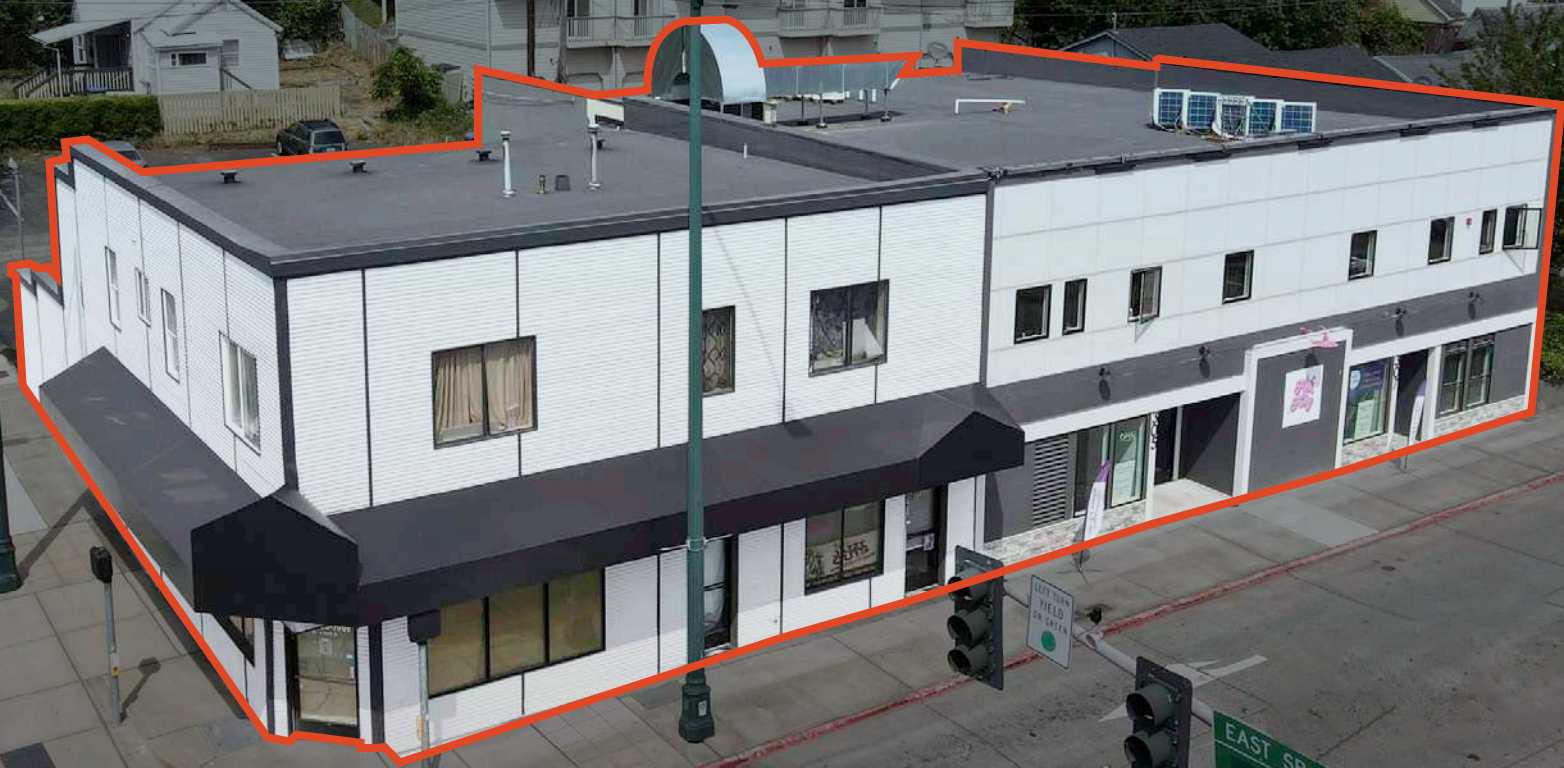


OFFERING MEMORANDUM

# CALLOW MIXED-USE



301 N CALLOW AVE, BREMERTON, WA 98312

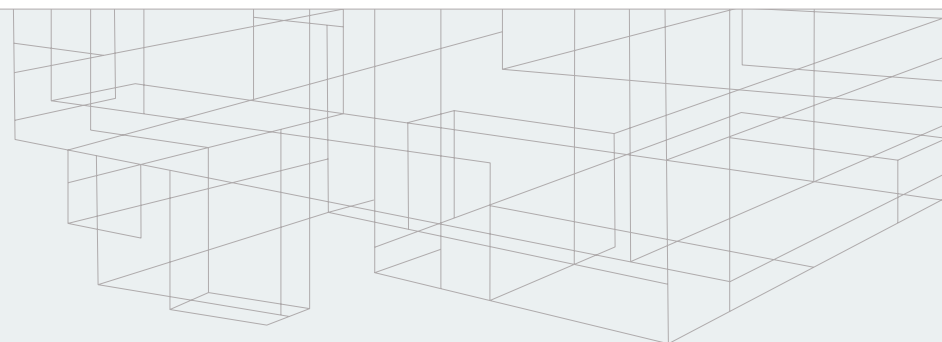


# ONE OF A KIND MIXED-USE OPPORTUNITY IN THE HEART OF BREMERTON

Originally built in 1946 and recently completed a full remodel that includes seismic upgrades, sprinkler system, updated plumbing / electrical, and full interior improvements - the Callow mixed-use opportunity holds countless potential uses for new ownership. Comprised of 9 residential units and three commercial spaces, this opportunity sits on the corner of Burwell and N Callow Ave in Bremerton, WA. A truly unique design, this investment could serve as an excellent owner-user opportunity and / or local investor adding to their existing portfolio.

## PROPERTY SUMMARY

ADDRESS	301 - 307 North Callow Avenue, Bremerton, WA 98312
PARCEL	3733 - 006 - 017 - 0204
LAND AREA	12,632 SF / 0.29 AC
YEAR BUILT	1924
NO OF FLOORS	2
PARKING	14
NET RENTABLE	11,560
AVG UNIT SIZE	750 SF



## RENT ROLL

Address	Unit	Tenant	Avg SF	Monthly Rent/Unit
301 1/2 N. Callow #1	2 bed / 1 bath	Residential	710	\$1,500
301 1/2 N. Callow #2	2 bed / 1 bath	Residential	710	\$1,500
307 N. Callow #101	Studio	Residential	370	\$1,100
307 N. Callow #103	2 bed / 1 bath	Residential	720	\$1,850
307 N. Callow #201	2 bed / 1 bath	Residential	720	\$1,675
307 N. Callow #202	1 bed / 1 bath	Residential	650	\$1,300
307 N. Callow #203	2 bed / 1 bath	Residential	900	\$1,675
307 N. Callow #204	2 bed / 1 bath	Residential	720	\$1,675
307 N. Callow #205	2 bed / 1 bath	Residential	720	\$1,675
301 N. Callow	Office / Storage	Seller lease back	2,100	\$2,800
303 N. Callow	Hair Salon	Jazzy Cuts	500	\$750
305 N. Callow	*Laundromat	Seller lease back	2,210	\$3,000

\* Seller preference to lease back laundromat to new ownership



LOCATION AERIAL



**SUBJECT  
PROPERTY**





**INCOME VALUATION ANALYSIS**

	Current	Per Unit
Total Monthly	\$13,950	\$1,550
Total Annual Income	\$167,400	\$18,600
Credit & Vacancy (5%)	(\$8,370)	(\$930)
Misc. Income	\$6,750	\$750
<b>Effective Gross Income (EGI)</b>	<b>\$165,780</b>	<b>\$18,420</b>

**ANNUAL OPERATING EXPENSES**

	Current	
Taxes	\$7,770	\$863
Insurance	\$3,843	\$427
Utilities	\$6,405	\$711
Maintenance & Repair	\$4,500	\$500
Professional Management (6% of EGI)	\$9,946	\$1,105
Advertising & Marketing	\$1,000	\$111
<b>Total Operating Expenses</b>	<b>\$33,464</b>	<b>\$3,718</b>
Reserves	\$2,250	\$250
<b>NOI</b>	<b>\$130,065</b>	
<b>Cap Rate</b>	<b>5.42%</b>	
<b>Value</b>	<b>\$2,400,000</b>	<b>\$266,666</b>
Commercial Income Annual	\$78,600	
Vacancy (7%)	(\$5,502)	
Retail Reimbursements	\$8,177	
<b>Effective Gross Income</b>	<b>\$81,275</b>	
Cap Rate	6.25%	
<b>Commercial Value</b>	<b>\$1,300,000</b>	
<b>Total Value</b>	<b>\$3,700,000</b>	

# UNDERWRITING ASSUMPTIONS

**CURRENT INCOME**

Reflects the property's current rent roll with proforma rents inserted for vacancies.

**CURRENT EXPENSES**

Reflects the current taxes and insurance. Generalized expense assumptions for the remaining line items based on properties of similar size and age.

**PROFORMA INCOME**

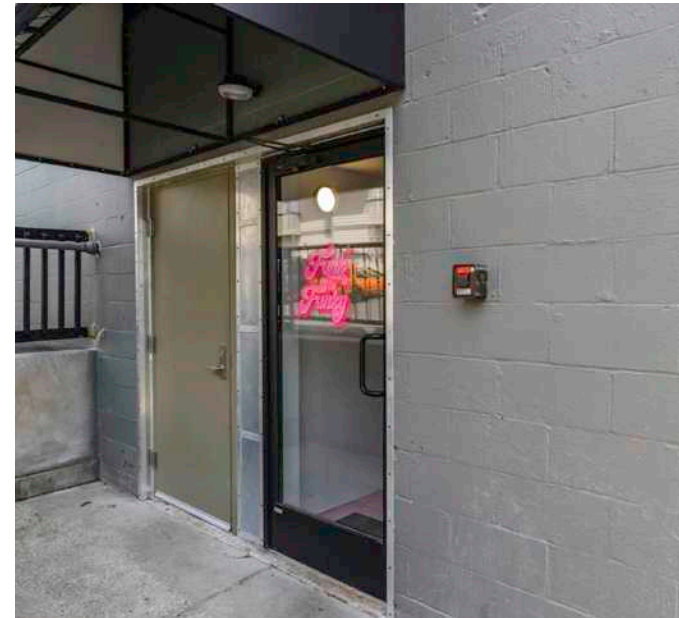
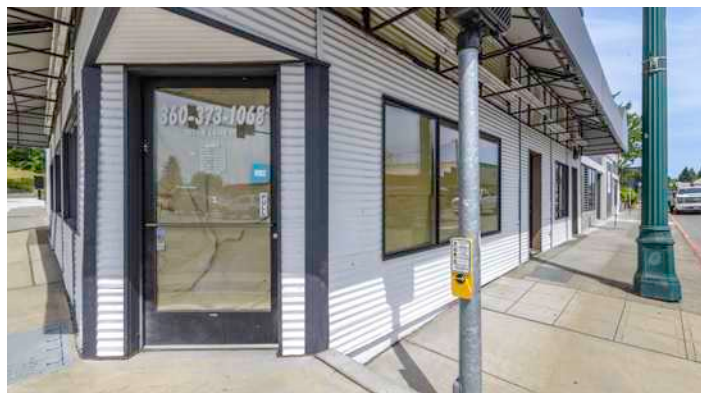
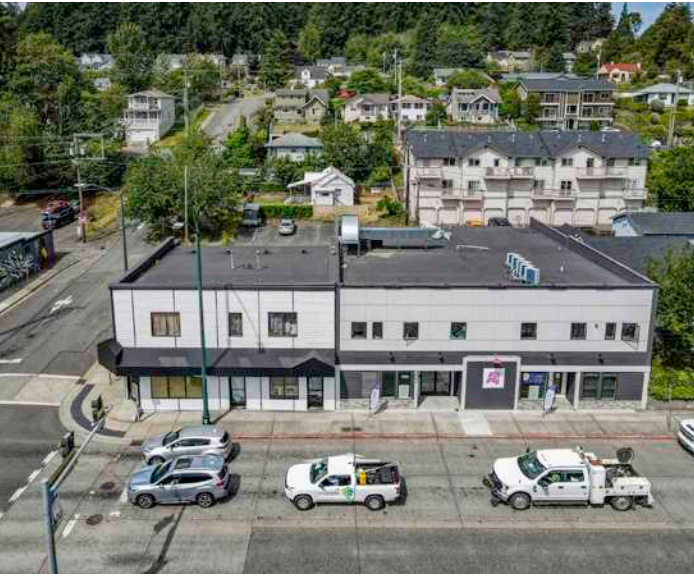
Reflects the property if it was achieving proforma rents.

**PROFORMA EXPENSES**

Taxes have been underwritten at 80% of projected purchase price using the local millage rate. Insurance has been updated to market standard amount for older buildings with updated systems. All other expense assumptions to remain the same.

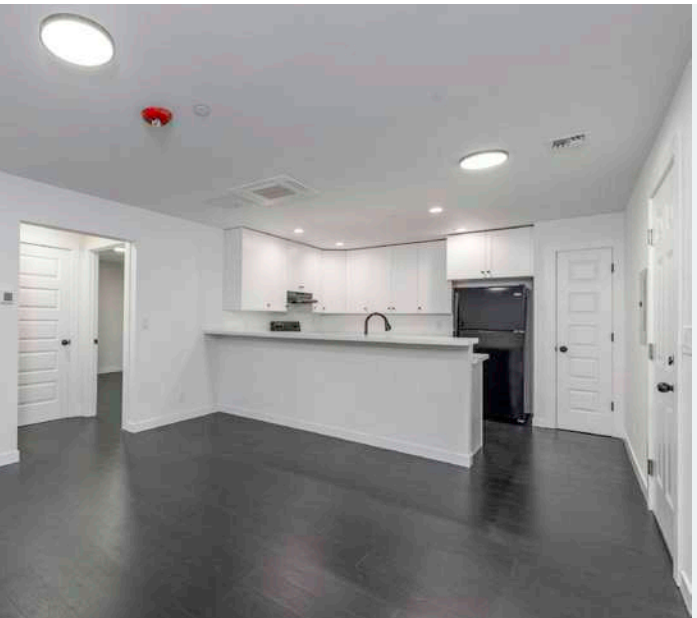
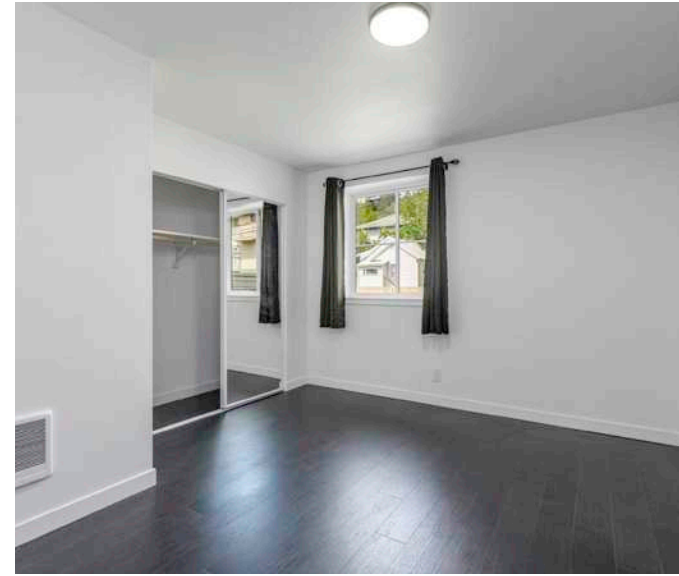
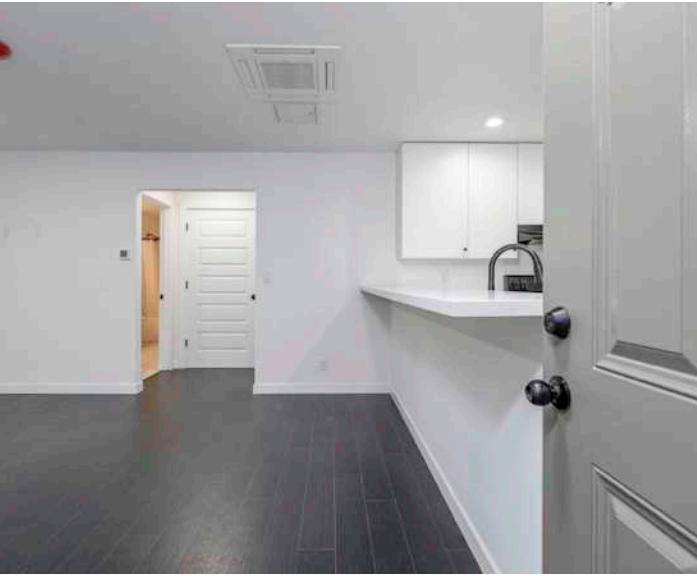


EXTERIOR PHOTOS

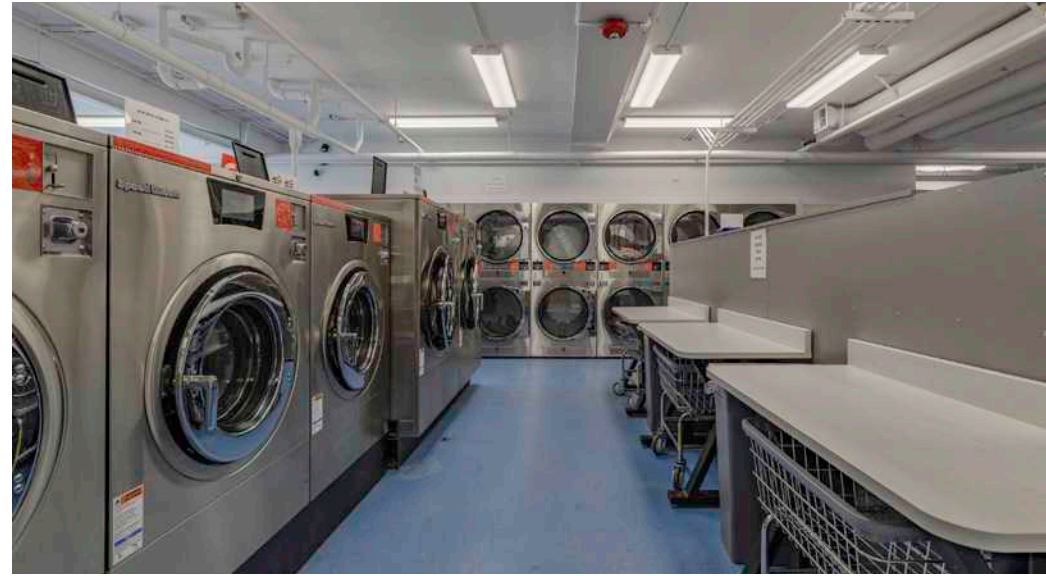




INTERIOR PHOTOS



# INTERIOR PHOTOS

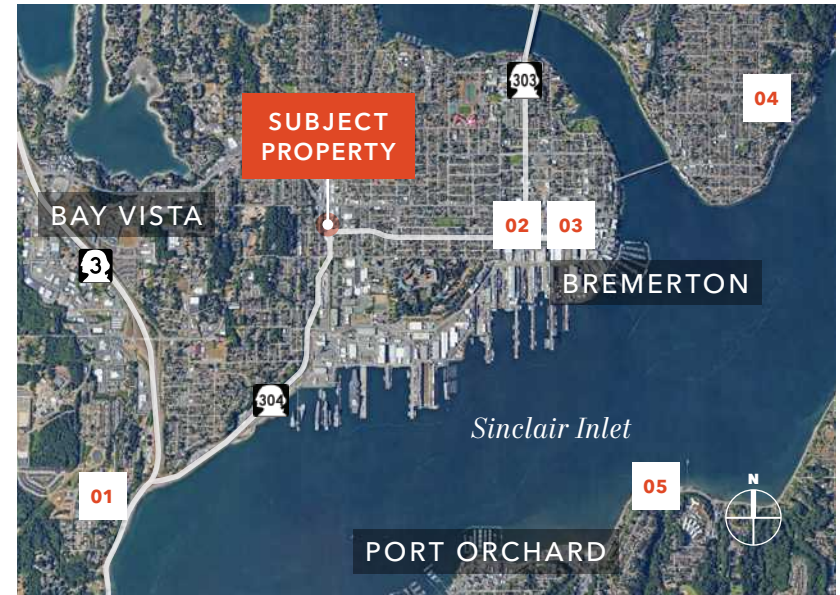
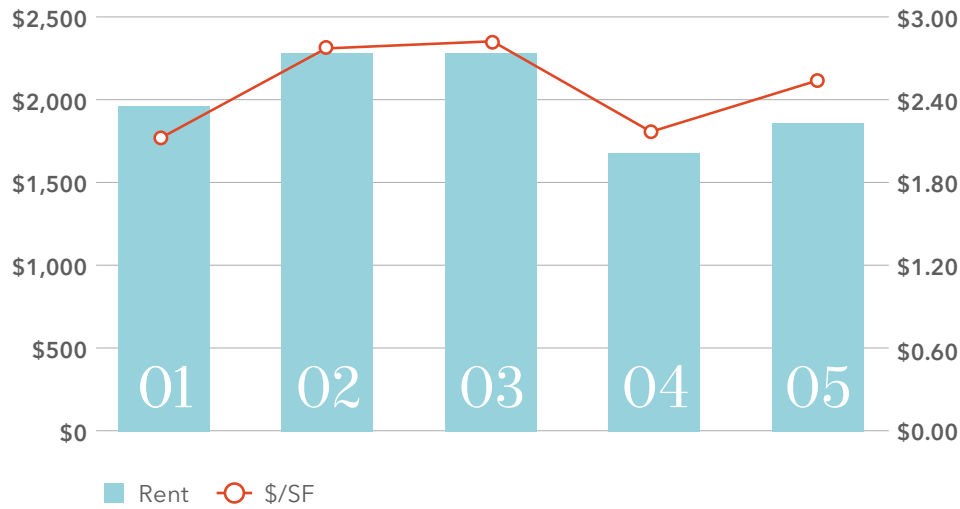








## RENT COMPARABLES 2 X 1



	Property Name	Neighborhood	Unit Finishes	Year	Unit SF	In Place Rent	\$/SF
01	<b>WATERVIEW</b> 1617 W Admiralty Heights	Bremerton	New	2023	817	\$2,250	\$2.75
02	<b>1010 APARTMENTS</b> 11010 Burwell St	Bremerton	New	2016	812	\$2,250	\$2.77
03	<b>606 APARTMENTS</b> 606 Burwell St	Bremerton	Renovated	1996 / 2022	895	\$1,995	\$2.23
04	<b>PALISADES APARTMENTS</b> 1628 Trenton Ave	Bremerton	Renovated	1972 / 2022	800	\$1,750	\$2.19
05	<b>ANNAPOLIS APARTMENTS</b> 1833 Bay St	Port Orchard	Renovated	1955 / 2021	765	\$1,895	\$2.48



## BREMERTON OVERVIEW

*Bremerton, a naval town located on the west side of the Puget Sound, is essentially an offshoot of the Seattle metro, with many residents benefiting from Bremerton's relative affordability while still having Seattle access.*

Two ferries sail multiple times a day between the two cities, and a one-way trip takes between 30 and 60 minutes, depending on the time of day. About 20% of residents living in the metro commute to Seattle for work, adding to the area's reliance on the Emerald City as an economic hub.

Population growth has trended well above the national average for several years, thanks in part to a transient military population and strong in-migration flows from nearby King County. Government employment makes up roughly 35% of the metro's total workforce, of which much is through the Department of Defense.

Median household income is greater than \$80,000, well above the national median and well below the Seattle metro's median. The figure has grown swiftly

over the past decade though, at a rate of 40.3%, compared with the national rate of 34.5%.

Due to the prevalence of government jobs, the metro has fared better than the nation during the economic downturn caused by the coronavirus as many highpaid residents move to the area from larger cities like Seattle. Apartment rents and housing costs have skyrocketed because of this trend.

Naval Base Kitsap, resulting from the merger between Naval Station Bremerton and Naval Submarine Base Bangor in 2004, employs more than 30,000 civilians and military personnel, making it Kitsap County's largest employer. Over the next 10 years the Navy has announced that they will be investing billions into the Puget Sound Naval Shipyard.

While government remains the largest provider of jobs locally, other sectors have a significant presence, too. The next largest sector in Kitsap County is education and health services, with roughly 14,000 employees, of which many work at the region's largest medical centers. The second-largest employer in the metro is Harrison Medical Center, which employs around 2,500 medical workers. This sector has proven resilient during the pandemic, while the retail trade or leisure and hospitality sectors have seen a slowdown.



*Exclusively listed by*

**AUSTIN KELLEY**

Senior Vice President

253.722.1413

[austin.kelley@kidder.com](mailto:austin.kelley@kidder.com)

**TED SIPILA, CCIM**

Senior Vice President

253.722.1421

[ted.sipila@kidder.com](mailto:ted.sipila@kidder.com)

[KIDDER.COM](http://KIDDER.COM)

