



OFFERING MEMORANDUM

1523 ROCK GLEN AVE | GLENDALE, CA 91205

TEAM GHOBADI | MULTIFAMILY
Real Estate Investment Services

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PROPERTY OVERVIEW

PROPERTY DETAILS

ADDRESS

1523 Rock Glen Ave, Glendale, CA 91205

BUILDING INFORMATION

Year Built	1941
Number of Units	4+1
Number of Buildings	1
Number of Stories	1
Building SF	2,839
Land SF	10,439
APN	5680-020-011
Zoning	GLR4YY
Parking	4

UTILITIES

Water	Paid by Landlord
Electric	Paid by Tenant
Gas	Paid by Tenant
Laundry Room	Yes-Leased
AC & Heat	Central
Pool	None

CONSTRUCTION

Roof	Pitched
Subject to Soft Story	No

PROPERTY DESCRIPTION

Colliers International’s Ghobadi Multifamily Team is proud to present the well-appointed fourplex at 1523 Rock Glen Avenue in the City of Glendale, California. Situated in a great location, the property is comprised of four 1-bed/1-bath units and one non-conforming studio that together come to more than 2,800 square feet of rentable space on 10,439 square feet of land. This one-story fourplex has been well maintained since it was built in 1941 and offers its residents an on-site laundry facility and 4 parking spaces. The property is easy to manage with no need for an on-site manager. Furthermore, the property is thought to have mostly copper plumbing and is separately metered for gas and electricity.

Located on a quiet street south of Colorado Boulevard and east of Verdugo Road, the building sits mere minutes from the 134 Freeway and State Route 2.

The property’s great location, coupled with clear and immediate upside potential, make it a fantastic investment opportunity.



KEY HIGHLIGHTS

- › Great location in the city of Glendale
- › No rent control in Glendale
- › One-Story fourplex plus one non-conforming studio
- › On-site laundry room
- › Easy to manage on a quiet street
- › Individually metered for gas and electricity
- › All units except unit 1523 have central AC
- › Minutes from State Route 2 and 134 Freeway



PROPERTY PHOTOS



PROPERTY PHOTOS



PROPERTY AERIAL



FINANCIAL ANALYSIS

FINANCIAL SUMMARY

PROPERTY INFORMATION	
No. of Units	4+1
Year Built	1941
RSF	2,839
Lot SF	10,439

FINANCIAL INDICATORS	
Price	\$1,500,000
Down Payment	100% \$1,500,000
Price/Unit	\$300,000
Price/RSF	\$528.36
Zoning	GLR4YY
APN	5680-020-011
CAP Rate	3.67%
GRM	17.79
Proforma CAP Rate	3.83%
Proforma GRM	17.30

ANNUALIZED INCOME	CURRENT		MARKET	
	Actual %	Actual	Proforma %	Pro Forma
Gross Potential Rent		\$84,300		\$86,700
Misc. Income		\$720		\$720
Gross Potential Income		\$85,020		\$87,420
Less Economic Vacancy	-2.00%	-\$1,686	-2.00%	-\$1,734
Effective Gross Income		\$83,334		\$85,686
Less Expenses	33.95%	\$28,290	33.02%	\$28,290
Net Operating Income:		\$55,044		\$57,396

ANNUALIZED EXPENSES				
	Actual %	Actual	Proforma %	Pro Forma
Real Estate Taxes	22.50%	\$18,750	21.88%	\$18,750
Insurance	1.80%	\$1,500	1.75%	\$1,500
Gas	0.72%	\$600	0.70%	\$600
Electric & Water (DWP)	4.32%	\$3,600	4.20%	\$3,600
Repairs & Maintenance	3.60%	\$3,000	3.50%	\$3,000
Landscaping	1.01%	\$840	0.98%	\$840
Total Expenses	33.95%	\$28,290	33.02%	\$28,290
Expenses Per RSF		\$9.96		\$9.96
Expenses Per Unit		\$5,658		\$5,658

UNIT MIX SUMMARY									
Unit Type	No. of Units	Rentable SF (Ap-prox.)	Total Rentable SF (Ap-prox.)	Actual Rent Per Unit	Actual Rent per SF	Total Actual Rent Potential	Market Rent Per Unit	Market Rent Per SF	Total Market Rent Potential
Studio non-conforming	1	N/A	N/A	\$1,025	N/A	\$1,025	\$1,025	N/A	\$1,025
1 Bedroom 1 Bath	4	N/A	N/A	\$1,500	N/A	\$6,000	\$1,550	N/A	\$6,200
Totals / Wtd. Averages	5	568 SF	2,839 SF	\$1,405	\$2.47 SF	\$7,025	\$1,445 SF	\$2.54 SF	\$7,225
Annual Rent Potential						\$84,300			\$86,700

RENT ROLL

Unit #	Unit Type	Notes	Unit SF	Actual	Pro Forma
#1523	1+1		N/A	\$1,550	\$1,550
#A	1+1		N/A	\$1550	\$1,550
#B	1+1		N/A	\$1,350	\$1,550
#C	1+1		N/A	\$1,550	\$1,550
#D	Single	non-conforming	N/A	\$1025	\$1,025
	4+1	TOTAL	2,839	7,025	7,225
Gross Scheduled Monthly Rental Income				\$7,025	\$7,225
Gross Scheduled Annual Rental Income				\$84,300	\$86,700
Monthly Laundry Income				\$60	\$60
Annual Laundry Income				\$720	\$720
TOTAL YEARLY SCHEDULED INCOME				\$85,020	\$87,420

INCOME & EXPENSES

INCOME	ACTUAL				PRO FORMA			
	Annual	Per Unit	Per SF	%	Annual	Per Unit	Per SF	%
Gross Potential Rent	\$84,300	\$16,860	\$29.69	N/A	\$86,700	\$17,340	\$30.54	N/A
Laundry Income	\$720	\$144	\$0.25	0.86%	\$720	\$144	\$0.25	0.84%
Gross Potential Income	\$85,020	\$17,004	\$29.95	102.02%	\$87,420	\$17,484	\$30.79	102.02%
Vacancy/Collection Allowance (% of GPR)	(\$1,686)	(\$337)	(\$0.59)	2.0%	(\$1,734)	(\$347)	(\$0.61)	2.0%
Effective Gross Income	\$83,334	\$16,667	\$29.35	100%	\$85,686	\$17,137	\$30.18	100%
Expenses								
Total Expenses	\$28,290	\$5,658	\$9.96	33.9%	\$28,290	\$5,658	\$9.96	33.0%
Net Operating Income:	\$55,044	\$11,009	\$19.39	66.1%	\$57,396	\$11,479	\$20.22	67.0%

EXPENSES

	Current	Per SF	Per Unit	Pro Forma	Per SF	Per Unit	Current
Real Estate Taxes	\$18,750	\$6.60	\$3,750	\$18,750	\$6.60	\$3,750	Tax Rate based on new value/price Estimated at \$0.53 / SF Estimated at \$50 / Month Estimated at \$300 / Month Estimated at \$750 / Unit Estimated at \$70 / Month
Insurance	\$1,500	\$0.53	\$300	\$1,500	\$0.53	\$300	
Gas	\$600	\$0.21	\$120	\$600	\$0.21	\$120	
Electric & Water (DWP)	\$3,600	\$1.27	\$720	\$3,600	\$1.27	\$720	
Repairs & Maintenance	\$3,000	\$1.06	\$600	\$3,000	\$1.06	\$600	
Landscaping	\$840	\$0.30	\$168	\$840	\$0.30	\$168	
Total Expenses	\$28,290	\$9.96	\$5,658	\$28,290	\$9.96	\$5,658	

MARKET COMPARABLES

RENT COMPARABLES

#	Property Address	City	State	Zip	Unit Type Detail	Unit Size SF	Rent
1.	1517 Dixon St	Glendale	CA	91205	1+1	650	\$1,500
2.	427 Lincoln Ave	Glendale	CA	91205	1+1	500	\$1,500
3.	1443 Rock Glen Ave	Glendale	CA	91205	1+1	950	\$1,550

TOTAL RENT COMPARABLES AVERAGE		
	SF	Rent
1 Bed 1 Bath	\$700	\$1,516

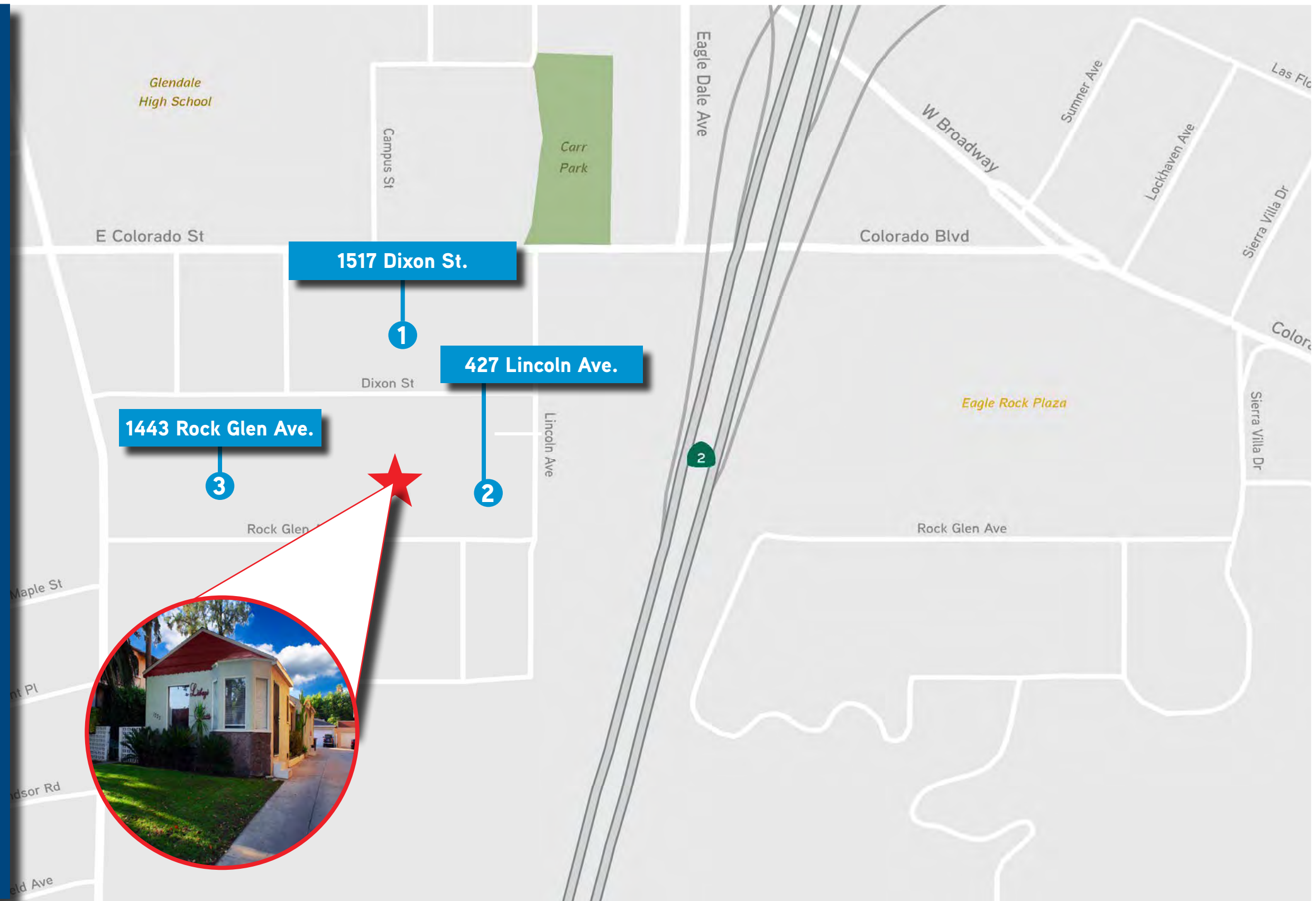
RENT COMPARABLES MAP

★ 1523 Rock Glen Ave.

1. 1517 Dixon St.

2. 427 Lincoln Ave.

3. 1443 Rock Glen Ave.



SALE COMPARABLES

#	Property Address	Property City	Property County	Property Zip Code	Number Of Units	Sale Price	Price Per Unit	Price Per SF	Actual Cap Rate	GRM	Bldg SF	Year Built	Sale Date
1.	716 Fischer St.	Glendale	Los Angeles	91205	4	\$1,500,000	\$375,000	\$464.25	4.3%	16.25	3,231	1963	4/4/2018
2.	416 Adams St.	Glendale	Los Angeles	91206	4	\$1,409,000	\$352,250	\$527.72	3.65%	19.25	2,670	1940	2/23/2018
3.	730 Maryland Ave.	Glendale	Los Angeles	91205	4	\$1,000,000	\$250,000	\$198.61	N/A	N/A	5,035	1977	3/5/2018
4.	1344 E. Broadway	Glendale	Los Angeles	91205	2	\$685,000	\$342,500	\$82.29	N/A	N/A	8,324	N/A	6/21/2018
					AVERAGE		\$329,938	\$318.22	3.98%	17.75			

SALES COMPARABLES
MAP

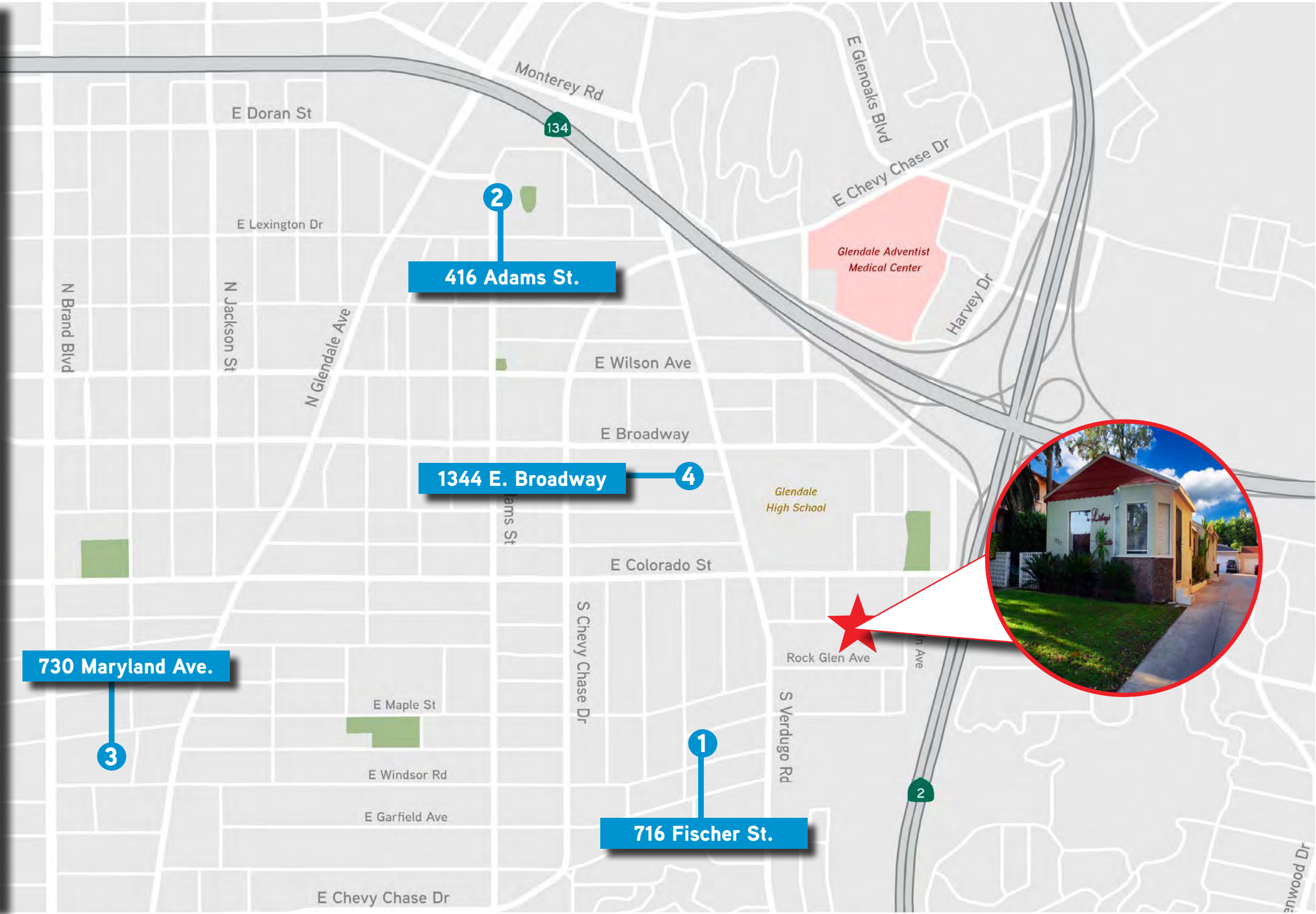
★ 1523 Rock Glen Ave.

1. 716 Fischer St.

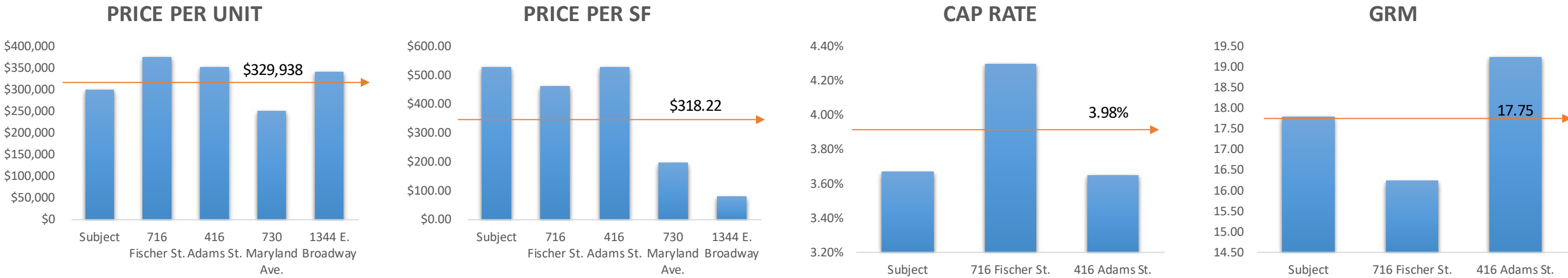
2. 416 Adams St.

3. 730 Maryland Ave.

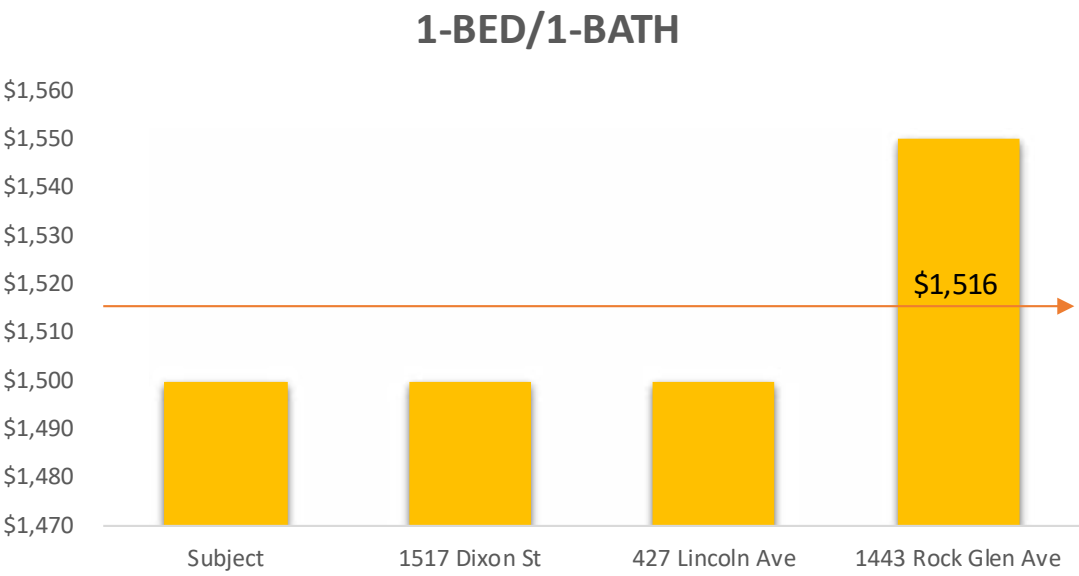
4. 1344 E. Broadway



SALE COMPARABLES AVERAGES



RENT COMPARABLES AVERAGES



DEMOGRAPHIC ANALYSIS

AREA OVERVIEW

Glendale is one of LA's hotspots for new multifamily construction, but robust demand has prevented any major supply-driven vacancy expansion. Vacancies have held at or near 4% for several consecutive years despite the delivery of more than 2,500 units since 2013. With roughly 850 more units under construction, local owners and developers are hoping demand continues to intensify. The influx of new supply is weighing on rent growth however, much like the LA metro as a whole. The average price per unit in multifamily sales remains at or near record highs, and average cap rates have held below 4% for several straight years.



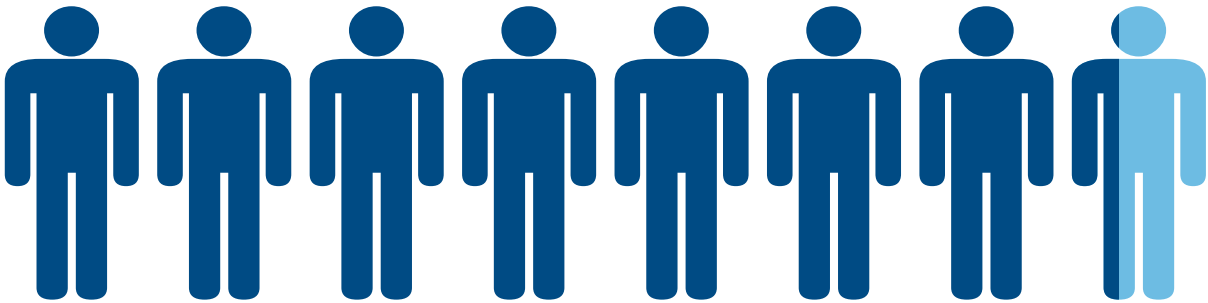
GLENDALE SUBMARKET HOUSING TRENDS:

- > This cycle has seen heavy supply deliveries in Glendale, and several more large projects are in the pipeline.
- > Glendale's status as a centrally located employment hub should help continue to drive rental demand and offset pressures from this cycle's new deliveries.
- > Demand growth has been robust since the recovery, helping to quickly stabilize the large institutional projects which have characterized this cycle's development.

GLENDALE (91205 ZIP CODE) at a glance



AREA DEMOGRAPHICS (1, 3, 5 MILE RADIUS)

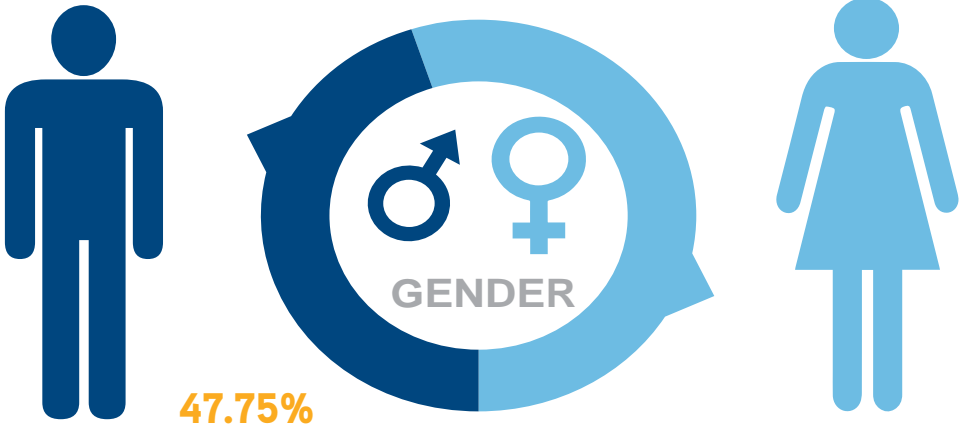


2018
1-MILE POPULATION: 47,251
3-MILE POPULATION: 260,435
5-MILE POPULATION: 581,506

AVERAGE AGE

1-MILE: 45.52%
3-MILE: 41.28%
5-MILE: 40.85%

1-MILE



MULTIPLE FACTORS
INDUCED ELEVATED
DEMANDS
2018

+ 22,054

EMPLOYMENT STATUS

→ 54.47% 1-MILE
→ 57.97% 3-MILE
→ 60.19% 5-MILE



2018 EST. AVERAGE HOUSEHOLD SIZE

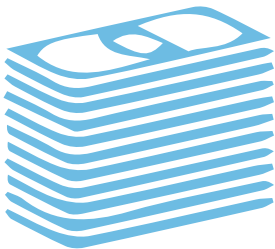
1-MILE: 2.68%
3-MILE: 2.73%
5-MILE: 2.64%

MEDIAN HOME VALUE



1-MILE: \$621,670
3-MILE: \$674,710
5-MILE: \$725,236

AVERAGE HOUSEHOLD INCOME



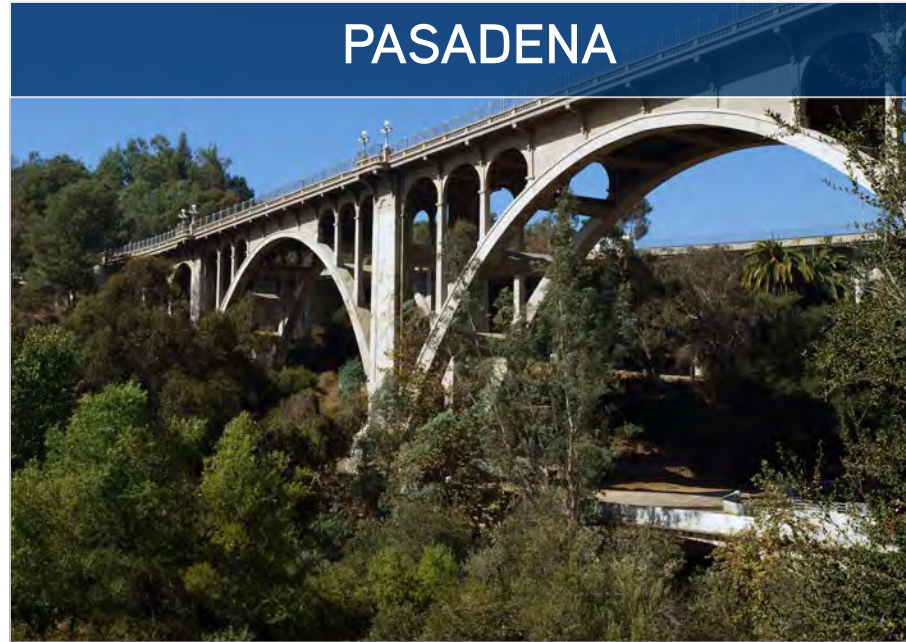
1-MILE: \$75,474
3-MILE: \$92,154
5-MILE: \$98,286

APPROXIMATE NEIGHBORING TOWNS

LOS FELIZ



PASADENA



EAGLE ROCK



BURBANK



VALLEY GLEN



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