

OFFERING MEMORANDUM



MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES

16682 Blanton Ln

Huntington Beach, CA

LISTED BY



CHRISTIAN ESPINOZA

Associate, Multifamily

+1 (949) 945-6008

christian.espinoza@matthews.com

License No. 02062988 (CA)



DAVID HARRINGTON

EVP & Managing Director

+1 (310) 295-1170

david.harrington@matthews.com

License No. 01320460 (CA)



CHAD KURZ

EVP & Managing Director

+1 (949) 662-2252

chad.kurz@matthews.com

License No. 01911198 (CA)

MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES





TABLE OF CONTENTS

- 04** PROPERTY OVERVIEW
- 08** AREA OVERVIEW
- 16** FINANCIAL OVERVIEW

PROPERTY OVERVIEW 01



Property Highlights

We are pleased to present the opportunity to take out to market a 4-Unit apartment in Huntington Beach, CA. The property has been well maintained and located amongst the most sought-after areas in Orange County. This asset is perfect for an investor entering a 1031 exchange. The property boasts a great unit mix of four two-bedroom one-bath units. Any investor will continue to take advantage of the increase in appreciation over a 5-10+ year hold period, with additional upside in the rents. Close proximity to Golden West College, Huntington State Beach, Pacific City, Meadowlark Golf Club, Shopping Centers and Restaurants, Close Freeway Access to the 405 FWY, Main St. in Huntington.



INTERIOR PHOTOS



INTERIOR PHOTOS





HUNTINGTON BEACH, CA

Huntington Beach, a seaside city in Orange County, CA, is the most populous beach city in Orange County and the seventh most populous in the Los Angeles- Long Beach-Anaheim, CA MSA. The city of Huntington Beach has a total land area of 31.9 square miles with 5.1 sq mi of it being water. Huntington is bordered by many notable cities, some being Seal Beach, Fountain Valley, Costa Mesa, Newport Beach, and the expansive Pacific Ocean. Huntington is the number one tourist attraction in Southern California and is known for its long stretch of sandy beach, maintaining a mild climate year-round, and being the homeland of surfing and traditional beach culture.

Those who surf along the Huntington Beach coast are in for a treat as the ocean waves are often enhanced by natural effects from the edge-diffraction of open ocean swells from Santa Catalina Island, giving Huntington Beach the nickname "Surf City". Huntington Beach is often recognized by its historic pier that was built in 1904 by the original developer Huntington Beach Company, a real-estate development firm owned by Henry Huntington.

NAMED BEST ORANGE COUNTY BEACH

- OC REGISTER, 2018

TOP 20 BEST BEACHES ON THE WEST COAST

- MSN

TOP 10 BEST BEACH TOWNS IN SOUTHERN CA

- PUREWOW

BEST STOPS FOR A ROAD TRIP ON PACIFIC COAST HWY

- AFAR

VOTED BEST CALIFORNIA BEACH

- USA TODAY, 2018

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
------------	--------	--------	--------

2025 Projection	22,029	83,595	296,193
2020 Estimate	22,359	83,500	300,150
Growth 2010-2020	2.58%	5.91%	2.05%

HOUSEHOLDS	1-MILE	3-MILE	5-MILE
------------	--------	--------	--------

2025 Projection	10,305	34,854	118,323
2020 Estimate	10,046	33,530	115,280
Growth 2010-2020	6.42%	9.00%	5.59%
Growth 2020-2025	2.58%	3.95%	2.64%

INCOME	1-MILE	3-MILE	5-MILE
--------	--------	--------	--------

Average Household Income	\$140,028	\$141,268	\$123,490
--------------------------	-----------	-----------	-----------

SURF CITY USA NEIGHBORHOODS



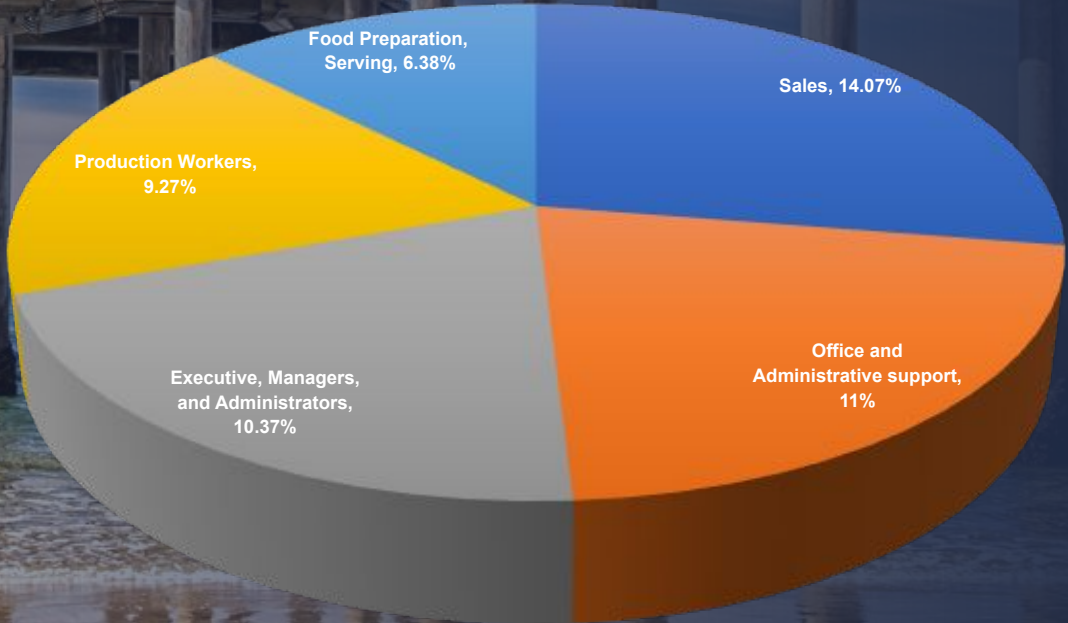
ECONOMY

Tourism and technology are the leading industries in Huntington Beach today. Home to more than 650 industrial businesses, including Boeing, Quicksilver, Cambro Manufacturing, and C & D Aerospace. Huntington Beach boasts a diversified and dynamic economy.

Huntington Beach contains a major installment of one of the state's largest employers, Boeing, formerly McDonnell-Douglas. Several installments on the Boeing campus were originally constructed to service the Apollo Program, most notably the production of the S-IVB upper stage for the Saturn IB and Saturn V rockets, and some nearby telephone poles are still marked "Apollo Dedicated Mission Control Line."

The second-largest employer in Huntington Beach, clothing manufacturer Quicksilver, also has its world-wide corporate headquarters within the city.

TOP JOBS BY OCCUPATION





\$814 MILLION

ANNUAL ECONOMIC IMPACT



11 MILLION

ANNUAL VISITORS



1 IN 17 JOBS

PROVIDED BY TOURISM



\$620.8 MILLION

DIRECT VISITOR SPENDING

TOURISM

Due to its abundance of beaches; sunny, warm Mediterranean climate; local surfing; and casual lifestyle, Huntington Beach has emerged as a perfect vacation experience for both young and old. With miles of uninterrupted, pristine beaches along the Pacific Ocean, ideal weather, a welcoming attitude, and a wide variety of entertainment options, Huntington Beach plays host to an annual visitor population of more than 11 million people, with the greatest attendance during summer, special events, and weekends.

Boasting a comfortable climate throughout the year with a temperature that rarely gets above 90 degrees and seldom sees rainfall, visitors can take part in the many outdoor activities and special events Huntington Beach offers.

Beyond the beach, the City of Huntington Beach boasts top-class restaurants, shopping, hotels, resorts, spas and a thriving downtown district. The downtown district includes an active art center, an eclectic shopping district, and the International Surfing Museum. Downtown was also once the home of the famous music club "The Golden Bear," which hosted the likes of Jimi Hendrix and Frank Sinatra. Visitors can also find the Surfing Hall of Fame and the Surfing Walk of Fame downtown.

The city is centrally located to all major attractions in Orange County. In Anaheim, tourists can visit the Disney Resorts, Honda Center, home of the Anaheim Ducks hockey team, and Angels Stadium, home to the Los Angeles Angels of Anaheim baseball team. In Long Beach, tourists can visit the historic Queen Mary and the Aquarium of the Pacific. Sea World and the San Diego Zoo and Wild Animal Park are located in San Diego. Los Angeles is located 35 miles to the northwest and San Diego is 95 miles to the southeast. Huntington Beach is also conveniently located near three airports: John Wayne/Orange County (SNA), Long Beach (LGB), and Los Angeles International Airport (LAX).

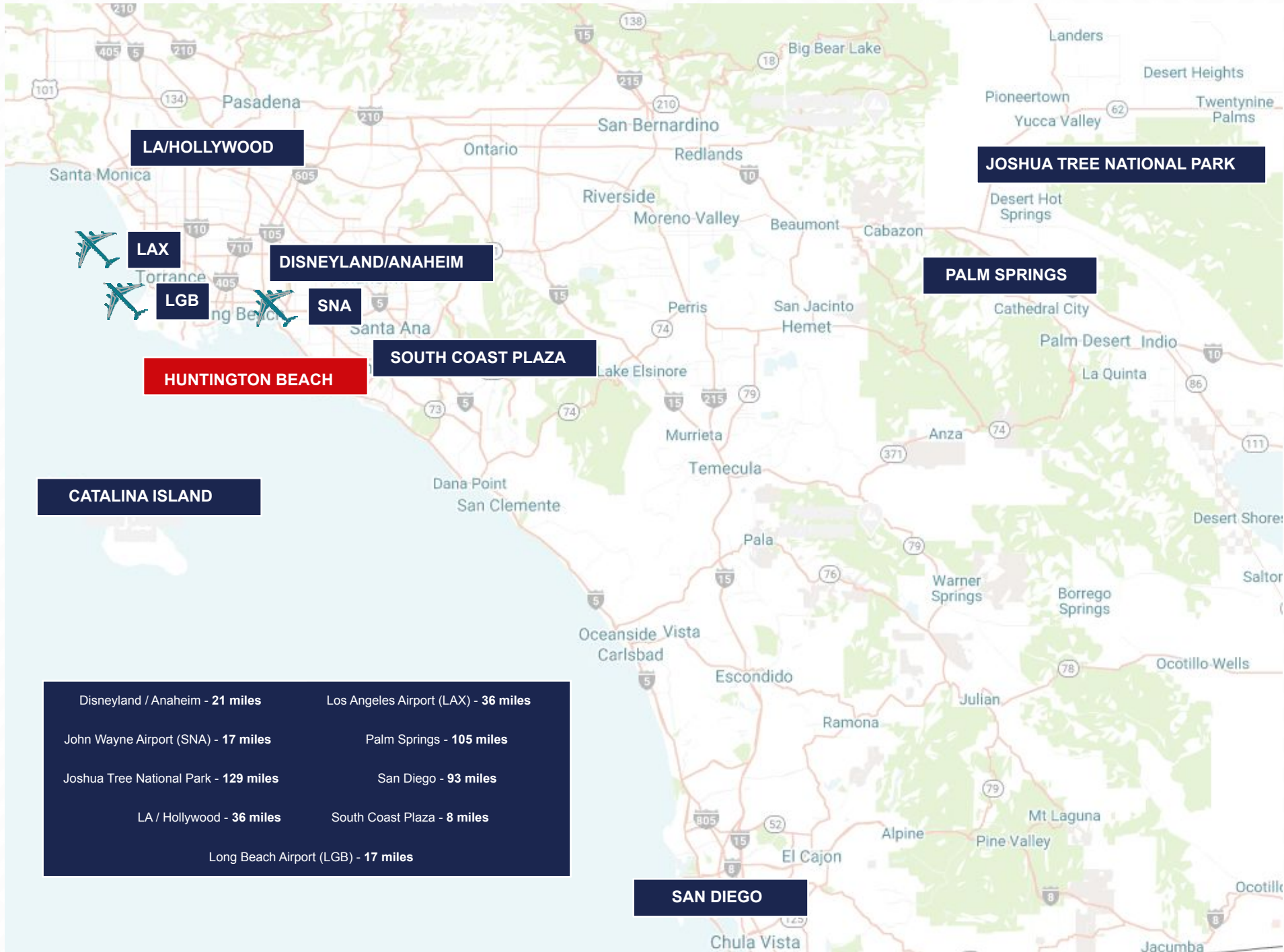


HUNTINGTON BEACH PIER



DISNEY RESORTS, ANAHEIM, CA

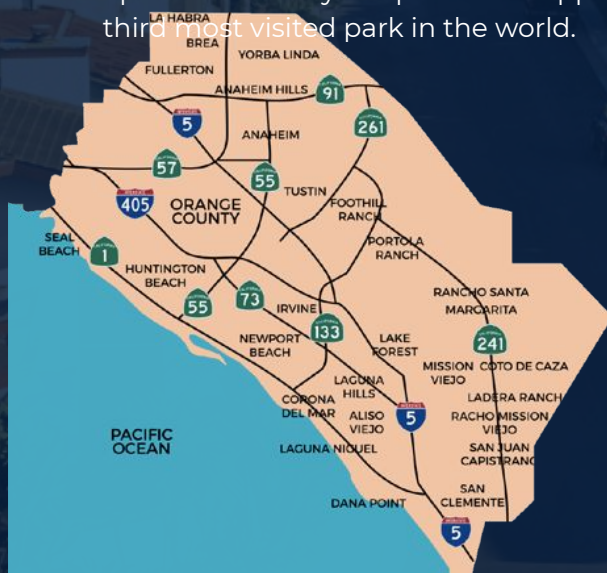
SURROUNDING AREA



ORANGE COUNTY

Ranked in Forbes magazine's top 50 economically thriving metro areas, Orange County enjoys lower business costs, a highly qualified workforce, and one of the lowest unemployment rates in the country. Attraction and retention of the world's leading companies will remain high due to Orange County's 17 colleges and universities, one of the best educated workforces in the world, and an independent attitude.

- Orange County is roughly 1% of the U.S. Population, but it has 3% of Fortune 500 Companies.
- More than 43 million tourists visit Orange County annually, spending approximately \$8.7 billion and supporting nearly 160,000 local tourism industry jobs.
- Orange County's 42-mile coastline offers all types of seafaring activities including world class boating, snorkeling, scuba diving, and fishing. There are many marinas lining the coast that offer boat cruises, fishing trips, whale watching and charter Services.
- Orange County's top employer, Disneyland has a larger cumulative attendance than any other theme park in the world, with over 650 million guests since it opened. Annually the park hosts approximately 16.2 million guests, making it the third most visited park in the world.



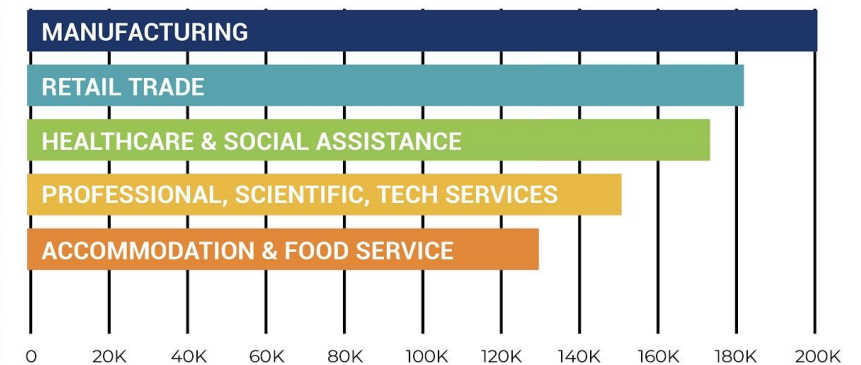
3RD
 MOST POPULOUS
 COUNTY IN THE NATION

RANKED #1
 SAFEST AREA IN
 THE NATION

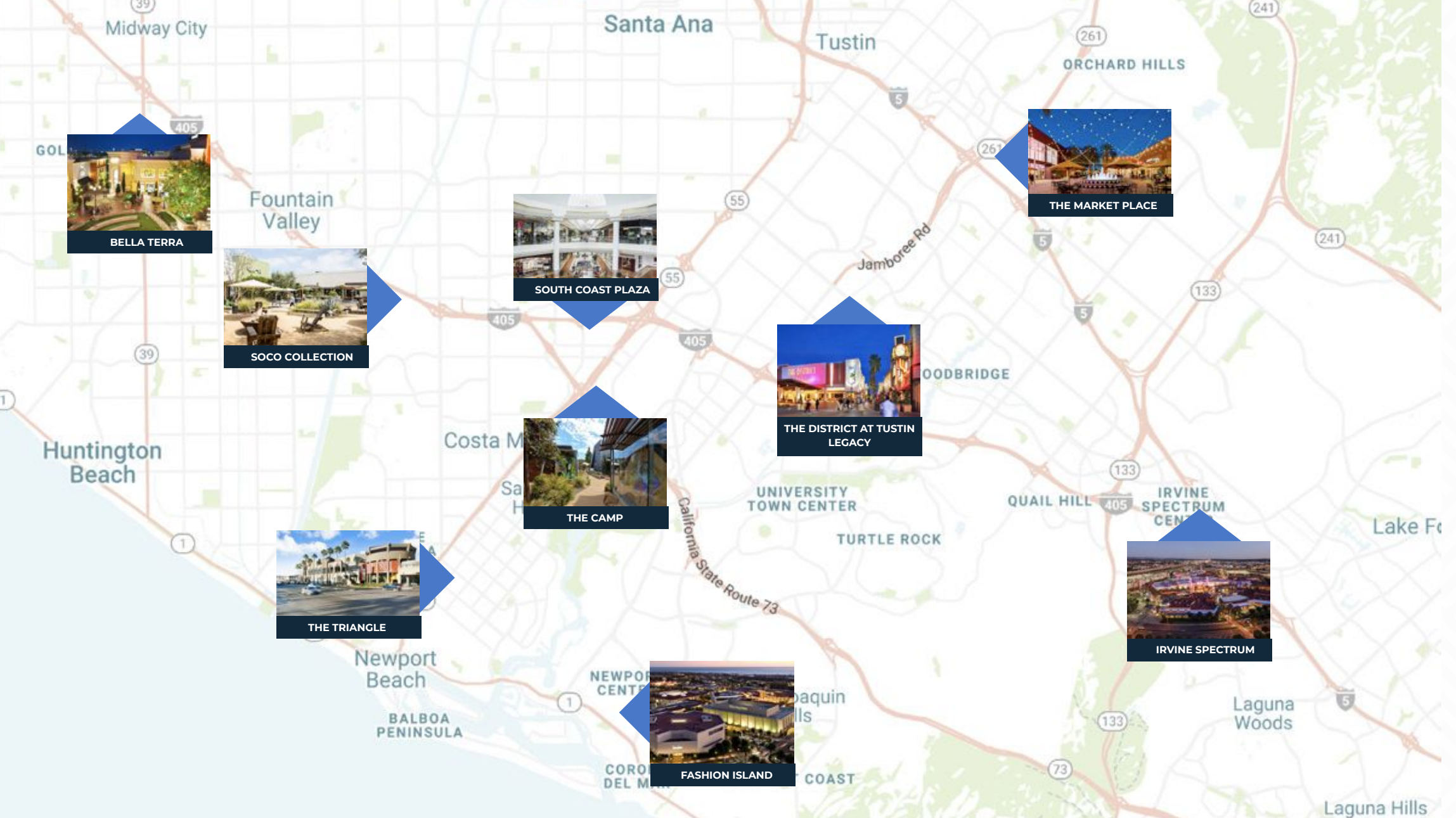
TOP 7
 WEALTHIEST COUNTIES
 IN CALIFORNIA



TOP EMPLOYERS & INDUSTRIES



**TOTAL
 EMPLOYEES**



TOP ORANGE COUNTY RETAIL ATTRACTIONS

SOUTH COAST PLAZA - The largest mall on the West Coast and a chic, luxury shopping experience

FASHION ISLAND - An upscale, open-air lifestyle center in Newport Beach

BELLA TERRA - Outdoor mall in Huntington Beach with eclectic shops and restaurants

THE TRIANGLE - A shopping, dining and entertainment destination in Costa Mesa

IRVINE SPECTRUM - A shopping, dining and entertainment destination in Irvine

THE MARKET PLACE - Premier shopping mall in the dynamic city of Tustin

THE DISTRICT AT TUSTIN LEGACY - 1 million SF lifestyle center with movie theater

THE CAMP - A green gathering spot offering wellness and personal styling services

SOCO Collection - Over 300,000 SF of showrooms, restaurants, artisan food purveyors, boutiques, and creative studios

ORANGE COUNTY UNIVERSITIES

Orange County's strong university system has helped contribute to the fact that 37% of residents over the age of 25 have a bachelor's degree or higher, ranking Orange County as one of the top five regions in the nation when it comes to college-educated residents.

UC Irvine

With an enrollment of over 31,000 students, UC Irvine is ranked among the nation's top public universities. The university offers 90 undergraduate degree programs, 68 master's M.D. Ed.D. and J.D. programs and 50 Ph.D. programs. This UC school contributes \$5 billion annually to the local Orange County economy.

CALIFORNIA STATE UNIVERSITY FULLERTON

CSU Fullerton has a large impact on both the local and statewide economy. Annual spending related to the university generates a total impact of \$1 billion which sustains more than 8,700 jobs in the region and 9,000 jobs statewide. Every year, the economic impact generated by the university contributes to more than \$60 million in local and nearly \$65.5 million in statewide tax revenue.

CHAPMAN UNIVERSITY

Chapman University is a private institution who is ranked among the 2017 Best Colleges and 2nd most Innovate School. Located in Orange County, Chapman encompasses nine schools and colleges including their popular and accredited George L Argyros School of Business and Economics and Dale E. Fowler School of Law.





**16682 BLANTON LN
HUNTINGTON BEACH, CA, 92649**

Number of Units:	4
Year Built:	1973
APN:	178-184-06
Gross Sq. Ft.:	3,455
Average S.F. Per Unit:	864
Lot Size (Acres):	0.19
Density:	21

INVESTMENT SUMMARY

VALUE RANGE	PRICE/ UNIT	PRICE/ FOOT	PROFORMA		MARKET	
			CAP RATE	GRM	CAP RATE	GRM
\$1,650,000	\$412,500	\$477.57	3.32%	19.67	4.49%	15.91

UNIT MIX & SCHEDULED INCOME

TOTAL UNITS	UNIT MIX	UNIT MIX %	CURRENT AVG RENT	CURRENT MONTHLY RENT	MARKET RENT	MARKET MONTHLY RENT
4	2+1	100%	\$1,737	\$6,948	\$2,150	\$8,600
Scheduled Monthly Rent:				\$6,948		\$8,600
Scheduled Yearly Rent:				\$83,376		\$103,200

ANNUAL OPERATING DATA

ANNUALIZED OPERATING DATA	PROFORMA		MARKET	
Scheduled Gross Income:	\$83,376	Current Rent	\$103,200	24% Upside
Less Vacancy Reserve:	\$2,501	3.0%	\$3,096	3.0%
Other Income:	\$495		\$495	
Gross Operating Income:	\$81,370		\$100,599	
Expenses:	\$26,519	31.81%	\$26,519	25.70%*
Net Operating Income:	\$54,851		\$74,080	
Loan Payments:	\$43,861		\$43,861	
Pre-Tax Cash Flow:	\$10,989	1.29%	\$30,219	3.55%**
Plus Principal Reduction:	\$14,946		\$14,946	
Total Return Before Taxes:	\$25,935	3.05%	\$45,165	5.31%**

* As a percent of Scheduled Gross Income

** As a percent of Down Payment

PRO FORMA ANNUAL OPERATING EXPENSES

EXPENSES	PRO FORMA ESTIMATES		% OF SGI	* PRO FORMA	PER UNIT	MARKET	PER UNIT	% OF SGI
Property Taxes	1.099%	x Sale Price	21.95%	\$18,138	\$4,534	\$18,138	\$4,534	17.6%
Insurance	\$0.35	Actual	1.49%	\$1,209	\$302	\$1,209	\$302	1.2%
Repairs & Maintenance	\$400	x Units	1.97%	\$1,600	\$400	\$1,600	\$400	1.6%
Landscaping	\$270	x Units	1.33%	\$1,080	\$270	\$1,080	\$270	1.0%
Pest Control	\$20	x Units	0.10%	\$80	\$20	\$80	\$20	0.1%
Utilities	\$691	x Units	3.40%	\$2,764	\$691	\$2,764	\$691	2.7%
Trash	\$412	x Units	2.03%	\$1,648	\$412	\$1,648	\$412	1.6%
Total Expenses			30.06%	\$26,519	\$6,630	\$26,519	\$6,630	25.7%

Current

Per Unit

% of SGI

Non-controllable expenses: Taxes, Ins., Reserves:

\$17,290

\$4,323

20.7%

Total Expense without Taxes

\$9,372

\$2,343

11.24%

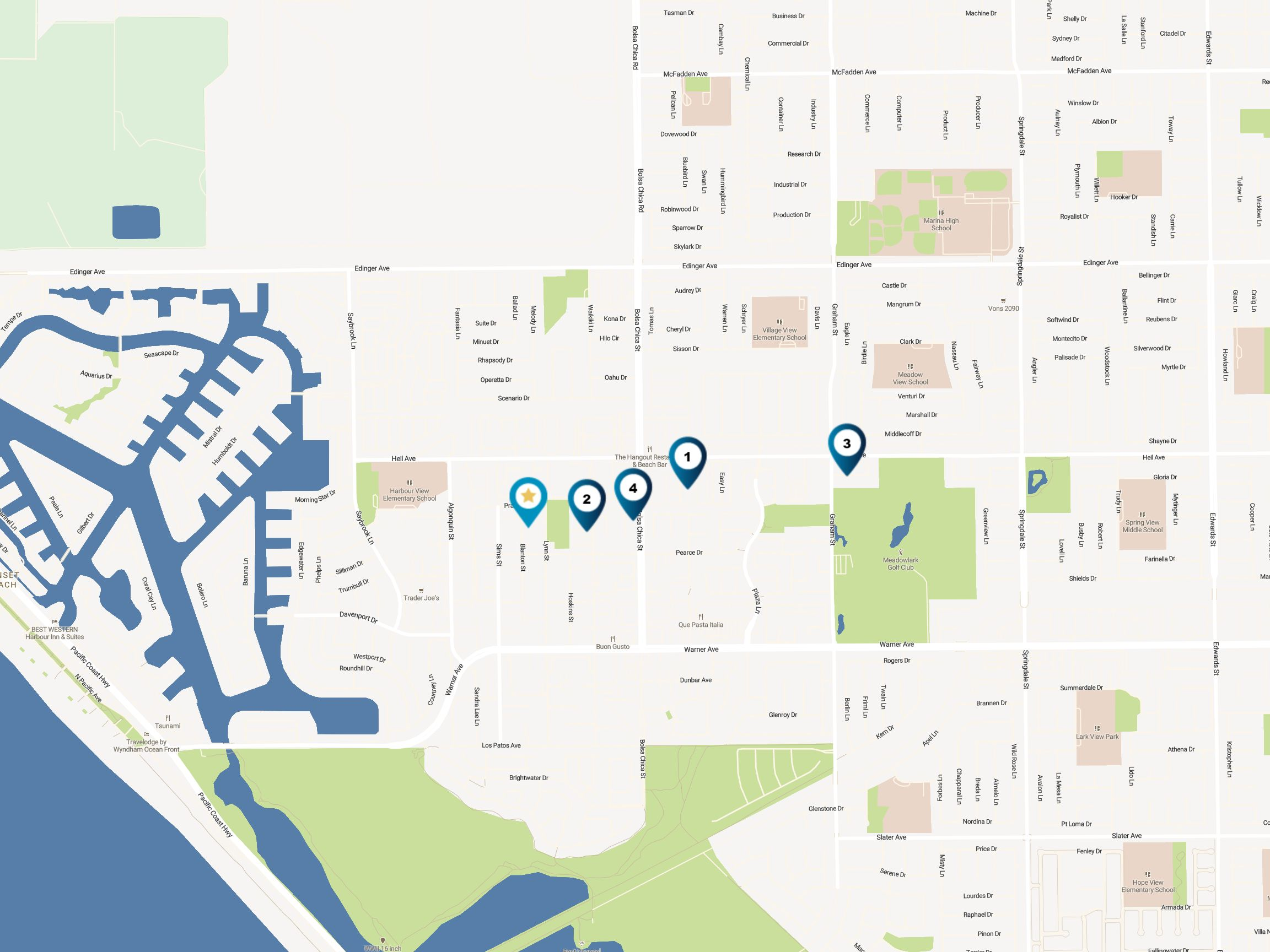
RENT ROLL

UNIT	MIX	RENT	MARKET RENT
1	2+1	\$1,268	\$2,150
2	2+1	\$1,890	\$2,150
3	2+1	\$1,895	\$2,150
4	2+1	\$1,895	\$2,150
Totals	4	\$6,948	\$8,600
Averages		\$1,737	\$2,150



SALES COMPARABLES

	ADDRESS	SALE DATE	UNITS	YEAR BUILT	SF	PRICE/SF	SALE PRICE	PRICE/UNIT	GRM	CAP RATE	BUYER PROFILE & NOTES
S	16682 Blanton Ln, Huntington Beach, CA, 92649	-	4	1973	3,455	\$477.57	\$1,650,000	\$412,500	19.67	3.32%	-
1	16582 Regina Cir, Huntington Beach, CA, 92649	08/06/2020	4	1974	4,017	\$387	\$1,555,000	\$388,750	18.65	3.54%	(3) 2+1, (1) 3+2, NOI: \$55,048, Private Garages per Unit, Large patios, and Yards
2	16681 Green Ln, Huntington Beach, CA, 92649	08/13/2020	4	1978	5,028	\$322	\$1,623,000	\$405,750	19.74	3.50%	(3) 2+2, (1) 3+3, 45% upside in the rents, Two Balconies for Upstairs Units, Laundry Hookups, Fireplace. Delivered As Is
3	16541 Pro Cir, Huntington Beach, CA, 92649	02/26/2021	4	1975	4,125	\$443	\$1,828,000	\$457,000	17.41	4.70%	(1) 1+1, (2) 2+1.5, (1) 3+2.5, Original Price: \$1,795,000, Sold Above List Price, Laundry Income, Vacant Unit, One-Unit Upgraded, 1-Car Garage per Unit
4	16612 Jib Cir, Huntington Beach, CA, 92649	03/01/2021	4	1977	4,602	\$401	\$1,850,000	\$462,500	17.83	3.89%	(1) 1+1, (2) 2+3, (1) 3+3, Very Well-Maintained Asset, all units have central AC, In-Unit Laundry, and Separate Gas and Electric Meters.
Averages						\$388	\$1,714,000	\$428,500	18	3.72%	



WW116 inch

Back Channel

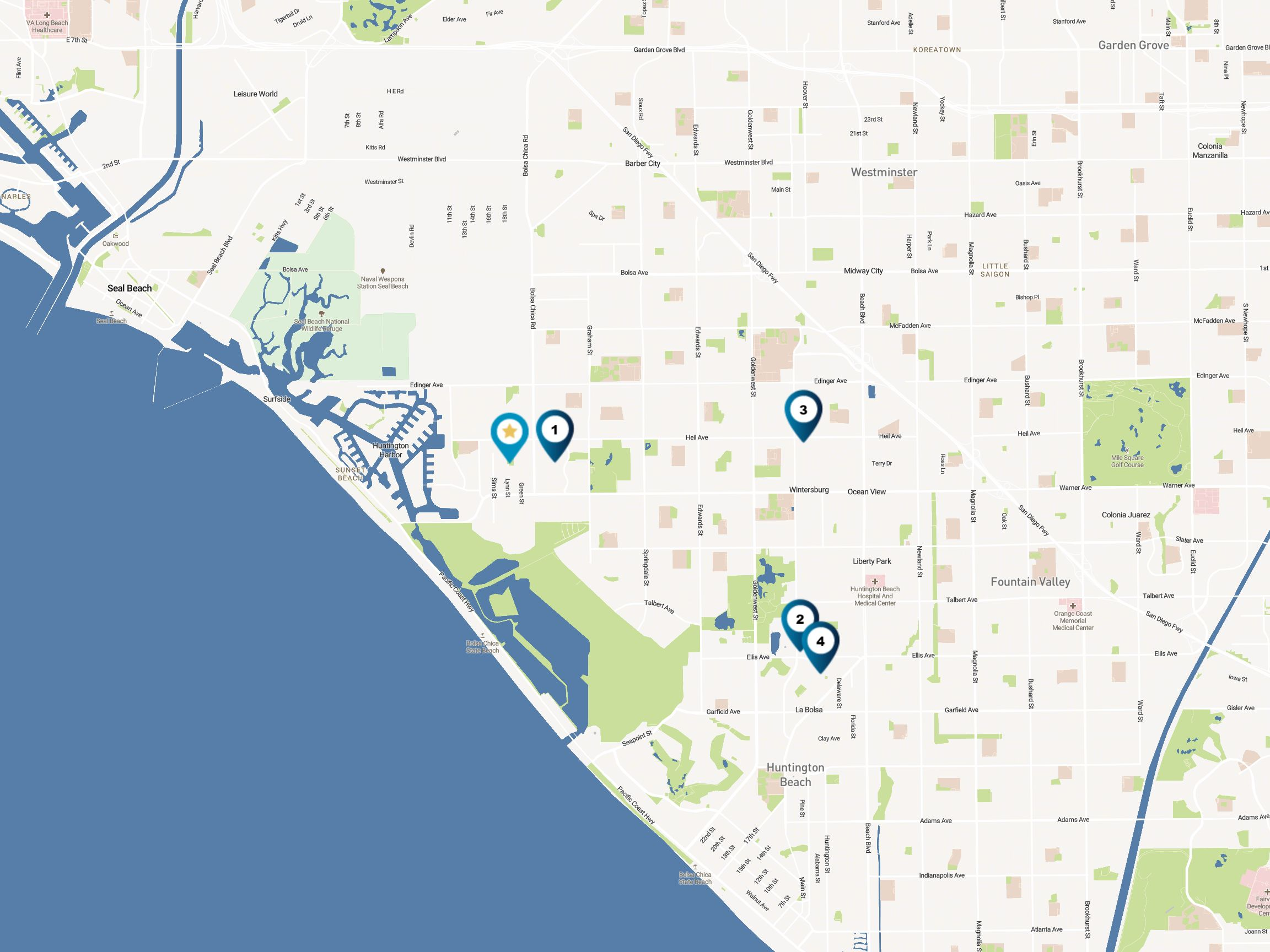
Near

Villa N

RENT COMPARABLES

TWO BEDROOM UNITS

	ADDRESS	FLOOR PLAN	ASKING RENT	SQUARE FEET	RENT PSF
S	16682 Blanton Ln, Huntington Beach, CA, 92649	2+1	\$1,268 \$1,890 (2) \$1,895	700	\$1.81 - \$2.71
1	17375 Brookhurst St, Huntington Beach, CA, 92648	2+2	\$2,100	950	\$2.21
2	17375 Brookhurst St, Huntington Beach, CA, 92648	2+2	\$2,125	1,050	\$2.02
3	10244 Warner Ave, Huntington Beach, CA, 92647	2+1	\$2,175	960	\$2.27
4	17200 Newhope St, Huntington Beach, CA, 92648	2+1	\$2,195	950	\$2.31
	Averages		\$2,149	978	\$2.20





LISTED BY

CHRISTIAN ESPINOZA

Associate, *Multifamily*

+1 (949) 945-6008

christian.espinoza@matthews.com

License No. 02062988 (CA)

DAVID HARRINGTON

EVP & Managing Director

+1 (310) 295-1170

david.harrington@matthews.com

License No. 01320460 (CA)

CHAD KURZ

EVP & Managing Director

+1 (949) 662-2252

chad.kurz@matthews.com

License No. 01911198 (CA)

16682 Blanton Ln

Huntington Beach, CA