



1212-1216 EAST 3RD STREET

36 Units on 2 Parcels in Long Beach, CA

Marcus & Millichap
THE BOGIE GROUP

Non-Endorsement Notice

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

Disclaimer

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

Any rent or income information in this offering memorandum, with the exception of actual, historical rent collections, represent good faith projections of potential future rent only, and Marcus & Millichap makes no representations as to whether such rent may actually be attainable. Local, state, and federal laws regarding restrictions on rent increases may make these projections impossible, and Buyer and its advisors should conduct their own investigation to determine whether such rent increases are legally permitted and reasonably attainable.

Marcus & Millichap

TABLE OF CONTENTS

| | | |
|-----------|---------------------------------|----|
| 01 | Investment Analysis | |
| | Executive Summary..... | 2 |
| | Investment Highlights..... | 4 |
| | Property Photos..... | 5 |
| | Property Location..... | 6 |
| | Pricing Summary..... | 8 |
| | Income & Expenses..... | 9 |
| | Rent Roll..... | 10 |
| | 10-Year Cash Flow Scenario..... | 11 |
| 02 | Sales Comparables | |
| | Sales Comparables Summary..... | 14 |
| 03 | Rent Comparables | |
| | Rent Comparables Summary..... | 22 |
| 04 | Market Overview | |
| | Market Overview..... | 26 |
| | Local Demographics..... | 27 |
| | Multifamily Forecast..... | 28 |





INVESTMENT ANALYSIS

Marcus & Millichap
THE BOGIE GROUP

EXECUTIVE SUMMARY

PRICING INFORMATION

| | |
|--------------------|--------------|
| Offering Price | \$10,595,000 |
| Price/Unit | \$294,306 |
| Price/SF | \$550 |
| Cap Rate (Current) | 5.16% |
| Cap Rate (Market) | 5.99% |

PROPERTY DETAILS

| | |
|-------------|--|
| Address | 1212 & 1216 East 3 rd Street, Long Beach, CA 90802 |
| Units | 36 |
| Building SF | 19,248 |
| Year Built | 1957 & 1940 |
| Lot SF | 16,529 |
| APN | 7275-010-004 & 005 |
| Zoning | LBR3S |

UTILITIES

| | |
|-------------|--------------------|
| Electricity | Separately Metered |
| Gas | Separately Metered |
| Water | Master Metered |





INVESTMENT DESCRIPTION

Marcus & Millichap is pleased to present to market 1212 and 1216 East 3rd Street, a 36-unit apartment community on two contiguous parcels in Long Beach, California. With three brand new ADU's, 17 remodeled units, a great location in the Alamitos Beach neighborhood, and 11 percent rental upside, this offering is a great investment opportunity.

The subject property consists of two two-story buildings with a mix of 18 studios, 15 one-bed/one-bath units, one two-bed/one-bath unit, and two two-bed/two-bath units. The buildings share a beautifully landscaped courtyard with picnic tables for tenants' enjoyment and also feature controlled access and shared laundry.

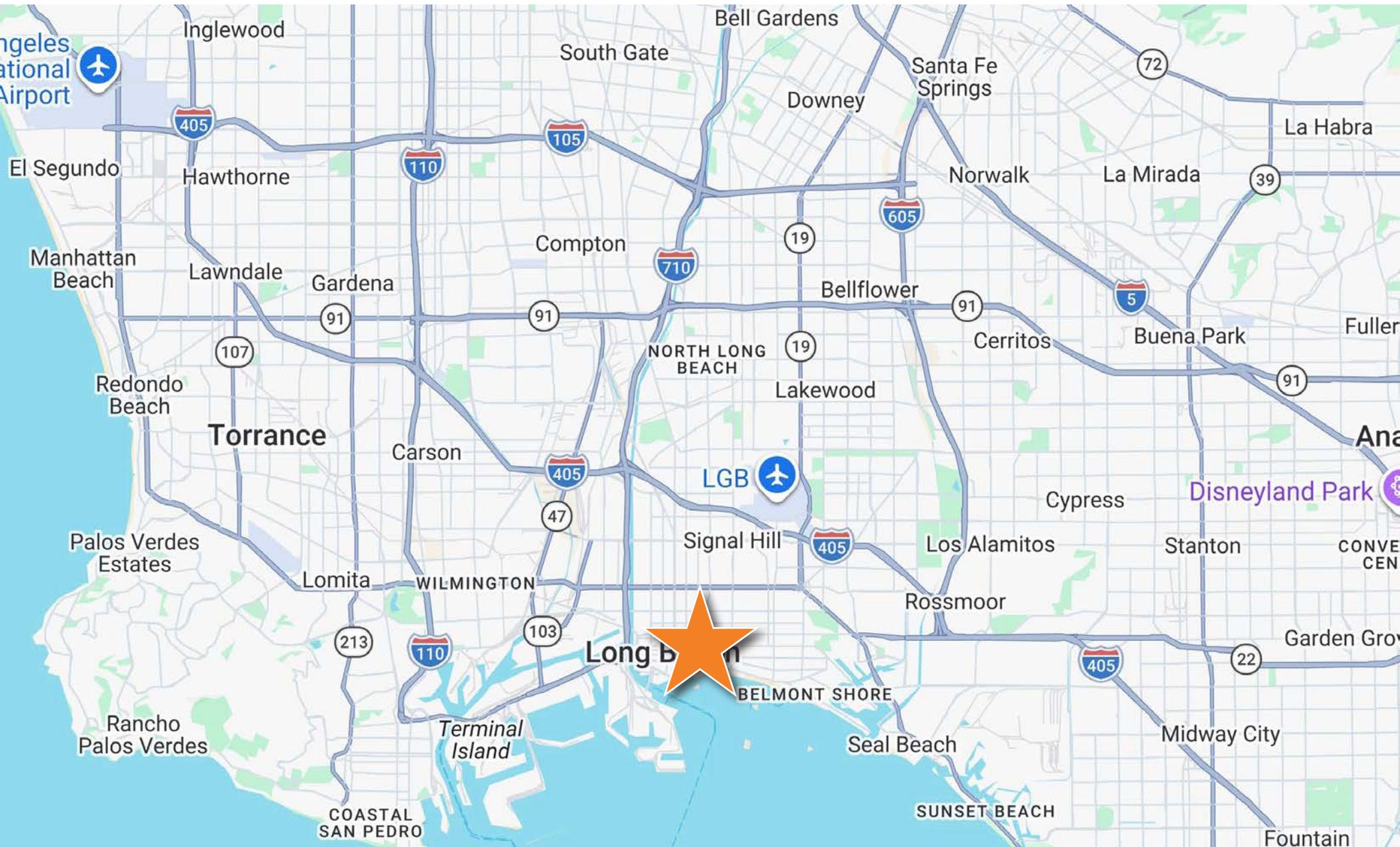
INVESTMENT HIGHLIGHTS

- 36 Units on Two Contiguous Parcels in Long Beach's Popular Alamitos Beach Neighborhood
- Property Boasts Three Brand New ADU's and 17 Units Have Been Remodeled
- Mix Of 18 Studios, 15 One-Bed/One-Bath Units, One Two-Bed/ One-Bath Unit, and Two Two-Bed/Two-Bath Units
- 11 Percent Rental Upside

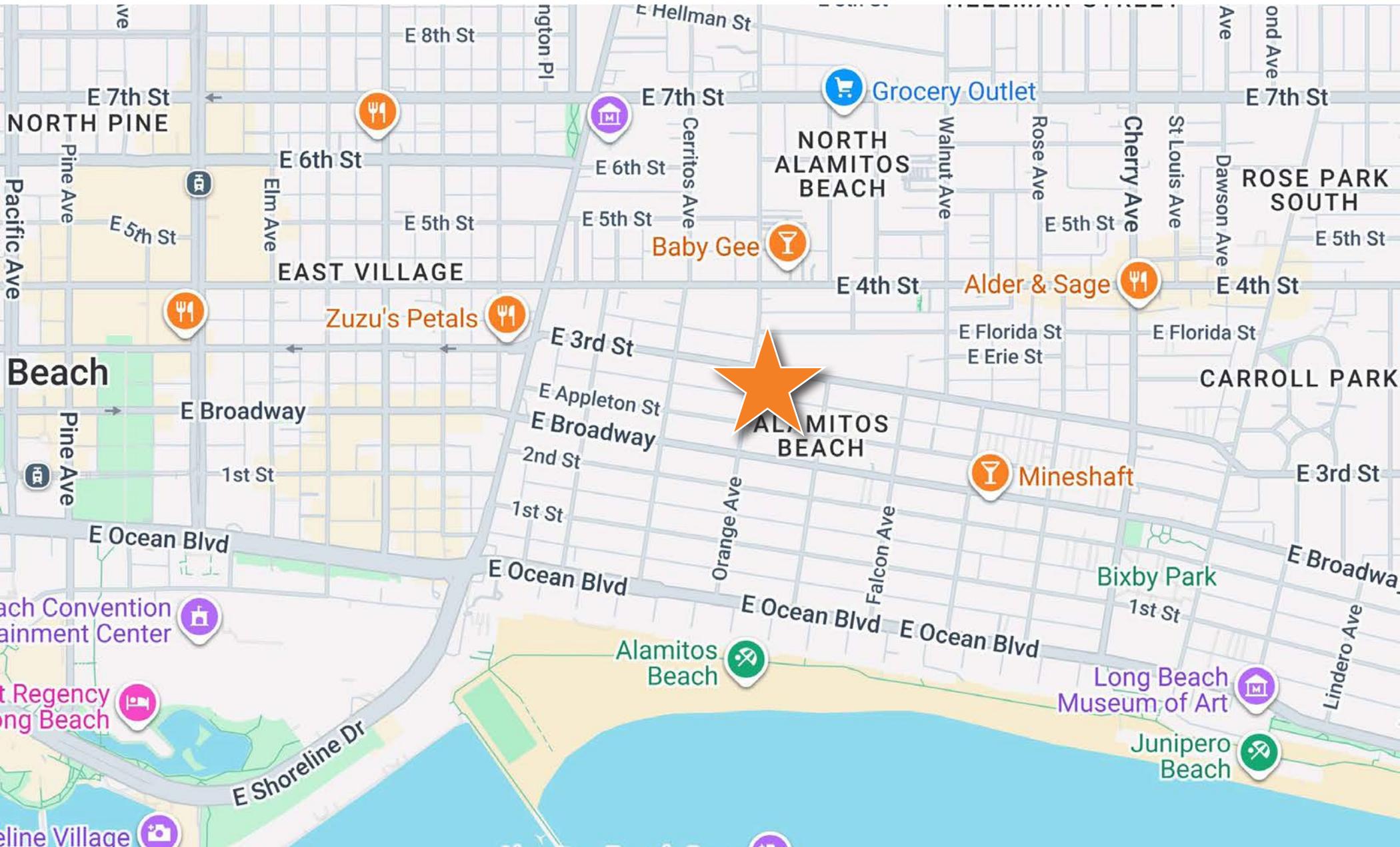




PROPERTY LOCATION



PROPERTY LOCATION



PRICING SUMMARY

PRICING & PROPERTY DETAILS

| | |
|------------------|---|
| Address | 1212 & 1216 East 3Rd Street Long Beach, CA 90802 |
| List Price | \$10,595,000 |
| No. of Units | 36 |
| Est. Rentable SF | 19,248 |
| Price/Unit | \$294,306 |
| Price/SF | \$550 |
| Lot Size (SF) | 16,529 |
| Year Built | 1957 & 1940 |

VITAL DATA CURRENT PRO FORMA

| | | |
|----------|-----------|-----------|
| NOI | \$546,819 | \$634,410 |
| Cap Rate | 5.16% | 5.99% |
| GRM | 12.41 | 11.16 |



INCOME & EXPENSES

| NO. OF UNITS | UNIT TYPE | % OF UNITS | AVG. CURRENT RENT | TOTAL RENT | PRO FORMA RENT | TOTAL RENT |
|--------------|-----------|------------|-------------------|------------|----------------|------------|
| 2 | 2BR / 2BA | 6% | \$2,408 | \$4,815 | \$2,675 | \$5,350 |
| 15 | 1BR / 1BA | 42% | \$2,062 | \$30,927 | \$2,350 | \$35,250 |
| 18 | Studio | 50% | \$1,834 | \$33,017 | \$2,000 | \$36,000 |
| 1 | 2BR / 1BA | 3% | \$2,415 | \$2,415 | \$2,495 | \$2,495 |
| 36 | Total | | | \$71,174 | | \$79,095 |

| ANNUALIZED EXPENSES | CURRENT | PRO FORMA |
|---------------------|------------------|------------------|
| Real Estate Taxes | \$141,006 | \$141,006 |
| Insurance | \$38,506 | \$38,506 |
| Utilities | \$3,928 | \$3,928 |
| Repairs & Maint. | \$13,508 | \$13,508 |
| Marketing | \$803 | \$803 |
| On-Site Payroll | \$18,604 | \$18,604 |
| General & Admin | \$5,398 | \$5,398 |
| Management Fee | \$42,032 | \$46,643 |
| Contract Services | \$10,244 | \$10,244 |
| Turnover Costs* | \$10,800 | \$10,800 |
| CAPEX/Reserves | \$9,000 | \$9,000 |
| Total | \$293,831 | \$298,441 |
| Per Unit | \$8,162 | \$8,290 |
| Per SF | \$15.27 | \$15.51 |
| % EGI | 34.95% | 31.99% |

| ANNUALIZED OPERATING DATA | CURRENT | PRO FORMA |
|-----------------------------|------------------|------------------|
| All Units at Market Rent | \$949,140 | \$949,140 |
| Less: Loss to Lease | \$95,052 | \$0 |
| Gross Potential Rent | \$854,088 | \$949,140 |
| Less: Vacancy Allowance | \$25,623 | \$28,474 |
| Other Income | \$12,184 | \$12,184 |
| Effective Gross Income | \$840,650 | \$932,850 |
| Less: Expenses | \$293,831 | \$298,441 |
| Net Operating Income | \$546,819 | \$634,410 |

RENT ROLL

| UNIT NO. | UNIT TYPE | CURRENT RENT | PRO FORMA RENT |
|-----------|-----------|--------------|----------------|
| 1212-1 | 2BR / 2BA | \$2,452 | \$2,675 |
| 1212-2 | 1BR / 1BA | \$1,943 | \$2,350 |
| 1212-3 | 1BR / 1BA | \$2,060 | \$2,350 |
| 1212-4 | 1BR / 1BA | \$1,857 | \$2,350 |
| 1212-5 | 1BR / 1BA | \$1,884 | \$2,350 |
| 1212-6 | 1BR / 1BA | \$2,106 | \$2,350 |
| 1212-7 | 1BR / 1BA | \$1,968 | \$2,350 |
| 1212-8 | 1BR / 1BA | \$1,946 | \$2,350 |
| 1212-9 | 1BR / 1BA | \$2,009 | \$2,350 |
| 1212-10 | 1BR / 1BA | \$1,909 | \$2,350 |
| 1212-11 | 1BR / 1BA | \$2,140 | \$2,350 |
| 1212-12 | 2BR / 2BA | \$2,363 | \$2,675 |
| 1212-17 | 1BR / 1BA | \$2,299 | \$2,350 |
| 1212-18** | 1BR / 1BA | \$2,350 | \$2,350 |
| 1212-19** | 1BR / 1BA | \$2,350 | \$2,350 |
| 1216-1 | Studio | \$1,831 | \$2,000 |
| 1216-2 | Studio | \$1,895 | \$2,000 |
| 1216-3 | Studio | \$1,940 | \$2,000 |
| 1216-4 | Studio | \$1,835 | \$2,000 |
| 1216-5 | Studio | \$1,810 | \$2,000 |
| 1216-6** | Studio | \$2,000 | \$2,000 |
| 1216-7** | Studio | \$2,000 | \$2,000 |

| UNIT NO. | UNIT TYPE | CURRENT RENT | PRO FORMA RENT |
|-----------|--------------|-----------------|-----------------|
| 1216-8 | Studio | \$1,595 | \$2,000 |
| 1216-9 | Studio | \$1,820 | \$2,000 |
| 1216-10 | Studio | \$1,398 | \$2,000 |
| 1216-11 | 1BR / 1BA | \$2,045 | \$2,350 |
| 1216-12 | Studio | \$1,895 | \$2,000 |
| 1216-13 | 2BR / 1BA | \$2,415 | \$2,495 |
| 1216-14** | Studio | \$2,000 | \$2,000 |
| 1216-15** | Studio | \$2,000 | \$2,000 |
| 1216-16** | Studio | \$2,000 | \$2,000 |
| 1216-17* | Studio | \$1,509 | \$2,000 |
| 1216-18 | Studio | \$1,895 | \$2,000 |
| 1216-19 | Studio | \$1,695 | \$2,000 |
| 1216-20 | Studio | \$1,899 | \$2,000 |
| 1216-21 | 1BR / 1BA | \$2,061 | \$2,350 |
| 36 | Total | \$71,174 | \$79,095 |

*ADU Additions

**Currently Vacant

10-YEAR CASH FLOW

| | FEB-27 | FEB-28 | FEB-29 | FEB-30 | FEB-31 | FEB-32 | FEB-33 | FEB-34 | FEB-35 | FEB-36 |
|--------------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Income | | | | | | | | | | |
| All Units at Market Rent | \$987,106 | \$1,026,590 | \$1,067,653 | \$1,110,360 | \$1,154,774 | \$1,200,965 | \$1,249,003 | \$1,298,964 | \$1,350,922 | \$1,404,959 |
| Gain (Loss)-to-Lease | (\$87,448) | (\$80,452) | (\$74,016) | (\$68,095) | (\$62,647) | (\$57,635) | (\$53,024) | (\$48,782) | (\$44,880) | (\$41,289) |
| Gross Potential Rent | \$899,658 | \$946,138 | \$993,638 | \$1,042,265 | \$1,092,127 | \$1,143,330 | \$1,195,979 | \$1,250,181 | \$1,306,042 | \$1,363,670 |
| Vacancy Allowance * | (\$26,990) | (\$28,384) | (\$29,809) | (\$31,268) | (\$32,764) | (\$34,300) | (\$35,879) | (\$37,505) | (\$39,181) | (\$40,910) |
| Other Income | \$12,550 | \$12,927 | \$13,314 | \$13,714 | \$14,125 | \$14,549 | \$14,985 | \$15,435 | \$15,898 | \$16,375 |
| Effective Gross Income | \$885,218 | \$930,680 | \$977,143 | \$1,024,711 | \$1,073,488 | \$1,123,579 | \$1,175,085 | \$1,228,111 | \$1,282,759 | \$1,339,134 |
| Expenses | | | | | | | | | | |
| Real Estate Taxes | \$143,826 | \$146,703 | \$149,637 | \$152,629 | \$155,682 | \$158,796 | \$161,971 | \$165,211 | \$168,515 | \$171,885 |
| Insurance | \$38,506 | \$39,662 | \$40,852 | \$42,077 | \$43,339 | \$44,640 | \$45,979 | \$47,358 | \$48,779 | \$50,242 |
| Utilities | \$3,928 | \$4,046 | \$4,168 | \$4,293 | \$4,421 | \$4,554 | \$4,691 | \$4,831 | \$4,976 | \$5,126 |
| Repairs & Maint. | \$13,508 | \$13,913 | \$14,330 | \$14,760 | \$15,203 | \$15,659 | \$16,129 | \$16,613 | \$17,111 | \$17,625 |
| Marketing | \$803 | \$827 | \$852 | \$878 | \$904 | \$931 | \$959 | \$988 | \$1,017 | \$1,048 |
| On-Site Payroll | \$18,604 | \$19,162 | \$19,737 | \$20,329 | \$20,939 | \$21,567 | \$22,214 | \$22,881 | \$23,567 | \$24,274 |
| General & Admin | \$5,398 | \$5,560 | \$5,727 | \$5,899 | \$6,075 | \$6,258 | \$6,445 | \$6,639 | \$6,838 | \$7,043 |
| Management Fee | \$44,261 | \$46,534 | \$48,857 | \$51,236 | \$53,674 | \$56,179 | \$58,754 | \$61,406 | \$64,138 | \$66,957 |
| Contract Services | \$10,244 | \$10,552 | \$10,868 | \$11,194 | \$11,530 | \$11,876 | \$12,232 | \$12,599 | \$12,977 | \$13,366 |
| Turnover Costs* | \$10,800 | \$11,124 | \$11,458 | \$11,801 | \$12,155 | \$12,520 | \$12,896 | \$13,283 | \$13,681 | \$14,092 |
| CAPEX/Reserves | \$9,000 | \$9,270 | \$9,548 | \$9,835 | \$10,130 | \$10,433 | \$10,746 | \$11,069 | \$11,401 | \$11,743 |
| Total Expenses | \$298,879 | \$307,353 | \$316,033 | \$324,931 | \$334,054 | \$343,413 | \$353,018 | \$362,877 | \$373,001 | \$383,401 |
| Net Operating Income | \$586,339 | \$623,328 | \$661,109 | \$699,780 | \$739,434 | \$780,165 | \$822,068 | \$865,234 | \$909,758 | \$955,733 |

INCOME & EXPENSE NOTES

Pro forma rents represent all units at adjusted market rents. Market rents are underwritten using comparable market rents and assume that the buyer will continue to upgrade the units to market levels, with similar features, upgrades, and amenities as surrounding area properties.

Pro forma vacancy loss is underwritten at 3%, which is common for an asset located in this area. Loss-to-lease is underwritten as market rents, less the properties current rent roll.

Real estate taxes are calculated on proposed pricing at an ad valorem rate of 1.269098% on the full value of the land and improvements and \$6,544.98 for special assessments which was obtained from the LA County Tax Assessor's Office.

Pro forma insurance is underwritten as provided from historical operations.

Pro forma utilities is underwritten as provided from historical operations.

Pro forma repairs and maintenance expense is underwritten as provided from historical operations.

Pro forma marketing expense is underwritten as provided from historical operations.

Pro forma on-site payroll is underwritten as provided from historical operations.

Pro forma general and administrative expenses is underwritten as provided from historical operations.

Pro forma management fee is underwritten as provided from historical operations.

Pro forma pest control expense is underwritten as provided from historical operations and is rolled into contract services.

Pro forma turnover cost is underwritten at \$300 per unit.

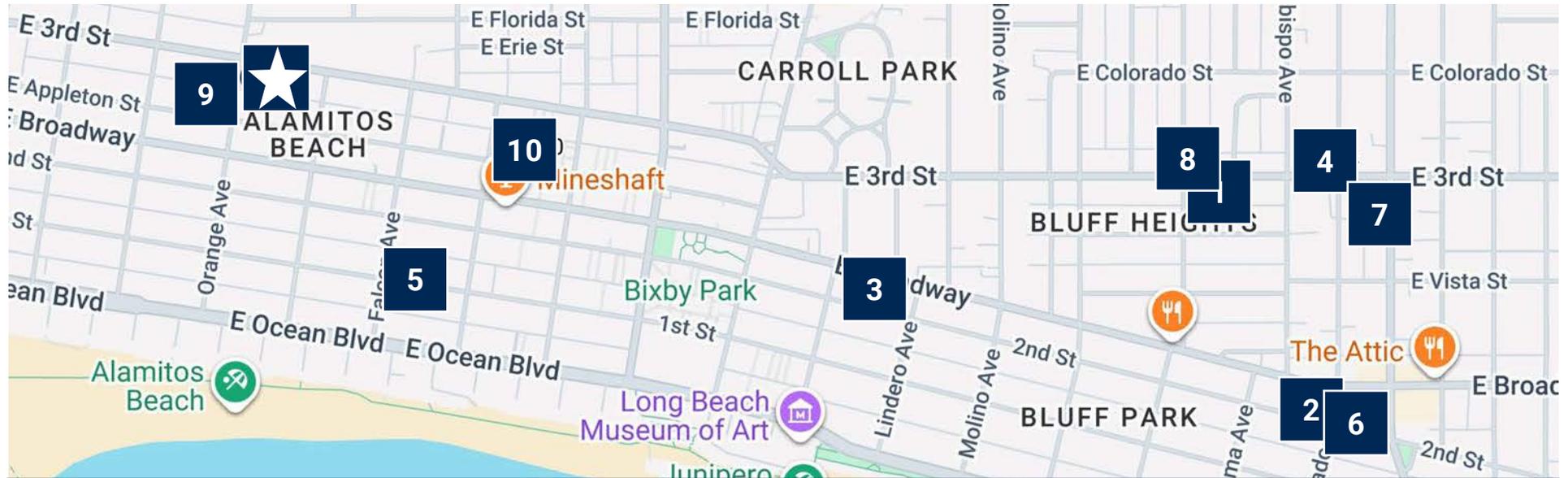
Pro forma replacements and reserves is underwritten at \$250 per unit, and represents industry standards for an asset of this size and age.



SALES COMPARABLES

Marcus & Millichap
THE BOGIE GROUP

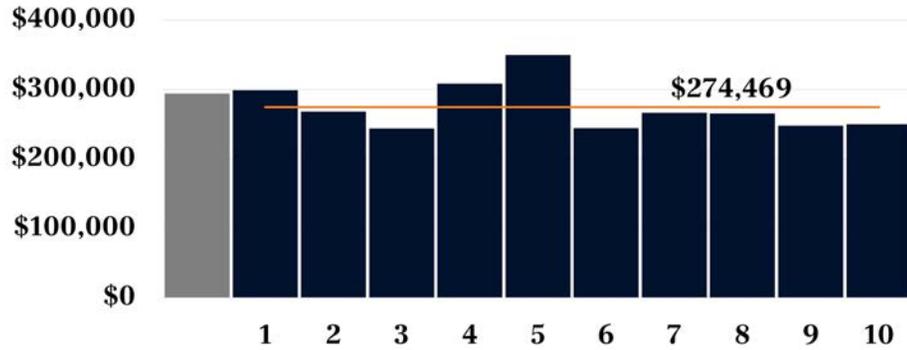
SALES COMPARABLES



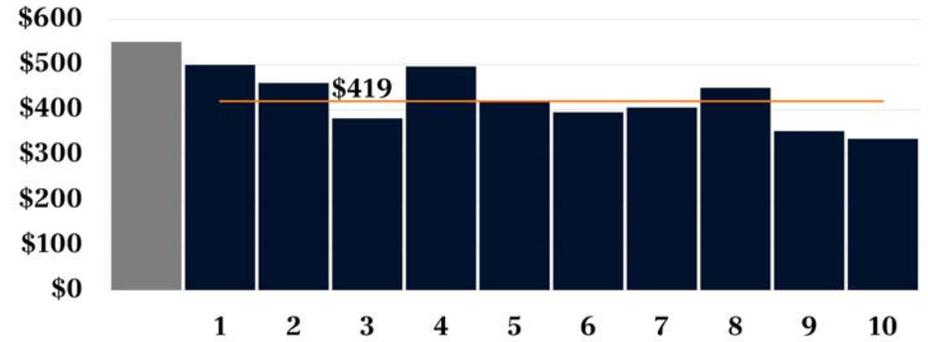
| NO. | ADDRESS | PRICE | UNITS | PRICE/UNIT | PRICE/SF | CAP RATE | GRM | SALE DATE |
|---------------------|-----------------------------|--------------|-------|------------|----------|----------|-------|------------|
| 1 | 3024 E 3rd St | \$4,483,500 | 15 | \$298,900 | \$499 | 5.75% | 12.33 | 12/31/2025 |
| 2 | 3231 E 2nd St | \$2,145,000 | 8 | \$268,125 | \$459 | -- | -- | 12/24/2025 |
| 3 | 2325 E 2nd St | \$2,685,000 | 11 | \$244,091 | \$381 | 5.80% | 11.96 | 3/6/2025 |
| 4 | 305 Coronado Ave | \$4,940,000 | 16 | \$308,750 | \$496 | 3.89% | 12.44 | 12/12/2025 |
| 5 | 1517 E 1st St | \$2,100,000 | 6 | \$350,000 | \$419 | 5.31% | 12.66 | 11/10/2025 |
| 6 | 3301 E 2nd St | \$2,200,000 | 9 | \$244,444 | \$394 | -- | -- | 10/31/2025 |
| 7 | 283 Redondo Ave | \$2,400,000 | 9 | \$266,667 | \$405 | 5.17% | 12.57 | 10/29/2025 |
| 8 | 3009 3rd St | \$1,860,000 | 7 | \$265,714 | \$448 | 5.00% | 12.50 | 10/29/2025 |
| 9 | 1135 E Appleton St | \$2,480,000 | 10 | \$248,000 | \$352 | -- | 11.67 | 8/13/2025 |
| 10 | 1721 E Appleton St | \$3,000,000 | 12 | \$250,000 | \$335 | 4.00% | 16.25 | 4/9/2025 |
| Comparables Average | | | | \$274,469 | \$419 | 4.99% | 12.80 | |
| Subject | 1212 & 1216 East 3Rd Street | \$10,595,000 | 36 | \$294,306 | \$550 | 5.16% | 12.41 | |

SALES COMPARABLES

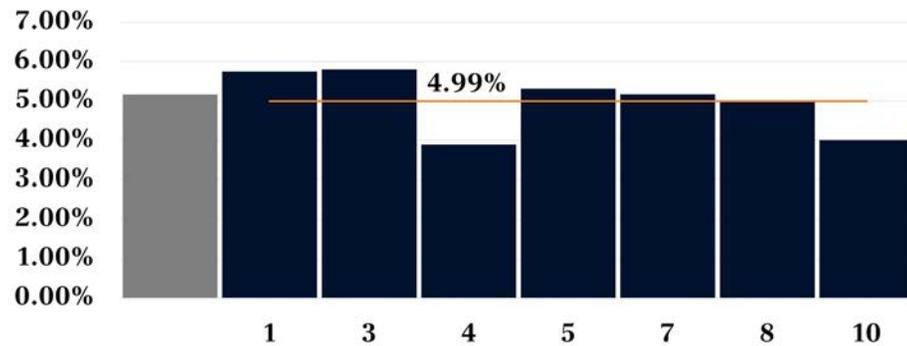
Price Per Unit



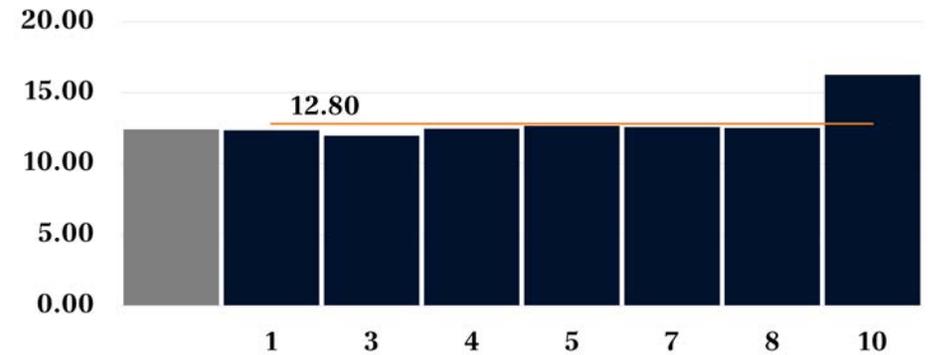
Price Per SF



Cap Rate



GRM



SALES COMPARABLES



3024 E 3rd St
Long Beach, CA 90814-6449

| | |
|------------|-------------|
| Sale Date | 12/31/2025 |
| Price | \$4,483,500 |
| Units | 15 |
| Price/Unit | \$298,900 |
| Price/SF | \$499.22 |
| Cap Rate | 5.75% |
| GRM | N/A |
| Year Built | 1957 |

| Unit Mix | |
|----------|-------------|
| 3 | Studio |
| 11 | One-Bedroom |
| 1 | Two-Bedroom |
| | |
| | |



3231 E 2nd St
Long Beach, CA 90803-5270

| | |
|------------|-------------|
| Sale Date | 12/24/2025 |
| Price | \$2,145,000 |
| Units | 8 |
| Price/Unit | \$268,125 |
| Price/SF | \$459.31 |
| Cap Rate | -- |
| GRM | N/A |
| Year Built | 1950 |

| Unit Mix | |
|----------|-------------|
| 8 | One-Bedroom |
| | |
| | |
| | |



2325 E 2nd St
Long Beach, CA 90803

| | |
|------------|-------------|
| Sale Date | 3/6/2025 |
| Price | \$2,685,000 |
| Units | 11 |
| Price/Unit | \$244,091 |
| Price/SF | \$380.74 |
| Cap Rate | 5.80% |
| GRM | 11.96 |
| Year Built | 1964 |

| Unit Mix | |
|----------|-------------|
| 2 | Studio |
| 8 | One-Bedroom |
| 1 | Two-Bedroom |
| | |
| | |

SALES COMPARABLES



**305 Coronado Ave
Long Beach, CA 90814**

| | |
|------------|-------------|
| Sale Date | 12/12/2025 |
| Price | \$4,940,000 |
| Units | 16 |
| Price/Unit | \$308,750 |
| Price/SF | \$496.08 |
| Cap Rate | 3.89% |
| GRM | 12.44 |
| Year Built | 1948 |

| Unit Mix | |
|----------|-------------|
| 8 | Studio |
| 8 | One-Bedroom |
| | |
| | |



**1517 E 1st St
Long Beach, CA 90802**

| | |
|------------|-------------|
| Sale Date | 11/10/2025 |
| Price | \$2,100,000 |
| Units | 6 |
| Price/Unit | \$350,000 |
| Price/SF | \$418.83 |
| Cap Rate | 5.31% |
| GRM | 12.66 |
| Year Built | 1914 |

| Unit Mix | |
|----------|-------------|
| 6 | One-Bedroom |
| | |
| | |



**3301 E 2nd St
Long Beach, CA 90803-5213**

| | |
|------------|-------------|
| Sale Date | 10/31/2025 |
| Price | \$2,200,000 |
| Units | 9 |
| Price/Unit | \$244,444 |
| Price/SF | \$394.12 |
| Cap Rate | -- |
| GRM | N/A |
| Year Built | 1952 |

| Unit Mix | |
|----------|-------------|
| 9 | One-Bedroom |
| | |
| | |

SALES COMPARABLES



**283 Redondo Ave
Long Beach, CA 90803**

| | |
|------------|-------------|
| Sale Date | 10/29/2025 |
| Price | \$2,400,000 |
| Units | 9 |
| Price/Unit | \$266,667 |
| Price/SF | \$404.86 |
| Cap Rate | 5.17% |
| GRM | N/A |
| Year Built | 1964 |

| Unit Mix | |
|----------|-------------|
| 1 | Studio |
| 6 | One-Bedroom |
| 2 | Two-Bedroom |
| | |
| | |



**3009 3rd St
Long Beach, CA 90814**

| | |
|------------|-------------|
| Sale Date | 10/29/2025 |
| Price | \$1,860,000 |
| Units | 7 |
| Price/Unit | \$265,714 |
| Price/SF | \$448.41 |
| Cap Rate | 5.00% |
| GRM | 12.50 |
| Year Built | 1950 |

| Unit Mix | |
|----------|-------------|
| 7 | One-Bedroom |
| | |
| | |
| | |



**1135 E Appleton St
Long Beach, CA 90802**

| | |
|------------|-------------|
| Sale Date | 8/13/2025 |
| Price | \$2,480,000 |
| Units | 10 |
| Price/Unit | \$248,000 |
| Price/SF | \$352.02 |
| Cap Rate | -- |
| GRM | 11.67 |
| Year Built | 1953 |

| Unit Mix | |
|----------|--------|
| 10 | Studio |
| | |
| | |
| | |

SALES COMPARABLES

10



**1721 E Appleton St
Long Beach, CA 90802**

| | |
|------------|-------------|
| Sale Date | 4/9/2025 |
| Price | \$3,000,000 |
| Units | 12 |
| Price/Unit | \$250,000 |
| Price/SF | \$335.35 |
| Cap Rate | 4.00% |
| GRM | -- |
| Year Built | 1957 |

Unit Mix

| | |
|----|-------------|
| 10 | One-Bedroom |
| 2 | Two-Bedroom |





RENT COMPARABLES

Marcus & Millichap
THE BOGIE GROUP

RENT COMPARABLES



| NO. | ADDRESS | UNIT TYPE | MONTHLY RENT |
|-----|------------------------|-------------|--------------|
| 1 | 2040 E Florida Street | Studio | \$1,900 |
| 2 | 1827 E 4th Street | Studio | \$2,095 |
| 3 | 1323 1st Street | Studio | \$2,100 |
| 4 | 1187 E 3rd Street | 1BR / 1BA | \$2,400 |
| 5 | 1028 E 3rd Street | 1BR / 1BA | \$2,295 |
| 6 | 1224 E 1st Street | 1BR / 1BA | \$2,250 |
| 7 | 1532 E 2nd Street | 1BR / 1BA | \$2,495 |
| 8 | 1401 E 3rd Street | 2BR / 2BA | \$2,695 |
| 9 | 1309 E Appleton Street | 2BR / 1.5BA | \$2,650 |
| 10 | 955 E 3rd Street | 2BR / 2BA | \$2,700 |



MARKET OVERVIEW

Marcus & Millichap
THE BOGIE GROUP

MARKET OVERVIEW

SOUTH BAY - LONG BEACH

The South Bay-Long Beach area of southwestern Los Angeles County contains 21 miles of coastline between Long Beach and El Segundo, and includes Los Angeles International Airport, the Port of Los Angeles and the Port of Long Beach. The region boasts a population of more than 1.3 million and is projected to add roughly 20,000 residents over the next five years. Less than half of the area's households own their home, generating a large rental market. Entering 2024, local apartment vacancy was 5.0 percent.



Population
1.3M

Growth 2023-2028*
1.8%



Median Age
39.5

U.S. Median
38.7



Households
489K

Growth 2023-2028*
2.1%



Median HH Income
\$87,900

U.S. Median
\$68,500

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

Metro Highlights

- **Port Activity:** The Port of Los Angeles in San Pedro and the adjacent Port of Long Beach are the nation's busiest ports, underpinning employment in the transportation and warehousing sector.
- **Educated Labor Pool:** Educational attainment supports business services and health care-related hiring. The number of residents ages 25 and older with a bachelor's degree exceeds the U.S. mean.
- **Los Angeles International Airport:** The Inglewood-adjacent LAX Airport is undergoing a \$15 billion modernization program to improve operations and capacity. While some upgrades are already complete, the full project is expected to extend to 2030.

Economy Highlights

- Torrance and Hawthorne in the South Bay are hubs for the aerospace and defense technology industries, highlighted by the presence of Boeing, SpaceX, Honeywell Aerospace and Raytheon.
- A number of corporate headquarters are located in the area. Significant operations are held by American Honda Motor Co. in Torrance and Mattel in El Segundo, while auto parts manufacturer United Pacific and Molina Healthcare call Long Beach home. Several other Fortune 500 firms are based in the area — A-Mark Precious Metals in El Segundo and Skechers USA in Manhattan Beach.
- Major universities in the area include Long Beach State University and California State University, Dominguez Hills in Carson, which have a combined enrollment of more than 50,000 students.

LOCAL DEMOGRAPHICS

| POPULATION | 1 Mile | 3 Miles | 5 Miles |
|------------------------------------|---------------|----------------|----------------|
| 2030 Projection | | | |
| Total Population | 65,742 | 236,667 | 379,111 |
| 2025 Estimate | | | |
| Total Population | 64,774 | 234,510 | 375,491 |
| 2020 Census | | | |
| Total Population | 64,925 | 239,414 | 383,170 |
| 2010 Census | | | |
| Total Population | 65,477 | 241,256 | 380,589 |
| Daytime Population | | | |
| 2025 Estimate | 42,775 | 211,583 | 389,978 |
| HOUSEHOLDS | | | |
| | 1 Mile | 3 Miles | 5 Miles |
| 2030 Projection | | | |
| Total Households | 30,697 | 100,782 | 154,692 |
| 2025 Estimate | | | |
| Total Households | 29,915 | 99,022 | 152,297 |
| Average (Mean) Household Size | 2.2 | 2.5 | 2.5 |
| 2020 Census | | | |
| Total Households | 28,435 | 95,715 | 147,824 |
| 2010 Census | | | |
| Total Households | 26,983 | 90,947 | 141,965 |
| Growth 2025-2030 | 2.6% | 1.8% | 1.6% |
| HOUSING UNITS | | | |
| | 1 Mile | 3 Miles | 5 Miles |
| Occupied Units | | | |
| 2030 Projection | 33,283 | 107,600 | 163,945 |
| 2025 Estimate | 32,415 | 105,664 | 161,339 |
| Owner Occupied | 6,025 | 25,208 | 58,639 |
| Renter Occupied | 23,887 | 73,853 | 93,691 |
| Vacant | 2,499 | 6,642 | 9,042 |
| Persons in Units | | | |
| 2025 Estimate Total Occupied Units | 29,915 | 99,022 | 152,297 |
| 1 Person Units | 45.1% | 37.8% | 34.5% |
| 2 Person Units | 29.9% | 29.7% | 30.2% |
| 3 Person Units | 10.5% | 12.9% | 13.7% |
| 4 Person Units | 7.7% | 10.3% | 11.5% |
| 5 Person Units | 3.7% | 5.2% | 5.7% |
| 6+ Person Units | 3.0% | 4.1% | 4.3% |

| HOUSEHOLDS BY INCOME | 1 Mile | 3 Miles | 5 Miles |
|--|---------------|----------------|----------------|
| 2025 Estimate | | | |
| \$200,000 or More | 7.7% | 9.9% | 13.7% |
| \$150,000-\$199,999 | 7.4% | 7.8% | 9.5% |
| \$100,000-\$149,999 | 16.9% | 18.1% | 18.5% |
| \$75,000-\$99,999 | 13.8% | 13.3% | 12.9% |
| \$50,000-\$74,999 | 18.1% | 16.8% | 15.3% |
| \$35,000-\$49,999 | 11.3% | 10.3% | 9.0% |
| \$25,000-\$34,999 | 7.2% | 7.1% | 6.3% |
| \$15,000-\$24,999 | 7.3% | 6.8% | 6.0% |
| Under \$15,000 | 10.5% | 9.9% | 8.7% |
| Average Household Income | \$86,204 | \$95,637 | \$109,956 |
| Median Household Income | \$67,675 | \$76,454 | \$88,552 |
| Per Capita Income | \$43,045 | \$42,299 | \$46,053 |
| POPULATION PROFILE | | | |
| | 1 Mile | 3 Miles | 5 Miles |
| Population By Age | | | |
| 2025 Estimate Total Population | 64,774 | 234,510 | 375,491 |
| Under 20 | 18.7% | 21.6% | 21.6% |
| 20 to 34 Years | 29.6% | 27.1% | 23.5% |
| 35 to 39 Years | 9.3% | 8.7% | 7.8% |
| 40 to 49 Years | 13.7% | 13.3% | 13.0% |
| 50 to 64 Years | 18.1% | 17.9% | 19.0% |
| Age 65+ | 10.6% | 11.5% | 15.0% |
| Median Age | 38.0 | 37.0 | 39.0 |
| Population 25+ by Education Level | | | |
| 2025 Estimate Population Age 25+ | 48,639 | 167,806 | 270,165 |
| Elementary (0-8) | 11.6% | 13.6% | 10.9% |
| Some High School (9-11) | 7.8% | 7.3% | 6.5% |
| High School Graduate (12) | 15.3% | 15.9% | 16.5% |
| Some College (13-15) | 21.7% | 22.1% | 21.6% |
| Associate Degree Only | 5.7% | 6.1% | 6.8% |
| Bachelor's Degree Only | 24.9% | 22.9% | 23.8% |
| Graduate Degree | 12.9% | 12.2% | 13.9% |
| Population by Gender | | | |
| 2025 Estimate Total Population | 64,774 | 234,510 | 375,491 |
| Male Population | 50.7% | 50.0% | 49.7% |
| Female Population | 49.3% | 50.0% | 50.3% |

INVESTMENT FORECAST

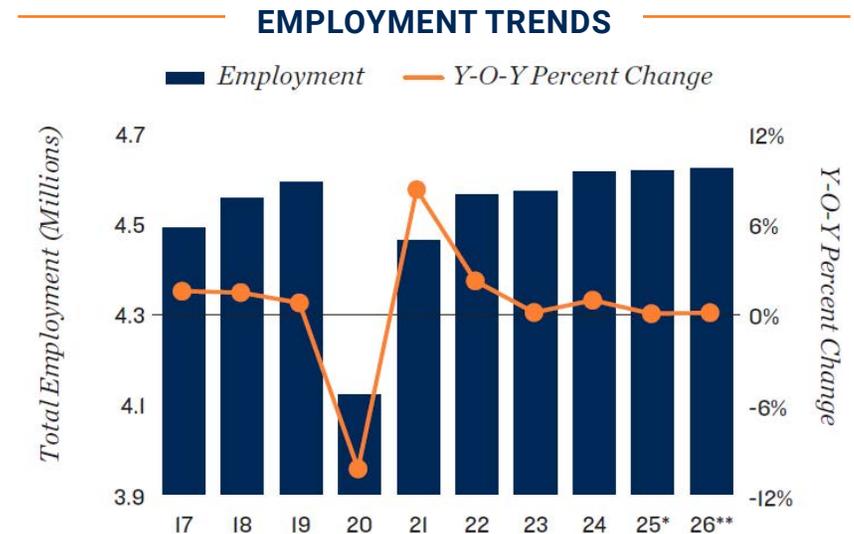
LOS ANGELES METRO 2026

Rental Demand Proves Steadfast, but Metro Faces Heightened Exposure to Broader Headwinds

Emerging and longstanding tailwinds limit the impact of near-term hurdles. After two years of moderate vacancy compression, Los Angeles' rental market will face several challenges in 2026 that could alter the trajectory of local demand. Home to the nation's fourth-largest immigrant population — more than 4 million people as of 2023 — the market will continue to be acutely affected by stricter immigration policies, which reduced the number of individuals arriving to the U.S. legally last year. The ongoing decline in local film- and entertainment-related jobs may also affect the metro's renter pool. Over the past three years, the number of Los Angelenos employed in the motion picture industry has declined by at least 40,000. Fortunately, the market will face limited supply pressure in 2026, as approximately 6,200 units are slated for delivery — the lowest total since 2015. This, along with the metro's longstanding barriers to homeownership, will counter the headwinds affecting the renter pool, keeping the metro in a low-vacancy state over the near term.

Private investor interest apparent. Los Angeles tallied the most transactions among major markets last year, with sub-\$5 million sales accounting for nearly 90 percent of deal flow. Home to below-average rent and Class C vacancy in the 3 percent to 4 percent range, Greater Inglewood, Long Beach, and other parts of South Bay should continue to attract upside-seeking buyers targeting assets that command similar capital infusions. Exhibiting comparable fundamentals, the San Gabriel and San Fernando valleys will represent additional centers of Class C trading in 2026, with investors often acquiring assets via 1031

exchange. In Los Angeles proper, investor demand for these assets will be impacted by recent changes to the city's rent stabilization ordinance, which now caps rent increases for apartments built before 1978 at 4 percent or 90 percent of CPI.



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

2026 Market Forecast



+0.1%
employment
increase

EMPLOYMENT

Aided by healthcare hiring, Los Angeles registers a second straight year of modest job creation that translates to the addition of 6,000 positions.



6,200
units
will be completed

CONSTRUCTION

For the fifth consecutive year, local apartment inventory expands by less than 1 percent. Deliveries in Los Angeles proper account for nearly half the units added metrowide.



10
basis point
increase in vacancy

VACANCY

Supply and demand remain aligned despite the metro's exposure to several significant headwinds. As such, vacancy dips slightly to 4.3 percent — on par with the market's long-term average.

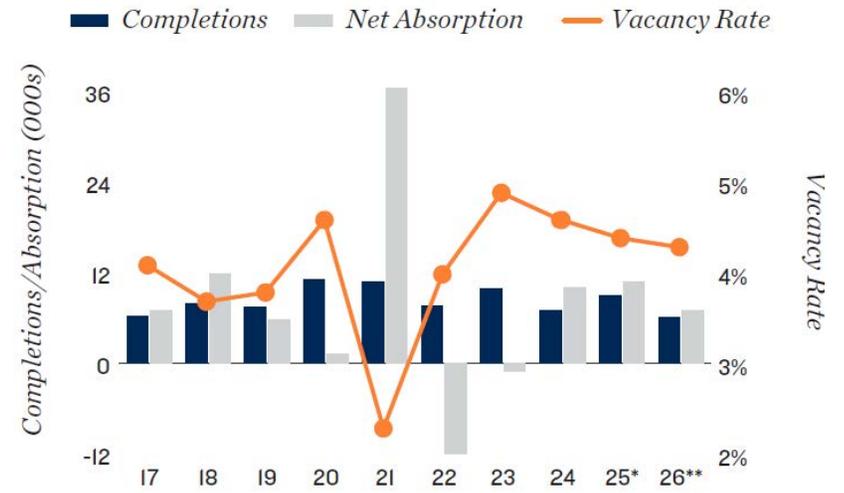


1.7%
increase in
effective rent

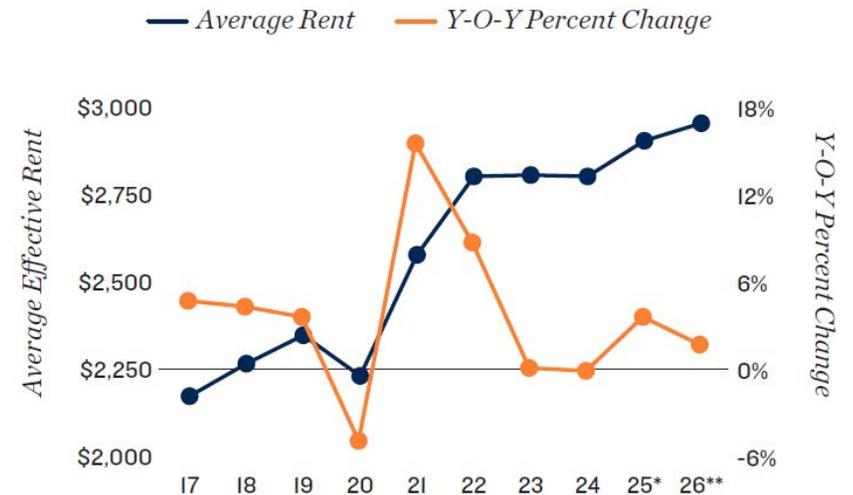
RENT

Four-year-low vacancy, fueled partially by encouraging renewal activity, supports moderate rent growth in 2026. The metro's average effective rate ends this year at \$2,950 per month.

SUPPLY & DEMAND



RENT TRENDS



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

EXCLUSIVELY LISTED BY

Marcus & Millichap

Steve Bogoyevac

(562) 257-1231

Executive Managing Director

Lic: CA 01332755

SBogoyevac@MarcusMillichap.com

