

OFFERING MEMORANDUM

PRICE REDUCTION



**1445 DETROIT STREET**

Denver, CO 80206

**Price:** \$3,000,000 \$2,700,000 | **Units:** 17

# INVESTMENT ADVISORS



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# PROPERTY SUMMARY



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# EXECUTIVE SUMMARY

## PROPERTY DETAILS

Address	<b>1445 Detroit St.</b> Denver, CO 80206
Price	\$2,700,000
# of Units	17
Building Size	10,044 SF
Lot Size	6,250 SF
Year Built	1968
Roof	Flat
Building Type	Outside Walk Up
Heat	Boiler
Zoning	U-RH-3A
Off-Street Parking	17 Covered Spaces

## PROPERTY HIGHLIGHTS

- Coveted location for tenants and investors
- Three blocks from City Park
- 16 covered parking spaces
- New roof in 2024
- Huge upside potential after in-unit renovations

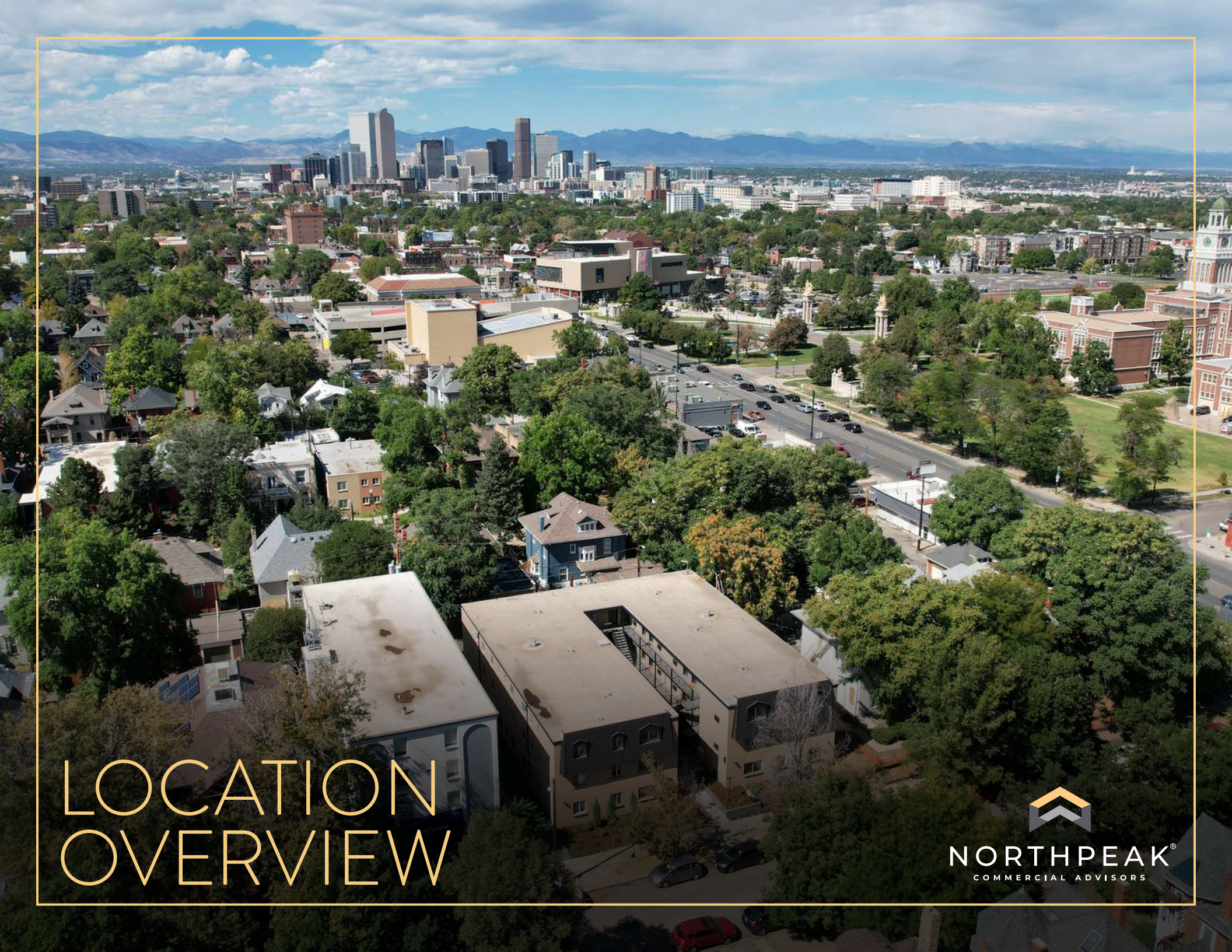
**1445 Detroit** is a 17-unit apartment building in Denver's coveted Congress Park neighborhood. The 4-story property features 16 covered parking spaces, which is a rare and valuable amenity in this popular location.

The property has been under the same ownership for over twenty years and offers a clear value-add opportunity. The building's systems are in good working order, including 70-amp electrical service with new GE breaker panels, an upgraded elevator and a new roof installed last summer. The HVAC system has also been upgraded with separate boilers for building heat and domestic hot water.

By renovating unit interiors, a new owner maximizes income potential. Similar apartments with full renovations are achieving \$1,650/month in the neighborhood. Our analysis proposes a \$40,000/unit renovation budget allowing for upgraded kitchens and in-unit laundry.



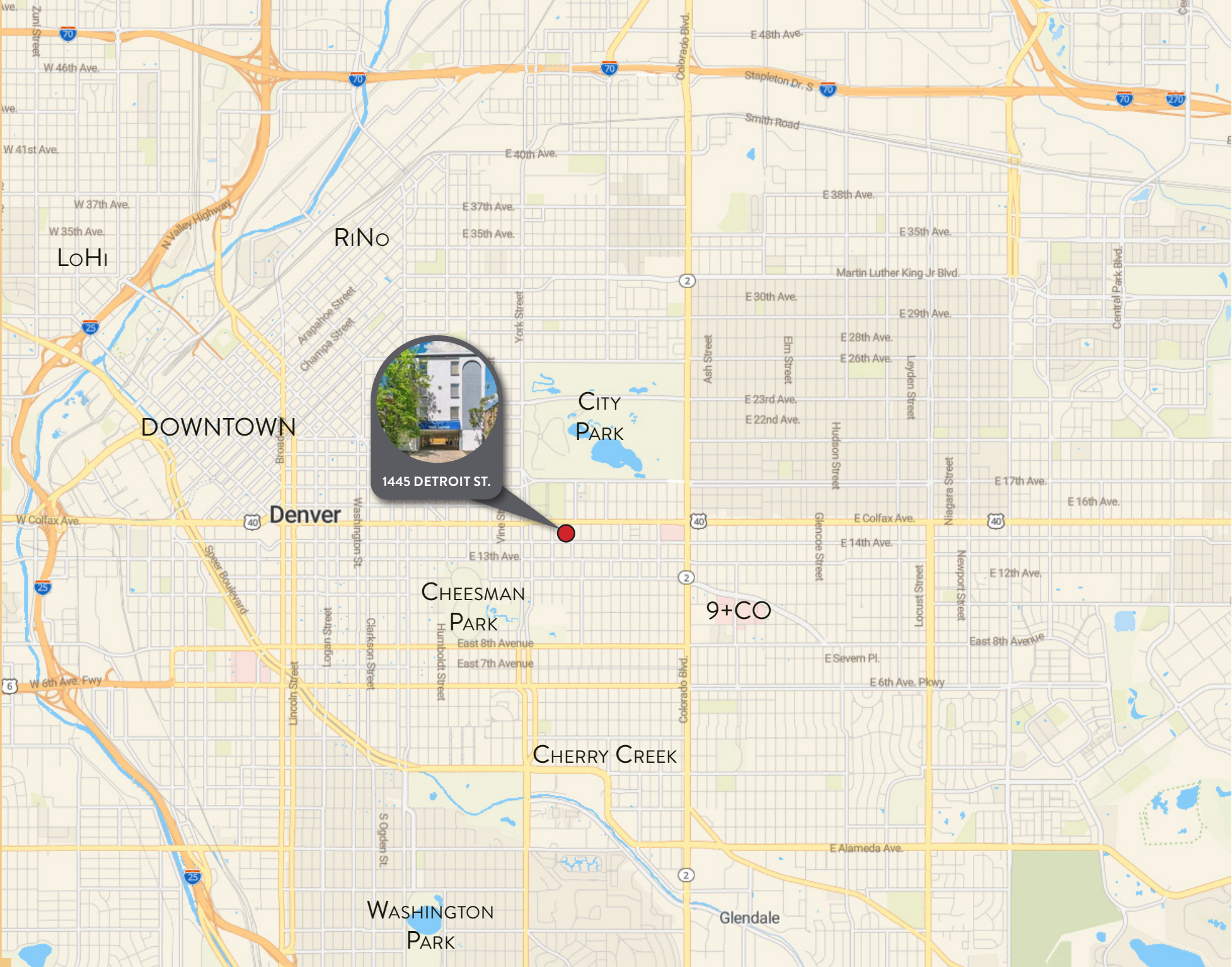




# LOCATION OVERVIEW



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1445 DETROIT ST.



1445 DETROIT ST.



DENVER BOTANIC GARDENS



CHERRY CREEK SHOPPING CENTER



## CONGRESS PARK

Urban gem Congress Park's leafy streets are populated with well-appointed, single-family Denver Squares, Queen Annes, and bungalows. Bike lanes along East 7th Avenue and 12th Avenue, plus numerous bus stops, make commuting easy (Congress Park sits about three miles west of downtown). Plus, Teller Elementary School—one of two schools in the neighborhood—earned top ratings from the district.

The compact, namesake green space is the main gathering place, but for a residential, family-friendly district, Congress Park also has plenty of local businesses to support, including the emerging offerings across Colorado Boulevard in the 9th and Colorado development.

Walk  
Score  
**91**

### VERY WALKABLE

Most errands can be accomplished on foot.

Transit  
Score  
**51**

### GOOD TRANSIT

Many nearby public transportation options.

Bike  
Score  
**97**

### BIKER'S PARADISE

Daily errands can be accomplished on a bike.





# INVESTMENT ANALYSIS



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## UNIT MIX &amp; INVESTMENT ANALYSIS - AS-IS

UNIT TYPE	NO. OF UNITS	APPROX. SF	CURRENT RENT	MONTHLY INCOME	PRO FORMA RENT	PRO FORMA MONTHLY INCOME
1 Br/1 Ba	16	494	\$1,131	\$18,096	\$1,212	\$19,392
2 Br/1 Ba	1	625	\$1,390	\$1,390	\$1,600	\$1,600
<b>TOTALS</b>	<b>17</b>	<b>8,530</b>		<b>\$19,486</b>		<b>\$20,992</b>

INCOME	CURRENT	PRO FORMA
Gross Scheduled Income (GSI)	\$233,760	\$251,940
Vacancy (5%)	(\$11,688)	(\$12,597)
Laundry	\$2,242	\$2,242
Parking	\$4,010	\$10,200
RUBS	\$4,196	\$11,220
Misc:	\$2,301	\$2,301
<b>GROSS RENTAL INCOME</b>	<b>\$234,820</b>	<b>\$265,305</b>
EXPENSES	CURRENT	PRO FORMA
Property Tax	\$22,514	\$22,514
Insurance	\$10,891	\$10,891
Gas/Electric	\$6,114	\$6,114
Water/Sewer	\$6,176	\$6,176
Trash	\$3,645	\$3,645
Management	\$20,108	\$22,286
Repairs/Maint.	\$20,312	\$17,000
Elevator	\$4,781	\$4,781
Admin/Misc.	\$4,432	\$4,432
<b>TOTAL EXPENSES</b>	<b>\$98,974</b>	<b>\$97,839</b>
<b>TOTAL EXPENSES / UNIT</b>	<b>\$5,822</b>	<b>\$5,755</b>
<b>NET OPERATING INCOME</b>	<b>\$135,847</b>	<b>\$167,466</b>

FINANCIAL ANALYSIS	CURRENT	PRO FORMA
Net Operating Income	\$135,847	\$167,466
Projected Debt Service	(\$99,746)	(\$99,746)
Before Tax Cash Flow	\$36,101	\$67,720
Cash-on-Cash Return	2.7%	5.0%
Principal Reduction	\$15,819	\$15,819
Total Return	\$51,920	\$83,539
<b>CAP RATE</b>	<b>5.0%</b>	<b>6.2%</b>

INVESTMENT SUMMARY		FINANCING	
List Price	\$2,700,000	Loan Amount	\$1,350,000 (50%)
Price/Unit	\$158,824	Down Payment	\$1,350,000 (50%)
Price/SF	\$269	Interest Rate	6.25%
		Amortization	30 Years

After 20 years of ownership, the building is underperforming. Pro Forma improvements stem from more active ownership and attention to detail. Parking and RUBS income can increase, and modest improvements will bump rents.



# RENOVATION ANALYSIS



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# UNIT MIX & INVESTMENT ANALYSIS - RENOVATION

UNIT TYPE	NO. OF UNITS	APPROX. SF	CURRENT RENT	MONTHLY INCOME	RENOVATION RENT	RENOVATION MONTHLY INCOME
1 Br/1 Ba	16	494	\$1,131	\$18,096	\$1,583	\$25,328
2 Br/1 Ba	1	625	\$1,390	\$1,390	\$1,850	\$1,850
<b>TOTALS</b>	<b>17</b>	<b>8,530</b>		<b>\$19,486</b>		<b>\$27,178</b>

INCOME	CURRENT	RENOVATION
Gross Scheduled Income (GSI)	\$233,760	\$326,100
Vacancy (5%)	(\$11,688)	(\$16,305)
Laundry	\$2,242	\$2,242
Parking	\$4,010	\$8,160
RUBS	\$4,196	\$11,220
Misc:	\$2,301	\$270
<b>GROSS RENTAL INCOME</b>	<b>\$234,820</b>	<b>\$331,687</b>
EXPENSES	CURRENT	PRO FORMA
Property Tax	\$22,514	\$22,514
Insurance	\$10,891	\$10,891
Gas/Electric	\$6,114	\$6,114
Water/Sewer	\$6,176	\$6,176
Trash	\$3,645	\$3,645
Management	\$20,108	\$26,535
Repairs/Maint.	\$20,312	\$17,000
Elevator	\$4,781	\$4,781
Admin/Misc.	\$4,432	\$4,000
<b>TOTAL EXPENSES</b>	<b>\$98,974</b>	<b>\$101,657</b>
<b>TOTAL EXPENSES / UNIT</b>	<b>\$5,822</b>	<b>\$5,980</b>
<b>NET OPERATING INCOME</b>	<b>\$135,847</b>	<b>\$230,030</b>

FINANCIAL ANALYSIS	CURRENT	RENOVATION
Net Operating Income	\$135,847	\$230,030
Projected Debt Service	(\$99,746)	(\$124,867)
Before Tax Cash Flow	\$36,101	\$105,163
Cash-on-Cash Return	2.7%	6.2%
Principal Reduction	\$15,819	\$19,803
Total Return	\$51,920	\$124,966
<b>CAP RATE</b>	<b>5.0%</b>	<b>6.81%</b>

INVESTMENT SUMMARY		RENOVATION FINANCING	
List Price	\$2,700,000	Loan Amount	\$1,690,000
Total Renovation Cost	\$680,000	Down Payment	\$1,690,000
Total Cost	\$3,380,000	Interest Rate	6.25%
		Amortization	30 Years

A renovation plan will improve financial performance dramatically. \$40,000 per unit can be invested in kitchen and bathroom upgrades, along with the addition of in-unit laundry.



# COMPARABLE SALES



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**SUBJECT PROPERTY**

1445 Detroit St., Denver, CO

Sale Date	JUST LISTED
List Price	\$2,700,000
# Units	17
Price/Unit	\$158,824
Unit Mix	16 - 1 Bd / 1 Ba 1 - 2 Bd / 1 Ba



1235 Logan  
Denver, CO 80203

#1

Sale Date	3/10/2025
Sale Price	\$4,400,000
# Units	24
Price/Unit	\$183,333
Unit Mix	24 - 1 Bd / 1 Ba



1245 Logan  
Denver, CO 80203

#2

Sale Date	3/10/2025
Sale Price	\$3,900,000
# Units	23
Price/Unit	\$169,565
Unit Mix	4 - Studio 17 - 1 Bd / 1 Ba 2 - 2 Bd / 1 Ba



30 S Pearl  
Denver, CO 80209

#3

Sale Date	2/10/2025
Sale Price	\$5,950,000
# Units	35
Price/Unit	\$170,000
Unit Mix	32 - 1 Bd / 1 Ba 3 - 2 Bd / 1 Ba



20-30 S Washington  
Denver, CO 80209

#4

Sale Date	2/10/2025
Sale Price	\$5,780,000
# Units	34
Price/Unit	\$170,000
Unit Mix	30 - 1 Bd / 1 Ba 4 - 2 Bd / 1 Ba



2250 Clarkson  
Denver, CO 80205

#6



Sale Date	7/1/2024
Sale Price	\$2,550,000
# Units	15
Price/Unit	\$170,000
Unit Mix	15 - 1 Bd / 1 Ba



1335 Gaylord  
Denver, CO 80206

#7



Sale Date	6/21/2024
Sale Price	\$3,875,000
# Units	17
Price/Unit	\$227,941
Unit Mix	12 - 1 Bd / 1 Ba 5 - 2 Bd / 1 Ba



140 S Clarkson  
Denver, CO 80209

#8



Sale Date	6/7/2024
Sale Price	\$2,600,000
# Units	12
Price/Unit	\$216,667
Unit Mix	12 - 2 Bd / 1 Ba

# DISCLOSURE AND CONFIDENTIALITY AGREEMENT

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This confidential Offering Memorandum has been prepared by NorthPeak Commercial Advisors, LLC (NorthPeak Commercial Advisors) for use by a limited number of qualified parties. This Offering Memorandum has been provided to you at your request based upon your assurances that you are a knowledgeable and sophisticated investor in commercial real estate projects and developments. NorthPeak Commercial Advisors recommends you, as a potential buyer/investor, should perform your own independent examination and inspection of the property described herein as 1445 Detroit St., Denver, CO 80206 (the "Property") and of all of the information provided herein related to the Property. By accepting this Offering Memorandum, you acknowledge and agree that you shall rely solely upon your own examination and investigation of the Property and you shall not rely on any statements made in this Offering Memorandum or upon any other materials, statements or information provided by NorthPeak Commercial Advisors or its brokers.

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This Offering Memorandum and its contents are intended to remain confidential except for such information which is in the public domain or is otherwise available to the public. By accepting this Offering Memorandum, you agree that you will hold and treat Offering Memorandum in the strictest confidence, that you will not photocopy, duplicate, or distribute it. You agree you will not disclose this Offering Memorandum or its contents to any other person or entity, except to outside advisors retained by you and from whom you have obtained an agreement of confidentiality, without the prior written authorization of NorthPeak Commercial Advisors. You agree that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the Property. If you determine you have no interest in the property, kindly return the Offering Memorandum to NorthPeak Commercial Advisors at your earliest convenience.



1445 DETROIT ST. | DENVER, CO

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