



OFFERING
MEMORANDUM

Meridian Greens I & II

22 - Units | Plus .66 Acres of Developable Land Located in Puyallup, WA

km Kidder
Mathews

Meridian Greens I & II

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Executive Summary

ADDRESS	9705 136th Street East Puyallup, WA 98372
PARCEL NUMBER	602525-0990
PRICE - MERIDIAN GREENS I	\$5,100,000
PRICE - MERIDIAN GREENS II	\$1,000,000
NUMBER OF UNITS	22
YEAR CONSTRUCTED	2018
NUMBER OF FLOORS	4
NUMBER OF BUILDINGS	1
ROOF	Comp shingle
CONSTRUCTION TYPE	Wood frame
LAND AREA	1.32 acres
AVERAGE UNIT SIZE	886 SF
UTILITIES	Tenants pay flat-rate
WINDOWS	Vinyl
HEATING	Electric



Unit Mix - Rent Summary

	# OF UNITS	TYPE	AVERAGE SF	AVERAGE RENT	AVERAGE RENT PSF
Floor Plan A	12	1 x 1	608	\$1,300	\$2.14 PSF
Floor Plan B	2	1 x 1	695	\$1,430	\$2.05 PSF
Floor Plan C	3	1 x 1	667	\$1,395	\$2.10 PSF
Floor Plan D	3	1 x 1	746	\$1,480	\$2.02 PSF
Floor Plan A2	1	2 x 2	946	\$2,200	\$2.32 PSF
Floor Plan B2	1	2 x 2	1,026	\$2,360	\$2.30 PSF

THE OPPORTUNITY

Meridian Greens I & II consists of a recently finished 22-unit building along with over 28,000 sf of developable land. Land is zoned for 22-units with foundation already in place. The site is fully entitled, construction drawings have been approved, and permits are ready to be picked up. The existing apartment unit mix is 20- 1x1 and 2- 2x2 units.



INVESTMENT SUMMARY



\$6,100,000
PRICE



2018
YEAR BUILT



1
OF BUILDINGS



22
OF UNITS



.66 Acres
28,000 SF
LAND



1x1 646 SF
2x2 986 SF
AVG. UNIT SIZE

Location Overview



MERIDIAN GREENS I

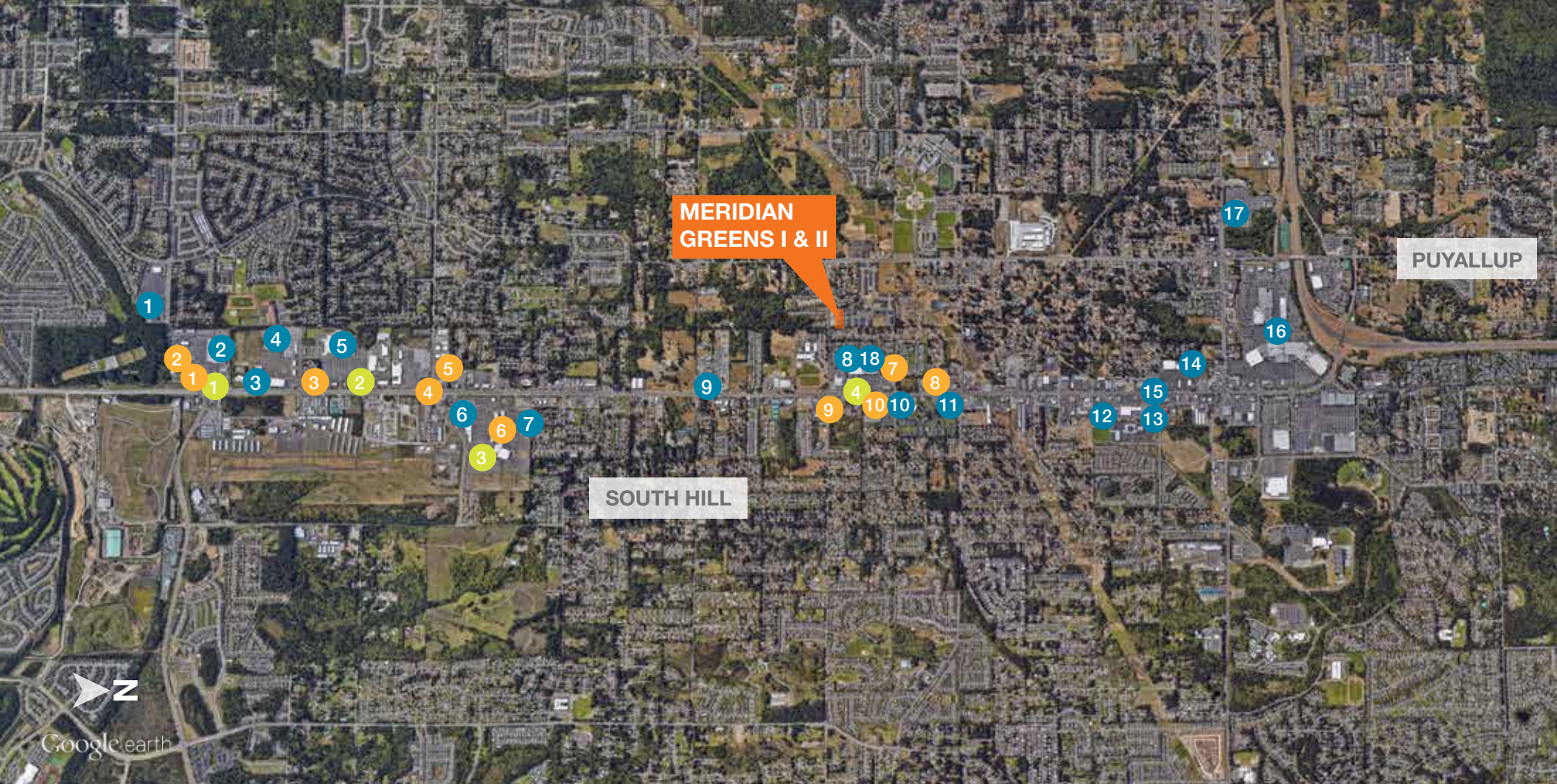
As a recently constructed multifamily building in the heart of Puyallup, Meridian Greens I makes for a very attractive investment. This 22-unit building, being finished in June 2018, provides the opportunity for above market rents and strong tenants due to its brand-new construction. This property is in the desirable Puyallup rental market with low historic vacancy and rising rents over the past five years (Meridian Greens I had 3 applications turned in on the first day of showings).

MERIDIAN GREENS II

Meridian Green II consists of .66 acres of developable land and the opportunity for a quick turnover from construction to rental income. 3-4 months' work of foundation has already been completed and the site is ready to begin framing. With zoning up to 28 units and plan/permits all available we estimate 7 – 8 months from close to finished product. Low impact fees are associated with this land due to the jurisdiction being in Pierce and not the City or Puyallup.

LOCATION OVERVIEW | PUYALLUP

Meridian Greens I & II is in the center of the growing Puyallup market. The City of Puyallup is situated at the foot of scenic Mount Rainier in the beautiful Puget Sound region, 10 miles east of Tacoma and approximately 35 miles south of Seattle. Over the years, this city has gained prominence as a regional commercial and service center for eastern Pierce County. Puyallup continues to serve its residents and neighbors with a strong, diversified economy. The city boasts cinemas, restaurants, a two-year community college, parks and recreation, good K-12 schools, nice residential districts and a lot more. Tenants of Meridian Greens have the opportunity to enjoy a close to retail, jobs, grocery and entertainment lifestyle.



RESTAURANTS/FOOD

- 1 Burger King
- 2 Starbucks
- 3 Applebees
- 4 IHOP
- 5 Round Table Pizza
- 6 RAM
- 7 Starbucks

- 8 Outback Steak House
- 9 Sonic
- 10 Starbucks

BANKS

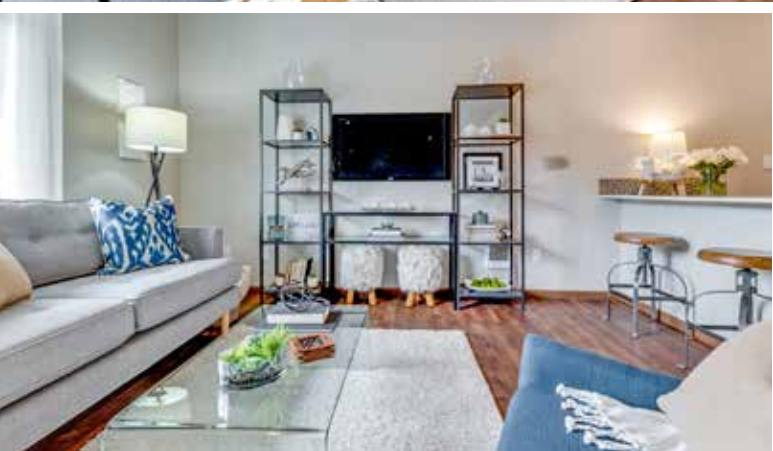
- 1 Bank of America
- 2 Red Canoe Credit Union
- 3 Valley Bank
- 4 Washington Federal

SHOPPING

- 1 Winco
- 2 Fred Meyer
- 3 Les Schwab
- 4 Kohls
- 5 Walmart
- 6 Target
- 7 Staples

- 8 Joanns
- 9 Walgreens
- 10 Regal Cinemas
- 11 Goodwill
- 12 Michaels
- 13 Vision Quest
- 14 Ross

- 15 Walmart Super Center
- 16 South Hill Mall
- 17 Costco
- 18 Safeway



Building Value

MERIDIAN GREEN I

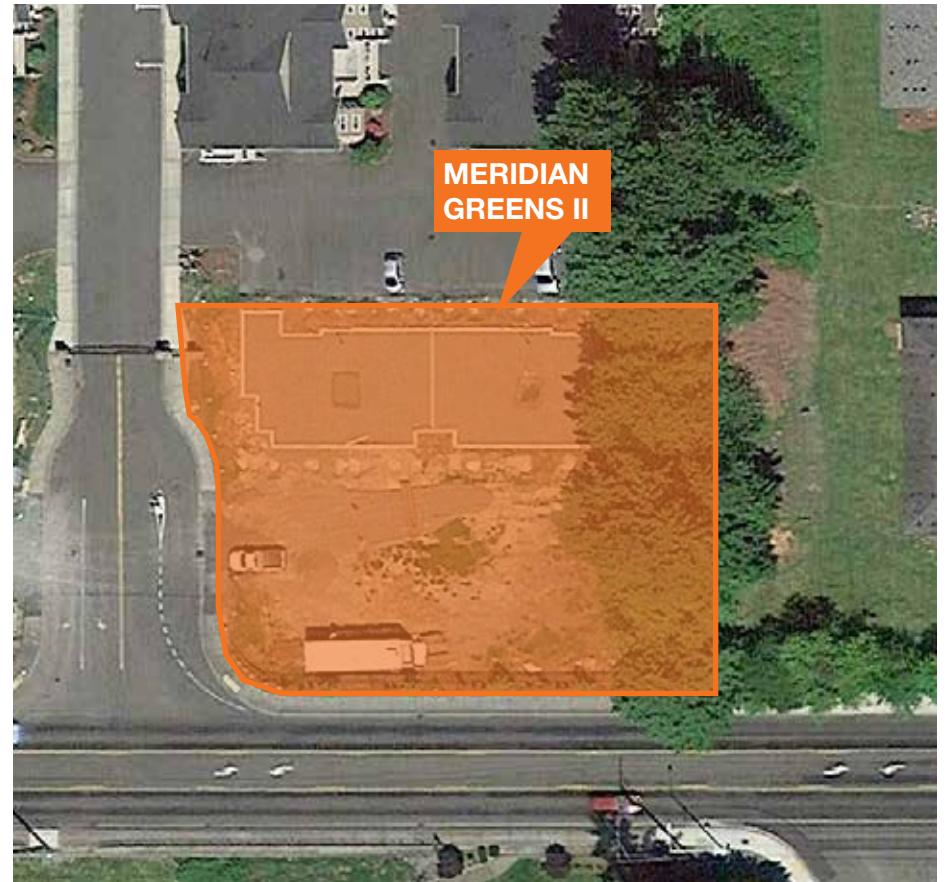
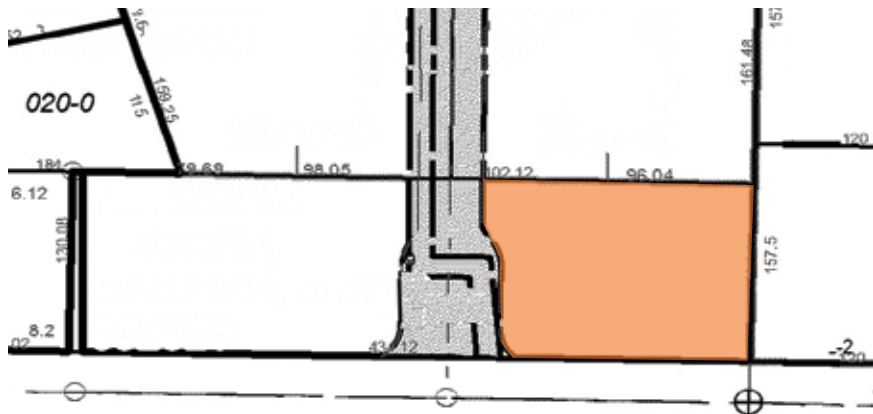
CURRENT INCOME APPROACH TO VALUE	
Total Monthly Rental Income*	\$31,685
Total Annual Income	\$380,220
Credit & Vacancy (5%)	(\$19,011)
Utility Bill Back	\$19,200
Other Income (Budget)	\$4,400
Effective Annual Income	\$384,809
Annual Operating Expense	
Real Estate Taxes	\$44,440
Insurance	\$5,280
Utilities	\$19,800
Marketing	\$2,750
Administration	\$2,200
Payroll	\$11,000
Professional Management (4%)	\$15,392
Maintenance & Repair	\$16,500
Reserves	\$5,500
Total Annual Expenses	\$122,062
Annual Net Income	\$261,947
Cap Rate	5.14%
Price	\$5,100,000
* Based on rent proposal from property management	



MERIDIAN GREEN II

MULTIFAMILY LAND - MERIDIAN GREEN II

Zoning	Mid Density residential (UV)
Land SF	28,000 SF
Parcel	602525-0990
Units	22
Proposed Use	Multifamily
Impact Fees	Low
Topography	Flat
Price	\$1,000,000

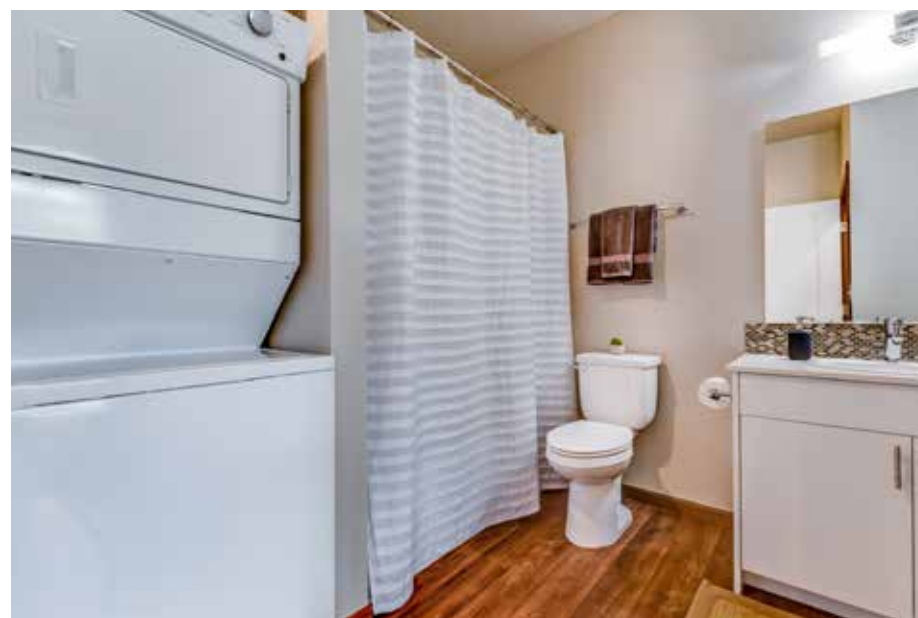


PROFORMA MERIDIAN GREEN I & II

INCOME APPROACH TO VALUE

Total Monthly Rental Income*	\$63,570
Total Annual Income	\$780,440
Credit & Vacancy (5%)	(\$38,022)
Utility Bill Back	\$38,400
Other Income (Budget)	\$8,800
Effective Annual Income	\$769,618
Annual Operating Expense	
Real Estate Taxes	\$90,000
Insurance	\$10,560
Utilities	\$39,600
Marketing	\$2,750
Administration	\$2,200
Payroll	\$22,000
Professional Management (4%)	\$30,784
Maintenance & Repair	\$33,000
Reserves	\$11,000
Total Annual Expenses	\$241,894
Annual Net Income	\$527,724
Cap Rate	5.2%
Price	\$10,148,538

* Based on rent proposal from property management



Comparables

RENT COMPARABLES

SUBJECT



MERIDIAN GREENS I & II 9705 136th Street East, Puyallup, WA

No. of Units	22
Year Built	2018
Avg. SF 1x1	608
Avg. Rent 1x1	\$1,300/\$2.14
Comments:	

3



HAMPTONS PUYALLUP, WA

No. of Units	230
Year Built	1991
Avg. SF 1x1	830
Avg. Rent 1X1	\$1,332/\$1.60

1



CHESTNUT HILLS PUYALLUP, WA

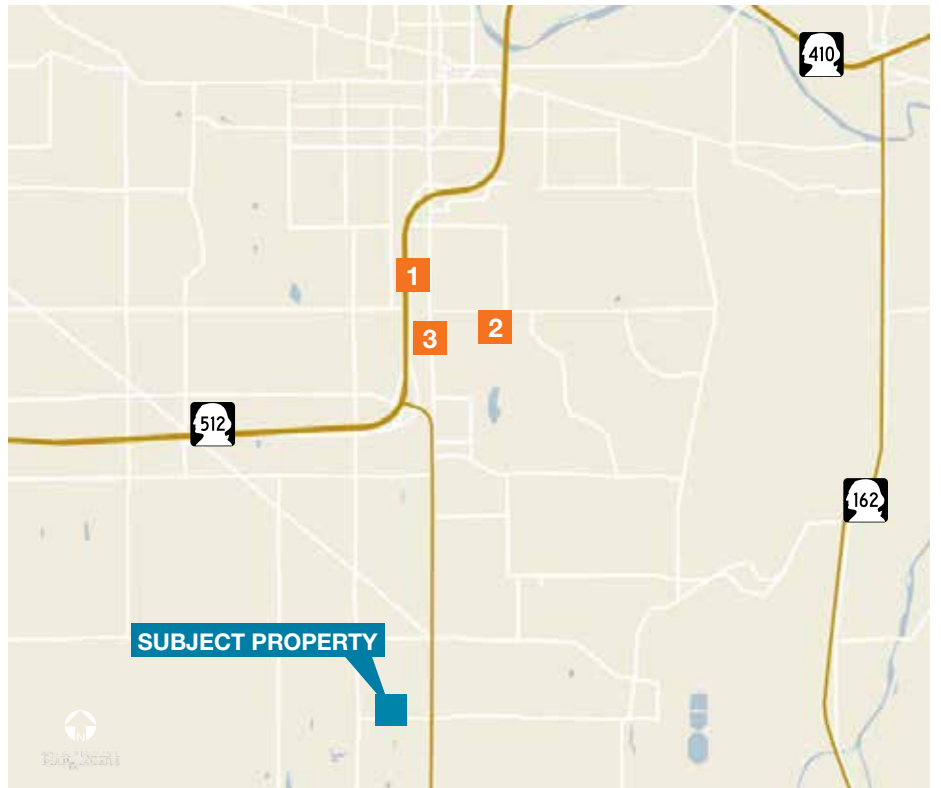
No. of Units	157
Year Built	1991
Avg. SF 1x1	622.5
Avg. Rent 1X1	\$1,278/\$2.05

2




BRADLEY PARK PUYALLUP, WA


No. of Units	155
Year Built	1999
Avg. SF 1x1	725
Avg. Rent 1X1	\$1,593/\$2.19




SALE COMPARABLES

	SUBJECT	
	MERIDIAN GREENS I & II 9705 136TH STREET EAST, PUYALLUP, WA	
	No. of Units	22
	Year Built	2018
	Avg. SF 1x1	608
	Avg. Rent 1x1	\$1,300/\$2.14
Comments:		

	3	
	WILLOW SPRINGS APARTMENTS 608 39TH AVENUE SW, PUYALLUP, WA	
	No. of Units	154
	Year Built	1996
	Sale Price	\$33,723,000
	Price/Unit	\$218,980
	Cap Rate	5%
Date Sold	Jan 2018	

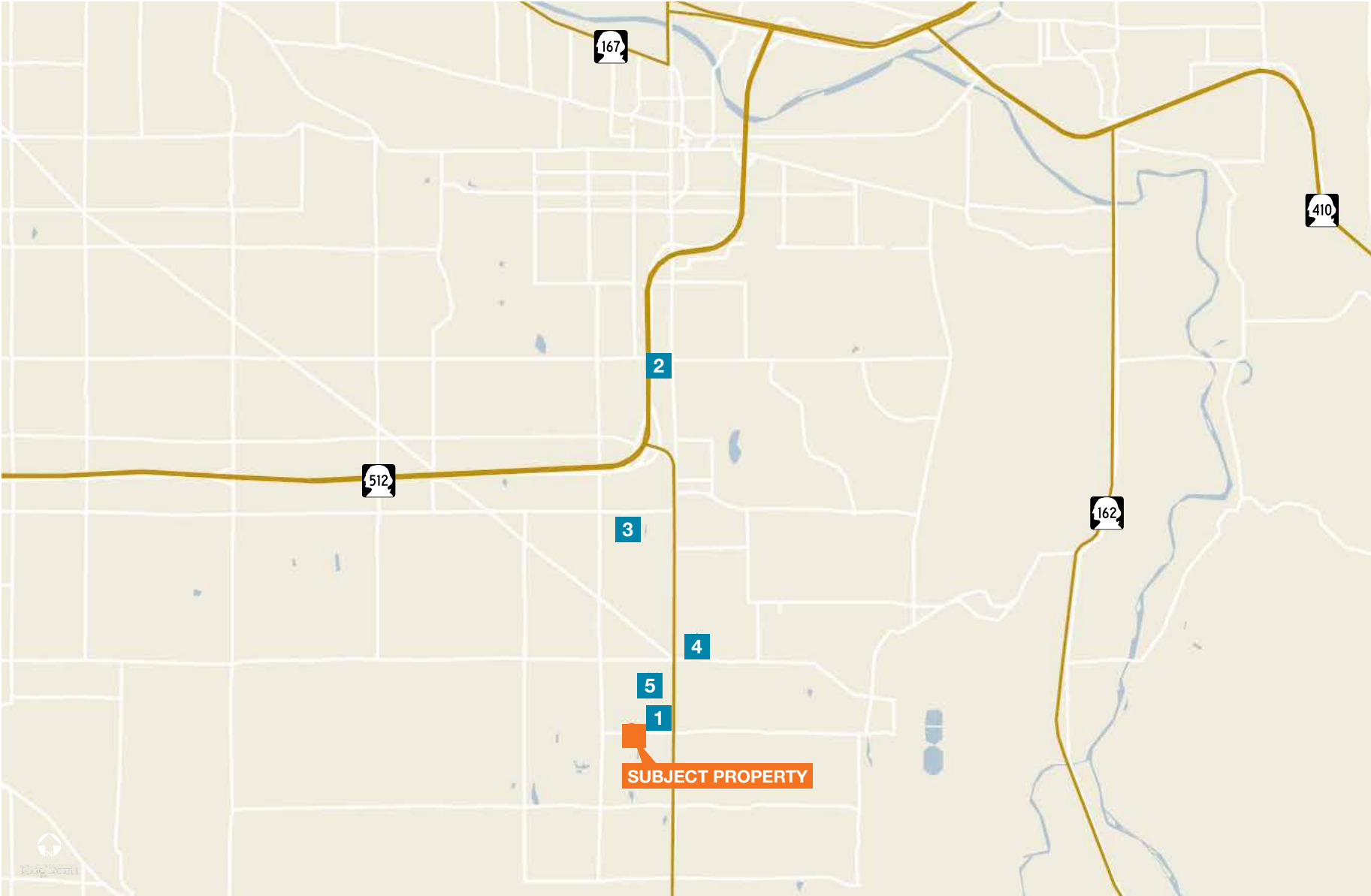
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	ALDERRA APARTMENTS 13507 99TH AVENUE EAST, PUYALLUP, WA	
	No. of Units	200
	Year Built	2001
	Sale Price	\$35,300,000
	Price/Unit	\$176,000
Date Sold	Aug 2018	

	4	
	ASPEN CREEK 12724 104TH AVENUE COURT E, PUYALLUP, WA	
	No. of Units	162
	Year Built	1996
	Sale Price	\$30,000,000
	Price/Unit	\$185,185
	Cap Rate	4.89%
Date Sold	Sept 2017	

	2	
	THE HEIGHTS APARTMENTS 102 23RD AVENUE SW, PUYALLUP, WA	
	No. of Units	106
	Year Built	2003
	Sale Price	\$19,500,000
	Price/Unit	\$183,962
	Cap Rate	4.9%
Date Sold	May 2018	

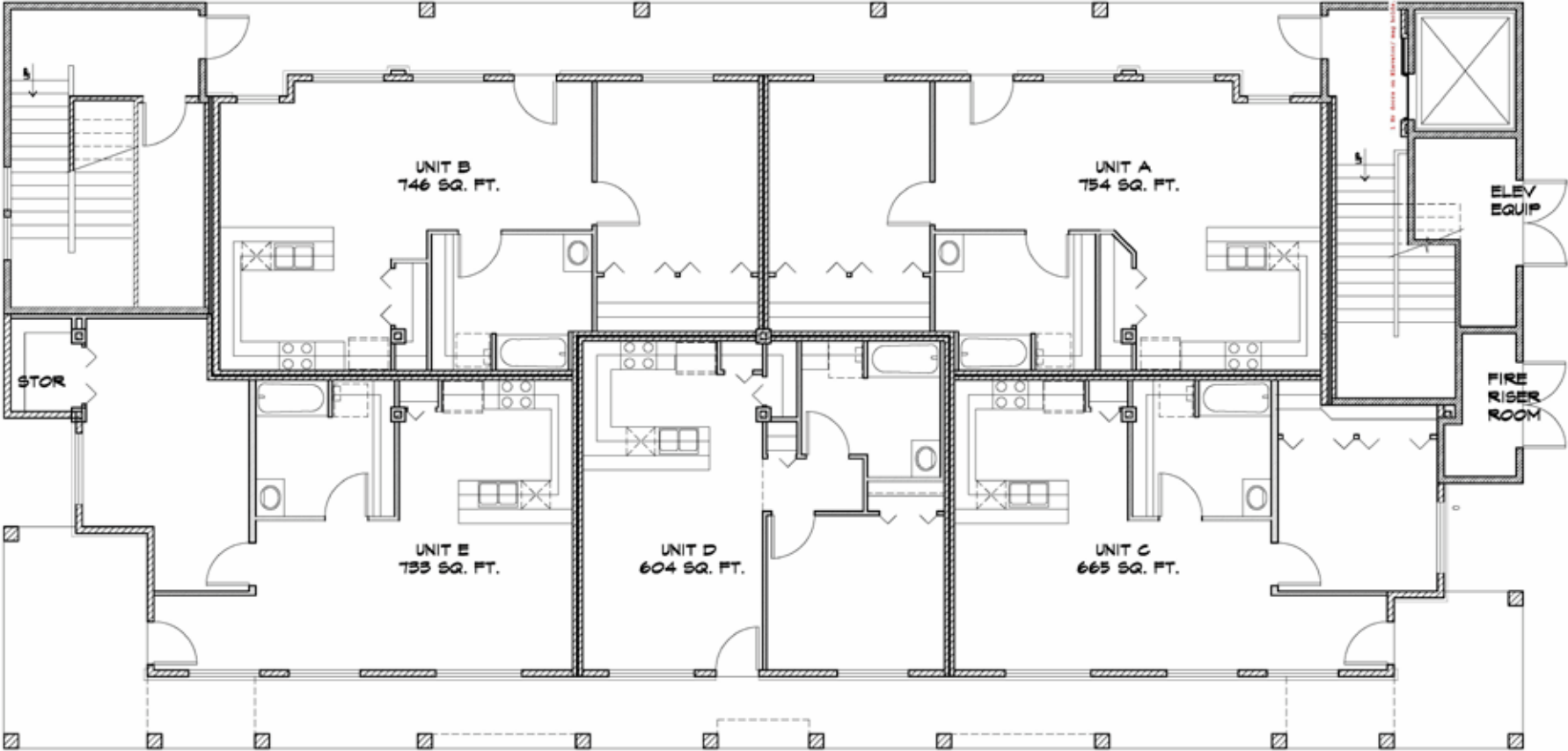
	5	
	CANTERBURY APARTMENTS 13118 MERIDIAN EAST, PUYALLUP, WA	
	No. of Units	180
	Year Built	1995
	Sale Price	\$36,139,000
	Price/Unit	\$200,772
	Cap Rate	5%
Date Sold	Nov 2016	

SALE COMPARABLES



Floor Plans

MAIN FLOOR



SECOND & THIRD FLOOR



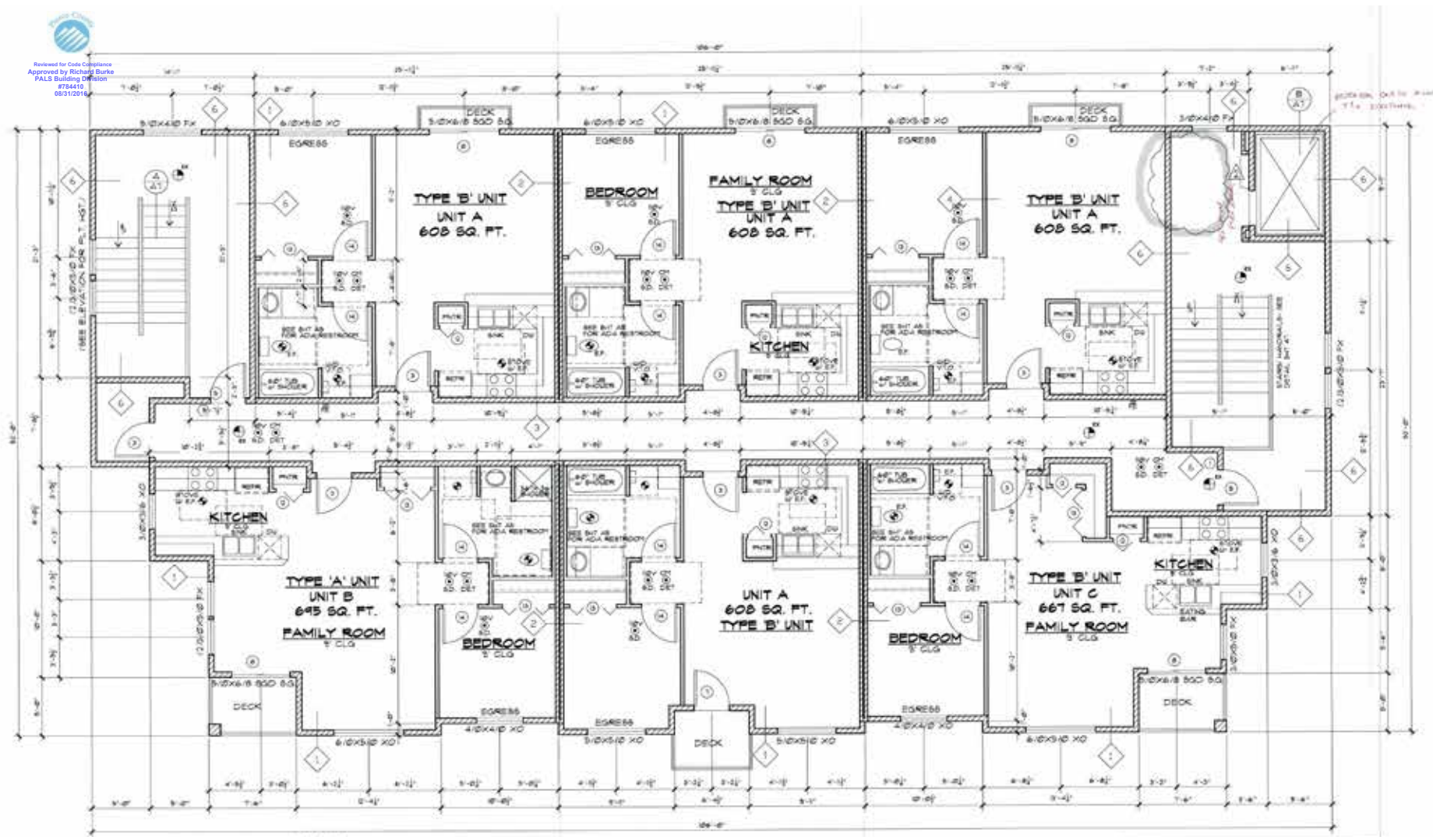
 Reviewed for Code Compliance

 Approved by Richard Burke

 PALS Building Division


 #754410

 08/31/2016



FOURTH FLOOR





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