PARAGON
REAL ESTATE ADVISORS



HENDERSON ARMS

OFFERING MEMORANDUM



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REAL ESTATE ADVISORS

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OFFERING

Paragon Real Estate Advisors is proud to present the exclusive offering of Henderson Arms Apartments, a value-add multifamily property located in the Rainier Beach neighborhood of Seattle's Rainier Valley submarket. The property presents a compelling opportunity for investors seeking stable in-place income, value-add upside, and long-term ownership in a high-demand and supply-constrained rental corridor.

Henderson Arms Apartments is comprised of a desirable mix of 33-1bed/1bath and 6-2bed/1bth units. The units consist of a blend of updated and classic finishes, offering immediate rental appeal with clear upside through strategic renovations. Building features include double-pane windows, secured entry, private balconies, ample storage and common-area laundry facilities. The property also presents the potential for additional unit development with a largely unutilized full height basement, providing an attractive path to increase density and future income. Off-street parking and a well-maintained residential setting further enhance tenant appeal and retention.

Situated in a strong Seattle rental market, Henderson Arms benefits from convenient access to major transit routes, neighborhood retail, parks, and employment centers throughout Downtown Seattle, Columbia City, and the broader I-5 corridor. The surrounding area continues to experience steady renter demand driven by affordability constraints and proximity to regional job hubs. For investors, Henderson Arms Apartments offers a rare combination of stable cash flow, operational upside, and long-term appreciation potential in one of Seattle's most resilient multifamily markets.





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.

FINANCIAL SUMMARY

NAME	**Henderson Arms**
ADDRESS	4803 S Henderson St
PRICE	$5,800,000
TOTAL UNITS	39
BUILT	1962
SQUARE FEET	25,104 Total Net Rentable
PRICE PER UNIT	$148,718
PRICE PER FOOT	$231.04
CURRENT CAP	4.52%
MARKET CAP	7.11%
LOT SIZE	33,000 Square Feet
ZONING	NC3-55(M)





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INVESTMENT HIGHLIGHTS

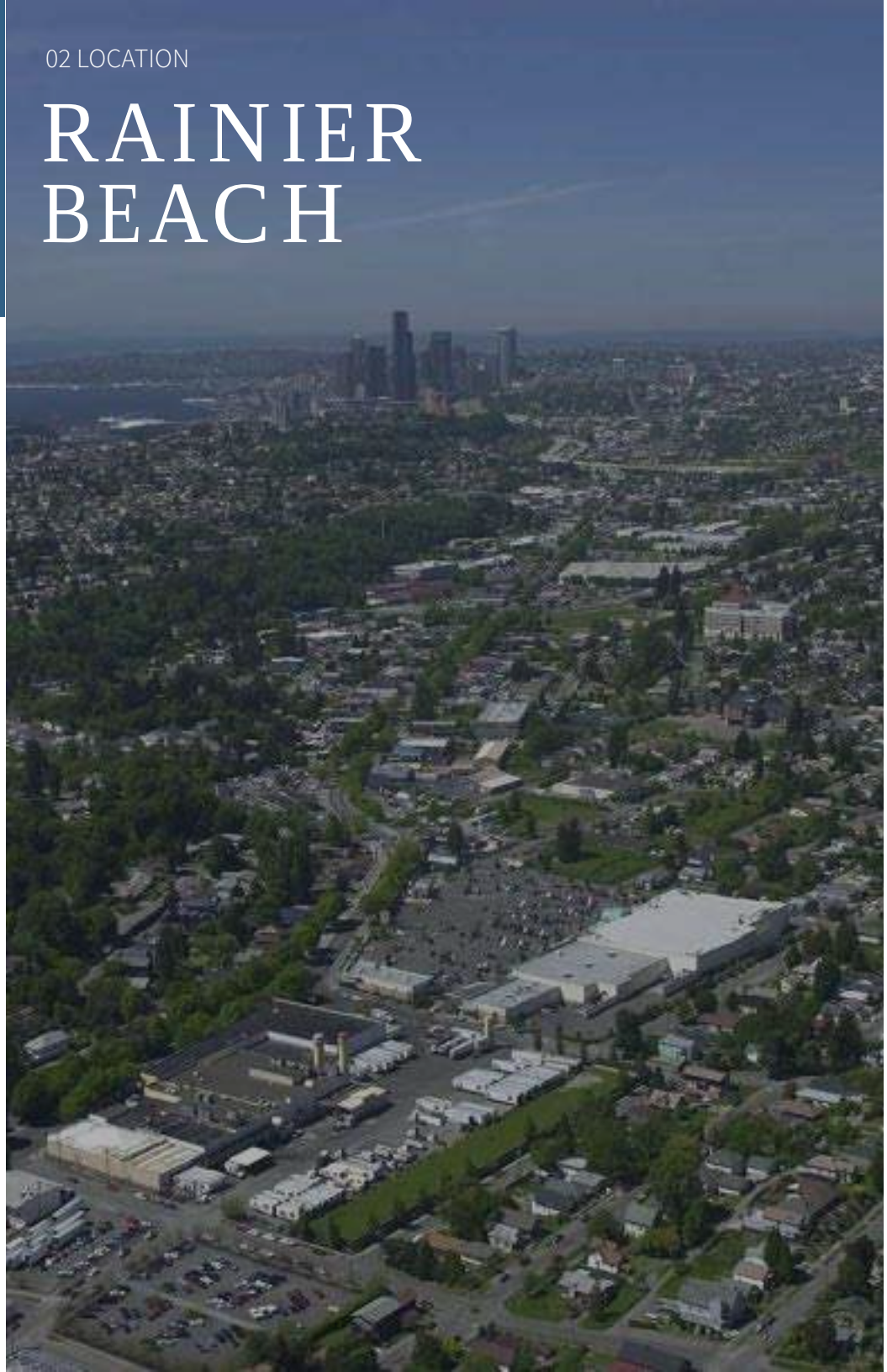
- **Healthy Unit Mix:** 33 one-bedroom/one-bath units and 6 two-bedroom/one-bath units.
- **Value-Add Opportunity:** Approximately one-third of the units have been updated, while the remaining units offer renovation upside.
- **Expansion Potential:** Approximately 3,500 SF of basement space provides the opportunity to add additional units (buyer to verify).
- **Common Laundry:** Provides additional income potential.
- **On-Site Parking:** 39 dedicated parking spaces enhance tenant appeal and provide additional revenue opportunities.
- **Major Capital Improvements + Systems:** Double-pane vinyl windows (2009), roof replaced (2010), upgraded Square D main electrical service (2009), Square D/Cuttler Hammer in-unit panels, and copper plumbing throughout.
- **Excellent Transit & Connectivity:** Less than one-half mile from the Rainier Beach light rail station with convenient access to Downtown Seattle, Bellevue, and major employment centers.
- **Supply-Constrained Submarket:** Limited new multifamily development supports long-term rent growth and occupancy stability.





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RAINIER BEACH



NEIGHBORHOOD ANALYSIS - SEATTLE, WA

The Rainier Beach neighborhood is located in the far southeastern corner of the city of Seattle along the shores of Lake Washington. Rainier Beach is yet another south Seattle neighborhood that is enjoying a resurgence in popularity. Its affordable houses and beautiful views are just a few of its draws. The best attractions here involve nature's splendor. Beer Shiva Park and Pritchard Island Beach fuse together and provide two great sunbathing sites. Farther south is Lakeridge Park, a 35 acre wooded area with flowing water, hiking trails, and shade galore. At the top of the hill in the center of Rainier Beach lies the Kubota Garden, a historical site and magnificent display of landscape architecture. Paths meander amongst native plants, crossing over small streams with footbridges or stepping stones.

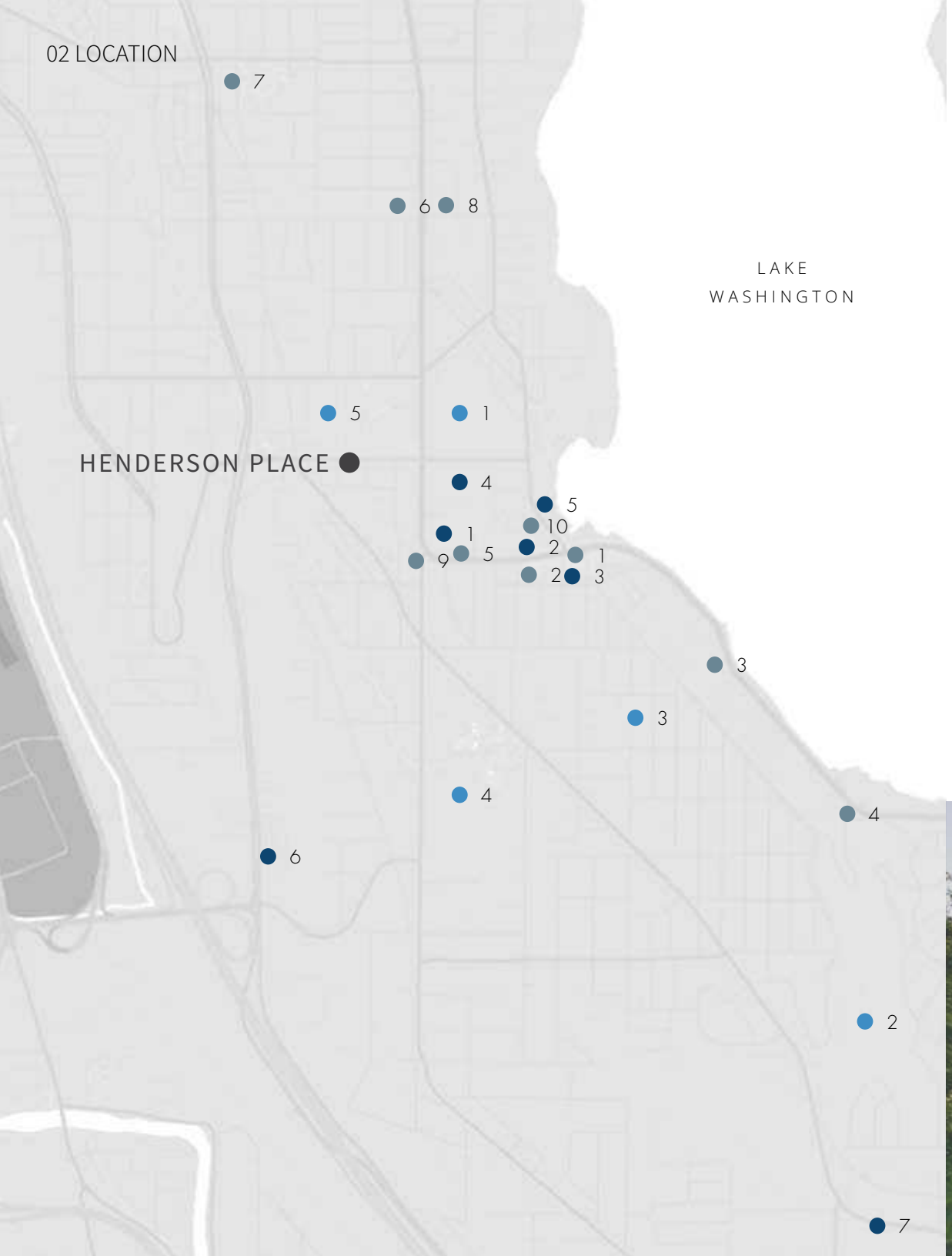
$1,625
Median One Bedroom Rent in 2019

$81,250
Median Household Income*

39%
Renter Occupied Housing*

* based on 2019 Census data

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SHOPS & SERVICES

1. Safeway
2. Seward Park Market
3. AutoZone Auto Parts
4. Planet Fitness
5. Parkshore Marina
6. Public Storage
7. Shell

RESTAURANTS & BARS

1. Jude's Old Town
2. Paranormal Pie
3. The Stonehouse Cafe
4. Pizzeria Pulcinella
5. Starbucks
6. Blue Nile Ethiopian
7. Bang Bang Kitchen
8. Beach Bakery
9. King Donuts
10. Umami Kushi

PARKS & SCHOOLS

1. Rainier Beach High School
2. Lakeridge Park
3. Emerson Elementary
4. Kubota Garden
5. Dunlap Elementary



EXTERIORS


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INTERIORS - CLASSIC UNIT









INTERIORS - UPDATED UNIT









INTERIORS - UPDATED UNIT



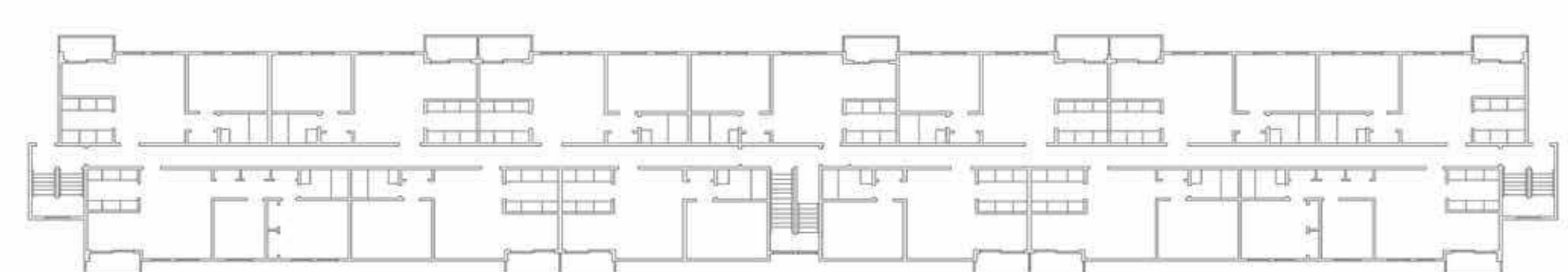




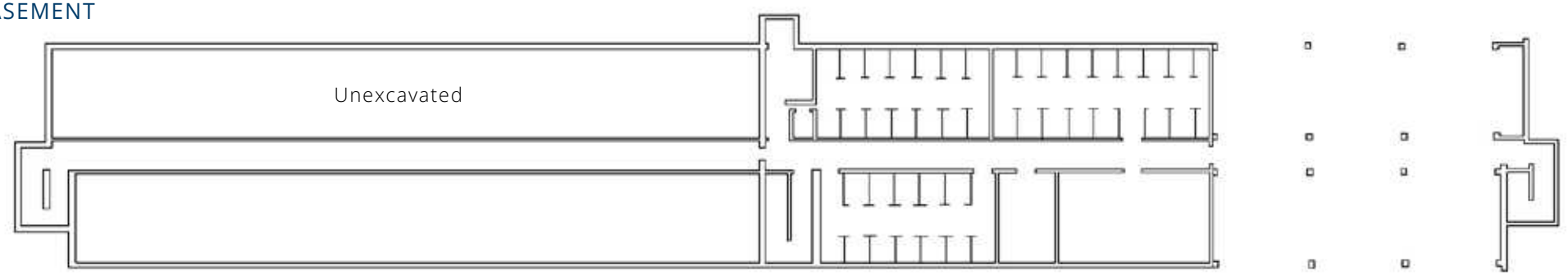


FLOOR PLANS

TYPICAL FLOOR



BASEMENT







INCOME & EXPENSES

INCOME	CURRENT	PROFORMA
Gross Potential Rent	$598,200	$633,600
Less Vacancy	($30,270)	($36,857)
Gross Rental Income	$567,930	$596,743
Utility Income	-	$70,596
Parking Income	-	$11,700
Storage Income	-	$9,360
Laundry Income	$7,200	$7,200
Effective Gross Income	$575,130	$700,276
Less Expenses	($312,964)	($287,650)
Net Operating Income	**$262,166**	**$412,626**

EXPENSES	CURRENT	PROFORMA
Real Estate Taxes	$89,417	$62,870
Insurance	$41,038	$35,100
Utilities	$72,144	$74,308
Repairs & Maintenance	$35,100	$35,100
On-Site / Resident Manager	$21,060	$21,060
Professional Management	$23,005	$28,011
Contract Services	$7,800	$7,800
Turnover	$9,750	$9,750
Admin	$3,900	$3,900
Capital Reserves	$9,750	$9,750
Total Expenses	**$312,964**	**$287,650**

SCHEDULED MARKET RENT
Pro forma scheduled market rent is based on the 6/1/2026 rent roll and an analysis of multifamily rental trends in the surrounding submarket.

VACANCY
Proforma vacancy was underwritten to a traditional 5%.

RUBS INCOME
Current RUBS income represents a 95% reimbursement ratio over the W/S/G Expense.

PARKING
Proforma is $25/space.

STORAGE INCOME
Proforma storage is $20/storage unit.

REAL ESTATE TAXES
Proforma real estate taxes are $1,612 unit, based on the 2026 levy rate and list price.

INSURANCE
Proforma insurance expenses are $900 per unit, based on the current insurance Market.

UTILITIES
Utility expense is $1,849 per unit, reflecting 2025 usage and a proforma projected 3% growth rate.

REPAIRS AND MAINTENANCE
Current and proforma R&M expenses are $900 per unit.

PROPERTY MANAGEMENT
Proforma management fee is 4% of gross operating income along with an on-site management fee of $45/unit, consistent with management practices at comparable properties.

CONTRACT SERVICES
Contract services expenses are $200 per unit, based on market rate operations.

TURNOVER
Current and proforma turnover expenses are $250 per unit.

ADMINISTRATIVE
Proforma administrative expenses are $100 per unit, aligned with current operations at comparable properties.

RESERVES
Proforma replacement reserves are $250 per unit, reflecting the industry standard for funding the periodic replacement of building systems and components.



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SALES COMPARABLES



Henderson Arms

4803 S Henderson St Seattle, WA 98118

Year Built	1962
Units	39
Sales Price	$5,800,000
Price/Unit	$148,718
Price/Foot	$231



Arcadia Manor

809 SW 149th St, Burien, WA 98166

Year Built	1989
Units	20
Sales Price	$3,050,000
Price/Unit	$152,500
Price/Foot	$226
Sale Date	06.22.2026



Crescent Apartments

5201 42nd Ave S, Seattle, WA 98118

Year Built	1963
Units	37
Sales Price	$5,846,300
Price/Unit	$158,008
Price/Foot	$209
Sale Date	04.02.2026



Lilac Lodge Apartments

5033 S 37th Ave, Seattle, WA 98118

Year Built	1969
Units	44
Sales Price	$10,000,000
Price/Unit	$227,273
Price/Foot	$412
Sale Date	02/05/2026



Crestwood Place Apartments

10500 51st Ave S, Seattle, WA 98178

Year Built	1979
Units	26
Sales Price	$3,145,500
Price/Unit	$120,981
Price/Foot	$120,981
Sale Date	11.06.2025



Burien 14

707 SW 156th St, Seattle, WA 98166

Year Built	1959
Units	14
Sales Price	$2,525,000
Price/Unit	$180,357
Price/Foot	$223
Sale Date	10.24.2025



Maple Apartments

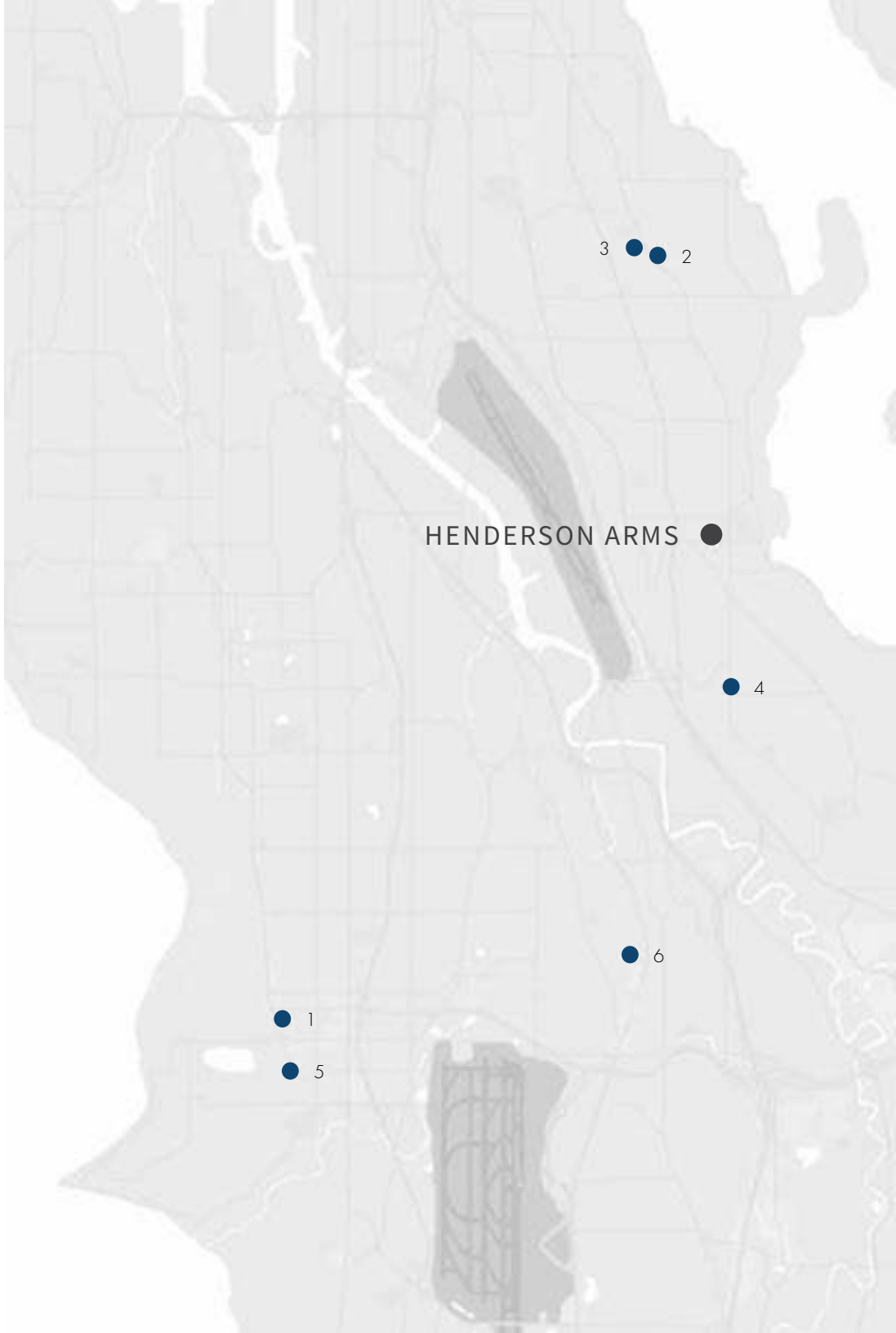
14132 37th Ave S, Seattle, WA 98168

Year Built	1967
Units	14
Sales Price	$2,300,000
Price/Unit	$164,286
Price/Foot	$280
Sale Date	Under Contract

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SALES COMPARABLES

1. **ARCADIA MANOR** - Burien, WA 98166
2. **CRESCENT APARTMENTS** - Seattle, WA 98118
3. **LILAC LODGE APARTMENTS** - Seattle, WA 98118
4. **CRESTWOOD PLACE APARTMENTS** - Seattle, WA 98178
5. **BURIEN 14** - Burien, WA 98166
6. **MAPLE APARTMENTS** - Tukwila, WA 98168



PARAGON REAL ESTATE

$4.5 B
Sales Volume

30
Years in Business

20+
Brokers

48 k
Units Sold



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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 2,00 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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