



990

Palin Avenue, West Hollywood

Turnkey Building Totalling 22 Units in Prime West Hollywood,
Just South of Sunset Blvd

19 of 22 Units have been Recently Renovated; Offered at \$295,455 per Unit

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Marcus & Millichap
THE NEEMA GROUP



990



Executive Summary

The Neema Group of Marcus & Millichap is pleased to present 990 Palm Avenue, West Hollywood, CA 90069. Built in 1951 and renovated in 2020, this 22-unit property is located in the premier West Hollywood neighborhood between Holloway Drive and Santa Monica Boulevard, a location featuring some of the city's most famous restaurants, bustling entertainment and nightlife scenes, local cafes, and boutique shopping destinations.

990 Palm Avenue totals 9,158 SF featuring a unit mix that includes 21 singles and 1 one-bedroom. This turnkey investment provides an investor the opportunity to acquire a building with recent capital expenditures and zero deferred maintenance required. The subject property is being offered at a low price per square unit of \$295,455.

19 of 22 units have been recently renovated with gourmet kitchens featuring stainless-steel appliances (gas oven with designer range top, refrigerator, and microwave), quartz countertops and new cabinetry. The units also feature a designer bathroom with pedestal sink, stylish shower tiles, mirrored closet doors in the dresser area, wood inspired flooring in the living/bedroom area, sleek porcelain tiles in the kitchen and bathroom, large wall-to-wall and walk-in closets, and a designer lighting and finishes package.

The building is set on a 12,477 SF lot with community amenities including controlled-access entry, a retreat courtyard with a firepit and barbecue. Furthermore, the property features community laundry and 18 parking spaces which are leased on separate addendums.

West Hollywood is one of the most coveted submarkets in Los Angeles and a top travel destination attracting those in entertainment, fashion, and entrepreneurship. The subject property boasts a high walk score of 91, a "walker's paradise". Prominent dining and nightlife is in close proximity to the building including Sur Restaurant and Lounge, The Abbey, Troubadour, The Viper Room, Night+Market, Dialogue Cafe, Rainbow Bar & Grill, The Roxy Theatre, 1 OAK, and so much more.

Property Information

ADDRESS	990 Palm Avenue West Hollywood, CA 90069
NO. OF UNITS	22
APPROX. GROSS SF	9,158 SF
APPROX. LOT SIZE	12,477 SF
YEAR BUILT/RENOVATED	1951/2020
APN	4339-009-026
ZONING	WDR4

Pricing Information

SALES PRICE	\$6,500,000
PRICE PER UNIT	\$295,455
CURRENT GRM	15.26
MARKET GRM	13.63
CURRENT CAP RATE	3.83%
MARKET CAP RATE	4.54%



Investment Highlights

22

Units

3.83%

Current Cap

19/22

Units Renovated

21

Singles

1

One-bedroom

- ✦ The subject property was built in 1951 and renovated in 2020, featuring 22-units located in the premier West Hollywood neighborhood between Holloway Drive and Santa Monica Boulevard, a location featuring some of the city's most famous restaurants, bustling entertainment and nightlife scenes, local cafes, and boutique shopping destinations.
- ✦ The subject property totals 9,158 SF featuring a unit mix that includes 21 singles and 1 one-bedroom; two units are currently vacant. The subject property is being offered at a low price per square unit of \$295,455.
- ✦ This turnkey investment provides an investor the opportunity to acquire a building with recent capital expenditures and zero deferred maintenance required.
- ✦ 19 of 22 units have been recently renovated with gourmet kitchens featuring stainless-steel appliances (gas oven with designer range top, refrigerator, and microwave), quartz countertops and new cabinetry. The units also feature designer bathroom with pedestal sink, stylish shower tiles, mirrored closet doors in the dresser area, wood inspired flooring in the living/bedroom area, sleek porcelain tiles in the kitchen and bathroom, large wall-to-wall and walk-in closets, and a designer lighting & finishes package.
- ✦ The building is set on a 12,477 SF lot with community amenities including controlled-access entry, a retreat courtyard with a firepit and barbecue. Furthermore, the property features community laundry and 18 parking spaces which are leased on separate addendums.
- ✦ West Hollywood is one of the most coveted submarkets in Los Angeles and a top travel destination attracting those in entertainment, fashion, and entrepreneurship. The subject property boasts a high walk score of 91, a "walker's paradise".

Community amenities include controlled-access entry, a retreat courtyard with a firepit and barbecue.





The Butcher, the
Baker, the
Cappuccino Maker

Wahlburgers
Badgley Mischka
Drybar
Blushington
Tocaya Organica

Le Petit Four
Sushiya on Sunset
Zadig & Voltaire
Alchemy 43
Ole Henriksen Spa
Chin Chin Restaurant
Aura Yoga
Bluemercury

SUNSET PLAZA

EVELEIGH

FRESH ON
SUNSET

STATE SOCIAL
HOUSE

DIALOG CAFE

1 HOTEL
WEST HOLLYWOOD

THE MONDRIAN

AKA WEST
HOLLYWOOD

SUNSET
MARQUIS

CHAMBERLAIN
WEST HOLLYWOOD

HOLLOWAY DRIVE

PALM AVENUE

990

Palis Avenue, West Hollywood



DTLA

BARRY'S

GELSON'S

BARNEY'S
BEANERY

CHAMBERLAIN
WEST HOLLYWOOD

SHAKE SHACK

SPROUTS FARMERS
MARKET

24 HOUR FITNESS

KITCHEN 24

FRESH BROTHERS
PIZZA

V WINE ROOM

FRESH CORN GRILL

FIVE GUYS

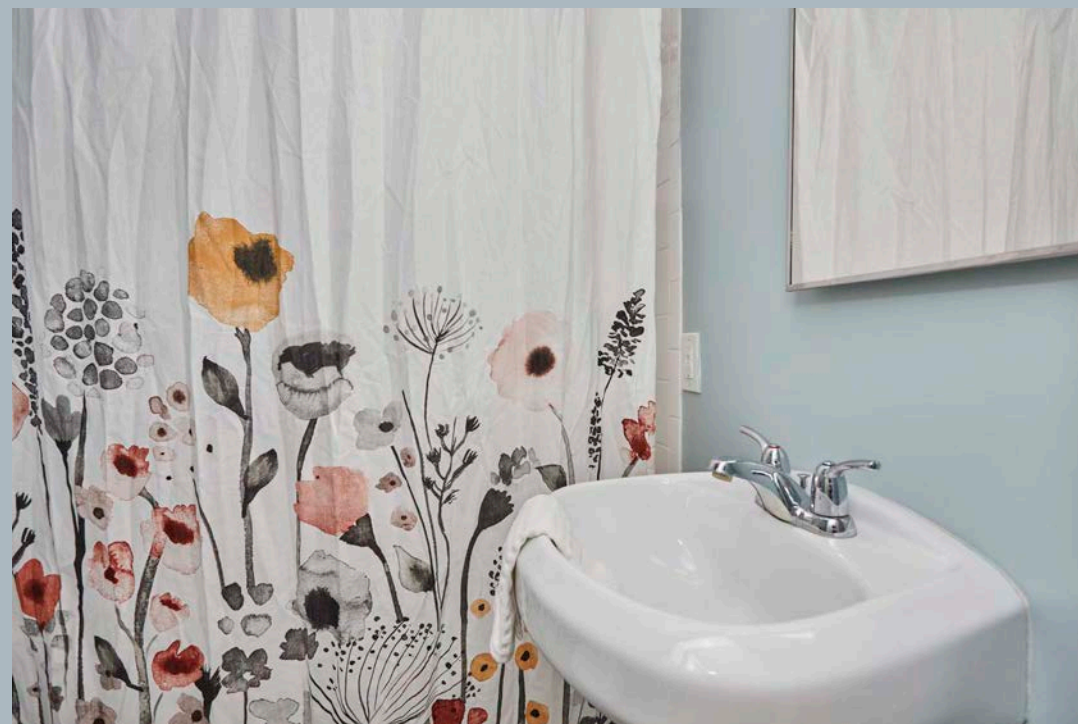
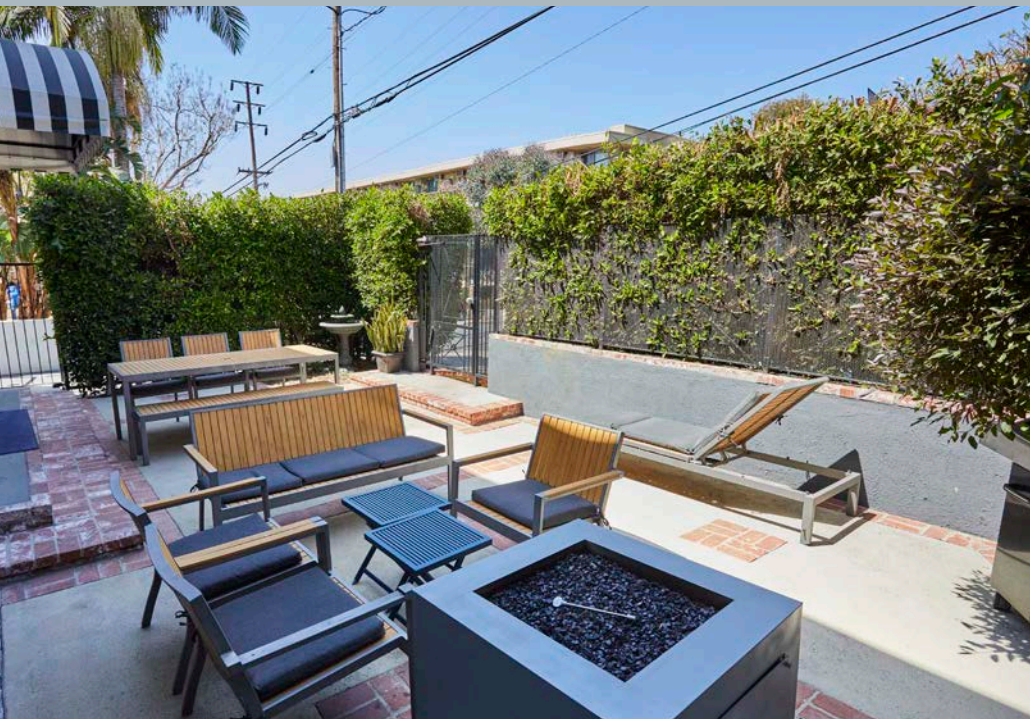
HOLLOWAY DRIVE

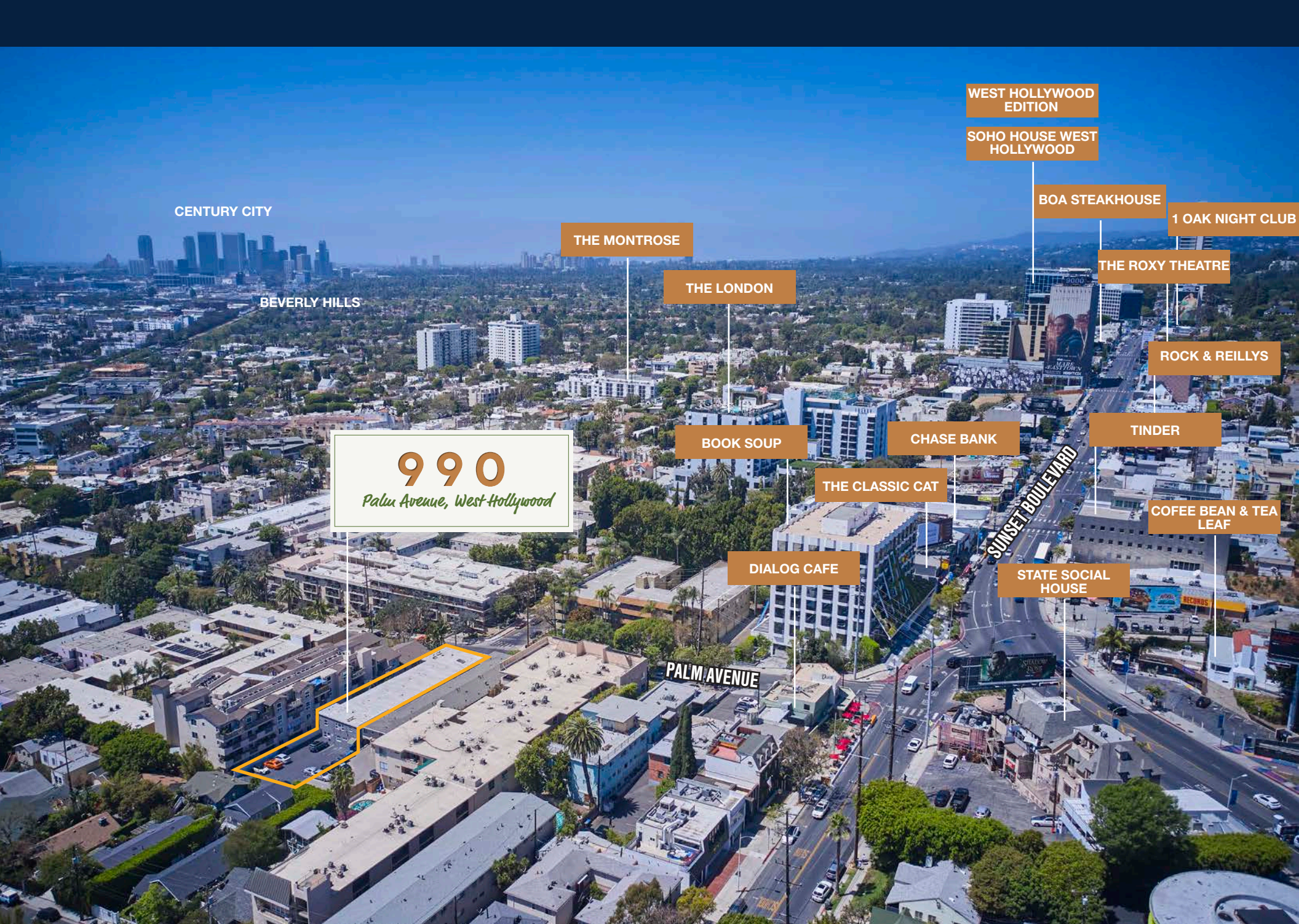
SANTA MONICA BOULEVARD

990

Palu Avenue, West-Hollywood

PALM AVENUE





CENTURY CITY

BEVERLY HILLS

THE MONTROSE

THE LONDON

WEST HOLLYWOOD
EDITION

SOHO HOUSE WEST
HOLLYWOOD

BOA STEAKHOUSE

1 OAK NIGHT CLUB

THE ROXY THEATRE

ROCK & REILLYS

TINDER

COFFEE BEAN & TEA
LEAF

STATE SOCIAL
HOUSE

CHASE BANK

THE CLASSIC CAT

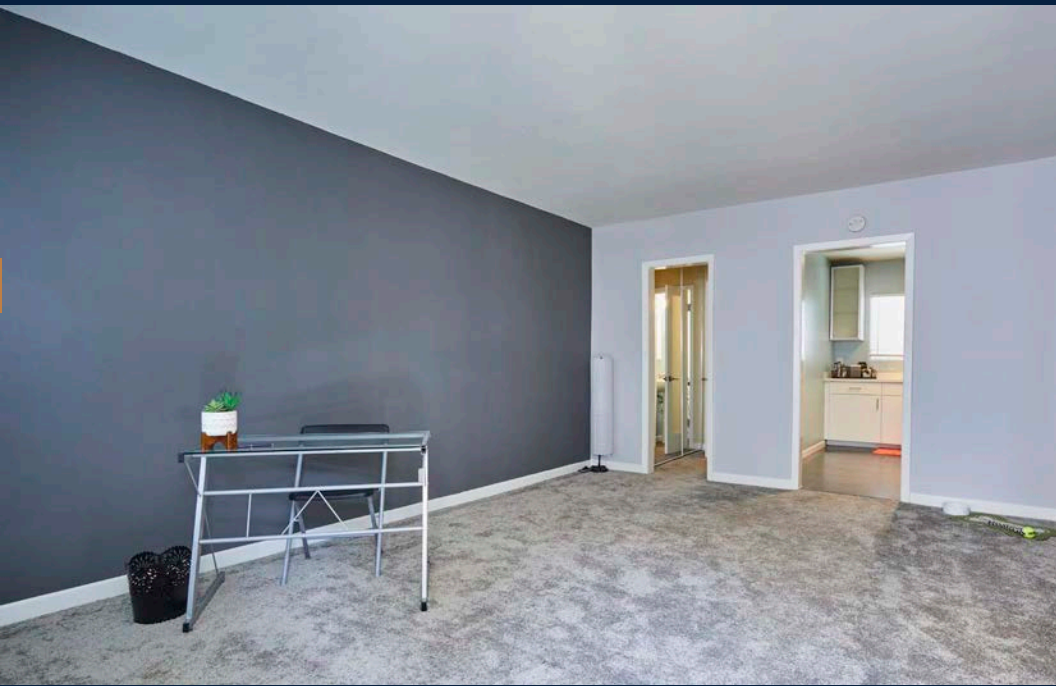
BOOK SOUP

DIALOG CAFE

990
Palu Avenue, West-Hollywood

PALM AVENUE

SUNSET BOULEVARD



Rent Roll

Unit #	Unit SF**	Unit Type	Actual Rents	ProForma Rents	Move-In Dates	Notes
1	400	Single	\$1,720	\$1,735	2/16/2021	
2	370	Single	\$1,730	\$1,735	3/1/2021	
3	370	Single	\$1,455	\$1,735	4/2/2015	On-Site Manager*
4	400	Single	\$1,600	\$1,735	5/1/2021	
5	450	Single	\$1,685	\$1,735	3/1/2021	
6	450	Single	\$1,525	\$1,735	2/1/2021	
7	450	Single	\$1,830	\$1,735	7/30/2019	
8	354	Single	\$1,575	\$1,735	3/5/2021	
9	400	Single	\$1,557	\$1,735	4/16/2021	
10	400	Single	\$1,495	\$1,735	1/23/2021	
11	450	Single	\$1,735	\$1,735		Vacant
12	370	Single	\$1,840	\$1,735	10/25/2020	
12.5	450	Single	\$1,735	\$1,735		Vacant
14	370	Single	\$1,799	\$1,735	7/29/2019	
15	400	Single	\$1,675	\$1,735	1/5/2021	
16	354	Single	\$1,550	\$1,735	1/9/2021	
17	354	Single	\$1,550	\$1,735	2/1/2021	
18	354	Single	\$1,068	\$1,735	3/1/2000	
19	450	Single	\$706	\$1,735	7/1/2002	
20	354	Single	\$1,675	\$1,735	4/13/2021	
21	354	Single	\$1,550	\$1,735	1/1/2021	
22	500	1+1	\$1,875	\$2,200	6/1/2021	
Total			\$34,930	\$38,635		

*On-site manager's unit, currently paid on an hourly basis

**Unit SF numbers are approximate. Buyer to conduct his/her own due diligence to verify SF of the units



Unit Type	Actual Rents	ProForma
Single	\$33,055	\$36,435
1+1	\$1,875	\$2,200
Total	\$34,930	\$38,635

Financials

Annualized Operating Data	Current Rents		ProForma Rents	
Scheduled Gross Income:	425,832		476,892	
Less Vacancy Rate Reserve:	(21,292)	5.0%	(23,845)	5.0%
Gross Operating Income:	404,540		453,047	
Less Expenses:	(155,434)	36.5%	(157,859)	33.1%
Net Operating Income:	249,106		295,188	
Less Reserves:	(4,400)		(4,400)	
Less Debt Service:	(220,650)		(220,650)	
Pre-Tax Cash Flow:	24,057	1.1%	70,138	3.1%
Plus Principal Reduction:	85,268		85,268	
Total Return Before Taxes:	109,325	4.8%	155,406	6.8%

Scheduled income			Current Rents		Market Rents	
No. of Units	Unit Type	Approx. SF	Avg. Monthly Rent/Unit	Monthly Income	Monthly Rent/Unit	Monthly Income
21	Single	354-450	\$1,574	\$33,055	\$1,735	\$36,435
1	1+1	500	\$1,875	\$1,875	\$2,200	\$2,200
Total Scheduled Rent				\$34,930		\$38,635
Parking				\$400		\$950
Laundry/Vending				\$66		\$66
App & Late Fees				\$90		\$90
Monthly Scheduled Gross Income				\$35,486		\$39,741
Annual Scheduled Gross Income				\$425,832		\$476,892

Expenses		Current	ProForma	Pricing	
Taxes: Rate	1.18%	\$76,700	\$76,700	Price	\$6,500,000
Insurance		\$5,613	\$5,613	Down Payment: (35%)	\$2,275,000
Utilities:		\$10,562	\$10,562	Number of Units	22
Waste Removal		\$2,052	\$2,052	Cost per Legal Unit	\$295,455
Repairs & Maintenance		\$11,000	\$11,000	Current GRM	15.26
Management	5%	\$20,227	\$22,652	Market GRM	13.63
On-Site Manager		\$14,988	\$14,988	Current CAP	3.83%
Landscaping		\$2,700	\$2,700	Market CAP	4.54%
Cleaning		\$1,911	\$1,911	Year Built/Renovated	1951/2020
Pest Control		\$900	\$900	Approx. Lot Size	12,477
Advertising & Promotion		\$2,200	\$2,200	Approx. Gross SF	9,158
License & Fees		\$1,100	\$1,100		
Direct Assessment		\$5,481	\$5,481		
Total Expenses:		\$155,434	\$157,859		
Per Net Sq. Ft.:		\$16.97	\$17.24		
Per Unit:		\$7,065.18	\$7,175.43		
				Financing	
				New First Loan:	\$4,225,000
				Interest Rate:	3.25%
				Amortization:	30
				Monthly Payment:	\$18,387.47
				DCR:	1.13

Sales Comparables



01



Address	990 Palm Avenue, West Hollywood
Sales Price	\$6,500,000
Bldg SF	9,158
Lot SF	12,477
Cap Rate	3.83%
GRM	15.26
Sale Date	-
Units	22



Address	842 Palm Avenue, West Hollywood
Sales Price	\$7,250,000
Bldg SF	17,089
Lot SF	12,632
Cap Rate	4.10%
GRM	-
Sale Date	2/17/2021
Units	22

02



Address	1320 Miller Drive, West Hollywood
Sales Price	\$4,925,000
Bldg SF	13,005
Lot SF	13,329
Cap Rate	4%
GRM	-
Sale Date	12/21/2020
Units	17

03



Address	514 Hayworth Avenue, Los Angeles
Sales Price	\$3,400,000
Bldg SF	7,674
Lot SF	7,501
Cap Rate	4%
GRM	15.88
Sale Date	1/7/2021
Units	10

04



Address	8903 Harratt St, West Hollywood
Sales Price	\$4,000,000
Bldg SF	7,456
Lot SF	8,120
Cap Rate	-
GRM	-
Sale Date	2/13/2020
Units	10

05



Address	1415 N Harper Avenue, West Hollywood
Sales Price	\$3,400,000
Bldg SF	7,980
Lot SF	9,631
Cap Rate	4.18%
GRM	15.88
Sale Date	10/21/2020
Units	10

Sales Comparables

06



Address	8355 Blackburn Ave, Los Angeles
Sales Price	\$6,500,000
Bldg SF	13,939
Lot SF	14,196
Cap Rate	3.50%
GRM	21
Sale Date	4/24/2020
Units	21

07

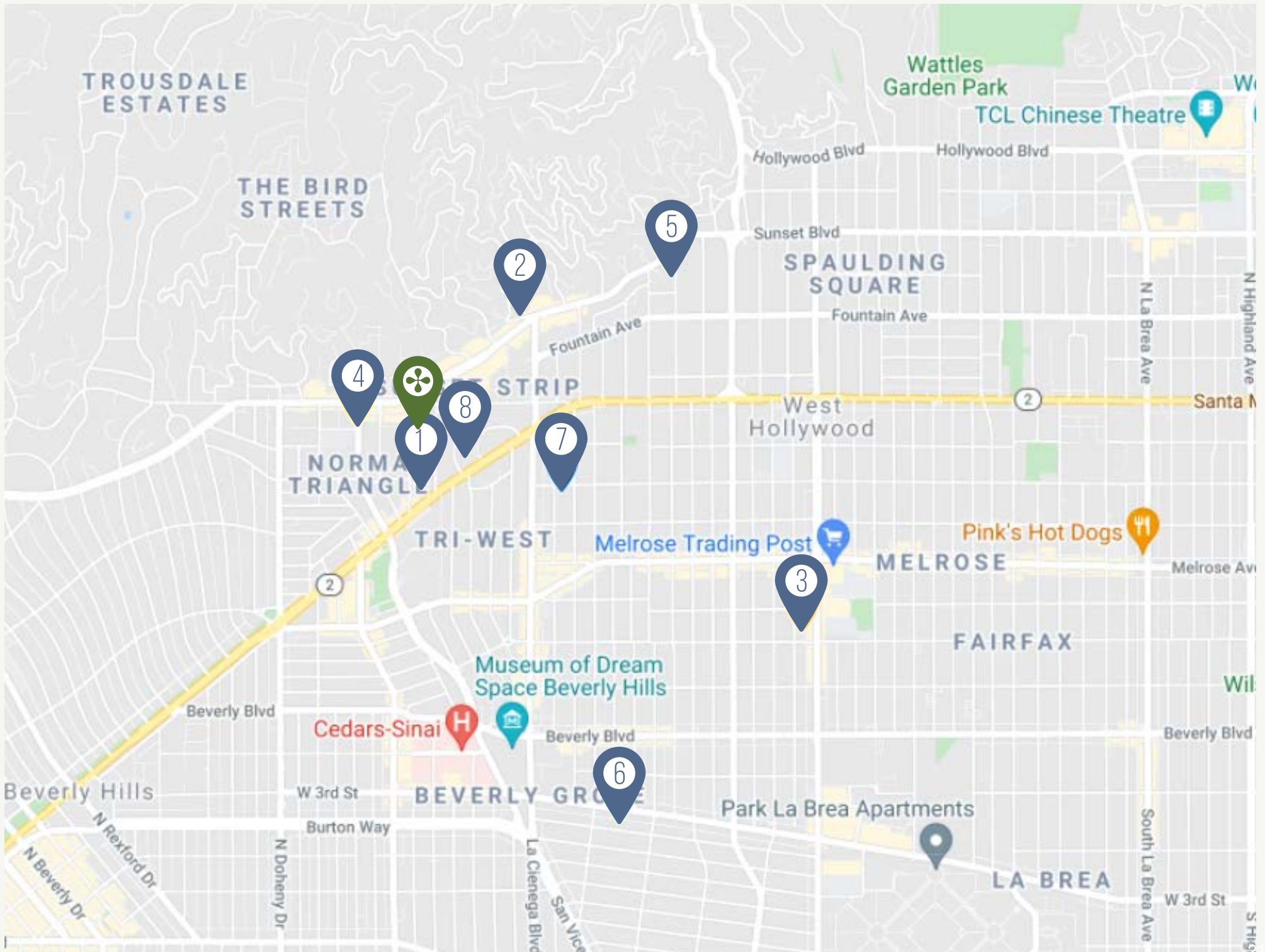


Address	842 N Alfred Street, West Hollywood
Sales Price	\$3,175,000
Bldg SF	13,028
Lot SF	12,933
Cap Rate	-
GRM	-
Sale Date	1/5/2021
Units	16


08



Address	920 Westbourne Dr, West Hollywood
Sales Price	\$3,910,000
Bldg SF	7,660
Lot SF	6,917
Cap Rate	4.39%
GRM	15.23
Sale Date	12/1/2020
Units	10

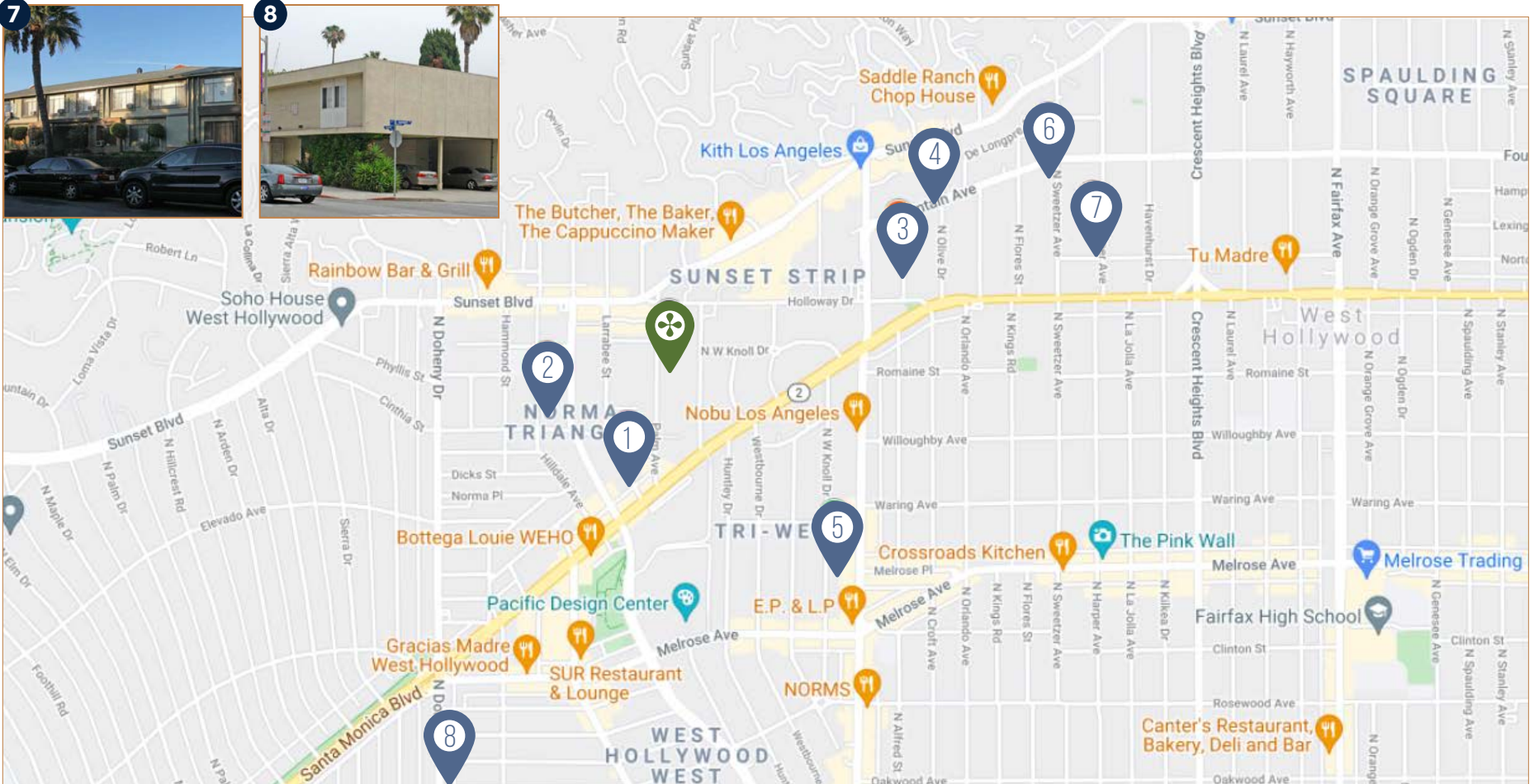


Rent Comparables

Subject Property		Unit Type	SF	ProForma Rent	\$/SF
	990 Palm Ave, West Hollywood, CA 90069	Single	400	\$1,735	\$4.34

#	Address	Unit Type	SF	Rent	\$/SF
1	840 N Larrabee Ave, West Hollywood, CA 90069	Single	414	\$1,903	\$4.60
2	940 Hilldale Ave, West Hollywood, CA 90069	Single	400	\$1,700	\$4.25
3	1155 Hacienda Pl, West Hollywood, CA 90069	Single	500	\$1,850	\$3.70
4	1323 N Olive Dr, West Hollywood, CA 90069	Single	500	\$1,750	\$3.50
5	724 N West Knoll Dr, West Hollywood, CA 90069	Single	480	\$1,898	\$3.95
6	1317 N Sweetzer Ave, West Hollywood, CA 90069	Single	400	\$1,775	\$4.44
7	1235 N Harper Ave, West Hollywood, CA 90046	Single	400	\$1,700	\$4.25
8	400 N Doheny Dr, West Hollywood, CA 90048	Single	N/A	\$1,700	N/A

The collage features eight photographs of residential properties in West Hollywood, California, each labeled with a number from 1 to 8. The properties are diverse in style, ranging from modern multi-story buildings to more traditional single-story homes. A map of the West Hollywood area is included, showing the Sunset Strip and surrounding streets. The map is marked with numbered pins 1 through 8, indicating the locations of the properties shown in the photographs. The map also labels various streets, including Sunset Blvd, Santa Monica Blvd, and Melrose Ave, and identifies several local businesses and landmarks, such as the Pacific Design Center and the Pink Wall.



Area Overview

West Hollywood

West Hollywood (“WeHo”) is located in the eastern portion of the West Los Angeles area. The city is bounded by the community of Hollywood to the north, east, and south; and the city of Beverly Hills to the west. Today, West Hollywood is a top travel destination among the entertainment industry. West Hollywood’s stylish hotels attract the well-traveled with their dedication to providing premium service and personalized experiences. The scene is densely packed into 1.9 walkable square miles, including a vast culinary landscape, the Sunset Strip’s notorious nightlife, Pacific Design Center (PDC) and designer flag-ships lining The West Hollywood Design District, celebrity hot spots, global annual events, premier spas and fitness, entertainment and much more.

With over 33,000 people living within a 1-mile radius and an average household income of \$129,000 the continued demand for housing and hotels in the area has led to a healthy increase in new developments including the recently completed Pendry Hotel & Residences, which include a 149-room boutique hotel on Sunset Blvd with 40 luxury residential condominiums with entrance on Fountain Ave.

A Culinary Landscape

West Hollywood’s culinary landscape is the envy of Los Angeles. Trendy hotspots, historic restaurants and beloved neighborhood diners line the streets, featuring diverse and innovative cuisine from award-winning chefs. Well-known restaurants include AGO, Eveleigh, Catch, Katana, ROKU, BOA Steakhouse, Chateau Marmont, Craig’s, Cecconi’s, and many more. In addition to the fine dining venues, West Hollywood offers many relaxing cafés, boutique eateries, and other local favorites such as Dan Tana’s, Gracias Madre, Hugo’s, The Den, Marco’s Trattoria, Los Tacos, and Le Petit Bistro.



1.9 square miles of
creativity, energy & style
in the heart of LA



91
Walk Score

Area Overview

Shopping

West Hollywood is the destination for tastemakers, where designers, artisans and fashion icons gather to start new trends and perfect their crafts. Located at the crossroads of Melrose, Beverly and Robertson, the West Hollywood Design District offers a distinctive mix of global designer flagships, local boutiques, art galleries, interior design showrooms, and chic eateries. This walkable district is an unrivaled international destination for design savvy professionals and sophisticated shoppers alike.



Culture

West Hollywood overflows at the brim with creativity taking many forms such as film, street art, literature, music, architecture, and food. Stunning public art installations and world-class private collections stand side-by-side in “the creative city.” Residents and visitors can view contemporary works at MOCA Pacific Design Center, walk the city’s public sculpture collection, or sip champagne with the avant-garde at an art opening for a taste of West Hollywood’s artistic and cultural scene.



\$129,000

Average HH Income

Nearby Developments

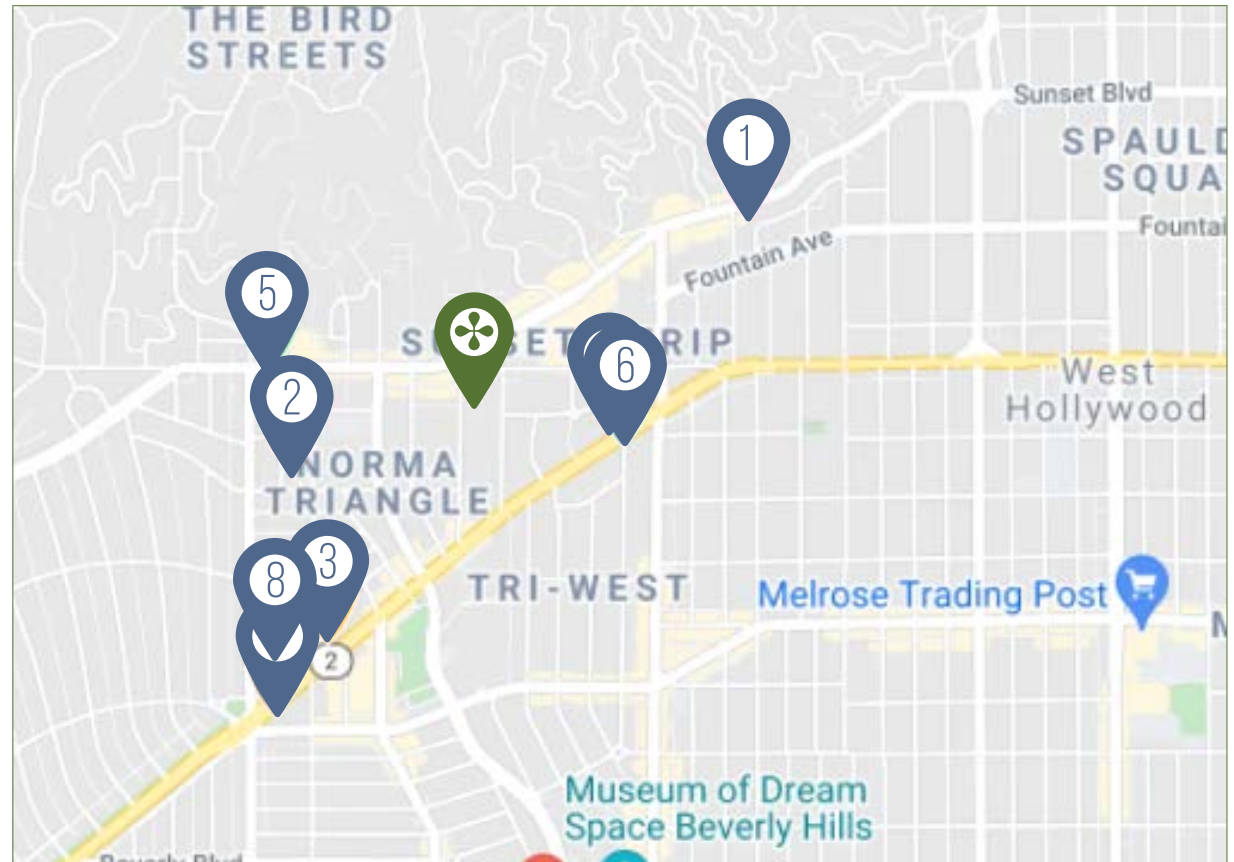
1 | **The Pendry Hotel & Residences**
8430 W Sunset Blvd
149-Room Luxury Hotel Built in 2021

2 | **Wetherly Palms**
914 N Wetherly Dr
Proposed 100-Unit Project

3 | **The Palm Project**
9001 Santa Monica Blvd
Mixed-Use Development Currently Under Construction with 46 Residential Units and Ground Floor Retail

4 | **8555 Santa Monica**
Proposed Project Consisting of 109 Residential Units

5 | **Edition West Hollywood**
9040-9056 W Sunset Blvd
190-Room Hotel & Residences Built in 2019



6 | **8550 Santa Monica Blvd**
39,000 SF Retail Center Anchored by Sprouts Farmers Market Built in 2019

7 | **Melrose Triangle**
9080 Santa Monica Blvd
Proposed 76 Apartments, 137,000 SF Office, 82,000 SF Retail

8 | **The Harland**
702 N Doheny Dr
37 Units Built in 2019



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