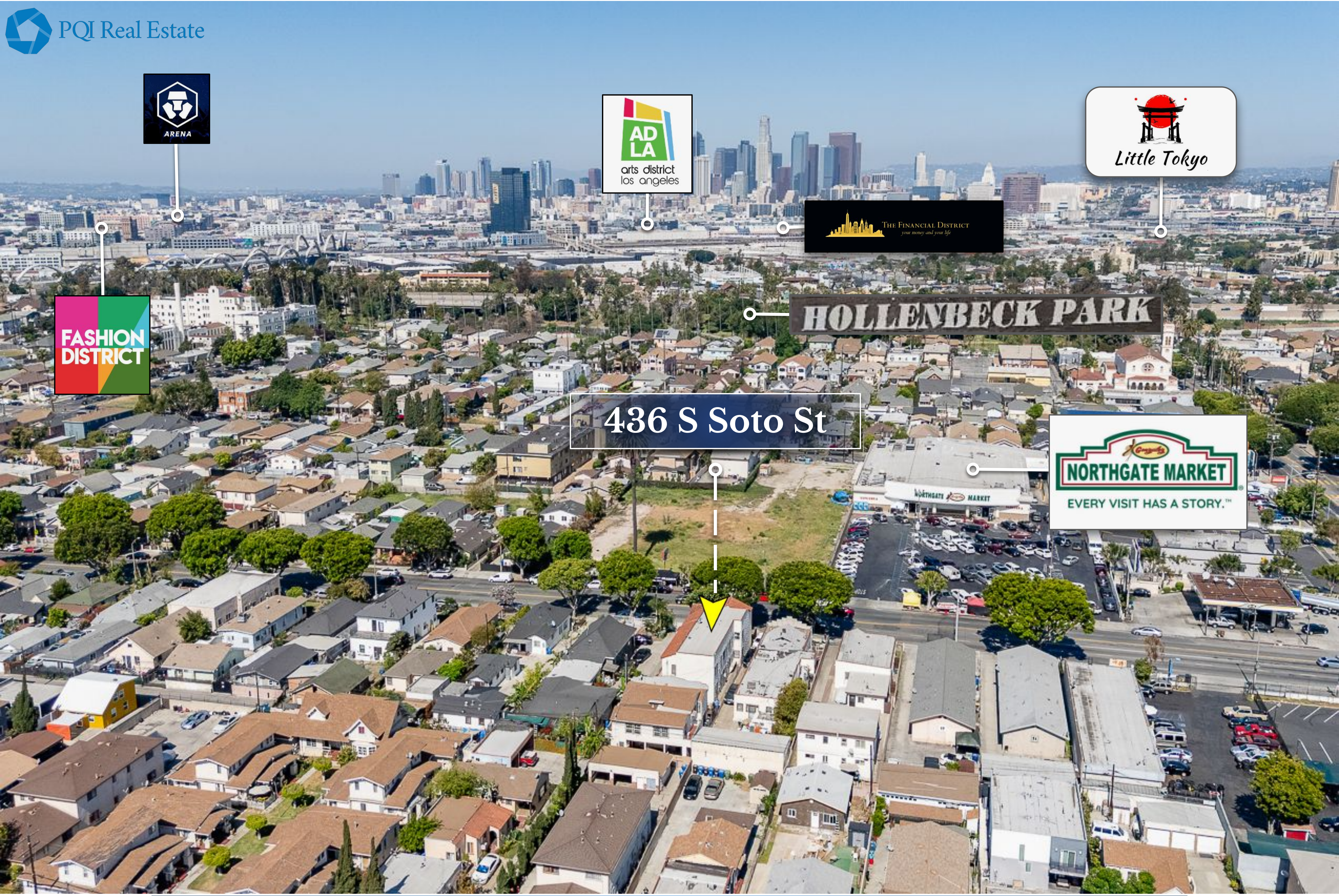

436 S Soto St Los Angeles, CA 90033| OFFERING MEMORANDUM

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DISCLAIMER

This is a *confidential Memorandum* intended solely for your limited use and benefit in regards to: 9848 Tabor St, Los Angeles, CA 90034 ("Property"). The information contained herein includes selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Owner or the Property, to be all-inclusive, or to contain all or part of the information that prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition, and other factors beyond the control of the Owner and *Principle Quality Investments*. Therefore, all projections, assumptions, and other information provided must be independently verified and further evaluated before any investment decision is made. All references to acreages, square footages, and other measurements are *approximations*. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. Neither the Owner nor *Principle Quality Investments*, nor any of their respective directors, officers, affiliates, or representatives, make any representation or warranty, express or implied, as to the accuracy or completeness of this information or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time, with or without notice, which may arise as a result of review of this Memorandum and the information contained herein. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been *fully executed, delivered, and approved by the Owner*, and any conditions to the Owner's obligations therein have been satisfied or waived. By receipt of this Memorandum, you agree that it and its contents are of a *confidential nature*, that you will hold and treat it in the strictest confidence, and that you will not disclose this Memorandum or any of its contents to any other entity without prior written authorization of the Owner or *Principle Quality Investments*. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interests of the Owner or *Principle Quality Investments*. In this Memorandum, certain documents, including leases and other materials, are described in *summary form*. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to independently review all such summaries and other documents of whatever nature and not rely solely on the contents of this Memorandum. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to *Principal Quality Investments*.

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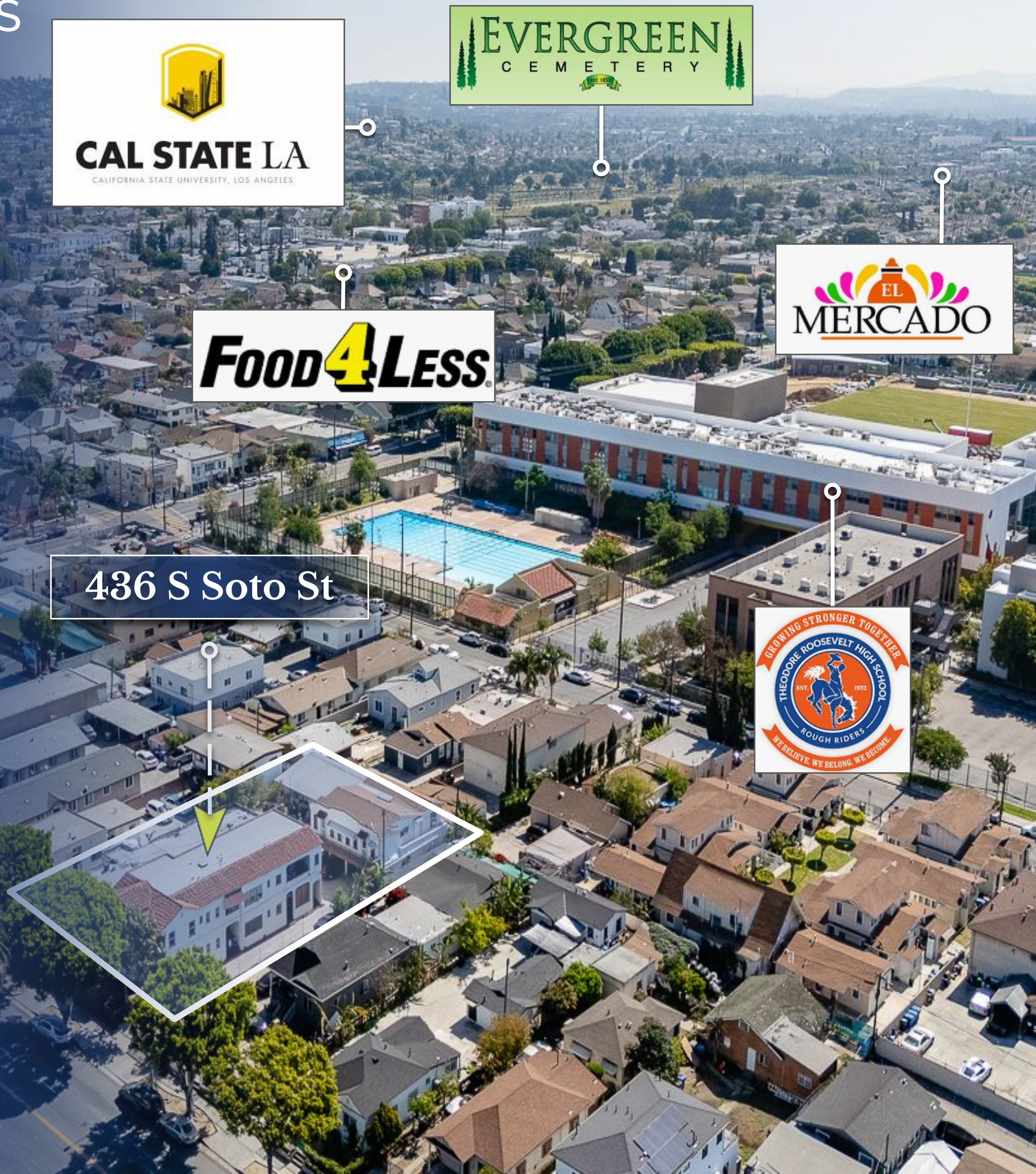
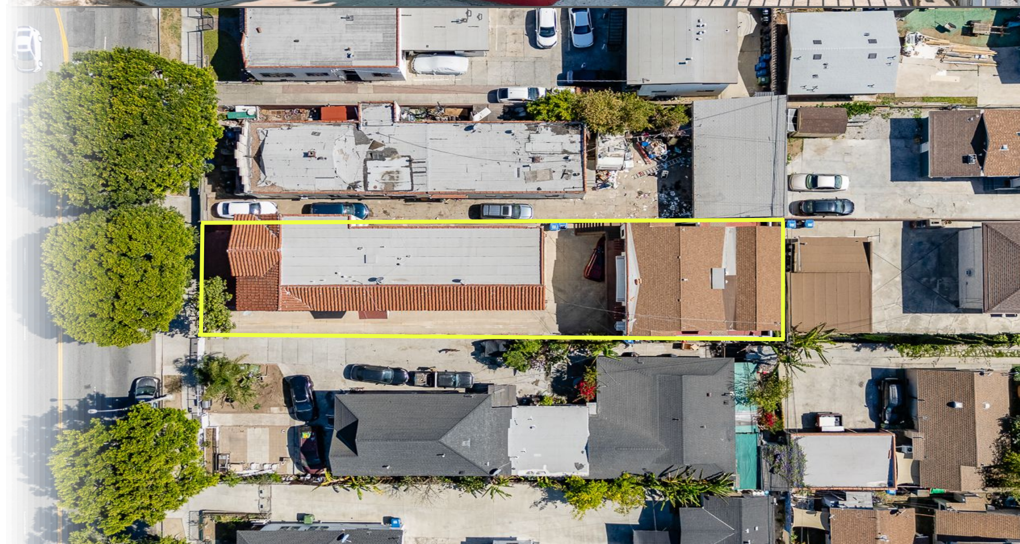


INVESTMENT DETAILS

Address: 436 S Soto St
No. Units: 6
Building Size: 5,494 SF
Lot Size: 6,361
Year Built: 1931
Cap Rate/GRM (actual): 4.90% / 14.09%
Price: $1,350,000
Price Per Unit: $225,000
Price Per Sqft: $246
Zoning: LARD 1.5



INVESTMENT HIGHLIGHTS

Value-Add Upside — The property offers over 56% rental upside potential. Mainly driven by large unit layouts that can be reconfigured into true two-bedrooms, which would significantly boost rental income.

Architectural Character — Built in 1931 with Spanish-style architecture and high vaulted ceilings, the property offers authentic charm that's increasingly rare in the current market.

ADU & Expansion Potential — Four individual garages plus additional space behind them create strong potential for ADU development, giving investors a path to add units and further increase income.

Prime Boyle Heights Location — Positioned near Union Station, the Arts District, Little Tokyo, Chinatown, and USC Keck School of Medicine, this asset benefits from proximity to major employment hubs and lifestyle amenities across Downtown LA.

FINANCIAL ANALYSIS

FINANCIAL ANALYSIS

Property: 436 S Soto Street, Los Angeles CA 90033

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Investment Overview

Price	**$**	**1,350,000**
Price Per Unit	**$**	**225,000**
Price Per SF	**$**	**246**
Cap Rate		**4.90%**
GRM		**14.09**
Market CAP		***9.25%***
Market GRM		***8.72***

Property Information

Building Size	5,494
Lot Size	6,361
Number of Units	6
Year Built / Renovated	1931
Parcel(s)	5185-001-004
Zoning	LARD1.5
Parking	4 garages

Proposed Financing - New Loan

Down Payment	**$675,000**
Approximate Loan Amount	$675,000
Interest Rate	**6.500%**
Loan To Value	50.0%
Annual Debt Service	$51,198
Debt Coverage Ratio	1.29
Year-1 Net Cash-Flow	$14,719
Year-1 Principal Reduction	$7,545
Year-1 Cash-On-Cash Return	**$22,263**
Year-1 Cash-On-Cash Return	**3.30%**
Loan Type	**new 5 year fixed loan, 30-year term, 30-year amortization**

Unit Mix and Rent Schedule

Units	Type	Current Rental Income	Total Rent	Proforma	Total Proforma
6	1Bed + 1Bath w/laundry	$ 1,372	$ 8,234	$ 2,150	$ 12,900
6			$ 8,234		$ 12,900

EST UPSIDE
56.67%

Income

				Current	Proforma
Annual Gross Scheduled Rent	$	8,234	per month	$ 98,808	$ 154,800
RUBS Income			per month	$ -	$ 4,800
Annual Gross Income				**$ 98,808**	**$ 159,600**
Vacancy Factor		3%	of GSI	$ (2,964)	$ (4,788)
Effective Gross Income				**$ 95,844**	**$ 154,812**

Expenses

				Current	Proforma	
Operating Expenses						
New Property Taxes		1.200129%		$ 16,202	$ 16,202	per tax assessor
Direct Assessments				$ 646	$ 646	Estimated
Insurance	$	70.00	per unit/month	$ 5,040	$ 5,040	Estimated
Water	$	250.00	per month	$ 3,000	$ 3,000	Estimated
Repairs & Maintenance	$	300.00	per unit	$ 1,800	$ 1,800	Estimated
Trash	$	150.00	per month	$ 1,800	$ 1,800	Estimated
Pest Control	$	120.00	per month	$ 1,440	$ 1,440	Estimated
Total Operating Expenses		30%	of GSI	**$ 29,927**	**$ 29,927**	
Expenses Per Unit				$ 4,988	$ 4,988	
Expenses Per SF				$ 5.45	$ 5.45	

	Current	Proforma
Net Operating Income	**$ 65,916**	**$ 124,885**

RENT ROLL

Unit	Name	Unit Type	Aprox. Sq. Ft	Current Rent	Proforma Rent
1		1B + 1B	900	$ 1,040	$ 2,150
2		1B + 1B	900	$ 1,560	$ 2,150
3		1B + 1B	900	$ 1,560	$ 2,150
4		1B + 1B	900	$ 1,040	$ 2,150
5	can deliver vacant	1B + 1B	900	$ 2,150	$ 2,150
6		1B + 1B	900	$ 884	$ 2,150
		TOTAL	**5400**	**$ 8,234**	**$ 12,900**

# Units	Unit Type	AVG RENT	PROFORMA
6	1B + 1B	$ 1,372	$ 2,150

SALES COMPARABLES

No	Address	City	Year Built	# Units	Bldg SF	Lot Size	Sale Date	Sale Price	CAP Rate	GRM	Price Per Unit	Price Per SF	Remarks
Sub.	**436 S. Soto St**	**Los Angeles**	**1931**	**6 units**	**5,494**	**6,361**	**Available**	**$ 1,350,000**	**4.90%**	**14.09**	**$ 225,000**	**$ 246**	
1	2415 E 3rd St	Los Angeles	2025	6	10,415	10,004	10/20/2025	$ 3,575,000			$ 595,833	$ 343	
2	459 N Rowan Ave	Los Angeles	1911	5	2,735	7,405	7/3/2025	$ 1,200,000			$ 240,000	$ 439	
3	2028 E 3rd St	Los Angeles	1925	5	5033	6303	4/24/2024	$ 1,575,000			$ 315,000	$ 313	100% Vacant
4	532 S. St Louis St	Los Angeles	1913	6	4542	7366	4/25/2024	$ 1,625,000	6.40%	10.17	$ 270,833	$ 358	
5	3648 Percy St	Los Angeles	2017	6	6444	8939	8/13/2024	$ 2,500,000	6.86%		$ 416,667	$ 388	
6	1962 Johnston St	Los Angeles	1980	5	4476	7841	11/24/2025	$ 1,400,000	5.14%		$ 280,000	$ 313	
7	2710 New Jersey St	Los Angeles	1955	6	5290	10890	5/22/2026	$ 1,460,000	7.55%	9.57	$ 243,333	$ 276	
8	2800 Fairmont St	Los Angeles	1922	6	5514	12654	5/29/2026	$ 1,410,000	7.04%	11.1	$ 235,000	$ 256	
9	324-328 N St Louis St	Los Angeles	1956	8	5403	14375	12/12/2024	$ 1,800,000			$ 225,000	$ 333	
			TOTAL	45	49,852	85,777		$ 16,545,000					
								AVERAGE	6.60%	10.28	$ 324,583	$ 336	

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RENT COMPS

Address	Property City	Year Built/Renovated	# Units	1B + 1B
436 S Soto St	Los Angeles	1931	6	$ 8,234

RENT COMPARABLE				1 BR + 1B
Address		Year Built	# Units	Rent
219 N Soto St	Los Angeles	1964	34	$1,875
1030 Brittania St	Los Angeles	1969	43	$1,775
1041 N Cummings St	Los Angeles	1962	3	$2,150
2221 Michigan Ave	Los Angeles	1926	32	$1,738
2522 1/2mlancaster Ave	Los Angeles	1930	3	$1,995
600 N Soto St	Los Angeles	1924	16	$1,880
104 S Cummings St	Los Angeles	-	-	$1,550
325 N Fickett St	Los Angeles	2021	22	$1,895
2025 New Jersey St	Los Angeles	1904	16	$2,289
1690 Pomeroy Ave	Los Angeles	-	10	$1,650
2517 1/2 Cincinnati St	Los Angeles	1911	3	$2,000
2023 1/2 E 2nd St	Los Angeles	1923	7	$1,750
511 Echandia St	Los Angeles	1908	-	$1,700
	Los Angeles	Totals	189	$24,247
		Average	*17*	*$1,865*

Provided by

Principle Quality Investments

Education & Institutions

Near Cal State LA and neighborhood schools, supporting a stable, family-oriented tenant base

Civic & Cultural Access

Close to Los Angeles City Hall, MOCA, and the Little Tokyo/Union Station corridor

Dining & Daily Convenience

Walkable to Starbucks, Farmer Boys, CVS, and other everyday retail and dining options

Recreation & Open Space

Nearby Monterey Park Golf Club which offers residents convenient access to outdoor recreation




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