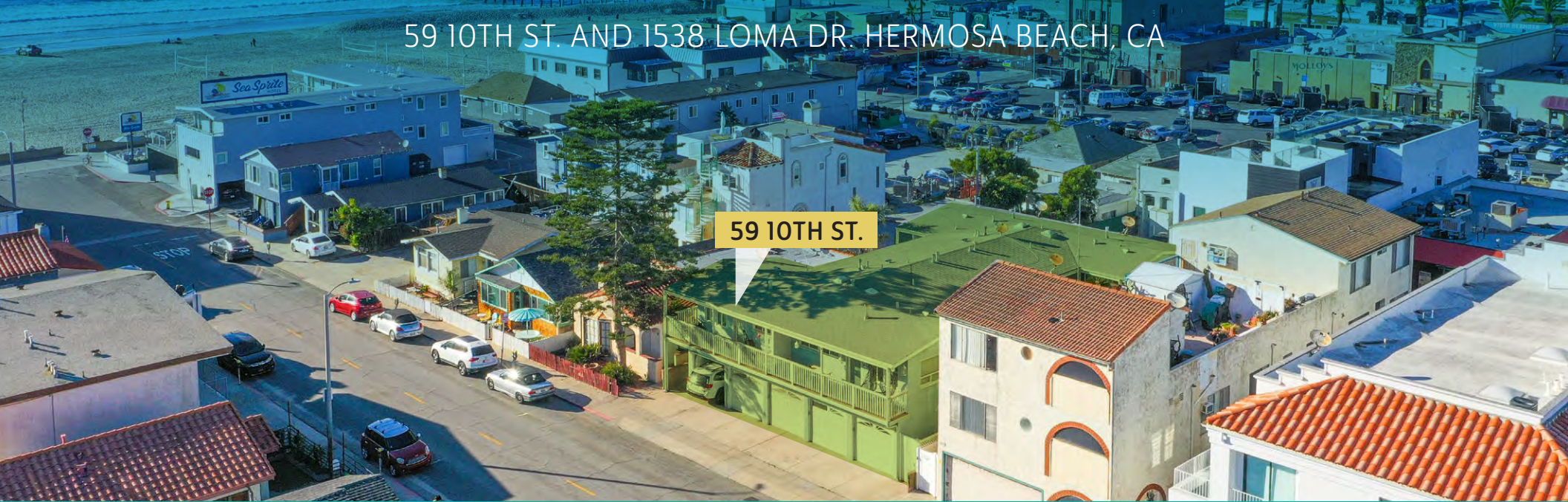
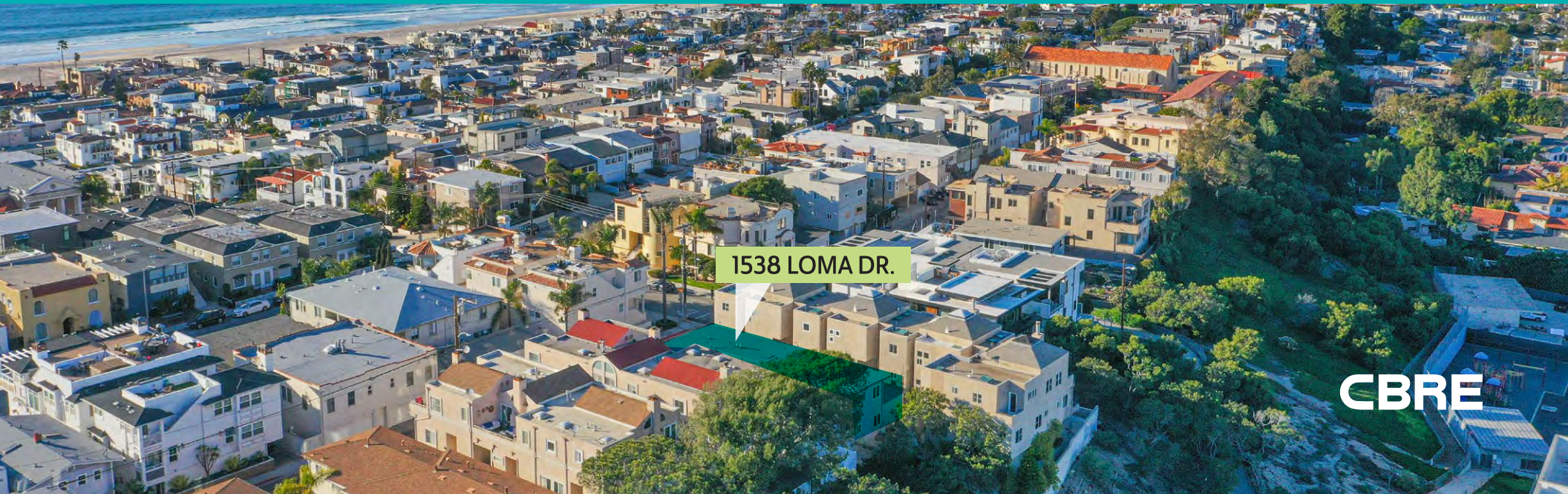


# TWO BUILDING PORTFOLIO | IN HERMOSA BEACH

59 10TH ST. AND 1538 LOMA DR. HERMOSA BEACH, CA



NOT ONE, BUT TWO, RARE ACQUISITION OPPORTUNITIES IN ONE OF LA'S WEALTHIEST ZIPS.



**CBRE**

## AFFILIATED BUSINESS DISCLOSURE

CBRE, Inc. ("CBRE") operates within a global family of companies with many subsidiaries and related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Investment Management, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the "Property") and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgement of that possibility and your agreement that neither CBRE nor any Affiliate has an obligation to disclose to you such Affiliates' interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE and its Affiliates will act in the best interest of their respective client(s), at arms' length, not in concert, or in a manner detrimental to any third party. CBRE and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

## CONFIDENTIALITY AGREEMENT

Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc. ("CBRE"), and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE.

## DISCLAIMER

This Memorandum contains select information pertaining to the Property and the Owner and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs. ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

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# INVESTMENT HIGHLIGHTS



RARE ACQUISITION OPPORTUNITY IN AN AFFLUENT BEACH LOCATION WHERE OWNERS TEND TO “HOLD” FOR GENERATIONS.



THE PORTFOLIO AFFORDS AN INVESTOR A NICE “BALANCE” OF 1’S AND 2’S – GOOD FOR CROSS-MARKETING BETWEEN BUILDINGS TO POTENTIAL RENTERS.



THE 1 BED UNITS AT 10TH ARE PERFECT FOR THE STRAND LIFESTYLE AND YOUNG, ACTIVE RENTERS..



THE 2 BED UNITS AT LOMA ARE PERFECT FOR THE ‘WORK-AT-HOME’ RENTERS WANTING TO BE CLOSER TO MANHATTAN BEACH.



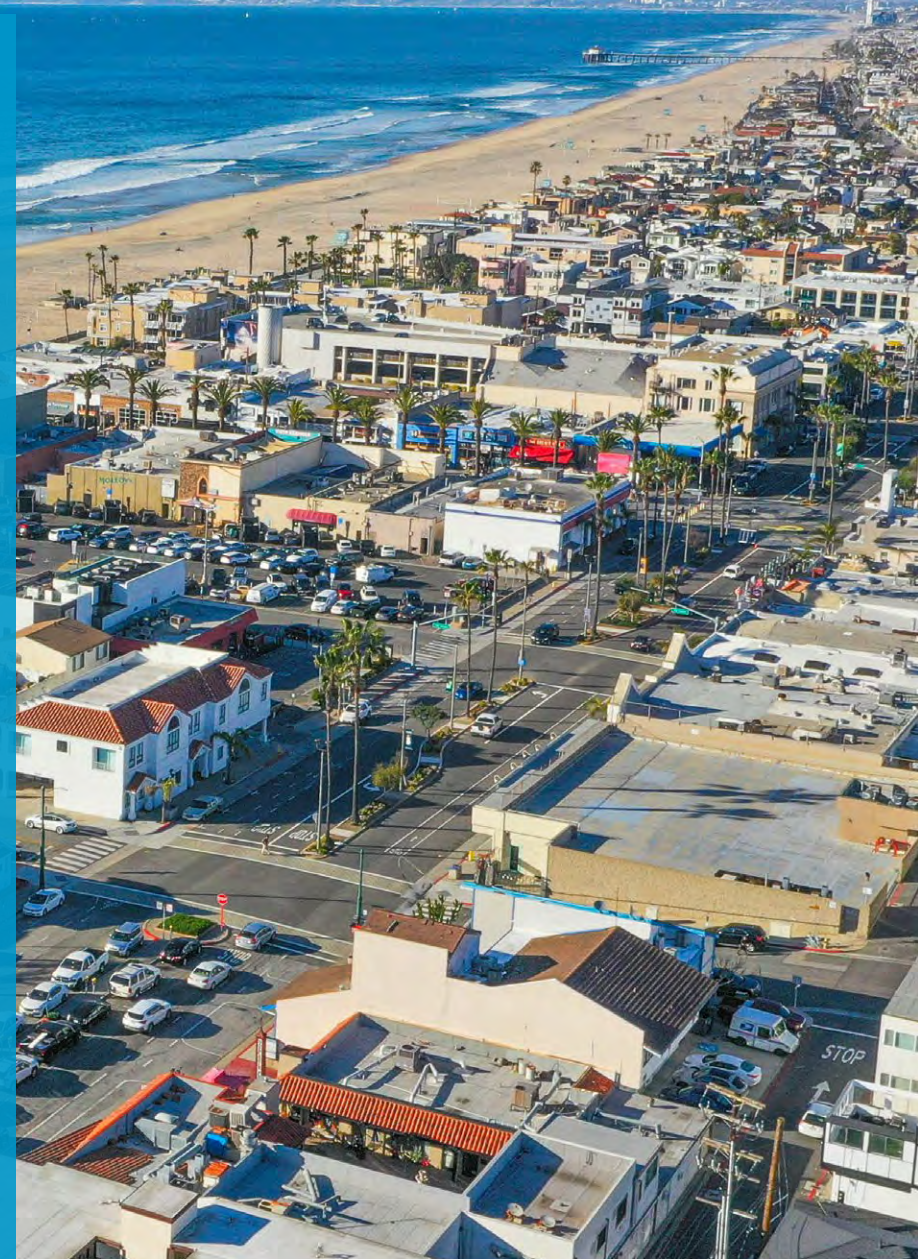
10TH ST. IS PRICED WELL UNDER THE \$700K+/UNIT AVERAGE IN HERMOSA! AND HAS LOW, ASSUMABLE, 3.7% FINANCING.



LOMA IS A SOLID “ALMOST 4% CAP” FROM DAY ONE – SOUND RETURN FOR ANY BUILDING WITH “BEACH” IN THE NAME.



SOUTHERN CALIFORNIA COASTLINE INVESTMENTS MEAN STEADY CAPITAL APPRECIATION. ALWAYS IN FAVOR, FOR RENTERS AND INVESTORS.





# INVESTMENT OVERVIEW

## THE DEALS...

An 8 unit building, ideally-located, just a block from The Strand. The perfect location for those wanting the quintessential 'Hermosa lifestyle'. One-bedroom units, ideal for the typically young and active renters who want all that the beach has to offer - as well as the retail and dining options along Pier Ave. and Hermosa Ave. Ample parking - 10 garage spots and 5 open spots on the apron, as well. Excellent assumable debt: \$2MM+/- at a rock bottom 3.7%, fixed for 4 more years. Priced well under the Hermosa average per/unit comp value.

And a 4 unit building that is ideal for the "work at home" renter - also prominent in Hermosa. All 2 bed units, 3 of which have been recently rehabbed - 'beach chic'. Just uphill from Hermosa Ave., it's a quick walk to the beach. Also, the tenants enjoy a large, communal deck, perfect for relaxing or hanging out with friends. Comfortable elegance in one of LA's most sought-after beach communities.

*EXCLUSIVELY LISTED AT \$5,199,000 AND \$3,195,000, RESPECTIVELY.  
AVAILABLE TOGETHER, IDEALLY...OR SEPARATELY.*



59 10TH ST.



59 10TH ST. AND 1538 LOMA DR.

# RENT ROLL



## 59 10TH ST.

| Unit #  | Unit Type    | Rent            |
|---------|--------------|-----------------|
| 101     | 1 Bed/1 Bath | \$2,380         |
| 102     | 1 Bed/1 Bath | \$2,725         |
| 103     | 1 Bed/1 Bath | \$2,585         |
| 104     | 1 Bed/1 Bath | \$2,595         |
| 105     | 1 Bed/1 Bath | \$2,475         |
| 106     | 1 Bed/1 Bath | \$2,400         |
| 107     | 1 Bed/1 Bath | \$2,480         |
| 108     | 1 Bed/1 Bath | \$2,795         |
| 8 Units |              | <b>\$20,435</b> |

## 1538 LOMA DR.

| Unit # | Unit Type    | Rent            |
|--------|--------------|-----------------|
| 1      | 2 Bed/1 Bath | \$3,650         |
| 2      | 2 Bed/1 Bath | \$3,200         |
| 3      | 2 Bed/1 Bath | Vacant          |
| 4      | 2 Bed/1 Bath | \$4,000         |
|        |              | <b>\$14,850</b> |

*\*Unit 3 was recently vacated, modeled at a \$4K market rent.*

# FINANCIALS



## 59 10th St.

### Pricing Summary

|                     |             |
|---------------------|-------------|
| Price:              | \$5,199,000 |
| Price / Unit:       | \$649,875   |
| Price/ Sq Foot:     | \$1596.74   |
| Cap Rate:           | 2.82%       |
| Cap Rate(Proforma): | 3.56%       |

### Property Profile

|                    |                        |
|--------------------|------------------------|
| No. of Units:      | 8                      |
| Year Built:        | 1953                   |
| Square Footage:    | 3,256                  |
| Lot Size:          | 5,231                  |
| Construction Type: | Woodframe/Stucco       |
| Zoning:            | HBR3                   |
| Roof Type:         | Pitched Composite      |
| Parking:           | 10 garages, 5 on apron |
| Type:              | Multifamily            |

### Unit Mix & Rent Schedule

| # of  | Monthly         | Market  | Monthly         |
|-------|-----------------|---------|-----------------|
| Units | Income          | Rent    | Income          |
| 8     | 1 Bed/1 Bath    |         |                 |
|       | Rent Roll       |         |                 |
|       | on File         | \$3,000 | \$24,000        |
| 8     | <b>\$20,435</b> |         | <b>\$24,000</b> |

### Income & Expenses





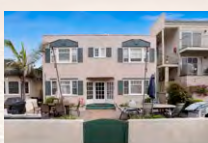

|                                     | Current    |          | Proforma   |
|-------------------------------------|------------|----------|------------|
|                                     | Annualized |          | Annualized |
| <b>Scheduled Gross Income</b>       | \$245,220  |          | \$288,000  |
| Laundry Income                      | \$2,000    |          | \$2,000    |
| Garage Income                       | \$3,600    |          | \$3,600    |
| <b>Total Scheduled Gross Income</b> | \$250,820  |          | \$293,600  |
| Vacancy Rate                        | 3%         | 3%       | \$8,640    |
| <b>Effective Operating Income</b>   | \$243,463  |          | \$284,960  |
|                                     |            | % SGI    |            |
| Property Taxes (NEW)                | \$61,088   | 24.4%    | \$61,088   |
| Insurance (Est.)                    | \$3,700    | 1.5%     | \$3,700    |
| Utilities and Trash (Est.)          | \$8,400    | 0.0%     | \$8,400    |
| Off-Site Mgmt./Leasing (Est.)       | \$12,173   | 5.0%     | \$14,248   |
| Rep./Maint. (Est.)                  | \$7,525    | 3.0%     | \$8,808    |
| Landscaping/Pest (Est.)             | \$1,800    | 0.7%     | \$1,800    |
| Reserves (Ind. Std.)                | \$2,000    | 0.8%     | \$2,000    |
| <b>Total Expenses</b>               | \$96,686   | 35.3%    | \$100,044  |
|                                     | \$12,086   |          | \$12,086   |
|                                     | \$29.69    |          | \$29.69    |
|                                     |            | Per Unit |            |
|                                     |            | Per Foot |            |
| <b>Net Operating Income</b>         | \$146,777  |          | \$184,916  |

### Financial Information Disclaimer

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# SALES COMPS

## 59 10TH ST.

|   | Property Address               | Property City   | Sale Price   | Sale Date | # of Units | SqFt  | Price Per SF | Price Per Unit | Year Built |
|---|--------------------------------|-----------------|--------------|-----------|------------|-------|--------------|----------------|------------|
|    | 236 Manhattan Ave              | Hermosa Beach   | \$4,500,000  | 11/18/22  | 6          | 5,288 | \$850.98     | \$750,000      | 1970       |
|    | 1801-1803 Manhattan Beach Blvd | Manhattan Beach | \$5,900,000  | 11/16/22  | 10         | 6,384 | \$924.19     | \$590,000      | 1957       |
|    | 1220 Manhattan Ave             | Manhattan Beach | \$6,000,000  | 8/9/22    | 6          | 4,800 | \$1,250.00   | \$1,000,000    | 1955       |
|    | 150 10th St                    | Hermosa Beach   | \$6,700,000  | 7/29/22   | 10         | 6,763 | \$990.68     | \$670,000      | 1961       |
|   | 32 16th St                     | Hermosa Beach   | \$4,200,000  | 7/29/22   | 7          | 3,786 | \$1,109.35   | \$600,000      | 1923       |
|  | 60 15th St                     | Hermosa Beach   | \$12,750,000 | 3/11/22   | 16         | 7,903 | \$1,613.31   | \$796,875      | 1959       |

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# RENT COMPS



2421 Hermosa Ave

1 Bed/1 Bath

\$3,500



1002 Manhattan Ave

1 Bed/1 Bath

\$3,300



1534 Manhattan Ave

1 Bed/1 Bath

\$3,650



525 Manhattan Ave

2 Bed/1.5 Bath

\$4,100



350 Hermosa Ave

2 Bed/1 Bath

\$4,350



1454 Monterey Blvd

2 Bed/2 Bath

\$5,150

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## AREA OVERVIEW

The word hermosa means beautiful in Spanish, and it's easy to see where Hermosa Beach got its name. The two-mile stretch of sand is easily one of the most desirable beaches in the area, which is saying a lot considering the quality of the Southern California coast. Rain and overcast skies are rare, with an average of 283 days of sunshine each year. Because of the cool ocean breeze, even the infamous LA smog that typically covers the area doesn't have much of an effect on Hermosa Beach. The beachfront is filled year-round with sunbathers, swimmers, volleyball players, and locals who come to enjoy this piece of paradise.

# AREA OVERVIEW



# AGENT INFORMATION



**BRICE W. HEAD, MBA**  
Senior Vice President  
+1 310 344 8218  
Lic. 01330706  
brice.head@cbre.com

In several hundred successful closings since 2002, apartment property Sellers and Buyers have chosen Brice time-and-time again. His LA multifamily market expertise, particularly in the greater South Bay and Westside, is second to none. Whether you're a seller wishing to command a "top-of-the-market" price or a Buyer wanting to wisely place investment capital in any form of investment property, Brice can help.

Having closed so many transactions in a relatively short career, his clout and "brand name" have risen along a hyperbolic curve. These dynamics, coupled with long hours in the office are evident on his clients' bottom line.

Brice graduated from Santa Clara University with a degree in Psychology and a minor in German. He then attended University of Southern California & earned an MBA in Marketing and Management. Brice parlayed his extensive theoretical expertise into a successful 5-year career as a financial planner, based in Downtown Los Angeles before his commercial real estate career.

Brice regularly qualifies for the highest, national production awards – a top producer, locally and nationally, year-after-year - striving to set a new high-water mark for himself, annually.

**HIS DEFT KNOW-HOW, CLOUT, AND RELATIONSHIPS WITH AGENTS AROUND THE COUNTRY, MAKES HIM A "GO TO" AGENT FOR MULTIFAMILY SELLERS, PARTICULARLY THOSE INTERESTED IN DOING A 1031 EXCHANGE INTO OTHER ASSET CLASSES.**

Outside of the office, Brice is a devoted husband to his wife, Anne, and father to his 3 children. When there's free time, you can find Brice at the boxing gym or with his 3 beloved bulldogs. He's an avid traveler, almost fluent French speaker, huge LA Kings fan and most recently, an ocean swimmer – having recently completed the almost 2 mile swim "Sharkfest" swim from Alcatraz to San Francisco.

**"Creating equity for Sellers. Finding value for Buyers. Since 2002".**

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59 10TH ST

## INVESTMENT CONTACT

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1538 LOMA DR.

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