

**4315 S HOOVER STREET
LOS ANGELES, CA 90037**



**6-UNIT VALUE-ADD INVESTMENT OPPORTUNITY JUST SOUTH OF USC
CONSISTING OF ONE 2+2 AND FIVE 3+2 APARTMENT UNITS
CURRENT CASH FLOW OF 4.35% WITH 36% RENTAL UPSIDE**

Marcus & Millichap
THE NEEMA GROUP

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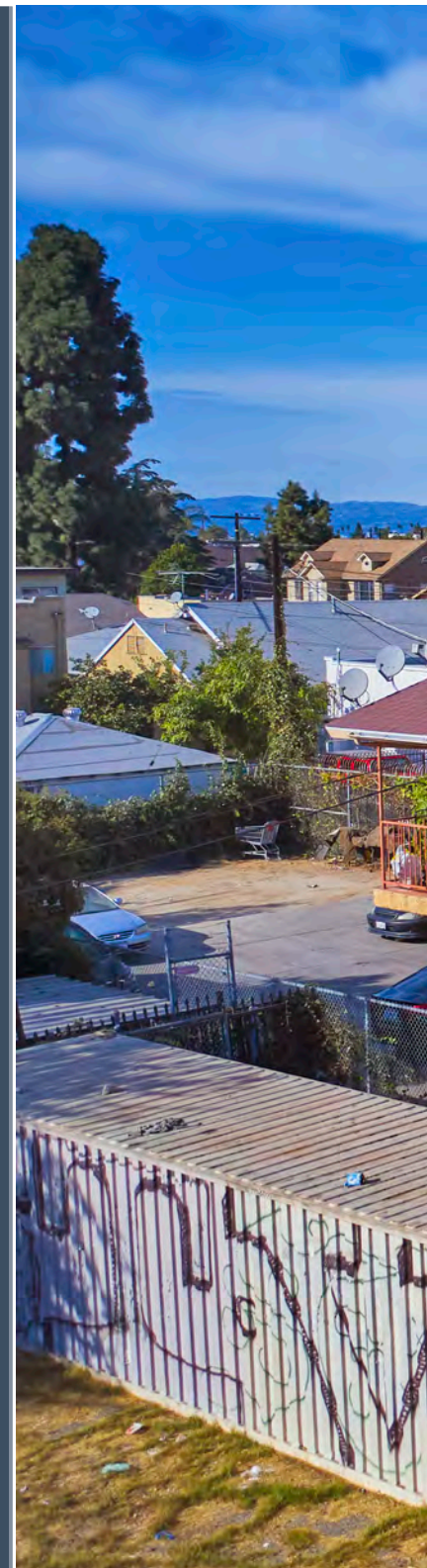
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An aerial photograph of a city neighborhood, likely in Los Angeles, showing a dense residential area with many small houses and apartment buildings. A prominent orange outline highlights a specific property at 4315 S Hoover St, which is a two-story building with a brown roof and a small front yard. The street, Hoover St, runs diagonally through the center of the image. In the background, the city skyline is visible, including several tall skyscrapers, and the mountains are in the distance under a clear blue sky.

4315 S HOOVER ST

HOOVER ST



EXECUTIVE SUMMARY

The Neema Group of Marcus & Millichap is pleased to present 4315 S Hoover Street, Los Angeles, CA 90034. Built in 1914, this 6-unit property is located in South Los Angeles between W Vernon Ave & W Martin Luther King Blvd just south of Exposition Park & USC, a location providing easy access to Metro Expo Line, the 110 Freeway, and Downtown Los Angeles nightlife, entertainment, restaurants, and employment opportunities.

The subject property totals 5,056 SF featuring a unit mix that includes one two-bedroom two-bathroom and five three-bedroom two-bathroom apartment units. The majority of rents are currently under-market, providing a true value-add opportunity to capture the 36% rental upside through an interior renovation program when units turn. There are 14 parking spaces located at the rear of the property. Electricity is separately metered and each unit has it's own individual water heater.

Vermont Square is a fast growing, vibrant neighborhood, just southwest of Downtown Los Angeles. The subject property is within walking distance to the University of Southern California, Exposition Park, the George Lucas Museum, and the Metro Expo Vermont stop. With a walk score of 82, access to transportation and Downtown Los Angeles, this location attracts both workers and students. The immediate area surrounding the subject-property has a population of over 434,000 in a 3-mile radius.

INVESTMENT HIGHLIGHTS

- 4315 S Hoover Street, Los Angeles, CA 90034. Built in 1914, this 6-unit property is located in South Los Angeles between W Vernon Ave & W Martin Luther King Blvd just south of Exposition Park & USC, a location providing easy access to Metro Expo Line, the 110 Freeway, and Downtown Los Angeles nightlife, entertainment, restaurants, and employment opportunities.
- The subject property totals 5,056 SF featuring a unit mix that includes one two-bedroom two-bathroom and five three-bedroom two-bathroom apartment units.
- The majority of rents are currently under-market, providing a true value-add opportunity to capture the 36% rental upside through an interior renovation program when units turn.
- There are 14 parking spaces located at the rear of the property. Electricity is separately metered and each unit has it's own individual water heater.
- High Walk Score of 82, close proximity to USC, employment, and transit options, this location makes it convenient for residents to commute throughout the city even without a vehicle.
- Vermont Square is a fast growing, vibrant neighborhood, just southwest of Downtown Los Angeles. The immediate area surrounding the subject-property has a population of over 434,000 in a 3-mile radius.

36%
Rental Upside





USC University of
Southern California

4315 S HOOVER ST

PROPERTY OVERVIEW

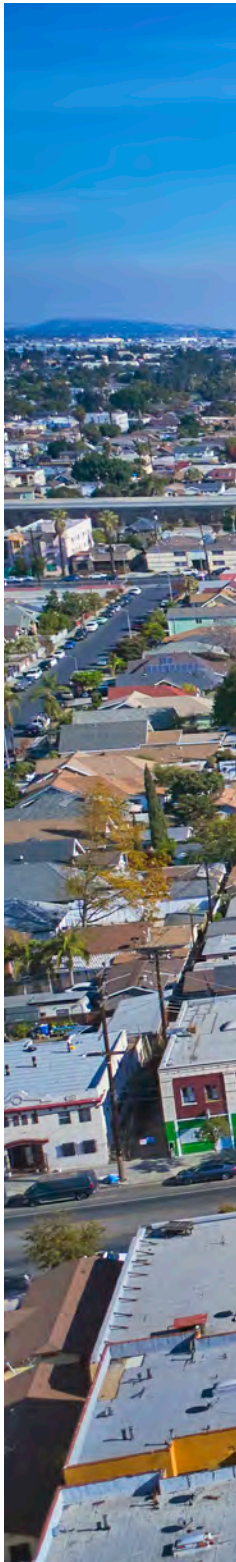
PROPERTY INFORMATION

Address:	4315 S Hoover St Los Angeles, CA 90037
Number of Units:	6
Approx. Gross SF:	5,056
Approx Lot Size:	9,235
Year Built:	1914
APN:	5019-007-005
Zoning:	C2-1VL-CPIO

PRICING INFORMATION

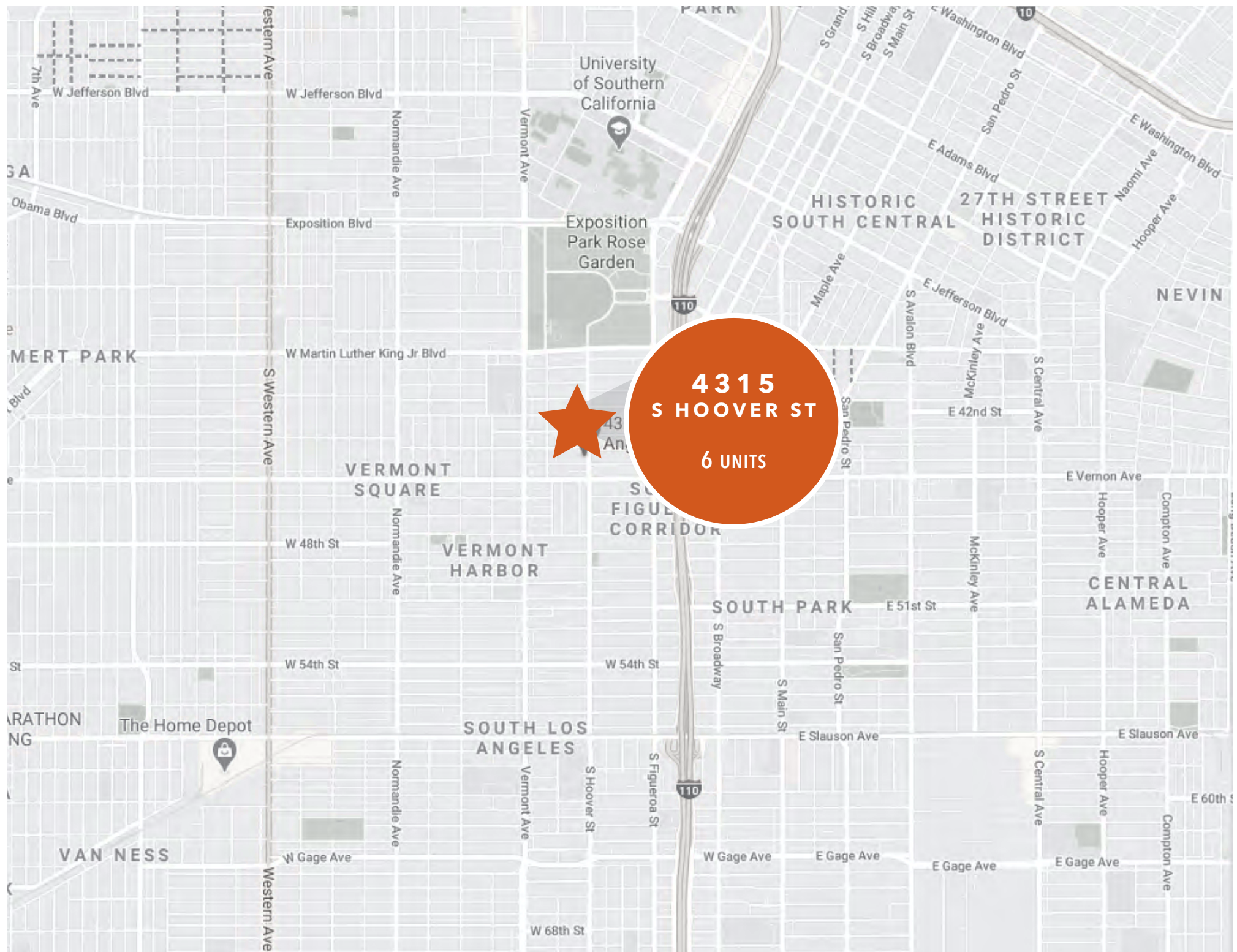
Sales Price:	\$1,450,000
Cost per Unit:	\$241,667
Cost Per SF:	\$287
Current GRM:	12.82
Market GRM:	9.44
Current CAP:	4.35%
Market CAP:	6.87%

*Buyer to conduct own due diligence and verify legal bedroom count, Marcus & Millichap and the Seller have not made any investigation and makes no warranty or representation with respect to the presented unit count. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable, however the information contained herein is not a substitute for a thorough due diligence investigation.



An aerial photograph of a densely populated urban neighborhood. The street layout is a grid. In the foreground, a yellow two-story building with a brown roof is outlined in orange. To its left is a blue building. To its right is a parking lot with several cars. The background shows a vast expanse of similar residential buildings under a clear blue sky with some light clouds. A highway or elevated road runs horizontally across the middle of the image.

4315 S HOOVER ST





Property Description

4315 S HOOVER ST, LOS ANGELES, CA 90037

APN	5019-007-005
Number of Units	6
Year Built	1914
Gross SF	5,056 SF
Lot Size	9,235 SF
Type of Ownership	Fee Simple

CONSTRUCTION

Foundation	Concrete
Framing	Wood
Exterior	Stucco
Roof	Pitched

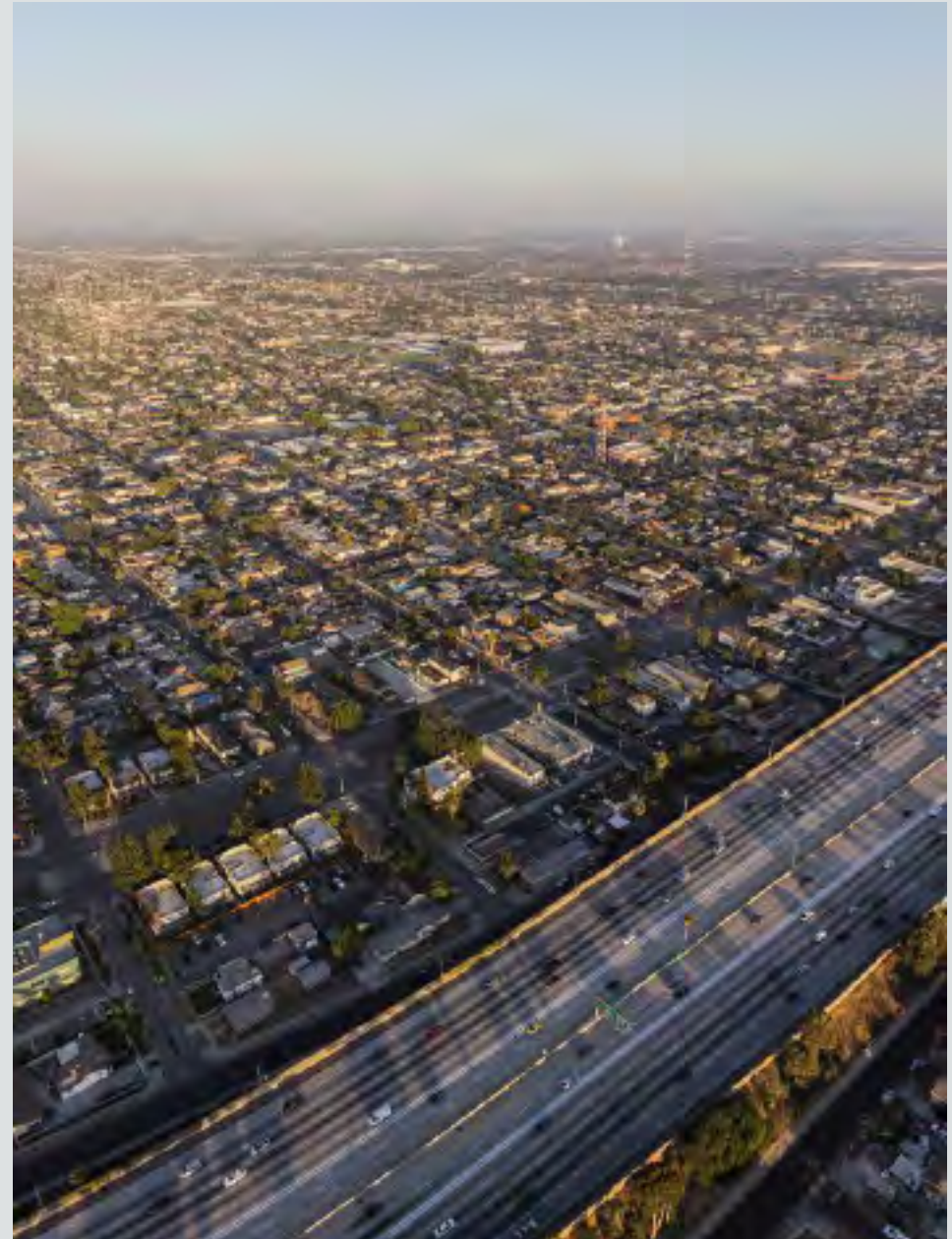
UTILITIES

Electricity	Separately Metered
Gas	Master Metered
Water	Master Metered

AREA OVERVIEW

VERMONT SQUARE, SOUTH LOS ANGELES

Vermont Square is a neighborhood in southeast Los Angeles just south of USC and Exposition Park. The neighborhood's street boundaries are Martin Luther King Jr. Boulevard on the north, the Harbor Freeway on the east, West 54th Street on the south and South Van Ness Avenue on the west. As USC outgrew its original boundaries and began to spread out in an orderly north-south grid pattern, trolley lines began to ply the broad new boulevards and avenues, serving the new suburban tracts southeast of downtown. Close to downtown, USC and Exposition Park, and convenient to the Blue and Expo Lines, Vermont Square is in the heart of the revitalizing central city.



NEW LAFC STADIUM IN SOUTH LOS ANGELES

The Los Angeles Football Club ownership group announced its intent to build a new 22,000-seat stadium in South Los Angeles, at the site of the Los Angeles Sports Arena, located next to the LA Memorial Coliseum.

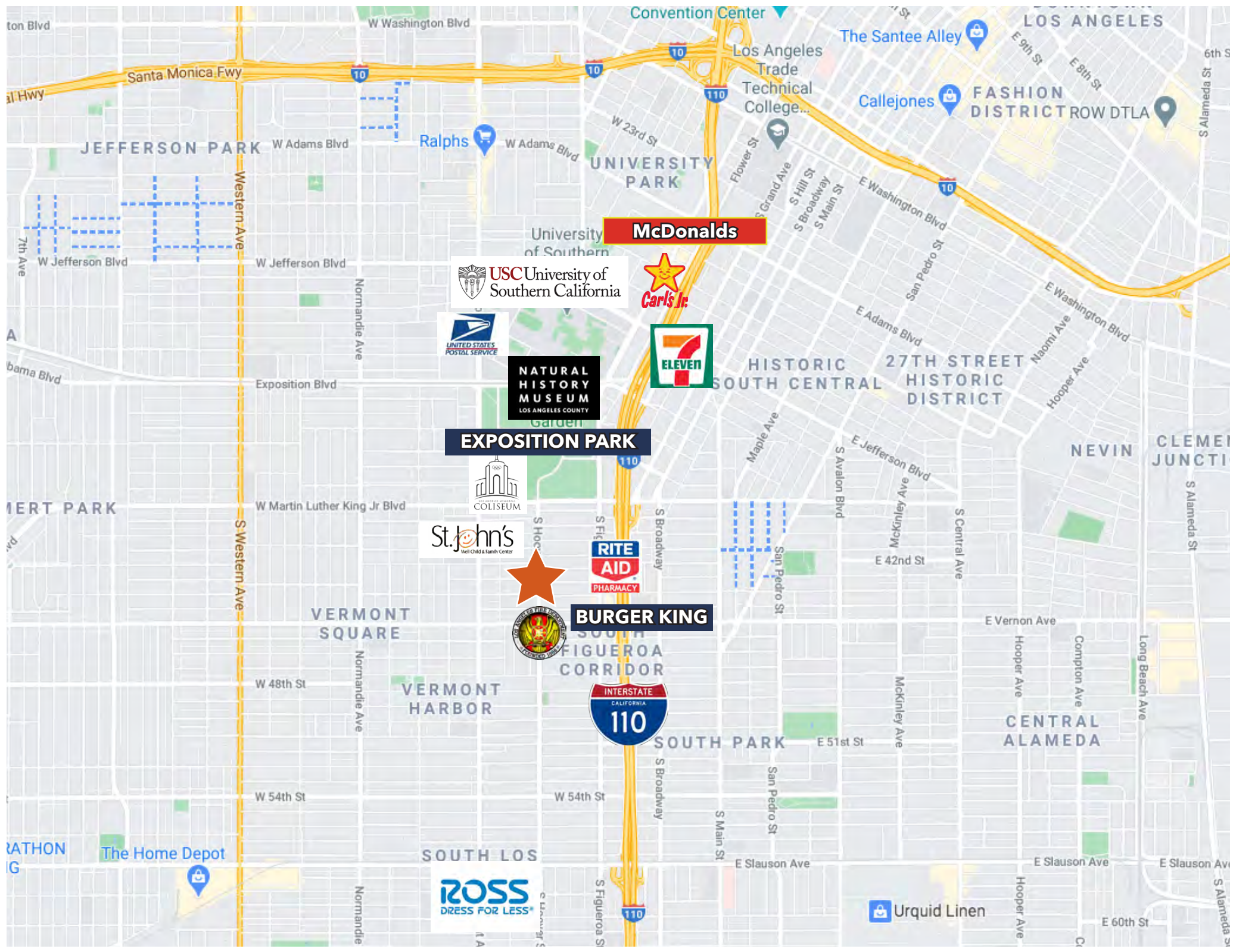
The entire development, which the club says will bring \$250 million in private investments to South Los Angeles, has been designed by LA-based architectural firm Gensler and will also include restaurants, office space, a conference center, and a soccer museum.

"We are not only committed to creating a dynamic soccer experience for our fans, but are equally excited about the impact our stadium and facilities will have in reshaping and revitalizing South Los Angeles," Johnson said.

The construction of the new stadium in the underdeveloped South Los Angeles area is expected to produce a one-time economic activity of more than \$275 million and over 1,200 new union and non-union jobs. Additionally, once open, the new stadium is estimated to generate more than \$129 million in new economic activity, create more than 1,800 full-time jobs, and produce \$2.5 million in annual tax revenue.



- The first new open-air stadium built in the city of Los Angeles since Dodgers Stadium in 1962
- The stadium is accessible from the expanded LA Expo line
- The stadium will be an LEED Silver certified building
- 125,000 sq ft of walkways and plazas will be open to the public
- The roof will be covered with 190,000 sq ft of ETFE film
- The pitch will be 86,000 sq ft of improved natural bermuda grass adapted for Southern California



McDonalds

 **USC** University of Southern California



EXPOSITION PARK




St. John's
Child & Family Center



BURGER KING



ROSS
DRESS FOR LESS

 **Urquid Linen**

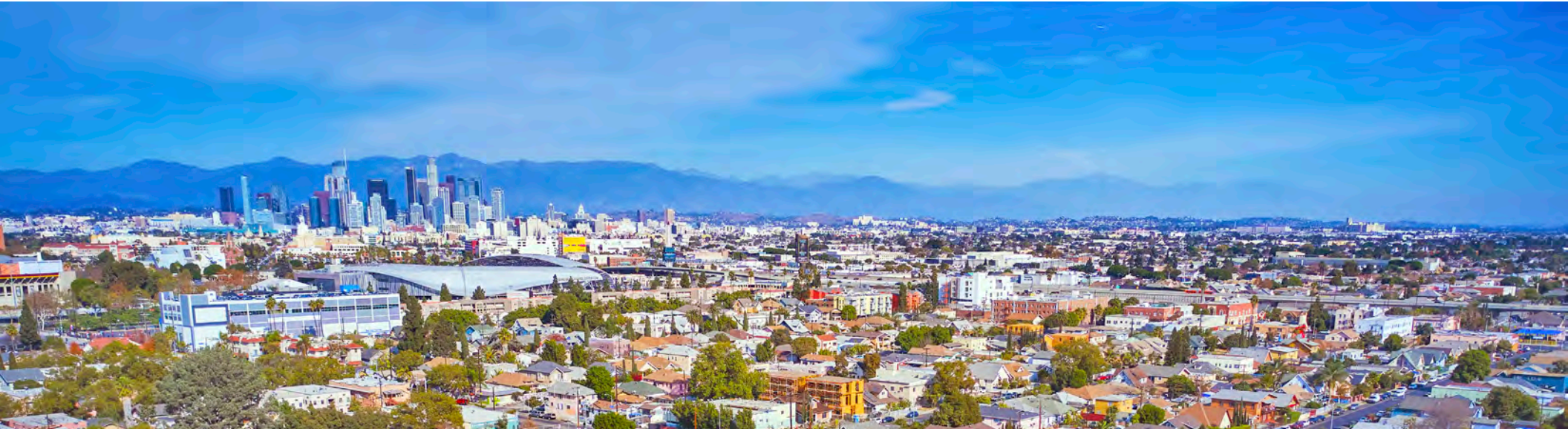


RENT ROLL

	UNIT #	UNIT TYPE	ACTUAL RENT	PROFORMA RENT	NOTES
1	A	3+2	\$2,100	\$2,200	
2	B	3+2	\$1,533	\$2,200	Section 8
3	C	3+2	\$1,478	\$2,200	
4	D	2+2	\$1,171	\$1,800	
5	E	3+2	\$1,488	\$2,200	Section 8
6	F	3+2	\$1,653	\$2,200	Section 8

# UNITS	UNIT TYPE	APPROX SF	CURRENT AVG. MONTHLY RENT	CURRENT MONTHLY INCOME	MARKET MONTHLY RENT	MARKET MONTHLY INCOME
1	2+2		\$1,171	\$1,171	\$1,800	\$1,800
5	3+2		\$1,650	\$8,252	\$2,200	\$11,000
				\$9,423		\$12,800

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FINANCIAL ANALYSIS

	CURRENT RENTS		MARKET RENTS	
Scheduled Gross Income:	\$113,076		\$153,600	
Less Vacancy Rate Reserve:	\$(5,654)	5.0%	\$(7,680)	5.0%
Gross Operating Income:	\$107,422		\$145,920	
Less Expenses:	\$(44,404)	39.3%	\$(46,329)	30.2%
Net Operating Income:	\$63,018		\$99,591	
Reserves:	\$(1,200)		\$(1,200)	
Less Debt Service:	\$(46,880)		\$(46,880)	
Pre-Tax Cash Flow:	\$14,938	2.6%	\$51,511	8.9%
Plus Principal Reduction:	\$16,853		\$16,853	
Total Return Before Taxes:	\$31,791	5.5%	\$68,364	11.8%

EXPENSES & PRICING

EXPENSES	%	CURRENT	PROFORMA
Taxes: Rate	1.20%	\$17,400	\$17,400
Insurance		\$3,051	\$3,051
Utilities:		\$4,891	\$4,891
Waste Removal		\$6,288	\$6,288
Repairs & Maintenance		\$4,200	\$4,200
Management	5%	\$5,371	\$7,296
Pest Control		\$780	\$780
Landscaping		\$660	\$660
License & Fees		\$559	\$559
Direct Assessment		\$1,204	\$1,204
Total Expenses:		\$44,404	\$46,329
Per Net Sq. Ft.:		\$8.78	\$9.16
Per Unit:		\$7,401	\$7,722

PRICING		
Price:		\$1,450,000
Down Payment:	40%	\$580,000
Number of Units:		6
Cost per Legal Unit:		\$241,667
Current GRM:		12.82
Market GRM:		9.44
Current CAP:		4.35%
Market CAP:		6.87%
Approx. Age:		1914
Approx. Lot Size:		9,235
Approx. Gross SF:		5,056
Cost per Net GSF:		\$287

NEW POTENTIAL FINANCING

New First Loan:	\$870,000
Interest Rate:	3.50%
Amortization:	30
Monthly Payment:	\$3,907
DCR:	1.34

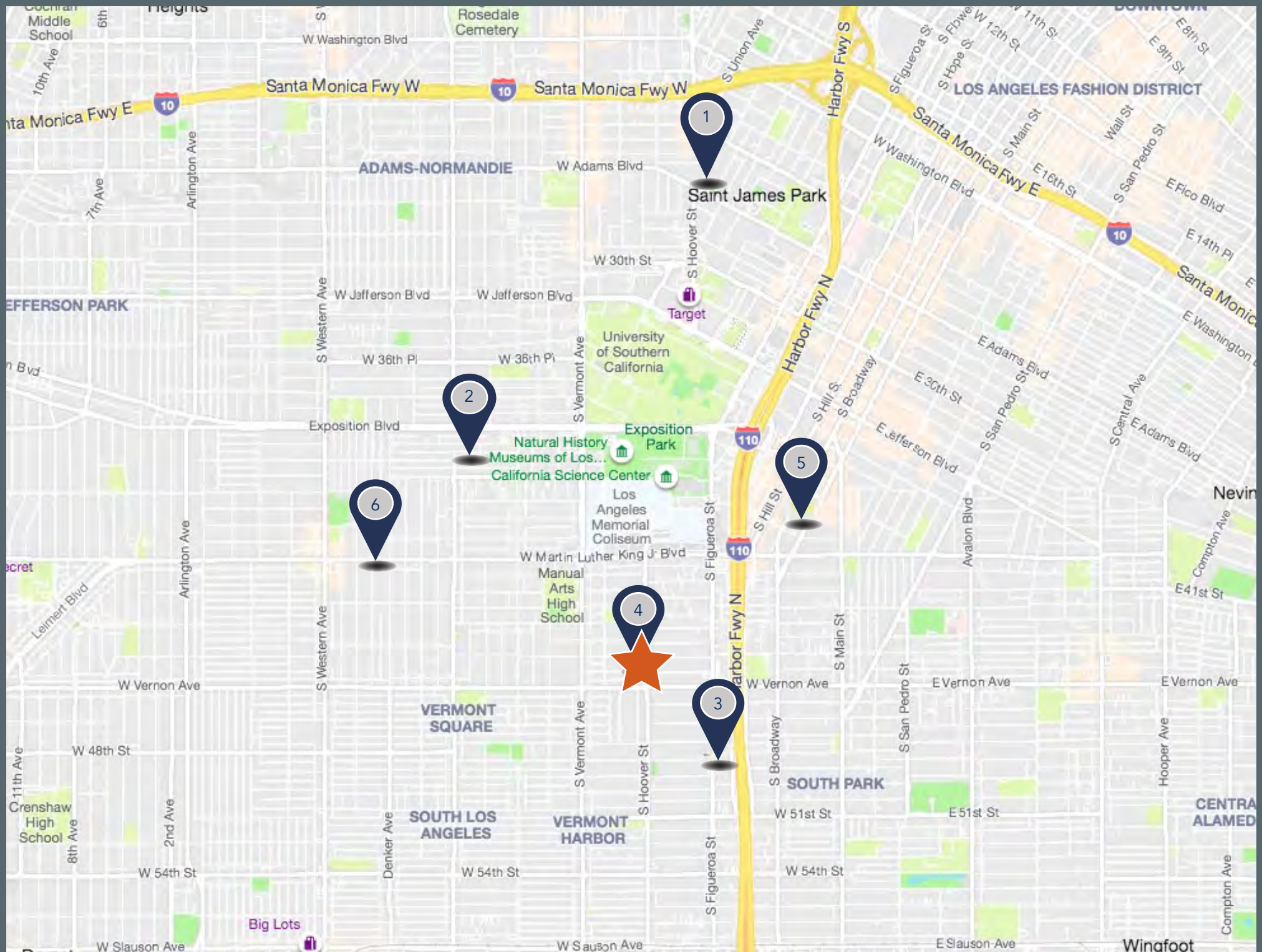


4315 S HOOVER ST

MARKET COMPARABLES

	PROPERTY NAME	SALES PRICE	YEAR BUILT	PRICE/UNIT	PRICE/SF	CURRENT CAP	CURRENT GRM	CLOSING DATE
	4315 S Hoover St, Los Angeles, CA 90037	\$1,450,000	1914	\$241,667	\$287	4.35%	12.82	N/A
1	1017 W 25th St, Los Angeles, CA 90007	\$1,365,000	1903	\$170,625	\$309	3.66%	14.72	10/20/20
2	1257 W 38th St, Los Angeles, CA 90037	\$1,050,000	1930	\$210,000	\$360	5.40%	14.01	2/11/20
3	4716 S Figueroa St, Los Angeles, CA 90037	\$1,545,000	1925	\$309,000	\$345	N/A	N/A	12/13/19
4	807 43rd St, Los Angeles, CA 90037	\$1,815,000	1925	\$226,875	\$214	5.96%	11.00	11/5/19
5	1345 W 38th St, Los Angeles, CA 90062	\$1,330,000	1925	\$221,667	\$278	N/A	N/A	7/26/19
6	3978 La Salle Ave, Los Angeles, CA 90062	\$1,408,000	1928	\$176,000	\$295	5.27%	13.92	7/2/19







4315 S Hoover St,
Los Angeles, CA 90006

SUBJECT PROPERTY



Offering Price	\$1,450,000	Price per Unit	\$241,667	# Units	Unit Type
Number of Units	6	Price per SF	\$287	1	2+2
Year Built	1914	CAP Rate	4.35%	5	3+2
GRM	12.82				

Sales Comparables | 4315 S Hoover Street



1

1017 W 25th St,
Los Angeles, CA 90007

Sales Price	\$1,365,000
Number of Units	8
Year Built	1903
Price per Unit	\$170,625
Price per SF	\$309
CAP Rate	3.66%
GRM	14.72
Date Sold	10/20/20
# Units	Unit Type
5	Single
2	1+1
1	2+2



2

1257 W 38th St
Los Angeles, CA 90037

Sales Price	\$1,050,000
Number of Units	5
Year Built	1930
Price per Unit	\$210,000
Price per SF	\$360
CAP Rate	5.40%
GRM	14.01
Date Sold	2/11/20
# Units	Unit Type
4	1+1
1	2+1



3

4716 S Figueroa St
Los Angeles, CA 90037

Sales Price	\$1,545,000
Number of Units	5
Year Built	1925
Price per Unit	\$309,000
Price per SF	\$346
CAP Rate	N/A
GRM	N/A
Date Sold	12/13/19
# Units	Unit Type
1	1+1
2	2+1
2	4+2

Sales Comparables | 4315 S Hoover Street



4 807 43rd St
Los Angeles, CA 90037

Sales Price	\$1,815,000
Number of Units	8
Year Built	1925
Price per Unit	\$226,875
Price per SF	\$214
CAP Rate	5.96%
GRM	11.00
Date Sold	11/5/19
# Units	Unit Type
8	3+1



5 1345 W 38th St
Los Angeles, CA 90062

Sales Price	\$1,330,000
Number of Units	6
Year Built	1925
Price per Unit	\$221,667
Price per SF	\$278
CAP Rate	N/A
GRM	N/A
Date Sold	7/26/19
# Units	Unit Type
6	2+1



6 3978 La Salle Ave
Los Angeles, CA 90062

Sales Price	\$1,408,000
Number of Units	8
Year Built	1928
Price per Unit	\$176,000
Price per SF	\$295
CAP Rate	5.27%
GRM	13.92
Date Sold	7/2/19
# Units	Unit Type
8	Singles

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

RENT DISCLAIMER

Any rent or income information in this offering memorandum, with the exception of actual, historical rent collections, represent good faith projections of potential future rent only, and Marcus & Millichap makes no representations as to whether such rent may actually be attainable. Local, state, and federal laws regarding restrictions on rent increases may make these projections impossible, and Buyer and its advisors should conduct their own investigation to determine whether such rent increases are legally permitted and reasonably attainable.

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