

# 4<sup>TH</sup> STREET PLAZA

PRIME RETAIL INVESTMENT FEAT. RECENT LEASE EXTENSIONS AND  
BELOW MARKET RENTS IN EXCEPTIONALLY LOW VACANCY SUBMARKET

3904 NE 4TH ST, RENTON, WA 98056



**OFFERING MEMORANDUM**

**Marcus & Millichap**  
BROWN RETAIL GROUP

SEATTLE | PORTLAND | BOISE

INVESTMENT SALES TEAM

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01.	EXECUTIVE OVERVIEW
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## INVESTMENT OVERVIEW

**BROWN RETAIL GROUP OF MARCUS & MILLICHAP** is pleased to present the opportunity to acquire 4<sup>th</sup> Street Plaza, a fully leased, multi-tenant retail strip center located along NE 4<sup>th</sup> Street in Renton, Washington. All 5 tenants operate under NNN lease structures, limiting landlord obligations and offering a hedge against inflation through scheduled annual increases. Excellent signage and visibility to over 30,500 vehicles per day support the property's strong historical occupancy, with over 80% of the GLA having occupied the property for more than 10 years. A new tenant just executed a 5 year lease, at a 25% increase over the previous tenant's rent, and multiple other tenants are the property recently extended their leases or are in the process of doing so, demonstrating strong demand and commitment. Staggered lease expirations create near-term potential to unlock additional value, with average in-place rents currently below market.





# INVESTMENT HIGHLIGHTS

## STRONG RETAIL FUNDAMENTALS IN A SUPPLY-CONSTRAINED SUBMARKET



### NEW AND RECENTLY EXTENDED LEASES

A new tenant just signed a 5-year lease at a 25% higher rent than the previous tenant in that suite, demonstrating robust demand at the property. Additionally multiple other tenants have recently extended their leases or are in the process of doing so, showing strong commitment to the site.



### HIGH VISIBILITY LOCATION W/ PROMINENT SIGNAGE

Strategically positioned directly along NE 4th St., a heavily traveled retail corridor through Renton, the property offers excellent exposure to over 30,500 vehicles per day and features prominent signage.



### RENTAL UPSIDE & NNN LEASES

Market rents in the Renton/Tukwila submarket are \$32 - \$35/SF + NNN with average rent at the property currently at \$26.73/SF + NNN, creating upside potential as leases roll over in a staggered schedule. All five tenants operate under NNN leases, limiting landlord responsibilities and ensuring predictable income.



### STRONG HISTORICAL OCCUPANCY

The property boasts long-term tenancy, with four of the five tenants having occupied space in the property for more than 10 years. H&R Block and Meraki Hair Studio have both been tenants at the property for more than 20 years.



### HIGH BARRIER TO ENTRY

Strip centers comprise only 6.5% of total retail inventory in the Renton/Tukwila submarket, with no new retail construction underway as of Q4 2025.



### EXCEPTIONALLY STRONG SUBMARKET FUNDAMENTALS

The Renton, WA retail market boasts a notably low vacancy rate at just 4.5%, per CoStar, with the NE 4th St Corridor even tighter at 1.7%, highlighting limited competitive options for tenants and strong potential for continued rent growth. Rent growth has averaged 3.8% per year for the last 10 years.

# 02.

## PROPERTY SUMMARY

- PROPERTY OVERVIEW
- FEATURED TENANTS

## PROPERTY OVERVIEW

Pricing	
List Price	\$3,300,000
Price Per Square Foot	\$462
Price Per Land SF	\$106

Location	
Property Street Address	3904 NE 4th Street
City, State, Zip	Renton, WA 98056
Parcel Number(s)	092305-9110
Product Type	Retail
Zoning	Commercial Arterial - CA

Construction Overview	
Construction	Masonry
Elevator(s)	N/A
Sprinklers	Fully Sprinkled

Building Size	
Rentable Building Area	7,141 SF
Occupancy	100%
Land Area	31,087 SF (0.71 Acres)

Building Features	
Year Built	2003
Parking Stalls	36
Parking Ratio	5.11 / 1,000 SF



# FEATURED TENANTS

LONG-TERM OPERATORS SUPPORTING DURABLE INCOME



## PERFECT TEN NAIL SPA

A trusted neighborhood salon, Perfect Ten Nail Spa is known for clean, quality service and friendly staff—offering gel nails, waxing, and more.

- Length of Occupancy: 10 Years
- Square Feet Occupied: 1,307 SF



## MERAKI HAIR STUDIO

This boutique salon brings a creative, personalized approach to hair styling and color. Known for client connection and active presence on Instagram (@merakiseattle).

- Length of Occupancy: 20 Years
- Square Feet Occupied: 1,200 SF



## COMFORT SPA

Serving the Renton community for over 12 years, Comfort Spa offers professional therapeutic services including Swedish, deep tissue, and hot stone massage.

- Length of Occupancy: 12.5 Years
- Square Feet Occupied: 1,500 SF



## SANDWICH SHOP

A new sandwich shop will be opening soon in Suite 104, featuring handcrafted sandwiches made to order.

- Coming Soon
- Square Feet Occupied: 1,400 SF



# H&R BLOCK

A NATIONALLY RECOGNIZED TAX PREPARATION PROVIDER



# H&R BLOCK

Founded in 1955, H&R Block is a trusted name in tax preparation, serving individuals and small businesses with both in-person and online filing solutions. With over 12,000 locations worldwide and a proven track record in financial services, the company’s scale and reputation offer reliable income and brand stability for retail landlords.

- Ticker: \$HRB
- Market Cap: \$7.24 Billion
- Revenue (TTM): \$3.7 Billion
- Number of Locations: 12,000+ Worldwide
- Lease Term: 5/1/2005 – 4/30/2031\*

\*Seller is in negotiations with H&R Block to extend the lease for 5 years to 4/30/2031. Current lease expiration is 4/30/2026.



## LONG-TERM TENANCY & COMMUNITY LOYALTY

80% of tenants have served the Renton community for 10+ years, reflecting strong occupancy, dependable rent collections, and enduring neighborhood ties.



03.

FINANCIAL SUMMARY

- RENT ROLL
- OPERATING STATEMENT
- PRICING DETAILS

RENT ROLL  
AS OF JANUARY 2026

Tenant Name	Square Feet	Lease Comm.	Lease Exp.	Annual Rent/Sf	Total Rent/Mo.	Total Rent/Yr.	Pro Forma Rent/Yr.	Lease Type
H&R Block*	1,734	6/1/05	4/30/31*	\$25.11	\$3,629	\$43,548	\$48,552	NNN
Comfort Spa	1,500	1/1/12	12/31/26	\$26.88	\$3,360	\$40,320	\$41,530	NNN
Perfect Ten Nail Spa	1,307	11/1/15	11/30/29	\$24.61	\$2,680	\$32,160	\$33,868	NNN
New Sandwich Shop	1,400	10/1/25	3/31/31	\$30.00	\$3,500	\$42,000	\$43,260	NNN
Meraki Hair Studio	1,200	3/1/05	3/31/31	\$27.39	\$2,739	\$32,868	\$34,356	NNN
Total	7,141			\$26.73 (avg)	\$15,908	\$190,896	\$201,566	

\*Seller is in negotiations with H&R Block to extend the lease for 5 years to 4/30/2031. Current lease expiration is 4/30/2026.



# OPERATING DATA

FOR THE PERIOD 1/1/2026 - 12/31/2026

Income	Current	Per SF
Scheduled Base Rental Income	195,501	27.38
Expense Reimbursement Income		
CAM	28,858	4.04
Insurance	3,509	0.49
Real Estate Taxes	23,836	3.34
Management Fees	9,775	1.37
Total Reimbursement Income	\$65,978	100.0%
Effective Gross Revenue	\$261,479	\$36.62

Operating Expenses	Current	Per SF
Electric	741	0.10
Water/Sewer	8,870	1.24
CAM	14,282	2.00
R&M	3,399	0.48
HVAC R&M	1,566	0.22
Insurance	3,508	0.49
Real Estate Taxes	23,836	3.34
Management Fee	9,775	5.0%
Total Expenses	\$65,977	\$9.24
Expenses as % of EGR	25.2%	
Net Operating Income	\$195,503	\$27.38

# PRICING DETAILS

The Property	
Price	\$3,300,000
Year 1 Cap Rate	5.92%
Rentable Building Area	7,141
Price Per SF	\$462
Price Per Land SF	\$106
Suites	5
Occupancy	100%
Year Built	2003

Acquisition Financing	
Lender	Bank or Credit Union
Rate	5.70% - 5.95%*
Term	5, 7, or 10 Years Fixed
Amortization	25 - 30 Years
Loan to Value	55%

\* Interest Rate shown based on 5-Year Treasury + 200-225 bps spread. Other indices would be used for 7 or 10 year options.

Income	Year 1
Base Rental Income	\$195,501
Reimbursement Income	100.0%
Effective Gross Revenue	\$261,479
Less: Operating Expenses	25.2%
Net Operating Income	\$195,503
Less: Debt Service	(\$126,411)
Net Cash Flow After Debt Service	4.65%
Principal Reduction	\$23,566
Total Return	6.24%
	\$92,657

Operating Expenses	Year 1
CAMS	\$28,858
Insurance	\$3,508
Real Estate Taxes	\$23,836
Management Fee	\$9,775
Total Expenses	\$65,977
Expenses Per Foot	\$9.24



# 04.

## MARKET OVERVIEW

- LOCAL DEMOGRAPHICS
- NEARBY DEVELOPMENTS
- REGIONAL ECONOMIC DRIVERS

## LOCAL DEMOGRAPHICS WITHIN A 5-MILE RADIUS

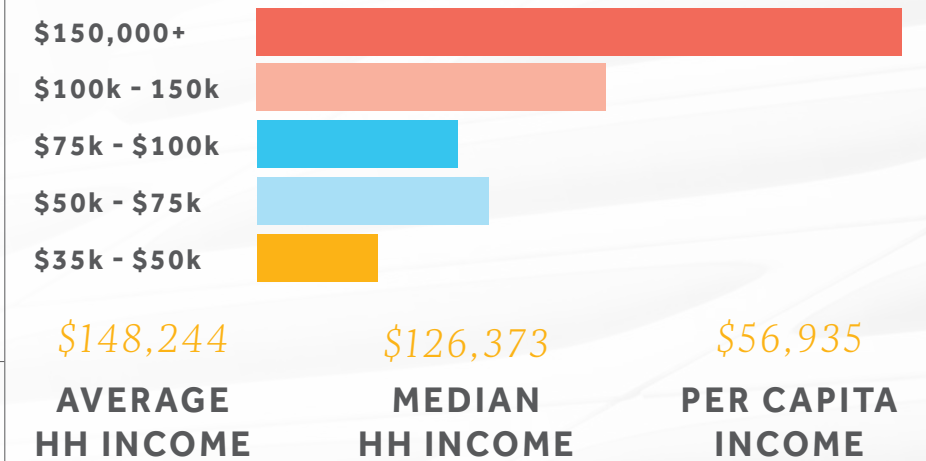
### POPULATION



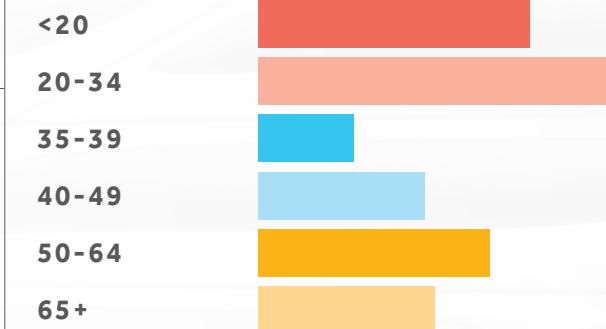
### HOUSEHOLDS



### INCOME BY HOUSEHOLD



### AGE



#### RETAIL SPENDING POTENTIAL

Over 222,000 residents with a median household income exceeding \$126K contribute to sustained demand for essential and service-based retail.



# IMMEDIATE AREA DEVELOPMENTS

## DELIVERING CRITICAL RESIDENTIAL & INFRASTRUCTURE GROWTH



### KING COUNTY CENTRAL MAINTENANCE FACILITY

RENTON SHOP | 5.7 ACRES | 50,250 SF TOTAL

- Administrative, Shop & Storage Buildings
- Secure parking and fleet storage
- Status: Under Construction

 **0.9 MILES**  
FROM THE OFFERING



### LONGACRES DEVELOPMENT

150-ACRE MIXED-USE CAMPUS | UNDER CONSTRUCTION

- 2,200+ Residential Units
- Seattle Sounders FC HQ & Training Fields
- 125-Room Hotel
- Music & Performance Venue
- Adjacent to Tukwila Amtrak Station

 **4.8 MILES**  
FROM THE OFFERING



### ASTRA & SOLERA APARTMENTS

590 UNITS | COMBINED GBA: ±700,700 SF | DELIVERED JUNE 2025

ASTRA APARTMENTS  
275 Units

SOLERA APARTMENTS  
315 Units

 **1.6 MILES**  
FROM THE OFFERING

#### PRIME POSITION FOR LONG-TERM VALUE

Surrounded by transformative development—including 2,000+ new housing units, major infrastructure investment, and regional employment anchors—4th Street Plaza is positioned for sustained tenant demand, foot traffic, and rental growth.



# REGIONAL MAP & DRIVE TIMES





# REGIONAL ECONOMIC DRIVERS

FUELING JOB CREATION, SKILLED LABOR, AND LONG-TERM TENANT DEMAND

## AEROSPACE & ADVANCED MANUFACTURING

DRIVING WASHINGTON'S \$71B ADVANCED MANUFACTURING ENGINE

Washington's aerospace sector employs over 81,800 workers, with Boeing accounting for 80% of total employment. Its Auburn and Renton campuses support a robust employment base and ripple effect—Boeing employees alone accounted for 2.4% of all restaurant sales statewide in 2023. The aerospace industry generated more than \$71 billion in revenue and \$580 million in tax contributions in 2024. Washington is also emerging as a leader in the Uncrewed Aircraft Systems (UAS) market, projected to create 100,000+ jobs and add \$82 billion in long-term economic value.



**81,800+ AEROSPACE JOBS**

ACROSS WASHINGTON, WITH  
80% TIED TO BOEING

**\$71 BILLION IN REVENUE**

STATEWIDE AEROSPACE  
INDUSTRY TOTAL (2024)

**2.4% OF RESTAURANT SALES**

ATTRIBUTABLE TO BOEING  
EMPLOYEES (2023)



## RENTON TECHNICAL COLLEGE (RTC)

BUILDING THE REGION'S SKILLED LABOR PIPELINE

Located just 0.5 miles from the offering, RTC is a top-tier technical institution serving over 7,700 students annually. Its career training spans healthcare, IT, advanced manufacturing, and automotive technology—fields aligned with the needs of major regional employers. RTC's proximity reinforces Renton's strong labor pool, feeding workforce development and supporting tenant and employer retention across the submarket.

**7,700+ STUDENTS ANNUALLY**

ENROLLED ACROSS WORKFORCE  
DEVELOPMENT PROGRAMS

**TOP TECHNICAL COLLEGE**

RANKED AMONG WASHINGTON STATE'S  
LEADING TRAINING CENTERS

**0.5 MILES FROM THE OFFERING**

WALKABLE ACCESS TO RTC CAMPUS

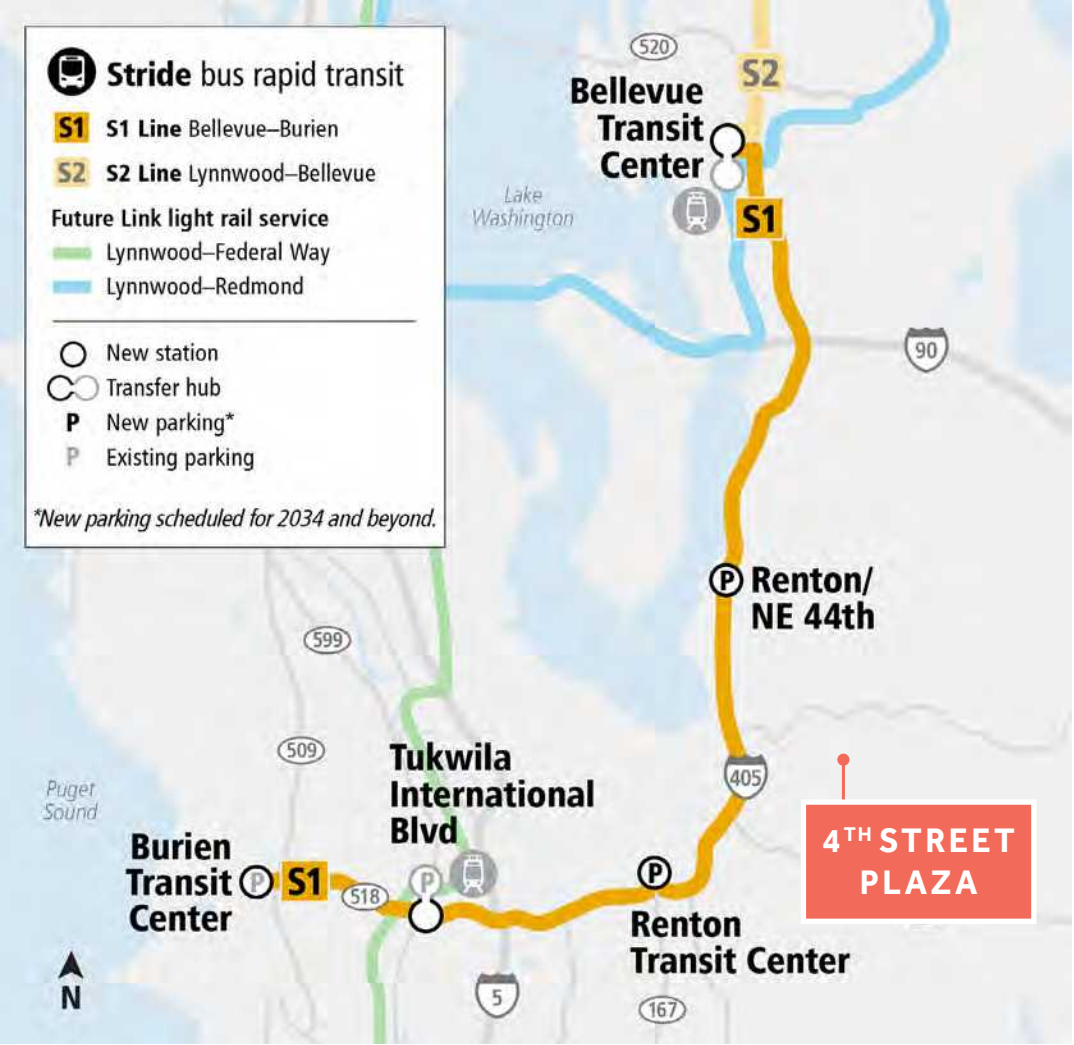


# STRIDE S1 LINE ACCESS

## LINKING RENTON TO BELLEVUE, SEATAC & REGIONAL TRANSIT

Located just 1.2 miles from the property, the Stride S1 Bus Rapid Line provides direct service to key employment hubs across the Eastside and South King County. Renton residents benefit from a 35-minute ride to Bellevue CBD—one of the region’s largest business districts.

In the other direction, the S1 connects to Tukwila International Blvd Station, enabling transfers to Link light rail and SeaTac Airport. With frequent service, dedicated lanes, and future infrastructure upgrades, the S1 Line supports long-term accessibility and tenant retention.



**REGIONAL TRANSIT CONNECTIVITY**  
Stride S1 connects the site to major hubs like Bellevue and Tukwila—driving customer traffic, visibility, and accessibility across the greater Renton trade area.



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