

# 440 Bonnie Brae St

**29-UNIT INVESTMENT OPPORTUNITY IN WESTLAKE  
20 SINGLES AND NINE ONE-BEDROOMS WITH 10 PARKING GARAGES  
CORNER LOT | LOW PRICE PER SF OF \$248 | OVER 38% RENTAL UPSIDE**



## Confidentiality And Disclaimer

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

## Non-Endorsement Notice

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

## 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.

**All Property Showings Are By Appointment Only.  
Please Consult Your Marcus & Millichap Agent For More Details.**

Marcus & Millichap  
THE NEEMA GROUP



**EXCLUSIVELY LISTED BY**

**NEEMA AHADIAN**

Senior Managing Director of Investments

CA BRE License #01346750

310.909.5444 Tel

Neema@marcusmillichap.com

**LEO LATERZA**

Senior Associate of Investments

CA BRE License #01861324

310.909.2372 Tel

Leo.Laterza@marcusmillichap.com

# Executive Summary

440  
Bonnie  
Brae St

The Neema Group of Marcus & Millichap is pleased to present 440 S Bonnie Brae St, a 29-unit value-add apartment building in Westlake. The property features a unit mix of 20 singles and 9 one-bedrooms and 10 garage parking spaces. At the asking price, the property is being offered for \$165,517 cost per unit and a low \$248 cost per square foot. An investor has the opportunity to further increase cashflow and capture an additional 38% in rental income through interior renovation of units. Gas and electricity are separately metered and there is a community laundry room with three washers and dryers.

The property is situated on a corner lot just south of W 3rd St, only two blocks from MacArthur Park and walking distance to metro A-E lines. High Walk Score of 91, close proximity to schools, employment, and transit options, this location makes it convenient for residents to commute throughout the city even without a vehicle. This neighborhood in Westlake is ideally located with a short commute to Downtown and Koreatown. Proximity to MacArthur Park, Echo Park, Dodger Stadium, and The Broad Museum provide residents with ample entertainment opportunities.



440  
Bonnie  
Brae St

# Property Summary

## PROPERTY INFORMATION

ADDRESS:	440 S Bonnie Brae St., Los Angeles, CA 90057
NUMBER OF UNITS:	29
APPROX. GROSS SF:	19,346 SF
APPROX. LOT SIZE:	15,687 SF
YEAR BUILT:	1923
PARCEL NUMBER:	5154-024-010
PROPERTY TYPE:	Multi-Family
UNIT MIX:	20 Singles, 9 One-Bedrooms
ZONING:	LAR4

## PRICING INFORMATION

SALE PRICE:	\$4,800,000
COST PER LEGAL UNIT:	\$165,517
COST PER BLDG SF:	\$248.11
CURRENT CAP RATE:	3.90%
CURRENT GRM:	12.68
MARKET CAP RATE:	6.53%
MARKET GRM:	9.14





# Investment Highlights

◆ The Neema Group of Marcus & Millichap is pleased to present 440 S Bonnie Brae St, a 29-unit value-add investment opportunity in the Westlake neighborhood of Los Angeles located between W 3rd and 6th St, two blocks from MacArthur Park

◆ The property features a unit mix of 20 singles and 9 one-bedrooms with 10 parking garages at the rear of the property

◆ At the asking price, the property is being offered at a low \$165,517 price per unit and a \$248 price per square foot; opportunity to capture over 38% rental upside as units turn and achieve a pro forma CAP rate of 6.53% upon stabilization

◆ The property has a secured, gated entrance and well-maintained common areas; gas and electric are separately metered and there is additional income of \$100 per parking space as well as leased community laundry with three washers and three dryers

◆ High Walk Score of 91, the property is walking distance to Alvarado St and the Metro A-E Lines, and a short drive to Downtown Los Angeles, Koreatown, and Hollywood

◆ This neighborhood of Westlake is ideally located with a short commute to Downtown and Koreatown. Proximity to MacArthur Park, Echo Park, Doger Stadium, and The Broad Museum

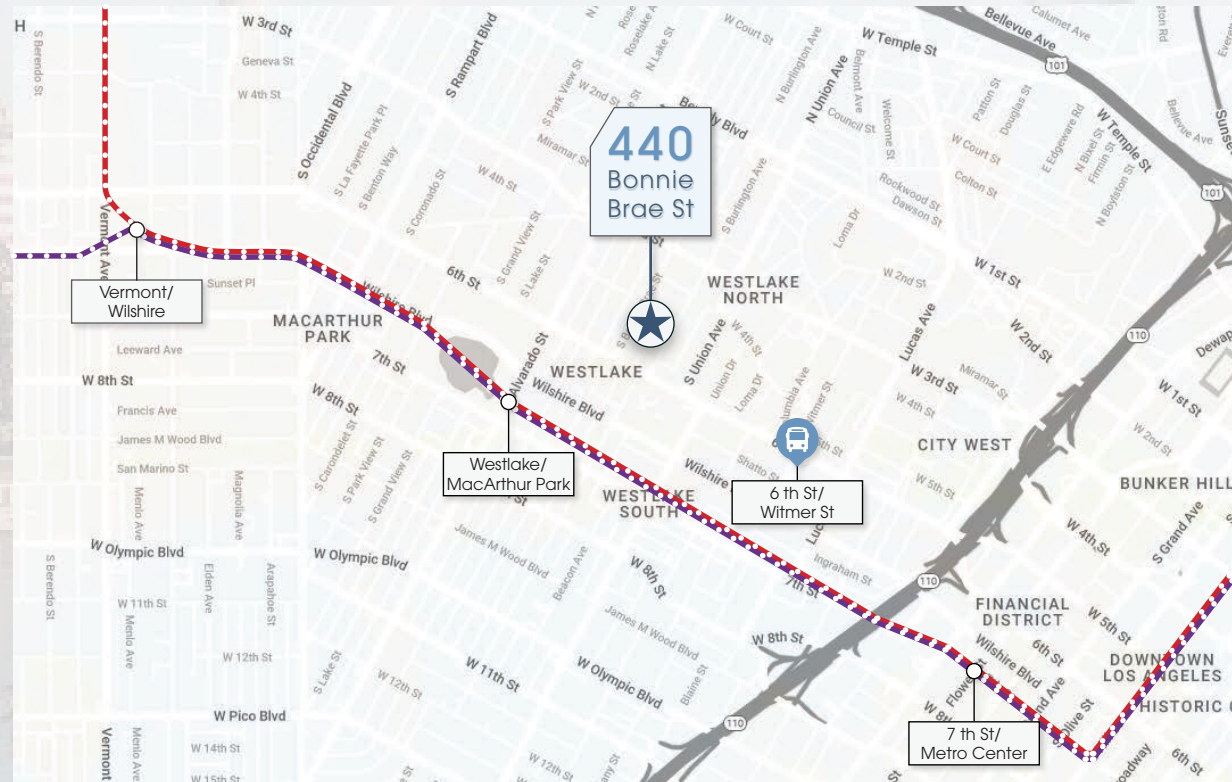
# Westlake

BRIDGING THE GAP BETWEEN

## Downtown LA & Koreatown

Westlake is adjacent to other notable neighborhoods, including Echo Park, Pico Union, Downtown and Koreatown. The neighborhood is extremely dense, with endless streets lined with small businesses. MacArthur Park, designated as the City of Los Angeles Cultural Monument #100, is located in Westlake and is adjacent to the Metro's Westlake/MacArthur Park Station, which affords access to the Red and Purple lines. Those lines provide public transportation toward Downtown, North Hollywood and toward Koreatown, with West Side extensions projected to be completed in 2027.

Westlake has recently seen a flurry of development and public safety initiatives, from mixed-use projects to new crosswalks. M2A Architects was contracted to construct a mixed-use project at the intersection of Olympic and Hoover that will feature 173 dwelling units, nearly 37,000 square feet of ground-floor commercial space and parking for 262 vehicles. Amidi Group, a San Francisco-based developer, is 50% complete with their \$180 million 1027 Wilshire development. The project will span nine stories and feature 376 residential units, approximately 5,000 square feet of groundfloor retail space, and subterranean parking for more than 800 vehicles.



**91** Walk Score  
WALKER'S PARADISE

**83** Transit Score  
RIDER'S PARADISE

The Westlake Collection's central location near Downtown Los Angeles results in excellent walkability and accessibility for its residents. The properties are within walking distance of stops on the Metro Red and Purple lines, one stop away from the Metro Blue and Expo lines, within a block of stops for five bus lines, and at the heart of the Los Angeles freeway system.

Hollywood affords a vibrant mix of activities and entertainment for all types of residents. Highly rated restaurants include Katsuya, Cleo, and Musso & Frank Grill (opened in 1919). For the younger cohort, Hollywood also offers an endless amount of bars, chic lounges, and exclusive dance clubs to enjoy. National retailers and original boutiques that line Hollywood Boulevard offer the latest fashions. On Sundays, The Hollywood Farmers Market provides fresh produce and prepared foods. Runyon Canyon Park offers some of Los Angeles' best views and hikes. Residents have affordable public transportation options provided by the Metro Red Line and several bus lines.



HOLLYWOOD

Voted Forbes' Hippest Neighborhood and built around a city reservoir, Silver Lake is well known for its trendy restaurants, nightlife, and avant garde Modernist architecture. Since the end of 1990's the area has also been the center of LA's indie and alternative music scene. Silver Lake has long been a preferred community, but approximately 15 years ago when gentrification began in earnest, home values and rents have sharply increased.



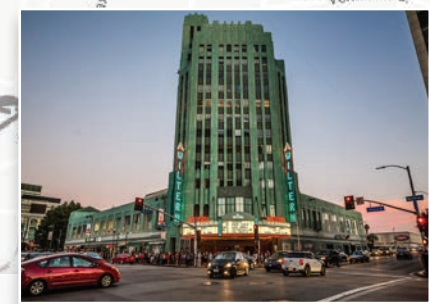
SILVER LAKE



WESTLAKE

Los Angeles

DOWNTOWN LA



KOREATOWN

Long celebrated for its art deco architectural heritage and immigrant community, today Koreatown has emerged as one of Los Angeles' most fashionable areas. As the densest part of Los Angeles, new residents flock to this neighborhood just west of Downtown to enjoy walkable amenities, fabulous restaurants, and recently opened boutique hotels like the Line and Normandie. The Metro Purple Line traversing Wilshire Boulevard in the heart of Koreatown will further attract new residents. Thanks to Korean and Latino immigrants, the area is dotted with highly rated ethnic eateries.

The Downtown submarket of Los Angeles includes its central business district, which contains the nation's third largest employment pool. Additionally, this submarket features many major sports facilities, sightseeing opportunities, skyscrapers, and large multinational corporations. Downtown is also the hub of the city's freeway network and Metro rapid-transit system. LA Live is one of downtown's most innovative developments featuring sports and music venues, nightclubs, restaurants, a bowling alley, a museum, and movie theaters.

Gratts  
Elementary School

6 th St/  
Witmer St

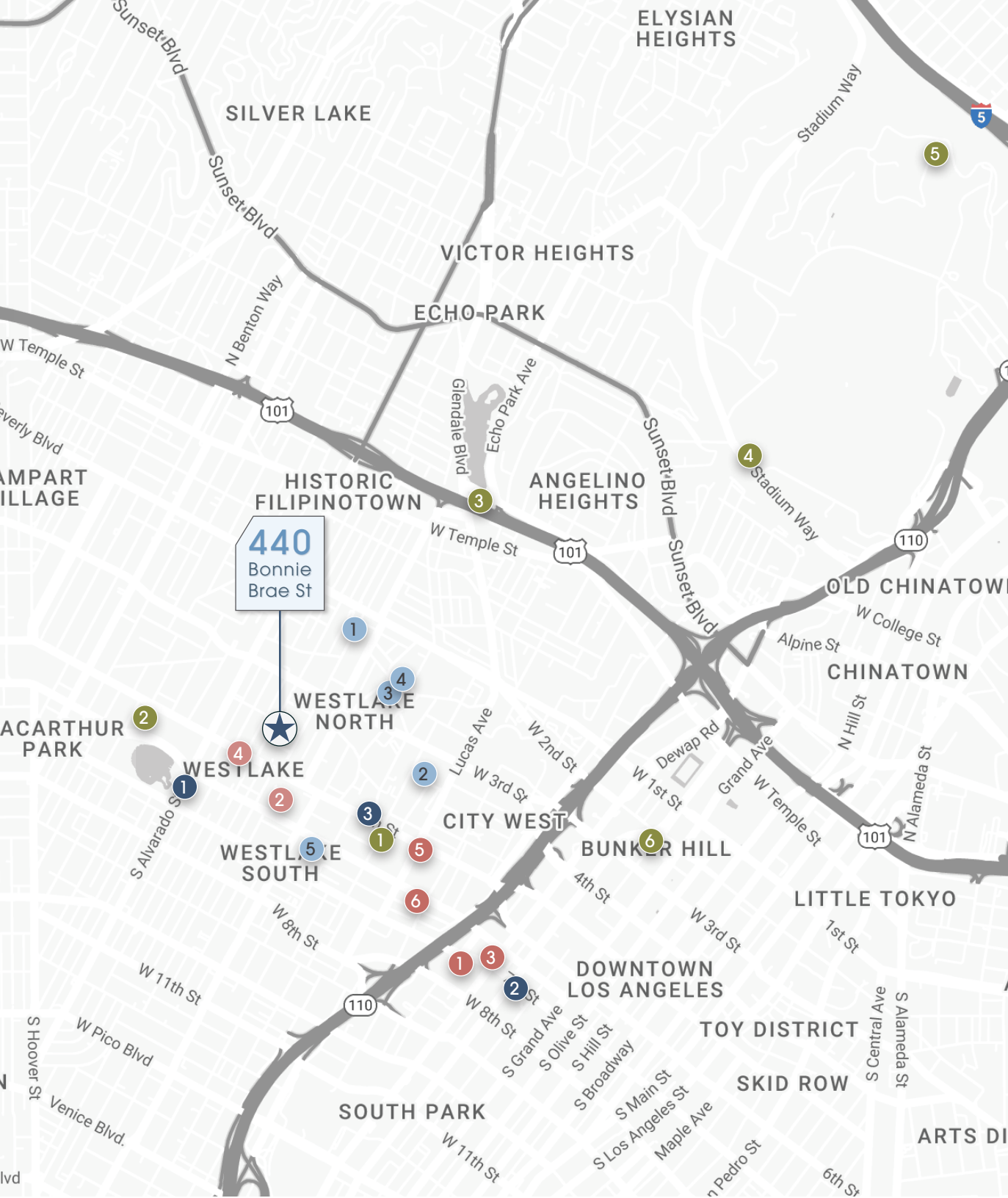


John Liechty  
Middle School





# Nearby Retail & Amenities



## TRANSPORTATION

- 1 Westlake/ MacArthur Park Subway Station
- 2 7 th St/ Metro Center Light Rail Station
- 3 6 th St/ Witmer St

## SCHOOLS

- 1 Union Avenue Elementary School
- 2 Gratts Elementary School
- 3 Belmont High School
- 4 Harris Newmark High School
- 5 John Liechty Middle School

## RETAIL

- 1 Figat7th
- 2 The Home Depot
- 3 Chick-fil-A
- 4 Jack in the Box
- 5 Chipotle
- 6 Starbucks

## MISCELLANEOUS

- 1 Good Samaritan Hospital
- 2 MacArthur Park
- 3 Echo Park
- 4 Dodger Stadium
- 5 Elysian Park
- 6 The Broad

Union Avenue  
Elementary School



Belmont  
High School

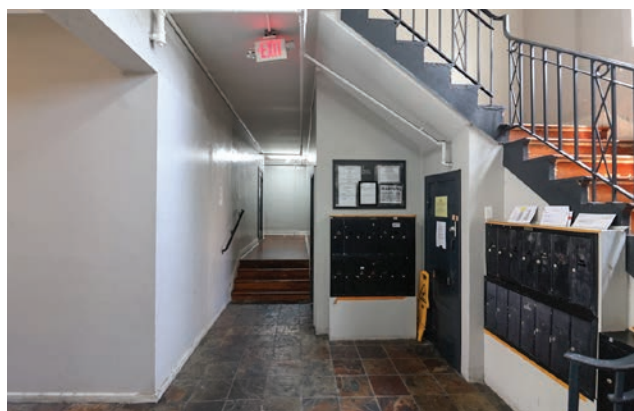


Gratts  
Elementary School



6 th St/ Witmer St





# Rent Roll

	UNIT NO.	UNIT TYPE	ACUAL RENTS	PRO FORMA RENTS	MOVE-IN DATES
1	101	1+1	\$ 1,326	\$ 1,600	1/1/1980
2	102	Single	\$ 931	\$ 1,400	1/1/1980
3	103	1+1	\$ 1,519	\$ 1,600	4/1/2008
4	104	Single	\$ 1,114	\$ 1,400	6/13/2017
5	105	Single	\$ 1,021	\$ 1,400	1/1/1980
6	106	Single	\$ 1,011	\$ 1,400	1/1/1980
7	107	1+1	\$ 1,194	\$ 1,600	1/1/1980
8	108	Single	\$ 1,275	\$ 1,400	9/19/2018
9	109	1+1	\$ 1,421	\$ 1,600	1/1/1980
10	110	Single	\$ 1,000	\$ 1,400	7/1/2015
11	111	Single	\$ 966	\$ 1,400	3/1/2015
12	112	Single	\$ 995	\$ 1,400	1/1/1980
13	200	Single	\$ 736	\$ 1,400	10/1/1995
14	201	1+1	\$ 922	\$ 1,600	9/1/2010
15	202	Single	\$ 936	\$ 1,400	7/1/2014
16	203	1+1	\$ 1,033	\$ 1,600	10/12/2017
17	204	Single	\$ 898	\$ 1,400	12/1/2013
18	205	Single	\$ 896	\$ 1,400	11/1/2011
19	206	Single	\$ 1,023	\$ 1,400	1/22/2016
20	207	Single	\$ 1,280	\$ 1,400	11/15/2021
21	208	Single	\$ 669	\$ 1,400	1/1/1997
22	209	1+1	\$ 1,450	\$ 1,600	6/18/2021
23	210	Single	\$ 650	\$ 1,400	10/1/1995
24	211	Single	\$ 896	\$ 1,400	2/1/2011
25	212	Single	\$ 896	\$ 1,400	1/1/1980
26	A	1+1	\$ 1,375	\$ 1,600	4/1/2022
27	B	Single	\$ 940	\$ 1,400	9/6/2007
28	C	1+1	\$ 936	\$ 1,600	3/15/2014
29	D	Single	\$ 895	\$ 1,400	1/1/1980
			<b>\$ 30,204</b>	<b>\$ 42,400</b>	
		Single	\$ 19,027	\$ 28,000	
		1+1	\$ 11,177	\$ 14,400	
		<b>Total</b>	<b>\$ 30,204</b>	<b>\$ 42,400</b>	

# Financial Analysis

ANNUALIZED OPERATING DATA	CURRENT RENTS		MARKET RENTS	
Scheduled Gross Income:	378,650		525,000	
Less Vacancy Rate Reserve:	(11,359)	3.0%	(26,250)	5.0%
Gross Operating Income:	367,290		498,750	
Less Expenses:	(180,090)	47.6%	(185,348)	35.3%
<b>Net Operating Income:</b>	<b>187,201</b>		<b>313,402</b>	
Reserves:	(5,800)		(5,800)	
Less Debt Service:	(150,234)		(150,234)	
<b>Pre-Tax Cash Flow:</b>	<b>31,166</b>	<b>1.3%*</b>	<b>157,368</b>	<b>6.6%*</b>
Plus Principal Reduction:	37,703		37,703	
<b>Total Return Before Taxes:</b>	<b>68,869</b>	<b>2.9%*</b>	<b>195,070</b>	<b>8.1%*</b>

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS		MARKET RENTS	
Taxes Rate 1.18%:	\$ 56,640		\$ 56,640	
Insurance:	\$ 17,524		\$ 17,524	
Utilities:	\$ 41,740		\$ 41,740	
Waste Removal:	\$ 10,168		\$ 10,168	
Repairs & Maintenance:	\$ 14,500		\$ 14,500	
Management 4%:	\$ 14,692		\$ 19,950	
On-Site Manager:	\$ 16,800		\$ 16,800	
Landscaping:	\$ 3,000		\$ 3,000	
Pest Control:	\$ 900		\$ 900	
License and Fees:	\$ 1,450		\$ 1,450	
Direct Assessment:	\$ 2,676		\$ 2,676	
<b>Total Expenses:</b>	<b>\$ 180,090</b>		<b>\$ 185,348</b>	
Per Net Sq. Ft.:	\$9.31		\$9.58	
Per Unit:	\$6,210		\$6,391	

NO. OF UNITS	UNIT TYPE	UNIT SF	CURRENT RENTS		SCHEDULED RENTS	
			AVG MONTHLY RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
20	Single	448	\$ 951	\$ 19,027	\$ 1,400	\$ 28,000
9	1+1	676	\$ 1,242	\$ 11,177	\$ 1,600	\$ 14,400
Total Scheduled Rent:				\$ 30,204	\$ 42,400	
				Parking	\$ 1,200	\$ 1,200
				Laundry	\$ 150	\$ 150
<b>Monthly Scheduled Gross Income:</b>				<b>\$ 31,554</b>	<b>\$ 43,750</b>	
<b>Annual Scheduled Gross Income:</b>				<b>\$ 378,650</b>	<b>\$ 525,000</b>	

SUMMARY	
Price:	\$ 4,800,000
Down Payment:	\$ 2,400,000
Number of Units:	29
Cost per Legal Unit:	\$165,517
Current GRM:	12.68
Market GRM:	9.14
Current CAP:	3.90%
Market CAP:	6.53%
Approx. Age:	1923
Approx. Lot Size:	15,689
Approx. Gross SF:	19,346
Cost per Net GSF:	\$248.11

NEW POTENTIAL FINANCING	
New First Loan:	\$ 2,400,000
Interest Rate:	4.75%
Amortization:	30
Monthly Payment:	\$12,519.54
DCR:	1.25

\* As a percent of the down payment

# Sales Comparables



★ 440 S BONNIE BRAE ST

SALE PRICE	\$4,800,000
BUILDING SF	19,346 SF
LOT SIZE	15,687 SF
PRICE/SF	\$248.11
PRICE/UNIT	\$165,517
DATE SOLD	
YEAR BUILT	1923
NO. OF UNITS	29
CAP RATE	3.90%



1 1350 W 4TH ST

SALE PRICE	\$4,458,750
BUILDING SF	15,954 SF
LOT SIZE	6,386 SF
PRICE/SF	\$279.48
PRICE/UNIT	\$178,350
DATE SOLD	12/1/2021
YEAR BUILT	1915
NO. OF UNITS	25
CAP RATE	4.69%



2 1136 S ALVARADO ST

SALE PRICE	\$4,290,000
BUILDING SF	16,113 SF
LOT SIZE	17,668 SF
PRICE/SF	\$266.24
PRICE/UNIT	\$178,750
DATE SOLD	4/20/2022
YEAR BUILT	1912
NO. OF UNITS	24
CAP RATE	



3 450 S BENTON WAY

SALE PRICE	\$2,995,000
BUILDING SF	8,772 SF
LOT SIZE	7,841 SF
PRICE/SF	\$341.43
PRICE/UNIT	\$166,388
DATE SOLD	4/21/2022
YEAR BUILT	1924
NO. OF UNITS	18
CAP RATE	



**4** 433 UNION DR

SALE PRICE	\$6,400,000
BUILDING SF	29,116 SF
LOT SIZE	8,107 SF
PRICE/SF	\$219.81
PRICE/UNIT	\$164,102
DATE SOLD	1/25/2022
YEAR BUILT	1928
NO. OF UNITS	74
CAP RATE	5.35%



**5** 2014 W 8TH ST

SALE PRICE	\$8,757,788
BUILDING SF	32,616 SF
LOT SIZE	11,117 SF
PRICE/SF	\$268.51
PRICE/UNIT	\$182,453
DATE SOLD	6/1/2022
YEAR BUILT	1924
NO. OF UNITS	48
CAP RATE	



**6** 807 S WESTLAKE AVE

SALE PRICE	\$6,442,212
BUILDING SF	24,882 SF
LOT SIZE	11,117 SF
PRICE/SF	\$258.91
PRICE/UNIT	\$165,184
DATE SOLD	6/1/2022
YEAR BUILT	1923
NO. OF UNITS	39
CAP RATE	



**7** 1216 W COURT ST

SALE PRICE	\$3,550,000
BUILDING SF	10,480 SF
LOT SIZE	7,292 SF
PRICE/SF	\$338.74
PRICE/UNIT	\$177,500
DATE SOLD	3/1/2022
YEAR BUILT	1927
NO. OF UNITS	20
CAP RATE	4.80%

# Sales Comparables Map



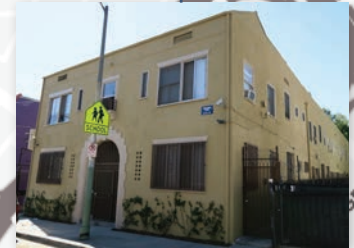
433 UNION DR



450 S BENTON WAY



1350 W 4TH ST



1216 W COURT ST



1136 S ALVARADO ST



2014 W 8TH ST



807 S WESTLAKE AVE



# Rent Comparables

440  
Bonnie  
Brae St

## STUDIO COMPARABLES

	ADDRESS	UNIT TYPE	SF	RENT	RENT PER SF
1	280 Witmer St, Los Angeles, CA 90026	Single	533	\$ 1,495	\$ 2.80
2	822 S Park View St, Los Angeles, CA 90057	Single	500	\$ 1,326	\$ 2.65
3	744 Beacon Ave, Los Angeles, CA 90017	Single	500	\$ 1,495	\$ 2.99
4	1911 W 2nd St, Los Angeles, CA 90057	Single	500	\$ 1,375	\$ 2.75
5	718 S Alvarado St, Los Angeles, CA 90057	Single	400	\$ 1,425	\$ 3.56



## ONE BEDROOM COMPARABLES

	ADDRESS	UNIT TYPE	SF	RENT	RENT PER SF
1	1911 W 2nd St, Los Angeles, CA 90057	1+1	750	\$ 1,550	\$ 2.07
2	1630 W 3rd St, Los Angeles, CA 90017	1+1	700	\$ 1,600	\$ 2.29
3	400 S Westmoreland Ave, Los Angeles, CA 90020	1+1	600	\$ 1,600	\$ 2.67
4	970 Elden Ave, Los Angeles, CA 90006	1+1	650	\$ 1,625	\$ 2.50
5	916 S Carondelet St, Los Angeles, CA 90006	1+1	750	\$ 1,695	\$ 2.26



# 440 Bonnie Brae St

EXCLUSIVELY LISTED BY

**NEEMA AHADIAN**

Senior Managing Director of Investments

CA BRE License #01346750

310.909.5444 Tel

Neema@marcusmillichap.com

**LEO LATERZA**

Senior Associate of Investments

CA BRE License #01861324

310.909.2372 Tel

Leo.Laterza@marcusmillichap.com

**Marcus & Millichap**  
THE NEEMA GROUP