

OFFERING MEMORANDUM

FRANCISCAN MEDICAL PAVILION

15214 CANYON RD E, PUYALLUP, WA 98375



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FRANCISCAN
MEDICAL PAVILION

EXECUTIVE SUMMARY

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01

EXECUTIVE SUMMARY

\$9,931,445
LIST PRICE

6.25%
CAP RATE

100%
LEASED

7 YR Lease renewal with Virginia Mason Franciscan Health



Franciscan Medical Pavilion is a fully leased medical office asset located at 15214 Canyon Rd E in Puyallup, WA, positioned within one of the South Sound's most active healthcare corridors.

Situated on a 1.53 AC parcel with 97 on-site parking stalls (4.41 per 1,000 SF parking ratio), the property offers investors stable, in-place income backed by a creditworthy anchor tenant and strong underlying fundamentals in a high-demand medical submarket.

The building is anchored by Virginia Mason Franciscan Health (subsidiary of CommonSpirit Health), one of the region's most established and well-recognized healthcare systems. VMFH has been a cornerstone of this building since its delivery in 2009 – representing over 15 years of continuous occupancy – reinforcing the property's identity as a purpose-built medical destination and providing immediate, long-term income security from a credit-quality tenant.

With 100% occupancy, a 6.25% cap rate on an asking price of \$9,931,445, and an anchor tenant deeply embedded in the Puyallup market, Franciscan Medical Pavilion presents a compelling acquisition opportunity for investors seeking durable cash flow and low-risk medical office exposure in a proven South Puget Sound submarket.

[→ VIEW BUILDING PHOTOS](#)



FRANCISCAN
MEDICAL PAVILION

PROPERTY DETAILS

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02

BUILDING INFORMATION

15214 Canyon Rd E is a well-maintained, purpose-built medical office property constructed in 2009 and strategically located along one of Puyallup's most accessible and high-traffic corridors. The building features quality wood frame construction, a functional floor plan designed to support healthcare operations, and is zoned Employment Corridor (ECor), reflecting its position as an established destination for medical and professional users in the South Puget Sound market.

| | |
|-------------------------|----------------------------|
| STORIES | Two (2) |
| YEAR CONSTRUCTED | 2009 |
| PARKING | 4.41/1,000, 97 stalls |
| OCCUPANCY | 100% |
| LAND AREA | 66,647 SF (1.53 AC) |
| ZONING | Employment Corridor (ECOR) |
| NOI (1/1/27 - 12/31/27) | \$620,715.31 |
| PARCELS | 4015415330, 4015415370 |
| SUBMARKET VACANCY | 2.20% |

100%
OCCUPANCY

20,614
TOTAL SF



INVESTMENT HIGHLIGHTS

FULLY STABILIZED ASSET

This 100%-leased medical office property offers investors a reliable income stream supported by long-term healthcare tenancy and strong market fundamentals. VMFH has been a cornerstone of the building's occupancy, providing institutional-grade stability and a well-recognized healthcare brand. The fully leased rent roll delivers predictable, in-place cash flow with minimal near-term rollover risk, making this an immediately accretive acquisition.

INCREDIBLE RETURNS

The property offers an attractive 6.25% cap rate, delivering strong in-place cash flow from day one. Long-term healthcare tenancy anchored by VMFH provides income stability, while the asset's position in a high-demand medical submarket supports continued performance throughout the hold period. The Puyallup healthcare submarket recorded just 2.20% vacancy in Q1 2026 with 8.50% annual rent growth, reflecting the depth of demand and scarcity of available product that underpins this investment's long-term value.

SUBURBAN ASSET PERFORMANCE

Located in the Puyallup submarket, one of the South Puget Sound's most active and undersupplied medical office corridors, the property benefits from strong tenant demand and limited competing supply. Suburban healthcare assets in this area continue to outperform broader market trends, supported by population growth, healthcare-driven demand, and minimal new construction, reinforcing Franciscan Medical Pavilion's positioning as a resilient long-term investment.

TENANT PROFILES



Aaron D. Smith, DMD

| | |
|-------------------|-----------------------------|
| PARENT COMPANY | <i>CommonSpirit Health</i> |
| TOTAL RSF | <i>17,727</i> |
| % OF BUILDING | <i>86%</i> |
| SUITES | <i>100,110,120,205, 210</i> |
| OCCUPIED BUILDING | <i>2009</i> |

| | |
|-------------------|--------------|
| TOTAL RSF | <i>2,887</i> |
| % OF BUILDING | <i>14%</i> |
| SUITE | <i>220</i> |
| OCCUPIED BUILDING | <i>2009</i> |

Virginia Mason Franciscan Health (VMFH) is one of Washington state’s largest nonprofit healthcare systems, formed through the merger of Seattle-based Virginia Mason and CHI Franciscan, and now operating under CommonSpirit Health. With roots dating back to 1891, VMFH has been serving the Puget Sound region for more than 130 years, providing hospitals, specialty care, primary care, emergency services, and outpatient clinics across western Washington. The organization is especially known for its strong reputation in clinical innovation, operational efficiency, and patient-centered care.

Aaron D. Smith, DMD is a general dentist who has been practicing since graduating from Oregon Health Sciences University Dental School in 1999. He operates a family-focused dental practice and is known for emphasizing preventive care, conservative treatment plans, and patient comfort. Patients frequently describe him as professional, compassionate, and especially helpful for people with dental anxiety. His office has also built a strong local reputation for friendly staff and personalized care, with many long-term patients in the Tacoma, Puyallup, and Spanaway areas.

[→ VIEW BUILDING FLOORPLANS](#)





FRANCISCAN
MEDICAL PAVILION

LOCATION OVERVIEW

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03

PUYALLUP — A RESILIENT SUBURBAN MARKET SUPPORTING LONG-TERM INVESTMENT STABILITY

POPULATION GROWTH & DEMOGRAPHICS

Puyallup is one of the most established and supply-constrained suburban markets in the South Puget Sound. The city's population has grown steadily over the past decade and now exceeds **42,000 residents**, supported by continued residential development throughout the Puyallup Valley and surrounding Pierce County sub-markets. The broader trade area serves a population of more than **200,000 residents**, providing a deep and durable demand base for healthcare and professional services.

TENANT DEMAND & LEASING ACTIVITY

Puyallup consistently ranks as one of the **lowest-vacancy office and medical office sub-markets in the Washington**, with vacancy materially below regional averages. Limited new office development over the past decade has constrained supply, while tenant demand—particularly from healthcare providers and service-oriented users—has remained steady. This imbalance has supported stable occupancy levels and strong tenant retention.

Healthcare users represent a significant portion of leasing activity in the market, drawn by suburban convenience, strong parking ratios, and proximity to established residential neighborhoods. These dynamics have resulted in predictable leasing velocity, limited downside risk, and continued demand for well-located, functional office and medical properties.

OUTLOOK & OPPORTUNITY

With low vacancy, limited new construction, and demand driven by essential service users, Puyallup remains a **highly resilient suburban office and healthcare market**. These conditions support long-term income stability, strong tenant retention, and downside protection for investors. Assets located in Puyallup are well positioned to benefit from durable fundamentals and consistent performance across market cycles.

TRANSIT & INFRASTRUCTURE CONNECTIVITY

Puyallup offers strong regional accessibility via **SR-512, SR-167, and nearby I-5**, providing efficient connections to Tacoma, South King County, and the greater Puget Sound region. The city is also served by **Sounder commuter rail**, offering direct access to downtown Tacoma and Seattle, which enhances accessibility for employees, patients, and regional users.

Ongoing transportation and infrastructure investments throughout Pierce County continue to support long-term growth while preserving the suburban characteristics that drive tenant preference.

LOCATION OVERVIEW



LOCATION OVERVIEW

13.8 MI — 26 MINS

TO TACOMA

21.8 MI — 37 MINS

TO FEDERAL WAY

33.9 MI — 40 MINS

TO SEA-TAC INTERNATIONAL AIRPORT

42.9 MI — 50 MINS

TO SEATTLE



MIDLAND

PUYALLUP

SUMNER

SUBJECT
PROPERTY






















SOUTH HILL

FREDERICKSON




SPANAWAY

TENANT MIGRATION TO THE PUGET SOUND REGION

SAN FRANCISCO / BAY AREA

| | | |
|---|---|---|
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TENANTS TO TRACK

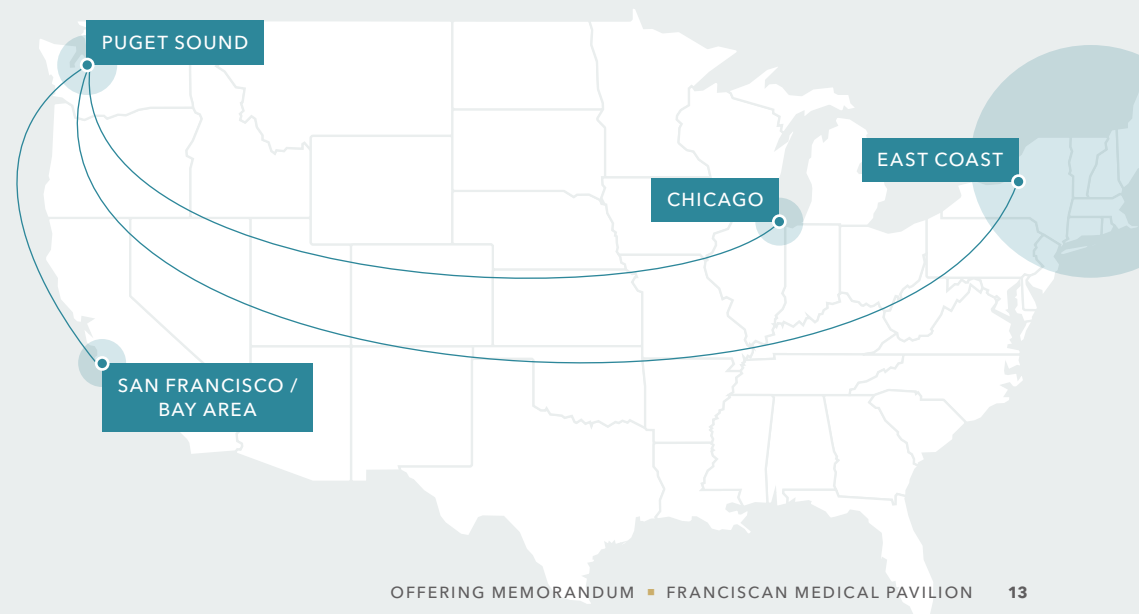
| |
|--|
|  Redwood City, CA |
|  San Francisco, CA |
|  Sunnyvale, CA |

MIDWEST

| |
|--|
|  Chicago, IL |
|--|

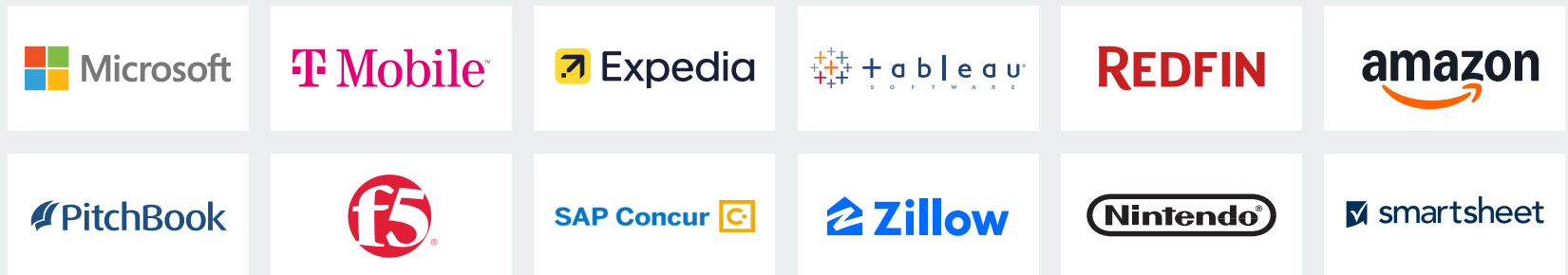
EAST COAST

| |
|---|
|  New York, NY |
|  Framingham, MA |
|  Hopkinton, MA |



COMPANIES HEADQUARTERED IN THE PUGET SOUND REGION

TECHNOLOGY



LIFE SCIENCE



RETAIL



LOGISTICS



OTHER



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