



Marcus & Millichap
THE NEEMA GROUP



Value Add Investment Opportunity Totaling Five Units on the Corner of 21st & Delaware Ave in Santa Monica |
Significant Rental Upside of 99%; Less than Half a Mile from Santa Monica City College

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Exclusively Listed By: **NEEMA AHADIAN**

Senior Managing Director of Investments
Tel: (310) 909-5444
neema@marcusmillichap.com
License: CA 01346750

NEDA MORADI

Associate of Investments
Tel: (310) 909-5448
neda.moradi@marcusmillichap.com
License: CA 02096839

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1847

21st St 1800

Property Summary

Address	1847 21 st Street Santa Monica, CA 90404
No. of Units	5 Units
Gross SF	3,522 SF
Lot Size	6,011 SF
Year Built	1923
APN	4274-009-020
Zoning	SMR2

Pricing Information

Sales Price	\$1,800,000
Cost per Legal Unit	\$360,000
Current CAP Rate	2.49%
Market CAP rate	6.61%
Current GRM	21.14
Market GRM	10.65



Executive Summary



The Neema Group of Marcus & Millichap is pleased to present 1847 21st Street Santa Monica, CA 90404

The Neema Group of Marcus & Millichap is pleased to present 1847 21st St, a 5-unit investment opportunity located in the prime location of Santa Monica just east of the intersection of Olympic Blvd and 20th St by the Santa Monica Freeway. The unit mix consists of one single family three-bedroom residence and two duplexes with a single, two one-bedroom units, and a two-bedroom unit. The majority of the units are leased at below market rents, providing an investor the opportunity to capture 99% rental upside through interior unit renovations as units turn. High Bike Score of 91, proximity to schools, employment, and transit options, this location makes it convenient for residents to commute throughout the city.

Santa Monica is one of the best locations in Los Angeles. Located just below Brentwood, this booming area is home to young professionals and families alike. Companies such as Activision Blizzard, Universal Music Group, Snap, and Lionsgate attract top talent to this area. Third Street Promenade provides residents with great dining and shopping experiences, while the beach and Santa Monica Pier allow residents to enjoy stunning views.





Santa Monica Pier / Ocean Blvd

Pacific Park / Pier
Third St Promenade
Santa Monica Beach
Water Grill

BOA Steak House
Santa Monica Mall
Meat
Fairmont Hotel
Hotel Shangri-La

The Misfit Bar & Restaurant

Fairmont Hotel

Santa Monica Brew Works

UCLA
Medical Center

COLORADO AVE

SANTA MONICA BLVD

WILSHIRE BLVD

Crossroads
Elementary

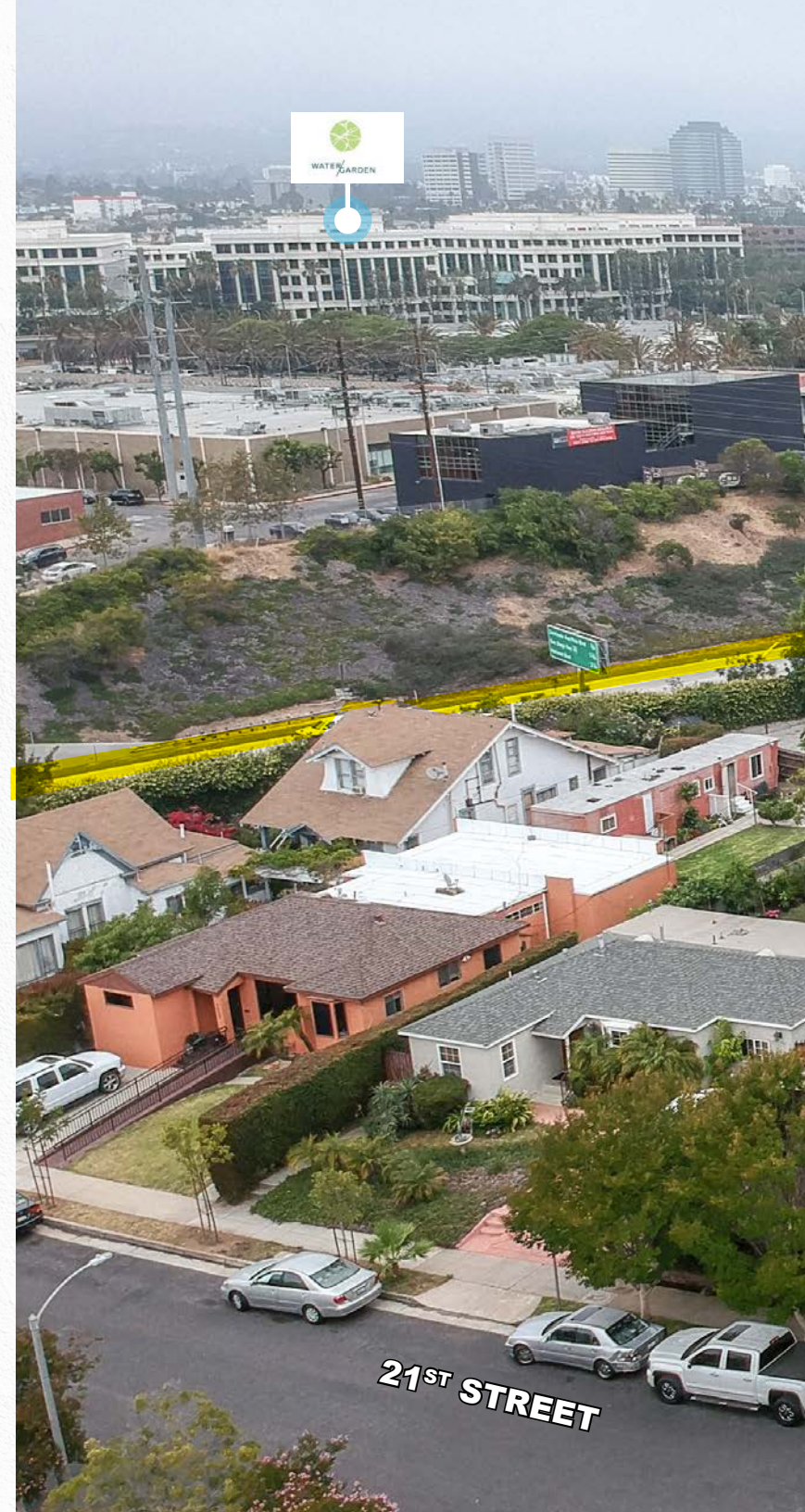
21ST STREET

DELAWARE AVE



Investment Highlights

- The Neema Group of Marcus & Millichap is pleased to present 1847 21st, a 5-unit value add investment opportunity located in the prime location of Santa Monica just east of the intersection of Olympic Blvd and 20th St by the Santa Monica Freeway
- This property is made up of three structures including one single family three-bedroom residence and two duplexes with a single, two one-bedroom units, and a two-bedroom unit; additionally, there are three enclosed garages with additional parking in front giving an investor the opportunity to convert to ADU's (Buyer to Verify)
- Significant value add opportunity as the units are leased at below market rents with over 99% rental upside through interior unit renovations as units turn; once stabilized, the pro forma CAP rate is projected to be 6.61%
- High Bike Score of 91, proximity to schools, employment, and transit options, this location makes it convenient for residents to commute throughout the city and nearby destinations in Venice, Malibu, West Los Angeles, and Culver City
- Santa Monica is one of the best locations in Los Angeles. Located just below Brentwood, this booming area is home to young professionals and families alike. Companies such as Activision Blizzard, Universal Music Group, Snap, and Lionsgate attract top talent to this area. The Third Street Promenade provides residents with great dining and shopping experiences, while the beach and Santa Monica Pier allow residents to enjoy stunning views



Barrington Plaza

Westwood

Century City



CLOVERFIELD BLVD

DELAWARE AVE

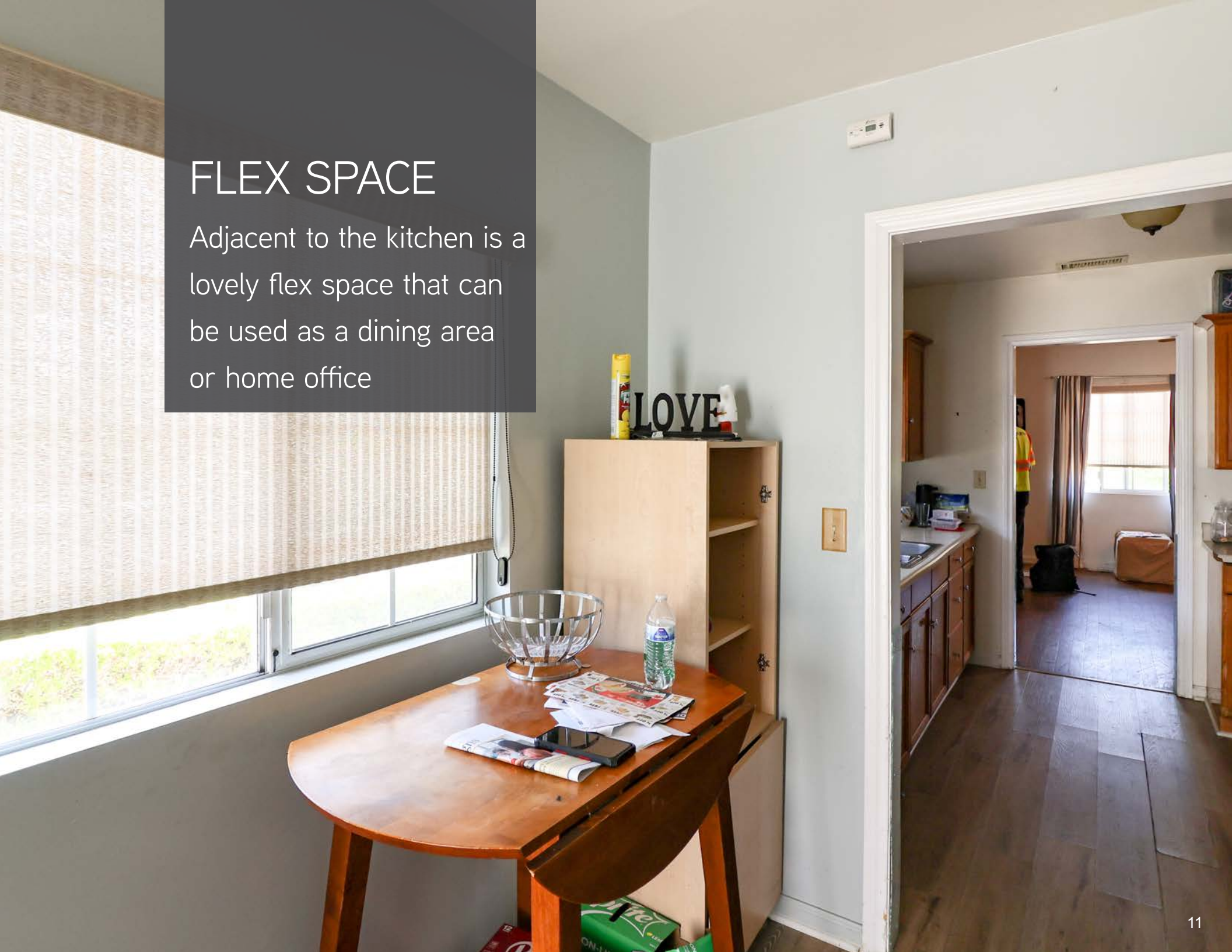
A photograph of a living room with light-colored walls and dark wood flooring. A large wooden TV cabinet stands on the right, housing a television. Above the TV is a shelf with various items. To the left of the TV cabinet is a fireplace with a dark metal screen. A ceiling fan with five wooden blades and three light bulbs hangs from the ceiling. A framed picture of Michelangelo's 'The Creation of Adam' is on the wall. Two doorways lead to other rooms. A white sofa is partially visible in the bottom left, and a wheelchair is in the bottom right.

MAIN HOUSE

Single family three-bedroom, 2 bath residence with wood flooring throughout the unit. Central Air Conditioning and Heating throughout

FLEX SPACE

Adjacent to the kitchen is a lovely flex space that can be used as a dining area or home office



FRONT HOUSE

KITCHEN

A traditional galley kitchen with an updated range/oven. Upper and lower cabinetry offers extra storage and pantry space



IN SUITE LAUNDRY

Right off the flex space is a full laundry room, complete with a washer and dryer and back entrance to the patio





2 BEDROOM APARTMENT

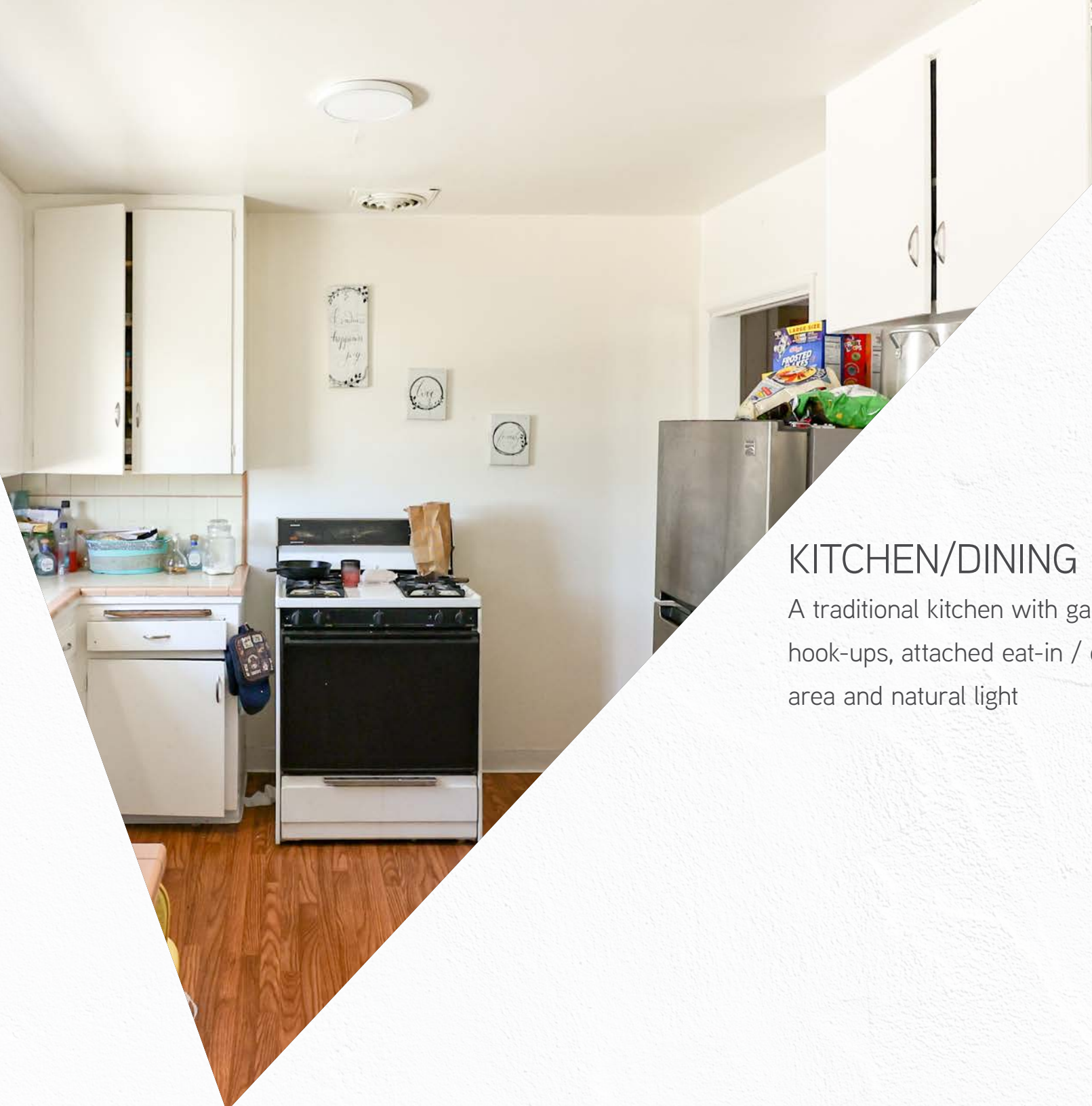
2nd level walk-up 2 Bedroom 1 Bath
apartment featuring a large living room
with lots of natural light

EAT-IN KITCHEN

Featuring a spacious eat-in
/dining area that can also
be used as a flex/work
space



APARTMENT



KITCHEN/DINING

A traditional kitchen with gas hook-ups, attached eat-in / dining area and natural light

STYLISH 2ND

STORY LANDING

The entrance to suite features a naturally lit walk-up with a stylish landing and coat closet.



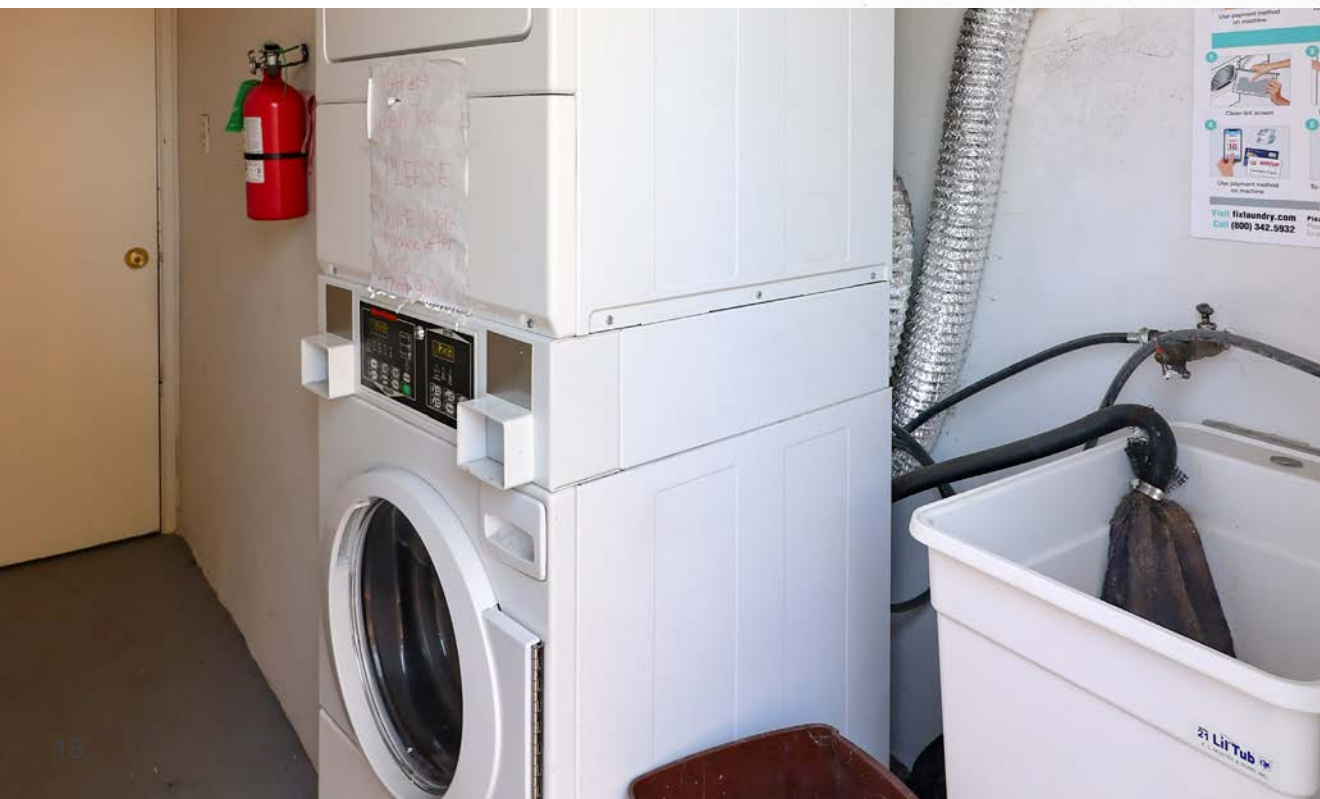


COMMUNITY PATIO

An outdoor common area is provided for gatherings, exercise and exterior dining

COMMUNITY LAUNDRY

Stacked unit laundry room with a washbasin is available to all tenants



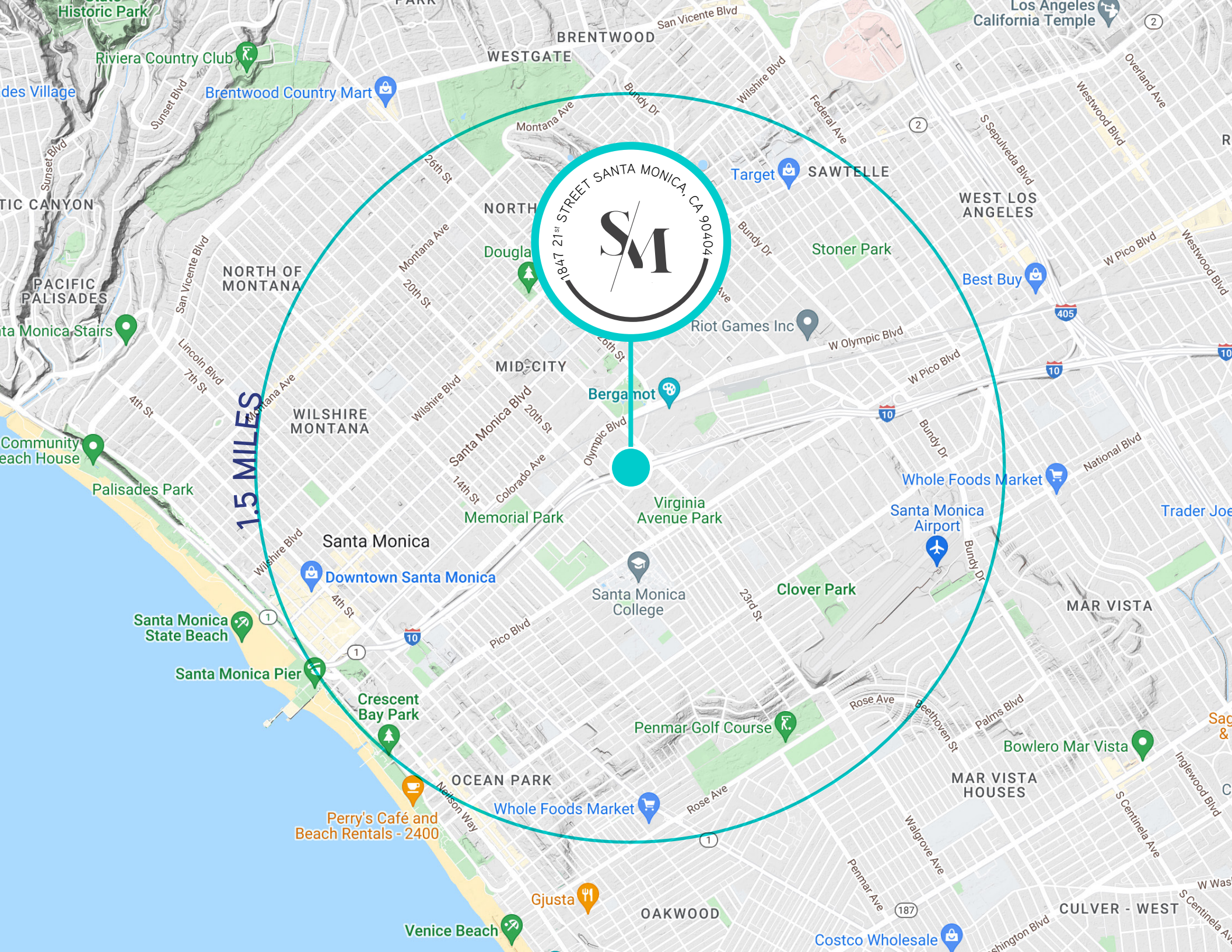
PARKING GARAGE

The property features three single parking garages with an entrance off of Delaware Ave With the potential to Convert to ADU's (Buyer to verify)





DELAWARE AVE



1.5 MILES

Perry's Café and Beach Rentals - 2400

Financials

Rent Roll

#	Unit #	Unit Type	Actual Rents	Pro Forma Rents	Notes
1	1847	3+2	\$1,434	\$4,850	Single Family House; Section 8; Wood flooring throughout, Flex Space, Galley Kitchen, Laundry area, Dual entrances
2	1847 1/2	2+1	\$750	\$2,950	Garage space
3	1847 1/4	Single	\$1,450	\$1,685	Dual entrances
4	2109 Delaware Ave	1+1	\$1,954	\$2,300	Section 8; Dual entrances; Garage space
5	2111 Delaware Ave	1+1	\$1,507	\$2,300	Dual entrances; Garage space
			\$7,095	\$14,085	

Financials

Annualized Operating Data

	Current Rents		Market Rents	
Scheduled Gross Income:	\$85,143		\$169,020	
Less Vacancy Rate Reserve:	\$(2,554)	3.0%	\$(8,451)	5.0%
Gross Operating Income:	\$82,589		\$160,569	
Less Expenses:	\$(37,759)	44.3%	\$(41,658)	24.6%
Net Operating Income:	\$44,830		\$118,911	
Reserves:	\$(1,000)		\$(1,000)	
Total Return Before Taxes:	\$43,830	2.4%	\$117,911	6.6%

Scheduled Income

			Current Rents		Market Rents	
# of Units	Unit Type	Approx. SF	Avg. Mo. Rent/Unit	Monthly Income	Monthly Rent/Unit	Monthly Income
1	Single	300	\$1,450	\$1,450	\$1,685	\$1,685
2	1+1	515	\$1,731	\$3,461	\$2,300	\$4,600
1	2+1	900	\$750	\$750	\$2,950	\$2,950
1	3+2	1,140	\$1,434	\$1,434	\$4,850	\$4,850
Monthly Scheduled Gross Income:				\$7,095		\$14,085
Annual Scheduled Gross Income:				\$85,143		\$169,020

Financials

Estimated Annualized Expenses

Expenses	%	Current	ProForma
Taxes: Rate	1.16%	\$20,880	\$20,880
Insurance		\$2,465	\$2,465
Utilities:		\$4,839	\$4,839
Management	5%	\$4,129	\$8,028
Repairs & Maintenance		\$2,500	\$2,500
Pest Control		\$420	\$420
Legal & City Fees		\$250	\$250
Landscape		\$1,200	\$1,200
Direct Assessment		\$1,075	\$1,075
Total Expenses:		\$37,759	\$41,658
Per Net Sq. Ft.:		\$10.72	\$11.83
Per Unit:		\$7,551.72	\$8,331.52

Summary

Pricing		
Price:		\$1,800,000
Down Payment:	100%	\$1,800,000
Number of Units:		5
Cost per Legal Unit:		\$360,000
Current GRM:		21.14
Market GRM:		10.65
Current CAP:		2.49%
Market CAP:		6.61%
Approx. Age:		1923
Approx. Lot Size:		6,011
Approx. Gross SF:		3,522
Cost per Net GSF:		\$511



Sales Comparables

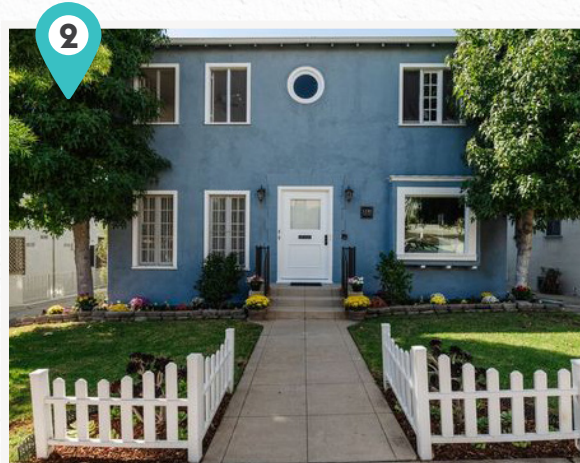
Subject Property



Address	1847 21st Street Santa Monica, CA 90404	Price/Unit	\$360,000
Sales Price	\$1,800,000	Year Built	1923
Bldg SF	3,522 SF	Price Per SF	\$511
Lot Size	6,011 SF	CAP Rate	2.49%



Address	1520 Ocean Park Blvd Santa Monica CA 90405
Sales Price	\$1,928,000
Bldg SF	3,083
Lot Size	6,990
Price/SF	\$625
Price/Unit	\$482,000
Date Sold	4/27/22
Year Built	1940
No of Units	4



Address	1230 Stanford St Santa Monica CA 90404
Sales Price	\$2,360,000
Bldg SF	3,360
Lot Size	8,502
Price/SF	\$702
Price/Unit	\$590,000
Date Sold	12/2/21
Year Built	1916
No of Units	4



Address	2224 Oak St Santa Monica CA 90405
Sales Price	\$2,700,000
Bldg SF	3,590
Lot Size	8,274
Price/SF	\$752
Price/Unit	\$450,000
Date Sold	10/13/21
Year Built	1937
No of Units	6

Sales Comparables (cont.)



Address 1220 24th St
Santa Monica CA 90404

Sales Price \$2,100,000

Bldg SF 2,847

Lot Size 5,296

Price/SF \$738

Price/Unit \$525,000

Date Sold 9/8/21

Year Built 1936

No of Units 4



Address 2702 21st St
Santa Monica CA 90404

Sales Price \$1,800,000

Bldg SF 2,308

Lot Size 7,013

Price/SF \$780

Price/Unit \$450,000

Date Sold 5/18/21

Year Built 1940

No of Units 4



Address 1101 16th St
Santa Monica CA 90403

Sales Price \$1,880,000

Bldg SF 2,278

Lot Size 4,987

Price/SF \$825

Price/Unit \$470,000

Date Sold 4/1/21

Year Built 1940

No of Units 4

Sales Comparables (cont.)



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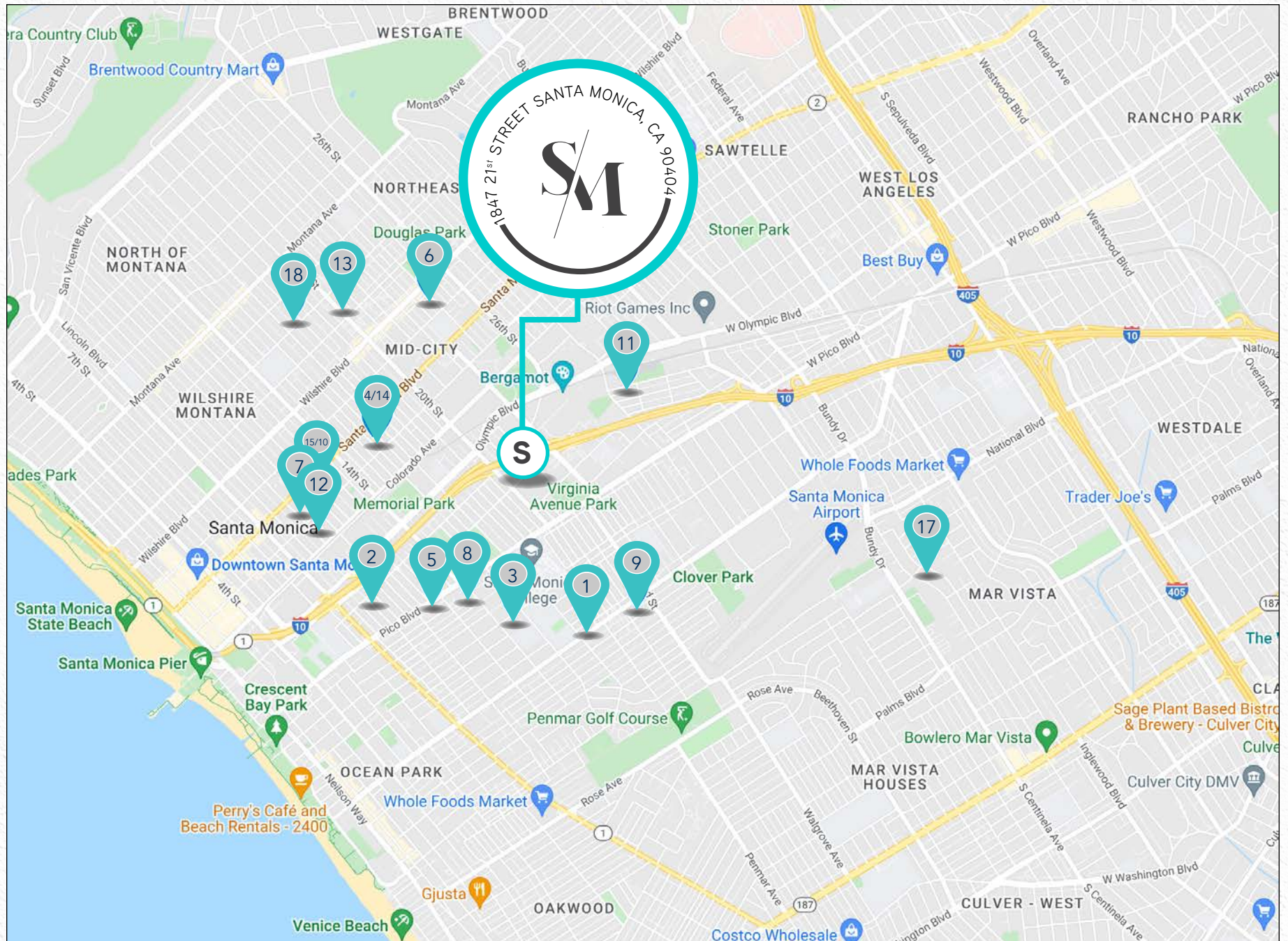
Address	2503 20th St Santa Monica CA 90405
Sales Price	\$1,842,000
Bldg SF	2,855
Lot Size	6,753
Price/SF	\$625
Price/Unit	\$460,500
Date Sold	1/8/21
Year Built	1936
No of Units	4

Sales Comparables Map



Rent Comparables

PROPERTY ADDRESS		UNIT TYPE	SQFT	RENT	RENT PER SF	
S	1847 21st St, Santa Monica, CA 90404	Studios				
		1+1				
		2+1				
		3+2				
Singles	1	1717-1723 Ocean Park Blvd, Santa Monica, CA 90405	Single	400-500	\$1,650	
	2	1808 10th St, Santa Monica, CA 90404	Single	400	\$1,650	\$4.13
	3	1426 Pearl St, Santa Monica, CA 90405	Single	650	\$1,695	\$2.61
	4	1431 16th St, Santa Monica, CA 90404	Single	500	\$1,700	\$3.40
	5	1136 Pico Blvd, Santa Monica, CA 90405	Single	525	\$1,750	\$3.33
One Bedrooms	6	1226 Chelsea Ave, Santa Monica, CA 90404	1+1	500	\$2,290	\$4.58
	7	1428 11th St, Santa Monica, CA 90401	1+1	600	\$2,250	\$3.75
	8	2046 14th St, Santa Monica, CA 90405	1+1	700	\$2,350	\$3.36
	9	2121 Oak St, Santa Monica, CA 90405	1+1	525	\$2,295	\$4.37
	10	1443 11th St, Santa Monica, CA 90401	1+1	550	\$2,350	\$4.27
Two Bedrooms	11	2848 Exposition Blvd, Santa Monica, CA 90404	2+1	845	\$2,900	\$3.43
	12	1525-1527 10th St, Santa Monica, CA 90401	2+2	900-1000	\$2,995	
	13	1041 20th St, Santa Monica, CA 90403	2+1.5	798	\$2,995	\$3.75
	14	1444 17th St, Santa Monica, CA 90404	2+1	850	\$3,000	\$3.53
Three Bedrooms	15	1428 12th St, Santa Monica, CA 90401	3+2	1200	\$4,892	\$4.08
	16	952 18th St, Santa Monica, CA 90403	3+2	1550	\$4,800	\$3.10
	17	3223 Mountain View Ave, Los Angeles, CA 90066	3+2	1368	\$4,950	\$3.62
	18	952 18th St, Santa Monica, CA 90403	3+2	1550	\$4,800	\$3.10



Area Overview

Santa Monica

Santa Monica is in fact home to one of most iconic beaches in California. But did you know that Santa Monica is also home to eight different neighborhoods all with their own personality? Below we give you a rundown of every neighborhood, how the neighborhoods differ, and what you can expect from visiting each.

Downtown Santa Monica is one of the most vibrant neighborhoods in Santa Monica, largely because it's home to the Third Street Promenade and Santa Monica Place, two of the largest shopping areas in Santa Monica. The weekend finds the Third Street Promenade bustling with foot traffic of both locals and travelers. However, while Downtown Santa Monica is home to the highest concentration of shops, restaurants, and hotels in town, it also gives off a local vibe with its twice-weekly farmers market on Wednesday and Saturday mornings and lively street performers.



Retail

- Whole Foods Market
- Ralphs
- Hillstone
- Elephante
- Water Grill
- 3rd Street Promenade
- Apple Store
- Nordstrom
- Nike
- Pizza Hut
- Burger King

Schools

- Santa Monica College
- Grant Elementary School
- Crossroads Elementary School
- John Adams Middle School
- Santa Monica High School

Parks and Beaches

- Pico Branch Library
- Virginia Avenue Park
- Memorial Park
- Water Garden
- Santa Monica Pier
- 24 Hour Fitness
- Santa Monica State Beach

Transportation

- Santa Monica Airport
- 17th St / SMC Station

Hotels

- Hotel Normandie
- Line Hotel
- Shelter Hotel

Area Overview

Main Street

Santa Monica's Main Street bears the laid back artsy side of Santa Monica, a side of the city that has been characterized by a local, surf vibe for years. Consider the many art galleries and attractions such as the Edgemar Center for the Arts and Ten Women, which is one-part art gallery, one-part shop. Main Street is also home to one of the highest concentrations of coffee shops in Santa Monica. A variety of different boutique shops are scattered along Main Street and a weekly farmers market takes place every Sunday.

Montana Ave

While the Third Street Promenade is the most vibrant shopping area of Santa Monica, Montana Avenue emits a more high end and local shopping atmosphere along its tree-lined streets. Though this is a largely residential section of Santa Monica, there are more than 150 boutique shops and restaurants lining the 10-block destination. There aren't hotels on Montana Avenue, but the neighborhood is convenient to Downtown Santa Monica and is within walking distance of most hotels there or by bike or the Big Blue Bus, which runs between the Green Line Metro's Aviation Station and downtown Santa Monica, with a number of different stops.

Santa Monica Pier / Ocean Ave

The palm tree-lined avenue and views overlooking the Pacific Ocean make the Santa Monica Pier area and Ocean Avenue one of the most iconic locations in Santa Monica. Unique hotels, such as The Georgian and The Shore, dot Ocean Avenue while open-air restaurants and bars, such as Blue Plate Oysterette and The Bungalow, line the avenue. Just down from Ocean Avenue is perhaps Santa Monica's most famous attraction, the Santa Monica Pier. This attraction dates back to 1909, and features a solar-paneled Ferris wheel, amusement park, aquarium, and live concerts and movies during the summer months.





EXCLUSIVELY LISTED BY:

NEEMA AHADIAN

Senior Managing Director of Investments

Tel: (310) 909-5444

neema@marcusmillichap.com

License: CA 01346750

NEDA MORADI

Associate of Investments

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