

OFFERING MEMORANDUM

477 South El Molino Ave

Pasadena, CA 91101



Exclusively Listed by:

Brent Chang
Coldwell Banker San Marino
626-685-5236
brent@brentchang.com
BRE Lic. #01822562

Scott Wilcott Jr., CCIM
NAI Capital, Inc
626-204-1500
swilcott@naicapital.com
BRE Lic. #01214447

**COLDWELL
BANKER** 

NAICapital



Table of Contents

I. EXECUTIVE SUMMARY

- Property Overview
- Property Photos
- Location Map
- Aerial Overview
- Regional Map
- Parcel Map

II. FINANCIAL ANALYSIS

- Financial Analysis
- Rent Roll

III. MARKET OVERVIEW

- City of Pasadena
- Demographics

IV. SALE COMPARABLES



Property Overview

We are proud to present 477 South El Molino Avenue a 10-unit apartment in the City of Pasadena. The property is located in the Madison Heights neighborhood within walking distance to restaurants, shopping and entertainment venues, including popular Colorado Boulevard, the Playhouse District, South Lake Avenue and Old Town Pasadena. Its minutes from Pasadena City College, Cal Tech, Huntington Hospital and a short drive to the 110, 210 and 134 freeways making it an ideal location for students, young professionals and commuters.

The property consists of two wood frame and stucco buildings totaling approximately 6,475 square feet situated on approximately 13,206 square feet of RM32 zoned land. The front building has two stories which includes nine one bedroom one bath units some with balconies and patios. The rear building includes a two bedroom one bath unit which is situated over the car port. All the units have been well maintained with recent upgrades. There are nine parking spots on site with the majority located in the covered car port area. The property includes manicured landscaping, mature trees and curb appeal along El Molino Avenue.

The units are separately metered for electrical with window a/c. The water, gas and trash is common to all tenants. The units included tile kitchen countertops, wall to wall carpeting and lots of natural light. There is a laundry room on site generating additional income.

The property is located in a strong rental market and great neighborhood. There is no rent control and the rents are currently below market making it a great value add opportunity for any investor.

Location Features

- City of Pasadena – one of the strongest rental areas in the San Gabriel Valley.
- Located in the Madison Heights neighborhood.
- Easy access to the Playhouse District, South Lake Avenue shopping, historic Colorado Boulevard and Old Town Pasadena.
- Convenient access to the 210, 134, 710 and 110 freeways.
- Minutes from Cal Tech, Pasadena City College and the Huntington Hospital.

Investment Highlights

- No Rent Control – Month to Month leases
- Below market rents with opportunity to raise rents immediately.
- Strong rental market.
- Well maintained units.
- Great location and excellent curb appeal.

477 South El Molino Ave

Pasadena, CA 91101

Property Overview

Subject Property: 477 South El Molino Avenue
Pasadena, CA 91101

Sale Information

Offering Price: \$2,380,000

Offering Price PSF: \$368

Offering Price per unit: \$238,000

Property Information:

Assessor's Parcel Number: 5734-019-001

Lot Size: 13,206 SF

Building Area: 6,475 SF

Number of Units: 10 Total Units

Zoning: RM32-HL36

Parking: 9 car parking

Year Built: 1958



Property Photos

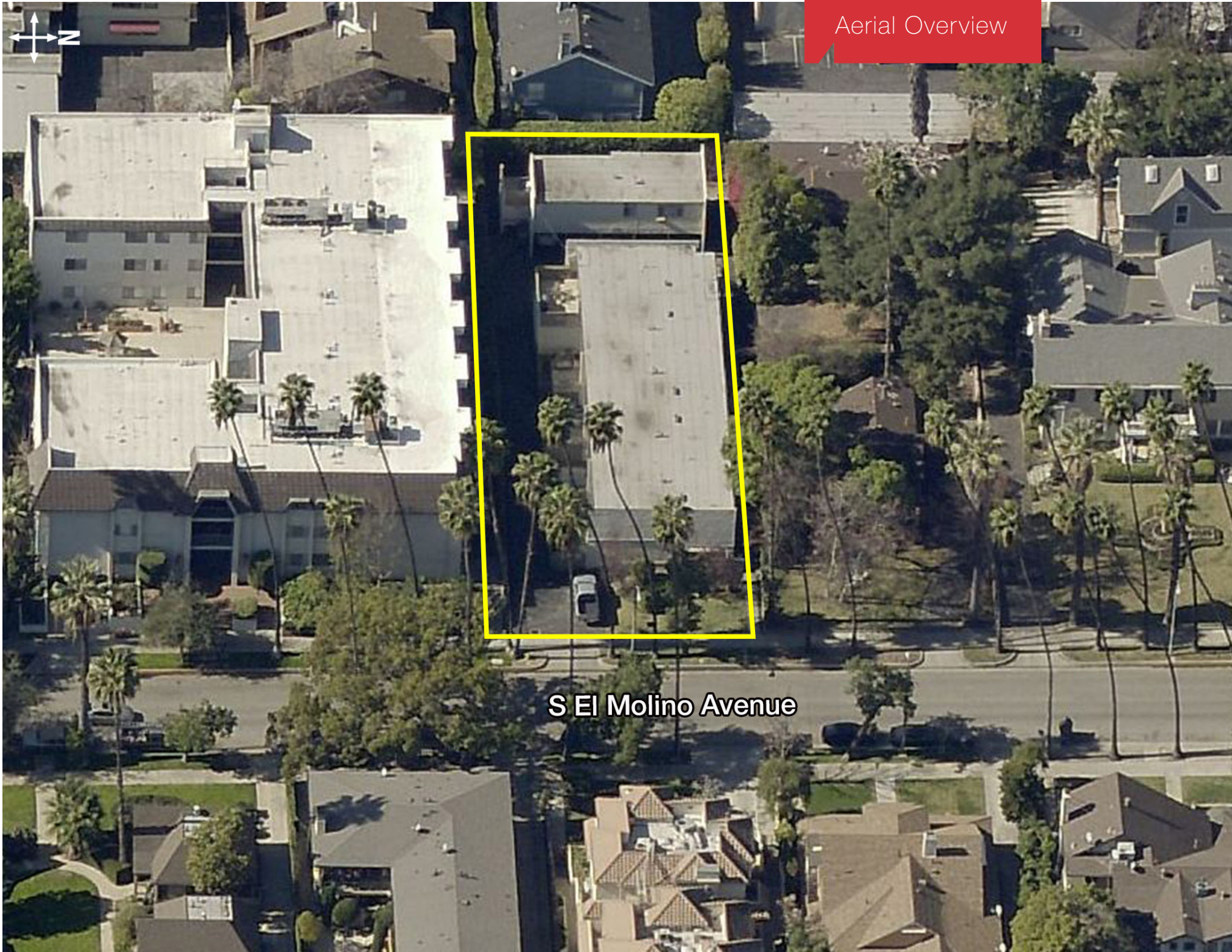


Property Photos

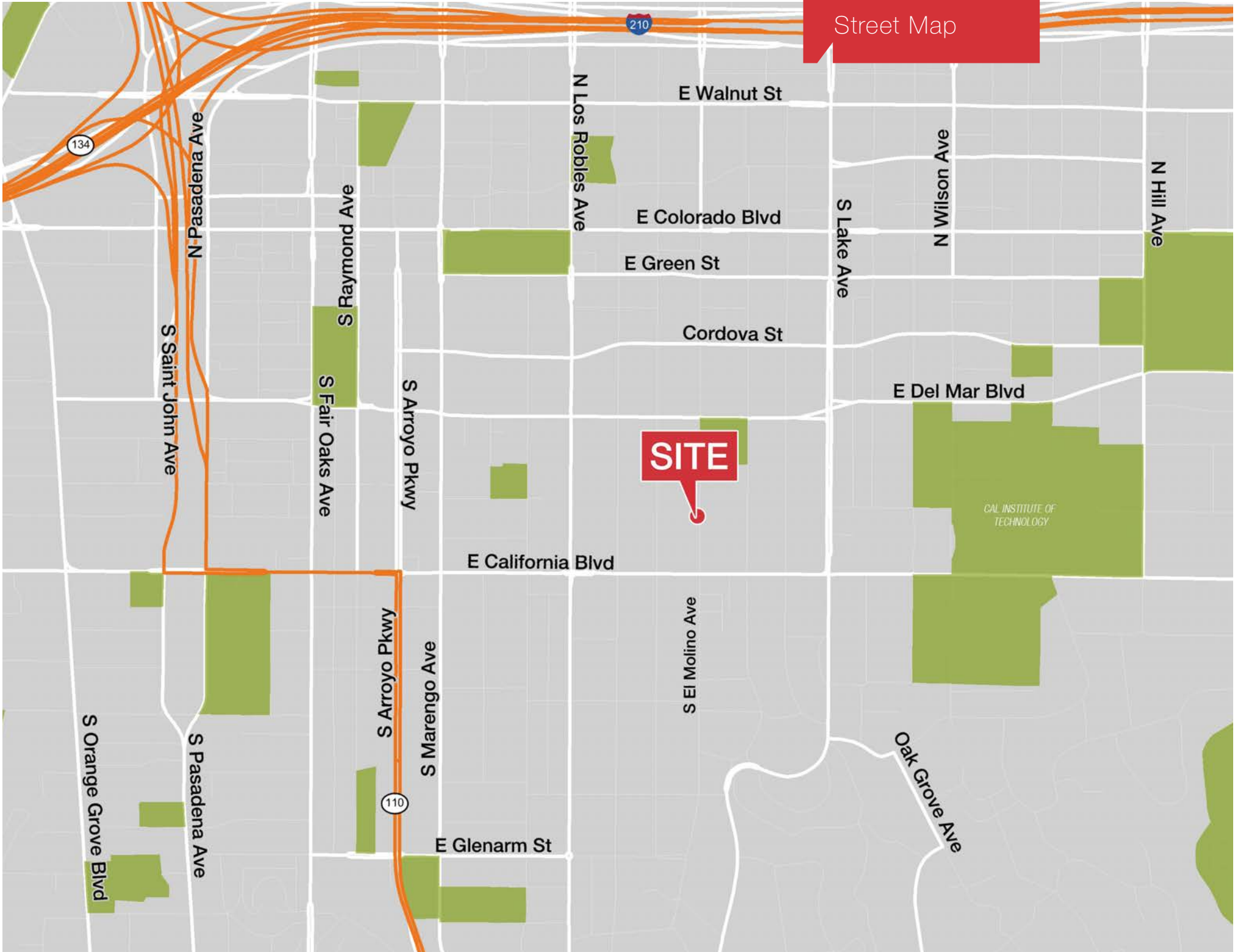


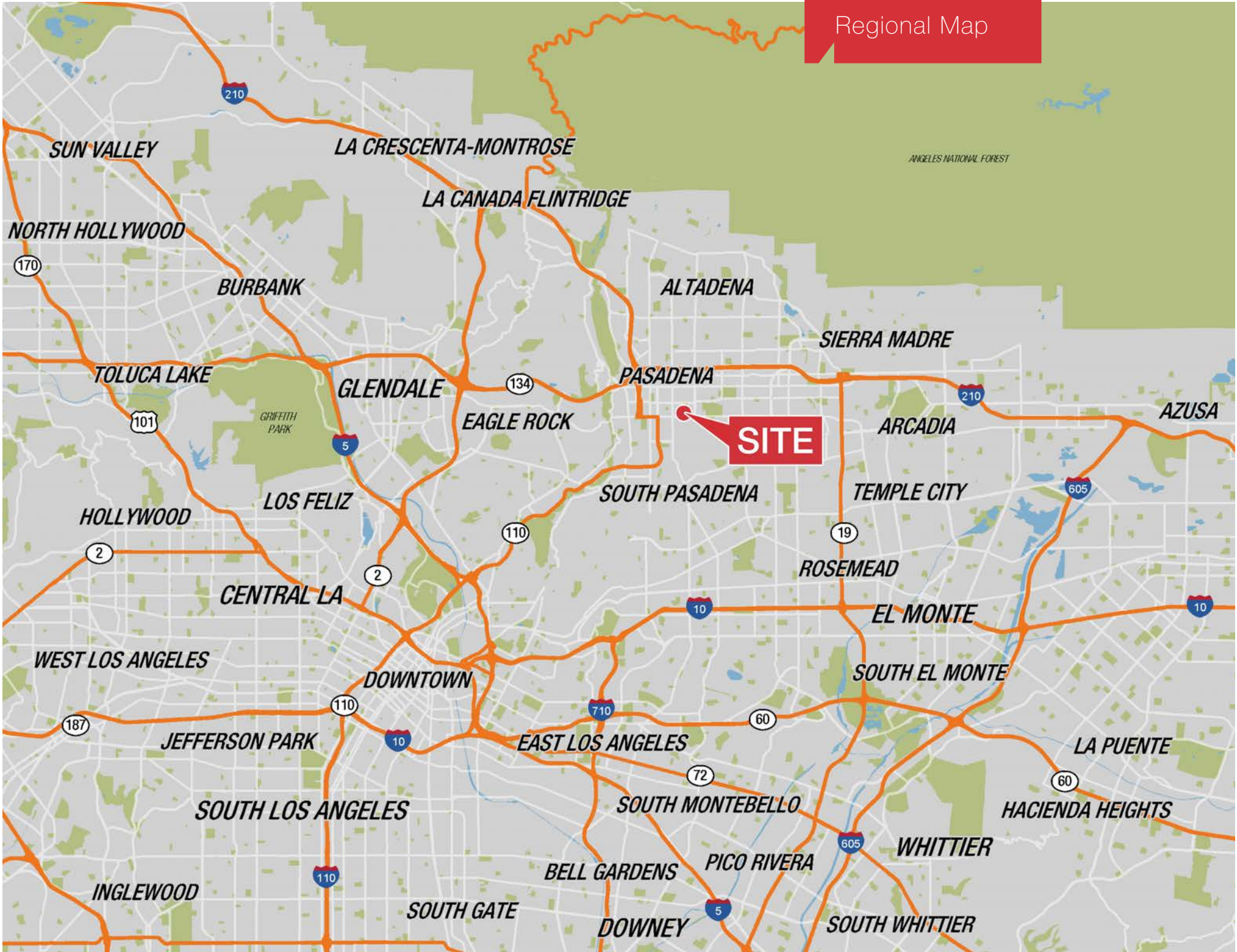


S El Molino Avenue

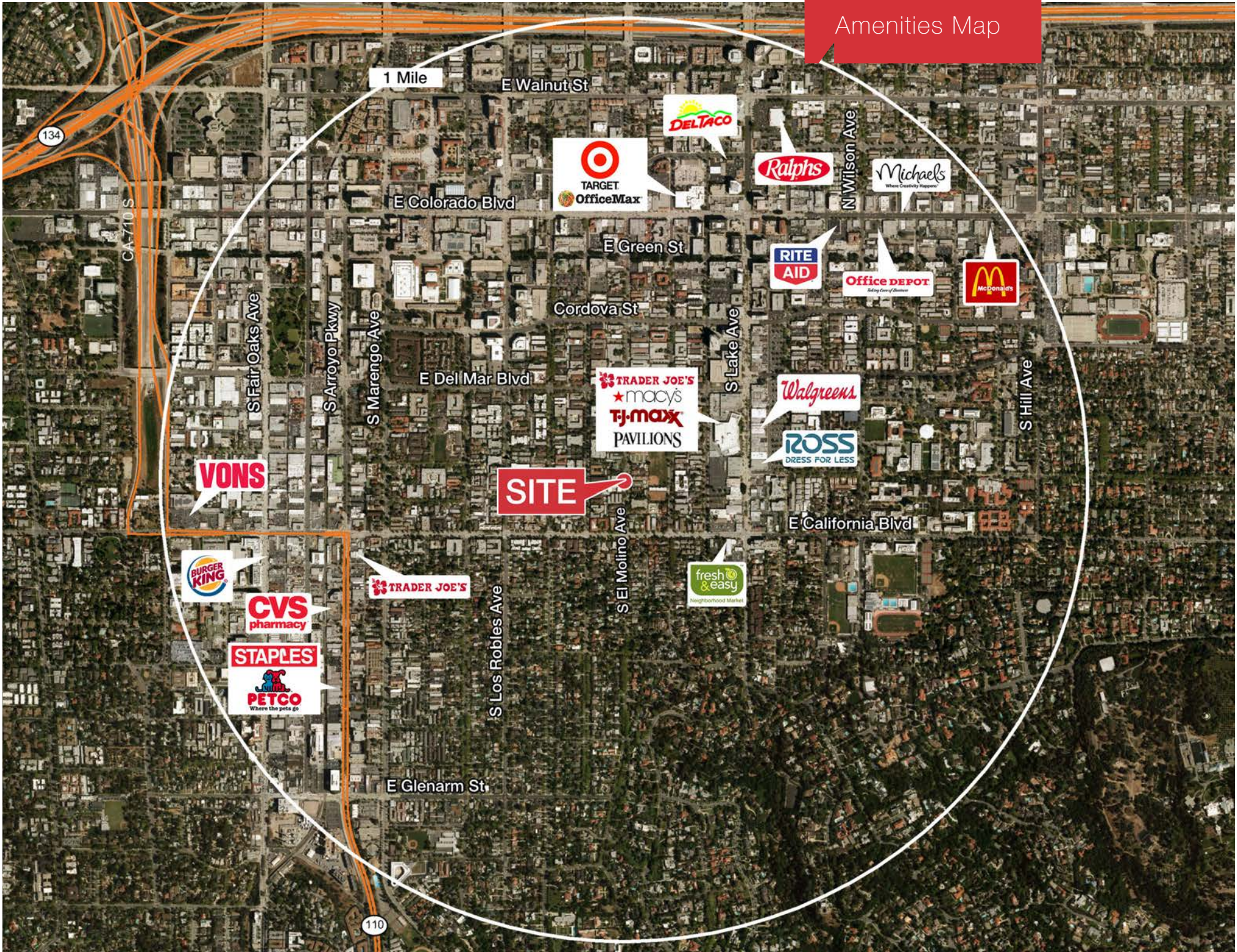


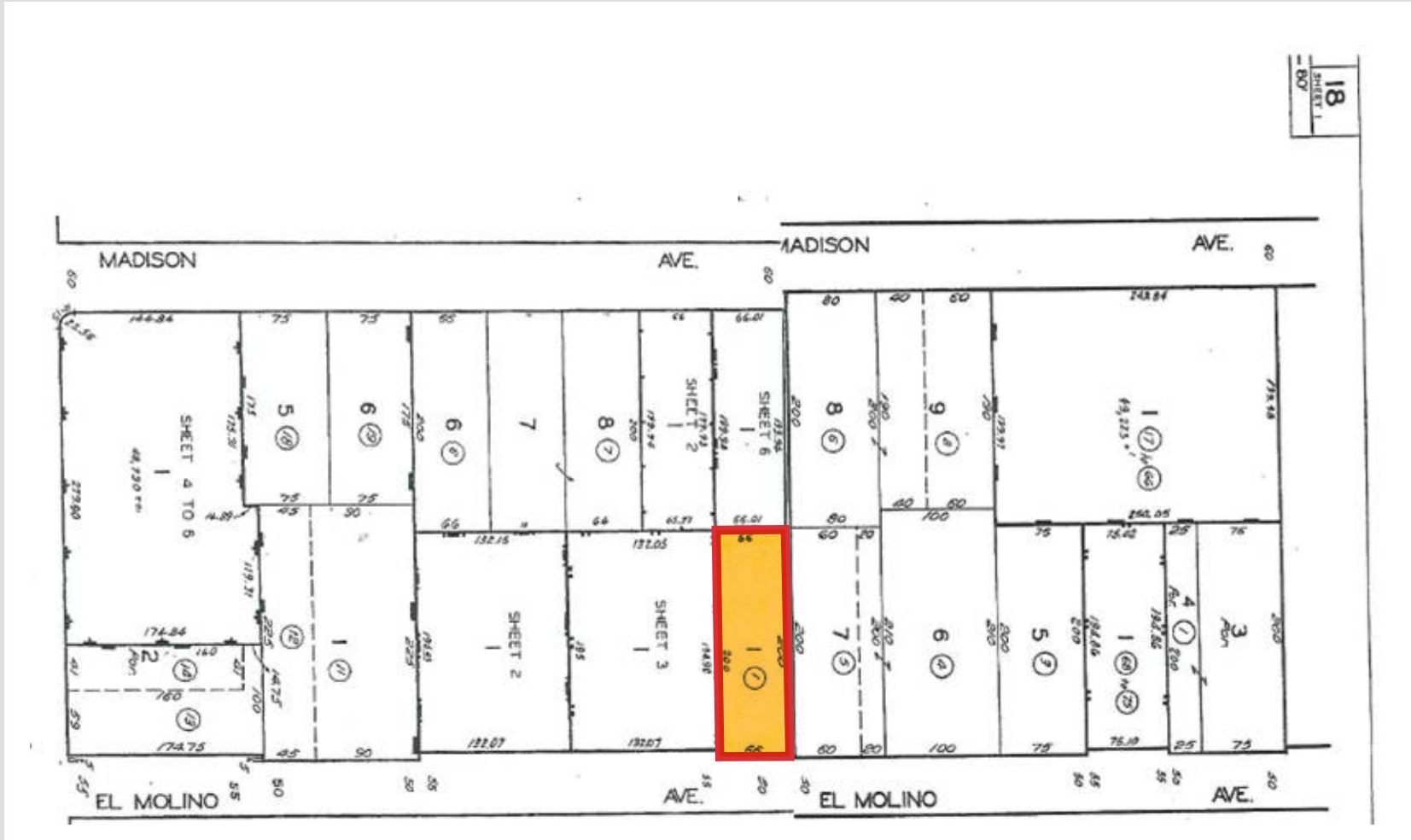
Street Map





Amenities Map





Property Information

Building Size SF	6475	Apartment	
Lot Size SF	13206		
Number of Units	10		
Year Built	1958		
Parcel(s)	5734-019-001		
Zoning	RM32		
Parking	9		

Offering

Price	\$2,380,000.00		
Price Per Unit	\$238,000.00		
Price Per SF	\$367.57		
CAP Rate	3.48%	Proforma CAP Rate	4.28%
GRM	17.36	Proforma GRM	15.13

Unit Mix & Rent Schedule

Units	Type	Current Rent	Proforma Rent
1	1br/1ba	\$1,100.00	\$1,265.00
2	1br/1ba	\$1,100.00	\$1,265.00
3	1br/1ba	\$1,150.00	\$1,265.00
4	1br/1ba	\$1,125.00	\$1,265.00
5	1br/1ba	\$1,100.00	\$1,265.00
6	1br/1ba	\$1,050.00	\$1,265.00
7	1br/1ba	\$1,100.00	\$1,265.00
8	1br/1ba	\$1,100.00	\$1,265.00
9	1br/1ba	\$1,100.00	\$1,265.00
10	2br/1ba	\$1,500.00	\$1,725.00
10 Units		\$11,425.00	\$13,110.00

Financial Analysis

		Current	Proforma
Gross Scheduled Income		\$137,100.00	\$157,320.00
Vacancy Factor	3.0%	\$4,113.00	\$4,719.60
Effective Gross Income		\$132,987.00	\$152,600.40
Total Operating Expenses		\$50,189.60	\$50,736.60
Net Operating Income		\$82,797.40	\$101,863.80

Proposed Financing

Downpayment		54%	\$1,280,000.00
Loan Amount			\$1,100,000.00
Interest Rate			2.87
Loan Type			3 year fixed
Annual Debt Service			\$54,731.00
Loan to Value			46%
Debt Coverage Ratio			1.51
Year 1 Net Cash Flow		2.19%	\$28,066.00
Year 1 Principal Reduction			\$23,468.00
Year 1 Cash-On-Cash Return		4.03%	\$51,534.00

Expenses

Operating Expenses			Current	Proforma
Tax Rate	1.342%	New Property Taxes	\$31,939.60	\$31,939.60
		Insurance	\$2,906.00	\$2,993.00
		Water	\$3,466.00	\$3,570.00
		Trash	\$2,368.00	\$2,439.00
		Gas	\$1,604.00	\$1,652.00
		Landscaping	\$1,500.00	\$1,545.00
		Repairs & Maintenance	\$6,406.00	\$6,598.00
Total Operating Expenses			\$50,189.60	\$50,736.60

477 South El Molino Ave

Pasadena, CA 91101

Rent Roll

Apt	Origin	Rent	Unit Type
1	8/8/2014	\$1,100	1br/1ba
2	6/12/2010	\$1,100	1br/1ba
3	2/1/2013	\$1,150	1br/1ba
4	8/1/2009	\$1,125	1br/1ba
5	5/2/2009	\$1,100	1br/1ba
6	4/1/2014	\$1,050	1br/1ba
7	6/28/2014	\$1,100	1br/1ba
8	1/1/2011	\$1,100	1br/1ba
9	8/15/2007	\$1,100	1br/1ba
10	10/20/2013	\$1,500	2br/1ba



City of Pasadena

The city of Pasadena was incorporated in 1886 and encompasses approximately 22.5 square miles, with an average of ten residents per acre. It is located at the base of the San Gabriel Mountains, just ten miles northeast of Downtown Los Angeles. It is bordered by seven cities, including: La Canada Flintridge, South Pasadena, Arcadia, Sierra Madre, San Marino, Glendale, Los Angeles and unincorporated Altadena.

Pasadena is in the fourth decade of an active revitalization of its urban core of retail, office and residential properties. Pasadena's approach emphasizes a balance between commercial growth and housing opportunities with an overall goal of improving the quality of life.

Pasadena is home to a variety of businesses, with major employers including: Jet Propulsion Laboratory (JPL), California Institute of Technology, Huntington Memorial Hospital, Bank of America, Kaiser Permanente, Pasadena Unified School District, Pasadena City College, City of Pasadena, SBC, and the Ralph M. Parsons Company.



Old Pasadena

As the centerpiece of the Tri-Cities, the City of Pasadena has a low cost of doing business, a pro-business regulatory environment, solid utility, communication and transportation infrastructure.

The city has emerged as the as the retail and entertainment capital of the east San Fernando and San Gabriel Valley.

Old Pasadena is nationally recognized for its vibrant main street revitalization. Old Pasadena offers memorable architecture and reflects the traditions of early California, blending in a cultivated collection of shopping, delectable dining and endless entertainment.

The historic streets and alleyways, rustic brick façades and architectural accents of Pasadena's original business district are alive again with open-air eateries, specialty boutiques, galleries, theaters, antique shops—a skillful blend of old and new that has reclaimed the heritage of Pasadena's early downtown charm.

Transportation & Access

Regional access to the city is primarily from the Foothill (210) Freeway, which runs in an east-west direction approximately one-third mile south of the subject property, the Ventura (134) Freeway, which runs in an east-west direction approximately one and one-half miles west of the subject property, and the Pasadena (110) Freeway, which runs in a north-south direction approximately two and one-half miles southwest of the subject property. These freeways provide direct access to other major interstates serving the Southern California region, including the Golden State (5) Freeway and the Glendale (2) Freeway to the west, the San Bernardino (10) Freeway and the Long Beach (710) Freeway to the south, and the San Gabriel River (605) Freeway to the east.

The city of Pasadena is centrally located to major forms of transportation, including the Burbank/Bob Hope Airport which is 15 miles northwest, the Los Angeles International Airport which is 30 miles southwest, and the Ontario International Airport which is 35 miles east.

477 South El Molino Ave

Pasadena, CA 91101

Market Overview – Demographics (1 Mile Radius)

Summary	Census 2010		2014		2019	
Population	27,790		28,859		29,949	
Households	14,980		15,531		16,146	
Families	5,559		5,805		6,058	
Average Household Size	1.77		1.78		1.78	
Owner Occupied Housing Units	4,262		4,169		4,246	
Renter Occupied Housing Units	10,718		11,362		11,900	
Median Age	34.6		36.3		36.6	
Trends: 2014 - 2019 Annual Rate	Area		State		National	
Population	0.74%		0.77%		0.73%	
Households	0.78%		0.77%		0.75%	
Families	0.86%		0.77%		0.66%	
Owner HHs	0.37%		0.63%		0.69%	
Median Household Income	3.59%		3.13%		2.74%	
Households by Income	2014				2019	
	Number		Percent		Number	Percent
<\$15,000	2,387		15.4%		2,178	13.5%
\$15,000 - \$24,999	1,132		7.3%		816	5.1%
\$25,000 - \$34,999	1,161		7.5%		913	5.7%
\$35,000 - \$49,999	1,491		9.6%		1,489	9.2%
\$50,000 - \$74,999	2,336		15.0%		2,317	14.4%
\$75,000 - \$99,999	2,228		14.3%		2,546	15.8%
\$100,000 - \$149,999	2,499		16.1%		2,939	18.2%
\$150,000 - \$199,999	994		6.4%		1,311	8.1%
\$200,000+	1,305		8.4%		1,637	10.1%
Median Household Income			\$65,101		\$77,665	
Average Household Income			\$88,995		\$104,683	
Per Capita Income			\$48,698		\$57,397	
Population by Age	Census 2010		2014		2019	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	1,327	4.8%	1,274	4.4%	1,287	4.3%
5 - 9	711	2.6%	1,012	3.5%	990	3.3%
10 - 14	561	2.0%	673	2.3%	869	2.9%
15 - 19	1,056	3.8%	1,085	3.8%	1,134	3.8%
20 - 24	2,406	8.7%	2,536	8.8%	2,782	9.3%
25 - 34	8,107	29.2%	7,116	24.7%	7,006	23.4%
35 - 44	4,523	16.3%	5,144	17.8%	5,061	16.9%
45 - 54	3,168	11.4%	3,414	11.8%	3,427	11.4%
55 - 64	2,678	9.6%	2,860	9.9%	3,123	10.4%
65 - 74	1,647	5.9%	2,062	7.1%	2,338	7.8%
75 - 84	1,054	3.8%	1,071	3.7%	1,288	4.3%
85+	554	2.0%	613	2.1%	644	2.2%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2014 and 2019.

1 47-49 N Craig Ave **SOLD**

Pasadena, CA 91107		Los Angeles County	
Recorded Buyer: BBV Properties LLC	3203 Muscatel Ave	Recorded Seller: KKMD, LLC	1745 Westhaven Rd
	Rosemead, CA 91770		San Marino, CA 91108
True Buyer: Kevin Voong		True Seller: David T Swarts	



Map Page: Thomas Bros. Guide 566-D4

Sale Date: 07/08/2014	Bldg Type: Class C Multi-Family Apartments
Sale Price: \$2,360,000 - Confirmed	Year Built/Age: Built 1954 Age: 60
Price/SF: \$401.91	GBA: 5,872 SF
Price/Unit: \$295,000	# of Units: 8
PrFrma Cap Rate: -	Zoning: RM-32, Pasadena
Actual Cap Rate: 3.34%	Sale Conditions: 1031 Exchange
GRM/GIM: 17.92/-	
Parcel No: 5746-009-044	
Financing: Down payment of \$1,170,000 (49.6%); \$1,190,000 from East West Bank	
Comp ID: 3070511 – Research Status: Confirmed	

2 95 Hurlbut St **SOLD**

Pasadena, CA 91105		Los Angeles County	
Recorded Buyer: Pasadena Hurlbut Apartments LI		Recorded Seller: Richard B Sprenkle 2005 Trust	10880 Wilshire Blvd
			Los Angeles, CA 90024
			(310) 470-4883
True Buyer: Gerald Fishbein		True Seller: Richard B Sprenkle 2005 Trust	



Sale Date: 03/19/2014	Bldg Type: Class C Multi-Family Apartments
Sale Price: \$2,750,000 - Confirmed	Year Built/Age: Built 1960 Age: 54
Price/SF: \$382.90	GBA: 7,182 SF
Price/Unit: \$250,000	# of Units: 11
PrFrma Cap Rate: -	Zoning: PSR3
GRM/GIM: -	
Parcel No: 5719-024-028	
Financing: Down payment of \$2,750,000 (100.0%)	
Comp ID: 2995801 – Research Status: Confirmed	

3 112 Mar Vista Ave

SOLD

Pasadena, CA 91106

Los Angeles County

Recorded Buyer: **Glenn H Weissman Living Trust**
 320 Sycamore Ln
 Bradbury, CA 91008
 (626) 358-6777

Recorded Seller: **Delong Family Trust**
 2955 E Los Cerillos Dr
 West Covina, CA 91791

True Buyer: **Glenn & Lorraine Weissman**

True Seller: **Paul R & Mary A Delong**



Sale Date: 07/01/2014	Bldg Type: Class C Multi-Family Apartments
Sale Price: \$2,125,000 - Full Value	Year Built/Age: Built 1959 Age: 55
Price/SF: \$307.08	GBA: 6,920 SF
Price/Unit: \$212,500	# of Units: 10
PrFrma Cap Rate: -	Zoning: R4
GRM/GIM: -	
Parcel No: 5738-013-030	
Financing: -	
Comp ID: 3064842 – Research Status: Full Value	

4 31 Parkwood Ave

SOLD

Pasadena, CA 91107

Los Angeles County

Recorded Buyer: **EWV Properties LLC**
 1215 Saint Albans Rd
 San Marino, CA 91108

Recorded Seller: **Kwei Shiao**

Recorded Buyer: **-**

Recorded Seller: **Lindon Shiao**
 1070 Lorain Rd
 San Marino, CA 91108
 (626) 308-2006

True Buyer: **Shu Hui Wang**
 1215 St Albans Rd
 San Marino, CA 91108
 (909) 393-5649
 Shu Wang

True Seller: **Lindon Shiao**
 1070 Lorain Rd
 San Marino, CA 91108
 (626) 308-2006
 Lindon Shiao



Sale Date: 04/07/2014 (662 days on mkt)	Bldg Type: Class C Multi-Family Apartments
Sale Price: \$2,945,000 - Full Value	Year Built/Age: Built 1958 Age: 56
Price/SF: \$553.36	GBA: 5,322 SF
Price/Unit: \$368,125	# of Units: 8
PrFrma Cap Rate: -	Zoning: R3
GRM/GIM: -	
Parcel No: 5746-017-030, 5746-017-092	
Financing: -	
Comp ID: 3000931 – Research Status: Full Value	

5 145 S Sierra Madre Blvd

SOLD

Pasadena, CA 91107

Los Angeles County

Recorded Buyer: **Jujung Juliana Lano Utomo**
 1055 Winston Ave
 San Marino, CA 91108

Recorded Seller: **Sj Dev Lic**

True Buyer: **Jujung Juliana Lano Utomo**

True Seller: **Chunglee Kao**



Sale Date: 04/17/2014 (132 days on mkt)	Bldg Type: Class C Multi-Family Apartments
Sale Price: \$2,000,800 - Confirmed	Year Built/Age: Built 1900 Age: 114
Price/SF: \$416.83	GBA: 4,800 SF
Price/Unit: \$250,100	# of Units: 8
PrFrma Cap Rate: -	Zoning: R3, Pasadena
Actual Cap Rate: 5.60%	Sale Conditions: -
GRM/GIM: -	
Parcel No: 5747-004-037	
Financing: Down payment of \$1,100,800 (55.0%); \$900,000 from East West Bk	
Comp ID: 3011123 – Research Status: Confirmed	

477 South El Molino Ave

Pasadena, CA 91101

Sale Comparables

1	47-49 N Craig Ave
2	95 Hurlbut St
3	112 Mar Vista Ave
4	31 Parkwood Ave
5	145 S Sierra Madre Blvd



NAI Capital (Scott Wilcott Jr.) and Coldwell Banker (Brent Chang) have been retained by the Seller as the exclusive broker for this investment opportunity.

This Offering Memorandum has been prepared by Broker for use by the principal ("Principal") to whom Broker has provided this Offering Memorandum. The use of this Offering Memorandum and the information provided herein is subject to the terms, provisions and limitations of the Confidentiality Agreement furnished by Broker and executed by Principal prior to delivery of this Offering Memorandum. Although the information contained herein is based upon sources believed to be reasonably reliable, Owner and Broker, on their own behalf, and on behalf of their respective officers, employees, shareholders, partners, directors, members and affiliates, disclaim any responsibility or liability for inaccuracies, representations and warranties (expressed or implied) contained in, or omitted from, the Offering Memorandum or any other written or oral communication or information transmitted or made available to the recipient

of this Offering Memorandum. In amplification of and without limiting the foregoing, summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents but rather only outlines of some of the principal provisions contained therein, and no representations or warranties are made as to the completeness and/or accuracy of the projections contained herein. Prospective purchasers of the Property should make their own investigations and conclusions without reliance upon this Offering Memorandum, the information contained herein or any other written or oral communication or information transmitted or made available. Additional information and an opportunity to inspect the Property will be made available upon written request by interested and qualified prospective purchasers.

Owner expressly reserves the right, exercisable in Owner's sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Owner and Broker each

expressly reserves the right, exercisable in their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time with or without notice. Broker is not authorized to make any representations or agreements on behalf of Owner. Owner shall not have any legal commitment or obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed, delivered and approved by Owner and the other party thereto and any conditions to Owner's obligations hereunder have been satisfied or waived. If you have no interest in the Property at this time, return this Offering Memorandum immediately to:

NAI Capital
225 South Lake Avenue, Suite 1170
Pasadena, CA 91101

tel: +1 626 564 4800
fax: +1 626 564 4846
www.naicapital.com

Exclusively Listed by:

Brent Chang
Coldwell Banker San Marino
626-685-5236
brent@brentchang.com
BRE Lic. #01822562

Scott Wilcott Jr., CCIM
NAI Capital, Inc
626-204-1500
swilcott@naicapital.com
BRE Lic. #01214447

