

# 3065 2ND STREET & 3064 E BROADWAY

LONG BEACH, CA 90803



**OFFERING  
MEMORANDUM**

**PREPARED BY:**

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# EXECUTIVE SUMMARY /

3065 E 2nd Street is a 5 unit apartment building located in Long Beach, California. Constructed in 1968, the subject property contains 6,050 rentable square feet which is located on a 6,746 square foot lot. The building consists of two (2) 2 bed + 1 bath units, (2) two 2 bed + 1.5 bath units, and one (1) 4 bed + 2 bath units, while also providing private garages.

The subject property is located in the Bluff Park neighborhood in Long Beach, California. Its prime location is on a major thoroughfare in Broadway and 2nd Street, and two blocks West of Redondo Avenue which provides easy access to the property from all areas of Long Beach. With a remarkable walk score of 90, the property is conveniently located within walking distance of many popular amenities, making it an ideal location for those who value accessibility and convenience.

The area is also conveniently located to some very popular parks including Bixby Park and Bluff Park. These parks offer a wide range of recreational activities, such as picnicking, biking, walking, music events, and farmers markets. For those who enjoy spending time by the water, the property is located within a short stroll from the beach. Overall, the location of 3065 E 2nd Street offers a unique blend of convenience, accessibility, entertainment, and recreational opportunities.

The property offers economically friendly units that are perfect for the working-class individuals that value being centrally located to all business sectors of Downtown Long Beach, Alamitos Beach, and Downtown Los Angeles. The building also offers four bedroom units which attracts families or groups of professionals who are willing to pay a premium for the extra space and privacy. Families and individuals seeking larger spaces often have a need for stability and may be more inclined to stay for longer periods. This can reduce turnover and associated costs such as advertising, cleaning, and repairs. Long Beach has provided a historically strong tenant occupancy, which makes filling vacancies effortless. The City of Long Beach attracts a diverse population of tenants due to its strong growing economy, plethora of music festivals, cultural celebrations, and sporting events.

The property offers a strong unit mix that includes both 2 bedroom and 4 bedroom units, This balance of unit types provides a wider range of options for prospective tenants, allowing the property to appeal to a broader pool of renters. The central location of the property in Long Beach further adds to its appeal, providing tenants with convenient access to various amenities and attractions. In the case of 3065 E 2nd Street, the property offers private garages for parking and storage, which can be a significant selling point for tenants. The location of the property, in an area where parking is a rarity, further adds to the value of the private garages. Tenants may be willing to pay a premium for the convenience and security of private parking and storage, which can help to increase the profitability of the property.

The property is well-maintained and managed, with a focus on providing a comfortable and welcoming environment for residents. The location of the property in the vibrant city of Long Beach ensures that residents have easy access to a wide range of amenities, including dining, shopping, entertainment, and recreational opportunities. Overall, the combination of a well-maintained property, a balanced unit mix, additional parking, and a central location make 3065 E 2nd Street an attractive investment opportunity for those looking to invest in a multi-family property in Long Beach, California.

## HIGHLIGHTS

- Strong Unit Mix
- Highly Sought After Unit Type
- Additional Income (Garages)
- Desirable Location (Walking Distance to the Beach)
- Corner Lot



**PRICE**

\$2,875,000



**CAP RATE**

3.16%



**PRICE/SF**

\$475.21



**PRICE/UNIT**

\$575,000

# ADDITIONAL PHOTOS /



LONG BEACH  
CONVENTION CENTER

BEN FRANKLIN  
MIDDLE SCHOOL

SHORELINE  
VILLAGE

LONG BEACH  
CITY HALL



LONG BEACH  
MUSEUM OF ART

LA-PAROLACCIA  
OSTERIA ITALIANA



2ND STREET

E BROADWAY





LONG BEACH  
AIRPORT

TRAFFIC CIRCLE  
AREA



ROSE PARK  
ROASTERS

LONG BEACH  
DMV



E BROADWAY



# SALE COMPARABLES /

1 3656 E 2ND ST  
LONG BEACH



**\$2,200,000**

PRICE/SF	\$301.04
#/UNITS	8
CAP	3.76
GRM	16.37
BLDG (SF)	7,308
LOT (SF)	7,497
\$/UNIT	\$275,000
CLOSED	2024-05-10
YEAR BUILT	1925

Woodframe/Stucco

**UNIT TYPE: COUNT:**

1+1	8
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2 3819 E 2ND ST  
LONG BEACH



**\$4,715,000**

PRICE/SF	\$333.22
#/UNITS	12
CAP	5.46
GRM	11.87
BLDG (SF)	14,150
LOT (SF)	7,327
\$/UNIT	\$392,917
CLOSED	2024-02-20
YEAR BUILT	1969

Private Garage

**UNIT TYPE: COUNT:**

1+1	4
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2+1	7
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3+2	1
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3 222 GRAND AVE  
LONG BEACH



**\$2,325,000**

PRICE/SF	\$394.07
#/UNITS	6
CAP	4.68
GRM	14.35
BLDG (SF)	5,900
LOT (SF)	6,490
\$/UNIT	\$387,500
CLOSED	2024-03-19
YEAR BUILT	1928

Woodframe/Stucco

**UNIT TYPE: COUNT:**

2+1	6
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4 1026-1040 E BROADWAY  
LONG BEACH



**\$3,050,000**

PRICE/SF	\$416.95
#/UNITS	9
CAP	5.24
GRM	12.55
BLDG (SF)	7,315
LOT (SF)	7,314
\$/UNIT	\$338,889
CLOSED	2024-05-21
YEAR BUILT	1921

Woodframe/Stucco

**UNIT TYPE: COUNT:**

1+1	9
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# UNIT MIX SUMMARY / INCOME & EXPENSES

UNIT TYPE	COUNT	RENT	MARKET RENT
2+1	1	\$1,943	\$3,300
2+1.5 (vacant)	1	\$2,650	\$3,600
2+1.5	1	\$1,969	\$3,600
2+1 (vacant)	1	\$3,300	\$3,300
4+2	1	\$2,730	\$5,000
<b>TOTALS/AVERAGES</b>	<b>5</b>	<b>\$12,591</b>	<b>\$18,800</b>

INCOME SUMMARY	CURRENT	MARKET
Vacancy Cost	(\$4,875)	(\$7,020)
<b>GROSS INCOME</b>	<b>\$157,620</b>	<b>\$226,980</b>

EXPENSES SUMMARY	CURRENT	MARKET
Property Tax	\$34,187	\$34,187
Insurance	\$2,752	\$2,752
Electric	\$1,350	\$1,350
Water & Trash	\$2,800	\$2,800
Property Management	\$9,750	\$9,750
Maintenance & Repairs	\$8,000	\$8,000
Miscellaneous	\$2,500	\$2,500
Reserves	\$2,000	\$2,000
Gardener	\$1,200	\$1,200
Pest Control	\$1,200	\$1,200
Business License	\$950	\$950
<b>OPERATING EXPENSES</b>	<b>\$66,689</b>	<b>\$66,689</b>

<b>NET OPERATING INCOME</b>	<b>\$90,931</b>	<b>\$160,291</b>
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# FINANCIAL SUMMARY

<b>OVERVIEW</b>	<b>CURRENT</b>	<b>MARKET</b>
<b>Price</b>	\$2,875,000	\$2,875,000
<b>Price per Unit</b>	\$575,000	\$575,000
<b>GRM</b>	17.7	12.3
<b>CAP Rate</b>	3.16%	5.58%
<b>Cash-on-Cash Return (yr 1)</b>	0.82 %	4.57 %
<b>Total Return (yr 1)</b>	\$27,208	\$96,568
<b>Debt Coverage Ratio</b>	1.2	2.12
<b>OPERATING DATA</b>		
<b>Gross Scheduled Income</b>	\$162,495	\$234,000
<b>Other Income</b>	-	\$700
<b>Total Scheduled Income</b>	\$162,495	\$234,700
<b>Vacancy Cost</b>	\$4,874	\$7,020
<b>Gross Income</b>	\$157,620	\$226,980
<b>Operating Expenses</b>	\$66,689	\$66,689
<b>Net Operating Income</b>	\$90,931	\$160,291
<b>Pre-Tax Cash Flow</b>	\$15,198	\$84,558
<b>FINANCING DATA</b>		
<b>Down Payment</b>	\$1,850,000	\$1,850,000
<b>Loan Amount</b>	\$1,025,000	\$1,025,000
<b>Debt Service</b>	\$75,733	\$75,733
<b>Debt Service Monthly</b>	\$6,311	\$6,311
<b>Principal Reduction (yr 1)</b>	\$12,010	\$12,010



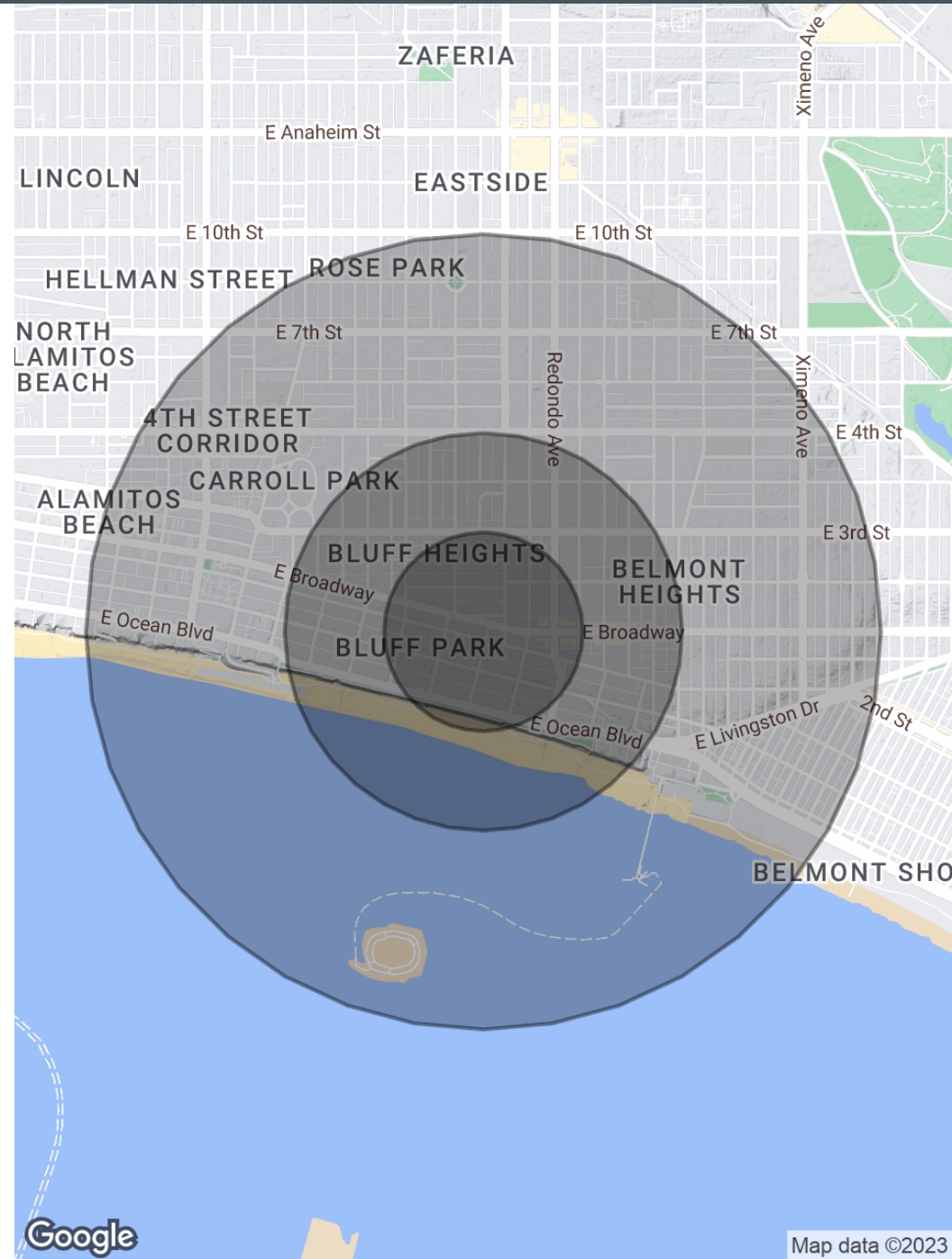
# DEMOGRAPHICS MAP & REPORT /

POPULATION	0.25 MILES	0.5 MILES	1 MILE
Total Population	2,701	9,935	37,100
Average Age	40.3	40.1	38.0
Average Age (Male)	42.7	41.0	38.0
Average Age (Female)	39.3	40.1	38.0

HOUSEHOLDS & INCOME	0.25 MILES	0.5 MILES	1 MILE
Total Households	1,591	5,588	19,956
# of Persons per HH	1.7	1.8	1.9
Average HH Income	\$97,868	\$91,867	\$86,911
Average House Value	\$799,355	\$707,394	\$685,545

\* Demographic data derived from 2020 ACS - US Census



# MEET YOUR AGENT /



## SPENCER ALLEN

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Spencer is a young professional who was born and raised in the City of Long Beach. He attended Wilson High School and graduated in 2016. After high school, Spencer went on to attend the University of Redlands, where he earned a Bachelor's degree in Sustainable Business with a minor in Geographic Information Systems (GIS) in 2020.

Given Spencer's prior experience in property management in both commercial and residential real estate, he decided to specialize in multi-family real estate which he believes to be a natural fit for him. He focuses on creating a win-win management style for both owners and tenants which means he ensures that both parties benefit from his services. Spencer's clients benefit from his expertise in supplying them with up-to-date hyper-localized information and market trends. This makes him an invaluable partner to his clients since he is always up-to-date on the latest developments in the real estate market. Overall, Spencer's combination of local knowledge, expertise in sustainable business and GIS, and experience in property management make him a well-rounded and valuable asset to anyone looking to buy, sell, or manage properties in Long Beach.

In addition to his work in real estate, Spencer is an avid waterman; involved in lifeguarding, paddle events, swim races, and water polo his whole life. Since 2016, he has been a lifeguard on the shores of Long Beach, helping to keep beach goers safe and saving lives when necessary. During his high school years, Spencer played water polo for Long Beach Wilson High School where he was highly successful. He received numerous awards and honors including Moors League Player of the Year, Long Beach Century Club Athlete of the Year, All-CIF, and All-American Honors.

Spencer continued his water polo career at the University of Redlands where he played for all four years, receiving All-Conference and All-American honors. His passion for the sport led him to become a water polo coach at Wilson High School and assist with other swim programs in the community. Spencer is also one of the key organizers of the "Crossing for KJ" organization. This annual event is held in honor of his high school teammate and fellow lifeguard who tragically passed away. Participants in the event, including Spencer, paddle board from Catalina Island to Long Beach, raising money and awareness for important causes. Although the organization has only been around for a short period of time, Spencer has crossed the channel from Catalina to Long Beach 3 times by paddle board and anticipates to do it every year until he can physically no longer do it.

Spencer's involvement in lifeguarding and the aquatic community highlights his dedication to his community and his passion for helping others. His leadership and organizational skills, honed through his involvement in aquatic sports and community events, make him an excellent partner for anyone looking to buy or sell property in the Long Beach area.