

PARK CENTER

OFFERING MEMORANDUM

Seattle MSA Value-Add Investment or
Owner/User Opportunity

33400 8th Ave S | Federal Way, WA

ESM CONSULTING
ENGINEERS



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01

EXECUTIVE
SUMMARY

EXECUTIVE SUMMARY

Kidder Mathews is pleased to present the exclusive opportunity to acquire Park Center: a quality building located strategically within the South King County market.

Park Center is a 50,150 square foot office building sitting on a 3.11 acres (135,633 SF) parcel. The asset is 24.79% occupied and would be an excellent value-add investment or owner/user opportunity. Given the opportunity, Park Center is primed for an investor or owner/user to acquire the asset and feel comfortable with the feasibility and market demand.

\$7,000,000

LIST PRICE

\$139.58

LIST PRICE PSF



33400 8th Ave S | Federal Way, WA

BUILDING SIZE	50,150 SF
LAND SIZE	3.11 acres (135,633 SF)
ZONING	OP - Office Park
BUILT	1981/1990
PARKING	168 surface stalls & 60 covered stalls
PARCEL	926500-0110



 **35 MINS**
Bellevue

 **30 MINS**
Seattle

PARK CENTER

FEDERAL WAY

PORT OF TACOMA

 **18 MINS**
Tacoma

COMMENCEMENT BAY

TACOMA

FIFE

KENT

167

18

AUBURN

SUMNER



KING COUNTY MAJOR EMPLOYERS

Alaska

B|E|C|U

BOEING

amazon.com

∞ Meta

Microsoft

T-Mobile



Google

Expedia

DRIVE TIMES

Seattle	30 minutes
Bellevue	35 minutes
Tacoma	18 minutes
Kent	10 minutes
Port of Seattle	35 minutes
Port of Tacoma	15 minutes
SeaTac Airport	20 minutes
Southcenter Mall	18 minutes
Renton	22 minutes

02

PROPERTY
DESCRIPTION

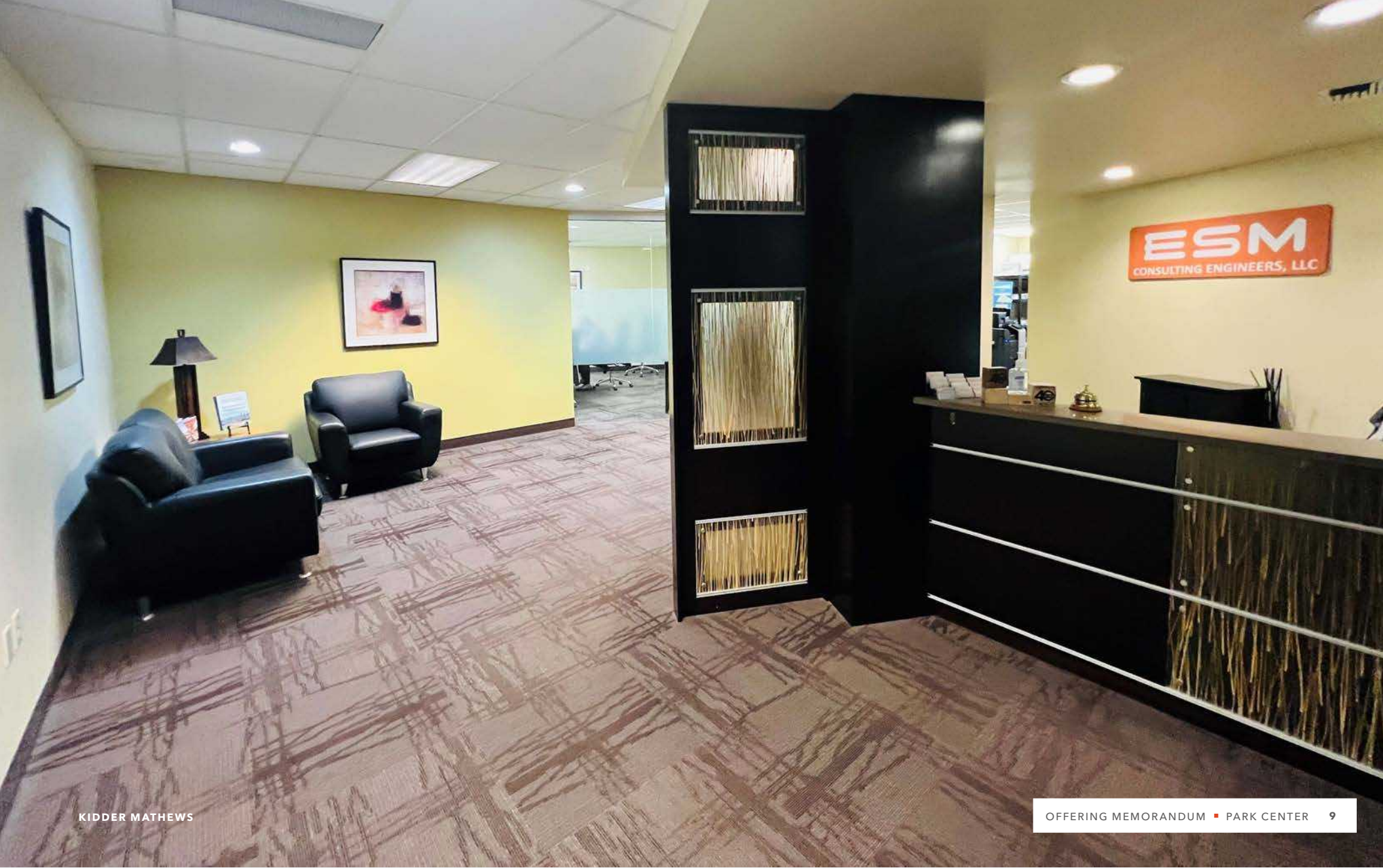


PROPERTY DESCRIPTION

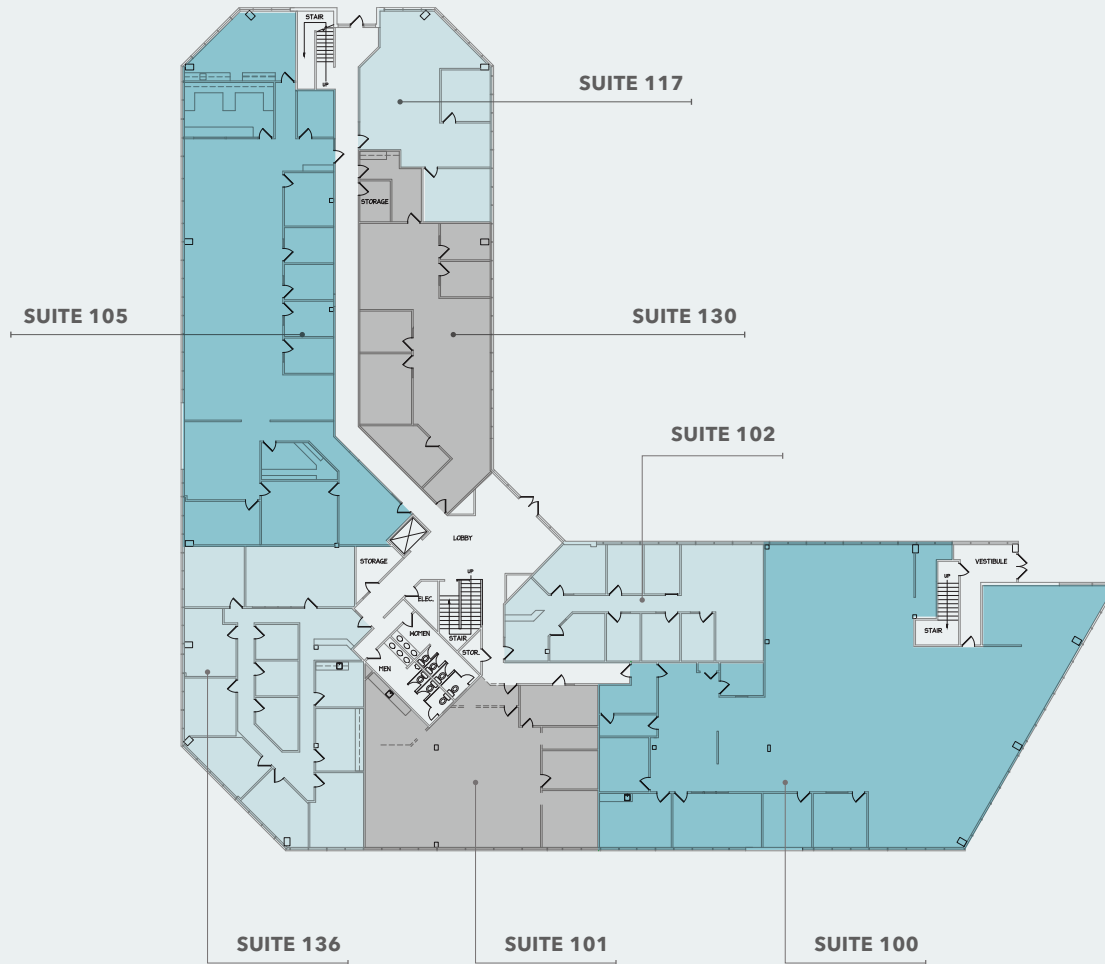
ADDRESS	33400 8th Ave S, Federal Way, WA
OCCUPANCY	12,432 RSF (24.79%)
PARCEL NO.	926500-0110
BUILDING SF	50,150 RSF
LAND AREA	3.11 acres (135,633 SF)
YEAR BUILT/REMODELED	1981/1990/2020
CAR PARKING	168 surface stalls & 60 covered stalls
ZONING	OP - Office Park
STORIES	Two stories of office with tuck under parking



ESM CONSULTING ENGINEERS LOBBY



FLOOR PLAN



FIRST FLOOR

7,369 SF

SUITE 100

1,486 SF

SUITE 117 (ALLSTARS)

2,501 SF

SUITE 101

2,501 SF

SUITE 130

1,981 SF

SUITE 102

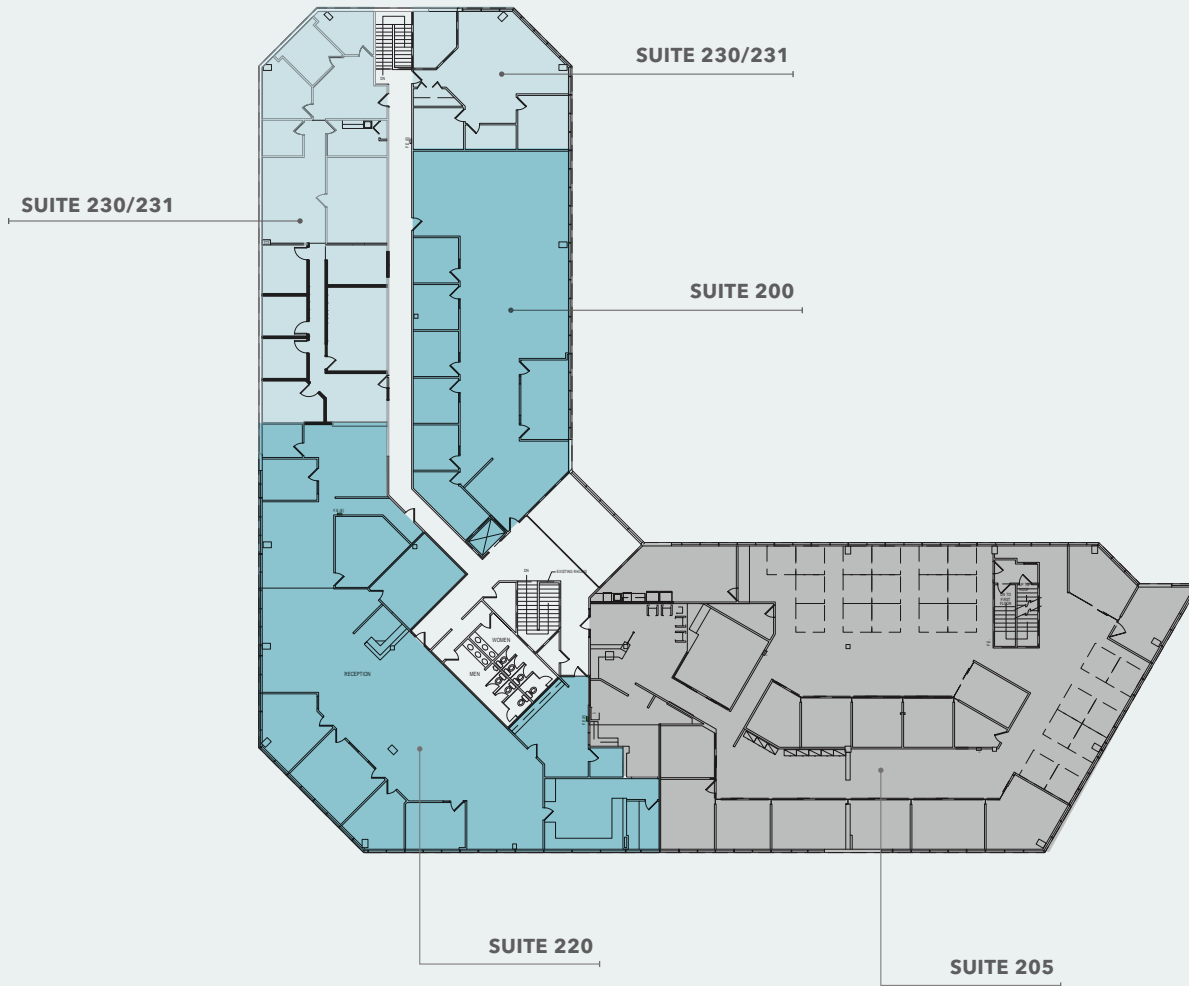
3,352 SF

SUITE 136

5,573 SF

SUITE 105

FLOOR PLAN



SECOND FLOOR

3,875 SF

SUITE 200

10,946 SF

SUITE 205 (ESM)

5,930 SF

SUITE 220

4,666 SF

SUITE 230/231

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Mathews
FOR LEASE
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PARK CENTER
33400

03

MARKET
OVERVIEW

MARKET OVERVIEW

The Seattle MSA enjoys one of the most innovative and diverse economies in the country. Driven by a mix of well-established industrial and manufacturing companies like Boeing and Weyerhaeuser and new economy high-tech companies like Microsoft and Amazon, Seattle has become a magnet for the country's most talented and skilled workforce with expertise in aerospace, software engineering, life sciences and healthcare, cleantech, and information and communication technologies (ICT).

Seattle's Boeing Commercial Airplanes accounts for over 42% of all commercial aircraft currently flying across the globe. More than 90% of Boeing jets are built in Greater Seattle and there are more than 800 aerospace companies in the region. Together these aerospace companies employ 17% of all aerospace workers in the U.S.

Companies like Microsoft, Amazon and Tableau have made the Seattle metro area a world leader in cloud computing and data visualization. With more than 3,000 high tech and ICT companies in the metro area, Seattle is a leading center for information and communications technology, clean technology, and software development.

The Puget Sound region has long been a center for the life sciences and healthcare industries. Scientists from the Fred Hutchinson Cancer Research Center developed bone marrow transplantation. A collaboration of local talent from healthcare and aerospace created software solutions to create astronaut life support systems. As the life sciences industry is now moving to incorporate more software and IT processes in the R&D and supply chain processes, the depth of tech talent and expertise in Seattle is a huge bonus that has been attracting life sciences companies to the region.

733,074 POPULATION (EST)

\$147,107 AVERAGE HOUSEHOLD INCOME (EST)

52,553 TOTAL BUSINESS

511,012 TOTAL EMPLOYEES

The Seattle metro area is also a national leader in the global economy. Located midway between Asia and Europe by air and next door to Canada, Greater Seattle's location couldn't be more ideal. Linked by road, rail, ship and air to global distribution networks, the city has grown to take on international economic importance. The region excels as a global logistics & trading hub, boasting the third largest container shipping center in North America with the Northwest Seaport Alliance. The region is also home to four foreign trade zones and the Seattle-Tacoma International Airport (SEATAC), a major international airport. With over 40% of jobs in the region tied to international trade and business, Greater Seattle is the one of the most internationally connected regions in the United States.

In 2022, the Seattle metro area ranked #1 as the strongest local economy in the U.S. in POLICOM's annual community rankings and #1 in the Forbes' 2019 best city for business rankings.



EMPLOYMENT

The Puget Sound region of Washington has a very strong economy and job market. The area has roughly 2.14 million jobs and 128,041 employers. The region is filled with world-class employers ranging from large tech firms to top health care facilities, and renowned manufacturing and distribution hubs. Puget Sound is home to 160k+ manufacturing jobs and 185k+ tech jobs. The tech industry in the region reported job growth of 35.4% since 2016. The Seattle-Tacoma-Bellevue MSA is the largest metro area in the state of Washington, the fifth largest metro in the West, and 15th largest in the U.S. As of August 2022, the Seattle-Tacoma-Bellevue MSA has a low unemployment rate of 3.5%.

According to U.S. Bureau of Labor Statistics, the Seattle Metro area has added 87,200 jobs since September 2021. This accounts for a 4.9% increase year-over-year. Employment in the region has almost caught up with the pre-pandemic employment levels, proving the strength of this region's economy.

Top Puget Sound Area Companies



NORDSTROM



04

FINANCIAL
OVERVIEW

FINANCIAL OVERVIEW

The financial overview of the Park Center opportunity is based on a detailed analysis of in-place rents and market leasing assumptions.

Current NOI (assumes April 2024 acquisition)	(\$131,600.64)
Revenue	\$279,408.36
<hr/>	
Stabilized Profoma NOI	(\$809,122.36)
Revenue	\$1,220,131.36
<hr/>	
Stabilized cap rate at \$7,000,000 acquisition	11.56%



Market Conditions

TOTAL RENTABLE AREA	50,150 RSF		
CURRENT OCCUPANCY	12,432 RSF (24.79%)		
CASH FLOW START DATE	April 1, 2024		
MARKET RENTS	Office	\$24.00 - \$30.00 per RSF, full service	
MARKET RENT GROWTH RATE	Year 1	5%	
	Year 2	5%	
	Thereafter	3%	
RENT INCREASES	3% annually		
OPERATING EXPENSES	Estimated 2023 Operating Expenses \$8.24 per RSF		
RENEWAL PROBABILITY	85%		
LEASE UP TIME	9 months		
RENT ABATEMENT	Office	5-year term	3 months
		10-year term	5 months
TENANT IMPROVEMENTS	New Lease	\$6.00 per RSF, per year of the lease term	
	Renewal	\$2.00 per RSF, per year of the lease term	
LEASING COMMISSIONS	Tenant Rep	\$1.00 per RSF, per year	
	Landlord Rep	\$0.50 per RSF, per year for years 1 - 5	
		\$0.25 per RSF, per year for years 6 - 10	
VACANT PROFORMA	Assumes a lease rate of \$25.00 per RSF, full service		

RENT ROLL - APRIL 2024

PARK CENTER

Suite	Tenant	Occupancy Date	Lease Term	Leased RSF	Total RSF	Rent PSF	Exp Est PSF	Rent Step Date	Monthly Rent	Monthly Esc	Monthly Other	Monthly Payment
100	VACANT	-	-	0	7,369	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
101	VACANT	-	-	0	2,501	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
102	VACANT	-	-	0	1,981	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
105	VACANT	-	-	0	5,573	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
117	After School Allstars	08.01.22	08.01.22 - 09.30.29	1,486	1,486	-	-	10.01.22 08.01.23 08.01.24 08.01.25 08.01.26 08.01.27 08.01.28 08.01.29	\$2,476.67 \$2,550.97 \$2,627.74 \$2,707.00 \$2,788.73 \$2,872.93 \$2,959.62 \$3,048.78	\$147.32	\$0.00	\$2,698.29
130	VACANT	-	-	0	2,501	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
136	VACANT	-	-	0	3,352	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
200	VACANT	-	-	0	3,845	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
205	ESM Consulting Engineers, LLC	10.01.14	01.01.13 - 07.31.25	10,946	10,946	\$0.00 \$20.87 \$21.49 \$22.14	\$1.05	04.01.23 05.01.23 04.01.24 04.01.25	\$0.00 \$19,034.12 \$19,605.14 \$20,193.29	\$955.01	\$0.00	\$20,560.15
220	VACANT	-	-	0	5,930	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
230/231	VACANT	-	-	0	4,666	-	-	-	\$0.00	\$0.00	\$0.00	\$0.00
PRKG	1 Parker - \$45.00/quarter	Qtrly							\$45.00	\$0.00	\$0.00	\$0.00
	Area Adjustment				(393)							
Totals				12,432	50,150				\$22,156.11	\$1,102.33	\$0.00	\$23,258.44



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