

The logo for Azul Apartments is centered at the top of the page. It features a white outline of a hexagon with a stylized leaf or flame icon at the top center. Inside the hexagon, the word "AZUL" is written in a large, bold, dark blue sans-serif font. Below "AZUL", the word "APARTMENTS" is written in a smaller, dark blue sans-serif font.

AZUL

APARTMENTS



 **WESTLAKE**
ASSOCIATES, INC.

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Investment Offering

WESTLAKE ASSOCIATES, INC. IS PLEASED TO PRESENT THE AZUL APARTMENTS EXCLUSIVELY FOR SALE.

The Azul apartments is a 33-unit apartment community built in 1992. Twenty-four (24) of the units have large 1 bedroom 1-bathroom layouts (750 Sq. Ft) and the remaining nine (9) units have efficient studio layouts (400 Sq. Ft).

The apartment homes feature low maintenance granite counters in the kitchens, new vanities with quartz counters in the bathrooms, and luxury tile flooring in the kitchen and bathroom areas. The kitchens include dishwashers, built-in microwaves above the ranges, and newer range ovens. 10 of the 33 units have undergone a recent remodel which includes luxury vinyl plank flooring, new lighting, baseboard trim, and fresh interior paint. This opportunity offers an investor a healthy in-place cap rate, and the new investor can continue upgrading flooring as units come available to further achieve rental premiums and value appreciation.



\$4.8M

LIST PRICE

33

OF UNITS

6.68%

MARKET CAP

PROPERTY HIGHLIGHTS

- Newly Branded Exterior
- Large 1-Bedroom Layouts
- 1992 Construction
- Recent Interior Renovation (10/33 Apts.)
- Generous Parking Ratio
- Growing Rental Market

INVESTMENT HIGHLIGHTS

List Price	\$4,800,000
Price per Unit	\$145,455
Price per SF	\$222.22
Current CAP	6.10%
Pro Forma CAP	6.68%
Residential NRSF	21,600 SF
Year Built	1992
Assessor's Parcel	032031-8-023
Site Area	55,334 SF





**AZUL
APARTMENTS**



Property Profile

PROPERTY DETAILS

County	Pierce
Market	South Tacoma
Land Use	Apartment
Style	Low-Rise / Garden
APN#	032031-8-023

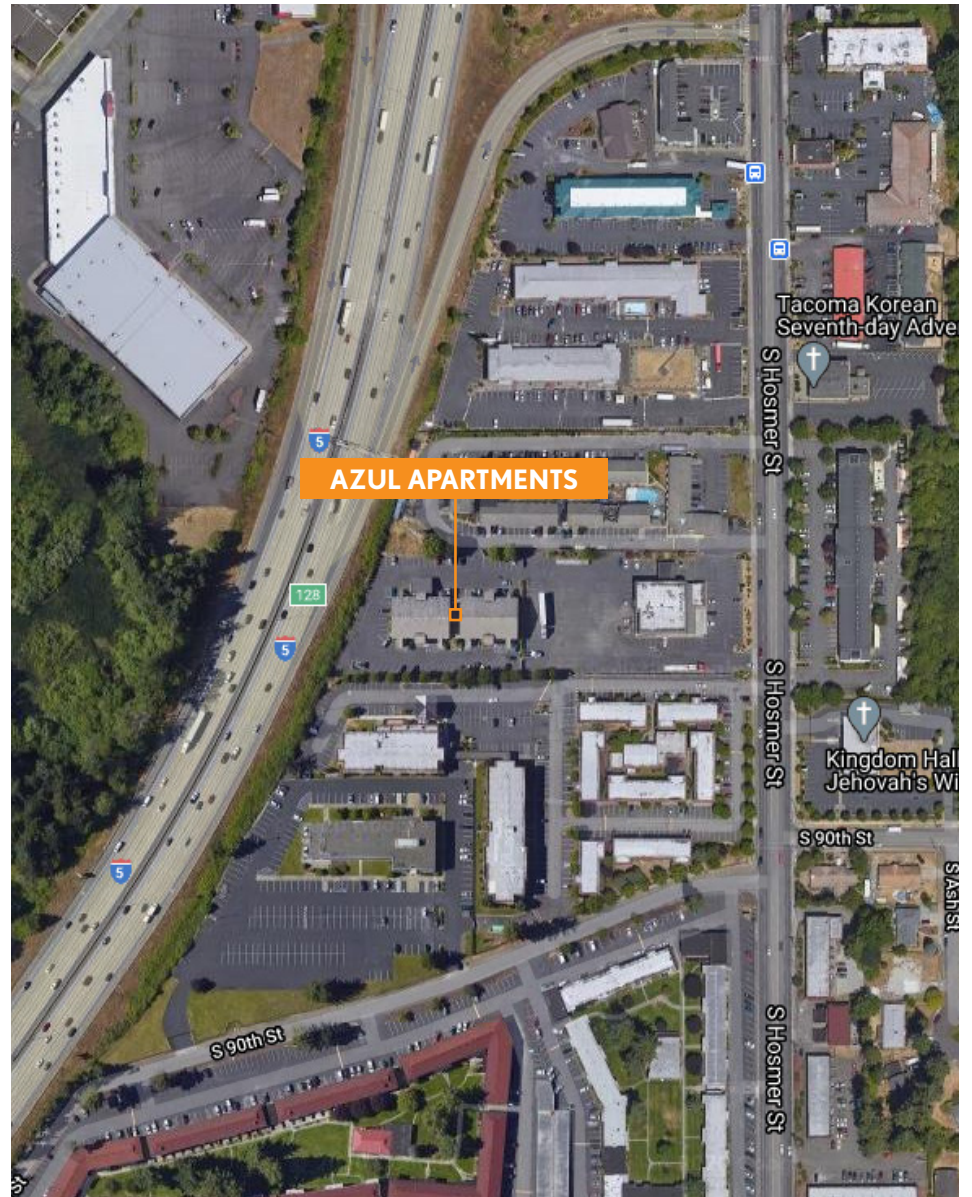
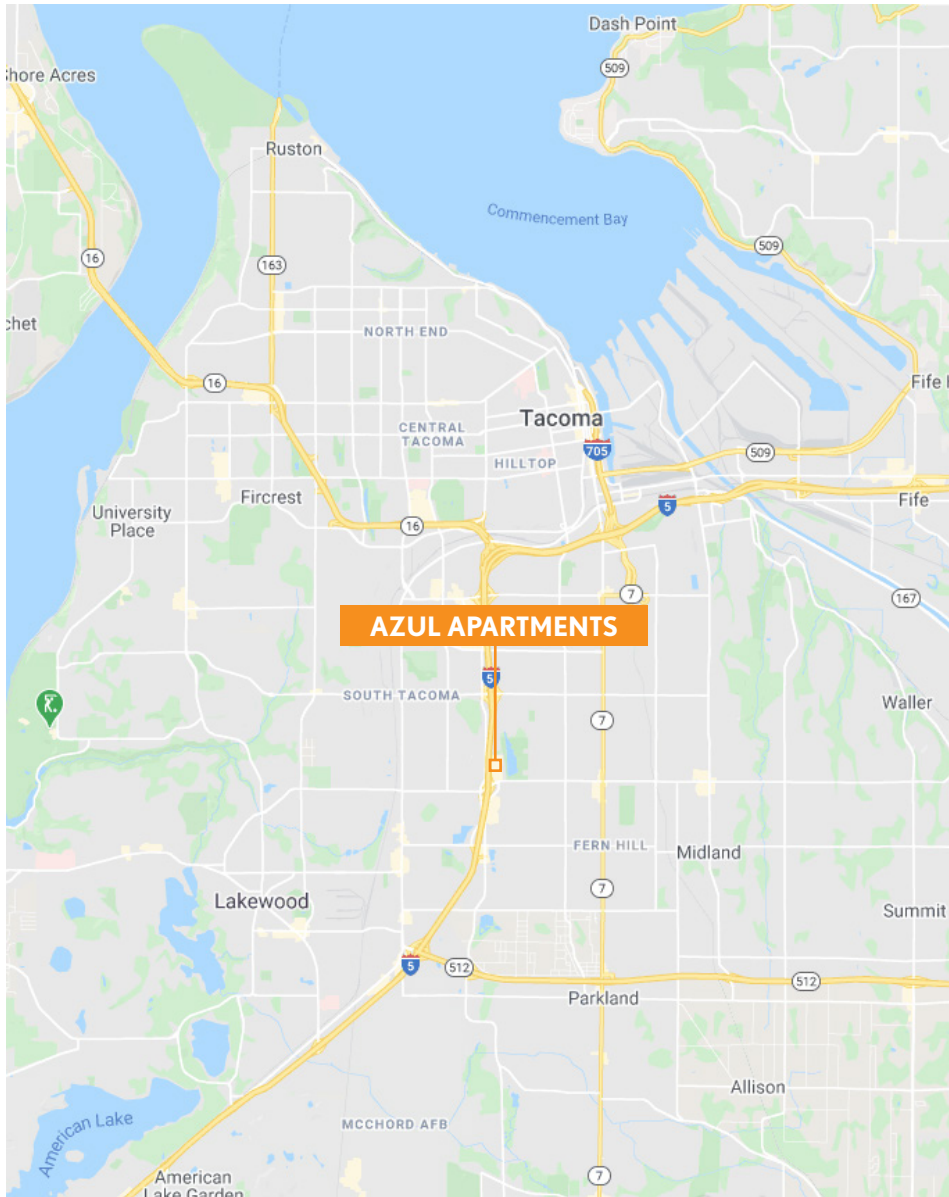


BUILDING INFORMATION

Name	Azul
Address	8740 S Hosmer St
Year Built	1992
# of Buildings	2
# of Floors	2
# of Units	33
Lot Size	55,334 SF
Net Rentable SF	21,600 SF
Construction	Wood
Heat	Electric Forced Air
Roof	Composition
Laundry	Common
Parking	Surface



Location



Financial Analysis

PRICE ANALYSIS

PRICE	\$4,800,000
Price per Unit	\$145,455
Price per NRSF	\$222.22
Price per Land SF	\$86.74
Current Cap	6.10%
Current GRM	9.65
Market Cap	6.68%
Market GRM	9.12

PROPOSED FINANCING

Loan Amount	\$3,600,000
Down Payment	\$1,200,000
Rate	3.000%
% Down	25.0%
Amortization	30 Years
Term	5 Years
Monthly Payment	\$15,177
Annual Payment	\$182,133

UNIT TYPE	# OF UNITS	AVG SIZE	CURRENT	PSF	MARKET	PSF
STUDIO	9	400	\$950	\$2.38	\$950	\$2.38
1BD 1BA	24	750	\$1,150	\$1.53	\$1,250	\$1.67
TOTAL AVG	33	21,600	\$36,150	\$1.67	\$38,550	\$1.78

INCOME

	CURRENT	MARKET
Scheduled Rent Income	\$433,800	\$462,600
+ Other Income	\$3,000	\$3,000
+ Utility Bill Back	\$59,400	\$59,400
+ Laundry	\$1,200	\$1,200
Scheduled Gross Income	\$497,400	\$526,200
- Vacancy & Credit Losses	5.00% (\$24,870)	(\$26,310)
Gross Income	\$472,530	\$499,890

EXPENSES

	CURRENT	MARKET
Real Estate Taxes (2020)	\$30,634	\$48,000
Property Insurance	\$8,000	\$8,000
Professional Management (5%)	\$23,627	\$24,995
Utilities W/S/G/E	\$50,000	\$40,000
Payroll / Administration	\$26,400	\$26,400
Maintenance / Turnover	\$33,000	\$33,000
Reserves	\$8,250	\$8,250
Total Expenses	\$179,911	\$179,045

OPERATING DATA

	CURRENT		MARKET	
Net Operating Income	\$292,619		\$320,846	
Less Loan Payments	(\$182,133)		(\$182,133)	
Pre-Tax Cash Flow	\$110,486	9.21%	\$138,713	11.56%
Plus Principal Reduction	\$75,161		\$75,161	
Total Return Before Taxes	\$185,647	15.47%	\$213,873	17.82%

Rent Roll

UNIT	UNIT TYPE	SF	CURRENT BASE RENT	RENT / SF	UTILITY BILL BACK	MARKET	RENT / SF
150	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37
151	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
152	1BR	750	\$1,250.00	\$1.66	\$150.00	\$1,250	\$1.66
153	1BR	750	\$1,250.00	\$1.66	\$150.00	\$1,250	\$1.66
154	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37
155	1BR	750	\$1,250.00	\$1.66	\$150.00	\$1,250	\$1.66
156	1BR	750	\$1,050.00	\$1.40	\$150.00	\$1,250	\$1.66
157	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
158	1BR	750	\$500.00	\$0.66	\$150.00	\$1,250	\$1.66
159	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
160	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
161	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37
162	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
163	1BR	750	\$950.00	\$1.35	\$150.00	\$1,250	\$1.66
164	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
165	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37

Rent Roll (cont'd)

UNIT	UNIT TYPE	SF	CURRENT BASE RENT	RENT / SF	UTILITY BILL BACK	MARKET	RENT / SF
251	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
252	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
253	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
254	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37
255	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
256	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
257	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
258	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
259	1BR	750	\$1,043.00	\$1.39	\$150.00	\$1,250	\$1.66
260	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
261	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37
262	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
263	1BR	750	\$1,050.00	\$1.40	\$150.00	\$1,250	\$1.66
264	1BR	750	\$1,150.00	\$1.53	\$150.00	\$1,250	\$1.66
265	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37
363	Studio	400	\$950.00	\$2.37	\$150.00	\$950	\$2.37
TOTAL AVG	33	21,600 SF	\$36,150	\$1.67	\$4,950	\$38,550	\$1.78

Interior Photos



Interior Photos



Rent Comparables



PACIFIC POINTE

1801 S 84th St | 98444

OF UNITS 106
YEAR BUILT 1971

UNIT MIX	# UNITS	SF	RENT	PSF
1BD 1BA	1	725 SF	\$1,125	\$1.55



BLUE BIRD

1717 S 84th St | 98444

OF UNITS 87
YEAR BUILT 1988

UNIT MIX	# UNITS	SF	RENT	PSF
1BD 1BA	1	950 SF	\$1,095	\$1.15



CROWN POINTE

2611 84th St S | 98499

OF UNITS 76
YEAR BUILT 1989

UNIT MIX	# UNITS	SF	RENT	PSF
1BD 1BA	1	743 SF	\$1,219	\$1.64



ALADDIN-CAMELOT

9318 S Steele St | 98444

OF UNITS 529
YEAR BUILT 1964

UNIT MIX	# UNITS	SF	RENT	PSF
1BD 1BA	1	880 SF	\$1,095	\$1.24

Sales Comparables

AZUL

8740 Hosmer St
Tacoma, WA 98444



SUBJECT PROPERTY

LIST PRICE \$4,800,000
TOTAL SF 21,600 SF
PRICE / SF \$222.22
PRICE / UNIT \$145,455
CAPRATE 6.10%
GRM 9.65

BUILDING INFO

YEAR BUILT 1992
OF UNITS 33
BUILDING SF 21,600 SF
LOT SF 55,334 SF

SUNRISE TERRACE

8819 Pacific Ave
Tacoma, WA 98444



SALE COMPARABLE

SALE DATE 01/29/2021
ASKING PRICE \$3,400,000
TOTAL SF 14,610 SF
PRICE / SF \$232.72
PRICE / UNIT \$161,904
CAPRATE 4.80%
GRM 11.46

BUILDING INFO

YEAR BUILT 2002
OF UNITS 21
BUILDING SF 14,610 SF
LOT SF 37,462 SF
ZONING R2

Sales Comparables

PACIFIC SQUARE

6801 Pacific Ave
Tacoma, WA 98408



SALE COMPARABLE

SALE DATE 10/06/2020
SALE PRICE \$1,475,000
TOTAL SF 6,312 SF
PRICE / SF \$233.68
PRICE / UNIT \$147,500
CAP RATE 5.00%
GRM 12.00

BUILDING INFO

YEAR BUILT 1978
OF UNITS 10
BUILDING SF 6,312 SF
LOT SF 12,502 SF
ZONING R4-L

MADRONA

3001-3015 S Tyler St
Tacoma, WA 98409



SALE COMPARABLE

SALE DATE 01/28/2019
SALE PRICE \$3,197,000
TOTAL SF 14,894 SF
PRICE / SF \$214.65
PRICE / UNIT \$159,850
CAP RATE 6.00%
GRM -

BUILDING INFO

YEAR BUILT 1992
OF UNITS 20
BUILDING SF 14,894 SF
LOT SF 26,572 SF
ZONING R4-L

Sales Comparables

SHERWOOD FOREST

8100-8408 Sherwood Forest St SW
Tacoma, WA 98498



SALE COMPARABLE

SALE DATE 08/28/2020
SALE PRICE \$2,348,400
TOTAL SF 12,176 SF
PRICE / SF \$192.87
PRICE/UNIT \$146,775
CAPRATE -
GRM -

BUILDING INFO

YEAR BUILT 1963
OF UNITS 16
BUILDING SF 12,176 SF
LOT SF 41,818 SF
ZONING R3

COTTONWOOD

123 100th St S
Tacoma, WA 98444



SALE COMPARABLE

SALE DATE 10/10/2018
SALE PRICE \$3,050,000
TOTAL SF 21,060 SF
PRICE / SF \$144.82
PRICE/UNIT \$152,500
CAPRATE 6.00%
GRM -

BUILDING INFO

YEAR BUILT 1998
OF UNITS 20
BUILDING SF 21,050 SF
LOT SF 38,999 SF
ZONING MHR

Sales Comparable Summary

SALE COMPS	# OF UNITS	PRICE	BLDG SF	PRICE / SF	PRICE / UNIT	CAP	GRM	CLOSE
SUBJECT PROPERTY 8740 Hosmer St	33	\$4,800,000	21,600 SF	\$222.22	\$145,455	6.10%	9.65	
SUNRISE TERRACE 8819 Pacific Ave	21	\$3,400,000	14,610 SF	\$232.72	\$161,904	4.80%	11.46	01/29/2021
PACIFIC SQUARE 6801 Pacific Ave	10	\$1,475,000	6,312 SF	\$233.68	\$147,500	5.00%	12.00	10/06/2020
MADRONA 3001-3015 S Tyler St	20	\$3,197,000	14,894 SF	\$214.65	\$159,850	6.00%	-	01/28/2019
SHERWOOD FOREST 8100-8408 Sherwood Forest St SW	16	\$2,348,400	12,176 SF	\$192.87	\$146,775	-	-	08/28/2020
COTTONWOOD 123 100th St S	20	\$3,050,000	21,060 SF	\$144.82	\$152,500	6.00%	-	10/10/2018
COMP AVG		\$2,694,080	13,810 SF	\$203	\$153,705	5.45%	11.73	

Site Demographics & Amenities

WHAT'S NEARBY

RETAIL

WinCo Foods	Tacoma Mall
Safeway	Costco
Fred Meyer	The Home Depot
H Mart	QFC
Regal Lakewood & RPX'	
Bass Pro Shops	
Pal-Do World Market	

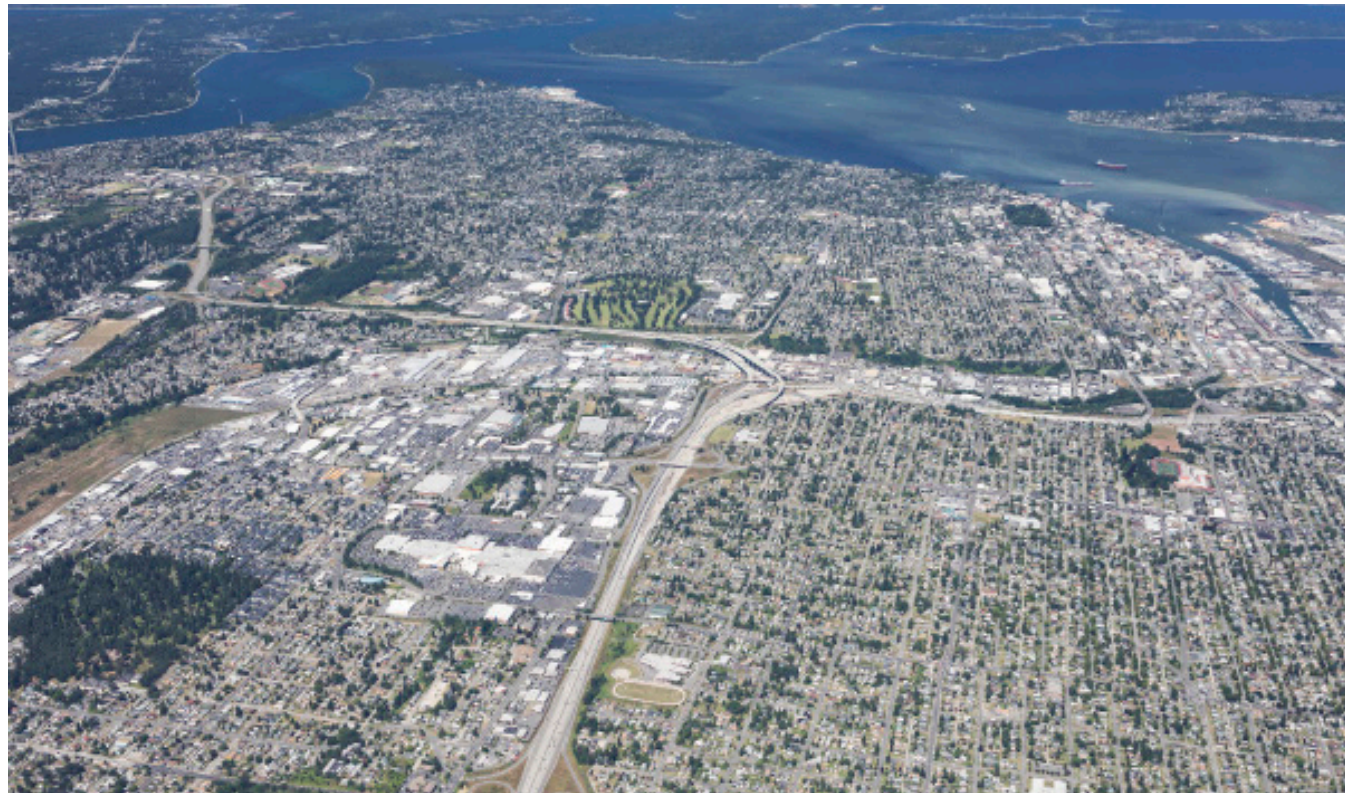
FOOD & DRINKS

Denny's	Starbucks
i5 Pho	Elmer's Restaurant
Takos Koreanos	Red Lobster
Ichiban Teriyaki	Famous Dave's BBQ
Batdorf Bronson Coffee	Dairy Queen
Ming Palace	Homestead Restaurant
Jinza Teriyaki	Coffee Kitchen
Shons Espresso	New Gangnam BBQ
Subway	MaMa's Pho
Toast to Toast Restaurant	Olive Garden
Sweet Rice	Applebee's Grill
Lakewood Bar & Grill	Pho Tai
Little Jerry's	Big Foot Java
Papa Murphy's	Lakewood Black Bear
Gloria's Bar & Grill	AAA King Buffet
KFC	Taco Time
Domino's Pizza	Wendy's
Hong Kong	Taqueria La Carreta
Round Table Pizza	Ho Soon Yi
Jimmy John's	Monster Burgers
IHOP	Dawson's Bar & Grill

SCHOOLS & SERVICES

Helen B Stafford Elementary	
Bates Technical College	Kaiser Permanente Medical
Birney Elementary	Pacific General Clinic
Baker Middle School	Pacave Health-Wellness
Larchmont Elementary	Tacoma Public Library

POPULATION	1-MILE	3-MILE	5-MILE
Total Population	23,191	134,395	275,557
Growth 2020 - 2025 (est.)	1.7%	1.6%	1.6%
Median Age	32.2	33.2	34.7
HOUSEHOLDS & INCOME	1-MILE	3-MILE	5-MILE
Total Households	8,663	50,648	104,603
Median HH Income	\$44,894	\$52,106	\$57,893
Renter Occupied Housing	67.17%	55.66%	49.53%



Tacoma

CLEAR VIEWS OF MOUNT RAINIER and the glistening water of the Puget Sound offer a dramatic backdrop for Washington's third largest city. Tacoma is one of the West's most ecologically diverse areas with an abundance of sea life at its shores and frequent bald eagle sightings in its skies.

The city is a destination spot for tourism, residents, and more and more a choice location for growing businesses. By offering tax and other incentives to businesses that expand or move here, Tacoma continues to look for ways to capitalize on its status as a gateway to the Pacific Rim. With the port a day closer to Asian countries than California's ports, trade continues to be an important facet of business in the new Tacoma.

Tacoma is a city that bursts with culture and history. The Historic Union Station is a monument to the city's railroad heritage. Capped by its gleaming copper dome, it now serves as a federal court house. Next door is the Washington State History Museum with mirror image arches that honor the history of the old station. Furthermore, the Tacoma Dome is the largest wood-domed arena and hosts an array of sporting events, tradeshow, and big-named concerts.

The second-largest urban park in the nation sits in the city of Tacoma. Point Defiance Park is only one of nearly 100 parks in Tacoma. The park spans more than 700 acres with gardens, beaches, forests, "Never Never Land" theme park for kids and a world-class zoo and aquarium.

With its freshwater lakes and miles of Puget Sound waterways, the area provides year-round activities for outdoor enthusiasts, including fishing, sailing, scuba diving, beach combing, camping and sea kayaking.

Tacoma remains a destination spot with the amenities of a big city and the charm of a small town. An ever-changing city, full of potential and excitement, Tacoma is poised to embrace the future.



Puget Sound Summary

Set in the beautiful Pacific Northwest, the greater Seattle area is a national center for manufacturing, technology, services, international trade and tourism.

MAJOR EMPLOYERS

Today some of the world's most recognizable Fortune 500 companies call Seattle home: Microsoft, Starbucks, Amazon, Nordstrom, Costco and REI. Other major companies in the area include Boeing, T-Mobile, Expedia, F5 Networks and Nintendo of America.

According to the Puget Sound Business Journal, technology companies are leading the way in employment growth in the Seattle MSA. As the home of Microsoft and Amazon, Seattle accounts for over 20% of the nation's software publishing employment. Microsoft is one of the top employers in the state with over 42,000 employees. Their World Headquarters, located in Redmond is over 10 million square feet.

The Puget Sound has become an international leader in innovative industries with organizations such as the Fred Hutchinson Cancer Research Center, the University of Washington Medical Center and the Bill and Melinda Gates foundation. Healthcare employment is projected to continue to grow dramatically and Seattle has the 5th largest biotechnology Research and Development alliance between the University of Washington and the Fred Hutchinson Cancer Research Center.

The Puget Sound is one of the capitals of the aerospace industry anchored by Boeing, the world's largest aerospace company, second-

largest maker of large commercial jets, and second largest global defense contractor. Boeing is one of the largest employers in the Puget Sound, employing approximately 80,000 in Washington.

Employment is expanding through the greater Seattle area. The Puget Sound region is projected to generate 1.2 million new jobs by 2040.

INTERNATIONAL TRADE

Seattle has remained one of the most resilient cities due to its diverse industries, making it more attractive for new companies to relocate and expand in the area. The Port of Seattle, which also operates the Seattle-Tacoma International Airport, is a major gateway to Asia and cruises to Alaska. The Port of Seattle ranks as the 6th business seaport in the US, playing a key role in bringing international trade, transportation and travel to the Pacific Northwest.

RECREATION

The region is known for its quality of life, arts, and outdoor lifestyle which helps attract an educated workforce. Numerous camping, hiking, winter sports, and recreational activities are located a short drive from the city. Seattle's main attractions include Pike Place Market, the Space Needle, and Seattle Center, home of the 1962 World's Fair. Seattle is home to a number of professional sports teams including the 2013 Super Bowl champions, the Seattle Seahawks, the Seattle Mariners, and the Seattle Sounders FC soccer team.

PUGET SOUND LARGEST EMPLOYERS

 <p>80,000 Employees</p>	<p>JOINT BASE LEWIS-MCCHORD</p> <p>56,000 Employees</p>
 <p>42,000 Employees</p>	 <p>25,000 Employees</p>
 <p>40,000 Employees</p>	 <p>20,000 Employees</p>
 <p>20,000 Employees</p>	 <p>10,000 Employees</p>
 <p>15,000 Employees</p>	 <p>King County</p> <p>13,000 Employees</p>

About Westlake



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Since 1975, Westlake Associates, Inc. has been the premier provider of commercial real estate brokerage services in the Puget Sounds Region.

Our unsurpassed commitment to creating and preserving our clients' real estate investment wealth has resulted in thousands of successful transactions and a long history of repeat business and client referrals.

The professionals at Westlake Associates collaboratively work with clients to develop customized, creative solutions designed to maximize investment returns.

We've built a strong foundation of experience in Investment Property Sales, Commercial Leasing, Property Management, and comprehensive real estate services over our 40 year history. We operate as a team and leverage each other's resources and experience to provide the highest level of client services.

PROUD MEMBERS OF:

Commercial Brokers Association (CBA)

Northwest Multiple Listing Services (NWMLS)

LoopNet National Listing Services

CoStar Commercial Real Estate Data & National Listing

Commercial Investment Real Estate (CREI)

Washington State Realtors Association (WSMA)

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