

OFFERING MEMORANDUM

# ACE HARDWARE - SEQUIM



232 VALLEY CENTER PL, SEQUIM, WA

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# INVESTMENT SUMMARY

## THE OFFERING

*Kidder Mathews is pleased to present the opportunity to acquire the Ace Hardware in Sequim, WA a NNN investment opportunity featuring 10-year NNN lease with over 8 years of term remaining, delivering stable long-term cash flow with minimal landlord responsibilities.*

The property has benefited from approximately \$500,000 in recent capital improvements by current ownership and the tenant to support Ace Hardware's occupancy. A new roof is currently being installed.

ADDRESS	232 E Valley Center Place Sequim, WA 98382
PRICE	\$1,400,000
CAP RATE	6.50%
PRICE/SF	\$108
LEASE TYPE	NNN
LEASE TERM	10 Years with 8 Years remaining
BUILDING SF	13,000 SF
LAND AREA	0.92 Acres
YEAR BUILT	1996





## INVESTMENT HIGHLIGHTS

### 10-YEAR NNN LEASE

8+ years remaining on original 10 year NNN lease providing a passive investment with minimal landlord responsibilities and stable, long-term cash flow.

### SUBSTANTIAL TENANT & LANDLORD IMPROVEMENTS

Current ownership and tenant invested \$500,000 into capital improvements to the building for Ace Hardware's occupancy. A new roof is currently in the process of being installed.

### RECESSION-RESISTANT TENANT

Ace Hardware is a nationally recognized, essential-use retailer with consistent performance through economic cycles.

### STRONG LOCAL OPERATOR

Backed by an experienced regional ownership group (Broadway Hardware Group) with 9 locations in Washington and Oregon.

### LIMITED COMPETITION | REGIONAL RETAIL HUB

Sequim serves as a primary retail and service center for the surrounding Olympic Peninsula, with barriers to entry limiting big-box competition.

### STRATEGIC HIGHWAY LOCATION

Positioned near U.S. Route 101, the area's main arterial connecting Sequim to Port Angeles and the broader peninsula.

## TENANT PROFILE

*Founded in 1924, Ace Hardware is one of the largest and most recognized hardware cooperatives in the world, with more than 5,000 locations across the United States and internationally.*

Known for its neighborhood-focused approach and strong customer service model, Ace Hardware has built a reputation as a dependable, essential-use retailer serving both professional contractors and local communities. The company offers a diverse mix of hardware, tools, paint, lawn and garden supplies, and home improvement products, positioning it as a resilient retail operator with consistent demand across economic cycles. The subject property is operated by Broadway Hardware Group, an experienced regional operator with an established presence throughout the Pacific Northwest.

1924  
YEAR FOUNDED

5,000+  
LOCATIONS



# PROPERTY OVERVIEW



# PROPERTY OVERVIEW





# FINANCIALS

## CASH FLOW SUMMARY

**\$1,400,000**

PRICE

**6.50%**

CURRENT CAP RATE

**\$108**

PRICE PER SF

### SCHEDULED REVENUE

	Annual	Per SF
Scheduled Base Rent	\$90,996	\$7.00
Operating Expense Reimbursement	NNN	NNN
<b>Effective Gross Revenue (EGR)</b>	<b>\$90,996</b>	<b>\$7.00</b>

### OPERATING EXPENSES

	Annual	
Property Taxes	NNN	NNN
Insurance	NNN	NNN
Utilities	NNN	NNN
CAM	NNN	NNN
Total Operating Expenses	NNN	NNN
<b>Net Operating Income*</b>	<b>\$90,996</b>	

\*NOI based on 6/1/2029 rent increase. Buyer to receive credit at closing until rental increase takes effect.

## RENT ROLL

### RENT SUMMARY

Tenant Name	Leased SF	Lease Start	Lease Expiration	Recovery Type
ACE HARDWARE	13,000	06/01/2024	05/31/2034	NNN

Operated by The Broadway Hardware Group - 9 locations in WA/OR

<b>Totals</b>	<b>13,000</b>			
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### RENT DETAILS

Current Monthly Base Rent	Current Annual PSF Base Rent	Rent Increase Date	Rent Increase Monthly Amount	Renewal Options
\$7,042.00	\$6.50	6/1/2029	\$7,583	2x5
			\$0.50/SF rent increase every five years of the lease term and extensions options	
<b>\$7,042.00</b>	<b>\$6.50</b>			



\*NOI Based on 6/1/2028 Rent Increase. Buyer to receive credit at closing until increase takes effect.

# LEASE DETAILS

TENANT NAME	Sequim Ace Hardware, LLC
LEASE TYPE	NNN
LEASE COMMENCEMENT	June 1, 2024
LEASE EXPIRATION	May 31, 2034
BASE RENT	\$7,041.67, increasing to \$7,583 on 6/1/2029

**RENEWAL OPTIONS**  
Two 5-year options to extend with written notice to Landlord no earlier than 9 months and no later than 6 months prior to expiration of the lease term. Base rent increases \$0.50/SF at the beginning of each option.



## LEASE ABSTRACT

### EXPENSES

#### Real Estate Taxes

Tenant shall pay as additional rent, all real property taxes which are levied or assessed against the Landlord or the Premises, the land or any improvements, fixtures or any other property of Landlord, real or personal, located on and used in connection with the operation of Premises, including any increase in such taxes, whether resulting from a reassessment of the value of the Premises, or any portion thereof, or any other reason, imposed by any governmental authority, including special taxing districts.

#### Tenant's Insurance

Tenant shall during the term of the lease, keep in full force and effect general liability insurance naming Landlord as an additional insured party with a limit of not less than Two Million and no/100 Dollars (\$2,000,000.00) combined single limit per occurrence; and All risk insurance, including without limitation, coverage against direct physical loss such as fire, theft, burglary, structural collapse, sprinkler leakage, vandalism and malicious mischief, in an amount sufficient to cover the full cost of replacement of (a) all improvements and betterments to the Premises.

#### Additional Rent

In addition to the Monthly Rent, Tenant shall pay, when due, all costs, disbursements and expenses incurred or paid by Landlord in connection with the ownership, operation, maintenance and repair of the Premises including, but not limited to: (a) the cost of repairs, maintenance, and replacements of the Premises required during the Lease Term including, without limitation, glass, roof, foundation, landscaping, fences, and parking areas; (b) premiums for property damage, liability and all other insurance maintained by Landlord in connection with the ownership and the operation of the Premises; (c) the cost of trash disposal,

pest control, and snow removal service; (d) the cost of operating, repairing, maintaining, and replacing operating systems servicing the Premises including, without limitation, HVAC, sprinkler systems, gas, electrical, and plumbing systems and facilities; (e) the cost of water, electricity, gas, telephone, cable television and any other utilities utilized by Tenant at the Premises; (f) Taxes; and (g) any charges imposed on the Premises under the Declaration.

### MAINTENANCE & REPAIR

#### Landlord's Obligations

Landlord will maintain the roof in leak-proof condition and will maintain, replace, and repair, as necessary, all gutters, downspouts, foundation, exterior walls, sprinkler systems, and structural parts of the Leased Premises, unless any damage thereto is caused by Tenant's gross negligence. Landlord will be responsible for any repairs and replacements to the HVAC system which exceed \$2,000.00 per year in the aggregate, exclusive of the cost of Tenant's quarterly maintenance program for the HVAC system, and will replace all capital improvements including HVAC compressors and heat exchangers that fail notwithstanding Tenant's maintenance and repair program. Any modifications or additional improvements to the structural elements of the Premises including the roof, outer walls, common areas, and foundation that are required by applicable codes and ordinances will be the responsibility of Landlord.

#### Tenant's Obligations

From and after the Delivery Date and continuing during the Lease Term, Tenant will be responsible for all repairs to the interior of the Leased Premises including maintaining the interior of the Leased Premises in good, clean condition, except as limited by Landlord's Obligations. Tenant shall make all needed repairs and maintenance to the installed equipment, except Tenant will not be required to pay for HVAC units or roof replacement after its useful life has expired.



# LOCATION OVERVIEW

*Section 04*



# SEQUIM

*Surrounded by natural beauty and full of small-town charm, Sequim is a popular destination for outdoor enthusiasts and lavender lovers and is one of the driest places in western Washington.*

## DOWNTOWN SEQUIM

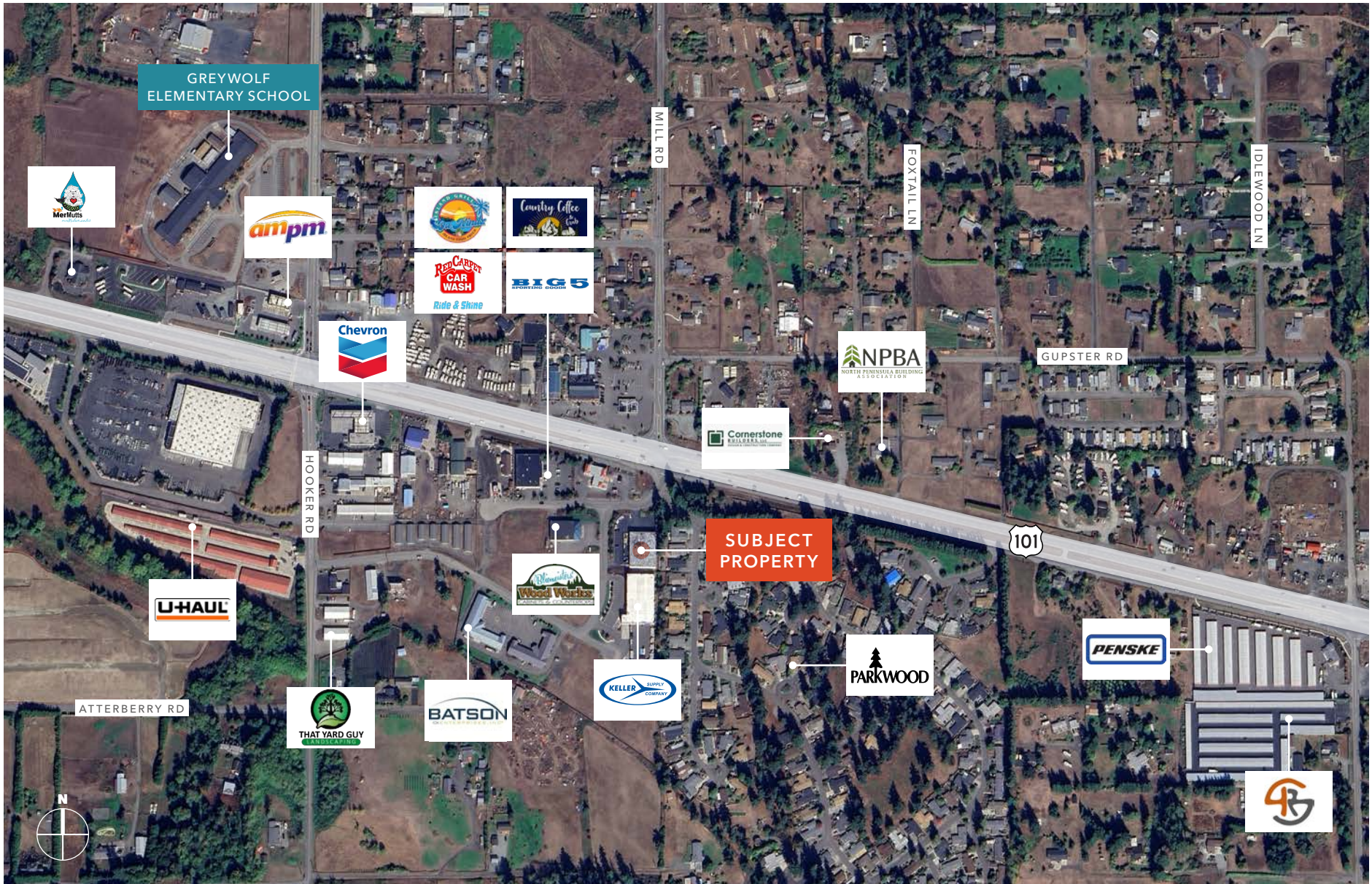
Sequim's charming and walkable downtown offers something for everyone. Independently-owned shops, boutiques, and restaurants line downtown streets. Arts and culture abound with the Sequim Museum & Arts presenting historic exhibits and rotating art shows, Olympic Theatre Arts presenting live theatre, music, and comedy, First Friday Art Walk supporting local galleries and retail shops displaying new art exhibits monthly. The Farmer's & Artisan's Market takes place every Saturday May through October on the Civic Center Plaza with the best of local produce and hand-crafted products. You'll enjoy the balance of activity in a relaxed, small friendly town environment.

## SEQUIM OPERA HOUSE

Located in the heart of downtown Sequim, the Sequim Opera House served to quench the creative thirsts and entertainment needs of area residents for many decades. Built in 1906 by Austin Smith and opened the following year by prominent area entrepreneur Charles Franklin Seal, the two-story structure with retail space on the ground floor and a second-level auditorium with stage was the site of musical events, concerts, dances, school graduations, film screenings, public meets and civic gatherings. It remains one of Sequim's oldest commercial buildings and was added to the National Register of Historic Places in 1991.

Source: [wa-sequimtourism.civicplus.com](http://wa-sequimtourism.civicplus.com)

# LOCATION OVERVIEW



# DEMOGRAPHICS

## POPULATION

	1 Mile	3 Miles	5 Miles
2025 ESTIMATED	1,926	14,261	29,204
2030 PROJECTION	1,908	14,227	29,253
2020 CENSUS	1,969	14,162	28,486

## EMPLOYMENT, INCOME & HOUSING

	1 Mile	3 Miles	5 Miles
2025 AVERAGE HH INCOME	\$84,003	\$86,931	\$94,149
2025 MEDIAN HH INCOME	\$59,402	\$68,020	\$72,381
MEDIAN HOME VALUE	\$430,319	\$441,548	\$497,375
MEDIAN YEAR BUILT	1987	1988	1989
TOTAL BUSINESSES	175	1,034	1,613
TOTAL EMPLOYEES	1,424	7,008	10,242



40

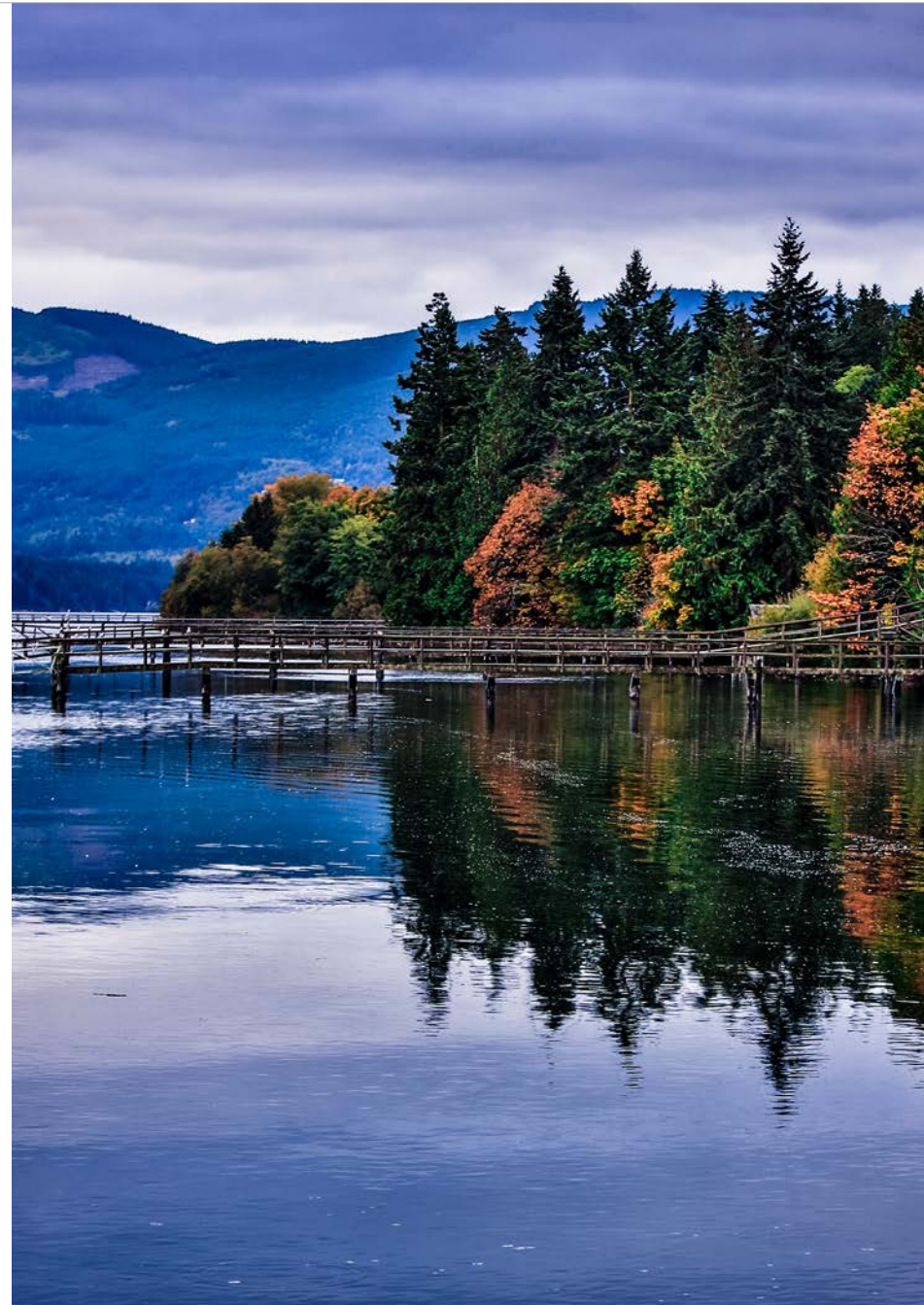
WALK SCORE



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BIKE SCORE

Data Source: ©2026 CoStar Group



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