2975 WEST LEEWARD AVENUE

2975 Leeward Avenue | Los Angeles, CA 90005
48 Units | Built: 1927 | **$7,350,000**

BRENT SPRENKLE
Senior Managing Director
310.470.4892
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CA BRE License #01290116

For Real-Time Property Information go to:
2975LeewardAve.BerkadiaREA.com

- Excellent Koreatown Location-91 Walk Score & Qualified Opportunity Zone
- Situated Adjacent to New Construction and Close to Vermont & Wilshire
- Great Amenities-Elevator, Grand Lobby, Secured Entrances
- Extremely Low Rents-Excellent Long Term Rental Upside
- Gorgeous Architecture with Ornate Moldings and Columns
- Ideal Unit Mix for a High Demand Rental Market

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For Real-Time Property Information go to:
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BerkadiaREA.com
ApartmentUpdate.com

BERKADIA

2975 WEST LEEWARD AVENUE

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LOCATION DESCRIPTION

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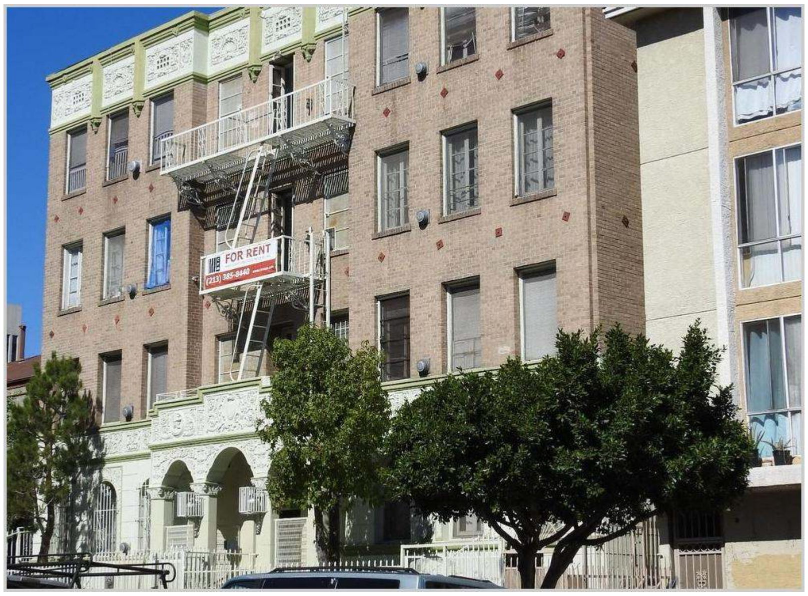
PROPERTY SUMMARY

Number of Units	48
Year Built	1927
Average SF	460±
Parcel Number	5077-016-014

PROPERTY DESCRIPTION



The Leeward Apartments is, per the certificate of occupancy, a 48 unit apartment building that is currently operating as 46 units and situated in the Koreatown area of Los Angeles. The property is situated in a rapidly gentrifying location steps from Wilshire Boulevard. Boasting a walk score of 91 and situated in a Designated Qualified Opportunity Zone, the property is within a two block walking distance of the Wilshire Vermont Metro Station, Wilshire Boulevard and Vermont Avenue, Southwestern Law School and numerous retail, dining and entertainment opportunities as well as high rise office buildings. The property contains a grand lobby as well as central hallways running down each of the four stories of the reinforced brick structure. An elevator as well as two staircases service the property. The certificate of occupancy from 1927 states that the property is a 48 unit apartment house although the property is currently operated as 46 units. 4 of the units, consisting of two efficiencies and the adjacent two studios, were combined to create two apartments that are both one-bedrooms (one is occupied by the on-site manager) and the property is currently operating as a 46 unit apartment building with 2 units being one-bedrooms with one-bathroom, 7 units efficiencies with a bathroom but no kitchen, and 37 studios with one-bathroom and a kitchen. The property is individually metered for electricity but master-metered for gas and water. The basement is stubbed for individual gas meters. Although there is no on-site parking, the property is within two-blocks of the Metro (subway) station and multiple bus routes on Wilshire and Vermont. In addition, there are several parking lots in close proximity and a new owner could make future arrangements to provide parking. Please note that the property is situated in a high tar zone and a methane buffer zone.

Building Amenities:

- Secured Entrances
- Elevator
- Central Hallways
- Grand Lobby

LOS ANGELES, CA

2975 LEEWARD AVENUE
NEIGHBORHOOD QUICK FACTS

625.7k
Population
(Within Three Miles)

78%
Renter Occupied Housing Units
(Within Three Miles)

$881.3k
Median Housing Unit Value
(Within Three Miles)

$38.5k
Median Household Income
(Within Three Miles)

5.1%
City Unemployment Rate
(August 2018)

NEIGHBORHOOD SHOPPING

2.0mi FROM THE PROPERTY
330k SF SHOPPING DESTINATION
35 TOTAL STORES

Target | H&M | Nordstrom Rack

NEIGHBORHOOD CONVENIENCES

Within a two-mile radius of the property

PRIMARY EDUCATION

713.9k STUDENTS SERVED
1.3k SCHOOLS AND CENTERS
60.2k JOBS SUPPORTED

Hoover Street ES | Berendo MS | RFK Community Schools

NEIGHBORHOOD SHOPPING

1.4mi FROM THE PROPERTY
227k SF SHOPPING DESTINATION
81 TOTAL STORES

Koreatown Plaza

DEMAND DRIVER

1.6mi FROM THE PROPERTY
1.4k JOBS SUPPORTED
408 HOSPITAL BEDS

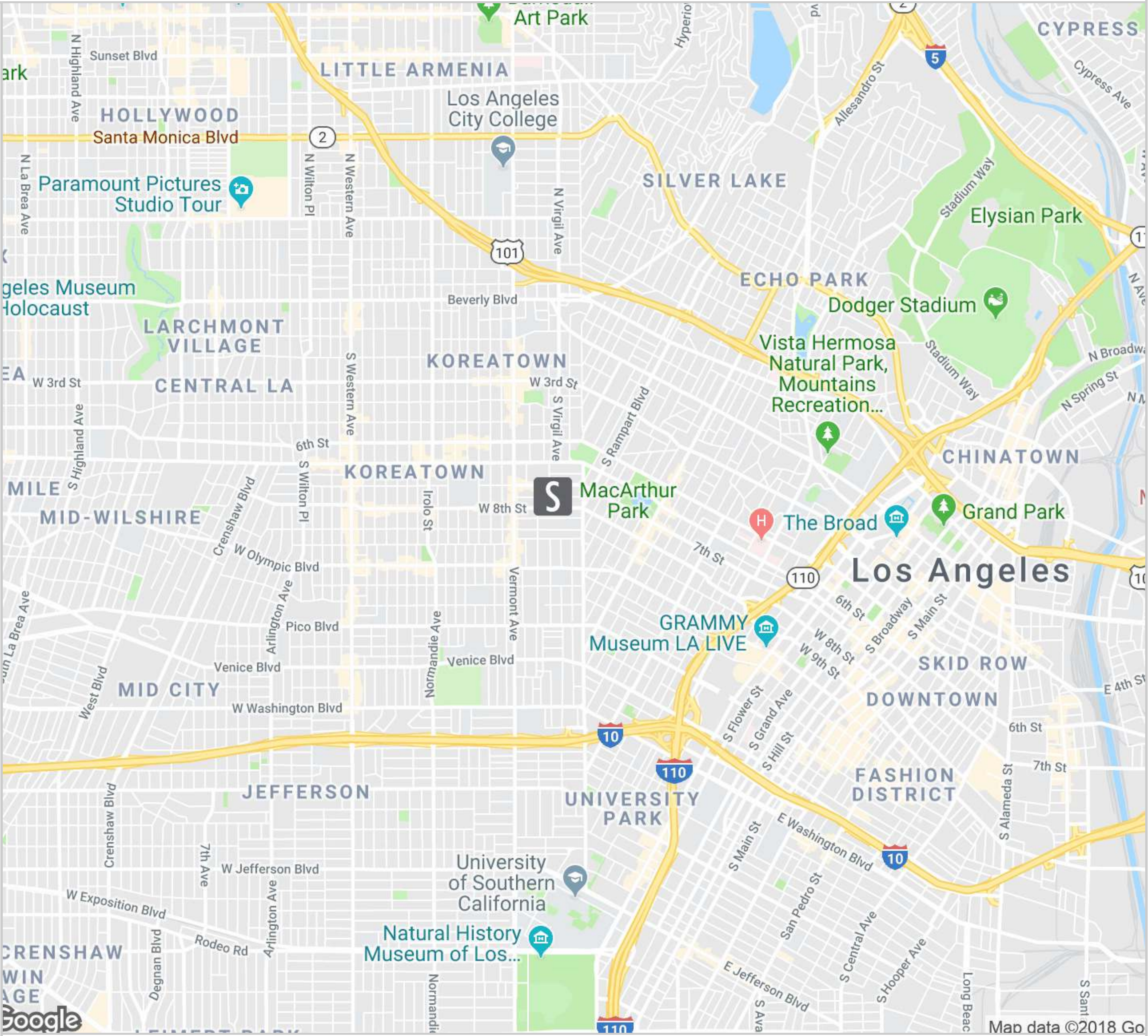
Good Samaritan Hospital

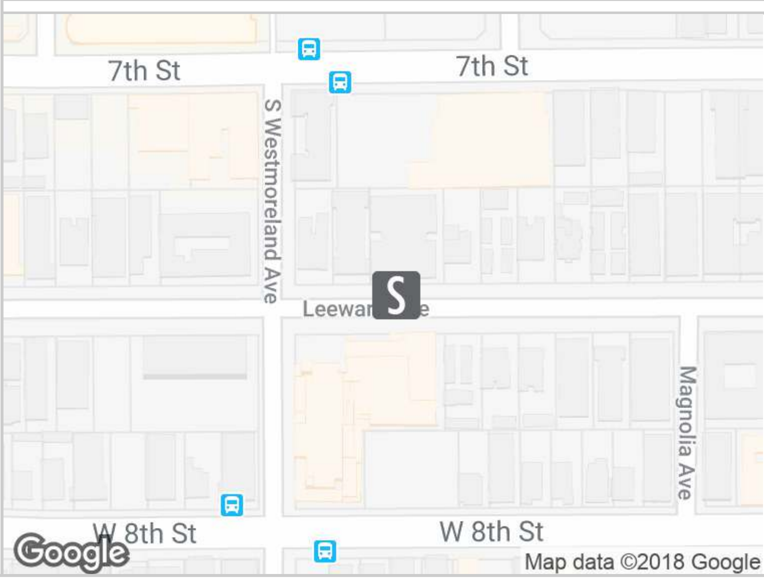
DEMAND DRIVER

2.7mi FROM THE PROPERTY
27.4k JOBS SUPPORTED
45.7k STUDENTS ENROLLED

University of Southern California (USC)

LOCATION MAP

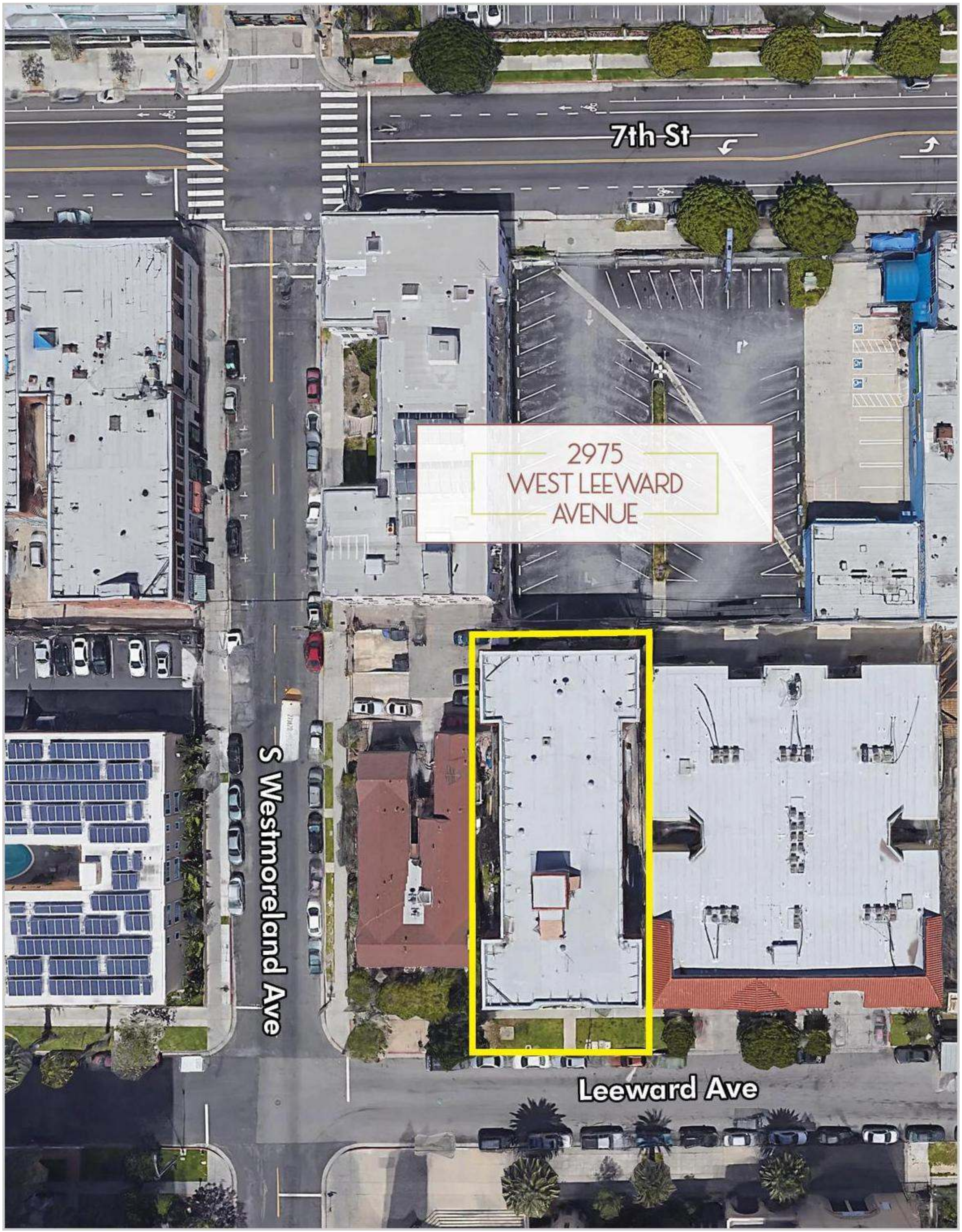




2975 WEST LEEWARD AVENUE

2975 Leeward Avenue

Los Angeles, CA 90005


7th St
2975
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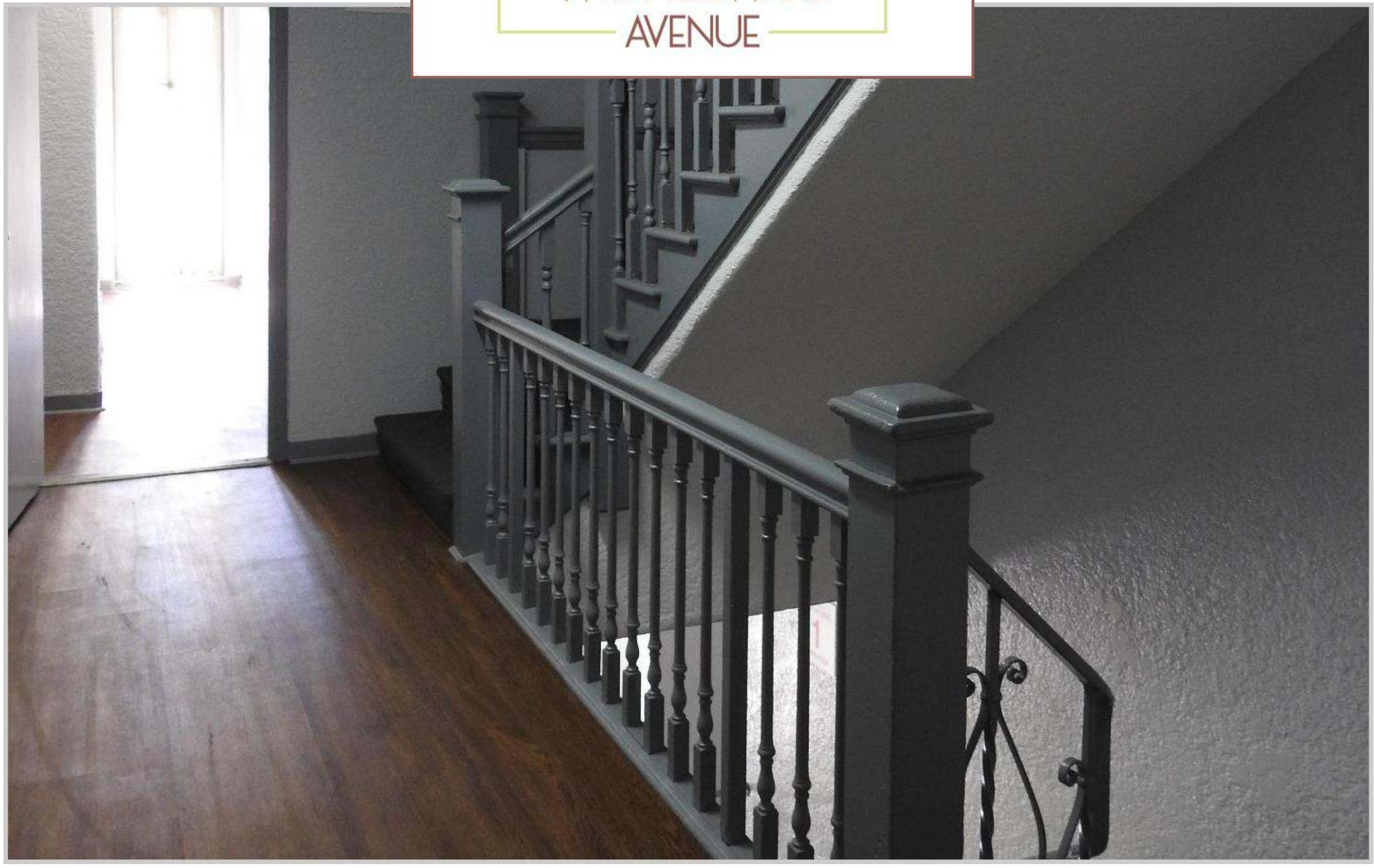
Leeward Ave

2975
WEST LEEWARD
AVENUE



2975 W Leeward Ave

Unit #	Unit Description	Estimated Unit SF	Current Rate	Current Rent Per SF	Projected Market Rate	Projected Rent Per SF	Status	Notes
101	Studio, One Bath	475	$962.00	$2.03	$1,295.00	$2.73		
102	Studio, One Bath	475	$1,175.00	$2.47	$1,295.00	$2.73		
103	Studio, One Bath	475	$864.20	$1.82	$1,295.00	$2.73		
104	Efficiency, One Bath	400	$780.00	$1.95	$1,050.00	$2.63		
105	Studio, One Bath	475	$906.64	$1.91	$1,295.00	$2.73		
106	Studio, One Bath	475	$1,295.00	$2.73	$1,295.00	$2.73		
107	Studio, One Bath	475	$848.15	$1.79	$1,295.00	$2.73		
108	Studio, One Bath	475	$1,150.00	$2.42	$1,295.00	$2.73		
109	Efficiency, One Bath	400	$1,050.00	$2.63	$1,050.00	$2.63	Manager	*Combined with 111
110	Efficiency, One Bath	400	$894.61	$2.24	$1,050.00	$2.63		*Combined with 112
111	Studio, One Bath	475	$1,295.00	$2.73	$1,295.00	$2.73	Manager	*Combined with 109
112	Studio, One Bath	475	$0.00	$0.00	$1,295.00	$2.73		*Combined with 110
201	Studio, One Bath	475	$848.15	$1.79	$1,295.00	$2.73		
202	Studio, One Bath	475	$919.36	$1.94	$1,295.00	$2.73		
203	Studio, One Bath	475	$1,175.00	$2.47	$1,295.00	$2.73		
204	Studio, One Bath	475	$1,175.00	$2.47	$1,295.00	$2.73		
205	Studio, One Bath	475	$1,175.00	$2.47	$1,295.00	$2.73		
206	Studio, One Bath	475	$1,125.00	$2.37	$1,295.00	$2.73		
207	Studio, One Bath	475	$898.77	$1.89	$1,295.00	$2.73		
208	Studio, One Bath	475	$877.40	$1.85	$1,295.00	$2.73		
209	Efficiency, One Bath	400	$850.00	$2.13	$1,050.00	$2.63		
210	Efficiency, One Bath	400	$999.00	$2.50	$1,050.00	$2.63	Vacant	
211	Studio, One Bath	475	$851.66	$1.79	$1,295.00	$2.73		
212	Studio, One Bath	475	$871.77	$1.84	$1,295.00	$2.73		
301	Studio, One Bath	475	$1,125.00	$2.37	$1,295.00	$2.73		
302	Studio, One Bath	475	$694.99	$1.46	$1,295.00	$2.73		
303	Studio, One Bath	475	$1,125.00	$2.37	$1,295.00	$2.73		
304	Studio, One Bath	475	$731.96	$1.54	$1,295.00	$2.73		
305	Studio, One Bath	475	$754.16	$1.59	$1,295.00	$2.73		
306	Studio, One Bath	475	$1,175.00	$2.47	$1,295.00	$2.73		
307	Studio, One Bath	475	$694.99	$1.46	$1,295.00	$2.73		
308	Studio, One Bath	475	$760.41	$1.60	$1,295.00	$2.73		
309	Efficiency, One Bath	400	$517.56	$1.29	$1,050.00	$2.63		
310	Efficiency, One Bath	400	$999.00	$2.50	$1,050.00	$2.63		
311	Studio, One Bath	475	$843.65	$1.78	$1,295.00	$2.73		
312	Studio, One Bath	475	$910.00	$1.92	$1,295.00	$2.73		
401	Studio, One Bath	475	$864.20	$1.82	$1,295.00	$2.73		
402	Studio, One Bath	475	$724.58	$1.53	$1,295.00	$2.73		
403	Studio, One Bath	475	$724.58	$1.53	$1,295.00	$2.73		
404	Studio, One Bath	475	$1,038.96	$2.19	$1,295.00	$2.73		
405	Studio, One Bath	475	$892.32	$1.88	$1,295.00	$2.73		
406	Studio, One Bath	475	$760.41	$1.60	$1,295.00	$2.73		
407	Studio, One Bath	475	$1,125.00	$2.37	$1,295.00	$2.73		
408	Studio, One Bath	475	$1,099.00	$2.31	$1,295.00	$2.73		
409	Efficiency, One Bath	400	$754.00	$1.89	$1,050.00	$2.63		
410	Efficiency, One Bath	400	$899.00	$2.25	$1,050.00	$2.63		
411	Studio, One Bath	475	$892.32	$1.88	$1,295.00	$2.73		
412	Studio, One Bath	475	$731.96	$1.54	$1,295.00	$2.73		

	Unit Description	Estimated SF	Current Rate	Rent Range Per SF	Projected Market Rate	Percent Vacant	Number Vacant	Number of Units	Percentage of Total
Totals:	Efficiency, One Bath	3,600.00	$7,743.17	$1.29 - $2.63	$9,450.00	11.11%	1	9	18.75%
	Studio, One Bath	18,525.00	$36,081.59	$0.00 - $2.73	$50,505.00			39	81.25%
		22,125	$43,824.76		$59,955.00	2.08%	1	48	

	Unit Description	Estimated SF	Current Rate	Current Rent Per SF	Projected Market Rate	Projected Rent Per SF	% Estimated Upside	Rental Range
Averages:	Efficiency, One Bath	400.00	$860.35	$2.15	$1,050.00	$2.63	22.04%	$518 - $1,050
	Studio, One Bath	475.00	$925.17	$1.95	$1,295.00	$2.73	39.97%	$0 - $1,295

*units 109 and 111 as well as units 110 and 112 have been combined. Property is currently operating as 46 units. 109 and 111 are occupied by the on-site manager.

PRO FORMA INCOME & EXPENSES

2975 W Leeward Ave
Los Angeles, CA

Units	Unit Type	Estimated Unit SF	Current Avg. Rent	Market Rent	Current Rent/ SF	Market Rent/ SF	Est. Total Net SF
9	Efficiency/ 1 Bath	400	$860	$1,050	$2.15	$2.63	3,600
39	Studio / 1 Bath	475	$925	$1,295	$1.95	$2.73	18,525
48		**461**	**$913**	**$1,249**	**$1.98**	**$2.71**	**22,125**
						Gross SF	**28,112**

* Property is currently operated as 46 units

Income			Current Pro Forma	Market Pro Forma
Scheduled Market Rent			$525,897	$719,460
Less: Vacancy	Actual is 2.08%	3.00%	($15,777)	($21,584)
Net Rental Income			**$510,120**	**$697,876**
Plus: Misc. Income			$3,780	$3,780
Total Operating Income (EGI)			**$513,900**	**$701,656**

Estimated Expenses	Percentage	Per Unit	Current Pro Forma	Market Pro Forma
Administrative		$18	$864	$864
Payroll		$208	$10,000	$10,000
Repairs & Maintenance		$725	$34,800	$34,800
Management Fee	4.00%	$438	$21,036	$28,778
Utilities (Water, Sewer, Electric & Gas)		$873	$41,906	$41,906
Contracted Services		$283	$13,568	$13,568
Base Property Taxes	1.196%	$1,831	$87,909	$87,909
Property Tax Direct Assessments		$65	$3,120	$3,120
Insurance		$300	$14,400	$14,400
Replacement Reserve		$200	$9,600	$9,600
Total Estimated Expenses			**$237,203**	**$244,945**
		% of Scheduled Rent:	**45.10%**	**34.05%**
		Per SF:	$8.44	$8.71
		Per Unit:	$4,942	$5,103

Net Operating Income	**$276,698**	**$456,711**
Less: Debt Service	($227,396)	($227,396)
Projected Net Cash Flow	$49,302	$229,315
Total Economic Loss	3.0%	3.0%
Cash-on-Cash Return (Price 1)	1.33%	6.18%
Debt Service Coverage	1.22	2.01

Cap Rate Analysis	Price	$/Unit	$/Foot	Cap Rate Current	Cap Rate Market	GRM Current	GRM Pro Forma
Listing Price	**$7,350,000**	**$153,125**	**$261.45**	**3.76%**	**6.21%**	**13.88**	**10.16**

All Financing	Total Loan Amount	Down Payment	LTV	Monthly Payment	Debt Constant
	$3,675,000	$3,711,750	50%	($18,950)	6.2%

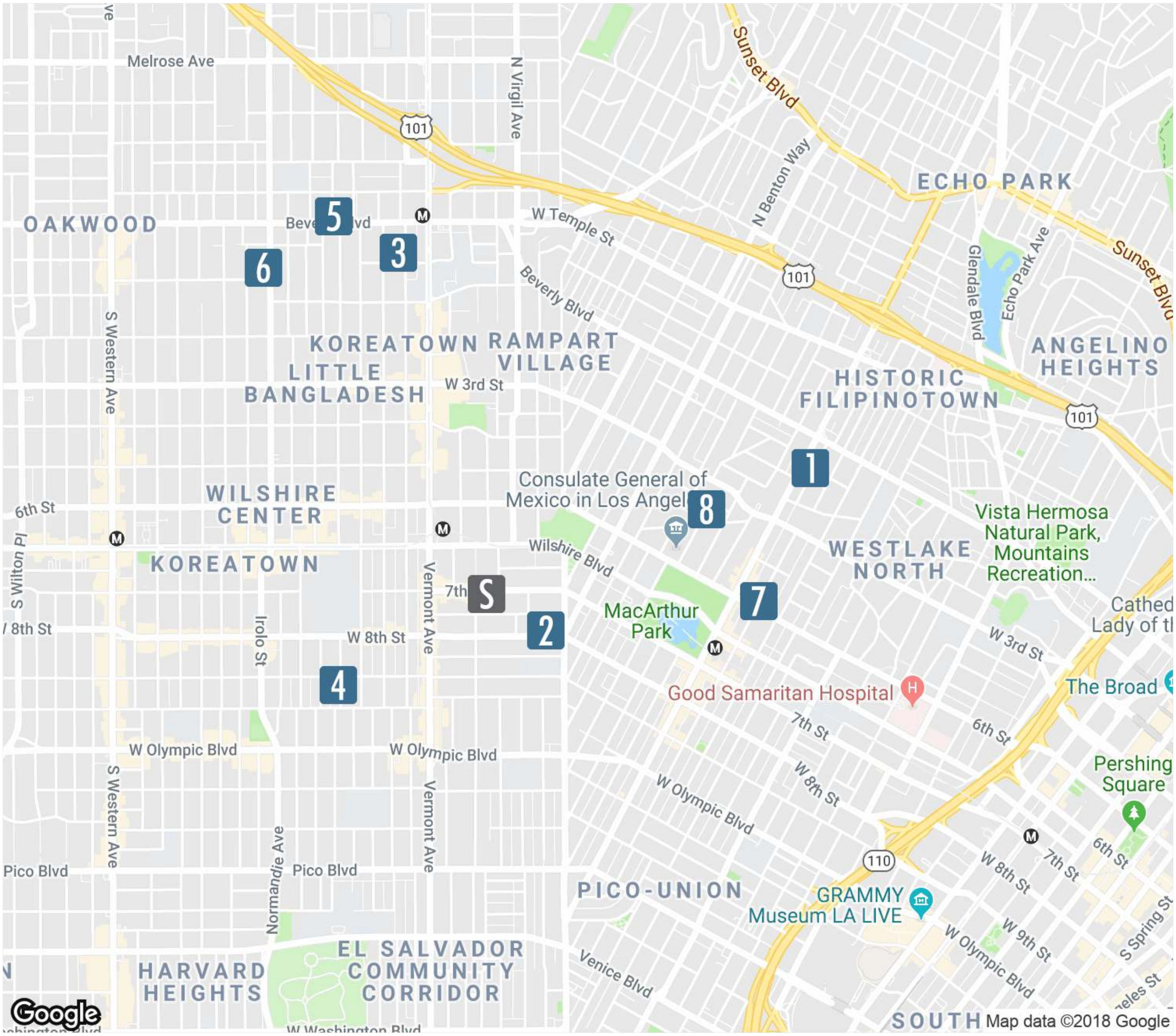
New First Mortgage (to be originated at purchase)

LTV for this loan	Amount	Interest Rate	Amortization	Payment	Fees	I/O Term (yrs)
50%	$3,675,000	4.65%	30	($18,950)	1.00%	0

COMPARABLE SALE PROPERTIES

			PROPERTY INFORMATION			SALES DATA					
		Property	Units	Built	Rentable SF	Price	Price/Unit	Price/SF	Cap Rate	GRM	Sale Date
	1	Mountain View 170 South Mountain View Avenue Los Angeles, CA 90057	34	1928	19,906	$5,350,000	$157,353	$268.76	-	-	9/18
	2	2737 Francis Avenue 2737 Francis Avenue Los Angeles, CA 90005	29	1925	13,772	$3,900,000	$134,483	$283.18	-	-	7/18
	3	147 North New Hampshire Avenue 147 North New Hampshire Avenue Los Angeles, CA 90004	20	1923	8,800	$2,900,000	$145,000	$329.55	3.81%	13.52	5/18
	4	941 South Kenmore Avenue 941 South Kenmore Avenue Los Angeles, CA 90006	24	1923	13,800	$3,500,000	$145,833	$253.62	-	-	3/18
	5	245 North Kenmore Avenue 245 North Kenmore Avenue Los Angeles, CA 90004	30	1925	15,408	$4,750,000	$158,333	$308.28	4.76%	12.11	3/18
	6	109 South Normandie Avenue 109 South Normandie Avenue Los Angeles, CA 90004	36	1929	23,084	$5,750,000	$159,722	$249.09	4.55%	12.07	3/18
	7	Westlake 608 South Westlake Avenue Los Angeles, CA 90057	47	1924	30,824	$7,700,000	$163,830	$249.81	4.68%	12.57	3/18
	8	2320 Ocean View Avenue 2320 Ocean View Avenue Los Angeles, CA 90057	21	1932	10,552	$2,935,000	$139,762	$278.15	4.63%	-	12/17
		Averages					$150,540	$277.55	4.49%	12.57	
	S	2975 West Leeward Avenue 2975 Leeward Avenue Los Angeles, CA 90005	48	1927	28,112	$7,350,000	$153,125	$261.45	3.76%	13.88	

COMPARABLE SALE PROPERTIES



S.	2975 West Leeward Avenue	2975 Leeward Avenue	Los Angeles	CA
1.	Mountain View	170 South Mountain View Avenue	Los Angeles	CA
2.	2737 Francis Avenue	2737 Francis Avenue	Los Angeles	CA
3.	147 North New Hampshire Avenue	147 North New Hampshire Avenue	Los Angeles	CA
4.	941 South Kenmore Avenue	941 South Kenmore Avenue	Los Angeles	CA
5.	245 North Kenmore Avenue	245 North Kenmore Avenue	Los Angeles	CA
6.	109 South Normandie Avenue	109 South Normandie Avenue	Los Angeles	CA
7.	Westlake	608 South Westlake Avenue	Los Angeles	CA
8.	2320 Ocean View Avenue	2320 Ocean View Avenue	Los Angeles	CA

COMPARABLE RENTAL PROPERTIES

1. The Bard
756 South Normandie Avenue
Los Angeles, CA 90005

Units	Built
30	1925

Units	Type	SF	Asking Rent	Rent / SF
24	0/1.00	500	$1,495	$2.99
	Weighted Avg.	500	$1,495	$2.99

2. 730 South Catalina Street
730 South Catalina Street
Los Angeles, CA 90005

Units	Built
39	1928

Units	Type	SF	Asking Rent	Rent / SF
20	0/1.00	500	$1,450	$2.90
	Weighted Avg.	500	$1,450	$2.90

3. 426 South New Hampshire Avenue
426 South New Hampshire Avenue
Los Angeles, CA 90020

Units	Built
44	1928

Units	Type	SF	Asking Rent	Rent / SF
	0/1.00	432	$1,275	$2.95
	Weighted Avg.	432	$1,275	$2.95

4. Ardmore Riviera
628 South Ardmore Avenue
Los Angeles, CA 90005

Units	Built
28	1930

Units	Type	SF	Asking Rent	Rent / SF
17	0/1.00	415	$1,325	$3.19
	Weighted Avg.	415	$1,325	$3.19

5. Oxford Grand
832 South Oxford Avenue
Los Angeles, CA 90005

Units	Built
47	1928

Units	Type	SF	Asking Rent	Rent / SF
	0/1.00	450	$1,325	$2.94
	Weighted Avg.	450	$1,325	$2.94

6. Berendo
757 South Berendo Street
Los Angeles, CA 90005

Units	Built
61	1928

Units	Type	SF	Asking Rent	Rent / SF
5	0/1.00	500	$1,325	$2.65
	Weighted Avg.	500	$1,325	$2.65

7. Saxonia Apartments
400-406 South Kenmore Avenue
Los Angeles, CA 90020

Units	Built
61	1925

Units	Type	SF	Asking Rent	Rent / SF
50	0/1.00	400	$1,299	$3.25
	Weighted Avg.	400	$1,299	$3.25

8. 610 South Kenmore Avenue
610 South Kenmore Avenue
Los Angeles, CA 90005

Units	Built
42	1926

Units	Type	SF	Asking Rent	Rent / SF
	0/1.00	475	$1,225	$2.58
	Weighted Avg.	475	$1,225	$2.58

9. 275 South New Hampshire Avenue
275 South New Hampshire Avenue
Los Angeles, CA 90004

Units	Built
50	1930

Units	Type	SF	Asking Rent	Rent / SF
	0/1.00	500	$1,275	$2.55
	Weighted Avg.	500	$1,275	$2.55

10. 819 Irolo Street
819 Irolo Street
Los Angeles, CA 90005

Units	Built
16	1925

Units	Type	SF	Asking Rent	Rent / SF
4	0/1.00	400	$1,295	$3.24
	Weighted Avg.	400	$1,295	$3.24

11. 2921 Francis Avenue
2921 Francis Avenue
Los Angeles, CA 90005

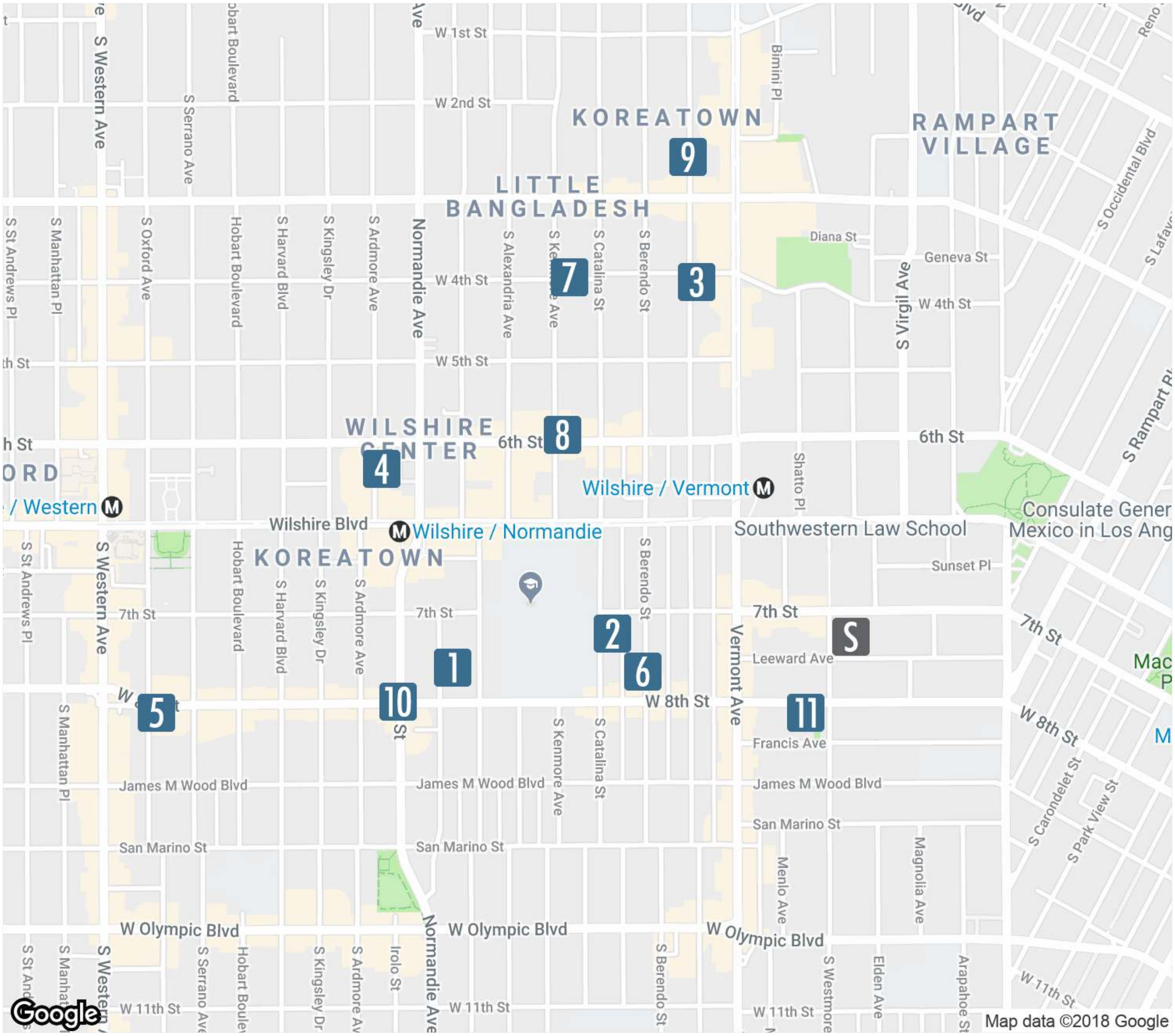
Units	Built
30	1923

Units	Type	SF	Asking Rent	Rent / SF
30	0/1.00	500	$1,250	$2.50
30	Weighted Avg.	500	$1,250	$2.50

S. 2975 Leeward Avenue
2975 Leeward Avenue
Los Angeles, CA 90005

Units	Built
46	1927

Units	Type	SF	Current Rent	Rent / SF
9	0/1.00	400	$860	$2.15
39	0/1.00	475	$925	$1.95
48	Weighted Avg.	461	$913	$1.98



S.	2975 West Leeward Avenue	2975 Leeward Avenue	Los Angeles	CA
1.	The Bard	756 South Normandie Avenue	Los Angeles	CA
2.	730 South Catalina Street	730 South Catalina Street	Los Angeles	CA
3.	426 South New Hampshire Avenue	426 South New Hampshire Avenue	Los Angeles	CA
4.	Ardmore Riviera	628 South Ardmore Avenue	Los Angeles	CA
5.	Oxford Grand	832 South Oxford Avenue	Los Angeles	CA
6.	Berendo	757 South Berendo Street	Los Angeles	CA
7.	Saxonia Apartments	400-406 South Kenmore Avenue	Los Angeles	CA
8.	610 South Kenmore Avenue	610 South Kenmore Avenue	Los Angeles	CA
9.	275 South New Hampshire Avenue	275 South New Hampshire Avenue	Los Angeles	CA
10.	819 Irolo Street	819 Irolo Street	Los Angeles	CA
11.	2921 Francis Avenue	2921 Francis Avenue	Los Angeles	CA

The Rise of Koreatown

Koreatown is the epitome of a transit-oriented, cultural epicenter filled with diversity, density and new ideas

The changing face of Koreatown is being driven by Millennials and younger people looking for an urban lifestyle and Koreatown provides that lifestyle in spades.

Koreatown's location in the middle of LA puts residents close to jobs and everything else the city has to offer in terms of entertainment, restaurants and cultural amenities.

The LA Neighborhood Setting Trends

The LINE Hotel: the four-star social hub on Wilshire Boulevard anchored everything new and cool in the neighborhood since opening in 2014

Dan Sung Sa: a Korean pub covered in permanent-marker graffiti, the booths encircling a central grill cooking up smoking-hot chicken feet, gooey-crispy rice cakes, and lethal corn cheese.

Mama Lion: a dress code and impressive scotch selection have helped secure its place amongst K-town's most visible venues.

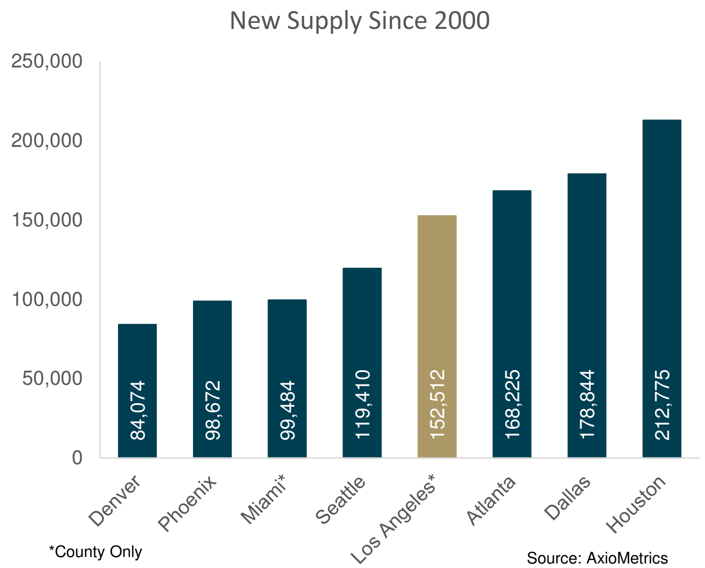
The Venue: the Venue is the neighborhood's first and only VIP underground karaoke experience in town

The Walker Inn: Hidden behind a secret door at the back of The Normandie Club, The Walker Inn is a love letter to the cocktail craft.

Metro Comparison

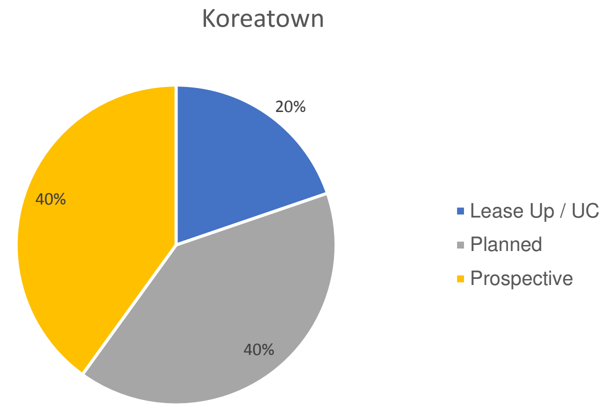
Since 2000, the Los Angeles County apartment market has had 152,512 new units added to its inventory.

Among metros with similar demographics (median age and income levels), LA boasts the 5th highest number of new units trailing Houston, Dallas, and Atlanta.



Koreatown Submarket Pipeline

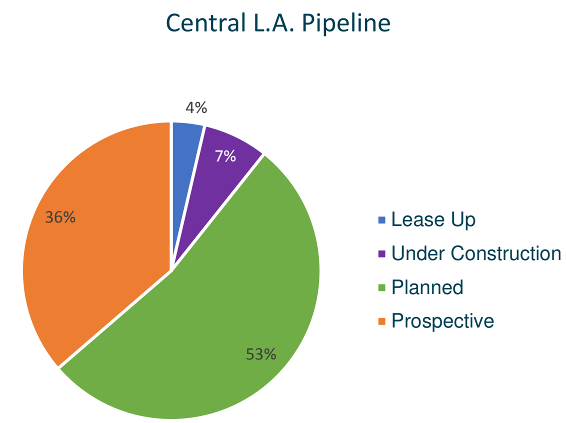
- The Koreatown Submarket currently has 30 projects totaling over 7,130 units in the pipeline according to Yardi Martix.
- Of these projects, 9 are currently in Lease Up and 21 are in the Planned / Prospective Phase*



*The Planned phase is defined as an apartment community that is actively moving through the pre-development phase; specifically intended to be developed as apartments.
*The Prospective phase is defined as tentative and subject to entitlement approvals; having been temporarily shelved by the developer; or the developer is uncertain regarding final status - to continue as apartments or to sell units as condominiums.

Central Los Angeles Pipeline

- The Central Los Angeles pipeline is comprised of submarkets west of Downtown and neighboring Koreatown including: Silverlake, Park La Brea, Westlake, and Mid Wilshire.
- Compared to Koreatown, Central L.A. has the potential for a higher number of units to come online over the next five years, having more units in the planned phase of the pipeline at 53% compared to 40%.
- All told, these submarkets, including Koreatown, have a total of 18,940 units in the pipeline.



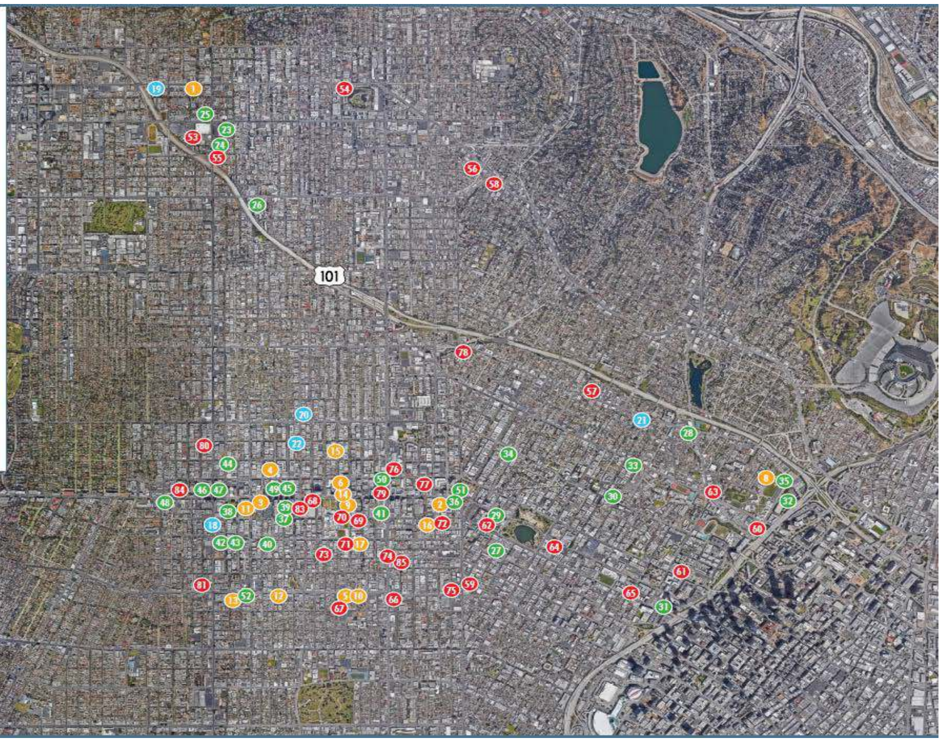
Current Construction Activity

									2018				2019				2020		
Property Name	Location	Submarket	Developer	Units	Status	Start		1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20
3060 Olympic	3060 Olympic Blvd	Koreatown	Jamison Properties	226	UC/LU	3/1/2016				114	112								
3350 Wilshire	3350 Wilshire Blvd	Koreatown	Jamison Properties	216	UC/LU	1/1/2016				130	86								
Berendo Street	3100 West 8th Street	Koreatown	Jamison Properties	98	UC/LU	11/29/2017						20	59	19					
Leeward Plaza	2925 Leeward Avenue	Koreatown	Jean Chen	80	UC/LU	8/1/2016				80									
Luna on Wilshire	3640 Wilshire Blvd	Koreatown	Jamison Properties	209	UC/LU	5/1/2015				90	90	29							
Manhee Manor	1019 South Catalina Street	Koreatown	Manhee Properties	70	UC/LU	1/1/2017					70								
South Serrano Avenue	1011 South Serrano Avenue	Koreatown	Zackary Brothers	104	UC/LU	7/3/2017								45	45	14			
The Kodo	2867 Sunset Place	Koreatown	CGI Strategies	60	UC/LU	12/1/2015		15	45										
The Pearl on Wilshire	687 South Hobart Avenue	Koreatown	CityView	346	UC/LU	1/1/2016				139	207								
3345 Wilshire Boulevard	3345 Wilshire Blvd	Mid Wilshire	Jamison Properties	202	UC/LU	6/1/2016				68	134								
411 Normandie	411 Normandie Avenue	Mid Wilshire	Jamison Properties	224	U/C	11/1/2017							56	84	84				
612 South Kenmore	612 South Kenmore Avenue	Mid Wilshire	Amin Development	57	UC/LU	8/1/2016				57									
Mariposa	259 South Mariposa Avenue	Mid Wilshire	CGI Strategies	121	U/C	7/31/2017										53	51	17	
Maya	535 South Kingsley Drive	Mid Wilshire	Jamison Properties	72	UC/LU	5/1/2016		44	28										
2800 West Olympic Blvd	2800 West Olympic Blvd.	Mid Wilshire	Hyoung Man Pak	70	UC/LU				70										
The Kenmore	443 South Kenmore Avenue	Mid Wilshire	Canfield Development	64	UC/LU	7/1/2016				34	30								
Manhattan Place	700 South Manhattan Place	Park La Brea	Jamison Properties	162	U/C	3/6/2017				64	96								
The Mansfield	5100 Wilshire Blvd	Park La Brea	The Korda Group	138	UC/LU	9/1/2015				35	103								
5750 Hollywood	5750 Hollywood Blvd	Silverlake	Cambra Realty	161	U/C	5/19/2017						161							
The Fifty Five Fifty	5550 Hollywood Blvd	Silverlake	Wood Partners	280	UC/LU	9/1/2015		182	98										
Alexan South Echo	1910 West Temple Street	Westlake	Trammell Crow Residential	200	U/C	10/28/2016						25	75	75	25				
East View	327 North Boylston Street	Westlake	Lion Real Estate Group	121	UC/LU	6/1/2016			21	60	40								
	Units by Quarter							241	262	871	968	235	190	223	154	67	51	17	-
	Units by Year								2,342				802				135		

Central Los Angeles Pipeline

ID	PROPERTY	UNITS
1	Fifty Five Fifty, The	280
2	Kodo, The	60
3	Luna on Wilshire	209
4	Maya	72
5	2800 West Olympic Boulevard	70
6	612 South Kenmore	57
7	Mansfield, The	138
8	East View	121
9	3350 Wilshire	216
10	Manhee Manor	70
11	Pearl on Wilshire, The	346
12	3060 Olympic	226
13	South Serrano Avenue	104
14	3345 Wilshire Boulevard	202
15	Kenmore, The	64
16	Leeward Plaza	80
17	Berendo Street	98
	Total Lease-Up	2,413
18	700 Manhattan	162
19	5750 Hollywood	161
20	Mariposa	121
21	Alexan South Echo	200
22	411 Normandie	224
	Total Under Construction	868
23	5420 Sunset Mixed-Use	735
24	Deluxe Hollywood	203
25	SunWest	293
26	Swansea Village	54
27	2405 West 8th Street	144
28	1614 West Temple	55
29	2500 Wilshire Boulevard	248
30	261 Burlington Avenue	130
31	Career Lofts LA	422
32	Ferrante	1500
33	1800 Beverly Blvd	243
34	329 S Rampart Blvd	53
35	Temple Street	53
36	2908 Wilshire Blvd	644
37	3540 Wilshire	206
38	3700 West Wilshire Blvd	506
39	678 South Ardmore Avenue	123
40	8th Street and Harvard Blvd	131
41	3240 Wilshire Boulevard	545
42	IB Plaza Redevelopment	96
43	Rise Koreatown, The	364
44	500 South Oxford Avenue	89
45	645 South Ardmore Avenue	268
46	3875 Wilshire Blvd	196
47	635 South Western Avenue	132
48	3974 Wilshire	228
49	3545 Wilshire Boulevard	428
50	605 S Vermont Ave	103
51	2902 Wilshire Boulevard	640
52	3170 West Olympic Boulevard	252
	Total Planning	9,084
53	1375 St. Andrews	185
54	4850 Hollywood Blvd	96
55	1276 North Western	75
56	4100 Sunset	91
57	Rosenell Terrace	71
58	Sunset 4000	84
59	1001 South Park View Street	108
60	136 South Beaudry	220
61	Sapphire	369
62	668 South Coronado Street	122
63	Bob Baker Marionette Theater Redevelopment	103
64	Lake on Wilshire	479
65	Lifan Tower	306
66	1000 Vermont	228
67	1045 Dewey Avenue	67
68	3440 Wilshire Blvd	641
69	707 South Berendo Street	50
70	Catalina Street	61
71	Catalina, The	269
72	KTown Gateway	166
73	Mariposa and Fedora	173
74	900 South Vermont Avenue	193
75	Arapahoe Street	173
76	550 South Vermont	172
77	Westmoreland Avenue	77
78	Pinnacle 360	221
79	Vermont Avenue	250
80	Western Avenue	57
81	Village East and West, The	114
82	1180 La Brea	67
83	3470 Wilshire Boulevard	641
84	3921 Wilshire Boulevard	108
85	2842 James M. Wood Boulevard	193
	Total Prospective	6,230

LEGEND
- Lease Up
- Under Construction
- Planned
- Prospective

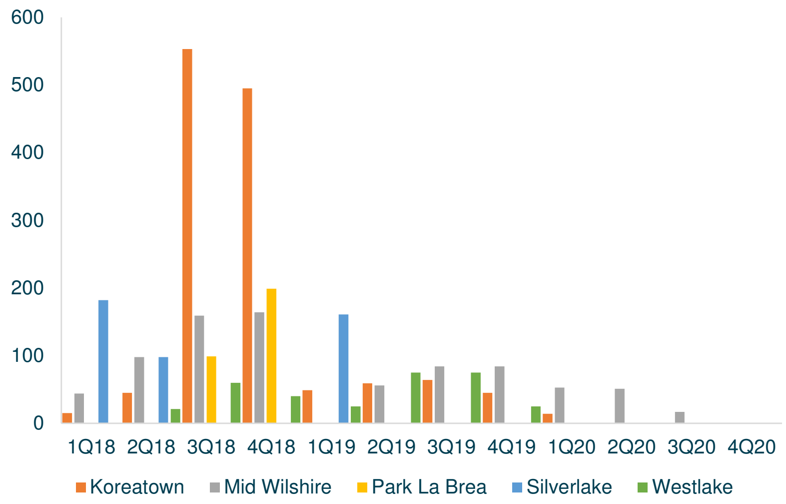


Quarterly New Supply – Central L.A.

New deliveries in Koreatown are expected to peak during the second half of 2018 with 1,048 units expected to come online, with a majority already having already entered Lease Up.

After this peak, the number of new units currently under construction and expected to come online through 2020 is expected return to the historical average.

New deliveries expected during the last half of 2018 in Koreatown account for 32.6% of all units currently under construction and expected to be delivered by the end of 2020.

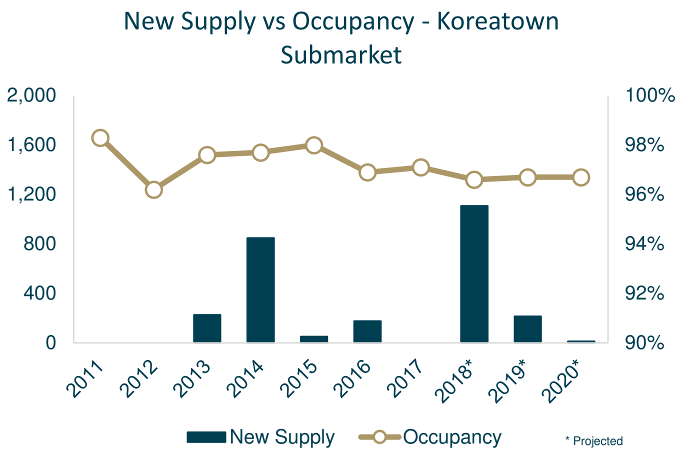


New Supply vs. Occupancy - Koreatown

From 2011 to 2020 an estimated 2,645 units are expected to be added to the Koreatown submarket inventory.

An influx of new units in 2018 is expected to drop occupancy rates to a still healthy 96.6% in this submarket. Rates are expected to increase and remain at 96.7% in 2019 and 2020.

Year	New Supply	Occupancy
2011	0	98.3%
2012	0	96.2%
2013	228	97.6%
2014	850	97.7%
2015	52	98.0%
2016	177	96.9%
2017	0	97.1%
2018*	1,108	96.6%
2019*	217	96.7%
2020*	14	96.7%

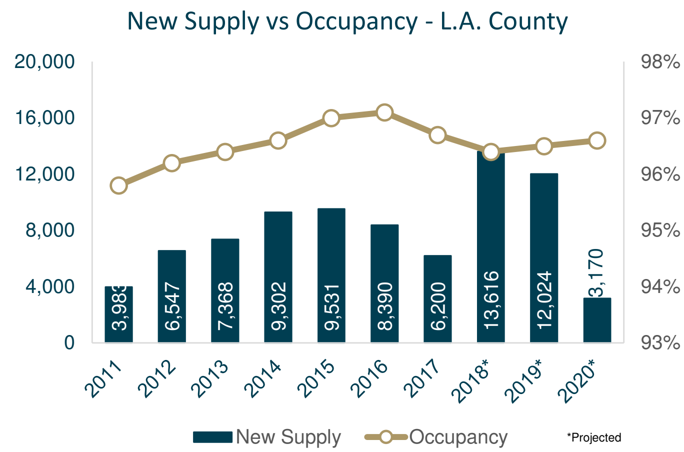


New Supply vs. Occupancy – L.A. County

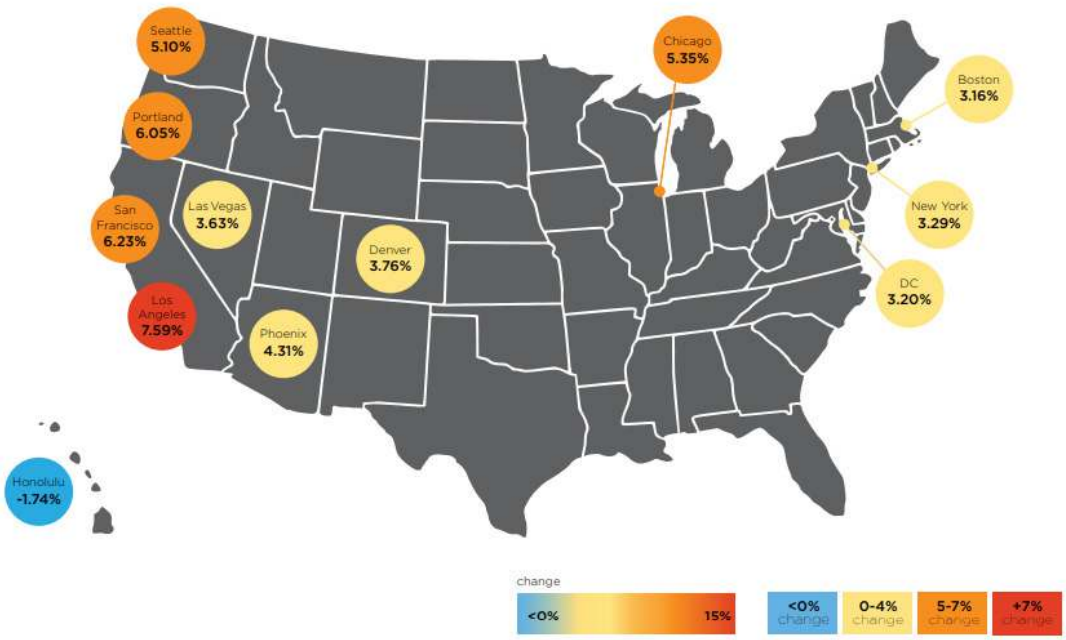
From 2011 to 2020 an estimated 80,131 units are expected to be added to the L.A. County apartment market inventory.

Countywide occupancy rates are expected to drop to a still healthy 96.4% after an influx of new units in 2018. Rates are expected to increase to 96.6% by 2020 as new supply is anticipated to diminish.

Year	New Supply	Occupancy
2011	3,983	95.8%
2012	6,547	96.2%
2013	7,368	96.4%
2014	9,302	96.6%
2015	9,531	97.0%
2016	8,390	97.1%
2017	6,200	96.7%
2018*	13,616	96.4%
2019*	12,024	96.5%
2020*	3,170	96.6%



National Construction Costs



- From January 2017 – January 2018, construction costs in Los Angeles grew at the fastest rate in the nation.
- Over the same time period the national average increase in construction costs was approximately 4.2%

Indicative Construction Costs

Location	Low	High
Boston	$175	$300
Chicago	$160	$340
Denver	$90	$200
Honolulu	$195	$440
Las Vegas	$70	$405
Los Angeles	$185	$295
New York	$200	$375
Phoenix	$90	$185
Portland	$150	$240
San Francisco	$320	$430
Seattle	$165	$260
Washington	$175	$300

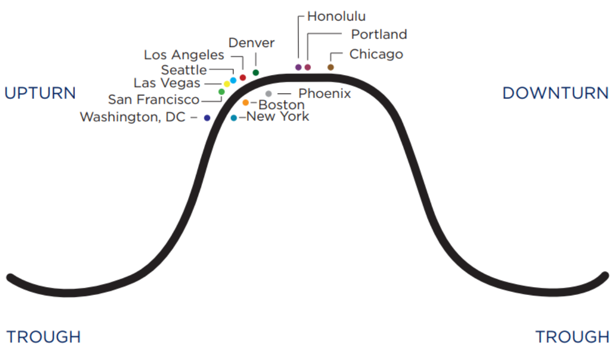
The data represents the cost per square foot for multifamily units based on U.S. Dollars and gross floor area

Los Angeles boasts the fourth highest minimum for construction costs at $185 per square foot and the fifth lowest maximum for construction costs at $295 per square foot among 12 surveyed metro areas.

The city's range of $110 per square foot is tied with Denver and San Francisco for sixth highest.

Las Vegas boasts the highest range at $335 per square foot, given the large variance in land value from the Las Vegas Strip to outlying residential areas.

Construction Activity Cycle



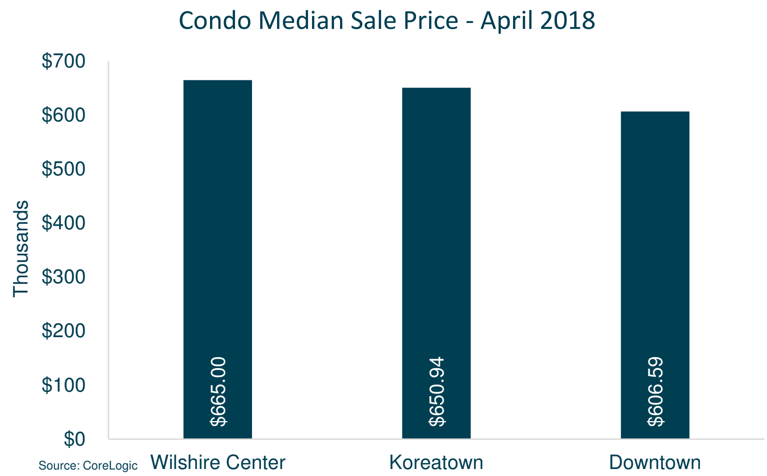
- Los Angeles is nearing the peak of the current construction cycle, while Chicago, Portland, and Honolulu are already there.

Condo Sales

In April 2018, 55 condominiums were sold in the zip codes comprising Wilshire Center, Koreatown, and Downtown Los Angeles.

According to CoreLogic, the median sales price for each area was

- Wilshire Center: $665,000
- Koreatown: $650,940
- Downtown: $606,594



Rent vs. Own

The average monthly mortgage payment for condos sold in April 2018 would be

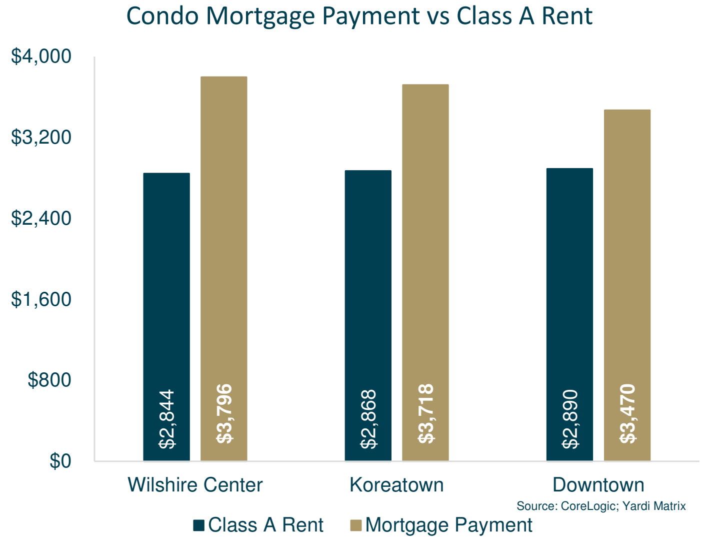
- Wilshire Center - $3,796
- Koreatown - $3,717
- Downtown - $3,470

Meanwhile, the average asking rent for Class A properties in each area is

- Wilshire Center - $2,844
- Koreatown - $2,868
- Downtown - $2,890

The difference between a monthly mortgage payment for a condo and renting a Class A apartment would be

- Wilshire Center - $952
- Koreatown - $849
- Downtown - $580




Demand
KOREATOWN
OXFORD PLAZA

DTLA the next creative office space Hub

The influx of young, affluent residents is changing the character of the DTLA. This shift is especially apparent in the Arts District, where developers are busy converting former industrial product into creative office space.

- **TubeScience** moving from Santa Monica signed 20,000 sf @ CalEdison
- **Systems Source** 12,000 sf @ CalEdison
- **H&M Innovation Labs** 4,500 sf @ CalEdison

Warner Music Group has signed a 13-year lease at the **Ford Factory building**, and will move staff from its current offices in Burbank to the **254,000-square-foot** facility at 777 S. Santa Fe Ave., likely in the summer.

Additional tenants that have relocated or expanded in DTLA include:

City National Bank The way up.	240,000 sf	soylent	29,000 sf
adidas	31,000 sf	evite	19,000 sf

Office Projects DTLA

- Massive 1.1 million SF renovation of the 15-story **Broadway Trade Center**; featuring approximately 600,000 square feet of creative office space
- Office space capable of **accommodating up to 3,000 workers**
- Estimated completion: 2019

- Atlas Capital's ROW DTLA project in the Arts District
- The conversion of Building III will feature more than **400,000 square feet of creative office space**

- In the Arts District, Chalmers Equity Group recently completed the **Santa Fe Business Center.**
- The four-story speculative building boasts **93,000 square feet of office space** and rooftop amenity deck.

Office Project Koreatown

- In August 2018, work is slated to begin on the **$450 million**, mixed-use **Vermont Corridor** project. The three-site development is located along Vermont Avenue in Koreatown.

- Phase one includes the construction of a **21-story tower** that will feature 13 levels of government offices and an eight-story parking structure. Slated to accommodate nearly **2,200 employees**, the $270 million, **471,000-square-foot tower** will serve as the new headquarters for the county's Department of Mental Health and for the county's workforce development, aging, and community services.

- Phases two and three will include approximately 240 residential units, ground-floor retail, and a community recreation center. At **build-out by year-end 2023**, this development is expected to **support nearly 3,000 jobs.**

Office Projects Hollywood

- Paramount Pictures is undergoing a 25-year, **$700 million expansion and renovation of its headquarters** on Melrose Avenue
- 1.4 million square feet of additional space
- Expected to support an estimated 7,300 construction and **5,500 permanent studio jobs**

- **Netflix** boasts approximately **560,000** square feet of office space, sound stages, production offices, and support space in Hollywood.
- The company leases the **326,000-square-foot Icon tower** as well as the **96,000-square-foot Cue office building** developed by Hudson Pacific Properties in 2017.

- Hudson Pacific Properties is currently developing **Epic**, a **15-story, 300,000-square-foot,** high-rise office building modeled after neighboring Icon and Cue.
- Estimated completion: early 2020

Office Project Mid-Cities / Wilshire Blvd

- In late 2017, **Apple's music division leased 85,000 square feet** of space at Hackman Capital Partner's 5500 W. Jefferson Boulevard.

- The company will also lease **128,000 square feet** at 8777 Washington Boulevard. Site work for the four-story structure began in early 2018.

Additional tenants that have renewed leases, expanded, or relocated to the area include:

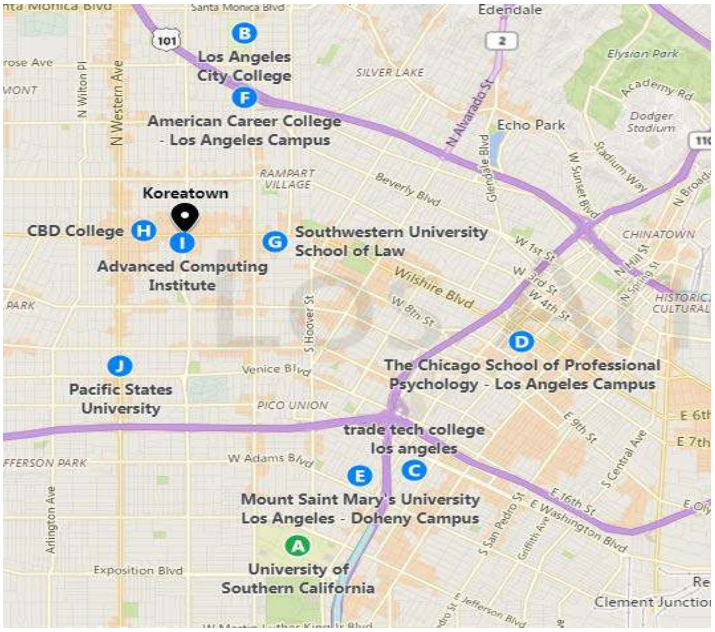
NFL NETWORK	137,240 sf	SPACES.	60,800 sf
amazon studios	75,000 sf	JUKIN MEDIA	31,180 sf
wework	69,000 sf	RED LIGHT	26,380 sf

Higher Education

• Within a 3.5 mile radius of Koreatown over 15 institutions of higher education support a student population in excess of 87,280.

• Of those students, over 78,300 require off campus housing, with a majority of schools offering no on campus options. Notable schools and enrollments include:

A. University of Southern California 45,500
B. Los Angeles City College – 16,854
C. Los Angeles Trade Technical College – 16,125
D. American Career College – 1,315
E. Chicago School of Psychology – 2,290
F. Mount St. Mary's Doheny Campus – 1,760
G. Southwestern University Law – 765
H. CBD College – 521
I. Advanced Computing Institute – 270
J. Pacific States University – 130



Public Transit

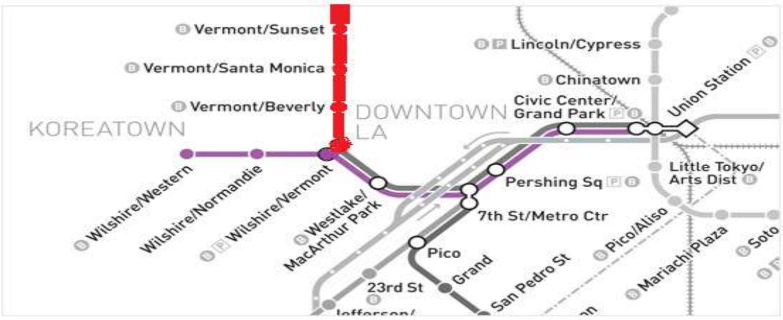
Koreatown is one of the most well connected neighborhoods in Los Angeles for public transportation featuring three Metro Rail Stations along the Red and Purple Lines.

Purple Line Stops Wilshire / Western and Wilshire / Normandie provide access to Downtown L.A.

The Red and Purple lines share the Wilshire / Vermont Rail Station with the Red Line continuing north to Universal / Studio City and North Hollywood where it connects with the Orange Line.

The Purple Line is currently undergoing a 9-mile, $8 billion extension that will connect Koreatown to Westwood past UCLA by the time L.A. hosts the 2028 Summer Olympics

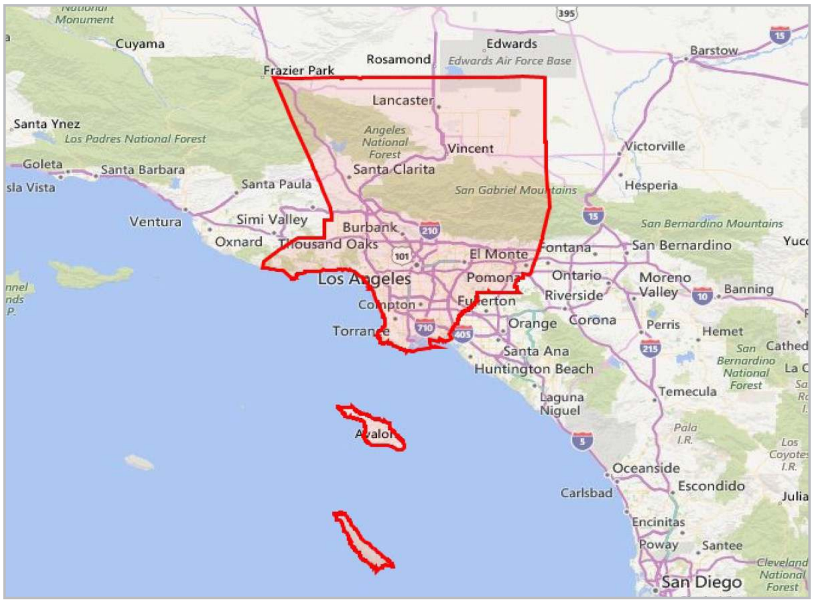
Current Purple Line



Future Purple Line

One of the world's most significant economic and cultural centers, **Los Angeles County** is home to more than 10 million residents, comprising 26% of California's total population and making it **the most populous county in the United States**. Known for its coastal location, cultural attractions, educational institutions, and massive economy, Los Angeles County encompasses more than 4,000 square miles and contains 88 cities and 65 unincorporated communities.

As the home of the entertainment capital of the world, L.A. County's economy is deeply rooted in the production and supporting services associated with the motion picture and television industries. The county is also one of the world's leading trade centers thanks in part to the Ports of Long Beach and Los Angeles which provide access for the U.S. to the Pacific Rim. Recent job growth in L.A. County has been found in the software development, software engineers, and mathematical operations fields as a number of tech companies including Hulu, Snapchat, and Electronic Arts have moved to L.A.'s Silicon Beach.



International Trade Capital

Los Angeles County is the No. 1 **"International Trade Capital of America"**
- The Kyser Center for Economic Research

Best City to Launch Career

The city of Los Angeles ranked No. 2 among the **"Best Cities to Launch Your Career"**
- Bankrate

Manufacturing Hub

Los Angeles is ranked the No. 1 **"Manufacturing City in the Nation"**
- The Kyser Center for Economic Research

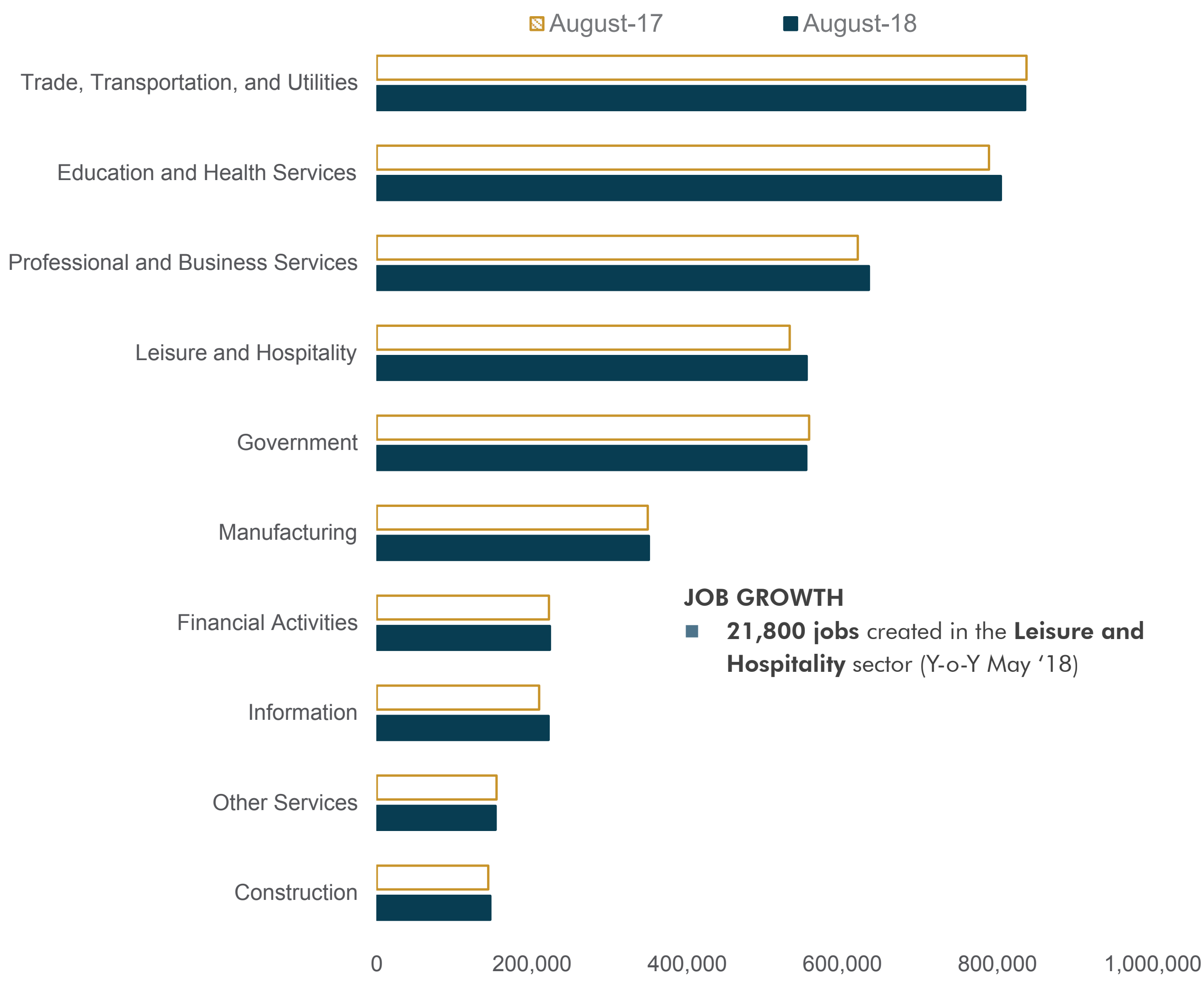
Best Place to Live

The city of Los Angeles is ranked among the top 40 **"Best Large Cities to Live In"**
- NerdWallet

DEMOGRAPHICS

- Los Angeles County's **population** is forecast to grow **3.5%** over the next five years, surpassing 10.4 million residents
- **30%** of countywide residents age 25 and older hold a **bachelor's degree or higher**, on par with the national average
- **30%** of Los Angeles County **households earn $100,000 or more annually**, compared to 25% nationally
- **49%** of occupied housing units in Los Angeles County are **renter-occupied**, compared to the U.S. average of 31%
- The county's **median household income** is projected to reach $67,451 by 2023, up **10.4%** from 2018

COUNTY INDUSTRY BREAKDOWN



JOB GROWTH

- **21,800 jobs** created in the **Leisure and Hospitality** sector (Y-o-Y May '18)

EMPLOYMENT TRENDS

AUGUST 2018

- **5.1%** the county's monthly unemployment rate was unchanged Y-o-Y

AUGUST 2018

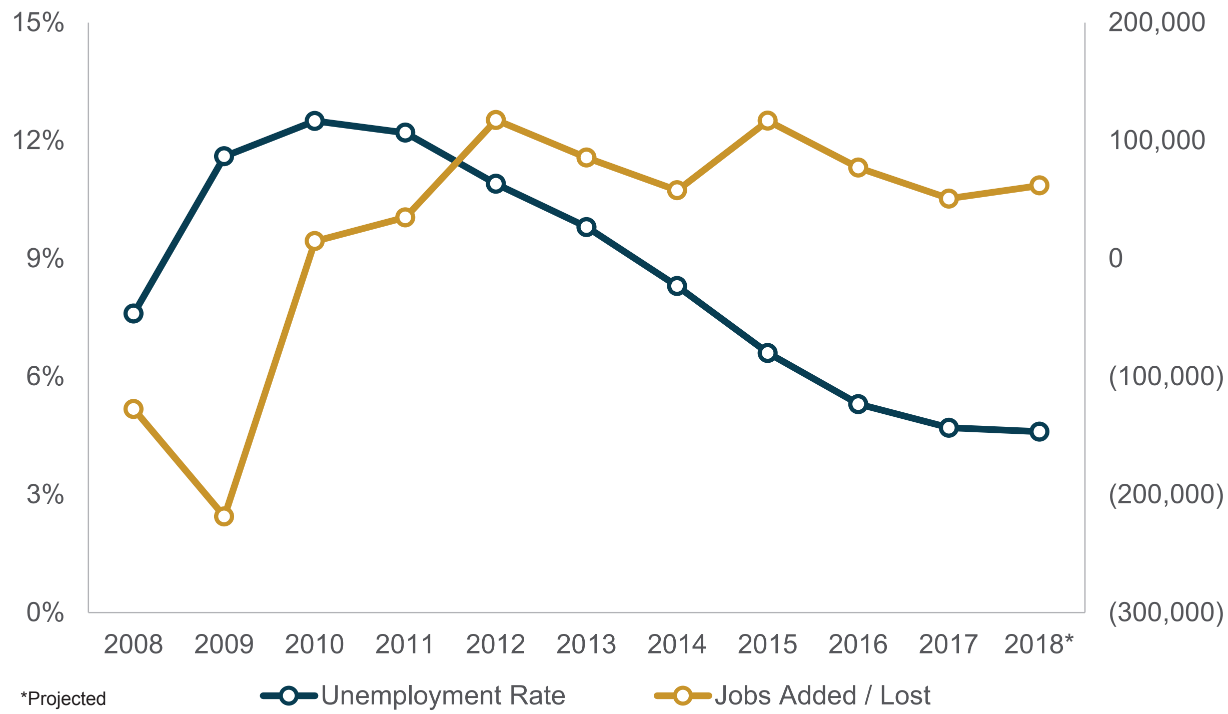
- **62,000 jobs** were created countywide, a **1.4%** Y-o-Y increase

LOS ANGELES COUNTY

LARGEST EMPLOYERS

Los Angeles County	107,500
Los Angeles Unified School District	60,240
City of Los Angeles	49,500
University of California Los Angeles	46,200
U.S. Government	45,000
Kaiser Permanente	36,900
State of California	29,900
University of Southern California	27,430
Northrop Grumman Corporation	16,600
Target Corporation	15,000

Sources: Los Angeles Almanac; University of Southern California



*Projected

TRADE & LOGISTICS

- **1.2 Million** Jobs Supported
- **$3.6 Trillion+** Annual Trade Value
- **$58 Billion** Annual Wages and Tax Revenues
- **$53,730** Average Annual Salary

Port of Los Angeles

Metro Los Angeles is one of the world's leading trade and logistics centers, due largely to the presence of the **Port of Los Angeles** and the **Port of Long Beach**, which provide access to major U.S. markets and the Pacific Rim. The Los Angeles Customs District ranked first in the nation in terms of total value of **worldwide trade handled, with a total of more than $3.6 trillion**. Combined, the ports support more than **1.2 million direct and indirect jobs and generate over $58 billion annually in wages and tax revenues**.

MANUFACTURING

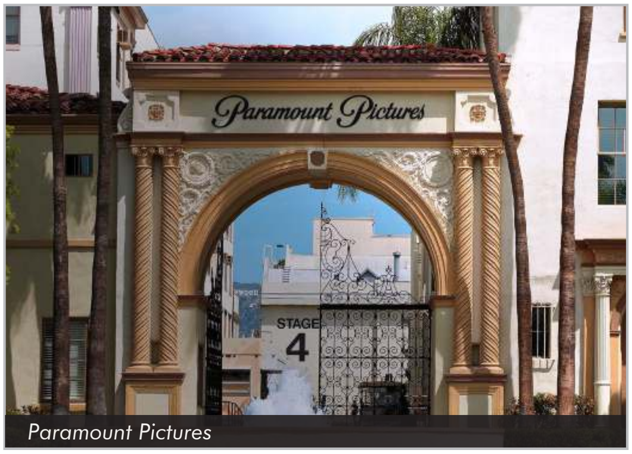
- **Largest** Manufacturing Center in the Nation
- **352,400** Jobs Supported Countywide
- **65** Manufacturing Plants on I-605 Corridor
- **$50,480** Average Annual Salary

Northrop Grumman

With approximately **352,400 jobs supported, Los Angeles County is the top manufacturing center in the nation. Approximately 65 manufacturing plants are situated along the 605 corridor** and additional manufacturing hubs are located in nearby Cerritos, Buena Park, and Santa Fe Springs. Significant manufacturing companies in Los Angeles County include Northrop Grumman, American Solar Direct, Crocker Motorcycles, and Panavision.

ENTERTAINMENT

- **$120 Billion** Total Output
- **837,000** Jobs Supported
- **Entertainment** Capital of the World
- **$83,110** Average Annual Salary



Paramount Pictures

Los Angeles is the world center for the entertainment industry. Top **movie studios based in Los Angeles County include Walt Disney Co., Miramax, Lionsgate, Fox, Universal Pictures, Warner Brothers**, and **DreamWorks**. All major U.S. television networks, including **ABC**, **NBC**, and **CBS** have considerable operations in the area as well. With an estimated **total output of $120 billion annually**, the entertainment industry in the region **supports over 162,000 jobs directly, nearly 590,000 jobs indirectly, and an additional 85,000 jobs for independent contractors**.

PROFESSIONAL AND BUSINESS SERVICES

- **12** Fortune 500 Headquarters
- **634,200** Jobs Supported
- **$184 Billion** Combined Annual Revenue
- **$81,090** Average Annual Salary


Avery Dennison

Los Angeles County is home to **12 Fortune 500 headquarters**, including Amgen, Avery Dennison, Live Nation Entertainment, Mattel, Occidental Petroleum, and Walt Disney Co. These Fortune 500 companies have combined payrolls exceeding 30,000 employees and have an annual revenue of over $184 billion. The professional and business services segment represents the **third-largest employment sector in Los Angeles County, supporting approximately 634,200 jobs** in August 2018.

CONSTRUCTION AND DEVELOPMENT

LAX MODERNIZATION PROGRAM

- **$14 Billion** Capital Improvements
- **121,000+** Construction Jobs

Known as the largest public-works program in the history of the city of Los Angeles, the **$14 billion LAX modernization program** began in 2009 and has a projected completion date of 2023. The Tom Bradley International Terminal was completed in September 2013 and features new aircraft gates and concourses, retail shops and other amenities. Other projects that were recently completed include new taxiways and taxilanes, infrastructure upgrades, and renovation improvements to all terminals. The future **$5.5 billion Landside Access Modernization Program (LAMP)** will generate additional terminal renovations and provide the growing number of airport passengers convenient connections to public transportation from the airport.

AUTOMATED PEOPLE MOVER (APM) AT LAX

- **$4.9 Billion** Contract
- **85 Million** Passengers Served Each Year

In April 2018, the Los Angeles World Airports (LAWA) Board of Airport Commissioners approved a **$4.9 billion**, 30-year public-private partnership contract with LAX Integrated Express Solutions (LINXS) to design, construct, and operate the planned **Automated People Mover (APM)** system at LAX. As the centerpiece of LAMP, the 2.25-mile APM will consist of driverless trains traveling to **six stations**, three inside the airport terminal loop and three outside the terminal, providing travelers with easy access to the light-rail, parking, and terminals. Slated to be operational by 2023, LAWA expects the Automated People Mover to serve over **85 million passengers each year**.

CENTURY PLAZA

- **$2.5 Billion** Investment
- **1,000** Permanent Jobs

Work is underway on Century Associates' **$2.5 billion redevelopment of Century Plaza, encompassing 1.5 million square feet of space**. The project will include a pair of 46-story residential towers designed by Pei Cobb Freed, a 100,000-square-foot retail plaza, and a new 394-room hotel with 63 luxury condos located in the heart of Los Angeles' Century City neighborhood. **The entire project will create 5,000 construction-related jobs and up to 1,000 permanent jobs**. Construction started in March 2016 and is expected to be completed in 2019.

CONSTRUCTION AND DEVELOPMENT

NBC UNIVERSAL

- **12,000** Permanent Jobs
- **$6.3 Billion** Economic Impact

The **$1.6 billion Evolution master plan will expand NBC Universal's studio and theme park**, located on 391 acres in Universal City. The plan includes 1.5 million square feet of new studio and office space, a 327,000-squarefoot addition to the Universal Studios theme park, and 1,000 hotel rooms. **The entire Evolution project will have an economic impact of $6.3 billion, supporting 31,000 jobs during construction and 12,000 new permanent positions**. Estimated completion is 2030.

NEWHALL RANCH DEVELOPMENT

- **$12 Billion** Investment
- **205,000** Total Jobs Created

In October 2017, construction began on a **massive 21,500-home Newhall Ranch development on 15,000 acres** along Highway 126 in north Los Angeles County near Magic Mountain, considered to be **the largest subdivision of its kind in the nation**. The **$12 billion project** will include nine villages with the first two, Landmark and Mission, to include more than 620 single-family lots, an elementary school, and a fire station. The entire development is **expected to create 130,000 construction jobs, support 75,000 new county jobs, and generate over $21 billion in business revenues and $2.7 billion annually in total taxes**. The development will also include over **11 million square feet of commercial space** and is slated to be complete by 2035.

BROADWAY TRADE CENTER RENOVATION

- **3,000** Workers can be Accommodated
- **1.1 Million** SF Building

Plans are underway to renovate the early 20th-century **Broadway Trade Center in Downtown Los Angeles** into a 15-story multi-use property. The makeover of this 1.1 million-square-foot building will feature retail space on the ground floor, restaurants, multiple bars, spa, private club, **office space capable of accommodating up to 3,000 workers**, more than 150 hotel rooms, and underground parking for 400 to 600 vehicles. The renovated property will showcase a rooftop activity area with movie screen and Olympic-size swimming pool. Completion is expected in 2019.

CONSTRUCTION AND DEVELOPMENT

L.A. LIVE

- **25,000+** Jobs Supported
- **5.6 Million** SF of Commercial Space

This **$2.5 billion sports and entertainment district**, located in the South Park District of Downtown Los Angeles, encompasses more than **5.6 million square feet** of retail shops, music venues, night clubs, movie theaters, restaurants, and a 54-story Ritz-Carlton Residences hotel and condominium tower, **supporting more than 25,000 jobs**. Future plans call for a 600,000-square-foot office tower for nearby creative firms, a 360-unit residential building, and a new parking garage. At build-out, the buildings will be wrapped in a giant, LED sign stretching 60,000 square feet along Olympic, Figueroa, and 11th Street. The project will also feature retail and commercial space at the base of the buildings for hotel guests and residents. Work is expected to be completed by 2023.

LOS ANGELES STADIUM IN NEW CITY OF CHAMPIONS DISTRICT

- **$2.6 Billion** Investment
- **1.5 Million** SF of Commercial Space

A **70,000-seat sport stadium** and **multi-use development** is currently under construction in Inglewood's new City of Champions district, approximately 10 miles north of Torrance. The stadium will be the new home of the **NFL's Rams and Chargers franchises**. At 3 million square feet, it will be the largest stadium in professional football. The **$2.6 billion, 300-acre, multipurpose facility** will also include a 6,000-seat performance venue, more than 1.5 million square feet of retail and office space, 2,500 homes, a 300-room hotel, and 25 acres of parks. Combined **team annual revenue** is estimated to generate **$700 million** to the region. The new stadium is expected to be completed in time for the 2020 NFL season.

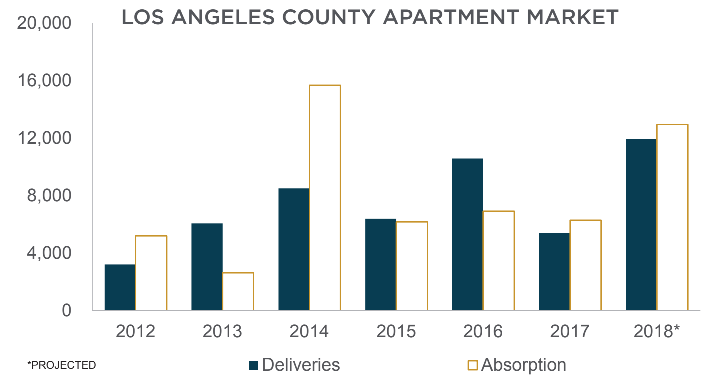
DELIVERIES / ABSORPTION

NEW DELIVERIES

- **6,714 Units** through September 2018, up **51.9%** year over year

NET ABSORPTION

- **10,315 Units** through 3Q18, up **92.9%** annually



With Los Angeles County being one of the more difficult regions for multifamily development in the nation, a lag between peak demand and new supply tends to occur in the multifamily market. As demand for multifamily units in the county was at its peak during the recession and immediately after, developers were faced with multiple hurdles including long permitting processes and anti-density politics. The results have been a construction pipeline just now beginning to catch up with demand, which is evident by the **nearly 6,715 units added county wide through the first nine months of 2018, a 51.9% annual increase**. By the end of 2018, the number of new units added to the L.A. County multifamily market is projected to hit a five-year high of over 11,920 units. Hot development submarkets in L.A. County include downtown, Venice Beach, Woodland Hills, Koreatown, and Westlake.

With roughly 49% of occupied housing units being renter occupied, L.A. County boasts one of the highest renter to owner ratios in the country. With a widespread shortage of affordable single family housing units, L.A. County's deep renter pool contributed to **net absorption increasing 92.9% annually to 10,315 units through the third quarter of 2018**. Net leasing activity is forecast to increase during the fourth quarter, pushing new absorption to over 12,940 units through December

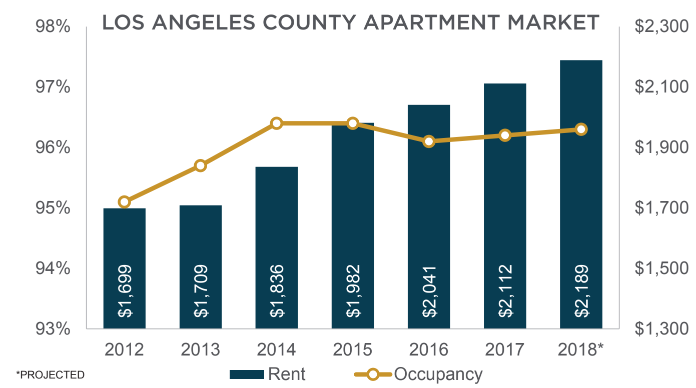
RENT / OCCUPANCY

EFFECTIVE RENT

- **$2,185** in the third quarter of 2018, up **3.3%** from one year prior

OCCUPANCY RATE

- **96.7%** in 3Q18, up **50** bps year over year



Los Angeles County offers multifamily owners the ideal blend of youth and an expensive single family housing market. Compared to other tier one markets, Los Angles boasts a young population thanks to a large number of international and domestic in-migration, many of whom are looking to get their start in the entertainment industry. Over **2.4 million L.A. County residents are in the prime-renter age cohort** and the widening gap between incomes and home prices all but ensures residents currently in this age group will continue to be located in the market's pool of renters even after exiting the age cohort.

Despite the county wide occupancy rate increasing 50 basis points annually to 96.7% through September of 2018, and demand for multifamily units at a five-year high, the rent-to-income ratio is approaching its limit, meaning that rent growth is unlikely to increase much faster than household income levels going forward. Rents are expected to increase but operators are likely to see year-over-year growth rates at or below the **3.3% seen through the third quarter of 2018, which pushed effective rent up to $2,185 per month**. Affordability is likely to be the main factor slowing rent growth, as the rate of rent growth has heavily outpaced the rate of wage gains since 2012.

EDUCATION

LOS ANGELES COUNTY, CA

HIGHER EDUCATION

Los Angeles Community College District	152,690
University of Southern California	45,690
University of California Los Angeles	45,430
California State University, Northridge	39,820
Mt. San Antonio College	37,770
California State University Long Beach	37,070
California State University Los Angeles	28,250
Santa Monica College	27,740
Pasadena City College	25,370
Long Beach City College	11,270

Sources: listed college websites; California Community Colleges Chancellor's Office

HIGHER EDUCATION

- **625,000** students metrowide

ANNUAL GRADUATES

- **60,000** produced by Metro Los Angeles universities each year

The region is a higher education center, with over 120 colleges and universities that support economic growth, provide jobs, attract new residents to the area, and generate sustained demand for off-campus housing. The universities alone produce 60,000 graduates annually, the highest number of any county in the nation.

The University of California Los Angeles (UCLA) is world renowned for its high quality academic, research, and athletic programs. UCLA offers more than 125 undergraduate majors and 150 graduate degree programs. The university is one of the largest employers in the region, supporting approximately 46,200 jobs countywide. UCLA has an enrollment of 45,430 students and generates $12.7 billion in economic impact in the Southern California region.

The **University of Southern California (USC)** enrolls approximately 45,690 students and employs 27,430 residents. USC has the largest private university graduate program in the nation in science, engineering, and health. The University of Southern California was ranked No. 23 among national universities in 2017 by U.S. News & World Report.universities in 2017 by U.S. News & World Report.

TRANSPORTATION

Los Angeles International Airport

MTA RIDERSHIP

- **440.9m** rail and bus passengers in 2017

LAX PASSENGERS

- **82.9m** passengers served in 2017

Los Angeles boasts an extensive freeway network, with major routes including the **Santa Ana Freeway** (I-5), **San Diego Freeway** (I-405), **Foothills Freeway** (I-210), **Santa Monica** and **San Bernardino freeways** (I-10), **Harbor Freeway** (I-110), **Long Beach Freeway** (I-710), and **San Gabriel River Freeway** (I-605).

The **Metropolitan Transportation Authority (MTA)** provides local bus and rail service, linking communities in Los Angeles County. MTA offers over 1,500 square miles of service area and employs more than 9,200 residents.

The **Los Angeles International Airport (LAX)** supports 408,000 local jobs and has an **annual economic impact of $60 billion**. LAX served over 82.9 million passengers in 2017, making it the **third-busiest airport in the nation and seventh-busiest airport in the world**.

LIFESTYLE AND ENTERTAINMENT

HOLLYWOOD BOULEVARD

- **10+** theaters and museums

HOLLYWOOD & HIGHLAND

- **95+** shops and restaurants

Hollywood Boulevard

One of the most culturally diverse areas in the world, Los Angeles county boasts boundless entertainment options that are sure to please every type of lifestyle.

Hollywood Boulevard, one of the most famous streets in the nation, runs through Hollywood, Little Armenia, and Thai Town before ending at its intersection with Sunset Boulevard. The 15 blocks located between La Brea Avenue and Gower Street are the primary location of the Hollywood Walk of Fame and a number of cultural landmarks including the Capitol Records Tower, Barnsdall Art Park, and the Hollywood Sign. **Hollywood and Highland**, the 387,000-square-foot entertainment center featuring over 95 shops and restaurants, the Chinese Theater, and Dolby Theater are also located near Hollywood Boulevard.

For the sports enthusiast, Los Angeles is home to **six major professional sports franchises**. The NBA's Clippers, Lakers and NHL's Kings all play at the Staples Center in downtown Los Angeles. Major League Baseball's Los Angeles Dodgers play at Dodger Stadium approximately five miles south of Hollywood while the NFL's Rams and Chargers franchises play at the L.A. Memorial Coliseum and StubHub center before jointly occupying the new Los Angeles Stadium at Hollywood Park in 2020.

BY THE NUMBERS

TOTAL POPULATION

2010	9,818,605
2018*	10,065,429
2023*	10,420,293
Growth Rate (2018 - 2023)	**3.5%**

MEDIAN AGE

2010	34.8
2018*	36.9
2023*	38.2

TOTAL HOUSEHOLDS

2010	3,241,204
2018*	3,333,603
2023*	3,460,443
Growth Rate (2018 - 2023)	**3.8%**

MEDIAN HOME PRICE

August - 2017	$604,500
August - 2018	$647,000
Growth Rate Y-o-Y	**7.0%**

MEDIA INCOME

2010	$52,964
2018*	$61,079
2023*	$67,451
Growth Rate (2018 - 2023)	**10.4%**

RENT VS. OWN

Average Mortgage Payment**	$3,695
Effective Rent	$2,185
Difference	**$1,510**

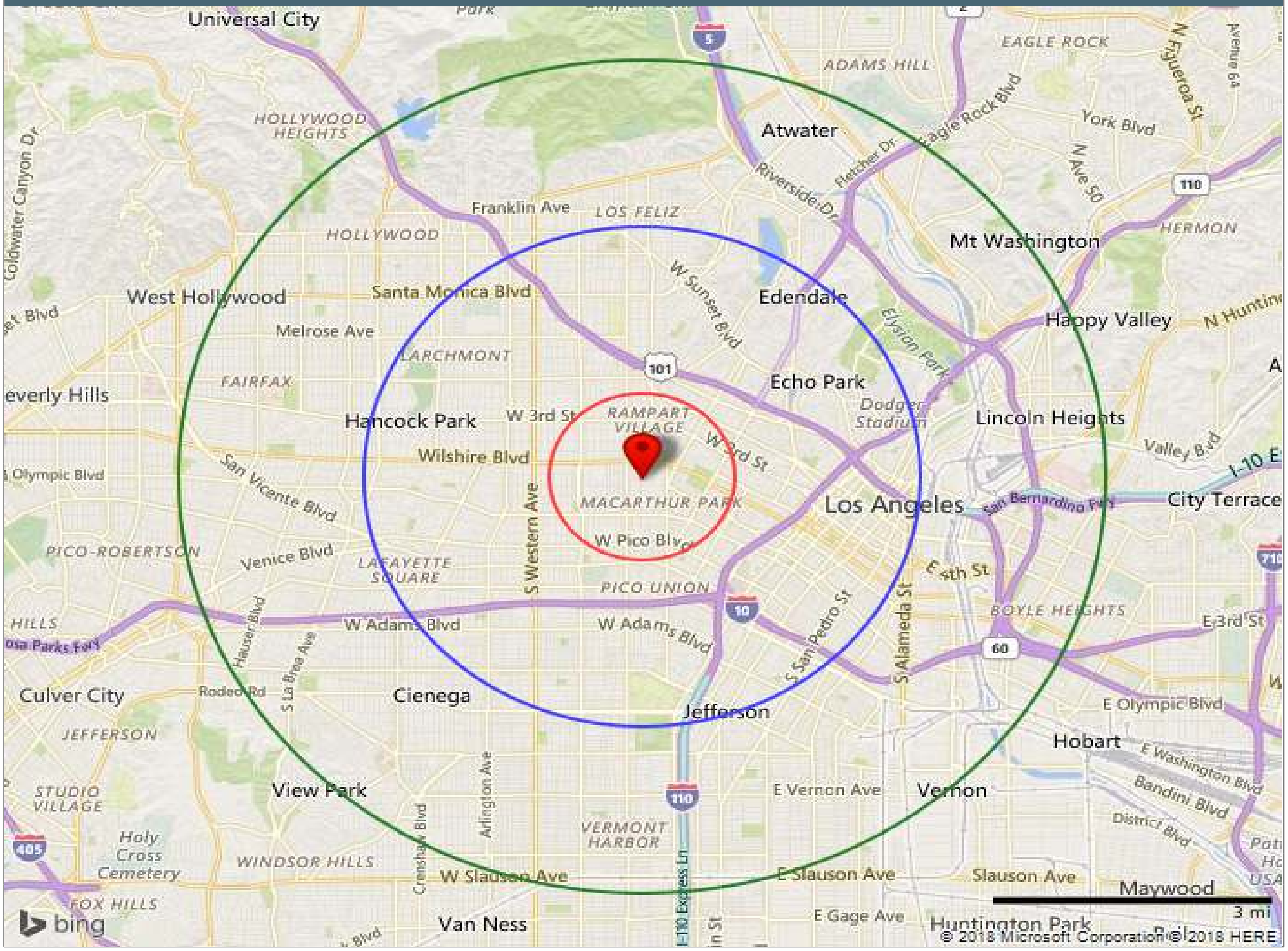
**Projected*
***30-yr fixed; 20% down; 4.65% interest rate; 1.75% property taxes; $1,000 homeowners insurance*

Sources: Berkadia; Tetrad; U.S. Census Bureau; U.S. Bureau of Labor Statistics; Moody's; Wikipedia; Axiometrics; Corelogic; California Association of Realtors; City of Los Angeles California Division of Tourism; Los Angeles County Metropolitan Transportation Authority; Los Angeles County; Los Angeles Times; Los Angeles Economic Development Corporation; Los Angeles Area Chamber of Commerce; Los Angeles World Airports; Port of Los Angeles; Los Angeles Unified School District; Los Angeles Convention and Visitors Bureau; California Association of Realtors; Los Angeles Business Journal; Los Angeles Daily News; Los Angeles Downtown News; UCLA; USC; CSU-Northridge; CSU-L.A.; Los Angeles Community College District; Mt. St. Mary's College; Occidental College; Southern California Association of Governments; Airports Council International; Urbanize L.A.; Peterson's; The Signal Santa Clarita Valley; The Orange County Register; Business Insider; LA Curbed; U.S. News & World Report; LA Almanac; LAUSD; Develop San Pedro; Curbed.

BERKADIA®

Site Map

2975 Leeward Ave, Los Angeles, CA 90005



Legend

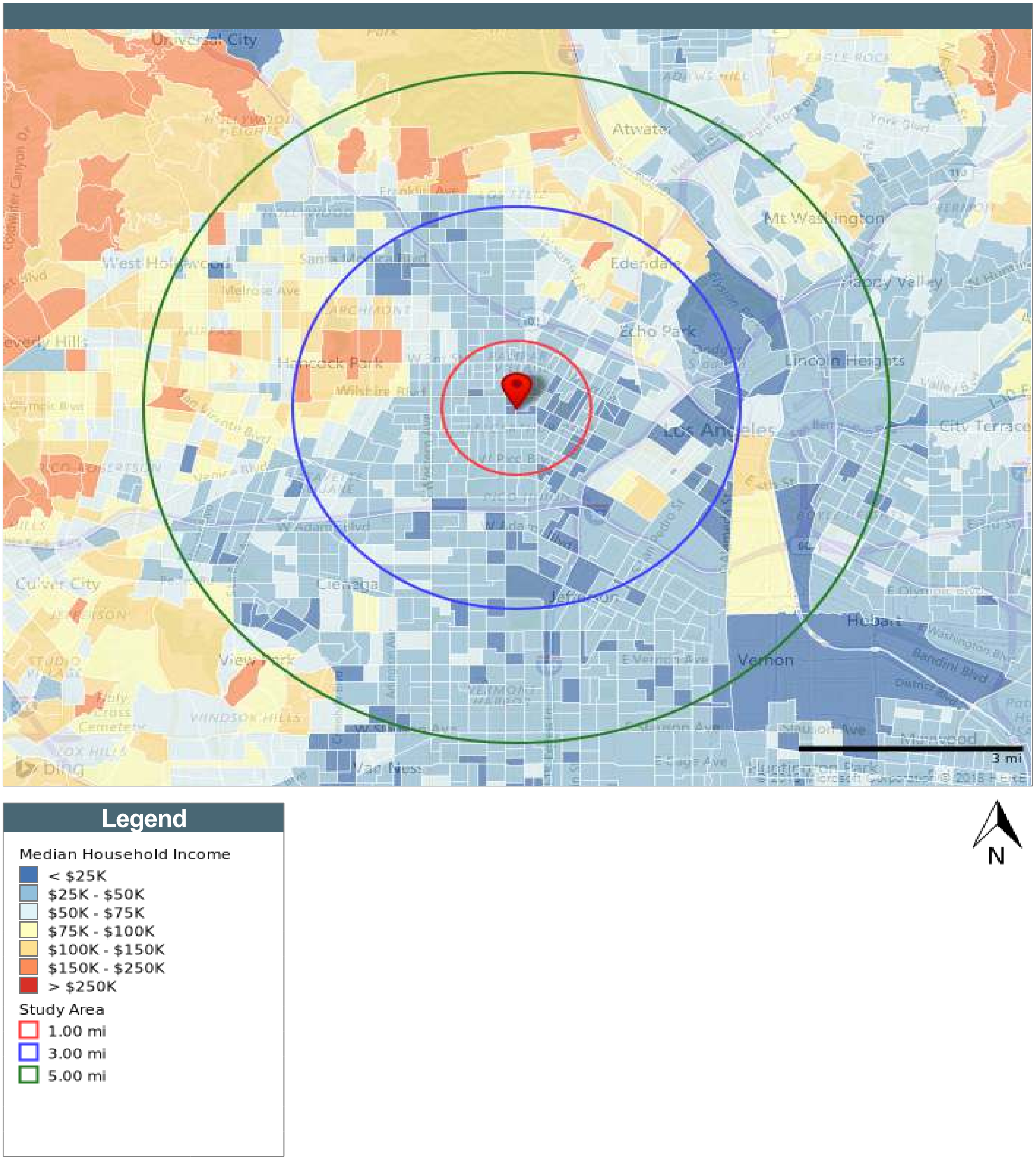
Study Area
- 1.00 mi
- 3.00 mi
- 5.00 mi

Powered by Sitewise Pro

Data Source: STI PopStats

Median Household Income

2975 Leeward Ave, Los Angeles, CA 90005



Powered by Sitewise Pro

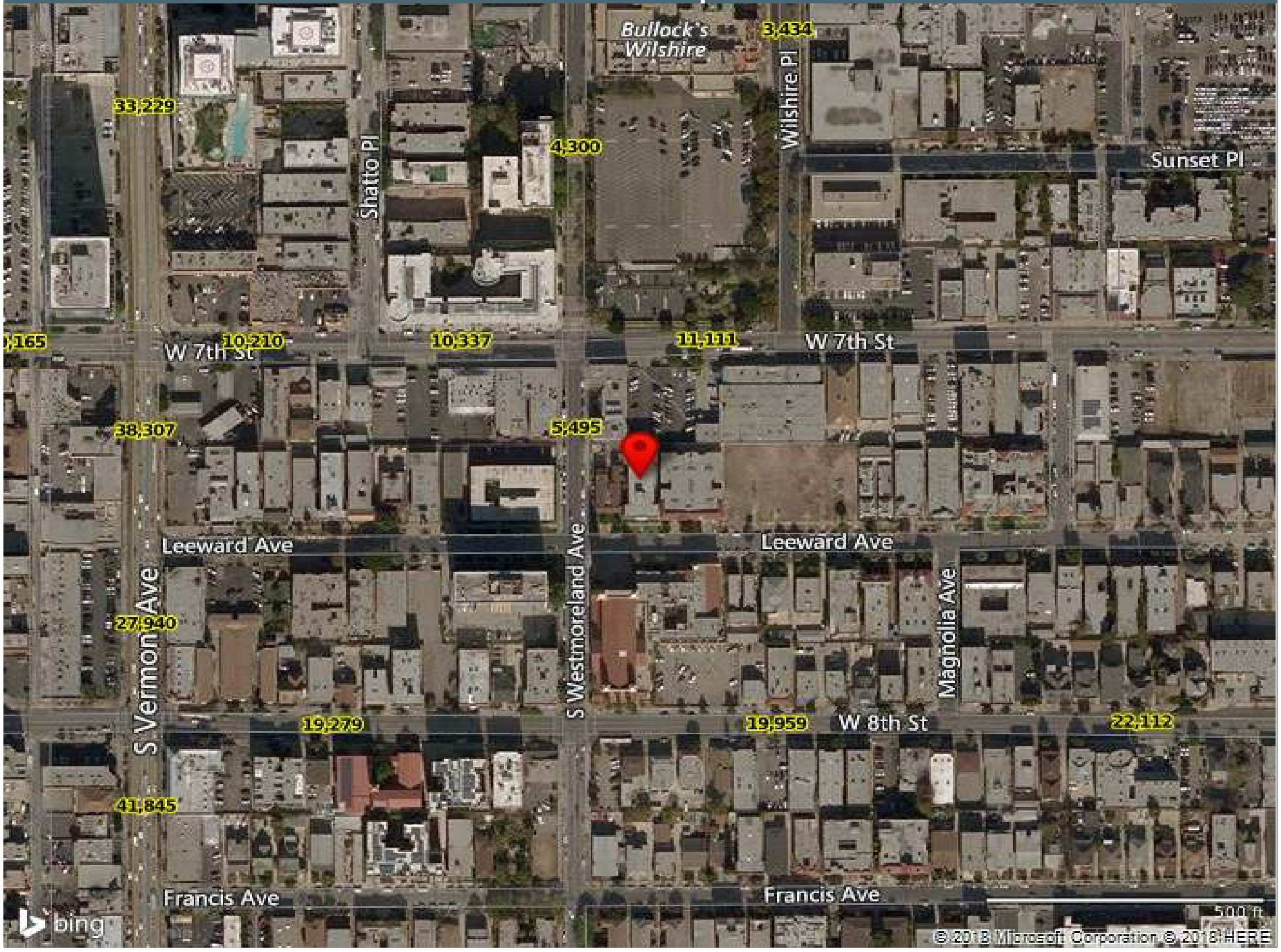
Data Source: STI PopStats

BERKADIA®

Traffic Profile

2975 Leeward Ave, Los Angeles, CA 90005

Traffic Map



#	Street	Cross St	Dir	Vol.	Dist (mi)
1	S Westmoreland Ave	W 7th St	N	5,495	0.0
2	W 7th St	Wilshire Pl	E	11,111	0.1
3	W 7th St	Shatto Pl	W	10,337	0.1
4	W 8th St	Magnolia Ave	E	19,959	0.1
5	S Westmoreland Ave	Wilshire Blvd	N	4,300	0.1
6	W 7th St	S Vermont Ave	W	10,210	0.1
7	W 8th St	S Vermont Ave	W	19,279	0.1
8	S Vermont Ave	W 7th St	N	38,307	0.2
9	Wilshire Pl	Wilshire Blvd	N	3,434	0.2
10	S Vermont Ave	Leeward Ave	N	27,940	0.2

#	Street	Cross St	Dir	Vol.	Dist (mi)
11	Wilshire Blvd	S Westmoreland	W	26,568	0.2
12	Wilshire Blvd	S Westmoreland	E	24,350	0.2
13	Wilshire Blvd	Wilshire Pl	E	32,967	0.2
14	W 8th St	Magnolia Ave	W	22,112	0.2
15	Wilshire Blvd	Wilshire Pl	W	33,896	0.2
16	S Vermont Ave	W 8th St	N	41,845	0.2
17	W 7th St	S New	W	9,165	0.2
18	S Vermont Ave	Wilshire Blvd	N	33,229	0.2
19	Wilshire Blvd	S Virgil Ave	W	32,995	0.2
20	W 7th St	S Hoover St	E	10,230	0.2

Powered by Sitewise Pro

Data Source: Kalibrate

BERKADIA®

DEMOGRAPHIC PROFILE

2010 Census, 2018 Estimates & 2023 Projections

Calculated using Proportional Block Groups

2018-Oct-18

Lat/Long: 34.059077/-118.288702

	2975 Leeward Ave, Los Angeles, CA 90005	0 - 1 mi		0 - 3 mi		0 - 5 mi		Los Angeles-Long Beach-Anaheim, CA		US Benchmark	
Population	Area in square miles	3		28		77		4,849		3,537,439	
	Est. Population/square mile	45,316		22,178		16,426		2,728		93	
	2023 Projection	147,579		660,389		1,329,961		13,635,161		343,896,855	
	2018 Estimate	141,492		625,727		1,269,897		13,228,099		330,536,734	
	2010 Census	137,388		598,983		1,222,216		12,828,837		312,471,327	
	2000 Census	144,103		613,043		1,228,621		12,365,353		281,421,872	
	Growth 2018-2023	4.3%		5.5%		4.7%		3.1%		4.0%	
	Growth 2010-2018	3.0%		4.5%		3.9%		3.1%		5.8%	
	Growth 2000-2010	-4.7%		-2.3%		-0.5%		3.7%		11.0%	
Households	2023 Projection	54,687		246,511		489,732		4,529,574		130,010,439	
	2018 Estimate	52,311		230,492		463,328		4,381,791		125,006,767	
	2010 Census	50,708		217,117		441,112		4,233,985		118,092,823	
	2000 Census	49,560		205,588		423,967		4,068,951		106,741,406	
	Growth 2023-2028	3.6%		4.5%		4.1%		2.8%		3.8%	
	Growth 2018-2023	4.5%		6.9%		5.7%		3.4%		4.0%	
	Growth 2010-2018	3.2%		6.2%		5.0%		3.5%		5.9%	
	Growth 2000-2010	2.3%		5.6%		4.0%		4.1%		10.6%	
	2023 Proj. Pop. In Households	145,676		635,243		1,288,399		13,429,661		335,958,759	
	2018 Est. Pop. In Households	139,597		600,609		1,228,331		13,022,573		322,604,973	
	2023 Proj. Avg. HH Size	2.66		2.58		2.63		2.96		2.58	
	2018 Est. Avg. HH Size	2.67		2.61		2.65		2.97		2.58	
Housing	Vacant Housing Units	4,240	7%	18,277	7%	35,196	7%	253,566	5%	15,220,464	11%
	Occupied Housing Units	52,311	93%	230,492	93%	463,328	93%	4,381,791	95%	125,006,767	89%
	Owner-Occupied	3,952	7%	37,643	15%	101,969	20%	2,212,498	48%	81,504,469	58%
	Renter-Occupied	48,358	86%	192,849	78%	361,359	72%	2,169,293	47%	43,502,298	31%
Ethnicity	Population by Ethnicity	141,492		625,727		1,269,897		13,228,099		330,536,734	
	White	38,350	27%	217,912	35%	503,800	40%	7,056,407	53%	240,428,414	73%
	Black	6,497	5%	52,145	8%	156,067	12%	920,529	7%	41,132,753	12%
	Asian	38,954	28%	135,912	22%	184,293	15%	1,978,780	15%	16,190,174	5%
	Other	57,691	41%	219,759	35%	425,736	34%	3,272,383	25%	32,785,393	10%
	Hispanic or Latino	87,126	62%	340,811	54%	675,722	53%	5,871,991	44%	57,911,177	18%
Educ.	Less than HS Diploma	36,536	38%	135,698	32%	264,541	31%	1,853,913	21%	29,225,373	13%
	HS, Some Col. or Assoc. Deg.	38,351	40%	169,772	40%	345,994	40%	4,119,258	47%	125,203,357	57%
	Bach. Degree or Higher	21,697	22%	118,305	28%	245,648	29%	2,837,423	32%	66,899,258	30%

BERKADIA

DEMOGRAPHIC PROFILE

2010 Census, 2018 Estimates & 2023 Projections

Calculated using Proportional Block Groups

2018-Oct-18

Lat/Long: 34.059077/-118.288702

	2975 Leeward Ave, Los Angeles, CA 90005	0 - 1 mi		0 - 3 mi		0 - 5 mi		Los Angeles-Long Beach-Anaheim, CA		US Benchmark	
Age	Total Population	141,492		625,727		1,269,897		13,228,099		330,536,734	
	Age 0 to 14	28,532	20%	116,963	19%	245,039	19%	2,446,490	18%	58,003,825	18%
	Age 14 to 18	5,794	4%	23,946	4%	52,557	4%	638,089	5%	16,918,011	5%
	Age 18 to 22	5,427	4%	35,869	6%	65,510	5%	773,771	6%	21,005,631	6%
	Age 22 to 25	5,156	4%	25,175	4%	50,608	4%	559,155	4%	13,281,279	4%
	Age 25 to 35	22,623	16%	97,299	16%	193,881	15%	1,808,504	14%	41,408,341	13%
	Age 35 to 45	25,332	18%	103,934	17%	210,799	17%	1,783,110	13%	41,198,779	12%
	Age 45 to 55	19,267	14%	83,875	13%	172,422	14%	1,786,052	14%	42,808,937	13%
	Age 55 to 65	14,395	10%	66,659	11%	133,916	11%	1,614,128	12%	43,128,390	13%
	Age 65 to 75	9,040	6%	42,393	7%	85,423	7%	1,079,442	8%	31,407,042	10%
	Age 75 to 85	4,334	3%	21,319	3%	42,724	3%	532,531	4%	15,856,996	5%
	Age 85 and over	1,593	1%	8,294	1%	17,018	1%	206,827	2%	5,519,503	2%
	Median Age	36.2		36.2		36.2		37.1		38.5	
	Average Age	36.3		36.9		36.8		38.0		39.2	
Family	Families by # of Workers	30,118		123,683		248,342		3,022,760		83,649,135	
	No workers	3,293	11%	14,319	12%	30,364	12%	348,527	12%	12,649,994	15%
	1 worker	12,903	43%	47,809	39%	91,932	37%	1,019,281	34%	27,762,259	33%
	2 workers	10,669	35%	46,294	37%	94,261	38%	1,206,060	40%	34,212,622	41%
	3 or more workers	3,253	11%	15,260	12%	31,785	13%	448,892	15%	9,024,260	11%
Enrollment	Total Population	141,492		625,727		1,269,897		13,228,099		330,536,734	
	Pre-High School	17,403	12%	70,179	11%	147,562	12%	1,752,302	13%	44,760,371	14%
	High School	7,039	5%	29,778	5%	64,081	5%	778,759	6%	18,134,794	5%
	College/Grad/Prof	11,342	8%	65,951	11%	115,223	9%	1,187,443	9%	24,753,220	7%
	Not enrolled	105,709	75%	459,819	73%	943,030	74%	9,509,595	72%	242,888,349	73%
	Per Capita Income	$16,787		$23,211		$25,647		$31,528		$30,556	
Employment	Total Pop. Age 16+	110,127		497,027		999,014		10,466,082		264,107,605	
	Labor Force	78,104	71%	329,920	66%	659,228	66%	6,760,038	65%	167,090,813	63%
	In Armed Forces	3	0%	22	0%	57	0%	5,145	0%	1,127,457	0%
	Civilian, Employed	74,155	67%	313,276	63%	626,832	63%	6,466,564	62%	158,435,875	60%
	Civilian, Unemployed	3,947	4%	16,621	3%	32,339	3%	288,329	3%	7,527,481	3%
	Not in Labor Force	32,023	29%	167,107	34%	339,786	34%	3,706,044	35%	97,016,792	37%
	Unemployment Rate	5.1%		5.0%		4.9%		4.3%		4.5%	

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2018-Oct-18

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Employed Population	Employed Pop. Age 16+	74,155		313,276		626,832		6,466,564		158,435,875	
	Agr., forestry, fish & hunt, min., constr.	6,739	9%	22,474	7%	40,732	6%	405,090	6%	13,023,235	8%
	Manufacturing	9,769	13%	30,177	10%	59,539	9%	706,284	11%	16,449,898	10%
	Wholesale & retail trade	10,672	14%	43,051	14%	84,526	13%	922,678	14%	22,507,391	14%
	Transp. and warehousing, and utilities	2,640	4%	11,192	4%	24,906	4%	321,673	5%	7,957,667	5%
	Information	1,719	2%	14,476	5%	37,271	6%	243,954	4%	3,323,357	2%
	Fin., ins., RE & rental/leasing	3,600	5%	14,961	5%	29,014	5%	437,469	7%	10,423,337	7%
	Prof., sci., mgmt, admin, and waste mgmt	8,545	12%	40,242	13%	81,889	13%	840,399	13%	17,650,344	11%
	Prof., sci., & technical svcs	3,247	4%	21,005	7%	45,037	7%	499,298	8%	10,720,774	7%
	Mgmt of companies & ent.	23	0%	149	0%	285	0%	4,845	0%	136,437	0%
	Admin, support & waste mgı	5,275	7%	19,088	6%	36,567	6%	336,256	5%	6,793,133	4%
	Educ., health and soc. svc	8,919	12%	51,051	16%	105,570	17%	1,305,394	20%	36,640,989	23%
	Arts, ent., rec., accom. & food	13,409	18%	50,277	16%	98,791	16%	700,057	11%	15,150,611	10%
	Other services (except public admin)	7,287	10%	29,633	9%	52,233	8%	384,930	6%	7,785,202	5%
	Public Administration	856	1%	5,744	2%	12,360	2%	198,636	3%	7,523,844	5%
	Employed Civilian Pop. Age 16 +	74,155		313,276		626,832		6,466,564		158,435,875	
	White Collar	32,542	44%	166,468	53%	349,198	56%	4,082,623	63%	100,275,351	63%
	Blue Collar	41,613	56%	146,808	47%	277,634	44%	2,383,941	37%	58,160,524	37%
White Collar	Mgmt, Business, and Fin. Op.	6,789	9%	34,947	11%	73,476	12%	982,750	15%	23,607,729	15%
	Professional & Related	8,875	12%	58,651	19%	128,338	20%	1,396,351	22%	34,993,969	22%
	Healthcare support	1,411	2%	5,859	2%	11,235	2%	119,265	2%	3,847,008	2%
	Sales & related	8,834	12%	34,508	11%	66,382	11%	728,928	11%	16,953,896	11%
	Office & admin support	6,633	9%	32,504	10%	69,768	11%	855,329	13%	20,872,749	13%
Blue Collar	Protective service	1,324	2%	5,305	2%	11,057	2%	118,276	2%	3,492,138	2%
	Food prep & serving	8,796	12%	29,785	10%	51,717	8%	368,787	6%	9,063,630	6%
	Building & grounds cleaning & maint.	7,642	10%	26,332	8%	45,002	7%	295,122	5%	6,279,823	4%
	Personal care & service	3,685	5%	16,866	5%	33,973	5%	311,256	5%	5,871,896	4%
	Farming, fishing, and forestry	199	0%	1,140	0%	2,199	0%	22,340	0%	1,153,185	1%
	Constr., Extraction, & Maint.	7,343	10%	25,020	8%	46,921	7%	464,475	7%	13,002,361	8%
	Prod., Transp., & Mat. Moving	12,624	17%	42,360	14%	86,765	14%	803,685	12%	19,297,491	12%

BERKADIA

DEMOGRAPHIC PROFILE

2010 Census, 2018 Estimates & 2023 Projections

Calculated using Proportional Block Groups

2018-Oct-18

Lat/Long: 34.059077/-118.288702

	2975 Leeward Ave, Los Angeles, CA 90005	0 - 1 mi		0 - 3 mi		0 - 5 mi		Los Angeles-Long Beach-Anaheim, CA		US Benchmark	
Household Size	Households by HH Size	52,311		230,492		463,328		4,381,791		125,006,767	
	1-person household	16,234	31%	78,632	34%	158,484	34%	1,033,517	24%	33,272,015	27%
	2-person household	13,285	25%	58,199	25%	119,000	25%	1,185,410	27%	40,904,809	33%
	3-person household	8,463	16%	33,554	15%	63,739	15%	715,002	16%	20,152,255	16%
	4-person household	6,927	13%	27,968	12%	52,867	12%	667,632	15%	16,851,348	13%
	5-person household	3,995	8%	16,282	7%	32,259	7%	377,539	9%	8,112,604	6%
	6-person household	1,836	4%	8,083	4%	17,197	4%	189,304	4%	3,294,898	3%
	7 or more person household	1,570	3%	7,775	3%	19,781	3%	213,387	5%	2,418,838	2%
Household Types	Households by Type	52,311		230,492		463,328		4,381,791		125,006,767	
	1 Person Households	16,234	31%	78,632	34%	158,484	34%	1,033,517	24%	33,272,015	27%
	Family Households	30,118	58%	123,683	54%	248,342	54%	3,022,760	69%	83,649,135	67%
	Married-couple family	15,022	29%	68,855	30%	141,150	30%	2,091,889	48%	61,159,188	49%
	W/ own children < 18 yrs	7,052	13%	29,713	13%	61,952	13%	935,051	21%	24,256,518	19%
	No own children < 18 yrs	7,970	15%	39,141	17%	79,198	17%	1,156,838	26%	36,902,670	30%
	Male HHer: no wife present:	5,694	11%	18,460	8%	33,732	8%	286,047	7%	6,093,889	5%
	W/ own children < 18 yrs	2,027	4%	7,263	3%	13,543	3%	113,680	3%	2,881,911	2%
	No own children < 18 yrs	3,667	7%	11,197	5%	20,189	5%	172,367	4%	3,211,978	3%
	Female HHer: no husband:	9,402	18%	36,367	16%	73,460	16%	644,824	15%	16,396,058	13%
	W/ own children < 18 yrs	5,369	10%	18,453	8%	36,734	8%	302,240	7%	8,850,469	7%
	No own children < 18 yrs	4,033	8%	17,914	8%	36,726	8%	342,584	8%	7,545,589	6%
	Nonfamily Households	5,959	11%	28,178	12%	56,502	12%	325,514	7%	8,085,617	6%
Group Quarters	2018 Est. Group Quarters	1,920		25,077		41,593		205,526		7,931,761	
	Institutionalized	1,162	61%	4,616	18%	15,665	18%	82,589	40%	3,993,848	50%
	Non-Institutionalized	757	39%	20,461	82%	25,928	82%	122,937	60%	3,937,913	50%
	College	24	1%	7,828	31%	8,299	31%	61,585	30%	2,522,776	32%
	Military	0	0%	0	0%	0	0%	37	0%	337,872	4%
	Other	733	38%	12,633	50%	17,629	50%	61,315	30%	1,077,265	14%
	2010 Census Group Qtrs Pop	1,997		25,410		42,324		210,917		8,025,278	
	2018 Est. Group Qtrs Pop.	1,920		25,077		41,593		205,526		7,931,761	
	2023 Proj. Group Qtrs Pop.	1,920		25,073		41,588		205,500		7,938,096	
Vehicles	Housing by Vehicles Avail.	52,311		230,492		463,328		4,381,791		125,006,767	
	None	17,213	33%	62,365	27%	100,979	27%	362,512	8%	11,270,806	9%
	1 vehicle	23,795	45%	99,853	43%	204,019	43%	1,451,446	33%	42,026,100	34%
	2 vehicles	9,407	18%	52,289	23%	118,461	23%	1,616,340	37%	46,647,898	37%
	3 vehicles	1,439	3%	11,348	5%	28,056	5%	620,122	14%	17,421,054	14%
	4 vehicles	279	1%	2,899	1%	7,865	1%	232,393	5%	5,510,497	4%
	5 or more vehicles	178	0%	1,739	1%	3,948	1%	98,978	2%	2,130,412	2%
	Avg. # of Vehicles Available	0.9		1.1		1.2		1.8		1.8	

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Calculated using Proportional Block Groups

2018-Oct-18

Lat/Long: 34.059077/-118.288702

	2975 Leeward Ave, Los Angeles, CA 90005	0 - 1 mi		0 - 3 mi		0 - 5 mi		Los Angeles-Long Beach-Anaheim, CA		US Benchmark	
Household Income	Households by HH Inc.	52,311		230,492		463,328		4,381,791		125,006,767	
	$0 to $24,999	18,309	35%	76,765	33%	143,881	31%	839,295	19%	27,149,584	22%
	$25,000 to $34,999	7,938	15%	29,474	13%	52,657	11%	374,327	9%	12,136,353	10%
	$35,000 to $49,999	9,903	19%	34,071	15%	63,104	14%	513,114	12%	16,432,919	13%
	$50,000 to $74,999	8,416	16%	34,861	15%	71,826	16%	715,821	16%	22,193,184	18%
	$75,000 to $99,999	3,767	7%	19,365	8%	43,405	9%	526,180	12%	15,447,201	12%
	$100,000 to $149,999	2,846	5%	18,947	8%	45,316	10%	681,099	16%	17,295,774	14%
	$150,000 to $249,999	939	2%	13,308	6%	33,226	7%	571,038	13%	11,741,377	9%
	$250,000 or more	193	0%	3,700	2%	9,914	2%	160,917	4%	2,610,375	2%
	Median Household Income	$ 34,892		$ 38,521		$ 42,810		$ 65,333		$ 56,975	
	Average Household Income	$ 44,933		$ 61,413		$ 68,860		$ 94,223		$ 79,436	
Householders <25 yrs	HHer < 25 yrs by HH Inc.	3,129		12,555		19,933		115,886		4,603,109	
	$0 to $24,999	1,363	44%	6,149	49%	9,372	47%	46,872	40%	2,035,156	44%
	$25,000 to $34,999	524	17%	1,735	14%	2,734	14%	15,211	13%	672,440	15%
	$35,000 to $49,999	623	20%	1,784	14%	2,755	14%	17,744	15%	733,604	16%
	$50,000 to $99,999	517	17%	2,323	19%	3,957	20%	26,487	23%	933,898	20%
	$100,000 or more	102	3%	564	4%	1,116	6%	9,572	8%	228,011	5%
	Median Household Income	$ 30,099		$ 25,791		$ 27,250		$ 32,336		$ 28,790	
	Average Household Income	$ 34,732		$ 34,658		$ 37,274		$ 49,452		$ 41,059	
Householders 25-44 yrs	HHer 25-44 yrs by HH Inc.	25,534		105,133		209,771		1,565,191		41,137,313	
	$0 to $24,999	7,729	30%	27,779	26%	52,785	25%	255,733	16%	7,262,245	18%
	$25,000 to $34,999	4,234	17%	13,772	13%	23,793	11%	135,077	9%	3,749,211	9%
	$35,000 to $49,999	5,103	20%	17,125	16%	30,593	15%	190,346	12%	5,461,795	13%
	$50,000 to $99,999	6,449	25%	28,338	27%	57,874	28%	478,443	31%	13,736,144	33%
	$100,000 or more	2,019	8%	18,119	17%	44,725	21%	505,592	32%	10,927,918	27%
	Median Household Income	$ 37,059		$ 43,885		$ 48,710		$ 68,036		$ 62,363	
	Average Household Income	$ 45,718		$ 59,074		$ 64,555		$ 94,983		$ 83,136	
Householders 45-64 yrs	HHer 45-64 yrs by HH Inc.	16,858		76,579		158,548		1,775,188		49,160,014	
	$0 to $24,999	5,063	30%	22,748	30%	44,483	28%	271,138	15%	8,693,080	18%
	$25,000 to $34,999	2,514	15%	10,016	13%	18,145	11%	127,821	7%	3,799,300	8%
	$35,000 to $49,999	3,428	20%	11,906	16%	22,183	14%	189,652	11%	5,628,053	11%
	$50,000 to $99,999	4,403	26%	18,573	24%	41,048	26%	508,464	29%	15,152,605	31%
	$100,000 or more	1,451	9%	13,335	17%	32,689	21%	678,113	38%	15,886,976	32%
	Median Household Income	$ 38,309		$ 41,341		$ 45,762		$ 76,522		$ 68,595	
	Average Household Income	$ 46,910		$ 57,543		$ 62,633		$ 104,863		$ 90,521	

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2018-Oct-18

Lat/Long: 34.059077/-118.288702

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Householders > 65 yrs	HHer > 65 yrs by HH Inc.	6,790		36,226		75,076		925,526		30,106,331	
	$0 to $24,999	4,154	61%	20,089	55%	37,241	50%	265,552	29%	9,159,103	30%
	$25,000 to $34,999	666	10%	3,950	11%	7,985	11%	96,218	10%	3,915,402	13%
	$35,000 to $49,999	750	11%	3,256	9%	7,573	10%	115,372	12%	4,609,467	15%
	$50,000 to $99,999	815	12%	4,993	14%	12,352	16%	228,607	25%	7,817,738	26%
	$100,000 or more	406	6%	3,938	11%	9,925	13%	219,777	24%	4,604,621	15%
	Median Household Income	$ 18,982		$ 21,116		$ 25,344		$ 47,998		$ 40,919	
	Average Household Income	$ 31,931		$ 40,505		$ 45,674		$ 78,138		$ 62,113	
Housing Value	Owner-Occ. Housing Units	3,952		37,643		101,969		2,212,498		81,504,469	
	$0 to $49,999	25	1%	307	1%	993	1%	38,460	2%	5,576,034	7%
	$50,000 to $99,999	34	1%	196	1%	518	1%	29,462	1%	8,741,369	11%
	$100,000 to $199,999	171	4%	493	1%	1,332	1%	45,794	2%	20,422,902	25%
	$200,000 to $499,999	993	25%	5,473	15%	17,934	18%	367,972	17%	30,463,978	37%
	$500,000 or more	2,729	69%	31,175	83%	81,193	80%	1,730,810	78%	16,300,186	20%
	Median Housing Unit Value	$ 681,991		$ 881,303		$ 821,937		$ 766,662		$ 237,269	
	Average Housing Unit Value	$ 712,579		$ 959,567		$ 943,678		$ 898,614		$ 347,220	
	Workplace Establishments	4,319		24,158		41,935		394,808		8,361,211	
	Workplace Employees (FTE)	49,975		385,746		675,400		6,521,524		148,739,541	
Mortgage Risk	Mortgage by Mort.-Risk Ratio	413		3,905		11,535		278,640		11,742,446	
	Under 1.0	8	2%	29	1%	60	1%	3,278	1%	522,954	4%
	1.0 to 2.0	38	9%	308	8%	663	6%	16,226	6%	2,692,711	23%
	2.0 to 3.0	104	25%	895	23%	2,115	18%	50,720	18%	3,980,280	34%
	3.0 to 4.0	125	30%	1,143	29%	3,292	29%	84,577	30%	2,741,972	23%
	4.0 to 5.0	100	24%	1,005	26%	3,326	29%	80,438	29%	1,281,356	11%
	5.0 and over	37	9%	525	13%	2,080	18%	43,401	16%	523,173	4%
	Average Mortgage Risk	3.4		3.6		3.8		3.7		2.8	

LOS ANGELES - WEST

MULTIFAMILY REPORT

THIRD QUARTER 2018

MARKET AT A GLANCE

OCCUPANCY RATE 96.3%

Up **70 bps** since 3Q17

EFFECTIVE RENT $2,686

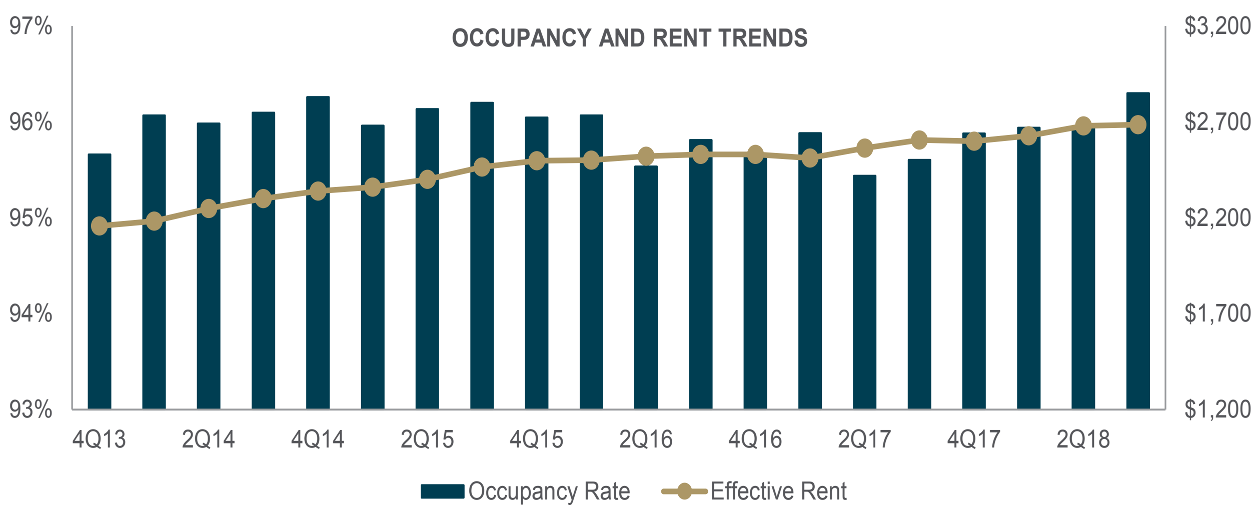
Up **3.1%** since 3Q17

TOTAL INVENTORY 399,755

OCCUPANCY AND RENT TRENDS

COUNTYWIDE APARTMENT DELIVERIES, DEMAND CONCENTRATED IN L.A. WEST

Of the net 10,292 apartments absorbed in Los Angeles County since September 2017, just over 4,300 units were absorbed among the Downtown Los Angeles and Mid-Wilshire submarkets. Much of the apartment demand was driven by large apartment communities completed during that time, including the massive, seven-story, 606-unit Sofia Los Angeles apartment community; the 14-story, 439-unit Broadway Palace Building North high-rise; and the seven-story, 398-unit Next on Sixth mid-rise development. Net absorption in Los Angeles West totaled 7,672 units in the last four quarters, far outpacing the 5,715 multifamily deliveries. The heightened demand pushed occupancy up 70 basis points year over year to 96.3% in September 2018. Over the next four quarters, 11,600 units among more than 70 multifamily developments are scheduled to come online in Los Angeles West. Of these developments, approximately 50 communities will reach completion. While the recent influx of apartments might normally inhibit rent growth, apartment demand tempered that tendency. Average monthly effective rent reached $2,686 in September, a 3.1% annual gain compared to 3.5% growth in the prior 12 months.



LOS ANGELES - WEST

MULTIFAMILY REPORT

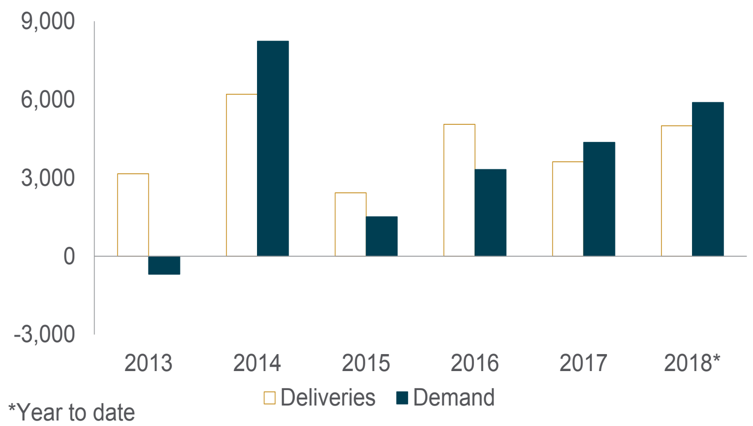
DELIVERIES AND DEMAND

LA - WEST
DELIVERIES 4,994
Units YTD

LA - WEST
NET ABSORPTION 5,885
Units YTD

LA - METRO
DELIVERIES 6,714
Units YTD

LA - METRO
NET ABSORPTION 10,315
Units YTD



ECONOMIC TRENDS

2017		2018
4.7%	UNEMPLOYMENT* **-20 BPS** CHANGE	4.5%
4.45m	EMPLOYMENT* **1.1%** CHANGE	4.49m
63.2k	EXISTING SFH SALES** **-22.6%** CHANGE	48.9k
$550.6k	MEDIAN SFH PRICE** **7.1%** CHANGE	$589.7k
2.20%	10-YEAR TREASURY** **80 BPS** CHANGE	3.00%

*July; **September

Downtown Los Angeles continued to be the economic centerpiece of the metro area during the last 12 months. Numerous projects completed and underway generated business activity, emerging modern apartment communities enhanced inner-core living, and new and updated attractions supported tourism. Countywide job growth was broad based as employers added 48,000 workers to payrolls since July 2017, a 1.1% year-over-year gain. Leisure and hospitality industry employment surged 5.3% annually with 28,000 new hires. The industry was supported by heightened tourism in the last 12 months. In the second-largest sector in the county, education and health services, institutions created 12,200 jobs, a 1.5% gain. Approximately 2,000 new positions were filled in the construction sector which was supported by ongoing development at the $2.5 billion Century Plaza mixed-use project, the $2.5 billion L.A. Live sports and entertainment district, and the $1 billion Oceanwide Plaza development. Together, these projects are expected to support thousands of retail, hospitality, and white-collar jobs upon completion in the next few years.

LOS ANGELES - WEST

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

	OCCUPANCY		AVG RENT INCREASE		AVG RENT		NET ABSORPTION		DELIVERED UNITS	
SUBMARKET NAME	3Q17	3Q18	3Q17	3Q18	3Q17	3Q18	3Q18	ANNUAL	3Q18	ANNUAL
Brentwood/Westwood/Beverly Hills	95.9%	96.5%	4.1%	2.7%	$3,192	$3,278	97	809	100	493
Downtown Los Angeles	95.0%	95.9%	2.9%	2.4%	$2,430	$2,488	1,019	2,216	869	1,884
Hollywood	95.3%	95.8%	6.5%	3.9%	$2,400	$2,493	297	1,213	310	800
Mid-Wilshire	96.4%	96.7%	-1.5%	4.0%	$2,298	$2,390	1,106	2,086	906	1,803
Palms/Mar Vista	96.3%	96.6%	5.9%	3.6%	$2,523	$2,615	284	440	117	324
Santa Monica/Marina del Rey	95.2%	96.3%	3.3%	1.1%	$3,341	$3,379	489	907	265	411
TOTALS	**95.6%**	**96.3%**	**3.5%**	**3.1%**	**$2,606**	**$2,686**	**3,291**	**7,672**	**2,567**	**5,715**

Document sources: Axiometrics; Berkadia Research; Federal Reserve Bank of St. Louis; Moody's

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All parties are advised that in any property the presence of certain kinds of molds, funguses, or other organisms may adversely affect the property and the health of some individuals. Berkadia Real Estate Advisors LLC and Berkadia Real Estate Advisors Inc. recommend, if prospective buyers have questions or concerns regarding this issue, that prospective buyers conduct further inspections by a qualified professional.

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