



Investment Sale

**5380 King James Way
Fitchburg, WI**

\$1,995,000

Key Commercial Real Estate LLC

608-729-1800 | www.keycomre.com



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FOR DETAILED INFORMATION CONTACT:

Aimee Bauman

O: 608.729.1801

C: 608.698.0105

abauman@keycomre.com

Mallory Rekoske

O: 608.729.1803

C: 608.469.0384

mrekoske@keycomre.com



Executive Summary

Key Commercial Real Estate is pleased to present a fully-leased multi-tenant investment opportunity at 5380 King James Way. The property has been occupied by anchor tenant Audio Marketing Services (AMS) for nearly 30 years and is home to other established businesses such as Archer Auto Repair, Functional Integrated Training and Denise Quade Design.

The 29,353 sf industrial building was constructed in 1990 on a 1.97 acre parcel. The property fronts Verona Rd/Highway 151 which sees over 50,000 vehicles per day, with exposure being



further improved due to the city approved pylon sign being installed in October 2019. There are 69 on-site parking stalls available with two access points from King James Way. The property is located within a pocket of industrial property with close proximity to class A office space and many national and regional players such as a Super Target, Hy-Vee, Jimmy Johns, Aldis, Great Clips, etc.

The building is a combination of office/showroom/industrial space with several tenant's having completed extensive interior buildouts with higher end finishes. The adjacent 1.6 acre site is also available for sale providing a great opportunity for expansion of the building or other development potential.



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REAL ESTATE, LLC

Investment Overview

LEASE HIGHLIGHTS

- **Occupancy:** 100%
- **Number of Tenants:** 4
- **Lease Type:** Modified Gross
- **Terms:** One is a 4.5 year term and three are 5 year terms
- **Expiration:** Two expire 6/30/2024 and two expire 8/31/2023
- **Operating Expenses:** Landlord is responsible for RE taxes, insurance, exterior common area maintenance and water/sewer. Tenants are responsible for gas/electric utilities, mechanicals (some limitations) and interior premises repairs/maintenance.

Note: Most Tenants reimburse the Landlord for a portion of CAM or other costs. The total reimbursement amount is \$953.23 per month which is included in the rent revenue amounts shown.

- **Maintenance:** Landlord is responsible for maintaining sidewalks, driveways, landscaped and parking areas mown, neat, clean, and free from rubbish, snow, ice and other debris. Landlord is responsible for structural members, both interior and exterior, of the leased premises.
- **Parking** revenue of \$260/mo from neighbor's Sunday parking use.
- **Signage** revenue of \$600/mo is from 2 tenants for their space on a new pole sign to be installed fall 2019.

FINANCIAL SUMMARY

Rent Revenue	\$	241,500
Signage/Parking Revenue	\$	10,320
Gross Income	\$	251,820
Vacancy Allowance 5%	\$	(12,600)
Income	\$	239,220
RE Taxes*	\$	34,600
Insurance	\$	1,500
Maintenance	\$	18,900
Utilities	\$	5,500
Miscellaneous/Reserve 3%	\$	7,200
Management 5%	\$	12,000
Total Operating Expenses	\$	79,700
Net Operating Income (NOI)	\$	159,520
CAP		8.0%
Price	\$	1,995,000
PSF	\$	68
Annual Cash Flow	\$	50,331
Cash On Cash ROI		12.6%
Cash Invested 20%	\$	399,000
Debt 80%	\$	1,596,000
Term (Years)		25.00
Annual Rate		4.75%
Annual Debt Service	\$	109,189
DSCR		1.46

*For the purpose of this analysis, expenses have been increased 3% over the past year based on historical data

Tenant Summary



AMS was founded as Auto Marketing Services in April of 1982. The company initially engaged in the sale and installation of upgraded stereo equipment and other installable accessories to car dealerships. Beginning in 1987, the first retail showroom for car audio opened. In 2004, AMS began selling, installing, and programming audio and video for home and light commercial applications. Over time, car audio has blossomed into a number of different products now referred to as mobile electronics. Home audio and video has expanded to include automation and powerful wifi networks. AMS has been a tenant since 1990.



Archer Auto Repair performs complete auto servicing, repair and maintenance. They perform tune ups, service brakes, major engine repair, air conditioning, transmission repair, and more. Archer Auto Repair has been a tenant since 1995.



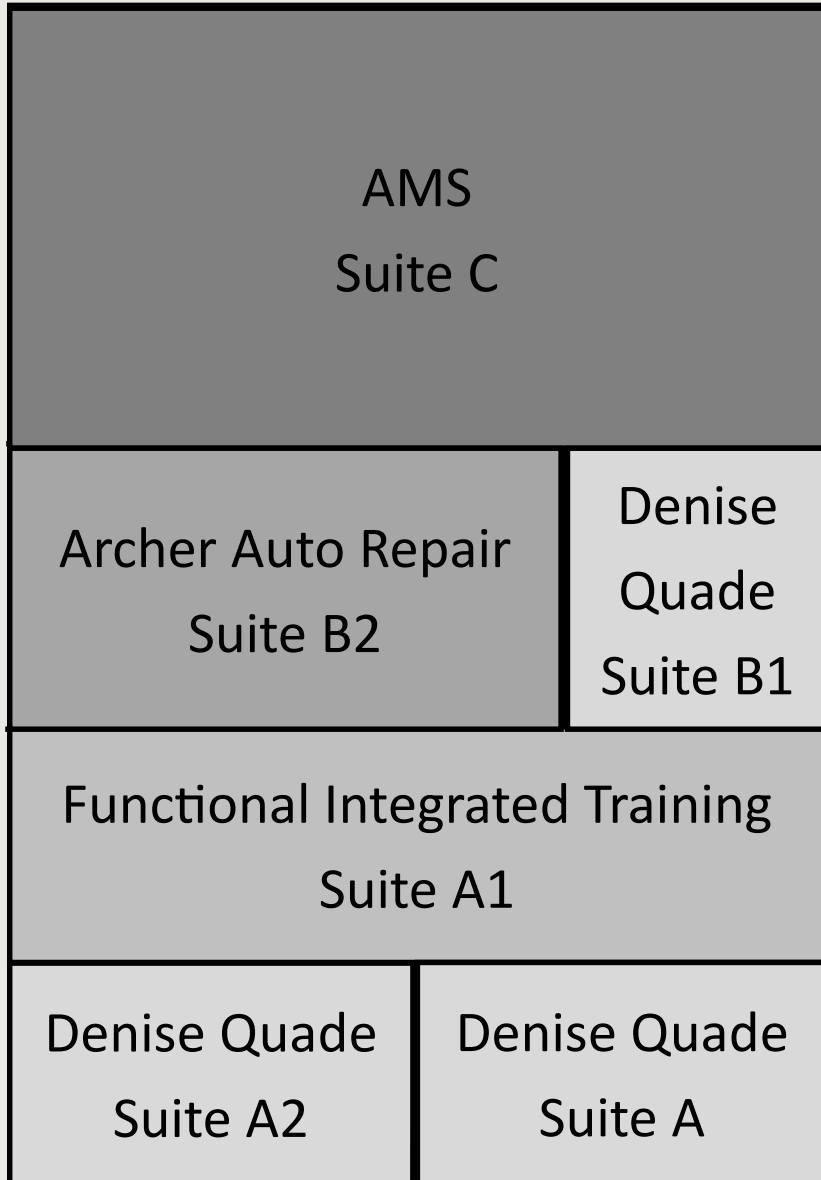
Denise Quade Design is a Premier Kitchen and Bath firm based in the Madison metropolitan area. Their newly expanded showroom debuts the latest trends in cabinetry, countertops, hardware, tile and flooring. Many of their inspiring projects of kitchens, bathrooms, home offices, family rooms and bedrooms have garnered national and regional recognitions. Their team is composed of 4 interior designers. Denise Quade Design has been a tenant since 2012.



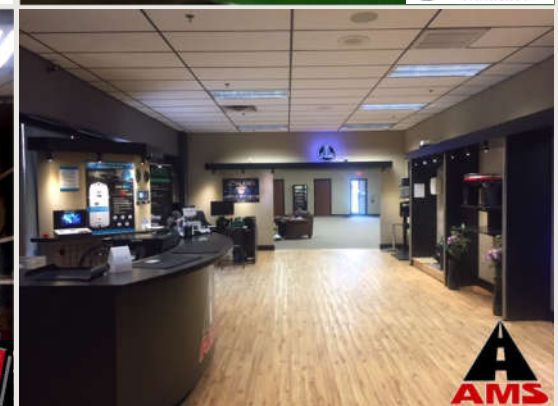
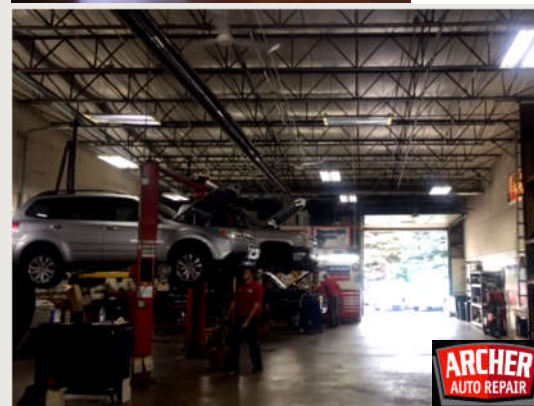
Function Integrated Training (FIT) has been providing top notch coaching and leadership to athletes since 2012. FIT coaches a wide range of athletes including youth, every day athletes and competitive athletes. Functional Integrated Training was the 2019 silver award winner for Madison Magazine's Best of Madison for 'Best Gym' and has been a tenant since 2012.

Verona Road/Hwy 18-151

Tenant Information



Suite	A/A2/B1	A1	B2	C
Tenant	Denise Quade Design	Functional Integrated Training	Archer Auto Repair	AMS
Rentable SF	5,735 SF	6,200 SF	4,683 SF	12,548
Lease Commencement Date	2012	2012	1995	1990
Lease Exp. Date	8/31/2023	8/31/2023	6/30/2024	6/30/2024



Not To Scale

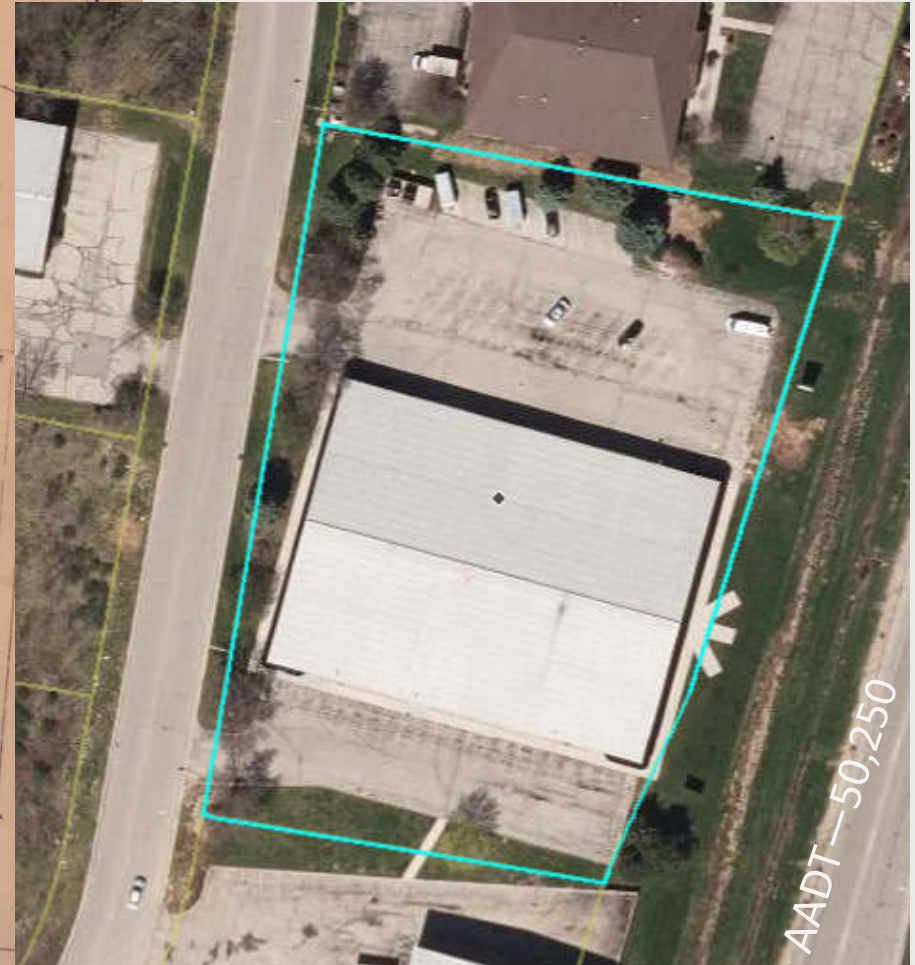
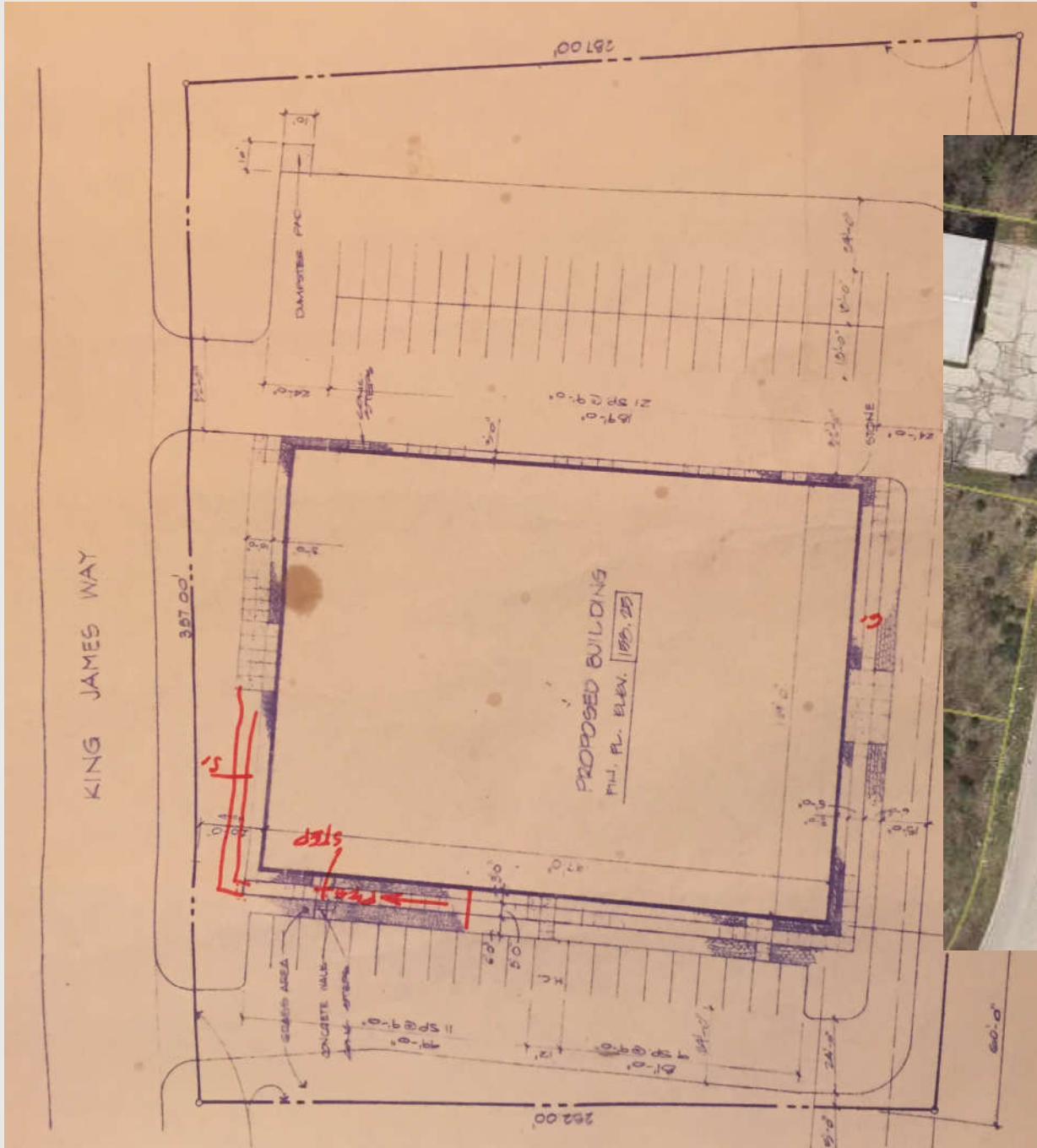
King James Way

Location & Demographics



Radius	1 Mile	3 Miles	5 Miles
Median Household Income	\$68,431	79,660	76,227
Average Household Size	2.5	2.4	2.3
Median Age	33.1	36.3	35.2

Site Plan & Aerial



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Building Details

- **Parcel Size:** 1.97 acres
- **Building Size:** 29,353 SF
- **Year Built:** 1990
- **Zoning:** BH (Highway Business District)
- **Parking:** 69 surface parking stalls with 2 access points from King James Way
- **Frontage:** 357' facing Verona Rd (US-151)
359' facing King James Way
- **Foundation:** Slab on grade poured concrete
- **Exterior Walls:** Steel frame with steel panel walls
- **Roof:** Steel gable style
- **Ceiling Height:** 23' at center, 16' at height
- (3) 12x12 Overhead Doors
- **HVAC:** offices are heated and cooled with gas powered forced warm air. Warehouse areas are heated with space heaters or radiant heating
- **Electrical:** 600 amp main on exterior wall. Each space is metered separately.
- **Assessment:**
 - Land: \$600,000.00
 - Improvements: \$800,000.00
- **RE Taxes:** \$33,566.79



Photos



BROKER DISCLOSURE TO NON-RESIDENTIAL CUSTOMERS

1 Prior to negotiating on your behalf the Broker must provide you the following disclosure statement:

2 **BROKER DISCLOSURE TO CUSTOMERS**

3 You are a customer of the broker. The broker is either an agent of another party in the transaction or a subagent of another broker
4 who is the agent of another party in the transaction. The broker, or a salesperson acting on behalf of the broker, may provide
5 brokerage services to you. Whenever the broker is providing brokerage services to you, the broker owes you, the customer, the
6 following duties:

- 7 ■ The duty to provide brokerage services to you fairly and honestly.
- 8 ■ The duty to exercise reasonable skill and care in providing brokerage services to you.
- 9 ■ The duty to provide you with accurate information about market conditions within a reasonable time if you request it, unless
10 disclosure of the information is prohibited by law.
- 11 ■ The duty to disclose to you in writing certain material adverse facts about a property, unless disclosure of the information is
12 prohibited by law (**See Lines 47-55**).
- 13 ■ The duty to protect your confidentiality. Unless the law requires it, the broker will not disclose your confidential information or the
14 confidential information of other parties (**See Lines 22-39**).
- 15 ■ The duty to safeguard trust funds and other property the broker holds.
- 16 ■ The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the advantages and
17 disadvantages of the proposals.
- 18 Please review this information carefully. A broker or salesperson can answer your questions about brokerage services, but if you
19 need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home inspector.
- 20 This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a plain-language summary of
21 a broker's duties to a customer under section 452.133 (1) of the Wisconsin statutes.

22 **CONFIDENTIALITY NOTICE TO CUSTOMERS**

23 **BROKER WILL KEEP CONFIDENTIAL ANY INFORMATION GIVEN TO BROKER IN CONFIDENCE, OR ANY INFORMATION
24 OBTAINED BY BROKER THAT HE OR SHE KNOWS A REASONABLE PERSON WOULD WANT TO BE KEPT CONFIDENTIAL,
25 UNLESS THE INFORMATION MUST BE DISCLOSED BY LAW OR YOU AUTHORIZE THE BROKER TO DISCLOSE PARTICULAR
26 INFORMATION. A BROKER SHALL CONTINUE TO KEEP THE INFORMATION CONFIDENTIAL AFTER BROKER IS NO LONGER
27 PROVIDING BROKERAGE SERVICES TO YOU.**

28 THE FOLLOWING INFORMATION IS REQUIRED TO BE DISCLOSED BY LAW:

- 29 1. MATERIAL ADVERSE FACTS, AS DEFINED IN SECTION 452.01 (5g) OF THE WISCONSIN STATUTES (**SEE LINES 47-55**).
- 30 2. ANY FACTS KNOWN BY THE BROKER THAT CONTRADICT ANY INFORMATION INCLUDED IN A WRITTEN INSPECTION
31 REPORT ON THE PROPERTY OR REAL ESTATE THAT IS THE SUBJECT OF THE TRANSACTION.
- 32 TO ENSURE THAT THE BROKER IS AWARE OF WHAT SPECIFIC INFORMATION YOU CONSIDER CONFIDENTIAL, YOU MAY LIST
33 THAT INFORMATION BELOW (**SEE LINES 35-36**). AT A LATER TIME, YOU MAY ALSO PROVIDE THE BROKER WITH OTHER
34 INFORMATION YOU CONSIDER TO BE CONFIDENTIAL.

35 **CONFIDENTIAL INFORMATION:**

36 _____

37 **NON-CONFIDENTIAL INFORMATION** (The following information may be disclosed by Broker): _____

38 _____

39 (*INSERT INFORMATION YOU AUTHORIZE THE BROKER TO DISCLOSE SUCH AS FINANCIAL QUALIFICATION INFORMATION.*)

40 **CONSENT TO TELEPHONE SOLICITATION**

41 I/We agree that the Broker and any affiliated settlement service providers (for example, a mortgage company or title company) may
42 call our/my home or cell phone numbers regarding issues, goods and services related to the real estate transaction until I/we
43 withdraw this consent in writing. **List Home/Cell Numbers:**

44 **SEX OFFENDER REGISTRY**

45 *Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the*
46 *Wisconsin Department of Corrections on the Internet at: <http://offender.doc.state.wi.us/public/> or by phone at 608-240-5830.*

47 **DEFINITION OF MATERIAL ADVERSE FACTS**

48 A "material adverse fact" is defined in Wis. Stat. § 452.01 (5g) as an adverse fact that a party indicates is of such significance, or that
49 is generally recognized by a competent licensee as being of such significance to a reasonable party, that it affects or would affect
50 the party's decision to enter into a contract or agreement concerning a transaction or affects or would affect the party's decision
51 about the terms of such a contract or agreement. An "adverse fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence
52 that a competent licensee generally recognizes will significantly and adversely affect the value of the property, significantly reduce
53 the structural integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information
54 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a contract or
55 agreement made concerning the transaction.

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.

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Key Commercial Real Estate LLC, 305 S. Paterson Street Madison, WI 53703

Produced with ZipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.ziplogix.com

Drafted by Attorney Debra Peterson Conrad

Phone: (608)729-1800

Fac: _____

Broker Disclosure