

Green Tree Court Apartments

*17-Unit
Value-Add
Opportunity
Near Downtown
Kent, WA*

17 UNITS • BUILT 1968

720 Washington Ave N, Kent, WA

CBRE
PARAGON
REAL ESTATE ADVISORS



THE OFFERING

17-Unit Value-Add Opportunity *Near Downtown Kent, WA*

CBRE and Paragon Real Estate Advisors proudly present the opportunity to acquire the Green Tree Court Apartments, a 17-unit value-add property located near dynamic downtown Kent, WA. This two-story, garden-style community is comprised of 15 - 1BD/1BA and 2 - 2BD/1BA units. The property is conveniently located less than 1 mile from the Kent Station retail mall and commuter rail. Built in 1968, the property has been well-maintained with recent improvements consisting of a new mansard roof, new doors and windows, and new exterior paint. In addition, 9 of the 17 units have undergone recent renovations, including new kitchen cabinets and quartz countertops, new solid surface flooring, upgraded appliances, and new bathroom vanities and tub surrounds. The property offers an investor an excellent combination of good in-place returns and the potential for further upside in a location that is growing. A new owner can add value and generate increased returns by renovating the remaining 8 vintage units.





Property Summary

Address 720 Washington Ave N, Kent, WA

Price \$3,150,000

Unit Count 17

Year Built 1968

Net Rentable SF 8,775 SF

Avg Unit Size 516 SF

Parking 17 surface spaces

Site Size 20,282 SF

Zoning MR-M

Investment Highlights



Conveniently located in the heart of growing Kent, WA



Less than 1 mile to Kent Station retail mall and commuter rail



New mansard roof (2024), new doors/windows (2022), and new exterior paint (2024)



9 of 17 units remodeled with new kitchen cabinets & quartz countertops, new solid surface flooring, upgraded appliances, new bathroom vanities & tub surrounds



5.5% cap rate on current income with easy upside to 6%+ cap rate on market rents



Walking distance shopping & amenities: 7-11, BigFoot Java, Panera Bread, Jimmy John's, Rite Aid, Safeway, Starbucks & more



Located within close proximity of major employers – Kent Valley is the 2nd largest industrial center on the West Coast



Easy transportation connects north and south via I-5, SR-167 and Sounder commuter rail



30 minutes to Downtown Seattle via the Sounder



Opportunity to add value and generate increased returns by remodeling the 8 remaining vintage units

Prime Location in Kent Valley Industrial Spine



KENT VALLEY

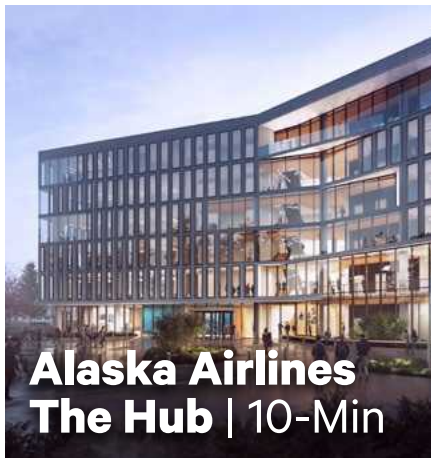
Green Tree Court Apartments



Blue Origin
6-Min



Amazon Fulfillment | 4-Min



Alaska Airlines The Hub | 10-Min



SeaTac International Airport | 10-Min



Future Kent Des Moines Light Rail | 6-Min

Green Tree Court Apartments | 4



Riverbend Golf Complex
4-Min



Kent Station
3-Min



Unit Mix

Unit Type	Units	Avg SF	Current Rent Per Unit	Market Rent	Renovation Premium	Pro Forma Rent
1x1	6	445 SF	\$1,284	\$1,300	\$200	\$1,500
1x1 - Renovated	9	445 SF	\$1,478	\$1,500	\$0	\$1,500
2x1	1	1,050 SF	\$1,530	\$1,550	\$300	\$1,850
2x1 - Renovated	1	1,050 SF	\$1,750	\$1,850	\$0	\$1,850
Total / Average	17	516 SF	\$24,283	\$24,700	\$100	\$26,200

Property Detail

Structure	Wood framed
Exterior	Cedar lap
Roof	Flat, torch down
Windows	Double pane vinyl
Electrical	Copper, breaker panels
Plumbing	Galvanized
Heating	Electric baseboard
Hot Water	In-unit, electric
Fire System	Central alarm
Laundry	Common



Seattle
620,000 Jobs • 30-Minutes

Bellevue
150,000 Jobs • 25-Minutes

Renton
62,000 Jobs • 15-Minutes

24,000+ Jobs • 10-Min
SEA Seattle-Tacoma International Airport

Kent Valley
252,000 Jobs • Adjacent

Alaska
Headquarters

Fulfillment Center
amazon

BOEING

SEATTLE, WA
OBERTO SPECIALLY MEATS
OMAX
Sysco
HEXCEL
MIKRON
EXOTIC METALS FORMING

BLUE ORIGIN
Headquarters

Sysco

Kent / Des Moines Future Light Rail Station
6-Min Drive • 2026

Green River Trail
19.6-Mile Walk/Bike Trail

Kent Station
470K SF Retailers/Restaurants

516

Riverbend Golf Course
18-Hole Course

Hogan Park at Russel Road
29.3-Acre Baseball/Softball Fields

Tamara BREAD
COLD STONE
MOD
CHIPOTLE MEXICAN GRILL
Bath&BodyWorks
chico's

Green Tree Court Apartments

Riverbend Driving Range
32-Stall Range

Dynamic Kent Valley Location
PREFERRED I-5 CORRIDOR ACCESS, PROXIMITY TO KENT VALLEY EMPLOYERS AND AMENITIES

Pro Forma

Chart of Accounts	Current Operations		Market Operations		Pro Forma - Post Reno	
	Total	Per Unit	Underwriting	Per Unit	Underwriting	Per Unit
INCOME						
Scheduled Market Rents - Annualized	\$291,396	\$17,141	\$296,400	\$2.81	\$296,400	\$2.81
Increase In Market Rents	\$0	\$0.00	\$0	\$0.00	\$8,892	\$0.08
Renovation Premium	\$0	\$0.00	\$0	\$0.00	\$21,012	\$0.20
Gain (Loss) To Lease	\$0	0.00%	(\$1,482)	0.50%	(\$1,587)	0.50%
Gross Potential Rent	\$291,396	\$2.77	\$294,918	\$2.80	\$324,717	\$3.08
Vacancy	(\$14,570)	5.00%	(\$11,797)	4.00%	(\$12,989)	4.00%
Net Rental Income	\$276,826	\$2.63	\$283,121	\$2.69	\$311,728	\$2.96
Economic Occupancy	95%		96%		96%	
Average Effective Rents PSF	\$2.63		\$2.69		\$2.96	
Non-Refundable Fees	\$0	\$0	\$1,700	\$100	\$1,751	\$103
Utility Reimbursement	\$0	\$0	\$19,174	\$1,128	\$19,750	\$1,162
Misc. Income	\$0	\$0	\$3,400	\$200	\$3,502	\$206
Gross Revenues	\$276,826	\$16,284	\$307,396	\$18,082	\$336,731	\$19,808
Monthly Revenue Average	\$23,069		\$25,616		\$28,061	
% Increase over Market Expenses			11.0%		21.6%	
EXPENSES						
Payroll	\$0	\$0	\$7,140	\$420	\$7,354	\$433
Administrative	\$0	\$0	\$1,700	\$100	\$1,751	\$103
Repairs and Maintenance	\$9,771	\$575	\$10,200	\$600	\$10,506	\$618
Landscaping/Contract Services	\$8,680	\$511	\$8,680	\$511	\$8,940	\$526
Controllable Expenses	\$18,451	\$1,085	\$27,720	\$1,631	\$28,552	\$1,680
Utilities	\$22,558	\$1,327	\$22,558	\$1,327	\$23,235	\$1,367
Management Fee	\$13,841	\$814	\$15,370	\$904	\$16,837	\$990
Insurance	\$9,214	\$542	\$9,214	\$542	\$9,490	\$558
Non-Controllable Expenses	\$64,064	\$3,768	\$74,862	\$4,404	\$78,113	\$4,595
Real Estate Taxes	\$27,173	\$1,598	\$29,925	\$1,760	\$30,823	\$1,813
Replacement Reserves	\$4,250	\$250	\$4,250	\$250	\$4,378	\$250
Total Operating Expenses	\$95,487	\$5,617	\$109,037	\$6,414	\$113,314	\$6,666
Net Operating Income	\$181,339	\$10,667	\$198,359	\$11,668	\$223,417	\$13,142
Annual/Monthly Debt Service	\$114,125	\$9,510	\$114,125	\$9,510	\$114,125	\$9,510
Cash Flow Before Tax	\$67,214	6.25%	\$84,234	7.84%	\$109,292	10.17%



Financial Notes

Income

Scheduled Market Rents:	Current based on rent roll; Market based on comparable properties
Increase in Market Rents:	3.00%
Renovation Premium:	Assumes all the units are renovated to a premium scope
Loss to Lease:	0.50%
Vacancy:	Adjusted to 4.0% per industry standards
Non-Refundable Fees:	Assumes \$200 Non-refundable fee with 50% turnover
Utility Reimbursement:	Market equal to 85% of utility expense
Miscellaneous Income	Adjusted to \$200/unit

Expenses

Controllable Expenses

Payroll:	Current based on 2023; Market adjusted to \$35/unit per month
Administrative:	Current based on 2023; Market adjusted to \$100 per unit
R&M:	Current based on 2023; Market adjusted to \$600 per unit
Landscaping/Contract Services:	Current and Market based on 2023

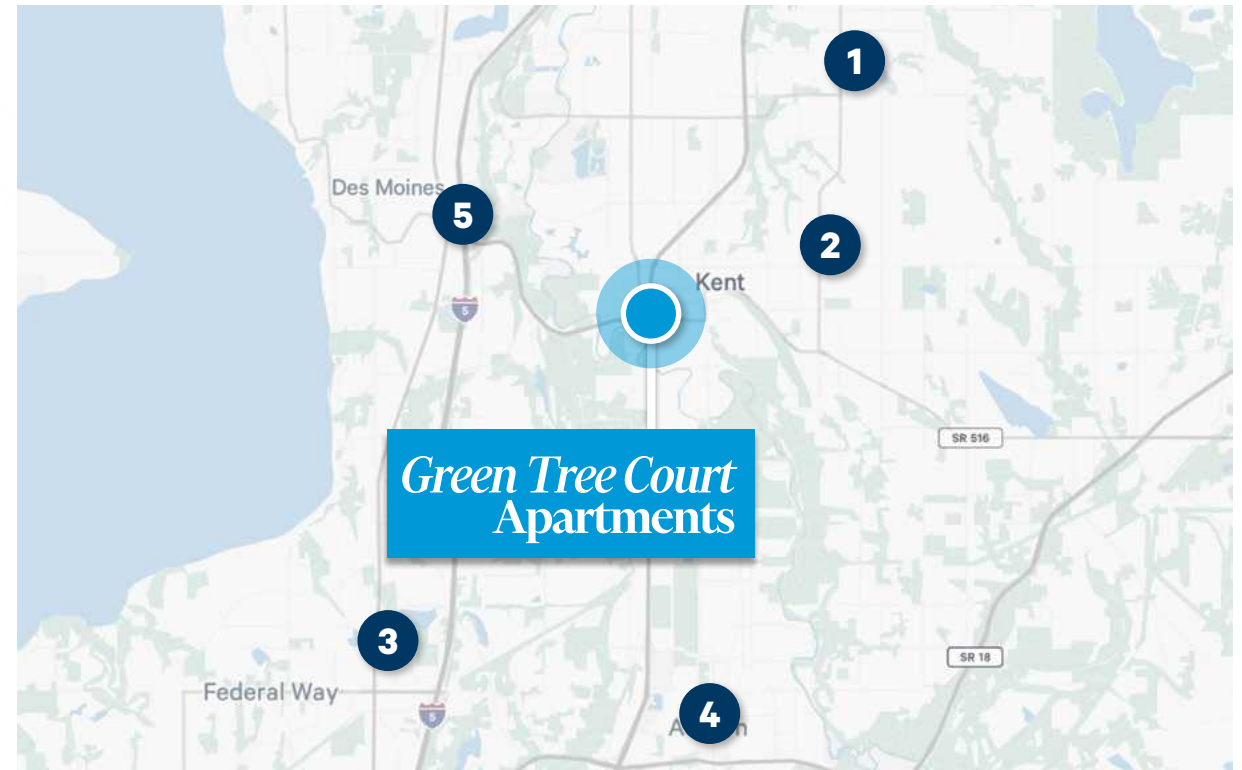
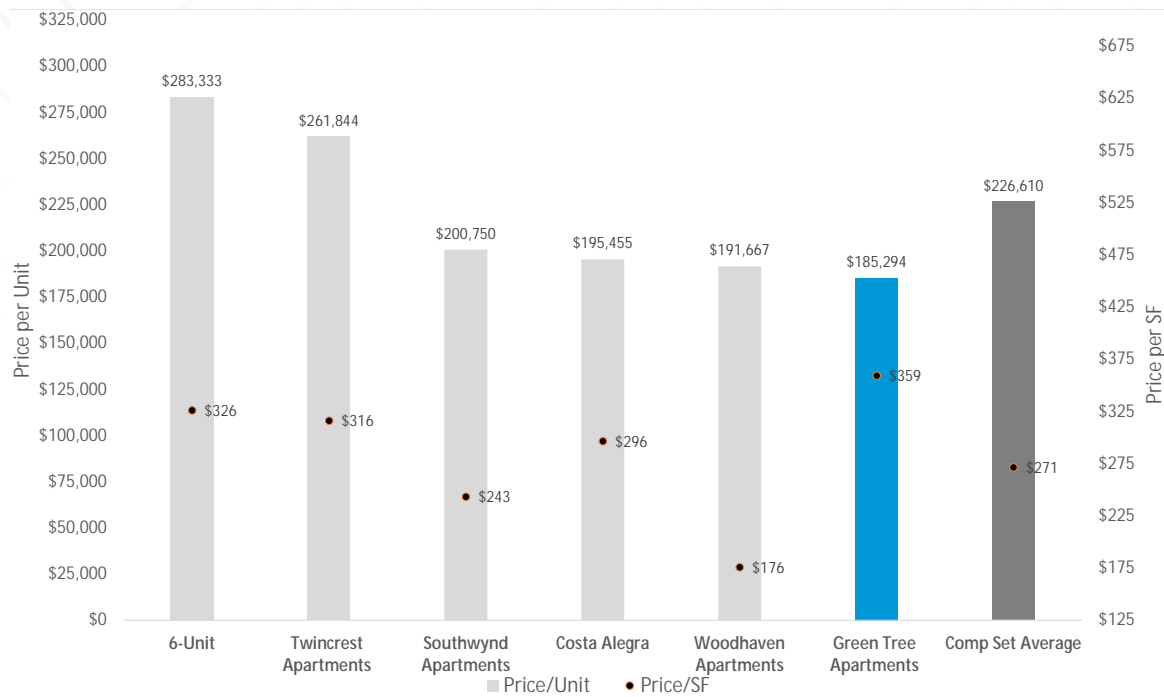
Operating Expenses

Utility Expense:	Current and Market based on 2023
Management Fee:	Adjusted to 5% of Gross Revenues
Insurance:	Current based on 2023
Taxes:	Current based on 2024 tax bill; Market adjusted to 0.95% of sales price based on current mileage rate
Replacement Reserves:	\$250 per unit



Sales Comparables Analysis

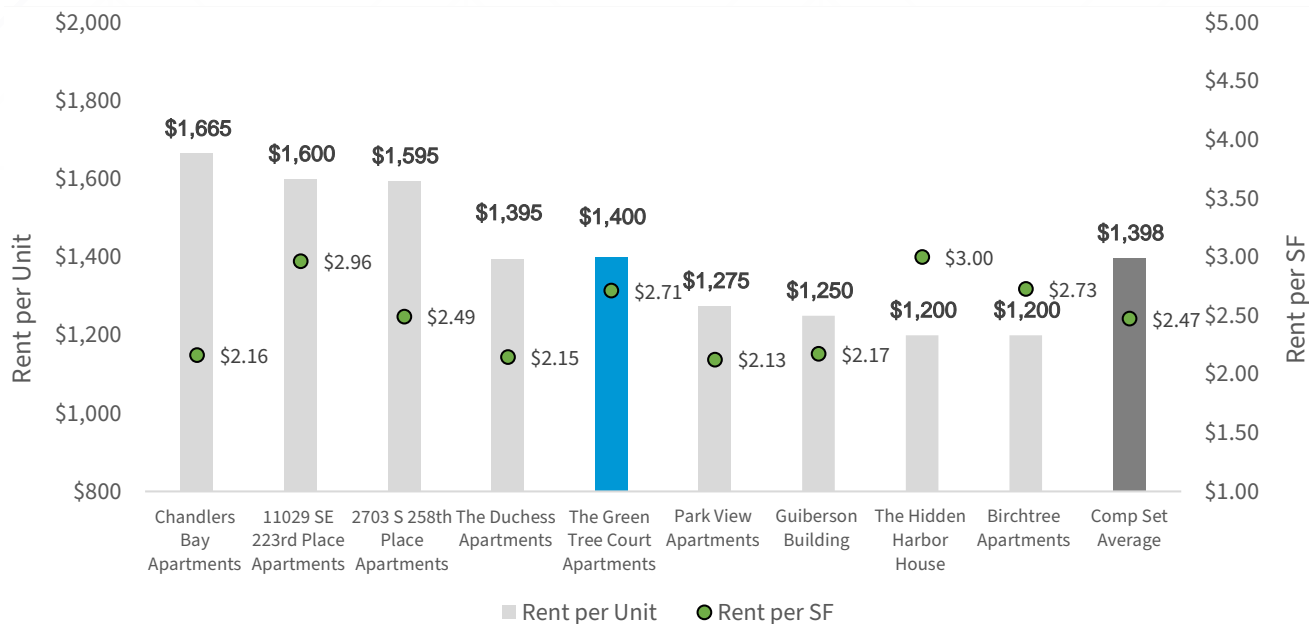
Property	Address	Units	Year Built	Average Unit SF	Price	Date	Price/Unit	Price/SF	Cap Rate
1 6-Unit	10839 SE 200th St, Kent, WA	6	1978	869 SF	\$1,700,000	Jul-24	\$283,333	\$326	4.68%
2 Twincrest Apartments	10545 SE 238th St, Kent, WA	18	1978	819 SF	\$4,713,200	Jun-24	\$261,844	\$316	4.93%
3 Southwynd Apartments	1821 S 310 St, Federal Way, WA	20	1963	825 SF	\$4,015,000	Jan-24	\$200,750	\$243	6.23%
4 Costa Alegra	502 N Division St, Auburn, WA	11	1958	659 SF	\$2,150,000	May-24	\$195,455	\$296	6.00%
5 Woodhaven Apartments	23110-23112 30th Ave, Des Moines, WA	6	1988	1,091 SF	\$1,150,000	Jun-24	\$191,667	\$176	
6 Green Tree Apartments	720 Washington Ave N, Kent, WA	17	1968	516 SF	\$3,150,000	TBD	\$185,294	\$359	5.76%
							\$226,610	\$271	5.46%



Rent Comparables Analysis

Traditional One Bedroom

Property	Average SF	Rent per Unit	Rent per SF
Chandlers Bay Apartments	770	\$1,665	\$2.16
11029 SE 223rd Place Apartments	540	\$1,600	\$2.96
2703 S 258th Place Apartments	640	\$1,595	\$2.49
The Duchess Apartments	650	\$1,395	\$2.15
The Green Tree Court Apartments	516	\$1,400	\$2.71
Park View Apartments	600	\$1,275	\$2.13
Guiberson Building	575	\$1,250	\$2.17
The Hidden Harbor House	400	\$1,200	\$3.00
Birchtree Apartments	440	\$1,200	\$2.73
Comp Set Average	577	\$1,398	\$2.47



Green Tree Court Apartments



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