

# 4223 DEGNAN BLVD

LOS ANGELES, CA 90008

**FIRST TIME ON MARKET IN OVER 50 YEARS**



OFFERING MEMORANDUM

**Marcus & Millichap**  
THE NEEMA GROUP

**8 Unit Value Add Investment Opportunity in Leimert Park**  
**Ideal Unit Mix with over 41% Rental Upside**









# PROPERTY SUMMARY

## PROPERTY INFORMATION

**ADDRESS:** 4223 Degnan Blvd  
Los Angeles, CA 90008

**NUMBER OF UNITS:** 8

**APPROX. GROSS SF:** 4,824 SF

**APPROX. LOT SIZE:** 5,501 SF

**YEAR BUILT:** 1939

**PARCEL NUMBER:** 5024-014-007

**PROPERTY TYPE:** Multi-Family

**UNIT MIX:** 2 Bachelor  
2 Singles  
4 1+1

**ZONING:** LAR1

## PRICING INFORMATION

**SALE PRICE:** \$1,300,000

**COST PER BLDG SF:** \$269

**PRICE PER UNIT:** \$162,500

**CURRENT CAP RATE:** 4.65%

**CURRENT GRM:** 13.07

**MARKET CAP RATE:** 7.35%

**MARKET GRM:** 9.26



# INVESTMENT HIGHLIGHTS

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The Neema Group of Marcus & Millichap is pleased to present an eight-unit multifamily investment opportunity at 4223 Degnan Blvd in the Leimert Park submarket, located just south of Stocker St and half a mile from the Baldwin Hills Crenshaw Mall

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Built-in 1939, the subject property features a unit mix consisting of two bachelors, two singles, and four one-bedrooms; one of the one-bedroom units will be delivered vacant at the close of escrow; there are six parking garages at the rear of the property

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Offered at a low \$162,500 per unit and \$270 PSF at the asking price, the majority of the units are leased

at below-market rents, offering an investor the opportunity to achieve market rents over time as units turn and capture over 41% rental upside

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First time the property has been available for sale since 1965; the asset's systems, exterior, and interiors have been well-maintained throughout the years; the property has a gated entrance in the front and small grass common area at the rear of the property between the building and parking garages

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4223 Degnan Blvd is extremely walkable, located just down the street from Leimert Park Plaza and an abundance of retail on Crenshaw Blvd; the property has a walk score of 92 with access to numerous Metro Local Lines as well as the Martin Luther King

Jr stop along the K Line that serves the communities of West Adams, Jefferson Park, Baldwin Hills, Leimert Park, Hyde Park, Inglewood, and Westchester

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Ideal rental submarket evidenced by the plethora of new developments in the area such as Leimert Park Village at 3450 43rd St, 4242 Crenshaw Blvd, and 5144 Crenshaw Blvd, all projects currently under construction

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Central location with an easy commute throughout Los Angeles to destinations such as LAX, Inglewood, Downtown Los Angeles, Culver City, and Mid-City

## Property & Location Highlights



**92 Walk Score**



**Bachelor: 2**

**Singles: 2**

**1 Bedrooms: 4**



**4,824 SF**

\*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	NOTES
4223 1	Bachelor	\$475	\$1,100	
4223 2	Single	\$960	\$1,350	
4223 3	Bachelor	\$541	\$1,100	
4223 4	Single	\$884	\$1,350	
4225 1	1+1	\$949	\$1,700	
4225 2	1+1	*\$1,700	\$1,700	*Vacant
4225 3	1+1	\$1,129	\$1,700	
4225 4	1+1	\$1,650	\$1,700	
		<b>\$8,288</b>	<b>\$11,700</b>	

2	Bachelor	\$1,016	\$2,200
2	Single	\$1,844	\$2,700
4	1+1	\$5,428	\$6,800
		<b>\$8,288</b>	<b>\$11,700</b>

\*Unit will be delivered vacant at the close of escrow. Rent shown is pro forma rent for a 1+1, based on rent comparables. Buyer to conduct own due diligence and determine market rent for the vacancy.



# FINANCIAL ANALYSIS

ANNUALIZED OPERATING DATA	CURRENT RENTS		MARKET RENTS	
Scheduled Gross Income:	\$99,456		\$140,400	
Less Vacancy Rate Reserve:	\$(2,984)	3.0%	\$(7,020)	5.0%
Gross Operating Income:	\$96,472		\$133,380	
Less Expenses:	\$(36,018)	36.2%	\$(37,864)	27.0%
Net Operating Income:	\$60,454		\$95,517	
Reserves:	\$(1,600)		\$(1,600)	
Less Debt Service:	\$(50,591)		\$(50,591)	
Pre-Tax Cash Flow:	\$8,264	1.3%	\$43,326	6.7%
Plus Principal Reduction:	\$7,197		\$7,197	
Total Return Before Taxes:	\$15,460	2.4%	\$50,523	7.8%

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS		MARKET RENTS	
Taxes Rate: 1.20%	\$15,600		\$15,600	
Insurance	\$3,618		\$3,618	
Utilities	\$4,103		\$4,103	
Repairs & Maintenance	\$4,000		\$4,000	
Management: 5%	\$4,824		\$6,669	
Landscaping	\$1,800		\$1,800	
Pest Control	\$660		\$660	
License and Fees	\$400		\$400	
Direct Assessment	\$1,014		\$1,014	
Total Expenses:	\$36,018		\$37,864	
Per Net Sq. Ft.:	\$7.47		\$7.85	
Per Unit:	\$4,502		\$4,733	

NO. OF UNITS	UNIT TYPE	CURRENT RENTS		SCHEDULED RENTS	
		AVG MONTHLY RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
2	Bachelor	\$508	\$1,016	\$1,100	\$2,200
2	Single	\$922	\$1,844	\$1,350	\$2,700
4	1+1	\$1,357	\$5,428	\$1,700	\$6,800
Total Scheduled Rent:			\$8,288		\$11,700
Laundry			\$552		\$552
Monthly Scheduled Gross Income:			\$8,288		\$11,700
Annual Scheduled Gross Income:			\$99,456		\$140,400

## SUMMARY

Price:	\$1,300,000
Number of Units:	8
Cost per Legal Unit:	\$162,500
Current GRM:	13.07
Market GRM:	9.26
Current CAP:	4.65%
Market CAP:	7.35%
Approx. Age:	1939
Approx. Lot Size:	5,501
Approx. Gross SF:	4,824
Cost per Net GSF:	\$269.49







SUBJECT PROPERTY

Degan Blvd





SUBJECT PROPERTY

Degenan Blvd











# SALES COMPARABLES



 **4223 DEGNAN BLVD**  
LOS ANGELES, CA 90008

SALE PRICE	\$1,300,000
BUILDING SF	4,824 SF
PRICE/UNIT	\$162,500
PRICE/SF	\$269
YEAR BUILT	1939
NO. OF UNITS	8
CAP RATE	4.65%



**1** **6215-6223 3RD AVE**  
LOS ANGELES, CA 90043

SALE PRICE	\$1,750,000
PRICE/UNIT	\$218,750
PRICE/SF	\$280
DATE SOLD	On Market
YEAR BUILT	1950
NO. OF UNITS	8
CAP RATE	4.77%



**2** **1861 MARTIN LUTHER KING BLVD**  
LOS ANGELES, CA 90062

SALE PRICE	\$2,295,000
PRICE/UNIT	\$191,250
PRICE/SF	\$310
DATE SOLD	On Market
YEAR BUILT	1954
NO. OF UNITS	12
CAP RATE	4.91%



**3** **1811 W 36TH ST**  
LOS ANGELES, CA 90018

SALE PRICE	\$1,850,000
PRICE/UNIT	\$154,167
PRICE/SF	\$265
DATE SOLD	10/13/23
YEAR BUILT	1929
NO. OF UNITS	12
CAP RATE	N/A



**4** **3335 STOCKER ST**  
LOS ANGELES, CA 90008

SALE PRICE	\$2,400,000
PRICE/UNIT	\$200,000
PRICE/SF	\$225
DATE SOLD	9/14/23
YEAR BUILT	1948
NO. OF UNITS	12
CAP RATE	4.80%





**5** 5857-5861 WEST BLVD  
LOS ANGELES, CA 90043

<b>SALE PRICE</b>	\$1,385,000
<b>PRICE/UNIT</b>	\$153,889
<b>PRICE/SF</b>	\$316
<b>DATE SOLD</b>	6/23/23
<b>YEAR BUILT</b>	1953
<b>NO. OF UNITS</b>	9
<b>CAP RATE</b>	4.02%



**6** 2035 W MARTIN LUTHER KING BLVD  
LOS ANGELES, CA 90062

<b>SALE PRICE</b>	\$1,200,000
<b>PRICE/UNIT</b>	\$150,000
<b>PRICE/SF</b>	\$318
<b>DATE SOLD</b>	5/18/23
<b>YEAR BUILT</b>	1924
<b>NO. OF UNITS</b>	8
<b>CAP RATE</b>	N/A



**7** 3421-3431 W 63RD ST  
LOS ANGELES, CA 90043

<b>SALE PRICE</b>	\$1,550,000
<b>PRICE/UNIT</b>	\$193,750
<b>PRICE/SF</b>	\$330
<b>DATE SOLD</b>	3/21/23
<b>YEAR BUILT</b>	1938
<b>NO. OF UNITS</b>	8
<b>CAP RATE</b>	N/A



**8** 3790 S BRONSON AVE  
LOS ANGELES, CA 90008

<b>SALE PRICE</b>	\$1,100,000
<b>PRICE/UNIT</b>	\$183,333
<b>PRICE/SF</b>	\$117
<b>DATE SOLD</b>	12/5/22
<b>YEAR BUILT</b>	1960
<b>NO. OF UNITS</b>	6
<b>CAP RATE</b>	N/A



# SALES COMPARABLES MAP

The map displays the following neighborhoods and landmarks:

- Neighborhoods:** Crenshaw, View Park, View Heights, Van Ness, Hyde Park, South Los Angeles, Vermont Square, Vermont Harbor.
- Landmarks and Businesses:** Rancho Cienega Recreation Center, Denny's, Albertsons, Krispy Kreme, Food4Less, University of Southern California, Natural History of Los Angeles, Exposition Park, Ross Dress for Less, Slauson Super Mall, Harvard Park.
- Streets:** Buckingham Rd, Coliseum St, Crenshaw, Degnan Blvd, Exposition Blvd, S Western Ave, S Normandie Ave, S Hoover St, W 48th St, W 54th St, W Vernon Ave, W 54th St, W Gage Ave, S La Brea Ave, Overhill Dr, Stocker St, Valley Ridge Ave, W Slauson Ave.
- Numbered Comparables:** Eight numbered circles (1-8) are placed around the subject property, each containing a photo of a comparable house. The subject property is highlighted with a yellow star and a yellow circle.







# AREA OVERVIEW

## LEIMERT PARK

Arlington Boulevard is one of Los Angeles' most heavily trafficked thoroughfares, west of the 110 Freeway and spanning north and south of the 10 Freeway. The convenience, accessibility, and visibility of the subject property's location at Arlington Blvd and Obama Blvd in Leimert Park is only one and a half miles from USC.

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 grown more diverse and became known for its hip-hop scene, poetry jam nights, and authentic Afro-Caribbean cuisine.







**75**  
BIKE SCORE

Leimert Park has been regarded as one of Los Angeles' most vibrant and historic neighborhoods.





# LEIMERT PARK VISION THEATRE







## VISION THEATER

Located at the south end of Leimert Park Village, the Vision Theatre is an Art Deco gem that first opened as the Leimert Theatre in April 1932. The movie palace was designed in the Spanish Colonial style by Morgan, Walls & Clements, the architectural firm responsible for some of L.A.'s most famous and historic venues, including The Mayan, Belasco Theatre, The Wilvern, The Fonda, and El Capitan. Operated by the City of L.A. Department of Cultural Affairs, the landmark theatre recently emerged from a multi-million-dollar renovation and continues to provide a performing arts venue for the diverse cultural talent of the Leimert Park and Baldwin Hills communities.

## LEIMERT PARK JAZZ FESTIVAL

What started as a neighborhood block party in 2015 has grown into one of LA's premier summertime music events. Executive Producer Diane Robertson realized there were plentiful jazz concerts across LA and wonderful cultural and music events in Leimert Park, but not a core eponymous jazz festival in the historic neighborhood. After three years of producing the Sutro Avenue Summer Soirée, she approached her friend Dwight Trible, the internationally renowned jazz vocalist and Executive Director of The World Stage, about curating a jazz stage at the event. He agreed, and the jazz stage was introduced in 2018 and enthusiastically received by attendees. The event was rebranded as the Leimert Park Jazz Festival in 2020.





## METRO K-LINE

The Metro Crenshaw/LAX Line extends from the existing Metro Exposition Line at Crenshaw and Exposition Boulevards. The Line travels 8.5 miles to the Metro Green Line and serves the cities of Los Angeles, Inglewood and El Segundo; and portions of unincorporated Los Angeles County. The new Metro Rail extension offers an alternative transportation option to congested roadways and provide significant environmental benefits, economic development and employment opportunities throughout Los Angeles County. Riders are able to make easy connections within the entire Metro Rail system, municipal bus lines and other regional transportation services.

The Crenshaw/LAX Transit Project serves the Crenshaw District, Inglewood, Westchester, and the surrounding area with eight stations, at:

- Expo/Crenshaw
- Martin Luther King Jr.
- Leimert Park – Subject Property located 0.1 miles from this stop
- Hyde Park
- Fairview Heights
- Downtown Inglewood
- Westchester/Veterans
- Aviation/Century

In addition to the alternative transportation option to congested roadways, the project also provides significant environmental benefits, economic development, and employment opportunities throughout Los Angeles County.





# CRENSHAW METRO LINE





# Nearby Retail & Amenities

## RESTAURANTS

1	Joan & Sisters
2	Mariscos
3	LA Taco House
4	Tracey's
5	Jacks's Family Kitchen
6	Popeyes Chicken
7	Burger King
8	Mc Donalds
9	Carl's Jr
10	Burger Factory
11	Chipotle
12	McDonalds
13	Krispy Kreme
14	Wingstop
15	Denny's
16	Worldwide Tacos
17	Cafe 5
18	Harold & Belle's
19	Harun Coffee
20	Hot and Cool Café
21	Starbucks
22	Taco Mell's
23	Ackee Bamboo Cuisine
24	Earle's Hot Dogs
25	Taco Bell

## SERVICES & ENTERTAINMENT

1	Chase Bank
2	Bank Of America
3	Wells Fargo Bank
4	Shell
5	Arco
6	Chevron
7	76 Gas
8	Exxon
9	Leimert Plaza Park
10	Vision Theater
11	The World Stage
12	The Metaphor Club

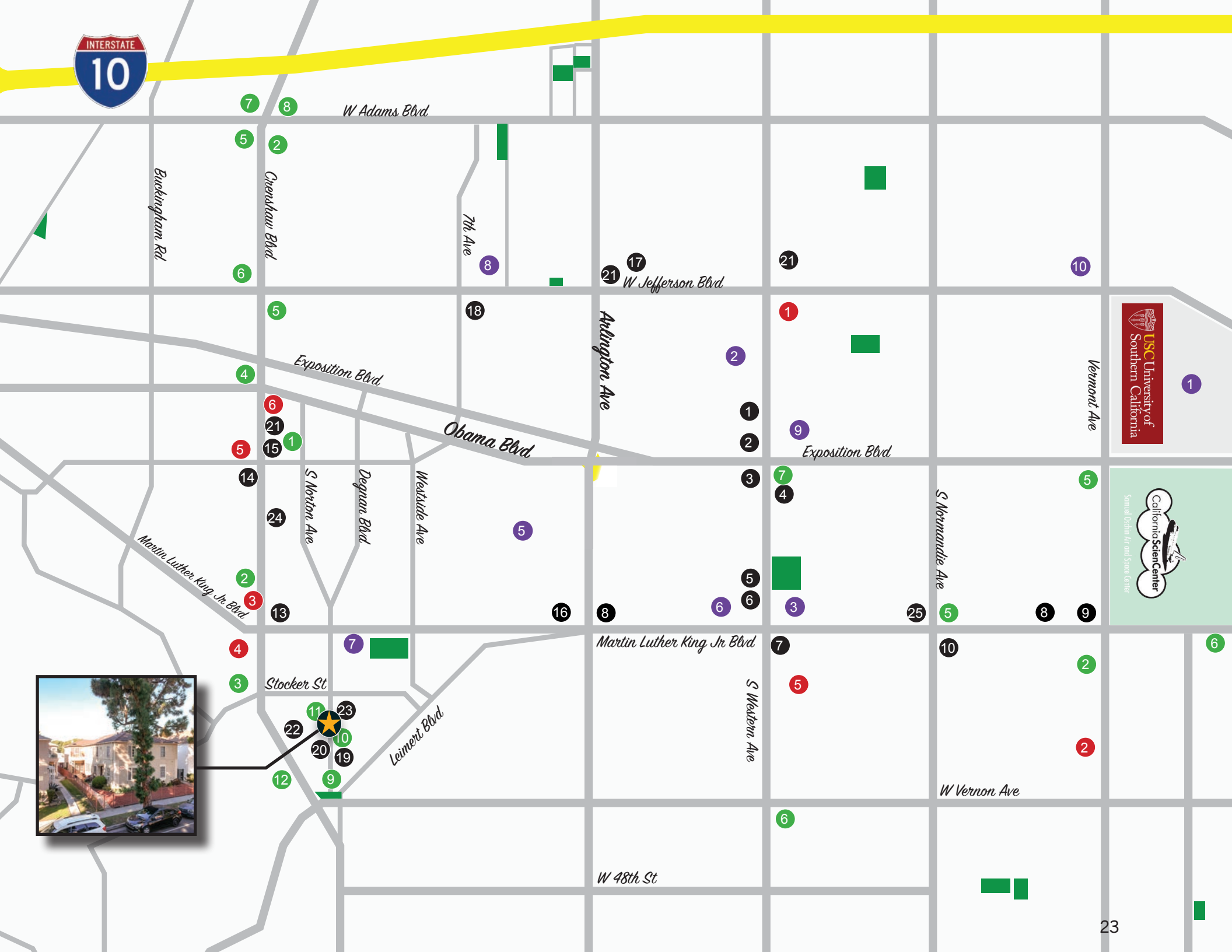
## SCHOOLS

1	USC
2	Bright Elementary
3	MLK JR Elementary
4	Tom Bradley Elementary
5	KIPPS Scholar Academy
6	Crenshaw Arts Tech Charter
7	42nd Elementary
8	Sixth Ave Elementary
9	James A Foshay High School
10	John Mack Elementary

## SHOPPING

1	Food4Less
2	Luis Meat Market
3	Albertsons
4	Baldwin Hills Shopping Center
	Foot Locker
	TJ Max
	Gameforce
	Shoe City
	Levon's Jewelry
	Malik Books
5	CVS
6	Big 5 Sporting Goods







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LOS ANGELES, CA 90008

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