

PARAGON  
REAL ESTATE ADVISORS



# THE SURF APARTMENTS

ALKI BEACH | OFFERING MEMORANDUM



# PARAGON

REAL ESTATE ADVISORS

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## EXCLUSIVELY LISTED BY:

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## EXECUTIVE SUMMARY

# OFFERING

Paragon Real Estate Advisors is pleased to present the Surf Apartments, an 8 unit multifamily investment located at 3035 64th Ave SW in the heart of Alki, one of West Seattle's most desirable and irreplaceable beachfront neighborhoods. Less than a block from the shoreline and surrounded by iconic restaurants, cafés, parks, and waterfront amenities, the property is ideally positioned to benefit from strong renter demand, exceptional walkability, and the ongoing popularity of the Alki Beach corridor. Opportunities to acquire apartments in Alki are extremely limited due to the area's historically low transaction velocity, making Surf Apartments a rare chance to own a high demand coastal asset.

Built in 1957 and recently refreshed with extensive building updates, Surf Apartments features efficient one-bedroom layouts with well maintained and functional interiors. Several major building systems have been improved over the years including double paned windows, Hardie fiber cement siding, a new water main line, and recently replaced hot water tanks, with select units also receiving upgraded electrical panels and plumbing updates. Interiors remain clean and consistent with long term ownership, creating a clear opportunity for value through modern renovation.

With current rents below market for one-bedroom apartments in the Alki neighborhood, new ownership can increase revenue through completing interior upgrades and by renting out the existing storage units for additional income. The property includes common laundry with the ability to add a washer and dryer, individual tenant storage lockers, and is situated in a quiet residential pocket just steps from Seattle's most popular beachfront.

With its unmatched location, long term tenant stability, and multiple paths to income enhancement, Surf Apartments offers a rare opportunity to acquire a well-maintained asset with significant operational upside and strong long-term value in one of Seattle's highest demand coastal submarkets.

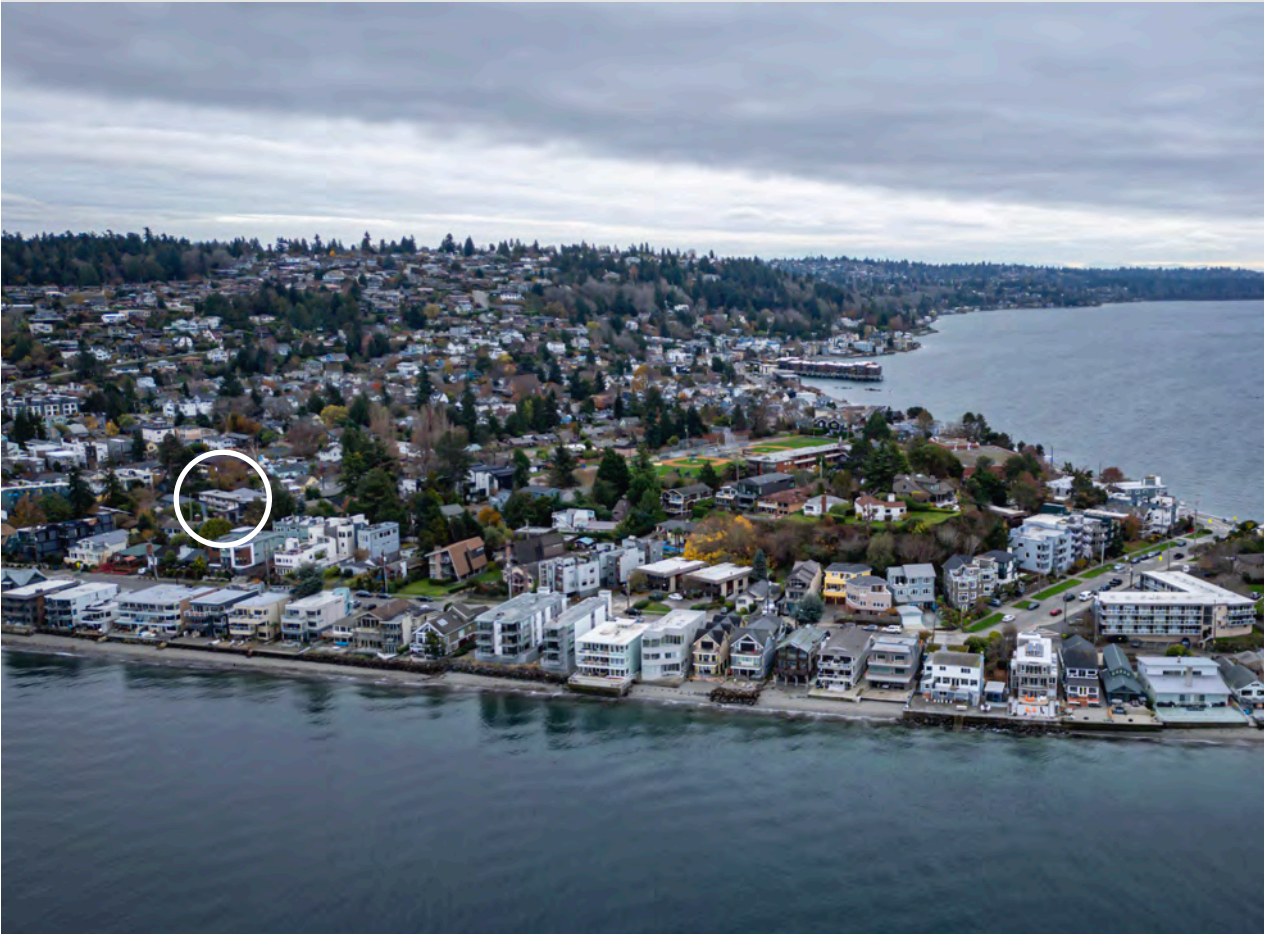




# FINANCIAL SUMMARY

NAME	The Surf Apartments
ADDRESS	3035 64th Ave SW Seattle, WA 98116
PRICE	\$2,195,000
TOTAL UNITS	8
BUILT	1957
SQUARE FEET	3,960 Total Net Rentable
PRICE PER UNIT	\$274,375
PRICE PER FOOT	\$554
CURRENT CAP RATE	4.95%
PROFORMA CAP RATE	5.59%
LOT SIZE	4,922 Square Feet
ZONING	NR-3

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## PROPERTY DETAILS

# INVESTMENT HIGHLIGHTS

- Located in the heart of Alki Beach, one of West Seattle's most desirable coastal neighborhoods
- Strong long-term rental demand driven by walkability and beachfront location
- Efficient one-bedroom units with ample storage
- Steps from Alki Beach, waterfront trails, parks, restaurants, cafés, and local amenities
- Recently refreshed with extensive building updates including exterior paint job, unit renovations, vinyl windows, and upgraded electrical
- Two units fully renovated with in-unit washer and dryer added
- Space for 3 alleyway parking spots
- Quiet residential setting just one block from the shoreline
- Stable, long-term tenant base with consistent performance
- Strong opportunity to increase revenue through interior updates, bill back for storage lockers and rent optimization

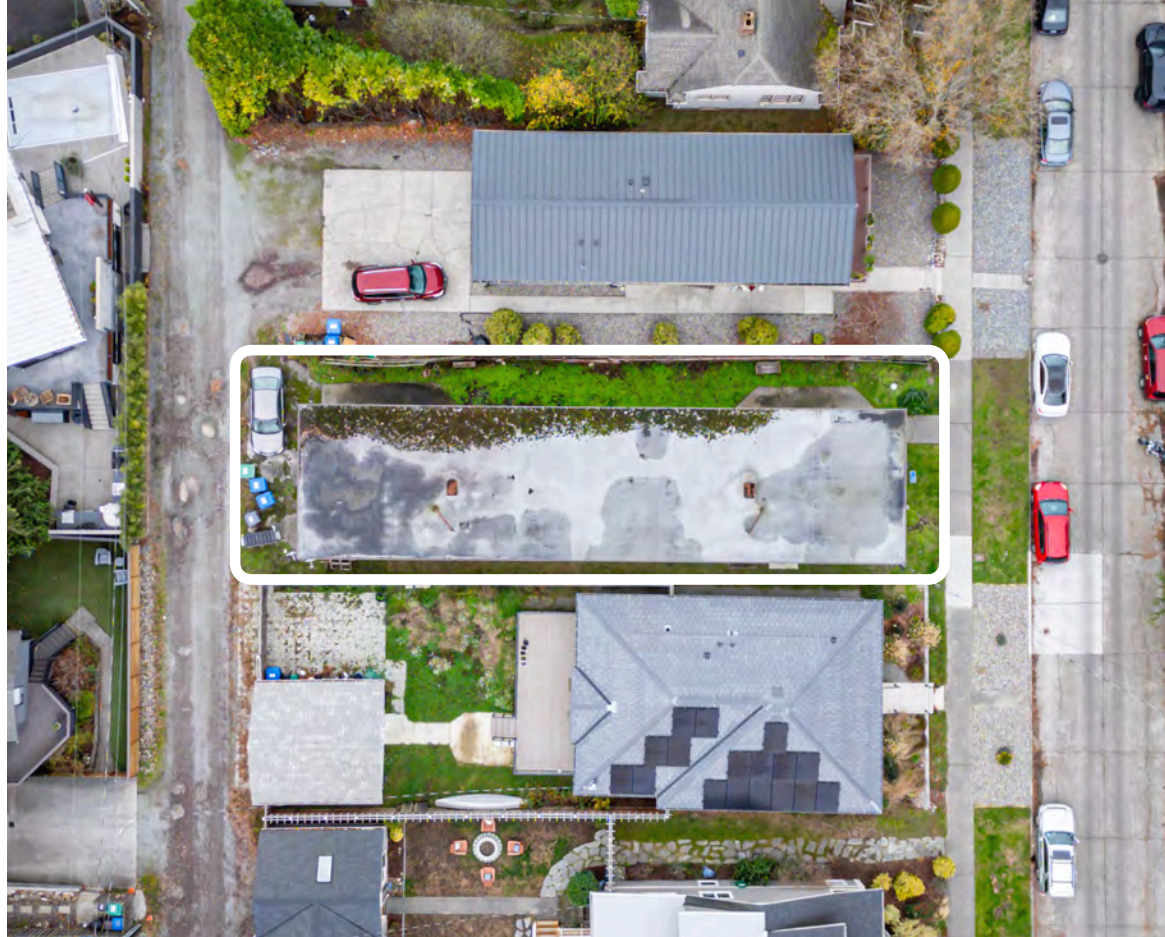




## PROPERTY DETAILS

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PARCEL NO.	015100-0045
LOT SIZE	4,922 Square Feet
STORIES	2
ZONING	NR-3
CONSTRUCTION	Wood frame
WINDOWS	Double Pane
ELECTRICAL	Individually metered, copper wiring, breaker panels in each unit
PLUMBING	Mixed Plumbing (PEX and Galvanized)
WATER HEATER	In-unit, electric
HEATING	Electric baseboard and Cadet Heating
LAUNDRY	In-Unit WD (2 Units) and Common Laundry
PARKING	Off Street and Street Parking





PROPERTY DETAILS

# INTERIORS





# UNIT BREAKDOWN

UNIT	UNIT TYPE	SIZE (SQFT)	CURRENT RENT	PER SQFT	MARKET RENT	PER SQFT
1 - Vacant	1BD/1BTH - Renovated	495	\$1,800	\$3.64	\$1,800	\$3.64
2 - Vacant	1BD/1BTH - Renovated	495	\$1,800	\$3.64	\$1,800	\$3.64
3	1BD/1BTH	495	\$1,445	\$2.92	\$1,800	\$3.64
4	1BD/1BTH	495	\$1,495	\$3.02	\$1,800	\$3.64
5	1BD/1BTH	495	\$1,500	\$3.03	\$1,800	\$3.64
6	1BD/1BTH	495	\$1,500	\$3.03	\$1,800	\$3.64
7 - Vacant	1BD/1BTH	495	\$1,575	\$3.18	\$1,800	\$3.64
8	1BD/1BTH	495	\$1,375	\$2.78	\$1,800	\$3.64
<b>8</b>	<b>Total/Avg.</b>	<b>495</b>	<b>\$1,561</b>	<b>\$3.15</b>	<b>\$1,800</b>	<b>\$3.64</b>



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# INCOME & EXPENSES

INCOME	CURRENT	PROFORMA
Gross Potential Rent	\$149,880	\$172,800
Less Vacancy (5%)	\$(7,494)	\$(8,640)
Gross Rental Income	\$142,386	\$164,160
Utility Reimbursement	\$11,220	\$12,000
Storage	\$-	\$600
Laundry Income	\$1,080	\$1,080
Total Other Income	\$12,300	\$13,680
<b>Total Operating Income</b>	<b>\$154,686</b>	<b>\$177,840</b>

EXPENSES	CURRENT	PROFORMA
Real Estate Taxes	\$17,351	\$18,075
Insurance	\$5,100	\$5,600
Utilities	\$10,836	\$11,920
Repairs & Maintenance	\$2,126	\$4,400
Contract Services	\$1,842	\$2,000
Turnover	\$1,000	\$1,000
Property Management	\$4,921	\$8,892
Admin	\$883	\$1,200
Replacements and Reserves	\$2,000	\$2,000
<b>Total Expenses</b>	<b>\$46,059</b>	<b>\$55,087</b>
<b>Net Operating Income</b>	<b>\$108,627</b>	<b>\$122,753</b>

## SCHEDULED MARKET RENT

Pro forma scheduled market rent is based on the 11/1/2025 rent roll and an analysis of multifamily rental trends in the surrounding submarket. Unit 1, 2 and 7 are vacant.

## VACANCY

Pro forma vacancy was underwritten to a traditional 5%.

## RUBS INCOME

Pro forma RUBS income was underwritten to \$1,500 per unit, representing a \$100 per unit per month Flat Rate Utility Fee, in line with the current RUBS program for market rate units.

## LAUNDRY INCOME

Pro forma laundry income is \$135 per unit, based on current operations. Common Laundry for units without washer and dryers in unit.

## STORAGE INCOME

Pro forma laundry income is \$75 per unit, based on market rate storage lockers (2 units at \$25 per month).

## REAL ESTATE TAXES

Pro forma real estate taxes are \$2,259 per unit, based on the 2025 levy rate at 85% of list price.

## INSURANCE

Pro forma insurance expenses are \$700 per unit, based on the current insurance market.

## UTILITIES

Pro forma utility expense is \$1,490 per unit, reflecting current usage and a projected 10% growth rate due to recent vacant units.

## REPAIRS & MAINTENANCE

Pro forma repairs and maintenance expenses are \$550 per unit, based on current operations. This includes appliances, electrical and plumbing.

## CONTRACT SERVICES

Pro forma contract services expenses are \$250 per unit, based on current operations.

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Pro forma contract services expenses are \$250 per unit, based on current operations.

## TURNOVER

Pro forma turnover expenses are \$125 per unit, based on current operations.

## PROPERTY MANAGEMENT

Pro forma management fee is 5% of total operating income, or \$1,005 per unit, consistent with management practices at comparable properties.

## ADMINISTRATIVE

Pro forma administrative expenses are \$150 per unit, aligned with current operations at comparable properties. This includes banking fees, tenant screening, and other miscellaneous expenses.

## REPLACEMENTS & RESERVES

Pro forma replacement reserves are \$250 per unit, reflecting the industry standard for funding the periodic replacement of building systems and components (e.g., roofs, HVAC, appliances).



# SALES COMPARABLES



## The Surf Apartments

3035 64th Ave SW, Seattle, WA 98116

Year Built	1957
Units	8
Sales Price	\$2,195,000
Price/Unit	\$274,375
CAP Rate	4.95%



## 1519 California Apartments

1519 California Ave SW, Seattle, WA 98116

Year Built	1994
Units	12
Sales Price	\$4,450,000
Price/Unit	\$370,833
CAP Rate	2.77%
Sale Date	04.16.2025



## Hillside Apartments

2440 54th Pl SW, Seattle, WA 98116

Year Built	2000
Units	13
Sales Price	\$5,600,000
Price/Unit	\$430,770
CAP Rate	4.05%
Sale Date	11.16.2024



## La Rae Apartments

5220 California Ave SW, Seattle, WA 98136

Year Built	1959
Units	11
Sales Price	\$5,500,000
Price/Unit	\$500,000
CAP Rate	5.00%
Sale Date	10.08.2024



## Elikai Apartments

5600 California Ave SW, Seattle, WA 98136

Year Built	1966
Units	27
Sales Price	\$11,900,000
Price/Unit	\$440,740
GRM/CAP	5.00%
Sale Date	06.30.2023



## Beachwood Apartments

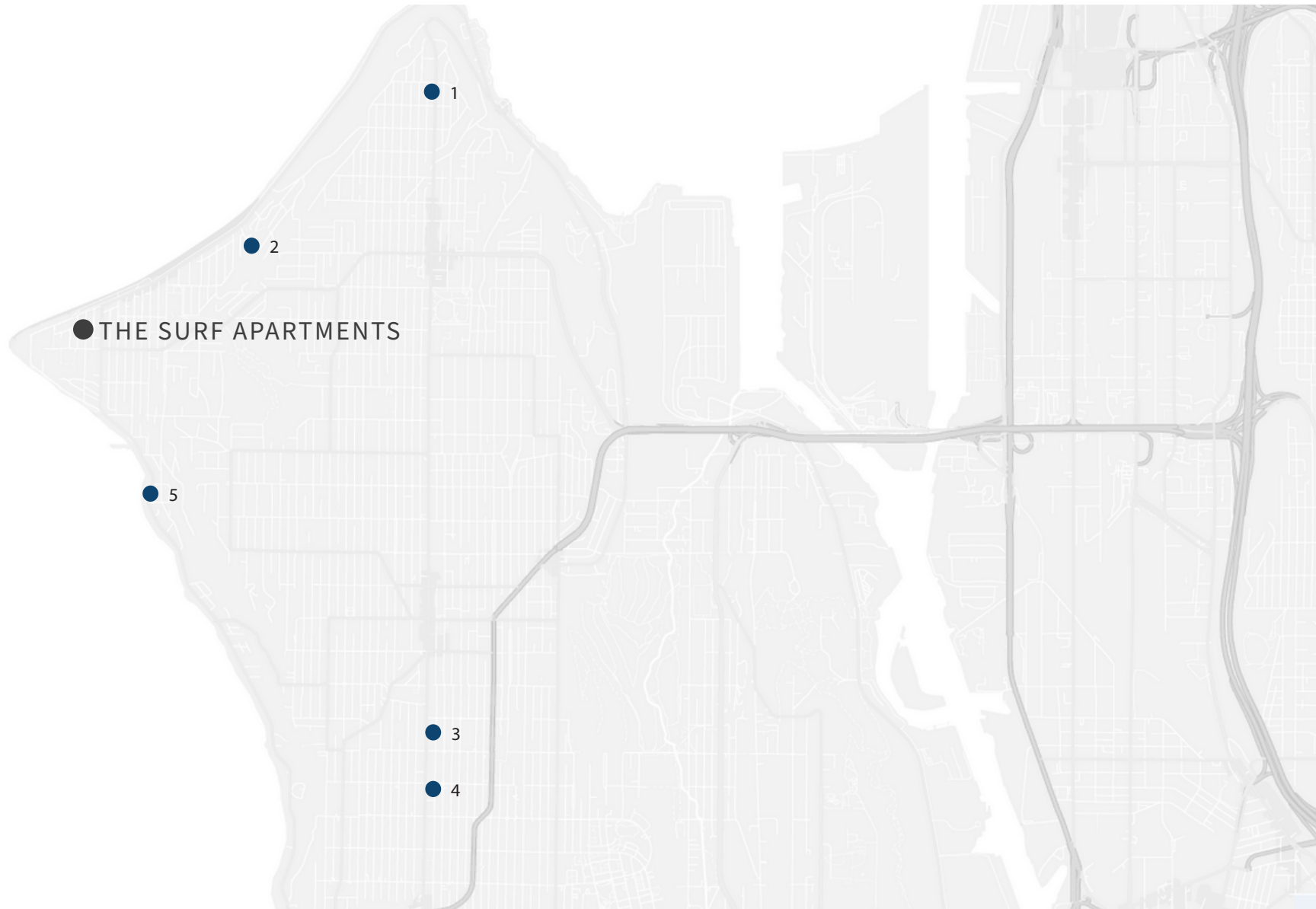
4027 Beach Dr SW, Seattle, WA 98116

Year Built	1901
Units	10
Sales Price	\$3,800,000
Price/Unit	\$379,500
CAP Rate	5.40%
Sale Date	05.31.2023









# SALES COMPARABLES

1. **1519 CALIFORNIA APARTMENTS** - Seattle, WA 98116
2. **HILLSIDE APARTMENTS** - Seattle, WA 98116
3. **LA RAE APARTMENTS** - Seattle, WA 98136
4. **ELIKAI APARTMENTS** - Seattle, WA 98136
5. **BEACHWOOD APARTMENTS** - Seattle, WA 98116





# RENT COMPARABLES

	ADDRESS	BUILT	UNITS	UNIT TYPE	UNIT SIZE	RENT	RENT/SF
	<b>The Surf Apartments</b> 3035 64th Ave SW, Seattle, WA 98116	1957	8	1BD/1BTH	495	\$1,561	\$3.15
	<b>Alki 12 Apartments</b> 2820 62nd Ave SW, Seattle WA 98116	1990	12	1BD/1BTH	654	\$1,995	\$3.05
	<b>2770 Alki Apartments</b> 2770 Alki Ave SW, Seattle, WA 98116	1990	32	1BD/1BTH	600	\$1,900	\$3.17
	<b>Soundcrest Apartments</b> 6609 SW Admiral Way, Seattle, WA 98116	1958	24	1BD/1BTH	710	\$2,100	\$2.96
	<b>Anne Vista Apartments</b> 2416 54th Pl SW, Seattle, WA 98116	1957	27	1BD/1BTH	650	\$1,895	\$2.92
	<b>Marram Alki</b> 6023 SW Stevens St, Seattle, WA 98116	1989	24	Studio	490	\$1,995	\$4.07



# RENT COMPARABLES

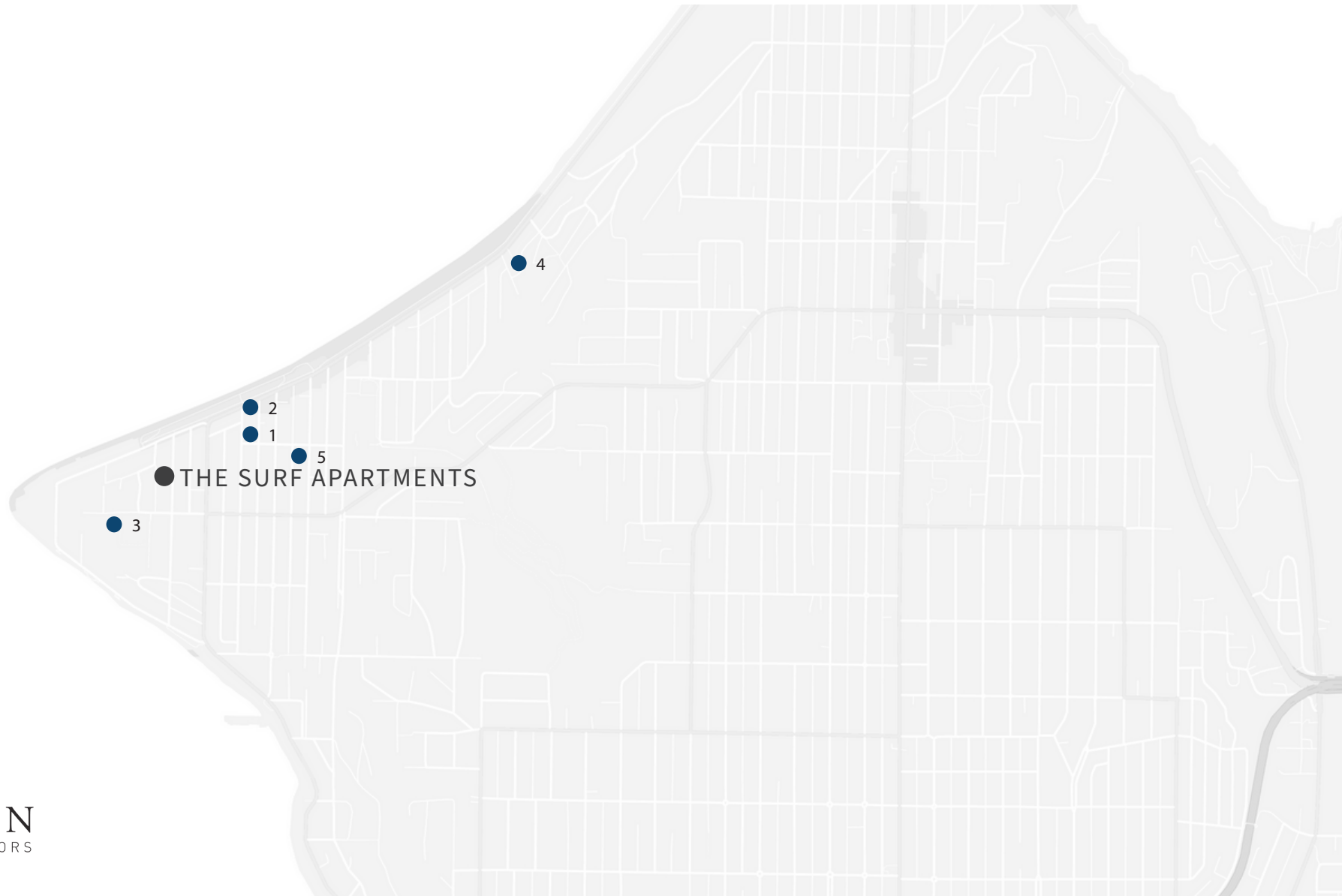
1. **ALKI 12 APARTMENTS** - Seattle, WA 98116

2. **2770 ALKI APARTMENTS** - Seattle, WA 98116

3. **SOUNDCREST APARTMENTS** - Seattle, WA 98116

4. **ANNE VISTA APARTMENTS** - Seattle, WA 98116

5. **MARRAM ALKI** - Seattle, WA 98116





# PARAGON REAL ESTATE

\$4.5 B  
Sales Volume

30  
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.



Visit our website! **ParagonREA.com**

## Puget Sound's Premiere Commercial Real Estate Brokerage

### 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 \$4.5 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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