

# Offering Memorandum

Rare 8-Unit in Manhattan Beach

MANHATTAN BEACH

# 480

## Rosecrans Ave

### \$5,350,000



**LYON STAHL**  
INVESTMENT REAL ESTATE

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MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 2



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# Property Overview

480 ROSECRANS AVE  
MANHATTAN BEACH, CA 90266



# Property Overview

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 4



## Property Summary

Price	\$5,350,000
Address	480 Rosecrans Ave
City, State, Zip	Manhattan Beach, CA, 90266
County	Los Angeles
Zoning	MNRM-D1
Year Built	1974
Number Of Units	8 <small>*(1) 1-Bed/1-Bath is Non-Conforming Permit Pending *(1) Studio is Non-Conforming</small>
Building Size	7,347 SF <small>*Buyer to Verify Square Footage *Square Footage is Approximate</small>
Lot Size	5,886 SF
Cap Rate	4.01%
Pro Forma Cap Rate	5.11%
GRM	16.54
Pro Forma GRM	13.93
Price / Bldg Sf	\$728.19
Price / Lot Sf	\$908.94



# Property Overview

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 5



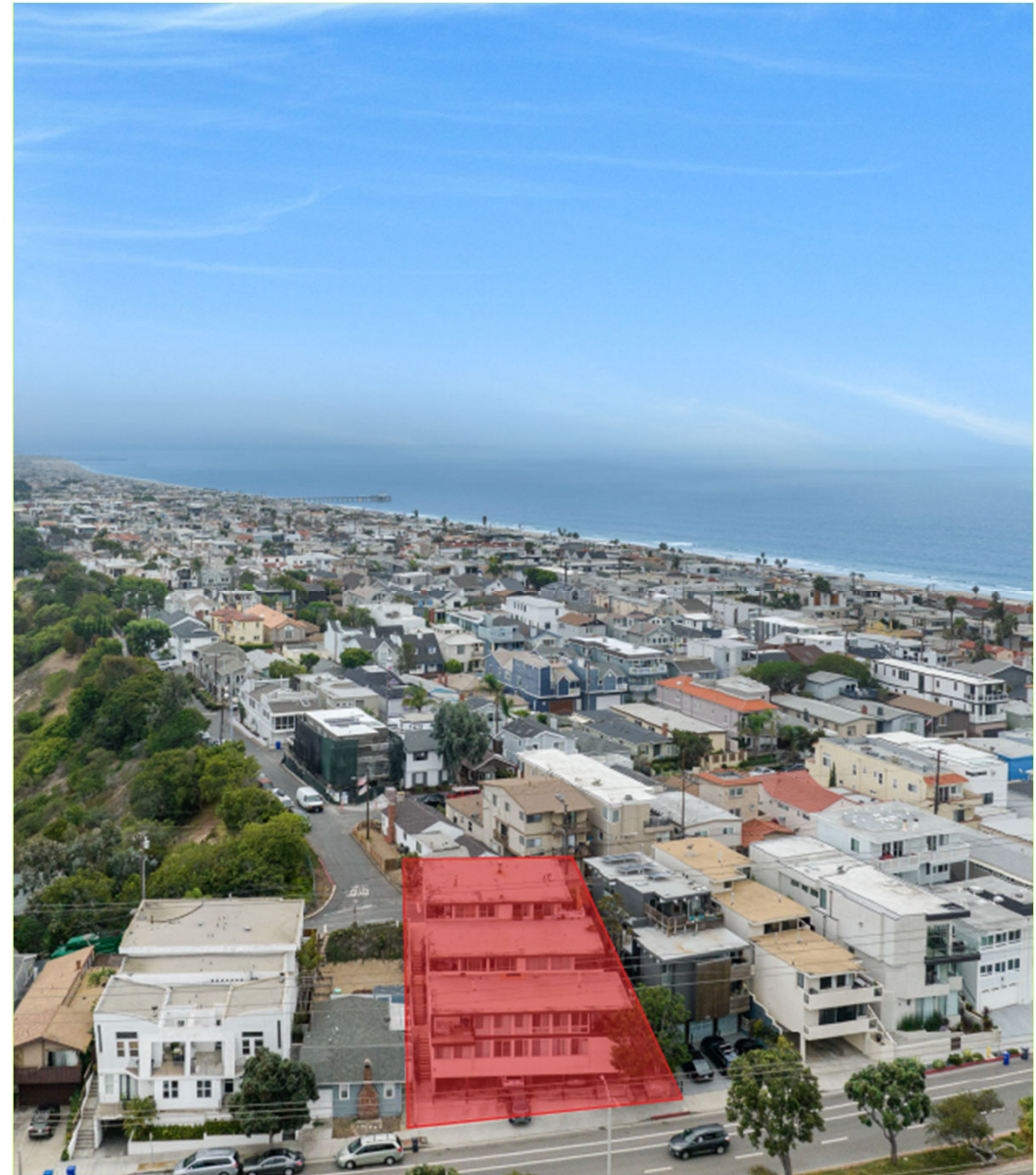
## 480 Rosecrans Ave, Manhattan Beach 90266 8-Unit | \$5,350,000

- Rare 8-Unit Building in the Sand Section of Manhattan Beach
- Unit Mix: (1) 4-Bed/4-Bath, (5) 2-Bed/2-Bath, (1) 1-Bed/1-Bath (Non Conforming Permit Pending) , (1) Studio (Non-Conforming)
- Townhome Style Units | (6) Units Equipped With Outdoor Balconies
- On-Site Laundry Space | Carport Spaces for Each Unit
- 4.01% Cap | 5.11% Market Cap
- Great Income: Generating \$26,950/month

480 Rosecrans Ave is a rare 8-unit building in the sand section of Manhattan Beach. The 8,486 SF building features (1) 4-Bed/4-Bath, (5) 2-Bed/2-Bath, (1) 1-Bed/1-Bath, and (1) Studio Units. The 1-Bed/1-Bath unit is non-conforming permit pending and the studio unit is non conforming. The building sits on a 5,886 SF lot and includes an on-site laundry space and carport spaces for each unit. The building boasts a 4.01% Cap with a 5.11% market cap and generates over \$26K per month.

Located less than a half mile from the beach, 480 Rosecrans Ave is a trophy asset and rare opportunity to own commercial real estate in the coveted Beach Cities submarket.

Attractive 5.16% financing available at 41% LTV. First 3 years are interest only; 30 year amortization thereafter. Full Loan Quote included in the Offering Memorandum



# Financial Overview

480 ROSECRANS AVE  
MANHATTAN BEACH, CA 90266



# Financial Overview

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 7



Price **\$5,350,000**

## Property Summary

ADDRESS	480 Rosecrans Ave	YEAR BUILT	1974
DOWN PAYMENT	60% (\$3,210,000)	PARKING	8 Carport Spaces
NUMBER OF UNITS	8	CURRENT NOI	\$214,492
COST PER UNIT	\$668,750	PRO FORMA NOI	\$273,274
LOT SIZE	5,886 SF	CURRENT CAP RATE	4.01%
GROSS RENTABLE SF	7,347 SF	PRO FORMA CAP RATE	5.11%
PRICE PER BLDG SF	\$728.19	CURRENT GRM	16.54
PRICE PER LAND SF	\$908.94	PRO FORMA GRM	13.93

## Proposed Financing

LOAN AMOUNT	\$2,140,000	LOAN-TO-VALUE	40%
DOWN PAYMENT	\$3,210,000	AMORTIZATION	30-YEAR
INTEREST RATE	5.750%	LOAN TERM	5-YEAR FIXED
MONTHLY PAYMENT	\$12,488	PROPOSED/EXISTING	PROPOSED
ANNUAL PAYMENT	\$149,861	DEBT COVERAGE RATIO (DCR)	1.43

# Rent Roll

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266



Unit #	Unit Type		Actual Rent	Market Rent	Notes
2	4-Bed/4-Bath	1,591 SF	\$4,200	\$6,000	
1	2-Bed/2-Bath	1,015 SF	\$4,000	\$4,200	
3	2-Bed/2-Bath	938 SF	\$4,000	\$4,200	
4	2-Bed/2-Bath	938 SF	\$3,850	\$4,200	
6	2-Bed/2-Bath	978 SF	\$3,800	\$4,200	
5	2-Bed/2-Bath	926 SF	\$3,100	\$4,200	
7	1-Bed/1-Bath	545 SF	\$1,825	\$2,800	*NC Permit Pending
1A	Studio	416 SF	\$2,100	\$2,100	*NC
Laundry Income			\$75	\$100	
MONTHLY TOTALS			\$26,950	\$32,000	
ANNUALIZED TOTALS			\$323,400	\$384,000	



# Loan Quote

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach



**Tyler Bradford**  
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DRE #01860008



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[travis@convoy-cap.com](mailto:travis@convoy-cap.com)  
DRE #02046147

Prepared for:  
Property Address:

C/O Frank Buckley  
480 Rosecrans Ave  
Manhattan Beach, CA 90266

12/22/2022  
Quote #1

Loan Options	Option 1 7-Year Fixed	Option 2 Bridge-ARM
Purchase Price	\$5,495,000	\$5,495,000
Loan Amount	\$2,265,000	\$2,700,000
Down Payment	\$3,230,000	\$2,795,000
Loan-to-Value	41%	49%
Debt Coverage Ratio (DCR)	1.20	1.20
Current Interest Rate	5.16%	7.125%
Index	5-Year CMT	N/A
Margin	2.50%	N/A
Floor / Ceiling	5.16% / 11.16%	N/A
Loan Term	15	18 Months
Amortization in Years	30	Interest-Only
I/O Monthly Payment	\$9,740	\$16,031
Monthly Payment	\$12,381	\$16,031
Recourse	Yes	Yes
Impounds	No	No
Pre-Payment Penalty	Years 1-5 5-4-3-2-1%	None
Loan Fee	1%	1.25%
Estimated Costs:		
Appraisal/Due Diligence	\$7,500	\$7,500
Closing/Processing/Underwriting	Included Above	Included Above

\*Option 1: Interest-only for first 3 years of loan term; 30 year amortization thereafter

\*Option 2: 18 months interest-only with one 6 month extension for 0.35 bps

Alternative fixed and adjustable rate options may be available upon request  
Quote subject to satisfactory lender review of rent roll, I & E, property condition, and borrower's financials

Rates and programs are subject to change without notice

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# Property Photography

480 ROSECRANS AVE  
MANHATTAN BEACH, CA 90266

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# Property Photography

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 10

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# Property Photography

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 11



Apt 1



# Property Photography

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 12

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Apt 1



# Property Photography

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 13

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Apt 2



# Property Photography

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 14

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Apt 3



# Property Photography

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 15

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Apt 1A





# Property Photography

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

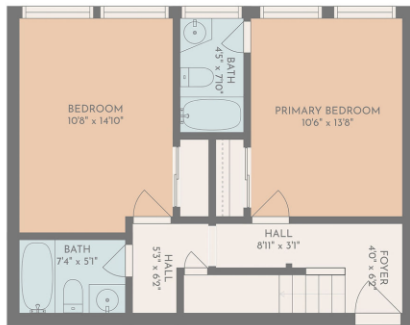
8-Unit in Manhattan Beach 16

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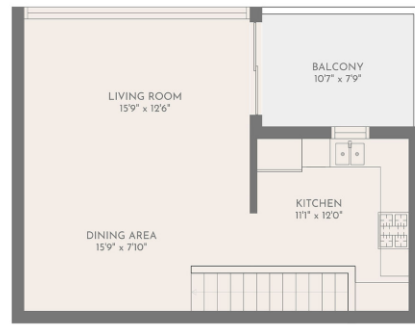


# 480 Rosecrans Ave Apt 1 (2-Bed/2-Bath)

Manhattan Beach, CA 90266



FLOOR 1



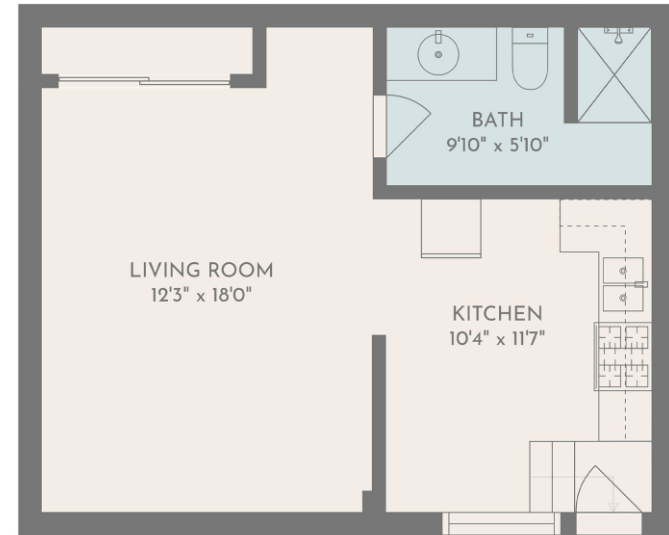
FLOOR 2

Floorplan 1,015 SF

DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# 480 Rosecrans Ave Apt 1A (Studio)

Manhattan Beach, CA 90266

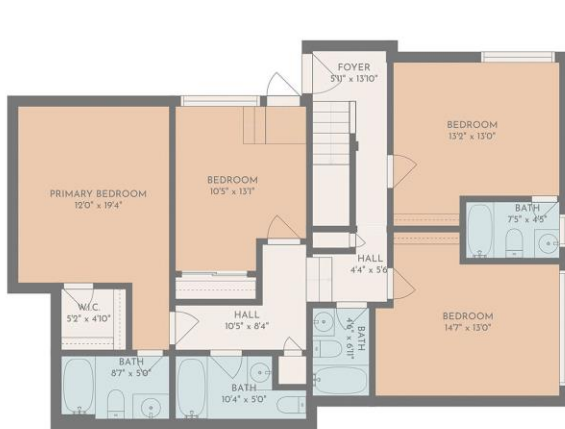


Floorplan 416 SF

DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# 480 Rosecrans Ave Apt 2 (4-Bed/4-Bath)

Manhattan Beach, CA 90266



FLOOR 1



FLOOR 2

Floorplan 1591 SF

DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# 480 Rosecrans Ave Apt 3 (2-Bed/2-Bath)

Manhattan Beach, CA 90266



FLOOR 1



FLOOR 2

Floorplan 938 SF

DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# 480 Rosecrans Ave Apt 4 (2-Bed/2-Bath)

Manhattan Beach, CA 90266



FLOOR 1



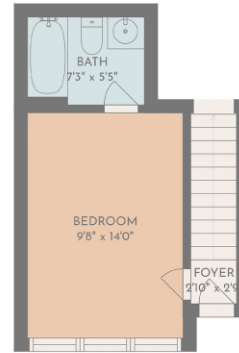
FLOOR 2

Floorplan 938 SF

DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# 480 Rosecrans Ave Apt 5 (2-Bed/2-Bath)

Manhattan Beach, CA 90266



FLOOR 1



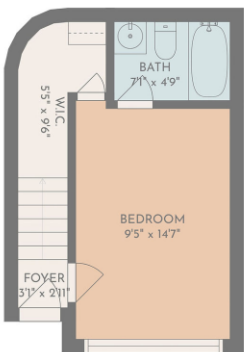
FLOOR 2

Floorplan 926 SF

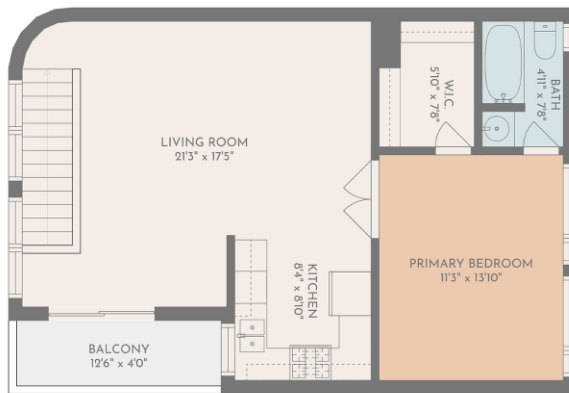
DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# 480 Rosecrans Ave Apt 6 (2-Bed/2-Bath)

Manhattan Beach, CA 90266



FLOOR 1



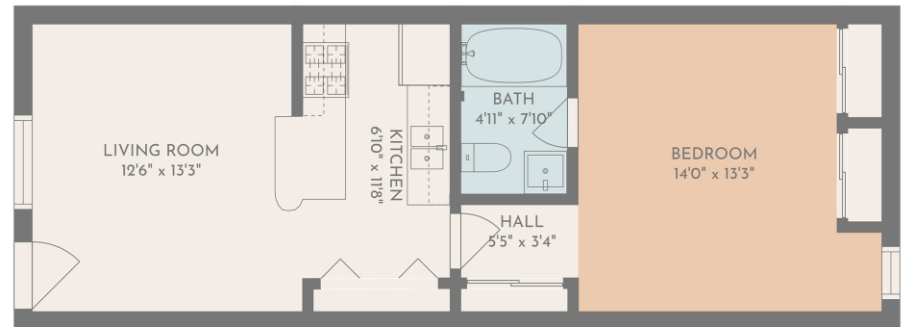
FLOOR 2

Floorplan 978 SF

DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# 480 Rosecrans Ave Apt 7 (1-Bed/1-Bath)

Manhattan Beach, CA 90266



Floorplan 545 SF

DISCLAIMER: Measurements are approximate. It is the responsibility of the buyer to verify the property's measurements and square footage independently.

# Comparables

480 ROSECRANS AVE  
MANHATTAN BEACH, CA 90266



# Sold Comparables

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 20

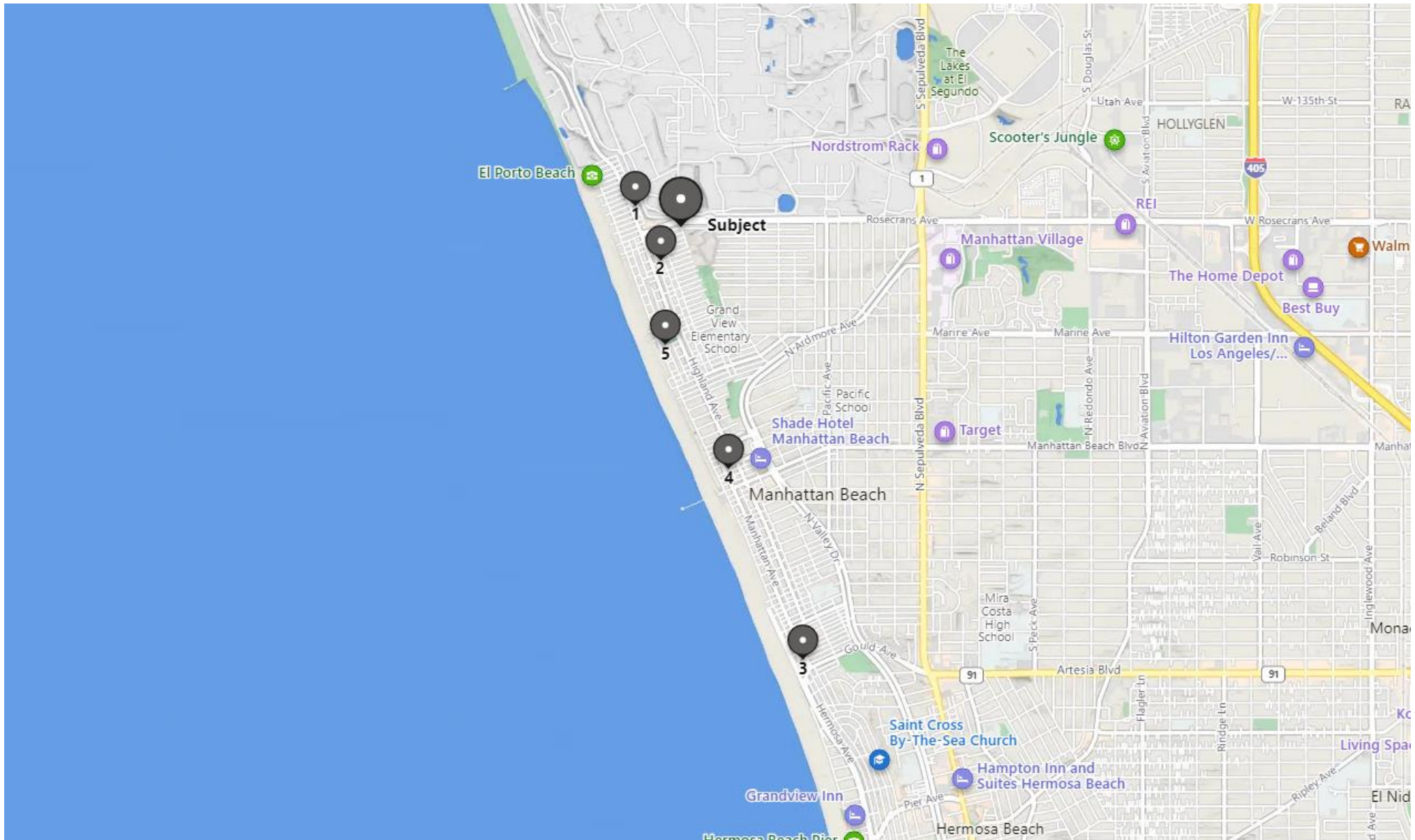


	Address	Price	Units	Year Built	Building Size	Price/Unit	Price/SF	Sold Date
1	3920 Highland Ave Manhattan Beach, CA 90266	\$7,150,000	7	1928	3,274 SF	\$1,021,429	\$2183.87	5/11/2021
2	323 34 <sup>th</sup> St Manhattan Beach, CA 90266	\$3,100,000	4	1968	3,024 SF	\$775,000	\$1,025.13	05/28/2021
3	131 28 <sup>th</sup> St Hermosa Beach, CA 90254	\$2,820,000	5	1912	2,304 SF	\$564,000	\$1,223.96	3/10/2021
4	1220 Manhattan Ave Manhattan Beach, CA 90266	\$6,000,000	6	1955	4,800 SF	\$1,000,000	\$1,250.00	8/9/2022
5	2615 Manhattan Ave Hermosa Beach, CA 90254	\$4,015,000	6	1935	3,693 SF	\$669,167	\$1,087.19	7/27/2021
	<b>Average</b>	<b>\$4,617,000</b>	<b>6</b>	<b>1940</b>	<b>3,419 SF</b>	<b>\$805,919</b>	<b>\$1,354</b>	<b>8/16/2021</b>
*	480 Rosecrans Ave Manhattan Beach, CA 90266	\$5,350,000	8	1974	7,347 SF	\$668,750	\$728.19	Active

# Sold Comparables Map

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 21



# Lease Comparables

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 22

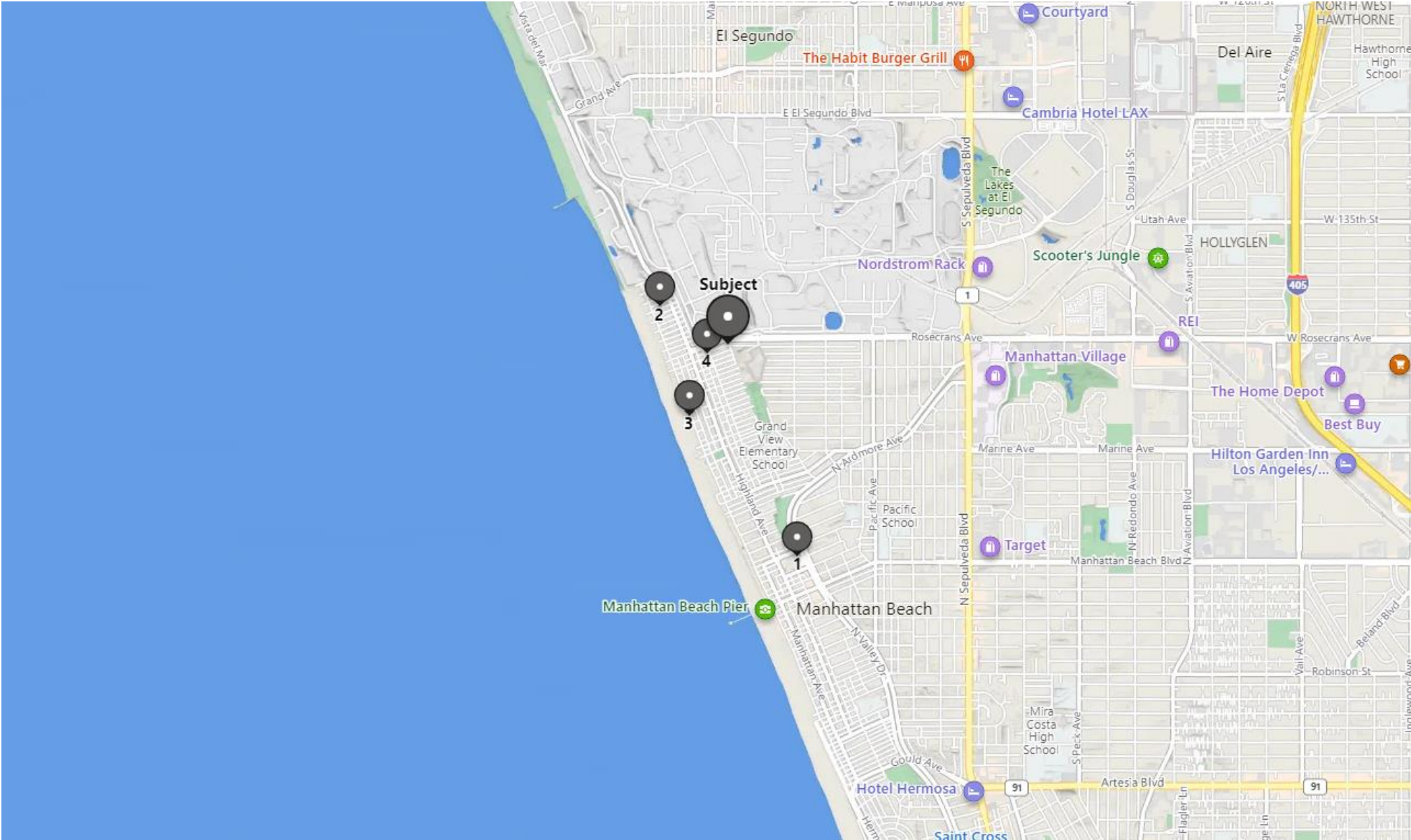


	Address	Date Of Rental Survey	Year Built	Unit Type	Unit Size	Rental Rate
1	400 15 <sup>th</sup> St Manhattan Beach, CA 90266	MAY 2022	1939	Studio	300 SF	\$1,920
2	204 Seaview St Manhattan Beach, CA 90266	OCT 2022	1990	2-Bed/2-Bath	825 SF	\$5,400
3	3104 Ocean Drive Manhattan Beach, CA 90266	JAN 2022	N/A	2-Bed/2-Bath	800 SF	\$4,999
4	3612 Alma Ave Manhattan Beach, CA 90266	AUG 2021	2006	4-Bed/4-Bath	2,500 SF	\$12,500
<b>Averages</b>			<b>1978</b>	<b>Studio</b>	<b>300 SF</b>	<b>\$1,920</b>
				<b>2-Bed</b>	<b>815 SF</b>	<b>\$5,200</b>
				<b>4-Bed</b>	<b>2,500 SF</b>	<b>\$12,500</b>
*	480 Rosecrans Ave Manhattan Beach, CA 90266			Studio		\$2,100
				2-Bed/2-Bath		\$3,950
				4-Bed/4-Bath		\$4,200

Square Footage is Approximate\*

# Lease Comparables Map

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266





# Area Overview

480 ROSECRANS AVE  
MANHATTAN BEACH, CA 90266



# Area Overview

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 25



## City Overview

Manhattan Beach is an affluent suburb in southwest LA, neighboring El Segundo and Hermosa Beach. Manhattan Beach is the second most educated city in LA County and the fifth most educated city in California, according to US Census data.

Known for its clean, wide beaches, Manhattan Beach attracts over 3.8 million visitors annually. Various paths for walking and biking include The Strand, Greenbelt, and a concrete bikeway along the beach that extends from Palos Verdes north to Santa Monica. Restrooms and showers are provided adjacent to the Strand paths to wash up after beach volleyball, body boarding, surfing, or swimming.

The Manhattan Beach Unified School District was ranked sixth best in the United States by Forbes and has test scores ranked third best in California, according to California Department of Education statistics. Mira Costa High School in Manhattan Beach is ranked in the top 1% of high schools nationally.



# Area Overview

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 26



## City Overview Continued

Forbes has named Manhattan Beach one of America's most expensive areas. The Manhattan Beach real estate market outprices the Los Angeles-Long Beach-Anaheim Metro average per square foot by almost three times. The median price of homes currently listed in Manhattan Beach is \$2,599,000 and values have gone up 10.2% over the past year.

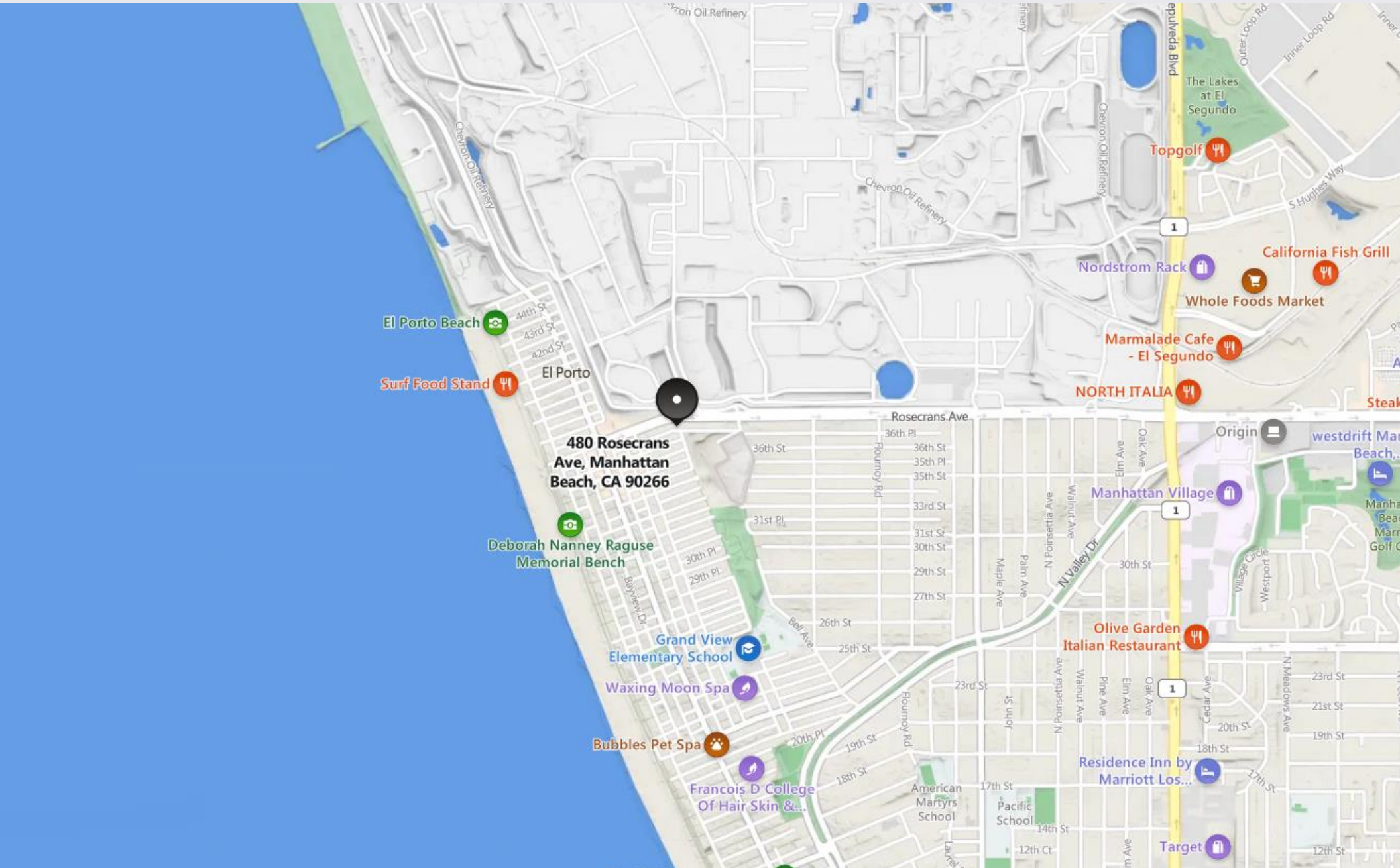
Among its many public parks, Polliwog Park is the largest and most frequented and has a small lake, open-air concert amphitheater for community events, playground equipment, picnic tables, and a fenced dog exercise area. Marine Avenue Park and Live Oak Park have several lighted ball fields, basketball courts, tennis courts, and an indoor racquetball facility.

Manhattan Beach is commonly featured in pop culture such as in The Beach Boys' song "Surfin' U.S.A." and TV shows like *Weeds*, *Hannah Montana* and *The O.C.*



# Local Map

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

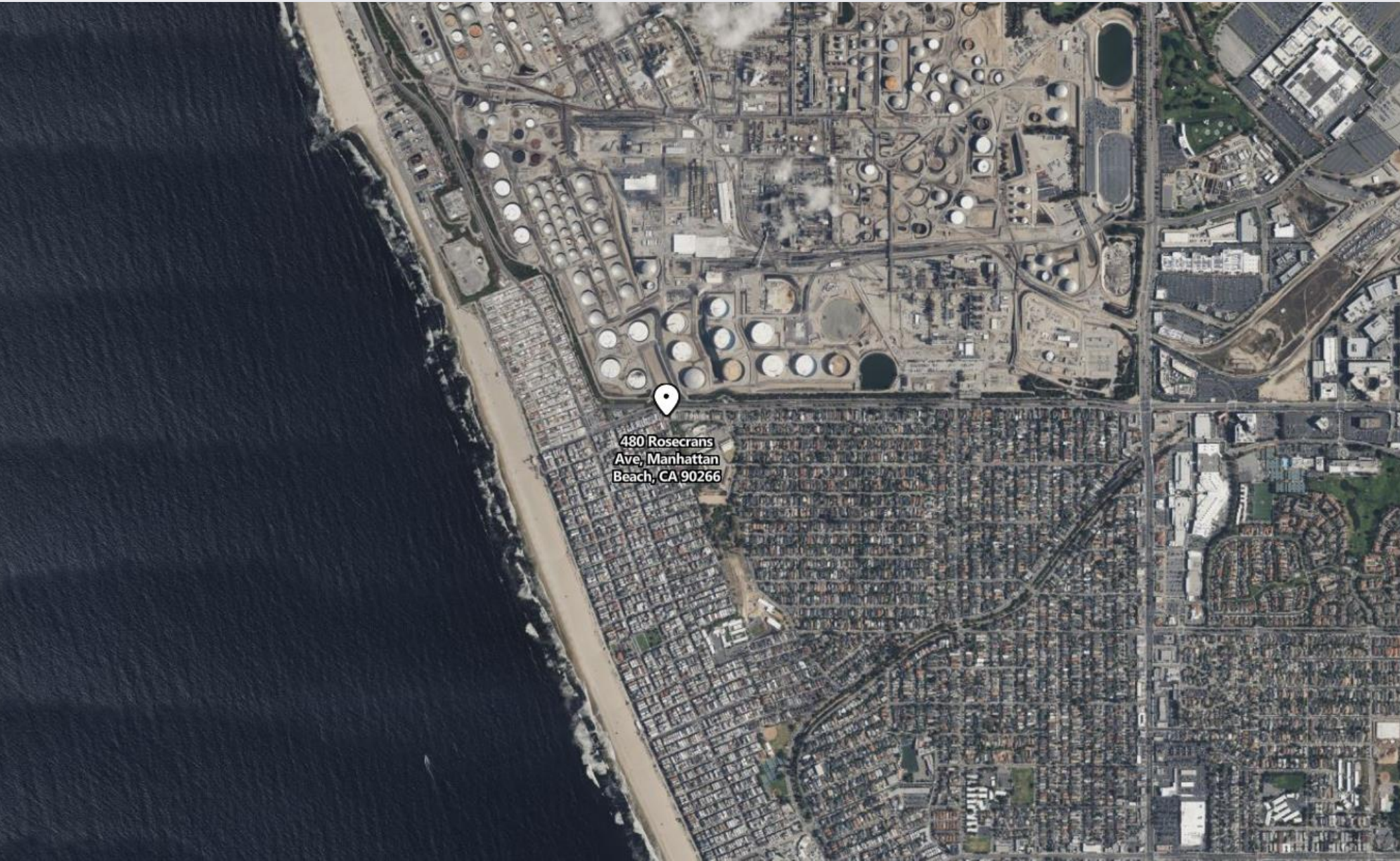


# Aerial Map

480 ROSECRANS AVE,  
MANHATTAN BEACH, CA 90266

8-Unit in Manhattan Beach 28

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# 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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