

OFFERING MEMORANDUM



FOR SALE
OWNER/USER OR INVESTMENT
INDUSTRIAL BUILDING

1500 W 1st Street - Cheney, WA 99004

FORMER HONEYWELL BUILDING

Purchase Price: \$8,000,000
Price Per Square Foot: \$71.00 (35% of replacement cost)
Current Cap Rate: 5.5%
Total Building Size: ±112,501 RSF
Parcel Size: 10.08 acres

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SINGLE OWNER/USER OR INVESTMENT INDUSTRIAL BUILDING

1500 W 1st Street
Cheney, WA 99004

The Former Honeywell Building is located in Cheney, WA. The ±112,500 square foot manufacturing facility was originally built in 1982 as a microchip manufacturing plant for Honeywell. The building features heavy power, concrete walls, and concrete roof trusses, and a site of 10.08 acres.

The current lease, held by Allpack, is “absolute net” in that all repairs and operating costs are the responsibility of the tenant. The interior of the building is in good shape and recent exterior improvements include a new roof (completed in 2017) and new interior paint (completed in 2019).



PROPERTY DETAILS

Purchase Price	\$8,000,000
Price Per SF	\$71.00 (35% of the replacement cost)
Current Cap Rate	5.5%
2023 Assessed Value	\$5,502,930
2023 RE Taxes	\$44,865
Building Size	±112,501 SF
<i>Office:</i>	±12,318 SF
<i>Warehouse:</i>	±100,183 SF
Parcel Number	13232.0086
Parcel Size	10.08 acres
Zoning	LI - Light Industrial
Parking	320 stalls (2.9 / 1,000)
Year Built	1982
Est. Clear Height	14' to underside of piping
Loading Doors	4 dock high & 3 grade level doors
Power	11,000 amps
Construction Type	Concrete foundation with concrete tilt up perimeter walls, and concrete roof trusses. The building is sprinklered and has column spacing of 50' x 50'

CURRENT LEASE DETAILS

Lease Rate: \$0.33 PSF/Month

**Increases: 2.5% Annually*

Lease Type: Absolute Net

Lease Expiration: December 31st, 2026



The building is currently leased to the long-term tenant, Allpack Container LLC, who will be vacating in February / March of 2024. With a lease that extends through December of 2026, a new owner can either purchase the asset to either reposition for a new tenant and still enjoy the income stream from the current lease or occupy the building for their own use and terminate the Allpack lease.

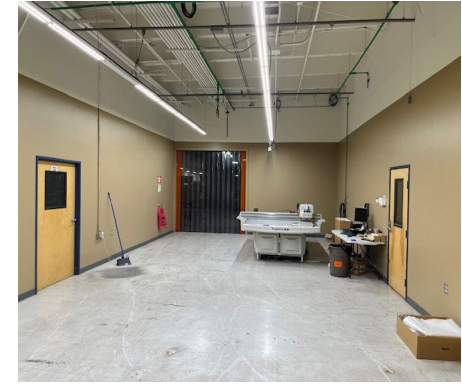
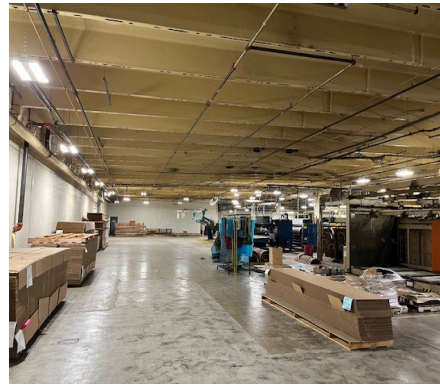
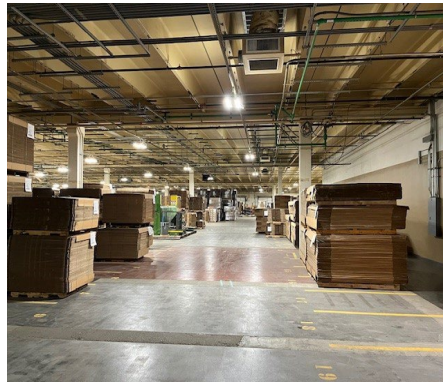
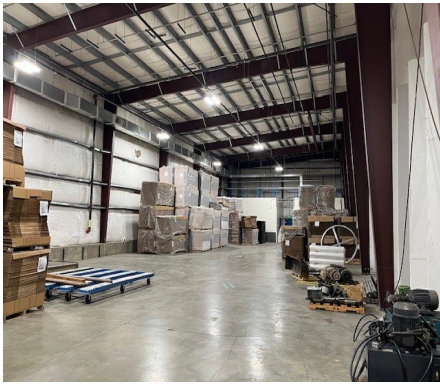
With a price that is significantly under replacement value and a construction type that is better than most new industrial properties, a new owner can realize significant value as an investment. The current rent of \$0.33 PSF is well below market for 2nd and 3rd generation space in the Greater Spokane market, currently ranging from \$0.45 - \$0.60 PSF. Newer properties are \$0.70 - \$0.80 PSF for shell condition space, prior to office improvements.

The site provides ample room for the installation of fencing in the event of the need for secured yard areas.

Located in Cheney, home of Eastern Washington University, and 25 minutes from Spokane, companies may find more affordable housing as well as the availability of part-time workers from the University. The property is a 20-minute drive to Spokane International Airport.

WAREHOUSE & OFFICE INTERIOR PHOTOS

1500 W 1st Street – Cheney, WA 99004



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For more information on this opportunity:

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CREATING REAL ESTATE SOLUTIONS