

# Office Condominium For Sale

# Dayton

1435 CINCINNATI STREET



## FEATURES

The subject is a single unit in a multi-story office condominium building in the city of Dayton, Ohio in the CBD submarket. The building was built in 1985. The building is constructed of brick and structural steel members; and has storefront glass doors and windows, and a flat membrane. The suite is currently a single user medical/treatment facility; but could work well for other office or medical uses. The building is a B office building by industry standards, but the finishes and general interior condition are B+/A- condition or higher with little deferred maintenance. The exterior is in good condition; driveways are asphalt and in good condition.

|              |                                 |
|--------------|---------------------------------|
| Total Size   | 6,926 RSF Total                 |
| Submarket    | Dayton - CBD                    |
| Type         | Office, multi-story condominium |
| Lot Size     | 3.982 acres (entire bldg.)      |
| Year Built   | 1985                            |
| Construction | Brick, Storefront windows       |
| Roof         | Flat membrane                   |
| EGI          | \$110,128                       |
| NOI          | \$107,705                       |

## LOCATION

1435 Cincinnati Street  
Dayton, OH 45417

## CONTACT

**Adam Simon**

adam.simon@everestrealestate.com

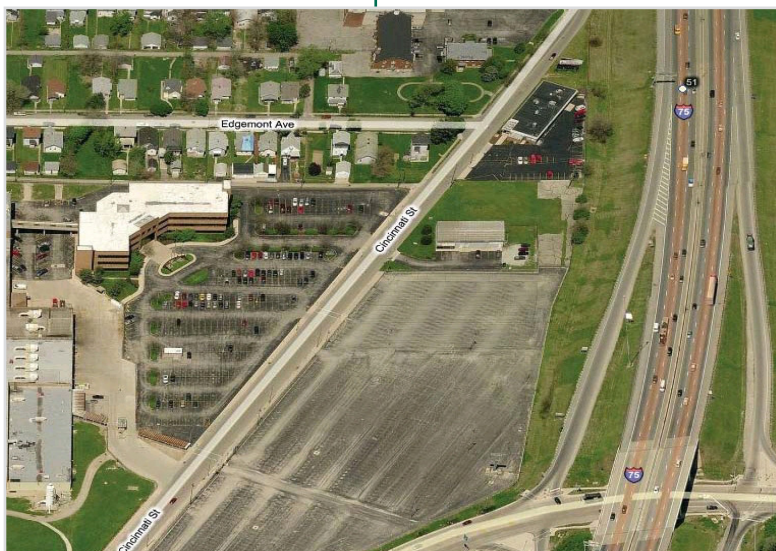
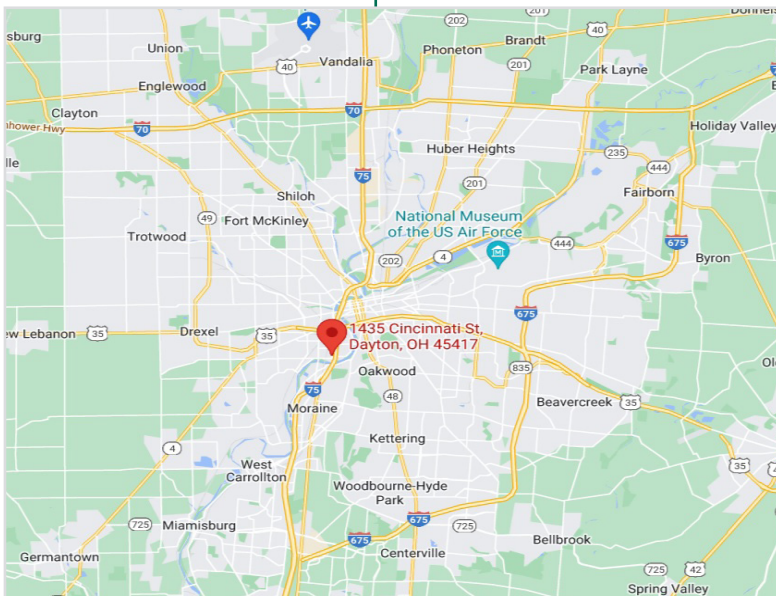
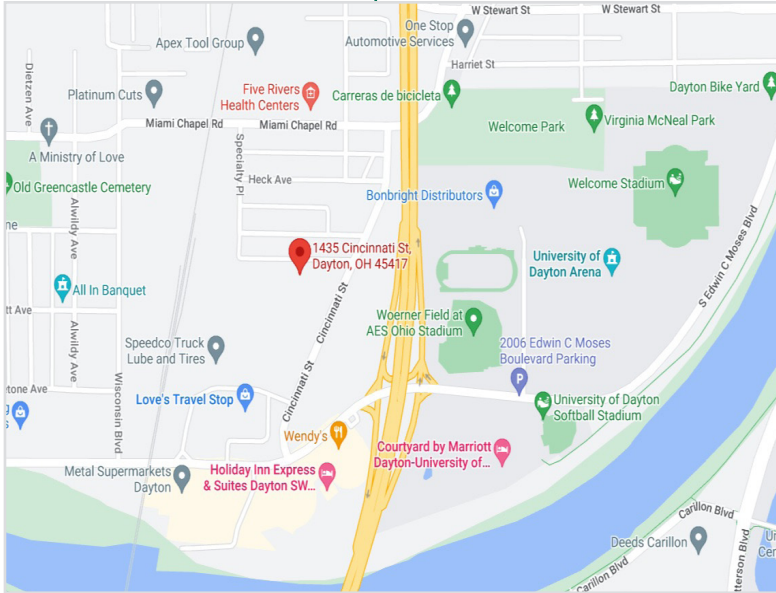
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www.everestrealestate.com

9902 Carver Road, Suite 105, Cincinnati, Ohio 45242

# 1435 Cincinnati Street, Dayton, Montgomery County, OH 45417



## Market Overview

The subject has a northern location in the CBD submarket of Dayton, Ohio which has access to I-75 and I-70. The CBD submarket consists of 278 buildings totaling approximately 11,385,000 SF of office space which makes up approximately 26.1% of Dayton's overall office market. The current vacancy is approximately 1,313,625 SF or 11.5%.

| <u>Submarket</u> | <u>Vacancy</u> |
|------------------|----------------|
| CBD              | 11.5%          |
| North Dayton     | 7.2%           |
| East Dayton      | 4.6%           |
| South Dayton     | 11.8%          |

## Market Approach to Determine Lease Value

We determine lease value by evaluating rates in the Dayton CBD submarket and by examining the value of medical/treatment space across Southwest Ohio markets. Properties that are used to compare to the subject are similar in size, age, condition, and amenities.

The following are active listings within 2 miles of the subject that are comparable by the factors stated above. Typical asking rents for office properties range from \$14/SF FS- \$30/SF FS. Operating expenses are estimated at \$7-\$9.00.

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## Comparable Office Listings

| Address      | Size Available | Asking/SF   |
|--------------|----------------|-------------|
| 45 S Main St | 25,772 SF      | \$16.00 nnn |
| 1 S Main St  | 179,435 SF     | \$21.00 FS  |
| 40 N Main St | 219,641 SF     | \$30.00 FS  |
| 10 W 2nd St  | 293,412 SF     | \$13.50 FS  |

We further examine the typical rates for medical and treatment space in similar Cincinnati markets to determine a general range for medical leases.

## Medical/Treatment Executed Leases

| Address               | Size SF | Lease Date | Term Mos. | Lease Rate |
|-----------------------|---------|------------|-----------|------------|
| 5950 Innovation Dr    | 18,580  | 2/2019     | 144       | \$18.00 n  |
| 5900 Long Meadow Dr   | 2,000   | 1/2020     | 72        | \$25.00 n  |
| 5151 Pfeiffer Rd      | 10,694  | 8/2020     | 75        | \$14.45 n  |
| 3660 Edgewood Dr      | 17,803  | 8/2020     | 120       | \$26.95 n  |
| 9277 Centre Pointe Dr | 7,529   | 6/2020     | 36        | \$14.50 n  |

As we evaluate executed leases in similar submarkets across the Greater Cincinnati market, we can establish a range of suburban medical office rents in the range of \$14.00- \$27.00/SF nnn.



## Medical/Treatment Construction Cost and Effect on Rate

The cost to build out a new office space is estimated at \$100-\$120/SF, as compared to \$60-\$80/SF to build a new shell office space with typical market finish. The approximate \$40 premium for office space construction equates to approximately **\$7.48/SF** in additional rent paid annually by a typical medical user (amortized at 8% over a seven-year lease term).



## Market Rent Summary

The property is in a submarket with reasonably low vacancy. Rents are enhanced by the medical use and build out as much as \$7.48/SF. The building is in clean condition relative to market. Rents should be in within market rents with consideration given to the medical build. **The estimated value range is approximately \$14-19/SF nnn which assumes an estimated \$7-9/SF in additional operating expenses.**