



## Amberwood Club Apartments

3020 S Clinton  
Spokane WA 99216

|                                      |             |
|--------------------------------------|-------------|
| Purchase Price (1/30/18):            | \$3,460,000 |
| Average Monthly Income at Purchase:  | \$32,000    |
| Appraised Value (7/1/19):            | \$5,000,000 |
| Average Monthly Income at Appraisal: | \$41,000    |
| Renovation Budget:                   | \$225,000   |
| Monthly Income Percentage Increase:  | +28%        |
| Overall Asset Value Increase:        | +44.5%      |

Purchased in early 2018, Amberwood Club Apartments suffered from a combination seen in many assets built in this era: unaddressed deferred maintenance and inadequate management.



Dwelling units were drab and undervalued with several units still priced at pre-2008 levels. Units that had been turned over still featured a design strategy from the same time period. The exterior, while relatively clean, was underwhelming. Peeling and cracked paint, broken gutters, missing roofing shingles, weeds and over-grown bushes and trees all greeted prospective tenants as they arrived for showings.



Upon close of escrow we immediately implemented an exterior and interior renovation plan and announced our plans to the current residents. We then raised rents on all eligible tenants to within \$50-\$100 of market rates. In several cases, rents were raised as much as \$200 per unit.

Some tenants did vacate which then triggered our interior renovation strategy. With help from a professional designer, we installed new flooring and painted the walls. Finally, we resurfaced the counter-tops and cabinets. This design strategy not only looked modern but ensured we could begin charging market rates.

For the exterior, we quickly cleaned up the landscaping, repaired the broken sprinkler system, added new decorative gravel and foliage, repaired damaged siding and gutters, and re-roofed and painted the all ten buildings. A fenced dog park and child play area were also added.

As a result, in less than 12 months, we were able to increase income from about \$32,000 to over \$40,000 monthly.

All aspects of the renovation and management strategy were executed exclusively by iRE, LLC.

