THE WINCHESTER APARTMENTS

OFFERING MEMORANDUM

PARAGON
REAL ESTATE ADVISORS

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

EXCLUSIVELY LISTED BY:

RYAN ILES
206.812.9119
Ryan@paragonREA.com

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OFFERING

Paragon Real Estate Advisors is pleased to exclusively offer for sale the Winchester Apartments; a trophy classic-brick building in a prominent Capitol Hill location. Built in 1927 and designed by architect Louis Svarz, the Winchester Apartments sit proudly at the corner of E Denny Way and Boylston Ave E in a perfect Capitol Hill setting just blocks from Broadway. The magnificent four-story masonry building has been lovingly maintained over the years by current and past owners and showcases the incredible period detail and skilled craftsmanship that cannot be found in newer construction. The Winchester features a total of 30 apartments with a desirable mix of large studios, one-bedroom and two-bedroom floorplans. The apartments have tall ceilings, beautiful original hardwood floors, lots of windows with wonderful natural light, large walk-in closets, charming built-in storage and “breakfast nooks”, and many other characteristics that make early 1900’s construction special. The building features a secure access entry, convenient elevator service, clean and bright common laundry room, large resident storage locker area, secure bike storage room and a shop/storage room for the building custodian.

The Winchester Apartments offer a singular opportunity to own a true trophy asset with a rich history in one of the finest rental locations in the city of Seattle. The property has been lovingly cared for by past owners and is in great condition with a very stable occupancy history. New ownership will benefit from strong future rent growth and appreciation and has several options to realize immediate income upside and ways of adding value.

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FINANCIAL SUMMARY

NAME	**The Winchester Apartments**
ADDRESS	605 E Denny Way Seattle, WA 98122
PRICE	$4,650,000
TOTAL UNITS	30
BUILT	1927
SQUARE FEET	15,325 Total Net Rentable
PRICE PER UNIT	$155,000
PRICE PER FOOT	$303
CURRENT GRM/CAP	8.9 / 5.9%
MARKET GRM/CAP	7.8 / 7.3%
LOT SIZE	5,196 Square Feet
ZONING	MR (M)

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INVESTMENT HIGHLIGHTS

- Excellent Capitol Hill location close to Broadway and Pike/Pine Corridor
- Trophy “classic-brick” property with old-world character and detailing
- Current 5.88% Cap Rate with immediate upside to a 7.28%+ Cap Rate
- Great value: $155,000/unit and $303/NRSF
- 30 units: Mix of large studios, one-bedroom and two-bedroom floorplans
- Well-maintained and updated building with professional management
- Updated systems: new central boiler, well-maintained roof, upgraded Square D breaker panels, plumbing partially replaced
- Secure access building with elevator service and recently refreshed common areas
- Immediate upside in income and greater rent increase potential with unit renovations
- Value-add space: Lower-level storage, boiler room and laundry space could be re-purposed

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LOCATION HIGHLIGHTS

- Walk Score of 98 and Transit Score of 89: The Heart of the city with access to everything!
- 3-minute walk to light rail station
- 4-minute walk to Cal Anderson Park: 7.37 acre park serves as a hub for the community and invites walking, sitting, reading, contemplation, informal sports in the meadow, and organized sports on the athletic field.
- Less than a 15-minute walk to Seattle CBD
- Less than a 20-minute walk to Amazon
- Just blocks away from Seattle Central College and less than a mile from Seattle University
- The city's most prominent and exciting dining and entertainment options are all within walking distance.
- Walk to Melrose Market: Taylor Shellfish Oyster Bar, Li'l Woody's, Terra Plata, the Starbuck's Reserve Roastery and many other food and shopping destinations.
- Convenient access to healthcare options: Virginia Mason Medical Center, Swedish Hospital and Harborview Medical Center

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CAPITOL HILL

NEIGHBORHOOD ANALYSIS - SEATTLE, WA

Capitol Hill is a residential neighborhood with a lively, fast-paced, and vibrant personality. During the day, markets, boutiques, and salons are a big draw. Nightlife is hopping with clubs, bars, and music venues, and you'll often find coffee shops that moonlight as cocktail lounges This desirable location contains some of Seattle's wealthiest neighborhoods, including "Millionaire's Row" along 14th Avenue E, a charming collection of single family residences on tree-lined streets, and the Harvard-Belmont Landmark District. To the north is Capitol Hill's largest and most popular public park. The 48 acre Volunteer Park is home to Seattle's Asian Art museum, tennis courts, a conservatory, and a variety of city-wide events. The demand for Capitol Hill apartments continues to rise as nearby Amazon continues to expand in the area. This location is also home to longstanding health care providers including Swedish Medical Center, Kaiser Permanente and Virginia Medical Center. Nearby Seattle University and Seattle Central College provide a consistent base to the apartment demand in the area.

$2,153

Average Rent (RentCafe 2025)

62%

Renter Occupied Housing*

$138,234

Median Household Income*

* based on 2023 Census data

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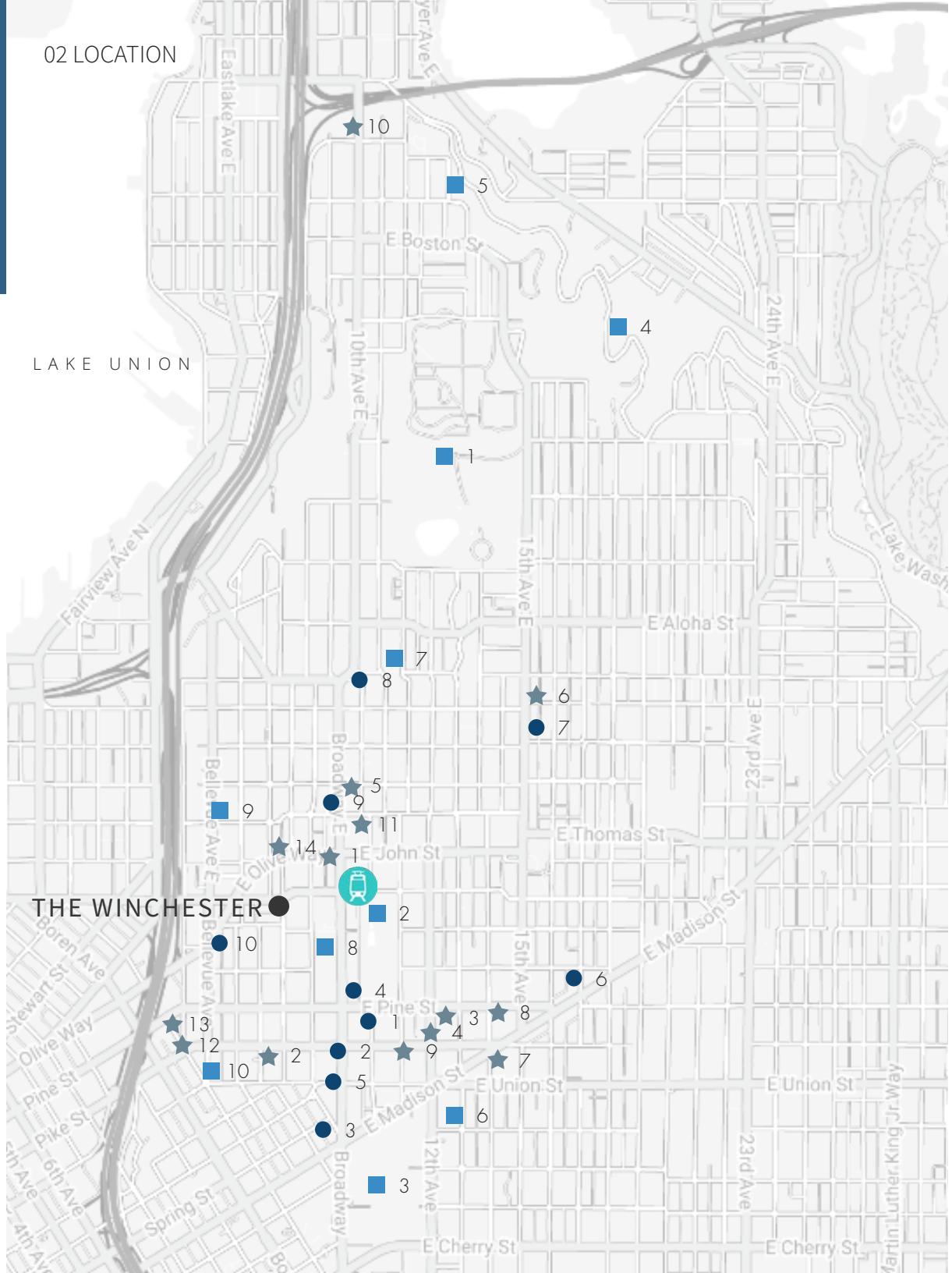


SHOPS & SERVICES

1. Elliot Bay Book Company
2. QFC
3. Whole Foods Market
4. Blick Art Materials
5. Bartell Drugs
6. Trader Joe's
7. Walgreens
8. 76
9. Crossroads Trading
10. City Market

RESTAURANTS & BARS

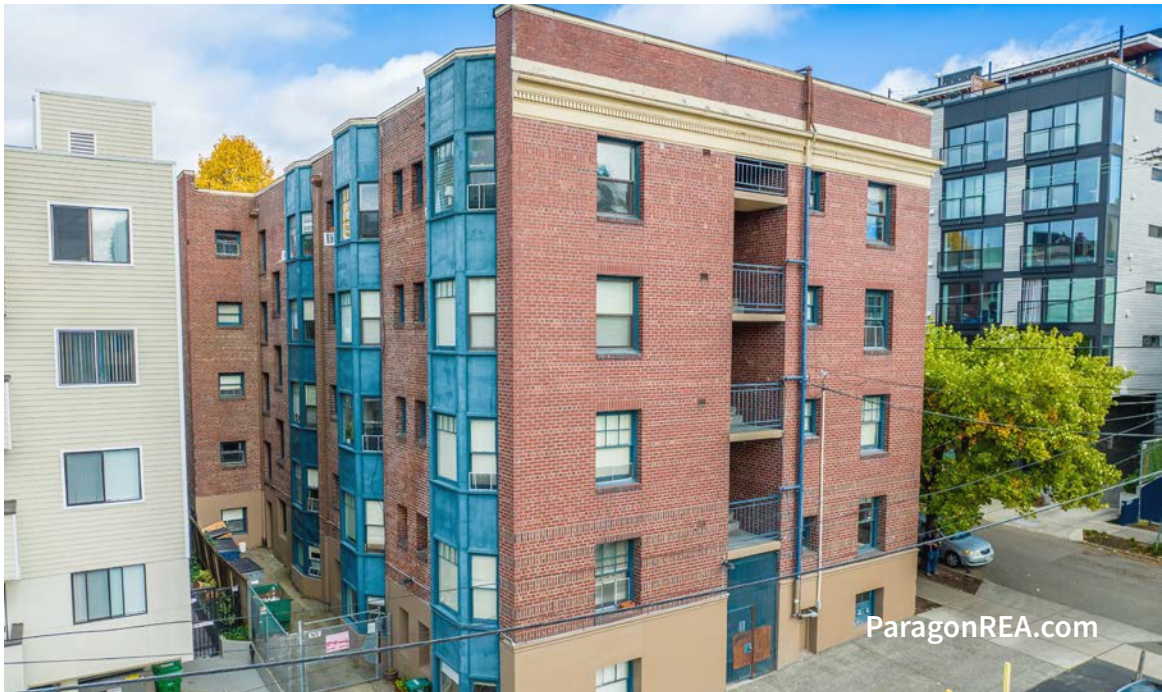
1. Dick's Drive In
2. Tavolata Capitol Hill
3. Momiji
4. Unicorn Bar
5. Olmstead
6. Canterbury Ale House
7. Chop Suey
8. Spinasse
9. Poquitos Capitol Hill
10. The Roanoke
11. Rondo Japanese Kitchen
12. Starbucks Reserve Roastery
13. Taylor Shellfish Oyster Bar
14. Hot Cakes

PARKS & SCHOOLS

1. Volunteer Park
2. Cal Anderson Park
3. Seattle University
4. Interlaken Park
5. Seattle Preparatory
6. Seattle Academy
7. Lowell Elementary
8. Seattle Central College
9. Thomas Street Mini Park
10. The Northwest School

PROPERTY DETAILS

ADDRESS	605 E Denny Way, Seattle, WA 98122
PARCEL NUMBER	684870-0095
EXTERIOR	Brick
CONSTRUCTION	Masonry
STORIES	4
ROOF	Torch down
WINDOWS	Wood-frame, single-pane
ELECTRICAL	Square D main distribution panel and breaker panels in units
PLUMBING	Mixed. Many replacements and upgrades have been done over time with some pipes upgraded to copper or PEX.
WATER HEATER	Central gas (2022) w/ recirculation system
HEATING	Gas wall furnace in each unit
LAUNDRY	Common: 3 Washer, 3 Dryers (leased)
STORAGE	Resident storage lockers
PARKING	Street



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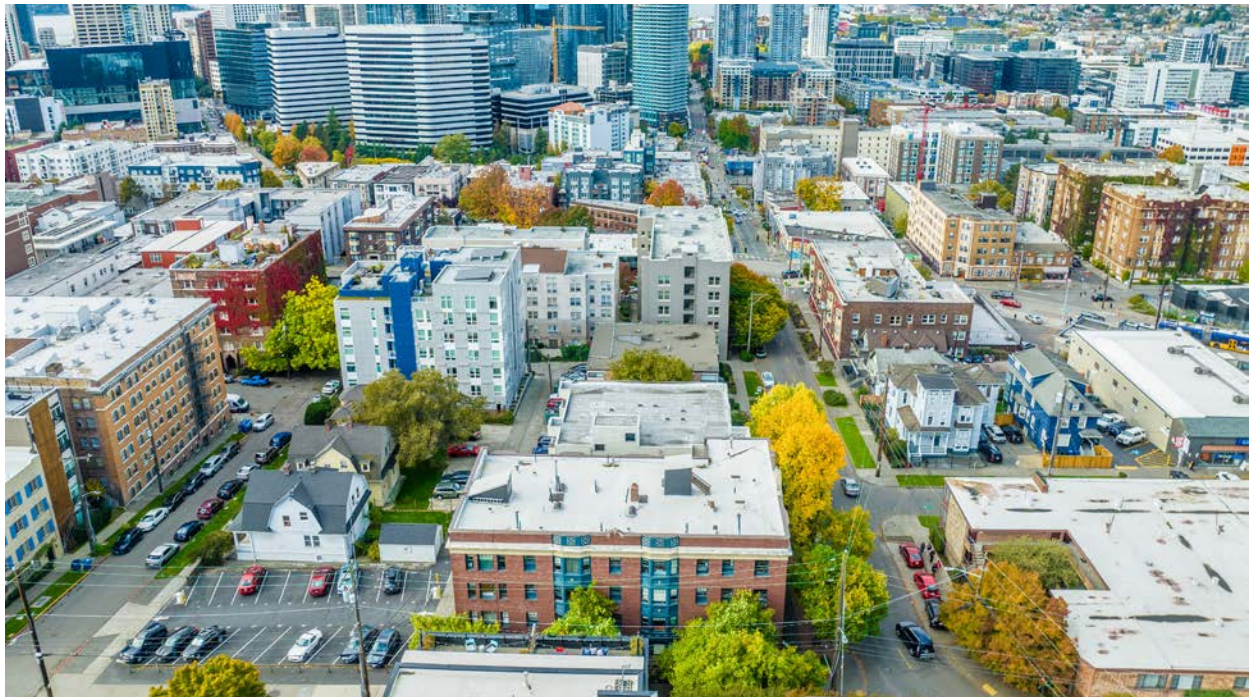
EXTERIORS

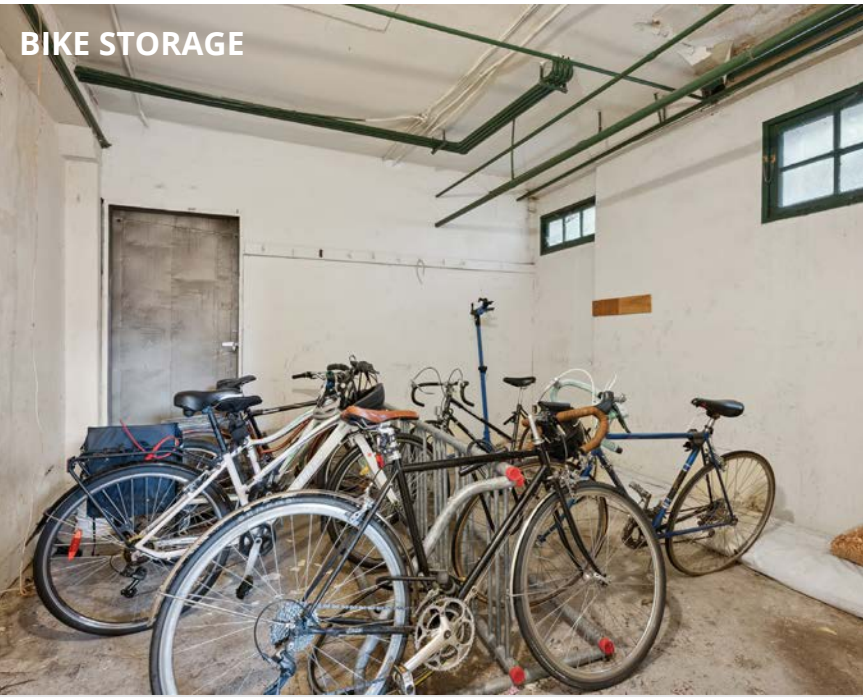


EXTERIORS

WINCHESTER
APARTMENTS
405 East Denny Way
cornellandassociates.com

INTERIORS

INTERIORS


BIKE STORAGE

COMMON LAUNDRY

RESIDENT STORAGE ROOM

ELECTRIC METERS

INTERIORS

INTERIORS

FLOOR PLANS

TYPICAL FLOOR PLAN FOR FLOORS 2-4

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RENT ROLL

UNIT	UNIT TYPE	CURRENT RENT	MARKET RENT
101	Studio	$1,295	$1,450
103	2BD/1BTH	$1,995	$2,250
104	Studio	$1,275	$1,450
105	Studio	$1,275	$1,450
106	1BD/1BTH	$1,575	$1,795
107	Studio	$1,295	$1,450
201	Studio	$1,295	$1,450
202	Studio	$1,350	$1,450
203	Studio	$1,295	$1,450
204	Studio	$1,042	$1,450
205	Studio	$1,275	$1,450
206	1BD/1BTH	$1,550	$1,795
207	Studio	$1,295	$1,450
301	Studio	$1,295	$1,450
302	Studio	$1,350	$1,450
303	Studio	$1,275	$1,450
304	Studio	$1,325	$1,450
305	Studio	$1,295	$1,450
306	1BD/1BTH	$1,575	$1,795
307	Studio	$1,325	$1,450
401	Studio	$1,325	$1,450
402	Studio	$1,325	$1,450
403	Studio	$1,295	$1,450
404	Studio	$1,325	$1,450
405	Studio	$1,300	$1,450
406	1BD/1BTH	$1,650	$1,795
407	Studio	$1,325	$1,450
B-1	Studio	$1,250	$1,450
B-2	Studio	$1,050	$1,450
B-3	1BD/1BTH	$1,555	$1,795
30	**Totals**	**$40,652**	**$46,025**

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INCOME & EXPENSES

Units	30	**Price**	$4,650,000
Year Built	1927	**Per Unit**	$155,000
Rentable Area	15,325	**Per Sq. Ft.**	$303.43
Down Pmt	$1,650,000	**Current GRM**	8.86
Loan Amount	$3,000,000	**Current CAP**	5.88%
Interest Rate	5.90%	**Market GRM**	7.76
Amortization	30 Years	**Market CAP**	7.28%

UNITS	UNIT TYPE	SIZE	CURRENT RENT	MARKET RENT
24	Studio	475	$1,042 - $1,350	$1,450
5	1 Bd/1 Bth	650	$1,550 - $1,650	$1,795
1	2 Bd/1 Bth	850	$1,995	$2,250
30	**Total/Avg**	**511**	**$2.65**	**$3.00**

MONTHLY INCOME	CURRENT	MARKET
Monthly Scheduled Rent	$40,652	$46,025
Utility Billback	$2,547	$3,000
Laundry Income	$250	$450
Other Income	$300	$450
Total Monthly Income	**$43,749**	**$49,925**

ANNUALIZED OPERATING DATA		CURRENT		MARKET
Scheduled Gross Income		**$524,988**		**$599,100**
Less Vacancy	3.00%	$15,750	5.00%	$29,955
Gross Operating Income		$509,238		$569,145
Less Expenses		$235,777		$230,452
Net Operating Income		**$273,462**		**$338,693**
Annual Debt Service	($17,794/mo)	$213,529		$213,529
Cash Flow Before Tax	**3.63%**	**$59,933**	**7.59%**	**$125,164**
Principal Reduction		$37,533		$37,533
Total Return Before Tax	**5.91%**	**$97,466**	**9.86%**	**$162,697**

ANNUALIZED OPERATING EXPENSES		CURRENT	MARKET
Real Estate Taxes	Estimated	$47,500	$47,500
Insurance	2024 with EQ	$31,506	$31,506
Utilities	2024	$37,699	$37,699
Professional Mgmt.	PF 5%	$25,462	$28,457
On-Site Payroll	2024	$21,962	$18,000
Maintenance & Repairs	2024	$48,595	$45,000
Elevator	2024	$4,390	$4,390
Landscaping	2024	$5,900	$5,900
Administration	2024	$5,263	$4,500
Reserves	Proforma	$7,500	$7,500
Total Expenses		**$235,777**	**$230,452**

CURRENT OPERATIONS			MARKET OPERATIONS		
	Expense/Unit	$7,859		**Expense/Unit**	$7,682
	Expense/Foot	$15.39		**Expense/Foot**	$15.04
	Percent of EGI	44.91%		**Percent of EGI**	38.47%

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SALES COMPARABLES

The Winchester Apartments

605 E Denny Way, Seattle, WA

Year Built	1927
Units	30
Price	$4,650,000
Price/Unit	$155,000
Price/Foot	$303
CAP Rate	5.9%

Carlyle Apartments

320 Summit Ave E, Seattle, WA

Year Built	1908
Units	19
Sales Price	$5,000,000
Price/Unit	$263,158
Price/Foot	$361
CAP Rate	3.2%
Sale Date	02.07.2025

Marwood Apartments

531 Bellevue Ave E, Seattle, WA

Year Built	1927
Units	29
Sales Price	$5,750,000
Price/Unit	$198,276
Price/Foot	$320
CAP Rate	2.8%
Sale Date	11.22.2024

De Luxe Apartments

1732 18th Ave, Seattle, WA

Year Built	1911
Units	15
Sales Price	$3,300,000
Price/Unit	$220,000
Price/Foot	$318
CAP Rate	4.5%
Sale Date	08.23.2024

Glen Ellen Apartments

1305 E Denny Way, Seattle, WA

Year Built	1922
Units	30
Sales Price	$5,000,000
Price/Unit	$166,667
Price/Foot	$411
CAP Rate	Unknown
Sale Date	08.13.2024

Laveda Apartments

308 Melrose Ave E, Seattle, WA

Year Built	1928
Units	23
Sales Price	$4,250,000
Price/Unit	$184,783
Price/Foot	$376
CAP Rate	6.3% (Stabilized)
Sale Date	Sale Pending

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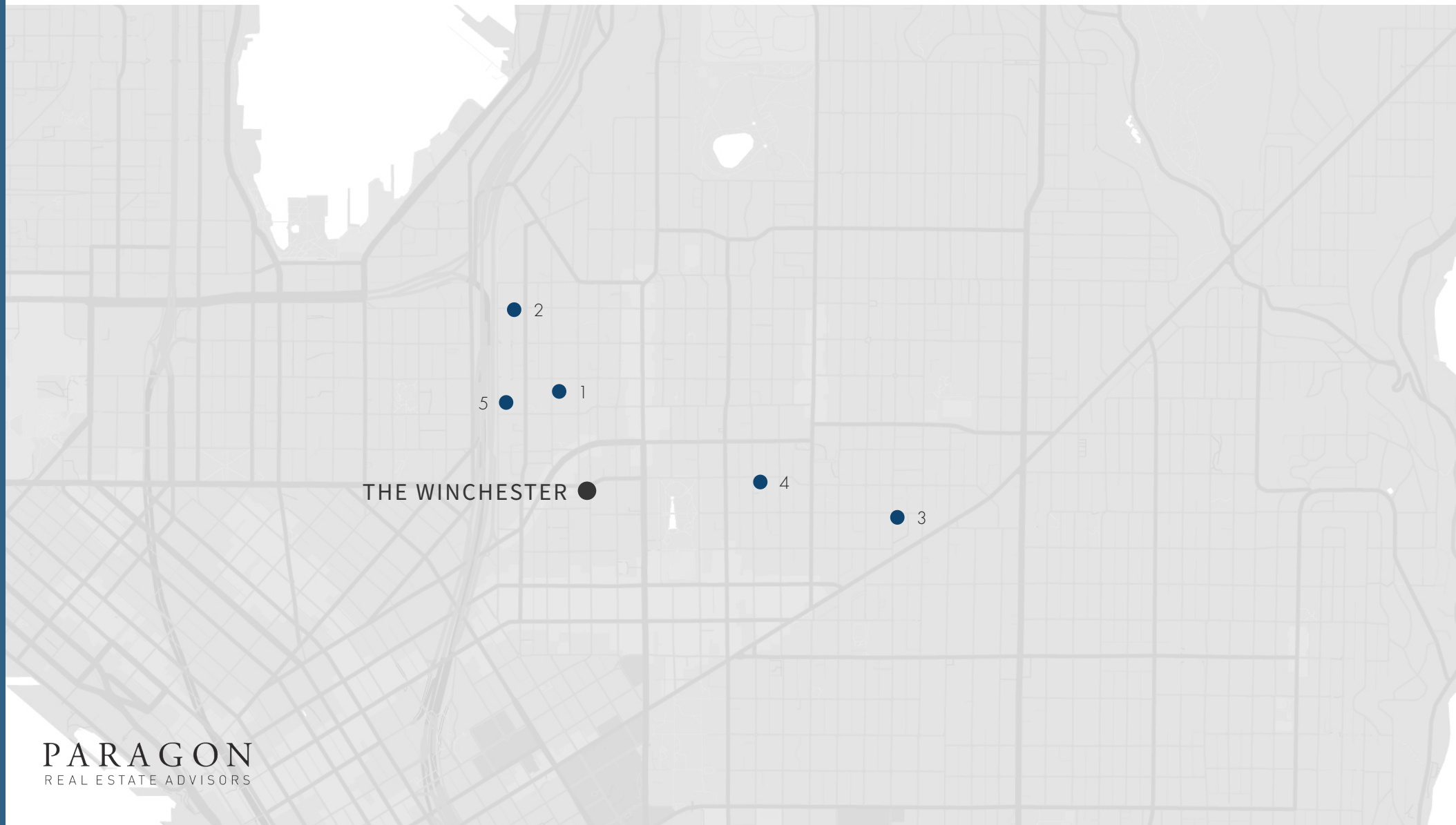
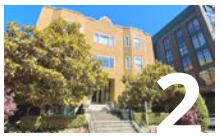
SALES COMPARABLES

1. **CARLYLE APARTMENTS** - 320 Summit Ave E
2. **MARWOOD APARTMENTS** - 531 Bellevue Ave E
3. **DE LUXE APARTMENTS** - 1732 18th Ave E
4. **GLEN ELLEN APARTMENTS** - 1305 E Denny Way
5. **LAVEDA APARTMENTS** - 308 Melrose Ave E



RENT COMPARABLES

	ADDRESS	BUILT	UNITS	UNIT TYPE	UNIT SIZE	RENT	RENT/SF
	The Winchester 605 E Denny Way, Seattle, WA	**1927**	**30**	**Studio** **1BD/1BTH** **2BD/1BTH**	**475** **650** **850**	**$1,042-$1,350** **$1,445-$1,650** **$1,995**	**$2.65**
1	**The Lancaster** 704 E Thomas St, Seattle, WA	1924	32	Studio	520	$1,450	$2.79
 2	**810 Denny** 810 E Denny Way, Seattle, WA	1918	16	2BD/1BTH	995	$2,395	$2.41
3	**The Porter Apartments** 1630 Boylston Ave , Seattle, WA	1917	35	Studio	500	$1,395	$2.79
4	**The Blackstone Apartments** 222 Summit Ave E, Seattle, WA	1927	26	Studio	480	$1,425	$2.97
5	**The Homborness** 321 Boylston Ave E, Seattle, WA	1925	31	Studio 1BD/1BTH	325 620	$1,500 $1,900	$4.62 $3.06
6	**Olive Crest Apartments** 1522 E Olive Way, Seattle, WA	1924	9	1BD/1BTH	750	$1,895	$2.53
7	**The Buena Vista** 1633 Boylston Ave, Seattle, WA	1907	31	1BD/1BTH	624	$1,895	$3.04

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RENT COMPARABLES

1. **THE LANCASTER** - 704 E Thomas St
2. **810 DENNY** - 810 E Denny Way
3. **THE PORTER APARTMENTS** - 1630 Boylston Ave
4. **THE BLACKSTONE APARTMENTS** - 222 Summit Ave E
5. **THE HOMBORNESS** - 321 Boylston Ave E
6. **OLIVE CREST APARTMENTS** - 1522 E Olive Way
7. **THE BUENA VISTA** - 1633 Boylston Ave

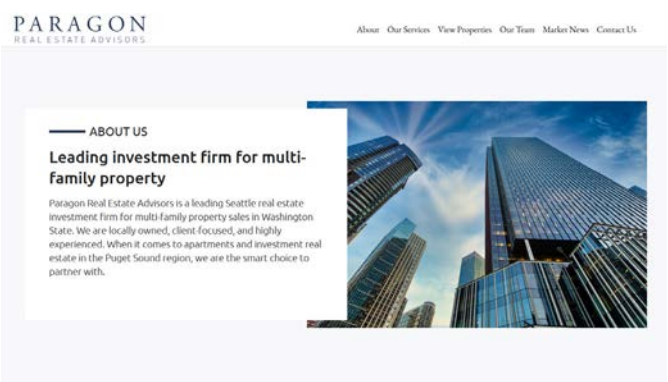
PARAGON REAL ESTATE

$4.5 B
Sales Volume

30
Years in Business

20+
Brokers

48 k
Units Sold



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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 $4.5 billion in sales and have closed over 2,000 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 30 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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