

4223 DEGNAN BLVD

LOS ANGELES, CA 90008

8 UNIT VALUE-ADD INVESTMENT OPPORTUNITY IN LEIMERT PARK

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4223 DEGNAN BLVD

LOS ANGELES, CA 90008

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Marcus & Millichap
THE NEEMA GROUP

PROPERTY SUMMARY

PROPERTY INFORMATION

ADDRESS:	4223 Degnan Blvd Los Angeles, CA 90008
NUMBER OF UNITS:	8
APPROX. GROSS SF:	4,824
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 Bdr/ 1 Bath

PRICING INFORMATION

SALE PRICE:	\$1,250,000
PRICE PER UNIT	\$156,250
PRICE PER SF:	\$259.12
CURRENT CAP RATE:	4.72%
CURRENT GRM:	11.46
MARKET CAP RATE:	8.07%
MARKET GRM:	8.04



INVESTMENT HIGHLIGHTS

§

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

§

Built in 1939, the subject property features a unit mix consisting of two bachelors, two singles, and four one-bedrooms; two 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

§

Offered at a low \$156,250 per unit and \$259 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 42% rental upside

§

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

§

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

§

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

§

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

4223 DEGNAN BLVD

LOS ANGELES, CA 90008







RENT ROLL

NO. OF UNITS	UNIT NO.	UNIT TYPE	CURRENT RENTS	PROJECTED RENTS	NOTES
1	4223 1	Bachelor	\$494	\$1,100	
2	4223 2	Single	\$987	\$1,525	
3	4223 3	Bachelor	\$563	\$1,100	
4	4223 4	Single	\$919	\$1,525	
5	4225 1	1+1	\$949	\$1,850	
6	4225 2	1+1	\$1,850	\$1,850	Vacant
7	4225 3	1+1	\$1,174	\$1,850	
8	4225 4	1+1	\$1,850	\$1,850	Vacant
			\$8,786	\$12,650	

Bachelor	\$1,057	\$2,200
Single	\$1,906	\$3,050
1+1	\$5,823	\$7,400
Total	\$8,786	\$12,650

FINANCIAL ANALYSIS

4223 DEGNAN BLVD

LOS ANGELES, CA 90008

ANNUALIZED OPERATING DATA	CURRENT RENTS		PRO FORMA	
Scheduled Gross Income:	\$109,032		\$155,400	
Less Vacancy Rate Reserve:	\$(5,452)	5.0%	\$(7,770)	5.0%
Gross Operating Income:	\$103,580		\$147,630	
Less Expenses:	\$(44,606)	40.9%	\$(46,809)	30.1%
Net Operating Income:	\$58,974		\$100,822	
Reserves:	\$(1,600)		\$(1,600)	
Less Debt Service:	\$(47,405)		\$(47,405)	
Pre-Tax Cash Flow:	\$9,969	1.6%	\$51,816	8.3%
Plus Principal Reduction:	\$7,236		\$7,236	
Total Return Before Taxes:	\$17,205	2.8%	\$59,052	9.4%

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS		PRO FORMA	
Taxes: Rate 1.20%	\$15,000		\$15,000	
Insurance	\$9,850		\$9,850	
Utilities*	\$4,433		\$4,433	
Repairs & Maintenance	\$6,000		\$6,000	
Management	\$5,179		\$7,382	
Landscaping*	\$960		\$960	
Pest Control	\$1,320		\$1,320	
License and Fees	\$850		\$850	
Direct Assessment*	\$1,014		\$1,014	
Total Expenses:	\$44,606		\$46,809	
Per Net Sq. Ft.:	\$9.25		\$9.70	
Per Unit:	\$5,576		\$5,851	

SCHEDULED INCOME		CURRENT RENTS		PRO FORMA	
No. of Units	Unit Type	Avg. Monthly Rent/Unit	Monthly Income	Avg. Monthly Rent/Unit	Monthly Income
2	Bachelor	\$529	\$1,057	\$1,100	\$2,200
2	Single	\$953	\$1,906	\$1,525	\$3,050
4	1+1	\$1,456	\$5,823	\$1,850	\$7,400
Total Scheduled Rent:			\$8,786		\$12,650
	Parking		\$300		\$300
Monthly Scheduled Gross Income:			\$9,086		\$12,950
Annual Scheduled Gross Income:			\$109,032		\$155,400

SUMMARY

Price:	\$1,250,000
Down Payment: 50%	\$625,000
Number of Units:	8
Cost per Legal Unit:	\$156,250
Current GRM:	11.46
Market GRM:	8.04
Current CAP:	4.72%
Market CAP:	8.07%
Approx. Age:	1939
Approx. Lot Size:	5,501
Approx. Gross SF:	4,824
Cost per Net GSF:	\$259.12

NEW POTENTIAL FINANCING

New First Loan:	\$625,000
Interest Rate:	6.50%
Amortization:	30
Monthly Payment:	\$3,950.43
DCR:	1.24

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.

Note: *Actual Expenses

SALE COMPARABLES



4223 DEGNAN AVE
LOS ANGELES, CA 90008

SALE PRICE \$1,250,000

YEAR BUILT 1939

NO. OF UNITS 8

PRICE PER UNIT \$156,250

PRICE PER SF \$259

ACTUAL CAP RATE 4.72%

ACTUAL GRM 11.46

SALE DATE For Sale



4307 S Normandie Ave
Los Angeles, CA 90037

SALE PRICE \$1,285,000

YEAR BUILT 1924

NO. OF UNITS 8

PRICE PER UNIT \$160,625

PRICE PER SF \$353

CAP RATE 6.21%

GRM 10.40

SALE DATE Under Contract



2074 W 54th St
Los Angeles, CA 90062

SALE PRICE \$1,175,000

YEAR BUILT 1930

NO. OF UNITS 6

PRICE PER UNIT \$195,833

PRICE PER SF \$267

CAP RATE N/A

GRM N/A

SALE DATE 10/22/2024



4318 Leimert Blvd
Los Angeles, CA 90008

SALE PRICE \$1,325,000

YEAR BUILT 1931

NO. OF UNITS 6

PRICE PER UNIT \$220,833

PRICE PER SF \$252

CAP RATE 6.08%

GRM 11.86

SALE DATE 9/26/2024

SALE COMPARABLES



1311 W Martin Luther King Jr. Blvd
Los Angeles, CA 90037

SALE PRICE \$1,500,000

YEAR BUILT 1949

NO. OF UNITS 7

PRICE PER UNIT \$214,286

PRICE PER SF \$270

CAP RATE N/A

GRM N/A

SALE DATE 7/25/2024



3018 9th Ave
Los Angeles, CA 90018

SALE PRICE \$1,350,000

YEAR BUILT 1947

NO. OF UNITS 8

PRICE PER UNIT \$168,750

PRICE PER SF \$216

CAP RATE 4.00%

GRM 11.93

SALE DATE 5/31/2024



3812 W Adams Blvd
Los Angeles, CA 90018

SALE PRICE \$1,600,000

YEAR BUILT 1940

NO. OF UNITS 8

PRICE PER UNIT \$200,000

PRICE PER SF \$301

CAP RATE 5.12%

GRM 12.30

SALE DATE 4/8/2024



2627 S Victoria Ave
Los Angeles, CA 90016

SALE PRICE \$1,260,000

YEAR BUILT 1926

NO. OF UNITS 7

PRICE PER UNIT \$180,000

PRICE PER SF \$323

CAP RATE 6.29%

GRM N/A

SALE DATE 12/8/2023

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.





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.



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

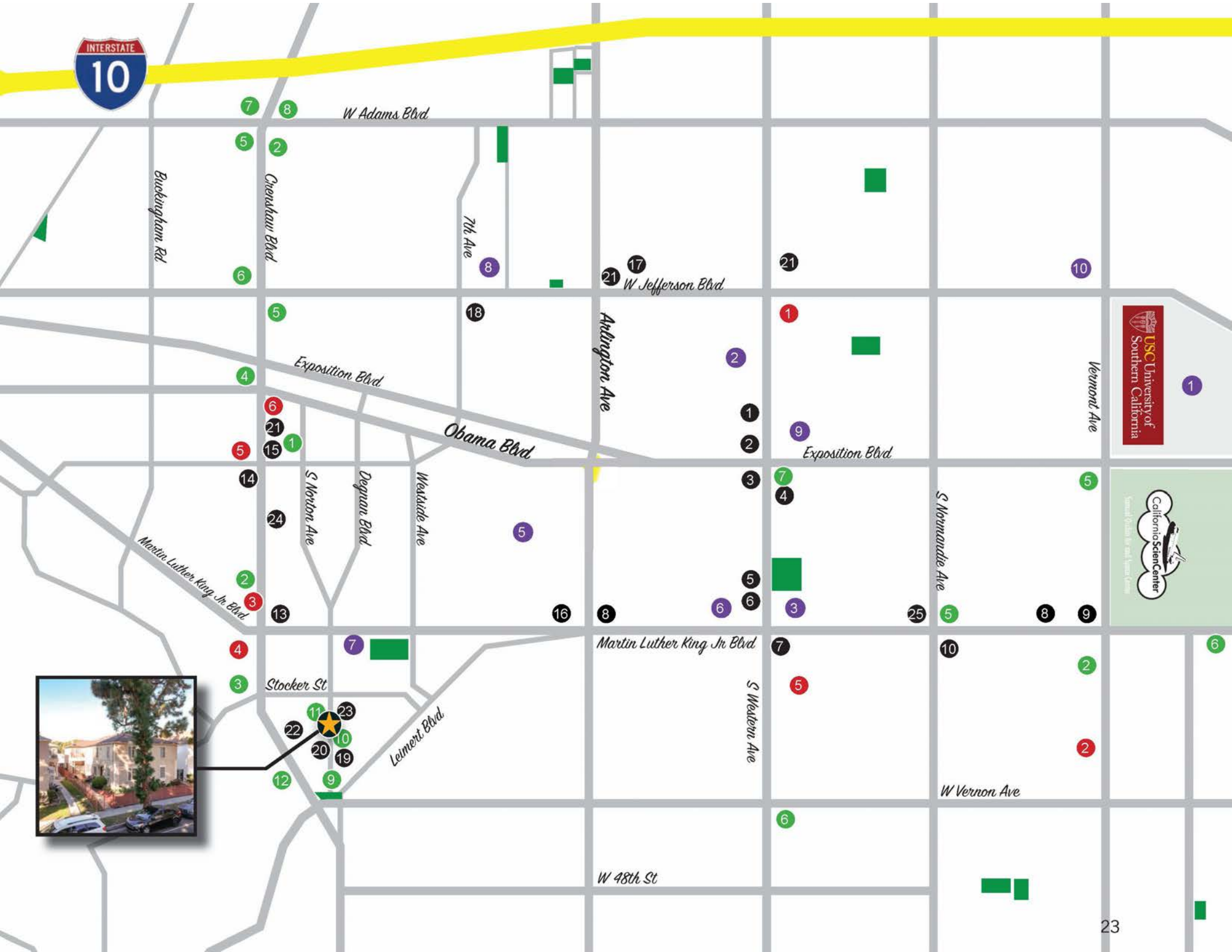
- 1 Chase Bank
- 2 Bank Of America
- 3 Wells Fargo Bank
- 4 Shell
- 5 Arco
- 6 Chevron
- 7 76 Gas
- 8 Exxon
- 9 Leimert Plaza Park
- 10 Vision Theater
- 11 The World Stage
- 12 The Metaphor Club

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



OFFERING MEMORANDUM

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