

# 406 Ellwood Beach Dr

Goleta, CA 93117

Prime Location  $\pm 2$  Miles From UCSB |  $\pm 1$  Mile From Ellwood Beach

Multifamily  
Investment Opportunity

Offering Memorandum



**MATTHEWS**™

# EXCLUSIVELY LISTED BY



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# Property Overview

406 Ellwood Beach Dr  
Goleta, CA 93117



# Executive Summary

**406 Ellwood Beach Dr**

Goleta, CA 93117

**±2 Miles**

Distance from UCSB

**±0.26**

Lot Size (AC)

**±6,819**

Building SF

## The Opportunity

Matthews™ is pleased to present 406 Ellwood Beach Dr, a multifamily property located in Goleta, California within the highly desirable West Santa Barbara County submarket. The property consists of an eight-unit apartment community situated on a ±0.26-acre parcel in the established Ellwood Acres neighborhood, offering attractive rental housing in one of the region's most supply-constrained coastal markets.

The property benefits from its proximity to the University of California, Santa Barbara (UCSB), located just minutes away and supporting consistent rental demand from students, faculty, and staff. Residents also enjoy convenient access to Hollister Avenue, Goleta's primary retail corridor, providing a wide range of grocery, dining, and daily amenities, as well as nearby transportation options including the Santa Barbara Municipal Airport and Goleta Amtrak Station.

Strong surrounding demographics further support the investment, with approximately 15,172 residents within a one-mile radius and median household incomes exceeding \$118,039. The combination of proximity to UCSB, nearby employment centers, and a desirable coastal location continues to drive sustained housing demand in the market.

406 Ellwood Beach Dr offers investors the opportunity to acquire a well-located multifamily asset in a highly desirable coastal submarket supported by strong demographics and durable rental demand fundamentals.



**406 Ellwood Beach Dr**  
Goleta, CA 93117

**5.09%**

Cap Rate

**\$3,600,000**

Price

**\$183,252**

NOI

**±852 SF**

Average Unit Size

**079-551-016**

APN

**\$527.94**

Price Per SF

**30.8**

Density



# Investment Highlights

## Investment Highlights

**Prime Coastal Goleta Location** – Located steps from Ellwood Beach in the highly sought-after Goleta submarket of Santa Barbara County. The area benefits from strong renter demand driven by proximity to UCSB, Isla Vista spillover, and major South Coast employment centers.

**Desirable Two-Bedroom Unit Mix** – Two-bedroom layouts align with strong local demand from students, young professionals, and shared living arrangements common in the UCSB-adjacent rental market.

**Clear Rental Upside** – Current rents average \$2,845 for two-bedroom/one-bath units and \$3,031 for two-bedroom/two-bath units, while renovated units achieve \$3,200 per month. This demonstrates immediate mark-to-market potential.

**Proven Renovation Strategy** – Upgrades including new appliances, water heaters, interior paint, and modern finishes have been completed for approximately \$40,000 per unit, establishing a repeatable value-add model.

**Additional Income Stream** – On-site laundry generates approximately \$6,000 in annual ancillary income.

**Favorable Regulatory Environment** – Goleta follows California's AB 1482 rent cap (5% + CPI, max 10%) and has not implemented stricter local rent control, unlike nearby Santa Barbara, Oxnard, and Ojai.

**Supply-Constrained Coastal Market** – Limited new development along the Santa Barbara South Coast continues to support long-term rent growth for well-located coastal assets.





**Goleta Valley Junior High School**  
±736 Students

**TRADER JOE'S**  
**CVS** pharmacy  
**Walgreens**

**Glen Annie Golf Club**  
Golf Course

**Arrive Los Carneros**  
±74 Units

**Brandon School**  
±443 Students

**Dos Pueblos High School**  
±2,238 Students

**Willow Springs Apartments**  
±178 Units

**ExtraSpace Storage**

**Hollister Village**  
±293 Units

**SPROUTS FARMERS MARKET**  
**Starbucks**  
**RITE AID**  
**Michaels**  
**WELLS FARGO**

**Goleta Valley Cottage Hospital**  
±48 Beds

**Sandpiper Golf Club**  
Golf Course

**±116,000 VPD**

**±5,500 Employees**  
**DECKERS BRANDS**

**FedEx**  
Ship Center

**101**

**Hollister Ave ±12,222 VPD**

**±556 Employees**  
**TELEDYNE FLIR**

**Subject Property**

**±13 Miles to Downtown Santa Barbara**

**Santa Barbara Airport**  
±1.42M Annual Passengers

**±200 Employees**  
**Raytheon Technologies**

**Ellwood Mesa Coastal Trail**  
Hiking Area

**Camino Real Marketplace**  
**COSTCO WHOLESALE**  
**STAPLES**  
**BEST BUY**  
**ULTA REALTY**  
**Albertsons**  
**THE HOME DEPOT**

**Goleta Beach Park**



**University of California, Santa Barbara**  
±26,133 Students

# Property Photos



## Interior Photos - Unit 3



# Interior Photos - Unit 5



## Interior Photos - Unit 8



# Financial Overview

406 Ellwood Beach Dr  
Goleta, CA 93117



# Financial Summary

**\$3,600,000**  
List Price

**\$450,000**  
Price Per Unit

**\$527.94**  
Price Per SF

**12.76x**  
GRM

**5.09%**  
Cap Rate

## Unit Mix

Total Units	Unit Mix	Unit Mix %	Avg. Square Feet	Current Avg. Rent PSF	Current Avg. Rent	Market Avg. Rent	Market Rent PSF	Current Max Rent	Total Current Monthly Rent	Market Monthly Rent
4	2+1	50%	852	\$3.34	\$2,845	\$3,500	\$4.11	\$3,200	\$11,380	\$14,000
4	2+2	50%	852	\$3.56	\$3,031	\$3,700	\$4.34	\$3,200	\$12,125	\$14,800
8	Average		852	\$3.45	\$2,938	\$3,600	\$4.22	\$3,200	\$23,505	\$28,800
	Total		6,819	\$27.58	\$23,505	\$28,800	\$33.79	\$21,920	\$282,060	\$345,600

# Financial Summary

## Annual Operating Summary

	Pro Forma Estimates		Current	Per Unit	Market	Per Unit
<b>Gross Potential Rent</b>			\$282,060	Current Rent	\$345,600	23% Upside
Less Vacancy	-5.0%		-\$14,103	-5.0%	-\$10,368	-3.0%
<b>Laundry Fees</b>	\$6,000	Total	\$6,000	\$750	\$6,000	\$750
<b>Gross Operating Income</b>			\$273,957		\$341,232	
<b>Expenses:</b>			\$90,705	31.49%	\$94,069	26.75%
<b>Net Operating Income</b>			<b>\$183,252</b>	<b>\$22,906</b>	<b>\$247,163</b>	<b>\$30,895</b>
<b>Loan Payments</b>			\$146,220		\$146,220	
<b>Pre-Tax Cash Flow</b>			\$37,032	2.45%	\$100,943	6.68%
<b>Plus Principal Reduction</b>			\$26,861		\$26,861	
<b>Total Return Before Taxes</b>			\$63,892	4.23%	\$127,803	8.45%




## Pro Forma Annual Operating Expenses

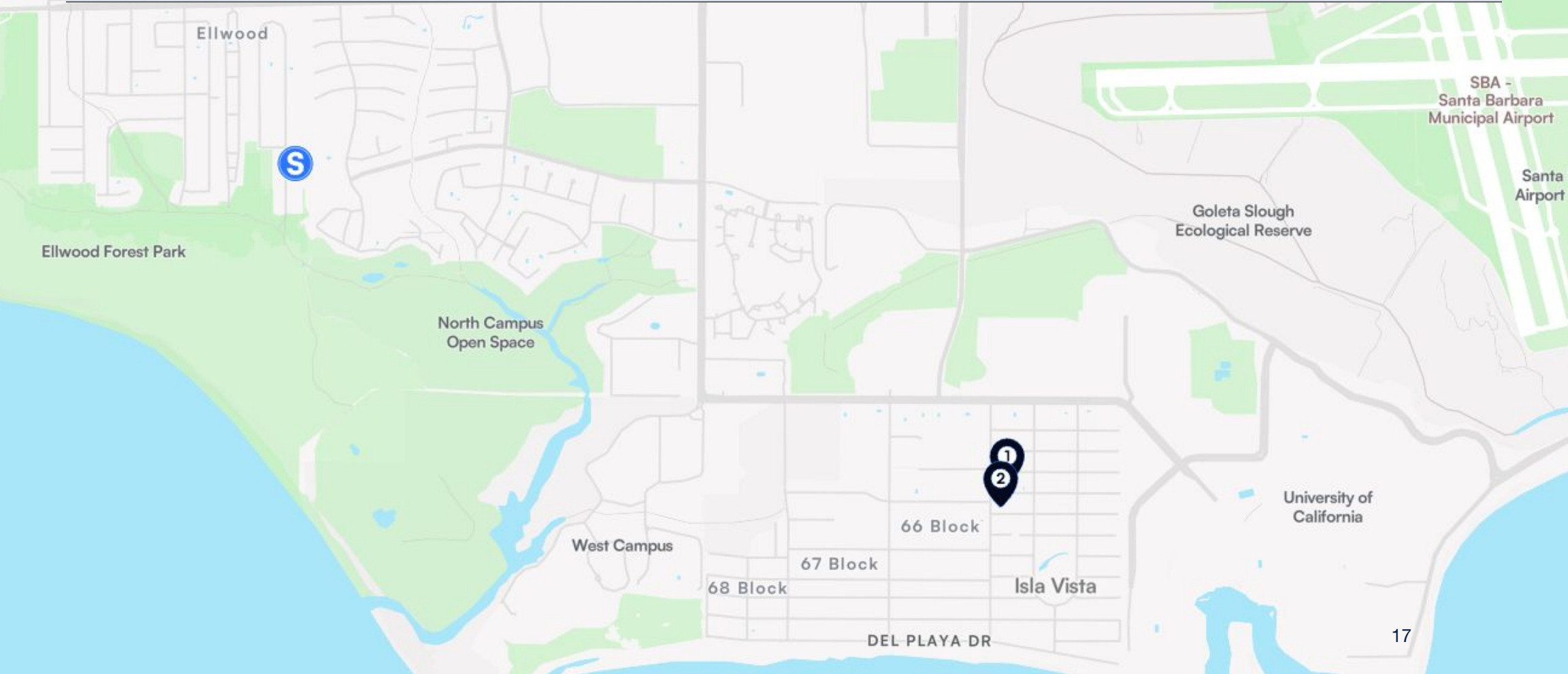
	Pro Forma Estimates		% of Current SGI	Current	Per Unit	Market	Per Unit	% of SGI
<b>Real Estate Taxes</b>	1.0543%	of Purchase Price	13.46%	\$37,954	\$4,744	\$37,954	\$4,744	11.0%
<b>Property Management Fee</b>	5.0%	x GOI	4.86%	\$13,698	\$1,712	\$17,062	\$2,133	4.9%
<b>Insurance</b>	\$1.30	Per SqFt	3.14%	\$8,865	\$1,108	\$8,865	\$1,108	2.6%
<b>Turnover</b>	\$200	Per Unit	0.57%	\$1,600	\$200	\$1,600	\$200	0.5%
<b>Pest Control</b>	\$60	Per Unit	0.17%	\$480	\$60	\$480	\$60	0.1%
<b>Landscaping/Grounds</b>	\$348	Per Unit	0.99%	\$2,786	\$348	\$2,786	\$348	0.8%
<b>Repairs &amp; Maintenance</b>	\$1,100	Per Unit	3.12%	\$8,800	\$1,100	\$8,800	\$1,100	2.5%
<b>Utility</b>	\$1,087	Per Unit	3.08%	\$8,694	\$1,087	\$8,694	\$1,087	2.5%
<b>Trash Removal</b>	\$728	Per Unit	2.07%	\$5,828	\$728	\$5,828	\$728	1.7%
<b>Reserves</b>	\$250	Per Unit	0.71%	\$2,000	\$250	\$2,000	\$250	0.6%
<b>Total Expenses</b>			<b>32.16%</b>	<b>\$90,705</b>	<b>\$11,338</b>	<b>\$94,069</b>	<b>\$11,759</b>	<b>27.2%</b>
				<i>% of SGI</i>				
<b>Non-controllable expenses: Taxes, Ins., Reserves</b>				<b>17.3%</b>				
<b>Total Expense without Taxes &amp; Reserves</b>				<b>13.14%</b>				

# Rent Roll

Unit Mix	# of Units	SF	Current Rent	Current Rent/SF	Market Rent	Market Rent/SF	Loss to Lease	Upside (%)
2+1	1	852	\$2,565	\$3.01	\$3,500	\$4.11	-\$935	\$3,500
2+1	1	852	\$2,740	\$3.21	\$3,500	\$4.11	-\$760	\$3,500
2+1	1	852	\$3,200	\$3.75	\$3,500	\$4.11	-\$300	\$3,500
2+1	1	852	\$2,875	\$3.37	\$3,500	\$4.11	-\$625	\$3,500
2+2	1	852	\$3,200	\$3.75	\$3,700	\$4.34	-\$500	\$3,700
2+2	1	852	\$2,985	\$3.50	\$3,700	\$4.34	-\$715	\$3,700
2+2	1	852	\$2,840	\$3.33	\$3,700	\$4.34	-\$860	\$3,700
2+2	1	852	\$3,100	\$3.64	\$3,700	\$4.34	-\$600	\$3,700
<b>Totals</b>	<b>8</b>	<b>6,819</b>	<b>\$23,505</b>	<b>\$27.58</b>	<b>\$28,800</b>	<b>\$4.22</b>	<b>-\$5,295</b>	<b>23%</b>
<b>Averages</b>		<b>852</b>	<b>\$2,938</b>	<b>\$3.45</b>	<b>\$3,600</b>	<b>\$4.22</b>	<b>-\$662</b>	

# Sales Comparables

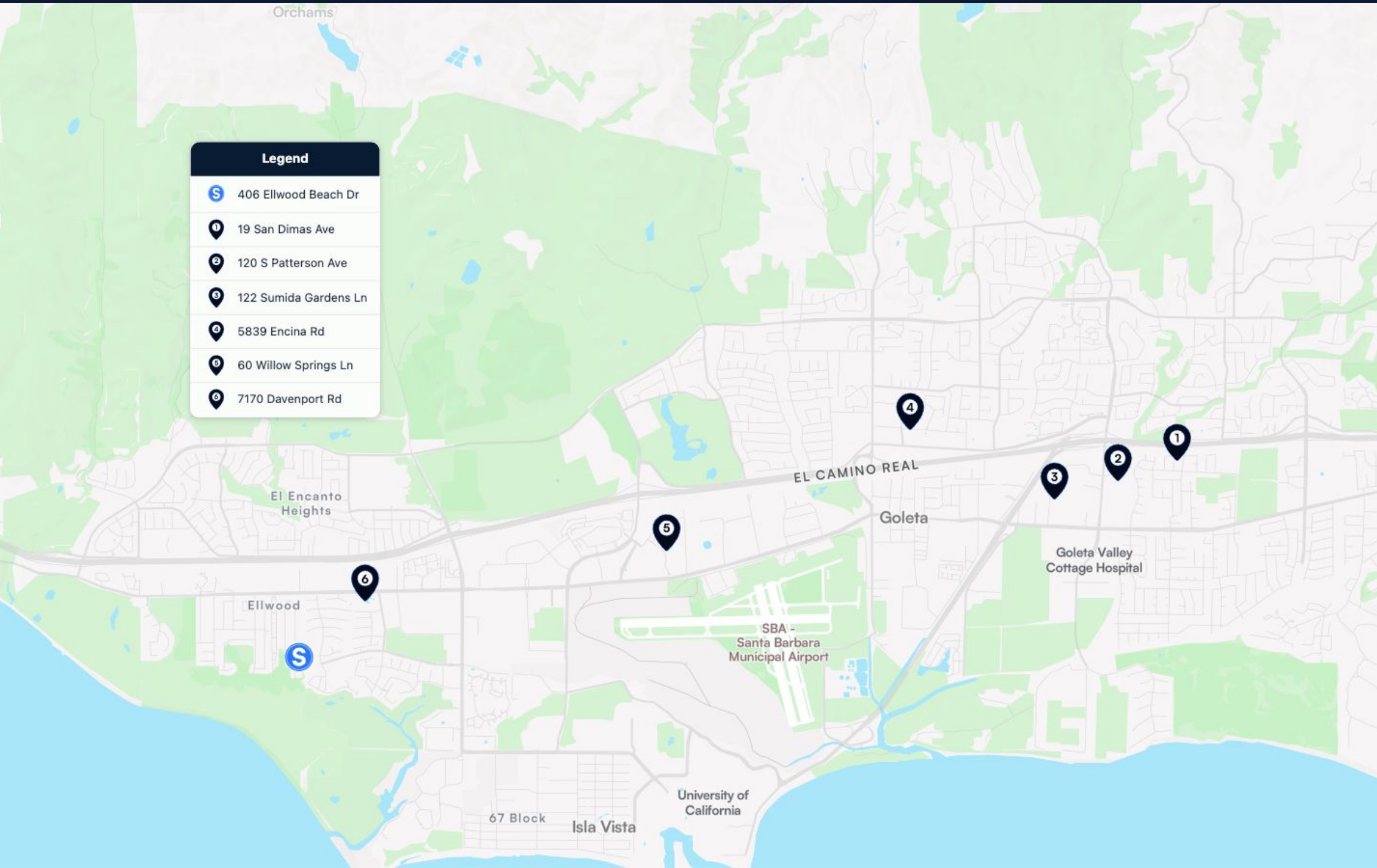
Property Address	Property City	Property Zip Code	Sale Price	Year Built	Building SF	Number Of Units	Price Per Unit	Price Per SF	Actual Cap Rate	GRM	Sale Date
 406 Ellwood Beach Dr	Goleta	93117	\$3,600,000	-	6,819	8	\$450,000	\$527.94	5.09%	12.76x	-
 6588 Segovia Rd	Goleta	93117-4725	\$4,350,000	-	7,874	14	\$310,714	\$552.45	-	-	11/19/25
 850 Camino Pescadero	Goleta	93117-4767	\$6,775,000	1968	7,828	11	\$615,909	\$865.48	-	-	3/27/25
<b>Average</b>							<b>\$463,312</b>	<b>\$708.97</b>			



# 2-Bedroom Rent Comparables

Address	City	Zip Code	Year Built	Number of Units	Floor Plan	Asking Rent
 406 Ellwood Beach Dr	Goleta	93117	-	8	2+1 2+2	\$2,845 \$3,031
 19 San Dimas Ave	Goleta	93111	1963	-	2+2	\$4,450
 120 S Patterson Ave	Goleta	93111	-	-	2+1	\$4,154
 122 Sumida Gardens Ln	Goleta	93111	-	-	2+2	\$3,974
 5839 Encina Rd	Goleta	93117	1973	168	2+1 2+1.5	\$3,985 \$4,313
 60 Willow Springs Ln	Goleta	93117	2026	332	2+1 2+2	\$3,917 \$3,978
 7170 Davenport Rd	Goleta	93117	1974	183	2+1	\$3,688
<b>Average</b>						<b>\$4,057</b>

# 2-Bedroom Rent Comparables Map



# Market Overview

406 Ellwood Beach Dr  
Goleta, CA 93117



# Goleta, CA

**32,693**  
Total Population

**\$118,039**  
Median HH Income

**12,135**  
# of Households

**51.2%**  
Homeownership Rate

**18,059**  
Employed Population

**49.4%**  
% Bachelor's Degree

**35.5**  
Median Age

**\$1,002,500**  
Median Property Value

## Local Neighborhood Overview

406 Ellwood Beach Drive is positioned in the Ellwood Acres neighborhood within the highly desirable Goleta coastal submarket, approximately 2 miles from the University of California, Santa Barbara (UCSB), a major research institution with more than 26,000 students and significant faculty and staff employment that drives consistent housing demand in the surrounding area. The property also benefits from proximity to Santa Barbara Airport (SBA), providing convenient regional air access and supporting the nearby technology and defense employment corridor anchored by major employers such as Raytheon, Northrop Grumman, Lockheed Martin, and AppFolio.

The location offers convenient access to Goleta's primary retail and service amenities along Hollister Avenue and the Camino Real Marketplace, a major shopping hub serving the broader Goleta and Isla Vista communities. Additionally, the Ellwood Acres neighborhood is adjacent to key coastal recreation destinations including Ellwood Beach, Goleta Beach Park, and the Ellwood Mesa open space, providing highly sought-after lifestyle amenities that enhance long-term residential demand in the coastal Santa Barbara market.

## Property Demographics

Population	1-Mile	3-Mile	5-Mile
Current Year Estimate	15,172	46,549	67,997
Households	1-Mile	3-Mile	5-Mile
Current Year Estimate	5,209	12,594	20,205
Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$149,360	\$120,526	\$135,476

## Local Market Overview

Goleta, California is a coastal community in Santa Barbara County known for its high quality of life, strong household incomes, and proximity to both the Pacific Ocean and the Santa Ynez Mountains. Located just northwest of downtown Santa Barbara, the city offers a suburban coastal environment with convenient access to Highway 101, Santa Barbara Airport, and the University of California, Santa Barbara. The surrounding area supports stable housing demand driven by highly educated residents, outdoor recreation amenities, and nearby employment centers, making Goleta one of the most desirable residential communities along California's Central Coast.

## Economic Drivers

Goleta's economy is anchored by a combination of higher education, advanced technology, aerospace, and healthcare employers concentrated along the region's technology corridor. The presence of the University of California, Santa Barbara supports research activity, workforce development, and innovation that fuels the growth of photonics, engineering, and advanced manufacturing firms. Major employers including UCSB, Raytheon, Teledyne Technologies, Deckers Brands, and Cottage Health contribute to a stable economic base, while infrastructure such as Santa Barbara Airport and the Highway 101 corridor provides regional connectivity that supports continued employment growth and housing demand throughout the Santa Barbara metro area.



# Santa Barbara

Santa Barbara sits on the Southern California coastline and blends coastal lifestyle appeal with a diversified economy anchored in education, healthcare, and tourism. The city's population is roughly ~88,000 residents and has demonstrated relative stability in recent years, with modest changes in population and household numbers. Median household income in Santa Barbara is above \$100,000, reflecting significant earning capacity among local households, an important driver for multifamily demand and rent stability in the urban core.

The multifamily real estate market here has historically experienced tight occupancy and limited supply growth, with a vacancy rate consistently near the low single digits and constrained new inventory due to development hurdles and coastal planning challenges. Local multifamily rents continue to trend upward, outpacing national averages, which underscores the market's resilience despite high cost-of-living dynamics. This supply-demand imbalance positions well-located multifamily assets like 1711 De La Vina St for sustained performance.



**\$2.3B+**  
ANNUAL TOURISM ECONOMY

**\$1.2M+**  
MEDIAN HOME PRICE

**\$7B+**  
ANNUAL GROSS REGIONAL PRODUCT

**50+ Miles of Coastline**  
- California Coastal Commission





The University of California, Santa Barbara (UCSB) is a leading public research university located on the Pacific coast in Goleta, California, just west of the city of Santa Barbara. Founded in 1909 and joining the University of California system in 1944, UCSB is widely recognized for its academic excellence, strong research output, and distinctive coastal campus environment. UCSB enrolls more than 26,000 undergraduate and graduate students across three undergraduate colleges and several graduate divisions. The university offers highly regarded programs in engineering, environmental science, physics, economics, and the social sciences. It is particularly known for its strengths in physics, materials science, marine science, and photonics research, with numerous Nobel Prize-winning faculty and internationally recognized research centers. The campus plays a central role in the regional economy, serving as one of the largest employers in Santa Barbara County and a major driver of innovation and technology development in the area. Partnerships between UCSB and local technology companies have helped establish the surrounding region as a hub for advanced engineering, aerospace, and photonics industries. Situated on a bluff overlooking the Pacific Ocean, UCSB's campus is known for its scenic setting, extensive bike paths, and direct beach access. The university consistently ranks among the top public universities in the United States, combining strong academics with a collaborative campus culture.

**±2 Miles**

Distance from SP

**±26,133**

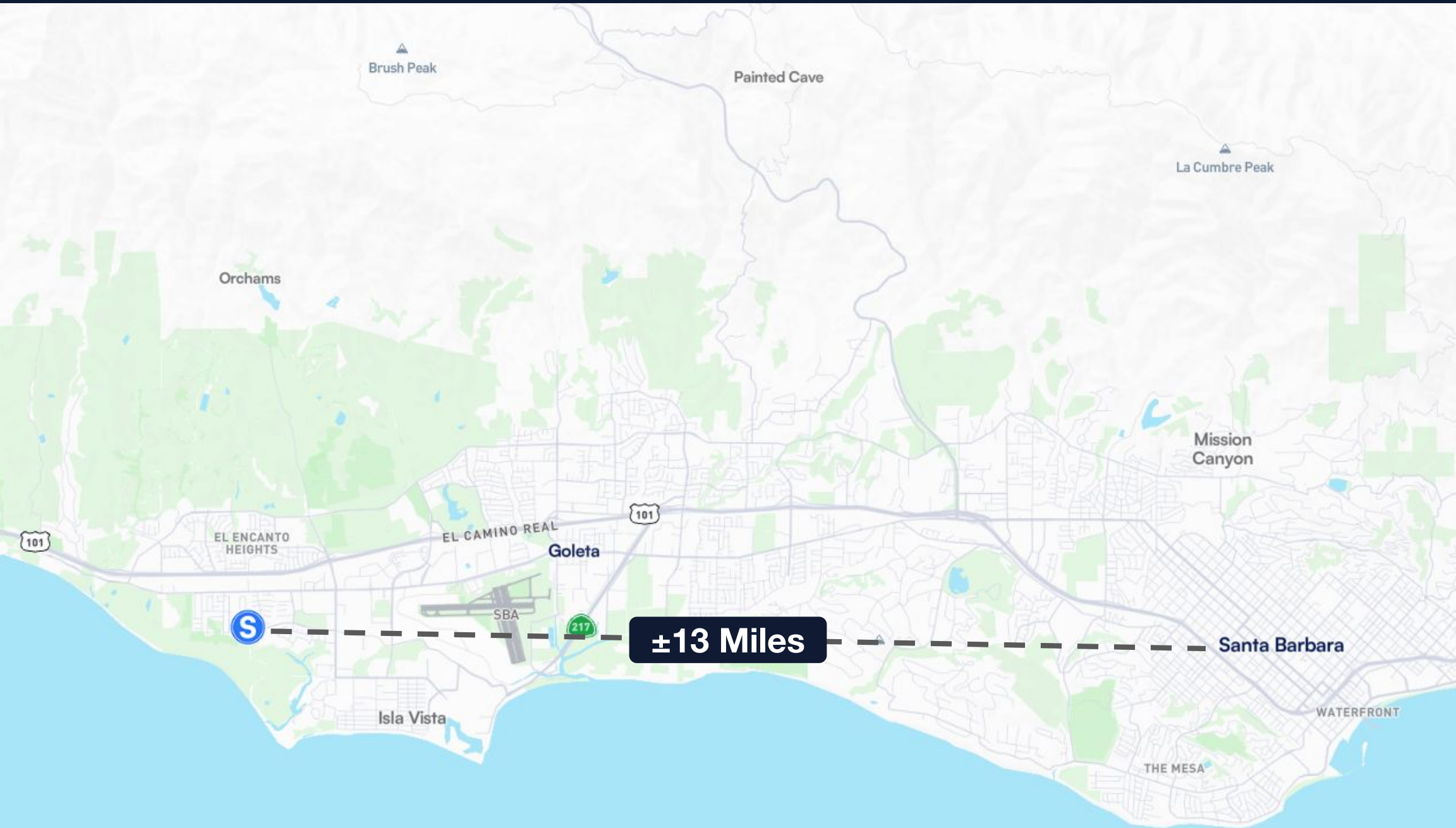
Enrollment

**190+ Programs**

Student Life



# REGIONAL MAP



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**406 Ellwood Beach Dr | Goleta, CA 93117**

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 406 Ellwood Beach Dr, Goleta, CA 93117 ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™. has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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Owner and Matthews™. expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

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