

The Opportunity

The 59,798± square foot office and warehouse complex in Sandy, Oregon on a 6.8± acre site along Highway 26, within a 30 minute drive of Portland, is one of the largest commercial investment opportunities available for sale in the market and is leased by the General Services Administration (GSA). The building complex at 16400 Champion Way, adjacent to Fred Meyer retail center, has been leased to the Mt. Hood National Forest operational and business office since it was built in 1997.

The three story building complex has two levels of offices, basement with warehouse, and parking for 220. There is a total of 45,942± square feet of net rentable space with 37,084± square feet of office and 8,858± square feet of warehouse.

The GSA lease terminates on October 31, 2019 with a projected 16 month pro forma from July 1, 2018 to October 31, 2019 of a total net operating income of \$1,168,000 over this remaining term of the modified gross lease, or monthly NOI of \$73,000. The GSA and its consultant, Cushman & Wakefield, are currently evaluating relocation options due to the need to consolidate office and warehouse space for the U.S. Forest Service.

The seller has reduced the price by \$1,000,000 and has established a Published Reserve Price of \$4,300,000, or less than \$72 per square foot, with the added incentive of special short-term seller financing to accelerate a sale by June 30, 2018. Acquisition of the leased building complex at the \$4,300,000 Published Reserve Price provides a rare opportunity within the Portland/Vancouver market to obtain a 25% return on investment within sixteen months.

The office and building complex is located in both E-Commerce and Enterprise Zones, promoting financial incentives for new employment and investment in equipment from Clackamas County and State of Oregon. The City of Sandy has high speed optical cable providing a competitive location for business. Sandy, one of Oregon's fastest growing communities, is within proximity of both I-84 and I-205, with excellent access to Portland International Airport and port facilities in Portland, Oregon and Vancouver, Washington. Lower cost of housing and excellent schools have made Sandy an attractive location for families, as well as being an easy commute to employment centers in Gresham.

Light Industrial Zoning will allow a wide range of reuse options for the 59,798± square foot complex and 6.8± acre site, which could accommodate additional development of warehouse and flex space. The complex could be used as a corporate, religious, or educational campus, and could easily accommodate multiple tenants after investment to reconfigure the building.

Purchase of the 59,798± square foot office and warehouse complex leased to the U.S. Forest Service provides an exceptional opportunity for the buyer to obtain significant near-term income over sixteen months, providing time to evaluate reuse options as an investor, and prepare plans for an orderly relocation as a user, while reducing acquisition cost by up to 25%. In addition to price, the combination of size, location, special tax incentives, and flexibility of zoning creates a rare investment opportunity in the Portland metropolitan market.

LAST ASKING: \$5,300,000

PUBLISHED RESERVE: \$4,300,000

FINANCING: Seller financing available subject to seller approval of purchaser's credit: A 30% down payment with monthly principal and interest payment of \$50,000 at 5.75%, all due and payable at the end of three years

PROPERTY INSPECTION: Dates and times have been set aside for inspections. Appointments are required - please call Auction Information Office to schedule. 1-800-845-3524

SUPPLEMENTAL INFORMATION PACKAGE WITH BID DOCUMENTS: The Supplemental Information Package with Bid Documents is available by contacting the Auction Information Office and signing a Confidentiality Agreement. A data site has been established for property documents. The package includes the following information:

- Maps, aerial and site photos
- Floor plans
- Environmental report
- City of Sandy and Clackamas County Enterprise Zone incentives
- Lease and supplements
- Conceptual sketch plans of reuse options for the property
- Preliminary title report
- Bid information:
 - Bid Instructions and Bid Form
 - Buyer Acknowledgement Form
 - Purchase and Sale Agreement
 - Credit Application for seller financing
 - Agency Disclosure
 - Broker Cooperation