PACIFIC ESTATES 1427 SOUTH PACIFIC AVENUE

- 2

SAN PEDRO, CA 90731

Price: \$1,<mark>3</mark>50,000



REALTY EXECUTIVES ALL Commercial Division (310) 968-6583 mjohnson@realtyexecutives.co DRE# 00886898

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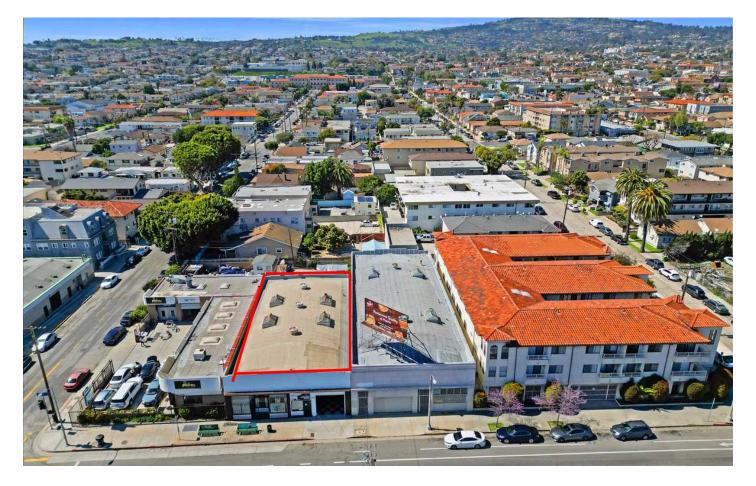
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REALTY EXECUTIVES ALL CITIES

COMMERCIAL DIVISION O: (310) 968-6583 C: (310) 968-6583 mjohnson@realtyexecutives.com DRE# 00886898



Property Details Z



Property Summary

Building SF:	4,800
Rentable ST	6000
Lot Size:	7,510 SF
Parking Ratio:	0:0
Parking:	Street
Price:	\$1,350,000
Year Built:	1946
Zoning:	LAC2

Property Overview

Welcome to this exceptional property for sale in the vibrant heart of San Pedro, California, located near the historic waterfront district. This versatile property is currently being used as an owner-user office for accounting purposes and as a warehouse for a termite company. The property features modern Apple offices, providing a contemporary and efficient workspace. Additionally, there is a large storage area perfect for various business needs, making it an ideal space for an owner-user looking for functionality and flexibility. One of the standout features of this property is the attractive financing options available, with 90% SBA financing offered, making it easier for qualified buyers to acquire this prime real estate. Situated near the largest port of the LA waterfront, this property is at the epicenter of commercial and residential developments. The area is experiencing unprecedented growth, with numerous projects underway and many more poised to break ground soon. This presents an unparalleled opportunity for expansion and investment in a thriving and dynamic location. Don't miss out on this unique opportunity to own a property with a strategic location, versatile space, and excellent financing options.

Location Overview

City of San Pedro. Close to Ports of Call. The pacific ocean and the new Pots of Call development.



INVESTMENT DETAILS

Pacific Estates 1427 South Pacific Avenue | San Pedro, CA 90731

Analysis

Analysis Date

March 2024

Property						
Property Type						Industrial
Property					P	acific Estates
Address					1427 South P	acific Avenue
City, State					San Pe	dro, CA 90731
Year Built						1946
Purchase Information						
Purchase Price						\$1,350,000
Tenants						1
Total Rentable SF						6,000
Lot Size						7,510 sf
Resale Expenses						6.00%
Income & Expense						
Gross Operating Income						\$112,860
Monthly GOI						\$9,405
Total Annual Expenses						(\$29,700)
Monthly Expenses						(\$2,475)
Financial Information						
Initial Equity						\$510,000
Closing Costs						\$27,000
Loans						
Туре	Debt	Term	Amort	Rate	Payment	LO Costs
Fixed	\$840,000	30 years	30 years	9.00%	\$6,759	

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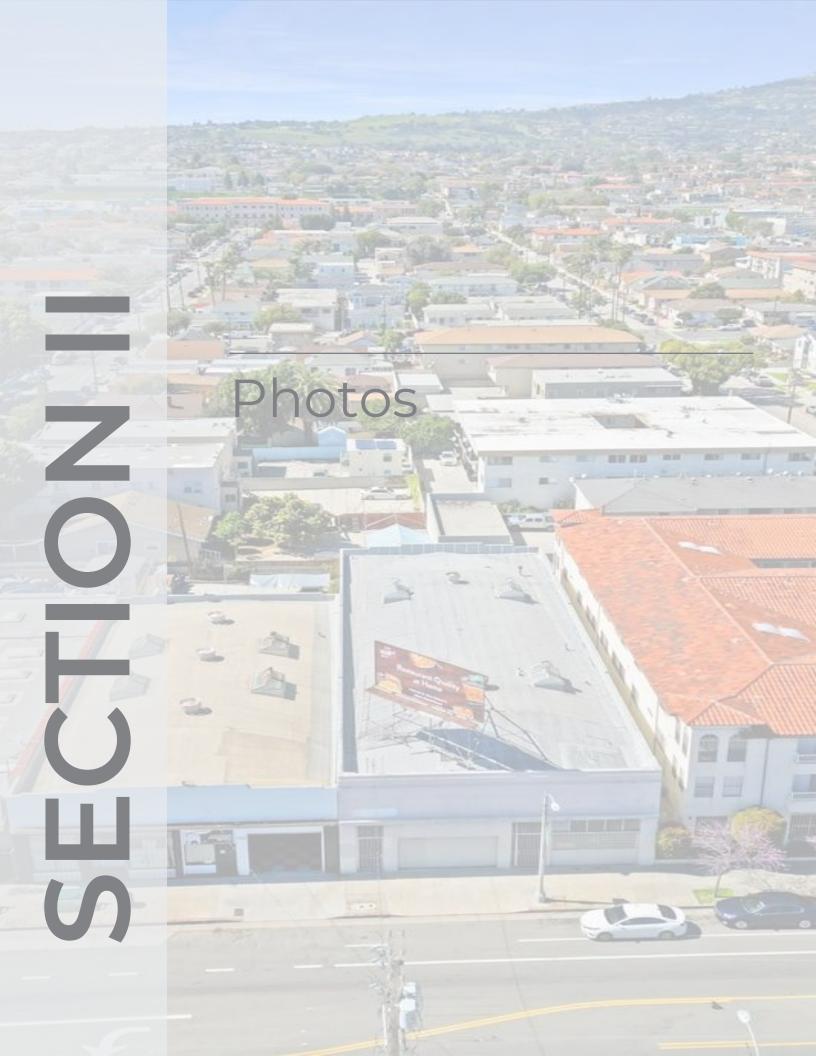




AWESOME FLEX WAREHOUSE / OFFICE SPACE

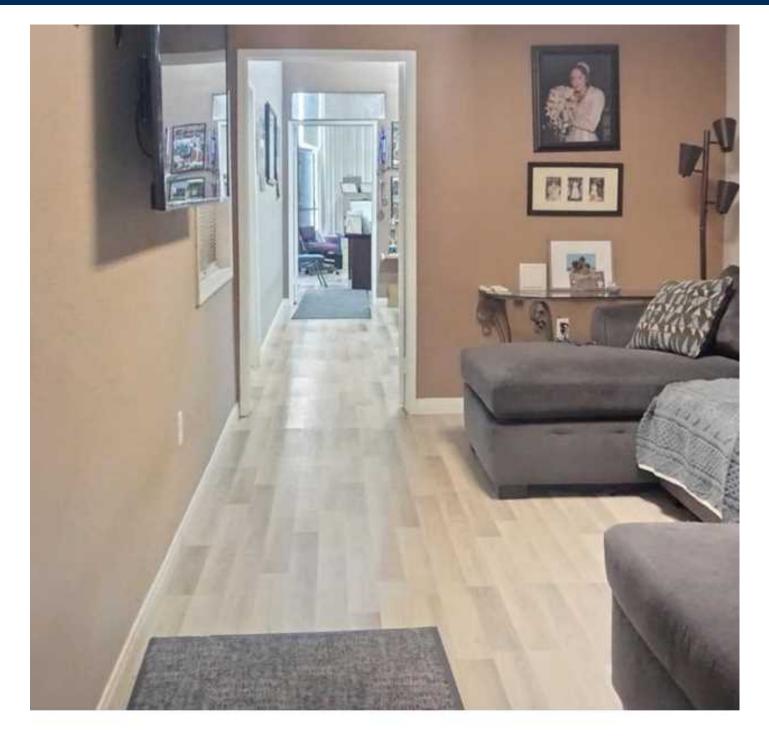
Very clean and remodeled warehouse flex space. Up stairs can be use as office space. Very close to Cabrillo beach. Close to transportation, shopping and the harbor. Large area in the rear. exceptional property for sale in the vibrant heart of San Pedro, California, located near the historic waterfront district.



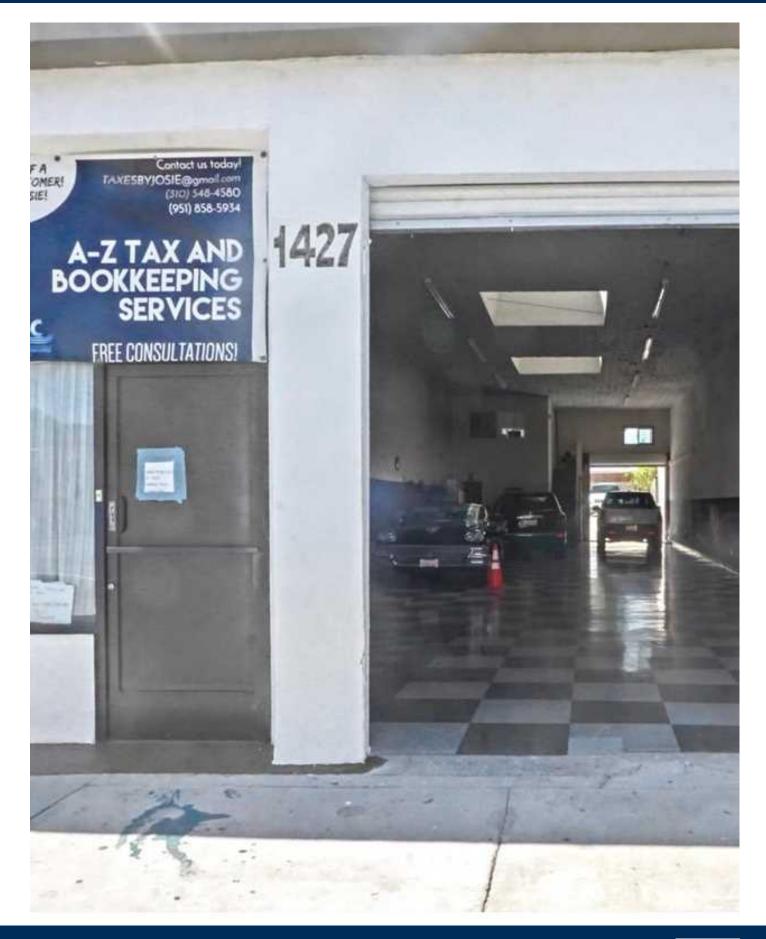




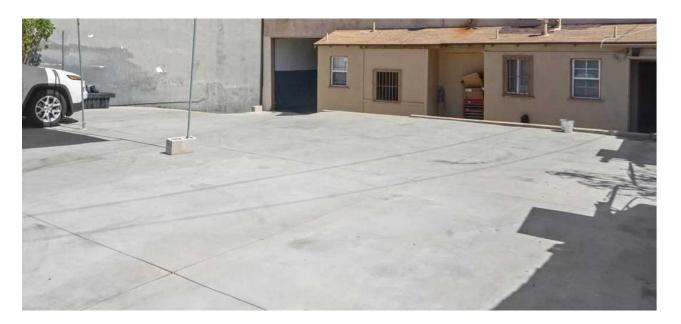






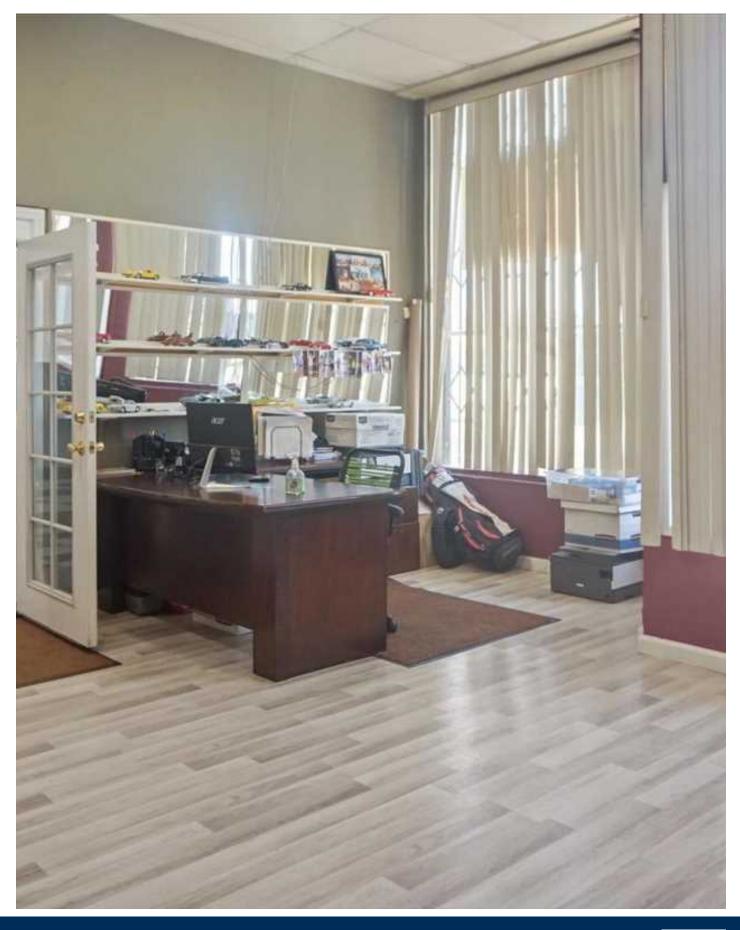














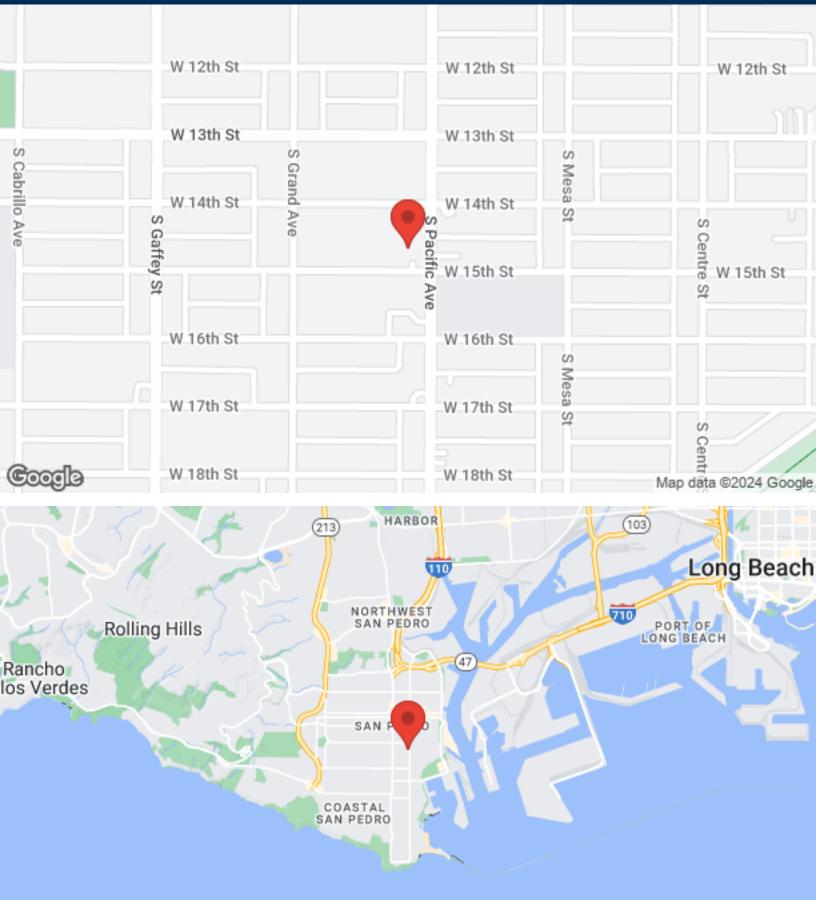
Maps / Demographics



LOCATION MAPS

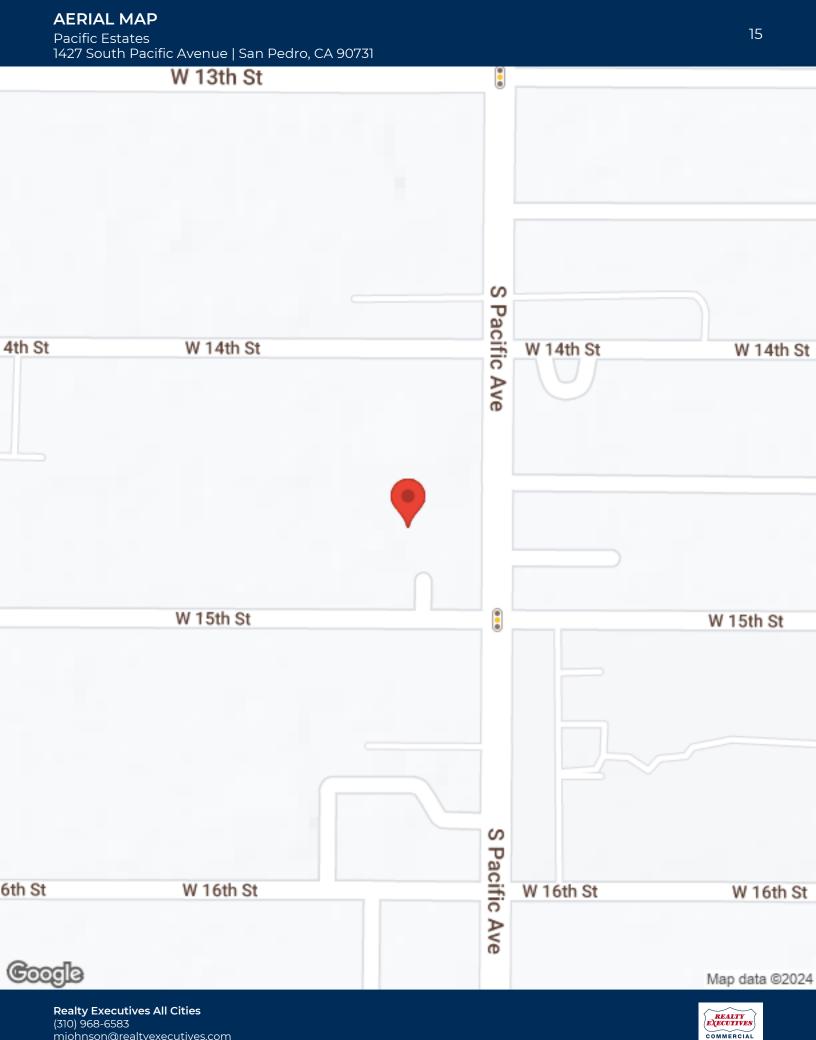
Pacific Estates

1427 South Pacific Avenue | San Pedro, CA 90731



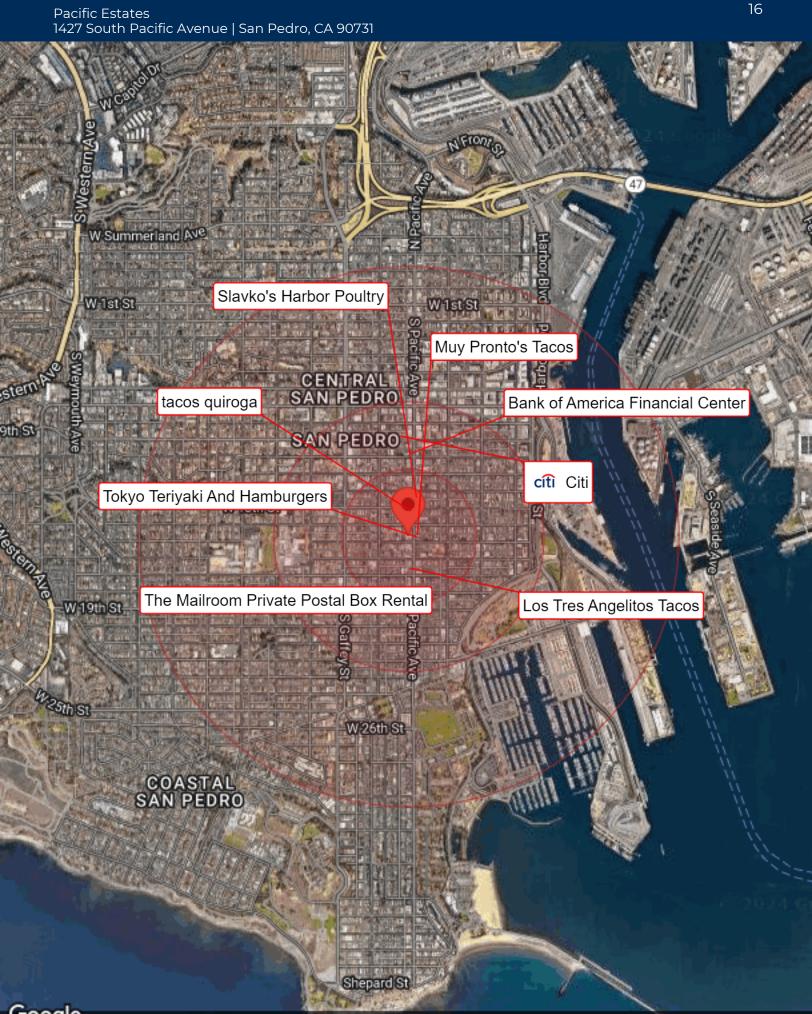


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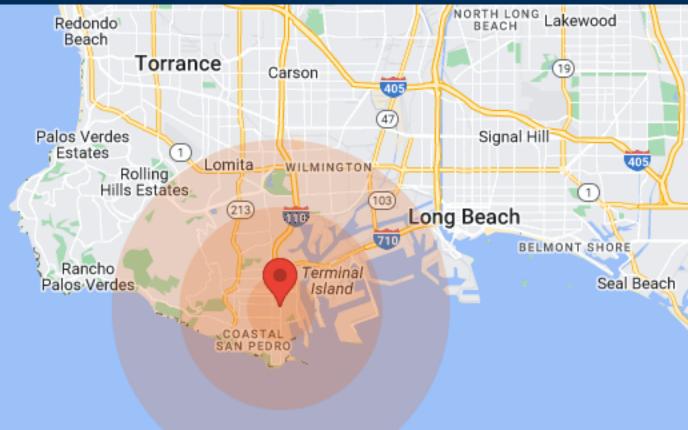
BUSINESS MAP



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DEMOGRAPHICS

Pacific Estates 1427 South Pacific Avenue | San Pedro, CA 90731



Google

Population	1 Mile	3 Miles	5 Miles
Male	20,282	45,713	95,030
Female	19,843	46,537	96,111
Total Population	40,125	92,250	191,141
Age	1 Mile	3 Miles	5 Miles
Ages 0-14	8,323	16,946	38,696
Ages 15-24	5,442	11,599	26,107
Ages 25-54	17,441	36,842	77,608
Ages 55-64	4,404	11,617	21,826
Ages 65+	4,515	15,246	26,904
Race	1 Mile	3 Miles	5 Miles
White	22,070	59,597	107,110
Black	2,430	4,290	8,104
Am In/AK Nat	135	196	412
Hawaiian	31	56	251
Hispanic	25,090	43,084	111,486
Multi-Racial	28,486	46,902	127,098

Map data ©2024 Google

Income	1 Mile	3 Miles	5 Miles
Median	\$45,132	\$67,753	\$55,920
< \$15,000	2,588	4,133	7,768
\$15,000-\$24,999	2,198	3,776	7,256
\$25,000-\$34,999	1,865	3,291	6,839
\$35,000-\$49,999	2,050	3,833	8,206
\$50,000-\$74,999	2,384	5,629	11,186
\$75,000-\$99,999	1,851	4,660	8,111
\$100,000-\$149,999	1,415	5,284	8,746
\$150,000-\$199,999	272	2,233	3,522
> \$200,000	306	2,007	3,708
Housing	1 Mile	3 Miles	5 Miles
Total Units	16,881	39,020	70,883
Occupied	15,467	36,244	66,709
Owner Occupied	3,849	17,491	32,151
Renter Occupied	11,618	18,753	34,558
Vacant	1,414	2,776	4,174





EXECUTIVE SUMMARY

Pacific Estates 1427 South Pacific Avenue | San Pedro, CA 90731

Acquisition Costs	
Purchase Price, Points and Closing Costs	\$1,377,000
Investment - Cash	\$537,000
First Loan (Fixed)	\$840,000
Investment Information	
Purchase Price	\$1,350,000
Price per SF	\$225.00
Income, Expenses & Cash Flow	
Gross Scheduled Income	\$118,800
Total Vacancy and Credits	(\$5,940)
Operating Expenses	(\$29,700)
Net Operating Income	\$83,160
Debt Service	(\$81,106)
Cash Flow Before Taxes	\$2,054
Financial Indicators	
Cash-on-Cash Return Before Taxes	0.38%
Debt Coverage Ratio	1.03
Capitalization Rate	6.16%
Gross Income / Square Feet	\$19.80
Gross Expenses / Square Feet	(\$4.95)
Operating Expense Ratio	26.32%



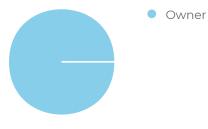
TENANT MIX REPORT

Pacific Estates 1427 South Pacific Avenue | San Pedro, CA 90731

Suite	Tenants	Approx. SF	Avg. Rents	Monthly	Mkt Rents	Monthly
1	Owner	6,000	\$9,900	\$9,900	\$9,900	\$9,900
1		6,000		\$9,900		\$9,900



TENANT MIX INCOME



TENANT MIX MARKET INCOME



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PRO FORMA SUMMARY Pacific Estates 1427 South Pacific Avenue | San Pedro, CA 90731



Investment Summary

Price	\$1,350,000
Year Built	1946
Tenants	1
RSF	6,000
Price/RSF	\$225.00
Lot Size	7,510 sf
Floors	1
Parking Spaces	0:0
APN	7454-027-013
Market Cap Rate	6.16%

Financing Summary

Loan 1 (Fixed)	\$840,000
Initial Equity	\$510,000
Interest Rate	9%
Term	30 years
Monthly Payment	\$6,759
DCR	1.03

Tenant Annual Scheduled Income

Tenant	Market
Owner	\$118,800
Totals	\$118,800

Annualized Income

Description	Market
Gross Potential Rent	\$118,800
- Less: Vacancy	(\$5,940)
Effective Gross Income	\$112,860
- Less: Expenses	(\$29,700)
Net Operating Income	\$83,160
- Debt Service	(\$81,106)
Net Cash Flow after Debt Service	\$2,054
+ Principal Reduction	\$5,739
Total Return	\$7,793

Annualized Expenses

Description	Market
Property Management Fee	\$5,940
Total Expenses	\$23,760
Total Expenses	\$29,700
Expenses Per RSF	\$4.95





Projections

CASH FLOW ANALYSIS Pacific Estates 1427 South Pacific Avenue Sa	n Pedro, CA 90731
Before-Tax Cash Flow	Year 1

Before-Tax Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	02/2025	02/2026	02/2027	02/2028	02/2029
Before-Tax Cash Flow					
Gross Scheduled Income	\$118,800	\$118,800	\$118,800	\$118,800	\$118,800
General Vacancy	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)
Total Operating Expenses	(\$29,700)	(\$30,413)	(\$31,147)	(\$31,903)	(\$32,682)
Net Operating Income	\$83,160	\$82,447	\$81,713	\$80,957	\$80,178
Loan Payment	(\$81,106)	(\$81,106)	(\$81,106)	(\$81,106)	(\$81,106)
Before-Tax Cash Flow	\$2,054	\$1,341	\$607	(\$149)	(\$928)
Cash-On-Cash Return	0.38%	0.25%	0.11%	-0.03%	-0.17%
Before-Tax Cash Flow	Year 6	Year 7	Year 8	Year 9	Year 10
Year Ending	02/2030	02/2031	02/2032	02/2033	02/2034
Before-Tax Cash Flow					
Gross Scheduled Income	\$118,800	\$118,800	\$118,800	\$118,800	\$118,800
General Vacancy	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)
Total Operating Expenses	(\$33,484)	(\$34,311)	(\$35,162)	(\$36,038)	(\$36,941)
Net Operating Income	\$79,376	\$78,549	\$77,698	\$76,822	\$75,919
Loan Payment	(\$81,106)	(\$81,106)	(\$81,106)	(\$81,106)	(\$81,106)
Before-Tax Cash Flow	(\$1,730)	(\$2,557)	(\$3,408)	(\$4,284)	(\$5,187)
Cash-On-Cash Return	-0.32%	-0.48%	-0.63%	-0.80%	-0.97%



ANNUAL PROPERTY OPERATING DATA

Pacific Estates

1427 South Pacific Avenue | San Pedro, CA 90731

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Year Ending	02/2025	02/2026	02/2027	02/2028	02/2029
Income					
Rental Income	\$118,800	\$118,800	\$118,800	\$118,800	\$118,800
Gross Scheduled Income	\$118,800	\$118,800	\$118,800	\$118,800	\$118,800
General Vacancy	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)
Gross Operating Income	\$112,860	\$112,860	\$112,860	\$112,860	\$112,860
Expenses					
Property Management Fee	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)
Total Expenses	(\$23,760)	(\$24,473)	(\$25,207)	(\$25,963)	(\$26,742)
Total Operating Expenses	(\$29,700)	(\$30,413)	(\$31,147)	(\$31,903)	(\$32,682)
Operating Expense Ratio	26.32%	26.95%	27.60%	28.27%	28.96%
Net Operating Income	\$83,160	\$82,447	\$81,713	\$80,957	\$80,178
Description	Year 6	Year 7	Year 8	Year 9	Year 10
Year Ending	02/2030	02/2031	02/2032	02/2033	02/2034
Income					
Rental Income	\$118,800	\$118,800	\$118,800	\$118,800	\$118,800
Gross Scheduled Income	\$118,800	\$118,800	\$118,800	\$118,800	\$118,800
General Vacancy	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)
Gross Operating Income	\$112,860	\$112,860	\$112,860	\$112,860	\$112,860
Expenses					
Property Management Fee	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)	(\$5,940)
Total Expenses	(\$27,544)	(\$28,371)	(\$29,222)	(\$30,098)	(\$31,001)
Total Operating Expenses	(\$33,484)	(\$34,311)	(\$35,162)	(\$36,038)	(\$36,941)
Operating Expense Ratio	29.67 %	30.40%	31.16%	31.93%	32.73%
Net Operating Income	\$79,376	\$78,549	\$77,698	\$76,822	\$75,919

INVESTMENT RETURN ANALYSIS

Pacific Estates

1427 South Pacific Avenue | San Pedro, CA 90731

Description	Year 1 02/2025	Year 2 02/2026	Year 3 02/2027	Year 4 02/2028	Year 5 02/2029
Year Ending	-		-	-	
Cash Flow - To Date	\$2,054	\$3,395	\$4,002	\$3,853	\$2,925
Net Resale Proceeds	\$434,739	\$441,016	\$447,882	\$455,392	\$463,607
Invested Capital	(\$537,000)	(\$537,000)	(\$537,000)	(\$537,000)	(\$537,000)
Net Return on Investment	(\$100,207)	(\$92,589)	(\$85,116)	(\$77,755)	(\$70,468)
Before Tax Calculations					
PV (NOI + reversion)	\$1,352,160	\$1,434,607	\$1,516,320	\$1,597,277	\$1,677,455
After Tax Calculations					
IRR	N/A	N/A	N/A	N/A	N/A
Modified IRR	-18.66%	-9.03%	-5.59%	-3.83%	-2.77%
NPV	(\$100,207)	(\$92,589)	(\$85,116)	(\$77,755)	(\$70,468)
Description	Year 6	Year 7	Year 8	Year 9	Year 10
Year Ending	02/2030	02/2031	02/2032	02/2033	02/2034
Cash Flow - To Date	\$1,195	(\$1,362)	(\$4,770)	(\$9,054)	(\$14,241)
Net Resale Proceeds	\$472,592	\$482,420	\$493,170	\$504,929	\$517,790
Invested Capital	(\$537,000)	(\$537,000)	(\$537,000)	(\$537,000)	(\$537,000)
Net Return on Investment	(\$63,213)	(\$55,942)	(\$48,599)	(\$41,125)	(\$33,451)
Before Tax Calculations					
PV (NOI + reversion)	\$1,756,831	\$1,835,380	\$1,913,078	\$1,989,900	\$2,065,818
After Tax Calculations					
IRR	N/A	N/A	N/A	N/A	N/A
Modified IRR	-2.05%	-1.54%	-1.16%	-0.86%	-0.62%
NPV	(\$63,213)	(\$55,942)	(\$48,599)	(\$41,125)	(\$33,451)

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