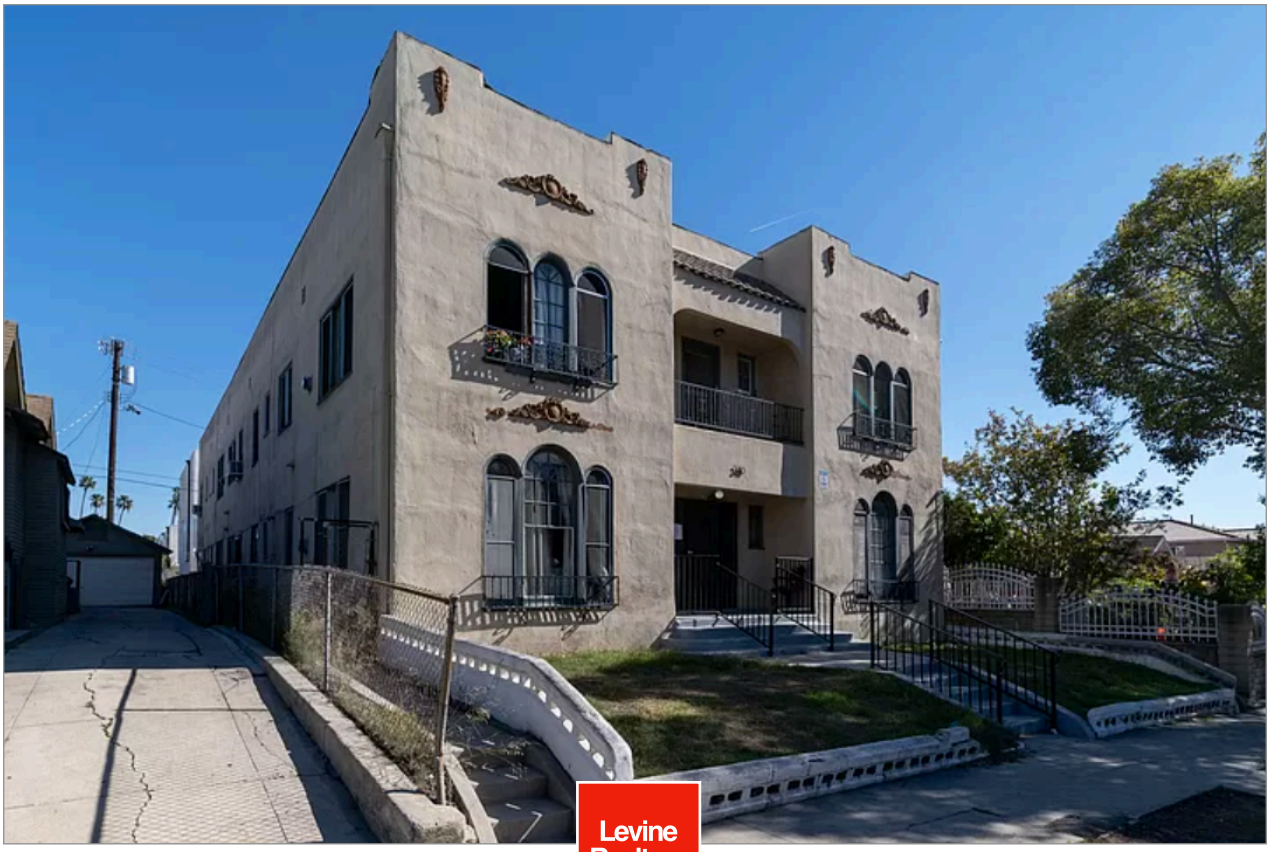


Private Placement Memorandum

Equity Shares for Sale in Prime Los Angeles

240 Robinson Street, Los Angeles, CA 90026

$25,000 per share in the holding company

Updated: December 6, 2022

Summary

Selling interest in an apartment building located at 240 Robinson Street, Los Angeles, CA 90026 for $25K. The property is currently valued around $2.5M on Zillow and has a loan of $900K, so there is about $1.6M equity in the building. If we stick with a simple fix and flip model, then the renovated rental units will rent for around $2,500 each, giving the building a new value of $4M.

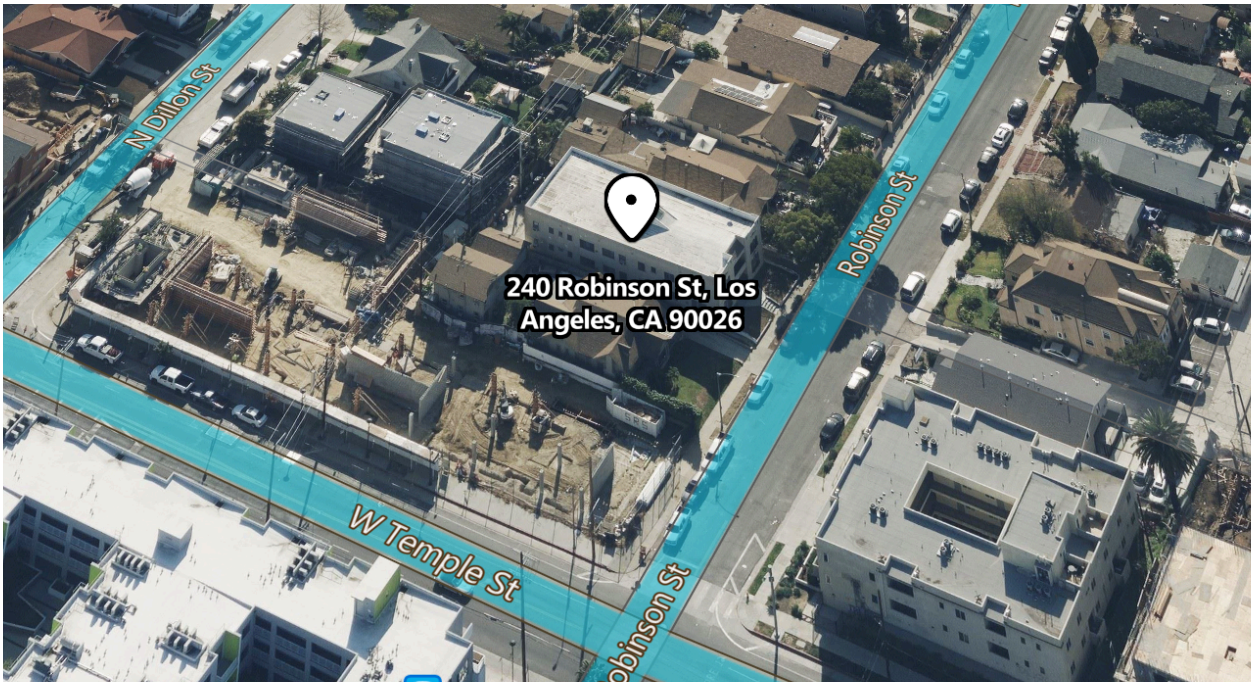
The eight-unit apartment building consists of very large one-bedroom / one-bathroom units (almost 1,000 SF each), and they are located a few blocks south of prime Silver Lake, which is one of the most desirable and valuable neighborhoods in Los Angeles County.

This project has been in the works for years, and is finally launching in a few months. The current tenants are paying extremely low rents for the area, so there is a lot of upside potential. Plans to convert the building had to be put on hold when the pandemic hit and LA city put eviction moratoriums in place, but now those restrictions will be lifted in January 2023.

Investors will receive their investment back plus profit at the time of sale, which is estimated to be in 1-2 years. For a $25K investment, you will own 1.0% in the apartment building. There is no other investment in Los Angeles where you can invest so little and receive actual ownership in a valuable real estate investment.

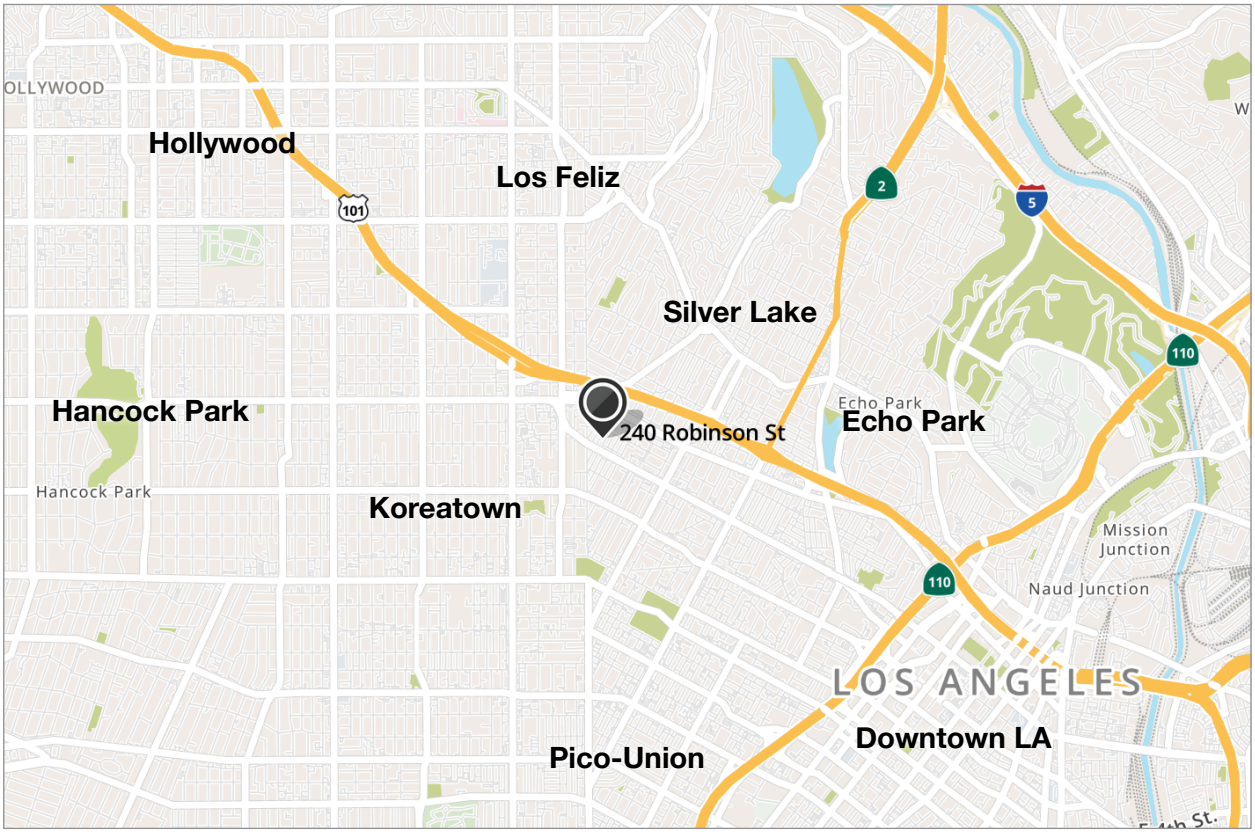
Here's a link to my website with more information:
https://davidbramante.com/invest/

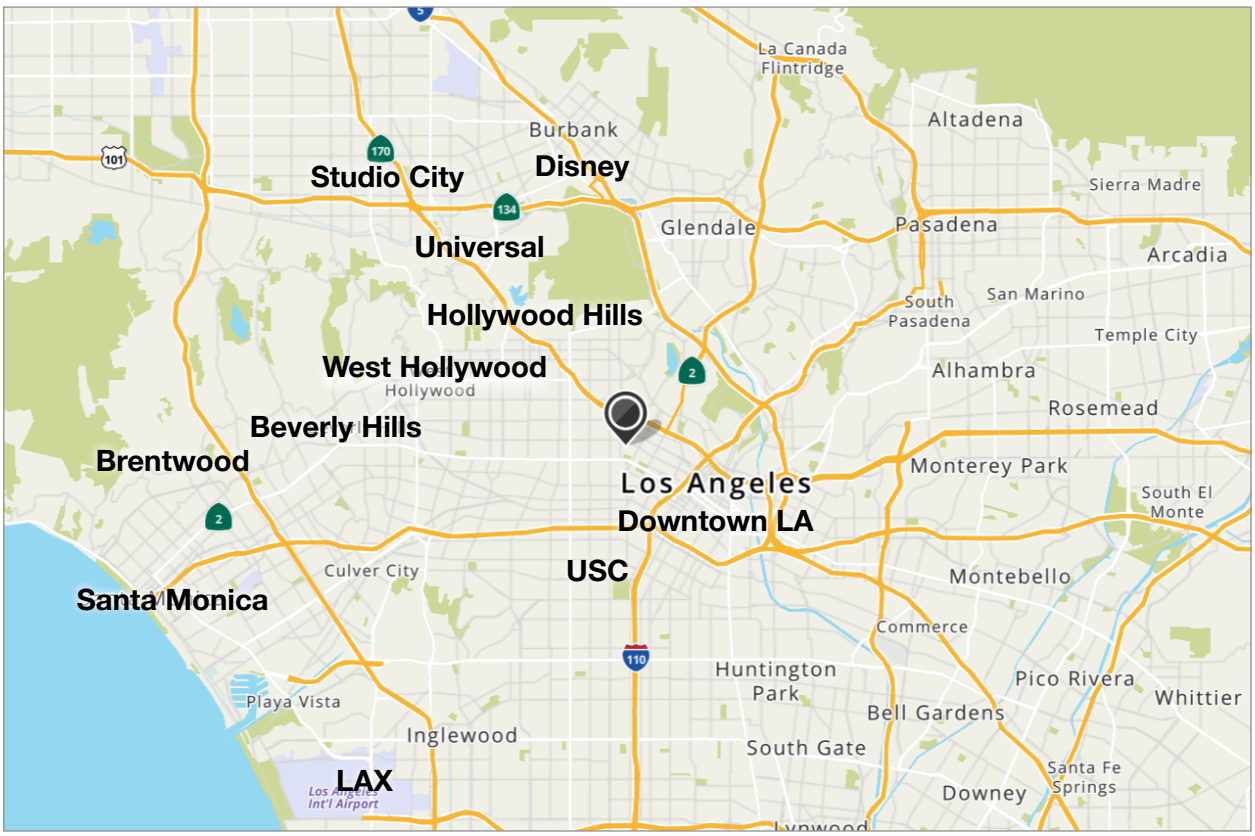
Details



Address	240 Robinson Street, Los Angeles, CA 90026
APN	5156-006-005
Zoning	LARD2
Year Built	1926
Number of Units	8
Living Area (SF)	7,896
Lot Size (SF)	6,368
Bedrooms	8
Bathrooms	8
SF / Unit	987

Location


Hollywood
Los Feliz
Silver Lake
Hancock Park
240 Robinson St
Echo Park
Koreatown
Mission Junction
Naud Junction
LOS ANGELES
Downtown LA
Pico-Union


La Canada Flintridge
Burbank
Altadena
Studio City
Disney
Sierra Madre
Glendale
Pasadena
Universal
Arcadia
Hollywood Hills
South Pasadena
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Temple City
West Hollywood
Hollywood
Alhambra
Rosemead
Beverly Hills
Brentwood
Monterey Park
Los Angeles
Downtown LA
South El Monte
Culver City
USC
Montebello
Santa Monica
Commerce
Huntington Park
Pico Rivera
Whittier
Playa Vista
Bell Gardens
Inglewood
South Gate
LAX
Santa Fe Springs
Downey

Rent Roll

Unit	Bed	Bath	SF	Current Rent	Pro Forma
1	1	1	987	$882.55	$2,500
2	1	1	987	$955.51	$2,500
3	1	1	987	$833.62	$2,500
4	1	1	987	$833.62	$2,500
5	1	1	987	$559.17	$2,500
6	1	1	987	$543.62	$2,500
7	1	1	987	$575.84	$2,500
8	1	1	987	$1,854.00	$2,500
Total	8	8	7,896	$7,037.93	$20,000

Redevelopment

Current Value (Zillow Estimate)			$2,500,000.00
Current Loans			$900,000.00
Loan to Value			36.00%
Operating Costs			
Utilities (Water, Sewage)	$950.00	1.0	$11,400.00
Insurance	$14,000.00	1.0	$14,000.00
Property Taxes	1.250%	1.0	$24,375.00
Mortgage Payments	$6,500.00	1.0	$78,000.00
Subtotal			*$127,775.00*
Redevelopment Costs			
Ellis Act Fees (Relocation) (Maximum)	$22,950.00	8.0	$183,600.00
Renovation Costs (Estimated)	$25,000.00	8.0	$200,000.00
Professional Services (Estimated)	Legal, CPA	10%	$20,000.00
Subtotal			*$403,600.00*

After Renovation Value (AVR)			$4,000,000.00
Loan Payoffs			$900,000.00
Escrow Fees	$1,000	$2.00	$8,000.00
Title Fees	$1,000	$2.00	$8,000.00
Transfer Taxes	2.00%		$80,000.00
Realtor Commissions	5.00%		$200,000.00
Subtotal			*$1,196,000.00*
Net Proceeds			*$2,804,000.00*
Net Proceeds			$2,804,000.00
Redevelopment Costs			$403,600.00
Profit			$2,400,400.00

Interior Photos

Exclusively Presented by:

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Realtor since 2005

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