

EXECUTIVE SUMMARY

7th & COLORADO

SANTA MONICA, CA

Non-Discretionary, By-Right Coastal
Multifamily Development Opportunity



AUGUST 2025

NEWMARK

LENDER FACILITATED SALE

EXECUTIVE SUMMARY

Newmark, as exclusive advisor, is pleased to present the opportunity to acquire the 100% fee-simple interest in 7th & Colorado ("the Property"), located in Santa Monica, California.

A truly generational asset, 7th & Colorado is an exceedingly rare opportunity to acquire a world class multi-family development site in an irreplaceable coastal location. Additionally, re-development of 7th & Colorado is achieved through ministerial and non-discretionary application process.

The Property consists of 0.51 acres in the prime Downtown Santa Monica submarket, one of Southern California's strongest and most desirable multifamily markets.

7th & Colorado benefits greatly from being just blocks from the ocean and it's proximity to some of Los Angeles' most exclusive residential neighborhoods, as well as immediate transportation access via the Santa Monica (10) Freeway, major surface thoroughfares, and the MTA Expo Line light rail station at 4th & Colorado.

Re-development of 7th & Colorado is achieved through a **ministerial and non-discretionary** application process. Approval is contingent only on the project dimensions being zone-compliant.

7th & Colorado

7th
&
C

5th St.

4th St.



YIELD STUDY

Luxury Mid Rise Residential

Proposed
Construction Type

113-226

Potential Units

EXISTING USE STATS

1543-1559 7th Street

Address

0.51 Acres

Land Size

21,814 RSF

Existing Square Footage

4291-022-013, 4291-022-014, 4291-022-021

APN

INVESTMENT HIGHLIGHTS

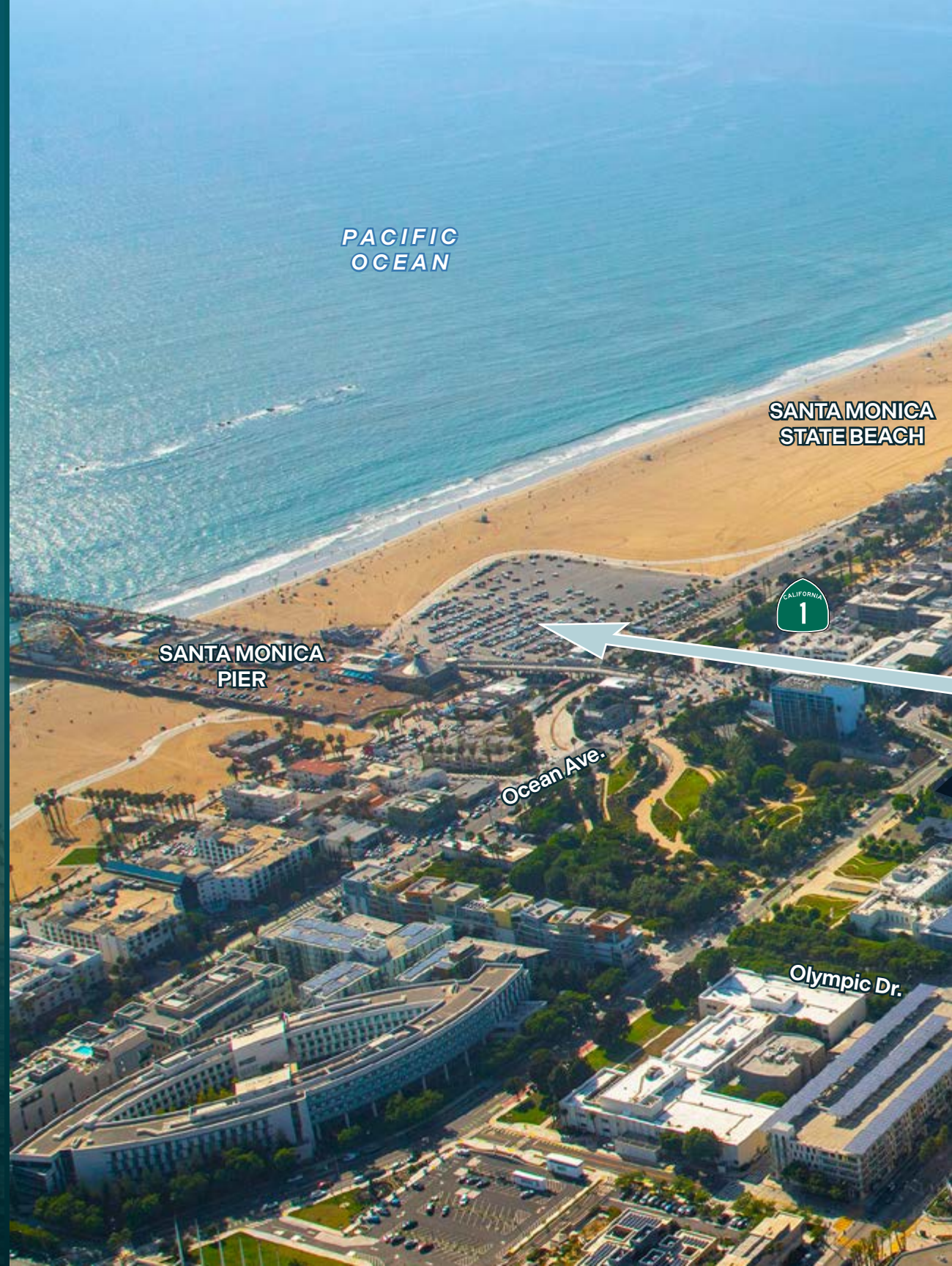
Irreplaceable, Luxury Residential Development Site

- One of the last remaining sites in Downtown Santa Monica to deliver a state-of-the-art, luxury residential apartments.
- The Properties' micro-location South of Wilshire, arguably one of the most desirable in Southern California, offers an impressive array of conveniences within walking distance, including direct access to the beach, Third Street Promenade and Santa Monica Pier.

Transit-Focused, Coastal Location

The Property is located just blocks from the Downtown Santa Monica MTA Expo Line light rail station. The Expo Line has the largest ridership growth of any line in the MTA's network and connects Santa Monica with Downtown Los Angeles and the entire Southern California rail system.

7th & Colorado is strategically located in a **Transit Priority Area (TPA)** in one of Los Angeles' most robust and dynamic markets.



Pro-Development Housing Element Update

The Property is located in the Transit Adjacent Zone, part of the Santa Monica Downtown Community Plan (DCP). The Downtown Community Plan (DCP) has revised the Housing Element increasing Tier 1 with housing to 2.75 FAR/60' and Tier 2 with housing to 3.5 FAR/70' and created a Tier 3 with housing at 4.0 FAR /84'. **The City has an Interim Zoning Ordinance that allows categories of mixed-use residential projects to qualify for ministerial entitlements, limiting discretion to only matters of design.**

The Project's derived base density is based on a study that assumes compliance with all DCP and Zoning Ordinance standards and yields 113 units (e.g., assuming a building envelope of 84 feet and 4.0 FAR). Thus, with the 100 percent density bonus permitted by AB1287 the Project could include a maximum of 226 units (113 base density units X 100 percent density bonus = 226 total units).

A breakdown of the Project's density including affordable units is provided below:

$$\begin{array}{rcccl} 113 & + & 113 & = & 226 \\ \text{units} & & \text{units} & & \text{units} \\ \text{Base Density} & & \text{100\% Bonus (AB 1287)} & & \text{Total Units} \end{array}$$



Ongoing Supply-Demand Imbalance Supports Future Rent Growth

Santa Monica remains one of the most supply-constrained rental markets on the West Coast, driven by exceptionally high land values, a complex entitlement process, and elevated construction costs. These factors have made new development increasingly difficult to execute. At present, there are only 361 market-rate units under construction—representing just ~1.5% of the existing inventory—all of which are expected to deliver within the next 12 months. Notably, the three projects being developed by Tishman Speyer feature smaller unit sizes, limited to no parking, and will offer product that is unlikely to be directly competitive.

With minimal new inventory on the horizon and persistent housing demand, 707 Colorado is well-positioned to benefit from the structural supply-demand imbalance and capture continued market rent growth.

MARKET CONTEXT SNAPSHOT

361 MARKET-RATE UNITS CURRENTLY UNDER CONSTRUCTION

3.6% OF SANTA MONICA HOUSING STOCK WAS BUILT AFTER 2010

1967 MEDIAN YEAR BUILT FOR SANTA MONICA HOUSING

SANTA MONICA SUPPLY

ADDRESS	STATUS	UNIT COUNT	% AFFORDABLE	YEAR BUILT	OWNER
1650 LINCOLN BLVD	UNDER CONSTRUCTION	98	8%	2025	TISHMAN SPEYER
501 BROADWAY	UNDER CONSTRUCTION	94	20%	2025	TISHMAN SPEYER
710 BROADWAY	UNDER CONSTRUCTION	280	30%	2025	RELATED
TOTAL UNITS UNDER CONSTRUCTION		472			
TOTAL MARKET-RATE UNITS UNDER CONSTRUCTION		361			

Walkable, Amenitized, Vibrant Neighborhood

Santa Monica is a premier coastal destination for business, entertainment, shopping, and upscale housing. Spanning 8.5 square miles, the city is bordered by the Pacific Ocean to the west, the Pacific Palisades to the north, Brentwood and West Los Angeles to the east, and Venice to the south.

Santa Monica has actively pursued redevelopment initiatives, revitalizing its core area by transforming historic buildings into trendy retail and entertainment venues. Notable projects include the \$50 million restoration of the iconic City Hall building, the \$55 million seven-acre redesign of Palisades Park, and the impressive \$265 million renovation of the Santa Monica Place mall. Adjacent to Santa Monica Place is the renowned Third Street Promenade, a bustling retail and entertainment center that serves as a major attraction for both locals and tourists alike.

93

**"WALKER'S PARADISE"
WALK SCORE**

85

**"VERY BIKEABLE"
BIKE SCORE**



+\$1B

**TOURISM ECONOMY
(2022)**



5.3M

**TOTAL TOURISTS
(2022)**



2.8M

**FOOT TRAFFIC
3RD STREET
PROMENADE
(2023 YTD)**

10mins

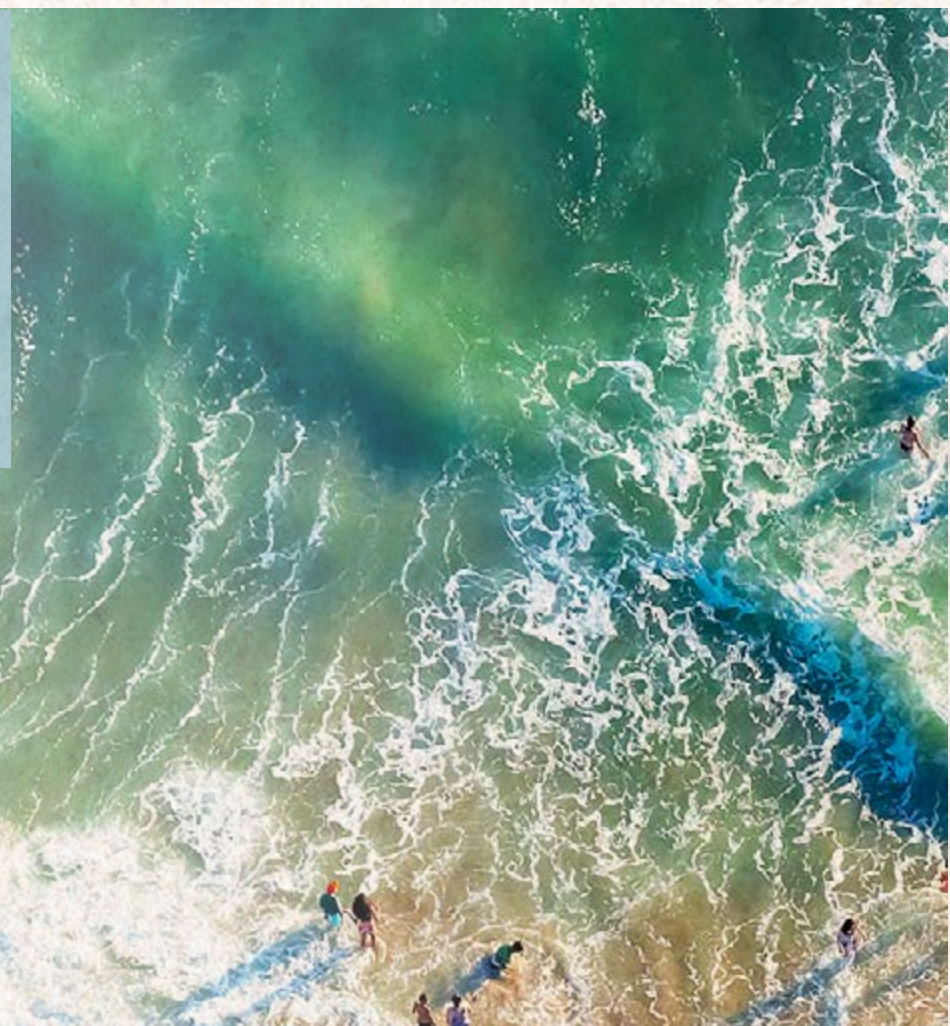
**WILL ROGERS
STATE BEACH**

30mins

**SANTA MONICA MOUNTAIN
RECREATION PARK**

9mins

**MARVIN BRAUDE
BIKE TRAIL**





STRONG PERFORMING SUBMARKET IN SANTA MONICA

The coastal lifestyle, thriving employment opportunities, abundant amenities, and limited housing inventory make Santa Monica one of the most desirable multifamily markets in the United States. Particularly, the subject submarket (90401 zipcode) stands out as highly sought after. The demographics, home values, and average sale price per unit in this submarket not only surpass those of Los Angeles County but also outperform the city of Santa Monica itself.

	SUBJECT SUBMARKET (90401-ZIPCODE)	CITY OF SANTA MONICA	LOS ANGELES COUNTY
Avg. Rent (2015+ Vintage)	\$6,475	\$5,247	\$2,236
Avg. Market Sale (Price/Unit)-25+ Units; Past 5 Yrs	\$2,800,000	\$789,819	\$341,357
Locals that have a bachelors Degree or higher	67.60%	45.02%	12.96%
Population Growth (2010-2020)	20.80%	3.77%	2.88%
White Collar Workers	88.75%	84.29%	60.37%
Average Household Income	\$140,127	\$156,570	\$113,261

Source: redfin.com, CoStar, Claritas Spotlight

PACIFIC
OCEAN

SANTA MONICA
STATE BEACH

SANTA MONICA
PIER

DISCOUNT TO HOMEOWNERSHIP (SFR)

Median Home Value	\$3,176,000
Mortgage Type	30-Yr Fixed
Down Payment 20%	\$635,200
Estimated APR	7.00%
Monthly Mortgage Payment	\$16,998
Taxes 1.25%	\$3,308
Insurance	\$250
Total Monthly Payment	\$20,556
Avg. Class A Santa Monica Rents	\$5,247
Discount To Homeownership	74%

Source: redfin.com: SFR-only, Past 2 Yrs, City of Santa Monica

Colorado Ave.

7th St.



CONVENIENTLY ACCESSIBLE TO MAJOR EMPLOYMENT HUBS

Proximate to an Employment Powerhouse – Silicon Beach

Silicon Beach has developed into a noteworthy tech employment hub in Southern California. The area's innovative companies continue to attract a highly educated, affluent, and youthful tenant base, creating a virtuous cycle of increasing opportunity. The area's vibrant tech scene and innovative companies have made it a sought-after destination for professionals looking to be at the forefront of technology and entrepreneurship.

The Property also offers unparalleled access and connectivity to a wealth of employment in Santa Monica and the Broader West Los Angeles market. The Property is located just steps from the Downtown Santa Monica MTA Expo Line light rail station. The Expo Line has the largest ridership growth of any line in the MTA's network and connects Santa Monica with Downtown Los Angeles and the entire Southern California rail system. The Expo Line connects the asset to tens of thousands of jobs.

Tenant	Leased SF	Submarket
Lionsgate	193,000	Santa Monica
Lulu	36,659	Santa Monica
Ithaca Holdings	56,104	Santa Monica
Autograph	90,000	Santa Monica
Amazon	200,000	Santa Monica
Lionsgate	93,166	Santa Monica
Entravision	37,506	Santa Monica
Riot Games	131,000	Santa Monica
Activision Publishing	90,000	Santa Monica
Neogene	18,000	Santa Monica
Snap	144,000	Santa Monica
Lulu	351,000	Santa Monica

AREA TENANTS | WEST LOS ANGELES AREA



7th & COLORADO

SANTA MONICA, CA

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