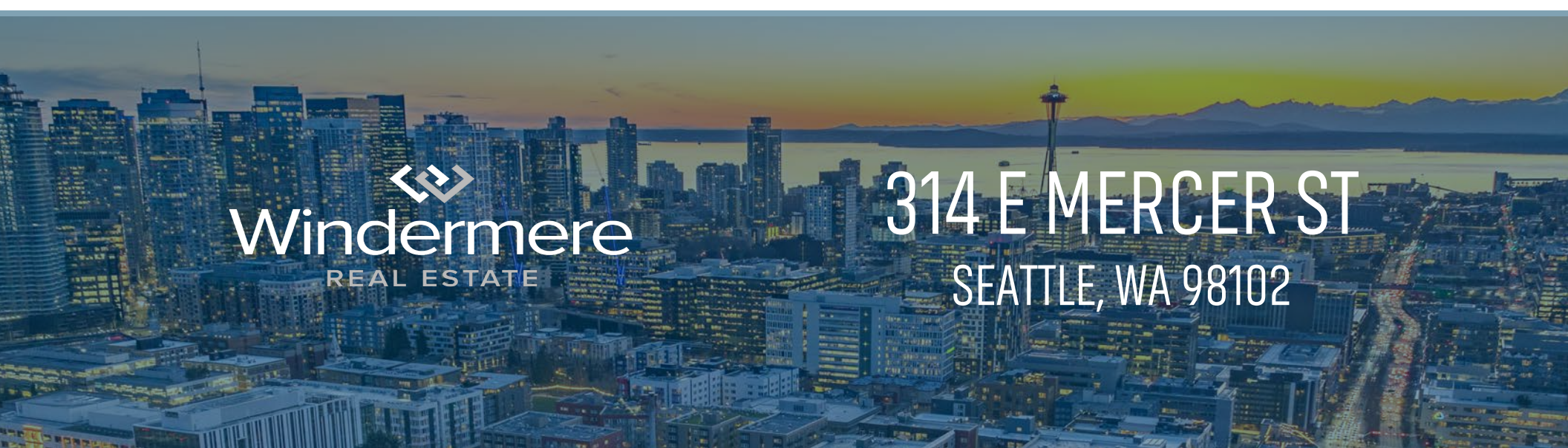


OFFERING MEMORANDUM



  
**Windermere**  
REAL ESTATE

**314 E MERCER ST**  
**SEATTLE, WA 98102**







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# 01

## INVESTMENT OVERVIEW







# INVESTMENT OVERVIEW

## PROPERTY DESCRIPTION

This classic 5-unit apartment building in prime Capitol Hill location will offer the savvy investor a strong revenue stream and tons of upside. Each spacious unit features a unique layout, wood floors, fresh interior paint, gas cooking. The building features a great mix of 1 bed, 1+ den, 2-story units, some with partial views of city skyline and mountains.

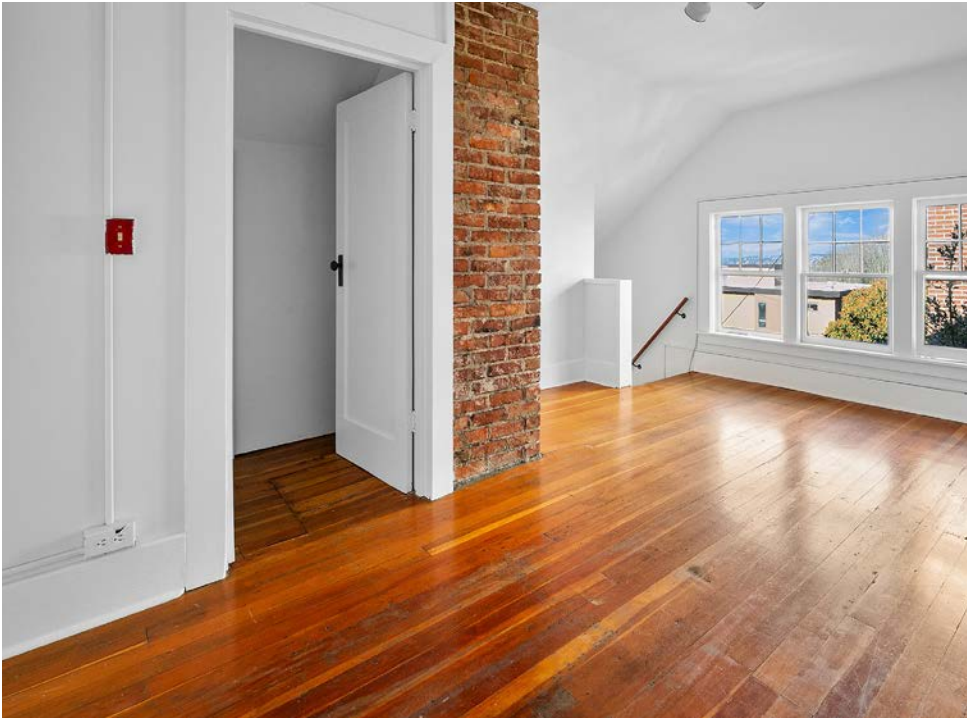
The basement includes storage, common laundry, large unfinished area for possible expansion. Rents are proforma from property manager. The building is currently over a 5 CAP with more room for upside with building improvements. All units are currently vacant, allowing new owner the option to renovate or place tenants immediately. Low vacancy rate historically (fully leased for many years).

Great location, close to light rail, SLU, freeway, everything on Capitol Hill and Downtown Seattle. This 5-unit building will make a great addition to any rental portfolio.

## PROPERTY HIGHLIGHTS

- Built in 1909
- 5 Units
- 4,595 Sq Ft Gross
- Wood Floors
- Partial Views
- Common Laundry
- Ample Storage
- LR3 Zoning

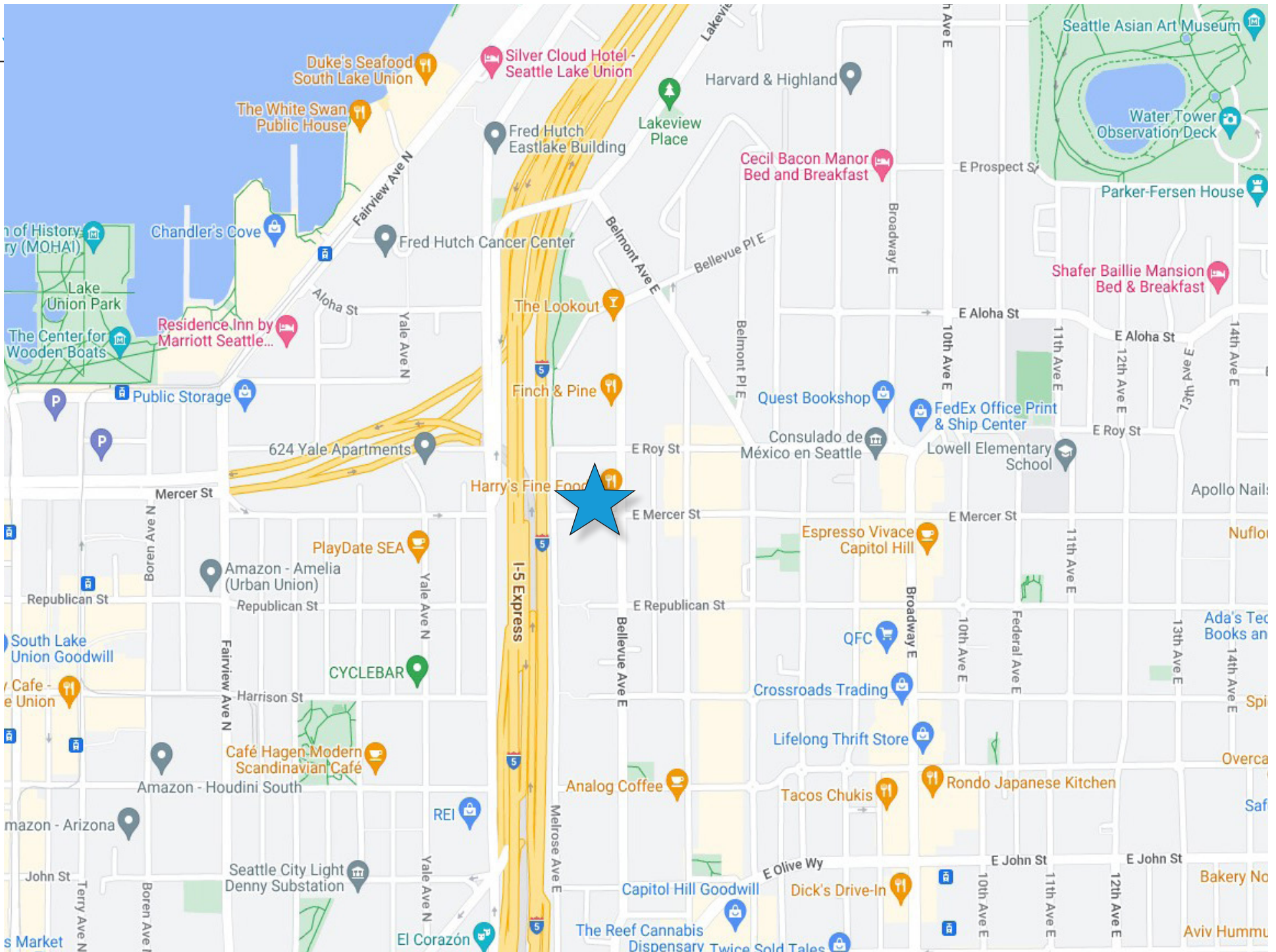




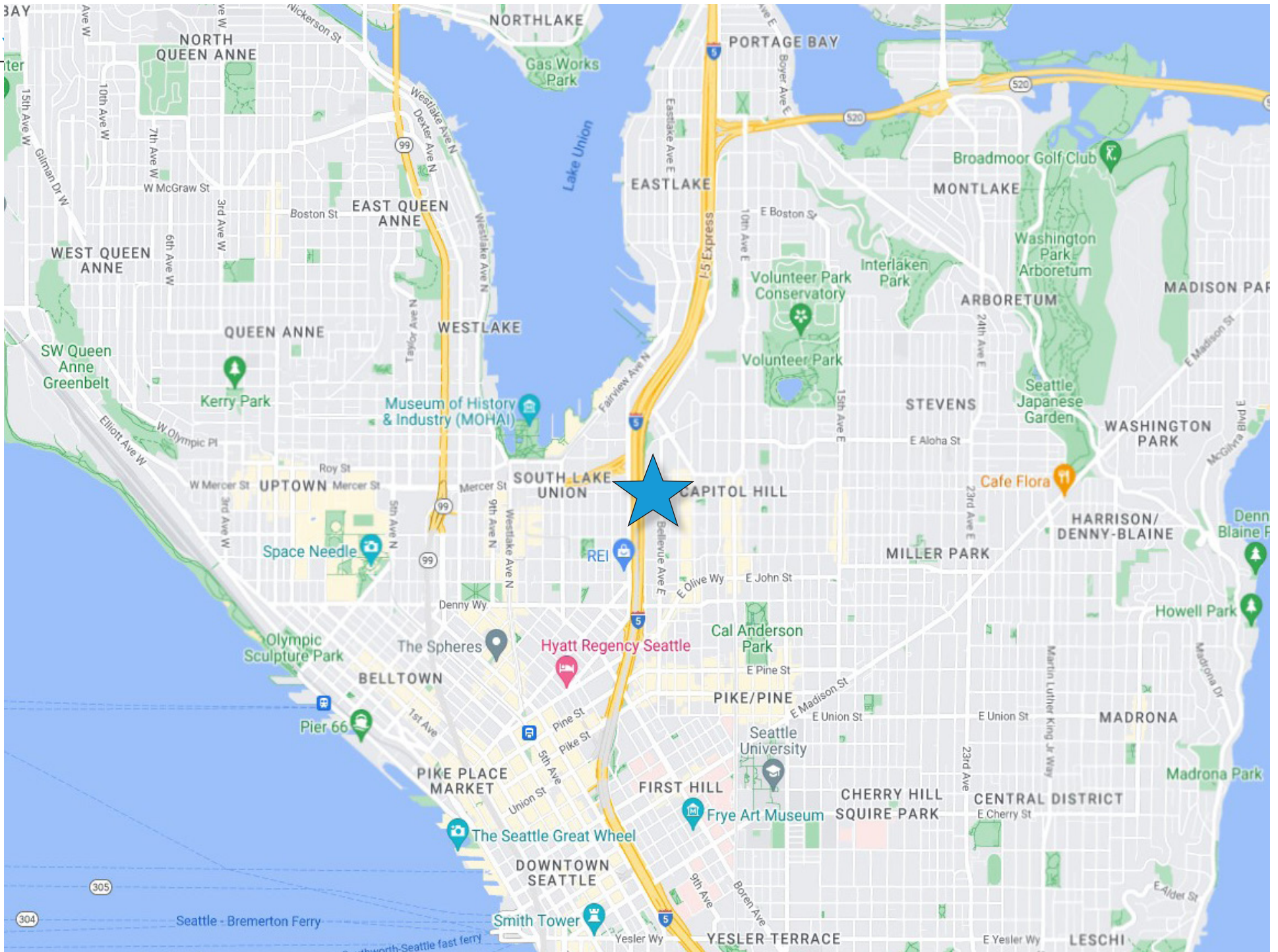




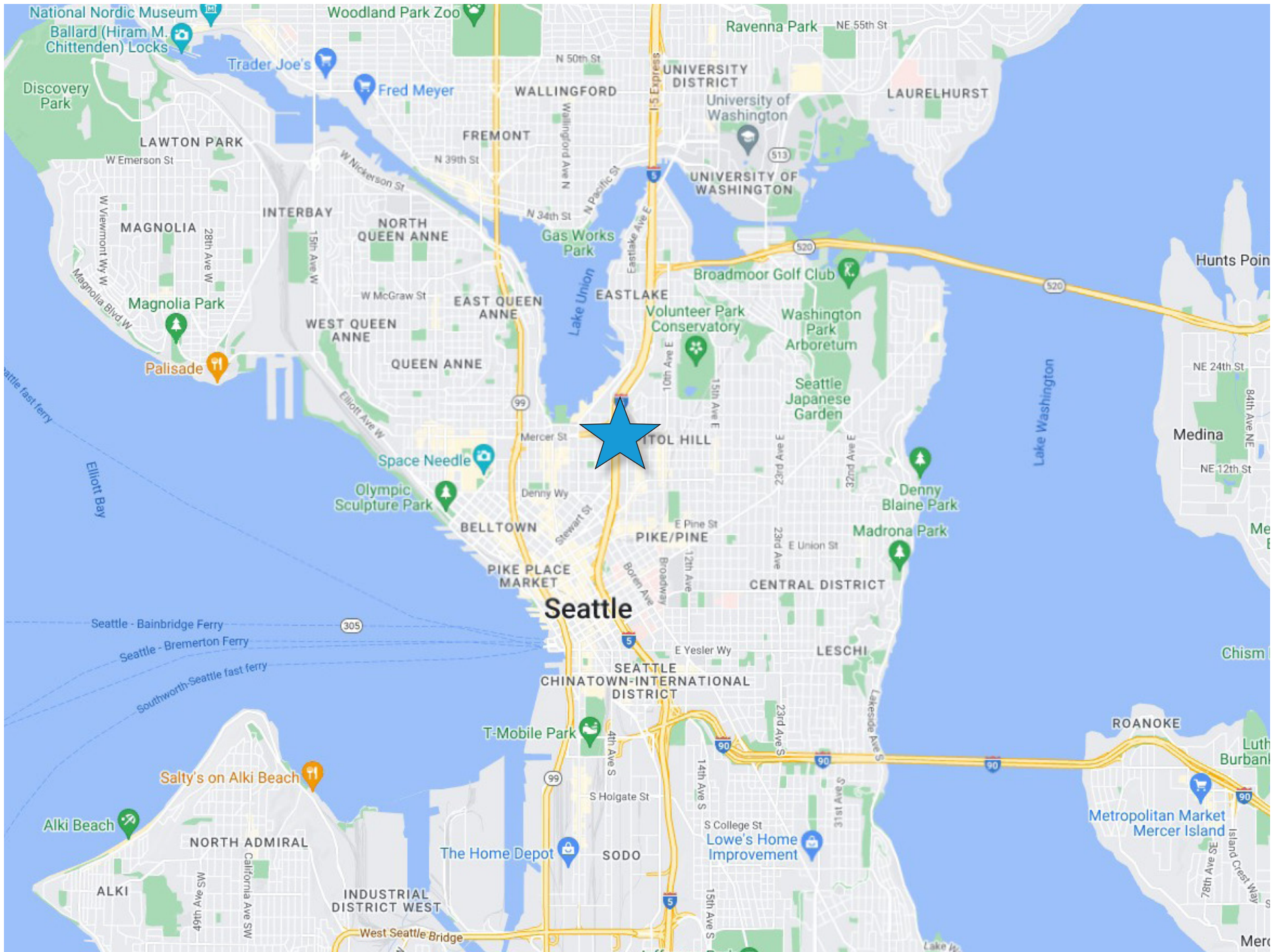














# 02

## FINANCIAL ANALYSIS





# FINANCIAL ANALYSIS

## Summary

<b>Price</b>	<b>\$1,395,000</b>
Down Payment (45%)	\$627,750
Number of Units	5
Price Per Unit	\$279,000
Price Per SqFt	\$303.59
Gross SqFt	4,595
Lot Size	2,400
Approx. Year Built	1909

## Returns Pro Forma

<b>CAP Rate</b>	<b>5.25%</b>
GRM	12.30
Cash-on-Cash	2.40%
Debt Coverage Ratio	1.26

## Financing 1st Loan

<b>Loan Amount</b>	<b>\$767,250</b>
Loan Type	New
Interest Rate	6.50%
Amortization	30 Years
Year Due	2029

# of Units	Unit Type	SqFt/Unit	Market Rents
1	Studio + Den / 1 Bath	486	\$1,450
1	1 Bed / 1 Bath	726	\$1,900
3	1 Bed + Loft / 1 Bath	707	\$2,033

## Income Pro Forma

<b>Gross Scheduled Rent</b>		<b>\$113,400</b>
Less: Vacancy/Deductions	3.0%	\$3,402
Total Effective Rental Income		\$109,998
Other Income		\$0
Effective Gross Income		\$109,998
Less: Expenses	33.4%	\$36,752
<b>Net Operating Income</b>		<b>\$73,246</b>
Cash Flow		\$73,246
Debt Service		\$58,195
Net Cash Flow After Debt Service	2.40%	\$15,052
Principal Reduction		\$9,150
<b>Total Return</b>	<b>3.86%</b>	<b>\$24,202</b>

## Expenses Pro Forma

Real Estate Taxes	\$13,182
Insurance	\$3,500
Electric	\$500
Gas	\$500
W/S/G	\$5,700
Repairs & Maintenance	\$5,670
Management Fee	\$7,700
<b>Total Expenses</b>	<b>\$36,752</b>
Expenses/Unit	\$7,350
Expenses/SF	\$8.00



# RENT ROLL DETAIL

Unit	Unit Type	Notes	Square Feet	Potential Rent / Month	Potential Rent / SF / Month
101	1 Bed / 1 Bath	Fireplace	726	\$1,900	\$2.62
103	1 Bed + Loft / 1 Bath	Private Deck	609	\$2,050	\$3.37
201	1 Bed + Loft / 1 Bath	Fireplace	718	\$2,000	\$2.79
202	1 Bed + Loft / 1 Bath	Views	794	\$2,050	\$2.58
204	Studio + Den / 1 Bath	Direct Laundry Access	486	\$1,450	\$2.98
<b>Total</b>			<b>Property SF: 4,595</b>	<b>\$9,450</b>	<b>\$2.06</b>



# 03

## OPERATING STATEMENT





# OPERATING STATEMENT



Income	Pro Forma	Per Unit	Per SF
<b>Gross Current Rent</b>	<b>\$113,400</b>	<b>\$22,680</b>	<b>\$24.68</b>
Less: Vacancy Deductions (3%)	(\$3,402)	(\$680)	(\$0.74)
<b>Effective Gross Income</b>	<b>\$109,998</b>	<b>\$22,000</b>	<b>\$23.94</b>
Expenses	Pro Forma	Per Unit	Per SF
Real Estate Taxes	\$13,182	\$2,636	\$2.87
Insurance	\$3,500	\$700	\$0.76
Electric	\$500	\$100	\$0.11
Gas	\$500	\$100	\$0.11
W/S/G	\$5,700	\$1,140	\$1.24
Repairs & Maintenance (5%)	\$5,670	\$1,134	\$1.23
Management Fee (7%)	\$7,700	\$1,540	\$1.68
<b>Total Expenses</b>	<b>\$36,752</b>	<b>\$7,350</b>	<b>\$8.00</b>
Expenses as % of EGI	33.4%		
<b>Net Operating Income</b>	<b>\$73,246</b>	<b>\$14,649</b>	<b>\$15.94</b>



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