

For Sale

University Retail Building



4549 - 4555 University Way NE, Seattle

HIGHLIGHTS:

- **Sale Price; \$2,800,000**
- Fully Leased - Three tenants
- Two Buildings totaling 6,820 SQ. FT.
- Land Area - 8,240 SQ., FT.
- Three Tenants:
 - Starbucks
 - WOW Café
 - Hawaii BBQ
- Located in the heart of the University District

**YATES
WOOD**

BROKERAGE
& PROPERTY
MANAGEMENT

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Brokerage & Property Management Services
425 Pontius Ave N, Suite 203 Seattle, WA 98109 www.yateswood.com

Executive Summary

4549 - 4555 University Way NE, Seattle

- **Tenants:**

4549 University Way NE	Hawaii Barbeque
4553 University Way NE	WOW Café
4555 University Way NE	Starbucks
- **Land Area:** 8,240 sq.ft.
- **Zoning:** NC3P65 (City of Seattle is considering height change to 75 feet)
- **Building Area:** 6,820 sq.ft. (2 buildings)
- **Year Built:** 1919 (Both buildings - Although the buildings are approaching 100 years old, they have been maintained and upgraded over the years).
- **Construction:** Masonry
- **Parcel No.:** 881640 1070
- **Assessed Value:**

Land	\$2,060,000
Structure	<u>1,000</u>
Total	\$2,061,000
- **Real Estate Taxes 2017:** \$20,085.66

The information contained herein was compiled from information furnished by sources deemed reliable. However, its accuracy is not guaranteed. Prospective purchasers should verify all such information on their own behalf, or have the information verified by their own attorney, accountant or business advisor.

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UNIVERSITY DISTRICT

4549 - 4555 University Way NE, Seattle

The University District, which is anchored by the University of Washington, is situated about 4 miles north of downtown Seattle. According to information published by The U District Partnership, the enrollment at the University of Washington is over 45,000 students and 38,000 people work on campus and in local businesses. The District is home to 14,200 residents, many of whom are students. A new light rail system is being constructed that will eventually be connected north to the city of Everett and south to the city of Tacoma and to the east side of Lake Washington. Currently under construction is a light rail station at 43rd and Brooklyn Avenue, which is two blocks from the subject property. That station is expected to be operational in 2021.

University Way, "The Ave", is the major retail street in the area. The U District Partnership reports that there are 751 retail and restaurant businesses in the District. Most businesses are small and local.

The District supports a Saturday Farmer's Market, and an annual "University District Street Fair" with over 300,00 visitors over the weekend event

The city of Seattle has just concluded a zoning change that increases the allowable height of a building in the area. Height in many parts of the wider District is being increased to 240 or 320 feet. This will allow for mid-rise development and increase the population of the area. The height restriction on University Way is currently 65 feet and has not as yet been changed, but it is expected to be increased to 75 feet.

UNIVERSITY DISTRICT STREET FAIR



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FINANCIAL SUMMARY & COMPARABLES

4549 - 4555 University Way NE, Seattle

As previously written, there are three tenants occupying the building. The tenants are Hawaii Barbeque Restaurant, WOW Café and Starbucks. Detail rental information can be provided upon submission of the Confidentiality Agreement which is included in this offering package. The rental rate is triple-net although a portion of the building expenses, namely, annual roof maintenance and certain sewer maintenance are not reimbursable. Tenants do not reimburse for property management expenses.

Annual Rental Income	\$132,340
Less vacancy & Reserves – 5%	(7,900)
Annual Effective Income	\$124,440
Less Non-reimbursable Expenses for Roof & Sewer Maintenance, est.	(2,900)
Annual Net Income	\$121,240

Capitalizing \$121,540 at a rate of 4.34% indicates a value of \$2,800,000.

COMPARABLE SALES

The following is a list of recently sold and for sale, similar Properties.

Address	Sale Price	Bldg. Area	Land Area Land	Price/sq.ft. Bldg.	Price/sq.ft.
2920 NE Blakeley	\$3,100,000	7,476 sf	11,326 sf	\$273.71	\$414.66
5315 Roosevelt Way	\$2,500,000	3,739 sf	8,000 sf	\$312.50	\$668.63
4736 University Way	\$2,150,000	4,081 sf*	4,120 sf	\$521.84	\$526.83
4739 University Way	\$1,400,000	4,000 sf	4,120 sf	\$339.81	\$350.00
100 45 th St.	\$1,250,000	2,038 sf	4,410 sf	\$283.45	\$541.59

Currently For Sale Asking Price

7405 Greenwood N.	\$2,250,000	4,896 sf*	3,400 sf	Offering cap rate – 3.4%
3432 NE 45 th	\$2,160,000	4,064 sf*	2,423 sf	Offering cap rate – 4.05%
Subject				
4549 - 4555 University Way		6,820 sf	8,240 sf	

*Two stories

This information has been secured from sources we believe to be reliable. We make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Recipient of this report must verify the information and bears all risk for any inaccuracies.

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CONFIDENTIALITY AGREEMENT

4549 - 4555 University Way NE, Seattle

Dennis Counts - dcounts@yateswood.com
Wayne Wenzel - wwenzel@yateswood.com
Yates Wood & MacDonald, Inc.
425 Pontius Avenue North #203
Seattle, WA 98109

Re: 4549 - 4555 University Way NE, Seattle, WA 98105

The undersigned ("Prospective Purchaser") understands that Yates Wood & MacDonald, Inc. ("Broker") is the exclusive listing agent for the Owners of the property, at 4549 - 4555 University Way NE, Seattle, Washington ("Property"), and hereby requests Broker to provide further information regarding the Property to Prospective Purchaser.

As a condition to the release of information, Prospective Purchaser hereby agrees with Owner and Brokers as follows:

1. Prospective Purchaser, its officers, employees, representatives, agents, partners, counsel and consultants shall treat all information and materials concerning the Property provided by Owner and Broker as confidential or proprietary business information (the "Confidential Information").
2. Prospective Purchaser shall use the Confidential Information solely for the purpose of determining whether to acquire or invest in the Property and for no other purpose. The Confidential Information shall be disclosed only to those agents of Prospective Purchaser who need to know such information in furtherance of said purpose and who agree to abide by the terms of this Agreement. Except as provided herein, no disclosure or use of the Confidential Information shall be made unless consented to in writing by Owner or Broker, as required by applicable law or court order.
3. Upon Owner's or Broker's request, Prospective Purchaser shall deliver to Owner all materials containing or reflecting the Confidential Information, including, without limitation, all copies, extracts, reproductions, or derivations thereof.
4. Prospective Purchaser shall not disclose either the fact that any negotiations are taking place concerning a possible transaction with respect to the Property or any of the terms and conditions thereof. Prospective Purchaser agrees not to contact any tenant in the buildings unless authorized by Owner or Broker.
5. This Agreement shall be governed by Washington State Law. If any legal action is necessary to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs. This agreement shall survive for a period of one year from the date of execution regardless of whether or not the Property is acquired by Prospective Purchaser.

Agreed and accepted this ____ Day of _____, 2018.

"Prospective Purchaser"

Prospective Purchaser's Agent

Company: _____

By: _____

Its:

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