

1601

ARTESIA BLVD

MANHATTAN BEACH | CA



OFFERING MEMORANDUM

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.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

Copyright Notice

© 2023 CBRE, Inc. All Rights Reserved.



TABLE OF CONTENTS

- 1** INVESTMENT SUMMARY
- 2** FINANCIAL SUMMARY
- 3** RENT ROLL
- 4** RENT COMPS
- 5** SALE COMPS
- 6** AREA OVERVIEW
- 7** BRICE'S BIO PAGE

CONTACT

Brice W. Head, MBA
Senior Vice President
CA DRE 01330706
+1 310 344 8218
Brice.Head@cbre.com

INVESTMENT SUMMARY

THE OFFERING

A rare, LARGE investment opportunity in irreplaceable “90266” - mere minutes to world famous sand and surf.

The twelve 1 Bed units are ideal for the typically young, single renters in The Beach Cities, whereas the eight 2 Bed units and one 3 Bed unit appeal to couples and work-at-home renters. Additionally, the building has newer, dual-pane windows and copious parking with 21 enclosed garage spots - not that common in buildings closer to the sand.

Also, this highly-accessible location near Aviation has wider appeal than units near The Strand - an approachable “beach” option for many renters means high occupancy, all the time. A friendly, ‘community’ vibe is highlighted by comfortable, landscaped common areas with umbrellas, tables and chairs. And walking distance to award-winning Mira Costa High School.

High-demand units in an even higher-demand location means capital appreciation is nearly guaranteed, for a savvy Buyer. And on a potentially larger scale, the 21K sq. ft. lot allows for ADU additions and/or ground-up condo or townhome development - nearby townhomes on Aviation Way have sold for almost \$2,000,000 each.



First time on market in decades.



Highly visible location.



Massive 80% rent upside.



Tremendous development potential



1601
ARTESIA BLVD

ARTESIA BLVD

MATHEWS AVE

INVESTMENT SUMMARY



INVESTMENT SUMMARY

6

FINANCIAL SUMMARY

1601 Artesia Blvd

Pricing Summary		Unit Mix & Rent Schedule					
Price	\$10,999,999	# of Units	Type	Monthly Income	Market Rent	Monthly Income	
Price/Unit	523,809						
Price/Sq Foot	705.67	12	1 Bed/1 Bath	Rent Roll on File	\$2,600	\$31,200	
Cap Rate(Proforma)	4.15%	8	2 Bed/1 Bath		\$2,900	\$23,200	
Property Profile		1	3 Bed/2 Bath		\$3,500	\$3,500	
No. of Units	21	21		\$31,750		\$57,900	
Year Built	1961	Income & Expenses					
Square Footage	15,588			Current Annualized	Proforma Annualized		
Lot Size	21,198			Scheduled Gross Income	\$381,000		
Construction Type	Woodframe/Stucco			Total Scheduled Gross Income	\$381,000		
Zoning	MNRH			Vacancy Rate	3%	\$20,844	
Roof Type	Flat Composite			Effective Operating Income	\$369,570	\$673,956	
Parking Type	21 garage spots Multifamily			Expenses			
					% SGI		
				Property Taxes (NEW)	\$129,250	33.9%	\$129,250
				Insurance (2022)	\$7,988	2.1%	\$7,988
				Utilities and Trash (2022)	\$24,023	0.0%	\$24,023
				Off-Site Mgmt./Leasing (Est.)	\$14,783	4.0%	\$26,958
				On-Site Mgmt./Leasing (2022)	*	0.0%	*
				Rep./Maint. (Ind. Std.)	\$11,430	3.0%	\$20,844
				Landscaping/Pest (2022)	\$3,377	0.9%	\$3,377
				Reserves (Ind. Std.)	\$5,250	1.4%	\$5,250
				Total Expenses	\$196,101	45.3%	\$217,690
				Per Unit	\$9,338		\$9,338
				Per Foot	\$12.58		\$12.58
				Net Operating Income	\$173,469		\$456,266

*Mgr. pays \$500/month reflected in rent roll

RENT ROLL

1601 Artesia Blvd

Unit #	Unit Type	Rent	Market Rent
1	2 Bed/1 Bath	\$1,400	\$2,900
2	2 Bed/1 Bath	\$2,000	\$2,900
3	1 Bed/1 Bath	\$1,250	\$2,600
4	1 Bed/1 Bath	\$1,500	\$2,600
5	1 Bed/1 Bath	\$1,250	\$2,600
6	1 Bed/1 Bath	\$1,400	\$2,600
7	1 Bed/1 Bath	\$1,250	\$2,600
8	1 Bed/1 Bath	\$1,250	\$2,600
9	2 Bed/1 Bath	\$1,600	\$2,900
10*	2 Bed/1 Bath	\$500	\$2,900
11	2 Bed/1 Bath	\$1,800	\$2,900
12	2 Bed/1 Bath	\$1,800	\$2,900
14	1 Bed/1 Bath	\$1,400	\$2,600
15	1 Bed/1 Bath	\$1,400	\$2,600
16	1 Bed/1 Bath	\$1,500	\$2,600
17	1 Bed/1 Bath	\$1,400	\$2,600
18	1 Bed/1 Bath	\$1,250	\$2,600
19	1 Bed/1 Bath	\$1,500	\$2,600
20	2 Bed/1 Bath	\$2,000	\$2,900
21	2 Bed/1 Bath	\$1,800	\$2,900
22	3 Bed/2 Bath	\$2,500	\$3,500
		\$31,750	\$57,900






*Unit 10 Manager's




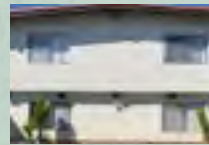



RENT ROLL





8

RENT COMPS

	Property Address	Property City	Sale Date
	718 21st St, Hermosa Beach	1 bed/1 bath	\$2,600
	821 Manhattan Ave, Hermosa Beach	1 bed/1 bath	\$2,700
	101 Monterey, Hermosa Beach	1 bed/1 bath	\$2,750
	707 Manhattan Ave, Hermosa Beach	1 bed/1 bath	\$2,830
	1804 12th St, Manhattan Beach	2 bed/1 bath	\$2,800

	Property Address	Property City	Sale Date
	1802 12th St, Manhattan Beach	2 bed/1 bath	\$2,875
	1731 Pacific Coast Hwy, Hermosa Beach	2 bed/1 bath	\$2,900
	950 1st Street, Hermosa Beach	2 bed/1 bath	\$3,000
	2417 Mathews Ave., Redondo Beach	3 bed/2 bath	\$3,500
	2016 Ernest Ave, Redondo Beach	4 bed/2 bath	\$3,995






SALE COMPS

	Property Address	Property City	Sale Date	Sale Price	Year Built	Number Of Units	Building SF	Price Per SF	Price Per Unit	Cap Rate
	124 Palos Verdes Blvd	Redondo Beach	1/13/23	\$5,200,000	1958	10	9,914	524.51	520,000	3.20
	910 S Catalina Ave	Redondo Beach	12/9/22	\$3,930,000	1963	5	10,000	393.00	786,000	2.98
	236 Manhattan Ave	Hermosa Beach	11/18/22	\$4,500,000	1970	6	5,288	850.98	750,000	3.00
	1801-1803 Manhattan Beach Blvd	Manhattan Beach	11/16/22	\$5,900,000	1957	10	6,384	924.19	590,000	3.74

SALE COMPS

10

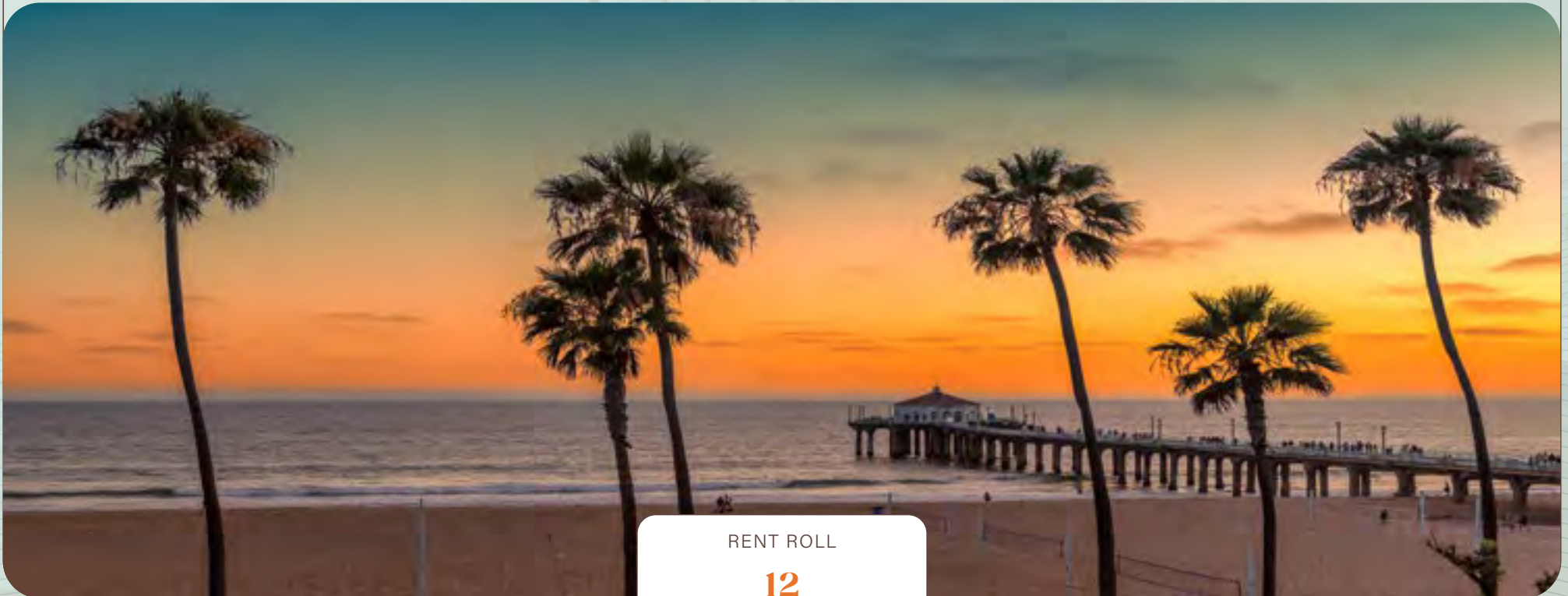
SALE COMPS

	Property Address	Property City	Sale Date	Sale Price	Year Built	Number Of Units	Building SF	Price Per SF	Price Per Unit	Cap Rate
	142 Paseo De La Concha	Redondo Beach	9/30/22	\$6,700,000	1958	12	8,116	825.53	558,333	2.47
	1220 Manhattan Ave	Manhattan Beach	8/9/22	\$6,000,000	1955	6	4,800	1,250.00	1,000,000	2.03
	150 10th St	Hermosa Beach	7/29/22	\$6,700,000	1961	10	6,763	990.68	670,000	2.18
	32 16th St	Hermosa Beach	7/29/22	\$4,200,000	1923	7	3,786	1,109.35	600,000	2.60
	501 Avenue G	Redondo Beach	6/23/22	\$5,750,000	1958	10	9,030	636.77	575,000	3.39

AREA OVERVIEW

Manhattan Beach is LA's "it" location for athletes and stars.

With its expensive homes, fancy restaurants, and wealthy residents, Manhattan Beach is like Beverly Hills-by-the-sea. This trendy beach town is where "LA cool" meets cool breezes, soft, white sand and consistent waves - attracting surfers, visitors and investors from all over the world. This idyllic lifestyle is centered around a commercial village of boutiques and restaurants in Downtown, along Manhattan Beach Blvd. And home to some of the most desirable real estate in the country - an investor's dream come true. Low risk, strong returns.



RENT ROLL

12

AGENT INFORMATION



Brice W. Head, MBA

Senior Vice President

+1 310 344 8218

Lic. 01330706

brice.head@cbre.com

Julian Kasir

Associate

Patrick King

Associate

Carol Burke

Client Services Specialist

Bobby Peddicord

Executive Managing Director,
South Bay

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".

1601

ARTESIA BLVD

MANHATTAN BEACH | CA

CONTACT

Brice W. Head, MBA
Senior Vice President
CA DRE 01330706
+1 310 344 8218
Brice.Head@cbre.com

© 2023 CBRE, Inc. All rights reserved. This information has been obtained from sources believed reliable but has not been verified for accuracy or completeness. You should conduct a careful, independent investigation of the property and verify all information. Any reliance on this information is solely at your own risk. CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners, and the use of such logos does not imply any affiliation with or endorsement of CBRE. Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.

CBRE