



CASCADE SCHOOL APARTMENTS

101 SW 2nd Street
Chehalis, WA 98532

51-Unit Adaptive Reuse Multifamily
Washington Heritage Register Property

 **LEE &
ASSOCIATES**
COMMERCIAL REAL ESTATE SERVICES
MULTIFAMILY



PROPERTY NAME	Cascade School Apartments
ADDRESS	101 SW 2 nd Street, Chehalis, WA 98532
CITY	Chehalis
STATE	Washington
TOTAL UNITS	51
YEAR BUILT	1922 / Renovated 2024
NET RENTABLE	32,560 SF
PRICE	\$10,250,000
PRICE / UNIT	\$201,000
CAP RATE	5.77% (Current) 6.51% (Pro Forma)
LOT SIZE	2.08 Acres
PARKING	102 Stalls
HISTORIC DESIGNATION	Washington Heritage Register



PROPERTY SUMMARY

Cascade School Apartments is a historic adaptive-reuse multifamily community located in downtown Chehalis, Washington. Originally constructed in 1922 and designed by Tacoma-based architectural firm **Hill, Mock & Griffin**, the property reflects Progressive-Era institutional design with high ceilings, expansive windows, and durable structural elements.

The asset has been comprehensively redeveloped, modernizing building systems and residential interiors while preserving its historic character. The property is supported by **historic federal and city tax benefits**, enhancing long-term investment performance.

Strategically positioned along the Interstate-5 corridor between Seattle and Portland, the property benefits from strong regional connectivity, walkable access to downtown amenities, and proximity to a growing economic base. Cascade School Apartments offers investors a **rare, stabilized historic asset** with durable construction, differentiated unit product, and long-term upside potential.

INVESTMENT HIGHLIGHTS

- **Attractive Basis via Historic Incentives**
\$1.25M tax credits + 10-year tax reduction
- **Efficient Site Access**
Four-sided access with dual entry (SW 2nd & SW 3rd)
- **Expansion Upside**
Existing basketball court offers potential for additional unit development (buyer to verify)
- **Supply-Constrained Market**
Limited inventory supporting strong occupancy
- **Reduced Cap Ex Profile**
Recent renovations limit near-term capital needs
- **Future Development Potential**
2.08-acre site with possible additional density potential (buyer to verify)



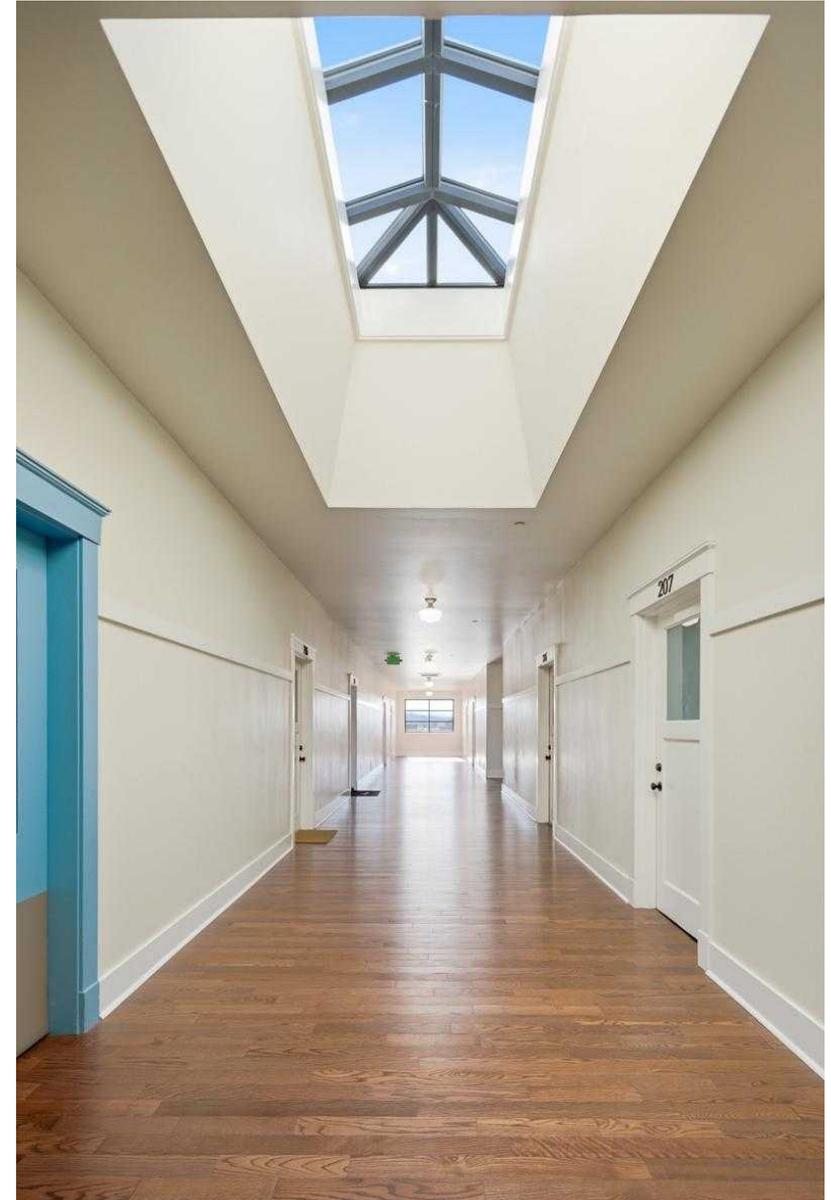
CAPITAL IMPROVEMENTS & RENOVATION

Cascade School Apartments has undergone a comprehensive redevelopment preserving its historic architecture while modernizing key building systems and interiors.

Key Improvements Include:

- Seismic structural retrofit
- New plumbing and electrical systems
- Environmental remediation completed
- Preservation of historic exterior with partial roof replacement
- Newly constructed residential units with updated interiors and common areas
- New asphalt parking lot, sidewalks, and improved site circulation

These upgrades position the asset as a stabilized, institutional-quality multifamily investment.



INFRASTRUCTURE & CONNECTIVITY

Direct I-5 Access - Connectivity to Seattle, Tacoma, and Portland employment centers

Regional Connectivity - State Route 6 and transit links provide efficient access across Southwest Washington

Industrial & Logistics Growth - Port of Chehalis Industrial Park with BNSF & Union Pacific rail; planned Amazon facility driving job and housing demand

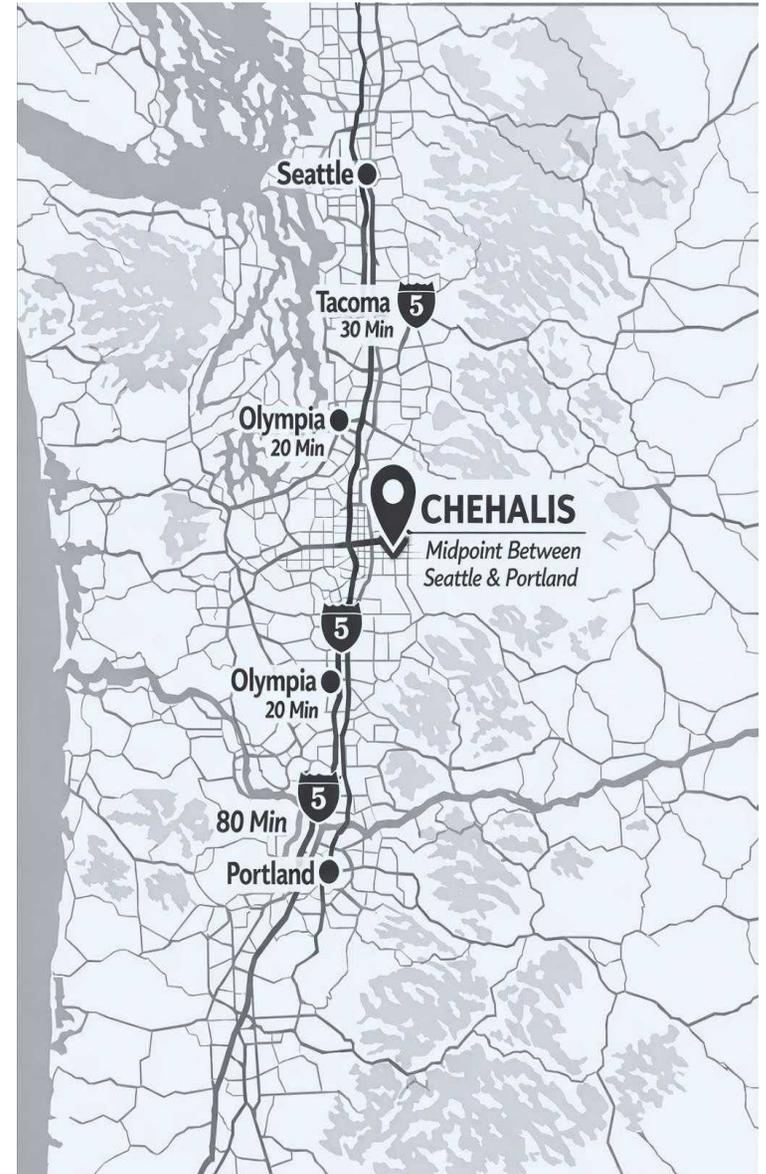
Workforce Pipeline - Centralia College and regional training programs support a skilled labor base

Healthcare Anchor - Providence Centralia Hospital and nearby providers support long-term community stability

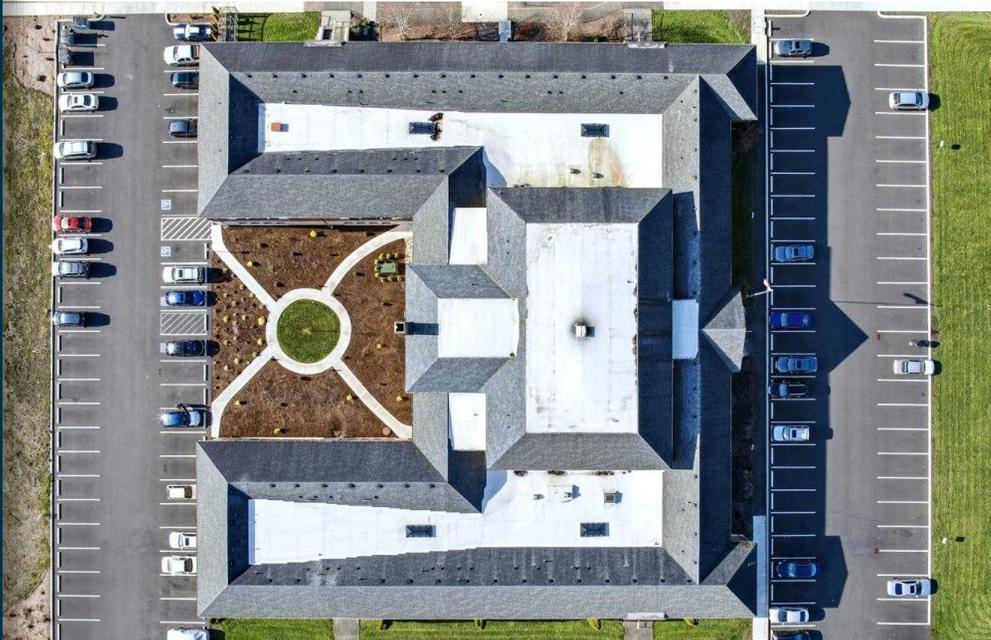
TRAVEL TIMES

Proximity to major regional employment hubs supports long-term housing demand. Approximate travel times:

CITY	DRIVE TIME
Olympia	25 Minutes
Tacoma	60 Minutes
Seattle	90 Minutes
Portland	90 Minutes



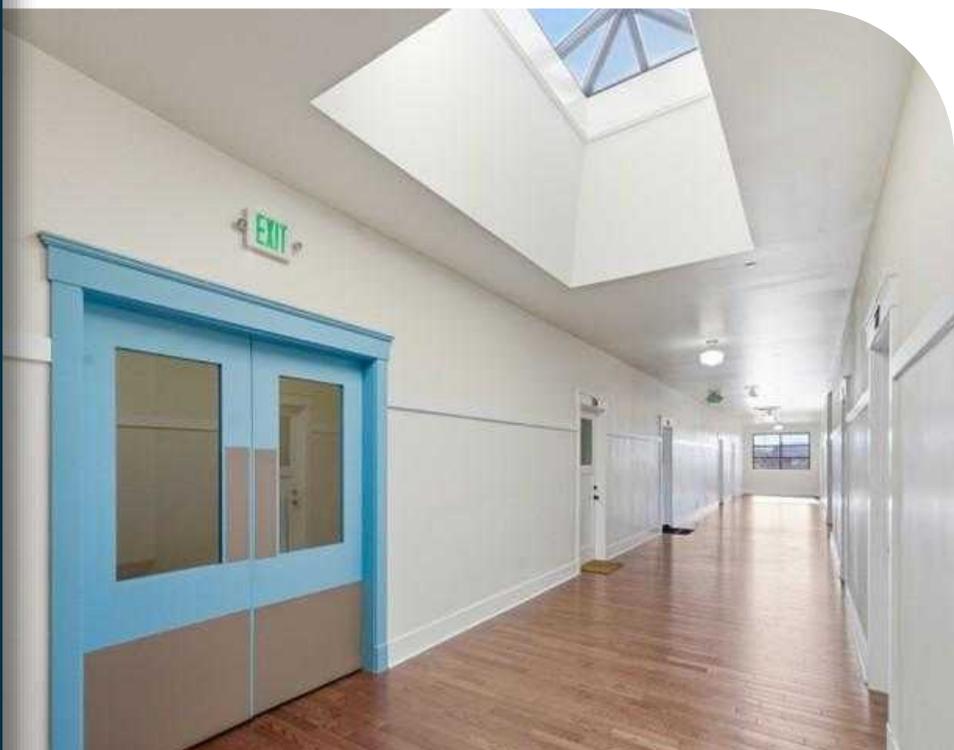
PROPERTY EXTERIOR

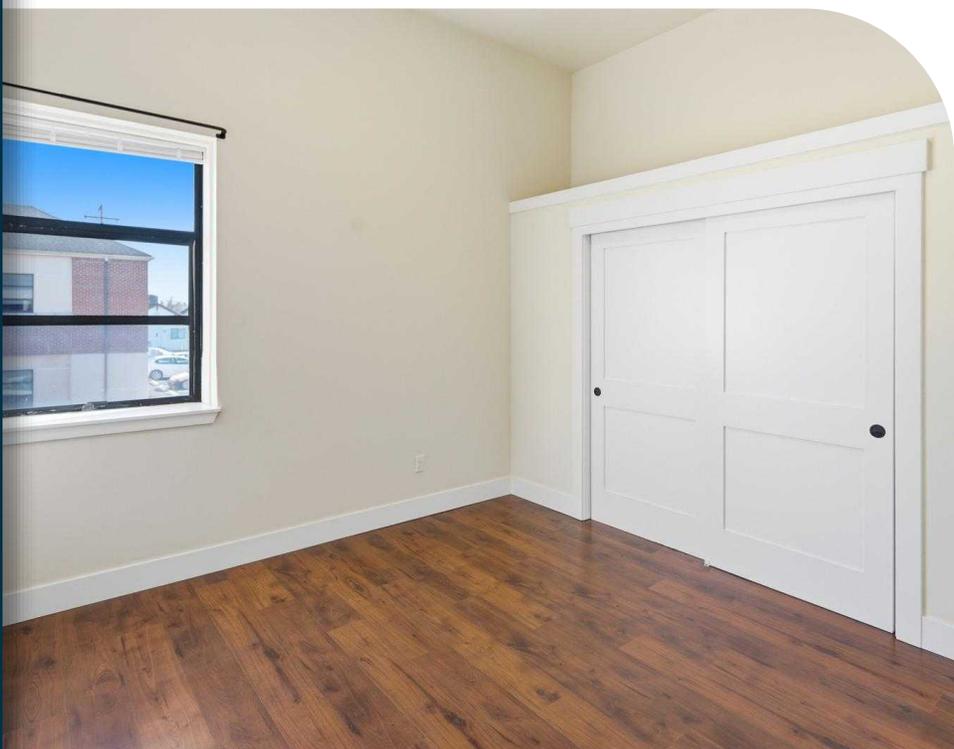


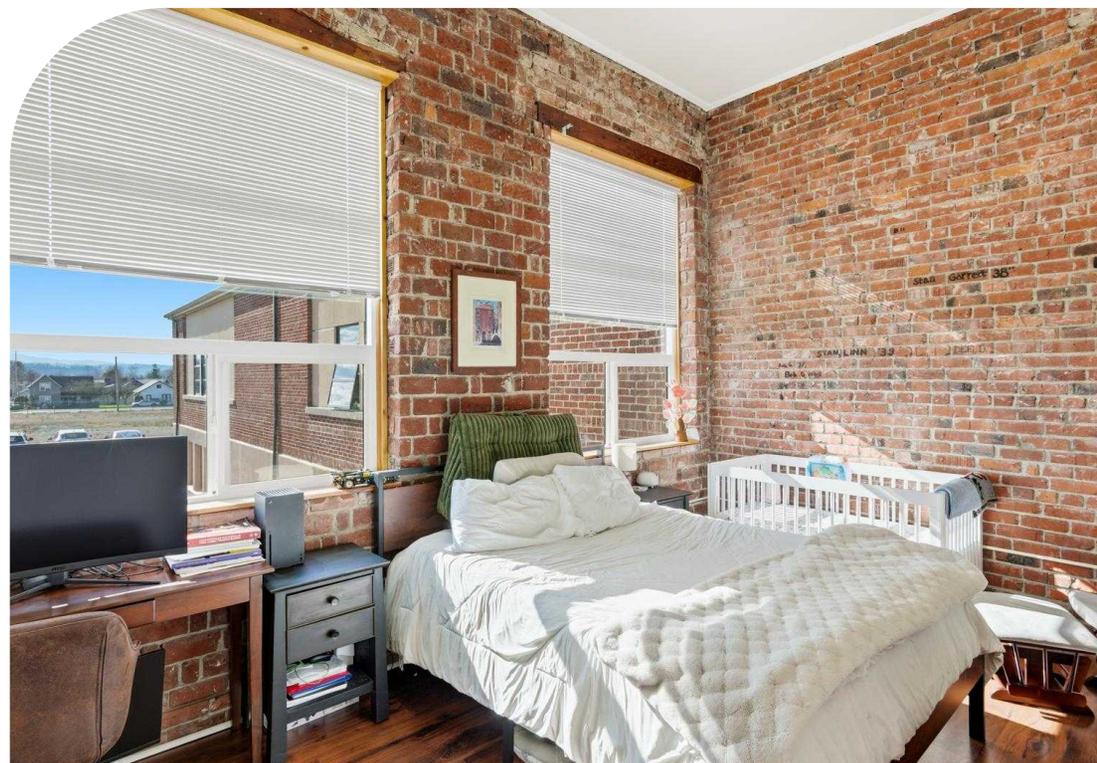
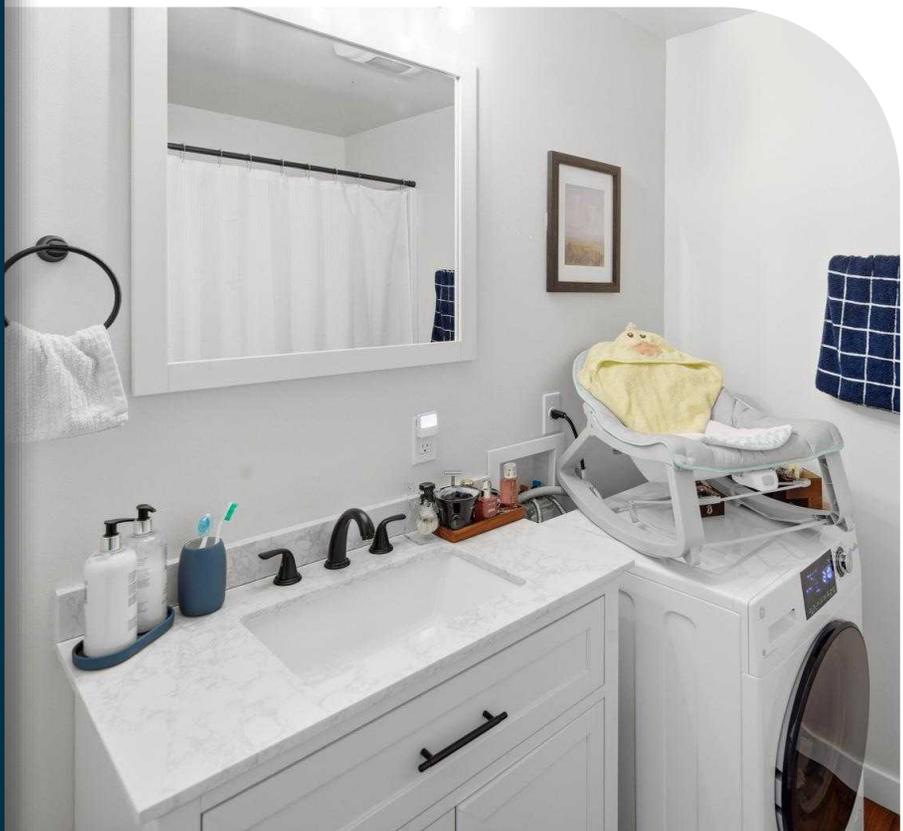
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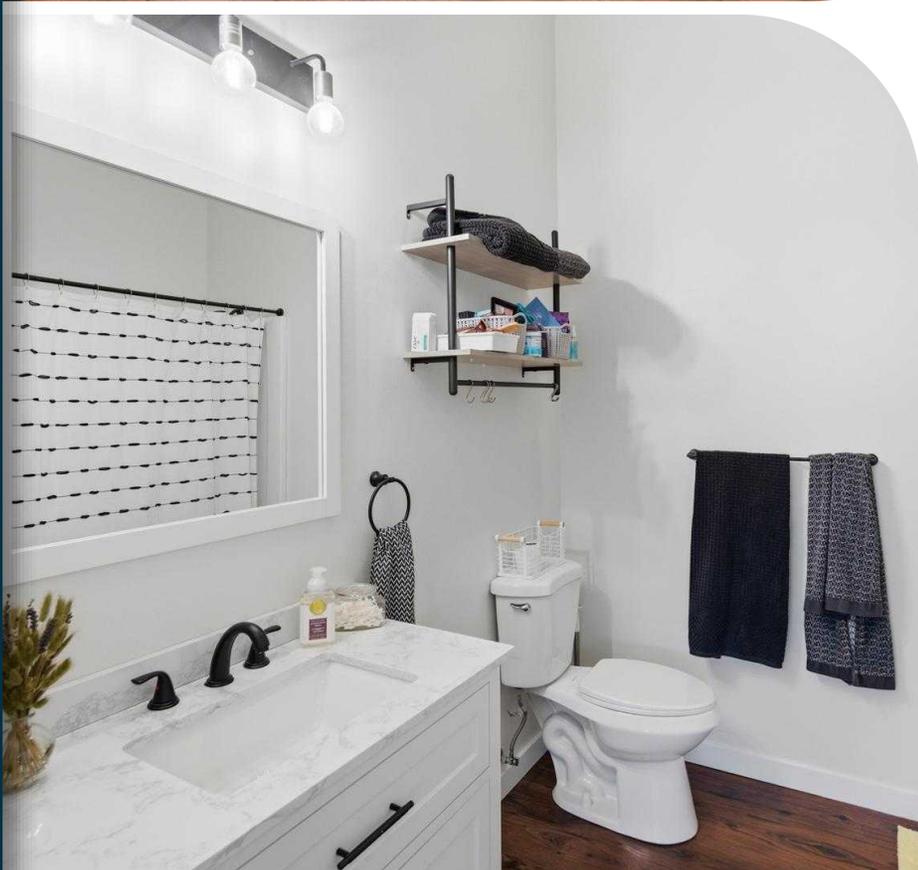


COMMON AREAS









CHEHALIS, WASHINGTON

Cascade School Apartments is located in downtown Chehalis, the county seat of Lewis County, offering strong regional connectivity

Located in downtown Chehalis, the economic center of Lewis County serving 70,000+ residents.

The property benefits from direct access to I-5 and State Route 6, offering strong regional connectivity throughout Southwest Washington.

Walkable downtown location with access to:

- Retail, restaurants, and local businesses
- Parks and recreation
- Government and community services

Downtown Chehalis continues to see ongoing revitalization, supporting long-term growth, increased demand, and a strengthening local economy.

Key Market Fundamentals

- Population Growth: 6–7%
- Population: 30,000+ (projected 32,000+)
- Average Rents: \$1,200 – \$1,600
- Occupancy: 94%+



AREA AMENITIES & REGIONAL EMPLOYERS



RIVERSIDE
 GOLF COURSE

Walmart

Joy's
 Choose Upon A
Thyme

JEREMY'S
 FARM TO TABLE

SOMSIRI THAI

THE QUINCY

experience
CHEHALIS

LOCAL AMENITIES

Centralia Outlets, Yard Birds Mall, Lewis & Clark Railroad & Museum, Willapa Hill Trail Recreation Park, Safeway, Ocean Prime Family Restaurant.

REGIONAL EMPLOYMENT DRIVERS

Darigold, Providence Centralia Hospital, The Home Depot, Great Wolf Lodge, Pacific Mobile Structures, National Frozen Foods, Cardinal Glass Industries, Amazon, Fred Meyer, UNFI, Hampton Lumber, Centralia College.

CASCADE SCHOOL APARTMENTS

FUTURE REGIONAL EMPLOYMENT DRIVER

Amazon Fulfillment / Logistics Facility
 (Planned - Port of Chehalis Industrial Park)

BUILDING DETAILS

Exterior: Clad brick laid in bond

Foundation: Raised concrete

Framing: Original brick load-bearing masonry walls with wood framing

Roof: Composition shingle roof

Windows: Large historic-style metal classroom windows

Plumbing: PEX / CPVC plumbing system

Heat: Electric Cadet wall heaters

Hot Water: Centralized high-efficiency Tankless system

Fire Protection: Commercial fire sprinkler system with monitored backflow

Electrical Infrastructure: Centralized system with individual unit metering

Flooring: Luxury vinyl plank (LVP) flooring with tile in bathrooms

Management: Northwest Property Management

UNIT FEATURES

All units feature spacious layouts with high ceiling and modern finishes including:

- Quartz countertops with tile backsplash
- Shaker-style cabinetry
- Stainless steel appliances
- Undermount stainless steel sinks
- Luxury vinyl plank flooring and tile bathrooms
- In-unit washer/dryers

BUILDING AMENITIES

- Fitness center (gym)
- Recreation room with ping-pong table
- Unfinished indoor basketball court table room

FINANCIAL REVIEW

BUILDING SUMMARY

Total Units	51
Average Residential Unit Size	638
Total Net Rentable	32,560 SF

VALUE

List Price	\$10,250,000
Price Per Unit	\$201,000
Price Per SF	\$315
Current Cap Rate	5.77%
Pro Forma Cap Rate	6.51%

PROPOSED LOAN TERMS

Loan Amount	\$6,150,000
Down Payment (60%)	\$4,100,000
Interest Rate	5.50%
Annual Debt Service	\$419,028

CURRENT INCOME & EXPENSE

Gross Rents	\$756,900
Vacancy	-\$37,845
Operating Expenses	\$199,018
NET OPERATING INCOME	\$591,059

PRO FORMA INCOME & EXPENSE

Gross Rents	\$840,940
Vacancy	-\$42,045
Operating Expenses	\$203,008
NET OPERATING INCOME	\$666,869

INCOME & EXPENSES

INCOME & EXPENSE	CURRENT		PRO FORMA	
		<i>Per Unit</i>		<i>Per Unit</i>
Gross Potential Rent	\$756,900	\$1,237	\$845,940	\$1,382
Less: Vacancy (5%)	-\$37,845	-\$742	-\$42,297	-\$829
Net Rental Income	\$719,055	\$1,175	\$803,643	\$1,313
<u>Other Income</u>				
RUBS	\$30,882	\$606	\$30,882	\$606
Pet Fees	\$7,140	\$140	\$7,140	\$140
Common Area Charges	\$29,400	\$576	\$29,400	\$576
Satellite Income	\$3,600	\$71	\$3,600	\$71
Total Other Income	\$71,022	\$1,393	\$71,022	\$1,393
EFFECTIVE GROSS INCOME	\$790,077	\$15,492	\$874,665	\$17,150

Real Estate Taxes	\$14,724	\$289	\$14,724	\$289
Insurance	\$25,493	\$686	\$25,493	\$500
Utilities	\$42,647	\$836	\$42,647	\$836
Property Management Fee	\$39,504	\$775	\$43,733	\$858
Payroll	\$18,000	\$353	\$18,000	\$353
Repairs & Maintenance	\$40,800	\$800	\$40,800	\$800
Admin & Misc / Legal	\$5,100	\$100	\$5,100	\$100
Capital Reserves	\$12,750	\$250	\$12,750	\$250
TOTAL EXPENSES	\$199,018	\$3,902	\$203,008	\$3,981
<i>Expenses as % of EGI</i>	25%		24%	
NET OPERATING INCOME	\$591,059		\$666,869	

UNIT MIX

TYPE	%	UNITS	AVG SF	TOTAL SF	CURRENT		PRO FORMA	
					AVG RENT	\$ / SF	AVG RENT	\$ / SF
Studio	14%	7	391	2,740	\$995	\$2.54	\$1,093	\$2.79
1X1	51%	26	579	15,066	\$1,200	\$2.07	\$1,369	\$2.36
2X1	35%	18	820	14,754	\$1,384	\$1.69	\$1,419	\$1.82
TOTAL / AVERAGE	100%	51	638	32,560	\$1,237	\$1.94	\$1,374	\$2.15

RENT ROLL

UNIT	TYPE	SF	CURRENT RENT	CURRENT RENT / SF	PRO FORMA RENT	PRO FORMA RENT / SF
100	2X1	827	\$1,395	\$1.69	\$1,500	\$1.87
101	2X1	775	\$1,395	\$1.80	\$1,475	\$1.90
102	1X1	736	\$1,195	\$1.62	\$1,475	\$2.00
103	1X1	746	\$1,195	\$1.60	\$1,395	\$1.87
104	Studio	385	\$995	\$2.58	\$1,050	\$2.73
105	2X1	786	\$1,395	\$1.77	\$1,475	\$1.88
106	2X1	647	\$1,195	\$1.85	\$1,395	\$2.16
107	2X1	647	\$1,395	\$2.16	\$1,475	\$2.28
108	1X1	583	\$1,195	\$2.05	\$1,350	\$2.32
109	1X1	523	\$1,195	\$2.28	\$1,350	\$2.58
110	1X1	608	\$1,170	\$1.92	\$1,395	\$2.29
111	1X1	664	\$1,195	\$1.80	\$1,395	\$2.10
112	1X1	542	\$1,195	\$2.20	\$1,350	\$2.49
113	1X1	450	\$1,195	\$2.66	\$1,350	\$3.00
200	1X1	566	\$1,195	\$2.11	\$1,350	\$2.39
201	1X1	566	\$1,195	\$2.11	\$1,350	\$2.39
202	Studio	416	\$995	\$2.39	\$1,125	\$2.70
203	Studio	416	\$995	\$2.39	\$1,125	\$2.70
204	1X1	615	\$1,195	\$1.94	\$1,395	\$2.27
205	Studio	431	\$995	\$2.31	\$1,125	\$2.61
206	Studio	412	\$995	\$2.42	\$1,125	\$2.73
207	1X1	574	\$1,195	\$2.08	\$1,350	\$2.35
208	2X1	930	\$1,395	\$1.50	\$1,575	\$1.69
209	1X1	584	\$1,195	\$2.05	\$1,350	\$2.31
210	1X1	500	\$1,195	\$2.39	\$1,350	\$2.70
211	2X1	641	\$1,395	\$2.18	\$1,395	\$2.18

RENT ROLL

UNIT	TYPE	SF	CURRENT RENT	CURRENT RENT / SF	INCREASE %	PRO FORMA RENT	PRO FORMA RENT / SF
212	1X1	501	\$1,195	\$2.39	9.68%	\$1,350	\$2.69
213	1X1	522	\$1,195	\$2.29	9.68%	\$1,350	\$2.59
214	2X1	870	\$1,395	\$1.60	9.68%	\$1,500	\$1.78
215	2X1	862	\$1,395	\$1.62	9.68%	\$1,500	\$1.80
216	2X1	848	\$1,395	\$1.65	9.68%	\$1,500	\$1.83
217	2X1	847	\$1,395	\$1.65	9.68%	\$1,500	\$1.83
218	2X1	857	\$1,395	\$1.63	9.68%	\$1,550	\$1.81
219	2X1	870	\$1,395	\$1.60	9.68%	\$1,500	\$1.78
220	2X1	833	\$1,395	\$1.67	9.68%	\$1,550	\$1.86
221	2X1	870	\$1,395	\$1.60	9.68%	\$1,500	\$1.78
222	Studio	300	\$995	\$3.32	5.53%	\$1,050	\$3.50
223	2X1	872	\$1,395	\$1.60	9.68%	\$1,550	\$1.78
224	1X1	536	\$1,195	\$2.23	9.68%	\$1,350	\$2.52
225	2X1	930	\$1,395	\$1.50	9.68%	\$1,550	\$1.72
226	Studio	380	\$995	\$2.62	5.53%	\$1,050	\$2.76
227	2X1	842	\$1,395	\$1.66	-3.23%	\$1,350	\$1.60
228	1X1	525	\$1,195	\$2.28	9.68%	\$1,395	\$2.66
229	1X1	605	\$1,195	\$1.98	9.68%	\$1,395	\$2.31
230	1X1	580	\$1,195	\$2.06	9.68%	\$1,350	\$2.33
231	1X1	606	\$1,195	\$1.97	9.68%	\$1,395	\$2.30
232	1X1	548	\$1,195	\$2.18	9.68%	\$1,350	\$2.46
300	1X1	620	\$1,195	\$1.93	9.68%	\$1,395	\$2.25
301	1X1	573	\$1,350	\$2.36	0.00%	\$1,350	\$2.36
302	1X1	573	\$1,195	\$2.09	9.68%	\$1,350	\$2.36
303	1X1	620	\$1,195	\$1.93	9.68%	\$1,375	\$2.22
TOTAL / AVERAGE		32,560	\$63,075	\$2.02		\$70,075	\$2.25

SALES COMPARABLES

PROPERTY	UNITS	PRICE	SOLD	BUILT	SF	AVG SF	\$/UNIT	\$/SF	CAP
Cascade School Apartments 101 SW 2 nd St, Chehalis	51	\$10,250,000	On Market	1922 / Reno 2024	32,560	638	\$201,000	\$315	5.77% Current 6.51% Pro Forma
① The Rex 410 Franklin St, Olympia	18	\$5,650,000	On Market	1910	16,822	465	\$313,889	\$336	6.94%
② Stateside Flats 210 Bethel St NE, Olympia	27	\$4,900,000	On Market	1970	17,595	652	\$181,481	\$278	6.92%
③ Parkview 4523 Briggs Dr SE, Olympia	72	\$21,315,000	Mar-25	2012	74,556	1,035	\$296,042	\$286	
AVERAGE	39	\$10,621,667			36,324	961	\$272,350	\$292	6.93%



The Cascade School Apartments are being exclusively offered by the Lee & Associates | Northwest Multifamily Team. As part of conducting this offering, the Multifamily Team is available to assist prospective investors with their review of the offering. The team will provide advanced notification to Investors of the bid deadline via email.

Offers should include, at a minimum, the following:

- The purchase price and closing date
- The source of capital, including both equity and debt
- A schedule of current real estate owned
- The amount of earnest money deposit and release timeline
- A detailed schedule of due diligence timelines
- A description of the assumptions utilized for the offer

Please Note: The property is being sold "as is." Buyer shall accept responsibility to verify any and all due diligence materials and conduct any investigations prior to purchase.

Please direct questions regarding this offering and pricing guidance to the Multifamily Team at Lee & Associates Commercial Real Estate Services.

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OFFERING MEMORANDUM

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Lee & Associates (the “Agent”) has been engaged as the exclusive sales representative for the sale of the above addressed property (the “Property”) by ‘Ownership’ (the “Seller”).

This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller’s sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

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