

5728 MORLEY STREET  
LOS ANGELES, CA 90045

Marcus & Millichap  
THE NEEMA GROUP



5728



MORLEY

**A Turnkey 6,354 SF Multi-Family Building Totaling 8 Units in the heart of Silicon Beach,  
Just Southwest of the 405, between Manchester Ave and Century Blvd**

**Offered with Strong In-Place Cash Flow of 5.49% and 12.03 GRM on Current Income**

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**Marcus & Millichap**  
THE NEEMA GROUP





5724  
5724 5  
5724  
5725 5

5720





# Executive Summary

The Neema Group of Marcus & Millichap is pleased to present 5728 Morley St, Los Angeles, CA 90045. A multi-family apartment in the seaside submarket of Playa del Ray / Westchester; built in 1950 and located in the Santa Monica Bay and the Westside region of Los Angeles, between Manchester Ave and Century Blvd. 5728 Morley St features a single parcel in Westchester, just north of LAX. The current structure consists of a multifamily complex totaling 6,354 SF.

5728 Morley Street sits on a 7,591 SF lot and features a unit mix of 1 three-Bedroom, 3 two-bedrooms, and 4 one-bedroom units. This stabilized investment provides an investor the opportunity to acquire a well-maintained asset with strong in-place cash flow with a 5.49% CAP rate on current income and GRM of 12.03. The property includes eight parking spaces. The subject property is being offered at a price per square unit of \$299,375 at a 5.49% CAP.

The units feature modern designs with smooth ceilings, recessed lighting, hardwood floors and tiled kitchens and bathrooms. Units are equipped with air conditioning and ceiling fans in bedrooms (additional ceiling fan in dining room), and all units are individually metered for gas and electric.

5728 Morley sits in the heart of Silicon Beach, which is home to more than 500 tech companies like Snapchat, Tinder and many more. The area offers easy access to LAX and close proximity to the 405 & 105 Freeways which gives residents the ability to easily travel throughout Los Angeles.

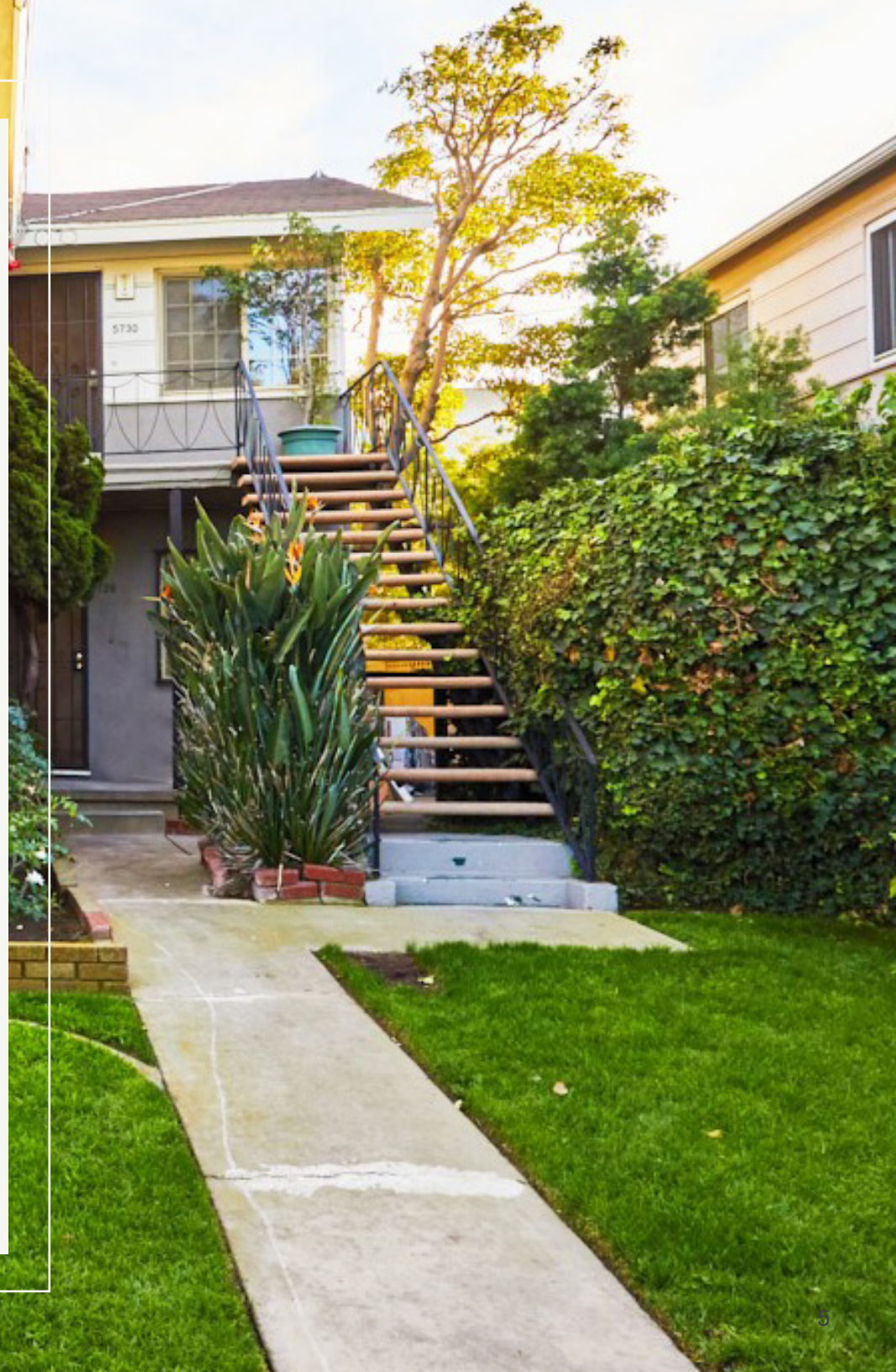
## *Property Information*

ADDRESS	5728 Morley St Los Angeles, CA 90045
NO. OF UNITS	8
APPROX. GROSS SF	6,354 SF
APPROX. LOT SIZE	7,591 SF
YEAR BUILT	1950
APN	4125-011-020
ZONING	LAR3

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## *Pricing Information*

SALES PRICE	\$2,395,000
PRICE PER UNIT	\$299,375
CURRENT GRM	12.03
MARKET GRM	11.11
CURRENT CAP RATE	5.49%
MARKET CAP RATE	5.96%



# Investment Highlights

8

*Units*

5.49%

*Current Cap*

4

*one-bedroom*

3

*two-bedroom*

1

*three-bedroom*

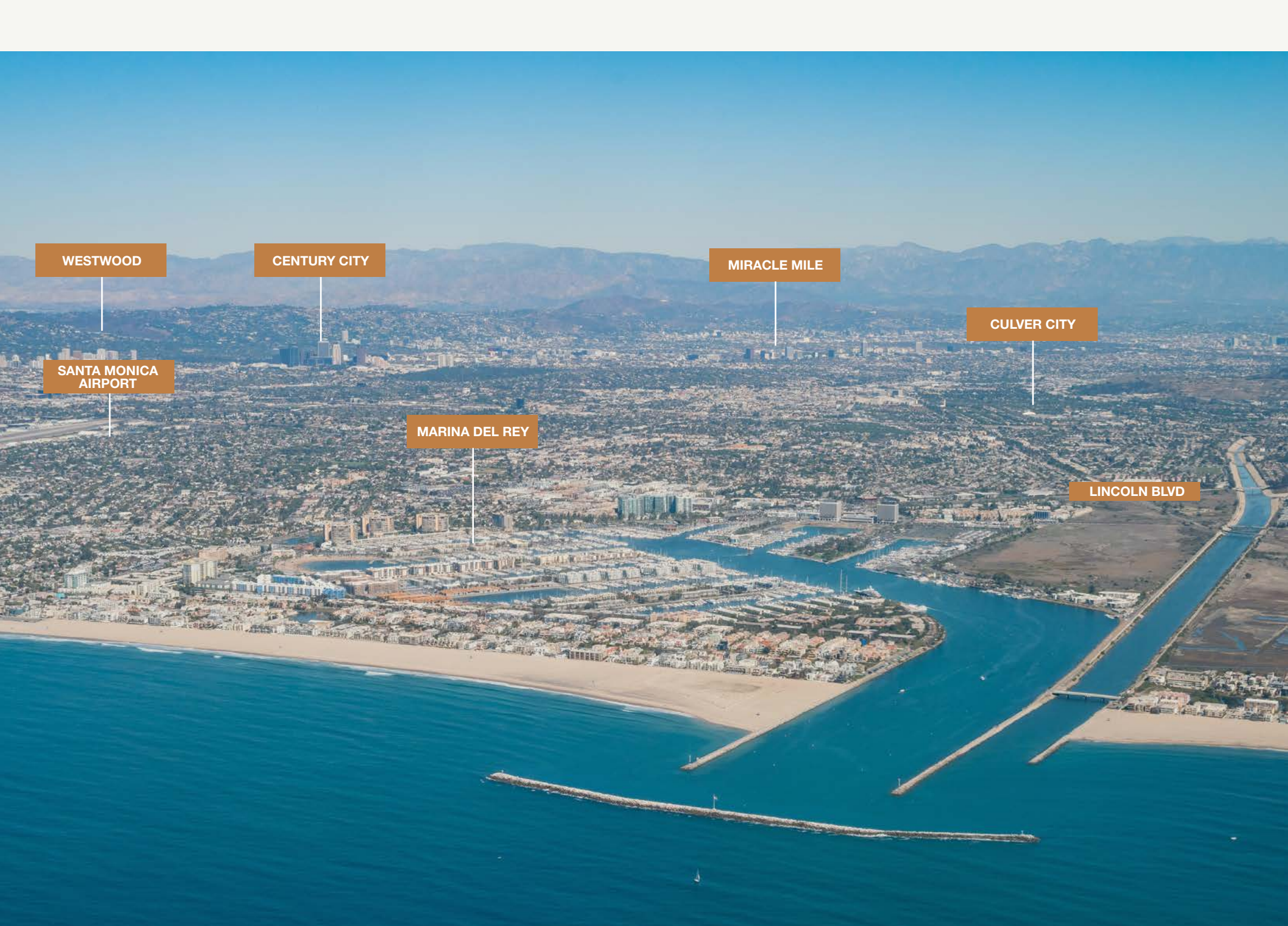
- ✦ The subject property was built in 1950, featuring 8-units located in the growing silicon beach area between Manchester Ave and Century Blvd, a location that is home to more than 500 tech companies like Snapchat, Tinder and many more.
- ✦ The subject property totals 6,354 SF featuring a unit mix that includes 4 one-bedrooms, 3 two-bedrooms and 1 three-bedroom.
- ✦ This stabilized investment provides an investor the opportunity to acquire a well-maintained asset with strong cash flow of 5.49% on current income with minimal deferred maintenance.
- ✦ The units feature modern designs with smooth ceilings, recessed lighting, hardwood floors and tiled kitchens and bathrooms. Units are equipped with air conditioning and ceiling fans in bedrooms (additional ceiling fan in dining room), and all units are individually metered for gas and electric.
- ✦ The building is set on a 7,591 SF lot with a laundry room on-site. Furthermore, the property features eight parking spaces with no soft story.
- ✦ Located in the Playa del Ray / Westchester neighborhood, just north of LAX. The area is known for its beachside vibe and community where people bike, swim and do yoga on the beach.



**Play del Ray /  
Westchester -  
Known for its  
beachside vibe  
and community.**







WESTWOOD

CENTURY CITY

MIRACLE MILE

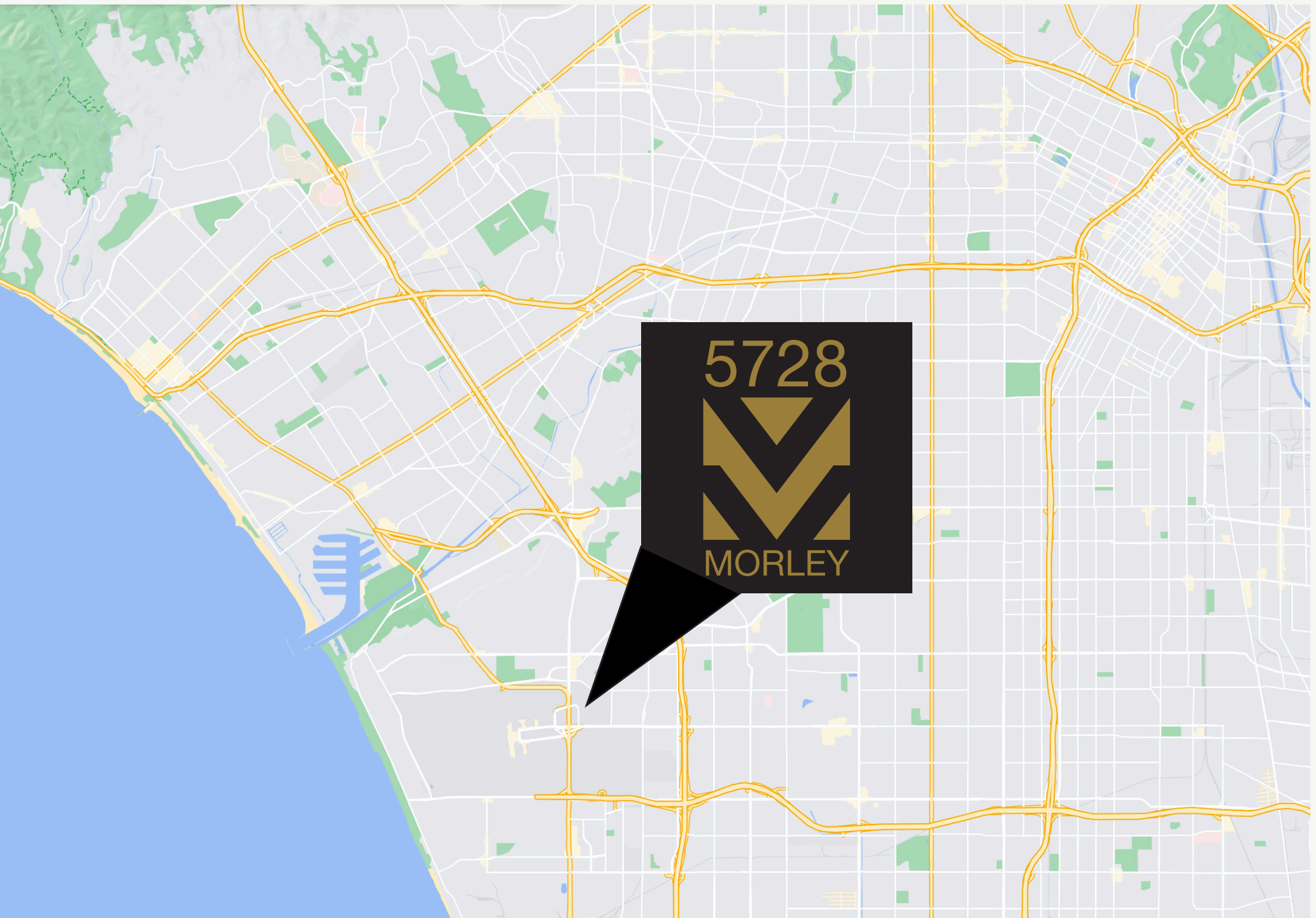
CULVER CITY

SANTA MONICA  
AIRPORT

MARINA DEL REY

LINCOLN BLVD



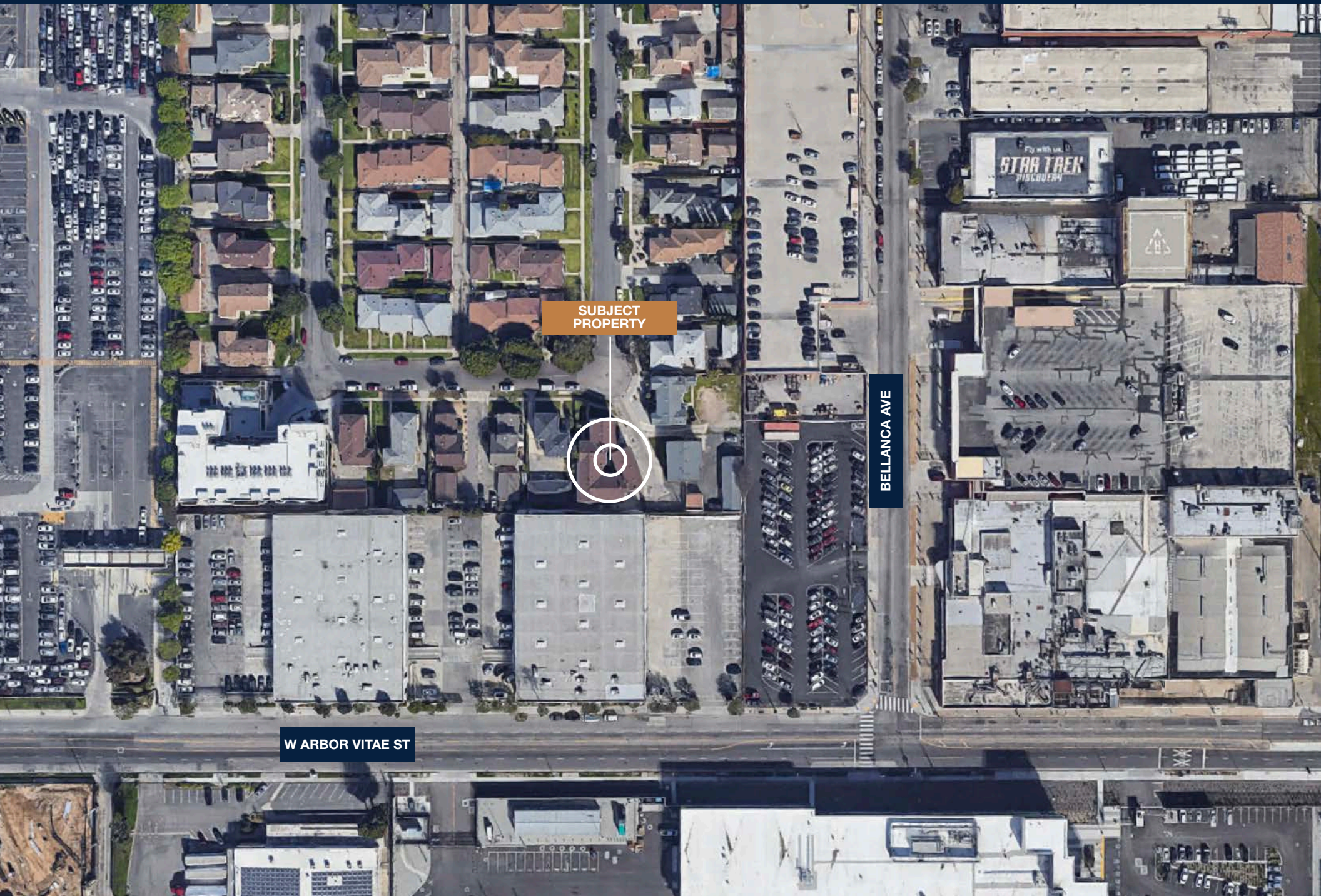












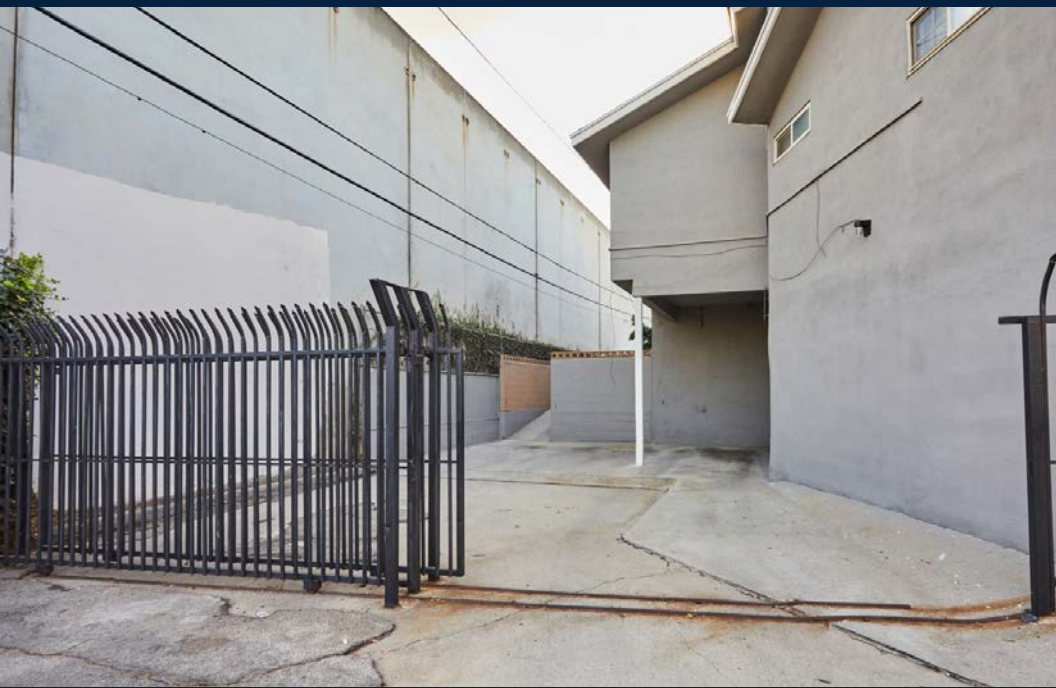
SUBJECT  
PROPERTY

W ARBOR VITAE ST

BELLANCA AVE

Fly with us!  
**STAR TREK**  
DISCOVERY





# Rent Roll

Unit #	Approx. SF	Unit Type	Actual Rents	ProForma Rents	Notes
5724	830	2+1	\$2,029	\$2,400	
5724.5	1,350	3+2	\$2,850	\$2,850	Vacant
5726	880	2+1.5	\$2,500	\$2,500	
5726.5	850	2+1.5	\$2,300	\$2,500	
5728	600	1+1	\$1,900	\$1,900	
5728.5	600	1+1	\$1,750	\$1,900	
5730	600	1+1	\$1,343	\$1,900	
5730.5	600	1+1	\$1,800	\$1,900	
Total			\$16,472	\$17,850	





Unit Type	Actual Rents	ProForma
1+1	\$6,792	\$7,600
2+1	\$2,029	\$2,400
2+1.5	\$4,800	\$5,000
3 + 2	\$2,513	\$2,850
Total	\$16,472	\$17,850

# Financials

Annualized Operating Data	Current Rents		ProForma Rents	
Scheduled Gross Income:	\$199,087		215,623	
Less Vacancy Rate Reserve:	\$5,973)	3.0%	(10,781)	5.0%
Gross Operating Income:	\$193,114		204,842	
Less Expenses:	\$(61,613)	30.9%	(62,199)	28.8%
<b>Net Operating Income:</b>	<b>\$131,502</b>		<b>142,643</b>	
Less Reserves:	\$1,600		(1,600)	
Less Debt Service:	\$83,886		(83,886)	
<b>Pre-Tax Cash Flow:</b>	<b>\$46,016</b>	<b>5.5%</b>	<b>57,157</b>	<b>6.8%</b>
Plus Principal Reduction:	\$30,156		30,156	
<b>Total Return Before Taxes:</b>	<b>\$76,172</b>	<b>9.1%</b>	<b>87,313</b>	<b>10.4%</b>

Scheduled income			Current Rents		Market Rents	
No. of Units	Unit Type	Approx. SF	Monthly Income	Avg. Monthly Rent/Unit	Monthly Income	Avg. Monthly Rent/Unit
4	1+1	600	\$1,698	\$6,793	\$1,900	\$7,600
1	2+1	830	\$2,029	\$2,029	\$2,400	\$2,400
2	2+1.5	850-880	\$2,400	\$4,800	\$2,500	\$5,000
1	3+2	1,359	\$2,850	\$2,850	\$2,850	\$2,850
Total Scheduled Rent			\$16,472		\$17,850	
Laundry			\$91		\$91	
SCEP			\$27		\$27	
Monthly Scheduled Gross Income			\$16,591		\$17,969	
Annual Scheduled Gross Income			\$199,087		\$215,623	



Expenses		Current	ProForma
Taxes: Rate	1.20%	\$28,740	\$28,740
Insurance		\$2,755	\$2,755
Utilities:		\$7,624	\$7,624
Waste Removal		\$3,052	\$3,052
Repairs & Maintenance		\$5,200	\$5,200
Management	5%	\$9,656	\$10,242
Landscaping		\$2,755	\$2,755
Pest Control		\$340	\$340
License & Fees		\$400	\$400
Direct Assessment		\$1,091	\$1,091
Total Expenses:		\$61,613	\$62,199
Per Net Sq. Ft.:		\$9.70	\$9.79
Per Unit:		\$7,701.59	\$7,774.89

Pricing	
Price	\$2,395,000
Down Payment: (35%)	\$838,250
Number of Units	8
Cost per Legal Unit	\$299,375
Current GRM	12.03
Market GRM	11.11
Current CAP	5.49%
Market CAP	5.96%
Year Built	1950
Approx. Lot Size	7,591
Approx. Gross SF	6,354

Financing	
New First Loan:	\$1,556,750
Interest Rate:	3.50%
Amortization:	30
Monthly Payment:	\$6,990.50
DCR:	1.57

# Sales Comparables



01



Address	5728 Morley St Los Angeles, CA 90045
Sales Price	\$2,395,000
Year Built	1950
Price Per Unit	\$299,375
Price Per SF	\$378
Bldg SF	6,354
Lot SF	7,591
Cap Rate	5.49%
GRM	12.03
Sale Date	-
Units	8



Address	12535 Oxford Ave, Hawthorne, CA 90250
Sales Price	\$1,750,000
Year Built	1963
Price Per Unit	\$291,667
Price Per SF	\$332
Bldg SF	5,264
Lot SF	6,534
Cap Rate	6.12%
GRM	-
Sale Date	3/31/2021
Units	6

02



Address	7933 Alverstone Ave Los Angeles, CA 90045
Sales Price	\$3,099,000
Year Built	1953
Price Per Unit	\$309,900
Price Per SF	\$395
Bldg SF	7,832
Lot SF	14,166
Cap Rate	-
GRM	-
Sale Date	11/10/2020
Units	10



# 03



Address	4049 139th St, Hawthorne, CA 90250
Sales Price	\$2,300,000
Year Built	1963
Price Per Unit	\$383,333
Price Per SF	\$332
Bldg SF	6,915
Lot SF	8,712
Cap Rate	5.33%
GRM	12.88
Sale Date	6/14/2021
Units	6

# 04



Address	4021 W 137th St, Hawthorne, CA 90250
Sales Price	\$2,400,000
Year Built	1968
Price Per Unit	\$400,000
Price Per SF	\$375
Bldg SF	6,398
Lot SF	8,699
Cap Rate	5.67%
GRM	-
Sale Date	10/27/2020
Units	6

# 05



Address	4834 W 118th Pl, Hawthorne, CA 90250
Sales Price	2,550,000
Year Built	1967
Price Per Unit	\$364,286
Price Per SF	\$356
Bldg SF	7,153
Lot SF	9,239
Cap Rate	-
GRM	-
Sale Date	1/29/2020
Units	6

# Sales Comparables

06



Address	4524 W 115th St, Hawthorne, CA 90250
Sales Price	\$1,700,000
Year Built	1962
Price Per Unit	\$283,333
Price Per SF	\$321
Bldg SF	5,294
Lot SF	6,970
Cap Rate	5.94%
GRM	-
Sale Date	2/10/2020
Units	6







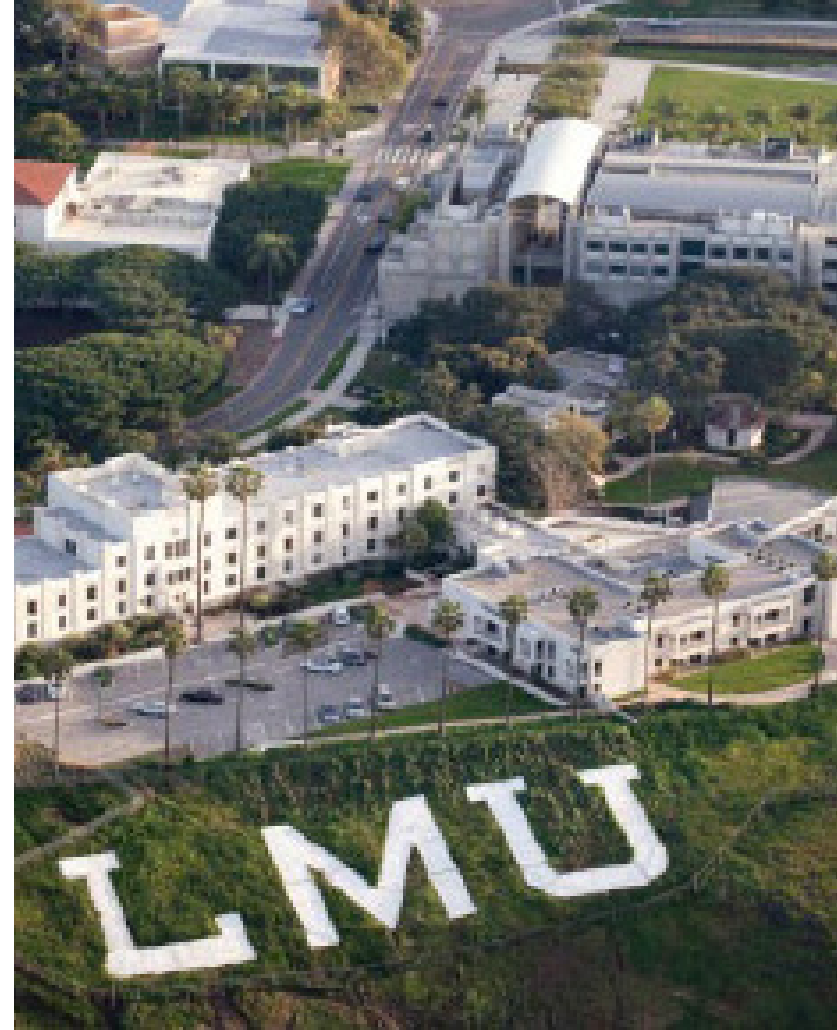


# Area Overview

## *Play del Rey / Westchester Neighborhood*

Located in Westchester and founded in 1911, LMU is a top-ranked university in the nation. They are committed to fostering a diverse academic community rich in opportunity for intellectual engagement and real-world experience. LMU enrolls an academically ambitious, multicultural, and socioeconomically diverse student body while also recruiting, retaining, and supporting a diverse faculty committed to excellence in teaching, research, scholarship, and creativity. The three campuses are rooted in the heart of Los Angeles, a global capital for arts and entertainment, innovation and technology, business, and entrepreneurship.

Los Angeles International Airport is the primary international airport serving Los Angeles and the surrounding metropolitan area. LAX is located in the Westchester neighborhood of LA with the commercial and residential areas of Westchester to the north, the city of El Segundo to the south and the city of Inglewood to the east. In 2019, LAX handled 88,068,013 passengers, making it the world's third busiest and the United States' second busiest airport.





# Home to Tech Companies Like *Snapchat, Tinder & Many More* in the heart of Silicon Beach



*Good Transit*



*Walkable City*

# Area Overview

The airport is constantly striving to find new ways to make travel more painless and entertaining for it's travelers, and this mission will produce tremendous economic benefits. At the center of an already thriving region, LAX and the surrounding area is not only a hub for the South Bay and Westside; its entertainment, cultural and recreational activities will continue to attract people from all over Los Angeles. And with over 47.3 million international travelers landing each year, it has a massive global reach.



## *Culture*

Westchester is known for its Christmas and Fourth Of July parades that bring many neighborhoods and communities together to celebrate LA's diversity and inclusion . The farmers market and the general area around Manchester and La Tijera have a great sense of community about.



**\$140,820**

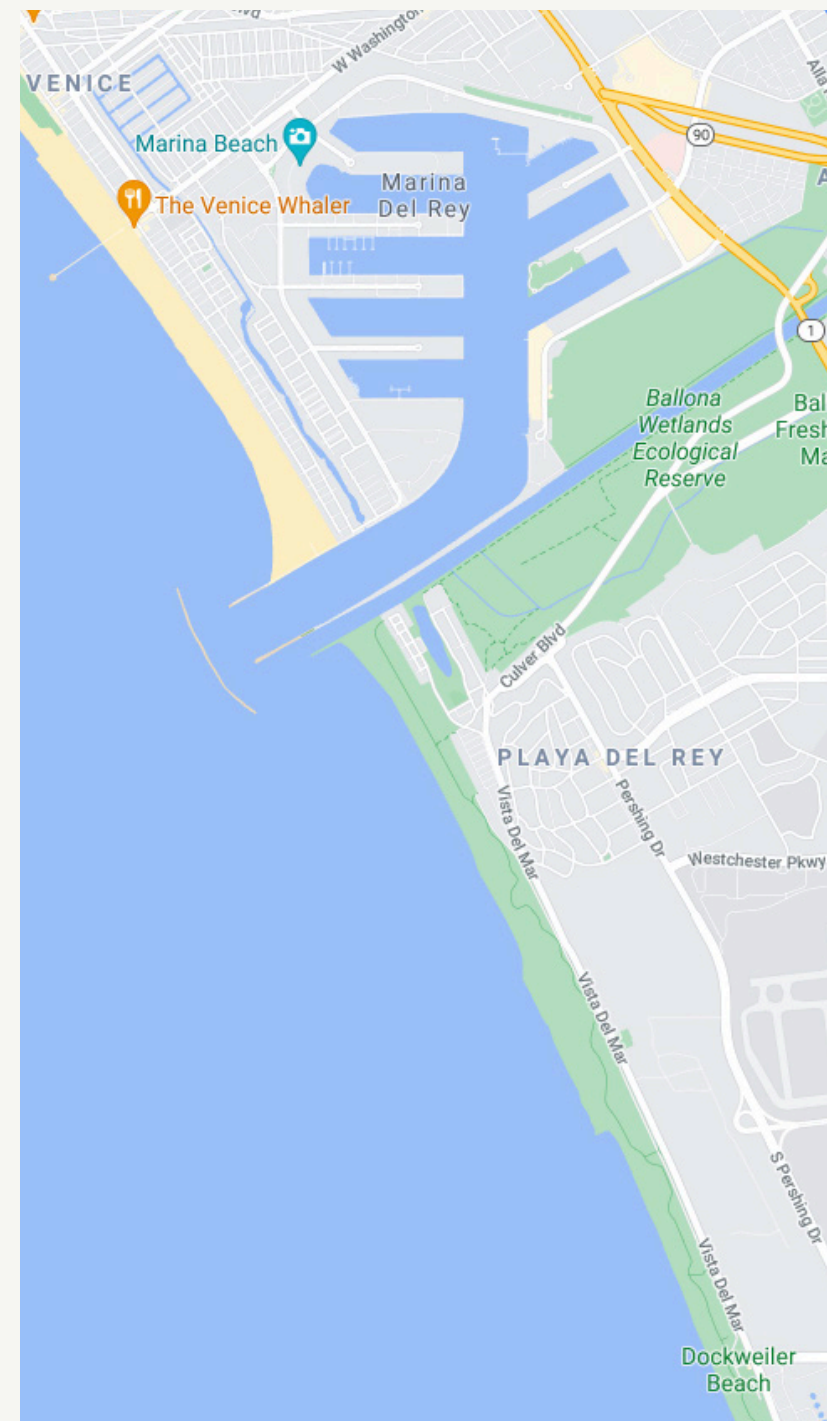
*Average HH Income*



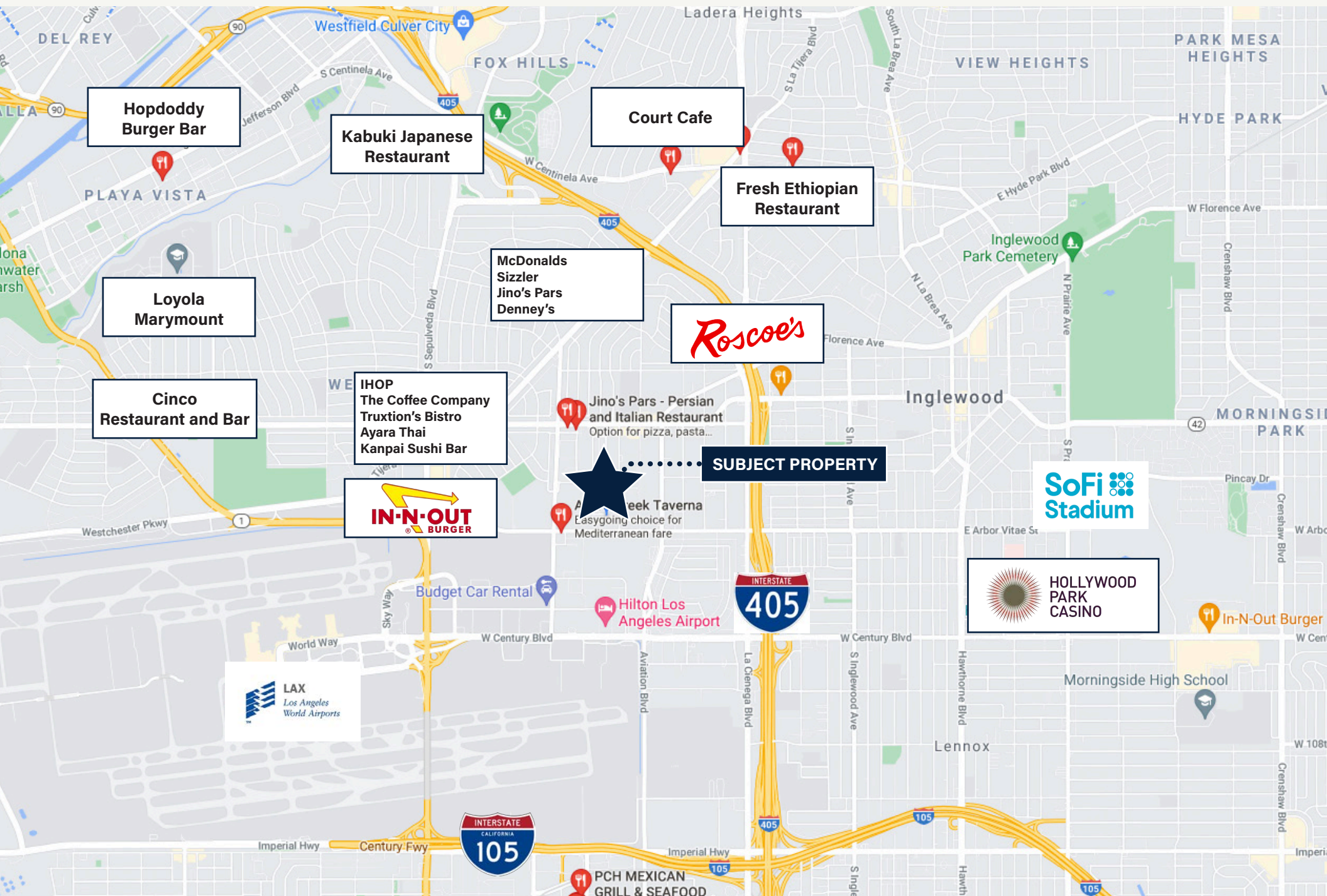




# AMENITIES MAP











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