

Residential & Commercial Real Estate Profile Yakima County, Washington

Yakima County's real estate sector continues to shine despite tough national trends. According to [CNN/Money Magazine](#), Yakima's residential prices posted the second highest percentage gain in the nation over the last part of 2007. Relatively affordable housing prices coupled with sustainable price appreciation makes the region still attractive for home owners or investors. As the Yakima region's economy continues to expand at a healthy clip, the region's residential, commercial, and industrial real estate markets present good opportunities for investors whether they are first time homebuyers or seasoned commercial developers.

Residential

- ➔ Yakima currently has the lowest home prices of any metro area in Washington or Oregon
- ➔ Residential demand is strong because of limited existing housing stock, a strong regional economy, and favorable interest rates
- ➔ Lower than average appreciation in residential real estate over the last decade (52 percent) suggest that Yakima's market is strong and sustainable

WASHINGTON	MEDIAN PRICE 2008
Yakima	\$ 153,300
Kennewick, Richland, Pasco	\$ 166,100
Spokane	\$ 191,200
Vancouver	\$ 280,100
Seattle, Tacoma, Vancouver	\$ 357,200
OREGON	
Salem	\$ 208,800
Bend	\$ 351,900
Portland Metro	\$ 280,100
CALIFORNIA	
Sacramento	\$ 216,700
Los Angeles	\$ 402,100
San Francisco	\$ 622,000

RESIDENTIAL PROPERTY SALES – YAKIMA MSA			
YEAR	UNITS SOLD	TOTAL VALUE	SALE PRICE
2005	3,660	\$519,897,251	\$142,048
2004	3,300	\$432,448,547	\$131,045
2003	3,061	\$379,000,364	\$123,816

ACTIVE LISTINGS FOR JUNE 2009	
2 or less bedrooms	140
3 bedrooms	528
4 bedrooms	244
5+ bedrooms	79

📍 Average Lot Price (7500 sf) = \$45-55,000

RESIDENTIAL PERMITS ISSUED & TOTAL VALUE		
CITY OF YAKIMA		
2008	132	\$ 28,317,097
2007	199	\$ 40,714,849
2006	128	\$ 24,931,847
2005	106	\$ 22,202,078
YAKIMA COUNTY		
2007	344	\$ 81,881,449
2006	386	\$ 80,476,903
2005	380	\$ 79,978,131
2004	357	\$ 74,041,565

SALE OF SITE- BUILT HOMES – YAKIMA MSA		
YEAR	UNITS SOLD	AVERAGE PRICE
2008	1494	\$ 166,707
2007	1992	\$ 242,591
2006	1384	\$ 151,957
2005	1349	\$ 146,165

PROPERTY SALES - AVERAGE PRICE BY TYPE – 2008		
1-2 Bedroom Home	\$ 91,768	308
3 Bedroom Home	\$ 169,924	879
4+ Bedroom Home	\$ 232,677	307
Condominiums	\$ 170,964	37
Mfg Home with Land	\$ 130,753	165

Commercial

- ➔ Yakima County's commercial building and development trends are positive;
- ➔ Costs for warehouses & offices are well below urban markets (ex. \$25-35/sf for warehouse properties versus \$50-70/sf in Seattle metro area);
- ➔ Favorable Cap. Rates (8-10+%) provide cashflow and return on investment; and
- ➔ Four significant (500,000+ sf) retail developments in planning stages.

CITY OF YAKIMA	Number of Commercial Bldg. Permits (new)	Commercial Building Value
2008	27	\$ 47,390,448
2007	21	\$ 21,107,685
2006	34	\$ 42,859,526
YAKIMA COUNTY		
2008	117	\$ 44,073,893
2007	71	\$ 41,049,550
2006	30	\$ 12,710,575

REAL ESTATE LEASE RATES (AVERAGE)	
Light Industrial (Manufacturing) Space	\$0.35 - \$0.45 sf/mo NNN
Dry Warehouse Space	\$0.25 - \$0.35 sf/mo NNN
Commercial Class A office	\$1.30 - \$1.50 sf/mo NNN
Commercial Class B office	\$0.90 - \$1.25 sf/mo NNN

LAND COSTS	
Light Industrial	\$1-4.00 per square foot
Commercial	\$2-12 per square foot (Yakima: \$4-12/sf)

Economy

- ➔ Yakima's economy is showing strength as agriculture rebounds and new jobs are created in health care, construction, and hospitality sectors;
- ➔ Yakima has added 9500 jobs since 2001 (a 10% increase). The region's current unemployment rate is steady at 9.3%; and
- ➔ A host of new employers are adding jobs and wealth to the region:
 - Adaptis, Backoffice medical claims center - 45 employees
 - Whirlpool Services, Customer service call center, 265 employees
 - Wal-Mart, Food distribution center, 650 employees
 - Amtech, Plastics manufacturer, 185 employees
 - TubeArt, Sign manufacturer, 60 employees
 - Direct TV, Satellite uplink facility, 10 employees
 - Italstone, Marble/Granite countertop manufacturer, 25 employees
- ➔ Existing employers are also expanding and adding to local payrolls:
 - Ace Hardware, Distribution center, 325 employees
 - CubCrafters, Light airplane manufacturer, 100 employees
 - Summit Windows, Window manufacturer, 180 employees
 - Thermoforming Systems, Packaging equipment mfg., 50 employees
 - Magic Metals, Custom metal fabrication, 120 employees
 - GE Aviation, Aerospace components mfg., 300 employees
 - Can Am Steel, Truss & Building system manufacturer, 115
 - Jeld-Wen, Plastic window components manufacturer, 50 employees