



# Renton Triplex

— 1228 BENSON RD S —

Value-Add 3 Units  
Renton, Washington



For More Information  
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Regional Information

1228 Benson Rd S | TRIPLEX

# Investment Overview

The Foundation Group is pleased to exclusively offer for sale 1228 Benson Rd S, a 3-unit building in the Renton neighborhood of Seattle. The property provides an opportunity to buy a value-add by renovating the Studio for the highest rent potential. Its close proximity to main arterials offers tenants immediate access to mass transit for convenient commuting.

Originally built in 1962, 1228 Benson Rd S is a wood-frame construction with wood siding and a composite roof which is 7-9 years old. The property consists of one spacious 3bed/2bath unit, a 3bed/1.75bath unit and one unrenovated Studio with 7 off-street parking spaces. The two larger 3bed units have a washer and dryer in unit. The heating source is a mixture of electric forced air and oil.

This low maintenance asset is positioned well to capitalize on the future rent growth in the Seattle marketplace. 1228 Benson Rd S is an ideal candidate for investors looking for a long-term hold.

**Renton has become a hotspot for professionals creating an opportunity for growth and long-term investment.**





## Quick Facts

Price	\$650,000
Units	3
Price Per Unit	\$216,667
Rentable Sq.Ft.	2,978
Price Per Sq.Ft.	\$218
Current Cap Rate	4.62%
Market Cap Rate	5.42%
Year Built	1962
Parking	7 off-street
Land SF	9,675
Zoning	RMF
Construction Type	Wood frame



# Renton Area Description

Renton is a city in King County, Washington, and an inner-ring suburb of Seattle. Situated 11 miles southeast of downtown Seattle, Renton straddles the southeast shore of Lake Washington, at the mouth of the Cedar River. Renton is conveniently located 7 miles from the Seattle-Tacoma International Airport.

Renton experienced dramatic population growth at the turn of the century, outpacing all other major populated metros in the state. Since then, Renton has seen balanced growth in new city residents topping out at 100,953 people today.

To date, myriad development of major retail, residential, and revitalization projects are amidst planning, in construction, or have been successfully executed. Among which include Port Quendall, a land parcel in north Renton, that has become the new home to the Virginia Mason Athletic Center (VMAC), housing the Seattle Seahawks Headquarters and training facility that opened in August 2008. The team's new state-of-the-art Renton facility, at an expansive 200,000 SF, is the second-largest facility in the NFL.

Another major development is the Renton Landing. The Landing is an outdoor mall that has open-air shops, creative boutiques, salons, spas, restaurants, a theatre, and more.

Another big one is a \$350 million office development called the Southport Development. The three nine-story buildings will have a total of 730,000 SF, and will increase the amount of Class A office space in the Renton/Tukwila submarket by one and a half times. It's South King County's largest office development under construction.



RENTON LANDING

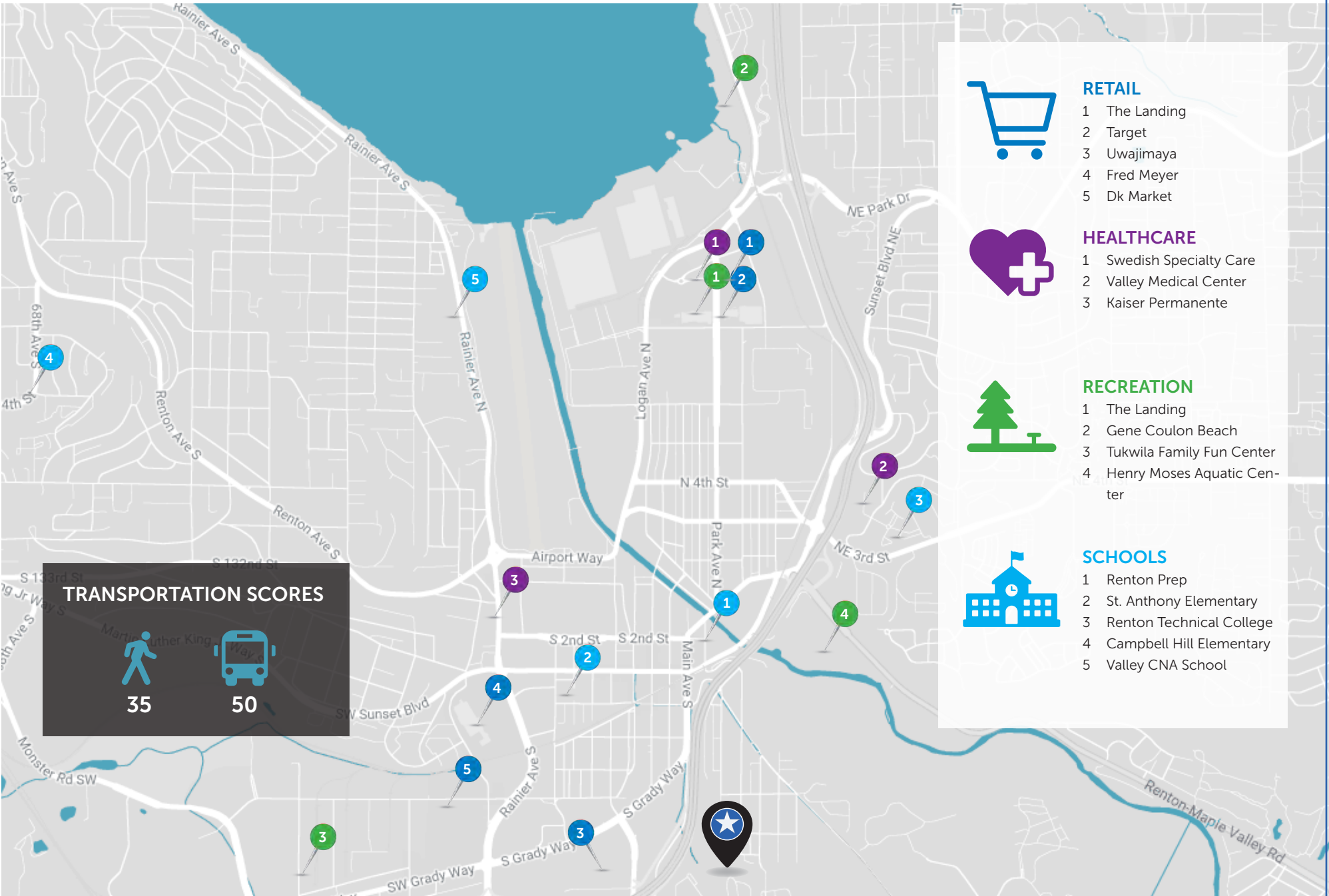
Source: best.cityvoter.com





SOUTHPORT DEVELOPMENT


Source: bizjournals.com

# Renton Area Stats




**TRANSPORTATION SCORES**


 **35**
 **50**

 **RETAIL**


- 1 The Landing
- 2 Target
- 3 Uwajimaya
- 4 Fred Meyer
- 5 Dk Market

 **HEALTHCARE**

- 1 Swedish Specialty Care
- 2 Valley Medical Center
- 3 Kaiser Permanente

 **RECREATION**

- 1 The Landing
- 2 Gene Coulon Beach
- 3 Tukwila Family Fun Center
- 4 Henry Moses Aquatic Center

 **SCHOOLS**

- 1 Renton Prep
- 2 St. Anthony Elementary
- 3 Renton Technical College
- 4 Campbell Hill Elementary
- 5 Valley CNA School

## Scheduled Income

Unit Type	Units	Approx Sq Ft	Current Rent	Current / Sq Ft	Market Rent	Market / Sqft
3 Bed / 2.Bath	1	1,258	\$1,695	\$1.39	\$1,695	\$1.41
3 Bed / 1.75 Bath	1	1,220	\$1,495	\$1.25	\$1,695	\$1.39
Studio	1	500	\$550	\$1.10	\$800	\$1.60
<b>Average</b>				<b>\$1.28</b>		<b>\$1.43</b>
<b>Total</b>	<b>3</b>	<b>2,978</b>	<b>\$3,740</b>		<b>\$4,190</b>	

## Property Notes & Assumptions

- 7 off-street parking spaces
- Renovate Studio for higher rents
- Increase rents on current below market rents
- Roof is 7-9 years old
- Variety of units for a wide range of tenant mix







## Financials

	Current		Market	
Gross Potential Rent	\$44,880		\$50,280	
Vacancy	\$1,795	4%	\$2,011	4%
<b>Effective Gross Rent</b>	<b>\$43,085</b>		<b>\$48,269</b>	
<b>OTHER INCOME</b>				
Parking	\$0		\$0	
<b>Effective Gross Income</b>	<b>\$43,085</b>		<b>\$48,269</b>	
<b>EXPENSES</b>				
Property Taxes 2018	\$5,329		\$5,329	
Insurance	\$1,176		\$1,176	
Utilities	\$4,524		\$4,524	
Landscaping	\$2,040		\$2,040	
<b>Total Expenses</b>	<b>\$13,069</b>	<b>\$4,356</b>	<b>\$13,069</b>	<b>\$4,356</b>
<b>Net Operating Income</b>	<b>\$30,016</b>		<b>\$35,200</b>	

# Sales Comparables

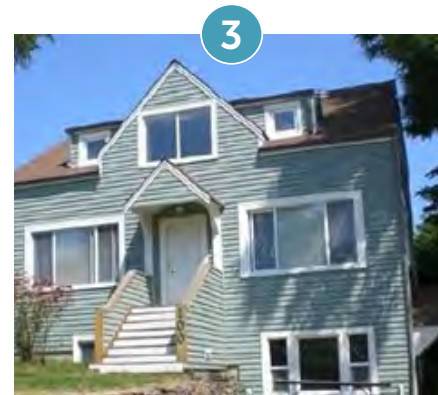
Property Name	Property Address	# Units	Sale Date	Year Built	Sale Price	Price/Unit	Price/SF	Cap Rate	GRM
1 11707 Rainier Ave S	11707 Rainier Ave S	3	4/2/18	2011	\$750,000	\$250,000	\$288	3.84%	19.78
2 2906 NE 7th St	2906 NE 7th St	4	5/2/18	1943	\$750,000	\$187,000	\$229	5.63%	14.37
3 100 NW 3rd Pl	100 NW 3rd Pl	3	6/19/18	1911	\$665,000	\$221,666	\$254	6.12%	12.71
4 1633 Harrington Ave NE	1633 Harrington Ave NE	2	7/2/18	1943	\$562,000	\$281,000	\$309	7.10%	13.38
					<b>Averages</b>	<b>\$235,042</b>	<b>\$270</b>	<b>5.67%</b>	<b>15.06</b>
<b>Subject Property: Renton Triplex</b>	1228 Benson Rd S	3		1962	\$650,000	\$216,667	\$218	4.62%	14.48



11707 Rainier Ave S



2906 NW 7th St

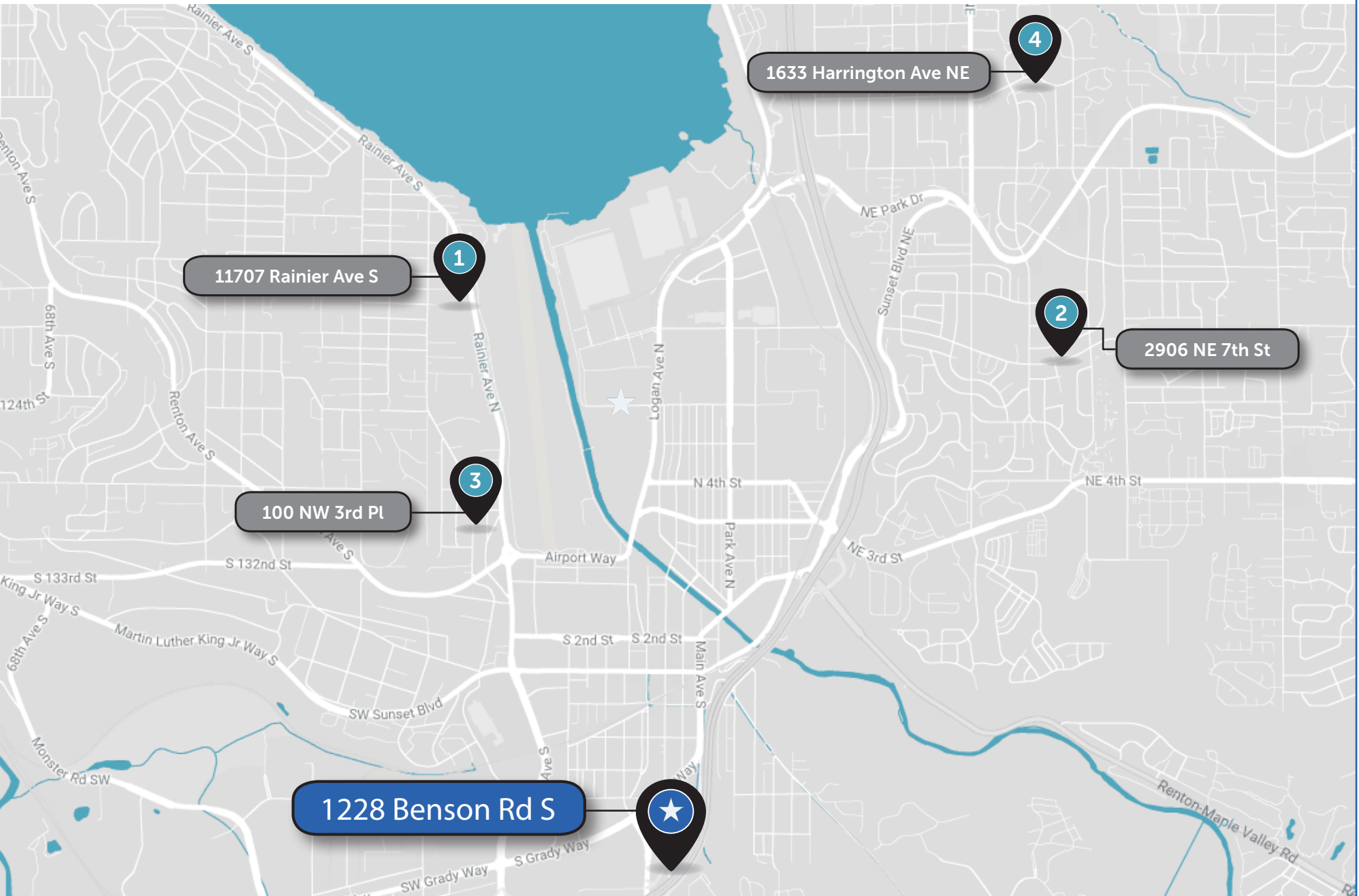


100 NW 3rd Pl



1633 Harrington Ave NE

# Sales Comparables



# Sales Comparables



**11707 Rainier Ave S**



Units	3
Price	\$750,000
Sale Date	4/2/18
Price / Unit	\$250,000
Price / Sq Ft	\$288
Cap Rate	3.84%
GRM	19.78



**43**



**41**



**2906 NW 7th St**



Units	4
Price	\$750,000
Sale Date	5/2/18
Price / Unit	\$187,500
Price / Sq Ft	\$229
Cap Rate	5.63%
GRM	14.37



**61**



**35**



100 NW 3rd St



Units	3
Price	\$665,000
Sale Date	6/19/18
Price / Unit	\$221,666
Price / Sq Ft	\$254
Cap Rate	6.12%
GRM	12.71



1633 Harrington Ave NE



Units	2
Price	\$562,000
Sale Date	7/2/18
Price / Unit	\$281,000
Price / Sq Ft	\$309
Cap Rate	7.10%
GRM	13.38







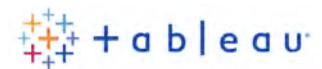
# Seattle / Puget Sound Region

Seattle is the largest city in the state of Washington with an estimated population of 684,500 as of 2015. The Seattle metropolitan area, also known as The Puget Sound, is comprised of King, Pierce and Snohomish County; as an MSA it's the 15th largest metropolitan in the United States with a population of approximately 3.7 million people.

Seattle has a thriving local economy and is home to eight Fortune 500 companies including Costco, Microsoft, Amazon, Paccar, Starbucks, Nordstrom, Expeditors International and Weyerhaeuser. In addition Seattle is home to other notable tech companies such as Expedia, Zillow, Tableau and Zulily, and is quickly establishing itself as a national tech hub as companies from Silicon Valley ranging from Google to Facebook, open Seattle offices in an attempt to draw on the talented pool of tech workers living in and moving to Seattle.

In 2016, Zillow ranked Seattle as the second hottest housing market in the nation for appreciation. Similarly in June of 2016, Redfin also ranked Seattle as the second hottest housing market behind Denver, where the average days on market of a listing is eight and median sales price growth year over year is 7.5%. Much of this growth comes from the hot job market in Seattle, ranked as the fourth best in the nation. A statistical analysis by Careerbuilder found that in 2015 Seattle added 78,082 jobs. Recently Conway Pederson forecasts they expect the Puget Sound region to add 47,900 jobs in 2016.

Currently, the year to date in-migration to the Puget Sound, based on driver's license data for January through May, shows 49,656 people have moved into the area. On an annual basis, the 12-month moving average of monthly in migration is approximately 10,000 people. Annually that puts more than 120,000 people moving into the Puget Sound region; though this does not account for people moving out of the region, the bottom line is the area has and will continue to grow at a rapid pace making the rental market as strong as its ever been.







**Buoyed by its technology sector and the metro's appeal as a live-work-play environment, Seattle's economy and multifamily market continue to break new ground.**

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