

VALUE-ADD INVESTMENT OPPORTUNITY IN LAKE BALBOA,
VAN NUYS LOCATED JUST WEST OF THE 405 FREEWAY

FIFTEEN UNITS WITH GATED PARKING; SIGNIFICANT RENTAL
UPSIDE OF 39%

6711

HASKELL AVE

VAN NUYS, CA 91406

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6711 HASKELL AVENUE

LOS ANGELES, CA 91406

The Neema Group of Marcus and Millichap is pleased to present 6711 Haskell Ave, a 10,990 SF, 15-unit value-add investment opportunity in Lake Balboa, Van Nuys. The subject property is just west of the 405 Freeway and is less than 1 mile from Valley Presbyterian Hospital. This ideal location is walking distance to many desirable destinations such as Woodley Park, 99 Ranch Market, Zankou Chicken, Costco, Ace Hardware, Target, and many others.

The subject property features a desirable unit mix of three singles (500 SF), eight spacious one-bedrooms (750 SF), three two-bedrooms (900 -950 SF) and one three-bedroom (1,100 SF) with 14 gated parking spaces. The soft story retrofit work has been completed. This investment provides an investor the opportunity to acquire an asset with steady in-place cash flow at a 4.18% CAP rate on current income with substantial upside of over 39%. Favorable financing is available with a quoted 65% LTV at 3.25% interest rate with possible interest only options.

The majority of the units are leased at below market rents with a loss-to-lease of 28%. Being a well-maintained building with little deferred maintenance, an investor will be able to capture the upside by focusing on their interior unit renovation program. The building has a gated front entrance and a courtyard for tenants. Additionally, the property has a community laundry room with washers and dryers, is separately metered for gas and electricity and have wall air conditioning in the units.

Nestled in the heart of the San Fernando Valley, Van Nuys is densely populated and has a diverse community full of economic opportunity and growth. This evolving neighborhood offers shopping, restaurants, theme parks, and benefits from the employment of the movie industry. Located less than 20 miles away from LA's Westside, Hollywood, Downtown LA, and other popular neighborhoods in the Valley, residents living in Van Nuys can easily commute throughout the city.

Cutting through the middle of the neighborhood is the 405 freeway (San Diego Freeway), but the community is also near the 101 (Ventura Freeway), 170 (Hollywood Freeway), 118 (Simi Valley Freeway), and the I-5 (Golden State Freeway). Residents living in this neighborhood can also skip the busy commute to LAX, and instead, take advantage of the Van Nuys Airport.



VAN NUYS

SHERMAN OAKS

LAKE BALBOA



SUBJECT PROPERTY

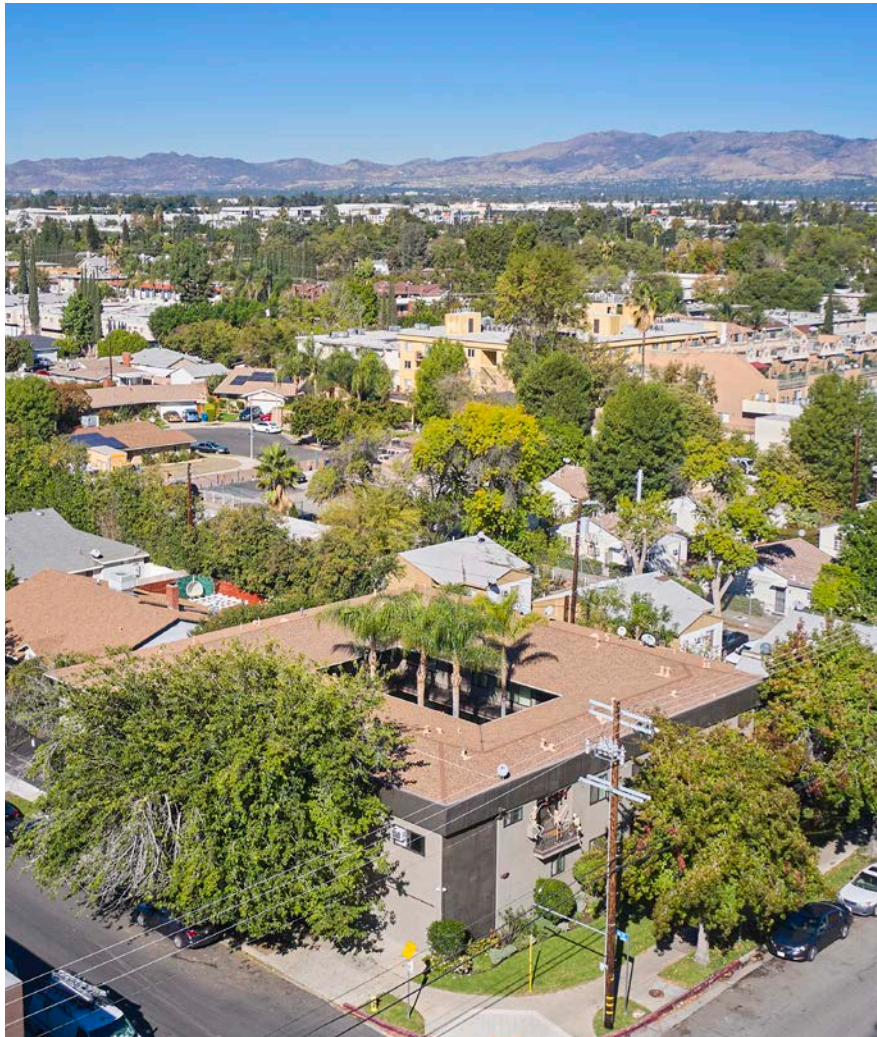
HASKELL AVE

LEMAY ST

INVESTMENT HIGHLIGHTS

6711 HASKELL AVENUE

LOS ANGELES, CA 91406



- A 10,990 sf 15-unit value-add investment opportunity in Lake Balboa, Van Nuys located at 6711 Haskell Ave with steady in-place cash flow at a 4.18% CAP rate on current income with over 39% rental upside
- The subject property has a desirable unit mix of three singles, eight spacious one-bedrooms, three two-bedrooms and one three-bedroom; additionally, there are 14 gated parking spaces and the ownership has completed the soft story retrofit work
- Below market rents and little deferred maintenance will allow an investor to capitalize on the rental upside by focusing on interior renovations to improve the current loss-to-lease of 28%
- 6711 Haskell Ave is separately metered for both gas and electricity, there is also a community laundry room with washers and dryers on-site
- The property is just west the 405 FWY and walking distance to many desirable destinations; less than one mile from the Valley Presbyterian Hospital
- Less than 20 miles away from LA's Westside, Hollywood, Downtown LA, and other popular neighborhoods in the Valley

INVESTMENT DETAILS

PROPERTY INFORMATION

Address:	6711 Haskell Avenue Van Nuys, CA 91406
Number of Units:	15
Approx. Gross SF:	10,990 SF
Approx. Lot Size:	12,718 SF
Year Built:	1962
APN	2233-001-032
Zoning	RD1.5-1-RIO

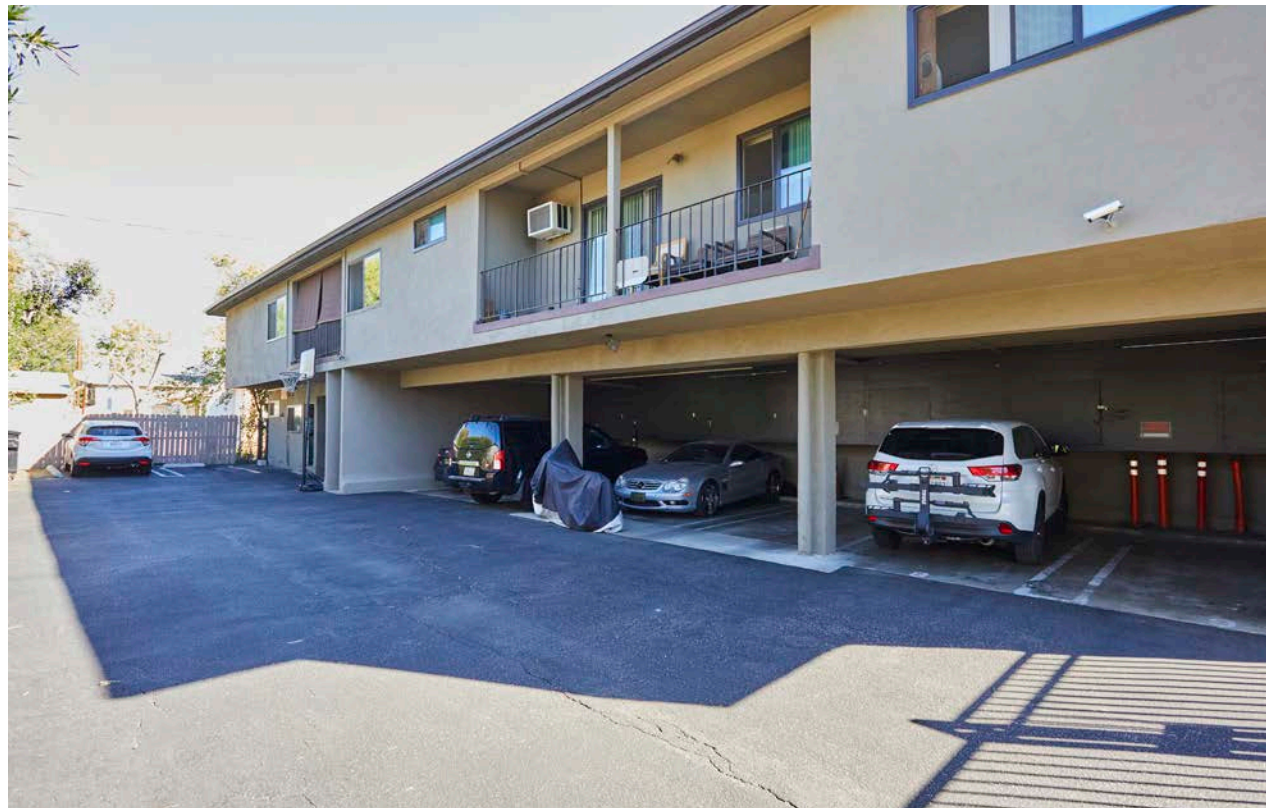
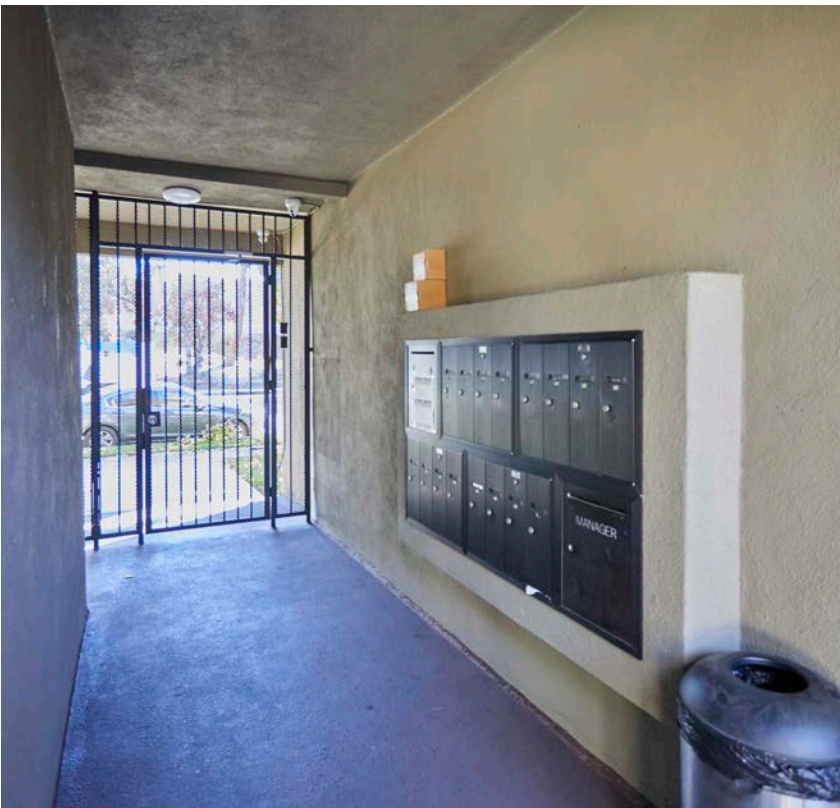
PRICING INFORMATION

Sales Price:	\$3,400,000
Down Payment: (35%)	\$1,190,000
Cost per Legal Unit:	\$226,667
Current GRM:	14.13
Market GRM:	10.16
Current CAP:	4.18%
Market CAP:	6.68%



NEW POTENTIAL FINANCING

New First Loan	\$2,210,000
Interest Rate	3.25%
Amortization	30
Monthly Payment	\$9,618.06
DCR	1.23







AREA OVERVIEW

VAN NUYS

Van Nuys is a neighborhood in the central San Fernando Valley region of Los Angeles, California. Home to Van Nuys Airport and the Valley Municipal Building, it is the most populous neighborhood in the San Fernando Valley.

Van Nuys is bordered on the north by North Hills, on the northeast by Panorama City, on the east by Valley Glen, on the south by Sherman Oaks, on the southwest by the Sepulveda Basin, on the west by Lake Balboa, and on the northwest by Northridge. Its street and other boundaries are Roscoe Boulevard on the north, Sepulveda Boulevard, the Tujunga Wash, Woodman Avenue and Hazeltine Avenue on the east, Oxnard Street on the south, the Sepulveda Basin on the southwest and Odessa and Hayvenhurst avenues and Balboa Boulevard on the west.

Van Nuys Boulevard has a long and diverse commercial district along it, as do other major streets crossing through Van Nuys. There are two Target stores in Van Nuys, one on Sepulveda and Hatteras and another on Raymer and Kester. Van Nuys has two Asian supermarkets, one on Sherman Way and White Oak, and one on Sepulveda and Victory.

In 1999, The Plant shopping center opened on the former factory site, anchored by a Home Depot, OfficeMax & 16-screen Mann movie theater multiplex. Through the following years there were additions to The Plant shopping center the following additions were: In-N-Out Burgers, 7-Eleven, Gap Outlet, Ono Hawaiian BBQ, Starbucks, Party City, and Old Navy.



AMENITIES MAP



RENT ROLL

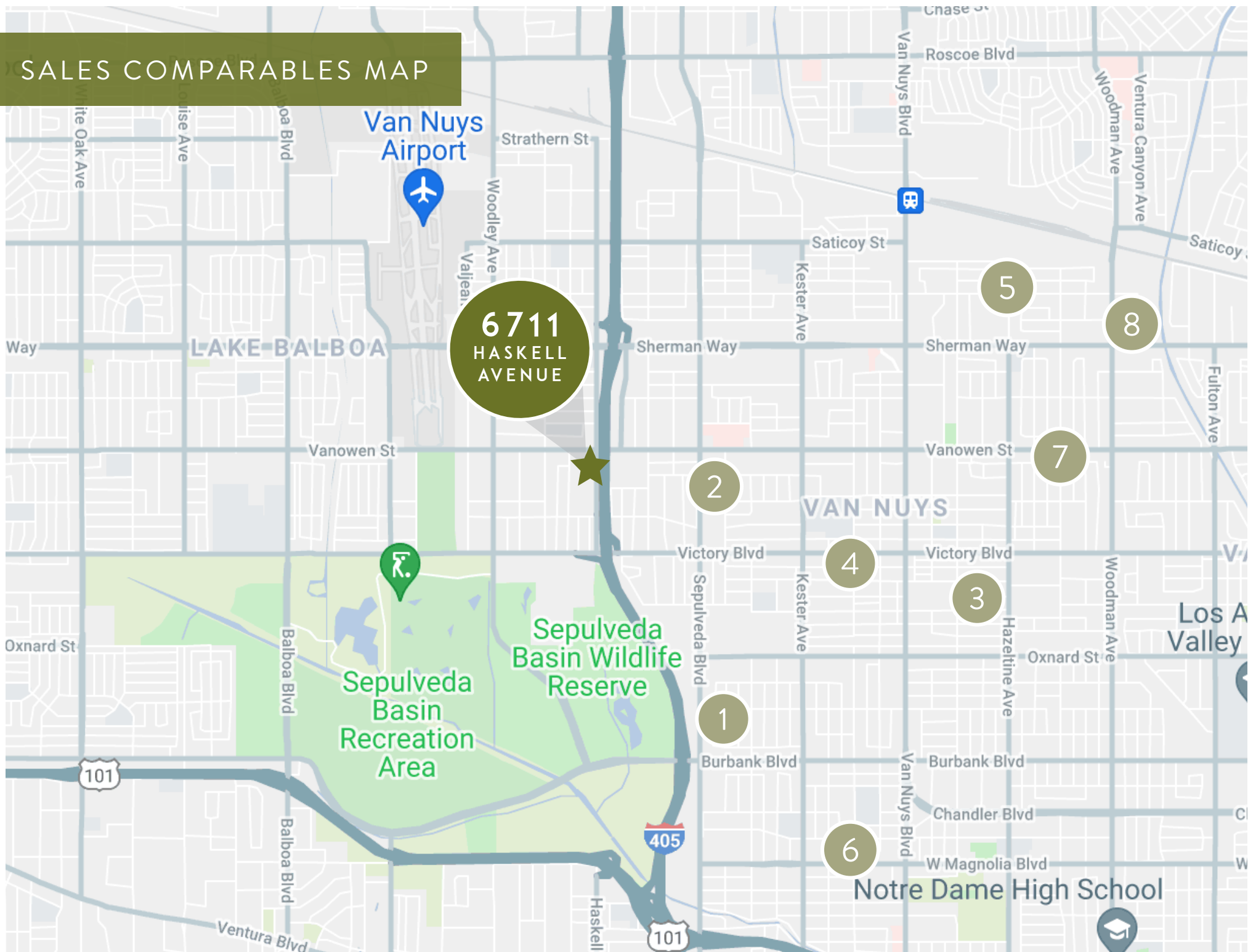
UNIT #	UNIT SF	UNIT TYPE	ACTUAL RENT	MARKET RENT	MOVE IN DATES
1	500	Single	\$1,295	\$1,350	3/6/20
2	500	Single	\$1,236	\$1,350	5/1/18
3	750	1+1	\$1,080	\$1,685	7/24/15
4	950	2+1.5	\$1,330	\$2,300	6/20/09
5	750	1+1	\$1,054	\$1,685	11/17/12
6	900	2+1	\$1,551	\$2,250	1/1/15
7	900	2+1	\$1,650	\$2,250	2/1/21
8	1100	3+2	\$2,067	\$2,750	11/1/05
9	750	1+1	\$1,159	\$1,685	9/10/16
10	750	1+1	\$1,400	\$1,685	7/8/20
11	750	1+1	\$1,093	\$1,685	4/16/16
12	500	Single	\$930	\$1,350	6/1/12
13	750	1+1	\$1,025	\$1,685	8/1/11
14	750	1+1	\$1,575	\$1,685	11/1/20
15	650	1+1	\$1,350	\$1,685	2/15/21
Monthly Scheduled Gross Rent			\$19,795	\$27,080	
Laundry			\$250	\$250	
Cap Ex Reimbursement			-	\$570	
Monthly Scheduled Gross Income			\$20,045	\$27,900	
Annual Scheduled Gross Income			\$240,540	\$334,800	

FINANCIALS

ANNUALIZED OPERATING DATA		CURRENT		MARKET
Scheduled Gross Income		\$240,540		\$334,800
Less Vacancy Rate Reserve	5.0%	(\$12,027)	5.0%	(\$16,740)
Gross Operating Income		\$228,513		\$318,060
Less Expenses	36.0%	(\$86,499)	27.6%	(\$90,976)
Net Operating Income		\$142,014		\$227,084
Reserves		(\$3,000)		(\$3,000)
Less Debt Service		(\$115,417)		(\$115,417)
Pre-Tax Cash Flow	2.0%	\$23,598	8.6%	\$108,667
Plus Principal Reduction		\$44,602		\$44,602
Total Return Before Taxes	5.7%	\$68,199	12.4%	\$153,269

ESTIMATED ANNUALIZED EXPENSES		CURRENT		MARKET
Taxes (1.18%)		\$40,120		\$40,120
Insurance		\$6,370		\$6,370
Utilities		\$8,241		\$8,241
Waste Removal		\$6,592		\$6,592
Repairs & Maintenance		\$9,000		\$9,000
Management (5%)		\$11,426		\$15,903
Landscaping		\$1,800		\$1,800
Pest Control		\$420		\$420
License & Fees		\$800		\$800
Direct Assesment		\$1,730		\$1,730
Total Expenses		\$86,499		\$90,976
Per Net Sq. Ft		\$7.87		\$8.28
Per Unit		\$5,767		\$6,065

SALES COMPARABLES MAP



SALES COMPARABLES



SUBJECT PROPERTY



ADDRESS	6711 Haskell Avenue Los Angeles CA 91406
SALES PRICE	\$3,400,000
BUILDING SF	10,990 SF
PRICE / SF	\$309
PRICE / UNIT	\$226,667
CAP RATE	4.18%
GRM	14.13
UNIT MIX	Studio (3/20%) 1 + 1 (8/53%) 2 + 1 (2/13%) 2 + 1.5 (1/7%) 3 + 2 (1/7%)

01



ADDRESS	5732 Sepulveda Blvd Van Nuys, CA 91411
SALES PRICE	\$7,400,000
BUILDING SF	23,044 SF
PRICE / SF	\$321
PRICE / UNIT	\$231,250
CAP RATE	3.68%
GRM	13.86
DATE SOLD	8/13/2021
UNIT MIX	2 + 1 (32/100%)

02



ADDRESS	7026 Sepulveda Blvd Van Nuys, CA 91405
SALES PRICE	\$6,750,000
BUILDING SF	20,224 SF
PRICE / SF	\$334
PRICE / UNIT	\$232,759
CAP RATE	4.27%
GRM	13.37
DATE SOLD	7/31/2020
UNIT MIX	Studio (11/38%) 1 + 1 (15/52%) 2 + 1 (3/10%)

SALES COMPARABLES

03



ADDRESS	14163 Delano St Van Nuys, CA 91401
SALES PRICE	\$2,266,667
BUILDING SF	9,934 SF
PRICE / SF	\$228
PRICE / UNIT	\$283,333
CAP RATE	4.92%
DATE SOLD	8/13/2020
UNIT MIX	1 + 1 (1/12%) 2 + 1, 2 + 2 (7/88%)

04



ADDRESS	14711 Sylvan St Van Nuys, CA 91411
SALES PRICE	\$1,715,000
BUILDING SF	5,440 SF
PRICE / SF	\$315
PRICE / UNIT	\$214,375
CAP RATE	4.39%
GRM	13.79
DATE SOLD	5/17/2021
UNIT MIX	1 + 1 (6/75%) 2 + 1 (2/25%)

05



ADDRESS	7405 Hazeltine Ave Van Nuys, CA 91405
SALES PRICE	\$2,225,000
BUILDING SF	6,602 SF
PRICE / SF	\$337
PRICE / UNIT	\$222,500
DATE SOLD	4/23/2021
UNIT MIX	1 + 1 (8/80%) 2 + 1 (2/20%)

SALES COMPARABLES

06



ADDRESS	14707 Magnolia Blvd Van Nuys, CA 91403
SALES PRICE	\$3,500,000
BUILDING SF	12,548 SF
PRICE / SF	\$279
PRICE / UNIT	\$218,750
DATE SOLD	7/9/2020
UNIT MIX	1 + 1 (16/100%)

07



ADDRESS	13949-53 Vanowen St Van Nuys, CA 91405
SALES PRICE	\$3,335,000
BUILDING SF	10,310 SF
PRICE / SF	\$323
PRICE / UNIT	\$238,214
CAP RATE	4.35%
GRM	13.87
DATE SOLD	8/3/2021
UNIT MIX	1 + 1 (6/43%) 2 + 1 (8/57%)

08



ADDRESS	7240 Woodman Ave Van Nuys, CA 91405
LIST PRICE	\$4,650,000
BUILDING SF	16,060 SF
PRICE / SF	\$290
PRICE / UNIT	\$258,333
CAP RATE	5.00%
DATE SOLD	11/16/2020
UNIT MIX	Studio (2/11%) 1 + 1 (3/17%) 2 + 1 (11/61%) 3 + 2 (2/11%)

RENT COMPARABLES

SINGLE CURRENT RENTS

\$1,154

2+1 CURRENT RENTS

\$1,601

1+1 CURRENT RENTS






\$1,217

2+1.5 CURRENT RENTS

\$1,330

3+2 CURRENT RENTS

\$2,067

	ADDRESS	UNIT TYPE	SQ. FT.	RENT
	6920 Sepulveda Blvd, Van Nuys, CA 91405	Single	425	\$1,413
	6628 N Sepulveda Blvd, Van Nuys, CA 91411	Single	378	\$1,325
	15454 Sherman Way, Van Nuys, CA 91406	Single	450	\$1,595
	15210-220 Sherman Way, Van Nuys, CA 91405	Single	500	\$1,575
	15444 Vanowen St, Los Angeles, CA 91406	1+1	650	\$1,650
	15340 Vanowen St, Van Nuys, CA 91406	1+1	700	\$1,775
	15736 Vanowen St, Lake Balboa, CA 91406	1+1	685	\$1,728
	15928 Vanowen St, Los Angeles, CA 91406	1+1	720	\$1,845

RENT COMPARABLES

	ADDRESS	UNIT TYPE	SQ. FT.	RENT
	15340 Vanowen St, Van Nuys, CA 91406	2+2	1000	\$2,250
	16004 Cantlay St, Van Nuys, CA 91406	2+2	800	\$2,200
	6600 Woodley Ave, Van Nuys, CA 91406	2+2	940	\$2,300
	7025 Woodley Ave, Van Nuys, CA 91406	2+2	834	\$2,548
	7121 Woodley Ave, Van Nuys, CA 91406	3+2	1318	\$2,788
	6451 Woodley Ave, Van Nuys, CA 91406	3+2	1200	\$2,700
	6462 Woodley Ave, Van Nuys, CA 91406	3+2	1200	\$2,700
	15940 Hart St, Van Nuys, CA 91406	3+2	1125	\$2,795

An aerial photograph of a city, likely Los Angeles, showing a dense urban area with numerous buildings and trees. In the background, a range of mountains is visible under a clear sky. The image is slightly faded, serving as a background for the text.

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.)



6711

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