

SHERMAN OAKS, CA 91401



5344 CIRCLE DRIVE

40 UNITS ■ NOT SUBJECT TO LA CITY RENT CONTROL

Marcus & Millichap
SANSON MULTIFAMILY
GROUP

Marcus & Millichap
THE LOUKS GROUP



5344 CIRCLE DRIVE

PROPERTY SUMMARY

UNITS	40
GROSS SF	29,346
LOT SF	27,878
YEAR BUILT	1983
PARKING	61 Spaces
APN	2248-014-061
ZONING	LARD1.5

OVERVIEW

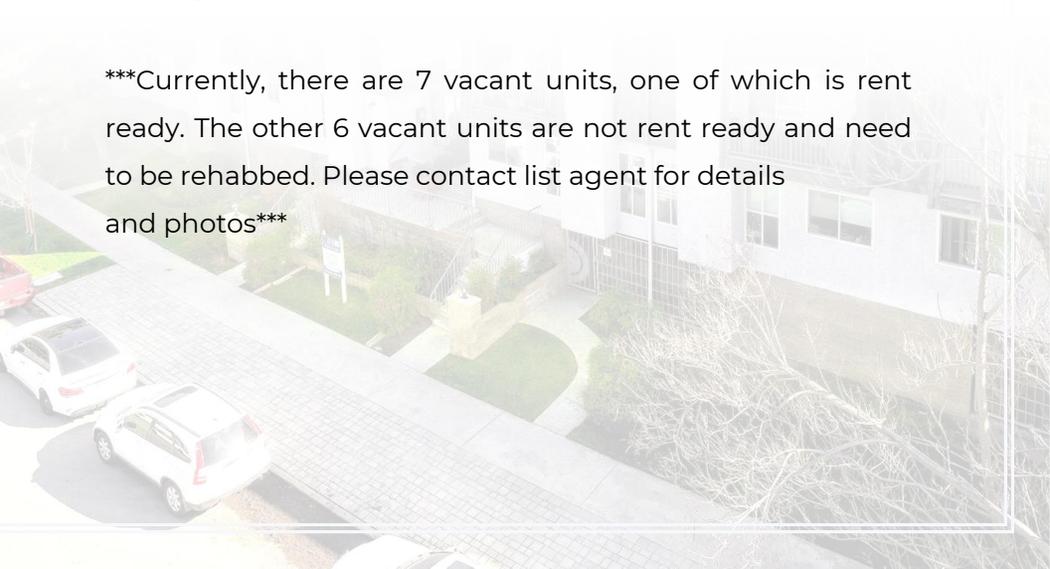
We are pleased to present a rare opportunity to own a larger, well-located asset that that is not subject to LA City Rent Control (Only subject to CA Rent Control, AB 1482).

The property has been in the same family over 35 years and presents an excellent value-add opportunity.

The property has a unique unit mix of almost all One Bedroom/One and a Half bath Townhouse Style units that feature fireplaces in the living room and the upstairs bedroom. All units feature Central A/C & Heat, dishwasher and a spacious walk-in closet.

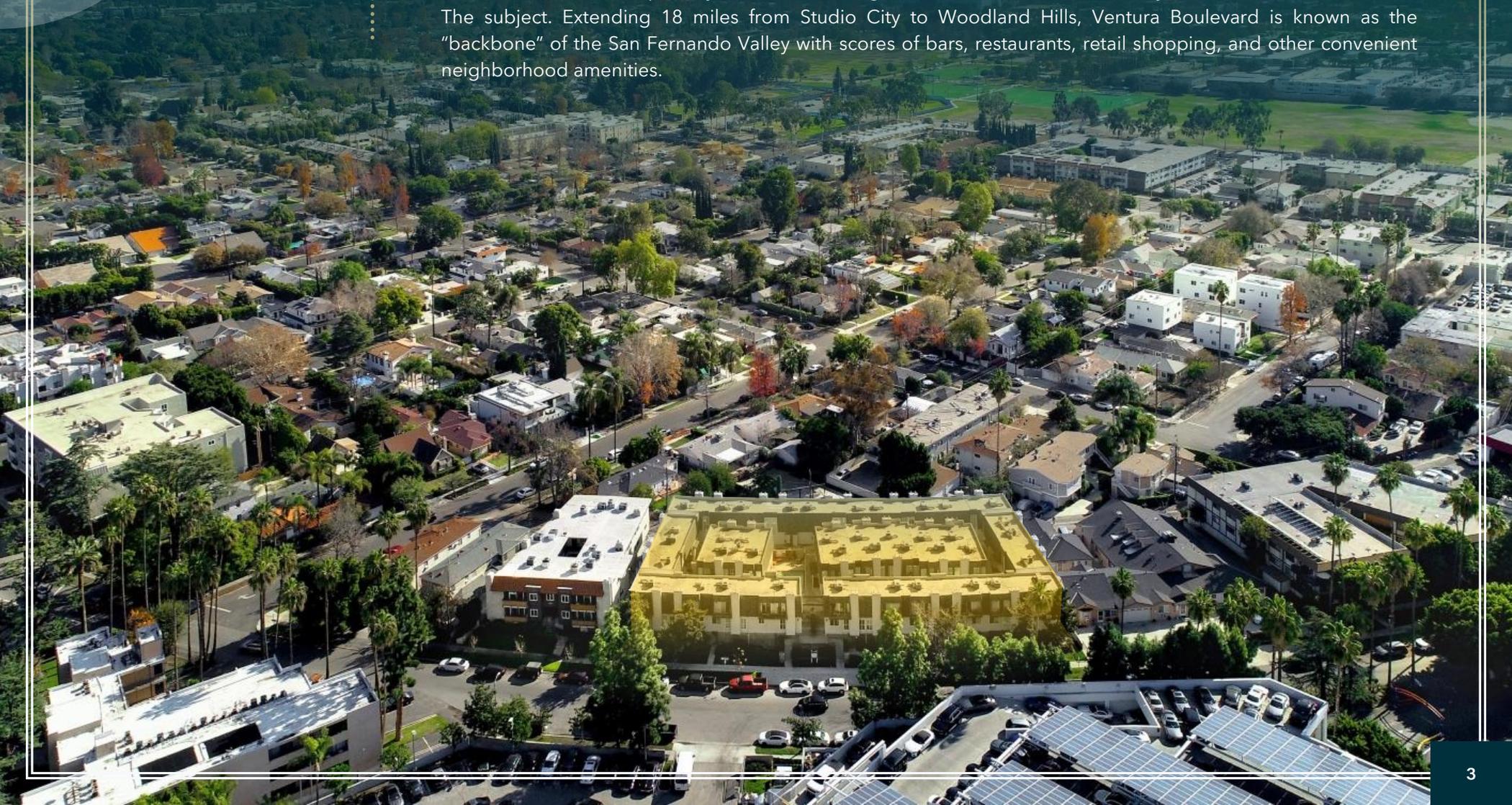
The property also has a pool, nicely landscaped entrance, intercom entry, on-site laundry and gated subterranean parking (61 Spaces).

Currently, there are 7 vacant units, one of which is rent ready. The other 6 vacant units are not rent ready and need to be rehabbed. Please contact list agent for details and photos



PREMIER LOCATION

- ❑ With an average 78 Walk Score, Sherman Oaks residents can accomplish most errands on foot. Residents are within walking distance of a Ralph's, a Chase Bank, the Westfield Fashion Square, and prominent entertainment, bars, and restaurants along Ventura Boulevard.
- ❑ The average annual household income in Sherman Oaks (91423 zip) is more than \$120,000 and is projected to grow 13.84 percent by 2022.
- ❑ Sherman Oaks is one of the most desirable submarkets and maintains some of the highest rents in the San Fernando Valley.
- ❑ Ventura Boulevard, the primary east-west thoroughfare in the San Fernando Valley, is located a short walk from The subject. Extending 18 miles from Studio City to Woodland Hills, Ventura Boulevard is known as the "backbone" of the San Fernando Valley with scores of bars, restaurants, retail shopping, and other convenient neighborhood amenities.





5344 CIRCLE DRIVE

40 UNITS | SHERMAN OAKS



INVESTMENT HIGHLIGHTS



- Excellent Sherman Oaks Location



- Built in 1983 - No LA City Rent Control



- Desirable Loft Style Units with Fireplaces



- Central AC & Heat



- Plenty of Subterranean Parking - 61 Spaces



- Value Add Opportunity - Currently 7 Vacancies





5344 CIRCLE DRIVE

40 UNITS ■ NOT SUBJECT TO LA CITY RENT CONTROL





The property has been in the same family over 35 years and presents an excellent value-add opportunity.





SHERMAN OAKS

The subject property is situated in Sherman Oaks, an affluent residential community located in the southern San Fernando Valley.

The submarket's expansive green spaces, neighborhood charm, and central location make it a desirable place of residence for many and result in some of the strongest area demographics in Los Angeles.

A WALKABLE HAVEN

Even though the San Fernando Valley is known as one of L.A.'s largest regions, there are local neighborhoods that are easily navigated and pedestrian friendly. The historic and upscale neighborhood of Sherman Oaks is one of those areas, especially along Ventura Boulevard, which one can explore on foot. Many of L.A.'s favorite restaurants and stores have Valley locations in Sherman Oaks, which is just "over the hill" from Bel-Air and Beverly Hills. Though it's nice to come across familiar brands, there are numerous local gems that make Sherman Oaks truly a delight to explore on foot.

SHERMAN OAKS GALLERIA

Sepulveda Dam

Sherman Oaks Hospital

Van Nuys Middle School

ACURA

BMW

Audi

VAN NUYS BLVD

5344
CIRCLE
DRIVE

HONDA

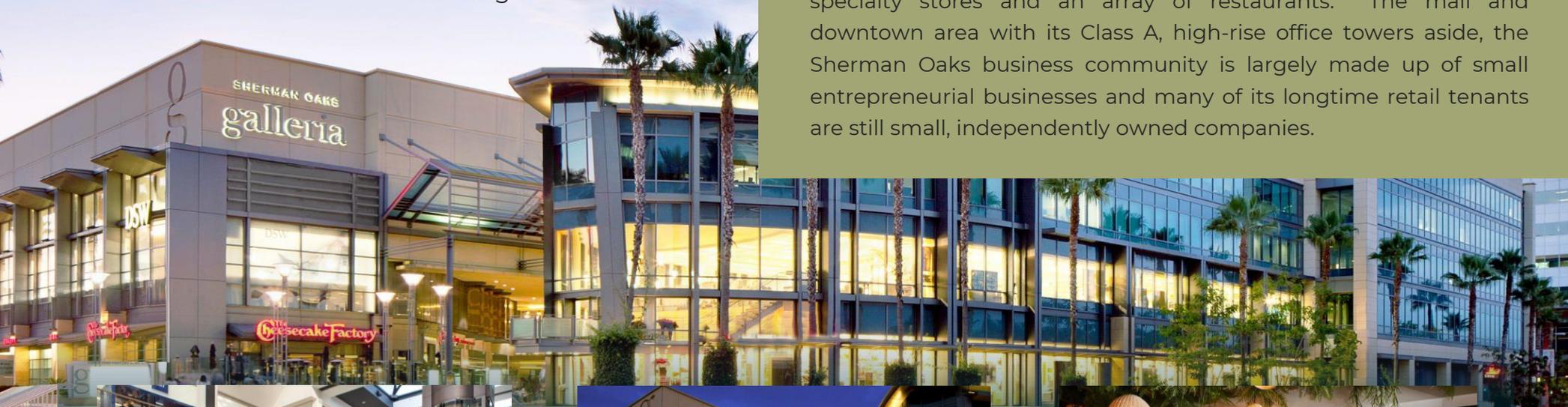
Mercedes-Benz

COMMUNITY PROFILE

Sherman Oaks offers single family, apartment and condominium living options all in close proximity to several business districts providing a diverse array of job opportunities including law, finance, accounting and architecture.

With a population of 65,436 residents, Sherman Oaks is among the lowest density communities in Los Angeles, and it also registers among the highest for residents with college degrees.

The community is home to Westfield Fashion Square, with over 120 stores that includes Macy's and Bloomingdale's as well as many specialty stores and an array of restaurants. The mall and downtown area with its Class A, high-rise office towers aside, the Sherman Oaks business community is largely made up of small entrepreneurial businesses and many of its longtime retail tenants are still small, independently owned companies.



WESTFIELD FASHION SQUARE



SHERMAN OAKS GALLERIA



VENTURA BOULEVARD

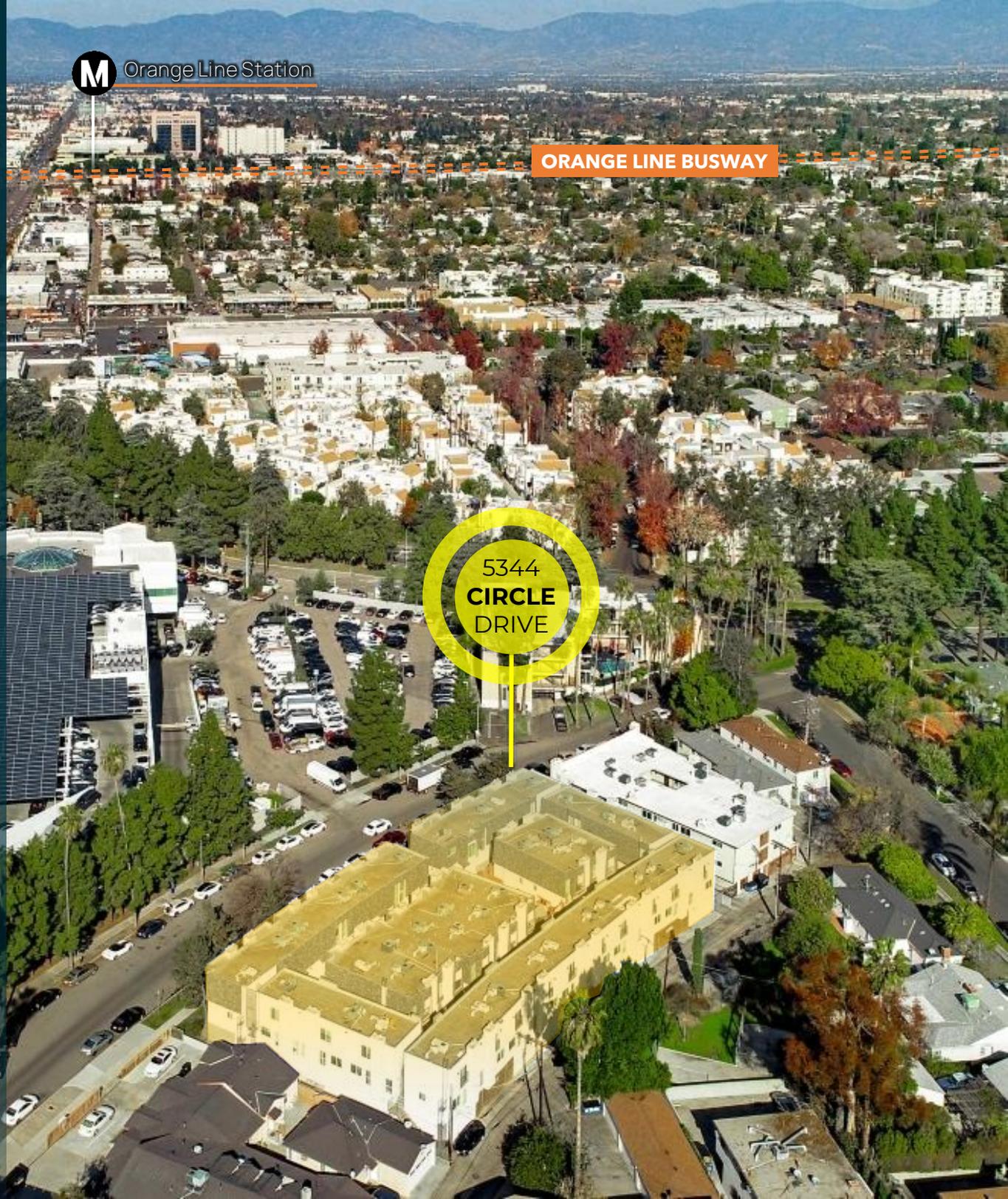


SHERMAN OAKS

The affluent community of Sherman Oaks is situated at the southern edge of the San Fernando Valley in Los Angeles County. Situated between the San Diego (405) and Ventura (101) Freeways, it is often considered “the gateway to the Valley.” Spanning 8 square miles, the city ranks as one of the most desirable places to live in the Valley with a strong economy, well-kept residential neighborhoods, excellent schools and endless recreational possibilities.

Where Are Rents Going To Increase The Most?

- The East San Fernando Light Rail Transit Project is a light rail transit running along Van Nuys Boulevard and San Fernando Road forecast to open in 2028
- According to a recent UCLA/Berkeley study transit-adjacent L.A. neighborhoods gentrify at higher rates than other neighborhoods
- Previous Studies across the country have noted how new public transit stops drive up nearby rental prices - we're talkin' 25-67%
- Median rent prices jumped 46% along LA's new Expo metro line
- A recent study found that rents increased more quickly in transit areas across the country than in the surrounding metropolitan areas
- In nearly three-quarters of transit-rich developments, neighborhood rents increased faster than those in metro areas



ORANGE LINE BUSWAY

5344
**CIRCLE
DRIVE**

NEARBY EMPLOYMENT HUBS

There is a diverse economy whose GDP is fueled by the Financial Services, Information Technology, Entertainment, Healthcare, and Advanced Manufacturing sectors among others. Moreover, the region offers more affordable commercial space than other major U.S. regions. Healthcare is also a major source of employment with providers that include Kaiser Permanente, and Providence Health & Services. As a result of its large concentration of high-salaries and successful companies, the area's median household income of \$71,543 per year has risen dramatically since 2000.

27,000 Employees



17,700 Employees



16,768 Employees



7,000 Employees



SAN FERNANDO VALLEY

COMMUNITY OVERVIEW

Almost 1.9 million people reside in the San Fernando Valley, which includes the submarkets of Chatsworth / Northridge-Northwest San Fernando Valley; Van Nuys-Northeast San Fernando Valley; Woodland Hills; Burbank-Glendale-Pasadena; as well as Sherman Oaks-North Hollywood-Encino. The area's population is expected to increase by nearly 45,000 new residents through 2021.

AFFLUENT SYNERGY

Key Valley neighborhoods such as Hidden Hills, Calabasas, Agoura Hills and Woodland Hills each have average household incomes higher than other Los Angeles high-profile communities such as Brentwood, Santa Monica and West Los Angeles.

There is a diverse economy whose GDP is fueled by the Financial Services, Information Technology, Entertainment, Healthcare, and Advanced Manufacturing sectors among others. Moreover, the region offers more affordable commercial space than other major U.S. regions. Healthcare is also a major source of employment with providers that include Kaiser Permanente, and Providence Health & Services. As a result of its large concentration of high-salaries and successful companies, the area's median household income of \$71,543 per year has risen dramatically since 2000.



LOCAL LANDMARKS



WARNER BROTHERS STUDIOS



NOHO ARTS DISTRICT



WARNER CENTER

FINANCIAL ANALYSIS

MONTHLY RENT SCHEDULE

# of Units	Type	Avg.Current	Current Total	Market	Market Total
39	1+1.5 TH	\$1,854	\$72,310	\$2,100	\$81,900
1	2+1.5 TH	\$2,195	\$2,195	\$2,400	\$2,400
Total Scheduled Rent			\$74,505		\$84,300

ANNUALIZED INCOME		Current	Market
Gross Scheduled Rent		\$894,063	\$1,011,600
Less: Vacancy/Deductions	3%	(\$26,822)	3% (\$30,348)
Total Effective Rental Income		\$867,241	\$981,252
Other Income		\$7,200	\$7,200
Effective Gross Income		\$874,441	\$988,452

ESTIMATED ANNUALIZED EXPENSES		Current	Market
Real Estate Taxes		\$161,250	\$161,250
Insurance		\$15,000	\$15,000
Utilities		\$40,000	\$40,000
Trash Removal		\$12,000	\$12,000
Repairs & Maintenance		\$43,000	\$43,000
Landscaping		\$4,000	\$4,000
Pool		\$1,800	\$1,800
On-Site Manager		\$24,000	\$24,000
Misc. Expenses		\$10,000	\$10,000
Management Fee		\$26,233	\$29,654
Total Expenses		\$337,283	\$340,704
Expenses/Unit		\$8,432	\$8,518
Expenses/SF		\$11.49	\$11.61
% of GOI		38.6%	34.5%

RETURN	Current	Market
NOI	\$537,158	\$647,748

PRICING

OFFERING PRICE	\$12,900,000	
PRICE/UNIT	\$322,500	
PRICE/SF	\$439.58	
GRM	14.43	12.75
CAP RATE	4.16%	5.02%
	Current	Market

THE ASSET

UNITS	40
YEAR BUILT	1983
GROSS SF	29,346
LOT SF	27,878
APN	2248-014-061

RENT ROLL

Unit #	Type	Estimated SF	CURRENT		MARKET	
			Current Rent	Rent/SF	Market Rent	Rent/SF
1	1 + 1.5 Townhouse	700	\$1,795	\$2.56	\$2,100	\$3.00
2	1 + 1.5 Townhouse	650	\$1,794	\$2.76	\$2,100	\$3.23
3	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
4	1 + 1.5 Townhouse	650	\$1,811	\$2.79	\$2,100	\$3.23
5	1 + 1.5 Townhouse	700	\$2,100	\$3.00	\$2,100	\$3.00
6	1 + 1.5 Townhouse	650	\$1,811	\$2.79	\$2,100	\$3.23
7	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
8	1 + 1.5 Townhouse	650	\$1,794	\$2.76	\$2,100	\$3.23
9	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
10	1 + 1.5 Townhouse	650	\$1,895	\$2.92	\$2,100	\$3.23
11	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
12	1 + 1.5 Townhouse	700	\$1,795	\$2.56	\$2,100	\$3.00
13	1 + 1.5 Townhouse	700	\$1,795	\$2.56	\$2,100	\$3.00
14	1 + 1.5 Townhouse	700	\$2,100	\$3.00	\$2,100	\$3.00
15	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
16	1 + 1.5 Townhouse	650	\$1,895	\$2.92	\$2,100	\$3.23
17	1 + 1.5 Townhouse	700	\$2,100	\$3.00	\$2,100	\$3.00
18	1 + 1.5 Townhouse	650	\$1,795	\$2.76	\$2,100	\$3.23
19	1 + 1.5 Townhouse	700	\$2,100	\$3.00	\$2,100	\$3.00
20	1 + 1.5 Townhouse	650	\$1,795	\$2.76	\$2,100	\$3.23
21	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
22	1 + 1.5 Townhouse	650	\$1,795	\$2.76	\$2,100	\$3.23
23	1 + 1.5 Townhouse	700	\$2,100	\$3.00	\$2,100	\$3.00
24	1 + 1.5 Townhouse	650	\$1,795	\$2.76	\$2,100	\$3.23
25	1 + 1.5 Townhouse	700	\$1,795	\$2.56	\$2,100	\$3.00
26	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
27	1 + 1.5 Townhouse	700	\$2,100	\$3.00	\$2,100	\$3.00
28	1 + 1.5 Townhouse	650	\$1,795	\$2.76	\$2,100	\$3.23
29	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
30	1 + 1.5 Townhouse	650	\$1,794	\$2.76	\$2,100	\$3.23
31	1 + 1.5 Townhouse	700	\$1,811	\$2.59	\$2,100	\$3.00
32	1 + 1.5 Townhouse	700	\$1,795	\$2.56	\$2,100	\$3.00
33	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
34	1 + 1.5 Townhouse	700	\$1,794	\$2.56	\$2,100	\$3.00
35	1 + 1.5 Townhouse	700	\$1,795	\$2.56	\$2,100	\$3.00
36	1 + 1.5 Townhouse	650	\$1,795	\$2.76	\$2,100	\$3.23
37	1 + 1.5 Townhouse	700	\$1,795	\$2.56	\$2,100	\$3.00
38	1 + 1.5 Townhouse	650	\$2,100	\$3.23	\$2,100	\$3.23
39	1 + 1.5 Townhouse	700	\$1,730	\$2.47	\$2,100	\$3.00
40	2+1.5 Townhouse	1,000	\$2,195	\$2.20	\$2,400	\$2.40
Totals:		27,600	\$74,505		\$84,300	

Note: Units 5,14,17,19,23,27, 38 are vacant

SALES COMPARABLES

PHOTO	ADDRESS	UNITS	BUILT	GROSS SF	LOT AC	UNIT MIX	SALE DATE	PRICE	PRICE/UNIT	PRICE/SF	CAP	GRM
	1 15141 Burbank Blvd Sherman Oaks, CA 91411	18	1984	15,992	0.31	1 - Studio 16 - 1+1 11 - 2+2	10/18/2021	\$7,500,000	\$416,667	\$469	4.09%	15.19
	2 4417 Hazeltine Ave Sherman Oaks, CA 91423	21	1990	22,585	0.39	9 - 1+1 15 - 2+2	8/24/2021	\$10,460,000	\$498,095	\$463	3.52%	16.70
	3 5807 Laurel Canyon Blvd Valley Village, CA 91607	56	1985	42,524	0.60	6 - Studio 44 - 1+1 6 - 2+2	12/21/2021	\$19,050,000	\$340,179	\$448	3.98%	15.38
	4 15128 Burbank Blvd Sherman Oaks, CA 91411	58	1980	53,794	1.00	4 - Studio 34 - 1+1 20 - 2+2	1/19/2022	\$19,800,000	\$341,379	\$368	3.71%	15.50
	5 5505 Zelzah Ave Encino, CA 91316	29	1979	29,536	0.49	3 - 1+1 17 - 2+1 1 - 2+1.5 8 - 2+2	10/31/2022	\$11,561,700	\$398,679	\$391	3.67%	15.60
	6 4454 Coldwater Canyon Ave Studio City, CA 91604	15	1988	20,649	0.24	15 - Studio	4/7/2022	\$7,000,000	\$466,667	\$339	3.95%	15.95
	7 5740 Camellia Ave Valley Village, CA 91601	15	1989	14,610	0.29	2 - 1+1 2 - 2+1.5 12 - 2+2	3/24/2022	\$5,425,000	\$361,667	\$371	-	-
	8 11000 & 11005 Morrison St North Hollywood, CA 91601	48	1989	48,822	-	14 - 1+1 1 - 1+1+L 29 - 2+2 4 - 2+2+L	12/5/2022	\$21,600,000	\$450,000	\$442	4.18%	15.12
AVERAGES				31,064	0.47				\$409,167	\$412	3.87%	15.63
	S Subject 5344 Circle Drive Sherman Oaks, CA 91401	40	1983	29,346	0.64	39 - 1+1.5 TH 1 - 2+1.5 TH		\$12,900,000	\$322,500	\$440	4.16%	14.43

SALES COMPARABLES

5344 Circle Drive

Sherman Oaks, CA 91401



		Units	Unit Type
Offering Price	\$12,900,000	39	1+1.5 TH
Price/Unit	\$322,500	1	2+1.5 TH
Price/SF	\$440		
Cap Rate	4.16%		
GRM	14.43		
Total Units	40		
Year Built	1983		

15141 Burbank Blvd

Sherman Oaks, CA 91411



COE	10/18/2021	Units	Unit Type
Sales Price	\$7,500,000	1	Studio
Price/Unit	\$416,667	16	1+1
Price/SF	\$469	11	2+2
Cap Rate	4.09%		
GRM	15.19		
Total Units	18		
Year Built	1984		

4417 Hazeltine Ave

Sherman Oaks, CA 91423



COE	8/24/2021	Units	Unit Type
Sales Price	\$10,460,000	9	1+1
Price/Unit	\$498,095	15	2+2
Price/SF	\$463		
Cap Rate	3.52%		
GRM	16.70		
Total Units	21		
Year Built	1990		

SALES COMAPRABLES

5807 Laurel Canyon Blvd

Valley Village, CA 91607



COE	12/21/2021	Units	Unit Type
Sales Price	\$19,050,000	6	Studio
Price/Unit	\$340,179	44	1+1
Price/SF	\$448	6	2+2
Cap Rate	3.98%		
GRM	15.38		
Total Units	56		
Year Built	1985		

15128 Burbank Blvd

Sherman Oaks, CA 91411



COE	1/19/2022	Units	Unit Type
Sales Price	\$19,800,000	4	Studio
Price/Unit	\$341,379	34	1+1
Price/SF	\$368	20	2+2
Cap Rate	3.71%		
GRM	15.50		
Total Units	58		
Year Built	1980		

5505 Zelzah Ave

Encino, CA 91316



COE	10/31/2022	Units	Unit Type
Sales Price	\$11,561,700	3	1+1
Price/Unit	\$398,679	17	2+1
Price/SF	\$391	1	2+1.5
Cap Rate	3.67%	8	2+2
GRM	15.60		
Total Units	29		
Year Built	1979		

SALES COMAPRABLES

4454 Coldwater Canyon Ave

Studio City, CA 91604



COE	4/7/2022	Units	Unit Type
Sales Price	\$7,000,000	15	Studio
Price/Unit	\$466,667		
Price/SF	\$339		
Cap Rate	3.95%		
GRM	15.95		
Total Units	15		
Year Built	1988		

5740 Camellia Ave

Valley Village, CA 91601



COE	3/24/2022	Units	Unit Type
Sales Price	\$5,425,000	2	1+1
Price/Unit	\$361,667	2	2+1.5
Price/SF	\$371	12	2+2
Cap Rate	-		
GRM	-		
Total Units	15		
Year Built	1989		

11000 & 11005 Morrison St

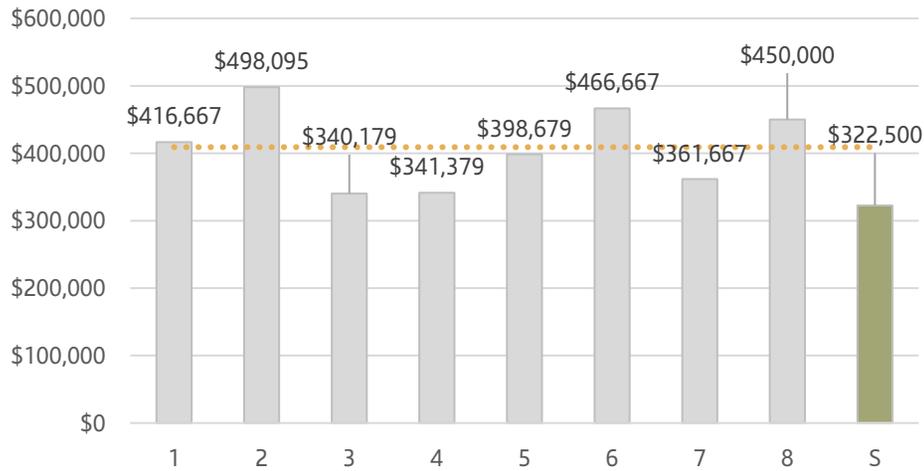
North Hollywood, CA 91601



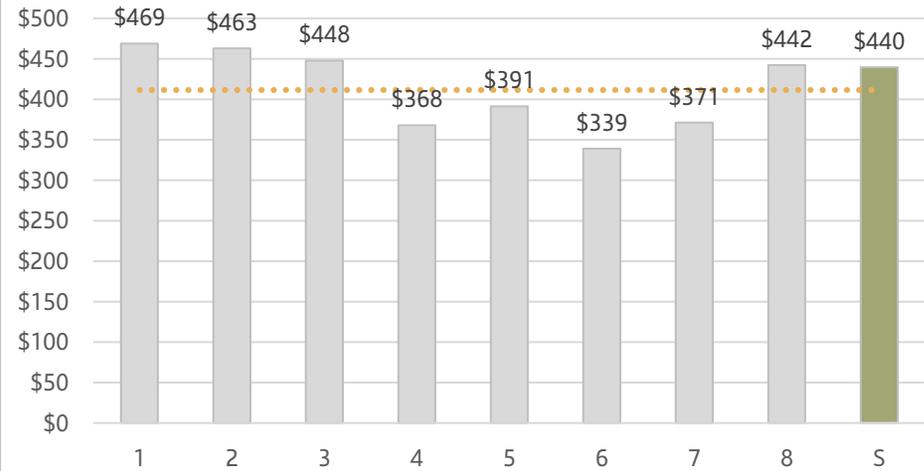
COE	12/5/2022	Units	Unit Type
Sales Price	\$21,600,000	14	1+1
Price/Unit	\$450,000	1	1+1+L
Price/SF	\$442	29	2+2
Cap Rate	4.18%		
GRM	15.12		
Total Units	48		
Year Built	1989		

SALES COMAPRABLES

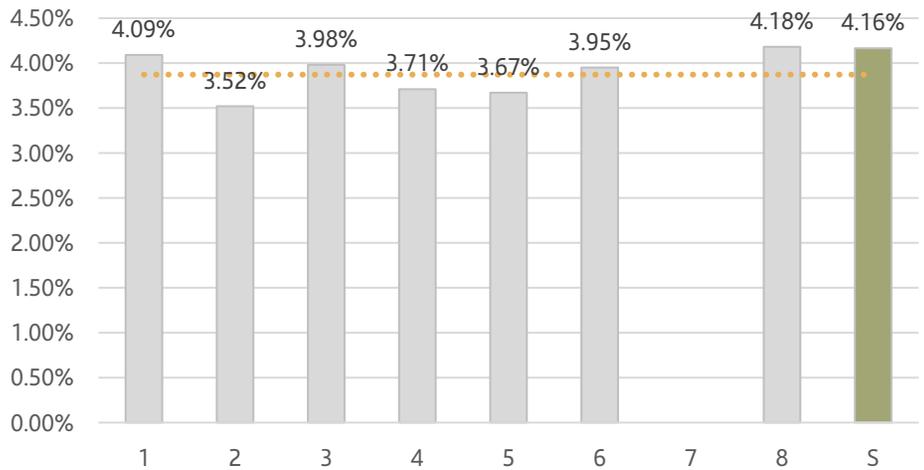
PRICE/UNIT



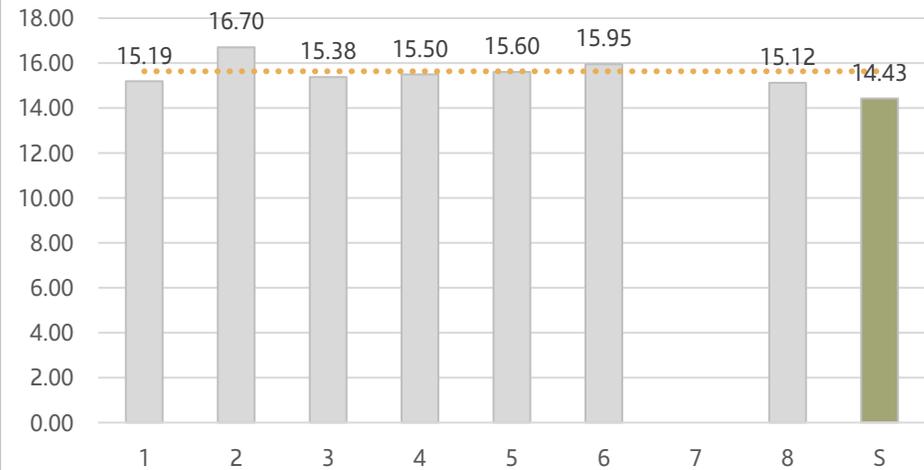
PRICE/SF



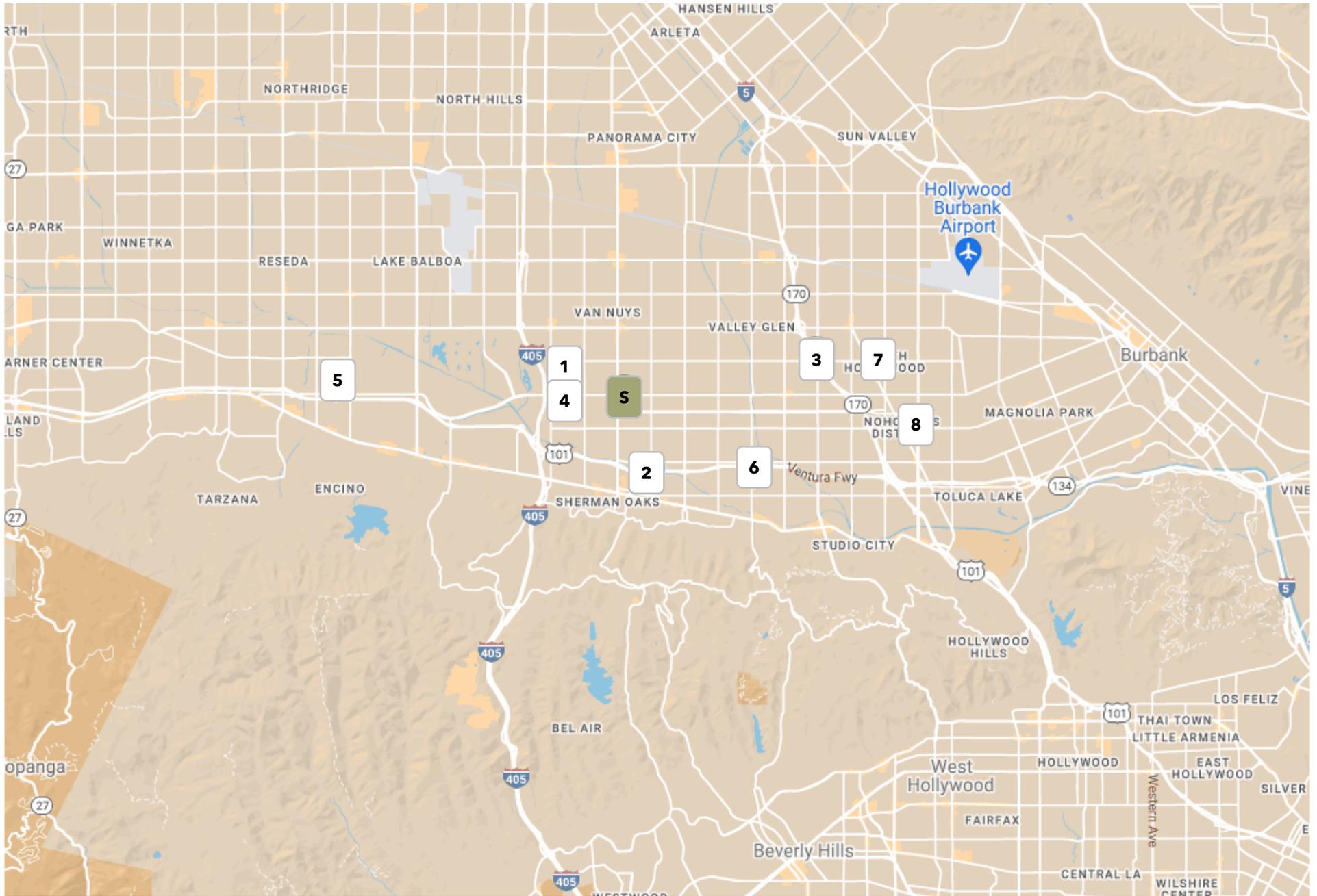
CAP RATE



GRM



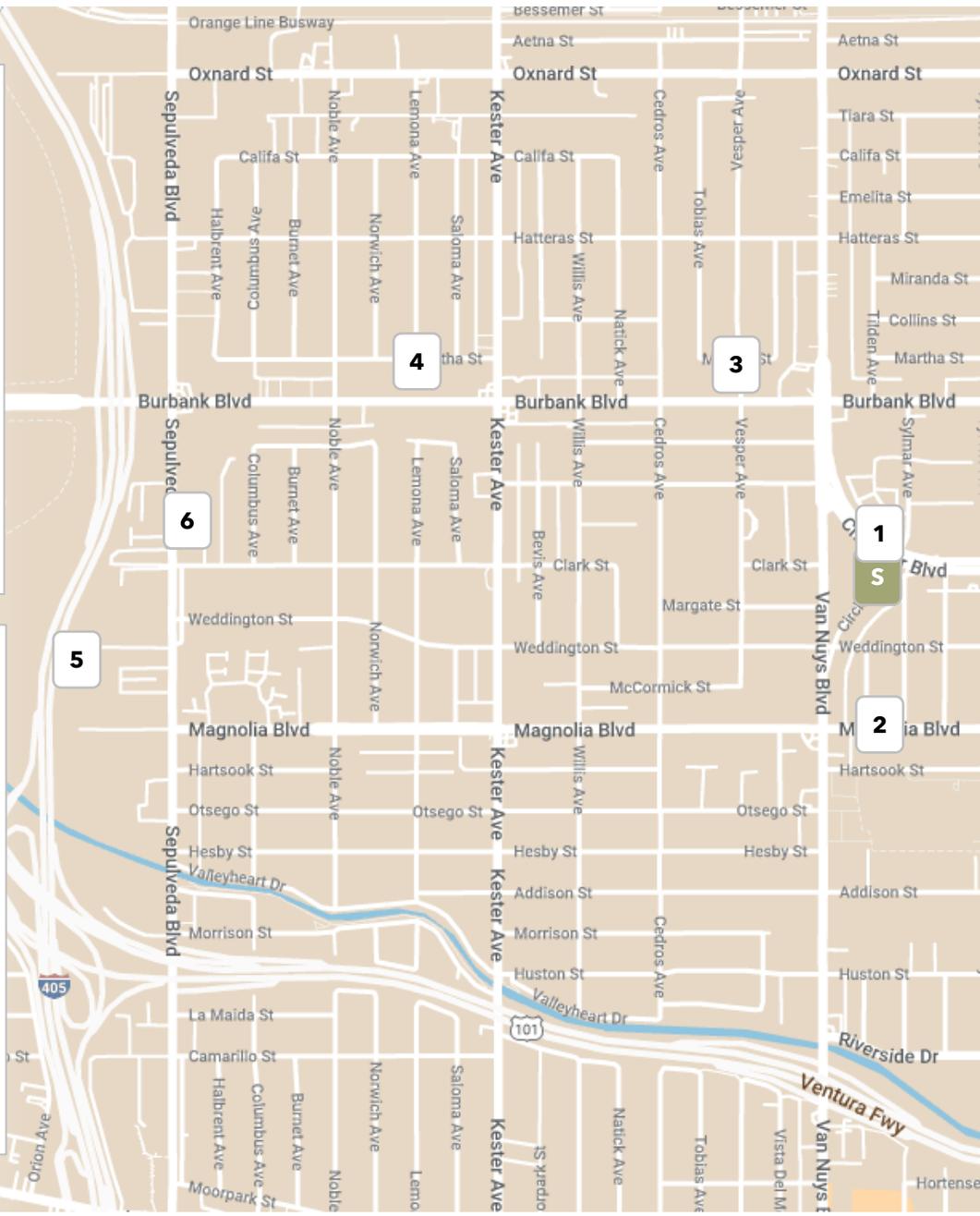
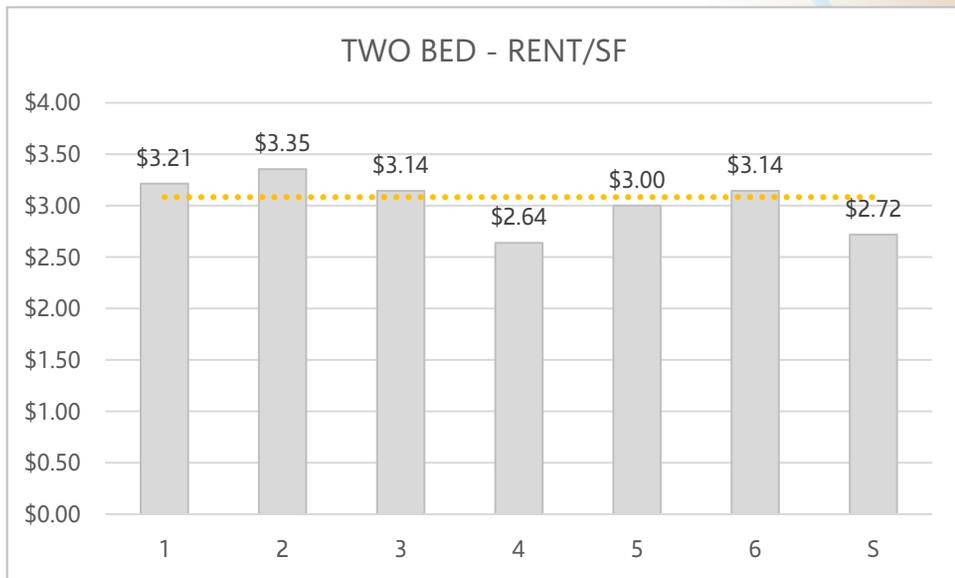
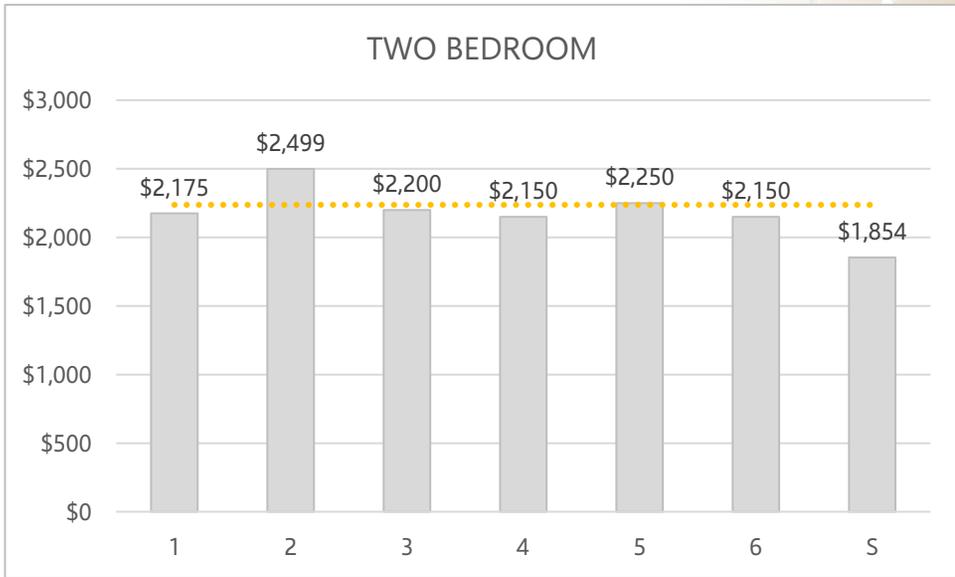
SALES COMAPRABLES



RENT COMAPRABLES

				ONE BEDROOM				TWO BEDROOM			
	ADDRESS	BUILT	UNITS	TYPE	UNIT SF	RENT	RENT/SF	TYPE	UNIT SF	RENT	RENT/SF
1	 14400 Chandler Blvd Sherman Oaks, CA 91401	1964	27	1+1	677	\$2,175	\$3.21				
2	 14424 Magnolia Blvd Sherman Oaks, CA 91423	1979	32	1+1	745	\$2,499	\$3.35				
3	 14605 Burbank Blvd Sherman Oaks, CA 91411			1+1	700	\$2,200	\$3.14	2+2.5	950	\$3,000	\$3.16
4	 15007 Burbank Blvd Sherman Oaks, CA 91411	1986	26	1+1	815	\$2,150	\$2.64				
5	 15370 Weddington St Sherman Oaks, CA 91411			1+1	750	\$2,250	\$3.00				
6	 5412 Sepulveda Blvd Sherman Oaks, CA 91411	1964	87	1+1	684	\$2,150	\$3.14				
AVERAGES		1973			729	\$2,237	\$3.08		950	\$3,000	\$3.16
S	 Subject 5344 Circle Drive Sherman Oaks, CA 91401	1983	40	1+1.5 TH	682	\$1,854	\$2.72	2+1.5 TH	1,000	\$2,195	\$2.20
				<i>Market</i>	682	\$2,100	\$3.08	<i>Market</i>	1,000	\$2,400	\$2.40

RENT COMAPRABLES



5344 CIRCLE DRIVE

SHERMAN OAKS, CA 91401 ■ 40 UNITS ■ NOT SUBJECT TO LA CITY RENT CONTROL

Marcus & Millichap
SANSON MULTIFAMILY
GROUP



BRETT SANSON
(818) 212-2785
brett.sanson@marcusmillichap.com
DRE #01387480

Marcus & Millichap
THE LOUKS GROUP



JEFF LOUKS
(818) 212-2780
jeff.louks@marcusmillichap.com
DRE #00908473

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from KW Commercial. The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the Offering Memorandum. If you have no interest in the subject property at this time, please return this Offering Memorandum to Marcus & Millichap.

This Offering Memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided.

All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property. All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

Any rent or income information in this offering memorandum, with the exception of actual, historical rent collections, represent good faith projections of potential future rent only, and Marcus & Millichap makes no representations as to whether such rent may actually be attainable. Local, state, and federal laws regarding restrictions on rent increases may make these projections impossible, and Buyer and its advisors should conduct their own investigation to determine whether such rent increases are legally permitted and reasonably attainable.