

Casa MIA

APARTMENTS



POINT
DEFIANCE PARK

COMMENCEMENT BAY

WESTEND

OLD TOWN

PORT OF
TACOMA

STADIUM
DISTRICT



ALLENMORE
GOLF COURSE



TACOMA MALL

EASTSIDE



OFFERING

Paragon Real Estate Advisors is pleased to announce for sale the Casa Mia Apartments, a 12-unit apartment community located in Tacoma Washington. Casa Mia is a well-located garden style apartment complex that offers great freeway access and is near transportation and shopping. The property offers the savvy investor the opportunity to take over a well-managed cash flowing asset with further upside through improvements and increased rent.

The Casa Mia Apartments are located in an Opportunity Zone providing additional value and upside. This tax designation, brought about by the Tax Cuts and Jobs Act on December 22, 2017, provides the potential for an investor to defer and reduce their capital gains on sold assets by investing in these areas.

| | |
|------------------------|--|
| NAME | Casa Mia Apartments |
| ADDRESS | 4018 - 4028 S Warner St, Tacoma WA 98409 |
| TOTAL UNITS | 12 |
| BUILT | 1974 |
| SQUARE FEET | 9,216 Total Net Rentable |
| PRICE | \$1,575,000 |
| PRICE PER UNIT | \$131,250 |
| PRICE PER FOOT | \$170.90 |
| CURRENT GRM/CAP | 10.1/6.0% |
| MARKET GRM/CAP | 8.6/7.3% |
| LOT SIZE | 19,050 Square Feet |

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

- All large 2 Bd/1 Bth units located in 3 adjacent buildings
- Current 6.0% CAP rate
- Units feature modern floorplans with updated laminate flooring, refinished countertops, fresh lighting and double pane windows
- On-site laundry facilities in each building with the potential to add washers and dryers to units if desired
- New composite shingle roof installed in 2016
- Attractive well landscaped grounds
- 15 parking spaces
- Immediate rental upside.
- Convenient access to I-5
- Less than a mile from the Tacoma Mall Transit Center
- Walking distance to Tacoma Mall as well as many restaurants and services



Casa MIA
APARTMENTS

LOCATION HIGHLIGHTS

Incorporated in 1875, Tacoma is the second-largest city in the Puget Sound, and the third largest in the State of Washington. Tacoma isn't your average city. Located in the Pacific Northwest, just 30 miles south of Seattle, it is situated along the shores of Puget Sound and within sight of Mount Rainier. Tacoma is the main hub of business activity for the South Puget Sound and is anchored by major employers, such as State Farm Insurance, TrueBlue, DaVita, Multicare Health System, Franciscan Health System and Columbia Bank. It is also home to an eclectic mix of small and local independent businesses clustered throughout the downtown and residential neighborhoods.

Located in Central Tacoma, Casa Mia is near the Tacoma Mall Neighborhood. Here, you'll discover a variety of restaurants and shops, grocery stores and banks, coffee shops and corner bakeries. The neighborhood is a planned hub for jobs and housing growth, and includes regional retail destinations, a broad range of business, civic and governmental institutions, and a growing residential population. This district has been designated a regional growth center with substantial economic investment through the year 2040.

- Easy access to local transit options via Sound Transit
- Walk to the Tacoma Mall, the Post Office and many Restaurants and Cafes
- Designated regional growth center
- Located in tax incentive Opportunity Zone



POPULATION
213,418



MEDIAN INCOME
\$61,672



AVG 2BD/1BTH RENT
\$1,307

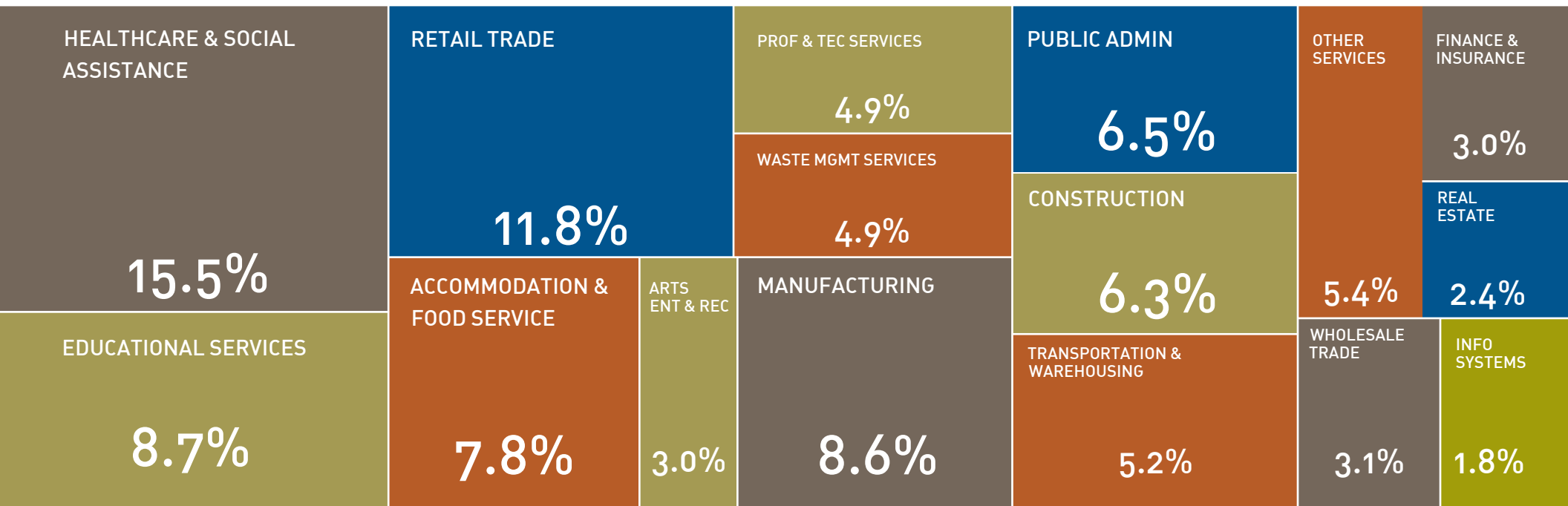
TACOMA EMPLOYMENT

Tacoma's economy is edging closer to a self-sustaining expansion. The bedrock trade and transportation industry is holding its ground, while the rest of the labor market has also quickened its step. Thanks to stronger hiring in finance, healthcare and professional services, employment growth is out pacing the U.S. average, and more job opportunities are drawing workers into the labor force. Rising rents in Seattle are spurring more firms to relocate to Tacoma where business costs are low and office space is relatively abundant

Meanwhile, rising enrollment at the University of Washington's Tacoma branch will increase the size of the student population and help drive growth in consumer industries and boost demand for health care. According to Ecomony.com, the Tacoma area will lean heavily on its office-using industries for growth in 2019 and new job creation will slightly exceed the US average. All the while Joint Base

Lewis McCord, which hosts 45,000 military and civilian personnel, will retain its largest combat brigade following the latest strategic review. The base supports over 120,000 military retirees and more than 29,000 family members living both on and off base. The large presence of military families lends stability to the housing and consumer industries.

Port activities account for more than 43,000 jobs in Pierce County, and 113,000 jobs in Washington State. These jobs pay 41 percent more than the average local wage, generating \$637 million in annual wages in Pierce County. In 2014, 20.4 million short tons of cargo were moved through the Port, which helped to support more than 29,000 jobs and generated \$5.4 billion worth of economic activity. This makes it the largest Port in the State, and one of the larger ports in the United States.



BUILDING PHOTOS



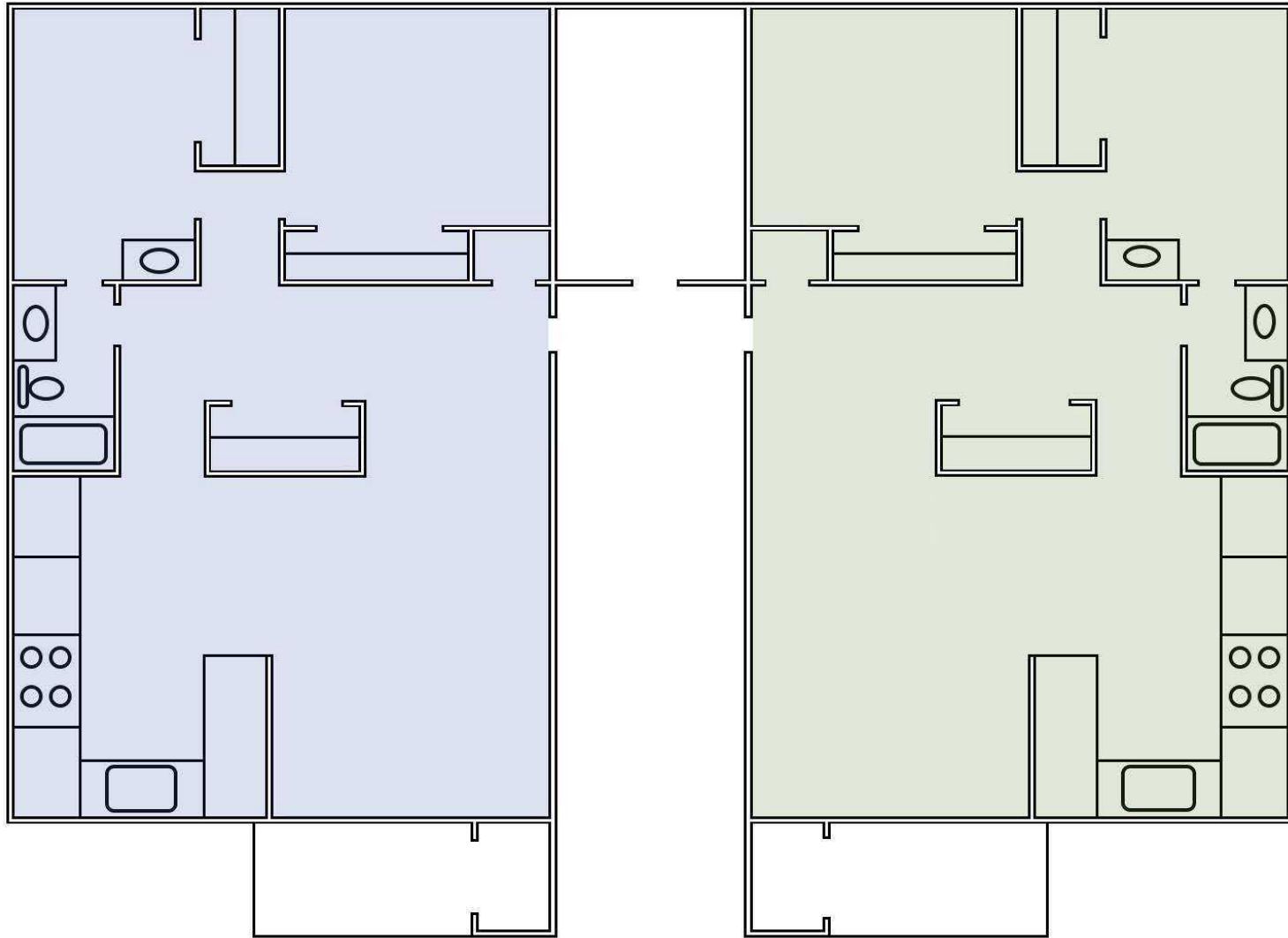
UNIT PHOTOS



UNIT PHOTOS

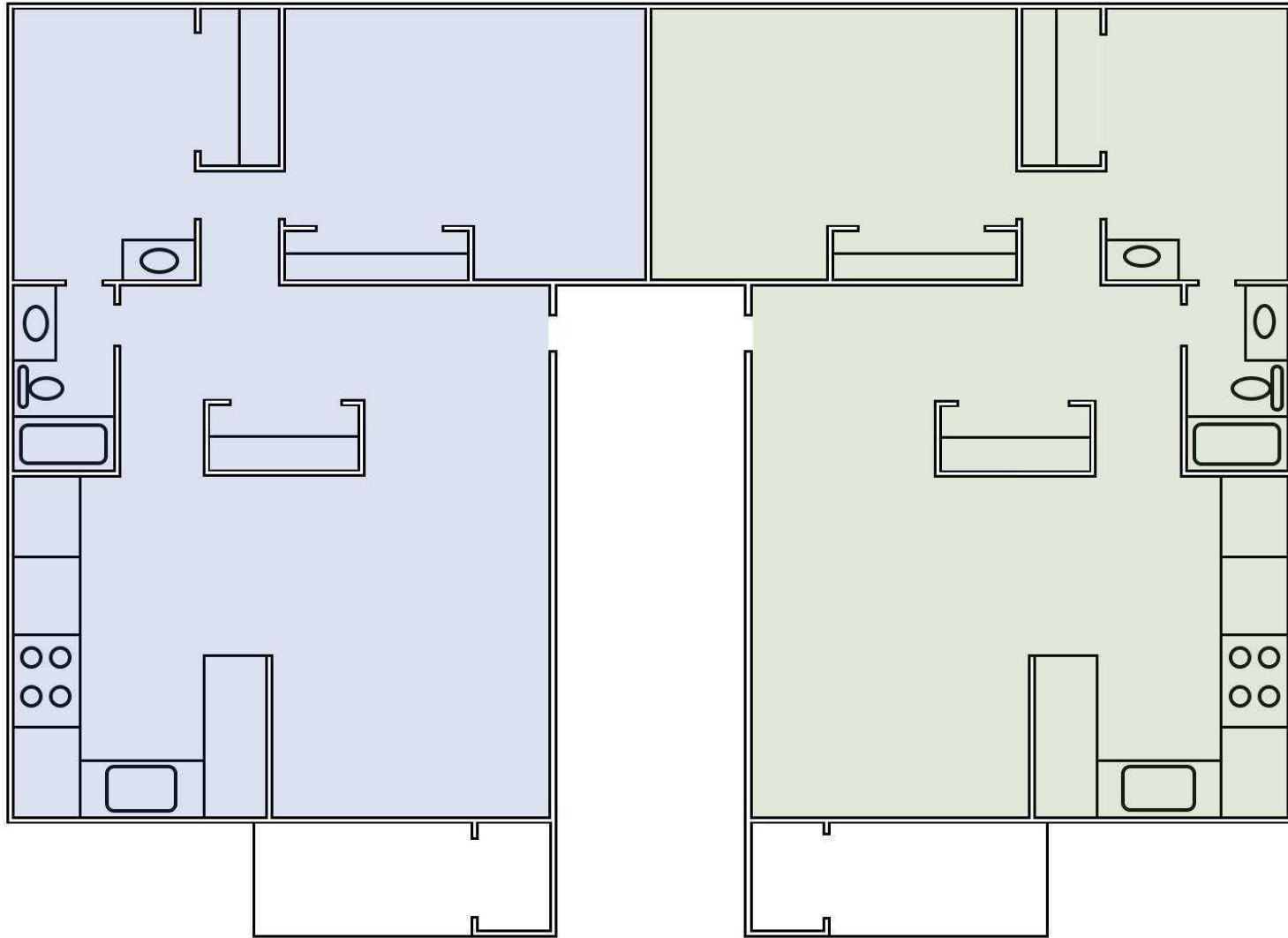


FLOOR PLANS



GROUND FLOOR

FLOOR PLANS



SECOND FLOOR

Unit Breakdown



| UNIT | TYPE | APPROXIMATE UNIT SIZE | CURRENT RENT | CURRENT RENT/SQ.FT. | MARKET RENT | MARKET RENT/SQ.FT. |
|-------------------|------------|-----------------------|-----------------|---------------------|-----------------|--------------------|
| 4018-1 | 2 Bd/1 Bth | 768 Sq.Ft. | \$997 | \$1.30 | \$1,150 | \$1.50 |
| 4018-2 | 2 Bd/1 Bth | 768 Sq.Ft. | \$997 | \$1.30 | \$1,150 | \$1.50 |
| 4018-3 | 2 Bd/1 Bth | 768 Sq.Ft. | \$997 | \$1.30 | \$1,150 | \$1.50 |
| 4018-4 | 2 Bd/1 Bth | 768 Sq.Ft. | \$970 | \$1.26 | \$1,150 | \$1.50 |
| 4022-1 | 2 Bd/1 Bth | 768 Sq.Ft. | \$950 | \$1.24 | \$1,150 | \$1.50 |
| 4022-2 | 2 Bd/1 Bth | 768 Sq.Ft. | \$950 | \$1.24 | \$1,150 | \$1.50 |
| 4022-3 | 2 Bd/1 Bth | 768 Sq.Ft. | \$970 | \$1.26 | \$1,150 | \$1.50 |
| 4022-4 | 2 Bd/1 Bth | 768 Sq.Ft. | \$997 | \$1.30 | \$1,150 | \$1.50 |
| 4028-1 | 2 Bd/1 Bth | 768 Sq.Ft. | \$997 | \$1.30 | \$1,150 | \$1.50 |
| 4028-2 | 2 Bd/1 Bth | 768 Sq.Ft. | \$997 | \$1.30 | \$1,150 | \$1.50 |
| 4028-3 | 2 Bd/1 Bth | 768 Sq.Ft. | \$950 | \$1.24 | \$1,150 | \$1.50 |
| 4028-4 | 2 Bd/1 Bth | 768 Sq.Ft. | \$997 | \$1.30 | \$1,150 | \$1.50 |
| Totals/Avg | | 768 Sq.Ft. | \$11,769 | \$1.28 | \$13,800 | \$1.50 |



Income and Expenses

| | | | |
|---------------|-------------|-------------|-------------|
| Units | 12 | Price | \$1,575,000 |
| Year Built | 1974 | Per Unit | \$131,250 |
| Rentable Area | 9,216 | Per Sq. Ft. | \$170.90 |
| Down Pmt | \$393,750 | Current GRM | 10.11 |
| Loan Amount | \$1,181,250 | Current CAP | 6.00% |
| Interest Rate | 4.54% | Market GRM | 8.60 |
| Amortization | 30 years | Market CAP | 7.29% |

| UNITS | UNIT TYPE | SIZE | CURRENT RENT | MARKET RENT |
|-----------|------------------|------------|---------------|---------------|
| 12 | 2 Bd/1 Bth | 768 | \$950 - \$997 | \$1,150 |
| 12 | Total/Avg | 768 | \$1.28 | \$1.50 |

| MONTHLY INCOME | CURRENT | MARKET |
|-------------------------------|-----------------|-----------------|
| Gross Potential Rent | \$11,769 | \$13,800 |
| Utility Bill Back | \$950 | \$1,200 |
| Laundry Income | \$180 | \$180 |
| Other Income | \$80 | \$80 |
| Gross Potential Income | \$12,979 | \$15,260 |

| ANNUALIZED OPERATING DATA | | CURRENT | MARKET |
|--------------------------------|---------------|------------------|------------------|
| Scheduled Gross Income | | \$155,748 | \$183,120 |
| Less Vacancy | 2.0% | \$3,115 | \$9,156 |
| Gross Operating Income | | \$152,633 | \$173,964 |
| Less Expenses | | \$58,177 | \$59,196 |
| Net Operating Income | | \$94,456 | \$114,768 |
| Annual Debt Service | (\$6,013/mo) | \$72,160 | \$72,160 |
| Cash Flow Before Tax | 5.66% | \$22,296 | 10.82% |
| Principal Reduction | | \$18,922 | \$18,922 |
| Total Return Before Tax | 10.47% | \$41,217 | 15.63% |

| ANNUALIZED OPERATING EXPENSES | | CURRENT | MARKET |
|-------------------------------|-------------|-----------------|-----------------|
| RE Taxes | 2018 Actual | \$14,730 | \$16,500 |
| Insurance | TTM | \$4,546 | \$4,546 |
| Utilities | TTM | \$19,202 | \$19,202 |
| Professional Mgmt | TTM | \$9,450 | \$8,698 |
| Maint/Repairs | TTM | \$7,023 | \$7,023 |
| Administration | TTM | \$827 | \$827 |
| Reserves | Proforma | \$2,400 | \$2,400 |
| Total Expenses | | \$58,177 | \$59,196 |

| CURRENT OPERATIONS | Expense/Unit | Expense/Foot | Percent of EGI | MARKET OPERATIONS | Expense/Unit | Expense/Foot | Percent of EGI |
|--------------------|--------------|--------------|----------------|-------------------|--------------|--------------|----------------|
| | \$4,848 | \$6.31 | 37.35% | | \$4,933 | \$6.42 | 32.33% |

SALES COMPARABLES



Casa Mia Apartments

4018 - 4028 S Warner St
Tacoma, WA 98409

| | |
|-----------------|-------------|
| Year Built | 1974 |
| Units | 12 |
| Sales Price | \$1,575,000 |
| Price/Unit | \$131,250 |
| Price/Foot | \$170.90 |
| Current GRM/CAP | 10.1/6.0% |
| Market GRM/CAP | 8.6/7.3% |



Fourplex

3325 S Asotin St
Tacoma, WA 98418

| | |
|-------------|-----------|
| Year Built | 1979 |
| Units | 4 |
| Sales Price | \$520,000 |
| Price/Unit | \$130,000 |
| Price/Foot | \$163.73 |
| GRM/CAP | 10.3/7.8% |
| Sales Date | 8.13.2018 |



Heather Court

12720 C St S
Tacoma, WA 98444

| | |
|-------------|-------------|
| Year Built | 1971 |
| Units | 32 |
| Sales Price | \$4,325,000 |
| Price/Unit | \$135,156 |
| Price/Foot | \$200.23 |
| GRM/CAP | 9.9/5.9% |
| Sales Date | 3.9.2018 |



Madrona Park

3001 S Tyler St
Tacoma, WA 98409

| | |
|-------------|-------------|
| Year Built | 1991 |
| Units | 20 |
| Sales Price | \$2,250,000 |
| Price/Unit | \$112,500 |
| Price/Foot | \$168.82 |
| GRM/CAP | 10.4/5.0% |
| Sales Date | 10.11.2017 |



Lakewood 10 Unit

11424 Farwest Dr SW
Lakewood, WA 98498

| | |
|-------------|-------------|
| Year Built | 1954 |
| Units | 10 |
| Sales Price | \$1,285,000 |
| Price/Unit | \$128,500 |
| Price/Foot | \$147.19 |
| GRM/CAP | Unknown |
| Sales Date | 10.4.2018 |



8 Unit Apartment

5211 66th St W
University Place, WA 98467

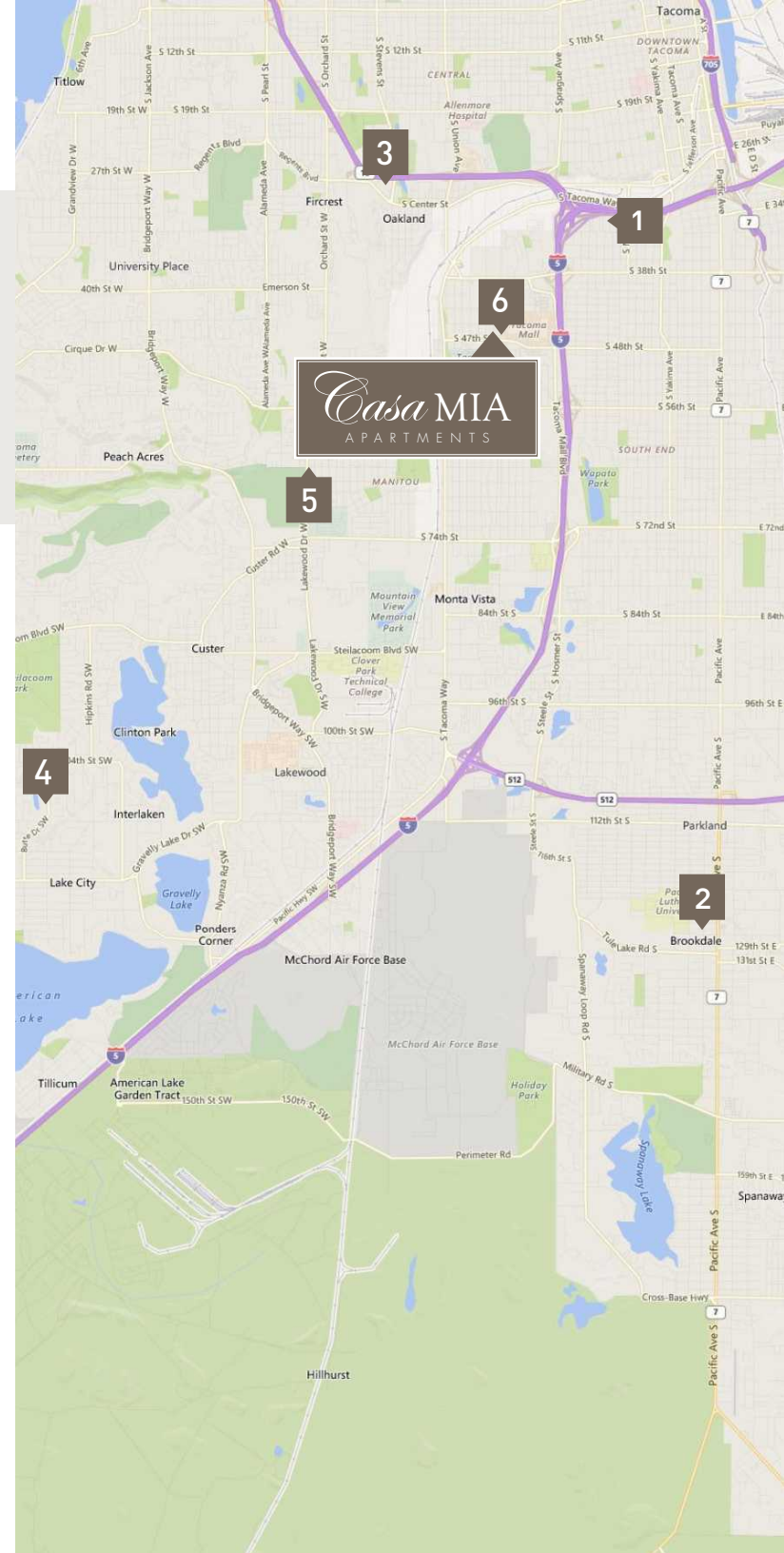
| | |
|-------------|-------------|
| Year Built | 2006 |
| Units | 8 |
| Sales Price | \$1,370,000 |
| Price/Unit | \$171,250 |
| Price/Foot | \$109.64 |
| GRM/CAP | 12.2/5.6% |
| Sales Date | 6.9.2017 |



10 Unit Apartment

4019 S Puget Sound Ave
Tacoma, WA 98409

| | |
|-------------|-------------|
| Year Built | 2007 |
| Units | 10 |
| Sales Price | \$1,605,000 |
| Price/Unit | \$160,500 |
| Price/Foot | \$123.37 |
| GRM/CAP | 9.7/5.9% |
| Sales Date | 3.28.2017 |



RENT COMPARABLES



| | | | | |
|---|------------|-----|---------------|-----------------|
| Casa Mia Apts - Current 4018 - 4028 S Warner St Tacoma, WA 98409 | 2 Bd/1 Bth | 768 | \$950 - \$997 | \$1.24 - \$1.30 |
| 1974 - 12 Units | | | | |

| | | | | |
|--|------------|-----|---------|--------|
| Casa Mia Apts - Market 4018 - 4028 S Warner St Tacoma, WA 98409 | 2 Bd/1 Bth | 768 | \$1,150 | \$1.50 |
| 1974 - 12 Units | | | | |



| | | | | |
|--|------------|-----|---------|--------|
| Warner Court 4702 S Warner St Tacoma, WA 98 | 2 Bd/1 Bth | 700 | \$1,095 | \$1.37 |
| 1995 - 8 Units | | | | |



| | | | | |
|--|------------|-----|---------|--------|
| The Sedona Apartments 4005 S Warner St Tacoma, WA 98409 | 2 Bd/1 Bth | 850 | \$1,275 | \$1.50 |
| 1976 - 6 Units | | | | |



| | | | | |
|---|------------|-----|---------|--------|
| Vista View 4020 S Puget Sound Ave Tacoma, WA 98409 | 2 Bd/1 Bth | 915 | \$1,520 | \$1.66 |
| 2018 - 18 Units | | | | |



| | | | | |
|--|------------|-----|---------|--------|
| Charron Apartments 4002 S Warner St Tacoma, WA 98 | 2 Bd/1 Bth | 840 | \$1,000 | \$1.19 |
| 1968 - 17 Units | | | | |





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