

A three-story brick building with a classic architectural style, featuring a prominent corner and a central entrance with a small awning. The building is surrounded by a well-maintained lawn and shrubs. A green overlay in the top right corner contains the text 'STANFORD ARMS APARTMENTS'.

STANFORD ARMS

APARTMENTS



LESCHI

SEATTLE
CBD

CAPITOL HILL



MONTLAKE



EASTLAKE

UNIVERSITY OF
WASHINGTON

U DISTRICT

OFFERING

Paragon Real Estate Advisors is proud to exclusively list for sale the Stanford Arms Apartments, located in the highly desirable Montlake neighborhood just bordering the Capitol Hill neighborhood of Seattle, Washington. The property is perfectly positioned on 10th Ave East amongst distinguished single family homes directly above the Eastlake neighborhood offering residents a perfect balance of a charming residential setting with the perks of ease of access to SLU, Downtown and the heart of Capitol Hill.

The Stanford Arms offer investors an array of opportunities including purchasing and managing the building as is, purchasing and stabilizing rents at market and a value add opportunity of updating the units to today standards and increasing rents accordingly.

NAME	Stanford Arms Apartments
ADDRESS	2325 10th Ave E, Seattle WA 98102
TOTAL UNITS	20
BUILT	1929
SQUARE FEET	13,700 Total Net Rentable
PRICE	\$6,450,000
PRICE PER UNIT	\$322,500
PRICE PER FOOT	\$470.80
CURRENT GRM/CAP	16.8/4.0%
MARKET GRM/CAP	15.3/4.6%
LOT SIZE	7,680 Square Feet
ZONING	LR3

This information 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.



INVESTMENT HIGHLIGHTS

- A + Location in a vibrant urban neighborhood
- Minutes away from SLU and the heart of Capitol Hill
- 6 minute commute by car to the downtown CBD
- Bike-able location with great access to public transportation
- Located in one of the strongest and stable rental markets in the city
- Nearby eateries include Mammoth, Pomodoro, Serafina, Pagliacci Pizza and the Zoo Tavern
- Roanoke Park, Rogers Play Field, 1-5 Colonnade Park, Volunteer Parks all within blocks
- Large 7,680 square foot Lot zoned LR3
- Ability to raise below market rents
- Value-add opportunity by updating units



PROPERTY HIGHLIGHTS

- Classic 1929 brick building
- Well maintained
- Great mix of 1 and 2 bedrooms units
- Spacious floor plans
- Abundant amounts of natural light
- Hardwood floors in all but two units
- Double pane windows
- Electrical system has been upgraded
- On-site laundry with WASH
- Garage parking
- Outdoor yard area for tenants' enjoyment
- Mature Landscaping
- Views from upper units



EASTLAKE

Eastlake is one of Seattle's most iconic neighborhoods, boasting the famous flotilla of boat houses on the lake, surrounded by an eclectic mix of historical townhomes, modern condominiums and colorful apartment buildings. It is a neighborhood with a rich and distinctive history and feel. Starting as little more than a floating shantytown for migrant workers has transformed over time into a diverse and electric neighborhood. While once considered "floating shanties", these residences are still small, but vary from modest to opulent.

It's perfectly positioned at the center of Seattle's urban and cultural hub—UW, South Lake Union, Downtown and Capitol Hill, giving residents and visitors alike a unique and active springboard towards accessing work and play within the city. Its minutes away from Amazon's 30,000+ employee campus in South Lake Union, and adjacent to many tech and biotech companies that make up a large part of the city's employment infrastructure, such as Adaptive Biotechnologies and Immune Design Corporation. Local coffee shops, boutiques and other businesses also thrive alongside large chains.

Eastlake is an attractive neighborhood and conveniently located to major thoroughfares and public transportation that make accessing the city at large easy. Many of the major bus routes connect to the U District and Downtown, opening up an enormous range of options for employment, education and entertainment for residents and visitors alike.



CAPITOL HILL



Capitol Hill is situated on a hill just east of the city's downtown central business district. This popular residential neighborhood is funky and fast-paced, with an endless number of cool blocks to explore. During the day, markets, boutiques, and salons are a big draw. Nightlife is hopping with clubs, bars, and music venues, and you'll often find coffee shops that moonlight as cocktail lounges

This desirable location contains some of Seattle's wealthiest neighborhoods, including "Millionaire's Row" along 14th Avenue E, a charming collection of single family residences on tree-lined streets, and the Harvard-Belmont Landmark District. It also has many distinguished apartment houses, including several designed by the distinguished builder Fred Anhalt.

The neighborhood figures prominently in nightlife and entertainment, with many bars hosting live music and with numerous avant-garde theaters. Most of the Hill's major thoroughfares are dotted with coffeehouses, taverns and bars, and residences cover the gamut from modest motel-like studio apartment buildings to some of the city's most historic mansions, with the two types sometimes shoulder-to-shoulder.

To the north is Capitol Hill's largest and most

popular public park. The 48 acre Volunteer Park is home to Seattle's Asian Art museum, tennis courts, a conservatory, and a variety of city-wide events.

The demand for Capitol Hill apartments continues to rise as nearby Amazon.com continues its feverish hiring pace alongside other technology companies that are hiring as well as relocating to the South Lake Union area. This location is also home to longstanding health care providers including Swedish Medical Center, Group Health and Virginia Medical Center. Nearby Seattle University and Seattle Central College provide a consistent base to the apartment demand in the area.

WHY CHOOSE SEATTLE - KING COUNTY?

A HIGHLY-SKILLED WORKFORCE

The region's highly skilled and educated workforce provides a deep talent pool, with 47 percent of adults holding a bachelor's degree or higher.

Top-tier talent is one of the key reasons out-of-state companies, such as Google, Facebook, Apple, Dropbox, Twitter, Alibaba, and SpaceX, are attracted to opening strategic locations in Seattle-King County.

ESTABLISHED INDUSTRY CLUSTERS

The success of the clusters has contributed to innovation for emerging industry segments such as biomedical devices, interactive media, e-commerce, clean energy, and space exploration. Small and medium-sized businesses provide a vital contribution to the cluster ecosystem, and in turn benefit from the collaborative climate for which the Seattle-King County region is known.

CUTTING-EDGE RESEARCH

Top-ranked research institutions, including the world-renowned University of Washington, contribute to a high-caliber talent pipeline and encourage record levels of research & development spending from the private, non-profit and public sectors. The region has always fostered the next generation of business, from early-stage startups to high-growth companies with long-term success.

*Data Sources: Washington State Employment Security Department, 2015; Washington State Department of Revenue, 2015; Washington Military Alliance; Washington Aerospace Economic Impacts 2016 Update; US International Trade Administration, 2014.



POPULATION, EDUCATION, INCOME

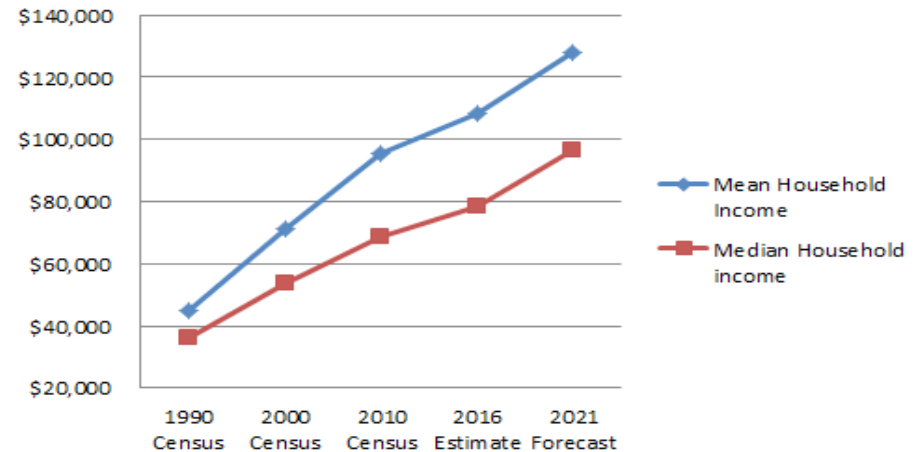
King County contains estimated 872,411 households. This number is forecast to increase to more than 912,000 by the year 2021. The county currently has 18 cities with populations greater than 20,000.

Seattle is one of the most educated cities in the United States. Over 57 percent of Seattle’s adult residents have a Bachelor’s degree or higher, nearly twice the national average. An educated city means an educated workforce—a solid backbone for the innovative, knowledge-based industries that drive Seattle’s economy. King County also boasts high educational attainment, with 47 percent of residents over 25 having received a Bachelor’s degree or higher.

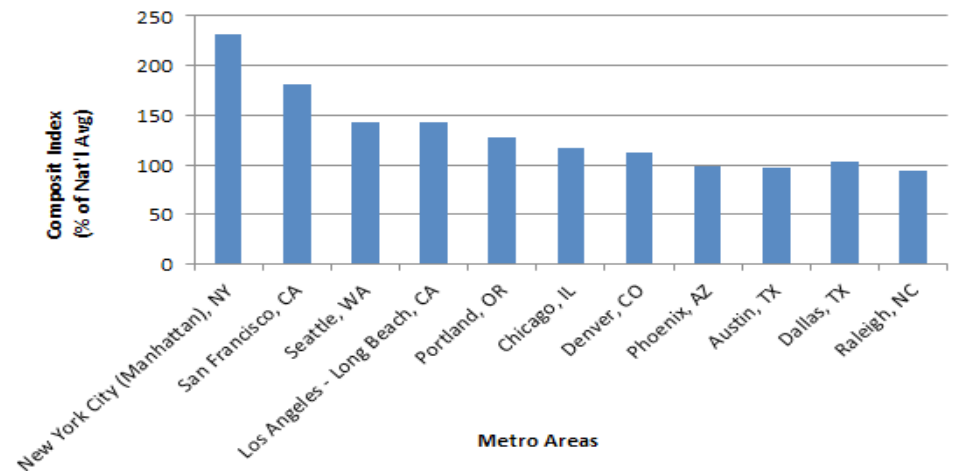
Roughly 28 percent of King County residents are in professional business/managerial positions. As a result, median household income in King County is well above the U.S. average. Cost of living is generally higher than the U.S. average, but it is in line with other metropolitan areas with similar income levels.

TOP KING COUNTY EMPLOYERS	FT EMPLOYEES IN WA
The Boeing Co	81,919
Microsoft Corp.	43,031
University of Washington	30,200
Amazon.com Inc	24,700
Starbucks Corp	13,400
Swedish Health Services	11,239
City of Seattle	10,758
Costco Wholesale Corp	10,080
Nordstrom	9,264
Group Health Cooperative	8,982

King County Household Income



Cost of Living Comparison with Competitive US Metro Areas



MAJOR EMPLOYERS - CENTRAL BUSINESS DISTRICT



amazon.com
OnlineShoes
splunk

Apple
brightcove
SYNAPSE

medrio
hp HEWLETT
PACKARD
Spoken
NOKIA

Dropbox
COVERTY
of SYRACUSE
ideate
Rhapsody
aPlaceforMom.
ENVESTNET
IOActive

MARCHEX
ExtraHop

White pages
SATON
CO
DE

DocuSign
GURF
INCUBATOR
VERSIVE

f5

amazon.com

GROUPOP

CRAY
SweetLabs
PitchBook
heptio

ORACLE QUALCOMM
twitter Qumulo
classmates-com

daptiv

UBER

MOZ
Avalara

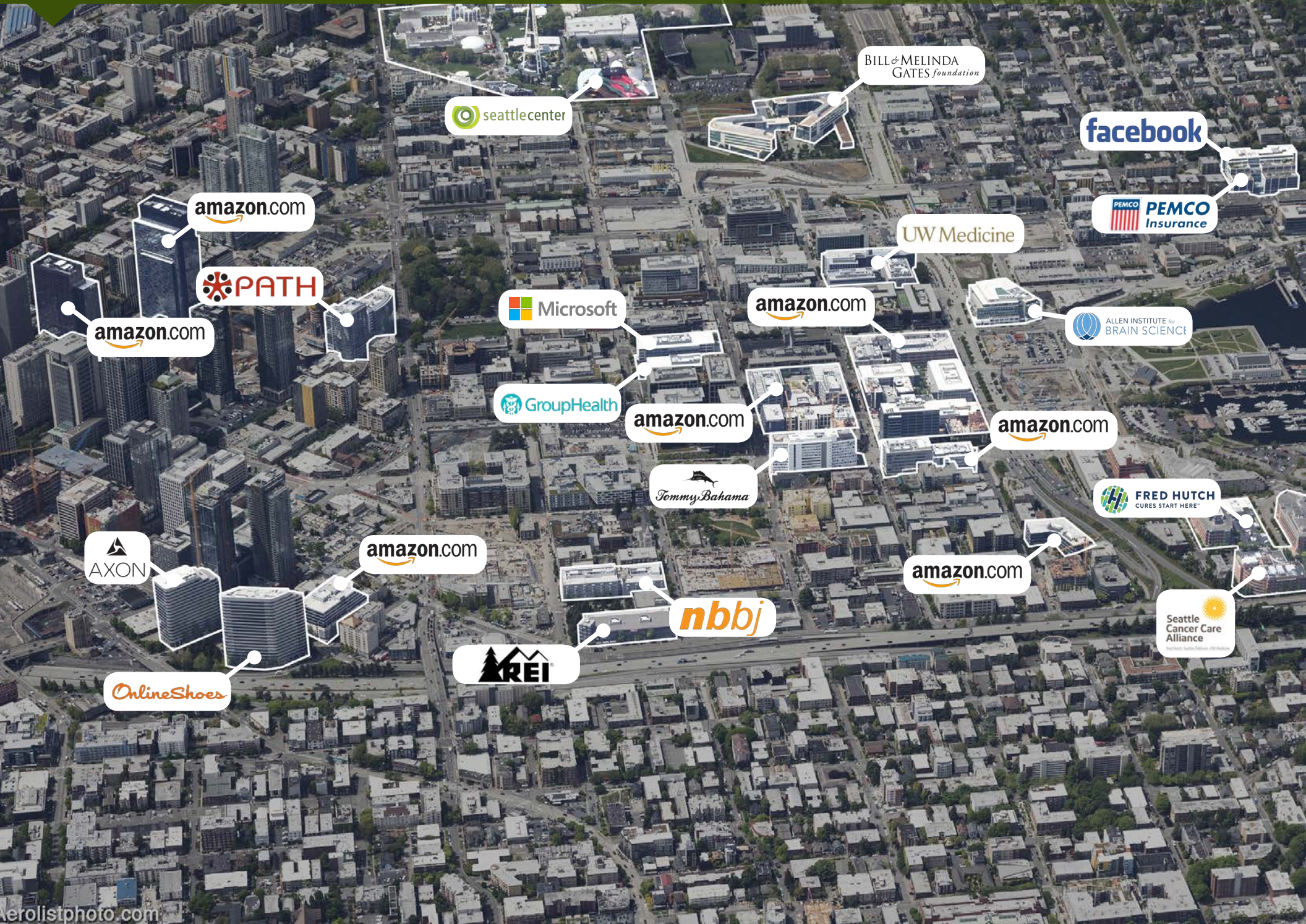
DocuSign
GURF
INCUBATOR
VERSIVE

ZONAR
INSPECT · TRACK · KNOW
Deloitte.
Digital
NUANCE

P X A R
PORTENT
UBER
projectline

King County
Water Taxi

MAJOR EMPLOYERS - SOUTH LAKE UNION



seattlecenter

BILL & MELINDA GATES foundation

facebook

PEMCO Insurance

UW Medicine

amazon.com

PATH

Microsoft

amazon.com

ALLEN INSTITUTE for BRAIN SCIENCE

amazon.com

GroupHealth

amazon.com

amazon.com

Tommy Bahama

FRED HUTCH CURES START HERE™

AXON

amazon.com

amazon.com

Seattle Cancer Care Alliance

OnlineShoes

nbbj

REI

BUILDING PHOTOS



BUILDING PHOTOS



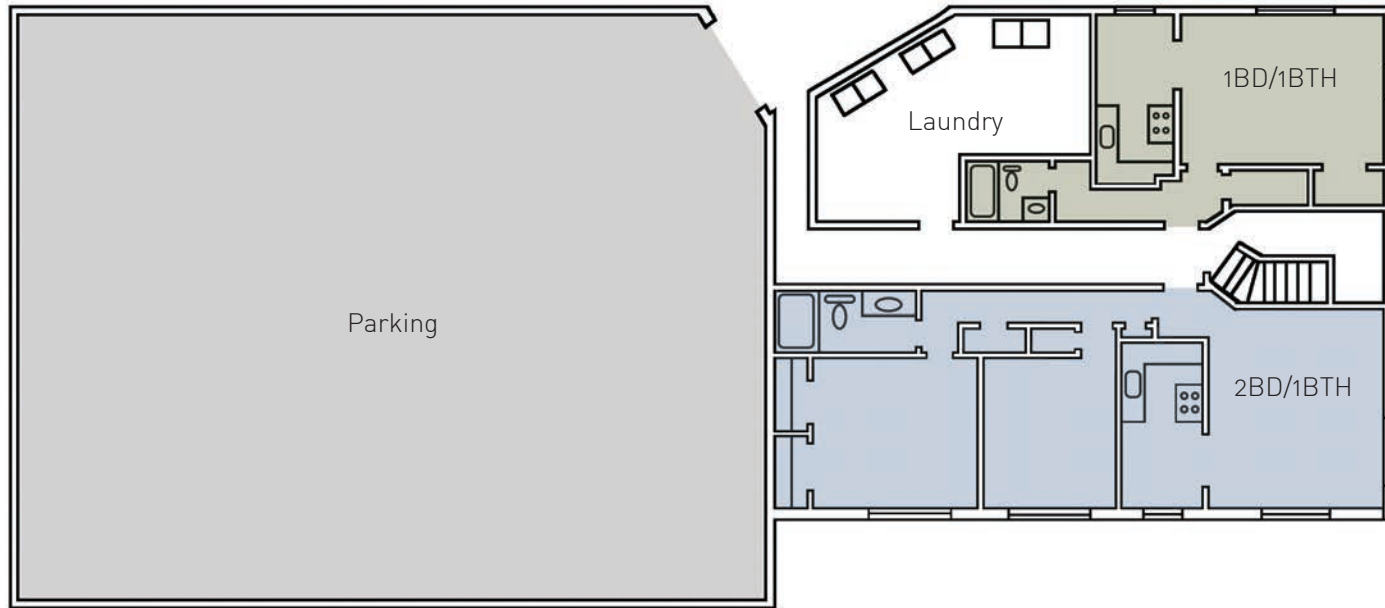
UNIT PHOTOS



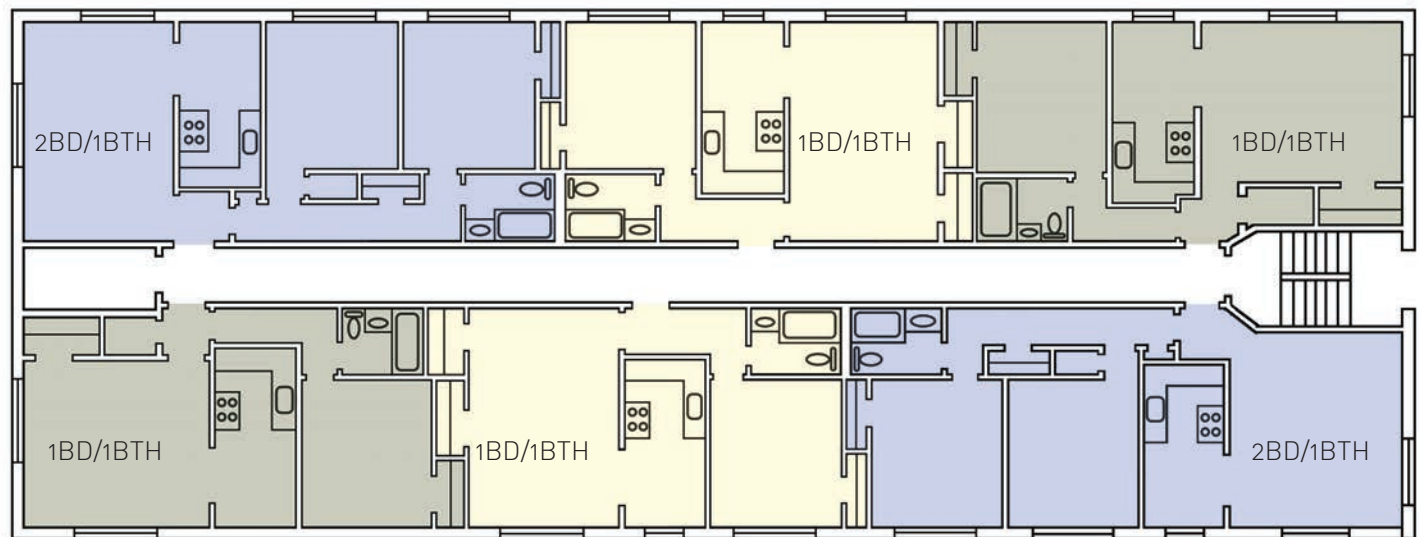
UNIT PHOTOS



FLOOR PLANS

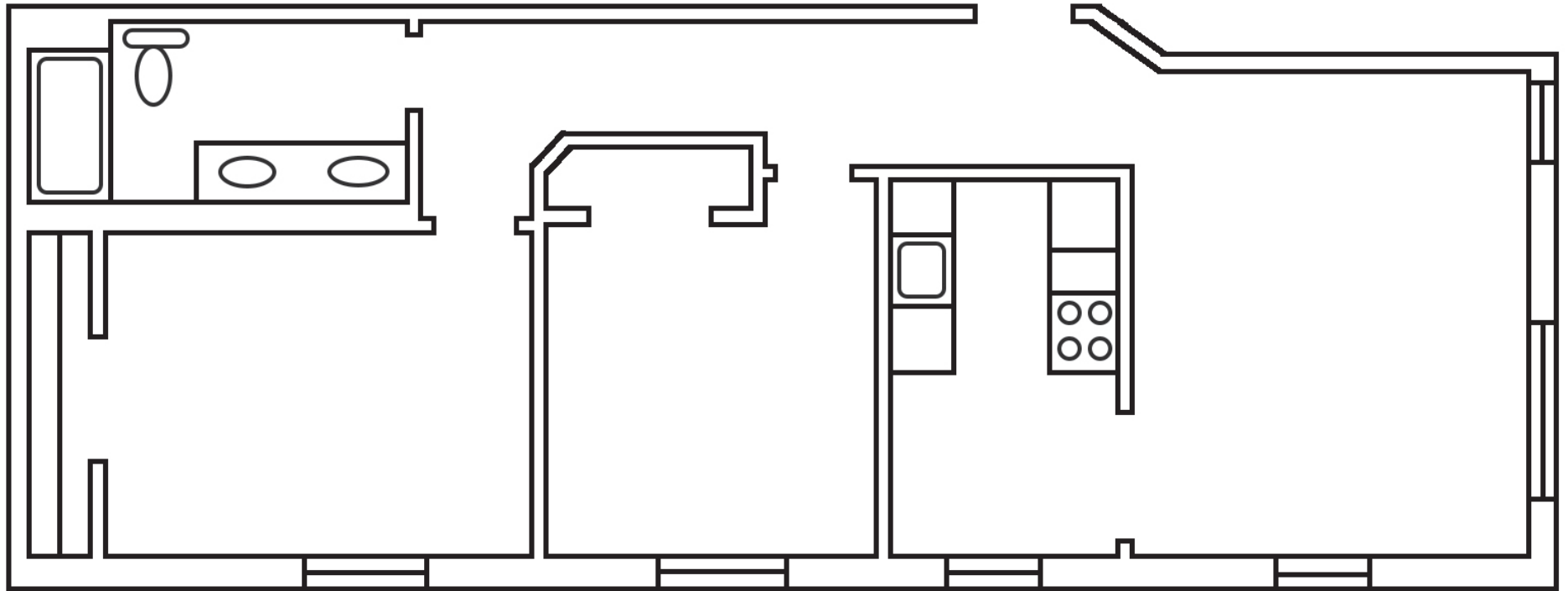


BASEMENT



Floors 1 - 3

FLOOR PLANS



Unit Breakdown



UNIT	TYPE	APPROXIMATE UNIT SIZE	CURRENT RENT	CURRENT RENT/SQ.FT.	MARKET RENT	MARKET RENT/SQ.FT.
1	1 Bd/1 Bth	880 Sq.Ft.	\$1,195	\$1.36	\$1,895	\$2.15
2	2 Bd/1 Bth	650 Sq.Ft.	\$1,750	\$2.69	\$1,450	\$2.23
101	2 Bd/1 Bth	850 Sq.Ft.	\$1,750	\$2.06	\$1,895	\$2.23
102	1 Bd/1 Bth	650 Sq.Ft.	\$1,259	\$1.94	\$1,450	\$2.23
103	1 Bd/1 Bth	650 Sq.Ft.	\$1,385	\$2.13	\$1,450	\$2.23
104	1 Bd/1 Bth	650 Sq.Ft.	\$1,325	\$2.04	\$1,450	\$2.23
105	1 Bd/1 Bth	650 Sq.Ft.	\$1,375	\$2.12	\$1,450	\$2.23
106	2 Bd/1 Bth	850 Sq.Ft.	\$1,695	\$1.99	\$1,895	\$2.23
201	2 Bd/1 Bth	850 Sq.Ft.	\$1,820	\$2.14	\$1,895	\$2.23
202	1 Bd/1 Bth	650 Sq.Ft.	\$1,385	\$2.13	\$1,450	\$2.23
203	1 Bd/1 Bth	650 Sq.Ft.	\$1,295	\$1.99	\$1,450	\$2.23
204	1 Bd/1 Bth	650 Sq.Ft.	\$1,190	\$1.83	\$1,450	\$2.23
205	1 Bd/1 Bth	650 Sq.Ft.	\$1,355	\$2.08	\$1,450	\$2.23
206	2 Bd/1 Bth	850 Sq.Ft.	\$1,695	\$1.99	\$1,895	\$2.23
301	2 Bd/1 Bth	850 Sq.Ft.	\$1,715	\$2.02	\$1,895	\$2.23
302	1 Bd/1 Bth	650 Sq.Ft.	\$1,325	\$2.04	\$1,450	\$2.23
303	1 Bd/1 Bth	650 Sq.Ft.	\$1,395	\$2.15	\$1,450	\$2.23
304	1 Bd/1 Bth	650 Sq.Ft.	\$1,370	\$2.11	\$1,450	\$2.23
305	1 Bd/1 Bth	650 Sq.Ft.	\$1,315	\$2.02	\$1,450	\$2.23
306	2 Bd/1 Bth	850 Sq.Ft.	\$1,800	\$2.12	\$1,895	\$2.23
Totals/Avg		685 Sq.Ft.	\$29,380	\$2.14	\$32,115	\$2.34

Income and Expenses

Units	20	Price	\$6,450,000
Year Built	1929	Per Unit	\$322,500
Rentable Area	13,700	Per Sq. Ft.	\$470.80
Down Pmt	\$3,250,000	Current GRM	16.79
Loan Amount	\$3,200,000	Current CAP	3.97%
Interest Rate	4.45%	Market GRM	15.25
Amortization	30 years	Market CAP	4.55%

UNITS	UNIT TYPE	SIZE	CURRENT RENT	MARKET RENT
13	1 Bd/1 Bth	650	\$1,190 - \$1,395	\$1,450
7	2 Bd/1 Bth	750	\$1,695 - \$1,820	\$1,895
20	Total/Avg	685	\$2.14	\$2.34

MONTHLY INCOME	CURRENT	MARKET
Gross Potential Rent	\$29,380	\$32,115
Laundry Income	\$200	\$200
Utility Bill Back	\$1,810	\$1,810
Parking Income	\$375	\$875
Misc Income	\$250	\$250
Gross Potential Income	\$32,015	\$35,250

ANNUALIZED OPERATING DATA		CURRENT		MARKET
Scheduled Gross Income		\$384,180		\$423,000
Less Vacancy	3.0%	\$11,525	3.0%	\$12,690
Gross Operating Income		\$372,655		\$410,310
Less Expenses		\$116,744		\$116,744
Net Operating Income		\$255,911		\$293,566
Annual Debt Service	(\$16,119/mo)	\$193,428		\$193,428
Cash Flow Before Tax	1.92%	\$62,483	3.08%	\$100,138
Principal Reduction		\$52,082		\$52,082
Total Return Before Tax	3.53%	\$114,564	4.68%	\$152,220

ANNUALIZED OPERATING EXPENSES		CURRENT	MARKET
RE Taxes	Actual 2018	\$58,036	\$58,036
Insurance	Actual 2018	\$5,581	\$5,581
Utilities	Actual 2018	\$24,089	\$24,089
On-Site Mgmt	\$45 / Door	\$10,800	\$10,800
Maint/Repairs	Actual 2018	\$15,775	\$15,775
Landscaping	Actual 2018	\$1,963	\$1,963
Misc	Proforma	\$500	\$500
Total Expenses		\$116,744	\$116,744

CURRENT OPERATIONS	Expense/Unit	\$5,837	MARKET OPERATIONS	Expense/Unit	\$5,837
	Expense/Foot	\$8.52		Expense/Foot	\$8.52
	Percent of EGI	30.39%		Percent of EGI	27.60%

SALES COMPARABLES



Stanford Arms

2325 10th Ave E
Seattle, WA 98102

Year Built	1929
Units	20
Sales Price	\$6,450,000
Price/Unit	\$322,500
Price/Foot	\$471
Current GRM/CAP	16.8/4.0%
Market GRM/CAP	15.3/4.6%



Kenton Apartments

303 16th Ave E
Seattle, WA 98112

Year Built	1926
Units	15
Sales Price	\$4,600,000
Price/Unit	\$306,667
Price/Foot	\$515
GRM/CAP	16.5/3.1%
Sales Date	2.1.2019



The Melmar

219 Harvard Ave E
Seattle, WA 98102

Year Built	1962
Units	28
Sales Price	\$9,375,000
Price/Unit	\$334,821
Price/Foot	\$533
GRM/CAP	14.0/4.8%
Sales Date	11.28.2018



Standard Queen Anne

512 5th Ave W
Seattle, WA 98119

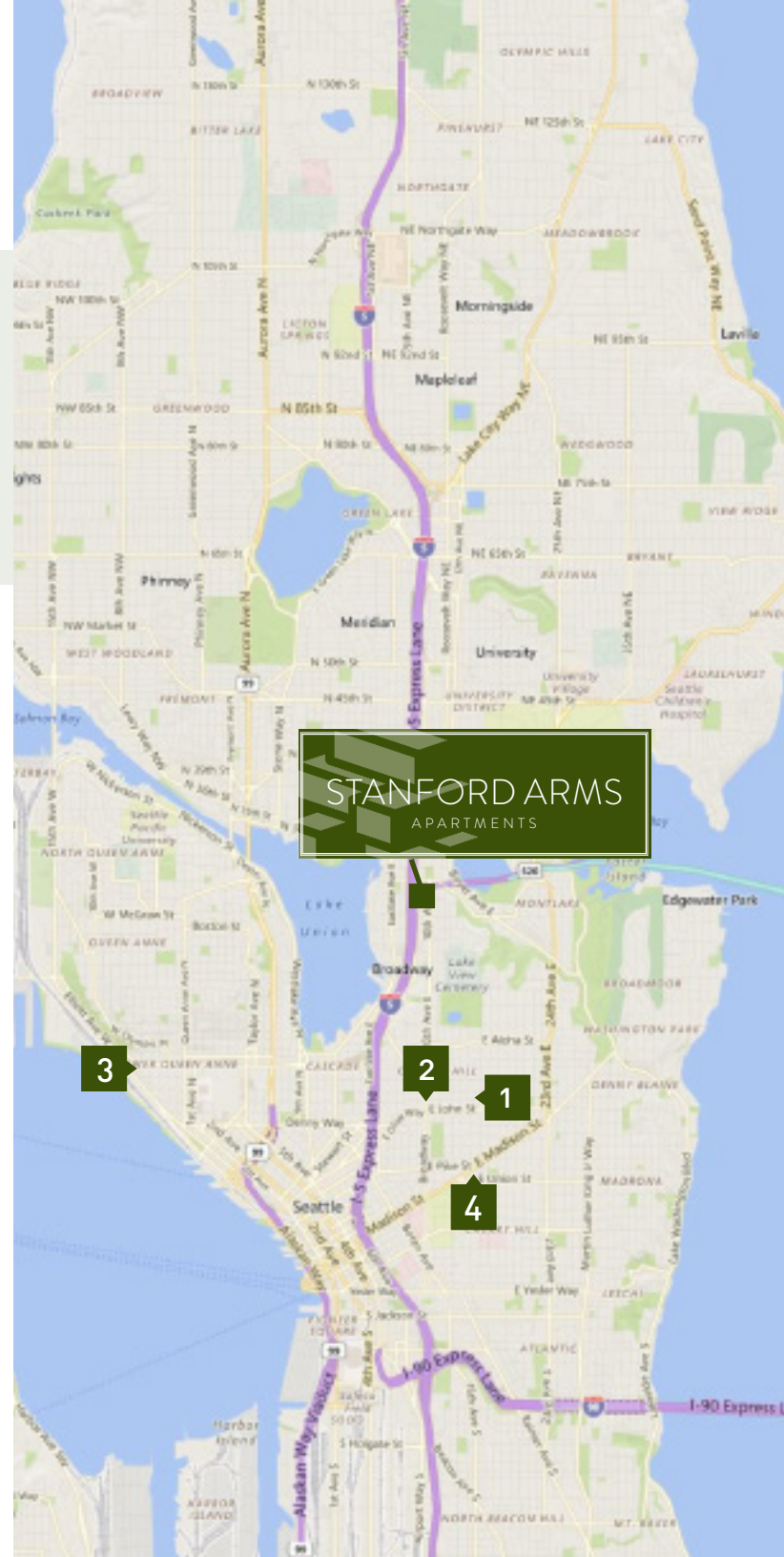
Year Built	1957
Units	20
Sales Price	\$7,007,000
Price/Unit	\$350,350
Price/Foot	\$556
GRM/CAP	Unknown
Sales Date	7.31.0218



Arville Apartments

1422 E Union St
Seattle, WA 98122

Year Built	1928
Units	22
Sales Price	\$6,700,000
Price/Unit	\$304,545
Price/Foot	\$500
GRM/CAP	16.9/3.8%
Sales Date	5.1.2018





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www.ParagonREA.com

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REAL ESTATE ADVISORS

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