

OFFERING MEMORANDUM

# FAIRWOOD COMMERCE CENTER

14300 SE PETROVITSKY RD, RENTON, WA 98058



SE PETROVITSKY RD  
KIDDER.COM

km Kidder Mathews



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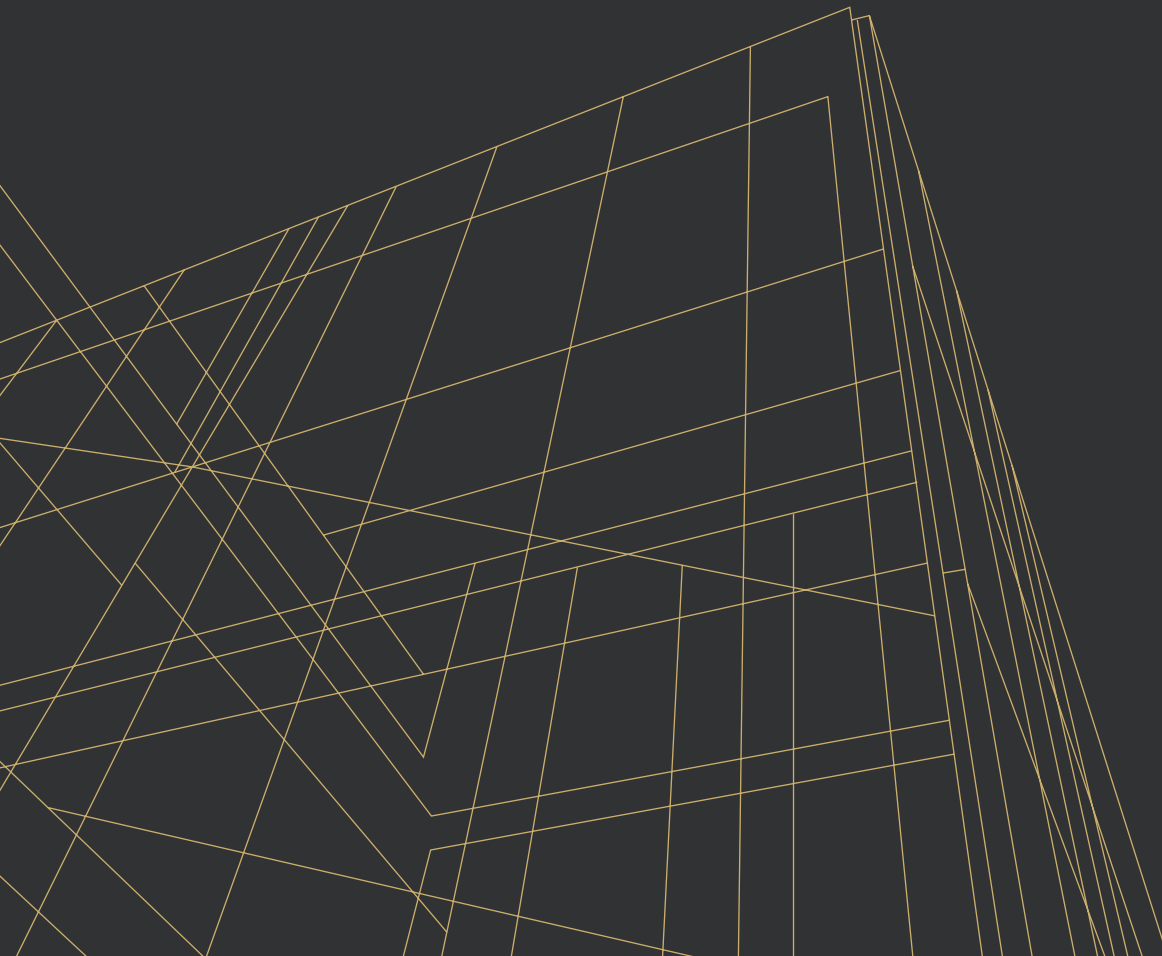
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# INVESTMENT SUMMARY

## INVESTMENT SUMMARY

Kidder Mathews is pleased to present for the first time ever the opportunity to acquire the Fairwood Commerce Center, a 100% occupied center featuring a balanced mix of long-standing retail and dental tenants. Located on a signalized hard corner the property enjoys exceptional visibility and consistent traffic flow. Directly across the street is the Fairwood Shopping Center, anchored by Safeway, the only grocer serving the immediate area. All tenants operate on NNN leases with regular rent increases allowing future ownership to receive a stable, growing income stream. Current ownership has had zero actual vacancy for the last 30+ years.

|              |                                     |
|--------------|-------------------------------------|
| PRICE        | \$4,140,000                         |
| CAP          | 6.0%                                |
| NOI          | \$247,616                           |
| OCCUPANCY    | 100%                                |
| RENTABLE SF  | 11,022                              |
| LAND AREA SF | 27,443                              |
| PRICE PER SF | \$376                               |
| YEAR BUILT   | 1979                                |
| ADDRESS      | 14300 SE Petrovitsky Rd, Renton, WA |

*\$4,140,000*

PRICE

*6.0%*

CURRENT CAP RATE



## INVESTMENT HIGHLIGHTS



### GENERATIONAL INVESTMENT

First time on the market since originally constructed in 1979.



### PRIDE OF OWNERSHIP

The center has been extremely well-maintained, including a newer roof, exterior paint, seal coating, landscaping and heating and air conditioning.



### 100% OCCUPIED

With long-term tenants, and half the rentable SF is leased to dental tenants.



### NNN LEASES

All tenants operate on NNN leases, allowing for full reimbursement of operating expenses.



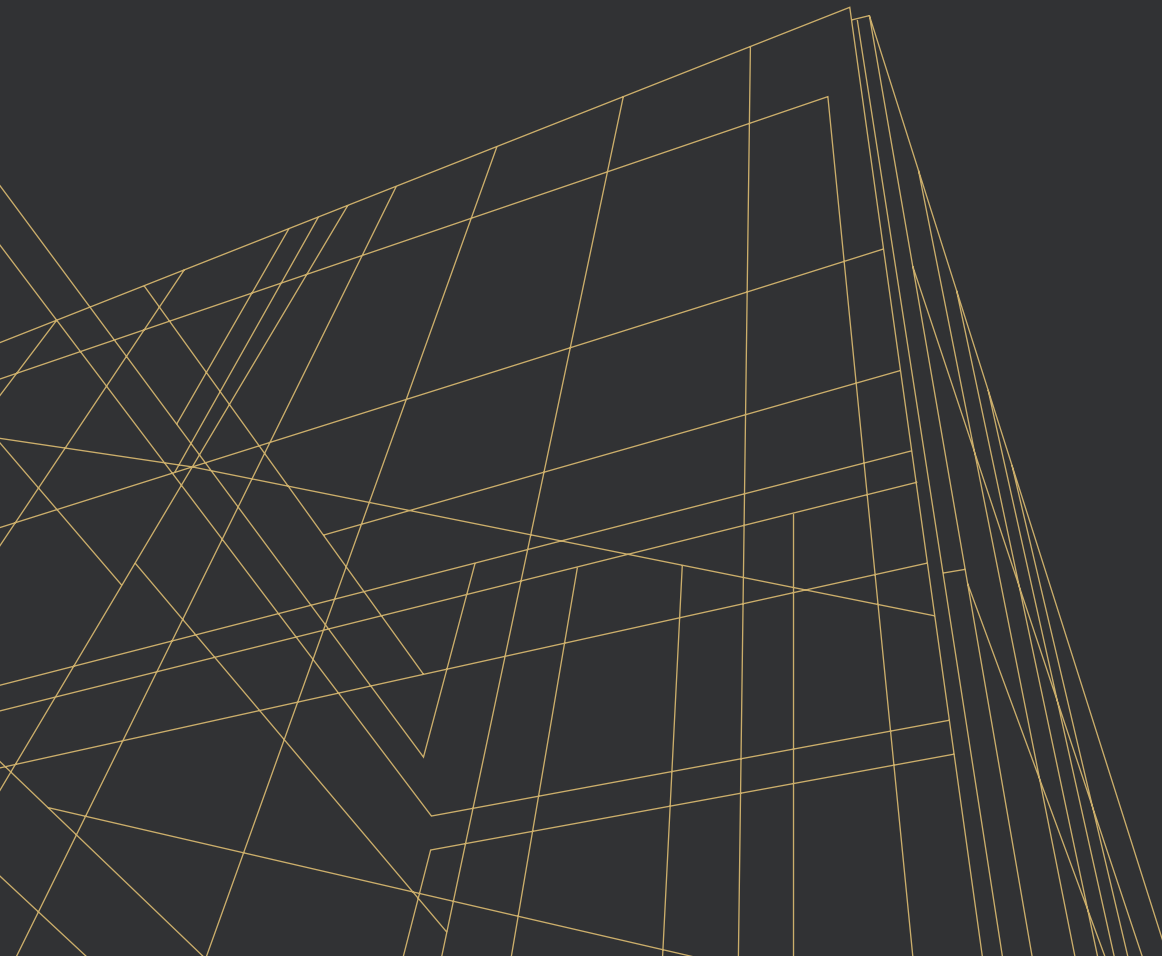
### PREMIUM LOCATION

Signalized hard corner location directly across street from the Fairwood Shopping Center, anchored by Safeway and 24 Hour Fitness.



### CITY ADVANTAGE

Renton is the 8th largest city in WA State and boasts average household incomes of \$153K+.



# FINANCIALS

*Section 02*

# CASH FLOW SUMMARY

| <b>SCHEDULED REVENUE</b>              | Annual           | Per SF         |
|---------------------------------------|------------------|----------------|
| Scheduled Base Rent                   | \$271,886        | \$24.67        |
| Rent Increases During Analysis Period | \$777            | \$0.07         |
| Operating Expense Reimbursement       | \$194,214        | \$17.62        |
| Scheduled Gross Revenue               | \$466,876        | \$42.36        |
| Vacancy (5%)                          | (\$23,344)       | (\$2.12)       |
| <b>Effective Gross Revenue (EGR)</b>  | <b>\$443,532</b> | <b>\$40.24</b> |
| <b>OPERATING EXPENSES</b>             | Annual           | Per SF         |
| Property Taxes                        | \$30,198         | \$2.74         |
| Insurance                             | \$14,513         | \$1.32         |
| CAM                                   | \$132,675        | \$12.04        |
| Management Fee (3.75% of EGR)         | \$16,877         | \$1.53         |
| Reserves                              | \$1,653          | \$0.15         |
| Total Operating Expenses              | \$195,916        | \$17.78        |
| <b>Net Operating Income</b>           | <b>\$247,616</b> |                |

**\$4,140,000**  
PRICE

**6.00%**  
CURRENT CAP RATE

**\$376**  
PRICE PER SF



# OPERATING EXPENSES

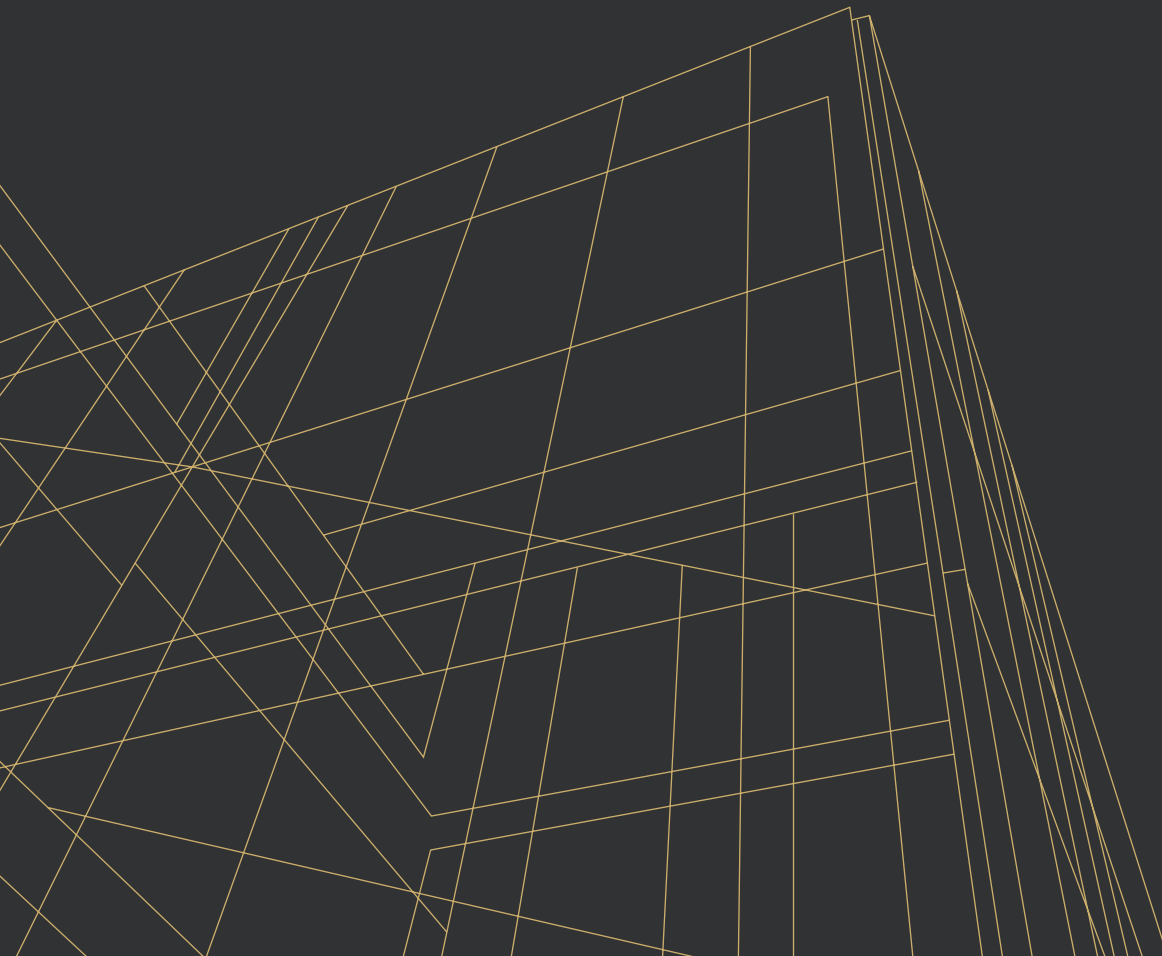
|                       | OPERATING EXPENSES<br>(FORECASTED) |                |          | REIMBURSEMENTS      |
|-----------------------|------------------------------------|----------------|----------|---------------------|
|                       | Total                              | PSF            | Notation | Annualized in-Place |
| PROPERTY TAXES        | \$30,198                           | \$2.74         | 1        | \$30,198            |
| INSURANCE             | \$14,513                           | \$1.32         | 2        | \$14,513            |
| CAM                   | \$132,675                          | \$12.04        | 2        | \$132,675           |
| MANAGEMENT FEE        | \$16,877                           | \$1.53         | 3        | \$16,828            |
| RESERVES              | \$1,653                            | \$0.15         | 4        | \$0                 |
| <b>TOTAL EXPENSES</b> | <b>\$195,916</b>                   | <b>\$17.78</b> |          | <b>\$194,214</b>    |

## NOTATIONS

- 1) Based on the 2024 King County Tax Assessor
- 2) Based on the 2023 P&L Financial Statement
- 3) Calculated at 3.75% of EGR
- 4) Methodology: \$0.15/SF allocated towards Reserves







# LOCATION OVERVIEW



# RENTON

*Renton is located 15 miles southeast of Seattle, is the 8th largest city in Washington. Renton is just six miles from SeaTac airport, which serves 280 million people each year and generates nearly 172,000 jobs.*

Renton's affordability makes the city an attractive place to call home. Compared to its neighbors (Seattle, Issaquah, Redmond, and Bellevue), Renton has the lowest median home price. From a business perspective, Renton's land costs and lease rates are among the best in King County, and with low local business and occupation tax, businesses keep more of their earnings.

The Renton Municipal Airport has allowed the city to thrive as an aerospace and aviation hub. Three of Boeing's six main business divisions are headquartered in Renton, and 14 other aerospace-related manufacturing, supply, and service companies call Renton home. The aviation industry is one of the most important contributors to the Pacific Northwest economy.

With over 2,000 software companies within a 30-mile radius, over 2,800 acres of parks and playgrounds, and a school district that boasts four Blue Ribbon Schools of Excellence, Renton continues to position itself as a standout city in both King County and the state of Washington.



# LOCATION OVERVIEW



**BIG LOTS!**

**PANDA EXPRESS**

**CHASE**

**BANK OF AMERICA**

**munchies**

**Little Caesars**

**WELLS FARGO**

**MudBay**

**SAFeway**

**verizon**

**hair)masters**

**BARTELL DRUGS**

**McDonald's**

**Starbucks**

**MOD**

**LAIFITNESS**

**ACE Hardware**

**MIKE'S FAIRWOOD AUTO**

**FIVE SISTERS**

**THE WINE ALLEY**

**SUBJECT PROPERTY**

SE 176TH ST

SE PETROVITSKY RD



# DEMOGRAPHICS

## POPULATION

|                               | 1 Mile     | 3 Miles       | 5 Miles       |
|-------------------------------|------------|---------------|---------------|
| 2024 TOTAL                    | 13,059     | 86,775        | 197,436       |
| 2029 PROJECTION               | 13,506     | 85,582        | 194,622       |
| 2020 CENSUS                   | 13,168     | 89,822        | 204,465       |
| HISTORICAL GROWTH 2010 - 2020 | 877 (1.8%) | 10,313 (3.2%) | 24,818 (3.5%) |

## INCOME

|                                  | 1 Mile    | 3 Miles   | 5 Miles   |
|----------------------------------|-----------|-----------|-----------|
| 2024 AVERAGE HH INCOME           | \$153,983 | \$157,210 | \$152,059 |
| 2029 PROJECTED AVERAGE HH INCOME | \$163,241 | \$166,061 | \$160,225 |
| 2024 MEDIAN HH INCOME            | \$118,612 | \$124,321 | \$118,711 |
| 2029 PROJECTED MEDIAN HH INCOME  | \$122,784 | \$129,041 | \$123,137 |



# TOP 5 EMPLOYERS



*Exclusively Listed by The Gellner Team*

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