

VENTURE

Real Estate Group

Historic Horsfall Tacoma Building

“In the heart of Tacoma’s
revitalized Lincoln District”

809 S 38th St.
Tacoma, WA 98418

PRICE: \$1,550,000

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VREG Disclosure	

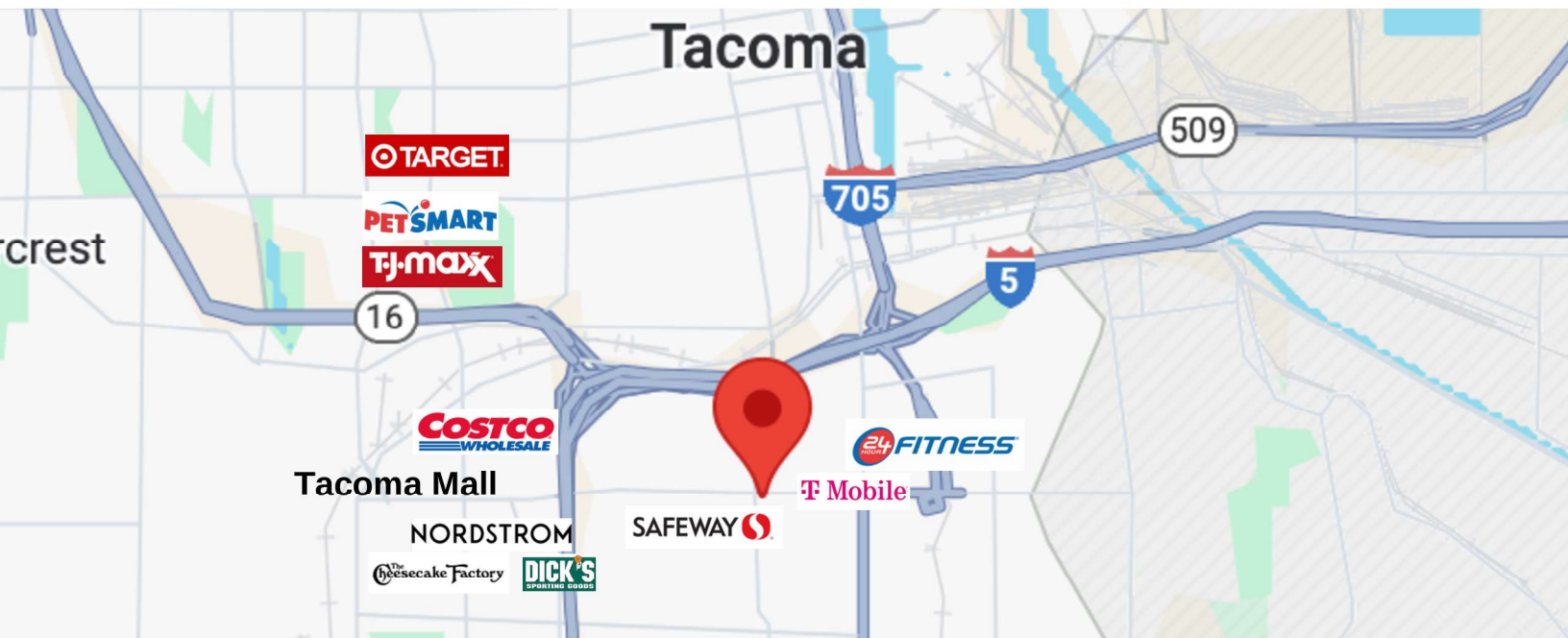
Historic Horsfall Building

Excellent and rare investment or owner user opportunity located in the heart of Tacoma's revitalized Lincoln District. Proforma CAP 7.45%. Potential redevelopment opportunity with multi-use zoning and multiple new development sites nearby within revitalized Lincoln District. The Horsfall mixed-use commercial building is comprised of potentially of 16 total units. Three retail spaces on main level with large warehouse space and upper level potential buildout of ten 1-bedroom and three studio apartments. Upper level is full buildout renovation from previous fire over 30 years ago. Great investment opportunity for this large 17K sf building, corner lot and abundance of street visibility and traffic. Designated parking behind the building. Conveniently located minutes to Tacoma Mall, T-Mobile, 24 Hour Fitness, Safeway, Target & more. Perfect investor project in a growing and developing market in Tacoma. Contact LA with questions or to schedule a tour.

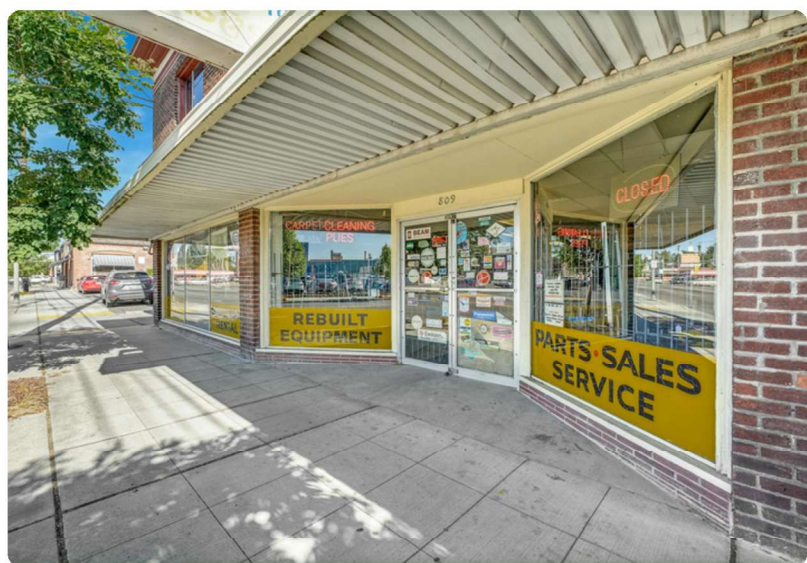
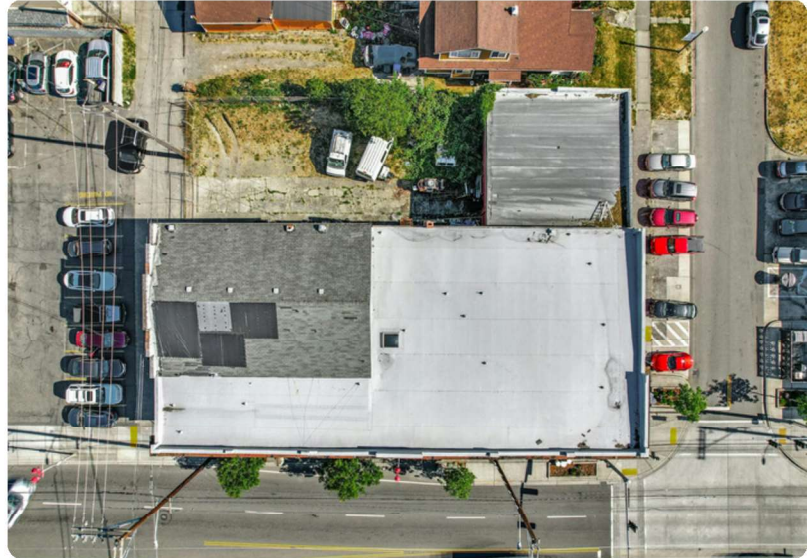
Property Details

- Building SQ FT: 17,320
- Lot SQ FT: 13,000
- Proforma Market CAP: 7.45%
- Mixed-use - 16 Units (potential)
- Proforma Market NOI: \$230,098
- \$/SF: \$89.00
- Year Built: 1916
- Ample Parking on Site

Tacoma Lincoln District



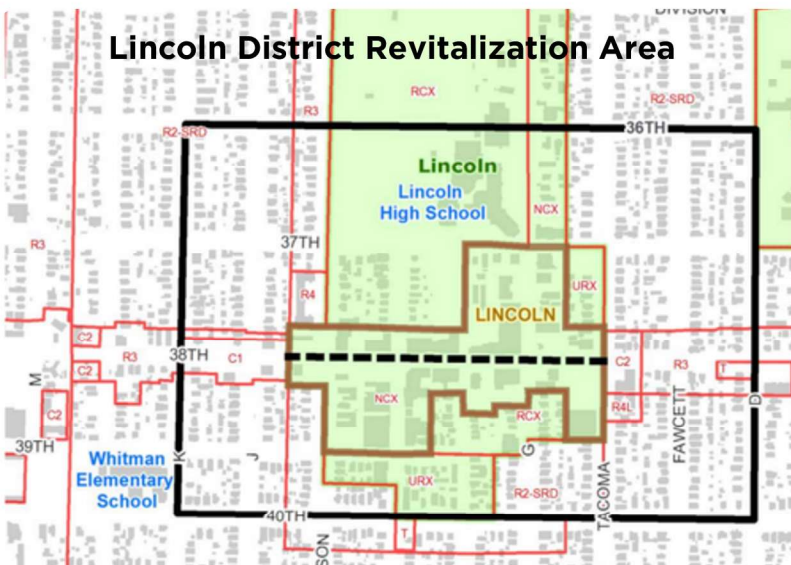




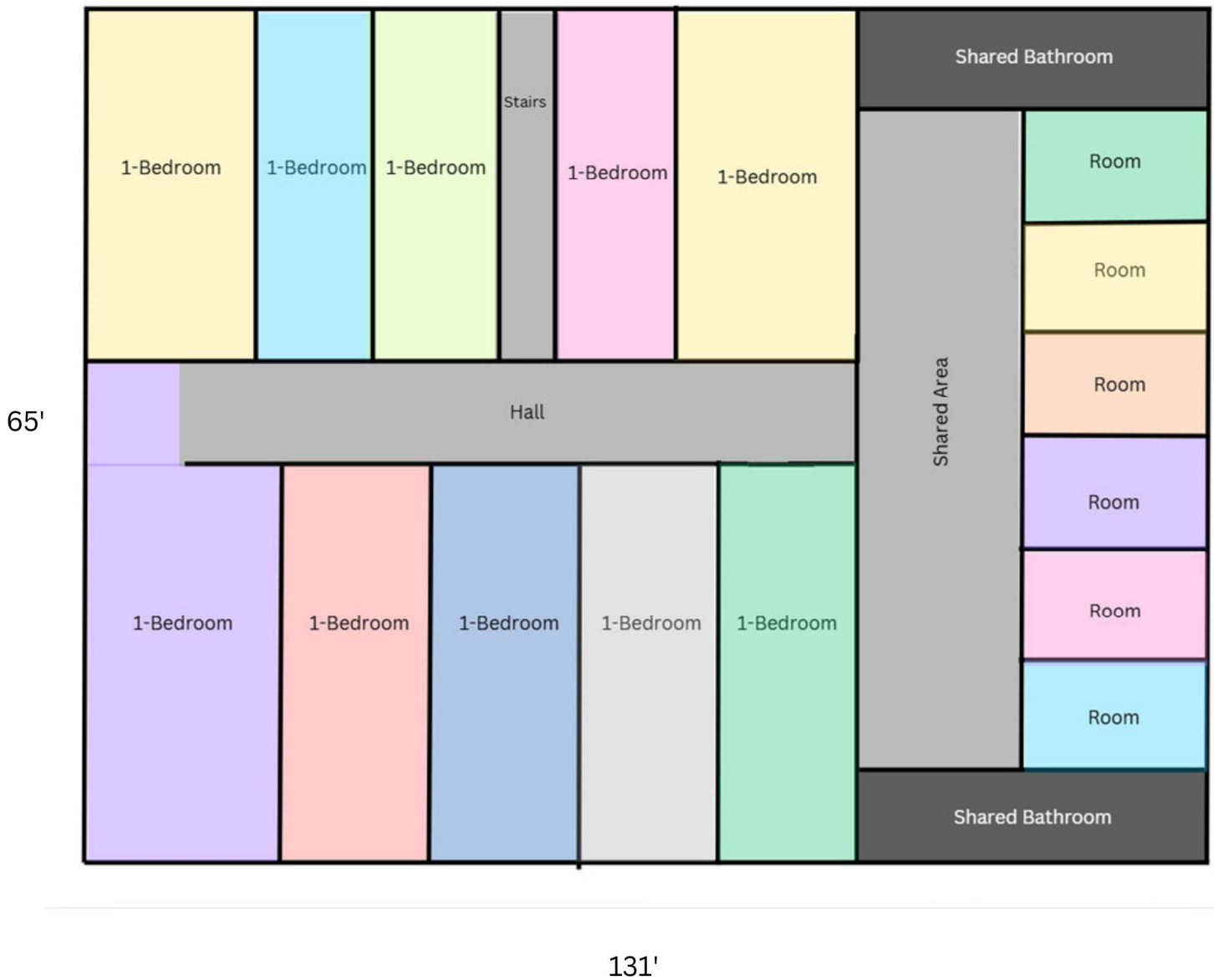


Project Details

- Create and maintain economic stability and growth opportunities as well as enhance the identity of the Lincoln District revitalization area in order to enhance its image as a desirable place to live
- Improve and maintain infrastructure codes
- Improve property maintenance conditions where needed and sustain otherwise healthy neighborhood conditions
- \$7.3 Million approximate investment

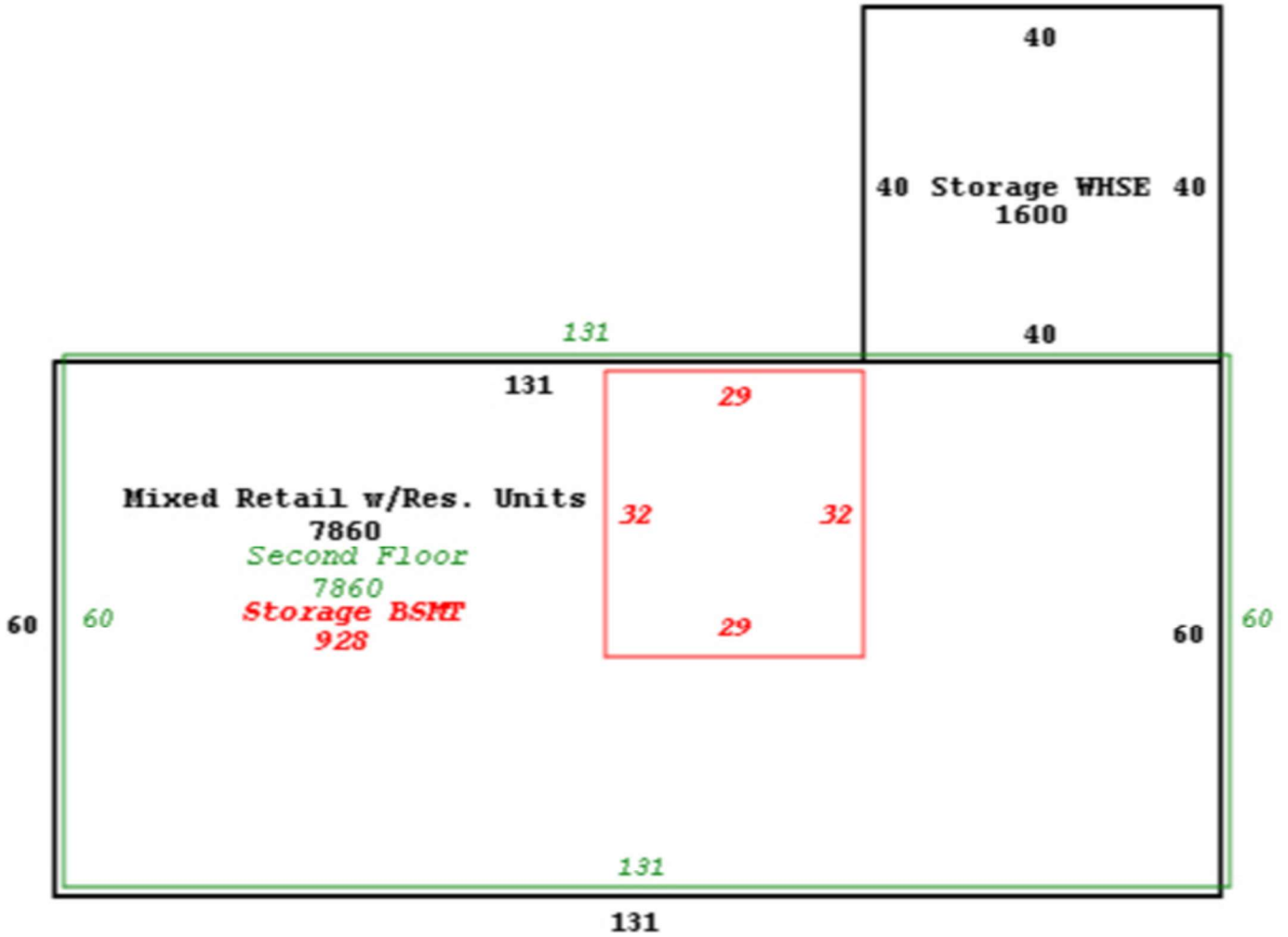


*Information credited to City of Tacoma - click or copy/paste the following link for full details:
<https://cms.cityoftacoma.org/cedd/Lincoln-Project/Lincoln-Open-House-Power-Point.pdf>



*Not drawn to scale / approximate dimensions

First Floor - Retail and Warehouse



Second floor - Multifamily - is 60'x131' and does not have the 40'x40' storage warehouse

INVESTMENT DETAILS

Analysis						
Analysis Date						7/18/2024

Property						
Property Type						Multifamily
Property						Historic Horsfall Tacoma Building
Address						809 S 38th St.
City, State						Tacoma, WA 98418
Year Built						1916

Purchase Information						
Purchase Price						\$ 1,550,000
Units						17
Total Rentable SF						17,320
Lot Size SF						13,000

Income & Expense						
Gross Operating Income						\$ 513,896
Monthly GOI						\$ 42,825
Total Annual Expenses						\$ 17,195
Monthly Expenses						\$ 1,433

Financial Informaion						
Initial Equity						\$ 1,007,500

Loans						
Type		Debt	Term	Amort	Rate	Payments
Fixed	\$	1,085,000	30 years	30 years	6.00%	\$ 6,505

EXECUTIVE SUMMARY

Acquisition Costs

Purchase Price, Points and Closing Costs	\$ 1,550,000
Investment - Cash	\$ 465,000
First Loan (Fixed)	\$ 1,085,000

Investment Information

Purchase Price	\$ 1,550,000
Price per Unit	\$ 91,176
Price per SF	\$ 89
Expenses per Unit	\$ 1,011

Income, Expenses & Cash Flow

Gross Scheduled Income	\$ 513,896
Total Vacancy and Credits	\$ (25,695)
Operating Expenses	\$ (17,195)
Net Operating Income	\$ 471,007
Debt Service	\$ (78,061)
Cash Flow Before Taxes	\$ 392,945

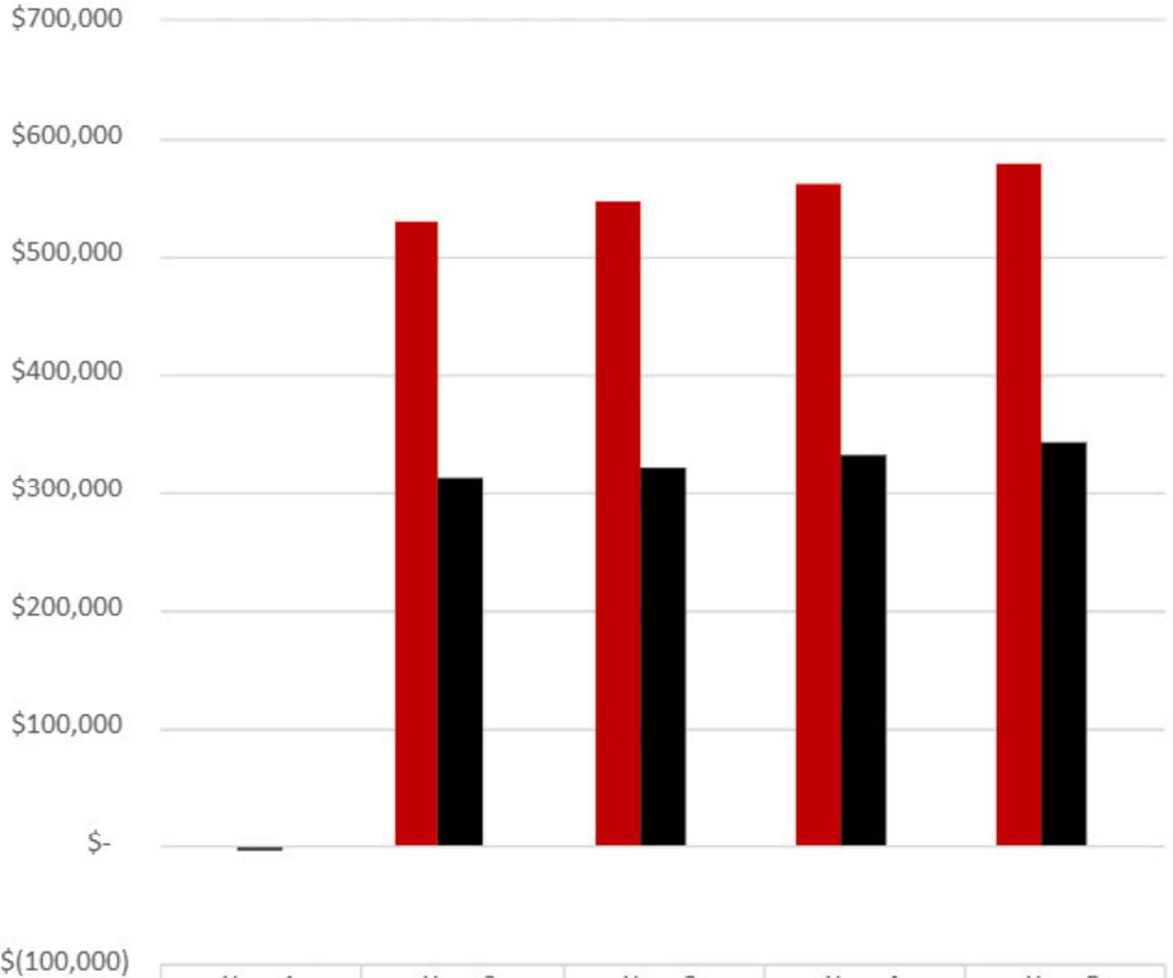
Financial Indicators

Debt Coverage Ratio	6.03
Capitalization Rate	
Gross Rent Multiplier	3.02
Gross Income / Square Feet	\$ 30
Gross Expenses / Square Feet	\$ (1)
Operating Expense Ratio	3.35%

CASH FLOW ANALYSIS

Income	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Total Gross Revenue		\$ -	\$ 401,696	\$ 413,747	\$ 426,159	\$ 438,944
Less: Vacancy (5% in Year 1, 50% in Year 2, 50% going forward)	\$ -	\$ -	\$ 20,085	\$ 20,687	\$ 21,308	\$ 21,947
Less: Concession and Bad Debts	\$ -	\$ -	\$ 4,017	\$ 4,137	\$ 4,262	\$ 4,389
Less: Operating Expenses	\$ -	\$ 5,462	\$ 140,594	\$ 144,811	\$ 149,156	\$ 153,630
Net Operating Income	\$ -	\$ (5,462)	\$ 237,001	\$ 244,111	\$ 251,434	\$ 258,977
Cash Flow	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Less: Debt Service (Rehab Loan)	\$ -	\$ 100,067	\$ -	\$ -	\$ -	\$ -
Less: Debt Service (Permenant Loan)	\$ -	\$ -	\$ 157,984	\$ 157,984	\$ 157,984	\$ 157,984
Plus: Interest Reserve Release	\$ -	\$ 34,967	\$ -	\$ -	\$ -	\$ -
Less: Planned Improvements	\$ 1,537,007	\$ 1,537,007	\$ -	\$ -	\$ -	\$ -
Plus: Rehab Loan	\$ 1,075,905	\$ 1,075,905	\$ -	\$ -	\$ -	\$ -
Distributable Cash Proceeds	\$ -	\$ (531,663)	\$ 79,016	\$ 86,126	\$ 93,450	\$ 100,993

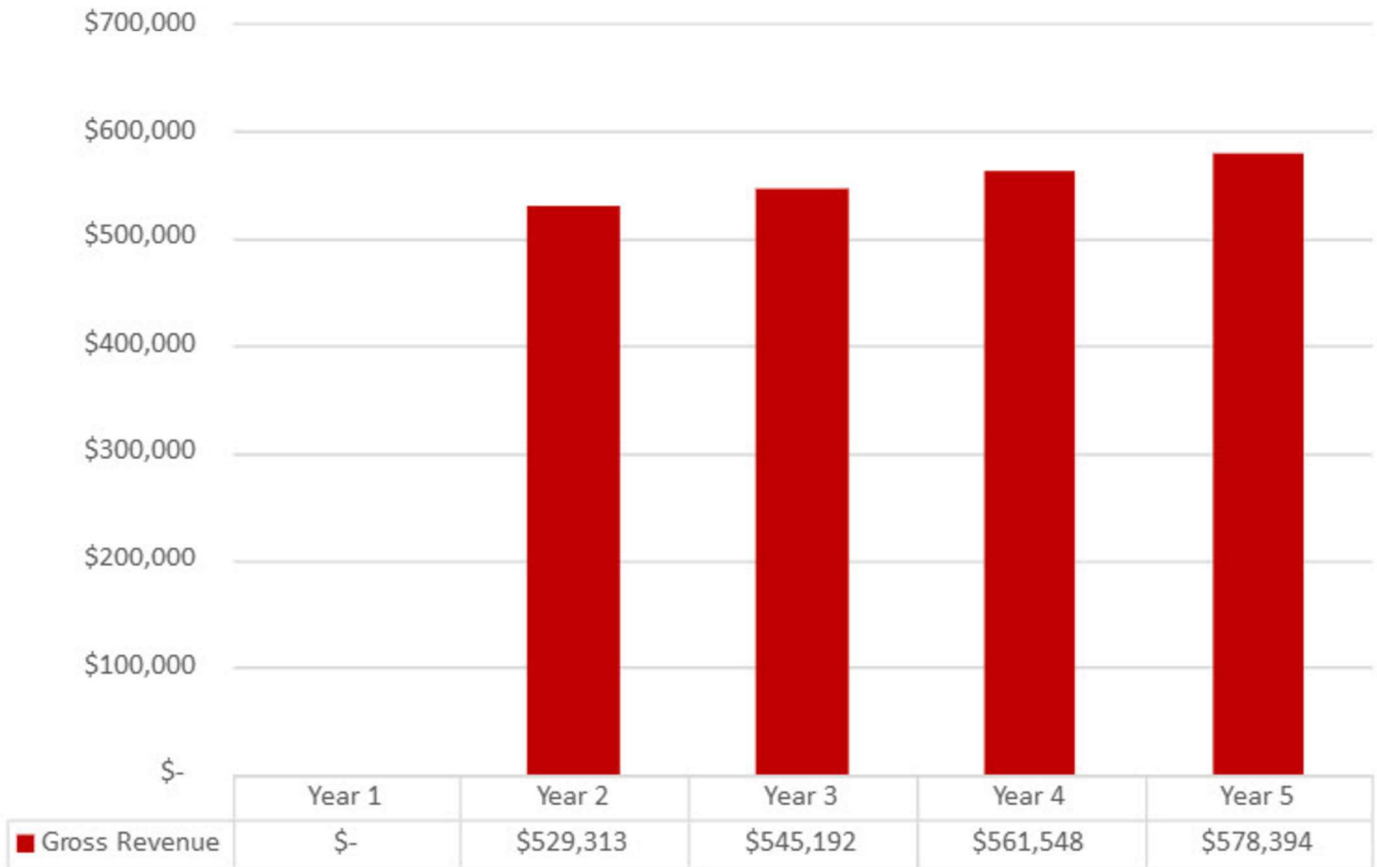
OPERATING INCOME ANALYSIS



	Year 1	Year 2	Year 3	Year 4	Year 5
■ Gross Revenue	\$-	\$529,313	\$545,192	\$561,548	\$578,394
■ Net Operating Income	\$(5,462)	\$312,295	\$321,663	\$331,313	\$341,253
■ Distributable Cash Proceeds	\$-	\$-	\$-	\$-	\$-

■ Gross Revenue ■ Net Operating Income ■ Distributable Cash Proceeds

GROSS INCOME VS. OPERATING EXPENSES



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We, at Venture Real Estate Group, LLC recommend that the potential buyer does its own full due diligence, property inspection, or feasibility of the physical property or land as well as financial documents. We recommend that potential buyers reach out to professionals in all fields where due diligence is needed.

We also recommend that prospective buyers reach to professionals about any health concerns associated with the property. At VREG, we realize these risks can go unnoticed and potentially damage the health of future tenants or residents.

The Seller and VREG retains the right to change or cancel this offer at any time. Any sale of this property must be approved by the seller. All terms in the constructed contract must be met for a sale to happen. Buyer must verify any and all information and bears the risk of any inaccuracies and errors.