

817 E 72nd Street | Tacoma, WA 98404
OFFERING MEMORANDUM

EQUITY RETAIL BROKERS



Bart Delfiner
610.645.7700 x117
bdelfiner@equityretailbrokers.com

Ken Yanni
610.645.7700 x123
kyanni@equityretailbrokers.com

Ron Waldbaum
425.586.4640 | rwaldbaum@leibsohn.com
License #: 26255

Equity Retail Brokers • 531 W. Germantown Pike, Suite 103 • Plymouth Meeting • PA 19462 • (office) 610.645.7700 • equityretailbrokers.com

Leibsohn & Company • 40 Lake Bellevue Drive, Suite 270 • Bellevue • WA 98005 • (office) 425.586.4640 • leibsohn.com

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PLANET FITNESS | 817 E 72nd Street, Tacoma, WA 98404

EXECUTIVE SUMMARY

Offered for sale to qualified investors is the rare opportunity to purchase sale leaseback of a Planet Fitness in the Seattle MSA. Located in Tacoma, WA, the subject property features a free-standing Planet Fitness building located at 817 E 72nd Street, Tacoma, WA 98404.

The property is being offered with a brand new 15-year NN lease with JEG FIT LLC, a Planet Fitness franchisee with approximately 25 locations in Washington, Arizona, and Mexico. JEG FIT LLC plans to operate over 30 locations by the end of 2018.

Planet Fitness was founded in 1992 and is headquartered in Newington, New Hampshire. With over 1,500 locations across North America, Planet Fitness has over 6 million members. It markets itself as a “Judgement Free Zone” that caters to novice and casual gym users and is reported to be the nation’s fastest growing fitness center franchise. In February 2016, the franchise was added to the Franchise Times’ “Fast and Serious” list of top franchises (#1), and in its 2016 ranking of franchises, Forbes magazine ranked Planet Fitness #4. It ranked in the top 50 of Entrepreneur magazine’s Franchise 500 in 2017.



This report and any attachments to it contain information from Equity Retail Brokers, Inc. which is confidential and privileged. Some information may have been obtained from sources considered to be reliable, but Equity Retail Brokers, Inc. makes no representations and/or warranties, expressed or implied, as to the accuracy of the information. All the information is also subject to market conditions, the state of the economy, especially the economy as it relates to real estate is subject to volatility. Equity Retail Brokers, Inc is licensed in PA, NJ, & DE.

INVESTMENT HIGHLIGHTS

STRONG CORPORATE TENANT

- > Tenant: Planet Fitness
- > Franchisee: JEG FIT LLC

STABLE INCOME

- > Minimal Landlord Responsibilities
- > New 15 Year Lease With 10% Increases Every Five Years
- > Recent Remodel in 2016

STRONG RETAIL LOCATION

- > Traffic Count: E 72nd Street | 21,000 ADT

DEMOGRAPHICS

2018 (AGS)	1-MILE	3-MILE	5-MILE
Estimated Population	17,447	120,499	251,630
Estimated Average HHI	\$68,665	\$67,061	\$69,142
Daytime Demographics	8,618	65,477	234,350

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PROPERTY OVERVIEW

SALE PRICE \$3,840,000

CAP RATE 6.25%

ADDRESS 817 E 72nd Street, Tacoma, WA 98404

BUILDING Free Standing Retail Building

YEAR BUILT 1957 | Remodel in 2016

BUILDING SIZE 22,450 SF

LOT SIZE 2.38 AC

ZONING M1

PARKING ±123

TRAFFIC COUNTS E 72nd Street | 21,000 ADT

TYPE OF OWNERSHIP Fee Simple



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PLANET FITNESS

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JEG FIT LLC, a Planet Fitness franchisee with approximately 25 locations in Washington, Arizona, and Mexico. JEG FIT LLC plans to operate over 30 locations by the end of 2018.



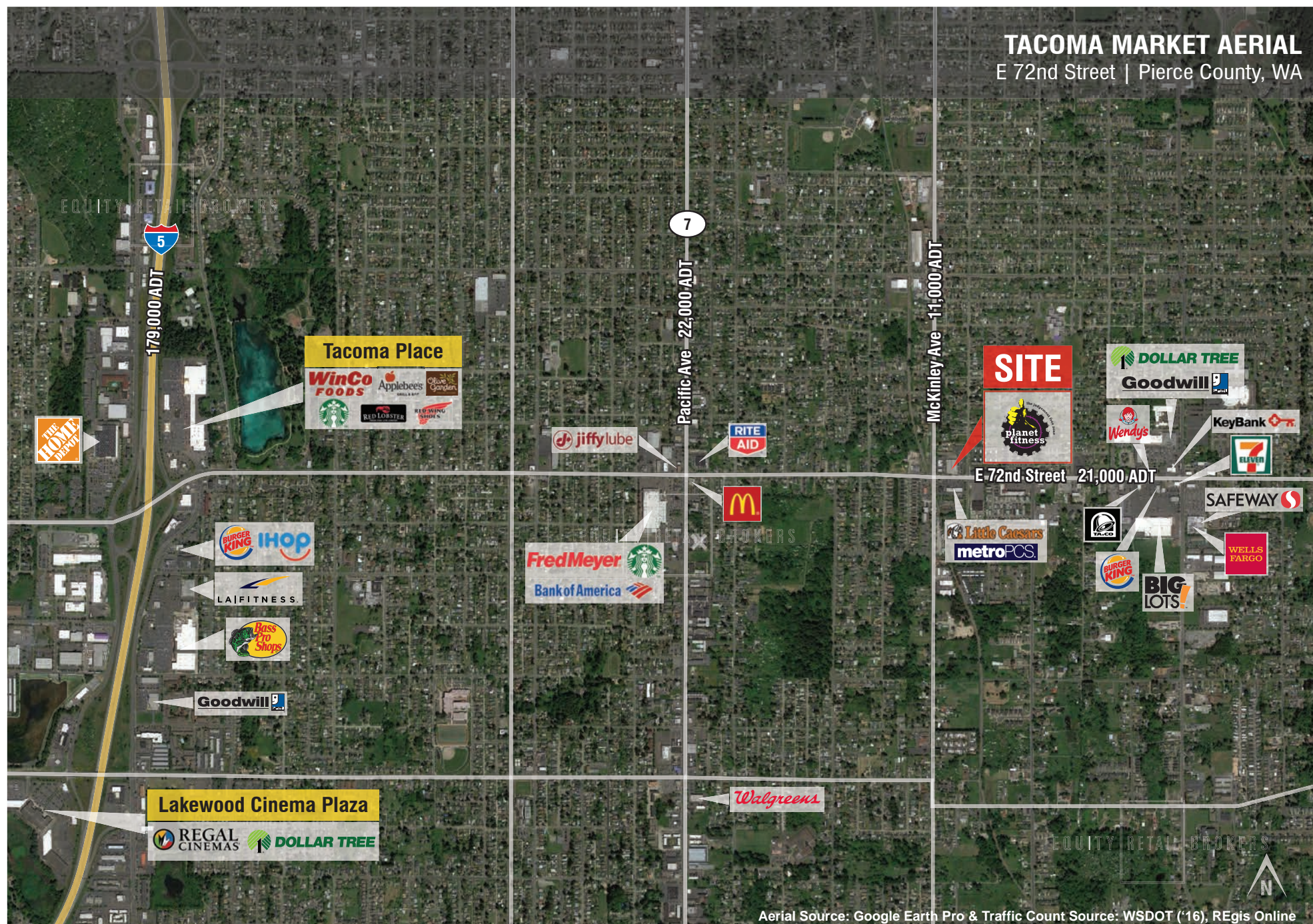
TENANT & LEASE SUMMARY

TENANT	JEG FIT, LLC d/b/a Planet Fitness
TYPE OF LEASE	NN
INITIAL LEASE COMMENCEMENT	TBD
LEASE EXPIRATION DATE	15 Years After Commencement
REMAINING TERM	15 years
RIGHT TO TERMINATE	No
PROPERTY TAXES	Tenant
ROOF, STRUCTURE & PARKING LOT	Landlord
COMMON AREA MAINTENANCE	Tenant
INSURANCE	Tenant
UTILITIES	Tenant
REPAIRS & MAINTENANCE	Tenant

RENT SCHEDULE

TERM	ANNUAL RENT	MONTHLY RENT
Year 1-5	\$240,000	\$20,000
Year 6-10	\$264,000	\$22,000
Year 11-15	\$290,400	\$24,200
RENEWAL TERMS	ANNUAL RENT	MONTHLY RENT
Year 16-20	\$319,440	\$26,620
Year 21-25	\$351,384	\$29,282
Year 26-30	\$386,522	\$32,210
Year 31-35	\$425,175	\$35,431





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LOCATION OVERVIEW

TACOMA AREA

Tacoma is a mid-sized city approximately 30 miles southwest of Seattle and approximately 30 miles northeast of the state capital, Olympia. Tacoma is the second largest city in the Puget Sound area and third largest city in the state of Washington. Tacoma also serves as the center of business activity of the South Sound Region, which has a population of around 1 million. Tacoma-Pierce County has been named one of the most desirable areas to live in the United States.



SEATTLE MSA

The Seattle metropolitan area includes the three most populous counties in Washington – King, Snohomish and Pierce. The area is the 14th largest Metropolitan Statistical Area in the United States with over 3.8 million people. In 2017, Seattle was named the United States' fastest growing big city with an annual growth of 3.1% per year.



DEMOGRAPHICS - TACOMA, WA

2018 (AGS)	1-MILE	1-MILE (Projected 2023)	3-MILE	3-MILE (Projected 2023)	5-MILE	5-MILE (Projected 2023)
Estimated Population	21,880	24,610	95,400	106,645	258,862	287,592
Estimated Average HHI	\$56,752	\$63,030	\$75,938	\$85,453	\$83,532	\$94,787
Daytime Demographics	50,974		119,037		225,062	

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817 E 72nd St Tacoma, WA 98404		1 mi radius	3 mi radius	5 mi radius
POPULATION	2018 Estimated Population	17,447	120,499	251,630
	2023 Projected Population	19,436	134,597	280,332
	2010 Census Population	16,007	111,582	230,737
	2000 Census Population	14,389	104,171	210,763
	Projected Annual Growth 2018 to 2023	2.3%	2.3%	2.3%
	Historical Annual Growth 2000 to 2018	1.2%	0.9%	1.1%
	2018 Median Age	32.9	33.3	34
HOUSEHOLDS	2018 Estimated Households	5,743	42,760	94,738
	2023 Projected Households	6,104	45,551	100,768
	2010 Census Households	5,357	40,344	87,769
	2000 Census Households	5,069	37,924	80,398
	Projected Annual Growth 2018 to 2023	1.3%	1.3%	1.3%
	Historical Annual Growth 2000 to 2018	0.7%	0.7%	1.0%
RACE AND ETHNICITY	2018 Estimated White	47.0%	52.5%	56.9%
	2018 Estimated Black or African American	11.8%	12.7%	12.9%
	2018 Estimated Asian or Pacific Islander	15.9%	13.0%	11.5%
	2018 Estimated American Indian or Native Alaskan	2.4%	2.1%	1.8%
	2018 Estimated Other Races	22.9%	19.7%	17.0%
	2018 Estimated Hispanic	23.6%	18.1%	15.4%
INCOME	2018 Estimated Average Household Income	\$68,665	\$67,061	\$69,142
	2018 Estimated Median Household Income	\$54,972	\$52,534	\$54,480
	2018 Estimated Per Capita Income	\$22,703	\$23,894	\$26,364
EDUCATION (AGE 25+)	2018 Estimated Elementary (Grade Level 0 to 8)	8.3%	7.1%	5.3%
	2018 Estimated Some High School (Grade Level 9 to 11)	11.5%	9.8%	8.5%
	2018 Estimated High School Graduate	29.9%	30.9%	30.5%
	2018 Estimated Some College	27.2%	26.1%	25.6%
	2018 Estimated Associates Degree Only	6.2%	8.9%	9.5%
	2018 Estimated Bachelors Degree Only	13.3%	13.1%	14.6%
	2018 Estimated Graduate Degree	3.6%	4.1%	5.9%
BUSINESS	2018 Estimated Total Businesses	455	3,204	12,813
	2018 Estimated Total Employees	2,903	27,828	155,144
	2018 Estimated Employee Population per Business	6.4	8.7	12.1
	2018 Estimated Residential Population per Business	38.3	37.6	19.6

This report was produced using data from private and government sources deemed to be reliable. The information herein is provided without representation or warranty.



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CONFIDENTIALITY STATEMENT | DISCLAIMER

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The information contained in this Offering Memorandum is proprietary and strictly confidential. It is furnished solely for the purpose of review by a prospective purchaser of the subject property and is not to be used for any other purposes or made available to any person without the expressed written consent of the Seller or Equity Retail Brokers.

The information in this prospectus has been compiled from sources deemed to be reliable. However, neither the information nor the reliability of their sources are guaranteed by Equity Retail brokers or the Seller. Neither Equity Retail Brokers nor the Seller have verified, and will not verify, any of the information contained herein, nor has Equity Retail Brokers or the Seller conducted any investigation regarding the information contained herein. Neither Equity Retail Brokers nor the Seller makes any representation or warranty whatsoever regarding the accuracy or completeness of the information provided herein.

A prospective purchaser must make its own independent investigations, projections, and conclusions regarding the acquisition of the property without reliance on this or any other confidential information, written or verbal, from Equity Retail Brokers or the Seller. This Confidential Offering Memorandum does not constitute an offer to accept any investment proposal but is merely a solicitation of interest with respect to the investment described herein. This Confidential Offering Memorandum does not constitute an offer of security.

Prospective purchasers are recommended to seek professional advice. This includes legal, tax, environmental, engineering and other as deemed necessary relative to a purchase of this property. All the information is also subject to market conditions, the state of the economy, especially the economy as it relates to real estate is subject to volatility.

The Owner expressly reserves the right, at its sole discretion, to reject any offer to purchase the property or to terminate any negotiations with any party, at any time, with or without written notice. The Seller and Equity Retail Brokers reserve the right to negotiate with one or more prospective purchasers at any time.

Only a fully-executed Real Estate Purchase Agreement, approved by Seller, shall bind the property. A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or the information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in a fully executed Real Estate Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against the Seller or Equity Retail Brokers or any of their affiliates, officers, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

Each prospective purchaser and/or broker proceeds at its own risk.

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Leibsohn & Company is licensed in WA.

Agents

Bart Delfiner
Equity Retail Brokers, Inc.
531 W. Germantown Pike, Suite 103
Plymouth Meeting, PA 19462
Office 610.645.7700 x117
Fax 610.645.5454
bdelfiner@equityretailbrokers.com

Bart Delfiner is a licensed real estate salesperson in PA & NJ.

Ken Yanni
Equity Retail Brokers, Inc.
531 W. Germantown Pike, Suite 103
Plymouth Meeting, PA 19462
Office 610.645.7700 x123
Fax 610.645.5454
kyanni@equityretailbrokers.com

Ken Yanni is a licensed real estate salesperson in PA & NJ.

Ron Waldbaum
Leibsohn & Company
40 Lake Bellevue Drive, Suite 270
Bellevue, WA 98005
Office 425.586.4640
License #26255
rwaldbaum@leibsohn.com

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Expert Guidance. Prompt Solutions.

Equity Retail Brokers – Real Estate Experts

Local Relationships + Nationwide Coverage = Maximum Value

EQUITY RETAIL BROKERS

Equity Retail Brokers

We have a dedicated team ready to help you and your company with the leasing and sale of your commercial real estate.

Our hands-on approach, property specific marketing techniques, and proven transparent marketing methods lead to an expeditious conclusion to assignments.

Our approach is to properly analyze the situation, assist in determining the economics of the real estate transaction, implement a pre-approved marketing strategy, provide consistent reliable reporting, produce offers, give guidance on the offers produced, assist in the closing process, and close a transaction.

Leibsohn & Company



Founded in 1974, Leibsohn & Company is a leading full-service commercial real estate brokerage firm in Washington State. We believe in building long-term relationships with our clients and have built a solid reputation for outstanding professional service in all areas of commercial real estate, but especially Retail Leasing and Sales.

Our partnership with The Retail Brokers Network (RBN) gives us the added advantage of international partnerships. Our membership allows us to partner with a highly experienced network of Retail Brokers from over 60 Retail brokerage offices across North America. The combination of our strong local presence and an expanded national perspective allows us to provide each of our clients with experience, expertise and unparalleled market coverage.

Retail Brokers Network

Equity Retail Brokers & Leibsohn & Company are active members of the Retail Brokers Network. This association gives us a keen understanding of the commercial real estate market and access to thousands of buyers, users, and tenants that can close on a transaction. The RBN has qualified retail specialists in over 75 independent commercial real estate offices located throughout North America and Puerto Rico. www.retailbrokersnetwork.com

Below is partial list of companies that have worked with Equity Retail Brokers:

Wells Fargo, Alliance Bank Corp, Inc. of Pennsylvania (ALLB), American Financial Realty Group (AFRT), Commerce Bank, Ambler Savings Bank, Washington Savings Bank, VIRIVA, KIMCO Realty, Kin Properties, and the Inland Real Estate Group of Companies, Inc., Autozone, Safeway, Super Valu, Office Depot and more.