

504 CLAY AVE

Huntington Beach, CA 92648

Prime Coastal Location | 1980s Construction With Brand New ADU

**Multifamily
Investment Opportunity**

Offering Memorandum



MATTHEWS™

Exclusively Listed By



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Table of Contents

03

Property Overview

09

Financial Overview

14

Market Overview

504 Clay Avenue

PROPERTY OVERVIEW

Clay Ave ±548 VPD

17th St ±520 VPD

Delaware St ±15,420 VPD

Investment Highlights

504 Clay Ave

Huntington Beach, CA

8

Total Units

1984

Year Built

6,400

Rentable SF

±10,001

Lot Size SF

The Opportunity

Matthews™ as the exclusive listing agent, is pleased to offer the opportunity to acquire 504 Clay Avenue, an exceptional 8-unit apartment community located in the highly desirable Garfield neighborhood of Huntington Beach. Situated just north of Yorktown Avenue and less than one mile from Downtown Huntington Beach, Main Street, Pacific Coast Highway, and the beach, the property offers residents convenient access to award-winning restaurants, shopping, grocery stores, entertainment, and recreation. Positioned on a rare island parcel with no adjacent residential buildings, the property provides an uncommon level of privacy while remaining within one of Orange County's most sought-after coastal rental markets.

Originally constructed in 1984, the property consists of seven (7) apartment units plus one (1) fully permitted ADU completed in 2023, totaling approximately 6,400 rentable square feet on a 10,001 square foot lot. The unique unit mix includes three (3) one-bedroom / one-bathroom units, one (1) two-bedroom / one-and-one-half-bathroom unit, and four (4) two-bedroom / two-bathroom units, including the newly constructed approximately 800 square foot ADU. The ADU features solar panels, a private backyard, in-unit washer and dryer, separately metered electricity, and an individual water heater, creating a highly desirable living experience. Three units have been extensively renovated with quartz countertops, luxury vinyl plank flooring, and modern interior finishes, while the remaining units feature upgraded granite countertops and laminate flooring. Additional recent capital improvements include fresh exterior paint, new perimeter fencing, and a brand-new central water heater serving the original seven units. Residents also enjoy spacious floor plans with private patios or balconies, abundant natural light, individual garages, and ample on-site parking consisting of seven (7) single-car garages, one (1) tandem parking space, and additional surface parking. The property is further enhanced by low operating expenses and a RUBS program already in place to help maximize net operating income.

Overall, 504 Clay Avenue represents a rare opportunity to acquire a well-maintained, pride-of-ownership asset offering strong in-place cash flow with approximately 19% rental upside through continued rental growth. Combining a recently constructed, fully permitted ADU, meaningful recent capital improvements, low operating expenses, and an irreplaceable coastal location less than one mile from the beach, the property provides investors with an exceptional balance of immediate income, long-term appreciation, and future revenue growth in one of Southern California's strongest multifamily markets.



Investment Highlights

Property Highlights

- Exceptional Opportunity to Acquire an 8-Unit Apartment Building Located in the Desirable Garfield Neighborhood of Huntington Beach, CA
- Seven (7) Units Built in 1984 Plus One (1) Fully Permitted ADU Completed in 2023
- Unique Unit Mix Consisting of: (3) – 1 Bedroom / 1 Bathroom Units, (1) – 2 Bedroom / 1.5 Bathroom Unit, and (4) – 2 Bedroom / 2 Bathroom Units
- Newly Constructed, Fully Permitted Approximately 800 SF ADU Featuring 2 Bedrooms / 2 Bathrooms, Solar Panels, a Private Backyard, In-Unit Washer & Dryer, Separately Metered Electricity, and an Individual Water Heater
- Recent Capital Improvements Include Fresh Exterior Paint, a Brand-New Water Heater Serving the Original Seven Units, and New Perimeter Fencing
- Well-Maintained, Pride of Ownership Property with Strong Curb Appeal, Low Operating Expenses, and a RUBS Program in Place to Help Increase Net Operating Income
- Three (3) Units Have Been Extensively Renovated with Quartz Countertops, Luxury Vinyl Plank Flooring, and Modern Interior Finishes, While the Remaining Units Feature Upgraded Granite Countertops and Laminate Flooring
- Spacious Floor Plans Feature Private Patios or Balconies, Abundant Natural Light, and Individual Garages
- Ample On-Site Parking Including Seven (7) Single-Car Garages, One (1) Tandem Parking Space, and Additional Surface Parking
- Strong In-Place Cash Flow with Approximately 19% Rental Upside Through Continued Rental Growth



Location Highlights

- Conveniently Located Near Yorktown Avenue and Less Than One Mile from Downtown Huntington Beach, Main Street, Pacific Coast Highway, and the Beach, Offering Residents Easy Access to Award-Winning Dining, Shopping, Entertainment, and Recreation
- Walk Score of 77 (Very Walkable) & Bike Score of 81 (Very Bikeable) | Offering Residents Convenient Access to Shopping Centers, Restaurants, Grocery Stores, Retail, Huntington Beach High School, and Local Employment Centers
- Situated on a Rare Island Parcel with No Adjacent Residential Buildings, Providing Exceptional Privacy in the Heart of Huntington Beach



 **Roch Courreges Elementary**
±631 Students

 **Elan Huntington Beach**
±274 Units

5 Points Plaza
TRADER JOE'S Bath & Body Works
BIG 5 SPORTING GOODS VANS Yogurtland
TILLYS CHASE

Ralphs
PENINSULA COSMETIC & FAMILY DENTISTRY
Sourdough & Co. rubio's COASTAL GRILL
planet fitness Carl's Jr.

 **Baca Park**
±1 Miles Away

CAMBRO75
Manufacturer
±850 Total Employees

Beach Garfield
TARGET
BEACH HUT DELI
CVS pharmacy

 **John Wayne Airport**
±9 Miles Away

Garfield Ave ±43,050 VPD

Seacliff Village
Albertsons PETSMART MOD
Panera néktar JUICE BAR
ME Massage Envy McDonald's

 **Seawind Cove**
±109 Units



 **Subject Property**

 **The Huntington Club**
Golf Course

 **Pier Pointe Condos**
±159 Units

 **Perry Elementary**
±440 Students

 **Huntington Beach High**
±2,645 Students

 **William T. Newland Elementary**
±531 Students

 **Pacific-Ranch**
±558 Units

Newland Center
Albertsons WET DOG TAVERN
movita JUICE BAR
ROUND TABLE PIZZA
Seaside's Brew CAPONES PUB & BREWERY
CLUB PILATES
HB Bagels & Cafe

 **Huntington Beach**
±2 Miles Away

Delaware St ±15,420 VPD

Beach Blvd ±52,150 VPD

Google Earth



504 Clay Avenue

FINANCIAL SUMMARY



Financial Summary

Address	504 Clay Ave Huntington Beach, CA 92648
Number of Units	8
Year Built	1984
APN	025-112-01
Gross SF	±6,400 SF
Average SF Per Unit	±800 SF
Lot Size	±10,001SF



\$3,725,000

List Price

\$465,625

Price Per Unit

\$582.03

Price Per SF

4.18%

Cap Rate

15.26

GRM

Unit Mix & Scheduled Income

Total Units	Unit Mix	Unit Mix %	Current Average Rent	Current Monthly Rent	Market Average Rent	Market Monthly Rent
3	1+1	38%	\$2,173	\$6,520	\$2,650	\$7,950
3	2+2	38%	\$2,590	\$7,770	\$3,150	\$9,450
1	2+1.5	13%	\$2,625	\$2,625	\$3,000	\$3,000
1	2+2 ADU	13%	\$3,125	\$3,125	\$3,350	\$3,350
Scheduled Monthly Rent:				\$20,040		\$23,750
Scheduled Yearly Rent:				\$240,480		\$285,000

Annual Operating Summary

		Current		Market	
Gross Potential Rent		\$240,480		\$285,000	19% Upside
Less Vacancy		-\$7,214	-3.0%	-\$8,550	-3.0%
Expense/Utility Reimbursement	Annualized 2026	\$2,922		\$2,922	
Laundry Income	Annualized 2026	\$709		\$709	
Gross Operating Income		\$236,897		\$280,081	
Expenses		\$81,034	33.20%	\$83,194	28.82%
Net Operating Income		\$155,862		\$196,887	
Loan Payments		\$124,605		\$124,605	
Pre-Tax Cash Flow		\$31,258	1.55%	\$72,283	3.59%

Annual Operating Expenses

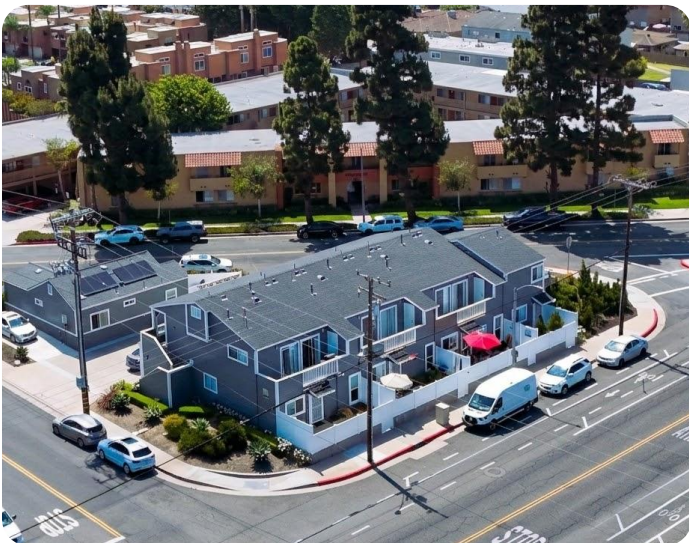
Current Estimates			Current	Per Unit	Market	Per Unit
Real Estate Taxes	1.10%	% of Purchase Price	\$40,944	\$5,118	\$40,944	\$5,118
Property Management Fee	5.0%	x GOI	\$11,845	\$1,481	\$14,004	\$1,751
Insurance	\$1.15	Per SF	\$7,360	\$920	\$7,360	\$920
Repairs & Maintenance	\$500	Per Unit	\$4,000	\$500	\$4,000	\$500
Gas	\$1,416	Annualized 2026	\$1,416	\$177	\$1,416	\$177
Electricity	\$894	Annualized 2026	\$894	\$112	\$894	\$112
Water/Sewer	\$5,132	Annualized 2026	\$5,132	\$642	\$5,132	\$642
Trash Removal	\$4,038	Annualized 2026	\$4,038	\$505	\$4,038	\$505
Landscaping/Grounds	\$200	Per Unit	\$1,600	\$200	\$1,600	\$200
General and Administrative	\$200	Per Unit	\$1,600	\$200	\$1,600	\$200
Special/Direct Assessment	\$2,205	Actual 2025	\$2,205	\$276	\$2,205	\$276
Total Expenses			\$81,034	\$10,129	\$83,194	\$10,399

Financing - New Loan

Term	5 Years	Amortization Period	30 Years
Loan Amount	\$1,713,500	LTV	46.0%
Down Payment	\$2,011,500	Interest	6.10%
Yearly Payment	\$124,605	Monthly Payment	\$10,384
Debt Coverage Limit	1.25x	Payoff or Refinance Months	60 Months

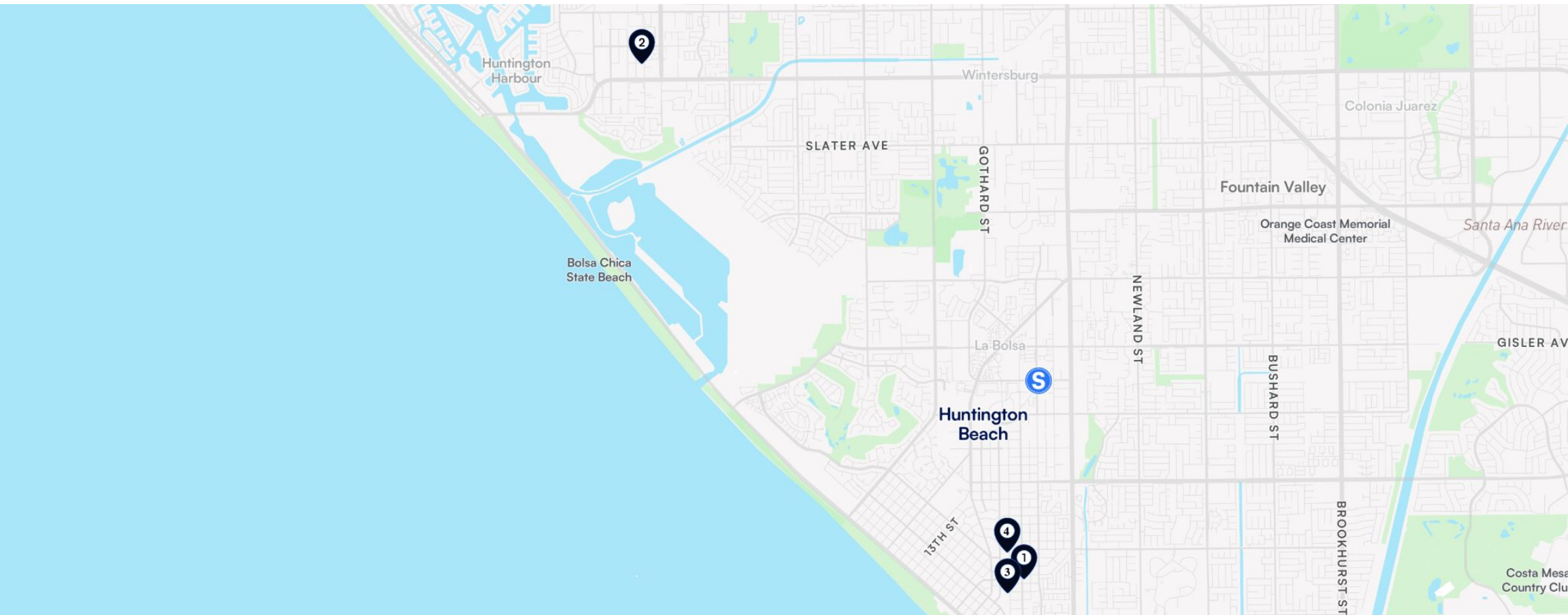
Rent Roll

Unit #	Unit Mix	Current Rent	Market Rent	Move-In Date
1	1+1	\$2,200	\$2,650	2/24/24
2	1+1	\$2,195	\$2,650	3/1/25
3*	1+1	\$2,125	\$2,650	2/18/19
4	2+1.5	\$2,625	\$3,000	6/26/25
5	2+2	\$2,495	\$3,150	7/15/26
6*	2+2	\$2,500	\$3,150	11/15/19
7	2+2	\$2,775	\$3,150	6/15/24
8	2+2 ADU	\$3,125	\$3,350	6/23/23
* Section 8 Tenants	Totals	\$20,040	\$23,750	



Sales Comparables

	Address	Units	Year Built	SF	Lot SF	Price	Per Unit	PPSF	Cap Rate	GRM	Sold Date
S	504 Clay Ave, Huntington Beach, CA 92648	8	1984	6,400	10,001	\$3,725,000	\$465,625	\$582.03	4.18%	15.44	-
1	508 Huntington St Huntington Beach, 92648	9	1964	6,966	10,074	\$4,200,000	\$466,667	\$602.93	4.07%	15.83	9/19/2025
2	16861 Green Ln Huntington Beach, 92648	6	1973	4,606	8,276	\$2,850,000	\$475,000	\$618.76	3.87%	16.70	7/31/2025
3	311 Alabama St Huntington Beach, 92648	12	1963	10,553	12,632	\$5,800,000	\$483,333	\$549.61	4.04%	16.15	6/16/2025
4	811 Alabama St Huntington Beach, 92648	7	1978	6,106	9,583	\$3,150,000	\$450,000	\$515.89	3.57%	17.35	3/20/2025
	Averages	9	1970	7,058	10,141	\$4,000,000	\$468,750	\$571.79	3.89%	16.51	-



504 Clay Avenue

MARKET OVERVIEW



Garfield | Huntington Beach

Local Market Overview

The Garfield neighborhood is one of Huntington Beach's most established residential communities, offering a desirable blend of coastal living, quiet tree-lined streets, and convenient access to employment, retail, and recreation. Located just a few miles from the beach, the neighborhood benefits from strong renter demand driven by highly rated schools, nearby shopping and dining, and easy connectivity to Pacific Coast Highway, Beach Boulevard, and Interstate 405.

Garfield's supply-constrained location within coastal Orange County supports long-term multifamily fundamentals, with limited opportunities for new apartment development and consistently strong housing demand. Residents enjoy proximity to major employment centers throughout Huntington Beach, Costa Mesa, Irvine, and greater Orange County, while nearby beaches, parks, and entertainment destinations continue to enhance the neighborhood's appeal and support stable occupancy and long-term rent growth.

Property Demographics

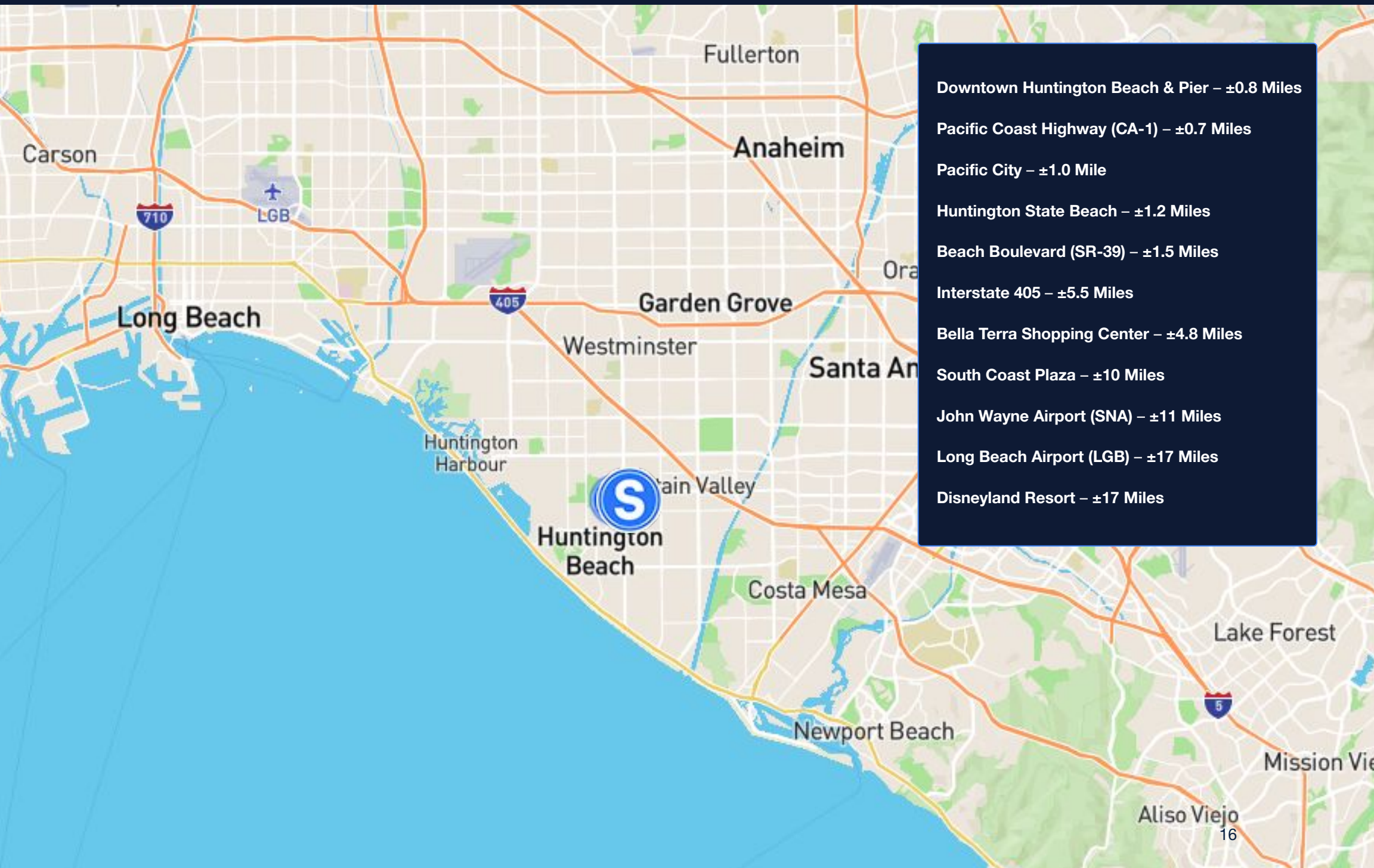
Population	1-Mile	3-Mile	5-Mile
Current Year Estimate	26,544	199,536	433,744

Households	1-Mile	3-Mile	5-Mile
Current Year Estimate	9,632	75,672	153,898

Income	1-Mile	3-Mile	5-Mile
Average Household Income	\$137,413	\$158,245	\$147,347



Connectivity & Nearby Destinations



Downtown Huntington Beach & Pier – ±0.8 Miles

Pacific Coast Highway (CA-1) – ±0.7 Miles

Pacific City – ±1.0 Mile

Huntington State Beach – ±1.2 Miles

Beach Boulevard (SR-39) – ±1.5 Miles

Interstate 405 – ±5.5 Miles

Bella Terra Shopping Center – ±4.8 Miles

South Coast Plaza – ±10 Miles

John Wayne Airport (SNA) – ±11 Miles

Long Beach Airport (LGB) – ±17 Miles

Disneyland Resort – ±17 Miles

Orange County, CA

Orange County's multifamily market is widely recognized as one of the most desirable and stable rental environments in the U.S., supported by a strong economic foundation, affluent population, and high quality of life. Consistent demand, paired with limited new supply, continues to drive healthy occupancy

and long-term rent growth across the region. With a diverse employment base and enduring lifestyle appeal, the market remains highly attractive to both renters and investors, reinforcing its position as a premier location for multifamily performance and long-term stability.

3.17M+

Total Population

1,104,452

Total Households

#2 Lowest Vacancy Rate

in Top 50 U.S. Apartment Markets

Source: CoStar, U.S. Census Bureau, Visit California | 2025 Dataset



Employment

Orange County's employment base is anchored by a highly diversified and resilient economy, supporting consistent consumer activity across both professional and service-oriented sectors. The region benefits from a strong mix of industries, including healthcare, technology, tourism, and corporate services which together sustain a large, stable workforce and drive daily retail demand. A significant portion of this employment is tied to the tourism sector, reinforcing steady, year-round spending patterns across dining, entertainment, and experiential retail.

Source: U.S. Census Bureau, CoStar Group, BLS, Visit California, Anaheim Chamber of Commerce | **2025 Dataset**

2025 Statistics

1.7M+

Total Workforce Base

130K+

Tourism-Supported Jobs

25M+

Annual Disneyland Visitors

OC Major Employers

Number of Employees in Orange County

Largest Employer

The **WALT DISNEY** Company

36,000+ Employees

UC Irvine

34,000+ Employees

County of Orange

18,000+ Employees

Kaiser Permanente

10,000+ Employees

Hoag Memorial Hospital Presbyterian

8,000+ Employees

Children's Hospital of Orange County

6,000+ Employees

The Boeing Company

4,000+ Employees

CSU Fullerton

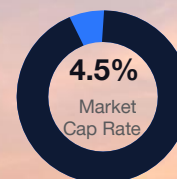
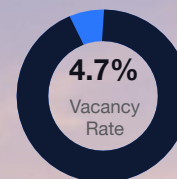
3,000+ Employees



| OC Multifamily Performance

Orange County's multifamily market stands out as one of the most resilient and sought-after coastal investment environments in the U.S., driven by strong renter demand, limited new supply, and high barriers to entry. Consistently strong occupancy and rent growth reflect the market's affluent demographics and desirable lifestyle, while sustained investment activity highlights continued confidence from institutional and private capital. With a well-balanced supply pipeline and long-term demand drivers firmly in place, Orange County continues to offer a highly stable and attractive setting for multifamily performance and long-term value creation.

Source: CoStar Group | 2025 Dataset



\$1,300,000,000

Sales Volume

262K

Inventory Units

2,760

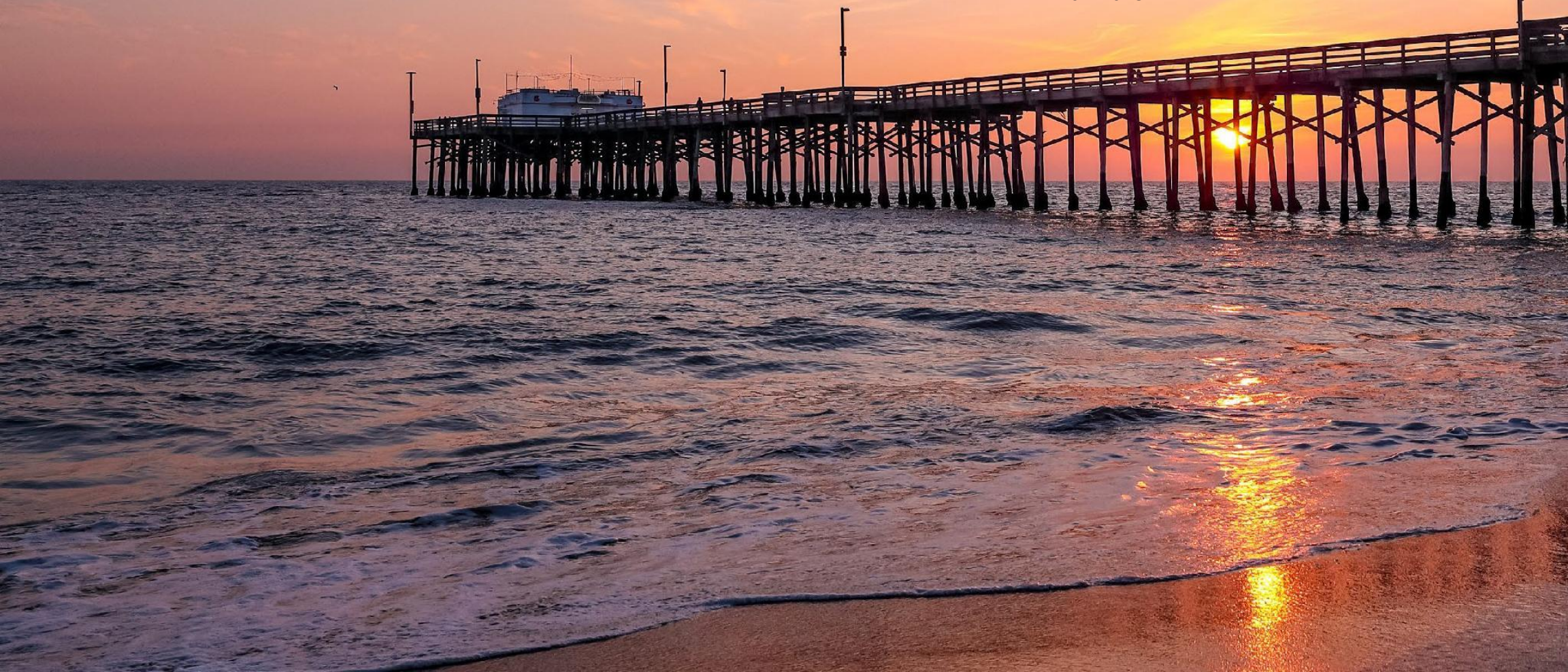
Units Under Construction

\$2,761

Market Asking
Rent Per Unit

\$443K

Market Sale Price Per Unit



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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 504 Clay Ave Huntington Beach, CA 92648 ("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.

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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.