SELF STORAGE INVESTMENT OPPORTUNITY

AREA
AMERICAN REAL ESTATE ASSOCIATES

REATA
SELF STORAGE

147 E. Reata Rd.
Kennewick, WA 99338

RYAN LAYTON

American Real Estate Associates

509-435-2424 / rlayton@areanw.com

GREG MEAGER

American Real Estate Associates

509-795-4431 / greg@areanw.com

OFFERING SUMMARY

AREA
AMERICAN REAL ESTATE ASSOCIATES

94% Stabilized Occupancy Rate

6.0% CAP Year 1 NOI

Prime Tri-Cities Demographic (1 Mile)
$135,149 Median Household Income

Seller Financing Available
(Contact Broker for Rate and Term Details)

PROPERTY HIGHLIGHTS

AREA
AMERICAN REAL ESTATE ASSOCIATES

- **Security:** Digital video surveillance across the site, gated access, personal access codes, and alarm-equipped individual units ensure strong protection for stored items
- **24/7 Access & Convenience:** Customers enjoy around-the-clock access with online account management and billing, including online payments and move-in arrangements via the property's website
- **Mixed Use Capability:** The property accommodates both standard household storage and vehicle parking, including covered and outdoor RV/boat storage options.
- Plenty of **upside potential** across facility expansion, increased occupancy, or further amenities (e.g., package of locks, packing supplies, or truck rental services).
- **Customer Service:** Rated approximately 4.5 out of 5 stars, customers regularly highlight cleanliness, ease of rental, and responsive service staff

CONTACT BROKER FOR PRICING GUIDANCE

- **Total Storage Rentable SF:** 53,632 (Parking SF 33,788)
- **Number of Units:** 268
- **Year Built:** 2017-2018
- **Expansion:** 2020
- **Physical Occ.:** 94%
- **Acres:** 5

ADDITIONAL KEY POINTS

- **Prime location in the well-traveled Reata corridor, within easy reach of Richland, Pasco, and Kennewick traffic.**
- **Tech-forward operations, using online rentals, billing, and account management, streamline operations**
- **Positioned within a strong Tri-Cities storage market with lower than market rates compared to nearby competitors**
- **The property features single-story, metal buildings divided into drive-up accessible units ranging from approximately 100 SF to 560 SF. The only Covered RV Storage in REATA Corridor**

UNIT MIX AND SCHEDULED INCOME

AREA
AMERICAN REAL ESTATE ASSOCIATES

Unit Type	W	L	Unit SF	# of Units	Total RSF	Rental Rate	Monthly	Annual	$/SF
Drive Up	10	10	100	13	1,300	$90	$1,170	$14,040	$0.90
Drive Up	10	15	150	38	5,700	$100	$3,800	$45,600	$0.67
Drive Up	10	20	200	46	9,200	$110	$5,060	$60,720	$0.55
Drive Up	10	12	120	10	1,200	$95	$950	$11,400	$0.79
Drive Up	10	30	300	4	1,200	$200	$800	$9,600	$0.67
Boat/Car	12	30	360	10	3,600	$275	$2,750	$33,000	$0.76
Covered RV/Boat	12	43	516	22	11,352	$225	$4,950	$59,400	$0.44
Covered RV/Boat	12	40	480	20	9,600	$225	$4,500	$54,000	$0.47
Indoor RV/Boat	12	40	480	9	4,320	$325	$2,925	$35,100	$0.68
Indoor RV/Boat	14	40	560	11	6,160	$350	$3,850	$46,200	$0.63
Monthly Dump Station	5	3	15	5	75	$30	$150	$1,800	$2.00
Outdoor Boat/Car	12	25	300	23	6,900	$60	$1,380	$16,560	$0.20
Outdoor RV/Boat	12	40	480	49	23,520	$75	$3,675	$44,100	$0.16
Outdoor RV/Boat	12	35	420	8	3,360	$65	$520	$6,240	$0.15
				268	**87,487**		**$36,480**	**$437,760**	

MONTHLY GROSS INCOME 2024-25

AREA
AMERICAN REAL ESTATE ASSOCIATES

Month	Storage	Lte/Misc	Insurance	Total
August 2024	$33,182	$285	$363	$33,830
September 2024	$32,033	$250	$345	$32,628
October 2024	$34,447	$450	$343	$35,240
November 2024	$32,309	$340	$343	$33,097
December 2024	$33,713	$200	$475	$34,388
January 2025	$33,048	$45	$484	$33,577
February 2025	$34,510	$415	$484	$35,409
March 2025	$32,808	$320	$461	$33,589
April 2025	$33,544	$380	$506	$34,441
May 2025	$33,222	$395	$443	$34,060
June 2025	$33,039	$335	$440	$33,832
July 2025	$32,305	$230	$510	$33,045
Total	**$398,160**	**$3,645**	**$5,197**	**$407,002**

ANNUALIZED REVENUE & OPERATING EXPENSES

AREA
AMERICAN REAL ESTATE ASSOCIATES

	Aug - Jul 24/25 T-12 Actuals	Aug - Jul 24/25 T-12 Actuals
Potential Gross Rental Income	437,760	437,760
Vacancy, Discounts & Credit Loss	(39,600)	(39,600)
Gross Rental Income	398,160	398,160
Late/Admin/Other Fee Income	3,645	3,645
Tenant Insurance	5,197	5,197
Effective Gross Revenue	**$407,002**	**$407,002**
Operating Expenses	**Aug - Jul 24/25 T-12 Actuals**	**Aug - Jul 24/25 T-12 Adjusted**
Marketing & Advertising	50	14,245
Bank & Credit Card Charges	7,840	7,544
Insurance	6,403	6,403
Dues/Subscriptions & Licenses/Permits	0	750
Off-Site Management Fees	0	24,420
Office/Site Supplies	17,642	2,400
Postage & Handling	0	500
On-Site Management &Payroll **(Currently None)**	0	35,000
Repairs & Maintenance	12,171	9,871
Real Estate Taxes	20,031	20,031
Telephone & Internet	0	1,200
Utilities	3,228	3,228
Software	1,200	3,000
Outside Services - Fire, Pest, Security, etc.	0	2,500
Total Operating Expenses	**$68,565**	**$131,093**
Expense Ratio	16%	32%
Net Operating Cash Flow	**$357,394**	**$275,909**

PROFORMA ASSUMPTIONS

AREA
AMERICAN REAL ESTATE ASSOCIATES

Operating Assumptions

Storage Square Footage	32,680
Covered RV/Boat	20,952
Parking Square Footage	33,780
Year 1-2 Annual Rate Increases	7.00%
Year 3-5 Annual Rate Increases	6.00%

Key Metrics

Current Unit Occupancy Current	97%
Economic Occupancy	91%
Storage $/SF Rates	$0.65
Rv/Boat/Parking $/SF Rates	$0.72
Acquisition $/SF	$79
Future Sale $/SF	$103
Average Unit Size	122 SF

Average Economic Occupancy Percentage

Yr 1	95.00%
Yr 2	95.00%
Yr 3	95.00%
Yr 4	95.00%
Yr 5	95.00%
Trailing Storage Potential Gross Rental Income	$255,660
Trailing Rv/Boat/Parking Potential Gross Rental Income	$182,100
Operating Expense Inflationary Increases	3.00%
Management Fees as Percentage Total Revenue	5.00%
Capital Reserves Per Square Foot	0.10

Seller Financing Assumptions

Interest Rate (Interest Only)	5.00%
Loan Amount 50-60%	$3,132,933
Annual Loan Payments	$156,647
Down Payment 40-50%	

Current Property Value	$5,221,556
Projected Future Property Value	$6,866,756
Loan Amount	$3,132,933
Loan Origination	$0

Acquisition & Disposition Assumptions

Yr 1 Acquisition Cap Rate	6.00%
Future Sale Cap Rate	6.00%
Loan to Value	60.00%
Loan Origination Fees	0.00%

Seller Financing LOAN OPTIONS

Three-Year I/O

5.0% Interest Rate

60-50% LTV

5 YEAR PROFORMA

AREA
AMERICAN REAL ESTATE ASSOCIATES

	Aug - Jul 24/25 T-12 Actuals	Year 1	Year 2	Year 3	Year 4	Year 5
Blended $/SF Rates Potential	**$0.42**	**$0.45**	**$0.48**	**$0.51**	**$0.54**	**$0.57**
Gross Rental Income	437,760	468,403	501,191	531,263	563,139	596,927
Vacancy, Discounts & Credit Loss	(39,600)	(23,420)	(25,060)	(26,563)	(28,157)	(29,846)
Gross Rental Income	398,160	444,983	476,132	504,700	534,982	567,081
Late/Admin/Other Fee Income	3,645	3,864	4,096	4,341	4,602	4,878
Tenant Insurance **Effective**	5,197	5,499	5,499	6,416	6,416	6,801
Gross Revenue Operating	**$407,002**	**$454,346**	**$485,727**	**$515,457**	**$545,999**	**$578,759**
Expenses	**Jul - Jun 24/25 T-12 Adjusted**					
Marketing & Advertising	14,245	14,672	15,113	15,566	16,033	16,514
Bank & Credit Card Charges	7,544	8,422	9,004	9,555	10,121	10,728
Insurance	6,403	6,595	6,793	6,997	7,207	7,463
Dues/Subscriptions & Licenses/Permits	750	773	796	820	844	869
Off-Site Management Fees	24,420	27,261	29,144	30,927	32,760	34,726
Office/Site Supplies	2,400	2,472	2,546	2,623	2,701	2,782
Postage & Handling	500	515	530	546	563	580
On-Site Management & Payroll	35,000	36,050	37,132	38,245	39,393	40,575
Repairs & Maintenance	9,871	10,167	10,472	10,786	11,110	11,443
Real Estate Taxes	20,031	20,632	23,727	24,239	25,172	25,927
Telephone & Internet	1,200	1,236	1,273	1,311	1,351	1,391
Utilities	3,228	3,325	3,425	3,527	3,633	3,742
Software	3,000	3,090	3,183	3,278	3,377	3,478
Outside Services - Fire, Pest, Security, etc.	2,500	2,575	2,652	2,732	2,814	2,898
Total Operating Expenses	**$131,093**	**$137,785**	**$145,788**	**$151,352**	**$157,077**	**$158,403**
Expense Ratio Capital	32%	30%	30%	29%	29%	28%
Reserves	0	3,268	3,336	3,400	3,468	3,537
Net Operating Cash Flow	**$275,909**	**$313,29**	**$336,573**	**$360,638**	**$385,351**	**$412,005**
YR 1 Acquisition CAP RATE		**6.0%**				

INTERNAL RATE OF RETURN

AREA
AMERICAN REAL ESTATE ASSOCIATES

Unleveraged Financial Summary		Year 1	Year 2	Year 3	Year 4	Year 5
Net operating cash flow		331,293	336,573	360,638	385,351	412,005
Acquisition	**(5,221,556)**					
Residual value Year 5						**6,866,756**
Total Cash Flow Before Taxes	**(5,221,556)**	**313,293**	**336,573**	**360,638**	**385,351**	**7,278,761**
Return on Investment		**6.00%**	**6.45%**	**6.91%**	**7.38%**	**39.40%**
					Unleveraged IRR	**11.80%**

Leveraged Financial Summary		Year 1	Year 2	Year 3	Year 4	Year 5
Net operating cash flow		331,293	336,573	360,638	385,351	412,005
Acquisition	**(5,221,556)**					
Loan principal	3,132,933					
Loan origination fees and costs	$0.00					
Debt service (principal and interest)		(156,647)	(156,647)	(156,647)	(200,982)	(200,982)
Residual value Year 5						6,866,756
Residual remaining loan value						(2,921,194)
Total Cash Flow Before Taxes	**(2,088,622)**	**156,647**	**179,926**	**203,991**	**184,370**	**4,156,585**
Return on Investment		**7.50%**	**8.61%**	**9.77%**	**8.83%**	**99.01%**
DSCR		**2.00**	**2.15**	**2.30**	**1.92**	**2.05**
Debt Yield		**7.50%**	**8.61%**	**9.77%**	**8.83%**	**13.16%**
					Leveraged IRR	**20.57%**

RENT COMPARABLES

AREA
AMERICAN REAL ESTATE ASSOCIATES

Badger Mountain Storage

107515 East Reata Road
Kennewick, WA

Distance: 0.11 Mile

Estimated RSF: 76,988

Unit Size	Website Rate	PSF	On-Site Rate	PSF
6x10 Drive Up	-	-	$65.00	$1.08
10x10 Drive Up	-	-	$85.00	$0.85
10x10 Climate Control	-	-	$100.00	$1.00
10x20 Drive Up	-	-	$110.00	$0.55
10x20 Climate Control	-	-	$125.00	$0.63
14x40 Uncovered Parking	-	-	$50.00	$0.09
14x40 Covered Parking	-	-	$150.00	$0.27
14x50 Enclosed Parking	-	-	$250.00	$0.36

West Coast Self-Storage Kennewick

9501 West 10th Avenue
Kennewick, WA

Distance: 1.03 Miles

Estimated RSF: 76,665

Unit Size	Website Rate	PSF	On-Site Rate	PSF
5x5 Drive Up	$22.00	$0.88	$44.00	$1.76
5x10 Drive Up	$35.00	$0.70	$69.00	$1.38
10x10 Drive Up	$55.00	$0.55	$109.00	$1.09
10x15 Drive Up	$62.00	$0.41	$124.00	$0.83
10x20 Drive Up	$77.00	$0.39	$154.00	$0.77
20x20 Drive Up	-	-	$224.00	$0.56
15x45 Enclosed Parking	$300.00	$0.44	$599.00	$0.89
12x45 Uncovered Parking	-	-	$157.00	$0.29

Cottonwood Self Storage

105106 East Wiser Pkwy
Kennewick, WA

Distance: 0.41 Miles

Estimated RSF: 136,363

Unit Size	Website Rate	PSF	On-Site Rate	PSF
10x5 Drive Up	-	-	$79.00	$1.58
10x10 Drive Up	-	-	$99.00	$0.99
15x10 Drive Up	-	-	$119.00	$0.79
20x10 Drive Up	-	-	$149.00	$0.75
30x10 Drive Up	-	-	$249.00	$0.83
50x20 Drive Up	-	-	$799.00	$0.80

Express Storage

8016 West 4th Avenue
Kennewick, WA

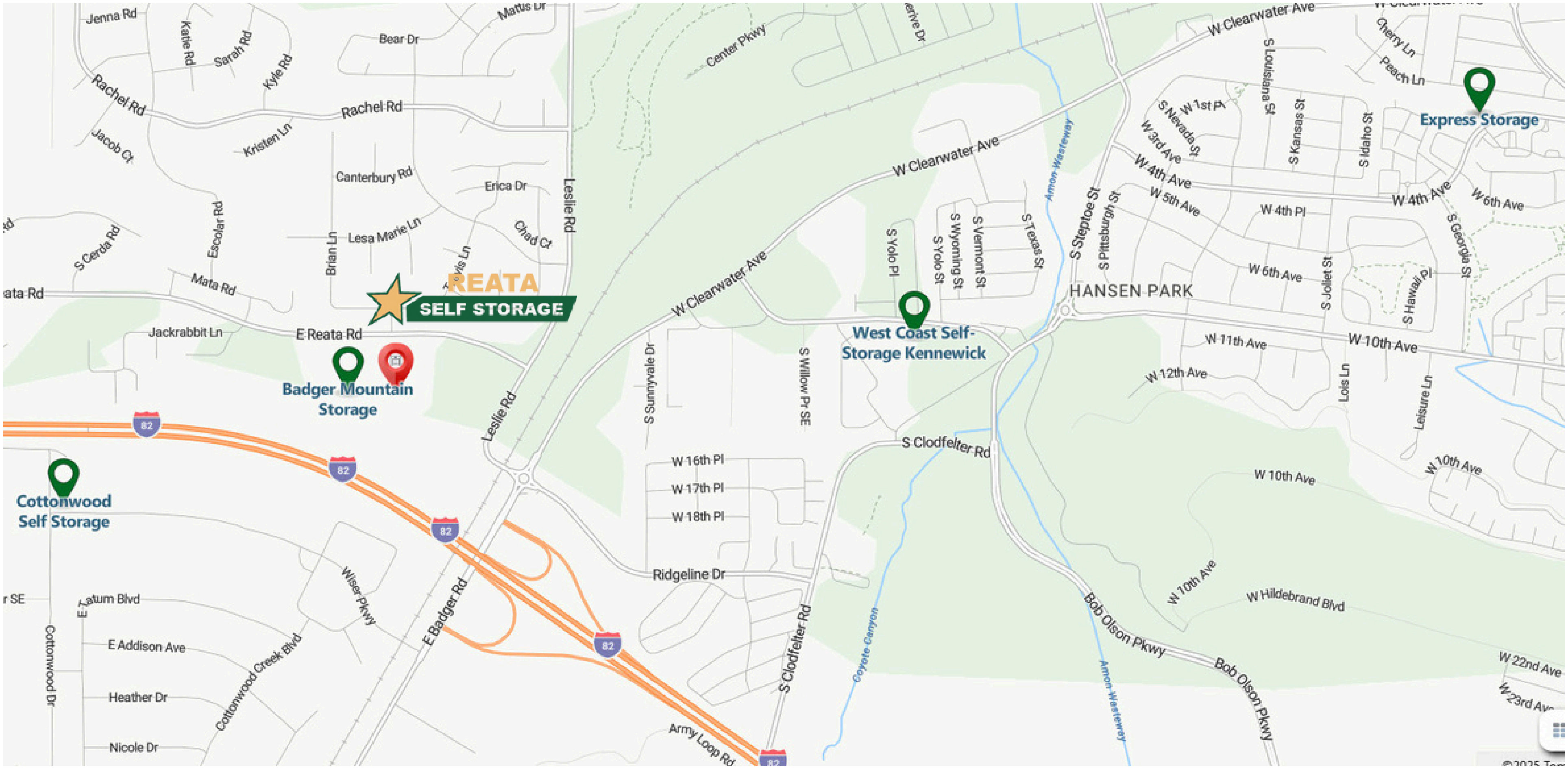
Distance: 2.15 Miles

Estimated RSF: 26,112

Unit Size	Website Rate	PSF	On-Site Rate	PSF
5x10 Drive Up	$33.00	$0.66	$66.00	$1.32
10x10 Drive Up	$44.00	$0.44	$88.00	$0.88
10x20 Drive Up	$91.00	$0.46	$182.00	$0.91
20x20 Drive Up	$151.00	$0.38	$302.00	$0.76
10x45 Uncovered Parking	-	-	$144.00	$0.32

COMPETITOR MAP

AMERICAN REAL ESTATE ASSOCIATES



PROPERTY PHOTOS

AREA
AMERICAN REAL ESTATE ASSOCIATES

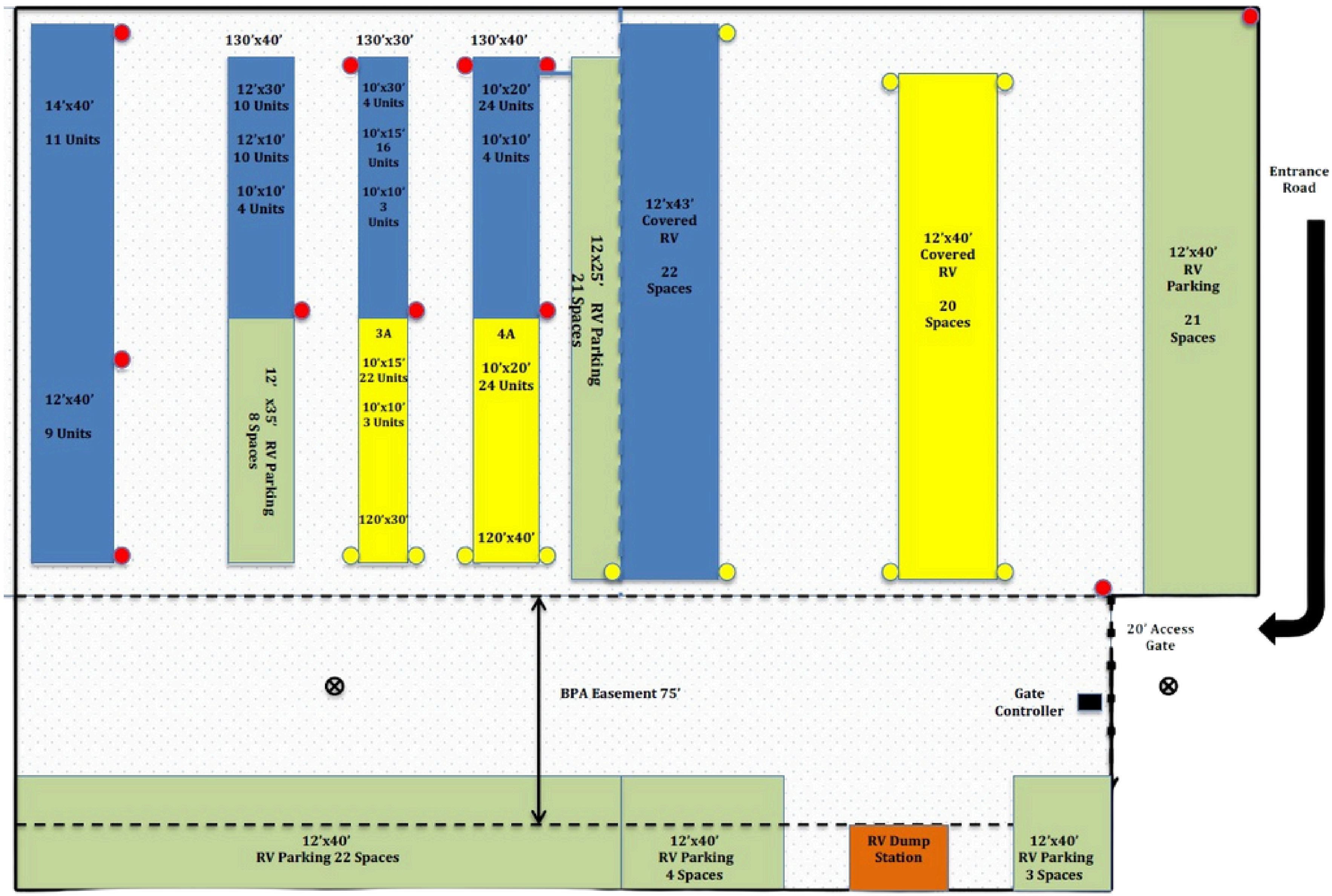
PROPERTY PHOTOS

AREA
AMERICAN REAL ESTATE ASSOCIATES




SITE PLAN

AREA
AMERICAN REAL ESTATE ASSOCIATES



AREA MAP

AREA
AMERICAN REAL ESTATE ASSOCIATES

Reata Storage is situated at 147 E. Reata Road in Richland/Kennewick, Washington, conveniently located within the Tri-Cities region just off I-82 and near Clearwater Avenue. Its central placement provides easy access for local residents and businesses. This area benefits from steady traffic, nearby neighborhoods, and commercial centers—enhancing visibility and tenant convenience.

RICHLAND OVERVIEW

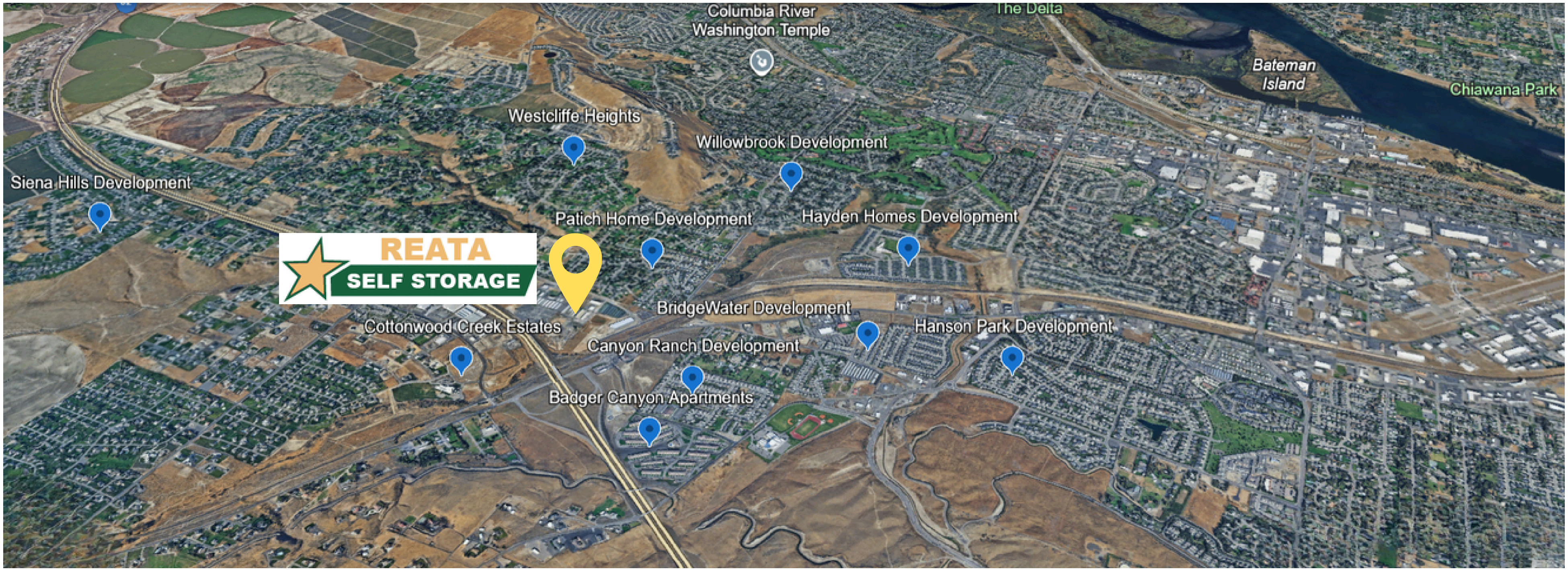
AREA
AMERICAN REAL ESTATE ASSOCIATES

Richland is a city in Benton County, Washington. It is located in southeastern Washington at the confluence of the Yakima and the Columbia Rivers. As of the 2024, the city's population was 64,372 Along with the nearby cities of Pasco and Kennewick, Richland forms the Tri-Cities metropolitan area.

Metro population: 303,501 (US: 164th)

The average annual household income in Richland is $125,625, while the median household income sits at $92,550 per year. Residents aged 25 to 44 earn $93,392, while those between 45 and 64 years old have a median wage of $131,165. In contrast, people younger than 25 and those older than 65 earn less, at $56,563 and $65,167, respectively.

Y-o-Y Change
Average Household Income $125,625 5.8%
Median Household Income $92,550 3.7%



DEMOGRAPHICS

AREA
AMERICAN REAL ESTATE ASSOCIATES

	0 - 1 mi	0 - 3 mi	0 - 5 mi
Population			
2035 Forecast	6,373	50,956	105,476
2030 Projection	5,759	47,615	98,759
2025 Estimate	5,007	44,329	92,516
Households			
2035 Forecast	2,234	19,117	39,834
2030 Projection	2,016	17,897	37,336
2025 Estimate	1,748	16,730	35,059
Median Household Income Average	$135,149	$121,183	$104,173
Household Income 2025 Estimated	$178,006	$160,180	$140,361
Housing Units by Tenure			
Occupied Housing Units	96%	96%	96%
Owner-Occupied	77%	72%	66%
Renter-Occupied	19%	24%	30%
Self Storage Market Data (TractIQ & YardiMatrix)			
Total Rentable SF	-	650,298	1,478,133
SF per Capita	-	14.67	15.98

AGENTS

Ryan Layton is the President of American Real Estate Associates, Inc. in Spokane, Washington. His territory coverage is Washington and Idaho. Ryan's +20 year Real Estate experience along with his diverse and extensive background in Business Operations along with Self-Storage ownership helps to bring a full understanding of how real estate decisions affect his client's bottom line.
He represents sellers and buyers while guiding them through each transaction. He conducts business with the highest integrity while conveying his high energy, enthusiasm, and exceptional professional work ethic in assisting with the identification and fulfillment of real estate needs. He is a proactive problem solver with a proven track record. In his free time, Ryan enjoys golfing, water/snow skiing, BBQing, and HS wrestling coaching.

- **Member of the Washington State Commercial Brokers Association (CBA)**
- **Board Member Washington State Self Storage Association (WASSA)**
- **Washington/Idaho Argus Self Storage Advisor**
- **150 Million in Self Storage Transactions (2023-2025)**
- **Owner of $88.5M Investment Real Estate (Self Storage, Retail, Office, and Daycare)**
- **Designated Broker in Washington State and Idaho**

RYAN LAYTON

(509) 435-2424

rlayton@areanw.com

Greg Meager is a Managing Broker at American Real Estate Associates, Inc. and started his Commercial Real Estate career in 2016. Greg spent the first four years of his real estate career assisting in the expansion of a large multifamily portfolio through acquisitions and property management. Within that same real estate portfolio, Greg also assisted with the leasing of office and retail space. Greg has been with American Real Estate Associates since 2020 and has applied himself to learn all aspects of the self-storage industry. Greg conducts business with the utmost transparency, integrity, and enthusiasm. He is focused on working with buyers and sellers of self-storage and other commercial investment properties to evaluate how to get the most out of their properties.

- **Member of the Washington State Commercial Brokers Association**
- **Member of Spokane Traders Club (Board Member 2017-2020, President 2020)**
- **CCIM Candidate**

GREG MEAGER

(509) 795-4431

greg@areanw.com

CONFIDENTIALITY AND DISCLAIMER

Argus Self Storage Advisors (Broker) is the listing agent for this property and offers to buy or sell this property can only be made through the listing agent. The Seller is the owner, or the authorized agent of the owner, of the property offered for sale and the subject of the listing agreement between Broker and Seller. Disclaimer: Neither the Seller, Owner, nor Broker represents, warrants, either by implication nor express statement, the accuracy or completeness of the information contained in this property presentation. The information contained herein has been prepared from sources believed to be reliable but has not been independently verified by the Broker as to accuracy or completeness. No warranties or representations, express or implied, are made as to the information presented herein. Warranties or representations can only be made by the Seller or Owner in a written and fully executed purchase and sales agreement between Seller and purchaser. Projections in the presentation are based on assumptions and interpretations based on future events, market conditions, managerial operations beyond the control of Broker, Seller or Owner, and, therefore, subject to error and change without notice. The prospective purchaser is encouraged to perform such independent due diligence as he or she finds appropriate. Typically, due diligence activities provide a more comprehensive review and analysis of all aspects of the property (including, but not limited to, financial matters, market conditions, physical condition, regulatory issues and title status) than the material contained herein. This presentation is for information purposes only and is not a solicitation of any nature whatsoever. Seller and Owner reserve the right, at their sole and absolute discretion, to reject any offer. Confidentiality: The information contained in this presentation is confidential and proprietary and is for the exclusive use of the party receiving the information (whether in printed, electronic, or facsimile format) for the sole purpose of determining if the recipient desires to acquire more information regarding the Property. By acceptance of this information in any format or from any source, the recipient agrees to not distribute nor to disclose this information in any form to any other person or entity without the prior written consent of the Broker.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Argus Self Storage Advisors 2953 S. Peoria St., Suite 200 Aurora, CO 80014

www.argus-selfstorage.com
E-mail: info@argus-realestate.com
800-55-STORE