EASTERN WASHINGTON APARTMENT MARKET DYNAMICS

Q4 2024

Kidder Mathews

Kidder Mathews

HOW TO USE THIS STUDY

Discover the latest apartment investment sales, vacancy, and rent data in Eastern Washington.

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 SALES EXPERTS

OUR EXPERTISE

5 - 50 Units

50+ Units

Buyer & Seller Representation

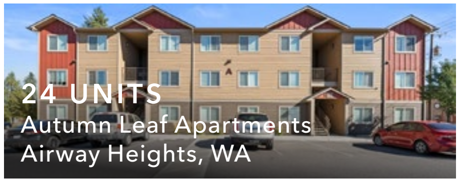
Valuation Advisory

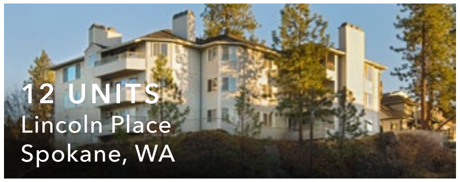
MAX FRAME
Vice President

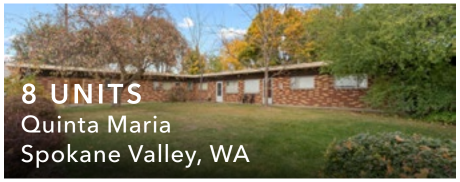
EASTERN WASHINGTON SPECIALIST

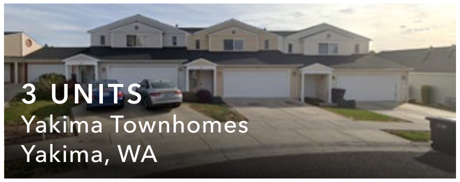
Max is an apartment broker specializing in the sale of apartments in Eastern Washington. Born and raised in the region, Max pairs his local market knowledge and expertise with Kidder Mathews' national outreach and exposure.

MAX FRAME 2024 SALES









FOR ADDITIONAL INFORMATION ON THESE SALES, CONTACT MAX FRAME

We're finally seeing a pickup in the market!

Increased Activity: With Cap Rates, Price Per Square Foot, and Price Per Unit beginning to stabilize, we are seeing dramatic increases in building sales and total sales volume, showing buyer and seller pricing is beginning to realign.

Rent & Vacancy: While vacancy continues to hold firm at higher rates than what landlords have become accustom to in previous years, this is largely the result of continued deliveries of new construction buildings. However, with a shrinking construction pipeline in most markets, the expected slow down of new buildings should help drive down vacancy and push up rents.

50+ Unit Sales Are Making a Resurgence: We saw zero 50+ unit sales in Q1, five in Q2, and nine in Q3.

KEY TAKEAWAY: As values begin to shift in seller's favor, make sure you are prepared for 2025's rising tide market. Reach out to us for a complementary valuation and to discuss how to achieve peak pricing!

INVENTORY

	Units	Buildings
TOTAL	80,848	1,961
5 TO 50-UNITS	23,440	1,551
50+ UNITS	57,408	410
12-MONTH DELIVERIES	4,126	42
AVERAGE UNIT SIZE	884 SF	

RENT & VACANCY

	Q3 2023	12-Month Change	Q2 2024	90-Day Change	Q3 2024
RENT	$1,313	▲ 2%	$1,340	▼ 0.4%	$1,334
VACANCY	6.8%	▲ 160 bps	8.5%	▼ 10 bps	8.4%

All building ages, 5+ unit apartment buildings

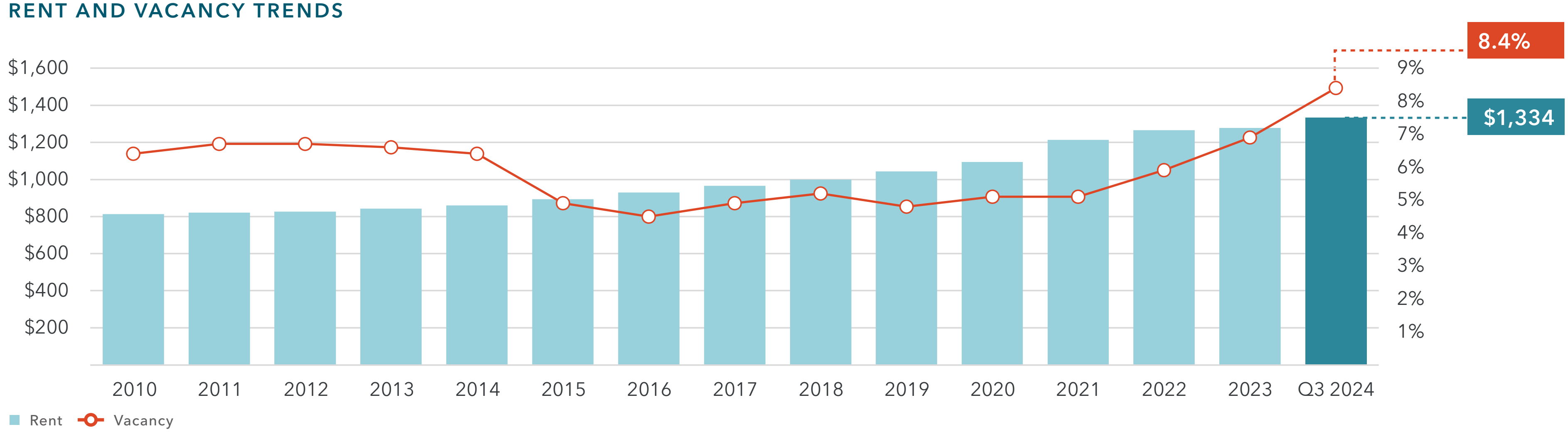
HISTORICAL SALES TRENDS

	2017	2018	2019	2020	2021	2022	2023	Q3 2023	12-Month Change	Q2 2024	90-Day Change	Q3 2024
BUILDING SALES	86	111	113	116	124	88	69	17	▲ 76%	22	▲ 36%	30
SALES VOLUME	$179M	$372M	$406M	$170M	$529M	$624M	$374M	$128M	▲ 89%	$113M	▲ 115%	$242M
PRICE/UNIT	$75K	$95K	$105K	$92K	$146K	$132K	$151K	$145K	▲ 1%	$147K	▼ 0.2%	$147K
PRICE/SF	$79	$101	$108	$112	$165	$184	$181	$191	▼ 6%	$172	▲ 4%	$179
CAP RATE	6.8%	6.5%	6.4%	6.1%	5.7%	5.0%	5.6%	5.7%	▲ 49 bps	6.2%	▼ 5 bps	6.2%

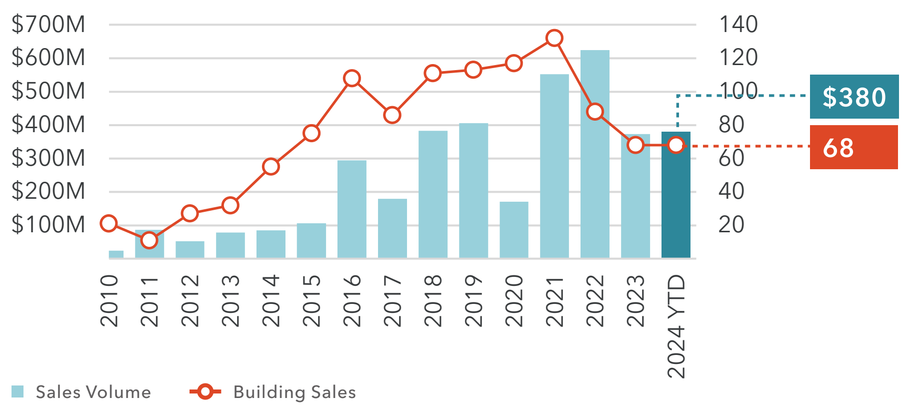
All building ages, 5+ unit apartment buildings

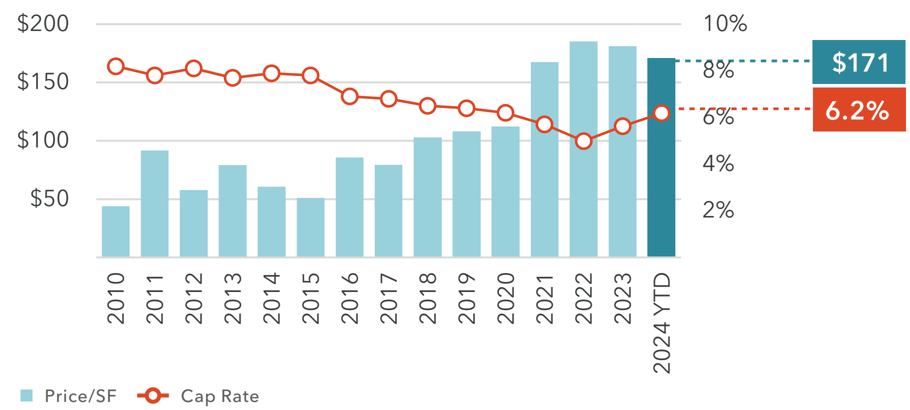
HISTORIC TRENDS

RENT AND VACANCY TRENDS



SALES TRENDS

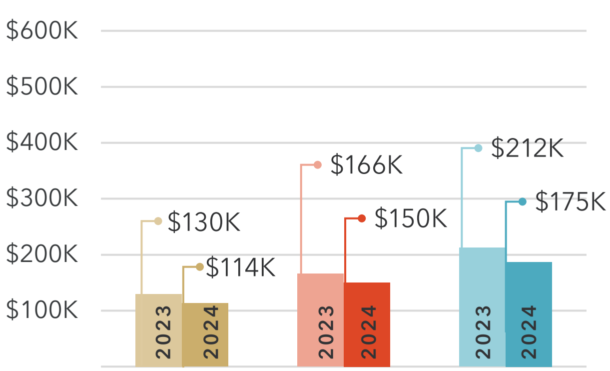




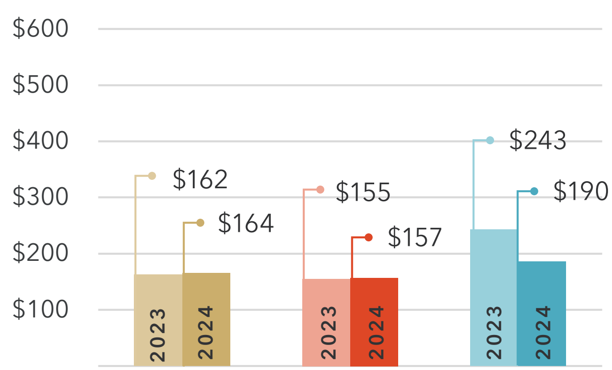
SALES VELOCITY

5 TO 50 UNITS

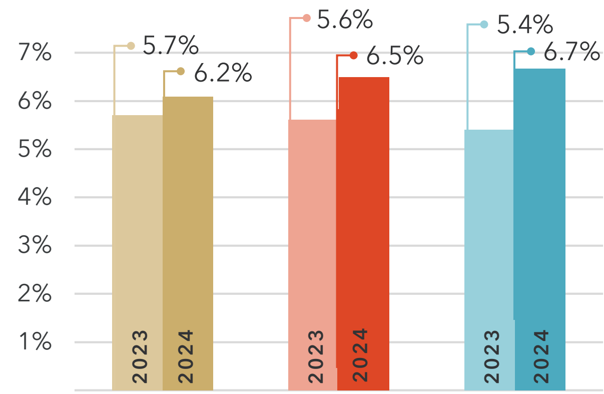
PRICE PER UNIT



PRICE PER SQUARE FOOT

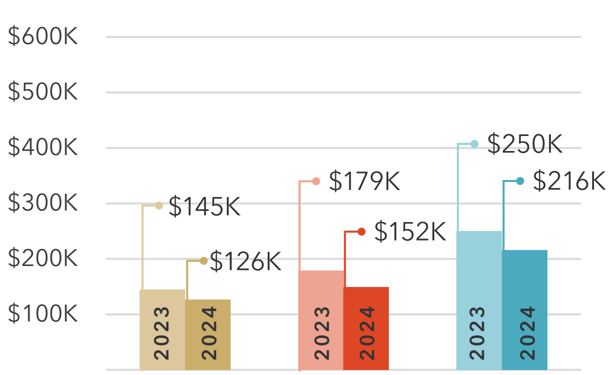


CAP RATE

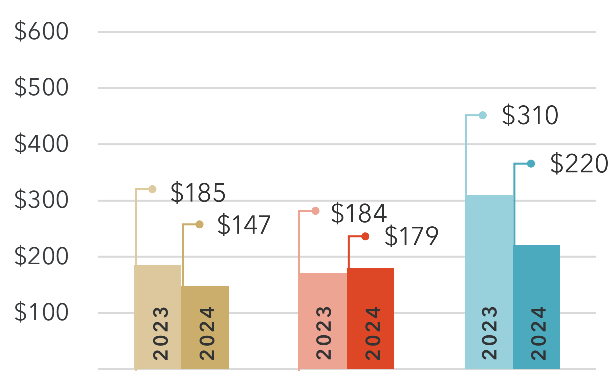


50+ UNITS

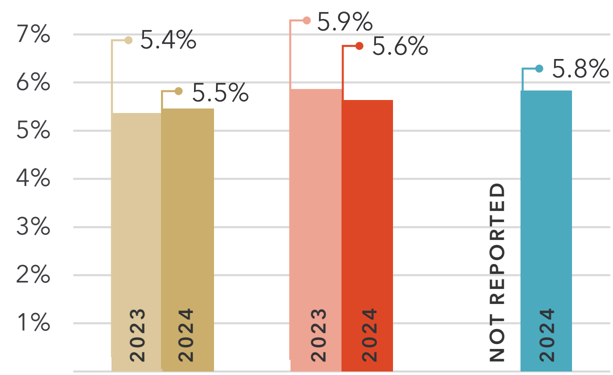
PRICE PER UNIT



PRICE PER SQUARE FOOT



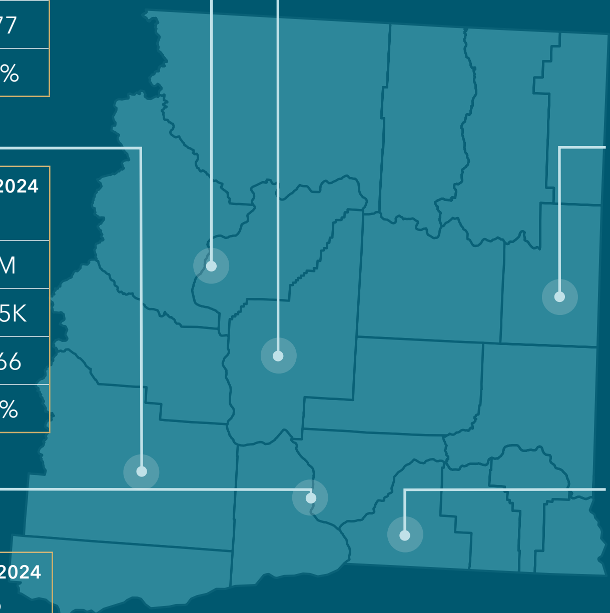
CAP RATE



PRE-1980 1980-2010 2010-CURRENT

EASTERN WASHINGTON'S MOST ACTIVE MARKETS

REGIONAL SALE PRICING VELOCITY



CHELAN & DOUGLAS COUNTIES (WENATCHEE VALLEY)

	Q4 2023	Q1 2024	Q2 2024	Q3 2024
BUILDING SALES	1	-	2	1
SALES VOLUME	$6M	-	$32M	$6M
PRICE/UNIT	$124K	-	$251K	$160
PRICE/SF	$100	-	$245	$177
CAP RATE	-	-	5.1%	6.0%

YAKIMA COUNTY

	Q4 2023	Q1 2024	Q2 2024	Q3 2024
BUILDING SALES	1	4	3	6
SALES VOLUME	$700K	$3M	$7M	$7M
PRICE/UNIT	$140K	$104K	$114K	$105K
PRICE/SF	$153	$137	$121	$166
CAP RATE	6.2%	5.8%	6.5%	7.3%

FRANKLIN & BENTON COUNTIES (TRI-CITIES)

	Q4 2023	Q1 2024	Q2 2024	Q3 2024
BUILDING SALES	1	2	1	6
SALES VOLUME	$7M	$5M	$14M	$127M
PRICE/UNIT	$119K	$132K	$142K	$192K
PRICE/SF	$126	$96	$150	$193
CAP RATE	6.8%	7.0%	5.2%	6.0%

GRANT COUNTY

	Q4 2023	Q1 2024	Q2 2024	Q3 2024
BUILDING SALES	1	-	1	-
SALES VOLUME	$1M	-	$2M	-
PRICE/UNIT	$113K	-	$188K	-
PRICE/SF	$108	-	$149	-
CAP RATE	7.0%	-	5.2%	-

SPOKANE COUNTY

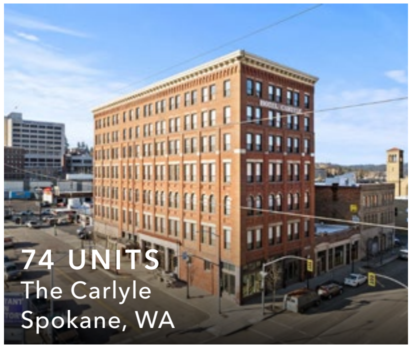
	Q4 2023	Q1 2024	Q2 2024	Q3 2024
BUILDING SALES	10	9	13	13
SALES VOLUME	$44M	$15M	$39M	$85M
PRICE/UNIT	$166K	$105K	$141K	$143K
PRICE/SF	$182	$175	$181	$181
CAP RATE	5.2%	6.1%	6.6%	6.2%

WALLA WALLA COUNTY

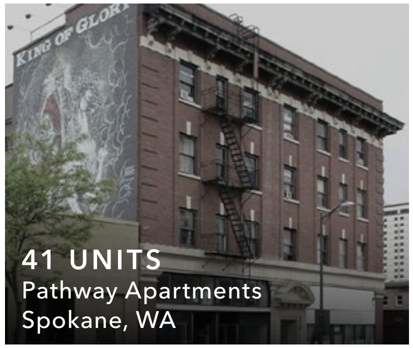
	Q4 2023	Q1 2024	Q2 2024	Q3 2024
BUILDING SALES	1	-	-	3
SALES VOLUME	$6M	-	-	$15M
PRICE/UNIT	$127K	-	-	$160K
PRICE/SF	$130	-	-	$183
CAP RATE	-	-	-	5.1%

All building ages, 5+ unit apartment buildings

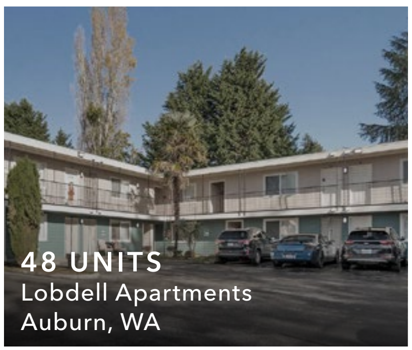
CASE STUDY: 5-PROPERTY PORTFOLIO SALE



74 UNITS
The Carlyle
Spokane, WA



41 UNITS
Pathway Apartments
Spokane, WA



48 UNITS
Lobdell Apartments
Auburn, WA

61 UNITS
Hudson Apartments
Seattle, WA

18 UNITS
Snider Apartments
Seattle, WA

TRANSACTION SUMMARY

THE OPPORTUNITY: Our client hired us to sell a 5-property, 242 unit portfolio spread across WA State.

THE CHALLENGE: With the buildings being situated in 3 different markets, it limited the opportunity to find a single buyer to purchase the whole portfolio.

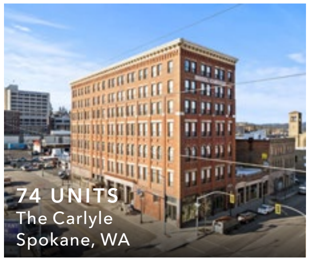
OVERCOMING THE CHALLENGE: With a team of 6 brokers all covering different areas of the state, we had the manpower and resources to put full focus into each property.

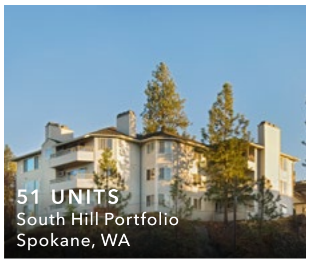
THE RESULT: We ran separate, competitive marketing campaigns for each building, closing on each property with different buyers.

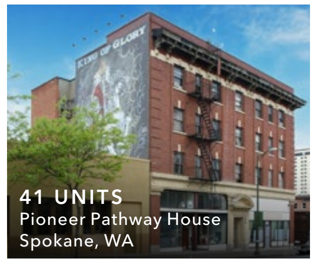
“Max and his team have sold 5 apartment buildings for us in the last 18 months. Each building had its own unique challenges to overcome, and they handled every hurdle with professionalism and expertise allowing us to close all the sales on short timelines. Great communication and great advice, the team provided solutions to keep moving the transactions forward. I would highly recommend hiring Max & his team to get the best outcome possible when selling your apartment building.

PORTFOLIO SELLER
Bob T.

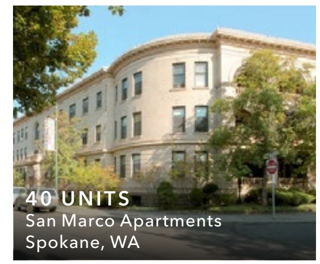
OUR RECENT EASTERN WA SALES

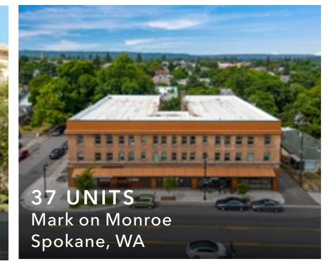

74 UNITS
The Carlyle
Spokane, WA


51 UNITS
South Hill Portfolio
Spokane, WA


41 UNITS
Pioneer Pathway House
Spokane, WA


41 UNITS
Buena Vista Apartments
Spokane, WA

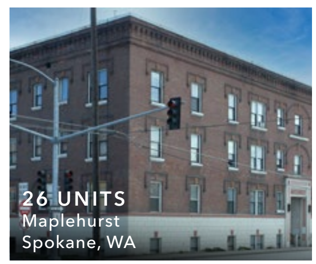

40 UNITS
San Marco Apartments
Spokane, WA

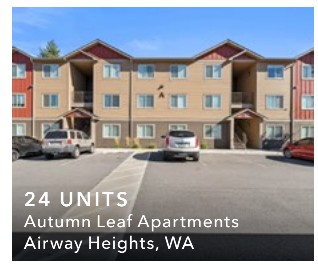

37 UNITS
Mark on Monroe
Spokane, WA


32 UNITS
Turning Leaf Townhomes
Spokane, WA

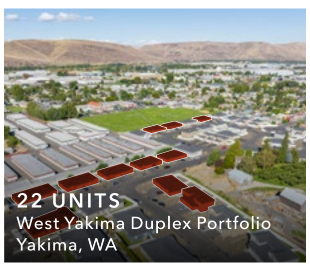

30 UNITS
Morain Estates
Kennewick, WA


28 UNITS
Yakima 28 Unit
Yakima, WA


26 UNITS
Maplehurst
Spokane, WA

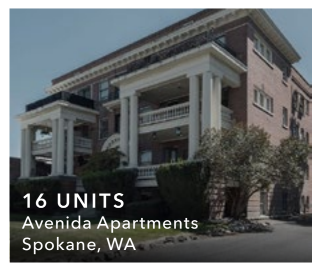

24 UNITS
Autumn Leaf Apartments
Airway Heights, WA

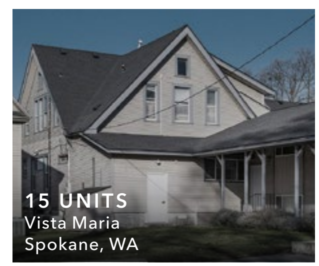

24 UNITS
Mt Vista
Yakima, WA

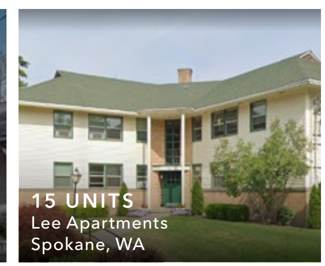

22 UNITS
West Yakima Duplex Portfolio
Yakima, WA

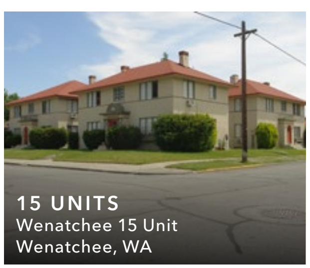

22 UNITS
Astor Terrace
Spokane, WA


18 UNITS
Chestnut Grove Townhomes
Yakima, WA

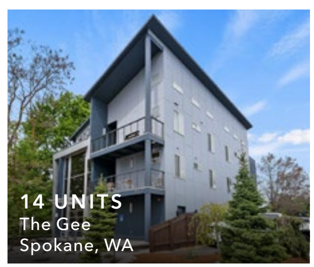

16 UNITS
Avenida Apartments
Spokane, WA

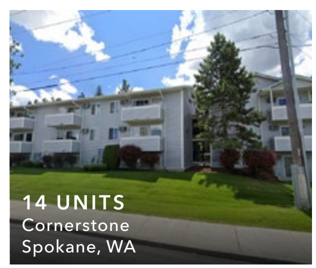

15 UNITS
Vista Maria
Spokane, WA

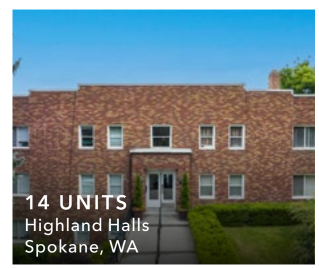

15 UNITS
Lee Apartments
Spokane, WA

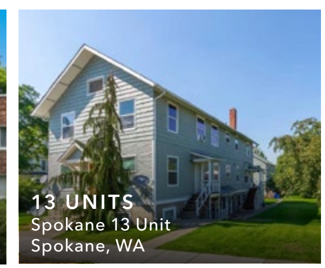

15 UNITS
Wenatchee 15 Unit
Wenatchee, WA


14 UNITS
Marlboro Apartments
Spokane, WA


14 UNITS
The Gee
Spokane, WA


14 UNITS
Cornerstone
Spokane, WA


14 UNITS
Highland Halls
Spokane, WA


13 UNITS
Spokane 13 Unit
Spokane, WA

Simon | Anderson Multifamily Team

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Notes & Sources

Sales data for the Eastern Washington region is inclusive to all market-rate apartment buildings with at least five units in Okanogan, Ferry, Stevens, Pend Oreille, Chelan, Douglas, Lincoln, Spokane, Kittitas, Grant, Adams, Whitman, Yakima, Benton, Franklin, Walla Walla, Columbia, Garfield, Asotin, Klickitat. Sources include: CoStar, SCOUT - Spokane County, Real Capital Analytics and Simon | Anderson Multifamily Team Research.

Vacancy data includes Yakima, Spokane, Benton, Franklin, Chelan, Douglass, Walla Walla, and Kittitas Counties. Sources include: CoStar and Simon | Anderson Multifamily Team Research.