

OFFERING MEMORANDUM

CHARMING DUPLEX IN REDONDO BEACH

2405 Fisk Lane. Redondo Beach, CA 90278

\$1,195,000



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Redondo Beach, CA 90278

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OFFERING MEMORANDUM

2405 Fisk Ln

Redondo Beach, CA 90278

PROPERTY OVERVIEW

PROPERTY OVERVIEW

2405 Fisk Ln

Redondo Beach, CA 90278

PROPERTY SUMMARY

PRICE \$1,195,000

ADDRESS 2405 Fisk Ln

CITY, STATE, ZIP Redondo Beach, CA 90278

COUNTY Los Angeles

YEAR BUILT 1953

NUMBER OF UNITS 2

BUILDING SIZE 2,718

LOT SIZE 7,000

CAP RATE 3.10%

PRO FORMA CAP RATE 5.10%

GRM 20.32

PRO FORMA GRM 14.33

PRICE / BLDG SF \$439.66

PRICE / LOT SF \$170.71



PROPERTY OVERVIEW

2405 Fisk Ln

Redondo Beach, CA 90278

INVESTMENT SUMMARY

Lyon Stahl is proud to present 2405 Fisk Lane in Redondo Beach. This charming duplex not only has excellent curb appeal, with palm trees and succulent plants out front, but also features a beautiful backyard with a lush green lawn, trees and a gazebo with an outdoor dining area. There is plenty of on-site parking between the 5-car garage and uncovered parking space in the back of the building and a single-car driveway space in the front.

Both units have 3 Bedrooms & 2 Bathrooms with a total living area of 2,718 Sqft. Each unit has been recently updated with new flooring, paint, kitchen cabinetry, backsplashes, and some appliances and bathroom amenities. One of the downstairs unit bathrooms has been fully remodeled. Most of the plumbing has been updated to copper and the roof replaced in December.

The property's location is more than ideal, just 2 miles from the ocean and Redondo's famous King's Harbor. Just 5 minutes northeast of this property is the \$900M South Bay Galleria development, the biggest project in the history of Redondo Beach. Slated for completion in 2023, the 29.85-acre site will center around a "family-friendly park, where residential, retail and office converge." The new development will feature 300 apartments units, a 150-room hotel, 50,000 square feet of office space, an 8,000 square-foot skate park, and a total of 249,723 square feet of public open space.

With great in-place income and significant upside rent potential, this is the perfect opportunity for an owner-user and investor alike to acquire an investment property in a highly-desirable area with limited inventory.



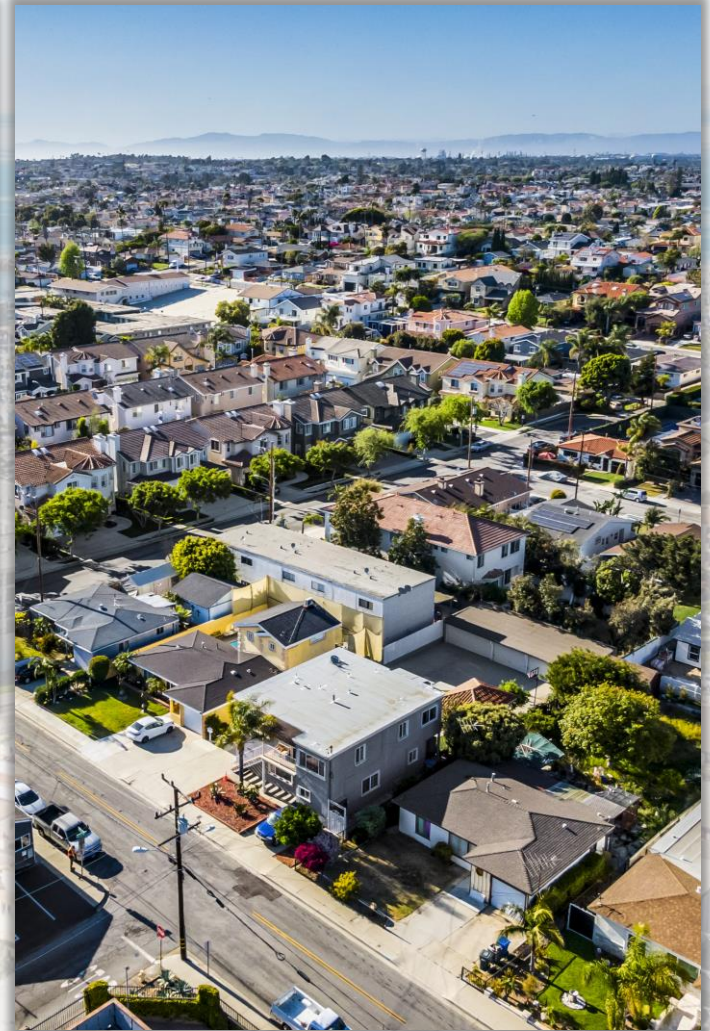
INVESTMENT HIGHLIGHTS

- Unit Mix: (2) 3-Bed/2-Bath Units with natural light
- 2,718 SF Two-Story building on a large 7,000 SF Lot
- Units recently updated and undergone some remodeling
- Majority of plumbing upgraded to Copper
- The roof was replaced in December
- Market 5.1% CAP & 14.3 GRM in Redondo Beach!
- 5-Car Garage plus uncovered driveway parking
- INCREDIBLE LOCATION: Just 2 miles from the ocean & 1 mile from the new \$900M South Bay Galleria Development
- Highly sought-after market with limited inventory

PROPERTY PHOTOGRAPHS

2405 Fisk Ln

Redondo Beach, CA 90278



PROPERTY PHOTOGRAPHS

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Redondo Beach, CA 90278



PROPERTY PHOTOGRAPHS

2405 Fisk Ln
Redondo Beach, CA 90278



PROPERTY PHOTOGRAPHS

2405 Fisk Ln

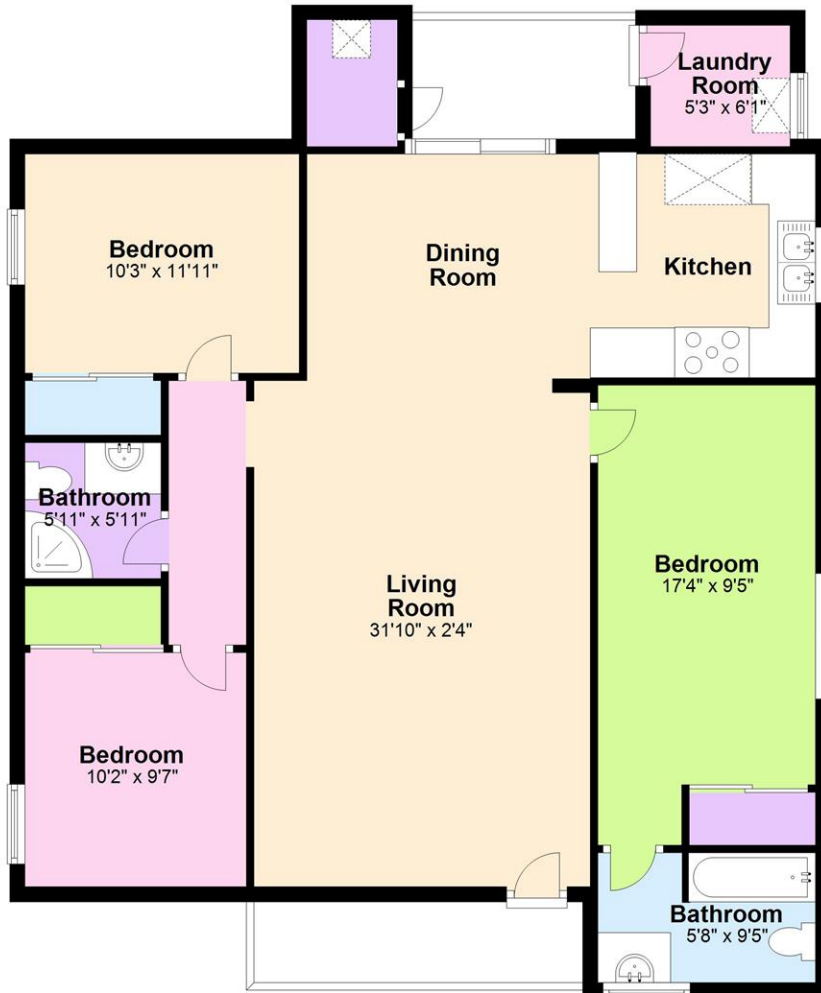
Redondo Beach, CA 90278



MAIN FLOORPLAN

2405 Fisk Ln

Redondo Beach, CA 90278



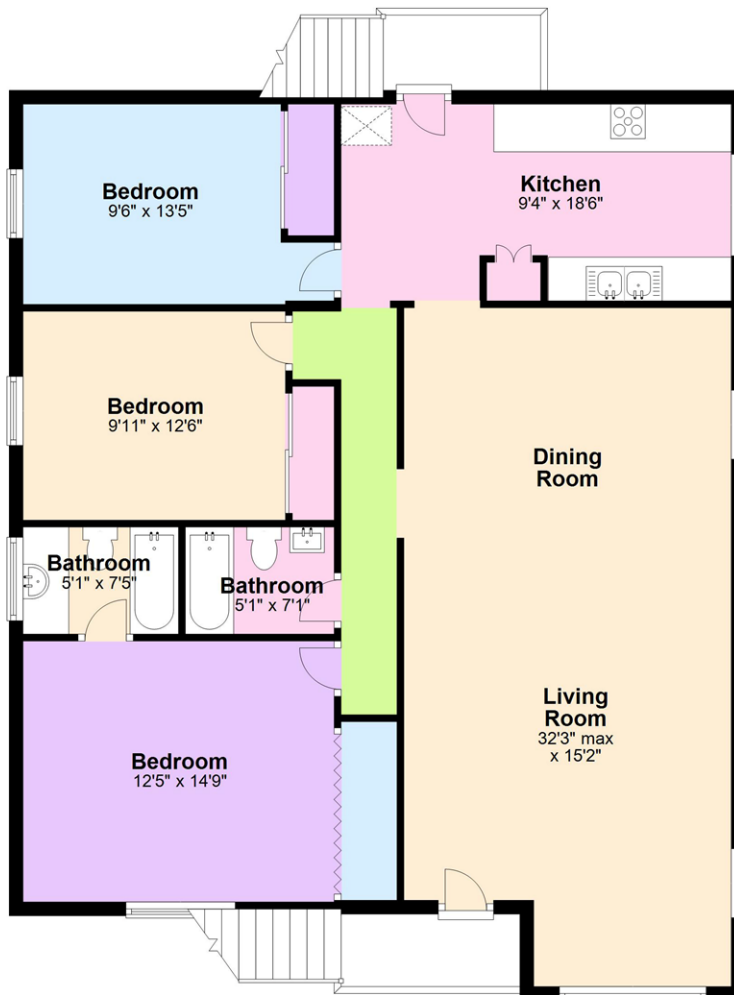
2405 Fisk Lane Lower Unit
Main Floorplan

DISCLAIMER: Floorplan rendering created by The Luxury Level. Measurements are approximate and fairly exact but not State authorized. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

MAIN FLOORPLAN

2405 Fisk Ln

Redondo Beach, CA 90278



2405 Fisk Lane Upper Unit
Main Floorplan

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FINANCIAL OVERVIEW

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2405 Fisk Ln

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PRICING SUMMARY

PRICE \$1,195,000

PROPERTY SUMMARY

ADDRESS 2405 Fisk Ln, Redondo Beach, CA

APN 4158-013-015

NUMBER OF UNITS 2

YEAR BUILT 1953

BUILDING SIZE 2,718 SF

LOT SIZE 7,000 SF

CURRENT CAP RATE 3.10%

CURRENT GRM 20.32

MARKET CAP RATE 5.10%

MARKET GRM 14.33

PRICE PER UNIT \$597,500

PRICE PER SF \$439.66

FINANCIAL SUMMARY

LOAN AMOUNT \$776,750

DOWN PAYMENT \$418,250

INTEREST RATE 4.50%

MONTHLY PAYMENT \$3,936

ANNUAL PAYMENT \$47,228

LOAN-TO-VALUE 65%

AMORTIZATION 30-YRS

LOAN TERM 5-YR FIXED

PROPOSED/EXISTING PROPOSED

DEBT COVERAGE RATIO 0.79

SCHEDULED RENT SUMMARY

Unit Type	No. Of Units	Current Rent	Market Rent
3-Bed/2-Bath	1	\$2,400	\$3,400
3-Bed/2-Bath	1	\$2,500	\$3,400

SCHEDULED RENT SUMMARY

	Current Actuals	Market Rent
Gross Scheduled Income	\$58,800	\$83,400
Less Vacancy	3%	\$2,502
Gross Operating Income	\$57,036	\$80,898

EXPENSE SUMMARY

		Current Actuals	Market Pro Forma
Real Estate Taxes and Special Assessment Tax	New Estimated	\$15,040	\$15,040
Maintenance	3% Current GSI	\$1,764	\$1,764
Insurance	\$0.35 / SF	\$951	\$951
Utilities	\$800 / Unit	\$1,600	\$1,600
Landscaping	\$50 / Month	\$600	\$600
TOTAL EXPENSES		\$19,956	\$19,956
Expense Per Unit		\$9,978	\$9,978
Expense Per Net SF		\$7.34	\$7.34
NET OPERATING INCOME		\$37,080	\$60,942
Pre-Tax Cash Flow	(2.43)%	(\$10,148)	3.28% \$13,714
Principal Reduction		\$12,531	\$12,531
TOTAL RETURN	0.57%	\$2,383	6.27% \$26,245

RENT ROLL

2405 Fisk Ln

Redondo Beach, CA 90278

UNIT #	UNIT TYPE	ACTUAL RENT	MARKET RENT	LOSS TO LEASE
1	3-Bed/2-Bath	\$2,400	\$3,400	\$1,000
2	3-Bed/2-Bath	\$2,500	\$3,400	\$900
	Laundry	\$0	\$50	\$50
	Garages	\$0	\$100	\$100
MONTHLY TOTALS		\$4,900	\$6,950	\$2,050
ANNUALIZED TOTALS		\$58,800	\$83,400	\$24,600

2405 Fisk Ln

Redondo Beach, CA 90278

COMPARABLES

SOLD COMPARABLES

2405 Fisk Ln

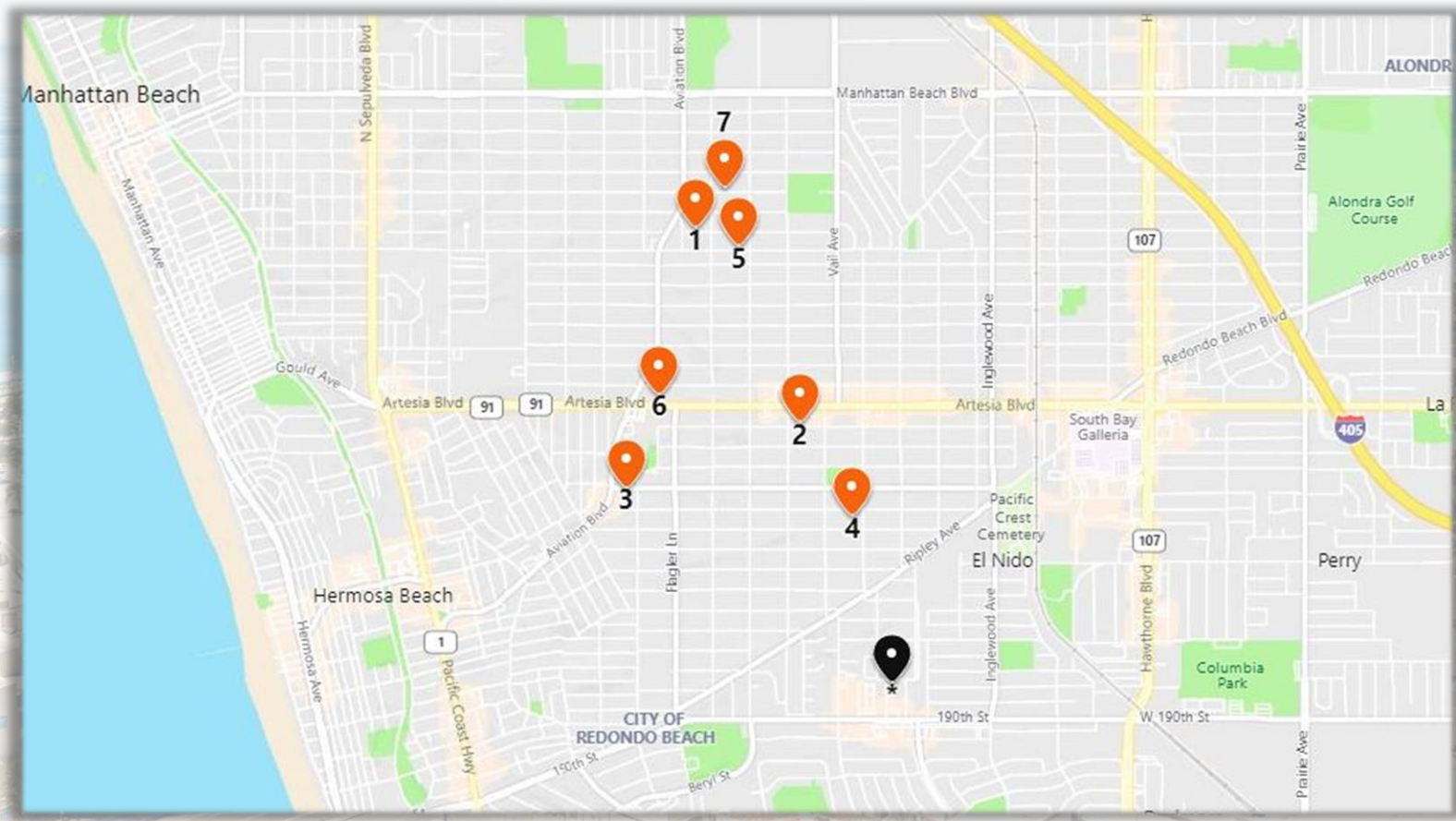
Redondo Beach, CA 90278

	Address	Price	Units	Year Built	Building Size	Price/Unit	Price/SF	Cap Rate	GRM	Sale Date
1	1907 Plant Ave Redondo Beach CA 90278	\$1,250,000	2	1948	1,456	\$625,000	\$858.52	2.03%	32.05	8/10/18
2	2203 Vanderbilt Ln Redondo Beach CA 90278	\$1,275,000	2	1973	3,316	\$637,000	\$384.50	4.10%	16.73	2/12/19
3	1721 Grant Ave Redondo Beach CA 90278	\$1,300,000	2	1945	2,100	\$650,000	\$619.05	3.00%	21.67	8/22/18
4	2314 Huntington Ln Redondo Beach CA 90278	\$1,350,000	2	1956	1,573	\$675,000	\$858.23	3.20%	20.09	3/26/19
5	2017 Robinson St Redondo Beach CA 90278	\$1,400,000	2	1959	2,268	\$700,000	\$617.28	2.65%	20.29	5/9/18
6	2010 Aviation Way Redondo Beach CA 90278	\$1,440,000	2	1963	1,740	\$720,000	\$827.59	N/A	N/A	4/10/19
7	2009 Ernest Ave Redondo Beach CA 90278	\$1,545,000	2	1948	2,344	\$772,500	\$659.13	3.28%	19.82	5/15/18
	Averages	\$				\$682,857	\$	3.04%	21.78	
★	2405 Fisk Ln Redondo Beach CA 90278	\$1,195,000	2	1953	2,718	\$597,500	\$439.66	3.10%	20.32	

SOLD COMPARABLES MAP

2405 Fisk Ln

Redondo Beach, CA 90278



ON-MARKET COMPARABLES

2405 Fisk Ln

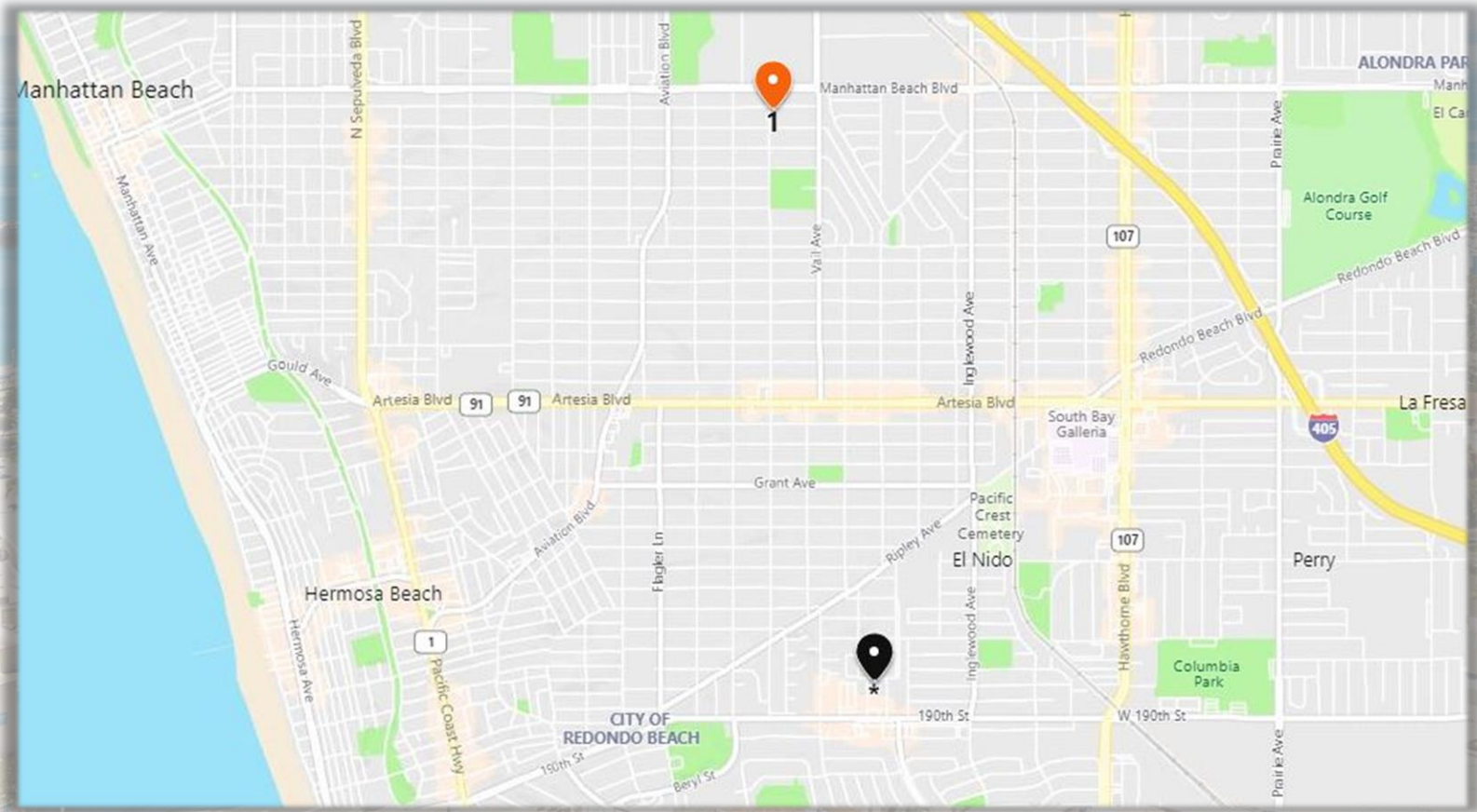
Redondo Beach, CA 90278

	Address	Price	Units	Year Built	Building Size	Price/Unit	Price/SF	Cap Rate	GRM	List Date
1	2203 Warfield Ave Redondo Beach CA 90278	\$1,424,000	2	1951	1,982	\$712,000	\$718.47	2.85%	22.82	4/19/19
	-	-	-	-	-	-	-	-	-	-
★	2405 Fisk Ln Redondo Beach CA 90278	\$1,195,000	2	1953	2,718	\$597,500	\$439.66	3.10%	20.32	4/22/19

ON-MARKET COMPARABLES MAP

2405 Fisk Ln

Redondo Beach, CA 90278



LEASE COMPARABLES

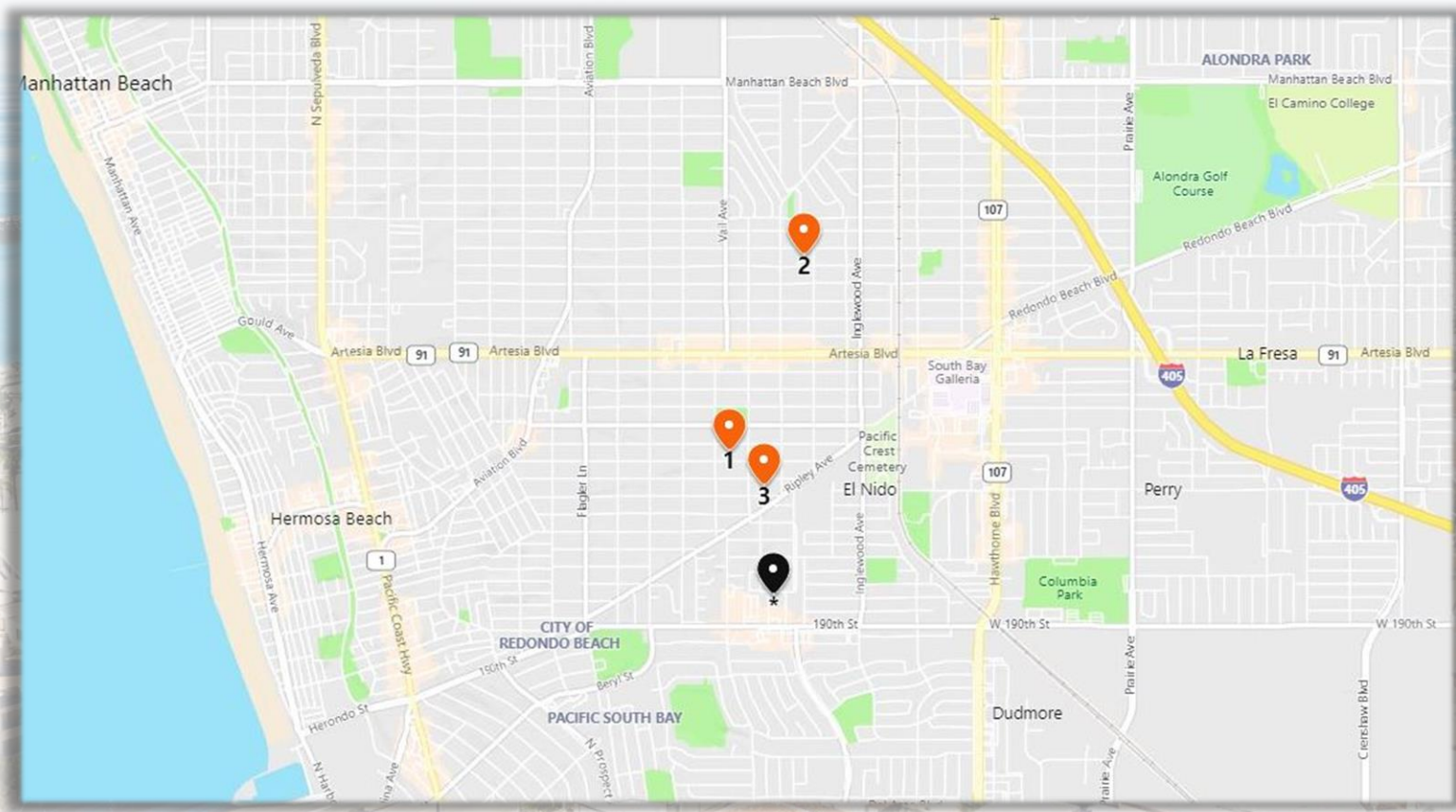
2405 Fisk Ln

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	Address	Date Leased	Year Built	Unit Type	Rental Rate	Rate / Sq. Ft.
1	2304 Huntington Ln Redondo Beach, CA 90278	7/3/18	1969	3-Bed/2-Bath	\$3,300	\$1.99
2	2518 Gates Ave Redondo Beach, CA 90278	3/24/19	1951	3-Bed/2-Bath	\$3,400	\$2.62
3	2411 Clark Ln Redondo Beach, CA 90278	3/29/19	1972	3-Bed/2-Bath	\$3,500	\$1.94
	Averages	-	-	-	\$3,400	\$2.18
★	2405 Fisk Ln Redondo Beach CA 90278	<i>Proforma</i>	1953	3-Bed/2-Bath	\$3,400	\$2.50

LEASE COMPARABLES MAP

2405 Fisk Ln
Redondo Beach, CA 90278



2405 Fisk Ln

Redondo Beach, CA 90278

LOCATION

CITY OVERVIEW

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REDONDO BEACH

Redondo Beach is one of three Beach Cities in the South Bay region of Los Angeles bordered by Manhattan Beach, Hermosa Beach, Torrance, Hawthorne, and Lawndale. A main attraction to the city is the Redondo Beach Pier which is the largest endless pier on the California coast.

Much of Redondo Beach's lifestyle is influenced by its sister cities: Manhattan Beach and Hermosa Beach. The city maintains permanent beach volleyball nets year-round and dedicates lanes to the bike path that runs past the Redondo Beach King Harbor Marina complex. Surfing is another essential element to the South Bay lifestyle.

Properties in Redondo Beach within walking distance of the Pacific Ocean routinely sell for above-average prices. The median price of homes listed in the Redondo Beach real estate market is currently \$1,149,000 and home values have gone up 3.5% over the past year.

Redondo Union High School is the zoned high school within the Redondo Beach Unified School District and is ranked in the top 50 high schools in California. Also within the school district are two middle schools, and eight elementary schools, all evenly divided between North and South Redondo Beach.

Redondo Beach can be commonly seen in popular TV shows and films including Baywatch, Dexter, The O.C., 24, CSI: Miami, 90210, Point Break, Pirates of the Caribbean: At World's End, and Pulp Fiction.



CITY PROJECTS

2405 Fisk Ln

Redondo Beach, CA 90278

SOUTH BAY GALLERIA

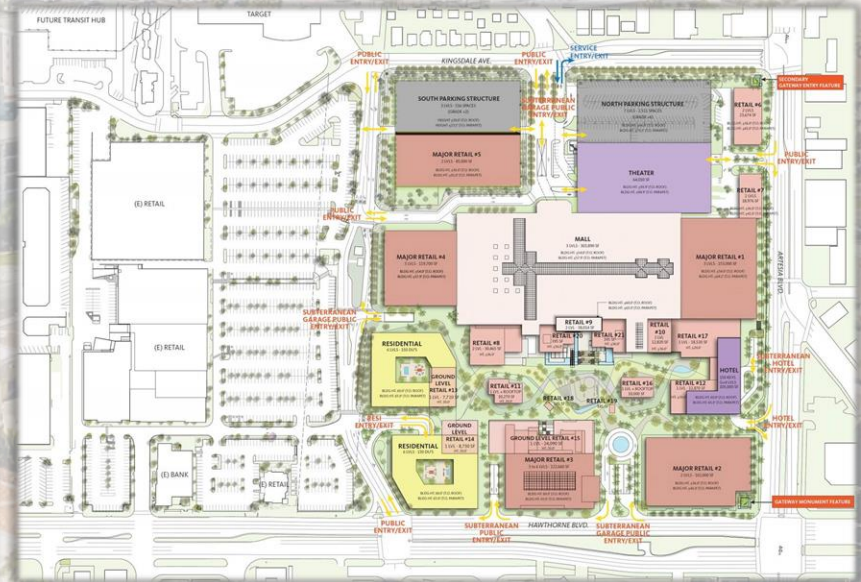
In January 2019, the Redondo Beach City Council voted unanimously to approve Australia investment company, QIC's plans to upgrade the South Bay Galleria. The original, enclosed shopping mall was built by Forest City in 1985 and the property was purchased by QIC in 2017. The 29.85-acre site sits on the southwest corner of Artesia and Hawthorne Boulevards. The \$900M revitalization will be the biggest project in the history of Redondo Beach and aims to center around a "family-friendly park, where residential, retail and office converge."

QIC's plans for the redevelopment include a 150-room hotel, 300 apartments (including up to 30 affordable units), 50,000 square feet of office space, an additional 217,000 square feet of retail space, an 8,000 square-foot skate park and a total of 249,723 square feet of public open space. The plans also include adding an additional 1,621 parking spaces, to the already existing 4,000 stalls, in order to help serve the commercial space, hotel, and new apartments. The new mall was designed by Gensler, a world-renowned architecture and design firm. The new designs offer a refreshing six acres of landscaped outdoor space that will expand onto a grand staircase leading up to the mall entrance. Surrounding the boundary of the property, standalone buildings will be built with the proposed hotel rising along Artesia and the two apartment buildings along Hawthorne.

An environmental study conducted in advance of the City Council vote estimated that QIC would break ground on the project in 2020 and complete construction in 2023. The development site sits in line with the South Bay Green Line extension, which is only one of 28 of the transportation projects Metro is aiming to complete before the 2028 summer Olympics. (urbanize.la, delreyurban.com)



*Renderings sourced from urbanize.la



CITY PROJECTS

2405 Fisk Ln
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SOUTH BAY GALLERIA



*Renderings sourced from urbanize.la

2405 Fisk Ln

Redondo Beach, CA 90278

THE TEAM

TEAM STIEGLER



JOHNNIE STIEGLER

Vice President



CHARLIE RASMUSSEN

Director of Leads & Operations

DISCLAIMER & CONFIDENTIALITY AGREEMENT

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 summary, 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 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



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