

Yakima Court Apartments

602, 604, 606, 608, & 610 N 3rd Street, Yakima, WA 98901

Yakima Court
Apartments



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EXECUTIVE
SUMMARY

YAKIMA COURT APARTMENTS

EXECUTIVE SUMMARY

Northmarq is pleased to present **Yakima Court**, a 19-unit, turnkey asset located in Yakima, Washington. The Property features a mix of one, two, and three-bedroom units with 18 of them being renovated. This stabilized deal is offered at an in place 8.11% cap with potential for a savvy investor to capture 5% additional loss to lease revenue on unit turnover.

Yakima boasts solid demographics. Vacancy rates sit at 4.1% and rental rates continue to rise at a steady 3%. Since the year 2000, Yakima's population has grown by 15.7% with home prices increasing by 53% in the last 5 years alone. Additionally, there is a 4th vacant 6,992 square foot parcel zoned R1 with potential to develop. Yakima Court presents the opportunity to own a turnkey asset in a growing area at a low price per unit and high cash on cash returns.

INVESTMENT HIGHLIGHTS

- In-place cap rate 8.11%
- Current GRM 8.75
- Turnkey exterior with fresh paint, landscape, vinyl windows, and updated roofs
- 5% additional loss to lease revenue on unit turnover
- Yakima County current vacancy rate remains at 4.1%
- Rental rates continue to rise in Yakima — Up 3% YOY per CoStar
- Yakima population has grown 15.7% since 2000
- Yakima median housing holding steady as its up 1% over year
- Yakima housing prices have gone up 53% the last 5 years
- Median 2023 home value is \$336,794 — equating to monthly payment of \$3,000 after taxes/insurance





**PROPERTY
DESCRIPTION**

PROPERTY SUMMARY

Address
**602, 604, 606, 608, & 610 N 3rd Street
 Yakima, WA 98901**

Year Built
1988/1991/1994

No. of Units
19

No. of Floors
2

No. of Buildings
3

Net Rentable Area (SF)
±15,065

Lot Size (SF)
±36,103

Avg. SF Per Unit
±793

Avg. Rent
\$1,114

Avg. Rent/SF
\$1.40

Zoning
R1

CONSTRUCTION SUMMARY

Building Type
Low-Rise

Framing
Wood Frame

Roof
Composition

Heating
Electric - Baseboard

Laundry
Common

Parking
Surface (±27)

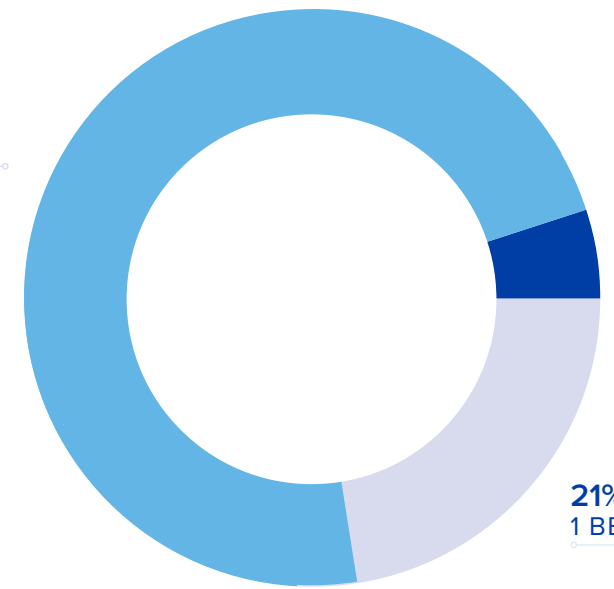
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 19131832437**



UNIT MIX

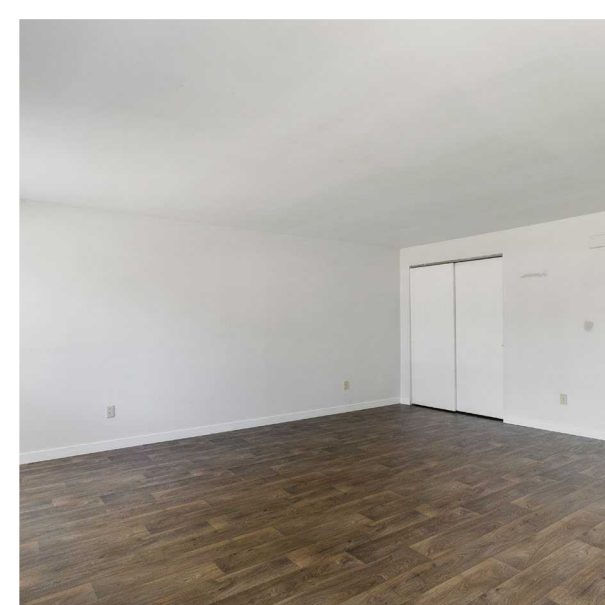
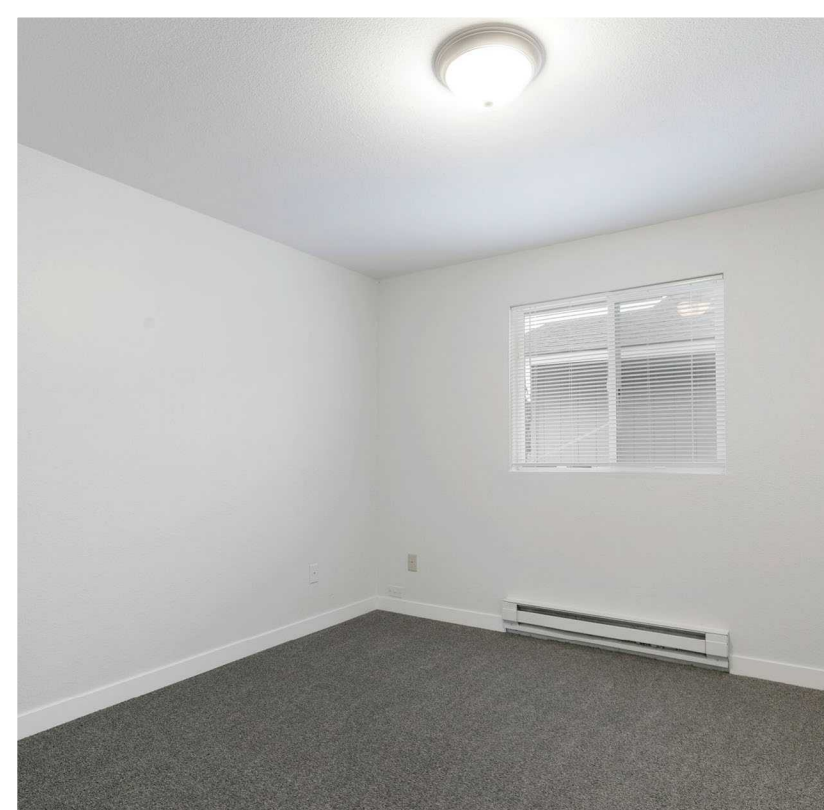
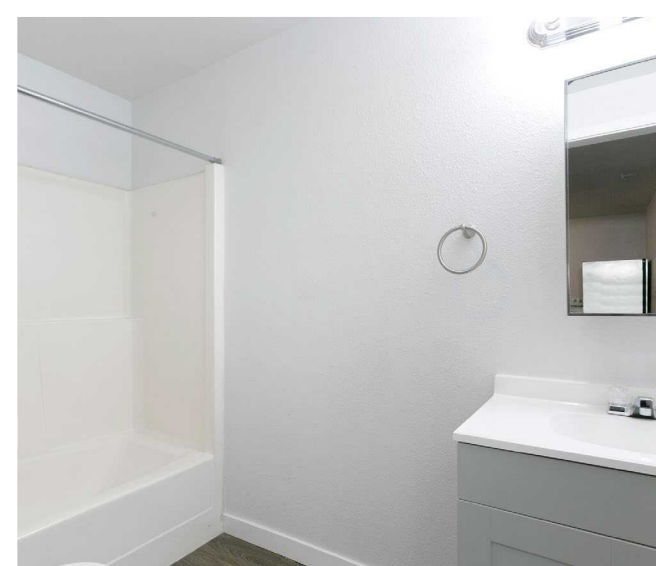
UNIT TYPE	# OF UNITS	% OF COMPLEX	SQUARE FEET	CURRENT RENT	CURRENT RENT/SF	MARKET RENT	MARKET RENT/SF
1 Bd / 1 Bth	4	21%	720	\$970	\$1.35	\$995	\$1.38
2 Bd / 1 Bth	14	74%	803	\$1,135	\$1.41	\$1,225	\$1.53
3 Bd / 1 Bth	1	5%	950	\$1,395	\$1.47	\$1,395	\$1.47
TOTAL	19	100%	15,065	\$21,165	\$1.40	\$22,525	\$1.50
AVERAGE			793	\$1,114	\$1.40	\$1,186	\$1.50

74%
 2 BEDROOM/1BATH



5%
 3 BEDROOM/1BATH

21%
 1 BEDROOM/1BATH





FINANCIAL
OVERVIEW

FINANCIAL ANALYSIS

PRICE ANALYSIS

LIST PRICE	\$2,250,000
Number of Units	19
Price Per Unit	\$118,421
Price Per NRSF	\$149
Current Cap	8.11%
Current GRM	8.75
Market Cap	8.51%
Market GRM	8.33
Year Built	1968
Approx. NRSF	15,065
Approx. Lot Size	36,103

INCOME

	CURRENT		MARKET		RENOVATED	
Gross Potential Rent	\$257,229		\$270,060		\$278,409	
+ RUBS	\$22,800		\$24,746		\$25,488	
+ Laundry	\$3,420		\$3,420		\$3,523	
Net Rental Income	\$244,359		\$256,557		\$264,489	
- Vacancy & Credit	(\$12,861)	5.00%	(\$13,503)	5.00%	(\$13,920)	5.00%
GROSS INCOME	\$270,465		\$285,969		\$299,423	

EXPENSES

	CURRENT		MARKET		RENOVATED	
Property Taxes	\$12,750		\$17,071		\$17,583	
Insurance	\$5,584		\$5,584		\$5,752	
Utilities: W/S/G/E	\$27,495		\$27,495		\$28,320	
Maintenance & Repairs	\$16,150		\$16,150		\$16,635	
Turnover	\$3,420		\$3,420		\$3,523	
Property Management	\$13,817		\$14,524		\$14,971	
Contract Services	\$4,088		\$4,088		\$4,088	
Janitorial/Landscaping	\$3,347		\$3,347		\$3,448	
Marketing	\$570		\$570		\$578	
Admin	\$1,900		\$1,900		\$1,957	
Reserves	\$4,750		\$4,750		\$4,750	
TOTAL EXPENSES	\$93,871		\$98,900		\$101,613	
Expenses as a % of GSI:	32%		33%		32%	
Expenses Per Unit:	\$4,941		\$5,205		\$5,348	
Expenses Per Sq. Ft.:	\$6.23		\$6.56		\$6.74	

OPERATING DATA

	CURRENT		MARKET		RENOVATED	
NET OPERATING INCOME	\$182,459		\$191,574		\$197,810	
Less Loan Payments	(\$145,967)		(\$145,967)		(\$145,967)	
Pre-Tax Cash Flow	\$36,492	8.29%	\$45,607	10.37%	\$51,843	11.78%
Plus Principle Reduction	\$18,572		\$19,915		\$19,915	
Total Return Before Taxes	\$55,064	12.52%	\$65,522	14.89%	\$71,758	16.31%
Debt Service Coverage Ratio	1.25x		1.31x		1.36x	



RENT ROLL (2023)

Unit	Bd/Ba	Status	SF	Rent
A	3/1	Renovated	950	\$1,395
B	2/1	Renovated	825	\$1,195
C	2/1	Renovated	825	\$1,150
D	2/1	Renovated	825	\$1,075
602-1	2/1	Renovated	825	\$1,150
602-2	2/1	Renovated	825	\$1,150
602-3	2/1	Renovated	825	\$1,095
602-4	1/1	Renovated	720	\$995
602-5	1/1	Renovated	720	\$995
602-6	2/1	Renovated	825	\$1,150
602-7	2/1	Renovated	825	\$1,150
602-8	2/1	Renovated	825	\$1,095
602-9	1/1	Renovated	720	\$950
602-10	1/1	Renovated	720	\$1,150
608-1	2/1	Renovated	720	\$1,150
608-2	2/1	Renovated	825	\$1,150
608-3	2/1	Classic	720	\$1,095
608-4	2/1	Renovated	720	\$1,195
608-5	2/1	Renovated	825	\$1,150
TOTAL	19 Units	89.5% Occupied	15,065	\$21,435





MARKET
COMPARABLES

RENT COMPARABLES

1 Bedroom / 1 Bath

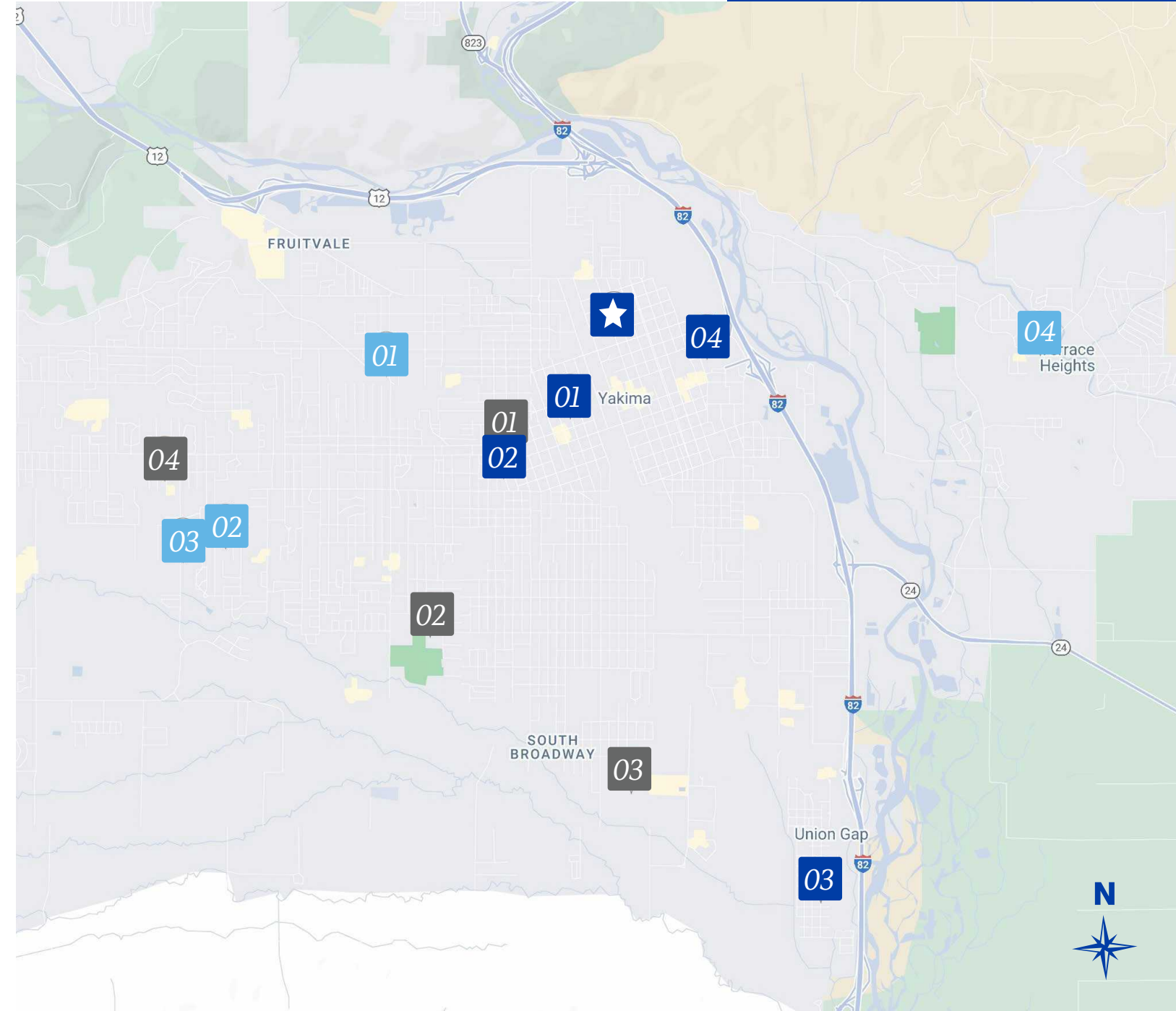
ADDRESS	PROPERTY	UNIT TYPE	AVG SF	RENT	RENT/SF
★ 602, 604, 606, 608, & 610 N 3rd St Yakima, WA	Yakima Court	1/1	720	\$970	\$1.35
01 102 N 3rd Ave Yakima, WA	102 N 3rd Ave	1/1	560	\$925	\$1.65
02 110 S 11th Ave Yakima, WA	110 S 11th Ave	1/1	580	\$995	\$1.72
03 3500 Main St Union Gap, WA	3500 Main St	1/1	800	\$1,100	\$1.38
04 201 N 10th St Yakima, WA	201 N 10th St	1/1	550	\$875	\$1.59
Property Averages			623	\$974	\$1.58

2 Bedroom / 1 Bath

ADDRESS	PROPERTY	UNIT TYPE	AVG SF	RENT	RENT/SF
★ 602, 604, 606, 608, & 610 N 3rd St Yakima, WA	Yakima Court	2/1	803	\$1,135	\$1.41
01 518 N 24th Ave Yakima, WA	518 N 24th Ave	2/1	936	\$1,300	\$1.39
02 904 S 42nd Ave Yakima, WA	904 S 42nd Ave	2/1	925	\$1,295	\$1.40
03 1005 S 48th Ave Yakima, WA	1005 S 48th Ave	2/1	1100	\$1,325	\$1.20
04 4201 Maple Ave Yakima, WA	4201 Maple Ave	2/1	750	\$1,100	\$1.47
Property Averages			928	\$1,255	\$1.37

3 Bedroom / 1 Bath

ADDRESS	PROPERTY	UNIT TYPE	AVG SF	RENT	RENT/SF
★ 602, 604, 606, 608, & 610 N 3rd St Yakima, WA	Yakima Court	3/1	950	\$1,395	\$1.47
01 1001 W Yakima Ave Yakima, WA	1001 W Yakima Ave	3/1	1140	\$1,500	\$1.32
02 1907 W Plath Ave Yakima, WA	1907 W Plath Ave	3/2	1206	\$1,450	\$1.20
03 50 Samantha Ct Yakima, WA	50 Samantha Ct	3/2	1305	\$1,850	\$1.42
04 4901 McCargar St Yakima, WA	4901 McCargar St	3/2	1352	\$1,695	\$1.25
Property Averages			1,251	\$1,624	\$1.30



RENT AVERAGES

1 Bedroom / 1 Bath

\$974

AVG. ASKING RENT/UNIT

\$1.58

AVG. ASKING RENT/SF

RENT AVERAGES

2 Bedroom / 1 Bath

\$1,255

AVG. ASKING RENT/UNIT

\$1.37

AVG. ASKING RENT/SF

RENT AVERAGES

3 Bedroom / 1 Bath

\$1,624

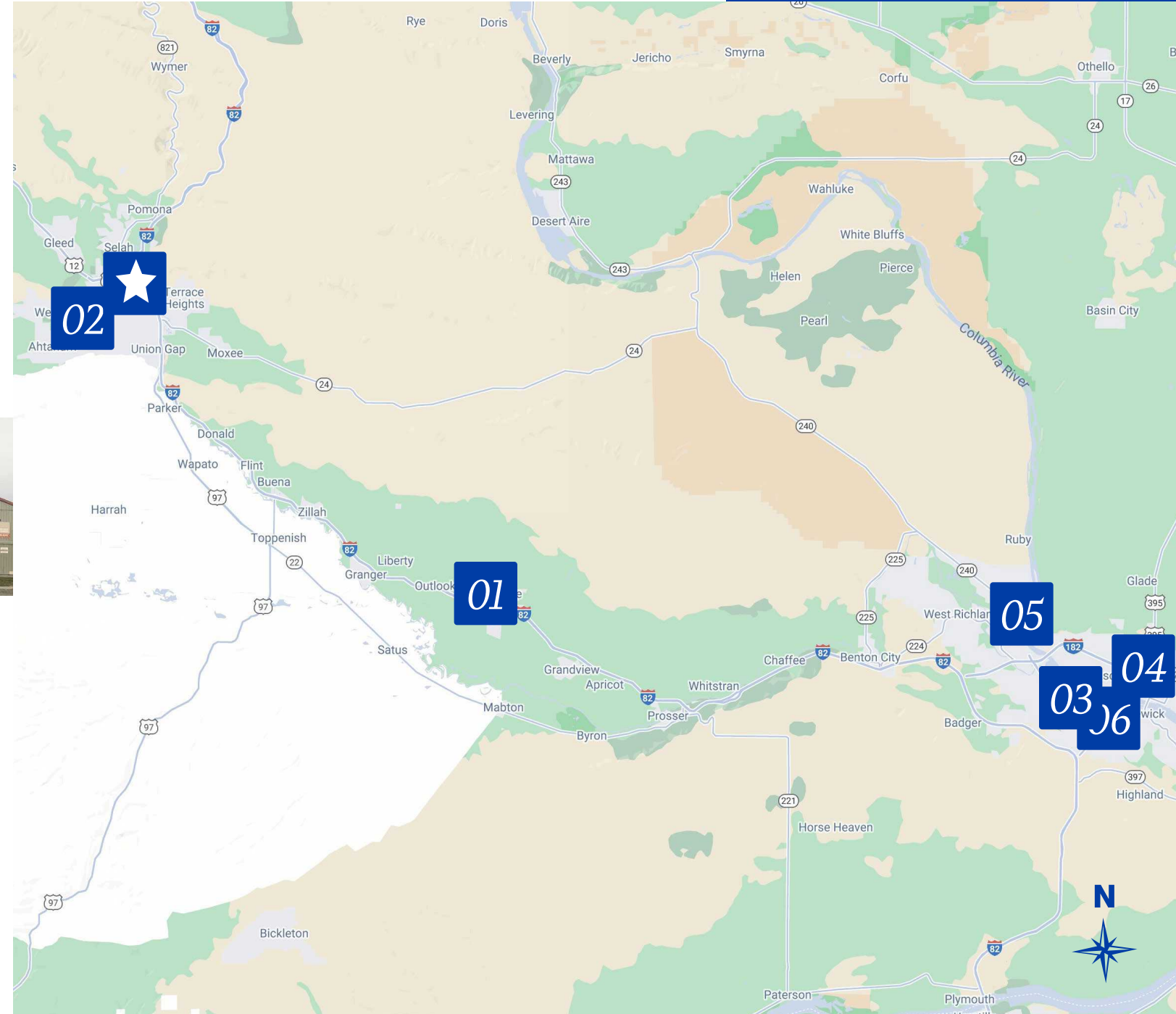
AVG. ASKING RENT/UNIT

\$1.30

AVG. ASKING RENT/SF

SALES COMPARABLES

ADDRESS	PROPERTY	UNITS	PRICE	SALE DATE	PER UNIT	NRSF	PER SF	CAP RATE	YEAR
★ 602, 604, 606, 608, & 610 N 3rd St Yakima, WA	Yakima Court	19	\$2,395,000	TBD	\$126,053	15,065	\$159	7.8%	1988/1991/1994
01 220 W Grandview Ave	220 W Grandview Ave	34	\$3,100,000	Pending	\$91,176	21,488	\$144	7.0%	1952
02 1004 S 41st Ave Yakima, WA	1004 S 41st Ave	5	\$700,000	6/14/23	\$140,000	4,574	\$153	6.2%	1924
03 718-722 N Arthur St Kennewick, WA	720 Arthur Apartments	40	\$5,850,000	6/9/23	\$146,250	48,000	\$122	6.7%	1976
04 1525 N 16th Ave Pasco, WA	Victory Manor Apartments	31	\$700,000	3/3/23	\$132,258	20,150	\$203	6.5%	1979
05 1000-1010 Catskill St Richland, WA	1000-1010 Catskill St	8	\$1,300,000	2/28/23	\$162,500	8,400	\$155	6.3%	1972
06 313 S Johnson St Kennewick, WA	313 S Johnson St	20	\$3,030,000	-	\$151,500	22,000	\$138	5.6%	1978
Property Averages		23			\$137,281	20,769	\$153	6.4%	



SALE AVERAGES

Subject Property Not Included in Averages

\$137,281

PRICE/UNIT

\$153

PRICE/SF

6.4%

CAP RATE



LOCATION
OVERVIEW

AREA DEMOGRAPHICS Within 5 miles of the subject property

120,957
2023 TOTAL
POPULATION

34.9
MEDIAN
AGE OF RESIDENTS

\$214,905
MEDIAN
HOME VALUE

\$69,740
AVERAGE
HOUSEHOLD INCOME

0.5%
ANNUAL
POPULATION GROWTH

4,516
TOTAL BUSINESSES

18,953
RENTER OCCUPIED
HOUSEHOLDS

25,930
OWNER OCCUPIED
HOUSEHOLDS

YAKIMA

WASHINGTON

Nestled in the fertile valley that shares its name, Yakima is a thriving city in the scenic, south-central region of Washington State. Known for its rich agrarian heritage, the city boasts a flourishing agricultural industry that produces some of the finest apples, cherries and hops in the world. Flowing gracefully through the city is the brilliant Yakima River, offering an array of exciting outdoor activities for adventure seekers, from fishing to rafting and everything in between.

Yakima plays host to a series of annual festivals and events, including the Fresh Hop Ale Festival and Central Washington State Fair, which draw visitors from all corners of the state to partake in lively festivities and exciting entertainment. The city is also steeped in culture and history. Visitors can catch a fascinating glimpse of the area's rich heritage at several museums showcasing intriguing displays of art and culture.

With a population of approximately 96,000 recorded in the 2020 census, Yakima is the largest city in Yakima County and the 12th largest city in Washington State. Although most of the founders of Yakima were of European descent, African-Americans and Asian-Americans also settled here in significant numbers. In recent times, there has been a notable surge in Latino immigrants, predominantly from the state of Michoacan in central Mexico, into the Yakima Valley. As a result, Yakima today is a vibrant community with a diverse mix of individuals from various cultural and ethnic backgrounds.

LOCAL ATTRACTIONS

FRESH HOP ALE FESTIVAL

The Fresh Hop Ale Festival is a non-profit organization whose goal is to present one of the country's top 10 beer festivals, celebrate the Yakima Valley's hops, and support Yakima county based arts and science organizations.

In these early years, a connection was established between local hop growers and the festival. This, in turn, created a natural link between brewers and the wet hops needed for their fresh hop brews. When Allied Arts closed, a new non-profit organization called the Fresh Hop Group was formed by festival committee chairs to secure the future of the FHAF and to preserve the spirit of the fundraiser. Proceeds from the festival continue to support Yakima Valley arts and science programs.

Today, the Fresh Hop Ale Festival continues to be held in Yakima Washington, the heart of hop country. Hosting more than 70 breweries, wineries, and cideries along with seven thousands guests, it is recognized by numerous beer publications as one of the nation's best beer festivals.

(freshhopalefestival.com)



CENTRAL WASHINGTON STATE FAIR

Since 1892 when Washington State held its first fair on these grounds, State Fair Park has served the community and the region as a gathering place for numerous activities and events, including our signature event... the annual Central Washington State Fair. Through the years, we have grown from being a once-a-year activity to a year-round activity center, utilizing our magnificent grounds and historic buildings to serve individuals, families, groups, non-profit organizations, schools, spectator sports, promoters, and many others.

Yakima's vibrant and walkable downtown is home to a variety of hotels, a food lover's paradise of local, authentic restaurants, festivals, exciting live entertainment, eclectic shopping and a community dedicated to hospitality.

(statefairpark.org)



CENTRAL WASHINGTON UNIVERSITY

Central Washington University has a long history of preparing graduates for successful careers in an ever-changing world. Central Washington University is a national leader in providing access to high quality, personalized online education with faculty committed to teaching and student success. They offer fully-accredited online undergraduate degree programs and certificates with hundreds of courses delivered online each quarter. (cwu.edu)



EDUCATION

PACIFIC NORTHWEST UNIVERSITY OF HEALTH SCIENCES

Based in Yakima, Washington, PNWU's 70-acre campus boasts a collaboration-inspiring array of health sciences disciplines, all united under the university's mission of educating and training healthcare professionals emphasizing service in rural and medically underserved areas throughout the Pacific Northwest states of Washington, Alaska, Idaho, Oregon and Montana.

PNWU's world-class health sciences education programs offer students access to the University's comprehensive anatomy lab, an experienced and engaging faculty, an ever-growing toolbox of medical technologies, a state-of-the-art medical simulation lab, a host of invaluable in-person interactions with simulated patients (SPs), cutting-edge telehealth training opportunities, and more. (pnwu.edu)





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