TEAM FASNACHT REALTY GROUP

LONG BEACH MULTIFAMILY • SINCE 1947

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OFFERING MEMORANDUM

Bixby Knolls Multifamily Portfolio

A three building, fourteen unit value add apartment portfolio in one of Long Beach's most desirable neighborhoods. Offered together or individually.

14	$4.50M	5.52%	6.72%
TOTAL UNITS	EVALUATION PRICE	CURRENT CAP	MARKET CAP

PRESENTED BY

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Confidentiality and Disclaimer

This Offering Memorandum has been prepared by Team Fasnacht Realty Group for use by a limited number of qualified parties. It contains select information about the properties referenced and is intended to assist the recipient in evaluating a possible acquisition. The information was obtained from sources believed to be reliable, including the owner of the properties, but it has not been independently verified and is not guaranteed as to accuracy or completeness.

All financial projections, opinions, assumptions, and estimates are provided as examples only. They are based on assumptions that are subject to change and may not represent the current or future performance of the properties. Market rents and pro forma figures are estimates of potential performance, not current income, and there is no guarantee they will be achieved. Any reference to square footage, unit count, income, expenses, or condition is approximate. Prospective buyers should conduct their own independent investigation and rely on their own analysis, advisors, accountants, attorneys, and due diligence.

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This is not an appraisal. The capitalization rate, gross rent multiplier, and net operating income presented here are calculated on a normalized basis, using a 30 percent operating expense ratio and a 3 percent vacancy allowance, and may differ from actual operating results. The properties are offered subject to prior sale, change in price, or withdrawal from the market without notice.

All information deemed reliable but not guaranteed. Buyers to verify all information independently.

Team Fasnacht Realty Group is pleased to present the Bixby Knolls Multifamily Portfolio, three apartment buildings totaling fourteen units in the heart of one of Long Beach's most established and sought after neighborhoods. The portfolio is offered at $4,500,000, a blended 5.52 percent capitalization rate on current income. With in place rents sitting below the neighborhood market, a buyer who brings rents to market reaches a roughly 6.72 percent return on the same basis, an uncommon combination of an A location and real, near term upside. Buyers and investors may acquire the three buildings individually or as a group.

OFFERING SUMMARY

EVALUATION PRICE **$4,500,000**	TOTAL UNITS **14**	PRICE PER UNIT **$321,429**
CURRENT CAP RATE **5.52%**	MARKET CAP RATE **6.72%**	CURRENT GRM **12.42**
CURRENT NOI **$248,581**	MARKET NOI **$302,366**	EXPENSE / VACANCY **30% / 3%**

INVESTMENT HIGHLIGHTS

- **Real rent upside.** In place rents sit below the neighborhood market. Bringing them to market lifts net operating income from $248,581 to roughly $302,366, about $1,076,000 of value at a 5.0 percent cap, a path supported by AB 1482 increases of up to 8 percent a year in 2026.
- **A location fundamentals.** Walking distance to the Atlantic Avenue dining and boutique corridor, and served by a top rated school district including Los Cerritos Elementary and Hughes Middle School, the kind of setting that keeps families in place and vacancy low.
- **Fourteen units, one submarket.** Two four unit buildings and one six unit building, offered together or individually, with combined current scheduled income of $362,388 a year.
- **Efficient unit mix.** Predominantly two bedroom units with strong, steady demand, plus two larger three bedroom homes at 4407 Linden and two one bedroom units at 4411 Linden.
- **Fourplex flexibility.** Both 4407 Linden and 4322 Elm are four unit buildings that qualify for residential financing, opening the buyer pool to owner users and first time multifamily investors.
- **Premium, durable location.** Bixby Knolls is consistently ranked among the most desirable places to live in Long Beach, with tree lined streets, vintage architecture, and a strong, event driven community.

4407 Linden Avenue

$1,500,000

BIXBY KNOLLS FOURPLEX • 4 UNITS

$375,000 / UNIT

A four unit building with two spacious three bedroom homes and two two bedroom units, a family friendly mix that supports durable rents. As a fourplex, it qualifies for residential financing, widening the buyer pool to owner users as well as investors. In place rents run below the neighborhood market, a clear path to higher income.

CURRENT CAP	MARKET CAP	CURRENT NOI	CURRENT RENT
5.36%	6.25%	$80,470	$9,773

4411 Linden Avenue

$1,700,000

SIX UNIT INCOME PROPERTY • 6 UNITS

$283,333 / UNIT

Six units, four two bedroom homes and two one bedroom units, generating the largest income base of the three buildings. A clean, efficient income property well suited to a buyer focused on steady cash flow with room to push rents toward market in a stable, school anchored neighborhood.

CURRENT CAP	MARKET CAP	CURRENT NOI	CURRENT RENT
5.76%	7.24%	$97,972	$11,921

4322 Elm Avenue

$1,300,000

BIXBY KNOLLS FOURPLEX • 4 UNITS

$325,000 / UNIT

A four unit building of all two bedroom homes, with on site laundry income on top of scheduled rent. As a fourplex it qualifies for residential financing, and its two bedroom mix is the most in demand unit type in the neighborhood. In place rents run below market, supporting near term upside.

CURRENT CAP	MARKET CAP	CURRENT NOI	CURRENT RENT
5.40%	6.58%	$70,139	$8,505

UNIT MIX, CURRENT AND MARKET RENTS

Building	Unit Type	Count	Market Rent / Unit	Current Rent (mo)	Market Rent (mo)
4407 Linden	2 bd / 1 ba	2	$2,600	$9,773	$11,400
	3 bd / 1 ba	2	$3,100		
4411 Linden	2 bd / 1 ba	4	$2,600	$11,921	$15,000
	1 bd / 1 ba	2	$2,300		
4322 Elm	2 bd / 1 ba	4	$2,600	$8,505	$10,400
Portfolio	**14 units**	**14**		**$30,199**	**$36,800**

Current rents are in place as reported by the owner. Market rents are estimates for the neighborhood. A detailed unit by unit rent roll and current leases are available to qualified buyers on request.

The pro forma below reflects current, in place income, normalized to a 30 percent operating expense ratio and a 3 percent vacancy allowance. The resulting net operating income and the evaluation price for each asset produce the capitalization rates shown.

Line Item	4407 Linden	4411 Linden	4322 Elm	Portfolio
INCOME				
Scheduled Rental Income	$117,276	$143,052	$102,060	**$362,388**
Other Income	$1,200	$1,200	$1,200	**$3,600**
Gross Potential Income	$118,476	$144,252	$103,260	**$365,988**
Less: Vacancy (3%)	− $3,518	− $4,292	− $3,062	**− $10,872**
Effective Gross Income	$114,958	$139,960	$100,198	**$355,116**
EXPENSES				
Operating Expenses (30%)	− $34,487	− $41,988	− $30,059	**− $106,535**
Net Operating Income	**$80,470**	**$97,972**	**$70,139**	**$248,581**
VALUATION				
Units	4	6	4	**14**
Current Cap Rate	5.36%	5.76%	5.40%	**5.52%**
Current GRM	12.79	11.88	12.74	**12.42**
Price Per Unit	$375,000	$283,333	$325,000	**$321,429**
Evaluation Price	**$1,500,000**	**$1,700,000**	**$1,300,000**	**$4,500,000**

A Note on Expenses and Cap Rate

The 30 percent expense ratio is a normalized, market style assumption and should be confirmed against the trailing operating statements during due diligence. The current cap rates, from about 5.4 to 5.8 percent, reflect the premium, A location nature of these assets, which trade tighter than the Long Beach citywide average, with meaningful additional yield available as rents reach market. See Market Positioning for detail.

In place rents across the portfolio sit below the neighborhood market. The table below shows the income and value a buyer reaches by bringing rents to market, holding the same 30 percent expense and 3 percent vacancy assumptions. At the evaluation price, the return rises from a blended 5.52 percent current cap to roughly 6.72 percent at market rents.

$362,388
Current annual scheduled rent

$441,600
Market annual scheduled rent

+$1,076,000
Value created at a 5.0% cap on market rents

Building	Current Rent	Market Rent	Current NOI	Market NOI	Market Value at 5%
4407 Linden Ave	$117,276	$136,800	$80,470	$93,727	$1,875,000
4411 Linden Ave	$143,052	$180,000	$97,972	$123,060	$2,461,000
4322 Elm Ave	$102,060	$124,800	$70,139	$85,579	$1,712,000
Portfolio	**$362,388**	**$441,600**	**$248,581**	**$302,366**	**$6,047,000**

THE VALUE ADD STORY

At the $4,500,000 evaluation price, the portfolio delivers a blended 5.52 percent cap rate on current income, a strong going in yield for this A location. The upside is the gap between in place and market rents. Captured over the hold, that gap lifts net operating income by roughly $53,800 a year and supports approximately $1,076,000 of additional value at a 5.0 percent cap. California AB 1482 permits Long Beach owners to raise rents up to 8 percent a year in 2026 on covered units, a compliant, staged path to close that gap. The predominantly two bedroom unit mix is the most in demand product in the neighborhood, which supports both the market rents shown and the speed at which they can be achieved.

Bixby Knolls is one of Long Beach's most established and desirable neighborhoods, known for tree lined streets, vintage California architecture, and a close knit, event driven community. It consistently ranks among the best places to live in the city, with a family and young professional population and an urban suburban character that supports stable, long tenured tenancy.

TOP RATED SCHOOL DISTRICT

The neighborhood is served by a well regarded public school system that is a primary draw for family tenants and a key driver of low turnover. Two of the standout campuses serving the area are **Los Cerritos Elementary School** and **Hughes Middle School**, both recognized among the stronger public schools in the area. For renters with children, a quality, walkable school district is one of the most durable reasons to stay in place year after year, which directly supports occupancy and rent stability for an owner.

WALKABLE TO ATLANTIC AVENUE

The properties sit within walking distance of Atlantic Avenue, the neighborhood's commercial spine, lined with independently owned restaurants, coffee shops, specialty stores, and boutiques set in rows of historic storefronts. Daily needs are close at hand, with grocers including Trader Joe's, Ralph's, and Aldi nearby. The corridor anchors a calendar of community events, including First Fridays, Bixby Saturday Nights, and Concerts in the Park, that give the neighborhood its identity and keep demand strong.

Walkable

Within walking distance of the Atlantic Avenue dining and shopping corridor

Top Schools

Los Cerritos Elementary and Hughes Middle School serve the area

Family Driven

A family and professional community with strong tenant retention

CONVENIENCE AND ACCESS

Residents enjoy quick access to Long Beach Airport, the Virginia Country Club and area golf, and the Interstate 405 and 710 corridors for regional commuting. The combination of walkable amenities, a strong school district, and easy regional access is exactly the profile that keeps a multifamily asset full and supports rent growth over time.

Market Positioning and Rent Upside

~6.0% Long Beach citywide multifamily cap rate, trailing twelve months (CoStar)	**5.52%** Current cap on this portfolio, reflecting the premium A location	**6.72%** Market cap at the evaluation price once rents reach market

WHY THIS SUBMARKET TRADES TIGHTER

The Long Beach citywide multifamily cap rate has averaged about 6.0 percent over the trailing twelve months. Well located, quality assets in desirable residential neighborhoods consistently trade tighter than that average, because location directly reduces investment risk. A top school district and a walkable amenity base produce lower vacancy, lower turnover, stickier rent growth, and a broader, more competitive buyer pool that includes 1031 exchange and lower leverage buyers who pay for stability and a clean exit.

The blended 5.52 percent current cap at which this portfolio is offered reflects that premium positioning, and the path to a market cap near 6.7 percent gives a buyer a yield above the citywide average on an A location asset once rents are brought to market.

RENT GROWTH AND UPSIDE

Income growth is supported by California AB 1482, which permits Long Beach owners to raise rents up to 8 percent a year in 2026 on covered units. With in place rents below the neighborhood market across all three buildings, that allowance provides a clear, compliant path to capture the additional income reflected in the pro forma. The school district and walkable location give an owner pricing power that lower amenity submarkets do not offer.

The Bottom Line

Fourteen units in a premium, school anchored, walkable Long Beach neighborhood, priced at a blended 5.52 percent current cap with a clear path to a roughly 6.72 percent market cap and about $1,076,000 of value creation. The location fundamentals that drive long term multifamily performance, schools, walkability, and community, are all present here.

Team Fasnacht Realty Group is a third generation, family operated Long Beach brokerage with roots in Bixby Knolls dating to 1947. Founded by Della Fasnacht and continued by brokers Alan and Helene Fasnacht, the team today works side by side with the third generation, Michael and Cortney Fasnacht. Three generations of hyperlocal knowledge inform every valuation, every listing, and every marketing campaign the team produces.

Our approach to multifamily is straightforward: accurate underwriting, honest positioning, and deep knowledge of the neighborhoods we have served for more than seventy five years. We know what drives value in Bixby Knolls because we live and work here.

REQUEST THE FULL PACKAGE

Detailed unit by unit rent rolls, trailing operating statements, and private tours are available to qualified buyers and cooperating agents on request. The properties may be acquired individually or as a portfolio. We welcome the opportunity to discuss pricing, financing, and a customized underwriting review for your goals.

Let's run the numbers on your next acquisition.

Third generation Long Beach brokerage, serving the community since 1947.

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Team Fasnacht Realty Group, DRE# 02051365 • 4139 California Ave, Bixby Knolls, Long Beach, CA 90807. Cap rate, GRM, and net operating income are calculated on a normalized basis using a 30 percent operating expense ratio and a 3 percent vacancy allowance and may differ from actual results. Market rents are neighborhood estimates and are not current income. Other income is estimated at approximately $100 per month per building. School information is sourced from publicly available ratings and is subject to change and to district boundary verification. Market data reflects Long Beach trailing twelve month figures and is shown for context only. This is not an appraisal. All information deemed reliable but not guaranteed and subject to change, prior sale, or withdrawal. Buyers to verify all information independently.