

REPRESENTATIVE IMAGE



SANDS INVESTMENT GROUP
NET INVESTMENTS... NET RESULTS



Kohl's

20025 WA Highway 410 East
Bonney Lake, WA 98391

EXCLUSIVELY MARKETED BY:



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INVESTMENT SUMMARY

Sands Investment Group is Pleased to Exclusively Offer For Sale the 55,347 SF Kohl's Located at 20025 WA Highway 410 East in Bonney Lake, WA. Kohl's is on a Brand New 12-Year Lease With a Rent Commencement Date of May 18, 2022. This Property Features a 10% Increase in Year 7 as Well as Each of the 5 Option Periods Providing a Strong Income Growth and Hedge Against Inflation. With a Population of Over 95,348 People Within 5-Miles and Household Incomes of Over \$121,732, This Location is Irreplaceable.

OFFERING SUMMARY

PRICE	\$8,181,818
CAP	5.50%
NOI	\$450,000
PRICE PER SF	\$147.83

PROPERTY SUMMARY

ADDRESS	20025 WA Highway 410 East Bonney Lake, WA 98391
COUNTY	Pierce
BUILDING AREA	55,347 SF
LAND AREA	5.01 AC
BUILT RENOVATED	2001 2022



HIGHLIGHTS

HIGHLY STABLE CORPORATE TRIPLE-NET LEASE

- **NNN Lease With Kohl's Corporation:** Kohl's is a National Department Store Retailer Chain With Over 1,162 Stores in Every State Throughout the Country With the Exception of Hawaii; Kohl's is a Discount Retailer Offering Both Designer Name Brands, Celebrity Lines and Their Private Brands
 - Strong Rental Increases - 10% Increase In Year 7 and At Each Option Period Providing Hedge Against Inflation
 - Kohl's Corporation (NYSE: KSS) is a Publicly Traded Company With a Market Cap of Over \$7.37 Billion and Reported Revenues of Over \$19 Billion For Year Ending 2021; During the Corporate March 1, 2022 Investors Relations Call, Kohl's Notably Issued an Upbeat Outlook For Fiscal 2022, Calling For Net Sales to Rise 2% to 3%
 - Despite Lingering Supply Chain Headwinds and Other Pressures From Inflation and Labor Costs, Kohl's CEO Said the Company Achieved an Operating Margin of 8.6% Two Years Ahead of Schedule
- **Brand-New Long-Term Lease** - Kohl's is on a Brand New 12-Year Lease With a Rent Commencement Date of May 18, 2022; Following the Initial Term, Kohl's Has Five (5-Year) Option Periods to Renew
- **Low Rent Creating Intrinsic Potential Future Upside** - Kohl's is Only Paying \$0.68 Per Square Foot/Month For This Newly Renovated Building Resulting in a Very Low Purchase Price PSF

- **Strong Income Growth & Hedge Against Inflation** - Due to the Embedded 10% Rental Increases Every 5 Years, the Net Operating Income (NOI) is Projected to Increase By \$148,950 (33%) Over the Anticipated 20-Year Hold Period Providing Strong Income Growth Compared to the Many Flat Non-Rental Increase in Other Single Tenant Investments

NEW CONSTRUCTION & RETROFIT WITH LOW MANAGEMENT RESPONSIBILITIES

- **Brand New Building Renovation** - Kohl's is Taking Over a Former Albertsons Grocery Store Site, Re-Retrofitting an Existing Building (2021/2022 Construction) With Significant Tenant Improvements Being Invested into the Building at Tenant's Expense
- **Long Term Stability** - Kohl's is a Nationally Recognized, High Credit Tenant With an Initial 12-Year Lease Term and 25 Years of Options Eliminating Any Near Term Leasing and Tenant Improvement Costs at Landlord's Expense
- **Low Management Oversight** - With the Lease Structured on a "NNN" Basis, the New Owner Will Have Minimal Management Oversight For the Property With the Primary LL Obligations For Roof and Structural Repairs

HIGHLIGHTS

HIGH IDENTITY, AFFLUENT SEATTLE/TACOMA MSA TRADE AREA

- **High Visibility, High Traffic Location** - Kohl's is Located Right Off Highway 410 (Over 47,413 Vehicles Per Day) With Superior Frontage Visibility on S Prairie Road (Over 19,950 Vehicles Per Day)
- **Dense Residential and Commercial Trade Area** - Immediate Proximity to Both Residential and Commercial Density With High Utilization of the Neighboring Shopping Centers Synergistic Mix of Tenants
- **Primary Retail Hub** - Located Directly Within the Primary Retail of Bonney Lake With a Highly Complimentary Mix of National and Regional Credit Tenants Including: Walmart, Lowe's, Costco, Safeway, Rite Aid, Fred Meyer, Marshall's, Planet Fitness, McDonald's, Starbucks, Chick-fil-A, Panda Express, Jack-in-the-Box, Taco Bell and Denny's, to Name a Few
- **Point of Destination** - Bonney Lake Serves as the Primary Retail Destination Between Tacoma, Seattle and Access to Mount Rainier National Park, an Iconic Majestic Destination That Draws in Over 2 Million Visitors Annually

HIGHLY AFFLUENT DEMOGRAPHICS

- More Than 49,604 People Within a 3-Mile Radius of the Subject Property With an Average Household Income of \$121,293
- More Than 95,348 People Within a 5-Mile Radius of the Subject Property With an Average Household Income of \$121,732
- More Than 337,186 People Within a 10-Mile Radius of the Subject Property With an Average Household Income of \$107,827
- **High Growth Area** - Since 2010, the City of Bonney Lake Has Grown By 23.50% and Has Increased its Number of Households By 6,773



ACTUAL PROPERTY IMAGE

LEASE SUMMARY

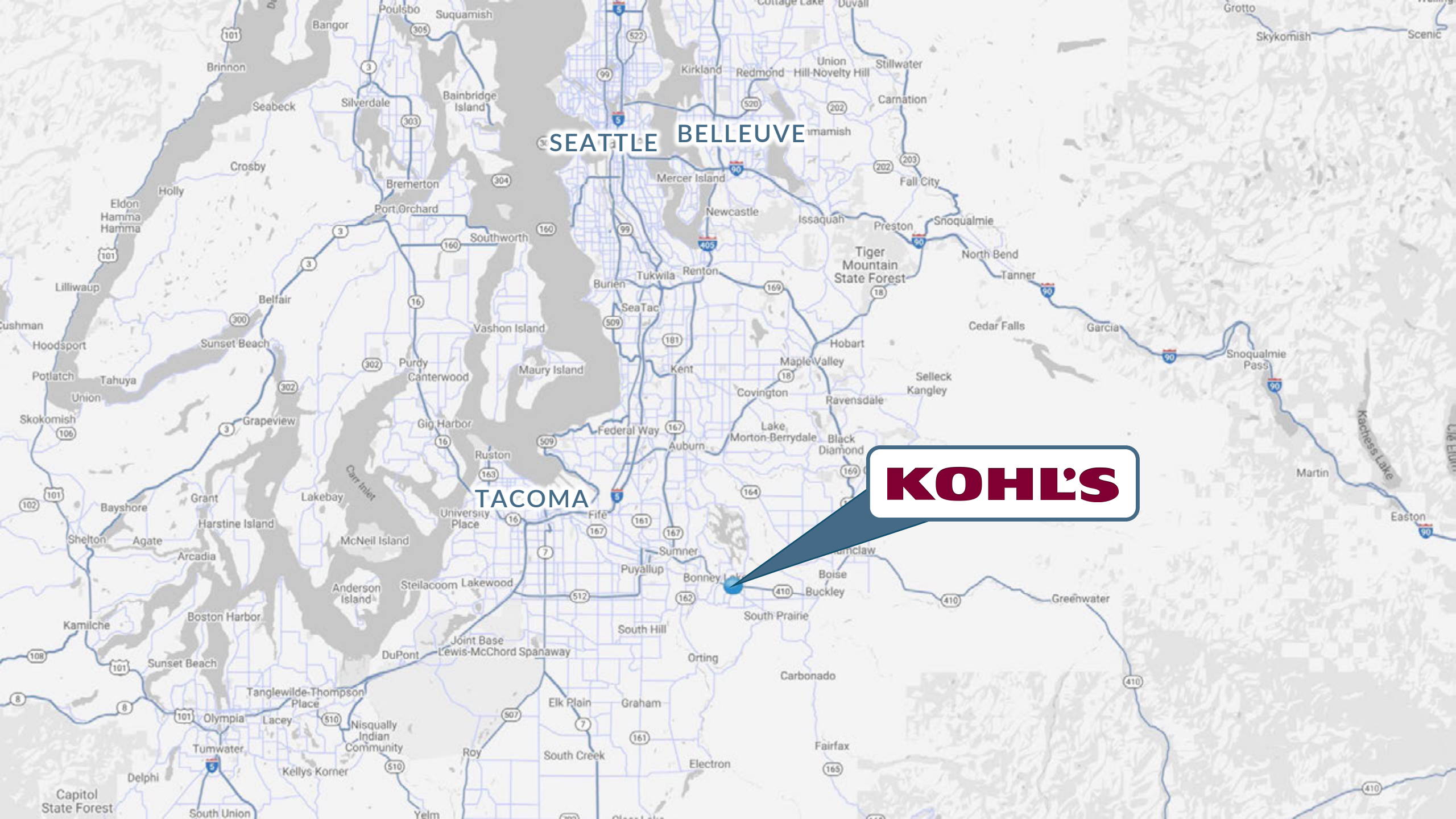
TENANT	Kohl's
PREMISES	A Building of Approximately 55,347 SF
LEASE COMMENCEMENT	May 18, 2022
LEASE EXPIRATION	May 31, 2034
LEASE TERM	12+ Years Remaining
RENEWAL OPTIONS	5 x 5 Years
RENT INCREASES	10% on the 7th Lease Year and at Options
LEASE TYPE	Triple Net (NNN)
PERMITTED USE	Big Box
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF & STRUCTURE	Landlord's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
RIGHT OF FIRST REFUSAL	No

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
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55,347 SF	\$450,000	\$8.13
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ACTUAL PROPERTY IMAGES





SEATTLE BELLEVUE

TACOMA

KOHL'S



Walmart
Supercenter



Premier Storage

Lowe's

SONIC

Don Chuy Mexican Restaurant

ELITE
Physical Therapy



Columbia Bank

Elhi Hill Rd

MultiCare
Emergency

DISCOUNT
TIRE

BEST TIRE
CENTER

Bank of America



H&R
BLOCK

LUDWIG
Chiropractic



S Prairie Rd E

KID'S COUNTRY
LEARNING CENTERS

emerald city
smoothie
Classy Cuts SEATTLE SUNTAN



COSTCO
WHOLESALE

KOHL'S

KOHL'S



petco DONATOS
Marshalls FAMOUS
MATTRESS FIRM footwear

target Applebee's
CVS pharmacy

Pizza Hut DISCOUNT
SONIC TIRE
Speedway 7 ELEVEN

THE HOME DEPOT RITE AID

AutoZone
PAPA MURPHY'S O'Reilly

KOHL'S

GROCERY OUTLET
DQ 76

Walmart
jiffy lube
Bank of America

KeyBank
planet fitness SUBWAY
Jack Panda Express

LOWE'S

COSTCO WHOLESALE
Chick-fil-A MOD PIZZA
CHIPOTLE HabiT

McDonald's REGAL
Fred Meyer
Starbucks DOLLAR TREE
Kentucky Fried Chicken
Denny's A&W

SAFEWAY goodwill ROUND TABLE
usbank
Starbucks BURGER KING
DICKEY'S BARBECUE PIT



S Prairie Rd E



BONNEY LAKE | PIERCE COUNTY | WA

Bonney Lake is a city in Pierce County, Washington. The City of Bonney Lake is a residential suburban community located near the shores of 4.5-square-mile Lake Tapps. That also encompasses Lake Bonney and Lake Debra. Nestled between the glorious Cascade Mountains to the east and the majestic peaks of the Olympic Mountain range to the west, the region offers breathtaking views of the natural wonders year round. Bonney Lake has become a premier city for families and community in the western Washington, Puget Sound and eastern Pierce County region. Located just a short drive from Seattle, Tacoma and neighboring Puyallup, Buckley, Sumner, and Enumclaw, the region has the best of both big city and friendly community living. The City of Bonney Lake had a population of 21,951 as of July 1, 2021.

The City of Bonney Lake is committed to promoting and sustaining a strong, healthy business climate throughout the community. The economy of Bonney Lake, WA employs 11k people. The largest industries in Bonney Lake, WA are Health Care & Social Assistance, Retail Trade, and Manufacturing. Major industries in the area include: MultiCare Health, Light Dental Studios of Bonney Lake, Comcast and Bonney Lake Pierce County Library. A large number of local resident's commute for work from Bonney Lake to Tacoma about 16 miles away. The City's economy benefits from the presence of large, stable employers in health care, education, professional services, and transportation. Tacoma is also a hub of government including major employers in federal, military, state, county and local governments. The City's diverse economy is influenced by its ideal location in the central Puget Sound region. Government is the one of the largest regional employment sectors. The area's major U.S. Military installation, Joint Base Lewis-McChord heavily contributes to the region's workforce.

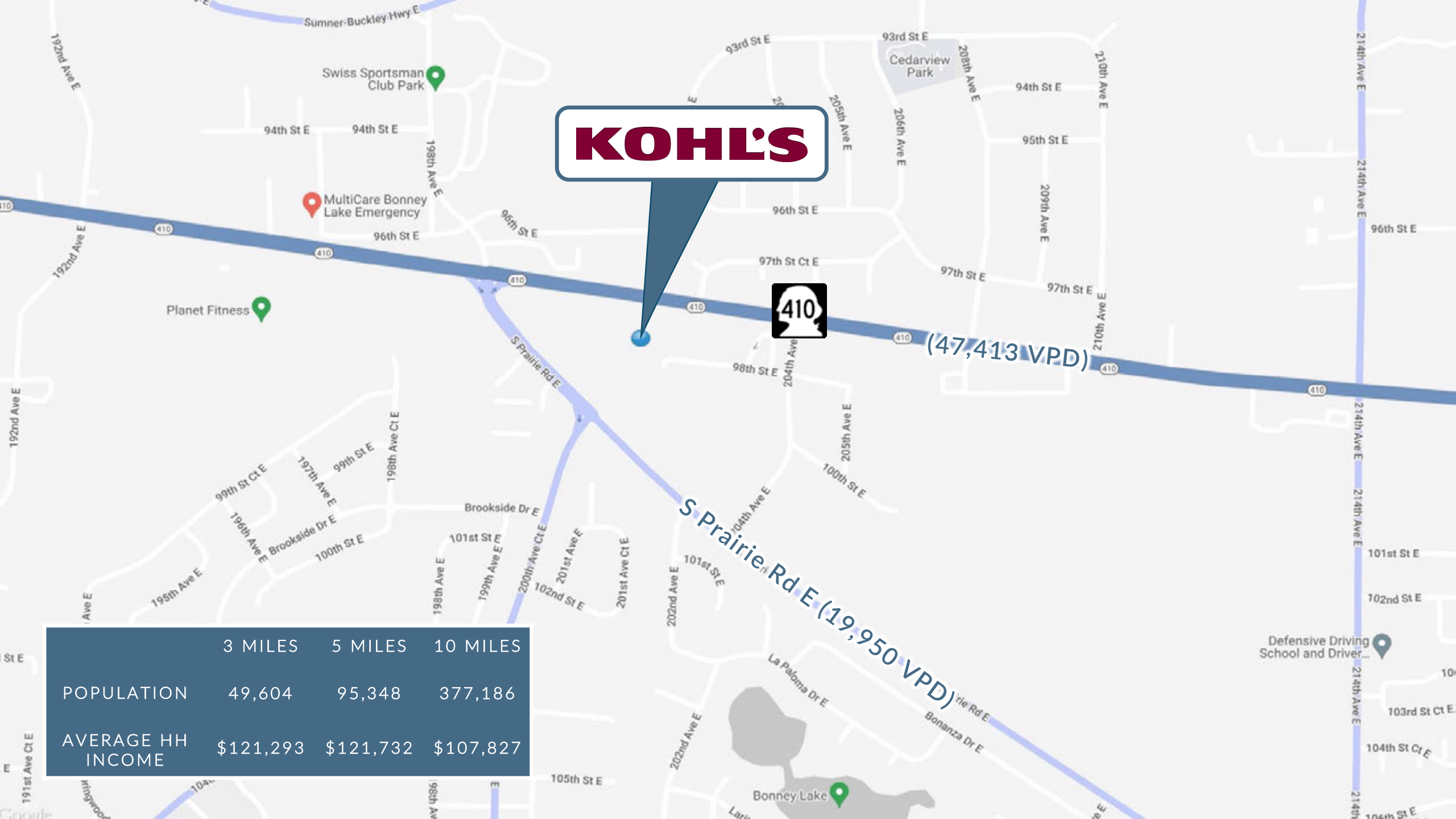
The region is a family-friendly and active community. Bonney Lake is known for being an outdoorsman's paradise with fantastic local parks, top hiking destinations, and fun water activities at Lake Tapps. Lake Tapps offers public access for swimming and boating activities; the forested areas are equipped with miles of trails for hiking and biking; and many parks are filled with sports, play areas, and community events throughout the year. Haulin' Eggs is a 5k in the neighborhood around Allan Yorke Park in Bonney Lake. Salute to Armed Forces night is typically held in conjunction with a summer concert at Allan Yorke Park. Just a drive away, Tacoma is known for the Museum of Glass, which has works by renowned glass artist Dale Chihuly among its exhibits. Cultural and other attractions include: Tacoma Art Museum, International Center for Contemporary Art, Tacoma Dome, Washington State History Museum, Tacoma Little Theatre and Point Defiance Zoo & Aquarium to name a few.



MULTICARE HEALTH



SALUTE TO ARMED FORCES



KOHL'S



(47,413 VPD)

S Prairie Rd E (19,950 VPD)

	3 MILES	5 MILES	10 MILES
POPULATION	49,604	95,348	377,186
AVERAGE HH INCOME	\$121,293	\$121,732	\$107,827

K O H L ' S

TENANT PROFILE

Kohl's (NYSE: KSS) is a leading omnichannel retailer. With more than 1,100 stores in 49 states and the online convenience of Kohls.com and the Kohl's App, Kohl's offers amazing national and exclusive brands at incredible savings for families nationwide. Kohl's is uniquely positioned to deliver against its strategy and its vision to be the most trusted retailer of choice for the active and casual lifestyle. Kohl's is committed to progress in its diversity and inclusion pledges, and the company's environmental, social and corporate governance (ESG) stewardship.

The first Kohl's department store opened in Brookfield, Wisconsin in 1962. Since its founding, Kohl's has given more than \$750 million to support communities nationwide, with a focus on family health and wellness. At Kohl's, their purpose is to inspire and empower families to lead fulfilled lives. Rewarding customers is at the core of this purpose. For years, they have rewarded customers with great brands, incredible savings and an unmatched customer experience they'll only find at Kohl's. Kohl's associates also deliver on this purpose by living out their values each and every day, including putting customers first, acting with integrity, building great teams, and driving results.



COMPANY TYPE
NYSE: KSS



FOUNDED
1962



OF LOCATIONS
1,100+



HEADQUARTERS
Menomonee Falls, WI



WEBSITE
kohls.com

CONFIDENTIALITY AGREEMENT

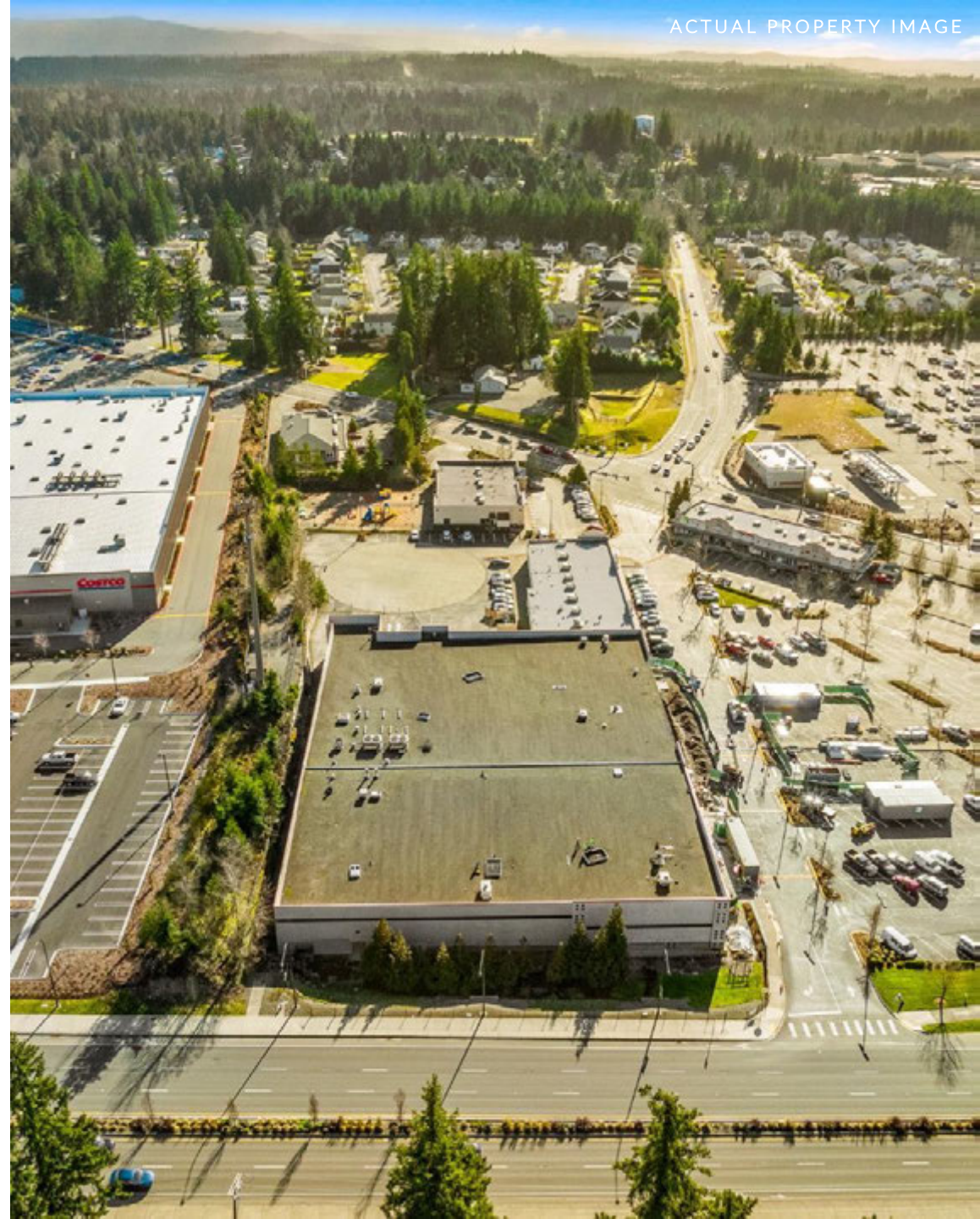
The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



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