

# 107 PEBBLY BEACH RD

## AVALON, CATALINA ISLAND



**107 PEBBLY BEACH RD**

Avalon, Catalina Island, CA



**COASTAL COMMERCIAL**

OFFERING  
MEMORANDUM

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# 107 Pebbly Beach Rd Avalon | Catalina Island

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# INVESTMENT OVERVIEW

## 1. INVESTMENT OVERVIEW

**PRICE** **\$5,995,000**

Annual Gross Rental Income -  
Current \$256,440

Less Expenses \$133,188

**Net Operating Income - Current** **\$123,252**

**Cap Rate - Current** **2.06%**

Annual Gross Rental Income -  
Proforma \$507,600

Less Expenses \$133,188

**Net Operating Income - Proforma** **\$374,412**

**Stabilized Cap Rate** **6.25%**

Gross Leasable Area(SF) 6,040

Price/SF (GLA) \$993

APN 7480-005-032

## EXPENSES

Property Taxes \$76,988

Cleaning \$2,400

Repairs & Maintenance \$3,000

Management \$40,000

Utilities \$4,300

Other \$6,500

**TOTAL EXPENSE** **\$133,188**

1. INVESTMENT OVERVIEW - CURRENT RENT ROLL

Tenant	GLA (SF)	% of GLA	Bed/Bath	Lease Start Date	Monthly Rent	Rent/SF/Mo	Annual Rent	Rent/SF/Yr
107G Gift Shop-Ciao Baci	700	11.59%	N/A	10/01/2008	\$3,000	\$4.29	\$36,000	\$51.43
107F Snorkel/Dive Catalina	500	8.28%		07/01/2007	\$2,700	\$5.40	\$32,400	\$64.80
107E Brown's Bikes	1,000	16.56%		N/A	\$0	\$0	\$0	\$0
107D	600	9.93%	1 bd/1 bth	06/01/2020	\$2,670	\$4.45	\$32,040	\$53.40
107C Vacation Rental*	720	11.92%	2 bd/ 2 bth	N/A	\$6,500	\$9.03	\$78,000	\$108.33
107B Vacation Rental*	720	11.92%	2 bd/ 2 bth	N/A	\$6,500	\$9.03	\$78,000	\$108.33
107A - Owner	1,800	29.80%		N/A	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>6,040</b>	<b>100%</b>			<b>\$21,370</b>		<b>\$256,440</b>	

\*Notes: Vacation rental - monthly rent is estimated and based on historical income for the unit.

## 1. INVESTMENT OVERVIEW - PROFORMA RENT ROLL

Tenant	GLA (SF)	% of GLA	Monthly Rent	Rent/SF/Mo	Annual Rent	Rent/SF/Yr
107G	700	11.59%	\$4,550	\$6.50	\$54,600	\$78.00
107F	500	8.28%	\$3,250	\$6.50	\$39,000	\$78.00
107E	1,000	16.56%	\$6,500	\$6.50	\$78,000	\$78.00
107D	600	9.93%	\$3,000	\$5.00	\$36,000	\$60.00
107C	720	11.92%	\$6,500	\$9.03	\$78,000	\$108.33
107B	720	11.92%	\$6,500	\$9.03	\$78,000	\$108.33
107A	1,800	29.80%	\$12,000	\$6.67	\$144,000	\$80.00
<b>TOTAL</b>	<b>6,040</b>	<b>100%</b>	<b>\$42,300</b>		<b>\$507,600</b>	

## 1. INVESTMENT OVERVIEW

Coastal Commercial is pleased to offer for sale a rare mixed-use fee simple property on the waterfront of Catalina Island, in the city of Avalon. Built in 2007, the building is one of the only newer construction assets in Avalon and is currently stabilized at a 6.25% cap rate. The three-story property consists of three retail units on the ground floor, three residential units on the second floor, and a residential penthouse with a rooftop deck on the third floor. The retail units are occupied by Brown's Bikes (approximately 1,000 square feet), Dive Catalina (approximately 500 square feet), and Ciao-Baci Fine Gifts (approximately 700 square feet). All units are either occupied by the Seller or operate on month-to-month leases, providing flexibility for a new owner.

Brown's Bikes operates under a highly valuable conditional use permit, as one of the few permitted bike shops on Catalina Island, where obtaining new permits is extremely difficult. The residential units are highly desirable and contribute strong income potential. Two of the second-floor units are permitted short-term rentals, each consisting of two bedrooms and two bathrooms at approximately 720 square feet. These units generate strong income due to high demand for waterfront vacation rentals. The short-term rental permits may be transferred once to a new owner. The remaining second-floor unit is a one-bedroom, one-bathroom residence of approximately 600 square feet, currently leased on a month-to-month basis.

The top-floor penthouse is a luxurious approximately 1,800 square foot three-bedroom, three-bathroom residence, currently occupied by the Seller, and features an exclusive rooftop deck with sweeping views of the Catalina Harbor. All residential units offer private balconies with ocean views.

This property represents a rare opportunity for an investor or owner-user to acquire one of the only fee simple waterfront assets on Catalina Island. Ideally located along a primary pedestrian corridor, the property is among the first seen by visitors arriving via the Catalina Flyer and Catalina Express. With its irreplaceable location, strong in-place income, and long-term appreciation potential, this offering represents a true generational asset.



## STACKING PLAN



# 107 PEBBLY BEACH RD



CATALINA ISLAND  
CONSERVANCY™  
Trailhead



ISLAND  
DONUTS

**CALIFORNIA PARASAIL**  
26 Miles Souvenirs  
Catalina E-Bikes  
Catalina Sportwear  
**TOPSIDE**  
BY NDMK

THE STEAMER TRUNK

THE  
PANCAKE COTTAGE  
CATALINA ISLAND

Island  
Threadz

Two's Co. of Avalon

**ERIC'S**  
ON THE PIER

Island Rentals



Catalina



PAVILION



PAVILION

Scoops  
Ice Cream

LATITUDE 33

Crescent Ave

Visitor  
Center



Avalon Seafood



# INVESTMENT HIGHLIGHTS

## 2. INVESTMENT HIGHLIGHTS



### Trophy Asset

Rare opportunity to acquire an irreplaceable waterfront fee simple property on Catalina Island in an extremely high barrier-to-entry market, stabilized at a 6.25% cap rate.



### Potential Owner/User Flexibility

The property can be enjoyed by an owner/user looking to utilize any of the residential units and/or take advantage of the existing profitable businesses inside the building



### Excellent Location

The subject property is located in the heart of of Catalina Island on Pebbly Beach Road which flows into Crescent Ave, the Main Street surrounding Avalon Bay



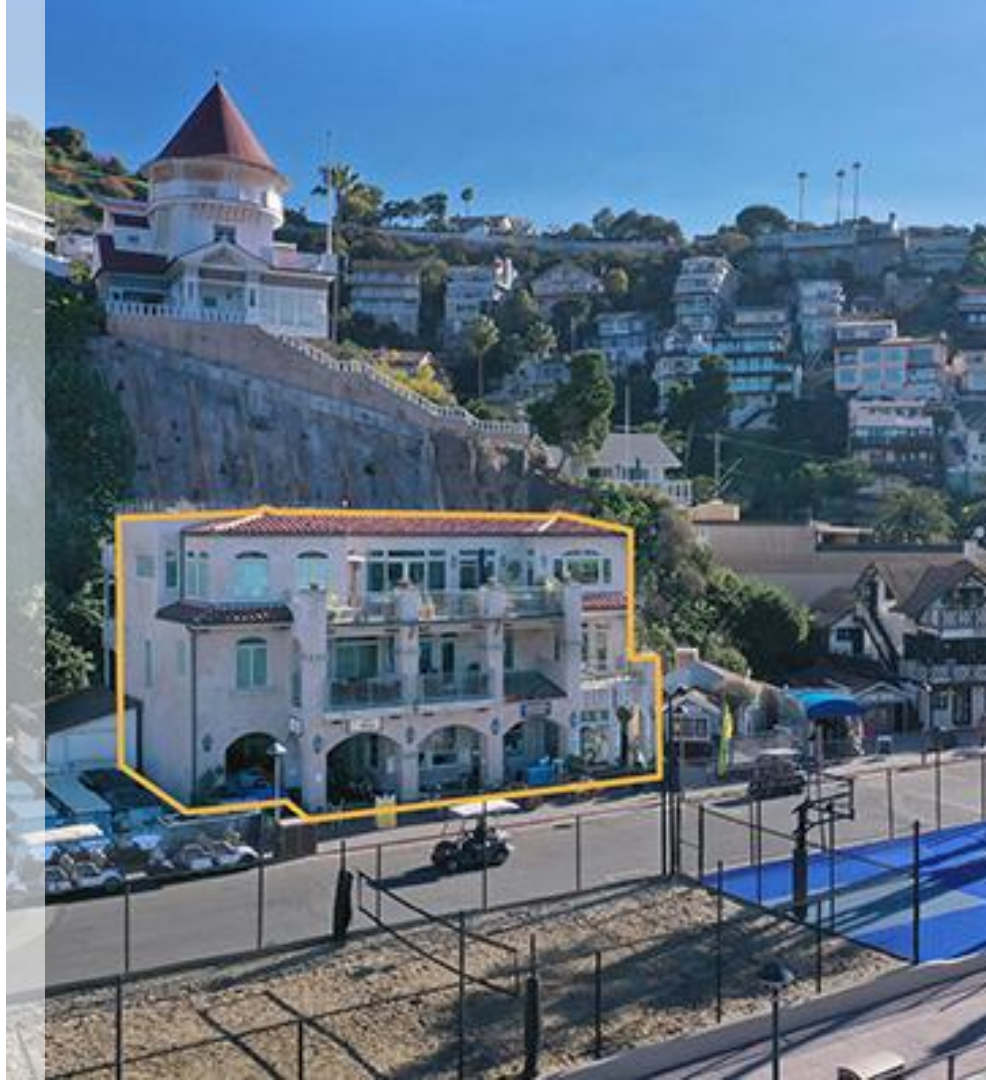
### High Foot Traffic

Property benefits from being the first building that the thousands of visitors encounter as they walk into the village of Avalon after arriving at the Cabrillo Mole Landing on one of the many Catalina Express or Catalina Flyer, high-speed ferries



### Panoramic Ocean Views

The three-story building has breathtaking views from every unit, especially the 2nd floor balconies, third floor balcony and rooftop deck





## 2. INVESTMENT HIGHLIGHTS



### Rare Short-Term Lodging Permit

The property benefits from two short-term lodging permits for two residential units (2-bedroom 2-bath units). This creates an opportunity to generate high annual income from both of the short-term lodging units



### Dense Tourism Market

Catalina Island brings more than 1 million visitors per year and is home to many points of interest including Descanso Beach Club, Catalina Island Museum for Art & History, Wrigley Memorial & Botanical Gardens, Casino Point Drive Park, Lovers Cove Marine Preserve, the Catalina Casino, biking, beaches and tours



### Easy Access

Catalina Island is easily accessible from both Los Angeles and Orange County, the travel time to and from the island is approximately a 1-hour boat ride or 15-minute helicopter flight. The subject property is just 0.1 mile from those arriving in Avalon via high speed ferry docking at the Cabrillo Mole Boat Landing



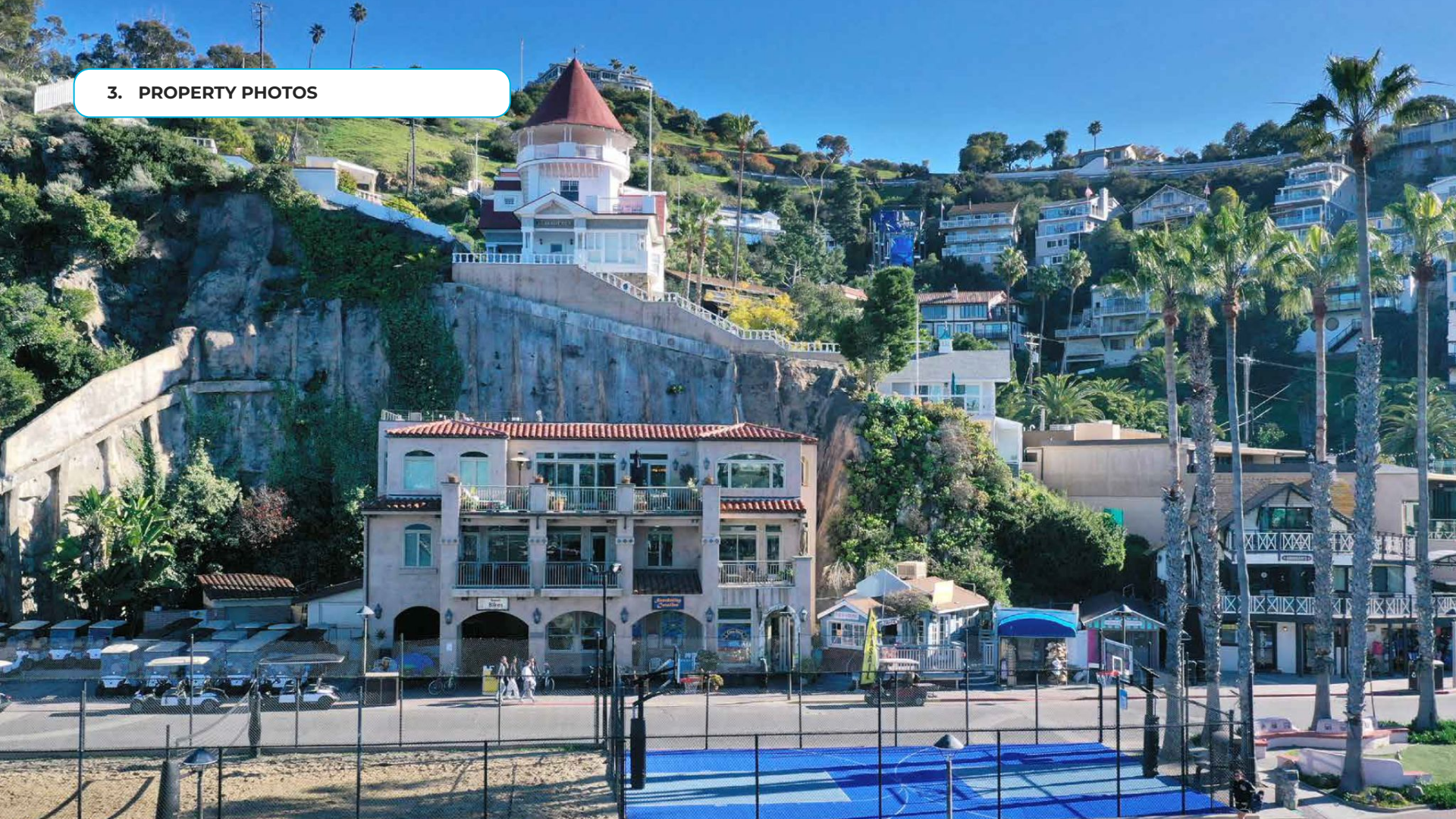
### Opportunity to Acquire

A successful business in a dense tourism market

A photograph of a surfer riding a wave. The surfer is positioned in the lower center, riding the face of a wave that is curling over. The water is a vibrant teal color, and white foam is visible on the left side of the wave. The sky is a clear, light blue. Overlaid on the image is a white rounded rectangle containing the text 'PROPERTY PHOTOS'. The word 'PROPERTY' is in a bold, white, sans-serif font, and 'PHOTOS' is in a white, outlined, sans-serif font. Two horizontal bars, one blue and one orange, are positioned behind the text.

# PROPERTY PHOTOS

### 3. PROPERTY PHOTOS







Brown's  
Bikes

Snookeling  
Catalina

Ciao-Baci

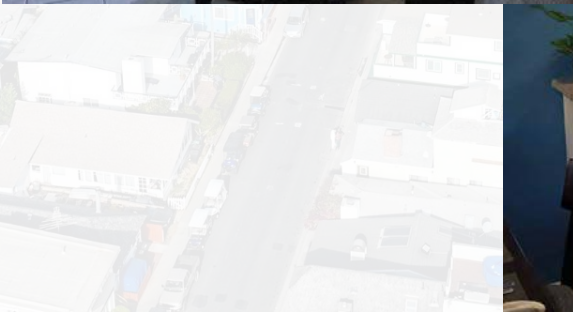
ELECTRIC  
BICYCLES

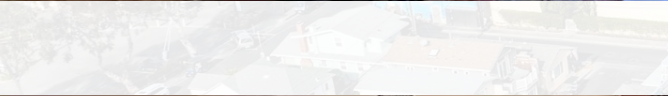














# CITY OF AVALON

## 4. CITY OF AVALON

### AVALON

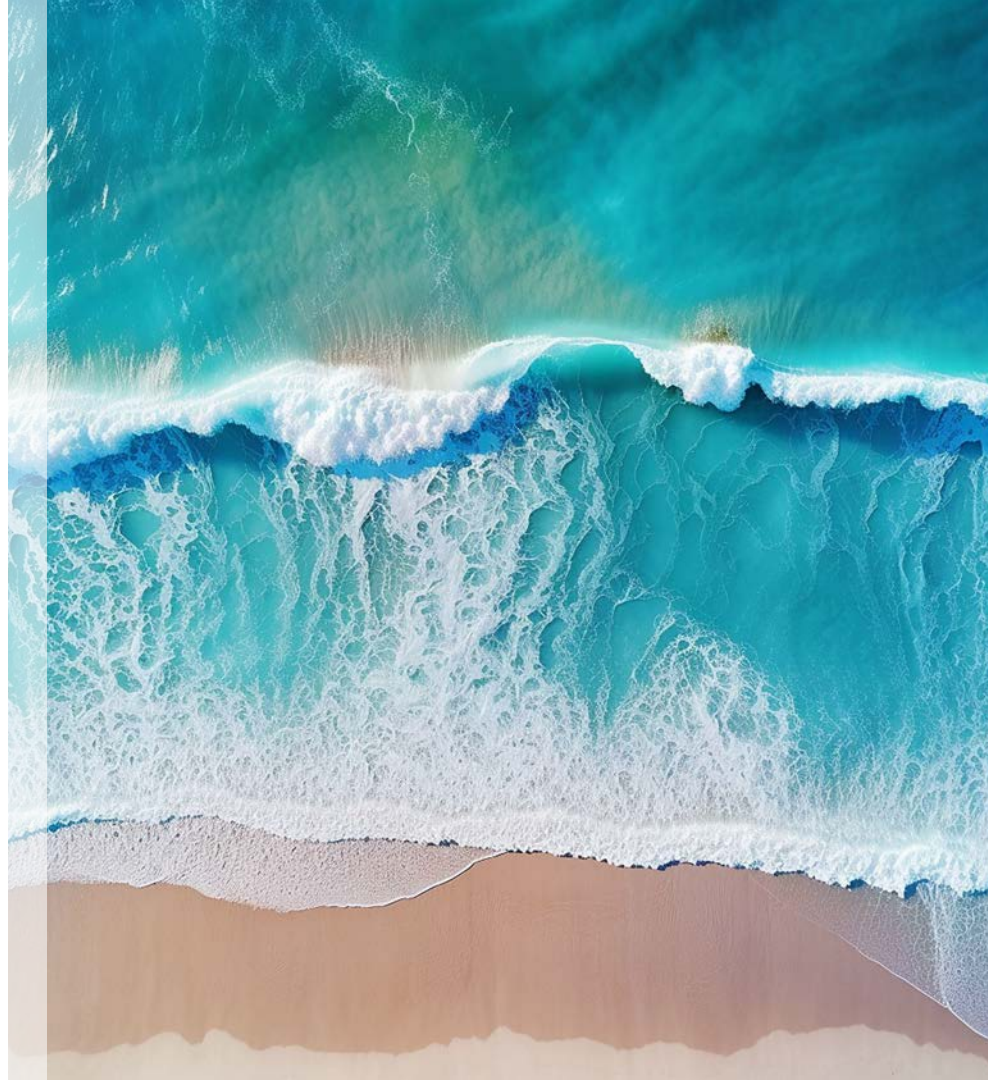
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Nestled on the eastern tip of Santa Catalina Island, Avalon is the island's only incorporated city and a premier destination for travelers seeking natural beauty, seaside charm, and a relaxing escape. Located approximately 22 miles off the coast of Southern California, Avalon is accessible by ferry, helicopter, or private boat, making it a serene getaway just a short distance from bustling urban centers like Los Angeles.

Avalon has storied past that dates back thousands of years, originally inhabited by the Tongva people. Spanish explorers later arrived in the 16th century, followed by developers in the early 20th century who transformed Avalon into a resort town. William Wrigley Jr., the chewing gum magnate, played a significant role in shaping Avalon, bringing attention to the island as a vacation destination and establishing many of the city's iconic landmarks.

Avalon is known for its picturesque harbor, crystal-clear waters, and Mediterranean-style architecture. The quaint streets are lined with boutiques, galleries, and restaurants, while its scenic surroundings offer endless outdoor activities.

Despite its small size Avalon boasts a vibrant community of residents and visitors, attracting approximately one million tourists annually. The steady flow of tourism is a key driver of the island's economy supporting businesses, events and conservation efforts.



#### 4. CITY OF AVALON

### TOURISM IN AVALON

Located 22 miles off the Southern California coast, the island attracts over 1 million visitors annually, drawn by its pristine environment, rich history, and variety of attractions listed here. The island offers a blend of natural beauty, recreational activities, and a relaxed island vibe.

### TOP TOURIST ATTRACTIONS



Descanso Beach Club



Wrigley Mansion



Catalina Island Museum



Catalina Wine Mixer



Historic Catalina Casino



Golf Carts



Horseback Riding



Hiking & Ziplining



#### 4. CITY OF AVALON

### TOP EMPLOYERS IN AVALON

RANK	EMPLOYER	# OF EMPLOYEES
1	The Catalina Island Company	500-7000
2	Catalina Island Conservancy	100-150
3	Avalon School and Catalina Island Unified School District	50-75
4	Catalina Express	200-300
5	Hospitality Industry Employers	300-500
6	Catalina Island Medical Center	50-100
7	City of Avalon	50-75
8	Two Harbor Enterprises	50-100
9	Tour Operators and Adventure Companies	100-200
10	Local Retail and Dining Establishments	300-500

### AIRPORTS

**37.2 miles**

John Wayne Airport (SNA)

**33.3 miles**

Long Beach Airport (LGB)

**65.9 miles**

Ontario International Airport (ONT)

**38.3 miles**

Los Angeles International Airport (LAX)

## 4. CITY OF AVALON

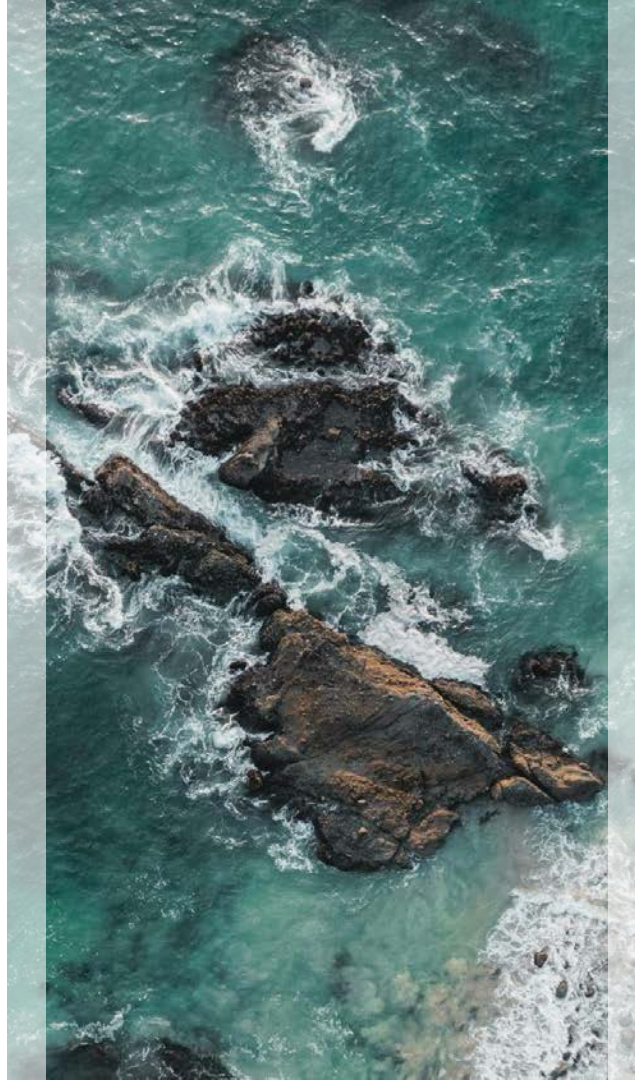
### ECONOMY IN AVALON

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The economy of Avalon is predominantly driven by tourism, which forms the backbone of the community. However, other sectors such as local services, real estate, conservation, and public administration also play a role in the city's approximately 4,000 year-round residents.

Tourism accounts for the majority of Avalon's revenue and employment, with over 1 million visitors coming to Catalina Island annually. Key components of Avalon's tourism economy include: Hospitality and lodging, recreational activities, dining and retail, and transportation services. Other factors that play a large part of its economy is real estate and housing, public services and government employment, conservation and environmental stewardship, and seasonal employment trends.

Avalon's economy is expected to remain focused on tourism while integrating more sustainable practices and expanding ecotourism opportunities such as investments to infrastructure and upgrades to the harbor.



### EDUCATION IN AVALON

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Avalon offers a small but ital educational system that serves the island's approximately 4,000 year-round residents. The schools in Avalon are managed by Long Beach Unified School District (LBUSD) and cater to students from kindergarten through high school, with additional programs available for early childhood education and adult learners.

The central educational institution is Avalon K-12 School, which provides education for children across all grade levels. With around 700 students enrolled, the school follows California state standards offering a comprehensive curriculum along with athletics and extracurriculars.

Although Avalon's unique location presents both opportunities and challenges, due to limited resources and transportation for off-island activities, the educational efforts are supported by a dedicated local community working together to enhance the learning experience. It provides a quality education tailored to the island's natural environment and unique lifestyle to learn in ways that students in larger urban schools cannot replicate.



# AVALON DEMOGRAPHICS



## 5. AVALON DEMOGRAPHICS

2025 Population - Current Year Estimate	3,353
2030 Population - Five Year Projection	3,260
2020 Population - Census	3,515
2010 Population - Census	3,825
2025 Average Household Income	\$120,479
2030 Average Household Income	\$136,921
2025 Median Household Income	\$91,910
2030 Median Household Income	\$103,326
2025 Per Capita Income	\$50,342
2030 Per Capita Income	\$58,162
2025 Average Value of Owner Occ. Housing Units	\$1,201,667
2025 Households - Current Year Estimate	1,367
2030 Households - Five Year Projection	1,351
2020 Households - Census	1,389
2010 Households - Census	1,503
2025 Average Household Size	2.43

## 5. AVALON DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
<b>PLACE OF WORK</b>			
2025 Businesses	256	258	259
2025 Employees	2,798	2,820	2,831
<b>POPULATION</b>			
2025 Population - Current Year Estimate	3,245	3,294	3,353
2030 Population - Five Year projection	3,154	3,202	3,260
<b>HOUSEHOLD INCOME</b>			
2025 Households	1,328	1,347	1,367
2025 Average Household Income	\$116,812	\$118,625	\$120,479
2030 Average Household Income	\$132,734	\$134,804	\$136,921
2025 Average Value of Owner Occ. Housing Units	\$1,201,667	\$1,201,667	\$1,201,667
<b>GENERATIONS</b>			
2025 Population	3,245	3,294	3,353
Generation Alpha (Born 2017 or Later)	281 (8.7%)	287 (8.7%)	293 (8.7%)
Generation Z (Born 1999-2016)	748 (23.1%)	761 (23.1%)	777 (23.2%)
Millennials (1981-1998)	751 (23.1%)	763 (23.2%)	778 (23.2%)
Generation X (Born 1965-1980)	641 (19.8%)	651 (19.8%)	664 (19.8%)
Baby Boomers (Born 1946-1964)	702 (21.6%)	709 (21.5%)	716 (21.4%)
Greatest Generations (Born 1945 or Earlier)	123 (3.8%)	123 (3.7%)	124 (3.7%)

## 5. AVALON DEMOGRAPHICS

### RACE & ETHNICITY

	1 MILE	3 MILES	5 MILES
White	1,525 (47.0%)	1,552 (47.1%)	1,584 (47.2%)
Black or African American	30 (0.9%)	32 (1.0%)	34 (1.0%)
Asian	31 (1.0%)	31 (0.9%)	31 (1.0%)
Two or More Races	507 (15.6%)	514 (15.5%)	518 (15.4%)
American Indian or Alaska Native	41 (1.3%)	42 (1.3%)	43 (1.3%)
Other Race	1,100 (33.9%)	1,114 (33.8%)	1,131 (33.7%)

### DAYTIME POPULATION

2025 Daytime Population	4,444	4,475	4,505
Daytime Workers	3,158 (71.1%)	3,166 (70.7%)	3,170 (70.4%)
Daytime Residents	1,286 (28.9%)	1,309 (29.3%)	1,335 (29.6%)

### EDUCATION

9-12th Grade - No Diploma	231 (10.0%)	231 (9.8%)	232 (9.7%)
High School Diploma	722 (31.2%)	729 (31.1%)	737 (30.9%)
GED or Alternative Credential	3 (0.1%)	5 (0.2%)	7 (0.3%)
Some College - No Degree	333 (14.4%)	339 (14.5%)	345 (14.5%)
Associate's Degree	290 (12.5%)	291 (12.4%)	293 (12.3%)
Bachelor's Degree	387 (16.7%)	400 (17.1%)	417 (17.5%)
Graduate or Professional Degree	94 (4.1%)	94 (4.0%)	94 (3.9%)



# INVEST IN WHAT YOU LOVE



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COMMERCIAL



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