

40 XIMENO AVENUE

an exclusively offered
six-unit building
steps from the sand
in Long Beach's
Belmont Shore



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Belmont Pier

Belmont Plaza Pool

40 Ximeno Avenue



INVESTMENT ANALYSIS

Marcus & Millichap

EXECUTIVE SUMMARY

PRICING INFORMATION

Offering Price	\$1,849,500
Price/Unit	\$308,250
Price/SF	\$475
Cap Rate (Current)	3.91%
Cap Rate (Market)	6.97%

PROPERTY DETAILS

Address	40 Ximeno Avenue, Long Beach, CA 90803
Units	6
Building SF	3,890
Year Built	1949
Lot SF	3,148
APN	7256-035-009
Zoning	LBR2S

UTILITIES

Electricity	Separately Metered
Gas	Separately Metered
Water	Master Metered





INVESTMENT DESCRIPTION

Marcus & Millichap is pleased to present to market the exciting opportunity to acquire the prime Belmont Shore apartment building located at 40 Ximeno Avenue in Long Beach. This asset is just five parcels from Ocean Avenue and the sand in a sought-after affluent coastal market. Current rents are 50 percent below market, making this an excellent value-add opportunity in a high demand submarket.

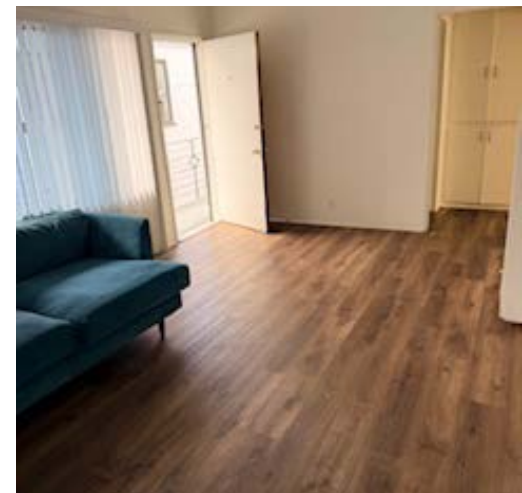
40 Ximeno Avenue offers a diverse mix of one studio with a large walk-in closet, four one-bedroom/one-bath units, and one two-bedroom/one-bath unit with a den. Of the six units, five feature new vinyl plank flooring and four boast new showers. The property also features a newer roof, laundry facilities, one covered parking space, and a storage space.

The building's outstanding location offers residents enviable proximity to quintessential California living amenities: the beach, Belmont Plaza Pool, Belmont Pier, and the vibrant Second Street corridor's dining, retail and entertainment. This area has a strong and steady tenant base with an average household income over \$140,000. Rental demand is further supported by proximity to Cal State Long Beach, employers, and freeways.

INVESTMENT HIGHLIGHTS

- Prime Belmont Shore Location Five Parcels From the Beach: This six-unit building boasts an outstanding location in one of Long Beach's most desirable coastal neighborhoods.
- Exceptional Value-Add Potential: Current rents are approximately 50 percent below market in a high-demand beachside submarket with strong rental fundamentals.
- Well-Maintained Asset With Diverse Unit Mix: Property features a mix of one studio, four one-beds, and a two-bed unit with a den, on-site laundry, and improvements that include a newer roof and select interior upgrades
- Excellent Proximity to Recreation, Amenities, and Employers Drive Rental Demand: Steps from the beach, Belmont Pier, Belmont Plaza Pool, Second Street's dining and retail, and conveniently near freeways and Cal State Long Beach







40 Ximeno Avenue

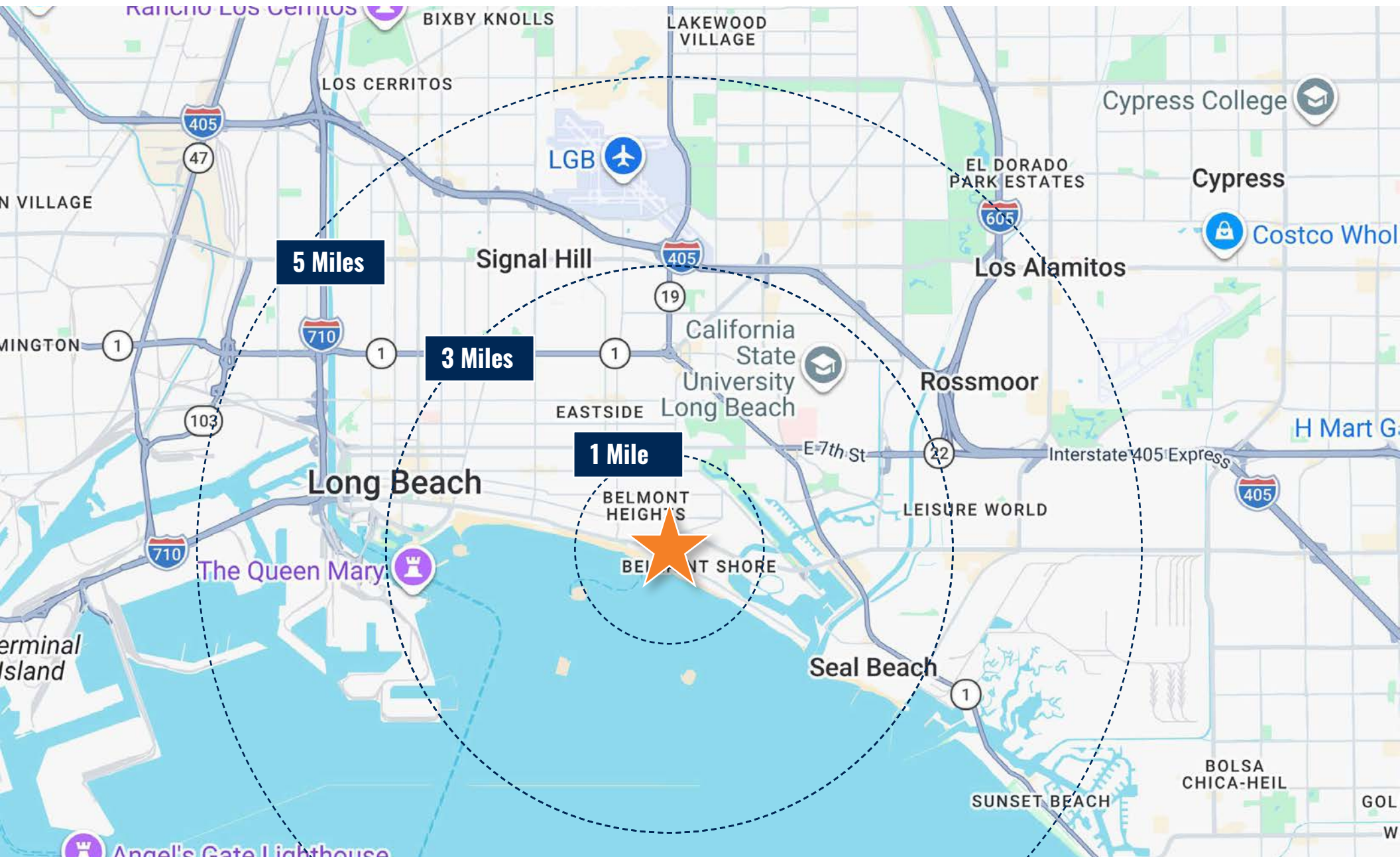
Recreation Park

Cal State Long Beach

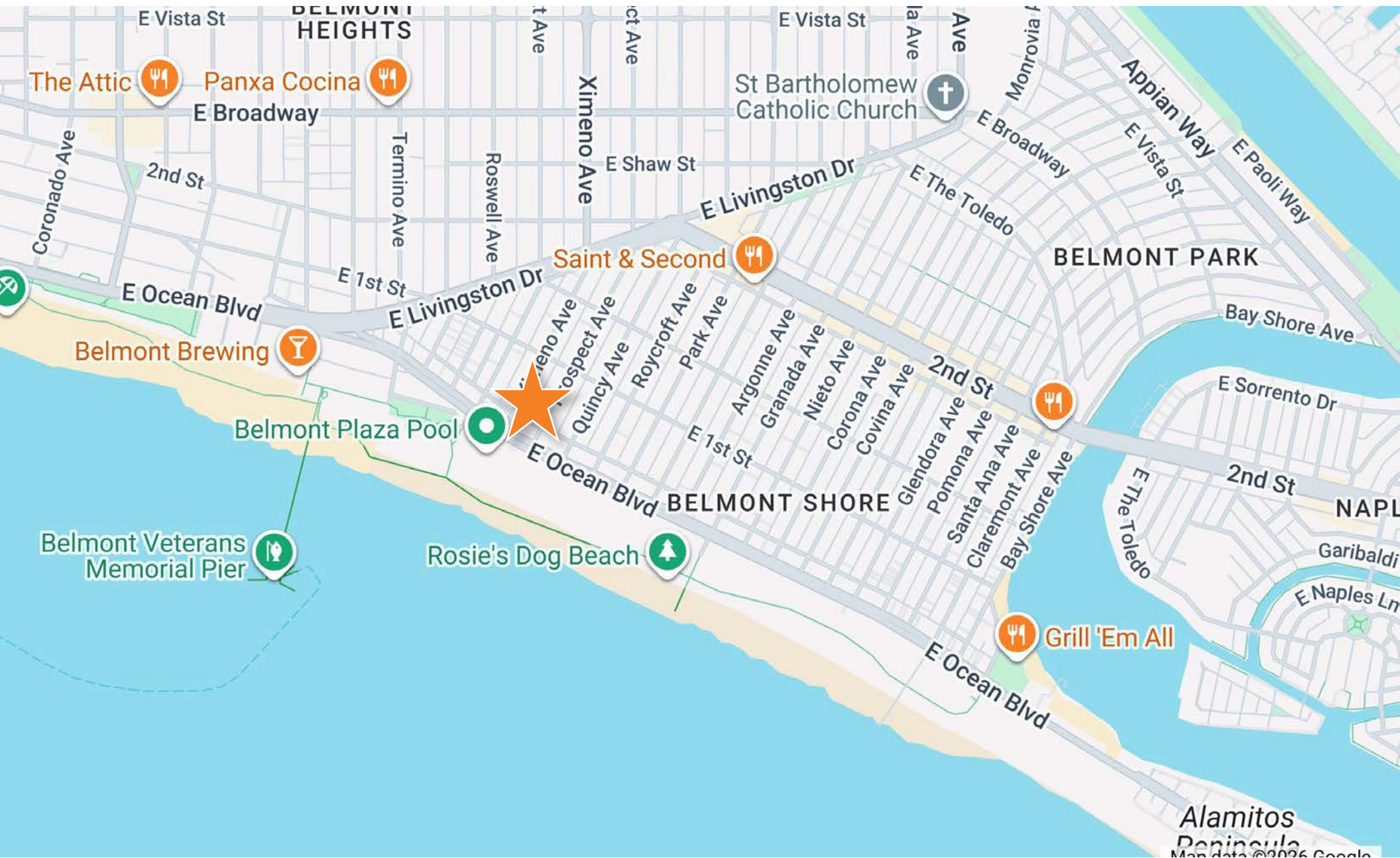
2nd Street

40 Ximeno Avenue

PROPERTY LOCATION



PROPERTY LOCATION



PRICING SUMMARY

PRICING & PROPERTY DETAILS

Address	40 Ximeno Avenue
	Long Beach, CA 90803
List Price	\$1,849,500
No. of Units	6
Rentable SF	3,890
Price/Unit	\$308,250
Price/SF	\$475
Lot Size (SF)	3,148
Year Built	1949

VITAL DATA	CURRENT	PRO FORMA
NOI	\$72,382	\$128,888
Cap Rate	3.91%	6.97%
GRM	15.13	10.08



INCOME & EXPENSES

NO. OF UNITS	UNIT TYPE	% OF UNITS	AVG. CURRENT RENT	TOTAL RENT	PRO FORMA RENT	TOTAL RENT
4	1 BR / 1 BA	67%	\$1,796	\$7,185	\$2,650	\$10,600
1	Studio	17%	\$750	\$750	\$1,695	\$1,695
1	2 BR / 1 BA + Den	17%	\$2,250	\$2,250	\$3,000	\$3,000
6	Total			\$10,185		\$15,295

ANNUALIZED EXPENSES	CURRENT	PRO FORMA
Real Estate Taxes	\$24,663	\$24,663
Insurance	\$5,641	\$5,641
Utilities	\$2,740	\$2,740
Repairs & Maint.	\$3,900	\$3,900
Management Fee	\$5,928	\$8,902
Contract Services	\$1,500	\$1,500
Turnover Costs	\$1,800	\$1,800
Total	\$46,172	\$49,146
Per Unit	\$7,695	\$8,191
Per SF	\$11.87	\$12.63
% EGI	38.95%	27.60%

ANNUALIZED OPERATING DATA	CURRENT	PRO FORMA
All Units at Market Rent	\$183,540	\$183,540
Less: Loss to Lease	\$61,320	\$0
Gross Potential Rent	\$122,220	\$183,540
Less: Vacancy Allowance	\$3,667	\$5,506
Effective Gross Income	\$118,553	\$178,034
Less: Expenses	\$46,172	\$49,146
Net Operating Income	\$72,382	\$128,888

RENT ROLL

UNIT #	UNIT TYPE	CURRENT RENT	POTENTIAL RENT INCREASE	PRO FORMA RENT
1	1 BR / 1 BA	\$1,850	\$2,010*	\$2,650
2	1 BR / 1 BA	\$1,825	\$1,983*	\$2,650
3	Studio	\$750	\$750	\$1,695
4	1 BR / 1 BA	\$1,735	\$1,885**	\$2,650
5	1 BR / 1 BA	\$1,775	\$1,775	\$2,650
6	2 BR / 1 BA + Den	\$2,250	\$2,445**	\$3,000
6	Monthly Total	\$10,185	\$10,848	\$15,295
	Annual Gross	\$122,220	\$130,176	\$183,540

*Units 1 and 2 are eligible for rent increases in November 2026.

**Units 4 and 6 are eligible for rent increases in February 2027

10-YEAR CASH FLOW

	AUG-27	AUG-28	AUG-29	AUG-30	AUG-31	AUG-32	AUG-33	AUG-34	AUG-35	AUG-36
Income										
All Units at Market Rent	\$190,882	\$198,517	\$206,458	\$214,716	\$223,304	\$232,237	\$241,526	\$251,187	\$261,235	\$271,684
Gain (Loss)-to-Lease	(\$56,414)	(\$51,901)	(\$47,749)	(\$43,929)	(\$40,415)	(\$37,182)	(\$34,207)	(\$31,471)	(\$28,953)	(\$26,637)
Gross Potential Rent	\$134,467	\$146,616	\$158,708	\$170,787	\$182,890	\$195,055	\$207,319	\$219,717	\$232,282	\$245,047
Vacancy Allowance	(\$4,034)	(\$4,398)	(\$4,761)	(\$5,124)	(\$5,487)	(\$5,852)	(\$6,220)	(\$6,591)	(\$6,968)	(\$7,351)
Effective Gross Income	\$130,433	\$142,217	\$153,947	\$165,663	\$177,403	\$189,203	\$201,099	\$213,125	\$225,313	\$237,696
Expenses										
Real Estate Taxes	\$25,157	\$25,660	\$26,173	\$26,696	\$27,230	\$27,775	\$28,331	\$28,897	\$29,475	\$30,065
Insurance	\$5,641	\$5,810	\$5,984	\$6,164	\$6,348	\$6,539	\$6,735	\$6,937	\$7,145	\$7,360
Utilities	\$2,740	\$2,822	\$2,907	\$2,994	\$3,084	\$3,176	\$3,272	\$3,370	\$3,471	\$3,575
Repairs & Maint.	\$3,900	\$4,017	\$4,138	\$4,262	\$4,389	\$4,521	\$4,657	\$4,797	\$4,940	\$5,089
Management Fee	\$6,522	\$7,111	\$7,697	\$8,283	\$8,870	\$9,460	\$10,055	\$10,656	\$11,266	\$11,885
Contract Services	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	\$1,957
Turnover Costs	\$1,800	\$1,854	\$1,910	\$1,967	\$2,026	\$2,087	\$2,149	\$2,214	\$2,280	\$2,349
Total Expenses	\$47,259	\$48,819	\$50,400	\$52,005	\$53,637	\$55,297	\$56,989	\$58,715	\$60,478	\$62,278
Net Operating Income	\$83,174	\$93,399	\$103,547	\$113,658	\$123,766	\$133,906	\$144,110	\$154,410	\$164,836	\$175,418

INCOME & EXPENSE NOTES

Pro forma rents represent all units at adjusted market rents. Market rents are underwritten using comparable market rents and assume that the buyer will continue to upgrade the units to market levels, with similar features, upgrades, and amenities as surrounding area properties.

Pro forma vacancy loss is underwritten at 3%, which is common for an asset located in this area. Loss-to-lease is underwritten as market rents, less the properties current rent roll.

Real estate taxes are calculated on proposed pricing at an ad valorem rate of 1.269098% on the full value of the land and improvements and \$1191.44 for special assessments which was obtained from the LA County Tax Assessor's Office.

Pro forma insurance is estimated at industry standards at \$1.45 per square foot.

Pro forma utilities is underwritten as provided from historical operations.

Pro forma repairs and maintenance expense is estimated at \$750 per unit. A standard amount for a building of this size, age, and condition.

Pro forma general and administrative expense is underwritten at \$100 per unit.

Pro forma management fee expense is underwritten at 5% of gross operating income.

Pro forma pest control expense is underwritten at \$100 per unit, pro forma landscaping expense is underwritten at \$150 per unit, and both are rolled into contract services.

Pro forma turnover cost is underwritten at \$300 per unit.

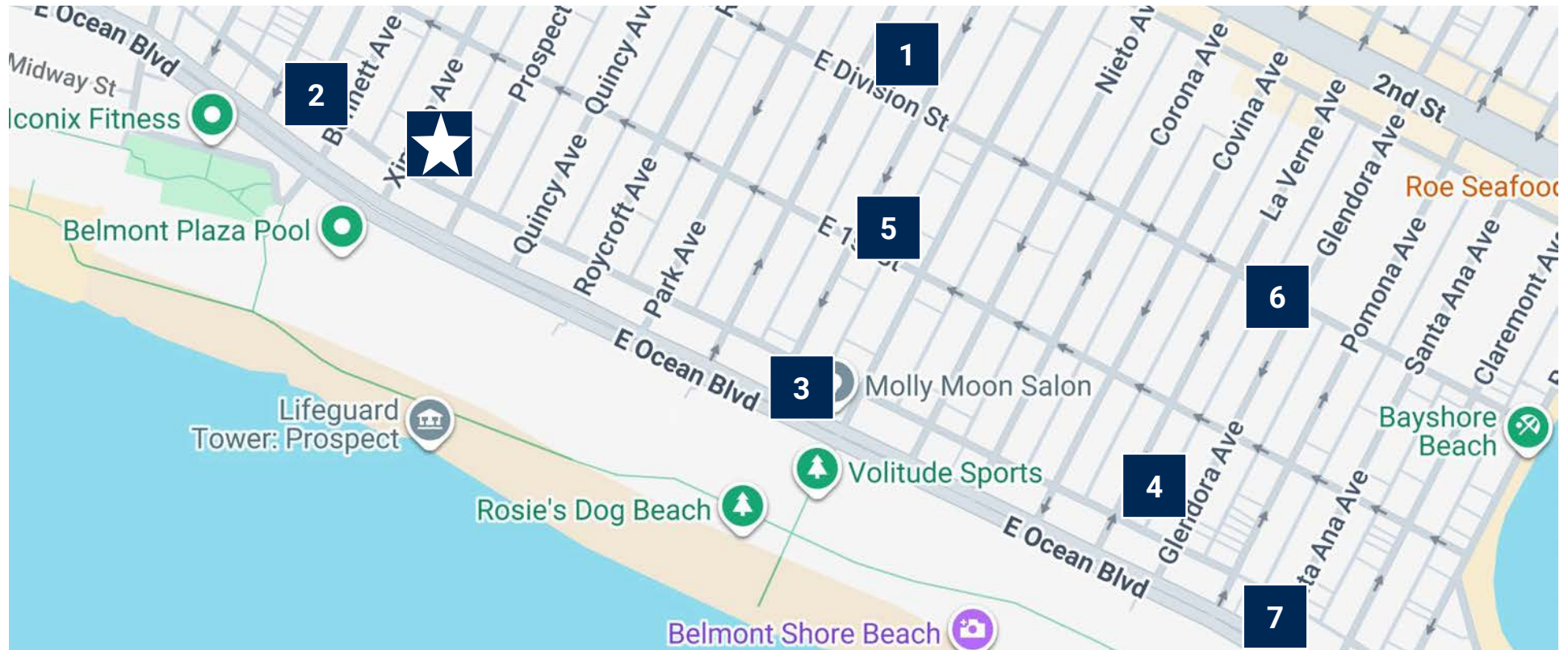
Pro forma replacements and reserves is underwritten at \$250 per unit, and represents industry standards for an asset of this size and age.



SALES COMPARABLES

Marcus & Millichap

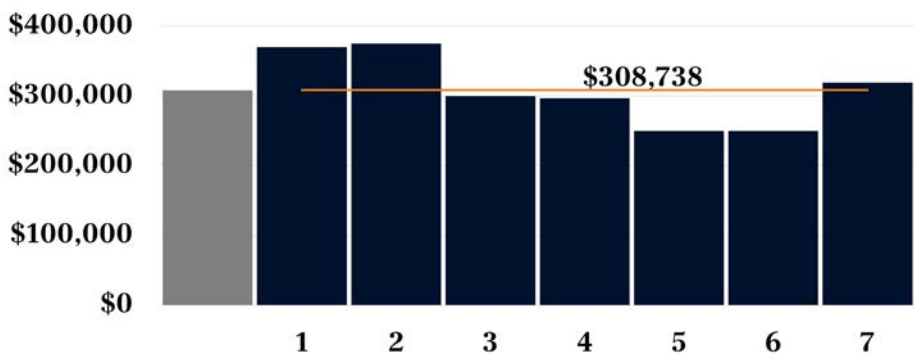
SALES COMPARABLES



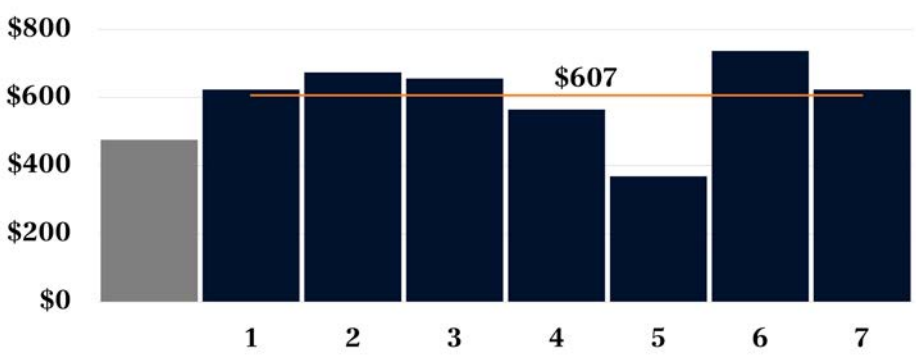
NO.	ADDRESS	PRICE	UNITS	PRICE/UNIT	PRICE/SF	CAP RATE	GRM	SALE DATE
1	150 Saint Joseph Ave	\$1,850,000	5	\$370,000	\$624	4.17%	16.10	6/1/2026
2	24 Roswell Ave	\$1,875,000	5	\$375,000	\$675	4.09%	15.26	3/24/2026
3	5007-5011 E Ocean Blvd	\$3,000,000	10	\$300,000	\$656	6.09%	10.18	2/27/2026
4	32 La Verne Ave	\$1,485,000	5	\$297,000	\$565	3.26%	17.50	11/12/2025
5	102 Argonne Ave	\$2,500,000	10	\$250,000	\$368	4.88%	12.47	8/1/2025
6	5290-5294 E Division St	\$2,000,000	8	\$250,000	\$737	4.67%	13.86	8/1/2025
7	5339 E Ocean Blvd	\$1,915,000	6	\$319,167	\$623	4.43%	14.25	6/10/2025
Comparables Average				\$308,738	\$607	4.51%	14.23	
Subject	40 Ximeno Avenue	\$1,849,500	6	\$308,250	\$475	3.91%	15.13	

SALES COMPARABLES

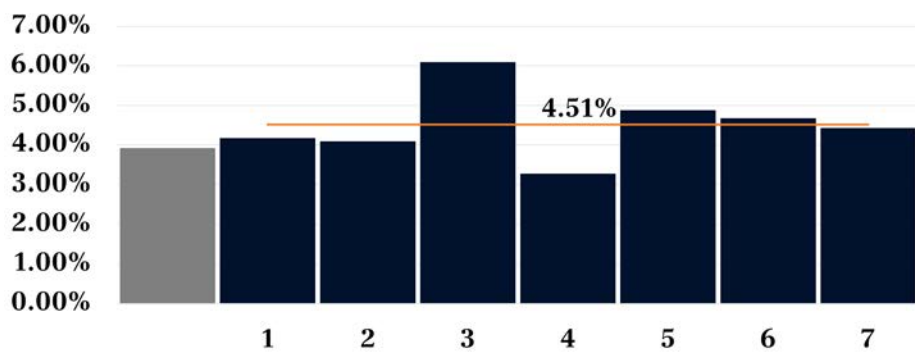
Price Per Unit



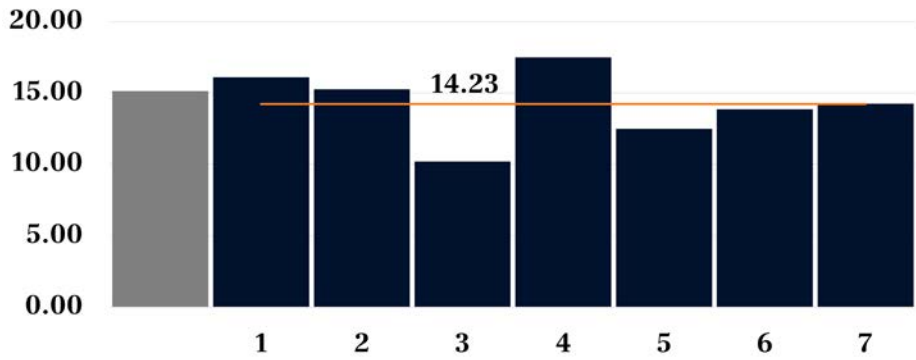
Price Per SF



Cap Rate



GRM



SALES COMPARABLES



150 Saint Joseph Ave
Long Beach, CA 90803-3169

Sale Date	6/1/2026
Price	\$1,850,000
Units	5
Price/Unit	\$370,000
Price/SF	\$623.74
Cap Rate	4.17%
GRM	16.10
Year Built	1956
Unit Mix	
2	Studio
2	One-Bedroom
1	Two-Bedroom



24 Roswell Ave
Long Beach, CA 90803-2997

Sale Date	3/24/2026
Price	\$1,875,000
Units	5
Price/Unit	\$375,000
Price/SF	\$674.70
Cap Rate	4.09%
GRM	15.26
Year Built	1968
Unit Mix	
2	Studio
3	One-Bedroom



5007-5011 E Ocean Blvd
Long Beach, CA 90803-3261

Sale Date	2/27/2026
Price	\$3,000,000
Units	10
Price/Unit	\$300,000
Price/SF	\$656.17
Cap Rate	6.09%
Estimated GRM	10.18
Year Built	1952
Unit Mix	
4	Studio
6	One-Bedroom

SALES COMPARABLES

4



**32 La Verne Ave
Long Beach, CA 90803-3334**

Sale Date	11/12/2025
Price	\$1,485,000
Units	5
Price/Unit	\$297,000
Price/SF	\$565.28
Cap Rate	3.26%
GRM	17.50
Year Built	1947

Unit Mix	
2	Studio
3	One-Bedroom

Listed by Marcus & Millichap

5



**102 Argonne Ave
Long Beach, CA 90803-3284**

Sale Date	8/1/2025
Price	\$2,500,000
Units	10
Price/Unit	\$250,000
Price/SF	\$368.41
Cap Rate	4.88%
GRM	12.47
Year Built	1931

Unit Mix	
4	Studio
6	One-Bedroom

6



**5290-5294 E Division St
Long Beach, CA 90803-3330**

Sale Date	8/1/2025
Price	\$2,000,000
Units	8
Price/Unit	\$250,000
Price/SF	\$737.46
Cap Rate	4.67%
GRM	13.86
Year Built	1952

Unit Mix	
8	Studio

SALES COMPARABLES



5339 E Ocean Blvd
Long Beach, CA 90803

Sale Date	6/10/2025
Price	\$1,915,000
Units	6
Price/Unit	\$319,167
Price/SF	\$623.37
Cap Rate	4.43%
GRM	14.25
Year Built	1953

Unit Mix	
6	One-Bedroom



RENT COMPARABLES

Marcus & Millichap

RENT COMPARABLES



NO.	ADDRESS	UNIT TYPE	UNIT SQFT	MONTHLY RENT	RENT PER SF
1	43 Ximeno Avenue	1BD / 1BA	550	\$2,250	\$4.09
2	26 Belmont Avenue	1BD / 1BA	400	\$2,350	\$5.88
3	25 Bennett Avenue	1BD / 1BA	-	\$2,395	-
4	32 Prospect Avenue	1BD / 1BA	-	\$2,600	-
5	220 Argonne	1BD / 1BA	-	\$2,650	-
6	4115 E Ocean Boulevard	2BD / 1BA	900	\$2,800	\$3.11
7	102 Bennett Avenue	2BD / 1BA	1,000	\$2,975	\$2.98
8	220 Argonne	2BD / 1BA	550	\$3,000	\$5.45
9	32 Prospect Avenue	2BD / 1BA	-	\$3,000	-
10	65 Roswell Avenue	Studio	366	\$1,675	\$4.09
11	41 Roswell Avenue	Studio	-	\$1,695	-
12	4119 E Ocean Boulevard	Studio	400	\$1,695	\$4.24

RENT COMPARABLES



43 Ximeno Avenue

1BD / 1BA

\$2,250



26 Belmont Avenue

1BD / 1BA

\$2,350



25 Bennett Avenue

1BD / 1BA

\$2,395



32 Prospect Avenue

1BD / 1BA

\$2,600



220 Argonne

1BD / 1BA

\$2,650



4115 E Ocean Boulevard

2BD / 1BA

\$2,800

RENT COMPARABLES



102 Bennett Avenue

2BD / 1BA

\$2,975



220 Argonne

2BD / 1BA

\$3,000



32 Prospect Avenue

2BD / 1BA

\$3,000



65 Roswell Avenue

Studio

\$1,675



41 Roswell Avenue

Studio

\$1,695



4119 E Ocean Boulevard

Studio

\$1,695

An aerial photograph of a residential neighborhood, likely in Los Angeles, showing several multi-story houses with flat and tiled roofs. The houses are closely packed, and some have balconies. In the foreground, a large, light-colored, three-story house with a flat roof and multiple windows is prominent. To its right, a smaller house with a red-tiled roof and a white chimney is visible. The street in the foreground has several cars parked, including a white SUV and a silver sedan. The overall scene is a typical urban residential area.

MARKET OVERVIEW

Marcus & Millichap

MARKET OVERVIEW

SOUTH BAY - LONG BEACH

The South Bay-Long Beach area of southwestern Los Angeles County contains 21 miles of coastline between Long Beach and El Segundo, and includes Los Angeles International Airport, the Port of Los Angeles and the Port of Long Beach. The region boasts a population of more than 1.3 million and is projected to add roughly 20,000 residents over the next five years. Less than half of the area's households own their home, generating a large rental market. Entering 2024, local apartment vacancy was 5.0 percent.



Population
1.3M

Growth 2023-2028*
1.8%



Households
489K

Growth 2023-2028*
2.1%



Median Age
39.5

U.S. Median
38.7



Median HH Income
\$87,900

U.S. Median
\$68,500

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

Metro Highlights

- **Port Activity:** The Port of Los Angeles in San Pedro and the adjacent Port of Long Beach are the nation's busiest ports, underpinning employment in the transportation and warehousing sector.
- **Educated Labor Pool:** Educational attainment supports business services and health care-related hiring. The number of residents ages 25 and older with a bachelor's degree exceeds the U.S. mean.
- **Los Angeles International Airport:** The Inglewood-adjacent LAX Airport is undergoing a \$15 billion modernization program to improve operations and capacity. While some upgrades are already complete, the full project is expected to extend to 2030.

Economy Highlights

- Torrance and Hawthorne in the South Bay are hubs for the aerospace and defense technology industries, highlighted by the presence of Boeing, SpaceX, Honeywell Aerospace and Raytheon.
- A number of corporate headquarters are located in the area. Significant operations are held by American Honda Motor Co. in Torrance and Mattel in El Segundo, while auto parts manufacturer United Pacific and Molina Healthcare call Long Beach home. Several other Fortune 500 firms are based in the area — A-Mark Precious Metals in El Segundo and Skechers USA in Manhattan Beach.
- Major universities in the area include Long Beach State University and California State University, Dominguez Hills in Carson, which have a combined enrollment of more than 50,000 students.

LOCAL DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles
2030 Projection			
Total Population	23,826	194,431	349,520
2025 Estimate			
Total Population	23,536	192,382	345,999
2020 Census			
Total Population	23,933	194,645	350,687
2010 Census			
Total Population	23,494	193,767	349,406
Daytime Population			
2025 Estimate	14,447	183,114	359,982
HOUSEHOLDS	1 Mile	3 Miles	5 Miles
2030 Projection			
Total Households	12,955	87,573	148,243
2025 Estimate			
Total Households	12,866	86,254	145,972
Average (Mean) Household Size	1.9	2.3	2.5
2020 Census			
Total Households	12,704	83,777	141,718
2010 Census			
Total Households	12,693	81,284	136,640
Growth 2025-2030	0.7%	1.5%	1.6%
HOUSING UNITS	1 Mile	3 Miles	5 Miles
Occupied Units			
2030 Projection	13,914	93,954	157,837
2025 Estimate	13,811	92,486	155,357
Owner Occupied	4,321	28,028	60,232
Renter Occupied	8,544	58,210	85,659
Vacant	945	6,232	9,385
Persons in Units			
2025 Estimate Total Occupied Units	12,866	86,254	145,972
1 Person Units	46.4%	39.7%	35.7%
2 Person Units	35.8%	32.3%	31.4%
3 Person Units	9.8%	12.2%	13.3%
4 Person Units	5.9%	9.3%	11.0%
5 Person Units	1.4%	3.9%	5.2%
6+ Person Units	0.7%	2.6%	3.5%

HOUSEHOLDS BY INCOME	1 Mile	3 Miles	5 Miles
2025 Estimate			
\$200,000 or More	19.9%	14.2%	15.0%
\$150,000-\$199,999	11.3%	9.4%	9.7%
\$100,000-\$149,999	24.3%	19.0%	18.3%
\$75,000-\$99,999	13.9%	13.6%	12.5%
\$50,000-\$74,999	12.6%	15.4%	14.9%
\$35,000-\$49,999	5.8%	8.6%	9.0%
\$25,000-\$34,999	3.8%	5.7%	6.3%
\$15,000-\$24,999	3.9%	5.8%	6.1%
Under \$15,000	4.5%	8.3%	8.2%
Average Household Income	\$141,088	\$111,014	\$115,057
Median Household Income	\$117,302	\$89,248	\$93,341
Per Capita Income	\$75,938	\$51,942	\$49,278
POPULATION PROFILE	1 Mile	3 Miles	5 Miles
Population By Age			
2025 Estimate Total Population	23,536	192,382	345,999
Under 20	13.2%	19.2%	21.0%
20 to 34 Years	24.6%	26.0%	22.9%
35 to 39 Years	9.5%	8.4%	7.7%
40 to 49 Years	14.3%	13.0%	12.9%
50 to 64 Years	21.5%	19.0%	19.1%
Age 65+	17.0%	14.5%	16.4%
Median Age	43.0	39.0	40.0
Population 25+ by Education Level			
2025 Estimate Population Age 25+	19,455	142,603	251,943
Elementary (0-8)	2.4%	9.4%	10.0%
Some High School (9-11)	1.8%	5.0%	5.7%
High School Graduate (12)	7.6%	13.4%	15.1%
Some College (13-15)	22.6%	21.1%	21.6%
Associate Degree Only	7.2%	6.7%	6.7%
Bachelor's Degree Only	33.2%	27.7%	25.6%
Graduate Degree	25.3%	16.6%	15.4%
Population by Gender			
2025 Estimate Total Population	23,536	192,382	345,999
Male Population	49.4%	49.7%	49.4%
Female Population	50.6%	50.3%	50.6%

INVESTMENT FORECAST

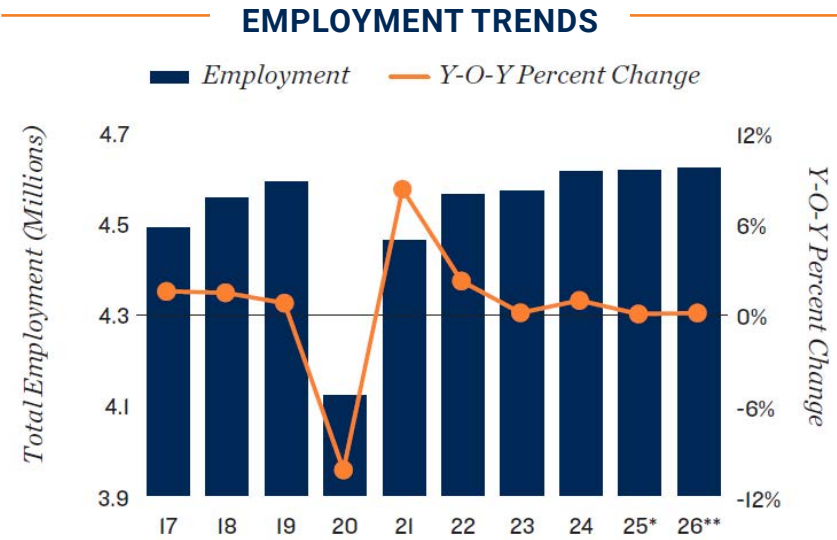
LOS ANGELES METRO 2026

Rental Demand Proves Steadfast, but Metro Faces Heightened Exposure to Broader Headwinds

Emerging and longstanding tailwinds limit the impact of near-term hurdles. After two years of moderate vacancy compression, Los Angeles’ rental market will face several challenges in 2026 that could alter the trajectory of local demand. Home to the nation’s fourth-largest immigrant population — more than 4 million people as of 2023 — the market will continue to be acutely affect-ed by stricter immigration policies, which reduced the number of individuals arriving to the U.S. legally last year. The ongoing decline in local film- and entertainment-related jobs may also affect the metro’s renter pool. Over the past three years, the number of Los Angelenos employed in the motion picture industry has declined by at least 40,000. Fortunately, the market will face limited supply pressure in 2026, as approximately 6,200 units are slated for delivery — the lowest total since 2015. This, along with the metro’s longstanding barriers to homeownership, will counter the headwinds affecting the renter pool, keeping the metro in a low-vacancy state over the near term.

Private investor interest apparent. Los Angeles tallied the most transactions among major markets last year, with sub-\$5 million sales accounting for nearly 90 percent of deal flow. Home to below-average rent and Class C vacancy in the 3 percent to 4 percent range, Greater Ingle-wood, Long Beach, and other parts of South Bay should continue to attract upside-seeking buyers targeting assets that command similar capital infusions. Exhibiting comparable fundamentals, the San Gabriel and San Fernando valleys will represent additional centers of Class C trading in 2026, with investors often acquiring assets via 1031

exchange. In Los Angeles proper, investor demand for these assets will be impacted by recent changes to the city’s rent stabilization ordinance, which now caps rent increases for apartments built before 1978 at 4 percent or 90 percent of CPI.



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.

2026 Market Forecast



+0.1%
employment
increase

EMPLOYMENT

Aided by healthcare hiring, Los Angeles registers a second straight year of modest job creation that translates to the addition of 6,000 positions.



6,200
units
will be completed

CONSTRUCTION

For the fifth consecutive year, local apartment inventory expands by less than 1 percent. Deliveries in Los Angeles proper account for nearly half the units added metrowide.



10
basis point
increase in vacancy

VACANCY

Supply and demand remain aligned despite the metro's exposure to several significant headwinds. As such, vacancy dips slightly to 4.3 percent — on par with the market's long-term average.

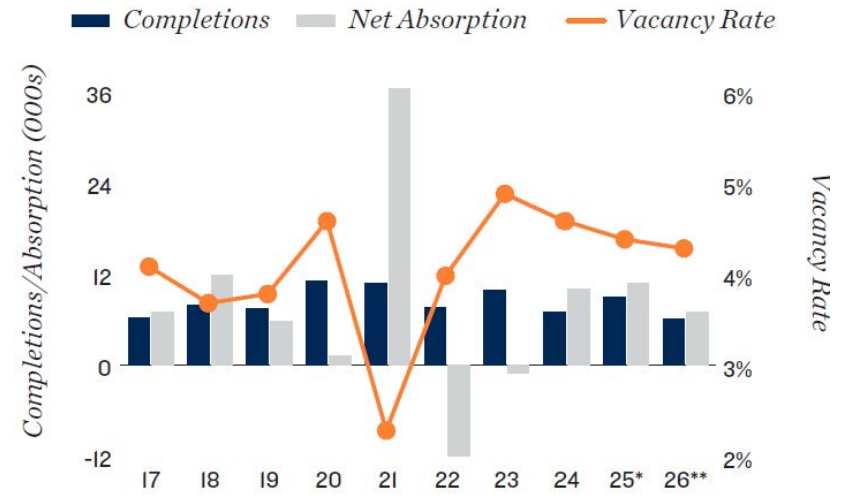


1.7%
increase in
effective rent

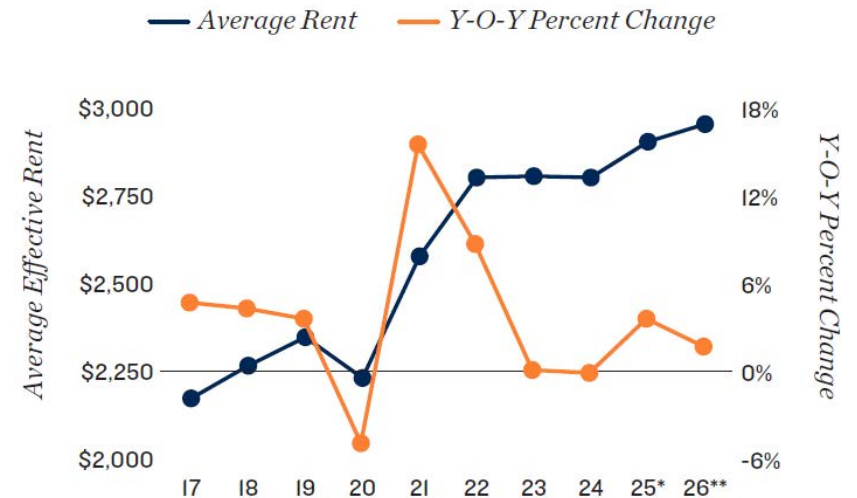
RENT

Four-year-low vacancy, fueled partially by encouraging renewal activity, supports moderate rent growth in 2026. The metro's average effective rate ends this year at \$2,950 per month.

SUPPLY & DEMAND



RENT TRENDS



* Estimate; ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics; RealPage, Inc.



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