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Investment Summary

Price	\$1,800,000
Cap Rate	4.74%
NOI (Projected)	\$85,408
GRM	15.3
Units	4
Occupancy	100%
Net Rentable SF	2,137 SF
Price per Square Foot	\$842
Land Area	7,505 Sq. Feet
Ownership	

(4) 1-Bedroom/1-Bathroom Cottages
\$450,000/Unit | Upside Rent Potential
Large 7,500+ Sq. Ft. Lot
(2) Car Garage
(3) On-Site Parking Spaces

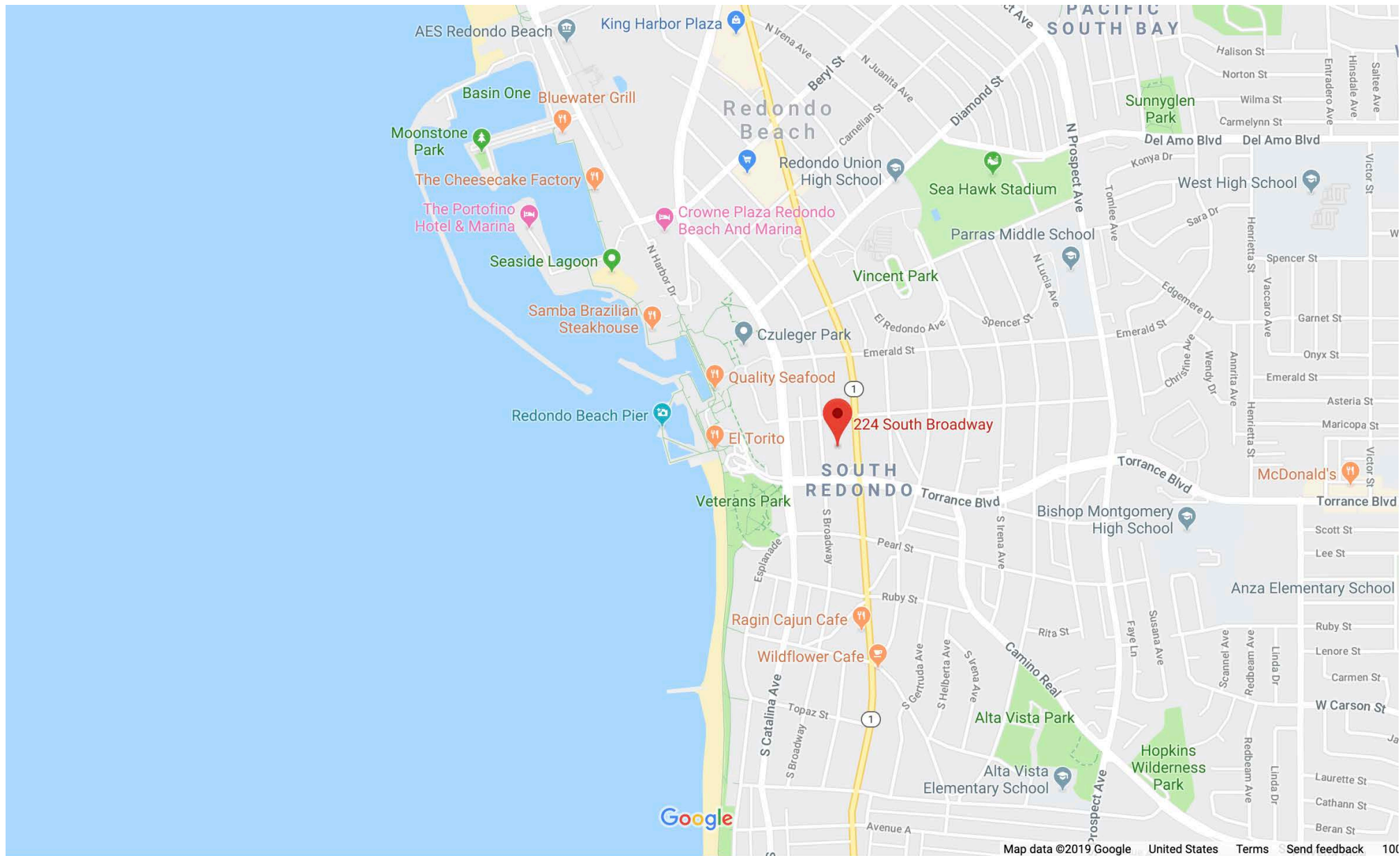
Investment Description

Maybe every 5 years this type of property comes up for sale. There is nothing like this for sale in the beach cities right now. Total Vintage Charm. Just 2 blocks from the Redondo Beach Pier sits four, 1920's individual beach cottages. All four units are 1 bed with 1 full bath, plus dining area, and own laundry off kitchens, Each cottage with their own yard & porch. Two units with clawfoot tubs. Original windows and glass. Perfect for a individual or couple. Standalone 2 car garage with 3 car parking spaces in driveway. Attached to garage are 4 separate storage closets. First time on market in 25 years. This property was originally a 1920's family summer retreat/compound. Additional the property offers a communal hangout to BBQ or just "be."

Per the city, the units may be eligible for the "Mills Act" to have the property taxes lowered by up to 50%. That would involve restoring the units to their original glory. Conversely, it is possible the units can be razed and 3 new attached townhomes can be built. Detailed financials are available including a 20 year cash flow projection. All units will be vacant by December 1, 2019. That makes is very easy to do anything you want with the property. The units need a lot of TLC, but this property could be an absolute jewel with the right vision.

Due to condition, cash offers are preferred, as are offers with private financing. Seller is open to conventional financing if lender pre-approves the condition and that all units will be vacant.

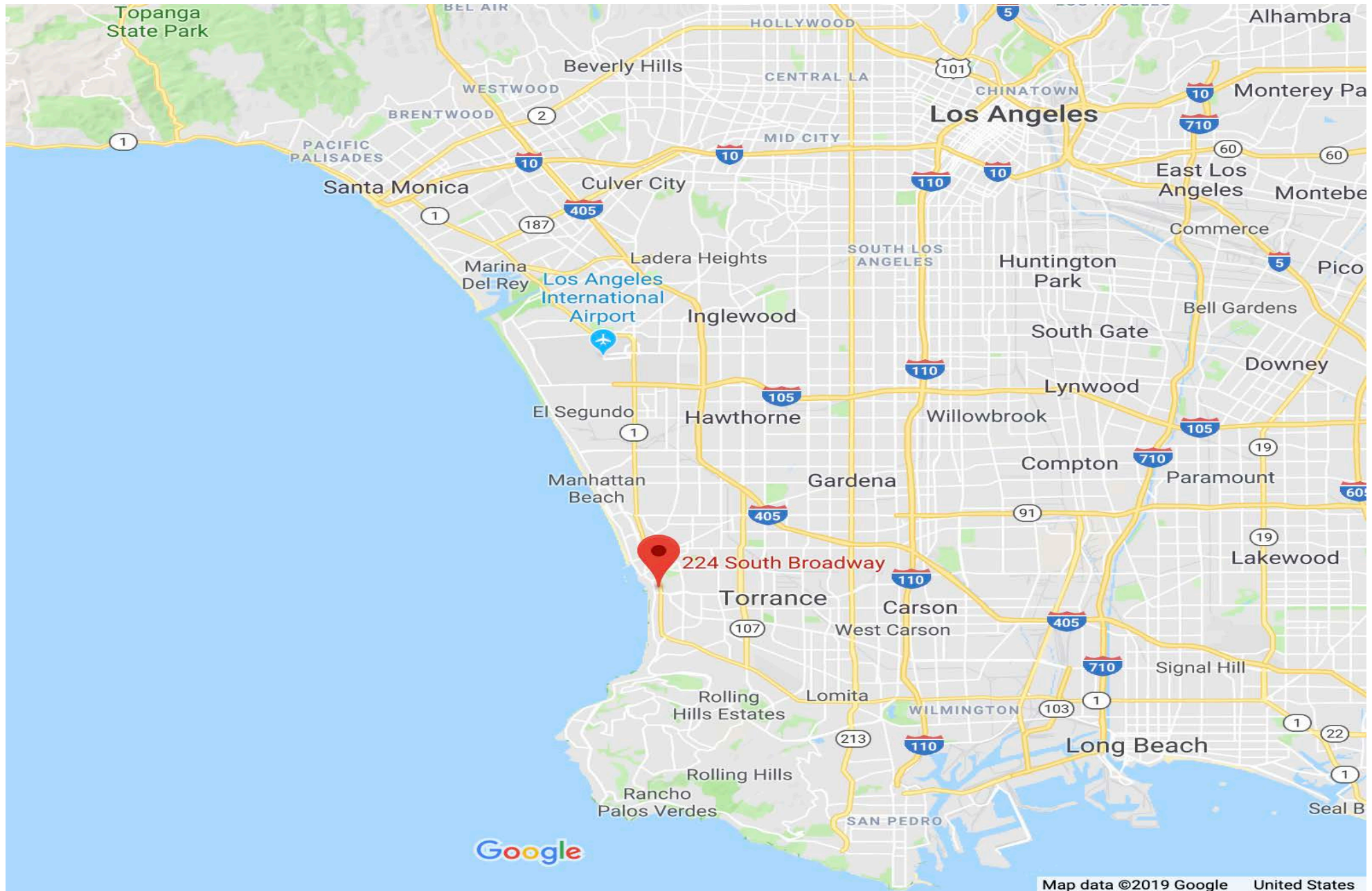
Local Map



Aerial Map



County Map



This **APOD** (Annual Property Operating Datasheet) is a "Snapshot" of the Property's First Year of operations

224 Broadway LLC										
Vintage Broadway Property										
Investment Summary				Loan Information						
Price:			\$1,975,000	Principal		\$	-	Term (Years)	360	
Down Pymt (% and \$):		100%	\$1,975,000	Interest Rate		0.00%		Annual Pymt (P&I)	\$ -	
No. Units & Cost/Unit:		4	\$ 493,750	Amort (Mos)		360		Monthly Pymt (P&I)	\$ -	
GRM: Current & Market:			42.20	16.79						
CAP rate: Current & Market:			0.66%	4.07%		Property Assumptions				
Year Built & Lot Size (Apx):			1920	7,500		Vacancy Rate: Average per year			5.00%	
Net Rentable SF & Cost/SF			2,140	\$ 923		Income growth rate: average per year			5.00%	
Debt Cover Ratio (Curr./Market)			#DIV/0!	#DIV/0!		Expense growth rate: average per year			5.00%	
Annualized Operating Data				CURRENT METRICS			MARKET METRICS			
Gross Scheduled Income (GSI)			\$ 46,800		\$ 117,600					
- Vacanc			(\$2,340) 5.00%		(\$5,880) 5.00%					
= Gross Operating Income (GOI)			\$ 44,460		\$ 111,720					
- Operating Expenses (Market)			(\$31,431) -67.16%		(31,431) 26.7%					
= Net Operating Income (NOI)			\$ 13,029		\$ 80,289					
- Debt Service			\$0		\$0					
= Spendable, Pre-tax Cash Flow			\$ 13,029 0.66%		\$ 80,289 4.07%					
+ Principal Reduction			-		-					
= CF plus Debt Paydown			\$ 13,029 0.66%		\$ 80,289 4.07%					
Income - Current & Market				CURRENT		MARKET		Expense Description		Annual
No. of Units	Beds / Baths	Apx. S.F.	Monthly Rent/Unit	Monthly Rent/Unit						
1	1b/1b w/yard	535	\$ 1,100	\$ 2,450			Prop. Taxes (2% growth/Yr)	1.18%	\$ 23,305	
1	1b/1b w/yard	535	\$ 1,300	\$ 2,450			Water	\$ 90	\$ 1,080	
1	1b/1b w/yard	535	\$ 1,500	\$ 2,450			Sewer	\$ 35	\$ 420	
1	1b/1b w/yard	535	\$ -	\$ 2,450			Gas	\$ -	\$ -	
0	(+)	0	\$0	\$0			Termite Contract/work	\$ 50	\$ 600	
0	(+)	0	\$0	\$0			Trash	\$ 26	\$ 312	
0	(+)	0	\$0	\$0			Electric	\$ -	\$ -	
0	(+)	0	\$0	\$0			Licenses/permits	\$ 4	\$ 48	
0	(+)	0	\$0	\$0			Gardening/Landscaping	\$ -	\$ -	
0	(+)	0	\$0	\$0			Tax Prep/filing/entity fees	\$ 50	\$ 600	
0	(+)	0	\$0	\$0			Other	\$ -	\$ -	
0	(+)	0	\$0	\$0			Turnovers/yr X cost/U	\$ 950	\$ 950	
4	<<< TOTALS >>>	2,140	\$ 3,900	\$9,800			Repair/Maint (Excl. TO)	2.00%	\$ 2,352	
Other	Laundry		\$0	\$0			Management, Off-site	0.00%	\$ -	
Other	Other (garage?)		\$0	\$0			Insurance	1.50%	\$ 1,764	
Monthly Income (Total)			\$ 3,900	\$ 9,800			Other	0.00%	\$ -	
					Annual Expenses (Total)					\$ 31,431
Note1	Year 1 rent projection assumes market rents w/in 2 months of purchase. APOD's price includes \$175,000 for complete renovation.									
Note2	Each unit has own yard, and laundry is in unit (or available). All units will be vacant by December 1st, 2019.									
Note3	Trust sale (no probate). 2 car garage + 4 on-site spots, plus street. Entire prop needs upgrading.									
Note4	R3 lot. See city for options. Termite/home insp reports avail. Yardspace is divided amongst tenants, so no cost to the landlord.									

THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. BUYER MUST VERIFY ALL INFORMATION AND ASSUMPTIONS, AND BUYER BEARS ALL RISK FOR INACCURACIES.

CASH FLOW PROJECTION (20 years)

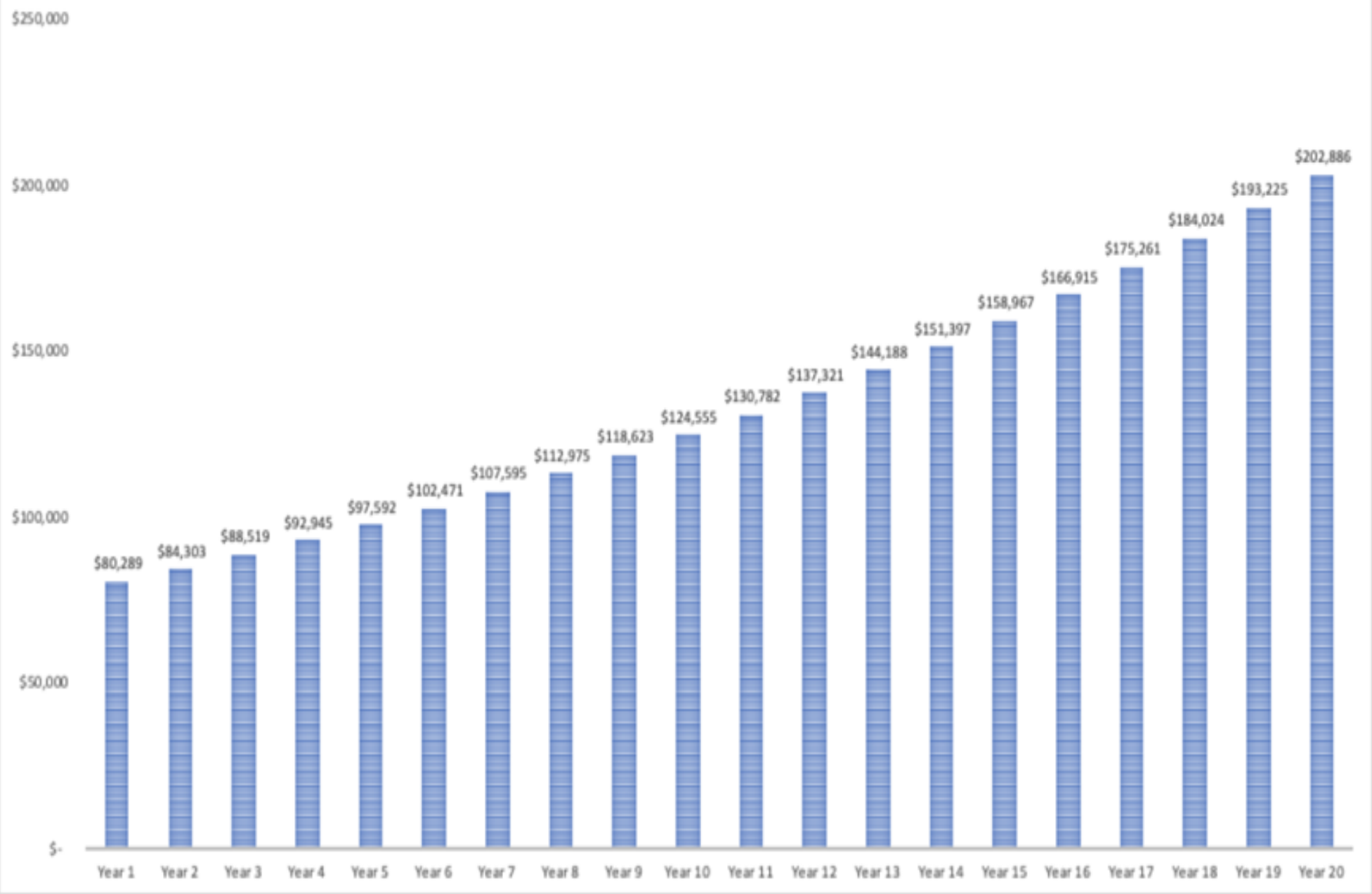
224 Broadway LLC

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Scheduled Gross Income (SGI):	117,600	123,480	129,654	136,137	142,944	150,091	157,595	165,475	173,749	182,436
- Vacancy & Expense	(37,311)	(39,177)	(41,135)	(43,192)	(45,352)	(47,619)	(50,000)	(52,500)	(55,125)	(57,882)
= Net Operating Income (NOI):	80,289	84,303	88,519	92,945	97,592	102,471	107,595	112,975	118,623	124,555
- Annual Loan Paymen	0	0	0	0	0	0	0	0	0	0
= Pre-tax C.F. ("Spendable")	80,289	84,303	88,519	92,945	97,592	102,471	107,595	112,975	118,623	124,555
+ Principal Reductio	-	-	-	-	-	-	-	-	-	-
= "Spendable" + debt paydown	\$ 80,289	\$ 84,303	\$ 88,519	\$ 92,945	\$ 97,592	\$ 102,471	\$ 107,595	\$ 112,975	\$ 118,623	\$ 124,555

	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16	Yr 17	Yr 18	Yr 19	Yr 20
Scheduled Gross Income (SGI):	191,558	201,136	211,193	221,752	232,840	244,482	256,706	269,541	283,018	297,169
- Vacancy & Expense	(60,776)	(63,814)	(67,005)	(70,355)	(73,873)	(77,567)	(81,445)	(85,517)	(89,793)	(94,283)
= Net Operating Income (NOI):	130,782	137,321	144,188	151,397	158,967	166,915	175,261	184,024	193,225	202,886
- Annual Loan Paymen	0	0	0	0	0	0	0	0	0	0
= Pre-tax C.F. ("Spendable")	130,782	137,321	144,188	151,397	158,967	166,915	175,261	184,024	193,225	202,886
+ Principal Reductio	0	0	0	0	0	0	0	0	0	0
= "Spendable" + debt paydown	\$ 130,782	\$ 137,321	\$ 144,188	\$ 151,397	\$ 158,967	\$ 166,915	\$ 175,261	\$ 184,024	\$ 193,225	\$ 202,886

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PRE-TAX CASH FLOW



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The information contained in this Offering Memorandum (“Memorandum”) is proprietary and strictly confidential; it is intended to be reviewed only by the party receiving it from Broker and should not be made available to anyone else without the written consent of Broker. By retention or use of this Memorandum, you agree that its contents are confidential, that you will hold it in the strictest confidence, and that you will not disclose any of its contents contrary to these terms.

This Memorandum has been prepared to provide summarized, unverified information to establish a preliminary level of interest in the subject property (“Property”). The information in this Memorandum has been obtained from sources Broker believes to be reliable; however, Broker has not conducted sufficient investigation to make any warranty or representation whatsoever including but not limited to the accuracy or completeness of the information, veracity or accuracy of the information, condition of the Property or its compliance or lack of compliance with applicable governmental requirements, developability, suitability or financial performance of the Property, income or expenses for the Property, the size and square footage of the Property and improvements, the presence or absence of contaminating substances, PCB’s or asbestos, the compliance with State or 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 occupancy of the Property. The Memorandum has selected information relating to the Property and does not purport to be an all - inclusive representation regarding the Property or to contain all or part of the information which prospective investors may require to evaluate the purchase of the Property. Additional information and an opportunity to investigate the Property will be made available to interested and qualified prospective purchasers. All information is based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of Broker, therefore, all information is subject to material variation. The information contained herein is not a substitute for a thorough due diligence investigation. Interested parties are expected to review all information of whatever nature independently and not rely on the contents of this Memorandum in any manner.

The Property owner (“Owner”) expressly reserves the right, at its sole discretion, to reject any or all offers to purchase the Property, and/or to terminate discussions at any time with or without notice. The Owner shall have no legal commitment or obligation unless and until written agreement(s) have been fully executed, delivered and approved by the Owner and any conditions to the Owner’s obligations therein have been satisfied or waived.

Exclusively Marketed By:

Engel & Völkers