

701 PICOBLVD

SANTA MONICA, CA 91405



Marcus & Millichap
BRANDON MICHAELS
GROUP

701 PICOBLVD

SANTA MONICA, CA 91405
EXCLUSIVELY LISTED BY

BRANDON MICHAELS

Senior Managing Director Investments
Senior Director, National Retail Group
Tel: 818.212.2794
brandon.michaels@marcusmillichap.com
CA License: 01434685

MATTHEW LUCHS

First Vice President Investments
Tel: 818.212.2727
matthew.luchs@marcusmillichap.com
CA License: 01948233

STEVEN SCHECHTER

First Vice President Investments
Tel: 818.212.2793
steven.schechter@marcusmillichap.com
CA License: 01089464

GARY WINFIELD

Associate
Tel: 818.212.2812
gary.winfield@marcusmillichap.com
CA License: 02177405

TABLE OF CONTENTS

06

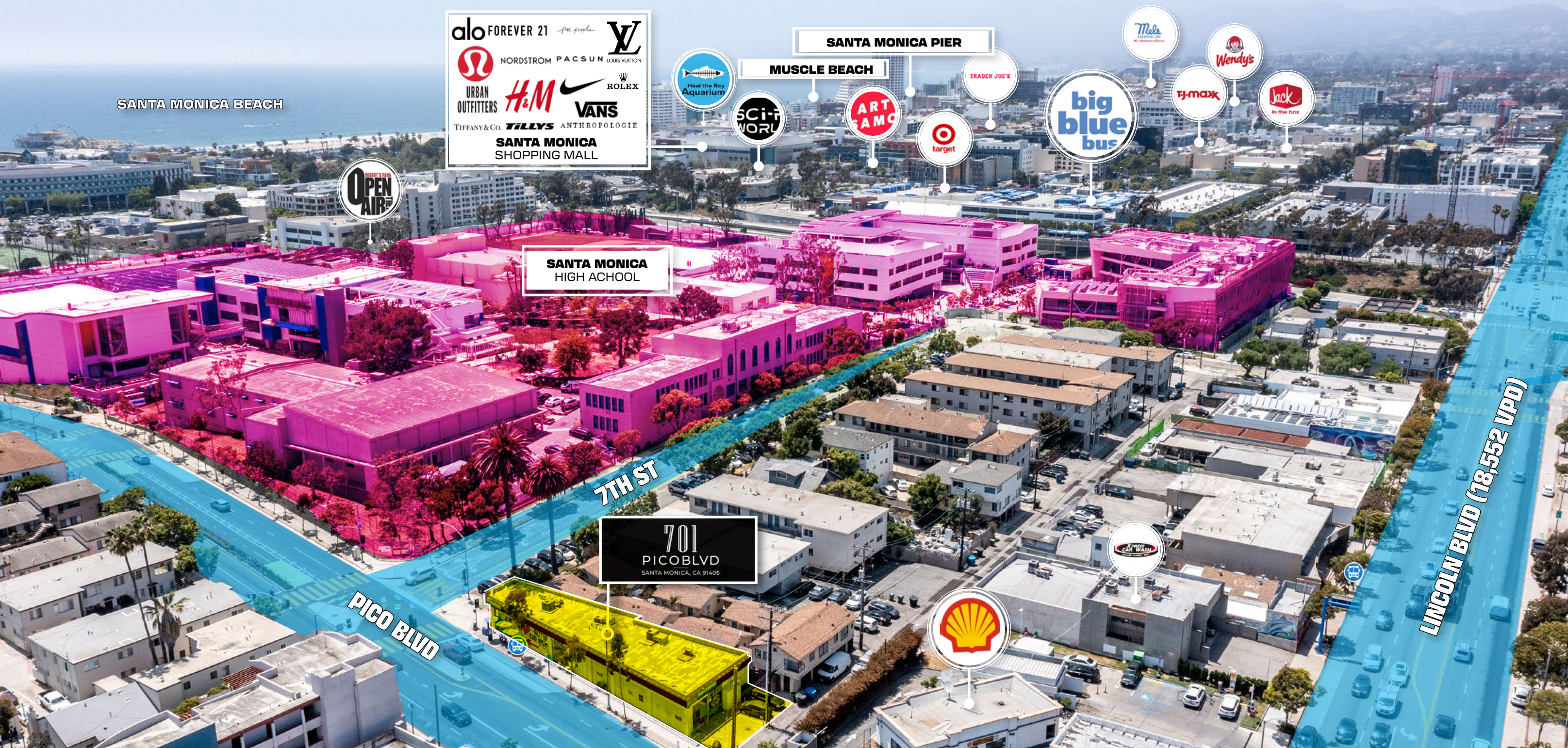
EXECUTIVE SUMMARY
SECTION 1

12

AREA OVERVIEW
SECTION 2

14

FINANCIAL ANALYSIS
SECTION 3



alo FOREVER 21 *for people* LV
 NORDSTROM PACSUN LOUIS VUITTON
 URBAN OUTFITTERS H&M NIKE ROLEX
 TIFFANY & CO. TILLYS ANTHROPOLOGIE
SANTA MONICA SHOPPING MALL

SANTA MONICA PIER

MUSCLE BEACH

SANTA MONICA HIGH SCHOOL

701 PICO BLVD
 SANTA MONICA, CA 91405

OPEN AIR

big blue bus

LINCOLN BLVD (18,552 VPD)

SANTA MONICA BEACH



EXECUTIVE SUMMARY

The Brandon Michaels Group of Marcus & Millichap, as Exclusive Advisor, is Pleased to Present 701 Pico Boulevard, a 3,804 Square Foot Street Retail Property Situated on 0.11 Acres of Land (5,110 SF), Less Than 0.5 Miles from the Beach, on the Northeast Signalized Corner of Pico Boulevard & 7th Street in Santa Monica, CA.

701 Pico Boulevard is currently 34.28% occupied by Little Bean Cold Brew, a coffee and tea shop and Boba Lab, a specialty boba tea storefront. The tenants are on month-to-month or short-term leases with an average remaining lease term of 0.22 years. Ownership is in the process of evicting Pico Youth & Family Center, occupying unit 715, who is expected to vacate by the end of July. The short-term tenancy provides an owner-user buyer the opportunity to occupy a portion or all of the property for their own business and a value-add investor the ability to promptly reposition the property with market rate paying tenants.

On average, the tenants are paying \$3.22/SF per month (or \$4,200.00 monthly) and Little Bean Cold Brew and Boba Lab are responsible to reimburse for their share of water and trash expense. The property benefits from units of varying sizes, 450, 854, and 2,500 square feet, with excellent street frontage to Pico Boulevard, well-suited for a variety of potential retail uses.

The subject property benefits from excellent visibility and frontage at the signalized corner of Pico Boulevard & 7th Street, with approximately 153 feet of linear frontage on Pico Boulevard and 20 feet along 7th Street featuring a mural memorializing the late Tyler Skaggs of the Angeles baseball team, an alumnus of Santa Monica High School across the street. Because of its central location along the common beach goes Pico Boulevard and being just one parcel west of Pacific Coast Highway (State Route 1), the subject property is positioned in a highly trafficked pedestrian area with a walk score of 95, a “walker’s paradise.” The property is also well appointed with access to public transit. Both the frequent Rapid 7 & 3 “Big Blue Bus” lines have a stop in front of the property and the terminal stop of the Metro Expo line at 4th Street & Colorado Boulevard is just 0.7 miles away. The property is also equipped with five (5) surface parking spaces accessible via a street front alley on Pico Boulevard, a parking ratio of 1.31 spaces per 1,000 SF.

\$2,550,000

PRICE

3,804 SF

BUILDING SF

5,110 SF

LOT SIZE

\$670

PRICE/SF (BLDG)

\$499

PRICE/SF (LAND)

-0.09%

CURRENT CAP RATE

6.43%

PROFORMA CAP RATE

34%

OCCUPANCY

1925

YEAR BUILT

MUBL

ZONING

5 SPACES; 1.931 SPACES PER 1000 SF

PARKING SPACES

PICO BLVD & 7TH ST

CROSS STREETS



SANTA MONICA SIGNALIZED CORNER

OWNER-USER OR VALUE-
ADD OPPORTUNITY

- ✔ **Short Term Leases** – 34% occupied on short term or month to month leases with an average remaining lease term of 0.22 years
- ✔ **Below Market Rents** – Current tenants are paying an average rent of \$3.22/SF on modified gross (MG) leases
- ✔ **Dedicated Parking** – Five (5) surface parking spaces accessible via a street front alley on Pico Boulevard, a parking ratio of 1.31 spaces per 1,000 SF
- ✔ **Flexible Unit Sizes Catering to a Variety of Uses** – Retail units average 1,268 SF with a mix of units ranging from 450, 854, and 2,500 SF



EXCELLENT SIGNALIZED CORNER, BEACH ADJACENT LOCATION

- ✔ **Strong Signalized Corner** – Ideally positioned on the SE signalized corner of Pico Boulevard & 7th Street
- ✔ **Excellent Pedestrian Corridor** – Highly trafficked pedestrian corridor with a walk score of 95, a “walker’s paradise”
- ✔ **Exceptional Visibility and Frontage** – Approximately 150 of linear frontage along Pico Boulevard and an additional 20 feet of frontage on 7th Street
- ✔ **Transit Oriented** – The Rapid 7 & 3 “Big Blue Bus” lines have a stop in front of the property and the terminal stop of the Metro Expo line at 4th Street & Colorado Boulevard is just 0.7 miles away
- ✔ **Proximity to the Beach** – Less than 0.5 miles from the beach

PRIME SANTA MONICA

LOCATION

- ✓ **"Silicon Beach"; a Major Employment Hub** – Santa Monica is a noteworthy Southern California employment center with major companies with regional offices or headquarters including: Lionsgate, Amazon, Riot Games, Activision, and Snapchat
- ✓ **Growing Nearby Development** – More than 1,100 units have been delivered within a 1 mile radius of the subject property in the last 5 years with an additional 2,300 units proposed or under construction set to deliver by year end 2026. The city of Santa Monica made recent revisions to their housing element in an effort to stimulate greater housing production throughout the city
- ✓ **Considerable Tourist Economy** – Santa Monica's economy is substantially contributed to by more than 5.3 million annual tourists (2022) spending more than \$1 billion (2022)
- ✓ **Access to Desirable Amenities** – Beside the beach, less than 0.5 miles away, the property is proximate to popular attractions like the Santa Monica Pier (1.0 miles), Downtown Santa Monica (0.7 miles), the Abbott Kinney (2.0 miles), and the Venice Boardwalk (1.9 miles)
- ✓ **Proximate to Freeways** – Well-connected via major freeways including the I-40 and I-10



AFFLUENT SUBMARKET

WITH STRONG UNDERLYING DEMOGRAPHICS

- ✓ **Dense Nearby Population** – Population of more than 34,100 people within one mile of the subject property, 204,000 people within three miles, and 445,100 people within five miles
- ✓ **Average Household Incomes** – Immediate submarket boasts an average household income within one, three, and five miles is \$124,600, \$140,400, and \$137,300, respectively
- ✓ **High Median Home Values** – The median home value in the immediate area is \$1,066,000
- ✓ **Businesses and Consumer Spending** – More than 3,500 businesses within a 1-mile radius of the property with a combined annual spending of \$612 million
- ✓ **Highly Educated** – More than 62% of the population has a bachelor's degree or higher in a 3 mile radius of the property

SANTA MONICA, CALIFORNIA

Santa Monica, CA, is a vibrant coastal city located on the western edge of Los Angeles County, known for its picturesque beach, iconic pier, and bustling Third Street Promenade. Characterized by a blend of laid-back beach culture and urban sophistication, Santa Monica offers a dynamic atmosphere with diverse dining, shopping, and entertainment options. The city's well-developed public transit system, including the Metro Expo Line, connects residents and visitors to downtown Los Angeles and other parts of the region, while major freeways like the I-10 and Pacific Coast Highway provide easy access by car.

Tourism is a cornerstone of Santa Monica's economy, attracting millions of visitors each year. The Santa Monica Pier, a historic landmark, is home to Pacific Park, an amusement park with a solar-powered Ferris wheel, an aquarium, and various dining and entertainment venues. The expansive Santa Monica State Beach offers opportunities for sunbathing, swimming, and beach volleyball, while the Marvin Braude Bike Trail provides a scenic route for cyclists and joggers along the coast. The Third Street Promenade, a lively pedestrian street, is renowned for its street performers, shops, restaurants, and weekly farmers' markets.

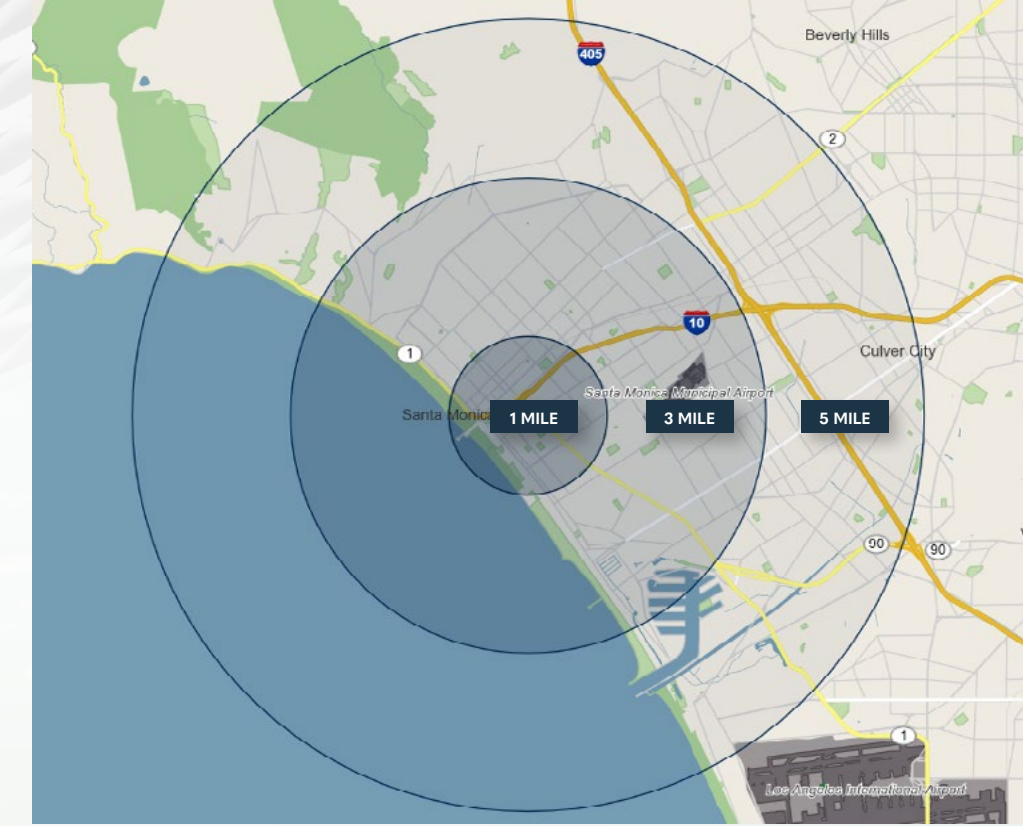
Employment in Santa Monica spans various sectors, with a notable presence in technology, entertainment, healthcare, and retail. The city's burgeoning tech industry has earned it the nickname "Silicon Beach," attracting startups and established companies alike. Major employers include the RAND Corporation, Universal Music Group, and the Santa Monica-UCLA Medical Center. The local economy is also supported by a robust service industry, catering to both residents and the steady stream of tourists.

With its perfect blend of natural beauty, cultural richness, and economic vitality, Santa Monica stands out as a premier destination on the Southern California coast. Its commitment to sustainability, evidenced by numerous green initiatives and an extensive network of parks and open spaces, further enhances its appeal as a desirable place to live, work, and visit.

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
 Population	34,100	204,000	445,100
 Households	18,700	102,700	211,800
 Average Household Income	\$124,600	\$140,400	\$137,300
 Median Household Income	\$97,000	\$111,700	\$107,600

DEMOGRAPHICS BY RADIUS

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
Population	34,100	204,000	445,100
Households	18,700	102,700	211,800
Average Household Size	1.7	1.9	2
Annual Growth 2010-2022	0.9%	0.5%	0.6%
Median Age	43.7	43.6	42.1
Owner Occupied Households	3,200	31,500	73,400
Renter Occupied Households	15,300	69,300	134,700
Average Household Income	\$124,600	\$140,400	\$137,300
Median Household Income	\$97,000	\$111,700	\$107,600
Businesses	3,500	25,100	49,700



701
PICOBLVD
SANTA MONICA, CA 91405



RENT ROLL

TENANT INFORMATION

UNIT NUMBER	TENANT	SF	FLOOR	%	LEASE START	LEASE EXPIRATION	INCREASES	OPTIONS	RENT	RENT/SF	TIME AT CENTER	TERM REMAINING	LEASE TYPE	PF RENT	PF RENT/SF	PF LEASE TYPE
707	Little Bean Cold Brew	854	1	22.45%	12/1/2023	11/30/2024	-	1 x 1yr, \$3,500/Month	\$3,000.00	\$3.51	0.53 Year(s)	0.44 Year(s)	MG**	\$3,629.50	\$4.25	NNN
711	Boba Lab	450	1	11.83%	3/4/2015	MTM	-	-	\$1,200.00	\$2.67	9.28 Year(s)	0.00 Year(s)	MG**	\$1,912.50	\$4.25	NNN
715*	Vacant	2,500	1	65.72%	-	-	-	-	\$-	\$-	-	-	-	\$8,125.00	\$3.25	NNN
		3,804		100%					\$4,200.00	\$3.22	4.92 Year(s)	0.22 Year(s)		\$13,667.00	\$3.59	

*Pico Youth & Family Center, currently in unit 715, is in the process of eviction. It is expected they will vacate the property by the end of July.

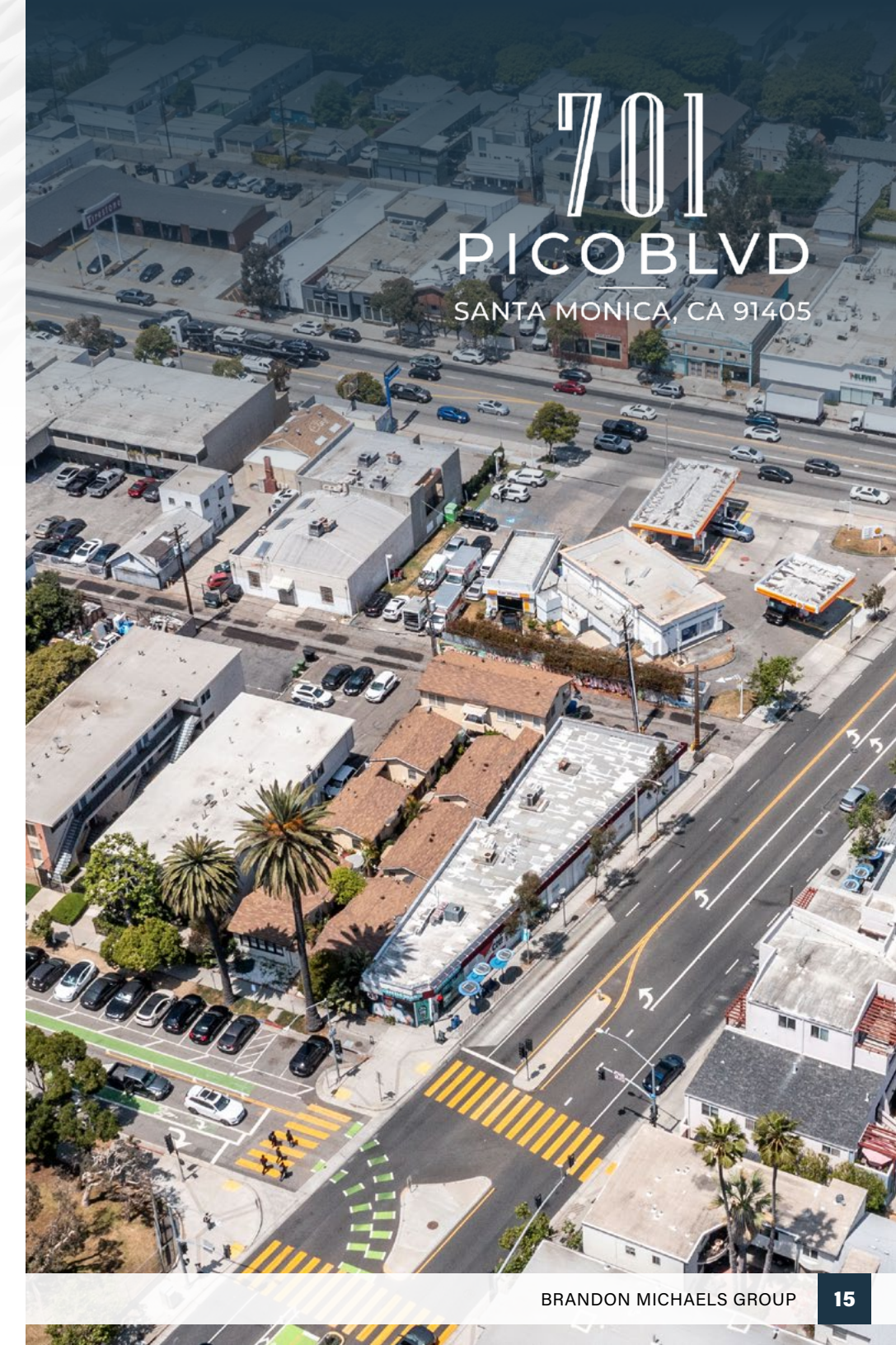
**Tenant is responsible for its share of water and trash expense.

OPERATING EXPENSES

OPERATING EXPENSES	PER YEAR	PER SF
Property Taxes @ 1.25%	\$31,875	\$8.38/SF
Management	\$6,560	\$1.72/SF
Insurance	\$6,000	\$1.58/SF
Water/Trash	\$7,200	\$1.89/SF
Repairs/Maintenance	\$3,600	\$0.95/SF
TOTAL EXPENSES	\$55,235	\$14.52
EXPENSES/SF/MONTH		\$1.21

OPERATING DATA

	CURRENT	PRO-FORMA
Scheduled Lease Income:	\$50,400	\$164,004
CAM Reimbursement:	\$2,468	\$55,235
Effective Gross Income:	\$52,868	\$219,239
Expenses:	\$55,235	\$55,235
NET OPERATING INCOME:	-\$2,367	\$164,004



701
PICOBLOVD
SANTA MONICA, CA 91405

701 PICO BLVD SANTA MONICA, CA 91405

Marcus & Millichap
BRANDON MICHAELS
GROUP

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of 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 and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2023 Marcus & Millichap. All rights reserved.

NON-ENDORSEMENT NOTICE

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.