

OFFERING MEMORANDUM

# 1108 S SHERBOURNE DR

LOS ANGELES, CA 90035

Seven Units in Pico-Robertson | Four One-Bedrooms and Three Two-Bedrooms with 13 Parking Spaces | ~ 27% Rental Upside



Marcus & Millichap  
THE NEEMA GROUP

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**EXECUTIVE SUMMARY**

The Neema Group of Marcus & Millichap is pleased to present a multifamily investment opportunity at 1108 S Sherbourne Dr in the highly coveted Pico Robertson submarket. This premier Los Angeles neighborhood attracts high-end renters with a consistently low vacancy rate and steady rent growth. The property consists of seven units, including four one-bedrooms and three two-bedrooms, all with parking. The soft story retrofit has been completed. This is a true value-add opportunity, with most rents below market levels. The property is offered at \$342,857 per unit and \$380 PSF, with over 27% rental upside. The property has been well maintained throughout the years, four units have been renovated with new kitchen countertops, backsplash, and stainless-steel sinks; mini split AC units have been installed in most of

the apartments; value can be added with further interior renovations that could enhance rents including recessed lighting, updated bathrooms, new appliances, and high-quality vinyl flooring. The neighborhood exhibits a significant affordability gap between renting and home ownership, with median home values exceeding \$1 million and average household incomes of \$124,520 within a two-mile radius. Pico-Robertson is an established Los Angeles community known for its walkability, offering numerous amenities within a half-mile radius, including high-end retail options. The property has a walk score of 86 and is conveniently located near S La Cienega, W Pico, and W Olympic Blvd.



## PROPERTY SUMMARY

### PROPERTY INFORMATION

ADDRESS: 1108 S Sherbourne Dr.  
Los Angeles, CA 90035

YEAR BUILT: 1955

NUMBER OF UNITS 7

APPROX. GROSS SF: 6,310

APPROX. LOT SF: 6,398

PARCEL NUMBER: 4332-023-002

PROPERTY TYPE: Multi-Family

UNIT MIX:  
(4) 1bed 1bath  
(1) 2bed 1bath  
(2) 2bed 1.5 bath

### PRICING INFORMATION

SALE PRICE: \$2,400,000

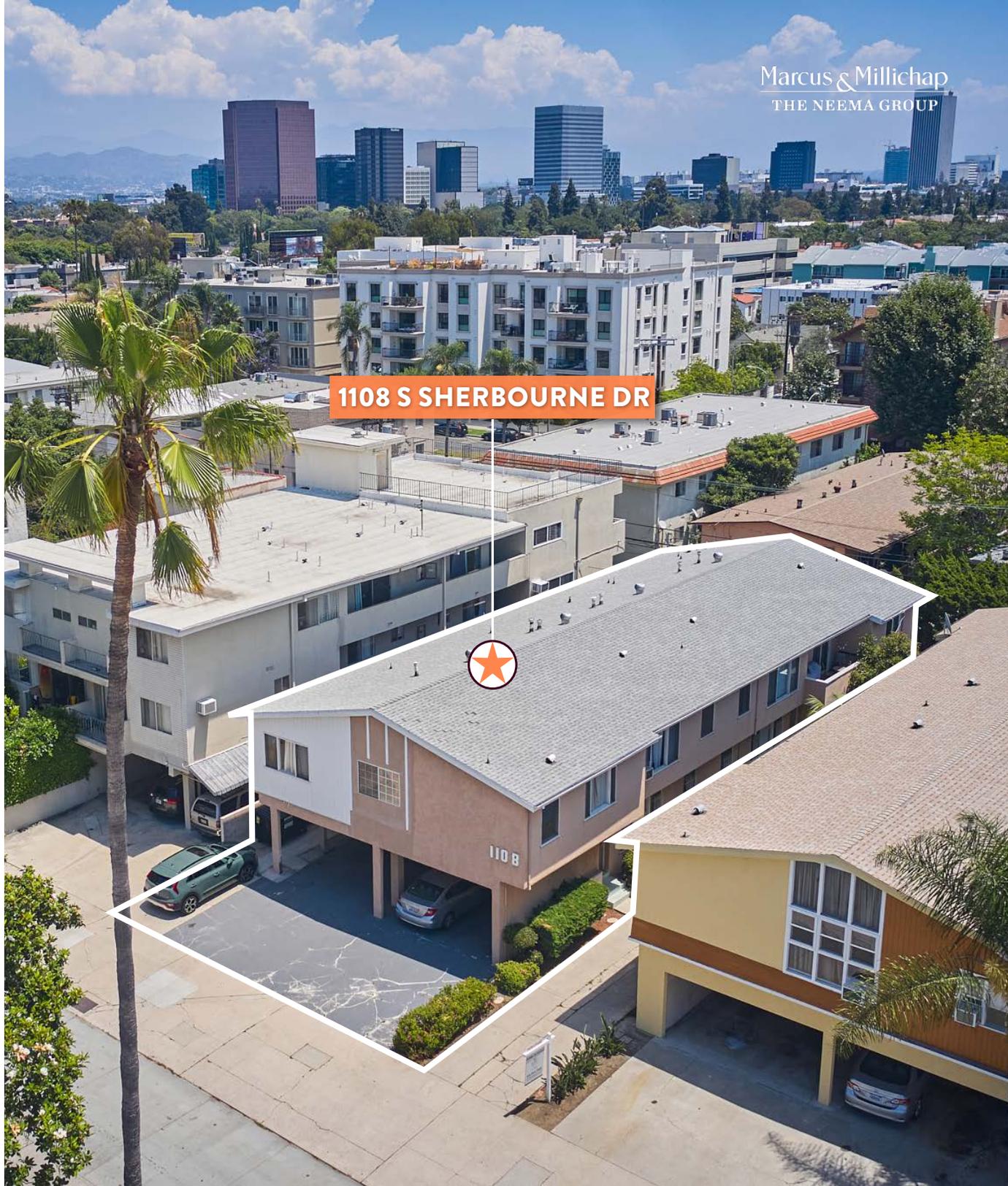
COST PER LEGAL UNIT: \$342,857

CURRENT CAP RATE: 4.30%

CURRENT GRM: 13.88

MARKET CAP RATE: 6.21%

MARKET GRM: 10.85



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## INVESTMENT HIGHLIGHTS



The Neema Group of Marcus & Millichap is pleased to present a multifamily investment opportunity at 1108 S Sherbourne Dr in the highly coveted Pico Robertson submarket, located just west of S La Cienega Blvd between W Olympic Blvd and W Pico Blvd, a premier Los Angeles neighborhood that attracts high-end renters with a consistently low vacancy rate and steady rent growth



The property totals seven units made up of four one-bedrooms and three two-bedrooms with parking; the soft story retrofit has been completed



True value-add opportunity with the majority of rents below market; offered at \$342,857 per unit and \$380 PSF at the asking price with over 27% rental upside



The property has been well maintained throughout the years, four units have been renovated with new kitchen countertops, backsplash, and stainless-steel sinks; mini split AC units have been installed in most of the apartments; value can be added with further interior renovations that could enhance rents including recessed lighting, updated bathrooms, new appliances, and high-quality vinyl flooring

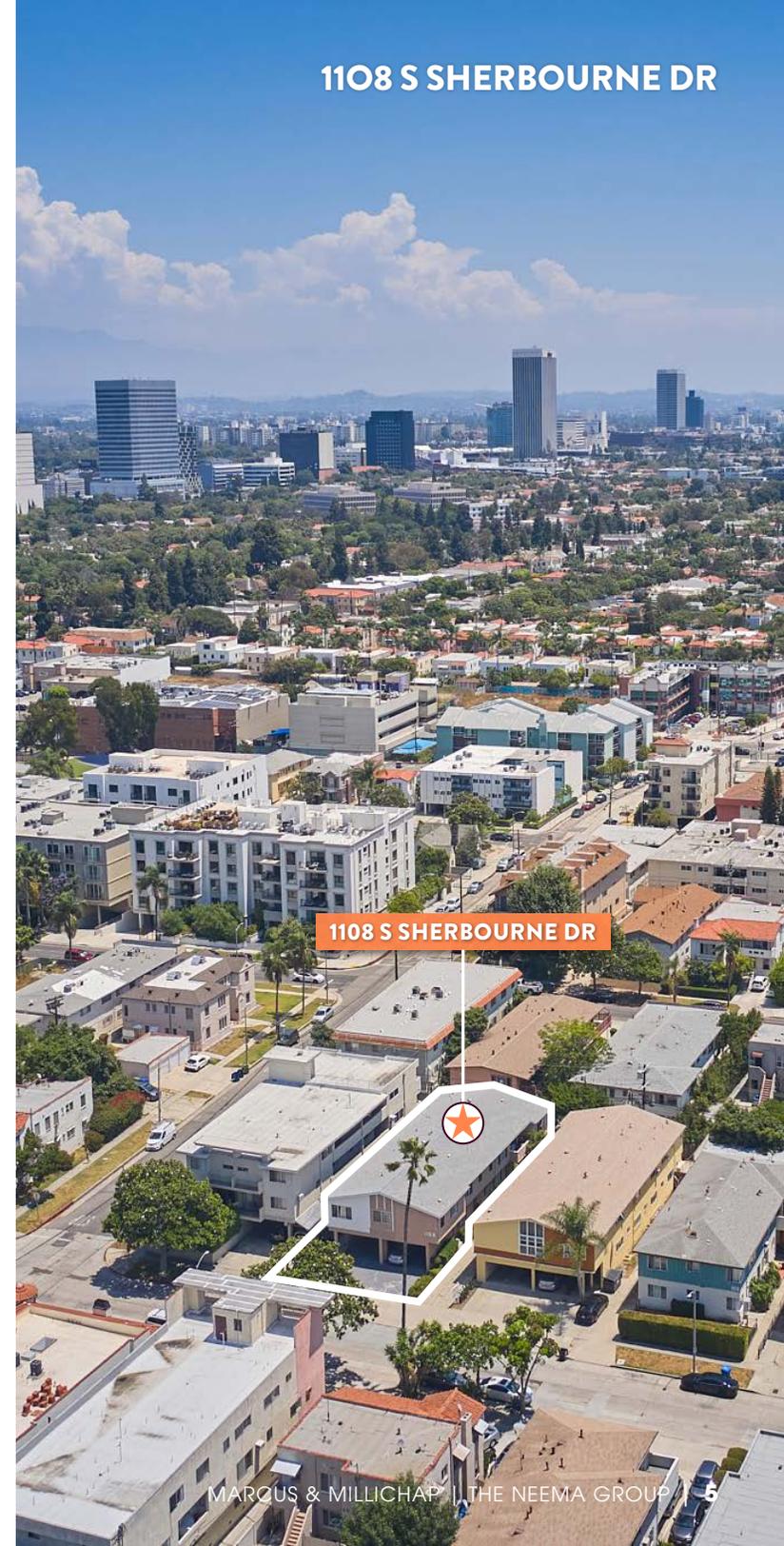


There is a significant affordability gap between renting and home ownership in the neighborhood; within two miles of the subject property, the median home value is over \$1 MM; the average household income within two miles of the property is \$124,520

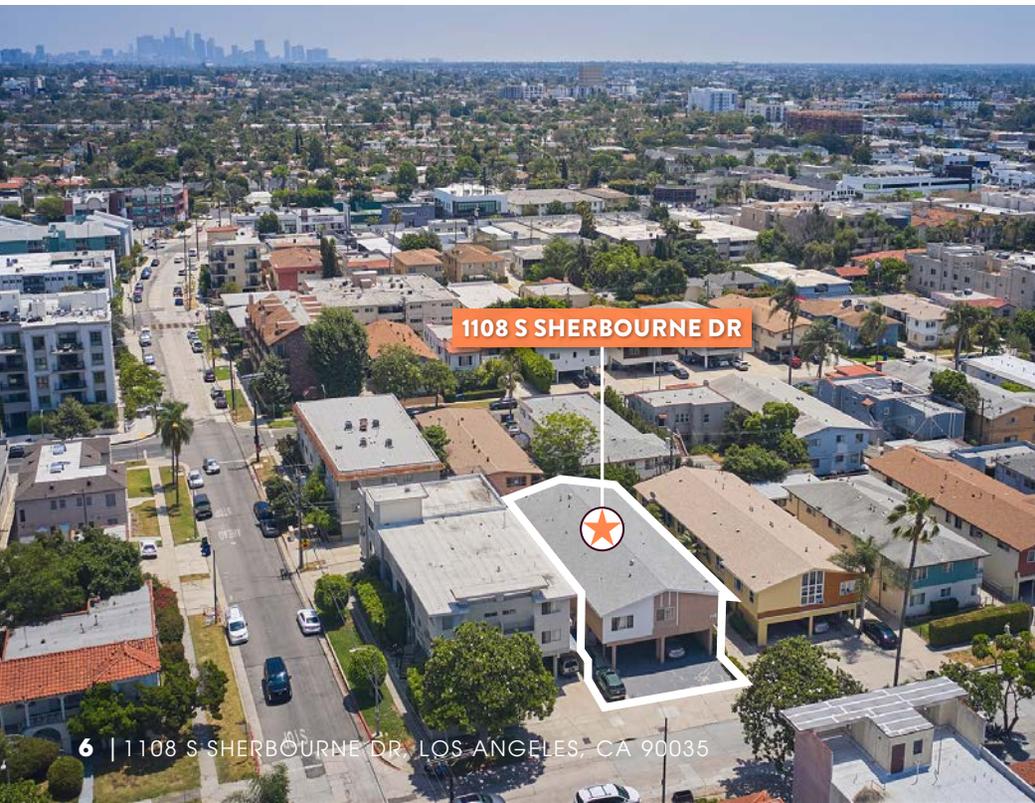


The Pico-Robertson neighborhood is an established Los Angeles community known for being highly walkable, providing an array of amenities within a half-mile radius, the property has a walk score of 86 and is within walking distance to S La Cienega, W Pico, and W Olympic Blvd with high-end retail options for residents

1108 S SHERBOURNE DR



1108 S SHERBOURNE DR



6 | 1108 S SHERBOURNE DR, LOS ANGELES, CA 90035





# RENT ROLL

UNIT NO.	UNIT TYPE	CURRENT RENTS	PRO FORMA RENTS
1	1+1	\$ 2,184	\$ 2,200
2	1+1	\$ 2,100	\$ 2,200
3	2+1.5	\$ 2,500	\$ 3,100
4	2+1	\$ 1,432	\$ 3,200
5	1+1	\$ 1,630	\$ 2,200
6	1+1	\$ 2,000	\$ 2,200
7	2+1.5	\$ 2,427	\$ 3,200
		<b>\$ 14,273</b>	<b>\$ 18,300</b>
	1+1	\$ 7,914	\$ 8,800
	2+1	\$ 1,432	\$ 3,100
	2+1.5	\$ 4,927	\$ 6,400
	<b>Total</b>	<b>\$ 14,273</b>	<b>\$ 18,300</b>

## FINANCIAL ANALYSIS

ANNUALIZED OPERATING DATA	CURRENT RENTS	MARKET RENTS
Scheduled Gross Income:	172,908	221,232
Less Vacancy Rate Reserve:	(8,645) 5.0%	(11,062) 5.0%
Gross Operating Income:	164,263	210,170
Less Expenses:	(61,099) 35.3%	(61,099) 27.6%
<b>Net Operating Income:</b>	<b>103,163</b>	<b>149,071</b>
Reserves:	(1,400)	(1,400)
<b>Total Return Before Taxes:</b>	<b>101,763 4.2%</b>	<b>147,671 6.2%</b>

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS	MARKET RENTS
Taxes Rate: 1.20%	\$ 28,800	\$ 28,800
Insurance	\$ 6,017	\$ 6,017
Utilities	\$ 6,042	\$ 6,042
Waste Removal	\$ 4,559	\$ 4,559
Repairs & Maintenance	\$ 3,500	\$ 3,500
Management: 5%	\$ 8,213	\$ 8,213
Landscaping	\$ 1,200	\$ 1,200
Pest Control	\$ 1,020	\$ 1,020
License & Fees	\$ 574	\$ 574
Direct Assessment	\$ 1,174	\$ 1,174
<b>Total Expenses:</b>	<b>\$ 61,099</b>	<b>\$ 61,099</b>
Per Net Sq. Ft.:	\$9.68	\$9.68
Per Unit:	\$8,728	\$8,728

NO. OF UNITS	UNIT TYPE	CURRENT RENTS		SCHEDULED RENTS	
		AVG MONTHLY RENT/UNIT	MONTHLY INCOME	MONTHLY RENT/UNIT	MONTHLY INCOME
4	1+1	\$ 1,979	\$ 7,914	\$ 2,200	\$ 8,800
1	2+1	\$ 1,432	\$ 1,432	\$ 3,100	\$ 3,100
2	2+1.5	\$ 2,464	\$ 4,927	\$ 3,200	\$ 6,400
<b>Total Scheduled Rent:</b>			<b>\$ 14,273</b>	<b>\$ 18,300</b>	
		Laundry	\$ 100		\$ 100
		Gas & Mineral Rights	\$ 36		\$ 36
<b>Monthly Scheduled Gross Income:</b>			<b>\$ 14,409</b>	<b>\$ 18,436</b>	
<b>Annual Scheduled Gross Income:</b>			<b>\$ 172,908</b>	<b>\$ 221,232</b>	

## SUMMARY

Price:	\$2,400,000
Number of Units:	7
Cost per Legal Unit:	\$342,857
Current GRM:	13.88
Market GRM:	10.85
Current CAP:	4.30%
Market CAP:	6.21%
Approx. Age:	1955
Approx. Lot Size:	6,398
Approx. Gross SF:	6,310
Cost per Net GSF:	\$380.35

## NEARBY RETAIL & AMENITIES

### TRANSPORTATION

- 1 LA CIENEGA / WHITWORTH
- 2 LA CIENEGA / WILSHIRE
- 3 FAIRFAX / WILSHIRE
- 4 WILSHIRE / RODEO STATION

### RETAIL

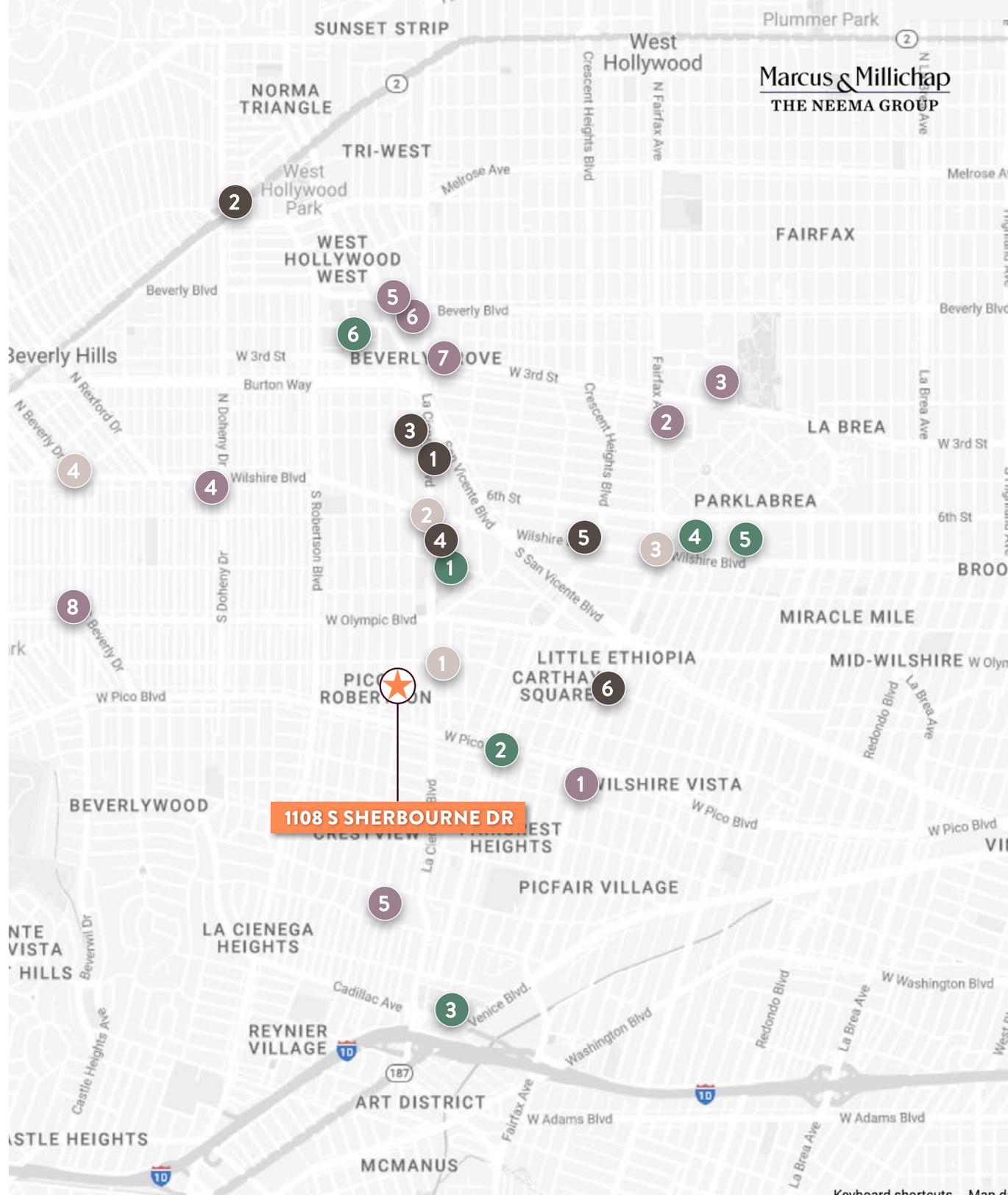
- 1 VONS
- 2 WHOLE FOODS MARKET
- 3 THE GROVE
- 4 LA FITNESS
- 5 TARGET
- 6 BEVERLY CENTER
- 7 BEVERLY CONNECTION
- 8 PAVILIONS

### RESTAURANTS

- 1 LAWRY'S THE PRIME RIB
- 2 SOMNI
- 3 FOGO DE CHÃO BRAZILIAN STEAKHOUSE
- 4 BLASTERAN
- 5 KAZUNORI
- 6 MEALS BY GENET

### MISCELLANEOUS

- 1 LA CIENEGA PARK & COMMUNITY CENTER
- 2 THE MINT
- 3 KAISER PERMANENTE WEST LOS ANGELES
- 4 LOS ANGELES COUNTY MUSEUM OF ART
- 5 LA BREA TAR PITS AND MUSEUM
- 6 CEDARS-SINAI MEDICAL CENTER



# 1108 S SHERBOURNE DR

CEDARS-SINAI  
MEDICAL CENTER

TARGET

LAWRY'S THE PRIME RIB

BLASTERAN

LA CIENEGA  
PARK &  
COMMUNITY  
CENTER

LA CIENEGA  
/  
WHITWORTH

BEVERLY CENTER

LA CIENEGA / WILSHIRE

FOGO DE CHÃO  
BRAZILIAN STEAKHOUSE

BEVERLY  
CONNECTION

6

6

5

7

3

1

2

4

1

1

1108 S SHERBOURNE DR



## AREA OVERVIEW

### PICO ROBERTSON

Pico-Robertson is an affluent Los Angeles neighborhood bordered on the west by Beverlywood and Cheviot Hills, on the north by Beverly Hills, and on the east by Mid-City.

Pico-Robertson is the heart of the city's Jewish community, with kosher restaurants and supermarkets, Jewish day schools and high schools, and six synagogues. The area has a strong community feel with dozens of restaurants along the main thoroughfares of Pico Boulevard and South Robertson Boulevard.

### Desirable Beverlywood Neighborhood In The Pico-Robertson Area.

The spectrum of neighborhoods in Los Angeles is wide and varied. They range from world-class luxury homes and beach cities to apartments homes and offices converted from formerly vacant warehouses with graffiti on the exterior walls. When thinking about Los Angeles there are a handful that come to the top of everyone's mind - Pico Robertson is one neighborhood that will likely fly under the radar.

Yet despite the area's low-key existence, Pico Robertson boasts arguably the most significant and strong thread of cultural heritage of any region in Los Angeles. Take a stroll down Pico Boulevard east of Robertson and Kosher deli's, bakeries, and synagogues dominate one's view delivering rich history and flavors. Turn right onto streets like Corning, Bedford, and Shenandoah and the vibe becomes relaxed densely populated by young professional apartment dwellers who work in surrounding areas such as Beverly Hills, Century City, and Culver City.

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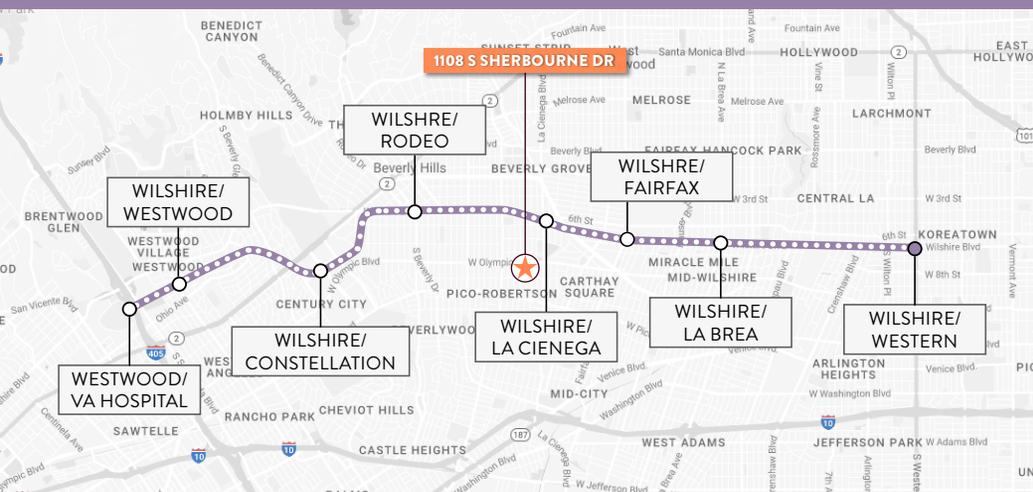
151,872  
POPULATION

\$1.025MM  
MEDIAN HOME PRICE

\$95,690  
MEDIAN INCOME

Within Two Miles of 1108 S Sherbourne Dr

### METRO PURPLE LINE EXTENSION MAP



### WILSHIRE RODEO

The underground station, now being built as part of the second phase of Metro's Purple Line extension, will in fact be located at Beverly Drive - one block east of namesake Rodeo Drive. The station, as approved by the Metro Board in 2012, will place its entrance at the southwest corner of Wilshire Boulevard and Reeves Drive. The roughly nine-mile subway extension is split into three segments, with full completion to the Westwood Veterans Administration Campus anticipated in 2026. Wilshire/Rodeo will be one of two stops in Beverly Hills city limits, the other of which is scheduled to open in 2023 at Wilshire and La Cienega Boulevard as part of the project's first phase.



**CENTURY CITY**

Century City is a prominent business community comprised of major industry sectors: legal, financial, entertainment, hospitality, medical, professional and retail services. This "city within a city" is home to a cluster of high-rises that command a visible stretch of L.A.'s skyline. Nearly 50,000 people flock to Century City for the workday, but only approximately 6,000 Angelenos live here.

**BEVERLY HILLS**

One of the most celebrated and desired destinations in the world. A name long associated with sophistication, glamour, and elegance, Beverly Hills is a distinguished city offering the very best in hotels, shopping, dining, and services. Beverly Hills ranks first among mid-to-large sized California cities for retail sales per capita, with an economy near \$20 billion annually.



**RODEO DRIVE**

The Westside of LA is home to that most famous of shopping streets Rodeo Dr, it is home to a who's-who of high end shops and exclusive retailers. Alternately there are major retail centers located in Santa Monica on the "Third Street Promenade", in Century City at the Westfield shopping center, and for a more local and honest feel in downtown Culver City. For one-of-a-kind designer clothing and accessories there is no place like Abott Kinney in Venice. With its artist collection of hand-made jewelry, natural fiber clothing and wearable art, shopping here is not only fun but also an adventure.



# SALES COMPARABLES



**1108 S SHERBOURNE DR**  
LOS ANGELES, CA 90035

SALE PRICE	\$2,400,000
YEAR BUILT	1955
NUMBER OF UNITS	7
PRICE PER UNIT	\$342,857
PRICE PER SF	\$380
ACTUAL CAP RATE	4.30%
GRM	13.88
SALE DATE	N/A



**835 S SHERBOURNE DR**  
LOS ANGELES, CA 90035

SALE PRICE	\$4,850,000
YEAR BUILT	1957
NUMBER OF UNITS	13
PRICE PER UNIT	\$373,077
PRICE PER SF	\$420
ACTUAL CAP RATE	4.86%
GRM	N/A
SALE DATE	5/24/2024



**853 S BEDFORD ST**  
LOS ANGELES, CA 90035

SALE PRICE	\$2,400,000
YEAR BUILT	1955
NUMBER OF UNITS	6
PRICE PER UNIT	\$400,000
PRICE PER SF	\$334
ACTUAL CAP RATE	4.57%
GRM	13.88
SALE DATE	5/24/2024



**6111 HORNER ST**  
LOS ANGELES, CA 90035

SALE PRICE	\$2,565,000
YEAR BUILT	1964
NUMBER OF UNITS	6
PRICE PER UNIT	\$427,500
PRICE PER SF	\$444
ACTUAL CAP RATE	5.17%
GRM	13.05
SALE DATE	4/1/2024



**401 S LE DOUX RD**  
LOS ANGELES, CA 90048

SALE PRICE	\$2,626,000
YEAR BUILT	1941
NUMBER OF UNITS	6
PRICE PER UNIT	\$437,667
PRICE PER SF	\$424
ACTUAL CAP RATE	3.01%
GRM	18.95
SALE DATE	3/18/2024



**352 S DOHENY DR**  
BEVERLY HILLS, CA 90211

SALE PRICE	\$2,600,000
YEAR BUILT	1957
NUMBER OF UNITS	7
PRICE PER UNIT	\$371,429
PRICE PER SF	\$413
ACTUAL CAP RATE	4.09%
GRM	15.36
SALE DATE	1/12/2024



**321 S HAMEL RD**  
LOS ANGELES, CA 90048

SALE PRICE	\$3,465,000
YEAR BUILT	1958
NUMBER OF UNITS	9
PRICE PER UNIT	\$385,000
PRICE PER SF	\$492
ACTUAL CAP RATE	4.39%
GRM	N/A
SALE DATE	11/22/2023



**309 S HAMEL RD**  
LOS ANGELES, CA 90048

SALE PRICE	\$3,000,000
YEAR BUILT	1962
NUMBER OF UNITS	8
PRICE PER UNIT	\$375,000
PRICE PER SF	\$542
ACTUAL CAP RATE	N/A
GRM	N/A
SALE DATE	10/24/2023



**113 N HAMILTON DR**  
BEVERLY HILLS, CA 90211

SALE PRICE	\$2,636,000
YEAR BUILT	1952
NUMBER OF UNITS	6
PRICE PER UNIT	\$439,333
PRICE PER SF	\$587
ACTUAL CAP RATE	3.68%
GRM	17.46
SALE DATE	10/24/2023

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