

THE KCP BUILDING

OFFERING MEMORANDUM

Class-A-quality building in a premier campus setting strategically located within the Kent market

20610 68th Ave S | Kent, WA 98032



KCPOFFERING.COM | [VIEW PROPERTY VIDEO](#)

km Kidder
Mathews

TABLE OF CONTENTS

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01

EXECUTIVE SUMMARY

Page 3

02

PROPERTY DESCRIPTION

Page 8

03

MARKET OVERVIEW

Page 15

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01

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Kidder Mathews is pleased to present the exclusive opportunity to acquire The KCP Building: a premiere campus setting in a Class A quality building located strategically within the Kent market.

The KCP Building is a 81,464 SF office building sitting on a 5.54 Acres (241,332 SF) parcel in the highly desirable Kent Valley sub-market. Formally occupied by Boeing Employees Credit Union (BECU), this asset has proven to be an excellent owner/user building.

Given the high end build out, The KCP Building is primed for an investor to acquire the asset and feel comfortable with the feasibility and market demand. The KCP Building neighbors the Centerpoint Office Park which routinely is fully stabilized.

Having the opportunity to acquire 5.54 acres in the Kent Valley with I1 zoning is an unparalleled opportunity for an investor to acquire the property with development potential.

\$14.2 M

LIST PRICE

\$174.31

LIST PRICE PSF



20610 68th Ave S | Kent, WA

BUILDING SIZE	81,464 SF
LAND SIZE	5.54 acres (241,332 SF)
ZONING	I1 (Industrial 1) → ZONING CODE → ZONING MAP
RENOVATED	2003; using high-end class A finishes
PARKING	353 surface stalls
PARCEL	012204-9021



INVESTMENT HIGHLIGHTS



UNPARALLELED OPPORTUNITY

The KCP Building offers an opportunity for an owner/user, investor, or developer to acquire a best in class asset in the Seattle MSA. The building and property have been meticulously maintained and completely remodeled upon BECU's acquisition in 2003.



CORPORATE PRESENCE

The KCP Building provides a company the ability to create their own identity in the 81,464 standalone two story office building. Exterior building signage, highway exposure and great curb appeal will leave your employees and clients happy.



BELOW REPLACEMENT COST OPPORTUNITY

At \$174.31 PSF, The KCP Building is significantly below replacement cost as construction costs increase and build-able land becomes nonexistent. BECU has retro-fit the building with best in class finishes and Universal design, allowing for immediate occupancy.



STRONG ECONOMIC OUTLOOK

The greater Seattle MSA added over 100,000 jobs over the past two years. This job growth is driven by the technology sector, however hiring is across all industries including biomedical research, retail, professional services, construction, and communications. The Seattle MSA has now exceeded its previous peak employment levels and unemployment has dropped to 3.40%.



STRONG SUBMARKET

The KCP Building neighbors the Centerpoint multi tenant office park, which has historically performed at a fully stabilized rate. Rental rates have been increasing year over year as vacancy declines. The industrial market has seen all time lows in vacancy, currently 5.20%.



INDUSTRIAL REDEVELOPMENT OPPORTUNITY

Given the industrial zoning (I1 - Industrial 1), the property provides the potential for redevelopment as a 50-yard line industrial development on the 5.54 acre site located in the heart of the Kent Valley.

 **20 MINS**
Seattle

 **25 MINS**
Bellevue

TUKWILA

RENTON

SEATAC

SEATAC

509

INTERSTATE
5

**KCP
BUILDING**

167

181

DES MOINES

516

KENT

 **25 MINS**
Tacoma



KING COUNTY MAJOR EMPLOYERS

Alaska

B|E|C|U

BOEING

amazon

∞ Meta

Microsoft

T-Mobile



Google

Expedia

DRIVE TIMES

Seattle	20 Minutes
Bellevue	25 Minutes
Tacoma	25 Minutes
Port of Seattle	20 Minutes
Port of Tacoma	20 Minutes
SeaTac Airport	10 Minutes
Southcenter Mall	10 Minutes
Renton	10 Minutes
Federal Way	15 Minutes

02

PROPERTY
DESCRIPTION



**THE
JUNCTION**

WE ARE PEOPLE
HELPING PEOPLE

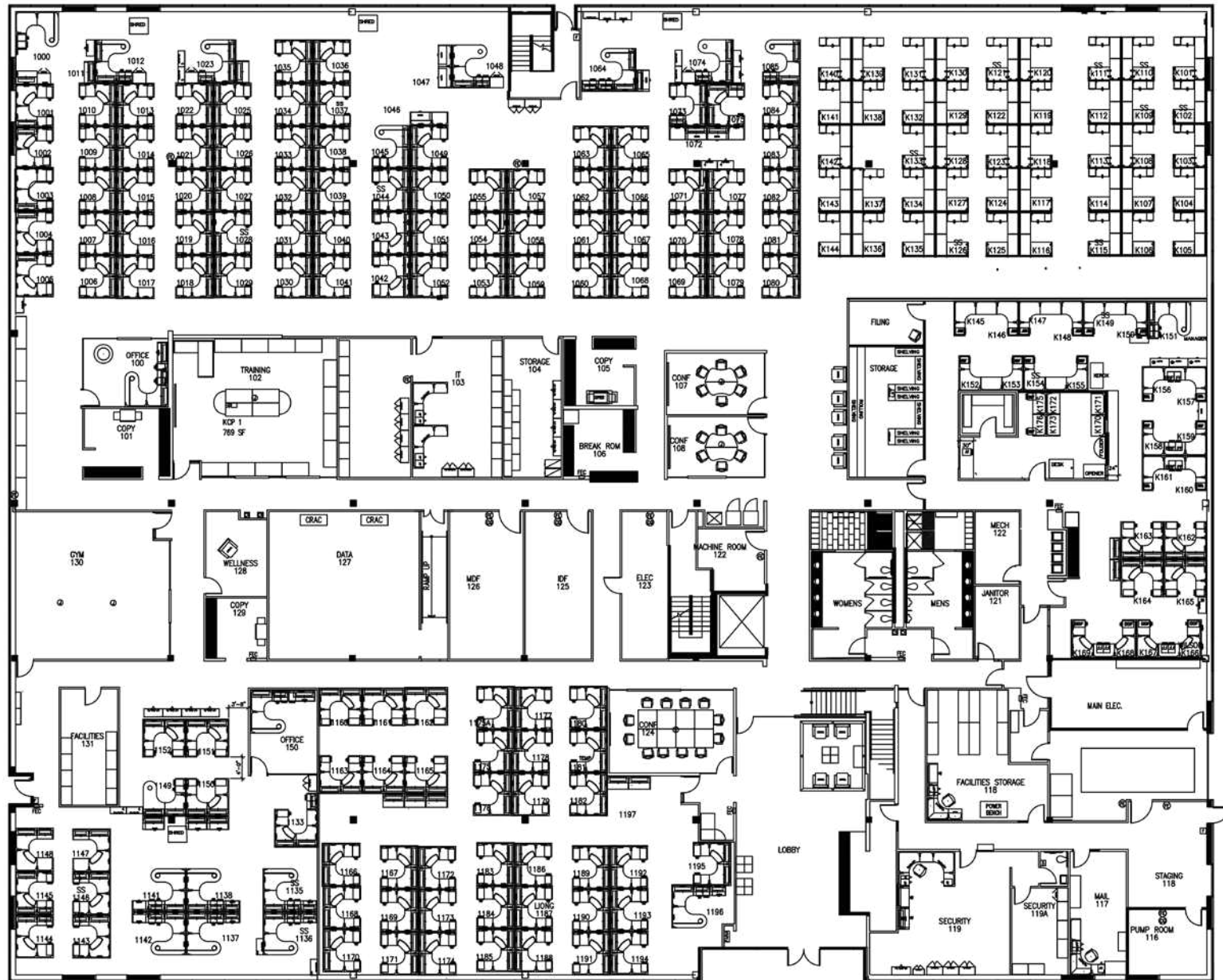


BUILDING DETAILS

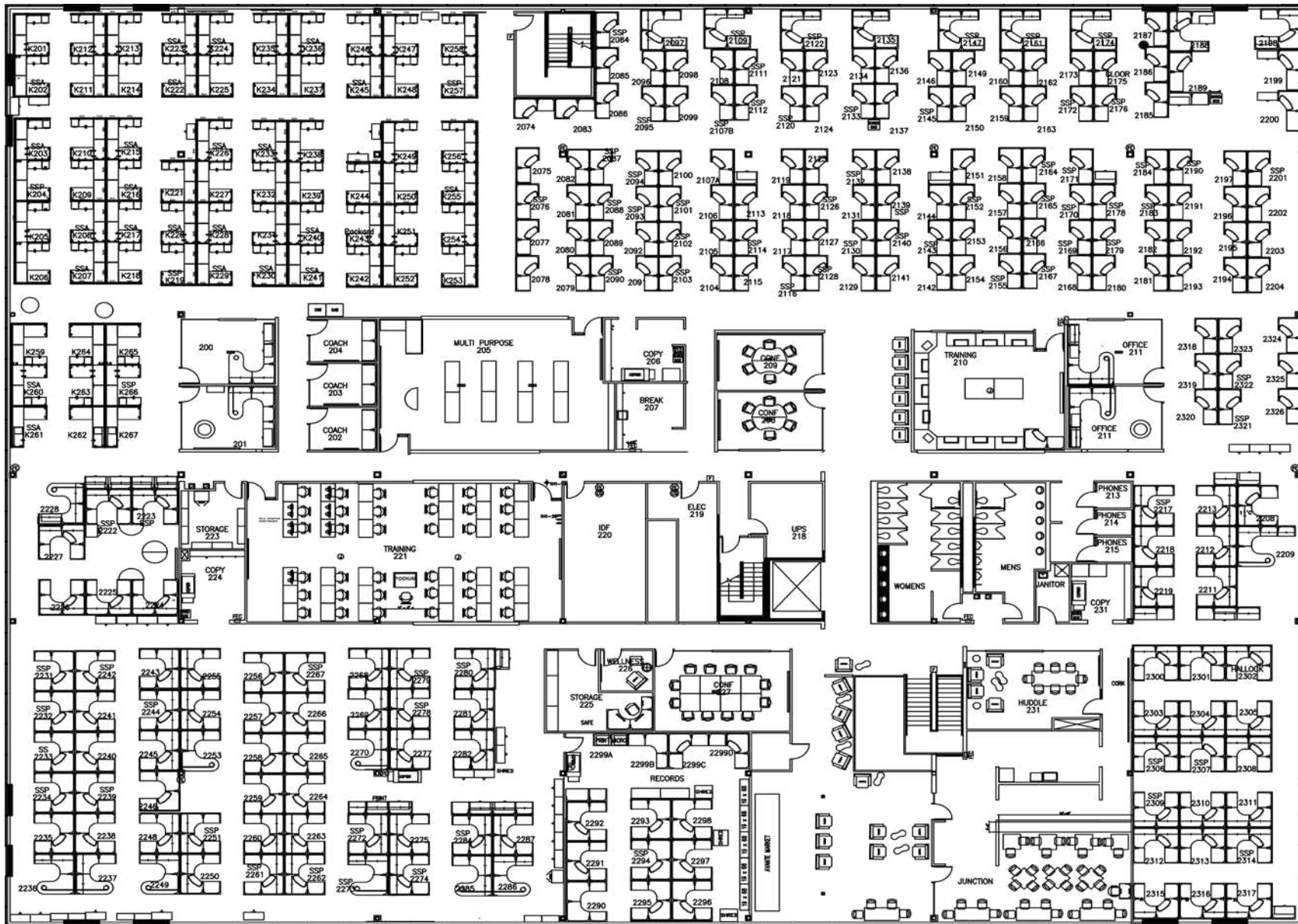
ADDRESS	20610 68th Ave S, Kent, WA	
OCCUPANCY	Currently 0% - can hold up to 500 employees	
PARCEL NO.	012204-9021	
BUILDING SF	81,464 SF	
LAND AREA	5.54 Acres (241,167 SF)	
OFFICE SF %	99% (building has a grade level door with small warehouse)	
YEAR BUILT/REMODELED	1983/2003	
DROP CEILING	Twelve (12) feet	
CAR PARKING	353 surface stall (4.33/1,000 SF)	
ELEVATORS	One (1)	
GRADE-LEVEL DOORS	One (1)	
ZONING	I1 (Industrial 1)	→ ZONING CODE → ZONING MAP
CONSTRUCTION	Steel	
ROOF/AGE	2003	
SPRINKLERS	Yes	
STORIES	Two (2)	
HVAC	2003	

Maintained in a Class A manner for the duration of BECU's ownership, the buyer will benefit from high end finishes, a universal space plan and a Ready-To-Go office building.

FLOOR PLAN | FIRST FLOOR

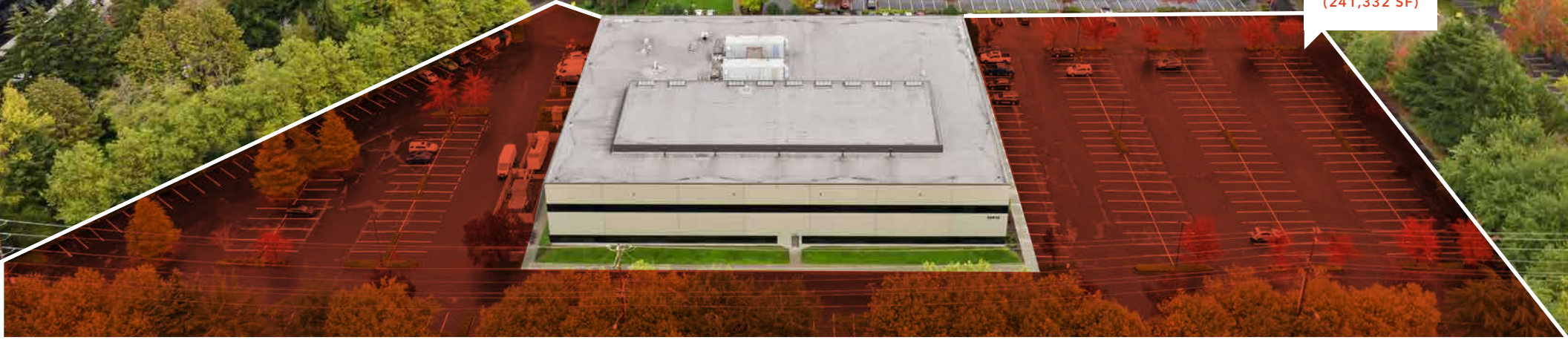


FLOOR PLAN | SECOND FLOOR





5.54 AC
(241,332 SF)







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

amazon

Microsoft

BOEING

T-Mobile



Meta

NORDSTROM

Providence

Alaska

Expedia

Zillow



Google



CommonSpirit

ORACLE

RECENT SALE COMPARABLES

					
	MERIT BUILDING	EARLINGTON BUSINESS CENTER BLDG B	STRADA DAVALLE BLDG B	RIVERPOINT CORPORATE CENTER	VALLEY 3900 BLDG
LOCATION	615 S 9th St Tacoma, WA	1107 SW Grady Way Renton, WA	2400 E Valley Rd Renton, WA	18200 Cascade Ave S Tukwila, WA	3900 East Valley Road Renton, WA
BUYER	Sea Mar	Alaska USA Federal Credit Union	Anna Jones	Clarion Partners	Middle Tree Properties LLC
SELLER	Merit Investments	William K.M. Shields MD	Gary Merlino	O'Keefe Development	STG Renton LLC
SIZE	28,000 SF	27,584 SF	15,720 SF	104,908 SF	21,117 SF
SALE PRICE	\$6,200,000	\$4,750,000	\$3,550,000	\$18,020,000	\$4,600,000
PRICE / SF	\$221.43	\$172.20	\$225.83	\$171.77	\$217.83
CAP RATE	N/A	N/A	N/A	8.50%	N/A
COMMENTS	<ul style="list-style-type: none"> - Owner/user - 33% leased - Sea Mar to occupy remaining SF 	<ul style="list-style-type: none"> - Owner/user sale - Class B - 0% leased 	<ul style="list-style-type: none"> - Owner/user sale - Class B - 0% leased 	<ul style="list-style-type: none"> - Long-term industrial redevelopment - 97% leased with upcoming lease roll 	<ul style="list-style-type: none"> - Owner/user sale with the buyer occupying half of the building - The building was 50% leased upon acquisition



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