# 5 TANARIND AVENUE LOS ANGELES, CA 90028

THIS IS A BANKRUPTCY SALE THAT WILL BE SUBJECT TO A COURT OVERBID PLEASE CONTACT THE AGENTS FOR ADDITIONAL DETAILS.

Marcus Millichap

THE NEEMA GROUP

OFFERING MEMORANDUM

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## **1825 TAMARIND AVE**

LOS ANGELES, CA 90028

#### **EXCLUSIVELY LISTED BY**

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Marcus Millichap



The Neema Group of Marcus & Millichap is pleased to present 1825 Tamarind Ave, a multifamily investment opportunity totaling 33 units in prime Hollywood just south of Franklin Ave across the street from the Church of Scientology.

The subject property consists of two structures featuring a unit mix of 20 singles, nine one-bedrooms, three two-bedrooms, and one threebedrooms; there are 33 parking spaces, a mix of tuck under parking and uncovered spaces at the rear of the property; nine units will be delivered vacant at the close of escrow, allowing an investor to renovate and achieve market rents immediately.

True value add opportunity with the majority of the rents below market; 5.35% CAP rate & 10.89 GRM at the asking price with an additional 28% rental upside; additionally, the abundant parking and storage spaces

create an opportunity to add several ADU's via the newly passed SB 1211 (Buyer to verify).

Units are well-maintained but can be enhanced through interior renovations to achieve market rents such as new flooring, recessed lighting or new fixtures, updated bathrooms & kitchens, and appliances.

High walk score of 87, half of a mile from the Metro B rail line and walking distance to multiple Metro local lines along Franklin Ave. Major employers in Los Angeles such as LiveNation, Capitol Records, HBO and Netflix among many others. Significant affordability gap to home ownership in Hollywood. The monthly payment on a median-priced home—inclusive of condos—is drastically higher than average rents in the area, which serves as a constant occupancy driver for apartment communities in Hollywood.

# **PROPERTY** SUMMARY

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#### **PROPERTY INFORMATION**

ADDRESS:	1825 Tamarind Avenue Los Angeles, CA 90028
NUMBER OF UNITS:	33
APPROX. GROSS SF:	17,095 SF
APPROX. LOT SIZE:	18,513 SF
YEAR BUILT:	1965
PARCEL NUMBER:	5586-026-023
PROPERTY TYPE:	Multi-Family
UNIT MIX:	(20) Single (9) 1+1 (3) 2+2 (1) 3+3

#### PRICING INFORMATION

SALE PRICE:	\$6,700,000
PRICE PER UNIT	\$203,030
PRICE PER SF:	\$391.93
CURRENT CAP RATE:	5.35%
CURRENT GRM:	10.89
MARKET CAP RATE:	7.75%
MARKET GRM:	8.45

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# **INVESTMENT** HIGHLIGHTS

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High walk score of 87, half of a mile from the Metro B rail line and walking distance to multiple Metro local lines along Franklin Ave

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Major employers in Los Angeles such as LiveNation, Capitol Records, HBO and Netflix among many others

#### §

Significant affordability gap to home ownership in Hollywood. The monthly payment on a median-priced home—inclusive of condos—is drastically higher than average rents in the area, which serves as a constant occupancy driver for apartment communities in Hollywood

**NOTE:** This is a bankruptcy sale that will be subject to a court overbid. Please contact the agents for additional details.

# **ADU POTENTIAL**

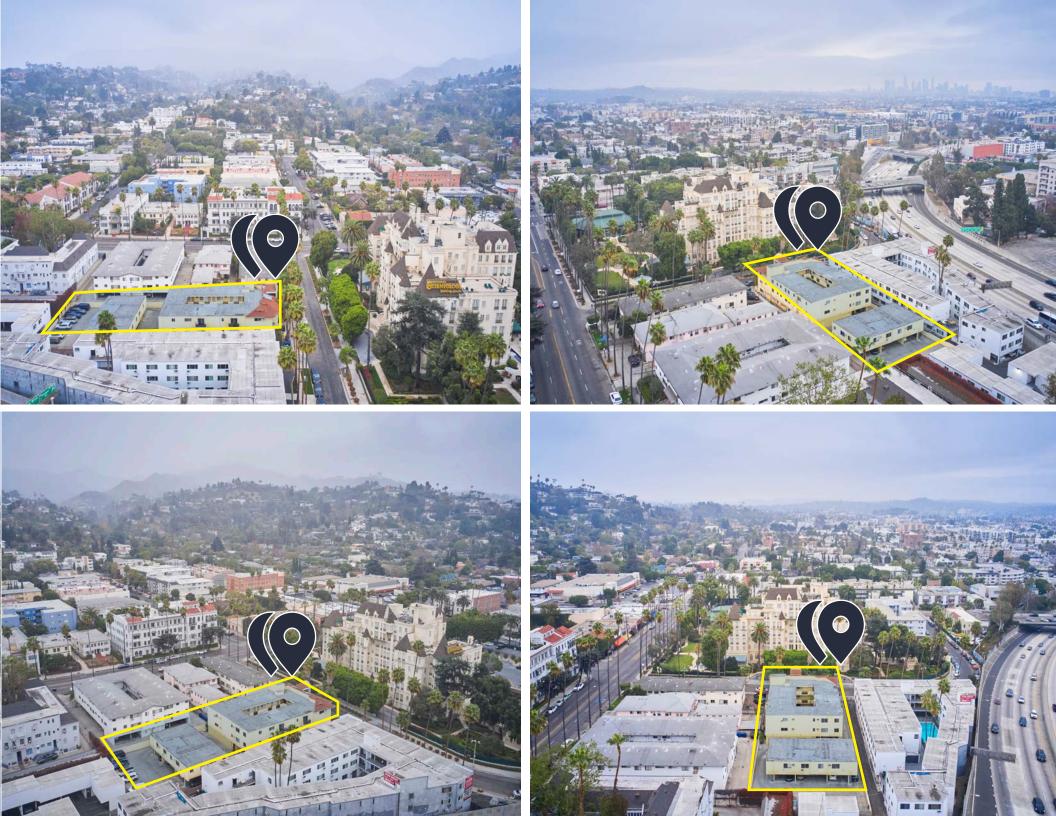
The abundant parking and storage spaces create an opportunity to add several **ADU's** via the newly passed SB 1211 (Buyer to verify)















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# THE NEW HOLLYWOOD

### **1825 TAMARIND AVE** SITS AT THE NEXUS OF CONTENT AND MEDIA.

Most recently, companies specializing in streaming media, virtual reality, and website development have been flocking to Hollywood to occupy the large swaths of class "A" commercial space being introduced to the market.

The most notable example is Netflix's lease of Icon (323,000 SF) and Cue (92,000 SF) office buildings at Sunset Bronson Studios. As the company has a-pproximately \$16 billion in obligations committed to streaming content, "the Netflix Effect" is creating even more economic momentum in the submarket by attracting new employers and more high-paying jobs to Hollywood.

This momentum will have a rising tide effect on real estate values in Hollywood, and in particular, the properties located near the intersection of Vine Street and Sunset Boulevard which is fast becoming the economic center of Hollywood.



#### **1825 TAMARIND AVENUE** LOS ANGELES, CA 90028







### **PEDESTRIAN ORIENTED** COMMUNITY



Very Walkable

#### **LOCAL AMENITIES**

- 1. Trader Joe's
- 2. Gelson's Markets
- Hollywood Farmers' Market 3.
- 4. Walgreen's
- Yoga Works 5.
- 24 Hour Fitness 6.
- 7. LA Fitness
- 8. Equinox
- 9. SoulCycle Hollywood
- 10. Pressed Juicerv
- 11. The W Hollywood
- 12. Franklin Village
- 13. Home Depot
- 14. Ralph's
- 15. Pier 1 Imports
- 16. PetCo

#### **MAJOR EMPLOYERS** & STUDIOS

- 1. Netflix
- 2. Sunset Bronson Studios
- 3. Emerson College LA Center
- 4. Sunset Gower Studios
- Canon USA 5.
- United Recording 6.
- 7. Siren Studios 8. East West Studios
- 9. Technicolor
- 10. Viacom
- 11. Neuehouse
- 12. Fender
- 13. Legend 3D
- 14. Capitol Records



Good Transit

#### **DINING & DRINKING**

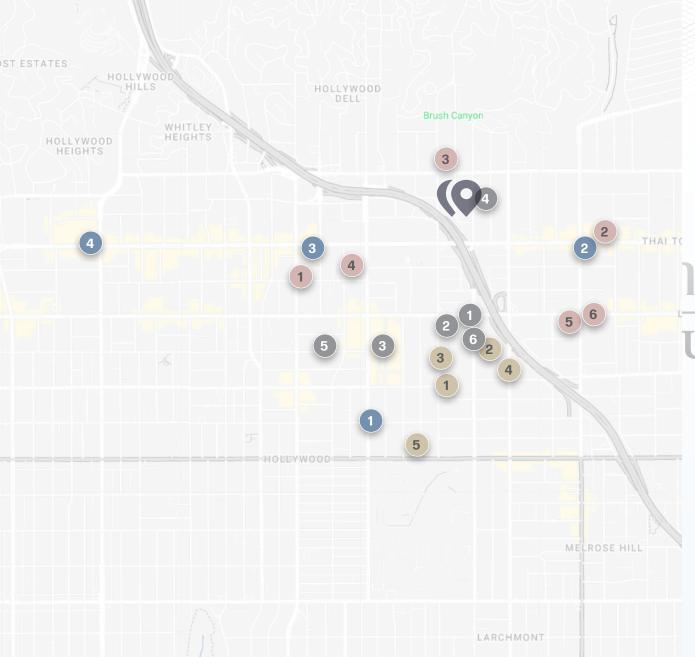
- 1. Sugarfish
- Sweetgreen 2.
- Paley з.
- 4. Good Times at Davey Wayne's
- Roscoe's House of Chicken & Waffles 5.
- 6. Stella Bara
- Blue C Sushi 7.
- 8. Umami Burger
- 9. The Melt Sunset & Vine
- 10. Coffee Commissary
- 11. La Monarca Bakery & Café
- 12. Sweet Times
- 13. Delancey
- 14. Mission Cantina
- 15. Birch
- 16. Beauty & Essex
- 17. Stout Burgers & Beer 18. Shake Shack
- 19. The Well
- 20. Off Vine Restaurant 21. Tender Greens
- 22. Bowery
- 23. Gwen
- 24. Rubies+Diamonds
- 25. Philz Coffee

#### **ENTERTAINMENT**

- 1. Hollywood Palladium
- 2. Pantages Theatre
- 3. Cinespia at Hollywood Forever Cemetery
- 4. ArcLight Cinerama Dome
- 5. The Fonda Theatre
- Upright Citizens Brigade (two locations) 6.
- 7. The Hotel Café



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## **NEARBY** RETAIL & **AMENITIES**

TR	ANSPORTATION
1	Gower & Lexington (Northbound)
2	Hollywood/Western
3	Hollywood / Vine Station
4	Hollywood / Highland
SC	HOOLS
1	Joseph Le Conte Middle School
2	Bernstein High School
3	Citizens of The World Charter School
74	STEM Academy Of Hollywood
5	Hollywood Elementary School
RE	TAIL
1	Trader Joe's
2	Ralph's
3	Gelson's Hollywood
4	LA Fitness
5	Target
6	Walgreen's Pharmacy
MIS	SCELLANEOUS
1	Netflix
2	Lumina Hollywood
3	Sunset Gower Studios
4	Church of Scientology Celebrity Centre Int.
5	Hollywood Palladium
6	Sunset Bronson Studios



## **RENT ROLL**

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NO. OF UNITS	UNIT TYPE	CURRENT RENTS	PRO FORMA	MOVE-IN DATE	NOTES
1	2+2	\$400	\$2,600	6/1/1997	
2	1+1	\$2,100	\$2,100		Will be Delivered Vacant
3	1+1	\$1,472	\$2,100	3/1/2011	
4	Single	\$1,448	\$1,785	2/5/2022	
5	Single	\$1,417	\$1,785	6/15/2021	
6	Single	\$1,600	\$1,785	6/1/2023	
7	Single	\$911	\$1,785	1/16/2000	
8	2+2	\$1,303	\$2,600	1988	
9	2+2	\$1,906	\$2,600	6/1/2007	
10	1+1	\$2,100	\$2,100		Vacant
11	1+1	\$1,679	\$2,100	8/1/2021	
12	Single	\$1,785	\$1,785		Vacant
13	Single	\$1,600	\$1,785	8/28/2023	
14	1+1	\$2,100	\$2,100		Vacant
15	Single	\$861	\$1,785	1997	
16	Single	\$1,600	\$1,785	6/15/2023	
17	Single	\$1,785	\$1,785		Vacant
18	1+1	\$1,800	\$2,100	8/1/2023	
19	3+3	\$2,887	\$3,200	7/16/2021	
20	1+1	\$1,784	\$2,100	2/4/2022	
21	1+1	\$870	\$2,100	10/1/2007	
22	Single	\$1,785	\$1,785		Vacant
23	Single	\$1,300	\$1,785	5/1/2023	
24	1+1	\$465	\$2,100	9/1/2019	
25	Single	\$1,500	\$1,785	4/12/2024	

NO. OF UNITS	UNIT TYPE	CURRENT RENTS	PRO FORMA	MOVE-IN DATE	NOTES
26	Single	\$1,650	\$1,785	5/24/2024	
27	Single	\$1,422	\$1,785	3/13/2020	
28	Single	\$1,417	\$1,785	7/14/2021	
29	Single	\$1,650	\$1,785	3/7/2024	
30	Single	\$1,785	\$1,785		Vacant
31	Single	\$801	\$1,785	11/1/2014	
32	Single	\$1,785	\$1,785		Vacant
33	Single	\$1,785	\$1,785		Vacant
33	TOTAL	\$50,753	\$65,600		
(20)	Single	\$29,887	\$35,700		
(9)	1+1	\$14,371	\$18,900		
(3)	2+2	\$3,609	\$7,800		
(1)	3+3	\$2,887	\$3,200		
33	TOTAL	\$50,753	\$65,600		

**Note:** \*Several units will be eligible for 4% increases on March 1, 2025. Current rents shown do not reflect the March increases.

## **FINANCIAL ANALYSIS**

ANNUALIZE	D OPERATING DATA	CURRENT	RENTS	PRO FO	ORMA	
Scheduled Gro	ss Income:	\$615,032	2	\$793,20	0	
Less Vacancy Ra	ate Reserve:	\$(30,752	) 5.0%	\$(39,660	) 5.0%	
Gross Operating	Income:	\$584,281		\$753,54	0	
Less Expenses:		\$(226,061	) 36.8%	\$(234,524	4) 29.6%	
Net Operating I	ncome:	\$358,220	)	\$519,01	6	
Reserves:		\$(6,600	)	\$(6,600	))	
Less Debt Servio	ce:	\$(241,019	)	\$(241,019	3)	
Pre-Tax Cash F	low:	\$110,600	3.3%	\$271,39	7 8.1%	
Plus Principal F	Reduction:	\$42,374	ļ	\$42,37	4	
Total Return Be	fore Taxes:	\$152,974	4.6%	\$313,77	1 9.4%	
ESTIMATED	ANNUALIZED EXPENSES	CURRENT	RENTS	PRO FO	ORMA	
Taxes: Rate 1.20	)%	\$80,4	.00	\$80,	400	
Insurance		\$18,6	16	\$18,	616	
Utilities		\$34,1	38	\$34,	138	
Waste Removal		\$4,36	66	\$4,3	366	
Repairs & Mainte	enance	\$24,7	50	\$24,	750	
Management 5.0	00%	\$29,2	\$29,214		677	
On-Site Manage	r	\$19,200		\$19,	200	
Landscaping		\$2,40	00	\$2,400		
Cleaning		\$3,00	00	\$3,000		
Pest Control		\$1,50	00	\$1,500		
License & Fees		\$2,70	\$2,706		'06	
Direct Assessme	ent	\$2,7	71	\$2,771		
Additional Trash	Roll Out Fee	\$3,000 \$3,0		000		
Total Expense	s:	\$226,0	061	\$234	,524	
Per Net Sq. Ft.		\$13.2	22	\$13.	72	
Per Unit:		\$6,85	50	\$7,1	\$7,107	
SCHEDULED	) INCOME	CURRENT	RENTS	PRO FO	ORMA	
No. of Units	Unit Type	Avg. Monthly Rent/Unit	Monthly Income	Avg. Monthly Rent/Unit	Monthly Income	
20	Single	\$1,494	\$29,887	\$1,785	\$35,700	
9	1+1	\$1,597	\$14,371	\$2,100	\$18,900	
3	2+2	\$1,203	\$3,609	\$2,600	\$7,800	
1	3+3	\$2,887	\$2,887	\$3,200	\$3,200	
Total Schedule	d Rent:		\$50,753		\$65,600	
		Laundry	\$500		\$500	
Monthly Sched	uled Gross Income:		\$51,253		\$66,100	
Annual Schedu	led Gross Income:		\$615,032		\$793,200	

#### **1825 TAMARIND AVENUE** LOS ANGELES, CA 90028

#### SUMMARY

Price:	\$6,700,000
Down Payment: 50%	\$3,350,000
Number of Units:	33
Cost per Legal Unit:	\$203,030
Current GRM:	10.89
Market GRM:	8.45
Current CAP:	5.35%
Market CAP:	7.75%
Approx. Age:	1965
Approx. Lot Size:	18,513
Approx. Gross SF:	17,095
Cost per Net GSF:	\$391.93

#### NEW POTENTIAL FINANCING

New First Loan:	\$3,350,000
Interest Rate:	6.00%
Amortization:	30
Monthly Payment:	\$20,084.94
DCR:	1.49

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracy.

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\*\*This is a bankruptcy sale that will be subject to a court overbid. Please contact the agents for additional details.

#### Marcus & Millichap THE NEEMA GROUP

## **SALE COMPARABLES**



1825 TAMARIND AVE	
LOS ANGELES, CA 90028	

SALE PRICE	\$6,700,000
YEAR BUILT	1965
NO. OF UNITS	33
PRICE PER UNIT	\$203,030
PRICE PER SF	\$392
ACTUAL CAP RATE	5.35%
GRM	10.89
SALE DATE	For Sale



1747 N King Los Angeles,	
SALE PRICE	\$6,375,000
YEAR BUILT	1953
NO. OF UNITS	20
PRICE PER UNIT	\$318,750
PRICE PER SF	\$451
ACTUAL CAP RATE	5.87%
GRM	N/A
SALE DATE	9/30/2024



ACTUAL CAP RATE 5.50%



<b>2005 Talmadge St</b> Los Angeles, CA 90027	1940-1950 N Vermont Ave Los Angeles, CA 90027
SALE PRICE \$4,800,000	SALE PRICE \$4,440,000
YEAR BUILT 1953	YEAR BUILT 1946
NO. OF UNITS 16	NO. OF UNITS 15
PRICE PER UNIT \$300,000	PRICE PER UNIT \$296,000
PRICE PER SF \$443	PRICE PER SF \$282
CTUAL CAP RATE 5.50%	ACTUAL CAP RATE 4.75%
GRM 12.50	GRM 13.68
SALE DATE 6/17/2024	SALE DATE 5/28/2024

#### 1825 TAMARIND AVENUE LOS ANGELES, CA 90028

## SALE COMPARABLES



1770 El Ce Los Angeles, e		<b>1424</b> Los A
SALE PRICE	\$4,675,000	SALE
YEAR BUILT	1958	YEA
NO. OF UNITS	16	NO. O
PRICE PER UNIT	\$292,188	PRICE PE
PRICE PER SF	\$460	PRICE
ACTUAL CAP RATE	6.20%	ACTUAL CA
GRM	N/A	
SALE DATE	1/12/2024	SAL



<b>1424 N Poin</b> Los Angeles,	
SALE PRICE	\$6,000,000
YEAR BUILT	1965
NO. OF UNITS	24
PRICE PER UNIT	\$250,000
PRICE PER SF	\$202
CTUAL CAP RATE	4.33%
GRM	16.24
SALE DATE	12/1/2023



<b>5525 Harold Way</b> Los Angeles, CA 90028				
SALE PRICE	\$4,235,000			
YEAR BUILT	1950			
NO. OF UNITS	21			
PRICE PER UNIT	\$201,667			
PRICE PER SF	\$611			
ACTUAL CAP RATE	6.21%			
GRM	11.17			
SALE DATE	11/7/2023			

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