



# 19

WAVECREST AVE

VENICE | CALIFORNIA 90291

OFFERING MEMORANDUM

## Northmarq

**LYONSTAHLL**  
INVESTMENT REAL ESTATE

19

WAVECREST AVE

VENICE | CALIFORNIA 90291

## CONTACTS

### PARKER BOEHLE

*Associate, Investment Sales*  
C 310.988.8361 E pboehle@northmarq.com  
CA DRE #02054215

### CAMERON SAMIMI

*Senior Vice President*  
C 310.259.7556 E cameron@lyonstahl.com  
CA DRE #02035763

### BRENT SPRENKLE

*Managing Director, Investment Sales*  
C 310.621.8221 E bsprengle@northmarq.com  
CA DRE #01290116

### ZALMI KLYNE

*Managing Director, Debt & Equity*  
T 410.422.0903 E zklyne@northmarq.com  
CA DRE #01957868

### ALEX KANE

*Senior Vice President, Debt & Equity*  
T 424.422.0912 E akane@northmarq.com  
CA DRE #01858487

## TABLE OF

# Contents

04

THE ASSET

16

FINANCIAL ANALYSIS

22

SALES COMPARABLES

26

ACTIVE COMPARABLES

30

MARKET OVERVIEW

36

SURROUNDING DEMOGRAPHICS

This document/email has been prepared by Northmarq for advertising and general information only. Northmarq makes no guarantees, representations or warranties of any kind, expressed or implied, regarding the information including, but not limited to, warranties of content, accuracy and reliability. Any interested party should undertake their own inquiries as to the accuracy of the information. Northmarq excludes unequivocally all inferred or implied terms, conditions and warranties arising out of this document and excludes all liability for loss and damages arising there from. This publication is the copyrighted property of Northmarq and/or its licensor(s).

© 2024. All rights reserved.

EL SEGUNDO 841 APOLLO STREET, SUITE 465 | EL SEGUNDO, CALIFORNIA 90245







# THE ASSET

# 19

WAVECREST AVE



# PROPERTY DESCRIPTION

19 Wavecrest Ave Apartments is a 10-unit apartment community constructed in 1912.

19 Wavecrest Ave Apartments is a 10-unit apartment community located 130+ feet from the Venice Boardwalk and beach. Residents enjoy the benefits of living in the heart of Venice as the property is in close proximity to Abbot Kinney, Santa Monica Pier, and much more.

19 Wavecrest Ave offers (7) one-bedroom apartments each measuring approximately 650 square feet, (2) two bedroom/one bath apartments each measuring approximately 815 square feet, and (1) two bedroom-two bath Penthouse unit measuring approximately 1,100 square feet. The penthouse unit features a jacuzzi, rooftop deck, and has views of the Pacific Ocean and entire city of Los Angeles.

Potential to have (5) units delivered vacant at the close of escrow, with the penthouse unit having potential to be leased back at market rate. Units feature ocean views, Spanish tiling, and private patios. There is laundry on site.



**10**  
Units Total



**\$3,834**  
Current Rent/SF



**5.58%**  
Current Cap Rate



**11.91**  
Current GRM



**1912**  
Year Built



**728**  
Avg. Unit SF

## PROPERTY SUMMARY

UNITS	10
YEAR BUILT	1912
LOCATION	Venice, California
PARCEL NUMBER	4226-003-010
TYPE OF BUILDING	Low-Rise Apartments
LAUNDRY	On-Site



Priced to Sell at 5.58% Cap Rate & 11.91 GRM.

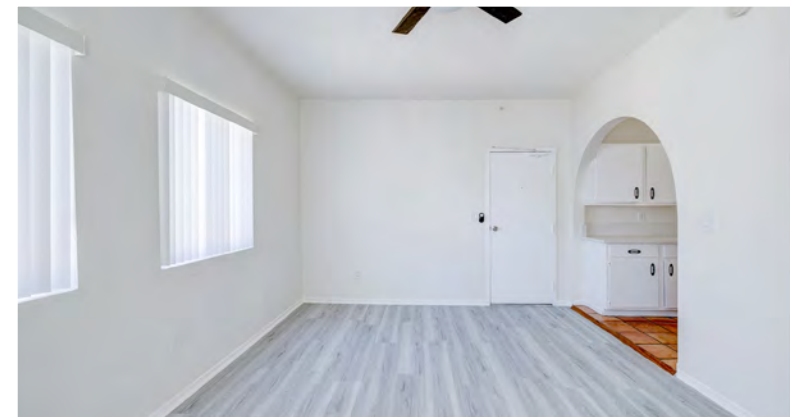




08  
19  
WAVECREST AVE



09



19  
WAVECREST AVE



PROPOSAL | Northmarq



Northmarq | PROPOSAL





LOCATION DESCRIPTION

# VENICE & SURROUNDING SUBMARKETS

19 Wavecrest Ave Apartments is located between 2 main thoroughfares allowing residents easy access to Beverly Hills and Downtown which has continued along a path of exponential growth over the last 5-Years. Throughout the COVID-19 Pandemic, these two markets experienced a pause in rental rate expansion, but has made a significant push back to Pre-COVID levels and that is attributed to retailers and employers strong belief that these markets will continue to be attractive pockets for the renter demographic. Lincoln Boulevard is the main artery that runs through adjoining Santa Monica, Venice and Marina Del Rey. The property is in close proximity to Abbot Kinney. Lined with a nearly endless number of trendy shops, nightlife, and restaurants, Abbot Kinney attracts both local residents and people from across Los Angeles.

*The City of Venice thrives in its diversity, vibrancy, and coastal vibes.*

## 19 WAVECREST AVE APARTMENTS NEIGHBORHOOD QUICK FACTS


 **160K**  
POPULATION WITHIN 3 MILES

 **69%**  
RENTER-OCCUPIED HOUSING UNITS WITHIN 3 MILES


 **\$1.07M**  
MEDIAN HOUSING UNIT VALUE WITHIN 3 MILES

## CENTRALLY LOCATED WITH EASY ACCESS TO MAIN THOROUGHFARES

As one of the more diverse areas in Southern California, Venice is a wonderful place to immerse yourself in. 19 Wavecrest Ave is located West of the 405 Freeway and South of the 10 Freeway that provides access to nearly every submarket from Downtown Los Angeles to the San Fernando Valley. Additionally, with a short commute to Venice Boardwalk, residents will have the ability to enjoy all that Venice has to offer.

 **82K**  
HOUSEHOLDS WITHIN 3 MILES

 **\$110K**  
MEDIAN HOUSEHOLD INCOME WITHIN 3 MILES

 **5.8%\***  
CITY UNEMPLOYMENT RATE  
\*PRELIMINARY FOR SEPTEMBER 2023

## NEIGHBORHOOD SHOPPING | THIRD STREET PROMENADE

<b>2.5 MILES</b> FROM THE PROPERTY	<b>OPEN</b> AIR SHOPS & DINING	<b>80+</b> TOTAL STORES
APPLE   NORDSTROM   EQUINOX		

## NEIGHBORHOOD CONVENIENCES



WITHIN A FIVE TO TEN-MINUTE DRIVE FROM THE PROPERTY



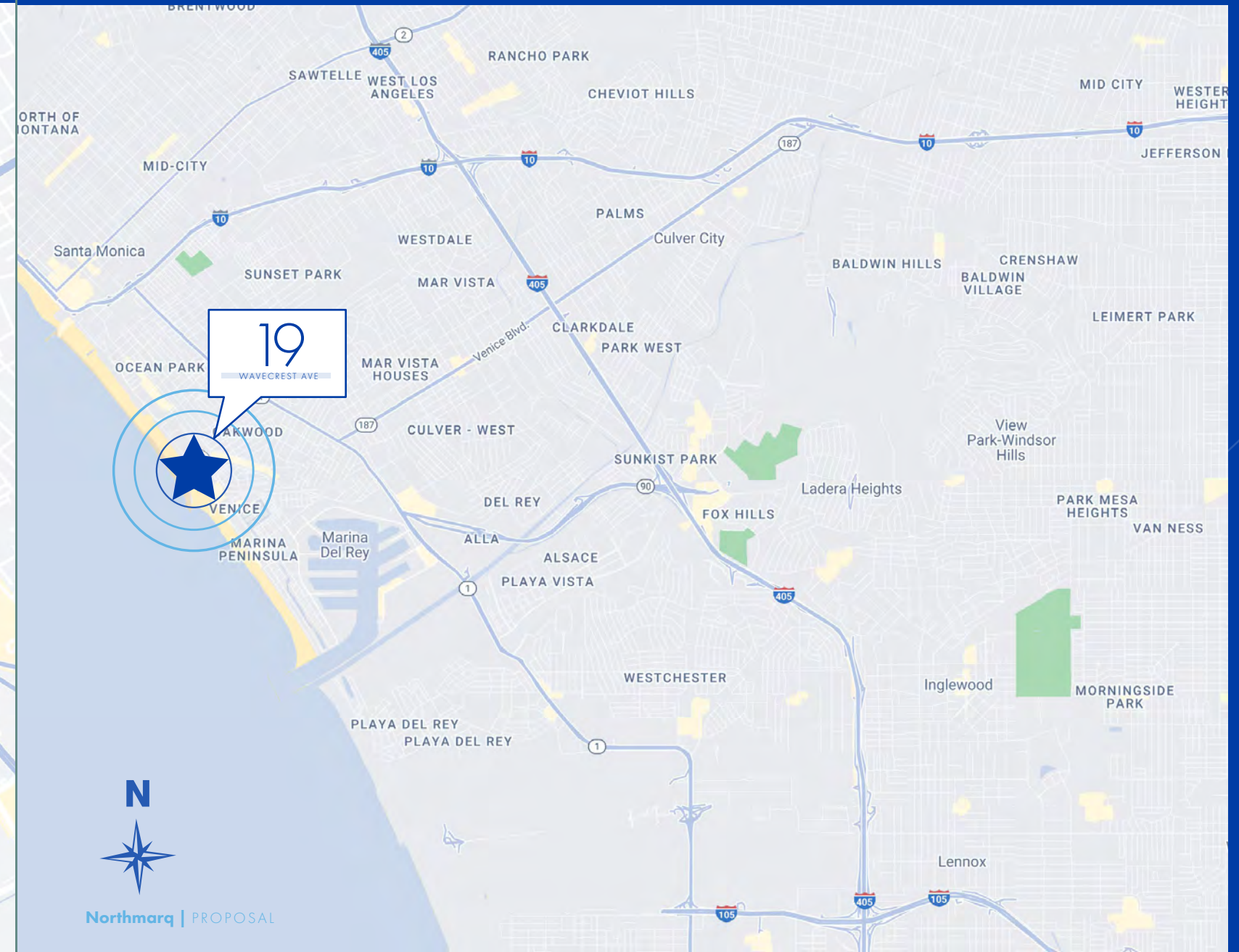
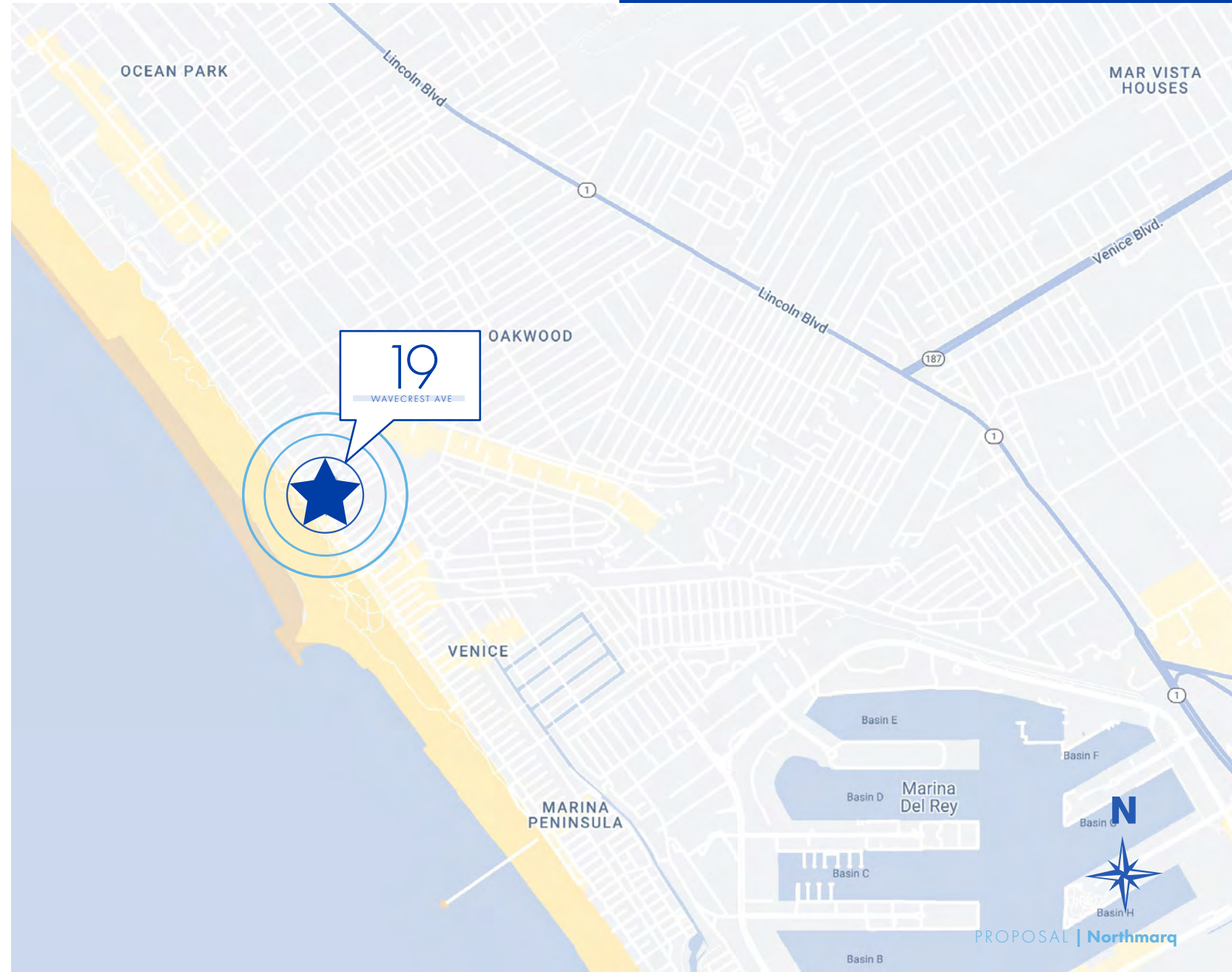
## PRIMARY EDUCATION

<b>574.6K</b> STUDENTS SERVED	<b>1.4K</b> SCHOOLS & CENTERS	<b>75.7K</b> JOBS SUPPORTED
WESTMINSTER AVENUE (K-5)   MARK TWAIN (6-8)   VENICE SENIOR HIGH (9-12)		

## DEMAND DRIVERS

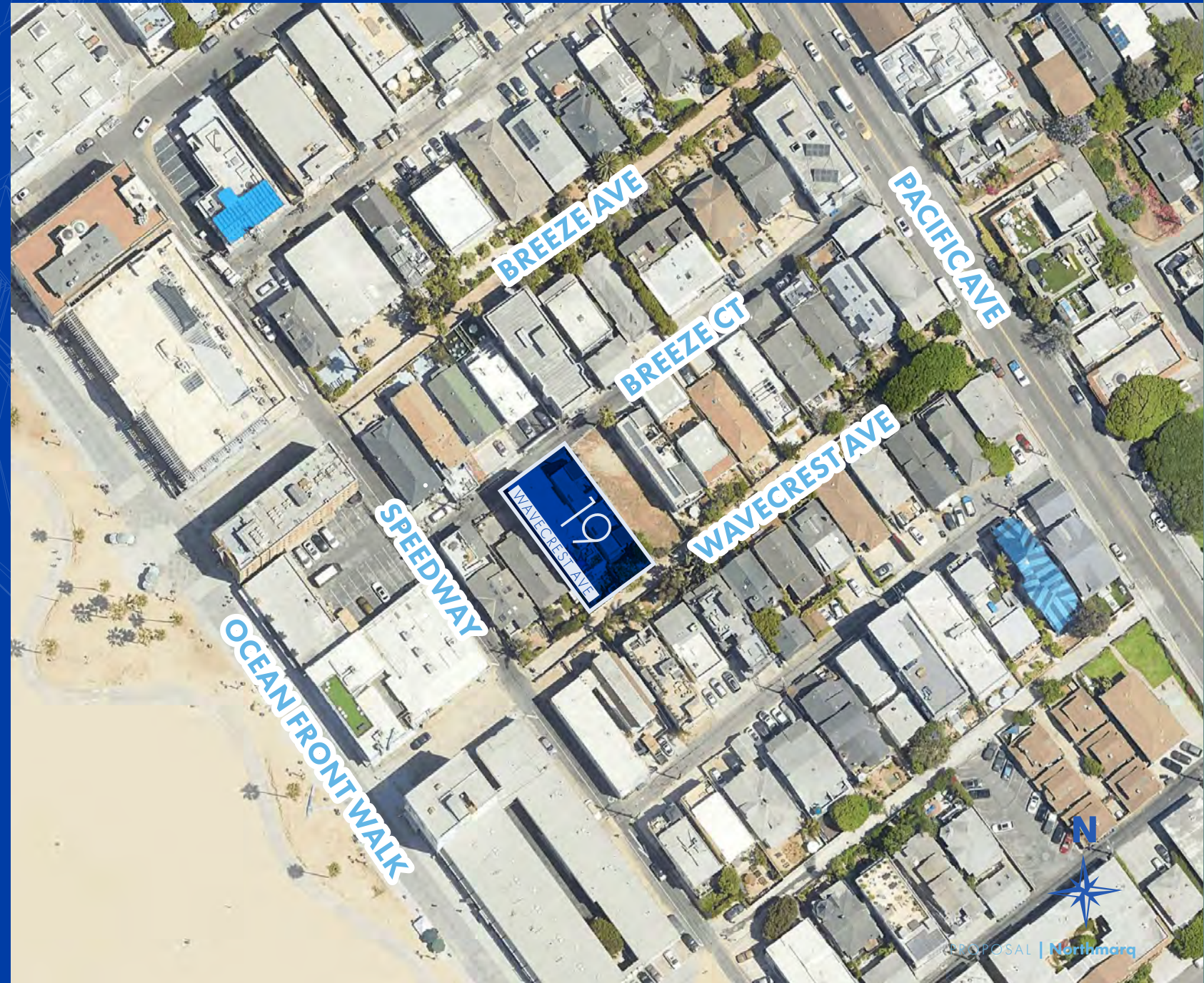
 <b>0.7 MILES</b> FROM THE PROPERTY	 <b>11.5 MILES</b> FROM THE PROPERTY	<b>Snap Inc.</b> <b>3.5 MILES</b> FROM THE PROPERTY
<b>100K+</b> JOBS SUPPORTED	<b>14K+</b> JOBS SUPPORTED	<b>5K+</b> JOBS SUPPORTED
<b>82K+</b> SF OF OFFICE SPACE	<b>882</b> HOSPITAL BEDS	<b>300K</b> SF OF SPACE

# LOCATION MAPS





# BOUNDARY AERIAL







# FINANCIAL ANALYSIS

19

WAVECREST AVE  
VENICE | CALIFORNIA 90291



# RENT ROLL

18  
WAVECREST AVE

UNIT #	UNIT DESCRIPTION	ESTIMATED UNIT SF	CURRENT RATE	CURRENT RENT PER SF	YEAR ONE RENT (4% INC)	PROJECTED MARKET RATE	PROJECTED RENT PER SF	STATUS
1	One Bedroom, One Bath	650	\$3,300.00	\$5.08	\$3,498.00	\$3,300.00	\$5.08	Eviction
2	One Bedroom, One Bath	650	\$3,300.00	\$5.08	\$3,498.00	\$3,300.00	\$5.08	Lockout
3	One Bedroom, One Bath	650	\$2,113.00	\$3.25	\$2,239.78	\$3,300.00	\$5.08	
4	Two Bedroom, One Bath	815	\$4,500.00	\$5.52	\$4,795.00	\$4,500.00	\$5.52	Eviction
5	One Bedroom, One Bath	650	\$4,500.00	\$6.92	\$3,300.00	\$3,300.00	\$5.08	Vacant
6	One Bedroom, One Bath	650	\$3,300.00	\$5.08	\$3,300.00	\$3,300.00	\$5.08	Vacant
7	Two Bedroom, One Bath	815	\$4,500.00	\$5.52	\$4,770.00	\$4,500.00	\$5.52	Vacant
8	One Bedroom, One Bath	650	\$2,650.00	\$4.08	\$2,809.00	\$3,300.00	\$5.08	
9	One Bedroom, One Bath	650	\$3,180.00	\$4.89	\$3,370.80	\$3,300.00	\$5.08	
10	Two Bedroom, One Bath PH	1,100	\$6,995.00	\$6.36	\$6,995.00	\$6,995.00	\$6.36	Eviction

19  
WAVECREST AVE

UNIT DESCRIPTION	ESTIMATED SF	CURRENT RATE	RENT RANGE PER SF	YEAR ONE RATE	PROJECTED MARKET RATE	PERCENT VACANT	NUMBER VACANT	NUMBER OF UNITS	PERCENTAGE OF TOTAL
<b>TOTALS:</b> One Bedroom, One Bath	4,550.00	\$22,343.00	\$3.25 - \$6.92	\$22,015.58	\$23,100.00	28.57%	2	7	70.00%
Two Bedroom, One Bath	1,630.00	\$9,000.00	\$5.52 - \$5.52	\$9,565.00	\$9,000.00	50.00%	1	2	20.00%
Two Bedroom, One Bath PH	1,100.00	\$6,995.00	\$6.36 - \$6.36	\$6,995.00	\$6,995.00	0.00%	0	1	10.00%
	<b>7,280</b>	<b>\$38,338.00</b>		<b>\$38,575.58</b>	<b>\$39,095.00</b>	<b>30.00%</b>	<b>3</b>	<b>10</b>	

UNIT DESCRIPTION	ESTIMATED SF	CURRENT RATE	CURRENT RENT PER SF	YEAR ONE RATE	PROJECTED MARKET RATE	PROJECTED RENT PER SF	% ESTIMATED UPSIDE	RENTAL RANGE
<b>AVERAGES:</b> One Bedroom, One Bath	650.00	\$3,191.86	\$4.91	\$3,145.08	\$3,300.00	\$5.08	3.39%	\$2,113 - \$4,500
Two Bedroom, One Bath	815.00	\$4,500.00	\$5.52	\$4,782.50	\$4,500.00	\$5.52	0.00%	\$4,500 - \$4,500
Two Bedroom, One Bath PH	1,100.00	\$6,995.00	\$6.36	\$6,995.00	\$6,995.00	\$6.36	0.00%	\$6,995 - \$6,995

## UNIT MIX & RENT SCHEDULE

UNITS	UNIT TYPE	ESTIMATED UNIT SF	CURRENT RENTAL RANGE	CURRENT AVG. RENT	MARKET RENT	CURRENT AVG. RENT/SF	MARKET RENT/SF	EST. TOTAL NET SF
7	1 Bed / 1 Bath	650	\$2,113 - \$4,500	\$3,192	\$3,300	\$4.91	\$5.08	4,550
2	2 Bed / 1 Bath	815	\$4,500 - \$4,500	\$4,500	\$4,500	\$5.52	\$5.52	1,630
1	2 Bed / 2 Bath	1,100	\$6,995 - \$6,995	\$6,995	\$6,995	\$6.36	\$6.36	1,100
<b>10</b>		<b>728</b>		<b>\$3,834</b>	<b>\$3,910</b>	<b>\$5.27</b>	<b>\$5.37</b>	<b>7,280</b>
							<b>Gross SF</b>	<b>7,281</b>



# FINANCIALS

INCOME		CURRENT PRO FORMA	MARKET PRO FORMA	YEAR 1 MODEL
Scheduled Market Rent		\$460,056	\$469,140	\$462,907
Less: Vacancy	3.00%	(\$13,802)	(\$14,074)	(\$13,887)
<b>Net Rental Income</b>		<b>\$446,254</b>	<b>\$455,066</b>	<b>\$449,020</b>
Plus: Laundry Income		\$1,740	\$2,400	\$1,740
<b>Total Operating Income (EGI)</b>		<b>\$447,994</b>	<b>\$457,466</b>	<b>\$450,760</b>
ESTIMATED EXPENSES	PERCENTAGE	PER UNIT		
Advertising & Promotion		\$100	\$1,000	\$1,000
Repairs & Maintenance		\$700	\$7,000	\$7,000
Management Fee	5.00%	\$2,300	\$23,003	\$23,145
Utilities (Water, Sewer, Electric & Contracted Services)		\$2,040	\$20,400	\$20,400
Base Property Taxes	1.166%	\$6,413	\$64,130	\$64,130
Property Tax Direct Assessments		\$107	\$1,068	\$1,068
Insurance		\$1,000	\$10,000	\$10,000
Replacement Reserve		\$200	\$2,000	\$2,000
<b>TOTAL ESTIMATED EXPENSES</b>		<b>\$141,101</b>	<b>\$136,975</b>	<b>\$136,663</b>
	% of Scheduled	<b>30.67%</b>	<b>29.20%</b>	<b>29.52%</b>
	Per SF:	\$19.38	\$18.81	\$18.77
	Per Unit:	\$14,110	\$13,698	\$13,666
<b>NET OPERATING INCOME</b>		<b>\$306,894</b>	<b>\$320,491</b>	<b>\$314,096</b>
Less: Debt Service		(\$193,622)	(\$193,622)	(\$193,622)
Projected Net Cash Flow		\$113,272	\$126,869	\$120,475
Total Economic Loss		3.0%	3.0%	3.0%
Cash-on-Cash Return (Based on Listing Price)		3.71%	4.16%	3.95%
Debt Service Coverage		1.59	1.66	1.62

## INVESTMENT SUMMARY

LISTING PRICE	\$5,500,000
PRICE/UNIT	\$550,000
PRICE/SF	\$755.39
CAP RATE CURRENT	5.58%
GRM CURRENT	11.91
CAP RATE MARKET	5.83%
GRM PRO FORMA	11.66
YEAR 1 CAP RATE	5.71%

## ALL FINANCING

TOTAL LOAN AMOUNT	\$2,475,000
DOWN PAYMENT	\$3,049,750
LTV	45%
MONTHLY PAYMENT	(\$16,135)
DEBT CONSTANT	7.8%

## NEW FIRST MORTGAGE

(to be originated at purchase)

LTV FOR THIS LOAN	45%
AMOUNT	\$2,475,000
INTEREST RATE	6.80%
AMORTIZATION	30
PAYMENT	(\$16,135)
FEES	1.00%
I/O TERM (YRS)	0

CAP RATE ANALYSIS	PRICE	\$/UNIT	\$/FOOT	CAP RATE CURRENT	CAP RATE MARKET	YEAR 1 MODEL	GRM CURRENT	GRM PRO FORMA
Listing Price	\$5,500,000	\$550,000	\$755.39	5.58%	5.83%	5.71%	11.91	11.66





# SALES COMPARABLES



# SALES COMPARABLES



PROPERTY	YEAR BUILT	TOTAL UNITS	PURCHASE PRICE	PRICE/UNIT	PRICE/SF	GRM	CAP RATE	DATE CLOSED
★ 19 WAVECREST AVE	1912	10	\$5,500,000	\$550,000	\$755.39	11.91	5.58%	ON MARKET
01 34 Dudley Ave.	1948	5	\$1,900,000	\$380,000	\$711.08	18.01	3.61%	11/1/2023
02 38 Dudley Ave.	1921	5	\$2,273,000	\$454,600	\$772.34	17.55	3.70%	4/4/2022
03 523 Main St.	1925	5	\$2,350,000	\$470,000	\$1,529.95	13.74	4.73%	10/6/2022
04 21 S. Venice blvd.	1964	6	\$3,460,000	\$576,667	\$970.00	Vacant	Vacant	1/6/2022
05 18 Sunset Ave.	1973	6	\$3,500,000	\$583,333	\$767.54	18.64	3.28%	4/28/2021
06 40 Westminster Ave.	1912	18	\$5,875,000	\$326,389	\$763.88	14.63	4.44%	5/12/2022
07 14 Westminster Ave.	1912	24	\$8,875,000	\$369,792	\$949.20	15.37	4.23%	5/12/2022
<b>AVERAGE</b>				<b>\$451,540</b>	<b>\$923.43</b>	<b>16.32</b>	<b>4.00%</b>	



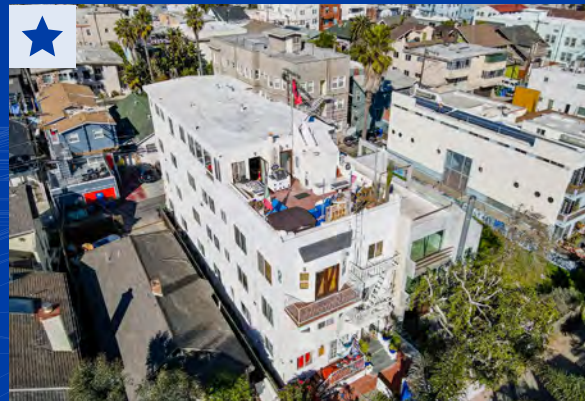




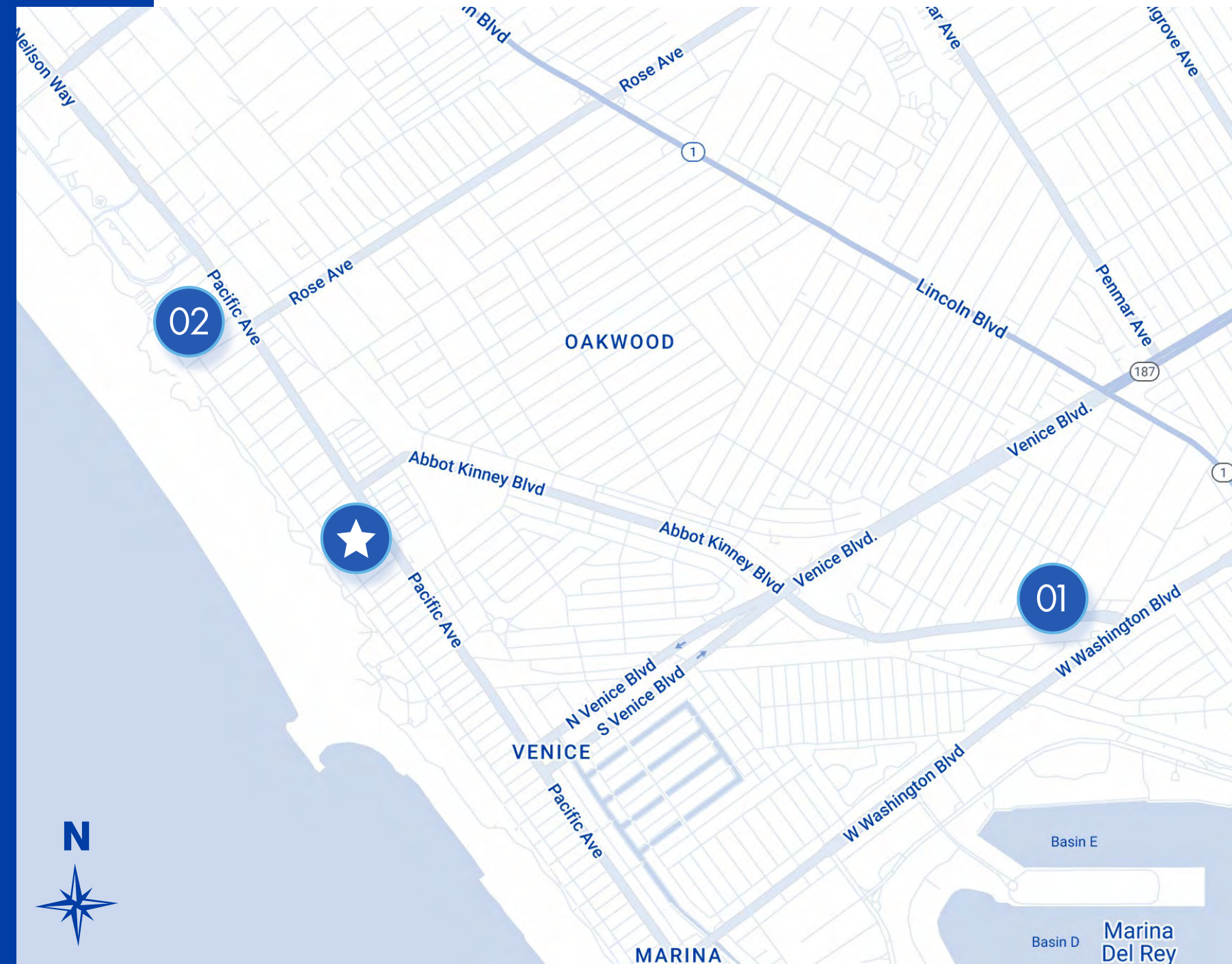
# ACTIVE COMPARABLES



# ACTIVE COMPARABLES



PROPERTY	YEAR BUILT	TOTAL UNITS	PURCHASE PRICE	PRICE/UNIT	PRICE/SF	GRM	CAP RATE	DAYS ON MARKET
★ 19 WAVECREST AVE	1912	10	\$5,500,000	\$550,000	\$755.39	11.91	5.58%	ON MARKET
01 14 Ozone Ave.	1973	6	\$4,500,000	\$750,000	\$962.57	15.30	4.68%	-
02 2700 Abbot Kinney Blvd.	1959	15	\$7,850,000	\$523,333	\$702.15	21.44	2.55%	-
<b>AVERAGE</b>				<b>\$626,667</b>	<b>\$832.36</b>	<b>18.37</b>	<b>3.62%</b>	







# MARKET OVERVIEW

19

WAVECREST AVE



# VENICE

## AND SURROUNDING AREAS

As one of the world's most significant economic and cultural centers, Los Angeles is the second-most-populated city in the United States and the largest city in California. The city is seated in Los Angeles County and is an integral part of the Los Angeles-Long Beach-Glendale Metropolitan Division (MD). The city of Los Angeles spans over 80 different communities and neighborhoods, extending north to the San Fernando Valley, south to the port complex, east to the San Gabriel Valley border, and west to the dynamic LAX area.

*Venice is known as one of the region's most popular tourist attractions with approximately 30,000 daily visitors.*

### WALKER'S PARADISE

VENICE IS A **WALKER'S PARADISE** WITH A 94 WALK SCORE. RESIDENTS BENEFIT FROM THE CLOSE PROXIMITY TO VENICE BEACH, SHOPS, RESTAURANTS, AND MUCH MORE

### MILLIONS OF VISITORS

VENICE BEACH IS THE **SECOND MOST VISITED** DESTINATION IN SOUTHERN CALIFORNIA WITH **MILLIONS** OF VISITERS ANNUALLY

### YOUNG PROFESSIONALS

VENICE IS RANKED ONE OF THE **BEST NEIGHBORHOODS FOR YOUNG PROFESSIONALS** IN LOS ANGELES

### BEST CITY TO LAUNCH CAREER

LOS ANGELES RANKED AMONG THE **BEST CITIES TO LAUNCH YOUR CAREER**

Abutting Santa Monica's south side on the Pacific Coast Highway, Venice is known for its bohemian spirit, buzzing beach town with upscale commercial and residential pockets. Venice is as a haven for creative types and is famous for its bohemian boardwalk, diverse culture, and eclectic shops and restaurants along Abbot Kinney Boulevard.

#### SUBMARKET DEMOGRAPHICS



**65%**  
OF HOUSEHOLDS IN THE SUBMARKET ARE RENTER OCCUPIED



**62%**  
OF RESIDENTS WORK IN A **WHITE-COLLAR** POSITIONS



**41.9**  
MEDIAN AGE OF THE SUBMARKET RESIDENTS

#### VENICE RESIDENTS

**27K**

THE **POPULATION** IN THE SUBMARKET CURRENTLY RESIDING AT 27,469+.

**16.3K**

MORE THAN 67%+ OF RESIDENTS **HOLD A BACHELOR'S DEGREE OR HIGHER**, COMPARED TO 31% NATIONWIDE.

**141.1K**

RESIDENTS ARE IN THE **PRIME RENTER AGE GROUP** OF 25 TO 44 YEARS OLD ARE EARNING \$141, 100+ ANNUALLY.

**31.2K**

THE **NUMBER OF HOUSEHOLDS** IN THE SUBMARKET IS AT 31,268+ HOUSEHOLDS.

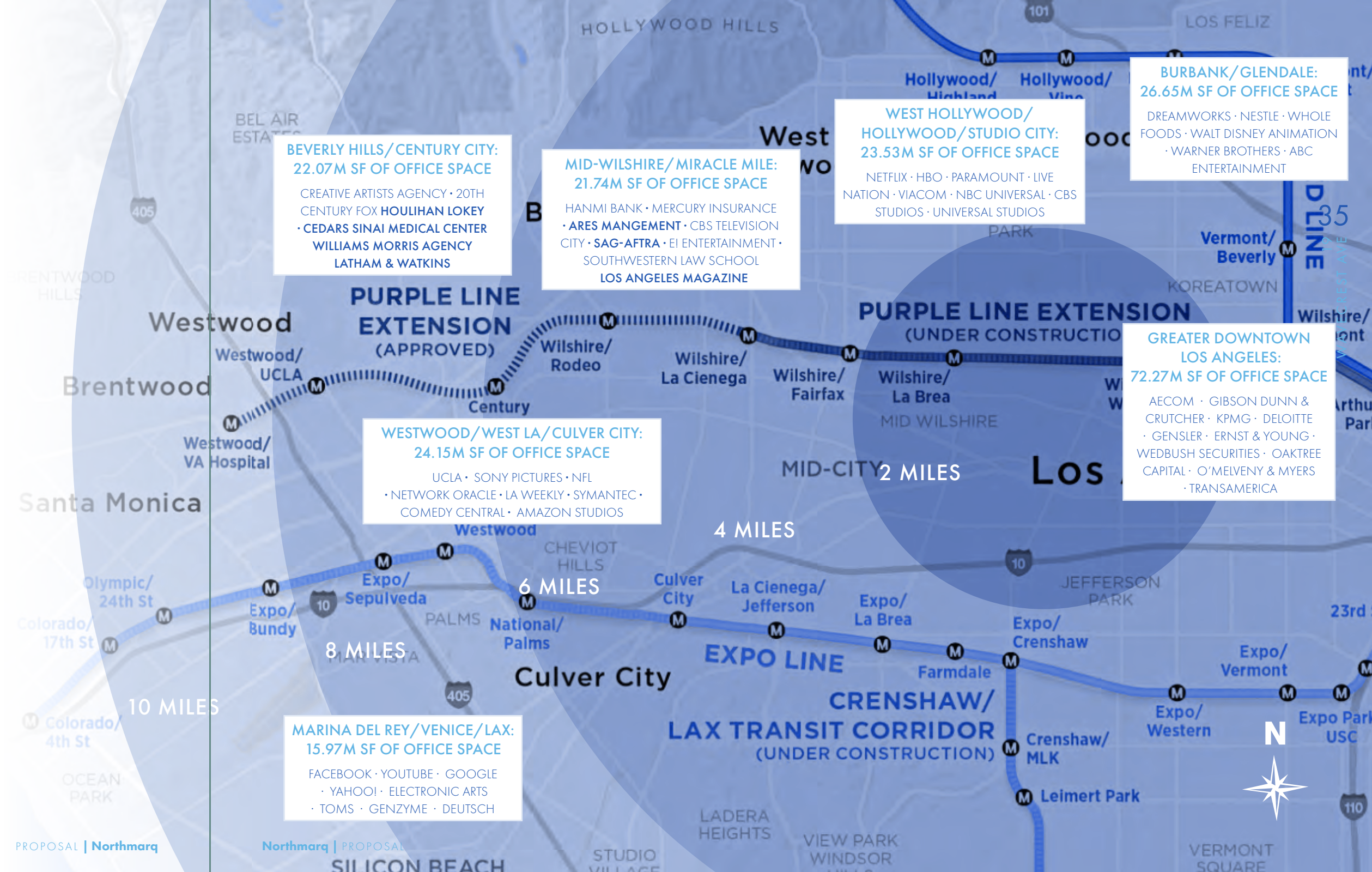


# VENICE UNPARALLELED ACCESS

One Million Jobs within 30 Minutes:  
19 Wavcrest Ave offers its residents unparalleled accessibility to all of Metro Los Angeles.

As shown here, the subject property is located within a 30-minute drive of nearly 225 million square feet of office space and prominent employers across a wide variety of industries. This high level of accessibility has routinely driven demand to live in Venice as it affords residents a great balance of urban living with manageable commute times to more than one million jobs throughout Los Angeles. Additionally, the property's proximity to the Metro Purple Line within a ten-minute walk and Metro Red Line which is one station away allow immediate traffic-free access to Downtown Los Angeles, Hollywood, Koreatown, and the Westside (upon completion of the Purple Line extension in 2026).

This high level of accessibility appeals to the cosmopolitan spirit of 19 Wavcrest Ave target renter profile who desire to have access to the best of everything within arm's reach. Furthermore, the continued gentrification of the immediate area continues to draw attractive lifestyle amenities within walking distance, thereby increasing demand to live at Venice.







# SURROUNDING DEMOGRAPHICS

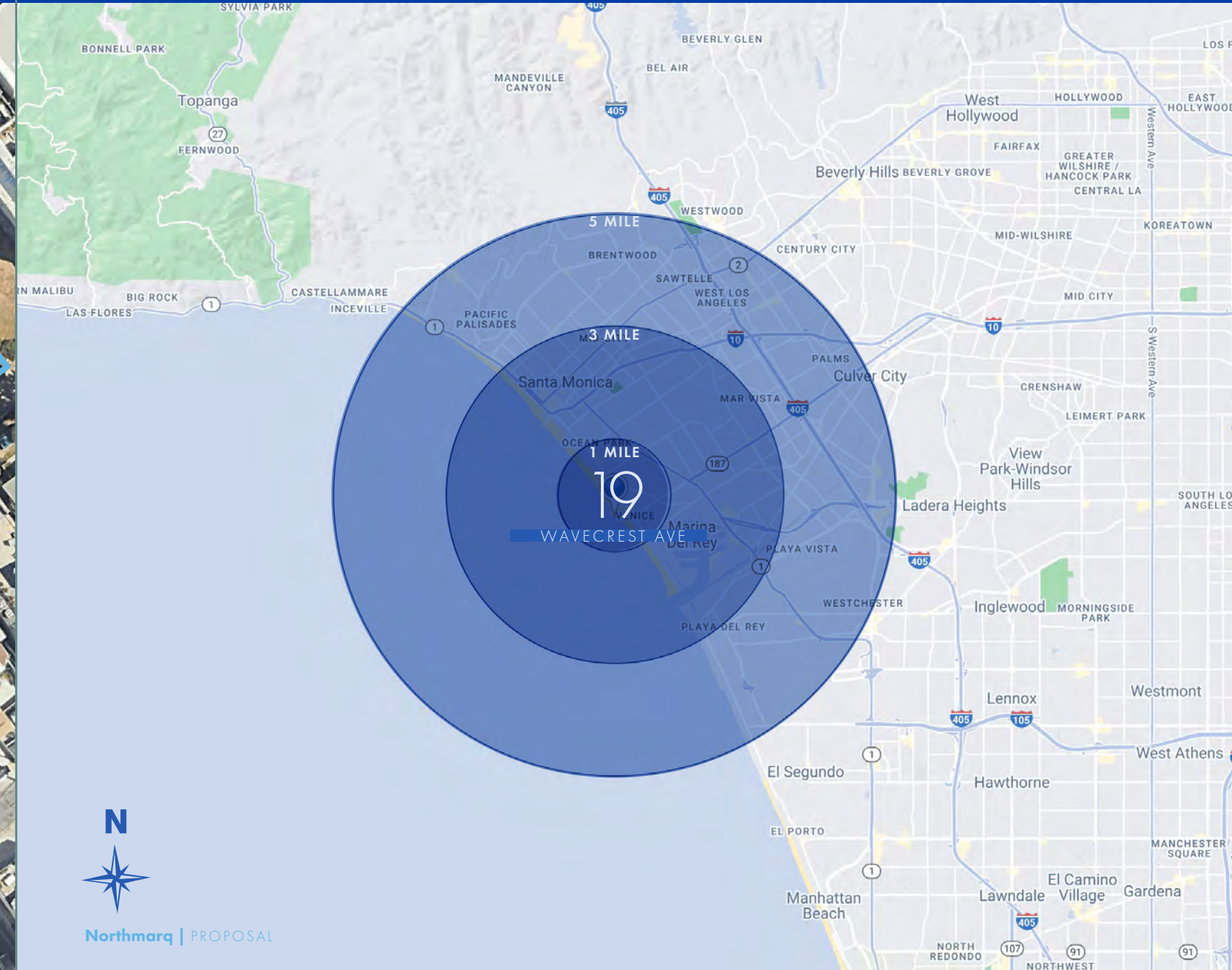
# 19

WAVECREST AVE

VENICE | CALIFORNIA 90291



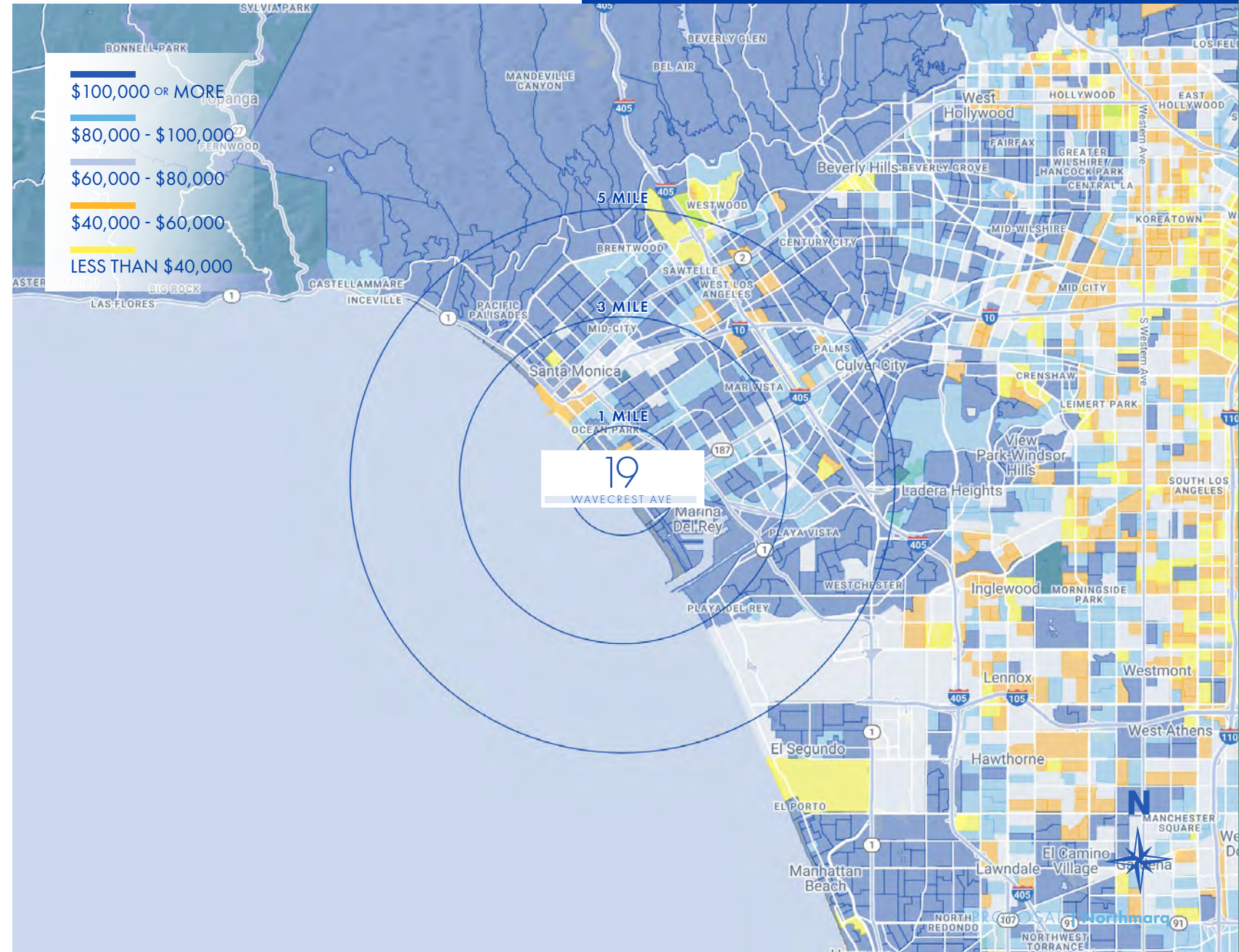
# SITE MAP



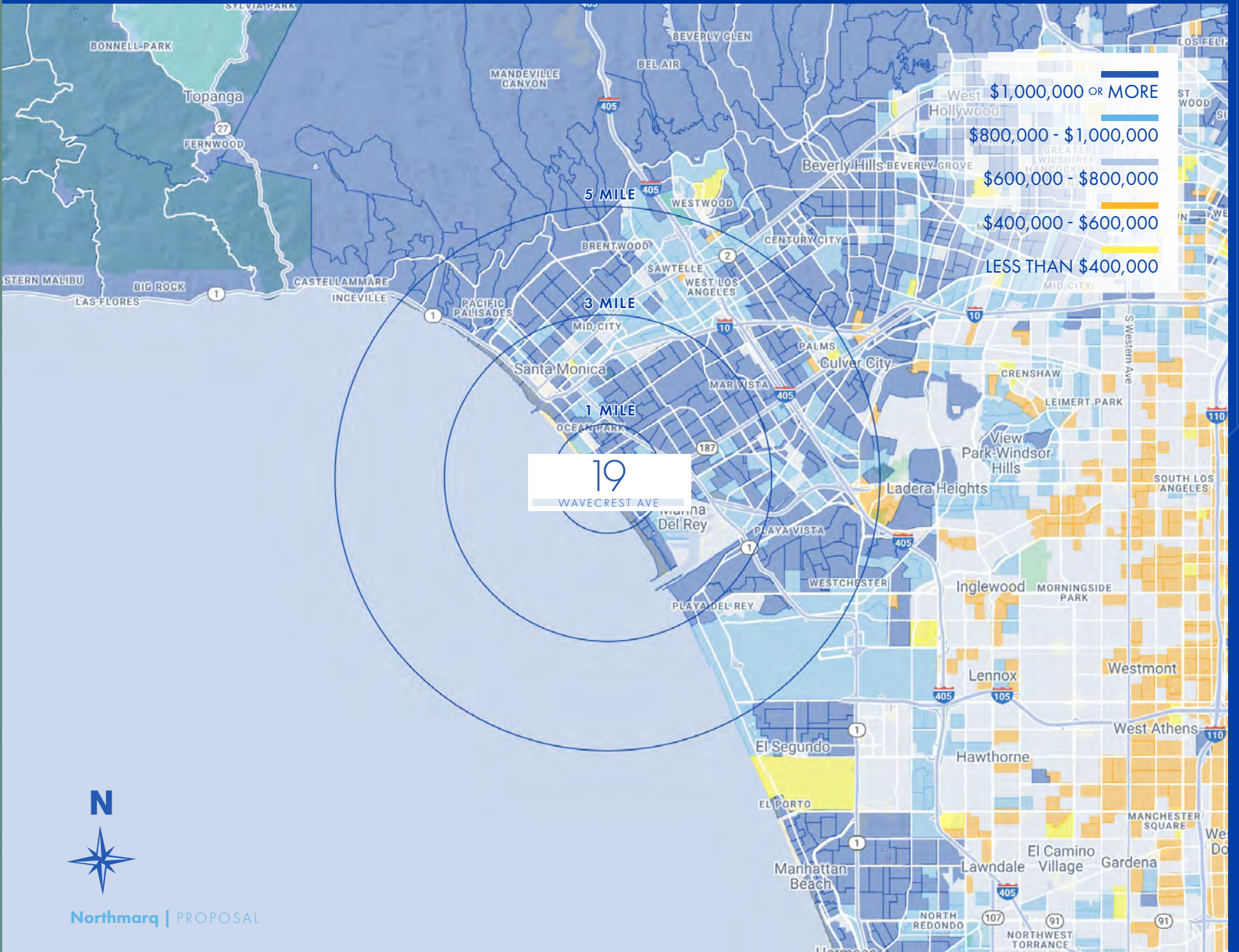
# STUDY AREA MAP



# MEDIAN HOUSEHOLD INCOME

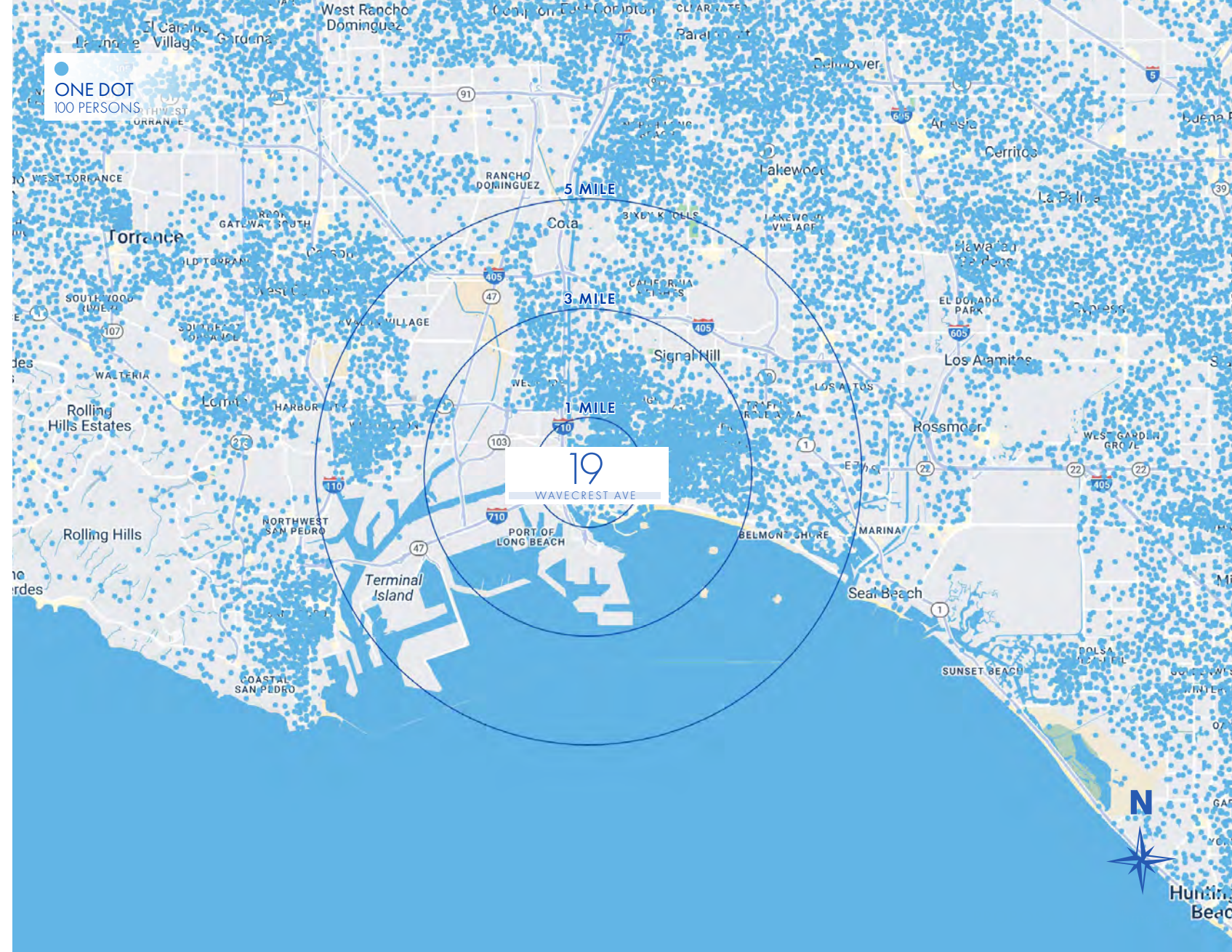


# MEDIAN HOUSING VALUE

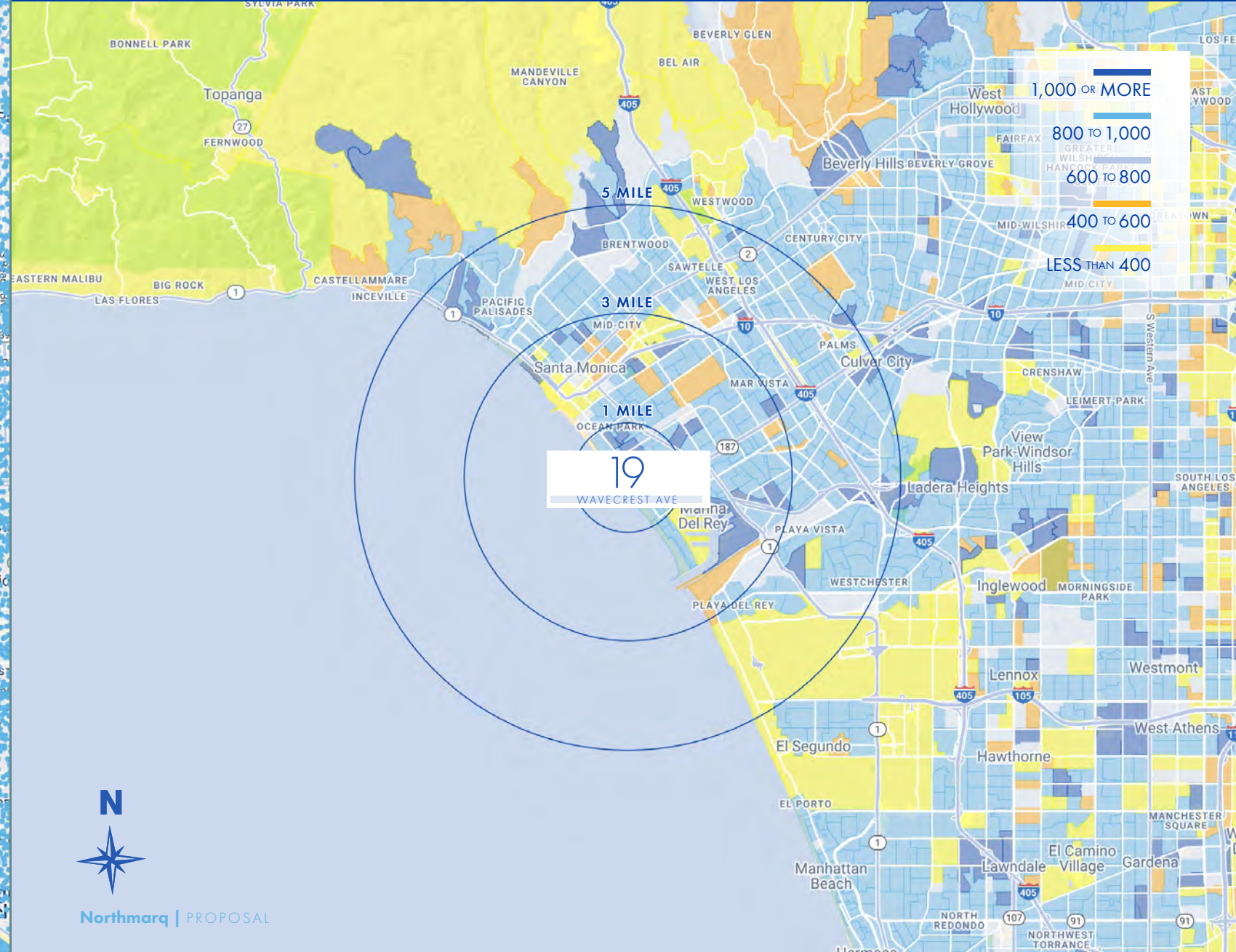




# POPULATION DENSITY



# \$500,000+ HOUSING VALUE







EL SEGUNDO  
841 APOLLO STREET, SUITE 465  
EL SEGUNDO, CALIFORNIA 90245