

OFFERING MEMORANDUM

FOR SALE



HERMOSA COURTYARD

1332 Hermosa Avenue, Hermosa Beach, CA 90254

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PARTNERS

HERMOSA COURTYARD

PROPERTY OVERVIEW


Hermosa Courtyard consists of an approximately 15,127 SF building located on approximately 0.28 acres of land. The property is located in the center of Hermosa Beach, with access to entertainment, shopping, transportation, and the beach. It is a center of activity for locals as well as a destination for millions of tourists annually. The property benefits from tremendous visibility at a signalized intersection along Hermosa Ave and is steps away from the Hermosa Pier. In addition, it is centrally located within the affluent Hermosa


Beach trade area, which is one of the most desirable areas in all of LA County.


The property is predominantly commercial and has a unique mix of tenants from some of the most notable restaurants in the trade area to a local pub that is considered a tradition in Hermosa Beach. This is truly one of the most iconic properties in the Hermosa Pier commercial corridor. It also is the canvas to one of the ten Hermosa Beach murals.

FEATURES:

 **1332 Hermosa Ave**
HERMOSA BEACH, CA 90254

 **\$592,707**
NOI

 **89.88% Leased**
OCCUPANCY

 **4183-013-069**
APN

 **\$12,500,000**
PURCHASE PRICE:

 **15,127 SF**
BUILDING SIZE


 **1**
TOTAL BUILDINGS

 **1954/1970**
YEAR BUILT:

 **4.75%**
CAP RATE

 **9**
NUMBER OF TENANTS:

 **12,008 SF**
(0.28 ACRES)
TOTAL LAND AREA

 **HBC2**
(Downtown Commercial Zone)
ZONING:



HERMOSA COURTYARD



HERMOSA COURTYARD

Hermosa Courtyard - Rent Roll

Lease	Lease Type	Suite Size	Lease From	Lease To	Monthly Rent	Monthly Rent/Area	Annual Rent	Option
Decadence Group, Inc.	Retail - NNN	2,714 SF	7/1/2017	5/31/2029	\$13,303.60	\$4.90	\$159,643.20	One -5 year
Pedone's Inc.	Retail - NNN	2,250 SF	11/1/2017	10/31/2027	\$8,557.60	\$4.70	\$102,691.20	None
Empire Entertainment Inc. (Sublease to Roundboxx Group)	Retail - Gross	154 SF	10/1/2019	9/30/2025	\$462.00	\$3.00	\$5,544.00	None
NAEB LA LLC (Next Adventure Bikes)	Retail - Gross	850 SF	12/1/2023	11/30/2024	\$2,550.00	\$3.00	\$30,600.00	None
Hermosa Brewing Company LLC	Retail - NNN	1,080 SF	5/25/2015	5/31/2025	\$5,961.25	\$5.52	\$71,535.00	None
VACANT (Seller Guarenteed)	Retail - Gross	1,100 SF	-	-	\$4,223.00	\$3.84	\$50,676.00	None
Bacchanal Capital, Inc.	Retail - Gross	5,140 SF	6/1/2016	5/31/2026	\$21,000.00	\$4.08	\$252,000.00	One -5 year
Karmic Energy, Inc. (White House Pilates)	Retail - Gross	534 SF	8/1/2014	M2M	\$1,944.83	\$3.64	\$23,337.96	None
Cincip	Retail - Gross	455 SF	6/1/2021	5/31/2025	\$1,200.00	\$2.63	\$14,400.00	None
Skin Savvy Management, Inc	Retail - Gross	850 SF	1/22/2023	8/31/2028	\$2,705.30	\$3.18	\$32,463.60	One -5 year
VACANT	Retail - Gross	431 SF	-	-	\$646.50	\$1.50	\$7,758.00	None
Occupied Square Footage		14,027						
Seller Guarenteed Square Footage		1,531						
Total Square Footage		15,558						

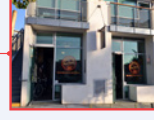
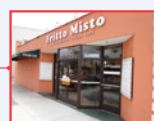
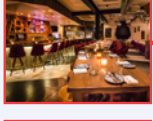
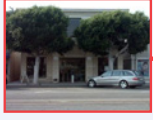


HERMOSA COURTYARD

1332 Hermosa Ave
Hermosa Beach, CA 90254



The Placer.ai data for Hermosa Beach shows a robust **2.7 million** visits per year to the immediate trade area, which averages **7,400 visits a day**. The **visits increase almost 40%** in the summer months when the tourist traffic peaks.



HERMOSA COURTYARD

Hermosa Courtyard, Hermosa Beach, CA | PRO-FORMA INCOME STATEMENT 2024

	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Total
INCOME STATEMENT													
OPERATING REVENUE													
Total Base Rent	\$61,907.58	\$61,907.58	\$61,907.58	\$62,164.31	\$62,164.31	\$62,164.31	\$62,164.31	\$62,164.31	\$62,164.31	\$62,164.31	\$62,402.76	\$62,402.76	\$745,678.43
Tenant Recovery Revenue													
Total T/R-Common Area Maint and taxes	8,079.45	8,079.45	8,079.47	8,106.31	8,099.52	8,106.31	8,106.31	8,107.67	8,109.02	8,087.17	8,109.01	8,109.02	\$97,178.69
TOTAL OPERATING REVENUE	\$69,987.03	\$69,987.03	\$69,987.05	\$70,270.62	\$70,263.83	\$70,270.62	\$70,270.62	\$70,271.98	\$70,273.33	\$70,251.48	\$70,511.77	\$70,511.78	\$842,857.12
OPERATING EXPENSES													
Total Repair & Maintenance Exp	865.03	865.03	865.03	865.03	865.03	865.03	865.03	865.03	865.03	865.03	865.03	865.03	\$10,380.36
Utilities Expense Water	662.11	662.11	662.11	662.11	662.11	662.11	662.11	662.11	662.11	662.11	662.11	662.11	\$7,945.36
Utilities Expense Trash	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	1,546.33	\$18,555.97
Utilities Expense Electricity	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	2,147.87	\$25,774.39
Utilities Expense Data	378.89	378.89	378.89	378.89	378.89	378.89	378.89	378.89	378.89	378.89	378.89	378.89	\$4,546.72
Total Property Tax Expense (based on PP)	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$12,366.66	\$148,399.92
Total Property Insurance Exp	\$966.41	\$966.41	\$966.45	\$1,035.54	\$1,018.08	\$1,035.54	\$1,035.54	\$1,039.04	\$1,042.52	\$986.27	\$1,042.51	\$1,042.52	\$12,176.83
Total Property Management Exp	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	1,864.20	\$22,370.35
Total Bad Debt	\$-	\$-	\$-	\$-		\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
TOTAL OPERATING EXPENSES	\$20,797.50	\$20,797.50	\$20,797.54	\$20,866.63	\$20,849.17	\$20,866.63	\$20,866.63	\$20,870.13	\$20,873.61	\$20,817.36	\$20,873.60	\$20,873.61	\$250,149.90
NET OPERATING INCOME	\$49,189.53	\$49,189.53	\$49,189.51	\$49,403.99	\$49,414.66	\$49,403.99	\$49,403.99	\$49,401.85	\$49,399.72	\$49,434.12	\$49,638.17	\$49,638.17	\$592,707.21

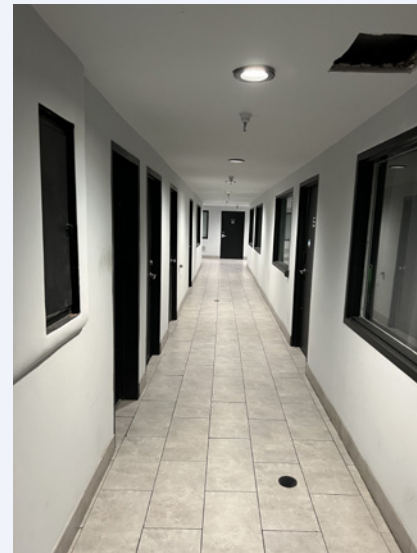
HERMOSA COURTYARD

TENANT PROFILES



DECADENCE GROUP INC.

Decadence is a restaurant and bar that opened in 2019 providing California cuisine, steaks and seafood in an upscale coastal environment. They also offer an extensive menu of crafted mixed drinks, boutique wines, and beer.



HERMOSA COURTYARD

TENANT PROFILES



PEDONE'S INC (PEDONE'S PIZZA & ITALIAN FOOD)

Pedone's Pizza & Italian Foods has been in business in the South Bay for over 35 years and has won several awards during this time. They recently renovated their space which offers dine in and take out favorites such as pizza, salads, appetizers, pasta dishes and dessert. They also offer a full selection of wine and beer.



HERMOSA COURTYARD

TENANT PROFILES



HERMOSA
BREWING COMPANY

HERMOSA BREWING COMPANY

Hermosa Brewing Company is a taproom and restaurant that has quickly become a local favorite. In addition to great food, they offer a wide arrangement of local craft beers, most of which are brewed under the artisanal watchful eye of their master brewer in their facility in Torrance. They also offer live music.



HERMOSA COURTYARD

TENANT PROFILES



BACCHANAL CAPITAL, INC. (FOX & FARROW)

Fox & Farrow is an English hunting lodge-inspired gastropub that serves Asian and Pacific Rim-inflected fare alongside familiar British favorites like shepherd's pie, pheasant sausage, and sautéed quail over fingerling potatoes. Fox and Farrow, which opened in 2021, is located in the space adjacent to the longtime Underground sports bar. Diners can also catch the restaurant's beach view visible from Fox and Farrow's second-floor perch along Hermosa Avenue. Fox & Farrow is a Michelin-worth plate with a speakeasy vibe that is unmatched in the beach cities.



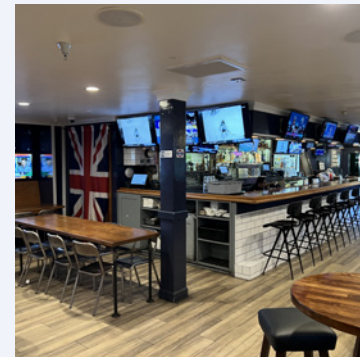
HERMOSA COURTYARD

TENANT PROFILES



BACCHANAL CAPITAL, INC. (UNDERGROUND PUB AND GRILL)

Underground Pub and Grill was established in 1975 as an English Sports Bar and has remained a local favorite because of their relaxed atmosphere. Underground has recently completed an extensive interior remodel to create an elevated sports bar environment with a reimaged menu. They have dozens of TVs, pool, shuffle board, rotating taps and an expansive cocktail selection.



HERMOSA COURTYARD

BEACH CITIES MARKET OVERVIEW

The South Bay's "Beach Cities" (Hermosa Beach, Manhattan Beach, El Segundo and Redondo Beach) are among the most desirable places to live and work in Southern California. They offer luxurious coastal living and an excellent public school system, making them a favorite with residents seeking an upscale lifestyle. Businesses in the Beach Cities benefit from a varied and dynamic marketplace and proximity to Los Angeles International Airport (LAX) and nearby Silicon Beach. With its near-perfect climate and quintessential beach setting, along with convenient access to Los Angeles-this region is one of the jewels of Southern California.

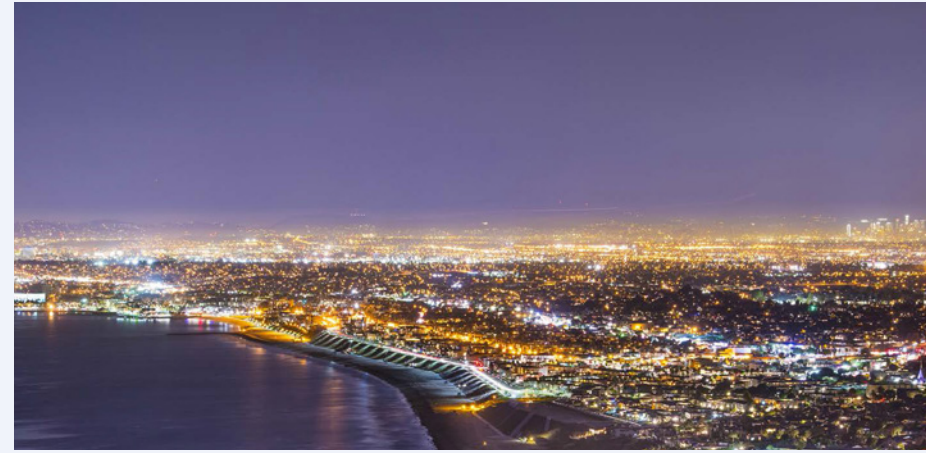
Hermosa Beach celebrates its rich history with the Mural Projects which began in 2009. Today there are 10 murals throughout Hermosa depicting Hermosa's eclectic historical events. The subject property is home to the Hermosa's Great Wave mural by John Van Hamersveld. Hamersveld is an American graphic artist known for creating album covers for the Beatles, the Rolling Stones and the surf film The Endless Summer.

With just over 1.2 miles of ocean frontage, Hermosa Beach is a city of beautiful home on tree-lined street, year-round sunshine and white sand beaches. Situated along the coastline, the city is flanked by oceanfront neighborhoods that face the sea. Hermosa Beach offers an array of shops, boutiques and restaurants throughout the downtown district.

Downtown Hermosa Beach is a vibrant area with more than numerous dining experiences including taverns, cafes and fine dining. Shops include home stores, clothing and accessories and the famous Comedy & Magic Club.

The Hermosa Beach Unified School district serves the area and is well known for its high performance, ranking 27th in the state. The city's many communities provide a multitude of activities for residents and visitors, including surfing and beach volleyball. Bicycle enthusiasts have use of a beachside bikeway that extends north to Santa Monica and south to Palos Verdes.

The Hermosa Beach Pier is the perfect place for strolling, fishing, dolphin sightings and star gazing. City events include Fiesta Hermosa, the AVP Tournament, and a concert series on the beach.



HERMOSA COURTYARD

LOS ANGELES COUNTY MARKET OVERVIEW

Los Angeles County is the most populous county in the country with approximately 10 million people including about 1 million that live in unincorporated areas of the county. Los Angeles County is bordered on the east by Orange and San Bernardino Counties, on the north by Kern County, on the west by Ventura County, and on the south by the Pacific Ocean. Its mainland coastline is 75 miles long.

Los Angeles County is also home to one of the most educated labor pools in the country with a labor force of more than 4.7 million, roughly 2 million of which are college graduates. Los Angeles County has the largest population of any county in the nation, and is home to the second most populated city in the country, Los Angeles whose total population is only second to New York City. According to the United States Conference

of Mayors, Los Angeles County boasts a GDP among the twenty largest in the world. Los Angeles is also served by one of the largest freeway networks in the country, facilitating the movement of people and freight throughout the region.

Los Angeles International Airport (LAX) services the Los Angeles County and entire Southern California area. With year-end statistics showing that the airport serviced over 84 million international and domestic passengers in 2017, LAX remains the third busiest airport in the nation and the sixth busiest in the world.

As one of the top 20 most visited cities in the world, Los Angeles attracts millions of international and domestic visitors annually ranking tourism and hospitality among the top industries in the county.



HERMOSA COURTYARD

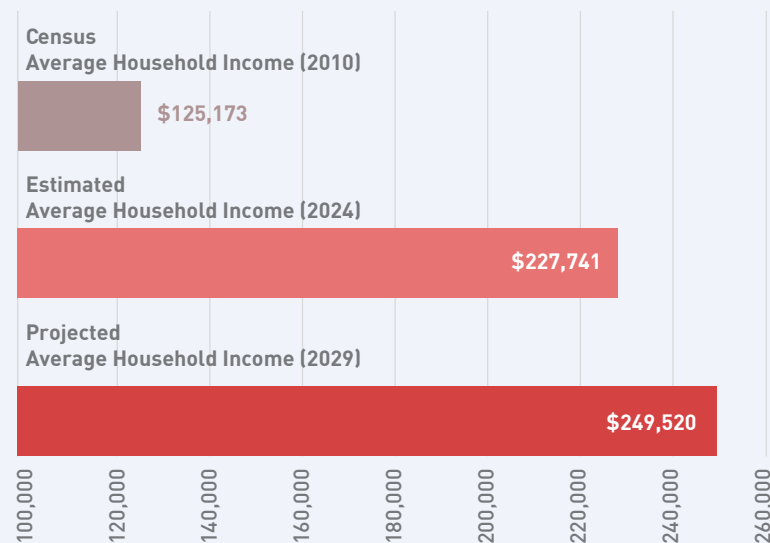
DEMOGRAPHICS (2024 ESTIMATES)

	1 Mile		2 Miles		3 Miles	
Population						
Estimated Population (2024)	23,610		79,830		151,130	
Projected Population (2029)	22,563		76,135		144,234	
Census Population (2020)	24,586		83,377		157,961	
Census Population (2010)	24,534		79,606		152,829	
Projected Annual Growth (2024-2029)	-1,047	-0.9%	-3,694	-0.9%	-6,896	-0.9%
Historical Annual Growth (2020-2024)	-976	-	-3,547	-1.1%	-6,831	-1.1%
Historical Annual Growth (2010-2020)	52	-	3,771	0.5%	5,132	0.3%
Estimated Population Density (2024)	7,519	psm	6,356	psm	5,346	psm
Trade Area Size	3.1	sq mi	12.6	sq mi	28.3	sq mi
Households						
Estimated Households (2024)	10,889		33,283		61,836	
Projected Households (2029)	10,558		32,196		59,844	
Census Households (2020)	11,122		34,077		63,297	
Census Households (2010)	11,677		34,249		63,203	
Projected Annual Growth (2024-2029)	-331	-0.6%	-1,088	-0.7%	-1,991	-0.6%
Historical Annual Change (2010-2024)	-788	-0.5%	-966	-0.2%	-1,367	-0.2%
Average Household Income						
Estimated Average Household Income (2024)	\$264,401		\$255,528		\$227,741	
Projected Average Household Income (2029)	\$289,163		\$280,288		\$249,520	
Census Average Household Income (2010)	\$129,569		\$133,922		\$125,173	
Census Average Household Income (2000)	\$105,658		\$104,464		\$97,460	
Projected Annual Change (2024-2029)	\$24,763	1.9%	\$24,760	1.9%	\$21,778	1.9%
Historical Annual Change (2000-2024)	\$158,743	6.3%	\$151,063	6.0%	\$130,282	5.6%

Median Household Income						
Estimated Median Household Income (2024)	\$168,562		\$163,519		\$153,062	
Projected Median Household Income (2029)	\$172,688		\$167,737		\$156,591	
Census Median Household Income (2010)	\$93,876		\$96,100		\$91,640	
Census Median Household Income (2000)	\$83,018		\$81,894		\$76,607	
Projected Annual Change (2021-2029)	\$4,036	0.5%	\$4,218	0.5%	\$3,529	0.5%
Historical Annual Change (2000-2024)	\$85,634	4.3%	\$81,26	4.2%	\$76,455	4.2%

Demographic Source: Applied Geographic Solutions 5/2024, TIGER Geography

HOUSEHOLD INCOME (WITHIN 3 MILE RADIUS)



INCOME (WITHIN 3 MILE RADIUS)



EMPLOYMENT (WITHIN 3 MILE RADIUS)





| HERMOSA COURTYARD |

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1332 HERMOSA AVE
HERMOSA BEACH, CA 90254

MARINA DEL REY

MANHATTAN BEACH

HERMOSA BEACH

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