

OFFERING MEMORANDUM

LAKEWOOD SQUARE

6000-6010 MT TACOMA DR SW & 5921 LAKE GROVE ST SW, LAKEWOOD, WA 98499



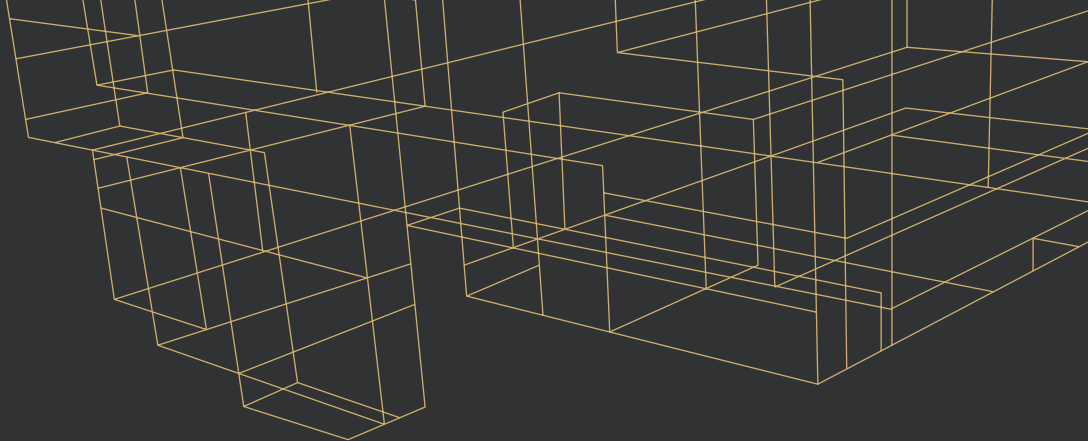


TABLE OF CONTENTS

01

INVESTMENT SUMMARY

02

FINANCIALS

03

LOCATION OVERVIEW

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INVESTMENT SUMMARY

Section 01

INVESTMENT SUMMARY

Kidder Mathews is pleased to present the opportunity to acquire Lakewood Square, a multi-tenant neighborhood shopping center anchored by credit tenant Goodwill.

Goodwill has operated at the center since 2004 and executed a new 10-year lease extension in July 2024. The property includes five buildings featuring a well-rounded mix of national and local tenants, offering value retail, dining, and service-based uses.

Strategically positioned at a signalized intersection in a high-traffic area, Lakewood Square provides convenient access from both Mt. Tacoma Drive and Lake Grove Street. Located within the Central Business District (CBD), the property benefits from strong connectivity, surrounded by bus stops and just a 15-minute drive to several Link Light Rail stations. Nearby points of interest include St. Joseph's Hospital, South 25th, Hilltop District, Union Station/South 19th, and the Convention Center/South 15th. Lakewood Station and South Tacoma Station are also just five minutes away, offering excellent regional accessibility.

ADDRESS	6000-6010 Mt Tacoma Dr SW & 5921 Lake Grove St SW, Lakewood, WA 98499
OCCUPANCY	89%
RENTABLE SF	54,066
PRICE PER SF	\$161
YEAR BUILT	1965/1994
LAND SF	177,942 (4.08 Acres)
ZONING	Central Business District (CBD)

\$8.69M
PRICE

7.88%
CURRENT CAP RATE

8.87%
PROFORMA CAP RATE



INVESTMENT HIGHLIGHTS

Goodwill recently signed a 10 year lease extension and has 20+ years of occupancy at Lakewood Square

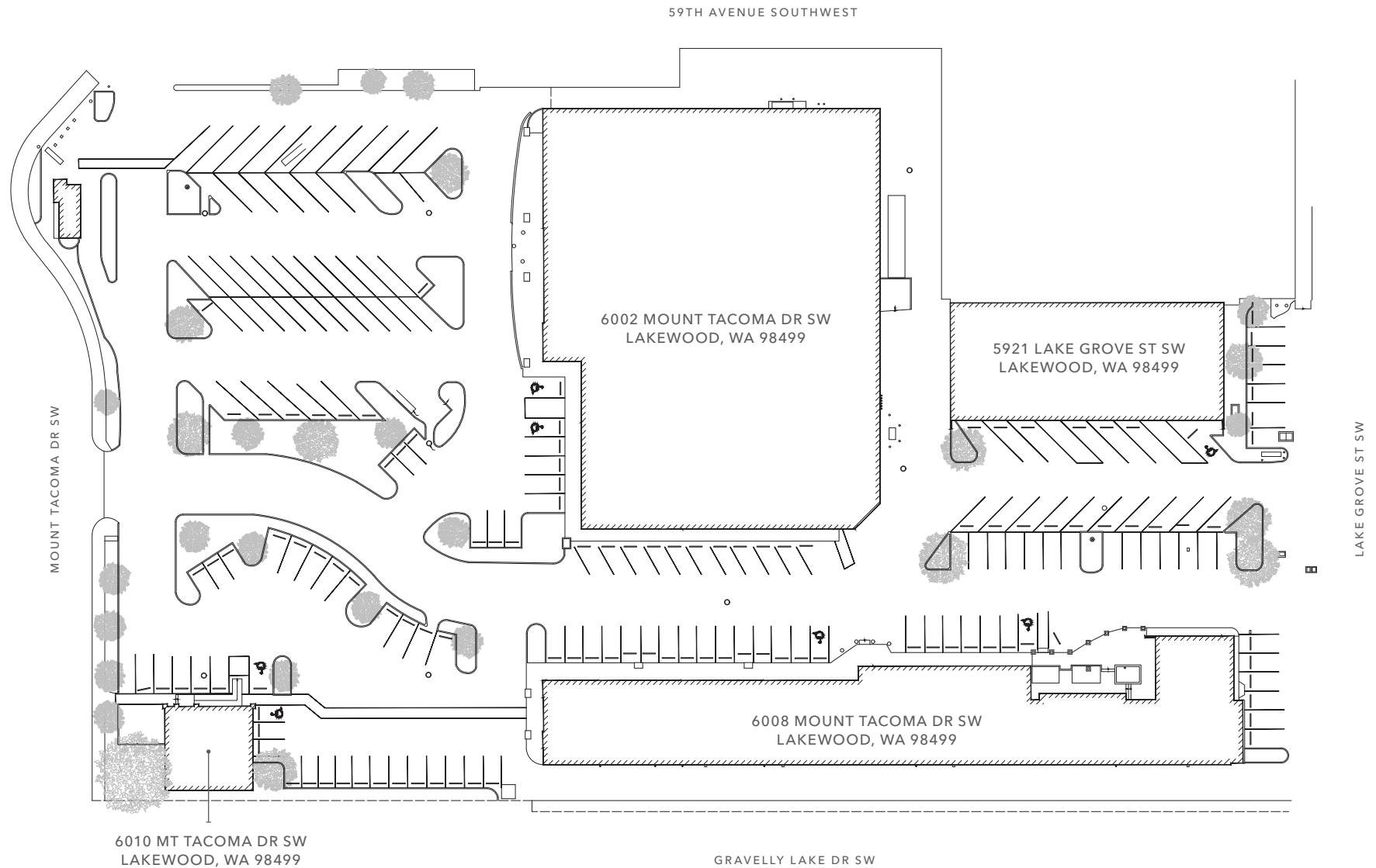
Majority of leases feature 3%+ annual increases

Offered at \$161/SF – Well below construction cost

Excellent mix of national and local tenants

AI and e-commerce resistant tenants

SITE PLAN



FINANCIALS

Section 02

CASH FLOW SUMMARY

SCHEDULED REVENUE

	CURRENT		PROFORMA	
	Annual	Per SF	Annual	Per SF
Scheduled Base Rent	\$762,953	\$14.11	\$830,777	\$15.37
Rent Increases During Analysis Period	\$8,386	\$0.16	\$8,386	\$0.16
Operating Expense Reimbursement	\$288,715	\$5.34	\$367,373	\$6.79
Scheduled Gross Revenue	\$1,060,054	\$19.61	\$1,206,536	\$22.32
Current Vacancy (11%) / Proforma @ 5% Vacancy Factor	\$0.00	\$0.00	(\$60,326.82)	(\$1.12)
Effective Gross Revenue (EGR)	\$1,060,054	\$19.61	\$1,146,210	\$21.20

OPERATING EXPENSES

	Annual	Per SF	Annual	Per SF
Property Taxes	\$95,187	\$1.76	\$95,187	\$1.76
Insurance	\$45,126	\$0.83	\$45,126	\$0.83
CAM	\$184,658	\$3.42	\$184,658	\$3.42
Management Fee	\$42,402	\$0.78	\$42,402	\$0.78
Reserves	\$8,110	\$0.15	\$8,110	\$0.15
Total Operating Expenses	\$375,483	\$6.94	\$375,483	\$6.94
Net Operating Income	\$684,571		\$770,726	

NET OPERATING INCOME

Debt Service	\$511,104		\$511,104	
Cash Flow After Debt Service	\$173,467	7.98%	\$259,623	11.95%
Year 1 Principal Paydown	\$113,440		\$113,440	
Total Return	\$286,907	13.21%	\$373,062	17.17%

\$8.69M

PRICE

\$161

PRICE/SF

7.88%

CURRENT CAP RATE

8.87%

PROFORMA CAP RATE

CASH FLOW SUMMARY CONTINUED

CASH-ON-CASH RETURN ANALYSIS

Purchase Price	\$8,690,000
Loan-to-Value (LTV)	75%
Interest Rate	6.15%
Amortization (Years)	25
Loan Amount	\$6,517,500
Annual Debt Service	\$511,104
Net Operating Income	\$684,571
Cash Flow After Debt Service	\$173,467
Cash-on-Cash Return	7.98%
Year 1 Principal Paydown	\$113,440
Total Return on Equity	13.21%

FINANCING ASSUMPTIONS

		LTV
Loan Amount	\$6,517,500	75%
Down Payment	\$2,172,500	25%
Interest Rate	6.15%	
Amortization	25 Years	
Term	5 Years	

*Financing Quote
Provided by*

JACOB WILSON
Crux Commercial Partners
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RENT ROLL

							RENT DETAILS				
Tenant Name	Suite	Leased SF	% of NRA	Lease Start	Lease Expiration	Recovery Type	Current Monthly Base Rent	Current Annual PSF Base Rent	Rent Increase Date	Rent Increase Monthly Amount	Renewal Options
Aloha Coffee Grindz Notation 2	6000	250	0.46%	6/1/2016	3/31/2034	NNN	\$3,051	\$146.47	4/1/2027	\$3,143	NA
							3% annual increases				
PINN Physical Therapy Notation 2	6002A	9,760	18.05%	1/20/2020	4/30/2028	NNN	\$12,729	\$15.65	2/1/2027	\$13,111	NA
							3% annual increases				
Goodwill Notation 1, 3	6002B	20,817	38.50%	7/1/2004	6/30/2034	NNN	\$29,733	\$17.14	7/1/2027	\$30,774	NA
							3.5% annual increases				
VACANT (Proforma)	6008A/B	2,400	4.44%	TBD	TBD	NNN	\$3,400	\$17.00	--	--	--
Gretta Thomas Salon	6008C	1,587	2.94%	7/1/2023	6/30/2028	NNN	\$2,116	\$16.00	NA	NA	NA
GLOW Strand to Scalp Therapy	6008D	776	1.44%	11/22/2021	12/30/2026	NNN	\$1,035	\$16.01	NA	NA	1x3
							3% annual increases				
Lakewood Jiu Jitsu	6008E	5,118	9.47%	2/1/2026	3/31/2029	NNN	\$5,616	\$13.17	4/1/2027	\$5,813	1x5
The Shujaa Restaurant	6008F	4,375	8.09%	6/1/2025	5/31/2030	NNN	\$4,375	\$12.00	6/1/2027	\$5,104	NA
							Increase to \$14/SF from 6/1/27 to end of term				
The Archive Event Center Notation 2	6010	1,698	3.14%	11/1/2023	10/31/2026	NNN	\$2,550	\$18.02	NA	NA	NA
Golden West Games	5921A	3,653	6.76%	12/1/2025	11/30/2028	NNN	\$2,374	\$7.80	12/1/2027	\$2,521	NA
VACANT (Proforma)	5921B	3,632	6.72%	TBD	TBD	NNN	\$2,252	\$7.44	--	--	--
Totals		54,066					\$63,579	\$14.11			
Leaseable		6,032	11%								
Current Occupied		48,013	89%								
Proforma Totals		6,032	11%				\$69,231	\$15.37			

1) Either party shall have One (1) Option to terminate this Lease on the last day of the 60th month of the term by giving the other party 12 months (365-days) prior written notice and paying an amount equal to two (2) month's rent as consideration. Notice of intent to exercise this option should be delivered in writing to the other party between June 26th and 30th of 2028

2) Property management cap at 5% of monthly base rent

3) Property management not to exceed 4% of gross rent

OPERATING EXPENSES

OPERATING EXPENSES (FORECASTED)				CURRENT REIMBURSEMENTS	PROFORMA REIMBURSEMENTS
	Total	PSF	Notations	Annualized In-Place	Annualized In-Place
Property Taxes	\$95,187	\$1.76	1	\$84,567	\$95,187
Insurance	\$45,126	\$0.83	2	\$40,092	\$45,126
CAM	\$184,658	\$3.42	2	\$164,056	\$184,658
Management Fee	\$42,402	\$0.78	3	\$0	\$42,402
Reserves	\$8,110	\$0.15	4	\$0	\$0
Total Expenses	\$375,483	\$6.94		\$288,715	\$367,373

NOTATIONS

- 1) Based on the 2026 Pierce County Tax Assessor
 2) Based on the 2025 P&L
 3) Based on 4% of EGR
 4) Calculated at \$0.15/SF

REIMBURSEMENTS

Tenant Name	Pro-Rata %	Property Taxes	Insurance	CAM	Management Fee	Notations	Current Totals	Proforma Totals
ALOHA COFFEE GRINDZ	0.46%	\$440	\$209	\$854	\$196	1	\$1,503	\$1,699
PINN PHYSICAL THERAPY	18.05%	\$17,183	\$8,146	\$33,334	\$7,654	1	\$58,664	\$66,318
GOODWILL	38.50%	\$36,650	\$17,375	\$71,099	\$16,326	1	\$125,123	\$141,449
VACANT (PROFORMA)	4.44%	\$4,225	\$2,003	\$8,197	\$1,882		\$0	\$16,308
GRETТА THOMAS SALON	2.94%	\$2,794	\$1,325	\$5,420	\$1,245	1	\$9,539	\$10,784
GLOW STRAND TO SCALP THERAPY	1.44%	\$1,366	\$648	\$2,650	\$609	1	\$4,664	\$5,273
LAKEWOOD JIU JITSU	9.47%	\$9,011	\$4,272	\$17,480	\$4,014	1	\$30,762	\$34,776
THE SHUJAA RESTAURANT	8.09%	\$7,702	\$3,652	\$14,942	\$3,431	1	\$26,297	\$29,728
THE ARCHIVE EVENT CENTER	3.14%	\$2,989	\$1,417	\$5,799	\$1,332	1	\$10,206	\$11,583
GOLDEN WEST GAMES	6.76%	\$6,431	\$3,049	\$12,477	\$2,865	1	\$21,957	\$24,822
VACANT (PROFORMA)	6.72%	\$6,394	\$3,031	\$12,405	\$2,848		\$0	\$24,679
Total (Current)	89%	\$84,567	\$40,092	\$164,056	--		\$288,715	--
Total (Proforma)	97%	\$95,187	\$45,126	\$184,658	\$42,402		--	\$367,373

NOTATIONS

- 1) Tenant operates on a NNN lease structure. Ownership is currently not charging a management fee in NNN expense, although lease allows it.

LOCATION OVERVIEW

LAKEWOOD

Lakewood is the second largest city in Pierce County based on population.

The city is bounded by Joint Base Lewis-McChord on the south and east, Steilacoom on the west and Tacoma on the north. Military facilities provide much of the employment in this area.

The subject property is located next to Lakewood Towne Center, the largest community center of its type in Pierce County and the second largest retail center outside the Tacoma Mall.

The center serves as the symbolic and physical heart of the city of Lakewood, as the City relocated its civic center and City Hall onto the Center's site. The open-air center is anchored by many retailers including Target, Ross, Office Depot, Marshalls, a twelve-screen AMC Cineplex, and Safeway. This particular retail superblock includes over 70 acres east of Bridgeport Way SW, west of Gravelly Lake Dr. Northwest of the subject is Lakewood Colonial Center, a multi-block neighborhood retail center formerly anchored by QFC that is slated for redevelopment. The first phase included a new CVS drugstore on the corner.

64,052

EST POPULATION 2023

\$109K

AVG HOUSEHOLD INCOME

JOINT BASE LEWIS-MCCHORD

Joint Base Lewis-McChord (JBLM) is the home of I-Corps and the 62nd Airlift Wing. Located in the heart of the Pacific Northwest's Puget Sound Region, JBLM is the Department of Defense's premiere military installation on the West Coast, one of the most requested duty stations in the military. The 415,000-acre base includes the Yakima Training Center in Central Washington, making it the largest installation on the West Coast. JBLM supports more than 60,000 military and civilian jobs and contributes nearly \$3 billion to the local economy, supporting over 254,000 local residents. 85% of the JBLM workforce live off-base, interacting with surrounding communities. JBLM began in 1917, when 70,000 acres of Washington land was acquired by Pierce County and was donated to the federal government to create Camp Lewis. Since that time, JBLM has grown into the largest Army-led joint base in the United States and is the only Army Power Projection Platform west of the Rocky Mountains.



415,000 AC

MILITARY BASE

\$3B

ECONOMIC IMPACT

60,000

JOBS

LOCATION OVERVIEW



SEELY LAKE PARK



GRAVELLY LAKE DR SW

100TH ST SW



LAKEWOOD PAVILION



LAKEWOOD TOWNE CENTER

LAKEWOOD TRANSIT CENTER

Steilacoom Lake



DEMOGRAPHICS

POPULATION

	1 Mile	3 Miles	5 Miles
2025 EST. TOTAL	12,745	99,268	233,943
2030 PROJECTION	12,641	98,380	233,765
2020 CENSUS	12,636	100,384	234,052

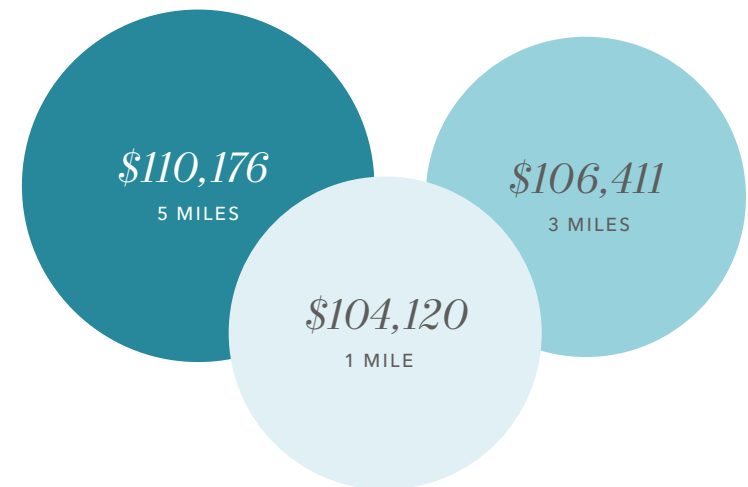
EMPLOYMENT & INCOME

	1 Mile	3 Miles	5 Miles
2025 EST. MEDIAN HH INCOME	\$73,418	\$80,459	\$83,523
2025 PER CAPITA INCOME	\$43,937	\$42,576	\$43,432
TOTAL BUSINESSES	941	4,045	8,802
TOTAL EMPLOYEES	6,741	32,945	67,629

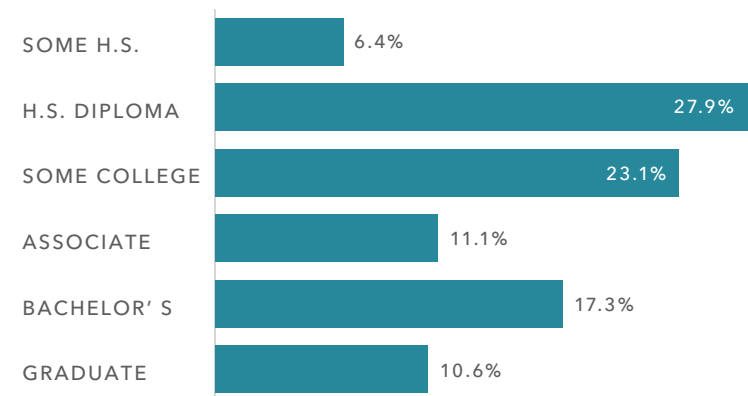
HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2025 TOTAL	5,367	39,230	91,191
2030 PROJECTED	5,371	39,250	92,052
2020 CENSUS	5,270	38,802	89,111
GROWTH 2025 - 2030	4	21	861

AVERAGE HOUSEHOLD INCOME



EDUCATION (5 MILES)



Data Source: ©2025, Sites USA



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