

DANA POINT OCEANFRONT

35087 Beach Rd. | Dana Point, CA
OFFERING MEMORANDUM



BACRE GROUP

REAL ESTATE

BROKERS | ADVISORS | CONSULTANTS

Dana Point Oceanfront

CONTENTS

01 Executive Summary

- Investment Summary
- Unit Mix Summary
- Location Summary

02 Property Description

- Property Features
- Aerial Map
- Property Images

03 Financial Analysis

- Income & Expense Analysis
- Multi-Year Cash Flow Assumptions
- Cash Flow Analysis
- Financial Metrics

04 Demographics

- Demographics
- Demographic Charts

Exclusively Marketed by:

Tyler Kropf
BAC Real Estate Group, Inc.
Broker
(949) 679-2340
tkropf@bacregroup.com
Lic: 01406277



Tyler M Kropf Broker #01406277



01

Executive Summary

Investment Summary

Unit Mix Summary

Location Summary

OFFERING SUMMARY

ADDRESS	35087 Beach Rd. Dana Point CA 92624
COUNTY	Orange
MARKET	Orange County
SUBMARKET	Orange County Coastal
BUILDING SF	2,354 SF
LAND SF	7,841 SF
NUMBER OF UNITS	2
YEAR BUILT	1948
YEAR RENOVATED	2007
APN	691-141-12
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

PRICE	\$4,995,000
PRICE PSF	\$2,121.92
PRICE PER UNIT	\$2,497,500
OCCUPANCY	100.00 %
NOI (CURRENT)	\$223,150
NOI (Pro Forma)	\$248,150
CAP RATE (CURRENT)	4.47 %
CAP RATE (Pro Forma)	4.97 %
GRM (CURRENT)	18.16
GRM (Pro Forma)	16.65

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2022 Population	9,381	63,353	141,905
2022 Median HH Income	\$108,351	\$111,778	\$122,322
2022 Average HH Income	\$155,733	\$164,883	\$180,421

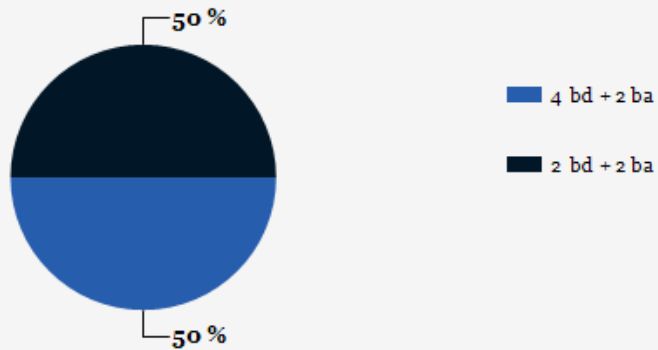


Investment Highlights

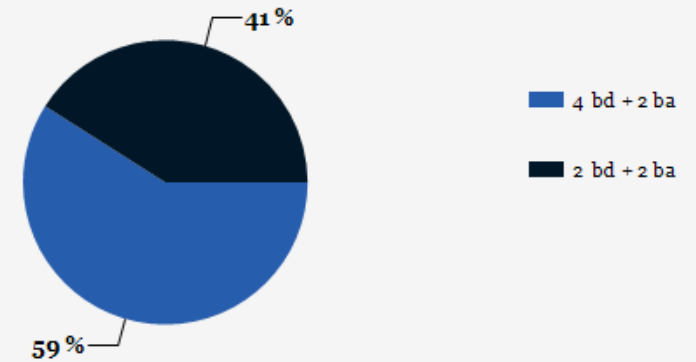
- Rare oceanfront with direct beach access to the sand
- Panoramic ocean views
- 24-hour guard gated community on Beach Rd, Capistrano Beach, Dana Point.
- One of the largest lots on Beach Rd. totalling 7,841 sq.ft. providing the opportunity to add square footage through redevelopment.
- Built in 1948. Complete renovation down to the studs in 2007.
- Currently in the City of Dana Point STR (Short Term Rental program). Units are being rented out on a nightly or short term basis. *Permit does not transfer with the sale and would need to be re-applied for.

			Actual			Market		
Unit Mix	# Units	Square Feet	Current Rent	Rent PSF	Monthly Income	Market Rent	Market Rent PSF	Market Income
4 bd + 2 ba	1	1,400	\$13,000	\$9.29	\$13,000	\$13,000	\$9.29	\$13,000
2 bd + 2 ba	1	954	\$10,000	\$10.48	\$10,000	\$10,000	\$10.48	\$10,000
Totals/Averages	2	1,177	\$11,500	\$9.89	\$23,000	\$11,500	\$9.89	\$23,000

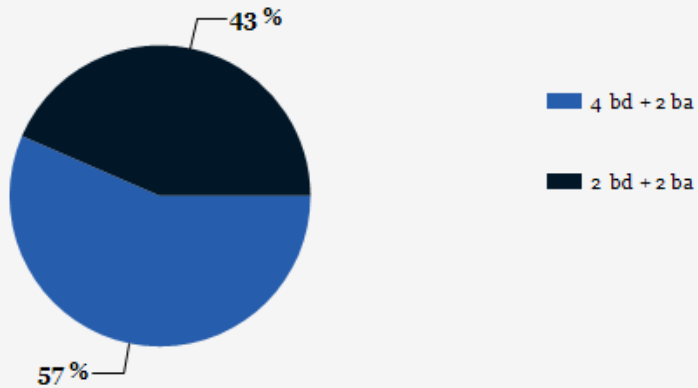
Unit Mix Summary



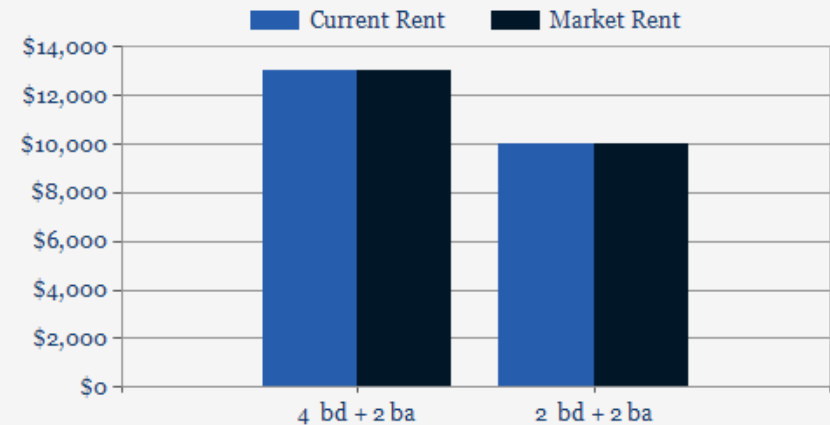
Unit Mix SF



Unit Mix Revenue



Actual vs. Market Revenue



Property Location

- Oceanfront guard gated community of Beach Rd.
- Adjacent to the I-5 Freeway and Coast Highway in the beautiful City of Dana Point
- Just South of Dana Point Harbor and Doheny State Beach. Laguna Beach with its world renowned festivals and restaurants is just North along Pacific Coast Highway.
- 20 miles South of John Wayne Airport and 60 miles South of Los Angeles International Airport and 60 miles North of San Diego International Airport.

Regional Map





02

Property Description

Property Features

Aerial Map

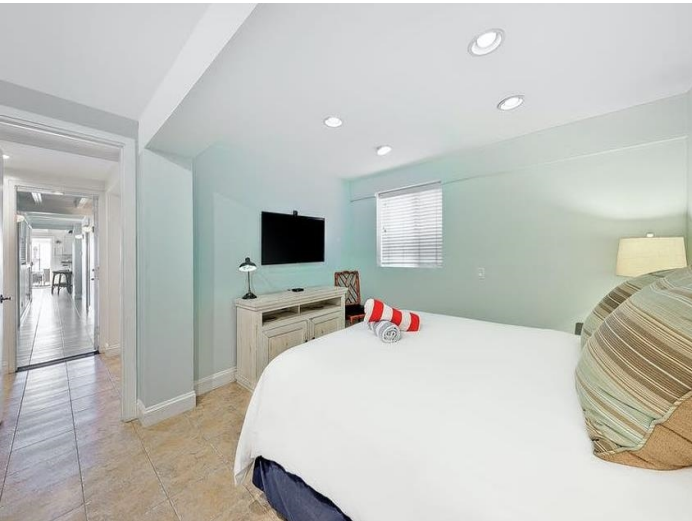
Property Images

PROPERTY FEATURES

NUMBER OF UNITS	2
BUILDING SF	2,354
LAND SF	7,841
YEAR BUILT	1948
YEAR RENOVATED	2007
# OF PARCELS	1
ZONING TYPE	Residential
NUMBER OF STORIES	2
LOT DIMENSION	39' oceanfront x 200' deep
NUMBER OF PARKING SPACES	4. 2 carport & 2 reserved
WASHER/DRYER	Yes. In each unit















03

Financial Analysis

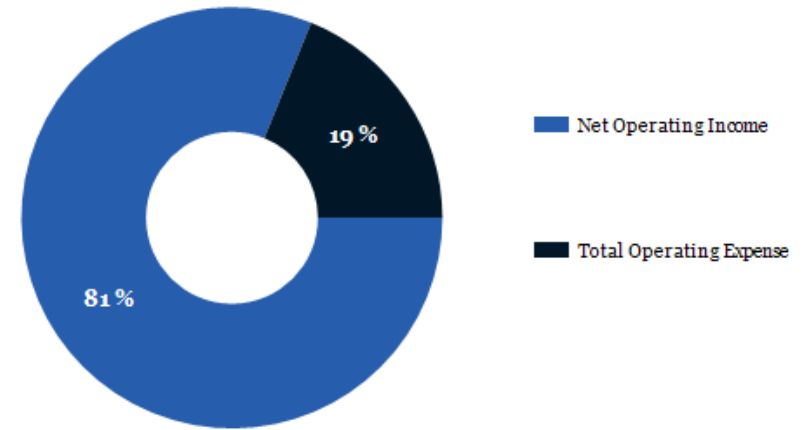
Income & Expense Analysis
Multi-Year Cash Flow Assumptions
Cash Flow Analysis
Financial Metrics

REVENUE ALLOCATION CURRENT

INCOME	CURRENT		PRO FORMA	
Gross Scheduled Rent	\$275,000		\$300,000	
Effective Gross Income	\$275,000		\$300,000	
Less Expenses	\$51,850	18.85 %	\$51,850	17.28 %
Net Operating Income	\$223,150		\$248,150	

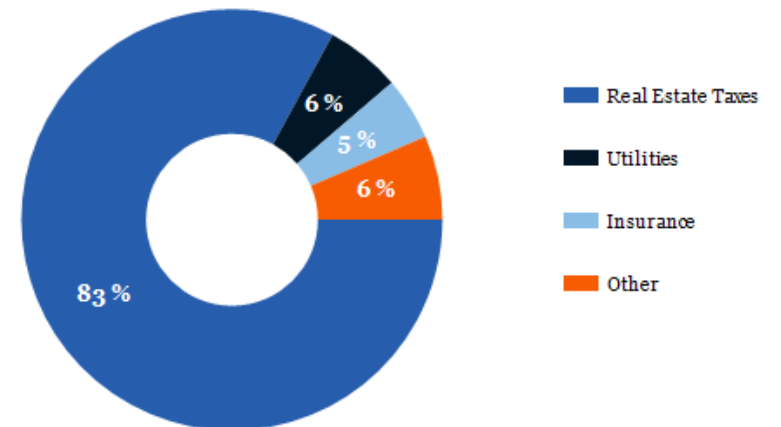
* vacancy amount factored into gross revenue

Income Notes: *Currently on STR (Short Term Rental) permit with the City of Dana Point. Nightly rentals are between \$400 to \$650 per night per unit depending on the season.



EXPENSES	CURRENT	Per Unit	PRO FORMA	Per Unit
Real Estate Taxes	\$43,000	\$21,500	\$43,000	\$21,500
Insurance	\$2,500	\$1,250	\$2,500	\$1,250
Repairs & Maintenance	\$1,500	\$750	\$1,500	\$750
Water / Sewer	\$1,000	\$500	\$1,000	\$500
Landscaping	\$600	\$300	\$600	\$300
Utilities	\$3,000	\$1,500	\$3,000	\$1,500
Other Expenses	\$250	\$125	\$250	\$125
Total Operating Expense	\$51,850	\$25,925	\$51,850	\$25,925
Expense / SF	\$22.03		\$22.03	
% of EGI	18.85 %		17.28 %	

DISTRIBUTION OF EXPENSES CURRENT



GLOBAL

Price	\$4,995,000
Analysis Period	10 year(s)

INCOME - Growth Rates

Gross Scheduled Rent	5.00 %
----------------------	--------

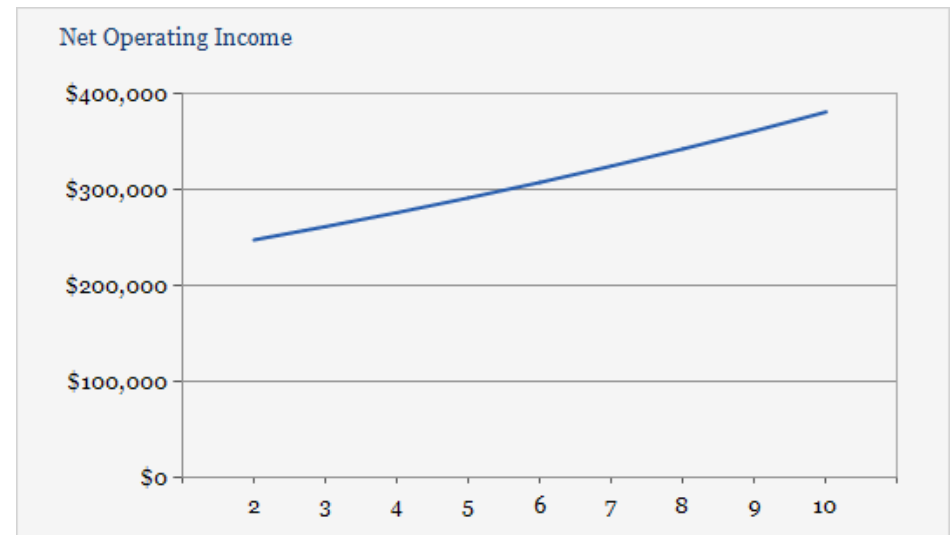
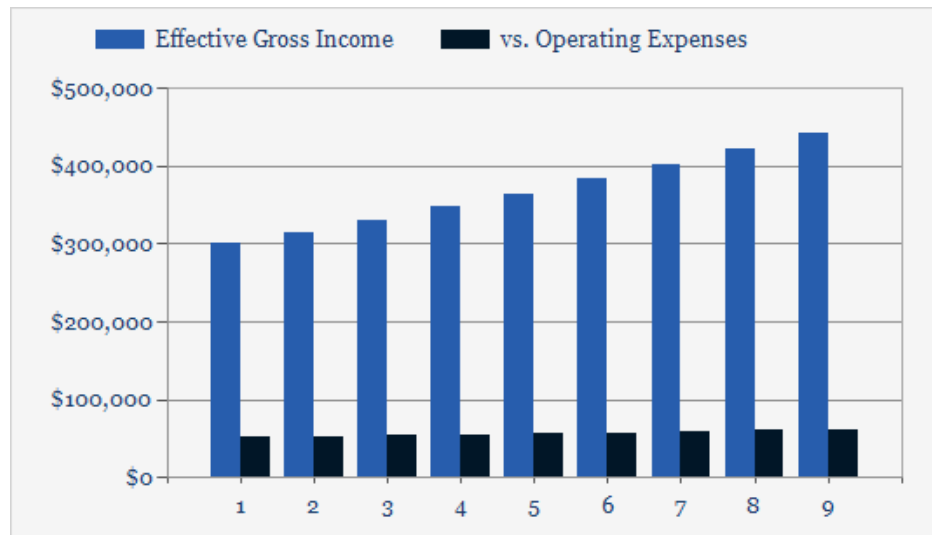
EXPENSES - Growth Rates

Real Estate Taxes	2.00 %
Insurance	5.00 %
Water / Sewer	5.00 %
Utilities	3.00 %
Other Expenses	5.00 %

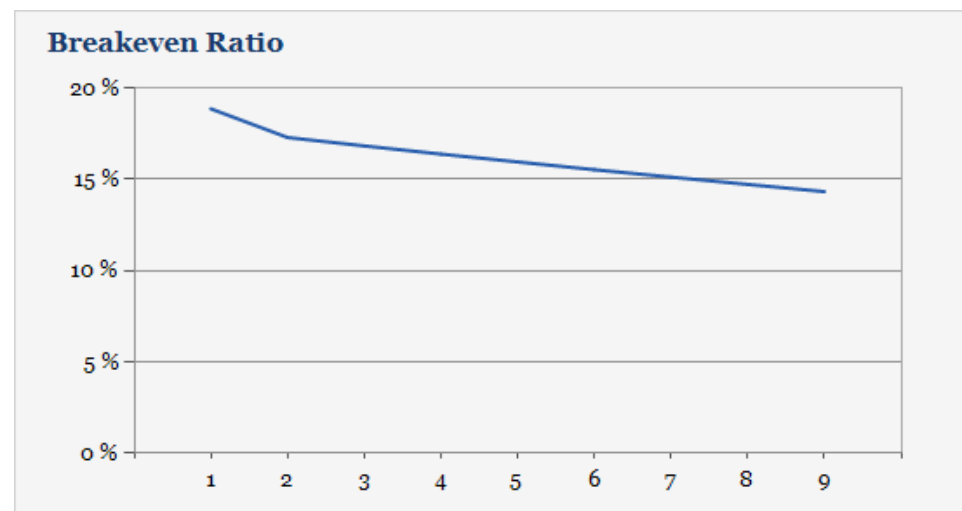
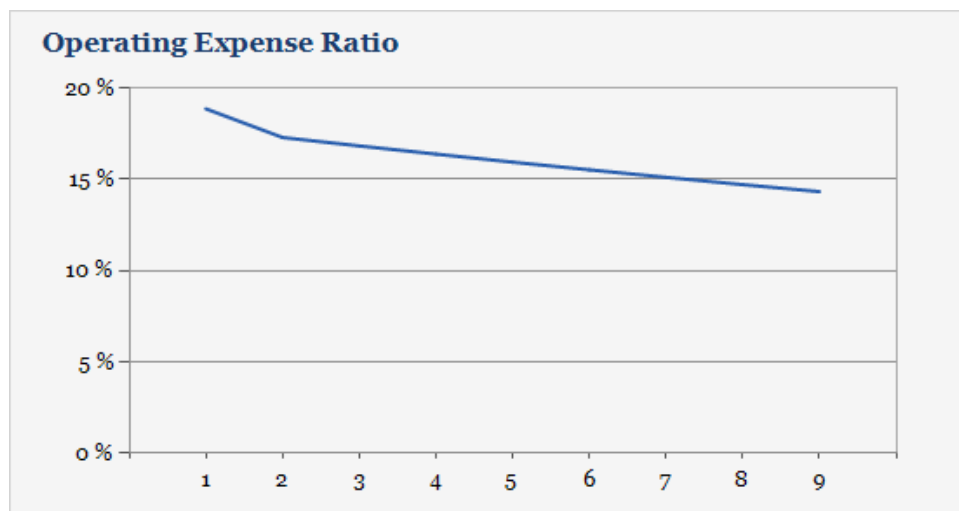
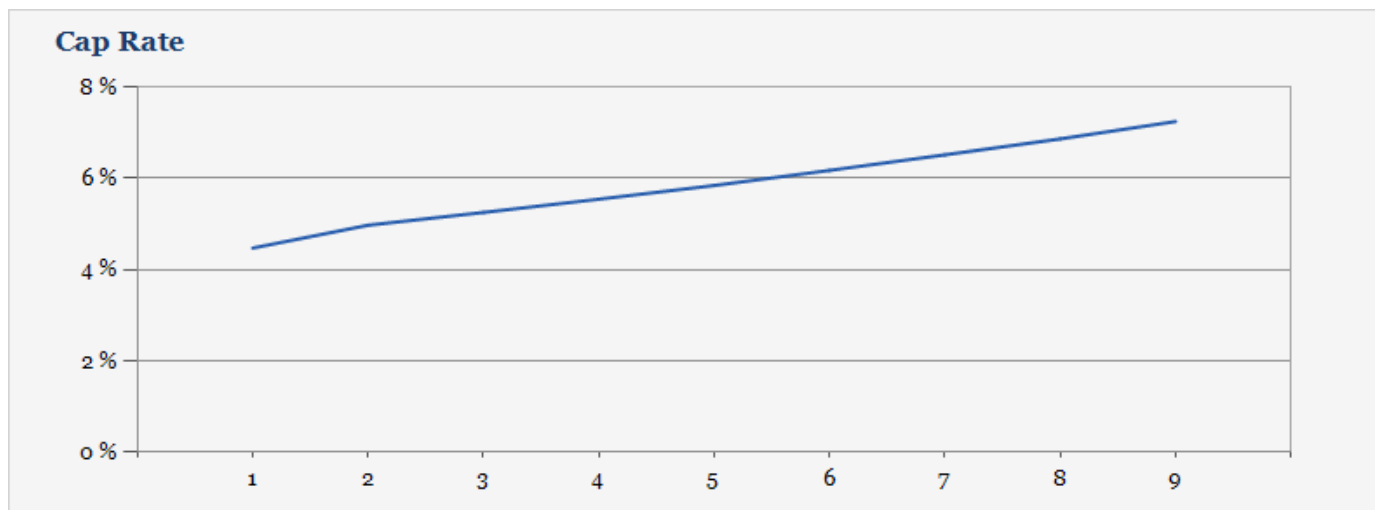


Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Revenue										
Gross Scheduled Rent	\$275,000	\$300,000	\$315,000	\$330,750	\$347,288	\$364,652	\$382,884	\$402,029	\$422,130	\$443,237
Effective Gross Income	\$275,000	\$300,000	\$315,000	\$330,750	\$347,288	\$364,652	\$382,884	\$402,029	\$422,130	\$443,237
Operating Expenses										
Real Estate Taxes	\$43,000	\$43,000	\$43,860	\$44,737	\$45,632	\$46,545	\$47,475	\$48,425	\$49,393	\$50,381
Insurance	\$2,500	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039	\$3,191	\$3,350	\$3,518	\$3,694
Repairs & Maintenance	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Water / Sewer	\$1,000	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216	\$1,276	\$1,340	\$1,407	\$1,477
Landscaping	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Utilities	\$3,000	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800
Other Expenses	\$250	\$250	\$263	\$276	\$289	\$304	\$319	\$335	\$352	\$369
Total Operating Expense	\$51,850	\$51,850	\$52,988	\$54,154	\$55,351	\$56,579	\$57,839	\$59,132	\$60,460	\$61,822
Net Operating Income	\$223,150	\$248,150	\$262,013	\$276,596	\$291,936	\$308,073	\$325,045	\$342,896	\$361,670	\$381,415

* vacancy amount factored into gross revenue



Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CAP Rate	4.47 %	4.97 %	5.25 %	5.54 %	5.84 %	6.17 %	6.51 %	6.86 %	7.24 %	7.64 %
Operating Expense Ratio	18.85 %	17.28 %	16.82 %	16.37 %	15.93 %	15.51 %	15.10 %	14.70 %	14.32 %	13.94 %
Gross Multiplier (GRM)	18.16	16.65	15.86	15.10	14.38	13.70	13.05	12.42	11.83	11.27
Breakeven Ratio	18.85 %	17.28 %	16.82 %	16.37 %	15.94 %	15.52 %	15.11 %	14.71 %	14.32 %	13.95 %
Price / SF	\$2,121.92	\$2,121.92	\$2,121.92	\$2,121.92	\$2,121.92	\$2,121.92	\$2,121.92	\$2,121.92	\$2,121.92	\$2,121.92
Price / Unit	\$2,497,500	\$2,497,500	\$2,497,500	\$2,497,500	\$2,497,500	\$2,497,500	\$2,497,500	\$2,497,500	\$2,497,500	\$2,497,500
Income / SF	\$116.82	\$127.44	\$133.81	\$140.50	\$147.53	\$154.90	\$162.65	\$170.78	\$179.32	\$188.29
Expense / SF	\$22.02	\$22.02	\$22.50	\$23.00	\$23.51	\$24.03	\$24.57	\$25.12	\$25.68	\$26.26





04

Demographics

Demographics

Demographic Charts

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	9,544	61,017	130,429
2010 Population	9,578	60,947	139,982
2022 Population	9,381	63,353	141,905
2027 Population	9,331	63,887	142,235
2022 African American	51	407	1,023
2022 American Indian	77	594	1,228
2022 Asian	369	2,619	6,760
2022 Hispanic	1,919	15,308	33,714
2022 Other Race	655	6,064	13,682
2022 White	6,903	44,435	99,176
2022 Multiracial	1,313	9,136	19,860
2022-2027: Population: Growth Rate	-0.55 %	0.85 %	0.25 %
2022 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	247	1,497	3,215
\$15,000-\$24,999	141	1,162	2,019
\$25,000-\$34,999	134	1,319	2,411
\$35,000-\$49,999	222	1,433	3,093
\$50,000-\$74,999	419	2,716	5,516
\$75,000-\$99,999	575	3,009	6,127
\$100,000-\$149,999	676	4,488	9,514
\$150,000-\$199,999	551	3,043	7,179
\$200,000 or greater	823	6,426	15,961
Median HH Income	\$108,351	\$111,778	\$122,322
Average HH Income	\$155,733	\$164,883	\$180,421

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	3,874	24,657	52,332
2010 Total Households	3,836	23,866	53,486
2022 Total Households	3,790	25,093	55,035
2027 Total Households	3,786	25,501	55,608
2022 Average Household Size	2.43	2.50	2.56
2000 Owner Occupied Housing	2,561	15,938	33,604
2000 Renter Occupied Housing	1,074	7,382	15,712
2022 Owner Occupied Housing	2,542	17,212	37,574
2022 Renter Occupied Housing	1,248	7,881	17,461
2022 Vacant Housing	384	2,229	5,083
2022 Total Housing	4,174	27,322	60,118
2027 Owner Occupied Housing	2,584	17,603	38,316
2027 Renter Occupied Housing	1,203	7,897	17,292
2027 Vacant Housing	406	2,128	5,030
2027 Total Housing	4,192	27,629	60,638
2022-2027: Households: Growth Rate	-0.10 %	1.60 %	1.05 %



Source: esri

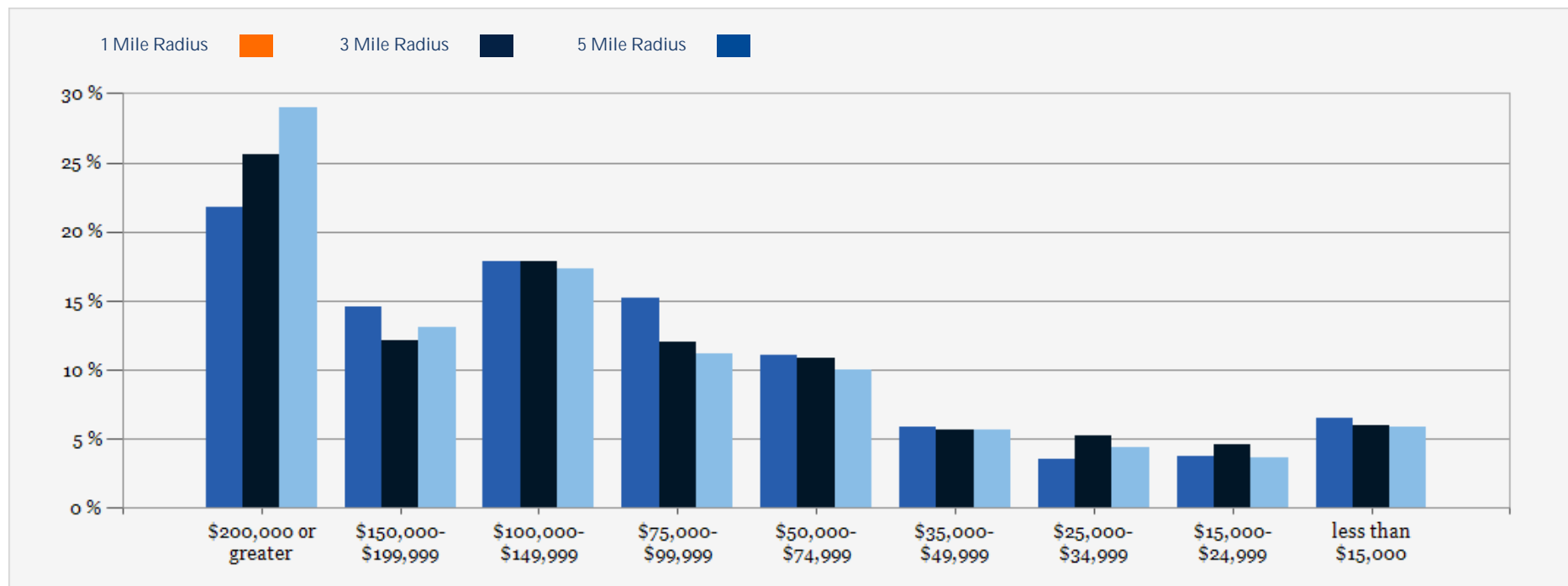
2022 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2022 Population Age 30-34	528	3,799	8,508
2022 Population Age 35-39	547	3,774	8,841
2022 Population Age 40-44	523	3,621	8,428
2022 Population Age 45-49	504	3,654	8,324
2022 Population Age 50-54	607	4,213	9,570
2022 Population Age 55-59	690	4,661	10,339
2022 Population Age 60-64	764	5,007	10,792
2022 Population Age 65-69	707	4,608	9,776
2022 Population Age 70-74	677	3,998	8,254
2022 Population Age 75-79	443	2,723	5,677
2022 Population Age 80-84	321	1,778	3,538
2022 Population Age 85+	367	1,794	3,464
2022 Population Age 18+	7,823	51,525	113,564
2022 Median Age	49	46	44

2022 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$113,500	\$101,071	\$103,094
Average Household Income 25-34	\$154,815	\$142,693	\$147,795
Median Household Income 35-44	\$147,139	\$131,711	\$150,000
Average Household Income 35-44	\$182,397	\$181,570	\$196,448
Median Household Income 45-54	\$158,116	\$162,829	\$174,445
Average Household Income 45-54	\$201,243	\$212,847	\$230,586
Median Household Income 55-64	\$140,305	\$148,734	\$162,430
Average Household Income 55-64	\$187,022	\$199,261	\$219,381
Median Household Income 65-74	\$94,592	\$100,610	\$107,086
Average Household Income 65-74	\$140,710	\$148,157	\$161,715
Average Household Income 75+	\$94,967	\$101,396	\$110,812

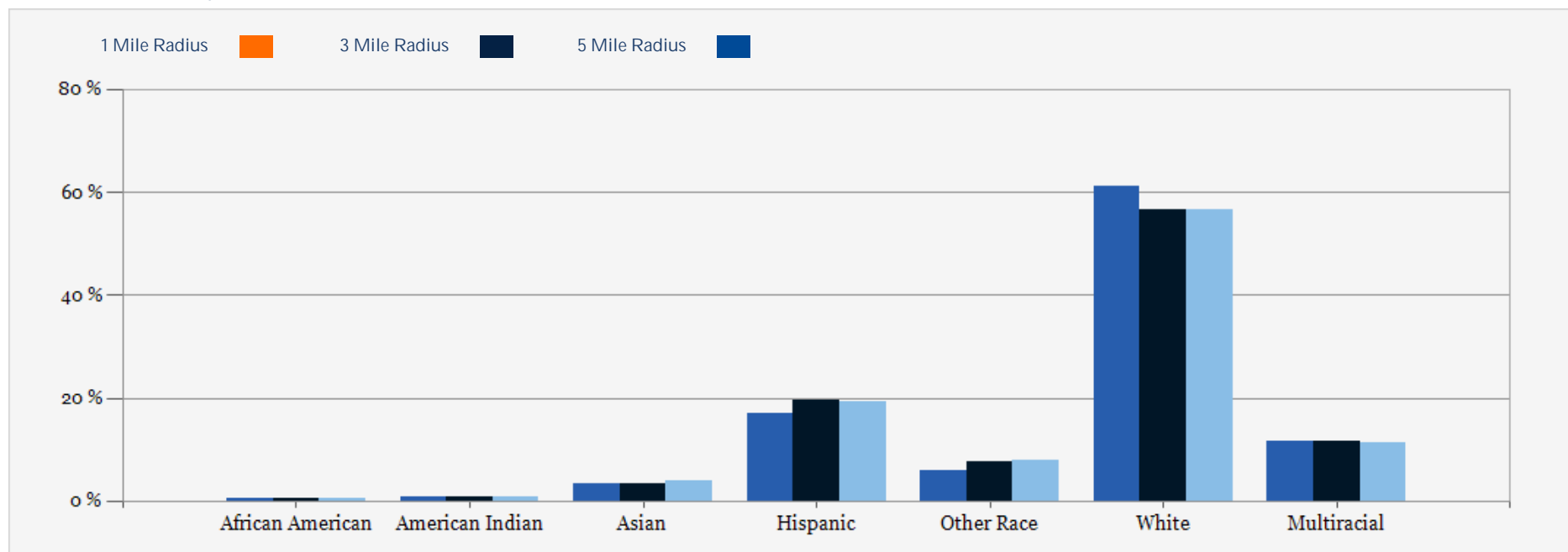
2027 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2027 Population Age 30-34	593	3,997	8,670
2027 Population Age 35-39	559	4,113	9,611
2027 Population Age 40-44	563	3,979	9,338
2027 Population Age 45-49	525	3,728	8,614
2027 Population Age 50-54	511	3,668	8,210
2027 Population Age 55-59	592	4,128	9,275
2027 Population Age 60-64	651	4,353	9,572
2027 Population Age 65-69	707	4,787	10,060
2027 Population Age 70-74	666	4,256	8,808
2027 Population Age 75-79	616	3,527	7,132
2027 Population Age 80-84	415	2,340	4,670
2027 Population Age 85+	447	2,175	4,226
2027 Population Age 18+	7,837	52,496	115,085
2027 Median Age	49	46	45

2027 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$126,747	\$111,225	\$115,917
Average Household Income 25-34	\$176,209	\$163,044	\$170,968
Median Household Income 35-44	\$161,511	\$159,894	\$167,974
Average Household Income 35-44	\$210,189	\$214,945	\$227,632
Median Household Income 45-54	\$169,075	\$179,063	\$190,519
Average Household Income 45-54	\$225,284	\$240,357	\$257,929
Median Household Income 55-64	\$160,228	\$167,883	\$180,622
Average Household Income 55-64	\$214,424	\$228,196	\$248,487
Median Household Income 65-74	\$112,308	\$118,354	\$127,563
Average Household Income 65-74	\$170,238	\$179,692	\$194,050
Average Household Income 75+	\$117,759	\$127,090	\$138,674

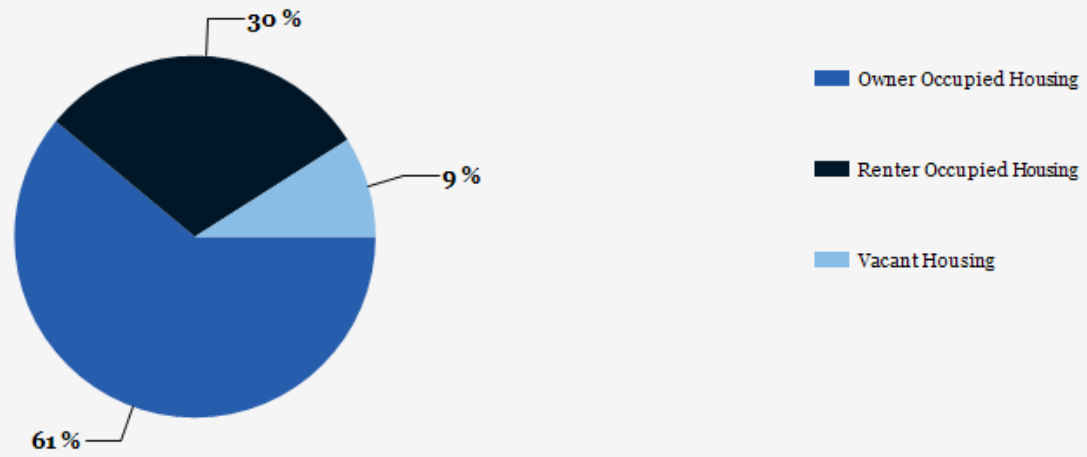
2022 Household Income



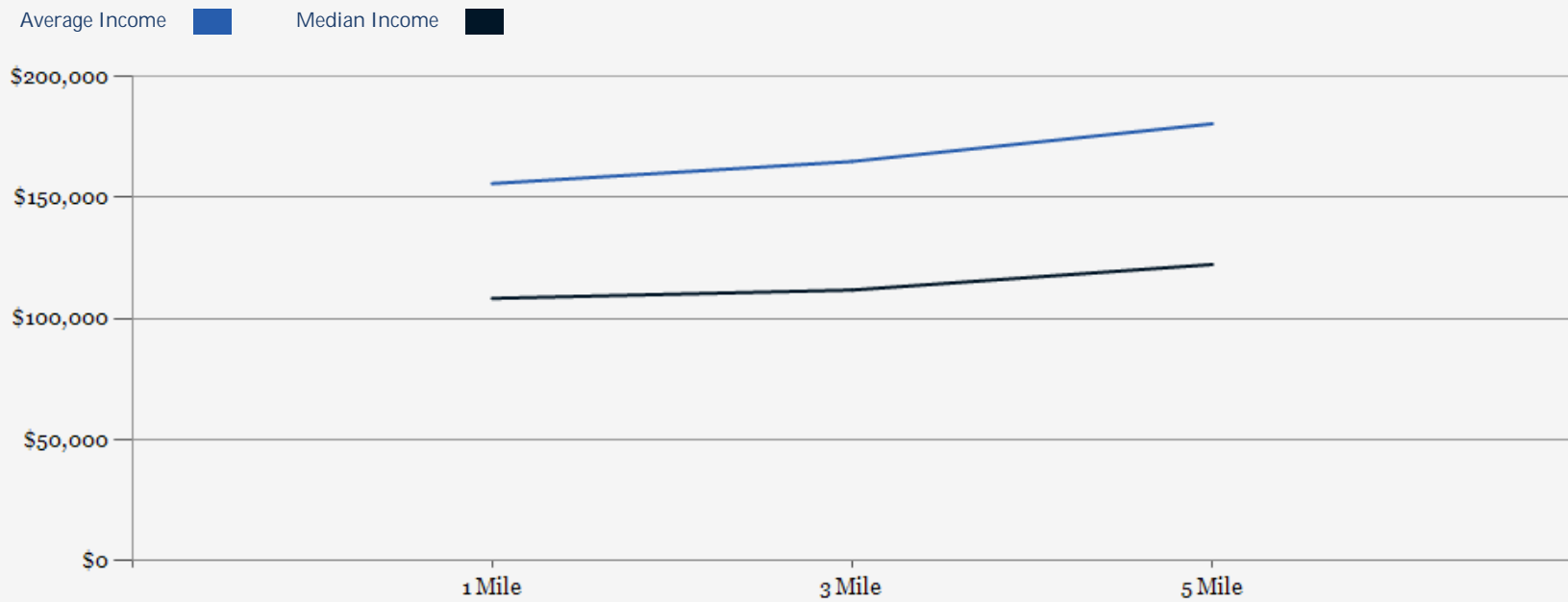
2022 Population by Race



2022 Household Occupancy - 1 Mile Radius



2022 Household Income Average and Median



Dana Point Oceanfront

Exclusively Marketed by:

Tyler Kropf
BAC Real Estate Group, Inc.
Broker
(949) 679-2340
tkropf@bacregroup.com
Lic: 01406277



BACREGROUP
REAL ESTATE
BROKERS | ADVISORS | CONSULTANTS

Tyler M Kropf Broker #01406277