



INVESTMENT OPPORTUNITY

Avalon Court Apartments

| Kennewick, WA

33

Unit Value Add

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Our Background



Tamarack Capital is a seasoned sponsor focused on delivering high performing investments in accessible, tangible formats for accredited investors.

We specialize in mid-market multifamily and private credit strategies that emphasize downside protection, adjusted risk, and real cash flow.

Over \$17 million in current assets under management with General Partner experience on nearly \$200M in total assets



Full-cycle exits delivering target or above-target returns



Co-investment in every deal



Deep experience in Pacific Northwest multifamily



Avalon Court Apartments | Kennewick, WA

Executive Summary

Executive Summary

Avalon Court Apartments | Kennewick, WA

What makes the Avalon Apartments opportunity so compelling is its rare combination of location, upside, and timing. This is a true off-market, value-add property — well-situated in a fast-growing Tri-Cities submarket — and acquired without the typical bidding war that drives down investor returns.

We've been actively sourcing deals throughout 2025, looking for the right fit: an asset with rental upside, long-term potential, and pricing that makes sense. In today's competitive environment, it's often the highest bidder who sacrifices returns. But with Avalon, we were the only buyer at the table — and we secured it at the right price.

This is exactly the kind of property we look for.

Owned by the same family for decades, the units are mostly original. The current owners are nearing retirement, and the property has been under-managed from a potential revenue standpoint. With our standard renovation package, we expect to see a 20% increase in rents — all while improving livability for residents and value for investors.

Executive Summary

Avalon Court Apartments | Kennewick, WA

Avalon Court Apartments is a 33-unit, Class B value-add multifamily opportunity located in Kennewick, WA, part of the Tri-Cities MSA—one of Washington’s fastest-growing and most stable secondary markets. With rising demand for affordable, mid-market housing and a constrained development pipeline, Avalon presents an attractive opportunity to deliver durable cash flow and long-term value creation through strategic renovations and management efficiencies.



Investment Overview

Avalon Court Apartments

801 N Tweedt Street, Kennewick, WA 99336

INVESTMENT TYPE	Single-Asset Investment
LLC ASSET CLASS	Multi-Family Apartment (Workforce, Class B)
INVESTMENT STRATEGY	Light Value-Add w/ Rent Upside
TOTAL EQUITY RAISE	\$1,400,000
PURCHASE PRICE	\$4,550,000
TARGET HOLD PERIOD	Sale in 5 Years
EQUITY MULTIPLIER	2.06x
INTERNAL RATE OF RETURN	16.8%
INVESTMENT MINIMUM	\$100K
ACQUISITION FEE	3%
ASSET MGMT	2% Revenue

DISTRIBUTION & REPORT TIMING

Quarterly reports beginning after the first full quarter after acquisition. Quarterly distributions begin accruing six months post-close and anticipated first distributions at the end of that quarter.

FEE STRUCTURE



Avalon Court Apartments | Kennewick, WA

Tri-Cities Market

Location and Market Overview

Population Growth:

+68% over 20 years; **+10.6%** over next decade

Job Growth Drivers:

**Healthcare, logistics, agriculture,
clean energy, government services**

Rental Market:

Sub-5% vacancy expected by 2030; high rent-to-income ratios signal ongoing demand for affordable mid-tier housing

Lifestyle Appeal:

Warm climate, riverfront access, and quality schools continue to attract families and professionals

Population Growth

Recent/Current Data

- The Tri-Cities region had ~322,875 residents in 2025.
- From 2022 to 2023, the region added ~4,550 people.
- Since 2000, the Tri-Cities have expanded by approx. 131,000 people equalling 68% growth.

Forecast / Trend

- Forecast of 33,000 additional residents by 2030.
- Projected 10.6% population growth by 2035.
- Region may reach 350,000 residents by 2030 at >1% annual growth.

Implication for Multifamily Investment

- Sustained population growth will increase demand for rental housing, supporting stable occupancy and rent increases for multifamily assets.

Job & Sector Growth

Recent/Current Data

- Healthcare sector grew ~38% over the past decade.
- Hospitality and food sectors grew ~33%.
- Education, construction, and business services show recent growth.

Forecast / Trend

- These sectors expected to continue expanding with population growth.
- Likely rise in middle-income employment supporting multifamily demand.

Implication for Multifamily Investment

- Expanding job sectors provide economic stability and attract working professionals seeking quality rental housing.

Wages & Labor Market

Recent/Current Data

- Average hourly wage: \$34.43 in Kennewick–Richland (May 2024).
- U.S. average: \$32.66.
- Unemployment rate around 4.7% as of mid-2025.

Forecast / Trend

- Expect moderate wage growth in expanding sectors.
- Continued labor market strength likely.

Implication for Multifamily Investment

- Rising wages enhance rent-paying ability; low unemployment supports stable tenant base.

Housing Supply

Recent/Current Data

- 70% of recent population growth comes from in-migration.
- In 2025, Tri-Cities added ~2,725 residents; Kennewick accounted for ~670.

Forecast / Trend

- Inbound migration trends expected to continue.
- Risk of housing demand outpacing supply without new multifamily development.

Implication for Multifamily Investment

- Demand pressure will likely reduce vacancy rates and drive rent growth, especially in well-located assets.



Avalon Court Apartments | Kennewick, WA

Investment Highlights

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Units: **33**

Property Type: **Class B Multifamily**

Purchase Price: **\$4,550,000**

Price Per Unit: **\$137,878**

CAPEX Budget: **\$546,000 (\$16,545/unit)**

Target Average Annual Return: **20%**

Target Equity Multiple: **2.16x**

Projected Hold Period: **5 Years**

Minimum Investment: **\$100,000**

Plan:

- Modernize interiors (flooring, fixtures, appliances)
- Optimize expenses with professional management
- Adjust under-market rents to match comparable properties
- Enhance exterior appearance and community appeal.

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Undervalued Asset in Growth Market:

Kennewick is experiencing strong population and job growth, but supply of Class B housing has not kept up. Avalon is priced below replacement cost with significant upside potential.

Value-Add Renovation Strategy:

\$546,000 CAPEX budget to renovate interiors and upgrade operations.

Attractive Financing Terms:

75% LTV loan with 6.10% interest rate and 1-year interest-only period.

Favorable Exit Environment:

Conservative exit cap rate assumption of 5.75%.

High Barriers to Entry:

Regional constraints on new multifamily development, and rising construction costs support long-term demand for Avalon's unit profile.



Avalon Court Apartments | Kennewick, WA

Property Overview

Property Overview

PURCHASE PRICE:	\$4,550,000
NUMBER OF BUILDINGS	3
NUMBER OF UNITS	33
RENTABLE SQUARE FEET	30,330
AVG. UNIT SF	920
YEAR BUILT	1978
HOT WATER/HVAC	Individual units
ROOF	Pitched
CONSTRUCTION	Garden Style
UTILITIES / METERING	Electric/Water/Sewer – RUBs
COMMUNITY AMENITIES	Sport Court Picnic & BBQ Open Space

Property Unit Mix

Avalon Court Apartments, Kennewick, WA

Avalon Apartments features 33 Units with the majority being highly desirable 2 and 3 Bedroom units. All units are in original condition, giving us ample upside on rent growth with a cosmetic refresh of the interiors.

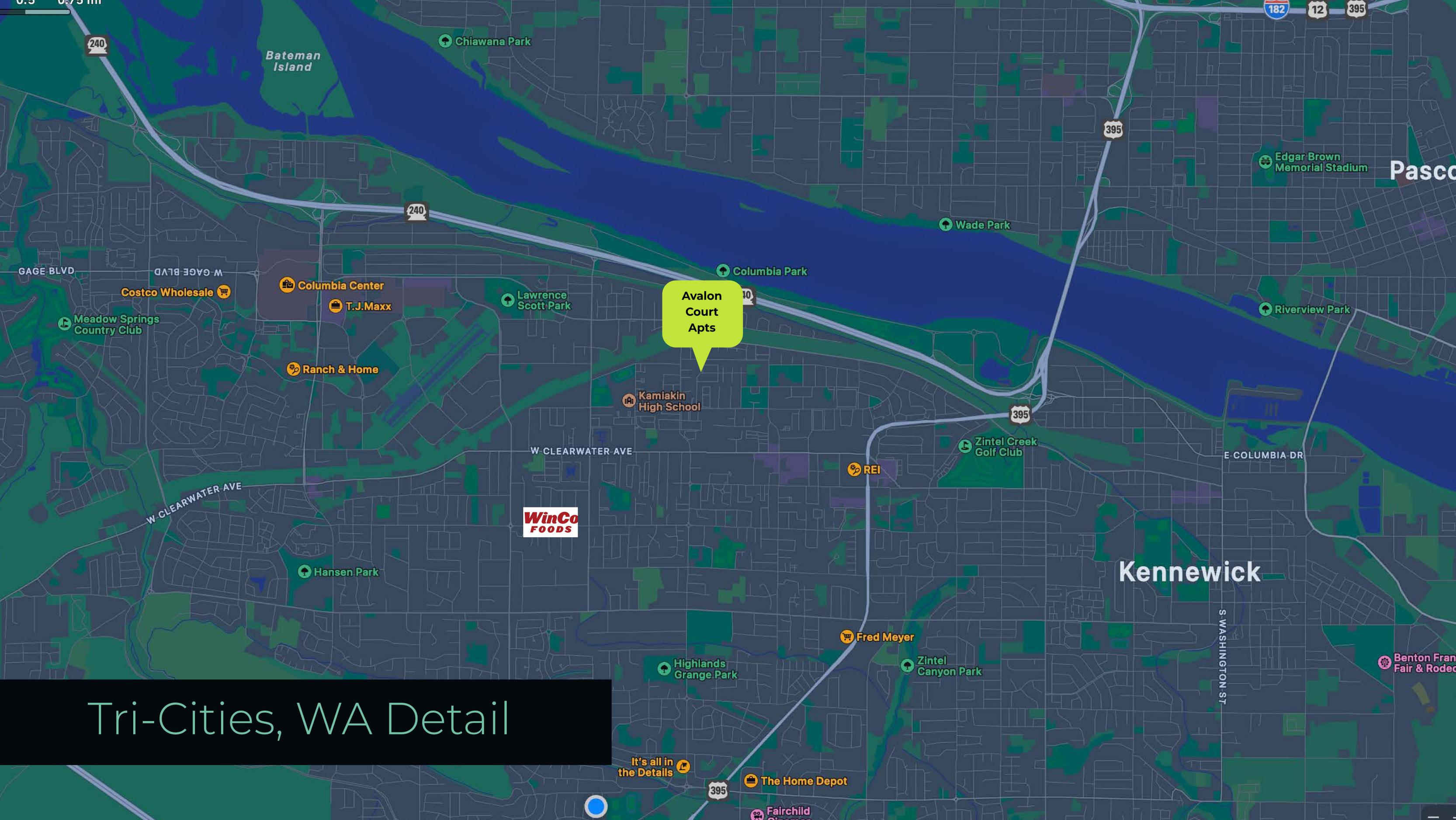
73% of units are 2-bedroom, 1-bath units and 21% of the units are 3-bedroom, 1.5-bathroom. There is also one studio unit and a one-bedroom unit.

73%
2 Bedroom
1 Bath

6%
1 Bedroom
1 Bath

21%
2 Bedroom
1 Bath





Avalon Court Apts

Tri-Cities, WA Detail

It's all in the Details





Avalon Court Apts

Kennewick, WA Detail



Avalon Court Apartments | Kennewick, WA

Sponsor Team



Casey Stratton

MANAGING MEMBER

FINANCE

casey@tamarackrei.com

Casey Stratton is a seasoned professional with over a decade of expertise in real estate investment, specializing in multifamily assets. Through his career, Casey has played an instrumental role in managing a diverse investment portfolio exceeding \$165 million in asset value, raising investor capital, and minimizing investment risk.

Prior to his venture into real estate, Casey served as a Chief Financial Officer in both the legal and tech sectors, honing his financial acumen and strategic leadership skills. With a keen eye for identifying lucrative opportunities and a proven track record of successful investments, Casey is regarded as a trusted authority in the realm of real estate finance and investment.



Max Schneider

MANAGING MEMBER

OPERATIONS

max@tamarackrei.com

Max brings over 16 years of experience in strategy development, process improvement, and a strong financial background, and valuable operational skills in real estate investment. Max thrives in dynamic environments, which can be seen through his work through new product launches to M&A. Notable achievements include leading marketing agency acquisitions, growing revenue significantly, and co-founding a successful business.

Over the last seven years Max has been investing in real estate as a limited partner and is now bringing his experience and operational skillset to provide value to our investors through multifamily real estate investing.



Torey Azure

MANAGING MEMBER

MARKETING AND INVESTOR RELATIONS

torey@tamarackrei.com

Torey began his career as a licensed civil engineer, co-founding Azure + Green Consultants in 2006, where he helped land developers navigate the complexities of entitlements and code compliance across Washington.

In 2012, he launched BrandCraft. Over the years, he grew from a solo freelancer into a multi-office agency with over \$3M in annual revenue, culminating with an acquisition in 2025.

At Tamarack, Torey leverages his past experience to lead efforts in marketing, investor relations, and strategic growth—while continuing to provide technical contributions in real estate development and entitlements.



TAMARACK Capital

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