



1980 Harbor Ave

Long Beach, California 90810
Offering Memorandum





Investment Sales

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Property Overview



Property Description

1 980 Harbor Ave is a 10-unit apartment located in Long Beach, operating at a 6% Cap and a 10.6 GRM!

Built in 1964, the Harbor Ave. apartment is a garden style building surrounding a courtyard. Situated on a 9,350 Sq.Ft lot, the property offers an incredible unit mix of (5) Three-Bedroom/One-Bathroom units and (5) Two-Bedroom/One-Bathroom units. There are a total of (14) parking spaces, with (7) single car Garages on-site and additional room to park another car behind each space. Tenants feature on-site laundry.

This building has been well maintained by ownership, and offers immediate rental upside to the new buyer.

Priced to Sell at 6.01% Cap Rate and 10.69 GRM.



10
Units Total



\$270,000
\$/Unit



6.01%
Cap Rate Current



\$326.72
\$/SF



10.69
GRM Current



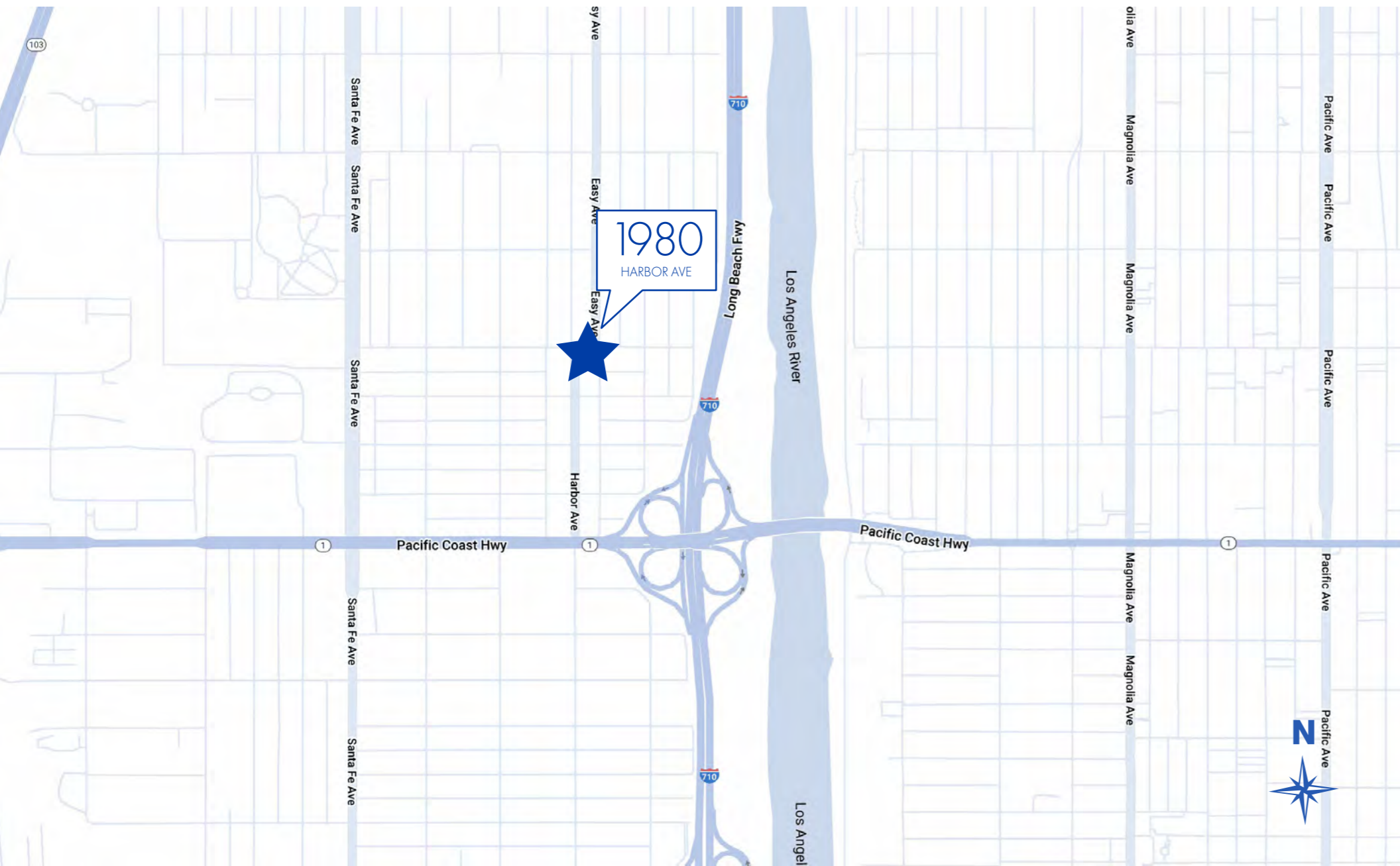
1964
Year Built

PROPERTY SUMMARY

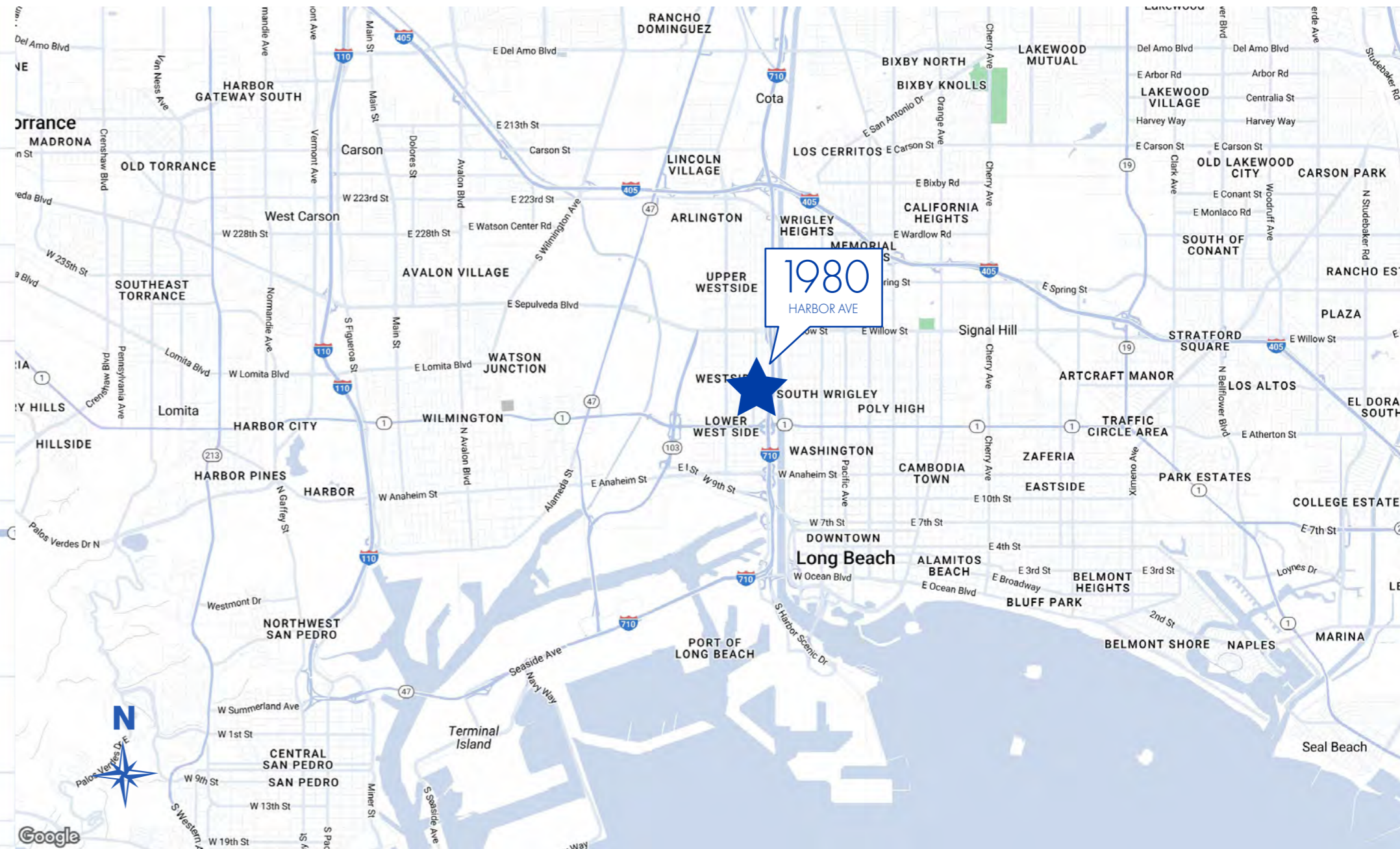
UNITS	10
YEAR BUILT	1964
LOCATION	Long Beach
PARCEL NUMBER	7431-022-016
TYPE OF BUILDING	Low-Rise Apartments
PARKING	14 Spaces – (7) Garages & (7) Surfaces



LOCATION MAP



REGIONAL MAP



◆
Market
Overview



Long Beach & Surrounding Submarkets

1980 Harbor Ave. is situated in the West Long Beach submarket, 3 miles north of Downtown Long Beach. The West Long Beach neighborhood is close to one of Long Beach's prime transportation links such as the Long Beach Airport. Residents in West Long Beach have convenient access to the 710 Freeway, which provides quick access to the 405 Freeway towards neighboring submarkets.

Long Beach City's market offers a diverse and dynamic landscape reflective of its eclectic population and vibrant economy. The real estate market encompasses a variety of options, from historic homes in neighborhoods like Belmont Shore and Bixby Knolls to modern condos and apartments downtown. The city's proximity to major employment centers, coupled with its coastal allure, makes it an attractive destination for homebuyers and investors alike. Additionally, Long Beach's thriving culinary scene, cultural attractions, and recreational amenities contribute to its appeal and drive demand for commercial spaces in areas like Retro Row and the East Village Arts District. With a strong focus on sustainability and community development, Long Beach City continues to evolve, offering opportunities for growth and investment across residential, commercial, and industrial sectors.

The city is known for its waterfront attractions, including the permanently docked RMS Queen Mary and the Aquarium of the Pacific. Long Beach also hosts the Grand Prix of Long Beach, an IndyCar race and the Long Beach Pride Festival and Parade. California State University, Long Beach, one of the largest universities in California by enrollment, is within the city.

1980 HARBOR AVE NEIGHBORHOOD QUICK FACTS



230K
POPULATION
WITHIN 3 MILES



76K
HOUSEHOLDS
WITHIN 3 MILES



70%
RENTER-OCCUPIED HOUSING
UNITS WITHIN 3 MILES



\$60K
MEDIAN HOUSEHOLD
INCOME WITHIN 3 MILES



\$561K
MEDIAN HOUSING UNIT
VALUE WITHIN 3 MILES



36.1
MEDIAN AGE
WITHIN 3 MILES

THE PIKE OUTLETS

NEIGHBORHOOD SHOPPING

2.8 MILES
FROM THE PROPERTY

392K
SF OF RETAIL SPACE

37
TOTAL STORES

CINEMARK | NIKE FACTORY STORE | H&M

NEIGHBORHOOD CONVENIENCES



WITHIN A FIVE TO TEN-MINUTE DRIVE FROM THE PROPERTY



PRIMARY EDUCATION

65.5K
STUDENTS ENROLLED

84
SCHOOLS & CENTERS

\$1.2B
OPERATING BUDGET

DEMAND DRIVERS



9.0 MILES
FROM THE PROPERTY

6.3 MILES
FROM THE PROPERTY

2.5 MILES
FROM THE PROPERTY

141K
JOBS SUPPORTED

5K
JOBS SUPPORTED

10.5K
JOBS SUPPORTED

194K
SF OF OFFICE SPACE

38K
STUDENTS ENROLLED

5.2M
MEMBERS SERVED

◆
Financial
Analysis



RENT ROLL

Unit #	Unit Description	Estimated Unit SF	Current Rate	Current Rent/SF	Projected Market Rate	Projected Rent/SF	Status
1	Three Bedroom, One Bath	900	\$2,300.00	\$2.56	\$2,750.00	\$3.06	
2	Three Bedroom, One Bath	900	\$2,515.00	\$2.79	\$2,750.00	\$3.06	
3	Two Bedroom, One Bath	750	\$1,695.00	\$2.26	\$2,200.00	\$2.93	
4	Two Bedroom, One Bath	750	\$1,830.50	\$2.44	\$2,200.00	\$2.93	
5	Three Bedroom, One Bath	900	\$2,395.00	\$2.66	\$2,750.00	\$3.06	
6	Three Bedroom, One Bath	900	\$2,400.00	\$2.67	\$2,750.00	\$3.06	
7	Two Bedroom, One Bath	750	\$2,200.00	\$2.93	\$2,200.00	\$2.93	Vacant
8	Two Bedroom, One Bath	750	\$1,900.50	\$2.53	\$2,200.00	\$2.93	
9	Three Bedroom, One Bath	900	\$1,866.88	\$2.07	\$2,750.00	\$3.06	
10	Two Bedroom, One Bath	750	\$1,895.00	\$2.53	\$2,200.00	\$2.93	

	Unit Description	Estimated SF	Current Rate	Rent Range/SF	Projected Market Rate	Percent Vacant	Number Vacant	Number of Units	Percentage of Total
Totals:	Two Bedroom, One Bath	3,750.00	\$9,521.00	\$2.26 - \$2.93	\$11,000.00	20.00%	1	5	50.00%
	Three Bedroom, One Bath	4,500.00	\$11,476.88	\$2.07 - \$2.79	\$13,750.00	0.00%	0	5	50.00%
		8,250	\$20,997.88		\$24,750.00	10.00%	1	10	

	Unit Description	Estimated SF	Current Rate	Current Rent/SF	Projected Market Rate	Projected Rent/SF	% Estimated Upside	Rental Range
Averages:	Two Bedroom, One Bath	750.00	\$1,904.20	\$2.54	\$2,200.00	\$2.93	15.53%	\$1,695 - \$2,200
	Three Bedroom, One Bath	900.00	\$2,295.38	\$2.55	\$2,750.00	\$3.06	19.81%	\$1,867 - \$2,515

Unit Mix & Rent Schedule

Units	Unit Type	Estimated Unit SF	Current Rental Range	Current Avg. Rent	Market Rent	Current Avg. Rent/SF	Market Rent/SF	Est. Total Net SF
5	2 Bed / 1 Bath	750	\$1,695 - \$2,200	\$1,904	\$2,200	\$2.54	\$2.93	3,750
5	3 Bed / 1 Bath	900	\$1,867 - \$2,515	\$2,295	\$2,750	\$2.55	\$3.06	4,500
10		825		\$2,100	\$2,475	\$2.55	\$3.00	8,250
							Gross SF	8,264

FINANCIALS

Income		Current Proforma	Market Proforma
Scheduled Market Rent		\$251,975	\$297,000
Less: Vacancy	3.00%	(\$7,559)	(\$8,910)
Net Rental Income		\$244,415	\$288,090
Plus: Estimated Laundry Income		\$600	\$600
Total Operating Income (EGI)		\$245,015	\$288,690
Estimated Expenses	Percentage	Per Unit	
Administrative		\$100	\$1,000
Repairs & Maintenance		\$700	\$7,000
Management Fee	5.00%	\$1,260	\$12,599
Utilities (Water, Sewer, Electric & Gas)		\$1,413	\$14,130
Contracted Services		\$300	\$3,000
Base Property Taxes	1.244%	\$3,360	\$33,596
Property Tax Direct Assessments		\$203	\$2,027
Insurance		\$750	\$7,500
Replacement Reserve		\$200	\$2,000
Estimated Expenses		\$82,852	\$85,103
	% of Scheduled:	32.88%	28.65%
	Per SF:	\$10.03	\$10.30
	Per Unit:	\$8,285	\$8,510
Net Operating Income (NOI)		\$162,163	\$203,587
Less: Debt Service		(\$122,874)	(\$122,874)
Projected Net Cash Flow		\$39,289	\$80,713
Total Economic Loss		3.0%	3.0%
Cash-on-Cash Return (Based on Listing Price)		3.58%	7.04%
Debt Service Coverage		1.32	1.66

PRICING SUMMARY

INVESTMENT SUMMARY

ASKING PRICE	\$2,700,000
PRICE/UNIT	\$270,000
PRICE/SF	\$326.72
CAP RATE CURRENT	6.01%
CAP RATE MARKET	7.40%
GRM CURRENT	10.69
GRM PROFORMA	9.24

ALL FINANCING

TOTAL LOAN AMOUNT	\$1,620,000
DOWN PAYMENT	\$1,096,200
LTV	60%
MONTHLY PAYMENT	(\$10,240)
DEBT CONSTANT	7.6%

NEW FIRST MORTGAGE

(to be originated at purchase)

LTV FOR THIS LOAN	60%
AMOUNT	\$1,620,000
INTEREST RATE	6.50%
AMORTIZATION	30
PAYMENT	(\$10,240)
FEEES	1.00%
I/O TERM (YRS)	0



Cap Rate Analysis	Price	Price/Unit	Price/Foot	Cap Rate Current	Cap Rate Market	GRM Current	GRM Pro Forma
Asking Price	\$2,700,000	\$270,000	\$326.72	6.01%	7.40%	10.69	9.24

Market
Comparables



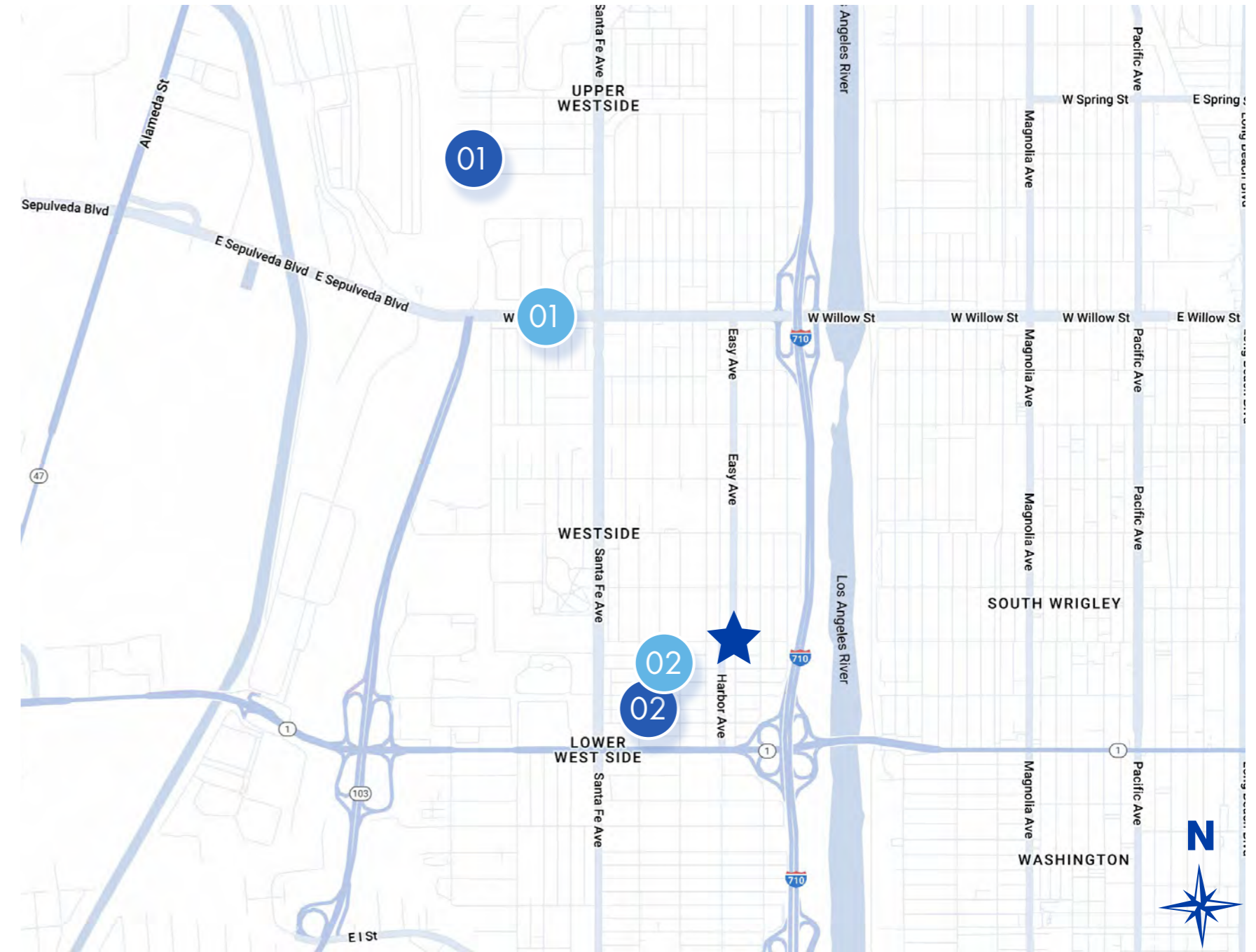
MARKET COMPARABLES

ACTIVE COMPARABLES

#	Property	Units	Year Built	RSF	Price	Price/Unit	Price/SF	GRM	Cap Rate	DOM
★	1980 Harbor Ave.	10	1964	8,264	\$2,700,000	\$270,000	\$326.72	10.69	6.01%	ON MARKET
01	2123 W. Columbia St.	6	1946	3,338	\$1,425,000	\$237,500	\$426.90	15.30	3.92%	3/23/2024
02	1548 W. 19th St.	9	1905	7,318	\$2,300,000	\$255,556	\$314.29	23.07	3.30%	5/15/2024
Property Averages (excl. subject property)					\$246,528	\$370.60	19.19	3.61%		

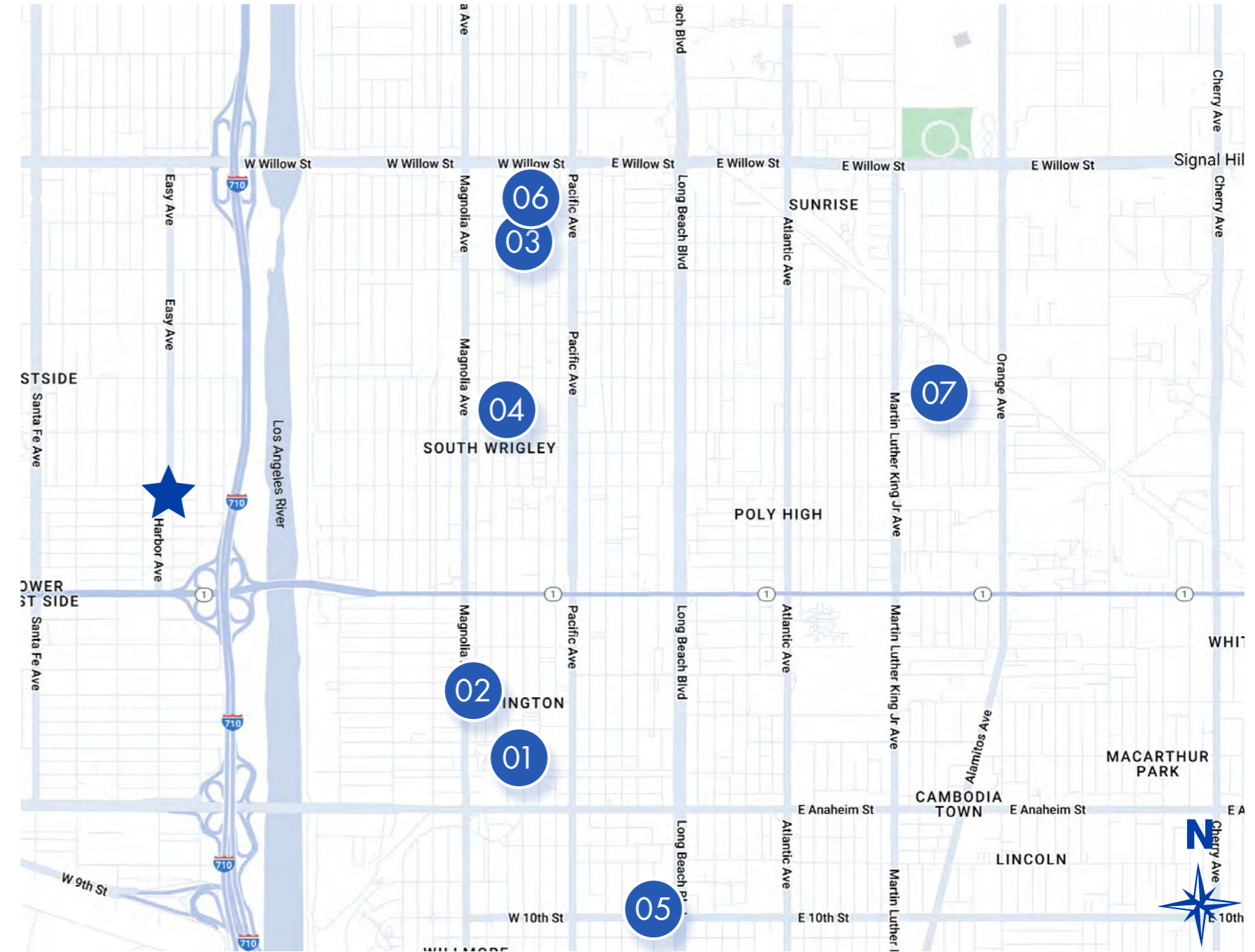
SALES COMPARABLES

#	Property	Units	Year Built	RSF	Price	Price/Unit	Price/SF	GRM	Cap Rate	Sale Date
★	1980 Harbor Ave.	10	1964	8,264	\$2,700,000	\$270,000	\$326.72	10.69	6.01%	ON MARKET
01	1830 W. Willow St.	6	1962	3,250	\$1,000,000	\$166,667	\$307.69	9.32	6.44%	6/5/2024
02	1531 W. 19th St.	6	1959	3,898	\$1,600,000	\$266,667	\$410.47	11.52	5.21%	3/29/2024
Property Averages (excl. subject property)					\$216,667	\$359.08	10.42	5.82%		



MARKET COMPARABLES

RENT COMPARABLES						
#	Property	Unit Type	Year Built	Avg. SF	Rent	Rent/SF
★	1980 Harbor Ave.	2Bd/1Ba	1964	750	\$1,904	\$2.54
		3Bd/1Ba		900	\$2,295	\$2.55
01	1416 Chestnut Ave	2bd/1Ba	1921	750	\$2,200	\$2.93
02	1500 Magnolia Ave	2bd/1Ba	1918	550	\$2,095	\$3.81
03	2460 Chestnut Ave	2bd/1Ba	1944	700	\$2,200	\$3.14
04	2109 Chestnut Ave	2bd/1Ba	1930	1,100	\$2,650	\$2.41
05	219 1/2 E 10th St	3bd/1Ba	1909	1,100	\$2,975	\$2.70
06	2490 Chestnut Ave	3bd/1Ba	1931	1,507	\$3,290	\$2.18
07	1035 E Salt Lake St	3bd/1Ba	1963	1,000	\$2,650	\$2.65
Property Averages (excl. subject property)			1931	958	\$2,580	\$2.83





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