

# VISTA DEL MAR BUNGALOWS

OFFERING MEMORANDUM



PARAGON  
REAL ESTATE ADVISORS

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Information within this marketing package 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.

## EXCLUSIVELY LISTED BY:

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# OFFERING

Paragon Real Estate Advisors is pleased to exclusively offer for sale the Vista Del Mar Bungalows; a value-add, 13-unit apartment building near the Des Moines waterfront. Built in 1939 in a wonderful Spanish architectural style, the property is prominently positioned on a 15,000 SqFt corner lot just blocks from water right in the heart of the Des Moines Marina District. The property consists of two buildings with a mix of efficient studio, one-bedroom and two-bedroom apartments. Common area amenities include off-street parking with 12+ stalls, an outdoor seating/gathering space and a common laundry room. The property also has a large garage space in the lower level of the south building that is being used as a workshop and extra storage space currently. This space is large and could be repurposed and potentially rented for additional income.

Residents enjoy the pedestrian friendly neighborhood with popular local restaurants, cafes, shops and services all within blocks. The Waterfront Farmer's Market is another great local destination that is within walking distance of the property. Residents are drawn to this location due to the relaxed waterfront lifestyle, beautiful scenery, walkability and a central location with easy connectivity to the rest of the region.

The Vista Del Mar Bungalows offers a savvy investor the opportunity to acquire an apartment community with immediate income upside and potential to add value in a unique waterfront location. New ownership can immediately push income in several ways while taking advantage of limited inventory in the neighborhood and has the option to add further value through a renovation and repositioning plan for even greater returns.



# FINANCIAL SUMMARY

NAME	Vista Del Mar Bungalows
ADDRESS	22506 7th Ave S Des Moines, WA 98198
PRICE	\$2,100,000
TOTAL UNITS	13
BUILT	1939
SQUARE FEET	6,030 Total Net Rentable
PRICE PER UNIT	\$161,538
PRICE PER FOOT	\$348
CURRENT GRM/CAP	11.9/4.6%
MARKET GRM/CAP	9.5/6.4%
LOT SIZE	15,000 Square Feet
ZONING	D-C

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PROPERTY DETAILS

# INVESTMENT HIGHLIGHTS

- Great Des Moines location near the Marina
- Value-add opportunity
- Significant upside in current rent/income
- 13 units: (4) two-bedroom/one-bath, (4) one-bedroom and (5) studio units
- Walk to Wally's Chowder House Broiler, Auntie Irene's Coffee Shop, Waterland Arcade, Red Robin, Bank of America, Des Moines Pharmacy and many more
- Large 2 car garage and shop/storage space that could be rented and repurposed
- Off-street parking: 12+ stalls
- Common laundry
- Common outdoor seating area



PROPERTY DETAILS

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PARCEL NUMBER	200660-0360
CONSTRUCTION	Wood frame
STORIES	2
BUILDINGS	2
EXTERIOR	Stucco and Wood
ROOF	Tile and Flat
WINDOWS	Double pane, vinyl framed
ELECTRICAL	Individually metered, breaker panels for each unit
PLUMBING	Galvanized with some copper (mix of old and new)
HEATING	Gas wall furnaces
LAUNDRY	Common
STORAGE	Owner/manager space with garage
PARKING	12+ surface parking stalls



# EXTERIORS



# INTERIORS





# INTERIORS



# UNIT BREAKDOWN

UNIT	UNIT TYPE	SIZE	CURRENT RENT	PER SQFT	MARKET RENT	PER SQFT
1	2bd/1bth	625	\$1,395	\$2.23	\$1,675	\$2.68
2	Studio	375	\$995	\$2.65	\$1,050	\$2.80
3	Studio	375	\$550	\$1.47	\$1,050	\$2.80
4	Studio	375	\$725	\$1.93	\$1,050	\$2.80
5	2bd/1bth	625	\$1,395	\$2.23	\$1,675	\$2.68
6	2bd/1bth	625	\$1,595	\$2.55	\$1,675	\$2.68
7	1bd/1bth	450	\$1,070	\$2.38	\$1,295	\$2.88
8	1bd/1bth	450	\$1,125	\$2.50	\$1,295	\$2.88
9	1bd/1bth	450	\$1,200	\$2.67	\$1,295	\$2.88
10	1bd/1bth	450	\$1,150	\$2.56	\$1,295	\$2.88
11	Studio	375	\$700	\$1.87	\$1,050	\$2.80
12	2bd/1bth	625	\$1,495	\$2.39	\$1,675	\$2.68
13	Studio	375	\$1,050	\$2.80	\$1,050	\$2.80
<b>13</b>	<b>Total/Avg</b>	<b>475</b>	<b>\$1,111</b>	<b>\$2.40</b>	<b>\$1,318</b>	<b>\$2.84</b>



COMMON LAUNDRY



SEATING AREA



GARAGE

FINANCIALS

# INCOME & EXPENSES

<b>Units</b>	13	<b>Price</b>	\$2,100,000
<b>Year Built</b>	1939	<b>Per Unit</b>	\$161,538
<b>Rentable Area</b>	6,030 SqFt	<b>Per Sq. Ft.</b>	\$348.26
<b>Down Pmt</b>	\$1,050,000	<b>Current GRM</b>	11.90
<b>Loan Amount</b>	\$1,050,000	<b>Current CAP</b>	4.57%
<b>Interest Rate</b>	5.900%	<b>Market GRM</b>	9.50
<b>Amortization</b>	30 years	<b>Market CAP</b>	6.37%

UNITS	UNIT TYPE	SIZE	CURRENT RENT	MARKET RENT
5	Studio	375	\$550 - \$995	\$1,050
4	1 Bd/1 Bth	450	\$1,050 - \$1,200	\$1,295
4	2 Bd/1 Bth	625	\$1,395 - \$1,595	\$1,675
<b>13</b>	<b>Total/Avg</b>	<b>475</b>	<b>\$2.40</b>	<b>\$2.84</b>

MONTHLY INCOME	CURRENT	MARKET
<b>Monthly Scheduled Rent</b>	\$14,445	\$17,130
Utility Billback	\$0	\$975
Laundry Income	\$130	\$130
Other Income	\$130	\$195
<b>Total Monthly Income</b>	<b>\$14,705</b>	<b>\$18,430</b>

ANNUALIZED OPERATING DATA	CURRENT	MARKET
<b>Scheduled Gross Income</b>	<b>\$176,460</b>	<b>\$221,160</b>
Less Vacancy 5.00%	\$8,823	5.00% \$11,058
Gross Operating Income	\$167,637	\$210,102
Less Expenses	\$71,588	\$76,313
<b>Net Operating Income</b>	<b>\$96,049</b>	<b>\$133,789</b>
Annual Debt Service (\$6,227.93)	\$74,735	\$74,735
<b>Cash Flow Before Tax</b> 2.03%	<b>\$21,314</b>	5.62% <b>\$59,054</b>
Principal Reduction	\$13,137	\$13,137
<b>Total Return Before Tax</b> 3.28%	<b>\$34,451</b>	6.88% <b>\$72,190</b>

ANNUALIZED OPERATING EXPENSES	CURRENT	MARKET
Real Estate Taxes 2024	\$22,127	\$22,127
Insurance 2023/Proforma	\$4,430	\$5,200
Utilities 2023	\$18,546	\$18,546
Professional Mgmt. Proforma 5%	\$8,382	\$10,505
Maintenance & Repairs 2023/Proforma	\$11,168	\$13,000
Landscaping 2023	\$1,735	\$1,735
Administration/Misc. Proforma	\$1,950	\$1,950
Replacements/ Reserves Proforma	\$3,250	\$3,250
<b>Total Expenses</b>	<b>\$71,588</b>	<b>\$76,313</b>

CURRENT OPERATIONS	Expense/Unit	Expense/Unit	MARKET OPERATIONS	Expense/Unit
	\$5,507	\$5,870		\$5,870
	\$11.87	\$12.66		\$12.66
	40.57%	34.51%		34.51%

# PARAGON REAL ESTATE

## Puget Sound's Premiere Commercial Real Estate Brokerage

\$4.5 B  
Sales Volume

28  
Years in  
Business

20+  
Brokers

48 k  
Units Sold

### 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.

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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 new website! [ParagonREA.com](http://ParagonREA.com)

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