

# ANDERSON CENTER & LAKEWOOD BUSINESS PARK

KENT & LAKEWOOD, WASHINGTON



**TWO HIGH-QUALITY ASSETS IN THE DESIRABLE PUGET SOUND**  
**184,350 SF - 86% LEASED**

# EXECUTIVE SUMMARY

CBRE, Inc. is pleased to present the opportunity to acquire **Anderson Center & Lakewood Business Park** (the “Portfolio”), two high-quality properties totaling 184,350 SF in Puget Sound, one of the most desirable industrial markets in the country. This portfolio is 86% leased to tenants from a variety of industries with staggered rollover.

The properties are strategically located in Greater Seattle, with strong labor and consumer demographics and excellent access to multiple transportation routes servicing the Western United States. This offering represents a strategic opportunity to acquire immediate scale of product that is significantly below replacement cost.

Investors have the option to offer on the properties individually or as a Portfolio.



## OFFERING HIGHLIGHTS

- ▶ Two high-quality properties consisting of 10 buildings totaling 184,350 SF
- ▶ Strong historical rent growth averaging nearly 9% annually over the last 5 years with long-term residual value given A+ infill locations in a key market
- ▶ Attractive building sizes ranging from 12,000 SF to 31,513 SF and unit sizes ranging from 815 SF to 13,354 SF with the opportunity to charge premium rents on excess yard
- ▶ 86% occupancy and staggered rollover
- ▶ Multiple exit strategies, with the ability to sell buildings individually or redevelop the sites in the long run
- ▶ Will sell at a significant discount to replacement cost
- ▶ There has been no new construction of smaller-bay industrial product in this market, resulting in tremendous rent growth for buildings in this size range
- ▶ Durable rent rolls with good payment history

# OFFERING SUMMARY

Property	Anderson Center	Lakewood Business Park	Total
Address	8602-8714 S. 222nd Street Kent, WA	10025-10111 S. Tacoma Way Lakewood, WA	-
Total Rentable Area	48,000 SF	136,350SF	<b>184,350 SF</b>
Acres	3.54 Acres	11.56 Acres	<b>15.10 Acres</b>
Coverage	31.1%	27.0%	<b>Varies</b>
# of Buildings / Units	4 / 11	6 / 36*	<b>10 / 47</b>
Approx. # of Tenants	10	27	37
Occupancy	87.5%	85.0%	<b>85.7%</b>
Clear Height	16'	12'-16'	<b>12'-16'</b>
Grade Level Doors	24	41	<b>65</b>
Year Built	1989	1978 & 1981	<b>1978-1989</b>

\* Unit count does not include two leasable antennas on site.



LAKEWOOD BUSINESS PARK, LAKEWOOD, WA



ANDERSON CENTER, KENT, WA



LAKEWOOD BUSINESS PARK, LAKEWOOD, WA

# HIGH QUALITY INDUSTRIAL PRODUCT

## ANDERSON CENTER

- ▶ 4 quality concrete tilt-up buildings totaling 48,000 SF located on 3.54 acres (31.1% coverage)
- ▶ 24 grade level loading doors with desirable unit sizes ranging from 1,901 SF to 6,060 SF
- ▶ Ample surface parking and two points of access along S. 222nd St.
- ▶ Generous fenced and secured yard allows for additional yard rents

## LAKEWOOD BUSINESS PARK

- ▶ 6 high quality industrial multi-tenant/flex buildings totaling 136,350 SF located on 11.56 acres (27.0% coverage)
- ▶ Varying unit sizes ranging from 815 SF to 13,354 SF provides future leasing flexibility
- ▶ Includes 41 grade level loading doors
- ▶ Attractive opportunity to charge premium rents for secured yard allows for premium rents and the ability to develop an additional building

# EXTREMELY TIGHT INFILL MARKET WITH STRONG BARRIERS TO ENTRY

The Puget Sound industrial market continues to be one of the strongest in the country, with consistent positive absorption, consistently low vacancy rates and record rent growth over the past few years. The market continues to be highly sought after by both tenants and institutional investors.

OVERALL ASKING RENT IN THE PUGET SOUND INDUSTRIAL MARKET HAS INCREASED 44% OVER THE PAST 5 YEARS, AN AVERAGE OF 9% ANNUALLY



## PUGET SOUND (SEATTLE)

**277.4 MSF**

INDUSTRIAL  
BASE Q1 2020

**5.5%**

VACANCY RATE  
Q1 2020

**9%**

AVERAGE ANNUAL RENT GROWTH  
(PAST 5 YEARS)

**958 KSF**

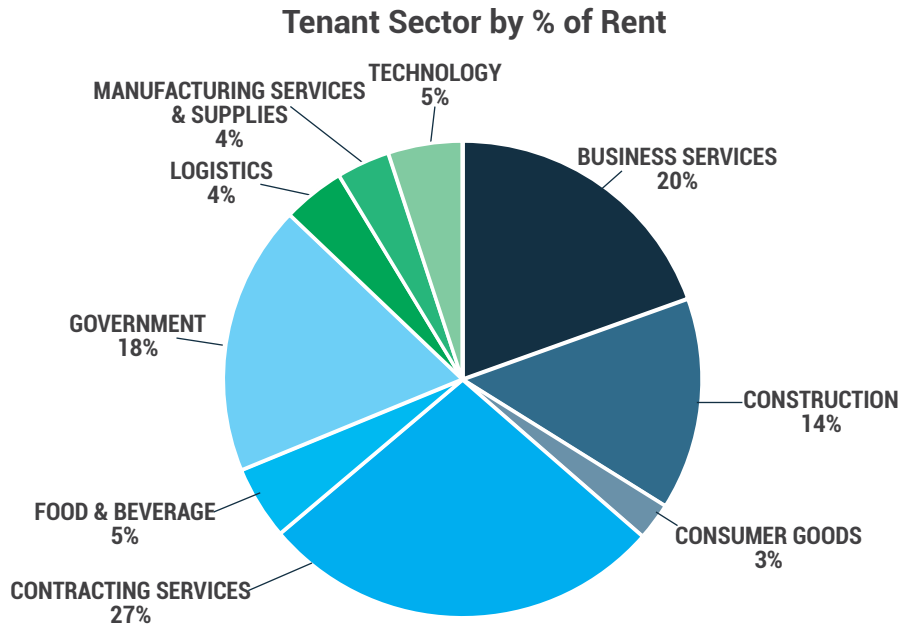
NET ABSORPTION  
Q1 2020

**2.3 MSF**

NET ABSORPTION  
2019

# OFFERING HIGHLIGHTS

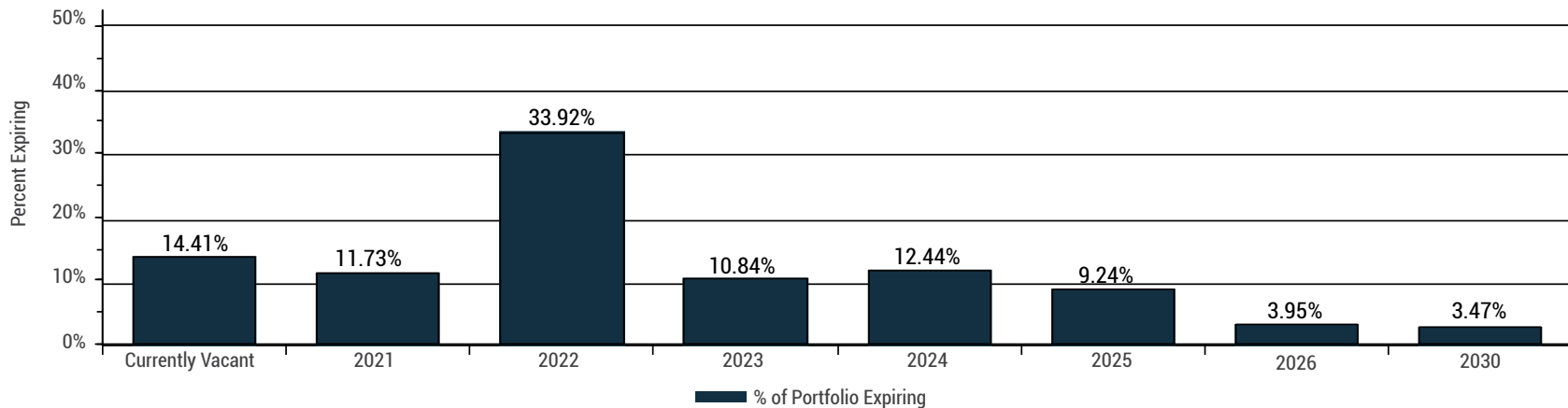
## TENANT BASE



### 86% LEASED TO HIGH QUALITY TENANTS WITH STEADY CASH FLOW

- » 86% leased to 37 tenants from a variety of industries.
- » Industry diversification reduces risk and provides income security.
- » Over 70% of the portfolio's NOI is leased to tenants in defensive industries that are generally resilient throughout economic disruptions.
- » No single industry accounts for more than 28% of the tenant base.

## STAGGERED ROLLOVER PROVIDING STEADY CASH FLOW



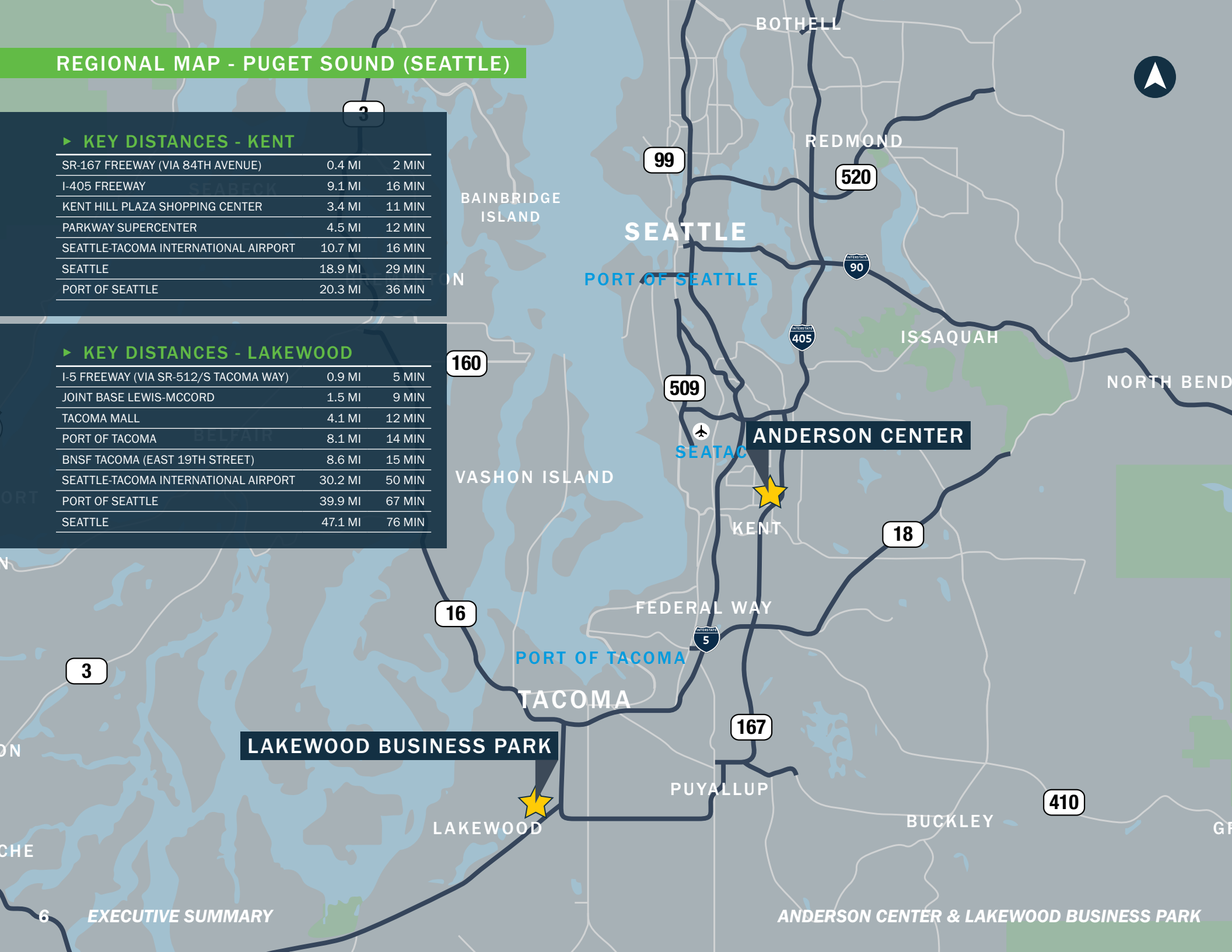
# REGIONAL MAP - PUGET SOUND (SEATTLE)

## ▶ KEY DISTANCES - KENT

SR-167 FREEWAY (VIA 84TH AVENUE)	0.4 MI	2 MIN
I-405 FREEWAY	9.1 MI	16 MIN
KENT HILL PLAZA SHOPPING CENTER	3.4 MI	11 MIN
PARKWAY SUPERCENTER	4.5 MI	12 MIN
SEATTLE-TACOMA INTERNATIONAL AIRPORT	10.7 MI	16 MIN
SEATTLE	18.9 MI	29 MIN
PORT OF SEATTLE	20.3 MI	36 MIN

## ▶ KEY DISTANCES - LAKEWOOD

I-5 FREEWAY (VIA SR-512/S TACOMA WAY)	0.9 MI	5 MIN
JOINT BASE LEWIS-MCCORD	1.5 MI	9 MIN
TACOMA MALL	4.1 MI	12 MIN
PORT OF TACOMA	8.1 MI	14 MIN
BNSF TACOMA (EAST 19TH STREET)	8.6 MI	15 MIN
SEATTLE-TACOMA INTERNATIONAL AIRPORT	30.2 MI	50 MIN
PORT OF SEATTLE	39.9 MI	67 MIN
SEATTLE	47.1 MI	76 MIN



**LAKWOOD BUSINESS PARK**

**ANDERSON CENTER**

ANDERSON CENTER & LAKEWOOD BUSINESS PARK



ANDERSON CENTER, KENT, WA



LAKEWOOD BUSINESS PARK, LAKEWOOD, WA

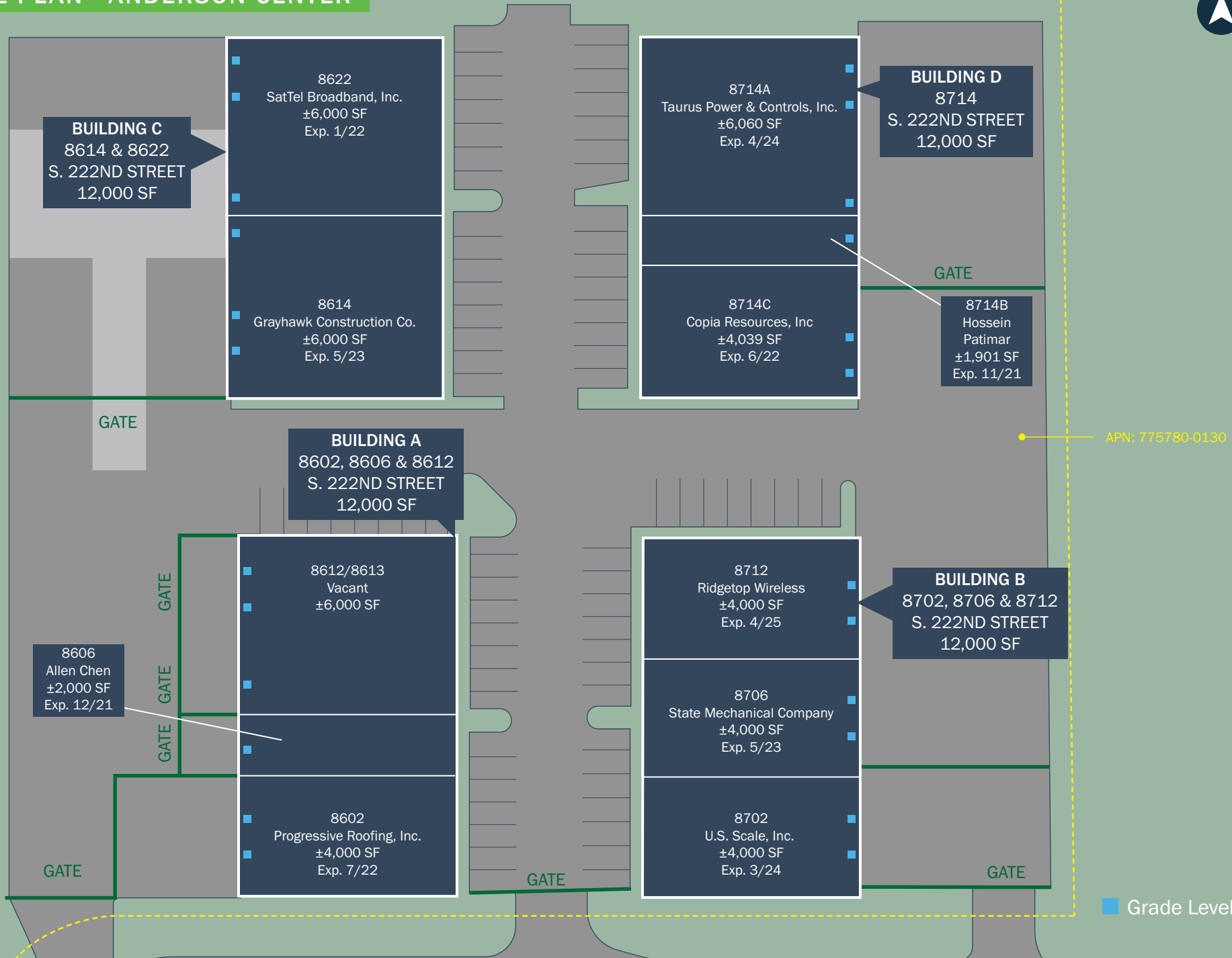


ANDERSON CENTER, KENT, WA



LAKEWOOD BUSINESS PARK, LAKEWOOD, WA

# SITE PLAN - ANDERSON CENTER





# LOCAL MAP - ANDERSON CENTER

## LOCATION HIGHLIGHTS

- ▶ Central Kent location and infill industrial market
- ▶ Offers freeway visibility to SR-167 with immediate access via Central Avenue N. (0.4 mi)
- ▶ Access to large, educated workforce with 3.1 million people within a 25-mile radius; approximately 27.3% of residents having a bachelor's degree, and 17.6% having a graduate or professional degree (compared to 19.6% and 12.2% nationally)
- ▶ Approximately 15 minutes (11 mi) from Sea-Tac International Airport and 25 minutes (20 mi) from Seattle

## ANDERSON CENTER

S. 222ND ST

0.4 MI

ON/OFF RAMP

**PROPERTY AERIAL - ANDERSON CENTER**



**BUILDING A**  
8602, 8606 & 8612  
S. 222ND STREET

**BUILDING C**  
8614 & 8622  
S. 222ND STREET

**BUILDING B**  
8702, 8706 & 8712  
S. 222ND STREET

**BUILDING D**  
8714  
S. 222ND STREET

**S 222ND ST**

# SITE PLAN - LAKEWOOD BUSINESS PARK



Address	Square Footage	# Units	Current Unit Range (SF)	# Tenants
Building A - 10025 S. Tacoma Way	23,597	4	1,816-13,354	3
Building C - 10109 S. Tacoma Way	20,686	3	2,447-13,008	3
Building D - 10111 S. Tacoma Way	31,513	8	815-7,262	8
Building E - 10029 S. Tacoma Way	24,811	8	1,879-5,448	5
Building G - 10027 S. Tacoma Way	14,216	7	1,545-3,114	5
Building H - 10025 S. Tacoma Way	21,527	6	1,925-7,879	3
<b>TOTAL</b>	<b>136,350</b>	<b>36*</b>	<b>815-13,354</b>	<b>27</b>

\*Unit Count does not include two leasable antennas on site.



## POTENTIAL SITE PLAN FOR DEVELOPMENT

OPPORTUNITY TO DEVELOP A 20,455 SF AND A 9,945 SF BUILDING OR CONTINUE TO CHARGE A PREMIUM FOR THE EXCESS YARD



## LOCAL MAP - LAKEWOOD BUSINESS PARK

### LOCATION HIGHLIGHTS

- ▶ Excellent freeway visibility from I-5 and Highway 512 and easy access via South Tacoma Way
- ▶ Located just south of the Port of Tacoma, with access to 1.8 million people within a 25-mile radius
- ▶ Located adjacent to Joint Base Lewis-McChord (JBLM), the largest military base in the Pacific Northwest
- ▶ Approximately one quarter of the tenants in Lakewood Business Park do business with JBLM
  - ▶ NCI Inc. is a leading provider of enterprise solutions and services to U.S. defense, intelligence, health and civilian government agencies
  - ▶ Terminix offers pest and termite control to residential, commercial and industrial establishments
- ▶ National tenants continue to target Lakewood for proximity to the expanding residential markets with white and blue collar labor

### LAKEWOOD BUSINESS PARK

0.9 MI

TACOMA WAY

100TH ST SW

LAKEWOOD

112TH ST S

McChord  
Air Force Base

PACIFIC HWY SW

TACOMA

PORT OF  
TACOMA

INTERSTATE  
705

509

INTERSTATE  
5

FIFE

167

EASTSIDE

S 38TH ST

S 72ND ST

S 85TH ST

96TH ST S

STEELE ST S

GOLDEN GAVEN RDE

MIDLAND

WALLER

512

ON/OFF RAMP

# PROPERTY AERIAL - LAKEWOOD BUSINESS PARK



SOUTH TACOMA WAY

32ND AVE S

32ND AVE S

**BUILDING C**  
10109 S TACOMA WAY

**BUILDING D**  
10111 S TACOMA WAY

**BUILDING E**  
10029 S TACOMA WAY

**BUILDING G**  
10027 S TACOMA WAY

**BUILDING A**  
10107 S TACOMA WAY

**BUILDING H**  
10025 S TACOMA WAY

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