



**SIMON | ANDERSON TEAM**

# **EASTERN WASHINGTON APARTMENT MARKET DYNAMICS**

2022

**EOY**  
Q3 & YTD  
RESEARCH

# HOW TO USE THIS STUDY



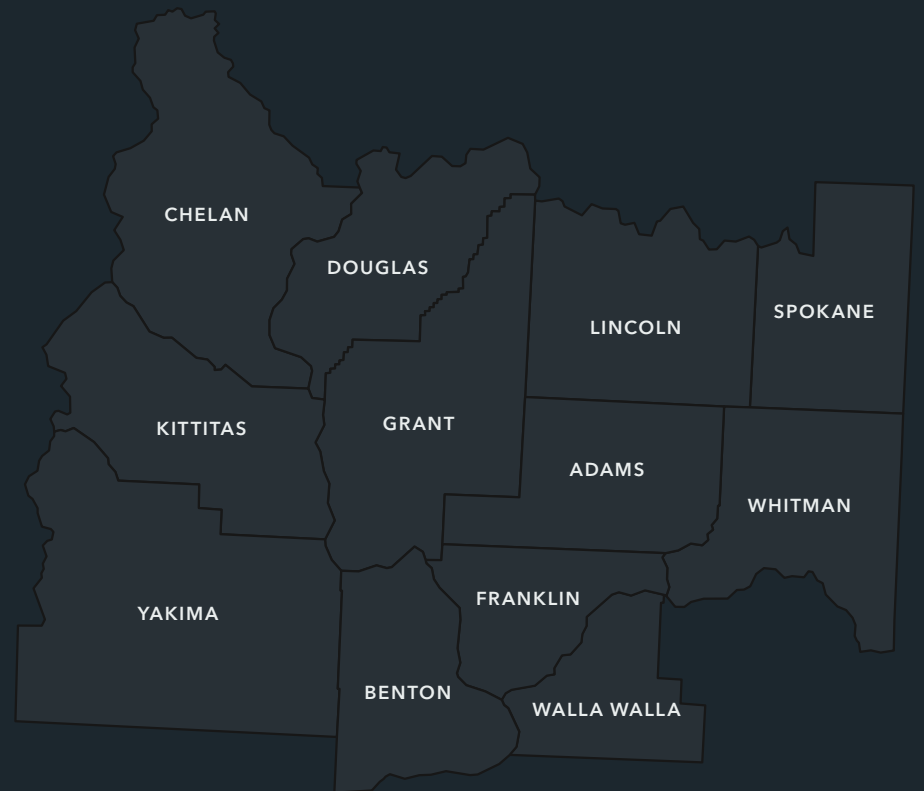
Discover the latest apartment investment sales data for Chelan, Douglas, Kittitas, Yakima, Grant, Lincoln, Adams, Franklin, Benton, Walla Walla, Spokane and Whitman Counties.



Look for our insights in each submarket to help guide your investment decisions.



Contact us to chat about the market, discuss the best times to buy or sell, and request a valuation of your apartment building or land.



# APARTMENT EXPERTS

## OUR EXPERTISE



5 TO 50 UNITS



50+ UNITS



DEVELOPMENT



MICROS

## DOWNLOAD PRIOR 2022 RESEARCH REPORTS



Q3 EASTERN WASHINGTON REPORT



Q3 PUGET SOUND REPORT



Q2 EASTERN WASHINGTON REPORT



Q2 PUGET SOUND REPORT

## Max Frame

Associate Vice President



## EASTERN WASHINGTON APARTMENT SPECIALIST

Max is an apartment broker specializing in the sale of Eastern Washington apartment buildings.

## BROKERS

### Dylan Simon

Executive Vice President



Dylan is a market-leading broker throughout Seattle and the Puget Sound region, specializing in the sale of apartment buildings and development land and with expertise in sales strategies, market knowledge, and industry trends.

### Jerrid Anderson

Executive Vice President



Jerrid is the most active apartment broker in Seattle, where he sold 22 apartment buildings in 2021. Jerrid has brokered more than \$1 billion in urban apartment and land sales and holds numerous sales records in Seattle.

### Max Frame

Associate Vice President



Max is an apartment broker specializing in the sale of Eastern Washington apartment buildings. Born and raised in Eastern Washington, Max utilizes his local market knowledge and expertise with Kidder Mathews' national outreach and exposure.

### Matt Laird

Vice President



Matt is an apartment broker specializing in urban and suburban apartment sales; development land sales; and off-market acquisitions. His attention to detail and excellent client service ensure smooth transactions from marketing through closing.

### Brandon Lawler

Vice President



Brandon is an apartment broker specializing in the sale of apartment buildings and off-market acquisitions, with expertise in the South Puget Sound market.

### Winslow Lee

Associate Vice President



Winslow is an apartment broker specializing in sales of apartment buildings and development land across the Puget Sound, with expertise in King & Snohomish Counties.

# EASTERN WASHINGTON

## Eastern Washington's third quarter experienced record setting sales volume.



The third quarter was prosperous, totaling over \$412M in total sales volume, largely due to five sizeable sales - Granite Pointe in Spokane Valley (\$145M), Big Trout Lodge in Liberty Lake (\$79M), Riverpointe Apartments in Richland (\$54M), Shoreline Village in Richland (\$49M), and Crosspointe Apartments in Kennewick (\$44M).



While cap rates dipped in Q3, expect an increase in upcoming months due to rising interest rates. And while transactions are still getting done, lending has become a much larger factor than previous years. For motivated sellers, we have seen an increase in seller financed transactions.



Spokane led the charge in Q3 with 12 total sales, followed by Yakima (4) and Moses Lake (3). Year-to-date, we have seen 33 apartment sales in the city of Spokane, totaling 41% of all Eastern Washington sales this year.

## Inventory

	Units	Buildings
<b>Total</b>	70,920	1,739
<b>5 to 50-Units</b>	20,244	1,375
<b>50+ Units</b>	50,676	364
<b>12-Month Deliveries</b>	836	17
<b>Average Unit Size</b>	892 SF	

## Rent & Vacancy

	[ 12-MONTHS AGO ]		[ 90-DAYS AGO ]		[ LAST QUARTER ]
	Q3 2021	12-Month Change	Q2 2022	90-Day Change	Q3 2022
<b>Rent</b>	\$1,213	▼ 4 bps	\$1,263	▼ 0.2 bps	\$1,260
<b>Vacancy</b>	1.6%	▲ 253 bps	3.2%	▲ 88 bps	4.1%

ALL BUILDING AGES, 5+ UNIT APARTMENT BUILDINGS

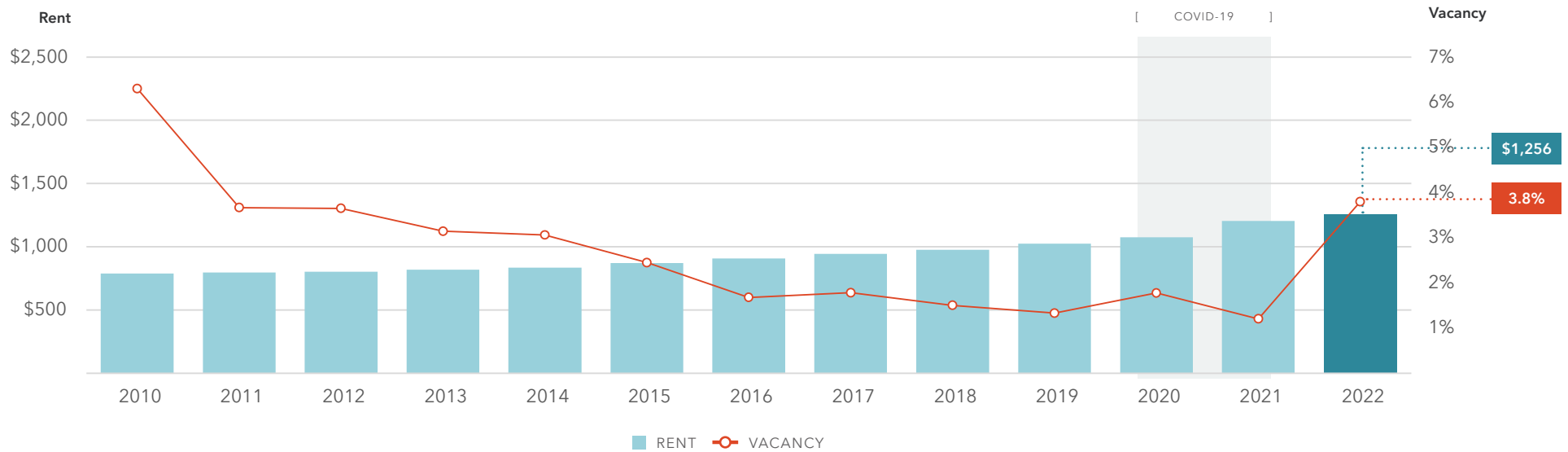
## Historical Sales Trends

	2016	2017	2018	2019	2020	2021	[ 12-MONTHS AGO ]		[ 90-DAYS AGO ]		[ CURRENT ]
							Q3 2021	12-Month Change	Q2 2022	90-day Change	Q3 2022
<b>Building Sales</b>	108	86	111	113	116	124	30	▼ 10%	24	▲ 13%	27
<b>Sales Volume</b>	\$294M	\$179M	\$372M	\$406M	\$170M	\$529M	\$167M	▲ 147%	\$75M	▲ 451%	\$412M
<b>Price/Unit</b>	\$79K	\$75K	\$95K	\$105K	\$92K	\$146K	\$158K	▼ 11%	\$139K	▲ 1%	\$140K
<b>Price/SF</b>	\$86	\$79	\$101	\$108	\$112	\$165	\$202	▼ 3%	\$168	▲ 16%	\$195
<b>Cap Rate</b>	6.9%	6.8%	6.5%	6.4%	6.1%	5.7%	5.5%	▼ 84 bps	5.1%	▼ 39 bps	4.7%

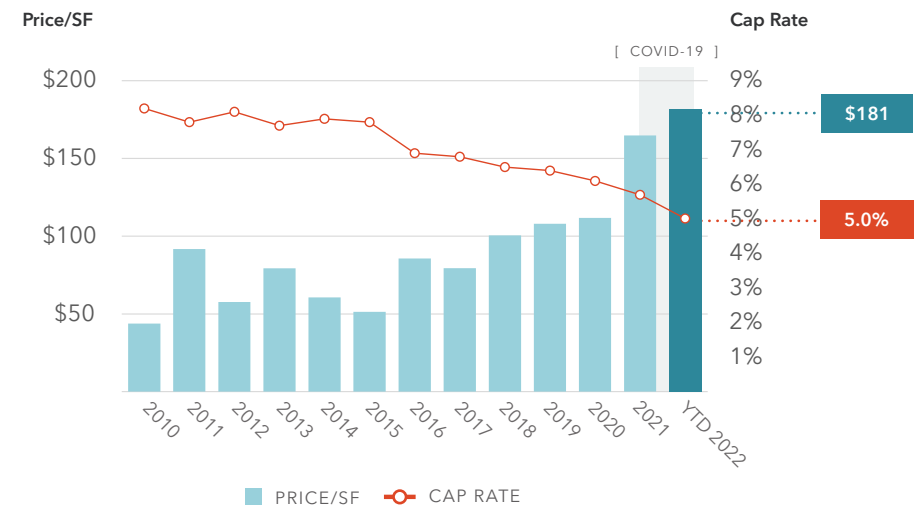
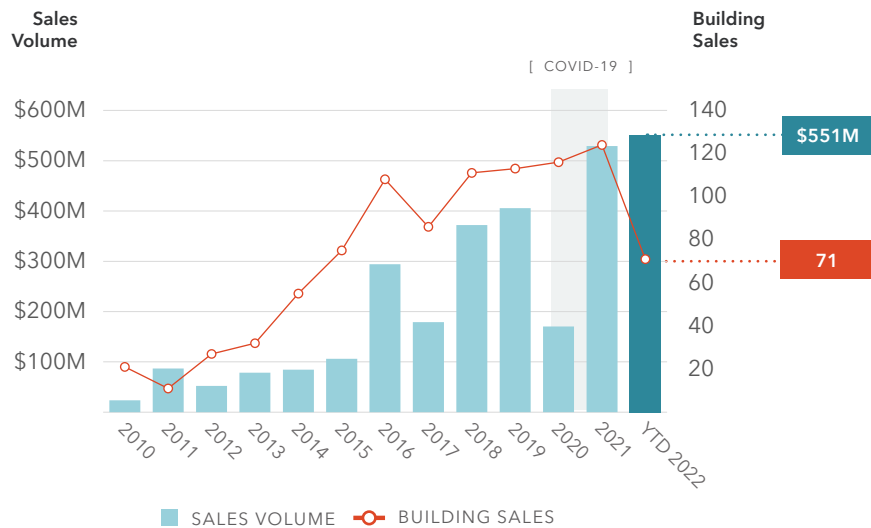
ALL BUILDING AGES, 5+ UNIT APARTMENT BUILDINGS

# EASTERN WASHINGTON HISTORICAL TRENDS

## Rent & Vacancy Trends



## Sales Trends



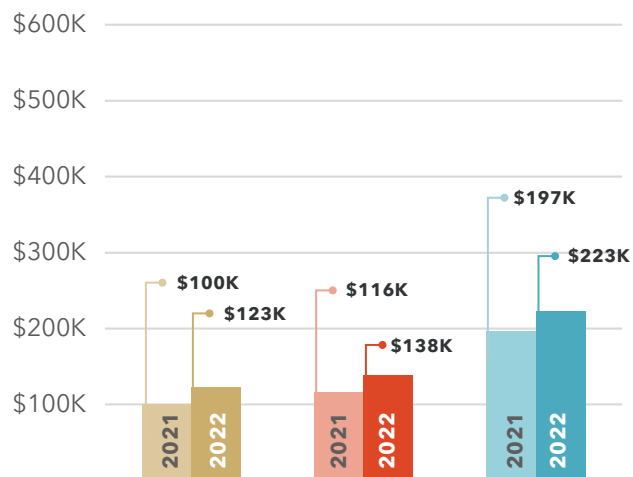
ALL BUILDING AGES, 5+ UNIT APARTMENT BUILDINGS



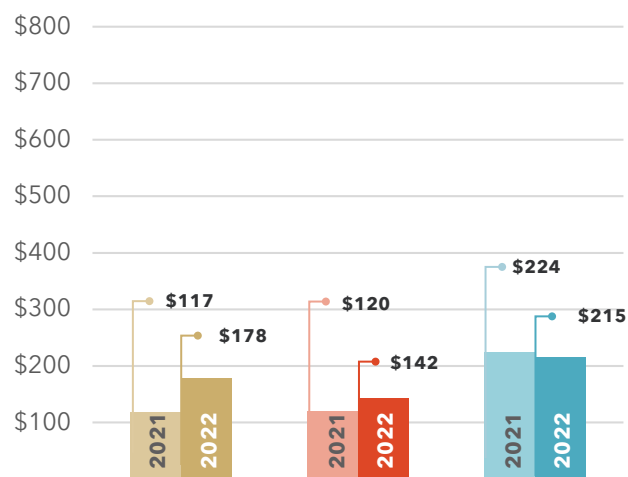
# EASTERN WASHINGTON SALES VELOCITY

## 5 TO 50-UNITS

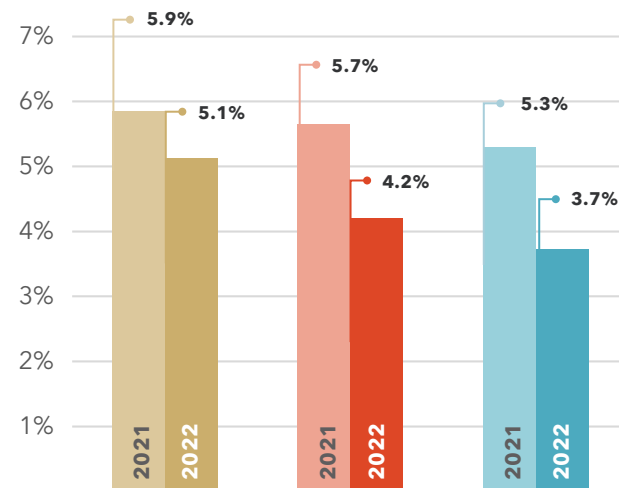
### Price/Unit



### Price/SF

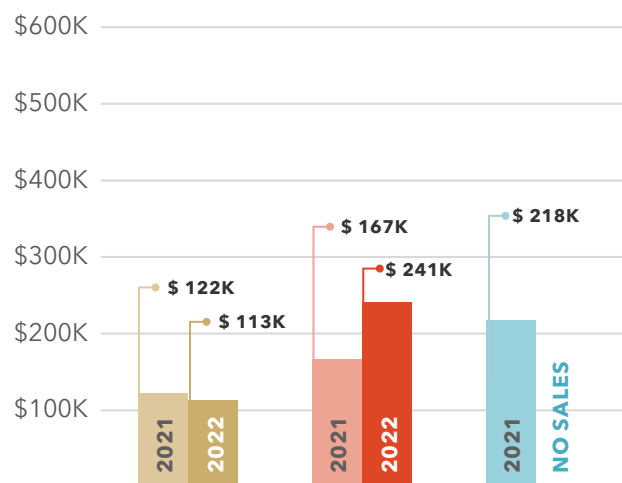


### Cap Rate

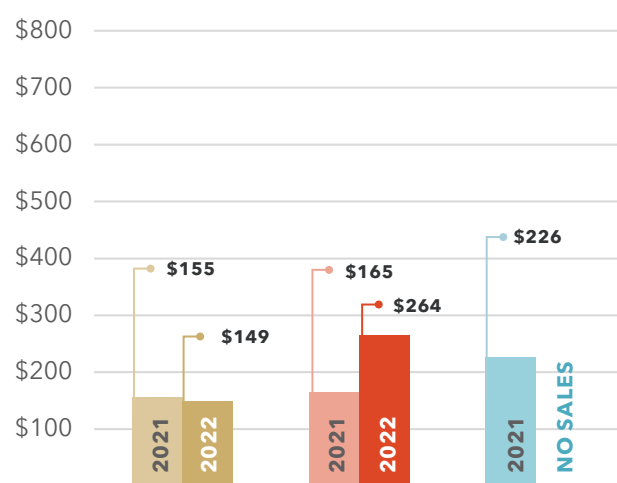


## 50+ UNITS

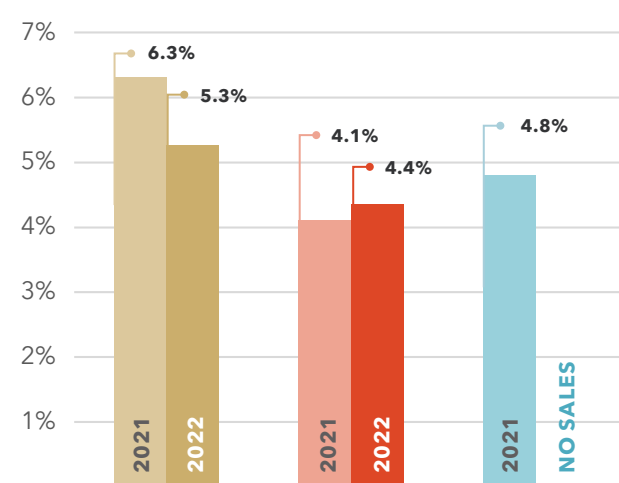
### Price/Unit



### Price/SF



### Cap Rate



PRE-1990 1990-2010 2010-CURRENT

## REGIONAL SALES PRICING VELOCITY

## WENATCHEE VALLEY

## Chelan &amp; Douglas Counties

	Q1 2022	Q2 2022	Q3 2022
TRANSACTIONS	1	1	2
SALES VOLUME	\$1.1M	\$4.9M	\$5.4M
PRICE/UNIT	\$80K	\$154K	\$136K
PRICE/SF	\$162	\$297	\$196
CAP RATE	Not Reported	5.2%	5.7%

## Yakima County

	Q1 2022	Q2 2022	Q3 2022
TRANSACTIONS	3	4	4
SALES VOLUME	\$11.0M	\$8.2M	\$7.7M
PRICE/UNIT	\$115K	\$106K	\$111K
PRICE/SF	\$146	\$146	\$124
CAP RATE	5.9%	6.1%	4.9%

## Spokane County

	Q1 2022	Q2 2022	Q3 2022
TRANSACTIONS	13	12	14
SALES VOLUME	\$37.6M	\$36.7M	\$247.1M
PRICE/UNIT	\$115K	\$142K	\$141K
PRICE/SF	\$184	\$164	\$196
CAP RATE	5.3%	4.8%	4.5%

## TRI-CITIES

## Franklin &amp; Benton Counties

	Q1 2022	Q2 2022	Q3 2022
TRANSACTIONS	3	6	4
SALES VOLUME	\$14.7M	\$23.8M	\$148.0M
PRICE/UNIT	\$128K	\$147K	\$321K
PRICE/SF	\$115	\$181	\$470
CAP RATE	4.5%	4.6%	4.7%

# NOTES & DATA SOURCES

## NOTES

### EASTERN WASHINGTON

Sales data for the Eastern Washington region is inclusive of all market-rate apartment buildings with at least five units in Yakima, Spokane, Benton, Franklin, Chelan, Douglass, Walla Walla, Grant, Kittitas, and Whitman Counties.

### VACANCY DATA

Vacancy data excludes Grant and Whitman Counties.

## DATA SOURCES

### SALES

CoStar  
Real Capital Analytics  
Simon | Anderson Multifamily Team Research  
SCOUT - Spokane County

### RENT, VACANCY, AND INVENTORY

CoStar  
Washington Center for Real Estate Research  
Simon | Anderson Multifamily Team Research









## **SIMON | ANDERSON TEAM**

### **DYLAN SIMON**

Executive Vice President  
206.414.8575  
dylan.simon@kidder.com

### **MATT LAIRD**

Vice President  
425.736.5516  
matt.laird@kidder.com

### **BRANDON LAWLER**

Vice President  
206.484.8114  
brandon.lawler@kidder.com

### **HENRY RUF**

Associate  
(206) 915-6765  
henry.ruf@kidder.com

### **JERRID ANDERSON**

Executive Vice President  
206.499.8191  
jerrid.anderson@kidder.com

### **MAX FRAME**

Associate Vice President  
509.494.3116  
max.frame@kidder.com

### **WINSLOW LEE**

Associate Vice President  
425.681.7695  
winslow.lee@kidder.com

### **JACK COUNIHAN**

Financial Analyst  
206.499.6316  
jack.counihan@kidder.com

