

THE AMAR TOWNHOMES

6511 ARMAR RD | MARYSVILLE, WA 98270



EXCLUSIVELY LISTED BY:

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Offering Summary

PRICE: \$2,400,000

Name	The Armar Townhomes
Address	6511 Armar Rd Marysville, WA 98270
County	Snohomish
Market	Marysville
Style	Low-Rise / Garden
APN#	300528-004-021-00
Zoning	R6.5 SFH
Lot Size	29,621 SF
Year Built	1968
# of Buildings	1
# of Floors	2
# of Units	11
Net Rentable SF	10,670 SF
Construction	Wood
Roof	Shingle
Heat	Electric
Laundry	Common
Parking	Surface / Carport



Property Highlights



WESTLAKE ASSOCIATES, INC. IS PLEASED TO PRESENT THE ARMAR TOWNHOMES FOR SALE

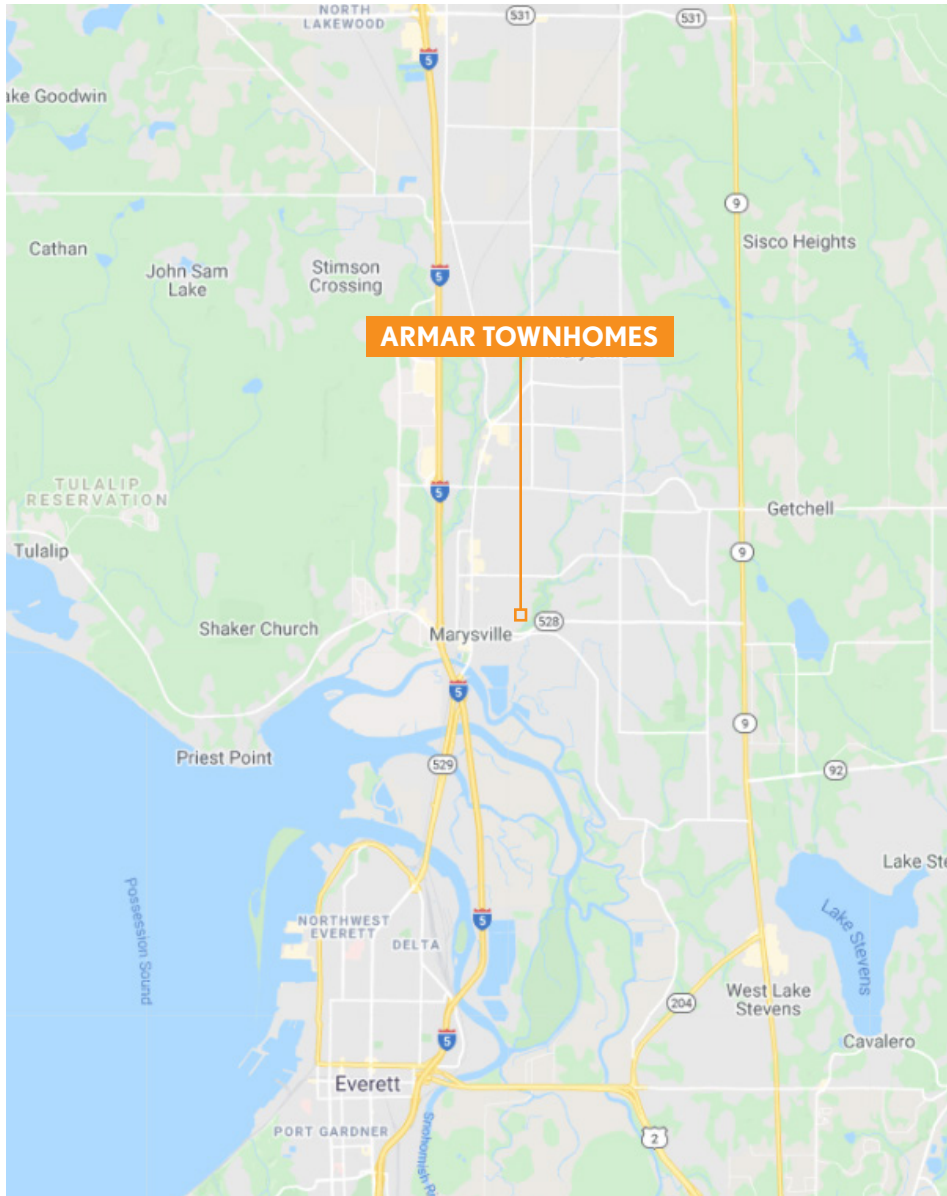
The Armar Townhomes is a well-maintained asset in a quiet, residential neighborhood in Marysville, Washington. Having been meticulously maintained by the current ownership, there is very little capital expenditure needed. Most units are townhome style, with massive and efficient floor plans. Income can be pushed through both management and a value-add strategy to reposition units. In addition to the physical asset, Marysville has seen rapid appreciation. Rents in this market have risen 8% in 2021 alone. This puts this offering in a very opportunistic place, where you can now achieve premium rents when renovating to high-end finishes.



PROPERTY HIGHLIGHTS

- Large two-bedroom townhome style units
- Covered Parking
- Located in a residential neighborhood
- Significant rent upside
- Desirable product type fitting current tenant demands
- Partially renovated units that could be rented as-is

Location



Financial Analysis

PRICE ANALYSIS

PRICE	\$2,400,000
Price per Unit	\$218,182
Price per NRSF	\$224.93
Price per Land SF	\$81.02
Current Cap	4.03%
Current GRM	14.51
Market Cap	7.05%
Market GRM	10.50

PROPOSED FINANCING

Loan Amount	\$1,584,000
Down Payment	\$816,000
% Down	34.0%
Rate	3.250%
Amortization	30 Years
Term	5 Years
Monthly Payment	\$6,893
Annual Payment	\$82,724

UNIT MIX

TYPE	# OF UNITS	SF	CURRENT	PSF	PRO FORMA	PSF
2 BD 1.5 BA	11	970	\$1,245	\$1.28	\$1,800	\$1.86
TOTAL	11 UNITS	10,670 SF	\$13,695	\$1.28	\$19,800	\$1.86

INCOME

	CURRENT		PRO FORMA	
Scheduled Rent Income	\$164,340		\$237,600	
+ Other Income	\$252		\$1,500	
+ Utility Bill Back	\$0		\$13,200	
+ Laundry Income	\$840		\$1,584	
Scheduled Gross Income	\$165,432		\$253,884	
- Vacancy & Credit Losses	(\$8,272)	5.00%	(\$12,694)	5.00%
Gross Income	\$157,160		\$241,190	

EXPENSES

	CURRENT		PRO FORMA	
RE Taxes	\$17,852		\$23,868	
Insurance	\$5,148		\$5,148	
Utilities W/S/G/E	\$13,708		\$15,000	
Management	\$7,858		\$12,059	
Payroll / Administration	\$1,200		\$1,200	
Maintenance / Turnover	\$9,350		\$9,350	
Landscaping	\$2,500		\$2,500	
Reserves	\$2,750		\$2,750	
Total Expenses	\$60,366		\$71,875	

OPERATING DATA

	CURRENT		PRO FORMA	
Net Operating Income	\$96,794		\$169,314	
Less Loan Payments	(\$82,724)		(\$82,724)	
Pre-Tax Cash Flow	\$14,070	1.72%	\$86,590	10.61%
Plus Principal Reduction	\$31,714		\$31,714	
Total Return Before Taxes	\$45,784	5.61%	\$118,304	14.50%

Rent Roll

UNIT	UNIT TYPE	SF	CURRENT	RENT / SF	MARKET	RENT / SF
1	2 BD 1.5 BA	970	\$1,300	\$1.34	\$1,800	\$1.85
2	2 BD 1.5 BA	970	\$1,200	\$1.24	\$1,800	\$1.85
3	2 BD 1.5 BA	970	\$1,200	\$1.24	\$1,800	\$1.85
4	2 BD 1.5 BA	970	\$1,200	\$1.24	\$1,800	\$1.85
5	2 BD 1.5 BA	970	\$1,300	\$1.34	\$1,800	\$1.85
6	2 BD 1.5 BA	970	\$1,200	\$1.24	\$1,800	\$1.85
7	2 BD 1.5 BA	970	\$1,300	\$1.34	\$1,800	\$1.85
8	2 BD 1.5 BA	970	\$1,200	\$1.24	\$1,800	\$1.85
9	2 BD 1.5 BA	970	\$1,300	\$1.34	\$1,800	\$1.85
10	2 BD 1.5 BA	970	\$1,200	\$1.24	\$1,800	\$1.85
11	2 BD 1.5 BA	970	\$1,300	\$1.34	\$1,800	\$1.85
TOTAL AVG	11	10,760 SF	\$13,700	\$1.28	\$19,800	\$1.85

Marysville Market Overview

Per Zillow as of July 31, 2021, the median home price in Marysville, WA is an incredible \$528,029. This is a 28.5% change over 12 months prior. This housing pressure is creating a tightening squeeze throughout the housing market and multifamily owners are benefiting. Countywide the median home value is \$651,562. With a modest amount of new construction and continued economic and population growth, there seems to be no relief in sight.

Marysville Market Overview

Data through Jul 31, 2021

\$528,029 zwm 

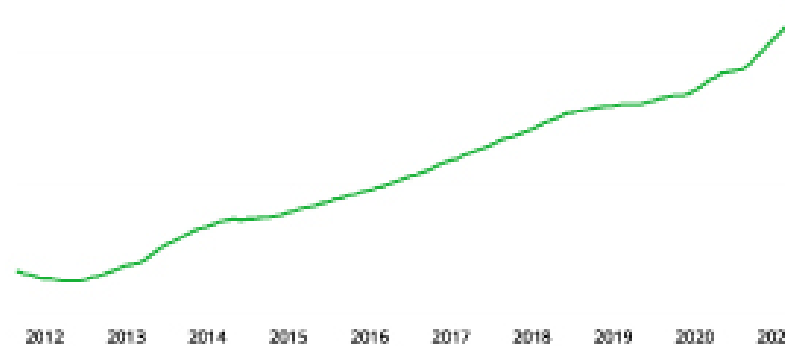
No data 1-yr forecast

Zillow Home Value Index

Single family

Jul 2021

Marysville 4548K



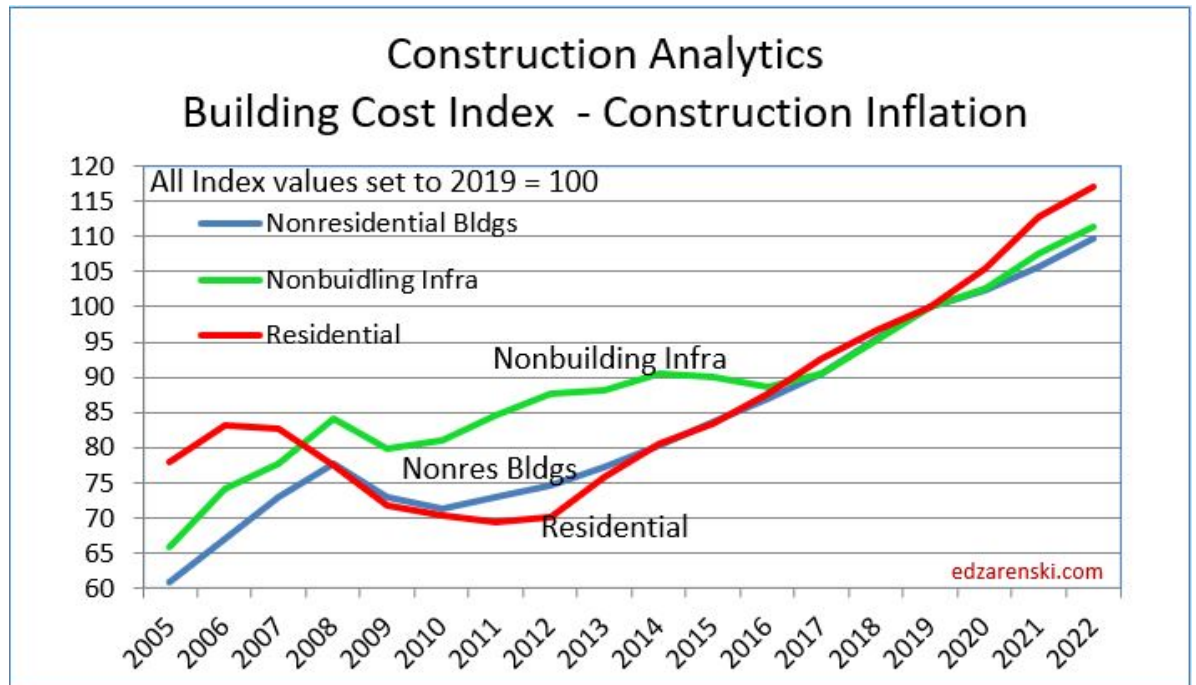
What can \$350,000 buy you?

As of July 24, 2021, there are a total of 100 listings in Snohomish County available under \$350,000. Of this amount, only 21 were single-family homes. 42 were condos – the remaining were a mix of manufactured homes, townhome and 'other'. The (21) available single-family homes averaged 1,044 square feet, built in the year 1966, and were typically in need of major improvements, extremely rural, or on busy corridors. Most condos at that price point were a mix of 1985 constructs averaging 933 square feet with 1.8 bedrooms.

Rising Construction Costs

Construction Inflation

Rising construction costs are another big factor on the supply pipeline. John Burns Real Estate Consulting data shows that the cost of building a home has risen by 22% year-over-year. And while apartment buildings aren't the same as single-family houses, a broad-based increase in the cost of construction will similarly impact multifamily and overall housing supply pressure. The line graph on the right provided by edzarenski.com demonstrates a clear increase of cost in 2020.



Rents & Vacancy Trends

Outlying Snohomish County Daily Rents & Vacancy

Outlying Snohomish County has had an amazing run through 2020 and 2021. Vacancy is at an all-time low in this market, sitting at 3%. Outlying Snohomish is an extremely supply constrained market. Development in this market has been very minimal. There have been a few large deliveries in recent years, but there is not much in the pipeline for new development.

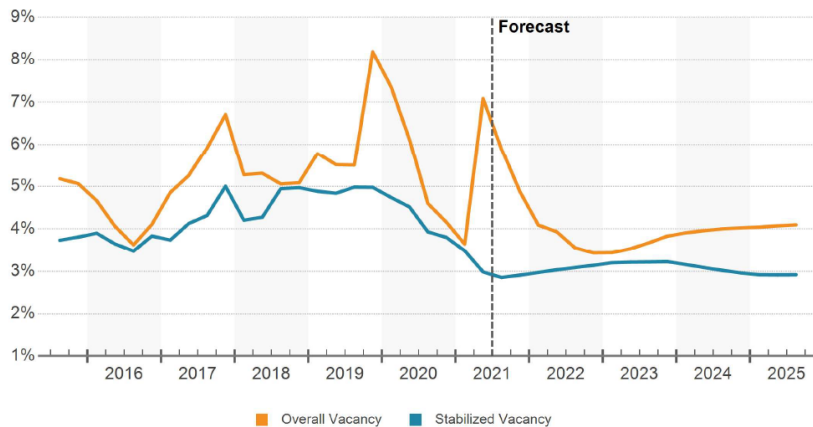
Demographics trends could also explain the tight rental market in these areas. Tenants have been fleeing urban centers in exchange for more space and less dense housing situations. Outlying Snohomish is ideal for this type of housing.

Rents have had modest but consistent growth over the past few years. Seeing growth rates between 2-4%, Snohomish has been slow and steady compared to King and Pierce counties. However, in 2021 we have seen rents start to spike in Outlying Snohomish. To date we have already seen an 6-8% gains in rents in this submarket. According to Costar projections, they expect this rate to continue and accelerate over the next two years and a return to current levels in 2024.

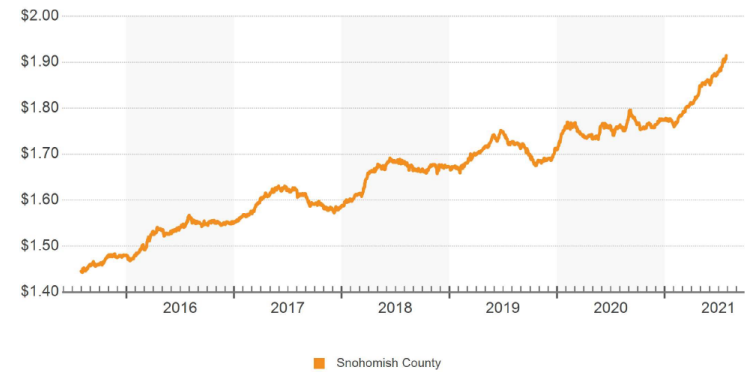
Vacancy

Snohomish County Multi-Family

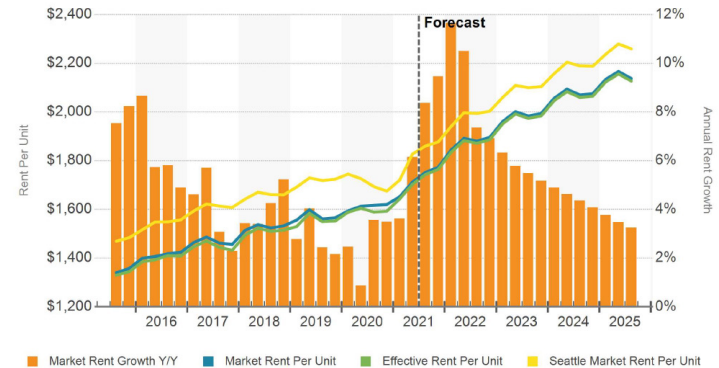
OVERALL & STABILIZED VACANCY



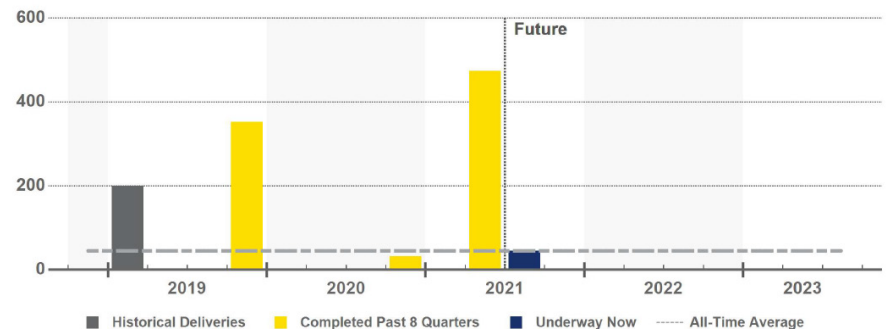
DAILY ASKING RENT PER SF



MARKET RENT PER UNIT & RENT GROWTH



PAST & FUTURE DELIVERIES IN UNITS



Site Demographics & Amenities

WHAT'S NEARBY

RETAIL

Safeway	Marysville Bike Shop
Value Village	Planet Fitness
O'Reilly Auto Parts	Grocery Outlet
Sally Beauty	Fred Meyer
Haggen	Coastal Farm & Ranch
Albertsons	The Home Depot
Dollar Tree	Walmart
Bartell Drugs	Cabela's

FOOD & DRINKS

Dutch Bros	Swinerton Brewery
KFC	Little Caesars Pizza
Starbucks	Union Coffee Bar
Maephim Thai	Burger Mill
Cristiano's Pizza	Krazy Snackz
Buzz Inn Steakhouse	Teriyaki Bowl
Ladybug Espresso	Dons
Noble Palace	Las Margaritas
Teriyaki Point	MOD Pizza
Papa Murphy's	Village Taphouse & Grill
The Creamery Co. Coffee	Chick-fil-A
Henry Donuts	Applebee's Grill & Bar
Grand Buffet	Korea House BBQ
Attic Secrets Tea Room	Lucky Saloon 13
Walker's Coffee	Pizza Hut
Pizza Hut	Starbucks
Tacos Guaymas	Sunny Teriyaki
Pac South	Jersey Mike's Subs
Beijing Chinese Cuisine	Sharetea Tulalip
Fanny's Restaurant	Bob's Burgers & Brew
AJ's Burgers	

SCHOOLS & SERVICES

Liberty Elementary	Marysville Cedar & Grove Park & Ride
Totem Middle School	Strawberry Lanes
Marysville Middle School	Marysville Skate Park
Marysville Skate Center	Jennings Park
Marysville Fire District	

POPULATION	1-MILE	3-MILE	5-MILE
Total Population	10,562	56,326	99,118
Growth 2021 - 2026 (est.)	5.01%	5.56%	5.49%
Median Age	35.8	36.4	36.5
HOUSEHOLDS & INCOME	1-MILE	3-MILE	5-MILE
Total Households	4,437	20,188	35,462
Median HH Income	\$49,768	\$81,912	\$83,821
Renter Occupied Housing	62.53%	32.28%	31.65%

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Marysville

AS A PLACE TO LIVE OR VISIT, Marysville is a vibrant city whose charm is exceeded only by the remarkable people who call it home. While the times are changing, the friendliness and hospitality that recall a simpler era haven't. Two major social-economic forces have transformed the face of the Marysville area for the better: The influx of sailors and their families stationed at Naval Station Everett, who have added character to our community, a burgeoning retail market in Marysville, and the economic revival of our good neighbors, the Tulalip Tribes, who have provided many jobs through their 227,000-square-foot Tulalip Casino, Quil Ceda Village Business Park, Seattle Premium Outlets, and 13-story destination resort hotel. Marysville became a magnet for local and regional shoppers in north Snohomish

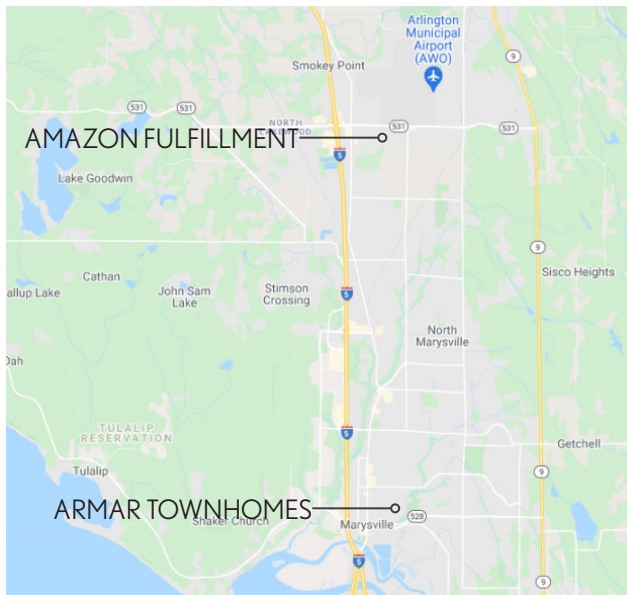
County with the opening of the 476,000-square-foot Lakewood Crossing off Smokey Point-Lakewood Exit 206, with anchor stores Costco, Target and Best Buy; and Gateway Shopping Center, with anchor tenants Winco Foods and the state's first Kohl's department store. Among other notable new commercial openings, American Legend rolled into Marysville in 2006 with the construction of the Harley-Davidson dealership in Washington. The building is an attraction unto itself, specifically designed after H-D's original factory in Minnesota. The facility gives riders a meeting place as they explore the backroads of Marysville and the county.



In the News



AMAZON TO OPEN NEW FULFILLMENT CENTER IN ARLINGTON WITH OVER 1,000 EMPLOYEES



ARLINGTON, Wash. - Amazon announced plans Thursday to open a new fulfillment center in Arlington later this year.

The new facility will create more than 1,000 full-time jobs with a \$15-per-hour starting wage, a benefit package and career opportunities for local residents, said Amazon spokesperson Karen Riley Sawyer.

The new five-story, 600,000-square-foot fulfillment center will be located at 4620 - 172nd Street NE in Arlington's Cascade Industrial Center. Workers and robotics there will help pick, pack and ship customer orders to communities across Snohomish County, Washington state and beyond.

Seattle-based Amazon currently employs more than 80,000 workers throughout the state.

"We're excited to open a new, state-of-the-art fulfillment center in the city of Arlington," said Alicia Boler Davis, Amazon's vice president of global customer fulfillment. "Arlington and surrounding communities in Snohomish County offer a talented workforce, and we look forward to growing employment beyond the more than 80,000 employees already serving customers in the region."

Arlington Mayor Barbara Tolbert said the city welcomes the new Amazon facility.

"Amazon brings great jobs with great pay and benefits as well as opportunities for longer-term careers," Tolbert said. "This will help working families across our region."

Arlington city officials said Thursday that construction at the Amazon location will begin the week of April 12, starting with grading of the site. The general contractor is Clark Construction Group, LLC.

Street and traffic improvements - including a roundabout and a new roadway for increased traffic - also will be constructed at the site.

Snohomish County Executive Dave Somers says the new Amazon fulfillment center will help the county rebuild its economy from the COVID pandemic.

"We look forward to working with Amazon as they expand in business-friendly Snohomish County," he said.

About Westlake



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Our unsurpassed commitment to creating and preserving our clients' real estate investment wealth has resulted in thousands of successful transactions and a long history of repeat business and client referrals.

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