PLA RIAGON

SELLER FINANCED - BRUCE APARTMENTS

Bruce APTS.

OFFERING MEMORANDUM

PARAGON REALESTATE ADVISORS info@ParagonREA.com

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Information within this marketing package has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify all information and bears all risk for inaccuracies.

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EXECUTIVE SUMMARY

OFFERING

Paragon Real Estate Advisors is pleased to announce the exclusive listing of the Bruce Apartments. This six-unit building offers a great opportunity to own a low-maintenance property one block from the Morgan Street Junction. Seller financing is available with a 5.0% interest only rate, 25% down payment, and a 5-year term, making this an ideal opportunity for an investor to start their real estate investment portfolio or add it to their existing holdings.

The Bruce Apartments consists of all one bedroom – one bathroom units that have been meticulously maintained and updated over the years. There is a common laundry room and storage units available for each unit of which the current ownership does not charge for. Rents have been passively increased over the years, but remain well below market rate providing an opportunity for a new owner to capitalize on the existing rental upside. The next owner will be able to take advantage of the population growth moving South of the Admiral neighborhood in West Seattle. Major capital expenditure items taken care of over the last few years include a new roof and refreshed exterior paint.

The Bruce Apartments are located one block away from the bustling Morgan Street Junction which includes a Thriftway, Starbucks, Ezelle' Fried Chicken, Zeek's Pizza, and The Bridge Tavern. There is convenient access to public transportation and just a short walk away from Lincoln Park, which is one of Seattle's best public parks.



PARAGON REALESTATE ADVISORS age area

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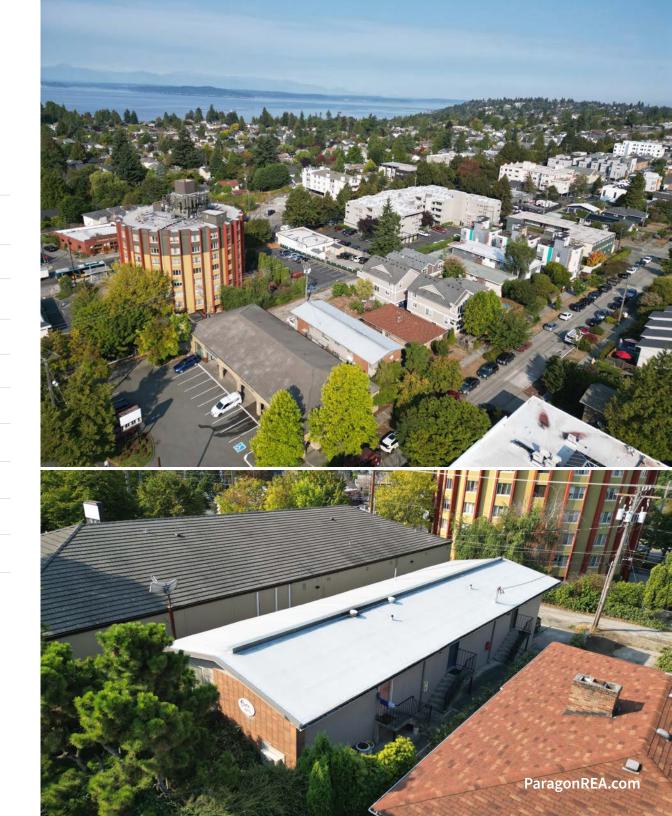
EXECUTIVE SUMMARY

FINANCIAL SUMMARY

NAME	The Bruce Apartments
ADDRESS	6339 42nd Ave SW Seattle, WA 98136
PRICE	\$1,550,000
TOTAL UNITS	6
BUILT	1962
SQUARE FEET	3,256 Total Net Rentable
PRICE PER UNIT	\$258,333
PRICE PER FOOT	\$476
CURRENT GRM/CAP	15.2/4.3%
MARKET GRM/CAP	11.7/6.2%
LOT SIZE	5,000 Square Feet
ZONING	NC3-40 (M)

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PROPERTY DETAILS

INVESTMENT HIGHLIGHTS

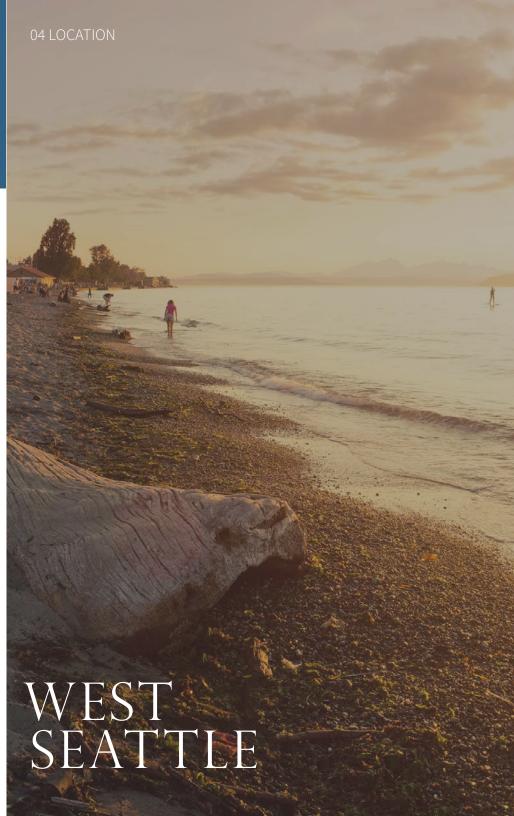
- Seller financing terms 5.0% interest only, 25% down payment, 5 year term
- Most recent lease-up is 14% higher than the average rent of the other 5 units
- Well maintained units- Renovational upside exists for a new owner though
- Opportunity to implement a utility bill-back system, charge for pet rent, storage income, and parking income
- Low maintenance property
- Five of the units rents were increased starting October 2023 and no tenants moved out- rents have room to increase further
- Attractive Morgan Street Junction location
- 5,000 square foot NC3-40 (M) zoned lot- presents future development potential
- Market 6.2% cap rate
- 10% cash-on-cash return after getting rents to market



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NEIGHBORHOOD ANALYSIS - SEATTLE, WA

West Seattle is the number one views of Puget Sound, the Olympic neighborhood in the United States searched by Silicon Valley residents looking to relocate. West Seattle is a place of natural beauty, from the many parks and outdoor recreational spaces to the breathtaking panoramic views of the water and mountains. On the southeast side if the neighborhood is Lincoln Park, a 135acre waterfront park with walking and bike trails, a saltwater pool, picnic and play areas, and beach access. Just to the east is Solstice Park with six lighted outdoor tennis courts and a community pea patch. To the west is Lowman Beach Park with 300' of waterfront and a soon to be completed Roof Top Park. Here you can enjoy commanding

\$2,197

Average Rent as of

Median Household Income*

\$82,866

42%

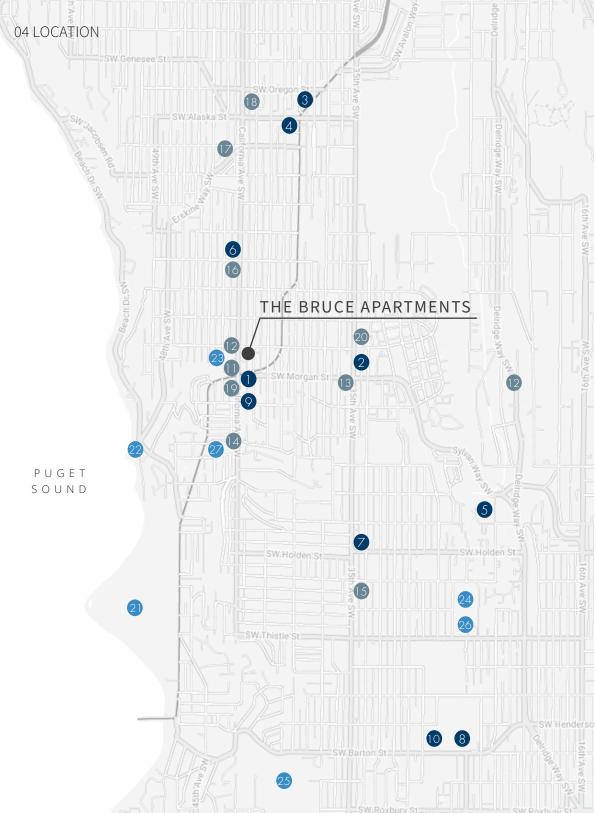
Renter Occupied Housing*

* hased on 2019 Census data

Mountains, and Vashon and Blake Islands. For entertainment and services, the Morgan Junction retail area is blocks away. It features a locally owned Thriftway grocery store, Starbucks and Café Ladro coffee shops, Zeek's Pizza, Whisky West, Beverage Place and The Bridge Restaurant and Pub. These are all popular and fun places to shop, eat and socialize.

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SHOPS & SERVICES •

1. West Seattle Thriftway 6. West Seattle Garden Center 2. Walgreens 7. Chevron 3. Trader Joe's 8. QFC 4. Whole Foods Market 9. Shell 5. Home Depot

10. Target

RESTAURANTS & BARS •

- 11. Zeek's Plzza 16. Box Bar 12. The Bridge 17. Uptown Espresso 13. Grillbird Teriyaki 18. Matador West Seattle 14. Cafe Ladro 19. Peel & Press 15. The Westy Sports & Spirits
 - 20. Nos Nos Coffee House
- PARKS & SCHOOLS •
- 21. Lincoln Park 22. Lowman Beach Park 23. Morgan Junction Park 24. Denny Middle School 25. Fauntleroy Park
- 26. Chief Sealth High School 27. Gatewood Elementary



PROPERTY DETAILS

EXTERIORS







FINANCIALS

UNIT Breakdown

	UNIT		CURRENT			MARKET
UNIT	ТҮРЕ	SIZE	RENT	PER SQFT	UTILITIES	RENT
1	1BD/1BTH	543	\$1,415	\$2.61	\$75	\$1,650
2	1BD/1BTH	543	\$1,275	\$2.35		\$1,650
3	1BD/1BTH	543	\$1,340	\$2.47		\$1,650
4	1BD/1BTH	543	\$1,400	\$2.58		\$1,650
5	1BD/1BTH	543	\$1,525	\$2.81	\$75	\$1,650
6	1BD/1BTH	543	\$1,400	\$2.58		\$1,650
6	Total/Avg	543	\$1,393	\$2.57	\$150	\$1,650



FINANCIALS INCOME & EXPENSES

Units	6	Price	\$1,550,000
Year Built	1962	Per Unit	\$258,333
Rentable Area	3,256	Per Sq. Ft.	\$476.04
Down Pmt	\$387,500	Current GRM	15.19
Loan Amount	\$1,162,500	Current CAP	4.32%
Interest Rate	5.000%	Market GRM	11.67
Amortization	Interest Only	Market CAP	6.21%

ANNUALIZED OPERATING DATA		CURRENT		MARKET
Scheduled Gross Income		\$102,060		\$132,840
Less Vacancy	5.00%	\$5,103	5.00%	\$6,642
Gross Operating Income		\$96,957		\$126,198
Less Expenses		\$29,984		\$29,984
Net Operating Income		\$66,973		\$96,214
Annual Debt Service	\$4,844	\$58,125		\$58,125
Cash Flow Before Tax	2.28%	\$8,848	9.83%	\$38,089

	UNIT		CURRENT	MARKET	RE Taxes
IITS	ТҮРЕ	SIZE	RENT	RENT	Insurance
	1 Bd/1 Bth	543	\$1,393	\$1,650	Utilities
	Total/Avg	543	\$2.57	\$3.04	Cleaning/Maint/
					Landscaping

MONTHLY INCOME	CURRENT	MARKET
Monthly Scheduled Rent	\$8,355	\$9,900
Parking (4 Spots)	\$0	\$300
Laundry Income	\$0	\$90
Utility Income	\$150	\$480
Storage Income	\$0	\$300
Total Monthly Income	\$8,505	\$11,070

ANNUALIZED OPERATING	EXPENSES	CURRENT	MARKET
RE Taxes	2023 Actual	\$11,823	\$11,823
Insurance	2023 Actual	\$3,467	\$3,467
Utilities	2022 Actual	\$5,694	\$5,694
Cleaning/Maint/Repairs	Proforma	\$5,100	\$5,100
Landscaping	Proforma	\$1,200	\$1,200
Administrative	Proforma	\$750	\$750
Reserves	Proforma	\$1,950	\$1,950
Total Expenses		\$29,984	\$29,984

	Expense/Unit	\$4,997	MARKET	Expense/Unit	\$4,997
OPERATIONS	Expense/Foot	\$9.21	OPERATIONS	Expense/Foot	\$9.21
	Percent of EGI	30.93%		Percent of EGI	23.76%



UNITS

6

6



The Bruce Apartments 6339 42nd Ave SW, Seattle, WA 98136

1962
6
\$1,550,000
\$258,333
\$476
15.2/4.3%
11.7/6.2%

SALES COMPARABLES



Sound Breeze Apartments 5034 Fauntleroy Wy SW, Seattle, WA 98136

Year Built	1989
Tear Dunc	1909
Units	6
Sales Price	\$2,200,000
Price/Unit	\$366,667
Price/Foot	\$406
CAP	5.1%
Sale Date	On Market



 Westernaire Apartments

 4201 SW Graham St, Seattle, WA 98136

 Year Built
 1956

 Units
 28

 Sales Price
 \$4,700,000

 Price/Unit
 \$167,857

 Price/Foot
 \$417

5.3%

07.21.2023

CAP

Sale Date



Admiral Flats 3431 California Ave SW, Seattle, WA 98116

Year Built	1977/2014
Units	8
Sales Price	\$2,520,000
Price/Unit	\$315,000
Price/Foot	\$428
CAP	4.9%
Sale Date	12.12.2022



6033 California 6033 California Ave SW, Seattle, WA 98136

Year Built	1957
fear built	1937
Units	12
Sales Price	\$2,939,000
Price/Unit	\$244,917
Price/Foot	\$466
CAP	2.7%
Sale Date	11.15.2022

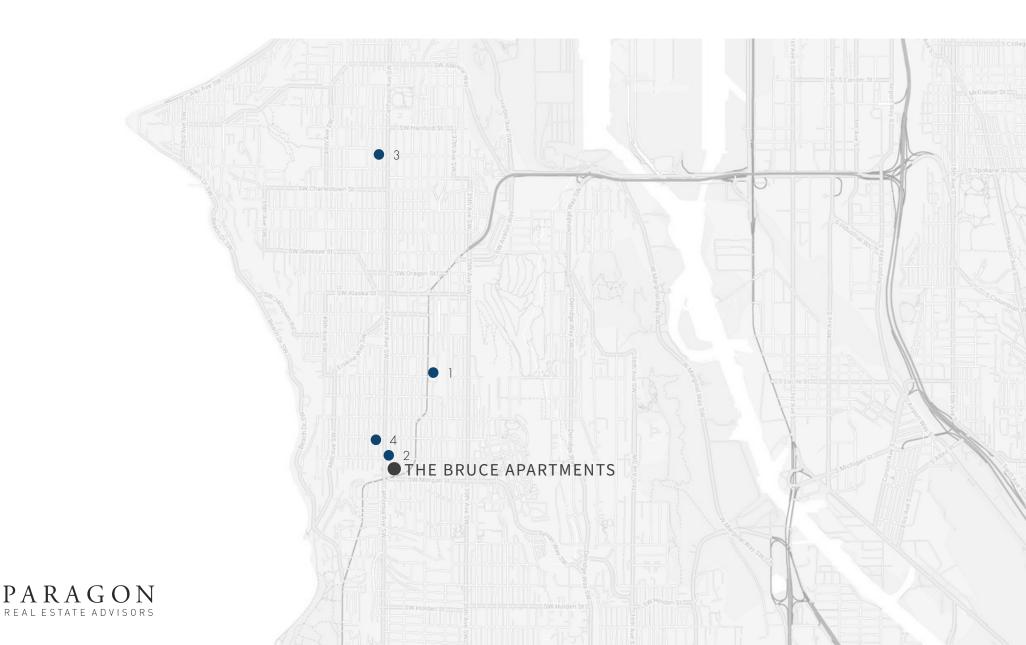


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FINANCIALS

SALES COMPARABLES

- 1. SOUND BREEZE APARTMENTS Seattle, WA 98136
- **3. ADMIRAL FLATS** Seattle, WA 98116
- 2. WESTERNAIRE APARTMENTS Seattle, WA 98136 4. 6033 CALIFORNIA Seattle, WA 98136



PARAGON REAL ESTATE



- ABOUT US

Leading investment firm for multifamily property

Paragon Real Estate Advisors is a leading Seattle real estate investment limit for multi family property sales in Washington State. We are locally owned, client focused, and highly experienced. When it comes to apartments and investment real estate in the Puget Sound region, we are the smart choice to partner with.



Visit our new website! ParagonREA.com

ParagonREA.com 206.623

The Top Local Multi-Family Brokerage in 2021

in the Seattle market according to 🛟 CoStar

PARAGON REAL ESTATE ADVISORS

In 1995 our founders saw an opportunity to form a new kind of brokerage, one that focused on sharing information between brokers and truly partnering with its clients. Paragon Real Estate Advisors quickly established itself as a leading Seattle real estate investment firm.

Paragon Real Estate Advisors is the leading Seattle real estate investment firm for multi-family property sales in Washington State. We have accrued over \$4.1 billion in sales and have closed over 1,800 successful real estate transactions. We are locally owned, client-focused, and highly experienced.

At Paragon, we build long-term partnerships that help our clients reach their long- and short-term real estate investment goals while maintaining maximum profitability for them. Our brokers have an in-depth knowledge of the Washington state real estate market, particularly in the greater Seattle area and the I-5 corridor, that comes from more than 20 years' experience in the industry. Paragon's unique focus on sharing knowledge, teamwork and collaboration within the brokerage industry leverages our collective intellect for all our clients. Our brokers provide superior customer representation through our innovative and effective marketing campaigns, co-brokerage, skilled negotiations, and ongoing partnerships.

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