

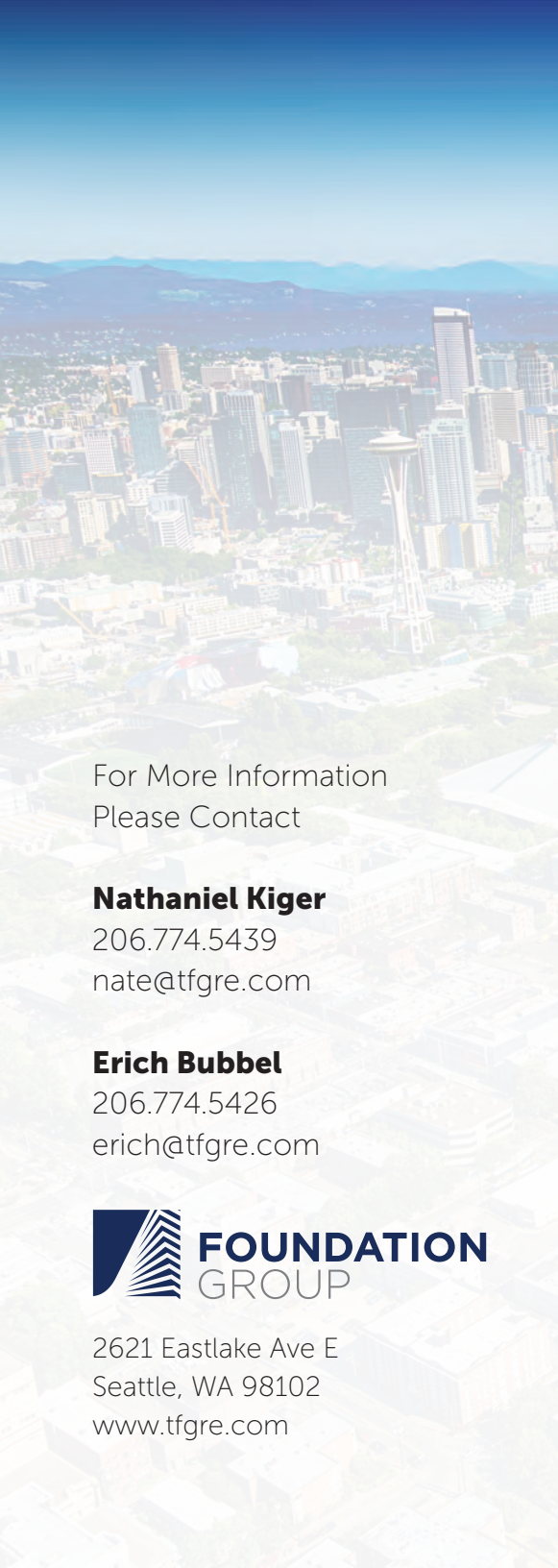


# FRANKLIN 4

4 units

2733 Franklin Ave E • Seattle, Washington 98102





For More Information  
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## Investment Overview

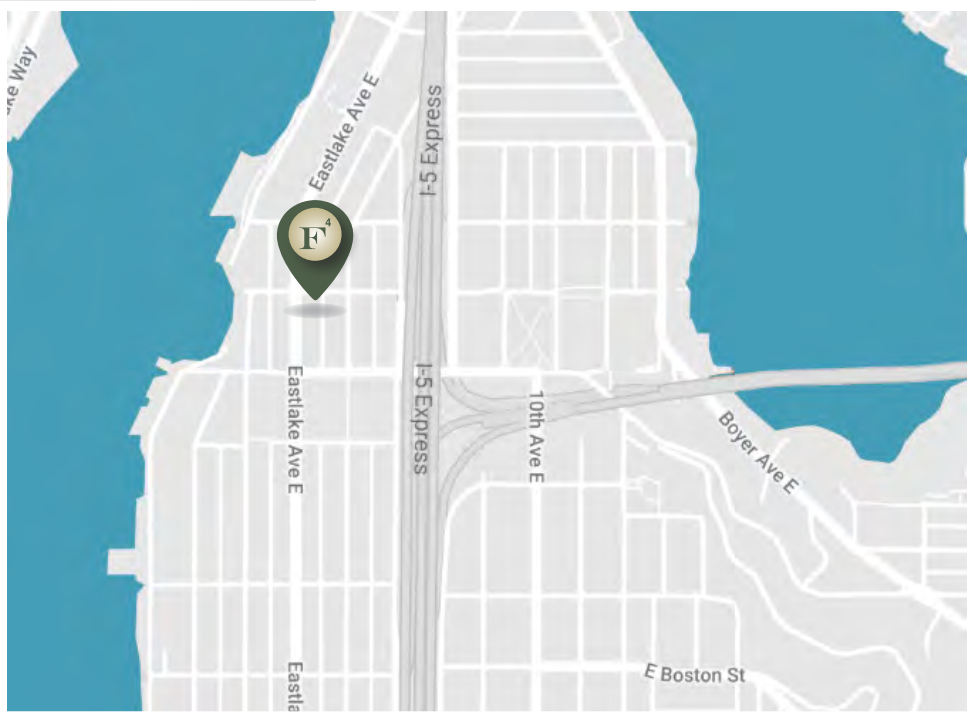
The Foundation Group is pleased to exclusively offer for sale the Franklin Four, a 4-unit apartment building in Eastlake. The property provides an opportunity to purchase a trophy 4 unit building in one of Seattle's preeminent submarkets. The proximity to employment centers (CBD and the University of Washington), public transportation, retail amenities, and the opportunity to add a unit makes this property a can't miss for your next acquisition.

Originally built in 1950, the Franklin 4 has gone extensive changes over the years. In 2009 an ADA unit was legally added making it a triplex. In 2017, the owner added a 2 Bedroom / 2 Bath unit with a deck to the building as well. The opportunity to acquire large new units for a non-commercial apartment building is very rare in Core Seattle.

The opportunity to add a unit, hold for land value (potential up zone) add bedrooms, convert the property to an AirBnB, or owner occupy makes this property very desirable in any market cycle.

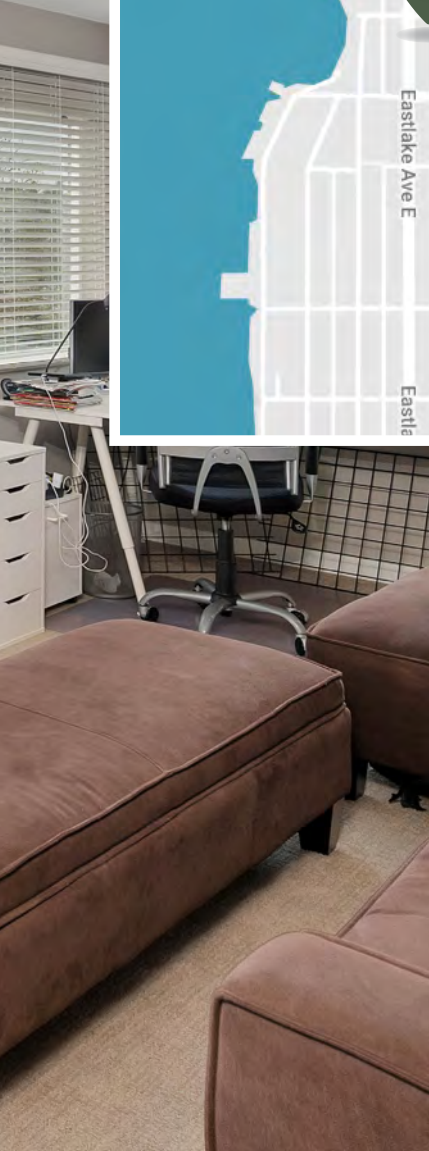
**With the Franklin Ave E upzoning right next to the Franklin 4 this property is an incredible land bank play for future aggressive upzoning in the neighborhood.**





## Quick Facts

Price	\$2,550,000
Units	4
Price Per Unit	\$637,500
Rentable Sq.Ft.	4,728
Price Per Sq.Ft.	\$539
Current Cap Rate	3.79%
Market Cap Rate	4.17%
Year Built	1950, 2009, 2017
Parking	2 Garage Parking Spots + 2 Off Street Parking Spots
Land SF	5,440
Zoning	LR-2
Construction Type	Wood Frame



# Eastlake Area Description

Eastlake is on one of the most desirable neighborhoods in the City of Seattle. Being next to the Central Business District which is the largest job center in the region makes Eastlake very attractive to a strong tenant profile. In fact, from 2010 to 2018 Downtown Seattle accounted for 67% of all the job growth in the Puget Sound region (Per the Downtown Seattle Association). Eastlake also enjoys proximity to Amazon (South Lake Union), The University of Washington, and Google (Freemont).

Nestled inside Eastlake there are a myriad number of restaurants, coffee shops, and bars overlooking the water. With potential up zoning and a high barrier to entry Eastlake will continue to be a top performing submarket.

**Eastlake is a supply constraint market in Seattle that offers a great live, play, and work environment.**



EASTLAKE AND DOWNTOWN SEATTLE

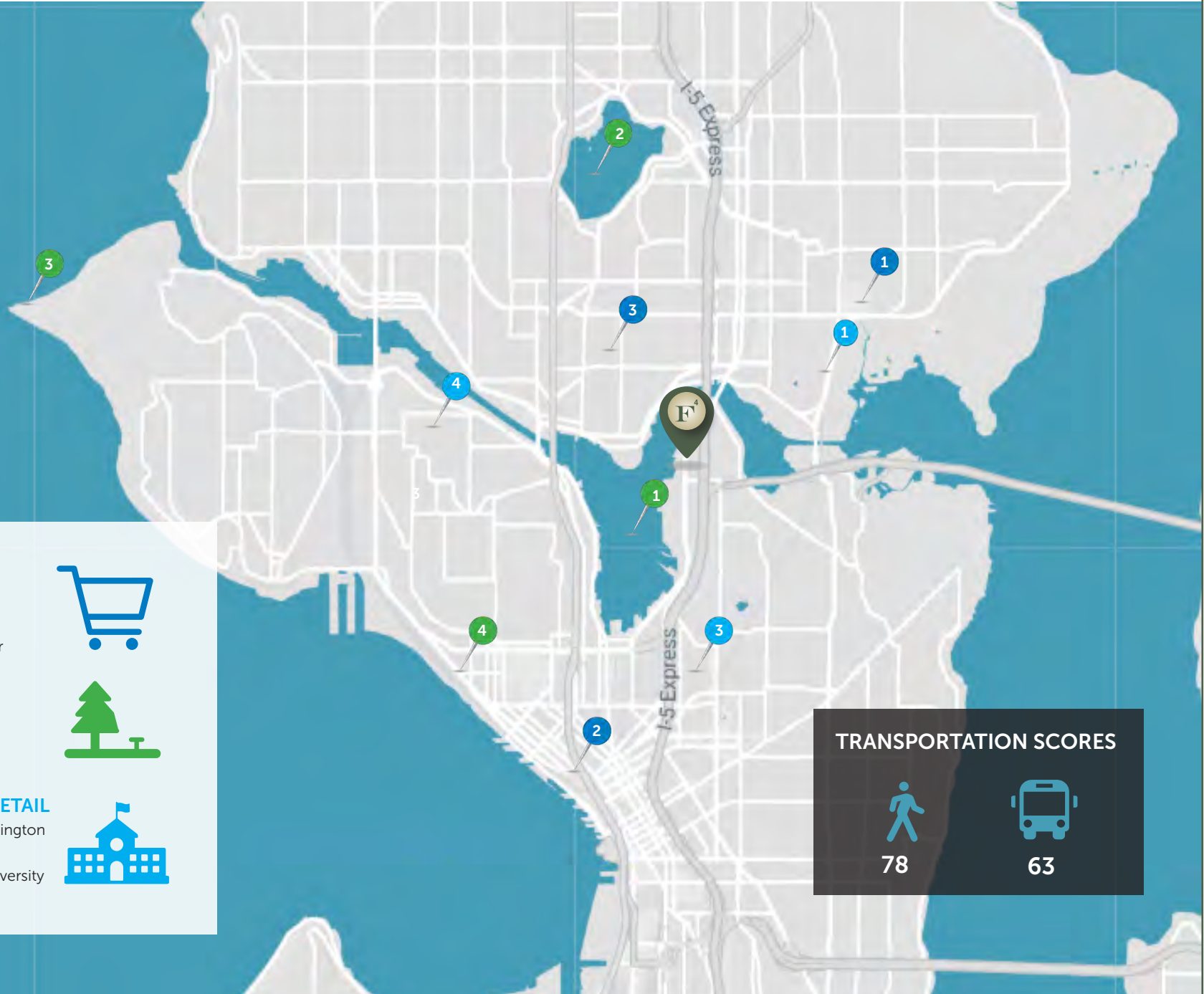
Source: Seattle Parks & Rec



SERAFINA RESTAURANT

Source: seattlewatching.com

# Eastlake/Seattle Area



## RETAIL

- 1. University Village
- 2. Pike Place
- 3. Wallingford Center



## RECREATION

- 1. South Lake Union
- 2. Green Lake
- 3. Discovery Park



## SCHOOLS AND RETAIL

- 1. University of Washington
- 3. Seattle University
- 4. Seattle Pacific University



## TRANSPORTATION SCORES



78



63

## Scheduled Income

Unit Type	Units	Approx Sq Ft	Current Rent	Current / Sq Ft	Market Rent	Market / Sqft
1 Bed / 1.5 Bath + Den	1	1,751	\$2,950	\$1.68	\$3,825	\$2.18
2 Bed / 1 Bath	1	935	\$2,100	\$2.25	\$2,400	\$2.57
1 Bed / 1 Bath (ADA)	1	840	\$1,850	\$2.20	\$2,050	\$2.44
2 Bed / 2 Bath (New Construction)	1	1,202	\$2,900	\$2.41	\$3,750	\$3.12
<b>Average</b>				<b>\$2.14</b>		<b>\$2.58</b>
<b>Total</b>	<b>4</b>	<b>4,728</b>	<b>\$9,800</b>		<b>\$12,025</b>	

## Property Notes & Assumptions

- Rent Roll as of April 5th, 2019
- Ample Storage
- 2 Car Garage
- Heat Source- Raditor + Hydronic Heat





## Financials

	Current		Market	
Gross Potential Rent	\$117,600		\$144,300	
Vacancy	\$0	0%	\$4,329	3%
<b>Effective Gross Rent</b>	<b>\$117,600</b>		<b>\$139,971</b>	
<b>OTHER INCOME</b>				
Laundry Income	\$0		\$0	
<b>Effective Gross Income</b>	<b>\$117,600</b>		<b>\$139,971</b>	
<b>EXPENSES</b>				
Property Taxes	\$13,913		\$26,138	
Insurance	\$1,800		\$1,800	
Utilities (Water, Sewer, Gas, Electricity)	\$5,704		\$5,704	
<b>Total Expenses</b>	<b>\$21,417</b>	<b>22.12%</b>	<b>\$33,642</b>	<b>24.03%</b>
<b>Net Operating Income</b>	<b>\$96,813</b>		<b>\$106,329</b>	



# Rent Comparables

Property Name	Property Address	Unit Type	Average SF	Current Rent	Current / SF
<b>Eastlake Duplex</b>	2044 Franklin Ave	2 Bed 1 Bath	1,100	\$2,295	\$2.09
		2 Bed 1 Bath	950	\$2,150	\$2.26
<b>Shelton Eastlake</b>	2359 Franklin Ave E	Studio	275	\$1,489	\$5.41
		1 Bed / 1 Bath	448	\$1,975	\$4.40
<b>2627 Franklin Ave E</b> <i>(Including the 150 utility bill back paid by tenants) (Long term tenants)</i>	2627 Franklin Ave E	1 Bed 1 Bath	766	\$1,250	\$1.63
<b>2219 Minor Ave E</b>	2219 Minor Ave E	1 Bed / 1 Bath	700 (Average)	\$1,600 - \$1,750	\$2.28 - \$2.50



**Eastlake Duplex**



**2627 Franklin Ave E**

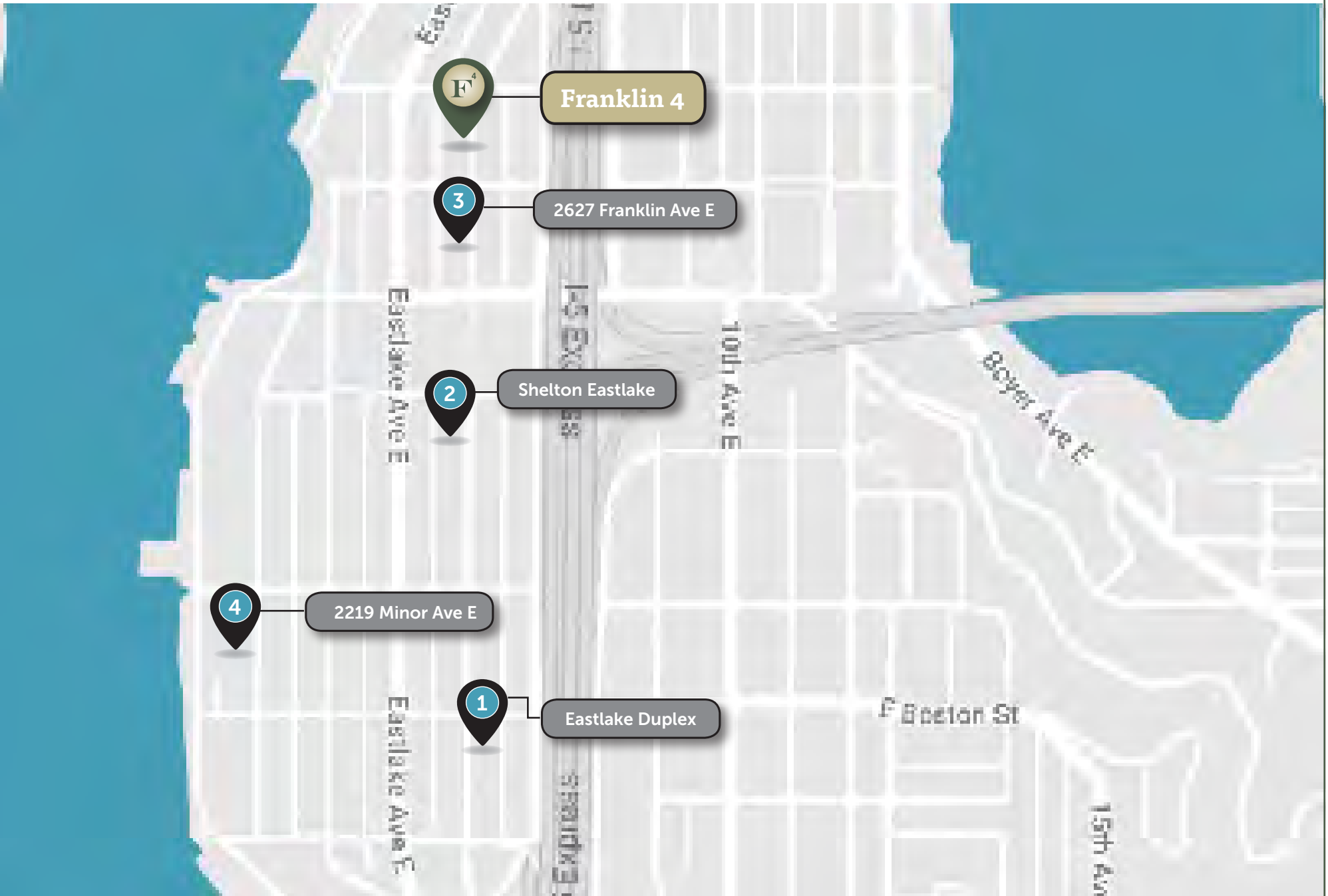


**Shelton Eastlake**



**2219 Minor Ave E**

# Rent Comparables



# Sales Comparables

Property Name	Property Address	# Units	Sale Date	Year Built	Sale Price	Price/Unit	Price/SF	Cap Rate	GRM
1 Eastlake Duplex	2044 Franklin Ave E	2	01/23/2019	1908	\$1,025,000	\$512,500	\$358.39	3.89%	19.21
2 2828 Broadway E	2828 Broadway E	3	06/22/2018	1909	\$2,196,000	\$732,000	\$343.29	3.80%	19.26
					<b>Averages</b>	<b>\$622,500</b>	<b>\$350.84</b>	<b>3.85%</b>	<b>19.24</b>
<b>Subject Property: Franklin 4</b>	2729 Franklin Ave E	4		1950, 2009, 2017	\$2,550,000	\$637,500	\$539.34	3.84%	21.68

1



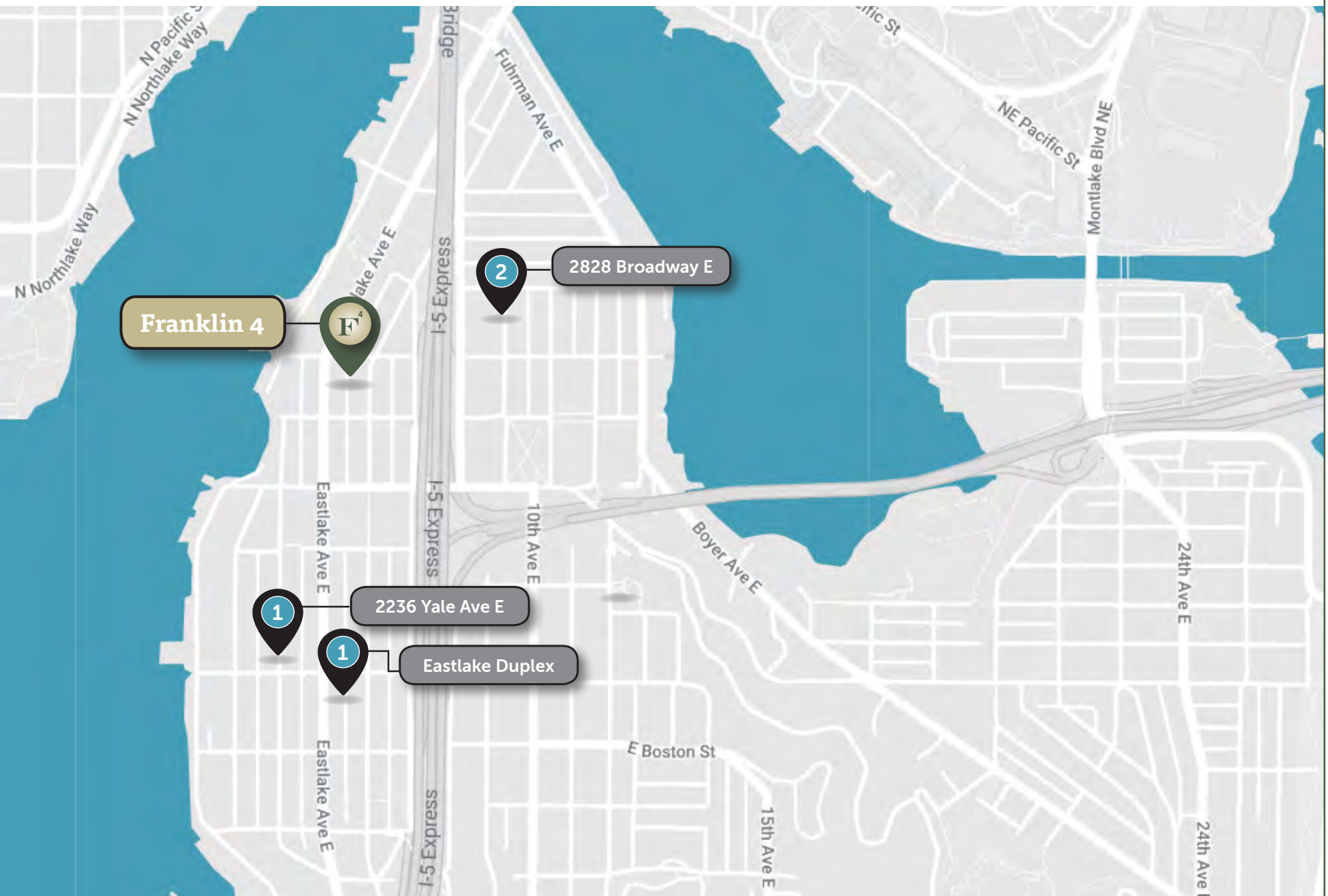
2044 Franklin Ave E

2



2828 Broadway E

# Sales Comparables



# Sales Comparables



**Eastlake Duplex**  
2044 Franklin Ave E



Units	4
Price	\$1,025,000
Sale Date	01/23/2019
Price / Unit	\$512,500
Price / Sq Ft	\$358.39
Cap Rate	3.73%
GRM	19.66



**2828 Broadway E**  
2828 Broadway E



Units	3
Price	\$2,160,000
Sale Date	06/22/2018
Price / Unit	\$720,000
Price / Sq Ft	\$337.66
Cap Rate	3.89%
GRM	19.26









# 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.



A panoramic view of the Seattle skyline at sunset. The Space Needle is the central focus, illuminated against a sky of orange, yellow, and blue. Other skyscrapers are visible, some with lights on. In the foreground, there are green trees and a large stadium with a red roof.

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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