

OFFERING MEMORANDUM



BRAND NEW CONSTRUCTION



1775 SOUTH PEARL STREET

Denver, CO 80210

Price: \$12,000,000 | Units: 27 | Built: 2022

INVESTMENT ADVISORS



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PROPERTY SUMMARY



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EXECUTIVE SUMMARY

PROPERTY DETAILS

Address	1775 S Pearl St. Denver, CO 80210
# of Units	27
Building Size	24,905 SF
Lot Size	12,500 SF
Year Built	2022
Roof	Flat
Heat	Mini Split Heating / Cooling Wall Units
Zoning	U-MX-2X
Parking	17 Covered Garage Spaces 1 Additional Off-Street Space

PROPERTY HIGHLIGHTS

- State-of-the-art asset with unmatched finishes
- All electric building, most utilities paid directly by tenants
- Premier location in the heart of Central Denver
- Limited apartment rental opportunities in the immediate vicinity

1775 S Pearl St. is a 27-unit apartment building which finished construction in late 2022. The building features a unit mix that includes two studios, twenty one 1-bedrooms, and four 2-bedroom units. The building also includes an underground parking garage that includes 17 secure parking spaces for residents + one additional off-street space off the alley behind the building.

The apartment complex is in the heart of the Platt Park neighborhood and is within walking distance of several retail locations and some of the best restaurants in Denver including Sushi Den, Kaos Pizzeria, Park Burger, and Sweet Cow. The property is across the street from Steam Coffee. This property truly offers investors an opportunity to acquire an irreplaceable trophy asset in the heart of one of Denver's most sought-after neighborhoods and there is a very limited supply of comparable rental units available in the neighborhood.



PROPERTY DETAILS

PROPERTY INFORMATION	
Address	1775 S Pearl St.
County	Denver
Units	27
Year Built	2022
Parcel Number	05227-25-050-000
Style	Mid-Rise
Stories	2
Gross Building Size	24,095 SF
Lot Size	12,500 SF
Roof	Flat
Construction	Brick/Frame

PARKING	
Assigned Garage Parking	17 Spaces - \$125/mo Projected
Assigned Uncovered Parking	1 Space - \$100/mo Projected

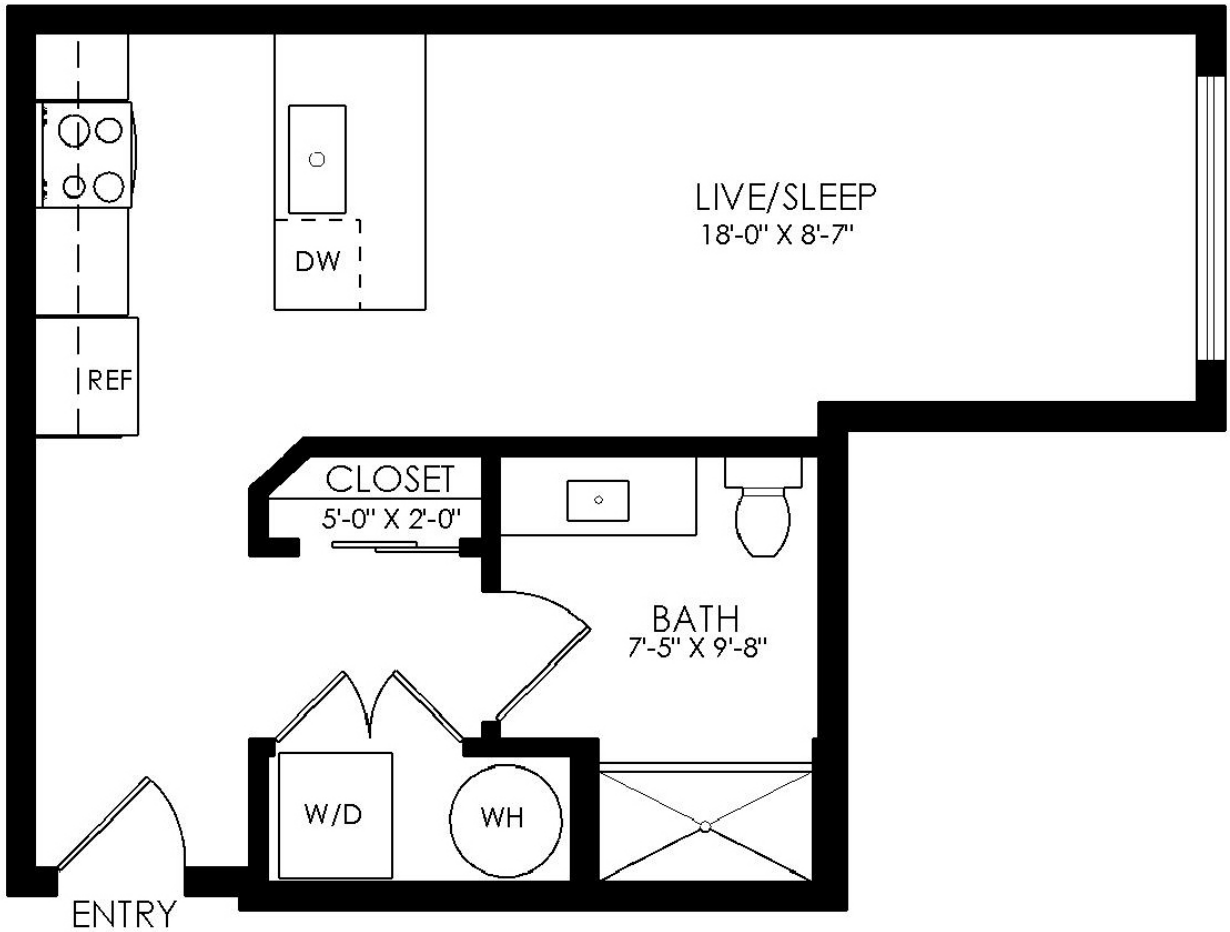
MECHANICAL SYSTEMS	
Heating	Mini Split Wall Unit
Air Conditioning	Mini Split Wall Unit
Hot Water	Domestic Hot Water Tank in Each Apartment

ADDITIONAL FACTORS	
Sector	Market Rate
Furnishings	Unfurnished

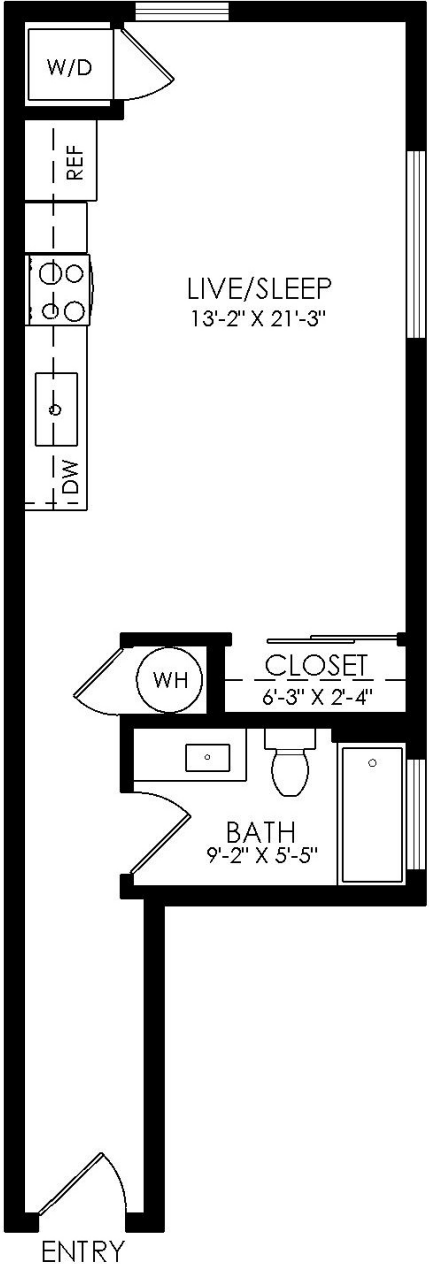
UTILITY BILLING STRUCTURE	
Gas	No Gas Usage
Electric	Units Individually Metered Common Areas Master Metered
Water/Sewer	Master Metered
Cable	Tenant's Responsibility
Internet	Provided by Third Party and Tenants Billed for Expense







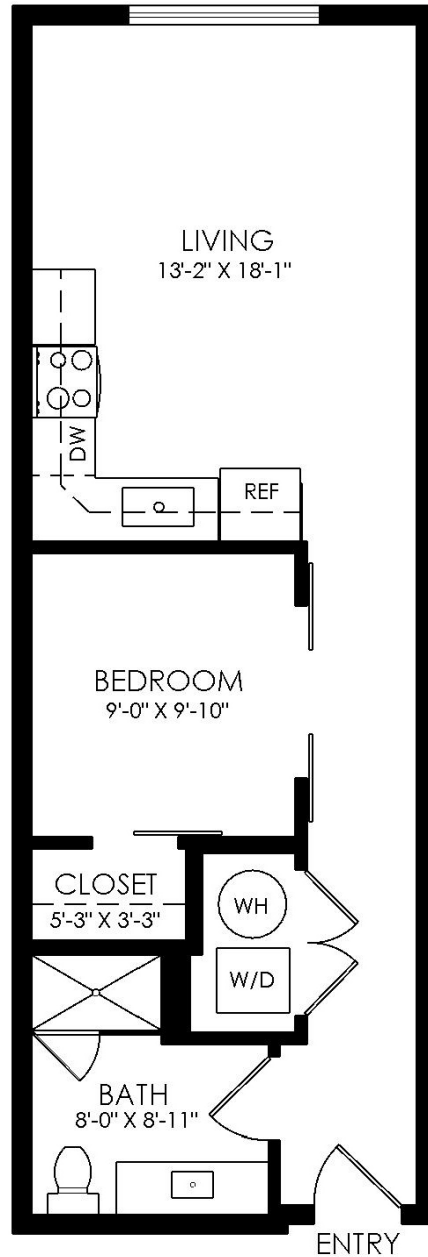
STUDIO UNIT
UNIT #112 | 445 SF



STUDIO UNIT
UNIT #214 | 445 SF

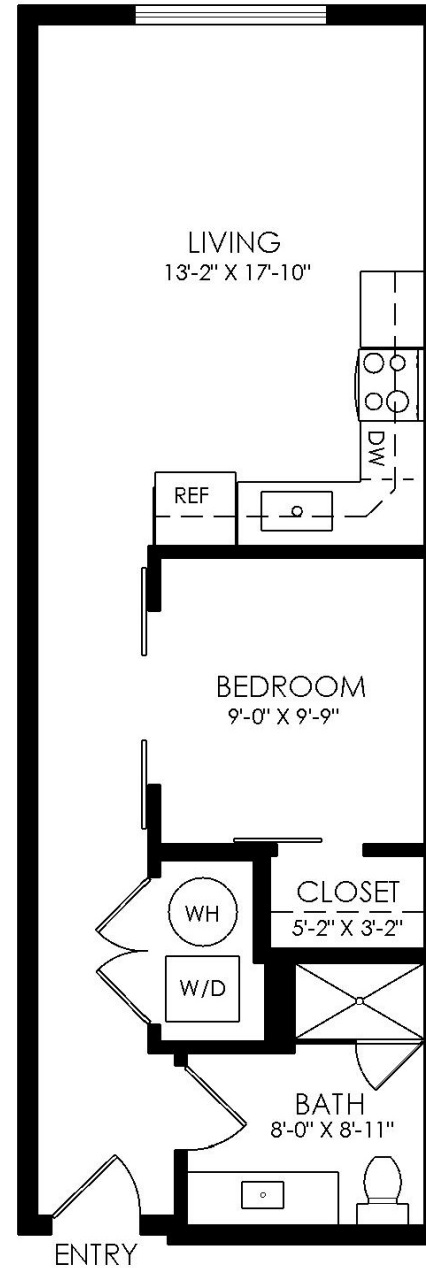
545 SF UNITS

- 104
- 106
- 108
- 110
- 204
- 206
- 208
- 210
- 212



ONE-BEDROOM UNIT

UNIT #110 | 545 SF

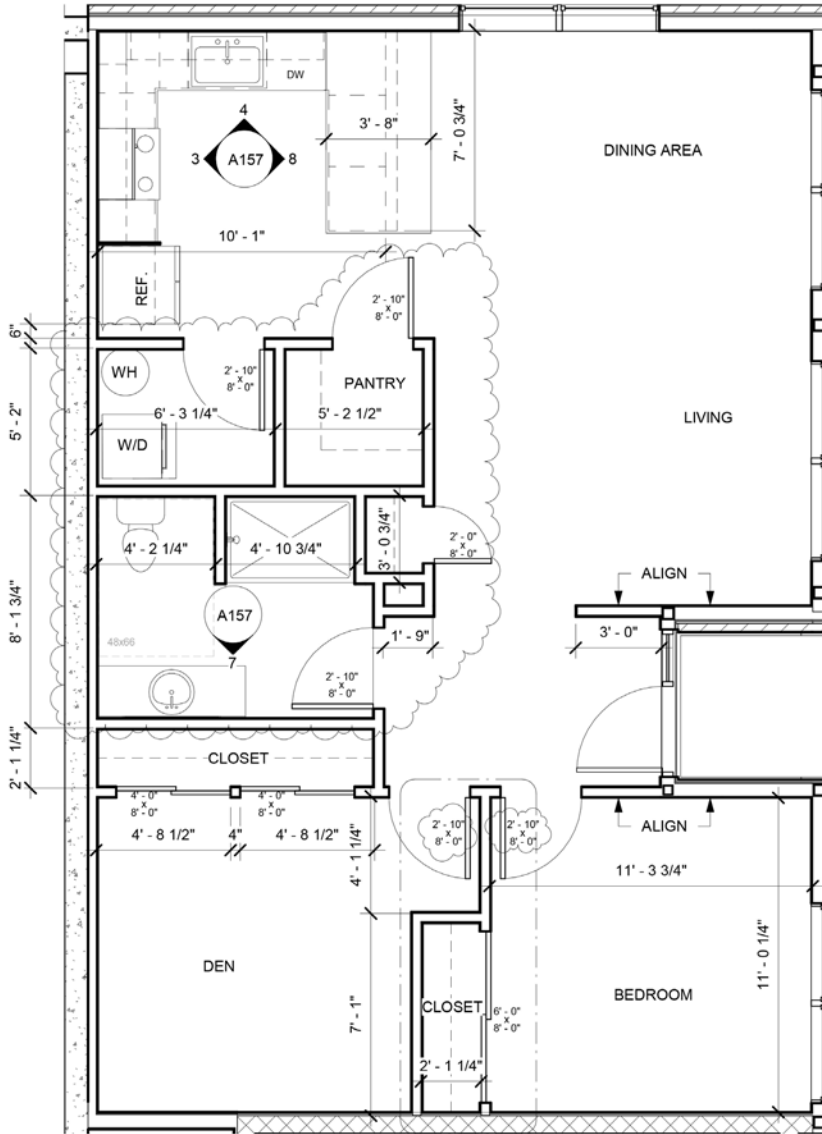


ONE-BEDROOM UNIT

UNIT #103 | 540 SF

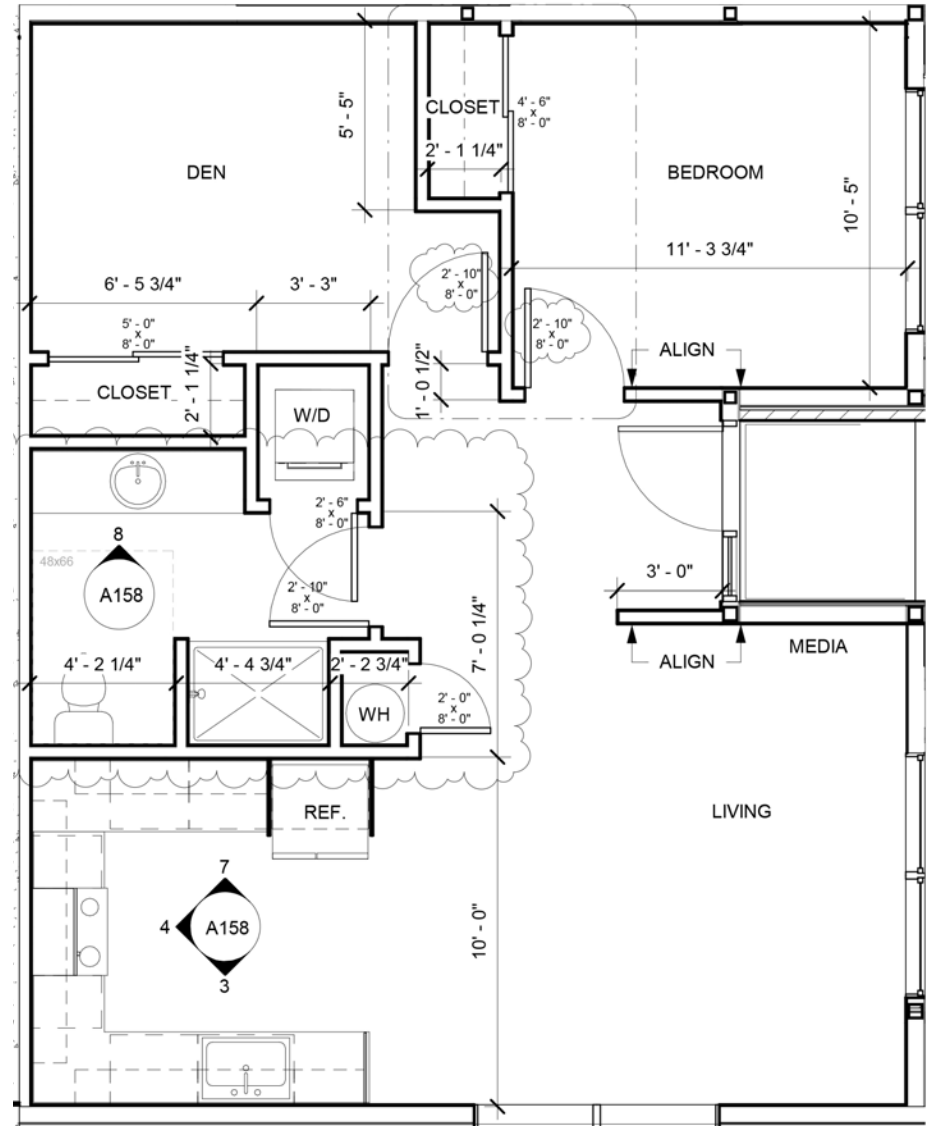
540 SF UNITS

- 103
- 105
- 107
- 109
- 111
- 113
- 203
- 205
- 207
- 209
- 211
- 213



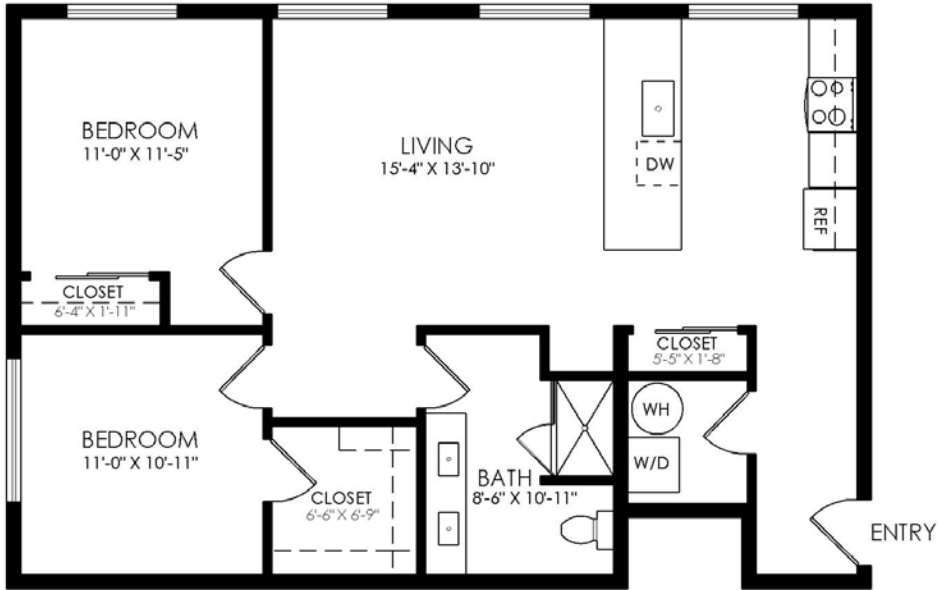
TWO-BEDROOM UNIT

UNIT #101 | 1,142 SF



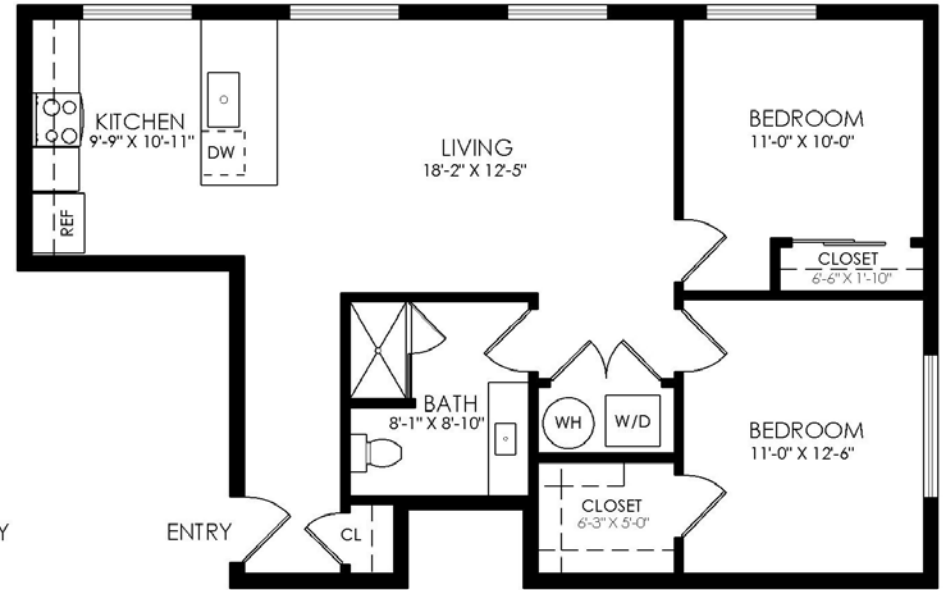
TWO-BEDROOM UNIT

UNIT #102 | 950 SF



TWO-BEDROOM UNIT

UNIT #201 | 960 SF



TWO-BEDROOM UNIT

UNIT #202 | 895 SF



LOCATION OVERVIEW



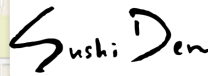
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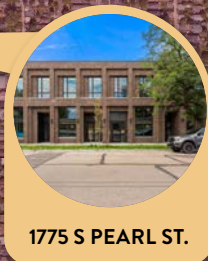
S PEARL ST.

E COLORADO AVE.

WASHINGTON PARK



PLATT PARK
NEIGHBORHOOD



1775 S PEARL ST.

PLATT PARK

Platt Park is one of Denver's most coveted neighborhoods due to the number of walkable restaurants and shopping with close proximity to Washington Park.

Original 1920's bungalows and newer townhomes adorn the streets of the neighborhood adding to the charm of the area. Pearl Street, a 7 block long commercial area offers some of the best restaurants in town including Sushi Den and Izakaya Den which share the same kitchen.

Platt Park anchors the neighborhood offering a great meeting spot. Located just minutes from the light rail, making access to everything Denver has to offer even easier. Or, if you want to stay around the area, the University Park neighborhood is adjacent which offers a fun eclectic restaurant and bar scene along Evans Avenue and University Boulevard.

Platt Park is minutes from Washington Park and Gaylord Street, with easy access to Cherry Creek by way of University Boulevard. Accessing downtown Denver is easy via the light rail and by car, averaging around 10-15 minutes of drive time. South Broadway's antique row is a part of the Platt Park neighborhood, which is perfect for finding design inspiration.





FINANCIAL ANALYSIS



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CURRENT RENT ROLL

CURRENT RENT ROLL

UNIT NUMBER	UNIT TYPE	UNIT SIZE	CURRENT RENT	MARKET RENT
101	2X1 (Main Floor)	1,142 SF	\$2,945	\$3,092
102	2X1 (Main Floor)	950 SF	\$2,875	\$3,019
103	1X1	540 SF	\$1,725	\$1,811
104	1X1	545 SF	\$1,695	\$1,780
105	1X1	540 SF	\$1,825	\$1,795
106	1X1	545 SF	\$1,750	\$1,838
107	1X1	540 SF	\$1,825	\$1,795
108	1X1	545 SF	\$1,695	\$1,795
109	1X1	540 SF	\$1,795	\$1,885
110	1X1	545 SF	\$1,850	\$1,943
111	1X1	540 SF	\$1,825	\$1,916
112	Studio	445 SF	\$1,495	\$1,570
113	1X1	540 SF	\$1,795	\$1,885
201	2X1	960 SF	\$2,945	\$3,092
202	2X1	895 SF	\$2,795	\$2,935
203	1X1	540 SF	\$1,795	\$1,885
204	1X1	545 SF	\$1,750	\$1,838
205	1X1	540 SF	\$1,725	\$1,811
206	1X1	545 SF	\$1,875	\$1,969
207	1X1	540 SF	\$1,895	\$1,990
208	1X1	545 SF	\$1,910	\$2,006
209	1X1	540 SF	\$1,845	\$1,937
210	1X1	545 SF	\$1,850	\$1,943
211	1X1	495 SF	\$1,850	\$1,943
212	1X1	545 SF	\$1,895	\$1,990
213	1X1	540 SF	\$1,990	\$2,090
214	Studio	445 SF	\$1,675	\$1,759
TOTAL		16,177 SF	\$52,890	\$55,307

UNIT MIX & INVESTMENT ANALYSIS

INCOME	CURRENT	PRO FORMA
Gross Scheduled Income (GSI)	\$634,680	\$666,414
Vacancy (3%)	(\$19,040)	(\$19,992)
Utility Income	\$23,010	\$23,010
Parking Income	\$21,000	\$21,000
Internet Income	\$15,390	\$15,390
Pet Income	\$3,600	\$3,600
Miscellaneous Income	\$8,665	\$8,665
GROSS RENTAL INCOME	\$687,305	\$718,087

EXPENSES	CURRENT	PRO FORMA
Property Taxes (1)	\$54,381	\$54,381
Property Insurance (2)	\$6,334	\$6,334
Electricity - No Gas (3)	\$16,244	\$16,244
Vacant Utilities (4)	\$1,575	\$1,575
Trash (5)	\$1,500	\$1,500
Water & Sewer (6)	\$6,248	\$6,248
Telephone/Internet (7)	\$6,095	\$6,095
Management (8)	\$39,678	\$39,678
Payroll (9)	\$14,596	\$14,596
Repairs & Maintenance (10)	\$26,080	\$26,080
Unit Turns	\$7,920	\$7,920
Admin (11)	\$19,196	\$19,196
TOTAL EXPENSES	\$199,847	\$199,847
TOTAL EXPENSES / UNIT	\$7,402	\$7,402
NET OPERATING INCOME	\$509,687	\$514,063

UNIT TYPE	NO. OF UNITS	APPROX. SF	CURRENT RENT	MONTHLY INCOME	PRO FORMA RENT	PRO FORMA MONTHLY INCOME
Studio	2	445	\$1,585	\$3,170	\$1,664	\$3,329
1 Bd / 1 Ba	21	540	\$1,817	\$38,160	\$1,908	\$40,068
2 Bd / 1 Ba	2	928	\$2,870	\$5,740	\$3,014	\$6,027
2 Bd / 1 Ba	2	1,046	\$2,910	\$5,820	\$3,056	\$6,111
TOTALS	27	16,177		\$52,890		\$55,535

FINANCIAL ANALYSIS	CURRENT	PRO FORMA
Net Operating Income	\$487,458	\$518,240
Projected Debt Service	(\$360,000)	(\$360,000)
Before Tax Cash Flow	\$127,458	\$158,240
Cash-on-Cash Return	2.12%	2.64%
Total Return	2.12%	2.64%
CAP RATE	4.06%	4.32%

INVESTMENT SUMMARY	
List Price	\$12,000,000
Price/Unit	\$444,444
Price / SF	\$481

FINANCING	
Loan Amount	\$6,000,000
Down Payment	\$6,000,000
Interest Rate	6.00%*
Amortization	Interest Only

*Projected 5 year fixed term

- 1) **Property Taxes:** Current/Projected based on 2024 actual expense
- 2) **Property Insurance:** Current/Projected based on 2023-2024 actual expense thru Aug '24
- 3) **Electricity:** Current/Projected based on 2024 Cornerstone budget
- 4) **Vacant Utilities:** Current/Projected based on 2024 Cornerstone budget
- 5) **Trash Removal:** Current/Projected based on 2024 Cornerstone budget
- 6) **Water & Sewer:** Current/Projected based on 2024 Cornerstone budget
- 7) **Telephone/DSL:** Current/Projected based on 2024 Cornerstone budget
- 8) **Management:** Current/Projected based on 2024 Cornerstone budget
- 9) **Payroll:** Current/Projected based on 2024 Cornerstone budget
- 10) **Repairs & Maintenance:** Current/Projected based on 2024 Cornerstone budget
- 11) **Admin:** Current/Projected based on 2024 Cornerstone budget

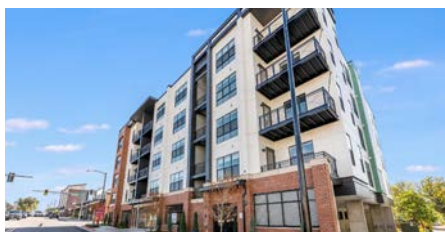
COMPARABLE SALES



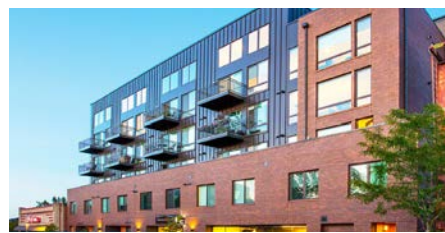
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SUBJECT PROPERTY	
1775 S Pearl St., Denver, CO	
List Price	\$12,000,000
Year Built	2022
Building Size	24,905 SF
# Units	27
Price/SF	\$481
Price/Unit	\$444,444
Unit Mix	2 - Studio 21 - 1 Bd / 1 Ba 4 - 2 Bd / 1 Ba



1190 E Hampden Ave. Englewood, CO 80113		#1
Sale Date	12/6/22	
Sale Price	\$16,400,000	
Year Built	2021	
Building Size	37,635 SF	
# Units	28	
Price/SF	\$435	
Price/Unit	\$585,714	
Unit Mix	28 - 2 Bd / 2 Ba	



3860 Tennyson St. Denver, CO 80212		#2
Sale Date	8/17/22	
Sale Price	\$25,500,000	
Year Built	2018	
Building Size	69,500 SF	
# Units	49	
Price/SF	\$366	
Price/Unit	\$520,408	
Unit Mix	13 - Studio 27 - 1 Bd / 1 Ba 2 - 2 Bd / 1 Ba 7 - 2 Bd / 2 Ba	



2790 N Josephine St. Denver, CO 80205		#3
Sale Date	5/26/22	
Sale Price	\$11,050,000	
Year Built	2018	
Building Size	18,429 SF	
# Units	23	
Price/SF	\$599	
Price/Unit	\$480,435	
Unit Mix	10 - 1 Bd / 1 Ba 9 - 2 Bd / 2 Ba 4 - 3 Bd / 2 Ba	



820 Sherman St. Denver, CO 80203		#4
Sale Date	4/6/22	
Sale Price	\$30,000,000	
Year Built	2015	
Building Size	50,000 SF	
# Units	64	
Price/SF	\$600	
Price/Unit	\$468,750	
Unit Mix	12 - Studio 34 - 1 Bd / 1 Ba 18 - 2 Bd / 2 Ba	



300 S Lafayette St. Denver, CO 80209		#5
Sale Date	3/26/22	
Sale Price	\$9,000,000	
Year Built	2014	
Building Size	17,619 SF	
# Units	20	
Price/SF	\$510	
Price/Unit	\$450,000	
Unit Mix	17 - 1 Bd / 1 Ba 3 - 2 Bd / 2 Ba	



4390 W 39th Ave. Denver, CO 80212		#6
Sale Date	1/26/22	
Sale Price	\$20,400,000	
Year Built	2021	
Building Size	35,000 SF	
# Units	39	
Price/SF	\$582	
Price/Unit	\$523,077	
Unit Mix	39 - 1 Bd / 1 Ba	



COMPARABLE RENTS



SUBJECT PROPERTY
1775 S Pearl St., Denver, CO

Unit Type	Rental Rate (Avg.)	Unit Size (Avg.)	Rent/SF
Studio	\$1,625	445 SF	\$3.65
1 Bd / 1 Ba	\$1,782	540 SF	\$3.30
2 Bd/1 Ba	\$2,700	928 SF	\$2.91
2 Bd/1 Ba (Main Floor)	\$2,950	1,046 SF	\$2.82
AVG.	\$2,264	739 SF	\$3.17



3885 Tennyson St.
Denver, CO 80212 **#5**

Unit Type	Rental Rate	Unit Size	Rent/SF
Studio	\$1,695	512 SF	\$3.31



1411 S Pearl St.
Denver, CO 80210 **#1**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$2,250	528 SF	\$4.26



1910 S Josephine St.
Denver, CO 80210 **#3**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$1,933	585 SF	\$3.40



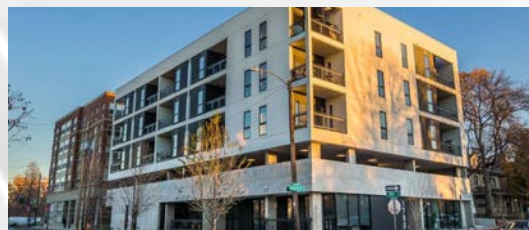
960 S Logan St.
Denver, CO 80209 **#2**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$1,940	500 SF	\$3.88



2500 17th St.
Denver, CO 80211 **#4**

Unit Type	Rental Rate	Unit Size	Rent/SF
Studio	\$1,758	572 SF	\$3.14
1X1	\$2,095	585 SF	\$3.58



1790 Gaylord St.
Denver, CO 80206 **#6**

Unit Type	Rental Rate	Unit Size	Rent/SF
2X1	\$2,898	1,040 SF	\$2.78



2885 Eliot St.
Denver, CO 80211 **#7**

Unit Type	Rental Rate	Unit Size	Rent/SF
1X1	\$1,895	531 SF	\$3.56

DISCLOSURE AND CONFIDENTIALITY AGREEMENT

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NorthPeak Commercial Advisors makes no guarantee, warranty, or representation about the completeness or accuracy of the information set forth in this Offering Memorandum. You are responsible to independently verify its accuracy and completeness. NorthPeak Commercial Advisors has prepared the information concerning the Property based upon assumptions relating to the general economy, its knowledge of other similar properties in the market, and on other market assumptions including factors beyond the control of the NorthPeak Commercial Advisors and the Owner of the Property. NorthPeak Commercial Advisors make no representation or warranty as to either the accuracy or completeness of the information contained herein. The information set forth in this Offering Memorandum is not intended to be a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be accurate, NorthPeak Commercial Advisors and the Property Owner disclaim any responsibility or liability for any inaccuracies. Further, NorthPeak Commercial Advisors and the Property Owner disclaim any and all liability for any express or implied representations and warranties contained in, or for any omissions from, the Offering Memorandum and for any other written or oral communication transmitted or made available to you. NorthPeak Commercial Advisors shall make available to you, as a qualified prospective investor, additional information concerning the Property and an opportunity to inspect the Property upon written request.

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