

# The SRE Industrial Real Estate Newsletter

*May/June 2018*

A snapshot of the Puget Sound Industrial Real Estate Market.

## Terreno Makes Large Seattle Acquisition

### Terreno Industrial SoDo Property

4786 1st Ave. S., Seattle, WA  
98134

Terreno Realty Corporation purchased 235,000 SF in Seattle's SoDo area for \$34 million on March 6, 2018. Terreno's total investment to acquire the property was \$42 million. The property is on 8.7 acres and is 65% leased to three tenants with a capitalization rate of 5.1%.



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In South King County, companies leased **573,000 SF** of industrial space just in the last quarter

The Seattle/Puget Sound Industrial Vacancy Rate is **3%**.

## Kent North Corporate Complex

S. 188th St. & 80th Ave. S, Kent, WA 98032

Volvo Aeroservices leased 238,121 SF in the Kent area. The property has immediate access to I-5, I-405, SR-167, and Sea-Tac International Airport.

Regionwide, there are two dozen industrial projects totaling **6.1 million SF** under way now

Another **15.1 million SF** of development is being planned and centers in Pierce & Thurston counties

## LogistiCenter at Woodinville

7720 W. Bostian Rd., Woodinville, WA 98072

Dermody Properties is developing 409,500 SF in Woodinville right off Highway 522. The property will feature 489 car parking spaces.

## Three Airlines will be Offering Flights out of Paine Field in Everett

Paine Field, located in Everett near the Boeing production facilities, will now be offering commercial flights. United Airlines, Southwest Airlines, and Alaska Airlines will be offering flights from Paine Field beginning in September. The airport will be small, with only two gates for commercial passenger traffic, but will offer more flights than originally anticipated. United will run 6 flights per day, Southwest will offer 5 flights, and Alaska will offer 13 flights per day serving cities like San Francisco, Denver, Portland, Los Angeles, Phoenix and San Jose.

The flights are anticipated to have a significant impact to the community in Everett, WA and the number of flights being operated out of the airport are now much higher than anticipated. The new air terminal is being designed with a new mid-century modern look and should open by late 2018.

More information is available in this news article: <https://seattle.curbed.com/2018/1/25/16933684/everett-airport-airlines-destinations-flights>

## Local Metal-Forging Company Decides to Sell & Re-Develop Land near Boeing

According to a recent report by the Seattle Times, Jorgensen Forge, a metals forging company that has been in business for 78 years has decided to close their doors on operations. The intention is to re-develop the 22 acre property near Boeing in Tukwila for other purposes.

Around 110 union employees will be laid off over the next 6 months as operations close down, leaving many workers feeling upset at the news.

The company has worked with big names such as Space X and Lockheed Martin but no buyer has been announced yet. The property itself is over 250,000 square feet and has been valued by King County at \$14.4 million.

More information is available in this news article: <https://www.seattletimes.com/business/real-estate/metals-forging-firm-near-boeing-field-closing-after-8-decades-so-real-estate-can-be-sold/>