

Institutional Property Advisors Brokers Two-Property \$275 Million Multifamily Portfolio Sale Along the Southern California Coast

HERMOSA BEACH, Calif.--(BUSINESS WIRE)-- [Institutional Property Advisors \(IPA\)](#), a division of [Marcus & Millichap \(NYSE: MMI\)](#), announced today the sale of two adjacent multifamily assets located two blocks from the beach in Hermosa Beach, California. The assets are 285-unit Playa Pacifica and 169-unit The Gallery, which sold for \$162.5 million and \$112.5 million respectively.

“The sale represents the acquisition of 24% of the entire apartment stock in Hermosa Beach and nearly 70% of the like-kind apartment stock in Hermosa Beach and Manhattan Beach,” said Kevin Green, IPA senior managing director. “The purchase gives the buyer a sizable footprint in a coastal location, a compelling value-add opportunity and the ability to operate the properties as a single entity,” added Greg Harris, IPA executive managing director.

Green, Harris and Joseph Grabiec, IPA senior managing director, represented the seller, an institutional investor, and procured the buyer, Prime Residential. “Hermosa Beach is one of the most affluent communities on the West Coast, and there have been no institutional-sized multifamily properties built here in the last 50 years,” Grabiec added. “The average annual household income in Hermosa Beach is over \$190,000 and more than 55% of the population lives in renter-occupied housing, which creates compelling demand for apartment homes.” The properties were previously sold by the IPA team to the seller in 2006 for \$133 million.

Located under a mile from the famous Hermosa Beach Pier, the properties’ location gives residents access to some of the world’s largest technology, entertainment, aerospace and defense companies in the South Bay and Silicon Beach. Popular neighborhood attractions include The Strand, Greenbelt Park, beachfront nightlife, restaurants, live music, high-end boutique retailers, and a coastline famous for surfing, volleyball, and sunsets.

Playa Pacifica was built in 1972 on four acres and partially renovated in 2015 and 2016. The unit mix has eight floor plans of studio and one- and two-bedroom layouts. The average apartment size is 590 square feet. Renovated units have stainless steel appliances, quartz countertops, and in-home washer and dryers. Community amenities include two solar-heated swimming pools, a fitness center, business center and clubhouse, spa, and an outdoor lounge with a barbecue area.

Constructed in 1971 and partially renovated in 2003 and 2004, The Gallery is located on two acres. It has four floorplans across a mix of studios, one-bedroom, one-bedroom-plus-loft, and two-bedroom layouts. Units have hardwood flooring, granite countertops, walk-in closets, and crown moldings. The average unit size is 831 square feet. Community amenities include a gated entrance, reserved covering parking, a swimming pool, fitness center, spa,

and sauna.

About Institutional Property Advisors (IPA)

Institutional Property Advisors (IPA) is a division of Marcus & Millichap (NYSE: MMI), a leading commercial real estate services firm in North America. IPA's combination of real estate investment and capital markets expertise, industry-leading technology, and acclaimed research offer customized solutions for the acquisition, disposition and financing of institutional properties and portfolios. For more information, please visit www.institutionalpropertyadvisors.com

About Marcus & Millichap (NYSE: MMI)

With over 2,000 investment sales and financing professionals located throughout the United States and Canada, Marcus & Millichap is a leading specialist in commercial real estate investment sales, financing, research and advisory services. Founded in 1971, the firm closed 8,954 transactions in 2020 with a value of approximately \$43 billion. Marcus & Millichap has perfected a powerful system for marketing properties that combines investment specialization, local market expertise, the industry's most comprehensive research, state-of-the-art technology, and relationships with the largest pool of qualified investors. To learn more, please visit: www.MarcusMillichap.com.

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