

OFFERING MEMORANDUM

Rare Manhattan Beach Seven Unit

123 28th Street
Manhattan Beach, CA 90266
Units on 28th St, 28th Pl & 2801–2805 Manhattan Ave

OFFERING PRICE

$4,995,000

7 Units | 4,862 SF | 2,704 SF Lot

PRESENTED BY

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Broker-prepared marketing material. Not an appraisal.

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PLEASE READ

Confidentiality & Disclaimer

This Offering Memorandum has been prepared by Ashley Anderson, eXp Realty of California, Inc., for the sole purpose of assisting prospective buyers in evaluating 123 28th Street, Manhattan Beach, California (the "Property"). It is not an offer to sell or a solicitation of an offer to buy, and it is not an appraisal.

The information in this memorandum was obtained from sources believed to be reliable, including the Seller, public records, and broker research. Neither the Seller nor Broker makes any representation or warranty as to its accuracy or completeness. Square footage, lot size, unit configuration, parking, permits, zoning, and income and expense figures are approximate and must be independently verified.

Pro forma rents and projections are estimates for discussion only and do not guarantee future performance. Rent increases for existing tenants are subject to applicable state and local law. Buyers must conduct their own due diligence with the City of Manhattan Beach and their own professionals regarding all zoning, permitting, and use matters. The Property is offered in its present, as-is condition, subject to existing tenancies.

Photographs were taken on various dates, including unit interiors photographed at prior vacancies; current condition may vary, and any furnishings shown are tenants' own and do not convey.

Please do not disturb tenants. All showings are by appointment through the listing agent.

THE OFFERING

Executive Summary

$4,995,000	$713,571	$1,027	3.91%	15.4
OFFERING PRICE	PRICE PER UNIT	PRICE PER BLDG SF	SCHEDULED CAP RATE*	SCHEDULED GRM*

INVESTMENT HIGHLIGHTS

• **First time ever offered.** Family-built in 1937 and held for 89 years (per seller); the original blueprints convey with the sale.

• **Beach-close corner.** A full 30' x 90' corner lot one block from the sand, with light on three sides and ocean views from four of the seven residences.

• **Seven income units.** Three 2-bedrooms, a 3-bedroom, two 1-bedrooms, and a studio, a mix that rents to the full depth of the beach-city tenant pool.

• **Income reset.** 125 delivered vacant at close and the studio available now; 2803 is occupied, no lease, vacancy not assured (see Occupancy Update, p. 05). In-place collections of $14,000/month versus $27,000/month scheduled.

• **Proven in-place rents.** The building's own 2-bedrooms already achieve $4,800 and $4,500, supporting the pro forma without improvements.

• **Assemblage opportunity.** The neighboring full-lot residence at 121 28th Street is offered concurrently by the same family (separate ownership entities); together approximately 60 feet of frontage, street to street. Any redevelopment is subject to SB 330 replacement rules, the Mello Act and Coastal review; buyer to verify.

OFFERING SUMMARY

Address	**123 28th St, Manhattan Beach**
Units	**7 (incl. 2801–2805 Manhattan Ave)**
Building Size	**4,862 SF***
Lot Size	**2,704 SF* (approx. 30' x 90' corner)**
Price per Land SF	**$1,847**
Year Built	**1937**
Scheduled GRM	**15.4**
Pro Forma GRM	**11.9**
Scheduled NOI	**$195,081**
Terms	**Cash or New Loan**

* Building and lot size per LA County Assessor data (First American profile); unit square footages per measured layout; buyer to verify. Scheduled income reflects in-place rents plus 2803, 125, and the studio at broker market estimates; 2803 is occupied and its vacancy at close is not assured (see Occupancy Update, page 05). Cap rates, GRMs, and NOI are calculated on the offering price with property taxes re-estimated at the parcel's 2026–27 tax rate applied to the offering price, insurance at the 2026–27 policy, utilities at 2026 actuals annualized, and management and reserves added; see Financial Analysis. City Residential Building Report R-26-03344 (10/26/2026) available on request. Not an appraisal.

THE ASSET

Property Overview

Property Type	**Multifamily – 7 Units**
APN	**4176-029-016**
Legal	**Lot 14, Block 7, Peck's Manhattan Beach Tract (M.B. 7-34)**
Year Built	**1937 per Assessor; City RBR lists 1924 and 1937 permits**
Buildings / Stories	**1 building / 2.5-story walk-up**
Building Size	**4,862 SF (Assessor; buyer to verify)**
Lot Size	**2,704 SF (Assessor; approx. 30' x 90') corner lot**
Zoning	**RH per City zoning map (buyer to verify)**
Unit Mix	**3 × 2+1, 1 × 3+2, 2 × 1+1, 1 studio**
Construction	**Wood frame, stucco; composition shingle roof**
Parking	**5 carports; 3 assigned (2801, 2805 & 124)**
Heating / Cooling	**Gas wall furnaces / None**
Water Heater	**Central**
Laundry	**In-unit washer/dryer, 5 of 7 units**
Utilities	**Owner pays water, trash & house meter**
Views	**Ocean views: 2801, 2805, 125 & 126**
HOA / Local Rent Control	**None / No City ordinance; AB 1482 applies**



Corner elevation at 28th Place and Manhattan Avenue (2023)



The 28th Street streetscape (2023)

INCOME

Unit Mix & Rent Roll

UNIT	TYPE	SF	STATUS	ACTUAL	PRO FORMA*
2801 Manhattan	2bd / 1ba	800	Leased (MTM)	$4,800	$7,000
2803 Manhattan	2bd / 1ba	702	Occupied (no lease)	—	$5,000
2805 Manhattan	2bd / 1ba	800	Leased (1-yr term)	$4,500	$6,500
125 28th St	3bd / 1.5ba	930	Vacant at close	—	$5,500
124 28th Pl	1bd / 1ba	550	Leased (MTM)	$2,500	$3,500
126 28th Pl	1bd / 1ba	500	Leased (MTM)	$2,200	$5,000
123 28th St	Studio / 1ba	230	Available (no pkg)	—	$2,500
Total		**4,512+**		**$14,000**	**$35,000**

Actual rents are monthly, in place as of October 2026. 126 is $2,200 in place; an owner notice raising it to $2,375 effective 12/1/2026 has been prepared (service and AB 1482 compliance to be verified). *Broker pro forma estimates; buyer to verify. 125 is delivered vacant at close. 2803 is occupied with no lease; vacancy at close is not assured and its scheduled rent assumes lease-up upon vacancy (see Occupancy Update below). Square footages and configurations are approximate, per measured layout; buyer to verify. Owner pays water, trash and the house meter. In-unit washer/dryer in all units except 123 and 124. Five carports; three assigned (2801, 2805, 124); buyer to verify.

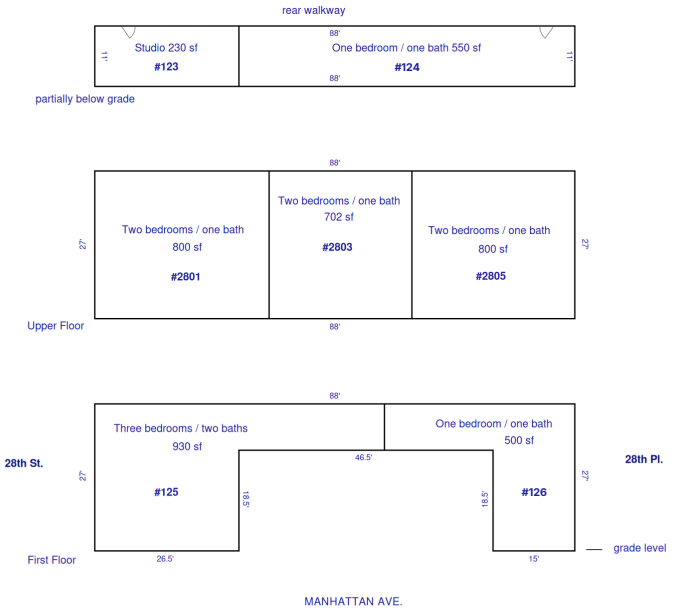
$14,000
IN-PLACE MONTHLY

$27,000
SCHEDULED MONTHLY

$35,000
PRO FORMA MONTHLY

11.9
PRO FORMA GRM

BUILDING LAYOUT



Floor-by-floor unit layout, approximate square footages; not to scale. Buyer to verify.

OCCUPANCY UPDATE: UNIT 2803 (2803 MANHATTAN AVE)

Issued October 30, 2026. Supersedes any earlier description of 2803 as delivered vacant at close.

2803 is occupied. There is no lease for the unit, no rent is currently collected for it, no estoppel certificate will be available for it, and there is no agreement or confirmed date for the unit to be delivered vacant. Seller and listing agent make no representation as to whether, when, on what terms, or at what cost possession could be obtained. 2803 is not shown before offer; buyer access during escrow is arranged through the listing agent.

Offers may be written either way. (A) Close on a fixed date with 2803 occupied, buyer assuming the occupancy at close, on the terms stated in the offer, including any price adjustment or holdback; or (B) close after seller delivers 2803 vacant, with an outside date and the remedies the buyer requires if that date passes. The seller will consider either structure and will weigh price, certainty and terms together. Any arrangement is subject to agreement on purchase terms and review by the parties' attorneys. Buyers should conduct their own investigation and consult their own counsel regarding occupancy, applicable law and timing. All other units are offered subject to existing tenancies as described above.

UNDERWRITING

Financial Analysis

ANNUAL OPERATING DATA	CURRENT	SCHEDULED	PRO FORMA
Gross Scheduled Income	$168,000	$324,000	$420,000
Less: Vacancy Reserve (3%)	$0	($9,720)	($12,600)
Effective Gross Income	**$168,000**	**$314,280**	**$407,400**
Operating Expenses			
Property Taxes (est. for new owner at 2026–27 rate)			$57,401
Plumbing & Heating (2026 actual, annualized)			$17,000
Insurance (2026–27 policy)			$9,055
Pest Control (seller ledger)			$3,862
Paint & Repairs (seller ledger)			$3,805
Telephone / Internet (2026 actual, annualized)			$3,589
Electricity (house meter, 2026 actual, annualized)			$3,352
Water & Sewer (2026 actual, annualized)			$2,883
Replacement Reserves ($300/unit)			$2,100
Trash (2026 actual, annualized)			$2,071
Professional Fees (seller ledger)			$665
City Tax (seller ledger)			$389
Gas (house meter, 2026 actual, annualized)			$376
Fire & Safety (seller ledger)			$80
Professional Management (4% of EGI)	$6,720	$12,571	$16,296
Total Operating Expenses	**$113,348**	**$119,199**	**$122,924**
Expense Ratio (of EGI)	67.5%	37.9%	30.2%
Net Operating Income	**$54,652**	**$195,081**	**$284,476**

PRICING METRICS

	CURRENT	SCHED.	PRO FORMA
Cap Rate	**1.09%**	**3.91%**	**5.70%**
GRM	**29.7**	**15.4**	**11.9**
NOI / Unit	**$7,807**	**$27,869**	**$40,639**

Offering price $4,995,000 | 7 units | $713,571 per unit

NOTES

Current reflects in-place collections on the four leased units ($14,000/mo; 126 at $2,200, with an owner notice increasing it to $2,375 effective 12/1/2026 prepared, service and AB 1482 compliance to be verified). **Scheduled** adds 2803, 125, and the available studio at broker pro forma estimates (2803 at $5,000; 125 at $5,500; studio at $2,500). 125 is delivered vacant at close; 2803 is occupied with no lease, vacancy at close is not assured, and its scheduled rent assumes lease-up upon vacancy (see Occupancy Update, page 05). **Pro forma** assumes all seven residences at broker market estimates on turnover.

Expenses. Property taxes are re-estimated for a new owner at the parcel's 2026–27 tax rate (1.113% plus $1,807 of direct assessments) applied to the offering price; the seller's 2026–27 bill at its current assessed value is $7,581. Insurance is the 2026–27 policy premium ($8,776) plus California surplus lines tax and stamping fee. Utilities, telephone/internet, and plumbing and heating are the owner's January through September 2026 payments, annualized; electricity and gas are the house meter only. Plumbing and heating may include non-recurring repairs (the seller's prior-year ledger showed $18,085). Pest control, paint and repairs, professional fees, city tax, and fire and safety are carried at the seller's prior-year ledger amounts. Professional management is added at 4% of EGI (the property is self-managed) and replacement reserves at $300 per unit. Excludes debt service, deposit refunds, financing fees, and entity-level taxes.

Under California's Tenant Protection Act (AB 1482), annual increases for most existing tenants are capped at 5% plus CPI, up to 10%; new rents may be set when a unit turns over.

Figures are not audited. All figures to be verified by buyer. Not an appraisal.

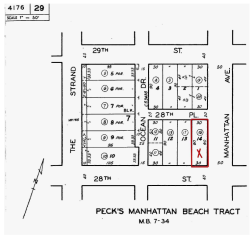
THE SETTING

Location & Market

The Property occupies the corner of 28th Place and Manhattan Avenue in the Sand Section, one block from the sand. Residents walk to the beach, The Strand, and the restaurants, coffee shops, and shops of downtown Manhattan Beach and the North End.

MARKET HIGHLIGHTS

- One block to the sand via the 28th Street walk street.
- A seven-unit multifamily at 480 Rosecrans Ave sold for $5,000,000 in August 2026.[1]
- Sand Section 2-bedroom rents average approximately $4,990 per month,[2] with an active 2-bedroom nearby asking $4,900.[3]
- A remodeled 2-bedroom one block away at 232 29th St asks $9,995 per month, illustrating the renovated ceiling.[4]
- Sand Section median sale prices are up over 20% year over year.[5]
- The subject's own in-place leases at $4,800 and $4,500 confirm the rent range.



The subject lot (outlined) with 121 28th St adjoining, from the recorded tract map, Peck's Manhattan Beach Tract, M.B. 7-34.



The 28th Street walk street to the sand, one block west (2023)

SOURCES

1. Zillow — 480 Rosecrans Ave:
https://www.zillow.com/homedetails/480-Rosecrans-Ave-Manhattan-Beach-CA-90266/2083622990_zpid/

2. Zumper — Sand Section rents:
https://www.zumper.com/apartments-for-rent/manhattan-beach-ca/sand-section

3. Redfin — Sand Section rentals:
https://www.redfin.com/neighborhood/38562/CA/Manhattan-Beach/Sand-Section/apartments-for-rent

4. Redfin — 232 29th St: https://www.redfin.com/CA/Manhattan-Beach/232-29th-St-90266/home/6710470

5. Redfin — Sand Section market data:
https://www.redfin.com/neighborhood/38562/CA/Manhattan-Beach/Sand-Section/housing-market

GALLERY

Exterior & Aerial Photos







Aerials over the corner of 28th Place and Manhattan Avenue, one block from the sand; sunset over the ocean frontage; the block from above at twilight.

GALLERY

The Residences, Unit by Unit



2805 Manhattan Ave — living room with ocean view



2805 Manhattan Ave — remodeled kitchen



2805 Manhattan Ave — bedroom



2801 Manhattan Ave — living room with fireplace



2801 Manhattan Ave — kitchen with stacked laundry



2801 Manhattan Ave — ocean-view corner room

2801 and 2805 interiors photographed at a prior vacancy; staging furnishings shown do not convey. 125, 124, 126, and the studio are shown at the property tour. 2803 is not shown before offer; buyer access during escrow is arranged through the listing agent (see Occupancy Update, page 05).

FOR MORE INFORMATION

Contact

LISTING AGENT

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Showings by appointment only. Please do not disturb tenants. Offers on the C.A.R. purchase agreement with proof of funds; the seller's addendum must be signed and returned with all offers. Disclosure package, preliminary title report, and rent roll available to qualified buyers.

Unit 2803 is occupied with no lease and vacancy at close is not assured. Offers may be written with 2803 occupied at close or with vacant delivery and an outside date; see the Occupancy Update on page 05.

Broker-prepared marketing material. Not an appraisal. Equal Housing Opportunity.

