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Valbridge Property Advisors | Inland Pacific Northwest

Holds Licenses In:

- Washington
- Idaho
- Oregon
- Montana

Newsletter Prepared by
Alicia Mugaas

Fall 2018 Spokane County Survey Results

SURVEY OF SUBURBAN RETAIL SPACE IN SPOKANE COUNTY
(Current Geographic Areas, Includes Shopping Centers)

VALBRIDGE PROPERTY ADVISORS INLAND PACIFIC NORTHWEST/KIEMLE HAGOOD/NAI BLACK/GOODALE & BARBIERI COMPANY						
LOCATION SURVEY DATE	NO. BLDGS.	RENTABLE SQ. FT.	VACANT SQ. FT.	PERCENT VACANT	AVERAGE RENTAL RATE \$/SF/YR	AVERAGE RECENT RENTAL RATE \$/SF/YR
Periphery of CBD ^a						
Nov. 2018	64	1,065,806	51,810	4.86%	\$13.37	\$10.62
South ^b						
Nov. 2018	44	1,245,373	71,189	5.72%	\$18.71	\$20.88
North ^c						
Nov. 2018	188	6,247,372	595,676	9.53%	\$17.09	\$17.23
Valley ^d						
Nov. 2018	172	6,023,490	232,821	3.87%	\$12.96	\$16.15
West ^e						
Nov. 2018	13	269,536	7,041	2.61%	\$16.47	\$18.18

Source: 11/2018 - Valbridge Property Advisors | Inland Pacific Northwest

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^a Bounded by Indiana Avenue, Havana Street, 14th Street, and Spokane River/Latah Creek; ^b South of 14th Street; ^c North of Indiana Avenue; ^d East of Havana Street;

^e West of Spokane River/Latah Creek

SURVEY OF INDUSTRIAL SPACE IN SPOKANE COUNTY

VALBRIDGE PROPERTY ADVISORS INLAND PACIFIC NORTHWEST/KIEMLE HAGOOD/NAI BLACK/GOODALE & BARBIERI COMPANY/CROWN WEST REALTY										
LOCATION SURVEY DATE	NO. BLDGS. TOTAL IN DATABASE	TOTAL DATABASE BLDG. AREA (SF)	SURVEYED NO. BLDGS.	SURVEYED TOTAL BLDG. AREA (SF)	SURVEYED VACANT BLDG. AREA (SF)	SURVEYED PERCENT VACANT BLDG AREA (SF)	AVERAGE RENTAL RATE \$/SF/MO OFFICE	AVERAGE RENTAL RATE \$/SF/MO WAREHOUSE	AVERAGE RECENT RENTAL RATE \$/SF/MO-OFFICE	AVERAGE RECENT RENTAL RATE \$/SF/MO-WHSE
West										
Nov. 2018	144	4,496,080	144	4,496,080	195,088	4.34%	\$0.80	\$0.39	\$0.71	\$0.41
CBD										
Nov. 2018	24	268,683	24	268,683	17,963	6.69%	N/A	N/A	N/A	N/A
North										
Nov. 2018	179	2,966,648	179	2,966,648	57,541	1.94%	\$0.60	\$0.38	\$0.54	\$0.49
East										
Nov. 2018	252	4,819,345	252	4,819,345	236,688	4.91%	\$0.60	\$0.35	\$0.74	\$0.36
Valley										
Nov. 2018	709	15,361,383	709	15,361,383	175,761	1.14%	\$0.71	\$0.34	\$0.92	\$0.43
Liberty Lake										
Nov. 2018	23	1,480,081	23	1,480,081	28,000	1.89%	\$0.68	\$0.41	N/A	N/A
Total	1,331	29,392,220	1,331	29,392,220	711,041	2.42%	\$0.69	\$0.36	\$0.81	\$0.42

Source: 11/2018 - Valbridge Property Advisors | Inland Pacific Northwest

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SURVEY OF MEDICAL OFFICE SPACE IN SPOKANE COUNTY

VALBRIDGE PROPERTY ADVISORS INLAND PACIFIC NORTHWEST/KIEMLE HAGOOD/NAI BLACK/GOODALE & BARBIERI COMPANY/CROWN WEST REALTY					
SURVEY DATE	NO. BLDGS.	RENTABLE SQ. FT.	VACANT SQ. FT.	PERCENT VACANT	SCHEDULED GROSS RENTAL RATE \$/SF/YR (RANGE)
Nov. 2018	116	2,523,076	259,420	10.28%	\$8.00 - \$30.82 ^a
					Average Rate \$21.64
					Average Recent Rate \$22.41

^aAverage rate \$21.64, average recent rate \$22.41

Note: The rental basis for the "average" and "average recent rate" is a mix of full-service, modified and triple net rents as well as rentable and usable areas. The rates are not adjusted to one specific basis and should only be considered as an economic indicator.

Source: 11/2018 - Valbridge Property Advisors | Inland Pacific Northwest

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SURVEY OF COMPETITIVE OFFICE/RETAIL SPACE IN THE SPOKANE CBD

**VALBRIDGE PROPERTY ADVISORS | INLAND PACIFIC NORTHWEST/KIEMLE HAGOOD/
NAI BLACK/GOODALE & BARBIERI COMPANY/CROWN WEST REALTY**

CBD OFFICE*	Nov-18
Class A	
Surveyed Sq. Ft. (# Buildings)	1,057,660 (9)
Vacant Sq. Ft.	116,211
Vacant %	10.99%
Average Rental Rate (Per Sq. Ft.)	\$20.23
Average Recent Rental Rate (Per Sq. Ft.)	\$20.37
Class B	
Surveyed Sq. Ft. (# Buildings)	1,672,261 (44)
Vacant Sq. Ft.	324,969
Vacant %	19.43%
Average Rental Rate (Per Sq. Ft.)	\$15.86
Average Recent Rental Rate (Per Sq. Ft.)	\$16.54
Class C	
Surveyed Sq. Ft. (# Buildings)	195,478 (16)
Vacant Sq. Ft.	39,684
Vacant %	20.30%
Average Rental Rate (Per Sq. Ft.)	\$12.26
Average Recent Rental Rate (Per Sq. Ft.)	N/A
Total	2,925,399 (68)

CBD Retail**	Nov-18
Ground Floor	870,686
	85,153
	9.78%
Skywalk	230,988
	21,539
	9.32%
Additional Floors - Retail Space	227,700
	4,430
	1.95%
Total	1,329,374
	111,122
	8.36%
	\$15.90

Note: The rental basis for the "average" and "average recent rate" is a mix of full-service, modified and triple net rents as well as rentable and usable areas. The rates are not adjusted to one specific basis and should only be considered as an economic indicator.

*Residential space in mixed use buildings not included in survey.
**Macy's Building removed Fall 2017; Former Umpqua Building removed Fall 2018

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Mark Your Calendar

February 7th, 2019

Coldwell Banker Kootenai County Commercial Real Estate Forum will take place at The Ray & Joan Kroc Center in Coeur d’Alene, Idaho.

Valbridge Spokane

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Questions? Contact us at:
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SURVEY OF SUBURBAN OFFICE SPACE IN SPOKANE COUNTY
(Current Geographic Areas)

**VALBRIDGE PROPERTY ADVISORS | INLAND PACIFIC NORTHWEST/KIEMLE HAGOOD/NAI BLACK/
GOODALE & BARBIERI COMPANY/CROWN WEST REALTY**

LOCATION SURVEY DATE	NO. BLDGS.	RENTABLE SQ. FT.	VACANT SQ. FT.	PERCENT VACANT	AVERAGE RENTAL RATE \$/SF/YR	AVERAGE RECENT RENTAL RATE \$/SF/YR
Periphery of CBD ^a Nov. 2018	147	3,275,209	410,179	12.52%	\$15.93	\$14.43
South ^b Nov. 2018	17	196,718	37,560	19.09%	\$18.41	\$20.65
North ^c Nov. 2018	63	1,087,351	233,985	21.52%	\$16.35	\$16.48
Valley ^d Nov. 2018	158	3,982,047	605,819	15.21%	\$14.94	\$13.25
West ^e Nov. 2018	10	400,382	80,648	20.14%	\$12.81	\$9.00

Note: The rental basis for the "average" and "average recent rate" is a mix of full-service, modified and triple net rents as well as rentable and usable areas. The rates are not adjusted to one specific basis and should only be considered as an economic indicator.

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New Employees

Erik Lowe joined our Research team in September 2018. Erik has a Bachelor of Arts in Political Science from Western Washington University, as well as his Juris Doctor from the University of Pittsburgh. Erik has a background as a fraud analyst for several gaming companies investigating transactional fraud, economy manipulation, sale of in-game currency, and theft of intellectual property. Erik’s analytical skills are a great asset to our research team.

Lynsay Natal joined our team in July 2018. She began as an Administrative Assistant and transitioned to the Research staff in September. Lynsay is currently enrolled at Northern Arizona University in pursuit of a bachelor’s degree in Emergency Management. She also has obtained an Associate of Applied Science in Therapeutic Massage, as well as an Associate of Arts degree. Lynsay’s experience in researching Title issues and supporting a busy real estate office are a perfect fit for this position.

Both Erik and Lynsay are working from our Spokane Valley, Washington, office.



Mark Your Calendar
February 21st, 2019

The Spokane/Kootenai/Bonner Real Estate Market Forum will be held Thursday, February 21st, 2019.

The forum covers topics such as trends in real estate, construction, and the local economy.

For attendee registration information, contact the Spokane Association of Realtors: (509) 326-9222, or visit www.skrerc.com.

Valbridge Fast Facts

- Valbridge covers the U.S. from coast to coast providing custom, yet consistent, appraisal reports.
- Valbridge services all property types.
- Every Valbridge appraisal is signed by an appraiser with the MAI designation.
- Valbridge is not owned by an investment company or brokerage firm.
- Valbridge is owned by local office leaders.

Summer 2018 Kootenai County Survey Results

Retail

SURVEY OF RETAIL SPACE IN KOOTENAI COUNTY

VALBRIDGE PROPERTY ADVISORS INLAND PACIFIC NORTHWEST/COLDWELL BANKER COMMERCIAL - SCHNEIDMILLER REALTY/ KIEMLE HAGOOD/SPOKANE-KOOTENAI REAL ESTATE RESEARCH COMMITTEE/NAI BLACK						
LOCATION SURVEY DATE	NO. PROPS.	RENTABLE SQ. FT.	VACANT SQ. FT.	PERCENT VACANT	AVERAGE RENTAL RATE \$/SF/YR	AVERAGE RECENT RENTAL RATE \$/SF/YR
Coeur d'Alene Summer 2018	385	4,931,862	331,219	6.72%	\$12.50	\$13.62
Post Falls Summer 2018	158	1,661,502	156,456	9.42%	\$10.62	\$12.59
Rathdrum Summer 2018	21	219,501	17,683	8.06%	\$10.72	\$9.96
Hayden Summer 2018	81	865,896	16,792	1.94%	\$0.89/sf/mo	\$0.83/sf/mo
Dalton Gardens Summer 2018	23	164,237	4,000	2.44%	\$13.08	N/A
					\$1.09/sf/mo	
					\$6.25	N/A
					\$0.52/sf/mo	
Total	668	7,842,998	526,150	6.71%		

Source: Summer 2018 - Valbridge Property Advisors | Inland Pacific Northwest
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Industrial

SURVEY OF INDUSTRIAL SPACE IN KOOTENAI COUNTY

VALBRIDGE PROPERTY ADVISORS INLAND PACIFIC NORTHWEST/COLDWELL BANKER COMMERCIAL - SCHNEIDMILLER REALTY/ KIEMLE HAGOOD/SPOKANE-KOOTENAI REAL ESTATE RESEARCH COMMITTEE/NAI BLACK						
LOCATION SURVEY DATE	NO. PROPS.	RENTABLE SQ. FT.	VACANT SQ. FT.	PERCENT VACANT	AVERAGE RENTAL RATE \$/SF/YR	AVERAGE RECENT RENTAL RATE \$/SF/YR
Coeur d'Alene Summer 2018	170	1,722,486	49,702	2.89%	\$8.30	\$6.08
Post Falls Summer 2018	168	2,922,650	83,074	2.84%	\$0.69/sf/mo	\$0.51/sf/mo
Rathdrum Summer 2018	48	466,702	21,600	4.63%	\$6.25	\$5.25
Hayden Summer 2018	180	1,402,029	35,419	2.53%	\$0.52/sf/mo	\$0.44/sf/mo
Dalton Gardens Summer 2018	24	191,914	0	0.00%	\$6.16	N/A
					\$0.51/sf/mo	
					\$5.99	\$6.18
					\$0.50/sf/mo	\$0.52/sf/mo
					\$5.19	\$6.00
					\$0.43/sf/mo	\$0.50/sf/mo
Total	590	6,705,781	189,795	2.83%		

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Office

SURVEY OF OFFICE SPACE IN KOOTENAI COUNTY

VALBRIDGE PROPERTY ADVISORS INLAND PACIFIC NORTHWEST/COLDWELL BANKER COMMERCIAL - SCHNEIDMILLER REALTY/ KIEMLE HAGOOD/SPOKANE-KOOTENAI REAL ESTATE RESEARCH COMMITTEE/NAI BLACK						
LOCATION SURVEY DATE	NO. PROPS.	RENTABLE SQ. FT.	VACANT SQ. FT.	PERCENT VACANT	AVERAGE RENTAL RATE \$/SF/YR	AVERAGE RECENT RENTAL RATE \$/SF/YR
Coeur d'Alene Summer 2018	275	3,063,494	146,845	4.79%	\$16.97	\$18.17
Post Falls Summer 2018	58	567,030	45,929	8.10%	\$19.35	\$14.37
Rathdrum Summer 2018	8	24,915	0	0.00%	\$8.32	\$8.16
Hayden Summer 2018	60	368,613	21,235	5.76%	\$12.83	\$10.44
Dalton Gardens Summer 2018	2	14,710	0	0.00%	\$8.98	\$8.76
Total	403	4,038,762	214,009	5.30%		

Note: The rental basis for the "average" and "average recent rate" is a mix of full-service, modified and triple net rents as well as rentable and usable areas. The rates are not adjusted to one specific basis and should only be considered as an economic indicator.

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Serving Our Community

On November 16, 2018, our staff spent the day at Habitat for Humanity's most recent development in Deer Park.

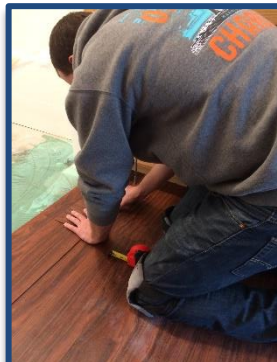
We completed the installation of flooring in six rooms within a duplex-style structure, as well as some concrete patching and painting.

Our efforts, among those of many other volunteers, helped finish these homes in time for three families to move in before Christmas.

To learn more about Habitat for Humanity and how you can get involved, visit their website at: habitat-spokane.org/get-involved.



Pictured, from left to right: Bruce Jolicoeur, Pam Schoenrock, Nikki Leonard, Keri Copley, Karen Meek, Jessica Lowe, Shane Kuykendall, Mike Gentry, Abe Kazda, Stephen Agen, Gary Zahller, Kari Collins, Wyatt Mitchell, Alicia Mugaas, Karlene Perry





Valbridge
PROPERTY ADVISORS

Inland Pacific Northwest
Winter 2018

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**May you have a
healthy and happy
holiday season.**

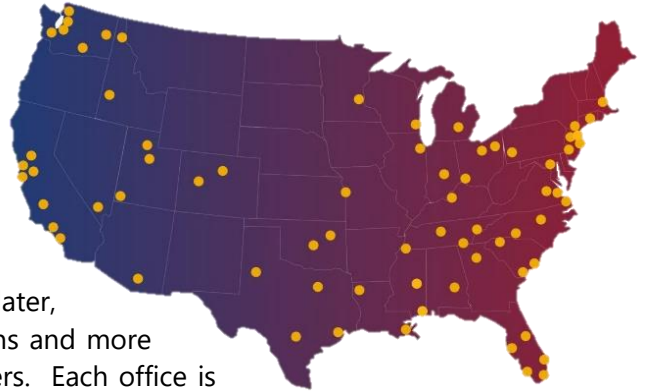


**From our family
to yours!**

About Valbridge Property Advisors

In early 2013, 42 independent appraisal firms across the United States came together to form Valbridge Property Advisors with the vision to provide independent valuation and advisory services to local, regional, multi-market, and national clients.

Now, more than five years later, Valbridge boasts 74 office locations and more than 200 MAI designated appraisers. Each office is locally owned and operated, and led by a Senior Managing Director holding the MAI designation. Valbridge serves national and local clients that benefit from our collective strength, experienced staff, and dedication to elevating appraisal industry standards for accuracy, integrity, reporting, technology, and data.



Valbridge
PROPERTY ADVISORS

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