BUCKINGHAM INVESTMENTS

LEARN, PLAN, & INVEST IN REAL ESTATE

OFFERING MEMORANDUM

1425 Cedar Ave, Long Beach

$1,995,000 | 10 Units | 8.98 GRM | 7.4% Cap Rate



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1425 CEDAR AVE

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INVESTMENT HIGHLIGHTS

Amazing in-place yield with 10% income upside

7.4% Current cap rate	8.98 Current GRM
8.4% Cap rate at market	8.13 GRM at market

- 1953-built, 10-unit property in a dense, high-demand rental area of Long Beach
- Strong unit mix: (8) 1 bed / 1 bath and (2) 2 bed / 1 bath units
- 4 of 10 units just remodeled with new flooring, lighting, kitchens and bathrooms
- Community laundry room plus 4 garages for added income or ADU conversion potential
- All units separately metered for gas and electricity

AREA OVERVIEW

Seven blocks North of Downtown Long Beach



86	$8B+	60%+	$94K+
Walk Score (out of 100)	Ongoing new development in Downtown	Renter households within 5 miles (CoStar)	Avg. household income within 5 miles (CoStar)

- Washington neighborhood, directly across from Washington Middle School, currently undergoing a $176 million reconstruction
- A few blocks to the Metro Blue Line rail station, PCH and the 710 Freeway



ACROSS THE STREET

A brand-new $176M Washington Middle School, directly across Cedar Ave

Long Beach Unified broke ground in January 2025 on a full reconstruction of the five-acre campus at 1450 Cedar Ave: new academic buildings, courts and running track, and a landscaped Cedar Ave frontage.



Renderings: LBUSD Washington MS project

INVESTMENT SUMMARY

$1,995,000 • 10 units • $199,500 per unit

THE PROPERTY

Price	$1,995,000
Year Built	1953
Units	10
Building Sq. Ft.	6,222
Lot Sq. Ft.	6,691
Price / Unit	$199,500

PRICING METRICS

Price / Sq. Ft.	$321
Price / Lot Sq. Ft.	$298
Current GRM	8.98
GRM at Market	8.13
Current Cap Rate	7.4%
Cap Rate at Market	8.4%

PROPOSED FINANCING

Loan Amount (75%)	$1,495,000
Down Payment (25%)	$500,000
Interest Rate	6.59%
Amortization	30 years
Monthly Payment	($9,538)
Debt Coverage Ratio	1.29







OPERATING STATEMENT

NOI of $147,612 today, $167,918 at market rents

INCOME

	Current	Pro Forma
Gross Scheduled Rents	$217,932	$237,828
Garage Income	$3,936	$7,200
Laundry Income	$360	$360
Less Vacancy (3%)	($6,538)	($7,135)
Effective Gross Income	**$215,690**	**$238,253**
Less Expenses	($68,079)	($70,335)
Net Operating Income	**$147,612**	**$167,918**
Less Annual Debt Service	($114,457)	($114,457)
Cash Flow After Debt Service	**$33,155**	**$53,461**

EXPENSES

	Actual	Market
Taxes	$24,938	$24,938
Insurance	$10,772	$10,772
Repairs & Maintenance (5%)	$10,785	$11,913
Property Management (5%)	$10,785	$11,913
Utilities	$8,800	$8,800
Pest Control	$1,200	$1,200
City Licensing & Permits	$800	$800
Total Expenses	**$68,079**	**$70,335**
Expense Ratio	31.6%	29.5%

RENT ROLL

$18,161 in monthly rent today, $19,819 at market

#	Type	Actual Rent	Market Rent
1	1 Bed / 1 Bath	$2,172	$2,172
2	1 Bed / 1 Bath	$1,545	$1,795
3	1 Bed / 1 Bath	$1,409	$1,795
4	1 Bed / 1 Bath	$1,409	$1,795
5	2 Bed / 1 Bath	$1,953	$2,300
6	1 Bed / 1 Bath	$1,525	$1,795
7	1 Bed / 1 Bath	$1,900	$1,900
8	1 Bed / 1 Bath	$2,172	$2,172
9	1 Bed / 1 Bath	$2,123	$1,795
10	2 Bed / 1 Bath	$1,953	$2,300
	Total	**$18,161**	**$19,819**

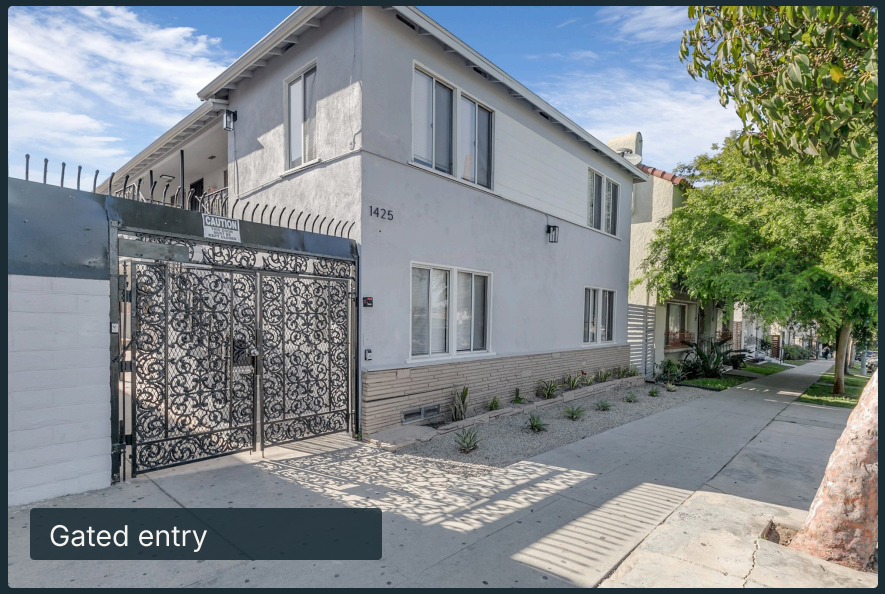
MONTHLY INCOME

	Current	Market
1 Bed / 1 Bath (8)	$14,255	$15,219
2 Bed / 1 Bath (2)	$3,906	$4,600
Garages (4)	$328	$600
Laundry	$30	$30
Total	**$18,519**	**$20,449**

+10% Income upside from current to market rents and garage rates

PROPERTY PHOTOS

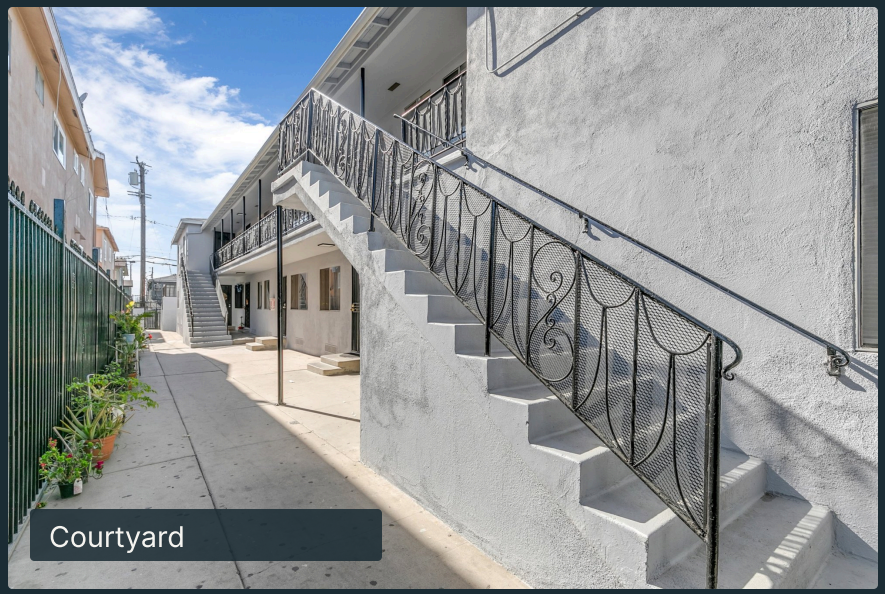
Exterior



Gated entry



Cedar Ave frontage

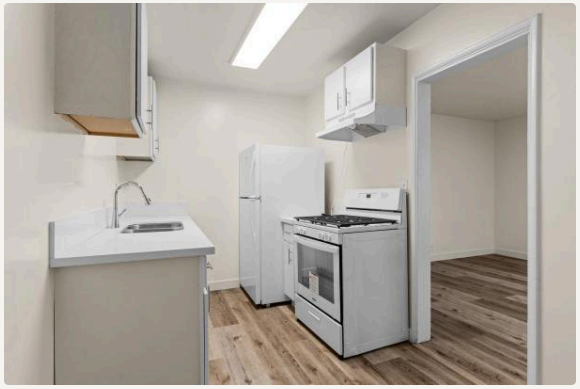

Courtyard

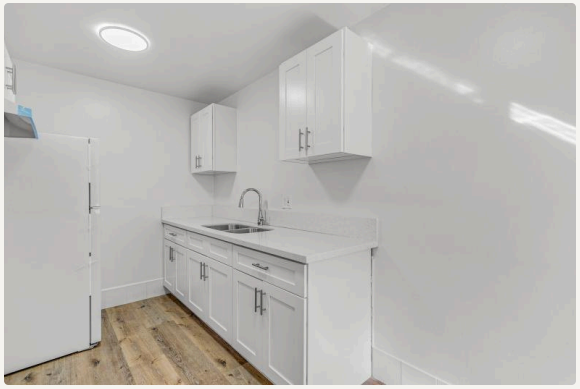

Four garages

PROPERTY PHOTOS · INTERIOR

Four of ten units newly remodeled





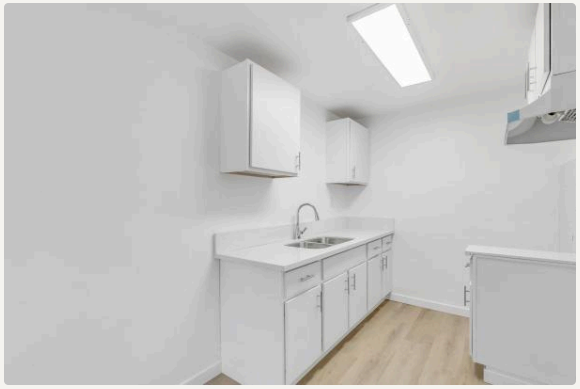












4 of 10

units remodeled with new flooring, lighting, kitchens and bathrooms



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