



# Big 5 Sporting Goods

OAK HARBOR, WASHINGTON



CAPITAL PACIFIC





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**BIG 5 HAS OCCUPIED THE  
PREMISES FOR 15+ YEARS**







## Overview

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# Big 5 Sporting Goods

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31956 STATE ROUTE 20, OAK HARBOR, WA 98277





# Investment Summary

LEASEABLE SF

**10,000 SF**

PRICE PER SF

**\$219**

LEASE TYPE

**NNN**

LEASE EXPIRATION

**January 31, 2023**

YEAR BUILT

**2003**

PARKING

**43 Spaces;  
4.3/1,000 SF****\$2,190,000****PRICE****7.70%****CAP**

**THE OFFERING** provides the opportunity to acquire a single-tenant Big 5 Sporting Goods with a 15-year historical occupancy, fully occupying a freestanding 10,000 square foot built-to-suit construction. Big 5 (S&P: BBB) is an investment-grade credit tenant and operates on a NNN lease with scheduled 10% rent increases every five years, the next to occur in 2020, providing near-term rental upside. The Property is highly-exposed on Hwy 20, the primary arterial running through Oak Harbor and connecting to mainland Puget Sound.

**Overview**



# Investment Highlights

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**15-YEAR HISTORICAL OCCUPANCY WITH RECENT 5-YEAR EXTENSION.**

**BUILT-TO-SUIT CONSTRUCTION.**

**YIELD INCREASES AN ESTIMATED 223 BASIS POINTS PER 2020 RENT BUMP AND INCREASES AT THE START OF EACH OPTION.**

**TIGHT RETAIL MARKET WITH ZERO SPACE AVAILABLE FOR LEASE BETWEEN 6,000-20,000 SF.\***

**HIGH EXPOSURE ALONG HIGHWAY 20, THE MAIN CONNECTOR TO MAINLAND PUGET SOUND.**

*\*As of 2/27/2019 on CREXi.com.*





# About the Tenant

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## **BIG 5 SPORTING GOODS**

Big 5 Sporting Goods is one of America's top retailers of name-brand sporting goods and accessories. The company is a publicly-traded (NASDAQ: BGFV) national retailer, based out of El Segundo, CA with locations throughout 11 states.

# BBB

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**S&P**

# 436

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**LOCATIONS ACROSS  
11 WESTERN STATES**

# 1955

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**YEAR FOUNDED**

# 9,500

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**TOTAL EMPLOYEES**



**Investment Highlights**



# Site





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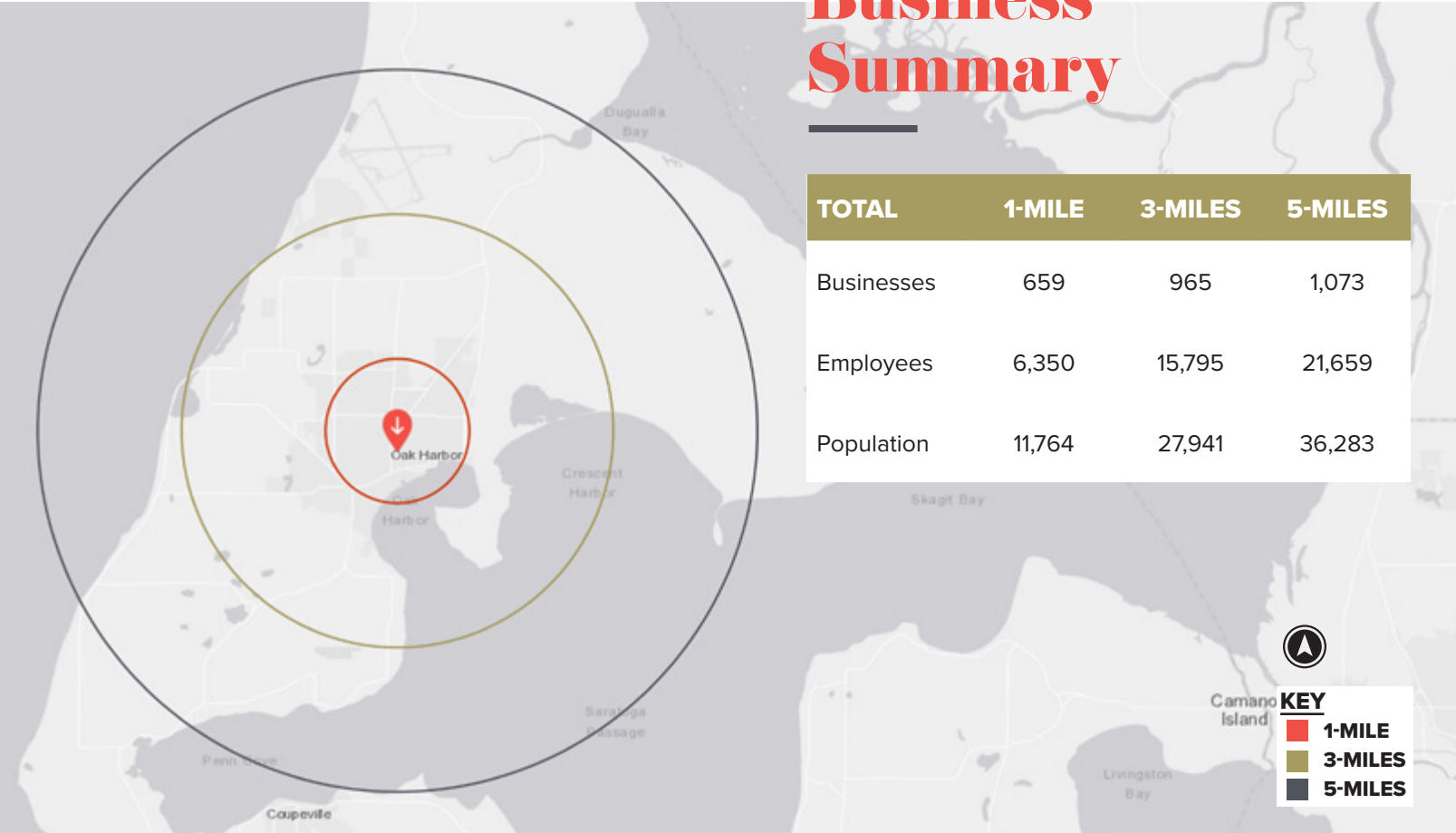
# ADJACENT NATIONAL RETAILERS AND STRONG VISIBILITY ON MAIN HIGHWAY PROVIDE INCREASED DRAW





# Surrounding Retail & Daily Needs

## Business Summary



### MAJOR RETAIL

- Ace Hardware

Applebee's

AutoZone

Dollar Tree

Domino's

Haggen

Harbor Freight

Home Depot
- Jack in the Box

Jiffy Lube

Maurices

Payless ShoeSource

Petco

Pita Pit

Pizza Hut

Rite Aid

Saars Marketplace

Safeway
- Sears Hometown

Starbucks

Supercuts

Taco Bell

Walgreens

Walmart Supercenter

Wendy's

## NAVAL AIR STATION WHIDBEY ISLAND

NAS Whidbey Island is one of the Navy's largest air stations and is the sole center for electronic combat and warfare training, and largest employer in Island County.



NAVAL AIR  
STATION  
WHIDBEY ISLAND  
2 MILES NORTH

OAK  
HARBOR  
HIGH  
SCHOOL



20

12,897  
VPD



NORTH  
WHIDBEY  
MIDDLE  
SCHOOL

E WHIDBEY AVE

BROAD  
VIEW  
MIDDLE  
SCHOOL



OAK HARBOR  
INTERMEDIATE  
SCHOOL

BIG 5  
SPORTING  
GOODS

OAK  
HARBOR  
MIDDLE  
SCHOOL

24,000  
VPD



20



WHIDBEY  
ISLAND PLACE  
Pending City  
Approval  
Possible Tenants:



## Surrounding Retail & Daily Needs



# Site Plan



**sf**

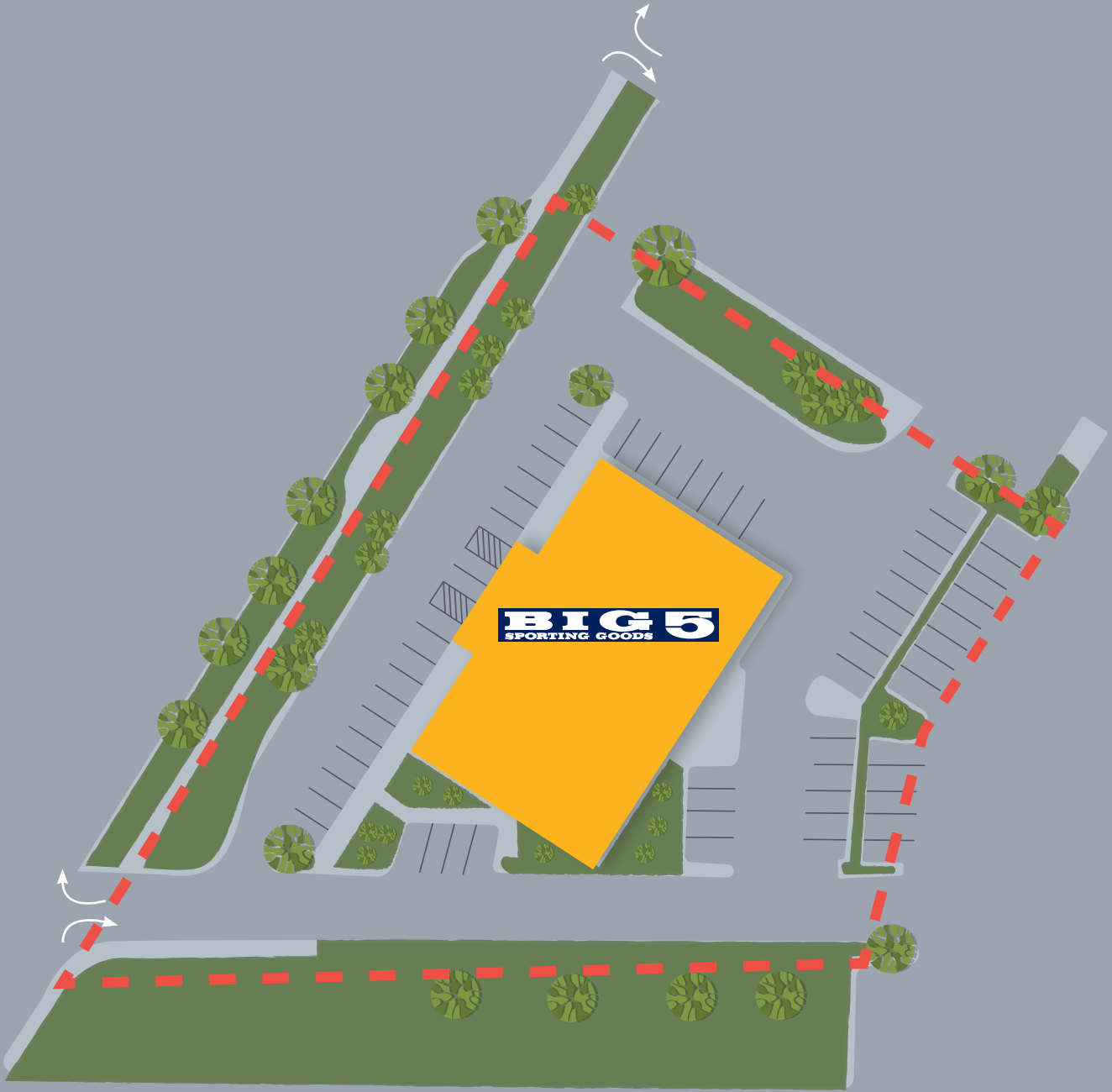
**10,000  
LEASEABLE SF**

**\$**

**\$219  
PPSF**

**43 SPACES;  
4.3/1,000 SF**





SITE PLAN NOT TO SCALE

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# Site Plan



# Financial Summary

<b>PRICE</b>	<b>\$2,190,000</b>
<b>CAPITALIZATION RATE</b>	<b>7.70%</b>
<b>PRICE PER FOOT</b>	<b>\$219</b>

## CASH FLOW SUMMARY

<b>SCHEDULED INCOME</b>		<b>PER SF</b>	
Base Rent for the Period of:	6/1/2019 - 5/31/2020	\$16.34	\$163,350
Rent Increases Over Base Rent		\$0.54	\$5,445
<b>Total Effective Gross Income (EGI)</b>		<b>\$16.88</b>	<b>\$168,795</b>

<b>OPERATING EXPENSES</b>	<b>Per SF</b>	
CAMS		NNN
Property Taxes		NNN
Insurance		NNN
<b>Total Operating Expenses</b>	<b>NNN</b>	<b>-</b>

<b>NET OPERATING INCOME</b>	<b>\$168,795</b>
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# Rent Roll

BIG 5					
Lease Term:		2/1/2003 - 1/31/2023			
Size (SF):		10,000			
RENT SUMMARY					
DATE		MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	CAP RATE
2/1/2018		\$13,613		\$163,350	7.70%
2/1/2020		\$14,974	10%	\$179,685	8.20%
OPTIONS					
1	2/1/2023	\$16,471	10%	\$197,654	9.03%
2	2/1/2028	\$18,118	10%	\$217,419	9.93%
CURRENT		\$13,613		\$163,350	7.70%

Lease Notes

Comments: Corporate NNN Lease - Tenant is directly responsible for all taxes, insurance, and CAM with a 5% CAM cap YOY. Landlord is responsible for any expense exceeding Tenant's Cap and the maintenance, repair, and replacement of the building roof, foundation, and structure. Tenant has 2, 5-year options to be exercised with 180 day's notice.

# Lease Abstract

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## Operating Expenses

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### **TENANT CAM**

Tenant is directly responsible for all CAM, if applicable, for the greater shopping center, and excludes Admin in excess of 10% of CAMs and any single item over \$5,000. CAMs are capped at a 5% increase YOY, yet Tenant is not hitting such cap.

### **UTILITIES**

Tenant pays all utilities directly.

### **PROPERTY TAXES**

Tenant pays real property taxes directly.

### **INSURANCE**

Tenant to directly maintain property insurance, and Landlord to carry general liability insurance; Tenant may self-insure if they have a net worth of at least \$20M.





# Maintenance Responsibilities

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## TENANT RESPONSIBILITIES

Maintenance, repair, and replacement of the following:

### INTERIOR NON-STRUCTURAL ELEMENTS:

Plumbing, electricity, HVAC, doors, windows, and security grills.

### EXTERIOR NON-STRUCTURAL ELEMENTS:

Storefront, HVAC unit, exterior painting and patching, and to clean gutters and debris off roof no more than twice a year.

## LANDLORD RESPONSIBILITIES

Maintenance, repair, and replacement of the roof, gutters, downspouts, floor slab, exterior walls, foundation, footings, and all structural portions (interior and exterior), not reimbursable by Tenant.





# Questions & Answers

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## **Q: HAS THE PROPERTY HAD ANY ENVIRONMENTAL TESTING?**

A: Yes, a Phase I ESA was conducted in April 2002 by Northwest HydroGeo Consultants; no hazardous materials were observed, and no further testing was required.

## **Q: IS BIG 5 REQUIRED TO PROVIDE A STATEMENT OF GROSS SALES OR FINANCIAL STATEMENT?**

A: No, Big 5 is not required to provide gross sales or a financial statement, typical of most Big 5 leases.





**Q: ARE THERE CC&RS IN PLACE OVERSEEING THE PROPERTY AND ADJOINING PARCELS?**

A: Yes, CC&Rs are in place overseeing the Property and eight surrounding parcels, and include but are not limited to the following:

**Access:** Non-exclusive ingress, egress, and access for vehicular and pedestrian traffic, including parking.

**Permitted Uses:** Retail, business and professional office, restaurants, day care centers, senior housing and financial institutions.





## Location

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# Oak Harbor, Washington



DECEPTION PASS

**OAK HARBOR** is located on the northern end of Whidbey Island. The Naval air station is the largest economic force on north Whidbey Island. Whidbey Island is approximately sixty miles in length stretching from Deception Pass in the north to the town of Clinton in the south. Oak Harbor is the islands largest incorporated city.

As the population has grown in Oak Harbor, commercial development has moved from the original commercial center along the waterfront park to Highway-20. This development has effectively moved the flow of commerce from the old downtown area.



# Drive Time

## POPULATION



	5 MINS	10 MINS	15 MINS
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2010	15,849	31,558	38,599
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2018	16,469	32,786	40,649
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2023	17,232	34,280	42,434
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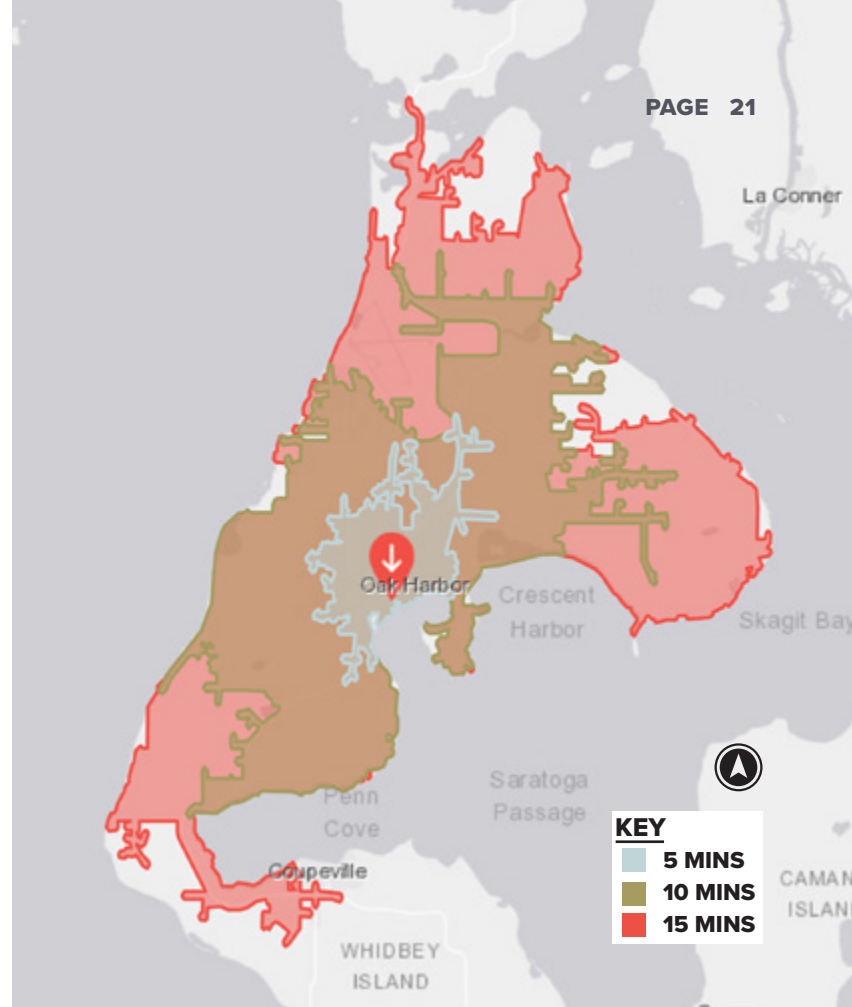
## 2018 HH INCOME



	5 MINS	10 MINS	15 MINS
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Average	\$64,640	\$68,408	\$71,046
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Median	\$52,135	\$55,067	\$57,284
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## Area Developments

### PARK IMPROVEMENTS

**WINDJAMMER PARK IS BEING REDEVELOPED** with Phase 1 to be completed in Spring 2019. The community park will include a public plaza, public restrooms, splash park, as well as basketball and pickle ball courts.

### OPPORTUNITY ZONE

**A SMALL PORTION OF ISLAND COUNTY HAS BEEN DESIGNATED** an Opportunity Zone. To qualify for this new program, capital gains must be invested in a Qualified Opportunity Fund within 180 days from the date of sale or exchange that generated the gain, and provides tax incentives by permitting investors the opportunity to defer paying taxes on capital gains that are in turn invested in distressed communities.

# Contact Us

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# We'd love to hear from you.

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