

# Mixed Use Office/Retail Pacific Avenue-Tacoma

TACOMA, WA



## OFFERING MEMORANDUM

**KW COMMERCIAL**

7525 28th Street West  
University Place, WA 98466

**PRESENTED BY:**

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## TACOMA, WA

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## Executive Summary



<b>SALE PRICE:</b>	\$2,100,000
<b>PRICE PER UNIT:</b>	\$262,500
<b>CAP RATE:</b>	5.66%
<b>NOI:</b>	\$118,877
<b>LOT SIZE:</b>	2.56 Acres
<b>BUILDING SIZE:</b>	11,103 SF
<b>BUILDING CLASS:</b>	C
<b>YEAR BUILT:</b>	1958
<b>RENOVATED:</b>	1975
<b>ZONING:</b>	CMUD
<b>MARKET:</b>	Seattle
<b>SUB MARKET:</b>	Tacoma
<b>CROSS STREETS:</b>	Pacific Ave S And Highway 7

### PROPERTY OVERVIEW

50- Yard line location, situated just south of SR 512 and north of 112th st on Pacific Ave. Next door to McDonald's and QFC shopping center, high traffic counts of +/- 126,000 CPD (Pacific Ave & HWY 512 intersection). Good income, with great income potential, by re-tenanting and/or tightening up lease agreements. 2 parcels include 3 buildings and PLENTY of parking. Pacific Pride is one tenant on it's own parcel and the remaining tenants are on the back parcel, tenants are all long term tenants and have a strong desire to stay. Other opportunities include a redevelopment play with the CMUD (Pierce County) zoning. Great signage and visibility from both HWY 512 and Pacific Ave.

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## Property Description

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### LOCATION OVERVIEW

From I-5 take WA-512E to WA-7 S/Pacific Ave S  
Use right two lanes to turn right onto WA-7 S/ Pacific Ave S  
Turn right into shopping center



## Property Details

**PROPERTY NAME:** Mixed Use Office/Retail Pacific Avenue-Tacoma

**STREET ADDRESS:** 11006 Pacific Ave S

**CITY, STATE, ZIP:** Tacoma, WA 98444

**PROPERTY TYPE:** Office

**APN:** 0319043131 & 0319043132

**LOT SIZE:** 2.56 AC

**BUILDING CLASS:** C

**ZONING:** CMUD

**CROSS STREETS:** Pacific Ave S and Highway 7

**YEAR BUILT:** 1958

**NUMBER OF STORIES:** 2

**NUMBER OF UNITS:** 8





# Complete Highlights

## PROPERTY HIGHLIGHTS

- 50 Yard Line Location
- Plenty of Parking
- 3 Buildings
- 2 Parcels
- Centrally Located off HWY 512 and Pacific HWY (SR 7)
- Excellent Access and Visibility
- High Traffic Retail Trade Area
- McDonald's & QFC at Entrance of Parcel
- Stable Cash Flow
- Close to PLU & JBLM
- Long Term Tenants
- Indoor Pool
- 2nd Floor Rooftop Veranda
- 2nd Floor 2 Bedroom Apartment
- Full Kitchen
- Washer and Dryer Hookups
- 2 Living Rooms
- Large Office Space
- View of Mount Rainier from Veranda



## Additional Photos





## Additional Photos

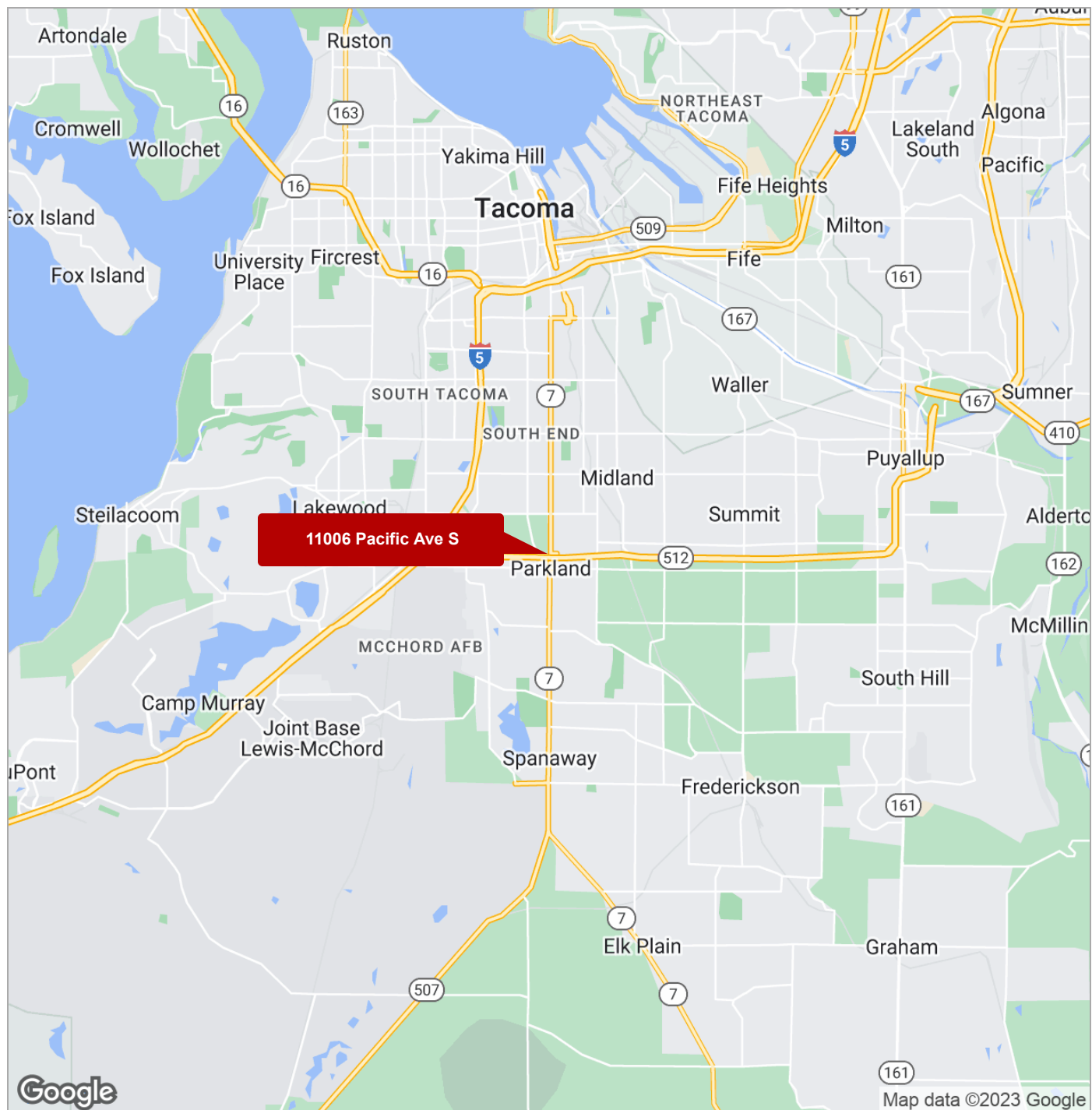




## Additional Photos

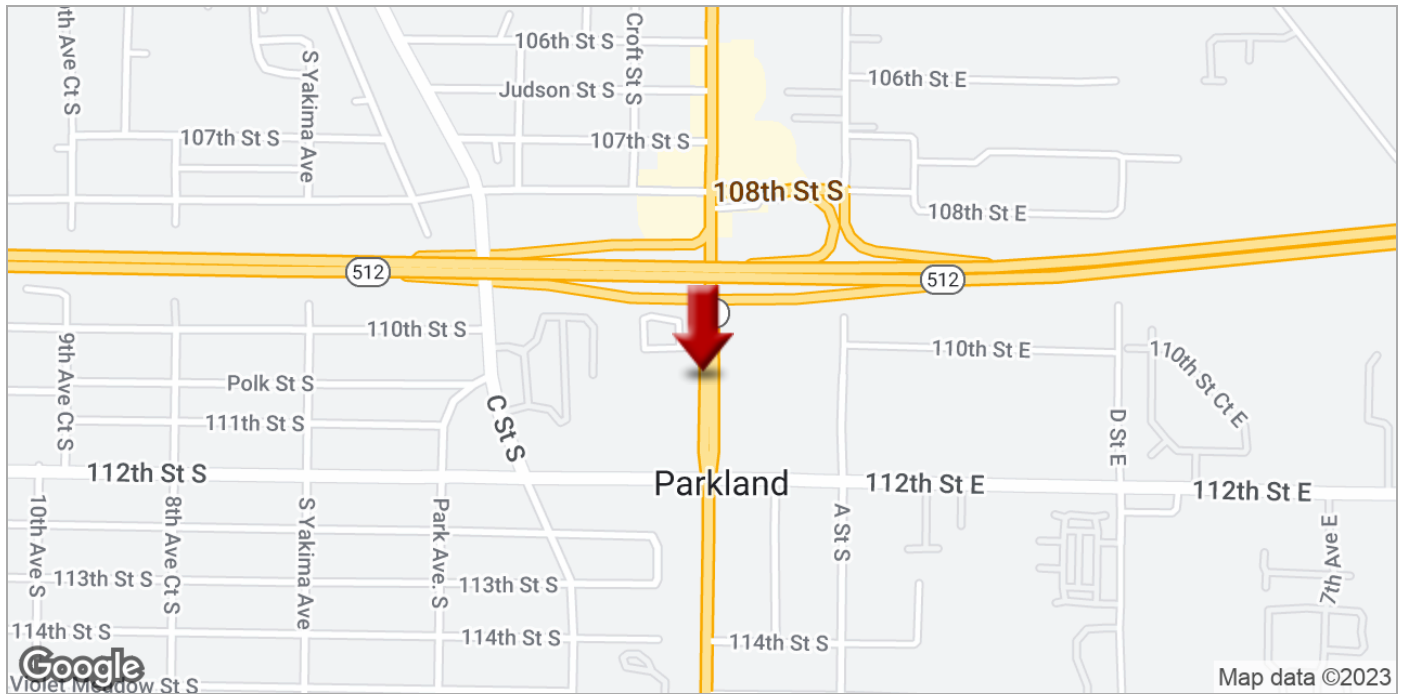


## Regional Map

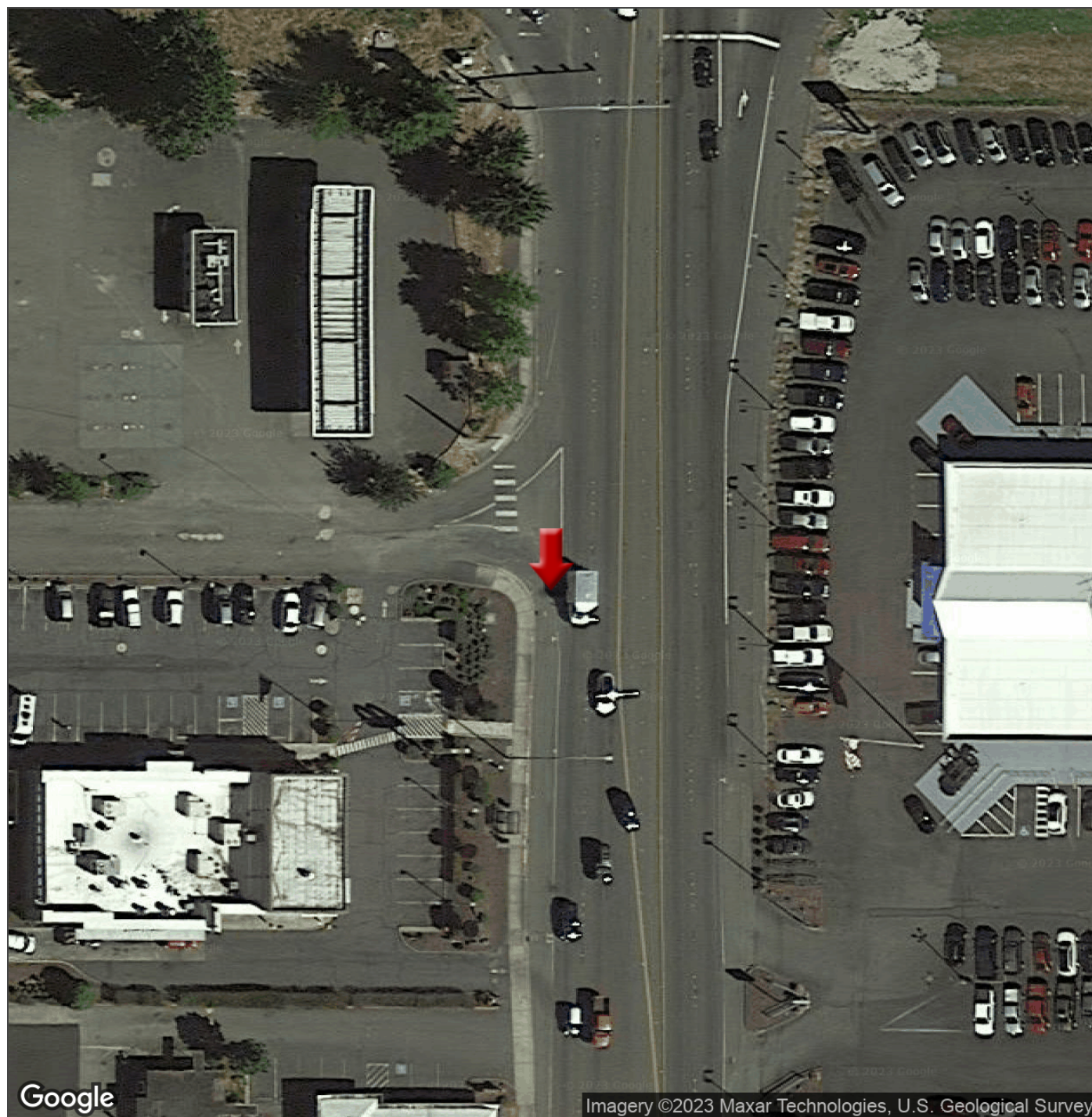




## Location Maps

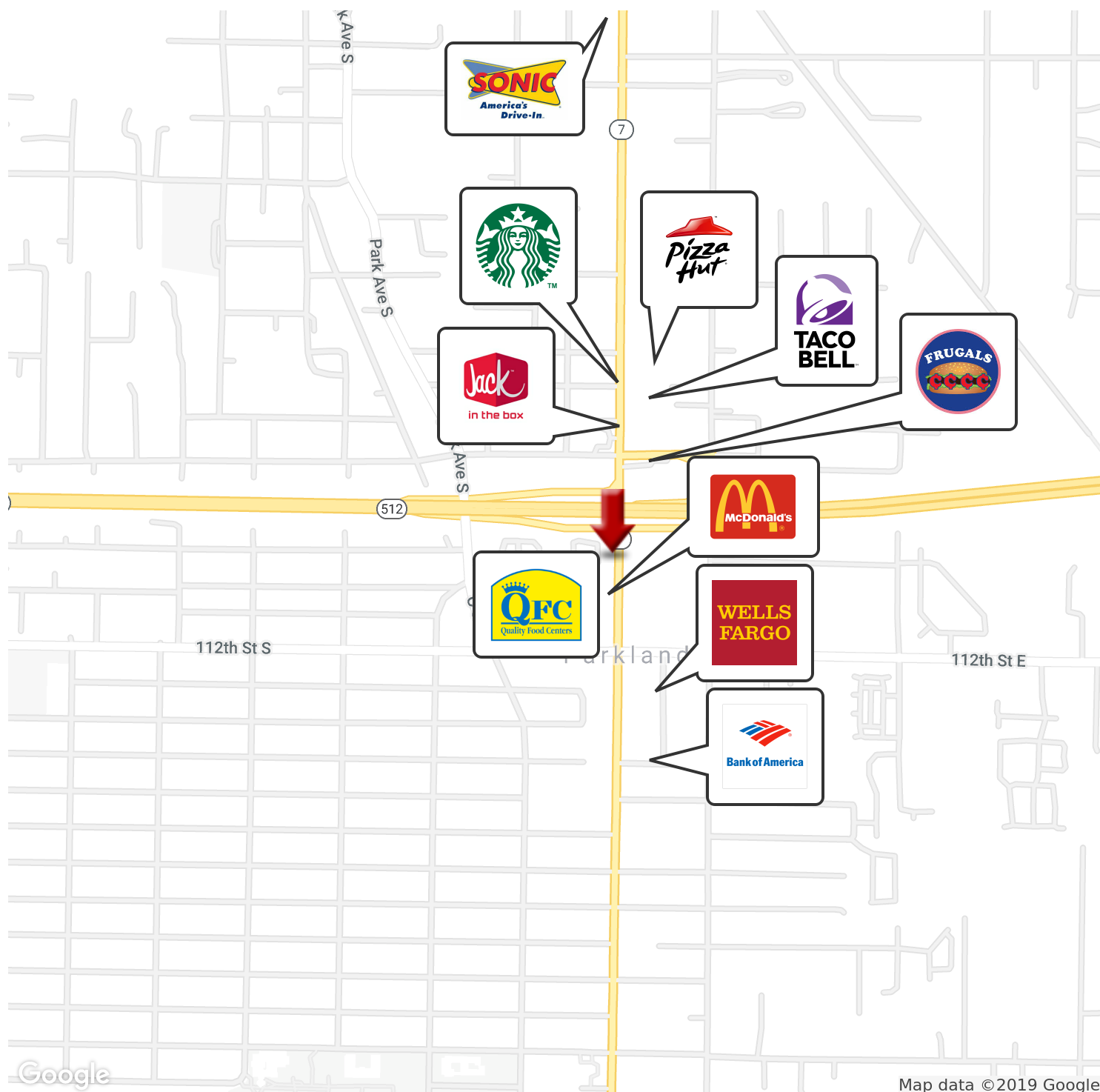


## Aerial Map





# Retailer Map



# Financial Summary

## INVESTMENT OVERVIEW

Price	\$2,100,000
Price per SF	\$189.14
CAP Rate	5.7%
Cash-on-Cash Return (yr 1)	5.66 %
Total Return (yr 1)	\$118,877
Debt Coverage Ratio	-

## OPERATING DATA

Gross Scheduled Income	\$168,309
Other Income	-
Total Scheduled Income	\$168,309
Vacancy Cost	\$0
Gross Income	\$168,309
Operating Expenses	\$49,432
Net Operating Income	\$118,877
Pre-Tax Cash Flow	\$118,877

## FINANCING DATA

Down Payment	\$2,100,000
Loan Amount	-
Debt Service	-
Debt Service Monthly	-
Principal Reduction (yr 1)	-



## Income & Expenses

INCOME SUMMARY		PER SF
Utility Reimbursement	\$4,920	\$0.44
<b>GROSS INCOME</b>	<b>\$4,920</b>	<b>\$0.44</b>
EXPENSE SUMMARY		PER SF
Taxes	\$18,952	\$1.71
Utilities	\$21,780	\$1.96
Repairs	\$3,600	\$0.32
Insurance	\$5,100	\$0.46
<b>GROSS EXPENSES</b>	<b>\$49,432</b>	<b>\$4.45</b>
<b>NET OPERATING INCOME</b>	<b>\$118,877</b>	<b>\$10.71</b>

## Rent Roll

TENANT NAME	UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF BUILDING	PRICE PER SF/YR
Pacific Pride	420	12/04/98	12/31/2023	\$77,998	3.78	\$185.71
Acme Driving School	950	04/01/2018	3/31/2023	\$13,860	8.56	\$14.59
Grooming Gals	900	04/01/2018	3/31/2023	\$13,200	8.11	\$14.67
Damascus Unity Baptist Church	1,200	06/01/2018	05/31/2019	\$11,088	10.81	\$9.24
Pillow Products	2,465	08/01/1989	04/31/2019	\$5,964	22.2	\$2.42
The Toy Box	750	04/01/2018	3/31/2019	\$9,600	6.75	\$12.80
Atlantic Coperate Services LLC	300	06/01/2018	5/31/2019	\$6,000	2.7	\$20.00
Melanie Hair	390	11/01/2017	10/31/2018	\$6,600	3.51	\$16.92
2 Bd Apartment	1,300	06/01/2018	05/31/19	\$24,000	11.71	\$18.46
<b>TOTALS/AVERAGES</b>	<b>8,675</b>			<b>\$168,310</b>		<b>\$19.40</b>

# Sale Comps Summary

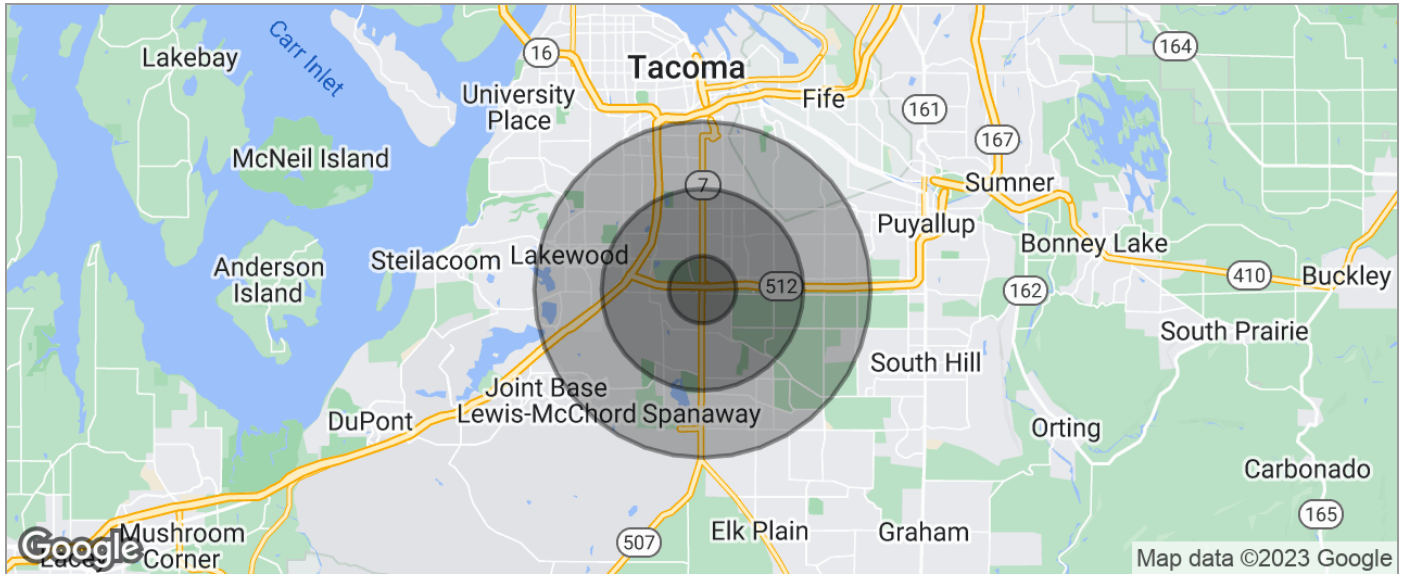
SUBJECT PROPERTY	PRICE	BLDG SF	PRICE/SF	CAP	# OF UNITS
 <b>Mixed Use Office/Retail Pacific Avenue-Tacoma</b> 11006 Pacific Ave S Tacoma, WA 98444	\$2,100,000	11,103 SF	\$189.14	5.66%	8

SALE COMPS	PRICE	BLDG SF	PRICE/SF	CAP	# OF UNITS	CLOSE
<b>1 Oakes Mixed Use</b> 2701-03 N 21st ST TACOMA, WA 98407	\$670,000	7,500 SF	\$89.33	-	-	07/17/2017
<b>2 Country Preacher Food</b> 9618 S. Pacific Ave TACOMA, WA 98407	\$595,000	5,458 SF	\$109.01	-	-	04/17/2017
<b>3 M St Mixed Use</b> 1304 S 56th st TACOMA, WA 98408	\$649,000	5,138 SF	\$126.31	-	-	06/17/2016

SALE COMPS	PRICE	BLDG SF	PRICE/SF	CAP	# OF UNITS
TOTALS/AVERAGES	\$638,000	6,032 SF	\$105.77	-	-



# Demographics Map



POPULATION	1 MILE	3 MILES	5 MILES
TOTAL POPULATION	14,288	109,022	241,612
MEDIAN AGE	30.4	32.4	32.9
MEDIAN AGE (MALE)	28.7	31.1	31.8
MEDIAN AGE (FEMALE)	32.9	34.2	34.1
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
TOTAL HOUSEHOLDS	5,197	40,226	90,047
# OF PERSONS PER HH	2.7	2.7	2.7
AVERAGE HH INCOME	\$50,325	\$51,165	\$53,944
AVERAGE HOUSE VALUE	\$193,878	\$224,009	\$219,756
RACE	1 MILE	3 MILES	5 MILES
% WHITE	66.6%	60.2%	62.6%
% BLACK	10.6%	11.4%	12.2%
% ASIAN	7.6%	11.0%	9.4%
% HAWAIIAN	4.3%	3.4%	2.7%
% INDIAN	1.2%	1.2%	1.6%
% OTHER	3.0%	5.2%	4.4%
ETHNICITY	1 MILE	3 MILES	5 MILES
% HISPANIC	10.4%	13.3%	12.9%

\* Demographic data derived from 2020 ACS - US Census