OFFERING MEMORANDUM

Permit-Ready 26-Unit Development Site

927 NW 57th Street

Ballard, Seattle, WA 98107

Offered at $1,400,000

CONFIDENTIAL — FOR QUALIFIED INVESTOR REVIEW ONLY

This document does not constitute an offer to sell securities. See Disclaimer, page 2.

Confidentiality & Disclaimer

This Offering Memorandum ("OM") is provided solely for the confidential use of a limited number of qualified prospective purchasers in connection with their evaluation of the property located at 927 NW 57th Street, Seattle, WA 98107 (the "Property"). It is furnished on the understanding that the recipient will hold it in strict confidence, will not reproduce or distribute it in whole or in part without prior written authorization, and will return or destroy it upon request.

This OM contains brief, selected information about the Property and does not purport to be all-inclusive or to contain all the information a prospective purchaser may require. Neither the Owner, its broker, nor any of their respective officers, employees, or agents make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein. Projections, pro forma figures, rent estimates, and expense assumptions included in this OM are illustrative only, are based on assumptions clearly noted where used, and are not guarantees of future performance. Prospective purchasers should conduct their own independent investigation, due diligence, and underwriting, and should consult their own legal, tax, and financial advisors before acting on any information in this OM.

Zoning, permit, and land use information is summarized from public City of Seattle records believed reliable as of the dates noted on the source documents; prospective purchasers should independently verify current status directly with the Seattle Department of Construction & Inspections (SDCI) prior to relying on it.

This OM is not, and shall not be construed as, an offer to sell or a solicitation of an offer to buy any security. No offering of securities is being made hereby. This is an offering of real property and associated land use entitlements only.

Owner and Broker expressly reserve the right, at their sole discretion, to reject any offer, to withdraw the Property from the market, or to terminate discussions with any party at any time and without notice or liability.

This document was prepared by the listing broker from public records and materials provided by the seller. Figures marked "illustrative," "estimate," or "TBD" require independent verification and are not warranted by the Owner or Broker.

1. Executive Summary

927 NW 57th Street is a 5,001-square-foot infill parcel in Ballard's Hub Urban Village, zoned LR2 (M1), with an approved Streamlined Design Review and an issued City of Seattle construction permit (No. 6749569-CN) for a 26-unit, 4-story-plus-basement small efficiency dwelling unit (SEDU) apartment building. The project carries no on-site parking requirement, and its Mandatory Housing Affordability (MHA) obligation has been satisfied through the performance option (three on-site affordable units) rather than an in-lieu fee.

The offering is priced at $1,400,000 for the land and the associated entitlements/permit package. This is a development opportunity, not a stabilized income-producing acquisition — there is no existing rentable building on the site today. Prospective purchasers should underwrite the total cost to complete construction (land + hard costs + soft costs + financing), not simply the land price, against the pro forma stabilized income shown in Section 7.

Key Facts

Address	927 NW 57th Street, Seattle, WA 98107
Asking Price	$1,400,000
Parcel / APN	276810-0025
Lot Size	5,001 SF (0.115 AC)
Zoning	LR2 (M1) — Ballard Hub Urban Village overlay
Approved Program	26 dwelling units (SEDU/micro-unit), basement + 4 stories, Type V-A construction
Unit Sizes	Approx. 225–330 SF
Parking Required	0 (Urban Village exemption)
Construction Permit	No. 6749569-CN — issued 01/13/2026
Permit Expiration	07/13/2027 (see Section 5 — time-sensitive)
MHA Compliance	Performance option — 3 affordable MHA-R units on-site; $0 in-lieu fee (see Section 5)
Green Building	Enrolled — Built Green 4-Star, Enrollment ID 2020MF198

2. Investment Thesis

- Entitlement risk is largely retired. Design Review is complete and a construction permit has been issued, materially shortening the timeline to a shovel-ready start relative to a raw or unentitled site.
- Zero parking requirement. Location within the Ballard Hub Urban Village removes minimum parking obligations, reducing both construction cost and site-plan complexity.
- MHA obligation satisfied on-site. The affordability requirement is met via three on-site restricted units rather than an open-ended in-lieu payment, which fixes (rather than escalates) the affordability cost — see Section 5 for how this affects projected income.
- Submarket fundamentals. The site sits within walking distance of NW Market Street's commercial corridor and the planned Ballard Link light rail station, in a neighborhood that has continued to add multifamily and townhouse supply.

This thesis should be weighed against the risk factors in Section 8, particularly the fixed permit expiration date, the absence of a verified construction budget, and unit-type-specific rent risk for the SEDU/micro-unit program.

3. Property & Site Description

The subject property is a mid-block parcel on the south side of NW 57th Street between 9th Ave NW and 11th Ave NW in Ballard. The site is relatively flat with a mild north-to-south grade change. The immediately surrounding block is transitional — a mix of early-20th-century single-family homes, multifamily structures, and several recently completed or in-process townhouse and small apartment developments, consistent with the corridor's 2019 rezone from Single Family 5000 to LR2 (M1).

The approved design is a 4-story-plus-basement, Type V-A wood-frame building of 26 SEDU/micro-units ranging from approximately 225 to 330 square feet, with indoor bicycle storage, a ground-level waste/recycling room, and shared outdoor amenity space at the ground level (front and rear yards) rather than a rooftop deck. Exterior materials specified in the approved plans include horizontal cedar siding, painted brick, metal panel accents, and vinyl windows, with projecting bay windows used as the primary secondary architectural feature.

4. Zoning & Entitlement Summary

Zoning	LR2 (M1)
Overlay	Ballard Hub Urban Village; Frequent Transit Service Area
FAR	1.6 (GFA = 11,276 SF)
Base Height Limit	44 ft (+4 ft for a story partially below grade; +4 ft for parapets/rails/firewalls)
Setbacks (as permitted)	Front 5' min · Rear 15' min · Side 5' min / 7' avg for facades over 40'
Amenity Area Required	35% of lot area = 1,571 SF
Bicycle Parking	25 long-term, 1 short-term stalls
Design Review	Streamlined Design Review, Record No. 3035405-EG — Staff directed the project to building permit application; guidance addressed massing at the northwest corner, side-elevation bay scale, and landscape/tree protection

Prospective purchasers should confirm, via an independently ordered issued/stamped plan set from SDCI's permit portal, that the final permitted unit count, dimensions, and massing match the summary above, since design guidance can result in changes between initial Design Review submittal and final permit issuance.

5. Permit, MHA & Title Status

Construction Permit

Construction Permit No. 6749569-CN was issued by SDCI on 01/13/2026, with fees paid of $25,719.21. The permit authorizes construction of a 26-unit multifamily/SEDU building with basement, no separated use, and Type VA construction across R-2 (residential) and S-2 (low-hazard storage) occupancies.

MHA Compliance

Per the MHA Commitment Letter issued by SDCI (dated 08/25/2021), the project's Mandatory Housing Affordability obligation is satisfied through the performance option: a housing agreement recorded on title committing 3 units as affordable MHA-R units, with a resulting required cash contribution of $0.00. This is favorable relative to the in-lieu fee option, but it is a permanent, recorded restriction on those 3 units' rents — it is a below-market income obligation, not a one-time cost, and should be modeled as such (see Section 7).

Green Building Commitment

The project is enrolled in the Built Green 4-Star multifamily certification program (Enrollment ID 2020MF198) and is targeting a 22% energy-use reduction versus the 2015 Seattle Energy Code baseline, per the preliminary verifier letter from Balderston Associates. Built Green non-compliance after 180 days of final inspection carries a $500/day penalty up to 2% of construction value under SMC 23.58D — buyers should confirm certification completion status prior to closing.

Title & Ownership

Public permit and land-use records reflect more than one entity name across the entitlement and permitting history of this project, which is common for sites that move from initial design review through construction permitting over several years and may also reflect a subsequent change in ownership. Prospective purchasers should obtain a current preliminary title report and a full chain-of-title summary from a title company prior to submitting an offer, to confirm the current vested owner, that all entitlements and the issued permit run with the land (rather than being personal to a prior applicant), and that the recorded MHA housing agreement and any other encumbrances are correctly identified.

6. Location & Market Overview

The site is located in Ballard's Hub Urban Village, roughly two blocks north of the NW Market Street commercial corridor and within an approximately 1/8-mile (2.5-minute walk) radius of a mix of townhome, apartment, and single-family development. The immediate neighborhood includes Gilman Playground and several public parks, grocery and retail along NW Market Street and 15th Ave NW, and multiple bus routes; a future Ballard Link light rail station is planned in the vicinity. Several comparable small-lot apartment and townhouse projects have been developed or are in review within a one- to two-block radius, indicating continued builder appetite for this typology in this submarket.

Market narrative is based on City of Seattle planning documents and the broker's area knowledge; it is not a substitute for an independent market study, and no representation is made as to future rents, absorption, or comparable sales.

7. Financial Overview

Because this is a development-stage asset rather than a stabilized property, returns should be underwritten on a cost basis (total project cost to complete construction) rather than as a cap-rate purchase against existing income. The table below presents an illustrative, post-construction, stabilized pro forma only — it is not a substitute for the buyer's own underwriting.

Illustrative Stabilized Pro Forma (Post-Construction)

Line Item	Units / Rate	Annual
Market-Rate SEDU / Micro-Units (23 units)	$1,581/mo (illustrative — see note)	$436,356
MHA-Restricted Units — 60% AMI, 0-BR (3 units)	$1,650/mo (OH published cap, Apr-2025 table)	$59,400
Gross Potential Rent	26 units	$495,756
Less: Vacancy & Credit Loss	5.0% (stabilized assumption)	($24,788)
Effective Gross Income (EGI)		**$470,968**
Less: Operating Expenses	35%–45% of EGI (range — see note)	($164,839)–($211,936)
Net Operating Income (NOI) — illustrative	at 40% opex midpoint	**≈ $282,581**

9. Offering Terms

Asking Price	$1,400,000
Transaction Structure	Direct sale of real property and associated entitlements/permit (asset sale — not a securities offering)
Due Diligence Materials	Design Review packet, issued construction permit, MHA commitment letter, Green Building commitment and checklist, energy model verifier letter — available upon execution of a confidentiality agreement
Offer Submission	Contact listing broker below

This Section is a summary only. Any transaction will be governed by a mutually executed Purchase and Sale Agreement, which will control over any summary contained in this OM.

10. Contact

Daniel Sebryakov, Commercial Realtor

KW Commercial — KW Lake Washington South

707 S Grady Way, Suite 550, Renton, WA 98057

253-797-5858 | seba.real.estate123@gmail.com