



OFFERING MEMORANDUM  
16 UNIT RTI DEVELOPMENT SITE  
4324 S Vermont Ave | Los Angeles, CA 90037



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EXCLUSIVELY LISTED BY

JORDAN EPSTEIN

Senior Associate

National Multi-Housing Group

Tel: 818-212-2799

Cell: 760-505-6832

Jordan.Epstein@marcusmillichap.com

FILIP NICULETE

Senior Vice President Investments

Director - National Multi-Housing Group

Tel: 818-212-2748

Cell: 818-577-9893

Filip.Niculete@marcusmillichap.com

GLEN SCHER

First Vice President Investments

Director - National Multi-Housing Group

Tel: 818-667-6683

Cell: 818-212-2808

Glen.Scher@marcusmillichap.com



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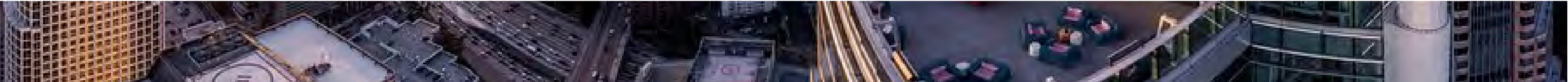
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LOCATION OVERVIEW



# PROPERTY OVERVIEW

Marcus & Millichap





# THE OFFERING

The LAAA Team of Marcus & Millichap is pleased to present 4324 S Vermont Avenue located in Los Angeles, California. The Offering consists of 6,132 square feet of vacant land, zoned C2-1VL-CPIO and is a Tier 3 TOC corner lot with alley access.

The Subject property is being sold with fully approved RTI (Ready-to-Issue) plans to build a 5-story, 16 unit apartment building. All units will be 3 Bedroom and 2 Bathroom, about 940 square feet in size with open layout and washer/dryer hookups. 12 of the 16 units will feature its own private balcony and parking will be on-grade (street level). Approved total building area will be 17,121 square feet with a approved floor area of 15,791 square feet. The approved housing covenant allows 14 units to be rented at market rent and 2 units to be rented at the affordable housing rate.

The sale price includes what the owner spent for the City of Los Angeles to build underground electrical conduits and to install a brand new fire hydrant in front of the property, which amounted to approximately \$100,000.

The prior structure was demolished with city approved demolition permits and the sewer line was capped. The Property is surrounded by a newly installed security gate and iron bar.

The Offering is well located within 1.1 miles of USC and proximate to the LA Coliseum & SoFi Stadium where the 2028 Olympic games will be held. The area is undergoing major revitalization filled with exciting new openings such as the Banc of California Stadium, Museums- including the massive \$1 Billion Lucas Museum of Narrative Art. The subject property has easy access to major freeways and is less than 5 miles from downtown LA.







# CURRENT VALUE

## PRICING DETAILS

PRICE	<b>\$1,150,000</b>
Lot Area SF	6,132
Lot Area Acres	0.14
Zoning	C2-1VL
Buildable Units	16
Price/SF	\$187.54
Price/Buildable	\$71,875
Status	RTI



# FINISHED VALUE

## PRICING DETAILS

PRICE	<b>\$6,750,000</b>
Number of Units	16
Price Per Unit	\$421,875
Price Per SqFt	\$394.25
Gross SqFt	17,121
Lot SqFt	0.14 Acres
Approx. Year Built	2022

RETURNS	CURRENT	PRO FORMA
CAP Rate	4.88%	5.53%
GRM	13.33	12.24
DEBT COVERAGE RATIO	1.40	1.59

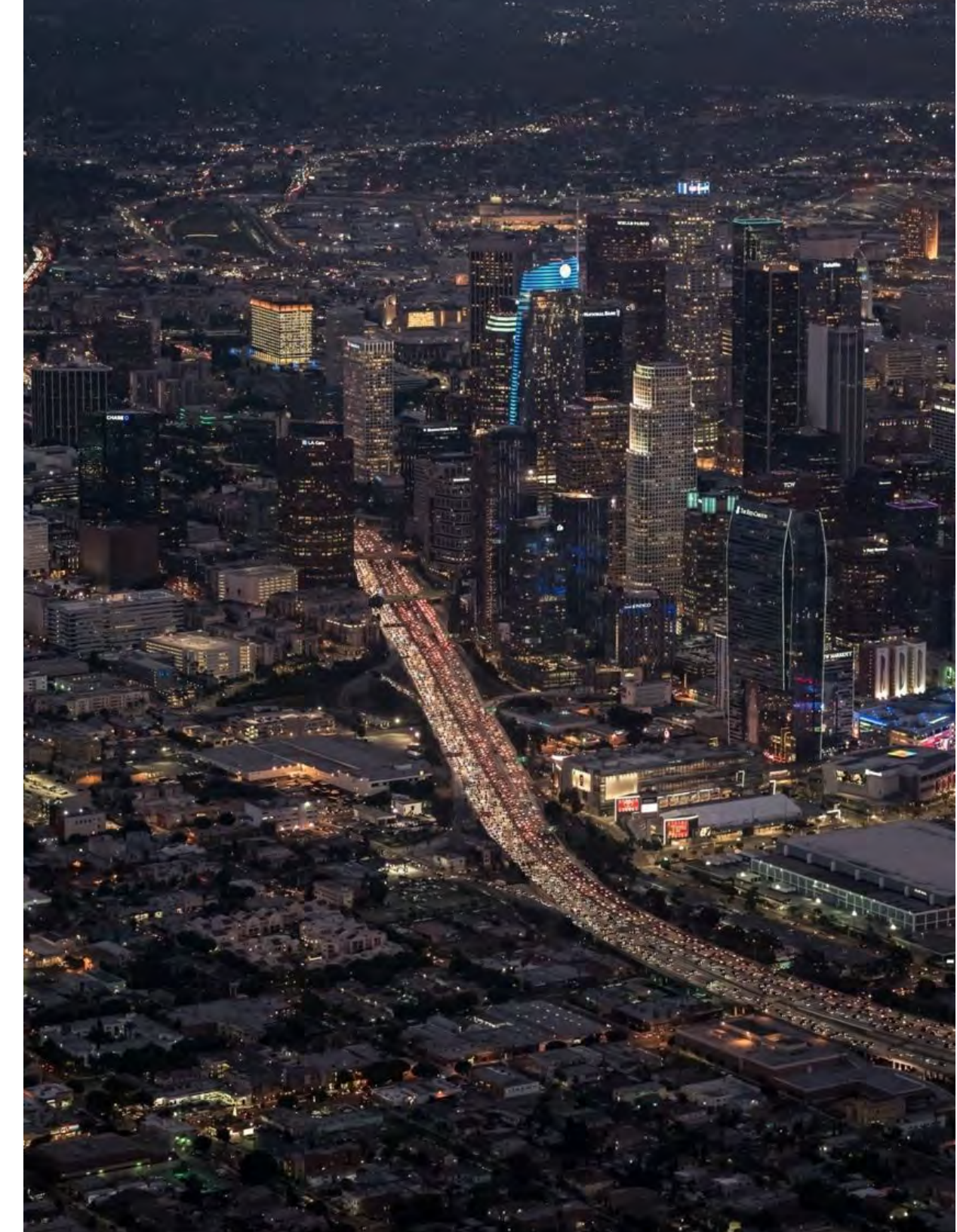
FINANCING	1ST LOAN	
Loan Amount	\$4,387,500	
Down Payment	\$2,362,500	35%
Interest Rate	3.45%	
Amortization	30 Years	
Year Due	2027	

# OF UNITS	UNIT TYPE	SF	AVG RENT
10	3 Bed / 2 Bath	960	\$2,950
2	3 Bed / 2 Bath ELI	960	\$845
2	3 Bed / 2 Bath	900	\$2,750

## OPERATING DATA

INCOME		CURRENT		PROFORMA
Gross Scheduled Rent		\$506,280		\$551,640
Less: Vacancy/Deductions	3.0%	\$15,188	3.0%	\$16,549
Effective Gross Income		\$491,092		\$535,091
<b>Less: Expenses</b>	<b>32%</b>	<b>\$161,727</b>	<b>29%</b>	<b>\$161,727</b>
<b>Net Operating Income</b>		<b>\$329,365</b>		<b>\$373,364</b>
Loan Payments		\$234,955		\$234,955
Pre-Tax Cash Flow	4.00%	\$94,410	5.86%	\$138,409
Principle Reduction		\$84,921		\$84,921
<b>Total Return</b>	<b>7.59%</b>	<b>\$179,331</b>	<b>9.45%</b>	<b>\$223,330</b>

EXPENSES	CURRENT	PROFORMA
Real Estate Taxes	\$84,375	\$84,375
Insurance	\$8,561	\$8,561
Utilities	\$8,640	\$8,640
Trash	\$3,200	\$3,200
Repairs & Maintenance	\$8,000	\$8,000
Landscaping	\$3,000	\$3,000
General & Admin	\$4,000	\$4,000
Operating Reserves	\$4,000	\$4,000
Management Fee	\$17,700	\$17,700
<b>Total Expenses</b>	<b>\$161,727</b>	<b>\$161,727</b>
Expenses/Unit	\$10,108	\$10,108
Expenses/SF	\$9.45	\$9.45



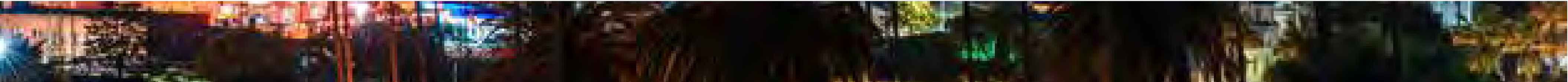




# COMPARABLES



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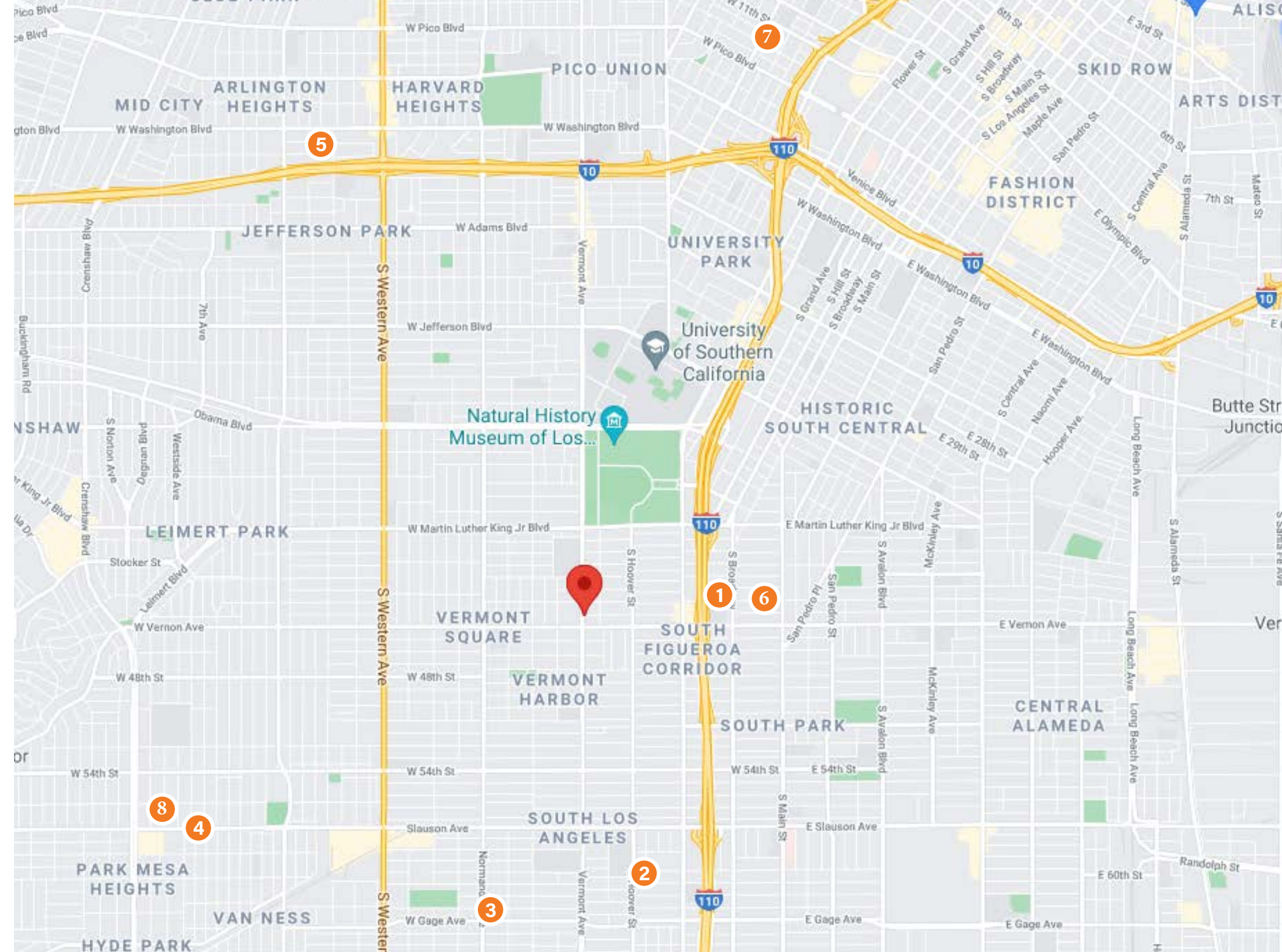




# 4324 S VERMONT AVENUE

## SALES COMPARABLES - LAND

#	ADDRESS	SALE PRICE	BUILDABLE	\$/UNIT	\$/SF	ZONING	COE DATE	NOTES
1	5130 S Broadway Los Angeles, CA	\$1,500,000	49	\$30,612	\$127.54	C2	02/01/2021	RTI
2	7600 S Vermont Ave Los Angeles, CA	\$4,909,090	50	\$98,182	\$288.97	C2	07/01/2019	
3	8701 S Western Ave Los Angeles, CA	\$8,850,000	168	\$52,679	\$106.93	C2	07/22/2020	RTI
4	6501 Crenshaw Blvd Los Angeles, CA	\$3,500,000	98	\$35,714	\$154.52	C2	02/01/2021	
5	3300 Washington Blvd Los Angeles, CA	\$6,000,000	84	\$71,429	\$122.98	C2	01/16/2019	
6	4517 S Main St Los Angeles, CA	\$3,275,000	64	\$51,172	\$139.23	C2	10/22/2019	
7	740 S Alvarado St Los Angeles, CA	\$5,000,000	80	\$62,500	\$302.06	C2	08/05/2019	RTI
8	6604 S West Blvd Los Angeles, CA	\$2,485,000	64	\$38,828	\$124.02	C2	07/01/2019	
<b>Average</b>				<b>\$55,140</b>	<b>\$170.78</b>			

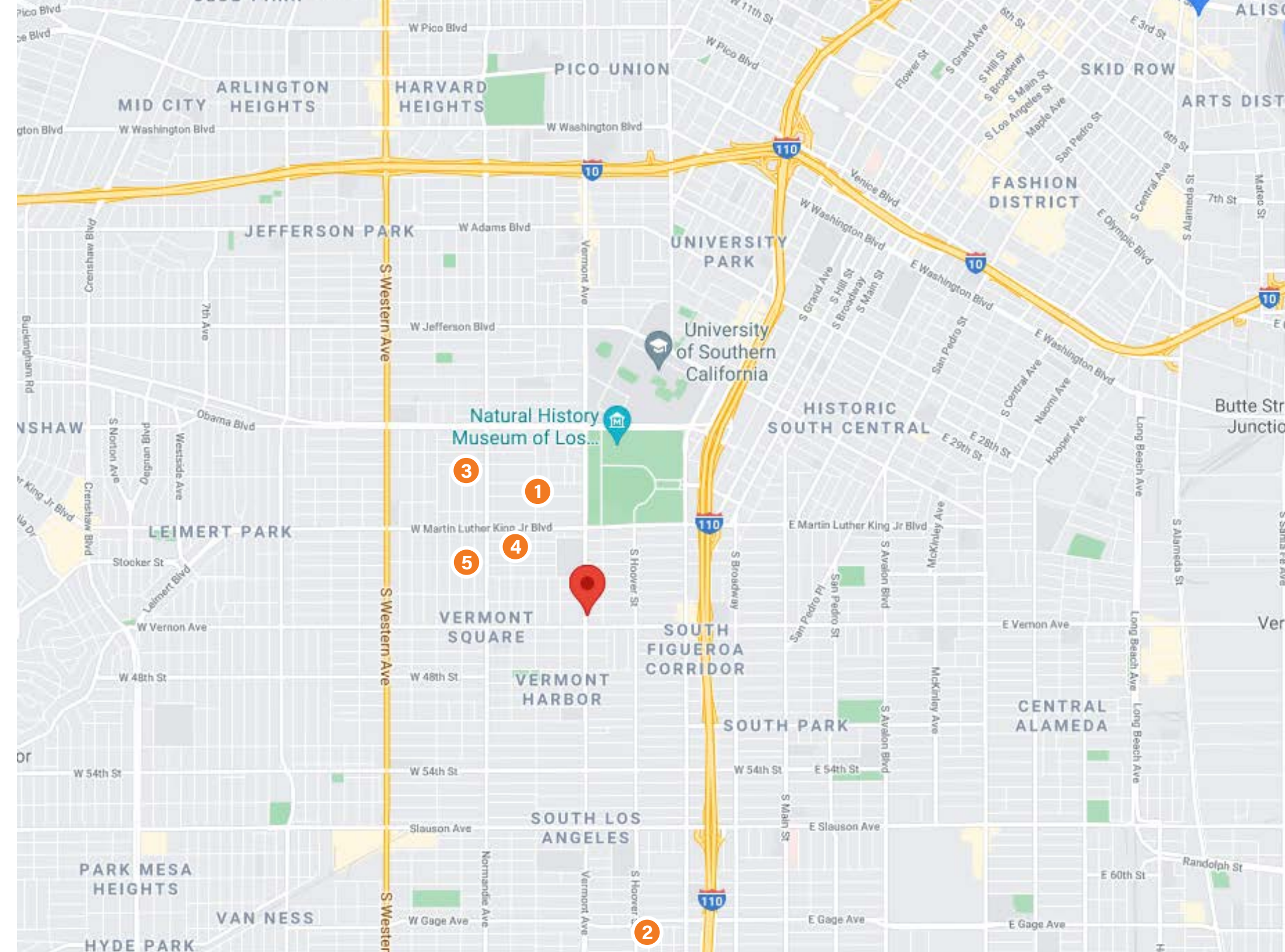




# 4324 S VERMONT AVENUE

## SALES COMPARABLES - NEW APARTMENTS

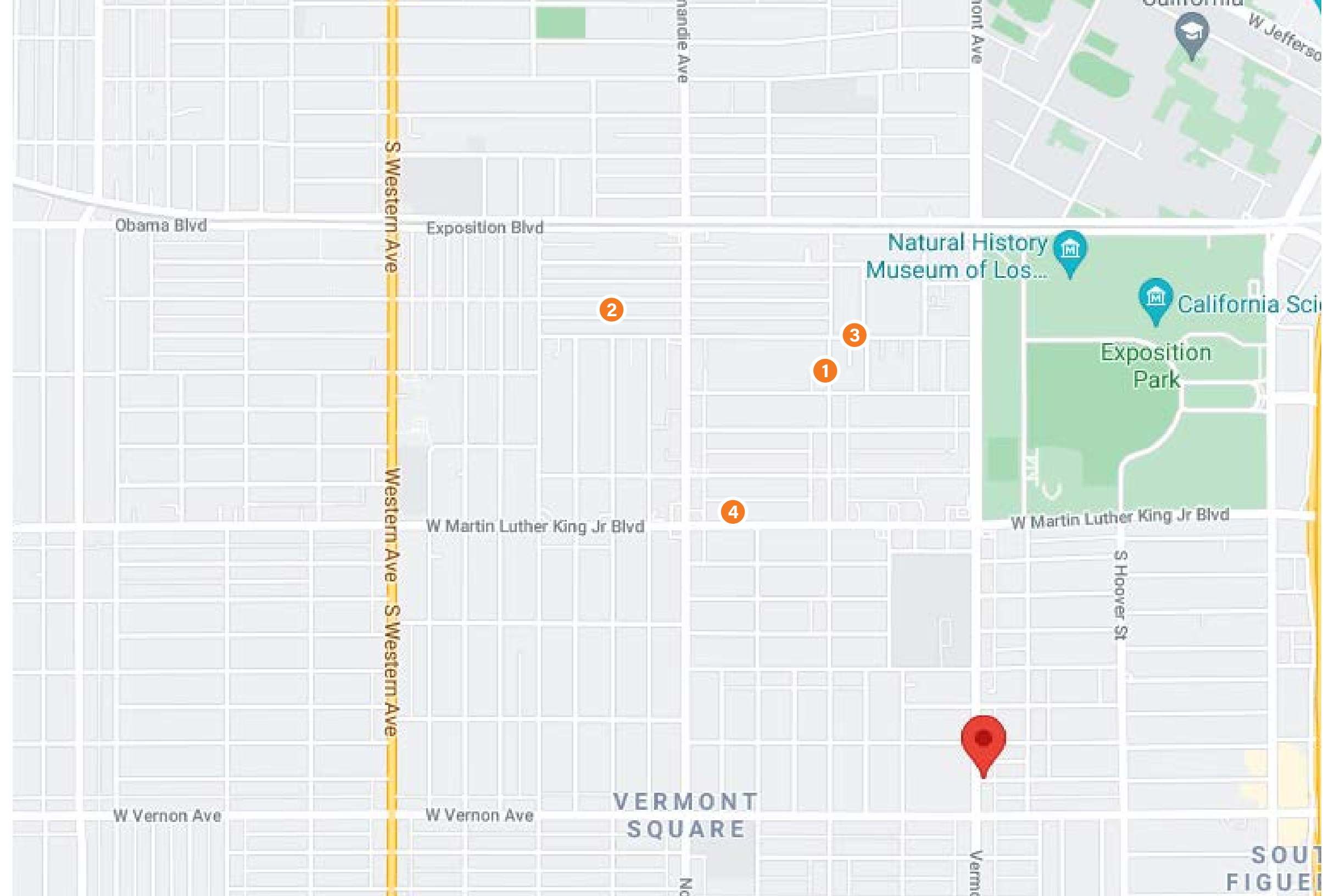
#	ADDRESS	SALE PRICE	YR BUILT	UNITS	\$/UNIT	\$/SF	CAP RATE	GRM	COE DATE
1	1135-1137 Leighton Ave Los Angeles, CA	\$4,375,000	2019	8	\$546,875	\$390.17	5.50%	12.59	08/6/2019
2	908 W 66th St Los Angeles, CA	\$1,800,000	2020	4	\$450,000	\$346.22	5.00%	13.88	6/1/2021
3	3915 Brighton Ave Los Angeles, CA	\$2,095,000	2019	4	\$523,750	\$387.82	5.13%	14.60	3/15/2021
4	1302 W MLK Blvd Los Angeles, CA	\$2,025,000	2018	4	\$506,250	\$345.33	6.00%	12.70	11/27/2018
5	4177 S Normandie Ave Los Angeles, CA	\$2,200,000	2020	4	\$550,000	\$370.74	7.01%	10.91	4/7/2020
<b>Average</b>					<b>\$515,375</b>	<b>\$437.22</b>	<b>5.75%</b>	<b>12.92</b>	



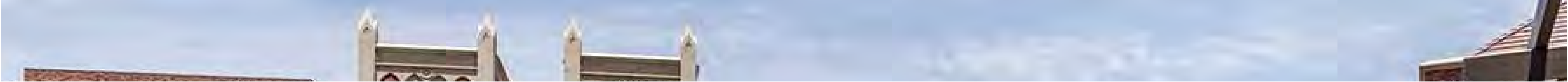


# 4324 S VERMONT AVENUE RENT COMPARABLES

#	ADDRESS	UNIT TYPE	YR BUILT	SF	RENT	RENT/SF
1	1135 Leighton Ave Los Angeles, CA	3+3	2019	1,500	\$3,295	\$2.20
2	3915 Brighton Ave Los Angeles, CA	3+3	2019	1,364	\$3,295	\$2.42
3	1116 W 39th Pl Los Angeles, CA	3+3	2017	1,376	\$3,095	\$2.25
4	4011 S Raymond Ave Los Angeles, CA	3+3	2018	1,290	\$3,300	\$2.56
<b>Average</b>						<b>\$2.36</b>

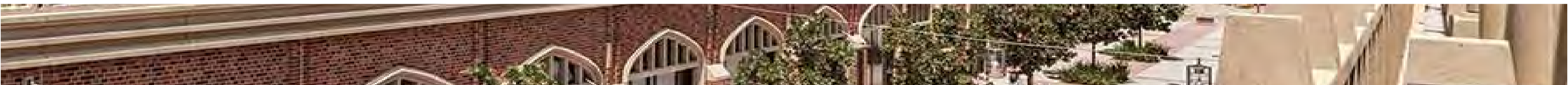






# LOCATION OVERVIEW

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# LOS ANGELES

## Natural Beauty, Boutique Dining, Famed Shopping an iconic urban experience.

### ECONOMICS

The population in the 90037 zip code is approximately 67,640 in its 2.8 square miles. There are 17,699 households in this area with 3.8 persons per household. 36% of the population are married. The median age is 30.7 years old. The median household income is \$35,424.

### DINING, SHOPPING & ENTERTAINMENT

The offering is less than 4 miles from the world class dining, shopping and entertainment of Downtown Los Angeles and L.A. Live, home of the Staples Center. Just north is the Natural History Museum and the soon to be revamped Exposition Park. To the south, prospective tenants are 6.2 miles away from the new Sofi Stadium.

### HOUSING

The median housing value in the area is \$407,200. There are 18,682 housing units in the area.

### SOCIAL

52.4% of the population are of high school grad or higher and 7% have attained a bachelor's degree or higher. 44.3% of the population are foreign born. 1.5% of the population have veteran status.





EXCLUSIVELY LISTED BY

JORDAN EPSTEIN

Senior Associate  
National Multi-Housing Group

Tel: 818-212-2799

Cell: 760-505-6832

[Jordan.Epstein@marcusmillichap.com](mailto:Jordan.Epstein@marcusmillichap.com)

FILIP NICULETE

Senior Vice President Investments  
Director - National Multi-Housing Group

Tel: 818-212-2748

Cell: 818-577-9893

[Filip.Niculete@marcusmillichap.com](mailto:Filip.Niculete@marcusmillichap.com)

GLEN SCHER

First Vice President Investments  
Director - National Multi-Housing Group

Tel: 818-667-6683

Cell: 818-212-2808

[Glen.Scher@marcusmillichap.com](mailto:Glen.Scher@marcusmillichap.com)

**Marcus & Millichap**

**LAAA TEAM**

