



OFFERING MEMORANDUM

LAGOON FLATS

823 LAGOON AVE. WILMINGTON, CA 90744

Multifamily Investment Opportunity

FOR SALE

PROPERTY WEBSITE

—lucrumre.com





INVESTMENTS CONTACTS

LAGOON FLATS

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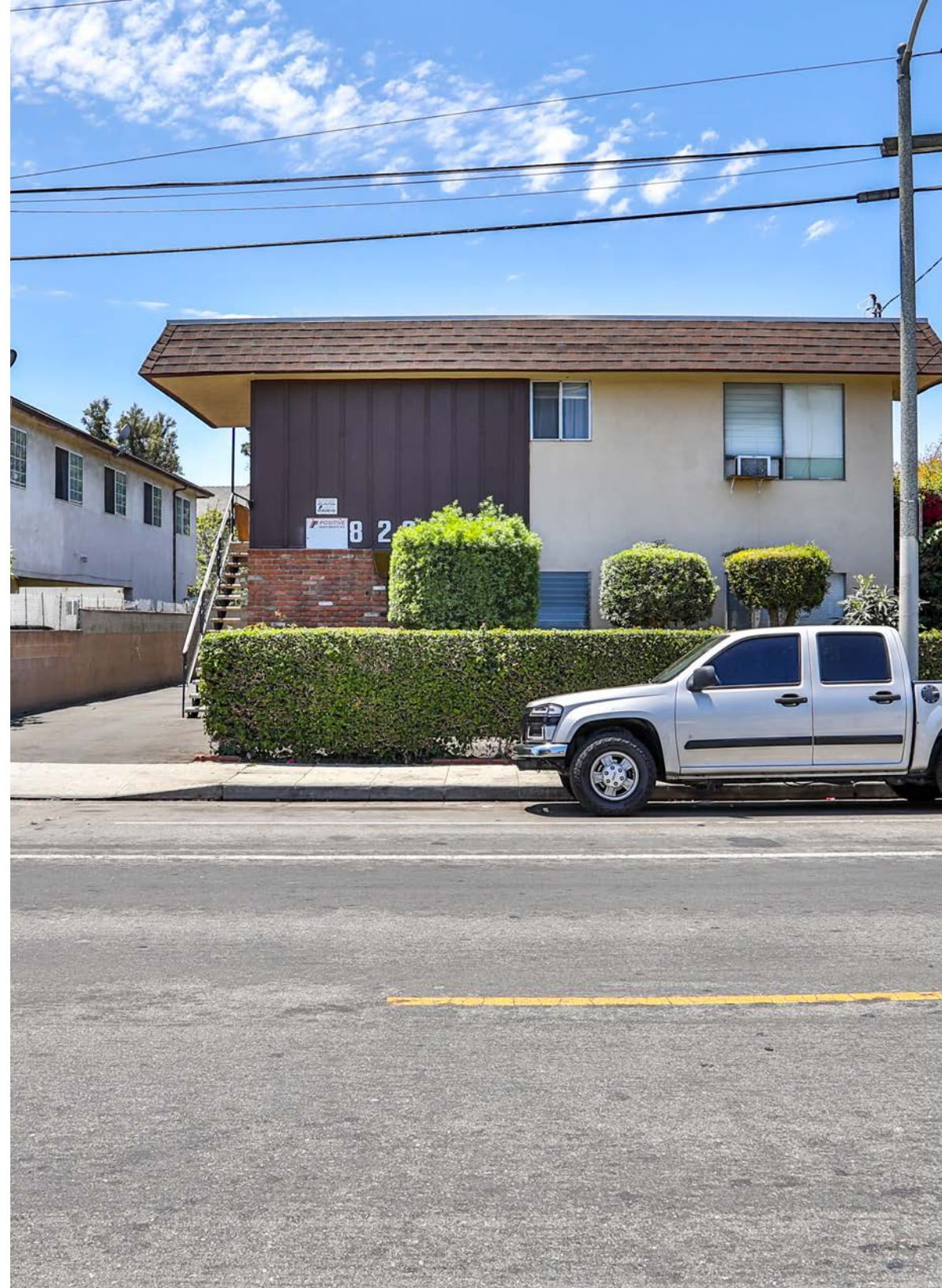
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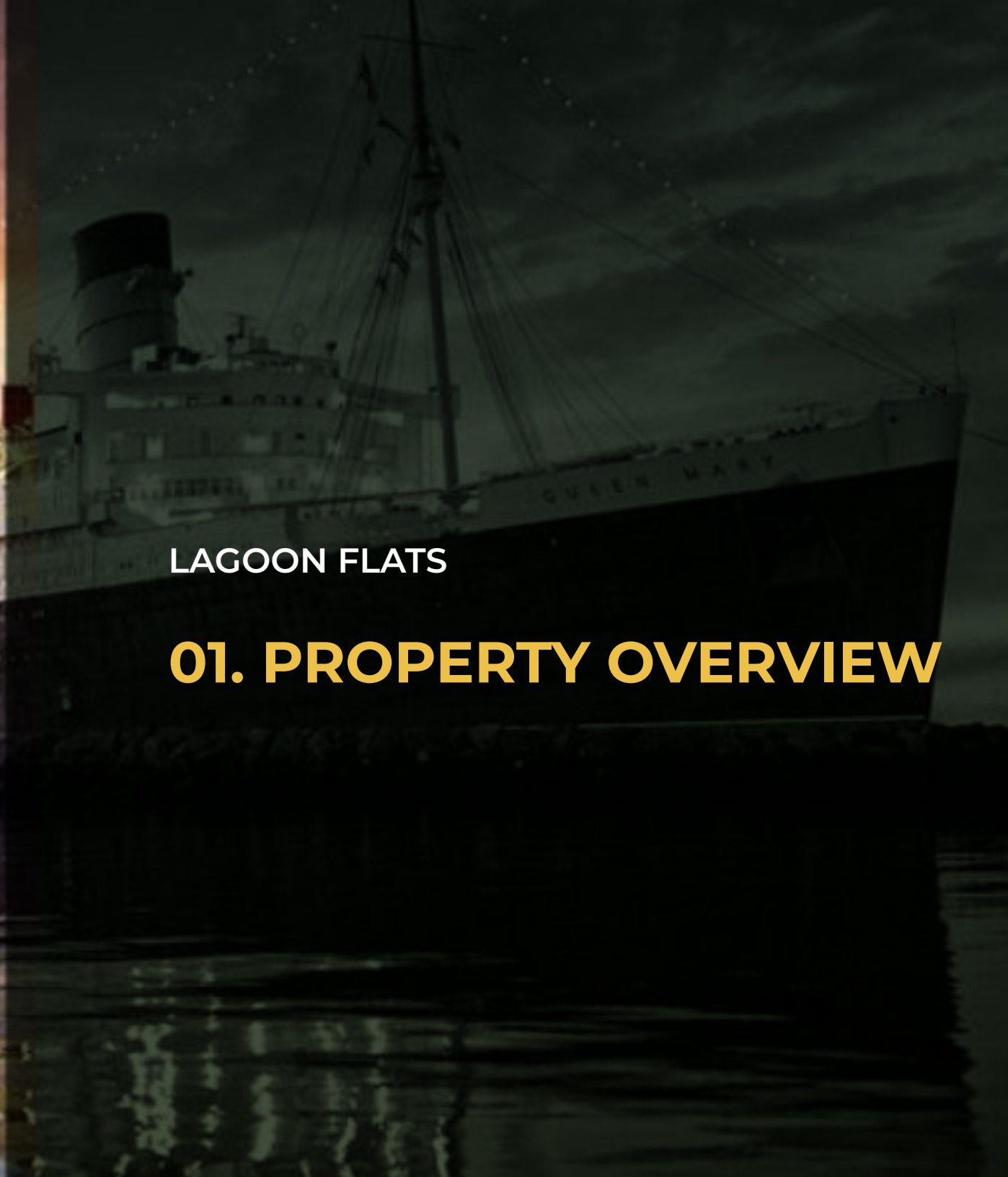


LAGOON FLATS

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LAGOON FLATS

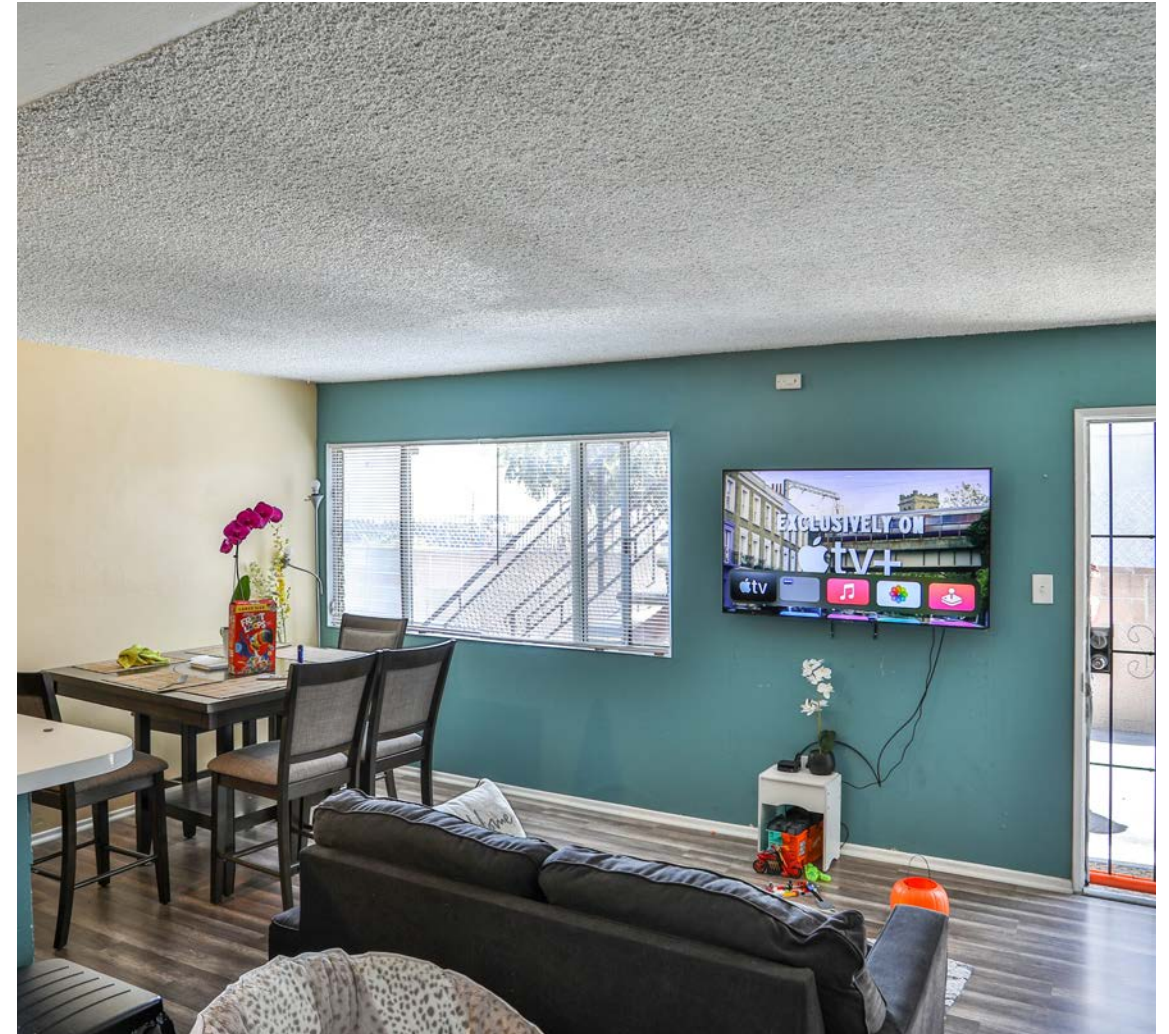
01. PROPERTY OVERVIEW



LAGOON FLATS

PROPERTY OVERVIEW

Street Address:	823 Lagoon Ave.
City:	Wilmington
State:	California
Zip Code:	90744
APN:	7416-025-027
Rentable Square Feet:	±5,301 SF
Lot Size:	±7,512 SF
Year Built:	1965
Number of Units:	7
Number of Buildings:	1
Number of Stories:	2
Water:	Master-Metered
Electric:	Individually Metered
Gas:	Individually Metered
Construction:	Painted Stucco, Wood Frame & Brick Accent
Roof:	Flat
Parking:	7 Garage Spaces
Zoning:	LARD1.5
Unit Mix:	(4) 1 Bed/1 Bath (3) 2 Bed/1 Bath





LAGOON FLATS



PROPERTY DESCRIPTION

*** Lagoon Flats is offered for sale as part of 3 building, 24 unit Wilmington portfolio that may be purchased collectively or individually. ***

Lucrum is proud to present Lagoon Flats, a multifamily investment property totaling 7 units located at 823 Lagoon Ave. Wilmington, CA 90744. This spacious 7-unit apartment building was built in 1965. The property is 2 stories and offers 4 one-bedroom units and 3 two-bedroom/one-bath units. The apartments include wall A/C units and are separately metered for gas & electricity. The building construction is comprised of wood frame, flat roof, painted stucco exterior and brick accent.

The total building square footage is ±5,301 on a ±7,512 square foot lot zoned LARD1.5. This investment opportunity presents an ideal income property for an investor looking to acquire a value-added asset with significant rental upside potential.

Common area amenities include a laundry room and 7 on-site parking spaces (2 two-car garages and 3 one-car garages). Aesthetically, the property offers nicely landscaped frontage and curb appeal. The property grounds and building are reasonably kept and maintained. The building entry is accessed from Lagoon Ave.



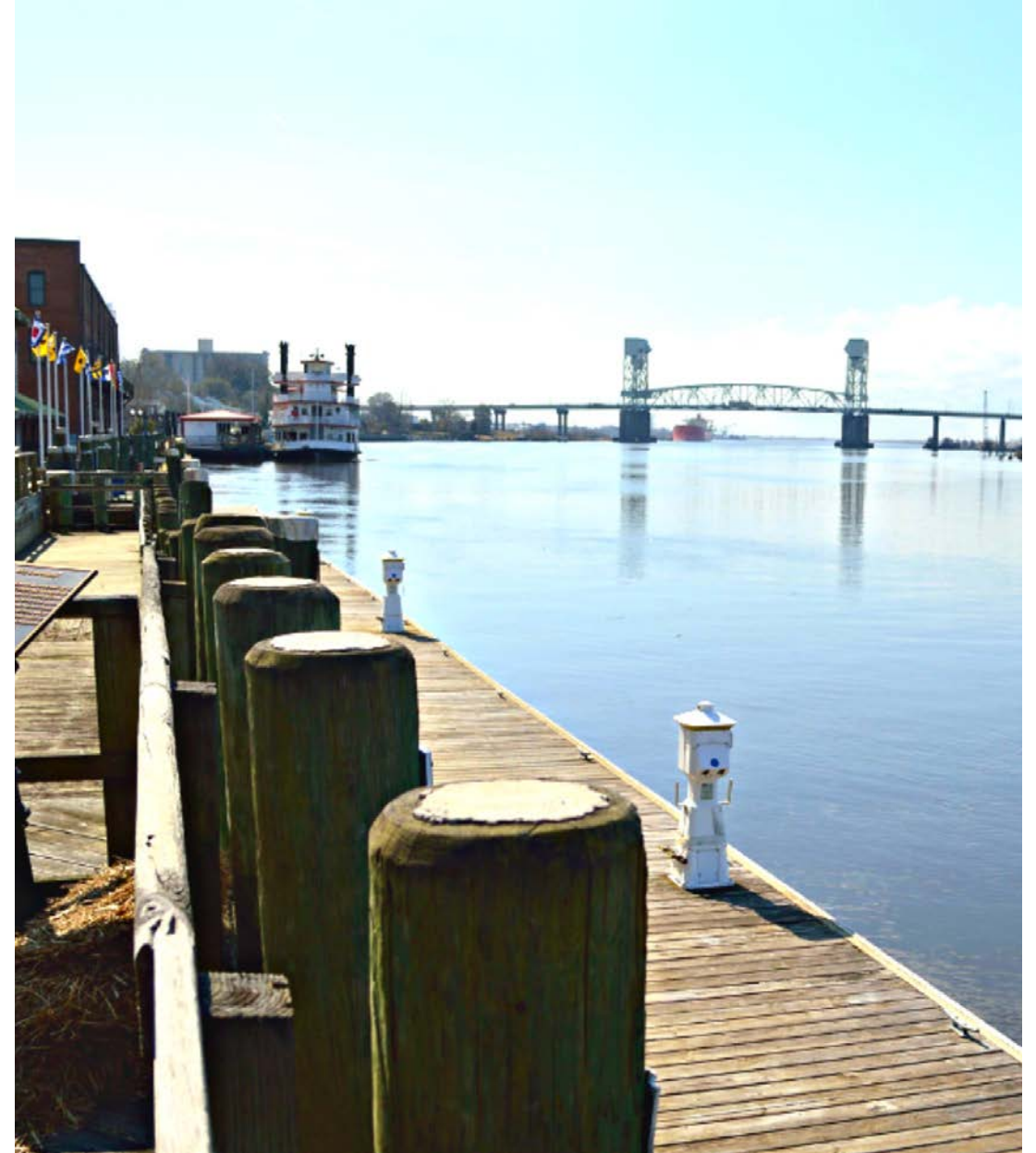
LOCATION DESCRIPTION

823 Lagoon Ave. is located in a highly urbanized community of Wilmington, CA within Los Angeles County in a community among other apartment buildings and near commercial strip centers on the main thoroughfare of Avalon Blvd. The building is a short distance drive to the 110 and 1 Fwys. It is roughly 15 minutes driving to the Long Beach Harbor and the Queen Mary. Nearby destinations include Los Angeles Harbor College and Ken Malloy Harbor Regional Park which is approximately one and a half miles away for residents to enjoy some recreation time.

The property itself boasts a 93 walk score and 86 bike score as it is in close proximity to many stores and restaurants.

In addition, Lagoon Flats is just minutes from some of the most iconic and world-famous attractions, including;

- + Drum Barracks Civil War Museum (0.9 mi)
- + Wilmington Waterfront Park (1.1 mi)
- + The Banning Museum (1.4 mi)
- + Mormon Island (1.6 mi)
- + Terminal Island Japanese Fishing Village (6.4 mi)
- + Port of Los Angeles (6.5 mi)
- + The Queen Mary (7.8 mi)





LAGOON FLATS

PROPERTY HIGHLIGHTS

- + ±67% rental upside
- + Part of a 3 building, 24 unit Wilmington portfolio
- + Nice curb appeal
- + Attractive unit mix
- + Spacious units
- + Garage parking
- + Value add opportunity

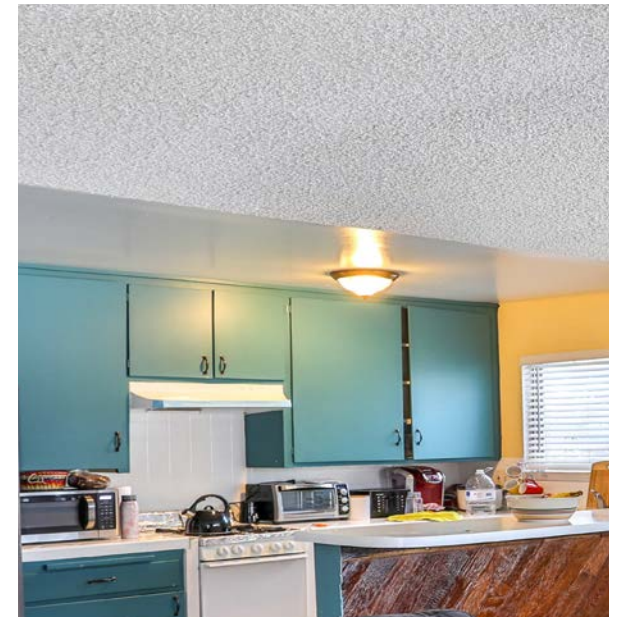
LOCATION HIGHLIGHTS

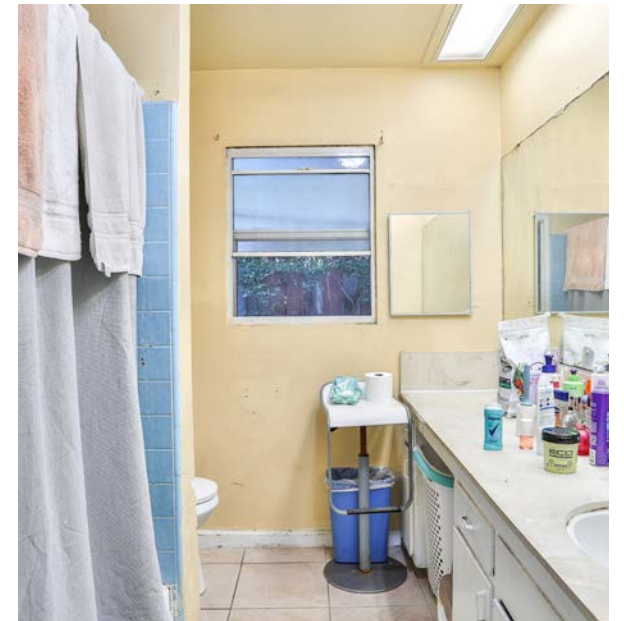
- + Strong rental market
- + Short drive to 110 Freeway & Pacific Coast Highway
- + Near L.A. Harbor College
- + Close proximity to many stores & restaurants
- + Walk Score of 91 & Bike Score of 86 by "Walkers Paradise"



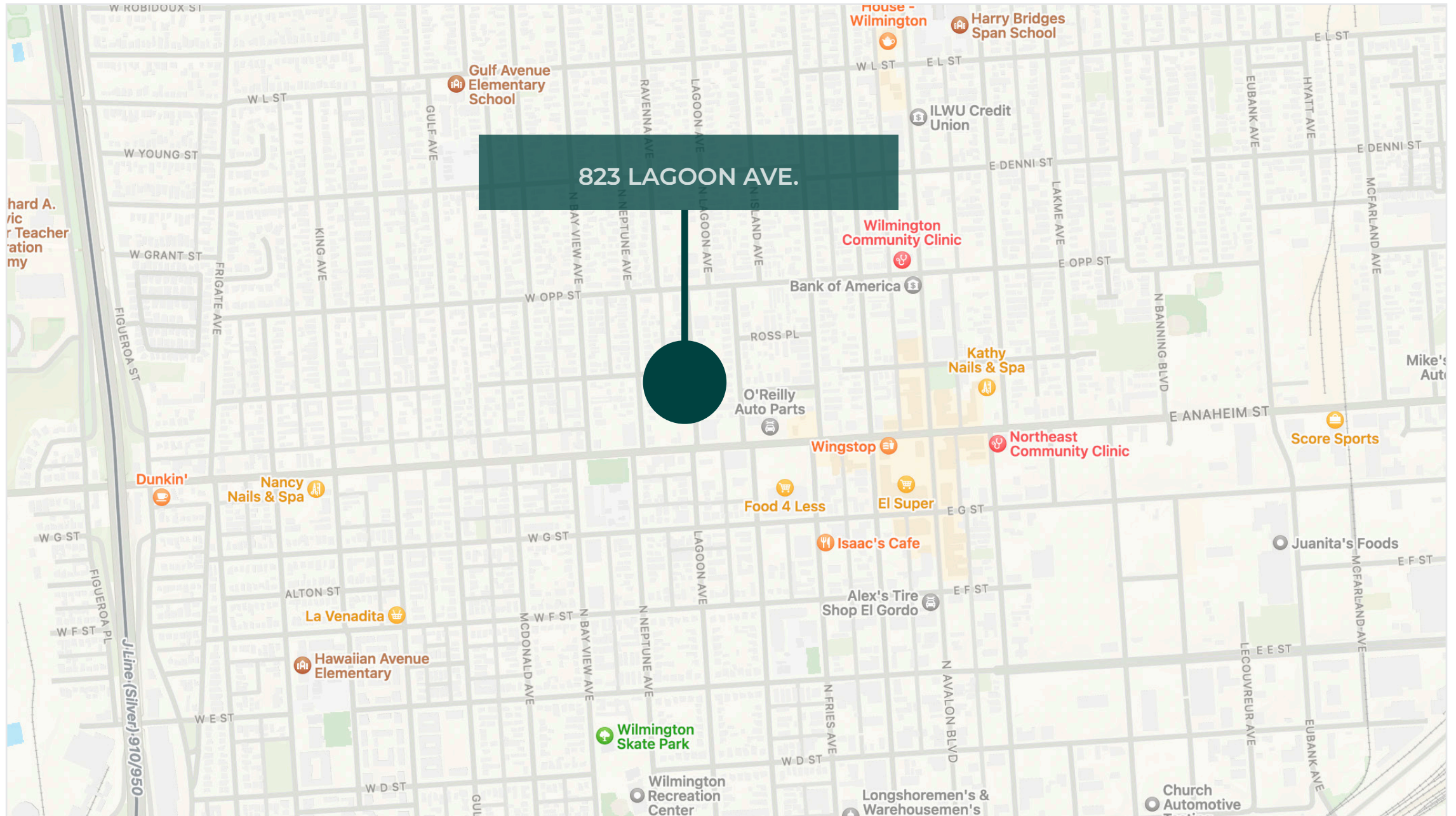




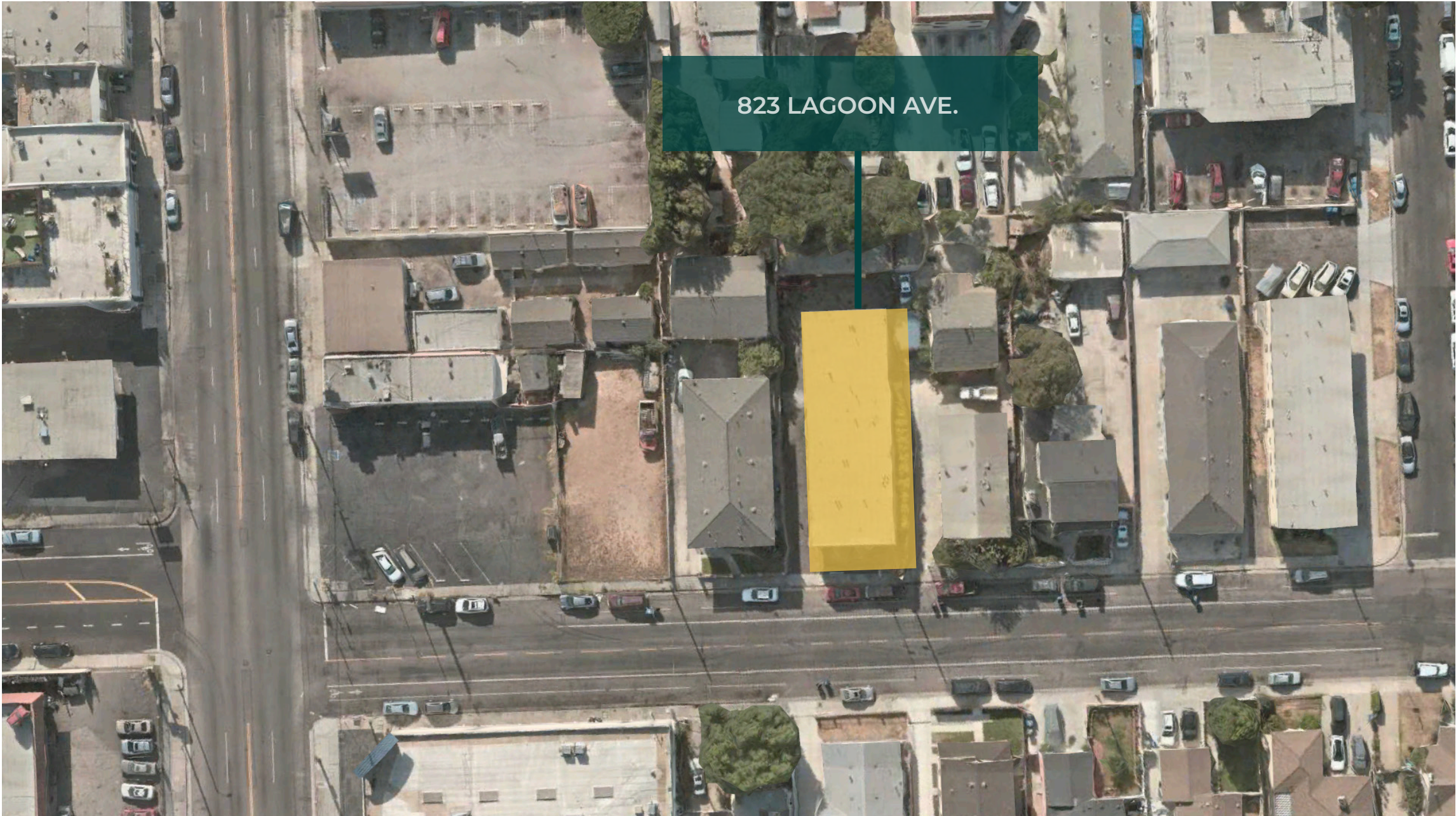




STREET MAP



SATELLITE MAP (3D)





LAGOON FLATS

02. FINANCIALS

FINANCIALS **LOAN OPTIONS**



INDICATIVE LOAN PRICING	LAGOON FLATS	
LOAN PRODUCT	OPTION 1 5 YEAR HYBRID	OPTION 2 5 YEAR HYBRID 5 YEAR IO
LOAN AMOUNT	\$650,000	\$620,000
FIXED FLOATING RATE TERM	5 YEAR 25 YEAR	5 YEAR 25 YEAR
AMORTIZATION	30 YEAR	30 YEAR
INTEREST ONLY PERIOD	0 YEAR	5 YEARS
PREPAY DURING FIXED, FLOATING	0-24 MONTHS: 3% 24-36 MONTHS: 2% 36-60 MONTHS: 1%	0-24 MONTHS: 3% 24-36 MONTHS: 2% 36-60 MONTHS: 1%
RATE LOCK PERIOD	60 DAYS	60 DAYS
MINIMUM DEBT COVERAGE RATIO	1.25x	1.25x
MAX LOAN TO VALUE	60%	60%
DEBT COVERAGE RATIO AS UNDERWRITTEN	1.25x	1.25x
ESTIMATED INTEREST RATE	4.75%	4.95%
ESTIMATED MONTHLY PAYMENT	\$3,391	\$2,558

The interest rates listed above and any spreads derived there from are subject to market influences, which may impact loan proceeds. All terms are subject to review and approval by the lender and are subject to change until rate/spread lock. This analysis is based upon information provided by First Commercial Capital, Inc. and/or market assumptions, which may not be supported by final underwriting conclusions. Final terms and conditions are subject to Fannie Mae and/or Freddie Mac approval.

— August 3, 2022



FINANCIALS **PRICING DETAILS**

PRICE	\$ 1,260,000
Number of units	7
Price per unit	\$ 180,000
Price per Square Foot	\$ 237.69
Gross Square Footage	±5,301
Lot Size	±7,512
Year Built	1965

RETURNS	CURRENT	PRO FORMA
CAP Rate	4.17%	8.64%
GRM	14.05	8.53

RENT ROLL SUMMARY

# OF UNITS	UNIT TYPE	AVG CURRENT	PRO FORMA
4	1 + 1	\$ 1,188	\$ 1,595
3	2 + 1	\$ 824	\$ 1,895



FINANCIALS OPERATING DATA

ANNUAL INCOME		CURRENT		PRO FORMA
Scheduled Gross Income		\$ 89,963		\$ 147,768
Less: Vacancy/Deductions	3.00%*	(\$ 2,691)	3.00%*	(\$ 4,433)
Gross Operating Income		\$ 87,002		\$143,335
Less: Expenses	38.37%*	(\$ 34,418)	23.29%*	(\$ 34,418)
Net Operating Income		\$ 52,584		\$108,917
Less Debt Service		(\$39,665)		(\$39,665)
Pre-Tax Cash Flow	2.05%**	\$12,919	10.99%**	\$69,252
Plus Principal Reduction		\$9,635		\$9,635
Total Return Before Taxes	3.58%**	\$22,554	12.52%**	\$78,887
EXPENSES				
Real Estate Taxes				\$ 15,750
Insurance				\$ 2,650
Utilities				\$ 8,568
Maintenance & Repairs				\$ 4,200
Rubbish				\$ 1,500
Miscellaneous & Reserves				\$ 1,750
Total Expenses				\$ 34,418
Per Square Foot				\$ 6.49
Per Unit				\$ 4,916.86

* As a percentage of Scheduled Gross Income.

**As a percentage of Down Payment.



FINANCIALS RENT ROLL

7 UNITS | 832 LAGOON AVE.

#	UNIT TYPE	SF	RENT	RENT PER SF	PRO FORMA RENT	PRO FORMA RENT PER SF	NOTE
1	1 Bed/1 Bath	-	\$1,450.00	-	\$1,595.00	-	
2	2 Beds/1 Bath	-	\$795.90	-	\$1,895.00	-	
3	2 Beds/1 Bath	-	\$682.35	-	\$1,895.00	-	
4	1 Bed/1 Bath	-	\$602.01	-	\$1,595.00	-	
5	1 Bed/1 Bath	-	\$1,350.00	-	\$1,595.00	-	
6	1 Bed/1 Bath	-	\$1,350.00	-	\$1,595.00	-	
7	2 Beds/1 Bath	-	\$995.14	-	\$1,895.00	-	

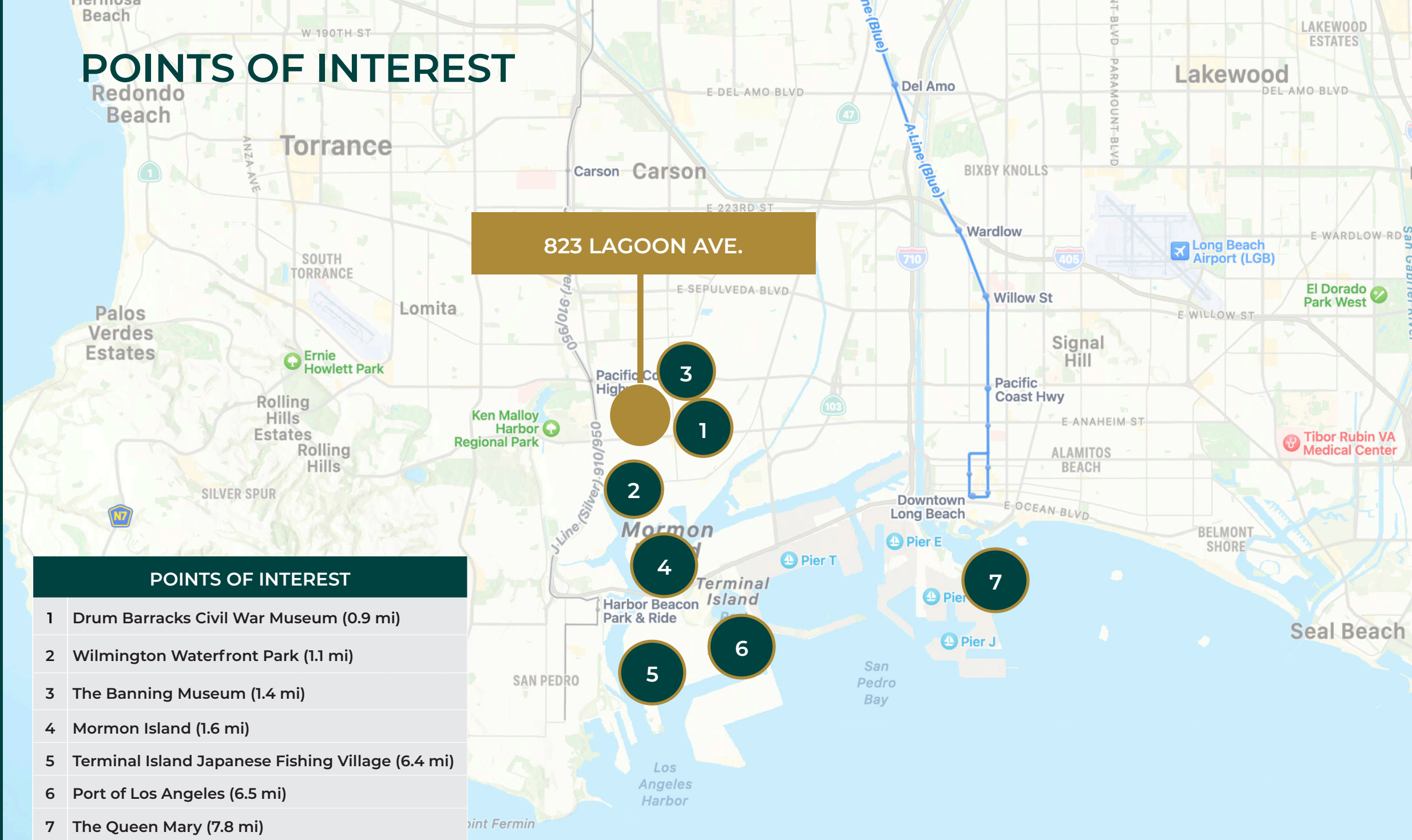


LAGOON FLATS

03. AREA OVERVIEW



POINTS OF INTEREST



823 LAGOON AVE.

POINTS OF INTEREST

1	Drum Barracks Civil War Museum (0.9 mi)
2	Wilmington Waterfront Park (1.1 mi)
3	The Banning Museum (1.4 mi)
4	Mormon Island (1.6 mi)
5	Terminal Island Japanese Fishing Village (6.4 mi)
6	Port of Los Angeles (6.5 mi)
7	The Queen Mary (7.8 mi)



DEMOGRAPHICS

WILMINGTON, LOS ANGELES, CA

Wilmington, California is a modern and progressive community with a long and proud history of being the gateway to Los Angeles and the rest of Southern and Central California.

Wilmington is a neighborhood in the Harbor region of Los Angeles, California, covering 9.14 square miles (23.7 km²).

Wilmington dates its history back to a 1784 Spanish land grant. It became a separate city in 1863, and it joined the city of Los Angeles in 1909. Places of interest include the headquarters U.S. Army for Southern California and the

Drum Barracks built to protect the nascent Los Angeles harbor during the American Civil War.

QUICK FACTS:

- + Wilmington is adjacent to the Wilmington Oil Field, discovered in 1932. It is the third largest oil field in the continental United States.
- + It is the site of Banning High School, and ten other primary and secondary schools. Wilmington has six parks. (Source: wilmingtonchamber.com)



AVERAGE HOUSEHOLD INCOME

\$66,504.00



MEDIAN AGE

31 years old



2022 ESTIMATED POPULATION

56,450



TOTAL HOUSEHOLDS

14,938



BACHELORS DEGREE OR HIGHER

6.81%



OVERVIEW

LOS ANGELES, CALIFORNIA

The Los Angeles Metro Rail is an urban rail transportation system serving Los Angeles County, California. It consists of six lines, including two subway lines and four light rail lines serving 93 stations. It connects with the Metro Busway bus rapid transit system and also with the Metrolink commuter rail system.



The City of Los Angeles holds many distinctions. L.A. is the entertainment capital of the world, a cultural mecca boasting more than 100 museums, and a paradise of idyllic weather. From tourist attractions like the Walk of Fame's collection of stars (numbering more than 2,614 and growing by one or two a month) to career opportunities like those presented in the expanding tech industry, Los Angeles is the place to be. It is the only city in North America to have hosted the Summer Olympics twice. Downtown L.A. is the largest government center outside of Washington, D. C. Los Angeles has the only remaining wooden lighthouse in the state (located in San Pedro's Point Fermin Park) and the largest historical theater district on the National Register of Historic Places (located Downtown on Broadway).

Los Angeles is on the leading edge of several growth industries. LA County, with more than 87,000 jobs in the fashion industry, has surpassed New York's fashion district workforce. The LA Five-County area also has more than 700,000 people at work in health services / biomedical activities and 190,000 people in aerospace and technology.





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