

AIRPORT COMMERCE CENTER - BUILDING E



SUBJECT PROPERTY

PAINE FIELD

Airport Road

Airport Road

Highway 99

11520 Airport Road, Everett, WA

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RH ROSEN
HARBOTTLE
COMMERCIAL REAL ESTATE

10,500 SF QUASI-RETAIL OFC / SHOWROOM / WHSE

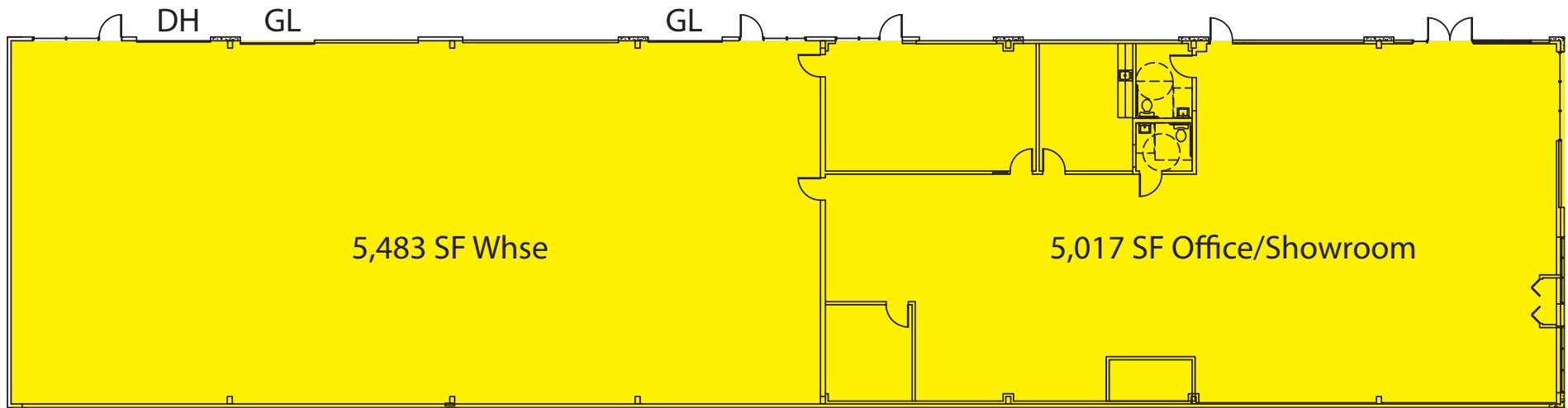


OWNER/USER SALE: \$1,985,000

INVESTMENT DETAILS:

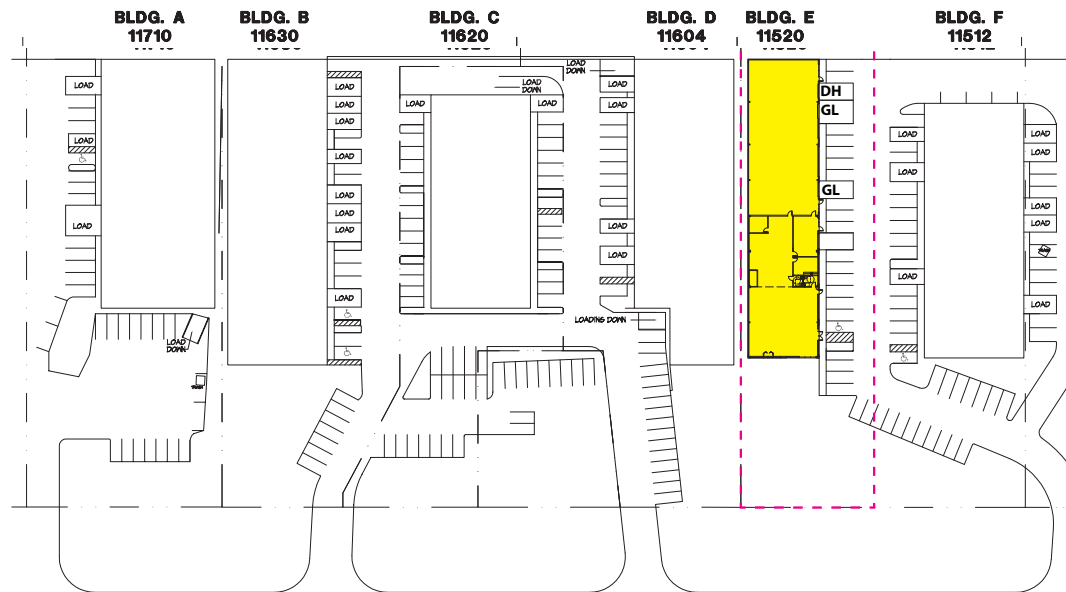
- **6.25% Cap on Existing Income**
- Occupied by United Tile through 3/31/2017
 - Available for Occupancy 4/1/2017
- Income Producing Until User Occupies
- Separate Parcel with 26 Parking Stalls
- Prime Paine Field Location with Retail Exposure





Building E

Office/Showroom:	5,017 SF
Warehouse:	5,483 SF
Total	10,500 SF



AIRPORT ROAD

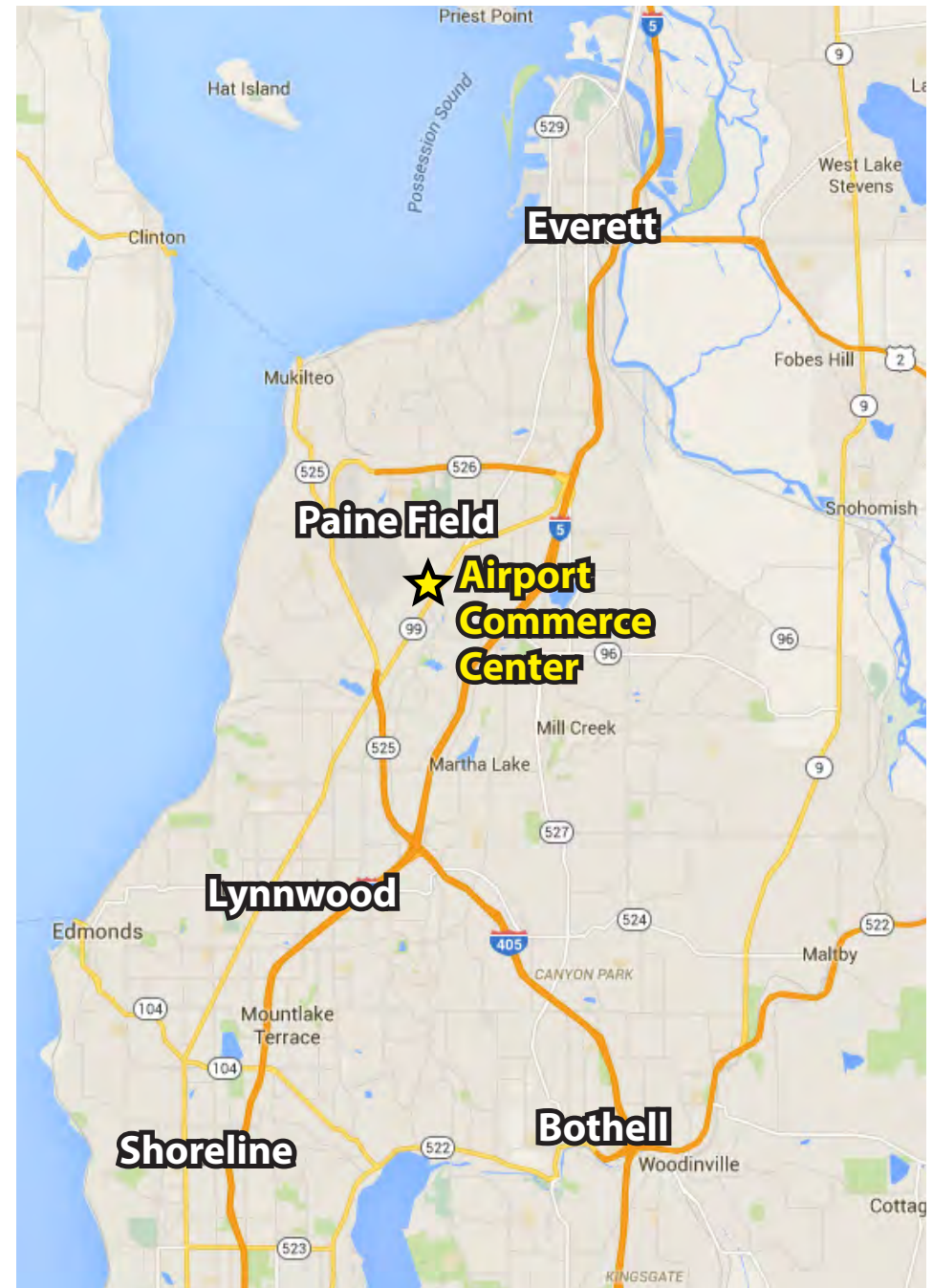


Building Features:

- 5,017 SF High-End Showroom/Office
- 5,483 SF Warehouse
- Multi-Tenantable to 2,000 SF
- Upgraded Finishes & HVAC
- 22' Clear Height in Warehouse
- 2 GL Doors & 1 DH Door (More can be added)
- 26 Parking Stalls (2.5/1,000)
- 31,363 SF Land

Drive Times:

- Paine Field: 5 minutes
- Highway 99: 2 minutes
- I-5: 9 minutes
- Boeing: 8 minutes
- Alderwood Mall: 13 minutes



RENT vs OWN

Lease Assumptions

Building Size	10,500 SF
Pro Forma Monthly Rent	\$10,337
(\$1.35/SF Ofc \$0.65/SF Whse)	
assumes 33% tax bracket	

Purchase Assumptions

Building Size	10,500 SF
Purchase Price	\$1,985,000
25-Year Amortization	
assumes 33% tax bracket	

Initial Costs

Prepaid Rent	\$10,337
Prepaid NNN Expenses (\$0.27/SF/Mo.)	\$2,835
Security Deposit	<u>\$12,000</u>
Total Initial Costs	\$25,172

Initial Costs (SBA Loan)

(10%) Down Payment	\$198,500
Loan Fees and Costs (\$50K est)	Financed
Title & Escrow	<u>\$5,000</u>
Total Initial Costs	\$203,500

Monthly Lease Cash Outflow

Rent Payment	\$10,337
NNN Expenses (\$0.27/SF)	<u>\$2,835</u>
Monthly Cash Outflow	\$13,172

Monthly Ownership Cash Outflow

25-Year Fixed

Blended Interest Rate (Estimate)	3.75%
Mortgage Payment (Principal & Interest)	\$9,416
NNN Expenses (\$0.27/SF)	<u>\$2,835</u>
Monthly Cash Outflow	\$12,251

Monthly Lease Benefits

Appreciation	\$0
Equity Build-Up	\$0
Depreciation (70% Imp. Value)	\$0
Interest Write-Off	\$0
Rent & NNN Expense Deduction	<u>(\$4,347)</u>
Total Lease Benefits	(\$4,347)

Monthly Ownership Benefits (estimates)

Appreciation at 2%	(\$3,308)
Equity Build-Up	(\$3,757)
Depreciation Write-Off (70% Imp. Value)	(\$980)
Interest Write-Off	(\$1,868)
NNN Expense Deduction	<u>(\$936)</u>
Total Ownership Benefits	(\$10,849)

Total Effective Monthly Cost \$8,825

Total Effective Monthly Cost \$1,402

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