



OFFERING MEMORANDUM

AREA AGENCY ON
Aging & Disabilities
OF SOUTHWEST WASHINGTON

SINGLE-TENANT NNN INVESTMENT OPPORTUNITY
201 NE 73rd Street, Vancouver, WA



km Kidder Mathews

AREA AGENCY ON
Aging & Disabilities
OF SOUTHWEST WASHINGTON

EXCLUSIVELY REPRESENTED BY

Rebecca Liddell, CCIM, MAI

Senior Vice President

Shareholder

503.221.2279

rebecca.liddell@kidder.com

Ryan O'Leary

Vice President

Shareholder

503.221.2294

ryan.oleary@kidder.com

The information contained herein is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Kidder Mathews and should not be made available to any other person or entity without the written consent of Kidder Mathews.

This information has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Kidder Mathews has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Kidder Mathews has not verified, and will not verify, any of the information contained herein, nor has Kidder Mathews conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

This information has been secured from sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Recipient of this report must verify the information and bears all risk for any inaccuracies.



About the Tenant

Tremendously successful public/private partnership providing a wide range of health, wellness and transportation services to the elderly and their caregivers

Five locations in Washington serving the counties of Clark, Cowlitz, Wahkiakum, Skamania & Klickitat

Occupancy at this location since 2006, with new 10-year lease and significant capital commitment

The Area Agency on Aging (AAA) is part of the Health Home Program, which is producing significant Medicare savings eligible beneficiaries who are also receiving home and community-based services

Services for Nutrition, Caregiver Support, Information & Referral, Long-term Care Ombudsmen, Insurance Counseling, Transportation, Health Classes, Medicare/Medicaid Support

The Area Aging on Aging & Disabilities is largely funded by the State of Washington's Department of Health & Human Services with an operating budget that has increased 150% since 2006

5

COUNTIES
SERVED BY AAA

**\$34.9
MILLION**

YEAR 1 MEDICARE/
MEDICAID SAVINGS

620

OF
ORGANIZATIONS
IN NATIONWIDE
NETWORK OF AAA

10 YEAR

NNN
LEASE

“To promote independence, choice, well-being, and dignity for persons aged 60 and over, adults with disabilities, and their families through a comprehensive, coordinated system of home and community-based services.”

Property & Pricing Overview

ADDRESS	201 NE 73rd Street, Vancouver, WA
TENANT	Area Agency on Aging & Disabilities of SW Washington
LEASE GUARANTEE	Public-Private Partnership
LEASE STRUCTURE	NNN
LEASE COMMENCEMENT	June 1, 2019
LEASE TERM	10 Years
RENEWAL OPTIONS	One, 5-Year @ Market Rent
RENT	\$404,154; \$16.15/SF
ESCALATIONS	2.75% Annual
BUILDING SIZE	25,025 SF
SITE SIZE	1.21 Acres
ASSUMABLE FINANCING*	4.32% Interest Rate
PARKING RATIO	3.75:1,000 SF
ZONING	General Commercial (GC) - Clark County
CLARK COUNTY ASSESSOR'S PARCEL NO	148009000
FLOOD ZONE	No (X)

* See following page for details

INVESTMENT SUMMARY

PRICE **\$6,735,900**

CAP RATE **6.00%**

BASE LEASE TERM **10 years**

GUARANTEE **Public-Private Partnership**

LEASE TYPE **NNN**

NOI **\$404,154**

YEAR BUILT/RENOVATED **2006/2019**



Proposed Financing

ASSUMABLE LOAN TERMS & CASH FLOW RETURN	
ESTIMATED ASSUMABLE LOAN AMOUNT	\$3,015,000
LOAN-TO-VALUE	44.76%
AMORTIZATION	25 Years
INTEREST RATE	4.32%
ANNUAL LOAN PAYMENT	(\$204,962)
UMPQUA BANK LOAN MATURITY	5/30/2022
ANNUAL CASH FLOW	\$199,192
DEBT SERVICE COVERAGE RATIO	1.97
CASH ON CASH	5.35%
DOWN PAYMENT	\$3,720,900

*1% assumption fee upon lender approval

Umpqua Bank has been involved with this property since its original construction in 2006. They are very comfortable with the tenant and the property and would like to remain involved in the financing of this asset.

MARKET LOAN TERMS & CASH FLOW RETURN	
LOAN AMOUNT	\$5,051,925
LOAN-TO-VALUE	75.00%
AMORTIZATION	30 Years
INTEREST RATE	4.15%
ANNUAL LOAN PAYMENT	(\$294,691)
TERM	10 Years
ANNUAL CASH FLOW	\$109,463
DEBT SERVICE COVERAGE RATIO	1.37
CASH ON CASH	6.50%
DOWN PAYMENT	\$1,683,975

LOAN QUOTE PROVIDED BY

Glenn Gioseffi
 Vice President
 Debt & Equity Finance
glenn.gioseffi@kidder.com
 206.398.2291



2019 Capital Improvements



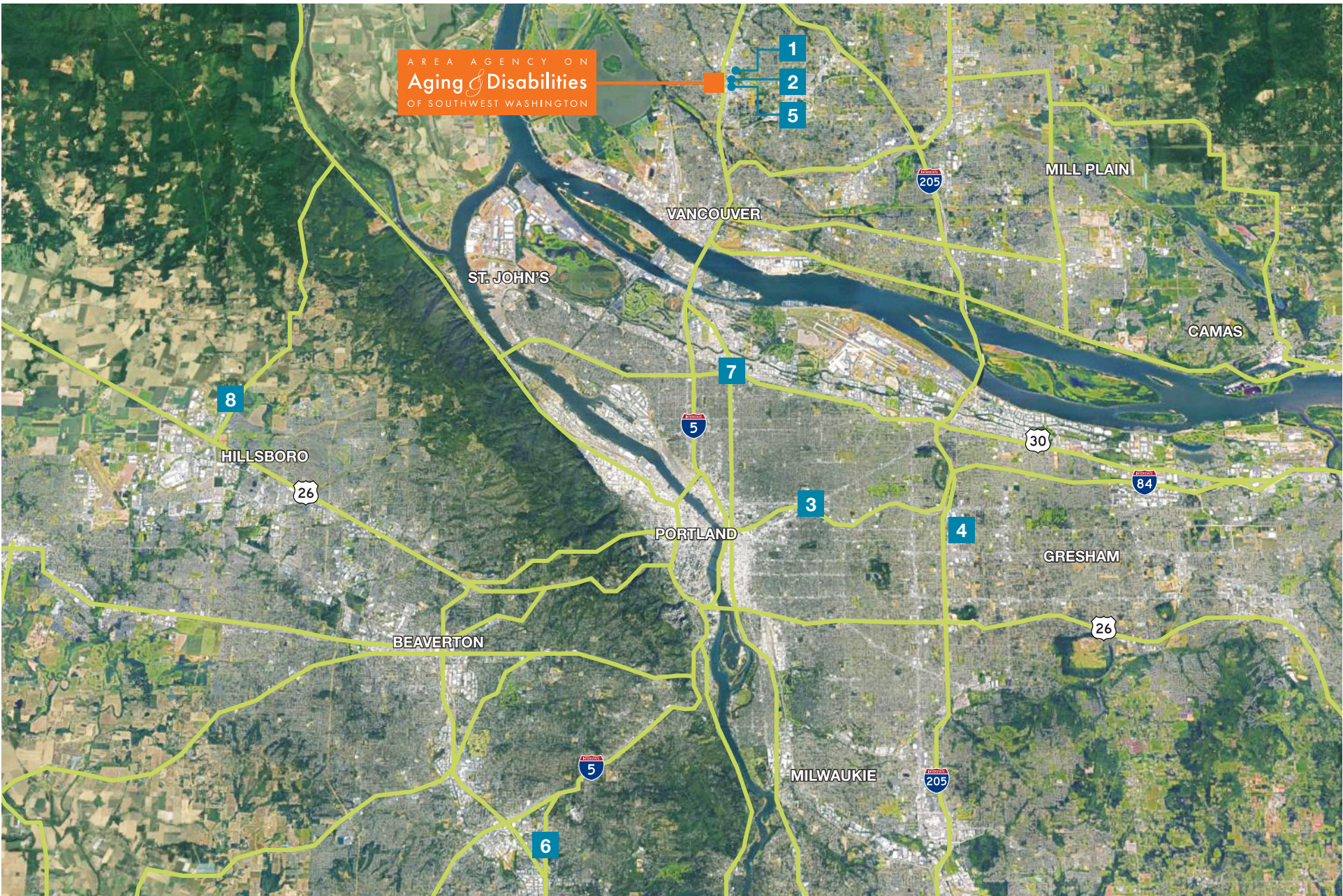
Neighborhood Aerial



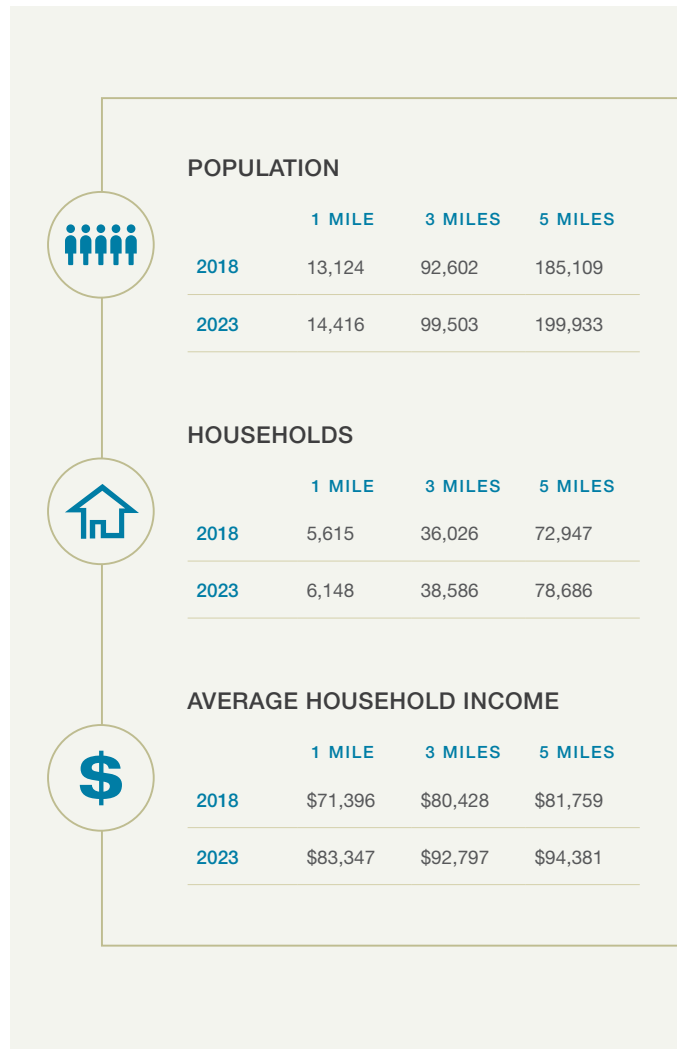
Sale & NOI Comparables

#	Property Name	Property Address	Lease Yrs Left	Cap Rate	NOI/SF	Year Built	Bldg SF	Sale Date	Sale Price	Price/SF
1	Pacific Dental Building	7202 NE Hwy 99 Vancouver, WA	10	5.25%	\$30.08	2017	4,800	Dec-17	\$2,750,857	\$573
2	Gentle Dental	7725 NE Hwy 99 Vancouver, WA	15	6.50%	\$31.49	1985	6,038	Mar-17	\$2,925,000	\$484
3	Davita Dialysis	3514 NE Sandy Blvd Portland, OR	15	5.23%	\$33.97	2017	8,160	Apr-17	\$5,300,000	\$650
4	Center for Diagnostic Imaging	233 NE 102nd Avenue Portland, OR	10	5.65%	\$16.42	1990	18,000	Feb-18	\$5,232,000	\$291
5	Wellhaven Pet Health	7204 NE Hwy 99 Vancouver, WA	10	5.45%	\$27.96	2018	3,626	Sep-18	\$1,860,000	\$513
6	Clear Choice Dental Implant Center	12750 SW 68th Avenue Tigard, OR	10	6.83%	\$21.41	1986	4,545	Oct-17	\$1,425,000	\$314
7	Fresenius	7474 NE MLK Blvd Portland, OR	15	5.06%	\$17.29	2017	9,000	Sept-17	\$3,075,327	\$342
8	Touchstone School	6355 NW Cornelius Pass Rd Hillsboro, OR	15	5.50%	\$24.06	2018	12,000	Apr-18	\$5,249,000	\$437
Average			12	6.00%	\$23.07	2002	9,777	Sep-17	\$3,413,805	\$349
	Area Agency on Aging & Disabilities of Southwest Washington	201 NE 73rd Street Vancouver, WA	10	6.00%	\$16.15	2006/2019	25,025		\$6,735,900	\$269

Sale & NOI Comparables



Regional Map



EXCLUSIVELY
REPRESENTED BY

Rebecca Liddell, CCIM, MAI

Senior Vice President

Shareholder

503.221.2279

rebecca.liddell@kidder.com

Ryan O'Leary

Vice President

Shareholder

503.221.2294

ryan.oleary@kidder.com

Kidder.com

**km Kidder
Mathews**