



LEWIS STREET SHOPPES

207 N LEWIS ST, MONROE, WA

OFFERING MEMORANDUM

CAPITAL MARKETS | NATIONAL RETAIL PARTNERS - PACIFIC NW

CBRE

LEWIS STREET SHOPPES

207 N LEWIS ST, MONROE, WA

PRICE
\$1,000,000

CAP RATE
7.98%

PRICE/SF
\$254.13

BUILDING SIZE
3,935 SF

OCCUPANCY
100%



EXECUTIVE SUMMARY

Lewis Street Shoppes has been owner-operated since 2020, as the property owner also manages the primary tenant, Bliss Yoga. Bliss Yoga has operated at the property since 2018 under a lease until the building was purchased in 2020 as an owner-user. The property was extensively remodeled after occupation in 2018 with new interior build-out (bathrooms), flooring, paint, plumbing/electrical systems, and exterior storefronts. Total renovation costs reported at \$500,000. Upon the upcoming sale of the property, Bliss Yoga will execute a **new 5-year lease** at “market” terms in a traditional sale lease-back scenario. The lease is validated by a long history of strong tenant financials, new 5-year term, and annual rent escalations (3.0%).

The smaller tenant, House Balthazar (473 sf), moved in April 2022 and recently executed a **1-year lease renewal (through March 2025)**. As the suite is built-out with a full kitchen, House Balthazar continues a long tradition of food/dining uses for the suite. Today, the tenant prepares French pastries which are sold at the storefront and throughout the region. While House Balthazar plans to remain at the property long-term, **the larger tenant (Bliss Yoga) expressed interest to expand into the suite should House Balthazar vacate in the future.**

As a fully leased property, Lewis Street Shoppes represents a turn-key investment opportunity in the core of Monroe with strong tenants, long-term leases, and stable cash flow.

PROPERTY OVERVIEW

Address	207 N Lewis St
City/State/Zip	Monroe, WA 98272
Building Size	3,935 SF
Site Size	0.21 AC
Year Built	1900 <i>*converted to retail in 1975*</i>
Parking	15 Spaces
Parking Ratio	3.81:1
Zoning	DC - Downtown Corridor
Overlay	Downtown Planning Area (ORD 036/2008)

INVESTMENT HIGHLIGHTS

\$500,000 IN RECENT RENOVATIONS

The ownership comprehensively remodeled the interior of Bliss Yoga suite after occupying the property in 2018 including new interior build-out (adding bathrooms), walls, insulation, flooring, paint, and comprehensive electrical/plumbing/HVAC systems. A new mini-split was installed for the House Balthazar suite in 2022. The exterior storefronts were rebuilt in 2023. Total renovation costs reported to exceed \$500,000.

LONG-TERM LEASES

Bliss Yoga will execute a new 5-year lease upon closing of the property. As Bliss Yoga is operated by the current building owner, the lease will process as a traditional sale lease-back situation. House Balthazar recently executed a 1-year lease extension through March 2025.

INFLATION-PROTECTION RENT ESCALATIONS

The Bliss Yoga lease is signed with annual rent escalations of 3.00% per year.





Bliss Yoga

House Balthazar



HIGH DEMAND RETAIL MARKET - 2.7% VACANCY

According to CoStar, the retail availability rate in Monroe is only 2.7%. While population and retail demand continues to increase, there has been no virtually new retail development in Monroe in the past 10 years, with the exception of a new stand-alone QSR restaurant. Retailers in Monroe are confined to the existing supply, which increases occupancy and supports rental growth. .

CLEAN PHASE II ENVIRONMENTAL REPORT

The ownership received a clean Phase II Environmental Report (Stratum Group – Bellingham, WA) when purchasing the property in 2020. Notably, several borings were made to test if the adjacent property (Hill Street Cleaners) had contaminated the soils – no evidence of contamination was discovered. Per the Phase II report, “No further investigation or cleanup is warranted, based upon our findings.”

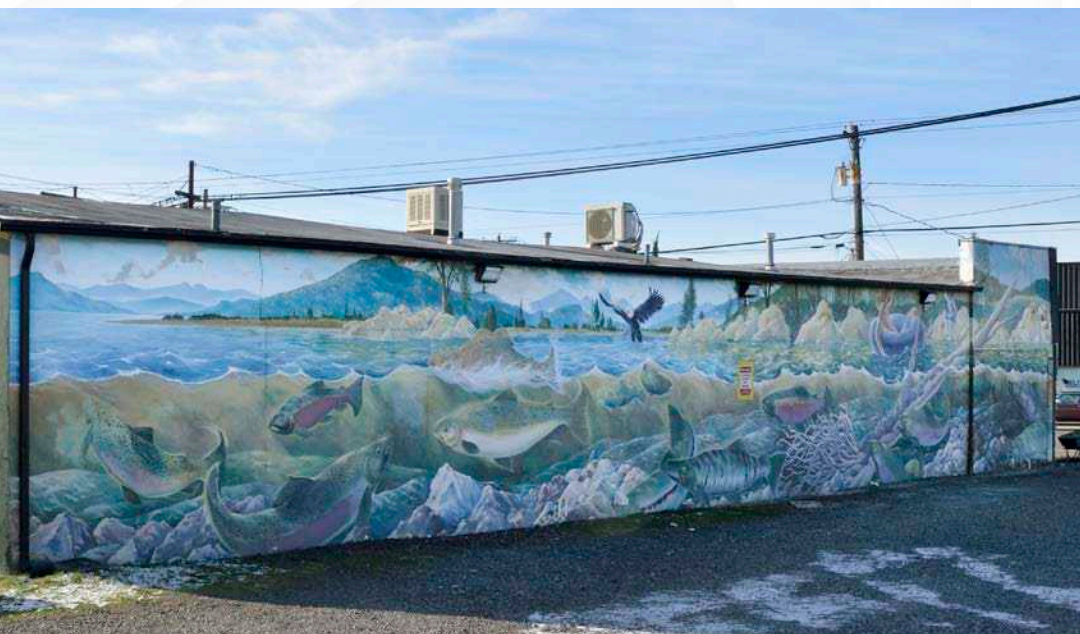
TOP PERFORMING - POPULATION GROWTH

According to the US Census, the population in Monroe increased by 13.8% from 2010 to 2020, adding 2,400 new residents. This population increase ranks Monroe among the fastest growing cities in Snohomish County.



LEWIS STREET - CONNECTOR BETWEEN HISTORIC DOWNTOWN AND COMMERCIAL CORRIDOR

Monroe is defined by two commercial corridors: historic downtown (11,000 vehicles per day) and the “traditional” commercial core along Hwy 2 (35,000 vehicles per day). Lewis Street serves as the primary the connector between these two nodes with 14,000 vehicles per day.



MURAL BY FAMOUS ARTIST - DAVID HOSE

The exterior of the building’s north wall contains a salmon-themed mural by beloved local artist – David Hose. The subject mural is one of nine paintings located in Monroe and the surrounding communities of Snohomish and Sultan.

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