

PARAGON  
REAL ESTATE ADVISORS



THE BALLARD 5  
OFFERING MEMORANDUM

# PARAGON

REAL ESTATE ADVISORS

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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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# OFFERING

Paragon Real Estate Advisors is pleased to announce the exclusive listing of the Ballard 5. This five-unit building features large units with private balconies in an excellent Ballard location just four blocks north of Market Street.

The Ballard 5 consists of three one bedroom one bath units ranging in size from 760 to 810 square feet, a large two bedroom one-and-a-half-bath unit that is 960 square feet, and a penthouse unit. The penthouse is 1,210 square feet and is a two bedroom one and a half bath unit featuring large living spaces throughout. The units have private balconies for the tenant's enjoyment. Two of the units have received full remodels and a third unit has been partially updated. There is a common laundry room on site for the tenants use.

The subject property provides an investor with an opportunity to acquire a property in an A+ location that is below replacement cost. Additionally, the large penthouse unit provides an opportunity for an owner occupant to purchase the property and live in one unit while renting out the rest to help pay the debt service or provide additional cash flow.



# FINANCIAL SUMMARY

NAME	<b>The Ballard 5</b>
ADDRESS	1716 NW 59th St Seattle, WA 98107
PRICE	\$1,650,000
TOTAL UNITS	5
BUILT	1979
SQUARE FEET	4,500 Total Net Rentable
PRICE PER UNIT	\$330,000
PRICE PER FOOT	\$367
SEPT. 1ST GRM/CAP	13.6/4.8%
MARKET GRM/CAP	12.2/5.8%
LOT SIZE	5,000 Square Feet
ZONING	LR2 (M)

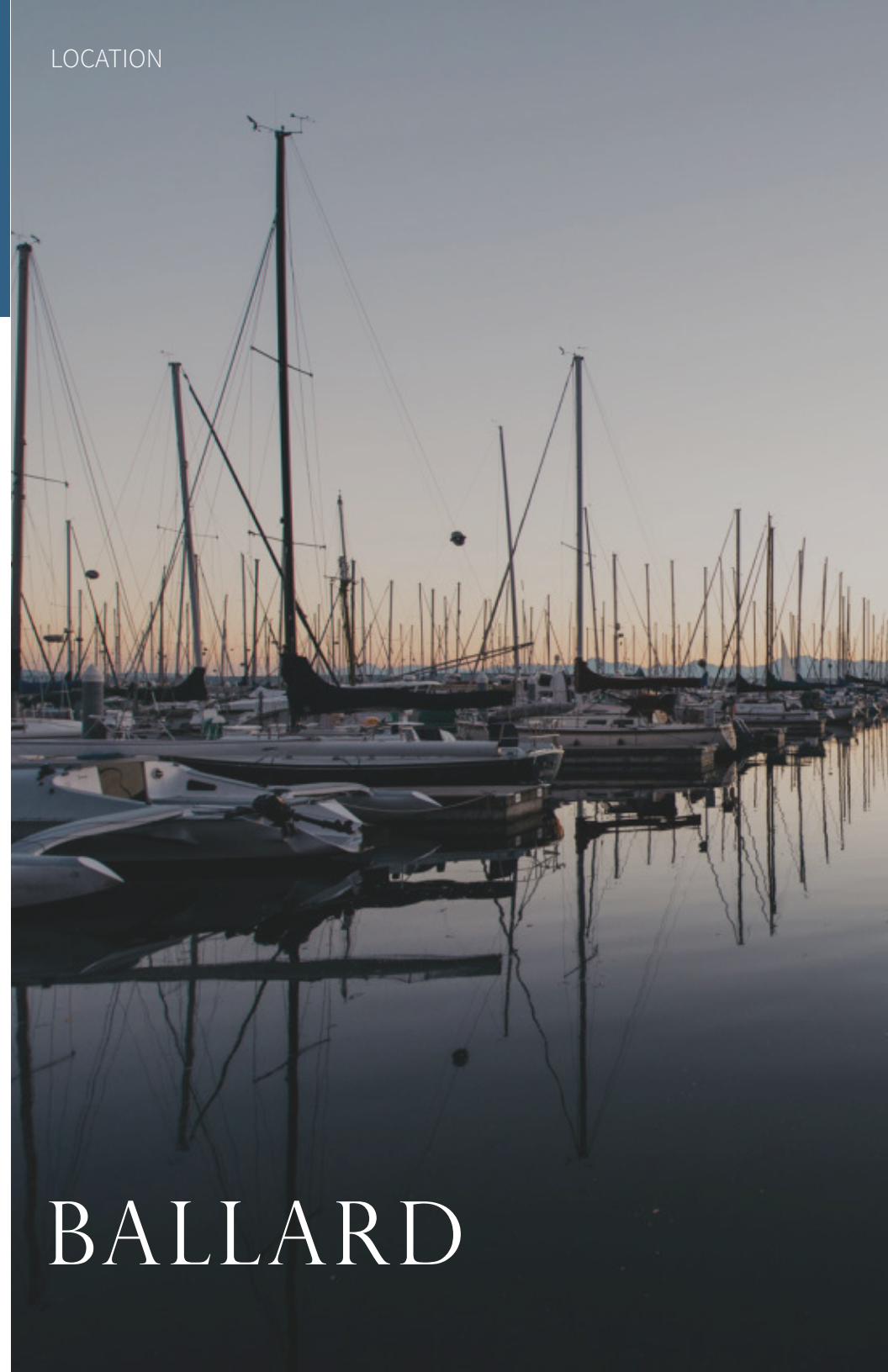
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# INVESTMENT HIGHLIGHTS

- Large units with an abundance of natural light
- \$367 price per Net Rentable Sqft
- Market 5.8% Cap Rate
- 6.1% renovation Cap Rate on cost- assumes a \$35,000/unit budget
- Rents are significantly increasing starting September 1st, 2024
- Two of the five units have received full remodels, and a third unit has been partially updated
- Penthouse unit – 2Bd/1.5Bth – 1,210 SqFt
- 1 – 2Bd/1Bth – 960 SqFt & 3 – 1Bd/1Bth Units – 760 – 810 SqFt
- Double pane vinyl windows
- 4 units feature private balconies and the 5th unit has a patio
- 3 covered parking stalls and 2 uncovered parking stalls (7 total stalls with tandem parking)
- Excellent location in Ballard only 4 blocks north of Market St with easy access to CBD, University of Washington, Seattle Pacific University, Amazon, and South Lake Union





# BALLARD

Ballard is a historic and trendy neighborhood located in the northwest region of Seattle. Ballard's thriving waterfront and blossoming culture makes it one of the most distinguished neighborhoods in the area. In recent years, a younger resident profile has been attracted to Ballard through new development, the community's energetic nightlife, award winning restaurants, quality of life, retail amenities, and close vicinity to Downtown Seattle. Ballard's unique amenities, rich history, small-town charm, scenic waterfront, and close proximity to Seattle's most popular neighborhoods make it a prime location to both live and work. Area highlights include the Ballard locks, Salmon Bay Marina, Shilshole Bay Marina, and the beautiful beach front Golden Gardens Park which overlooks the majestic Olympic Mountains.

\$2,146

Average Rent  
as of 2024

\$113,531

Median Household  
Income\*

59%

Renter Occupied  
Housing\*

\* based on 2021 Census data



# INTERIORS - RENOVATED UNITS





# INTERIORS - NON-RENOVATED UNITS



FINANCIALS

# INCOME & EXPENSES

<b>Units</b>	5	<b>Price</b>	\$1,650,000
<b>Year Built</b>	1979	<b>Per Unit</b>	\$330,000
<b>Rentable Area</b>	4,500 SqFt	<b>Per Sq. Ft.</b>	\$366.67
<b>Down Pmt</b>	\$680,000	<b>Current GRM</b>	13.62
<b>Loan Amount</b>	\$970,000	<b>Current CAP</b>	4.78%
<b>Interest Rate</b>	7.27%	<b>Market GRM</b>	12.19
<b>Amortization</b>	Interest Only	<b>Market CAP</b>	5.75%

	<b>UNIT TYPE</b>	<b>SIZE</b>	<b>SEP. 1ST RENT</b>	<b>MARKET RENT</b>	<b>RENO RENT</b>
1	1Bd/1Bth	810	\$1,710	\$1,775	\$2,050
2	1Bd/1Bth (Renovated)	760	\$1,800-\$1,950	\$2,050	\$2,050
1	2Bd/1Bth	960	\$2,040	\$2,095	\$2,395
1	2Bd/1.5Bth	1,210	\$2,015	\$2,150	\$2,500
<b>5</b>	<b>Total/Avg</b>	<b>900</b>	<b>\$2.11</b>	<b>\$2.25</b>	<b>\$2.45</b>

<b>MONTHLY INCOME</b>	<b>SEP. 1ST</b>	<b>MARKET</b>	<b>RENO</b>
<b>Monthly Scheduled Rent</b>	\$9,515	\$10,120	\$11,045
Parking (3 Carports & 2 Open Stalls)	\$0	\$325	\$325
Utility Income	\$581	\$581	\$581
Laundry Income	\$0	\$50	\$50
Pet & Storage Income (5 Storage Units)	\$0	\$125	\$125
Miscellaneous Income	\$0	\$75	\$75
<b>Total Monthly Income</b>	<b>\$10,096</b>	<b>\$11,276</b>	<b>\$12,201</b>

<b>ANNUALIZED OPERATING DATA</b>	<b>SEP. 1ST</b>	<b>MARKET</b>	<b>RENO</b>
<b>Scheduled Gross Income</b>	<b>\$121,155</b>	<b>\$135,315</b>	<b>\$146,415</b>
Less Vacancy	\$6,058	\$6,766	\$7,321
Gross Operating Income	\$115,097	\$128,549	\$139,094
Less Expenses	\$36,271	\$33,673	\$33,673
<b>Net Operating Income</b>	<b>\$78,826</b>	<b>\$94,876</b>	<b>\$105,421</b>
Annual Debt Service	\$70,519	\$70,519	\$70,519
<b>Cash Flow Before Tax</b>	<b>\$8,307</b>	<b>\$24,357</b>	<b>\$34,902</b>
Principal Reduction	\$0	\$0	\$0
<b>Total Return Before Tax</b>	<b>\$8,307</b>	<b>\$24,357</b>	<b>\$34,902</b>

<b>ANNUALIZED OPERATING EXPENSES</b>	<b>SEP. 1ST</b>	<b>MARKET</b>	<b>RENO</b>
RE Taxes	2024 Actual \$15,151	\$15,151	\$15,151
Insurance	2023 Actual \$6,348	\$3,750	\$3,750
Utilities	Proforma \$7,750	\$7,750	\$7,750
Maint/Repairs	Proforma \$3,750	\$3,750	\$3,750
Landscaping	2023 Actual \$772	\$772	\$772
Admin./Marketing	Proforma \$750	\$750	\$750
Reserves/Replacements	Proforma \$1,750	\$1,750	\$1,750
<b>Total Expenses</b>	<b>\$36,271</b>	<b>\$33,673</b>	<b>\$33,673</b>

<b>SEP. 1ST OPERATIONS</b>	<b>Expense/Unit</b>	<b>Expense/Foot</b>	<b>Percent of EGI</b>	<b>MARKET OPERATIONS</b>	<b>Expense/Unit</b>	<b>Expense/Foot</b>	<b>Percent of EGI</b>
	\$7,254	\$8.06	31.51%		\$6,735	\$7.48	26.19%
				<b>RENO OPERATIONS</b>	<b>Expense/Unit</b>	<b>Expense/Foot</b>	<b>Percent of EGI</b>
					\$6,735	\$7.48	24.21%

# SALES COMPARABLES



## The Ballard 5

1716 NW 59th St, Seattle, WA 98107

Year Built	1979
Units	5
Price	\$1,650,000
Price/Unit	\$330,000
Price/Foot	\$367
Sep. 1st GRM/CAP	13.6/4.8%
Market GRM/CAP	12.2/5.8%
Reno GRM/CAP	12.1/6.1%



## The Ballard 7

2028 NW 58th St, Seattle, WA 98107

Year Built	1976
Units	7
Sales Price	\$2,011,600
Price/Unit	\$387,371
Price/Foot	\$430
GRM/CAP	12.8/5.2%
Sale Date	03.21.2024



## Paradise Place

1541 NW 52nd St, Seattle, WA 98107

Year Built	1976
Units	5
Sales Price	\$1,875,000
Price/Unit	\$375,000
Price/Foot	\$399
GRM/CAP	-/4.1%
Sale Date	12.20.2023



## Bergen Apartments

2406 NW 61st St Seattle, WA 98107

Year Built	2000
Units	6
Sales Price	\$2,100,725
Price/Unit	\$350,121
Price/Foot	\$490
GRM/CAP	-/4.6%
Sale Date	10.05.2023



## Breakwater Apartments

5401 34th Ave NW, Seattle, WA 98107

Year Built	1948
Units	10
Sales Price	\$2,900,000
Price/Unit	\$290,000
Price/Foot	\$383
GRM/CAP	12.1/5.6%
Sale Date	08.24.2023



## Ballard 6-Unit

1757 NW 57th St, Seattle, WA 98107

Year Built	1989
Units	6
Sales Price	\$1,897,000
Price/Unit	\$316,167
Price/Foot	\$455
GRM/CAP	-/
Sale Date	08.09.2023



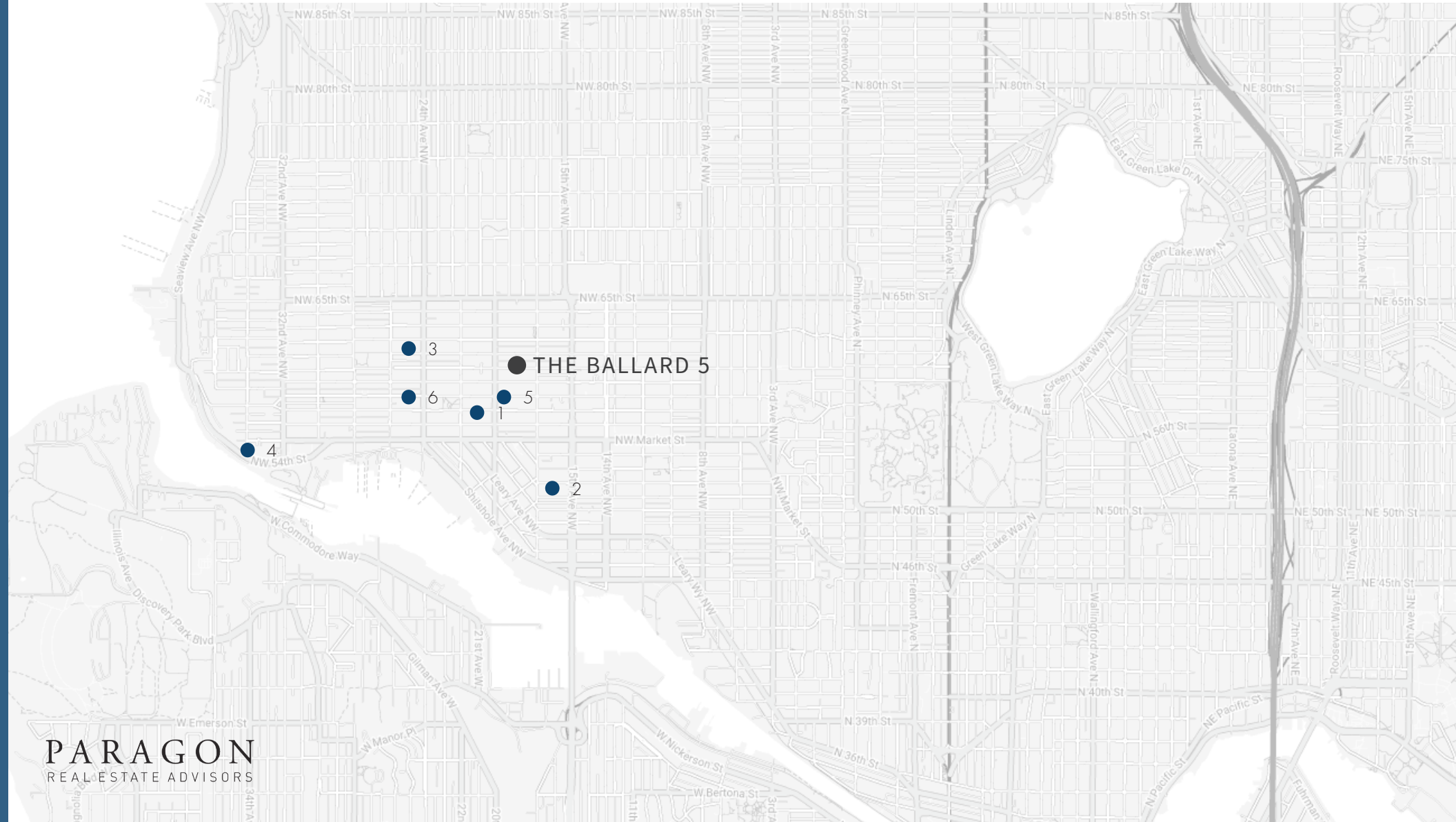
## Palm Court

2410 NW 57th St, Seattle, WA 98107

Year Built	1957
Units	7
Sales Price	\$2,125,000
Price/Unit	\$303,571
Price/Foot	\$448
GRM/CAP	-/5.5%
Sale Date	05.11.2023

# SALES COMPARABLES

- 1. **THE BALLARD 7** - Seattle, WA 98107
- 2. **PARADISE PLACE** - Seattle, WA 98107
- 3. **BERGEN APARTMENTS** - Seattle, WA 98107
- 4. **BREAKWATER APARTMENTS** - Seattle, WA 98107
- 5. **BALLARD 6-UNIT** - Seattle, WA 98107
- 6. **PALM COURT** - Seattle, WA 98107



# PARAGON REAL ESTATE

\$4.1 B  
Sales Volume

27  
Years in  
Business

20+  
Brokers

48 k  
Units Sold

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#### — ABOUT US

#### Leading investment firm for multi-family property

Paragon Real Estate Advisors is a leading Seattle real estate investment firm 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.



## 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.

Visit our new website! [ParagonREA.com](https://www.paragonrea.com)

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