

## Real Estate

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### Kauri nearly doubles money with Lake City investment

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Kauri Investments yesterday sold a Lake City property for nearly twice what it paid for it a year ago. The buyer plans a Mini Cooper dealership there.

Scharmach Northwest LLC paid \$6 million for site, which Seattle-based Kauri bought in October 2007 for \$3.1 million. The site includes a 31,100-square-foot building and 43,000 square feet of parking area that includes rooftop parking.

Kauri President and CEO Kent Angier said he's pleased with the sale.

"I wish every transaction went that way," he said. "Some are better than others. This is a good one."

Kauri purchased the property at 11548 Lake City Way N.E. from Charles G. Anderson.

"It was marketed as one piece and we felt like the parts were worth more than the whole," Angier said.

Bill Pierre Chevrolet occupied the property then and continued to lease it until April 30, when it moved across the street.

Kauri had considered re-leasing the building long term to an auto-related tenant. It also looked at leasing the building for a different use and developing the remaining land as a 130- to 140-unit residential mixed-use project. The property is zoned for construction to 65 feet.

Angier said he believes the previous seller valued the property for the income that could be derived from the building and didn't consider the residual value of the land. Additionally, Angier felt Kauri could get at least \$35,000 a month leasing the building after improving it. It had been renting for \$20,000.

"We just didn't look at it the same way," he said.

Scharmach Northwest, which owns BMW and Mini Cooper dealerships in Fife, plans to renovate the building before opening the newest dealership, said Angier.

It began leasing the Kauri property in May.

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