

# 8434 WILLIS AVE

PANORAMA CITY, CA 91402



Marcus & Millichap  
THE NEEMA GROUP

The subject property being sold by way of Receivership. The sale will be subject to a court confirmation overbid hearing. Please contact the agents for additional details.

OFFERING MEMORANDUM

A 72-Unit Value Add Investment Opportunity in Panorama City just Two Blocks from the Panorama Mall  
All One-Bedrooms | 72 Parking Space | Sizeable Lot Totaling 65,410 SF

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**Marcus & Millichap**  
**THE NEEMA GROUP**



# PROPERTY SUMMARY

## PROPERTY INFORMATION

**ADDRESS:** 8434 Willis Ave  
Panorama City, CA 91402

**NUMBER OF UNITS:** 72

**APPROX. GROSS SF:** 46,127 SF

**APPROX. LOT SIZE:** 65,410 SF

**YEAR BUILT:** 1974

**PARCEL NUMBER:** 2653-019-038

**PROPERTY TYPE:** Multi-Family

**UNIT MIX:** 72 1+1

**ZONING:** R3-1

## PRICING INFORMATION

**SALE PRICE:** \$10,500,000

**CURRENT CAP RATE:** 5.21%

**CURRENT GRM:** 10.49

**MARKET CAP RATE:** 8.62%

**MARKET GRM:** 7.53



SUBJECT PROPERTY

# EXECUTIVE SUMMARY

The Neema Group of Marcus and Millichap is proud to present 8434 Willis St, a 72-unit apartment investment opportunity located in Panorama City on a 65,410 SF lot. Located two blocks from the Panorama Mall, this is a value add opportunity with over 39% rental upside achievable as units turn. The building is separately metered for gas and electric. Additionally, a community laundry room and 72 parking spaces are available to tenants. All of the units have a private balcony.

Nestled in the heart of the San Fernando Valley, Panorama City 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 Panorama City 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 118 (Ronald Regan Freeway), 170 (Hollywood 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.

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**Property &  
Location Highlights**



**1+1 Bedrooms: 72**

**SF 46,127 SF**

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# INVESTMENT HIGHLIGHTS

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The Neema Group of Marcus and Millichap is proud to present 8434 Willis St, a 72-unit apartment investment opportunity located in Panorama City on a 65,410 SF lot

∞∞

Located between Roscoe Blvd and Nordhoff St, this is a value add opportunity with over 39% rental upside achievable as units turn

∞∞

The property has 72 parking spaces and community laundry

∞∞

Separately metered for gas and electric and all units have balconies

∞∞

Nestled in the heart of the San Fernando Valley, Panorama City is densely populated and has a diverse community full of economic opportunity and growth

∞∞

Ideal rental market that continues to grow, illustrated Cutting through the middle of the neighborhood is the 405 freeway (San Diego Freeway), but the community is also near the 118 (Ronald Regan Freeway), 170 (Hollywood 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.





SUBJECT PROPERTY

Willis Ave

CHASE ST

# RENT ROLL

UNIT NO.	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS	MOVE IN DATES	
1	101	1+1	\$1,135	\$1,600	1/1/16
2	102	1+1	\$1,135	\$1,600	1/1/16
3	103	1+1	\$964	\$1,600	1/1/16
4	104	1+1	\$911	\$1,600	11/4/07
5	105	1+1	\$961	\$1,600	2/14/10
6	106	1+1	\$960	\$1,600	1/1/16
7	107	1+1	\$1,650	\$1,600	Manager
8	108	1+1	\$1,500	\$1,600	8/1/21
9	111	1+1	\$624	\$1,600	1/1/16
10	112	1+1	\$1,500	\$1,600	4/1/20
11	113	1+1	\$1,441	\$1,600	1/1/16
12	114	1+1	\$1,024	\$1,600	1/1/16
13	115	1+1	\$1,125	\$1,600	1/1/17
14	116	1+1	\$963	\$1,600	1/1/16
15	117	1+1	\$1,026	\$1,600	1/1/16
16	118	1+1	\$895	\$1,600	1/1/11
17	119	1+1	\$932	\$1,600	6/16/11
18	120	1+1	\$953	\$1,600	5/6/06
19	121	1+1	\$1,024	\$1,600	1/1/16
20	122	1+1	\$963	\$1,600	1/1/16
21	123	1+1	\$1,026	\$1,600	1/1/16
22	124	1+1	\$1,178	\$1,600	4/1/17
23	125	1+1	\$1,024	\$1,600	2/19/07
24	126	1+1	\$843	\$1,600	11/5/99
25	127	1+1	\$1,700	\$1,600	7/1/23
26	128	1+1	\$1,500	\$1,600	7/1/2021
27	129	1+1	\$1,024	\$1,600	1/1/2016
28	130	1+1	\$1,600	\$1,600	Vacant
29	131	1+1	\$1,650	\$1,600	9/1/2021
30	133	1+1	\$1,103	\$1,600	1/1/2016
31	134	1+1	\$961	\$1,600	1/16/2011
32	135	1+1	\$777	\$1,600	1/1/2016
33	136	1+1	\$961	\$1,600	3/1/2011
34	137	1+1	\$1,285	\$1,600	9/1/2017
35	138	1+1	\$1,023	\$1,600	1/1/6/16
36	201	1+1	\$1,022	\$1,600	1/1/2016

UNIT NO.	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS	MOVE IN DATES	
37	202	1+1	\$1,350	\$1,600	6/1/2021
38	203	1+1	\$895	\$1,600	5/16/2010
39	204	1+1	\$1,248	\$1,600	1/1/2018
40	205	1+1	\$876	\$1,600	1/1/2016
41	206	1+1	\$991	\$1,600	8/1/2020
42	207	1+1	\$937	\$1,600	1/1/2016
43	208	1+1	\$960	\$1,600	3/1/2010
44	209	1+1	\$1,500	\$1,600	1/1/2020
45	210	1+1	\$1,500	\$1,600	7/12/2021
46	211	1+1	\$1,650	\$1,600	9/1/2020
47	212	1+1	\$1,400	\$1,600	6/1/2021
48	213	1+1	\$1,048	\$1,600	1/3/2006
49	214	1+1	\$964	\$1,600	1/1/2016
50	215	1+1	\$802	\$1,600	1/1/2016
51	216	1+1	\$1,500	\$1,600	10/1/19
52	217	1+1	\$1,500	\$1,600	5/1/20
53	218	1+1	\$964	\$1,600	1/1/16
54	219	1+1	\$1,700	\$1,600	2/1/20
55	220	1+1	\$995	\$1,600	1/1/16
56	221	1+1	\$895	\$1,600	8/22/10
57	222	1+1	\$799	\$1,600	4/15/96
58	223	1+1	\$1,056	\$1,600	1/1/16
59	224	1+1	\$1,178	\$1,600	3/1/17
60	225	1+1	\$963	\$1,600	1/1/16
61	226	1+1	\$1,500	\$1,600	9/1/21
62	227	1+1	\$895	\$1,600	9/21/10
63	228	1+1	\$1,124	\$1,600	7/1/17
64	229	1+1	\$1,600	\$1,600	11/23/21
65	230	1+1	\$1,500	\$1,600	7/1/21
66	231	1+1	\$966	\$1,600	1/1/16
67	232	1+1	\$1,404	\$1,600	4/1/18
68	233	1+1	\$1,500	\$1,600	12/2/19
69	234	1+1	\$778	\$1,600	1/1/98
70	235	1+1	\$1,056	\$1,600	2/1/08
71	226	1+1	\$1,103	\$1,600	4/1/16
72	237	1+1	\$1,025	\$1,600	1/1/16
			<b>\$82,485</b>	<b>\$115,200</b>	

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# FINANCIAL ANALYSIS

ANNUALIZED OPERATING DATA	CURRENT RENTS		MARKET RENTS	
<b>Scheduled Gross Income:</b>	<b>\$1,001,304</b>		<b>\$1,393,884</b>	
Less Vacancy Rate Reserve:	\$(50,065)	5.0%	(\$69,694)	5.0%
Gross Operating Income:	\$951,239		\$1,324,190	
Less Expenses:	\$(404,666)	40.4%	(\$419,584)	30.1%
<b>Net Operating Income:</b>	<b>\$546,573</b>		<b>\$904,606</b>	
Reserves:	\$(14,400)		(\$14,400)	
Less Debt Service:	\$(438,023)		(\$438,023)	
<b>Pre-Tax Cash Flow:</b>	<b>\$94,150</b>	<b>2.0%</b>	<b>\$452,183</b>	<b>9.6%</b>
Plus Principal Reduction:	\$66,860		\$66,860	
<b>Total Return Before Taxes:</b>	<b>\$161,010</b>	<b>3.4%</b>	<b>\$519,043</b>	<b>11.0%</b>

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS		MARKET RENTS	
Taxes: 1.17%	\$122,850		\$122,850	
Insurance	\$49,820		\$49,820	
Utilities:	\$92,988		\$92,988	
Waste Removal	\$20,784		\$20,784	
Repairs & Maintenance	\$36,000		\$36,000	
Management: 4%	\$38,050		\$52,968	
On-Site Manager	\$28,020		\$28,020	
Landscaping	\$3,000		\$3,000	
Pest Control	\$1,500		\$1,500	
License & Fees	\$5,904		\$5,904	
Direct Assessment	\$5,750		\$5,750	
<b>Total Expenses:</b>	<b>\$404,666</b>		<b>\$419,584</b>	
Per Net Sq. Ft.:	\$8.77		\$9.10	
Per Unit:	\$5,620.35		\$5,827.55	

NO. OF UNITS	UNIT TYPE	UNIT SF	CURRENT RENTS		SCHEDULED RENTS	
			AVG MONTHLY RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
72	1+1		\$1,146	\$82,485	\$1,600	\$115,200
Total Scheduled Rent:				\$82,485		\$115,200
			Laundry	\$957		\$957
<b>Monthly Scheduled Gross Income:</b>				<b>\$83,442</b>		<b>\$116,157</b>
<b>Annual Scheduled Gross Income:</b>				<b>\$1,001,304</b>		<b>\$1,393,884</b>

## SUMMARY

<b>Price:</b>	<b>\$10,500,000</b>
<b>Down Payment: 50%</b>	<b>\$4,725,000</b>
<b>Number of Units:</b>	<b>72</b>
Cost per Legal Unit:	\$145,833
Current GRM:	10.49
Market GRM:	7.53
Current CAP:	5.21%
Market CAP:	8.62%
Approx. Age:	1974
Approx. Lot Size:	65,410
Approx. Gross SF:	46,127
Cost per Net GSF:	\$227.63

## NEW POTENTIAL FINANCING


<b>New First Loan:</b>	<b>\$5,775,000</b>
Interest Rate:	6.50%
Amortization:	30
Monthly Payment:	\$36,501.93
DCR:	1.25

\* As a percent of the down payment

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# SALES COMPARABLES



 8434 WILLIS AVE  
PANORAMA CITY, CA 91402


SALE PRICE	\$10,500,000
BUILDING SF	46,127 SF
LOT SIZE	65,410 SF
PRICE/SF	\$228
PRICE/UNIT	\$145,833
YEAR BUILT	1974
NO. OF UNITS	72
CAP RATE	5.21%
GRM	10.49



 8407 CEDROS AVE,  
PANORAMA CITY, CA 91402

SALE PRICE	\$2,715,000
PRICE/SF	\$378
PRICE/UNIT	\$169,688
DATE SOLD	On Market
YEAR BUILT	1964
NO. OF UNITS	16
CAP RATE	3.60%
GRM	13.83



 12755 VANOWEN ST,  
N. HOLLYWOOD, CA 91605


SALE PRICE	\$4,275,000
PRICE/SF	\$285
PRICE/UNIT	\$203,571
DATE SOLD	1/1/23
YEAR BUILT	1963
NO. OF UNITS	21
CAP RATE	2.80%
GRM	19.25



 8204 LANGDON AVE,  
VAN NUYS, CA 91406

SALE PRICE	\$5,800,000
PRICE/SF	\$291
PRICE/UNIT	\$170,588
DATE SOLD	11/22/22
YEAR BUILT	1977
NO. OF UNITS	34
CAP RATE	3.76%
GRM	13.10



 14227 GILMORE ST,  
VAN NUYS, CA 91401

SALE PRICE	\$4,600,000
PRICE/SF	\$274
PRICE/UNIT	\$209,091
DATE SOLD	9/7/22
YEAR BUILT	1963
NO. OF UNITS	22
CAP RATE	3.11%
GRM	N/A



**5** 8926 ORION AVE,  
NORTH HILLS, CA 91343

<b>SALE PRICE</b>	\$5,600,000
<b>PRICE/SF</b>	\$168
<b>PRICE/UNIT</b>	\$160,000
<b>DATE SOLD</b>	8/3/22
<b>YEAR BUILT</b>	1964
<b>NO. OF UNITS</b>	35
<b>CAP RATE</b>	2.38%
<b>GRM</b>	11.63



**6** 11726 LEMAY ST,  
N. HOLLYWOOD, CA 91606

<b>SALE PRICE</b>	\$3,600,000
<b>PRICE/SF</b>	\$257
<b>PRICE/UNIT</b>	\$180,000
<b>DATE SOLD</b>	6/30/22
<b>YEAR BUILT</b>	1976
<b>NO. OF UNITS</b>	20
<b>CAP RATE</b>	4.23%
<b>GRM</b>	N/A



# SALES COMPARABLES MAP

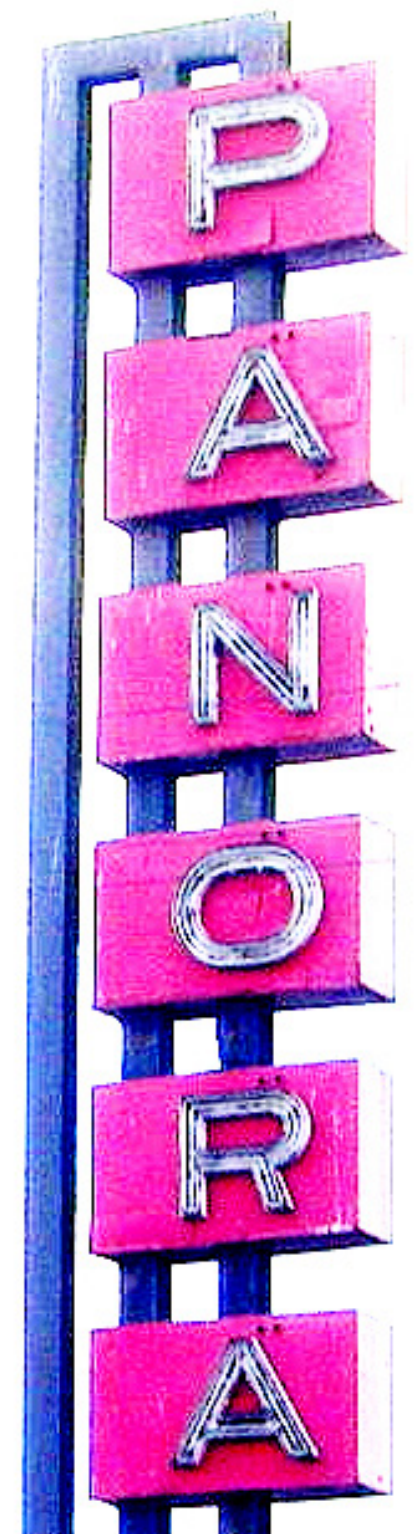


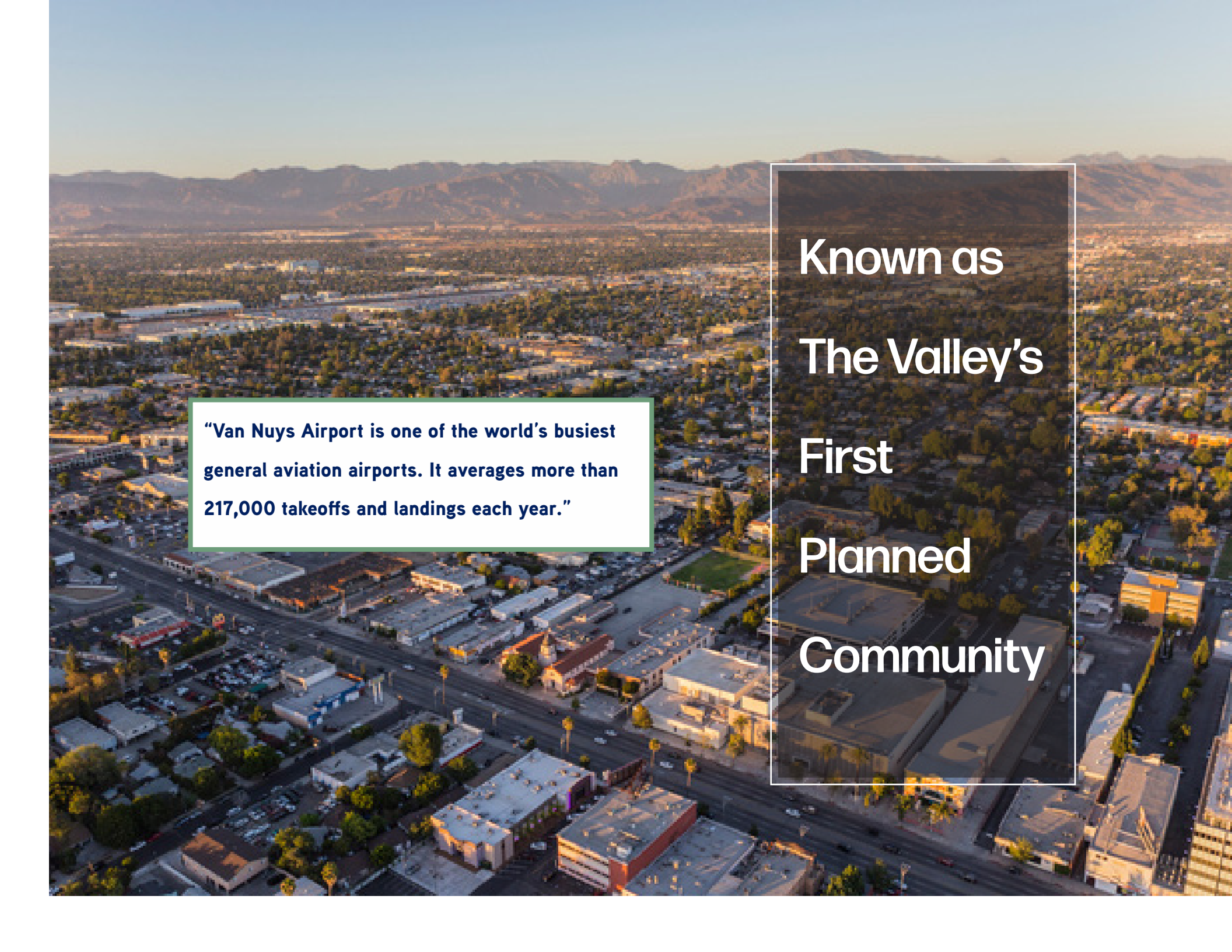


# AREA OVERVIEW

## Panorama City

Panorama City is one of the youngest communities in the San Fernando Valley and one of the best-known planned communities in Los Angeles County. In an area originally part of one of the largest dairy and sheep ranches in Southern California, Panorama City was developed in the late 1940s by developer Fritz Burns and Associates for Kaiser Homes, Inc. (owned by industrialist Henry J. Kaiser). Panorama City's master plan, by architectural firm Wurdeman and Becket, called for over 4,000 houses, setting aside thirty-one acres for commercial development and twenty-five acres for parking. The houses combined thoughtful modern designs (mostly in the Ranch and Minimal Traditional styles) with technological innovations perfected during World War II, all for under \$10,000.





**“Van Nuys Airport is one of the world’s busiest general aviation airports. It averages more than 217,000 takeoffs and landings each year.”**

**Known as  
The Valley’s  
First  
Planned  
Community**

# Nearby Retail & Amenities

## SCHOOLS

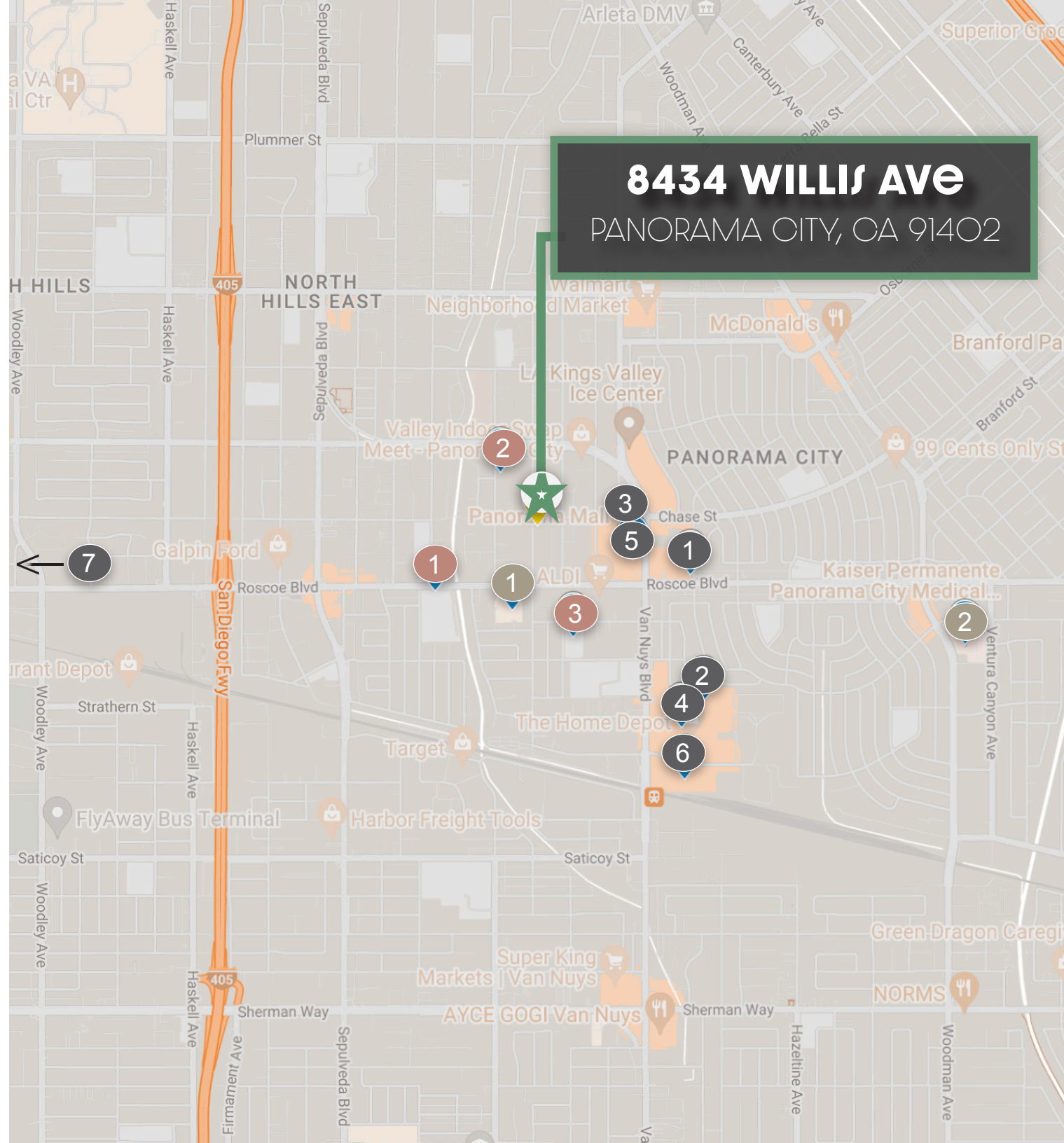
- 1 Vista Middle School
- 2 Panorama City Elementary School
- 3 Michelle Obama Elementary School

## RETAIL

- 1 Panorama City Branch Library
- 2 Regency Theaters
- 3 Panorama Mall
- 4 Plant Shopping Center
- 5 Walmart
- 6 Living Spaces
- 7 Home Depot

## MISCELLANEOUS

- 1 Mission Community Hospital
- 2 Kaiser Permanente Panorama City



**8434 WILLIS AVE**

PANORAMA CITY, CA 91402



Northridge is a neighborhood in the San Fernando Valley region of the City of Los Angeles. The community is home to California State University, Northridge, and the Northridge Fashion Center. Originally named Zelzah by settlers in 1908, the community was renamed North Los Angeles in 1929 but the appellation sometimes caused confusion between North Hollywood and Los Angeles. In 1938, civic leader Carl S. Dentzel decided to rename the community to Northridge Village, which morphed into modern-day Northridge

### NORTHRIDGE



Sun Valley is a neighborhood in Los Angeles, California in the San Fernando Valley region. The neighborhood is known for its overall youthful population and moderate racial diversity. There are three recreation centers in Sun Valley, one of which is a historic site.

### SUN VALLEY



8434 WILLIS AVE  
APARTMENTS

### Panorama City



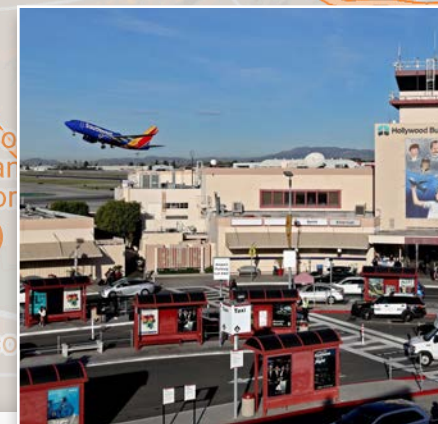
### VAN NUYS

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.

Located in the heart of the San Fernando Valley, Van Nuys Airport (VNY) ranks as one of the world's busiest general aviation airports. Dedicated to noncommercial air travel, VNY averages over 300,000 takeoffs and landings annually. VNY has two parallel runways

### BURBANK

Burbank is a city in the southeastern end of the San Fernando Valley in Los Angeles County, California, United States. Located 12 miles northwest of downtown Los Angeles, Burbank has a population of 107,337. The city was named after David Burbank, who established a sheep ranch there in 1867



# 8434 WILLIS AVE

PANORAMA CITY, CA 91402



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