For Sale $1,425,000

INDUSTRIAL | FLEX | FOOD & BEVERAGE

206 N Benton St, Kennewick, WA 99336

Owner/User

VALUE-ADD OPPORTUNITY



The listing broker holds an ownership interest in the property.

ORION COMMERCIAL PARTNERS

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NAI Tri-Cities

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| OFFERING MEMORANDUM

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Investment Summary | EXECUTIVE SUMMARY





Price	$1,425,000
Price Per SF	$66.58
Address	206 N Benton St, Kennewick, WA 99336
Building Size	21,404 SF
Suites	A ±8,681 SF | B ±12,723 SF
Occupancy	VACANT, DELIVERED AT CLOSING
Land Size	32,800 SF (±0.753 AC) | FENCED YARD
Land $ Per SF	$43.45
Year Built	1940
Zoning	IL, LIGHT INDUSTRIAL
County	BENTON
Parcel	101891000002009
Loading	DOCK WITH ROLL UP DOOR

The listing broker holds an ownership interest in the property.

Investment Summary | THE OPPORTUNITY



ORION Commercial Partners is excited to offer for sale 206 N Benton St, a ±21,404 SF industrial and flex building on ±0.753 acres in Historic downtown Kennewick. The building is vacant and divided into two suites, so a buyer can occupy one and lease the other, occupy the whole building, or lease both.

Suite A (±8,681 SF) has a showroom with natural light, a loading dock with a roll-up door, high-bay warehouse space, and a large mezzanine with an office and restroom. Suite B (±12,723 SF) was previously a restaurant and brewery and remains suited to food and beverage, production, or warehouse use. Suite B has all new heavy power dedicated to the suite, a new grade-level roll up door accessed from the dedicated yard space as well as new plumbing throughout the suite.

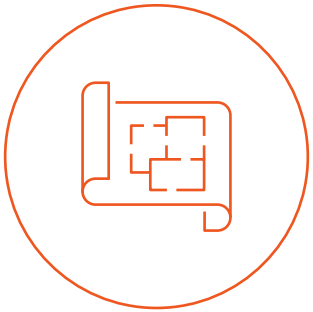
Priced at $1,425,000, IL zoning allows a wide range of uses, including warehousing, distribution, bakeries, distilleries, and production. The fenced laydown yard adds outdoor storage that is hard to find this close to the city center. This property is also located in a qualified opportunity zone. See page 16 for more detail.

At $1,425,000, or $66.58 per square foot, the property offers an owner/user a basis well below replacement cost and an investor a lease-up opportunity at current asking rents (see Financial Overview).

Investment Summary | PROPERTY HIGHLIGHTS



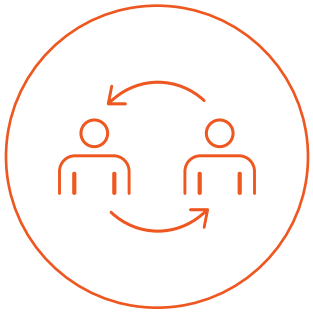
LOCATION



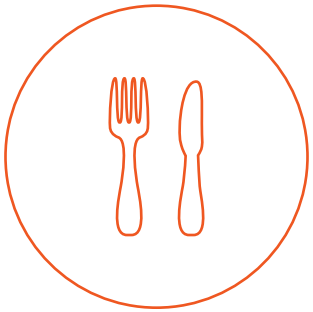
DEMISED SUITES



FLEXIBLE ZONING



OWNER/USER



F&B READY



LOADING DOCK

FLEXIBLE FOR OWNER/USERS

Occupy one suite and lease the other, or take the full building. The demising is already in place.

FOOD & BEVERAGE READY

Suite B was home to a restaurant and brewery, with the layout and character for a taproom, bakery, distillery or production kitchen.

INDUSTRIAL FUNCTION

Loading dock with roll up door, high bay warehouse in Suite A, and a fenced laydown yard for storage or operations, with a new grade level roll up door accessing the basement of suite B.

CENTRAL TRI-CITIES LOCATION

Located in Historic Downtown Kennewick and close to the major routes that connect Kennewick, Pasco and Richland.

Property Overview | SUITE SUMMARY

	SUITE A	SUITE B
Size	±8,681 SF	±12,723 SF
Configuration	Showroom, high bay warehouse, mezzanine office and restroom	Dining area, upper bar area, kitchen area, storage area, high bay warehouse
Loading	Loading dock with roll up door	Yard space with access to expansive basement space with new grade level roll-up door
Current asking lease rate	$6.91 per SF per year NNN	$7.00 per SF per year NNN
Status	Vacant	Vacant
Fits	Contractor, showroom, light industrial, warehouse	Brewery, taproom, restaurant, bakery, distillery, production, storage and laydown area.





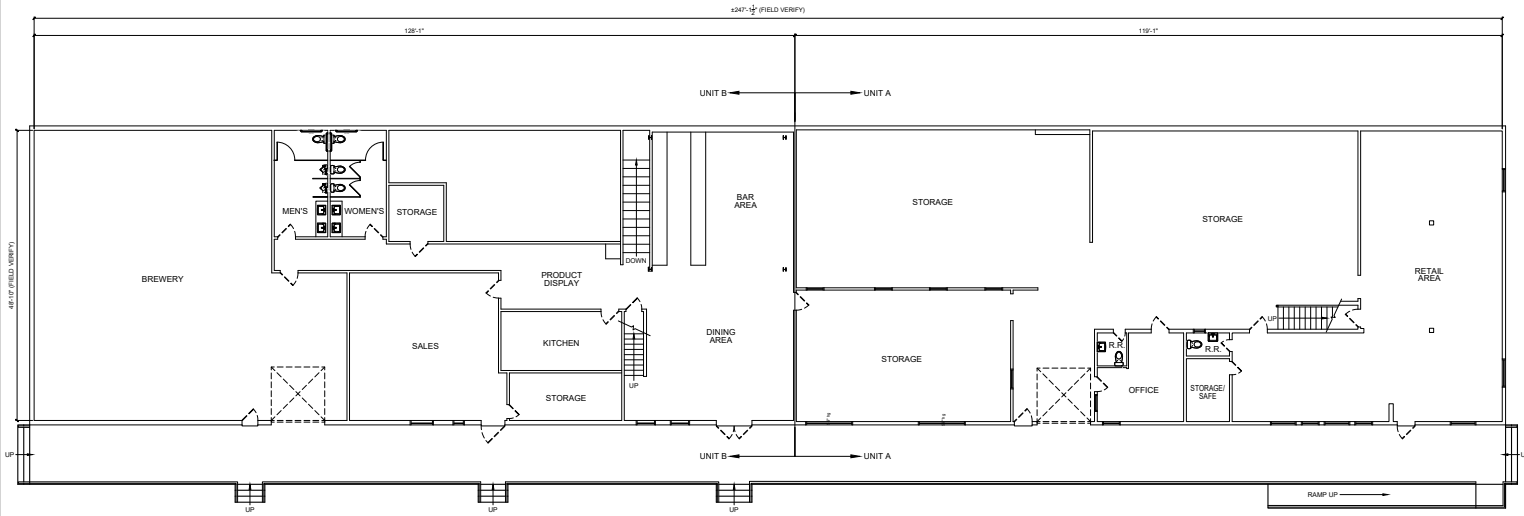




Property Overview | FLOOR PLANS

MAIN LEVEL

NOT FOR CONSTRUCTION



SQUARE FOOTAGE - UNIT B	
MAIN LEVEL:	6,484 S.F.
BASEMENT LEVEL:	5,511 S.F.
MEZZANINE LEVEL:	728 S.F.
TOTAL S.F.:	12,723 S.F.

1. SQUARE FOOTAGE IS NOT BASED ON BOMA REQUIREMENTS.
2. SQUARE FOOTAGE REPRESENTS ONLY USABLE SPACE.

SQUARE FOOTAGE - UNIT A	
MAIN LEVEL:	6,021 S.F.
BASEMENT LEVEL:	757 S.F.
MEZZANINE LEVEL:	1,903 S.F.
TOTAL S.F.:	8,681 S.F.

1. SQUARE FOOTAGE IS NOT BASED ON BOMA REQUIREMENTS.
2. SQUARE FOOTAGE REPRESENTS ONLY USABLE SPACE.

GENERAL NOTES:
1. MEASUREMENTS ARE APPROXIMATE.
2. DRAWING IS FOR SCHEMATIC PURPOSES ONLY AND IS NOT TO BE USED FOR CONSTRUCTION PURPOSES.
3. SITE VERIFY WALL THICKNESS. SHOWN AS 2x4 FOR DRAWING PURPOSES.
4. SITE VERIFY ALL DOOR HEIGHTS.
5. SITE VERIFY ALL WINDOWS AND BUILDING OPENINGS.
6. SITE VERIFY ALL SQUARE FOOTAGE CALCULATIONS.
7. WRITTEN DIMENSIONS WILL GOVERN OVER SCALED DIMENSIONS.

EXISTING MAIN LEVEL FLOOR PLAN

DRAFTING & DESIGN LLC

DESIGNED FOR: SCOTT CLEMENTS
ORION COMMERCIAL PARTNERS LLC
RE: 206 N. BENTON ST. KENNEWICK, WA 99336

SHEET INFO: EXISTING MAIN LEVEL FLOOR PLAN

DESIGNED BY: ST DRAFTING & DESIGN, LLC
KENNEWICK, WA
509.727.4793

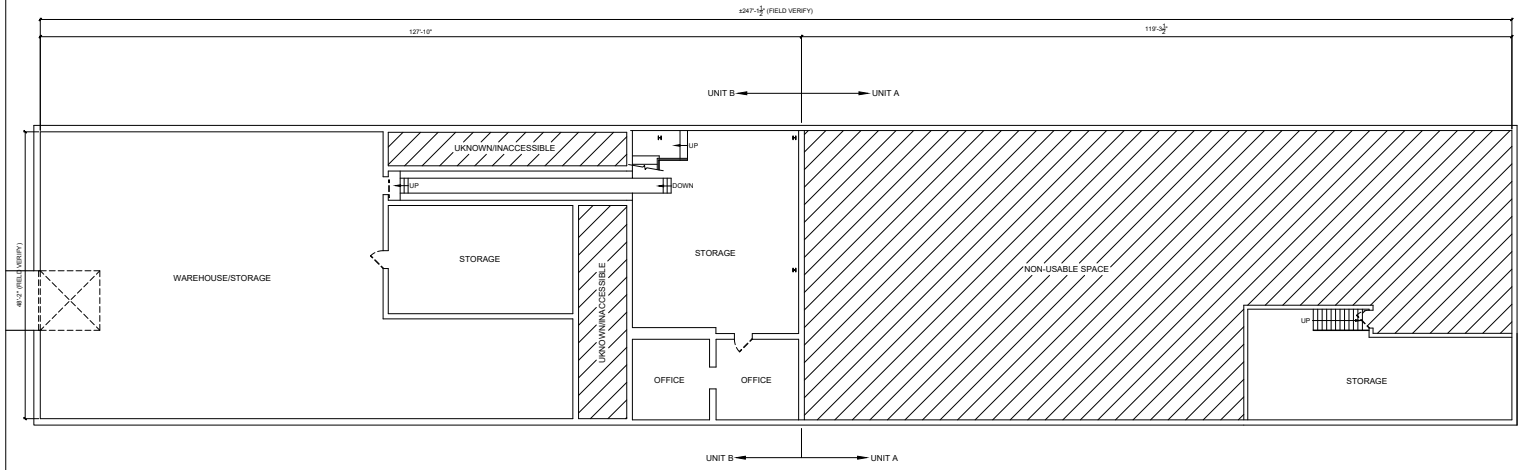
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DATE: 3/13/19
CHECKED BY: STT
DRAWN BY: STT
SHEET NUMBER
A-1.0

Property Overview | FLOOR PLANS

BASEMENT LEVEL

NOT FOR CONSTRUCTION



SQUARE FOOTAGE - UNIT B	
MAIN LEVEL:	6,484 S.F.
BASEMENT LEVEL:	5,511 S.F.
MEZZANINE LEVEL:	728 S.F.
TOTAL S.F.:	12,723 S.F.

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5. SITE VERIFY ALL WINDOWS AND BUILDING OPENINGS.
6. SITE VERIFY ALL SQUARE FOOTAGE CALCULATIONS.
7. WRITTEN DIMENSIONS WILL GOVERN OVER SCALED DIMENSIONS.

N

EXISTING BASEMENT LEVEL FLOOR PLAN

DRAFTING & DESIGN LLC

DESIGNED FOR:
SCOTT CLEMENTS
ORION COMMERCIAL PARTNERS LLC
RE: 206 N. BENTON ST. KENNEWICK, WA 99336

SHEET INFO:
EXISTING BASEMENT LEVEL FLOOR PLAN

DESIGNED BY:
ST DRAFTING & DESIGN, LLC
KENNEWICK, WA
509.727.4793

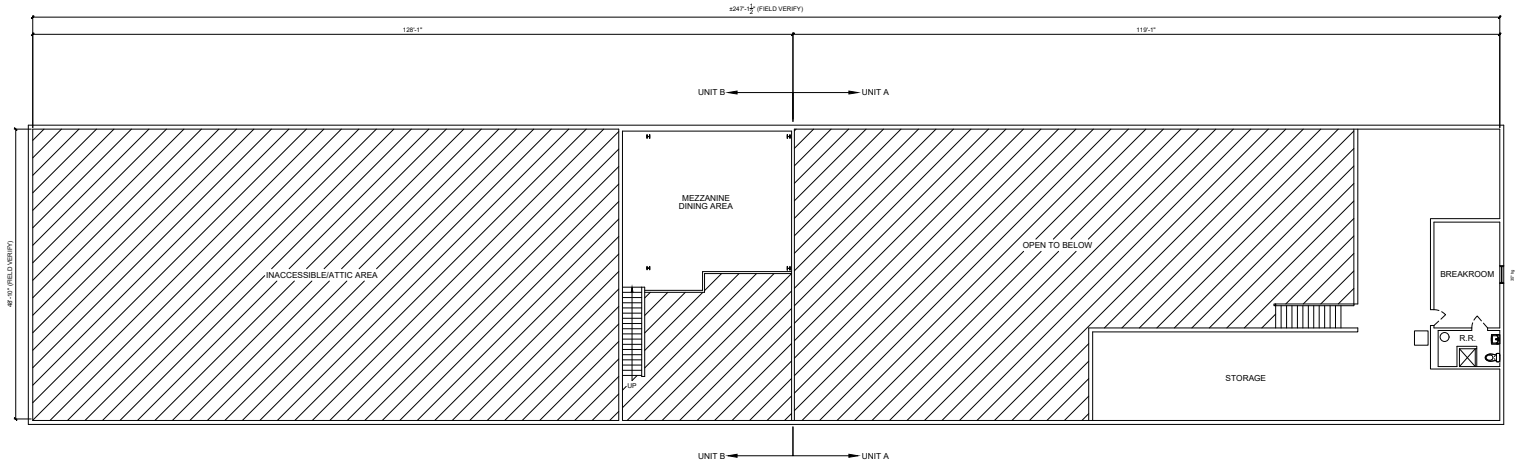
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Property Overview | FLOOR PLANS

MEZZANINE LEVEL

NOT FOR CONSTRUCTION



SQUARE FOOTAGE - UNIT B	
MAIN LEVEL:	6,484 S.F.
BASEMENT LEVEL:	5,511 S.F.
MEZZANINE LEVEL:	728 S.F.
TOTAL S.F.:	12,723 S.F.

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2. SQUARE FOOTAGE REPRESENTS ONLY USABLE SPACE.

SQUARE FOOTAGE - UNIT A	
MAIN LEVEL:	6,021 S.F.
BASEMENT LEVEL:	757 S.F.
MEZZANINE LEVEL:	1,903 S.F.
TOTAL S.F.:	8,681 S.F.

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6. SITE VERIFY ALL SQUARE FOOTAGE CALCULATIONS.
7. WRITTEN DIMENSIONS WILL GOVERN OVER SCALED DIMENSIONS.

EXISTING BASEMENT LEVEL FLOOR PLAN

DRAFTING & DESIGN LLC

DESIGNED FOR: SCOTT CLEMENTS
ORION COMMERCIAL PARTNERS LLC
RE: 206 N. BENTON ST. KENNEWICK, WA 99336

SHEET INFO: EXISTING MEZZANINE LEVEL FLOOR PLAN

DESIGNED BY: ST DRAFTING & DESIGN, LLC
KENNEWICK, WA
509.727.4793

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DATE:	3/13/19
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SHEET NUMBER
A-3.0

Financial Summary | PRO FORMA AT MARKET RENTS

RENT ROLL AT MARKET

SUITE	SIZE (SF)	% OF BLDG	RENT ($/SF/YR)	MONTHLY	ANNUAL
A	±8,681	40.6%	$6.91 NNN	$5,000	$60,000
B	±12,723	59.4%	$7.00 NNN	$7,422	$89,061
TOTAL	21,404	100.0%	$6.96 NNN	$12,422	$149,061

PRO FORMA OPERATING SUMMARY

	ANNUAL	$/SF
Potential gross rent	$149,061	$6.96
Less vacancy and credit loss (5.0%)	($7,453)	($0.35)
NET OPERATING INCOME	$141,608	$6.62

1. The building is vacant. Rents shown are the current asking lease rates for each suite; this is a pro forma, not in place income.
2. Suite A is marketed at $5,000 per month NNN, shown here as $6.91 per SF per year for comparison with Suite B.
3. Leases are triple net; operating expenses (about $1.10 per SF per year per current lease marketing) pass through to tenants.
4. Excludes leasing commissions, tenant improvements and free rent (current marketing offers 4 months free on a 5 year term).



Pricing

ASKING PRICE
$1,425,000

PRICE PER SF
$66.58

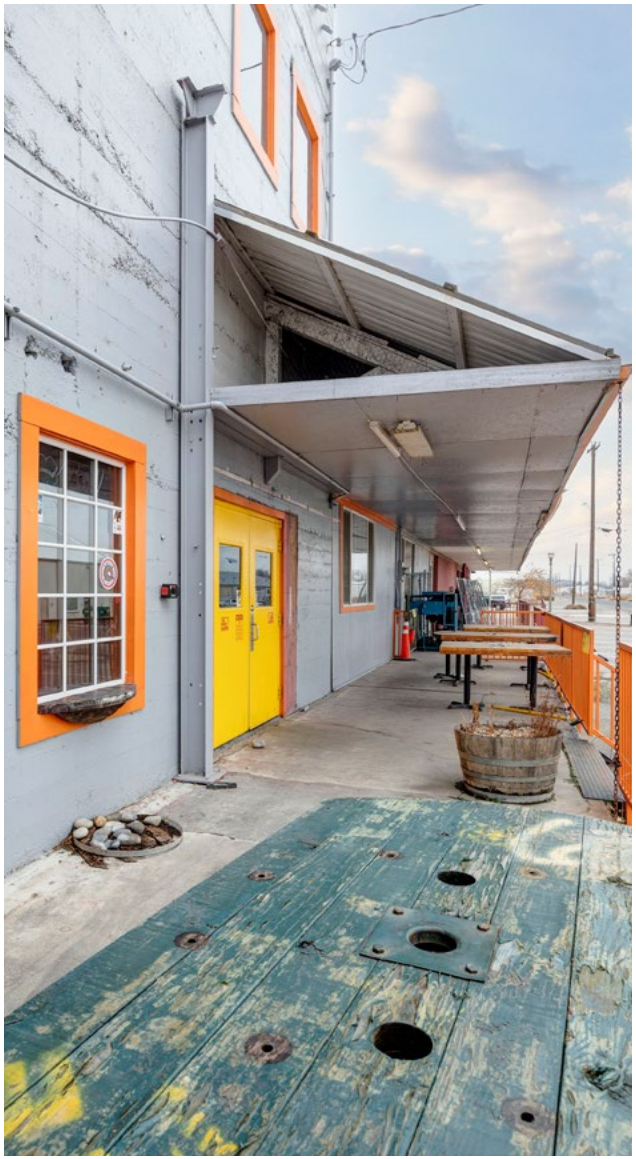
PRO FORMA NOI
$141,608

PRO FORMA CAP RATE
10.00%

BUILDING SIZE
±21,404 SF

LAND SIZE
±0.753 AC

Property Photos | EXTERIOR













Property Photos | INTERIOR: SUITE A











Property Photos | INTERIOR: SUITE B





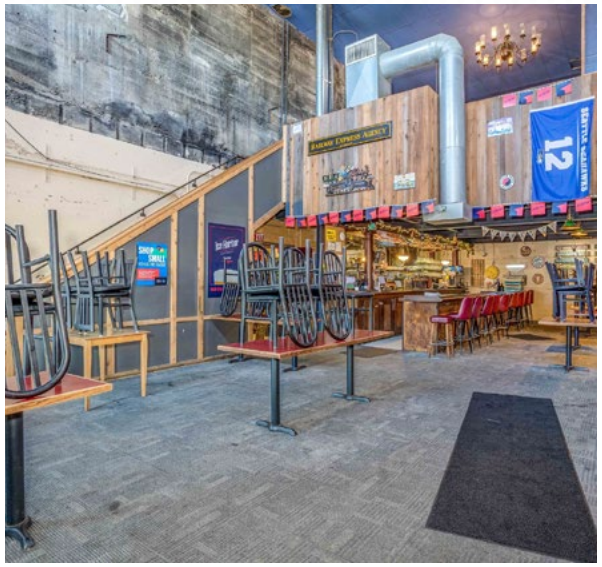




Property Photos | INTERIOR: SUITE B [PREVIOUS BREWERY TENANT BUILDOUT]















Location Overview | AERIAL MAP



Opportunity Zone Overview | KENNEWICK



Source: City of Kennewick, 2019

Opportunity Zones (OZs) are federally designated tracts meant to spur investment in undercapitalized communities. A revised program is being rolled out designating new opportunity zones referred to as Opportunity Zones 2.0 (OZ 2.0).

The changes to the program have more tightly targeted eligibility to areas of underinvestment and have multiplied the impact of the investment on rural areas. Housing is an eligible use for investment under the OZ program, and workforce housing is prioritized by Washington's scoring framework.

Federal program connects private capital with low-income communities

The second-generation program encourages investors, developers and financial institutions to fund real estate development and businesses in exchange for tax incentives. The first generation of the program spurred an estimated $100 billion in private investments nationwide.

Gov. Ferguson submitted the nominations, representing 27 counties and 17 tribal lands, to the U.S. Treasury Department. The new designations will take effect January 1, 2027.

Market Overview | ABOUT KENNEWICK & TRI-CITIES

Kennewick, the largest of the Tri-Cities. Originally a rail stop in 1884, the city has grown into a vibrant hub with a diverse economy centered around healthcare, retail, and construction.

With all four seasons, Kennewick offers a pleasant climate for outdoor activities most of the year. The sun is often shining, making it an ideal place to enjoy all the region has to offer.

UNFORGETTABLE EXPERIENCES AWAIT



Wine Country

Explore local wines, from charming in-city tasting rooms to renowned wineries in the nearby American Viticultural Areas (AVAs).



Sports & Activities

Catch a Tri-City Americans hockey game at the Toyota Center, or attend an event at the Three Rivers Convention Center or the Southridge Sports and Events Complex.



Iconic Attractions

Take a spin on the beautifully restored, 100+ year old Gesa Carousel of Dreams. Pay your respects at the 9/11 Memorial, proudly featuring a steel beam from the Twin Towers.



Outdoor Fun

Enjoy the sun at one of our 27 parks, including the sprawling Columbia Park, which hosts popular events like the River of Fire Festival and the Water Follies hydroplane race. Golf enthusiasts can choose from three excellent courses.

ABOUT THE TRI-CITIES



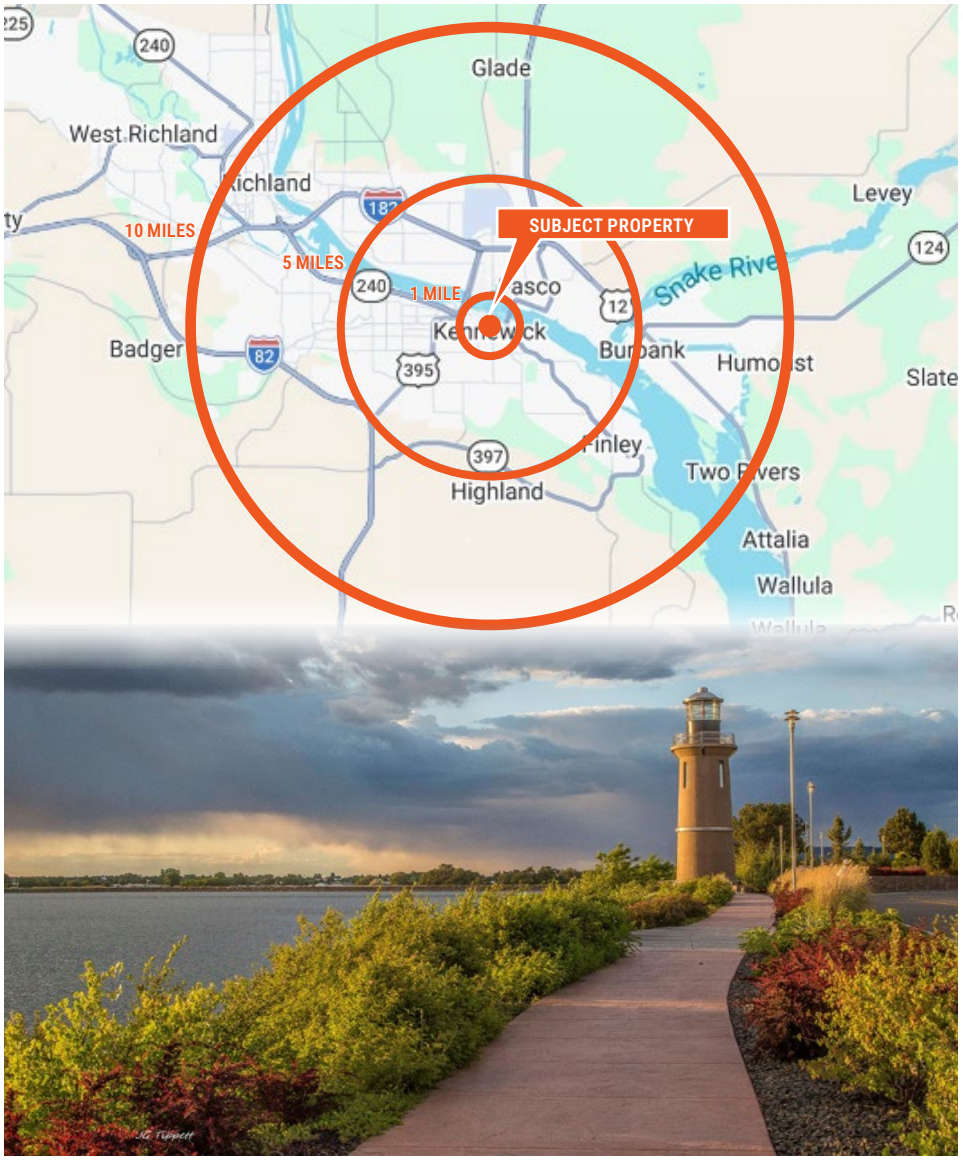
Located where the Yakima, Snake, and Columbia rivers meet, the Tri-Cities of Kennewick, Pasco, and Richland are at the heart of Washington Wine Country.

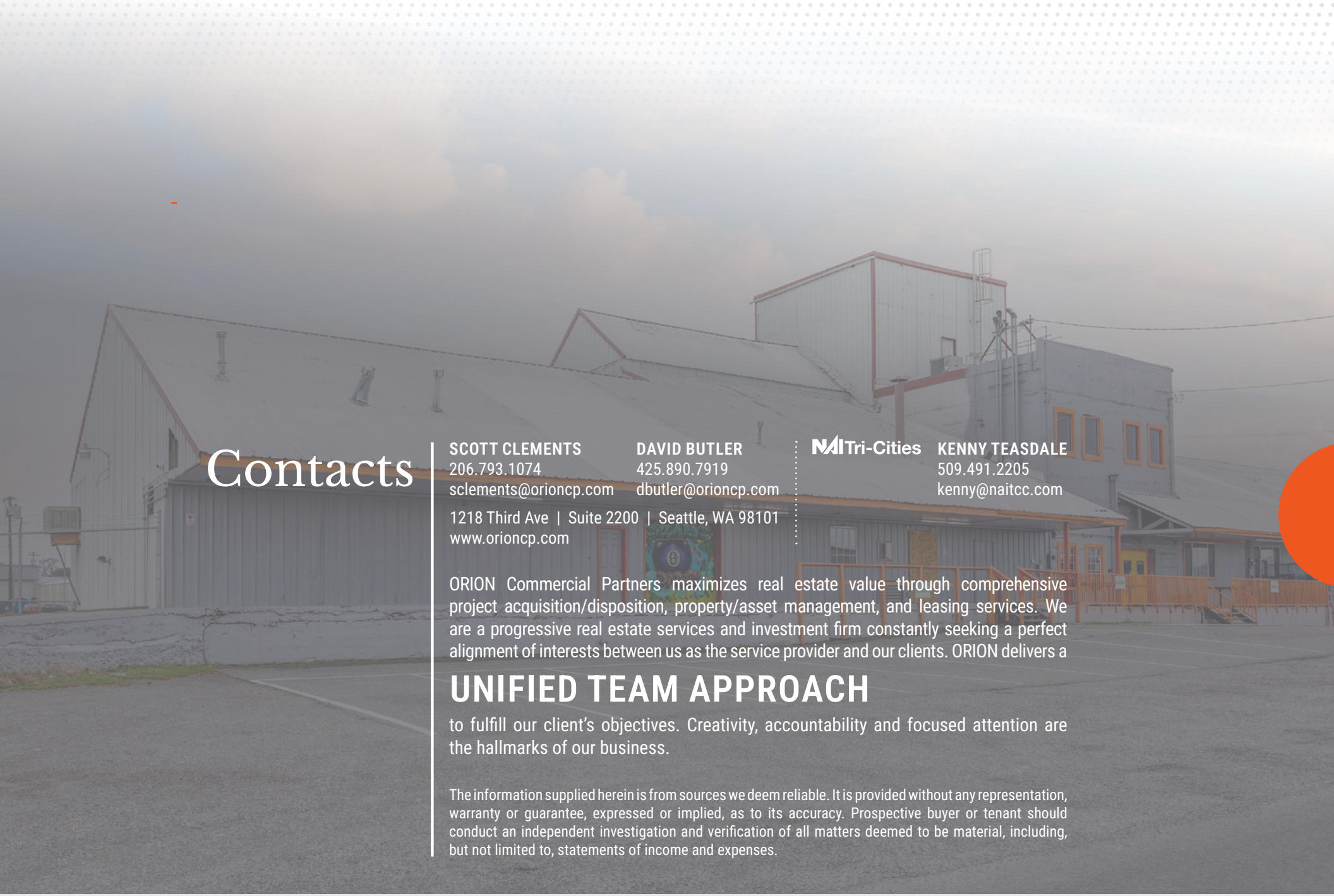
The Tri-Cities metropolitan area has been one of the fastest-growing regions in the state for the past two decades. This growth is driven by several factors, including net migration (more people moving into the area than moving out) and a higher-than-average natural population increase (births minus deaths). The region's economy, which is supported by a mix of agriculture, technology, and health care, has also attracted new residents.

This sun-soaked region blends urban charm with outdoor recreation and rich history, all powered by a welcoming and vibrant community.

Market Overview | DEMOGRAPHICS

RADIUS	1 MILE	5 MILES	10 MILES
POPULATION:			
2025 Population	8,568	143,978	246,286
2030 Population Projection	8,927	149,755	256,658
Annual Growth 2020-2025	1.1%	1.1%	1.3%
Median Age	33.4	34.1	35.1
2025 HOUSEHOLDS	**3,247**	**50,151**	**89,535**
Annual Growth 2020-2025	1.4%	1.7%	2.0%
Annual Growth 2025-2030	0.8%	0.8%	0.9%
Owner Occupied Households	1,456	32,439	59,223
Renter Occupied Households	1,791	17,712	30,312
Total Specified Consumer Spending	$80.7M	$1.6B	$3B
HOUSEHOLD INCOMES			
AVG HOUSEHOLD INCOME	**$64,167**	**$93,185**	**$104,265**
MEDIAN HOUSEHOLD INCOME	**$45,712**	**$73,905**	**$81,997**
$25,000 - 50,000	877	8,959	14,338
$50,000 - 75,000	475	8,017	13,610
$75,000 - 100,000	488	7,758	13,854
$100,000 - 125,000	94	4,976	9,526
$125,000 - 150,000	110	3,418	6,174
$150,000 - 200,000	180	3,732	7,780
$200,000+	93	3,885	9,481





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ORION Commercial Partners maximizes real estate value through comprehensive project acquisition/disposition, property/asset management, and leasing services. We are a progressive real estate services and investment firm constantly seeking a perfect alignment of interests between us as the service provider and our clients. ORION delivers a

UNIFIED TEAM APPROACH

to fulfill our client's objectives. Creativity, accountability and focused attention are the hallmarks of our business.

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