

# 730 CRENSHAW BLVD

## LOS ANGELES, CA 90005



OFFERING MEMORANDUM

**16-UNIT INVESTMENT OPPORTUNITY JUST SOUTH OF WILSHIRE BLVD | 12 ONE-BEDROOMS AND FOUR TWO-BEDROOMS WITH PARKING | 5.47% CAP RATE WITH 29% RENTAL UPSIDE**

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**Marcus & Millichap**  
THE NEEMA GROUP

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# PROPERTY INFORMATION

## PROPERTY INFORMATION

ADDRESS:	730 CRENSHAW BLVD LOS ANGELES CA 90005
NUMBER OF UNITS:	16
APPROX. GROSS SF:	11,208 SF
APPROX. LOT SIZE:	12,981
YEAR BUILT:	1954
PARCEL NUMBER:	5092-001-031
PROPERTY TYPE:	MULTI-FAMILY
UNIT MIX:	Twelve 1+1's, Four 2+1's

## PROJECT INFORMATION

OFFERING PRICE:	\$3,495,000
COST PER LEGAL UNIT:	\$218,438
PRICE PER SF:	\$311.83
CURRENT CAP RATE	5.47%
CURRENT GRM	11.43
MARKET CAP RATE	7.64%
MARKET GRM	8.84

\*Buyer to conduct own due diligence and verify development information. Marcus & Millichap and the Seller have not made any investigation and makes no warranty or representation with respect to the development potential. 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.

# INVESTMENT HIGHLIGHTS

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The Neema Group of Marcus & Millichap is pleased to present 730 Crenshaw Blvd, a 16-unit multifamily investment opportunity in the Wilshire Park neighborhood of Los Angeles, located just east of S Wilton Pl between Wilshire Blvd & W 8th St

ooo

The subject property was built in 1954 and features an impressive unit mix of 12 one-bedrooms and four two-bedrooms with parking at the rear of the property with no soft-story work required

ooo

The property is fully occupied with strong in-place cash flow and additional rental upside of over 29% as units turn; at the asking price, 730 Crenshaw Blvd is being offered at \$218,438 per unit at a 5.47% CAP rate and 11.43 GRM on current income

ooo

Renovated units feature spacious layouts with new vinyl plank flooring, stainless steel appliances, custom cabinetry, and updated kitchens & bathrooms; the property has a community laundry room and is separately metered for gas and electric

ooo

Dense, infill location with an easy commute for residents throughout Koreatown and to nearby neighborhoods of Fairfax, La Brea, Hollywood, Larchmont Village, Hancock Park, and Downtown Los Angeles

ooo

Located a half-mile from the Metro D Rail Line and walking distance to multiple metro bus lines along Crenshaw Blvd and Wilshire Blvd

ooo

Opportunity to acquire a well-located asset with strong in-place cash flow and significant rental upside in a premiere submarket with continued low-vacancy and rent growth

# Property & Location Highlights



1 Bedrooms: 12

2 Bedrooms: 4



11,208 SF





La Brea Tar Pits

Park La Brea

Marciano Art Foundation

8th Street

Wilshire Blvd

SUBJECT PROPERTY

Crenshaw Blvd



Crenshaw Blvd

SUBJECT PROPERTY

8th Street







Koreatown

Downtown LA

SUBJECT PROPERTY

Crenshaw Blvd









# RENT ROLL

UNIT NO.	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS	MOVE IN DATES	
1	1	1+1	\$ 1,153	\$ 1,850	7/11/2012
2	2	1+1	\$ 1,096	\$ 1,850	8/1/2011
3	3	1+1	\$ 1,768	\$ 1,850	2/18/2019
4	4	1+1	\$ 1,160	\$ 1,850	12/1/2008
5	5	1+1	\$ 1,128	\$ 1,850	5/23/2010
6	6	1+1	\$ 1,840	\$ 1,850	9/2/2023
7	7	1+1	\$ 1,154	\$ 1,850	3/1/2001
8	8	1+1	\$ 1,777	\$ 1,850	12/27/2017
9	9	2+1	\$ 2,595	\$ 2,650	8/1/2019
10	10	2+1	\$ 1,441	\$ 2,650	2/2/2002
11	11	1+1	\$ 1,833	\$ 1,850	7/2/2018
12	12	2+1	\$ 2,175	\$ 2,650	5/22/2021
13	14	2+1	\$ 2,387	\$ 2,650	7/7/2019
14	15	1+1	\$ 1,067	\$ 1,850	3/3/2002
15	16	1+1	\$ 1,763	\$ 1,850	11/9/2021
16	17	1+1	\$ 995	\$ 1,850	12/1/2017
		<b>\$ 25,332</b>	<b>\$ 32,800</b>		

# FINANCIAL ANALYSIS

ANNUALIZED OPERATING DATA	CURRENT RENTS		MARKET RENTS	
Scheduled Gross Income:	\$ 305,784		\$ 395,400	
Less Vacancy Rate Reserve:	\$ (9,174)	3.0%	\$ (19,770)	5.0%
Gross Operating Income:	\$ 296,610		\$ 375,630	
Less Expenses:	\$ (105,527)	34.5%	\$ (108,688)	27.5%
<b>Net Operating Income:</b>	<b>\$ 191,083</b>		<b>\$ 266,942</b>	
Reserves:	\$ (3,200)		\$ (3,200)	
Less Debt Service:	\$ (125,726)		\$ (125,726)	
Pre-Tax Cash Flow:	\$ 62,157	3.6%	\$ 138,016	7.9%
Plus Principal Reduction:	\$ 22,104		\$ 22,104	
Total Return Before Taxes:	\$ 84,261	4.8%	\$ 160,120	9.2%

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS		MARKET RENTS	
Taxes Rate: 1.20%	\$ 41,940		\$ 41,940	
Insurance	\$ 5,324		\$ 5,324	
Utilities	\$ 20,086		\$ 20,086	
Waste Removal	\$ 11,113		\$ 11,113	
Repairs & Maintenance	\$ 8,000		\$ 8,000	
Management:4%	\$ 11,864		\$ 15,025	
On-Site Manager:	\$ 7,200		\$ 7,200	
<b>Total Expenses:</b>	<b>\$ 105,527</b>		<b>\$ 108,688</b>	
Per Net Sq. Ft.:	\$9.42		\$9.70	
Per Unit:	\$6,595		\$6,793	

NO. OF UNITS	UNIT TYPE	CURRENT RENTS		SCHEDULED RENTS	
		AVG MONTHLY RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
12	1+1	\$ 1,395	\$ 16,734	\$ 1,850	\$ 22,200
4	2+1	\$ 2,150	\$ 8,598	\$ 2,650	\$ 10,600
Total Scheduled Rent:			\$ 25,332		\$ 32,800
		Laundry	\$ 150		\$ 150
<b>Monthly Scheduled Gross Income:</b>			<b>\$ 25,482</b>		<b>\$ 32,950</b>
<b>Annual Scheduled Gross Income:</b>			<b>\$ 305,784</b>		<b>\$ 395,400</b>

## SUMMARY

Price:	\$ 3,495,000
Down Payment: 50%	\$ 1,747,500
Number of Units:	16
Cost per Legal Unit:	\$218,438
Current GRM:	11.43
Market GRM:	8.84
Current CAP:	5.47%
Market CAP:	7.64%
Approx. Age:	1954
Approx. Lot Size:	12,981
Approx. Gross SF:	11,208
Cost per Net GSF:	\$311.83

## NEW POTENTIAL FINANCING

New First Loan:	\$ 1,747,500
Interest Rate:	6.00%
Amortization:	30
Monthly Payment:	\$10,477.15
DCR:	1.52

# SOLD COMPARABLES



## 730 CRENSHAW BLVD LOS ANGELES, CA 90005

SALE PRICE	\$3,495,000
YEAR BUILT	1954
NUMBER OF UNITS	16
PRICE PER UNIT	\$218,438
PRICE PER SF	\$312
CAP RATE	5.47%
GRM	11.43



## 1 331 S HARVARD BLVD LOS ANGELES, CA 90020

SALE PRICE	\$2,295,000
YEAR BUILT	1964
NUMBER OF UNITS	10
PRICE PER UNIT	\$229,500
PRICE PER SF	\$254
CAP RATE	4.80%
GRM	11.80
DATE SOLD	Under Contract



## 2 321 S HARVARD BLVD LOS ANGELES, CA 90020

SALE PRICE	\$2,740,000
YEAR BUILT	1965
NUMBER OF UNITS	10
PRICE PER UNIT	\$274,000
PRICE PER SF	\$320
CAP RATE	4.19%
GRM	16.25
DATE SOLD	9/29/2023



## 3 827 S MANHATTAN PL LOS ANGELES, CA 90005

SALE PRICE	\$7,400,000
YEAR BUILT	1970
NUMBER OF UNITS	37
PRICE PER UNIT	\$200,000
PRICE PER SF	\$352
CAP RATE	N/A
GRM	N/A
DATE SOLD	6/2/2023





**4** 674 S CATALINA ST  
LOS ANGELES, CA 90005

SALE PRICE	\$3,250,000
YEAR BUILT	1950
NUMBER OF UNITS	11
PRICE PER UNIT	\$295,455
PRICE PER SF	\$377
CAP RATE	N/A
GRM	N/A
DATE SOLD	4/26/2023



**5** 237 N CATALINA ST  
LOS ANGELES, CA 90004

SALE PRICE	\$2,200,000
YEAR BUILT	1959
NUMBER OF UNITS	10
PRICE PER UNIT	\$220,000
PRICE PER SF	\$310
CAP RATE	4.81%
GRM	N/A
DATE SOLD	1/9/2023



**6** 1401 S CATALINA ST  
LOS ANGELES, CA 90006

SALE PRICE	\$2,790,000
YEAR BUILT	1958
NUMBER OF UNITS	12
PRICE PER UNIT	\$232,500
PRICE PER SF	\$423
CAP RATE	N/A
GRM	N/A
DATE SOLD	6/28/2023



**7** 430 S GRAMERCY PL  
LOS ANGELES, CA 90020

SALE PRICE	\$7,150,000
YEAR BUILT	1964
NUMBER OF UNITS	30
PRICE PER UNIT	\$238,333
PRICE PER SF	\$349
CAP RATE	5.00%
GRM	N/A
DATE SOLD	2/22/2023

# SALES COMPARABLES MAP



730 CRENSHAW BLVD



2  
1



4



3



6

7

5



# AREA OVERVIEW

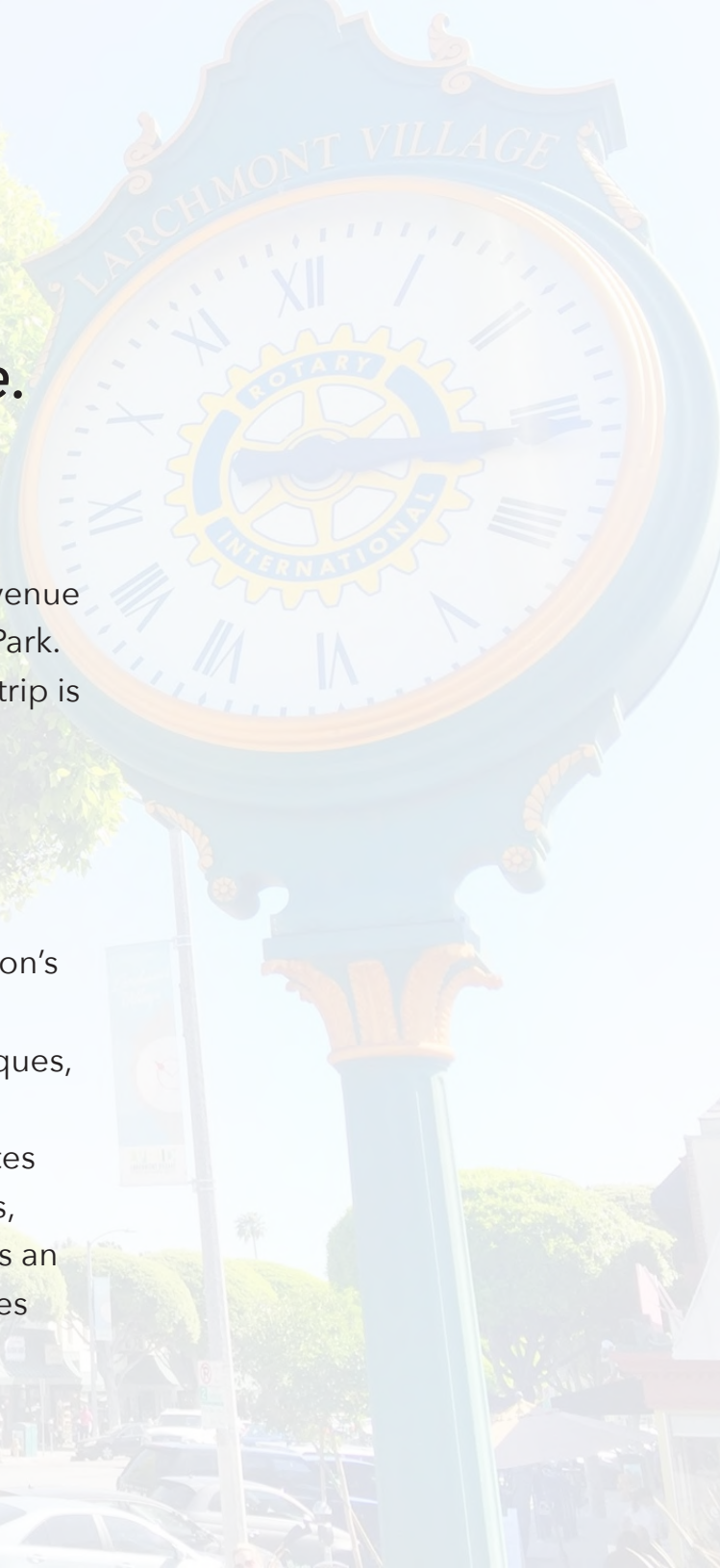
*The perfect balance of culture, cuisine, architecture and the community ambiance.*

## HANCOCK PARK

Nestled between Melrose Ave to the north, Wilshire Blvd to the south, La Brea Avenue to the west and Van Ness to the east lays the historic neighborhood of Hancock Park. With sprawling tree-lined rows of imposing historic family homes the suburban strip is a stones-throw away from the buzzing Larchmont Village and Windsor Square.

## LARCHMONT VILLAGE

Larchmont Village itself is centered on Larchmont Boulevard between Beverly Boulevard and 3rd Street and its businesses depend heavily on foot traffic; Dawson's Bookshop celebrated its centennial last year while Chevalier's Books provides individual recommendations. There are also restaurants, specialty clothing boutiques, coffee shops, a juice store, a video store, bagel shops, spas, an ice cream store, a pet store, a major newsstand, a confectionary that specializes in Belgian chocolates and Landis, a general store that dates back to the 1920s. One of the area's allures, for locals and outsiders alike, is the quaint Larchmont Village commercial strip. It's an urban melting pot with a diverse array of quintessential shops; bookstores, clothes boutiques, eateries, and coffee shops etc



## KOREATOWN

*“Koreatown, with its prime location, great restaurant scene, and crucial transit access, is on the cusp of a big-time boom.*

### *- Curbed LA*

#### KOREATOWN IS BOOMING

200,000+ square feet of retail space is currently in development with new retailers like Target opening on 6th and Virgil, and Yoga Works having a ready opened on 7th Street.

#### LOCATION FUNDAMENTALS

Millennials have ditched the suburbs for a more active and dynamic urbanlifestyle. Many don't own or want to own cars, so they rely on walking, biking, Metro or Uber. There is a limited supply of housing in Los Angeles, and especially in Koreatown, which is causing upward pressure on rents. Research firm Axiometrics projects rental rates are to increase by 25% over the next five years.

#### MOST SEARCHED NEIGHBORHOOD

Koreatown is the #1 searched-for rental market in Los Angeles, well ahead of other popular submarkets such as Hollywood, West Los Angeles and Mid-City, according to the online property rental site Zumper.com. The convergence of gourmet-restaurants, shopping and chic hotels like The LINE is a leading reason behind Koreatown's emergence as “America's Hippest

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## URBAN LIVING WITH WALKABILITY

As the most densely populated area in Los Angeles, Koreatown is a highly walkable submarket served by multiple Metro rail and bus lines. Residents can travel on foot to complete their daily errands and stroll to the many restaurants, clubs, chic hotels and restaurants that make up Koreatown's vibrant nightlife. While there is a newness to Koreatown, its palm-lined streets are also rich in architectural charm and cultural heritage. Scoring 96 out of 100, Serrano Apartments is located in what walkscore.com considers a "Walker's Paradise".

## NEW YORK IN LA

The Metro has been a catalyst for transportation-oriented growth, leading to demographic shifts in areas like Downtown LA, Koreatown, Hollywood and Pasadena. LA residents now have a greater choice in where they live while still being connected to major employment hubs. Residents at 730 South Serrano are within a 7-minute walk of the Wilshire/Western station on the Purple Line which provides them with connectivity to other metro rail lines and surrounding submarkets like Downtown LA, Hollywood, Studio City, North Hollywood, Culver City, Santa Monica, and Pasadena.

## AFFORDABILITY GAP - BUY VS. RENT

The median neighborhood home price is approximately \$1.2 million making home purchases out of reach for most local renters. Renting at 730 South Serrano Avenue (post renovation) offers tenants a modern, sophisticated alternative at a fraction of the cost of home ownership. This disparity is a leading reason behind high occupancy and demand throughout the marketplace.

WILSHIRE VERMONT STATION



WILTERN THEATER



WILSHIRE WESTERN STATION



MacArthur Park

# Nearby Retail & Amenities

## RESTAURANTS

- 1 The ppong
- 2 Arado
- 3 Nothing but Coffee
- 4 Dasom by Chef Kang
- 5 Burnin' Shell
- 6 Enchant
- 7 HanEuem
- 8 Jilli Modern Sool Jib
- 9 King Chang

## SCHOOLS

- 1 Wilshire Park Elementary School
- 2 Wilton Place Elementary School
- 3 Wilshire Academy
- 4 The Beverly Hills Music School

## MISCELLANEOUS

- 1 Aroma Golf Range
- 2 Marciano Art Foundation
- 3 Wilshire United Methodist Church
- 4 Wilshire Ebell Theatre
- 5 The Wiltern
- 6 Ralphs

## METRO STOPS

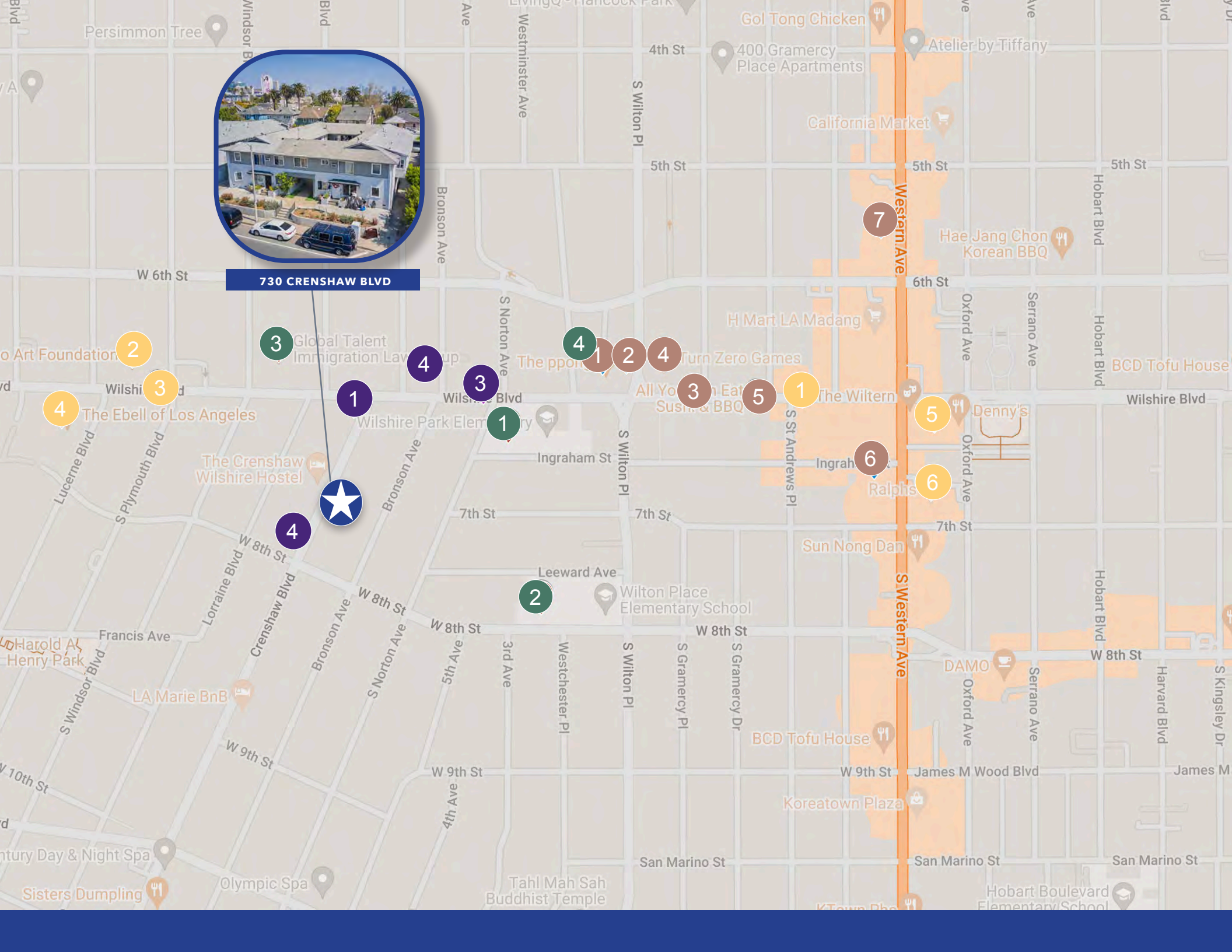
- 1 Wilshire/Crenshaw
- 2 Crenshaw/8th
- 3 Wilshire/Norton







**730 CRENSHAW BLVD**



# 730 CRENSHAW BLVD

LOS ANGELES, CA 90005

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