

OFFERING MEMORANDUM

GATEWAY IV

*Rare Owner/User or Value Add Opportunity
Priced Well Below Replacement Cost*

12687 GATEWAY DRIVE S, TUKWILA, WA



KIDDER.COM

km Kidder
Mathews

TABLE OF CONTENTS

01

EXECUTIVE
SUMMARY

02

PROPERTY
OVERVIEW

03

SALE
COMPARABLES

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EXECUTIVE SUMMARY

Section 01



Kidder Mathews is pleased to present the exclusive opportunity to acquire Gateway IV, a campus setting in a Class A quality building located strategically within the South Seattle Market.

Kidder Mathews is pleased to present Gateway IV, a 40,969 SF single story flex building located within the tremendously strong performing Gateway Corporate Center. Gateway Corporate Center is located within one of the strongest submarkets in the country. Located at the convergence of five major freeways, Gateway IV offers immediate access to the Seattle CBD, Port of Seattle, SeaTac International Airport, as well as the Eastside and Southend submarkets.

PROPERTY INFORMATION

ADDRESS	12687 Gateway Drive S, Tukwila, WA
NET RENTABLE AREA	±40,969 SF
GROSS LAND SIZE	112,183 SF (2.58 AC)
YEAR BUILT	1986/2015 remodeled
PARKING	142 surface stalls
PARCEL NO.	271600-0040
ZONING	C-LI

\$7M

LIST PRICE

\$170.86

LISTED PRICE PSF



OPPORTUNITY HIGHLIGHTS

LOCATION & ACCESS

Located directly across the street from an I-5 on & off ramp, Gateway IV provides immediate access the five major freeways. Take advantage of direct access to the Seattle CBD, Port of Seattle, Seatac airport, Eastside and Southend market.

STRONG SURROUNDING SUBMARKETS

The surrounding industrial submarkets of South Seattle and Kent Valley have current vacancy rates of 5.30% and 5.10%, respectively, and are well below the 7.70% regional vacancy average.

BELOW REPLACEMENT COST OPPORTUNITY

As land values and development costs have remained high, Gateway IV offers the opportunity to acquire a best-in-class institutional quality asset at well below replacement cost.

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 strong employment levels and unemployment currently sits at 3.70%

FLEX/WHSE OPPORTUNITY

The building is currently majority office which was converted from the original development as a flex/warehouse. The bones of the building, including the five grade level doors would allow for a seamless transition to flex/warehouse.

PREMIUM CORPORATE BUSINESS PARK

The location and strong reputation of Gateway Corporate Center is well known throughout the market. Gateway IV provides for a high image corporate park setting.

EXECUTIVE SUMMARY



DRIVE TIMES

PORT OF SEATTLE	16 Minutes
BELLEVUE	20 Minutes
SEATTLE	15 minutes
RENTON	10 Minutes
SOUTHCENTER MALL	5 Minutes
SEA-TAC AIRPORT	7 Minutes
KENT	12 Minutes
FEDERAL WAY	20 Minutes
PORT OF TACOMA	18 Minutes
TACOMA	20 Minutes



BELLEVUE

SEATTLE

RENTON

SUBJECT
PROPERTY

Westfield
SOUTHCENTER

SEATAC

KENT

FEDERAL
WAY

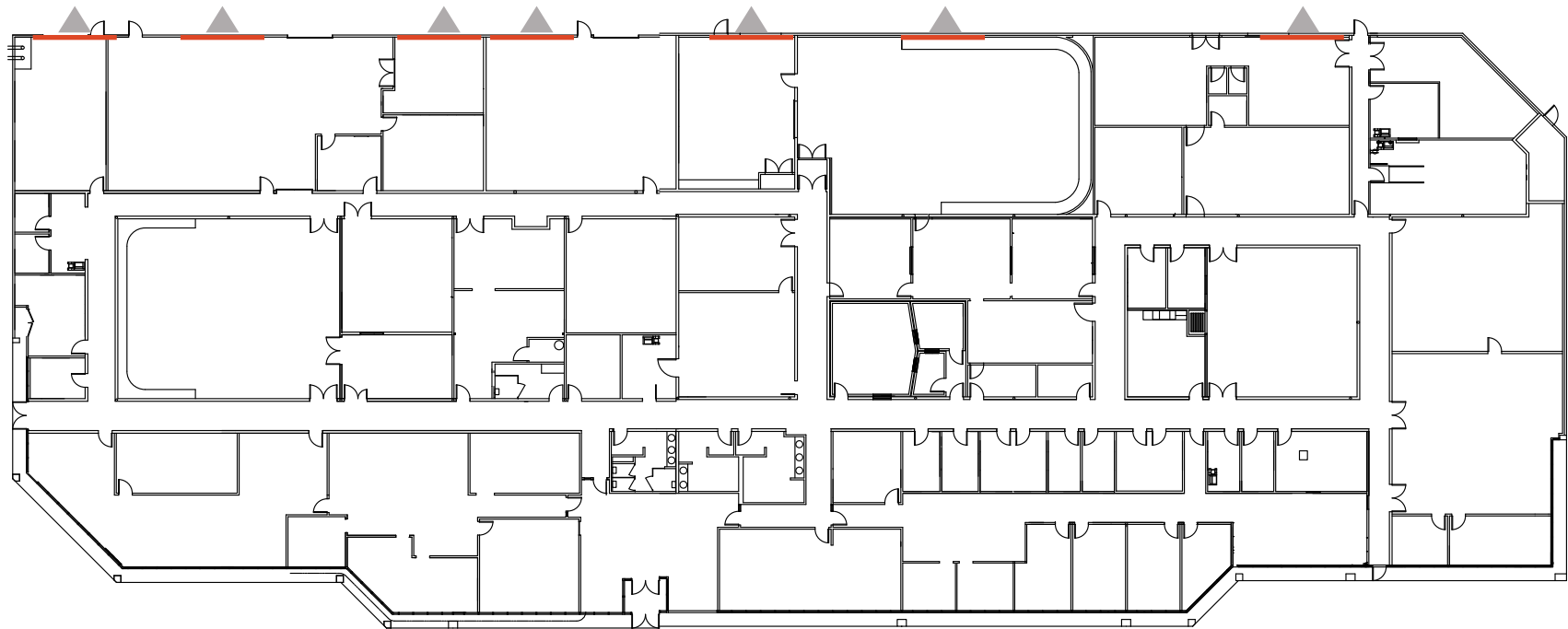


TACOMA



PROPERTY OVERVIEW

Section 02



▲ Grade level loading

*BUYER TO VERIFY FLOOR PLAN & GRADE LEVEL DOOR CONFIGURATION



PROPERTY INFORMATION

Currently built out with office, the building can be easily converted to a flex/industrial/R&D use.

ADDRESS	12687 Gateway Drive S, Tukwila, WA
TOTAL BUILDING SF	40,969 SF
LAND AREA	112,183 (2.58 AC)
OFFICE SF %	95%
YEAR BUILT	1986/2015 remodeled
PARCEL NUMBERS	271600-0040
ZONING	C-LI
COUNTY	King County
OCCUPANCY	Currently 0%
CAR PARKING	142 surface stalls

DROP CEILING	10 FT
CLEAR HEIGHT	16 FT
GRADE-LEVEL DOORS	5
ZONING	C-LI
CONSTRUCTION	Precast concrete tilt up, interior steel columns
ROOF/AGE	2003 - plywood roof deck, built up, mineral cap sheet finish
SPRINKLERS	Yes - wet pipe sprinklers
ELECTRICAL	1,200 amps, 277/480 volt
HVAC	2003



PROPERTY OVERVIEW







PROPERTY OVERVIEW





SALES COMPARABLES

Section 03

SALE COMPARABLES

		Property Name	Buyer/Seller	Total SF	Sale Price	Sale Rate	Cap Rate	Comments
01		MERIT BUILDING 615 S 9th St Tacoma, WA	Sea Mar/ Merit Investments	28,000	\$6,200,00	\$221.43 PSF	N/A	<ul style="list-style-type: none"> • Owner/User • 33% leased • Sea Mar to occupy remaining SF
02		EARLINGTON BUSINESS CENTER BLDG G 1107 SW Grady Way Renton, WA	Alaska USA Federal Credit Union/ William K.M. Shields MD	27,584	\$4,750,000	\$172.20 PSF	N/A	<ul style="list-style-type: none"> • Owner/user sale - Class B • 0% leased
03		STRADA DAVALLE BLDG B 2400 E Valley Rd Renton, WA	Anna Jones/ Gary Merlino	17,720	\$3,550,000	\$225.83 PSF	N/A	<ul style="list-style-type: none"> • Owner/user sale - Class B • 0% leased
04		RIVERPOINT CORPORATE CENTER 18200 Cascade Ave S Tukwila, WA	Clarlon Partners/ O'Keefe Development	104,908	\$18,020,000	\$171.77 PSF	8.50%	<ul style="list-style-type: none"> • Long-term industrial redevelopment • 97% leased with upcoming lease roll
05		VALLEY 3900 BLDG 3900 E Valley Rd Renton, WA	Middle Tree Properties LLC/ STG Renton LLC	21,117	\$4,600,000	\$217.83 PSF	N/A	<ul style="list-style-type: none"> • Owner/user sale with the buyer occupying half of the building • The building was 50% leased upon acquisition
06		GE BLDG 1040 12th Ave NW Issaquah, WA	Summit Christian School/ Lytle Enterprises	53,566	\$12,250,000	\$228.69	N/A	<ul style="list-style-type: none"> • Owner/user sale • 0% leased • Flex building with heavy office

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