OFFERING MEMORANDUM

THE VILLA APARTMENTS

1115 N 12TH ST, TACOMA, WA

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EXECUTIVE SUMMARY

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The Villa Apartments is a well-located 10-unit apartment building situated in one of Tacoma's most coveted and historically stable submarkets – North Tacoma. Offered to the market for the first time in over 25 years, this is a rare opportunity to acquire a long-held, carefully maintained asset in a neighborhood that consistently commands strong tenant demand and above-average rent growth.

The property presents a compelling value-add investment profile, with dated interiors that reflect the building's long-term ownership and offer a clear path to modernization. A strategic renovation program targeting updated finishes, fixtures and exteriors would allow a new owner to drive meaningful rental growth and unlock significant upside in stabilized value.

Adding to the opportunity, the seller is offering attractive financing terms, providing qualified buyers with a distinct advantage in today's elevated interest rate environment.

North Tacoma's appeal is well established - tree-lined streets, walkable neighborhoods, proximity to the University of Puget Sound, Tacoma's best retail and dining corridors, and consistently low vacancy make it one of the most sought-after multifamily locations in the South Sound. Tenants in this submarket tend to be long-term, quality renters who value the neighborhood's character and amenities - supporting both occupancy stability and rent durability through market cycles.

Overall, Villa Apartments represents a rare chance to step into well located value-add opportunity while paired with favorable seller finance terms one.

PRICING	*$2,000,000*
CAP RATE	*5.75%*
SELLER FINANCING	*Terms to be Negotiated*

OFFER REQUIREMENT

The purchaser of The Villa Apartments 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.

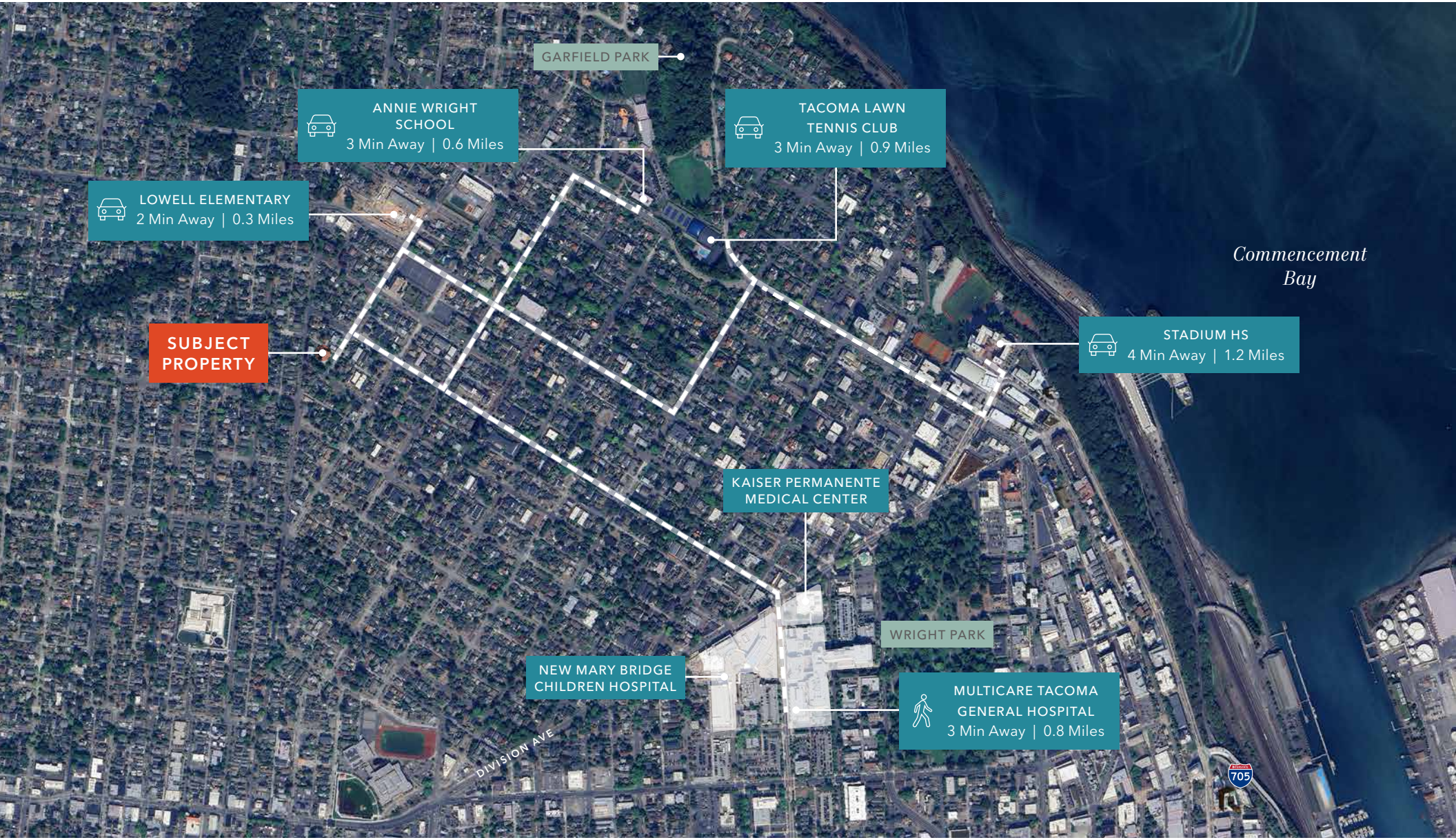
- Purchase Price
- Earnest money deposit, including non-refundable portion and timing of deposits
- Timing for due diligence and post diligence closing period
- Source of funds for acquisition

PROPERTY OVERVIEW

ADDRESS	1115 N 12th St Tacoma, WA 98403
TOTAL UNITS	10
NRSF	6,325 SF
AVG UNIT SF	632 SF
YEAR BUILT	1954 / effective 1990
NO OF BUILDINGS	1
ROOF	Flat - TPO (New roof in 2021)
SITE COVERAGE	4,835 SF / .29 AC
SIDING	Brick / Wood lap siding
WINDOWS	Double pane
HEATING	Boiler
ELECTRICAL	Updated
PLUMBING	Mixed materials - updated periodically over past 25 years
PARKING	4 carport stalls / street parking

UNIT MIX

Type	SF	Rent	$ / SF	Market Rent	$ / SF
2X1.5	1300	$2,250	$1.73	$2,600	$2.00
2X1	675	$1,500	$2.22	$1,650	$2.44
2X1	675	$1,600	$2.37	$1,650	$2.44
2X1	675	$985	$1.46	$1,650	$2.44
2X1	675	$1,550	$2.30	$1,650	$2.44
1X1	675	$1,495	$2.21	$1,595	$2.36
1X1	675	$1,525	$2.25	$1,595	$2.36
STUDIO	300	$975	$3.25	$1,095	$3.65
STUDIO	300	$975	$3.25	$1,095	$3.65
STUDIO	375	$1,175	$3.13	$1,245	$3.32
TOTAL		**$13,930**		**$15,825**	


GARFIELD PARK
ANNIE WRIGHT SCHOOL
3 Min Away | 0.6 Miles
TACOMA LAWN TENNIS CLUB
3 Min Away | 0.9 Miles
LOWELL ELEMENTARY
2 Min Away | 0.3 Miles
Commencement Bay
SUBJECT PROPERTY
STADIUM HS
4 Min Away | 1.2 Miles
KAISER PERMANENTE MEDICAL CENTER
WRIGHT PARK
NEW MARY BRIDGE CHILDREN HOSPITAL
MULTICARE TACOMA GENERAL HOSPITAL
3 Min Away | 0.8 Miles
DIVISION AVE
705

INVESTMENT HIGHLIGHTS

FIRST-TIME OFFERING IN OVER 25 YEARS

A true generational asset coming to market for the first time in over a quarter century. Long-term ownership of this nature typically reflects a well-maintained, stabilized property with genuine pride of ownership – and represents the kind of acquisition opportunity that rarely presents itself in a market as competitive as North Tacoma.

SELLER FINANCING AVAILABLE

The seller is offering attractive financing terms to qualified buyers – a significant advantage in today's elevated interest rate environment. Seller financing provides a new owner with improved day-one cash flow, greater flexibility in deal structuring, and a meaningful edge over competing properties financed at conventional market rates.

OFFERED AT A 5.7% CAP RATE

Priced at a market cap rate that reflects the in-place income while preserving substantial upside through interior renovation and rent growth. The 5.7% going-in yield provides an attractive current return while a value-add program drives NOI growth and long-term appreciation.

CLEAR VALUE-ADD UPSIDE

Interiors remain in largely original condition, presenting a well-defined renovation opportunity. Updated finishes, fixtures, and unit upgrades have a proven track record of driving above-market rent premiums in North Tacoma – allowing a new owner to meaningfully grow NOI and compress their cap rate on cost through a targeted improvement program.

COVETED NORTH TACOMA LOCATION

Situated in one of Tacoma's most desirable and historically stable rental submarkets. North Tacoma consistently commands strong tenant demand, low vacancy, and premium rents relative to the broader market – driven by proximity to the University of Puget Sound, top-rated schools, walkable retail and dining, and the neighborhood's well-established character and curb appeal.

AMENITIES

GARFIELD PARK
LOWELL ELEMENTARY SCHOOL
STADIUM HIGH SCHOOL
Commencement Bay
SAFEWAY
metropolitanmarket
SUBJECT PROPERTY
MudBay
orangetheory FITNESS
THRIFTWAY
JIMMY JOHN'S
KAISER PERMANENTE MEDICAL CENTER
DR.DOLORES SILAS HIGH SCHOOL
UNIVERSITY OF PUGET SOUND
HILLTOP HERITAGE MIDDLES CHOOL
WRIGHT PARK
JEFFERSON PARK
MULTICARE TACOMA GENERAL HOSPITAL
SAFEWAY
ST JOSEPH MEDICAL CENTER
705
FRANKLIN ELEMENTARY SCHOOL
FRANKLIN PARK
HARMON BREWING
ZEEKS PIZZA
SUBWAY
Abella Pizzeria
CHENEY STADIUM
STANLEY ELEMENTARY SCHOOL
UNIVERSITY OF WASHINGTON
Walmart
T.J.maxx
HOBBY LOBBY
PETSMART
crumbl cookies
LOWE'S
16
THE HOME DEPOT
N
TACOMA DOME
5
COSTCO WHOLESALE

VALUATION

INCOME	Current	Per Unit	Market	Per Unit
Monthly Income	**$14,035**	**$1,404**	**$15,825**	**$754**
Total Scheduled Annual Income	$168,420	$16,842	$189,900	$9,043
Utility Recapture	$12,840	$1,284	$16,320	$777
Other Income	$5,500	$550	$5,500	$262
Gross Potential Income	**$186,760**	**$18,676**	**$211,720**	**$10,082**
Vacancy (5%)	($9,338)	($934)	($10,586)	($504)
Effective Gross Income (EGI)	**$177,422**	**$17,742**	**$201,134**	**$9,578**
EXPENSES				
Real Estate Taxes	$15,846	$1,585	$15,846	$755
Insurance	$5,950	$595	$5,950	$283
Utilities	$19,200	$1,920	$19,200	$914
Repairs and Maintenance	$10,000	$1,000	$10,000	$476
Management Fee (5%)	$8,871	$887	$10,057	$479
Total Operating Expenses	**$59,867**	**$5,987**	**$61,053**	**$2,907**
Replacement Reserves	$2,500	$250	$2,500	$119
Net Operating Income	**$115,055**		**$137,581**	
Cap Rate	5.75%		6.9%	
Value	**$2,000,000**	**$95,238**		

Notes & Assumptions

CURRENT OPERATIONS

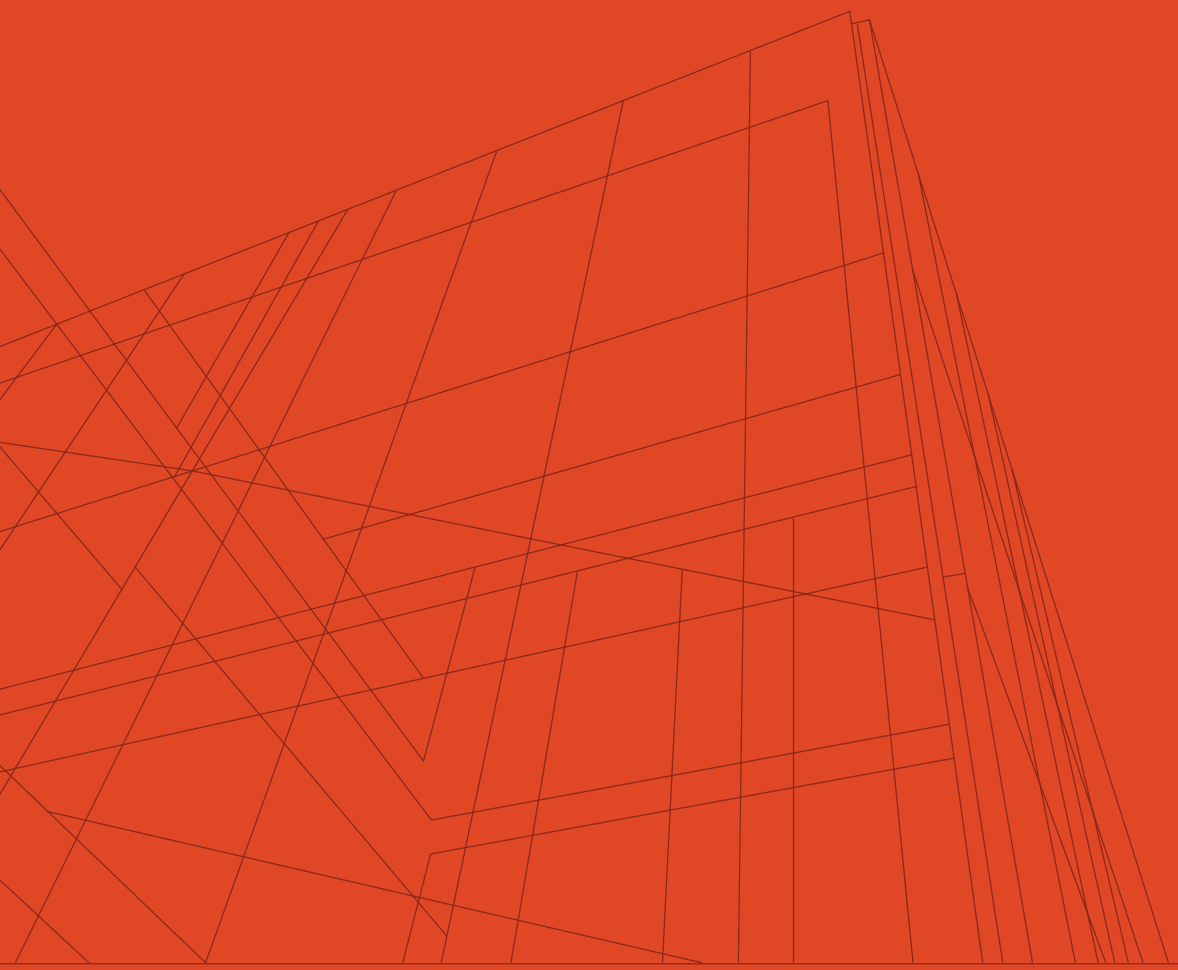
For underwriting, we annualized all the current leases at the property. Utility income is based on actual amounts, other income is based on market averages.

Expense assumptions are based on trailing amounts for taxes, insurance, utilities. Repairs and maintenance and management fee (5% of EGI) adjusted to market averages for similar sized properties. Landscaping costs are included inside repairs and maintenance.

MARKET OPERATIONS

For underwriting we're assuming all units are achieving posted renovated market rents of $1,095 for the studios, $1,595 for the 1-bedroom and $1,650 for the 2-bedrooms. Utility recapture has been 85% recapture.

EXTERIOR PHOTOS

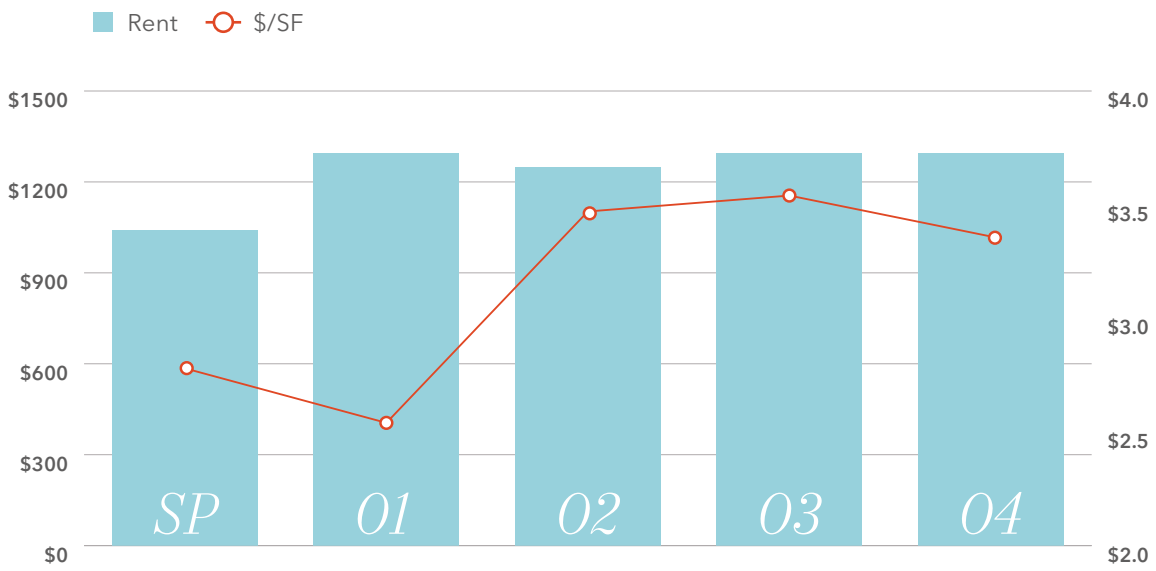


COMPARABLES

Section 02

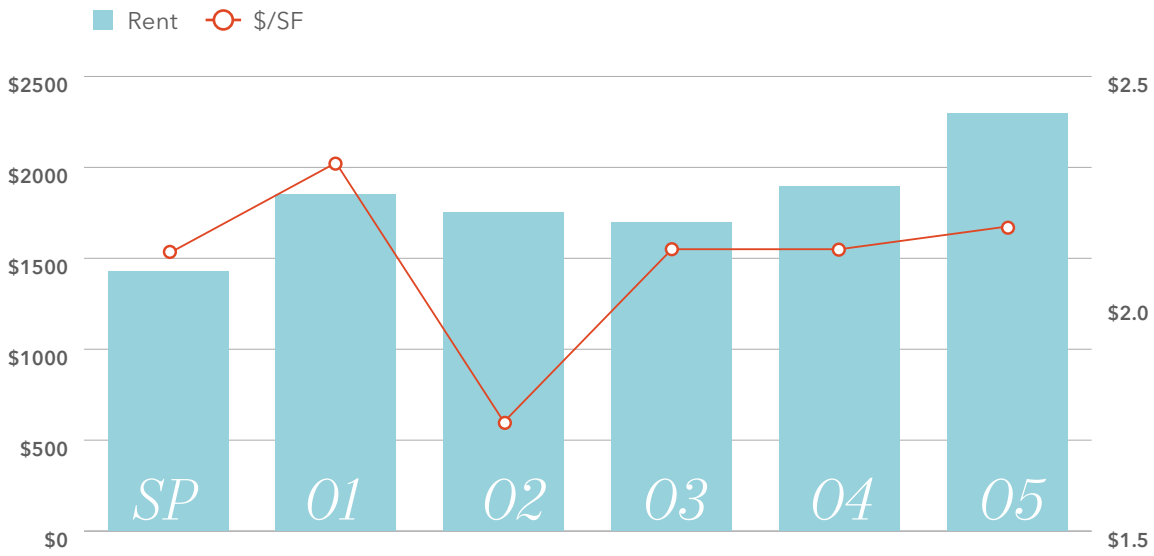
RENT COMPARABLES - STUDIO

	Property Name	Unit Finishes	Year	Unit SF	Rent	$/SF
SP	THE VILLA APARTMENTS 1115 N 11th St, Tacoma, WA	Original	1954	375	$1,041	$2.78
01	1922 PROSPECT APARTMENTS 1101 N 12th St , Tacoma, WA	Renovated	1967	500	$1,295	$2.54
02	RED MAPLE 1122 N 6th St, Tacoma, WA	Renovated	1918	360	$1,250	$3.47
03	THE ANDERSON APARTMENTS 616 N Anderson St, Tacoma, WA	Renovated	1967	365	$1,295	$3.54
04	THE AMBASSADOR 16 N Broadway, Tacoma, WA	Renovated	1925	385	$1,295	$3.36



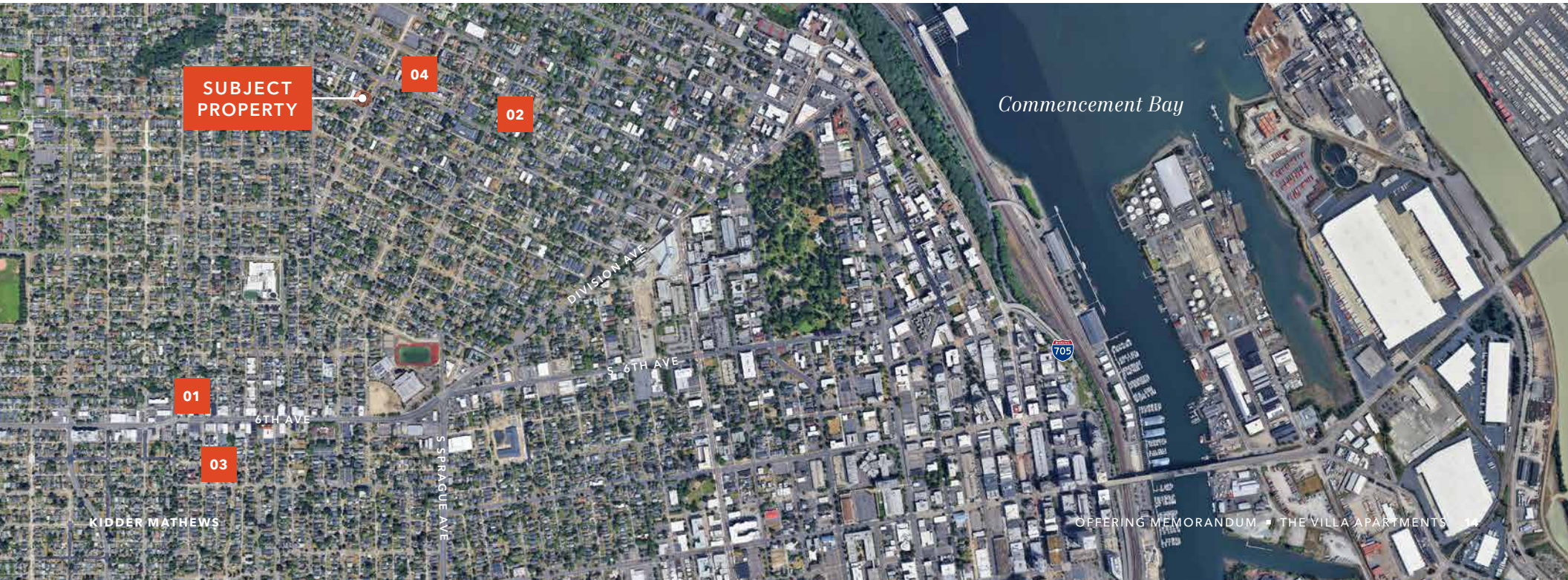
RENT COMPARABLES - 2 BED / 1 BATH

	Property Name	Unit Finishes	Year	Unit SF	Rent	$/SF
SP	THE VILLA APARTMENTS 1115 N 11th St, Tacoma, WA	Original	1954	675	$1,427	$2.11
01	BAY RIDGE APARTMENTS 812 N K St, Tacoma, WA	Renovated	1972	800	$1,850	$2.31
02	VISTA PALM 509 N Yakima , Tacoma, WA	Renovated	1960	1008	$1,750	$1.74
03	THE ANDERSON APARTMENTS 616 N Anderson St, Tacoma, WA	Renovated	1967	800	$1,695	$2.12
04	NEW ORLEANS APARTMENTS 212 N G St, Tacoma, WA	Renovated	1967	895	$1,895	$2.12
05	THE AMBASSADOR 402 N Sheridan, Tacoma, WA	Renovated	1901	1060	$2,295	$2.17



SALES COMPARABLES

	Property Name	Sale Date	Units	Sale Price	Price Per Unit	Year Built
01	**THE ANDERSON APARTMENTS** 616 N Anderson St, Tacoma, WA	Dec 2024	24	$4.17M	$173,750	1967
02	**TAILSMAN APARTMENTS** 708 N J St, Tacoma, WA	Oct 2022	10	$2.0M	$200,000	1963
03	**TAMARACK APARTMENTS** 702 S Oakes St, Tacoma, WA	Jul 2022	12	$2.85M	$237,500	1964
04	**MARGUERITE APARTMENTS** 1002 N J St, Tacoma, WA	Jul 2021	14	$3.07M	$219,286	1967



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