \$2,321,000 | \$2,321,000 | | | |
| Number of Units | 34 | | | | |
| Cost per Unit | \$141,794 | | | | |
| GRM | 5.61 | 5.30 | | | |
| CAP | 14.40% | 15.42% | | | |
| Year Built / Age | 1950 | | | | |
| Approx. Lot Size | 9,001 | | | | |
| Approx. Bldg SF | 12,018 | | | | |
| Cost per Net RSF | \$401 | | | | |

| 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 |

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 | (\$139,484) | -16.2% | (\$139,484) | -15% |
| Net Operating Income | \$694,055 | | \$743,317 | |
| Loan Payments | (\$149,280) | | (\$179,865) | |
| Cash on cash return | \$544,775 | 23.47% | \$563,452 | 24.28% |
| Principal Reduction | \$37,500 | | \$37,500 | |
| Total Return | \$582,275 | 25.09% | \$600,952 | 25.89% |

| Estimated Expenses | Current | Pro Forma |
|-----------------------------------|------------------|------------------|
| Taxes (1.2%) | \$37,800 | \$37,800 |
| 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 | \$139,484 | \$139,484 |
| Per Net Sq. Ft. | (\$11.61) | (\$11.61) |
| Per Unit | (\$4,102) | (\$4,102) |

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

Buyer may refi out most or all of the initial investment after the expiration of the i/o period provided all additional units and ADUs have been completed and leased (see resale after ADU setup)

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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 | 6.00% | 5 YR Fixed |
| Number of Units | 34 | | | | |
| Cost per Unit | \$243,088 | | | | |
| 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 | (\$371,925) | (\$445,976) |
| Cash on cash return | \$206,803 10.01% | \$182,015 8.81% |
| Principal Reduction | \$92,981 | \$92,981 |
| Total Return | \$299,785 14.51% | \$274,996 13.31% |

| 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 |

Preferred Financing

12600 Correnti St · Pacoima, CA 91331

One loan · One close — Single facility covering both acquisition and full construction.

PROJECT SNAPSHOT

| | | | |
|--------------------|--------------------|-------------------------------|--------------------|
| Purchase Price | \$3,300,000 | Construction Cost | \$1,671,000 |
| Total Project Cost | \$4,971,000 | Pro-Forma Cap Rate (34 units) | 13.93% |

LOAN TERMS

| Rate | Term | Prepayment | Max LTC | Covers |
|--------------|-----------------------------|-------------|------------------|--------------------------------|
| 6.50% | 2-Year Interest Only | None | Up to 75% | Purchase + Construction |

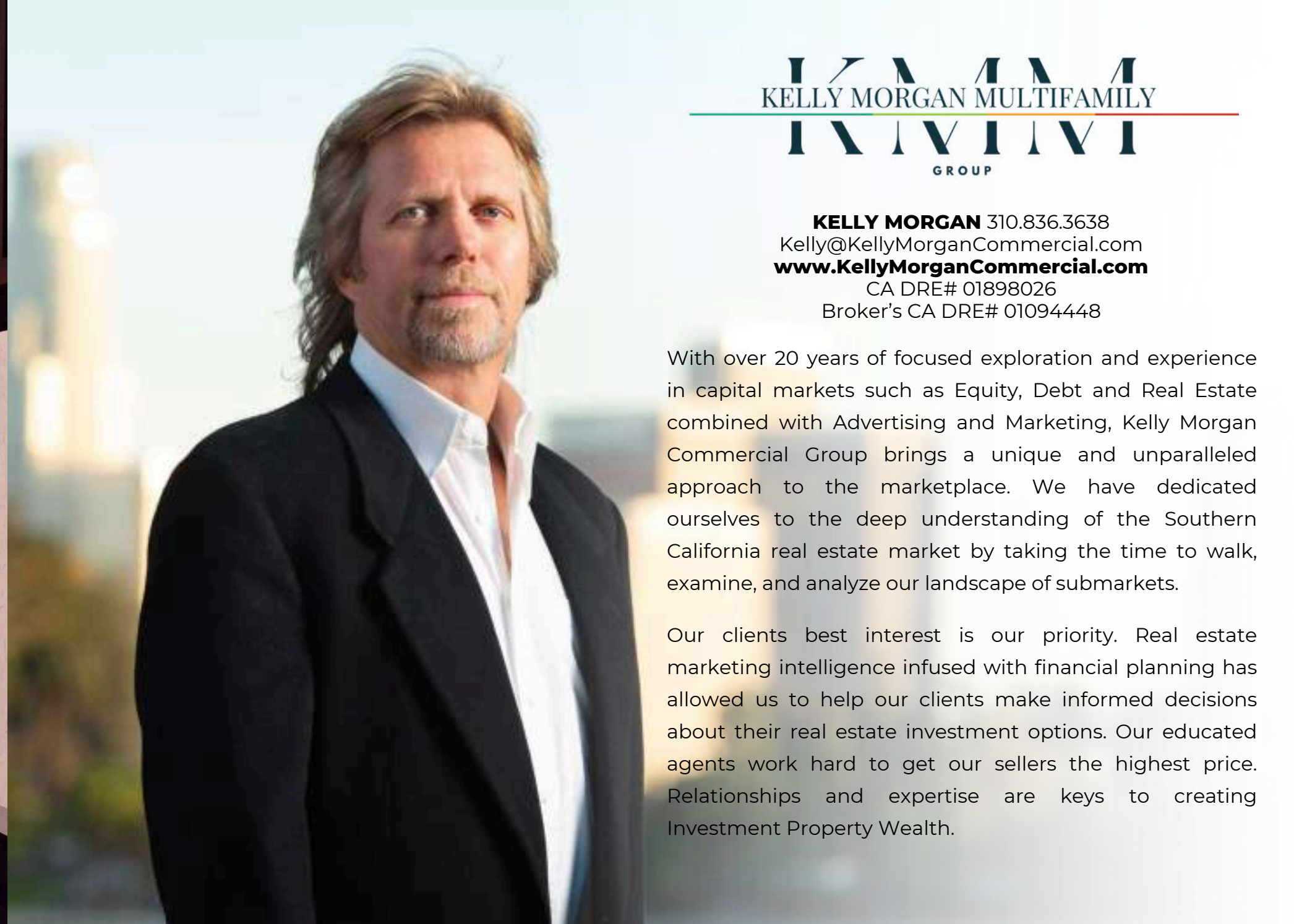
LOAN SCENARIOS — BASED ON \$4,971,000 TOTAL PROJECT COST

| | 70% LTC | 72.5% LTC | 75% LTC (max) |
|-----------------------|--------------------|--------------------|----------------------|
| Loan Amount | \$3,479,700 | \$3,603,975 | \$3,728,250 |
| Buyer Equity Required | \$1,491,300 | \$1,367,025 | \$1,242,750 |
| Monthly IO Payment | \$18,849 | \$19,522 | \$20,195 |
| Annual IO Payment | \$226,181 | \$234,258 | \$242,336 |

Nathan Ferszt

Mansfield Equities Inc.
www.mansfieldeq.com

Office: (323) 647-3353 Cell: (323) 899-3080
nferszt@mansfieldeq.com CA DRE #02124012



K M M M M
KELLY MORGAN MULTIFAMILY
K M M M M
GROUP

KELLY MORGAN 310.836.3638
Kelly@KellyMorganCommercial.com
www.KellyMorganCommercial.com
CA DRE# 01898026
Broker's CA DRE# 01094448

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Our clients best interest is our priority. Real estate marketing intelligence infused with financial planning has allowed us to help our clients make informed decisions about their real estate investment options. Our educated agents work hard to get our sellers the highest price. Relationships and expertise are keys to creating Investment Property Wealth.