



OFFERING MEMORANDUM

24 Hour Fitness Super Sport

Single Tenant Net Leased Fitness– Full Facility Multipurpose Club

NAIElliott



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The Offering



NAI Elliott, as exclusive advisor, is pleased to present the opportunity to acquire the fee simple interest in a NNN-leased, corporate-guaranteed, single-tenant fitness investment located in Vancouver, Washington.

The tenant, 24 Hour Fitness USA, LLC, occupies a purpose-built 45,000 SF Class A Super Sport facility under a lease affirmatively extended by Third Amendment in October 2022 – a direct signal of the tenant’s long-term commitment to this location. The lease steps up to \$78,000 per month in September 2026, coinciding with anticipated close, meaning the buyer acquires at a 7.42% effective cap rate from day one after reserves. Three remaining five-year options each carry a contractual 10% rent increase, providing a compounding income runway through September 2043 and a self-executing path toward market rent alignment. Landlord responsibilities are limited to the roof, structure, exterior walls, and HVAC replacement – with the tenant bearing full responsibility for taxes, insurance, CAM, day-to-day HVAC maintenance, parking, and landscaping. With approximately 8,700 active members currently enrolled – surpassing pre-COVID levels – this location’s operational depth makes relocation economically irrational, underpinning renewal probability and supporting long-term asset appreciation from a below-market rent basis.

Ideal 1031 exchange candidate
or value-add addition to an
existing net lease portfolio



PRICE

\$12,500,000



CAP RATE

7.49%



NET RENT

\$936,000



BUILDING SIZE

45,000 SF

Offer Details

PROPERTY SUMMARY

| | |
|---------------------|---|
| Property | 24 Hour Fitness Super Sport |
| Address | 13019 NE Fourth Plain Boulevard, Vancouver, WA 98682 |
| Region | Clark County |
| Site Area | ±3.56 Acres (155,187 SF) |
| Building Size (GLA) | 45,000 Square Feet |
| Year Built | 2008 |
| Zoning | Community Commercial (CC); Vancouver |

FINANCING SUMMARY

| | |
|--------------------|---|
| Price | \$12,500,000 |
| Cap Rate | 7.49% |
| NNN Rent | \$936,000 |
| Lease Type: NNN | Tenant is responsible for taxes, insurance, CAM, day-to-day HVAC maintenance, parking, and landscaping. Landlord responsible for roof, structure, exterior walls and HVAC replacement. |

RENT SCHEDULE

| LEASE PERIOD | DATES | ANNUAL BASE RENT | MONTHLY INSTALLMENT | \$/SF | INCREASE |
|------------------------------|-----------------------|------------------|---------------------|---------|----------|
| Original Yr 1 – ~5 | 9/19/2008 – 9/30/2013 | \$855,000.00 | \$71,250.00 | \$19.00 | – |
| Original Yr ~6 – ~10 | 10/1/2013 – 9/30/2018 | \$940,500.00 | \$78,375.00 | \$20.90 | 10% |
| Original Yr ~11 – ~15 | 10/1/2018 – 9/18/2023 | \$1,034,550.00 | \$86,212.50 | \$22.99 | 10% |
| Extended Yr 1–3 (3rd Amend.) | 9/19/2023 – 9/18/2026 | \$840,000.00 | \$70,000.00 | \$18.67 | – |
| Extended Yr 4–5 (3rd Amend.) | 9/19/2026 – 9/18/2028 | \$936,000.00 | \$78,000.00 | \$20.80 | – |
| Option 1 (Projected) | 9/19/2028 – 9/18/2033 | \$1,029,600.00 | \$85,800.00 | \$22.88 | 10% |
| Option 2 (Projected) | 9/19/2033 – 9/18/2038 | \$1,132,560.00 | \$94,380.00 | \$25.17 | 10% |
| Option 3 (Projected) | 9/19/2038 – 9/18/2043 | \$1,245,816.00 | \$103,818.00 | \$27.69 | 10% |



Investment Highlights



Below-Market Rent | Near-Term Step-Up | Three Remaining Options

- Current rent of \$70,000/month steps up contractually to \$78,000/month in September 2026, coinciding with anticipated close — buyer acquires at the higher rate from day one, generating \$936,000 in effective annual NOI
- Three remaining five-year options each carry a fixed 10% rent increase — no market rent resets, no arbitration, no uncertainty — growing NOI from \$936,000 at close to a projected \$1,245,816 annually by the third option term
- Rent was reset below its prior trajectory via a 2022 COVID restructuring amendment; today's below-market basis represents a clear and quantifiable appreciation story as the option schedule resets toward market over the life of the remaining term
- Tenant affirmatively executed the Third Amendment in October 2022 — extending their commitment rather than vacating — a direct signal of this location's strategic value within the 24 Hour Fitness regional portfolio

NNN Lease | Corporate Guarantee | Limited Landlord Obligations

- Tenant responsible for taxes, insurance, CAM, day-to-day HVAC maintenance, parking lot, and landscaping — landlord obligations limited to roof, structure, exterior walls, and HVAC replacement
- Corporate guarantee from 24 Hour Fitness USA, LLC — one of the largest fitness chains in the United States
- Lease-protected exclusivity: landlord prohibited from permitting any competing health or fitness use within a 1-mile radius of the premises; violation triggers a 50% rent reduction, creating a strong landlord-side enforcement incentive
- Minimum 222 protected parking spaces guaranteed under lease — cannot be reduced, reconfigured, or repurposed without tenant consent



Investment Highlights

Super Sport Format — Why the Building Locks the Tenant

- 24 Hour Fitness operates three club formats — Active, Sport, and Super Sport. The Super Sport is the brand's flagship offering and the most amenity-intensive format in the portfolio
- This location's Super Sport designation includes an aquatic facility, basketball courts, racquetball courts, spa and sauna, group fitness studios, and expansive cardio and weight training floors — amenities that require a purpose-built, large-format building and cannot be replicated in standard retail inline space
- A basic Sport or Active club could theoretically relocate to a smaller, less expensive box. A Super Sport cannot — the format demands the square footage, the ceiling heights, the mechanical infrastructure, and the parking ratio that this building was specifically designed and built to accommodate
- There is no comparable Super Sport facility available within the trade area, further eliminating any viable relocation alternative

Operationally Entrenched Tenant | Above Pre-COVID Membership

- Approximately 8,700 active members currently enrolled — surpassing pre-COVID enrollment levels and demonstrating full recovery and continued growth in the post-pandemic fitness market
- A membership base of 8,700 against a three-mile trade area of 43,009 households reflects meaningful community penetration today — with a submarket projected to add households at 3.4% annually through 2030, the captive addressable market continues to grow throughout the life of the remaining lease term and options
- High membership counts are self-reinforcing — members who have established routines, relationships, and class schedules at a specific location are highly resistant to disruption, creating a sticky revenue base that further disincentivizes tenant relocation
- The Orchards submarket of Vancouver, WA serves 121,325 residents across 43,009 households within three miles, with a median household income of \$94,554 — demographics that index well above national averages for health club membership propensity and discretionary fitness spending



Nearby Retail



CRAVE GRILLE

Edward Jones
MAKING SENSE OF INVESTING

NE Fourth Plain Blvd - 33,000 VPD

24 HOUR FITNESS

Area Overview

Vancouver, Washington anchors the northern half of the Portland-Vancouver-Hillsboro MSA — the 25th largest metro in the United States with a combined population exceeding 2.5 million. Situated directly across the Columbia River from Portland, Vancouver’s position within Washington state — which imposes no personal state income tax — has driven sustained, above-average household formation for decades. Clark County has grown to over 510,000 residents and consistently ranks among the fastest-growing counties in Washington state, fueled by in-migration from Oregon and California driven by affordability and structural tax advantages that show no signs of reversing.

The Orchards community sits in northeast Vancouver and represents one of Clark County’s most established owner-occupied residential submarkets. The corridor along NE Fourth Plain Boulevard has served as the community’s primary commercial spine for generations, flanked by a dense concentration of national daily-needs retailers that generate the sustained, high-frequency traffic counts fitness operators specifically target in site selection. Major employers anchoring the broader Clark County trade area include PeaceHealth Southwest Medical Center, SEH America, Amazon,

and the Evergreen and Vancouver School Districts, providing a diverse daytime employment base that sustains consistent off-peak consumer demand throughout the corridor.

The Orchards retail submarket contains approximately 3.9 million square feet of inventory and has demonstrated consistently tight fundamentals over the long term. As of the second quarter of 2026, overall vacancy stands at 4.0% — below the submarket’s ten-year average of 4.6% — with only 14,000 square feet currently under construction against a ten-year average of 17,000 square feet of annual deliveries. Supply remains disciplined, new competition is limited, and general retail vacancy across the submarket sits at a notably tight 0.4%. Against a trade area of 121,325 residents, 43,009 households, a median household income of \$94,554, and projected household growth of 3.4% annually through 2030, the Orchards submarket offers the rare combination of income-qualified density, supply constraint, and a nationally anchored retail corridor that has proven its ability to sustain tenancy across market cycles.

2.5M

PORTLAND-VANCOUVER-HILLSBORO
MSA POPULATION

4.0%

ORCHARDS SUBMARKET
VACANCY RATE, Q2 2026

\$94,554


MEDIAN HOUSEHOLD INCOME,
3-MILE TRADE AREA

Drive Times and Demographics

POPULATION

| | 1 MILE | 3 MILES | 5 MILES |
|--------------------------|----------|-----------|-----------|
| Population | 14,115 | 125,660 | 253,736 |
| Total Households | 5,046 | 45,042 | 95,877 |
| Average Household Income | \$91,407 | \$114,870 | \$116,402 |



| | | | |
|---|---|---|---------------------------------------|
|  <p>DRIVE TIMES Bethany</p> | <p>PORTLAND, OR 25 Minutes</p> | <p>PDX INTL AIRPORT 10.0 Miles</p> | <p>SEATTLE, WA 3 Hours</p> |
|---|---|---|---------------------------------------|



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