

# TWO STANDALONE WAREHOUSE/OFFICE BUILDINGS FOR SALE



## 5720 112TH STREET E, PUYALLUP, WA 98373

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# STANDALONE WAREHOUSE BUILDINGS WITH RETAIL EXPOSURE & FENCED YARD AREA

**SALE PRICE: \$1,900,000**

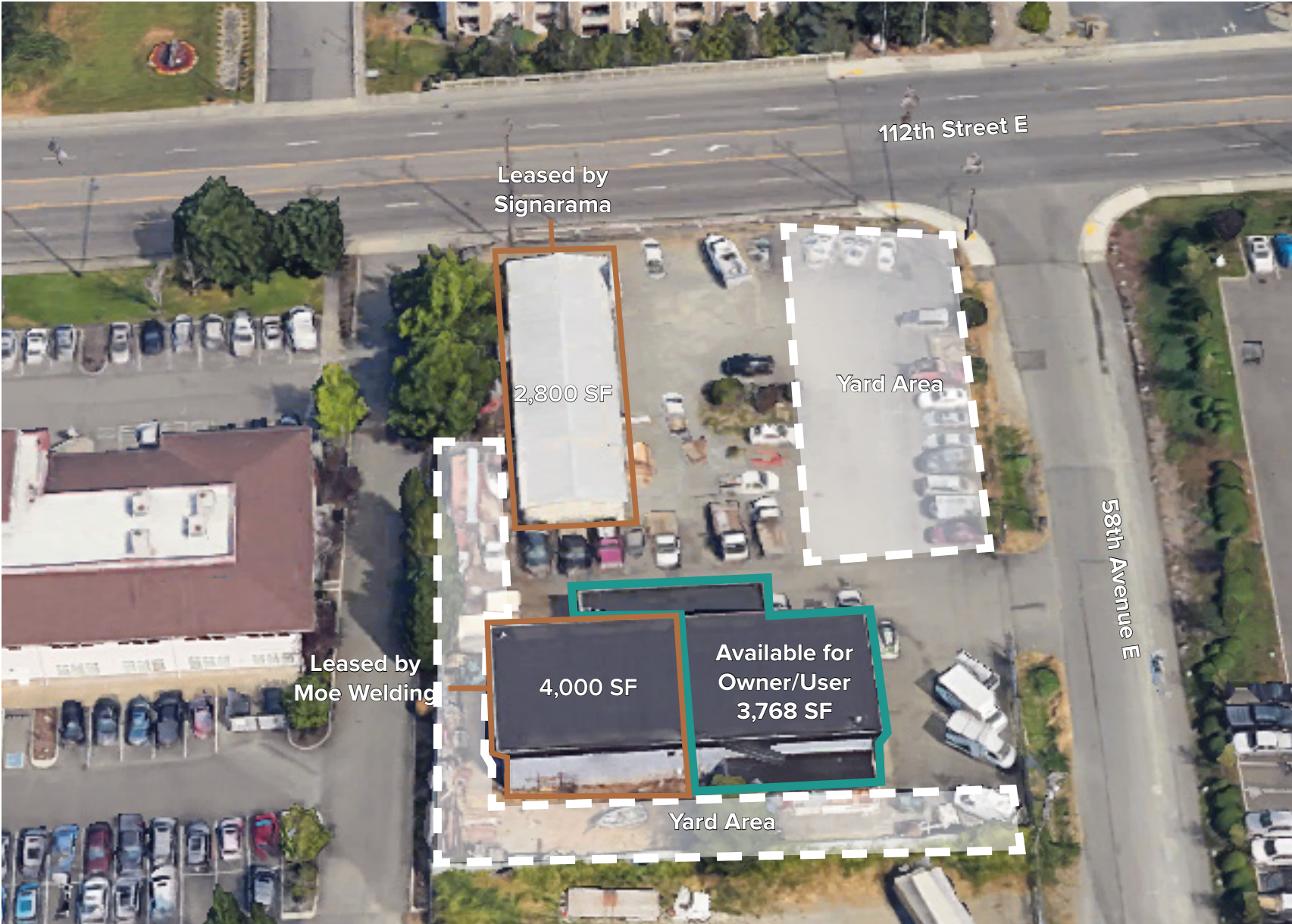
**Price/SF: \$180/SF**

**Total Building: 10,586 SF**

## PROPERTY FEATURES:

- Built in 1982. Renovated in 1992.
- 40,735 SF (0.935 Acres) Land
- Abundant Parking Within Fenced Lot Plus Countless Street Parking Available
- 10,000+ SF Fenced Yard Area
- 17,900+ Vehicles per day on 112th Street E
- Signage available facing busy 112th Street E
- Includes 400 SF Secured Shed
- Recent Capital Improvements:
  - ☐ New Asphalt Parking Lot
  - ☐ Connected Property to City Sewer
- Clear Span Warehouse
- Zoning: The Employment Corridor (ECOR) zone is a light to moderate industrial zone that supports economic development and supplements the Frederickson Manufacturing Industrial Center.

# SITE MAP

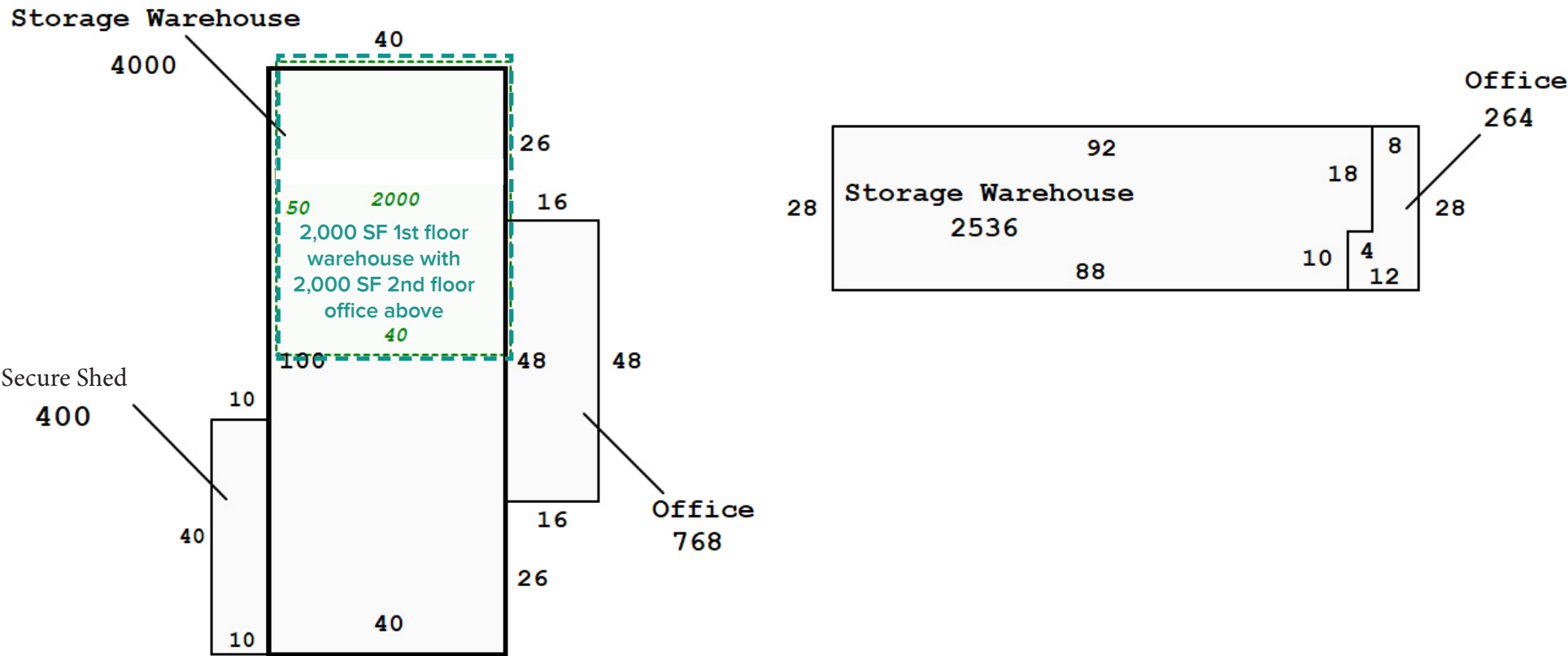


# PROPERTY PHOTOS



# FLOOR PLAN

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# OWNER USER VS RENT COMPARISON

- Purchase instead of rent and reduce monthly payments by \$4,000
- Renters suffer annual rent increases while buyers lock in their loan payment for five years
- Ownership tax savings and principal paydown result in approximately \$80,000 annual savings compared to renting

## Purchase Scenario

Purchase Price & Initial Costs		
Building Size		10,568
Purchase Price	\$179.79	\$1,900,000
Loan Fees and Costs		\$30,000
Total Project Costs		\$1,930,000
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Total Initial Costs (15%) Down Payment		\$289,500

Loan Assumptions	
5 year fixed rate	25 year amortization
33% tax bracket	5.09% interest rate

Monthly Ownership Cash Outflow	
Blended Interest Rate (Estimate)	5.09%
Mortgage Payment (P&I)	\$9,676
Rental Income	Assuming Buyer Occupies Entire Property
NNN Expenses (\$2.67/SF)	\$2,351
Monthly Cash Outflow	\$12,027

Monthly Ownership Benefits (Estimates)	
Appreciation at 2%	(\$3,167)
Equity Build-Up	(\$2,782)
Depreciation Write-Off (70% Imp. Value)	(\$938)
Interest Write-Off	(\$2,277)
NNN Expense Deduction	(\$776)
Total Ownership Benefits	(\$9,939)
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Total Effective Monthly Cost	\$2,088

## Rental Scenario

Lease Rate & Initial Costs	
Premises Size	10,568
Prepaid Monthly Rent (\$16/SF)	\$14,091
Prepaid NNN Expenses (\$2.67/SF)	\$2,351
Security Deposit	\$20,000
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Total Initial Costs	\$36,442

Lease Assumptions	
33% tax bracket	

Monthly Lease Cash Outflow	
Starting Rent Payment	\$14,091
NNN Expenses	\$2,351
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Monthly Cash Outflow	\$16,442

Monthly Lease Benefits	
Appreciation at 2%	\$0
Equity Build-Up	\$0
Depreciation Write-Off (70% Imp. Value)	\$0
Interest Write-Off	\$0
Rent & NNN Expense Deduction	(\$5,426)
Total Lease Benefits	(\$5,426)
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Total Effective Monthly Cost	\$11,016

# INVESTMENT

Pro Forma

SUITE	TENANT	SQUARE FEET	RENT /SF	MONTHLY RENT	12 MONTHS at Current Rent
5722	Tenant 1	2,800	\$16.00	\$3,733	\$44,800
Unit B	Tenant 2	4,000	\$13.50	\$4,500	\$54,000
5720	Tenant 3	3,768	\$16.00	\$5,024	\$60,288
Shed	Tenant 3	400	\$12.00	\$400	\$4,800
Surplus Land	Tenant 1, 2, or 3	10,000	\$3.00	\$2,500	\$30,000
TOTALS		10,568	\$18.35	\$16,157	\$193,888

Rent Revenue		\$193,888
Reimbursed Expenses	\$2.67	\$28,258
TOTAL REVENUE		\$222,146

Operating Expenses	(\$2.67)	(\$28,258)
TOTAL EXPENSES		(\$28,258)

Vacancy	5.00%	(\$11,107)
Structural Reserve	(\$0.10)	(\$1,057)
NET OPERATING INCOME		\$181,724

Sales Price:	\$1,900,000	\$180
	\$96,944	6 months vacancy cost
	\$48,472	3 months free rent
	\$58,166	leasing commissions
	\$30,000	tenant improvements

NET PRICE After Releasing Costs	\$2,133,582
PRICE PER SF	\$202

CAP RATE	8.5%
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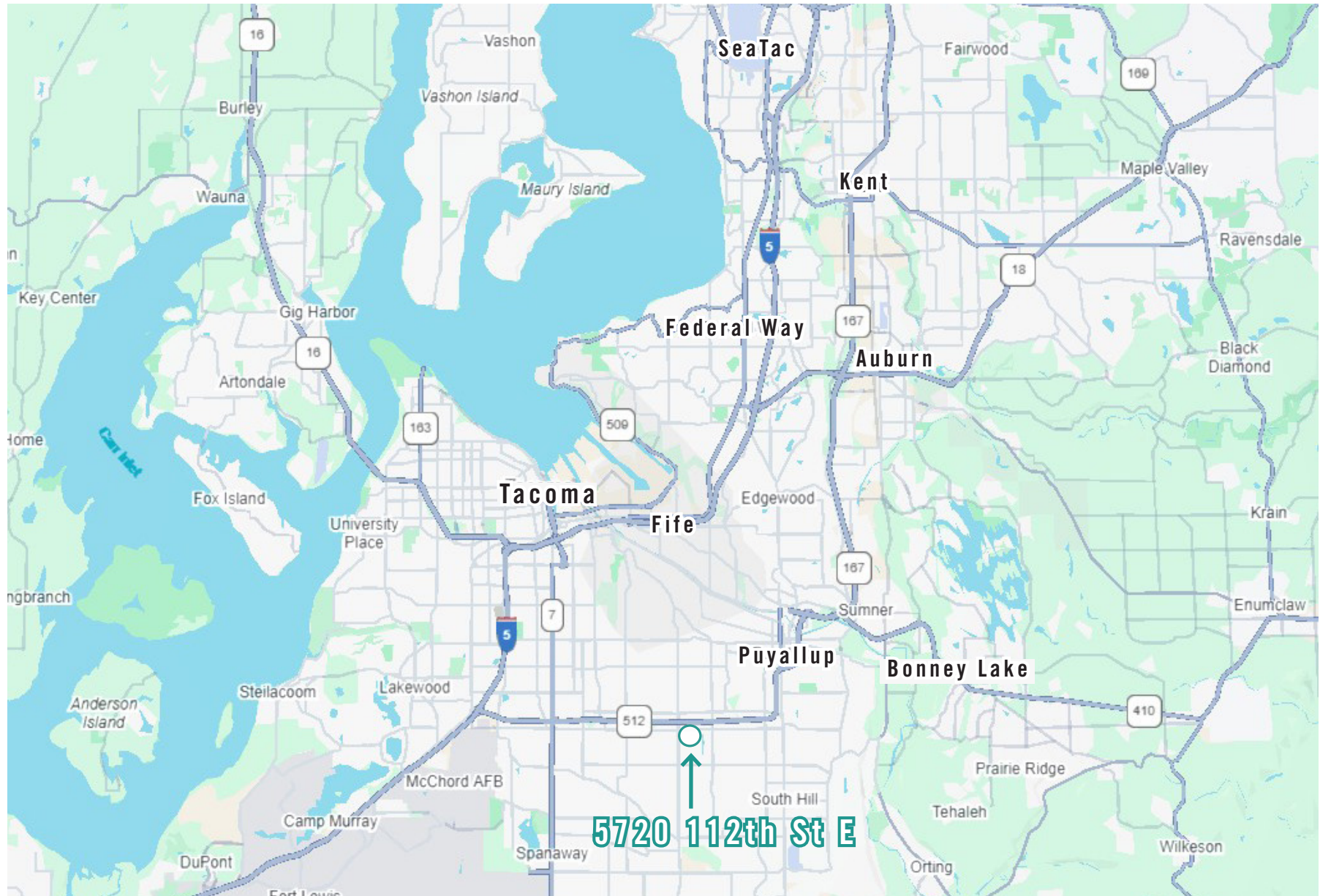
- Seller Financing Available:
  - Terms Negotiable
- Investor: 8.5 Pro Forma Cap Rate
  - Pro Forma Assumptions:
    - 16.00/SF, NNN for 1st Floor Warehouse & Office
    - \$12.00/SF, NNN for 2nd Floor Office
    - \$0.25/SF for 10,000 SF Fenced Yard Area
- Owner User:
  - 3,768 SF Warehouse/Office plus 400 SF Secured Shed Available Now
  - Entire 10,568 SF can be made available by 9/1/26

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# PARCEL MAP



# LOCATION MAP



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