



BURLINGTON BIG 5 & MATTRESS MART

OFFERING MEMORANDUM | 910 S BURLINGTON BLVD | BURLINGTON, WA

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01

INVESTMENT SUMMARY

THE OFFERING

PROPERTY OVERVIEW

AERIALS

THE OFFERING

Kidder Mathews is pleased to offer a two tenant 100% occupied retail center. The pad building is located on a hard corner in the Fred Meyer parking lot. The property is in close proximity to Interstate 5 and has excellent visibility from Burlington Boulevard which is the main retail corridor in Burlington.

HIGH TRAFFIC location on the hard corner of Burlington Boulevard and Cedar Street

WELL BUILT, concrete block construction with new membrane roof

SHADOW anchor to Fred Meyer shopping center

ANCHOR tenant Big 5 has been a tenant since the building was built

STRONG national tenants on long leases provide stable cash flow

BOTH leases are NNN allowing for full expense



\$3,400,000

OFFERING PRICE

7.25%

CAP RATE

NNN

LEASE TYPE

100%

OCCUPANCY

\$225

PRICE PER SF

1994

YEAR BUILT



PROPERTY OVERVIEW

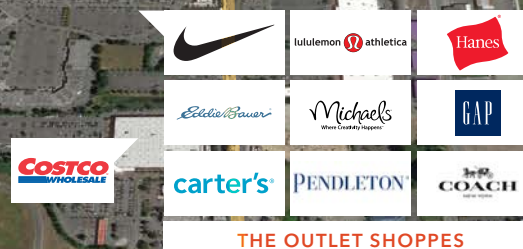
Address	910 S Burlington Blvd, Burlington, WA 98233
Parcel	8013-000-001-0000
County	Skagit
Municipality	City of Burlington
Year Built	1994
Total Building SF	±15,099 SF
Gross Leasable SF	±15,099 SF
Stories	1
Land Area	±0.92 AC / ±40,075 SF
Parking Stalls	±48 spaces
Parking Ratio	3.2 Per 1,000 SF
Zoning	C-1 (Commercial District)





CASCADE MALL

74.4K DAILY

 19.7K DAILY

THE OUTLET SHOPPES



BURLINGTON CROSSING

3-BURLINGTON BLVD





SUBJECT
PROPERTY

FRED MEYER

BURLINGTON BLVD



02

FINANCIAL ANALYSIS

RENT ROLL

ESTIMATED EXPENSES

PRICING

INDICATIVE LOAN QUOTE

FINANCIAL ANALYSIS

RENT ROLL

Tenant Name	Unit Number	SF	% of GLA	Monthly Rent	Annual Rent	Annual Rent / SF	Term Start	Term End	Lease Type
Big 5 Sporting Goods	1	10,047	66.54%	\$19,220	\$230,640	\$22.96	06/01/94	01/31/24	NNN
Mattress Mart	2	5,052	33.46%	\$2,818	\$33,816	\$6.69	08/01/18	06/30/21	NNN
Gross Leasable Area		15,099		\$22,038	\$264,456				

OCCUPANCY SUMMARY

	SF	% of GLA	Monthly Rent	Annual Rent
Occupied	15,099	100.0%	\$22,038	\$264,456
Available	-	0.0%	\$0	\$0



ESTIMATED EXPENSES

	Total	Per SF	% Of Expenses	Source/Comments
Property Taxes	\$27,618.00	\$1.83	40.84%	2018 Actual
Insurance	\$4,000.00	\$0.26	5.92%	Estimated
Common Area Maintenance (CAM)*	\$36,000.00	\$2.38	53.24%	Estimated
Total Operating Expense	\$67,618.00	\$4.48		

PRICING

ACTUAL NET OPERATING INCOME

	Total	Per SF
Scheduled Rent	\$264,456	\$17.51
+ Expense Recapture	\$67,618	\$4.48
+ Year 1 Rent Increases	\$249	\$0.02
= Scheduled Gross Income	\$332,323	\$22.01
- Vacancy & Credit Loss (5.00%)	(\$16,616)	(\$1.10)
= Effective Gross Income	\$315,707	\$20.91
- Operating Expenses	(\$67,618)	(\$4.48)
- Structural Reserves (\$0.10/SF)	(\$1,510)	(\$0.10)
NET OPERATING INCOME	\$246,579	\$16.33
OFFERING PRICE	\$3,400,000	
CAP RATE	7.25%	
BUILDING PRICE/SF	\$225	





INDICATIVE LOAN QUOTE

PROPOSED FINANCING

Price	\$3,400,000
Down Payment	\$1,020,000
Loan To Value (LTV)	70%
New Loan Amount	\$2,380,000
Interest Rate	4.50%
Amortization	25
Debt Coverage Ratio	1.55
Current Net Operating Income	\$246,579
Annual Debt Service	(\$158,746)
Cash Flow After Debt Service	\$87,833
LEVERAGED CASH ON CASH RETURN	8.61%

Principal Reduction	\$52,724
Return with Principal Reduction	\$140,558
TOTAL RETURN	13.78%

LIFE COMPANY/CMBS

POTENTIAL LOAN TERMS

Loan to Value	65% LTV	70% LTV
Amortization	15-25 Years	15-30 Years
Term	7-10 Years	5-10 Years
Rate Range	4.60% - 5.25%	4.50% - 5.50%
Recourse	Full to Partial	Full
Holdbacks	None	Leasing Fees



03

TENANT PROFILES

BIG 5

MATTRESS MART



BIG 5

Big 5 Sporting Goods is one of America's top retailers of name brand sporting goods and accessories with stores in Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming. Big 5 has a long history of maintaining a healthy balance sheet. The company provides a full-line product offering in a traditional sporting goods store format that averages approximately 11,000 square feet. Big 5's product mix includes athletic shoes, apparel and accessories, as well as a broad selection of outdoor and athletic equipment for team sports, fitness, camping, hunting, fishing, tennis, golf, winter and summer recreation and roller sports.

SMART & FINAL FACT SHEET

Locations	430+
Ownership	Public
Employees	9,500+
2018 Revenue	\$1+ billion
Market Cap	42.6M
Founded	1955
Headquarters	El Segundo, CA
Ticker Symbol	NASDAQ: BGFV





MATTRESS MART

Mattress Mart is in Burlington, WA next to Big 5 Sporting Goods and in front of Fred Meyer. Mattress Mart is a full service mattress store with queen mattresses starting at \$159 going up to awesome luxury 25 year warranty mattresses. With years of experience helping people with sleep and back problems, Mattress Mart strives to find the right mattress for every body and budget. The store also has bed frames, bed sets, and adjustable beds. Mattress Mart carries products from Sealy, Malouf, Mlily, Innomax, and King Koil.

SMART & FINAL FACT SHEET

Locations	1
Founded	2014
Headquarters	Burlington, WA





04

MARKET OVERVIEW

LOCATION MAP

LOCATION OVERVIEW

DEMOGRAPHICS

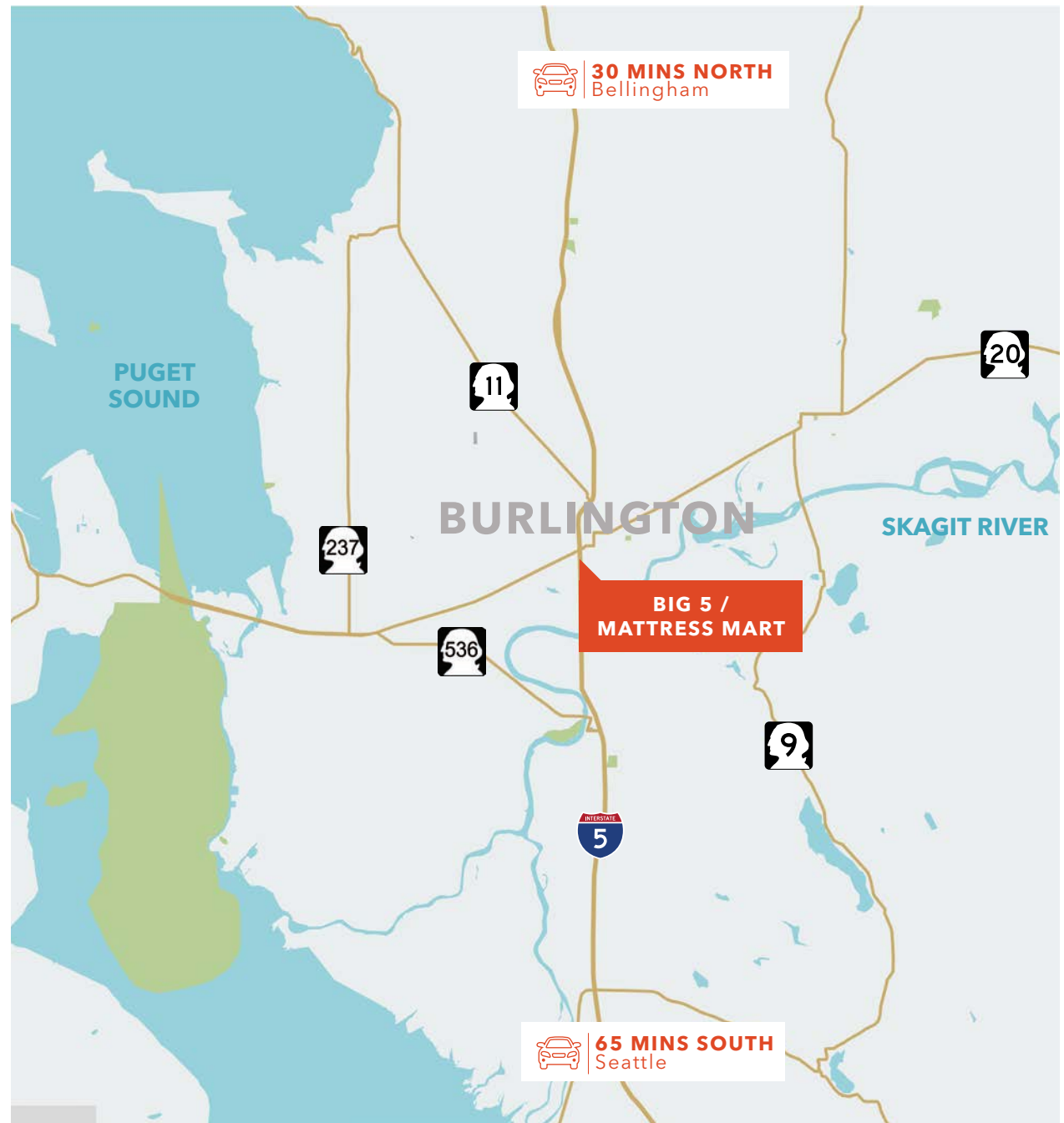
LOCATION MAP

Situated in the heart of Skagit Valley, Burlington is centrally located between Seattle to the south, Vancouver, B.C., Canada to the north, the North Cascade Mount range to the east, and the upper Puget Sound to its west.

Burlington is the “hub” of commerce and industry in northwest Washington with more than 1,200 business. Located at the busy intersection of Interstate 5 and State Route 20, Burlington’s growing retail market is approaching \$1 billion in annual sales.

Burlington’s 1,300 acres of commercial and industrial land support more than 8 million square feet of commercial and industrial buildings, with more constructed each year. Burlington’s success depends on more than its central location; Burlington’s low sales and property taxes, and some of the lowest utility rates and taxes in the region continue to attract new businesses. Commercial and industrial property in Burlington is “shovel ready,” with ready access to transportation corridors, ample utilities, and a city owned fiber optic network.

Burlington is home to more than 9,500 jobs. Major employment sectors in Burlington include retail, manufacturing, and government. A few of the larger employers include Burlington-Edison School District, Fred Meyer, Karmart Chrysler-Jeep-Dodge, and Hexcel.



LOCATION OVERVIEW

BURLINGTON CROSSING

BED BATH AND BEYOND

KOHL'S

ROSS

THE HOME DEPOT

ASHLEY FURNITURE

BEST BUY

MEN'S WAREHOUSE

OLD NAVY

OLIVE GARDEN

FIVE GUYS BURGER

PETSMART

STARBUCKS

CASCADE MALL

TARGET

JCPENNY

PLANET FITNESS

AMC THEATRES

OFFICEMAX

APPLEBEE'S

CHUCK E. CHEESE'S

DAVID'S BRIDAL

DOLLAR TREE

MACY'S

OUTBACK STEAKHOUSE

T-MOBILE

RED ROBIN

T.J.MAXX

THE OUTLET SHOPPES AT BURLINGTON

NIKE

LULULEMON ATHLETICA

PENDLETON

COACH FACTORY

EDDIE BAUER

GAP OUTLET

LANE BRYANT

OSHKOSH

CARTER'S

CHRISTOPHER & BANKS

DRESSBARN

BURLINGTON

Big 5 Sporting Goods fronts South Burlington Blvd, which is considered the major retail corridor in the trade area with traffic counts in excess of 32,000 vehicles per day. The Property is shadow anchored by Fred Meyer and less than a mile from Cascade Mall, the only enclosed mall within a 30 miles radius. Other nearby retailers include Costco, Walmart, Lowe's, and Safeway.



DEMOGRAPHICS

POPULATION

	1 Mile	3 Miles	5 Miles
Est Population (2017)	7,875	27,886	58,689
Proj Population (2022)	8,333	29,504	62,088
Census Population (2010)	7,551	26,594	55,033
Proj Annual Growth (2017-2022)	458 (1.2%)	1,618 (1.2%)	3,399 (1.2%)
Hist Annual Growth (2010-2017)	324 (0.6%)	1,292 (0.7%)	3,656 (0.9%)

HOUSEHOLDS

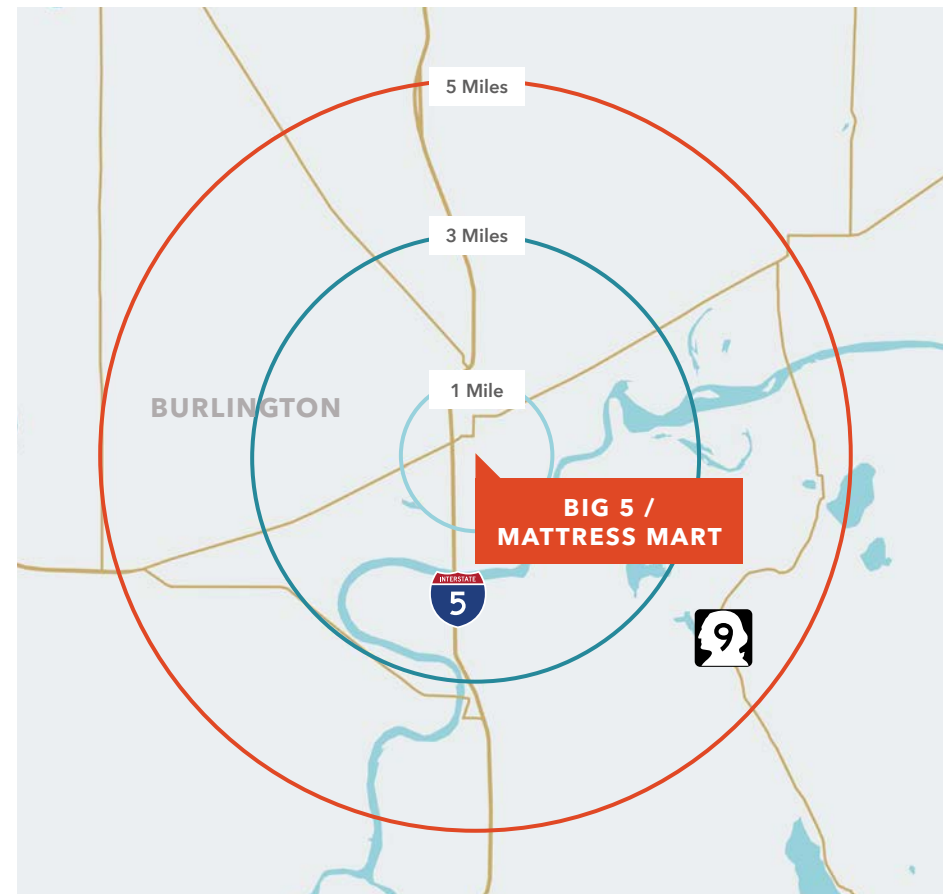
	1 Mile	3 Miles	5 Miles
Est Avg HH Income (2017)	\$49,231	\$53,925	\$58,078
Proj Avg HH Income (2022)	\$58,985	\$64,099	\$68,797
Census Avg HH Income (2010)	\$47,465	\$47,906	\$50,484
Proj Annual Change (2017-2022)	\$9,754 (4.0%)	\$10,174 (3.8%)	\$10,719 (3.7%)
Historical Annual Change (2000-2017)	\$11,180 (1.7%)	\$13,376 (1.9%)	\$16,214 (2.3%)
Housing Units Owner-Occup (2017)	1,460 (49.2%)	5,682 (56.2%)	13,246 (61.9%)
Housing Units Renter-Occup (2017)	1,510 (50.8%)	4,423 (43.8%)	8,167 (38.1%)
Est Median HH Income (2017)	\$49,231	\$53,925	\$58,078
Proj Median HH Income (2022)	\$58,985	\$64,099	\$68,797
Est Per Capita Income (2017)	\$21,297	\$23,309	\$25,554
Census Per Capita Income (2010)	\$18,484	\$20,319	\$21,791

5-Mile Trade Area

58,689 POPULATION (2017)

\$69,556 AVERAGE HOUSEHOLD INCOME (2017)

13,246 OWNER-OCCUPIED HOUSING UNITS (2017)



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