

# Project Summary:

Date Purchased: Jun. 1999 | Date Sold: Jan. 2003

Months Held: 42 | Units: 152 | Built: 1963

# Pacific Park Apartments

20707 Anza Avenue

Torrance, CA 90503

## OUR APPROACH:

Hamstrung by disinterested overseas ownership, Pacific Park suffered from average rents vastly below market. In addition to poor management, the property also was characterized by an unappealing physical plant that had not been updated to reflect the improving market demand for luxury units in Torrance.

With the implementation of professional management practices, cost effective and efficient control systems, and the improvements to the physical plant, BASCOM would provide consumers with a compelling value proposition relative to the competition.



Performance Summary	At Acquisition	At Sale	Percent Increase
12 Month NOI	\$923,000	\$2.00M	116.68%
Rent per Month	\$951	\$1,438	51.21%
Equity	\$3.53M	\$10.39	194.33%
Bascom Cost/Unit	\$78,947	\$104,408	32.25%

- **IRR:** 41.20%
- **Multiple on Equity:** 2.94
- **Lender Identity:** First Union Bank
- **Loan to Total Value:** 51.90%
- **Equity Partner:** Lehman Brothers
- **Total Purchase Price:** \$12.00M
- **Total Renovation Cost:** \$3.87M
- **Total Investment Basis:** \$15.87M
- **Percentage of Replacement Cost:** 73.56%
- **Total Sales Price:** \$23.45M
- **Sale Price per Unit:** \$154,276

## BACKGROUND:

Built in 1963, Pacific Park consists of 152 units in a strong Torrance location. Situated on Anza Avenue, a thoroughfare with an average daily traffic count of 28,000, the property is within two miles of Redondo Beach and the King Harbor Marina.

With such prominent frontage in a recovering desirable South Bay market, Pacific Park was poised to benefit from the stewardship of an experienced operator. Bascom's implementation of professional management, combined with an extensive renovation, contributed to a significant increase to net operating income.

Supported by a strong job base in the immediate area – the Port of Los Angeles to the south and Century City to the north – demand for rental units is high in Torrance as the area's infill nature constrains supply.