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0.41 Acres in Downtown Tacoma | 125 Units Proposed

# Fawcett Development Site

*Situated in an Opportunity Zone*

706-710 Fawcett Avenue  
Tacoma, WA 98402

**BERKADIA**<sup>®</sup>

a Berkshire Hathaway and Jefferies Financial Group company

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# investment sales

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## Fawcett Development Site

ADDRESS	706-710 Fawcett Avenue
CITY, STATE ZIP	Tacoma, WA 98402
PRICE	\$2,995,000
STATUS	Raw Land
UNITS PROPOSED	125
TOTAL SIZE	75,580 NRSF
LOT SIZE	0.41 acres
PARCEL NOs.	2007100012 2007100020
ZONING	Downtown Commercial Core
COUNTY	Pierce



# development opportunity for 125 units

**/ Development Site in Downtown Commercial Core**

0.41 acres of raw land in an Opportunity Zone in downtown Tacoma, WA; opportunity to create housing in an area with consistently high demand: 71%+ of households within a one-mile radius are renter-occupied

**/ Pivot-Point Location with Proximity to Employers, Light Rail**

Site is 5 blocks from Old City Hall Light Rail Station, and within 1 mile of the city's largest employers, including MultiCare and the University of Washington Tacoma; location considered a Walker's Paradise with a Walk Score of 97

**/ Plans for 125 Units**

Preliminary analysis proposes the development of 125 studio, one, and two-bed units averaging 605 square feet; attractive location and surging growth directly surrounding the site, in conjunction with Sound Transit's Tacoma Link light rail line expansion, support strong rental demand well into the future

**/ Opportunity to Maximize Rental Income**

Site is primed to maximize returns with proximity to transit, employers, and the downtown core; Tacoma housing market will continue to favor renting over homeownership with mortgages averaging \$1,200 per month more than the average monthly effective rent

**/ Hottest Tacoma Submarket**

Downtown submarket of North Tacoma has garnered the most attention from developers because the location offers access to nightlife, transit, and other amenities; proximity to UW Tacoma Campus is another huge draw with 95% of students needing off-campus housing

**/ Major Logistics Hub with Strong Rental Demand**

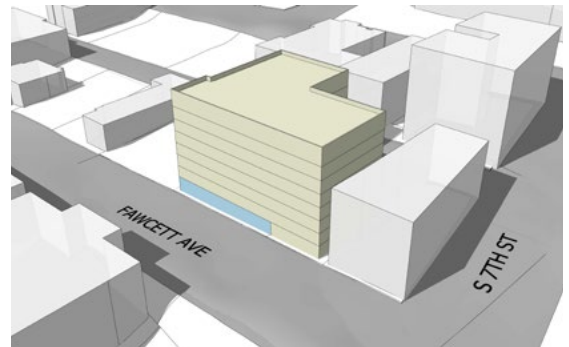
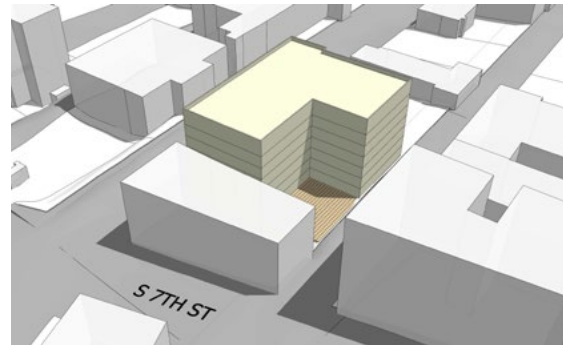
Tacoma is home to the Port of Tacoma, one of the largest ports in the United States, and the MSA boasts the third-largest concentration of aerospace jobs in Washington; proximity to major employers, quality of life, job opportunities, and affordability will continue to drive apartment demand



**PROJECT**

# design summary

ARCHITECT	<b>Studio 19 Architects</b>
ZONING	<b>Downtown Commercial Core (DCC)</b>
SITE AREA	<b>18,000 SF / 0.41 acres</b>
UNITS PROPOSED	<b>125</b>
PROPOSED UNIT SIZE	<b>605 SF</b>
TOTAL NRSF	<b>75,580</b>
PARKING REQUIRED	<b>None</b>
PARKING PROPOSED	<b>68 garage spaces</b>



Proposed Unit Mix	Total Proposed Units	Average Unit Size	Annual Market Rent	Market Rent Per SF
Studio	28	445 SF	\$554,400	\$3.71
One Bed <i>Open</i>	33	559 SF	\$712,800	\$3.22
One Bed	50	658 SF	\$1,230,000	\$3.12
Two Bed	14	843 SF	\$462,000	\$3.26
<b>Total / Average</b>	<b>125</b>	<b>605 SF</b>	<b>\$2,959,200</b>	<b>\$3.26</b>

# Project Overview

## Tax Abatement

- / The two-parcel site is currently vacant and situated in an Opportunity Zone, offering benefits to investors who elect to temporarily defer tax on capital gains
- / Completed project will qualify for Tacoma's Multifamily Tax Exemption Program, allowing ownership to receive a property tax exemption for up to 12 years

## Site Status

- / Shovel-ready; current ownership has spent \$250k+ clearing the site
- / Recommended build is an 8-story apartment community with units averaging 605 SF; select units will have views of Commencement Bay and the city skyline
- / Parking not required due to site's location in a Reduced Parking Area (RPA), but 68 below and partially-below grade garage spaces proposed
- / Site able to support maximum building height of 400 feet for a high rise community



TACOMA DOME  
8-Minute Drive

UNIVERSITY OF  
WASHINGTON TACOMA  
14-Minute Walk

THEATER DISTRICT STATION  
One Stop from Old City Hall Station

Fawcett Development Site

Fawcett Avenue

S 7th Street

## Best Place to Live

Tacoma ranked Number 3 among  
"America's Best Places to Live in 2023"

**Bankrate**

## Desirable Cost of Living

On average, more than 19,200 people relocate to Pierce County each year from neighboring King County for its affordable cost of living

**US Census Bureau**

## Major Logistics Hub

The ports of Tacoma and Seattle make up the fourth largest container gateway in North America

**The Northwest Seaport Alliance**

### SUBMARKET OVERVIEW

# broad-based economy, high quality of life

- / Historically high occupancy: Tacoma's median household income is roughly 35% below the metro median, leading to a higher share of rental households
- / Strong rental market: 42% of housing units in Tacoma are renter-occupied; city's diversification and expansion have made it an attractive relocation spot for both businesses and residents
- / Following a drop in leasing activity in 2022, rental demand rebounded sharply in 2023 with demand projected to increase, leading to 2,384 net move-ins total for 2024
- / Higher education drives housing: Tacoma ranked among the top college towns in the US; University of Washington Tacoma only has an on-campus housing capacity of 5%
- / Diverse economy: anchored by the trade, transportation, and utilities sector, supporting 71,500 jobs in 1Q24; private education and health services industry led job growth in the 12-month period ending February 2024, expanding by 4,000 to total 65,500 employees

# Proximity to Light Rail & Amenities



- / The \$53.8 billion Sound Transit 3 (ST-3) project includes major Tacoma Link extensions at an estimated cost of \$2.3 billion
- / The 2.4-mile Hilltop Tacoma Link extension features six new stations and one relocated station and began operations in September 2023
- / The 9.7-mile Tacoma Dome Link extension will connect the Federal Way Transit Center to the Tacoma Dome by 2032 and will feature four new stations and two new parking areas
- / The final 3.5-mile TCC Tacoma Link extension will extend from the Hilltop neighborhood to Tacoma Community College (TCC) over the next several years

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