

RESOLUTION R-5484

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE CITY MANAGER TO UNDERTAKE NEGOTIATIONS RELATED TO THE POTENTIAL ACQUISITION OF REAL PROPERTY FOR AFFORDABLE HOUSING PURPOSES.

1 WHEREAS, certain real property known as the "Village  
2 Plaza of Kirkland," located at 11825 100<sup>th</sup> Avenue NE in Kirkland  
3 ("Property"), has been publicly listed for sale by its owner; and  
4

5 WHEREAS, one policy priority of the City Council is to  
6 increase the amount of affordable housing of all types in Kirkland,  
7 in part by helping provide access to housing and by encouraging  
8 the construction and preservation of housing stock that meets a  
9 diverse range of incomes and needs; and  
10

11 WHEREAS, such affordable housing purposes could  
12 include, but would not be limited to, the acquisition of existing  
13 housing stock for low-income and moderate-income housing,  
14 transitional workforce housing, or temporary housing for  
15 individuals experiencing homelessness; and  
16

17 WHEREAS, the City of Kirkland ("City") wishes to explore  
18 the possibility of acquiring the Property for affordable housing  
19 public purposes of some kind; and  
20

21 WHEREAS, in order to fully explore such potential  
22 acquisition, it would be necessary for the City Manager to  
23 promptly undertake negotiations with the owner of the Property  
24 or such owner's representative; and  
25

26 WHEREAS, such negotiations, if successful, would result in  
27 a proposed purchase and sale agreement related to the Property  
28 that would be brought to the City Council for its formal approval  
29 prior to execution by the City.  
30

31 NOW, THEREFORE, be it resolved by the City Council of the  
32 City of Kirkland as follows:  
33


34 Section 1. The City Manager is hereby authorized to  
35 undertake negotiations with the owner or owner representative of  
36 the "Village Plaza of Kirkland" located at 11825 100<sup>th</sup> Avenue NE  
37 in Kirkland related to the potential acquisition of such Property by  
38 the City for affordable housing purposes; provided, however, that  
39 in the event such negotiations are successful a purchase and sale  
40 agreement related to the Property will be subject to approval by  
41 the City Council prior to its execution by the City.

42 Passed by majority vote of the Kirkland City Council in open  
43 meeting on the 6 day of July, 2021.

44  
45 Signed in authentication thereof this 6 day of July, 2021.

  
\_\_\_\_\_  
Penny Sweet, Mayor

Attest:

  
\_\_\_\_\_  
Kathi Anderson, City Clerk

Attachment A

# VILLAGE PLAZA OF KIRKLAND

11825 100TH AVE NE | KIRKLAND, WA 98034

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# Investment Offering

**\$2.375M**

LIST PRICE

**6**

# OF UNITS

**\$395,833**

PER UNIT

WESTLAKE ASSOCIATES, INC. IS PLEASED TO PRESENT THE VILLAGE PLAZA APARTMENTS EXCLUSIVELY FOR SALE.

Westlake Associates presents The Village Plaza Apartments of Kirkland. Built in 1967, the building consists of five, two-bedroom, one bath units, approximately 850 Square Feet and a one bedroom one bath unit approximately 700 Square Feet. 5 of the 6 units were renovated in the past 5 years with condo quality finishes with new cabinets, plumbing, wiring, quartz counter tops, stainless steel appliances, carpet, hot water tanks, King wall heaters & thermostats, window shades, vinyl flooring, bathroom vanities & fixtures, new lobby and chalet like entry. Each unit has a deck or patio, storage, renovated laundry room, newer windows and composition roof, and 13 parking spaces. The exterior of the building is marble Crete.

Village Plaza is located in one the hottest real estate submarkets in the country. With easy access to I-405, Downtown Kirkland and Bellevue, tenants can expect an easy commute to several high paying jobs in the area, in particular tech companies. The property is within a short walking distance to several restaurants and shop as well as Juanita Beach Park. With exceptional neighborhood demographics and an affluent tenant base, Village Plaza will always be a place to live that will be in high demand.

## INVESTMENT HIGHLIGHTS

Name	Village Plaza Apartments
Address	11825 100TH AVENUE   KIRKLAND, 98034
Price	\$2,375,000
Year Built	1967
# of Units	6
Net Rentable SF	4,975 SF
\$ per Unit	\$395,833
\$ per NRSF	\$477.39
Market Cap Rate	4.39%

## PROPERTY HIGHLIGHTS

- Walking distance to Lake Washington
- 5/6 Units completely renovated
- Private patios or decks
- Parking & Storage
- Rental upside
- Proximity to Kirkland and Bellevue
- Great job base (Google, Microsoft, Tableau, Facebook)
- New Chalet Entry and laundry room
- 13 Parking Spaces

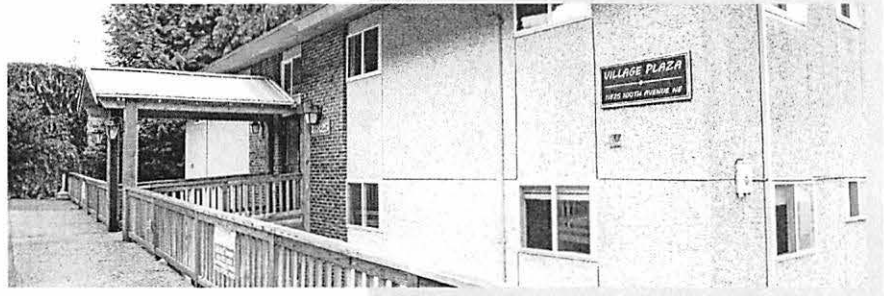
# Property Profile

## PROPERTY DETAILS

County	King
Market	Kirkland
Land Use	Apartments
Style	Low-Rise
APN#	302605-9232
Zoning	RM1.8

## BUILDING INFORMATION

Name	Village Plaza
Address	11825 100th Ave NE Kirkland, WA 98034
Year Built	1967
# of Buildings	1
# of Floors	3
# of Units	6
Lot Size	10,890 SF
Net Rentable SF	4,975 SF
Construction	Wood / Marble Crete
Heat	Wall Heaters
Roof	Composition
Laundry	Common
Parking	13 Surface



# Location



# Financial Analysis

## PRICE ANALYSIS

<b>PRICE</b>	<b>\$2,375,000</b>
Price per Unit	\$395,833
Price per NRSF	\$477.39
Price per Land SF	\$218.08
Current Cap	3.05%
Current GRM	22.05
Market Cap	4.39%
Market GRM	16.88

## PROPOSED FINANCING

Loan Amount	\$1,425,000
Down Payment	\$950,000
% Down	40.0%
% Rate	3.500%
Amortization	30 Years
Term	5 Years
Monthly Payment	\$6,446
Annual Payment	\$77,361

## UNIT MIX SUMMARY

UNIT TYPE	# OF UNITS	SF	CURRENT	PSF	PRO FORMA	PSF
1BD 1BA	1	600	\$1,400	\$2.33	\$1,600	\$2.66
2BD 1BA	5	875	\$1,600	\$1.82	\$2,000	\$2.28
<b>AVG</b>	<b>6</b>	<b>4,975 SF</b>	<b>\$8,850</b>	<b>\$1.77</b>	<b>\$11,600</b>	<b>\$2.33</b>

## INCOME

	CURRENT		PRO FORMA	
Scheduled Rent Income	\$106,200		\$139,200	
+ Laundry	\$1,500		\$1,500	
Scheduled Gross Income	\$107,700		\$140,700	
- Vacancy & Credit Losses	(\$3,231)	3.00%	(\$4,221)	3.00%
<b>Gross Income</b>	<b>\$104,469</b>		<b>\$136,479</b>	

## EXPENSES

	CURRENT		PRO FORMA	
RE Taxes	\$21,643		\$21,643	
Insurance	\$2,500		\$2,500	
Utilities W/S/G/E	\$6,500		\$6,500	
Maintenance & Repairs	\$1,500		\$1,500	
<b>Total Expenses</b>	<b>\$32,143</b>		<b>\$32,143</b>	

## OPERATING DATA

	CURRENT		PRO FORMA	
<b>Net Operating Income</b>	<b>\$72,326</b>		<b>\$104,336</b>	
Less Loan Payments	(\$77,361)		(\$77,361)	
Pre-Tax Cash Flow	(\$5,035)	-0.53%	\$26,975	2.84%
Plus Principal Reduction	\$27,069		\$27,069	
Total Return Before Taxes	\$22,035	2.32%	\$54,045	5.69%

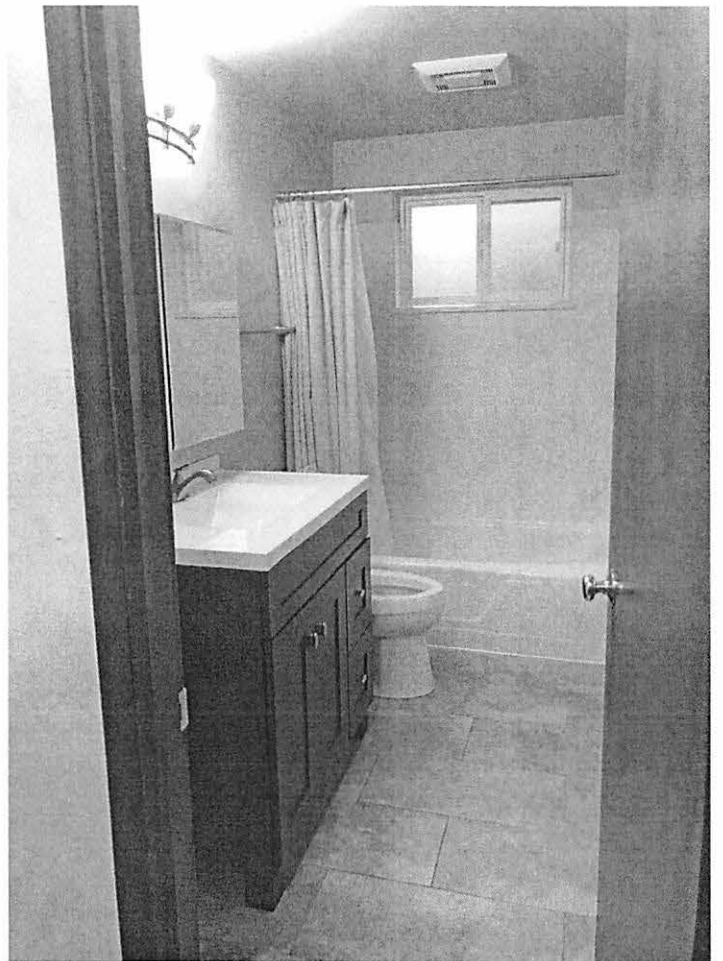
# Rent Roll

UNIT	UNIT TYPE	SF	CURRENT	RENT / SF	MARKET	RENT / SF
101	2BD 1BA	875 SF	\$1,400	\$1.60	\$2,000	\$2.28
102	1BD 1BA	600 SF	\$1,400	\$2.33	\$1,600	\$2.28
203	2BD 1BA	875 SF	\$1,350	\$1.54	\$2,000	\$2.11
204	2BD 1BA	875 SF	\$1,600	\$1.82	\$2,000	\$2.28
305	2BD 1BA	875 SF	\$1,500	\$1.71	\$2,000	\$2.28
306	2BD 1BA	875 SF	\$1,600	\$1.82	\$2,000	\$2.11
<b>TOTAL / AVG</b>	<b>6</b>	<b>4,975 SF</b>	<b>\$8,850</b>	<b>\$1.77</b>	<b>\$11,600</b>	<b>\$2.33</b>

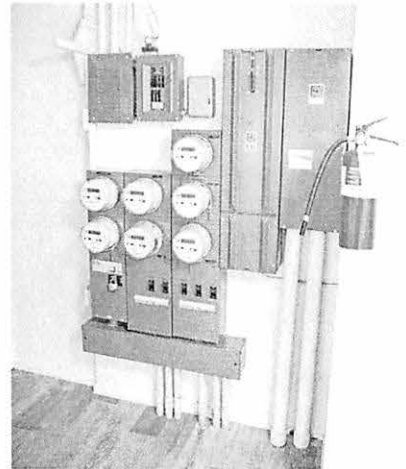
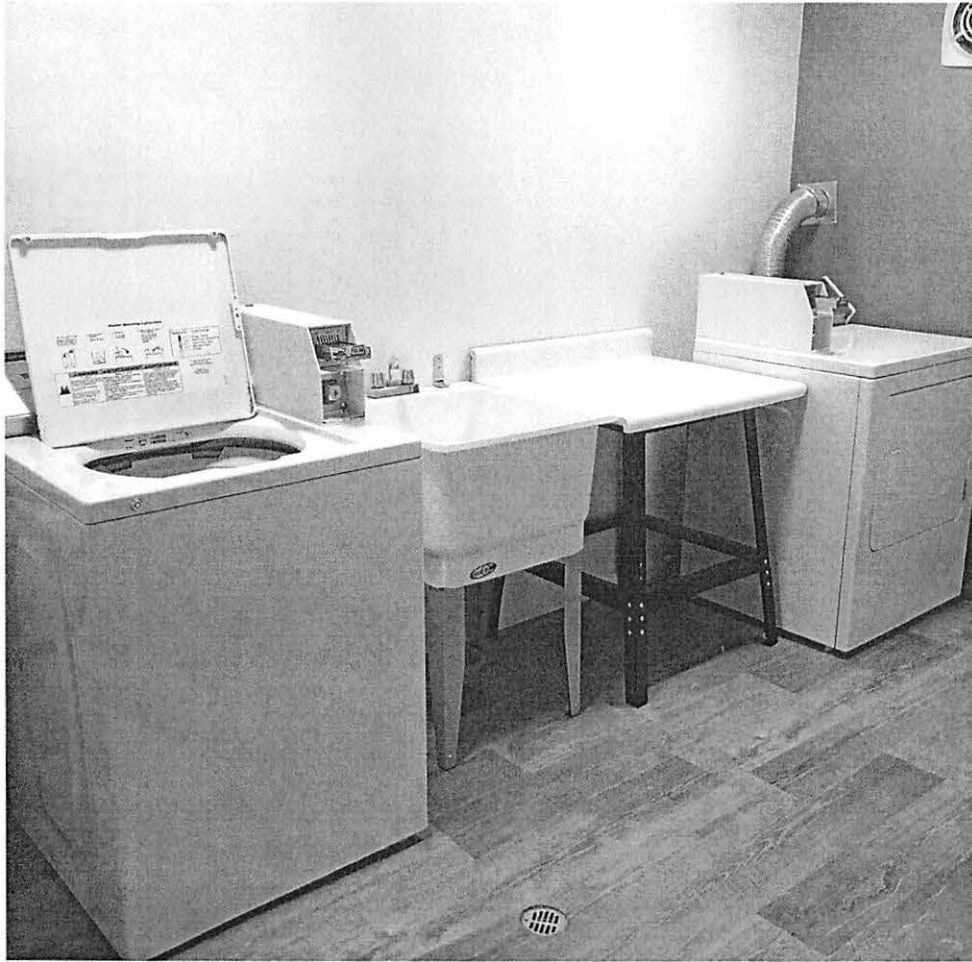




Photos



Photos



# Sales Comparables



**TRIPLEX**  
9912 NE 119th Ct | 98034

PRICE	\$1,280,000
# OF UNITS	3
NRSF	2,660 SF
PRICE PER UNIT	\$427,000
PRICE PER SF	\$481
YEAR BUILT	1966
CAP RATE	2.9%



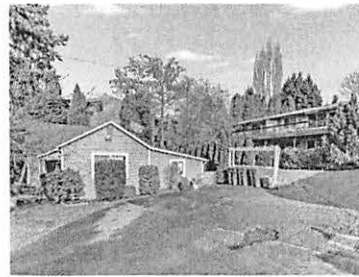
**5-UNIT**  
11211 N 68th St | 98033

PRICE	\$1,800,000
# OF UNITS	5
NRSF	3,840 SF
PRICE PER UNIT	\$360,000
PRICE PER SF	\$468
YEAR BUILT	1968
CAP RATE	3.63%



**TRIPLEX**  
600 4th St | 98033

PRICE	\$1,480,000
# OF UNITS	3
NRSF	3,080 SF
PRICE PER UNIT	\$493,000
PRICE PER SF	\$480
YEAR BUILT	1978
CAP RATE	-



**5-UNIT**  
11438-11444 99th PI NE | 98033

PRICE	\$1,830,000
# OF UNITS	5
NRSF	3,800 SF
PRICE PER UNIT	\$366,000
PRICE PER SF	\$482
YEAR BUILT	1969
CAP RATE	3.7%



**FOURPLEX**  
8772 116th Ave NE | 98033

PRICE	\$1,600,000
# OF UNITS	4
NRSF	3,740 SF
PRICE PER UNIT	\$400,000
PRICE PER SF	\$427
YEAR BUILT	1977
CAP RATE	-



**5-UNIT**  
324 6th Ave S | 98033

PRICE	\$1,875,000
# OF UNITS	5
NRSF	3,740 SF
PRICE PER UNIT	\$375,000
PRICE PER SF	\$501
YEAR BUILT	1962
CAP RATE	2.5%

## Sales Comparables



4-UNIT

1217th Ave S | 98033

PRICE	\$1,965,000
# OF UNITS	4
NRSF	3,365 SF
PRICE PER UNIT	\$491,250
PRICE PER SF	\$583
YEAR BUILT	1952
CAP RATE	3.84%

## Sales Comparable Summary

SALE COMPS	PRICE	PRICE / SF	PRICE / UNIT	CAP	# OF UNITS
<b>TRIPLEX</b> 9912 NE 119th Ct	\$1,280,000	\$481	\$427,000	2.9%	3
<b>TRIPLEX</b> 600 4th St	\$1,480,000	\$480	\$493,000	-	3
<b>FOURPLEX</b> 8772 116th Ave NE	\$1,600,000	\$427	\$400,000	-	4
<b>5-UNIT</b> 11211N 68th St	\$1,800,000	\$468	\$360,000	3.63%	5
<b>5-UNIT</b> 11438-11444 99th PL NE	\$1,830,000	\$482	\$366,000	3.7%	5
<b>JEWELL</b> 324 6th Ave S	\$1,875,000	\$501	\$375,000	2.5%	5
<b>KIRKLAND VIEW</b> 121 7th Avenue S	\$1,965,000	\$583	\$491,250	3.84%	4
<b>Averages</b>	<b>\$1,690,000</b>	<b>\$489</b>	<b>\$416,035</b>	<b>3.31%</b>	
<b>Subject Property</b> 11825 100th Ave NE	<b>\$2,375,000</b>	<b>\$477</b>	<b>\$395,833</b>	<b>3.05%</b>	<b>6</b>



# Site Demographics & Amenities

## WHAT'S NEARBY

Safeway  
 Trader Joe's  
 Whole Foods  
 QFC  
 Walgreens  
 Michaels

Juanita Beach Park  
 Juanita Bay Park  
 McAuliffe Park  
 Juanita High School  
 Juanita Elementary School

Pizzaiolo wood fired pizza  
 Pagliacci Pizza  
 Juanita Pub  
 Mezcal Mexican Grill  
 Spud Fish & Chips  
 Starbucks  
 Cafe Organique  
 Urban Coffee Lounge  
 Cafe Juanita  
 Padria Mediterranean Cafe  
 Top Pot Donuts  
 Mongolian Grill  
 Kathakali  
 Jersey Mikes Subs  
 Shibu Ramen  
 Bungalow Joe  
 Whiskey Mile  
 Emerald Garden Chinese  
 aa Sushi  
 Royal India



**66**

Walkable



**56**

Bikeable



**41**

Some Transit

POPULATION	1-MILE	3-MILE	5-MILE
Total Population	25,454	117,172	314,103
Growth 2020 - 2025 (est.)	10.9%	8.8%	7.7%
Median Age	36.8	38.1	37.9
HOUSEHOLDS & INCOME	1-MILE	3-MILE	5-MILE
Total Households	11,173	49,074	130,527
Average HH Income	\$122,905	\$140,680	\$142,525
Renter Occupied Housing	49.13%	38.33%	39.55%



# Kirkland

FOUNDED NORTH OF BELLEVUE more than a century ago by Peter Kirk, Kirkland is the Eastside's oldest city. Today, suburban life centers on waterfront and recreation in Kirkland, the 12th largest city in Washington.

Located on the shore of Lake Washington and a stone's throw from Seattle, Kirkland offers the conveniences of a big city with the personal feel of a small town. Kirkland prides itself on its strong sense of community, features unique neighborhoods and places a strong emphasis on maintaining a highly desirable quality of life for its residents.

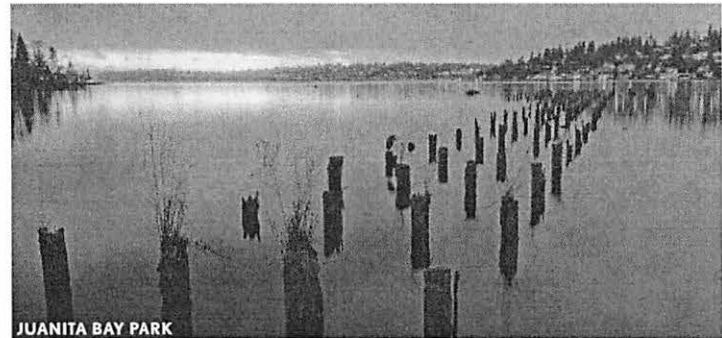
Kirkland is at once charming and modern. Both residential neighborhoods and the city's Downtown Shopping District are just a stroll from the lake. The result is a picturesque community with four miles of lakefront, of which nearly one mile is open to the public. In December, decorated Christmas Ships festooned with colored lights dock at Kirkland for an evening of good cheer and caroling.

The city's beautiful waterfront includes nine parks, a public marina and boat launch, as well as a large dock for tour boats. In addition, the city offers four community sports parks, six neighborhood parks, two public swimming pools, and a senior center. Even the city's streets are sports-friendly, with bicycle and walking lanes included as part of road improvement projects.

Kirkland's residential community offers a wide variety of housing, much of it on exclusive waterfronts or on hillsides within view of Lake Washington and the Seattle skyline. From luxury condominiums to acre-sized, single-family lots in the Bridle Trails development, Kirkland has a variety of affordable family-oriented neighborhoods, where the spirit of community thrives. The city places strong values on amenities such as safety, service, recreation, and education.

12TH LARGEST  
CITY IN  
WASHINGTON

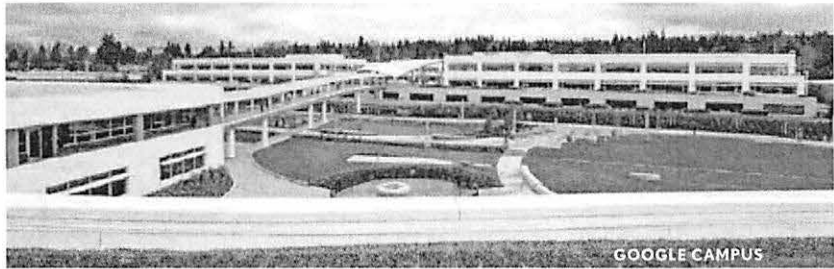
5 MILES  
DOWNTOWN  
BELLEVUE





## Kirkland Market

THE METROPOLITAN SEATTLE ECONOMY is one of the most impressive in the country. Though Seattle and Bellevue receive most of the attention, Kirkland has been quietly expanding its employment base to a respected tech powerhouse. Google has recently expanded its presence in Kirkland to 375,000 square feet of office space. This is Google's third largest engineering center. Google and the other tech giants are expanding into areas with strong tech talent. Kirkland is ranked 8th in the nation of Best Cities for STEM workers according to livability.com.



GOOGLE CAMPUS



KIRKLAND URBAN DEVELOPMENT

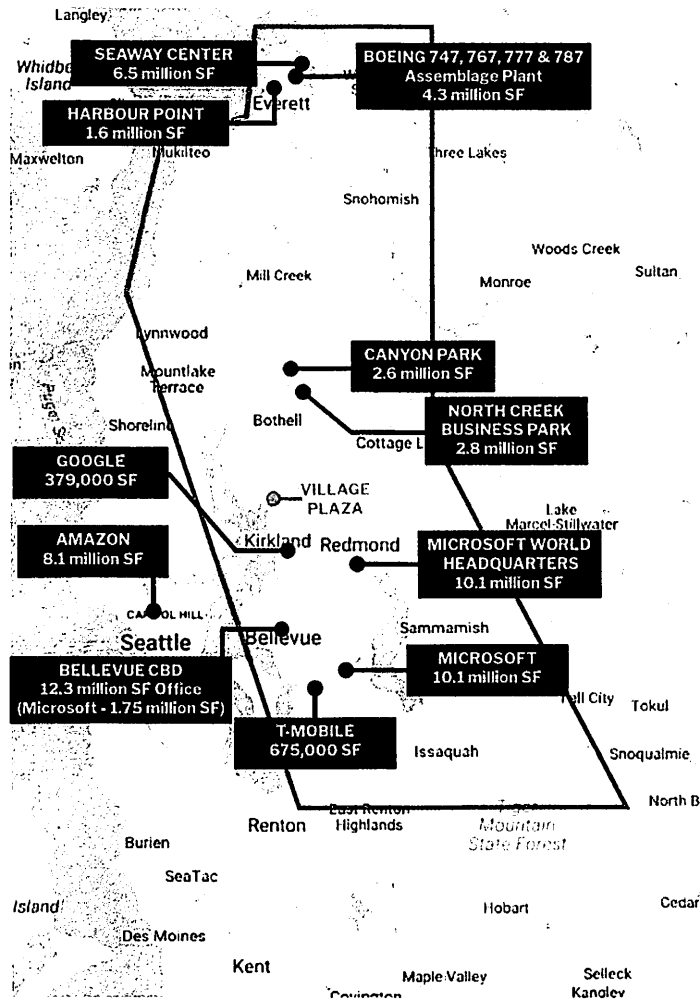
Kirkland's high-tech growth trend is not limited to Google, other growing tech companies include Astronics Advanced Electronic Systems, Tableau, Wave WB games, Inrix and Bluetooth Special Interest Group. Boasting almost 10,000 tech related jobs, nearly a third of its employment base, makes Kirkland the sixth-highest percentage of Stem workers in the country. In addition, according to Livability.com, the median income for those jobs is \$122,309, which ranks No. 8 nationally. PACCAR, the respected manufacturer of Kenworth and Peterbuilt trucks, is another major Kirkland employer.

Kirkland Urban Development is a major mixed-use development comprising 1,175,000 square feet of office (650,000 sf), commercial space 225,000 which includes a 53,000 sf of restaurant space, a 54,000 sf of grocery and 185 upscale apartments.

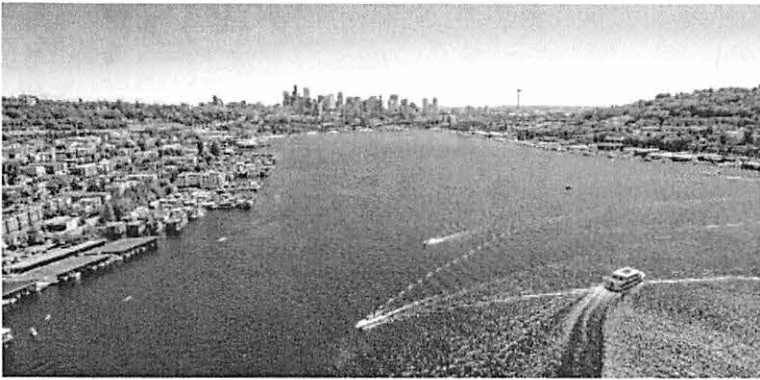
Kirkland, Bellevue and Redmond recently formed a partnership called the Innovation Triangle. The purpose of this collaboration to attract and foster the growth of tech employers. The Information & Communications Technology (ICT) sector is the fastest growing business sector in the region. In King County alone there are 130,000 jobs attributed to this sector with incomes averaging \$124,300 with revenues estimated at \$36.9 billion.

Source: Economic Development Council Seattle & King County (City of Kirkland)

# High Tech Corridor



## About Westlake



Since 1975, Westlake Associates, Inc. has been the premier provider of commercial real estate brokerage services in the Puget Sound Region.

Our unsurpassed commitment to creating and preserving our clients' real estate investment wealth has resulted in thousands of successful transactions and a long history of repeat business and client referrals.

The professionals at Westlake Associates collaboratively work with clients to develop customized, creative solutions designed to maximize investment returns.

We've built a strong foundation of experience in Investment Property Sales, Commercial Leasing, Property Management, and comprehensive real estate services over our 40 year history. We operate as a team and leverage each other's resources and experience to provide the highest level of client services.

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Northwest Multiple Listing Services (NWMLS)  
LoopNet National Listing Services  
CoStar Commercial Real Estate Data & National Listing  
Commercial Investment Real Estate (CREI)  
Washington State Realtors Association (WSMA)

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