

Offering Memorandum

Garfield School

3212 1st Avenue South, Billings, MT 59101





SALE PRICE: \$695,000

LOT SIZE: 84,000 SF

BUILDING SIZE: 63,131 SF

BUILDING CLASS: B/C

CEILING HEIGHT: 10.0 FT+/-

YEAR BUILT: 1921

RENOVATED: 2006

ZONING: Public

MARKET: Downtown

SUB MARKET: Southside

Property Highlights

- **PRICE RECENTLY REDUCED TO \$695,000**
- Owner will entertain unique/creative sale or financing terms
- Facility Assessment (2010) available by request
- PDF Floor Plans of entire facility available by request
- This opportunity includes a 63,131 SF school facility on 1.93 acres in downtown Billings, MT. The property offers multiple class rooms throughout two floors and a basement, various conference and meeting rooms and offices with mature landscaping and ample off-street parking.

Property Details

PROPERTY NAME:	Garfield School
PROPERTY ADDRESS:	3212 1st Avenue South Billings, MT 59101
PROPERTY TYPE:	Office/School
TAX ID #:	A18745
LOT SIZE:	84,000 SF
PARKING:	On & Off Street
PARKING SPACES:	Approximately 60 off-street
TRAFFIC COUNT:	Less than 1,000
BUILDING FRONTAGE:	First Avenue South
WINDOWS:	Mixed
YEAR BUILT:	1921
CONSTRUCTION TYPE:	Wood Frame
NUMBER OF STORIES:	2 + basement
ELECTRICAL:	3 Phase
EXTERIOR WALLS:	Masonry
HEATING & COOLING:	Boiler/Chiller system, no AC
ROOF:	60mil TPO Membrane





Photos



Aerial Map



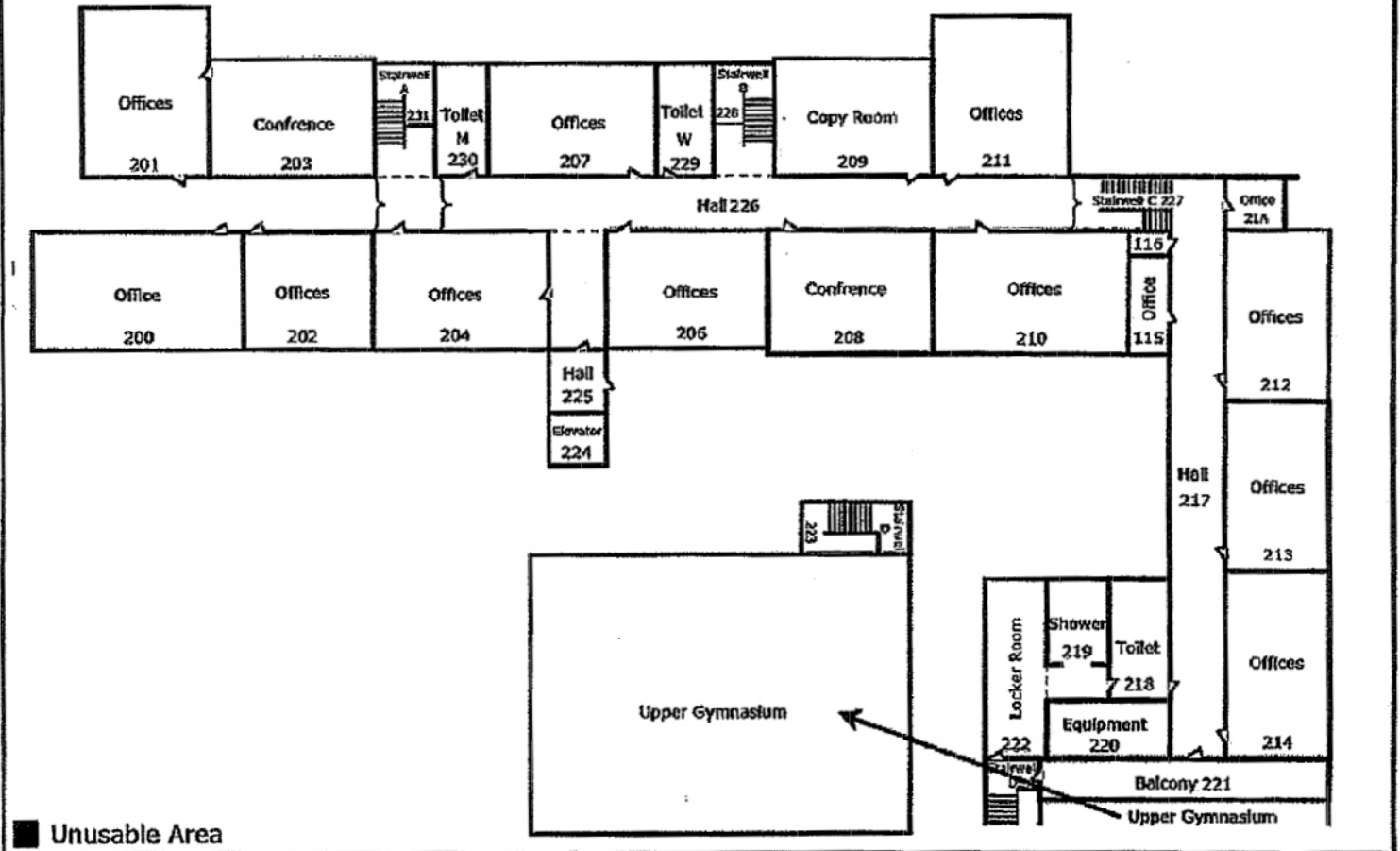
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Additional Photos



GARFIELD UPPER FLOOR

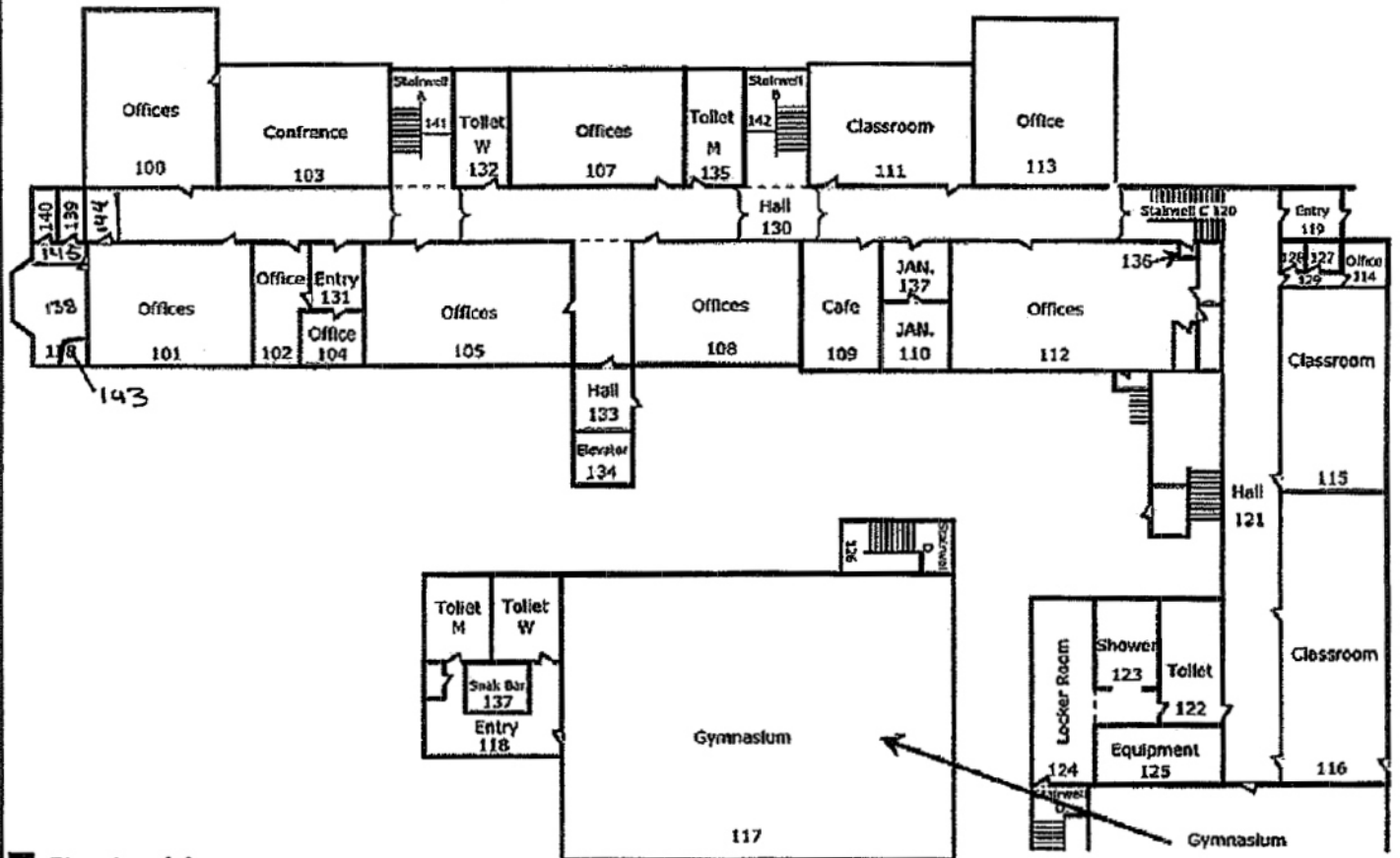
YELLOWSTONE BOYS & GIRLS RANCH
BILLINGS, MONTANA



GARFIELD MAIN FLOOR

YELLOWSTONE BOYS & GIRLS RANCH
BILLINGS, MONTANA

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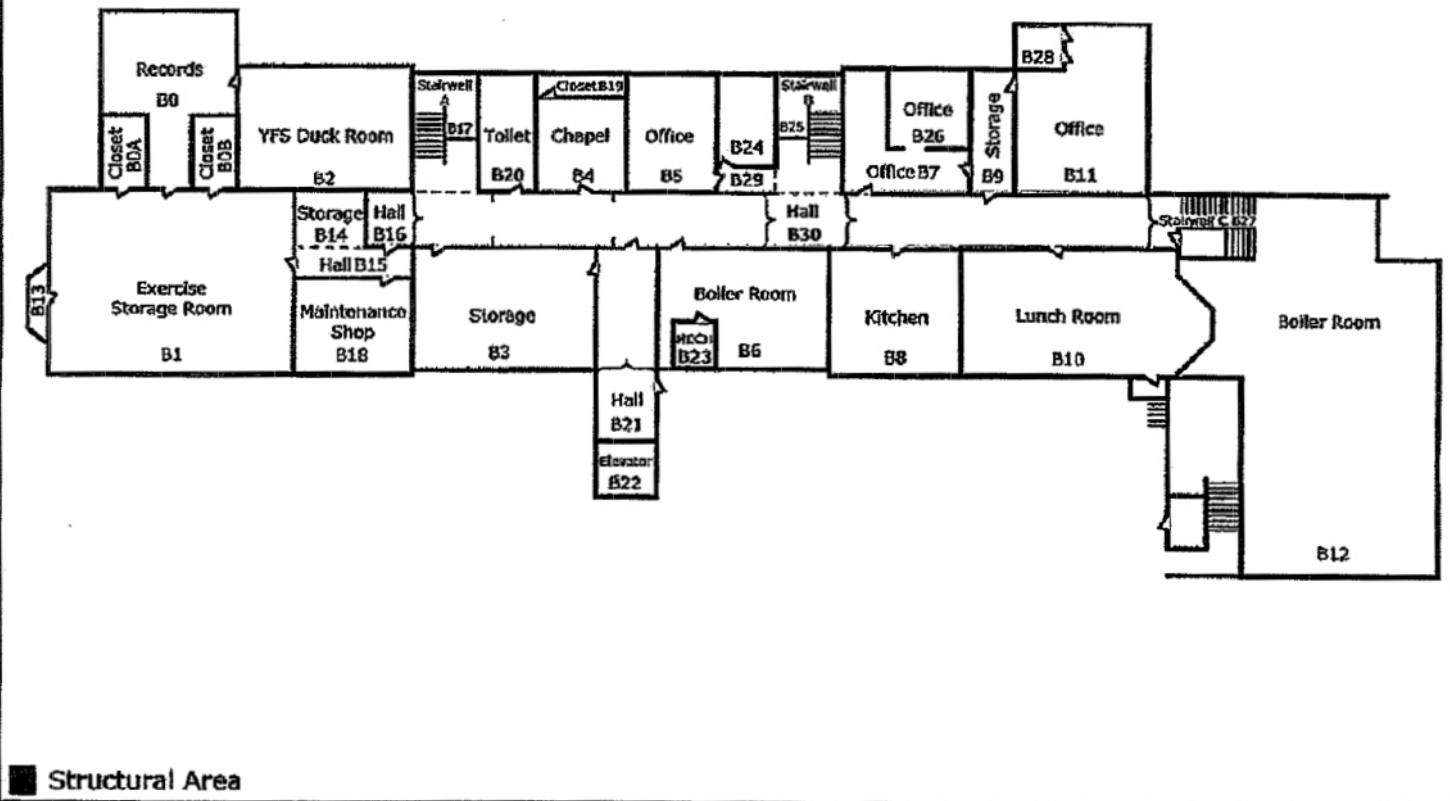


■ Structural Area

GARFIELD LOWER FLOOR

YELLOWSTONE BOYS & GIRLS RANCH
BILLINGS, MONTANA

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Rent Roll

Tenant Name	Unit Number	Unit Size (SF)	Lease End	Annual Rent	Price Per SF/YR	Lease Start
Little Dreamers Daycare		4,600	6/30/17	\$32,200	\$7.00	8/1/16
MSU Bozeman		1,032	6/30/19	\$10,320	\$10.00	7/1/18
Yellowstone Christian League		750		\$5,363	\$7.15	
Billings Praise Center		750		\$4,283	\$5.71	
Taoist Tai Chi Society		375		\$1,788	\$4.77	
Misc		750		\$1,046	\$1.39	
Pepsi		75		\$25	\$0.33	
Totals/Averages		8,332		\$55,025	\$6.60	

Summary of Garfield Building Analysis of Revenue/Costs by Account 2017 & 2018 Forecasted

<u>Description</u>	<u>2017</u>	Forecasted <u>2018</u>
<u>Revenues</u>		
Rents	\$ 31,445	\$ 44,505
Miscellaneous	25	64
Total Revenues	\$ 31,470	\$ 44,568
<u>Expenses</u>		
Salaries and wages	47,021	41,970
Payroll taxes	4,492	4,118
Employee benefits	10,101	6,895
Professional fees	899	2,006
Supplies	3,900	379
Depreciation	76,100	65,143
Building, equipment, repairs & maintenance	23,689	10,551
Occupancy	50,427	47,779
Property taxes	-	3,299
Travel and education	556	1,203
Other expenses	8	-
Finance charges	2	-
Total Expenses	\$ 217,194	\$ 183,343
Net Profit (Loss)	\$ (185,724)	\$ (138,775)

Summary of Garfield Building Analysis of Revenue/Costs by Source 2017 & 2018 Forecasted

Description	2017	Forecasted 2018
<u>Rental Sources</u>		
Little Dreamers Daycare	\$ 11,225	\$ 25,540
MSU	7,740	8,846
Yellowstone Christian L	5,365	6,686
Billings Praise Center	4,282	-
Taoist Tai Chi Society	1,788	1,950
Miscellaneous	1,046	1,483
Pepsi	25	64
Total Revenues	\$ 31,470	\$ 44,568
<u>Operational Spending</u>		
Depreciation	76,100	65,143
Maintenance Technician	61,398	52,982
Montana Dakota Utilities	21,443	23,478
Northwestern Energy	16,935	17,120
Public Works-Utilities	5,600	6,700
Yellowstone County	-	3,299
K-B Commercial	50	3,131
Snow Crest Chemicals	900	1,543
Miscellaneous Other (<\$500)	2,465	1,457
NAI Properties	-	1,286
Lowe's	284	1,233
Conoco Phillips	556	1,203
Brown's Auto	299	1,142
Thyssenkrupp Elevator	3,952	1,044
Treasure State Electric	1,056	750
High Tech Solutions	2,075	720
Mechanical Technology	5,665	482
Grainger	736	392
Graybar Electric Co.	1,485	217
Northwest Pipe Fitters	454	20
Rural Broadband LLC	6,060	-
West End Lock & Security	4,158	-
Hanson Chemical, Inc	1,493	-
First Interstate Bank	1,339	-
360 Office	966	-
Costco	763	-
Felt, Martin, Frazier	540	-
J&H Office	426	-
Total OpEx	\$ 217,194	\$ 183,343
Net Margin Over (Under)	\$ (185,724)	\$ (138,775)



Ethan Kanning

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Memberships & Affiliations

YMCA: Board Member

Downtown Billings Partnership (Fund 203): Board Member

Rock 31: Entrepreneur Mentor

Education

Ethan received a Bachelor of Arts Degree in Business and Economics at Western Washington University with a focus in International Economics and a Spanish minor. He studied briefly in Barcelona, Spain and has worked abroad in Costa Rica and Mexico.

Professional Background

Ethan engages in all areas of commercial brokerage throughout Montana and focuses primarily on industrial, multi family and investment products and offerings. The majority of time is spent assisting institutional or private money based multi-family or industrial investors with both acquisition and disposition. Additionally, he leads the commercial properties valuation and appraisal segments within NAI along with the data/analytics team.

He brings a decade of experience in professional sales, small business operations, and has worked on/with various local startups. Additionally, Ethan's lifelong love of analytics, spreadsheets and finance mean that you'll likely find him enthusiastically preparing a Broker's Opinion of Value or a capitalization rate & cash on cash analysis for a lender, owner or a prospective buyer.