

531-539 Catalina St

8-Unit Multifamily Offering in Laguna Beach



\$3,495,000

Offering price

8 off-street

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

Steven C. Brombal

Senior Vice President

949.557.5048 | LIC #00972129

sbrombal@kiddermathews.com

Joshua Y. Rhee

Associate Vice President

949.557.5052 | LIC #01914094

jrhee@kiddermathews.com

Kiddermathews.com

This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.



531-539 Catalina St

8-Unit Multifamily Offering in Laguna Beach

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 non-legal/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 off-street parking spaces – four of which are covered.



531-539 Catalina St

8-Unit Multifamily Offering in Laguna Beach

Income & Expenses

Unit Mix and Rent Schedule

| UNITS | TYPE | 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

SR = Sleeping Room

**Non-legal/non-conforming unit

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 |

| FINANCIAL SUMMARY | |
|--------------------|-------------|
| Listing Price | \$3,495,000 |
| Price-Per-Unit | \$436,875 |
| Price-Per-SF | \$984.51 |
| Cap Rate (Current) | 3.04% |
| Cap Rate (Market) | 4.27% |

| EXPENSES | PER UNIT | CURRENT PRO FORMA | MARKET PRO FORMA |
|--------------------------------|----------|-------------------|------------------|
| 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 |



This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.

531-539 Catalina St

8-Unit Multifamily Offering in Laguna Beach

Property Photos



This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.

531-539 Catalina St

8-Unit Multifamily Offering in Laguna Beach

Property Photos



This information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and verification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.