



# MATTRESS FIRM

OUTPARCEL TO HOME DEPOT ANCHORED CENTER | LOW RENT PER FOOT | TAX FREE STATE

PANAMA CITY, FL



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MATTRESS FIRM

507 E 23RD STREET, PANAMA CITY FL 32405

**\$2,935,000**  
**PRICE**

**6.50%**  
**GOING-IN CAP**

NOI:	\$190,776
PRICE/SF:	\$304.46
LEASE TYPE:	CORPORATE NN
LEASE EXPIRATION:	08/31/2026
OPTIONS:	TWO 5-YEAR OPTIONS
LEASABLE AREA:	9,640 SF
LAND AREA:	0.79 ACRES
YEAR RENOVATED:	2019 (New roof, electrical, façade)

**FREESTANDING CORPORATE MATTRESS FIRM  
LOCATED ALONG PANAMA CITY’S PRIMARY  
RETAIL CORRIDOR**

# Investment Highlights



## THE OFFERING

**CPSF** is pleased to present the opportunity to acquire a freestanding, single-tenant corporate Mattress Firm on a heavily-trafficked thoroughfare in Panama City, FL. Mattress Firm is being offered at an attractive cap rate of 6.50% (6.92% blended), and is subject to a 12-year lease that runs through August 2026. The rent schedule calls for a 16% rental increase in September 2024, as well as a 10% rental increase at the start of the 2nd option period. An investor benefits from an in-place rent of \$19.79/ft which is considered to be at or below market, and less than other Mattress Firm stores within the system (typically in the \$30-\$40/ft range). The subject property is strategically located on E 23rd Street just off the N Cove Boulevard intersection, two of the primary thoroughfares serving Panama City's premier retail node, and benefits from excellent street visibility and combined traffic counts of 61,653 VPD.

## THE RETAIL MARKET

Mattress Firm is an outparcel to a Home Depot and Ross anchored shopping center, and is directly across the street from a recently developed strip center that features Chipotle, Dunkin' Donuts, and Aspen Dental. There is an abundance of national retailers in the surrounding area, which include Walmart, Publix, Target, Lowe's Home Improvement, and Chick-fil-A. The subject property also benefits from strong demographics, with over 79,000 residents within a 5-mile radius and average household incomes exceeding \$72,000.

## HIGHLIGHTS

- **High-yield investment opportunity - 6.92% blended cap rate**
- **Mattress Firm is paying a low rent of \$19.79/ft**
- **Corporate lease structure; minimal Landlord expense obligations**
- **16% rental increase in 2024; 10% rental increase at the start of the 2nd option**

## DESIRABLE LOCATION

- **Freestanding property; outparcel to a Home Depot and Ross anchored shopping center**
- **Infill location surrounded by a dynamic mix of retailers**
- **Tax-free state**

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# Income & Expense

PRICE		\$2,935,000
Price Per Square Foot:		\$304.46
Capitalization Rate:		6.50%
Total Rentable Area (SF):		9,640
Lot Size (AC):		0.79
STABILIZED INCOME		PER SQUARE FOOT
Scheduled Rent		\$19.79 \$190,776
Effective Gross Income		\$19.79 \$190,776
LESS		PER SQUARE FOOT
Taxes		NNN \$0.00
Insurance		NNN \$0.00
Total Operating Expenses		NNN \$0.00
EQUALS NET OPERATING INCOME		\$190,776

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# Rent Roll

Tenant Info		Lease Terms		Rent Summary				
Tenant Name	Sq. Ft.			Current Rent	Monthly Rent	Yearly Rent	Monthly Rent/Ft	Yearly Rent/Ft
Mattress Firm	9,640	Current	08/31/24	\$190,776	\$15,898	\$190,776	\$1.65	\$19.79
			09/01/24 08/31/26		\$18,469	\$221,624	\$1.92	\$22.99
		Option 1	09/01/26 08/31/31		\$18,469	\$221,624	\$1.92	\$22.99
		Option 2	09/01/31 08/31/36		\$20,316	\$243,796	\$2.11	\$25.29
TOTALS:	9,640			\$190,776	\$15,898	\$190,776	\$1.65	\$19.79

# Lease Abstract

## PREMISES & TERM

TENANT	Mattress Firm, Inc.
LEASE TYPE	Corporate NN
LEASE TERM	09/01/14-08/31/26
OPTIONS	Two 5-year

## RENT

### BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
Current - 08/31/24	\$15,898	\$190,776
09/01/24 - 08/31/26	\$18,469	\$221,624

### OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 09/01/26 - 08/31/31	\$18,469	\$221,624
#2. 09/01/31 - 08/31/36	\$20,316	\$243,796

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

## EXPENSES

### TAXES

Tenant pays directly to the taxing authority.

### INSURANCE

Tenant shall maintain: (i) Commercial general liability insurance with limits no less than \$1 million per occurrence and \$2 million in annual aggregate coverage, naming Landlord as additional insured; (ii) Worker's compensation insurance; and (iii) Loss-special form property insurance.

### UTILITIES

Tenant pays all utilities directly.

### MAINTENANCE

Tenant is responsible for maintenance, repair and replacement of all non-structural portions of the premises, including the HVAC unit.

### LANDLORD'S OBLIGATIONS

Landlord is responsible for the maintenance, repair and replacement of all non-building portions of the exterior of the premises, as well as roof and structure.

### REIMBURSABLE EXPENSES

All costs associated with insurance premiums, property taxes and Landlord Repair Obligations, that are not capital in nature, may be passed along to the Tenant as reimbursable expenses.

## ADDITIONAL LEASE PROVISIONS

### ESTOPPELS

30 days following written request from Landlord

# Site Plan



9,640  
RENTABLE SF



0.79  
ACRES



35 PARKING SPACES  
(2 HANDICAP SPACES)



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# Tenant Overview



# MATTRESS FIRM

## ABOUT MATTRESS FIRM

Mattress Firm is the largest bedding retailer in the country with over 2,428 locations in the United States, employing over 8,000 people. Mattress Firm offers conventional mattresses, specialty mattresses, YuMe sleep system (a revolutionary sleep system made of foam produced from coconut oil), and bedding related accessories (bed frames, mattress pads, pillows). In the year of 2020, Mattress Firm saw an estimated sales of approximately \$3.4 Billion.

2,428

LOCATIONS IN THE  
UNITED STATES

Steinhoff International Holdings, the world's largest multi-brand/multi-national mattress retail distribution network, holds a 50% stake in Mattress Firm. Steinhoff has operations in 30 countries, dealing primarily with furniture and household goods, sold under 40 different brands. (NASDAQ: MFRM)

\$3.4 Billion

ESTIMATED 2020  
REVENUE

# Surrounding Retail



# Retail Aerial



PROGRESSIVE  
AGENT  
setco  
20  
years

THE HOME DEPOT

JOANN

ROSS  
DRESS FOR LESS

WAL-MART  
SUPERCENTER

A. CRAWFORD  
MOSLEY HIGH  
SCHOOL

KOHL'S  
expect great things

Wild Birds Unlimited  
Nature Shop

USA  
STORAGE CENTERS

77

bealls  
OUTLET.

O'Charley's  
RESTAURANT + BAR

35,000  
VPD

verizon

SURTERRA  
WELLNESS

MATTRESS  
FIRM

West Marine

WILSON AVENUE

368


E 23RD STREET

AspenDental  
MISSION BBQ  
The American Way  
DUNKIN' DONUTS  
BR  
bagkin  
Robbini  
CHIPOTLE  
MEXICAN GRILL



# Demographics

## POPULATION

	1-MILE	3-MILES	5-MILES
2010	3,769	49,030	83,126
2021	3,537	46,366	79,672
2026	3,564	46,939	80,705

## 2021 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$76,806	\$66,830	\$72,541

## BAY COUNTY TOP EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Tyndall Air Force Base	6,416
Bay District Schools	3,000
General Dynamics IT	2,300
Bay Medical Center	1,800
Eastern Shipbuilding Group	1,800



**THERE ARE OVER 79K RESIDENTS  
WITHIN A 5-MILE RADIUS OF THE  
SUBJECT PROPERTY**

# PANAMA CITY, FLORIDA



**PANAMA CITY** is the county seat of Bay County, FL and has a population of 34,667 people. Panama City is located in the Florida “panhandle”, 95 miles east of Pensacola and 100 miles southwest of Tallahassee. The city is home to two military bases, making the federal government the largest employer in the region. The economy relies heavily on the Port of Panama City, two deep water cargo terminals and a 250-acre Intermodal Distribution Center which handle over 2 million tons of cargo annually. The economic impact of the port is over \$1.4 billion to the region through direct business revenue, related business revenue and re-spending, and another \$401.6 million in personal income and local consumption.

**TYNDALL AIR FORCE BASE**, located 12 miles southeast of Panama City, is home to the 325th Fighter Wing Headquarters, 1st Air Force, 53rd Weapons Evaluation Group and the 601st Air Operations Center. Tyndall is one of the nation’s largest Air Force bases and is in a key location, next to the Air Force’s testing and training range over the Gulf of Mexico. The base supports over 26,000 people, and makes up 37% of economic activity in Bay County. The base is undergoing repairs from Hurricane Michael (2018), and is being rebuilt as the “Air Base of the Future.” It is expected to be completed by 2023 and have an economic impact of \$1 Billion on the surrounding region while under construction.



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