

Marcus & Millichap

BROWN RETAIL GROUP

SEATTLE | PORTLAND | SPOKANE | BOISE



# CANYON PLAZA

*10917 Canyon Rd E, Puyallup, WA 98373*

**100% OCCUPIED GROCERY SHADOW ANCHORED RETAIL CENTER FEATURING NEW  
5-YEAR VERIZON LEASE EXTENSION LOCATED IN AFFLUENT SEATTLE/MSA SUBMARKET**







# THE OFFERING

10917 Canyon Rd E, Puyallup, WA 98373

Marcus & Millichap has been exclusively selected to market for sale **Canyon Plaza located in the affluent Seattle/Tacoma, WA MSA**. The Property is currently occupied with a diverse tenant mix including Verizon Wireless and Windermere Real Estate. All of the tenants at the Property currently operate on NNN leases allowing for reimbursement of nearly all expenses and providing a hedge against rising operating expenses. In 2027, the future owner will have the opportunity to increase Crown Castle GT Company's easement to market rents, which is estimated to increase NOI by at least \$36,000/year. Four of the five leases feature annual rent increases during the initial lease terms. The Property features a total of five tenants and one leased easement with varying lease expiration dates, ensuring long-term occupancy levels. Create Fitness signed a brand new 5-year NNN lease with rent increases and options to extend. The Property was renovated in 2024 and features high-quality finishes. The Property benefits from a population of over 238,000 residents within a 5-mile radius, with average household incomes exceeding \$93,000. Within a 1-mile radius, the population has grown over 34% since 2010 and is projected to increase by another 4.9% in the next 5 years. Spanaway/Puyallup, WA sub-market rents have increased a cumulative 17.8% over the past three years, per CoStar. With a vacancy rate of 3.3% and zero square feet of new retail space currently under construction, the development lull creates a high barrier to entry and demand for space remains high.

**PRICE: \$4,160,000**  
**CAP RATE: 6.50%**





# CANYON PLAZA SUMMARY AS OF JANUARY 2025

Address	10917 Canyon Rd E, Puyallup, WA 98373
GLA	9,830 SF
Lot Size	0.92 Acres
Parking Spaces	~61

Price	\$4,160,000
Price/SF	\$423
Year Built / Renovated	1985 / 2005 / 2024
Zoning	Urban Corridor

Tenant Name	Suite	SF	% Bldg Share	Lease From	Lease To	Rent/SF	Rent/Mo	Rent/Year	Changes On	Changes To	Rent Increases	Lease Type	Expense Reimb.	Options
Cuyle Sanders Salon	10925 Suite A	1,187	12.1%	6/15/12	6/30/25	\$18.45	\$1,825	\$21,900	Jul-2025	\$22,338	In Option	NNN	\$11,441	1, 1-Year @ FMR
Canyon Nails	10925 Suite B	730	7.4%	2/1/97	1/31/26	\$27.02	\$1,644	\$19,728	Feb-2025	\$20,112	2% Annual	NNN	\$7,036	None
Windermere Professional Partners	10917	4,297	43.7%	10/4/17	6/30/28	\$21.90	\$7,843	\$94,115	Jul-2025	\$97,879	4% annual	NNN	\$41,418	1, 5-Year @ FMR
Verizon Wireless	10929	1,886	19.2%	4/11/13	11/30/29	\$46.30	\$7,277	\$87,318	N/A	N/A	In Option	NNN	\$18,178	1, 5-Year
Create Fitness	10923	1,735	17.6%	7/25/24	4/30/30	\$25.00	\$3,615	\$43,375	Aug-2025	\$44,902	3.5% Annual	NNN	\$16,723	1, 5-Year
Crown Castle GT Company LLC (Easement)	10917	0	0.0%	8/17/97	8/1/27	\$0.00	\$91	\$1,086	N/A	N/A	-	-	\$0	None
<b>Total</b>		<b>9,835</b>				<b>\$27.20</b>	<b>\$22,293</b>	<b>\$267,522</b>					<b>\$94,796</b>	

# CANYON PLAZA OPERATING STATEMENT

Income	Year 1	Per SF	Notes
<b>Scheduled Base Rental Income</b>	270,611	27.52	
<b>Expense Reimbursement Income</b>			
<b>CAM</b>	45,995	4.68	[1]
<b>Insurance</b>	2,562	0.26	[1]
<b>Real Estate Taxes</b>	31,623	3.22	[1]
<b>Management Fees</b>	14,616	1.49	[1]
<b>Total Reimbursement Income</b>	\$94,796	100.0%	\$9.64
<b>Effective Gross Revenue</b>	\$365,408		\$37.15

Operating Expenses	Year 1	Per SF	Notes
<b>Common Area Maintenance (CAM)</b>	45,995	4.68	[2]
<b>Insurance</b>	2,563	0.26	[2]
<b>Real Estate Taxes</b>	31,623	3.22	[3]
<b>Management Fee</b>	14,616	4.0%	1.49 [4]
<b>Total Expenses</b>	\$94,797		\$9.64
<b>Expenses as % of EGR</b>			25.9%
<b>Net Operating Income</b>	<b>\$270,611</b>		<b>\$27.52</b>

Notes
[1] All NNN Expenses Fully Reimbursed by the Tenants, including Management Fee.
[2] Per 2023 P&L.
[3] 2024 Property Taxes per Pierce County Assessor.
[4] Management Fee at 4% of EGI.

## DEBT QUOTE

Loan Amount	\$2,496,000
LTV	60%
Interest Rate	5.75%
Ammortization	25 Years
Term	5-Year Fixed

FOR CURRENTLY AVAILABLE LOAN PROGRAMS PLEASE CONTACT:  
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# THE HIGHLIGHTS

## NEW 5-YEAR EXTENSION FROM VERIZON

Verizon Wireless just extended its lease for 5 years at a 10% increase and added an additional 5-year option, showing commitment to the site. In addition, Verizon will be renovating its store at its own expense.

## 100% OCCUPIED RETAIL CENTER WITH DIVERSE TENANT MIX

The Property is 100% leased by a diverse mix of tenants including Verizon Wireless and Windermere Real Estate. A new tenant, Create Fitness, just signed a brand new 5.5-year lease.

## CROWN CASTLE, INC ACCESS AGREEMENT UPSIDE IN 2027

Crown Castle, a publicly traded telecommunications company (NYSE: CCI), has an access agreement through the Property to access two large cell towers on the backside of the Property. The Lease for this access agreement was originated in 1997 and expires in 2027. The Lease is well below market rental rates at just \$91/month with expected market rent to be at least \$3,000/month, creating approximately \$36,000/year of NOI upside in 2027, taking the cap rate north of 7.40% based on the current purchase price.

## GROCERY SHADOW ANCHORED

The Property is located directly across the street from a successful Albertson's grocery store anchored shopping center and just down the street from a high-performing Safeway and McLendon Hardware. Other nearby national retailers include Dollar Tree, O'Reilly Auto Parts, ATI Physical Therapy, Bank of America, T-Mobile, Burger King, and Jack in the Box.



**Albertson's**  
OVER 520 THOUSAND VISITORS ANNUALLY (PLACER.AI).

**CANYON PLAZA**  
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## ANNUAL RENT INCREASES

The Property benefits from 69% of the GLA having annual rent increases. The annual increases during the initial lease terms range from 2.0% - 4.0%.

## AAA HIGH TRAFFIC LOCATION

The Property is located directly on Canyon Road with visibility to over 52,800 VPD and is adjacent to Hwy 512 (81,400+ VPD) with easy left turn access into the Property from both east and west side exit ramps.

## EASY ACCESS, AMPLE PARKING AND LARGE PYLON SIGNAGE

The Property features a signalized left-turn into the Property, ample parking and large pylon signage on Canyon Road with exposure to 52,800+ VPD.

## HIGH BARRIER-TO-ENTRY SUB-MARKET WITH 3.3% VACANCY RATE

Retail vacancy rates in the Spanaway/Puyallup retail sub-market are currently 3.3% with 6% rent growth year-over-year. In the past three years, rents have increased a cumulative of 17.8%. With virtually no new retail development under construction and no new supply delivered in the past 12 months, the development lull creates an incredibly high barrier-to-entry as demand for space remains high.

## AFFLUENT DEMOGRAPHICS HIGH-GROWTH SUB-MARKET

Within a 5-mile radius, the population has grown over 17% since 2010 and is projected to increase by another 3.1% in the next 5 years, with average household incomes exceeding \$93,000. Within a 1-mile radius, the population has grown by more than 34% since 2010.

## INCOME TAX FREE STATE

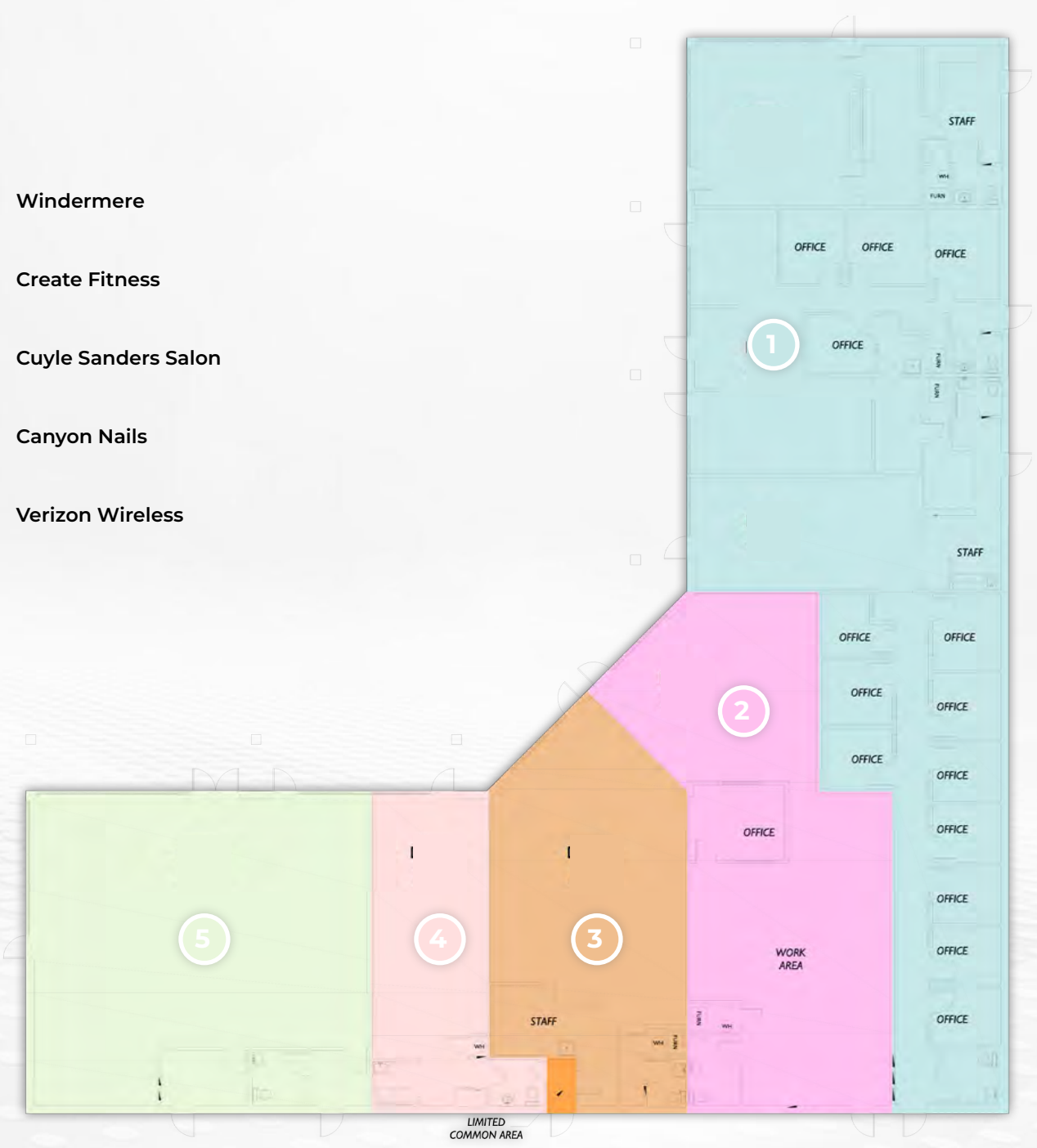
Washington State is income tax-free state.





# SITE PLAN

- 1 Windermere
- 2 Create Fitness
- 3 Cuyle Sanders Salon
- 4 Canyon Nails
- 5 Verizon Wireless





# LOCATION OVERVIEW

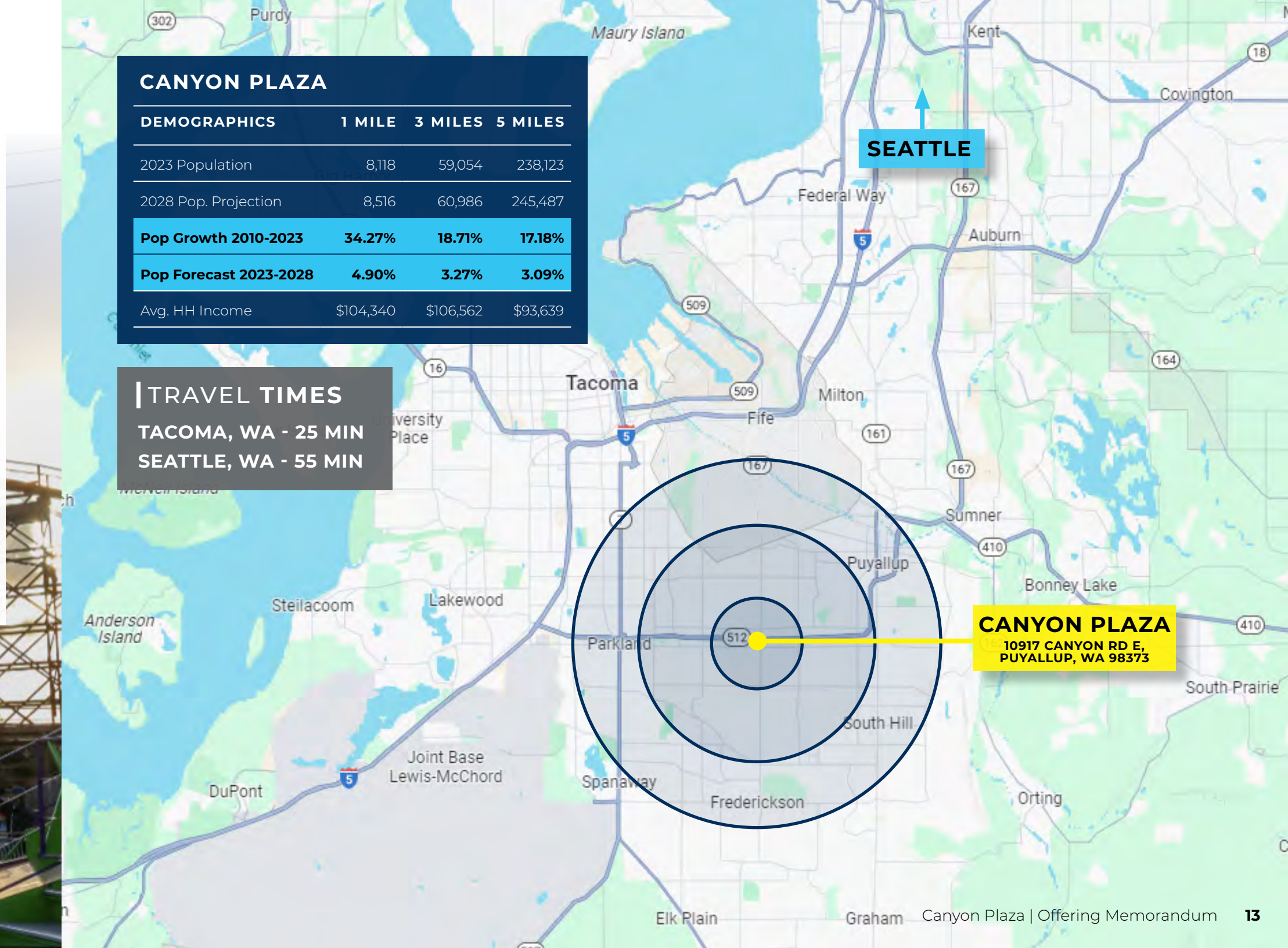
## PUYALLUP, WASHINGTON

Puyallup is a city in Pierce County and a part of the Seattle-Tacoma MSA. Puyallup is sandwiched between Seattle and Olympia, the Cascade Mountains border to the east, Mount Rainier is to the southeast and the Puget Sound is to the west. The city's name comes from the Puyallup Tribe of Native Americans and means "the generous people". Outlying cities recorded some of the largest population increases over the past decade as people moved toward lower land and housing costs. Recently, significant apartment construction has boosted population growth in the city core.

Nearby mountains and bodies of water create ample opportunities for recreational activities. The region is home to the world-famous Pike Place Market, Puget Sound, Mount Rainier, the Seattle Center, the Space Needle and the Washington state's largest fair. Among institutions of higher learning are the University of Washington, community colleges and the Art Institute of Seattle.

## ECONOMY

- Economic diversity is achieved through a highly skilled and educated workforce, advanced transportation and distribution infrastructure, and access to national and global markets.
- The region is a leader in the aerospace, e-commerce, cloud storage, and computer software industries with employers that include Microsoft, Boeing and Amazon. These companies provide numerous high-quality jobs.
- Job growth will outpace U.S. gains through 2025 as employment expands 0.7% annually, compared with 0.3% for the nation





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