OFFERING MEMORANDUM

PACIFIC MANOR

21-unit light value-add opportunity located in Tacoma, WA

7611 PACIFIC AVE, TACOMA, WA 98408

Kidder Mathews

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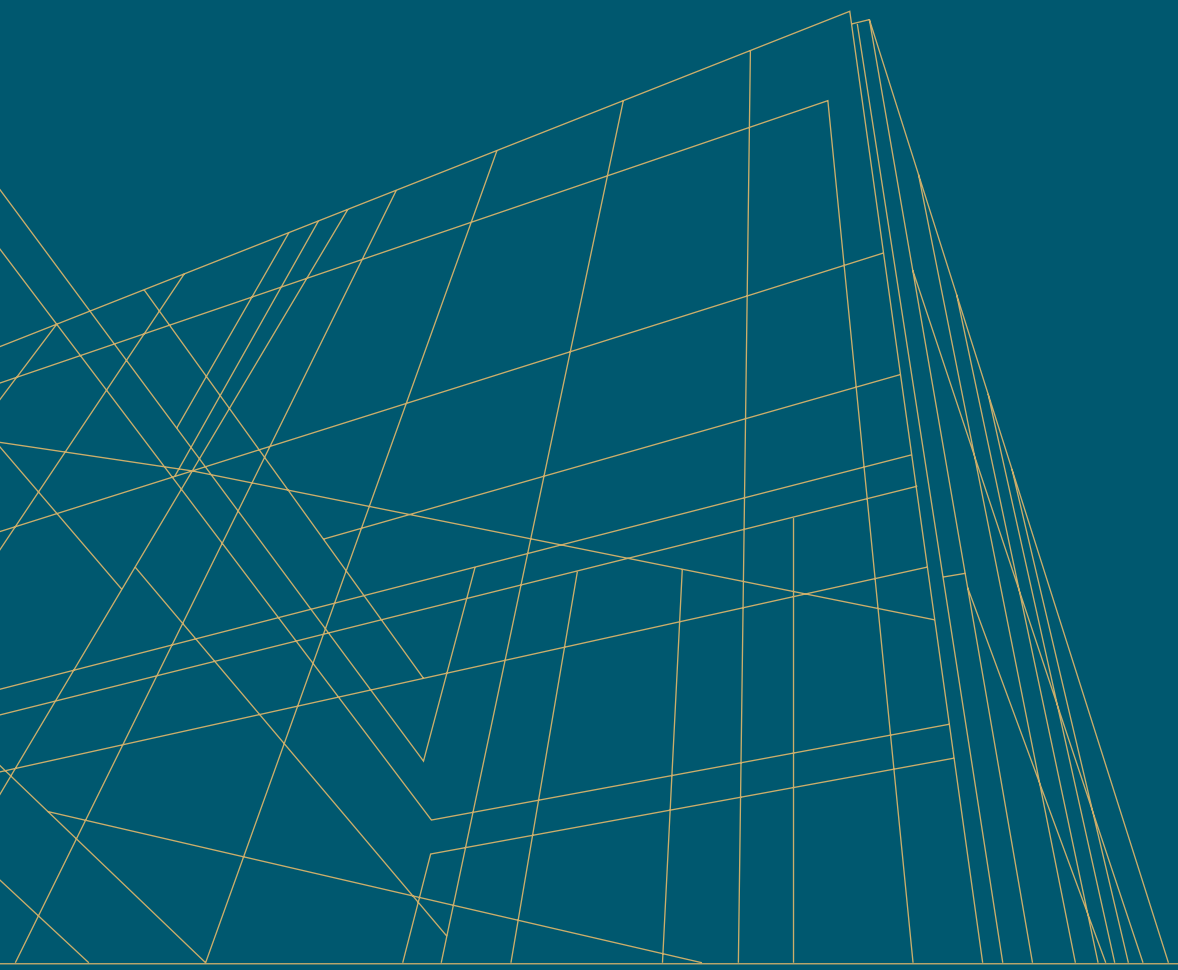


EXECUTIVE SUMMARY

Section 01

A 21-unit light value add opportunity located on Pacific Ave in Tacoma, WA.

Built in 1973 and offered for sale to investors for the first time ever, Pacific Manor is an excellent opportunity for investors seeking a well-maintained 21-unit multifamily property with immediate upside potential. Located in a high-demand area just steps from major public transit lines, this asset offers a strong tenant base and room for value creation through light renovations or rent adjustments. Pacific Manor consists of 13 2-bedroom units and 8 1-bedroom units, ample surface parking and well-maintained property grounds. One of the three buildings has been completely renovated from ground up due to a recent fire. The new structure contains brand new property systems and modern interior finishes – a rare fine in today's market.

Pacific Manor is well suited for buyer seeking stable income with immediate NOI growth opportunities. Priced below replacement costs, Pacific Manor offers both current cash flow and future appreciation in a supply constrained submarket.

We invite you to review the offering memorandum for Pacific Manor. Please contact Austin Kelley or Ted Sipila to schedule a tour.

Pricing	*$3,400,000*
Price Per Unit	*$161,904*
Current Cap Rate	*6.35%*

OFFER REQUIREMENT

The purchaser of Pacific Manor is responsible for presenting sellers with proposed terms and conditions for the transfer of ownership. All offers must be submitted to listing brokers and must include the following terms and information:

- Purchase Price
- Earnest money deposit, including non-refundable portion and timing of deposits
- Timing for due diligence and post diligence closing period
- Source of funds for acquisition

PROPERTY INFORMATION

ADDRESS	7611 Pacific Ave Tacoma, WA 98408
PARCEL NUMBER	7850000630 / 7850000650
NO OF UNITS	21
TOTAL SITE COVERAGE	0.79 AC
YEAR BUILT	1973 / 2025
PARKING	On-site
LAUNDRY	In unit / on site common area
EXTERIOR	Wood Siding
HEATING	Electrical cadet / electric in ceiling
ELECTRICAL	Copper
PLUMBING	PEX

UNIT MIX

Unit Type	SF	# of Units	Avg In-Place Rent	Pro Forma Rents	Pro Forma $/SF
1 Bed / 1 Bath	576	8	$1,169	$1,250	$2.17
2 Bed / 1 Bath	864	8	$1,350	$1,500	$1.74
2 Bed / 1 Bath (New)	864	4	$1,600	--	--
2 Bed / 1 Bath (New)	864	1	$1,750	*washer & dryer in this unit	

MULTICARE ALLENMORE HOSPITAL
16
TACOMA
TACOMA DOME
INTERSTATE 5
ALLENMORE GOLF COURSE
FIFE
TACOMA CENTRAL
COSTCO WHOLESALE
TACOMA MALL
GLAUDRONE MIDDLE SCHOOL
STEWART HEIGHTS PARK
CHAMBERS BAY GOLF COURSE
SAFEWAY
WAPATO PARK
IDEA HIGH SCHOOL
AV FAWCETT ELEMENTARY
72ND STREET SQUARE
TAHOMA VISTA SHOPPING CTR
TACOMA PLACE
BIRNEY ELEMENTARY
SUBJECT PROPERTY
CLOVER PARK TECHNICAL COLLEGE
BATES TECHNICAL COLLEGE
BAKER MIDDLE SCHOOL
LAKEWOOD
INTERSTATE 5
LAKEWOOD TOWNE CENTER
512
N
MCCHORD AFB

INVESTMENT HIGHLIGHTS

VALUE-ADD POTENTIAL

- Below-market rents with significant upside through interior renovations and modernization. 16 of the 21-unit are in original finishes
- Opportunity to implement RUBS (Ratio Utility Billing System) to market recapture

LOCATION

- Situated in a high-demand rental submarket with low vacancy rates.
- Walking distance to public transportation, major employers, and positioned with great street frontage along Pacific Ave.

LIGHT TO MODERATE RENOVATION SCOPE

- Majority of units in classic condition—ideal for strategic upgrades (flooring, cabinets, appliances).
- Deferred maintenance limited; roof, plumbing, or electrical have been updated in various buildings.
- CapEx plan can be phased for reduced capital outlay upfront.

INCOME APPROACH TO VALUE

	Current	Per Unit	Market	Per Unit
Monthly Income	$28,300	$1,348	$30,150	$1,436
Total Scheduled Annual Income	$339,600	$16,171	$361,800	$17,229
Utility Recapture	$12,000	$571	$28,000	$1,333
Other Income	$8,400	$400	$8,400	$400
Gross Potential Income	**$360,000**	**$17,143**	**$398,200**	**$18,962**
Vacancy (5%)	($18,000)	($857)	($19,910)	($948)
Effective Gross Income (EGI)	**$342,000**	**$16,286**	**$378,290**	**$18,014**

Annual Operating Expenses	Stabilized	Per Unit	Market	Per unit
Real Estates Taxes	$16,358	$779	$28,000	$1,333
Insurance	$15,750	$750	$15,750	$750
Utilities	$35,000	$1,667	$35,000	$1,667
Repairs and Maintenance	$10,500	$500	$10,500	$500
Payroll	$21,000	$1,000	$21,000	$1,000
Management Fee (5% of EGI)	$18,000	$857	$19,910	$948
Admin & Other	$4,200	$200	$4,200	$200
Total Operating Expenses	**$120,808**	**$5,753**	**$134,360**	**$6,398**
Replacement Reserves	$5,250	$250	$5,250	$250
Total Expenses	**$126,058**	**$6,003**	**$139,610**	**$6,648**
Net Operating Income	**$215,942**		**$238,680**	
Cap Rate	6.35%		6.63%	
Price	**$3,400,000**			

STABILIZED OPERATIONS

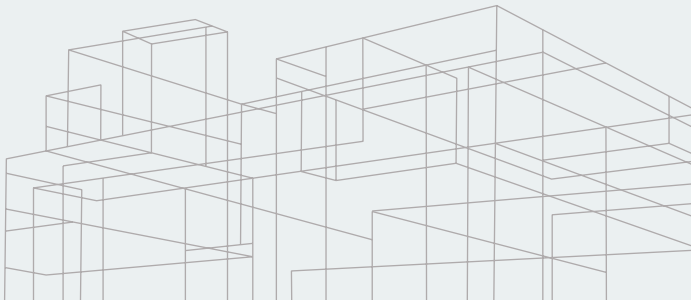
For underwriting, we annualized all the current leases at the property. Vacant units are filled at market rents and utility recapture is underwritten using trailing amounts. Other income is market amounts for comparable properties.

Expense assumptions are based on training operations for non-controllable expenses (taxes, insurance and utilities), and controllable expenses are based on operations at properties of comparable size and vintage.

RENOVATED OPERATIONS

For underwriting we are assuming all units are renovated and achieving $1,600 /month. Other income adjusted to market averages for comparable units of size and finish. Utility recapture increased to 80%.

Expense assumptions are the same as stabilized amounts with the exception of taxes. Market taxes have been increased using the local millage rate to represent a post-sale estimate.



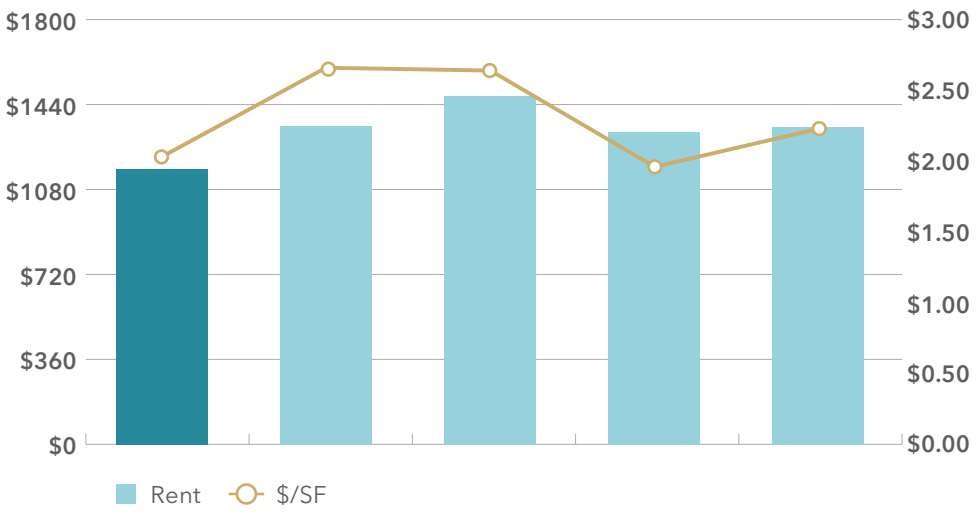
EXTERIOR PHOTOS

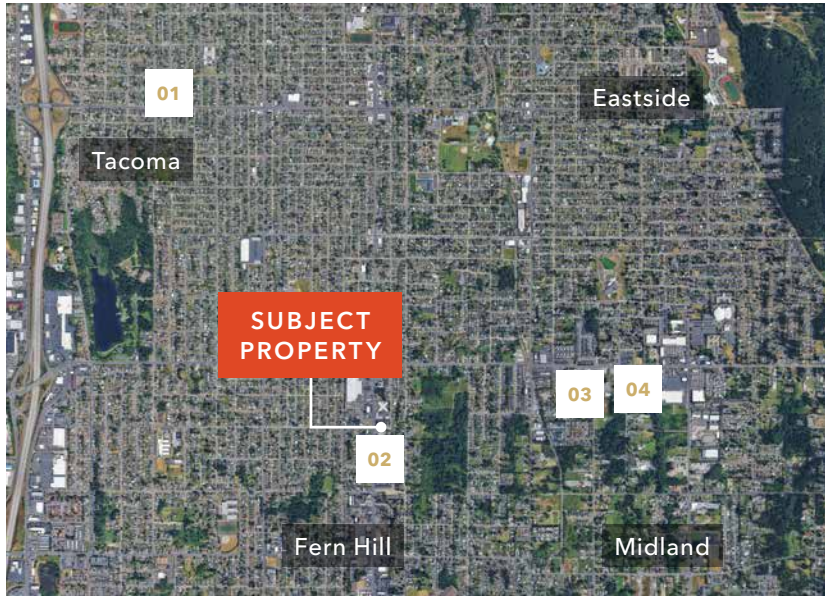
INTERIOR PHOTOS

COMPARABLES

Section 02

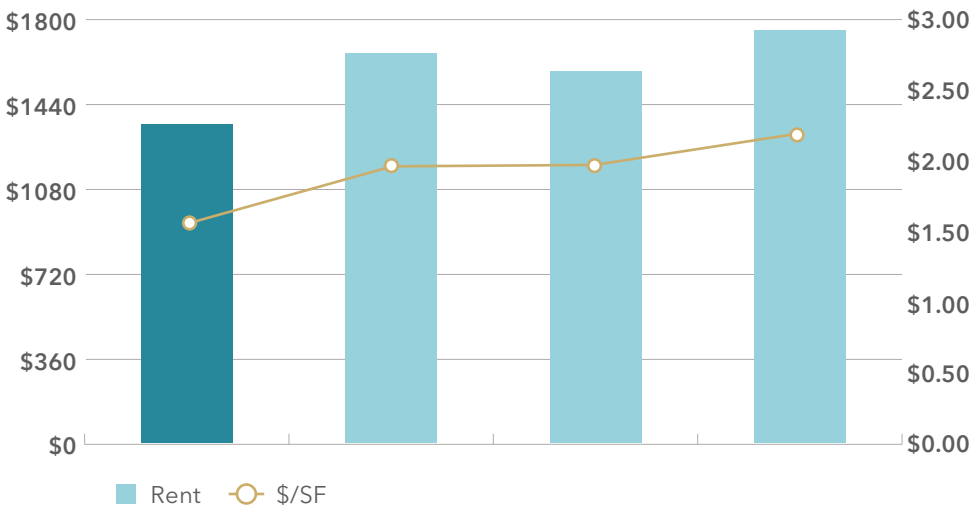
RENT COMPARABLES 1 X 1

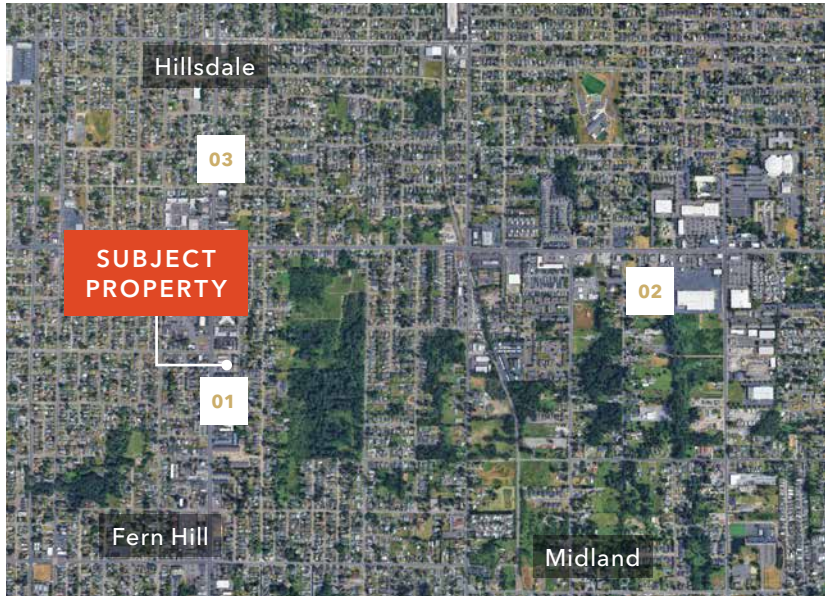




	Property Name	Neighborhood	Unit Finishes	Year	Unit SF	In Place Rent	$/SF
	SUBJECT PROPERTY 7611 Pacific Ave	Tacoma	Original	1973	576	$1,168	$2.03
01	**M STREET APARTMENTS** 5425 S M Street	Tacoma	Original	1950	508	$1,350	$2.66
02	**THE THOMAS** 7823 Pacific Ave	Tacoma	Renovated	1966	558	$1,475	$2.64
03	**GOLDEN GIVENS** 1023 74th St E	Tacoma	Renovated	1973	675	$1,325	$1.96
04	**FAIRMONT PARK** 1204 73rd St E	Tacoma	Renovated	1985	604	$1,345	$2.23

RENT COMPARABLES 2 X 1





	Property Name	Neighborhood	Unit Finishes	Year	Unit SF	In Place Rent	$/SF
	SUBJECT PROPERTY 7611 Pacific Ave	Tacoma	Original	1973	864	$1,350	$1.56
01	**THE THOMAS** 7823 Pacific Ave	Tacoma	Renovated	1966	840	$1,650	$1.96
02	**FAIRMONT PARK** 1204 73rd St E	Tacoma	Renovated	1985	800	$1,575	$1.97
03	**PACIFIC SQUARE** 6801 Pacific Ave	Tacoma	Renovated	1978	800	$1,750	$2.19

SALES COMPARABLES

	Property	Sale Date	Price	$/Unit	$/SF	Year Built
01	**OLYMPIC SUNSET APARTMENTS** 6634 S Tacoma Mall Way, Tacoma, WA	8/17/2024	$6,877,650	$176,350	$216.63	1976
02	**301 S 82ND ST** Tacoma, WA	7/1/2024	$1,300,000	$144,444	$194.15	1963
03	**7605 S C ST** Tacoma, WA	12/15/2023	$1,645,000	$182,778	$263.45	1965
04	**PACIFIC GARDENS** 8602 S C St, Tacoma, WA	8/6/2023	$4,876,500	$152,391	$198.94	1985
05	**THE THOMAS** 7823 Pacific Ave, Tacoma, WA	5/31/2023	$4,150,000	$148,214	$97.55	1966
	Average		**$3,769,830**	**$160,835**	**$194.14**	**1971**

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