

## ***Gramercy Gardens***



**723 N. Gramercy Place**  
**Los Angeles, CA 90038**

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*Solomon Capital Advisors*  
***www.SolomonCA.com***

**KW Commercial Brokerage - 2701 Ocean Park Blvd. Suite 140, Santa Monica, CA 90405**

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies.

### Property Description

723 N. Gramercy is a well located, 22 unit apartment complex comprised of four single units, 17 one bedroom - one bathroom units and 1 two bedroom - two bathroom unit. Constructed in 1963 and designed with two stories above parking in the California court yard style, many units have balconies and or patios.

Priced approximately at an 8.77 gross rent multiplier which represents a 7.13% capitalization rate and a cost per building square foot of \$163.63, coupled with today's attractive financing options, *Gramercy Gardens* should offer very solid cash on cash returns well as a great hedge against future potential inflation.

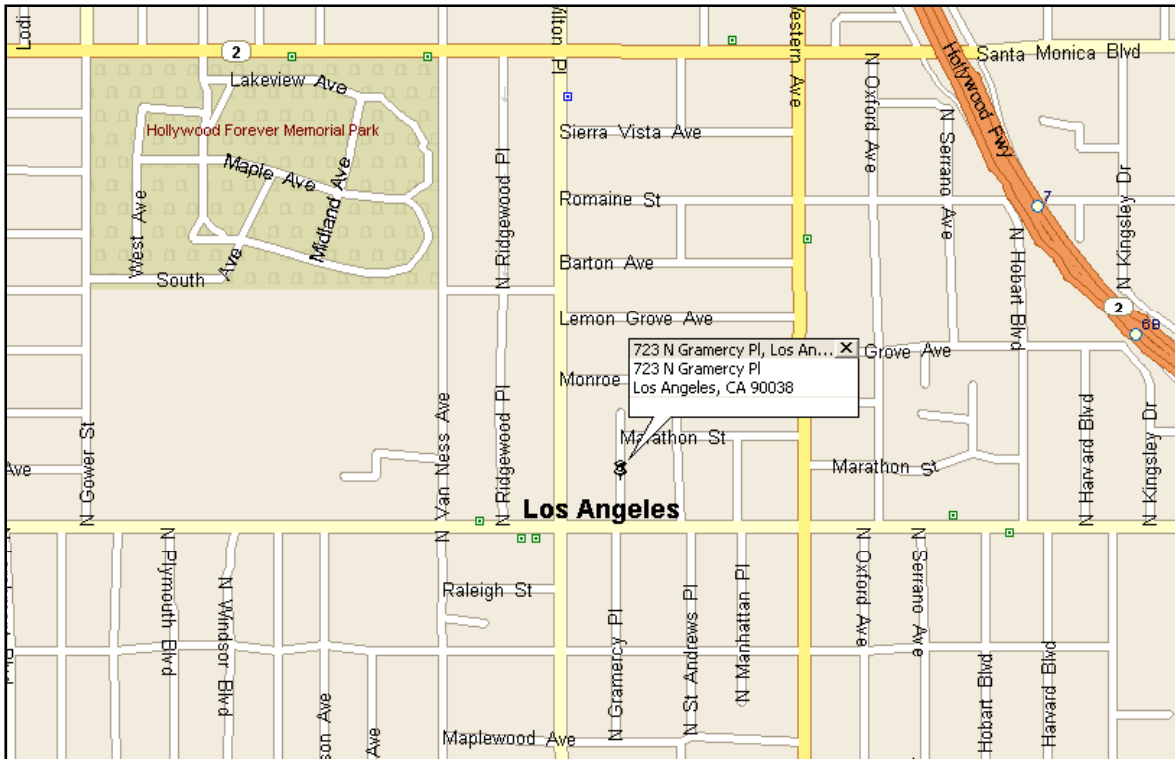
### Location

*Gramercy Gardens* is well located between Wilton Place, west of Western and just North of Melrose. Because of its good location, Gramercy Gardens is only minutes from the heart of Hollywood and all the entertainment, retail, restaurants and employment options that the area is world renowned for. The complex is only several blocks from Paramount Studios, the Wilshire Country Club and Hancock Park. With the 101 Ventura Freeway close by, the tenants of *Gramercy Gardens* also enjoy easy access to most of Los Angeles' dynamic metropolitan amenities, including Downtown's *Staple Center*, *LA Live*, Beverly Hills, Studio City, Sherman Oaks, and the beaches of Santa Monica.

### Highlights

- Great Mid-Wilshire / Hollywood Location
- Great Unit Mix
- Attractive Financing Available
- Approximately 40 parking spaces
- High Rental Demand Market – Close to major transport

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Multi-Residential - Operating Information

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Los Angeles, CA 90038

### Summary

<b>Price:</b>	\$	<b>2,500,000</b>
<b>Down Payment:</b>	35.0%	<b>875,000</b>
<b>Number of Units:</b>		<b>22</b>
Cost per Legal Unit:		\$113,636
Current GRM:		8.77
Market GRM:		8.33
Current CAP:		7.13%
Market CAP:		7.48%
Approx Age:		1963
Approx Lot Size:		12,806
Approx Gross SF:		15,278
Cost per Net GSF:		\$163.63



**Proposed Financing**

New First Loan:	\$ 1,625,000
Interest Rate:	5.310%
Amortization:	30
Monthly Payment:	\$9,033.79
DCR	1.65

*Buyer To Verify Loan*

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### Annualized Operating Data

	Estimated Current Rents		Estimated Market Rents	
<b>Scheduled Gross Income:</b>	<b>285,001</b>		<b>300,000</b>	
Less Vacancy Rate Reserve:	(8,442)	3.0%	(14,820)	5.0%
Gross Operating Income:	276,559		285,180	
Less Expenses:	(98,220)	34.5%	(98,220)	32.7%
<b>Net Operating Income:</b>	<b>178,339</b>		<b>186,960</b>	
Less Loan Payments:	(108,406)		(108,406)	
<b>Pre-Tax Cash Flow:</b>	<b>69,933</b>	<b>8.0% *</b>	<b>78,554</b>	<b>9.0% *</b>
Plus Principal Reduction:	23,186		23,186	
<b>Total Return Before Taxes:</b>	<b>93,119</b>	<b>10.6% *</b>	<b>101,740</b>	<b>11.6% *</b>

\* As a percent of the down payment

### Scheduled Income

No. of Units	Bdrms/ Baths	Approx. Sq.Ft.	Current Rents		Market Rents	
			Monthly Rent/Unit	Monthly Income	Monthly Rent/Unit	Monthly Income
4	Singles	500	\$883	\$3,532	\$950	\$3,800
17	1+1	730	\$1,092	\$18,564	\$1,150	\$19,550
1	2+2	900	\$1,377	\$1,377	\$1,350	\$1,350
Avg. Rent/Gr. Sq. Ft.			\$1.55		\$1.64	

### Estimated Annualized Expenses

Taxes:	Rate	1.25%	\$	31,250
Insurance			\$	6,875
Utilities			\$	13,200
*Maintenance			\$	17,100
Trash Removal			\$	1,995
On-Site Manager	4.0%	\$		11,400
Off-site Manager	4.0%	\$		11,400
Reserves	1.0%	\$		5,000

<b>Total Scheduled Rent:</b>	\$	<b>23,450</b>	\$	<b>24,700</b>
Laundry:	\$	300	\$	300
<b>Monthly Scheduled Gross Income:</b>	\$	<b>23,750</b>	\$	<b>25,000</b>
<b>Annual Scheduled Gross Income:</b>	\$	<b>285,001</b>	\$	<b>300,000</b>
Utilities Paid by Tenant:	Gas & Electricity			

<b>Total Expenses:</b>	\$	<b>98,220</b>
Per Net Sq. Ft.:	\$	6.43
Per Unit:	\$	4,465

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## 723 N. Gramercy Rent Roll

Unit No.	Mix	Current		Proforma
1	1+1	\$ 1,150.00		\$ 1,150.00
2	2+2	\$ 1,350.00	MANAGER	\$ 1,350.00
3	1+1	\$ 1,100.58		\$ 1,150.00
4	1+1	\$ 1,100.00		\$ 1,150.00
5	1+1	\$ 1,152.88		\$ 1,150.00
6	Single	\$ 800.00		\$ 950.00
7	1+1	\$ 1,135.58		\$ 1,150.00
8	1+1	\$ 1,000.00		\$ 1,150.00
9	Single	\$ 927.00		\$ 950.00
10	1+1	\$ 1,130.00		\$ 1,150.00
11	1+1	\$ 1,050.00		\$ 1,150.00
12	1+1	\$ 1,050.00	SECTION 8	\$ 1,150.00
14	1+1	\$ 1,150.00	VACANT	\$ 1,150.00
15	1+1	\$ 1,100.00		\$ 1,150.00
16	Single	\$ 916.70		\$ 950.00
17	1+1	\$ 1,150.00	VACANT	\$ 1,150.00
18	1+1	\$ 956.05		\$ 1,150.00
19	Single	\$ 890.00		\$ 950.00
20	1+1	\$ 1,133.00		\$ 1,150.00
21	1+1	\$ 990.00		\$ 1,150.00
22	1+1	\$ 1,075.00		\$ 1,150.00
23	1+1	\$ 1,143.30		\$ 1,150.00

<b>Monthly Rent</b>	<b>\$ 23,450.09</b>	<b>\$ 24,700</b>
<b>Laundry</b>	<b>\$ 300</b>	<b>\$ 300</b>
<b>Yearly Gross Income</b>	<b>\$ 285,001</b>	<b>\$ 300,000</b>

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