

Addendum #1
RFQ 16-26-PW
Real Estate Brokerage Services
Response to Inquiries

Q. The RFQ outlines a scope focused on exclusive listing representation with compensation anticipated to be commission_based. If a respondent were to propose an approach that places greater emphasis on upfront advisory services would the City consider alternative compensation structures (e.g., a fixed fee or monthly retainer) that could be credited against, or applied to, the commission at closing?

A. *Yes, we are willing to consider alternatives. Please be clear in your draft proposal about how you would like to schedule and structure your compensation.*

Q. Can you share in-place financials (T-12), as well as the rent roll and leases?

A. *Current rent roll attached.*

Q. What is the remaining lease term profile (WALT)?

A. *Current rent roll with lease terms attached.*

Q. Are there any demolition or early termination clauses? If so, what are the notice requirements and associated costs?

A. *Yes. The leases include a demolition clause and a 6-month notice period. Since the City purchased this property in 2022, all tenants have been notified the site is targeted for development.*

Q. Are there any tenant relocation obligations or known issues?

A. *No.*

Q. Is zoning effectively capped at ~5 stories / ~2.0 FAR, or is there potential for additional density?

A. *5 stories is the maximum height, and it should be noted that 5 stories of height is only granted if redevelopment is utilizing the City's adopted Development Plan (or if an alternative Plan has been approved by Council). There is no FAR maximum applied to the property.*

Q. Are there bonuses (e.g., affordability or public benefit) that would allow for increased density or height?

A. *No.*

Q. How flexible is the adopted development plan?

A. *The adopted Development Plan includes provisions for minor modifications and major modifications – which may be approved, respectively by staff or City Council. Please see Section 7 – Modifications of the adopted Development Plan available here: https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2025/december-9-2025-regular-meeting/9a1_business.pdf. There is no requirement to use the current development plan, however, and a new Development Plan may be proposed by a future property owner and would need to undergo a public process and receive City Council approval.*

Q. Is ground-floor retail required, or can alternative uses be considered?

A. *Both the underlying HENC 1 zone and the adopted Development Plan require commercial or community uses on the ground floor, with minor allowances for ancillary residential space (e.g., residential lobby).*

Q. How will proposals be evaluated (e.g., price vs. concept vs. public benefit)?

A. *The sale proposal criteria will be developed with the selected real estate broker. Initially, the City's criteria of purchase price and entitlement timeline are important factors. Additional criteria may be developed that could include alignment with Comprehensive Plan goals or provision of public benefits.*

Q. Does the City have an internal value range or pricing guidance?

A. *Yes. The City will share the details with the selected real estate broker and will be open to further refinement.*

Q. How does the City balance maximizing price with long-term community outcomes?

A. *The City has invested in producing a development plan that is available to buyers to encourage the long-term community benefits. As mentioned above, a thorough setting of sale proposal selection criteria will be developed in coordination with the real estate broker's input.*

Q. What materials will be made available (environmental reports, survey, geotechnical, planning studies)?

A. *Environmental reports, development plan and background, and traffic study.*

Q. Are there any known site constraints (e.g., title, easements, environmental)?

A. *Yes, this will be provided in the environmental reports and approved development plan.*

Q. Is there any community feedback or sensitivities we should be aware of?

A. *You may review feedback provided through community engagement summaries and in City Council meeting packets and meeting recordings as provided on the Future of Houghton Village website. ¹*

Q. What is the expected entitlement timeline for a buyer?

A. *This will need to be proposed by the buyer. The City will consider all offers and options proposed.*

Q. Will the City consider phased transactions, partnerships, or alternative deal structures?

A. *Yes.*

Q. Beyond price, what does "success" look like for the City?

A. *Success would include multiple competitive offers from a broad spectrum of buyers that are aligned with vision of the Development Plan.*

Rent Roll

Property = 10600 NE 68th ST
 As Of = 04/23/2026
 Month = 04/2026

Unit	Unit SqFt	Tenant Name	Actual Rent	Annual Rent per SqFt	Tenant Deposit	Other Deposit	CAM	Actual CAM per Sqft	Misc per Sqft	Total Charges	Annual Charges Move In Sq FT	Lease Expiration
Current/Notice/Vacant Tenants												
A	600.00	Mazandarany, Natalie	1,802.50	36.05	2,175.00	0.00	437.75	0.73	0.00	2,240.25	44.81	07/01/2023
B	874.00	Chkoh LLC	2,560.31	35.15	911.00	0.00	574.19	0.66	0.00	3,134.50	43.04	04/01/2023
C	2,300.00	Everett Physical Therapy and S	5,731.11	29.90	0.00	0.00	1,915.64	0.83	0.00	7,646.75	39.90	03/01/2023
D	1,877.00	Elite Martial Arts LLC	3,754.00	24.00	5,123.50	0.00	1,369.50	0.73	0.00	5,123.50	32.76	03/01/2026
G	1,580.00	Olympic Dry Cleaners	3,999.52	30.38	1,646.00	0.00	1,010.87	0.64	0.00	5,010.39	38.05	04/01/2023
H	1,216.00	Ace Frames and Gallery	2,777.81	27.41	2,130.00	0.00	798.88	0.66	0.00	3,576.69	35.30	04/01/2023
K	2,450.00	North Homes Realty, Inc. dba	5,104.17	25.00	5,104.17	0.00	1,735.42	0.71	0.00	6,839.59	33.50	03/01/2026
L	12,323.00	Studio East	0.00	0.00	0.00	0.00	9,034.00	0.73	0.00	9,034.00	8.80	01/15/2024
EF	3,293.00	Mercer Island Eastside Orphan	4,883.07	17.79	2,625.00	0.00	789.15	0.24	0.00	5,672.22	20.67	12/01/2022
10724-J	2,311.00	Bibi Café Bellevue LLC	4,671.11	24.26	3,600.00	0.00	1,478.56	0.64	0.00	6,149.67	31.93	10/01/2023
Total		10600 NE 68th ST	35,283.60	24.99	23,314.67	0.00	19,143.96	0.66	0.00	54,427.56	32.87	

Summary Groups	Square Footage	Actual Rent	Security Deposit	Other Deposits	CAM	Misc	# Of Units	% Unit Occupancy
Current/Notice/Vacant Tenants	28,824.00	35,283.60	23,314.67	0.00	19,143.96	0.00	10	100.00
Future Tenants/Applicants	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Occupied Units	28,824.00	0.00	0.00	0.00	0.00	0.00	10	100.00
Total Non Rev Units	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Total Vacant Units	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
Totals:	28,824.00	35,283.60	23,314.67	0.00	10,109.96	0.00	10	100.00