



OFFERING MEMORANDUM

3867 & 3885 POTOMAC AVE

Los Angeles, CA 90008

Marcus & Millichap

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Activity ID #ZAG0130516

Marcus & Millichap

OFFICES THROUGHOUT THE U.S. AND CANADA // marcusmillichap.com

3867 POTOMAC AVE

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..... SECTION 1

01



EXECUTIVE SUMMARY

Offering Summary
Investment Highlights

Marcus & Millichap

OFFERING SUMMARY

3867 POTOMAC AVE



Listing Price
\$3,595,000



Cap Rate
7.18%



of Units
20

FINANCIAL

Listing Price	\$3,595,000
NOI	\$258,034
Cap Rate	7.18%
Price/SF	\$291.71
Price/Unit	\$179,750

OPERATIONAL

Gross SF	12,324 SF
# of Units	20
Lot Size	0.34 Acres (14,916 SF)
Year Built	1957
Occupancy	100%
Year Built	1957



3867 & 3885 POTOMAC AVE

Los Angeles, CA 90008

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present 3867 Potomac Avenue in Los Angeles, CA, a 20-unit apartment building offering strong in-place income and value-add potential. The property features a unit mix of 16 one-bedroom units and four studio apartments, with 16 on-site parking spaces, providing immediate cash flow with upside through unit upgrades and operational efficiencies. Recent capital improvements include a new roof (2022), soft-story seismic retrofit (2021), upgraded unit sub-panels (2021), and plumbing improvements (2016), ensuring a solid operational foundation. Located in the highly desirable Baldwin Village / South Los Angeles submarket near the Crenshaw Corridor and Leimert Park, the asset benefits from ongoing redevelopment, transit accessibility, and strong renter demand—making it an ideal opportunity for investors seeking long-term appreciation in a growing market. For more information, please reach out.

INVESTMENT HIGHLIGHTS

Strong In-Place Income

16 Parking Spaces

Near Crenshaw Corridor and Leimert Park

Value-Add Opportunity

..... SECTION 2

02

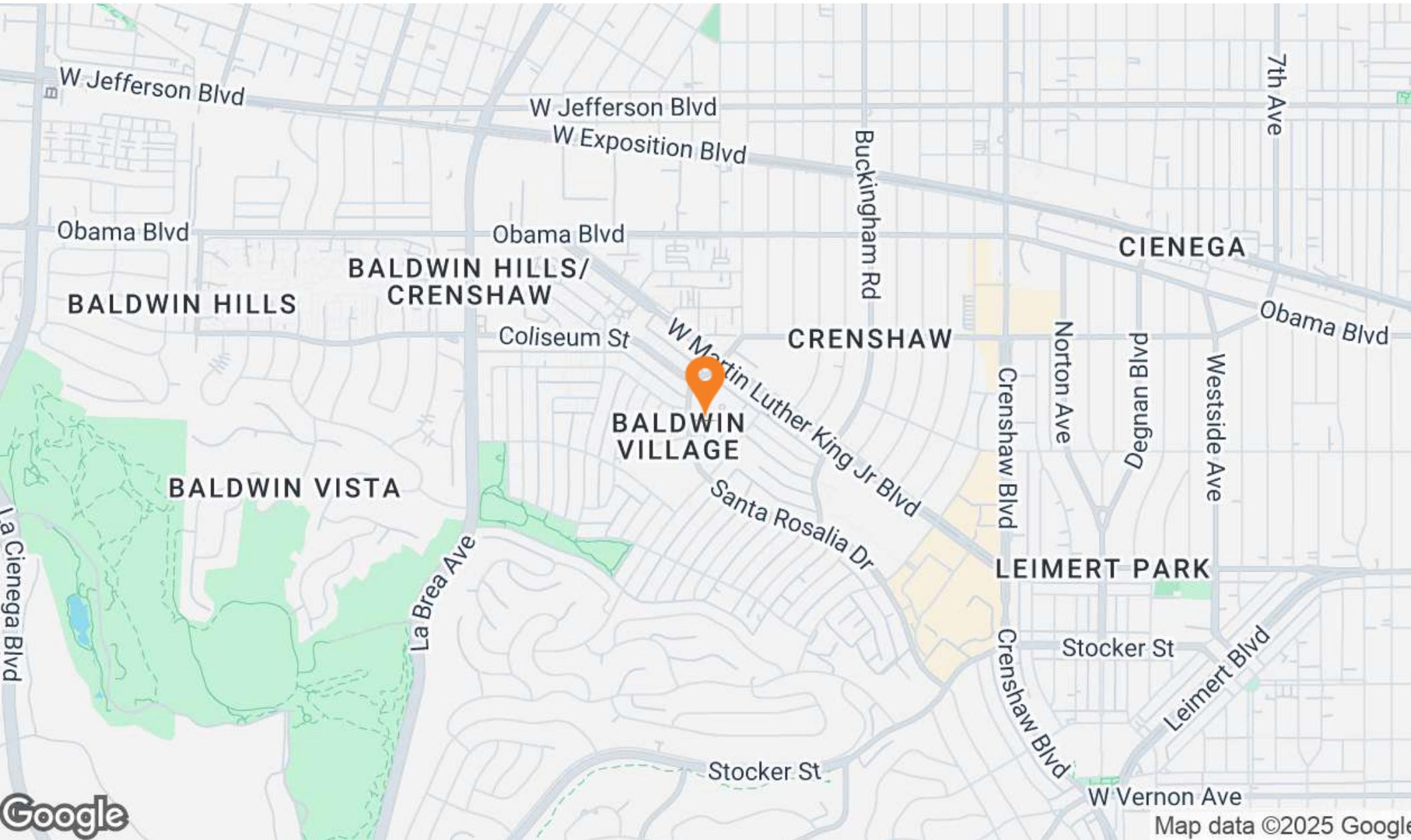
PROPERTY INFORMATION

[Regional Map](#)
[Local Map](#)

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3867 POTOMAC AVE

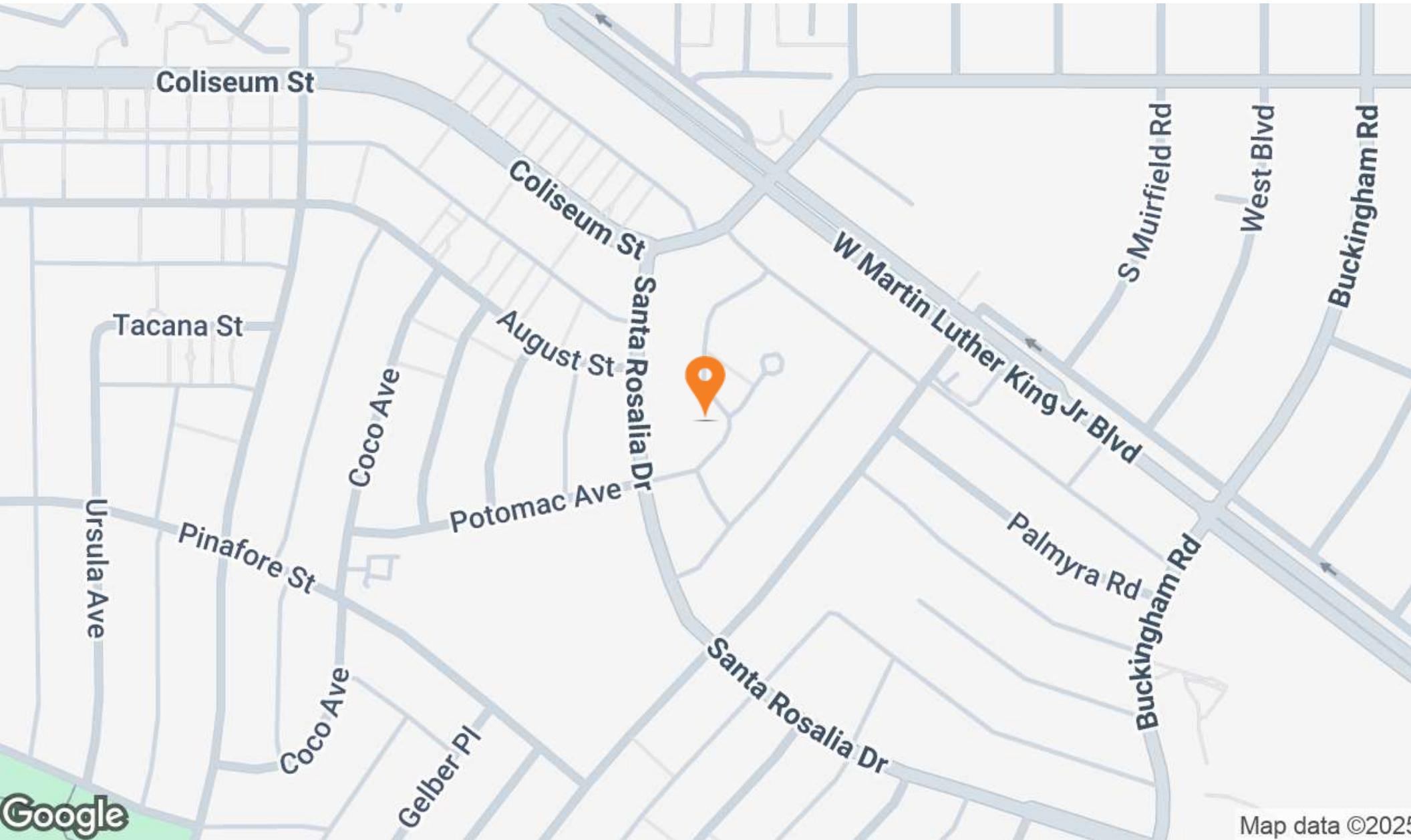
REGIONAL MAP



Map data ©2025 Google

3867 POTOMAC AVE

LOCAL MAP











THIS PROPERTY
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THE PUBLIC
NO ENTRY
WITHOUT PERMISSION
LAW. SEC. 41.24 PC 626.1

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NOTIC





..... SECTION 3

03



FINANCIAL ANALYSIS

Financial Details
LoanQuoteMatrix.pdf

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3867 & 3885 POTOMAC AVE

FINANCIAL DETAILS

As of December, 2025

Unit	Unit Type	Square Feet	Current Rent	Current Rent / SF	Potential Rent	Potential Rent / SF
01	1 Bedroom 1 Bathroom		\$1,385		\$1,895	
02	1 Bedroom 1 Bathroom		\$1,667		\$1,895	
03	1 Bedroom 1 Bathroom		\$1,328		\$1,895	
04	1 Bedroom 1 Bathroom		\$1,836		\$1,895	
05	1 Bedroom 1 Bathroom		\$1,379		\$1,895	
06	1 Bedroom 1 Bathroom		\$1,895		\$1,895	
07	1 Bedroom 1 Bathroom		\$1,615		\$1,895	
08	1 Bedroom 1 Bathroom		\$1,895		\$1,895	
09	1 Bedroom 1 Bathroom		\$1,837		\$1,895	
10	1 Bedroom 1 Bathroom		\$1,895		\$1,895	
11	1 Bedroom 1 Bathroom		\$2,013		\$1,895	
12	1 Bedroom 1 Bathroom		\$1,142		\$1,895	
13	1 Bedroom 1 Bathroom		\$1,835		\$1,895	
14	1 Bedroom 1 Bathroom		\$1,053		\$1,895	
15	1 Bedroom 1 Bathroom		\$1,895		\$1,895	
16	1 Bedroom 1 Bathroom		\$1,895		\$1,895	
17	Studio		\$1,562		\$1,695	
18	Studio		\$1,519		\$1,695	
19	Studio		\$768		\$1,695	
20	Studio		\$1,608		\$1,695	
Total		Square Feet: 12,324	\$32,023	\$2.60	\$37,100	\$3.01

3867 & 3885 POTOMAC AVE

FINANCIAL DETAILS

INCOME	Current	Year 1		Notes	Per Unit	Per SqFt
Gross Potential Rent	\$445,200		\$445,200		\$22,260	\$36.12
Loss to Lease	(\$60,918)				\$0	\$0.00
Gross Scheduled Rent	\$384,282		\$445,200		\$22,260	\$36.12
Economic Vacancy	(\$11,528)	3.00%	(\$13,356)	3.00%	(\$668)	(\$1.08)
Effective Rental Income	\$372,753		\$431,844		\$21,592	\$35.04
Other Income	\$3,000		\$3,000		\$150	\$0.24
Effective Gross Income	\$375,753		\$434,844		\$21,742	\$35.28
EXPENSES	Current	Year 1		Notes	Per Unit	Per SqFt
Real Estate Taxes	\$43,140		\$43,140	[1.20%]	\$2,157	\$3.50
Insurance	\$24,648		\$24,648		\$1,232	\$2.00
Utilities	\$18,000		\$18,000		\$900	\$1.46
Repairs & Maintenance	\$12,323		\$12,323		\$616	\$1.00
General & Administrative	\$3,500		\$3,500		\$175	\$0.28
Pest Control	\$906		\$906		\$45	\$0.07
Landscaping	\$2,000		\$2,000		\$100	\$0.16
Operating Reserves	\$1,500		\$1,500		\$75	\$0.12
Management Fee	\$11,702	3.11%	\$11,702	2.69%	\$585	\$0.95
Total Expenses	\$117,719		\$117,719		\$5,886	\$9.55
Expenses as % of EGI	31.33%		27.07%			
Net Operating Income	\$258,034		\$317,125		\$15,856	\$25.73

3867 & 3885 POTOMAC AVE

FINANCIAL DETAILS

SUMMARY

Price	\$3,595,000	
Down Payment	\$3,595,000	100%
Number of Units	20	
Price Per Unit	\$179,750	
Price Per SqFt	\$291.71	
Gross SqFt	12,324 SF	
Lot Size	0.34 Acres	
Year Built	1957	

RETURNS

	Current	Year 1
Cap Rate	7.18%	8.82%
GRM	9.36	8.08
Cash on Cash	7.18%	8.82%
Debt Coverage Ratio	-	-
Debt Yield	-	-

FINANCING

	1st Loan
Loan Amount	-
Loan Type	All Cash
Interest Rate	-
Debt Service	-
Amortization	-

Loan information subject to change. Contact your Marcus & Millichap Capital Corporation representative.

# of Units	Unit Type	SqFt/Unit	Current Rents	Market Rents
16	1 Bedroom 1 Bathroom		\$1,660	\$1,895
4	Studio		\$1,364	\$1,695

OPERATING DATA

INCOME	Current	Year 1
Gross Scheduled Rent	\$384,282	\$445,200
Less: Vacancy	(\$11,528)	3.0%
Gross Rental Revenue	\$372,753	\$431,844
Other Income	\$3,000	\$3,000
Effective Gross Income	\$375,753	\$434,844
Less: Expenses	(\$117,719)	31.3%
Net Operating Income	\$258,034	\$317,125
Debt Service	\$0	\$0
Cash Flow	\$258,034	7.18%
Principal Reduction	\$0	\$0
TOTAL RETURN	\$258,034	7.18%

EXPENSES	Current	Year 1
Real Estate Taxes	\$43,140	\$43,140
Insurance	\$24,648	\$24,648
Utilities	\$18,000	\$18,000
Repairs & Maintenance	\$12,323	\$12,323
General & Administrative	\$3,500	\$3,500
Pest Control	\$906	\$906
Landscaping	\$2,000	\$2,000
Operating Reserves	\$1,500	\$1,500
Management Fee	\$11,702	\$11,702
Total Expenses	\$117,719	\$117,719
Expenses Per Unit	\$5,886	\$5,886
Expenses Per SqFt	\$9.55	\$9.55

Loan Quote Matrix

3867-3885 Potomac Ave
Los Angeles, CA

	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6
	Bank 3-Year Fixed Recourse	Bank 5-Year Fixed Recourse	Bank 3-Year Fixed Recourse	Bank 5-Year Fixed Recourse	Bank 7-Year Fixed Recourse	Bank 3-Year Fixed Recourse
Loan Amount	\$2,336,000	\$2,336,000	\$2,336,000	\$2,336,000	\$2,319,000	\$2,303,000
Estimated Value	\$3,595,000	\$3,595,000	\$3,595,000	\$3,595,000	\$3,595,000	\$3,595,000
LTV	65.0%	65.0%	65.0%	65.0%	64.5%	64.1%
Interest Only Period	18 months	18 months	Up to 5 Years	Up to 5 Years	Up to 5 Years	None
Fixed Period	3 Years	5 Years	3 Years	5 Years	7 Years	3 Years
Amortization	30 Years	30 Years	30 Years	30 Years	30 Years	30 Years
Interest Rate	5.81%	6.04%	5.88%	5.93%	6.13%	5.58%
Interest Only Payment	\$11,310	\$11,758	\$11,446	\$11,544	\$11,846	None
Amortizing Payment	\$13,721	\$14,066	\$13,826	\$13,901	\$14,098	\$13,192
Minimum DSCR	1.25X	1.25X	1.25X	1.25X	1.25X	1.30X
Prepayment Penalty	3,2,1	5,4,3,2,1	3,2,1	5,4,3,2,1	5,5,4,4,3,2,1	None
3rd Party Deposit	\$7,500 Estimated	\$7,500 Estimated	\$7,500 Estimated	\$7,500 Estimated	\$7,500 Estimated	\$7,500 Estimated
MMCC Origination Fee	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Lender Origination Fee	0.50%	0.50%	None	None	None	0.50%
Other	Lender requires property operating account					Lender requires property operating account and auto pay to achieve rate shown

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Loan Quote Matrix

3867-3885 Potomac Ave
Los Angeles, CA

Option 7	
	Bank 5-Year Fixed Recourse
Loan Amount	\$2,204,000
Estimated Value	\$3,595,000
LTV	61.3%
Interest Only Period	None
Fixed Period	5 Years
Amortization	30 Years
Interest Rate	5.99%
Interest Only Payment	None
Amortizing Payment	\$13,200
Minimum DSCR	1.30X
Prepayment Penalty	None
3rd Party Deposit	\$7,500 Estimated
MMCC Origination Fee	1.00%
Lender Origination Fee	0.50%
Other	Lender requires property operating account and auto pay to achieve rate shown

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..... SECTION 4

04



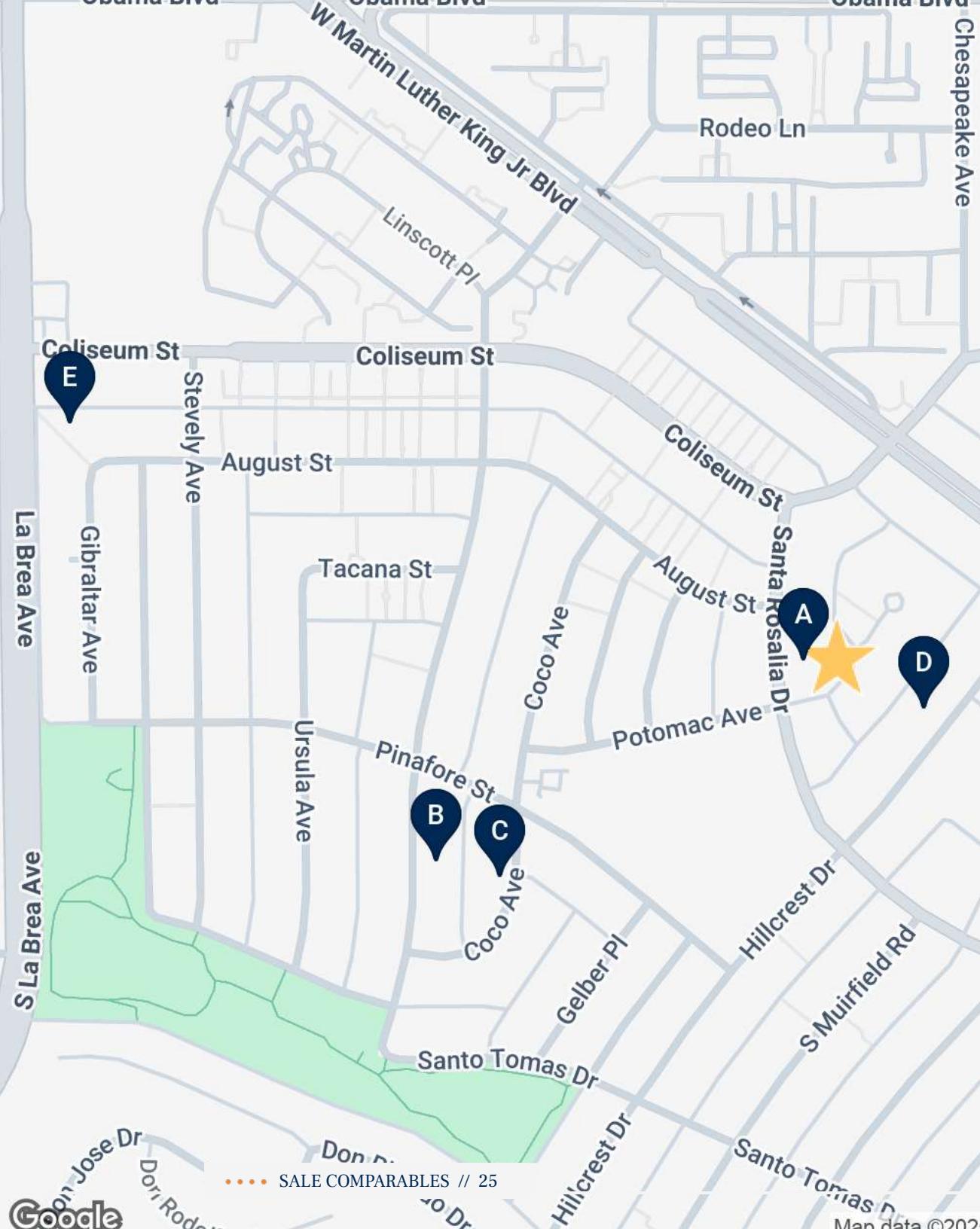
SALE COMPARABLES

[Sale Comps Map](#)
[Sale Comps Summary](#)
[Price per SF Chart](#)
[Price per Unit Chart](#)
[Sale Comps](#)

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SALE COMPS MAP

- ★ 3867 Potomac Ave
- A 4505 Santa Rosalia Dr
- B 4024 Nicolet Ave
- C 4025 Coco Ave
- D 3949 Hillcrest Dr
- E 3817 Gibraltar Ave



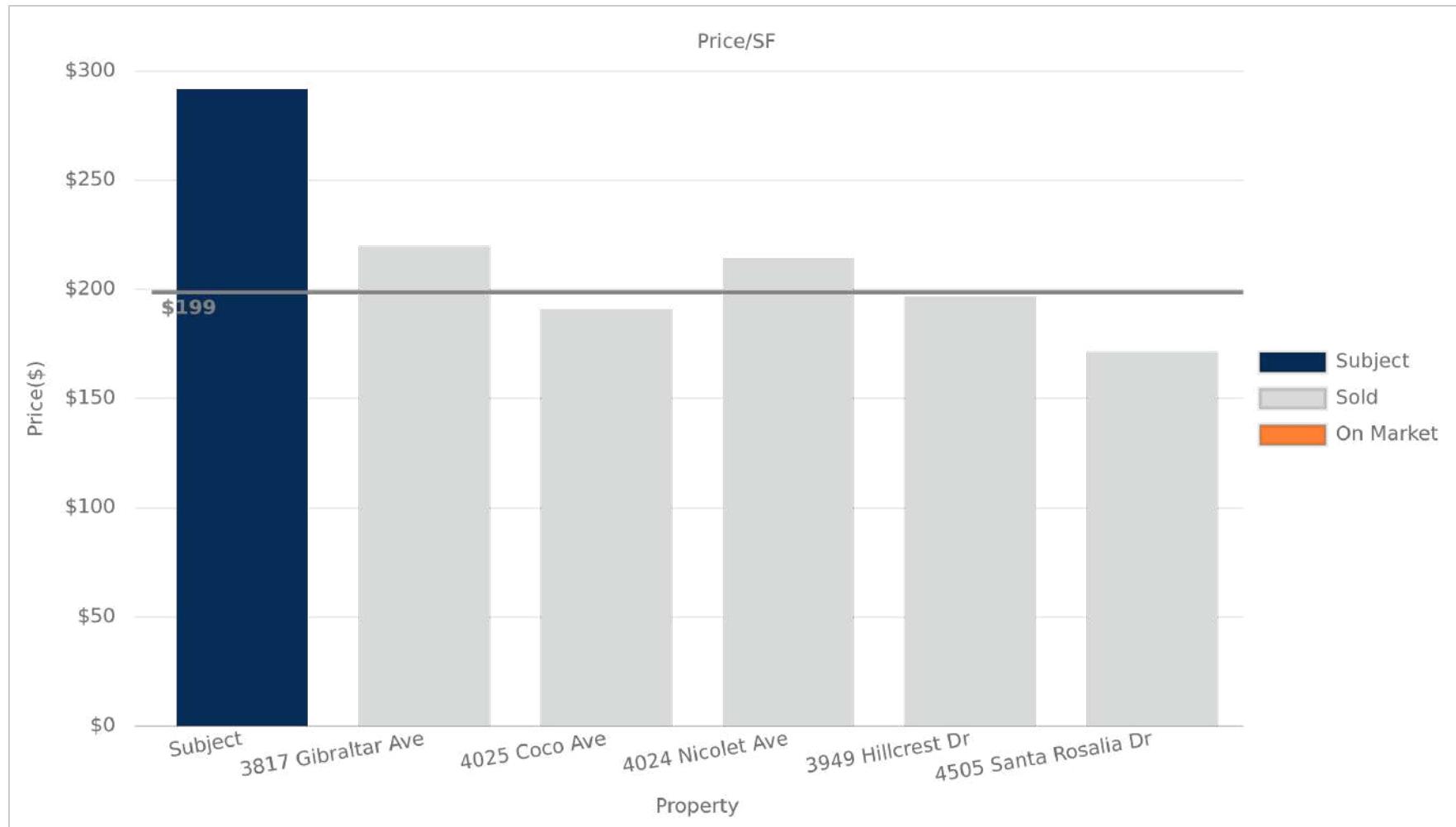
3867 & 3885 POTOMAC AVE

SALE COMPS SUMMARY

	SUBJECT PROPERTY	PRICE	BLDG SF	PRICE/SF	LOT SIZE	PRICE/UNIT	CAP RATE	# OF UNITS	CLOSE
	3867 Potomac Ave Los Angeles, CA 90008	\$3,595,000	12,324 SF	\$291.71	0.34 AC	\$179,750	7.18%	20	On Market
<hr/>									
	SALE COMPARABLES	PRICE	BLDG SF	PRICE/SF	LOT SIZE	PRICE/UNIT	CAP RATE	# OF UNITS	CLOSE
	4505 Santa Rosalia Dr Los Angeles, CA 90008	\$2,400,000	14,006 SF	\$171.36	0.37 AC	\$171,428	8.31%	14	08/29/2025
	4024 Nicolet Ave Los Angeles, CA 90008	\$3,650,000	17,034 SF	\$214.28	0.36 AC	\$182,500	6.69%	20	12/06/2024
	4025 Coco Ave Los Angeles, CA 90008	\$3,600,000	18,838 SF	\$191.10	0.47 AC	\$180,000	6.45%	20	11/22/2024
	3949 Hillcrest Dr Los Angeles, CA 90008	\$1,425,000	7,236 SF	\$196.93	0.25 AC	\$178,125	8.16%	8	05/09/2025
	3817 Gibraltar Ave Los Angeles, CA 90008	\$3,200,000	14,562 SF	\$219.75	0.36 AC	\$177,777	-	18	07/10/2024
AVERAGES		\$2,855,000	14,335 SF	\$198.68	0.36 AC	\$177,966	7.40%	16	-

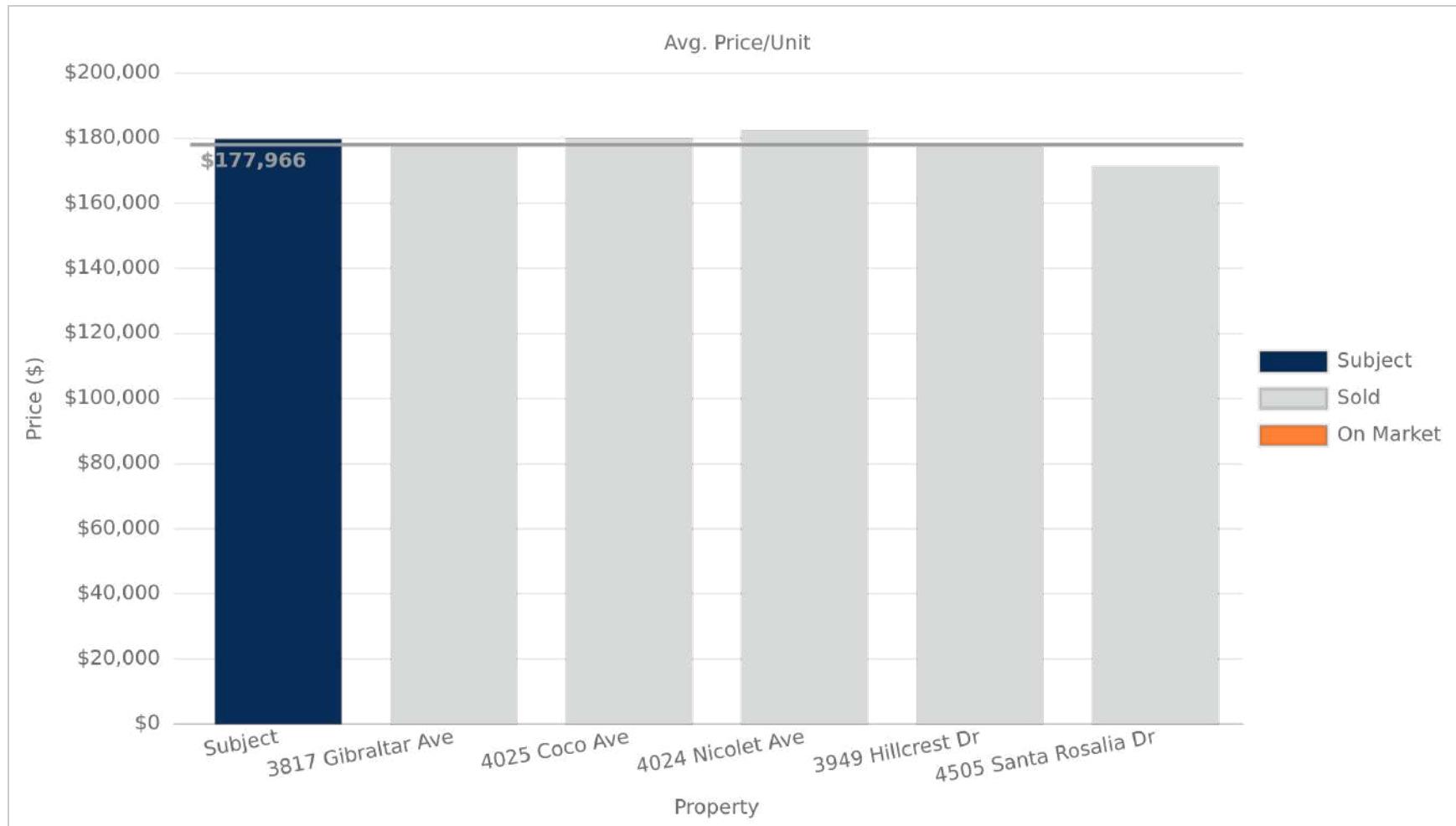
3867 & 3885 POTOMAC AVE

PRICE PER SF CHART



3867 & 3885 POTOMAC AVE

PRICE PER UNIT CHART



3867 & 3885 POTOMAC AVE

SALE COMPS



3867 Potomac Ave Los Angeles, CA 90008

Listing Price:	\$3,595,000	Price/SF:	\$291.71
Property Type:	Multifamily	GRM:	9.36
NOI:	\$258,034	Cap Rate:	7.18%
Occupancy:	100%	Year Built:	1957
Number Of Units:	20	Lot Size:	0.34 Acres
Price/Unit:	\$179,750	Total SF:	12,324 SF



4505 Santa Rosalia Dr Los Angeles, CA 90008

Sale Price:	\$2,400,000	Price/SF:	\$171.36
Property Type:	Multifamily	GRM:	8.33
NOI:	-	Cap Rate:	8.31%
Year Built:	1958	COE:	08/29/2025
Number Of Units:	14	Lot Size:	0.37 Acres
Price/Unit:	\$171,428	Total SF:	14,006 SF

3867 & 3885 POTOMAC AVE

SALE COMPS



B 4024 Nicolet Ave
Los Angeles, CA 90008

Sale Price:	\$3,650,000	Price/SF:	\$214.28
Property Type:	Multifamily	GRM:	9.39
NOI:	-	Cap Rate:	6.69%
Year Built:	1958	COE:	12/06/2024
Number Of Units:	20	Lot Size:	0.36 Acres
Price/Unit:	\$182,500	Total SF:	17,034 SF



C 4025 Coco Ave
Los Angeles, CA 90008

Sale Price:	\$3,600,000	Price/SF:	\$191.10
Property Type:	Multifamily	GRM:	-
NOI:	-	Cap Rate:	6.45%
Year Built:	1956	COE:	11/22/2024
Number Of Units:	20	Lot Size:	0.47 Acres
Price/Unit:	\$180,000	Total SF:	18,838 SF

3867 & 3885 POTOMAC AVE

SALE COMPS



D 3949 Hillcrest Dr
Los Angeles, CA 90008

Sale Price:	\$1,425,000	Price/SF:	\$196.93
Property Type:	Multifamily	GRM:	-
NOI:	-	Cap Rate:	8.16%
Year Built:	1955	COE:	05/09/2025
Number Of Units:	8	Lot Size:	0.25 Acres
Price/Unit:	\$178,125	Total SF:	7,236 SF



E 3817 Gibraltar Ave
Los Angeles, CA 90008

Sale Price:	\$3,200,000	Price/SF:	\$219.75
Property Type:	Multifamily	GRM:	-
NOI:	-	Cap Rate:	-
Year Built:	1957	COE:	07/10/2024
Number Of Units:	18	Lot Size:	0.36 Acres
Price/Unit:	\$177,777	Total SF:	14,562 SF

3867 & 3885 POTOMAC AVE

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