

OFFERING MEMORANDUM

3415 NORMANDIE AVE

MIXED-USE INVESTMENT OPPORTUNITY | 15 APARTMENT UNITS + 3 RETAIL SPACES
IN THE EXPOSITION PARK NEIGHBORHOOD OF LOS ANGELES | TRUE VALUE-ADD OPPORTUNITY



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3415 NORMANDIE AVE
Los Angeles, CA 90018

EXCLUSIVELY LISTED BY

NEEMA AHADIAN

Senior Managing Director of Investments
CA BRE License #01346750
310.909.5444 Tel
Neema@marcusmillichap.com

BEN LEE

Associate of Investments
CA BRE License #02123715
310.909.2317 Tel
Ben.Lee@marcusmillichap.com

Marcus & Millichap
THE NEEMA GROUP



The Neema Group of Marcus & Millichap is pleased to present a mixed-use investment opportunity located at 3415 Normandie Ave in the Exposition Park neighborhood of Los Angeles, located on the corner of Normandie Ave & W 35th St and a half mile from the University of Southern California.

The property features four structures on two parcels totaling 15 apartment units and three retail spaces; the unit mix consists of seven singles, four one-bedrooms, four two-bedrooms, and three retail spaces; six 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 a projected 6.98% CAP rate at the asking price once current vacancies are rented; additional 25% rental upside achievable as additional units turn.

Separately metered for gas & electric; there is a community laundry room on-site for additional income.

Located in a dense, infill location of Los Angeles with an easy commute to USC, Downtown and Mid-City; walking distance to multiple Metro local lines on W Jefferson Blvd & Normandie Ave and less than a mile from the Metro Expo Rail Station.

PROPERTY SUMMARY

PROPERTY INFORMATION

ADDRESS:	3415 Normandie Ave Los Angeles, CA 90018
NUMBER OF UNITS:	15 Apartments + 3 Retail
APPROX. GROSS SF:	7,227*
APPROX. LOT SIZE:	11,421 SF
YEAR BUILT:	1924/1930/1940
PARCEL NUMBER:	5041-001-001 & 5041-001-002
PROPERTY TYPE:	Mixed-Use
UNIT MIX:	(7) Single, (4) 1+1, (2) 1+1 (2) 2+2 & (3) Retail

PRICING INFORMATION

SALE PRICE:	\$2,300,000
PRICE PER UNIT	\$153,333
PRICE PER SF:	\$318.25
CURRENT CAP RATE:	6.98%
CURRENT GRM:	8.45
MARKET CAP RATE:	9.75%
MARKET GRM:	6.72

*Buyer to verify legal unit and bedroom count. Marcus & Millichap and the Seller have not made any investigation and makes no warranty or representation with respect to the presented unit and bedroom count. 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



The Neema Group of Marcus & Millichap is pleased to present a mixed-use investment opportunity at 3415 Normandie Ave in the Exposition Park neighborhood of Los Angeles, located on the corner of Normandie Ave & W 35th St and a half mile from the University of Southern California



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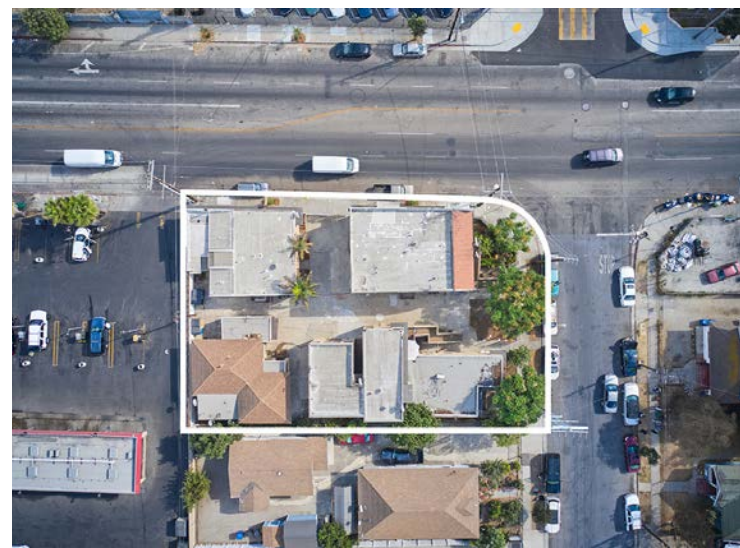
True value add opportunity with a projected 6.98% CAP rate at the asking price once current vacancies are rented; additional 25% rental upside achievable as additional units turn



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AREA OVERVIEW

South Los Angeles

MULTI-CULTURALLY AND ECONOMICALLY DIVERSE

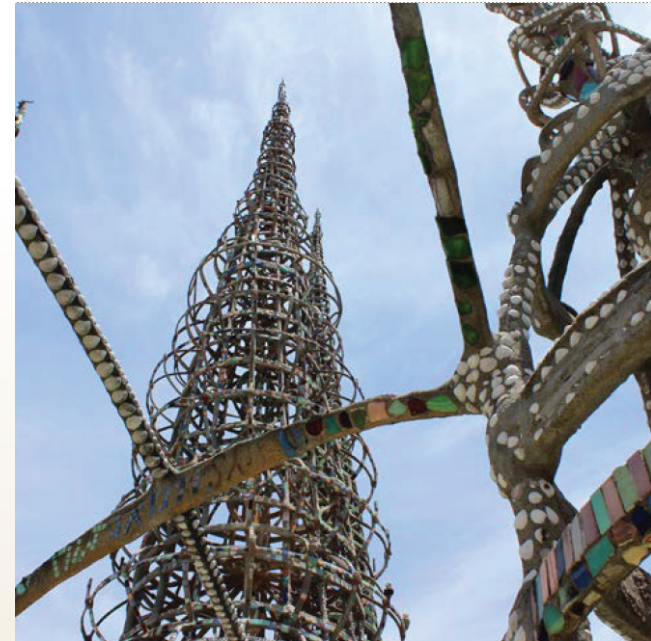
South LA is a large region of Los Angeles made up of the neighborhoods south of Downtown L.A. This area is multi-culturally and economically diverse and offers residents a dense suburban feel in a historic market of Los Angeles. Residents can take advantage of the area's many food and entertainment spaces within walking distance of the subject properties.

The more noteworthy news for the area is the great revitalization plan for South Los Angeles. For the first time in decades, major development projects are underway in South L.A. The most recently completed, an incredible state of the art NFL stadium in Inglewood - and it will be surrounded by a master-planned community made up of thousands of new homes and entertainment / dining options.

The development wave doesn't stop there. New restaurants, grocery stores, and shops are in the pipeline for neighborhoods from West Adams to Watts. The Lucas Museum of Narrative Art, South L.A. Wetlands Park, Hollywood Park, Clipper's Arena, and Magic Johnson Park are some more examples of developments currently underway. With USC located nearby this is an excellent off-campus housing option for some USC students. Working professionals will also appreciate being less than four three miles from Downtown LA. Outdoor recreation is available within two miles from all properties.

At Exposition Park which features the Banc of California Stadium to the north, and Julian C. Dixon Park to the south. Solid retail and restaurant amenities are available across numerous surrounding commercial corridors such as Figueroa Street, which is accessible within short walking distance.

Situated in a solid South Los Angeles location.



3415 NORMANDIE AVE

Los Angeles, CA 90006

EXPOSITION PARK

MORE THAN AN URBAN PARK WITH OUTDOOR RECREATIONAL ACTIVITIES

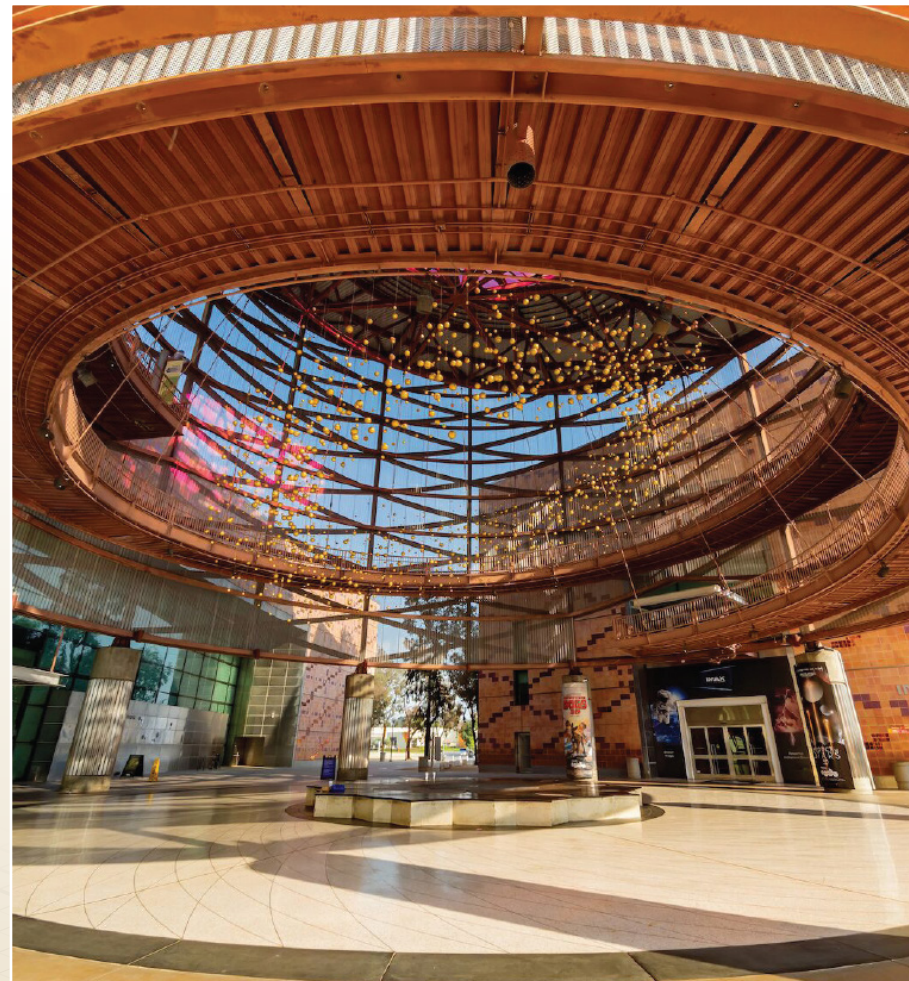
Exposition Park is a 160 acres urban park in the south region of Los Angeles, California, in the Exposition Park neighborhood. Established in 1872 as an agricultural fairground, the park includes the Los Angeles Memorial Coliseum, Banc of California Stadium, the California Science Center, the Natural History Museum of Los Angeles County, and the California African American Museum. The Lucas Museum of Narrative Art is under construction. Bounded by Exposition Boulevard to the north, South Figueroa Street to the east, Martin Luther King Jr. Boulevard to the south and Menlo Avenue to the west, it is directly south of the main campus of the University of Southern California.





NATURAL HISTORY MUSEUM

The Natural History Museum (NHM) occupies a special place in Los Angeles: It's one of L.A.'s oldest cultural institutions, and today, it's the anchor of an emerging cultural, educational, and entertainment hub in Exposition Park. We show off extraordinary specimens in exhibitions such as Age of Mammals, the Dinosaur Hall, the Gem and Mineral Hall, and our beloved dioramas



CALIFORNIA SCIENCE CENTER

The California Science Center (sometimes spelled California ScienCenter) is a state agency and museum located in Exposition Park, Los Angeles, next to the Natural History Museum of Los Angeles County and the University of Southern California. Billed as the West Coast's largest hands-on science center, the California Science Center is a public-private partnership between the State of California and the California Science Center Foundation.



NEARBY RETAIL & AMENITIES

PUBLIC TRANSPORTATION

- 1 Normandie/ 29th
- 2 Jefferson/ Vermont
- 3 Washington/ Hoover

SCHOOLS

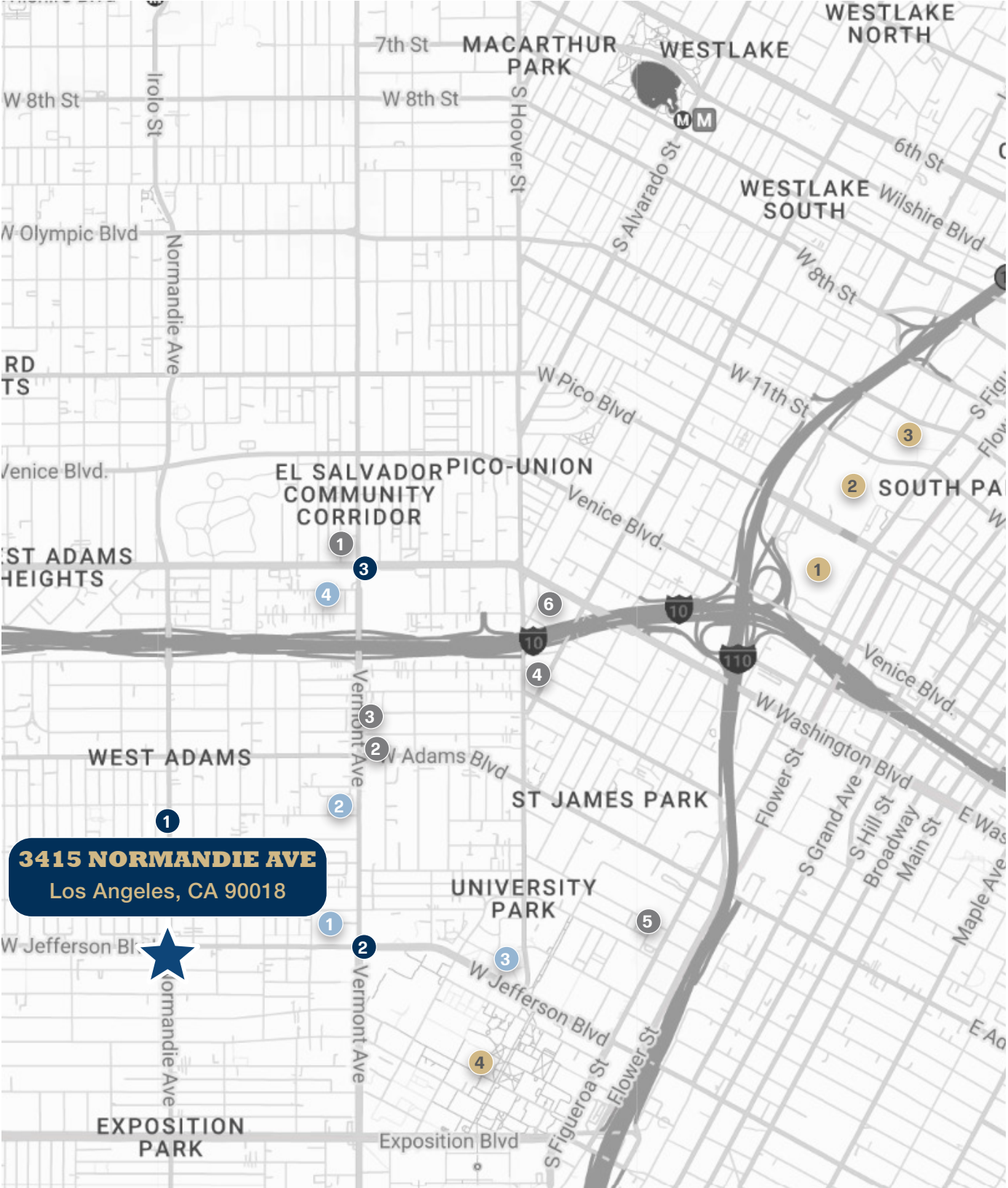
- 1 John Mack Elementary School
- 2 Vermont Avenue Elementary School
- 3 USC/USC Village
- 4 Camino Nuevo Charter Academy

RETAIL

- 1 Burger King
- 2 Jack in the Box
- 3 Pizza Hut
- 4 Papa Johns Pizza
- 5 Domino's Pizza
- 6 Planet Fitness

MISCELLANEOUS

- 1 Los Angeles Convention Center
- 2 Crypto.com Arena
- 3 Peacock Theater
- 4 USC





Camino Nuevo Charter Academy

Burker King

Pizza Hut

Domino's Pizza

Washington/ Hoover

Peacock Theater

Crypto.com Arena

Los Angeles Convention Center

Planet Fitness

Papa Johns Pizza

USC

Jack in the Box

Vermont Avenue Elementary School

John Mack Elementary School

Jefferson/ Vermont

Normandie/ 29th

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Los Angeles, CA 90018

JEFFERSON BLVD

JEFFERSON BLVD



RENT ROLL

NO. OF UNITS	UNIT NO.	UNIT TYPE	ACTUAL RENTS	PRO FORMA RENTS	NOTES
1	1401A	Single	\$1,300	\$1,300	Vacant
2	1401B	1+1	\$880	\$1,500	
3	1401C	1+1	\$1,025	\$1,500	
4	1403	2+1	\$2,400	\$2,400	Vacant
5	1405	1+1	\$970	\$1,500	
6	1405 1/2	Single	\$864	\$1,300	
7	1405 3/4	Single	\$1,300	\$1,300	Vacant
8	1407	2+1	\$2,295	\$2,400	
9	1407 1/2	Single	\$1,300	\$1,300	Vacant
10	1409	2+2	\$2,500	\$2,500	Vacant
11	1409 1/2	Single	\$670	\$1,300	
12	3413	Retail	\$1,292	\$1,500	Locksmith
13	3417	1+1	\$1,500	\$1,500	Vacant
14	3417 1/2	2+2	\$869	\$2,500	
15	3417 1/4	Single	\$1,091	\$1,300	
16	3417 3/4	Single	\$771	\$1,300	
17	3419	Retail	\$835	\$1,000	Miscellaneous Store
18	3421	Retail	\$714	\$1,000	Hair Salon

TOTAL	\$22,576	\$28,400
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Single	\$7,296	\$9,100
1+1	\$4,375	\$6,000
2+1	\$4,695	\$4,800
2+2	\$3,369	\$5,000
Retail	\$2,841	\$3,500
Total	\$22,576	\$28,400

FINANCIAL ANALYSIS

3415 NORMANDIE AVE

Los Angeles, CA 90006

ANNUALIZED OPERATING DATA	CURRENT RENTS		MARKET RENTS	
Scheduled Gross Income:	\$272,242		\$342,130	
Less Vacancy Rate Reserve:	\$(13,612)	5.0%	\$(17,107)	5.0%
Gross Operating Income:	\$258,630		\$325,024	
Less Expenses:	\$(98,109)	36.0%	\$(100,765)	29.5%
Net Operating Income:	\$160,521		\$224,259	
Reserves:	\$(3,000)		\$(3,000)	
Less Debt Service:	\$(96,640)		\$(96,640)	
Pre-Tax Cash Flow:	\$60,881	6.6%	\$124,619	13.5%
Plus Principal Reduction:	\$18,238		\$18,238	
Total Return Before Taxes:	\$79,119	8.6%	\$142,857	15.5%

ESTIMATED ANNUALIZED EXPENSES	CURRENT RENTS		MARKET RENTS	
Taxes Rate: 1.20%	\$27,600		\$27,600	
Insurance*	\$20,328		\$20,328	
Utilities*	\$19,592		\$19,592	
Waste Removal*	\$7,006		\$7,006	
Repairs & Maintenance	\$7,500		\$7,500	
Management 4.00%	\$10,345		\$13,001	
Cleaning*	\$2,100		\$2,100	
Pest Control	\$600		\$600	
License & Fees	\$1,230		\$1,230	
Direct Assessment*	\$1,808		\$1,808	
Total Expenses:	\$98,109		\$100,765	
Per Net Sq. Ft.:	\$13.58		\$13.94	
Per Unit:	\$6,541		\$6,718	

SCHEDULED INCOME			CURRENT RENTS		MARKET RENTS	
No. of Units	Unit Type	Unit SF	Avg. Monthly Rent/Unit	Monthly Income	Monthly Rent/Unit	Monthly Income
7	Single		\$1,042	\$7,296	\$1,300	\$9,100
5	1+1		\$1,094	\$4,375	\$1,500	\$6,000
2	2+1		\$2,348	\$4,695	\$2,400	\$4,800
2	2+2		\$1,685	\$3,369	\$2,500	\$5,000
2	Retail		\$947	\$2,841	\$1,167	\$3,500
Total Scheduled Rent:				\$22,576	\$28,400	
				Laundry	\$111	\$111
Monthly Scheduled Gross Income:				\$22,687	\$28,511	
Annual Scheduled Gross Income:				\$272,242	\$342,130	

SUMMARY

Price:	\$2,300,000
Down Payment: 40%	\$920,000
Number of Units:	15 + 3
Cost per Legal Unit:	\$153,333
Current GRM:	8.45
Market GRM:	6.72
Current CAP:	6.98%
Market CAP:	9.75%
Approx. Age:	1924/1930/1940
Approx. Lot Size:	11,421
Approx. Gross SF:	7,227
Cost per Net GSF:	\$318.25

NEW POTENTIAL FINANCING

New First Loan:	\$1,380,000
Interest Rate:	5.75%
Amortization:	30
Monthly Payment:	\$8,053.31
DCR:	1.66

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

**Six units are currently vacant. The financials shown include market rents for the vacant units based on rent comparables in the area. Buyer to conduct their own due diligence to determine market rents.

SALE COMPARABLES



3415 NORMANDIE AVE
Los Angeles, CA 90018

SALE PRICE	\$2,300,000
YEAR BUILT	1924/1930/1940
NO. OF UNITS	15 + 3
PRICE PER UNIT	\$153,333
PRICE PER SF	\$318
ACTUAL CAP RATE	6.98%
GRM	8.45
SALE DATE	N/A



2319 2ND AVE
Los Angeles, CA 90018

SALE PRICE	\$1,200,000
YEAR BUILT	1921
NO. OF UNITS	8
PRICE PER UNIT	\$150,000
PRICE PER SF	\$169
ACTUAL CAP RATE	4.66%
GRM	19.31
SALE DATE	On Market



1984 PARK GROVE AVE
Los Angeles, CA 90007

SALE PRICE	\$4,040,000
YEAR BUILT	1912
NO. OF UNITS	26
PRICE PER UNIT	\$155,384
PRICE PER SF	\$278
ACTUAL CAP RATE	7.02%
GRM	8.22
SALE DATE	8/29/2024



2314 W PICO BLVD
Los Angeles, CA 90006

SALE PRICE	\$2,600,000
YEAR BUILT	1922
NO. OF UNITS	16
PRICE PER UNIT	\$162,500
PRICE PER SF	\$276
ACTUAL CAP RATE	5.02%
GRM	12.99
SALE DATE	12/1/2023

SALE COMPARABLES



1316 S MARIPOSA AVE
Los Angeles, CA 90006

SALE PRICE \$3,160,000

YEAR BUILT 1925

NO. OF UNITS 20

PRICE PER UNIT \$158,000

PRICE PER SF \$321

ACTUAL CAP RATE 5.69%

GRM 11.31

SALE DATE 11/9/2023



1811 W 36TH ST
Los Angeles, CA 90018

SALE PRICE \$1,850,000

YEAR BUILT 1929

NO. OF UNITS 12

PRICE PER UNIT \$154,167

PRICE PER SF \$265

ACTUAL CAP RATE 5.80%

GRM N/A

SALE DATE 10/13/2023

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NEEMA AHADIAN

Senior Managing Director of Investments
CA BRE License #01346750
310.909.5444 Tel
Neema@marcusmillichap.com

BEN LEE

Associate of Investments
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