



**STRICKER**  
CRE<sup>®</sup>

Tri-Cities, WA.



**OM** OFFERING MEMORANDUM

9425 Sandifur Parkway, PASCO WA.



Prepared by StrickerCRE<sup>®</sup> | Sept. 2024

***strickerCRE.com***

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# The Offering

9425 Sandifur Parkway | Pasco, WA.

**LEASEABLE SF** 13,440 Total SF

**NOI** \$247,000

**OCCUPANCY** 100% Occupied

**SUITES** 5 SUITES

**YEAR BUILT** 2021

**PARKING** 33 Parking Stalls

**ADDRESS** 9425 Sandifur Pkwy. Pasco, WA.

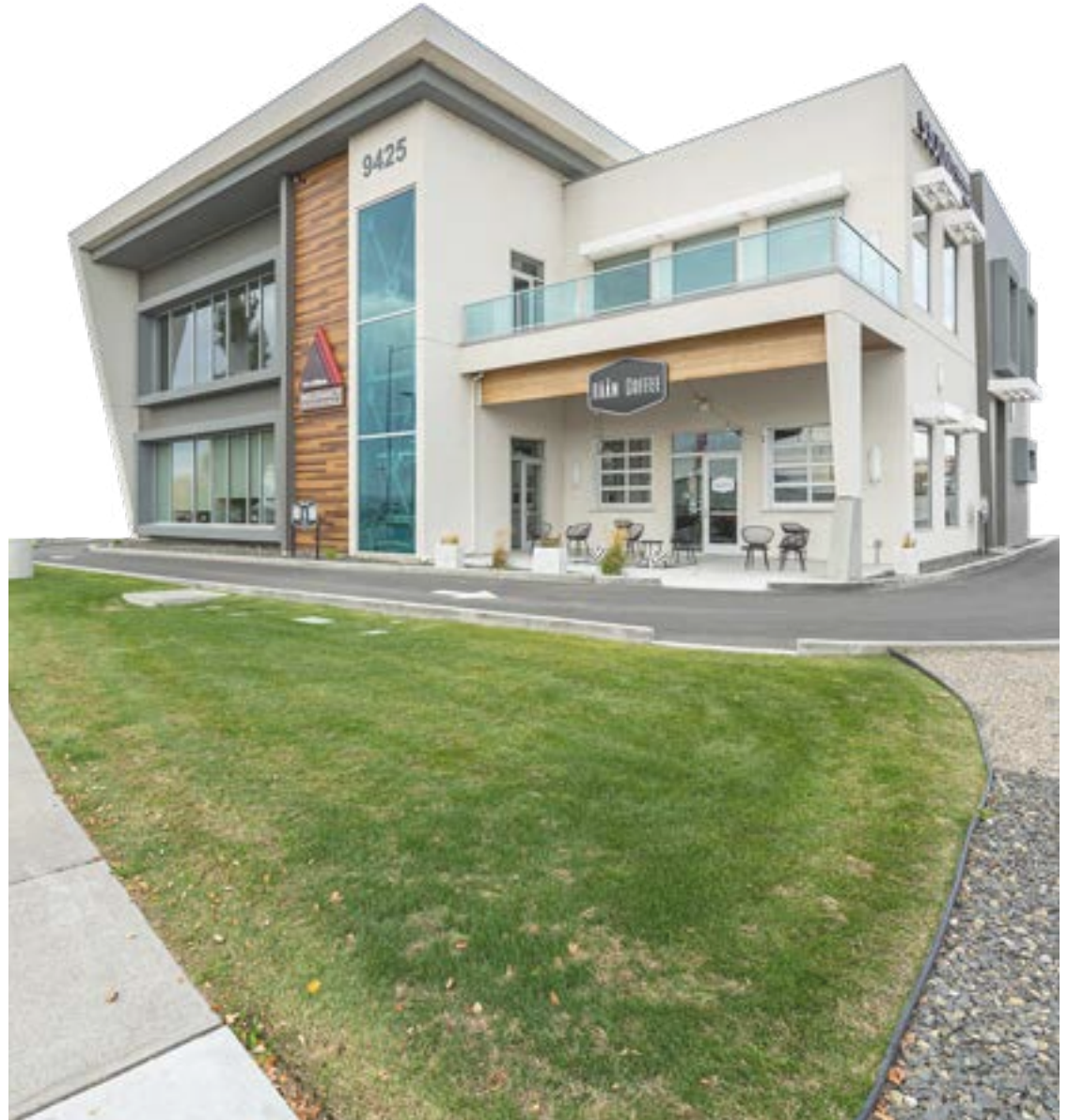
**DRIVE THRU** Ahava Coffee

**PRICE**

**\$4,200,000**

**CAP Rate**

**5.87% | \$313/SF**







## RENT ROLL

TENANT (SUITE)	RSF	Pro Rata	\$/SF	Annual	Monthly	Start	Expiration	Annual Bumps	Options
Nest (203)	2,471	18%	\$ 22.00	\$ 54,362.00	\$ 4,530.17	Mar-31	Mar-31	3%	(2) 5 year option
Tri-Cities Insurance Professionals	2,007	15%	\$ 20.02	\$ 40,180.14	\$ 3,348.35	Apr-28	Apr-28	Flat	NA
RAAN Coffee	2,425	18%	\$ 17.18	\$ 41,659.20	\$ 3,471.60	Oct-26	Oct-26	3%	(1) 5 year option
Sound Audiology	1,525	11%	\$ 17.50	\$ 26,687.52	\$ 2,223.96	May-27	May-27	3%	(1) 3 year option
Short Term Tenant (201)	1,970	15%	\$ 22.00	\$ 43,340.00	\$ 3,611.67	Apr-24	Nov-24	NA	NA
In Balance CPA (205)	2,391	18%	\$ 19.57	\$ 46,791.84	\$ 3,899.32	Nov-28	Nov-28	3%	(2) 3 year options
Common Area	651	5%	\$ -	\$ -	\$ -				

Effective Gross Income (EGI)

\$ 246,695 \$ 18.36

## COMMENTS:

### Fully Leased Class A Property:

The property is 100% leased through 2026, ensuring stable and reliable income with minimal vacancy risk in the near future.

### Modern Class A Building:

Built in 2021, this modern office building offers a contemporary design and requires minimal capital improvements, making it a low-maintenance asset.

### Strong Tenant Mix with Annual Rent Increases:

The tenant roster includes businesses in insurance, healthcare, finance, and hospitality, with most leases featuring 3% annual rent increases for steady income growth.

### Stabilized Cash Flow with Upside:

The property generates a Net Operating Income (NOI) of \$246,695 annually, with rental income projected to grow and the cap rate increasing from 5.87% to 7.12% by 2029.

### Prime Location in Growing Market:

Situated in the Tri-Cities area of Pasco, WA, which is experiencing rapid population and economic growth, the property benefits from proximity to major highways and large-scale developments.

# PROFORMA BREAKDOWN

	13,440				
	\$4,200,000				
TENANT (SUITE)	RSF	Pro Rata	\$/SF	Annual	Monthly
Nest (203)	2,471	18%	\$ 22.00	\$ 54,362.00	\$ 4,530.17
Tri-Cities Insurance Professionals	2,007	15%	\$ 20.02	\$ 40,180.14	\$ 3,348.35
RAAN Coffee	2,425	18%	\$ 17.18	\$ 41,659.20	\$ 3,471.60
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In Balance CPA (205)	2,391	18%	\$ 19.57	\$ 46,791.84	\$ 3,899.32
Common Area	651	5%	\$ -	\$ -	\$ -
Potential Rental Income (PRI)	13,440	100%	\$ 19.71	\$ 253,021	\$ 21,085.06
Potential Gross Income (PGI)				\$ 253,021	
Vacancy/Credit Loss @2.5%		2.5%		\$ (6,326)	
Effective Gross Income (EGI)				\$ 246,695	\$ 18.36

EXPENSES (StrickerCRE NNN Estimates)	\$/SF	Annual	Monthly
Real Estate Taxes	\$ 1.30	\$17,500.00	\$ 1,458.33
Insurance	\$ 0.37	\$5,000	\$ 416.67
CAMs	\$ 2.98	\$40,000	\$ 3,333.33
Management % EGI	\$ 1.04	\$14,000	\$ 1,166.67
Repairs & Maintenance	\$ 0.13	\$1,750	\$ 145.83
Utilities	\$ 0.87	\$11,700	\$ 975.00
<b>Total Operating Expenses</b>	<b>\$ 6.69</b>	<b>\$89,950</b>	<b>\$ 7,495.83</b>

<b>NET OPERATING INCOME</b>	\$ 246,695	\$ 20,557.93
<b>CAP</b>	<b>5.87%</b>	<b>\$ 312.50</b>

This communication has no warranty or representation, express or implied as to the accuracy of the information contained herein and same is submitted subject to errors and omissions. Buyer and Seller are responsible for independently verifying all presented information.

# THE REAL UPSIDE/YR INCREASE

## SCHEDULED RENTS

1	2	3	4	5
2025	2026	2027	2028	2029

Nest (203)	\$	54,362	\$	55,993	\$	57,673	\$	59,403	\$	61,185
Tri-Cities Insurance Professionals	\$	40,180	\$	41,386	\$	42,627	\$	43,906	\$	45,223
RAAN Coffee	\$	41,659	\$	42,909	\$	44,196	\$	45,522	\$	46,888
Sound Audiology	\$	26,688	\$	27,488	\$	28,313	\$	29,162	\$	30,037
Short Term Tenant (201)	\$	43,340	\$	44,640	\$	45,979	\$	47,359	\$	48,780
In Balance CPA (205)	\$	46,792	\$	48,196	\$	49,641	\$	51,131	\$	52,665
Common Area	\$	-	\$	-	\$	-	\$	-	\$	-
- NOI	\$	<b>253,021</b>	\$	<b>260,611</b>	\$	<b>268,430</b>	\$	<b>276,483</b>	\$	<b>284,777</b>
CAP RATE		<b>6.33%</b>		<b>6.52%</b>		<b>6.71%</b>		<b>6.91%</b>		<b>7.12%</b>
\$/SF	\$	<b>18.83</b>	\$	<b>19.39</b>	\$	<b>19.97</b>	\$	<b>20.57</b>	\$	<b>21.19</b>



# THE REAL UPSIDE/YR INCREASE CONT.

## SCHEDULED RENTS CLOSER TO FUTURE MARKET

## LEASE EXPIRATION

	1	2	3	4	5	6	7	8
	2025	2026	2027	2028	2029	2030	2031	2032
Nest (203)	\$ 54,362	\$ 55,993	\$ 57,673	\$ 59,403	\$ 61,185	\$ 63,020	\$ 64,911	\$ 66,858
Tri-Cities Insurance Professionals	\$ 40,180	\$ 41,386	\$ 42,627	\$ 43,906	\$ 48,168	49,613.04	51,101.43	52,634
RAAN Coffee	\$ 41,659	\$ 53,350	54,951	56,599	58,297	60,046	61,847	63,703
Sound Audiology	\$ 26,688	\$ 27,488	\$ 28,313	\$ 30,500	\$ 31,415	\$ 32,357	\$ 33,328	\$ 34,328
Short Term Tenant (201)	\$ 43,340	\$ 47,280	48,698.40	50,159.35	51,664.13	53,214.06	54,810.48	56,455
In Balance CPA (205)	\$ 46,792	48,195.60	49,641.46	51,130.71	\$ 57,384	59,105.52	60,878.69	62,705
Common Area	\$ -							
NOI	\$ 253,021	\$ 273,692	\$ 281,903	\$ 291,698	\$ 308,113	\$ 317,356	\$ 326,877	\$ 336,683
CAP Rate	6.33%	6.84%	7.05%	7.29%	7.70%	7.93%	8.17%	8.42%
Rent \$/SF	\$ 18.83	\$ 20.36	\$ 20.97	\$ 21.70	\$ 22.93	\$ 23.61	\$ 24.32	\$ 25.05

	1	2	3	4	5	6	7	8
	2025	2026	2027	2028	2029	2030	2031	2032
Nest (203)	\$ 22.00	\$ 22.66	\$ 23.34	\$ 24.04	\$ 24.76	\$ 25.50	\$ 26.27	\$ 27.06
Tri-Cities Insurance Professionals	\$ 20.02	\$ 20.62	\$ 21.24	\$ 21.88	\$ 24.00	\$ 24.72	\$ 25.46	\$ 26.23
RAAN Coffee	\$ 17.18	\$ 22.00	\$ 22.66	\$ 23.34	\$ 24.04	\$ 24.76	\$ 25.50	\$ 26.27
Sound Audiology	\$ 17.50	\$ 18.03	\$ 18.57	\$ 20.00	\$ 20.60	\$ 21.22	\$ 21.85	\$ 22.51
Short Term Tenant (201)	\$ 22.00	\$ 24.00	\$ 24.72	\$ 25.46	\$ 26.23	\$ 27.01	\$ 27.82	\$ 28.66
In Balance CPA (205)	\$ 19.57	\$ 20.16	\$ 20.76	\$ 21.38	\$ 24.00	\$ 24.72	\$ 25.46	\$ 26.23
Common Area	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rent \$/SF	\$ 18.83	\$ 20.36	\$ 20.97	\$ 21.70	\$ 22.93	\$ 23.61	\$ 24.32	\$ 25.05

# OPERATING COST BREAKDOWN

NNN DESCRIPTION	FIRST YEAR 100% OCCUPIED			
	NNN BUDGET FROM ACTUALS		STRICKER ESTIMATES	
	2024	\$/SF	2025	\$/SF
Administrative	\$6,000	\$0.45	\$14,000	\$1.04
Gas	\$3,992	\$0.30	\$4,000	\$0.30
Electric	\$3,320	\$0.25	\$3,500	\$0.26
Water/Sewer	\$4,065	\$0.30	\$4,200	\$0.31
Refuse	\$3,720	\$0.28	\$3,850	\$0.29
Pest Control	\$440	\$0.03	\$500	\$0.04
Snow Removal	\$1,600	\$0.12	\$2,000	\$0.15
Landscaping	\$4,200	\$0.31	\$4,500	\$0.33
Repairs & Maintenance	\$1,750	\$0.13	\$1,750	\$0.13
HVAC R&M	\$3,180	\$0.24	\$2,500	\$0.19
Window Cleaning	\$3,195	\$0.24	\$3,250	\$0.24
Elevator	\$3,450	\$0.26	\$3,500	\$0.26
Janitorial Common Area & Supplies	\$16,920	\$1.26	\$17,250	\$1.28
Fire Alarm/Sprinkler	\$3,295	\$0.25	\$3,300	\$0.25
Property Taxes & KID	\$15,265	\$1.14	\$17,500	\$1.30
Property Insurance	\$4,980	\$0.37	\$5,000	\$0.37
<b>TOTALS</b>	<b>\$79,372</b>	<b>\$5.91</b>	<b>\$90,600</b>	<b>\$6.74</b>

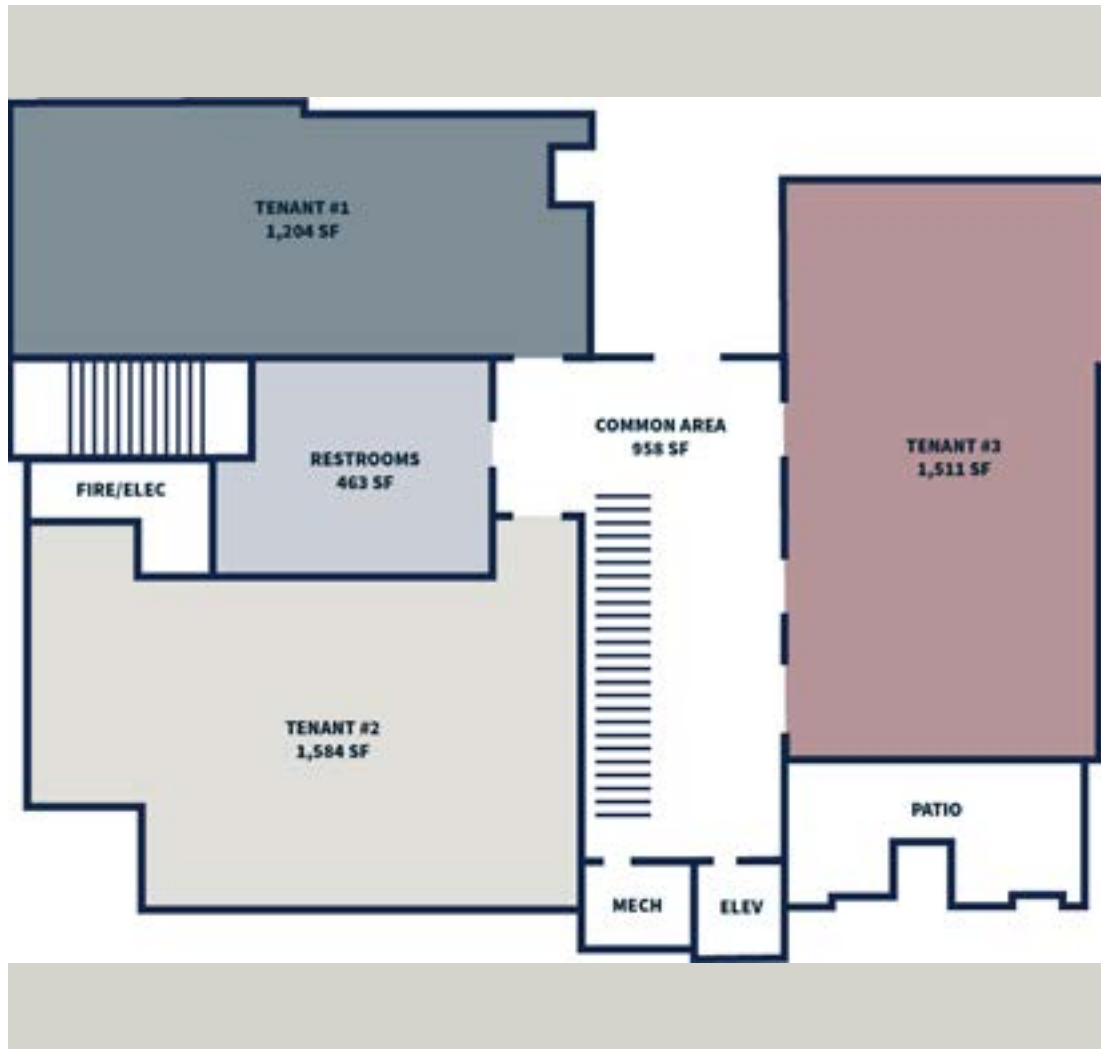
- Built in 2022 indicating the building and suites are fresh and new
- Low capital or tenant improvement needs for next decade
- All tenants are on NNN lease schedule
- Very few assets are stabilized with upside and no capital needs





# FIRST FLOOR HIGHLIGHTS

FULLY LEASED UNTIL 2026

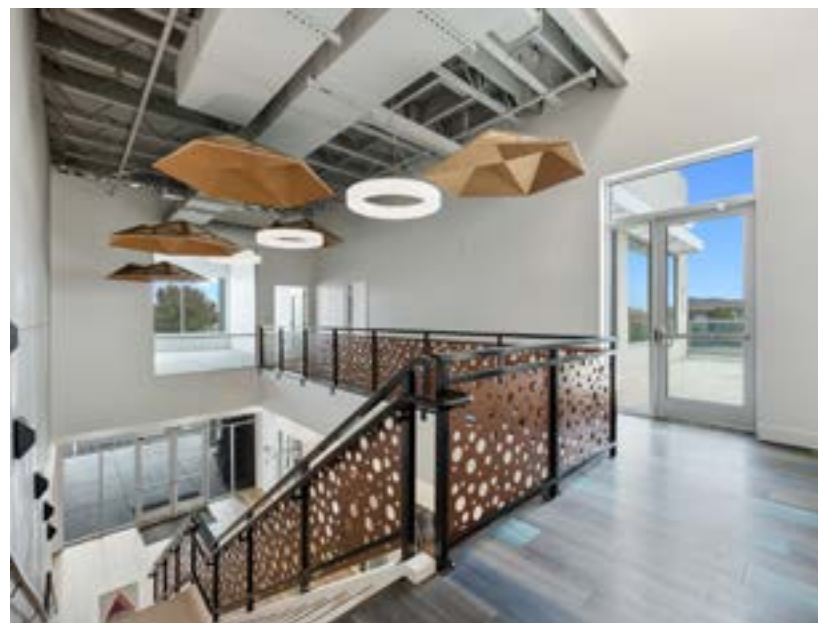


# SECOND FLOOR HIGHLIGHTS

FULLY LEASED UNTIL 2026



*Affinity*<sup>®</sup>







Average Daily Traffic Count:

**18,990.67**



# Site Map *(Birds-eye)*





# Location Overview

## 2022 POPULATION

Tri-Cities | 308,058

Franklin County | 99,074

## 2025 PROJECTED POPULATION

Tri-Cities | 326,726

Franklin County | 105,837

## AVERAGE HOUSEHOLD INCOME

Tri-Cities | \$72,538

Franklin County | \$70,532

## MEDIAN HOUSEHOLD INCOME

Tri-Cities | \$65,625

Franklin County | \$60,689

## TOTAL BUSINESSES

Tri-Cities | 9,467

Franklin County | 2,496

## TOTAL EMPLOYEES

Tri-Cities | 97,232

Franklin County | 27,006









# Pasco (Tri-Cities) Overview

Pasco and the Tri-Cities area of Washington present an exciting opportunity for commercial property investment.

With a combined population of over 300,000 and projected growth of over 10% in the next five years, the area boasts a robust and expanding consumer base.

Business in Pasco is booming. The city is home to a wide range of industries, including manufacturing, logistics, agriculture, and healthcare. Pasco's location near major transportation corridors, including Interstate 82 and the Port of Pasco, makes it a hub for trade and commerce.

Pasco has experienced significant growth in recent years. The city's population has increased by over 20% since 2010, and is projected to continue growing in the coming years.



The busy road 68 area in Pasco boasts a prime location with easy access to major highways, a rapidly growing community, a business-friendly environment, and high foot traffic - all of which make it an attractive destination for commercial investment.

Additionally, there are several planned developments in the area that are poised to further stimulate economic growth. One of the most exciting of these developments is the Broadmoor expansion. This project includes the construction of up to 10,000 apartment units and single family homes, a new High School, restaurants, assisted living facilities and other commercial developments. With a prime location on Road 68, this development is sure to attract high-quality tenants and generate significant foot traffic. Another development that is worth noting is the expansion of Road 100. This project includes the construction of new residential communities, commercial spaces, and recreational facilities.



## ***Handling Lease Renewals and all Tenant interactions. Maximize the value and performance of your business & investments.***

Overseeing and maintaining commercial properties, such as office buildings, shopping centers, and industrial buildings, StrickerCRE Property Management has it covered. Including a wide range of tasks, such as collecting rent, handling tenant issues, maintaining the property, and ensuring that the property complies with local laws and regulations.

StrickerCRE Property Management may also be responsible for coordinating repairs and renovations, as well as managing budgets and overseeing the financial performance of the property. By providing these services, StrickerCRE PM helps property owners to maximize the value and performance of their investments.



# StrickerCRE® TEAM



**Derrick Stricker, CCIM, SIOR**  
Designated Broker



**Jazmine Murillo, CCIM**  
Commercial Broker



**Athena Bunata**  
Licensed Broker Team Assistant



**Julie DeNini**  
Property Manager



Not Shown

**Jae Gomez**  
Creative Director

**Kathleen Stricker**  
Consultant

**Miles Thomas**  
Public Relations

**Emily Sarber**  
Marketing Specialist

**Todd Tarr**  
Facilities