

Gravity Coffee Drive-Thru

12811 Pacific Ave S, Tacoma, WA 98444

\$1,530,000

Cap Rate 6.03%

1.03% Annual Increases

16 Years Lease Remaining

Contact

Harris K. Niazi
Commercial Real Estate Broker
Keller Williams Realty Portland Central
License: WA # 138710
Direct phone (248) 770 9974
Email - niazi.harris@kw.com

Minhee Green
Commercial Real Estate Broker
Shin Shin Realty
License: OR # 801104064
Direct phone (503) 781 1993
Email - minheegreen@yahoo.com



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PROPERTY INFORMATION

ADDRESS:	12811 Pacific Ave S, Tacoma, WA 98444
BUILDING SIZE (SF)	575 per county records; 500 SF GLA per Lease
LAND SIZE	16,579 SF
YEAR BUILT	2020

PRICING

PURCHASE PRICE:	\$1,530,000
NET OPERATING INCOME:	\$92,277
CAP RATE:	6.03%

LEASE INFORMATION

TENANT TRADE NAME:	Gravity Coffee
TENANT ENTITY NAME:	Gravity Coffee Company, LLC.
LEASE GUARANTOR:	Maximo Ansola III (Gravity Coffee Co. Owner)
COMMENCEMENT:	05/11/2020
EXPIRATION EST:	05/31/2040
ORIGINAL LEASE TERM	20 Years
LEASE TERM REMAINING	16 Years
RENTAL INCREASES	1.03% Annual Increase
EXTENSION OPTIONS	Two, 5-year options
TENANT'S ROFR	No
LEASE TYPE:	Absolute NNN
PROPERTY TAXES	Tenant Responsible
INSURANCE	Tenant Responsible
UTILITES	Tenant Responsible
MAINTENANCE	Tenant Responsible



CASHFLOW PROJECTION

Purchase Price \$1,560,000
Lease Start 5/11/2020
Lease Exp. 5/31/2040
Annual Increases 1.03%
Options 2, 5 Year Option w/ 1.03% annual Increase

HOLD PERIOD			MONTHLY	ANNUAL	ANNUAL	YEAR-WISE CAP RATE
Year	Start	End	Base Rent	%age Rent Increase	Rent	Based on Purchase Price

DURING FIRM LEASE PERIOD 17 Years Remaining in original 20 Year Lease w/ 1.03% Annual Increases

Y1	6/1/2024	5/31/2025	\$7,690	1.03%	\$92,277	5.92%
Y2	6/1/2025	5/31/2026	\$7,769	1.03%	\$93,227	5.98%
Y3	6/1/2026	5/31/2027	\$7,849	1.03%	\$94,188	6.04%
Y4	6/1/2027	5/31/2028	\$7,930	1.03%	\$95,158	6.10%
Y5	6/1/2028	5/31/2029	\$8,011	1.03%	\$96,138	6.16%
Y6	6/1/2029	5/31/2030	\$8,094	1.03%	\$97,128	6.23%
Y7	6/1/2030	5/31/2031	\$8,177	1.03%	\$98,129	6.29%
Y8	6/1/2031	5/30/2032	\$8,262	1.03%	\$99,139	6.36%
Y9	5/31/2032	5/31/2033	\$8,347	1.03%	\$100,160	6.42%
Y10	6/1/2033	5/31/2034	\$8,433	1.03%	\$101,192	6.49%
Y11	6/1/2034	5/31/2035	\$8,520	1.03%	\$102,234	6.55%
Y12	6/1/2035	5/31/2036	\$8,607	1.03%	\$103,287	6.62%
Y13	6/1/2036	5/31/2037	\$8,696	1.03%	\$104,351	6.69%
Y14	6/1/2037	5/31/2038	\$8,786	1.03%	\$105,426	6.76%
Y15	6/1/2038	5/31/2039	\$8,876	1.03%	\$106,512	6.83%
Y16	6/1/2039	5/31/2040	\$8,967	1.03%	\$107,609	6.90%

DURING OPTIONS PERIOD Assuming 2, 5 Year Options w/ 1.03% increases are exercised

Y17	6/1/2040	5/31/2041	\$9,060	1.03%	\$108,717	6.97%
Y18	6/1/2041	5/31/2042	\$9,153	1.03%	\$109,837	7.04%
Y19	6/1/2042	5/31/2043	\$9,247	1.03%	\$110,968	7.11%
Y20	6/1/2043	5/31/2044	\$9,343	1.03%	\$112,111	7.19%
Y21	6/1/2044	5/31/2045	\$9,439	1.03%	\$113,266	7.26%
Y22	6/1/2045	5/31/2046	\$9,536	1.03%	\$114,433	7.34%
Y23	6/1/2046	5/31/2047	\$9,634	1.03%	\$115,611	7.41%
Y24	6/1/2047	5/31/2048	\$9,734	1.03%	\$116,802	7.49%
Y25	6/1/2048	5/31/2049	\$9,834	1.03%	\$118,005	7.56%
Y26	6/1/2049	5/31/2050	\$9,935	1.03%	\$119,221	7.64%

ABOUT INVESTMENT

This property features high-quality new construction with a drive-thru, an Absolute NNN lease, and built-in annual rent increases for inflation protection. With 17 years remaining in the firm lease term, the investment offers stable cash flow. The location benefits from excellent access and visibility on Pacific Ave Tacoma, with approximately 40,000 vehicles per day and convenient access to Hwy-512 and I-5. Situated in a highly dense trade area with a variety of national and local retailers, recreational facilities, schools, and residential neighborhoods, it is also close to Pacific Lutheran University with a significant student population. The presence of numerous national retailers in the area highlights the vibrant retail environment. Additionally, Washington's lack of state income tax adds to its appeal for businesses and potential employees. The specific Gravity Coffee location at 12811 Pacific Ave S, Tacoma, enjoys a favorable Google customer rating of 4.6, reflecting positive reviews from satisfied customers.

INVESTMENT HIGHLIGHTS

- **HIGH-QUALITY NEW CONSTRUCTION** BUILT IN 2020 WITH DRIVE-THRU.
- **ABSOLUTE NNN LEASE** WITH NO LANDLORD RESPONSIBILITIES.
- **INFLATION HEDGE** WITH BUILT-IN ANNUAL RENT INCREASES.
- **STABLE CASH FLOW** WITH 17 YEAR REMAINING IN FIRM LEASE TERM.
- **RECESSION-RESISTANT** COFFEE DRIVE-THRU TENANT.
- **STRONG BRAND NAME;** [51 GRAVITY LOCATIONS](#) i.e. 30 OPEN NOW/ 21 LANDING SOON (WA/OR/AZ/NV).
- EXCELLENT ACCESS AND VISIBILITY ON PACIFIC AVE** WITH APPROXIMATELY 40,000 VEHICLES PER DAY. QUICK ACCESS TO HWY-512 AND I-5.
- **LOCATED IN A HIGHLY DENSE TRADE AREA;** THE SURROUNDING AREA BOASTS A PLETHORA OF NATIONAL AND LOCAL RETAILERS, RECREATIONAL FACILITIES, SCHOOLS, AND RESIDENTIAL NEIGHBORHOODS. CLOSE PROXIMITY TO PACIFIC LUTHERN UNIVERSITY WITH OVER 3,100 STUDENTS.
- **PRESENCE OF NUMEROUS NATIONAL RETAILERS** ON PACIFIC AVE NEAR THE PROPERTY, INCLUDING THE WALGREENS, HOME DEPOT, SAFEWAY, STARBUCKS, US BANK, TRACTOR SUPPLY, O'REILLY AUTO PARTS, DOLLAR TREE, PAPA JOHN'S, POPEYE'S, FIRESTONE COMPLETE AUTO CARE, ARBY'S, WELLS FARGO, MCDONALD'S, AND MANY MORE, UNDERSCORING THE PROPERTY'S VIBRANT RETAIL ENVIRONMENT.
- **NO STATE INCOME TAX IN WASHINGTON** MAKES IT ATTRACTIVE LOCATION FOR BUSINESSES AND POTENTIAL EMPLOYEES.
- **GOOGLE CUSTOMER RATING FOR THIS SPECIFIC LOCATION @ 12811 PACIFIC AVE S, TACOMA** IS 4.6 WITH SOME EXCELLENT REVIEWS FROM HAPPY CUSTOMERS.



Gravity Coffee

12811 Pacific Ave S, Tacoma, WA

4.6 ★★★★★ 355 reviews

ABOUT GRAVITY COFFEE

Gravity is a company fueled by passion and creativity that has been revolutionizing the drive-thru coffee experience since opening our first location in 2016. Our keen attention to detail, loyalty to our consumers, and upbeat work environment are major contributors to our continued success. Our team members are the driving force behind our business. They are committed to delivering consistently amazing experiences to our customers. Behind them, Gravity's executive team brings a breadth of experience from across multiple industries, allowing us to craft an effective employee training program for each Gravista who joins our family. Our demonstrated success in one of the most competitive coffee markets in the United States has enabled us to continue expanding at an incredible rate. We are actively developing over 100 locations across the Pacific Northwest and other states, such as Arizona, Colorado, Idaho, Nevada, Oregon, Texas, Florida, and Utah. The core values of simplicity, consistent and reliable product quality, and efficiency in customer service set us apart, providing the amazing opportunity of upward growth for both our business and employees. Our founder feels strongly that the drive-thru revolution doesn't stop at just creating a menu that allows customers to personalize their coffee and energy drinks. As such, we are preparing to launch into a number of new endeavors within the retail market.

GRAVITY IS MORE THAN COFFEE, IT'S AN EXPERIENCE.

Source: <https://gravitycoffee.com/pages/our-story>

SEATTLE MARKET



SUBJECT PROPERTY



MAP, AERIAL AND TRAFFIC



GPR
 GRAND PRIX RACEWAY
 Advance Auto Parts
 O'Reilly AUTO PARTS
 McDonald's
 HARBOR FREIGHT
 QUALITY TOOLS LOWEST PRICES

Ford
 Marriott
 Holiday Inn



McChord Library



QFC
 McDonald's
 RSC

KeyBank
 Davita Kidney Care
 SUPER SAVER FOODS

goodwill
 McDonald's
 Dollar Tree
 Wells Fargo
 Jack in the box
 T-Mobile
 O'Reilly AUTO PARTS
 Little Caesars

Albertsons
 Walgreens
 Chipotle Mexican Grill

SAFeway
 LA FITNESS
 TSC TRACTOR SUPPLY CO
 RITE AID
 Wawa



THE HOME DEPOT
 Pizza Hut
 Arby's
 76

MAP, AERIAL AND TRAFFIC



Pacific Lutheran University



Garfield Commons
FARRELI'S, UNI
Teriyaki, T-
Mobile and
more...



Garfield Station
Apartments 104 unit



SUBJECT PROPERTY



COMPARABLE SALES

Sale Comparable Sales

6

Avg. Cap Rate – Comparable Sales

4.85%

Cap Rate – Subject Property

6.03%

BLACK ROCK COFFEE DRIVE THRU
14423 SE McLoughlin Blvd, Milwaukie OR



COMP 1 – Source Costar

Close of Escrow	June 2022
Sales Price:	\$1,800,000
CAP Rate:	5%
Year Built:	1993
Lease Remaining	15 Years
GLA	473 SF

BIGFOOT JAVA DRIVE THRU
82 W Nob Hill Blvd, Yakima WA



COMP 2 - Source Costar

Close of Escrow	Oct 29, 2021
Sales Price:	\$1,724,000
CAP Rate:	5.5%
Year Built:	2021
Lease Remaining	15 Years
GLA	500 SF

DUTCH BROS DRIVE THRU
16400 SW Barrows, Beaverton OR



COMP 3 – Source Costar

Close of Escrow	Oct 29, 2021
Sales Price:	\$2,200,000
CAP Rate:	4.09%
Year Built:	2017
Lease Remaining	15 Years
GLA	800 SF

GRAVITY COFFEE DRIVE THRU
11 NW 12th Ave, Centralia, WA 98604



COMP 4 – Source Costar

Close of Escrow	March 2022
Sales Price:	\$1,980,000
CAP Rate:	5%
Year Built:	2021
Lease Remaining	20 Years
GLA	673 SF

GRAVITY COFFEE DRIVE THRU
17505 Canyon Pkwy E Tacoma, WA 98446



COMP 5– Source Costar

Close of Escrow	Feb 2022
Sales Price:	\$1,860,000
CAP Rate:	Not Reported
Year Built:	2021
Lease Remaining	25 Years
GLA	573 SF

Woods COFFEE
10318 EVERGREEN WAY Everett WA



COMP 6– Source Costar

Close of Escrow	06/28/2024
Asking Price	\$1,730,000
CAP Rate:	6.00%
Year Built:	2022
Lease Remaining	10 Years
GLA	671 SF

COMPARABLE SALES

SEATTLE-TACOMA-BELLEVUE MSA

Located within the Seattle-Tacoma-Bellevue Metropolitan Statistical Area (MSA) that boasts over 4.1 million residents, the property lies in the thriving city of Tacoma, the county seat of Pierce County. Tacoma is Washington state's third-largest city and presents a vibrant economic landscape with several international companies. Notable businesses include True Blue Inc., a labor agency; Simpson, a lumber company; and food industry behemoths, Roman Meal and Brown & Haley.

Tacoma is also the site of Joint Base Lewis-McChord, a vital U.S. military installation serving the United States Army and Air Force. The base functions as a comprehensive training and mobilization center and is the only Army projection base west of the Rocky Mountains. With a workforce of 54,000, the military base stands as the region's largest employer.

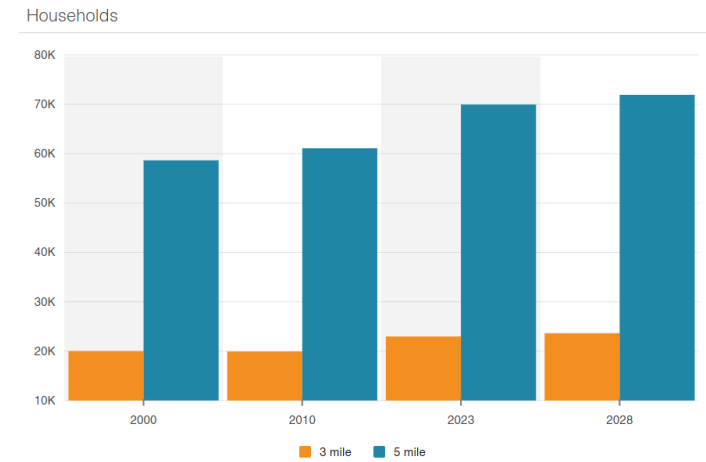
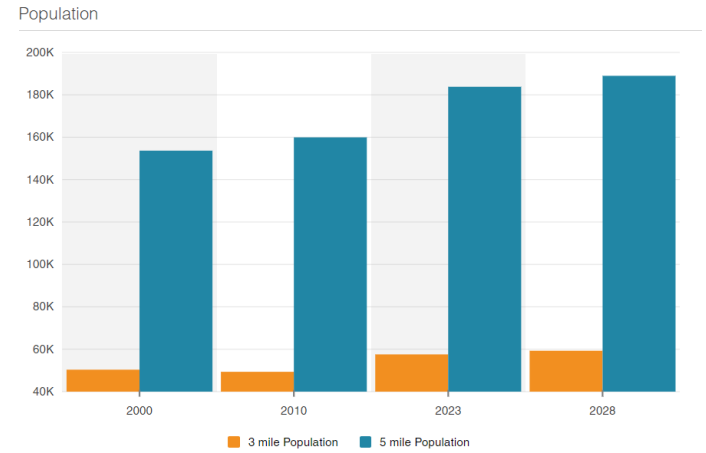
Other prominent employers in the Tacoma region include MultiCare Health System with a staff of 8,264, CHI Franciscan Health employing 5,682 individuals, and Safeway-Albertsons with 2,153 employees. The bustling workforce and the presence of these substantial employers underscore Tacoma's dynamic and prosperous economy. This factor, coupled with the property's placement within the robust Seattle-Tacoma-Bellevue MSA, presents an attractive investment opportunity within this vigorous market.



DEMOGRAPHICS

	3 mile	5 mile
2010 Population	49,350	159,926
2023 Population	57,556	183,791
2028 Population Projection	59,295	188,959
Annual Growth 2010-2023	1.3%	1.1%
Annual Growth 2023-2028	0.6%	0.6%
Median Age	35.5	35
Bachelor's Degree or Higher	21%	21%
U.S. Armed Forces	2,782	8,730

	3 mile	5 mile
Avg Household Income	\$80,715	\$79,927
Median Household Income	\$61,556	\$63,324
< \$25,000	3,850	11,495
\$25,000 - 50,000	5,250	15,527
\$50,000 - 75,000	4,538	14,628
\$75,000 - 100,000	2,901	9,173
\$100,000 - 125,000	2,655	7,663
\$125,000 - 150,000	1,456	4,274
\$150,000 - 200,000	1,063	4,070
\$200,000+	1,261	3,129





CONTACT:

Harris K. Niazi
Keller Williams Realty Portland Central
License: WA # 138710
Direct phone (248) 770 9974
Email - niazi.harris@kw.com

Minhee Green
Shin Shin Realty
License: OR # 801104064
Direct phone (503) 781 1993
Email - minheegreen@yahoo.com

Diana Short
Transaction Coordinator
Keller Williams Realty Portland Central
Direct phone – 775.354.8353
Email - diana.short@kw.com