

BKM Capital Partners Unveils Latest Value-Add Case Study, Showcasing Robust NOI Growth Through Strategic Repositioning

Firm reports impressive leasing and operational results at West Valley Business Park in Kent, WA.



Newport Beach, California Mar 24, 2025 ([IssueWire.com](https://www.issuewire.com)) - BKM Capital Partners, a leading institutional fund manager specializing in value-add light industrial real estate, is proud to release its latest case study highlighting the successful repositioning of **West Valley Business Park** in Kent, Washington. The comprehensive report details the firm's strategic execution, capital improvements, and leasing outcomes that delivered an impressive **45% increase in Net Operating Income (NOI)** and an **87% surge in average lease rates** over the hold period.

Acquired in late 2019 for \$30.5 million, West Valley Business Park offered a unique value-add opportunity. Spanning 17 acres and comprising 19 buildings with 180 units, the property was initially under-managed and significantly office-heavy, with a 74% office buildout. BKM recognized the opportunity to unlock value by modernizing the asset and tailoring it to meet local tenant demand for

more functional, flexible industrial space.

“West Valley Business Park is a prime example of our ability to reposition overlooked industrial assets in supply-constrained submarkets,” said **BKM Managing Director Brett Turner**. “By aligning physical improvements with operational enhancements, we delivered a superior product to tenants while driving strong returns for our investors.”

BKM implemented a **\$7.7 million capital improvement plan**, which included:

- **\$1.46 million in cosmetic upgrades**, such as a new paint scheme, modern signage, and landscape redesign.
- **\$2.21 million in structural improvements**, including HVAC replacements, roof repairs, and extensive interior renovations.
- Interior conversions that reduced the overbuilt office footprint and subdivided units into small-bay configurations, better aligning with local tenant profiles.

The repositioning followed a **phased execution plan** to maintain stable cash flow while converting and upgrading units as leases expired. Over the course of the project, BKM executed **158 leases**, rolling **80% of the property's net rentable area** to market and raising occupancy from 63% to 90%. Notably, 78% of transactions were signed at or above market lease assumptions (MLA), and average in-place rents rose from \$1.12/SF in 2019 to \$2.10/SF by 2024.

Located in the **Kent Valley**, one of Seattle's most sought-after industrial corridors, the property also benefited from favorable market dynamics, including a lack of new supply and strong tenant demand from the region's diverse economic base, including technology, logistics, and advanced manufacturing.

The full case study is available for download at [here](#) offering a deeper dive into BKM's value creation strategy, design vision, and investment results at West Valley Business Park.

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