

OFFERING MEMORANDUM



NEW CONSTRUCTION



1775 SOUTH PEARL STREET

Denver, CO 80210

Price: \$10,950,000 \$10,400,000 | Units: 27 | Built: 2022

INVESTMENT ADVISORS



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PROPERTY SUMMARY



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EXECUTIVE SUMMARY

PROPERTY DETAILS

Address	1775 S Pearl St. Denver, CO 80210
Price	\$10,400,000
# of Units	27
Building Size	24,905 SF
Lot Size	12,500 SF
Year Built	2022
Roof	Flat
Heat	Mini Split Heating / Cooling Wall Units
Zoning	U-MX-2X
Parking	17 Covered Garage Spaces 1 Additional Off-Street Space

PROPERTY HIGHLIGHTS

- State-of-the-art asset with unmatched finishes
- All electric building, most utilities paid directly by tenants
- Premier location in the heart of Central Denver
- Limited apartment rental opportunities in the immediate vicinity

1775 S Pearl St. is a 27-unit apartment building which finished construction in late 2022. The building features a unit mix that includes two studios, twenty one 1-bedrooms, and four 2-bedroom units. The building also includes an underground parking garage that includes 17 secure parking spaces for residents + one additional off-street space off the alley behind the building.

The apartment complex is in the heart of the Platt Park neighborhood and is within walking distance of several retail locations and some of the best restaurants in Denver including Sushi Den, Kaos Pizzeria, Park Burger, and Sweet Cow. The property is across the street from Steam Coffee. This property truly offers investors an opportunity to acquire an irreplaceable trophy asset in the heart of one of Denver's most sought-after neighborhoods and there is a very limited supply of comparable rental units available in the neighborhood.



PROPERTY DETAILS

PROPERTY INFORMATION	
Address	1775 S Pearl St.
County	Denver
Units	27
Year Built	2022
Parcel Number	05227-25-050-000
Style	Mid-Rise
Stories	2
Gross Building Size	24,905 SF
Lot Size	12,500 SF
Roof	Flat
Construction	Brick/Frame

PARKING	
Assigned Garage Parking	17 Spaces - \$125/mo Projected
Assigned Uncovered Parking	1 Space - \$100/mo Projected

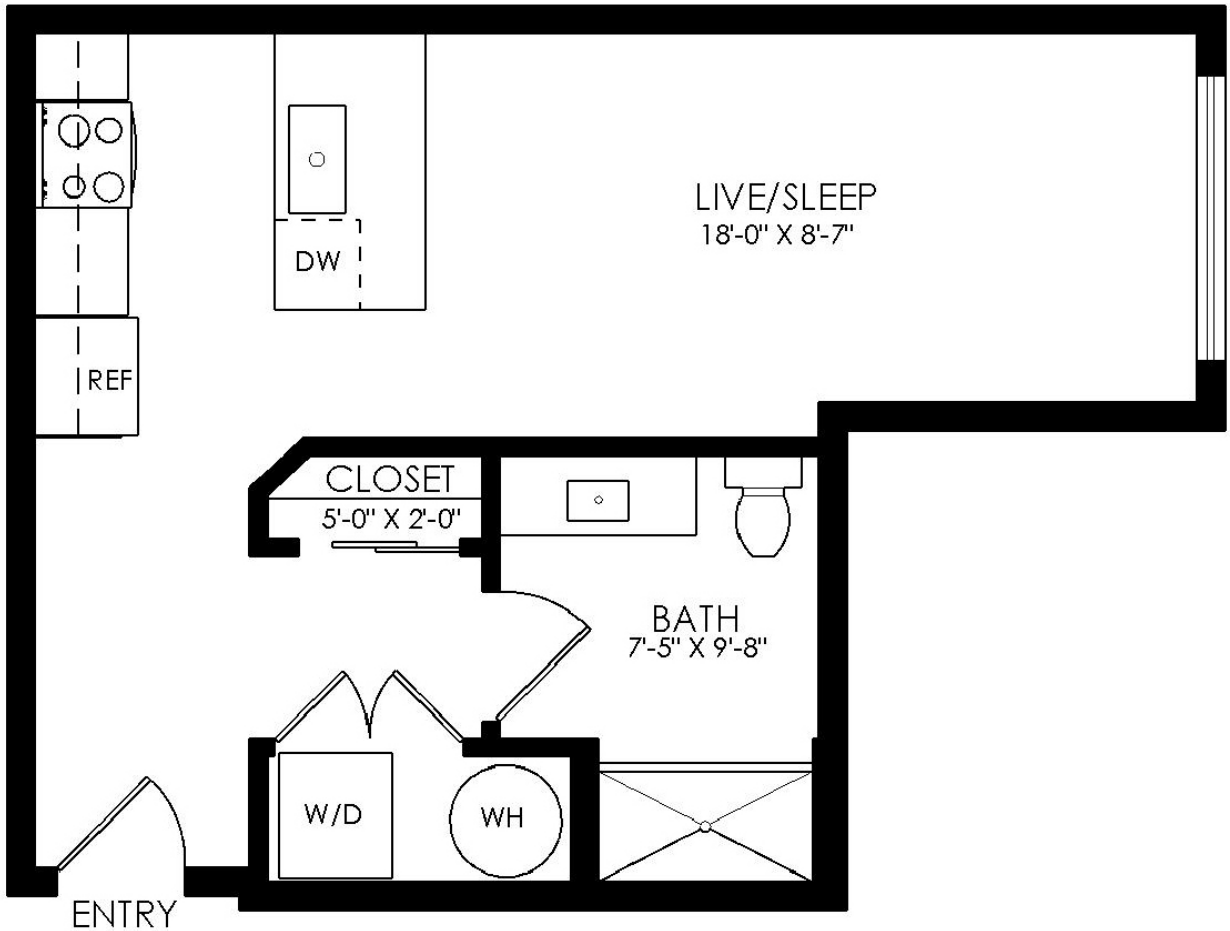
MECHANICAL SYSTEMS	
Heating	Mini Split Wall Unit
Air Conditioning	Mini Split Wall Unit
Hot Water	Domestic Hot Water Tank in Each Apartment

ADDITIONAL FACTORS	
Sector	Market Rate
Furnishings	Unfurnished

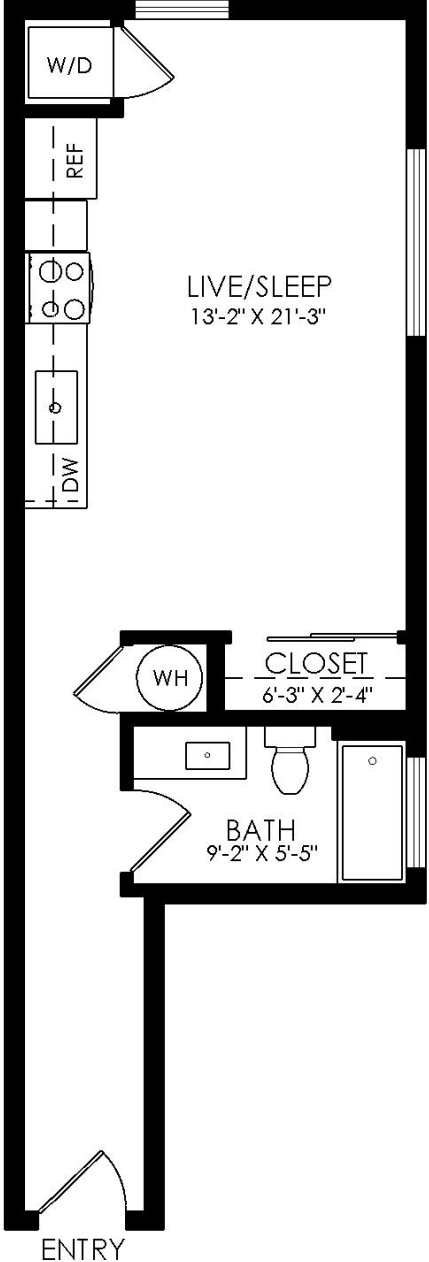
UTILITY BILLING STRUCTURE	
Gas	No Gas Usage
Electric	Units Individually Metered Common Areas Master Metered
Water/Sewer	Master Metered
Cable	Tenant's Responsibility
Internet	Provided by Third Party and Tenants Billed for Expense







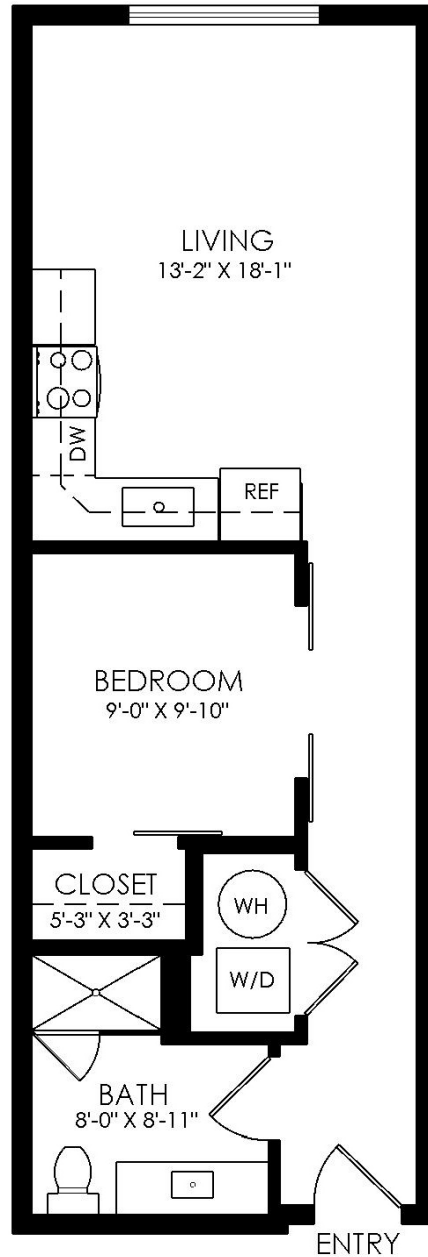
STUDIO UNIT
UNIT #112 | 445 SF



STUDIO UNIT
UNIT #214 | 445 SF

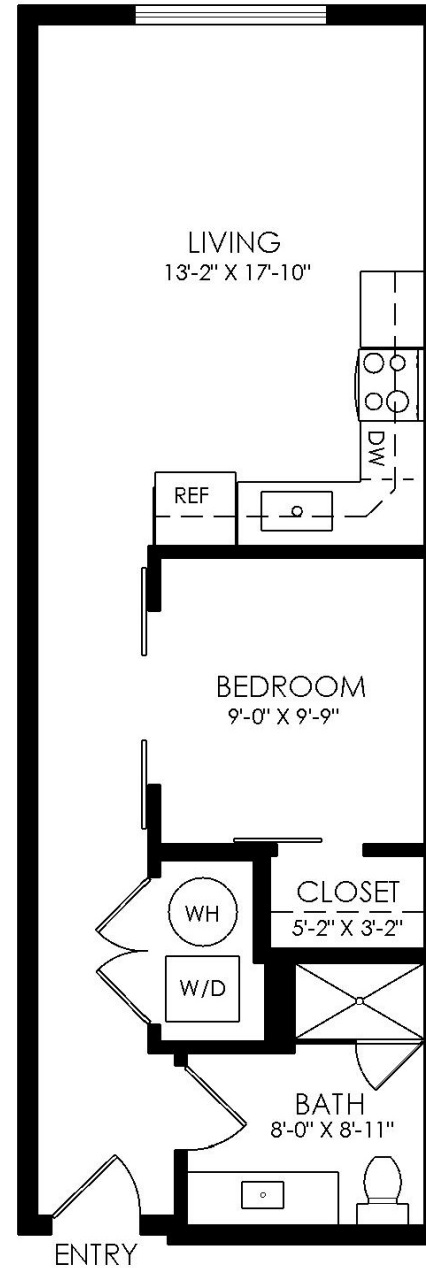
545 SF UNITS

- 104
- 106
- 108
- 110
- 204
- 206
- 208
- 210
- 212



ONE-BEDROOM UNIT

UNIT #110 | 545 SF

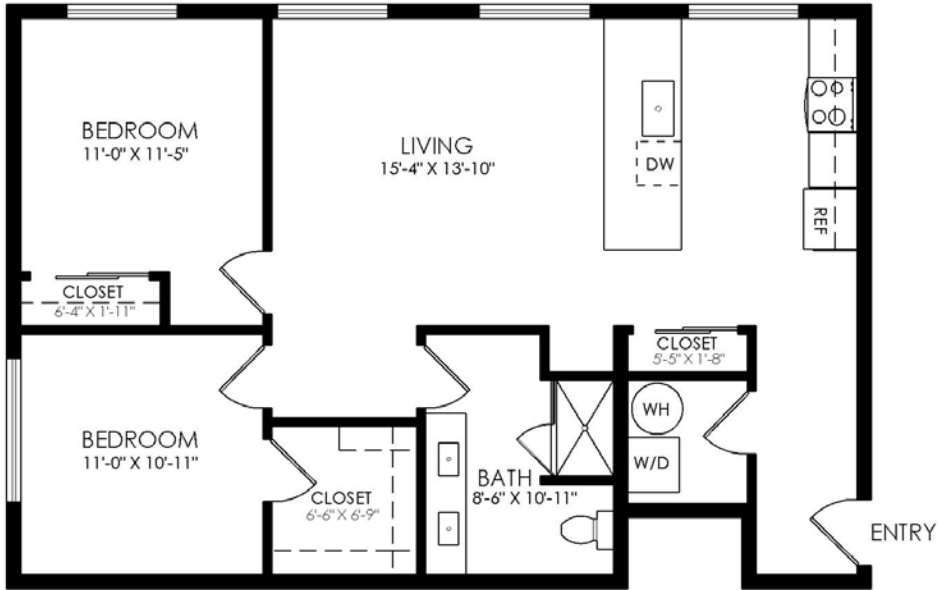


ONE-BEDROOM UNIT

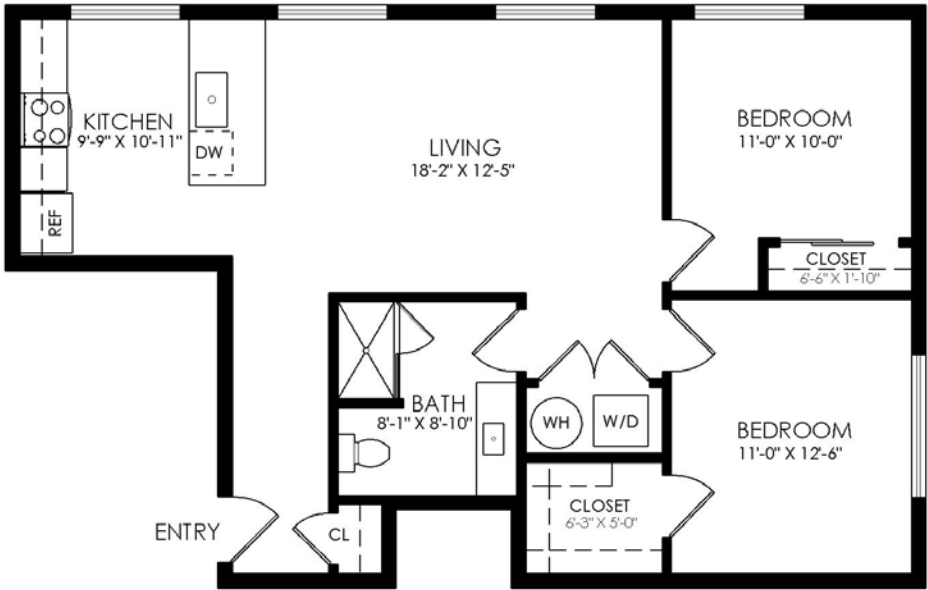
UNIT #103 | 540 SF

540 SF UNITS

- 103
- 105
- 107
- 109
- 111
- 113
- 203
- 205
- 207
- 209
- 211
- 213



TWO-BEDROOM UNIT
UNIT #201 | 960 SF



TWO-BEDROOM UNIT
UNIT #202 | 895 SF



LOCATION OVERVIEW

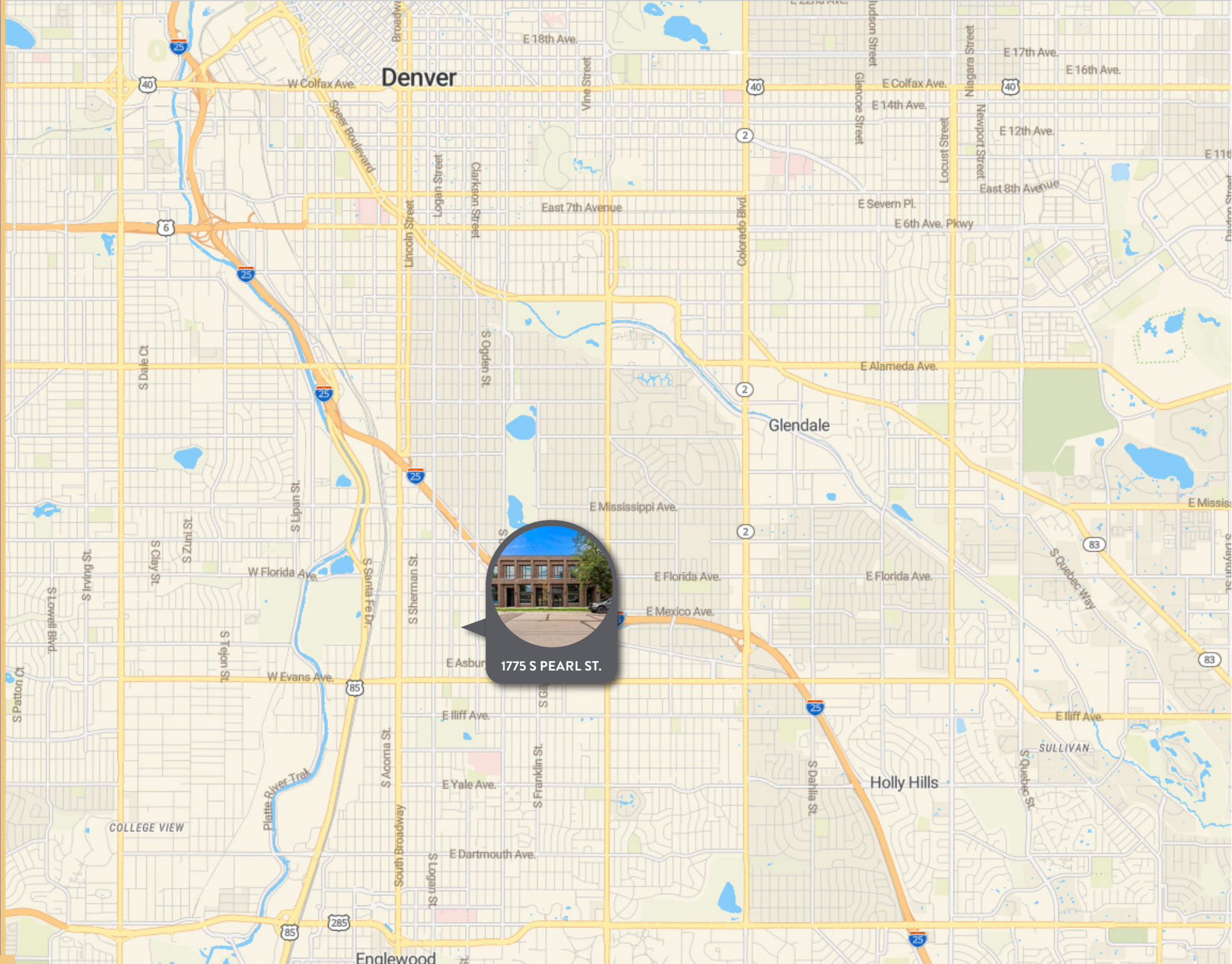


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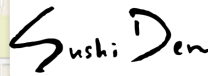


S PEARL ST.

E COLORADO AVE.



WASHINGTON PARK



1775 S PEARL ST.



PLATT PARK
NEIGHBORHOOD



1775 S PEARL ST.

PLATT PARK

Platt Park is one of Denver's most coveted neighborhoods due to the number of walkable restaurants and shopping with close proximity to Washington Park.

Original 1920's bungalows and newer townhomes adorn the streets of the neighborhood adding to the charm of the area. Pearl Street, a 7 block long commercial area offers some of the best restaurants in town including Sushi Den and Izakaya Den which share the same kitchen.

Platt Park anchors the neighborhood offering a great meeting spot. Located just minutes from the light rail, making access to everything Denver has to offer even easier. Or, if you want to stay around the area, the University Park neighborhood is adjacent which offers a fun eclectic restaurant and bar scene along Evans Avenue and University Boulevard.

Platt Park is minutes from Washington Park and Gaylord Street, with easy access to Cherry Creek by way of University Boulevard. Accessing downtown Denver is easy via the light rail and by car, averaging around 10-15 minutes of drive time. South Broadway's antique row is a part of the Platt Park neighborhood, which is perfect for finding design inspiration.





FINANCIAL ANALYSIS



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CURRENT RENT ROLL

UNIT NUMBER	UNIT TYPE	UNIT SIZE	CURRENT RENT
101	2X1 (Main Floor)	1,142 SF	\$2,945
102	2X1 (Main Floor)	950 SF	\$2,695
103	1X1	540 SF	\$1,725
104	1X1	545 SF	\$1,695
105	1X1	540 SF	\$1,795
106	1X1	545 SF	\$1,750
107	1X1	540 SF	\$1,795
108	1X1	545 SF	\$1,842
109	1X1	540 SF	\$1,932
110	1X1	545 SF	\$1,850
111	1X1	540 SF	\$1,845
112	Studio	445 SF	\$1,585
113	1X1	540 SF	\$1,862
201	2X1	960 SF	\$2,945
202	2X1	895 SF	\$2,850
203	1X1	540 SF	\$1,860
204	1X1	545 SF	\$1,750
205	1X1	540 SF	\$1,795
206	1X1	545 SF	\$1,815
207	1X1	540 SF	\$1,895
208	1X1	545 SF	\$1,910
209	1X1	540 SF	\$1,845
210	1X1	545 SF	\$1,795
211	1X1	495 SF	\$1,675
212	1X1	545 SF	\$1,895
213	1X1	495 SF	\$1,780
214	Studio	445 SF	\$2,175 (includes \$500 MTM fee)
TOTAL		16,132 SF	\$53,301

UNIT MIX & INVESTMENT ANALYSIS

FINANCIAL ANALYSIS

INCOME	CURRENT	PRO FORMA
Gross Scheduled Income (GSI)	\$639,612	\$671,952
Vacancy (5%)	-\$31,981	-\$33,598
Utility Income	\$18,949	\$18,688
Parking Income	\$19,711	\$22,500
Internet Income	\$14,468	\$15,558
Pet Income	\$3,484	\$3,360
Miscellaneous Income	\$16,994	\$7,758
GROSS RENTAL INCOME	\$681,237	\$706,218
EXPENSES	CURRENT	PRO FORMA
Property Taxes (1)	\$54,381	\$57,100
Property Insurance (2)	\$7,444	\$8,188
Electricity - No Gas (3)	\$11,641	\$13,610
Vacant Utilities (4)	\$1,523	\$1,909
Trash (5)	\$1,292	\$1,172
Water & Sewer (6)	\$7,341	\$5,983
Telephone/Internet (7)	\$13,417	\$11,944
Management (8)	\$27,249	\$28,249
Payroll (9)	\$16,051	\$16,597
Repairs & Maintenance (10)	\$30,891	\$30,848
Unit Turns (11)	\$10,795	\$10,274
Admin (12)	\$14,725	\$13,994
TOTAL EXPENSES	\$196,750	\$199,868
TOTAL EXPENSES / UNIT	\$7,287	\$7,403
NET OPERATING INCOME	\$484,487	\$506,351

UNIT TYPE	NO. OF UNITS	APPROX. SF	CURRENT RENT	MONTHLY INCOME	PRO FORMA RENT	PRO FORMA MONTHLY INCOME
Studio	2	445	\$1,880	\$3,760	\$1,675	\$3,350
1 Bd / 1 Ba	21	538	\$1,815	\$38,106	\$1,932	\$40,572
2 Bd / 1 Ba	2	928	\$2,898	\$5,795	\$2,945	\$5,890
2 Bd / 1 Ba	2	1046	\$2,820	\$5,640	\$3,092	\$6,184
TOTALS	27	16,132		\$53,301		\$55,996

FINANCIAL ANALYSIS	CURRENT	PRO FORMA
Net Operating Income	\$484,487	\$506,351
Projected Debt Service	(\$293,800)	(\$293,800)
Before Tax Cash Flow	\$190,687	\$212,551
Cash-on-Cash Return	3.67%	4.09%
Total Return	3.67%	4.09%
CAP RATE	4.66%	4.87%

INVESTMENT SUMMARY		FINANCING	
List Price	\$10,400,000	Loan Amount	\$5,200,000
Price/Unit	\$385,185	Down Payment	\$5,200,000
Price / SF	\$417.59	Interest Rate	5.65%*
		Amortization	Interest Only

*Projected 5 year fixed term

- Property Taxes:** Current based on 2024 actual expense; Projected based on 2025 Cornerstone budget
- Property Insurance:** Current based on 2024-2025 actual expense thru Aug '25; Projected based on 2025 Cornerstone budget
- Electricity:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Vacant Utilities:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Trash Removal:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Water & Sewer:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Telephone/DSL:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Management:** Current/Projected based on 4% of gross income
- Payroll:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Repairs & Maintenance:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Unit Turns:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget
- Admin:** Current based on T12 actual expense; Projected based on 2025 Cornerstone budget

COMPARABLE SALES

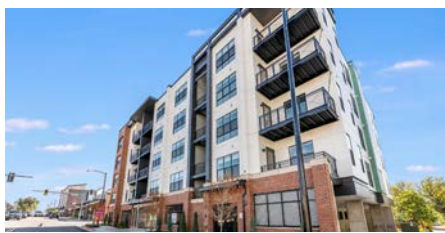


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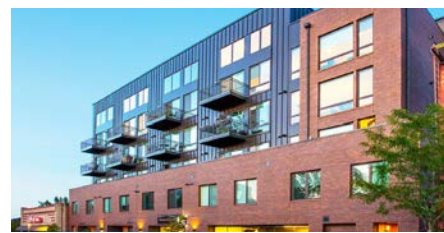
SUBJECT PROPERTY
1775 S Pearl St., Denver, CO

Sale Date	JUST LISTED
List Price	\$10,400,000
Year Built	2022
Building Size	24,905 SF
# Units	27
Price/SF	\$418
Price/Unit	\$385,185
Unit Mix	2 - Studio 21 - 1 Bd / 1 Ba 4 - 2 Bd / 1 Ba



1190 E Hampden Ave.
Englewood, CO 80113 **#1**

Sale Date	12/6/22
Sale Price	\$16,400,000
Year Built	2021
Building Size	37,635 SF
# Units	28
Price/SF	\$435
Price/Unit	\$585,714
Unit Mix	28 - 2 Bd / 2 Ba



3860 Tennyson St.
Denver, CO 80212 **#2**

Sale Date	8/17/22
Sale Price	\$25,500,000
Year Built	2018
Building Size	69,500 SF
# Units	49
Price/SF	\$366
Price/Unit	\$520,408
Unit Mix	13 - Studio 27 - 1 Bd / 1 Ba 2 - 2 Bd / 1 Ba 7 - 2 Bd / 2 Ba



2790 N Josephine St.
Denver, CO 80205 **#3**

Sale Date	5/26/22
Sale Price	\$11,050,000
Year Built	2018
Building Size	18,429 SF
# Units	23
Price/SF	\$599
Price/Unit	\$480,435
Unit Mix	10 - 1 Bd / 1 Ba 9 - 2 Bd / 2 Ba 4 - 3 Bd / 2 Ba



820 Sherman St.
Denver, CO 80203 **#4**

Sale Date	4/6/22
Sale Price	\$30,000,000
Year Built	2015
Building Size	50,000 SF
# Units	64
Price/SF	\$600
Price/Unit	\$468,750
Unit Mix	12 - Studio 34 - 1 Bd / 1 Ba 18 - 2 Bd / 2 Ba



300 S Lafayette St.
Denver, CO 80209 **#5**

Sale Date	3/26/22
Sale Price	\$9,000,000
Year Built	2014
Building Size	17,619 SF
# Units	20
Price/SF	\$510
Price/Unit	\$450,000
Unit Mix	17 - 1 Bd / 1 Ba 3 - 2 Bd / 2 Ba



4390 W 39th Ave.
Denver, CO 80212 **#6**

Sale Date	1/26/22
Sale Price	\$20,400,000
Year Built	2021
Building Size	35,000 SF
# Units	39
Price/SF	\$582
Price/Unit	\$523,077
Unit Mix	39 - 1 Bd / 1 Ba



COMPARABLE RENTS



SUBJECT PROPERTY
1775 S Pearl St., Denver, CO

Unit Type	Rental Rate (Avg.)	Unit Size (Avg.)	Rent/SF
Studio	\$1,880	445 SF	\$4.22
1 Bd / 1 Ba	\$1,815	538 SF	\$3.37
2 Bd / 1 Ba	\$2,898	928 SF	\$3.12
2 Bd / 1 Ba (Main Floor)	\$2,820	1,046 SF	\$2.70
AVERAGE	\$1,974	598 SF	\$3.36



3885 Tennyson St.
Denver, CO 80212 **#5**

Unit Type	Rental Rate	Unit Size	Rent/SF
Studio	\$1,695	512 SF	\$3.31



1411 S Pearl St.
Denver, CO 80210 **#1**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$2,250	528 SF	\$4.26



1910 S Josephine St.
Denver, CO 80210 **#3**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$1,933	585 SF	\$3.40



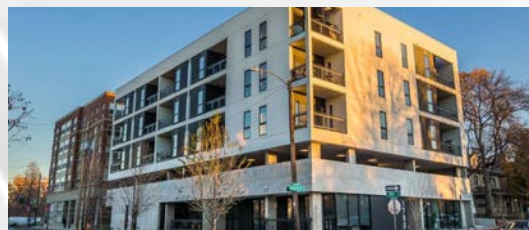
960 S Logan St.
Denver, CO 80209 **#2**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$1,940	500 SF	\$3.88



2500 17th St.
Denver, CO 80211 **#4**

Unit Type	Rental Rate	Unit Size	Rent/SF
Studio	\$1,758	572 SF	\$3.14
1X1	\$2,095	585 SF	\$3.58



1790 Gaylord St.
Denver, CO 80206 **#6**

Unit Type	Rental Rate	Unit Size	Rent/SF
2X1	\$2,898	1,040 SF	\$2.78



2885 Eliot St.
Denver, CO 80211 **#7**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$1,895	531 SF	\$3.56

DISCLOSURE AND CONFIDENTIALITY AGREEMENT

This confidential Offering Memorandum has been prepared by NorthPeak Commercial Advisors, LLC (NorthPeak Commercial Advisors) for use by a limited number of qualified parties. This Offering Memorandum has been provided to you at your request based upon your assurances that you are a knowledgeable and sophisticated investor in commercial real estate projects and developments. NorthPeak Commercial Advisors recommends you, as a potential buyer/investor, should perform your own independent examination and inspection of the property described herein as 1775 S Pearl St., Denver CO 80210 (the "Property") and of all of the information provided herein related to the Property. By accepting this Offering Memorandum, you acknowledge and agree that you shall rely solely upon your own examination and investigation of the Property and you shall not rely on any statements made in this Offering Memorandum or upon any other materials, statements or information provided by NorthPeak Commercial Advisors or its brokers.

NorthPeak Commercial Advisors makes no guarantee, warranty, or representation about the completeness or accuracy of the information set forth in this Offering Memorandum. You are responsible to independently verify its accuracy and completeness. NorthPeak Commercial Advisors has prepared the information concerning the Property based upon assumptions relating to the general economy, its knowledge of other similar properties in the market, and on other market assumptions including factors beyond the control of the NorthPeak Commercial Advisors and the Owner of the Property. NorthPeak Commercial Advisors make no representation or warranty as to either the accuracy or completeness of the information contained herein. The information set forth in this Offering Memorandum is not intended to be a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be accurate, NorthPeak Commercial Advisors and the Property Owner disclaim any responsibility or liability for any inaccuracies. Further, NorthPeak Commercial Advisors and the Property Owner disclaim any and all liability for any express or implied representations and warranties contained in, or for any omissions from, the Offering Memorandum and for any other written or oral communication transmitted or made available to you. NorthPeak Commercial Advisors shall make available to you, as a qualified prospective investor, additional information concerning the Property and an opportunity to inspect the Property upon written request.

This Offering Memorandum and its contents are intended to remain confidential except for such information which is in the public domain or is otherwise available to the public. By accepting this Offering Memorandum, you agree that you will hold and treat Offering Memorandum in the strictest confidence, that you will not photocopy, duplicate, or distribute it. You agree you will not disclose this Offering Memorandum or its contents to any other person or entity, except to outside advisors retained by you and from whom you have obtained an agreement of confidentiality, without the prior written authorization of NorthPeak Commercial Advisors. You agree that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the Property. If you determine you have no interest in the property, kindly return the Offering Memorandum to NorthPeak Commercial Advisors at your earliest convenience.



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