

**LYON STAHL**  
INVESTMENT REAL ESTATE

**SAMIMI**  
INVESTMENTS

OFFERING MEMORANDUM

**1409 MAGNOLIA AVE**

LONG BEACH, CA 90813 6 UNITS \$1,700,000

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CaIDRE #02035763

# TABLE OF CONTENTS

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## TABLE OF CONTENTS

PROPERTY INFORMATION	3
PROPERTY PHOTOS	6
FINANCIAL ANALYSIS	8
SALES COMPARABLES	11
LOCATION INFORMATION	14

# PROPERTY INFORMATION

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# THE OFFERING



Great Cash-Flow Deal! Located just outside of booming Downtown Long Beach, 1409 Magnolia Ave is a well-maintained 6 unit building with a high yielding unit mix of (3) 3Bed/1Bath, (2) 2Bed/1Bath, and (1) 1Bed/1Bath units. The property currently grosses \$13,516/month and operates at a 6.85% CAP and 10.45 GRM. 1409 Magnolia Ave is the ideal investment for investor looking for day 1 cash-flow with significant upside in rental income.

The subject property is located just outside the \$6 Billion of development flooding into Downtown LB, including the Long Beach Civic Center, Long Beach Aquarium, OceanAire Project, CSULB Project, CSULB Downtown Village, Broadway Block, the Pacific and Queen Mary Island.

# PROPERTY INFORMATION

# PROPERTY DETAILS

<b>Address</b>	<b>1409 Magnolia Ave Long Beach, CA 90813</b>
Total Units	6
Total Building Sqft.	3,992 SF
Total Lot Size	4,592 SF
Year Built	1925
Zoning	LBIL
APN	7271-009-010



## INVESTMENT HIGHLIGHTS

- Day 1 cash-flow - Will operate at a 10.45 GRM and 6.85% CAP Rate
- High yielding unit mix of (3) 3Bed/1Bath, (2) 2Bed/1Bath, (1) 1Bed/1Bath
- Located in the booming city of Long Beach
- Tons of parking available for all tenants

# PROPERTY PHOTOS

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1409 Magnolia Ave - Long Beach, CA 90813

PROPERTY PHOTOS  
**PROPERTY PHOTOS**



# FINANCIAL ANALYSIS

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# FINANCIAL ANALYSIS

# RENT ROLL

UNIT NUMBER	UNIT BED	UNIT BATH	LEASE END	CURRENT RENT	MARKET RENT
A	2	1	Eviction	\$2,300	\$2,300
B	3	1	Vacant	\$2,899	\$2,899
C	3	1		\$2,250	\$2,899
D	3	1		\$2,272	\$2,899
E	2	1	Vacant	\$2,300	\$2,300
F	1	1		\$1,495	\$1,650
<b>TOTALS/AVERAGES</b>				<b>\$13,516</b>	<b>\$14,947</b>

# FINANCIAL ANALYSIS SET UP SHEET

Property Address		1409 Magnolia Ave		Annualized Operating Data		Current Rents		Market Rents	
<b>List Price:</b>		\$1,700,000		<b>Scheduled Gross Income:</b>		\$162,663		\$182,953	
<b>Down Payment:</b>	25.0%	\$425,000		<b>Vacancy Rate Reserve:</b>		\$4,880	3% *1	\$5,489	3% *1
<b>Number of units:</b>		6		<b>Gross Operating Income:</b>		\$157,783		\$177,464	
<b>Cost per Unit:</b>		\$283,333		<b>Expenses:</b>		\$41,333	25% *1	\$41,333	23% *1
<b>Current GRM:</b>		10.45		<b>Net Operating Income:</b>		\$116,450		\$136,131	
<b>Market GRM:</b>		9.29		<b>Loan Payments:</b>		\$93,708		\$93,708	
<b>Current CAP:</b>		6.85%		<b>Pre Tax Cash Flows:</b>		\$22,743	5.35% *2	\$42,424	9.98% *2
<b>Market CAP:</b>		8.01%		<b>Principal Reduction:</b>		\$15,082		\$15,082	
<b>Year Built / Age:</b>		1925		<b>Total Return Before Taxes:</b>		\$37,825	8.90% *2	\$57,506	13.53% *2
<b>Approx. Lot Size:</b>		4,592							
<b>Approx. Gross RSF:</b>		3,992							
<b>Cost per Net RSF:</b>		\$425.85							

\*1 As a percent of Scheduled Gross Income  
\*2 As a percent of Down Payment

Proposed Financing				Scheduled Income					
<b>First Loan Amount:</b>	\$1,275,000	<b>Amort:</b>	30						
<b>Terms:</b>	6.20%	<b>Fixed:</b>	5						
<b>Payment:</b>	\$7,809	<b>DCR:</b>	1.24						
<b>Annualized Expenses</b>									
<i>*Estimated</i>									
<b>New Taxes (New Estimated):</b>	\$21,250			<b># of Units</b>	<b>Bdrms/Baths</b>	<b>Notes</b>	<b>Monthly Rent/Average</b>	<b>Total Monthly Income</b>	<b>Monthly Rent/Unit</b>
<b>Maintenance (\$600/unit/year):</b>	\$3,600			1	2+1	Eviction	\$2,300	\$2,300	\$2,300
<b>Insurance (\$1/SF):</b>	\$3,992			1	3+1	Vacant	\$2,899	\$2,899	\$2,899
<b>Landscaping (Actuals):</b>	\$1,140			1	3+1		\$2,250	\$2,250	\$2,899
<b>Management (5%):</b>	\$8,133			1	2+1	Vacant	\$2,272	\$2,272	\$2,899
<b>Utilities (Actuals):</b>	\$1,413			1	1+1		\$1,495	\$1,495	\$2,300
<b>Trash Removal (Actuals):</b>	\$1,430								\$1,650
<b>Pest Control (Actuals):</b>	\$375								
				<b>Total Scheduled Rent:</b>				\$13,516	
				Other Income:				\$10	\$10
				RUBS:				\$140	\$140
				Garages:				\$90	\$150
<b>Total Expenses:</b>	<b>\$41,333</b>			<b>Monthly Scheduled Gross Income:</b>				\$13,555	\$15,246
<b>Expenses as %/SGI</b>	<b>25.41%</b>			<b>Annualized Scheduled Gross Income:</b>				\$162,663	\$182,953
<b>Per Net Sq. Ft:</b>	<b>\$10.35</b>			Utilities Paid by Tenant:				Gas & Electric	
<b>Per Unit</b>	<b>\$6,889</b>								

# SALES COMPARABLES

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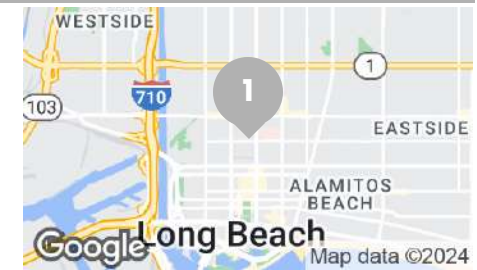
# SALES COMPARABLES

## SALE COMPS



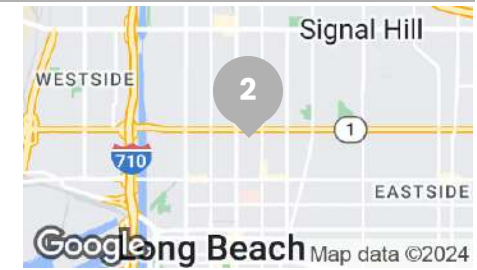
**1**  
219 E 10TH ST  
Long Beach, CA 90813

Price:	\$1,350,000	Bldg Size:	4,836 SF
No. Units:	5	Year Built:	1909
Price/Unit:	\$270,000		



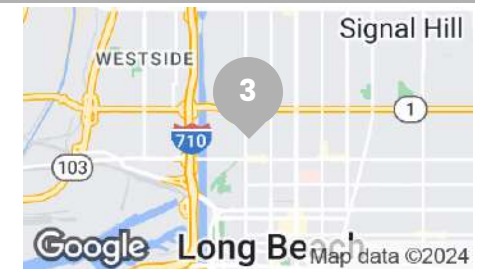
**2**  
430 E ESTHER ST  
Long Beach, CA 90813

Price:	\$1,200,000	Bldg Size:	3,200 SF
No. Units:	5	Year Built:	1912
Price/Unit:	\$240,000		



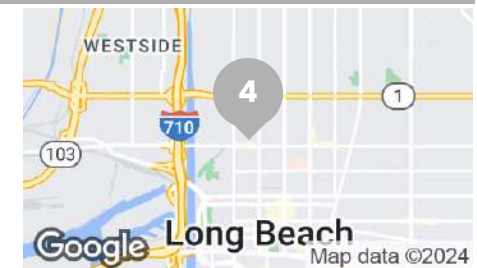
**3**  
1465 HENDERSON AVE  
Long Beach, CA 90813

Price:	\$1,299,000	Bldg Size:	3,640 SF
No. Units:	6	Year Built:	1954
Price/Unit:	\$216,500		



**4**  
310 W 14TH ST  
Long Beach, CA 90813

Price:	\$1,192,500	Bldg Size:	4,584 SF
No. Units:	6	Year Built:	1912
Price/Unit:	\$198,750		



# SALES COMPARABLES

## SALES COMPS ANALYSIS

<i>Closed</i>										
<i>1409 Magnolia Ave, Long Beach 90813</i>										
<u>Address</u>	<u>Price</u>	<u>Units</u>	<u>Yr. Built</u>	<u>RSF</u>	<u>GRM</u>	<u>CAP</u>	<u>Price/Sq.Ft</u>	<u>Price/Unit</u>	<u>COE</u>	<u>Unit Mix</u>
219 E 10th St	\$1,350,000	5	1909	4,836	N/A	N/A	\$279.16	\$270,000	2/16/2023	(1) 3+1, (1) 2+1, (1) 1+1, (2) Studio
430 E Esther St	\$1,200,000	5	1912	3,200	N/A	N/A	\$375.00	\$240,000	6/26/2023	(4) 1+1, (1) 3+1
1465 Henderson Ave	\$1,299,000	6	1954	3,640	10.86	5.90%	\$356.87	\$216,500	1/30/2024	(1) 2+1, (5) 1+1
310 W 14th St	\$1,192,500	6	1912	4,584	13.27	4.22%	\$260.14	\$198,750	12/28/2023	(4) 2+1, (2) 1+1
<i>Averages</i>					<b>12.06</b>	<b>5.06%</b>	<b>\$330.67</b>	<b>\$218,417</b>		
<b>1409 Magnolia Ave</b>	<b>\$1,700,000</b>	<b>6</b>	<b>1925</b>	<b>3,992</b>	<b>10.45</b>	<b>6.85%</b>	<b>\$425.85</b>	<b>\$283,333</b>		

# LOCATION INFORMATION

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1409 Magnolia Ave - Long Beach, CA 90813

# LOCATION INFORMATION RETAILER MAP



1409 Magnolia Ave - Long Beach, CA 90813

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## LONG BEACH

Long Beach has emerged as a popular coastal community in Southern California. Located south of the city of Los Angeles, it has a population of about 471,000. Located near the 405 and 710 freeways, and with access to the Metro Blue Line train, Long Beach provides easy commutes to major employment hubs in Los Angeles and Orange County. Long Beach is also home to major businesses such as Verizon, Molina Healthcare and the Port of Los Angeles.



Dozens of projects are transforming the city's landscape, with more than \$2.5M billion in capital pouring into Long Beach. These include the Douglas Park Redevelopment, a 261 acre mixed-use project on the site of the former Boeing campus. It will bring over 5000 jobs to Long Beach and will be home to nearly 30 businesses such as Mercedes-Bez US West headquarters and Virgin Galactic.

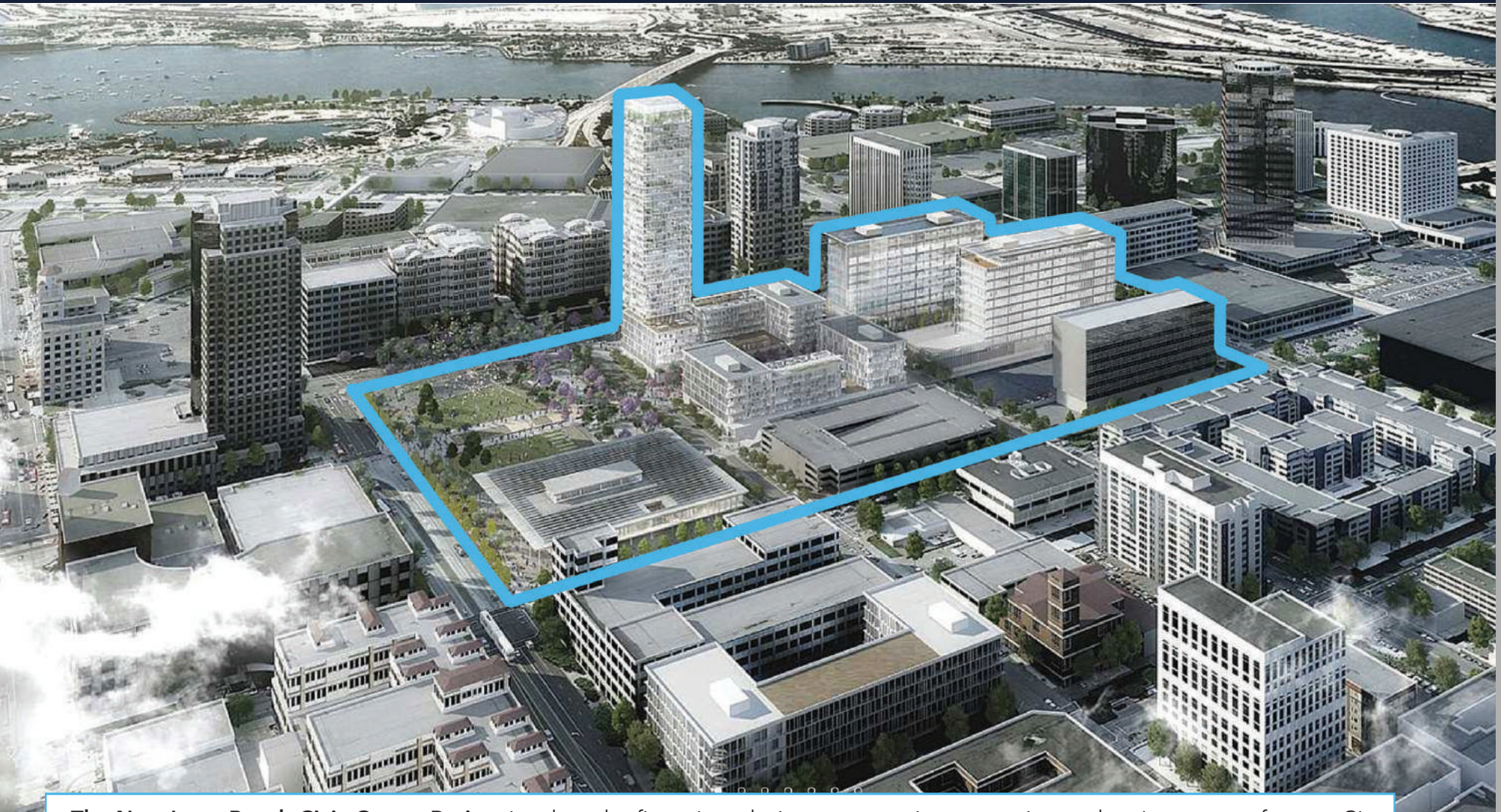
Downtown Long Beach is a burgeoning urban environment, featuring a waterfront harbor, a historic architectural district and a cultural arts scene. The Pine Avenue district provides many restaurants, shopping and nigh life options. Downtown Long Beach boasts many tourist attractions such as the Aquarium of the Pacific, the Toyota Grand Prix, and the Long Beach Convention Center. The Queen Mary is a major waterfront attraction, and the \$250 million Queen Mary Island retail and entertainment complex is planned for the surrounding area. The Long Beach Civic Center is undergoing a complete overhaul including development of a new Civic Center with a new City Hall, library headquarters for the port of Long Beach and multi-family housing.





**The Aquarium of the Pacific** in Long Beach announced a big, undulating expansion, revealing plans for a new wing they're calling Pacific Visions. The 29,000-square-foot addition will include a number of flashy components, including: A two-story, 300-seat immersive theater with a 32-foot-tall, curving screen and "floor projection disc," a new Changing Exhibit Gallery with live animals, multimedia displays, and "dynamic projected wall murals," an art gallery for cultural events and exhibitions, along with an orientation gallery with a 26-foot-wide "media wall."

# LONG BEACH CIVIC CENTER



**The New Long Beach Civic Center Project** involves the financing, design, construction, operation and maintenance of a new City Hall and Main Library and revitalization of Lincoln Park into a destination park. The Project will provide opportunities for private development and will further include a permanent headquarters building for the Port of Long Beach. The \$520 million civic center will replace the old city hall and include efficient new offices for the Port of Long Beach, a new city library, retail marketplace and public park.

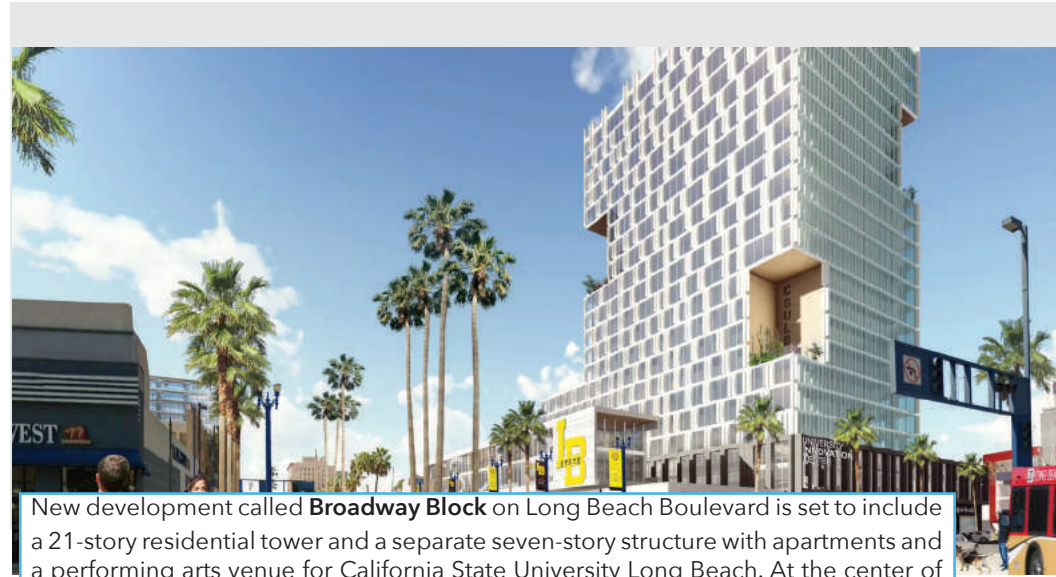
LOCATION INFORMATION  
**QUEEN MARY ISLAND**



Renderings of the proposed \$250 million redevelopment give us a glimpse of what to expect for the 65 acres of waterfront that will be transformed into a destination called **Queen Mary Island**. Queen Mary Island aims to have something for everyone. It will include restaurants, live music, 700,000 square feet of retail space, and a new 200-room hotel. A 150,000-square-foot structure will house an attraction called Urban Adventure, featuring 20 activities for the thrill-seeker, such as surfing, zip lining, a trampoline park, and an indoor ice-climbing wall.



Plans for a **35-Story Tower** originally called for just 221 units and 6,367 square feet of retail space. Now, however, its developers are seeking approval for an additional 94 units and another 344 square feet of retail space. An underground parking garage would be expanded from two levels to five to make room for some of these changes. The tower is the second phase of the Shoreline Gateway project at the intersection of Ocean Boulevard and Alamitos Avenue.



New development called **Broadway Block** on Long Beach Boulevard is set to include a 21-story residential tower and a separate seven-story structure with apartments and a performing arts venue for California State University Long Beach. At the center of the 50,000-square-foot lot is the Moderne-style Acres of Books building, constructed in the 1920s and the home of a beloved bookstore between 1960 and 2008.



This ambitious **zz** near the Pacific Avenue Blue Line station would replace a parking lot with a pair of residential structures with 325 units, according to a recent presentation from Mayor Robert Garcia.



The **OceanAire** project is rising on the site of an Ocean Avenue parking lot and promises to offer future residents some very nice views and convenient access to both public transit and the beach. According to the architects, the upscale apartments will be catered to young professionals and will feature amenities like a pool, sun deck, fitness room/yoga studio, and the increasingly obligatory dog spa.



**Glassy Hotel Tower** - This hotel tower would rise in the heart of Downtown Long Beach, bringing hundreds of guest rooms and new restaurant space to the area. Plans for the large development are still being worked out. Longbeachize reports that developer American Life has proposed an agreement with the city that would allow the project to rise 36 stories and include more than 500 rooms.



The city's planning commission has approved a new **seven-story apartment building** with 142 units and ground-floor commercial space. Located at 500 West Broadway, the project is set to include 65 studio apartments, 41 one-bedrooms, 32 two-bedrooms, and four three-bedroom units. Street-level commercial space will include 1,168 square feet of retail and a 2,267-square-foot cafe.



This **Five Floors of Apartments** complex is one of two projects now being constructed by Ensemble Investments, with designs by architecture firm Studio T Square 2 in collaboration with Mark Tessier Landscape Architecture. It will include 95 apartments and 177 parking spaces.



**Apartments and a Bridge** - Under a .5 mile from the Ocean Boulevard project above, this similar project will include 112 units, 144 parking spaces, and space for a cafe or retail business. It's rising immediately next to a flashy new pedestrian bridge now under construction. Once complete, the bridge will connect the city's convention center to the nearby Performing Arts Center.



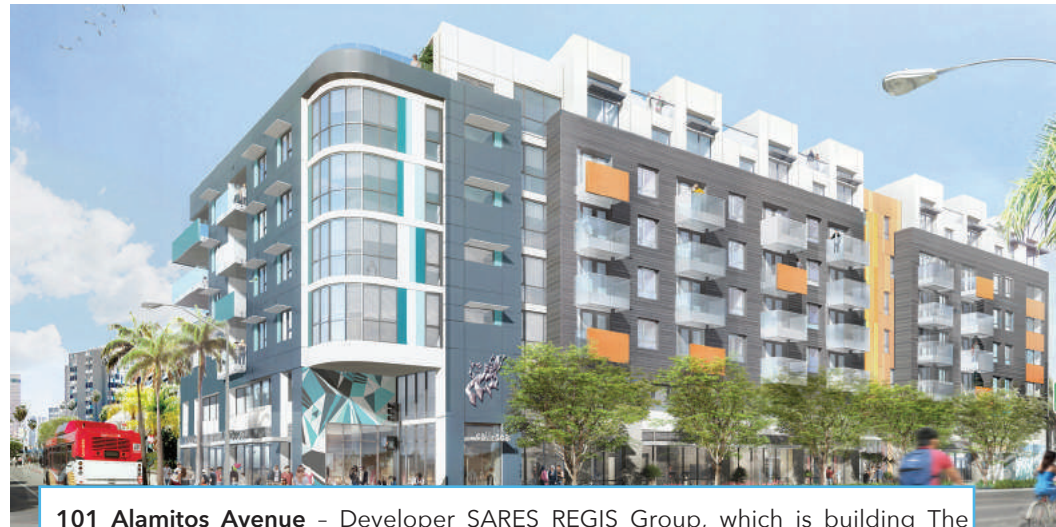
**The Beacon** - This affordable housing complex broke ground just last month and is expected to open in 2019. Once complete, the two-building development will include 160 units of supportive housing for veterans and seniors.



**Amli Parc Broadway** - will replace a government office building with 222 residential units and 8,500 square feet of retail space, including an art gallery and a “bike kitchen.”



**The Pacific** will feature 163 apartments (17 of them affordable), along with community amenities like a fitness center and bike workshop.



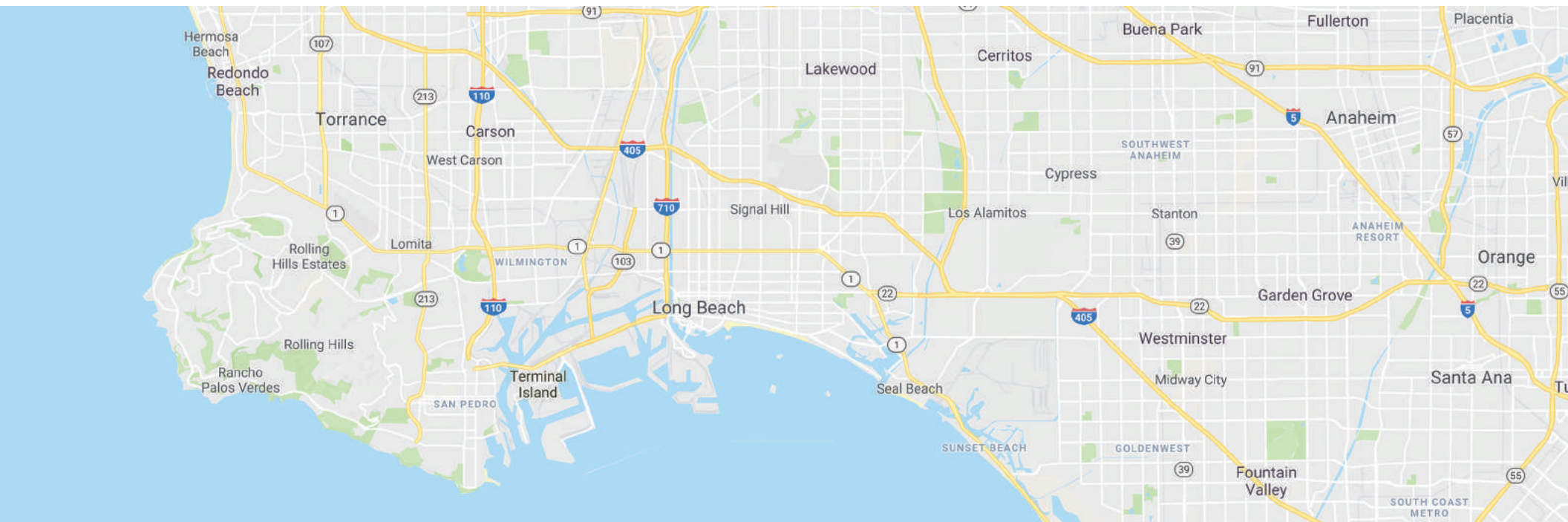
**101 Alamos Avenue** - Developer SARES REGIS Group, which is building The Pacific, is also behind this seven-story residential development with 136 condos and a bit of retail/restaurant space.



**Ocean View Tower** is located right next to the large Camden Harbor View apartment complex, this adaptive reuse project will transform an existing office building into a residential development with 94 apartments and 4,597 square feet of retail space.



**320 Alamos Avenue** - This proposed project would include 77 apartments spread across seven stories at the eastern edge of the downtown area.



EXCLUSIVELY MARKETED BY

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