



909 Pacific Office/Retail Building

**Kidder
Mathews**

DOWNTOWN TACOMA OWNER/USER OR VALUE-ADD OPPORTUNITY
OFFERING MEMORANDUM | 909 PACIFIC AVENUE | TACOMA, WA

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MARKET OVERVIEW

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This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Kidder Mathews has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Kidder Mathews has not verified, and will not verify, any of the information contained herein, nor has Kidder Mathews conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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01

EXECUTIVE SUMMARY

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Kidder Mathews is pleased to present the exclusive opportunity to showcase 909 Pacific in Downtown Tacoma. The purchase price is \$2,250,000 (\$179.41 PSF) with a proforma cap rate of 6.99%

THE OFFERING

This is a rare opportunity to acquire a owner/user or value-add office building in the heart of Downtown Tacoma. 909 Pacific is situated on the most active street in Downtown with a near perfect walk score of 99.

\$2,250,000

SALE PRICE

\$179.41

PRICE PER SF

6.99%

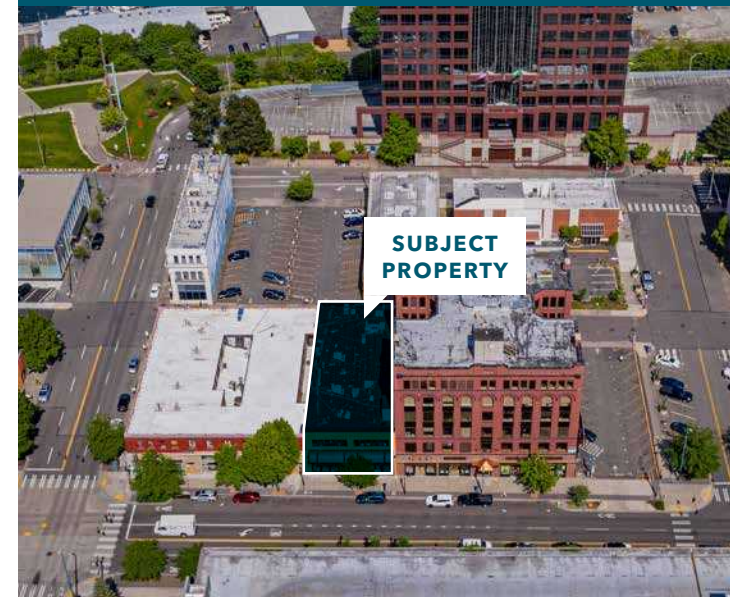
PROFORMA CAP RATE

12,541

RSF BUILDING

PROPERTY OVERVIEW

Address	909 Pacific Avenue Tacoma, WA
Type	Office & Retail
NRA	12,541 RSF
Site	5,998 SF 0.14 AC
Occupancy	52%
Year Built	1920, 2009
Zoning	DCC Downtown Commercial Core
Parcel	200903-0020
Building	Masonry



909 PACIFIC is a premier asset located in the Downtown core of Tacoma. Situated strategically across the street from the Tacoma Link. 909 Pacific offers tenants immediate access to services and amenities as well as close proximity to I-5 and connecting highways.

OFFERING HIGHLIGHTS

OWNER/USER ability to occupy 6,000 SF on the second floor with income from the two first floor tenants

LONG TERM leases with both first floor tenants through October 2024

LOCATED in the heart of Downtown Tacoma on Pacific Avenue

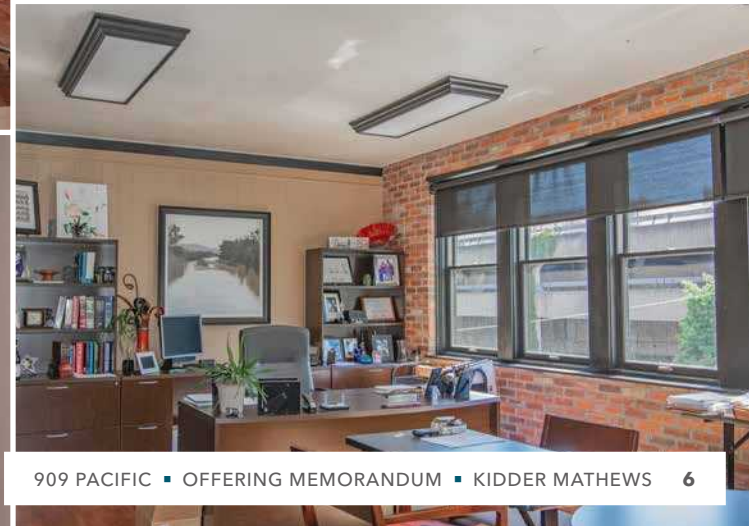
IDEAL position in the middle of the downtown market, in a rapidly growing area

DEEP labor and housing pool which provides strong demographics

CENTRALIZED location provides for access to amenities, housing and highway access

DIVERSE surrounding tenant mix from varying office and retail groups, promoting strong relationships and referral business

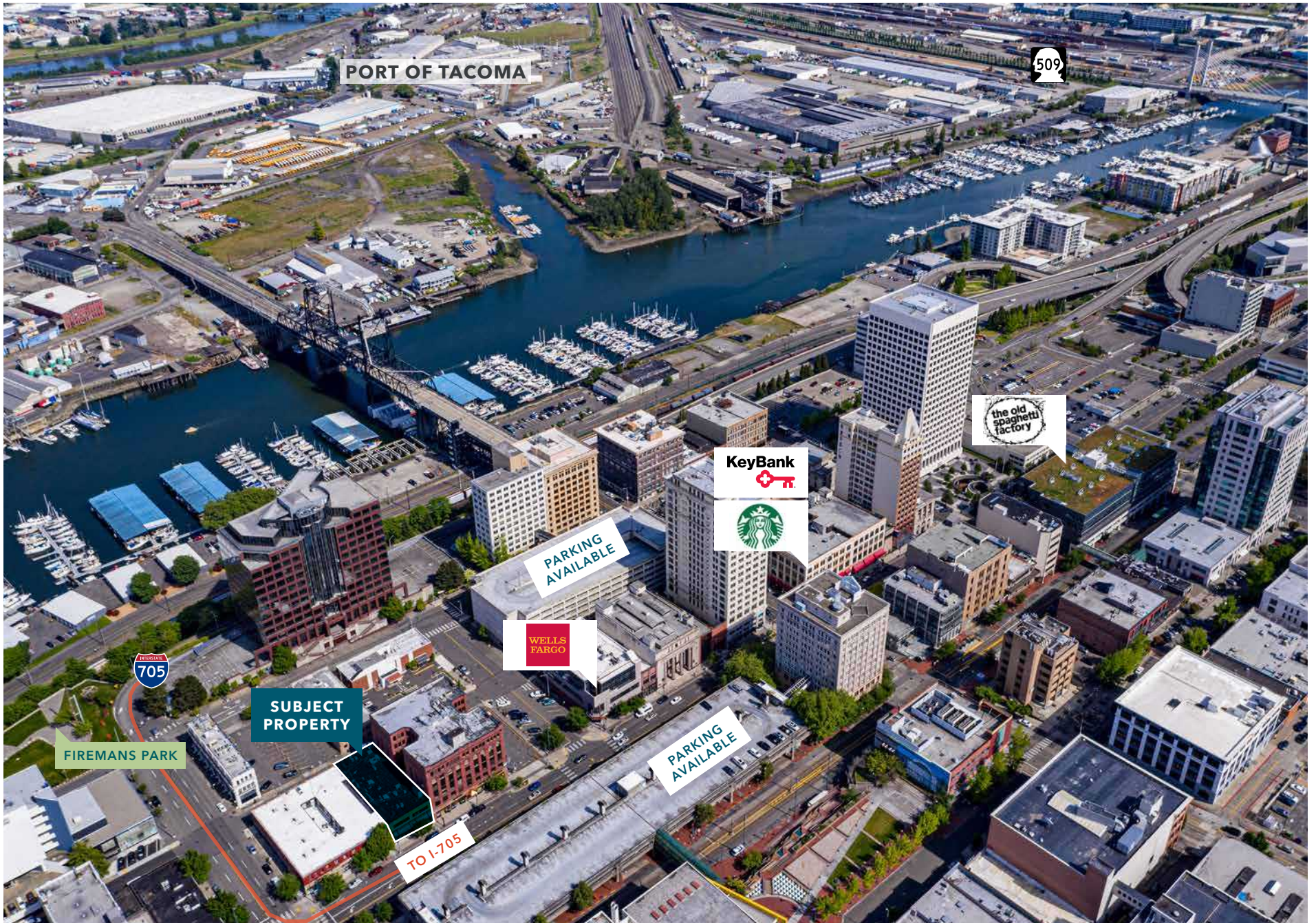




LOCATION AERIAL



LOCATION AERIAL



DRIVE TIMES TO 909 PACIFIC

35 MIN
SEATTLE

45 MIN
BELLEVUE

30 MIN
RENTON

35 MIN
OLYMPIA

25 MIN
LACEY

25 MIN
SEA-TAC AIRPORT

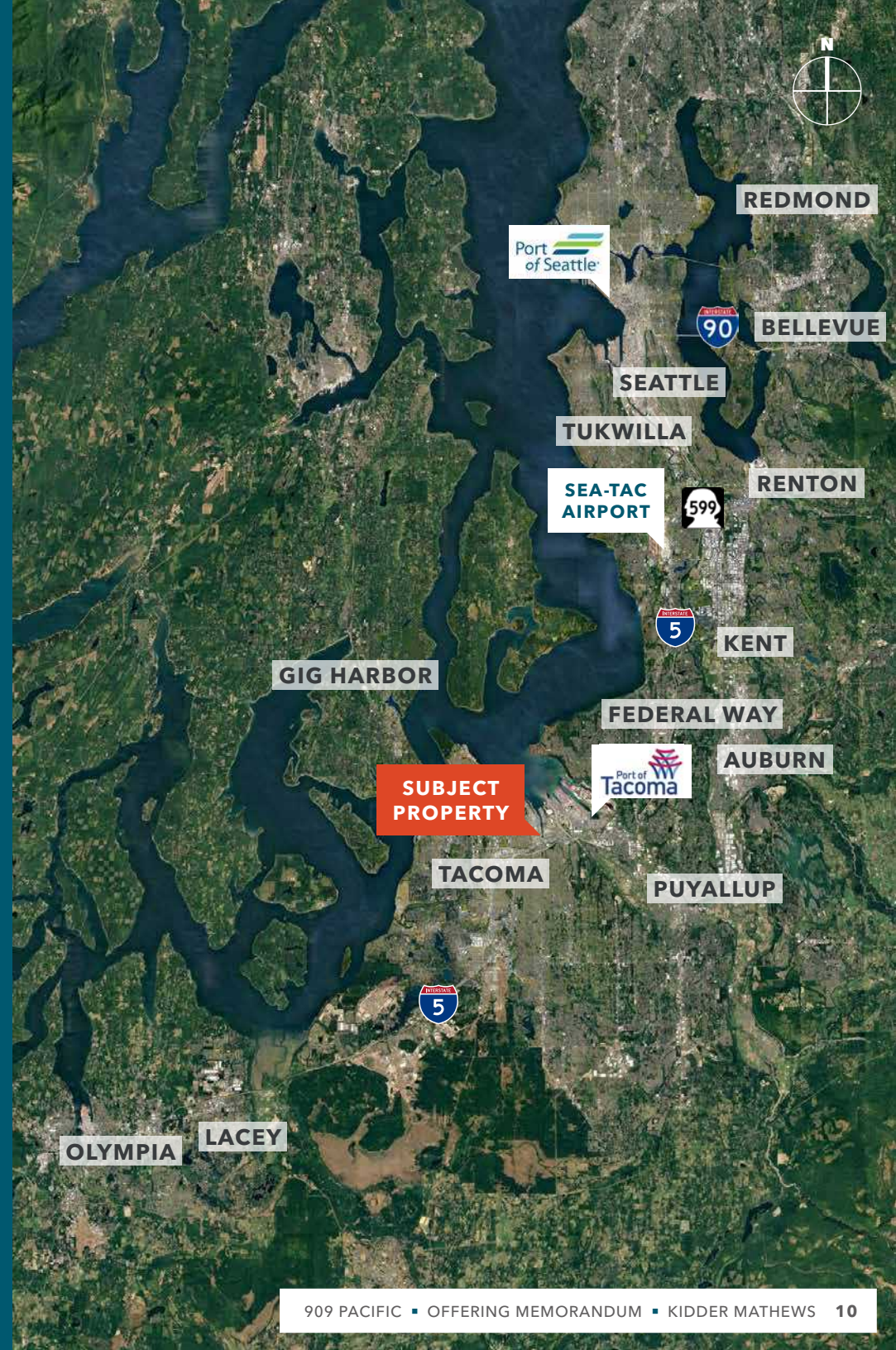
15 MIN
FEDERAL WAY

20 MIN
AUBURN

10 MIN
TACOMA MALL

PIERCE COUNTY MAJOR EMPLOYERS





02

FINANCIAL SUMMARY

INVESTMENT OFFERING

FINANCIAL ASSUMPTIONS

Income	Total
Year 1 Proforma Revenue	\$243,534.77
Year 1 Operating Estimated Expenses	\$86,148.41
Year 1 Proforma Net Operating Income	\$157,386.36
Proforma Cap Rate	6.99%
Price	\$2,250,000
Price PSF (12,541 RSF)	\$179.41 PSF

6.99%

PROFORMA CAP RATE

\$2.25M

SALE PRICE

\$179.41

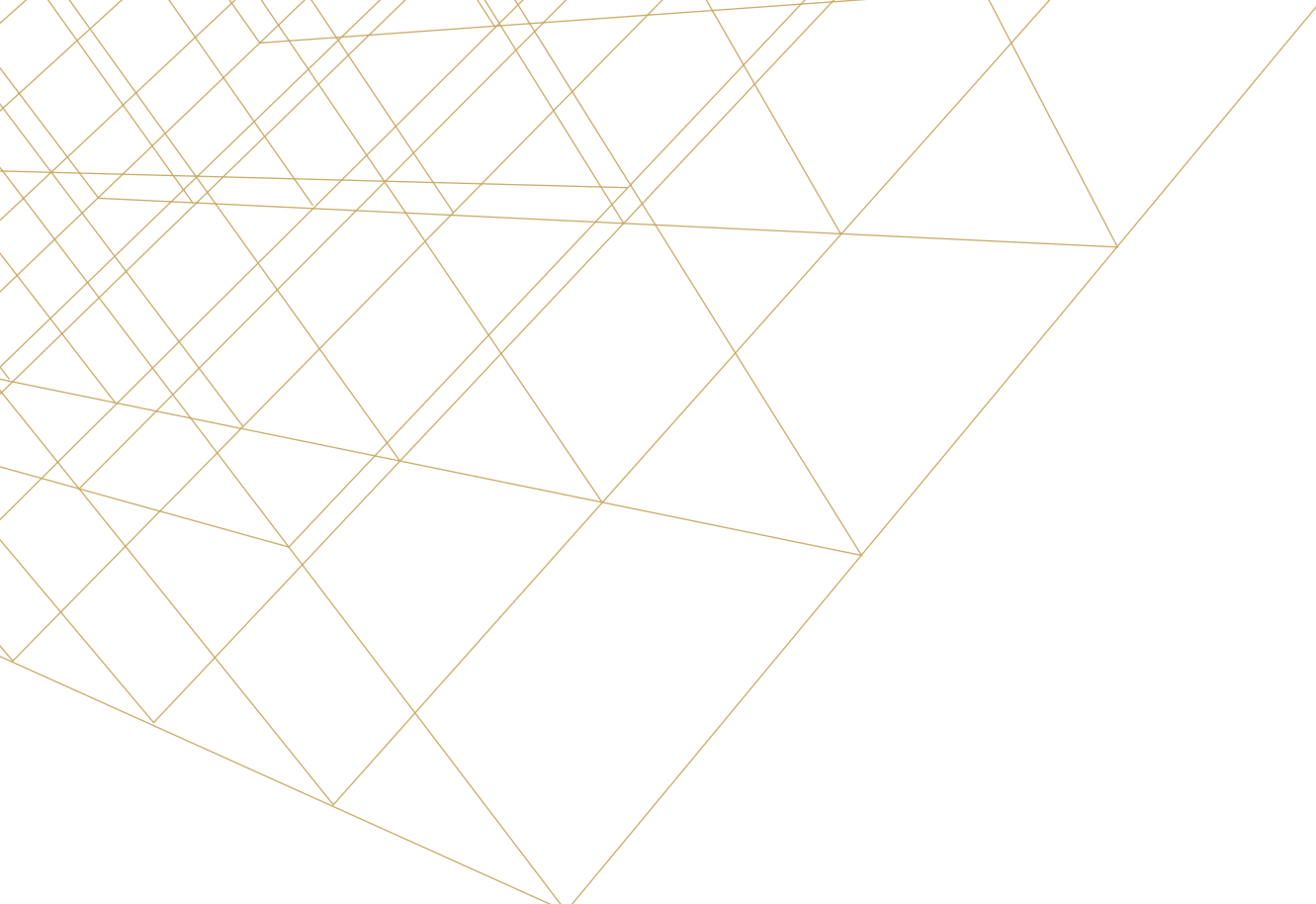
PER SQUARE FOOT





RENT ROLL - MAY 2023

Tenant	STE	SF	Commencement	Expiration	PSF Rate	Monthly Rent	Annual Rent	Annual Increase	Option to Extend
Blitz & Co	100	1st Floor: 2,800 SF Mezzanine: 1,125 SF Storage: 750 SF	11.01.2019	10.31.2024	\$11.44/SF	\$4,457.07	\$53,484.88	2.0%	One - Five year options to renew at Fair Market Value
Signature Design & Cabinetry	105	1st Floor: 2,116 SF Mezzanine: 500 SF	11.01.2019	10.31.2024	\$15.92/SF	\$3,337.49	\$40,049.89	2.0%	Two - Five year option to renew at Fair Market Value
Vacant (Proforma)	200	6,000 SF	-	-	\$25.00/SF	\$12,500	\$150,000	-	-
TOTAL ACTUAL REVENUE						\$7,794.56	\$93,534.77		
TOTAL PROFORMA REVENUE						\$20,294.56	\$243,534.77		



03

MARKET OVERVIEW

LOCATION OVERVIEW

35.9

MEDIAN AGE

216,279

POPULATION

\$55,506

MEDIAN HOUSEHOLD INCOME

98,060

NUMBER OF EMPLOYEES

\$227,200

MEDIAN PROPERTY VALUE

With the continued growth of the University of Washington - Tacoma campus, the brand-new 97-acre development of Point Ruston, location in Tacoma's CBD and easy access to public transportation. The 909 Pacific Building provides potential with a seamless commute to countless employment opportunities and everyday amenities.

Tacoma's downtown district has seen enormous change over the years. Since 2001 new construction in Tacoma has reshaped the previously time-capsuled landscape. An improved Wright Park, brand new Bavarian-style beer hall, construction for an expanded light rail link and a steadily increasing population. Tenants will have the opportunity to enjoy being close to retail, jobs, schools and entertainment lifestyle.





REGIONAL OVERVIEW

PIERCE COUNTY

Pierce County has been one of the fastest growing counties in the state of Washington since the 1960's and has consistently exceeded the state's overall rate of growth. Pierce County supports manufacturers such as Boeing, Milgard Manufacturing, James Hardie Building Products, Toray Composites (America), Inc., and Medallion Foods. Recreational Equipment, Inc. (REI), Whirlpool, and Costco also have major distribution centers here.

The majority of population increase has been due to the migration of people into the County. This continued migration is the result of Pierce County's relatively stable economy and exceptional quality of life. The more affordable cost of living, award-winning education, and lifestyle opportunities, combined with the area's competitive cost of doing business, create an outstanding environment for businesses and residents to work, play, and live.

TACOMA OVERVIEW

Tacoma is located 33 miles south of Seattle with a current population estimate of 216,279, making it the 3rd largest city in Washington State. Tacoma is in the midst of a significant expansion and redevelopment of its CBD, just half a mile away from Foss Harbor Development site. The City has supported a number of public and private projects in the past three decades in an attempt to revitalize all elements of the CBD market, which is now starting to pay off. Among these are the establishment and expansion of a University of Washington satellite campus, the Tacoma Museum of Glass, the Greater Tacoma Convention Center, and just outside of the CBD, the LeMay Auto Museum. **Nearly 18,000 King County residents moved to Pierce County in 2017, 25% higher than two years earlier, according to census estimates** (Seattle Times).

UNIVERSITY OF WASHINGTON - TACOMA

The University of Washington - Tacoma (UWT) branch campus anchors the southerly end of the Tacoma CBD. The University owns about 46 acres, including much of the land extending west to Tacoma Ave. S. UW-T became a four-year degree in 2007 and now has an annual enrollment over 5,100 students. The resulting urban campus has become a focal point in the Downtown CBD and the driving force behind present day revitalization efforts.

UWT plans for 2020 growth - Over the course of the next six years, UWT anticipates steady year-over-year growth.

W

UNIVERSITY of WASHINGTON

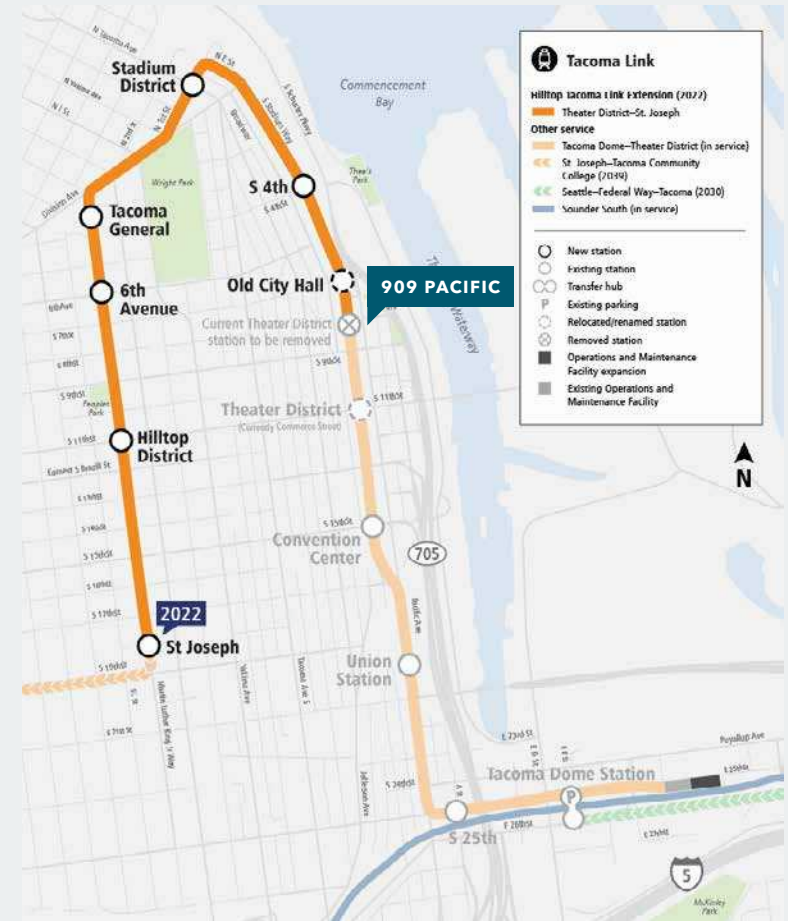
LIGHT RAIL

LIGHT RAIL DEVELOPMENT / RELOCATION

The Hilltop Tacoma link extension project more than doubles the length of Tacoma Link, starting with a relocated Theater District station, and adding six new stations. These connect to popular destinations such as the Stadium District, Wright Park and major medical facilities before reaching the new Hilltop neighborhood terminus (Sound Transit Expansion). Foss Harbor Development will be a tremendous beneficiary of the new expansion packet, providing seamless commutes times for jobs in Tacoma’s CBD, and brand-new infrastructure to support Tacoma’s rapidly growing population.

PORT OF TACOMA

The Port of Tacoma is an independent seaport located on more than 2,400 acres of land that are used for shipping terminal activity, warehousing, distribution and manufacturing. The Port plays the largest international trade role in the Pacific Northwest, handling between nine and thirteen million tons of cargo and more than \$52 billion in commerce. Major imports include automobiles, electronics, and toys, while major exports include grain, forest products, and agricultural products. Based on tonnage, the Port’s largest export is grain (corn and soybeans) that come into the port by rail from the Midwest. **Port activities are related to more than 50,000 jobs in Pierce County, and 125,000 jobs in Washington.**

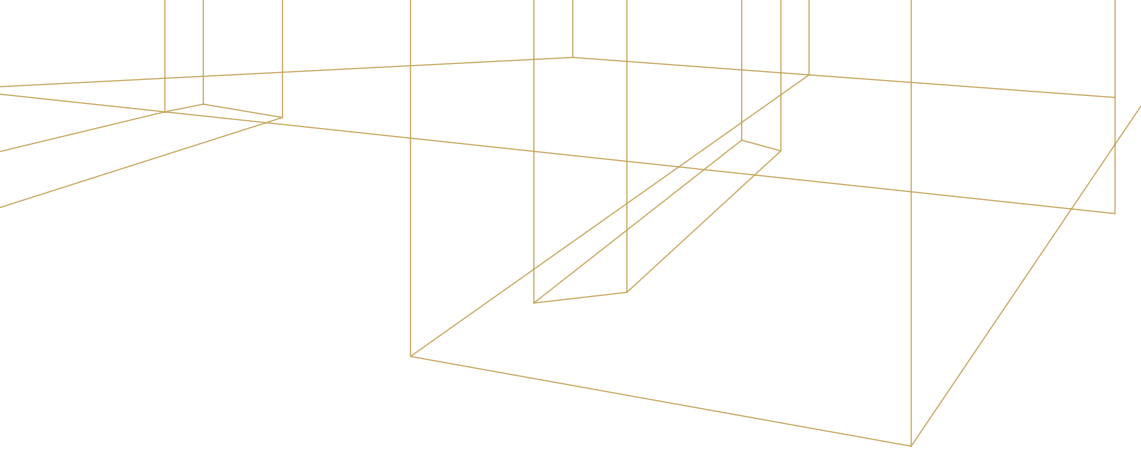


SOURCE: SOUND TRANSIT

LIGHT RAIL DEVELOPMENT / RELOCATION

Open	2022
Length	2.4 Miles
Stations	6 new / 1 relocated
Service	Every 10 minutes
Project ridership	2,000 - 4,000 riders by 2026





PUGET SOUND BASED LARGE EMPLOYER

SEATTLE RANKINGS

#1

FASTEST-GROWING BIG CITY
US CENSUS BUREAU

#1

MOST SOFTWARE JOB OPENINGS (U.S.)
GLASSDOOR

#1

BEST CITY IN THE U.S. TO FIND A JOB
WALLET HUB

#2

TOP CITY FOR TECH JOBS
GEEKWIRE

#2

HIGHEST CONCENTRATION OF
ADVANCED INDUSTRY JOBS
CNN MONEY

#2

BEST CITY FOR RECENT COLLEGE GRADS
NERDWALLET.COM

#5

BEST U.S. CITY FOR TECH STARTUPS
ENTREPRENEUR.COM

#5

BEST CITY TO LIVE IN
INSIGNIA

#6

BEST CITY FOR BUSINESS AND CAREERS
INSIGNIA

#7

BEST INVESTMENT MARKET IN THE WORLD
FOR COMMERCIAL REAL ESTATE
ASSOCIATION OF FOREIGN INVESTORS

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