



5400-5408 WESTERN AVE  
LOS ANGELES CA 90062

DOWNTOWN LOS ANGELES

W 52TH STREET

WESTERN AVENUE  
TECH MAGNET

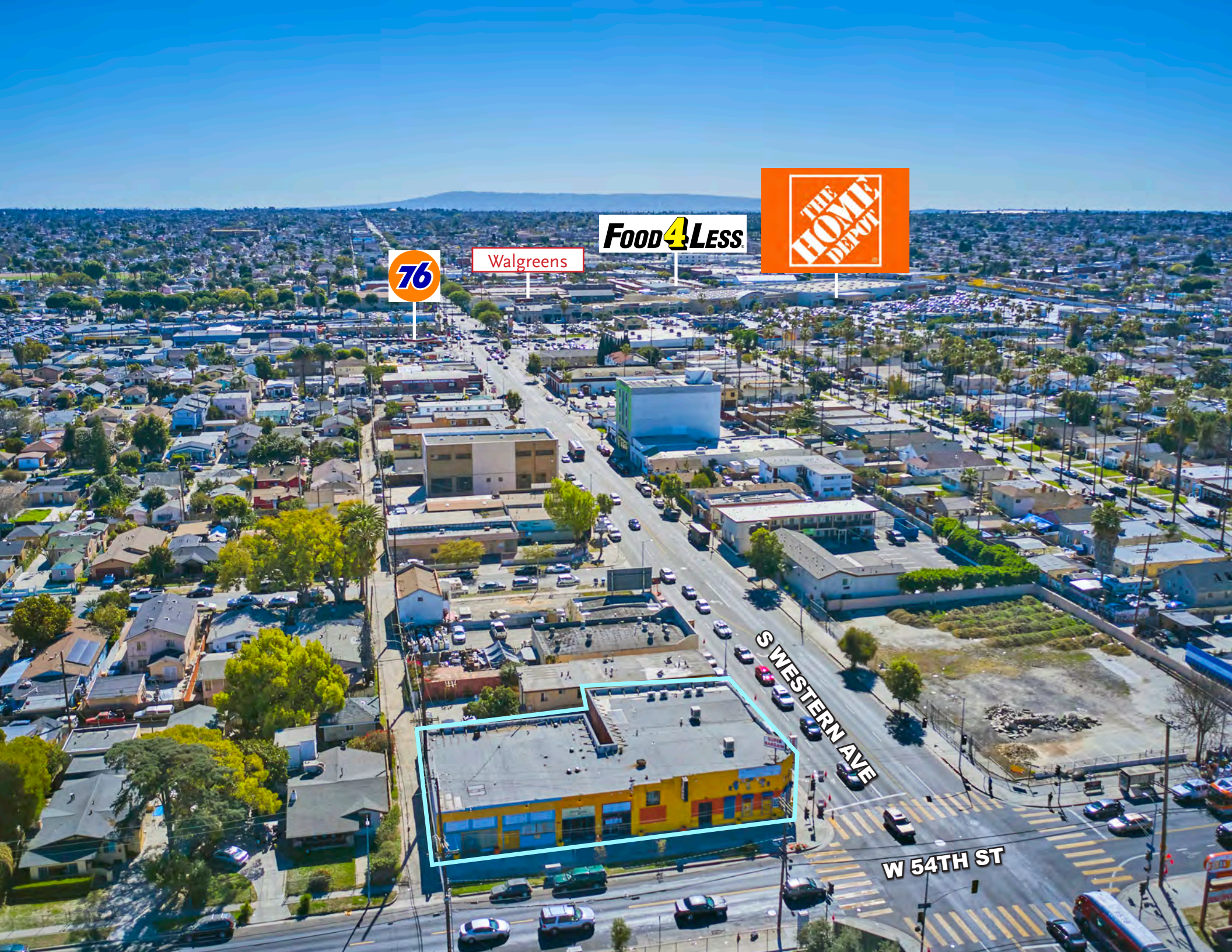
WESTERN AVENUE

W 54TH STREET

**Value-Add Retail or Development Opportunity in South Los Angeles; Two Tenants on Month-to-Month Leases, One Vacant 12,025 SF Lot Zoned C2-1VL-CPIO in a Tier 2 TOC**

**Marcus & Millichap**  
THE NEEMA GROUP





S WESTERN AVE

W 54TH ST



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LA Promise Charter High







Western Ave Elementary

1

OFFERING  
SUMMARY

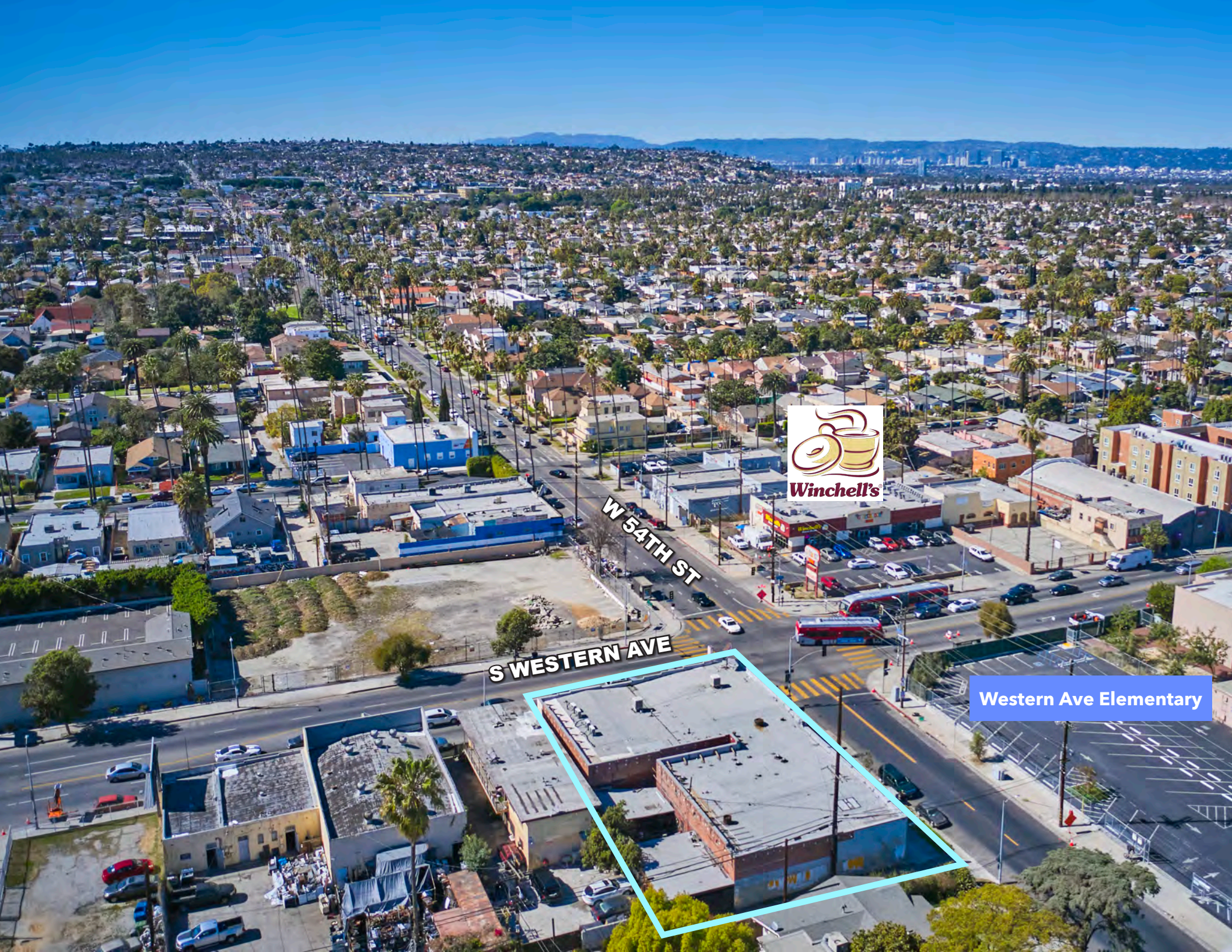
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MARKET  
COMPARABLES

3

AREA  
OVERVIEW





W 54TH ST

S WESTERN AVE

Western Ave Elementary





# INVESTMENT HIGHLIGHTS

- 5400-5408 S Western Ave is an retail value add or redevelopment opportunity in south Los Angeles on the corner of S Western Ave and W 54th St across from Western Ave Elementary
  - Two tenants are currently on month-to-month leases allowing an investor to occupy a portion or all of the building or a developer to collect income while undergoing the entitlement process. One unit is currently vacant.
- +/- 12,025 SF development lot zoned C2-1VL-CPIO in a Tier 2 TOC
  - Opportunity to build up to 49 units utilizing the TOC benefits
  - Development site offered at a PPSF of \$162
  - The Hyde Park neighborhood features a half-dozen new construction development projects underway as of 2020
- 5400-5408 S Western Ave is a highly-Visible Hyde Park location with a walk score of 73. It is a short walk to Slauson Super Mall and Chesterfield Square Park.



## THE OFFERING

Address	5400-5408 S Western Ave
Price	\$1,950,000
Building SF	10,012 SF
Land SF	12,025 SF
Price / SF Land	\$162
Zoning	C2-1VL-CPIO in a Tier 2 TOC

## DEVELOPMENT INFO

Total Lot Size:	12,025
Minimum Area Per Dwelling Unit:	400
Units By Right:	30.06
TOC Tier 1 Density Increase:	60%
Total Units:	49

\*Buyer to conduct own due diligence and verify development information. Marcus & Millichap and the Seller have not made any investigation and makes no warranty or representation with respect to the development potential. 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.







# FINANCIAL OVERVIEW

#	UNIT #	TENANT	CURRENT RENT	MARKET	NOTES
1	1750	vacant	\$5,000	\$5,400	vacant
2	5400 A	J&J Discount	\$5,500	\$6,200	month-to-month
3	5400 B	Storage	\$2,500	\$3,200	month-to-month
Total			\$13,000	\$14,800	
NNN Reimbursement			\$3,504	\$3,504	
Monthly Scheduled Gross Income:			\$16,504	\$18,404	
Annual Scheduled Gross Income:			\$198,050	\$220,850	





**ANNUALIZED OPERATING DATA****CURRENT RENTS****MARKET RENTS**

Scheduled Gross Income:	\$198,050		\$220,850	
Less Vacancy Rate Reserve:	\$9,903	5.0%	\$11,043	5.0%
Gross Operating Income:	\$188,148		\$209,808	
Less Expenses:	\$41,613	21.0%	\$42,696	19.3%
Net Operating Income:	\$146,535		167,112	
Less Loan Payments:	\$(600)		\$(600)	
Less Reserves:	\$59,603		\$59,603	
Pre-Tax Cash Flow:	\$86,332	9.8%	\$106,909	12.2%
Plus Principal Reduction	\$19,935		\$19,935	
Total Return Before Taxes:	\$106,267	12.1%	\$126,844	14.5%

**EXPENSES****CURRENT    PROFORMA****PRICING****FINANCING**

Taxes: Rate (1.20%)	\$23,400	\$23,400	Sale Price:	\$1,950,000	New First Loan:	\$1,072,500
Insurance	\$4,505	\$4,505	Down Payment: (45%)	\$877,500	Interest Rate:	3.75%
Utilities:	\$1,800	\$1,800	Approx. Age: Approx.	1927	Amortization:	30
Repairs & Maintenance	\$1,500	\$1,500	Lot Size:	12,025	Monthly Payment:	\$4,966.91
Management	\$9,407	\$10,490	Approx. Gross SF:	10,012	DCR:	2.46
Direct Assessment	\$1,000	\$1,000	Price per SF:	\$195		
Total Expenses:	\$41,613	\$42,696	Price per SF Land:	\$162		
Per Net Sq. Ft.:	\$4.16	\$4.26	CAP Rate:	7.51%		
			CAP Rate Market:	8.57%		





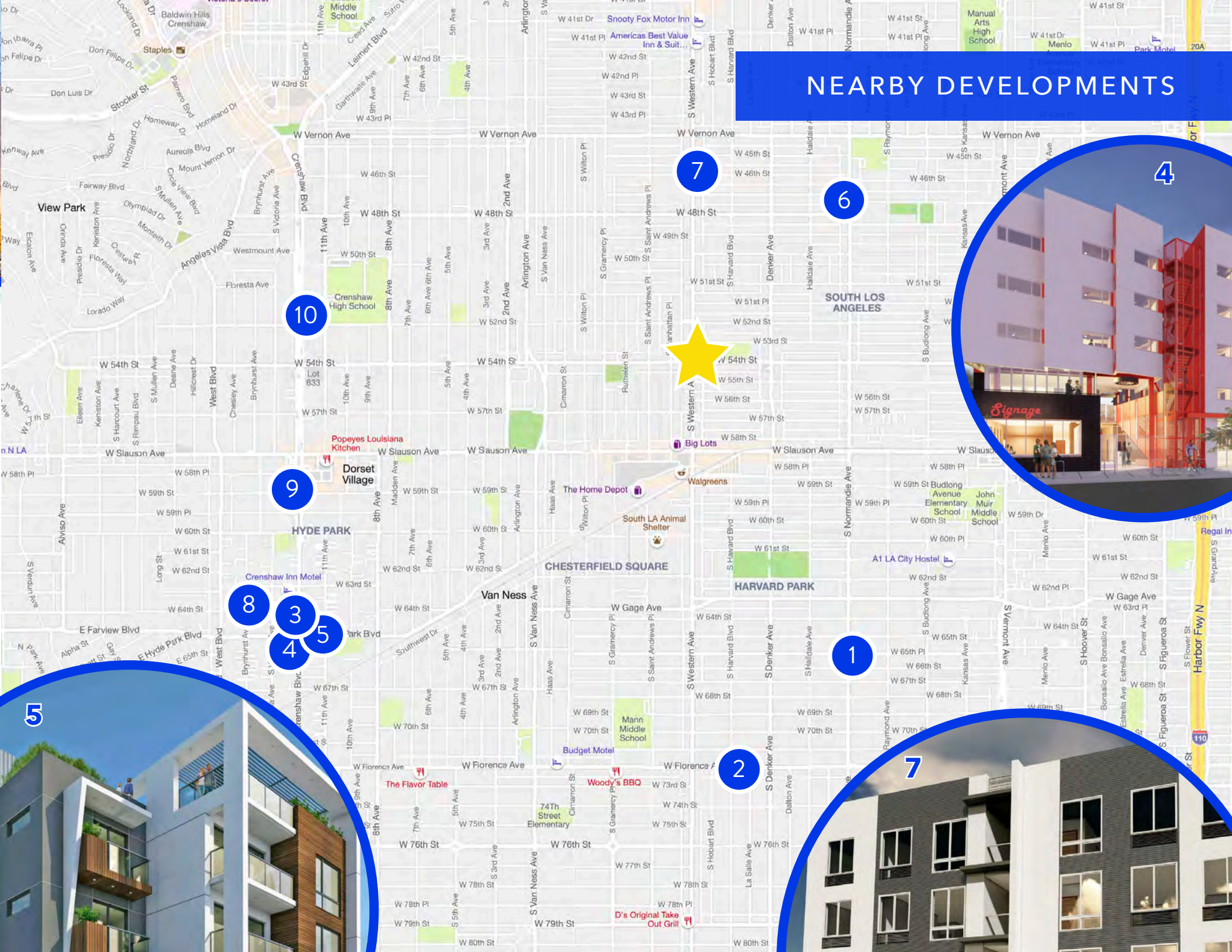
## NEARBY DEVELOPMENTS

within 1.5mi of the Subject Property

- |   |   |
|---|---|
| <b>1</b> 6550-6570 S Normandie Ave<br><i>Proposed Apartment Project for 93 Units</i>                                      | <b>6</b> Chesterfield Apartments - 4719 S Normandie Ave<br><i>Proposed Affordable Housing Project Totaling 43 Units</i> |
| <b>2</b> 1650 W Florence Ave<br><i>128-Unit Apartment Project Currently Under Construction</i>                            | <b>7</b> 4604-4612 S Western Ave<br><i>Proposed Supportive Housing Development Totaling 49 Units</i>                    |
| <b>3</b> Hope on Hyde Park - 6501 Crenshaw Blvd<br><i>Proposed Affordable Housing Project Totaling 98 Units</i>           | <b>8</b> 6336 Brynhurst Ave<br><i>Proposed 15,370 SF Apartment Project</i>  |
| <b>4</b> The Depot on Hyde Park - 6527-6531 Crenshaw Blvd<br><i>Proposed Affordable Housing Project Totaling 43 Units</i> | <b>9</b> 5909-5913 Crenshaw Blvd<br><i>Proposed 99-Unit Development</i>   |
| <b>5</b> 6515 Crenshaw Blvd<br><i>Proposed 24 Apartment Units</i>   | <b>10</b> 5154 Crenshaw Blvd<br><i>79-Unit Proposed Apartment Project</i>   |



## NEARBY DEVELOPMENTS





# SALES COMPARABLES



5400-5408 S Western Ave  
Los Angeles, CA 90047



Offering Price	\$1,950,000
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Year Built	1927
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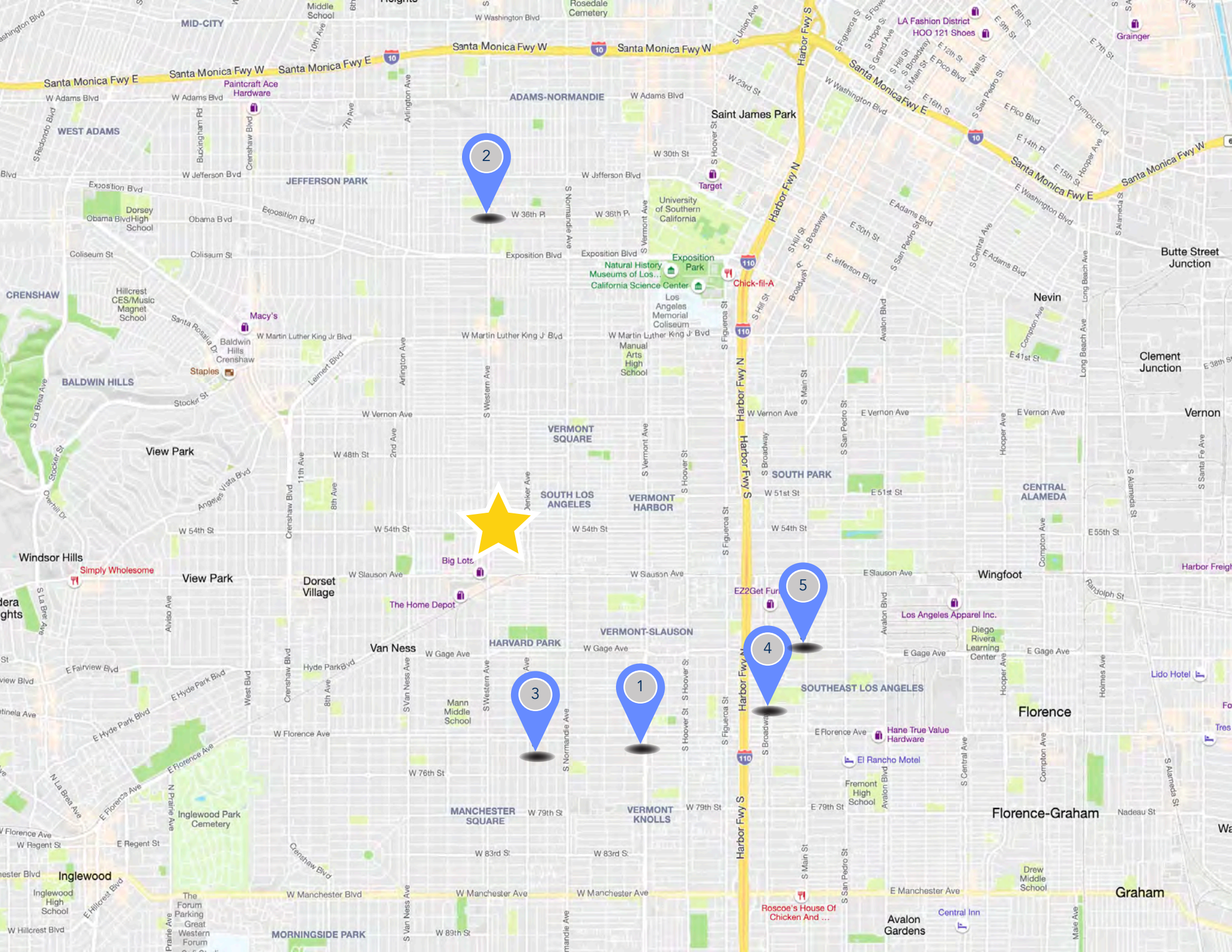
Building SF	10,012
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Land SF	12,025
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Price per SF Land	\$162
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Sold Date	N/A
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# SALES COMPARABLES

01



7117 S Vermont Ave  
Los Angeles, CA 90044

02



3551 S Western Ave  
Los Angeles, CA 90018

03



1530-1538 W Florence Ave  
Los Angeles, CA 90047

Sale Price	\$3,020,000
Year Built	1994
Building SF	6,700
Price per SF	\$451
Sold Date	12/8/20

Sale Price	\$2,625,000
Year Built	1957
Building SF	8,000
Price per SF	\$328
Sold Date	2/18/20

Sale Price	\$1,440,000
Year Built	1979
Building SF	4,400
Price per SF	\$327
Sold Date	1/23/20



# SALES COMPARABLES

04



6614-6624 S Broadway  
Los Angeles, CA 90003

Sale Price	\$2,800,000
Year Built	1922
Building SF	4,982
Price per SF	\$562
Sold Date	11/1/19

05



6101 S Main St  
Los Angeles, CA 90003

Sale Price	\$2,000,000
Year Built	1953
Building SF	4,200
Price per SF	\$476
Sold Date	3/28/19



# AREA OVERVIEW

## HYDE PARK

Hyde Park is one of the oldest neighborhoods in the city of Los Angeles. Leimert Park flanks Hyde Park to the north, Vermont Square is to the east, Inglewood to the south and View Park-Windsor Hills and Ladera Heights to the west.

Crenshaw Boulevard is one of Los Angeles' most heavily trafficked thoroughfares, west of the 110 Freeway and south of the 10 Freeway. Many development projects are underway just to the north of the subject property as well as the new NFL stadium that will be surrounded by a planned community made up of thousand of new homes.





# LEIMERT PARK

Crenshaw Boulevard is one of Los Angeles' most heavily trafficked thoroughfares, west of the 110 Freeway and south of the 10 Freeway. The convenience, accessibility, and visibility of the subject property's location on Crenshaw Blvd in Leimert Park enhances and supports the vision for a successful redevelopment as a multifamily apartment or mixed-use complex.

Leimert Park has been regarded as one of Los Angeles' most vibrant and historic neighborhoods. The neighborhood is widely regarded as the cultural hub for African Americans in L.A. Leimert Park was the brainchild of developer Walter H. Leimert, who began the subdivision business center project in 1928. One of the first planned communities in Southern California designed for upper- and middle-class families, Leimert Park was considered a model of urban planning - car traffic near schools and churches was minimized, utility wires were buried or hidden from view, and trees lined the streets. Leimert Plaza Park is at the district's center park, adjoined by retail shops and the historic Vision Theatre. It is a popular place for live performances and neighborhood gatherings. The cascading fountain has been given landmark status

Potential homeowners were attracted by the community's state-of-the-art design features and meticulously manicured lots. Over the following decades, the 230-acre plot of land has







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