TEN UNIT APARTMENT BUILDING

ASKING PRICE

$2,225,000

Located in Lake City SEATTLE



Opal Blue Real Estate

Opal Blue Real Estate
23030 76th Ave W #12
Edmonds, WA 98026
www.OpalBlueRE.com

Grant Fosheim
425.359.7259 Mobile
425.510.6162 Office
Grant@OpalBlueRE.com

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OVERVIEW

The Kensington Building, at 14333 32nd Avenue NE in Seattle's Lake City neighborhood, is a ten-unit, three-story apartment building offering a 6.20% cap rate today and a 7.54% market cap rate, with unusually large one- and two-bedroom homes (approx. 950 and 1,100 sq ft), each with its own private balcony or patio. The property has seen meaningful capital investment, including a new roof (2023), plumbing upgrades, upgraded common areas and new storage lockers, while nine of the ten units remain to be renovated - giving an investor a clear path to growing rents.

INVESTMENT HIGHLIGHTS

- 6.20% current cap rate; 7.54% market cap rate
- Large units: 2BD approx. 1,100 sq ft and 1BD approx. 950 sq ft
- Only 1 of 10 units renovated - upside as units turn to market



UNIT MIX

- 6 two-bedroom / 1-bath units (approx. 1,100 sq ft)
- 4 one-bedroom / 1-bath units (approx. 950 sq ft)

PROPERTY HIGHLIGHTS

- New roof (2023)
- Some plumbing upgrades throughout the building
- Upgraded common areas and new storage lockers
- 16 parking spaces and 9 storage units

PROPERTY SUMMARY

- Asking Price: $2,225,000
- Price Per Unit: $222,500
- Year Built: 1973
- Lot Size: 12,719 sq ft (approx. 0.29 acres)
- Three stories; approx. 10,400 rentable square feet

LOCATION HIGHLIGHTS

- Located in Seattle's Lake City neighborhood, along the Lake City Way (SR-522) corridor

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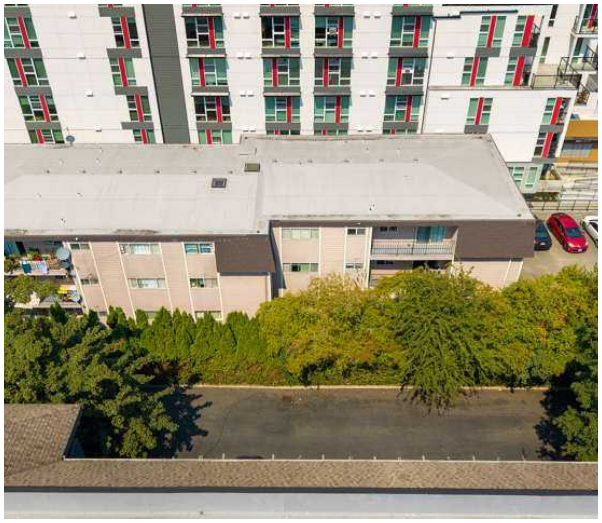
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PROPERTY PHOTOS - BUILDING EXTERIOR & AERIAL VIEW

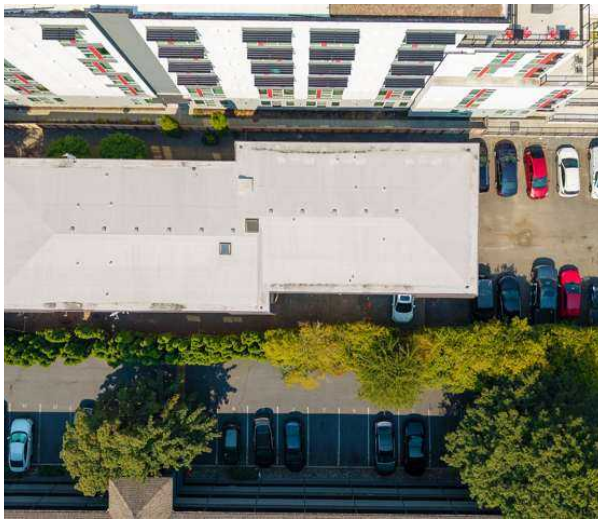










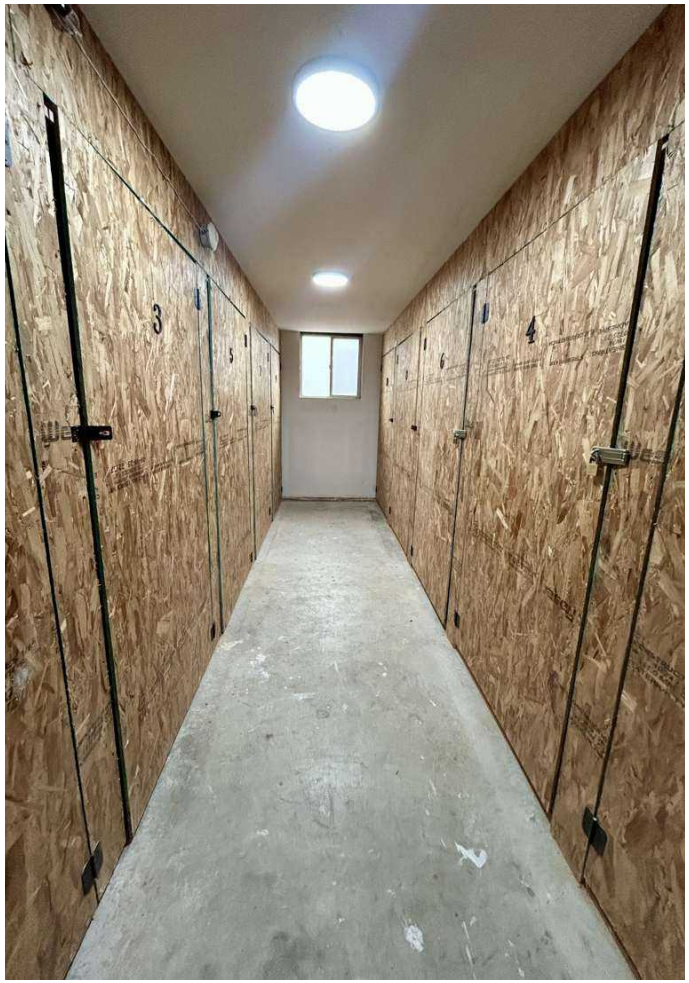


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PROPERTY PHOTOS - COMMON AREAS







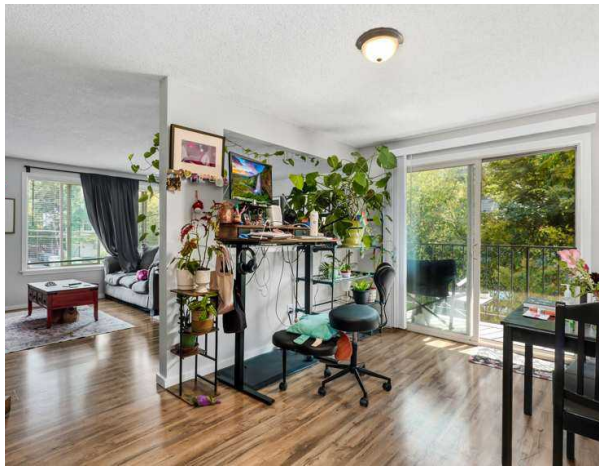
Upgraded common areas include the entry and mailbox lobby and a shared laundry room. The building also offers new storage lockers (nine units, shown at left) and 16 parking spaces.

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1BD/1BA UNIT PHOTOS








There are (4) 1bd/1ba units of approximately 950 square feet, each with a private balcony or patio. Photos show current occupied condition.

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2BD/1BA UNIT PHOTOS









There are (6) 2bd/1ba units of approximately 1,100 square feet, each with a private balcony or patio. Photos show current occupied condition.

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UNIT PROFILES — FINANCIALS

Unit	Layout	Sq ft	Current rent	Current RSF	Proforma rent	Proforma RSF
1	2bd / 1ba	1100	$1,975	$1.80	$2,250	$2.05
2	2bd / 1ba	1100	$1,890	$1.72	$2,250	$2.05
3	2bd / 1ba	1100	$1,925	$1.75	$2,250	$2.05
4	2bd / 1ba	1100	$2,000	$1.82	$2,250	$2.05
5	1bd / 1ba	950	$1,675	$1.76	$1,790	$1.88
6	1bd / 1ba	950	$1,720	$1.81	$1,790	$1.88
7	2bd / 1ba	1100	$2,050	$1.86	$2,250	$2.05
8	2bd / 1ba	1100	$2,000	$1.82	$2,250	$2.05
9	1bd / 1ba	950	$1,625	$1.71	$1,790	$1.88
10	1bd / 1ba	950	$1,690	$1.78	$1,790	$1.88
Laundry		—	*$273*	—	*$0*	—
Storage		—	*$0*	—	*$225*	—
Parking		—	*$0*	—	*$800*	—
Total / avg		**10,400**	**$18,550**	**$1.78**	**$20,660**	**$1.99**

** Proforma rents assume each unit is brought to market with an in-unit washer/dryer, so shared-laundry income is removed in the proforma. Proforma storage income assumes $25 x 9 units and proforma parking income assumes $50 x 16 spaces.*

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RENT COMPARABLES - 1BD



Address:	**King Arthurs Court, 12728 NE 28th Ave**
Neighborhood:	Lake City, Seattle
Layout and Sq Ft	1bd/1ba - 625-645 sq ft
Details:	In-unit washer/dryer and patio/balcony; elevator building with garage parking.
Rent:	$1,689-$1,720/mo
Rent Per Sq Ft	$2.67-$2.70



Address:	**White Heather Apartments, 12556 15th Ave NE**
Neighborhood:	Lake City, Seattle
Layout and Sq Ft	1bd/1ba - size not listed
Details:	In-unit washer/dryer; advertised asking range for 1-bedroom units.
Rent:	$1,625-$1,750/mo
Rent Per Sq Ft	n/a

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RENT COMPARABLES - 2BD



Address:	**King Arthurs Court, 12728 NE 28th Ave**
Neighborhood:	Lake City, Seattle
Layout and Sq Ft	2bd/2ba - 850 sq ft
Details:	In-unit washer/dryer, elevator, garage parking; smaller unit than the Kensington.
Rent:	$2,305-$2,600/mo
Rent Per Sq Ft	$2.71-$3.06



Address:	**Park 3025, Unit 109, 3025 NE 137th St**
Neighborhood:	Lake City, Seattle
Layout and Sq Ft	2bd/1ba - 950 sq ft
Details:	In-unit washer/dryer; advertised base rent.
Rent:	$2,125/mo
Rent Per Sq Ft	$2.24

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FINANCIAL SUMMARY

PROPERTY OVERVIEW	
Units	**10**
Year Built	**1973**
Rentable Area	**10,400 sq ft**
Price	**$2,225,000**
Per Unit	**$222,500**
Per Sq. Ft.	**$213.94**
Down Pmt	**30%**
Loan Amount	**$1,557,500**
Interest Rate	**6.125%**
Amortization	**30**
Current GRM	**9.85**
Current CAP	**6.20%**
Market GRM	**8.55**
Market CAP	**7.54%**

UNIT MIX

Units	Type	Avg SF	Cur.Rent	Mkt.Rent
4	1bd/1ba	950	$1,678	$1,790
6	2bd/1ba	1100	$1,973	$2,250
Tot/Avg		**1040**	**$1,855**	**$2,066**

Avg rent shown per unit; blended $/sq ft available on request.

ANNUALIZED OPERATING DATA	Current	Market
Scheduled Gross Income	$225,876	$260,220
Less Vacancy (2%)	$4,518	$5,204
Gross Operating Income	**$221,358**	**$255,016**
Less Expenses	$83,445	$87,222
Net Operating Income	**$137,914**	**$167,793**
Annual Debt Service	$113,562	$113,562
Cash Flow Before Tax	**$24,351**	**$54,231**
Principal Reduction	$18,684	$18,684
Total Return Before Tax	**$43,036**	**$72,915**
ANNUALIZED OPERATING EXPENSES		
Property Taxes	$22,146	$22,146
Insurance	$5,737	$5,737
Utilities	$26,774	$26,774
Maintenance & Repairs (3% of SGI)	$6,776	$7,807
Capital Expenses (3% of SGI)	$6,776	$7,807
Property Management (5% of SGI)	$11,294	$13,011
Landscaping	$3,941	$3,941
Total Expenses	**$83,445**	**$87,222**

The Kensington offers an investor ten large apartments - six 2-bedroom units of roughly 1,100 sq ft and four 1-bedroom units of roughly 950 sq ft, each with a private balcony or patio - at about $214 per square foot. The building has been meaningfully upgraded, with a new roof (2023), plumbing upgrades, upgraded common areas and new storage lockers, and only one of the ten units has been renovated, leaving substantial upside as units turn. At current in-place rents the property produces a 6.20% cap rate and approximately $24,400 of annual cash flow after debt service. Bringing rents to market (about $2,250 for the 2BD and $1,790 for the 1BD, assuming an in-unit washer/dryer), and adding storage ($25 x 9) and parking ($50 x 16) income, grows NOI to approximately $167,800 and the cap rate to 7.54%.

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LAKE CITY SUMMARY

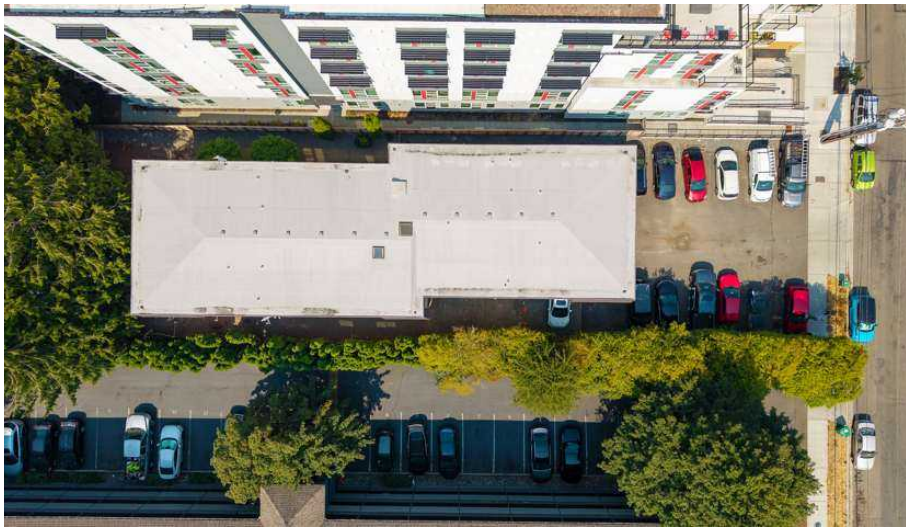
Lake City is a Northeast Seattle neighborhood centered on the Lake City Way NE (SR-522) corridor, roughly 7-8 miles from downtown Seattle. The Kensington sits just off the corridor on 32nd Avenue NE, among a growing mix of established and newer apartment buildings.

- **Transit Investment —**
  Sound Transit broke ground on the Stride S3 bus rapid transit line in March 2026, connecting Bothell and Shoreline's light rail station at S 148th Street, with service expected to open in 2028. This fall the existing 522 route will shift to the S3 alignment and King County Metro routes 72 and 77 will serve Lake City Way.

- **Civic Investment —**
  Seattle Parks is redeveloping the Lake City Community Center with the community center at street level and affordable rental homes on the upper floors.

- **Recreation & Services —**
  The Thornton Creek watershed, the rebuilt Lake City branch of the Seattle Public Library and Lake Washington access along the Burke-Gilman Trail contribute to the area's long-term appeal to renters.





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COMPANY SUMMARY



Grant Fosheim

Designated Broker

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425.510.6162 Office
425.359.7259 Mobile

CREDENTIALS

B.A. Finance, WWU
MBA, WWU
Designated Broker, WA

ABOUT OPAL BLUE REAL ESTATE

Opal Blue Real Estate is a full-service brokerage firm providing Property Management, Real Estate Sales Representation and Project Management throughout the Puget Sound region, with over $60,000,000 of assets under management in Snohomish and King County.

$60M+	Puget Sound	Full-Service
Assets Under Management	Snohomish & King County	Sales · Property Mgmt · Project Mgmt

ABOUT GRANT FOSHEIM

Grant Fosheim is a seasoned multi-family investor, designated broker and property manager. He specializes in residential multi-family buildings and has helped close dozens of deals worth tens of millions of dollars. His clients use him for the life of their investments, from acquiring to managing to selling their investment properties.

Mr. Fosheim holds a Bachelors in Finance and a Masters in Business Administration from Western Washington University.



THE KENSINGTON - TEN-UNIT APARTMENTS

OFFERING MEMORANDUM

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