

PLAZA 12FORTY-ONE

OFFERING MEMORANDUM

PARAGON
REAL ESTATE ADVISORS



OFFERING

Paragon Real Estate Advisors is pleased to announce Plaza 12Forty-One, an exclusively listed, fully occupied mixed-use commercial and residential offering located in Marysville, Washington, priced at \$1,650,000. Plaza 12Forty-One is comprised of 4 commercial suites, 2 apartments and a light manufacturing building.

Plaza 12Forty-One was developed by the current owners in 2004 when they redeveloped the site and built the mixed-use commercial/residential building. In 2007 they added the light manufacturing building to the Property. This is the first time the Property has been offered for sale by the original owner developer.

The Property is well located in a bustling retail corridor in central Marysville and further benefits by being across the street from Plaza at Marysville, a large Safeway anchored shopping center which helps drive traffic volume to over 16,000 vehicles per day on State Avenue. Plaza 12Forty-One is highly visible, has attractive street appeal and offers easy ingress and egress from State Avenue with abundant, dedicated on-site parking.

The Property's occupancy mix includes four commercial suites occupied by locally owned businesses including a chiropractic clinic, a therapeutic message clinic, a garden supply store, a tattoo parlor, two 1-bedroom apartments and a standalone light manufacturing building leased to an apparel screen printing business. The apartment homes sit on top of the quaint commercial plaza with a separate secured entrance. Each apartment is well-appointed and easy to rent with stacked washer/dryers, dishwashers, built in microwaves, and large bedrooms. The commercial tenants' leases have multiple years remaining with staggering expirations dates.

Plaza 12Forty-One should appeal to a hands-on investor seeking a well-located, quality-built, and attentively maintained investment property with a diverse mix of commercial and residential tenants. Plaza 12Forty-One has historically been nearly 100% occupied with minimal property management effort. The opportunity to raise the rents to market levels exists over the next few years with minor physical improvements. Slight increases in Annual Rent, once commercial leases expire, could achieve an 8.00% CAP Rate for the overall investment.

The Seller will review offers as they are received and prefers to be cashed out.



FINANCIAL SUMMARY

NAME	Plaza 12Forty-One
ADDRESS	1241 State Ave Marysville, WA 98270
PRICE	\$1,650,000
TOTAL UNITS	5 Commercial + 2 Apartments
BUILT	2004/2007
SQUARE FEET	9,145 Total Net Rentable
PRICE PER FOOT	\$180
CURRENT CAP	5.75%
MARKET CAP	8.03%
LOT SIZE	26,572 Square Feet
ZONING	Community Business

This information 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.



LOCATION

LOCATION HIGHLIGHTS

Plaza 12Forty-One is just north of Marysville's Downtown Master Plan study area, which is a major focus of the city's efforts to revitalize Marysville downtown and Ebey Waterfront Park. This property is steps away from a variety of shopping, dining, and entertainment amenities. The Cedar and Grove Park and Ride is just minutes away, adding additional convenience for the Property's residents. A fire station is also nearby providing peace of mind for the property's residents, commercial tenants, clientele, and future owner knowing that emergency response times will be quick.

- Ideally suited area for both commercial and residential tenants
- Conveniently located in a safe neighborhood
- 2023 population in a 5-mile radius is 100,307
- Average household income in a 5-mile radius is \$104,024
- Across from Safeway anchored Plaza at Marysville Shopping Center
- 18,363 Average Annual Daily Traffic (AADT CoStar 2022)
- Minutes to downtown Marysville, I-5, shopping & entertainment
- Excellent visibility from State Avenue with good ingress and egress
- 30 miles from Seattle with new HOV lane on I-5 north of Everett



PROPERTY DETAILS

INVESTMENT HIGHLIGHTS

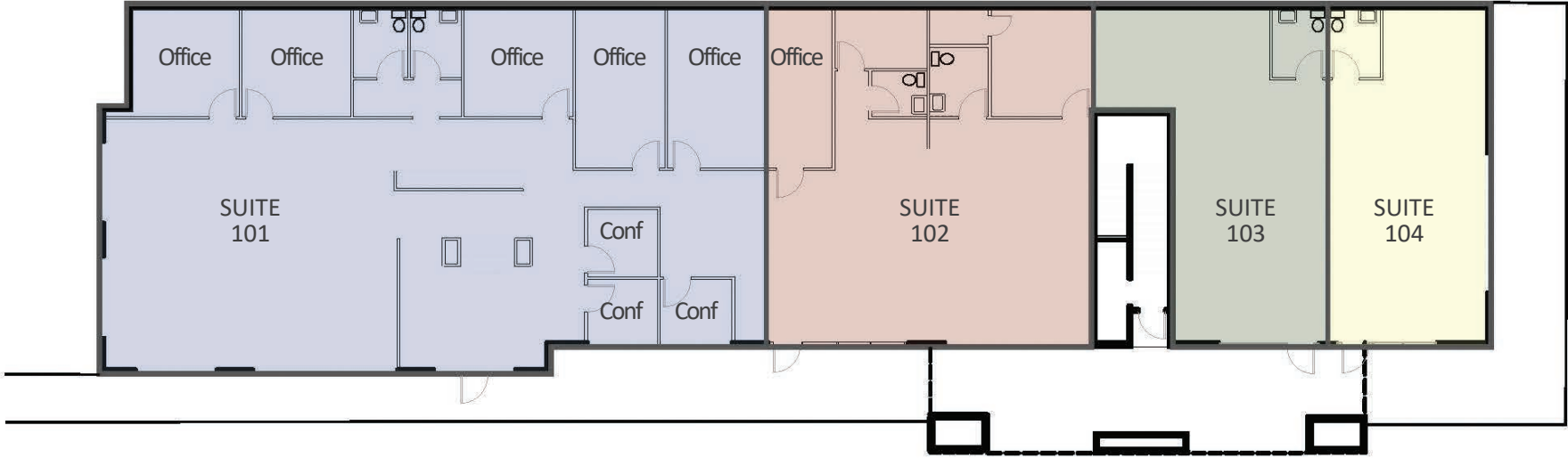
- 4 commercial suites, 2 apartment homes and 1 light manufacturing space
- 100% occupied with long term commercial tenants
- Newer, quality-built, mixed-use plaza
- Meticulously maintained property
- Quality 2004 and 2007 construction
- Ideal Marysville location for a mixed-use property
- Diverse manufacturing based local economy
- First time on market by original developer
- 5.75% CAP Current - 8.03% CAP Market
- Below market rents with achievable near-term upside
- Low vacancy sub-market for commercial and multifamily
- Abundant and dedicated on-site parking



EXTERIORS



FLOOR PLAN



BUILDING A - GROUND FLOOR

RENT ROLL

Commerical

Tenant	Suite	Space Type	Square Feet	% Bldg Share	Lease Commence	Lease Expiration	Annual Rent/SF	Monthly Rent	Annual Rent	Lease Type	NNN Expense Reimbursements
Keehn Chiropractic	101	Retail	2,877	37.24%	10/1/10	1/31/27	\$10.17	\$2,438	\$29,256	NNN	\$13,404
Homegrown Hydros	102	Retail	1,386	17.94%	8/6/21	1/31/26	\$10.35	\$1,195	\$14,340	NNN	\$6,456
Heavenly Hands	103	Retail	719	9.31%	2/1/09	1/31/27	\$10.46	\$627	\$7,524	NNN	\$3,348
Anvil Tattoo	104	Retail	643	8.32%	8/4/08	1/31/26	\$10.30	\$552	\$6,624	NNN	\$2,988
Blue Jay Screen Printing	105	Industrial	2,100	27.18%	1/1/19	1/31/27	\$8.00	\$1,400	\$16,800	NNN	\$9,792
Total			7,725				\$9.65	\$6,212	\$74,544		\$35,988

Multifamily

Resident	Unit	Unit Type	Square Feet	Lease Commence	Lease Expiration	Monthly Rent/SF	Monthly Rent	Annual Rent	Lease Type	NNN Expense Reimbursements
Private Resident	201	1Bd/1.5Bth	710	7/1/23	6/30/24	\$1.89	\$1,340	\$16,080	Gross	\$0
Heavenly Hands	202	1Bd/1Bth	710	1/1/23	1/31/27	\$0.92	\$650	\$7,800	Gross	\$0
Total			1,420				\$1,990	\$23,880		\$0

Combined Total

9,145 **\$8,202** **\$98,424** **\$35,988**

NOTES

- [1] Commercial Tenant's allocated share of Triple Net (NNN) Expenses are equal to the rentable area of the Premises (Bldg A Ground Floor & Bldg B) on a per SF basis divided by the rentable area of their corresponding Suite on a per SF basis averaged over the calendar year for which NNN Expenses are being determined.
- [2] NNN Expense Reimbursements include real estate taxes, insurances, CAM (common area maintenance, repairs, supplies), and Utilities (water/sewer/garbage).
- [3] Commerical Tenant in Suite 103, Heavenly Hands, also rents Apartment Unit 202, but only pays NNN Expense reimbursements for commercial Suite 103.

OPERATING STATEMENT

INCOME	CURRENT		PER SF	MARKET		PER SF	NOTES
Multifamily							
Gross Potential Rent	34,800		24.51	34,800		24.51	
Loss / Gain to Lease	(10,920)	31.4%	(7.69)	0	0%	0.00	
Gross Scheduled Rent	23,880		16.82	34,800		24.51	
Utility Income	0		0.00	1,200		0.85	
Vacancy	(482)	3.0%	(0.34)	(1,044)	3.0%	(0.74)	
Effective Gross Income	\$23,398		\$16.48	\$34,956		24.62	[1]
Commerical							
Scheduled Base Rental Income	74,544		9.65	101,904		13.19	
NNN Expense Reimbursement Income							
Real Estate Taxes	8,898		1.15	15,248		1.97	
Insurance	4,071		0.53	4,193		0.54	
CAM - Utilities (Water/Sewer/Garbage)	5,040		0.65	5,769		0.75	
CAM - Repairs & Maintenance	19,375		2.51	19,375		2.51	
Total NNN Reimbursement Income	\$37,384	92.3%	\$4.84	\$44,585	91.2%	5.77	
Potential Gross Revenue	111,928		14.49	146,489		18.96	
General Vacancy	0	0%	0.00	0	0%	0.00	
Effective Gross Revenue	\$111,928		\$14.49	\$146,489		\$18.96	[2]
Multifamily & Commerical Combined							
Combined Effective Gross Revenue	\$135,326		\$14.80	\$181,445		\$19.84	
OPERATING EXPENSES							
Real Estate Taxes	8,898		0.97	15,248		1.67	[3]
Insurance	4,071		0.45	4,193		0.46	[3]
CAM - Water/Sewer/Garbage	5,040		0.55	5,769		0.63	[3]
CAM - Repairs & Maintenance	19,375		2.12	19,375		2.12	[3]
Supplies, Dues, Bank Fees	975		0.11	975		0.11	[3]
Legal & Professional Fees	925		0.10	925		0.10	[4]
Management Fee	1,200	0.89%	0.13	2,400		0.26	[4]
Total Expenses	40,484		\$4.43	48,885		\$5.35	
Expenses as a % of EGR	29.9%			26.9%			
Net Operating Income	\$94,842		\$10.37	\$132,560		\$14.50	

NOTES

[1] Multifamily Effective Gross Revenue assumes market rent for each apartment to be \$1,450/mo or \$2.04/SF/month..

[2] Commercial Effective Gross Revenue assumes lease renewals or new leases after expiration ranging from \$9.75/SF for Suite 105, \$13.50 for 101, \$15 for 102 and \$16 for 103 & 104

[3] Current based on Year End 2023; Market based on actual and projected 2024 Budget.

[4] Current based on Year End 2023; Market based on Owner/Landlord self managing property and preparing their own tax returns.

SALES COMPARABLES



Plaza 12Forty-One

1241 state Ave, Marysville, WA

Year Built	2004/2007
Suites	7
Size	9,145
Sales Price	\$1,650,000
Price/Foot	\$180
CAP	5.75%



67th St Plaza

20815 67th Ave W, Lynnwood, WA

Year Built	1980
Suites	8
Size	15,946
Sales Price	\$3,000,000
Price/Foot	\$188
CAP	5.8%
Sale Date	01.24.2023



Allen Creek Crossing

4711 64th St NE, Marysville, WA

Year Built	2007
Suites	7
Size	8,226
Sales Price	\$4,350,000
Price/Foot	\$551
CAP	5.8%
Sale Date	09.25.2021



Plaza 116

11603 State Ave, Marysville, WA

Year Built	2000
Suites	8
Size	2,000
Sales Price	\$3,650,000
Price/Foot	\$204
CAP	7.0%
Sale Date	01.27.2020



Another Castle

8628 36th Ave NE, Marysville, WA

Year Built	2009
Suites	2
Size	5,548
Sales Price	\$1,470,000
Price/Foot	\$265
CAP	6.4%
Sale Date	On Market



Marysville Mixed-Use

1227 State Ave, Marysville, WA

Year Built	1925/1963
Suites	13
Size	11,280
Sales Price	\$1,540,000
Price/Foot	\$136
CAP	7.1%
Sale Date	06.18.2021



Marysville Towncenter

221 State Ave, Marysville, WA

Year Built	1913/2011
Suites	5
Size	7,508
Sales Price	\$1,325,000
Price/Foot	\$176
CAP	-
Sale Date	11.18.2022

SALES COMPARABLES

1. 67TH ST PLAZA - Marysville, WA 98270

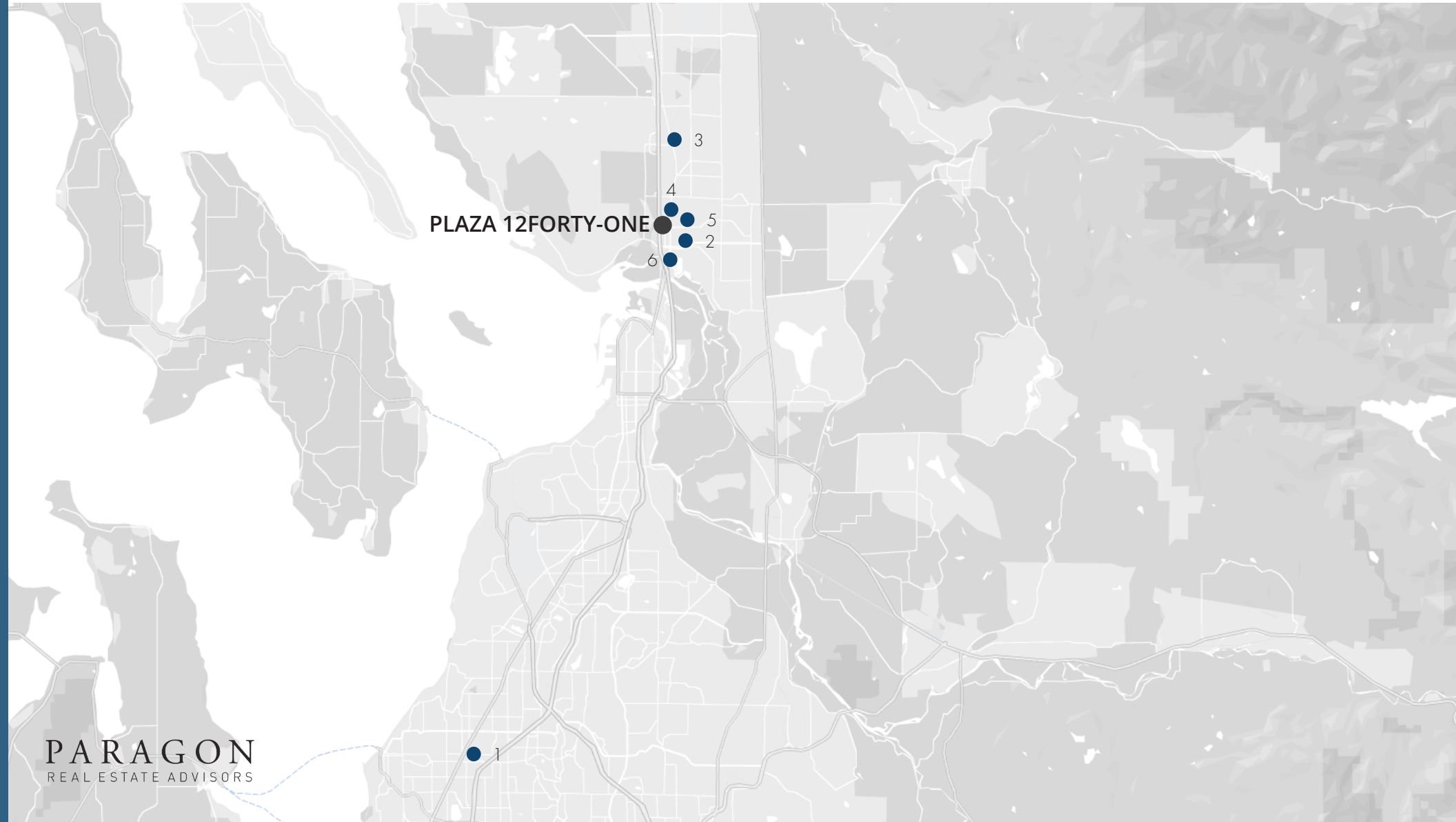
2. ALLEN CREEK CROSSING - Marysville, WA 98271

3. PLAZA 116 - Marysville, WA 98270

4. ANOTHER CASTLE - Marysville, WA 98270

5. MARYSVILLE MIXED-USE - Marysville, WA 98270

6. MARYSVILLE TOWNCENTER - Marysville, WA 98270



RENT COMPARABLES

	ADDRESS	BUILT	SUITES	TYPE	SIZE	RENT	RENT/SF
	Pochi Bubble Tea Café 3719 88th St NE, Marysville, WA	2000	1	Retail	1,200	\$2,964	\$29.6
	Quil Ceda Village 8825 34th Ave NE, Marysville, WA	2001	1	Retail	2,580	\$5,052	\$23.5
	AT&T Wireless 8830 36th Ave NE, Marysville, WA	2018	1	Retail	1,507	\$4,270	\$34.0
	NW South Boutique 4711 64th St NE, Marysville, WA	2007	1	Retail	867	\$1,590	\$22.0
	Plaza at Marysville 1218 State Ave, Marysville, WA	1995	31	Retail Retail Retail	863 1,000 1,500	\$1,942 \$2,250 \$3,375	\$27.0 \$27.0 \$27.0
	DaBella Plaza 912 State Ave, Marysville, WA	1973	3	Office	600	\$1,350	\$27.0
	Multi-Tenant Plaza 1059 State Ave, Marysville, WA	1987	5	Office	1,297	\$1,405	\$13.0

PARAGON REAL ESTATE

\$4.1 B
Sales Volume

27
Years in
Business

20+
Brokers

48 k
Units Sold

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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™

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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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600 University St, Suite 2018 | Seattle, WA 98101
info@ParagonREA.com

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