

APARTMENT BULLETIN

Information update on matters of interest to apartment owners and investors.

April 2010
Cody George
Sales Associate

THANK YOU



Jim Watson, CCIM
Associate Broker

After 33 years with Kiemle & Hagood Company assisting clients with the purchase and sale of apartment properties, I have decided that it is time to retire and turn my apartment database over to another broker. That person is Cody George, who has been working with me on the transition for several months and is well qualified to provide outstanding service to clients. His background includes personal experience as an apartment property owner. Please contact him to discuss all matters pertaining to investment real estate, such as the value and salability of your property, the current inventory of properties to buy, or to find out what his thoughts are on the current apartment market.

INTRODUCING CODY GEORGE

As a Business Owner, Investment Property Owner and previous Economic Development Advisor to the City of Spokane he brings a breadth of experience and knowledge to the Brokerage team. Cody is a licensed REALTOR® in Washington State and received his Master in Business Administration from the University of Washington and a Bachelor of Arts in Business Administration from Washington State University.

RECENT SALE

On December 4, 2009, Kiemle & Hagood Company closed on the sale of the Riverton East Apartments at 2018 E. South Riverton. The property is comprised of two single-family dwellings and 49 apartment units, built in 1974. The sale price was \$1,750,000 and the factors at the time of the sale were as follows: 6.4% capitalization rate, \$34,314 per unit, and 6.5 gross rent multiplier. Horizon Credit Union provided financing.



Riverton East Apartments

VACANCY RATES

The Spokane Apartment Market has shown greater resilience and lower vacancy rates than the nation as a whole. Our overall vacancy rate according to the most recent survey in Fourth Quarter of 2009 was 7.2%, which was a 1.5% increase from Fourth Quarter 2008, but is lower than the national average of 9%. Owners and managers are currently seeing more move-outs as a result of high unemployment.

COUNTY CLOSINGS 2009

There were 20 sales of apartment properties of 5 units and larger in Spokane County during 2009 with a total value of \$12,255,750. The Riverton East sale at \$1,750,000 was the highest followed by four sales between \$1,365,000 and \$1,560,000. Sales prices for the remaining 15 properties were between \$92,000 and \$600,000. It should be noted that during the peak year of our recent bull market the sales volume was \$110,000,000.

LOOKING TO BUY

➔ Qualified buyer seeking A, B, C+ asset class with an A or B location. Prefers a 1980 or newer garden style structure with no more than three stories. Buyer has a target of 150 units or more with a high concentration of two bedroom units, pitched roofs, individually metered and value add opportunities.

➔ Qualified buyer seeking South Hill apartment complexes that are value added opportunities or Class A level properties. The targets are an inside garage, in-unit washer and dryer and two bathrooms.

Send your
email address
to receive
immediate
notices of
exceptional
buy and sell
opportunities!

**KIEMLE &
HAGOOD
COMPANY**

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REALTOR