

Offering Memorandum

11300 ACACIA AVE
HAWTHORNE, CA 90304

\$1,395,000



[Virtual Tour](#)

BRETT LYON

(310) 780-1899
BRETT@LYONSTAHL.COM
BRE - 01717818

WOODY STAHL

(310) 710-3829
WOODYI@LYONSTAHL.COM
BRE - 01399621

5-UNIT IN CLOSE PROXIMITY TO
THE SOFI STADIUM

LYON STAHL
INVESTMENT REAL ESTATE

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Property Overview

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Property Overview

11300 ACACIA AVE
HAWTHORNE, CA 90304



Property Summary

Price \$1,395,000

Address 11300 Acacia Ave

City, State, Zip Hawthorne

County Los Angeles

Year Built 1961

Number Of Units 5

Building Size 5,204 SF

Lot Size 6,757 SF

Cap Rate 3.85%

Pro Forma Cap Rate 5.56%

Grm 14.92

Pro Forma Grm 11.76

Price / Bldg Sf \$268.06

Price / Lot Sf \$206.45



Property Overview

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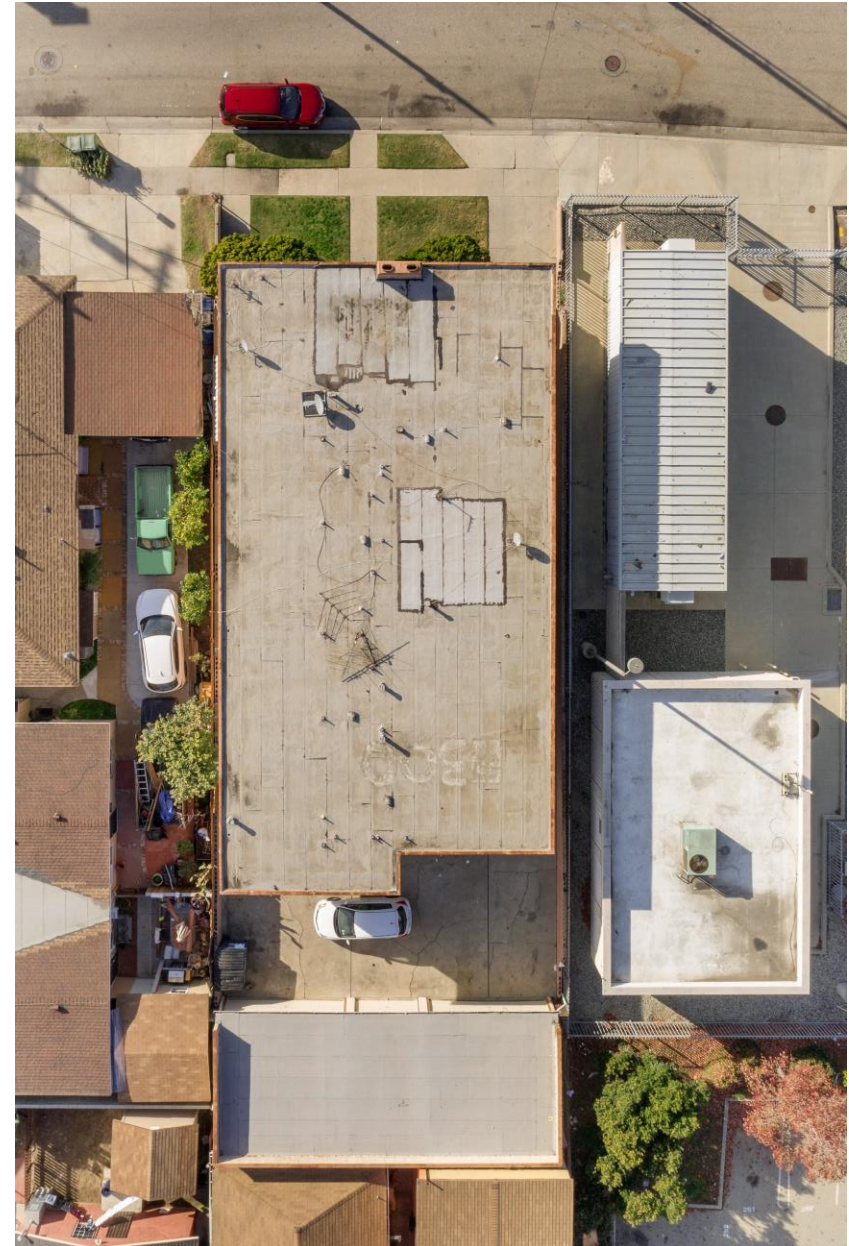
11300 Acacia Ave, Hawthorne 90304

- 5-Unit | \$ 1,395,000

- ***Ideal Unit Mix Consisting of (1) 3-Bed/2-Bath, (3) 2-Bed/1-Bath & (1) 1-Bed/1-Bath Unit***
- ***Parking: (2) Two-Car Garages & (1) One-Car Garage + Additional Driveway Space***
- ***5,204 SF Building Situated on a 6,757 SF Lot***
- ***Over 25% in Upside Market Rent Potential | 5.56% Market CAP***
- ***Last Vacancy Was in 2016***
- ***Owner Has Committed to Replacing the Roof Prior to Close of Escrow***
- ***Professionally Managed by Premier Properties for the Last 20 Years***
- ***Located Approximately 1.8 Miles to the Entrance of the New \$5B Sofi Stadium and Hollywood Park Entertainment Complex***

Lyon | Stahl Investment Real Estate is pleased to present 11300 Acacia Ave, a 5-unit located steps from the Hawthorne / Lennox light rail station. The five total units consist of 5,204 SF in living space situated on a 6,757 SF parcel of land. 11300 Acacia Ave offers a great unit mix consisting of (1) 3-Bed/2-Bath, (3) 2-Bed/1-Bath & (1) 1-Bed/1-Bath Unit. The property was built in 1961 and features (2) two-car garages & (1) one-car garage plus additional driveway space.

Given the property's ideal location, strong unit mix, and significant upside rent potential, 11300 Acacia Ave is an excellent investment opportunity for any investor seeking growth, stability, and a hedge against inflation.



Financial Overview

11300 ACACIA AVE
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Financial Overview

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Price **\$1,395,000**

Property Summary

ADDRESS	11300 ACACIA AVE, HAWTHORNE 90301	YEAR BUILT	1961
DOWN PAYMENT	40% (\$558,000)	PARKING	5 Garage Spots
NUMBER OF UNITS	5	CURRENT NOI	\$93,516
COST PER UNIT	\$279,000	PRO FORMA NOI	\$118,620
LOT SIZE	6,757 SF	CURRENT CAP RATE	3.85%
GROSS RENTABLE SF	5,204 SF	PRO FORMA CAP RATE	5.56%
PRICE PER BLDG SF	\$268.06	CURRENT GRM	14.92
PRICE PER LAND SF	\$206.45	PRO FORMA GRM	11.76

Proposed Financing

LOAN AMOUNT	\$837,000	LOAN-TO-VALUE	40%
DOWN PAYMENT	\$558,000	AMORTIZATION	30-YEAR
INTEREST RATE	3.850%	LOAN TERM	5-YEAR FIXED
MONTHLY PAYMENT	\$3,924	PROPOSED/EXISTING	PROPOSED
ANNUAL PAYMENT	\$47,087.10	DEBT COVERAGE RATION (DCR)	1.14

Financial Overview

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Annualized Operating Data

	CURRENT ACTUALS		PRO FORMA RENT	
GROSS SCHEDULED INCOME	\$93,516		\$118,620	
VACANY RATE RESERVE	\$4,676	5%	\$5,931	5%
GROSS OPERATING INCOME	\$88,840		\$112,689	
EXPENSES	\$35,101	38%	\$35,101	30%
NET OPERATING INCOME	\$53,739		\$77,588	
LOAN PAYMENTS	\$47,087		\$47,087	
PRE TAX CASH FLOWS	\$(6,652)	1.19%	\$30,501	5.47%
PRINCIPAL REDUCTION	\$15,128		\$15,128	
TOTAL RETURN BEFORE TAXES	\$21,780	3.90%	\$45,628	8.18%

Scheduled Income

	CURRENT	MARKET
TOTAL SCHEDULED RENT	\$7,793	\$9,885
LAUNDRY	\$0	\$0
GARAGES	\$0	\$0
MONTHLY SCHEDULED GROSS INCOME	\$7,793	\$9,885
ANNUALIZED SCHEDULED GROSS INCOME	\$93,516	\$118,620
UTILITIES PAID BY TENANT	Gas & Electric	Gas & Electric

Expense Summary

*ESTIMATED	
NEW TAXES (REAL)	\$20,338
MAINTENANCE (3%)	\$2,805
INSURANCE	\$2,082
UTILITIES (\$800/unit/year)	\$4,000
LANDSCAPING (\$100/mo)	\$1,200
PROPERTY MANAGEMENT (5%)	\$4,676
TOTAL EXPENSES	\$35,101
EXPENSES AS %/SGI	37.53
EXPENSE PER SF	\$5.19
EXPENSE PER UNIT	\$7,020

* This information has been secured from sources we believe to be reliable but representations, or warranties, expressed or implied, as to the accuracy of the references to square footage, land lines/boundaries and age are approximate. Buyer takes responsibility for all information and bears all risk for any inaccuracies.

Rent Roll

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Unit #	Unit Type	Actual Rent	Market Rent	Notes
1	3+2	\$1,999	\$2,750	
1	2+1	\$1,640	\$1,895	
1	2+1	\$1,254	\$1,895	
1	2+1	\$1,590	\$1,895	
1	1+1	\$1,310	\$1,450	
MONTHLY TOTALS		\$7,793	\$9,885	
ANNUALIZED TOTALS		\$93,516	\$118,620	

Loan Quotes

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Loan Options	Option 1 3-Year Fixed	Option 2 5-Year Fixed	Option 3 7-Year Fixed	Option 4 Bridge-ARM
Purchase Price	\$1,395,000	\$1,395,000	\$1,395,000	\$1,395,000
Loan Amount	\$760,000	\$750,000	\$715,000	\$930,000
Down Payment	\$635,000	\$645,000	\$680,000	\$465,000
Loan-to-Value	54%	54%	51%	67%
Debt Coverage Ratio (DCR)	1.20	1.20	1.20	1.25
Current Interest Rate	3.25%	3.35%	3.75%	4.75%
Index	3 Year CMT	5 Year CMT	7 Year CMT	N/A
Margin	2.75%	2.75%	2.75%	N/A
Floor / Ceiling	3.25% / 8.25%	3.35% / 8.35%	3.75% / 8.75%	N/A
Loan Term	10	10	10	12 Months
Amortization in Years	30	30	30	Interest-Only
Monthly Payment	\$3,308	\$3,305	\$3,311	\$3,681
Recourse	Yes	Yes	Yes	Yes
Impounds	No	No	No	No
Pre-Payment Penalty	Years 1-2	Years 1-4	Years 1-6	None
	2-1%	3-3-2-1%	4-3-3-2-2-1%	None
Loan Fee	1%	1%	1%	1.25%
Estimated Costs:				
Appraisal/Due Diligence	\$4,500	\$4,500	\$4,500	\$6,500
Closing/Processing/Underwriting	Included Above	Included Above	Included Above	Included Above

*Option 4: 12 months interest-only with one 6 month extension for .25 bps per extension

Alternative fixed and adjustable rate options may be available upon request
Quote subject to satisfactory lender review of rent roll, I & E, property condition, and borrower's financials

Rates and programs are subject to change without notice

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Property Photography

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Property Photography

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Comparables

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Sold Comparables

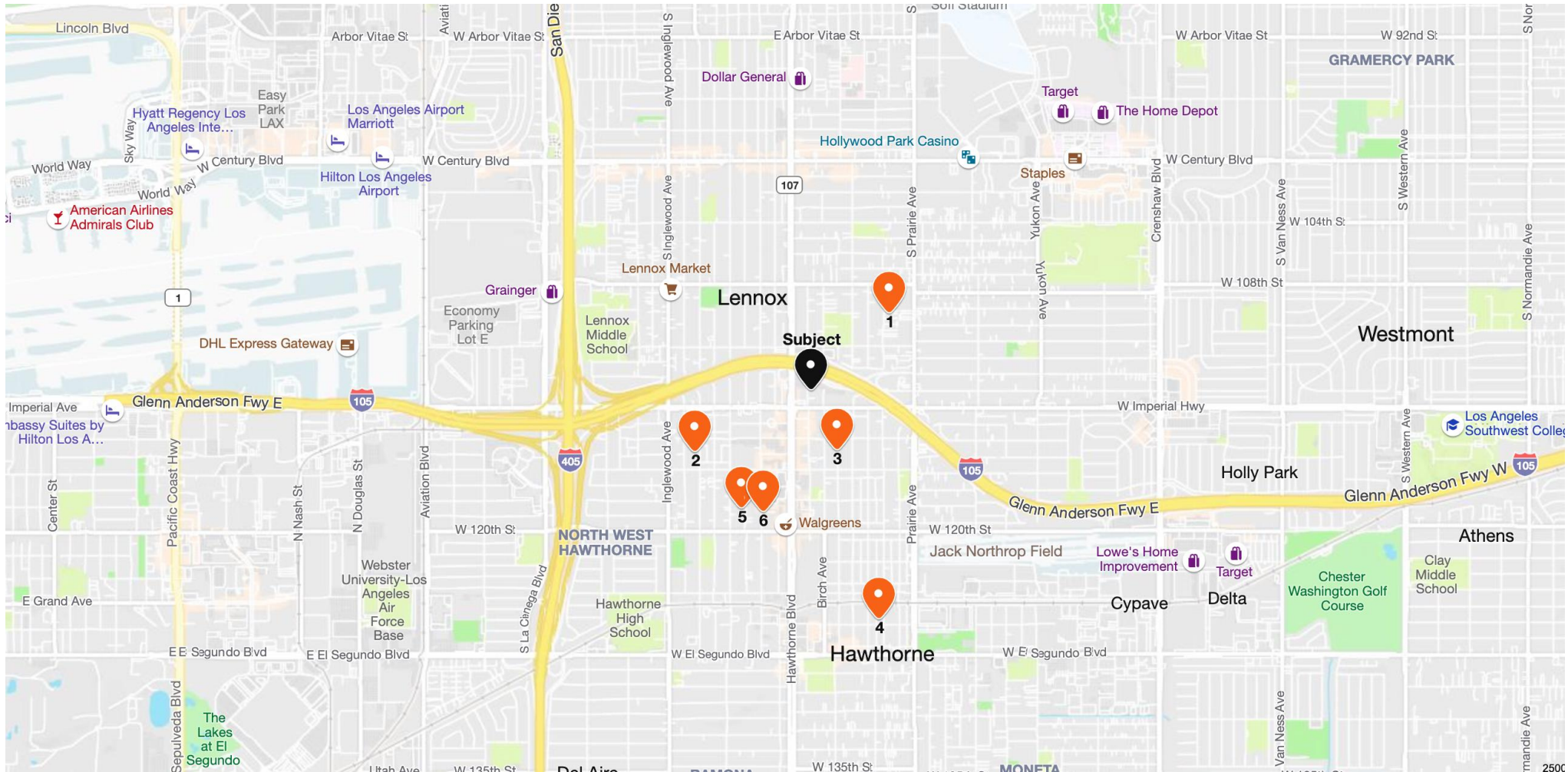
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	Address	Price	Units	Year Built	Building Size	Price/Unit	Price/SF	CAP Rate	GRM	Sale Date
1	10920 S Osage, Hawthorne, CA	\$3,050,000	12	1959	10,041 SF	\$254,166	\$255.54	4.75%	14.96	12/31/2020
2	11637 Eucalyptus AV, Hawthorne, CA	\$2,125,000	8	1963	8,708 SF	\$265,625	\$244.03	4.52%	14.30	5/20/2020
3	11626 Cedar Av, Hawthorne, CA	\$1,533,750	6	1963	5,926 SF	\$255,625	\$258.82	3.53%	19.24	01/31/2020
4	12535 Oxford Av, Hawthorne, CA	\$1,700,000	6	1963	5,264 SF	\$283,333	\$322.94	4.40%	13.75	0/17/2019
5	11921 Manor Dr, Hawthorne, CA	\$4,050,000	18	1964	5,084 SF	\$284,375	\$279.68	4.75%	12.29	11/01/2019
6	11936 Grevillea Av, Hawthorne, CA	\$1,590,000	7	1962	5,971 SF	\$227,142	\$266.29	4.73%	12.72	03/11/2020
	Averages	\$2,341,458	10	1962	6,832 SF	\$261,711	\$271.06	4.45%	14.54	03/11/2020
*	11300 Acacia Ave Hawthorne, CA	\$1,395,000	5	1961	5,204 SF	\$279,000	\$268.06	3.85%	14.92	ACTIVE

Sold Comparables Map

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Lease Comparables

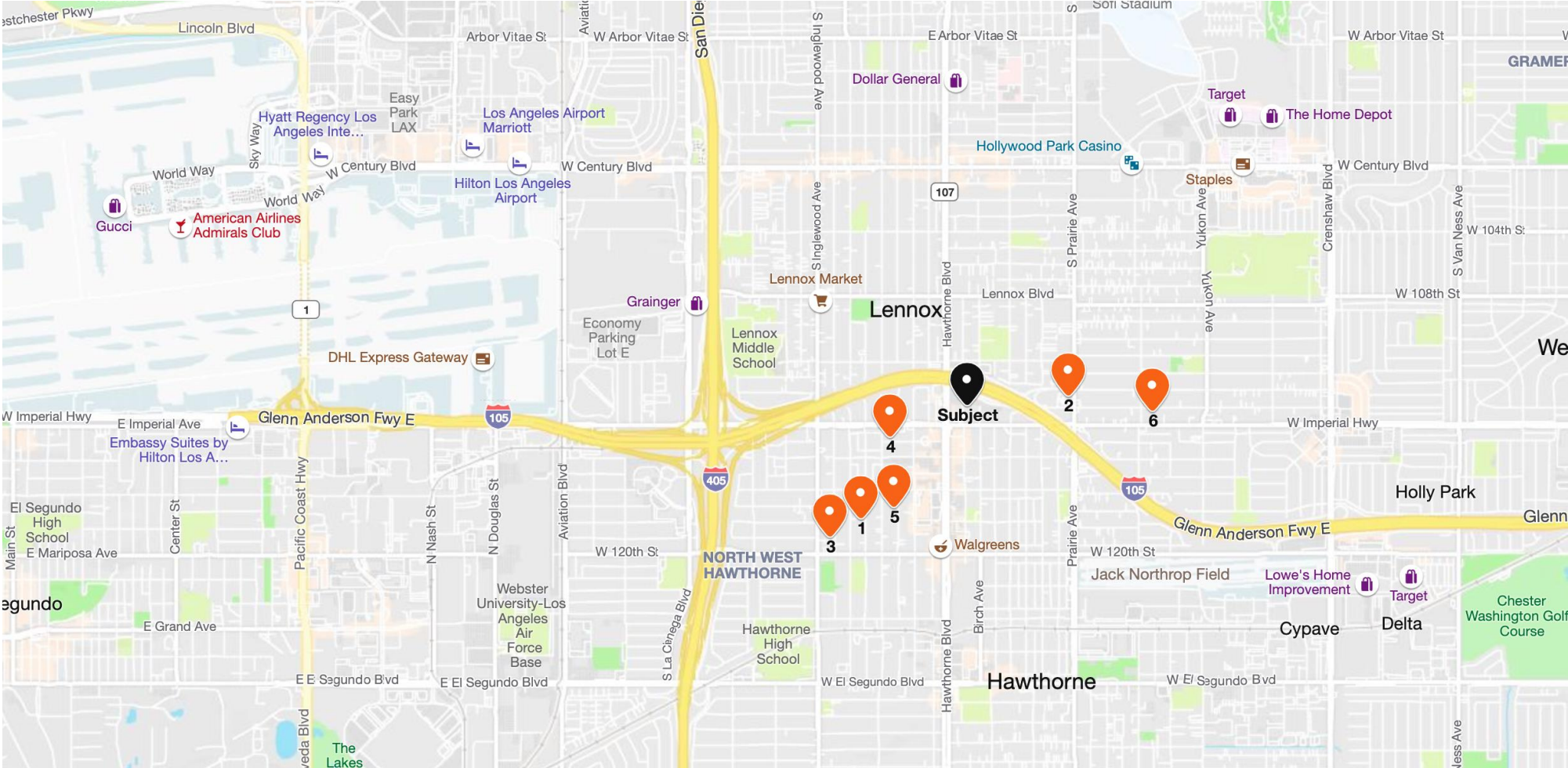
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	Address	Date Leased	Unit Type	Unit Size	Rental Rate
1	11893 Truro Ave, Hawthorne, CA 90250	Aug 2019	1 Bed/ 1 Bath	675	\$1,495
2	11207 Prairie Ave, Inglewood, CA 90304	Aug 2019	1 Bed/ 1 Bath	450	\$1,450
3	11941 Gale Ave, Hawthorne, CA 90250	Mar 2020	2 Bed/ 1.5 Bath	1,236	\$1,900
4	4575 W 115th St, Inglewood, CA 90304	Feb 2020	2 Bed/ 2 Bath	800	\$1,900
5	11853 Manor Dr, Hawthorne, CA 90250	Apr 2020	3 Bed/ 1 Bath	1,000	\$2,700
6	3734 W 113th St, Inglewood, CA 90303	Mar 2020	3 Bed/ 1.5 Bath	1,200	\$2,975
Averages		Dec 2019	2 Bed / 1.5 B	1200SF	\$2,070
*	11300 Acacia Ave Hawthorne, CA 90301	N/A	3 Bed/2 Bath 2 Bed/1 Bath 1 Bed/ 1 Bath	1,164 SF 1,040 SF 850 SF	\$1,999 \$1,640 \$1,310

Lease Comparables Map

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On-Market Comparables

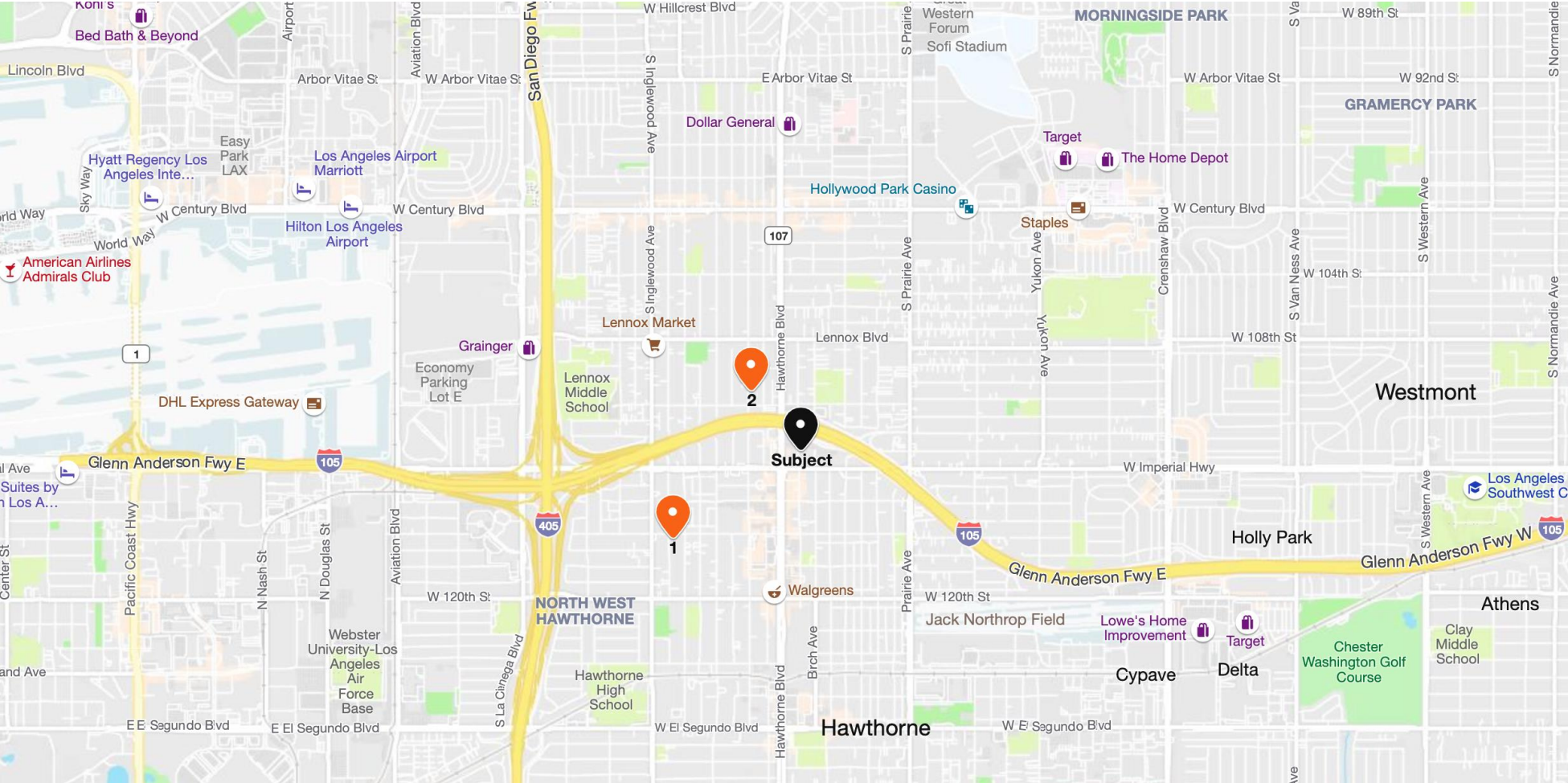
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	Address	Price	Units	Year Built	Building Size	Price/Unit	Price/SF	CAP Rate	GRM	List date
1	4730 W 118 th ST Hawthorne, CA	\$1,650,000	5	1963	4,584	\$330,000	\$359.95	5.24%	13.08	11/10/2020
2	11022 S Grevillea AV Inglewood, CA	\$1,935,000	10	1988	8,118	\$193,500	\$501.87	3.80%	15.79	11/10/2020
	Averages	\$1,792,500	8	1976	6,351	\$261,750	\$430.91	4.52%	14.44	11/10/2020
*	11300 Acacia Ave, Hawthorne, CA	\$1,395,000	5	1961	5,204 SF	\$279,000	\$268.06	4.06%	14.92	

On-Market Comparables Map

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Disclaimer & Confidentiality Agreement



The information contained in this Offering Memorandum (“Memorandum”) is proprietary and strictly confidential; it is intended to be reviewed only by the party receiving it from Broker and should not be made available to anyone else without the written consent of Broker. By retention or use of this Memorandum, you agree that its contents are confidential, that you will hold it in the strictest confidence, and that you will not disclose any of its contents contrary to these terms.

This Memorandum has been prepared to provide summary, unverified information to establish a preliminary level of interest in the subject property (“Property”). The information in this Memorandum has been obtained from sources Broker believes to be reliable; however, Broker has not conducted sufficient investigation to make any warranty or representation whatsoever including but not limited to the accuracy or completeness of the information, veracity or accuracy of the information, condition of the Property or its compliance or lack of compliance with applicable governmental requirements, developability, suitability or financial performance of the Property, income or expenses for the Property, the size and square footage of the Property and improvements, the presence or absence of contaminating substances, PCB’s or asbestos, the compliance with State or Federal regulations, the physical condition of the improvements thereon, or the financial condition or business Property and does not purport to be an all – inclusive representation regarding the Property or to contain all or part of the information which prospective investors may require to evaluate the purchase of the Property. Additional information and an opportunity to investigate the Property will be made available to interested and qualified prospective purchasers. All information is based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of Broker, therefore, all information is subject to material variation. The information contained herein is not a substitute for a thorough due diligence investigation. Interested parties are expected to review all information of whatever nature independently and not rely on the contents of this Memorandum in any manner.

The Property owner (“Owner”) expressly reserves the right, at its sole discretion, to reject any or all offers to purchase the Property, and/or to terminate discussions at any time with or without notice. The Owner shall have no legal commitment or obligation unless and until written agreement(s) have been fully executed, delivered and approved by the Owner and any conditions to the Owner’s obligations therein have been satisfied or waived.

Exclusively Marketed By



Brett Lyon

310) 780-1899
BRETT@LYONSTAHL.COM
BRE - 01717818

Woody Stahl

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WOODYI@LYONSTAHL.COM
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