



1846 10TH ST
Santa Monica, CA 90404

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1846 10TH ST
Santa Monica, CA
ACT ID ZAB0121025

Marcus & Millichap
LAAA Team

Expertise | Execution | Excellence

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1846 10TH ST

INVESTMENT OVERVIEW



EXECUTIVE SUMMARY

VITAL DATA				
Price	\$4,400,000		CURRENT	PRO FORMA
Loan Type	All Cash	CAP Rate	4.71%	7.46%
Price/Unit	\$440,000	GRM	14.88	10.33
Price/SF	\$484.80	Net Operating Income	\$207,153	\$328,440
Number of Units	10	Net Cash Flow After Debt Service	4.71% / \$207,153	7.46% / \$328,440
Rentable Square Feet	9,076	Total Return	4.71% / \$207,153	7.46% / \$328,440
Year Built	1958			
Lot Size	0.28 acre(s)			

UNIT MIX		
NUMBER OF UNITS	UNIT TYPE	APPROX. SQUARE FEET
10	2 Bed / 1 Bath	
10	Total	9,076



PROPOSED FINANCING	
First Trust Deed	
Loan Type	All Cash
Debt Coverage Ratio	

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES
CBS Enterprises	20,000
Green Equity Investors IV LP	15,000
Ucla Health System Auxiliary	11,154
Earth Technology Corp USA	4,655
West Los Angeles V A Med Ctr	4,374
Greater Los Angeles Health	4,050
Fox Sports Productions Inc	3,970
University Cal Los Angeles	3,941
Gold Parent LP	3,400
Team One	3,281
Sony Pictures Studios	3,029
Centinela Frman Rgonal Med Ctr	2,590

DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2019 Estimate Pop	38,796	217,243	480,262
2010 Census Pop	35,495	204,590	449,436
2019 Estimate HH	21,182	111,307	228,079
2010 Census HH	19,044	103,492	210,213
Median HH Income	\$76,104	\$88,581	\$87,835
Per Capita Income	\$64,725	\$71,190	\$67,187
Average HH Income	\$117,366	\$138,409	\$140,019

INVESTMENT OVERVIEW

The LAAA Team of Marcus & Millichap is pleased to present these excellently located 10 units located at 1846 10th Street, in Santa Monica, California. Built in 1958, the asset sits on 11,990 square feet of land with 9,076 square feet of rentable area and boasts a great unit mix with all 10 of it's unit being 2-Bed / 1-Bath units.

With an average unit size of over 900 square-feet, this property is beautifully designed with all of the units wrapping around a center courtyard, and tenants have access to the property from both 10th Street and an alleyway behind the building. Furthermore, the property offers its tenants ample parking with on-site garage and surface parking, and then plenty of additional permitted parking on 10th street, allowing the tenants to always have a parking spot when coming home.

A huge benefit to the Buyer is that the Seller has already paid for and completed the mandatory soft story / seismic retrofitting work, which will save the buyer an expensive deferred maintenance item.

With market rents estimated at \$3,450 for these 900+ square foot 2-bed units, a value-add investor has the opportunity to increase rents by an estimated 40%, which can yield a pro-forma CAP rate of 6.29%.

Lastly, with today's extremely attractive interest rates, a qualified Buyer/Borrower would only need a 40% down payment (\$1,980,000) on this property to receive an attractive 3.30% interest rate, and the Buyer/Borrower could also receive up to 3 years of interest only payments, getting their day 1 cash-on-cash return to 5.20%.

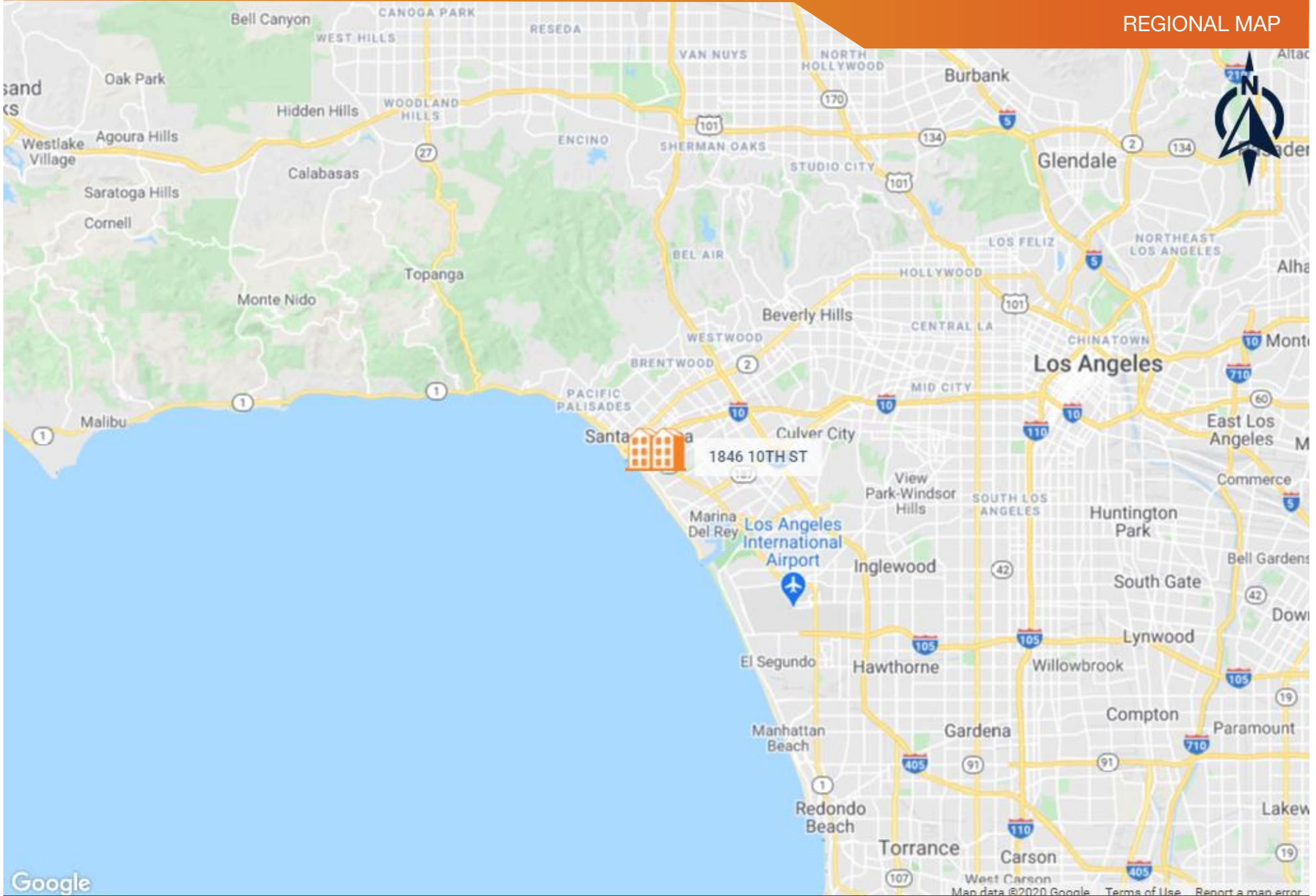
For any questions on this listing, please contact LAAA Team's Santa Monica specialist Aida Memary.

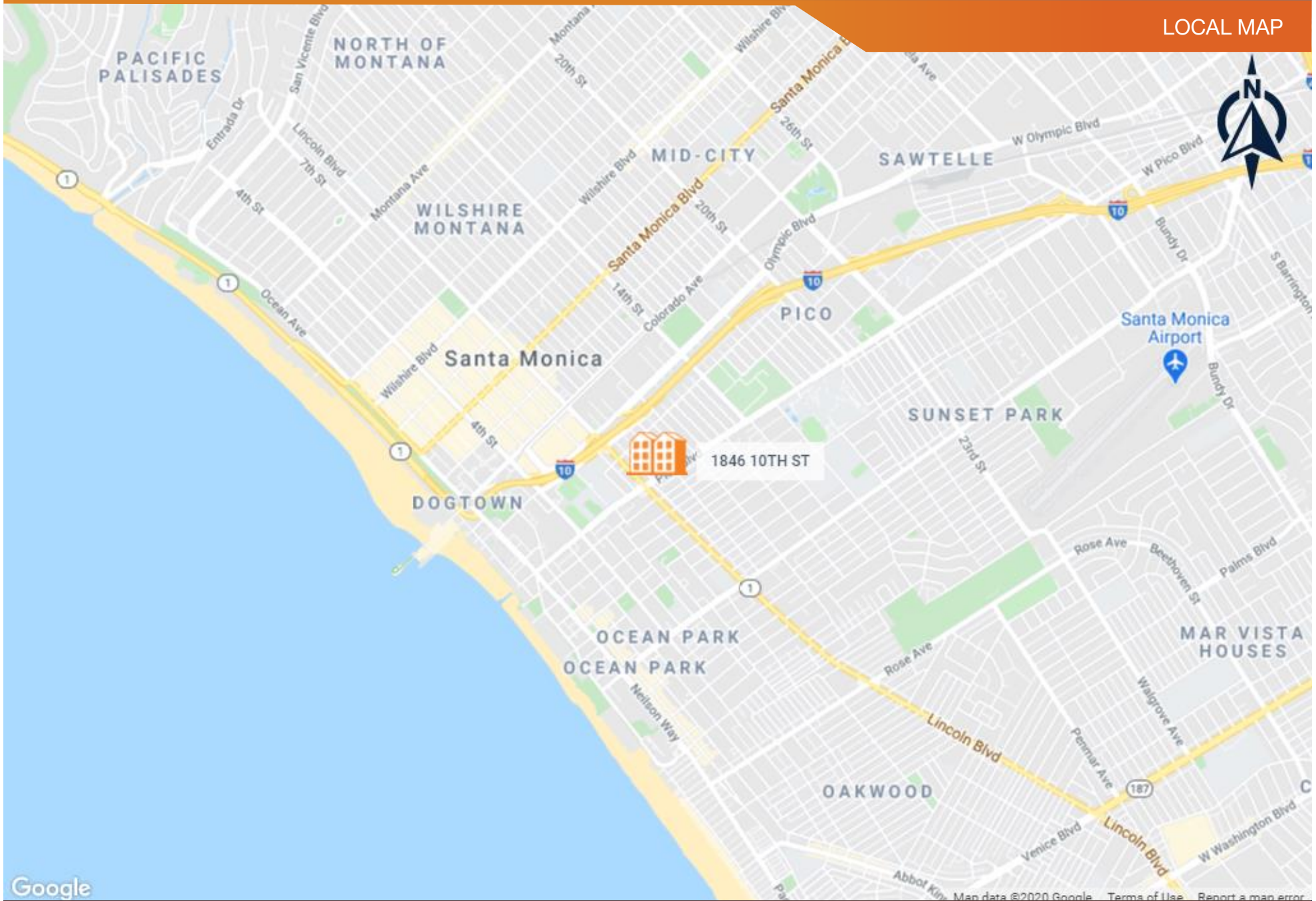
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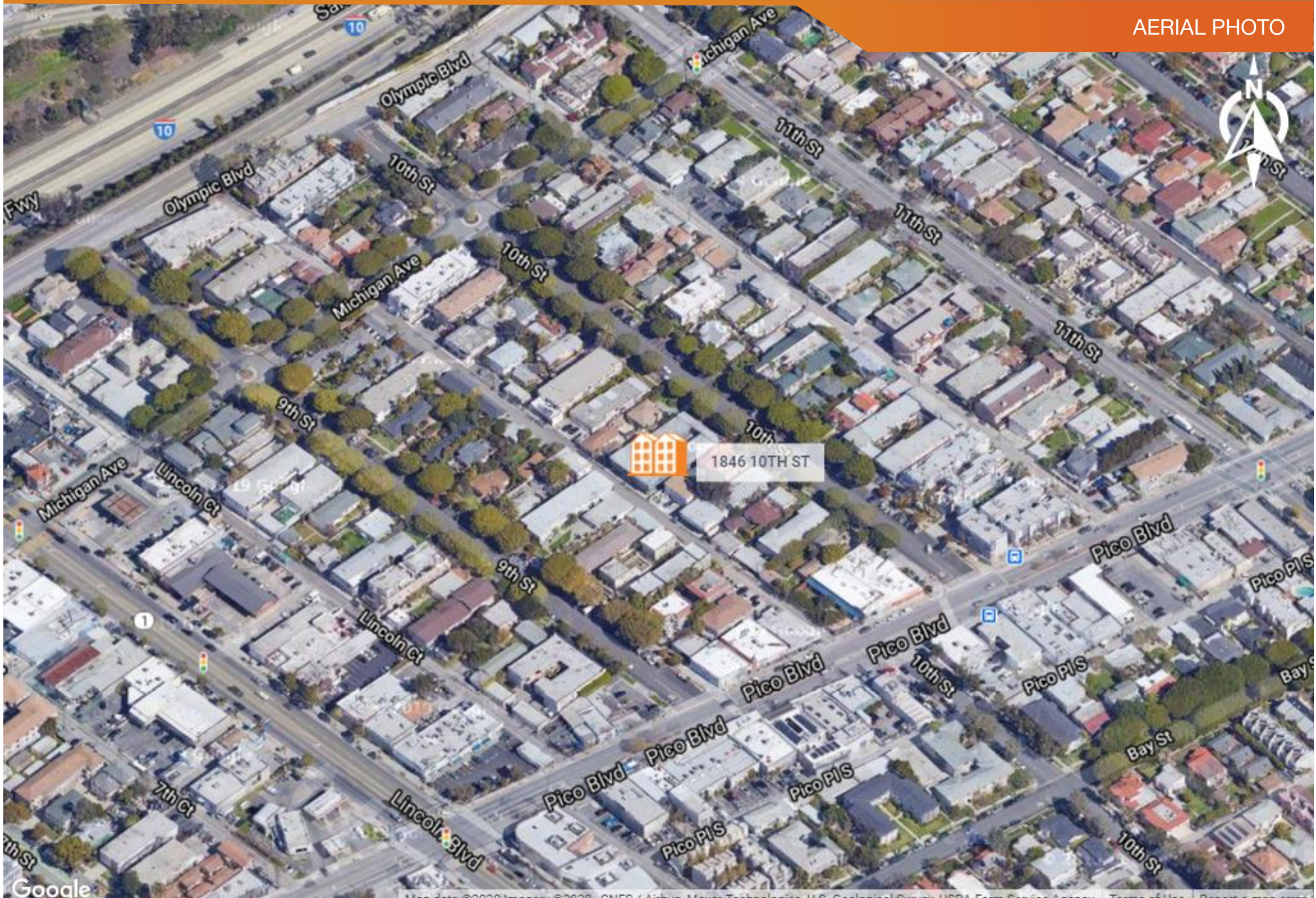
INVESTMENT HIGHLIGHTS

- Built in 1958 w/ Renovations
- Great Santa Monica Location
- Excellent Mix of All 2 Bed Units
- Soft Story Retrofitting Complete
- Value Add – Over 40% Upside
- Common Area and In-Unit Laundry
- On-Site & Permit Parking
- Walk Score of 83





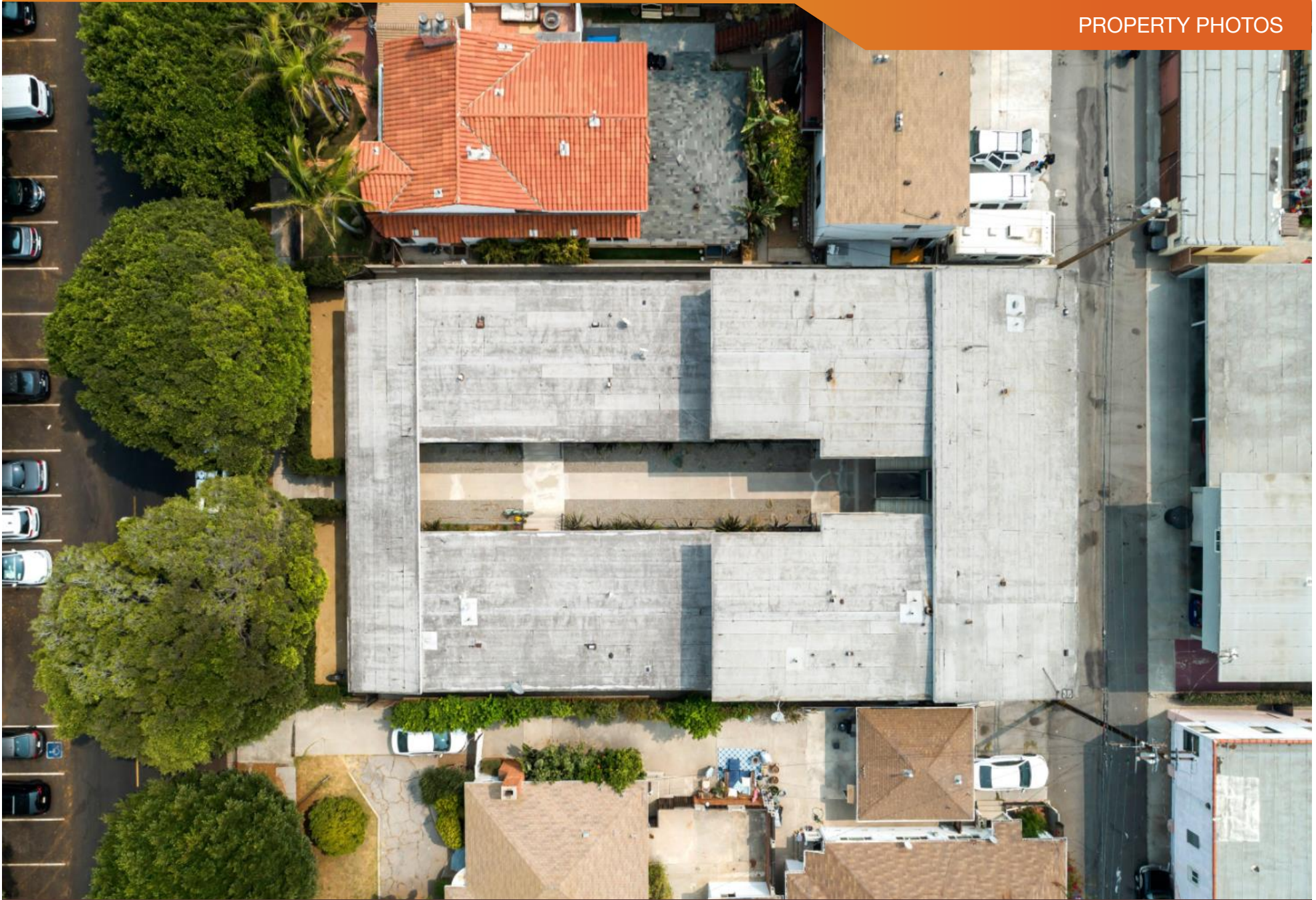




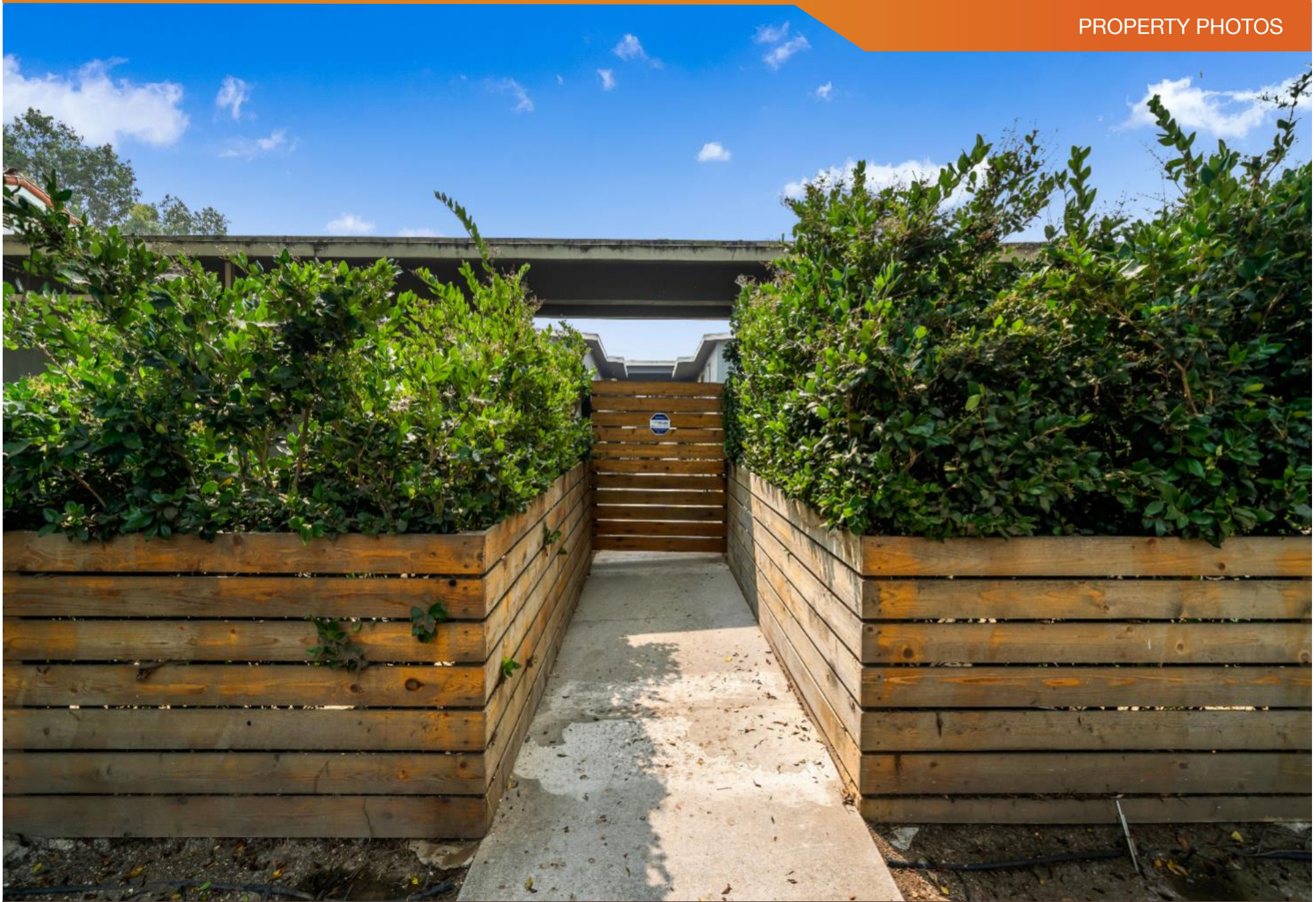
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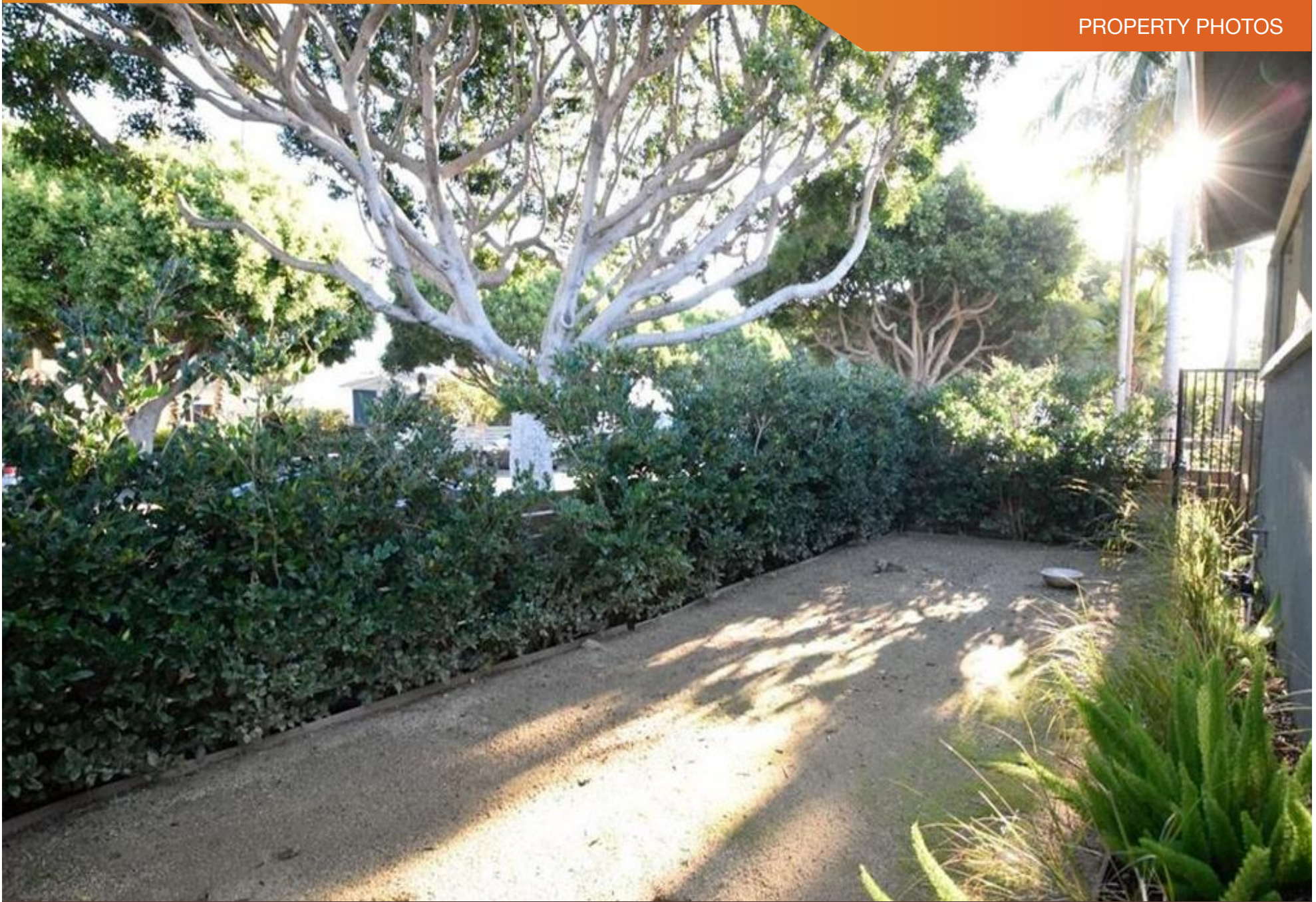














FINANCIAL ANALYSIS



MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

MMCC—our fully integrated, dedicated financing arm—is committed to providing superior capital market expertise, precisely managed execution, and unparalleled access to capital sources providing the most competitive rates and terms.

We leverage our prominent capital market relationships with commercial banks, life insurance companies, CMBS, private and public debt/equity funds, Fannie Mae, Freddie Mac and HUD to provide our clients with the greatest range of financing options.

Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,994 debt and equity financings in 2019



National platform operating within the firm's brokerage offices



\$ 7.18 billion total national volume in 2019



Access to more capital sources than any other firm in the industry

WHY MMCC?

Optimum financing solutions to enhance value

Enhanced control through investor qualification support

Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings

1846 10TH ST

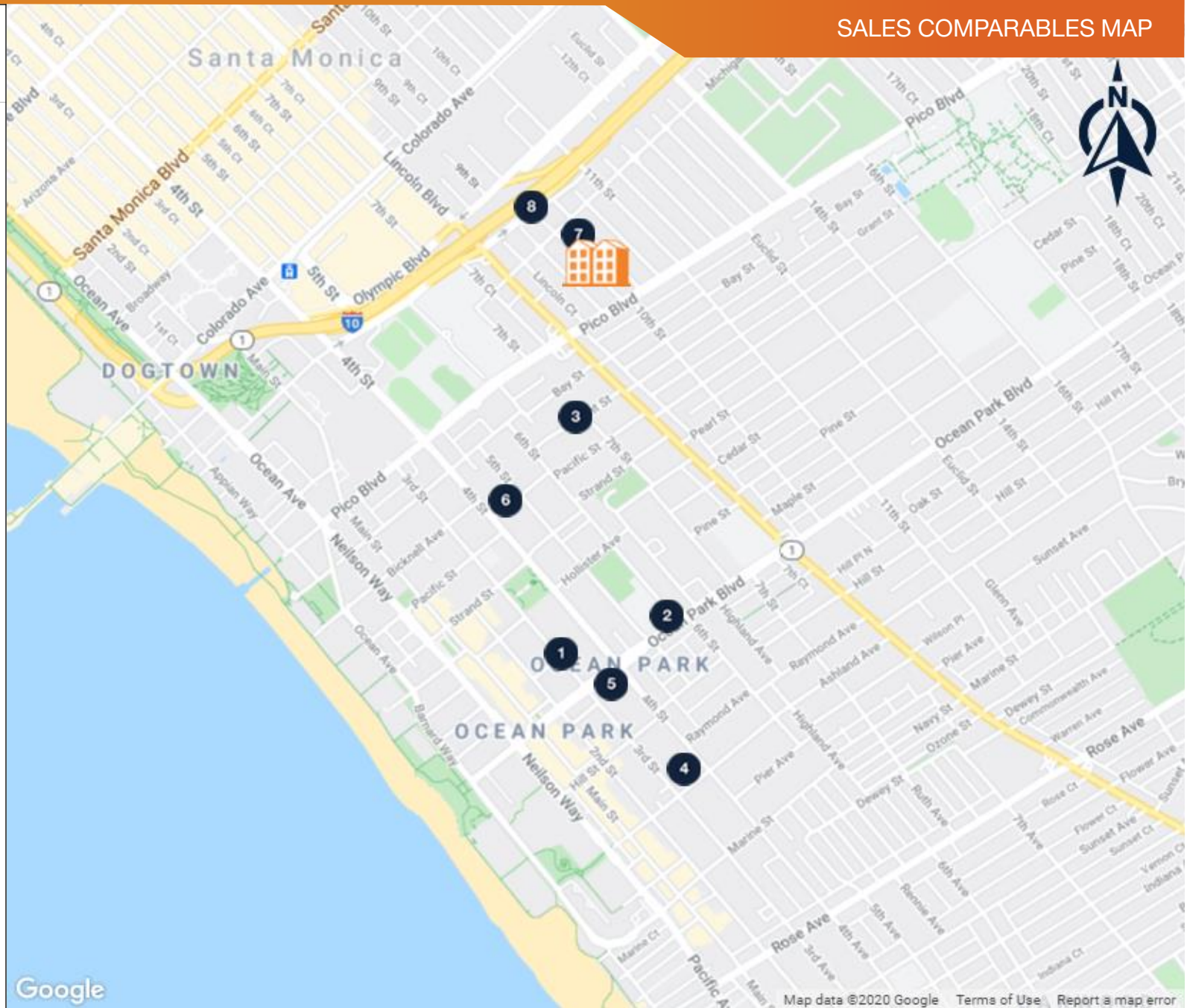
MARKET COMPARABLES





1846 10TH ST
Santa Monica, CA 90404

- 1 2508 3rd St
- 2 512 Ocean Park Blvd
- 3 638 Grant St
- 4 301 Ashland Ave
- 5 2603 3rd St
- 6 402 Pacific St
- 7 1824 10th St
- 8 1743 9th St



● SALES COMPARABLES

Google

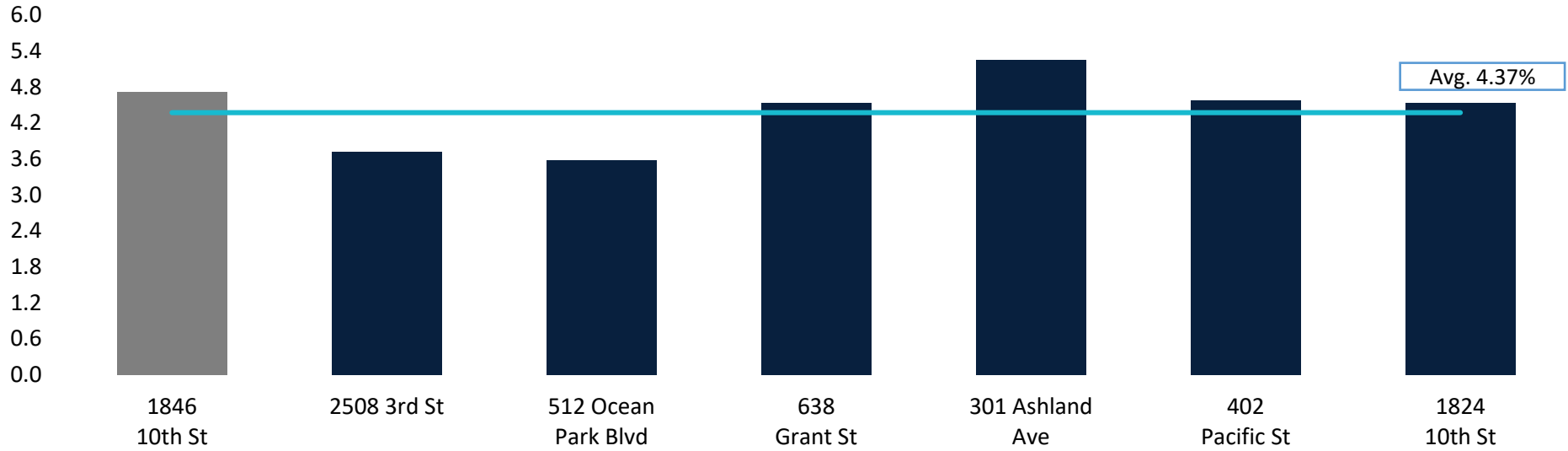
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SALES COMPARABLES

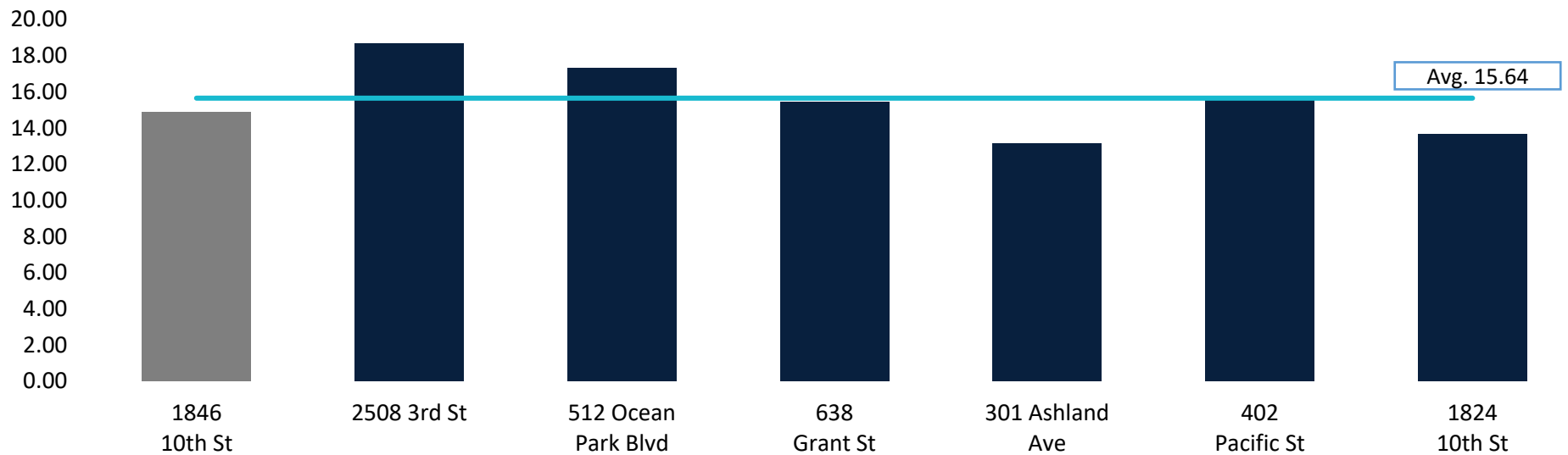
SALES COMPS AVG

SALES COMPARABLES

Average Cap Rate

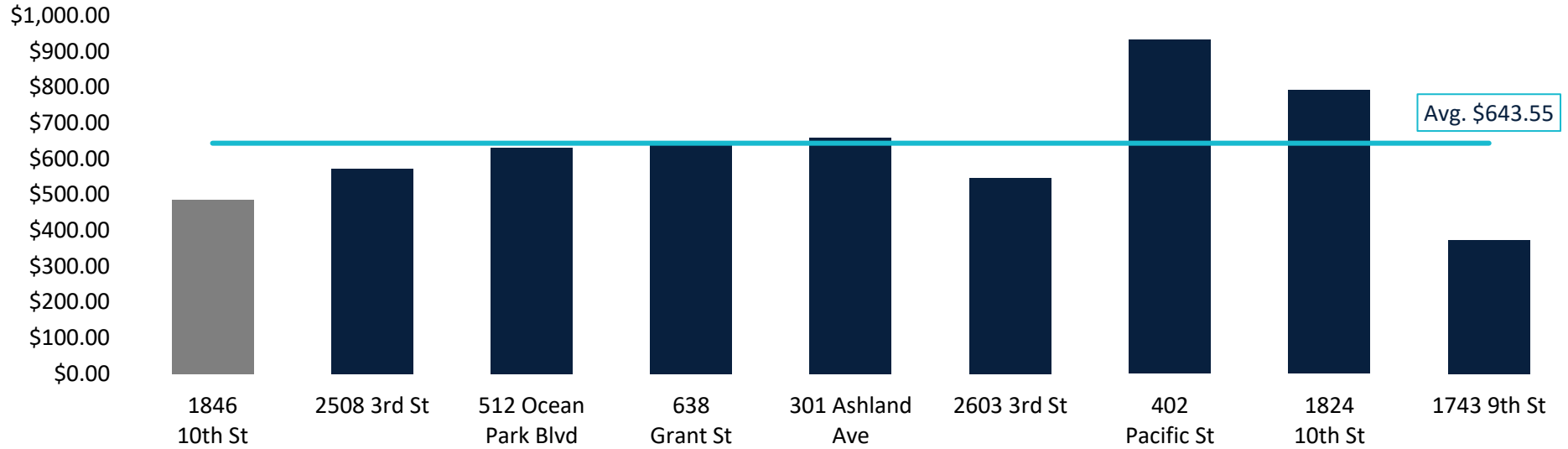


Average GRM

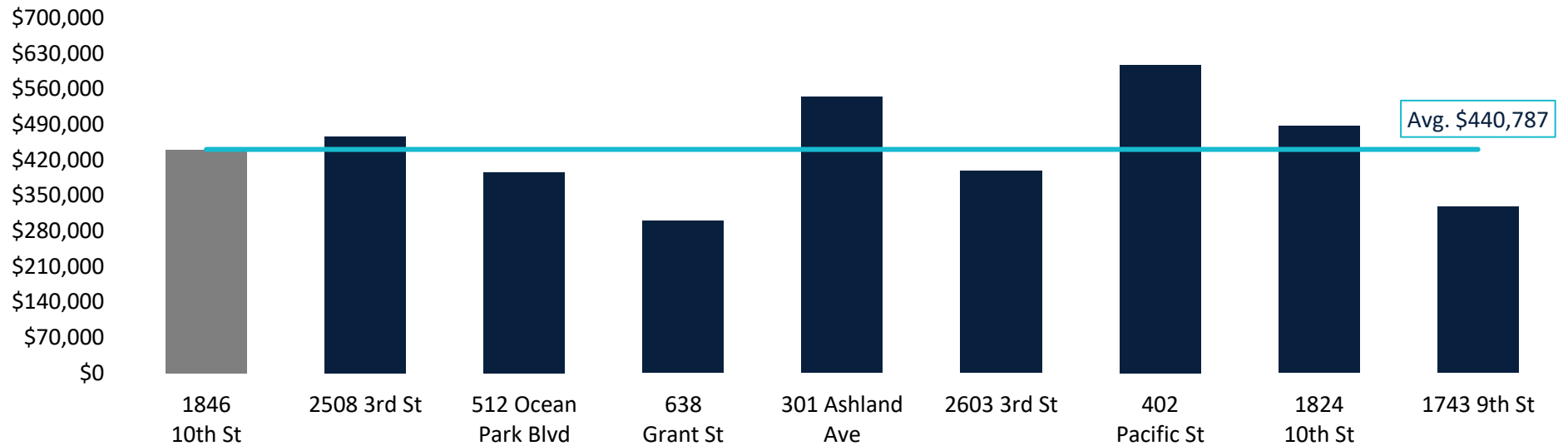


SALES COMPARABLES SALES COMPS AVG

Average Price Per Square Foot



Average Price Per Unit



SALES COMPARABLES

1846 10TH ST

1846 10th St, Santa Monica, CA, 90404



		Units	Unit Type
Offering Price:	\$4,400,000	10	2 Bed 1 Bath
Price/Unit:	\$440,000		
Price/SF:	\$484.80		
CAP Rate:	4.71%		
GRM:	14.88		
Total No. of Units:	10		
Year Built:	1958		

Underwriting Criteria			
Income	\$289,879	Expenses	\$82,726
NOI	\$207,153	Vacancy	(\$8,873)

2508 3RD ST

2508 3rd St, Santa Monica, CA, 90405



		Units	Unit Type
Close Of Escrow:	7/9/2019	4	1 Bdr 1 Bath
Sales Price:	\$3,730,000	4	2 Bdr 2 Bath
Price/Unit:	\$466,250		
Price/SF:	\$572.79		
CAP Rate:	3.72%		
GRM:	18.68		
Total No. of Units:	8		
Year Built:	1965		

Underwriting Criteria			
Income	\$199,716		
NOI	\$138,908		

512 OCEAN PARK BLVD

512 Ocean Park Blvd, Santa Monica, CA, 90405



		Units	Unit Type
Close Of Escrow:	10/16/2019	4	1 Bdr 1 Bath
Sales Price:	\$1,978,000	1	2 Bdr 1 Bath
Price/Unit:	\$329,667		
Price/SF:	\$631.55		
CAP Rate:	3.58%		
GRM:	17.32		
Total No. of Units:	6		
Year Built:	1962		

Underwriting Criteria			
Income	\$114,192		
NOI	\$70,799		

SALES COMPARABLES

638 GRANT ST

638 Grant St, Santa Monica, CA, 90405



		Units	Unit Type
Close Of Escrow:	9/24/2019	4	Studio 1 Bath
Sales Price:	\$2,395,000	4	1 Bdr 1 Bath
Price/Unit:	\$299,375		
Price/SF:	\$640.37		
CAP Rate:	4.53%		
GRM:	15.46		
Total No. of Units:	8		
Year Built:	1957		

Underwriting Criteria

Income	\$154,879
NOI	\$108,494

301 ASHLAND AVE

301 Ashland Ave, Santa Monica, CA, 90405



		Units	Unit Type
Close Of Escrow:	2/11/2020	5	1 Bdr 1 Bath
Sales Price:	\$4,900,000	2	2 Bdr 1 Bath
Price/Unit:	\$544,444	2	2 Bdr 2 Bath
Price/SF:	\$660.02		
CAP Rate:	5.25%		
GRM:	13.13		
Total No. of Units:	9		
Year Built:	1960		

Underwriting Criteria

Income	\$373,200
NOI	\$258,119

NOTES

Marcus & Millichap listing.

2603 3RD ST

2603 3rd St, Santa Monica, CA, 90405



		Units	Unit Type
Close Of Escrow:	2/24/2020	10	Studio 1 Bath
Sales Price:	\$3,980,000		
Price/Unit:	\$398,000		
Price/SF:	\$546.25		
Total No. of Units:	10		
Year Built:	1964		

SALES COMPARABLES

402 PACIFIC ST

402 Pacific St, Santa Monica, CA, 90405



		Units	Unit Type
Close Of Escrow:	3/2/2020	6	1 Bdr 1 Bath
Sales Price:	\$3,645,000		
Price/Unit:	\$607,500		
Price/SF:	\$931.75		
CAP Rate:	4.57%		
GRM:	15.62		
Total No. of Units:	6		
Year Built:	1954		

Underwriting Criteria	
Income	\$233,352
NOI	\$166,468

NOTES

Marcus & Millichap listing.

1824 10TH ST

1824 10th St, Santa Monica, CA, 90404



		Units	Unit Type
Close Of Escrow:	12/19/2019	1	Studio 1 Bath
Sales Price:	\$2,435,000	3	1 Bdr 1 Bath
Price/Unit:	\$487,000	1	2 Bdr 1 Bath
Price/SF:	\$791.87		
CAP Rate:	4.54%		
GRM:	13.65		
Total No. of Units:	5		
Year Built:	1952		

Underwriting Criteria	
Income	\$178,332
NOI	\$110,566

1743 9TH ST

1743 9th St, Santa Monica, CA, 90404

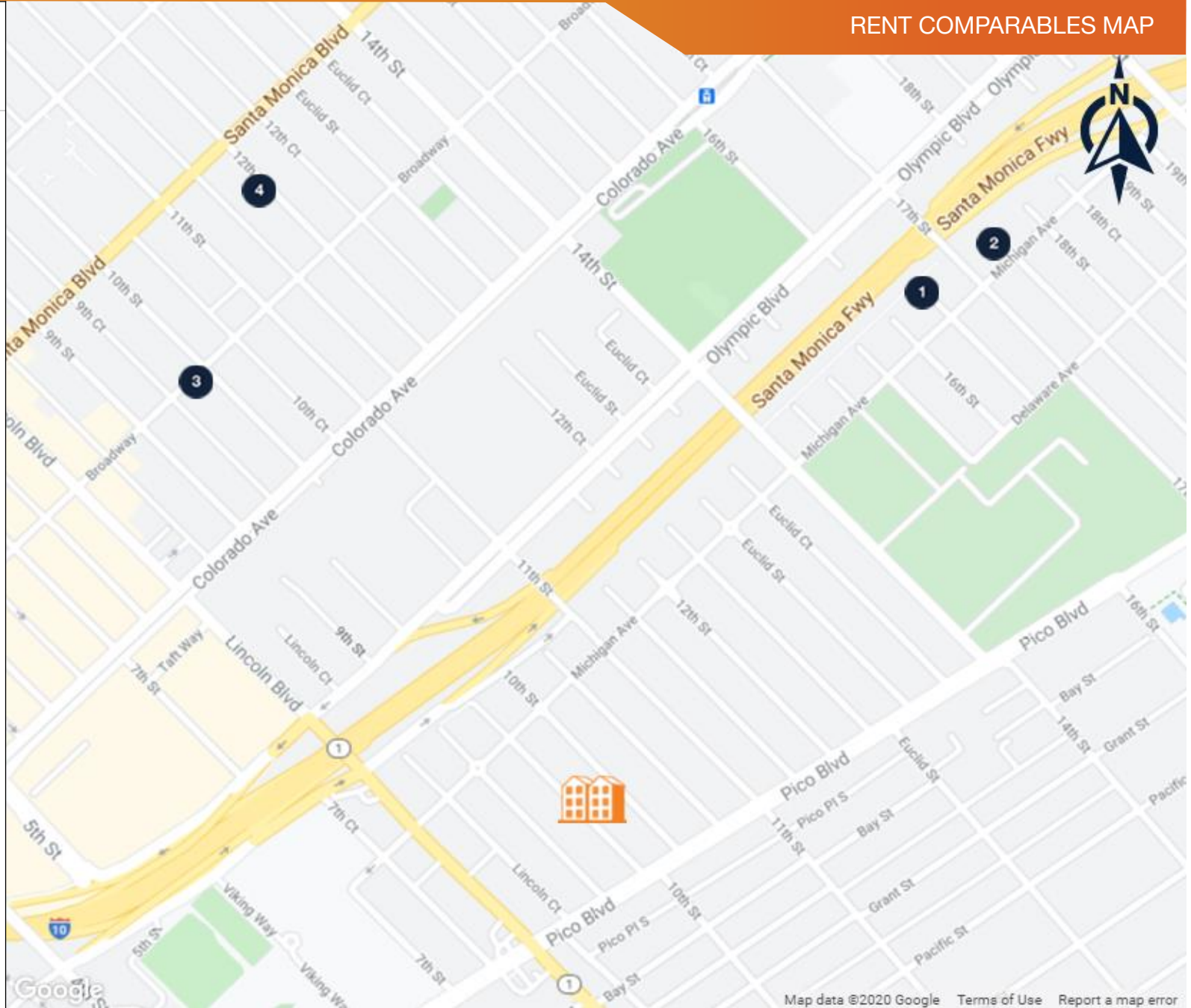


		Units	Unit Type
Close Of Escrow:	10/11/2019	1	1 Bdr 1 Bath
Sales Price:	\$2,625,000	7	2 Bdr 1 Bath
Price/Unit:	\$328,125		
Price/SF:	\$373.83		
Total No. of Units:	8		
Year Built:	1970		



1846 10TH ST
Santa Monica, CA 90404

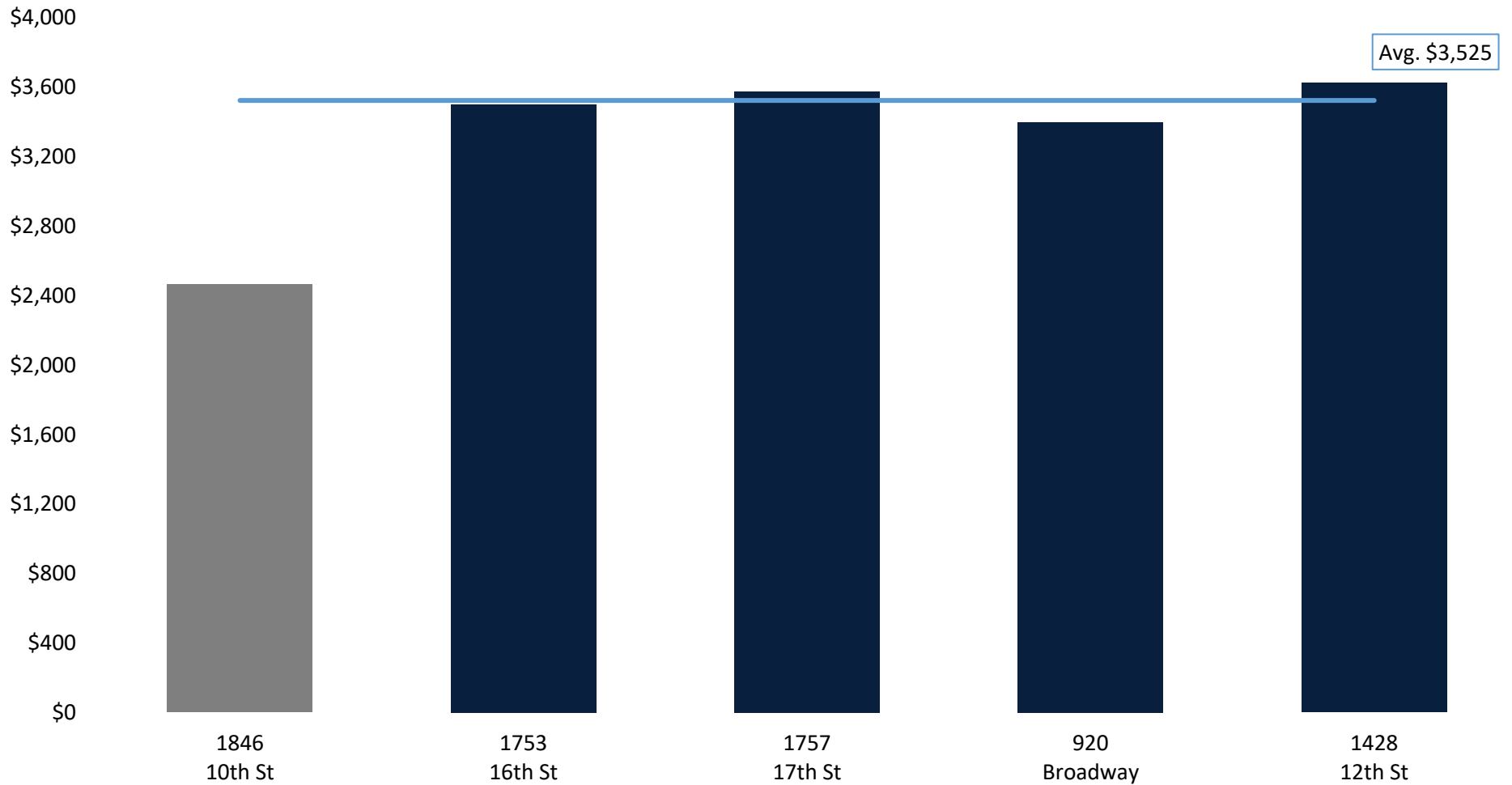
- 1 1753 16th St
- 2 1757 17th St
- 3 920 Broadway
- 4 1428 12th St



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AVERAGE RENT - MULTIFAMILY

2 Bedroom



1846 10TH ST

1846 10th St, Santa Monica, CA, 90404



Unit Type	Units	SF	Rent	Rent/SF
2 Bed 1 Bath	10		\$2,465	\$0.00
Total/Avg.	10		\$2,465	

YEAR BUILT: 1958

1753 16TH ST

1753 16th St, Santa Monica, CA, 90404



Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 1.5 Bath	1	850	\$3,500	\$4.12
Total/Avg.	1	850	\$3,500	\$4.12

YEAR BUILT: 1924

1757 17TH ST

1757 17th St, Santa Monica, CA, 90404



Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 2 Bath	1	1,150	\$3,575	\$3.11
Total/Avg.	1	1,150	\$3,575	\$3.11

YEAR BUILT: 1997

920 BROADWAY

920 Broadway, Santa Monica, CA, 90401



Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 2 Bath	1	1,100	\$3,400	\$3.09
Total/Avg.	1	1,100	\$3,400	\$3.09

YEAR BUILT: 1989

1428 12TH ST

1428 12th St, Santa Monica, CA, 90401



Unit Type	Units	SF	Rent	Rent/SF
2 Bdr 1.5 Bath	1	850	\$3,625	\$4.26
Total/Avg.	1	850	\$3,625	\$4.26

YEAR BUILT: 1963

MARKET OVERVIEW



Created on September 2020

POPULATION	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Population	40,626	222,824	495,640
■ 2019 Estimate			
Total Population	38,796	217,243	480,262
■ 2010 Census			
Total Population	35,495	204,590	449,436
■ 2000 Census			
Total Population	32,060	196,576	425,338
■ Daytime Population			
2019 Estimate	77,087	279,466	635,819
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2024 Projection			
Total Households	22,395	114,593	236,726
■ 2019 Estimate			
Total Households	21,182	111,307	228,079
Average (Mean) Household Size	1.76	1.92	2.02
■ 2010 Census			
Total Households	19,044	103,492	210,213
■ 2000 Census			
Total Households	17,034	100,272	200,758
Growth 2015-2020	5.73%	2.95%	3.79%
HOUSING UNITS	1 Miles	3 Miles	5 Miles
■ Occupied Units			
2024 Projection	22,395	114,593	236,726
2019 Estimate	22,139	117,866	239,469
Owner Occupied	3,750	34,570	79,452
Renter Occupied	17,432	76,737	148,627
Vacant	956	6,559	11,391
■ Persons In Units			
2019 Estimate Total Occupied Units	21,182	111,307	228,079
1 Person Units	52.44%	45.37%	41.93%
2 Person Units	30.21%	32.77%	33.48%
3 Person Units	9.65%	11.51%	12.22%
4 Person Units	5.34%	6.97%	8.20%
5 Person Units	1.50%	2.18%	2.70%
6+ Person Units	0.86%	1.19%	1.47%

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2019 Estimate			
\$200,000 or More	12.97%	17.24%	17.91%
\$150,000 - \$199,000	9.04%	9.68%	9.41%
\$100,000 - \$149,000	16.06%	17.40%	16.91%
\$75,000 - \$99,999	12.51%	12.92%	12.39%
\$50,000 - \$74,999	12.91%	13.29%	13.58%
\$35,000 - \$49,999	8.83%	8.19%	8.21%
\$25,000 - \$34,999	7.46%	5.90%	5.66%
\$15,000 - \$24,999	7.25%	6.16%	6.10%
Under \$15,000	12.97%	9.21%	9.83%
Average Household Income	\$117,366	\$138,409	\$140,019
Median Household Income	\$76,104	\$88,581	\$87,835
Per Capita Income	\$64,725	\$71,190	\$67,187
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2019 Estimate Total Population	38,796	217,243	480,262
Under 20	12.42%	14.34%	16.54%
20 to 34 Years	28.66%	26.11%	27.86%
35 to 39 Years	9.82%	9.63%	8.59%
40 to 49 Years	16.06%	15.52%	13.88%
50 to 64 Years	18.92%	18.88%	17.56%
Age 65+	14.09%	15.51%	15.58%
Median Age	39.49	39.95	38.17
■ Population 25+ by Education Level			
2019 Estimate Population Age 25+	31,853	175,438	361,996
Elementary (0-8)	1.60%	2.43%	2.74%
Some High School (9-11)	3.91%	2.82%	2.95%
High School Graduate (12)	10.95%	9.12%	9.15%
Some College (13-15)	15.96%	14.64%	15.28%
Associate Degree Only	5.55%	4.79%	4.95%
Bachelors Degree Only	37.04%	39.15%	36.68%
Graduate Degree	23.49%	26.21%	27.37%
■ Population by Gender			
2019 Estimate Total Population	38,796	217,243	480,262
Male Population	50.01%	49.17%	48.66%
Female Population	49.99%	50.83%	51.34%

Source: © 2019 Experian



Population

In 2019, the population in your selected geography is 38,796. The population has changed by 21.01% since 2000. It is estimated that the population in your area will be 40,626.00 five years from now, which represents a change of 4.72% from the current year. The current population is 50.01% male and 49.99% female. The median age of the population in your area is 39.49, compare this to the US average which is 38.08. The population density in your area is 12,347.45 people per square mile.



Households

There are currently 21,182 households in your selected geography. The number of households has changed by 24.35% since 2000. It is estimated that the number of households in your area will be 22,395 five years from now, which represents a change of 5.73% from the current year. The average household size in your area is 1.76 persons.



Income

In 2019, the median household income for your selected geography is \$76,104, compare this to the US average which is currently \$60,811. The median household income for your area has changed by 80.06% since 2000. It is estimated that the median household income in your area will be \$90,551 five years from now, which represents a change of 18.98% from the current year.

The current year per capita income in your area is \$64,725, compare this to the US average, which is \$33,623. The current year average household income in your area is \$117,366, compare this to the US average which is \$87,636.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 72.50% White, 6.12% Black, 0.15% Native American and 9.43% Asian/Pacific Islander. Compare these to US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 17.35% of the current year population in your selected area. Compare this to the US average of 18.17%.



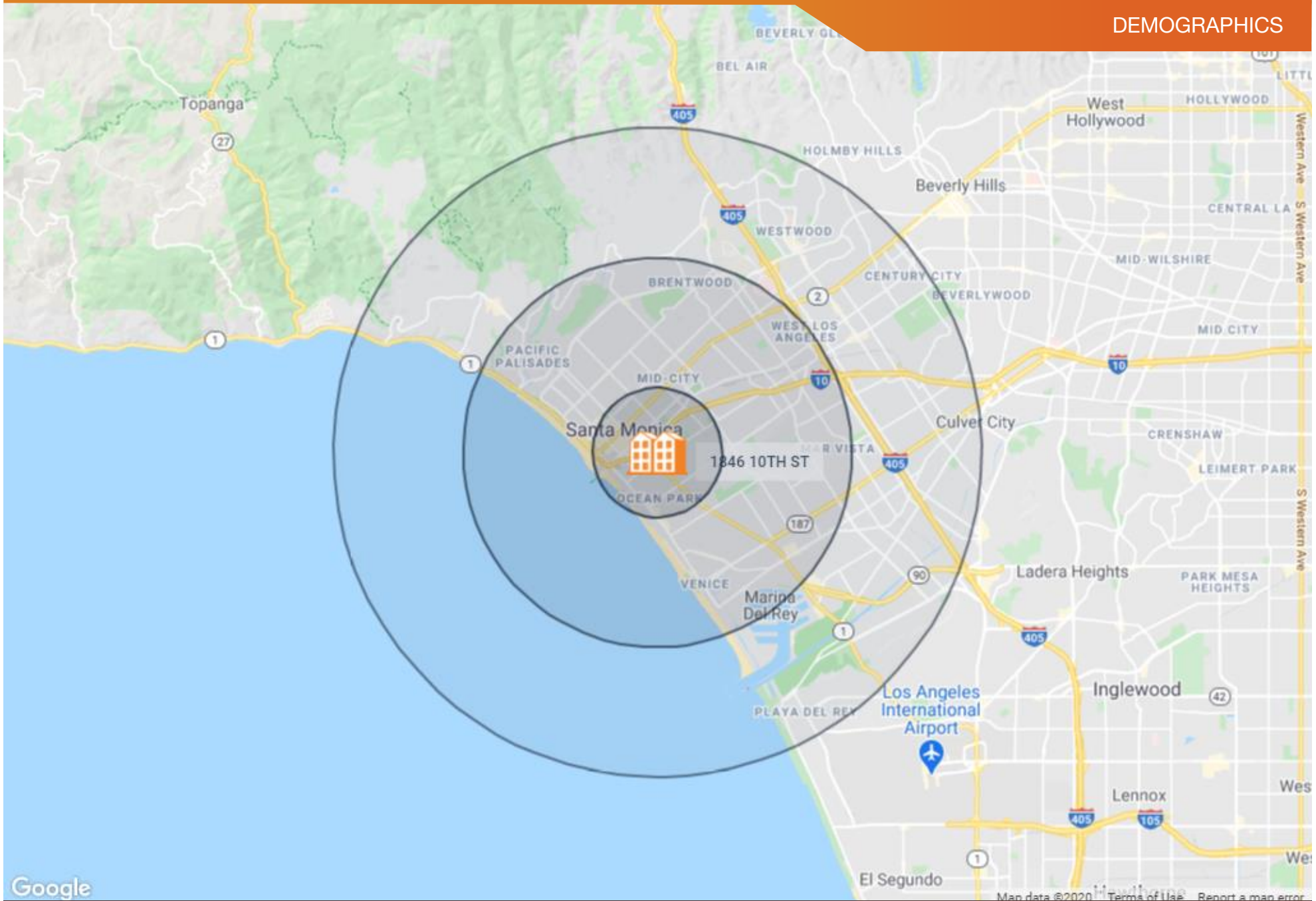
Housing

The median housing value in your area was \$862,270 in 2019, compare this to the US average of \$212,058. In 2000, there were 3,460 owner occupied housing units in your area and there were 13,574 renter occupied housing units in your area. The median rent at the time was \$693.



Employment

In 2019, there are 39,857 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 78.75% of employees are employed in white-collar occupations in this geography, and 21.04% are employed in blue-collar occupations. In 2019, unemployment in this area is 5.80%. In 2000, the average time traveled to work was 29.00 minutes.



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