

PARAGON
REAL ESTATE ADVISORS



THE CLIFF APARTMENTS
OFFERING MEMORANDUM

PARAGON

REAL ESTATE ADVISORS

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OFFERING

Paragon Real Estate Advisors is pleased to exclusively offer for sale the Cliff Apartments; a 23-unit value-add apartment community in the desirable Des Moines Marina District. Built in 1962, the Cliff is located just blocks away from the waterfront and sits proudly on a large 45,800 square foot lot looking out over the Des Moines Creek Trail. Residents enjoy being able to retreat in a peaceful, forest-like setting while being just steps away from all the shops and services in the Marina District and close to major freeways and transit options.

The building is a three-story design with wood frame construction, a pitched composition shingle roof and a blend of brick and wood exterior siding offering resilience in the Northwest. The main, secure access entry is located on the east side of the property with unit balconies located on the west side of the property offering privacy away from the street and tranquil wooded views. The building is comprised of (6) studio, (8) one-bedroom and (9) two-bedroom units with a generous average size of 700 square feet. Livable and cool mid-century layouts with great natural light position the property well for a renovation strategy that enhances tenant appeal and drives income potential. Building features and amenity spaces include a convenient common laundry area on the lower level, large and secure tenant storage lockers and a small office suitable for a property manager or maintenance staff.

Priced at \$3,450,000, or just \$150,000 per unit, the Cliff Apartments present a compelling opportunity to acquire a quality asset offering significant upside in a desirable and thinly traded waterfront community. With continued investment and growth in Des Moines and rising tenant demand, this asset is well-positioned for both near-term gains and long-term appreciation.



OFFERING

NAME **The Cliff Apartments**

ADDRESS 21833 7th Ave S, Des Moines, WA 98198

PRICE \$3,450,000

TOTAL UNITS 23

BUILT 1962

SQUARE FEET 16,100 Total Net Rentable

PRICE PER UNIT \$150,000

PRICE PER FOOT \$214

CURRENT GRM/CAP 10.1 / 4.7%

MARKET GRM/CAP 7.8 / 7.3%

LOT SIZE 45,800 Square Feet

ZONING RM-900



PROPERTY DETAILS

PROPERTY DETAILS

PARCEL NO.	200900-1949
BUILDINGS	1 - 3 Story Building
YEAR BUILT	1962
UNITS	23
BUILDINGS	1 - 3 Story Building
BUILDING SIZE	16,100 Square Feet
LOT SIZE	45,800 Square Feet
ZONING	RM-900
EXTERIOR	Brick and Wood
CONSTRUCTION	Wood frame
ROOF	Pitched, composition shingle
WINDOWS	Mix of original and metal framed windows with some newer vinyl double paned windows
ELECTRICAL	Breaker panels in units, individually metered
PLUMBING	Mix of original galvanized piping and some updated copper/PEX
WATER HEATER	Individual in-unit
HEATING	Electric Baseboard and Wall Heaters
LAUNDRY	Common with leased machines
STORAGE	Tenant and owner storage spaces
PARKING	14+ total surface parking spaces



INVESTMENT HIGHLIGHTS

- Excellent Des Moines Marina District location
- First time on the market in over 20 years
- Value-add opportunity: Immediate income upside and renovation/reposition opportunity
- Great value at \$150,000/unit and \$214/NRSF
- 23 Units: (6) studio, (8) one-bedroom/one-bath and (9) two-bedroom/one-bath units
- Select two-bedroom units feature a two-story "townhouse" style floorplan with vaulted ceilings
- Private balconies and patios
- Private and peaceful forest-like setting with beautiful trees and mature landscaping
- Off-street parking: 14+ surface stalls
- Amenities: Common laundry, tenant storage lockers
- Walk Score of 85: Everything that you need is within walking distance
- Quick access to major freeways and public transportation including Sea-Tac airport

EXTERIORS



EXTERIORS



COMMON AREAS



MAILBOXES



COMMON LAUNDRY



STORAGE LOCKERS



ELECTRIC METERS

PROPERTY DETAILS

INTERIORS - 1BD/1BTH

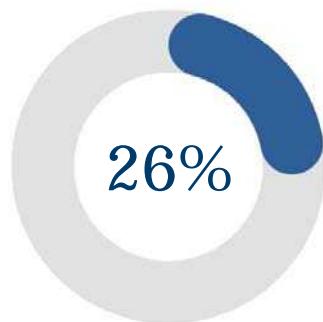


PROPERTY DETAILS

INTERIORS - 2BD LOFT



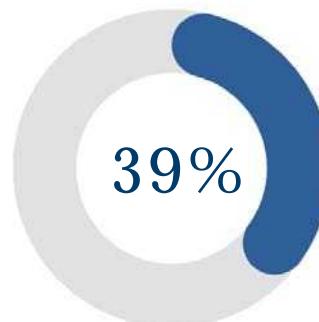
RENTAL COMPOSITION



STUDIO



ONE BEDROOM



TWO BEDROOM

NUMBER OF UNITS	UNIT TYPE	APPROXIMATE UNIT SIZE	CURRENT RENT	MARKET RENT
6	Studio	475 SF	\$950 - \$1,000	\$1,150
8	1 Bd/1 Bth	700 SF	\$1,150 - \$1,300	\$1,475
9	2 Bd/1 Bth	850 SF	\$1,300 - \$1,550	\$1,695
23	Total/Avg	700 SF	\$1.75	\$2.11

INCOME BREAKDOWN

NUMBER OF UNITS	UNIT TYPE	APPROX UNIT SIZE	CURRENT RENT	MARKET RENT
6	Studio	475 SF	\$950 - \$1,000	\$1,150
8	1 Bd/1 Bth	700 SF	\$1,150 - \$1,300	\$1,475
9	2 Bd/1 Bth	850 SF	\$1,300 - \$1,550	\$1,695
23	Total/Avg	700 SF	\$1.75	\$2.11

MONTHLY INCOME		CURRENT INCOME	MARKET INCOME
Gross Potential Rent		\$28,100	\$33,955
Utility Bill Back	Actual	\$0	\$100/unit
Laundry Income	2025 Average	\$68	Proforma
Other Income	Proforma	\$230	Proforma
Gross Potential Income		\$28,398	\$36,945



INCOME & EXPENSES

ANNUALIZED OPERATING DATA

		STABILIZED	MARKET	
Scheduled Gross Income		\$340,776	\$443,340	
Less Vacancy	4.0%	\$13,631	5.0%	\$22,167
Gross Operating Income		\$327,145		\$421,173
Less Expenses		\$164,447		\$171,003
Net Operating Income		\$162,698		\$250,170

ANNUALIZED OPERATING EXPENSES

		STABILIZED	MARKET	
Real Estate Taxes	2025	\$45,704		\$45,704
Insurance	Estimated	\$23,000		\$23,000
Utilities	2024 Estimated	\$32,146		\$34,000
Professional Mgmt	Proforma 5%	\$16,357		\$21,059
On-Site Payroll	Proforma	\$11,040		\$11,040
Maint & Repairs	Proforma	\$23,000		\$23,000
Landscaping	Proforma	\$4,000		\$4,000
Administration & Misc	Proforma	\$3,450		\$3,450
Reserves	Proforma	\$5,750		\$5,750
Total Expenses		\$164,447		\$171,003

STABILIZED OPERATIONS	Expense/Unit	\$7,150
	Expense/Foot	\$10.21
	Percent of EGI	48.26%

MARKET OPERATIONS	Expense/Unit	\$7,435
	Expense/Foot	\$10.62
	Percent of EGI	38.57%

NOTES AND ASSUMPTIONS:

SCEDULED MARKET RENT

Pro forma market rent is based on an analysis of multi-family rental trends in the surrounding submarket and an estimate of the current market rates.

UTILITY BILL BACK

Market/Pro forma utility income was underwritten to an average of \$100 per unit monthly.

LAUNDRY INCOME

Current monthly laundry income is based on the 2025 YTD average. Pro forma laundry income was underwritten to \$10/unit per month based on market standards.

OTHER INCOME

This is comprised of pet rent, storage rent, deposits and fees, NSF fees and any other collections. Current other income was underwritten to a conservative \$10/unit per month. Market/Pro forma other income was underwritten to an average of \$20/unit per month based on increased storage income potential.

VACANCY

Current vacancy rate of 4% is based on very low historic vacancy. Pro forma vacancy was underwritten to 5% based on industry standards.

REAL ESTATE TAXES

Real estate taxes are based on the 2025 property taxes and an assessed value of \$3,538,000.

INSURANCE

Insurance was underwritten to a market standard of \$1,000/unit annually which is consistent with other properties of this vintage and type.

UTILITIES

Based on the 2024 annual expense total.

PROFESSIONAL MANAGEMENT

Pro forma management fee is 5% of gross operating income, consistent with management practices at comparable properties. The owner currently pays a higher management cost based on a short-term agreement with additional services..

ON-SITE / PAYROLL

Assumes an on-site manager or part-time leasing manager at \$40/unit per month based on market standards.

REPAIRS & MAINTENANCE

Pro forma maintenance and repairs expenses are \$1,000/unit per year, reflecting stabilized operations at comparable properties of a similar size and age. Actual T-12 maintenance and repairs expenses have been higher due to increased capital expenses and costs to stabilize the property.

LANDSCAPING

Pro forma landscaping expenses were underwritten to \$4,000/year based on stabilized expenses at similar properties

ADMINISTRATIVE & MISC

Pro forma administrative expenses were underwritten to \$150/unit per year which is consistent with current operations at comparable properties. This includes banking fees, tenant screening, and other miscellaneous expenses.

REPLACEMENTS & RESERVES

Pro forma replacement reserves are \$250/unit per year, reflecting the industry standard for funding the periodic replacement of building systems and components.

SALES COMPARABLES



The Cliff Apartments

21833 7th Ave S, Des Moines, WA

Year Built	1962
Units	23
Sales Price	\$3,450,000
Price/Unit	\$150,000
Price/Foot	\$214
Stabilized CAP	4.7%
Market CAP	7.3%



Royal Oakes Apts

820 S 219th St, Des Moines, WA

Year Built	1968
Units	10
Sales Price	\$1,900,000
Price/Unit	\$190,000
Price/Foot	\$238
CAP Rate	Unknown
Sale Date	07.16.2025



Vashon Vue Apts

22805 30th Ave S, Des Moines, WA

Year Built	1968
Units	11
Sales Price	\$1,685,000
Price/Unit	\$153,182
Price/Foot	\$231
CAP Rate	6.7%
Sale Date	06.09.2025



Landmarc Villa

15311 6th Ave SW, Burien, WA

Year Built	1976
Units	26
Sales Price	\$3,165,000
Price/Unit	\$121,731
Price/Foot	\$252
CAP Rate	Unknown
Sale Date	03.25.2025



Kent Fifth Ave Flats

731 5th Ave S, Kent, WA

Year Built	1965
Units	24
Sales Price	\$4,400,000
Price/Unit	\$183,333
Price/Foot	\$200
CAP Rate	5.2%
Sale Date	02.04.2025



Sunwest Apartments

815 S 219th St, Des Moines, WA

Year Built	1967
Units	10
Sales Price	\$2,240,000
Price/Unit	\$224,000
Price/Foot	\$239
CAP Rate	5.5%
Sale Date	11.26.2024



Crisjanic Apts

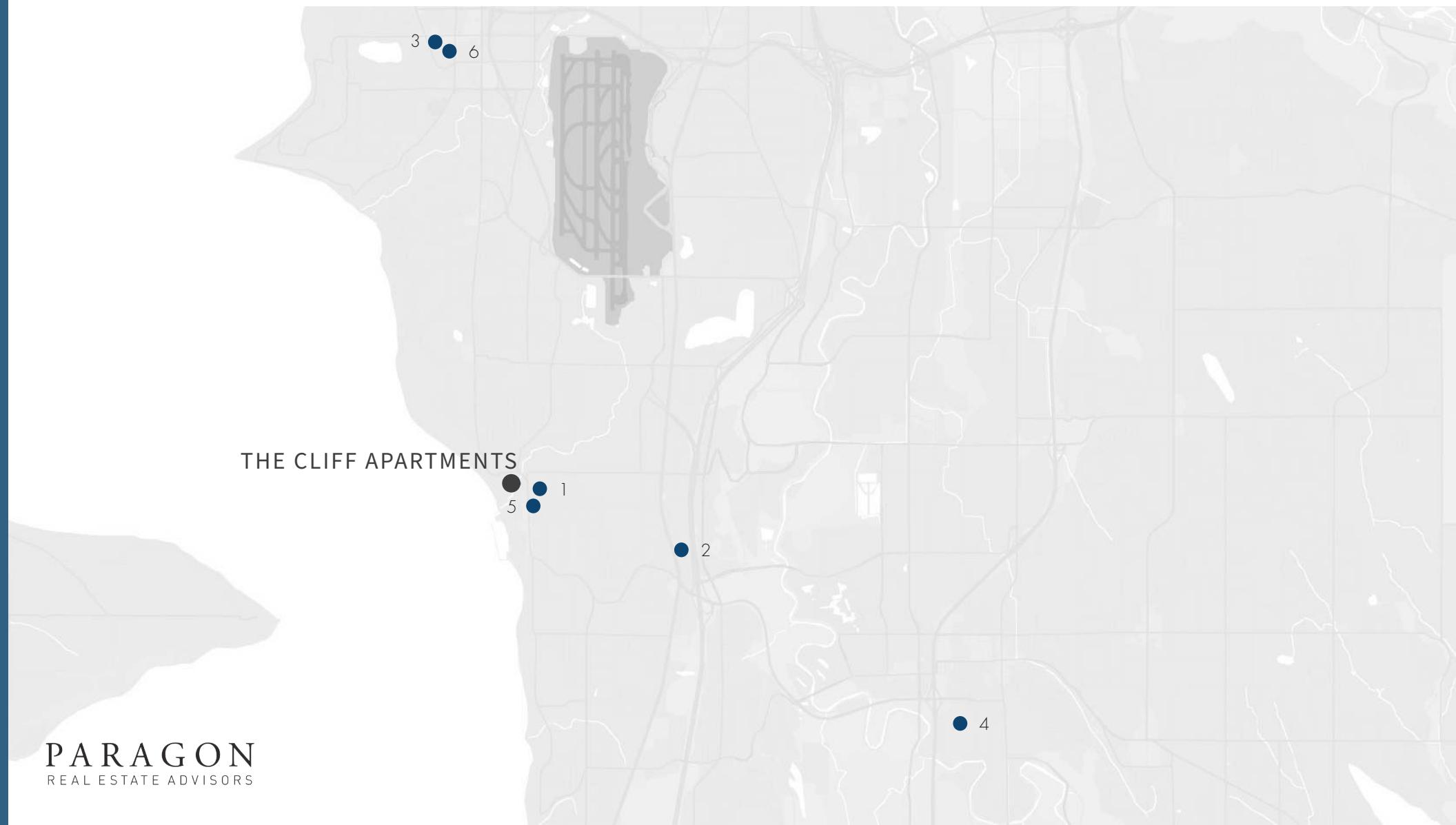
443 SW 154th St, Burien, WA

Year Built	1961
Units	12
Sales Price	\$2,280,000
Price/Unit	\$190,000
Price/Foot	\$249
CAP Rate	3.7%
Sale Date	11.20.2024

SALES COMPARABLES

- 1. ROYAL OAKES APTS** - 820 S 219th St, Des Moines, WA
- 2. VASHON VUE APTS** - 22805 30th Ave S, Des Moines, WA
- 3. LANDMARC VILLA** - 15311 6th Ave SW, Burien, WA

- 4. KENT FIFTH AVE FLATS** - 731 5th Ave S, Kent, WA
- 5. SUNWEST APTS** - S815 S 219th St, Des Moines, WA
- 6. CRISJANIC APTS** - 443 SW 154th St, Burien, WA



RENT COMPARABLES

	ADDRESS	BUILT	UNITS	UNIT TYPE	UNIT SIZE	RENT	RENT/SF
	The Cliff Apartments 21833 7th Ave S, Des Moines, WA	1962	23	Studio 1BD/1BTH 2BD/1BTH	475 700 850	\$950 - \$1,000 \$1,150 - \$1,300 \$1,300 - \$1,550	\$2.00 - \$2.11 \$1.64 - \$1.86 \$1.53 - \$1.82
	The Landmarc Apts 800 S 216th St, Des Moines, WA	1974	7	1BD/1BTH	625	\$1,595	\$2.55
	The Bentley Apts 609 S 222nd St, Des Moines, WA	1985	20	2BD/1BTH	1,050	\$1,875	\$1.79
	Spinnaker Landing Apts 1145 S 216th St, Des Moines, WA	1983	86	1BD/1BTH 2BD/1BTH	652 - 689 860	\$1,708 - \$1,883 \$2,150	\$2.62 - \$2.73 \$2.50
	Villa Des Moines Apts 750 S 216th St, Des Moines, WA	1968	61	2BD/1BTH	850	\$1,795	\$2.11
	El Mirador Apts 22022 6th Ave S, Des Moines, WA	1977	42	1BD/1BTH 2BD/2BTH	750 1,090	\$1,795 \$1,995 - \$2,250	\$2.39 \$1.83 - \$2.06

RENT COMPARABLES

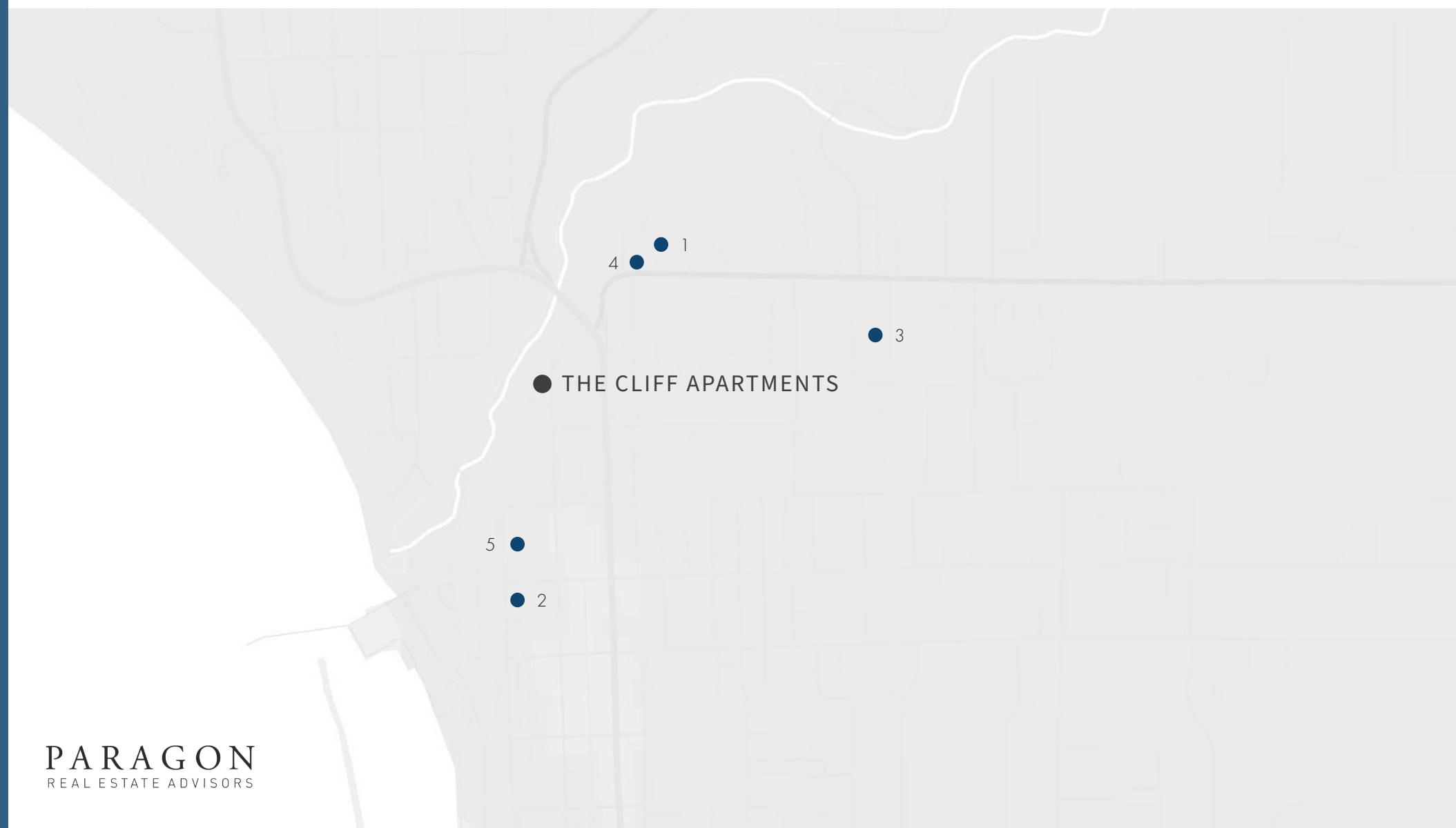
1. LANDMARC APTS - 800 S 216th St, Des Moines, WA

2. BENTLEY APTS - 609 S 222nd St, Des Moines, WA

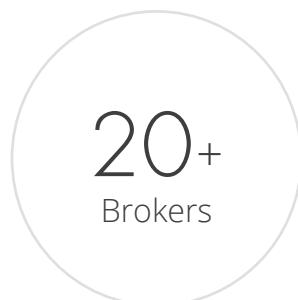
3. SPINNAKER LANDING - 1145 S 216th St, Des Moines, WA

4. VILLA DES MOINES - 750 S 216th St, Des Moines, WA

5. EL MIRADOR APTS - 22022 6th Ave S, Des Moines, WA



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ABOUT US

Leading investment firm for multi-family property

Paragon Real Estate Advisors is a leading Seattle real estate investment firm for multi-family property sales in Washington State. We are locally owned, client-focused, and highly experienced. When it comes to apartments and investment real estate in the Puget Sound region, we are the smart choice to partner with.



Visit our new website! **ParagonREA.com**

Puget Sound's Premiere
Commercial Real Estate
Brokerage

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In 1995 our founders saw an opportunity to form a new kind of brokerage, one that focused on sharing information between brokers and truly partnering with its clients. Paragon Real Estate Advisors quickly established itself as a leading Seattle real estate investment firm. Paragon Real Estate Advisors is the leading Seattle real estate investment firm for multi-family property sales in Washington State. We have accrued over \$4.5 billion in sales and have closed over 2,000 successful real estate transactions. We are locally owned, client-focused, and highly experienced.

At Paragon, we build long-term partnerships that help our clients reach their long- and short-term real estate investment goals while maintaining maximum profitability for them. Our brokers have an in-depth knowledge of the Washington state real estate market, particularly in the greater Seattle area and the I-5 corridor, that comes from more than 30 years' experience in the industry. Paragon's unique focus on sharing knowledge, teamwork and collaboration within the brokerage industry leverages our collective intellect for all our clients. Our brokers provide superior customer representation through our innovative and effective marketing campaigns, co-brokerage, skilled negotiations, and ongoing partnerships.

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