# 3802 South Cedar Street

SHERWIN-WILLIAMS

5-YEAR EXTENSION

3802 S Cedar St, Tacoma, WA 98409

**CONFIDENTIAL OFFERING MEMORANDUM**

Northmarq

## OFFERED EXCLUSIVELY BY

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# Investment Overview

Northmarq is pleased to present the offering of 3802 South Cedar Street in Tacoma, Washington. This versatile asset features a unique configuration that pairs high-visibility, street-facing retail with functional industrial space, supporting a diverse range of storage, workspace, and back-of-house operations. The flexibility of the building's layout enhances tenant usability and broadens the potential occupant pool, ensuring long-term leasing stability and adaptability to market trends.

The Offering presents a prime opportunity for both investors and owner-users to acquire a highly functional retail-industrial asset within one of the South Puget Sound's most active commercial corridors. Anchored by Sherwin-Williams, which has occupied the site since 1996, the property provides a stable income foundation with significant value-add potential through the stabilization of its remaining vacant suites.

**Offering Price: $4,955,000**

**Price Per SF: $164.82**

**Total Rentable Area: 30,063 SF**

**Current Occupancy: 60.30%**

**Immediate Available Space: 11,942 SF**


## 105% DAYTIME POPULATION SURGE

An influx of over 27,000 individuals within a 1-mile radius drives consistent consumer demand.

# Investment Highlights


**LONG-TERM CREDIT STABILITY**

Home to an established national credit tenant with a proven 30-year operational history, recently renewed for 5 years.

## SIGNIFICANT VALUE-ADD UPSIDE

Currently 60.3% occupied, the offering provides an immediate opportunity to lease up 11,942 SF. By stabilizing the vacant suites at market rates, an investor can realize a projected 127.37% jump in Net Operating Income.

## LONG-TERM CREDIT STABILITY

The property features a seasoned Sherwin-Williams (NYSE: SHW) tenancy. Occupying the site since 1996, this investment-grade tenant (S&P: BBB+) has demonstrated over 30 years and just renewed for 5 years

## HIGHLY FUNCTIONAL LAYOUT

The building's versatile configuration pairs high-visibility retail frontage with functional industrial space. This hybrid design supports a wide variety of uses—from showrooms to back-of-house operations—widening the pool of potential occupants.

# Investment Highlights

## 30,063 SF MIXED-USE OPPORTUNITY

A highly functional layout combining versatile retail frontage and functional industrial space.

### RARE OWNER-USER OPPORTUNITY

With approximately 40% of the building immediately available, an owner-user can secure a well-located facility in a supply-constrained market while using the existing rental income from established tenants to offset debt service.

### EXPLOSIVE DAYTIME POPULATION DENSITY

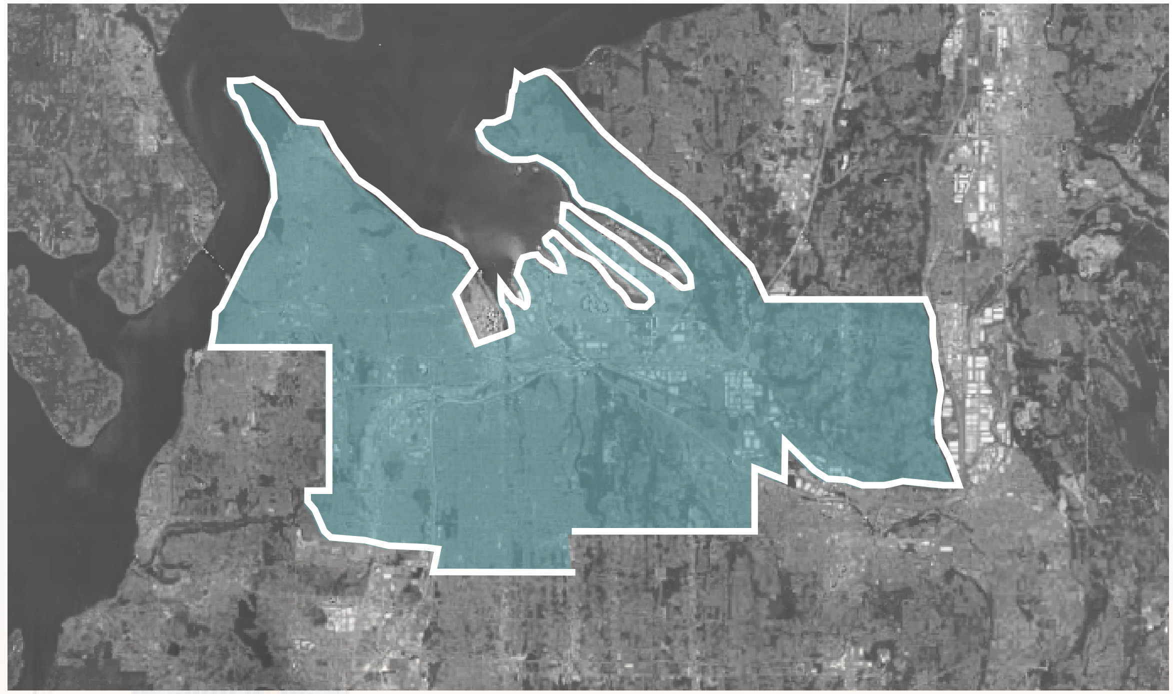
The immediate 1-mile radius experiences a massive 105% daytime population surge during business hours. This influx of over 27,000 individuals provides a consistent customer base for the property's retail and service-oriented components.

### COMPELLING SUBMARKET FUNDAMENTALS

Located in a high-demand corridor, the Tacoma Suburban retail submarket maintains an exceptionally low 2.8% vacancy rate, which has driven a reliable 10-year average annual rent growth of 3.9%.

# Tacoma Suburban Retail Submarket

Limited deliverable inventory and sustained demand have compressed vacancies in the Tacoma Suburban submarket to just 2.8%, creating a landlord-favorable environment with strong pricing power. Investors benefit from a historically proven market that consistently outperforms the wider region in rent growth and operational stability.



**14.7M SF**
In Inventory

**4.1% Vacancy**
Vacancy Rate

**19.5K SF**
Under Construction

**4.6% Rent Growth**
Annual Rent Growth
(10-Year Average)

# Rent Roll

AS OF **MAY 2026**

| Tenant Name | Suite | Square Feet | Lease Comm. | Lease Exp. | Annual Rent/SF | Base Rent/Mo. | Base Rent/Yr. | Pro Forma Rent/Yr | Rent Increase | Lease Type |
|---|---|---|---|---|---|---|---|---|---|---|
| Cocina Mexicana, LLC | C1 | 3,646 | 7/1/20 | 4/30/27 | $12.30 | $3,736 | $44,828 | $58,336 | 30.13% | NNN |
| Sherwin Williams | D2 & D2 WH | 7,284 | 10/1/96 | 4/30/31 | $12.60 | $7,648 | $91,778 | $94,532 | 3.00% | NNN |
| Tursi Soccer | A | 7,191 | 4/1/26 | 6/30/31 | $14.50 | $8,689 | $104,270 | $107,398 | 3.00% | NNN |
| Vacant (Retail) | B | 5,275 | | | $0.00 | $0 | $0 | $84,400 | | NNN |
| Vacant (Office) | C2 | 3,194 | | | $0.00 | $0 | $0 | $38,328 | | NNN |
| Vacant (Warehouse) | D1 | 3,126 | | | $0.00 | $0 | $0 | $37,512 | | NNN |
| Storage | Storage B | 347 | | | $0.00 | $0 | $0 | $4,164 | | NNN |
| **Total** | | **30,063** | | | **$13.29** | **$20,073** | **$240,876** | **$424,669** | | |


**127.37% POTENTIAL NOI JUMP**

A highly functional layout combining versatile retail frontage and functional industrial space.

# Operating Statement
**FOR THE PERIOD 5/1/2026 - 4/30/2027**

| Income | Pro Forma | | Per SF | |
|---|---|---|---|---|
| Scheduled Base Rental Income | $424,669 | | $14.13 | |
| CAM | $111,208 | | $3.70 | [1] |
| Insurance | $12,755 | | $0.42 | [1] |
| Real Estate Taxes | $39,542 | | $1.32 | [1] |
| Management Fees | $16,987 | | $0.57 | [1] |
| Total Reimbursement Income | $180,492 | 100.0% | $6.00 | |
| Potential Gross Revenue | $605,161 | | $20.13 | |
| General Vacancy | ($18,155) | 3.0% | ($0.60) | [2] |
| **Effective Gross Revenue** | **$587,006** | | **$19.53** | |

| Operating Expenses | Pro Forma | | Per SF | |
|---|---|---|---|---|
| Utilities | $56,956 | | $1.89 | [3] |
| Landscaping | $3,939 | | $0.13 | [4] |
| Parking Lot Maintenance | $11,865 | | $0.39 | [4] |
| Pest Control | $643 | | $0.02 | [4] |
| HVAC Contract | $1,541 | | $0.05 | [5] |
| R&M | $23,674 | | $0.79 | [6] |
| Fire Systems/Security | $12,590 | | $0.42 | [4] |
| Insurance | $12,756 | | $0.42 | [4] |
| Real Estate Taxes | $39,542 | | $1.32 | [7] |
| Management Fee | $16,987 | 4.0% | $0.57 | [8] |
| Total Expenses | $180,495 | | $6.00 | |
| Expenses as % of EGR | 30.7% | | | |
| **Net Operating Income** | **$406,512** | | **$13.52** | |

[1] Pro Forma figures reflect a 100% recovery of expenses based on each tenant's pro-rata share of the building's rentable area
[2] Calculated at a 3.0% market vacancy rate to account for potential turnover and lease-up downtime in the local submarket.
[3] Based on historical management reports and adjusted to reflect anticipated consumption for a fully occupied building.
[4] Estimated based on figures provided in the 2025 property management reports.
[5] Reflects standard recurring maintenance contract costs, excluding amortized capital improvements
[6] Projected at $0.75 per SF, consistent with market standards for similar asset classes
[7] 2026 Assessment and millage rates as applied by the county
[8] Calculated as 5.0% of Base Rental Income (BRI) per market standards

# Pricing Details

| Price Breakdown | |
|---|---|
| **Price** | **$4,955,000** |
| Pro Forma Cap Rate | 8.20% |
| Rentable Building Area | 30,063 SF |
| Price Per SF | $164.82 |

| Acquisition Financing | |
|---|---|
| Lender | Bank or Credit Union |
| Rate | 8.00% |
| Term | 5, 7, or 10 Years Fixed |
| Amortization | 25 - 30 Years |
| Loan to Value | 75% |

| Income | | Pro Forma |
|---|---|---|
| Base Rental Income | | $424,669 |
| Potential Gross Revenue | 100.0% | $180,492 |
| Potential Gross Revenue | | $605,161 |
| Less: General Vacancy | 3.0% | ($18,155) |
| Effective Gross Revenue | | $587,006 |
| Less: Operating Expenses | 30.7% | ($180,495) |
| **Net Operating Income** | | **$406,512** |
| Less: Debt Service | | ($297,300) |
| Net Cash Flow After Debt Service | 6.5% | $109,212 |
| Principal Reduction | | $0 |
| **Total Return** | **6.5%** | **$109,212** |

| Operating Expenses | Pro Forma |
|---|---|
| CAMS | $111,209 |
| Insurance | $12,756 |
| Real Estate Taxes | $39,542 |
| Management Fee | $16,987 |
| Reserve | $0 |
| **Total Expenses** | **$180,495** |
| **Expenses Per Foot** | **$6.00** |

# Property Overview

## 3802 S CEDAR ST, TACOMA, WA 98409

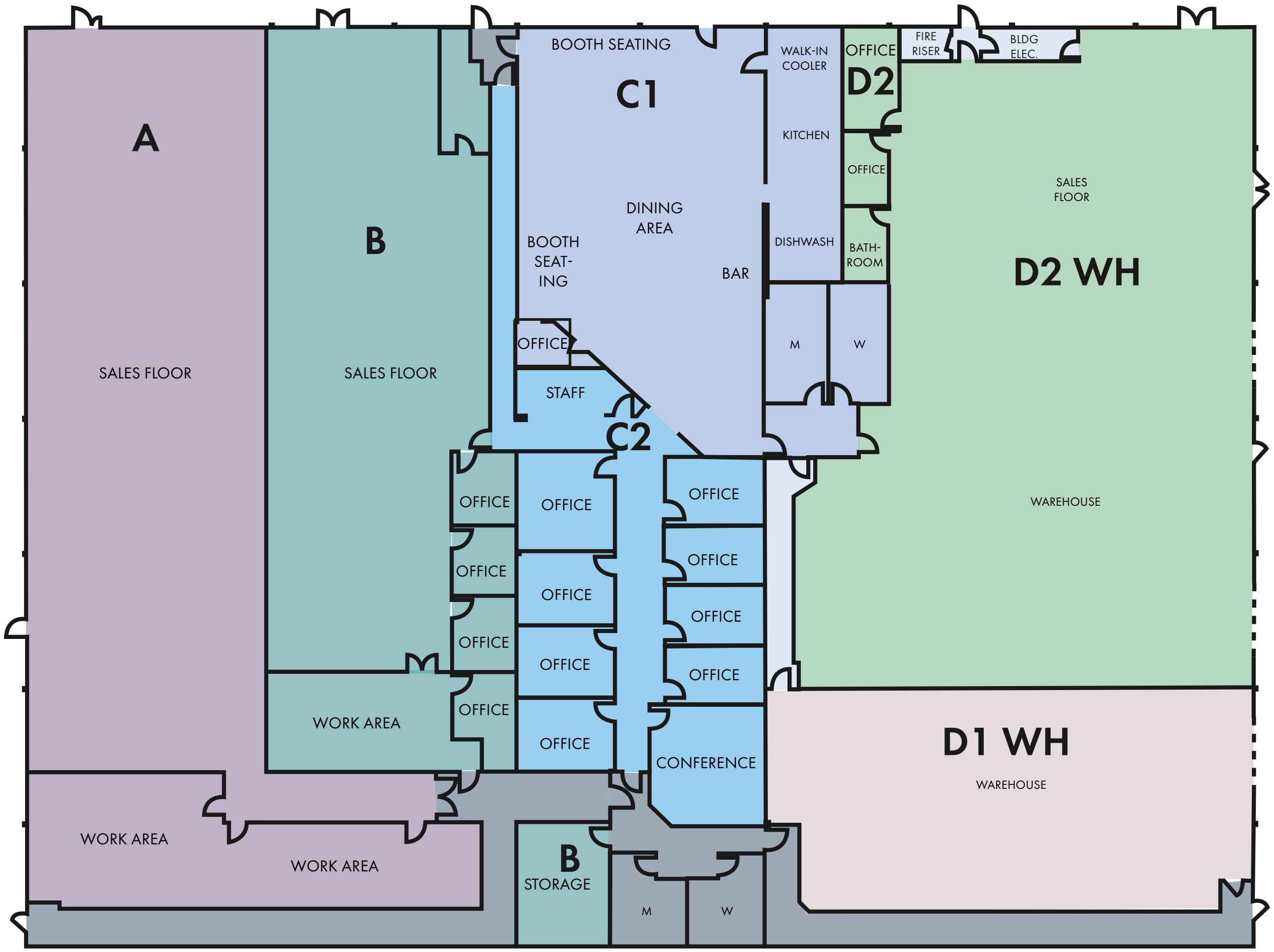
| | |
|---|---|
| **Parcel Number** | 971000-1651 |
| **Zoning** | Urban Center Mixed Use (UCX) |
| **RBA** | 30,063 SF |
| **Land Area** | 68,117 SF (1.56 Acres) |
| **Year Built** | 1978/1990 |
| **Loading Capacity** | 1 Grade Level; 2 Dock-High |
| **Parking Stalls** | 52 Stalls (1.77/1,000 SF) |

# Capital Improvement Summary

| Capital Improvement | Year Completed | Total Cost |
|---|---|---|
| Parking Lot Regrading | 2019 | $59,700.86 |
| Exterior Lighting Upgrades | 2022 | $11,156.97 |
| HVAC Unit Replacements | 2022 | $63,767.23 |
| Exterior Building Painting | 2023 | $26,905.26 |
| Exterior Security Camera Installation | 2023 | $23,316.53 |
| Fire Panel Replacement | 2023 | $14,063.25 |
| Exterior Signage Upgrades | 2023 | $65,317.10 |
| Parking Lot Seal Coat & Restripe | 2024 | $14,253.52 |
| Egress Corridor Work [1] | 2024 | $119,984.44 |
| Roof Replacement [2] | 2025 | $162,678.72 |
| **Total** | | **$561,143.88** |

[1] Crystal Spirits/Cocina Mexicana Egress & Back Corridor Egress
[2] Completed in 2026

# Floor Plan




| | |
|---|---|
| Suite A: Tursi Soccer | 7,191 SF |
| Suite B: Vacant (Retail) | 5,275 SF |
| Suite Storage B: Storage | 347 SF |
| Suite C1: Cocina Mexicana, LLC | 3,646 SF |
| Suite C2: Vacant (Office) | 3,194 SF |
| Suite D2 & D2 WH: Sherwin Williams | 7,284 SF |
| Suite D1-WH: Vacant (Warehouse) | 3,126 SF |
| Inter-Building Service | 2,099 SF |
| Building Service Area | 398 SF |

# Regional Employment and Infrastructure Catalyst

### Strategic Employment Hub | Bridge Point Tacoma 210

Located just south of the Nalley Valley industrial corridor, this Class A development represents the most significant industrial investment in Tacoma's history. With high-cube warehouse features and prime I-5 connectivity, it solidifies the area as a top-tier regional distribution node.

**Total Project Scale**
±2.4 Million SF Across 150 Acres

**Economic Impact**
Estimated 1,000+ Permanent Jobs At Full Capacity

**Delivery Timeline**
Phase 1 Complete
Phase 2 Delivery Projected Q1 2026

**Distance To Subject**
1.6 Mile Drive

Rendering of S 38th St

Rendering of S Steele St. looking toward Tacoma Mall District


### Regional Growth Center | Tacoma Mall Subarea Plan

The subject property is situated in the heart of the City's adopted 600-Acre Regional Growth Center. This long-range initiative transforms the neighborhood into a compact, transit-accessible urban hub, increasing the density and value of surrounding industrial and commercial parcels.

**Projected Population Growth**
±8,079 Additional Residents by 2040

**Modernized Infrastructure Plan**
Pedestrian-Oriented Design and Utility Upgrades

**Implementation Status**
Ongoing Updates through 2026

# High-Density Mixed-Use and Retail Expansion

### Residential Renaissance | Aviva Crossing

Located at the former James Center North, Aviva Crossing is a landmark transit-oriented development. Positioned near Tacoma Community College and the future Link Light Rail stop, this project brings a massive new permanent resident base to the immediate trade area.

**Project Scale**
±550 Future Units | 30,000 SF Retail

**Delivery Timeline**
Construction Began March 2025
Delivery Summer 2026

**Distance To Subject**
2.9 Mile Drive

### Lifestyle Destination | The Village At Tacoma Mall

The Village reimagines the Tacoma Mall as a premier "Live-Work-Play" lifestyle hub. By shifting from traditional retail to a food and entertainment destination, it ensures a constant stream of high-volume traffic just minutes from the subject property.

**Annual Visitors**
Estimated 10M+ Annual Visitors

**Current Status**
Completed Late 2025
Phase 1 Tenants Now Open

**Distance To Subject**
0.7 Mile Drive


# Featured Tenant

SHERWIN-WILLIAMS.

## The Sherwin-Williams Company

Founded in 1866, **The Sherwin-Williams Company** is a global leader in the manufacture, development, and distribution of paints, coatings, and related products. As an **$88+ billion-dollar company** and a longstanding component of the **S&P 500 Index**, the firm maintains a dominant market position through its massive network of over **5,477 exclusive, company-operated retail stores**. This investment-grade tenant provides unparalleled stability and long-term credit security for the asset.

**$23.57 Billion Annual Revenue**
Significant 2025 Fiscal Performance And Market Dominance

**±$86.14 Billion Market Cap**
Investment Grade S&P Rated BBB Credit Profile

**5,477+ Global Locations**
Massive Network Of Exclusive Company-Operated Facilities

**Fortune 500 Rank #191**
Recognized As A Top Tier Global Corporate Entity

**SF Occupied**
7,284 SF

**Brand New**
Five-Year Lease

# Featured Tenant

### Tursi Soccer

Founded in 1986, Tursi Soccer is a family-owned specialty retailer and team outfitter providing high-end apparel, footwear, and equipment to the Pacific Northwest soccer community. The company serves as a key partner for youth clubs and collegiate programs throughout the region, acting as an authorized dealer for global brands like Nike and Adidas. This new Tacoma location marks a strategic expansion of their footprint, driven by continued growth and the increasing demand for their specialized team-sales services within the Washington market.

| SF Occupied | Lease Expiration |
|---|---|
| 7,191 SF | 6/30/2031 |

# Strategic Educational Hub

## Driving Daytime Population And Retail Demand

The Tacoma Mall Subarea sits at the center of a premier educational hub, with over **20,000 students** and **3,000+ faculty/staff** located within a 10–15 minute drive. This creates a significant **daytime population multiplier**, providing a consistent stream of captive consumers for local retail during traditional "off-peak" hours. Collectively, these institutions inject over **$700 million** annually into the local economy through operations and direct student spending.

With an average discretionary spending budget of **$2,500+ per student annually** on non-essential retail and dining, the local student base represents an estimated **$37.5M+ in immediate annual retail potential.** As these institutions continue to expand their campus footprints and residential offerings, they serve as a recession-resistant anchor that ensures long-term demand for the Tacoma Mall submarket.

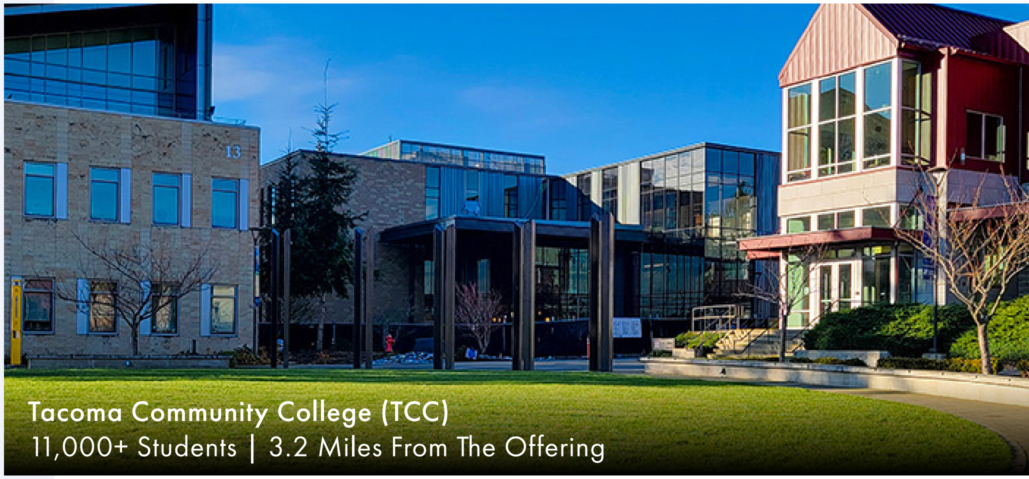
**23,000+ Combined Daily Population**
Total Verified Student Faculty And Staff Base

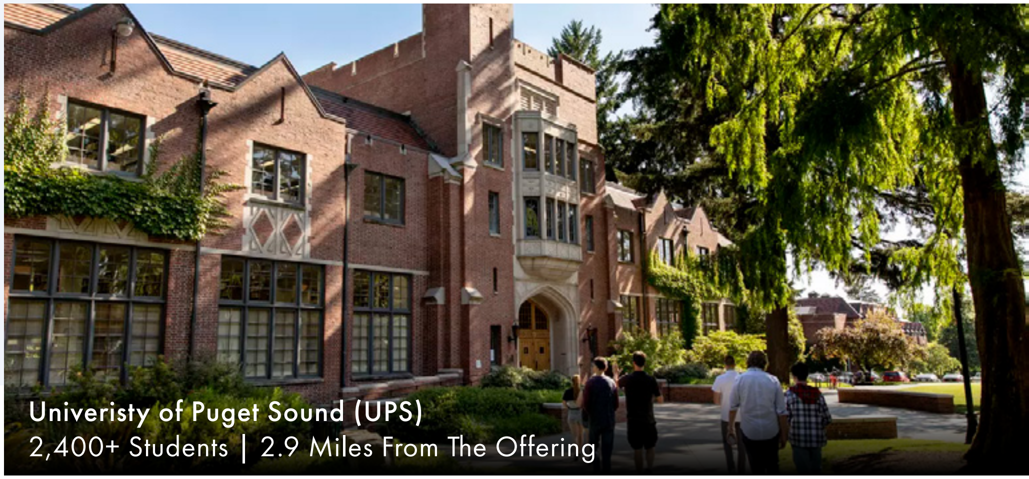
**$700M+ Total Economic Impact**
Annual Institutional Operations And Direct Spending

**$2,500+ Annual Student Spending**
Average Discretionary Budget For Retail And Dining

**10–15 Minute Average Drive Time**
Proximity To UW Tacoma, TCC and UPS Campuses

Univeristy of Washington Tacoma (UW Tacoma)
5,000+ Students | 4.0 Miles From The Offering


Tacoma Community College (TCC)
11,000+ Students | 3.2 Miles From The Offering


Univeristy of Puget Sound (UPS)
2,400+ Students | 2.9 Miles From The Offering

# Regional Map

# Local Demographics

In a 5-Mile Radius

## Population

| | |
|---|---|
| 2025 Total Population | 308,389 |
| 2030 Projected Population | 318,610 |
| 2025 Daytime Population | 336,749 |

## Age

| | |
|---|---|
| 15 - 24 | 12.8% |
| 25 - 34 | 15.8% |
| 35 - 44 | 15.0% |
| 45 - 54 | 12.3% |
| 55 - 64 | 11.1% |
| 65 - 74 | 9.8% |
| 75+ | 7.0% |

## Households

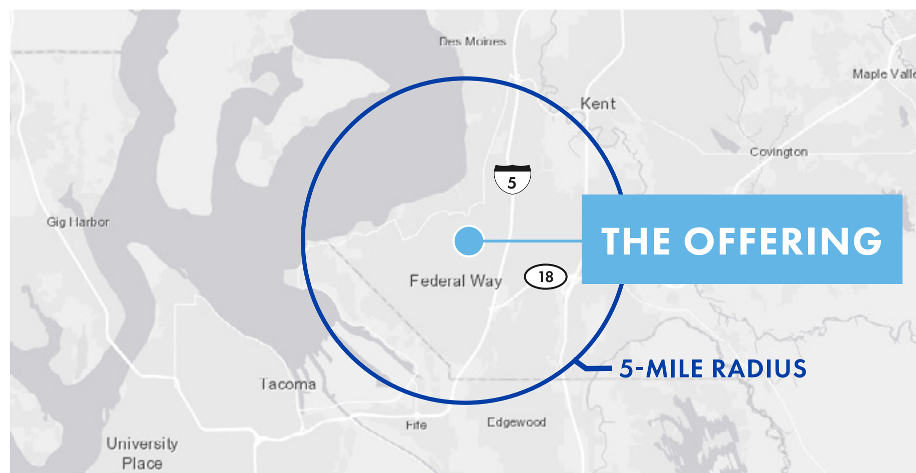
| | |
|---|---|
| 2025 Estimate | 124,243 |
| 2030 Projected | 129,144 |

## Income By Household

| | |
|---|---|
| $200,000+ | 11.2% |
| $150K-$200K | 11.7% |
| $100K-$150K | 18.9% |
| $75K-$100K | 14.0% |
| $50K-$75K | 15.7% |
| $35K-$50K | 9.4% |

**$108,617**
**AVERAGE** HOUSEHOLD INCOME

**$83,512**
**MEDIAN** HOUSEHOLD INCOME



## SECURE A STRATEGIC LOCATION IN TACOMA

Capitalize on strong submarket fundamentals with reliable 3.9% average annual rent growth and a low 2.8% submarket vacancy.

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