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REDONDO AVENUE
1355
LONG BEACH | CA



OFFERING MEMORANDUM

DATE: DECEMBER 2018

Although all information is furnished regarding for sale, rental or financing is from sources deemed reliable, such information has not been verified and no express representation is made nor is any to be implied as to the accuracy thereof, and it is submitted subject to errors, omissions, changes of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. D/AQ Corp. # 01129558

DAUM
COMMERCIAL REAL ESTATE SERVICES

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LONG BEACH | CA

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REDONDO AVENUE
LONG BEACH | CALIFORNIA

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OVERVIEW

DAUM Commercial is pleased to exclusively offer a rare opportunity to acquire a 100% leased \pm 7,210 Square Foot office multi-tenant building located in Long Beach, California which continues to be one of the most supply constrained markets in the U.S. This property is in the central redevelopment area and there are several future development possibilities. The 405 Freeway and the 710 Freeway are both accessible from this location.

INVESTMENT SUMMARY

- 100% leased, below market rents with value enhancement opportunities
- Diverse, stable tenant mix with minimal capital required to maintain occupancy
- Centrally located between South Bay and North Orange County
- Purchase Price: \$1,795,000 (\$248.96 Per Square Foot)



WANTED
Eagle Theater Guide
Call Steve
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OFFICE BUILDING
FOR LEASE
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FREE STANDING BUILDING | APN: 7259-009-028

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REDONDO AVENUE
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± 7,210 SF
BUILDING SIZE



± 0.29 ACRES
LOT SIZE



OFFICE
BUILDING TYPE



± 26
PARKING SPACES

1355

REDONDO AVENUE
LONG BEACH | CALIFORNIA



PROPERTY DETAILS

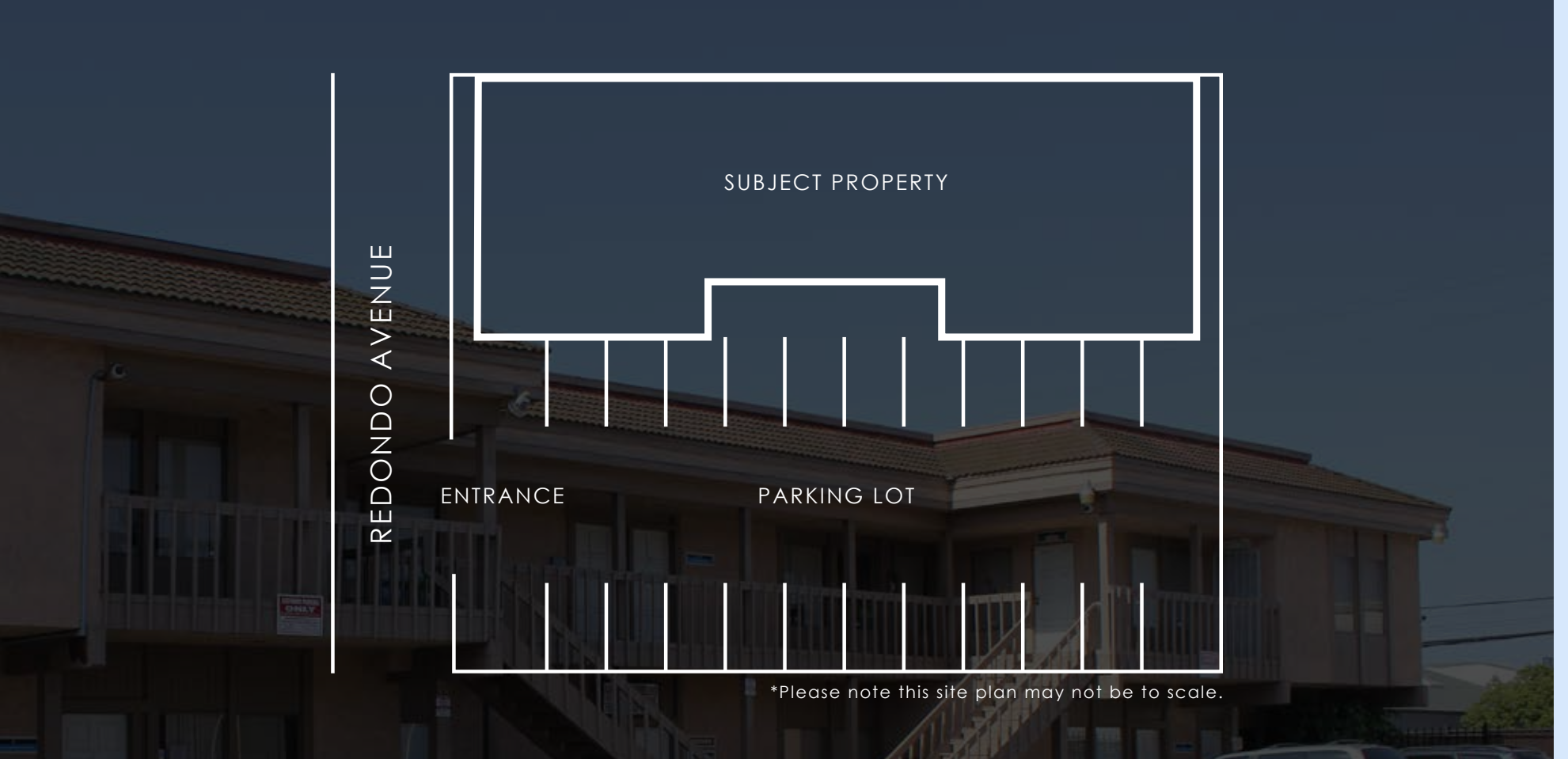
This property is in the central redevelopment area and there are several future development possibilities. Located in approved Medical Marijuana Zone. Buyer to independently verify details with the City of Long Beach. Seller makes no representation or warranties regarding allowed uses. The project is located in Southern Long Beach, south of the I-405 freeway, north of downtown Long Beach, east of the I-710 freeway and west of Redondo Boulevard.



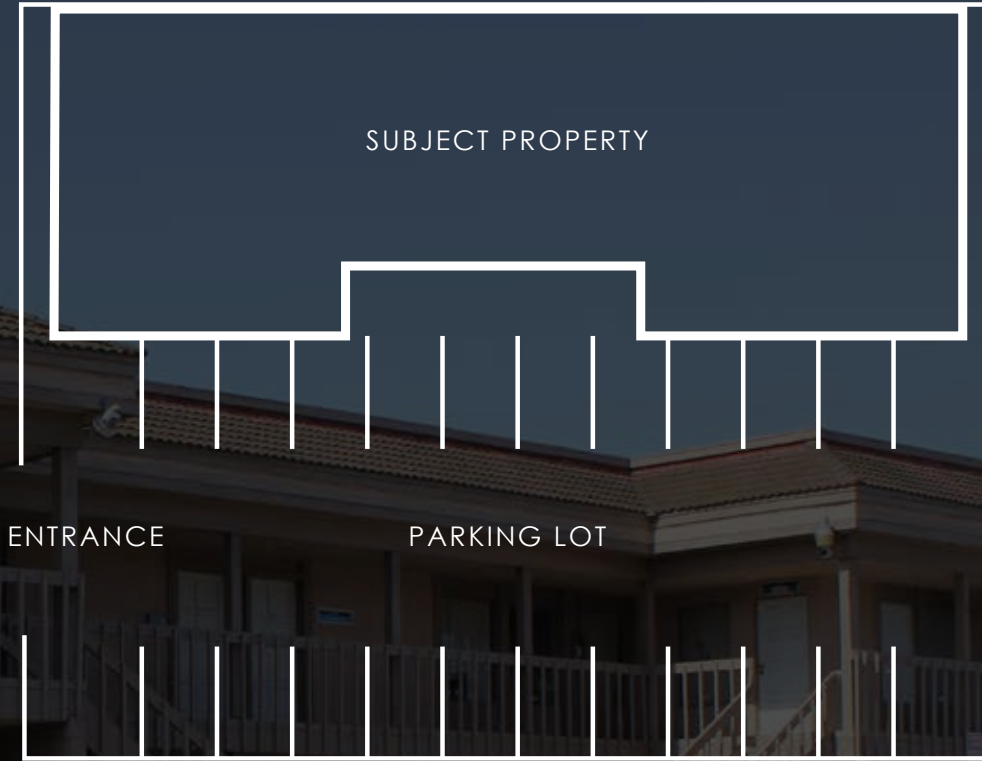
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REDONDO AVENUE | LB | CA

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REDONDO AVENUE

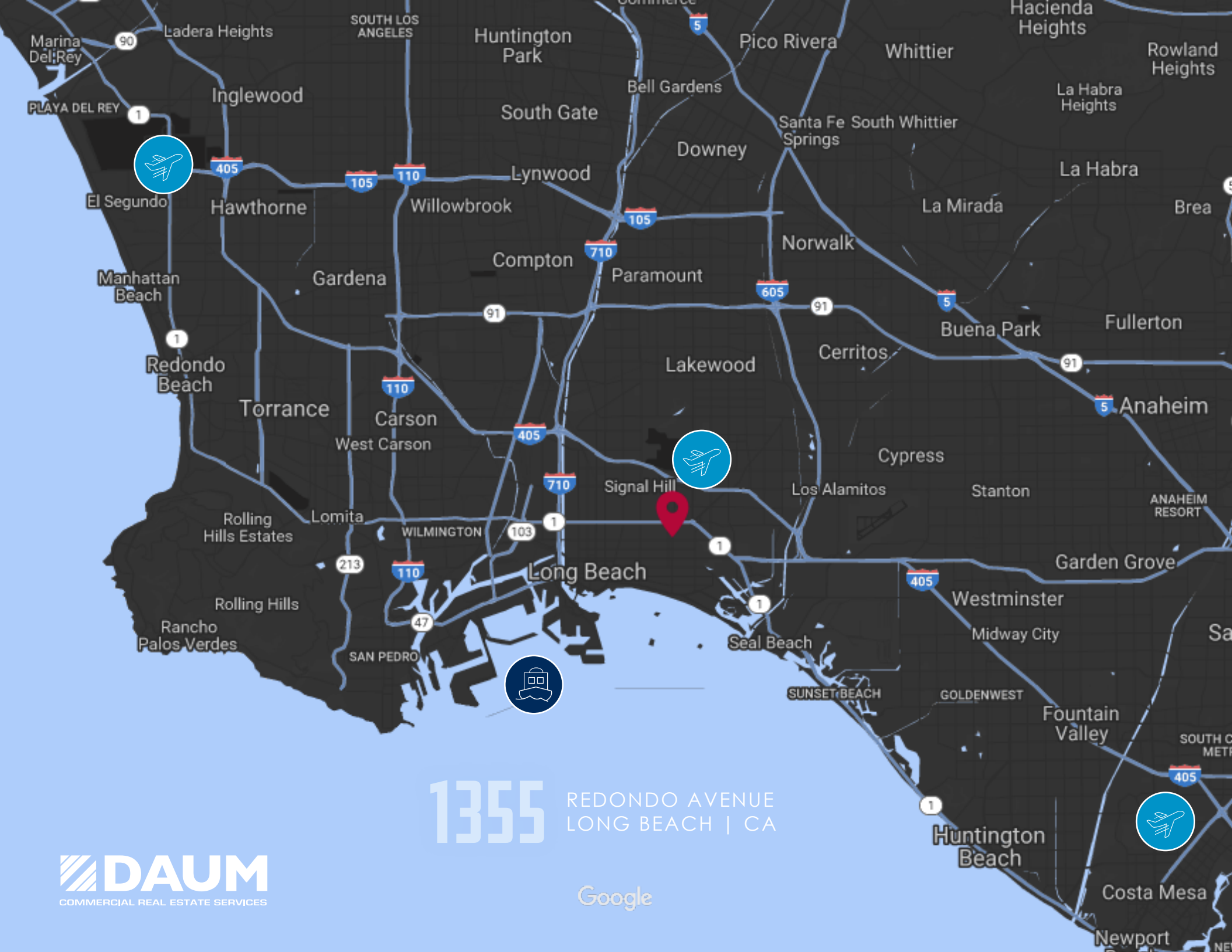


*Please note this site plan may not be to scale.

LOCATION MAP WITH AMENITIES

*MAP COURTESY OF ZAFERIA.COM





1355 REDONDO AVENUE
LONG BEACH | CA

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REDONDO AVENUE | LB | CA

POPULATION:
2018-2023

POP. GROWTH:
2018-2023



1 MILE RADIUS
60,386  **1 MILE RADIUS**
1.6%




3 MILE RADIUS
283,692  **3 MILE RADIUS**
1.8%

Long Beach-Daugherty Field Airport
10 min 3.9 mi



John Wayne Airport
25 min 21.3 mi

Los Angeles International Airport
29 min 22.5 mi

MARKET CONDITIONS

Vacancy Rates	Current	YOY Change	
Current Building	0.0%		0.0%
Submarket 1-3 Star	4.7%		-0.3%
Market Overall	10.6%		0.1%

Same Store Asking Rent Per SF

Submarket 1-3 Star	\$2.31		4.3%
Market Overall	\$3.18		2.9%

Submarket Leasing Activity

12 Mo. Leased SF	361, 771		26.9%
Months on Market	8.7		3.8 mo

Submarket Sales Activity

	Current	Prev Year
12 Mo. Sales Volume (Mil.)	\$103.4	\$80.2
12 Mo. Price Per SF	\$179	\$227

Demographics	1 Mile	3 Miles
Households	22,684	108,780
Average Age	34.60	36.40
Median HH Income	\$50,874	\$54,485
Daytime Employees	13,888	125,256
Household Growth 2018-2023	 1.5%	 1.8%

Traffic Count

Collection St.	Cross Street	Traffic Vol.	Year	Distance
N. Redondo Ave.	E 15th St S	27,200	2017	0.17 miles
E. Anaheim Street	N. Loma Ave.	28,200	2017	0.18 miles
E. Anaheim Street	Freeman Ave. E.	28,200	2017	0.21 miles
E. 10th Street	N. Obispo Ave. E.	11,100	2017	0.36 miles
Temple Ave.	E. Spaulding St. N.	5,900	2017	0.38 miles

WORLD PORTS OF LONG BEACH & LOS ANGELES



LONG BEACH: SUBURBAN SUMMARY

While vacancies are above double digits in Downtown Long Beach, the picture has greater potential in Suburban Long Beach. Vacancies here are among the lowest in all of LA, and rent growth continues to significantly outpace the submarket's four-quarter trailing historical average of just over 3%.

New development has proceeded at a measured pace, with demand dramatically outpacing the rate of new construction for several consecutive years. Recent leasing has been concentrated in the office properties around Long Beach Airport. Sares-Regis Group's Douglas Park, a mixed-use development adjacent to the airport, has captured

an outsized portion of construction and leasing this cycle. A pair of office buildings rising at The Terminal at Douglas Park, totaling about 50,000 SF, are the only projects under development currently.

Office sales activity has been limited in the first months of 2018. One of the largest sales this year was Atlantic Pearl Investments' February acquisition of the 3 Star, 78,300 SF Freeway Business Center, which sits near the intersection of the 710 and 405 Freeways. The asset, which was about 85% leased at the time of sale with average rents around \$2.30/SF, sold for \$13.5 million (about \$172/SF).

*Information taken from Costar

REDONDO AVENUE
LONG BEACH | CALIFORNIA

555
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RENT ROLL							
Tenant	Unit	Square Feet	Price Per SF	Monthly Rent	Annual Rent	Renewal	Lease Expires
W&G Enterprise	1-6	3,605	\$1.35	\$4,876	\$58,512	2 years	10/31/2020
Kmer Girls in Action	8-11	2,205	\$1.27	\$3,131	\$37,573	M-T-M	12/31/2019
Creative Design	7	700	\$1.14	\$800	\$9,600	M-T-M	
Audio Duplication	12	700	\$1.09	\$763	\$9,156	M-T-M	
TOTALS		7,210	\$1.28	\$9,570	\$114,841		

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REDONDO AVENUE | LB | CA

INVESTMENT SUMMARY

Purchase Price	\$1,795,000
Price PSF	\$248.96
Building SF	7,210
Current Cap Rate	4.6%
Proforma Cap Rate	7.7%

		CURRENT		PROFORMA
Rental Income	\$1.33	\$114,841	\$2.03	\$175,636
Vacancy	0%	\$0	3%	\$5,269
Effective Gross Income		\$114,841		\$170,367
Expenses				
Property Taxes	1.22%	\$21,871	1.22%	\$21,871
Insurance		\$2,873		\$2,873
Water/Trash		\$3,929		\$3,929
Electrical		\$744		\$744
Security		\$731		\$731
Janitorial		\$1,800		\$1,800
Repairs		\$799		\$799
Total Expenses		\$32,746		\$32,746
NOI		\$82,095		\$137,620



1.

Address: 3501-3515 E. 7th Street Long Beach CA MULTI-PROPERTY SALE						
Bldg. SF	Land SF	Sale Price	Price Per SF	Year Built	Sale Date	
5,036	6,098	\$1,236,796	\$245.59	1984	05/02/2017	



2.

Address: 1350 Coronado Avenue Long Beach CA						
Bldg. SF	Land SF	Sale Price	Price Per SF	Year Built	Sale Date	
4,970	6,098	\$1,550,000	\$311.87	1922	10/17/2018	



3.

Address: 304-306 E. Pacific Highway Long Beach CA						
Bldg. SF	Land SF	Sale Price	Price Per SF	Year Built	Sale Date	
8,906	29,185	\$2,900,000	\$325.62	1963	12/29/2017	



4.

Address: 4501 E Pacific Coast Highway Long Beach CA						
Bldg. SF	Land SF	Sale Price	Price Per SF	Year Built	Sale Date	
8,640	23,522	\$3,300,000	\$381.94	1975	09/18/2017	

Total Sold SF	Average SF	Total Land	Average Land SF	Average Selling Price PSF		
27,552	6,888	63,161	16,226	\$316.26		

*Information taken from Costar

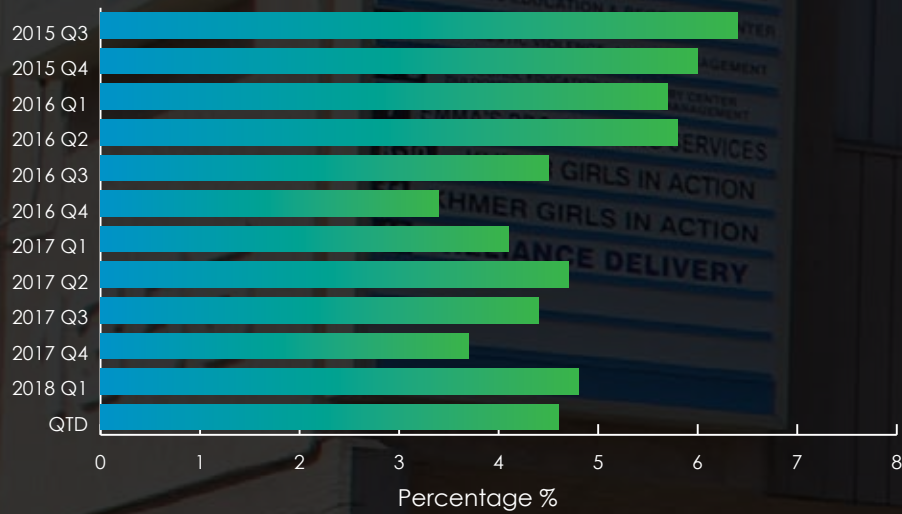
LONG BEACH MARKET OVERVIEW

Type: Office

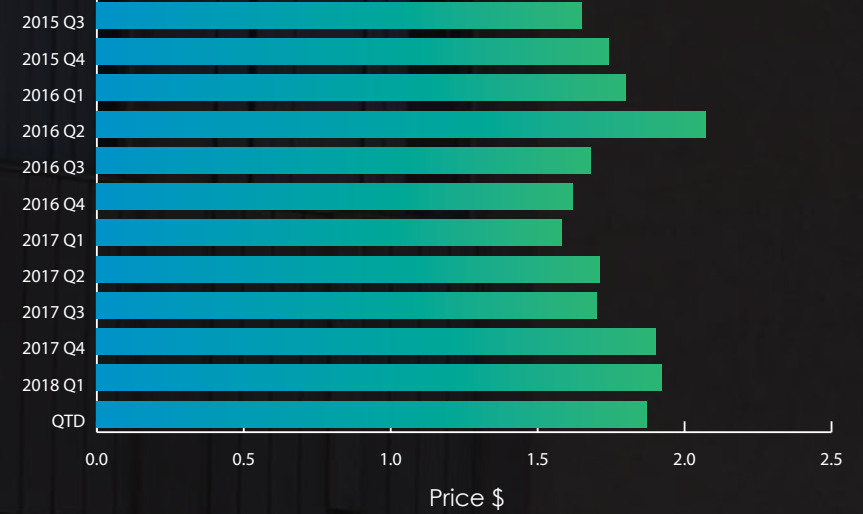
Submarket: Long Beach

Building Sizes: 5,000-15,000 SF

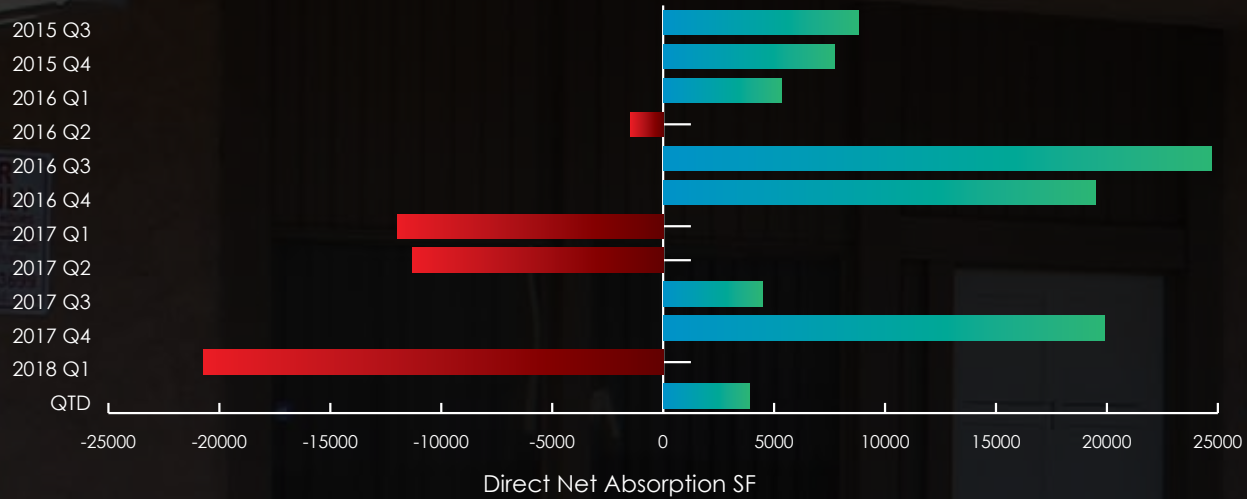
VACANCY RATE



DIRECT OFFICE GROSS RENT



NET ABSORPTION





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REDONDO AVENUE
LONG BEACH | CA

ON THE MARKET FOR 1355 REDONDO AVENUE

1.		Address: 741-743 Atlantic Avenue Long Beach CA				
		Bldg. SF	Land Area SF	Sale Price	Price Per SF	Days on Market
		5,476	5,600	\$1,500,000	\$273.92	191

2.		Address: 434 E Broadway Long Beach CA				
		Bldg. SF	Land Area SF	Sale Price	Price Per SF	Status
		5,200	6,534	\$2,300,000	\$442.31	IN ESCROW

3.		Address: 1342 Coronado Avenue Long Beach CA				
		Bldg. SF	Land Area SF	Sale Price	Price Per SF	Status
		5,167	6,251	\$1,995,000	\$386.10	IN ESCROW

Total Available SF	Average SF	Total Land	Average Land SF	Average Selling Price PSF
15,846	5,281	18,385	6,128	\$367.44

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