8-Unit Multifamily Offering in Laguna Beach



# \$3,495,000 8 off-street

Offering price

**Parking spaces** 

25 years

Same ownership

27%

Attainable rental upside

### **Investment Highlights**

Seller may consider carrying First TD and Note

Immaculate condition

Ocean views

Walking distance to Main Beach and Downtown Village

Prime Laguna Beach location

#### **Contact Information**

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### **Property Overview**

### **PROPERTY DESCRIPTION**

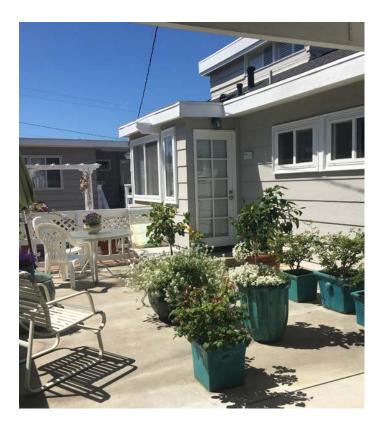
The Laguna House is located within short walking distance to venues, boutiques, restaurants, and all of the Downtown Village of Laguna Beach. This property has had the same active, attentive ownership/management for the past 25 years and represents a rare opportunity to acquire a property of this size in Laguna Beach. Residents can enjoy the walkability of a true beachside community, as the Laguna House is immediately adjacent to the Village and a five-minute walk to Main Beach. The Laguna House has been very well maintained by a local, active owner and features extensive brick hardscape and concrete driveways, walkways, parking pads, and private resident/communal gathering areas. Because coastal rental rates have escalated so rapidly over the past seven years to historic levels, there is a significant attainable upside for any new owner with comparable rent rates showing rental lift as high as 27%.

The Seller may consider carrying a First TD and Note with all terms and conditions to be negotiated.

#### **INVESTMENT HIGHLIGHTS**

This is a legal eight-unit building pursuant to the Laguna Beach Real Property Report consisting of four apartment units and four sleeping rooms – there are no landlord supplied cooking facilities in sleeping rooms. In total, as the property is operated, there are (2) two bedroom, one-bathroom units – one with ocean views;





(5) one-bedroom, one-bathroom units – one with ocean views and 3 of which are sleeping rooms, and (2) studios – one sleeping room and one non-legal/non-conforming with deck and panoramic white water and riviera views. Overall, all unit interiors and the exterior of the property are immaculate and very well maintained.

The property features a charming and very quaint front two-bedroom, one-bathroom residence with fireplace, two parking spaces (one covered), a large inviting front porch, vaulted wood-beamed ceilings, large kitchen, and an expansive, private patio area. There are two studios, one sleeping room without cooking facilities and one nonlegal/non-conforming featuring an expansive deck with coastal and whitewater views. There are (5) one-bedroom units, three of which are sleeping rooms without ranges or ovens. All units have refrigerators and garbage disposals and all non-sleeping room units have gas stoves/ovens. There are dishwashers in units 537D and 539. The front residence has pitched composition roof, with the rest of the structure having flat roofs. There are a total of eight offstreet parking spaces – four of which are covered.



### Income & Expenses

#### Unit Mix and Rent Schedule

UNITS	ТҮРЕ	UNIT SF	TOTAL SF*	CURRENT RENT	MARKET RENT	CURRENT RENT/SF	MARKET RENT/SF
1	Studio (541) SR	285	285	\$1,000	\$1395	\$3.51	\$4.89
1	Studio (537 D)**	325	325	\$1,700	\$1,900	\$5.23	\$5.85
1	1 Bed / 1 Bath (531)	325	325	\$1,400	\$1,825	\$4.31	\$5.62
1	1 Bed / 1 Bath (533)	400	400	\$1,400	\$1,900	\$3.50	\$4.75
1	1 Bed / 1 Bath (537 A)SR	350	350	\$1,400	\$1,550	\$4.00	\$4.43
1	1 Bed / 1 Bath (537 B)SR	310	310	\$1,250	\$1,475	\$4.03	\$4.76
1	1 Bed / 1 Bath (537 C)SR	350	350	\$1,400	\$1,475	\$4.00	\$4.21
1	2 Bed / 1 Bath (535)	580	580	\$2,100	\$2,550	\$3.62	\$4.40
1	2 Bed / 1 Bath RES (539)	625	625	\$2,300	\$3,600	\$3.68	\$5.76
8+1		Totals:	3,550	\$13,950	\$17,670		

\* SF Per Owner \*\*Non-legal/non-conforming unit

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SR = Sleeping Room
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#### Pro Forma Income and Expenses

INCOME	CURRENT PRO FORMA	MARKET PRO FORMA
Scheduled Market Rent	\$167,400	\$212,040
Less: Vacancy (4.00%)	(\$6,696)	(\$8,482)
Net Rental Income	\$160,704	\$203,558
Total Operating Income (EGI)	\$160,704	\$203,558

EXPENSES	PER UNIT		
Administrative	\$63	\$500	\$500
Repairs & Maintenance/Turnover	\$605	\$4,841	\$4,841
Utilities	\$274	\$2,190	\$2,190
Contracted Services	\$206	\$1,650	\$1,650
Real Estate Taxes (1.0172%)	\$4,444	\$35,551	\$35,551
Special Assessments	\$649	\$5,192	\$5,192
Insurance	\$346	\$2,766	\$2,766
Replacement Reserves	\$225	\$1,800	\$1,800
Total Expenses		\$54,490	\$54,490
	Per Unit	\$6,811.27	\$6,811.27
	Per SF	\$15.35	\$15.35
Net Operating Income		\$106,214	\$149,068

FINANCAL SUMMARYListing Price\$3,495,000Price-Per-Unit\$436,875Price-Per-SF\$984.51Cap Rate (Current)3.04%Cap Rate (Market)4.27%





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### **Property Photos**





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### **Property Photos**





