



Marcus & Millichap



Actual Site Photo

76 FUEL STATION & C-STORE SHORT TERM LEASE | SIGNIFICANTLY BELOW-MARKET RENTS

📍 11900 Renton Ave S, Seattle, WA 98178

EXCLUSIVELY LISTED BY:

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PROPERTY HIGHLIGHTS

BELOW MARKET RENT:

- Tenant currently pays an annual rent of \$48,000 + NNN. Comparable properties in the market generate between \$83,000 - \$114,000 + NNN in annual rent.

SIGNIFICANT NEAR-TERM RENTAL UPSIDE:

- In the option period (July 2021), rent is adjusted to fair-market value, providing the opportunity to substantially increase the annual cash-flow.

STRONG REGIONAL OPERATOR:

- The tenant operates approximately 20 fuel stations and convenience stores throughout the Puget Sound region.

HIGH-TRAFFIC CORRIDOR:

- Site benefits from its exposure to Renton Ave S., which boasts daily traffic counts of approximately 20,000 vehicles.

AFFLUENT & DENSELY POPULATED TRADE AREA:

- Over 300,000 residents live within a 5-mile radius of the property, and the average household income exceeds \$88,000 within 1 mile.

MINIMAL LANDLORD RESPONSIBILITIES:

- Benefits from a Triple-Net (NNN) lease structure in which tenant is responsible for Real Estate Taxes, Insurance and CAM's.

ADJACENT PARCELS AVAILABLE FOR SALE:

- Two contiguous, commercially zoned parcels totaling 36,209 square feet are available for sale. Parcels can be sold separately.





INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the 76 Fuel Station & Convenience Store located in Seattle, Washington. The offering comprises of a 1,695 square foot convenience store with an 8-pump fuel station situated on a 21,999 square foot parcel. The property fronts Renton Ave S., a primary north/south arterial carrying approximately 20,000 vehicles per day. The location also benefits from strong demographics with over 300,000 residents within 5 miles and an average household income of \$88,000 within 1 mile.

The property is currently leased to a strong, regional operator with approximately 20 locations throughout the Puget Sound. The triple-net (NNN) lease features below-market rent of \$4,000 per month + NNN with two years remaining on the initial ten-year term. The leases provides the tenant one ten-year option to renew the lease at fair-market rent. Rent for similar properties in region is 87.5% higher than the rent currently being paid by the tenant, creating significant rental upside in the renewal period.

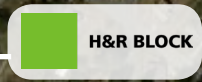
PRICE:	\$1,200,000
NOI:	\$48,000
CAP RATE (IN-PLACE):	4.0%
CAP RATE (MARKET):	7.50%
GLA:	1,695 SF
LOTS SIZE:	21,999 SF
FUEL PUMPS:	8



TRADE AREA MAP



Renton Ave S
20,000 VPD





Renton Ave S 20,000 VPD



Renton Ave S 20,000 VPD

RENT COMPARABLES

SUBJECT PROPERTY

11900 Renton Ave S, Seattle, WA 98178



GLA	1,695 SF
Year Built	1967
Annual Rent	\$48,000
Fuel Pumps	8
Rent / Pumps	\$6,000
Lease Type:	NNN

SHELL STATION – BURIEN, WA

14605 1st Ave S, Burien, WA, 98168



GLA	2,197 SF
Year Built	1962
Annual Rent	\$85,972
Fuel Pumps	8
Rent / Pumps	\$10,747
Lease Type	NNN

76 STATION – BURIEN, WA

17600 Ambaum Blvd S, Burien, WA, 98148



GLA	2,680 SF
Year Built	1987
Annual Rent	\$89,975
Fuel Pumps	8
Rent / Pumps	\$11,247
Lease Type	NNN

76 STATION – KENT, WA

21208 68th Ave S, Kent, WA, 98032



GLA	1,147 SF
Year Built	1991
Annual Rent	\$114,580
Fuel Pumps	8
Rent / Pumps	\$14,323
Lease Type	NNN

SHELL STATION – CENTRALIA, WA

1120 Harrison Ave, Centralia, WA, 98531



GLA	2,600 SF
Year Built	1976
Annual Rent	\$83,930
Fuel Pumps	8
Rent / Pumps	\$10,491
Lease Type	NNN

76 STATION – PUYALLUP, WA

17506 Meridian E, Puyallup, WA, 98375



GLA	2,882 SF
Year Built	1998
Annual Rent	\$137,938
Fuel Pumps	12
Rent / Pumps	\$11,495
Lease Type	NNN

FINANCIAL SUMMARY


Guarantee:	Personal	Lease Type:	Triple Net (NNN)
Net Operating Income:	\$48,000	Real Estate Taxes:	Paid Direct by Tenant
Lease Commencement:	7/1/2011	Insurance:	Paid Direct by Tenant
Lease Expiration:	6/30/2021	Utilities:	Paid Direct by Tenant
Lease Term Remaining:	2 Years	HVAC Maintenance:	Paid Direct by Tenant
Renewal Options:	1 x 10 Years	Roof Surface:	Paid Direct by Tenant
Rent Increases:	6.25% (July 1, 2020)	CAM's:	Paid Direct by Tenant
Option Rent:	Fair Market Value	Roof Structure & Foundation:	Paid Direct by Landlord
		HVAC Replacement:	Paid Direct by Landlord
		ROFR / ROFO:	None

RENT SCHEDULE

Years	Period	Annual Rent	Rent Increase	Cap Rate
Current - 6/30/20	Initial Term	\$48,000		4.0%
7/1/20 - 6/30/21	Initial Term	\$51,000	6.25%	4.25%
7/1/21 - 6/30/26	Option Period	\$90,000*	Fair Market Rent	7.50%
7/1/26 - 6/30/31	Option Period	\$99,000	10%	8.25%

*Option Period Rent Adjusted to Fair Market Rent, which is Estimated at \$90,000.





PARCEL 2
22,929 SF

PARCEL 1
13,280 SF

ADJACENT DEVELOPMENT SITES AVAILABLE FOR SALE



SITE MAP

BUILDING SIZE
1,695 SQ. FT.

LOT SIZE
21,999 SQ. FT.

SEATTLE, WASHINGTON

The Seattle-Tacoma metro is situated approximately halfway between Portland, Oregon, to the south and Vancouver, British Columbia, to the north. The Cascade Mountains border to the east, Mount Rainier is to the southeast and the Puget Sound is to the west. The metro is composed of Snohomish, King and Pierce counties and has a population of nearly 3.8 million individuals. Seattle is the largest city with 689,000 residents, followed by Tacoma. Outlying cities recorded some of the largest population increases over the past decade as people moved toward lower land and housing costs. Recently, significant apartment construction has boosted population growth in the city core.

Metro Highlights

Strong, Growing Economy

Aerospace, computer software, e-commerce and biomedical technology are major driving forces for the local economy.

Robust International Trade

Three ports are located on the Puget Sound in Seattle, Tacoma and Everett. In addition to handling cargo, cruise ships depart from the Port of Seattle.

Highly Educated Workforce

Approximately 40 percent of residents hold a bachelor's degree and nearly 14 percent also have attained a graduate or professional degree.

Economy

- Economic diversity is achieved through a highly skilled and educated workforce, advanced transportation and distribution infrastructure, and access to national and global markets.
- The region is a leader in the aerospace, e-commerce, cloud storage and computer software industries with employers that include Microsoft, Boeing and Amazon. These companies provide numerous high-quality jobs.
- Job growth will outpace U.S. gains through 2022 as employment expands 1.4 percent annually, compared with 1.0 percent for the nation.

	1 Miles	3 Miles	5 Miles
POPULATION			
2023 Projection	19,269	108,658	309,101
2018 Estimate	19,283	106,494	301,697
2010 Census	17,121	95,812	269,049
2000 Census	16,307	85,060	240,940
INCOME			
Average	\$88,262	\$88,554	\$96,104
Median	\$71,439	\$62,377	\$68,359
Per Capita	\$32,334	\$33,721	\$36,314
HOUSEHOLDS			
2023 Projection	7,189	42,051	118,589
2018 Estimate	7,040	40,377	113,537
2010 Census	6,235	36,236	100,856
2000 Census	6,130	33,417	93,000
HOUSING			
2018	\$403,770	\$409,111	\$410,842
EMPLOYMENT			
2018 Daytime Population	11,562	142,495	314,233
2018 Unemployment	5.13%	5.65%	5.00%
2018 Median Time Traveled	30	31	31
RACE & ETHNICITY			
White	24.71%	35.94%	42.01%
Native American	1.07%	1.62%	1.49%
African American	29.96%	22.00%	15.74%
Asian/Pacific Islander	32.27%	25.64%	26.05%

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OFFICES NATIONWIDE



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