

FAIRVIEW APARTMENTS

322 - 9TH AVE SE | PUYALLUP, WA 98372



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Investment Offering

\$3.4M

LIST PRICE

18

OF UNITS

\$188,889

PER UNIT

WESTLAKE ASSOCIATES, INC. IS PLEASED TO PRESENT THE FAIRVIEW APARTMENTS EXCLUSIVELY FOR SALE.

The Fairview Apartments provides the opportunity for an investor to walk into ownership with a turn key asset, or push rents without any further renovations. Comparable 2 bedroom units in the area rent between \$1,450-\$1,500. With some additional upgrades, an investor could push rents further in the next tier of bedrooms in the area renting between \$1,525-\$1,595. The Puyallup market remains one of the hottest rental markets in the Puget Sound Region with very little vacancy and increasing rental rates. Per CoStar Analytics, rents have risen 5.01% since May 2020, and has shown an annualized increase of approximately 10%. The property is ideally located a few blocks from the Washington State Fairgrounds & Events Center, Good Samaritan Hospital, and Highway 512, which provides tenants with immediate access to Seattle, Kent, Tacoma and Sumner Valley.

INVESTMENT HIGHLIGHTS

Name	Fairview Apartments
Address	322 - 9th Ave SE Puyallup, WA 98372
Price	\$3,400,000
Year Built	1977
# of Units	18
Net Rentable SF	16,210 SF
\$ per Unit	\$188,889
\$ per NRSF	\$209.75
Market Cap Rate	6.29%

PROPERTY HIGHLIGHTS

- In-Place 5.23% Cap Rate
- 6.29% Market Cap without significant renovation
- Partially renovated units provide turn key asset opportunity with rental upside
- Upside in rents without renovation, ability to push rents further with renovation
- Ability to add laundry to the last three units, then absorb laundry space into an unit addition
- 73 Walkscore
- Located less than 1 mile from the Sounder Train Station
- Puyallup rents have been steadily increasing throughout 2020
- Vacant units in the market are leasing at a rapid rate

Property Profile

PROPERTY DETAILS

County	Pierce
Market	Puyallup
Land Use	Apartments
Style	Low-Rise
APN#	311500-0-050
Zoning	Rm-20

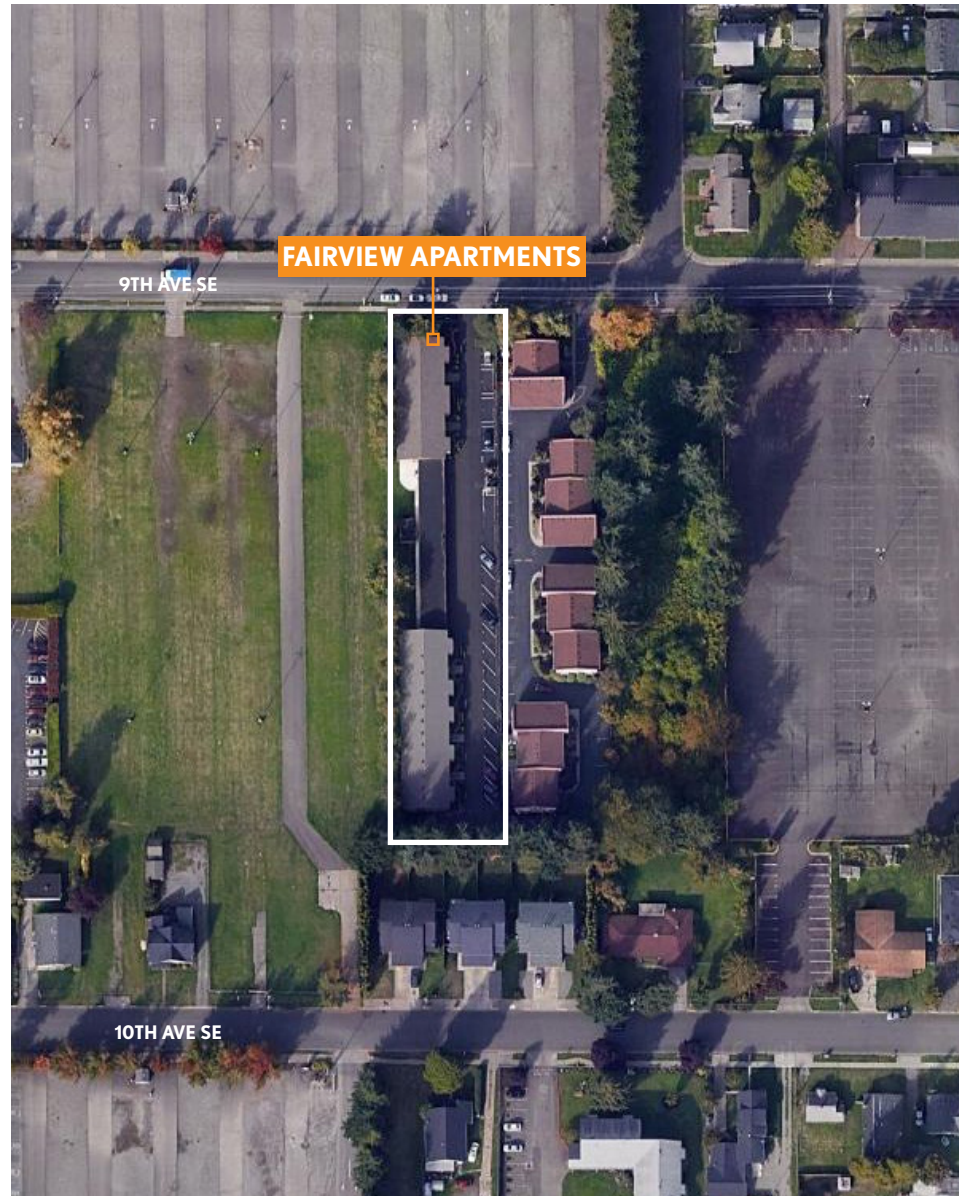
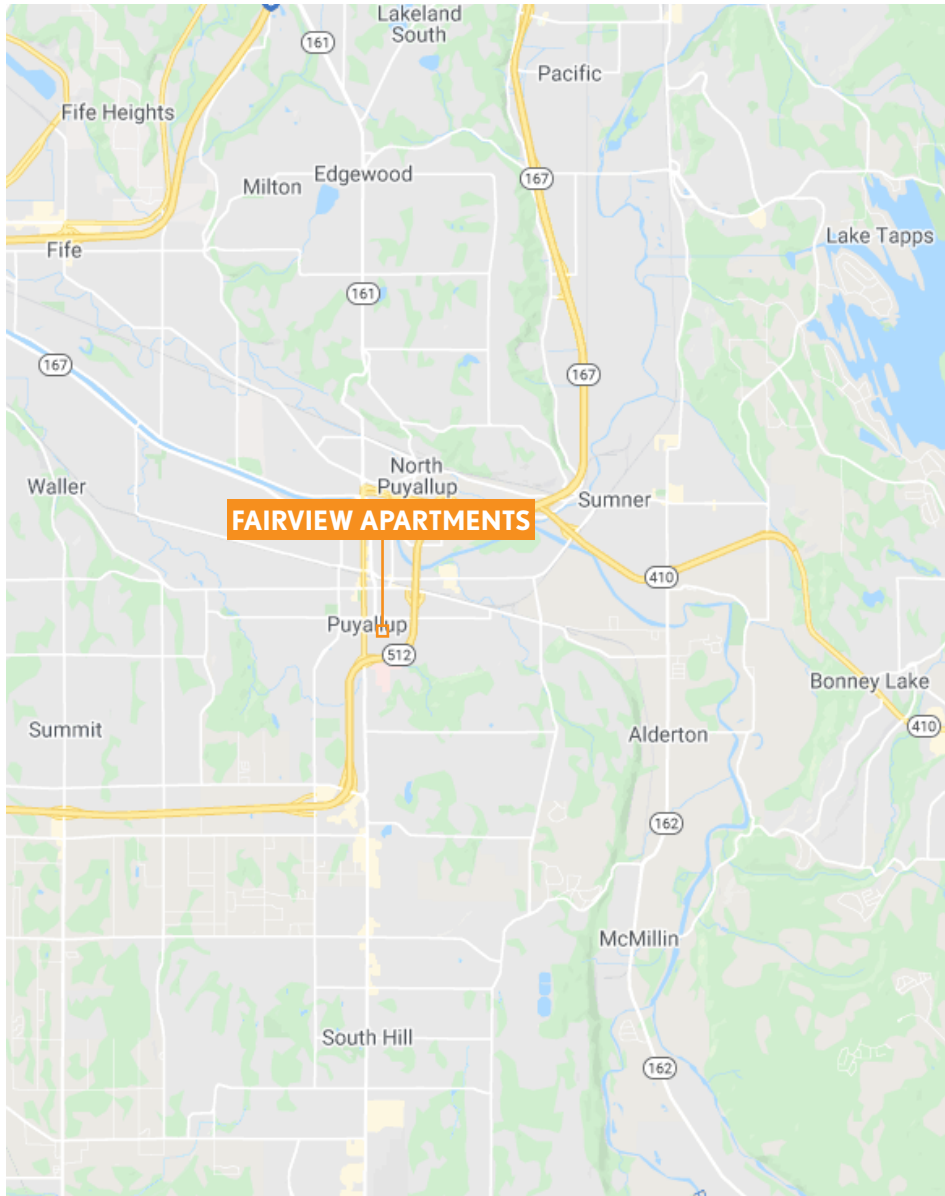


BUILDING INFORMATION

Name	Fairview
Address	322 9th Ave SE Puyallup, WA 98372
Year Built	1977
# of Buildings	2
# of Floors	2
# of Units	18
Lot Size	40,803 SF
Net Rentable SF	16,210 SF
Construction	Wood
Heat	Forced Air
Roof	Composition
Laundry	In-Unit
Parking	Carport



Location



Financial Analysis

PRICE ANALYSIS

PRICE	\$3,400,000
Price per Unit	\$188,889
Price per NRSF	\$209.75
Price per Land SF	\$83.32
Current Cap	5.23%
Current GRM	11.70
Market Cap	6.29%
Market GRM	10.10

PROPOSED FINANCING

Loan Amount	\$2,550,000
Down Payment	\$850,000
Rate	3.350%
% Down	25.0%
Amortization	30 Years
Term	5 Years
Monthly Payment	\$11,238
Annual Payment	\$134,858

UNIT MIX

#	TYPE	SF	CURRENT	MARKET
4	1BD 1BA	640	\$1,078	\$1,295
3	2BD 1BA*	975	\$1,258	\$1,385
11	2BD 1BA	975	\$1,302	\$1,495
18		16,210	\$22,620	\$25,780

INCOME

	CURRENT	PRO FORMA		
Scheduled Rent Income	\$268,896		\$309,360	
+ Other Income	\$3,840		\$3,840	
+ Utility Bill Back	\$17,760		\$21,720	
+ Parking	\$0		\$1,200	
+ Storage	\$0		\$600	
Scheduled Gross Income	\$290,496		\$336,720	
- Vacancy & Credit Losses	(\$14,525)	5.00%	(\$16,836)	5.00%
Gross Income	\$275,971		\$319,884	

EXPENSES

	CURRENT	PRO FORMA	
RE Taxes	\$28,543		\$34,082
Insurance	\$6,189		\$6,189
Utilities W/S/G/E	\$20,992		\$20,992
Management	\$13,799		\$15,994
Payroll / Administration	\$5,000		\$5,000
Maintenance / Turnover	\$16,200		\$16,200
Grounds	\$3,027		\$3,027
Reserves	\$4,500		\$4,500
Total Expenses	\$98,250		\$105,984

OPERATING DATA

	CURRENT	PRO FORMA		
Net Operating Income	\$177,722		\$213,900	
Less Loan Payments	(\$134,858)		(\$134,858)	
Pre-Tax Cash Flow	\$42,863	5.04%	\$79,042	9.30%
Plus Principal Reduction	\$50,199		\$50,199	
Total Return Before Taxes	\$93,063	10.95%	\$129,241	15.20%

Rent Roll

UNIT	UNIT TYPE	SF	CURRENT	RENT / SF	MARKET	RENT / SF
1	2BD 1BA	975	\$1,350	\$1.38	\$1,495	\$1.53
2	2BD 1BA	975	\$1,350	\$1.38	\$1,495	\$1.53
3	1BD 1BA	640	\$1,000	\$1.56	\$1,295	\$2.02
4	1BD 1BA	640	\$1,095	\$1.71	\$1,295	\$2.02
5	1BD 1BA	640	\$1,125	\$1.75	\$1,295	\$2.02
6	1BD 1BA	640	\$1,095	\$1.71	\$1,295	\$2.02
7	2BD 1BA	975	\$1,395	\$1.43	\$1,495	\$1.53
8	2BD 1BA	975	\$1,395	\$1.43	\$1,495	\$1.53
9	2BD 1BA	975	\$1,250	\$1.28	\$1,385	\$1.42
10	2BD 1BA	975	\$1,195	\$1.22	\$1,495	\$1.53
11	2BD 1BA	975	\$1,295	\$1.32	\$1,385	\$1.42
12	2BD 1BA	975	\$1,300	\$1.33	\$1,495	\$1.53
13	2BD 1BA	975	\$1,275	\$1.30	\$1,495	\$1.53
14	2BD 1BA	975	\$1,350	\$1.38	\$1,495	\$1.53
15	2BD 1BA	975	\$1,250	\$1.28	\$1,385	\$1.42
16	2BD 1BA	975	\$1,395	\$1.43	\$1,495	\$1.53
17	2BD 1BA	975	\$1,275	\$1.30	\$1,495	\$1.53
18	2BD 1BA	975	\$1,230	\$1.26	\$1,495	\$1.53
TOTAL / AVG	18	16,210 SF	\$22,620	\$1.41	\$25,780	\$1.62

Interior Photos



Interior Photos



Rent Comparables



THE HEIGHTS

102 - 23rd Ave SW | 98371

OF UNITS 106
YEAR BUILT 2003

UNIT MIX	# UNITS	SF	RENT	PSF
2BD 1BA	1	976 SF	\$1,595	\$1.63
1BD 1BA	1	741 SF	\$1,350	\$1.82



CHESTNUT HILLS

209 - 21st Ave SW | 98371

OF UNITS 157
YEAR BUILT 1991

UNIT MIX	# UNITS	SF	RENT	PSF
2BD 1BA	1	935 SF	\$1,579	\$1.68
1BD 1BA	1	583 SF	\$1,351	\$2.31



BRADLEY PARK

2323 - 7th St SE | 98374

OF UNITS 155
YEAR BUILT 2000

UNIT MIX	# UNITS	SF	RENT	PSF
2BD 1BA	1	1,093	\$1,461	\$1.33



PRESTIGE TOWNHOMES

425 - 4th St NE | 98372

OF UNITS 12
YEAR BUILT 1980

UNIT MIX	# UNITS	SF	RENT	PSF
2BD 1.5BA	1	1,000 SF	\$1,495	\$1.49

Rent Comparables



RIVERSIDE PARK

3107 E Main | 98372

OF UNITS 379
YEAR BUILT 1989

UNIT MIX	# UNITS	SF	RENT	PSF
2BD 1BA	1	861 SF	\$1,551	\$1.80
1BD 1BA	1	681 SF	\$1,362	\$2.00



CANTERBURY

13118 Meridian E | 98373

OF UNITS 180
YEAR BUILT 1995

UNIT MIX	# UNITS	SF	RENT	PSF
2BD 1BA	1	979 SF	\$1,524	\$1.55
1BD 1BA	1	804 SF	\$1,358	\$1.68

Rent Comparables Summary

LEASE COMPS	UNIT MIX	SF	RENT	RENT / SF
THE HEIGHTS 102 - 23rd Ave SW	2 BD 1 BA 1 BD 1 BA	976 SF 741 SF	\$1,595 \$1,350	\$1.63 \$1.82
CHESTNUT HILLS 209 - 21st Ave SW	2 BD 1 BA 1 BD 1 BA	935 SF 583 SF	\$1,579 \$1,351	\$1.68 \$2.31
BRADLEY PARK 2323 - 7th St SE	2 BD 1 BA	1,093 SF	\$1,461	\$1.33
PRESTIGE TOWNHOMES 425 - 4th St NE	2 BD 1.5 BA	1,000 SF	\$1,495	\$1.49
RIVERSIDE PARK 3107 E Main	2 BD 1 BA 1 BD 1 BA	861 SF 681 SF	\$1,551 \$1,362	\$1.80 \$2.00
CANTERBURY 13118 Meridian E	2 BD 1 BA 1 BD 1 BA	979 SF 804 SF	\$1,524 \$1,358	\$1.55 \$1.68
Averages	2 BD 1 BA	974 SF	\$1,534	\$1.58
	1 BD 1 BA	702 SF	\$1,355	\$1.95
Subject Property 322 - 9th Ave SE	2 BD 1 BA	975 SF	\$1,258 \$1,302	\$1.29 \$1.33
	1 BD 1 BA	640 SF	\$1,078	\$1.68

Site Demographics & Amenities

WHAT'S NEARBY

Safeway
Fred Meyer
South Hill Mall

MultiCare Good Samaritan Hosp.
Sparks Stadium
Washington State Fair Events Ctr
Kalles Junior High School
All Saints Elementary School
Meeker Elementary School
Puyallup High School

Don's Drive-In
Starbucks
Cattin's
Kyoto Teriyaki
Bourbon Street Bar & Grill
Giorgio's Greek Cafe
West Pioneer Grill
Wicked Pie Pizza
The Rose Restaurant
Charlie's Restaurant & Lounge
Trackside Pizza
Meridian Cafe
Flanagan's Craft Pub
Anthem Coffee & Tea
Elements
Sparks Firehouse Deli
Mrs. Turner's
Powerhouse Restaurant
Puerto Vallarta
Ichiban Sushi Garden
Skippers Seafood 'n Chowder



73

Very Walkable



MILES

East of Tacoma



MILES

South of Seattle

POPULATION	1-MILE	3-MILE	5-MILE
Total Population	11,991	70,897	162,508
Growth 2020 - 2025 (est.)	7.56%	8.10%	8.71%
Median Age	36.6	37.7	37.0
HOUSEHOLDS & INCOME	1-MILE	3-MILE	5-MILE
Total Households	4,936	28,445	63,082
Average HH Income	\$83,743	\$99,415	\$102,176
Renter Occupied Housing	54.46%	41.64%	37.76%



Puyallup

PUYALLUP covers an area of approximately 11 square miles and is known as The Land of Daffodils. Oregon Trail pioneer Ezra Meeker incorporated Puyallup on August 19th, 1890. The name Puyallup comes from the local Puyallup Native Americans and means “The Land of Generous People”.

The city is the home of the Puyallup Fair, the fifth largest fair in the country. Each September, more than a million people “Do the Puyallup” and visit the fairgrounds to enjoy carnival rides, gadgets and guilds, farm animals and food.

Agriculture has been an economic mainstay of the Puyallup Valley for more than 100 years. From the first Saturday in May through the first Saturday in September, farm-fresh items are sold directly to the public at the Puyallup Farmers Market. Puyallup is also noted for its production of daffodils and the annual Daffodil Parade and Festival is an acclaimed event.

There continues to be rapid growth in the community’s residential, commercial, and industrial sectors. The excitement, energy, and conveniences of modern development have occurred while Puyallup has maintained the best aspects of its rural heritage and quality of life.

PUYALLUP STATE FAIR



Sounder Transit 3 | Commuter Rail Project



PUYALLUP / SUMNER

The ST3 Plan would extend platforms on Sounder south line at Puyallup, Sumner, and other south line stations to serve trains up to 10 cars in length, carrying 40 percent more passengers.

Accessing Sounder stations would become more convenient through improvements for parking as well as transit, pedestrian, and bike facilities.

New Stations at Fife and South Federal Way would connect riders to a 116-mile regional light rail system, providing direct connections to major job and housing centers in:

- | | |
|-------------------------|----------|
| Everett via Paine Field | Kirkland |
| Sea-Tac Airport | Bellevue |
| Tacoma | Redmond |
| Downtown Seattle | Issaquah |
| South Lake Union | |
| Seattle Center | |
| West Seattle | |

KEY

- New Station
- Ⓟ New Station / Added Parking
- ⊕ Improved Station
- Major Retail Transfer



About Westlake



EXCLUSIVELY LISTED BY:



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