

OFFERING MEMORANDUM

# LAKEWOOD OFFICE/WAREHOUSE INVESTMENT OPPORTUNITY



9810 40TH AVE SW, LAKEWOOD, WA 98499

**km** Kidder  
Mathews

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# EXECUTIVE SUMMARY

# 87% LEASED BUILDING IN LAKEWOOD, WA

This building consists of a mix of office and warehouse space and is divided into seven suites. Two suites are configured as warehouse space and are currently leased to a single tenant, while the remaining five suites are office spaces. Three of the office suites are located on the second floor and are accessible via the existing lift. Each suite includes its own restroom, resulting in no common areas other than the parking lot.

The tenants are long-term, with the most recent five-year lease commencing in 2021, and that tenant has already begun discussions regarding renewal. There is currently one vacant office suite on the second floor, bringing the building to 87% leased.

The property provides 24 on-site parking stalls, and the landlord additionally leases 12 parking stalls from the neighboring property owner. This parking lease is terminable at the landlord's sole discretion.

The property is located less than one mile from Interstate 5 & Highway 512, offering convenient access to multiple regional freeways. The site is zoned Commercial 2 (C-2) in the City of Lakewood, which allows for a variety of retail, commercial, and light industrial uses.

Additionally, the adjacent Gerber Collision & Glass facility, located at the corner of 40th Ave SW and 100th St SW, is also available for sale, along with a fully leased assemblage of three parcels featuring overlapping leases with Rapid Prep, LLC and NuCO2 (Nasdaq: LIN).



## PROPERTY OVERVIEW

ADDRESS	9810 40th Ave SW, Lakewood, WA
PARCEL	0219011091
LAND SIZE	±0.571 AC (24,890 SF)
BUILDING SIZE	±15,141 SF Building ±10,021 SF Office ±5,120 SF Warehouse
JURISDICTION	City of Lakewood
ZONING	Commercial 2 (C2)



# TENANT PROFILES

## TENANT OVERVIEW

Tenant	Bio	Current Rent	
	<b>PET IQ SUITE A</b>	Leased since 2020. Pet IQ provides convenient, affordable veterinary products and services to help pets live their best lives.	<b>\$2,472.23</b> MONTHLY + NNN
	<b>LAKESWOOD MATTRESS SUITE B</b>	Leased since 2020. Offering an ever changing and evolving inventory of mattresses at a discounted rate. Locally owned & operated.	<b>\$2,546.16</b> GROSS
	<b>PACIFIC ALASKA LUMBER SUITE C</b>	Leased since 2010. Supplying lumber and building materials to industrial, commercial, and government clients across North America since 2007, with locations in Lakewood, WA, and Anchorage, AK. Their experienced team offers nearly a century of combined industry expertise.	<b>\$1,971.78</b> MONTHLY + NNN
<i>Vacant</i>	<b>SUITE D</b>	Was last leased to Evergreen Education Services. Training for nurses and other medical professions was their business.	<b>\$1,896.00</b> MONTHLY + NNN PREVIOUS LEASE RATE
	<b>RAPID PREP, LLC WAREHOUSE &amp; OFFICE SUITE A1 &amp; F</b>	Rapid Prep currently leases the 2 warehouse suites as it expanded from the adjacent property. They have been a tenant in the adjacent property since 2013.	<b>\$5,560.00</b> MONTHLY + \$303 FOR UTILITIES
	<b>AFSCME SUITE D2</b>	Leased since 2011. The American Federation of State, County & Municipal Employees is the largest trade union of public employees in the U.S.	<b>\$5,759.30</b> MONTHLY GROSS

## TENANT PROFILES

### PROPERTY PROFILE

The property includes a two-story ±15,141 SF building consisting of ±10,021 SF of office space and ±5,120 SF of warehouse space on a ±24,890 SF parcel. It was built in 1982 and has been updated over the years.

The ground floor of the office portion is leased to PetIQ and Lakewood Mattress. The second floor of the office portion is leased to Pacific Alaska Lumber and AFSCME, with the third 2nd floor suite vacant. The two warehouse spaces are leased to Rapid Prep, LLC. Rapid Prep leases the adjacent property and recently expanded into this one.

### TENANT PROFILE

Tenant	Space	Size	Lease Commencement	Lease Expirations
PETIQ	Suite A	2,049 SF	6/1/2021	10/31/2026
LAKEWOOD MATTRESS	Suite B	1,964 SF	12/1/2020	11/30/2026
PACIFIC ALASKA LUMBER	Suite C	1,596 SF	4/1/2009	MTM
AFSCME	Suite D2	2,560 SF	11/1/2011	1/31/2027
RAPID PREP	Suite A1 & F	4,694 SF	10/1/2025	9/30/2030
VACANT SUITE	Suite D	1,896 SF	N/A	N/A





# FINANCIAL OVERVIEW

## INCOME & EXPENSES

### CURRENT RENT ROLL

Tenant	Space Size	Monthly Base Rent	Annual Rent PSF	Mo Cost Recovery / NNN	Total Mo Payment	Increases/Notes
PETIQ	2,049 SF	\$2,472.23	\$14.48	\$443.95	\$2,916.39	3% annually in base rent every June
LAKWOOD MATTRESS	1,964 SF	\$2,546.16	\$15.56	\$0.00	\$2,546.16	3% annually every December
PACIFIC ALASKA LUMBER	1,596 SF	\$2,080.00	\$15.64	\$550.50	\$2,630.50	No set amount, usually 3%
AFSCME	2,560 SF	\$5,759.30	\$27.03	\$0.00	\$5,759.30	4% annually every February
RAPID PREP	4,694 SF	\$5,560.00	\$14.21	\$303.00	\$5,863.00	3% annually base rent & cost recovery every October
VACANT SUITE	1,896 SF	\$0.00	\$0.00	\$0.00	\$0.00	Expected rate \$14.00 PSF
<b>TOTAL</b>		<b>\$18,417.69</b>		<b>\$1,297.45</b>	<b>\$19,715.35</b>	

### OPERATING EXPENSES

PROPERTY TAXES	\$21,429.47
INSURANCE	\$12,095.87
UTILITIES	\$16,053.58
MAINTENANCE, REPAIRS & SUPPLIES	\$24,453.56
SECURITY CAMERA SYSTEM	\$1,644.66
ADDITIONAL PARKING STALL LEASE	\$7,200.00
<b>TOTAL EXPENSES</b>	<b>\$82,877.14</b>

CURRENT RENTAL INCOME	\$221,012.28
OPERATING EXPENSE COST RECOVERY	\$15,569.40
EXPENSES	\$82,877.14
CURRENT NET OPERATING INCOME	\$153,704.54
PROFORMA NET OPERATING INCOME	\$180,248.54

**OWNER TO CONSIDER ALL REASONABLE OFFERS TO PURCHASE**

FINANCING AVAILABLE WITH BELLEVUE CAPITAL GROUP

**RYAN CARTER** 360.223.9876 | ryan@bellevuecapitalgroup.com



# LOCATION OVERVIEW

# NEIGHBORHOOD OVERVIEW



The subject property is situated within the City of Lakewood in Pierce County. Lakewood is the fifth-largest city in Pierce County, covering approximately 18.89 square miles. Per the Washington State Office of Financial Management (OFM), the City of Lakewood had a 2024 estimated population of 64,620, with Pierce County having an estimated population of 952,600.

Lakewood was incorporated in 1996, though its history as a community dates back to the early 20th century, historically centered around lakeside recreation, agriculture, and suburban residential development. The city evolved alongside the expansion of nearby military installations, particularly Joint Base Lewis-McChord (JBLM), which remains a major economic and cultural influence in the area.

The city's economy is shaped by a mix of military-related services, healthcare, education, and retail trade. Major institutions include St. Clare Hospital, Clover Park Technical College, and JBLM. The military base, which straddles Lakewood's southern boundary, serves as one of the region's largest employers and supports a wide range of civilian and defense-related economic activity.

Lakewood benefits from proximity to Interstate 5 and State Routes 512 and 704, offering regional connectivity to Tacoma, Olympia, and Seattle. The city also hosts a Sounder commuter rail station, enhancing

public transit access for commuters.

The city has invested in revitalizing its commercial corridors and community infrastructure through initiatives like the Downtown Subarea Plan and Lakewood Station District redevelopment. The Lakewood Economic Development Department works to attract new investment and support local businesses, with a focus on sustainable growth and long-term livability.

Lakewood's community is characterized by a blend of established residential neighborhoods, commercial centers, and natural amenities, including American Lake, Lake Steilacoom, and Fort Steilacoom Park. These features, combined with its strategic location and strong institutional anchors, position Lakewood as a stable and diversifying suburban city within the South Sound region.

## IMMEDIATE NEIGHBORHOOD

The subject's immediate neighborhood consists primarily of commercial uses along 40th Ave SW to the east and 100th Street SW to the south of the subject. Lakewood Industrial Park is located to the west across Lakeview Ave SW. The property is located proximate to an active railway to the west, intersecting 100th Street SW, and the SR-512/I-5 interchange is located to the southwest.

# LAKEWOOD INDUSTRIAL PARK

**LAKEWOOD INDUSTRIAL PARK**  
4823 95th St SW, Lakewood, WA

**PIERCE TRANSIT**  
3701 96th St SW, Lakewood, WA

**SUBJECT  
PROPERTY**

**LAKEWOOD BUSINESS PARK**  
10109 S Tacoma Way, Lakewood, WA

**JENCO INDUSTRIAL PARK**  
2310 104th St Ct S, Lakewood, WA

 **MCCHORD AFB**

PARKLAND

LOCATION OVERVIEW

*0.9 MI — 3 MIN*

TO INTERSTATE 5

*0.7 MI — 3 MINS*

TO HIGHWAY 512

*10.8 MI — 20 MINS*

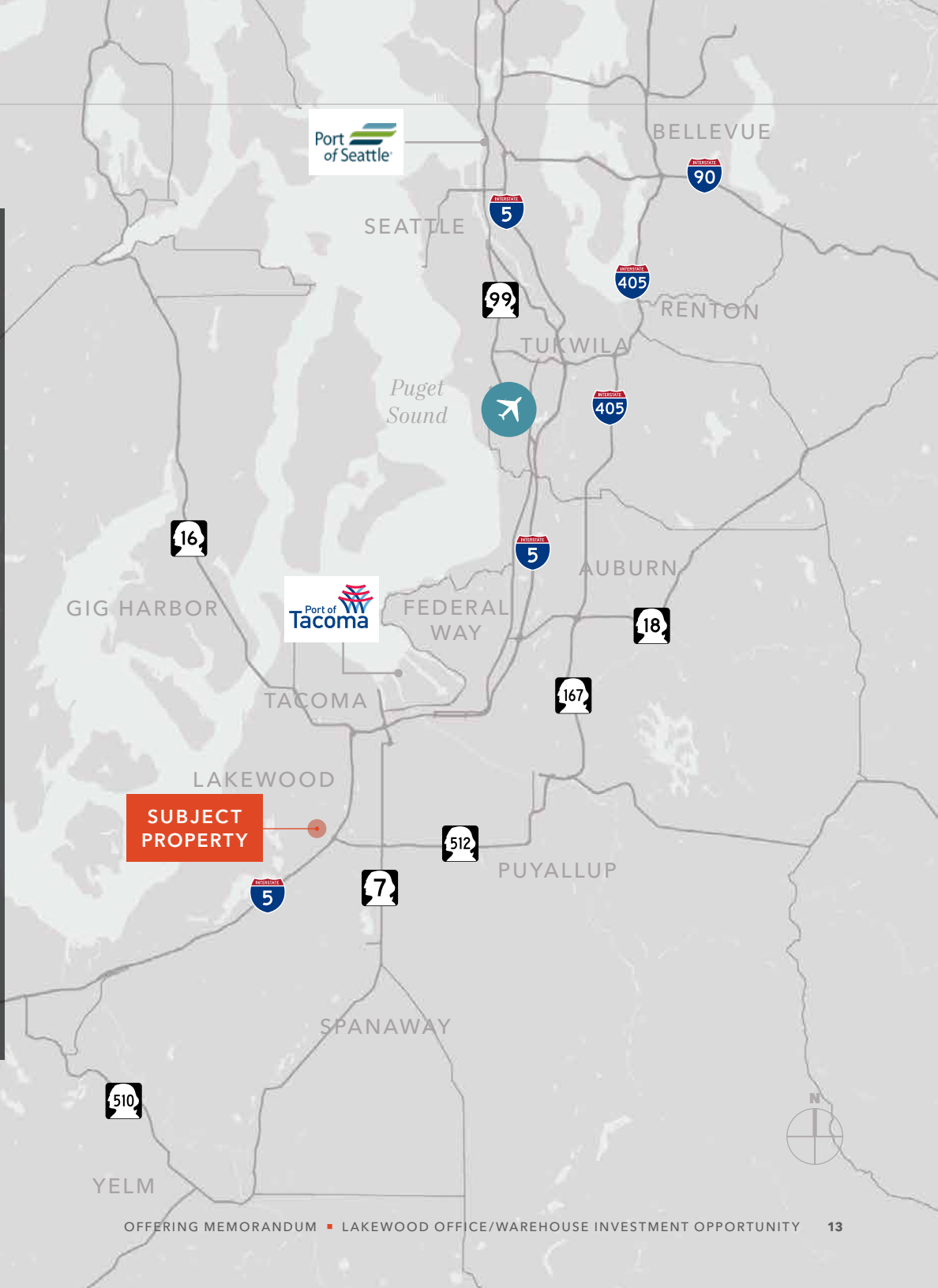
TO PORT OF TACOMA

*23.3 MI — 30 MINS*

TO OLYMPIA

*39.3 MI — 50 MINS*

TO SEATTLE

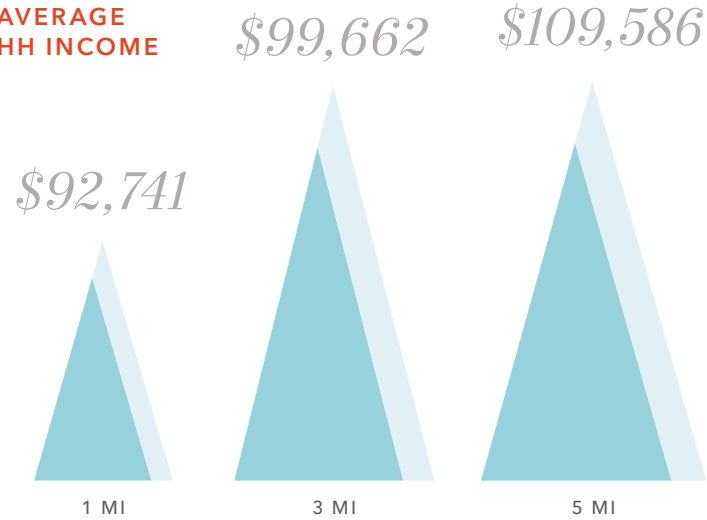


# DEMOGRAPHICS

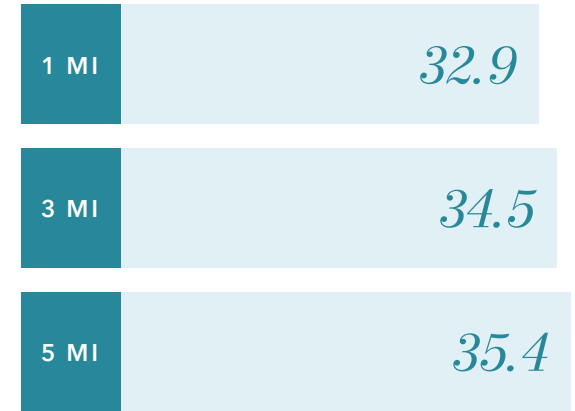
## POPULATION



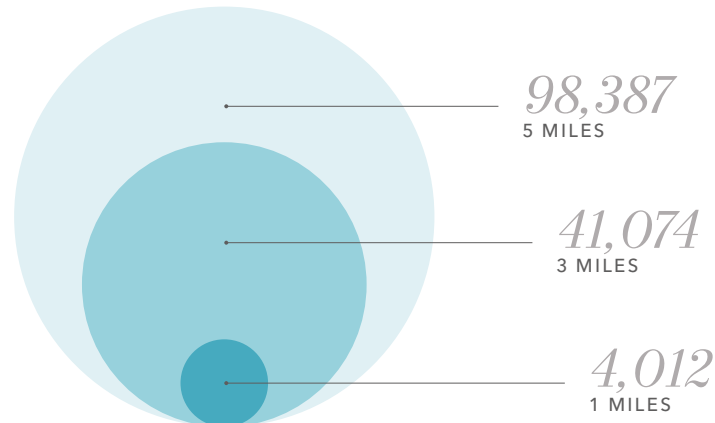
## AVERAGE HH INCOME



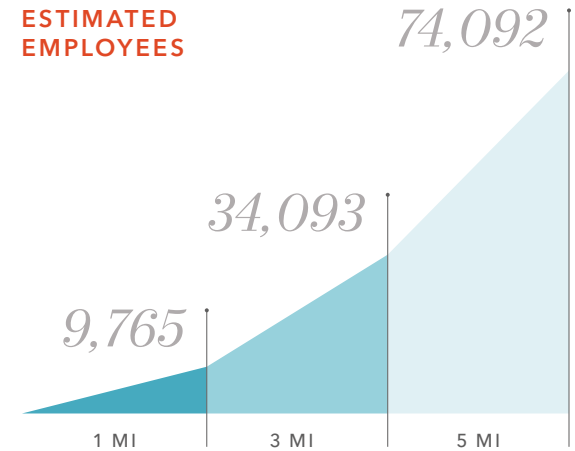
## MEDIAN AGE



## ESTIMATED HOUSEHOLDS



## ESTIMATED EMPLOYEES



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