

SINGLE TENANT RETAIL INVESTMENT OFFERING

**BIG LOTS!**

2401 NORTH PEARL STREET, TACOMA, WA



**BILLY SLEETH**

Executive Managing Director  
t 206-250-3944  
billy.sleeth@nmrk.com

**PAUL SLEETH**

Executive Managing Director  
t 206-409-5624  
paul.sleeth@nmrk.com

**ROGER OSER**

Senior Managing Director  
t 650-358-5262  
roger.oser@nmrk.com

**NEWMARK**

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## DISCLAIMER

OM Disclaimer

# INVESTMENT SUMMARY

The Offering is a 43,327 SF single tenant Big Lots located in the Westgate South Shopping Center. The Offering benefits from a below market rent, low price/SF, future upside, and an excellent location in a high income neighborhood retail corridor.

This Big Lots location has consistently been a top performing store and will be the only Big Lots located in Pierce County based on the announced store closures.

## OFFERING SUMMARY

PRICE	\$5,055,000
CAP RATE	6.00%
NOI	\$303,289
PRICE PER SF	\$117
GUARANTOR	Corporate

## PROPERTY SUMMARY

ADDRESS	2401 N Pearl Street, Tacoma, WA 98406
COUNTY	Pierce
BUILDING AREA	43,327 SF
LAND AREA	3.95 AC
BUILT	1986
RENOVATED	1991



# HIGHLIGHTS



Big Lots rent is \$7/SF/Year, providing future rental upside if the investor were to get the space back from Big Lots.



The \$117/SF offering price is significantly below replacement cost.



Historically and presently one of the top performing Big Lots in the region. This location is not on the store closure list and will be the only Big Lots in Pierce County.



Big Lots anchors Westgate South Shopping Center with strong adjacent tenancy of Planet Fitness, Starbucks, McDonald's, MOD Pizza, and many more providing strong consumer draw and future tenant demand.



Significant Access, Frontage and Visibility - Big Lots benefits from excellent access and visibility on the highly trafficked Pearl Street.



Single Tenant asset with minimal Landlord obligations.



High barriers to entry within the Tacoma market and immediate retail corridor creates minimum potential future development ensuring the long-term success of Big Lots and the neighboring shopping center tenants.



Parking lot entry points from three-four lane roads creating ease of access for traffic flow in and out of the shopping center to assure the success of Big Lots and neighboring tenants.



High traffic intersections - Big Lots is strategically located right between two signalized intersections, with Westgate Blvd directly to the south and N 26th Street directly to the north both of which create a massive flow of traffic throughout all hours of the day.



Located in a highly desirable Tacoma trade area:

- Tacoma serves as the center of business activity for the South Sound Region, which has a population of around 1M residents.
- Tacoma Port ranked #7 out of 360 in the U.S. - making this an economic hub of the West Coast.
- Ideally situated within one of the primary retail corridors for the Tacoma market, surrounded by a wide range of national and regional credit tenant
- Tacoma's average household income exceeds \$110,000 and is projected to grow 18% by 2029.

# LEASE SUMMARY

TENANT	Big Lots
BUILDING AREA	43,327 SF
LAND AREA	3.95 Acres
LEASE COMMENCEMENT	June 8, 2016
LEASE EXPIRATION	January 31, 2027
LEASE TERM	~2.5 Years Remaining
RENEWAL OPTIONS	2 x 5 Years
RENT INCREASES	\$0.50/PSF Increase Every 5 Years
LEASE TYPE	Triple Net Lease (NNN)
PERMITTED USE	Retail
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Landlord's Responsibility Within 10 Days of Written Notice From Tenant
PARKING LOT MAINTENANCE	Tenant's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
43,327 SF	\$303,289	\$7.00



# SITE AERIAL



N PEARL ST (23,478 VPD)

163

9,054 VPD



N 26TH ST (7,595 VPD)

9,788 VPD



# SITE AERIAL



**HARBOR FREIGHT**  
QUALITY TOOLS LOWEST PRICES



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19107 VPD

N PEARL ST (18-604 VPD)

# PLACER.AI DATA

**WESTGATE NORTH**  
Top 8% neighborhood shopping center in the U.S.

**SAFEGWAY**  
Top 6% store in the U.S.  
#14 store in WA

**BIG LOTS!**  
Top 6% store in the U.S.  
#1 store in WA

**WESTGATE SOUTH**  
Top 4% strip shopping center in the U.S.

**N Pearl St (23,473 VPD)**

**N 26th St (7,595 VPD)**

**N Pearl St (18,604 VPD)**

Big Lots is strategically positioned within the Westgate South Shopping Center, a premier community shopping center for the Tacoma community that is ranked in the 4% of strip/convenience centers nationwide with 2M total visits. This Big Lots location is the #1 performing store in Washington State and ranks in the top 6% nationally for total visits over the past 12 months. 50% of the visits for Big Lots are within a 1-mile radius of the site, containing average household incomes of over \$130,000, showcasing the strong hold that this location has on the near-in, highly affluent trade area. Westgate North Shopping Center is directly to the north of the site and is ranked in the top 8% of neighborhood centers nationally for total visits and is anchored by one of the top Safeway stores in the country. Big Lots benefits immensely from this high-performing corridor that will continue to bring a surplus of foot traffic to the site.

\*All data derived from Placer.AI for previous 12 months



# SITE PLAN





# REGIONAL AERIAL



## PORT OF SEATTLE

- Washington State's largest port
- Estimated 700,000 people traveled through Seattle
- Regional economic impact of \$900M
- 4th largest container gateway in North America



## SEATAC

- Washington State's International Airport
- Regional impact of \$20B in business revenue and generates over 150,000 jobs
- 46M passengers in 2022



## PORT OF TACOMA

- Supports over 40,000 jobs
- Generates \$3B in labor income
- Produces more than \$100M annually in state and local taxes



## SEATTLE

- Largest City in Washington State
- HQ to Washington State's largest employer: Amazon
- Growing location for Facebook, Salesforce, Google, and HQ to Starbucks and Nordstrom
- Among the 50 largest US cities and was #1 for growth as recently as 2022



## BELLEVUE

- Eastside Seattle's largest sub-market
- Growing location for wide range of corporate users and tech-based firms
- During the past decade, Bellevue has grown over 20% and the median income has jumped almost 30%



## KENT VALLEY

- Global aerospace and advanced manufacturing hub
- 12,000+ businesses
- 250,000+ employees • \$4.6B in revenue
- Over 130M SF of commercial and industrial property available for lease

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# RETAIL AERIAL



Westgate South Shopping Mall

planet fitness, Starbucks, MOD, McDonald's

Westgate North Shopping Center

ANYTIME FITNESS, SAFEWAY, ACE, SUBWAY, The Habit BURGER GRILL, TACO BELL

metropolitanmarket. (m)

SAFEWAY

RITE AID

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Highland Hill Shopping Center

LAIFITNESS, EDGEWORKS CLIMBING + FITNESS, WinCo FOODS, PANDA EXPRESS CHINESE KITCHEN

COMPLETE MCLENDON HARDWARE

HARBOR FREIGHT TOOLS FOR SCHOOLS

GROCERY OUTLET

goodwill

Walgreens

N JACKSON AVE

N PEARL ST

N STEVENS ST

N PROCTOR ST

N 21ST STREET

6TH AVE

16

163

16

# TACOMA MARKET OVERVIEW

Located 30 miles south of Seattle and 140 miles north of Portland, Tacoma is surrounded by Puget Sound to the west and the Cascade Mountains to the east. Tacoma's ideal location offers access to an efficient supply chain, international trade, and the vast Pacific Northwest consumer market. Tacoma is also one of the closest ports to Alaska and Pacific Rim markets making shipments to Asia several days faster than Californian ports.



## TACOMA'S POPULATION

is over 220,000 and is projected to grow 4% by 2029



## TACOMA'S AVERAGE HOUSEHOLD

income exceeds \$110,000 and is projected to grow 18% by 2029



## THE TRADE AREA POPULATION

within 5 miles of the Center is 230,000 and has grown over 13.5% since 2010



## THE AVERAGE HOUSEHOLD

Income within 3 miles of the Center is \$125,000

## Economic Development:

### Port of Tacoma

- Tacoma's real estate and marine cargo operations generate more than 40,000 jobs and nearly \$3 billion in economic activity, with over \$52 billion worth of international trade value passing through the port every year
- Produced more than \$100 million annually in state and local taxes to support education, police, fire services and road improvements
- Combined with the Port of Seattle, marine cargo operations alone support 48,000 jobs and generate nearly \$4.5 billion in economic activity

### Joint Base Lewis-McChord

- Joint Base Lewis-McChord (JBLM) is one of only 12 joint bases worldwide
- JBLM is the largest military installation on the west coast and the third largest employer in Washington State with over 50,000 employees.
- Contributes \$9.2B to the local economy every year
- Combined with family members, military retirees and civilians, the Joint Base Lewis-McCord supports a total population of 210,000 residents

# TACOMA MARKET OVERVIEW

## Tacoma Multifamily Development:

- Tacoma delivered thousands of apartment units from the start of 2021 to the end of 2023
- The city of Tacoma projects that another 1,000 completed units will be delivered in 2024
- Tacoma offers multifamily property tax exemptions (MFTE) designed to stimulate economic development and add housing
- The Puget Sound Regional Council forecasts the city will need 45,000 new housing units by 2040, which equates to 2,240/year, in order to accommodate growth

## Major Employers:



## Major Industries:



AEROSPACE



LOGISTICS



MANUFACTURING



TECHNOLOGY



HEALTHCARE

## Link Light Rail:

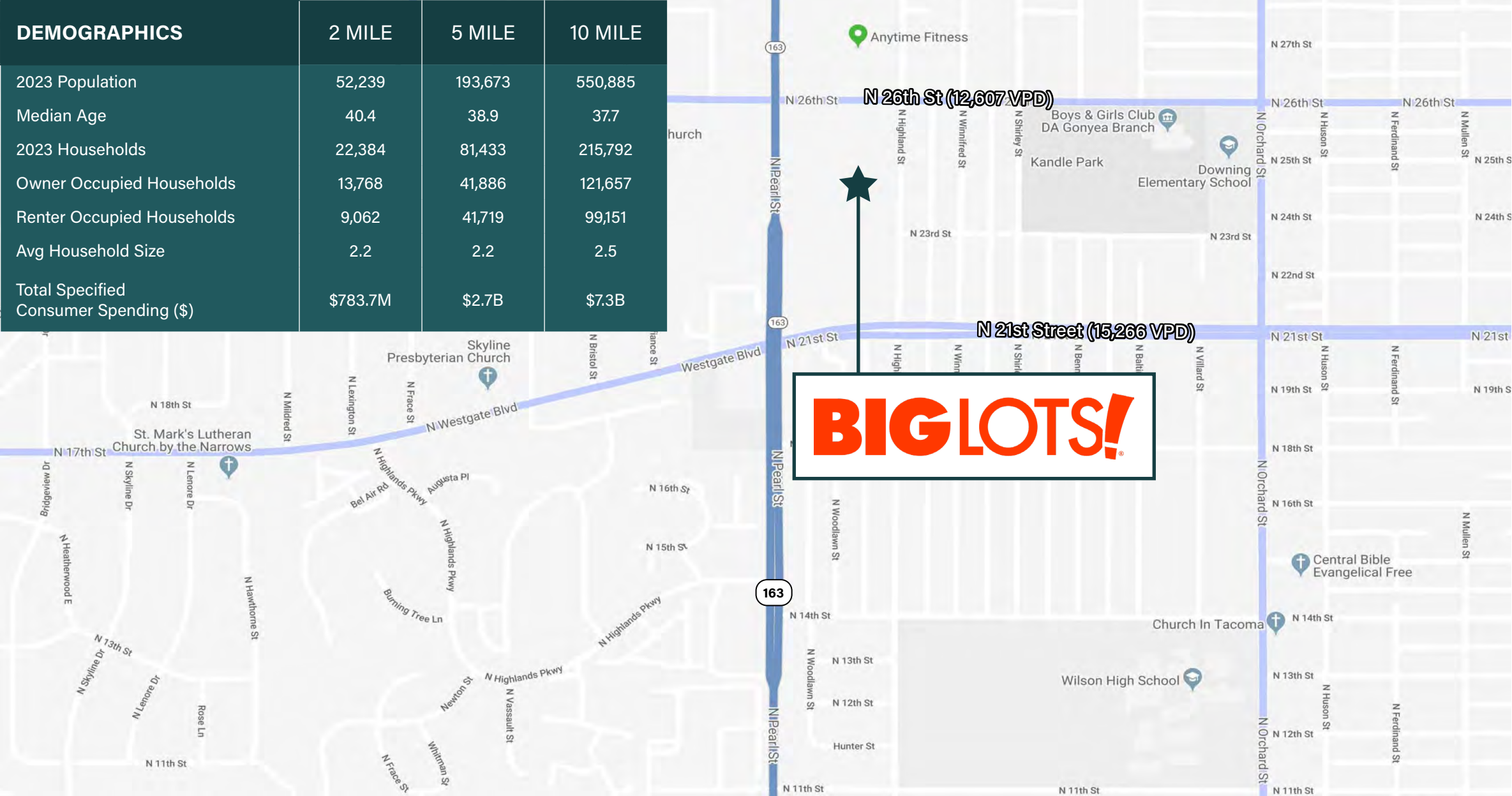
- The Tacoma Dome Link Extension will add nearly 10 miles to the regional light rail system via mostly elevated tracks between Federal Way and Tacoma
- The extension of the link light rail south to Tacoma from Federal Way will provide the Tacoma community with frequent and reliable transportation to a light rail network that will span over 100 miles by 2041
- The Tacoma Dome extension will link to the existing light rail that runs through downtown Tacoma. By 2040, Sound Transit will expand south with the addition of a Streetcar "T" line from S 19th St and ending with a station at Tacoma Community College.

## Tacoma-Pierce County:

Tacoma-Pierce County is a region that encompasses 23 vibrant communities, just 40 minutes south of Seattle. The County is home to more than 900,000 people which has the second largest labor market in the state behind King County. Anchored by the city of Tacoma, Washington's third-largest city, Pierce County is part of the Seattle-Tacoma metro area and bolstered by companies like Amazon, Boeing, Infoblox, New Cold, REI and Tool Gauge.

- Highly educated, skilled workforce of more than 400,000 people
- Home to 6 universities and 6 technical colleges
- Over 30% of residents hold a four-year degree or higher
- Home to a larger share of Construction, Trade, Transportation and Logistics industries than any other county in Washington State
- The economy continues to grow; every key industry expects growth through 2024
- Pierce County is expected to add roughly 300,000 more residents and 150,000 jobs over the next two decades
- 2023 New Housing starts: 1,438
- The #3 (Tacoma) and #6 (Puyallup) largest retail markets in the state of Washington are in Pierce County

DEMOGRAPHICS	2 MILE	5 MILE	10 MILE
2023 Population	52,239	193,673	550,885
Median Age	40.4	38.9	37.7
2023 Households	22,384	81,433	215,792
Owner Occupied Households	13,768	41,886	121,657
Renter Occupied Households	9,062	41,719	99,151
Avg Household Size	2.2	2.2	2.5
Total Specified Consumer Spending (\$)	\$783.7M	\$2.7B	\$7.3B



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