



PARAMOUNT, CALIFORNIA

# Plan B

Rental Income & Investment Reference

*A market analysis for Plan B at Clearwater Collection*

SUBJECT PROPERTY

15540 & 15540½ Colorado Avenue  
Paramount, California 90723

JUNE 2026 EDITION

V 1.0

## SECTION 1

# Executive Summary

Plan B at Clearwater Collection presents a brand-new, all-electric residence at 15540 Colorado Avenue in Paramount, California, with an attached two-bedroom accessory dwelling unit at 15540½ Colorado Avenue. The two units combine for 2,611 sq ft of new-construction living space across six bedrooms and four bathrooms, with separate entrances, separate laundry, separately metered electric, dedicated parking, solar, and smart-home features.

This reference document presents an evidence-based view of likely market rent for Plan B under three scenarios, anchored in eleven verified rental comparables across Southeast Los Angeles County, all live-verified June 17, 2026. It also frames the property's location within the regional employment and housing landscape, summarizes demand trends, and provides a parametric snapshot of how the rental figures translate into capitalization-rate metrics at the current list price.

*Plan B is structured to support a range of household configurations equally well: a primary residence with separate income-generating space, two independent living units under one ownership, or a new-construction income property in a recovering Southeast LA market.*

### ESTIMATED RENT (JUNE 2026)

**ADU alone — low \$2,600 / high \$3,000 per month**

**Main house alone — low \$4,500 / high \$5,100 per month**

**Income stack (separate tenants) — low \$7,100 / high \$8,100 combined**

Low and high figures reflect the defensible market envelope based on refreshed verified comparable data as of June 17, 2026. Ranges represent an opinion of likely market rent under current market conditions; actual achievable rent depends on time of leasing, tenant selection, lease terms, condition at lease, and other factors. Detailed comparable tables and reasoning appear in Parts 1 and 2 below.

SECTION 2

## The Property

Plan B is a new-construction residence with an attached accessory dwelling unit on Colorado Avenue in Paramount. The two units share a single residential parcel but operate as fully independent living spaces — separate entrances, separate laundry, separately metered electric, separate HVAC, dedicated parking, and solar.

<b>Combined Living Area</b>	2,611 sq ft (1,772 main + 839 ADU)
<b>Combined Bedrooms / Baths</b>	6 / 4 (4/3 main + 2/1 ADU)
<b>Year Built</b>	New construction (2026)
<b>Builder</b>	Gold Key Development, Inc.
<b>Construction</b>	All-electric, solar included, smart-home features throughout
<b>Entries</b>	Two separate entrances (main and ADU)
<b>Laundry</b>	Two separate laundry locations
<b>Electrical</b>	Separately metered units
<b>Parking</b>	Dedicated off-street parking
<b>Lot use</b>	Single residential parcel, two independent living units

SECTION 3

## Why Plan B Is Different

Most rental inventory in Paramount and the surrounding areas was built between the 1940s and 1970s. Plan B is a fundamentally different product. Constructed in 2026, the property starts at the beginning of its mechanical, electrical, plumbing, roofing, and finish life cycles — translating to substantially lower expected maintenance and a meaningfully different operating profile than typical area inventory.

The two-unit configuration matters as much as the construction date. Plan B is built with two separately metered electric services, two laundry locations, two private entries, and two HVAC zones. The ADU functions as a fully independent residence in everything but the legal parcel — purpose-built rather than a converted garage or rear addition. All-electric construction with solar contributes to a lower energy-cost profile compared to older gas-fired inventory in the area. Smart-home features integrated into both units expand resident appeal to professionals and tech-comfortable households.

Feature	Plan B (New Construction)	Typical Older Rental in Area
<b>Construction year</b>	2026	1940s–1970s (typical)
<b>Energy system</b>	All-electric with solar	Mixed gas/electric, no solar
<b>HVAC</b>	Central heat and air	Wall units or window units (common)

Feature	Plan B (New Construction)	Typical Older Rental in Area
ADU configuration	Purpose-built, attached	Converted garage or rear addition (common)
Separate metering	Yes (electric)	Often shared utilities
Independent entries	Two distinct entrances	Often shared access
In-unit laundry	Both units	Shared or coin-op (common)
Parking	Dedicated, off-street	Street parking (common)
Smart-home features	Integrated throughout	Retrofit or absent
Maintenance profile	Minimal (warranty period)	Ongoing repairs typical
Tenant turnover risk	Lower (premium product)	Higher (older inventory)

SECTION 4

## Market Context

Paramount sits roughly 15 miles southeast of downtown Los Angeles and is centrally located within the Southeast LA County employment corridor. The city's positioning between I-710, I-105, I-605, and I-91 gives residents direct access to a wide arc of employment centers — the Port of Long Beach and CSULB to the south, the LAX and El Segundo aerospace cluster to the southwest, the Cerritos / Lakewood / Long Beach corridor to the east, and downtown Los Angeles to the north.

### Employment Access

Employment Center	Notable Employers / Industry	Approx. Distance	Drive Time
Paramount (local)	Weber Metals (aerospace), light industrial, retail	0-2 mi	5-10 min
Downey	Kaiser Permanente Downey Medical Center, retail, civic	3-5 mi	10-15 min
Long Beach	Port of Long Beach, Long Beach Memorial, CSULB, aerospace	8-10 mi	15-25 min
Cerritos / Lakewood	Cerritos College, Cerritos Auto Square, retail corridor	5-7 mi	10-20 min
Downtown Los Angeles	Civic, finance, healthcare, entertainment hubs	15 mi	25-45 min
LAX & South Bay	LAX, El Segundo aerospace and tech cluster	18-22 mi	30-55 min
Hawthorne / Torrance	SpaceX, Honeywell, Boeing, Honda North America HQ	12-16 mi	20-35 min
Norwalk / Whittier	Metropolitan State Hospital, Rio Hondo College	5-8 mi	10-20 min

Drive times approximate under typical (non-rush-hour) conditions.

### ADU & Multi-Generational Demand

Demand for purpose-built ADUs and properties supporting multi-generational living is supported by clear demographic and policy trends. Pew Research data shows 18% of the U.S. population now lives in multi-generational households (up from 7% in 1971); NAR's 2025 Trends Report shows 21% of Gen X buyers and 12% of older millennials purchasing multi-generational homes. In Los Angeles County, ADU permits grew from ~2,000 in 2017 to >13,000 in 2022 — a 6.5x increase. California eliminated owner-occupancy requirements for standard ADUs (AB 976) and streamlined permitting (SB 543). LA County multifamily vacancy ran ~5.6% in Q1 2026.

## PART 1 ADU Rental Analysis

Six verified newly-built ADU rental comparables across Paramount, Downey, Lakewood, Norwalk, and Bellflower, each re-verified live on June 17, 2026. Full source URLs are listed in Section 6.

Feature	Subject	Comp A	Comp B	Comp C	Comp D	Comp E	Comp F
Address	15540½ Colorado	14101 Anderson Pl	8418 Stewart & Gray	10507 Angell St	15508 Halcourt	4032 Elsa St	15302 Leahy Ave
City	Paramount	Paramount	Downey	Norwalk	Norwalk	Lakewood	Bellflower
Rent /mo	—	\$2,650	\$3,000-3,300	\$2,700	\$2,800	\$3,700	\$3,400
Beds / Baths	2 / 1	2 / 2	2 / 2	2 / 2	2 / 1	3 / 3	3 / 2
Sq Ft	839	771-800	850	n/a	600	1,443	1,100
Build	New 2026	New ADU	New ADU	New ADU	New ADU	New ADU	New ADU (solar)
Status	Subject	Recently leased	Active	Active	Active	Active	Active

### ADU RENT RANGE

#### Estimated ADU Rent — Low \$2,600 / High \$3,000

Estimate	Figure	Anchored by
Low	<b>\$2,600</b>	Sits just below the in-Paramount Anderson Pl 2BR/2BA newly-built ADU at \$2,650 (Comp A), the closest direct configuration match in the same city as the subject. The recently-listed Norwalk 2BR/2BA newly-built ADU at \$2,700 (Comp C) and the active Norwalk 2BR/1BA newly-built ADU at \$2,800 (Comp D) further support this range. Subject's 839 sq ft, separately metered electric, and dedicated parking support this conservative floor.
High	<b>\$3,000</b>	Lower edge of the Downey 2BR/2BA newly-built ADU asking range of \$3,000-\$3,300 active (Comp B). Reflects subject's premium build quality, dedicated parking, separate metering, and new-construction status.

## PART 2 Main House Rental Analysis

Five verified single-family-home rental comparables (one Paramount, three Downey, one South Gate), each looked up live on its source platform and re-verified June 17, 2026. The most directly comparable property is 8525 Donovan Street, Downey — a 4BR/3BA 1,700 sq ft brand-new home marketed as one lease but functionally configured as a 3BR main house plus 1BR studio with its own kitchen and A/C, mirroring Plan B's main + ADU layout almost exactly. The subject column is highlighted. Full source URLs are in Section 6.

Feature	Subject	Comp A	Comp B	Comp C	Comp D	Comp E
Address	15540 Colorado	7274 Century	8525 Donovan	8437 Everest	9212 Joshua	5747 Jefferson
City	Paramount	Paramount	Downey	Downey	Downey	South Gate
Rent /mo	—	\$4,500	\$5,100	\$4,500	\$5,450	\$3,800
Beds / Baths	4 / 3	3 / 2	4 / 3	4 / 2	4 / 4	4 / 2
Sq Ft	1,772	1,355	1,700	1,925	2,110	1,428
Construction	New 2026	Updated	Brand-new A/C	Updated	Built 2014	Older
Status	Subject	Active	Active	Active	Active	Active

### MAIN HOUSE RENT RANGE

#### Estimated Main House Rent — Low \$4,500 / High \$5,100

Estimate	Figure	Anchored by
Low	<b>\$4,500</b>	Matches the in-Paramount Century Blvd 3BR/2BA at \$4,500 (Comp A) and the Downey Everest St 4BR/2BA at \$4,500 (Comp C). Subject's 4BR/3BA configuration, larger 1,772 sq ft footprint, and new-construction status support this conservative floor anchored to the most directly comparable price points in the comp set.
High	<b>\$5,100</b>	Anchored at the keystone Downey Donovan St 4BR/3BA at \$5,100 (Comp B), the closest direct-configuration match: a 1,700 sq ft brand-new home marketed as one lease but functionally configured as a 3BR main house plus 1BR studio with its own kitchen and A/C, mirroring Plan B's main + ADU layout almost exactly. Larger comp Joshua Way at \$5,450 (Comp D, 2,110 sq ft) provides upper-context support.

## PART 3 Income Scenarios & Investment Snapshot

### SECTION 5.1

#### Three Income Scenarios

The property supports three basic income configurations, depending on how the owner chooses to occupy or rent the two units. Figures reflect refreshed comparable data verified June 17, 2026.

Scenario	Low	High	Anchored by
ADU only (main owner-occupied)	\$2,600	\$3,000	Floor sits just below in-Paramount Anderson Pl 2BR/2BA at \$2,650 (Comp A); ceiling at lower edge of Downey 2BR/2BA ADU asking range \$3,000–\$3,300 (Comp B)
Main house alone	\$4,500	\$5,100	Floor matches in-Paramount Century Blvd at \$4,500 (Comp A) and Downey Everest at \$4,500 (Comp C); ceiling at keystone Downey Donovan at \$5,100 (Comp B, near-identical configuration)
Income stack (separate tenants)	\$7,100	\$8,100	Sum of main house + ADU at each band. Two separate leases, two tenant households.

### SECTION 5.2

#### Cap Rate Snapshot at the Current List Price

Cap rate is not the primary way most buyers will evaluate this home. The stronger considerations for Plan B are the monthly mortgage-offset potential from the ADU, owner-occupant flexibility, the option to house extended family in a fully independent second unit, and the ability to generate supplemental income while living in the main residence.

Plan B is new construction, built for sale. The property has no operating history, no stabilized rent roll, and no audited operating expenses. Neither the builder, the seller, the listing agent, nor the listing brokerage has any way to verify or represent what actual ownership costs will be for any future buyer. The figures below are illustrative screening calculations only. They are not appraisals, not predictions of return, not estimates of actual operating economics, and not representations of fact. They convert the rent figures elsewhere in this document into annual gross income and apply two illustrative operating-expense assumptions at the current list price.

The two assumptions used below — 15% and 20% — are conventional screening figures and not market norms, guarantees, or recommendations. Actual operating expenses for any owner may be materially higher or lower depending on property taxes (which reset upon purchase under California Proposition 13), insurance, vacancy, maintenance, repairs, capital reserves, management approach, financing structure, and other factors unique to each buyer. Some buyers — particularly those underwriting the property as a professionally managed investment rather than an owner-occupied residence — may apply higher expense assumptions than those shown. Buyers must build their own pro forma using their own assumptions and consult their own qualified financial, tax, and real estate professionals before drawing any conclusion from the figures below.

Scenario	Monthly Gross	Annual Gross	NOI / Cap at 15%	NOI / Cap at 20%
ADU only — low (\$2,600)	\$2,600	\$31,200	\$26,520 (≈2.14%)	\$24,960 (≈2.01%)
ADU only — high (\$3,000)	\$3,000	\$36,000	\$30,600 (≈2.47%)	\$28,800 (≈2.32%)
Main house — low (\$4,500)	\$4,500	\$54,000	\$45,900 (≈3.70%)	\$43,200 (≈3.49%)
Main house — high (\$5,100)	\$5,100	\$61,200	\$52,020 (≈4.20%)	\$48,960 (≈3.95%)
Income stack — low (\$7,100)	\$7,100	\$85,200	\$72,420 (≈5.85%)	\$68,160 (≈5.50%)
Income stack — high (\$8,100)	\$8,100	\$97,200	\$82,620 (≈6.67%)	\$77,760 (≈6.28%)

Cap rate = Net Operating Income ÷ Purchase Price. NOI in this table = Annual Gross Rent × (1 – Expense Ratio). The figures are illustrative only and based on assumptions that may not reflect actual ownership economics for any specific buyer. The seller, builder, listing agent, and listing brokerage make no representation regarding actual operating costs, achievable rent, capitalization rate, or investment return. Nothing in this section should be relied upon as a statement of fact, a projection, or a recommendation. Buyers must perform their own due diligence.

### SECTION 5.3

## Ownership Optionality

Plan B's two-unit configuration creates ownership optionality that single-unit homes cannot match. The same parcel can support, at different points in an owner's life, any of the following arrangements without structural changes:

- Owner-occupied main house with ADU rented to a third-party tenant.
- Owner-occupied ADU with main house rented (a downsizing strategy that preserves the property as a residence while generating income from the larger unit).
- Owner-occupied main house with the ADU used by a family member or extended-family guest without rent.
- Owner-occupied main house with the ADU used as a dedicated home office or studio.
- Both units rented to separate tenants, with the owner residing elsewhere.

*Plan B's two-unit configuration is the rare residential product that pairs the lifestyle benefits of a primary residence with the income-strategy flexibility of an income property — on a single parcel, under a single ownership, financeable as a residential property.*

## SECTION 6

### Sources & Verification

All rental data was sourced from publicly available third-party rental market platforms. Every comparable was re-verified live on June 17, 2026.

#### ADU comparable sources

- **Comp A** · 14101 Anderson Pl, Unit 3/4, Paramount → [View on ApartmentGuide](#)
- **Comp B** · 8418 Stewart & Gray Rd, Downey → [View on Apartments.com](#)
- **Comp C** · 10507 Angell St (ADU behind 10509 Angell St), Norwalk → [View on Rent.com](#) · [Zumper](#)
- **Comp D** · 15508 Halcourt Ave, Norwalk → [View on Rent.com](#)
- **Comp E** · 4032 Elsa St (ADU), Lakewood → [View on Redfin](#)
- **Comp F** · 15302 Leahy Ave, Bellflower → [View on Zillow](#)

#### Main-house comparable sources

- **Comp A** · 7274 Century Blvd, Paramount → [View on Rent.com](#)
- **Comp B** · 8525 Donovan St, Downey → [View on Apartments.com](#) · [Redfin](#)
- **Comp C** · 8437 Everest St, Downey → [View on Redfin](#)
- **Comp D** · 9212 Joshua Way, Downey → [View on Zillow](#)
- **Comp E** · 5747 Jefferson Ave, South Gate → [View on Rent.com](#)

#### Demand-trend and policy sources

- **Pew Research Center** · Multigenerational households (1971–2021) → [View report](#)
- **National Association of REALTORS®** · 2025 Home Buyers and Sellers Generational Trends Report
- **UCLA Lewis Center / Brookings Institution** · ADU permitting trends in Los Angeles County
- **California legislation** · Government Code §66323(e) (30-day minimum rental term); AB 976 (owner-occupancy); SB 543 (permitting); AB 1332 (pre-approved plans)

## SECTION 7 — IMPORTANT

### Disclaimers — Please Read

This document is prepared as a buyer-facing market and investment reference and is provided for informational purposes only. It is not a formal market rent appraisal, lease, broker's price opinion, business valuation, or guarantee of rental income, return, or property performance. It does not constitute investment, tax, legal, or financial advice. Nothing in this document is or should be construed as a recommendation to buy, sell, rent, lease, finance, or hold any property or interest in any property.

The estimated rental figures shown — \$2,600–\$3,000 per month for the ADU alone; \$4,500–\$5,100 per month for the main house alone; and \$7,100–\$8,100 combined per month for the income stack (separate tenants) — are opinions of likely market rent based on publicly available comparable data as of the date noted below. Actual achievable rent may vary based on market conditions at the time of leasing, the condition and finish of the property at that time, the chosen tenant, marketing strategy, lease terms, time of year, vacancy duration, and other factors outside the control of the property owner, the seller, or any party providing this document.

The capitalization-rate figures in Part 3 are illustrative screening calculations based on the rental figures in this document, illustrative operating-expense assumptions, and the list price of \$1,239,000 as of June 2026. They are not appraisals, not investment recommendations, and not predictions of return. Plan B is new construction, built for sale, and has no operating history. Actual operating expenses depend on property taxes (which reset upon purchase under California Proposition 13), insurance, vacancy, repairs and maintenance, capital reserves, management approach, financing structure, utilities the owner chooses to pay, and other items that vary by buyer. Some buyers may apply higher operating-expense assumptions than those shown. Buyers must construct their own pro forma and consult their own financial professionals. Nothing in this document is a representation of likely return, actual operating economics, or future market value.

Comparable properties listed in Sections 6 and 7 reflect listings active or recently active on the listed source platforms as of the date noted on each comp. Listing rents do not always equal final achieved rents. Several comparable properties differ from the subject in bedroom count, bathroom count, square footage, year built, or configuration; reasoning columns in Sections 6.3 and 7.3–7.5 note these differences but cannot fully eliminate the variability between any comparable and the subject.

This document does not address financing, lending qualification, lender treatment of rental income, tax implications of rental ownership, property management costs, vacancy and turnover, capital reserve requirements, regulatory compliance, fair-housing obligations, or any other matter relevant to a purchase or rental decision. Each of those matters requires consultation with the appropriate professional (lender, accountant, attorney, property manager, insurance broker) familiar with the buyer's specific situation. Buyers should not rely on this document as a substitute for that professional advice.

Demographic, market-trend, and policy figures cited in this document — including Pew Research multi-generational household data, NAR multigenerational buyer statistics, Los Angeles County ADU permitting figures, multifamily cap-rate ranges, and California ADU legislation references — are reproduced from publicly available third-party sources, as cited in Section 6. These figures are not original research and were not independently audited. Statistics, ranges, and policy frameworks are subject to change.

Comparable properties cited in this document are referenced for market-analysis purposes only. Their inclusion does not constitute a representation about those properties' suitability for any party, their current availability, their actual closed rent, or any other characteristic beyond what was visible in the cited source listings as of the verification date. Source listings are themselves subject to change, removal, or correction by the listing party at any time.

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