

OFFERING MEMORANDUM

**1329**

**2<sup>ND</sup> AVENUE**

LOS ANGELES, CA 90019

A Six Unit Value-Add Fourplex and Duplex In Mid-City

Four 1+1's, Two Singles  
Six Parking Spaces | Three of the Units will be Delivered Vacant

Potential to add ADU's

**Marcus & Millichap**  
THE NEEMA GROUP













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**Marcus & Millichap**  
THE NEEMA GROUP







# EXECUTIVE SUMMARY

The Neema Group of Marcus & Millichap is pleased to present 1329 2nd Ave, a 6-unit value add investment opportunity located in Arlington Heights between S Western Ave and Crenshaw Blvd, just off Pico Blvd and north of the Santa Monica Freeway. This property is made up of two structures including a four-plex in the front with 1+1's and a duplex with two singles in the rear structure; additionally, there are four enclosed garages with an additional two parking spaces. An investor can achieve just over 37% rental upside through interior unit renovations as the units are leased at below market rents; once stabilized, the pro forma CAP rate is projected to be 6.34%.

There is currently an accessory space at the rear structure of the property that is vacant. There is potential to legalize into a unit for additional income - buyer to verify. Gas and electricity is separately metered; one unit currently has laundry but all units in the fourplex have washer and dryer hookups. Three of the units will be delivered vacant allowing the new owner to preform renovations upon closing.

Arlington Heights is a historic area which embodies a huge, diverse community filled with many charms and local surprises. Along with its architectural beauty the friendliness and movement towards a sustainable neighborhood makes this area a very desirable place to live, work, and play. 1329 2nd Ave has a high walk score of 81, proximity to schools, employment, and transit options make this location convenient for residents to shop and commute throughout the city. Additionally nearby destinations such as Koreatown, Hollywood and Downtown LA are within a 15 minute drive.

**Property & Location Highlights**



**81 Walk Score**



**Unit Mix:  
Four 1+1's  
Two Singles**



**6 Spaces**



# PROPERTY SUMMARY

## PROPERTY INFORMATION

ADDRESS:	1329 2nd Ave Los Angeles, CA 90019
NUMBER OF UNITS:	6
APPROX. GROSS SF:	5,824 SF
APPROX. LOT SIZE:	7,500 SF
YEAR BUILT:	1906
PARCEL NUMBER:	5072-036-019
PROPERTY TYPE:	Multi-Family
BUILDINGS:	2
STORIES:	2
ZONING:	RD1.5-1-O-CPIO

## PRICING INFORMATION

SALE PRICE:	\$1,515,000
COST PER LEGAL UNIT:	\$252,500
COST PER BLDG SF:	\$260.13
CURRENT CAP RATE:	4.25%
MARKET CAP RATE:	6.34%
CURRENT GRM:	15.22
MARKET GRM:	11.07







# INVESTMENT HIGHLIGHTS

- The Neema Group of Marcus & Millichap is pleased to present 1329 2nd Ave, a 6-unit value add investment opportunity located in Arlington Heights between S Western Ave and Crenshaw Blvd, just off Pico Blvd
- This property is made up of two structures including a four-plex in the front with 1+1's and a duplex with two singles in the rear structure; additionally, there are four enclosed garages with an additional two parking spaces
- An investor can achieve just over 37% rental upside through interior unit renovations as the units are leased at below market rents; once stabilized, the pro forma CAP rate is projected to be 6.34%
- There is currently an accessory space at the rear structure of the property that is vacant; potential to legalize into a unit for additional income - buyer to verify
- Three of the units will be delivered vacant - one single and two one-bedrooms
- Gas and electricity is separately metered; one unit currently has laundry but all units in the fourplex have washer and dryer hookups
- High Walk Score of 81, proximity to schools, employment, and transit options, this location makes it convenient for residents to commute throughout the city and nearby destinations in Koreatown, Hollywood and Downtown LA
- Arlington Heights is a historic area which embodies a huge, diverse community filled with many charms and local surprises. Along with its architectural beauty the friendliness and movement towards a sustainable neighborhood makes this area a very desirable place to live, work, and play



























# RENT ROLL

	UNIT NO.	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS	NOTES
1	1329	1+1	\$1,071	\$2,000	
2	1329 1/2	1+1	\$1,133	\$2,000	
3	1331 1/2	1+1	\$2,000	\$2,000	Vacant
4	1331	1+1	\$2,000	\$2,000	Vacant
5	1329 1/4	Single	\$390	\$1,700	
6	1331 1/4	Single	\$1,700	\$1,700	Vacant
			<b>\$8,294</b>	<b>\$11,400</b>	

\*There is currently an accessory space at the rear structure of the property that is vacant. There is potential to legalize into a unit for additional income - buyer to verify.



# FINANCIALS

ANNUALIZED OPERATING DATA	CURRENT RENTS	MARKET RENTS
<b>Scheduled Gross Income:</b>	<b>\$99,528</b>	<b>\$136,800</b>
Less Vacancy Rate Reserve:	\$(2,986) 3.0%	(\$6,840) 5.0%
<b>Gross Operating Income:</b>	<b>\$96,542</b>	<b>\$129,960</b>
Less Expenses:	\$(32,224) 32.4%	(\$33,895) 24.8%
<b>Net Operating Income:</b>	<b>\$64,318</b>	<b>\$96,065</b>

SUMMARY	
<b>Price:</b>	<b>\$1,515,000</b>
<b>Down Payment:</b>	<b>\$757,500</b>
<b>Number of Units:</b>	<b>6</b>
Cost per Legal Unit:	\$252,500
Current GRM:	15.22
Market GRM:	11.07
Current CAP:	4.25%
Market CAP:	6.34%
Approx. Age:	1906
Approx. Lot Size:	7,500
Approx. Gross SF:	5,824
Cost per Net GSF:	\$260.13

ESTIMATED ANNUALIZED EXPENSES	CURRENT	MARKET
Taxes Rate: 1.18%	\$17,877	\$17,877
Insurance	\$2,000	\$2,000
Utilities	\$1,800	\$1,800
Repairs & Maintenance	\$3,000	\$3,000
Management: 5%	\$4,827	\$6,498
Landscaping	\$1,500	\$1,500
Pest Control	\$420	\$420
License and Fees	\$300	\$300
Direct Assessment	\$500	\$500
<b>Total Expenses:</b>	<b>\$32,224</b>	<b>\$33,895</b>
Per Net Sq. Ft.:	\$5.53	\$5.82
Per Unit:	\$5,371	\$5,649

NO. OF UNITS	UNIT TYPE	CURRENT RENTS		SCHEDULED RENTS	
		AVG MONTHLY RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
2	Single	\$1,045	\$2,090	\$1,700	\$3,400
4	1+1	\$1,551	\$6,204	\$2,000	\$8,000
<b>Monthly Scheduled Gross Income:</b>		<b>\$8,294</b>	<b>\$11,400</b>		
<b>Annual Scheduled Gross Income:</b>		<b>\$99,528</b>	<b>\$136,800</b>		



# SALES COMPARABLES



★ **1329 2ND AVE  
LOS ANGELES, CA 90019**

Sale Price	\$1,515,000
Building SF	5,824
Lot Size	7,500
No. of Units	6
Price/SF	\$260
Price/Unit	\$252,500
Cap Rate	4.25%
GRM	15.22
Year Built	1906



**1 1180 S BRONSON AVE  
LOS ANGELES, CA 90019**

Sale Price	\$1,700,000
Building SF	4,076
Lot Size	7,980
No. of Units	5
Price/SF	\$417
Price/Unit	\$340,000
Cap Rate	N/A
GRM	N/A
Year Built	1922
Date Sold	7/7/22



**2 2001 4TH AVE  
LOS ANGELES, CA 90018**

Sale Price	\$1,835,000
Building SF	5,022
Lot Size	7,000
No. of Units	12
Price/SF	\$365
Price/Unit	\$367,000
Cap Rate	4.54%
GRM	14.03
Year Built	1920
Date Sold	4/29/22



**3 2030 4TH AVE  
LOS ANGELES, CA 90018**

Sale Price	\$1,350,000
Building SF	4,665
Lot Size	6,891
No. of Units	5
Price/SF	\$289
Price/Unit	\$270,000
Cap Rate	5.48%
GRM	15.30
Year Built	1916
Date Sold	4/20/22





**4** 4214 W ADAMS BLVD  
LOS ANGELES, CA 90018

Sale Price	\$1,350,000
Building SF	4,665
Lot Size	7,501
No. of Units	6
Price/SF	\$289
Price/Unit	\$225,000
Cap Rate	N/A
GRM	N/A
Year Built	1925
Date Sold	1/3/22



**5** 1514-1516 S BRONSON AVE  
LOS ANGELES, CA 90019

Sale Price	\$1,580,000
Building SF	4,591
Lot Size	6,273
No. of Units	5
Price/SF	\$344
Price/Unit	\$316,000
Cap Rate	4.57%
GRM	N/A
Year Built	1920
Date Sold	10/27/21



**6** 702 CRENSHAW BLVD  
LOS ANGELES, CA 90005

Sale Price	\$1,400,000
Building SF	4,076
Lot Size	10,476
No. of Units	5
Price/SF	\$520
Price/Unit	\$280,000
Cap Rate	N/A
GRM	N/A
Year Built	1920
Date Sold	9/23/21



**7** 1123 S NORMANDIE AVE  
LOS ANGELES, CA 90006

Sale Price	\$2,000,000
Building SF	3,816
Lot Size	11,761
No. of Units	5
Price/SF	\$524
Price/Unit	\$400,000
Cap Rate	N/A
GRM	N/A
Year Built	1908
Date Sold	9/8/21



# SALES COMPARABLES





An aerial photograph of Los Angeles, California, showing a dense urban landscape with various buildings, streets, and greenery. In the background, the city skyline and mountains are visible under a clear blue sky. A white callout box with a red border is positioned in the upper right quadrant, containing the address information. The address number '1329' is written in a large, bold, red serif font. Below it, '2ND AVENUE' is written in a smaller, bold, black sans-serif font, and 'LOS ANGELES, CA 90019' is written in an even smaller, black sans-serif font. A white outline highlights a specific white building with a grey roof in the lower right portion of the image.

**1329**

**2<sup>ND</sup> AVENUE**

LOS ANGELES, CA 90019



# RENT COMPARABLES

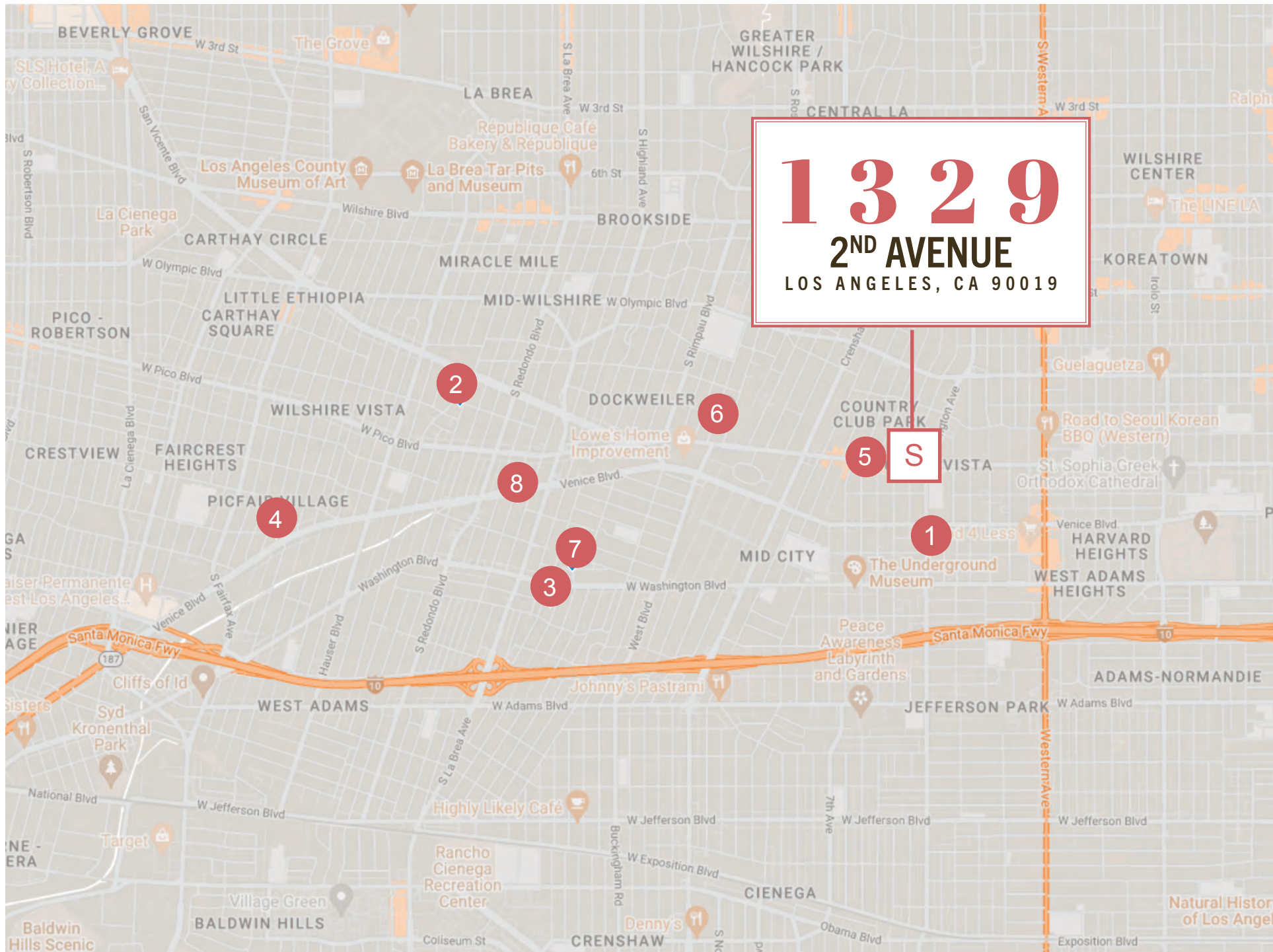
## SINGLE COMPARABLES

	ADDRESS	UNIT TYPE	SF	RENT	RENT PER SF
1	1706 Arlington Ave, Los Angeles, CA 90019	Single	480	\$1,675	\$3.49
2	1313 S Cochran Ave, Los Angeles, CA 90019	Single	450	\$1,795	\$3.99
3	2013 S West View St, Los Angeles, CA 90016	Single	500	\$1,850	\$3.70
4	5815 Venice Blvd, Los Angeles, CA 90019	Single	400	\$1,950	\$4.88
★	1329 2nd Ave Los Angeles, CA 90019	1+1		\$1,045 (Current Average)	

## ONE BEDROOM COMPARABLES

	ADDRESS	UNIT TYPE	SF	RENT	RENT PER SF
5	1326 5th Ave, Los Angeles, CA 90019	1+1	650	\$2,295	\$3.53
6	1281 Queen Anne Pl, Los Angeles, CA 90019	1+1	700	\$2,150	\$3.07
7	1863 S Rimpau Blvd, Los Angeles, CA 90019	1+1	700	\$2,000	\$2.86
8	1610 S Orange Dr, Los Angeles, CA 90019	1+1	750	\$1,950	\$2.60
★	1329 2nd Ave Los Angeles, CA 90019	1+1		\$1,551 (Current Average)	







# AREA OVERVIEW

## *MID-CITY*

### **THE EMERGENCE OF MID-CITY**

The Mid-City submarket has experienced tremendous growth and revitalization, with several of the neighboring buildings having recently been remodeled. Midtown Crossing, a 330,000-square foot urban retail center, is within close proximity of the property, providing tenants with excellent new dining, retail, and fitness opportunities. Nestled near the 10 Freeway, not far from Lafayette Square, Miracle Mile, Pico-Robertson, and Culver City, the building provides tenants with convenient access to retail and employment centers. The area has seen a flood of trendy restaurants opening within the submarket. Southern favorite, Gus's World Famous Fried Chicken has opened their first Los Angeles location on the corner of Pico and Crenshaw. Additionally, there are a plethora of dining options, ranging from food trucks to Japanese to BBQ to Ethiopian to burger joints, including dive bars and sports bars as nightlife options. Mid-City is undergoing plenty of changes with new development emerging rapidly along with significant gentrification.











**1329**  
**2ND AVENUE**  
 LOS ANGELES, CA 90019



LA HIGH MEMORIAL PARK

LOS ANGELES HIGH SCHOOL

QUEEN ANNE PARK

THE GRAIN CAFE

ST PAUL'S CATHOLIC SCHOOL

WILTON PLACE ELEMENTARY SCHOOL



PASTA SISTERS



OO KOOK KOREAN BBQ



OLYMPIC SHOPPING CENTER



ROAD TO SEOUL



# NEIGHBORHOOD AMENITIES

## Schools

- 1 • Pio Pico Middle School
- 2 • Arlington Heights Elementary
- 3 • St Paul's Catholic School
- 4 • Los Angeles Elementary
- 5 • Los Angeles High School
- 6 • 1,2,3 Pre School

## Retail

- 7 • Midtown Crossing  
Lowes, Ulta Beauty, Planet Fitness, CVS, Great Clips, Autozone, Living Spaces, UPS Store, Five Guys Burgers, Panda Express, Wingstop, Yoshinoya, Olive Garden
- 8 • Smart & Final, Ross Dress for Less
- 9 • Ralphs
- 10 • Sprouts
- 11 • Western Kosher
- 12 • Target

## Restaurants & Entertainment

- 13 • Cafe El Cholo
- 14 • BCD TOfu House
- 15 • Road To Seoul
- 16 • Gus's World Famous Fried Chicken
- 17 • Pasta Sisters
- 18 • Grain Cafe
- 19 • Catch One
- 20 • Republique
- 21 • Spare Tire
- 22 • Chosun Galbee
- 23 • Star Night

- 24 • Brass Monkey
- 25 • Southland Beer
- 26 • R Bar
- 27 • Fat Burger
- 28 • McDonald's
- 29 • Oki's Dog
- 30 • Starbucks

## Parks & Recreation

- 31 • Queen Anne Park
- 32 • La High Memorial Park
- 33 • Harold A Henry Park
- 34 • Eleanor G Roberts Aquatic Center

1 3 2 9

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