

1332 HERMOSA AVE | HERMOSA BEACH, 90254

Hermosa *Courtyard*



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Overview



THE *Offering*

Matthews™ is pleased to present the opportunity to acquire Hermosa Courtyard, a high-street retail and restaurant asset located in the heart of Hermosa Beach, California. Positioned along Hermosa Avenue within one of the South Bay's most active dining and entertainment districts, the Property offers investors the opportunity to acquire a differentiated coastal retail asset with significant long-term value creation potential.

Hermosa Courtyard benefits from an established mix of restaurant, nightlife, wellness, and experiential tenants, while providing a compelling opportunity for new ownership to reposition the tenant mix, capture higher market rents, and increase restaurant density over time. Through active management and strategic leasing, an investor can take greater control of tenant turnover and capitalize on demand from higher-performing restaurant and retail operators seeking locations in Hermosa Beach.

The offering represents a rare opportunity to acquire a critical mass of retail in an irreplaceable coastal location and execute a value-add strategy as capital and tenant demand increasingly target Southern California's premier high-street retail corridors.



Hermosa Beach, CA

INVESTMENT *Highlights*

Irreplaceable Hermosa Beach Location

Prime position along Hermosa Avenue within the city's core restaurant, nightlife and retail district, benefiting from exceptional walkability, coastal demographics and year-round visitor traffic.

91% Occupied with Durable In-Place Income

The Property is 91% occupied, providing an established income base while maintaining a manageable amount of vacancy and leasing opportunity.

Embedded Rent Growth Through Lease Rollover

A meaningful portion of the tenancy is scheduled to expire over the next three years, creating a defined opportunity to capture below-market rents and mark leases to current market levels as they roll.

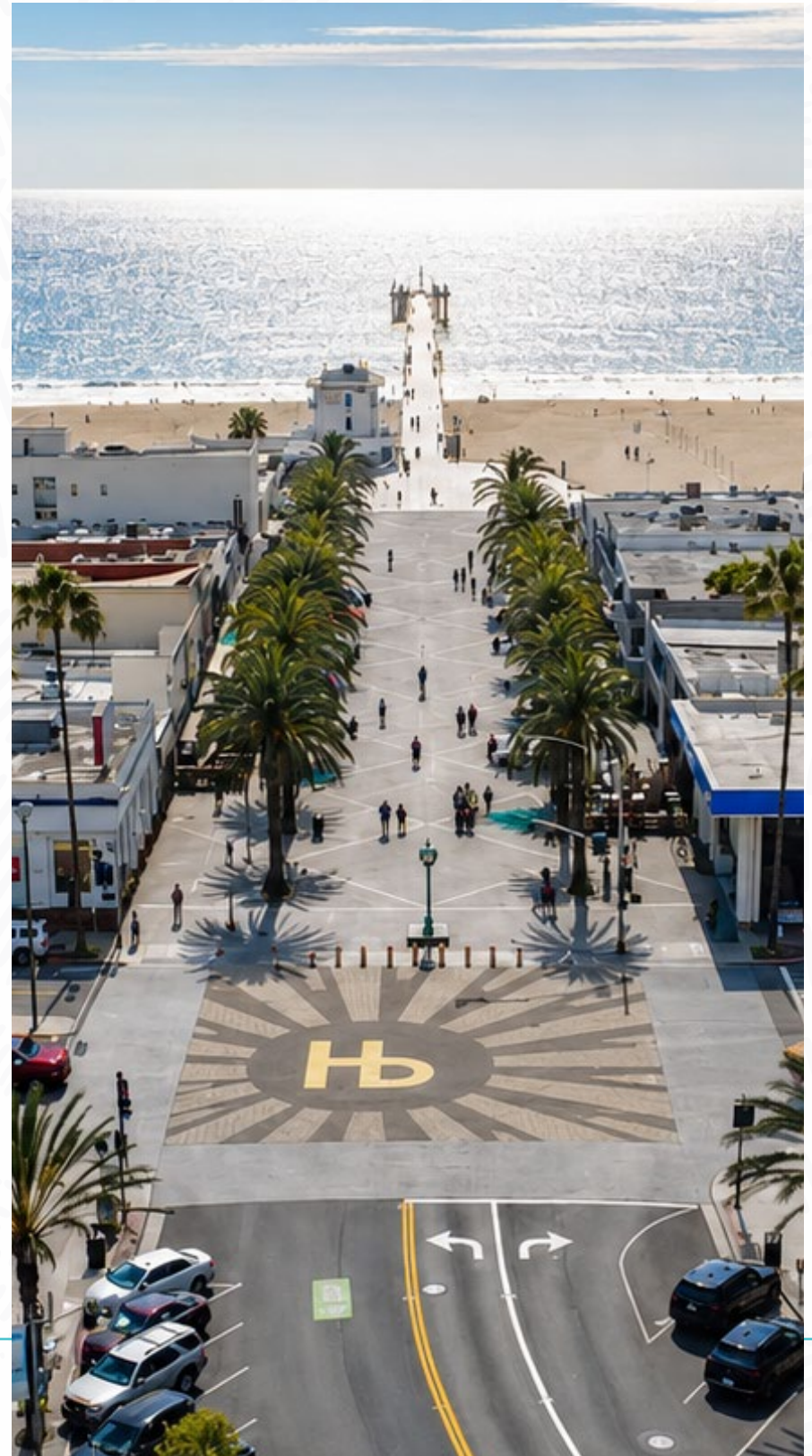
Immediate Leasing & Tenant Repositioning Upside

Ownership can strategically reposition select spaces and tenants, improve tenant quality, reduce reliance on key-money transactions and increase rental income through targeted leasing efforts.

Rare Coastal Value-Add Opportunity

The combination of a highly walkable Hermosa Beach location, 91% occupancy, below-market in-place rents and near-term lease rollover provides a clear path to enhance NOI and create long-term value in a difficult-to-replicate coastal market.

Hermosa Beach, CA



PROPERTY

Overview



1332 Hermosa Ave
Los Angeles, CA

14
Suites

1954 / 1985
Year Built/Renovated

4183-013-069
APN

±15,127 SF
Building SF

±0.28 AC
Lot Size

HBC2
Zoning

OFFERING SUMMARY

\$11,721,000
Asking Price

\$775
Price PSF

5.00%
Year 1 Cap Rate

THE RESTAURANT ROW OF *Hermosa Beach*

Hermosa Ave is emerging as the South Bay's next dining destination.

A wave of new and evolving concepts is transforming the corridor from a traditional beach-town restaurant scene into a chef-driven dining destination.



STEPS AWAY FROM
Pier Avenue

folk

HERMOSA
BREWING COMPANY

JAPONICA
SUSHI/IZAKAYA

Subject
Property

PALMILLA

**TIKI
KAI**

TOWER12
DELICIOUS FOR THE HUNGRY
SURFER



SOHO YOGA

Attal girl

RYLA

**Los Angeles
ALE WORKS**

**JAVA
HOT**
ENCINITAS, CALIFORNIA

gum tree

STECCA
Taverna

Uncorked!

the rockefeller

**Creamy
Boys**
Real Fruit Ice Cream

Pier Ave ± 57,940 VPD

Hermosa Ave ± 19,390 VPD

Red & Louie's
PIZZA & SANDWICHES

Guisados

FRIST FLOOR

Site Plan

Unit No.	Tenant	Size (SF)
4	White House Pilates	-
5	Available	850
6	Cincip	-
8-9	Skin Savvy	-
10	Pedone's Pizzeria	-
11	Hermosa Brewing Storage	-
13	Hermosa Brewing Company	-
12A	Available	431
7	Bacchanal Capital Inc	-

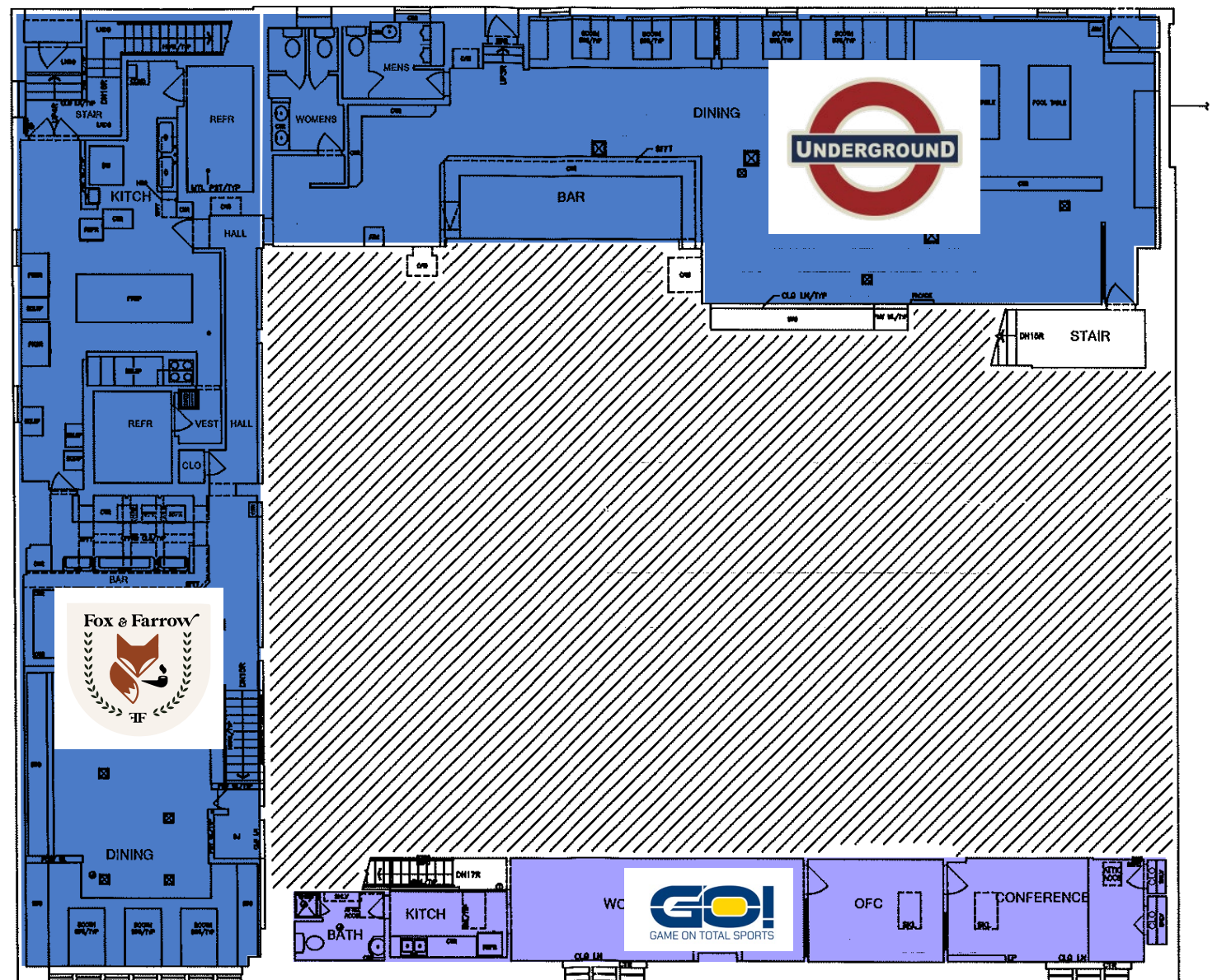


Hermosa Beach, CA

HERMOSA AVE (±19,390)

SECOND FLOOR *Site Plan*

Unit No.	Tenant	Size (SF)
1, 12	Underground Pub & Grill	2,714
7, 15	Fox & Farrow	5,140
14	Game On Total Sports	1,100



Hermosa Beach, CA

TENTANT *Overviews*



Underground Pub & Grill

A popular Hermosa Beach sports pub and grill offering American-style food, drinks, multiple TVs, pool, darts, and a lively game-day atmosphere.



Fox & Farrow

An elevated restaurant and cocktail lounge featuring a chef-driven menu, craft cocktails, full bar, and a sophisticated yet comfortable lounge atmosphere.



Hermosa Brewing Co.

A local craft brewery, taproom, and restaurant offering house-brewed beer, a full kitchen, daily specials, and a casual beach-town dining experience.



Game On Sports

Sports-focused business providing services and programming centered around athletics and sports-related activities.



Pedone's Pizza & Italian Food

A longstanding, family-owned Hermosa Beach restaurant specializing in pizza and Italian favorites, including pasta, wings, sandwiches, salads, and catering.



Kasai Records

A distinctive hi-fi listening bar and restaurant built around vinyl records, curated music, food, and cocktails, creating an intimate and highly experiential dining environment.

SKIN SAVVY®

Skin Savvy

A boutique aesthetics and skincare business focused on advanced skin rejuvenation, facial treatments, injectables, and personalized beauty and wellness services.



White House Pilates

A boutique Pilates studio offering private and semi-private sessions, small-group reformer and mat classes, with an emphasis on strength, flexibility, balance, and personalized instruction.

Cincip

Creative styling and event design business specializing in party styling, décor, and personalized event experiences.

The End of the Key Money Era

For decades, restaurants would turn in the South Bay through “Key Money” deals. Restaurants that were failing were able to sell their leases to buyers and landlords would benefit from no down time, no TIA and no leasing commissions. Because of this trend, very few spaces in the market were able to recognize their potential. Fresh capital from outside the South Bay will recognize this as an opportunity to drive rents.

Strong Capital Moving Towards High Street Retail

Streets such as Manhattan Beach Blvd, Abbot Kinney, South Beverly Drive, & Larchmont Blvd have very little vacancy and experiencing historic rental growth. Hermosa Ave is next to join.

Sources

Los Angeles Times | City of Hermosa Beach

Haynes Real Estate — South Bay Market Reports | Eater Los Angeles

Mass Exodus to the South Bay

Q1 2025 produced record revenue of residential sales in Hermosa and Manhattan Beach largely due to the Palisades fires. Rising crime in LA has also continued to push residents to the South Bay.

Restaurant Row of Hermosa Beach

Vin Folk, Ryla, Atta Girl, LA Ale Works, Tiki Kai, Huddys, new management at Steak n Whisky, Yellow Jersey, Good Neighbor, etc

-Hermosa Ave (SF Gate and Easy Reader Article)

Evolving Consumer Demand

High-street retail is rising alongside the growth of ethnic and regional concepts across restaurant, fitness, and retail

WHY
HERMOSA
NOW?

HERMOSA BEACH'S *Big Bang Theory*



Hermosa Beach, *California*

MARKET OVERVIEW

Hermosa Beach captures the essence of Southern California coastal living, offering two miles of pristine shoreline in a coveted location between Manhattan Beach and Redondo Beach. Known for its natural beauty, laid-back sophistication, and energetic atmosphere, the city attracts an affluent mix of residents and visitors seeking an exceptional coastal lifestyle. From surfing and beach volleyball to year-round festivals, sporting events, and live entertainment, Hermosa Beach maintains a vibrant sense of activity that extends well beyond the summer season.

At the heart of the community, the iconic Hermosa Beach Pier and surrounding Pier Avenue district create a lively destination for dining, shopping, entertainment, and gathering. Acclaimed restaurants, distinctive boutiques, cafés, and local businesses benefit from a walkable environment and consistent flow of residents and visitors throughout the day and evening. Combined with strong surrounding demographics, proximity to major South Bay communities, and enduring lifestyle appeal, Hermosa Beach offers a dynamic setting where coastal culture, commerce, and leisure come together.



Hermosa Beach, CA

South Bay

The South Bay region of Los Angeles County delivers an unbeatable combination of a high quality of life and a robust, innovative economy.

Known for its temperate coastal climate, scenic beaches, and exceptional quality of life, the South Bay attracts residents seeking luxury living as well as businesses looking to grow in one of Southern California's most dynamic markets. The region is home to major industry leaders such as Honda, SpaceX, Chevron, and Raytheon, alongside thriving sectors in aerospace, technology, advanced manufacturing, and global communications. From Hawthorne's groundbreaking achievements in space exploration to El Segundo's pivotal role in national defense, the South Bay continues to be a center for innovation, investment, and opportunity. With its prestigious reputation, highly skilled workforce, strong business ecosystem, and vibrant commercial scene, the area offers an unparalleled environment for businesses to establish a presence and flourish.

SPACEX



Raytheon
Technologies



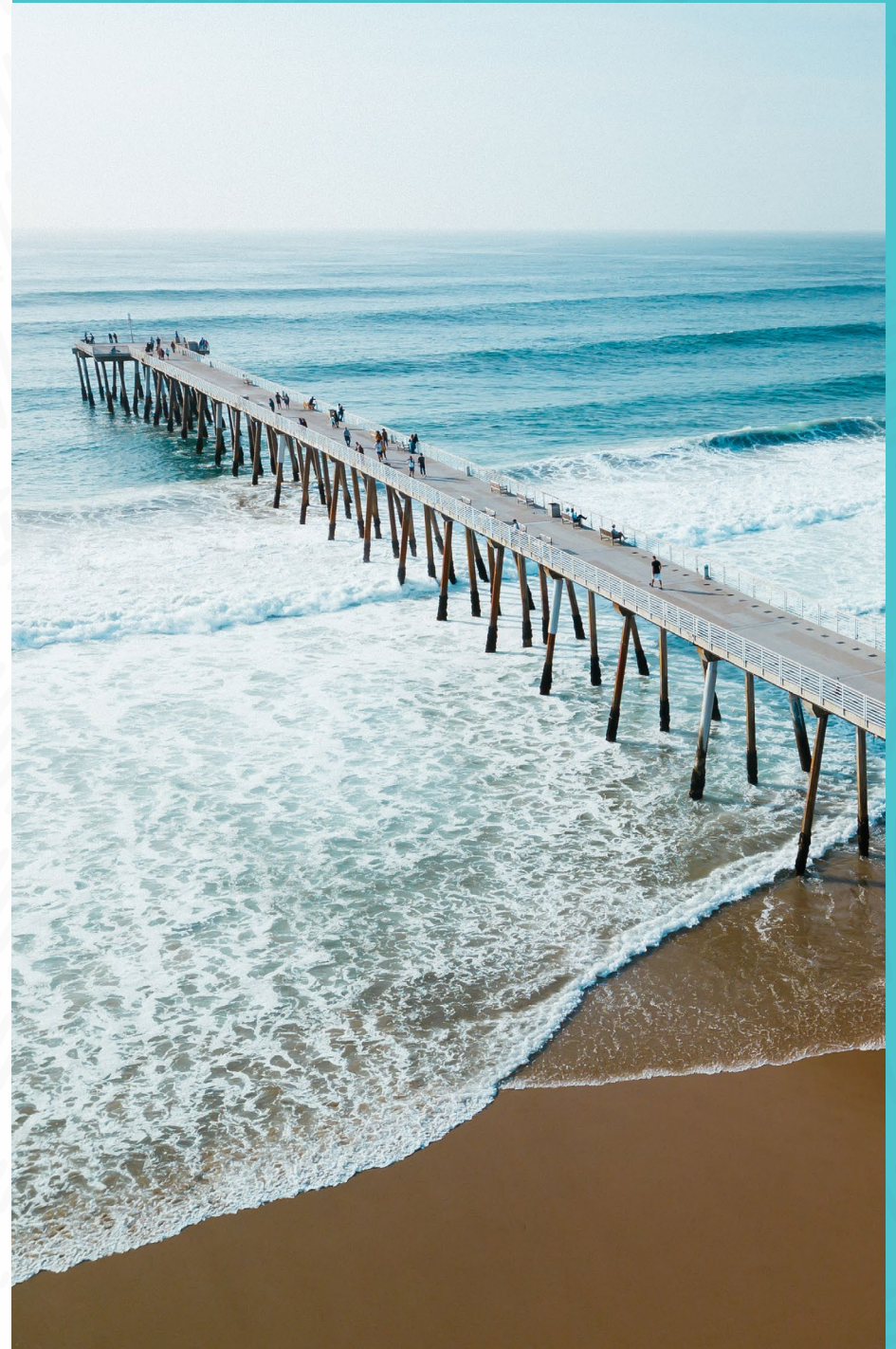
HONDA

**NORTHROP
GRUMMAN**



Chevron

Hermosa Beach, CA



Hermosa Beach, *Demographics*

WITHIN 3 MILES OF SUBJECT PROPERTY

\$174,085

2025 AVG. HH INCOME

155,333

2025 POPULATION

3M+

VISITORS PER YEAR

\$300M+

VISITOR SPENDING

\$2.6B+

CONSUMER SPENDING



Hermosa Beach, CA

3-MILE MEDIAN HOUSEHOLD INCOME

155,333

More than 155,000 residents are located within the broader primary trade area.

\$23,671

Strong existing retail expenditures demonstrate meaningful consumer demand and spending capacity.

\$447M

Hermosa Beach generated approximately \$447M of retail sales in 2022 despite its compact 1.43-square-mile footprint.

Regional *Map*

Confidentiality Agreement &

Disclaimer

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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.

Offering Memorandum

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Hermosa *Courtyard*

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