

227 Lime Ave, Long Beach

\$1,800,000 | 11 Units | 9.5 GRM | 6.8% Cap Rate



OFFERING MEMORANDUM PRESENTED BY:

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INVESTMENT HIGHLIGHTS

- Low maintenance, 40's build 10-unit with one non-conforming 11th unit
- Excellent East Village Arts District location with close proximity to Downtown Long Beach amenities
- Moderate upside in rents
- Priced to sell with high in-place cash flow at close with actual rents at 9.52X gross and a 6.8% cap rate

AREA OVERVIEW

- Convenient location in the East Village Arts District of Downtown Long Beach
- Close proximity to grocery stores, restaurants, cafes, and shops
- Over 60% of households within 5 miles are renters with an average household income of over \$100,000 (CoStar)
- Walk Score 97/100



INVESTMENT SUMMARY

INVESTMENT PURCHASE, CONVENTIONAL FINANCING

GENERAL INFORMATION

Price	\$1,800,000
Year Built	1923
Units	10
Building Sq. Ft	3,424
Lot Sq. Ft	3,750
Price / Sq. Ft	\$526
Price / Lot Sq. Ft	\$480
Price / Unit	\$163,636
Current GRM	9.52
@ Market GRM	8.22
Current Cap Rate	6.8%
@ Market Cap Rate	8.3%

Income	Current	Pro Forma
Gross Scheduled Rents	\$189,095	\$218,940
Annual Laundry Income	-	-
Less Vacancy @ 5%	(\$9,455)	(\$10,947)
Effective Gross Income	\$179,640	\$207,993
Expenses	Actual	Market
Taxes	\$22,500	\$22,500
Insurance	\$5,300	\$5,300
Repairs and Maintenance	\$8,982	\$8,982
Property Management	\$8,982	\$10,400
Utilities	\$6,616	\$6,616
Pest Control	\$1,130	\$1,130
Gardening and Cleaning	\$3,390	\$3,390
City licensing and permits	\$675	\$675
Total Expenses	\$57,575	\$58,993
Net Operating Income	\$122,065	\$149,000

PROPOSED FINANCING

Loan Amount (65%)	\$1,177,000
Down Pmt (35%)	\$623,000
Rate (%)	6.15%
Amortization (years)	30
Payment (monthly)	(\$6,032)
Debt Cov. Ratio	1.69



RENT ROLL



# of Units	TYPE	ACTUAL RENT	MARKET RENT
1	1BD/1BA	\$1,495	\$1,695
1	Studio	\$1,350	\$1,695
1	1BD/1BA	\$1,495	\$1,695
1	Studio	\$1,295	\$1,695
1	Studio	\$1,495	\$1,695
1	Studio	\$1,395	\$1,695
1	1BD/1BA	\$1,450	\$1,695
1	1BD/1BA	\$1,495	\$1,695
1	1BD/1BA	\$1,495*	\$1,495*
1	1BD/1BA	\$1,243	\$1,695
1	1BD/1BA	\$1,495	\$1,695
TOTAL		\$16,703	\$20,845

*Vacant Unit

PROPERTY PHOTOS



PROPERTY PHOTOS



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