



COMMUNITY CORNERSTONES COMMERCIAL STABILITY REAL ESTATE STUDY

OF

**VACANT & UNDERDEVELOPED LAND/VACANT RETAIL SPACES
OTHELLO & GRAHAM BUSINESS DISTRICTS
ALONG MARTIN LUTHER KING JR. WAY SOUTH**

IDENTIFIED AS

OTHELLO – GRAHAM RETAIL MARKET ANALYSIS

Extending south from South Juneau Street to South Kenyon Street
Along Martin Luther King Jr. Way South/Renton Avenue South/42nd Avenue South
Seattle, King County, Washington

DATE OF REPORT

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PREPARED FOR

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EXECUTIVE SUMMARY

OBJECTIVES

Study the vacant and underdeveloped land, vacant retail spaces and current retail mix to determine opportunities for real estate development and business attraction that complement the mix of current businesses and fill identified retail gaps in the Othello/Graham Business along Martin Luther King Jr. Way South.

Analyze the vacant and underdeveloped land, vacant retail spaces and zoning, as well as current development plans at various stages in the Othello to Graham commercial nodes along Martin Luther King Jr. Way South.

Determine opportunities for real estate development and business attraction that complement the mix of current businesses.

Compile and provide data on the properties in this area including but not limited to:

- a) Parcel Data (addresses, parcel numbers, property values, ownership, lot size)
- b) Current Commercial Lease Rates
- c) Leased/Vacant Commercial Space (square feet by class)
- d) Observable Site Challenges (topography, visible environment concerns, etc.)
- e) Functional/Physical Obsolescence Indications (recommendations for cosmetic improvements or remodeling)

Summarize Additional Observations, Concerns or Findings (relevant to the consulting assignment).

FINDINGS & RECOMMENDATIONS

Vacancy in the Othello-Graham study area is estimated at 8.63% with approximately 334,919 square feet +/- of commercial space with an estimated 28,908 square feet available for lease. However, 13,400 square feet of vacant space is in the Station at Othello project in lease-up with the elimination of this property indicating 4.63% vacancy on stabilized properties. Rents range from \$7.00-\$9.00/SF for anchors (and older spaces) to \$28.00 per square foot for newer space. Land values are in the \$40-\$60/SF range.

The primary identified target uses for the area are for a large office user (government or other) and/or institution/vocational/technical school. Other gaps include a sit-down coffee shop, burger restaurant, pizza restaurant, Trader Joes/grocer, small incubator stores/offices, daycare, medical satellite and possibly the creation of a microbrewery district.

During the course of completing this assignment it was discussed that there needs to be some kind of an incentive developed to encourage the diverse retailers to unify. The contractor has a number of ideas including:

Procurement of funds to subsidize renovations/remodeling at no cost to area owners.

A cohesive streetscape along the corridor using a modernist design or alternatively a "Neighborhood of Nations." The contractor recommends the hiring of a marketing specialist to investigate possible themes ala EPCOT or possible "Jet City" moniker.

Capitalize on the diversity of the neighborhood through use of terminology such as "global, "earth", "around the world", etc.

Create a unique shopping district such as a bazaar-type format with small incubator spaces (think in terms of many districts combined such as Soho, Chinatown, Little Italy but global).

Use Columbia City as a reference point toward re-inventing Othello.

Tear-down and redevelop fronting residences at the north "Gateway" and construct additional larger-scale mixed-use.

INTRODUCTION

SCOPE OF WORK

The extent of the process undertaken by the contractor to collect, confirm, and report data is described as follows:

The contractor has conducted three separate extensive site reconnaissances (August 25, 2013; October 5, 2013; and October 10, 2013) of the defined study area extending south from South Juneau Street to South Kenyon Street along Martin Luther King Jr. Way South with the purpose of these reconnaissances to identify current actual land uses, observe site and improvement conditions, locate vacant/leased retail spaces, and photograph sample properties in the neighborhood. Using the tax parcel list provided to the contractor by the OED, a property list has been prepared summarizing parcel data (property ID#, address, ownership, lot size, zoning, current land uses/building size, property value, future development/permit plans, actual/projected lease rates, listing data, and evaluated potential highest & best uses. Market data has been obtained from a number of sources including MetroScan, CBA, CoStar Comps, NWMLS, Loopnet, King County Parcel Viewer, and Wikipedia. The contractor has conducted numerous personal interviews of property owners, property managers, real estate brokers and listing agents. During the course of completing this assignment, the contractor has met with various members of the Commercial Stability Steering Committee.

RAINIER VALLEY NEIGHBORHOOD OVERVIEW

The Rainier Valley neighborhood in Seattle, is located east of Beacon Hill; west of Mount Baker, Seward Park, and Leschi; south of the Central District and First Hill; and north of the city line. It is said to be the most culturally and economically diverse neighborhood in the Pacific Northwest. The neighborhood's population is estimated at 40,791.

There are several identifiable neighborhoods within the Rainier Valley, including from north to south "Garlic Gulch" (or the north Valley, from Dearborn to the junction of Martin Luther King Jr. Way South and Rainier Avenue South) "Genesee" (from the junction to South Alaska Street), Columbia City, Hillman City (from South Lucille Street to South Graham Street), "Brighton" (South Graham Street to South Othello) Dunlap (also known as Othello, South Othello Street to South Cloverdale Street), and Rainier Beach.

The Valley is centered on Rainier Avenue South and Martin Luther King Jr. Way South, its main northwest/southeast-bound thoroughfares. Both the Rainier Avenue and the Valley were named after Mount Rainier. Rainier Avenue goes through several distinct phases, with the northend being mainly commercial, the central (Columbia City) portion a densely-populated historic district, and the southern portion a less dense collection of businesses, apartments, and houses.

Martin Luther King Jr. Way South now carries Seattle's Link Light Rail for the length of the Valley until it veers west to serve the North Beacon Hill neighborhood, SoDo industrial areas and downtown Seattle. Light rail and its attendant improvements have fostered a re-vitalization effort along Martin Luther King Jr. Way South, with some new businesses emerging, although sporadic.

Construction of the The Holly Park and Rainier Vista housing projects during World War II in order to house war workers were seminal events; these projects have been recently remodeled enhancing the appeal of the neighborhood. Following the war and until the Boeing crash of 1971, the Valley boomed with middle-class residential construction (lots of post-war split-levels dot the valley) and with all of this construction, the Valley continued its historic diversity. Many residents cite ethnic diversity, parks and transportation options as some of the main reasons they remain in or move to the Valley. Gentrification, including rising land prices and the new light rail line, may put a damper on diversity in the future, but this remains to be seen.

RETAIL MARKET ANALYSIS

RETAIL RESEARCH MARKET OVERVIEW THIRD QUARTER 2013 - SEATTLE METRO AREA

The following data was obtained from a publication prepared by Marcus & Millichap for the third quarter 2013 entitled *Retail Research Market Overview – Seattle Metro Area*:

MIXED-USE DEVELOPMENTS EXPAND RETAIL SUPPLY IN SEATTLE

Seattle's surge in employment growth over the past several years has led to an influx of residents and a growing demand for housing and retail. More than 100,000 jobs have been created in the metro over the past three years, sparking housing and retail construction. Grand Ridge Plaza, for example, is set to open in the Issaquah Highlands development in the third quarter of this year and is 94 percent pre-leased. Many large mixed-use redevelopment projects with a retail component are proliferating near city centers, especially in Seattle. Nearly 70 apartment projects that contain some retail space are underway and scheduled for delivery by the end of 2014 throughout the metro. These buildings will provide more than 9,000 rental units and expand retail inventory by a combined total of nearly 300,000 square feet. Green Lake Village provides the largest portion of retail, at 50,000 square feet. PCC Natural Markets will open in half of the space in the first quarter of 2014. Additionally, major non-residential redevelopment projects, such as the new Amazon headquarters, the Seattle Times site and the Spring District project in downtown Bellevue, will include ground-level retail space.

The increase in mixed-use projects will not only expand retail product offerings for the growing number of investors focused on the Seattle market, but it is also generating trepidation of an oversupply of multi-family units, especially if job growth wanes. As a result, more buyers are moving into the retail sector with seasoned investors targeting assets near retail hubs where traffic volume is greater. Interest in single-tenant net-leased assets far outpaces supply, and with cap rates in the 5 percent area for corporate quick-serve properties, many of these buyers are considering multi-tenant assets for higher yields. This is especially so as financing for smaller properties becomes more widely available through local banks. Cap rates for these quality strip or neighborhood centers begin in the 7 percent area. Institutional investors, meanwhile, will remain focused on grocery-anchored community centers with initial yields in the mid-5 to mid-6 percent range.

2013 ANNUAL RETAIL FORECAST

Employment: Following the addition of 41,800 jobs last year, local employers will step up hiring efforts in 2013 with the creation of 57,000 positions, a 3.3 percent expansion. The typically higher-paying professional and business services sector will lead employment growth with more than 13,000 slots.

Construction: Developers will complete approximately 700,000 square feet of retail space this year, representing an inventory expansion of 0.4 percent. The Eastside submarket will account for a large portion of the deliveries. In 2012, 893,000 square feet was brought into service.

Vacancy: Heavy pre-leasing and strong tenant demand will support a 70-basis point decline in vacancy in 2013 to 5.6 percent, the lowest rate since the final quarter of 2008. Last year, vacancy decreased 90 basis points.

Rents: Strong leasing activity will allow operators to push up rents. Average asking rents will rise 1.7% this year to \$19.33 per square foot. Asking rents, however, are still nearly 18 percent below the recent high reached in 2008. Asking rents advanced 1.4 percent in the previous annual period.

ECONOMY

Over the past four quarters, Seattle employers created 38,000 jobs, a 2.2 percent increase. This includes 19,000 workers added to payrolls during the first six months of 2013, which dropped the unemployment rate to 5.4 percent, the lowest level since the third quarter of 2008. The trade, transportation, and utilities sector accounted for the largest portion of job growth in the first two quarters with nearly 7,000 of the new positions. More than 5,000 of these were in retail trade. Rising employment and population growth are driving retail sales. Over the past 12 months, retail sales jumped 7.8 percent, reaching a new high. Following the addition of 41,800 jobs last year, it is projected that local employers will step up hiring efforts in 2013 with the creation of 57,000 positions, a 3.3 percent expansion. The typically higher-paying professional and business services sector will lead employment growth, with more than 13,000 slots.

CONSTRUCTION

Developers completed slightly less than 300,000 square feet of retail space during the last four quarters, well below the 1 million square feet that came into service in the prior period. So far this year, just 42,000 square feet has been delivered. Builders are very active throughout the metro, with more than 1.4 million square feet underway, representing a 0.8 percent increase in stock. There is also more than 600,000 square feet of planned space. The largest project coming online in 2013 is Grand Ridge Plaza in Issaquah Highlands in the Eastside submarket. The first phase of the 326,200-square foot community center will open in the third quarter of 2013 with Regal Cinema and Safeway as anchors. Other retailers expected by year end are Dick's Sporting Goods and Marshalls and HomeGoods. It is projected that developers will complete approximately 700,000 square feet of retail space this year, representing an inventory expansion of 0.4 percent. The Eastside submarket will account for more than 45 percent of the total deliveries.

VACANCY

A slow delivery pace so far this year brought market wide vacancy down 30 basis points to 6 percent in the second quarter, a year-over-year drop of 80 basis points. Vacancy ranges from a low of 3.2 percent in the Downtown Seattle submarket of a high of 8.5 percent in the Tacoma submarket. Vacancy remains weakest in neighborhood, community and strip centers at 9 percent in the second quarter. These centers struggled during the recession, especially in the southern portion of the metro. Vacancy remains in double digits in the Southend and Tacoma submarkets. In the Eastside submarket, strong job and population growth have resulted in the biggest vacancy improvement year over year. Vacancy in the second quarter plummeted 210 basis points to 4.5 percent. Retail construction should not have a major effect on vacancy in the submarket due to significant pre-leasing. It is forecast that heavy pre-leasing and strong tenant demand will support a 70-basis point decline in vacancy in 2013 to 5.6 percent, the lowest rate since 2008.

RENTS

Available asking rents dropped an annual 1.1 percent to \$18.89 per square foot in the second quarter, as less quality space was offered for lease. On a quarterly basis, rents inched up 0.3 percent. Among submarkets, the highest second quarter rents were recorded in the Eastside at \$24.81 per square foot; the submarket also posted the healthiest rent gains during the past year of 2.2 percent. The Tacoma submarket had the lowest rents at \$15.59 per square foot, having dropped 6.8 percent year over year. Elevated vacancy is constraining rent growth in strip, neighborhood and community centers. The average available asking rent in these centers dropped 4.4 percent over the last four quarters to \$17.64 per square foot. With many of the prime spaces in the Downtown Seattle submarket leased, average available asking rents dropped 20 percent in the past 12 months to \$26.09 per square foot. Projections are that strong leasing activity will allow operators to raise rents. Average asking rents will tick up 1.7 percent in 2013 to \$19.33 per square foot. Rents are still nearly 17 percent below the recent high reached in 2008.

SINGLE TENANT SALES TRENDS (Trailing 12-Month Period)

Transaction activity jumped 30 percent during the most recent 12-month period, following a 15 percent hike one year earlier. Investors stayed close to the urban core as Seattle garnered 38 percent of the sales. The median sales price for single-tenant assets climbed 40 percent year over year to \$306 per square foot as investors targeted smaller freestanding buildings in Seattle. The median price for fast-food establishments topped \$600 per square foot during the period. Average cap rates for single-tenant assets range from 5 percent for a corporate fast-food restaurant to 7 percent for a local franchise. Initial yields for drugstores are typically in the 6 percent area. The outlook is that as operations improve, investors will move farther from the urban core for higher yields. Freestanding buildings near grocery-anchored centers will remain in demand.

MULTI-TENANT SALES TRENDS (Trailing 12-Month Period)

Sales of multi-tenant retail properties jumped 44 percent year over year down from a 60 percent hike in the prior annual period. Investors targeted storefront and smaller freestanding buildings. The median sales price of multi-tenant assets increased 15 percent to \$201 per square foot in the past 12 months after a 9 percent rise one year earlier. Although freestanding buildings are targeted most frequently, storefront space has become more attractive to investors. Cap rates for a well-located grocery-anchored center typically begin in the mid-5 percent area, little changed from a year ago. A strip or neighborhood center, meanwhile, will trade 150 to 350 basis points higher. As a result of the flood of mixed-use apartment projects with ground-floor retail space coming online in Seattle this year, investors will be able to access retail space in many high-demand neighborhoods.

CAPITAL MARKETS

The FOMC seems poised to begin withdrawing the third round of quantitative easing by year end and, as stated, terminating the program by mid-2014. Speculation that a drawdown was eminent has pushed up the yield on 10-year Treasuries from 1.6 percent to the high-2 percent range in September. The Fed is currently purchasing \$85 billion per month in bonds and mortgage-backed securities. Although the third round of quantitative easing will likely come to an end in the next 12

months, the federal funds rate should remain between 0 and 0.25 percent, which will keep short-term interest rates close to historically low levels. Additionally, the Fed has backed away from tying the rate to 6.5 percent unemployment. Most lenders are active in the single-tenant arena, though the cost of debt is becoming a consideration for investors and a deterrent to high-cost transactions. Underwriting is also reflecting an increase in the cost of capital. Most loans originate at LTVs between 60 and 70 percent with investment-grade, credit-tenant-lease financing near 85 percent. Assets with investment-grade tenants can be leveraged for 10- to 25-year terms at interest rates in the mid- to high-4 percent range, while less-creditworthy tenants are financed in the low- to mid-5 percent area. In the multi-tenant sector, LTVs are between 70 and 75 percent, depending on the presence of an anchor. Loans for anchored centers above \$10 million are typically funded by life companies or CMBS lenders at rates in the low-5 percent range for 10-year terms. National and regional banks are more active for unanchored centers priced below \$10 million. Interest rates for these assets begin in the mid- to high-4 percent range for five- to seven-year terms.

LOCAL HIGHLIGHTS

State Farm Insurance recently announced that it will expand its operations in Tacoma. The company will move into the space formerly occupied by Russell Investments in downtown and is hiring 500 employees. The added foot traffic should boost retail operations in the Tacoma CBD, where vacancy sits at 9.6 percent.

Amazon's new campus at the south end of downtown Seattle will add 3.3 million square feet of office space that could house up to 12,000 additional employees when the last of the three buildings are completed in 2017. Retail space will be included in the second phase, which is scheduled to come online in 2016.

Construction began this summer on the tunnel that will replace the Alaskan Way Viaduct through downtown Seattle, with completion due in 2015. The viaduct is scheduled to be demolished in 2016 and replaced by a \$1 billion promenade. Developer Harbor Urban recently signed a long-term lease on a development site along the route.

OTHELLO-GRAHAM RETAIL RENTAL SURVEY

During site reconnaissance, the contractor identified retail properties with commercial vacancies with the following table summarizing pertinent data obtained by the appraiser via owner, broker, agent interviews followed by a location map of the comparables:

COMPARABLE RENTAL SURVEY – OTHELLO-GRAHAM STUDY AREA, SEATTLE, KING CO., WA.							
No.	ID/Location Data Source	Year Built	Tot. SF Lease SF % Occ.	Rent/SF \$	Exp. Meth. \$/SF	Lease Term	Meth. Incr. Concessions Parking
1	SPEEDY MART SHOPPING CENTER 6051-61 MLK Stefanie Dozal, Metro Prop Services, 206-694-1791	1986	7,392 2,585 100% (65.03%)	\$23.00-28.00 Actual Range	NNN \$8.50	Short Term.	Varies Varies 1/296 SF NRA Land Lease
2	KING PLAZA 7101 MLK David Chen, Owner, 206-229-8442	1992	38,845+ 40,345 6,000 84.55%	\$15.00 Actual	NNN \$3.60 CAM	2-5 Yrs.	Negotiable Negotiable 1 Mo. Free Typ. 1/300 SF NRA
3	STRIP CENTER 7143 MLK Scott Le, Owner, 206-293-3066	1945 2000 RehabA	5,500 1,200 2,400 34.55%	\$18.00 \$15.00 Actual	NNN \$3.00 CAM	1 Yr. Min.	Flat 2 Yrs./CPI Negotiable 1 Mo. Free Typ. 1/250 SF NRA
4	MINI MART 7544 MLK James Tjoa, RE/MAX, 206-726-6230	1957	720 720 100%	\$25.00 Actual	MG (W/S/T + Elec.)	2 Yrs.	Flat None 1/300 SF NRA
5	KING SQUARE 7126-36 MLK John Lee, Owner, 206-200-0966	2005	18,593 (2) 800 1,600 82.79%	\$12.00-18.00 \$18.00-24.00 Actual	NNN \$3.00 CAM	3 Yrs.	Negotiable No TIs/2-3 Mos. Free 1/300 SF NRA
6	SMILE BY THE STATION MU 7144-36 MLK Dave Silver, Owner, 206-353-4900	2007	5,480 1,000 81.75%	\$24.00 Asking	MG (Util. Only)	5 Yrs.	Negotiable 2 Mos. Free/No TIs 1/300 SF NRA
7	STATION AT OTHELLO 4219 S. OTHELLO Craig Quarders, Comm. Dev. & Consult., 206-352-1101	2010	17,591 13,400 23.83%	\$21.00-24.00 Actual/Asking (\$32.00 was Coffee Shop)	NNN \$6.00	5 Yrs.	+3%/Yr. \$20/SF TIs 1/1,500 SF NRA

COMMENTS

The retail market study is exclusively limited to those commercial properties identified by the tax parcel numbers provided to the contractor by the OED with these properties located in the defined Othello-Graham commercial corridor that lines MLK.

There is a limited amount of retail space available in the study area which most of the available space located in the comparatively new Station At Othello Mixed-Use project and the second level (more office-service oriented) space in King Plaza. Actual lease rates range from \$12.00 (upper level office-oriented) to \$28.00 per square foot with most of the spaces leased on a triple net expense basis. According to Stephanie Dozal, the Speedy Mart center is on a land lease which expires at the end of 2015 with the owner rumored to be in talks with a developer to re-develop the site. Thus, the marketing effort to lease available space is non-existent. David Chen, Owner of King Plaza stated that the area “needs a major office use such as a government entity that would bring jobs and patrons to the neighborhood.” Dave Silver, DDS, the owner of the Smile By The Station stated that a need in the area could include an institution, college, or vocational type use; possibly microbrewery district concept as well. Craig Quarders with Station at Othello when questioned by the contractor as to the lack of success of their high-end sit down coffee shop that failed stated that the “Starbucks drive-thru does not perform so they would not be interested.” He did indicate that there is a need in the area for a sit-down coffee shop, burger restaurant, pizza

restaurant, Trader Joes or grocer. Craig also indicated that it is critical to bring workers into the area. He further stated that the Safeway on Othello is not performing despite a semi-renovation with residents seeking out the newer, larger grocery stores to the north and south. Micro breweries could be a good concept; he cited Columbia City as a good example of what needs to be done in the Othello-Graham area.

The contractor's review of over 100 documents pertaining to actual lease deals and listings in the general area but outside the specific study area indicates that lease rates for large anchor type spaces are in the \$7.00 to \$9.00 per square foot range, triple net, with similar lease rates for older buildings exhibiting deferred maintenance.

In the Othello-Graham study area, there is an estimated 334,919 square feet +/- of commercial space with approximately 28,908 square feet available for lease as of the reconnaissance date equating to an 8.63% vacancy rate however 13,400 square feet of vacant space is in the Station at Othello project in lease-up.

MAJOR DEVELOPMENT PLANS/PERMITS

According to information provided to the contractor by Michael Dorcy, Planner with the Seattle DPD, the only substantial projects in the Othello-Graham area covered by the map during the previous eight years, include the following:

- 1) Othello Station located at 4200 and 4219 S. Othello Street; 4219 is completed. The project at 4200 S. Othello Street has an issued MUP for 370 units, 17,000 square feet of retail/commercial and parking for 372 vehicles. A major revision application for this project came into the Department on 9/6/2013.
- 2) The other project is for a shopping center at 3611 S. Raymond St/ 6007 and 6033 MLK Jr Way S. Project #3014694: 63,000 sq.ft. retail and office use in two separate structures, parking for 142 vehicles below and at grade; an Early Design Guidance Design Review public meeting was held in July 2013.

The following sections detail the contractor's observations and recommendations for commercial properties in the Othello-Graham study area. Note: the list is not intended to be all inclusive and is subject to observed conditions at the time of the reconnaissance.

1



5907 MLK – Columbia Auto Center/Central Salvage/Totem Towing
Cyclone/barbed wire fencing, moderate slope to west, front used for car storage, concrete retaining wall to south of entry drive, 1-story building at level plain + additional fenced storage, asphalt concrete pads.
Observations: under-utilization of site; potential redevelopment

2

5919-5931 MLK – SFRs
10' retaining wall, up steep slope, avg. quality.
Observations: potential higher density mixed-use



3



5933-35 MLK – Triplex
Older brick structure, sloped site.
Observations: potential higher density mixed-use

4



5943 MLK – Religious Use
New Beginnings Christian Ministries
 concrete block bldg. built into hillside, site starts leveling.

Observations: potential higher density mixed-use

5947 MLK – SFR

Avg. qual., site approx. level, Art Unique Signs (206.228.6434) operates out of this prop.

Observations: potential higher density mixed-use

5951 & 5955 MLK– SFRs

Avg. qual. SFRs level with street.

Observations: potential higher density mixed-use

5

6007 MLK – Seattle Interpretation Services Inc. (206.760.9384)
Café Merhaba (206.721.6361)
Congra World Famous Farmers Market
 Small wood frame structure at corner, low qual. Attached buildings
Observations: demolish or significant rehab



6



6007 MLK- Congra World Famous Farmers Market

7



5943 MLK – Religious Use
New Beginnings Christian
Ministries concrete block bldg.
built into hillside, site starts
leveling.
Observations: potential higher
density mixed-use

8

5947 MLK – SFR
Avg. qual., site approx. level, Art
Unique Signs (206.228.6434)
operates out of this prop.
Observations: potential higher
density mixed-use
5951 & 5955 MLK– SFRs
Avg. qual. SFRs level with street.
Observations: potential higher
density mixed-use



9



5959 MLK – All State Strong
Insurance (206.725.8969)/CS Fine
Gifts (206.723.5639)
Avg. qual. 2 tenant comm. bldg.,
gifts to rear, slight slope to west.
Observations: continued use

10



6033 MLK – Former My Ca’hn Restaurant
Boarded up, sited north of Baskin Robbins but addressed higher #, closed.
Observations: redevelop site with higher density use.

11

6051-61 MLK – Retail Strip Center
Good quality stucco strip center with 5 tenants: Speed-E Mart Inc. conven. Store, Vientiane Asian grocery store (206.723.3160), VP Studio photography (206.334.8251), former Abdul’s Fast Food & Deli (vacant for lease 206.694.1744), Queen Hair Salon (206.723.2331)
Observations: retain use



12



6501 38 Ave S. – Strip Center
Good qual. 6-7 tenant strip center: Platinum Blush Fashions, Bels International (206.722.3365), with 1 vacant unit on end (no sign).
Observations: retain use

13



**6505 MLK – Grand Auto Sales
(206.723.0136)
Car sales lot with small shed
bldg.
Observations: redevelop with
higher use**

14

**6609 MLK – 101 Auto Sales
(206.551.2600)
Closed for remodeling but appears
vacant with trailer + shack, grassed
yard with some car storage, under
improvement.
Observations: redevelop with higher
density use**



15



**6711 MLK – Thai Palms Café
(206.721.7777)/Afgoye MLK
Mall/Assabr Mini Mart
(206.725.1324)/Janno Electronics
Plus (206.631.0357)/Care
Transportation (rear)
Mix of buildings, convenience store
and clothing, some bright yellow,
facelift or rehab.
Observations: upgrade exteriors**

16



6727 MLK – 3 Mixed-Use Buildings

Rear Bldg: Utanga Barber shop are rear (206.832.9540), Basey Travel (206.910.0275), Barasho Electronics, LTD Junk Car Removal (206.816.0101).

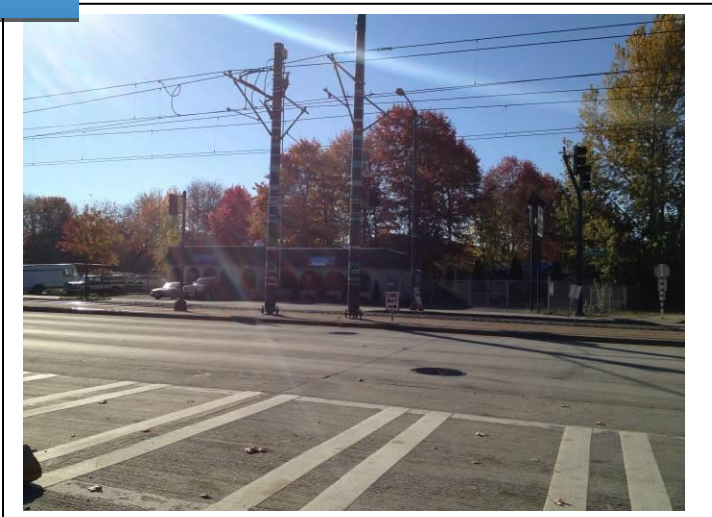
Front Bldg: Karama (E. African food), Karama Espresso (coffee shop), Iftin Express Hashi (money wiring 206.375.7496), Assabr Mini Mart (206.420-8302), Moga's Market Halal grocery + clothing).

South Bldg. (6727 B) newer metal roof structure, setback, use not known, no signage, possible two tenant with parking.
Observations: remodel rear building; retain others

17



18



6901 MLK – Rose Petals Restaurant (For Sale)

Open but fenced and no business, low qual. bldg., property for sale, 18,431 SF (see details)

Observations: redevelopment site

19



6951 & 7101 MLK – King Plaza
Two-story mixed use (retail/office) significant shopping center with multiple tenants (have detailed list of all) and outbuilding (vacant, prior Quan Ben Le French café?); 1 vacant unit (206.229.8442)
Observations: retain use; possible signage consistency, exterior cleaning

20

7101 MLK – King Plaza



21



7119 MLK – Bun Bo Hue Restaurant (206.722.3876)
Avg. qual. restaurant
Observations: retain use

22



7121-23 MLK – Phnom Penh Market
Storefront
Observations: retain use, remodel, facelift

23

7125-7(?) MLK – Café Huong Que (206.722.4318)
Storefront
Observations: retain use, remodel, facelift



24



7129 – Sunlite Salon
Storefront
Observations: retain use, remodel, facelift

25



7131-7143 MLK – Seatran Tours & Travel (206.725.8700) Storefront
 – New Holly Gifts (206.725.0716) Storefront – East African Grocery (206.722.0473) Storefront
 Five Stars Laundry (206.725.7873)/Dy Vang Video (206.725.0951) S
 7143 MLK A-C – Retail Strip Center
 4 suite strip center, good qual. with slate (needs cleaning), 2-3 suites appear vacant (206.854.5717);
 Seattle Repair Services (206.353.9826
 Observations: retain use, remodel, facelift

26

7153 MLK – Bank of America
 Good quality branch bank
 Observations: retain use
 (Note: numerous Holly Park/SHA parcels to south)



27



5920 MLK & 3920 S. Juneau St. – Olympic Uniforms
 Avg. qual., large scale development with parking lot.
 Observations: retain use

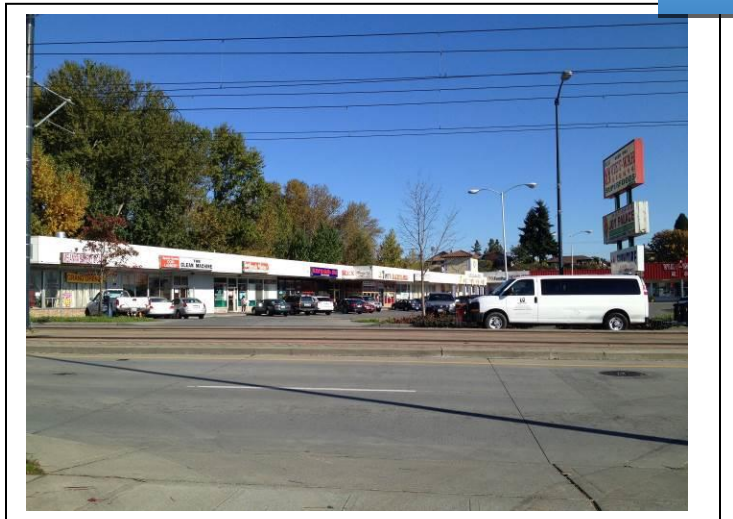
28



6008 MLK – Shopping Center
Avg. qual. center anchored by
Viet Wah Superfoods
(206.725.7601), Joy Palace
Chinese Restaurant, VS
Furniture/Fashion Store with
other tenants including Meianna
Bakery & Café (206.722.8888) The
Clean Machine (Laundromat),
Thanh Thao (Viet. Restaurant
206.725.5278), Kim’s Hair & Spa
(206.760.9265),

29

6008 MLK- Rex Beauty Salon
(206.760.9202), Tony’s Bakery & Deli,
& Hong Sun Herbs & Wholesale
(206.721.3928).
3818 S. Graham St - Building
(freestanding) - Q
Bakery/Sandwiches, AV’s Flowers
(206.722.2866), ABC Chuyen Tien
Nhanh Mobile (206.721.2070).
Observations: retain use with
possible facelift



30



3809 S. Graham St. – Apartments
2-story brick older vintage
apartment building
Observations: retain use or
combine with 3801 S. Graham to
west

31



**3800 S. Eddy St. – Apartments
(had office use)
Recent acq. For remodel;
appraised by Harrison Appraisal
Observations: interim use for
redevelopment**

**3802 & 3806 S. Angel St. – SFRs
2 SFRs incongruous uses.
Observations: redevelop with higher
use**

32

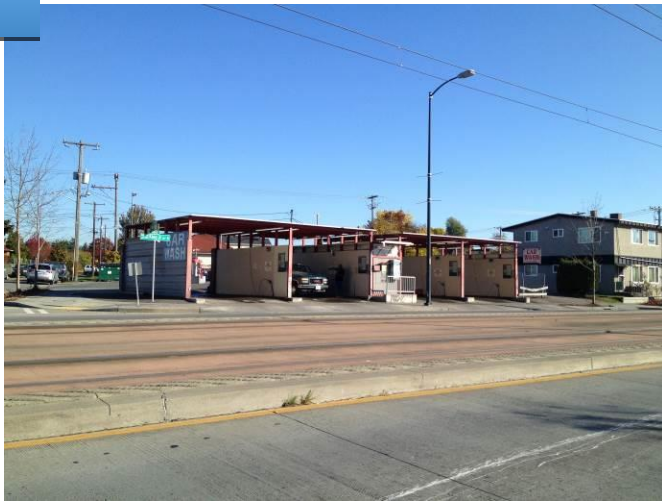


33



**3810 S. Morgan St.- Morgan Plaza
Shopping Center
Good qual., newer split-face CMU &
metal panel 4-tenant center with
Seng Heng Asian Market, Mobile
Solutions (206.660.3814), Monorom
Jewelry (206.722.7735), and Vy's
Hair (206.760.2996).
Observations: retain use**

34



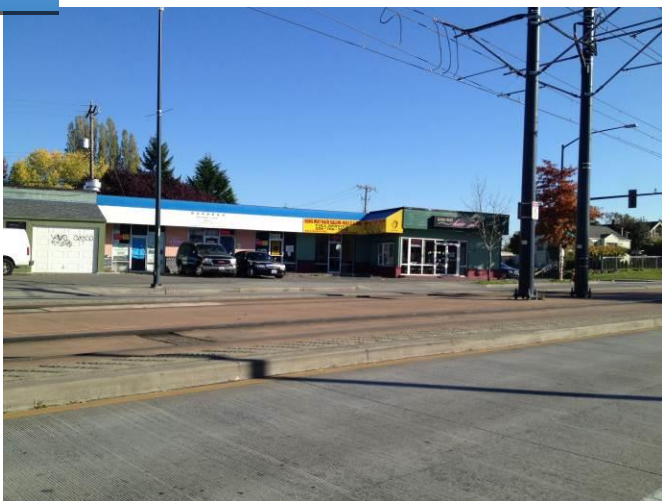
6500 MLK – Suds City Car Wash
Older car wash operation.
Observations: redevelop with higher use.

6512 MLK – Apartments
Older apartment building, level site.
Observations: redevelop with higher use, possibly with 3828 to east (see below)
3828 S. Warsaw St. – SFR
Avg. qual. SFR, non fronting

35



36



6754 MLK – Strip Center
King Way Hair Salon (206.760.3000)
with below avg. building at end,
Barakah Restaurant & Café.
Observations: facelift or redevelop

37



4001/4009/4015 S. Willow St. – SFRs & 6908 MLK
4001 houses Danny Vegas House of Hair Design, avg. qual. structures, incongruous.
Observations: Assemble for redevelopment

Vacant Seattle Transit lot following by bus stop waiting area

38



39



7100 42 Ave. S. – Vacant former industrial (?) building.
Currently being remodeled/rehabbed by Ryan Contractors, non-fronting.
Observations: investigate future use

40



4200 S. Othello St. – Market Place

Older auction house (numerous prior uses); across from The Station.

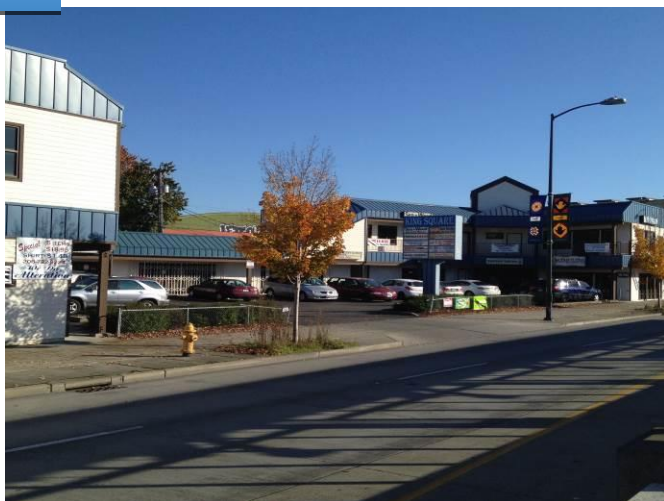
Observations: Significant redevelopment opportunity with 4222 property.

41

7114 MLK – Retail/Office Building
Good qual. newer two story building with As Artlessa’s Day Spa & Salon (moving and for lease 206.353.4900), Graham Jewelers, and Smile By The Station Dentistry (206.725.7176).
Observations: retain use



42



7126-36 MLK– King Square Shopping Center

1-2 story strip center with 14 tenants (have detailed list); 1 vacant space for lease 206.200.0966.

Observations: retain use, some cosmetic or cleaning required

43



4219 S. Othello St. – The Station At Othello Park (Mixed-Use Apartments/Retail)
Significant, newer mixed use project with retail at street level; some vacant spaces.
Observations: retain use

7324 MLK – Former Gloria’s Travel Abandoned, The Station wraps around this level site; some cars observed.
Observations: Demolish & redevelop with higher use



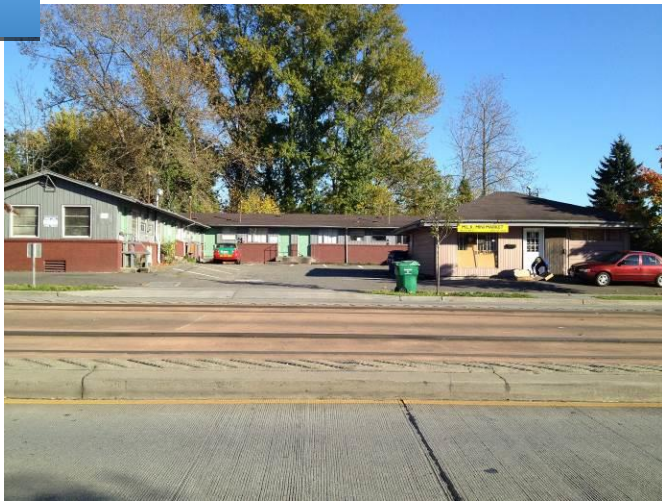
44

45



7530 (7529 Public Records) MLK – Vacant Site for Sale
Ewing & Clark, Richard Riley, 206.441.7900 (see details).
Observations: develop with higher use

46



7540 & 7544 MLK – Motel & MLK Mini Mart

This low qual. prop. is for sale; James Tjao 206.726.6230 (see details).

Observations: redevelop with higher use

47

7700-7850 MLK – SFRs, Apts. & Duplex

Mix of good qual. newer and older low/avg. qual. SFRs; 7714 Apt., 7712 & 7700 SFRs possible redevelopment but area is composed of mix of residential housing.

Observations: likely retain but possibly update/remodel some units



48



4204 S. Kenyon St. – SFR

Low qual., redevelop.

Observations: redevelopment potential

(Vacant Sound Transit lot to north)



7130 MLK– Panarama Café
Modular temporary restaurant
structure.

Observations: install a
permanent structure or
alternative use

On pages that follow the contractor has summarized parcels in the study area. The Parcel List has been highlighted by property use type with Multi-Family = orange, Retail = red, Restaurants = blue, Residential = green, Vacant/ROW = yellow, Industrial = pink, Religious = purple, Office = turquoise, and Misc. = white. Note: some of the uses listed are erroneous, thus this list is provided primarily as a tool.



HARRISON
APPRAISAL SERVICES
PROPERTY SURVEY NOTES

WEST SIDE MLK JR. WY S

5907 MLK – Columbia Auto Center/Central Salvage/Totem Towing
Cyclone/barbed wire fencing, moderate slope to west, front used for car storage, concrete retaining wall to south of entry drive, 1-story building at level plain + additional fenced storage, asphalt concrete pads.
Observations: under-utilization of site; potential redevelopment

5919-5931 MLK – SFRs
10' retaining wall, up steep slope, avg. quality.
Observations: potential higher density mixed-use

5933-35 MLK – Triplex
Older brick structure, sloped site.
Observations: potential higher density mixed-use

5937 MLK – Triplex
Avg. qual. Lower unit for rent (206.324.2399), slightly above street grade.
Observations: potential higher density mixed-use

5943 MLK – Religious Use
New Beginnings Christian Ministries concrete block bldg. built into hillside, site starts leveling.
Observations: potential higher density mixed-use

5947 MLK – SFR
Avg. qual., site approx. level, Art Unique Signs (206.228.6434) operates out of this prop.
Observations: potential higher density mixed-use

5951 & 5955 MLK– SFRs
Avg. qual. SFRs level with street.
Observations: potential higher density mixed-use

5959 MLK – All State Strong Insurance (206.725.8969)/CS Fine Gifts (206.723.5639)
Avg. qual. 2 tenant comm. bldg., gifts to rear, slight slope to west.
Observations: continued use

6007 MLK – Seattle Interpretation Services Inc. (206.760.9384)/Café Merhaba (206.721.6361)/Congra World Famous Farmers Market
Small wood frame structure at corner, low qual. Attached buildings
Observations: demolish or significant rehab

3611 Raymond – SFR

SFR to rear with front peach paint outbuilding

Observations: possible assemblage with 6007 for higher use

3600 S. Graham St. – Wa. St. Dept. Social & Health Services

2-sty brick + parking, level site.

Observations: retain use

6025 MLK – Baskin Robbins

1-sty wood frame with concrete blk rear structure

Observations: retain use

6033 MLK – Former My Ca’hn Restaurant

Boarded up, sited north of Baskin Robbins but addressed higher #, closed.

Observations: redevelop site with higher density use.

Also Thanh Thanh Café on this site, good quality wood frame building; retain use.

6051-61 MLK – Retail Strip Center

Good quality stucco strip center with 5 tenants: Speed-E Mart Inc. conven. Store, Vientiane Asian grocery store (206.723.3160), VP Studio photography (206.334.8251), former Abdul’s Fast Food & Deli (vacant for lease 206.694.1744), Queen Hair Salon (206.723.2331)

Observations: retain use

6303 MLK – McDonald’s Fast Food Restaurant

Good qual. Bldg.

Observations: retain use

6401-3 MLK – U-Haul (206.723.1685)

Avg. qual. Painted brick bldg., substantial use

Observations: retain use

6419 MLK – Greater Glory Church Of God In Christ

Religious facility with U-Haul wrapping around the rear, orange port. Of structure use (daycare?)

Observations: retain use

3649 S. Morgan St. – SFR

Avg. quality SFR + det. Storage shed non-fronting behind 6501 MLK

Observations: retain or combine with frontage

6501 38 Ave S. – Strip Center

Good qual. 6-7 tenant strip center: Platinum Blush Fashions, Bels International (206.722.3365), with 1 vacant unit on end (no sign).

Observations: retain use

6505 MLK – Grand Auto Sales (206.723.0136)

Car sales lot with small shed bldg.

Observations: redevelop with higher use

6609 MLK – 101 Auto Sales (206.551.2600)

Closed for remodeling but appears vacant with trailer + shack, grassed yard with some car storage, under improvement.

Observations: redevelop with higher density use

3803 S. Holly St. – SFR

Good qual. Yellow house, non-fronting.

Observations: retain use

3811 S. Holly St. – Wa. St. Hai Ninh Community Assoc. & Detached (Temple?) Bldg.

Community and religious use, non-frontage.

Observations: retain use

(Vacant So. Transit lot)

6711 MLK – Thai Palms Café (206.721.7777)/Afgoye MLK Mall/Assabr Mini Mart (206.725.1324)/Janno Electronics Plus (206.631.0357)/Care Transportation (rear)

Mix of buildings, convenience store and clothing, some bright yellow, facelift or rehab.

Observations: upgrade exteriors

6727 MLK – 3 Mixed-Use Buildings

Rear Bldg: Utanga Barber shop are rear (206.832.9540), Basey Travel (206.910.0275), Barasho Electronics, LTD Junk Car Removal (206.816.0101).

Front Bldg: Karama (E. African food), Karama Espresso (coffee shop), Iftin Express Hashi (money wiring 206.375.7496), Assabr Mini Mart (206.420-8302), Moga's Market Halal grocery + clothing).

South Bldg. (6727 B) newer metal roof structure, setback, use not known, no signage, possible two tenant with parking.

Observations: remodel rear building; retain others

6745 & 6749 MLK – Otto Rosenau & Assoc. Inc.

2 story office building and related fenced older 1-story structure, fenced, a soils testing company.

Observations: retain use

6753 MLK – AG Hair Braiding (206.721.1052)

Small corner storefront, avg. qual.

Observations: retain use

6761 MLK – Mings Glass & Window (206.722.8662)

Avg. qual. building

Observations: retain use

6901 MLK – Rose Petals Restaurant (For Sale)

Open but fenced and no business, low qual. bldg., property for sale, 18,431 SF (see details)

Observations: redevelopment site

(Vacant lot – SHA owned south of 6901)

6951 & 7101 MLK – King Plaza

Two-story mixed use (retail/office) significant shopping center with multiple tenants (have detailed list of all) and outbuilding (vacant, prior Quan Ben Le French café?); 1 vacant unit (206.229.8442)

Observations: retain use; possible signage consistency, exterior cleaning

3800 S. Othello St. – Seattle’s Union Gospel Mission Administrative Offices

Significant structures.

Observations: retain use

7119 MLK – Bun Bo Hue Restaurant (206.722.3876)

Avg. qual. restaurant

Observations: retain use

7121-23 MLK – Phnom Penh Market

Storefront

Observations: retain use, remodel, facelift

7125-7(?) MLK – Café Huong Que (206.722.4318)

Storefront

Observations: retain use, remodel, facelift

7129 – Sunlite Salon

Storefront

Observations: retain use, remodel, facelift

7131 MLK – Seatran Tours & Travel (206.725.8700)

Storefront

Observations: retain use, remodel, facelift

7133 MLK – New Holly Gifts (206.725.0716)

Storefront

Observations: retain use, remodel, facelift

7135 MLK – East African Grocery (206.722.0473)

Storefront

Observations: retain use, remodel, facelift

7137 MLK – Five Stars Laundry (206.725.7873)/Dy Vang Video (206.725.0951)
Storefront

Observations: retain use, remodel, facelift

7143 MLK A-C – Retail Strip Center

4 suite strip center, good qual. with slate (needs cleaning), 2-3 suites appear vacant (206.854.5717); Seattle Repair Services (206.353.9826)

7153 MLK – Bank Of America

Good quality branch bank

Observations: retain use

(Note: numerous Holly Park/SHA parcels to south)

7501-7617 MLK (7800?) – Townhome Projects

Newer TH projects

Observations: retain use

4013-4019 S. Holden St./Chicago St. – Townhome Projects

Newer TH projects

Observations: retain use

3946 S. Kenyon St. – Temple Wat Lo Dhammacetiaram

Religious, very good qual.

Observations: retain use

EAST SIDE MLK JR. WY S

5920 MLK & 3920 S. Juneau St. – Olympic Uniforms

Avg. qual., large scale development with parking lot.

Observations: retain use

(Playground to south followed by heavily overgrown vacant land south of Kingway Apts.- appears to be possible unbuildable ravine area)

6008 MLK – Shopping Center

Avg. qual. center anchored by Viet Wah Superfoods (206.725.7601), Joy Palace Chinese Restaurant, VS Furniture/Fashion Store with other tenants including Meianna Bakery & Café (206.722.8888), The Clean Machine (Laundromat), Thanh Thao (Viet. Restaurant 206.725.5278), Kim's Hair & Spa (206.760.9265), Rex Beauty Salon (206.760.9202), Tony's Bakery & Deli, & Hong Sun Herbs & Wholesale (206.721.3928).

3818 S. Graham St - Building (freestanding) - Q Bakery/Sandwiches, AV's Flowers (206.722.2866), ABC Chuyen Tien Nhanh Mobile (206.721.2070).

6044 MLK – Southgate Building (freestanding) – PNB Remittance Center (Phillipine), Southgate Medical Center, Vape Station (tobacco), Best Nails Salon (206.722.0629), Aim Dental (206.760.9571).

Observations: retain use with possible facelift

6056 MLK – Circle K & Union 76 gas station
Newer buildings
Observations: retain uses

3809 S. Graham St. – Apartments
2-story brick older vintage apartment building
Observations: retain use or combine with 3801 S. Graham to west

3801 MLK – Premiere Auto Body (206.320.0088)
Rehabbed auto shop.
Observations: retain use

3800 S. Eddy St. – Apartments (had office use)
Recent acq. For remodel; appraised by Harrison Appraisal
Observations: interim use for redevelopment

6310 MLK – Starbuck's Drive Thru
Newer kiosk.
Observations: retain use; explore future Starbucks full store potential

6400 & 6408 MLK (3803 S. Eddy St.) – Rainier BarBQ
Two avg. frame structures.
Observations: retain use

3802 & 3806 S. Angel St. – SFRs
2 SFRs incongruous uses.
Observations: redevelop with higher use

(Vacant lot south of 3802)

3810 S. Morgan St.- Morgan Plaza Shopping Center
Good qual., newer split-face CMU & metal panel 4-tenant center with Seng Heng Asian Market, Mobile Solutions (206.660.3814), Monorom Jewelry (206.722.7735), and Vy's Hair (206.760.2996).
Observations: retain use

No Address MLK – Suds City Car Wash
Older car wash operation.
Observations: redevelop with higher use.

6512 MLK – Apartments
Older apartment building, level site.
Observations: redevelop with higher use, possibly with 3828 to east (see below)
3828 S. Warsaw St. – SFR
Avg. qual. SFR, non fronting

6600 MLK – Chevron Gas Station

Good qual. gas station.

Observations: retain use

6700 (6706) MLK – Brighton Dental (206.722.6706)

1-story avg. qual. building.

Observations: retain use

6718 MLK – Iglesia del Nombre de Jesus Church (206.854.6985)

Religious facility and parking to south.

Observations: retain use

(Vacant lot south of church parking)

6754 MLK – Strip Center

King Way Hair Salon (206.760.3000) with below avg. building at end, Barakah Restaurant & Café.

Observations: facelift or redevelop

4001/4009/4015 S. Willow St. – SFRs

& 6908 MLK

4001 houses Danny Vegas House of Hair Design, avg. qual. structures, incongruous.

Observations: Assemble for redevelopment

(Vacant Seattle Transit lot following by bus stop waiting area)

7100 42 Ave. S. – Vacant former industrial (?) building

Currently being remodeled/rehabbed by Ryan Contractors, non-fronting.

Observations: investigate future use

7100 MLK – Chase Branch Bank

Good qual. bank building and parking.

Observations: retain use

7114 MLK – Retail/Office Building

Good qual. newer two story building with As Artlessa's Day Spa & Salon (moving and for lease 206.353.4900), Graham Jewelers, and Smile By The Station Dentistry (206.725.7176).

Observations: retain use

7126-36 MLK– King Square Shopping Center

1-2 story strip center with 14 tenants (have detailed list); 1 vacant space for lease 206.200.0966.

Observations: retain use, some cosmetic or cleaning required

7130 (?) MLK– Panarama Café

Modular temporary restaurant structure.

Observations: install a permanent structure or alternative use

4200 S. Othello St. – Market Place

Older auction house (numerous prior uses); across from The Station.

Observations: Significant redevelopment opportunity with 4222 property.

4222 S. Othello St. – Apartments

3-story apartment building, avg. qual. in corner of 4200 site so logical combination for redevelopment.

Observations: Significant redevelopment opportunity with 4200 property.

4219 S. Othello St. – The Station At Othello Park (Mixed-Use Apartments/Retail)

Significant, newer mixed use project with retail at street level; some vacant spaces.

Observations: retain use

7324 MLK – Former Gloria’s Travel

Abandoned, The Station wraps around this level site; some cars observed.

Observations: Demolish & redevelop with higher use

7500 MLK – Union 76 Gas Station

Newer gas station.

Observations: retain use

7530 (7529 Public Records) MLK – Vacant Site For Sale

Ewing & Clark, Richard Riley, 206.441.7900 (see details).

Observations: develop with higher use

7540 & 7544 MLK – Motel & MLK Mini Mart

This low qual. prop. is for sale; James Tjao 206.726.6230 (see details).

Observations: redevelop with higher use

7550 MLK – Rosehill Baptist Church

Bright blue religious facility.

Observations: cosmetic upgrade

7700-7850 MLK – SFRs, Apts. & Duplex

Mix of good qual. newer and older low/avg. qual. SFRs; 7714 Apt., 7712 & 7700 SFRs possible redevelopment but area is composed of mix of residential housing.

Observations: likely retain but possibly update/remodel some units

4204 S. Kenyon St. – SFR

Low qual., redevelop.

Observations: redevelopment potential

(Vacant Sound Transit lot to north)