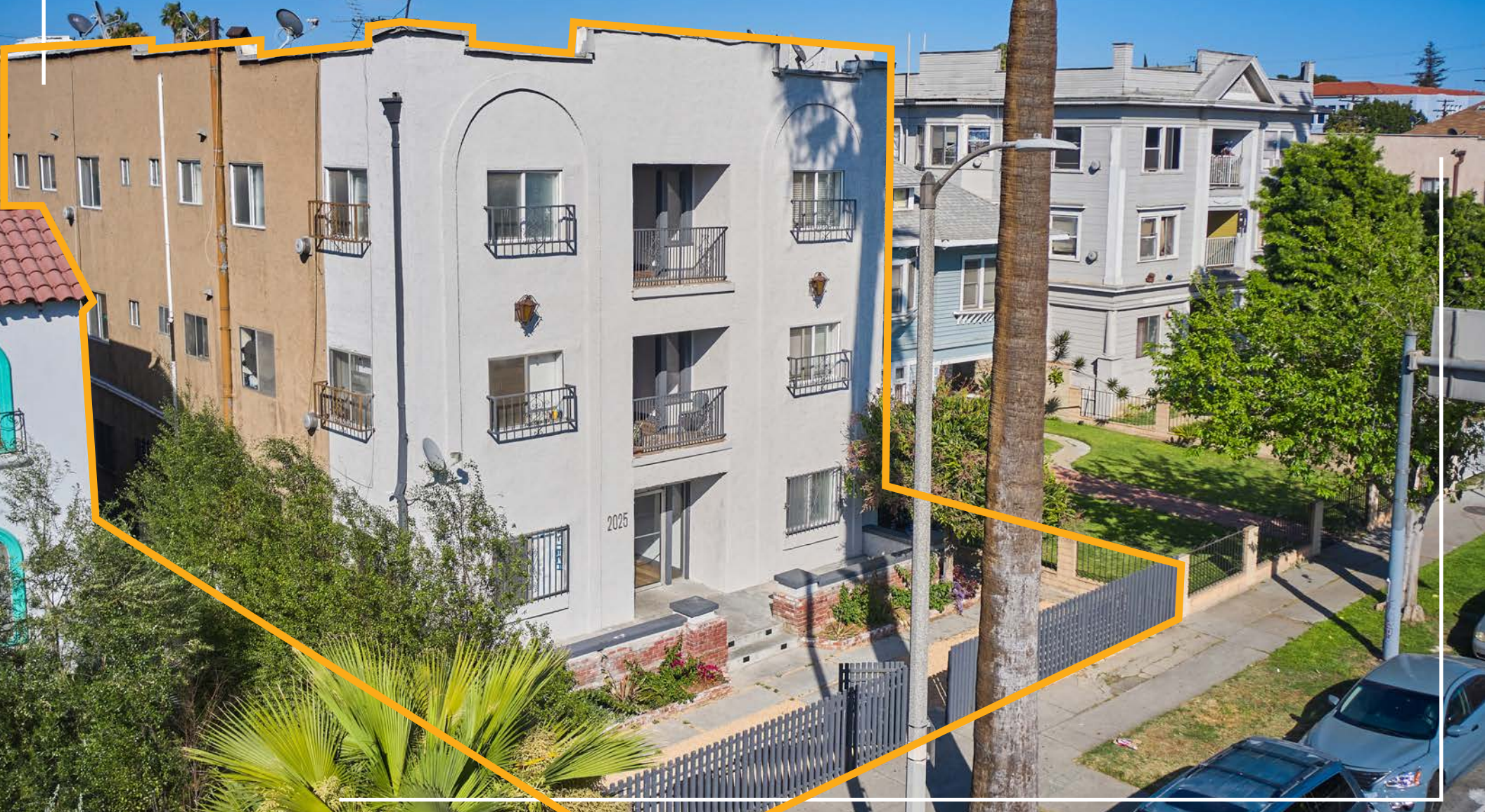


EAST 4TH STREET

2025 EAST 4TH ST LOS ANGELES, CA 90033

Marcus & Millichap
THE NEEMA GROUP



24-UNIT INVESTMENT OPPORTUNITY IN BOYLE HEIGHTS; 22 OF 24 UNITS FULLY RENOVATED.
STRONG IN-PLACE CASH FLOW, CAP RATE OF 5.55% AND 11.07 GIM

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DOWNTOWN LA

HOLLYWOOD

LITTLE TOYKO

ARTS DISTRICT

4TH STREET



EXECUTIVE SUMMARY

The Neema Group of Marcus & Millichap is pleased to present 2025 East 4th St, Los Angeles, CA 90033.

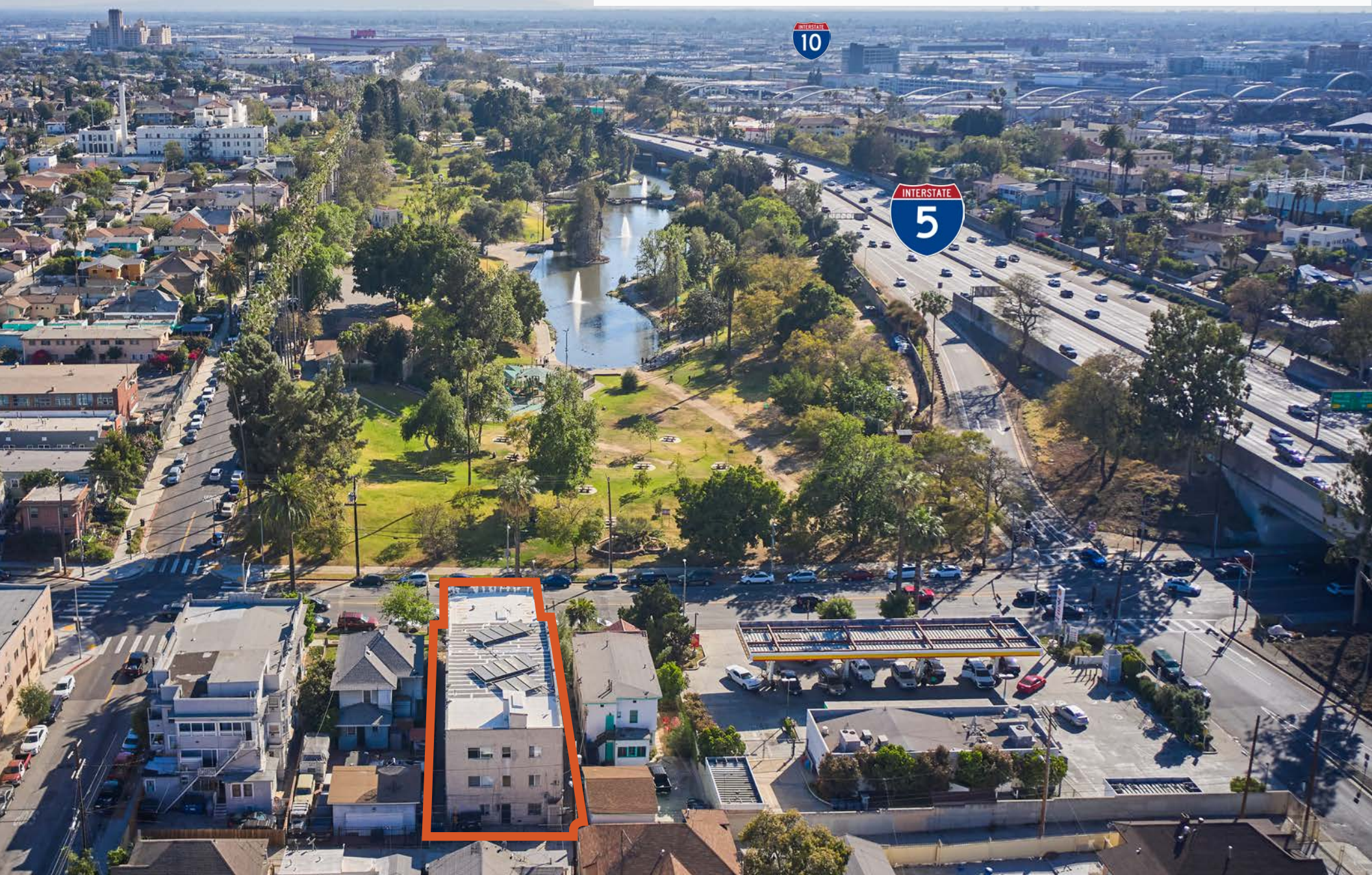
2025 East 4th St is a 24-unit recently renovated asset for an investor to add to their portfolio for a steady stream of cash flow and passive income. The subject property is located in Boyle Heights near the corner of East 4th St and S St. Louis St near the entrance the 5-freeway providing easy access to the Arts District and Downtown LA. The subject property totals 11,556 SF featuring a unit mix of 3 singles, 14 junior one-bedrooms* and 7 one-bedrooms. The majority of rents are leased market rate, providing an investor strong in-place income immediately with a CAP rate of 5.55% and 11.07 GIM at the asking price.

With a high Walk Score of 91, the subject property is in close proximity to schools, employment, and transit options. This location makes it convenient for residents to commute throughout the city even without a vehicle. The Boyle Heights neighborhood remains a strong area to invest in as 75% of their roughly 95,000 residents choose to rent.

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The subject property totals 11,556 SF featuring a unit mix of 3 singles, 14 junior one-bedrooms and 7 one-bedrooms.



PROPERTY SUMMARY

2025 EAST 4TH ST,
LOS ANGELES, CA 90033

PROPERTY OVERVIEW

Offering Price:	\$4,780,000
APN:	5183-012-030
Number of Units:	24
Zoning	[Q]C2-1-CUGU
Approximate Year Built:	1912
Approximate Lot Size:	6,724 SF
Approximate Gross SF:	11,556 SF
Ownership Type:	Fee Simple

FINANCIAL OVERVIEW

Cost per Unit:	\$199,167
Current GIM:	11.07
Market GIM:	9.85
Current CAP Rate:	5.55%
Market CAP Rate:	6.39%



INVESTMENT HIGHLIGHTS

2025 East 4th St is a 24-unit recently renovated asset in Boyle Heights, just off of the 5 Freeway west of Soto St, a central location attracting residents due to the quick commute to the Arts District and Downtown Los Angeles

The subject property totals 11,556 SF featuring a unit mix of 3 singles, 14 junior one-bedrooms* and 7 one-bedrooms; one one-bedroom unit will be delivered vacant at the close of escrow

The majority of the units are currently rented at market rates with only two legacy tenants, providing investors stable cash flow at a 5.55% CAP rate on current income

Units were recently renovated with new vinyl plank flooring, stainless steel appliances, kitchen cabinetry, recessed lighting, updated bathrooms and paint

High Walk Score of 91, close proximity to schools including Breed St Elementary, Roosevelt High School, and St Mary's, employment in Downtown Los Angeles, and transit options such as the Metro L & Gold Lines, this location makes it convenient for residents to commute throughout the city even without a vehicle

The Boyle Heights neighborhood remains a strong area to invest in as 75% of their roughly 95,000 residents choose to rent

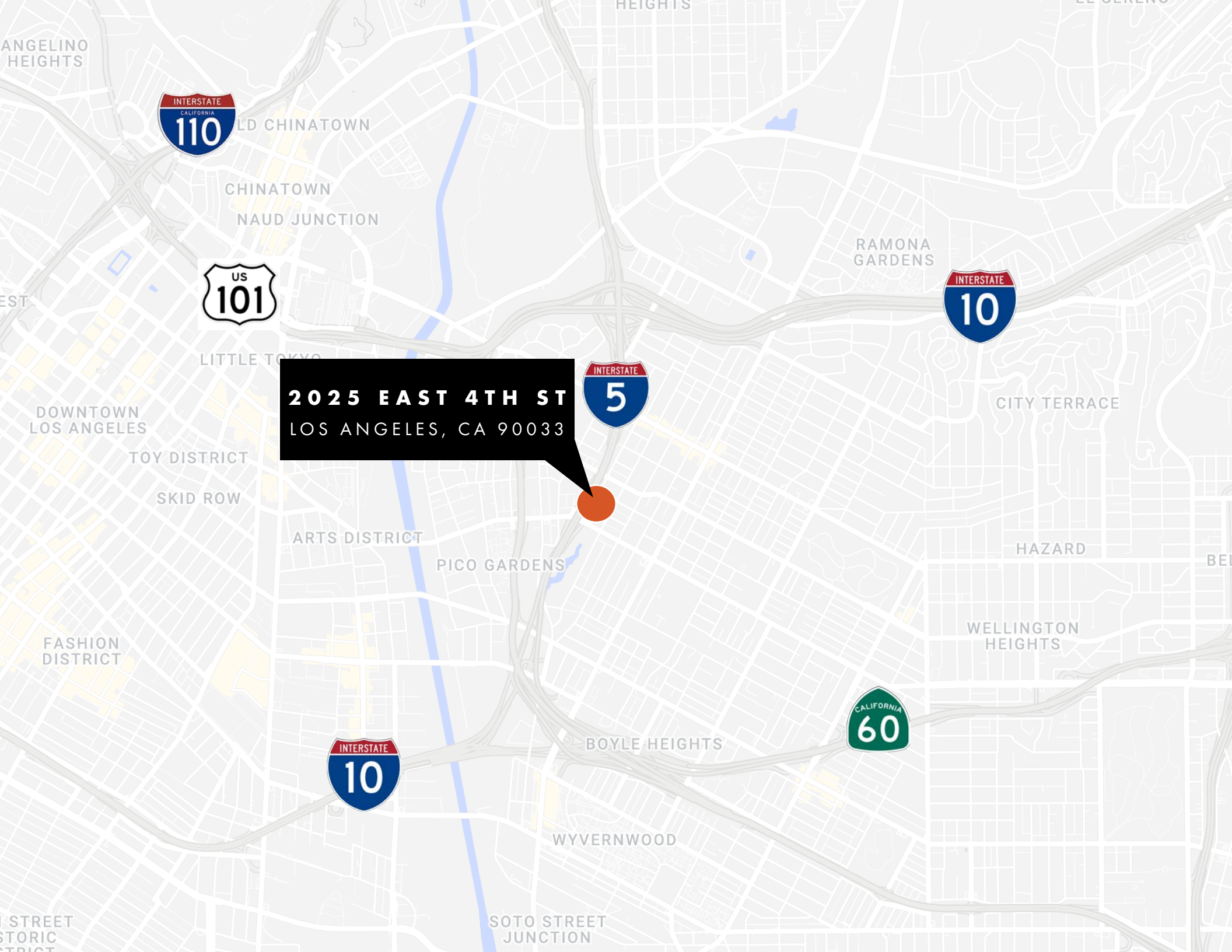
91
WALKSCORE

24
UNITS TOTAL

5.55%
CAP RATE

11.07
GIM





2025 EAST 4TH ST
LOS ANGELES, CA 90033

AREA OVERVIEW

BOYLE HEIGHTS

Located just east of downtown Los Angeles and south of Lincoln Heights, Boyle Heights is one of Los Angeles' most historic and vibrant neighborhoods. Currently in the path of development, the city proposed the Boyle Heights Community Plan to promote and encourage its economy, mobility, health and sustainability while preserving its rich history and cultural diversity. Hemmed by major freeways and in close proximity to major employment hubs, local residents of Boyle Heights not only have convenient access to the 10, 5 and 710 freeways, but also several public transportation options and amenities in walking distance.

With the \$5 billion wave of developments sweeping across downtown Los Angeles and the Arts District, Boyle Heights is now seeing sizable public investments into the city to improve public infrastructures and to rebuild its community for economic growth.

From the Breed Street Shul to Mariachi Plaza, the history of Boyle Heights is something to experience. Hollenbeck Park, the old Santa Fe Railroad hospital are just some of the iconic locations in the neighborhood. For over nine decades the Sears Building has been an architectural and commercial beacon for residents and commuters in Los Angeles. The 1.8 million-square-foot Sears complex was one of Los Angeles' largest building projects during the 1920s. The property is currently in a redevelopment phase that will feature a mixture of housing, retail space and potentially a hotel





AREA OVERVIEW

6TH STREET VIADUCT PROJECT

One of America's most famous and iconic bridges, the Sixth Street Viaduct, acts as a vital connection between the growing Arts District on the west side of the Los Angeles River and the historic neighborhood of Boyle Heights on the east side. The bridge, built in 1932, spans nearly 3,500 feet across the river and has been used to represent Los Angeles's more gritty side in countless movies, music videos and TV commercials, including riverbed car chases. Yet, due to a rare chemical reaction in the cement supports and seismic vulnerability, the Sixth Street Viaduct will soon be demolished and replaced. The \$449 million project to replace the beloved bridge, the Sixth Street Viaduct Replacement Project, is the largest bridge project in the history of Los Angeles. With funding from the Federal Highway Transportation Administration and CALTrans, the project is being led by the City's award-winning Bureau of Engineering.

The design of the bridge, known as "The Ribbon of Light", was created by Los Angeles architect Michael Maltzan, winner of the City's international design contest in 2012. Maltzan is part of the HNTB design-build team and contractors Skanska and Stacy and Witbeck.

The spectacular design of the new bridge and the many parks, open spaces and community features on, next to and below the bridge, is bringing together a working collaboration of residents, elected officials, business leaders, schools, labor unions, cyclists, neighborhood activists and artists and many more, never before seen in a public infrastructure project in Los Angeles.

The 6th street bridge project is scheduled to be complete in the summer of 2022.





UNION STATION LOS ANGELES



1

Little Toyko



2

USC
Medical Center

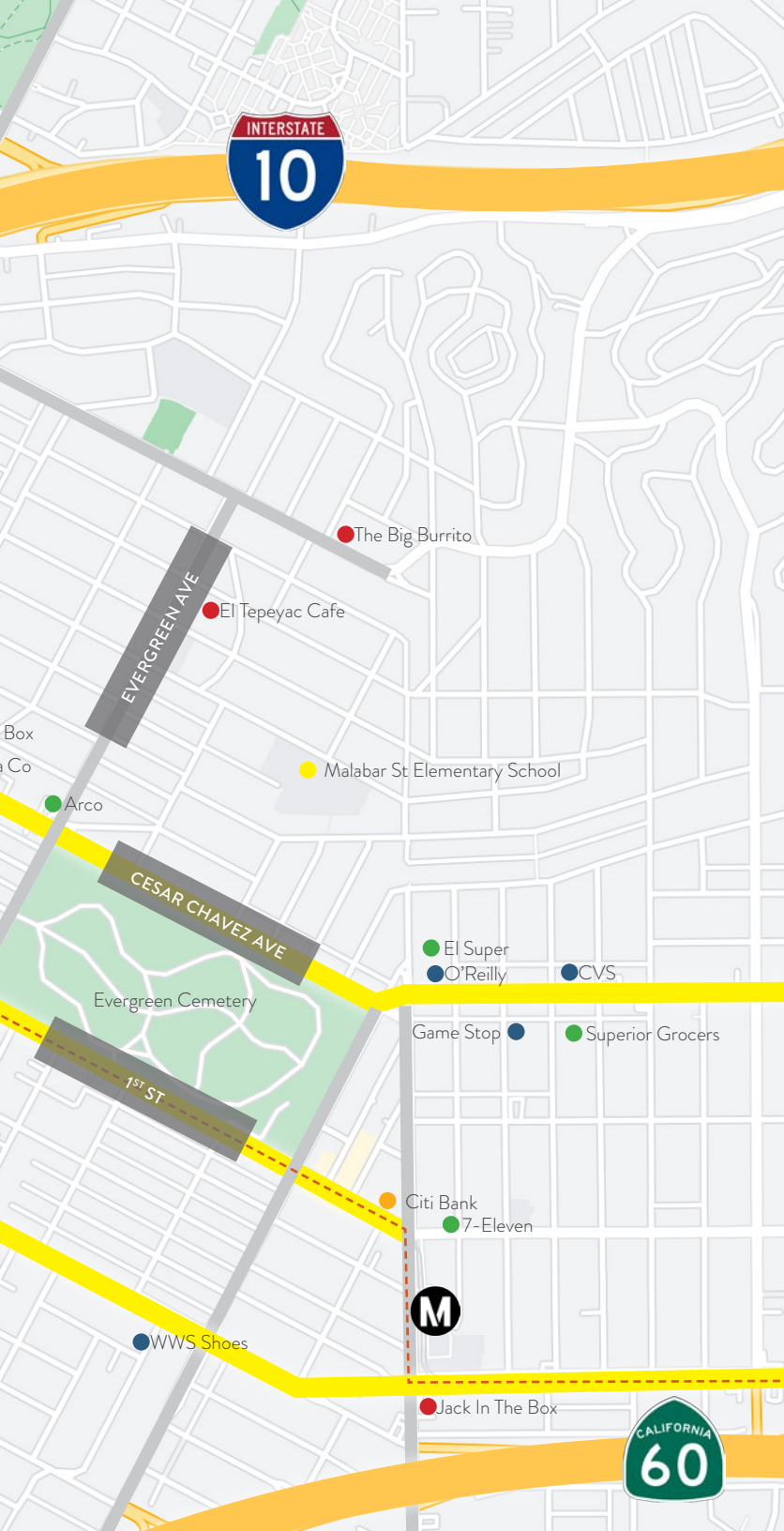
2025 EAST 4TH ST LOS ANGELES, CA 90033



3

ROWDTLA
Rappahannock Oyster Bar
7th St Produce
Banks Jorunal
Athletic Club
Cafe Dulce
Hayato
Kato
Pikunico
Smorgasburg





NEIGHBORHOOD AMENITIES

MAP KEY

- | | |
|--|---|
|  RESTAURANTS |  BANKS |
|  SHOPPING |  PARKS |
|  GROCERY STORES |  ENTERTAINMENT |
|  BREWERY & BARS |  SCHOOLS |

-  LITTLE TOYKO
-  LAC + USC MEDICAL CENTER
-  ROWDTLA
-  METRO GOLD LINE

FINANCIALS

RENT ROLL

	UNIT #	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS	MOVE-IN DATE
1	1	1+1	\$1,600	\$1,700	4/3/21
2	2	1+1	\$827	\$1,700	3/10/13
3	3	Jr 1+1	\$1,454	\$1,600	2/4/21
4	4	Jr 1+1	\$1,250	\$1,600	2/2/21
5	5	Jr 1+1	\$1,450	\$1,600	4/1/21
6	6	Jr 1+1	\$1,450	\$1,600	3/30/21
7	7	Jr 1+1	\$1,550	\$1,600	3/5/21
8	8	Single	\$1,350	\$1,500	10/23/21
9	9	1+1	\$1,700	\$1,700	4/1/21
10	10	1+1	\$695	\$1,700	12/8/05
11	11	Jr 1+1	\$1,395	\$1,600	4/26/21
12	12	Jr 1+1	\$1,495	\$1,600	5/1/22
13	14	Jr 1+1	\$1,495	\$1,600	3/19/21
14	15	Jr 1+1	\$1,450	\$1,600	6/12/22
15	16	1+1	\$1,625	\$1,700	2/1/21
16	17	Single	\$1,400	\$1,500	7/1/21
17	18	1+1	\$1,700	\$1,700	Vacant
18	19	1+1	\$1,695	\$1,700	1/2/21
19	20	Jr 1+1	\$1,450	\$1,600	4/11/22
20	21	Jr 1+1	\$1,495	\$1,600	5/15/22
21	22	Jr 1+1	\$1,495	\$1,600	2/21/21
22	23	Jr 1+1	\$1,495	\$1,600	2/14/21
23	24	Jr 1+1	\$1,495	\$1,600	4/20/22
24	25	Single	\$1,350	\$1,500	2/22/21
Total			\$34,360	\$38,800	

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E 4TH STREET

S ST. LOUIS STREET

FINANCIALS

ANNUALIZED OPERATING DATA

INCOME		CURRENT		PRO FORMA
Scheduled Gross Income:		\$431,833		\$ 485,226
Less Vacancy Rate Reserve:	3.0%	\$(12,955)	5.0%	\$(24,261)
Gross Operating Income:		\$418,878		\$ 460,965
Less Expenses:	35.5%	\$(153,465)	32.1%	\$(155,569)
Net Operating Income:		\$265,413		\$305,396
Reserves:		\$(4,800)		\$(4,800)
Less Debt Service:		\$(142,205)		\$(142,205)
Pre-Tax Cash Flow:	8.3%	\$118,408	11.0%	\$158,391
Plus Principal Reduction:		\$57,211		\$57,211
Total Return Before Taxes:	12.2%	\$175,618	15.0%	\$215,602

		CURRENT RENTS		MARKET RENTS	
# OF UNITS	UNIT TYPE	AVG. MO. RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
3	Single	\$1,367	\$4,100	\$1,500	\$4,500
14	Jr 1+1	\$1,458	\$20,419	\$1,600	\$22,400
7	1+1	\$1,406	\$9,841	\$1,700	\$11,900
Total Scheduled Rent:			\$34,360		\$38,800
SCEP			\$81		\$87
RSO			\$35		\$39
RUBS			\$1,355		\$1,355
Pet Rent			\$155		\$155
Monthly Scheduled Gross Income:			\$35,986		\$40,436
Annual Scheduled Gross Income:			\$431,833		\$485,226

OPERATING EXPENSES	CURRENT	PRO FORMA
Taxes Rate: 1.18%	\$56,404	\$56,404
Insurance	\$8,337	\$8,337
Utilities	\$27,015	\$27,015
Waste Removal	\$6,336	\$6,336
Repairs & Maintenance	\$12,000	\$12,000
Management 5%	\$20,944	\$23,048
On-Site Manager	\$18,000	\$18,000
Landscaping/Cleaning	\$840	\$840
Pest Control	\$660	\$660
License and Fees	\$1,200	\$1,200
Direct Assessment	\$1,729	\$1,729
Total Expenses:	\$153,465	\$155,569
Per Net Sq. Ft.:	\$13.28	\$13.46
Per Unit:	\$6,394	\$6,482



OPERATING DATA

Price:		\$4,780,000
Down Payment:	26%	\$1,434,000
Number of Units:		24
Cost per Legal Unit:		\$199,167
Current GIM:		11.07
Market GIM:		9.85
Current CAP:		5.55%
Market CAP:		6.39%
Approx. Age:		1912
Approx. Lot Size:		6,724
Approx. Gross SF:		11,556

ASSUMABLE FINANCING

New First Loan:	\$3,346,000
Interest Rate:	4.25%
Amortization:	30
Monthly Payment:	\$16,460.31
DCR:	1.87

SALES

COMPARABLES

★ SUBJECT PROPERTY

ADDRESS	2025 East 4th St, Los Angeles, CA 90033	PRICE /UNIT	\$199,167	CAP	5.55%	UNITS	24
SALES PRICE	\$4,780,000	PRICE/SF	\$414	GIM	11.07	YEAR BUILT	1912



SALES COMPARABLES

01



ADDRESS	706 North Soto Street Los Angeles, CA 90033
SOLD DATE	4/4/2022
SALES PRICE	\$2,200,000
PRICE/UNIT	\$183,333
PRICE/SF	\$206
CAP	5.23%
GRM	12.42
UNITS	12
YEAR BUILT	1922
UNIT MIX	Two Singles, Five 1+1's, Five 2+1's

02



ADDRESS	2527-2529 Cincinnati St Los Angeles, CA 90033
SOLD DATE	2/2/22
SALES PRICE	\$1,700,000
PRICE/UNIT	\$188,889
PRICE/SF	\$194
CAP	5.56%
GRM	11.46
UNITS	9
YEAR BUILT	1929
UNIT MIX	Seven 1+1's, Two 2+1's

SALES COMPARABLES

03



ADDRESS	1404-1406 Warren St Los Angeles, CA 90033
SOLD DATE	10/15/21
SALES PRICE	\$1,700,000
PRICE/UNIT	\$212,500
PRICE/SF	\$421
CAP	5.11%
GRM	12.64
UNITS	8
YEAR BUILT	1908
UNIT MIX	Seven 1+1's, One 2+1

04



ADDRESS	135 S Boyle Ave Los Angeles, CA 90033
SOLD DATE	6/10/21
SALES PRICE	\$2,500,000
PRICE/UNIT	\$312,500
PRICE/SF	\$604
CAP	N/A
GRM	N/A
UNITS	8
YEAR BUILT	1922
UNIT MIX	Eight Singles

SALES COMPARABLES

05



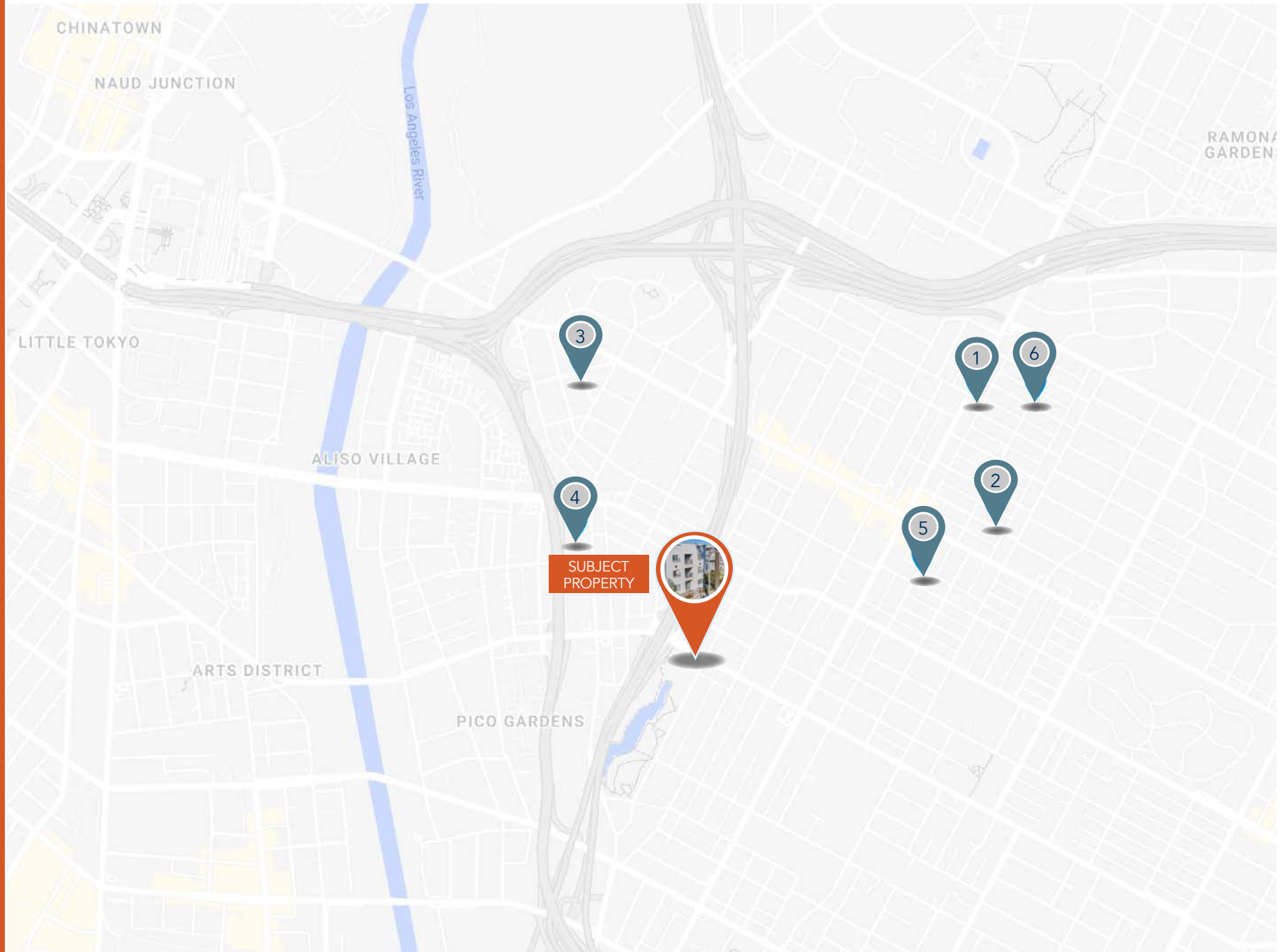
ADDRESS	312 N Mathews St Los Angeles, CA 90033
SOLD DATE	11/10/20
SALES PRICE	\$2,450,000
PRICE/UNIT	\$212,500
PRICE/SF	\$421
CAP	6.15%
GRM	10.92
UNITS	10
YEAR BUILT	1925
UNIT MIX	One Single, Seven 1+1's, Two 3+1's/2's

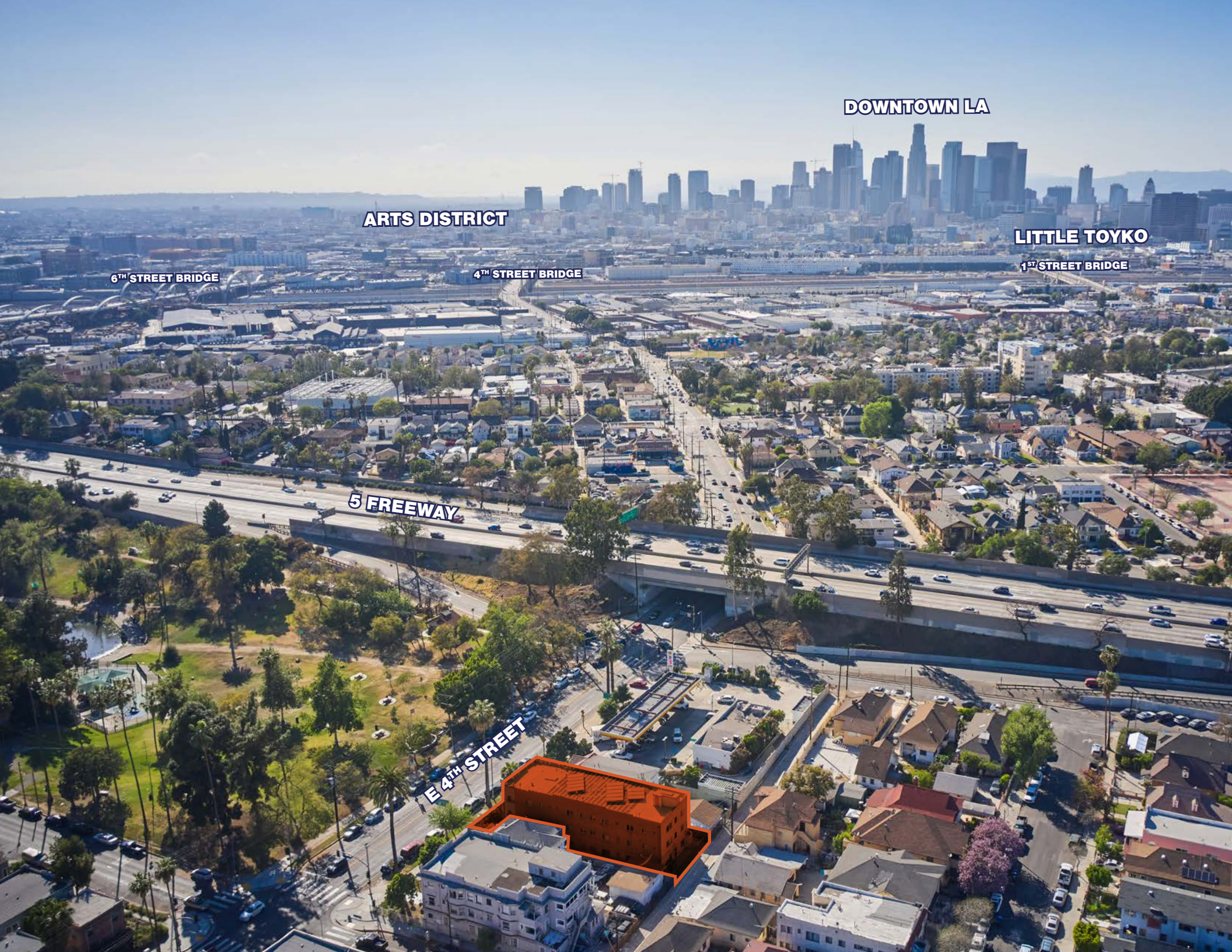
06



ADDRESS	2501 Houston St Los Angeles, CA 90033
SOLD DATE	7/15/20
SALES PRICE	\$1,600,000
PRICE/UNIT	\$200,000
PRICE/SF	\$239
CAP	4.95%
GRM	N/A
UNITS	8
YEAR BUILT	1929
UNIT MIX	Eight 1+1's

COMPARABLES MAP





DOWNTOWN LA

ARTS DISTRICT

LITTLE TOYKO

6TH STREET BRIDGE

4TH STREET BRIDGE

1ST STREET BRIDGE

5 FREEWAY

E 4TH STREET



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