

EASTERN  
WASHINGTON  
APARTMENT  
MARKET  
DYNAMICS

Q4 2024

# 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



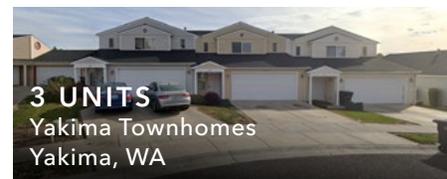
**MAX FRAME**

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 accustomed 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

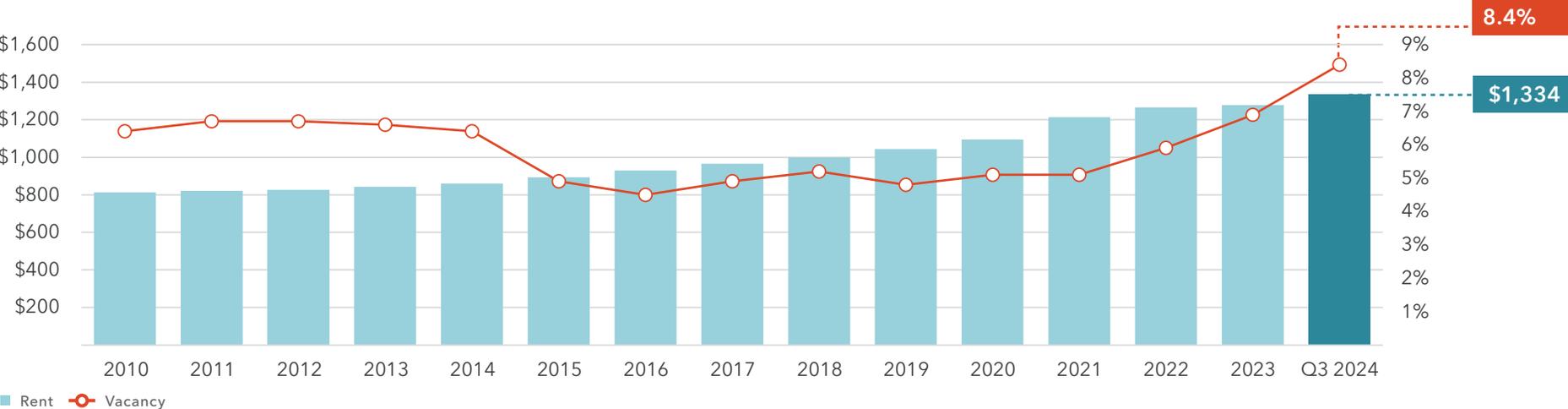
**HISTORICAL SALES TRENDS**

	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%

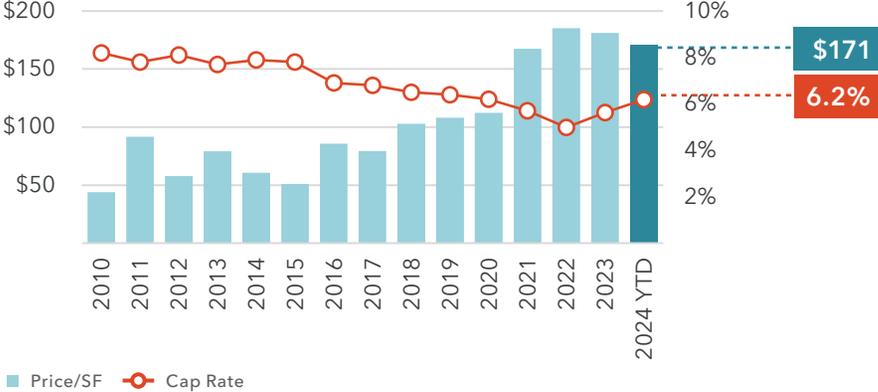
All building ages, 5+ unit apartment buildings

# HISTORIC TRENDS

## RENT AND VACANCY TRENDS



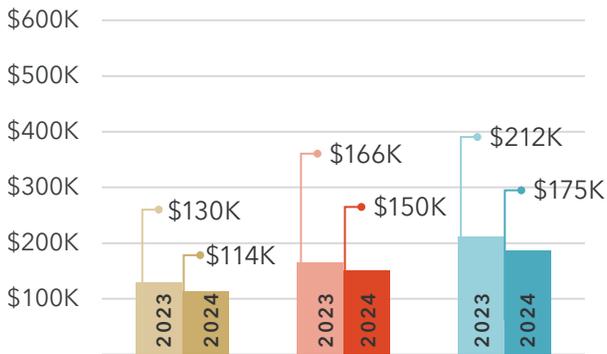
## SALES TRENDS



# SALES VELOCITY

## 5 TO 50 UNITS

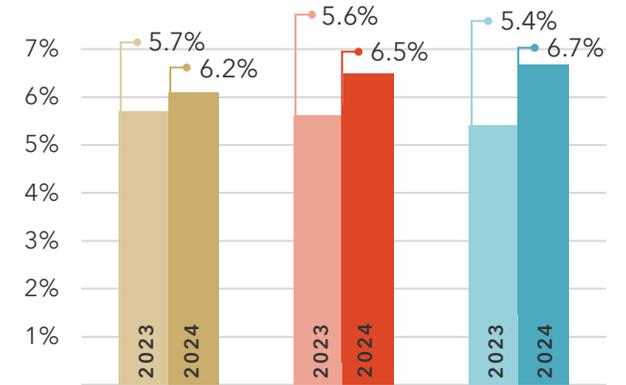
### PRICE PER UNIT



### PRICE PER SQUARE FOOT

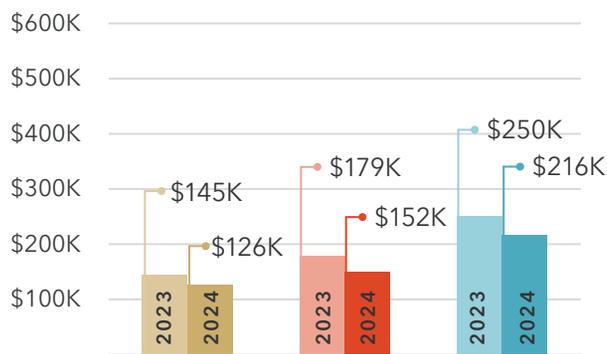


### CAP RATE



## 50+ UNITS

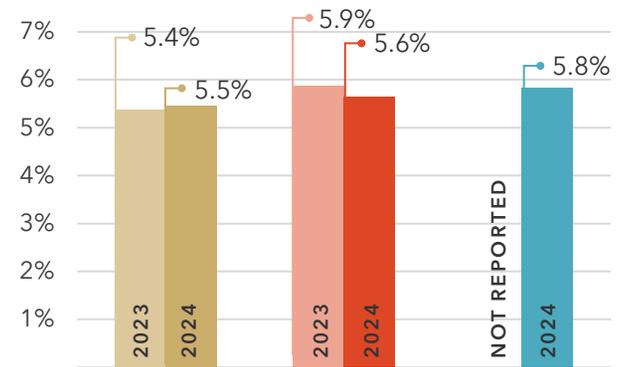
### PRICE PER UNIT



### 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%

## 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%	-

## 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%

## SPOKANE COUNTY

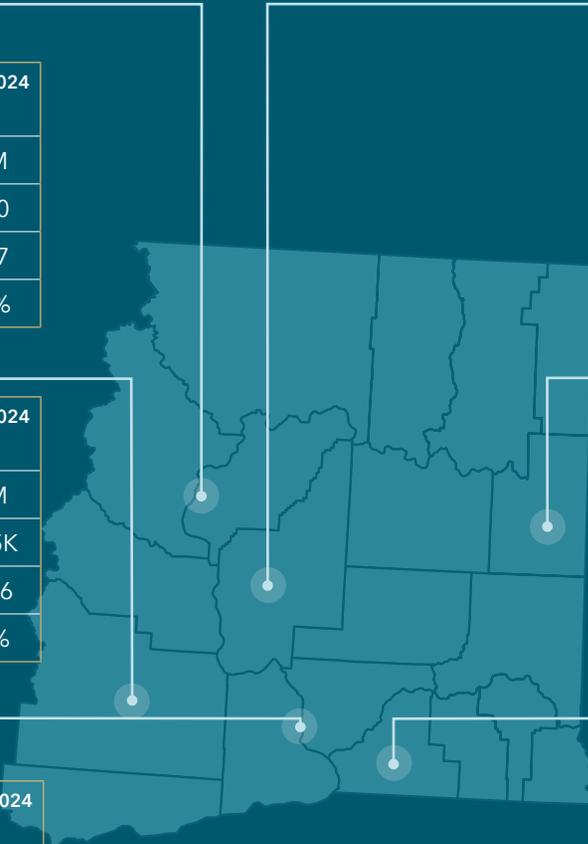
	Q4 2023	Q1 2024	Q2 2024	Q3 2024
BUILDING SALES	10	9	13	13
SALES VOLUME	\$44M	\$15M	\$39M	\$85M
PRICE/UNIT	\$166K	\$105K	\$141K	\$143K
PRICE/SF	\$182	\$175	\$181	\$181
CAP RATE	5.2%	6.1%	6.6%	6.2%

## 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%

## 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



### 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.

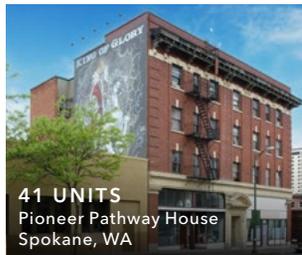
**OVERCOMING THE CHALLENGE:** With a team of 6 brokers all covering different areas of the state, we had the manpower and resources to put full focus into each property.

**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



## *Simon/Anderson Multifamily Team*

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**EASTERN  
WASHINGTON  
SPECIALIST**

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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.