



THE CASCADE

A 13 UNIT
APARTMENT COMMUNITY
PLATTED AS CONDOMINIUMS

OFFERING MEMORANDUM

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SALT LAKE CITY, UT 84111

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EXECUTIVE SUMMARY / PROPERTY OVERVIEW

EXECUTIVE SUMMARY

CASCADE APARTMENTS

Cascade Place was originally constructed as a residential/office/commercial condominium community known as Commonwealth Place Condominiums in 2007. The property consists of three office/retail condominiums which are independently owned and The Cascade Apartments consists of 13 “live-work” residential dwellings all of which are being operated as rentals and is being marketed and sold as an apartment community. The Cascade Apartments controls 84% of the entire Commonwealth Place HOA which is transferred to the new owner upon the sale of the 13 apartments. The Cascade Apartments 84% controlling share of the HOA is based on the total square footage of the entire property.

Constructed in 2007, The Cascade is an attractive two-story, wood frame/stucco building with controlled-access garage parking and one space dedicated to each residential unit.

The residential floorplans are spacious as all of the one bedroom configurations have an office/den which could be utilized as a second bedroom.

A total of 11 residential dwelling units at The Cascade have been renovated to feature the following:

- Washers/Dryers in all units
- Chef-inspired kitchens with stainless steel appliances, solid surface counters and upgraded plumbing/lighting fixtures
- Bathroom cabinetry, counters, upgraded plumbing/electrical fixtures
- Designer two-tone paint
- Central HVAC

Building common areas have been renovated which consists of the following:

- New controlled-access parking garage door
- Garage repainting and new lighting
- Corridor paint, floor coverings, lighting fixtures and unit identification



EXECUTIVE SUMMARY - “CASCADE APARTMENTS”

Unit Mixes at The Cascade are as follows:

- 1-Studio @ 405 SF
- 5-One Bedroom/One Bath -plus- Den @ 630 SF
- 2-One Bedroom/One Bath -plus- Den @ 636 SF
- 1-One Bedroom/One Bath -plus- Den @ 686 SF
- 2-One Bedroom/One Bath -plus- Den @ 694 SF
- 2-One Bedroom/One Bath -plus- Den @ 717 SF



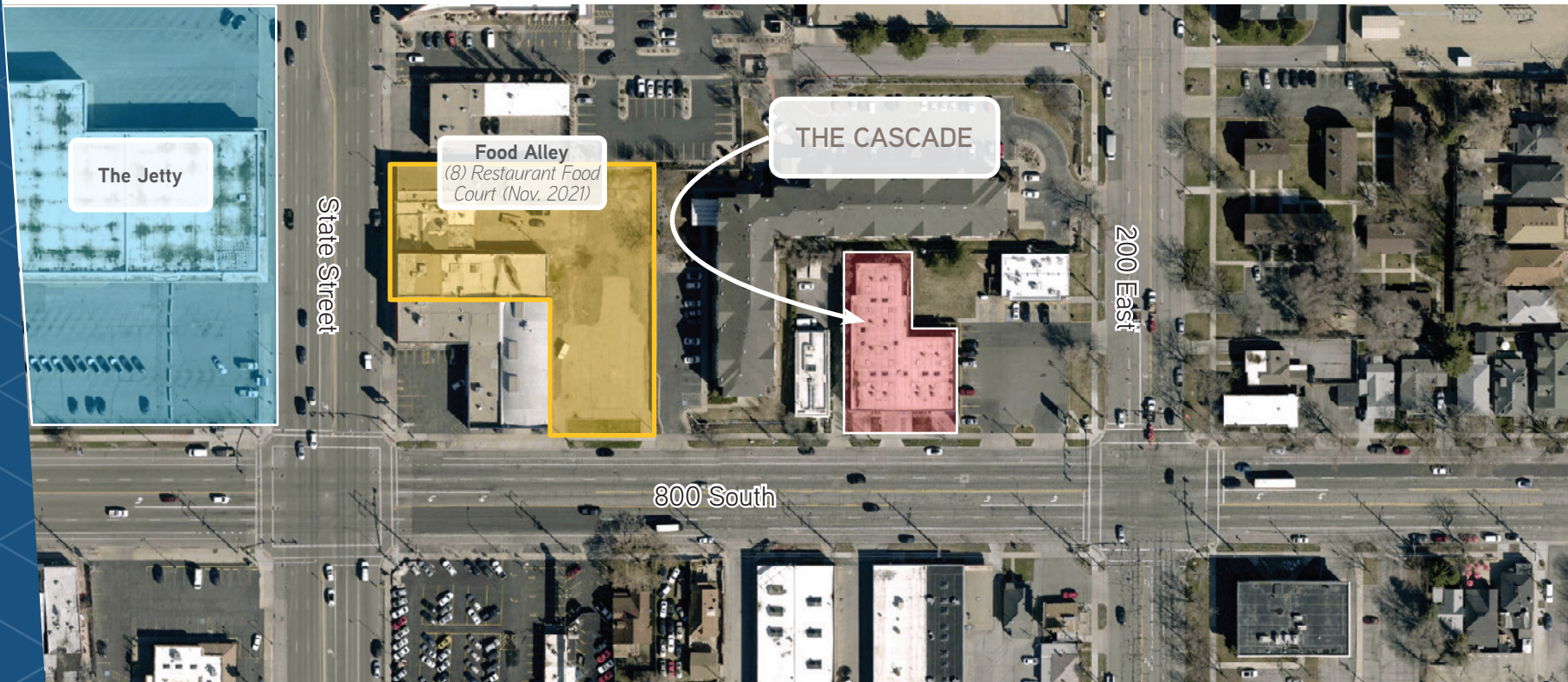
COMMONWEALTH PLACE HOMEOWNERS ASSOCIATION

As the Cascade Apartments control 84% of the Commonwealth Place HOA there is significant authority granted by voting power to control all current and future affairs of the Homeowners Association. Financial Management, Physical and Operational aspects of the Association are controlled. Total monthly association fees are paid by the renters, both commercial and residential, which total \$1,840/month. The 13 apartments are responsible for \$1,430 per month. Fees cover all common area expenses primarily consisting of:

- Utilities (Electricity, Water/Sewer, Trash Removal), Administrative/Office Expenses, Common Area Maintenance Payroll, Common Area Repairs & Maintenance

ADVANTAGES OF THE IN-PLACE HOA

- Significant upside selling individual units to single family buyers – added flexibility at exit
- Ability to acquire with residential debt – higher leverage and lower cost than traditional multifamily debt
- Seller interest rate of 3.1% (originated in 2017)
- Buyer has the ability to change the HOA fee as they wish with more than 60% control



THE OPPORTUNITY

The Cascade Apartments offers investors a turn-key investment opportunity in one of the fastest gentrifying neighborhoods in Downtown Salt Lake City. The abundant re-development of both the 800 South and 900 South corridors with greatly improved walkability due to the shopping, restaurants and major redevelopment projects in the vicinity will continue to attract a desirable renter demographic. Because the Cascade being platted as individual condominium provides an investor the condominium-sale exit strategy at the opportune market time. As the Downtown market has gentrified, the 800 South Corridor has followed suit and has become a high-demand location for residents desiring proximity to premier amenities, access to transportation and walkability.

Two major commercial real estate developments less than a block from The Cascade will have a major impact on the gentrification and walkability of the immediate area.

FOOD ALLEY

Located on the northeast corner of 800 South and State Street, this 46,000 square foot project will be comprised of eight food and beverage emporiums of which some are a martini bar, Asian fusion cuisine, a beer bar and five other locally prominent eateries will be scheduled to open approximately November 2021. This will add another attractive and hip dining/entertainment offering in the immediate area just steps from The Cascade.

THE JETTY

Directly across State Street from Food Alley will be the site of the \$80 million, 11-story residential mixed-use building. This project, developed by the Colmena Group and Kimball Investment Company will consist of 360 market-rate residential units and 15,000 sf of ground level retail on 1.74 acres. This bodes well for the future success at The Cascade as the higher-end rents charged at the Sears Block project will enable the new owners of The Cascade the opportunity to “slip-stream” the higher competing rents by increasing existing rents at the subject property yet still maintain The Cascade as the lower-cost leader in the submarket.



INVESTMENT OVERVIEW

This investment presents a perfect “turn-key” 1031 opportunity for both local and out of state investors due to the superb condition of the property which should greatly reduce the daily rigors of maintenance and operations yet capturing the young professional workforce moving to the Downtown area.

Property Name:	The Cascade Apartments
Property Address:	159 East 800 South, Salt Lake City, UT 84111
Units:	13
Constructed:	2007
Lot Size:	.31 AC
Rentable Square Feet:	8,335
Off-Street Parking:	14 Spaces



THE GATEWAY
DOWNTOWN SALT LAKE CITY

vivint.Arena
SmartHome



CITY CREEK CENTER

Pioneer Park



300 W.

LITTLE AMERICA
Hotel
SALT LAKE CITY

The GRAND AMERICA
Hotel



700 South

600 South



The Jetty
Mixed Use Development

Purgatory

Sapa

West Temple

Main St.

800 South

State St.

Food Alley
(8) Restaurant Food Court (Nov. 2021)

Subject
Cascade Apts

900 South

200 E.

Maveris



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LOCAL AREA AND AMENITIES MAP





PROPERTY PHOTOS



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AREA OVERVIEW

Why Utah?

> UTAH PROVIDES A HIGH QUALITY OF LIFE



Utah is a national leader in high job growth, low unemployment, low cost of doing business, and talented labor. Utah regularly ranks among the best states for business, careers, living, health, and quality of life. Utah provides an array of employment opportunities in various industries, and offers its residents numerous lifestyle options that range from quiet rural settings to thriving urban centers.

Most of Utah's population resides along The Wasatch Front, roughly 150 miles of contiguous cities and communities, running predominantly north-south along the I-15 corridor and the western slope of the Wasatch Mountain range, from Brigham City to Nephi.

Utah is world-renowned for its bounty of public lands and recreational opportunities ranging from mountain wilderness to desert landscapes. Utah has five national parks, six national forests, numerous state parks and recreation areas, and over a dozen ski resorts.

Utah is a geographically diverse state, encompassing a convergence of three distinct geological regions: the Rocky Mountains, the Great Basin, and the Colorado Plateau.

The beehive is the state symbol of Utah. The Mormon settlers used the symbol to represent hard work and industriousness. The beehive is where all workers cooperate in the construction of something much bigger than themselves, as a model for a properly run society.



JOB GROWTH

UTAH EXPERIENCED
STRONG JOB GROWTH,

3.3%

COMPARED TO
1.6% NATIONALLY



POPULATION GROWTH

POPULATION INCREASED

15.2%

FROM 2010 TO 2018,
THE #1 FASTEST
GROWING STATE
IN THE U.S.



HOUSING NEEDS

UTAH'S HOUSING GAP
IS AFFECTING OVER

54,000

FAMILIES AND INDIVIDUALS



YOUNG POPULATION

UTAH'S MEDIAN AGE OF

30.6

IS THE YOUNGEST
STATE IN THE U.S.

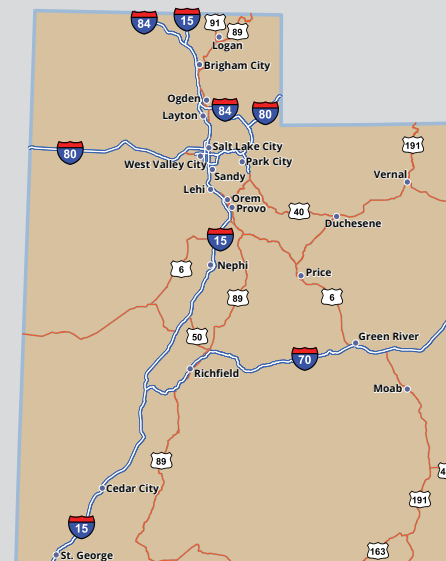


INVESTMENT VOLUME

IN 2018, UTAH RECORDED

**\$3.18
BILLION**

IN INVESTMENT
TRANSACTIONS,
UP 44% FROM 2017



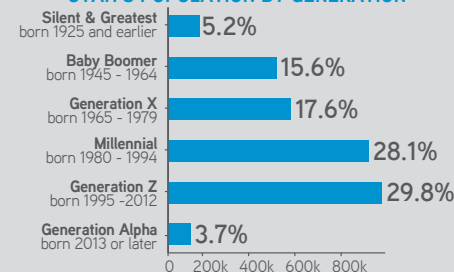
TOTAL POPULATION

**3.2
MILLION**

WORKFORCE

**1.3
MILLION**

UTAH'S POPULATION BY GENERATION



UTAH & SALT LAKE CITY ACCOLADES



fDi Magazine's Top 10 Mid-Sized American Cities of the Future Awards

- 4th Overall
- 2nd — Human Capital & Lifestyle
- 6th — Connectivity
- 6th — Business Friendliness

LIFESTYLE

#1

**BEST STATE FOR
MIDDLE CLASS 2019**

Yahoo

#2

**BEST STATE FOR
ADVENTURE 2019**

Trover/Eddie Bauer

#1-3

**TOP 3 MOST
CHARITABLE CITIES 2019**

SmartAsset

BUSINESS

#1

**BEST STATE FOR
BUSINESS 2018**

Forbes

#2

**BEST STATE FOR
OVERALL ECONOMY**

U.S. News: Best States Ranking

#4

**BEST STATE FOR
VENTURE CAPITAL**

U.S. News: Best States Ranking

GROWTH & EDUCATION

35+

**HIGHER EDUCATION
INSTITUTIONS IN UTAH**

National Database of Scholarships

69K+

**DEGREES AWARDED
IN 2015**

DataUSA.IO

15.2%

**POPULATION INCREASE
2010-2018**

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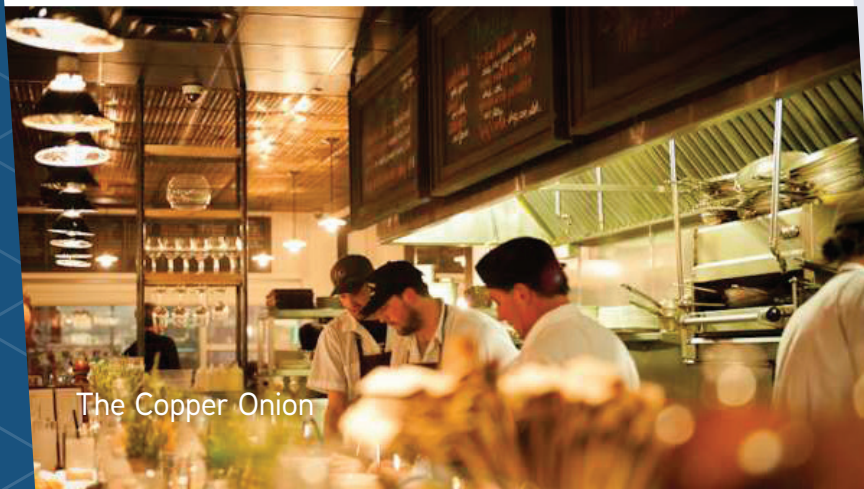
OTHER LOCATION HIGHLIGHTS



Sapa Grill & Sushi



Broadway at the Eccles



The Copper Onion

GROCERIES

- Harmons (1.2 mi)
- Smith's (1.2 mi)
- Sprouts (1.7 mi)
- Natural Grocers (1.6 mi)
- Trader Joe's (1.2 mi)
- Whole Foods (1.2 mi)

RESTAURANTS

- Food Alley (2021): 400'
- Sapa Grill/Sushi: 0.2 mi
- Pasha Middle Eastern: (0.1 mi)
- Moochie's (0.1 mi)
- Oh Mai: (0.2 mi)
- CHIP/Normal/Maven: (0.2 mi)
- Proper Burger: (0.4 mi)
- Mi La Cai: (0.3 mi)
- Chanon Thai & Barrio: (0.3 mi)
- Bayou: (0.3 mi)
- Pig & a Jelly Jar: (0.5 mi)
- The Copper Onion (0.9 mi)

SOCIAL/ENTERTAINMENT

- Clark Planetarium (1.4 mi)
- Cathedral of the Madeleine (1.5 mi)
- Pantages Theater (1.6 mi)
- Megaplex Theatres at the Gateway (1.7 mi)
- Capitol Theatre (1.7 mi)
- Off Broadway Theatre (1.7 mi)
- Rose Wagner Performing Arts Center (1.3 mi)
- Broadway at the Eccles (1.0 mi)
- Brewvies Cinema Pub (0.8mi)



FINANCIAL ANALYSIS

RENT ROLL

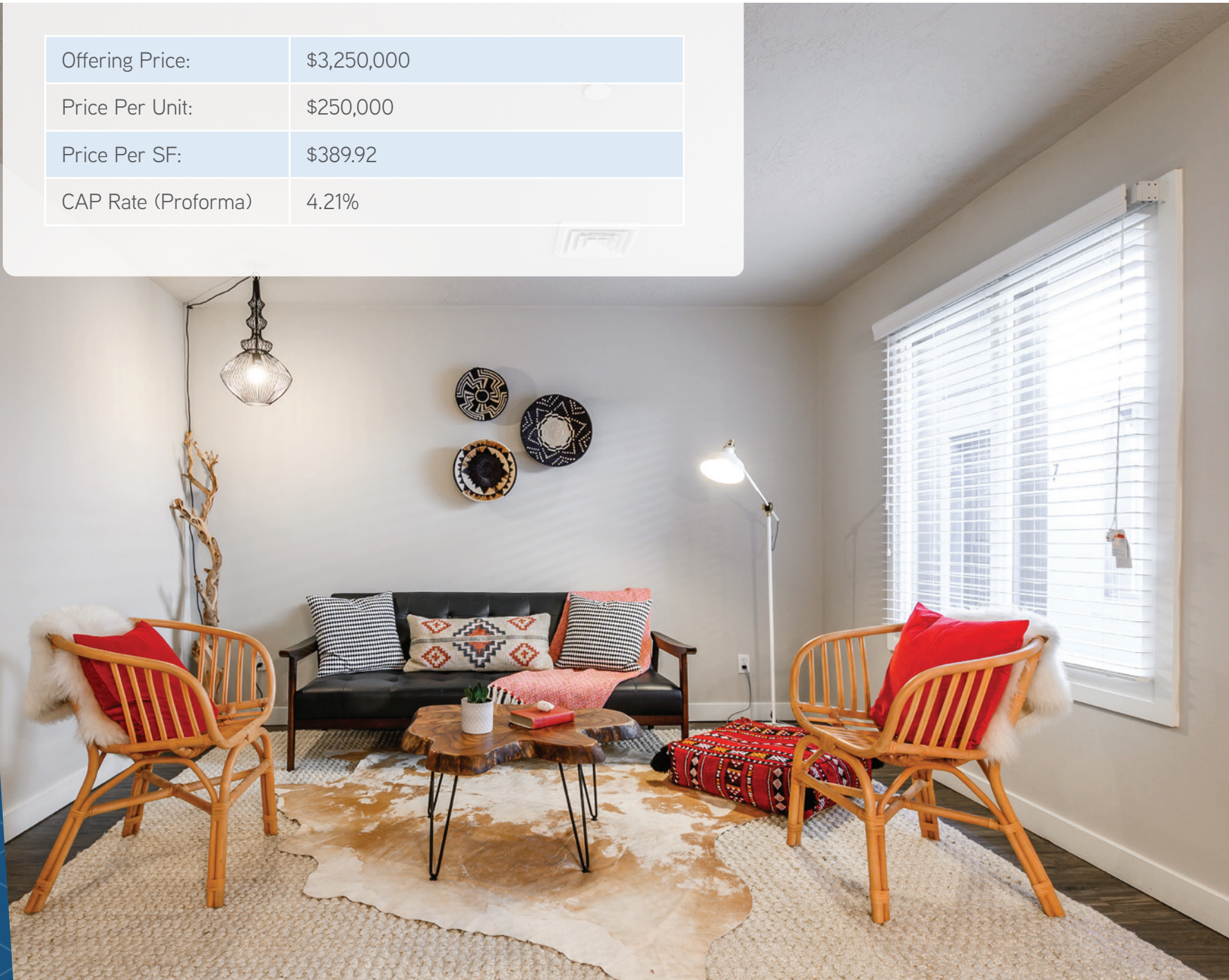
Unit	Unit Type	SF	Current Rent	Market	Pet	Internet	Parking	Storage	RE Taxes	Insurance
101	Studio	405	\$795	\$895		\$65	\$50	\$20	\$10	\$12
201	1 BDR/1 BA	630	\$1,145	\$1,145		\$65	\$50	\$20	\$10	\$12
202	1 BDR/1 BA	636	\$1,095	\$1,145		\$65	\$50	\$20	\$10	\$12
203	1 BDR/1 BA	636	\$1,125	\$1,145		\$65	\$50	\$20	\$10	\$12
204	1 BDR/1 BA	630	\$1,145	\$1,145						
205	1 BDR/1 BA	630	\$995	\$1,145		\$65	\$50	\$20	\$10	\$12
206	1 BDR/1 BA	630	\$895	\$1,145	\$35	\$65	\$50	\$20	\$10	\$12
207	1 BDR/1 BA	717	\$1,145	\$1,145		\$65	\$50	\$20	\$10	\$12
208	1 BDR/1 BA	717	\$995	\$1,145		\$65	\$50	\$20	\$10	\$12
209	1 BDR/1 BA	630	\$995	\$1,145	\$35	\$99	\$50	\$20	\$10	\$12
210	1 BDR/1 BA	686	\$1,095	\$1,145		\$65	\$50	\$20	\$10	\$12
211	1 BDR/1 BA	694	\$1,095	\$1,145	\$50	\$65	\$50	\$20	\$10	\$12
212	1 BDR/1 BA	694	\$1,145	\$1,145						
		8,335	\$13,665	\$14,635	\$120	\$749	\$550	\$220	\$110	\$132

VALUE & ASSUMPTIONS






	CURRENT	PROFORMA/ MARKET		MARKET RENTS	MONTHLY	ANNUAL
Gross Potential Rent	\$165,580.00	\$175,620 .00		(1) Studio	\$895	\$10,740
				(12) 1 BR / 1 BA + Den	\$1,145	\$164,880
Underwritten Vacancy Factor (5% Market Vacancy)	\$8,279.00	\$8,781.00	5% Market Vacancy			
Collection Loss (0.5%)	\$528.00	\$878.00	0.5%			
Concessions (1.4%)	\$2,386.00	\$-				
Net Rental Income	\$154,387.00	\$165,961.00				
Other Income	\$3,455.00	\$3,455.00	T12			
Property Specific Income	\$15,676.00	\$23,304.00	95% of per unit- \$65 Media, \$50 Parking, \$20 Storage, \$22 Taxes & Ins, \$35 pet			
RUBS Income	\$10,707.00	\$10,707.00	T12			
Effective Gross Income	\$184,225.00	\$203,427.00				
Expenses						
Utilities	\$1,284.00	\$1,284.00	Incl. in HOA Fees			
Administrative	\$1,881.00	\$1,881.00	T12			
HOA Fees	\$17,160.00	\$17,160.00	Offsets Contract Serv., R&M, Utilities			
Marketing	\$2,358.00	\$2,358.00	T12			
Payroll W/H & taxes	\$12,983.00	\$12,983.00	T12			
Contract Services	\$2,613.00	\$2,613.00	Incl. in HOA Fees			
Repairs & Maintenance	\$6,365.00	\$6,365.00	Incl. in HOA Fees			
Management Fees	\$6,632.00	\$6,103.00	3%			
Taxes & Insurance	\$15,924.00	\$15,894.00	2020 Tax Bill + T12 Ins.			
Annual Expenses	\$67,200.00	\$66,641.00				
Net Operating Income	\$117,025.00	\$136,787.00				

VALUATION

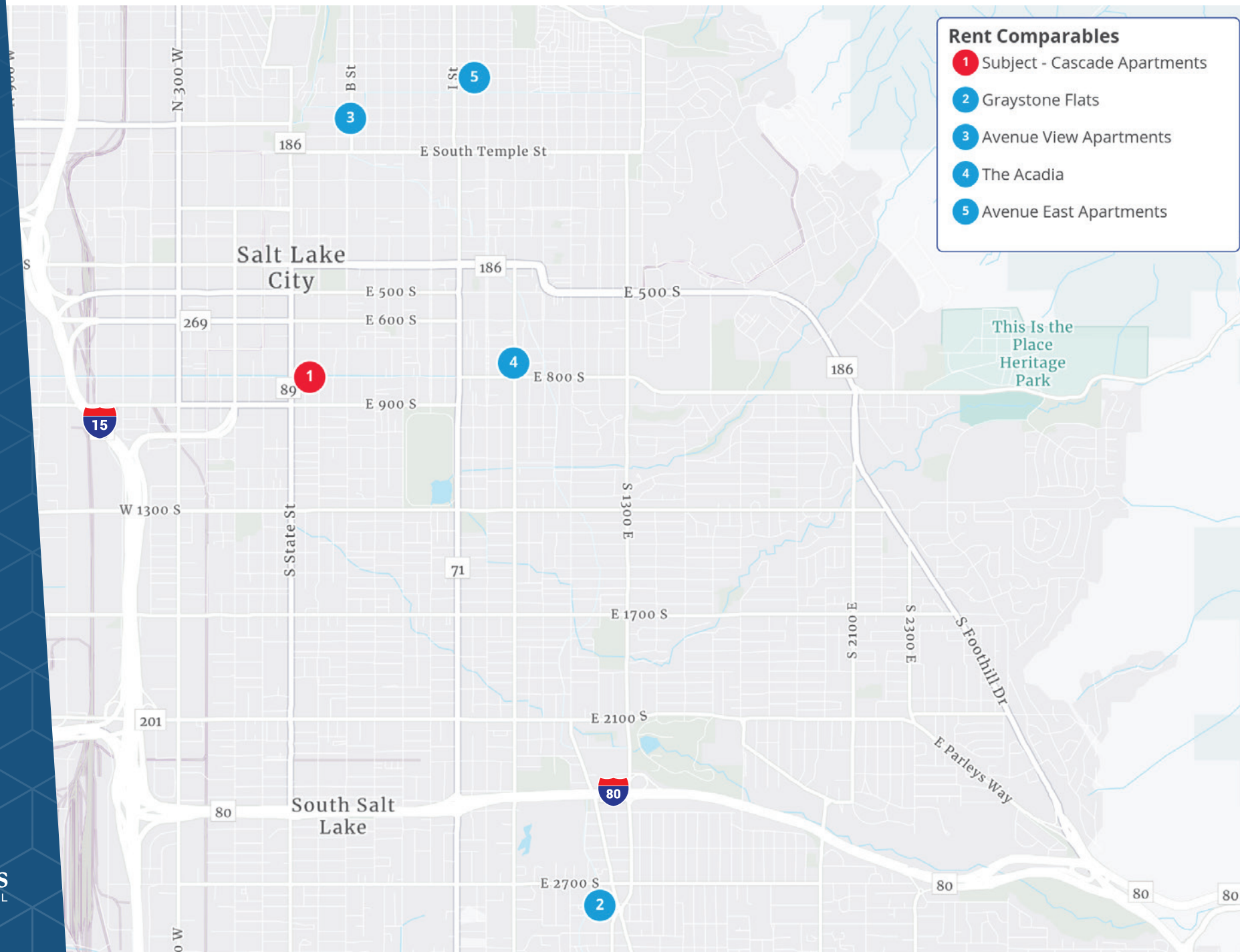
Offering Price:	\$3,250,000
Price Per Unit:	\$250,000
Price Per SF:	\$389.92
CAP Rate (Proforma)	4.21%









RENT COMPARABLES - 1 BEDROOM / 1 BATH

PHOTO	PROPERTY	UNIT MIX	SF	MONTHLY RENT
	CASCADE APARTMENTS 159 EAST 800 SOUTH SALT LAKE CITY, UTAH	1 Bedroom/1 Bath	641	\$1,145
	GRAYSTONE APARTMENTS 1172 EAST GRAYSTONE WAY SALT LAKE CITY, UTAH	1 Bedroom/1 Bath	516	\$1,224
	AVENUE VIEW APARTMENTS 107 B ST E SALT LAKE CITY, UTAH	1 Bedroom/1 Bath	599	\$1,190
	THE ACADIA 760 S. 900 E. SALT LAKE CITY, UTAH	1 Bedroom/1 Bath	595	\$1,045
	AVENUE EAST APARTMENTS 665 E. 5TH AVE. SALT LAKE CITY, UTAH	1 Bedroom/1 Bath	599	\$1,100

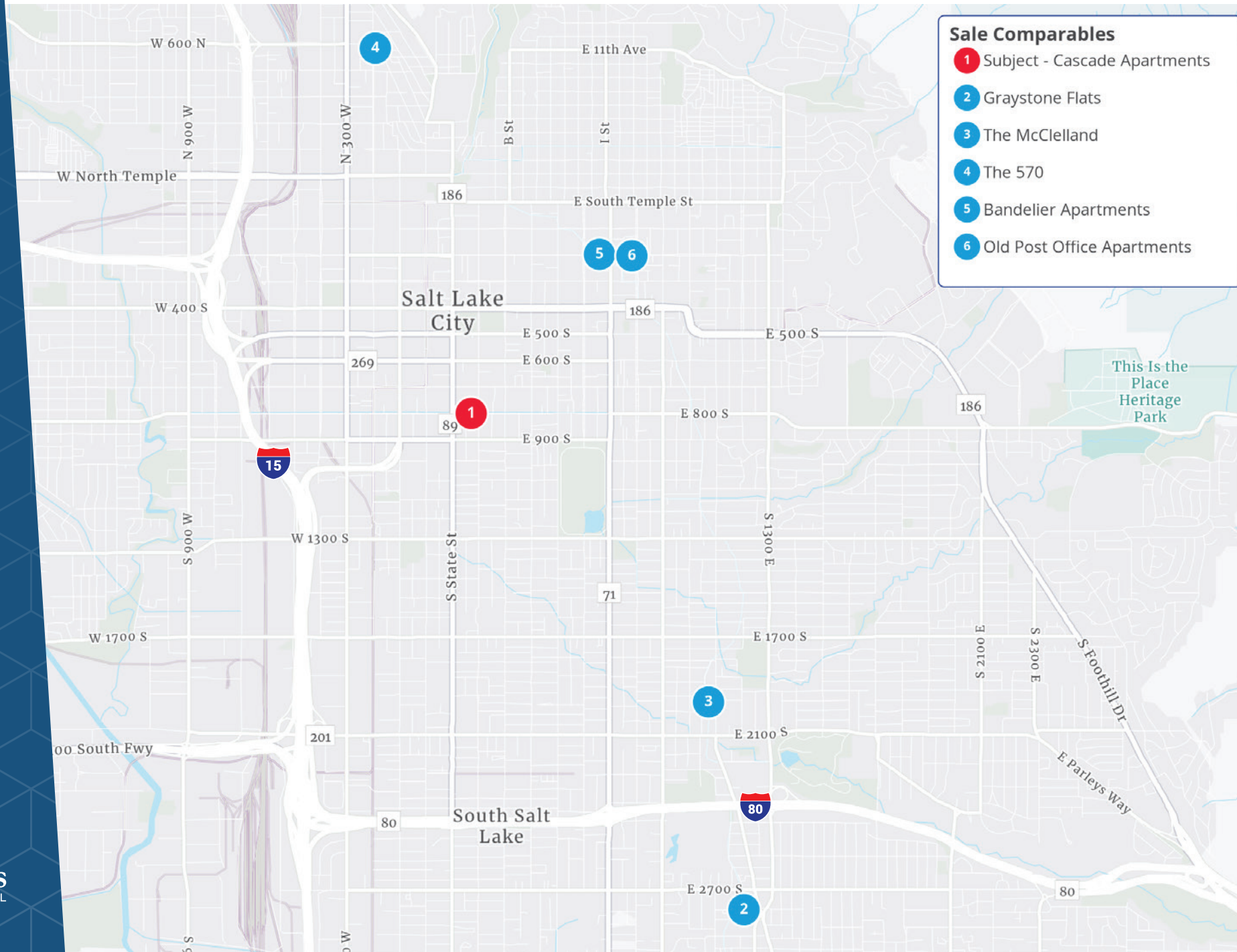
MAP OF RENT COMPARABLES



SALE COMPARABLES

PHOTO	PROPERTY NAME	YEAR BUILT	UNITS	SF	SALES DATE	PRICE	PPU	PSF	CAP RATE
	CASCADE APARTMENTS 159 EAST 800 SOUTH SALT LAKE CITY, UTAH	2007	13	8,335	Subject Property	\$3,250,000	\$250,000	\$390	4.21%
	GRAYSTONE FLATS 1172 EAST GRAYSTONE WAY SALT LAKE CITY, UTAH	1962	15	8,184	9/28/2020	\$3,575,000	\$238,333	\$437	4.94% (proforma @ \$3,200/unit op. ex.)
	1932 S. MCCLELLAND ST. SALT LAKE CITY, UTAH	1961	8	6,480	7/31/2020	\$2,400,000	\$300,000	\$370	5.12%
	THE 570 570 N. 200 W. SALT LAKE CITY, UTAH	1963	9	6,480	7/31/2020	\$2,325,000	\$258,333	\$359	5.12%
	BANDELIER APARTMENTS 643 E 200 S SALT LAKE CITY, UT 84102	1973	12	9,228	11/8/2019	\$2,640,000	\$220,000	\$286	5.25%
	OLD POST OFFICE APARTMENTS 777 E 200 S SALT LAKE CITY, UT 84102	1910	12	12,345	12/1/2018	\$3,280,000	\$273,333	\$266	5.15%
AVERAGES						\$2,844,000	\$253,931	\$344	5.12%

MAP OF SALE COMPARABLES



OFFERING MEMORANDUM

THE CASCADE APARTMENTS

MULTIFAMILY // 13 UNITS TOTAL

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