

Marcus & Millichap
LAAA TEAM

CONFIDENTIAL BROKER OPINION OF VALUE

124 Oceano Ave

Santa Barbara, CA 93109

Fully Renovated 7-Unit Coastal Multifamily | Delivered Vacant

7	±5,175	c. 1965	2026	0.21
UNITS	SQUARE FEET	YEAR BUILT (EST.)	RENOVATED	ACRES



Logan Ward
Associate



Glen Scher
Senior Managing Director Investments



Filip Niculete
Senior Managing Director Investments

Prepared Exclusively for Oceano Enterprises LLC

June 2026

Team Track Record

LA APARTMENT ADVISORS AT MARCUS & MILLICHAP

LAAA Team of Marcus & Millichap
Expertise, Execution, Excellence.

465

CLOSED TRANSACTIONS

\$1.47B

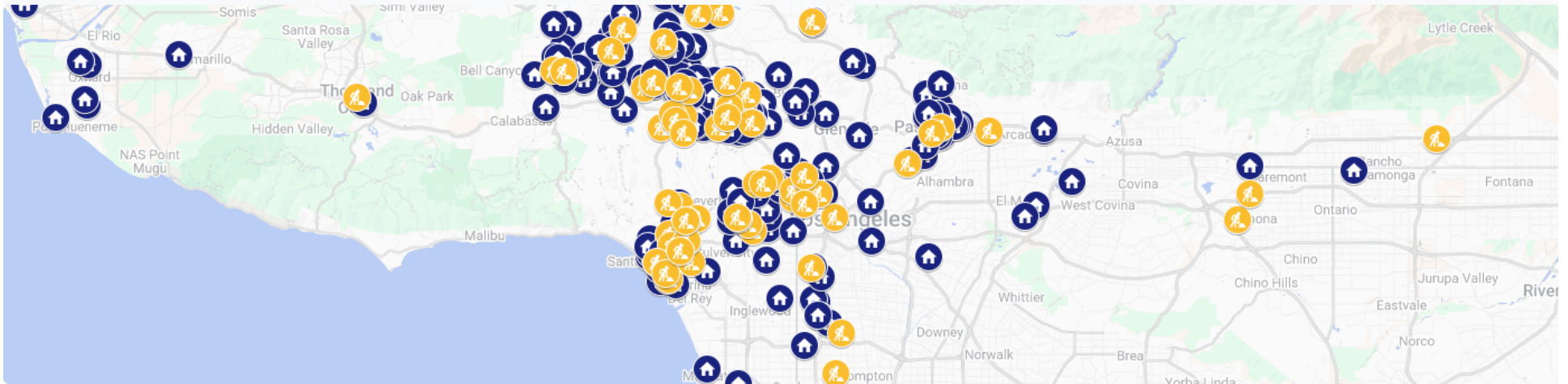
TOTAL SALES VOLUME

4,216

UNITS SOLD

34

MEDIAN DOM



"We Didn't Invent Great Service, We Just Work Relentlessly to Provide It."

The LAAA Team has closed 465 transactions totaling \$1.47B across 4,216 units, and the Central Coast is an active part of that record. Recent closings include a 32-unit Ojai portfolio at \$8.25M in December 2025, an 8-unit Ventura sale in 2024, a 7-unit Goleta sale at \$635,000 per unit, and an 18-unit Oxnard asset our team has now sold twice, most recently in May 2025.

We know this exact market. The team has sold 318 S Voluntario St in Santa Barbara twice and brought 30+ Santa Barbara and Ventura County valuation assignments through the same underwriting discipline behind this report. We are currently marketing 180 Holly Ave, a 19-unit Carpinteria asset listed at \$8.95M, and a development site in Ojai.

What we add on Oceano Ave is buyer depth. A Santa Barbara listing marketed only to Santa Barbara buyers leaves money on the table. Our database of 30,000+ investors and a buyer pool that runs 61% 1031 exchangers puts Los Angeles and exchange capital into the bidding alongside the local families who know what the Mesa is worth.

Active on the Central Coast

PROPERTY	CITY	UNITS	OUTCOME
514-516 E Oak St & 601 Grand Ave	Ojai	32	Sold 12/2025 \$8,250,000
1200 N H St	Oxnard	18	Sold twice by LAAA, most recently 05/2025
40 N Brent St	Ventura	8	Sold 02/2024 \$2,487,000
318 S Voluntario St	Santa Barbara	8	Sold twice by LAAA (2019 and 2021)
6839 Sabado Tarde Rd	Goleta	7	Sold 2021 \$635,000 per unit
627 E Virginia Terrace	Santa Paula	7	Sold 2020
180 Holly Ave	Carpinteria	19	Active listing \$8,950,000
601 Pearl St	Ojai	--	Active listing development site

Our Team

#1 Most Active Multifamily Sales Team in LA County

COSTAR • 2019, 2020, 2021 • #4 IN CALIFORNIA



Glen Scher

SENIOR MANAGING DIRECTOR

Glen Scher is one of the top multifamily brokers in Los Angeles, with over 450 transactions and \$1.4 billion in closed sales across LA and the Ventura and Santa Barbara counties. He is a Senior Managing Director at Marcus & Millichap and co-founder of the LAAA Team, one of Southern California's most active multifamily brokerage groups, consistently closing 40+ deals per year. Chairman's Club, 2021.



Filip Niculete

SENIOR MANAGING DIRECTOR

Filip Niculete is one of Southern California's top commercial real estate brokers. Born in Romania and raised in the San Fernando Valley, he studied Finance at San Diego State and began his career at Marcus & Millichap in 2011. He co-founded the LAAA Team, which leads the market in multifamily inventory, and has closed over \$1.4 billion in transactions. Chairman's Club, 2021 and 2018.



Aida Memary Scher

ASSOCIATE



Morgan Wetmore

ASSOCIATE



Luka Leader

ASSOCIATE



Logan Ward

ASSOCIATE



Alexandro Tapia

ASSOCIATE



Blake Lewitt

ASSOCIATE



Mike Palade

ASSOCIATE



Tony H. Dang

ASSOCIATE

KEY ACHIEVEMENTS

- **Chairman's Club** - a top-tier annual honor at Marcus & Millichap
- **National Achievement Award** - Consistent top national performer
- **CoStar #1 Team** - Most active multifamily sales team in LA County
- **465 Transactions** - \$1.47 billion in career sales volume
- **34-Day Median DOM** - Properties sell faster than market average

AS FEATURED IN [BISNOW](#) [YAHOO FINANCE](#) [CONNECT CRE](#) [SFVBJ](#) [THE PINNACLE LIST](#)

Our Marketing Approach & Results

DATA-DRIVEN MARKETING + PROVEN PERFORMANCE

30K+

TARGETED EMAILS

10K+

LISTING VIEWS

3.7

AVG OFFERS / LISTING

18

AVG DAYS TO ESCROW

"We are PROACTIVE marketers, not reactive. Every listing gets a custom campaign designed to maximize exposure, create urgency, and drive competitive offers."

Direct Phone Outreach

- 500+ targeted calls per listing
- Focus: active buyers in submarket
- Personal follow-up within 48 hours

Email Campaigns

- 30,000+ qualified investor contacts
- Segmented by geography and deal size
- Multi-touch drip campaigns

Online Platforms

- MarcusMillichap.com, CoStar, Crexi
- LoopNet, CREXi, Ten-X
- Custom property websites

Additional Channels

- Office-wide agent blast (100+ agents)
- Industry networking events
- Strategic broker co-marketing

97.6%

AVG SP/LP RATIO

21%

SOLD ABOVE ASK

10

AVG DAY CONTINGENCY

61%

1031 EXCHANGE BUYERS

Pricing Accuracy

- 97.6% average sale-to-list ratio
- 21% of listings sold above asking
- Data-driven comp analysis

Marketing Speed

- 18 average days to accepted offer
- 34-day median days on market
- Strategic pricing drives urgency

Contract Strength

- 10-day average contingency period
- Pre-qualified buyer verification
- Streamlined due diligence process
- 98% close rate on accepted offers

Exchange Expertise

- 61% of buyers are 1031 exchangers
- Dedicated exchange buyer database
- Timeline management expertise
- 85% higher cash flow for exchangers

ADVERTISED ON CREXI COSTAR LOOPNET ZILLOW REALTOR M&M APARTMENTS.COM REDFIN TEN-X

Investment Overview

THE MESA - 124 OCEANO AVE

7

UNITS

5,175

SQUARE FEET

c. 1965

YEAR BUILT (EST.)

2026

RENOVATED

The LAA Team of Marcus & Millichap is pleased to present 124 Oceano Ave, a fully renovated 7-unit multifamily asset on Santa Barbara's Mesa, one row from Leadbetter Beach and adjacent to Santa Barbara City College. The property consists of six 2-bedroom/2-bath units and one 1-bedroom/1-bath unit and will be delivered 100% vacant upon completion of a comprehensive stud-level renovation.

Delivered vacant, the building lets a buyer set day-one market rents under Costa-Hawkins with no inherited tenancies, estoppels, or legacy rent schedules. Pro forma gross scheduled rent is \$348,840 at rents validated by the oceanfront Sea Cliff Apartments on the same street, and a lean operating profile holds expenses near 29% of income, a conversion of gross rent to NOI that older stabilized buildings cannot match.

Santa Barbara's permanent rent stabilization program is targeted for 2027. A renovated building delivered vacant today gives the buyer full market rents in place before the program arrives, while coastal zoning keeps competing new supply near zero. The two most relevant sales of this cycle both closed on Oceano Ave, led by the \$21.15M Sea Cliff Apartments trade at an approximate 4.75% cap.



Investment Highlights

- **Delivered 100% Vacant** - All seven units delivered empty at close. The buyer sets day-one market rents under Costa-Hawkins vacancy decontrol with no inherited tenancies or legacy rent schedules.
- **Gut-Renovated 2026** - Comprehensive stud-level renovation completing in 2026 with new flooring, paint, kitchens, baths, and finishes. Minimal near-term repairs and a clean insurance and financing story.
- **One Row from Leadbetter Beach** - Mesa location a half block from the sand, adjacent to Santa Barbara City College and the Great Meadow, minutes to the harbor and downtown.
- **Same-Street Trophy Comp** - Sea Cliff Apartments at 20-80 Oceano Ave traded in February 2022 for \$21.15M at an approximate 4.75% cap and \$729,310 per unit. The subject prices just inside the on-the-sand benchmark.
- **4.81% Pro Forma Cap at List** - Year 1 stabilized NOI of \$240,464 at the \$4,995,000 list price, with property taxes fully reassessed at Santa Barbara's 1.05% rate.
- **Lean 29% Expense Load** - Tenant-paid in-unit utilities, no elevator or pool, and all-new systems hold operating expenses near 29% of income.

Location Overview

THE MESA - CA 93109



124 Oceano Ave (outlined) one row from Leadbetter Beach, directly below Santa Barbara City College and the Great Meadow. Aerial imagery: Google.

The Mesa is Santa Barbara's coastal shelf, a low-density residential neighborhood set on the bluffs between the harbor and Arroyo Burro. 124 Oceano Ave sits at the eastern edge of the Mesa, one row back from Leadbetter Beach, with the sand, the point breaks, and Shoreline Park all inside a five-minute walk.

Santa Barbara City College borders the property directly to the north, with the Great Meadow and La Playa Stadium between the building and the ocean. A campus of roughly 25,000 enrolled students next to a beach generates permanent rental demand at every price point, and the harbor, the Funk Zone, and downtown State Street are all within a few minutes' drive.

Supply is the other half of the story. The parcel sits inside the city's Coastal Overlay zone, where new multifamily entitlement is slow, expensive, and rare. Competing renovated product on the Mesa is effectively limited to what already exists, which is why the few buildings that trade here command the county's premium pricing.

LOCATION DETAILS	
Leadbetter Beach	1 block
Santa Barbara City College	Adjacent
Shoreline Park	0.4 miles
Santa Barbara Harbor	0.7 miles
The Funk Zone	1.5 miles
Downtown / State Street	2 miles
Zoning	R-2, Coastal Overlay (S-D-3)
Bike Score	68 / Bikeable



The Renovation

STUD-LEVEL REBUILD | DELIVERED RENOVATED & 100% VACANT

The building is undergoing a comprehensive stud-level renovation completing in 2026. Interiors are being rebuilt with new flooring, paint, kitchens, baths, and finishes throughout, and the property will be delivered fully renovated and 100% vacant at close. The photos below show the current progression; final finished photography will follow completion.



The Delivered-Vacant Advantage

- **Day-one market rents.** Under Costa-Hawkins, initial rents on a vacant building are set by the buyer at full market, before Santa Barbara's permanent rent program arrives.
- **No inherited tenancies.** No estoppels, no legacy rent schedules, no relocation exposure, and no surprises in the rent roll.
- **A clean ownership start.** All-new interiors and finishes support lower near-term repair costs and a stronger insurance and financing profile than vintage coastal product.

BUYER VERIFICATION

Renovation scope, permits, and final unit square footages are per ownership and should be independently verified during due diligence.

Representative Floor Plan

TYPICAL 2BD/2BA UNIT | MEASURED INTERIOR SCAN

The typical 2-bedroom/2-bath plan was professionally scanned and measured in August 2025. Interior rooms total 638 SF: an open living and dining area of 246 SF, a 66 SF kitchen, bedrooms of 127 SF and 94 SF, two baths, and a connecting hallway. Including interior walls, the gross unit footprint is approximately 720 SF. The plan lives efficiently: two true bedrooms and two full baths in a footprint that keeps the building's rent per square foot at the top of the submarket.



MEASUREMENT SOURCE

One representative 2-bedroom unit measured by Hover interior scan, August 2025. Remaining units are per owner plans. Buyer to verify all square footages during due diligence.

Property Details

124 OCEANO AVE, SANTA BARBARA, CA 93109

PROPERTY OVERVIEW		SITE & ZONING	
Address	124 Oceano Ave, Santa Barbara, CA 93109	Zoning	R-2 (City of Santa Barbara)
APN	045-230-003	Overlay	S-D-3 Coastal Overlay (SBMC 28.44)
Units	7 (six 2BD/2BA, one 1BD/1BA)	Coastal Jurisdiction	City permit area, non-appealable zone
Building SF	±5,175 SF (Hover-measured typical unit + owner plans; buyer to verify)	Subdivision	Granhurst, Lot 2
Lot Size	9,147 SF (0.21 acres)	Opportunity Zone	No
Stories	2	Hazard Flags	None present per parcel report
Year Built	Circa 1965, estimated (not on county record; consistent with comparable Oceano Ave multifamily built 1961-1965)		
Condition	Fully renovated 2026 (stud-level)		
Occupancy at Delivery	100% vacant		
BUILDING SYSTEMS & CAPITAL IMPROVEMENTS		REGULATORY & COMPLIANCE	
Construction	Wood frame with stucco exterior	State Rent Caps	CA AB 1482 applies
Renovation	Stud-level renovation completing 2026; all-new interiors and finishes	Local Ordinance	City of Santa Barbara just cause (SBMC 26.50)
Parking	Off-street, including covered tuck-under (buyer to verify count)	Local Rent Program	Permanent rent stabilization in process, targeted 2027
Laundry	On-site (final configuration to be confirmed)	Initial Rents	Delivered vacant; buyer sets market rents at lease-up (Costa-Hawkins)
Metering	Individual gas and electric assumed; buyer to verify	Opportunity Zone	No

Buyer Profile & Anticipated Objections

TARGET INVESTORS & DATA-BACKED RESPONSES

Target Buyer Profile

Coastal Legacy Capital

Santa Barbara family offices and long-term private owners who hold Mesa assets for decades. A renovated, vacant building with no tenant baggage is exactly what this buyer waits years for.

1031 Exchange Buyers

61% of LAAA buyers are exchangers. A delivered-vacant, fully renovated coastal asset with day-one market rents is a clean upleg with no deferred-maintenance risk on a fixed timeline.

SBCC Demand Investors

Operators who underwrite the permanent rental demand of an adjacent college campus and a beach one row away. Vacancy on the Mesa is a lease-up timeline, not a market risk.

From legacy coastal capital to exchange buyers on a clock, 124 Oceano Ave offers what almost never reaches this market: a renovated, vacant, beach-block building with day-one market economics.

Anticipated Buyer Objections

"Why pay a sub-5% cap?"

Sea Cliff Apartments traded at an approximate 4.75% cap on the sand a half block away in February 2025. The subject at 4.81% prices slightly cheaper than the trophy benchmark while delivering brand-new product, and matching Sea Cliff's cap would imply roughly \$5.05M.

"Are the pro forma rents real?"

Sea Cliff's own long-term market rents are \$4,300 for 2-bedroom units and \$3,750 for 1-bedrooms, oceanfront. The subject is underwritten at \$4,295 and \$3,200, at or below the on-the-sand evidence, and the renovated Sea Crest 1-bedroom on the same street asks \$2,950. The subject's own unit leased at \$3,500 in dated condition in July 2025.

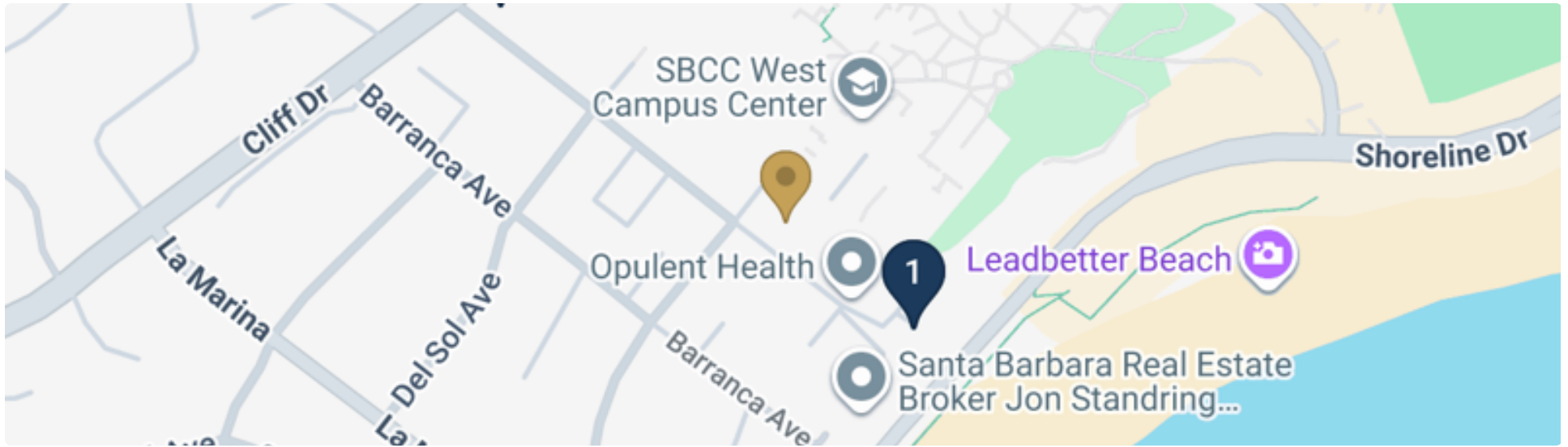
"What about rent control?"

The building is delivered vacant, so the buyer sets initial rents at full market under Costa-Hawkins. AB 1482 then caps annual increases. The city's permanent rent program, targeted for 2027, regulates future increases, not the going-in rents a vacant building lets you set today.



Comparable Sales

CLOSED MULTIFAMILY TRANSACTIONS



#	ADDRESS	UNITS	YEAR	SF	PRICE	\$/UNIT	\$/SF	CAP	GRM	DATE	DOM
1	Sea Cliff Apartments, 20-80 Oceano Ave	29	--	34,865	\$21,150,000	\$729,310	\$607	4.75%	11.9x	02/2025	--
2	330 Oceano Ave	5	1965	4,298	\$2,950,000	\$590,000	\$686	--	--	11/2024	--
Average					\$12,050,000	\$659,655	\$646	4.75%	11.9x		--
Median					\$12,050,000	\$659,655	\$646	4.75%	11.9x		--
Tier 1 Average						\$659,655	\$646	4.75%	11.9x		

1. Sea Cliff Apartments, 20-80 Oceano Ave (Oceanfront). The 29-unit Sea Cliff Apartments traded in February 2025 for \$21,150,000, or \$729,310 per unit, after being offered at \$25M. On the income in its offering, which included nine short-term vacation rentals, the closing price reflects an approximate 4.75% cap and a 12 GRM. Sea Cliff sits on the sand overlooking Leadbetter Beach, a half block from the subject, and it is the benchmark this pricing is built against: matching its 4.75% cap implies roughly \$5,050,000 for the subject, so the list price asks slightly more cap for a location one row back. Its offering also carried long-term market rents of \$4,300 for 2-bedroom units and \$3,750 for 1-bedrooms, direct support for the subject's pro forma.

2. 330 Oceano Ave. Three blocks up the same street, this 5-unit 1965 building sold in November 2024 for \$2,950,000, or \$590,000 per unit, after a hold of more than 20 years and with original-condition interiors. It is the unrenovated floor for the street: an older, smaller building with no renovation story still commanded \$590,000 per unit, which frames the premium a fully renovated, delivered-vacant building earns above it.

Active Competition

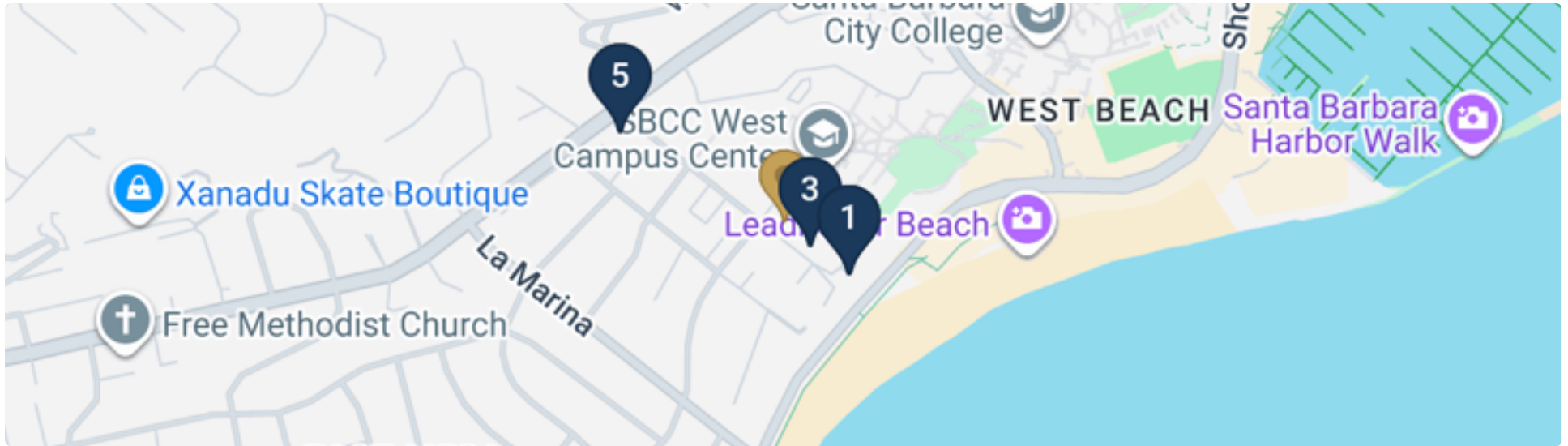
ON-MARKET RENOVATED COASTAL PRODUCT

#	ADDRESS	UNITS	YEAR	SF	PRICE	\$/UNIT	\$/SF	DOM	NOTES
1	160 Ash Ave, Carpinteria (White Caps)	7	1963	--	\$5,495,000	\$785,000	--	12 mo	Renovated, furnished, delivered vacant, 1.5 blocks to beach. Reduced twice from \$6.5M.

160 Ash Ave, Carpinteria (White Caps). The only directly competitive offering on the market is this fully renovated 7-unit building a block and a half from Carpinteria State Beach: seven 2-bedroom/1-bath units, sold furnished and delivered vacant, with 9 parking spaces and on-site laundry. It came to market in June 2025 at \$6,500,000 and has taken two reductions, to \$5,900,000 in July and to its current \$5,495,000 in September 2025, \$785,000 per unit after roughly 12 months of exposure. The subject lists at \$713,571 per unit, below the standing competition, with larger 2-bedroom/2-bath floor plans in the stronger Santa Barbara Mesa location next to SBCC and Leadbetter Beach. A buyer comparing the two renovated, delivered-vacant coastal offerings finds the subject priced \$71,429 per unit under the alternative that has not traded.

Rent Comparables

ACTIVE RENTAL LISTINGS IN SUBMARKET



#	ADDRESS	TYPE	SF	RENT	\$/SF	SOURCE
1	Sea Cliff Apartments, 20-80 Oceano Ave	2BD/1BA	--	\$4,300	--	Sea Cliff OM market rent (oceanfront)
2	Sea Cliff Apartments, 20-80 Oceano Ave	1BD/1BA	--	\$3,750	--	Sea Cliff OM market rent (oceanfront)
3	Sea Crest Apartments, 100 Oceano Ave	1BD/1BA	780	\$2,950	\$3.78	Zumper (renovated)
4	868 Highland Dr	2BD/1.5BA	1,083	\$3,800	\$3.51	Apartment List (gut-renovated)
5	1021 Cliff Dr	2BD/2BA	1,090	\$4,995	\$4.58	Renovated, ocean view
6	124 Oceano Ave (subject, pre-renovation)	2BD/2BA	720	\$3,500	\$4.86	Leased 07/2025, dated condition

Financial Analysis

INVESTMENT UNDERWRITING

Unit Mix & Rent Roll

UNIT	TYPE	SF	RENT/MO	RENT/SF	STATUS	NOTES
1	2BD/2BA	900	\$4,395	\$4.88	Delivered Vacant	Larger plan (±900 SF, owner plan)
2	2BD/2BA	720	\$4,295	\$5.97	Delivered Vacant	Typical plan (Hover-measured)
3	1BD/1BA	675	\$3,200	\$4.74	Delivered Vacant	Pro forma at delivery
4	2BD/2BA	720	\$4,295	\$5.97	Delivered Vacant	Typical plan (Hover-measured)
5	2BD/2BA	720	\$4,295	\$5.97	Delivered Vacant	Typical plan (Hover-measured)
6	2BD/2BA	720	\$4,295	\$5.97	Delivered Vacant	Typical plan (Hover-measured)
7	2BD/2BA	720	\$4,295	\$5.97	Delivered Vacant	Typical plan (Hover-measured)
Total	7 Units	5,175	\$29,070	\$5.62		\$348,840/yr

Operating Statement

INCOME	ANNUAL	PER UNIT	\$/SF	% EGI
Gross Scheduled Rent	\$348,840	\$49,834	\$67.41	-
Less: Vacancy (3%)	\$(10,465)	\$(1,495)	\$(2.02)	-
Other Income ^[7]	\$2,000	\$286	\$0.39	-
Effective Gross Income	\$340,375	\$48,625	\$65.77	100.0%

EXPENSES	ANNUAL	PER UNIT	\$/SF	% EGI
Real Estate Taxes ^[1]	\$52,719	\$7,531	\$10.19	15.5%
Insurance ^[2]	\$12,000	\$1,714	\$2.32	3.5%
Water & Sewer ^[3]	\$5,200	\$743	\$1.00	1.5%
Trash ^[3]	\$2,450	\$350	\$0.47	0.7%
Common Area Electric ^[4]	\$1,500	\$214	\$0.29	0.4%
Repairs & Maintenance ^[5]	\$4,200	\$600	\$0.81	1.2%
Contract Services	\$1,750	\$250	\$0.34	0.5%
Administrative	\$1,000	\$143	\$0.19	0.3%
Management Fee ^[6]	\$17,442	\$2,492	\$3.37	5.1%
Replacement Reserves	\$1,400	\$200	\$0.27	0.4%
Miscellaneous	\$250	\$36	\$0.05	0.1%
Total Expenses	\$99,911	\$14,273	\$19.31	29.4%
Net Operating Income	\$240,464	\$34,352	\$46.47	70.6%

Notes to Operating Statement

[1] Real Estate Taxes: Buyer Year 1 tax reassessed at the list price. Santa Barbara TRA 002-001 ad valorem rate of 1.05404% plus \$69.99 in flat direct assessments, verified from the current county tax bill.

[2] Insurance: Owner-provided coastal market estimate for the renovated building.

[3] Utilities: Owner pays water, sewer, and trash. In-unit gas and electric are tenant-paid on individual meters (assumed post-renovation; buyer to verify).

[4] Common Area Electric: Exterior and common lighting.

[5] Repairs & Maintenance: Low end of market range, reflecting the stud-level renovation and all-new finishes.

[6] Management Fee: 5% of gross scheduled rent.

[7] Other Income: Laundry and storage income estimate.

SUMMARY

OPERATING DATA

Price	\$4,995,000
Down Payment (47%)	\$2,363,654
Number of Units	7
Price / Unit	\$713,571
Price / SF	\$965
Gross SF	5,175
Lot Size	9,147 SF (0.21 ac)
Year Built (Est.)	c. 1965
Renovated	2026

RETURNS

REASSESSED

Cap Rate	4.81%
GRM	14.32x
Cash-on-Cash	2.03%
DSCR	1.25x

FINANCING

Loan Amount	\$2,631,346
Loan Type	Fixed
Interest Rate	6.15%
Amortization	30 Years
Loan Constant	7.31%
LTV (DCR)	52.7%
DSCR	1.25x

INCOME

REASSESSED

GSR	\$348,840
Vacancy (3%)	\$(10,465)
Other Income	\$2,000

EGI

\$340,375

CASH FLOW

REASSESSED

NOI	\$240,464
Debt Service	\$(192,371)

Net Cash Flow

\$48,093

CoC Return	2.03%
Principal Reduction	\$31,419

Total Return

3.36%

EXPENSES

Real Estate Taxes	\$52,719
Insurance	\$12,000
Water & Sewer	\$5,200
Trash	\$2,450
Common Area Electric	\$1,500
Repairs & Maintenance	\$4,200
Contract Services	\$1,750
Administrative	\$1,000
Management Fee	\$17,442
Replacement Reserves	\$1,400
Miscellaneous	\$250

Total Expenses

\$99,911

SUGGESTED LIST PRICE

\$4,995,000

\$713,571

PRICE / UNIT

\$965

PRICE / SF

4.81%

CURRENT CAP RATE

14.32x

CURRENT GRM

Pricing Matrix

PURCHASE PRICE	CAP RATE	CASH-ON-CASH	\$/UNIT	\$/SF	GRM	DSCR
\$5,370,000	4.40%	1.70%	\$767,143	\$1038	15.39x	1.25x
\$5,295,000	4.48%	1.76%	\$756,429	\$1023	15.18x	1.25x
\$5,220,000	4.56%	1.82%	\$745,714	\$1009	14.96x	1.25x
\$5,145,000	4.64%	1.89%	\$735,000	\$994	14.75x	1.25x
\$5,070,000	4.73%	1.96%	\$724,286	\$980	14.53x	1.25x
\$4,995,000	4.81%	2.03%	\$713,571	\$965	14.32x	1.25x
\$4,920,000	4.90%	2.12%	\$702,857	\$951	14.10x	1.25x
\$4,845,000	5.00%	2.20%	\$692,143	\$936	13.89x	1.25x
\$4,770,000	5.09%	2.38%	\$681,429	\$922	13.67x	1.27x
\$4,695,000	5.19%	2.60%	\$670,714	\$907	13.46x	1.29x
\$4,620,000	5.29%	2.82%	\$660,000	\$893	13.24x	1.32x

A TRADE PRICE IN THE CURRENT INVESTMENT ENVIRONMENT OF

\$4,750,000 to \$4,995,000

Pricing Rationale

The \$4,995,000 list price is anchored to the only two relevant trades of this cycle, both on the subject's own street. Sea Cliff Apartments closed in February 2025 at an approximate 4.75% cap and \$729,310 per unit on the sand; pricing the subject at Sea Cliff's exact cap would imply roughly \$5,050,000, so the list asks a slightly higher cap for a location one row back. The unrenovated 330 Oceano print at \$590,000 per unit defines the floor a renovated, vacant building clears. At list, the subject shows a 4.81% pro forma cap on Year 1 NOI of \$240,464 with property taxes fully reassessed, \$713,571 per unit, and a 14.3 GRM whose spread to Sea Cliff's 12 reflects a 29% expense ratio against the trophy's roughly 40%. Sales from November 2024 through February 2025 frame the range, and we expect a trade between \$4,750,000 and \$4,995,000. The active market confirms the positioning: the only competing renovated 7-unit coastal offering, 160 Ash Ave in Carpinteria, asks \$785,000 per unit and has sat about 12 months through two reductions from \$6.5M, while the subject lists at \$713,571 per unit.

Assumptions & Conditions: This analysis is based on information provided by ownership and third-party sources deemed reliable. Typical unit square footage reflects a Hover interior scan of one representative 2-bedroom unit (August 2025, 638 SF of interior rooms, approximately 720 SF gross including walls); remaining unit and building square footages blend that measurement with owner plans and are subject to verification. Year built is estimated; the county assessor does not publish a construction year for this parcel, and the estimate reflects the vintage of comparable Oceano Ave multifamily. Operating figures are presented pro forma at delivery of a fully renovated, vacant building; individual utility metering is assumed pending confirmation. Buyer should independently verify all information during due diligence. Pro forma projections are estimates and not guaranteed.

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LAAA TEAM



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