

FOR SALE

TANASBOURNE 24 HOUR FITNESS SUPER-SPORT

Cornell Oaks Corporate Center | Waterhouse Avenue & Gateway Court | Beaverton, OR



Tenant & Lease Highlights

Tenant Trade Name:	24 Hour Fitness
Lease Guarantor:	24 Hour Fitness, USA
Lease Type:	Absolute Net
Lease Term:	15-Years
Rent Increases:	12% Every 5 Years
Options:	Three, 5-Year Extensions
Lease Commencement:	April, 2009
Anticipated Rent Commencement:	March, 2010
Lease Expiration:	February, 2025
Tenant Responsibilities:	Taxes, Insurance & CAM's
Landlord Responsibilities:	Capital Expenditures (Structure & Trusses)



24 Hour Fitness, owned by Forstmann Little & Co., is the world's largest privately owned and operated fitness center chain with over 425 locations in 16 states and three countries. It presently boasts more than 3.8 million members and over \$1.3 billion in annual revenue. 24 Hour Fitness was ranked #1 in Club Industry's Top 100 list and has been on Forbes Top 500 largest private company list multiple times. 24 Hour fitness currently has 14 clubs in the Portland Metro area. www.24HourFitness.com

The subject/newest club referenced above will be contiguous to the Tualatin Hills Recreation Center which is home of the aquatic, baseball, basketball, soccer, and tennis center in addition to miles of running trails. General THRC offerings are complementary to the 24 Hour Fitness business model including more than 200 park sites, 60 miles of trails, and 1,300 acres of nature preserve in addition to eight swim centers and six recreation centers. www.thprd.org

The above facility is situated at the entrance to the prestigious Cornell Oaks Corporate Center. The corporate center is owned by PS Business Parks and is comprised of 662,546 square feet of office, flex and clean industrial space. The center is in such demand because of its proximity to Hwy 26, the Sunset Corridor and being minutes from downtown Portland. Other corporate headquarters and facilities in the trade area are Genentech, Intel, Nike, Solar World, Sun Microsystems, Triquint Semiconductor, etc.

Purchase Price:	\$15,550,121		<u>Lease Term</u>	<u>Adj. Cap</u>	<u>Annual Rent</u>
Annual Income:	\$1,287,402	Annual Rent:	Years 1-2	8.25%	\$1,287,402
Reserves (\$0.10 x 45,172 SF)	(\$4,517)		Years 3-5	8.83%	\$1,377,746
Net Operating Income:	\$1,282,885		Years 6-10	9.89%	\$1,543,075
Cap Rate:	8.25%		Years 11-15	11.07%	\$1,728,244

Property & Investment Highlights

- New, 2009 Architectural LEED Design & Construction
- The latest High End Super-Sport Club Facility
- In excess of 6,000 existing members
- Club Relocation (Beaverton)
- Premiere Location at Cornell Oaks Corp.Center
- One block from Tualatin Hills Park & Rec Center
- 15 Year Absolute Net Lease
- Lease Guaranteed by 24 Hour Fitness USA
- 7% Rent Increase in Year 3
- 12% Rent Increase Every 5 Years thereafter
- Population: 126,275 People Within a 3-Mile Radius
- 45,172 Square Foot Building, 3.44 Acre Parcel
- 202 Parking Spaces, Parking Ratio 4.5 per 1,000 RSF

Supporting Documents Available Upon Request

The information contained herein has been obtained from sources considered to be reliable, nonetheless, a prospective purchaser or lessee should verify all information to his or her satisfaction.



For More Information
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