

PARAGON  
REAL ESTATE ADVISORS



RCA APARTMENTS  
OFFERING MEMORANDUM



# OFFERING

Paragon Real Estate Advisors is pleased to exclusively offer for sale the iconic RCA Apartments. On the market for the first time in 45 years, the RCA offers investors the opportunity to purchase a well-maintained asset in the thriving Fremont neighborhood. Conveniently located on North 41st Street and Fremont Avenue, the RCA is within blocks of neighborhood amenities such as Marketime Foods and many acclaimed restaurants, quaint coffee houses and bars. The high-end french eatery Le Coin and the highly popular Original Paseo Fremont are located nearby and offer excellent dining options.

The RCA is comprised of two separate buildings on two separate tax parcels and consists of 10 – 2BD/1 BTH units and 1 large studio unit. The buildings are situated above the street, buffering out any potential noise from traffic and provides views of B.F. Day Playground as well as territorial views of the City Skyline and Lake Union. The units are spacious with dining areas off the kitchens, gleaming hardwood floors and large windows allowing for an abundance of natural lighting. Many units have had updates to the kitchens, and bathrooms and 8 kitchens offer new gas ranges.

The RCA building boasts mature, well-manicured landscaping with a courtyard area that offers outdoor seating and a recreation area for residents. There are 10 parking stalls which the owner does not currently charge for. The large 10,813 square foot lot is zoned LR2(M) providing the opportunity for potential future development



# FINANCIAL SUMMARY

<b>NAME</b>	<b>RCA Apartments</b>
<b>ADDRESS</b>	702 - 710 N 41st St, Seattle, WA 98103
<b>PRICE</b>	\$3,795,000
<b>TOTAL UNITS</b>	11
<b>BUILT</b>	1950 / 1988
<b>SQUARE FEET</b>	8,350 Total Net Rentable
<b>PRICE PER UNIT</b>	\$345,000
<b>PRICE PER FOOT</b>	\$454
<b>CURRENT GRM/CAP</b>	13.6 / 5.2%
<b>MARKET GRM/CAP</b>	10.5 / 7.1%
<b>LOT SIZE</b>	10,813 Square Feet
<b>ZONING</b>	LR2 (M)

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.



# PROPERTY DETAILS

<b>NAME</b>	RCA 11 Units
<b>ADDRESS</b>	702 - 710 N 41st St, Seattle, WA 98103
<b>PARCEL NUMBERS</b>	193130-1245 & 193130-1250
<b>YEAR BUILT</b>	1950 / 1988
<b>NUMBER OF UNITS</b>	11
<b>BUILDING SIZE</b>	8,350 Total Net Rentable
<b>BUILDINGS</b>	2
<b>STORIES</b>	2
<b>CONSTRUCTION</b>	Wood Framed
<b>ROOF</b>	Pitched Composition / Flat Torchdown
<b>EXTERIOR</b>	Brick Veneer
<b>HEAT TYPE</b>	Gas Wall Furnace / Electric Wall Heaters
<b>WINDOWS</b>	Double Pane
<b>PARKING</b>	10 - Open Spaces
<b>LAUNDRY</b>	On-site
<b>LOT INFORMATION</b>	10,813 Square Feet Zoned LR2 (M)



# PROPERTY HIGHLIGHTS

- Premier Fremont Location
- First time on market in 45 plus years
- Meticulously maintained
- 10 of the 11 units are 2 bedroom units
- Open and spacious floor plans
- All units have a dining area off the Kitchen
- Eight kitchens have gas stoves
- Quality updates have been completed on recent turnovers
- Hardwood Flooring
- Large windows allowing for an abundance of natural lighting
- Views of B.F. Day Playfield
- Territorial views of the City Scape and Lake Union
- Mature well-manicured landscaping
- Courtyard for residents to enjoy
- Ten parking spaces



## NEIGHBORHOOD ANALYSIS - SEATTLE, WA

This artsy neighborhood on the north shore of the Lake Washington Ship Canal thrives with its bohemian vibe and quirky claims to fame. Fremont is home to a slew of Seattle's largest employers: Adobe, Google, Tableau Software's headquarters, BEA, and Brooks Sports' headquarters. The Burke-Gilman Trail winds through Fremont, providing scenic, waterside strolls or bike rides toward Ballard to the West or Gas Works Park to the East. On 34th Street, the vibrant Fremont Sunday Market fills the area with artwork and tasty eats from local vendors. Fremont has several breweries including Hale's Ales brewery and the Fremont Brewing. The original Redhook breweries were located in Fremont until their closures in 1988 and 2002, respectively. You can also grab an amazing sandwich at Paseos, eat a freshly made pie at Pie, slurp a bowl of Pho at Lucky's, or sit down for creative Mexican cuisine and a killer margarita at el Camino.

\$1,700

Median One Bedroom  
Rent in 2019

\$102,678

Median Household  
Income\*

56%

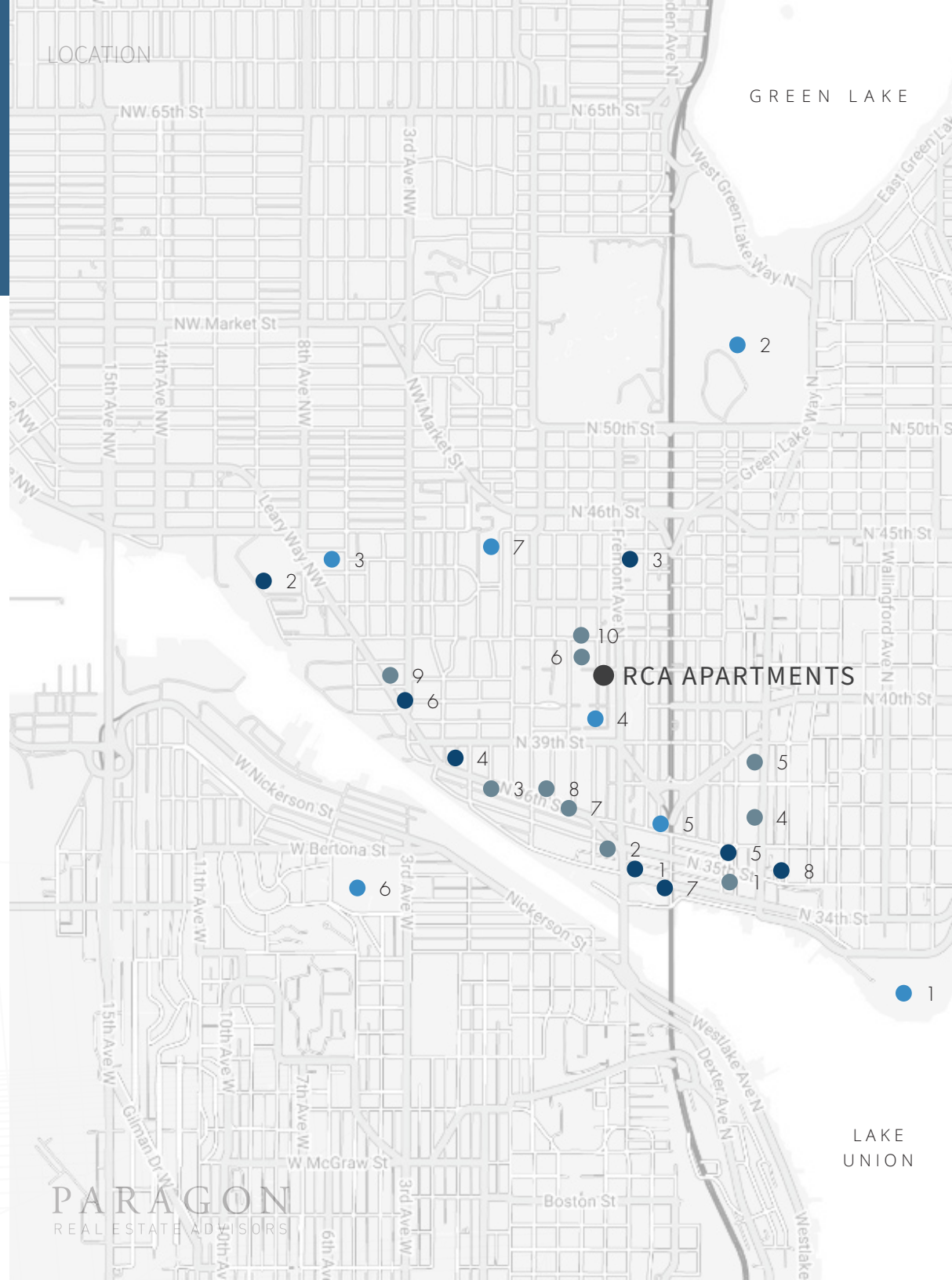
Renter Occupied  
Housing\*

\* based on 2019 Census data

# FREMONT

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LOCATION



RCA APARTMENTS

LAKE UNION

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SHOPS & SERVICES ●

- 1. PCC Community Market
- 2. Fred Meyer
- 3. Marketime Foods
- 4. Wonderland Gear Exchange
- 5. Urban Earth Nursery
- 6. Shell
- 7. Milstead & Co.
- 8. Evo Seattle

RESTAURANTS & BARS ●

- 1. Fremont Brewery
- 2. Dreamland
- 3. Stampede Cocktail Club
- 4. Tavolata Stone Way
- 5. Bar Charlie
- 6. Original Paseo Fremont
- 7. The Backdoor
- 8. Nectar Lounge
- 9. Frelard Pizza Co.
- 10. Le Coin French Eatery

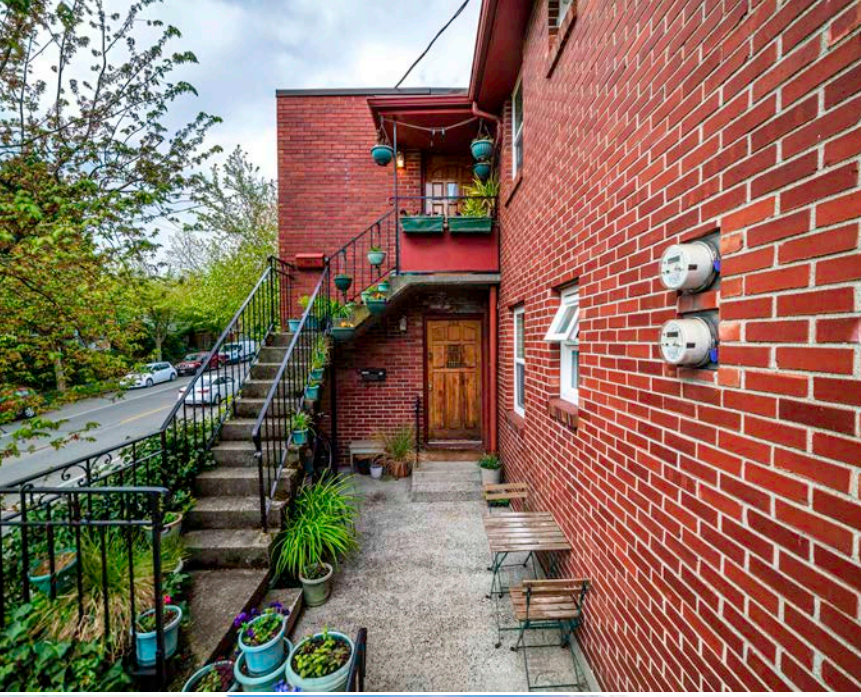
PARKS & SCHOOLS ●

- 1. Gas Works Park
- 2. Woodland Park
- 3. Pacific Crest School
- 4. BF Day Elementary
- 5. Fremont Troll
- 6. Seattle Pacific University
- 7. Fremont Peak Park





# EXTERIORS



# EXTERIORS



# INTERIORS



# INTERIORS



# RENT BREAKDOWN

UNIT	UNIT TYPE	SIZE	CURRENT RENT	PER/SQFT	MARKET RENT	PER/SQFT
1	Studio	500	\$1,400	\$2.80	\$1,500	\$3.00
2	2 Bd/1 Bth	785	\$1,800	\$2.29	\$2,600	\$3.31
3	2 Bd/1 Bth	785	\$1,750	\$2.23	\$2,600	\$3.31
4	2 Bd/1 Bth	785	\$2,450	\$3.12	\$2,600	\$3.31
5	2 Bd/1 Bth	785	\$2,600	\$3.31	\$2,600	\$3.31
6	2 Bd/1 Bth	785	\$2,000	\$2.55	\$2,600	\$3.31
7	2 Bd/1 Bth	785	\$2,400	\$3.06	\$2,600	\$3.31
8	2 Bd/1 Bth	785	\$1,800	\$2.29	\$2,600	\$3.31
9	2 Bd/1 Bth	785	\$2,400	\$3.06	\$2,600	\$3.31
10	2 Bd/1 Bth	785	\$2,600	\$3.31	\$2,600	\$3.31
11	2 Bd/1 Bth	785	\$1,845	\$2.35	\$2,600	\$3.31
<b>11</b>	<b>Total/Avg</b>	<b>759</b>	<b>\$23,050</b>	<b>\$2.76</b>	<b>\$27,500</b>	<b>\$3.29</b>



FINANCIALS

# INCOME & EXPENSES

<b>Units</b>	11	<b>Price</b>	\$3,795,000
<b>Year Built</b>	1950 / 1988	<b>Per Unit</b>	\$345,000
<b>Rentable Area</b>	8,350	<b>Per Sq. Ft.</b>	\$454.49
<b>Down Pmt</b>	\$1,940,000	<b>Current GRM</b>	13.57
<b>Loan Amount</b>	\$1,855,000	<b>Current CAP</b>	5.18%
<b>Interest Rate</b>	6.790%	<b>Market GRM</b>	10.52
<b>Amortization</b>	30 years	<b>Market CAP</b>	7.07%

UNITS	UNIT TYPE	SIZE	CURRENT RENT	MARKET RENT
1	Studio	500	\$1,400	\$1,500
10	2 Bd/1 Bth	785	\$1,750 - \$2,600	\$2,600
<b>11</b>	<b>Total/Avg</b>	<b>759</b>	<b>\$2.76</b>	<b>\$3.29</b>

MONTHLY INCOME	CURRENT	MARKET
<b>Gross Potential Rent</b>	\$23,050	\$27,500
Utility Bill Back	\$0	\$1,075
Parking Income	\$0	\$1,250
Laundry Income	\$200	\$200
Other Income	\$50	\$50
<b>Gross Potential Income</b>	<b>\$23,300</b>	<b>\$30,075</b>

ANNUALIZED OPERATING DATA	CURRENT	MARKET
<b>Scheduled Gross Income</b>	<b>\$279,600</b>	<b>\$360,900</b>
Less Vacancy 3.0%	\$8,388	5.0% \$18,045
Gross Operating Income	\$271,212	\$342,855
Less Expenses	\$74,557	\$74,557
<b>Net Operating Income</b>	<b>\$196,655</b>	<b>\$268,298</b>
Annual Debt Service (\$12,081/mo)	\$144,970	\$144,970
<b>Cash Flow Before Tax</b> 2.66%	<b>\$51,685</b>	6.36% <b>\$123,328</b>
Principal Reduction	\$19,619	\$19,619
<b>Total Return Before Tax</b> 3.68%	<b>\$71,304</b>	7.37% <b>\$142,947</b>

ANNUALIZED OPERATING EXPENSES	CURRENT	MARKET
Real Estate Taxes Actual 2024	\$32,914	\$32,914
Insurance Actual 2023/24	\$7,987	\$7,987
Utilities Actual 2023	\$15,656	\$15,656
Maintenance & Repairs Proforma	\$11,000	\$11,000
Landscaping Proforma	\$1,500	\$1,500
Capital Reserves	\$5,500	\$5,500
<b>Total Expenses</b>	<b>\$74,557</b>	<b>\$74,557</b>

CURRENT OPERATIONS	Expense/Unit	Expense/Foot	Percent of EGI	MARKET OPERATIONS	Expense/Unit	Expense/Foot	Percent of EGI
	\$6,778	\$8.93	26.67%		\$6,778	\$8.93	20.66%

# SALES COMPARABLES



## RCA Apartments

702 - 710 N 41st St, Seattle, WA

Year Built	1950/1988
Units	11
Sales Price	\$3,795,000
Price/Unit	\$345,000
Price/Foot	\$454
GRM/CAP	13.6 / 5.2%



## Gilman Apartments

4403 - 4419 Gilman Ave W, Seattle

Year Built	1987
Units	8
Sales Price	\$2,500,000
Price/Unit	\$312,500
Price/Foot	\$328
GRM/CAP	-
Sale Date	03.22.2024



## Ballard 7

2028 NW 58th St, Seattle

Year Built	1979
Units	7
Sales Price	\$2,011,600
Price/Unit	\$287,371
Price/Foot	0430
GRM/CAP	12.8 / 5.2%
Sale Date	03.21.2024



## The Whitman

4326 Whitman Ave N, Seattle

Year Built	1972
Units	5
Sales Price	\$1,493,000
Price/Unit	\$298,600
Price/Foot	\$335
GRM/CAP	- /6.3%
Sale Date	02.16.2024



## Thunderbird Apartments

315 Belmont Ave E, Seattle

Year Built	1965
Units	16
Sales Price	\$5,200,000
Price/Unit	\$325,000
Price/Foot	\$515
GRM/CAP	- /4.3%
Sale Date	12.04.2023



## Breakwater Apartments

5401 34th Ave NW, Seattle

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



## Greenlake 6 Unit

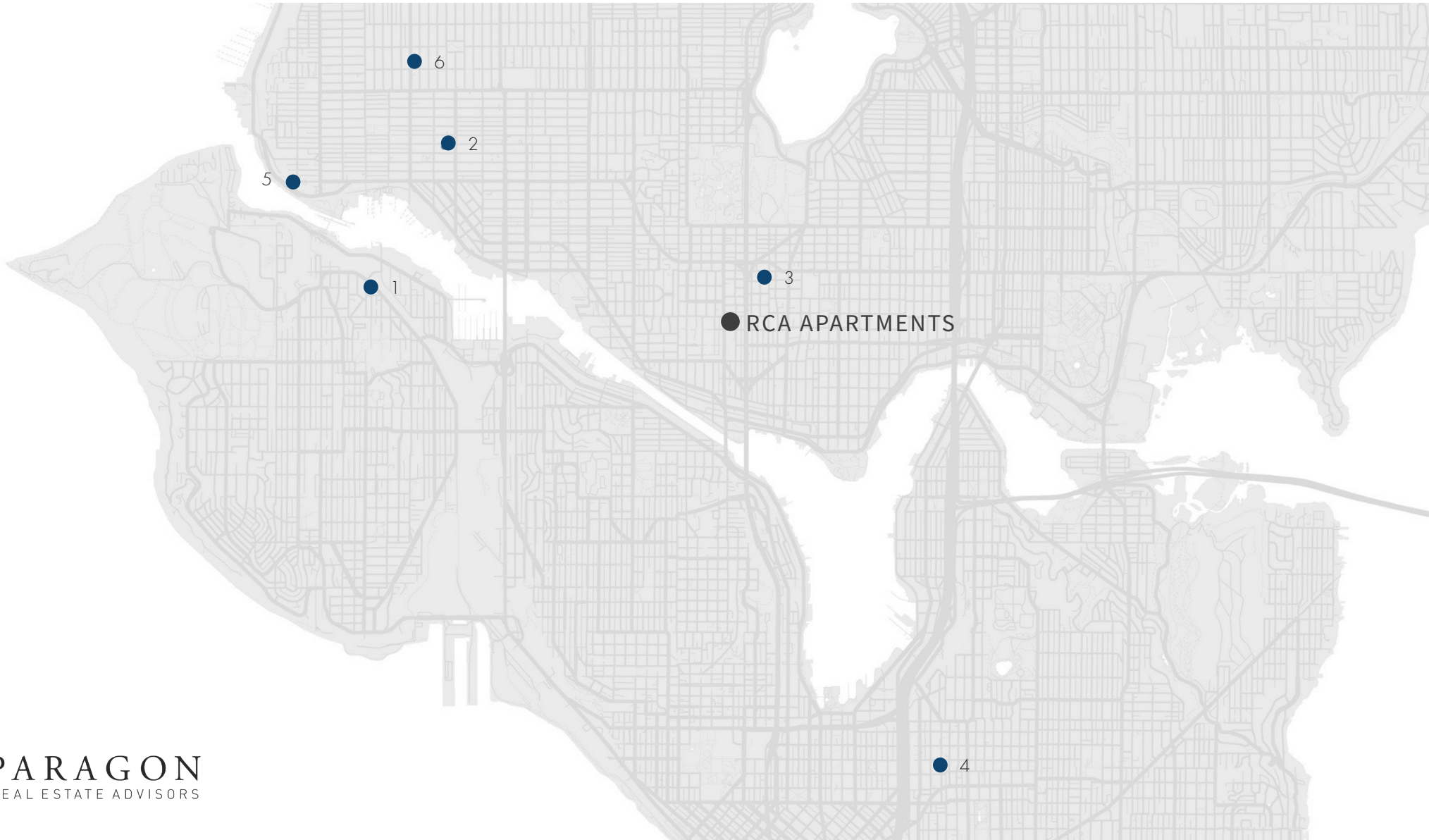
6506 4th Ave NE, Seattle

Year Built	1963
Units	6
Sales Price	\$2,120,000
Price/Unit	\$353,333
Price/Foot	\$503
GRM/CAP	14.0 / 5.1%
Sale Date	07.30.2023

# SALES COMPARABLES

- 1. **GILMAN APTS** - 4403 - 4419 Gilman Ave W, Seattle
- 2. **BALLARD 7** - 2028 NW 58th St, Seattle
- 3. **THE WHITMAN** - 4326 Whitman Ave N, Seattle

- 4. **THUNDERBIRD APTS** - 315 Belmont Ave E, Seattle
- 5. **BREAKWATER APTS** - 5401 34th Ave NW, Seattle
- 6. **GREENLAKE 6 UNIT** - 6506 4th Ave NE, Seattle





# 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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