

OFFERING MEMORANDUM

1754 15th St

Santa Monica, CA 90404 • 6 Unit Apartment Building

LYON STAHL
INVESTMENT REAL ESTATE

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THE *JAMES* GROUP

— LOS ANGELES MULTIFAMILY —

LYON STAHL

INVESTMENT REAL ESTATE

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Section 01

Executive *Summary*

EXECUTIVE SUMMARY

> *1754 15th St is a 6-unit, all two-bedroom apartment building in the heart of Santa Monica, offering approximately 47% rental upside, ADU potential, and its first time to market in decades.*

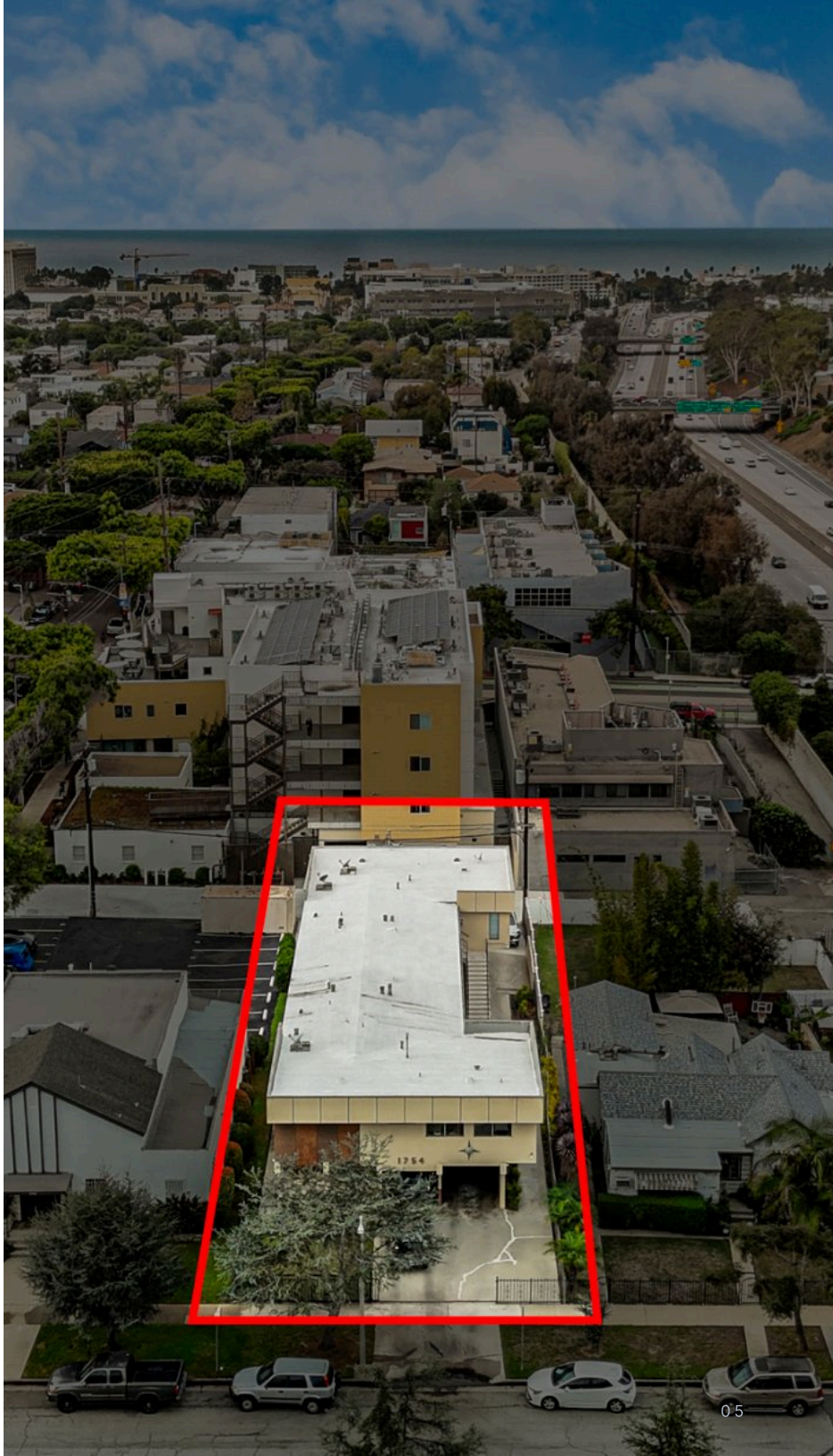
The subject property is a 6-unit apartment building located at 1754 15th Street in the Mid-City area of Santa Monica. Built in 1962 on a large 7,493 square foot lot zoned SMR2, the building consists of six 2-bedroom, 1-bathroom units totaling approximately 5,408 square feet, including two larger units of roughly 1,025 square feet. Two units have been remodeled, and the property is 100% occupied with covered parking. The generous lot also creates meaningful ADU potential: the tuck-under parking and multiple large storage rooms connected to the garage could be converted into accessory dwelling units, giving a new owner a path to additional rental income.

Ownership has invested approximately $137,000 in capital improvements since 2016, taking care of many of the major items a buyer would otherwise face. Recent work includes a seismic retrofit compliant with Santa Monica's soft-story ordinance, a new main electrical panel with new sub-panels in each unit, SB 721 balcony inspection with the staircase rebuilt and recoated, full copper repipe, a recoated roof with a new roof treatment, new rain gutters, a new rear concrete driveway, and an upgraded security camera system.

Current rents average about $2,041 per unit, while comparable 2-bedroom units in Santa Monica average significantly more. Pro forma rents of $3,000 represent approximately 47% upside and a 7.05% cap rate as units turn over.

The property sits just south of Olympic Boulevard, within walking distance of the Expo Line's 17th Street/SMC station and Santa Monica College. UCLA Santa Monica Medical Center and Providence Saint John's Health Center are each about a mile away, with downtown Santa Monica and the 10 Freeway close by. In one of the most supply-constrained rental markets in Los Angeles County, 1754 15th Street offers an investor a well-located, all 2-bedroom building with a long runway of rental growth.

- **Prime Santa Monica Location**
- **Significant Rental Upside**
- **Desirable Large Unit Mix**
- **SMR2 Zoning · 7,493 SF Lot**
- **ADU Potential**



INVESTMENT SUMMARY

PRICING SUMMARY

PRICE	$2,199,000
PRICE / UNIT	$366,500
PRICE / SF	$406.62
CAP RATE	4.00%
MARKET CAP RATE	7.05%
GRM	14.97
MARKET GRM	10.01

PROPERTY SUMMARY

ADDRESS	1754 15th St
APN	4283-013-010
YEAR BUILT	1962
NO. OF UNITS	6
SQUARE FEET	5,408
AVERAGE UNIT SF	875
LOT SIZE	7,493
PARKING	15 Parking Spaces
ZONING	SMR2
UTILITIES	Individually Metered
CONSTRUCTION	Wood-Frame Stucco



INVESTMENT HIGHLIGHTS

Prime Santa Monica Location

Located in the heart of Santa Monica, close to major employment, dining, retail, and transit, in one of the submarket's most renter-dense pockets.

Significant Rental Upside

Proforma rents lift gross scheduled income approximately 47% over in-place rents ($12,244/mo to $18,450/mo), driving the rent roll toward the proforma cap of 7.05%.

Desirable Large Unit Mix

(6) 2 Bed, 1 Bath averaging 875 SF per unit, formats that attract long-term tenants and command premium rents.

SMR2 Zoning · 7,493 SF Lot

Zoned SMR2 on a generous 7,493 SF lot, offering long-term flexibility.

ADU Potential

The tuck-under parking and multiple large storage rooms connected to the garage offer a clear path to adding ADUs under California's streamlined ADU laws, allowing a new owner to create additional rental income and long-term value.

On Site Parking

Ample parking on-site available for 15 vehicles. Most are tandem spaces with parking gated in the front and tuck under accessible from the alley.

Close to Major Employers and Transit

Near Santa Monica College, the UCLA Santa Monica Medical Center, Pico Blvd retail, and the Expo Line at 17th St/SMC station, with quick access to the I-10





Section 02

Property *Description*



1754 15th Street is a 1962-vintage, 6-unit apartment building on a 7,493-square-foot lot in Santa Monica's Mid-City neighborhood, zoned SMR2. The unit mix is all 2-bedroom, 1-bathroom apartments, with two larger floor plans of roughly 1,025 square feet, for a total of approximately 5,408 rentable square feet.

Residents enjoy covered tuck-under parking with space for 15 vehicles, a landscaped courtyard garden, and a security camera system. The building's core systems have been updated, with copper plumbing, a trenchless sewer line, new main and unit electrical panels, a recoated roof, and a completed seismic retrofit. Large storage rooms connected to the garage, equipped with laundry hookups, along with the tuck-under parking, give a future owner room to explore ADU conversions.

The property is set on a residential block just south of Olympic Boulevard, a short walk to the Expo Line's 17th Street/SMC station and Santa Monica College, with the 10 Freeway, UCLA Santa Monica Medical Center, and Providence Saint John's all close by.

PROPERTY DETAILS

ADDRESS	1754 15th St
CITY / STATE	Santa Monica, CA 90404
NO. OF UNITS	6
BUILDING SF	5,408
LOT SIZE	7,493
YEAR BUILT	1962
ZONING	SMR2
APN	4283-013-010
CONSTRUCTION	Wood-Frame Stucco
UTILITIES	Individually Metered
OCCUPANCY	100%
PARKING	15 Parking Spaces
UNIT MIX	(6) 2 Bed, 1 Bath

EXTENSIVE UPGRADES
& RENOVATIONS

1754 15th Street
6 Units in Santa Monica

UNIT INTERIOR RENOVATIONS

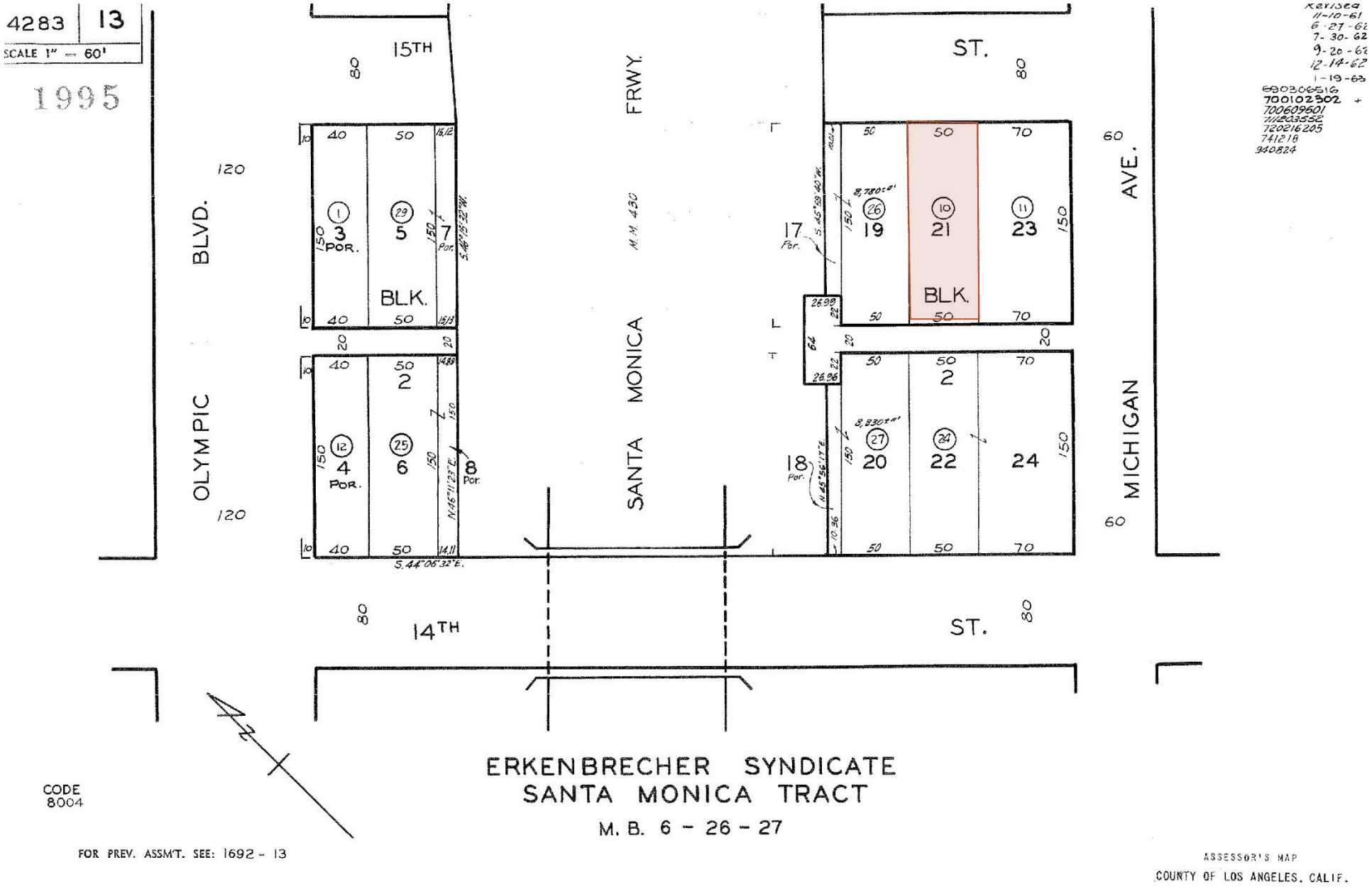
- Three of six units renovated with updated kitchens and baths
- Granite countertops, upgraded cabinetry and updated appliances
- Wood flooring and ceramic tile finishes
- Crown molding and recessed lighting

EXTERIOR & SITE

- New concrete driveway at rear (2024)
- Courtyard garden redesign (2022)
- Exterior building painting (2016)

BUILDING SYSTEMS & CAPITAL WORK

- Seismic retrofit completed, compliant with SMMC 8.72 (2026)
- New main electrical panel and new sub-panels in every unit (2025)
- SB 721 balcony inspection; staircase rebuilt and recoated (2025)
- New building video security system (2026)
- Roof recoated with protective treatment (2026)
- New rain gutter system (2024)
- Building-wide copper plumbing re-pipe


4283 | 13
SCALE 1" = 60'
1995
15TH
ST.
80
OLYMPIC BLVD.
SANTA MONICA FRWY.
M.M. 430
MICHIGAN AVE.
120
60
BLK.
14TH
ST.
ERKENBRECHER SYNDICATE
SANTA MONICA TRACT
M. B. 6 - 26 - 27
CODE
8004
FOR PREV. ASSM'T. SEE: 1692 - 13
ASSESSOR'S MAP
COUNTY OF LOS ANGELES, CALIF.
Revised
11-10-61
6-27-62
7-30-62
9-20-67
12-14-62
1-19-63
680306516
700102302
700609601
710528552
720216205
741218
940824

PHOTOS









PHOTOS









PHOTOS










1754
15th St


1754
15th St



Section 03

Financial *Summary*

RENT ROLL

UNIT	UNIT TYPE	UNIT SF	CURRENT RENT	RENT / SF	PROFORMA RENT	PF RENT / SF	COMMENT
1	2 Bed, 1 Bath	800	$2,490	$3.11	$3,000	$3.75	Since 04/2026
2	2 Bed, 1 Bath	800	$2,981	$3.73	$3,000	$3.75	Since 10/2016
3	2 Bed, 1 Bath	1,025	$1,095	$1.07	$3,150	$3.07	Since 07/1998
4	2 Bed, 1 Bath	800	$1,741	$2.18	$3,000	$3.75	Since 03/2009
5	2 Bed, 1 Bath	800	$1,176	$1.47	$3,000	$3.75	Since 12/1997
6	2 Bed, 1 Bath	1,025	$2,761	$2.69	$3,150	$3.07	Since 12/2024
Totals		5,250	$12,244		$18,300		



UNIT MIX

2 Bed, 1 Bath 100%

NOTE

INCOME & EXPENSE

Income	Current	Per Unit	Pro-Forma	Per Unit
Scheduled Rent Income	$146,928	$24,488	$219,600	$36,600
GROSS POTENTIAL INCOME	**$146,928**	**$24,488**	**$219,600**	**$36,600**
Vacancy/Collection Allowance (GPR)	3.0% / $4,408	$735	3.0% / $6,588	$1,098
EFFECTIVE GROSS INCOME	**$142,520**	**$23,753**	**$213,012**	**$35,502**
Expenses				
Taxes (1.20%)	$26,291	$4,382	$26,291	$4,382
Insurance ($1.25/SF)	$6,760	$1,127	$6,760	$1,127
Utilities + Trash	$6,420	$1,070	$6,420	$1,070
Repairs & Maintenance ($500/unit)	$3,000	$500	$3,000	$500
Management Fee (5.0% of EGI)	$7,126	$1,188	$10,651	$1,775
Gardener ($100/month)	$1,200	$200	$1,200	$200
Reserves ($200/unit)	$1,200	$200	$1,200	$200
Pest Control ($50/month)	$600	$100	$600	$100
Direct Assessments	$1,965	$327	$1,965	$327
TOTAL EXPENSES	**$54,562**		**$58,086**	
Expenses Per SF	$10.09		$10.74	
Expenses Per Unit	$9,094		$9,681	
% Of EGI	38.3%		27.3%	
NET OPERATING INCOME	**$87,959**		**$154,926**	

UNDERWRITING NOTES

Income Proforma market rents are based on a comparable rental analysis of the submarket.

Taxes Estimated at 1.20% of purchase price.

Utilities + Trash Based on actuals provided by ownership.

Management Fee 5.0% of effective gross income.

Vacancy Underwritten at 3.0% of gross potential income.

Insurance Estimated at $1.25/SF of building area.

Repairs & Maintenance Estimated at $500 per unit annually.

Gardener Estimated at $100 per month.

Income

	SCHEDULED	POTENTIAL	PER UNIT	PER SF
Base Rental Income	$146,928	$219,600	$24,488	$27.17
Other Income	$0	$0	$0	$0.00
Gross Potential Income	$146,928	$219,600	$24,488	$27.17
Less Vacancy	3.0% (4,408)	3.0% (6,588)	(735)	—
EFFECTIVE GROSS INCOME	**$142,520**	**$213,012**	**$23,753**	**$26.35**

Expenses

	SCHEDULED	POTENTIAL	PER UNIT	PER SF
Taxes (1.20%)	$26,291	$26,291	$4,382	$4.86
Insurance ($1.25/SF)	$6,760	$6,760	$1,127	$1.25
Utilities + Trash	$6,420	$6,420	$1,070	$1.19
Repairs & Maintenance ($500/unit)	$3,000	$3,000	$500	$0.55
Management Fee (5.0% of EGI)	$7,126	$10,651	$1,188	$1.32
Gardener ($100/month)	$1,200	$1,200	$200	$0.22
Reserves ($200/unit)	$1,200	$1,200	$200	$0.22
Pest Control ($50/month)	$600	$600	$100	$0.11
Direct Assessments	$1,965	$1,965	$327	$0.36
TOTAL EXPENSES	**$54,562**	**$58,086**	**$9,094**	**$10.09**
EXPENSES AS % OF EGI	38.3%	27.3%		
NET OPERATING INCOME	**$87,959**	**$154,926**	**$14,660**	**$16.26**

Summary

Price	$2,199,000
Down Payment 56%	$1,220,445
Number of Units	6
Price Per Unit	$366,500
Price Per SqFt	$406.62
Gross SqFt	5,408
Lot Size	7,493 SF
Year Built	1962
CAP Rate	4.00%
Market CAP Rate	7.05%
GRM	14.97
Market GRM	10.01

New Potential Financing

Loan Amount	$978,555
Loan Type	New
Interest Rate	6.42%
Amortization	30 Years
Debt Coverage Ratio	1.20
Year Due	2036

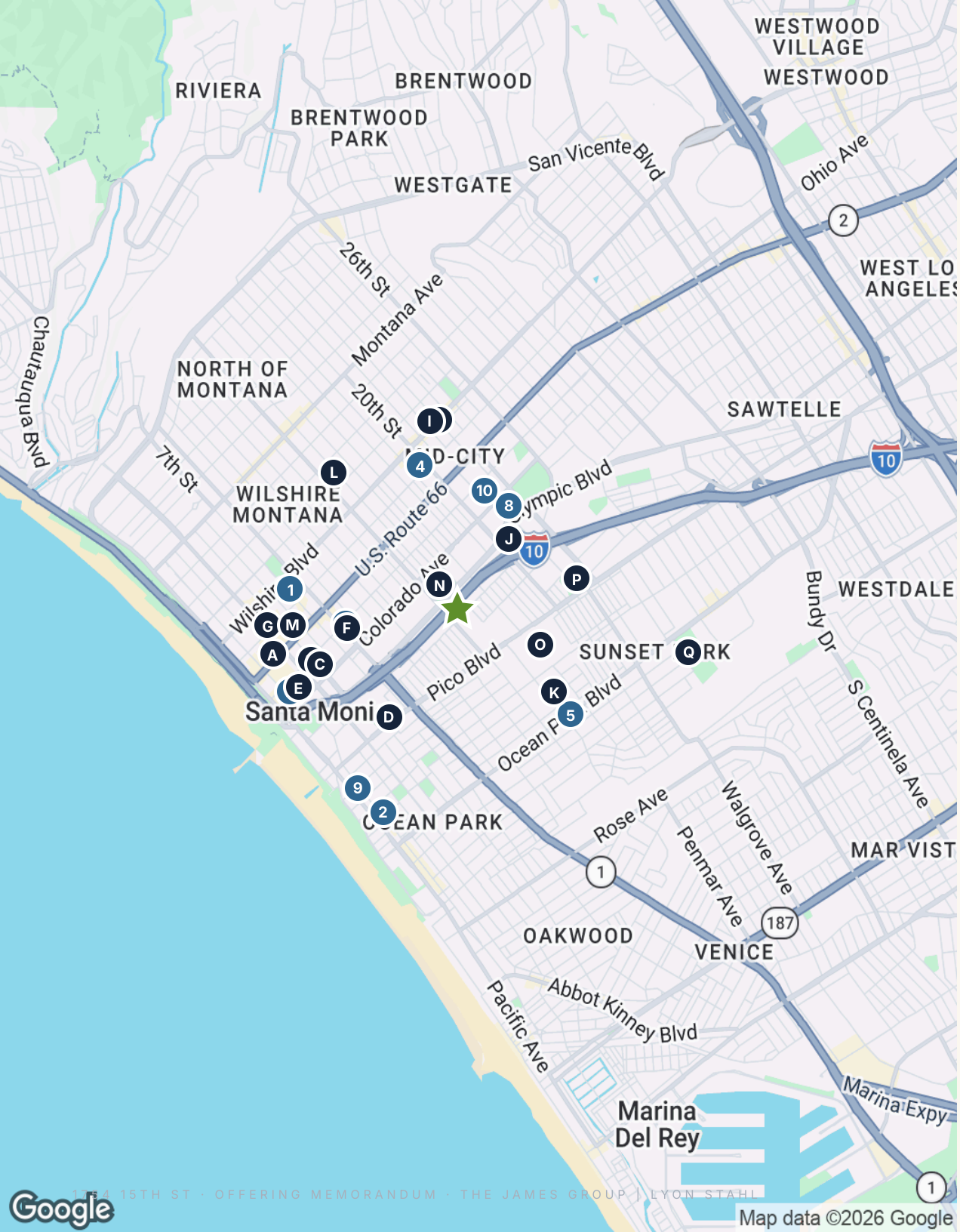
Loan information may change. Contact your broker for current quotes.

			SCHEDULED RENTS			POTENTIAL RENTS		
UNIT TYPE	# OF UNITS	AVG SF	AVG RENT/UNIT	AVG RENT/SF	MONTHLY INCOME	AVG RENT/UNIT	AVG RENT/SF	MONTHLY INCOME
2 Bed, 1 Bath	6	875	$2,041	$2.33	$12,244	$3,050	$3.49	$18,300
TOTALS / WEIGHTED AVERAGES	**6**	**875**	**$2,041**	**$2.33**	**$12,244**	**$3,050**	**$3.49**	**$18,300**
GROSS ANNUALIZED RENTS					**$146,928**			**$219,600**



Section 04

Market *Overview*



AREA AMENITIES

Surrounding Amenities

★ SUBJECT PROPERTY

DINING & COFFEE

1	Santa Monica Proper Hotel	0.9 mi
2	Urth Caffe Santa Monica	1.1 mi
3	Din Tai Fung	1.0 mi
4	Tartine Santa Monica	0.8 mi
5	Layla Bagels	0.8 mi
6	Bay Cities Italian Deli & Bakery	0.6 mi
7	Whole Foods Market	1.0 mi
8	Ralphs Fresh Fare	0.6 mi
9	Cobi's	1.1 mi
10	goodboybob Coffee Roasters	0.6 mi
11	LouLou Santa Monica	1.0 mi
12	Bodega Wine Bar	0.6 mi

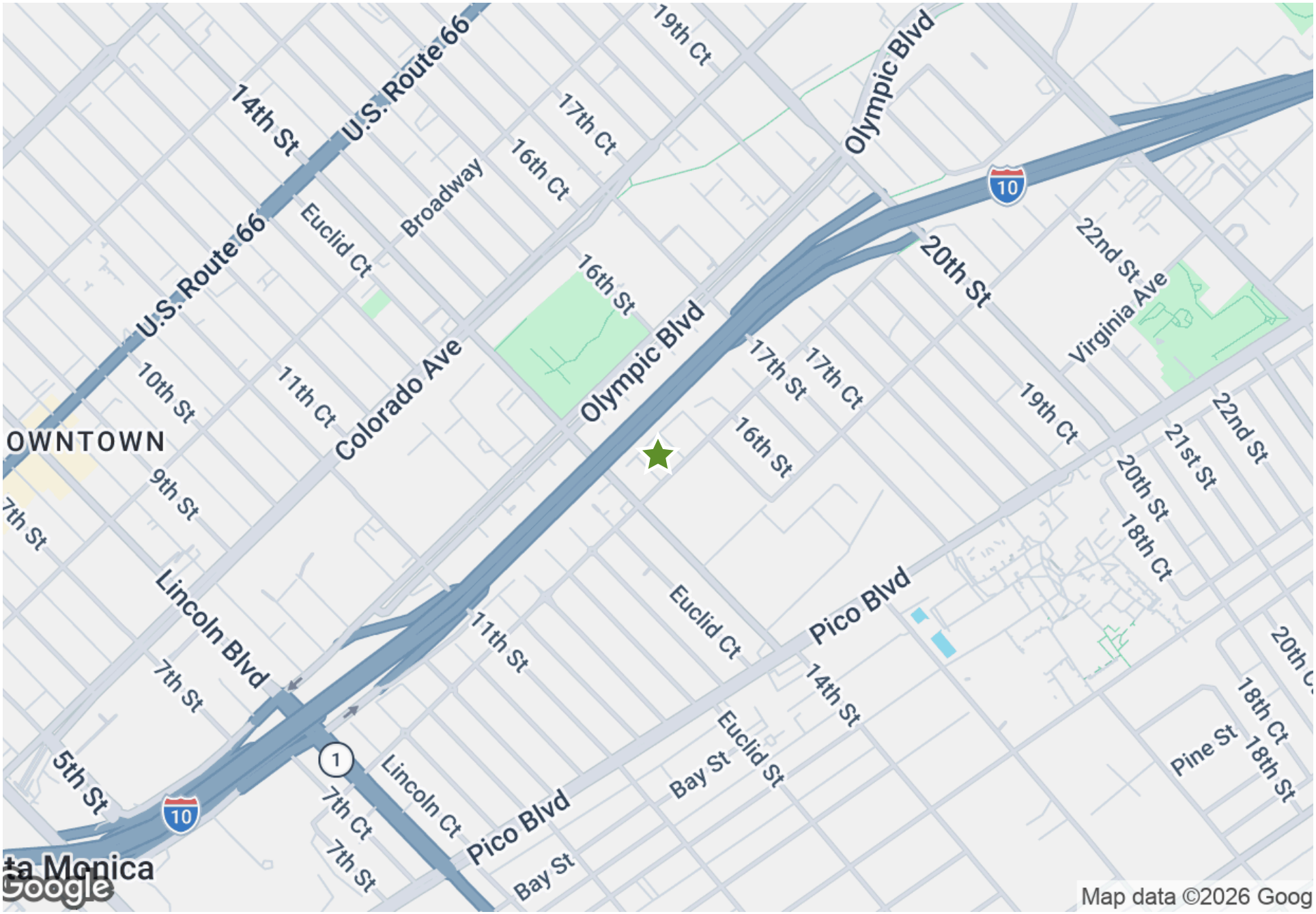
SHOPPING & SERVICES

A	Downtown Santa Monica	1.0 mi
B	Target	0.8 mi
C	Trader Joe's	0.8 mi
D	Santa Monica High School	0.7 mi
E	Santa Monica Place	0.9 mi
F	Bay Cities Italian Deli & Bakery	0.6 mi
G	T.J. Maxx	1.0 mi
H	Trader Joe's	1.0 mi
I	Whole Foods Market	1.0 mi
J	Crossroads School for Arts & Sciences (Middle and Upper Schools)	0.5 mi
K	John Adams Middle School	0.7 mi
L	Lincoln Middle School	1.0 mi
M	Santa Monica Family YMCA	0.9 mi
N	Memorial Park	0.2 mi
O	Santa Monica College	0.5 mi
P	Virginia Avenue Park	0.7 mi
Q	Clover Park	1.3 mi

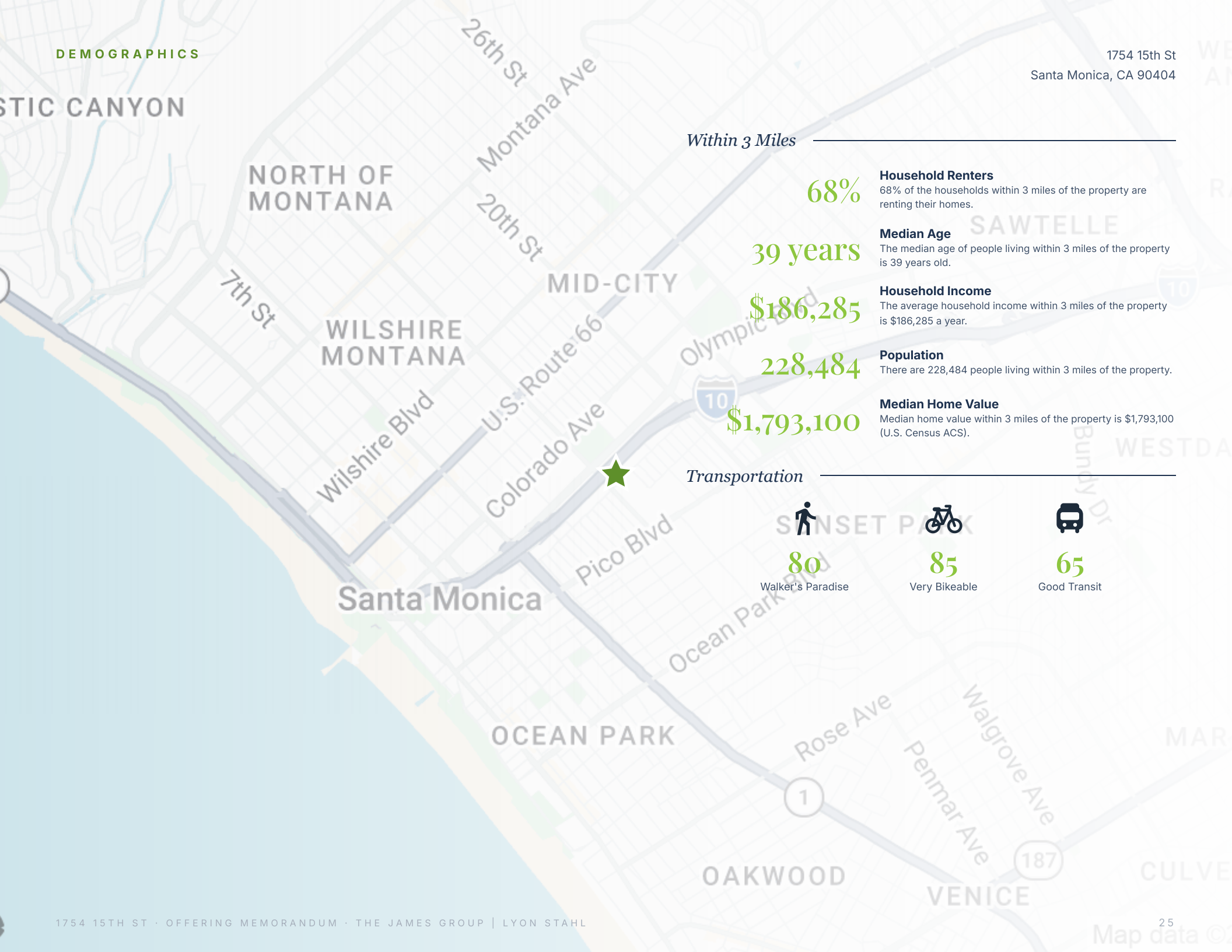
NEARBY AMENITIES



1754 15th St
Santa Monica, CA 90404



1754 15th St
Santa Monica, CA 90404



Within 3 Miles

68%

Household Renters
68% of the households within 3 miles of the property are renting their homes.

39 years

Median Age
The median age of people living within 3 miles of the property is 39 years old.

$186,285

Household Income
The average household income within 3 miles of the property is $186,285 a year.

228,484

Population
There are 228,484 people living within 3 miles of the property.

$1,793,100

Median Home Value
Median home value within 3 miles of the property is $1,793,100 (U.S. Census ACS).

Transportation

80	85	65
Walker's Paradise	Very Bikeable	Good Transit

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