

Offering Memorandum

1807 9th STREET
SANTA MONICA, CA 90404

\$2,250,000



Virtual Tour

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Bungalow Style 4-Unit

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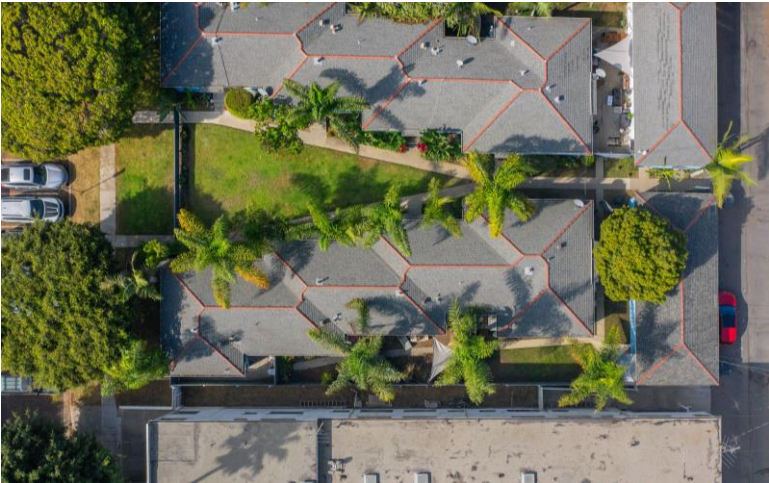
Table of Contents

1807 9th STREET
SANTA MONICA, CA 90404



Index

Property Overview	3
Financial Overview	6
Property Photography	10
Comparables	13
Area Overview	18
Aerial Map	25
Disclaimer	30



Property Overview

1807 9th STREET
SANTA MONICA, CA 90404

3

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Property Overview

1807 9th STREET
SANTA MONICA, CA 90404

4



Property Summary

Price	\$2,250,000
Address	1807 9 th St
City, State, Zip	Santa Monica, CA 90404
County	Los Angeles
Zoning	SMR2*
Year Built	1942
Number Of Units	4
Parking	(4) Single-Car Garages
Building Size	2,566 SF
Lot Size	7,524 SF
Cap Rate	2.77%
Pro Forma Cap Rate	4.23%
Grm	22.26
Pro Forma Grm	16.67
Price / Bldg Sf	\$876.85
Price / Lot Sf	\$299.04



Property Overview

1807 9th STREET
SANTA MONICA, CA 90404

5



1807 9th St, Santa Monica 90404 **4-Unit | \$ 2,250,000**

- Bungalow Style Units with Private Fenced-In Yards
- (4) One-Car Garages | On-Site Laundry Facility
- 2,566 SF Building Situated on a Large 7,524 SF Lot
- Unit Mix: (1) 2-Bed/1-Bath Unit & (3) 1-Bed/1-Bath Units
- Incredible Location: Only a Quick Walk to the Beach, 3rd Street Promenade & Santa Monica Pier

1807 9th St is a Bungalow Style 4-unit building located north of Pico Blvd just a few blocks from Santa Monica High School. The building was built in 1942 and consists of 2,566 SF of living space situated on a large 7,524 SF lot. The property offers a great unit mix consisting of (1) 2-bed/1-bath unit & (3) 1-bed/1-bath units with private fenced-in backyards. The property also features an on-site laundry facility and (4) single-car garages.

Located exactly 1 mile from the Santa Monica pier, 3rd Street Promenade & Muscle Beach, this is an incredible opportunity to acquire a well-maintained asset with significant growth opportunity.



Financial Overview

1807 9th STREET
SANTA MONICA, CA 90404

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Financial Overview

1807 9th STREET
SANTA MONICA, CA 90404



Price \$2,250,000

Property Summary			
ADDRESS	1807 9 th St	YEAR BUILT	1942
DOWN PAYMENT	40% (\$900,000)	PARKING	(4) ONE-CAR GARAGES
NUMBER OF UNITS	4	CURRENT NOI	\$62,279
COST PER UNIT	\$562,500	PRO FORMA NOI	\$95,162
LOT SIZE	7,524 SF	CURRENT CAP RATE	2.77%
GROSS RENTABLE SF	2,566 SF	PRO FORMA CAP RATE	4.23%
PRICE PER BLDG SF	\$876.85	CURRENT GRM	22.26
PRICE PER LAND SF	\$299.04	PRO FORMA GRM	16.67

Proposed Financing			
LOAN AMOUNT	\$1,350,000	LOAN-TO-VALUE	60%
DOWN PAYMENT	\$900,000	AMORTIZATION	30-YEAR
INTEREST RATE	3.50%	LOAN TERM	30-YEAR FIXED
MONTHLY PAYMENT	\$6,062	PROPOSED/EXISTING	PROPOSED
ANNUAL PAYMENT	\$72,745	DEBT COVERAGE RATION (DCR)	0.86

Financial Overview

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SANTA MONICA, CA 90404



Scheduled Rent Summary					
UNIT TYPE	NO. OF UNITS	AVERAGE RENT	MONTHLY INCOME	PRO FORMA RENT	PRO FORMA INCOME
2-Bed/1-Bath	1	\$2,900	\$2,900	\$3,500	\$3,500
1-Bed/1-Bath	3	\$1,758	\$5,275	\$2,500	\$7,500
GARAGE RENTAL	1	\$250	\$250	\$250	\$250

Annualized Operating Data					
CURRENT ACTUALS			PRO FORMA RENT		
GROSS SCHEDULED INCOME	\$101,100		\$135,000		
VACANY RATE RESERVE	\$3,033	3%	\$4,050	3%	
GROSS OPERATING INCOME	\$98,067		\$130,950		
EXPENSES	\$35,788	35%	\$35,788	27%	
NET OPERATING INCOME	\$62,279		\$95,162		
LOAN PAYMENTS	\$72,745		\$72,745		
PRE TAX CASH FLOWS	\$(10,466)	-1.16%	\$22,417	2.49%	
PRINCIPAL REDUCTION	\$25,908		\$25,908		
TOTAL RETURN BEFORE TAXES	\$15,442	1.72%	\$48,325	5.37%	

Scheduled Income		
	CURRENT	MARKET
TOTAL SCHEDULED RENT	\$8,425	\$11,250
LAUNDRY	\$0	\$0
GARAGES	\$0	\$0
MONTHLY SCHEDULED GROSS INCOME	\$8,425	\$11,250
ANNUALIZED SCHEDULED GROSS INCOME	\$101,100	\$135,000
UTILITIES PAID BY TENANT	GAS & ELECTRIC	-

* This information has been secured from sources we believe to be reliable but representations, or warranties, expressed or implied, as to the accuracy of the references to square footage, land lines/boundaries and age are approximate. Buyer takes responsibility for all information and bears all risk for any inaccuracies.

Expense Summary	
NEW TAXES (REAL)	\$27,329
MAINTENANCE (3%)	\$3,033
INSURANCE	\$1,026
UTILITIES	\$3,200
LANDSCAPING	\$1,200
TOTAL EXPENSES	\$35,788
EXPENSES AS %/SGI	35.40%
EXPENSE PER SF	\$4.76
EXPENSE PER UNIT	\$8,947

Rent Roll

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Unit #	Unit Type	Actual Rent	Market Rent	Notes
1	1+1	\$1,875	\$2,500	
1	1+1	\$1,600	\$2,500	
1	1+1	\$1,800	\$2,500	
1	2-1	\$2,900	\$3,500	
1	Garage Rental	\$250	\$250	
MONTHLY TOTALS		\$8,425	\$11,250	
ANNUALIZED TOTALS		\$101,100	\$135,000	

Property Photography

1807 9th STREET
SANTA MONICA, CA 90404

10

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Property Photography

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11

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Property Photography

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12

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Interior Photos

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13

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Floor Plan

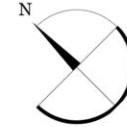
1807 9th STREET
SANTA MONICA, CA 90404

14

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1807 9th St

Santa Monica, CA 90404



Unit 1



Unit 2



Unit 3



Unit 4



Floorplan

DISCLAIMER: Measurements are approximate.
It is the responsibility of the buyer to verify the property's
measurements and square footage independently.

Comparables

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15

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Sold Comparables

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16



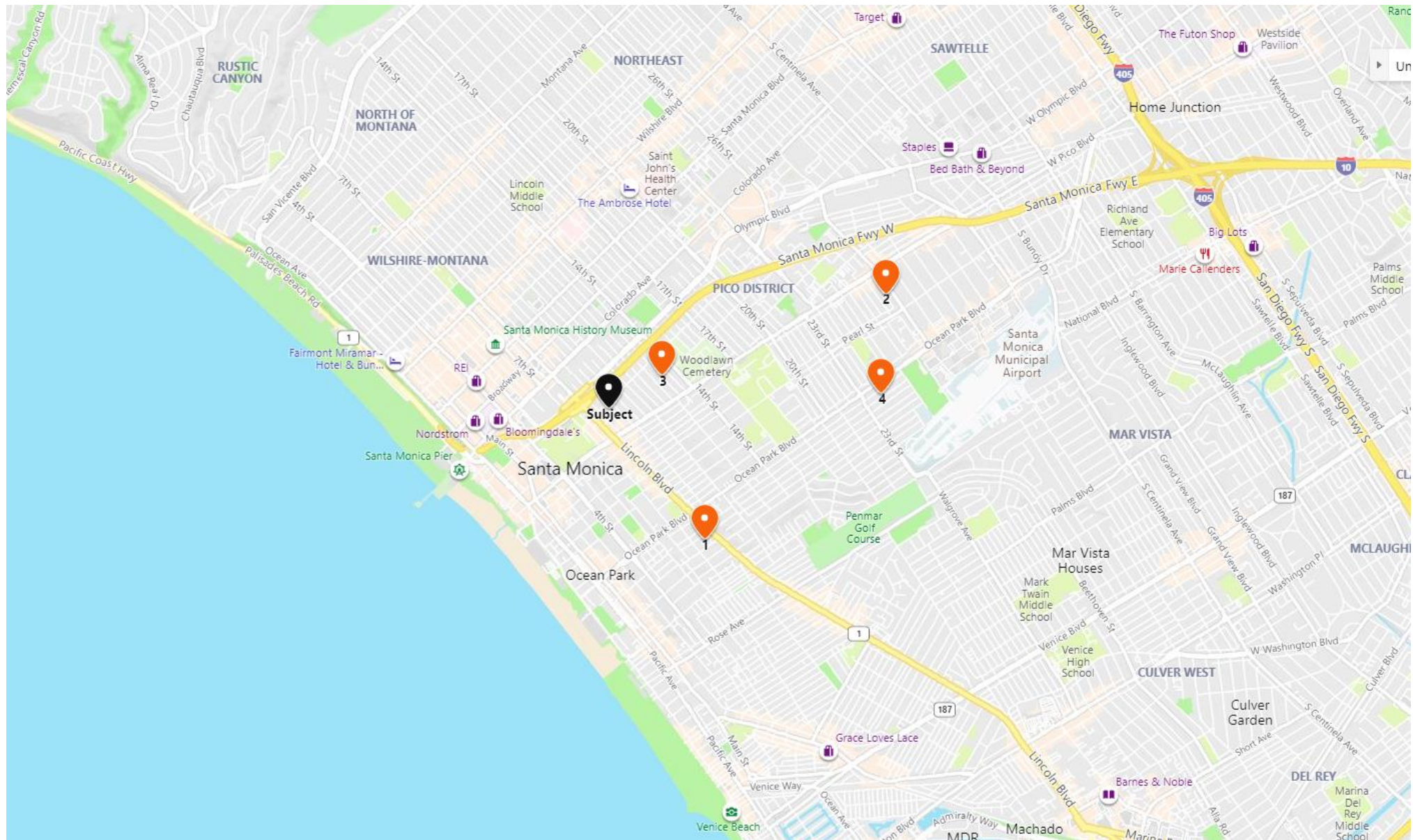
	Address	Price	Units	Year Built	Building Size	Price/Unit	Price/SF	Cap Rate	GRM	Sold Date
1	734 Hill St Santa Monica, CA 90404	\$1,585,000	4	1955	2,470 SF	\$396,250	\$641.70	3.11%	20.86	08/12/2020
2	2312 28 th St Santa Monica, CA 90404	\$1,800,000	4	1924	3,246 SF	\$450,000	\$554.52	1.30%	40.65	07/27/2020
3	1843 Euclid St Santa Monica, CA 90404	\$1,900,000	3	1946	2,054 SF	\$633,333	\$925.679	3.75%	17.77	04/30/2020
4	2401 Oak St Santa Monica, CA 90404	\$2,100,000	4 + ADU	1948	3,091 SF	\$420,000	\$679.39	6.73%	14.95	10/16/2020
Averages		\$1,933,333	3.66	1939	2,797 SF	\$474,896	\$719.86	3.72%	23.57	7/9/2020
*	1807 9 th St Santa Monica, CA 90404	\$2,250,000	4	1942	2,566 SF	\$562,500	\$876.85	2.77%	22.26	ACTIVE

Sold Comparables Map

1807 9th STREET
SANTA MONICA, CA 90404

17

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On-Market Comparables

1807 9th STREET
SANTA MONICA, CA 90404

18

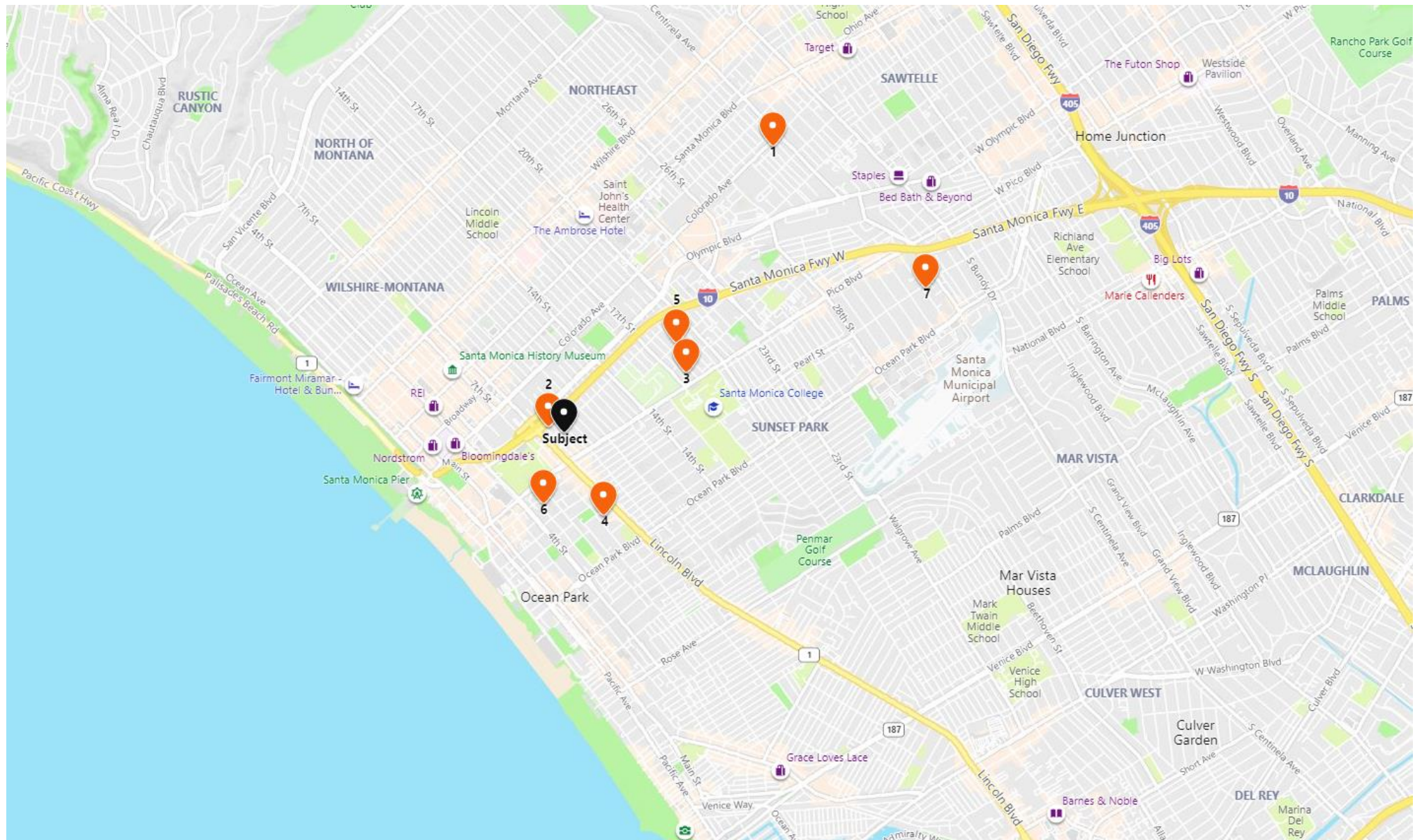


	Address	Price	Units	Year Built	Building Size	Price/Unit	Price/SF	Cap Rate	GRM	List Date
1	3028 Colorado Ave Santa Monica, CA 90404	\$1,790,000	4	1940	2,116 SF	\$447,500	\$845.94	1.88%	53.08	09/12/2020
2	1738 9 th St Santa Monica, CA 90404	\$1,899,850	3	1900	2,016 SF	\$655,283	\$942.39	5.01%	16.32	06/16/2020
3	2002 18 th St Santa Monica, CA 90404	\$2,279,888	3	1948	2,700 SF	\$759,962	\$844.40	3.46%	24.24	08/28/2020
4	718 Kensington Rd Santa Monica, CA 90404	\$2,300,000	4	1956	2,781 SF	\$575,000	\$827.04	3.33%	21.19	05/28/2019
5	1821 Delaware Ave Santa Monica, CA 90404	\$2,395,000	5	1907	1,551 SF	\$479,000	\$1,544.16	4.10%	15.06	08/07/2020
6	508 Bay St Santa Monica, CA 90404	\$2,599,900	4	1911	3,249 SF	\$649,975	\$799.93	1.77%	29.01	09/01/2020
7	3408 Pearl St Santa Monica, CA 90404	\$2,699,999	3	1952	2,450 SF	\$899,999	\$1,102.04	2.22%	38.96	10/09/2020
Averages		\$2,280,662	3.71	1930	2,409 SF	\$638,102	\$986.55	3.32%	26.36	6/18/2020
✱	1807 9 th St Santa Monica, CA 90404	\$2,250,000	4	1942	2,566 SF	\$562,500	\$876.85	2.77%	22.77	ACTIVE

On-Market Comparables Map

1807 9th STREET
SANTA MONICA, CA 90404

19



Lease Comparables

1807 9th STREET
SANTA MONICA, CA 90404

20

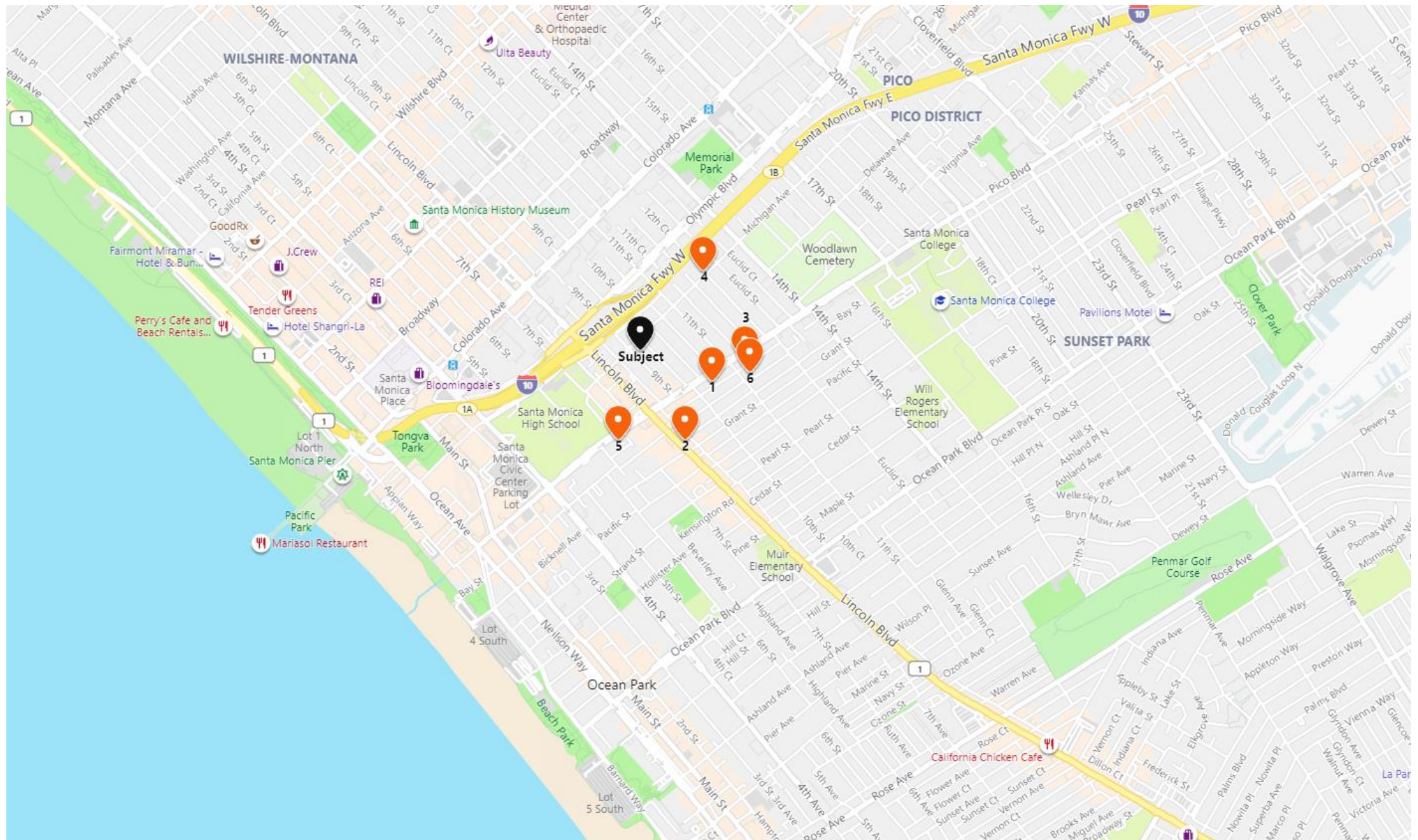


	Address	Date Listed	Unit Type	Unit Size	Rental Rate
1	1024 Pico Blvd Santa Monica, CA 90405	JUN 2020	1-Bed/1-Bath	681 SF	\$2,360
2	2017 Lincoln Blvd Santa Monica, CA 90405	APR 2020	1-Bed/1-Bath	1,150 SF	\$2,295
3	1122 Pico Blvd Santa Monica, CA 90405	DEC 2020	1-Bed/1-Bath	600 SF	\$2,500
4	1221 Michigan Ave. Unit A Santa Monica, CA 90405	JUL 2020	2-Bed/1-Bath	750 SF	\$3,250
5	624 Pico Blvd Santa Monica, CA 90405	MAY 2020	2-Bed/1-Bath	700 SF	\$3,195
6	1101 Bay St Santa Monica, CA 90405	JAN 2019	2-Bed/1-Bath	1,100 SF	\$2,995
Averages 1-Bed/1-Bath		JUL 2020	1-Bed/1-Bath	875 SF	\$2,397
Averages 2-Bed/1-Bath		DEC 2019	2-Bed/1-Bath	850 SF	\$3,146
*	1807 9 th St Santa Monica, CA 90404	ACTIVE	1-Bed/1-Bath 2-Bed/1-Bath	600 SF 724 SF	\$1,758 \$2,900

Lease Comparables Map

1807 9th STREET
SANTA MONICA, CA 90404

21



Area Overview

1807 9th STREET
SANTA MONICA, CA 90404

22

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City Overview

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23



Santa Monica

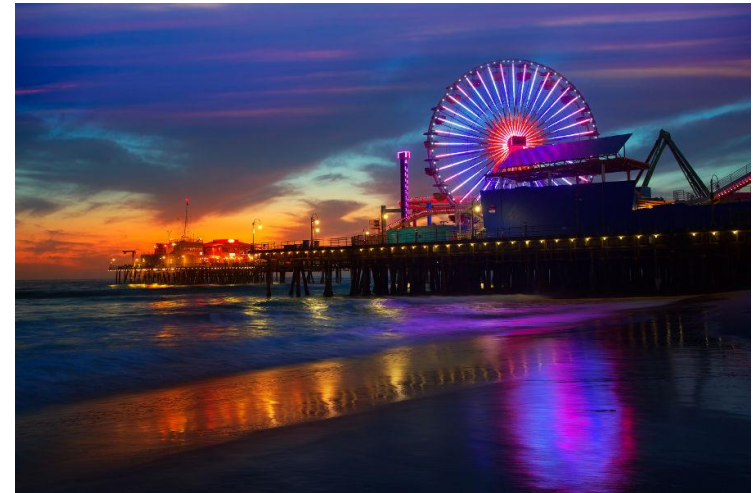
Santa Monica is a beachfront suburb on the Westside of Los Angeles County situated on the Santa Monica Bay and bordered by Pacific Palisades, Brentwood, Venice and the Pacific Ocean with a population of 92,306. The Santa Monica Pier was built in 1909 and attracts thousands of tourists a day.

Santa Monica enjoys an average of 310 days of sunshine a year. Santa Monica real estate values have gone up 2.2% over the past year and the median price of homes listed in Santa Monica is \$1,562,500.

Santa Monica students have a variety of schools (34 public schools and 12 private schools) along with Santa Monica College, which boasts the highest number of transfers to University of California colleges. Palisades Charter High School ranks #9 of 334 best charter high schools in California and Santa Monica High School ranks #54 of 1,261 best college preparatory public high schools in California. The Santa Monica-Malibu Unified School District also maintains eight elementary and three middle schools.

Santa Monica is one of the most environmentally active municipalities in the nation, being one of the first in the nation to formally adopt a comprehensive sustainability plan and has adopted an initiative to achieve complete energy independence by 2020. The Santa Monica Stairs are a long, steep staircase which is popular for all-natural outdoor workouts. Bergamot Station is a city-owned art gallery compound that includes the Santa Monica Museum of Art.

There are many activities to do in Santa Monica. The most well known being the Santa Monica State Beach, where visitors can relax on the soft white sand. With an iconic entrance, the Santa Monica Pier is popular with residents and visitors as a landmark that is over 100 years old and is a great place to walk around and soak up the sun. If your looking for more of a thrill, Pacific Park is an oceanfront amusement park located on the Santa Monica Pier and look straight out to the Pacific Ocean. If you want to see the town, The third Street Promenade is a major outdoor pedestrian-only shopping district that stretches for three blocks in the Downtown District and includes Santa Monica Place, Bloomingdale's, Nordstrom, Nike, and many other stores, restaurants, and a movie theater. Other shopping districts in Santa Monica are Montana Avenue to the north and Main Street to the south.



County Overview

1807 9th STREET
SANTA MONICA, CA 90404

24

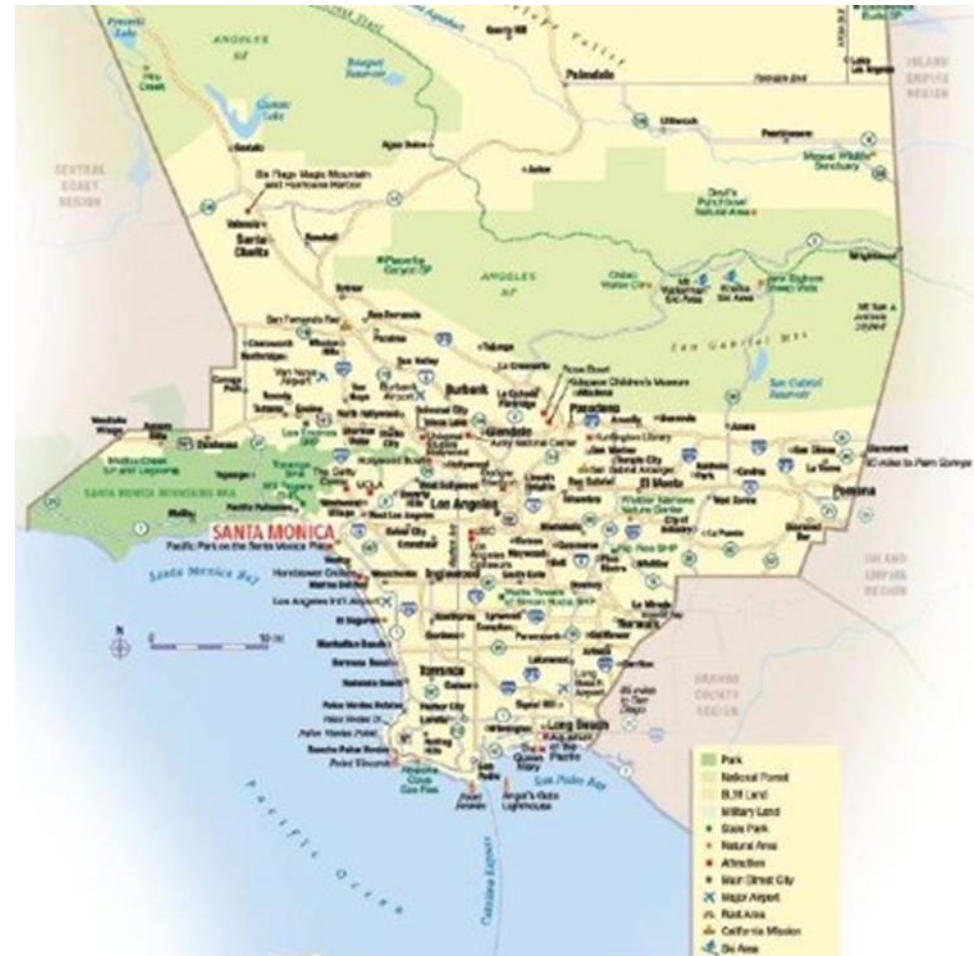


Los Angeles

Los Angeles County is the most heavily populated county with approximately 9.9 million people, including about 1 million that live in unincorporated areas of the county. The metropolis – formed by the six neighboring counties of Los Angeles, Ventura, Kern, San Bernardino, Riverside, and Orange – is home to approximately 19 million residents. Los Angeles County is home to one of the most educated labor pools in the country and offers a labor force of more than 4.7 million, of which more than 1.5 million are college graduates. Los Angeles County has the largest population of any county in the nation, exceeded only by eight states. According to the United States Conference of Mayors, Los Angeles County boasts a GDP among the twenty largest in the world. Los Angeles County's continued economic growth, in contrast to other areas of the state and nation, is due to its diversified economy and abundant, well-trained workforce.

Los Angeles County is well located on the Southern Coast of California, and covers 4,061 square miles, including the San Clemente and Santa Catalina islands. The county is comprised of approximately 88 vibrant and diverse cities hosting more than 244,000 business establishments – the greatest concentration in the state. Los Angeles County has a Gross Domestic Product (GDP) of approximately \$446 billion – placing it among the top 20 economies in the world. The combined GDP of Los Angeles and its five surrounding neighboring counties places it in the top 10. California is generally considered to be in the top five.

If Los Angeles County were its own nation, its economy would be the 18th largest in the world. It is home to more than 244,000 businesses, with more minority and women owned businesses than any other state in the nation and is the nation's top international trade center and manufacturing center. Los Angeles is recognized worldwide as a leader in entertainment, health sciences, business services, aerospace and international trade. Because the Los Angeles area is so large and diverse, it has something to offer everyone. While Hollywood and the Los Angeles beach culture are part of our collective image of Los Angeles, the city also has more museums than any other city and some of the best hotels in the world.



Local Map

1807 9th STREET
SANTA MONICA, CA 90404

25

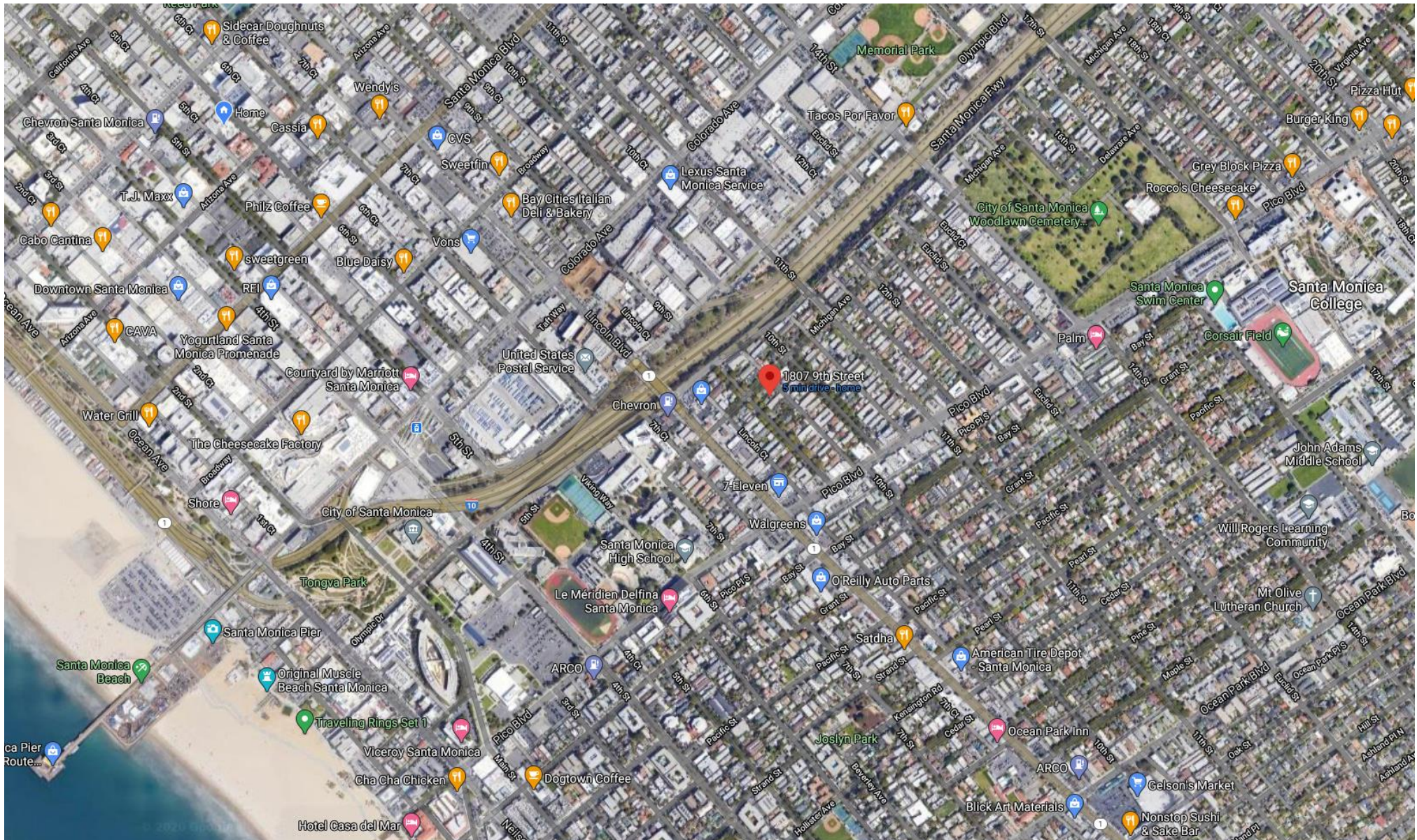
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Local Map

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SANTA MONICA, CA 90404

26



Disclaimer & Confidentiality Agreement



The information contained in this Offering Memorandum ("Memorandum") is proprietary and strictly confidential; it is intended to be reviewed only by the party receiving it from Broker and should not be made available to anyone else without the written consent of Broker. By retention or use of this Memorandum, you agree that its contents are confidential, that you will hold it in the strictest confidence, and that you will not disclose any of its contents contrary to these terms.

This Memorandum has been prepared to provide summary, unverified information to establish a preliminary level of interest in the subject property ("Property"). The information in this Memorandum has been obtained from sources Broker believes to be reliable; however, Broker has not conducted sufficient investigation to make any warranty or representation whatsoever including but not limited to the accuracy or completeness of the information, veracity or accuracy of the information, condition of the Property or its compliance or lack of compliance with applicable governmental requirements, developability, suitability or financial performance of the Property, income or expenses for the Property, the size and square footage of the Property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State or Federal regulations, the physical condition of the improvements thereon, or the financial condition or business Property and does not purport to be an all – inclusive representation regarding the Property or to contain all or part of the information which prospective investors may require to evaluate the purchase of the Property. Additional information and an opportunity to investigate the Property will be made available to interested and qualified prospective purchasers. All information is based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of Broker, therefore, all information is subject to material variation. The information contained herein is not a substitute for a thorough due diligence investigation. Interested parties are expected to review all information of whatever nature independently and not rely on the contents of this Memorandum in any manner.

The Property owner ("Owner") expressly reserves the right, at its sole discretion, to reject any or all offers to purchase the Property, and/or to terminate discussions at any time with or without notice. The Owner shall have no legal commitment or obligation unless and until written agreement(s) have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

Exclusively Marketed By



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