

# Offering Memorandum

4-Unit With Ocean Views

HERMOSA BEACH

# 850

Loma Drive

**\$3,275,000**



**LYON STAHL**  
INVESTMENT REAL ESTATE

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HERMOSA BEACH, CA 90254

4-Units

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# Property Overview

850 LOMA DRIVE  
HERMOSA BEACH, CA 90254



# Property Overview

850 LOMA DRIVE  
HERMOSA BEACH, CA 90254

4-Units

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## Property Summary

Price \$3,275,000

Address 850 Loma Drive

City, State, Zip Hermosa Beach, Ca, 90254

County Los Angeles

Zoning HBR3\*

Year Built 1971

Number Of Units 4

Building Size 3,816 SF

Lot Size 3,170 SF

Current CAP Rate 4.41%

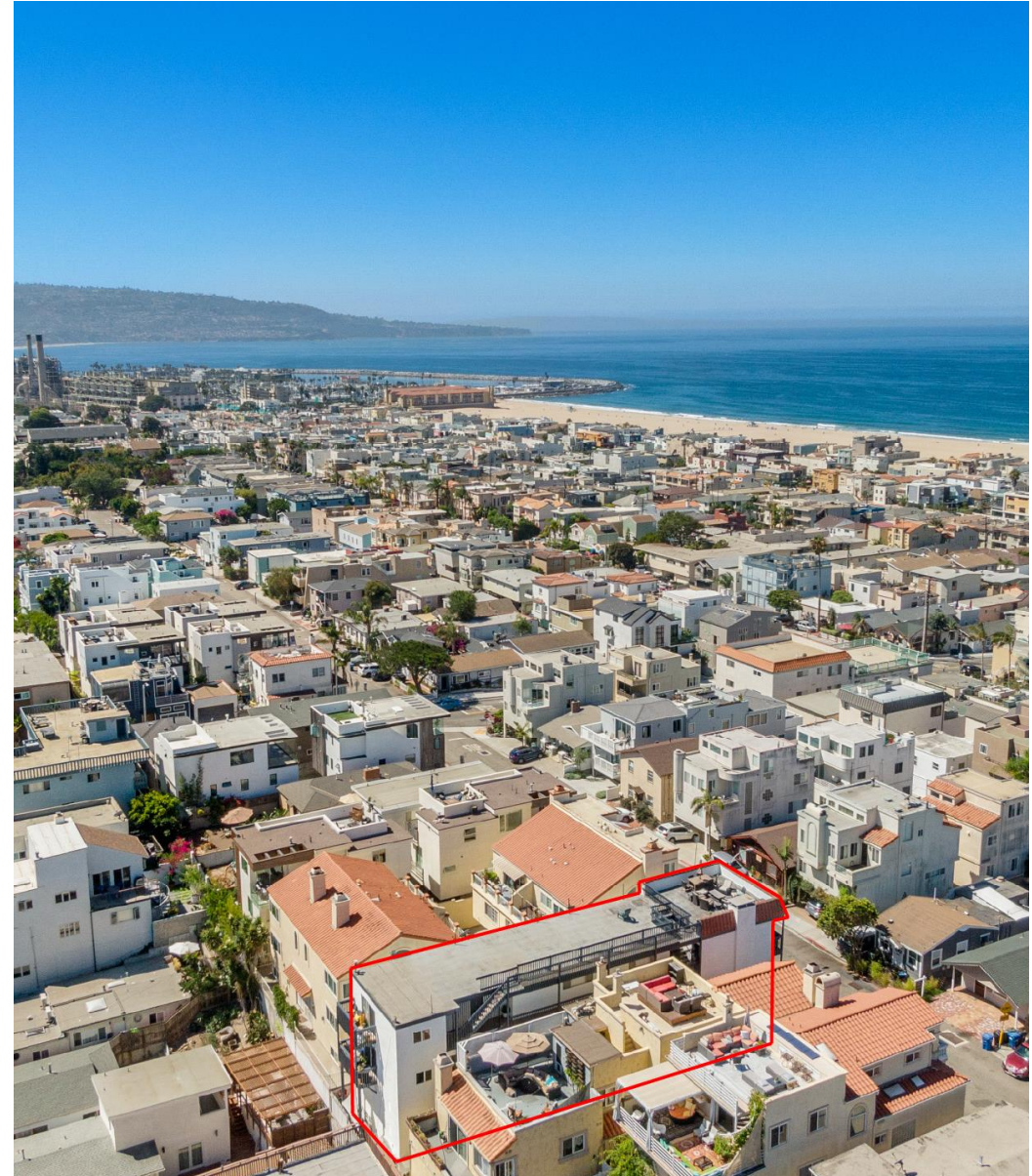
Pro Forma CAP Rate 5.12%

Current GRM 16.44

Pro Forma GRM 15.12

Price / Bldg Sf \$858.23

Price / Unit \$818,750



# Property Overview

4-Units

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850 LOMA DRIVE  
HERMOSA BEACH, CA 90254



## 850 LOMA DRIVE, HERMOSA BEACH CA 90254 4-UNIT | \$3,275,000

- Large 3,816 SF Building | Built in 1971
- Unit Mix: (2) 2-Bed/2-Bath Units & (2) 1-Bed/1-Bath Units
- (1) 2-Bed/2-Bath Can Be Delivered VACANT at COE
- Rooftop Deck With Panoramic Ocean Views
- Additional Office/Storage Room (With Partial Kitchen and Full Bathroom) - Possibility For an ADU (Buyer to Verify)
- (1) 2-Car Garage and (4) Carport Spaces, Shared Laundry Room
- Well Maintained Building with Strong Rental Income | 4.41% Current CAP | 5.12% Market CAP
- Great Location in Hermosa Beach Sand Section | 0.4 mi East of HB Pier

850 Loma Drive is a well-positioned 4-Unit building located on a quiet street in Hermosa Beach less than a half mile from the pier. Built in 1971, the 3,816 SF building features (2) 2-bed/2-bath units, and (2) 1-bed/1-bath units. The property also includes an additional office/storage room and the possibility for an ADU (Buyer to Verify), as well as a 2-Car Garage, (4) Carport Spaces, a shared laundry room & a rooftop deck with 360 Degree Views of Hermosa Beach. The building offers strong rental income in a high demand area with a current cap of 4.41% and a market cap of 5.12%.

Given the ideal location in a high-growth city and consistent income this building provides, this is a great opportunity to own a quality asset for any Beach Cities CRE investor.



# Financial Overview

850 LOMA DRIVE  
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Price **\$3,275,000**

## Property Summary

ADDRESS	850 Loma Drive	YEAR BUILT	1971
DOWN PAYMENT	45.0% (\$1,473,750)	PARKING	4
NUMBER OF UNITS	4	CURRENT NOI	\$144,464
COST PER UNIT	\$818,750	PRO FORMA NOI	\$167,722
LOT SIZE	3,170 SF	CURRENT CAP RATE	4.41%
GROSS RENTABLE SF	3,816 SF	PRO FORMA CAP RATE	5.12%
PRICE PER BLDG SF	\$858.23	CURRENT GRM	16.44
PRICE PER LAND SF	\$1,033.12	PRO FORMA GRM	15.12

## Proposed Financing

LOAN AMOUNT	\$1,801,250	LOAN-TO-VALUE	55.00%
DOWN PAYMENT	\$1,473,750	AMORTIZATION	20-YEAR
INTEREST RATE	5.750%	LOAN TERM	5-YEAR FIXED
MONTHLY PAYMENT	\$10,512	PROPOSED/EXISTING	PROPOSED
ANNUAL PAYMENT	\$126,139	DEBT COVERAGE RATION (DCR)	1.15

# Rent Roll

850 LOMA DRIVE  
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Unit Type	Actual Rent	Market Rent	Notes
1-Bed/1-Bath	\$4,245	\$4,245	Furnished
1-Bed/1-Bath	\$2,540	\$3,000	
2-Bed/2-Bath	\$3,520	\$4,500	
2-Bed/2-Bath	\$4,500	\$4,500	Vacant at COE
Potential ADU		\$1,800	
MONTHLY TOTALS	\$16,605	\$18,045	
ANNUALIZED TOTALS	\$199,260	\$216,540	



# Property Photography

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# Property Photography

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# Property Photography

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4-Units

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# Property Photography

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4-Units

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# Property Photography

850 LOMA DRIVE  
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4-Units

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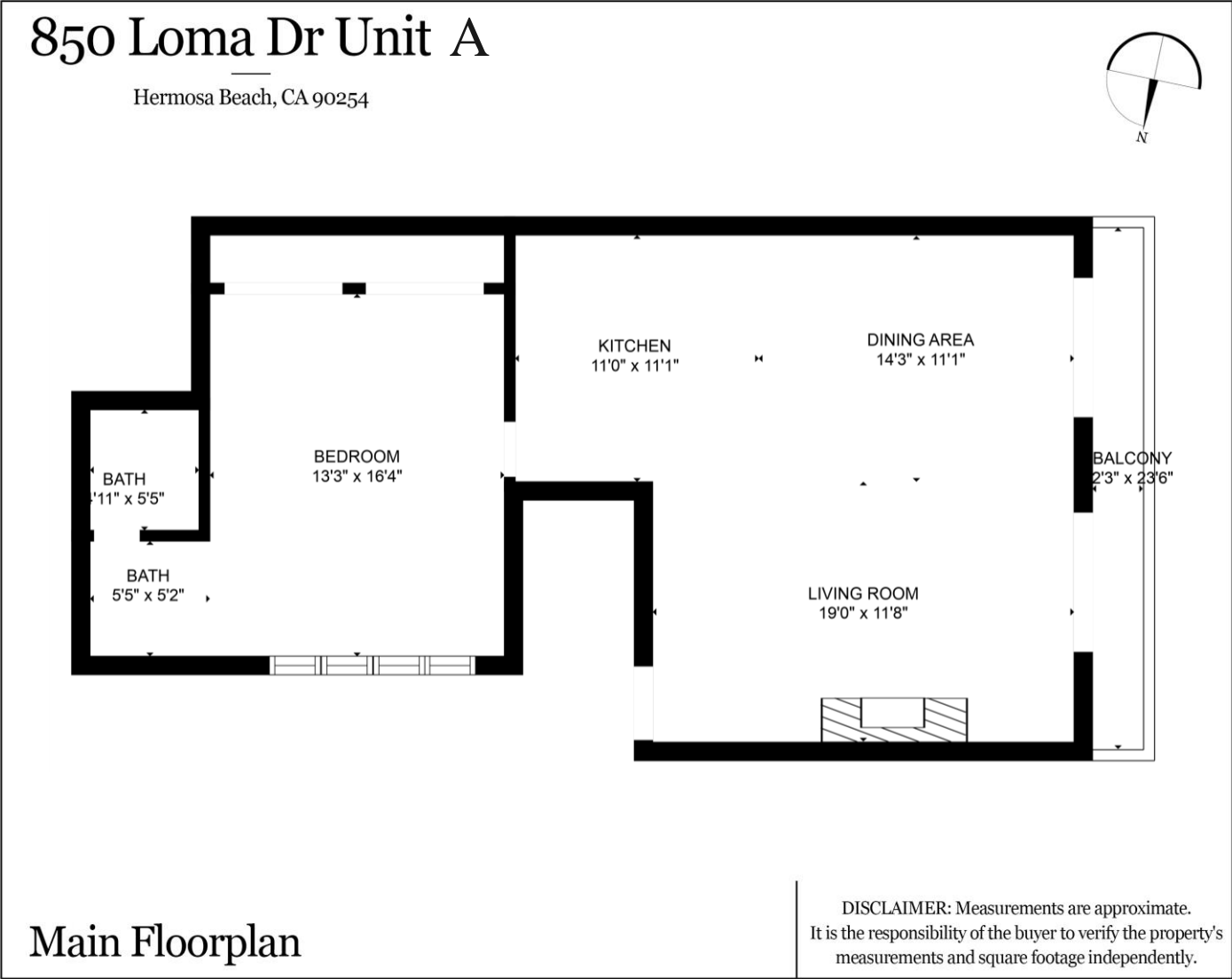


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4-Units

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# Property Photography

850 LOMA DRIVE  
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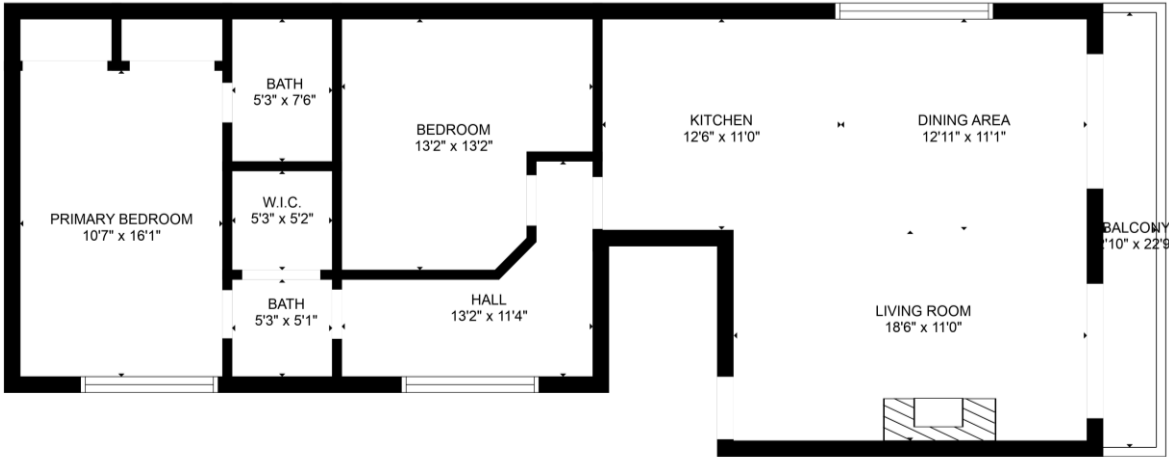
4-Units

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## 850 Loma Dr Unit B

Hermosa Beach, CA 90254



Main Floorplan

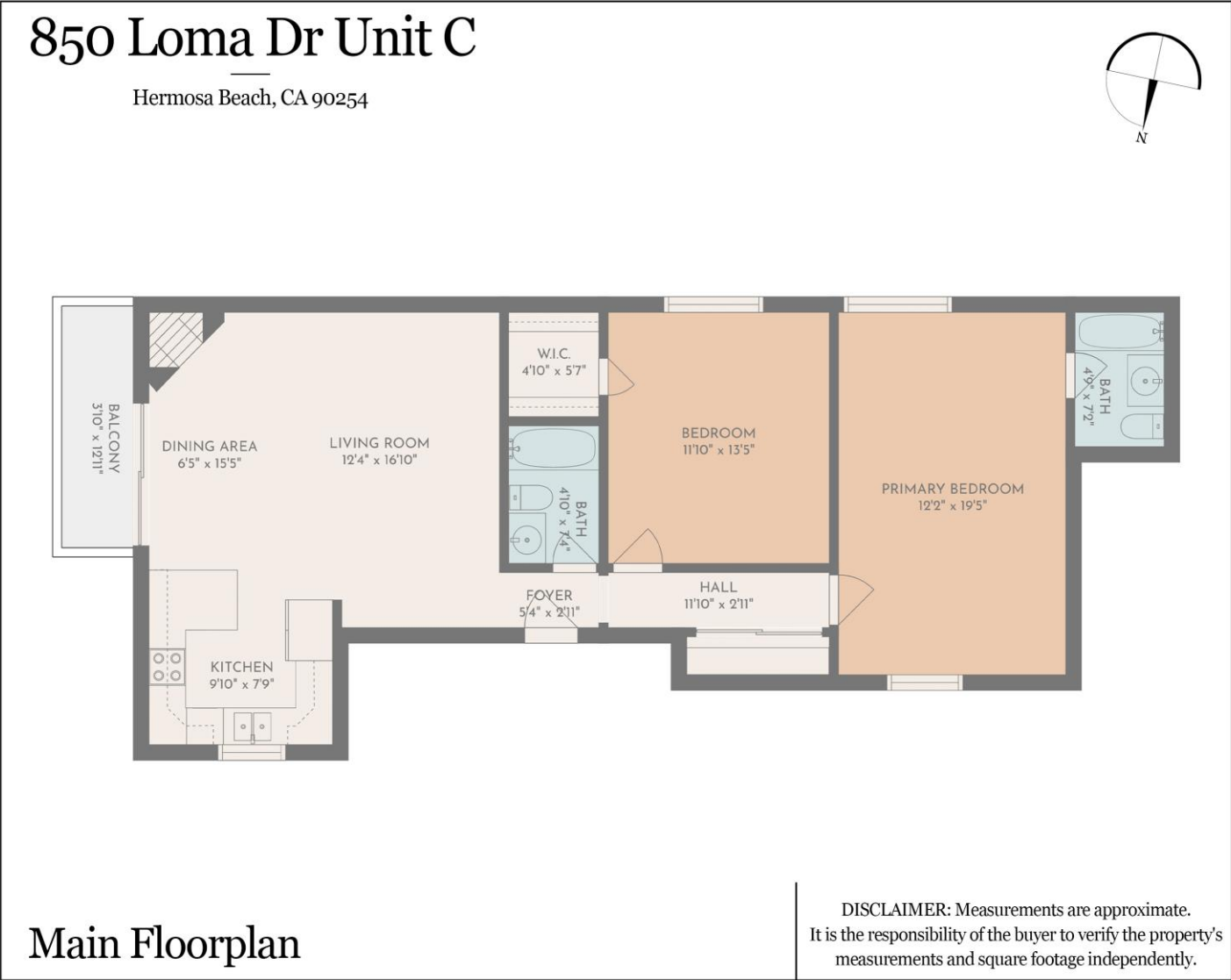
DISCLAIMER: Measurements are approximate.  
It is the responsibility of the buyer to verify the property's  
measurements and square footage independently.

# Property Photography

850 LOMA DRIVE  
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4-Units

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# Property Photography

850 LOMA DRIVE  
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4-Units

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## 850 Loma Dr Unit D

Hermosa Beach, CA 90254



Main Floorplan

DISCLAIMER: Measurements are approximate.  
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# Comparables

850 LOMA DRIVE  
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# Sold Comparables

850 LOMA DRIVE  
HERMOSA BEACH, CA 90254

4-Units

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	Address	Price	Units	Year Built	Building Size	Price/SF	Sold Date
1	538 Loma Drive Hermosa Beach, CA 90254	\$1,385,000	2	1940	1,130 SF	\$1,226.66	10/29/2021
2	331 Bayview Dr Hermosa Beach, CA 90254	\$1,495,000	2	1938	820 SF	\$1,826.17	04/21/2022
3	818 Cypress Ave Hermosa Beach, CA 90254	\$1,950,000	2	1963	3,160 SF	\$1,027.40	03/04/2022
4	525 Manhattan Ave Hermosa Beach, CA 90254	\$3,000,000	4	1963	4,332 SF	\$692.52	10/20/2021
5	600 1 <sup>st</sup> Street Hermosa Beach, CA 90254	\$3,345,000	4	1987	3,932 SF	\$850.71	12/21/2021
6	659 4 <sup>th</sup> Street Hermosa Beach, CA 90254	\$2,500,000	4	1968	3,454 SF	\$723.80	05/27/2022
7	2527 Myrtle Ave Hermosa Beach, CA 90254	\$3,125,000	3	1948	2,575 SF	1,213.59	12/20/2021
8	142 30 <sup>th</sup> Street Hermosa Beach, CA 90254	\$2,530,000	3	1951	1,824 SF	\$1,379.06	11/16/2021
<b>Averages</b>				<b>1957</b>	<b>2,653 SF</b>	<b>\$1,088.68</b>	<b>1/15/2022</b>
*	850 Loma Drive Hermosa Beach, CA 90254	\$3,275,000	4	1971	3,816 SF	\$858.23	Active

# Sold Comparables

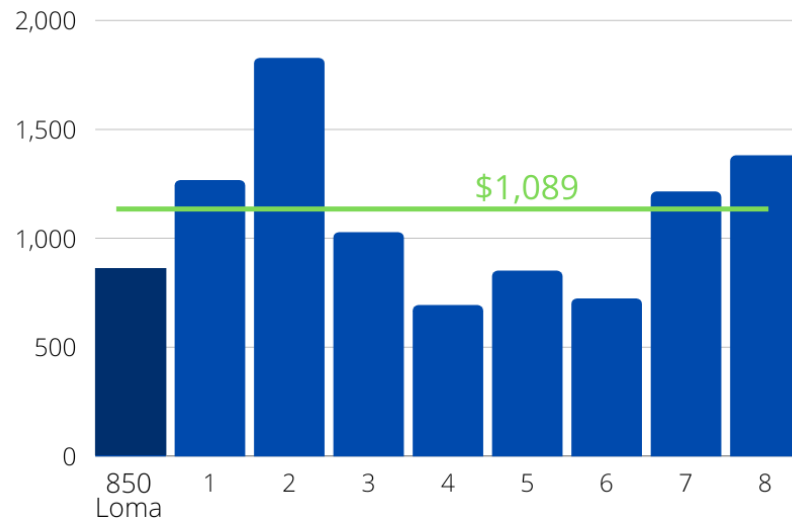
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4-Units

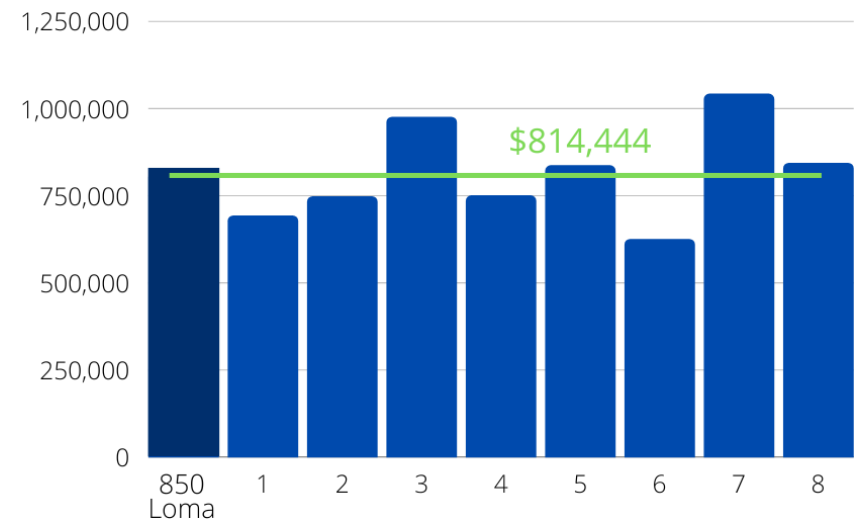
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### Price Per Square Foot



### Price Per Unit

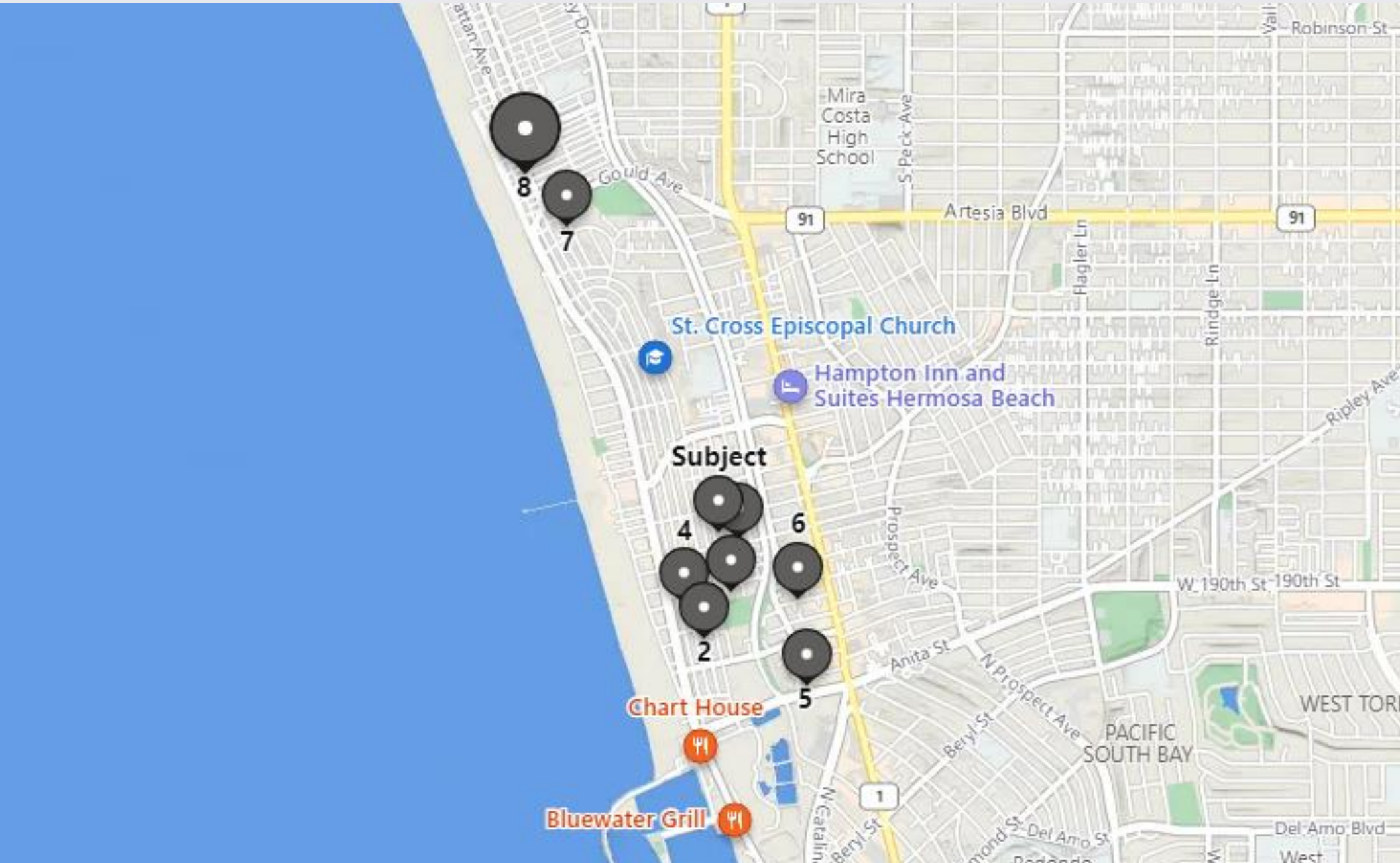


# Sold Comparables Map

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# Lease Comparables

850 LOMA DRIVE  
HERMOSA BEACH, CA 90254

4-Units

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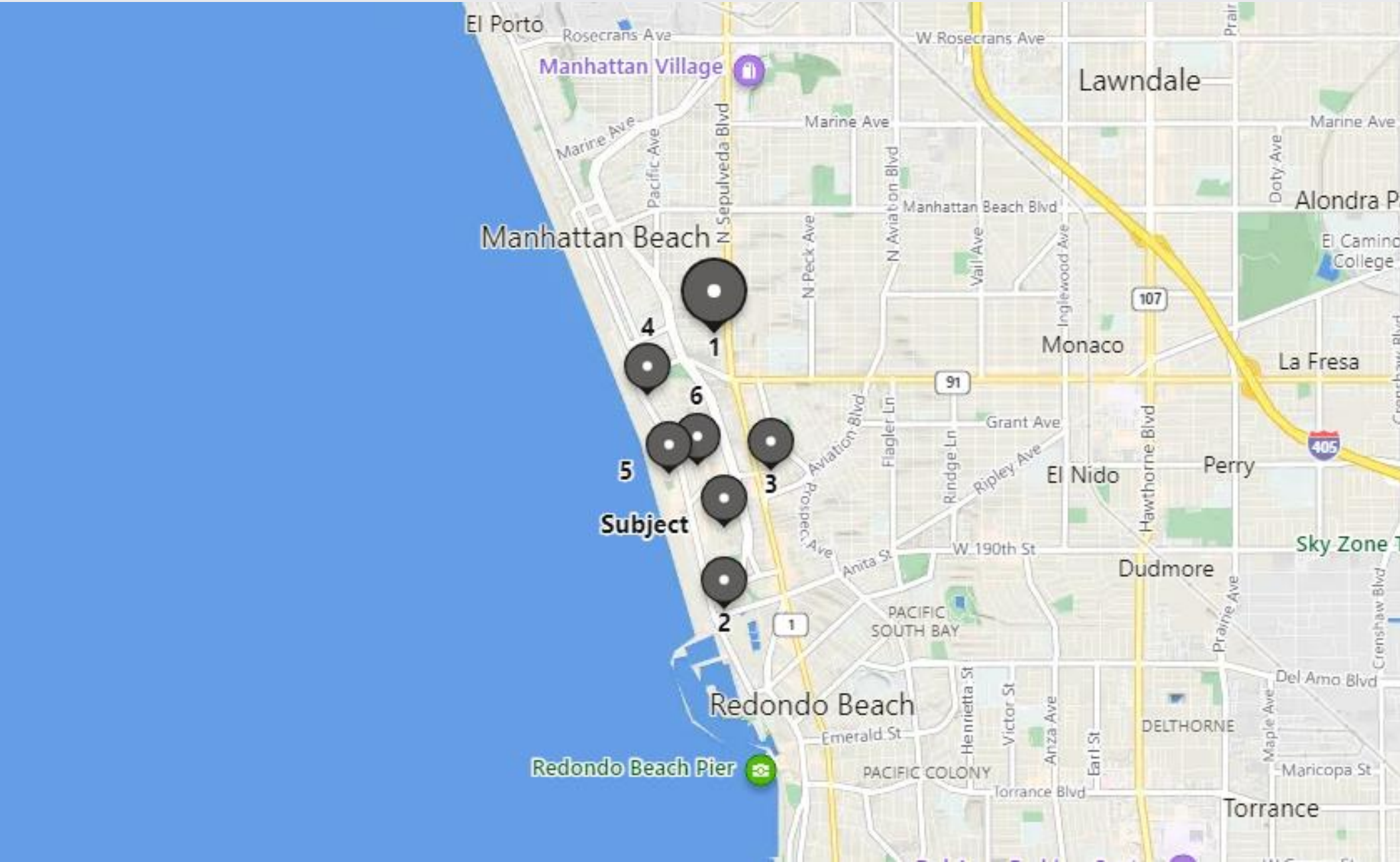
	Address	Date Leased	SQFT	Unit Type	Rental Rate
1	717 Longfellow Ave Hermosa Beach, CA 90254	MAR 2022	950 SF	2-Bed/2-Bath	\$4,450
2	167 Lyondon Street, Hermosa Beach, CA 90254	MAR 2022	1,300 SF	2-Bed/2-Bath	\$4,500
3	919 14 <sup>th</sup> Street, Hermosa Beach, CA 90254	JUL 2022	1,186 SF	2-Bed/2-Bath	\$4,750
4	122 25 <sup>th</sup> Street Hermosa Beach, CA 90254	SEP 2021	800 SF	1-Bed/1-Bath	\$3,500
5	19 16 <sup>th</sup> Street Hermosa Beach, CA 90254	FEB 2022	1,066 SF	1-Bed/1-Bath	\$3,500
5	1619 Monterey Blvd Hermosa Beach, CA 90254	JUN 2022	800 SF	1-Bed/1-Bath	\$3,200
<b>Averages</b>			<b>1145 SF</b> <b>889 SF</b>	<b>2-Bed/2-Bath</b> <b>1-Bed/1-Bath</b>	<b>\$4,567</b> <b>\$3,400</b>
	850 Loma Drive, Hermosa Beach, CA 90277			2-Bed/2-Bath 1-Bed/1-Bath	\$4,010 \$3,393

# Lease Comparables Map

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# Area Overview

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4-Units

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## Hermosa Beach

Hermosa Beach is one of the three Beach Cities, bordered by Manhattan Beach and Redondo Beach. Extending only 15 blocks east to west and 40 blocks north to south, and with a population of 19,506, Hermosa Beach is a small city with sea breezes that can lessen high summertime temperatures to an average of 74 degrees Fahrenheit. The city's wide flat beach is popular for sunbathing, beach volleyball, surfing, paddle boarding, and its numerous restaurants and bars.

The Strand is a paved path that runs along Hermosa's beach from Torrance Beach to the south and approximately 20 miles north up to Santa Monica. Hundreds of people a day can be seen jogging, walking, biking, or rollerblading along the path. Hermosa Beach home prices can reach up to \$20,000,000 along The Strand. The Hermosa Beach real estate market is robust with median price of homes currently listed in Hermosa Beach is \$2,237,000 and values have gone up 8% over the past year.

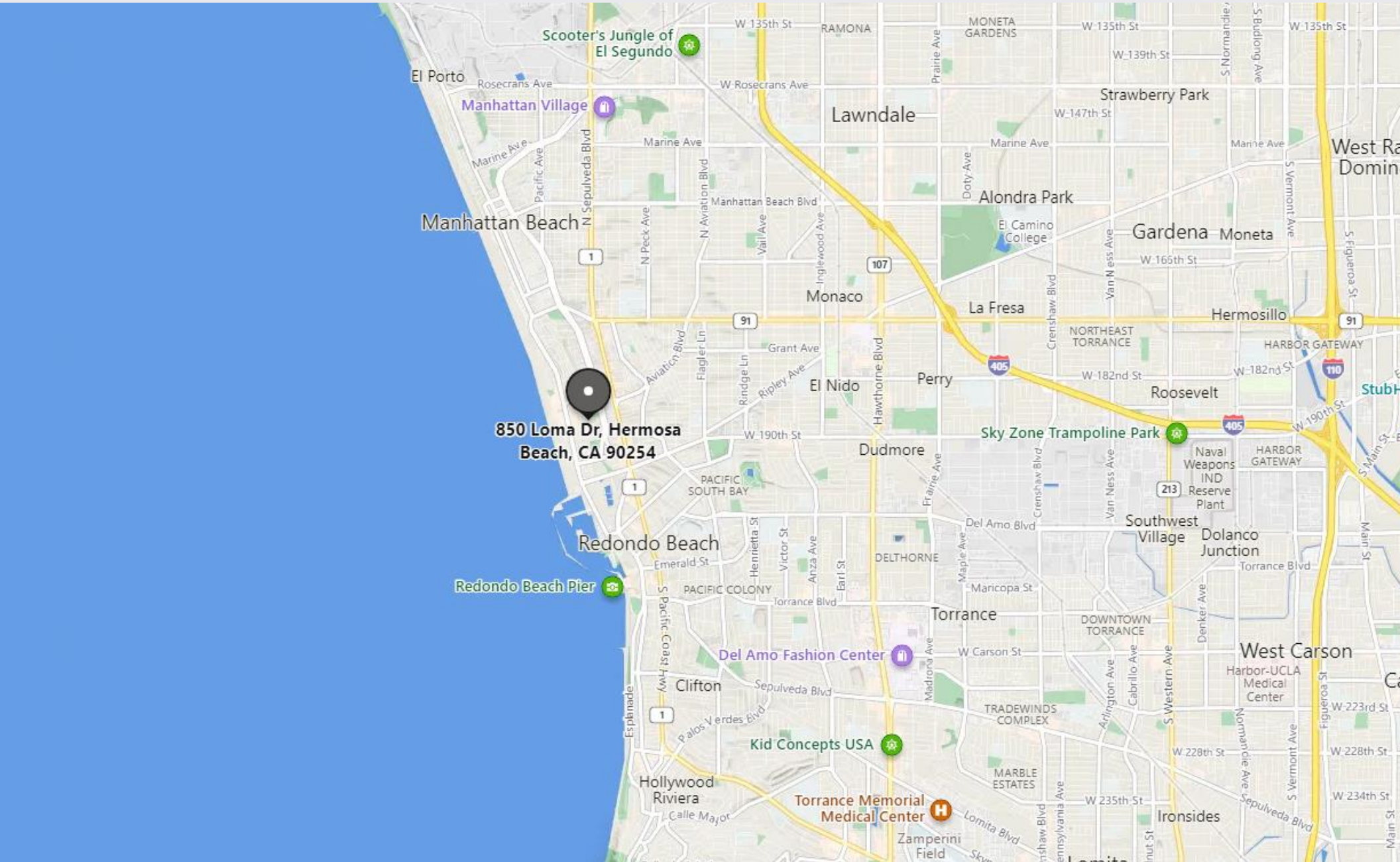
Hermosa Beach has two schools: Hermosa Valley and Hermosa View, both of which rank in the top 10% in California, with students scoring at or above the 90% in the highest grade tested in reading and math. At the high school level, students can choose between Mira Costa in Manhattan Beach or Redondo Union in Redondo Beach.

Hermosa Beach has been named a "world class pedestrian city" thanks to the Hermosa Valley Greenbelt, which is a walking trail converted from a railroad that is part of the federal rails to trails network. The city has eight other public parks, along with a skate park, basketball courts, baseball and softball fields, tennis courts, and a lawn bowling club.



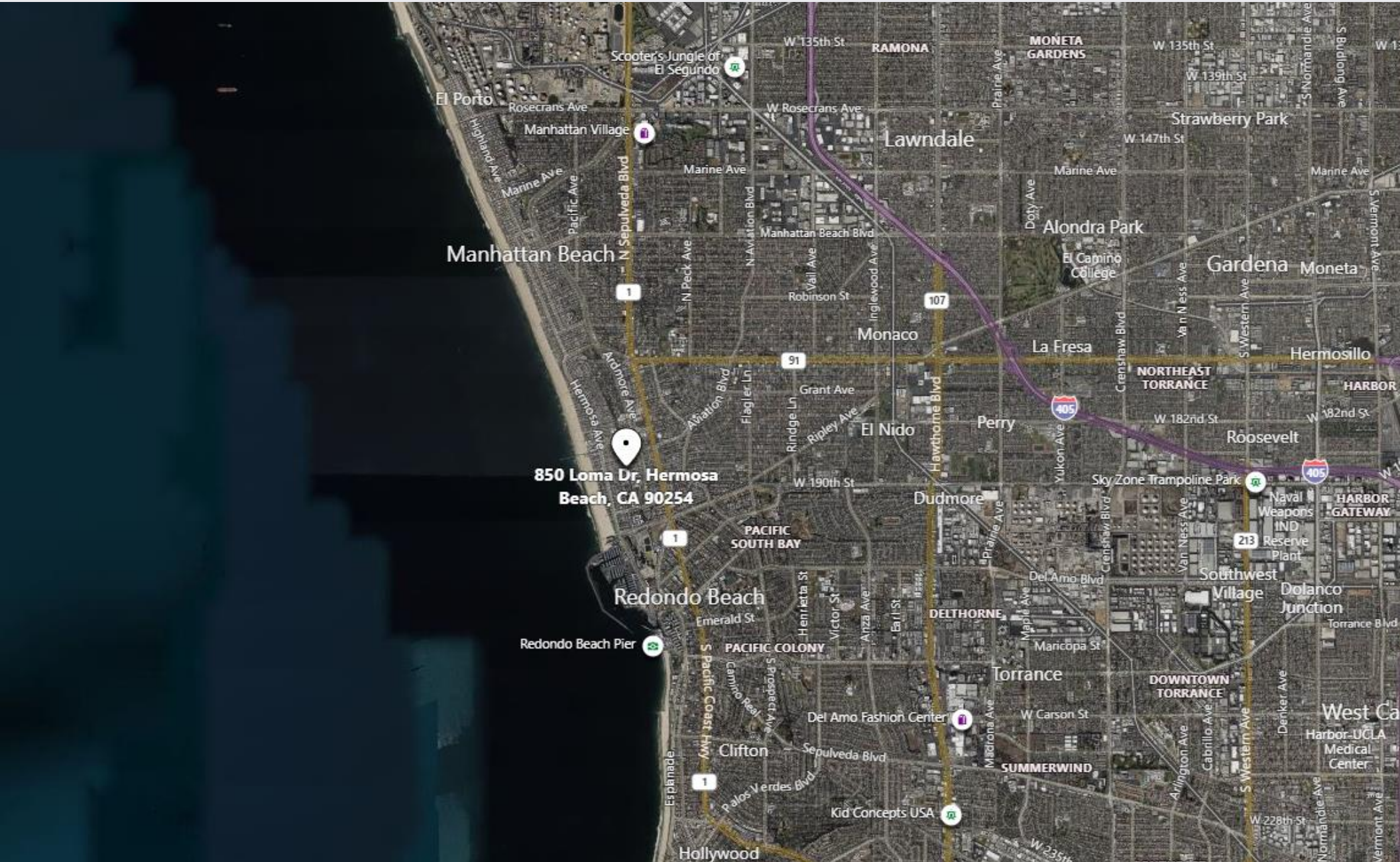
# Local Map

850 LOMA DRIVE  
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# Aerial Map

850 LOMA DRIVE  
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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.

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