



## Homeport Building & Marina

Kirkland, WA

### PROJECT OUTLINE

Kidder Mathews received the exclusive listing disposition for this trophy, waterfront property in downtown Kirkland. The offering consisted of a leased up 35,000 square foot office building, 118 slip marina, and 96 parking stall garage and parking area. The Kidder Mathews team was engaged to market and sell the property together as a packaged unit.

### THE HISTORY

The Homeport Building & Marina was built in 1976 with significant renovations most recently made to the marina in 2006. Almost immediately after construction, the office building signed a restaurant to a large lease in a prime position within the building. That space housed the first Anthony's Homeport restaurant, and eventually numerous other office tenants neighbored Anthony's. Within the past few years prior to putting it on the market, the Sellers had explored numerous interior and exterior improvements to upgrade and modernize the office space. With plans to improve the building in place but no action yet taken, the office had an older feel to it but presented an excellent value-add opportunity to the buying pool.

### THE CHALLENGE

The Homeport Building & Marina is truly a trophy asset in downtown Kirkland, though the combination of product type – office, marina, and parking – created challenges from a financing standpoint. Further, Anthony's Homeport is known as an anchor tenant, literally having been in the space since construction, but the lease for that space was on a different structure than the other tenants in the building and was considerably below market value. Several other deferred maintenance issues challenged the financial model used by most buyers in their underwriting process.

### RESULTS

The Kidder Mathews listing team took the offering to market without a price to over 12,000 local, regional, and international prospective buyers. An intense, thorough, and quick marketing program allowed the Kidder Mathews team to identify 7 buyers with suitable offers out of a total of 95 registered prospects after several weeks at market. The Kidder Mathews team had suggested pricing guidance at a sub 5% cap rate. With record-high pricing per foot and with several finalists in tow, Kidder Mathews negotiated terms with a strong, all cash buyer at a sub 4.75% cap rate. This pricing set new records in its market, satisfying the needs of the seller and fulfilling Buyer's desire to purchase a long-term stable trophy asset, ideas creating a successful transaction for all parties involved.

### Services Provided

Commercial real estate  
asset evaluation and  
disposition

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