

2795 W 8TH ST

LOS ANGELES, CA 90005



OFFERING MEMORANDUM

Marcus & Millichap
THE NEEMA GROUP

36 Units in Westlake | 8 Bachelors, 20 Singles, and 8 One-Bedrooms
Prime Koreatown Location between S Hoover St & S Westmoreland Ave



PROPERTY SUMMARY

PROPERTY INFORMATION

ADDRESS:	2795 W 8th St Los Angeles, CA 90005
NUMBER OF UNITS:	36
APPROX. GROSS SF:	20,200 SF
APPROX. LOT SIZE:	6,271 SF
YEAR BUILT:	1925
PARCEL NUMBER:	5077-020-013
PROPERTY TYPE:	Multi-Family
UNIT MIX:	8 Bachelor 20 Singles 8 1+1
ZONING:	(T)(Q)C2-1

PRICING INFORMATION

SALE PRICE:	\$3,799,000
COST PER BLDG SF:	\$188
PRICE PER UNIT:	\$105,528
CURRENT CAP RATE:	6.44%
CURRENT GRM:	7.29
MARKET CAP RATE:	8.72%
MARKET GRM:	6.16

INVESTMENT HIGHLIGHTS

*The property is currently in receivership, please contact the Agent for more details.

∞∞

The Neema Group of Marcus & Millichap is pleased to present 2795 W 8th St, an apartment investment opportunity in the Koreatown neighborhood of Los Angeles located between W 7rd St & Francis Ave, walking distance to MacArthur Park

∞∞

Value add opportunity with over 18% rental upside; the property features community laundry and security cameras throughout

∞∞

Central location that is beneficial for residents that commute throughout the city with close proximity to Downtown Los Angeles, Koreatown, Echo Park, and Silver Lake, walking distance to retail along S Alvarado St as well as the St. Vincent Medical Center

∞∞

The property features a unit mix made up of 8 bachelors and 20 singles and 8 one-bedrooms

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High Walk Score of 92, residents benefit from multiple metro bus line stops along 6th Ave and just one mile from the metro rail line

∞∞

Ideal rental market that continues to grow, illustrated through the plentiful new developments currently under construction in the area



EXECUTIVE SUMMARY

The Neema Group of Marcus and Millichap is proud to present 2795 West 8th, a 36-unit investment opportunity located in the highly sought-after Koreatown neighborhood of Los Angeles. Located on 8th St, between W 7th St and Francis Ave and is walking distance to MacArthur Park. This is a value add opportunity with over 18% rental upside achievable as units turn.

High Walk Score of 92, 2795 West 8th is located one block from the Metro Red / Purple line making it a walkers paradise with many nearby markets, shops, schools and restaurants. Central location that is beneficial for residents that commute throughout the city with close proximity to Downtown Los Angeles, Koreatown, Echo Park, and Silver Lake. Located in an ideal rental market that continues to grow, illustrated through the plentiful new developments currently under construction in the area.

Property & Location Highlights



**92 Walk
Score**



Bachelor: 8

Singles: 20

1 Bedrooms: 8



20,200 SF

*The property is currently in receivership, please contact the Agent for more details.

*Buyer to conduct own due diligence and verify all information presented in this marketing package. Marcus & Millichap and the Seller have not made any investigation and makes no warranty or representation with respect to the financials and/or property conditions. 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.

RENT ROLL

UNIT NO.	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS	MOVE-IN DATE	
1	101	1+1	\$1,650	\$1,585	1/15/21
2	103	Single	\$879	\$1,400	6/1/02
3	104	1+1	\$1,554	\$1,585	2/1/20
4	105	Single	\$924	\$1,400	10/1/19
5	106	Single	\$945	\$1,400	9/1/98
6	107	Bachelor	\$1,250	\$1,275	10/1/21
7	108	Single	\$955	\$1,400	6/1/02
8	109	Bachelor	\$1,300	\$1,275	3/1/22
9	201	1+1	\$1,600	\$1,585	8/1/22
10	202	Single	\$967	\$1,400	6/1/02
11	203	Single	\$1,400	\$1,400	6/1/23
12	204	1+1	\$1,250	\$1,585	11/29/11
13	205	Single	\$919	\$1,400	6/1/02
14	206	Single	\$915	\$1,400	11/1/98
15	207	Bachelor	\$812	\$1,275	10/1/19
16	208	Single	\$1,350	\$1,400	10/1/21
17	209	Bachelor	\$1,400	\$1,275	4/1/23
18	2797	Single	\$1,600	\$1,400	2/1/23
19	301	1+1	\$1,112	\$1,585	4/2/13

UNIT NO.	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS		
20	302	Single	\$929	\$1,400	2/6/08
21	303	Single	\$1,400	\$1,400	9/1/22
22	304	1+1	\$1,550	\$1,585	10/1/21
23	305	Single	\$932	\$1,400	8/14/2015
24	306	Single	\$1,350	\$1,400	6/1/2021
25	307	Bachelor	\$795	\$1,275	6/1/2011
26	308	Single	\$1,350	\$1,400	12/1/2021
27	309	Bachelor	\$1,100	\$1,275	
28	401	1+1	\$1,550	\$1,585	8/1/2021
29	402	Single	\$925	\$1,400	6/30/2011
30	403	Single	\$865	\$1,400	10/1/2019
31	404	1+1	\$1,233	\$1,585	12/3/2012
32	405	Single	\$1,350	\$1,400	4/1/2021
33	406	Single	\$1,400	\$1,400	2/1/2021
34	407	Bachelor	\$1,300	\$1,275	2/1/2022
35	408	Single	\$952	\$1,400	6/1/2002
36	409	Bachelor	\$1,100	\$1,275	6/1/23
			\$42,860	\$50,880	

8	Bachelor	\$9,057	\$10,200
20	Single	\$22,305	\$28,000
8	1+1	\$11,499	\$12,680
		\$42,860	\$50,880

FINANCIAL ANALYSIS

ANNUALIZED OPERATING DATA	CURRENT RENTS		MARKET RENTS	
Scheduled Gross Income:	\$520,944		\$617,181	
Less Vacancy Rate Reserve:	\$(26,047)	5.0%	(\$30,859)	5.0%
Gross Operating Income:	\$494,897		\$586,322	
Less Expenses:	\$(250,306)	48.0%	(\$254,877)	41.3%
Net Operating Income:	\$244,591		\$331,445	
Reserves:	\$(7,200)		(\$7,200)	
Less Debt Service:	\$(162,626)		(\$162,626)	
Pre-Tax Cash Flow:	\$74,765	4.4%	\$161,619	9.5%
Plus Principal Reduction:	\$23,135		\$23,135	
Total Return Before Taxes:	\$97,900	5.7%	\$184,754	10.8%

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS		MARKET RENTS	
Taxes Rate: 1.20%	\$45,588		\$45,588	
Insurance	\$41,958		\$41,958	
Utilities	\$69,464		\$69,464	
Waste Removal	\$9,756		\$9,756	
Repairs & Maintenance	\$18,000		\$18,000	
Management: 5%	\$24,745		\$29,316	
On-Site Manager	\$29,220		\$29,220	
On-Site Manager	\$2,400		\$2,400	
Landscaping/Cleaning	\$810		\$810	
Pest Control	\$2,880		\$2,880	
License and Fees	\$2,952		\$2,952	
Direct Assessment	\$2,533		\$2,533	
Total Expenses:	\$250,306		\$254,877	
Per Net Sq. Ft.:	\$12.39		\$12.62	
Per Unit:	\$6,953		\$7,080	

NO. OF UNITS	UNIT TYPE	CURRENT RENTS		SCHEDULED RENTS	
		AVG MONTHLY RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
8	Bachelor	\$1,132	\$9,057	\$1,275	\$10,200
20	Single	\$1,115	\$22,305	\$1,400	\$28,000
8	1+1	\$1,437	\$11,499	\$1,585	\$12,680
Total Scheduled Rent:			\$42,860		\$50,880
Laundry			\$552		\$552
Monthly Scheduled Gross Income:			\$43,412		\$51,432
Annual Scheduled Gross Income:			\$520,944		\$617,181


SUMMARY	
Price:	\$3,799,000
Down Payment: 45%	\$1,709,550
Number of Units:	36
Cost per Legal Unit:	\$105,528
Current GRM:	7.29
Market GRM:	6.16
Current CAP:	6.44%
Market CAP:	8.72%
Approx. Age:	1925
Approx. Lot Size:	6,271
Approx. Gross SF:	20,200
Cost per Net GSF:	\$188.07

NEW POTENTIAL FINANCING	
New First Loan:	\$2,089,450
Interest Rate:	6.75%
Amortization:	30
Monthly Payment:	\$13,552.13
DCR:	1.50

* As a percent of the down payment

SALES COMPARABLES



 2795 W 8TH ST
LOS ANGELES, CA 90005

SALE PRICE	\$3,799,000
BUILDING SF	20,200 SF
LOT SIZE	6,271 SF
PRICE/SF	\$188
YEAR BUILT	1925
NO. OF UNITS	36
CAP RATE	6.44%



1 1216 W COURT STREET
LOS ANGELES, CA 90026

SALE PRICE	\$3,550,000
BUILDING SF	10,480
LOT SIZE	7,292
PRICE/SF	\$339
DATE SOLD	3/1/22
YEAR BUILT	1927
NO. OF UNITS	20
CAP RATE	4.80%



2 160 S GRAMERCY PL
LOS ANGELES, CA 90004

SALE PRICE	\$11,850,000
BUILDING SF	40,859
LOT SIZE	8,468
PRICE/SF	\$290
DATE SOLD	3/4/22
YEAR BUILT	1930
NO. OF UNITS	61
CAP RATE	N/A



3 511 S SERRANO AVE
LOS ANGELES, CA 90020

SALE PRICE	\$12,600,000
BUILDING SF	42,528
LOT SIZE	9,008
PRICE/SF	\$296
DATE SOLD	3/4/22
YEAR BUILT	1930
NO. OF UNITS	59
CAP RATE	N/A



4 450 S BENTON WAY
LOS ANGELES, CA 90057

SALE PRICE	\$2,995,000
BUILDING SF	8,772
LOT SIZE	7,841
PRICE/SF	\$341
DATE SOLD	4/21/22
YEAR BUILT	1924
NO. OF UNITS	18
CAP RATE	N/A



5 447 S RAMPART BLVD
LOS ANGELES, CA 90057

SALE PRICE	\$7,130,000
BUILDING SF	23,072
LOT SIZE	8,276
PRICE/SF	\$309
DATE SOLD	4/21/22
YEAR BUILT	1924
NO. OF UNITS	49
CAP RATE	4.50%



6 916 S LAKE ST
LOS ANGELES, CA 90006

SALE PRICE	\$3,300,000
BUILDING SF	10,712
LOT SIZE	7,275
PRICE/SF	\$308
DATE SOLD	5/27/22
YEAR BUILT	1923
NO. OF UNITS	24
CAP RATE	4.55%



7 144 N NEW HAMPSHIRE AVE
LOS ANGELES, CA 90004

SALE PRICE	\$3,650,000
BUILDING SF	9,102
LOT SIZE	7,244
PRICE/SF	\$401
DATE SOLD	7/7/22
YEAR BUILT	1924
NO. OF UNITS	4920
CAP RATE	4.11%



8 1136 S ALVARADO ST
LOS ANGELES, CA 90006

SALE PRICE	\$4,275,000
BUILDING SF	16,113
LOT SIZE	8,281
PRICE/SF	\$265
DATE SOLD	2/2/23
YEAR BUILT	1912
NO. OF UNITS	24
CAP RATE	N/A

SALES COMPARABLES MAP



2



4



2795 W 8TH ST

1



3



5



6



8



7



RENT COMPARABLES MAP



2795 W 8TH ST



RENT COMPARABLES

STUDIO COMPARABLES

	ADDRESS	UNIT TYPE	SF	RENT	RENT PER SF
1	669 S Union Ave, Los Angeles, CA 90017	Single	450	\$1,575	\$3.50
2	2121 James M Wood Blvd, Los Angeles, CA 90006	Single	450	\$1,750	\$3.89
3	936 S Westmoreland Ave, Los Angeles, CA 90006	Single	525	\$1,700	\$3.24
4	1029 S Union Ave, Los Angeles, CA 90015	Single	387	\$1,445	\$3.73
5	2810 Leeward Ave, Los Angeles, CA 90005	Single	400	\$1,525	\$3.81
6	420 S Westlake Ave, Los Angeles, CA 90057	Single	236	\$1,445	\$6.12



ONE BEDROOM COMPARABLES

	ADDRESS	UNIT TYPE	SF	RENT	RENT PER SF
7	826 S Grand View St, Los Angeles, CA 90057	1+1	700	\$1,750	\$2.50
8	433 S Lake St, Los Angeles, CA 90057	1+1	600	\$1,725	\$2.88
9	2859 Leeward Ave, Los Angeles, CA 90005	1+1	680	\$1,950	\$2.87
10	947 Magnolia Ave, Los Angeles, CA 90006	1+1	600	\$1,750	\$2.92
11	2933 W 8th St, Los Angeles, CA 90005	1+1	700	\$1,795	\$2.56
12	233 N Park View St, Los Angeles, CA 90026	1+1	700	\$1,895	\$2.71



AREA OVERVIEW

WESTLAKE

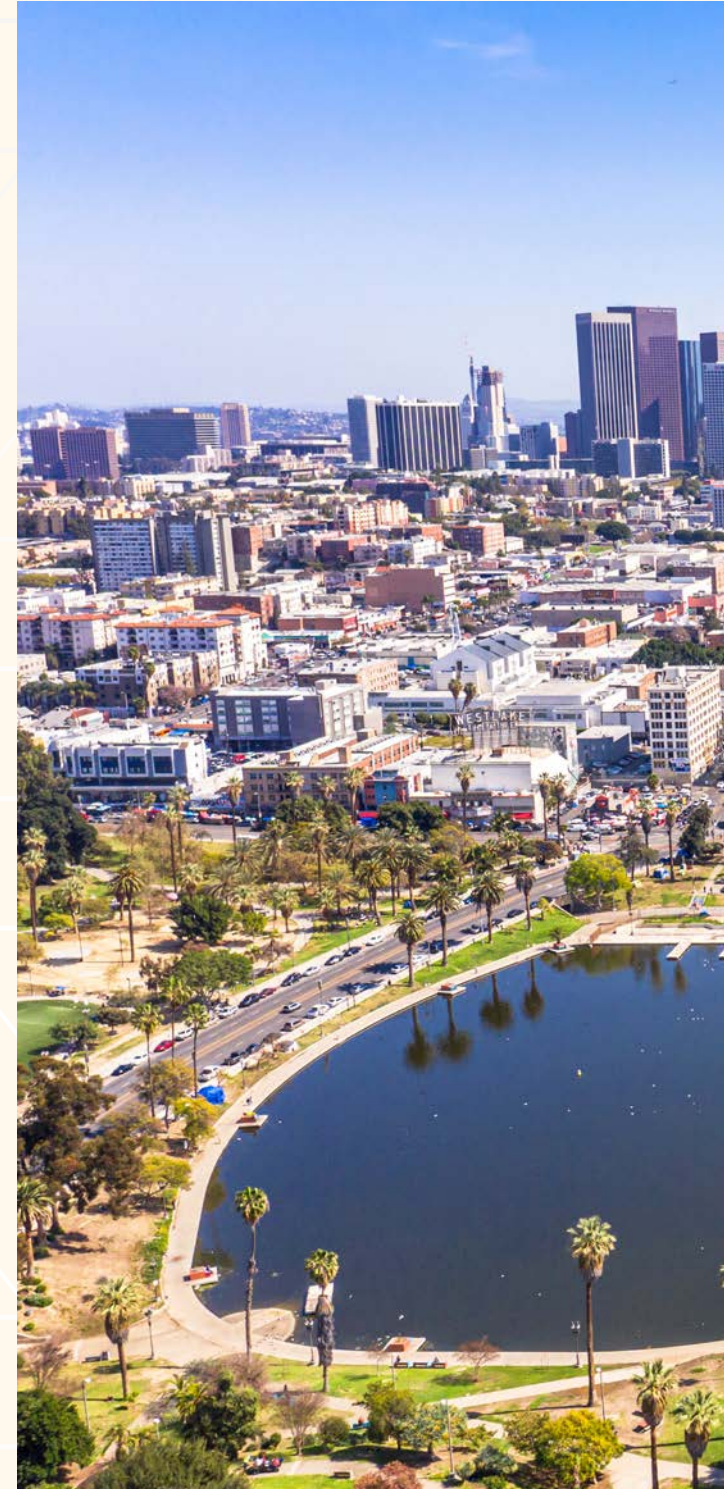
BRIDGING THE GAP BETWEEN

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 ground floor retail space, and subterranean parking for more than 800 vehicles.

93 Walk Score
WALKER'S PARADISE

83 Transit score
RIDER'S PARADISE





92

Westlake's central location near Downtown Los Angeles results in excellent walkability and accessibility for its residents. The Olympic is walking distance to the MacArthur/Westlake station, with access to the Metro Red and Purple lines



Nearby Retail & Amenities

TRANSPORTATION

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

SCHOOLS

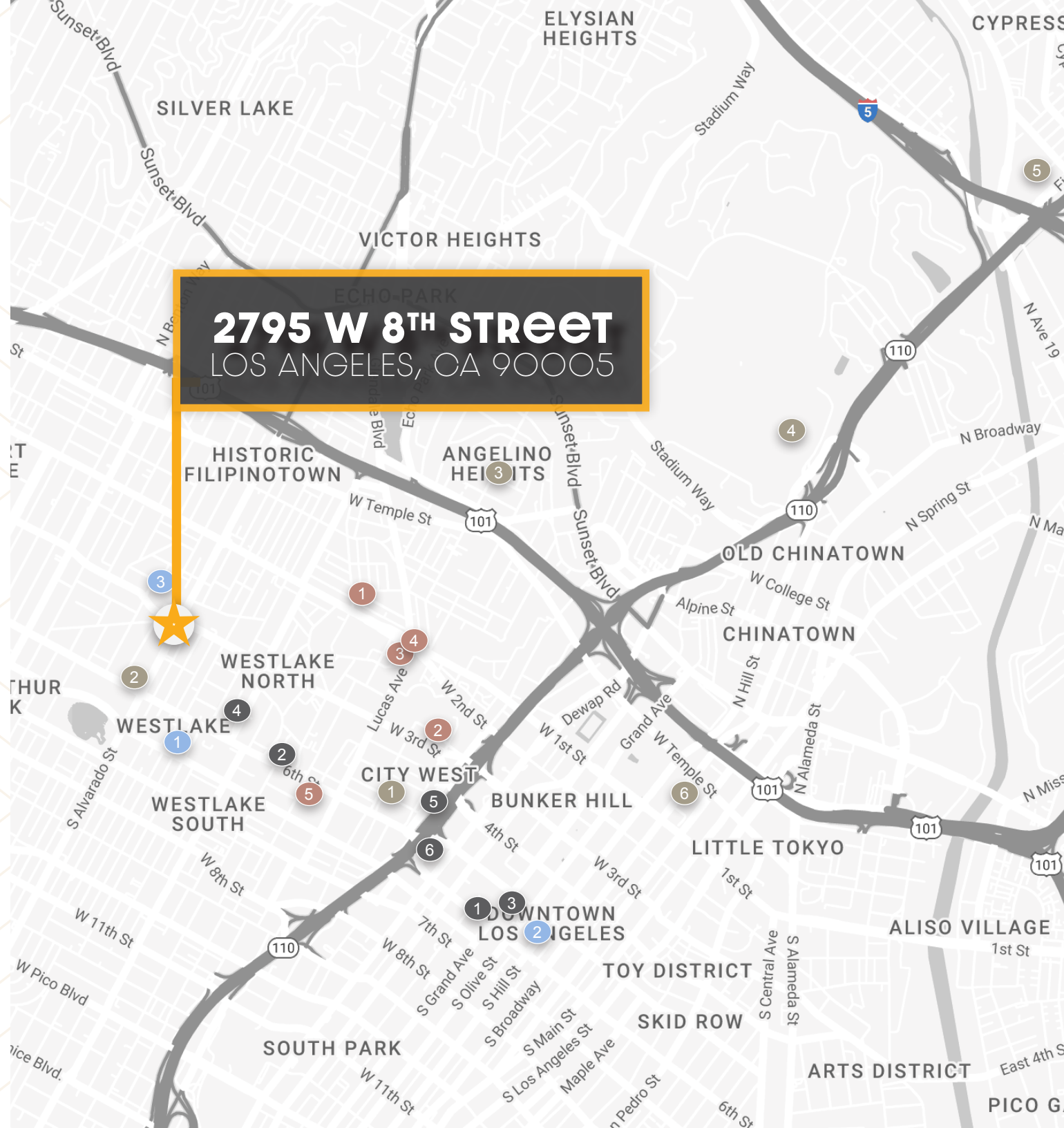
- 1 Union Avenue Elementary School
- 2 Gratts Elementary School
- 3 Belmont High School
- 4 Harris Newmark High School
- 5 John Liechty Middle School

RETAIL

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

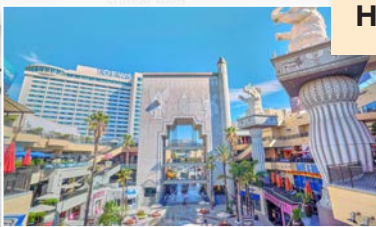
MISCELLANEOUS

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



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



2795 W 8TH ST



Westlake



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.

DTLA



2795 W 8TH ST

LOS ANGELES, CA 90057



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