

Walking Distance to Downtown Water Taxi and Planned Light Rail Station

3257 Harbor Avenue

Half-Acre Development Site
for 115 Units in Seattle, WA

3257 Harbor Avenue

BERKADIA[®]

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3257 Harbor Avenue

investment sales

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ADDRESS	3257 Harbor Ave SW
CITY, STATE ZIP	Seattle, WA 98126
UNITS PROPOSED	115
TOTAL LOT SIZE	22,238 SF / 0.5 acres
SITE STATUS	Vacant land
PERMIT STATUS	Unentitled
PARCEL NOs.	w719280-0125 798740-0190 798740-0200
ZONING	C1-55 (M)
COUNTY	King



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OPPORTUNITY

half-acre site for 115-unit community

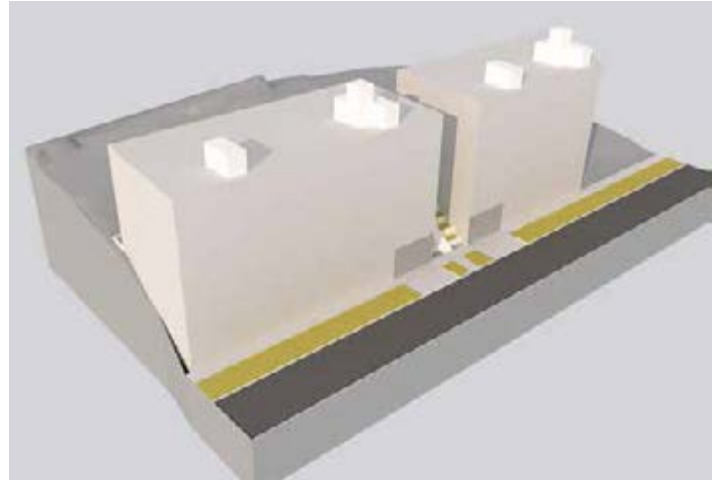
- / 22,238 square-foot development site in West Seattle neighborhood near waterfront
- / Property consists of 4 adjacent and vacant, unimproved parcels with frontage along Harbor Avenue
- / One block from the West Seattle bridge and one mile from the water taxi terminal, both providing direct access to downtown Seattle within 10 minutes
- / Preliminary site analysis by Skidmore Janette supports the development of a 115-unit community across two 6-story buildings
- / Less than 3 miles from Highway 99 and I-5, making commutes to nearby employers seamless
- / Proximity to planned Avalon light rail station with service scheduled for 2032



PROPERTY

institutional-level development

- / Site zoning is C1-55 (M), a mixed-use zone where both residential and commercial development are allowed
- / Preliminary analysis by Skidmore Janette suggests the site would support up to 115 units across two 6-story buildings
- / Suggested unit mix of studio, one, and two bath units averaging 455 SF; 1,000+ SF of commercial space, and a parking garage
- / Rooftop amenity space would have views of downtown Seattle skyline and beyond



Proposed Unit Mix

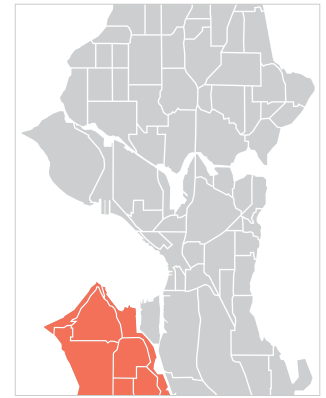
Unit Type	Units	Size	Market Rent	Monthly Rent	Rent/SF
Studio	50	298 SF	\$1,350	\$67,500	\$4.53
1 Bed / 1 Bath	35	533 SF	\$1,900	\$66,500	\$3.56
2 Bed / 1 Bath	30	626 SF	\$2,100	\$63,000	\$3.35
Total/Average	115	455 SF	\$1,713	\$197,000	\$3.76



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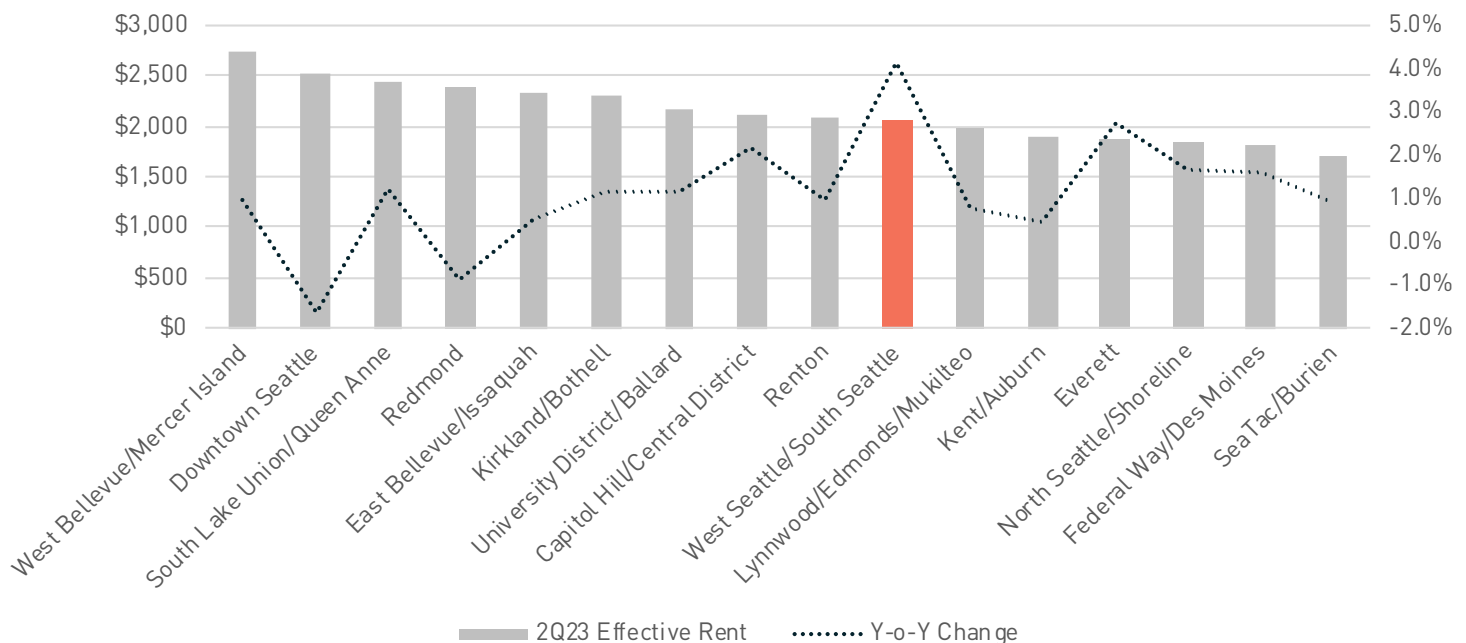
MARKET

strong rental submarket



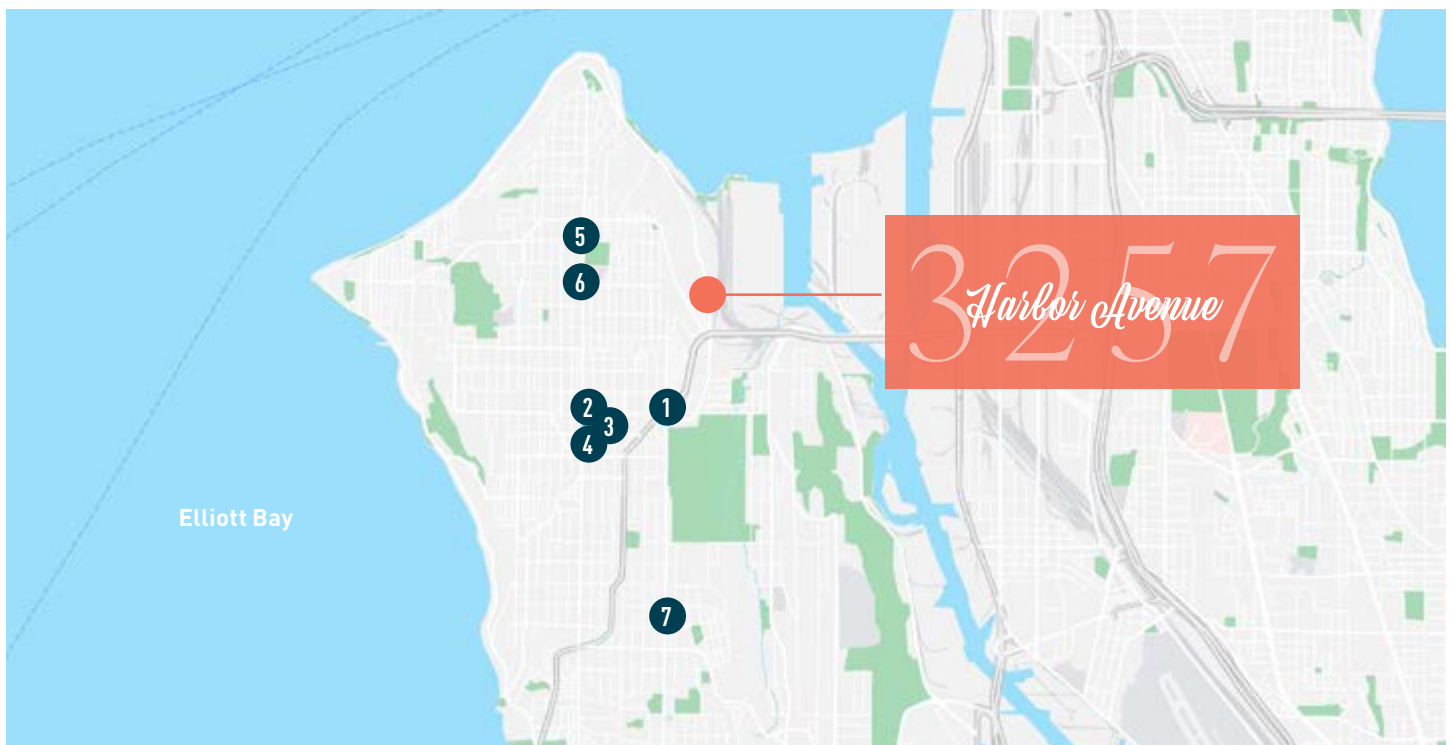
- 2Q23 effective rent in the West Seattle submarket is \$2,056 per month, up 4.1% year over year—highest increase out of all Seattle MSA submarkets
- 94.7% average occupancy rate in 1Q23, which is 40 basis points above the submarkets five-year average occupancy rate (94.3%)
- Average mortgage payment for home in submarket more than double the average effective rent, favoring renting over homeownership
- Submarket attracts renters priced out of the Downtown and South Lake Union submarkets, where average rents are nearly 30% higher

Seattle MSA Submarket	2Q23 Rent	YoY Change
West Seattle/South Seattle	\$2,056	4.1%
Everett	\$1,873	2.7%
Capitol Hill/Central District	\$2,110	2.2%
North Seattle/Shoreline	\$1,850	1.7%
Federal Way/Des Moines	\$1,825	1.6%
South Lake Union/Queen Anne	\$2,450	1.2%
Kirkland/Bothell	\$2,298	1.2%
University District/Ballard	\$2,179	1.1%
West Bellevue/Mercer Island	\$2,734	1.0%
Renton	\$2,091	1.0%
SeaTac/Burien	\$1,713	0.9%
Lynnwood/Edmonds/Mukilteo	\$1,982	0.8%
East Bellevue/Issaquah	\$2,343	0.5%
Kent/Auburn	\$1,900	0.5%
Redmond	\$2,377	-0.9%
Downtown Seattle	\$2,526	-1.6%



rent comparables

	Property	Address	Distance	Units	Built	Avg. Unit Size
	3257 Harbor Avenue	3257 Harbor Ave SW	-	115	2024	455 SF
1	Aura West Seattle	4435 35th Ave SW	0.76 miles	9	2016	465 SF
2	Junction Flats	4433 42nd Ave SW	0.96 miles	80	2016	558 SF
3	AJ Apartments	4505 42nd Ave SW	1.01 miles	54	2018	646 SF
4	Adell Apartments	4532 SW 42nd Ave	1.05 miles	76	2019	648 SF
5	Admiral Station	2715 California Ave SW	0.81 miles	40	2022	553 SF
6	Springline	3220 California Ave SW	0.71 miles	136	2016	799 SF
7	Upton Flats	3490 SW Graham St	1.88 miles	104	2018	705 SF
Total / Average				499		675 SF

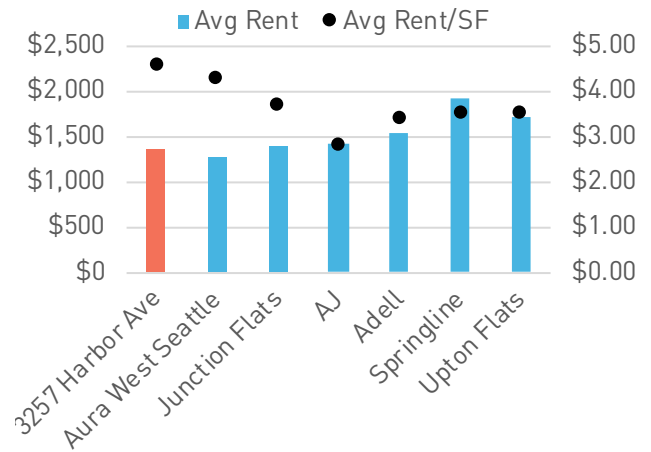


MARKET

rent comparison analysis

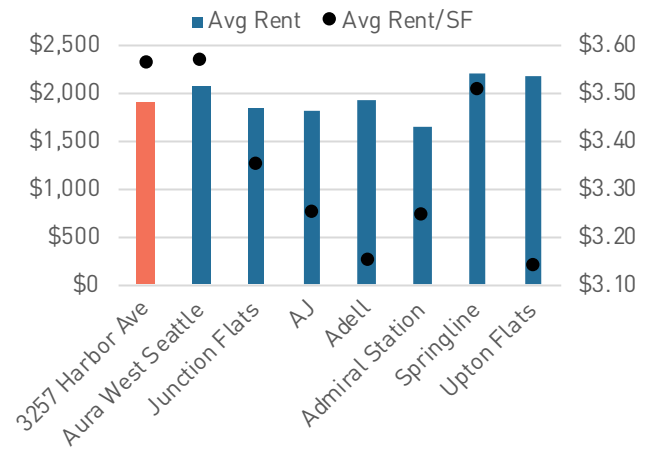
STUDIO

Property	Units	Unit Size	Rent	Rent/SF
3257 Harbor Avenue	50	298 SF	\$1,350	\$4.53
Aura West Seattle	5	300 SF	\$1,278	\$4.26
Junction Flats	15	374 SF	\$1,379	\$3.69
AJ	12	512 SF	\$1,422	\$2.78
Adell	18	457 SF	\$1,545	\$3.38
Springline	1	548 SF	\$1,912	\$3.49
Upton Flats	18	493 SF	\$1,712	\$3.47
Total / Averages	69	448 SF	\$1,517	\$3.39



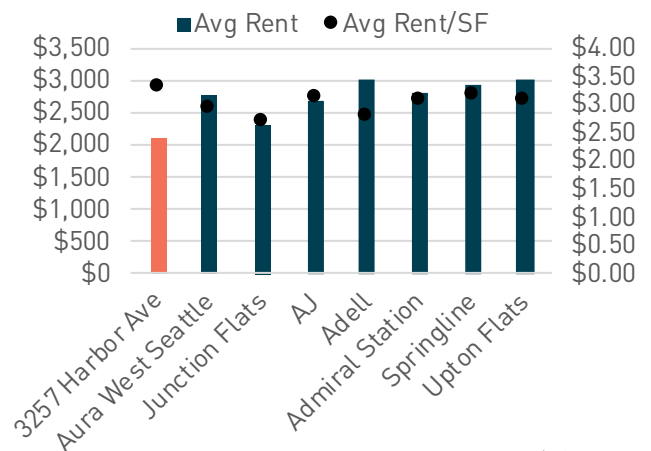
ONE BED

Property	Units	Unit Size	Rent	Rent/SF
3257 Harbor Ave	35	533 SF	\$1,900	\$3.56
Aura West Seattle	3	585 SF	\$2,088	\$3.57
Junction Flats	55	555 SF	\$1,860	\$3.35
AJ	24	559 SF	\$1,820	\$3.26
Adell	46	615 SF	\$1,938	\$3.15
Admiral Station	36	514 SF	\$1,669	\$3.25
Springline	52	632 SF	\$2,217	\$3.51
Upton Flats	69	694 SF	\$2,180	\$3.14
Total / Averages	285	608 SF	\$1,990	\$3.27



TWO BED

Property	Units	Unit Size	Rent	Rent/SF
3257 Harbor Ave	30	626 SF	\$2,100	\$3.35
Aura West Seattle	1	932 SF	\$2,755	\$2.96
Junction Flats	10	849 SF	\$2,312	\$2.72
AJ	18	850 SF	\$2,700	\$3.18
Adell	12	1,059 SF	\$3,010	\$2.84
Admiral Station	4	902 SF	\$2,827	\$3.13
Springline	83	906 SF	\$2,914	\$3.22
Upton Flats	17	973 SF	\$3,020	\$3.10
Total / Averages	145	916 SF	\$2,863	\$3.13



TRANSIT

light rail expansion

The site is walking distance from the planned Avalon light rail station, part of the West Seattle light rail expansion

This expansion will add 4.7 miles of light rail service from downtown Seattle to West Seattle's Alaska Junction neighborhood, and includes 4 new stations between SODO and Alaska Junction

Start of service for the West Seattle link is scheduled for 2032

Systemwide, new and proposed light rail routes will run through Seattle from Tacoma in the south, Everett in the north, and Redmond and Issaquah to the east

The \$53.8 billion Sound Transit 3 (ST3) project is the region's largest-ever investment in public transportation

ST3 will more than double the light rail system to 116 miles, add 37 stations, build two bus rapid-transit lines, and extend heavy rail service to DuPont

Redmond and Lynnwood extensions are currently underway, and are scheduled to open by 2024

Additional extensions include Tacoma by 2031, Ballard by 2036, Paine Field and Everett in 2036, and South Kirkland and Issaquah in 2041

Once complete, ST3 is expected to serve over 600,000 riders daily, and over 90% of all working residents will have convenient access to the region's transit system by 2041

\$53.8B

Total Investment

The region's largest ever in public transportation

600K

Riders Daily

Once the entire project is complete

THE COMMERCIAL BUSINESS DISTRICT

downtown seattle's transformation

- / From 2010 to 2019, Seattle grew at an unprecedented rate, with Downtown Seattle owning the largest share of the decade's economic expansion
- / Downtown is home to 11 of the state's top 15 financial services firms, making it a major global information and technology hub
- / Since 2010, an average of 28 projects were completed each year in Downtown Seattle, each costing more than \$1.0 million
- / Although the pandemic slowed down the economy in 2020, the region still held a strong position in construction activity across nearly all sectors
- / In 2022, 24 building projects were completed downtown, adding nearly 1.2 million SF of new office space
- / As of 1Q23, just over 5,000 apartment units were under construction in Downtown Seattle
- / In the next three to four years, approximately 1.6 million SF of office space will be added downtown

1.2M

Square Footage

New office space added downtown in 2022

12.5%

Ridership Increase

Year over year, King County Metro in April 2023

15,236

Avg Daily Worker Foot Traffic

Last week of April 2023, Denny Triangle neighborhood

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