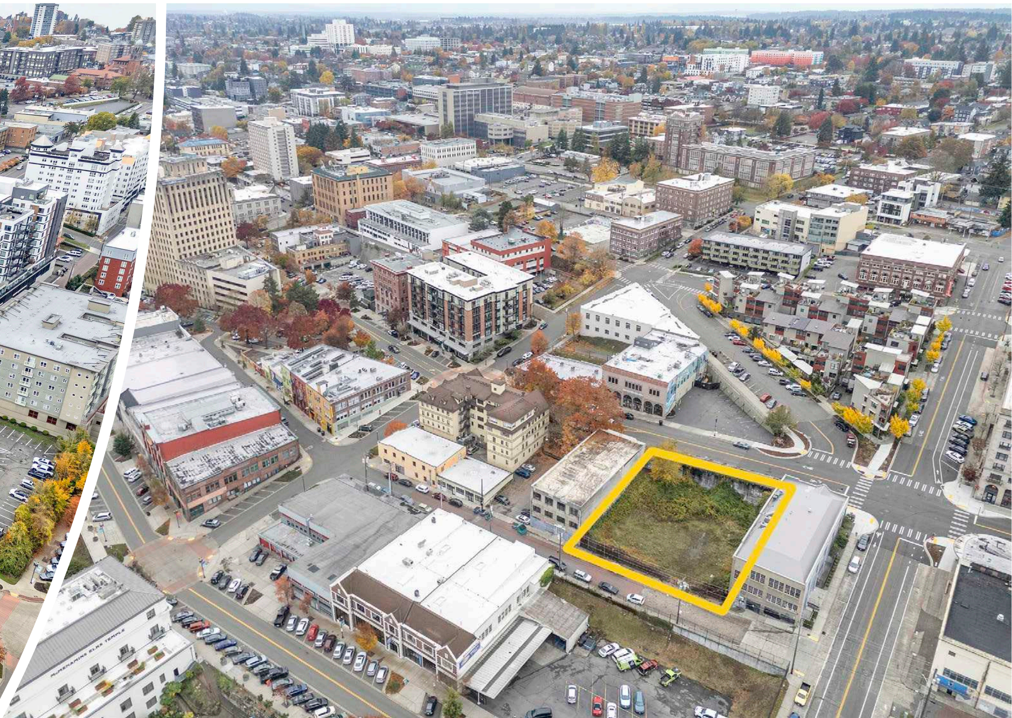
OFFERING MEMORANDUM

605 St Helens Ave

Exclusively Listed by

Andy Brooks

206.708.9463



kw WEST SOUND
KELLERWILLIAMS. REALTY

Executive Overview

605 St Helens Ave is a unique shovel-ready demo-free development site that combines city living, convenient transit/freeway access, and proximity to numerous restaurants, cafes, breweries, theaters, and night life all while being tucked away in the safety of North Tacoma's Stadium and Theater Districts.

Offering

Price	$2,100,000
Price/Unit	$26,250
Price/Land SF	$140
Tax Exemption	8 Year Property Tax (No Affordable)

Site Details

Address	605 St Helens Ave, Tacoma, WA
Neighborhood	Stadium/Theater District
Lot Size	15,000 SF
Parcel #	2006070021
Zoning	DCC - Downtown Commercial Core

Project Summary

Residential Units	80
Commercial Units	2 (Not Required)
Stories	5 (Residential) over 3 (Commercial/Parking)
Residential NRSF	54,980
Commercial NRSF	4,000
Avg Unit Size	687
Parking Stalls	60; Above Grade; Access Court C/St Helens
Storage Units	40
Amenities	Fitness Center, Rooftop Deck
Permit Status	Ready for Issue

Property Highlights

- Prime Downtown View Location: Safe, Walkable, Transit Oriented
- Shovel-Ready Development Site: All Permits Ready For Issue
- 8-year Property Tax Exemption w/o Affordability Requirements
- High Parking Ratio with NO Subterranean Parking
- Unobstructed views of Commencement Bay, Mt Rainier, and Downtown
- Walk Score of 96: Walker's Paradise
- Adjacent to some of Tacoma's Most popular Restaurants, Cafes, Breweries, Parks and Theaters
- Convenient Freeway, Tacoma Light Rail, and Bus Access

SUBJECT PROPERTY

605 SAINT HELENS AVE, TACOMA

Type	# Units	AVG Size (SF)	Total Size (SF)	Total Rent ($)	Avg Rent ($)	Avg ($/SF)
1BR	20	460	9,200	$33,300	$1,665	$3.62
Open 1BR	20	602	12,040	$37,900	$1,895	$3.15
2BR/1BA	40	844	33,740	$97,800	$2,445	$2.90
Total	80	687	54,980	$169,000	$2,113	$3.07

Rent Comparables

THE LEX

415 SAINT HELENS AVE, TACOMA

# of Units	247
Year Built	2023

UNIT MIX	UNITS	SF	MARKET RENT	$/SF
0 BR / 1 BA	52	548	$1,728	$3.15
1 BR / 1 BA	111	661	$2,211	$3.34
1BR/1BA LARGE	3	1,260	$3,064	$2.43
2 BR / 1 BA	50	742	$3,155	$4.25
2 BR / 2 BA	31	1,173	$3,944	$3.36
TOTAL/AVG	247	± 725	$2,528	$3.48

THE HAILEY

1210 TACOMA AVE S, TACOMA

# of Units	186
Year Built	2021

UNIT MIX	UNITS	SF	MARKET RENT	$/SF
0 BR / 1 BA	40	458	$1,688	$3.68
1 BR / 1 BA	114	640	$2,228	$3.48
1BR/1BA LARGE	2	1,159	$2,869	$2.48
2 BR / 1 BA	8	956	$2,691	$2.81
2 BR / 2 BA	22	1,078	$2,477	$2.30
TOTAL/AVG	186	± 672	$2,168	$3.35

ANALOG TACOMA

411 S 15TH STREET, TACOMA

# of Units	115
Year Built	2023

UNIT MIX	UNITS	SF	MARKET RENT	$/SF
0 BR / 1 BA	81	295	$1,480	$5.02
1 BR / 1 BA	1	440	$1,670	$3.80
2 BR / 1 BA	9	644	$2,270	$3.52
2 BR / 2 BA	11	726	$2,550	$3.51
3 BR / 2 BA	13	800	$3,129	$3.91
TOTAL/AVG	115	± 422	$1,832	$4.62

St Helens Project Stabilized POST CONSTRUCTION PROFORMA

605 St Helens
54,980 Total Residential Unit SQFT
4,030 Commercial Restaurant/Retail Space (Proforma basis - Residential Income only)
80 Units
60 Garage Parking Stalls
40 Storage Units

	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Apr-28	May-28	Jun-28	Jul-28	Aug-28	Sep-28	YEAR 1	Expense Ratios Per Unit	% EGI
RENTAL REVENUE:															
GROSS RENTS															
RETAURANT/RETAIL[1]	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	11,667	140,000		
1BD/1BA UNIT[2]	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	33,300	399,600		
1BD/1BA UNIT[3]	37,900	37,900	37,900	37,900	37,900	37,900	37,900	37,900	37,900	37,900	37,900	37,900	454,800		
2BD/1BA UNIT[4]	97,800	97,800	97,800	97,800	97,800	97,800	97,800	97,800	97,800	97,800	97,800	97,800	1,173,600		
TOTAL UNIT RENT:	180,667	180,667	180,667	180,667	180,667	180,667	180,667	180,667	180,667	180,667	180,667	180,667	2,168,000		
OTHER REVENUE															
PARKING SPACE[5]	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000		
STORAGE UNIT[6]	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	21,600		
UTILITY CHARGE BACK[7]	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200	9,200	110,400		
MISCELLANEOUS[8]	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000		
TOTAL OTHER REVENUE:	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	294,000		
VACANCY LOSS[9]															
RESIDENTIAL	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(10,258)	(123,100)		
RETAIL SPACE	(933)	(933)	(933)	(933)	(933)	(933)	(933)	(933)	(933)	(933)	(933)	(933)	(11,200)		
TOTAL VACANCY LOSS:	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(11,192)	(134,300)		
EFFECTIVE GROSS INCOME:	193,975	193,975	193,975	193,975	193,975	193,975	193,975	193,975	193,975	193,975	193,975	193,975	2,327,700		
EXPENSES:															
REPAIR/MAINTENANCE:															
CONTRACT SERVICES[10]	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	150	0.52%
GENERAL R/M[11]	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	16,000	200	0.69%
TURNOVER[12]	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	150	0.52%
RESERVES[13]	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	16,000	200	0.69%
TOTAL R/M EXPENSES:	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	4,667	56,000	4,667	2.41%
UTILITY:															
WATER[14]	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	17,104	214	0.73%
SEWER[15]	4,042	4,042	4,042	4,042	4,042	4,042	4,042	4,042	4,042	4,042	4,042	4,042	48,503	606	2.08%
TRASH[16]	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	1,106	13,275	166	0.57%
PHONE[17]	350	350	350	350	350	350	350	350	350	350	350	350	4,200	53	0.18%
ELECTRIC[18]	286	286	286	286	286	286	286	286	286	286	286	286	3,437	43	0.15%
TOTAL UTILITY EXPENSES:	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	7,210	86,520	1,081	3.72%
ADMINISTRATIVE:															
MANAGEMENT FEE[19]	5,819	5,819	5,819	5,819	5,819	5,819	5,819	5,819	5,819	5,819	5,819	5,819	69,831	873	3.00%
PAYROLL	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	38,000	475	1.63%
Marketing	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	225	0.77%
TOTAL ADMIN EXPENSES:	10,486	10,486	10,486	10,486	10,486	10,486	10,486	10,486	10,486	10,486	10,486	10,486	125,831	1,573	5.41%
INSURANCE[20]	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	24,700	309	1.06%
PROPERTY TAXES[21]	25,990	25,990	25,990	25,990	25,990	25,990	25,990	25,990	25,990	25,990	25,990	25,990	311,879	3,898	13.40%
TOTAL EXPENSES:	50,411	50,411	50,411	50,411	50,411	50,411	50,411	50,411	50,411	50,411	50,411	50,411	604,930	7,562	25.99%
NET OPERATING INCOME	143,564	143,564	143,564	143,564	143,564	143,564	143,564	143,564	143,564	143,564	143,564	143,564	1,722,770		
ACTUAL NET OPERATING INCOME (Tax Exemption)													2,017,470		

NOTES:

1. 4,000 SF Restaurant/Retail Space @ $35/SF/YR Gross; $100/SF TIA included in Construction Costs per First Western Properties (Jeremiah Durr)
2. 20 Units of this Type; Avg $1,665/month, Avg ~460sqft
3. 20 Unit of this Type, Avg $1,895/month, Avg ~602sqft
4. 40 Units of this Type, Avg $2,445/month, Avg ~844sqft
5. 60 Parking Spaces @ $125/Space
6. 40 Storage Units @ $45/Unit
7. Charge back to Unit Leasor for Water/Sewer/Trash based on Unit Type 1BR (Small) - $105, 1 Bed (Large) - $105, 2 Bed - $125.
8. Miscellaneous income includes late charges, cleaning fees, Non-Refundable pet fees, application fees and rental of air conditioning units. Our managment history indicates that this is typically $450/unit/year.
9. Utilizing industry standard long term vacancy rate of 5% for Residential Space and 8% for Retail Space, our experience has shown considerably lower vacancy rates in North Tacoma (Stadium District & 6th Ave Business District) rental markets.
10. Elevator, Pest Control, Parking Garage Cleaning & Common Area Janitorial. No Landscaping on-site except for Street Trees on St Helens.
11. Conservative Repairs & Maintenance expense of $200 per unit based on new condition of property.
12. Typical turnover expenses based on new condition of building and target tenant population.
13. Reserves for replacement of major expenses in the future are $200 per unit based on new condition of building.
14. $5.11/month/unit service fee plus usage fee. Consumption modeled off 35-plex at 162 CCF/month. Current Tacoma Power Rate is 2.51/CCF.
15. Rate based on units and water usage (Item 13). $25.87/unit plus $4.87/CCF
16. Modeled based on service provided at 223 N J 35-Plex (3 x 300gal/week + 6YD Recycle/1 week)
17. Phone service required for Fire Sprinkler Control, Elevator, & Access Control systems (4 lines).
18. $78.00 customer charge plus usage. Usage for only Common Lighting and irrigation approx. 3000 KWH/Month. Current cost: 0.047/KWH; Demand: 16 @ $8.43. Photovoltaic System on Roof to meet energy credits will offset 50% of usage.
19. Utilized standard 3.0% of EGI for basis of proforma + Payroll (48,000/yr).
20. Based on estimated expenses of commercial policy for Dwelling Fire and General Liability
21. Current Actual Property Tax Burden is $17,178year. Property has an approved 8 year property tax exemption following completion of consturction starting in 2025. For Proforma purposes utilizing 100% of Estimated Market value (28.150 MM based on 6.0% CAP Rate) with a levy rate of 10.862023 per $1,000 of assessed value. Discuss U/W options based on loan conversion period.