

**FOR SALE**

# Washington State Department Of Agriculture Leased Offering



Offered at: \$8,750,000  
Cap Rate: 7.3%

21 N 1st Ave  
Yakima, WA 98902

Bill Almon, Jr.

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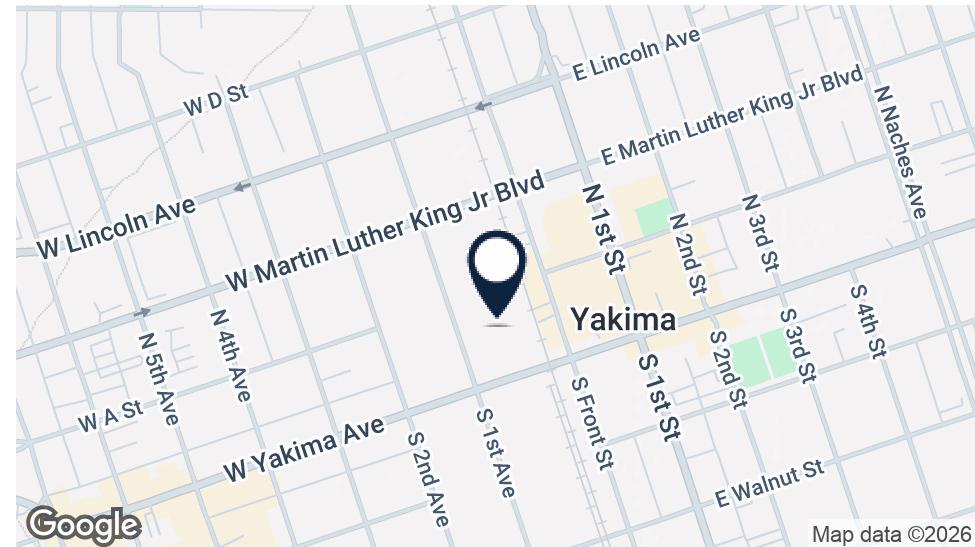
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218 Ssgt Pendleton Way

Yakima, WA 98901

# Executive Summary



## OFFERING SUMMARY

Sale Price:	\$8,750,000
Building Size:	56,939SF
Price/SF:	\$154/SF +/-
NOI:	\$639,102 +/-
Cap Rate:	7.3%
Land Area:	2.41 acres +/-
Parking Stalls:	180 +/-
Zoning:	CBD
Parcel Numbers:	191319-23520, 181324-14401 & 14409

## PROPERTY OVERVIEW

THIS OFFERING is for the opportunity to purchase an office and laboratory building leased on a long-term basis with approximately 8.5 years remaining to Washington State Department of Agriculture ("WSDA").

Located in the absolute heart of downtown Yakima, this facility is a critical hub supporting the region's vast and diverse agricultural industry. Its central location that services central Washington is critically important to a region heavily dependent upon agriculture, where Yakima County is Washington's leading agricultural county and number one producer of apples, hops and various other crops.

This is a simple, transparent offering with a strong credit tenant and essential governmental agency paying below market rent who is entrenched and heavily invested at the location that they've been in since 1998.

# NOI Calculations



INCOME	PER SF	
Scheduled Rent Income	\$14.36	\$817,772
<b>GROSS INCOME</b>		<b>\$817,772</b>
EXPENSES	PER SF	NOTES
Property Taxes (2026 actual)	\$1.00	\$56,781
Property Insurance (2025 actual)	\$0.17	\$9,729
Repairs & Maintenance (estimated at 5% of gross income)	\$0.72	\$40,889 [1]
Management (2025 actual)	\$0.33	\$18,741
Maintenance Manager (2025 actual)	\$0.15	\$8,767 [2]
Elevator Service Contract (2025 actual)	\$0.09	\$5,341
HVAC Service Contract (2025 actual)	\$0.10	\$5,401
Fire and Backflow Inspections (2025 actual)	\$0.01	\$687
Landscaping (2025 actual)	\$0.01	\$811
Snow Removal (2-year average + 3%)	\$0.23	\$13,000 [3]
Downtown Improvement District (2025 actual)	\$0.09	\$5,329
Fire Sprinkler Service to City of Yakima (2025 actual)	\$0.01	\$465
L&I for Elevator (2025 actual)	\$0.01	\$614
Window cleaning (2026 scheduled)	\$0.03	\$1,400
Internet (2025 actual)	\$0.02	\$880
Supplies & Miscellaneous (2025 actual)	\$0.03	\$1,657
Capital Replacement Reserve (1% of gross income)	\$0.14	\$8,178 [4]
<b>TOTAL EXPENSES</b>	<b>\$3.14</b>	<b>\$178,670</b>
<b>NET OPERATING INCOME</b>		<b>\$639,102</b>

[1] Actual repairs and maintenance were \$28,332 in 2024 and \$45,669 in 2025

[2] Maintenance manager was paid \$9,564 in 2024 and \$8,767 in 2025

[3] Capital replacement reserve included to demonstrate a transparent offering

[4] Snow removal was \$12,762 in 2024 and \$12,497 in 2025, yet is anticipated to be less in 2026

Historical P&L's will show landlord paying water, garbage and irrigation, which is reimbursed by WSDA, however, WSDA has assumed direct payment of such for 2026

# Rent Roll

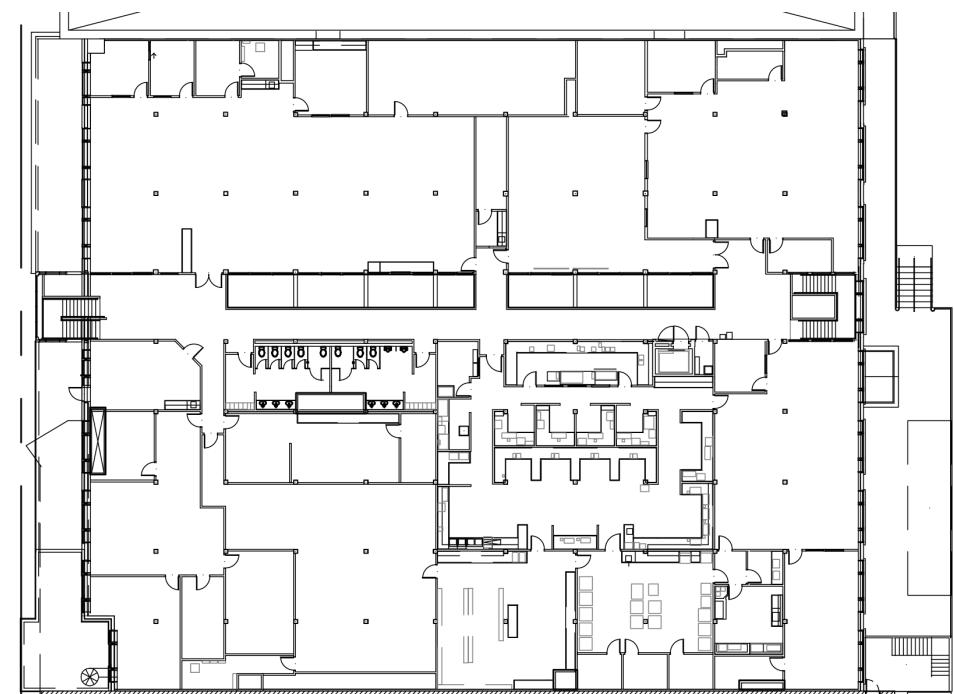
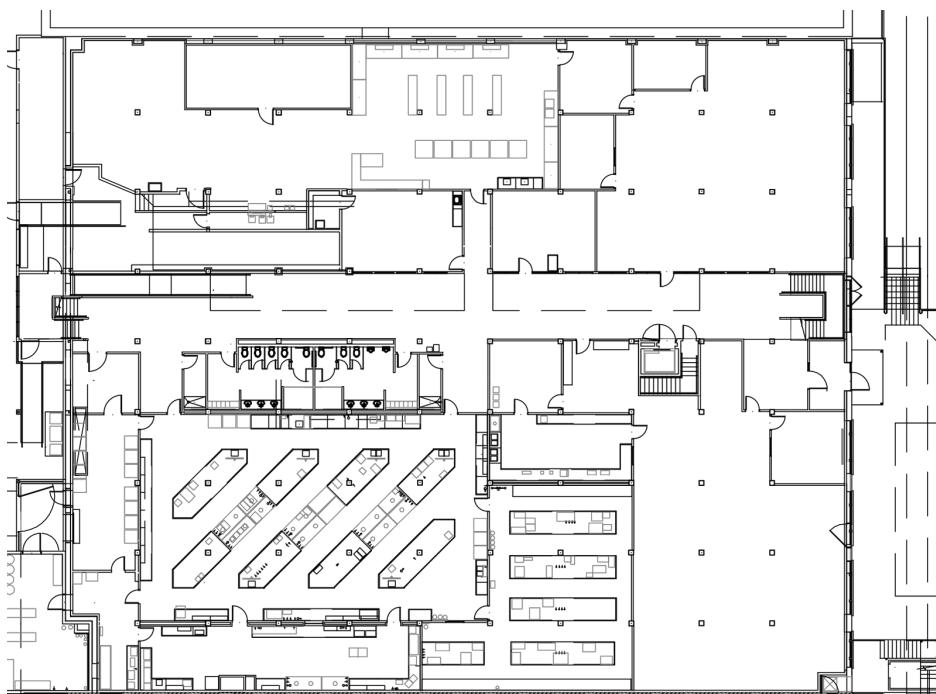
Years	Date	Monthly Rent	Annual Rent	Rent/SF	Expense Structure	Escalation	Effective Cap Rate
1 - 5	8/1/24 - 7/31/29	\$68,147.70	\$817,772.40	\$14.36/SF	*Semi-Gross		7.30%
6 - 10	8/1/29 - 7/31/34	\$74,962.50	\$899,550.00	\$15.80/SF	*Semi-Gross	10%	**8.1%

\* Tenant is responsible for gas, electricity, water, sewer & garbage, recycling, interior window washing, irrigation water and janitorial

\*\* Assumes 2% annual escalations to marketed operating expenses

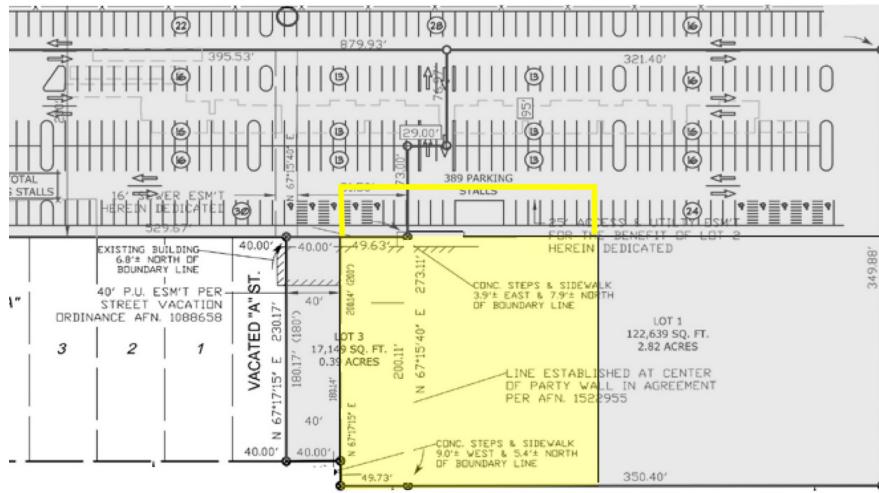


## Floor Plans

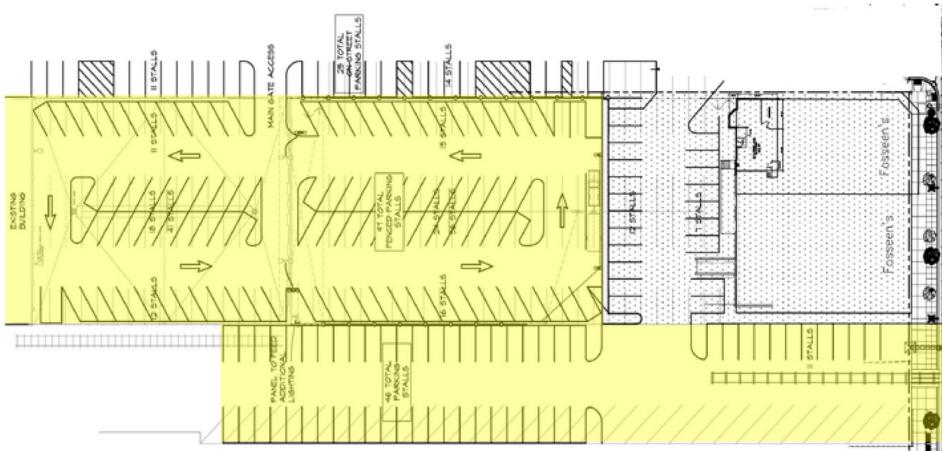


## Site Plan/Aerial

CENTERLINE OF BNSF RR MAIN LINE



**NORTH 1ST AVENUE**



## Department Of Agriculture

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WSDA has been serving agriculture and the public for more than 112 years while supporting the viability and vitality of agriculture and protecting consumers, public health and the environment. They are considered an essential state agency due to their core functions being critical to public health, the environment and the viability of the state's agricultural industry. Areas of emphasis include food safety, pest and disease management, environmental protection, food assistance and market support.

The Yakima location is critical to servicing the surrounding heavily dependent agricultural region and, among other traditional services, provides laboratory testing and commodity inspections that are unique to this office, offering diverse support to the region's farming industry.

WSDA had a 2023 – 2025 biennium operating budget of \$383.9 million primarily funded by stakeholder fees, the majority of which come from the general state fund and local funds.

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**YEAR FOUNDED:** 1913

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**'23 - '25 BUDGET:** \$389.3M

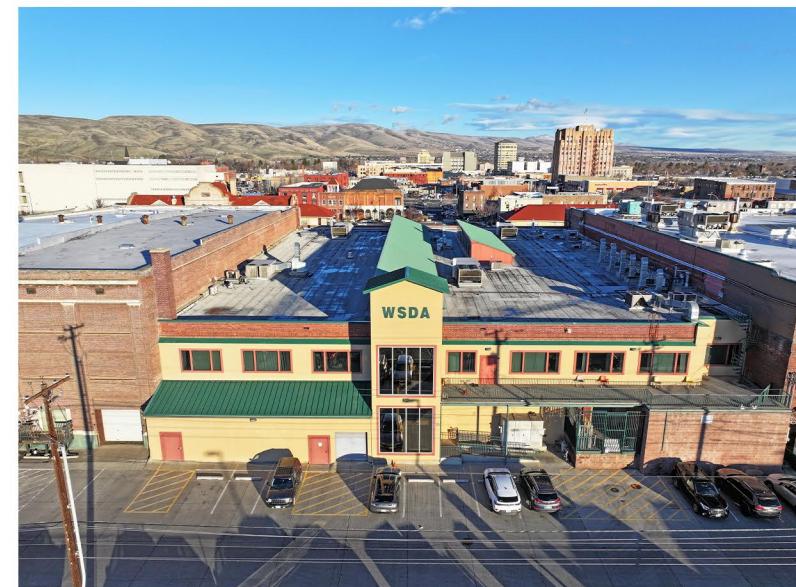
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**ESSENTIAL AGENCY:** YES

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**LOCATED AT SITE:** 1998

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# Highlights

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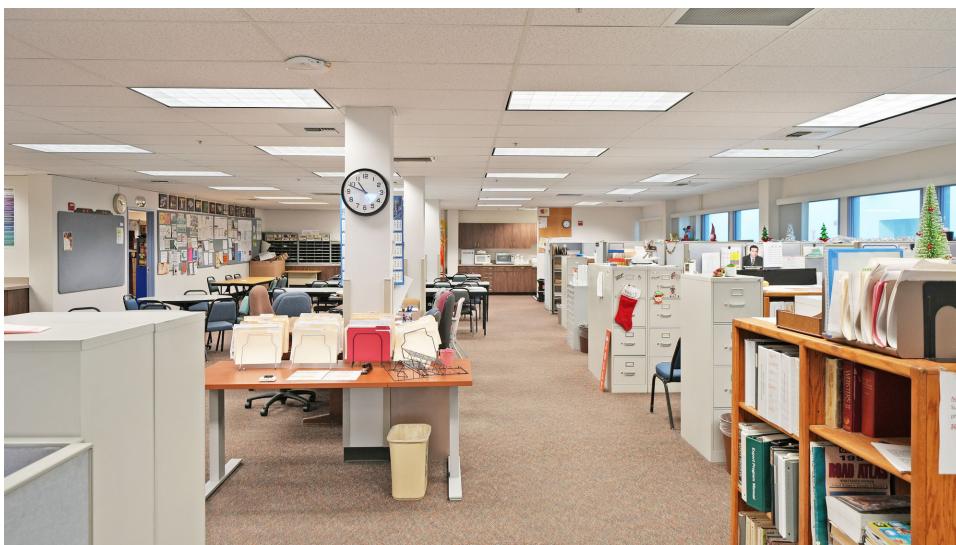


## PROPERTY HIGHLIGHTS

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- WSDA recently entered into a new 10-year lease despite the state of Washington's current policy of signing lease terms of no more than 5 years, demonstrating their commitment to the building and location.
- WSDA has occupied the building since 1998, is heavily invested in the property and is considered an essential governmental agency.
- Yakima is the agricultural hub of central Washington and this is a critically important location for WSDA.
- Lease is below market at \$14.36/SF, semi-gross, which is the equivalent of approximately \$11.22/SF if it were triple-net, providing downside protection with some upside.
- Washington State is rated Aaa by Moody's and AA+ by both S&P Global and Fitch, which reflects the state's strong economy, robust revenue and diverse growth.
- Includes approximately 180 parking stalls, 130 of which are located within a first-class secured and gated parking lot.
- Listing broker negotiated the past two leases with WSDA, represented the seller when the property was last sold and has managed the property for the previous two owners, therefore is intimately familiar with the property and can transparently answer questions.
- WSDA's state level facilities planner, who is intimately familiar with the site, will make themselves available for transparent discussions with bonafide purchasers.

## Interior Photos



## Additional Photo



## Additional Photo

