

FOR SALE OR LEASE

**Turnkey Office Building
on 4.56± Acres**

Owner Financing Available

**7151 Kestrel Drive
Missoula, Montana**

Claire Matten CCIM | SIOR
406.360.3102
Claire@SterlingCREadvisors.com
WWW.STERLINGCREADVISORS.COM



SterlingCRE
ADVISORS





FOR SALE | FOR LEASE
OFFICE BUILDING WITH EXCESS LAND
OWNER FINANCING AVAILABLE

7151 Kestrel Drive Missoula, Montana

Claire Matten | 406.360.3102 | Claire@SterlingCREadvisors.com
WWW.STERLINGCREADVISORS.COM



SterlingCRE
A D V I S O R S

EXECUTIVE SUMMARY



SterlingCRE
ADVISORS



SterlingCRE is proud to present 7151 Kestrel Drive, a functional office building with expansion potential in Missoula's highly sought after Development Park.

7151 Kestrel Drive is an approximate 4,320± square foot freestanding office building located on approximately 4.55± acres in Missoula's Development Park. Less than 1.5 miles from Interstate 90 the property features on-site dedicated parking with additional land for expansion or future development, light industrial zoning and municipal water/sewer services.

This single level office building boasts ten (10) private offices, a large conference room, kitchenette, additional storage areas and a large loading door. Development concepts have been well thought out by current ownership offering the potential for a multi-tenant campus or single user expansion capability.

Owner financing is available for qualified buyers under negotiable terms. Here is your opportunity to purchase a large corner parcel in Missoula's direct path of growth for your expansion business..

Lease Rate \$17.00/SF NNN

Sale Price: \$1,600,000.00

Owner Financing

Available - terms negotiable

Property Type

Office/Development

Estimated NNN

\$5.68/SF includes:
Taxes & insurance; repairs/maintenance,
reserves, management

Tenant to contact the maintenance vendor
& utilities at tenant's expense



View Listing



View 3D Tour



Street View



**Development
Concept**



NOTE: If the video and 3D Tour do not launch, you may need to update your PDF software or use the links to the left to launch media in your browser.

PROPERTY DETAILS



SterlingCRE
ADVISORS

7151 Kestrel Drive Missoula, Montana 59808

\$17.00 NNN | \$1,600,000

| | |
|--------------------|--|
| PROPERTY TYPE: | Office Land |
| TOTAL SQUARE FEET: | ±4,320 square feet |
| TOTAL ACREAGE: | ±4.56 acres |
| SERVICES: | City water / city sewer |
| ACCESS: | Kestrel Drive via Expressway |
| ZONING: | Light Industrial (M1-2) |
| GEOCODE: | 04-2325-35-4-04-03-0000 |
| BUILDOUT: | Ten (10) private offices, conference room, restrooms, storage |
| TRAFFIC COUNT: | ±18,869 AADT (2022) Interstate 90 ±6,313 AADT (2022) Expressway |
| YEAR BUILT: | 2000 |
| PARKING: | Twenty-Two (22) dedicated stalls |
| FLOODPLAIN: | Partial |





Close Proximity to the Interstate-90 interchange



Light industrial zoning permits a variety of uses (M1-2)



Dedicated Parking Lot with Truck Circulation



Potential for dock highloading with existing two-man door



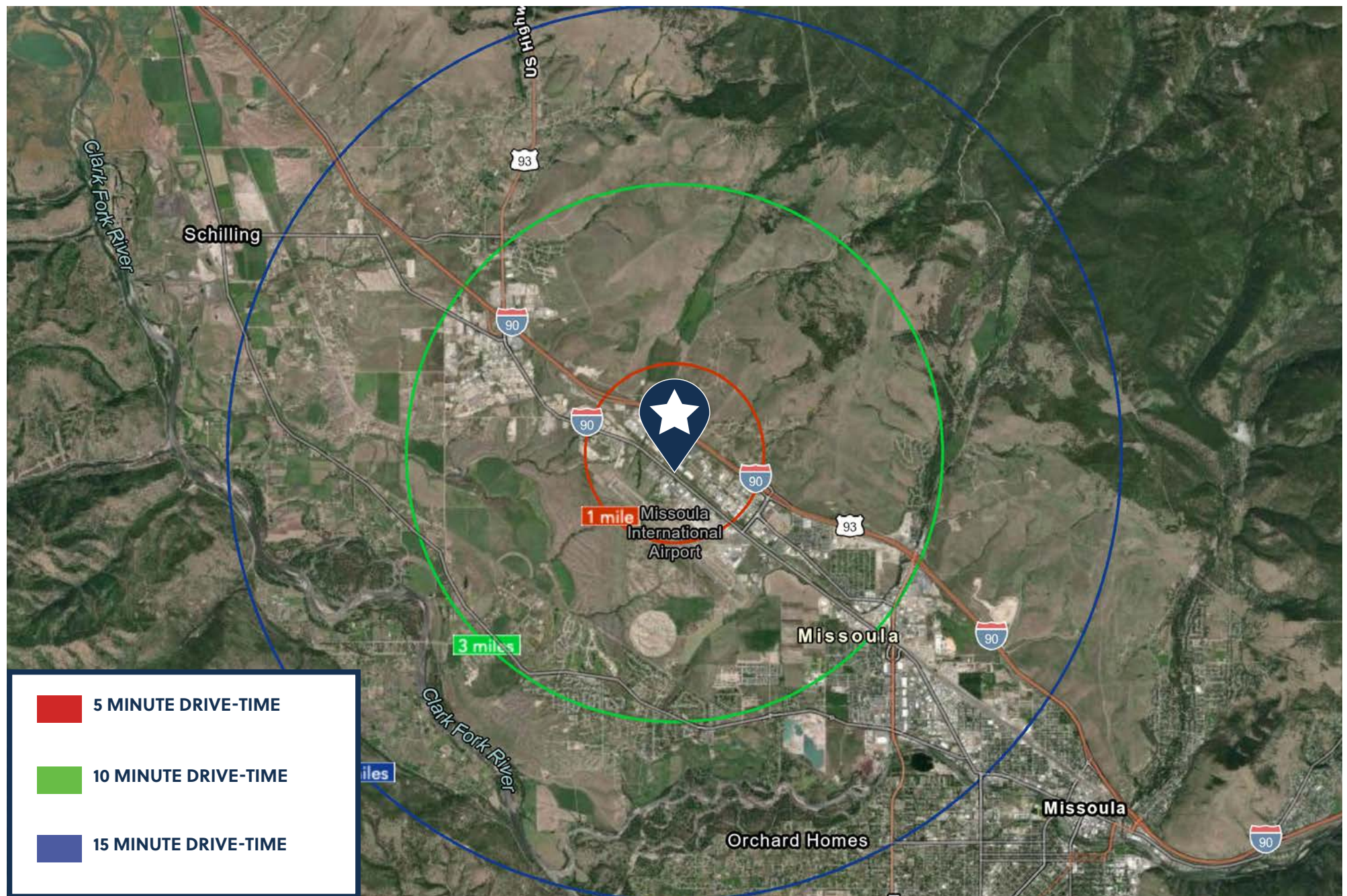
Additional yard for storage available



Kestrel Drive

Expressway

*Boundaries are approximate



Drive Time Map 10

DEMOGRAPHICS



SterlingCRE
ADVISORS

Key Facts

KEY FACTS

692
Population

2.5
Average Household
Size

36.5
Median Age

\$111,214
Median Household
Income

BUSINESS

144
Total Businesses

2,019
Total Employees

INCOME

\$111,214
Median
Household
Income

\$62,279
Per Capita
Income

\$315,353
Median Net
Worth

EDUCATION

5%
No High
School
Diploma

9%
High School
Graduate

25%
Some College

61%
Bachelor's/Grad/Pro
f Degree

EMPLOYMENT

63.6%
White Collar

20.7%
Blue Collar

16.0%
Services

1.7%
Unemployment
Rate

HOUSING STATS

\$467,532
Median Home
Value

\$19,884
Average Spent
on Mortgage &
Basics

\$1,114
Median Contract
Rent

DEVELOPMENT STUDY



SterlingCRE
ADVISORS

ZONING NOTES- CITY OF MISSOULA TITLE 20

ADDRESS: 7151 KESTREL DR. MISSOULA, MT 59802
 LEGAL DESCRIPTION: MISSOULA DEVELOPMENT PARK - PHASE 1 BLK 2LT 1.2,2A,3,3A,3B,6, S35, T14N, R20W, BLOCK 4 LOT 1B
 GEOCODE: 04-2325-35-4-04-03-0000
 ZONING: CITY OF MISSOULA - M1-2 LIMITED INDUSTRIAL MISSOULA DEVELOPMENT PARK (LIGHT INDUSTRY OVERLAY)
 SITE AREA: 198,633.6 SF (4.56 ACRES)
 USE: WAREHOUSE
 PERMITTED USES: WAREHOUSE

20.15 INDUSTRIAL & MANUFACTURING
MAXIMUM BLDG LOT COVERAGE: 60% FOR WAREHOUSING, 40% FOR LIGHT MFG AND R&D
 25% FOR ALL OTHER USES, (50% WITH ACCESSORY APTS)
 TBD

| SETBACKS: | REQ'D | PROVIDED |
|---|---------------|----------|
| FRONT SETBACK (KESTREL ST): | 40' | TBD |
| SIDE YARD SETBACK: | 20' | TBD |
| SIDE STREET SETBACK: | 25' (PER CCR) | TBD |
| REAR SETBACK: | 20' | TBD |
| BUILDING SEPARATION: | 20' | TBD |
| PARKING/DRIVEWAY SETBACK: | 15' | TBD |
| SIGN SETBACK: | 10' | TBD |
| MINIMUM LANDSCAPING SETBACK 10' (PER CCR'S) | | |

ALLOWED HEIGHT: UP TO 50'. CANNOT EXCEED THE SHORTEST DISTANCE BETWEEN THE BUILDING AND THE CLOSEST LOT LINE.
PROPOSED HEIGHT: 22'

| PARKING CALC: | RATIO | SF OR EMPL | TOTAL REQUIRED |
|-------------------------|-----------------|------------|----------------|
| OFFICE USE | 1,480 SF | 4,250 (EX) | 9 |
| WAREHOUSE USE | 1.2 EMPLOYEES | 4 | 2 |
| SPACES PROVIDED: | EXISTING | NEW | TOTAL |
| | 23 | 4 | 27 |

ADA STALLS REQUIRED: 2% TOTAL PARKING STALLS = 1 REQUIRED, 1 (E) TO REMAIN
 BIKE PARKING, SHORT: 1 SPACE PER 20 VEHICLES SPACES = 1 (N) REQUIRED
 BIKE PARKING, LONG: 1 SPACE PER 5 EMPLOYEES, 1 SPACE MIN = 1 (N) REQUIRED

20.65 LANDSCAPING
 GENERAL - "NEW DEVELOPMENT"
 ALL AREAS NOT COVERED TO BE LANDSCAPED
 15% OF SITE = 29,795
 1 TREE AND 6 SHRUBS/1000 SF = 30 TREES/180 SHRUBS REQ'D
 PROVIDED = 27(E) 3(N)/17 (E) 160 (N)
 BLVD DOESNT COUNT (EXCEPT TREES) & (E) DO COUNT
 STREET FRONTAGE - CONFIRM AT KESTREL ONLY
 EXTEND INTO PARCEL FOR 10' ALONG ENTIRE FRONTAGE
 313.40' X 10' = 3135 SF
 2 TREES AND 6 SHRUBS/1000 SF = 8 TREES/24 SHRUBS
 PARKING LOT INTERIOR: 10% OF PAVED AREA WITH 9' WIDE ISLANDS EVERY 135'
 BASE ADD ALT TOTAL
 NEW PAVED AREA: 6472 SF 4430 SF 10902
 10% REQUIRED: 647 SF 443 1091 SF
 PROVIDED: 660 492 1152 SF
 PARKING LOT PERIMETER: NA - PARKING LOCATED OUTSIDE OF AREA BETWEEN PRIMARY FACADE AND STREET RIGHT-OF-WAY
 BUFFERS - NA DOES NOT BORDER R USE/ZONE
 SCREENING - EXISTING TO REMAIN AT TRASH ENCLOSURES.
 GROUND AND ROOF MOUNTED EQUIPMENT TO BE SCREENED

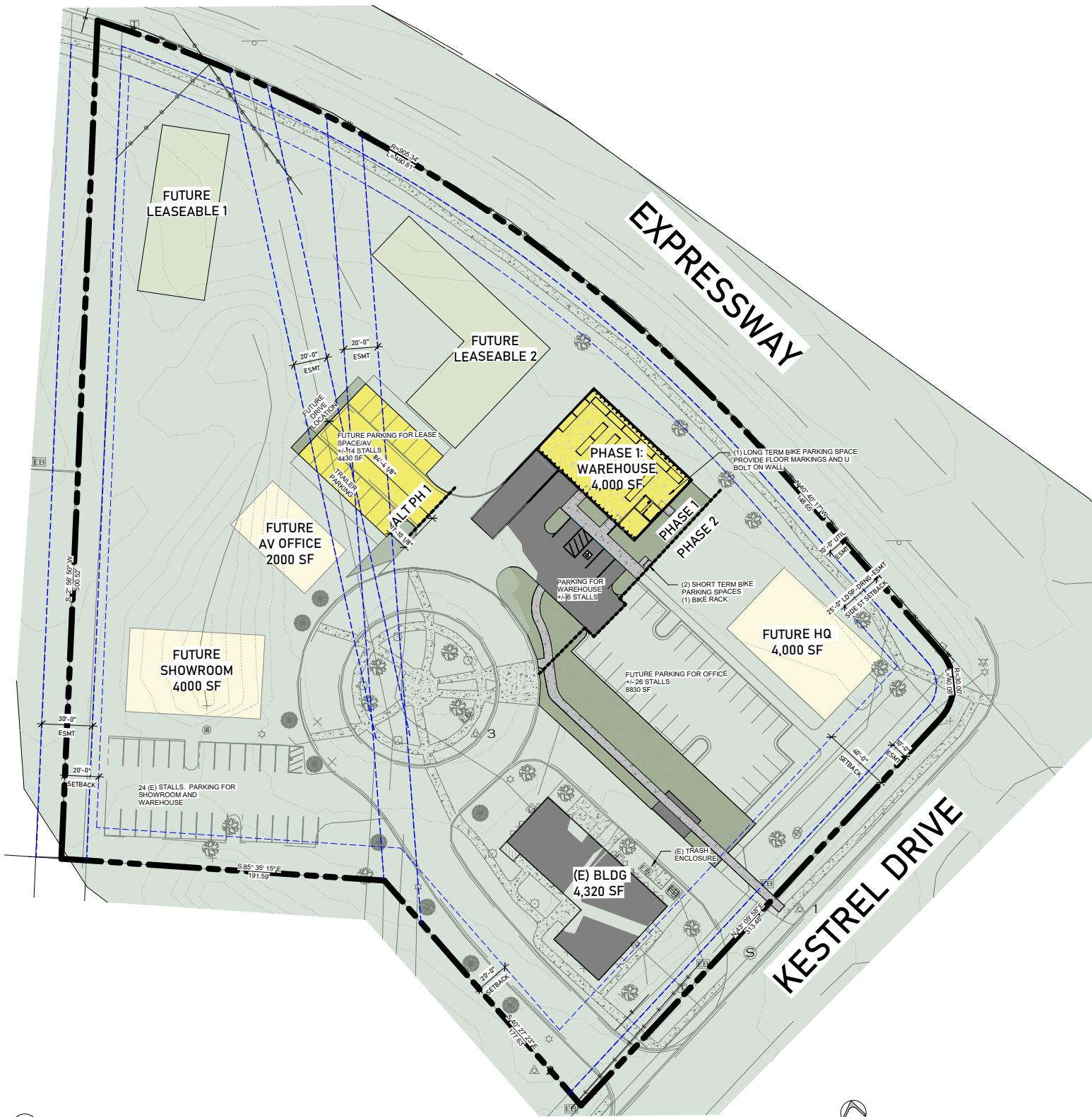
20.40.170 COMMERCIAL USES NOT EXCEEDING 30,000SF - NOT APPLICABLE M1-2 WAREHOUSE
 CCRS: TRASH AND OPEN STORAGE TO BE SCREENED TO 8' HIGH

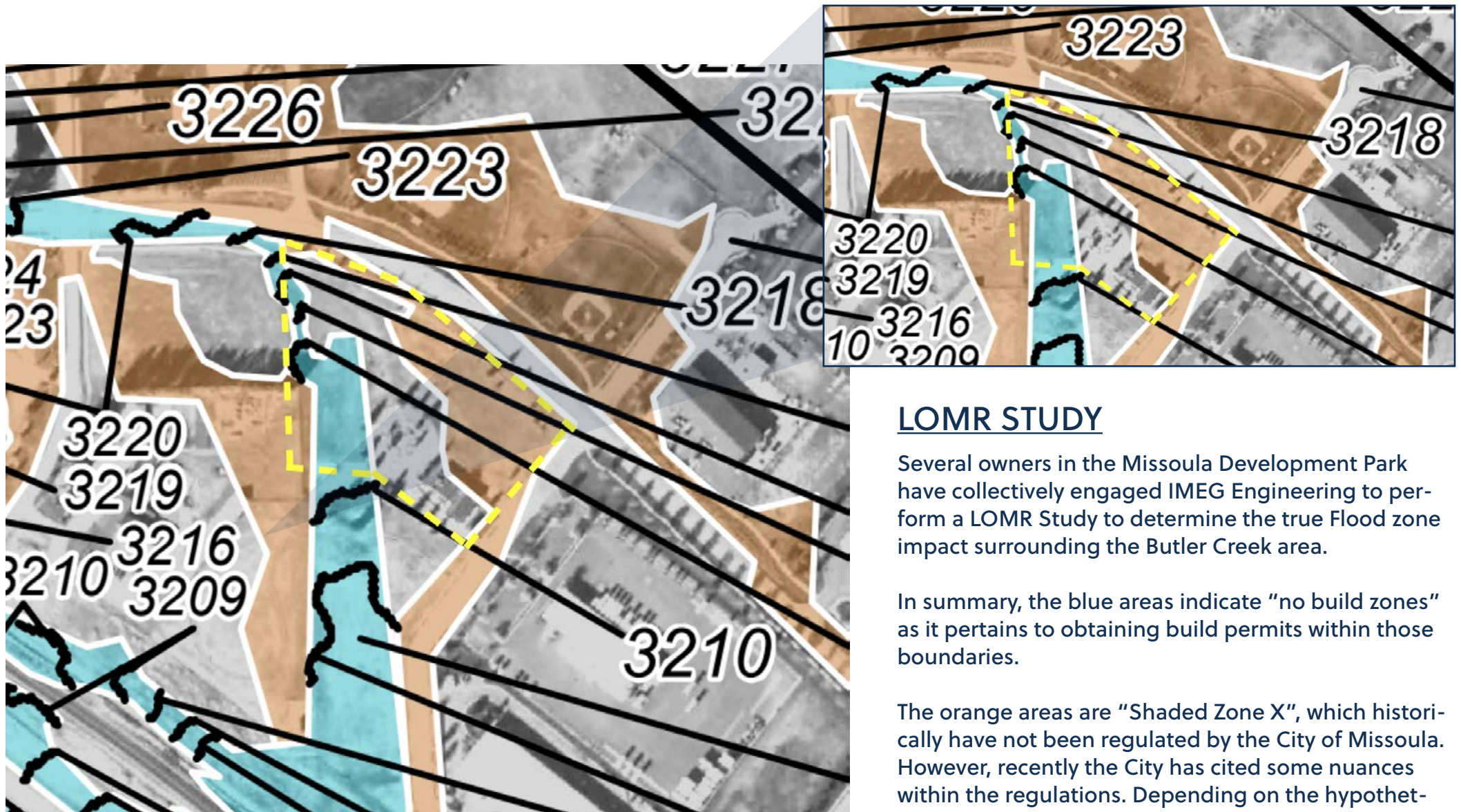
20.40.170 COMMERCIAL USES NOT EXCEEDING 30,000SF - NOT APPLICABLE M1-2 WAREHOUSE

LEGEND

| | |
|------------------------------------|--|
| (E) ROADS | PROPERTY BOUNDARY |
| (E) BUILDING | NEW WORK |
| NEW ASPHALT PAVING | (E) SITE |
| NEW CONCRETE PAVING | (E) SITE, TO BE DEMOLISHED. REFER TO CIVIL |
| NEW BUILDING | (E) BURIED GAS |
| NEW BUILDING FUTURE PHASE | (E) SANITARY SEWER |
| NEW LANDSCAPING - APPROX 20,000 SF | (E) BURIED POWER |
| | (E) WATER MAIN |
| | (E) WATER MAIN SERVICE |
| | (E) BURIED TELEPHONE |

SITE NOTES:
 1. VERIFY ALL PROPERTY LINES BEFORE EXCAVATION.
 2. SEE GEOTECH REPORT FOR SOIL ANALYSIS AND BUILDING AND DRIVEWAY REQUIREMENTS. IF NO GEOTECH REPORT IS AVAILABLE, COMPLETE SITE WORK IN ACCORDANCE WITH MPWSS AND IN CONFORMANCE WITH BEST TRADE PRACTICES.
 3. GHRIL CONTRACTOR TO VERIFY AS-BUILT ROAD ELEVATIONS PRIOR TO EXCAVATION AND AS-BUILT SERVICE LINES.
 4. COORDINATE ELECTRIC AND GAS METER LOCATIONS & HOOK UPS WITH NORTHWESTERN ENERGY.
 5. ADHERE TO NORTHWESTERN ENERGY'S DETAILS ON PLACING UTILITIES IN THE SAME TRENCH.





LOMR STUDY

Several owners in the Missoula Development Park have collectively engaged IMEG Engineering to perform a LOMR Study to determine the true Flood zone impact surrounding the Butler Creek area.

In summary, the blue areas indicate "no build zones" as it pertains to obtaining build permits within those boundaries.

The orange areas are "Shaded Zone X", which historically have not been regulated by the City of Missoula. However, recently the City has cited some nuances within the regulations. Depending on the hypothetical depth of water in the orange, it may be required to obtain a building floodplain permit. The potential requirement for any structure in the orange area to be built 2' above the adjacent Base Flood Elevation, justified by a hydraulic analysis, exists. This is an ongoing study with final determinations on how the City of Missoula approaches the orange areas yet to be finalized. More information is available on file.

MARKET OVERVIEW

MISSOULA



SterlingCRE
ADVISORS

Office Statistics

| | 2022 | 2021 | Change From 2021 |
|----------------------------|----------|----------|------------------|
| Vacancy Rate (Avg Annual) | 4.74%*** | 9.27% | -4.53% |
| Average Lease Rate* | \$16.55 | \$15.23 | +8.67% |
| Sales Transactions | 25 | 38 | -34.21% |
| Average Sales Price** | \$258.43 | \$233.29 | +8.61% |
| Median Sales Price** | \$273.57 | \$251.88 | +10.78% |
| Average Size (Square Feet) | 3,842 | 6,845 | -43.87% |

*Per Square Foot, NNN Equivalent | **Per Square Foot

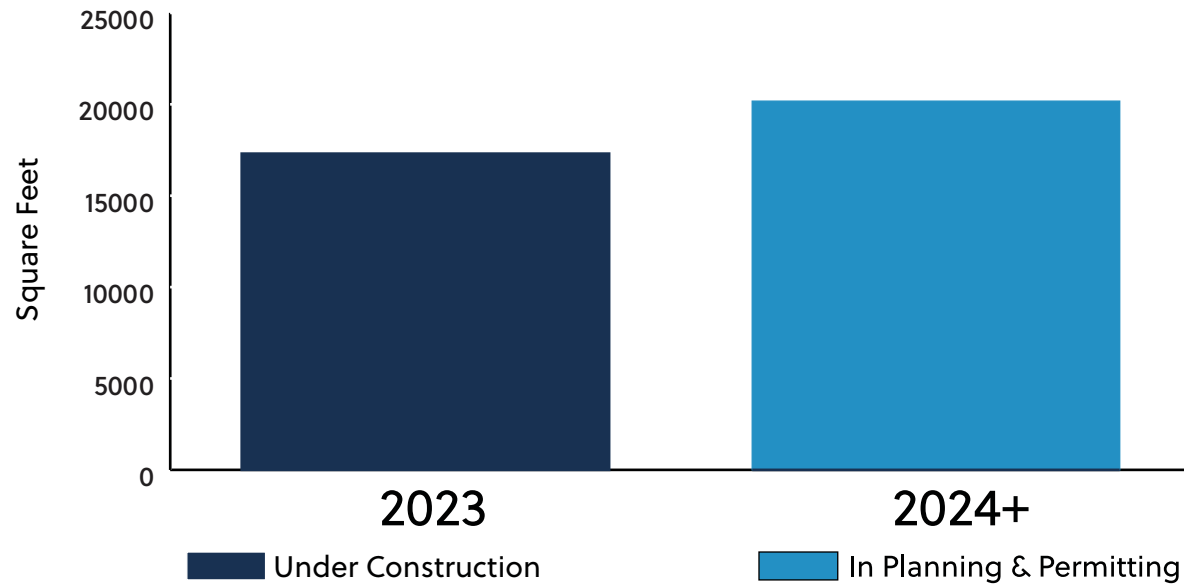
***Does not include Fed Bldg

Since 2019, Missoula office vacancy rates have decreased, showing a current vacancy rate of **4.74% (excluding the Federal Building)**. Average lease rates have increased by 8.67% year-over-year, with a trend towards leasing smaller spaces at higher rates, possibly due to hybrid work schedules and downsizing. While national office vacancy rates have not dipped below pre-pandemic levels, Missoula has seen a continued decrease in vacancy.

Office Opportunities

- Renovation is the name of the game: obsolete office spaces may not even generate tours
- Demising large spaces into smaller office footprints with full-service lease structures

Office Development Pipeline



Industrial Statistics

| | 2022 | 2021 | Change From 2021 |
|----------------------------|----------|----------|------------------|
| Vacancy Rate | 3.79% | 3.84% | -0.05% |
| Average Lease Rate* | \$11.93 | \$8.51 | +40.19% |
| Sales Transactions | 22 | 40 | -45.00% |
| Average Sales Price** | \$138.75 | \$124.88 | +11.11% |
| Average Size (Square Feet) | 10,965 | 7,123 | +53.94% |

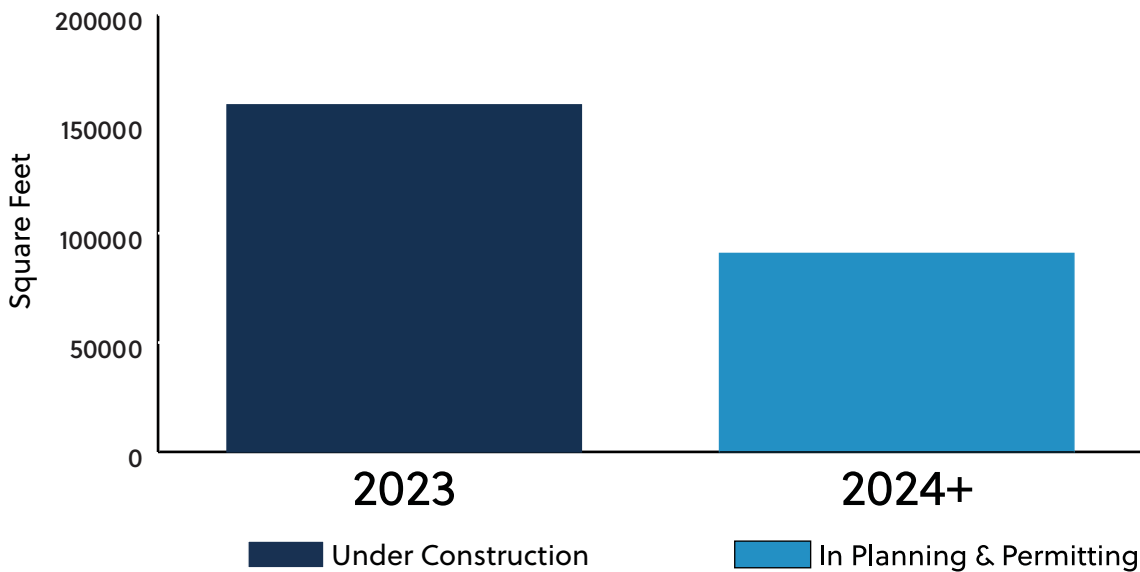
*Per Square Foot, NNN Equivalent | **Per Square Foot

Missoula matches up with the US industrial real estate market, as local and national markets show around 4.00% vacancy. Missoula’s vacancy is slightly down from prior years, decreasing 130 basis points year-over-year. Sale prices and lease rates have risen, and with lending restrictions rising on speculative development these rates will likely hold until more product can deliver.

Industrial Opportunities

- Build-to-suit projects
- Industrial for sale

Industrial Development Pipeline



ACCOLADES

#1 MOST FUN CITY FOR YOUNG PEOPLE

Smart Asset

#2 BEST PLACES TO LIVE IN THE AMERICAN WEST

Sunset Magazine

TOP 10 MEDIUM CITIES FOR THE ARTS

2023 Southern Methodist University

#4 BEST SMALL CITIES IN AMERICA TO START A BUSINESS

Verizon

#10 BEST SMALL METROS TO LAUNCH A BUSINESS

CNN Money

#6 BEST CITIES FOR FISHING

Rent.com

#1 CITY FOR YOGA

Apartment Guide

TOP 10 CITIES FOR BEER DRINKERS

2015, 2016, 2017, 2019, 2022

INTERNATIONAL PUBLIC LIBRARY OF 2022

*The International Federation of Library Associations
World Congress*

PEOPLE

12.5% POPULATION GROWTH - 2012-2022

Missoula ranks among highest net migration cities in US

MEDIAN AGE 34 YEARS OLD

The median age in the US is 39

58.8 % DEGREED

Associates degree or higher, 18.7% have a graduate level degree

24.7% HIGH INCOME HOUSEHOLDS

Incomes over \$100,000 a year

53.4% RENTERS

TOP 5 OCCUPATIONS

Office & Admin Support, Food Service, Sales, Transportation, Healthcare

ACCESS

16 MINUTES

Average commute time

15.6% MULTIMODAL COMMUTERS

Walk or bike to work

81 HOURS SAVED

81 hours saved in commute yearly over national average

14 NON-STOP AIR DESTINATIONS

With a recently upgraded terminal at the Missoula International Airport

62 MILES

Of bike lanes with a Gold rating from the League of American Bicyclists

12 ROUTES

Provided by a bus network across the City of Missoula

11 EV CHARGE STATIONS

Available to the public across Missoula

ECONOMY

DESIGNATED AS A TECH HUB

Western Montana was one of 30 applicants out of 200 designated as a Tech Hub by the federal government and now eligible for millions of dollars in funding for research in smart, autonomous and remote sensing technologies.

DIVERSITY AMONG TOP EMPLOYERS

University of Montana (education), Providence Health Services/St. Patrick's Hospital (medical), Community Medical Center (medical), Montana Rail Link (transportation), Neptune Aviation (aviation services)

HIGH LABOR PARTICIPATION

Missoula consistently offers one of the highest labor force participation rates in the country.

EXPANDING INDUSTRIES

Missoula has seen growth in construction, professional, scientific, and manufacturing businesses over the past decade.

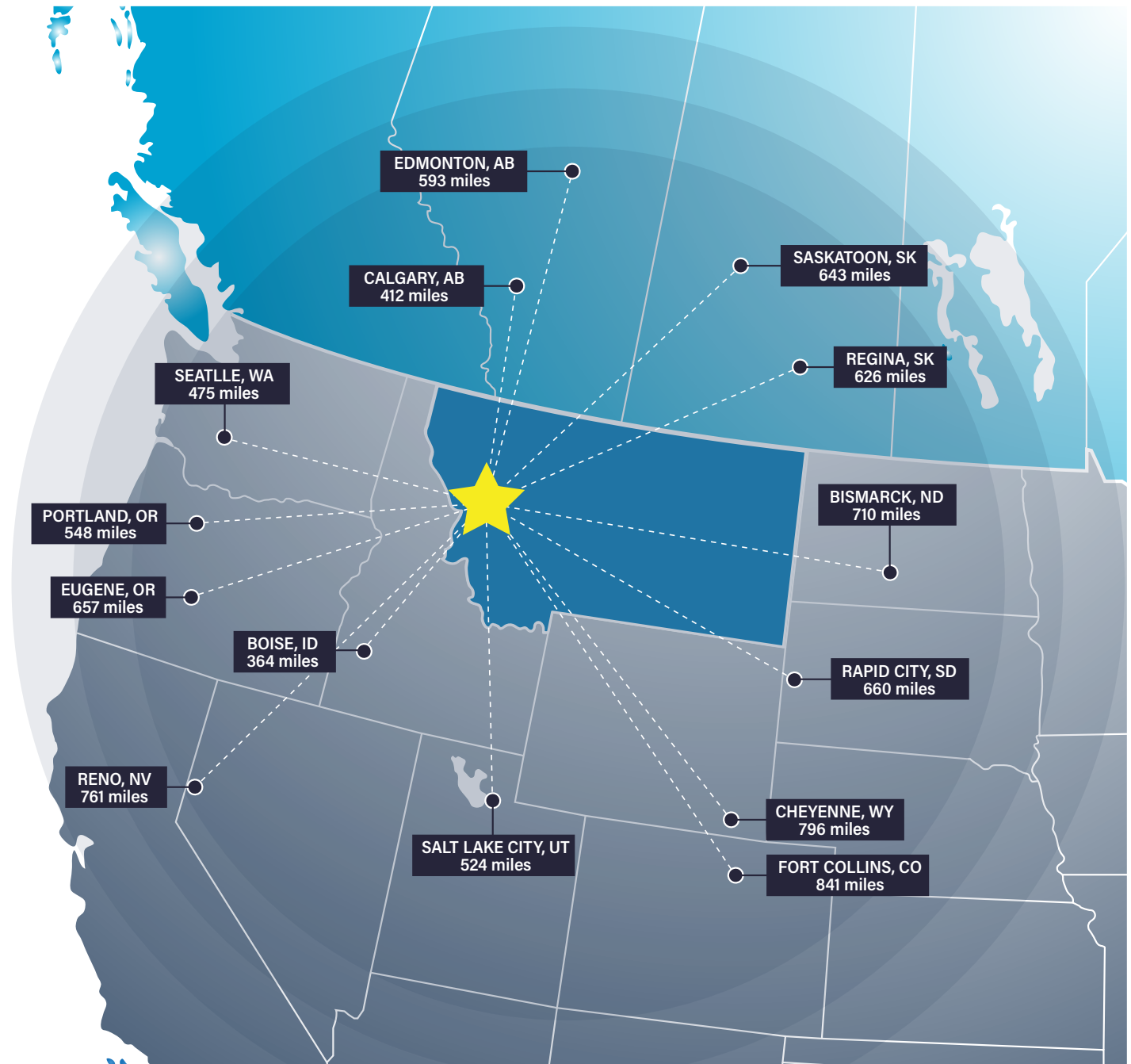
GROWING NUMBER OF TECHNOLOGY COMPANIES

Cognizant, onX, Submittable, and Lumenad are some tech firms in Missoula

MISSOULA OFFERS STRATEGIC PROXIMITY TO MAJOR CITIES IN THE PACIFIC NORTHWEST, MIDWEST AND CANADA

Missoula is within a day's truck drive of cities across the Northwest, including major Canadian metros. Easy access to Interstate 90 and US Highway 93 means Montana's major cities including Billings, Bozeman, Butte, Helena, Great Falls, Kalispell and Missoula are within a half day's drive.

Access to rail and the Missoula International Airport round out the city's access to a multimodal transportation network.



MISSOULA INTERNATIONAL AIRPORT OFFERS DIRECT FLIGHTS TO MAJOR CITIES ON THE WEST COAST AND IN THE MIDWEST





Matt Mellott, CCIM/SIOR
Commercial Real Estate Advisor

Matt delivers results for his clients through superior market knowledge, data analysis and effective negotiating. His areas of expertise include property income and expense analysis, cash flow valuations and lease structuring for office and multifamily investments.



Ryan Springer, CCIM
Commercial Real Estate Advisor

Ryan Springer spent several years in the Marines, then transitioned to supply chain management roles around the Pacific Northwest. The complex world of commercial real estate was a natural step for Ryan as he returned to his hometown of Bozeman, Montana, where he has managed transactions for 15+ years.



Casey Rose, CCIM
Commercial Real Estate Advisor

A team captain at Rutgers University, a national champion in big-mountain skiing, and a commercial real estate specialist: Casey Rose is a well-rounded and dedicated member of the SterlingCRE Advisors team with a background in multifamily investment.



Claire Matten, CCIM/SIOR
Commercial Real Estate Advisor

Claire has a long record of successfully guiding local, national, and multi-national clients with their commercial real estate acquisitions, lease obligations, asset reposition and dispositions. Claire specializes in industrial investment, commercial office, and self-storage properties.



Connor McMahon
Commercial Real Estate Advisor

From commercial fishing deck boss to awards as a Power Broker of the Year and CREXI Platinum Broker, Connor McMahon doesn't do anything halfway. His background in commercial real estate started in property management and migrated to the retail sector. With over \$135 million in transaction volume under his belt, Connor understands the complexity of the sector.



Jackson Bruff
Commercial Real Estate Advisor

Jackson began his path to commercial real estate and development at Ole Miss. Jackson found his stride joining forces with York Developments, a commercial development firm out of Livingston, Montana. Specializing in the multifamily, industrial and hospitality spaces, he's eager to continue to build his skills as a commercial real estate advisor.



Kara Hogan, CCIM
Commercial Real Estate Advisor |
Transaction Coordinator

With investor relations, commercial development, and project management experience under her belt, Kara Hogan brings energy and expertise to every deal. Her marketing acumen offers extra creativity across listing types.



Carly Chenoweth
Commercial Real Estate Advisor |
Transaction Coordinator

Carly brings an affinity for details, organizational skills and a passion for real estate to the team. After spending several years in the busy world of residential real estate, she knows how to get the most complex deals to closing. Her goal is to make the process effortless for buyers and sellers.



Dylan Harrington
Commercial Real Estate Advisor |
Transaction Coordinator

Dylan sees something different than most people when he tours a commercial building: he's thinking about the nuts, bolts, and guts of the space. With this wealth of knowledge, Dylan adds substantial value to every Sterling project.



Bridget Baxter
Chief Operating Officer

Bridget is an integral part of the Sterling team, managing the Sterling family of companies to position them for future growth, while keeping the day to day operations running smoothly. She has extensive real estate experience and has managed mixed use development projects from construction through lease up.



Sara Townsley
Research Director

Sara manages the extensive library of real estate data that provides the Sterling team accurate and up to date information on transactions and sales. Her attention to detail and organization allows for efficient valuations and pricing guidance. Sara is also the first to know about new developments and businesses in the community.



Maggie Collister
Marketing and Project Analyst

With a background in real estate development and graphic design, Maggie creates punchy and compelling marketing pieces for listings. Her understanding of real estate and economic trends and data create strong selling points for properties in Montana's growing markets.



Judy Powell
Accounting Manager

Judy manages accounting for all transactions and is a stickler for details. With extensive public and private experience, she is adept at adhering to rigorous compliance and reporting standards. Judy also in development financing.



Commercial Real Estate Services

main: +1 406 203 4547

email: info@SterlingCREadvisors.com

SterlingCREadvisors.com

Disclaimer

CONFIDENTIALITY & DISCLAIMER All materials and information received or derived from SterlingCRE Advisors its directors, officers, agents, advisors, affiliates, and/or any third party sources are provided without representation or warranty as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, developability or suitability, the financial performance of the property, the projected financial performance of the property for any party's intended use or any and all other matters. Neither SterlingCRE Advisors its directors, officers, agents, advisors, or affiliates makes any representation or warranty, express or implied, as to accuracy or completeness of any materials or information provided, derived, or received. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party's active conduct of its own due diligence to determine these and other matters of significance to such party. SterlingCRE Advisors will not investigate or verify any such matters or conduct due diligence for a party unless otherwise agreed in writing. EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE. Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third-party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. SterlingCRE Advisors makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. SterlingCRE Advisors does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors, and other issues in order to determine rents from or for the property. Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants, and governmental agencies. All properties and services are marketed by SterlingCRE Advisors in compliance with all applicable fair housing and equal opportunity laws.