



Offering Memorandum



45 Units



PAW PAW LAKE APARTMENTS

45 UNIT MULTIFAMILY PORTFOLIO LOCATED IN COLOMA, MI

Marcus & Millichap



# OFFERING SUMMARY

45 UNITS | Coloma, MI

LIST PRICE: \$2,000,000

CAP RATE: 9.38%

## PAW PAW LAKE APARTMENTS

5590 PAW PAW LAKE RD. COLOMA, MI 49038

5594 PAW PAW LAKE RD. COLOMA, MI 49038

5612 PAW PAW LAKE RD. COLOMA, MI 49038

5615 PAW PAW LAKE RD. COLOMA, MI 49038

5617 PAW PAW LAKE RD. COLOMA, MI 49038

5619 PAW PAW LAKE RD. COLOMA, MI 49038

5082 PAW PAW LAKE RD. COLOMA, MI 49038

7638 LITTLE PAW PAW LAKE RD. COLOMA, MI 49038

Marcus & Millichap

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## PAW PAW LAKE APARTMENTS

# THE OFFERING

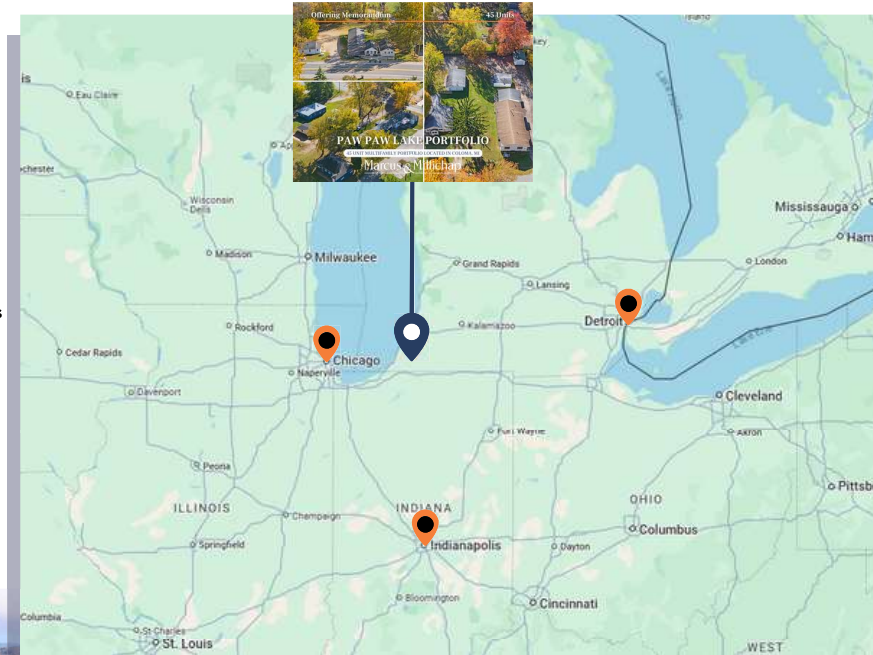
Marcus & Millichap is pleased to present the Paw Paw Lake Apartments, a rare collection of eight multifamily assets totaling 45 units across nine separate parcel identification numbers in Coloma, Michigan. Situated near public access to Paw Paw Lake, the portfolio offers a unique blend of immediate cash flow, substantial value-add potential, and long-term redevelopment flexibility - making it a true covered land play in one of Southwest Michigan's most desirable lake communities.

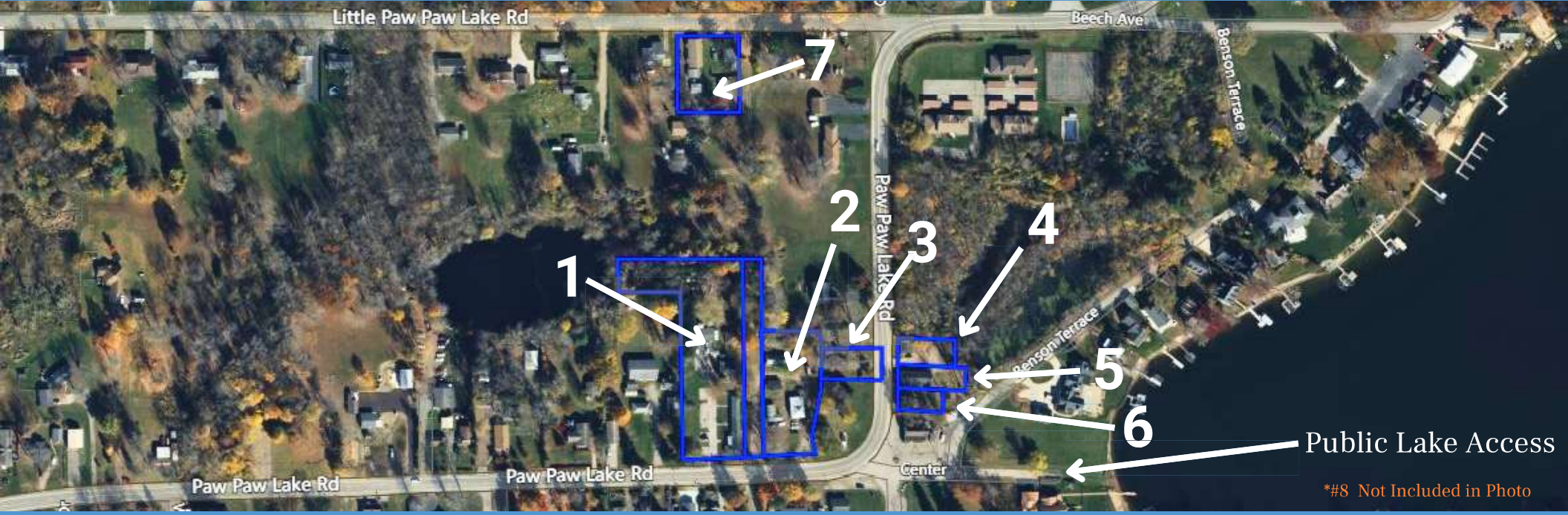
The portfolio features a diverse unit mix consisting of 17 studio units (10 of which are room-style units sharing a communal kitchen), 12 one-bedrooms, 14 two-bedrooms, one three-bedroom, and one four-bedroom apartment. Approximately 46.7% of the units have already been renovated, featuring upgraded flooring, kitchens, and baths. Six units are currently down and require renovation prior to occupancy, providing a straightforward path for an investor to increase both cash flow and asset value.

Coloma, Michigan, located within the Benton Harbor-St. Joseph MSA, benefits from its appeal as both a year-round residential market and a seasonal destination for tourism and recreation. Paw Paw Lake, encompassing over 850 acres of navigable water, serves as one of the premier inland lakes in Southwest Michigan, supporting strong seasonal demand and rising property values. The area's accessibility from Chicago (less than two hours via I-94) continues to attract both full-time residents and vacationers, reinforcing long-term stability and upside for multifamily investors.

## DRIVE TIMES

- 95 Miles | 1.5 Hours to Chicago
- 190 Miles | 3 Hours to Detroit
- 174 Miles | 2.5 Hours to Indianapolis





# PORTFOLIO SUMMARY

SALE PRICE:	\$2,000,000
NUMBER OF APARTMENTS:	45
PRICE PER UNIT:	\$44,444
GRM:	4.19
CAP RATE:	9.38%

<b>5590 Paw Paw Lake Rd. #1</b>	<b>5594 Paw Paw Lake Rd. #2</b>	<b>5612 Paw Paw Lake Rd. #3</b>	<b>5619 Paw Paw Lake Rd. #4</b>
TYPE: Multifamily	TYPE: Multifamily	TYPE: Single Family Home	TYPE: Single Family Home
NUMBER OF UNITS: 10	NUMBER OF UNITS: 5	NUMBER OF UNITS: 1	NUMBER OF UNITS: 1
PIN: 08-0015-0003-03-4	PIN: 08-0015-0003-00-0	PIN: 08-0015-0003-16-6	PIN: 08-4470-0011-01-1
<b>5617 Paw Paw Lake Rd. #5</b>	<b>5615 Paw Paw Lake Rd. #6</b>	<b>7638 Little Paw Paw Lake Rd. #7</b>	<b>5082 Paw Paw Lake Rd. #8</b>
TYPE: Multifamily	TYPE: Single Family Home	TYPE: Multifamily	TYPE: Multifamily
NUMBER OF UNITS: 11	NUMBER OF UNITS: 1	NUMBER OF UNITS: 7	NUMBER OF UNITS: 9
PIN: 08-4470-0010-00-6	PIN: 08-4470-0010-01-4	PIN: 08-0015-0003-05-1	PIN: 08-0016-0003-02-4



# THE PROPERTIES

# BUILDING SUMMARY SHEET

## 5590 Paw Paw Lake Rd.

5590 Paw Paw Lake Road is a 10-unit property comprised of seven studio units, two one-bedroom units, and one four-bedroom manager-occupied unit. Five studios and the four-bedroom unit have been fully renovated with modern finishes, while one one-bedroom has received partial updates and the other remains in original condition. Two studio units will require renovation prior to occupancy, offering additional upside for a new owner.

## 5594 Paw Paw Lake Rd.

5594 Paw Paw Lake Road consists of five units, including one one-bedroom, three two-bedrooms, and one three-bedroom unit. One two-bedroom and the three-bedroom unit have been recently renovated, featuring refreshed interiors. The remaining units and cottages are in need of renovation, providing a clear value-add opportunity.

## 5612 Paw Paw Lake Rd.

5612 Paw Paw Lake Road is a two-bedroom single-family home located directly across the street from the 5615–5619 buildings. The residence remains in original condition, allowing a new owner to modernize and enhance rental income potential.

## 5619 Paw Paw Lake Rd.

5619 Paw Paw Lake Road is a two-bedroom single-family home positioned adjacent to 5615–5617. The property is in original condition and represents an additional renovation opportunity within the portfolio.



# BUILDING SUMMARY SHEET

## 5617 Paw Paw Lake Rd.

5617 Paw Paw Lake Road is a multifamily building consisting of one traditional one-bedroom unit and ten additional studio or room-style units that share communal kitchens and bathrooms. All units are in original condition, presenting a significant opportunity for repositioning and improved functionality.



## 5615 Paw Paw Lake Rd.

5615 Paw Paw Lake Road is a two-bedroom single-family residence located adjacent to 5617. This home has been fully renovated and is in turnkey condition, offering immediate rental stability within the portfolio.



## 7638 Little Paw Paw Lake Rd.

7638 Little Paw Paw Lake Road is a seven-unit property featuring five one-bedroom and two two-bedroom apartments. Five units—four one-bedrooms and one two-bedroom—have been renovated, while one one-bedroom remains in original condition and one two-bedroom will require renovation prior to occupancy.

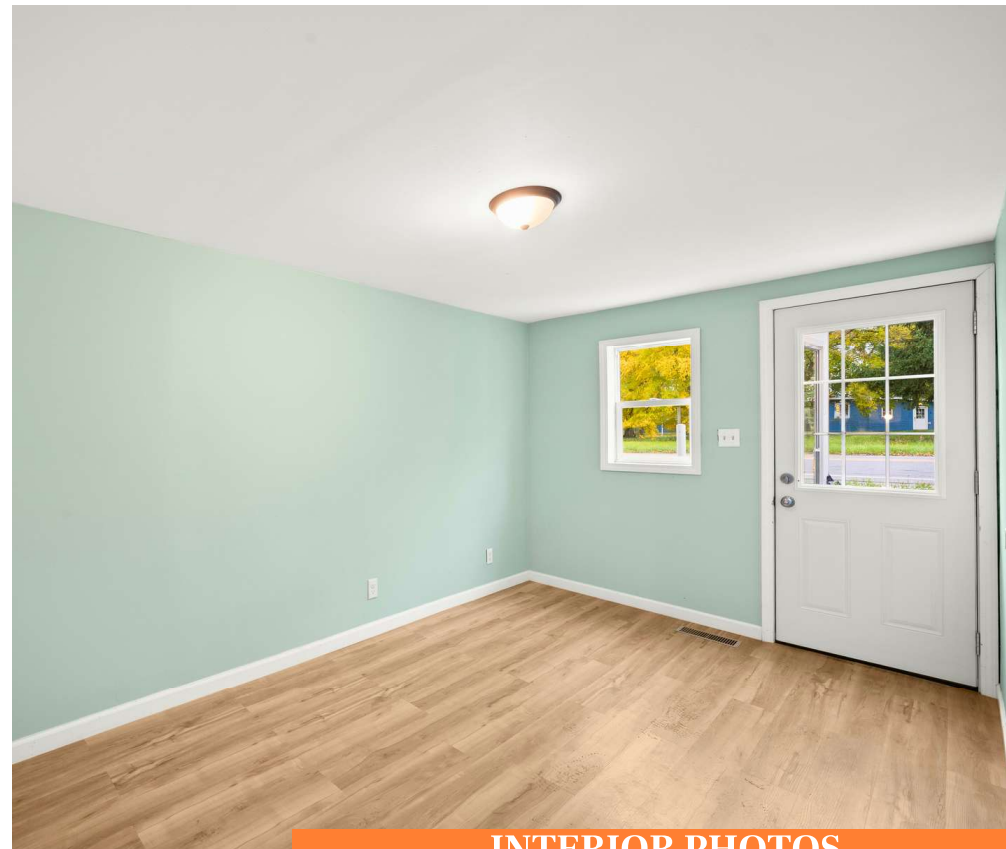
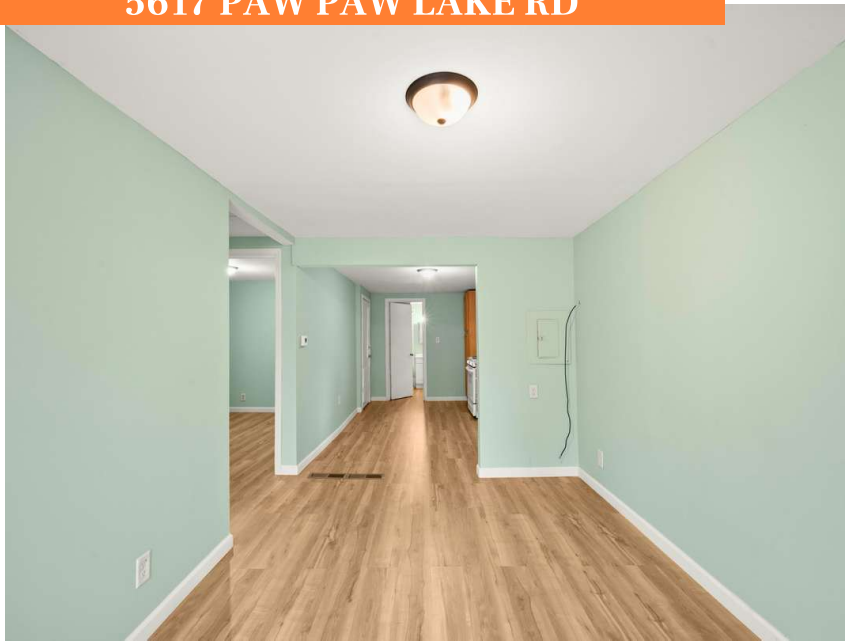


## 5082 Paw Paw Lake Rd.

5082 Paw Paw Lake Road is a nine-unit cottage-style property comprising three one-bedroom and six two-bedroom units. All one-bedroom cottages and three of the two-bedroom units have been renovated, while the remaining three two-bedrooms are in original condition, providing a clear path for additional value creation.

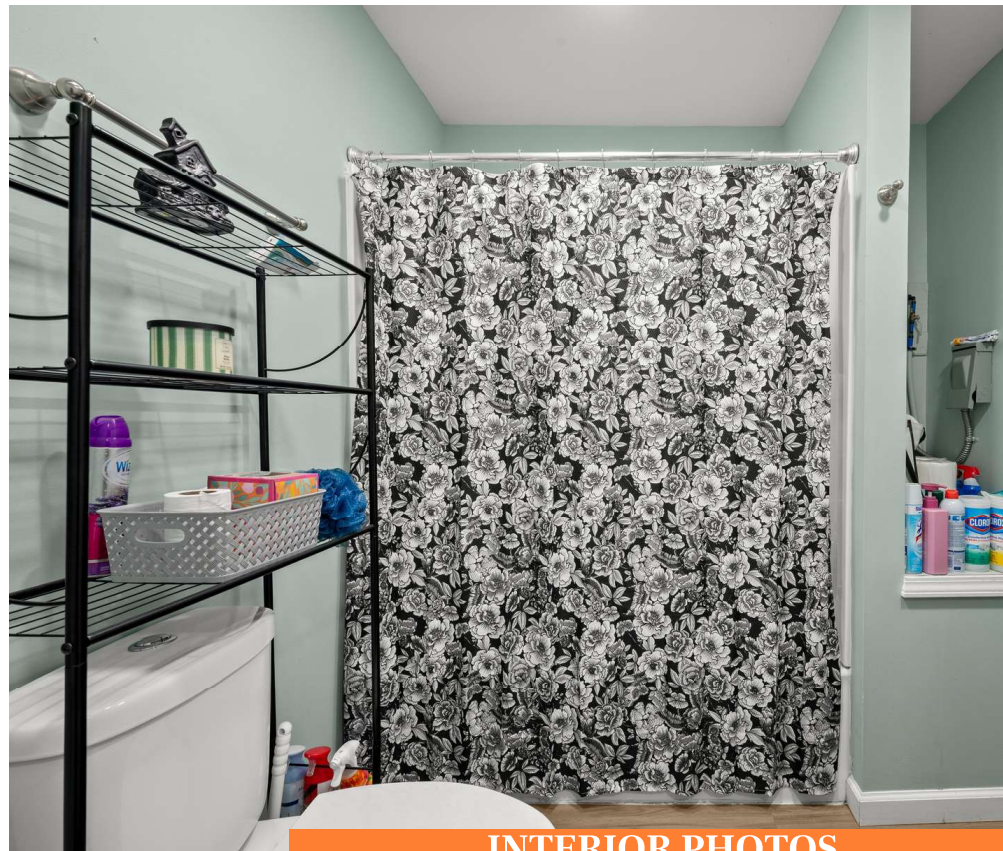


5617 PAW PAW LAKE RD



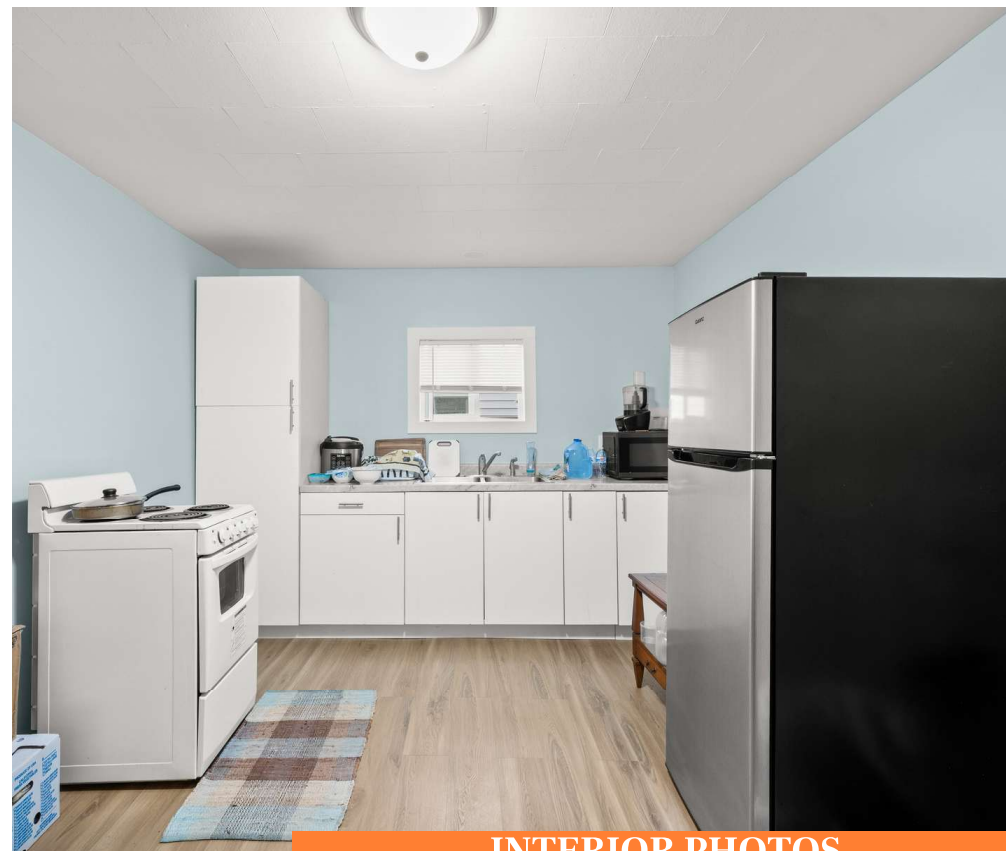
INTERIOR PHOTOS

5594 PAW PAW LAKE RD.



INTERIOR PHOTOS

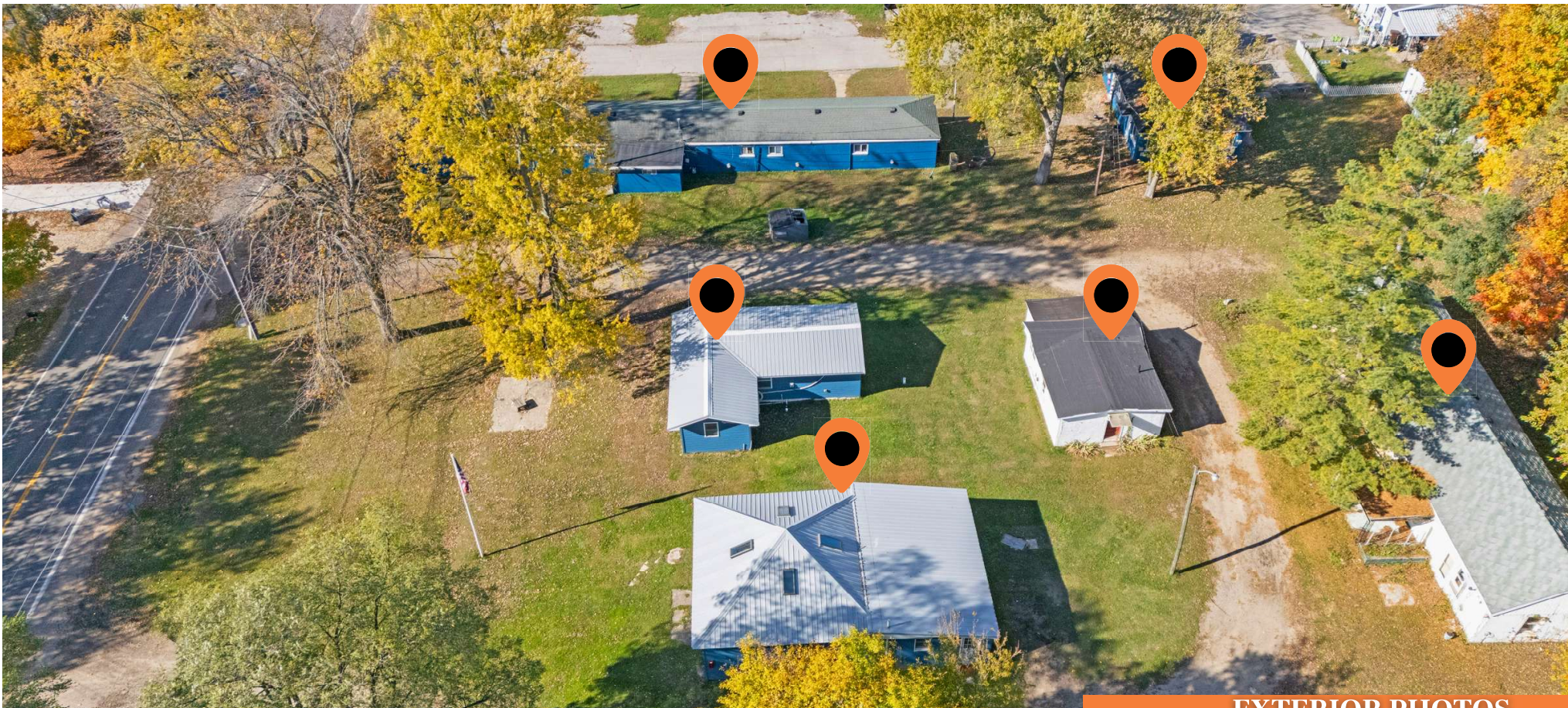
5082 PAW PAW LAKE RD.



INTERIOR PHOTOS

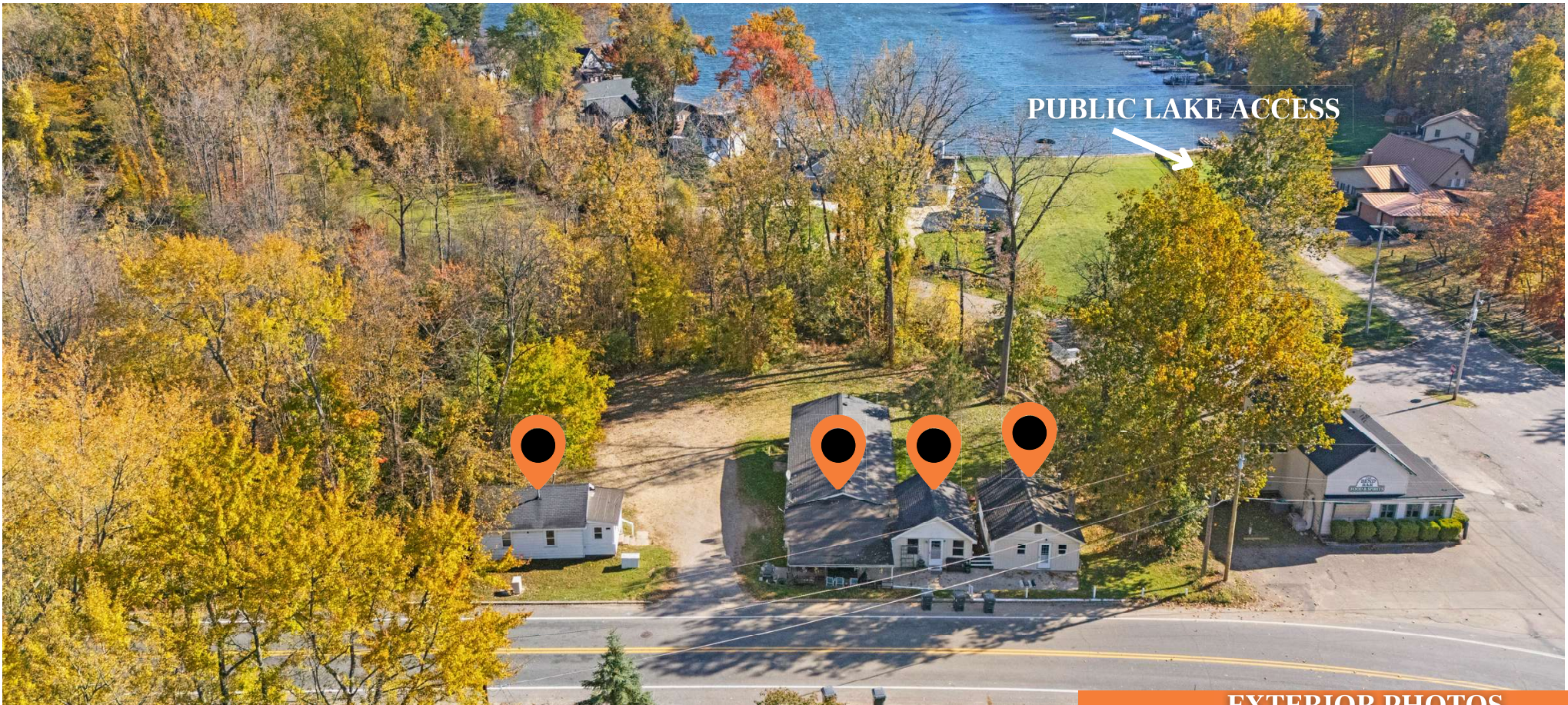


5590-5594 PAW PAW LAKE RD.



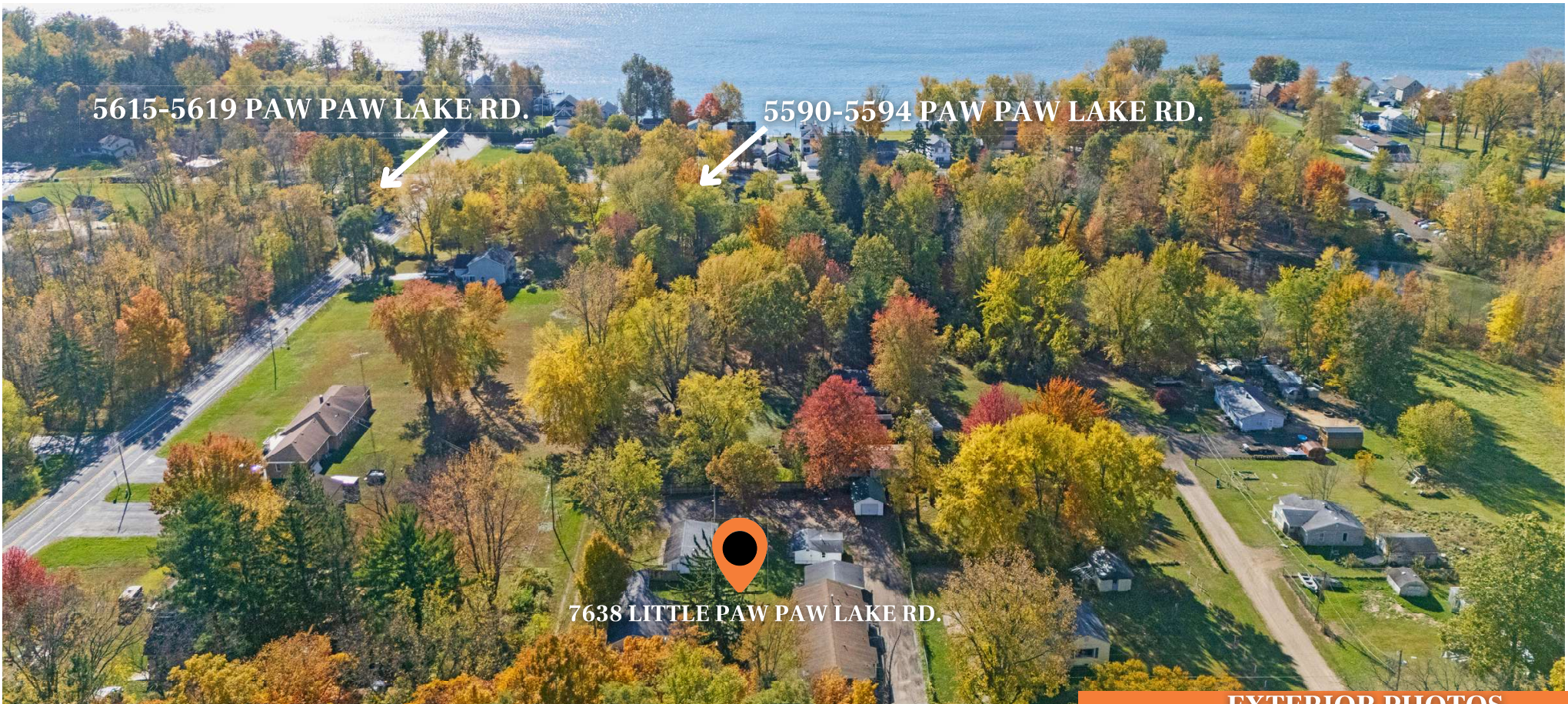
EXTERIOR PHOTOS

5615-5619 PAW PAW LAKE RD.



EXTERIOR PHOTOS

7638 LITTLE PAW PAW LAKE RD.



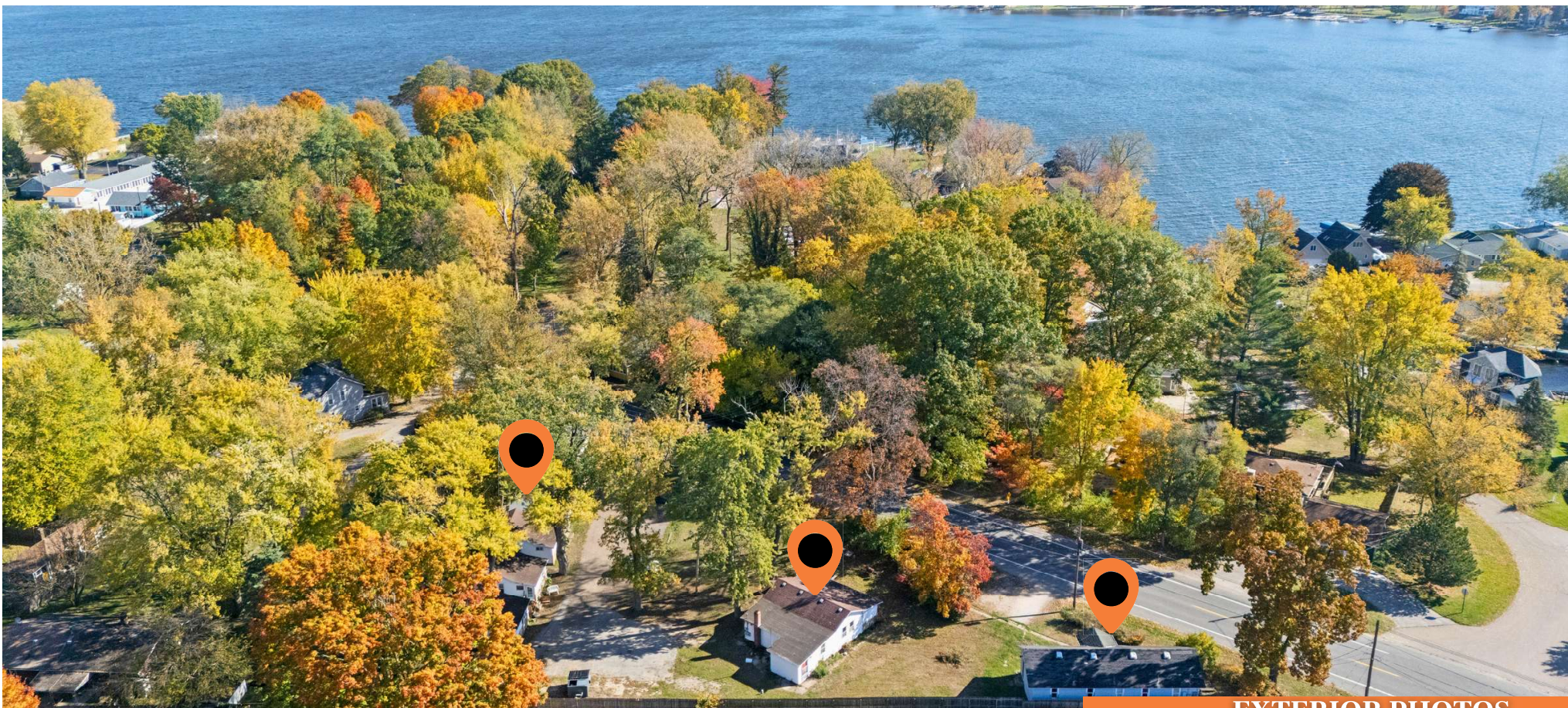
5615-5619 PAW PAW LAKE RD.

5590-5594 PAW PAW LAKE RD.

7638 LITTLE PAW PAW LAKE RD.

EXTERIOR PHOTOS

5082 PAW PAW LAKE RD.



EXTERIOR PHOTOS

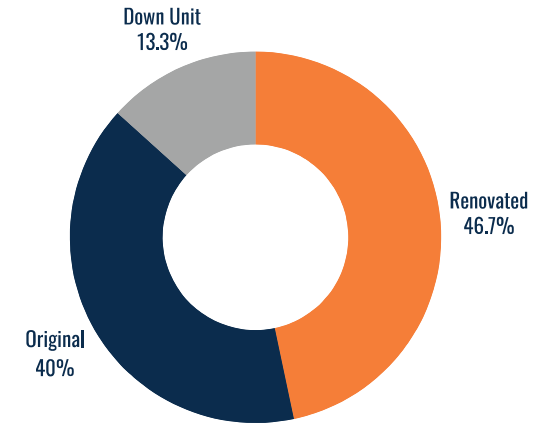
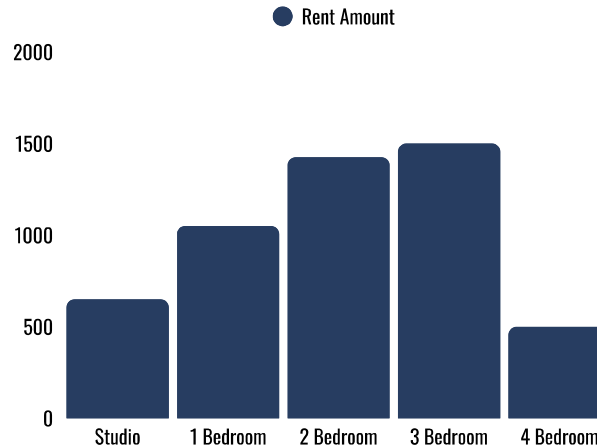
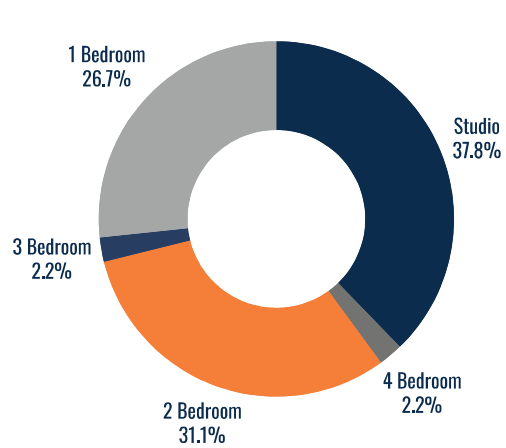


# FINANCIAL ANALYSIS

## Paw Paw Lake Apartments

# UNIT MIX SUMMARY

UNIT TYPE	Total Units	CURRENT RENT RANGE	HIGHEST ACHIEVED RENT	AVG. CURRENT RENT	AVG. MARKET RENT
Studio	17	\$500-\$650	\$650	\$571	\$650
1 Bedroom 1 Bath	12	\$700-\$1,050	\$1,050	\$848	\$1,050
2 Bedroom 1 Bath	14	\$500-\$1,425	\$1,425	\$938	\$1,425
3 Bedroom 1 Bath	1	\$1,500	\$1,500	\$1,500	\$1,500
4 Bedroom 2 bath	1	\$500	\$500	\$500	\$500



## Paw Paw Lake Apartments

# Rent Roll

UNIT	TYPE	STATUS	CURRENT RENT	MARKET RENT
7638 Little Paw Paw Lk Rd Unit 3	1 BD / 1 BA	Renovated	\$1,050	\$1,050
7638 Little Paw Paw Lk Rd Unit 2	1 BD / 1 BA	Renovated	\$1,000	\$1,050
7638 Little Paw Paw Lk Rd Unit 4	1 BD / 1 BA	Renovated	\$900	\$1,050
7638 Little Paw Paw Lk Rd Unit 5	1 BD / 1 BA	Renovated	\$795	\$1,050
7638 Little Paw Paw Lk Rd Unit 1	1 BD / 1 BA	Original	\$700	\$1,050
7638 Little Paw Paw Lk Rd Unit 7	2 BD / 1 BA	Renovated	-	\$1,475
7638 Little Paw Paw Lk Rd Unit 6	2 BD / 1 BA	Down Unit	-	\$1,475
5590 Paw Paw Lk Rd Unit 5	Studio	Renovated	\$650	\$650
5590 Paw Paw Lk Rd Unit 6	Studio	Renovated	\$650	\$650
5590 Paw Paw Lk Rd Unit 7	Studio	Renovated	\$650	\$650
5590 Paw Paw Lk Rd Unit 8	Studio	Renovated	\$650	\$650
5590 Paw Paw Lk Rd Unit 4	Studio	Renovated	\$540	\$650
5590 Paw Paw Lk Rd Unit 2	Studio	Down Unit	-	\$650
5590 Paw Paw Lk Rd Unit 3	Studio	Down Unit	-	\$650
5590 Paw Paw Lk Rd Unit 9	1 BD / 1 BA	Original	\$765	\$765
5590 Paw Paw Lk Rd Unit 1	1 BD / 1 BA	Renovated	\$740	\$765
5590 Paw Paw Lk Rd Unit 10	4 BD / 1 BA	Renovated	\$500	\$1,500
5594 Paw Paw Lk Rd Unit 3	1 BD / 1 BA	Down Unit	-	\$765
5594 Paw Paw Lk Rd Unit 1	2 BD / 1 BA	Renovated	\$1,425	\$1,425
5594 Paw Paw Lk Rd Unit 4	2 BD / 1 BA	Down Unit	-	\$1,425
5594 Paw Paw Lk Rd Unit 5	2 BD / 1 BA	Down Unit	-	\$1,425
5594 Paw Paw Lk Rd Unit 2	3 BD / 1 BA	Renovated	\$1,500	\$1,500
5082 Paw Paw Lk Rd Unit 4	1 BD / 1 BA	Renovated	\$975	\$975
5082 Paw Paw Lk Rd Unit 3	1 BD / 1 BA	Renovated	\$850	\$975

## Paw Paw Lake Apartments

# Rent Roll

UNIT	TYPE	STATUS	CURRENT RENT	MARKET RENT
5082 Paw Paw Lk Rd Unit 5	1 BD / 1 BA	Renovated	\$800	\$975
5082 Paw Paw Lk Rd Unit 8	2 BD / 1 BA	Renovated	\$1,025	\$1,025
5082 Paw Paw Lk Rd Unit 6	2 BD / 1 BA	Renovated	\$900	\$1,025
5082 Paw Paw Lk Rd Unit 9	2 BD / 1 BA	Original	\$875	\$1,025
5082 Paw Paw Lk Rd Unit 2	2 BD / 1 BA	Renovated	\$850	\$1,025
5082 Paw Paw Lk Rd Unit 7	2 BD / 1 BA	Original	\$850	\$1,025
5082 Paw Paw Lk Rd Unit 1	2 BD / 1 BA	Original	\$800	\$1,025
5615 Paw Paw Lk Rd	2 BD / 1 BA	Renovated	\$1,225	\$1,225
5612 Paw Paw Lk Rd	2 BD / 1 BA	Original	\$925	\$1,225
5619 Paw Paw Lk Rd	2 BD / 1 BA	Original	\$500	\$1,225
5617 Paw Paw Lk Rd Unit 1	1 BD / 1 BA	Original	\$750	\$750
5617 Paw Paw Lk Rd Room 1	Studio / Room	Original	\$500	\$500
5617 Paw Paw Lk Rd Room 2	Studio / Room	Original	\$500	\$500
5617 Paw Paw Lk Rd Room 3	Studio / Room	Original	\$500	\$500
5617 Paw Paw Lk Rd Room 4	Studio / Room	Original	\$500	\$500
5617 Paw Paw Lk Rd Room 5	Studio / Room	Original	-	\$500
5617 Paw Paw Lk Rd Room 6	Studio / Room	Original	-	\$500
5617 Paw Paw Lk Rd Room 7	Studio / Room	Original	-	\$500
5617 Paw Paw Lk Rd Room 8	Studio / Room	Original	-	\$500
5617 Paw Paw Lk Rd Room 9	Studio / Room	Original	-	\$500
5617 Paw Paw Lk Rd Room 10	Studio / Room	Original	-	\$500
		<b>TOTAL</b>	<b>\$25,840</b>	<b>\$40,820</b>

## Paw Paw Lake Apartments

# OPERATING STATEMENT

RESIDENTIAL INCOME	Stabilized	Proforma	Per Unit	Notes
Gross Potential Rent	\$477,840	\$477,840	\$10,619	[1]
Loss to Lease	(\$39,653)	(\$5,973)	8.30%	[2]
Gross Rent	\$438,187	\$471,867	\$9,737	
Vacancy	(\$36,129)	(\$23,593)	8.25%	[3]
Down Units Physical Vacancy	(\$72,237)	-	16.49%	[4]
<b>Net Apartment Income</b>	<b>\$329,820</b>	<b>\$448,274</b>	<b>\$7,329</b>	
Other Income	\$1,560	\$17,310	\$35	[5]
<b>Total Net Revenue</b>	<b>\$331,380</b>	<b>\$466,034</b>	<b>\$7,364</b>	
RESIDENTIAL EXPENSES	Stabilized	Proforma	Per Unit	Notes
Real Estate Taxes	\$20,334	\$41,009	\$452	[6]
Insurance	\$17,310	\$17,310	\$385	[7]
Management	\$16,569	\$23,302	\$368	[8]
Reserves	\$11,250	\$11,250	\$250	[9]
Total Utilities	\$22,075	\$22,075	\$491	[10]
Total Repairs & Maintenance	\$15,750	\$15,750	\$350	[11]
Total Cleaning & Decorating	\$9,000	\$9,000	\$200	[12]
Total Contract Services	\$19,148	\$19,148	\$426	[13]
Total Office & Admin	\$5,625	\$5,625	\$125	[14]
Total Advertising	\$3,375	\$3,375	\$75	[15]
Total Supplies	\$3,375	\$3,375	\$75	[16]
<b>Total Expenses</b>	<b>\$143,811</b>	<b>\$171,219</b>	<b>\$3,196</b>	
<b>Net Operating Income</b>	<b>\$187,570</b>	<b>\$294,815</b>	<b>\$4,168</b>	



### NOTES TO OPERATING STATEMENT

[1] Weighted average of \$884/unit

[2] Per Broker Estimate

[3] Broker Estimate of 8.25% Vacancy

[4] 6 Units Require Renovation

[5] Please see Broker for Details

[6] Per Owner Statement

[7] Per Owner Statement

[8] Per Broker Estimate of 5.00%

[9] Broker Estimate of 250 / unit

[10] Per 2024 Utility Bills

[11] Broker Estimate of \$350 / unit

[12] Broker Estimate of \$200 / unit

[13] Per Broker Estimate

[14] Broker Estimate of \$125 / unit

[15] Broker Estimate of \$75 / unit

[16] Broker Estimate of \$75 / unit



## Paw Paw Lake Apartments

# Pricing

<b>Returns</b>	<b>Stabilized</b>	<b>Proforma</b>
Price	\$2,000,000	\$2,000,000
Est. Cost to Bring Units Online		\$150,000
Est. Additional Misc. Repair Costs		\$225,00
Total Investment		\$2,375,000
Yield On Cost		12.41%
Cap Rate	9.38%	14.74%
Cash-on-Cash	13.21%	34.66%
Cash Flow After Debt Serv.	\$66,032	\$173,278

<b>Market Loan</b>	<b>Stabilized</b>	<b>Proforma</b>
Interest Rate	6.50%	6.50%
Amortization Period	25 Years	25 Years
Loan to Value	75.00%	75.00%
Loan Amount	\$1,500,000	\$1,500,000
Down Payment	\$500,000	\$500,000

<b>Pricing</b>	<b>Stabilized</b>
Price	\$2,000,000
Number of Units	45
Price Per Unit	\$44,444
Number of Down Units	6
Price Per Rentable Unit	\$51,282

# Apartment Fundamentals

## BERRIEN COUNTY RENTAL MARKET: TIGHT SUPPLY & DURABLE DEMAND

Berrien County's multifamily story is defined by limited new supply and steady, needs-based demand. With a modest construction pipeline relative to existing stock, owners face little lease-up competition, supporting pricing power on renewals and minimizing downtime. This supply backdrop has helped stabilized properties maintain strong, "sticky" occupancy in recent periods, while rent trends continue to reward well-located assets.

Demand is broad and durable. A mix of healthcare, advanced manufacturing, logistics, education, and four-season tourism anchored by the Lake Michigan shoreline expands the renter base across workforce, service, and professional cohorts. Importantly, attainable monthly rents keep units competitive and deepen the pool of qualified tenants, while thoughtful upgrades and day-to-day management create room to mark to market without over-reliance on new-build comps.

Looking ahead, a constrained delivery schedule, stable household formation, and resilient local employment drivers are expected to sustain tight conditions. For buyers, that means the strong potential for dependable in-place cash flow with clear levers for growth - unit renovations, utility reimbursements, and operational tuning that translates directly to NOI. In short: limited supply, durable demand, and practical value-add opportunities position Berrien County for continued outperformance versus more construction-heavy markets.



Q32025 Unit Inventory

**3,916**



Q32025 Occ. Avg.

**96.61%**



Q3 '25 Mkt Price Per Unit

**\$64.6k**



3Y Asking Rent Growth

**4.8%**



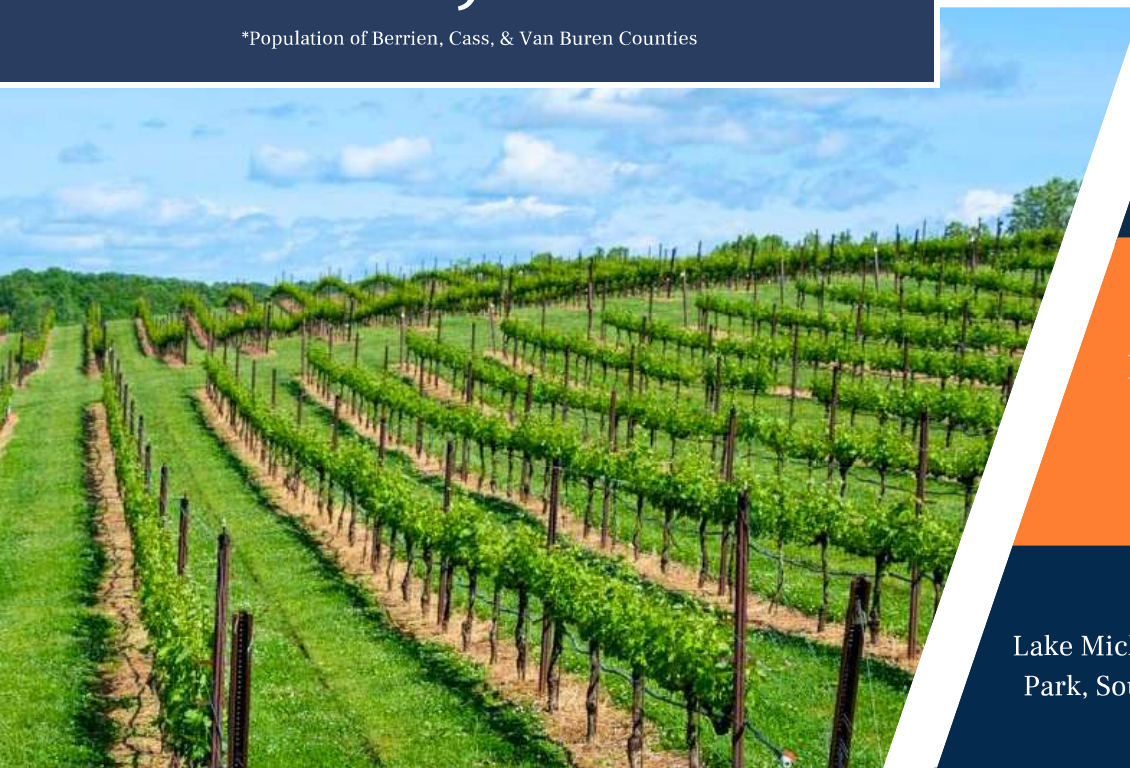
12m Units Delivered

**Zero**



Region Population:  
**280,000**

\*Population of Berrien, Cass, & Van Buren Counties



## MAJOR EMPLOYERS

Spectrum Health Lakeland • Whirlpool Corporation  
• Bronson Healthcare • Cook Nuclear Plant • LECO Corporation • Bosch Rexroth Corporation

## DIVERSE ECONOMY

Manufacturing, Healthcare,  
Logistics, Education, &  
Agriculture

## EDUCATION

Andrews University, Lake  
Michigan College,  
Southwestern Michigan  
College

## LIVABILITY & ACCESS

Lake Michigan Beaches, St. Joseph Riverwalk & Harbor District, Silver Beach County Park, South Haven Lighthouse & Marina, Paw Paw Lake, Southwest Michigan Wine Trail, Harbor Shores Golf Club, Warren Dunes State Park

# Built on Industry. Connected by Commerce. Sustained by Care.

## Employment Drivers of Berrien, Cass, and Van Buren Counties

### Manufacturing

- Whirlpool Corporation (4,000+) – Global appliance manufacturer headquartered in Benton Harbor
- Bosch Rexroth Corporation (800+) – Automation and drive-technology leader in Buchanan
- LECO Corporation (1,000+) – Analytical instruments and precision equipment manufacturer, St. Joseph
- Edgewater Automation (400+) – Advanced robotics and manufacturing systems provider



### Logistics

- UPS & FedEx (1,000+) – Regional parcel, freight, and distribution hubs serving the I-94 corridor
- Cook Nuclear Plant (1,200+) – Energy generation and technical-operations employer supporting skilled trade positions
- Regional Distribution Centers – Concentrated warehousing and supply-chain facilities linking Chicago and Detroit markets



### Healthcare

- Spectrum Health Lakeland (4,500+) – Regional healthcare network serving Berrien and Van Buren Counties
- Bronson Healthcare (2,000+) – Major hospital and medical provider based in nearby Kalamazoo and Paw Paw
- Ascension Borgess Hospital (1,000+) – Multi-site medical system supporting regional care and employment



### Tourism

- Southwest Michigan Tourism Sector (7,000+) – Hospitality, retail, and service jobs tied to Lake Michigan beaches, Paw Paw Lake, and the regional wine trail
- Core Attractions: St. Joseph, South Haven, and the Southwest Michigan Wine Trail
- Tourism contributes approximately 6–8% of regional employment, reinforcing both short-term rental and service-sector demand

# PAW PAW LAKE APARTMENTS

45 UNIT MULTIFAMILY PORTFOLIO LOCATED IN COLOMA, MI

BROKER OF RECORD:

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P: (248) 415-2600  
License: 6502433613

## NON-ENDORSEMENT & DISCLAIMER NOTICE

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Any rent or income information in this offering memorandum, with the exception of actual, historical rent collections, represent good faith projections of potential future rent only, and Marcus & Millichap makes no representations as to whether such rent may actually be attainable. Local, state, and federal laws regarding restrictions on rent increases may make these projections impossible, and Buyer and its advisors should conduct their own investigation to determine whether such rent increases are legally permitted and reasonably attainable.

### SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

Activity ID # ZAG0370729

**Marcus & Millichap**

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