



OFFERING MEMORANDUM

724 W 2nd St
Pomona, CA 91766

*Duplex/Student Housing near CAL POLY POMONA and Downtown
Pomona, Low Price/SF with Over 6% CAP Rate Perfect for Owner-User,
Investment or Student Housing, Large Backyard for ADU*

Exclusively Listed by:

Han Widjaja Chen, CCIM - President

Dir 626.594.4900

Han.Chen@GrowthInvestmentGroup.com

DRE#01749321

Andrew Chia, MBA, MS - Associate

Dir 626.898.9710

andrewchia@GrowthInvestmentGroup.com

DRE#02250138

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GROWTH INVESTMENT GROUP
CALIFORNIA

Growth Investment Group California

Han Widjaja Chen, CCIM

President
Dir 626.594.4900
Han.Chen@GrowthInvestmentGroup.com
Broker License No. 01749321

Leo Shaw

Vice President
Dir 626.716.6968
leo.shaw@growthinvestmentgroup.com
Broker License No. 01879962

Justin McCardle

Vice President
Dir 909.486.2069
justin@growthinvestmentgroup.com
DRE#01895720

Evan Monroe

Associate
Dir 626.407.2388
Mob 626.340.3826
emonroe@growthinvestmentgroup.com
DRE#02135116

Alex Sherman

Associate
Dir 626.380.0477
asherman@growthinvestmentgroup.com
DRE#02236501

Andrew Chia, MBA, MS

Associate
Dir 626.898.9710
andrewchia@growthinvestmentgroup.com
DRE#02250138

Dimitre Petrov

Associate
Dir 626.898.9740
dpetrov@growthinvestmentgroup.com
DRE#02153833

Raine DeMesa

Marketing Associate
Dir. 626.594.4901
raine@growthinvestmentgroup.com

DISCLAIMER AND CONFIDENTIALITY AGREEMENT:

This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of
724 W 2nd St, Pomona CA 91766("Property").

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Owner or the Property, to be all-inclusive or to contain all or part of the information that prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition, and other factors beyond the control of the Owner and Growth Investment Group. Therefore, all projections, assumptions, and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. Neither the Owner nor Growth Investment Group, nor any of their respective directors, officers, affiliates, or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents. The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time, with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered, and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or Growth Investment Group. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or Growth Investment Group. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to Growth Investment Group.



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01. EXECUTIVE SUMMARY

SUMMARY

Subject Property:	724 W 2nd St Pomona, CA 91766
Price:	\$810,000
CAP Rate/GRM:	±6.20% / 11.07
Year Built:	1902
Building Size:	± 2,978 SF
Lot Size:	± 7,802 SF
APN:	8342-006-011
Zoning/Parking:	POC3 / 2 to 4 Spaces
Unit Mix:	1 x 4B + 1B Student Housing 1 x 3B + 1B (2nd fl)

Financials/Rent Roll on pages 19-20

Investment Highlights

- Over 6% CAP Rate on a Duplex/Student Housing, Low Down-payment with 30-year fixed financing
- Perfect for Owner-User or Investor – flexibility as a regular apartment or Student Housing
- Good location in a high rental demand area and minutes away from Cal Poly Pomona and Fairplex Pomona
- Walk Score 91
- Transit friendly location with superb access to FWY 10, and minutes from FWY 71 and FWY 57

Property Highlights

- Well-maintained Duplex (2-unit)/Student Housing in a good transit-oriented location
- The main unit is a fully upgraded large 4bed+1bath unit with modern updates
- Large lot size ±7,802 SF on a high-density C3 zoning; Perfect for ADUS
- Walking distance to Downtown Pomona, and minutes away from CAL POLY POMONA, Pomona Fairplex, Claremont Downtown, Raging Waters, Bonelli Park area, etc.
- Easy to manage and to rent apartment building

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Any proforma numbers including Additional Dwelling Units potentials are proforma and estimate only! Buyer must verify the information and due their own due diligence and bears all risk for any inaccuracies.

EXECUTIVE SUMMARY

Growth Investment Group is proud to present the sale of 724 W 2nd St, Pomona, a strategically located Duplex with significant Value-Add Opportunity. Offered at attractive $\pm 6.20\%$ CAP Rate (as student housing - buyer to verify), this offering provides a good $\pm 6.38\%$ Cash-on-cash return with a low down payment on a 30-year fixed mortgage – buyer to verify. The property is strategically located on 2nd St which is a walking distance from Downtown Pomona and less than 10 minutes to CAL POLY POMONA. This provides consistent and high demand for rental units due to its friendly transit location. The property is only minutes away from Claremont Colleges, Pomona Fairplex, Claremont, San Dimas, La Verne and other well-known cities in East San Gabriel Valley.

The property was built in 1902 and consists of 2 units. The ground floor unit is a large 4bedroom + 1 communal bathroom (3 shower stalls, and 2 toilets). It is being operated as a student housing but could easily be operated as a regular apartment unit or owner-user unit. The 2nd floor unit is a large 3bedroom+1bathroom unit (#B). The property has $\pm 2,978$ SF living space and situated on a large 7,802 SF C3 zone lot. Originally it was a 3-unit property where 2 units were combined to make the large 4-bedroom unit (buyer to verify). There are 3 separate electric meters, and electrical panels have been upgraded. It has a master meter for water and gas. The property has a large



side and back yard and has alley access to the parking area in the back. There are 2 to 4 parking spaces in the back that are not being used. There are plenty of backyard spaces for savvy investor to build ADUs. Savvy investors can also install coin operated washer/dryer in the 4bedroom unit to boost the cash flow.

The 4-bedroom unit has been fully upgraded with modern upgrades and consists of 4 student housing bedrooms, the 1st bedroom is a large bedroom that can easily house 2 students and has 3 separate closets. The 2nd bedroom is a large bedroom that should generate slightly higher rent. The 3rd and 4th bedrooms are standard sized bedrooms. The bathroom for this unit is a communal bathroom with double bathroom sinks, 3 shower stalls and 2 toilet aeras. The kitchen has been fully upgraded with new kitchen cabinets and countertops.

Centrally located in Pomona, CA and just within minutes to Cal Poly Pomona, Claremont Colleges, Fairplex Pomona, Claremont, La Verne, San Dimas, Phillips Ranch, and other well-known cities in the area. It is minutes away from Lake Bonelli area, Raging Waters, dining and transportation on Holt Ave. It offers superb access to multiple freeways (FWY 10, FWY 71, and FWY 57).

Aerial Photos



Walk Score
91

Walker's Paradise
Daily errands do not require a car.

Aerial Photos



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Walk Score
91

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Aerial Photos



CITY OF LA VERNE



FAIRPLEX POMONA



724 W 2ND ST



Walker's Paradise
Daily errands do not require a car.

Aerial Photos



Aerial Photos



Aerial Photos



Walk Score
91

Walker's Paradise
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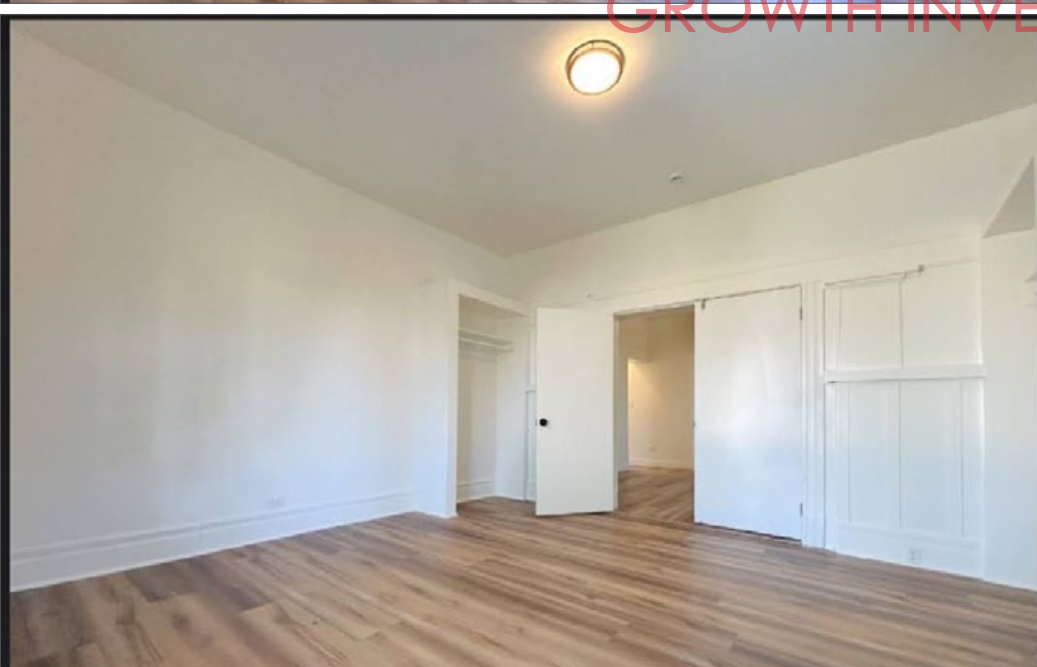
Property Photos



Property Photos



Property Photos



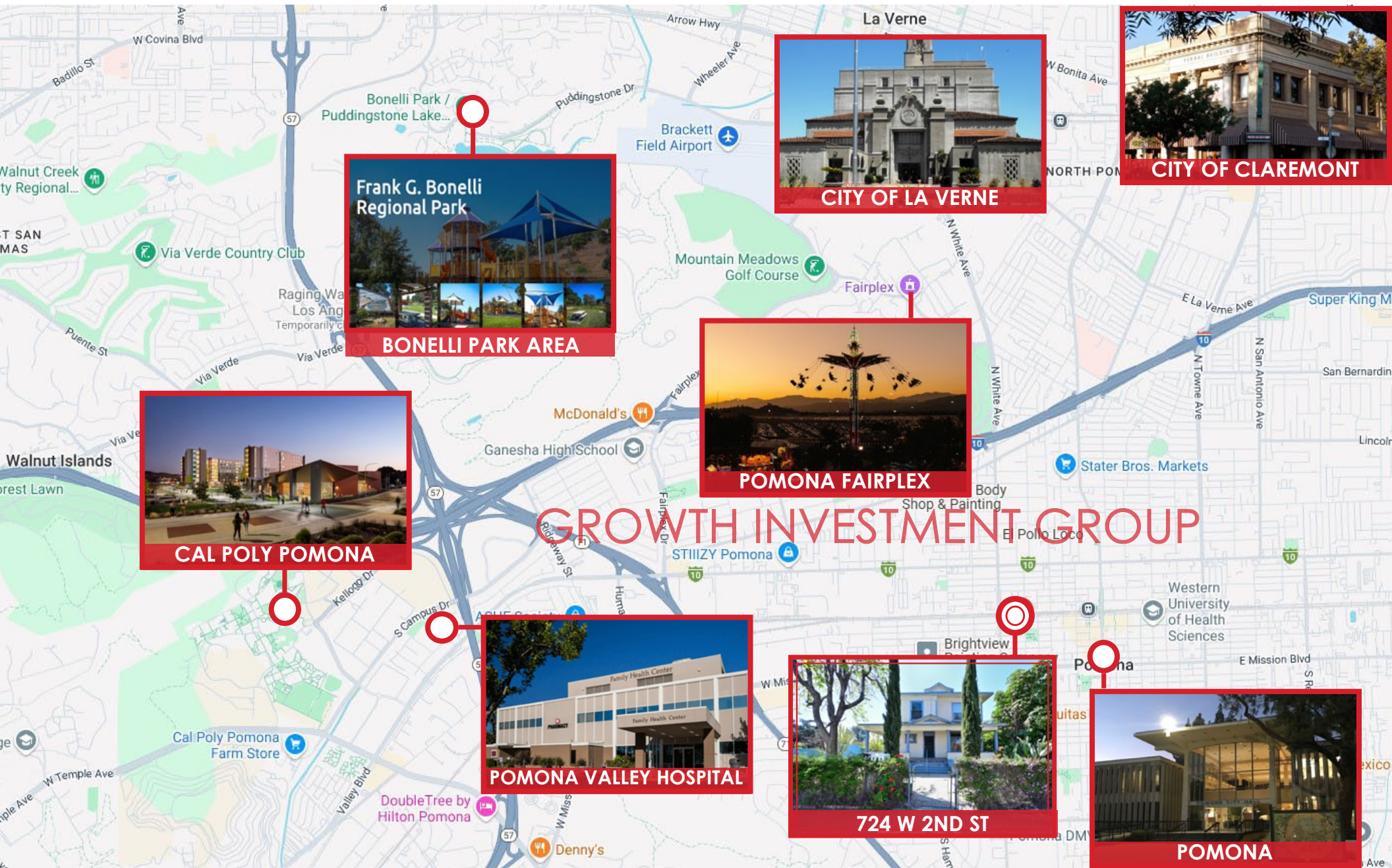
Property Photos



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Local Map



Regional Map





02. FINANCIALS

Financial Analysis

Investment Overview			Unit Mix and Rent Schedule						
Price	\$	810,000	Units	Type	Rent	Total Rent	Proforma Rent	Total Proforma Rent	
Price Per Unit	\$	405,000	1	3B + 1B (2nd fl)	\$ 1,200	\$ 1,200	\$ 2,500	\$ 2,500	
Price Per SF	\$	272	1	4B + 1B Student Housing	\$ 4,900	\$ 4,900	\$ 5,000	\$ 5,000	
Cap Rate		6.20%	2			\$ 6,100		\$ 7,500	
GRM		11.07	* Unit A & C were 2 units that was combined into 1 large 4Bed+1Bath (see rent roll). See Rent Roll.						
Proforma CAP Rate		8.28%							
Proforma GRM		8.94							
Property Information			Income						
Building Size		2,978	Annual Gross Rent (Current/Potential)				Current	Proforma	
Lot Size		7,802	Coin Operated Laundry				\$ -	\$ 600	Proforma
Number of Units		2	Gross Scheduled Income				\$ 73,200	\$ 90,600	
Year Built / Year Renovated		1902	Vacancy Factor				\$ (2,196)	\$ (2,718)	market vacancy
Parcel(s)		8342-006-011	Effective Gross Income				\$ 71,004	\$ 87,882	
Zoning		POC3	Expenses				Current	Proforma	
Parking		2 to 4 spaces	Operating Expenses (Current/Potential)						
Proposed Financing (buyer to verify)			New Property Taxes				\$ 9,614	\$ 9,614	per tax assessor
			Direct Assessments				\$ 542	\$ 542	per tax assessor
			Insurance				\$ 1,465	\$ 1,465	2024
			Utilities (Water/Sewer, Electric gas, trash)				\$ 5,680	\$ 5,680	2024
			Repair & Maintenance + Gardening				\$ 3,500	\$ 3,500	2024
Down Payment	\$243,000		Total Operating Expenses				\$ 20,801	\$ 20,801	
Approximate Loan Amount	\$567,000		Expenses Per Unit				\$ 10,401	\$ 10,401	
Interest Rate	6.250%		Expenses Per SF				\$ 6.98	\$ 6.98	
Loan To Value	70.0%								
Annual Debt Service	\$41,893								
Debt Coverage Ratio	1.21								
Year-1 Net Cash-Flow	\$8,851								
Year-1 Cash-On-Cash Return	3.64%								
Year-1 Principal Reduction	\$6,644								
Year-1 Cash-On-Cash Return	\$15,495								
Year-1 Cash-On-Cash Return	6.38%								
Loan Type	estimated new 30-year fixed loan, 30-year amortization								
			Net Operating Income				Current	Proforma	
							\$ 50,203	\$ 67,081	

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RENT ROLL

Unit No.	Unit Type	Current Rent	Proforma Rent	Tenant Name	Remark
A	4Bedroom + 1Bathroom STUDENT HOUSING				Upgraded - Bathroom: Communal with 3 shower stalls and 2 toilets
	Bedroom 1: Large and can fit 2 students	\$ 1,500	\$ 1,600	vacant	
	Bedroom 2: Large for 1 student	\$ 1,200	\$ 1,200	vacant	
	Bedroom 3: Standard Size	\$ 1,100	\$ 1,100	vacant	
	Bedroom 4: Standard Size	\$ 1,100	\$ 1,100	Student	
B	3B + 1B (2nd Fl)	\$ 1,200	\$ 2,500	Legacy tenant	
C	#C was combined into A (was a 1b+1b)				
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TOTAL		\$ 6,100	\$ 7,500		

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03. MARKET OVERVIEW

Market Overview | Pomona

Pomona is 30 miles (48 km) east of the Los Angeles area of Los Angeles County in the Pomona Valley. According to the United States Census Bureau, the city has a total area of 22.964 square miles (59.48 km²), over 99% of it land.

Pomona is approximately 30 miles east of downtown Los Angeles, 27 miles north of Santa Ana, 26 miles west of Riverside, and 33 miles west of San Bernardino.

Pomona is bordered by the cities of San Dimas on the northwest, La Verne and Claremont on the north, Montclair and Chino on the east, Chino Hills and Diamond Bar on the south, and Walnut, South San Jose Hills, and Industry on the southwest. The Los Angeles/San Bernardino county line forms most of the city's southern and eastern boundaries.

Since the 1980s, Pomona's newest neighborhood Phillips Ranch, experienced rapid growth with homes still being built in the hilly area between Downtown and Diamond Bar. Today, Phillips Ranch is nearly all residential. Northern Pomona has seen some gentrification with additional housing units added and revamped streetscapes. Pomona Electronics was originally based in the city.

According to the city's 2018 Comprehensive Annual Financial Report, the top employers in the city and number of employees are Pomona Valley Hospital Medical Center (3,230), Pomona Unified School District (3,034), California State Polytechnic University, Pomona (2,440), Fairplex (1,071), Casa Colina Rehabilitation Center (1,020), City of Pomona (661), and County of Los Angeles Department of Social Services (350).



Demographic & Income Profile (1 mile radius)

Summary	Census 2010	Census 2020	2024	2029
Population	31,898	32,157	31,343	30,574
Households	8,231	9,247	9,295	9,368
Families	6,284	6,703	6,614	6,689
Average Household Size	3.83	3.42	3.31	3.20
Owner Occupied Housing Units	2,656	2,815	2,862	3,029
Renter Occupied Housing Units	5,576	6,432	6,433	6,340
Median Age	27.6	31.3	32.5	33.3
Trends: 2024-2029 Annual Rate	Area	State	National	
Population	-0.50%	0.09%	0.38%	
Households	0.16%	0.38%	0.64%	
Families	0.23%	0.37%	0.56%	
Owner HHs	1.14%	0.58%	0.97%	
Median Household Income	3.19%	2.70%	2.95%	
Households by Income	2024		2029	
	Number	Percent	Number	Percent
<\$15,000	1,010	10.9%	908	9.7%
\$15,000 - \$24,999	926	10.0%	702	7.5%
\$25,000 - \$34,999	745	8.0%	608	6.5%
\$35,000 - \$49,999	1,052	11.3%	879	9.4%
\$50,000 - \$74,999	2,027	21.8%	1,951	20.8%
\$75,000 - \$99,999	1,254	13.5%	1,388	14.8%
\$100,000 - \$149,999	1,334	14.4%	1,598	17.1%
\$150,000 - \$199,999	564	6.1%	778	8.3%
\$200,000+	383	4.1%	557	5.9%
Median Household Income	\$58,716		\$68,689	
Average Household Income	\$77,369		\$92,474	
Per Capita Income	\$22,895		\$28,267	