

RIVERSIDE INDUSTRIAL PARK

BUILDING TWO | 3900 150TH AVENUE CT E, SUMNER, WA

\$8,400,000



NEWMARK

OFFERING MEMORANDUM

Newmark (the "Agent") has been engaged as the exclusive sales representative for the sale of Riverside Industrial Park - Building 2 (the "Property") by 'Ownership' (the "Seller").

This Memorandum does not constitute a representation that the business or affairs of the Property or Seller since the date of preparation (October 2020) of this Memorandum have remained the same. Analysis and verification of the information contained in this Memorandum are solely the responsibility of the prospective purchaser.

Additional information and an opportunity to inspect the Property will be made available upon written request of interested and qualified prospective purchasers. Seller and Agent each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any party at any time with or without notice. Seller reserves the right to change the timing and procedures for the Offering process at any time in Seller's sole discretion. Seller shall have no legal commitment or obligations to any party reviewing this Memorandum, or making an offer to purchase the Property, unless and until such offer is approved by Seller, and a written agreement for the purchase of the Property has been fully executed and delivered by Seller and the Purchaser thereunder.

This Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not forward, photocopy or duplicate it, that you will not disclose this Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Seller or Agent, and that you will not use this Memorandum or any of the contents in any fashion or manner detrimental to the interest of Seller or Agent. Buyer is responsible for paying any procuring fees.

INVESTMENT SALES CONTACTS

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NEWMARK



EXECUTIVE SUMMARY

Newmark is pleased to offer the fee simple interest in the Riverside Industrial Park - Building 2.

The sale is of a fully stabilized asset with gross leases in place through 2024.

3900 150th Avenue Ct E,

50,421 SF
100% LEASED

building in Sumner, Washington

PROPERTY ATTRIBUTES

 Located in the heart of the Sumner industrial district. Over the past decade, Sumner has become the premier industrial hub in the area with the largest inventory in the metro.

 This rare opportunity offers easy access to freeways, the primary north/south artery connecting the property to the Port of Tacoma, BNSF Tacoma East, Sea-Tac International Airport, Downtown Seattle and Portland.

 Well positioned for a variety of distribution and manufacturing uses.

 Ample parking, grade level loading, and ability to accommodate a variety of tenants and sizes.

Address	City	% Occupied	Land Area	Year Built	Total SF	Shell SF	Warehouse	Office SF	Office %	Clear Height	Loading
3900 150th Ave Ct E	Sumner	100%	107,593 SF	2015	50,421 SF	45,272 SF	40,168 SF	5,149 SF (1st Floor) 5,149 SF (2nd Floor)	20%	26'	8 DH / 16 GL



50,421
SQUARE FEET

1
BUILDING

100%
LEASED

\$427,775*
YEAR-ONE NOI

**Factors in \$69,025 annually in real estate taxes and \$3,600 annually in building insurance on semi-gross lease structure*

OFFERING SUMMARY

OFFERING PRICE

The Property is being offered for sale at \$8,400,000. Investors should base their offer on an “as-is and where-is” condition for the property.



TERMS

All cash due at closing, no debt to be assumed for the property.

This offering is being distributed exclusively to a select group of qualified investors. By taking receipt and possession of this Offering Memorandum, the prospective registered investor has agreed to treat and utilize the information and data contained in this document in strict confidence. Following the distribution of materials, Newmark will be available to assist prospective investors and their consultants with property inspections and to respond to questions regarding information contained in the Offering Memorandum.

Newmark will notify qualified prospective purchasers of the initial bid date. Following the first round of offers, the owner will select an investor or investors to purchase the property or request several investors to submit best and final offers from which one will be chosen. The selection will be based on a variety of factors including but not limited to, offer price, financial strength, level of discretionary oversight, ability to close, timing and experience in closing similar transactions.



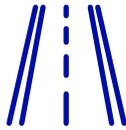
PROPERTY DESCRIPTION



Riverside Industrial Park - Building 2 consists of one **50,421 square foot** building with **10,298 square feet** of office over two floors on a **2.47 acre** site.



The city of Sumner is located in north central Pierce County, approximately **15 miles** east of Tacoma and **8 miles** south of the city of Auburn.

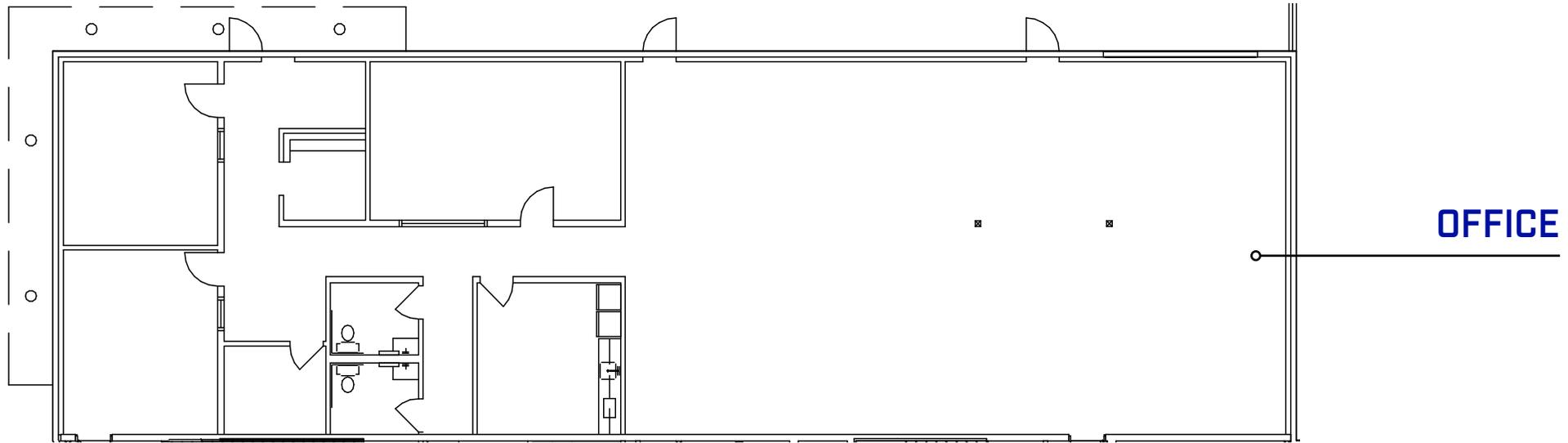
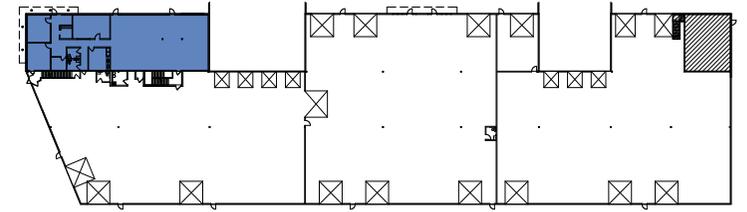


Sumner provides easy access to **SR-167** and **I-5** via **SR-18** and is home to many industrial warehouses, manufacturers and distribution centers.

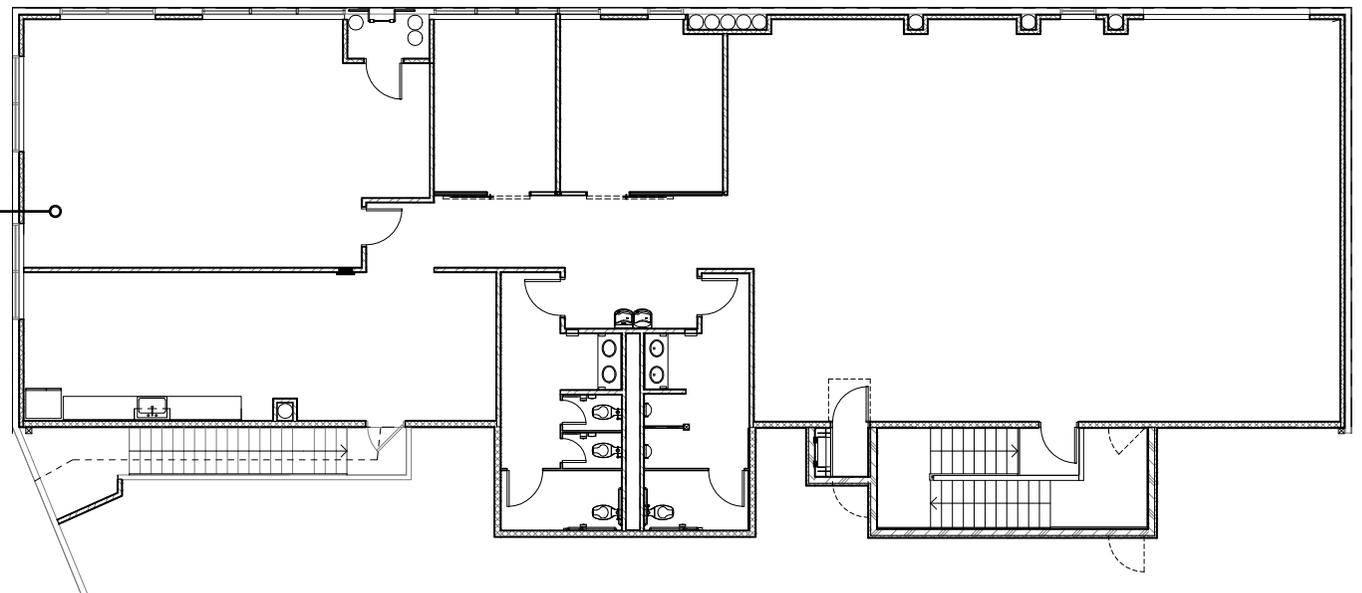
Address	3900 150th Avenue Ct E, Sumner, WA
Site Area	107,593 SF
Year Built	2015
Total SF	50,421 SF
Building Footprint	45,272 SF
Warehouse SF	40,168 SF
Office SF	10,298 SF (West: 4,089 SF/East: 1,060 SF/Mezz: 5,149 SF)
Office %	20%
Parking Spaces	75
Clear Height	26'
Loading	8 Dock High / 16 Grade Level

WEST OFFICE:

1ST FLOOR OFFICE & MEZZANINE PLANS



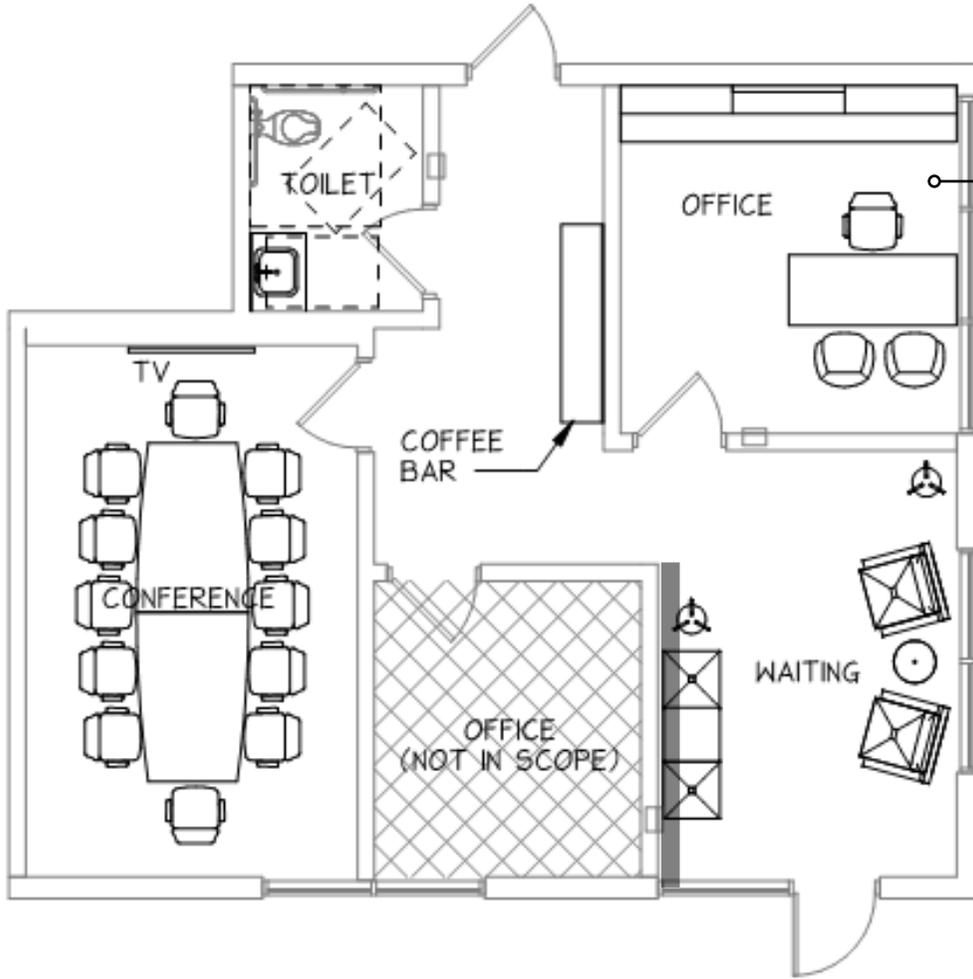
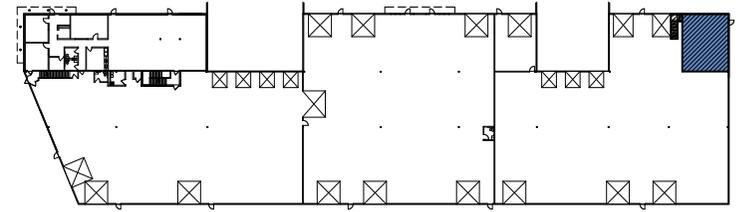
MEZZANINE



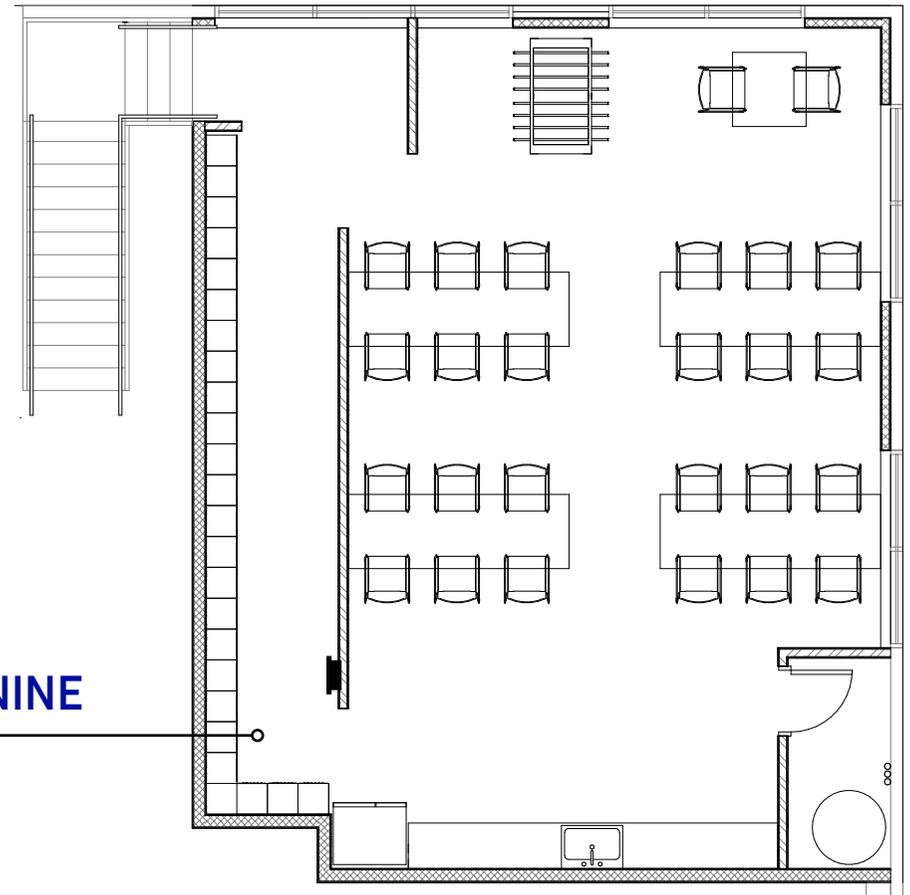
CLICK HERE TO VIEW
VIRTUAL TOUR OF
PROPERTY

EAST OFFICE:

1ST FLOOR OFFICE & MEZZANINE PLANS



OFFICE



MEZZANINE



CLICK HERE TO VIEW
VIRTUAL TOUR OF
PROPERTY



PROPERTY HIGHLIGHTS



Anchor tenant with national credit



Easily divisible to 5 tenant building



8 dock high doors between 2 loading bays



Newly finished office renovations



TENANT SUMMARY

Patrick Industries, Inc. was founded in 1959 and is a major manufacturer and distributor of component and building products for the Recreational Vehicle, Marine, and Manufactured Housing industries. Patrick also supplies many of its products to certain industrial markets that include customers in the residential housing, high-rise, hospitality, kitchen cabinet, office and household furniture, fixtures and commercial furnishings, and other industrial markets. Patrick's major manufactured products include decorative vinyl and paper laminated panels, solid surface, granite and quartz countertops, fabricated aluminum products, wrapped vinyl, paper and hardwood profile moldings, slide-out trim and fascia, cabinet doors and components, hardwood furniture, fiberglass bath fixtures and tile systems, thermoformed shower surrounds, specialty bath and closet building products, fiberglass and plastic helm systems and component products, wiring and wire harnesses, boat covers, towers, tops and frames, electrical systems components including instrument and dash panels, softwoods lumber, interior passage doors, air handling products, RV painting, slotwall panels and components, aluminum fuel tanks, and CNC molds and composite parts and other products.

Patrick also distributes pre-finished wall and ceiling panels, drywall and drywall finishing products, electronics and audio systems components, wiring, electrical and plumbing products, appliances, cement siding, raw and processed lumber, FRP products, interior passage doors, roofing products, tile, laminate and ceramic flooring, shower doors, furniture, fireplaces and surrounds, interior and exterior lighting products, and other miscellaneous products, in addition to providing transportation and logistics services.

Patrick operates over 170 manufacturing and distribution facilities located in the United States, Canada, China and the Netherlands.



INVESTMENT SUMMARY

Excellent opportunity to acquire a fully stabilized asset in a prime location situated only 15 miles east of the Port of Tacoma and 40 miles south of Seattle.

Upon closing, Buyer will assume in place fixed lease through December 19, 2024 with national high credit tenant.

50,421 RSF

Total Rentable Area

100% to Patrick Industries, Inc.

Percentage Leased



CURRENT LEASE

Rent	\$41,000/month, Semi Gross
Lease Expiration	December 19, 2024
Options	Two (2) 3-year
Increases	2.9% in options
Renewal	90%

UNDERWRITING ASSUMPTIONS

Downtime	4 months
Rent Abatement	3 months new 1 month renew
Market Leasing Commissions	7.50% New (3.75% after first 5 years) 5.00% Renew (2.50% after first 5 years)
CPI Inflation Rate	3.0% annually
Operating Expense Growth Rate	3.0% annually
General Vacancy	2% of Potential Gross Revenue

Operating Expenses

Year 1 projected operating expenses are summarized in the chart below:

	Projected Month 1 PSF	Projected Year 1 PSF	Projected Year 1
Opex Estimate	(\$0.134)	(\$1.608)	(\$72,797)

Investors should adjust operating expenses according to their own expense assumptions.

Current property taxes: \$69,025 annually.

Current insurance: \$3,600 annually.

Capital Reserves \$0.15 PSF/Year

LEASE ABSTRACT

Lease Term	December 20, 2019 - December 19, 2024
Rental Square Feet	50,421 SF
Office Square Feet	10,298 SF (Mezzanine: 5,149 SF)
Rent	\$41,400/month through remainder of lease Semi-Gross Lease
Operating Expenses	Estimated at \$6,052/month (\$0.134 PSF) *taxes and insurance*
Taxes	Landlord shall pay to the taxing authority all real property taxes and assessments against the real estate and improvements constituting the Premises which fall due during the term of this Lease and apply to the Lease Term.
Utilities	Tenant shall promptly pay to the applicable utility/service company all water, sewage, electric, power, heating and gas bills taxed, levied, or charged against the Premises for and during the Lease Term. Tenant shall also provide and pay for its cleaning, trash removal and security services.

Tenant Maintenance	Tenant shall take good care of the Premises and the fixtures and appurtenances therein throughout the term of this Lease, shall commit no act of waste, shall provide necessary and appropriate cleaning, trash removal and security services, shall keep the sidewalk and paved areas clean and free of snow and ice and litter, shall maintain all landscaping, and shall, at its own cost and expense, make all repairs and such replacements as may be required to keep the Premises and fixtures thereon in good condition and repair as exists as of the Commencement Date, reasonable wear and tear excepted.
Landlord Maintenance	Landlord shall, at its own cost and expense, maintain, replace and keep in good repair the roof, HVAC system, exterior walls and foundation of the Premises and all structural portions of the Premises.
Options to Extend	Two (2) three-year options. Option 1: 3 Year option to extend at a base rent of \$42,600/month, Semi Gross. Option 2: 3 Year option to extend at a base rent of \$43,836/month, Semi Gross.

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