



# waveview homes

Longview WA

16 Units of Newly-Built Townhouse-Style Apartments



285 22nd Avenue, Longview WA 98632

Exclusively  
Listed by

**JONATHAN NICOLI**

Commercial Broker  
206.330.7100  
jonathan@zeptore.com

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# waveview homes

ZEPTORE COMMERCIAL HAS BEEN SELECTED TO EXCLUSIVELY MARKET FOR SALE SIXTEEN (16) UNITS OF NEWLY-BUILT TOWNHOMES IN THE RESIDENTIAL AREA JUST OUTSIDE THE DOWNTOWN RETAIL AREA OF LONGVIEW, WASHINGTON

This portfolio of four (4) fourplex buildings were completed in 2023 and still under the builder's warranty. Available as an option are two (2) more fourplex buildings under development for a potential portfolio with a total of twenty-four (24) three-bedroom dwellings.

The properties are fully occupied with a waiting list of prospective tenants who have applied at the asking rent prices. The submarket vacancy rates for three-bedroom units have been between 1% & 2.5% in the last couple of years.

This investment property is stabilized and in turnkey condition with building warranties in force, property management in place, and flexibility in acquiring more area buildings and any future disposition as fourplexes or as townhouses.

# 285

## 22nd Ave

LONGVIEW  
WA 98632

# \$4.4M

**LIST PRICE**

# 16

**UNITS**

# 2023

**BUILT**

# 6.56%

**CAP RATE**

# \$239

**PRICE/SF**

# property highlights

285 22nd Ave

263 20th Ave

259 20th Ave

257 20th Ave



Subject (left) blends well next to a residential house.

- Location is quick access to both downtown area retail amenities, nearby feeder Hwy 432 to Interstate 5 leading to Vancouver WA & Hwy 433 to cross the Columbia River into the Oregon state side that leads to Astoria.
- Brand new construction buildings still under builder warranty coverage in 2024. Also features sprinkler systems for added safety.
- The units are nestled within a residential neighborhood; and are a street away from the other units. Buildings 257, 259 & 263 20th Ave are built on contiguous yet separate lots. 285 22nd Ave seamlessly blends well with the surrounding houses.
- In the future, the properties offer flexibility for disposition. They can be positioned for sale as a portfolio or as individual fourplexes.
- For those interested in a larger portfolio, 1-2 additional fourplexes nearby, may be available within a few months.

3 BR  
1.5 BA

**ALL UNITS**



51

**Walk Score**

Somewhat walkable



21

**Transit Score**

Minimal Transit  
125 feet from bus stop  
Route 32 Kalama & 40  
Castle Rock

# financial highlights

- Stabilized full occupancy with direct rental comps of \$1,850 per month. In addition, there are Tenant applications placed on the waiting list for \$1,950 per month.
- The property & its design has been approved for Section 8 subsidies at \$1,850 monthly. Future increases are based on Area Median Income (AMI) calculations. Most units already rented out at market rates prior to approval.
- Long-term lease: 285 22nd Ave is leased for the next five (5) years guaranteed by a medical provider contracted by the City of Longview to house clients with disabilities with care provided by live-in caregivers. The lease rent is 23% more than market rates. The buildings at 257, 259 & 263 20th Ave are leased directly to individual tenants.
- Potential savings of approx. \$24,000/yr with the installation of smart/submetering that enable third-party provider to measure water/sewer use & bill the tenants accordingly.
- Property management is in place to make it turnkey and suitable for a passive investment.

6.56%

**CAP RATE**

\$288k

**NET OPERATING  
INCOME**

\$373k

**GROSS INCOME**

11.8

**GROSS RENT  
MULTIPLIER**

23.7%

**EXPENSE RATIO**



# subject property

PORTFOLIO ADDRESSES	PARCEL	UNITS	PER UNIT BED/BATH	BLDG SF	LOT SF
<b>285 22nd Ave</b>	<b>04246</b>	<b>4</b>	<b>3 beds   1.5 bath</b>	<b>4,600</b>	<b>4,800</b>
<b>263 20th Ave</b>	<b>04204</b>	<b>4</b>	<b>3 beds   1.5 bath</b>	<b>4,600</b>	<b>4,800</b>
<b>259 20th Ave</b>	<b>042040100</b>	<b>4</b>	<b>3 beds   1.5 bath</b>	<b>4,600</b>	<b>4,800</b>
<b>257 20th Ave</b>	<b>04205</b>	<b>4</b>	<b>3 beds   1.5 bath</b>	<b>4,600</b>	<b>4,800</b>

CITY STATE ZIP **Longview, WA 98632**

TOTAL UNITS **16 units of 3 BR & 1.5 BA**

YEAR BUILT **2023**

TOTAL SIZE **18,400 Rentable SF**

PARKING **One (1) assigned per unit**

LOT DIMENSIONS **4 lots, 40 width X 120' depth each**

TOTAL LOT SIZE **19,200 SF / 0.44 acres**

ZONING **R04**

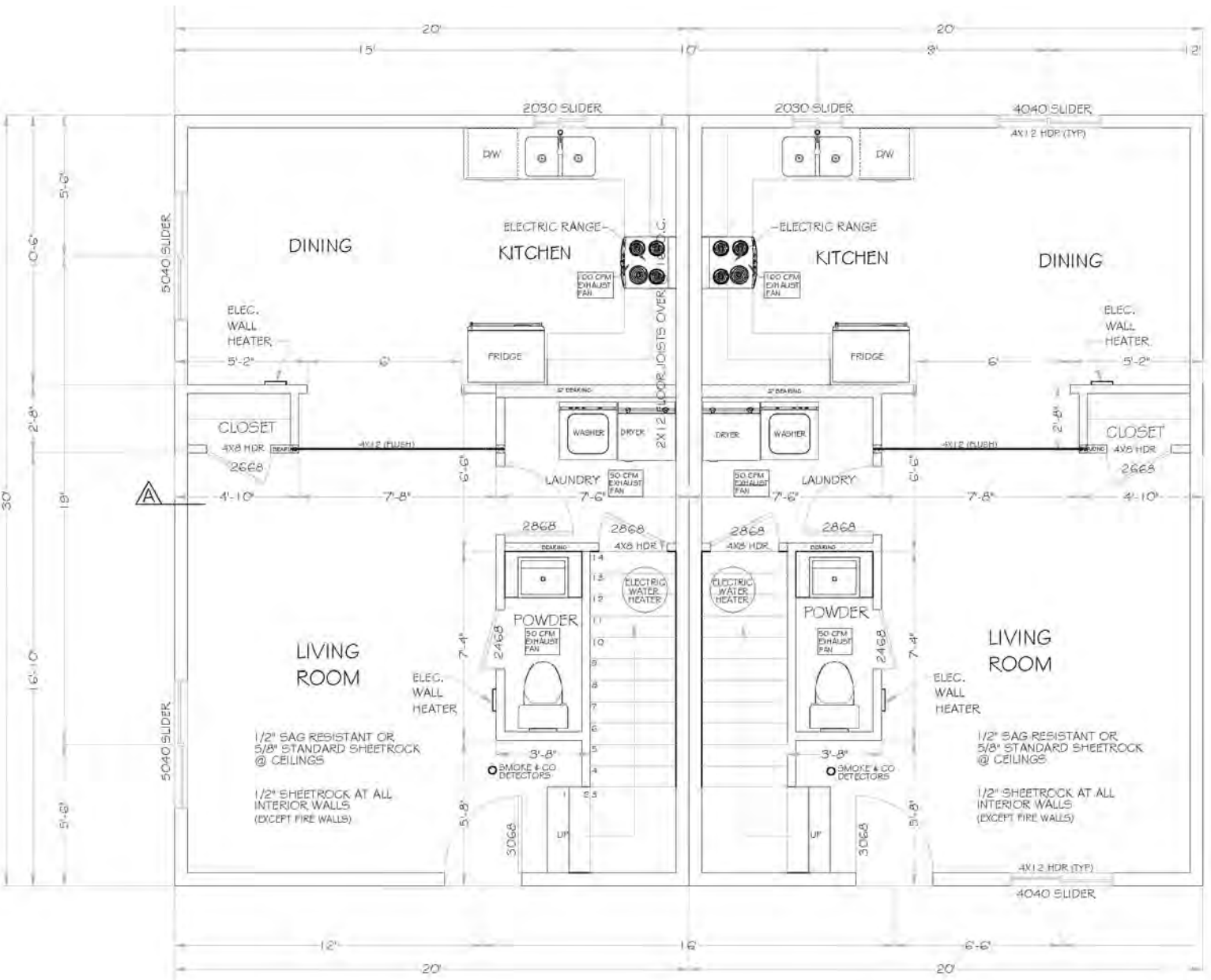
COUNTY **Cowlitz**





# MAIN FLOOR

## open concept living



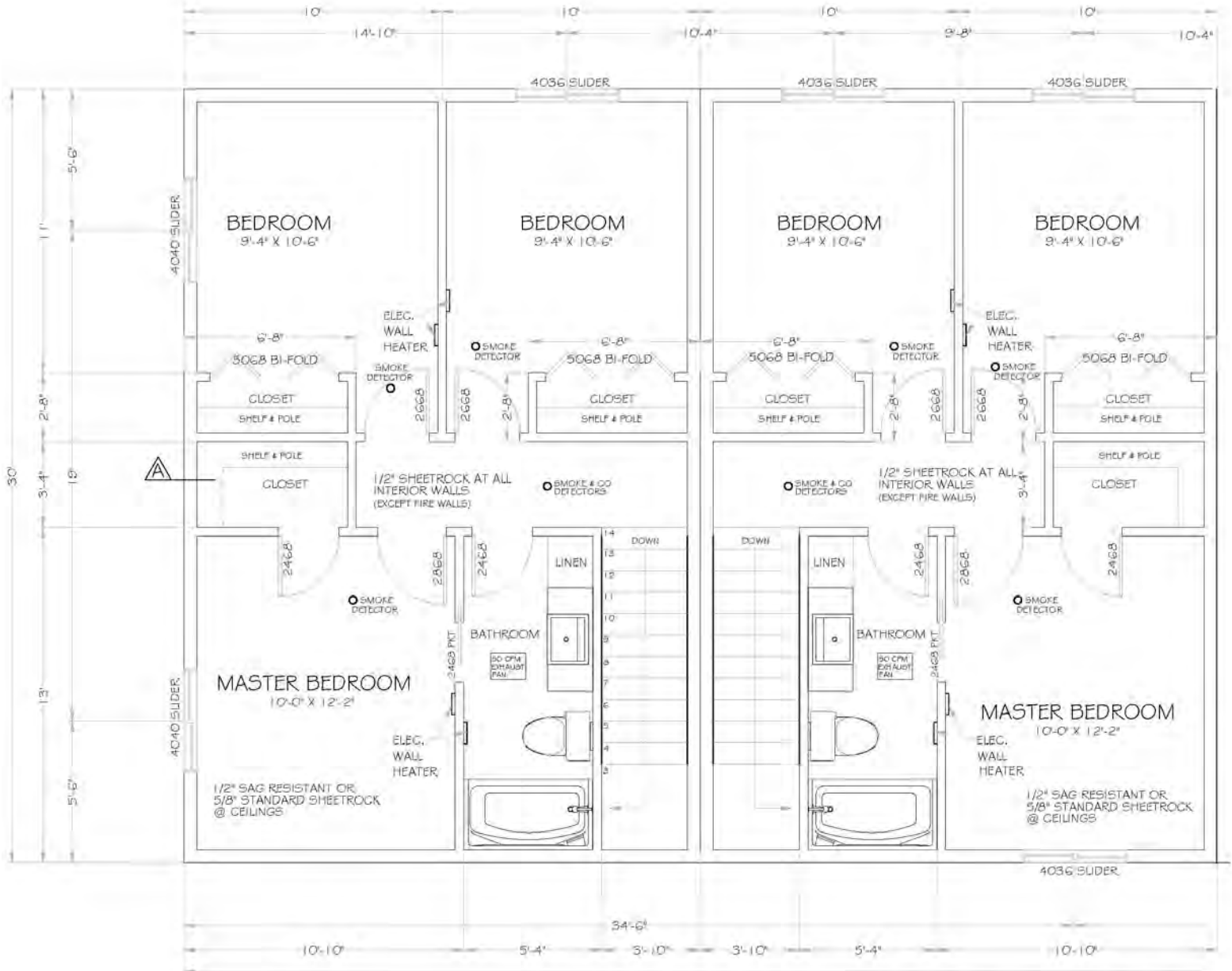
\* note: this two-unit design is mirrored for a total of four units per building

## LOWER FLOOR

- 1,150 SF total living space per unit
- 20 feet wide & 30 feet deep footprint
- powder room with toilet & sink
- open dining & kitchen
- electric range, dishwasher, fridge & double sink
- utility room for washer & dryer



# spacious private quarters



\* note: this two-unit design is mirrored for a total of four units per building

## UPPER FLOOR

- three bedrooms & full bathroom
- primary bedroom is 13 feet by 11 feet
- bathroom with toilet, bathtub shower, sink & linen closet
- fire sprinkler system NFPA 13R
- large closets for all bedrooms
- electric wall heaters



# interior photos



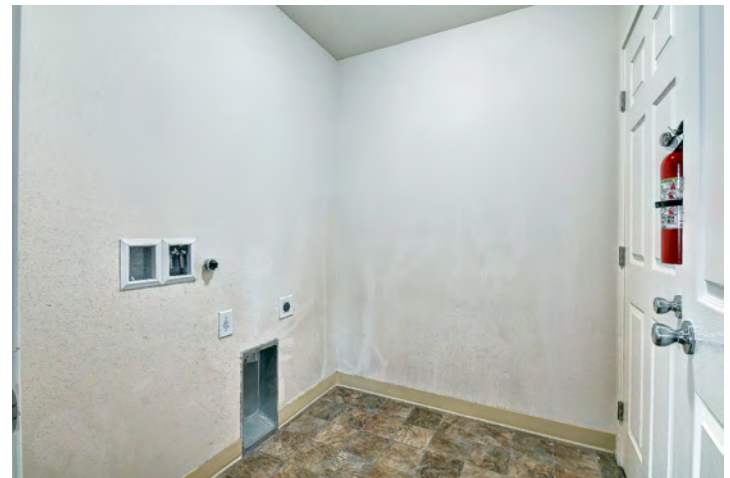
Kitchen



Kitchen, dining room foreground



Half bath, utility room, kitchen



Utility room



Living room, bathroom, utility room, kitchen



Full bathroom



# operating statement

Operating Income	Current Income	Proforma Income	Year 1 Income	
Gross Potential Rent Income (GPRI)	\$381,600	\$396,000	\$385,340	
Loss/Gain to Lease	(\$8,400)	\$0	\$0	
Gross Scheduled Rent Income	\$373,200	\$396,000	\$385,340	
Other Income	\$373	\$396	\$385	Late fees
Gross Operating Income	\$373,573	\$396,396	\$385,725	--
Less Vacancy	\$0	(\$5,940)	(\$7,707)	2.0%
<b>Effective Gross Income (EGI)</b>	<b>\$373,573</b>	<b>\$390,456</b>	<b>\$378,018</b>	

Operating Expenses	Current Expenses	Proforma Expenses	Year 1 Expenses	% of EGI
Property Taxes	\$814	\$26,925	\$26,925	7.1%
Insurance	\$5,680	\$5,680	\$5,680	1.5%
Utilities - Electric	\$0	\$0	\$0	0.0%
Utilities - Water, Sewer & Garbage	\$24,000	\$0	\$24,000	6.3%
Groundskeeping	\$1,200	\$1,200	\$1,200	0.3%
Repairs & Maintenance	\$0	\$3,905	\$3,780	1.0%
Turnover	\$0	\$1,171	\$1,134	0.3%
Operating Reserves	\$0	\$7,809	\$7,560	2.0%
Professional Management	\$0	\$19,523	\$18,901	5.0%
Office / Admin	\$0	\$390	\$378	0.1%
<b>Total Operating Expenses</b>	<b>\$31,694</b>	<b>\$66,604</b>	<b>\$89,559</b>	<b>23.7%</b>
<b>Net Operating Income</b>	<b>\$341,879</b>	<b>\$323,852</b>	<b>\$288,459</b>	
<b>Cap Rate</b>	<b>7.77%</b>	<b>7.36%</b>	<b>6.56%</b>	
Expense per Unit	\$1,981	\$4,163	\$5,597	
Expense per Net Rentable SF (NRSF)	\$1.72	\$3.62	\$4.87	
Expenses as Percent of EGI (EPI)	8.48%	17.06%	23.69%	
Debt Service Coverage Ratio (DSCR)		1.36	1.21	
Annual Debt Payments (P/I) *		(\$237,760)	(\$237,760)	
Cash Flow After Debt Service Payments		\$86,093	\$50,700	
Plus Loan Principal Reduction		\$33,330	\$33,330	
ROI including Debt Paydown		\$119,423	\$84,030	
ROI percent at 70% LTV		9.05%	6.37%	

\* 6.67% Interest, 70% LTV, 30-year Amort



# statement notes

Operating Income	Notes
Gross Potential Rent Income (GPRI)	100% occupancy at market rate rents. Year 1 is assigned 2% rent growth from Current.
Loss/Gain to Lease	Difference between market rate rents & leased rental rate of Subject Property.
Gross Scheduled Rent Income	Rent rates of all units under lease or month-to-month
Gross Operating Income	Gross Income scheduled before accounting for vacancy rates
Less Vacancy	Submarket's 3-year historical vacancy rates for 3-bedroom units are between 1.5% & 2.5%
Effective Gross Income (EGI)	Subject Property's potential annual gross income after accounting for vacancy and credit loss.

## Financial Metrics

Net Operating Income (NOI)	Gross Profit available to the Property owner prior to any debt payments.
Cap Rate	Subject Property's 6.56% Cap Rate is above current submarket median cap rates under 6% and especially for a new building. Year 1 shows three (3) months of rent to cover annual operational expenses for each unit
Expense per Unit	The lower EPI indicates that Property Manager is fairly cost-effective in managing its operating expenses
Expenses as Percent of EGI (EPI)	Shows that the NOI supports at least 121.3% of annual debt payments
Debt Service Coverage Ratio (DSCR)	Calculated based on 6.67% Interest Rate. 70% LTV, 30-Year Amorization
Annual Debt Payments (P&I)	Return on Investment (ROI) including loan principal being paid down
ROI including Debt Paydown	Year 1 ROI of 6.37 is almost on par with Cap Rate of 6.56%
ROI percent at LTV of 70%	

Operating Expenses	Notes
Property Taxes	Directly comped w/ 2023 \$6,731.35 tax bill for similar fourplex
Insurance	Insurance rates tied to Property Management services. PM currently pays \$1420 annual per 4plex in 2023
Utilities - Electric	Tenant responsibility. Individually metered
Utilities - Water, Sewer & Garbage	Current: \$6000 annual per 4Plex. Proforma: Utilities converted to sub-metering
Repairs & Maintenance	Newly-built (2023) units are currently under builder warranty
Turnover	Expenses incurred when prior tenant moves out and unit is prepared for a new tenant
Operating Reserves	2% for reserves is fairly standard for older buildings & prudent for a building newly-built in 2023, presumably less likely to need the repairs associated with old building
Professional Management	Currently self-managed. May continue after sale. Seller is a licensed property manager.
Total Operating Expenses	Annual total of all forecasted operating expenses



# rent roll

Unit	Unit Type	Square Feet	Current Rent / Month	Current Rent / SF / Month	Scheduled Rent / Month	Scheduled Rent / SF / Month	Potential Rent / Month	Potential Rent / SF / Month
285-A	MKT-VA	1,150	\$2,400	\$2.09	\$2,400	\$2.09	\$2,400	\$2.09
285-B	MKT-VA	1,150	\$2,400	\$2.09	\$2,400	\$2.09	\$2,400	\$2.09
285-C	MKT-VA	1,150	\$2,400	\$2.09	\$2,400	\$2.09	\$2,400	\$2.09
285-D	MKT-VA	1,150	\$2,400	\$2.09	\$2,400	\$2.09	\$2,400	\$2.09
263-A	MKT-WA	1,150	\$1,750	\$1.52	\$1,750	\$1.52	\$1,850	\$1.61
263-B	MKT-WA	1,150	\$1,750	\$1.52	\$1,750	\$1.52	\$1,850	\$1.61
263-C	MKT-WA	1,150	\$1,750	\$1.52	\$1,750	\$1.52	\$1,850	\$1.61
263-D	MKT-WA	1,150	\$1,750	\$1.52	\$1,750	\$1.52	\$1,850	\$1.61
259-A	S8-XA	1,150	\$1,750	\$1.52	\$1,750	\$1.52	\$1,850	\$1.61
259-B	MKT-XA	1,150	\$1,850	\$1.61	\$1,850	\$1.61	\$1,850	\$1.61
259-C	MKT-XA	1,150	\$1,850	\$1.61	\$1,850	\$1.61	\$1,850	\$1.61
259-D	MKT-XB	1,150	\$1,750	\$1.52	\$1,750	\$1.52	\$1,850	\$1.61
257-A	MKT-YA	1,150	\$1,850	\$1.61	\$1,850	\$1.61	\$1,850	\$1.61
257-B	S8-YA	1,150	\$1,850	\$1.61	\$1,850	\$1.61	\$1,850	\$1.61
257-C	S8-YA	1,150	\$1,850	\$1.61	\$1,850	\$1.61	\$1,850	\$1.61
257-D	MKT-YB	1,150	\$1,750	\$1.52	\$1,750	\$1.52	\$1,850	\$1.61
<b>Total</b>		<b>18,400</b>	<b>\$31,100</b>	<b>\$1.69</b>	<b>\$31,100</b>	<b>\$1.69</b>	<b>\$31,800</b>	<b>\$1.73</b>



285 22nd Avenue



263 20th Avenue



259 20th Avenue



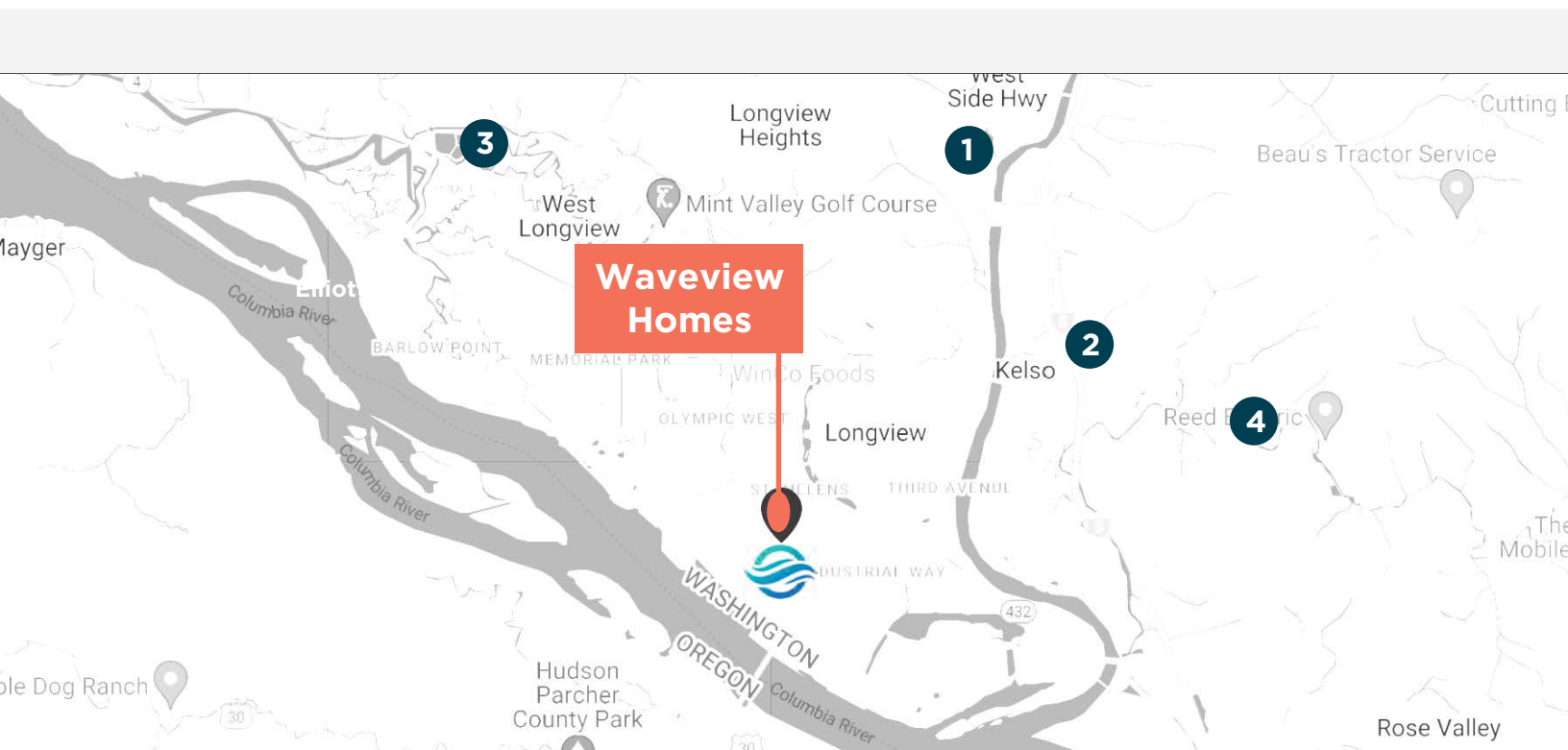
257 20th Avenue



# rental survey

Property Name	Address	Built	Total Units	3-BR Units	Avg SF	Asking Rent	Asking Rent/SF	Effective Rent	Effective Rent/SF
<b>Waveview Homes</b>	<b>285 22nd Ave Longview</b>	<b>2023</b>	<b>16</b>	<b>48</b>	<b>1,150</b>	<b>\$1,950</b>	<b>\$1.70</b>	<b>\$1,944</b>	<b>\$1.69</b>
<b>1</b> Riverstone Villas	104 Solomon Rd Kelso	2023	198	30	1,201	\$2,080	\$1.73	\$2,022	\$1.68
<b>2</b> Allen Street	2404 Allen St Kelso	1998	107	12	1,194	\$1,825	\$1.53	\$1,825	\$1.53
<b>3</b> Hidden Creek	5607 Finch Dr Longview	1992	100	12	1,051	\$1,465	\$1.39	\$1,461	\$1.39
<b>4</b> Summerwind	2700 Allen St Kelso	2008	83	12	1,285	\$1,236	\$0.96	\$1,232	\$0.96

	3-BR Units	Total SF	Asking Rent	per SF	Effective Rent	per SF
<b>Most or Highest</b>	<b>48</b>	<b>1,285</b>	<b>\$2,080</b>	<b>\$1.73</b>	<b>\$2,022</b>	<b>\$1.69</b>
<b>Median</b>	<b>12</b>	<b>1,194</b>	<b>\$1,825</b>	<b>\$1.53</b>	<b>\$1,825</b>	<b>\$1.53</b>

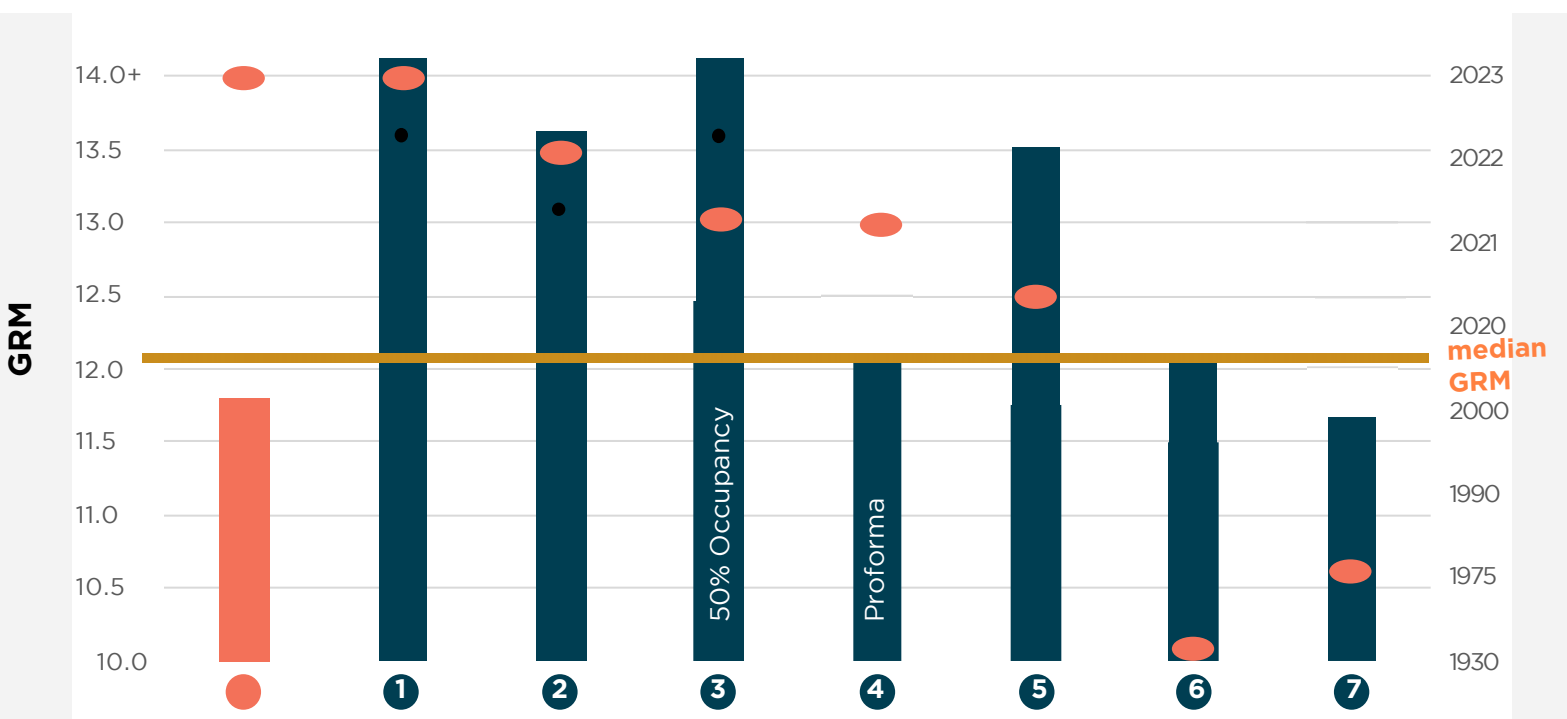




# gross rent multiplier comps

	Address	Built	Units	Sale Priced	Income	GRM	Sale Date
●	<b>285 22nd Ave Longview</b>	<b>2023</b>	<b>16</b>	<b>\$4,400,000</b>	<b>\$373,200</b>	<b>11.8</b>	Active
①	711 S 4th Ave Kelso	2023	2	\$636,000	Vacant	<b>14.0+</b>	Active
②	123 Adams Dr Kelso	2022	2	\$510,000	\$37,440	<b>13.6</b>	Dec-22
③	269 20th Ave Longview	2021	4	\$910,000	\$37,800 50% Occ	<b>24.1</b>	May-22
④	265 20th Ave Longview	2021	4	\$910,000	Proforma (Vacant)	<b>12.1</b>	May-22
⑤	3149 Dover St Longview	2020	4	\$681,000	\$50,340	<b>13.5</b>	Mar-23
⑥	1825 Beech St Longview	1930	3	\$485,000	\$40,140	<b>12.1</b>	Dec-23
⑦	3650 Lewis River Woodland	1972	4	\$841,000	\$72,000	<b>11.7</b>	Oct-23

**MEDIAN 2021 BUILT 12.1 GRM**



**\*Subject Property's GRM rivals properties built in 70's & 30s**

■ Gross Rent Multiplier (GRM) ● Year Built



# cap rate & price/bedroom comps

	Address	Built	Units	Total Beds	Sale Priced	Cap Rate	Price/Bedroom	Date	Notes
●	<b>285 22nd Ave Longview</b>	<b>2023</b>	<b>16</b>	<b>48</b>	<b>\$4.4M</b>	<b>6.56%</b>	<b>\$92K</b>	<b>Active</b>	<b>16 units all 3-BR</b>
①	560 Bozarth Ave Longview	1969	8	15	\$1.745M	---	\$116K	Mar-23	All Cash. 7 x 1-BR. 1 x 2-BR New units value-add
②	1416 3rd Ave Lv & 910 9th Ave LV	1983 1985	46	46	\$4.715M	---	\$103K	May-23	\$4.715M loan incl improvmt. 48-unit studio/1-BR
③	3149 Dover St Longview	2020	4	8	\$681K	5.74%	\$85K	Mar-23	4 units all 2-BR. APR peak
④	2120 46th Ave Longview	1976	24	48	\$3.85M	5.21%	\$80K	Mar-23	24 units all 2-BR
⑤	4231 Ocean Beach Longview	1976	14	28	\$1.8M	6.00%	\$64K	Jul-23	14-unit all 2-BR. Low cap rate but underperformer
⑥	781 Washington St Woodland	1968	6	18	\$1.28M	---	\$71K	Dec-22	6 units all 3-BR
⑦	1712 Lewis River Rd Woodland	1979	15	16	\$2.9M	---	\$181K	May-22	14 x 1-BR. 1 x 2-BR. Market peak (for context)

**MEDIAN      1976 BUILT      CAP RATE: 5.87%      \$88.5K PER BEDROOM**

