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1144 12th Street, Santa Monica

FOR SALE

20 Units, built in 1996, owned by the original developer offered for sale, NOT subject to Santa Monica Rent Control. This is one of the very handful of units built in 1990's, building is currently under HUD Deed Restriction till 2055. Per owner 2 signal ADU's can be added.

<u>Asking Price</u>	<u>\$9,900,000</u>	Possible Seller Carry Back	
Built	1996	GRM	14.07
Unit	20	CAP	4.5
Land	15017	\$/SF	\$483
Building	20513	\$/Unit	\$495K
Rev Dec 24	\$703,752	Exp/SF	\$11.75
Exp (New Tax)	\$241,159	Exp/Unit	\$12K
NOI	\$448,518	Rent Control	None



Property Description

This complex is a 20 Units apartment building sitting on a large 15,014 square foot lot in the highly desirable area with an alley behind where the tenants will find convenient access to a 27-space garage from the back entrance to the property. There is no seismic retrofit required and roof is under 5 years old. The building’s front features a lovely modern facade with lovely landscaping.

Located just 12 Blocks from the Ocean, North of Wilshire close to high end dinning, walking distance to Montana Ave, known for its upscale shopping, cafes and restaurants just steps away, walk and bike everywhere.

1144 12th St. Santa Monica offers a spectacular opportunity to own this complex in city of Santa Monica. Perfect for families, located in a highly sought-after area renowned for its excellent schools. Santa Monica Lincoln Middle School is within walking distance of the property.



This is a rare buying opportunity for an investment in a well-cared pride of ownership at \$483/SF. Building offers well-designed floorplans, spacious, light and extremely comfortable with lovely mix of; Four/1 Bedrooms, Four/2 Bedrooms and Ten/ 3 Bedrooms and 3 bachelors with most Units having balcony. Every Unit has a dedicated parking space.

This unique building is outperforming SMRC yearly rent increases by an average of approximately 4% in the last 5 years. Currently the building is 100% occupied with rare vacancies. This property offers a great upside come May 2026 when only 2 Units will be at 50% affordability and rest of the units at 100% affordability.



Deed Restrictions:	Now	May 2026	2055
Market Rent	3	3	20
Moderate 100%	11	15	0
Low 80%	2	0	0
Low 60%	2	0	0
Low 50%	2	2	0

Rent Increase Comparisons

Average increase in spread of 1144 12th St. vs SM Rent Control: Approx 4%

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
SM Rent Control	2.5	2.5	2.5	2.5	2.5	2.5	\$75 Max
HUD Average	7%						

2024 HUD Guidelines

Unit Type	50%	60%	80%	100%
0 Bed	\$1,214	\$1,456	\$1,942	\$2,427
1 Bed	\$1,387	\$1,664	\$2,219	\$2,774
2 Bed	\$1,647	\$1,976	\$2,635	\$3,294
3 Bed	\$1,881	\$2,257	\$3,010	\$3,762
4 Bed	\$2,124	\$2,549	\$3,398	\$4,248

Rents

Unit No.	Size	Comment	Deed Restriction	Rent Sep 2024
1	2 BEDROOM 1 BATH		ADU	\$ 3,300.00
2	1 BEDROOM 1 BATH		60%	\$ 1,641.00
3	1 BEDROOM 1 BATH	Section 8	50%	\$ 1,641.00
4	2 BEDROOM 2 BATH	Section 8	80%	\$ 2,683.00
5	3 BEDROOM 2 BATH		100%	\$ 3,762.00
6	1 BEDROOM 1 BATH		50%	\$ 1,261.00
7	2 BEDROOM 2 BATH	Section 8	100%	\$ 2,640.00
8	3 BEDROOM 2 BATH	Section 8	100%	\$ 3,666.00
9	3 BEDROOM 2 BATH	Section 8	100%	\$ 3,515.00
10	3 BEDROOM 2 BATH	Manager	100%	\$ 3,695.00
11	3 BEDROOM 2 BATH	Section 8	100%	\$ 3,515.00
12	BACHELOR	Airbnb	ADU	\$ 2,500.00
13	3 BEDROOM 2 BATH		100%	\$ 3,762.00
14	1 BEDROOM 1 BATH		60%	\$ 1,513.00
15	2 BEDROOM 2 BATH	Section 8	100%	\$ 3,294.00
16	3 BEDROOM 2 BATH		100%	\$ 3,420.00
17	3 BEDROOM 2 BATH		100%	\$ 3,762.00
18	3 BEDROOM 2 BATH		80%	\$ 3,762.00
19	3 BEDROOM 2 BATH		100%	\$ 3,420.00
20	BACHELOR		ADU	\$ 1,695.00
Parking				
Total Rent (Monthly)				\$ 200.00
				\$ 58,646
Total Rent (Annual)				\$ 703,752
Less 2% Vacancy				\$ -14,075
Net Income				\$ 689,677

Expenses

Expenses	Current	Less New Tax
Real Estate Taxes (1.25%)	\$ 37,585.34	\$ 123,750
Building Cleaning	\$ 2,880.00	\$ 2,880.00
Elevator	\$ 3,324.00	\$ 3,324.00
Fire, Life and Safety	\$ 2,105.00	\$ 2,105.00
Gardening, Landscaping Maintenance	\$ 2,160.00	\$ 2,160.00
Management Rent Allowance/Salary	\$ 18,418.00	\$ 18,418.00
Workers Comp Insurance	\$ 480.00	\$ 480.00
Manager Payroll Taxes	\$ 600.00	\$ 600.00
Property Management Fees	\$ 15,086.00	\$ 15,086.00
Pest Control	\$ 480.00	\$ 480.00
Trash Collection	\$ 3,247.00	\$ 3,247.00
Utilities- Water	\$ 17,644.00	\$ 17,644.00
Utilities- Power	\$ 5,357.00	\$ 5,357.00
Utilities- Gas	\$ 1,623.00	\$ 1,623.00
Utilities- Telephone	\$ 3,533.00	\$ 3,533.00
Miscellaneous Expenses	\$ 304.00	\$ 304.00
Plumbing	\$ 4,110.00	\$ 4,110.00
General Maintenance	\$ 25,585.00	\$ 25,585.00
Other Taxes, licenses and fees	\$ 3,491.00	\$ 3,491.00
Property Insurance	\$ 6,982.00	\$ 6,982.00
Total Expenses	\$ 154,994.34	\$ 241,159

Comparisons

Address	Units	Sold	Age	\$/SF	Sold	\$/Unit	Gross	Cap
1144 12th St.	20		28	509		522,000	14	4.6
522-532 Idaho	6	2,375,000	102	706	12/4/23	395,833	16	4.13
1024 18th	5	2,484,000	100	682	5/21/24	496,800	15	4.32
1134 9th St	20	7,906,500	68	600	3/26/24	395,325		
722 Lincoln	6	3350000	59	579	7/18/23	558,000	16	3.97
2816 Montana	5	2300000	76	577	8/11/23	460,000	18	3.29
1028 10th	5	2439000	84	544	4/19/24		16	4.14
912 11th St	10	4518000	66	541	9/29/23	451,800	17	3.82
848 18th St.	7	4750000	62	509	5/1/24	678,571	14	
833 10th St	10	4,400,000	61	492	9/19/23	440,000	20	3.6
833 Lincoln	10	3,700,000	65	429	9/20/23	370,000	22	4.37













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