

Quarry Road Building

15880 QUARRY ROAD | LAKE OSWEGO, OR 97035

OFFERING MEMORANDUM

UNIQUE LAKE OSWEGO OPPORTUNITY



CONTACT


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Rarely does a commercial zoned property come available for sale in Lake Oswego. Generations of Owner/Users have enjoyed the amenities of a tight knit community in which they can do business and often live as well. The property at 15880 SW Quarry Road is in the heart of the Lake Grove Village Concept plan www.ci.oswego.or.us/lora/lake-grove-urban-renewal-plan. The City of Lake Oswego is implementing this plan over time as you can see the updating and change parcel by parcel. Additional bike lanes, sidewalks and public art are all a part of the plan, as is an upgrade in zoning further along Boones Ferry Road. The result is an active community environment where people can walk to various retail establishments and have almost immediate access to Interstate 5 and Highway 217.

The property is located just across the street from Waluga Park and the structure sits on a beautiful landscaped lot with a separate off street parking area. For those that may wish to bring a pet to work, it is ideal. Likewise, the walkability of the area is enticing as it is a quick trip to Starbucks, Lake Grove Post Office and many restaurants along Boones Ferry. The current ownership has taken the time and attention to have commercial upgrades made to the property that allow for easy access in and out of the building. A detailed file of the work required by the City is in order. The floor plan is very user friendly in that every office has a window with an efficient overall layout.

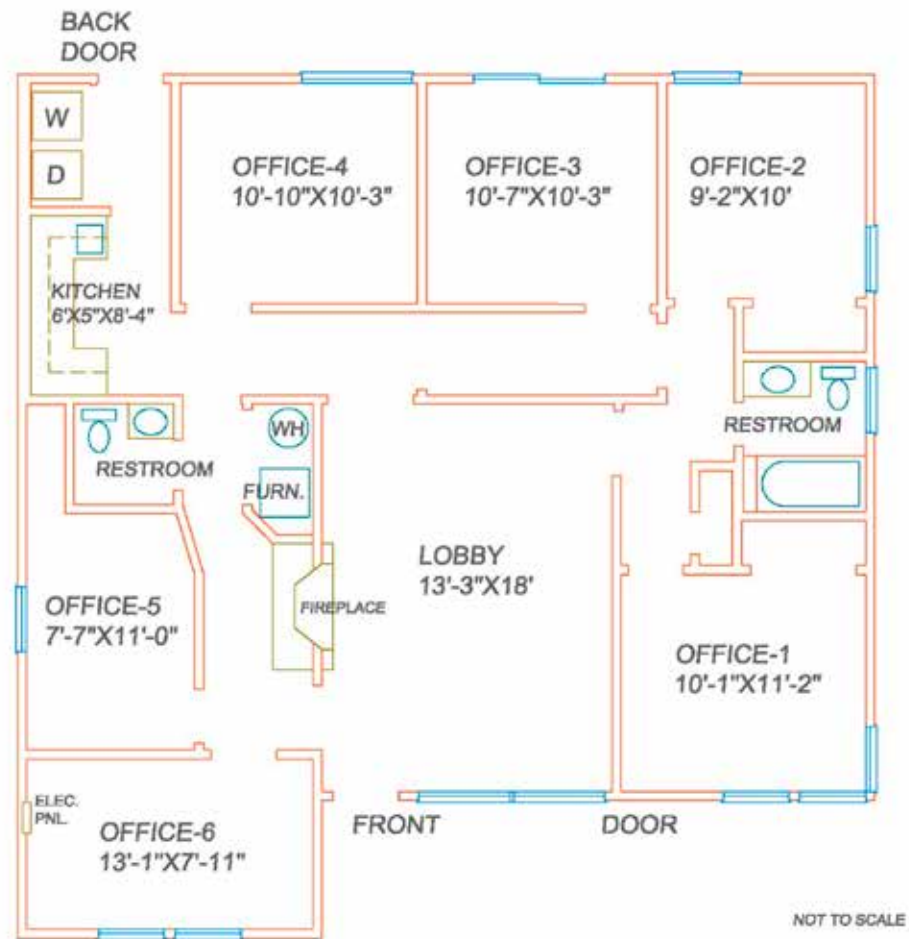
Perhaps, one of the most attractive aspects of the property is the fact that it is just under 2,000 rsf and will appeal to small business owners that may prefer to own rather than lease. Currently, the lease rates for Class A office space along Kruse Way range between \$27-\$33/rsf gross full service. The vacancy rates historically in this submarket are some of the lowest in the Portland Metro area and often dip into the single digits. As an owner in this location, the stability of the market is key as it may serve the purpose now of a space in which to operate a business, but has the potential to be an attractive rental property or be further developed in the future.

02 PROPERTY PROFILE



NAME:	Quarry Road Building
ADDRESS:	15880 Quarry Road, Lake Oswego, OR
ZONING:	NC (Neighborhood Commercial/R-O (Residential High Density by the City of LO allowing 12 units per acre
BUILDING TYPE:	1 story wood frame construction
CONSTRUCTION:	Wood Frame
YEAR BUILT:	1954
SITE SIZE:	Approximately 7,799 square feet (0.18 acres) of land
PRICE:	\$875,000

02 PROPERTY PROFILE



General Information

Property ID	C194294
County	Clackamas
State ID	21E08CB00800
Alt Account #	242240
Map Number	
Site Info	
Site Address	15880 Quarry Road
City/State/Zip	Lake Oswego, OR 97035



Property Description

Tax Districts			
Tax Code	007-093	Fire	City of Lake Oswego
Park	City of Lake Oswego	Water	City of Lake Oswego
School	City of Lake Oswego	Sewer	City of Lake Osweg

Land Information

Type	Acres	Square Feet
Commercial Land		29,240







Notes

03 SALES COMPARISONS









03 SALES COMPARISONS

COMPARABLE SALES Lake Oswego, OR

	Subject Property	1	2	3	4	5
						
ADDRESS	15880 Quarry Road Lake Oswego	1680 Southshore Blvd Lake Oswego	47 N State St Lake Oswego	17750 Lwr Boones Fry Lake Oswego	506 A Avenue Lake Oswego	15924 Quarry Road Lake Oswego
SALE DATE	-	Under Contract	11/4/2016	12/31/2015	9/28/2017	11/30/2016
SALE PRICE	-	\$700,000	\$1,593,450	\$850,000	\$1,160,000	\$800,000
(PRICE/SF)	-	\$583.33	\$555.60	\$497.95	\$440.73	\$380.95
BUILDING TYPE	Class B Office	Service Station	Freestanding Retail	Freestanding Retail	Retail - Auto Repair	Class C Office
YEAR BUILT	1954	1963	1940	1940	1965	1988
RENTABLE BUILDING AREA		1,200 SF	2,868 SF	1,707 SF	2,632 SF	2,100 SF
COUNTY	Clackamas	Clackamas	Clackamas	Clackamas	Clackamas	Clackamas
NOTES						

03 SALES COMPARISONS

COMPARABLE SALES Lake Oswego, OR

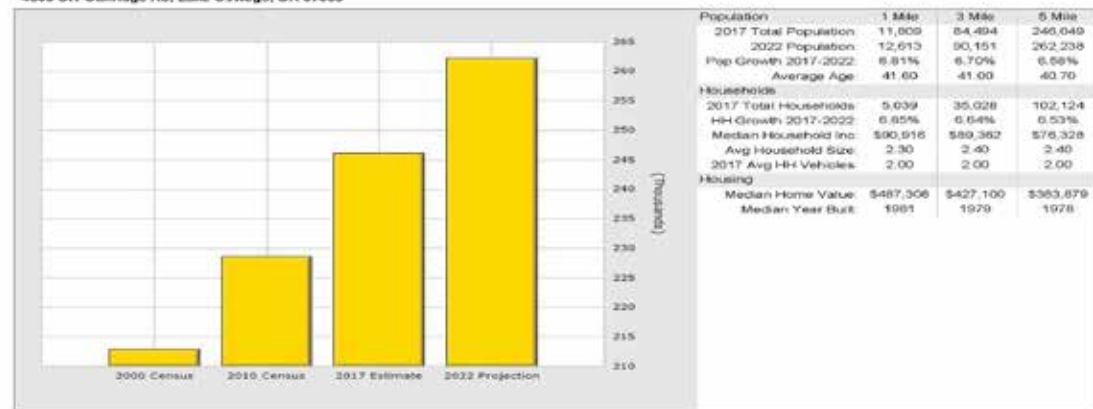
	Subject Property	6	7	8	9	10
						
ADDRESS	15880 Quarry Road Lake Oswego	11 Mt. Jefferson Ter Lake Oswego	1637 Laurel Street Lake Oswego	9570 SW Tigard Street Portland	135 A Avenue Lake Oswego	519 3rd Street Lake Oswego
SALE DATE		6/30/2017	6/10/2016	6/9/2017	3/4/2016	3/15/2016
SALE PRICE		\$795,000	\$485,000	\$409,000	\$350,000	\$651,454
(PRICE/SF)		\$324.49	\$270.65	\$260.84	\$243.06	\$220.83
BUILDING TYPE	Class B Office	Freestanding Retail	Class C Office	Class C Office	Retail Storefront	Office Campus
YEAR BUILT	1954	1970	1957	1936	1956	1975
RENTABLE BUILDING AREA		2,450 SF	1,792 SF	1,568 SF	1,440 SF	2,950 SF (1,950 SF Office 1,000 SF Retail)
COUNTY	Clackamas	Clackamas	Clackamas	Washington	Clackamas	Clackamas
NOTES						

KRUSE WAY OVERVIEW

The Kruse Way Submarket is bound by I-5 to the west and encompasses the western portion of Lake Oswego. It is home to Shorenstein Companies' Kruse Woods Corporate Park, a 1.8 million SF office complex that makes up 60% of the submarket's inventory. The complex houses the largest tenant in Kruse Way: Navex Global, a global software company, moved into 45,000 SF of office space in 16Q1. Autodesk previously occupied 43,000 SF here, but in 2017 the company moved to its new 100,000 SF headquarters in Lloyd District, the renovated Towne Storage Building. The submarket's negative net absorption was also impacted when Huron Consulting Group left Kruse Woods to relocate to AmberGlen Business Center in Beaverton. These move-outs have resulted in a slight uptick in vacancies, which are significantly above the metro average.

As a result of vacancy expansion, rent growth has slowed, after reaching cyclical highs in 2015 and 2016. Asking rents are still far higher than the metro average, thanks to a high proportion of 4 & 5 Star assets. Sales volume is typically low, with no deals of significance occurring in 2017. There were two large trades earlier in the cycle: Yakima Products' acquisition of the 4101 Kruse Building for \$20.1 million (\$226/SF) in August 2015, along with the \$20.3 million (\$179/SF) sale of Five Centerpointe in December 2012 to buyer Joshua Green Corporation from seller BlackRock.

Population for 5 Mile Radius
4309 SW Oakridge Rd, Lake Oswego, OR 97035

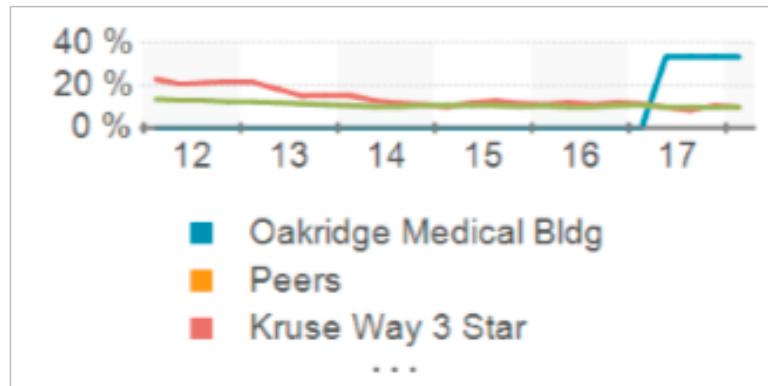


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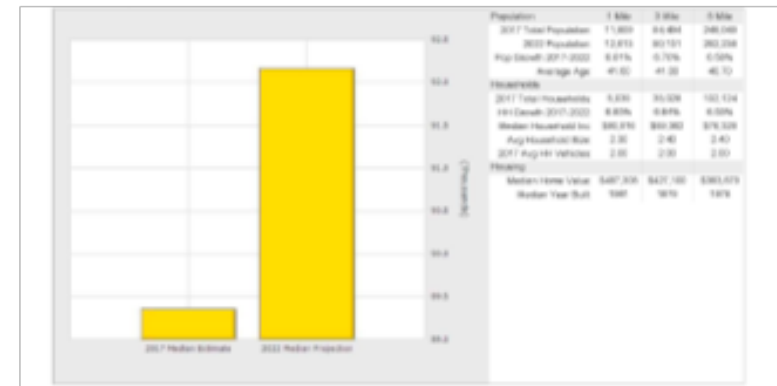
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04 LOCATION & MARKET OVERVIEW

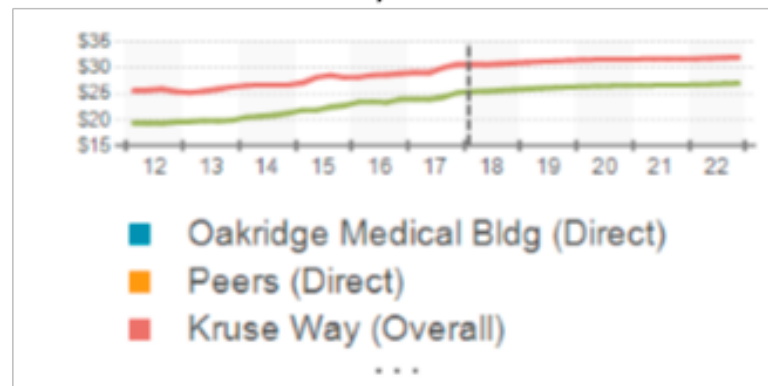
AVAILABILITY RATE



HOUSEHOLD INCOME—LAKE OSWEGO



GROSS ASKING RENT/SQUARE FOOT



NET ABSORPTION

