URBAN TACOMA USER/DEV OPPORTUNITY

3-PARCEL ASSEMBLAGE

6421, 6423-6427 AND 6425 6TH AVENUE, TACOMA, WA

PIERCE COUNTY PARCEL NUMBERS: 0220022109, 0220022110, 0220022112

4.95 ACRES

INVESTMENT OFFERING MEMORANDUM

CUSHMAN & WAKEFIELD

EXECUTIVE **SUMMARY**

Cushman & Wakefield is pleased to present a compelling 4.95-acre fee simple investment opportunity encompassing three contiguous parcels located at 6421, 6423–6427, and 6425 6th Avenue, Tacoma, WA. Strategically positioned along the highly trafficked 6th Avenue commercial corridor, the site offers a unique combination of near-term income, with full site control in April of 2027, and long-term redevelopment potential.

The property includes land beneath approximately 39,300 square feet of existing retail improvements, leased under a ground lease to a private investment firm. The improvements are currently occupied by Grocery Outlet (±24,000 SF) and Rolf's Import Auto Parts (±15,300 SF). The ground lease provides passive income of approximately $119,655 annually. With the ground tenant electing not to renew, the lease expires March 31, 2027, delivering full site control to the future owner. The property can be delivered as a pad or with the improvements at expiration.

This offering presents a rare range of strategic exit paths:

- **Redevelopment:** Well-positioned in Tacoma's high-growth West End submarket, the site is ideally suited for mixed-use redevelopment with potential for ground floor retail and residential or commercial above.
- **Owner-User Potential:** April 1, 2027, a buyer could occupy all or part of the 39,300 SF improvements—ideal for grocery, healthcare, automotive, or other commercial uses—with ample parking, strong street frontage, and excellent visibility.
- **Value-Add Lease-Up:** Investors may re-tenant the property at market lease rates once the ground lease expires, unlocking substantial income upside relative to the current below-market rent structure.

3 BLOCKS NORTH OF TACOMA COMMUNITY COLLEGE & JAMES CENTER

DENSELY POPULATED TRADE AREA WITH OVER 200,000 RESIDENTS WITHIN 5 MILES

CLOSE PROXIMITY TO STATE ROUTE 16

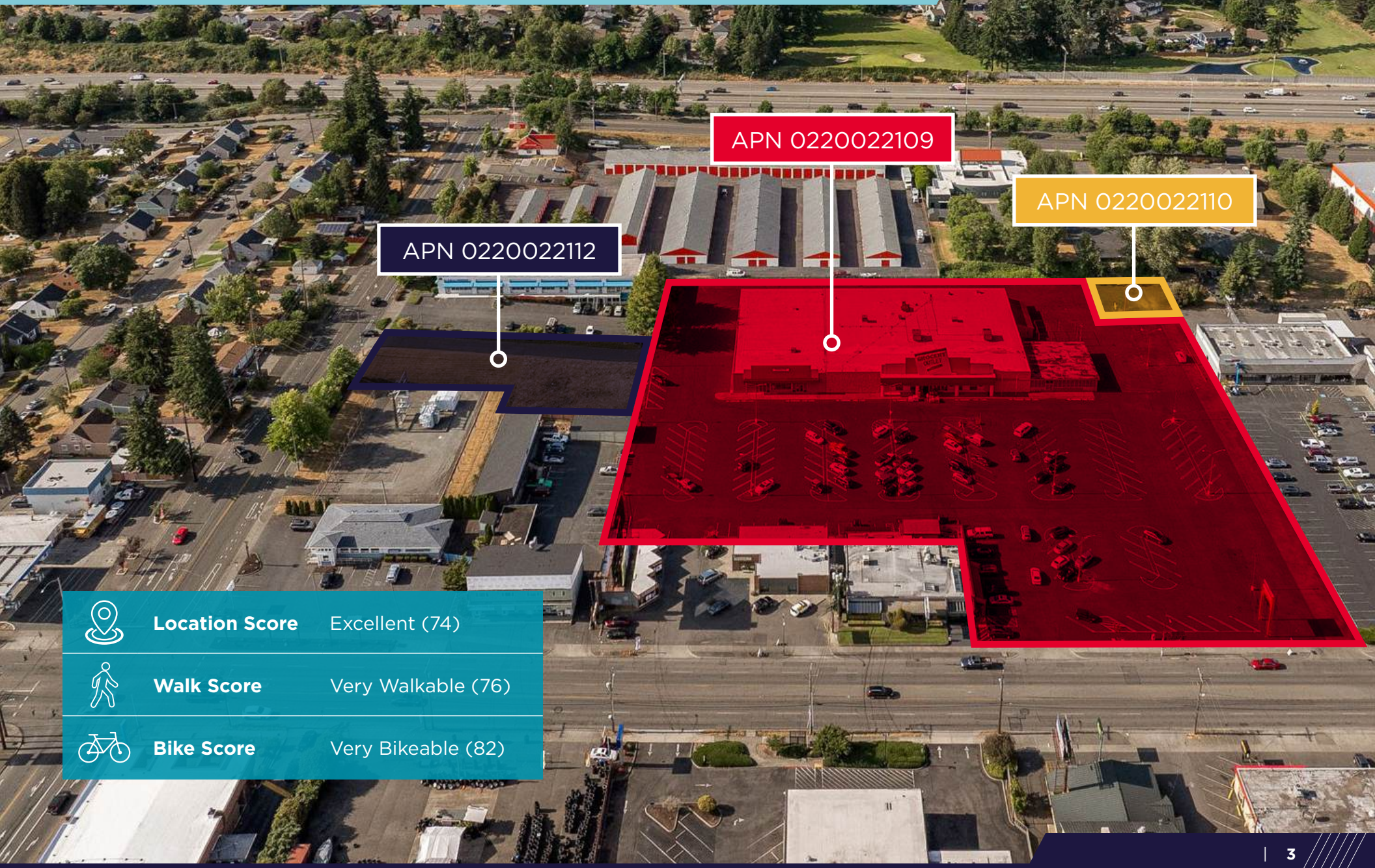
STRONG RENTER BASE WITH 45.2% RENTER OCCUPIED HOUSING IN A 1-MILE RADIUS

AVERAGE HOUSEHOLD INCOMES OF $105,429 IN A 1-MILE RADIUS

Surrounded by strong regional drivers—including Tacoma Community College (12,000+ students) and Joint Base Lewis-McChord (100,000+ personnel)—this property offers scale, flexibility, and long-term growth in one of Tacoma's most active commercial corridors. In addition, nearby institutions such as UW-Tacoma, University of Puget Sound, Pacific Lutheran University, and Evergreen Tacoma contribute thousands more students and employees within just a few miles of the area.

PROPERTY **OVERVIEW**

6421, 6423-6427, AND 6425 6TH AVENUE, TACOMA, WA. **±4.95 ACRES (215,538 SF) ACROSS 3 PARCELS**



Location Score	Excellent (74)
Walk Score	Very Walkable (76)
Bike Score	Very Bikeable (82)

PROPERTY **OVERVIEW**

Parcel Numbers	0220022112	0220022109	0220022110,
Property Address	6425 6th Ave	6423-6427 6th Ave	6421 6th Ave
Building SF	0 SF	39,300 SF	0 SF
Land SF	22,568 SF	184,694 SF	8,276 SF

Improvements	39,300 SF Commercial Structure (24,000 SF leased to Grocery Outlet, ~15,300 SF leased to Rolf's Autobody)
Zoning	C-2 General Community Commercial (City of Tacoma)
Current Use	A California investment firm currently serves as landlord via ground lease and has sublet 24,000 SF of commercial space to Grocery Outlet and 15,300 SF to Rolf's Import Auto Service.
Access	High-visibility arterial frontage on 6th Avenue with 16,000 + VPD.
Utilities	Fully serviced with water, sewer, electricity and gas.

PROPERTY **PHOTOS**

LEASE **SUMMARY**

Tenant	RI-Tacoma, LLC
Lease Type	Ground Lease (all parcels)
Term	Expires March 31, 2027
Annual Rent	~$119,655/YR Fixed
Tenant Responsibilities	Absolute Net

REDEVELOPMENT/USER POTENTIAL

REDEVELOPMENT OPPORTUNITY OVERVIEW

With full site control available post-April 1st, 2027, this ±4.95-acre assemblage represents a rare, high-visibility redevelopment opportunity along Tacoma's dynamic 6th Avenue corridor. Zoned C-2, the site supports a wide range of medium- to high-intensity commercial uses and allows for residential development as part of mixed-use projects—ideal for urban infill strategies that capitalize on shifting demographic and retail trends.

VISION FOR MIXED-USE POTENTIAL

The site is well-positioned for a vertical mixed-use redevelopment incorporating ground-floor retail and upper-level residential or commercial uses. Conceptual configurations may include:

- **Street-Level Retail:** 20,000–30,000 SF targeting daily-needs and neighborhood-serving tenants, with market rents projected at $28–$32/SF NNN.
- **Upper-Level Multifamily:** 220–370 residential units, based on achievable densities of 45–75 units per acre, with rental rates forecasted between $1.80–$2.00/SF.

This density and configuration align with comparable infill projects in the area, such as the nearby Kmart site redevelopment (~400 units) and The Analog, a proven mixed-use concept with similar rent and vacancy profiles.

STRATEGIC DRIVERS

The site benefits from substantial demand drivers and locational advantages, including:

- **Traffic Counts:** 16,000+ vehicles per day, delivering strong visibility and access for retailers and service-oriented tenants.
- **Proximity to Institutions:** Located within a short distance of Tacoma Community College (12,000+ students) and Joint Base Lewis-McChord (100,000+ personnel), the site is well-positioned to serve a large and diverse consumer base. Other regional drivers include University of Puget Sound, Pacific Lutheran University, and The Evergreen State College Tacoma—totalling many thousands of additional students and employees within a few miles' radius.
- **Demographic Momentum:** Ongoing residential growth and increasing density along the 6th Avenue corridor position the site for strong absorption of new housing and commercial uses.

ALTERNATIVE USE CASES

While redevelopment into a mixed-use residential/retail format is the highest and best use upon lease expiration, the existing ±39,300 SF structure—currently occupied by Grocery Outlet and Rolf's Auto Supply—may offer interim or extended value as an owner-user opportunity or value-add investment. Investors may choose to lease the premises at market rates post-2027 or hold the asset while entitlements for redevelopment are pursued.

MARKET **OVERVIEW**

CITY OF TACOMA

Tacoma is the second-largest city in the Puget Sound region, offering a lower cost of living and easier development path compared to Seattle. Its economy is driven by healthcare, education, logistics, defense, and technology. The city has seen a resurgence in downtown redevelopment, supported by infrastructure investment and population growth.

WEST END SUBMARKET DRIVERS

- **Tacoma Community College** – 3 blocks south (12,000+ students)
- **University of Puget Sound** – 3 miles northeast (2,500+ students)
- **Joint Base Lewis-McChord** – 9 miles south (100,000+ personnel)
- **Retail Trade Area** - Dense, with 200,000+ residents within a 5-mile radius.
- **Traffic Counts** - 6th Avenue sees 16,000 vehicles/day, ensuring high visability.
- **Connectivity** - Direct access to SR-16 and Narrows Bridge, linking to Gig Harbor as well as Kitsap Peninsula, showcasing proximity to a well-known and affluent residential communities.
- **Port of Tacoma** - Combined with the Port of Seattle makes for the 5th biggest port in the USA.

INVESTMENT HIGHLIGHTS

- Full site control post-lease expiration
- Redevelopment potential in a zoning district supporting commercial and mixed-use
- Located in Tacoma's active 6th Avenue corridor with strong local demographics
- Strategic urban infill opportunity with favorable land basis and rising submarket rents

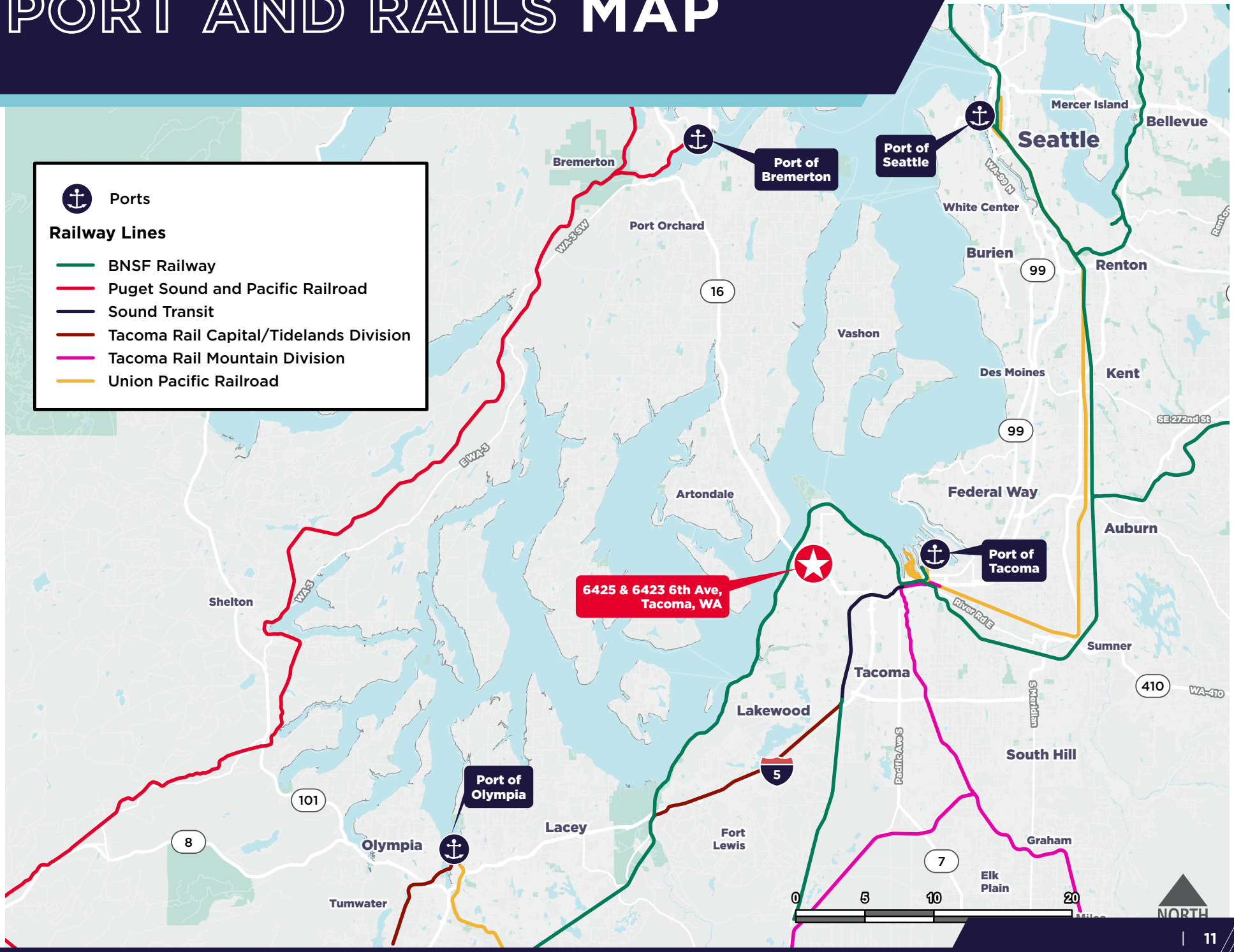
LOCAL EMPLOYERS **MAP**

EMPLOYERS

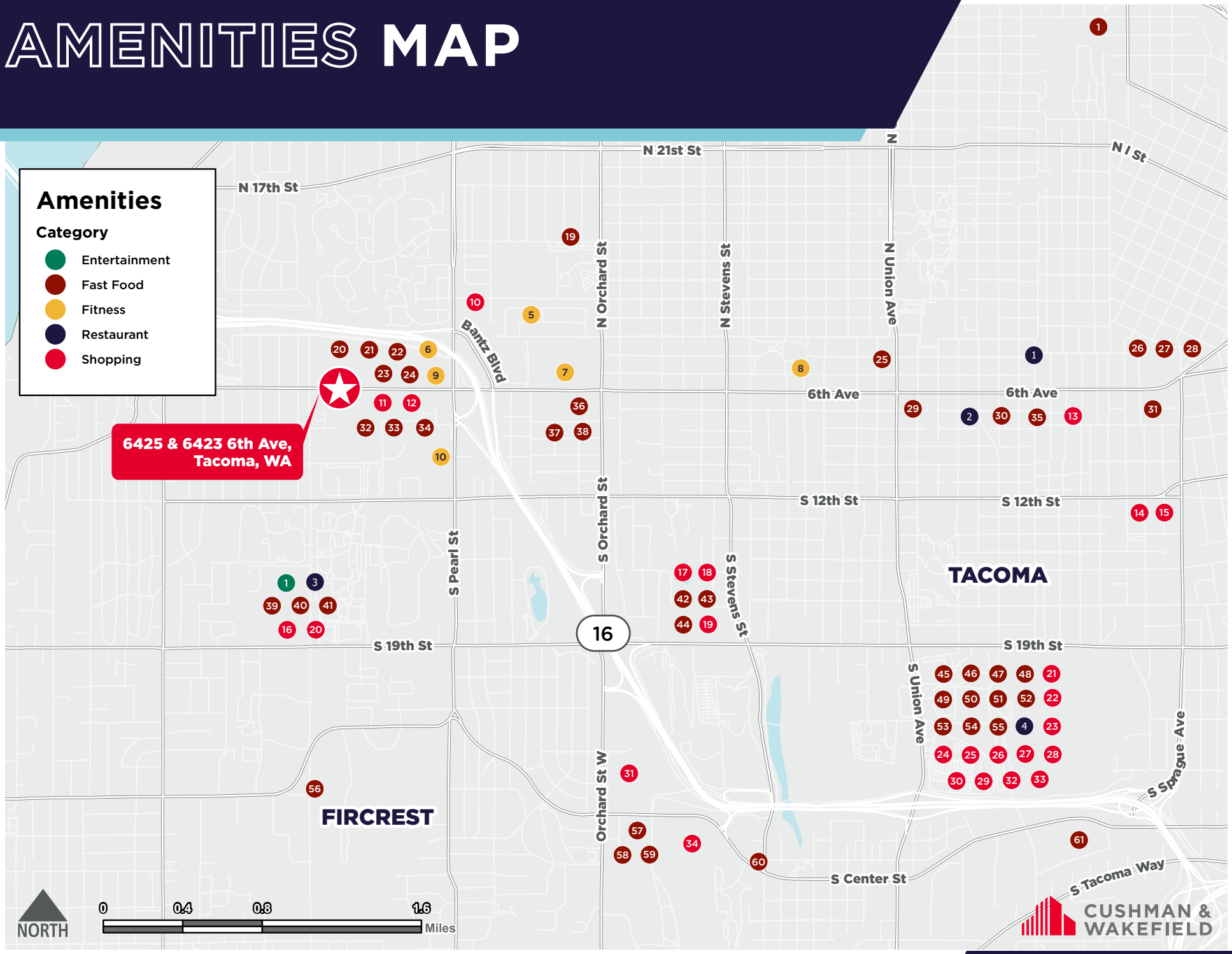
1. City of Tacoma Government, Market St.
2. St. Joseph Hospital, S J. St.
3. MultiCare Tacoma Hospital, Martin Luther King Jr. Way
4. Washington State Government: Tacoma Office, S State St.
5. City of Tacoma Utilities, S 35th St.
6. Mary Bridge Hospital, S L St.
7. TrueBlue, Inc, A St.
8. Tacoma Community College, S 19th St.
9. DaVita Health Care, Pacific Ave.
10. University of Washington Tacoma, Commerce St.
11. University of Puget Sound, Warner St.
12. The Evergreen State College Tacoma, 6th Ave.
13. Pacific Lutheran University, Park Ave S. (12 miles from site)

DRIVE TIMES **MAP**

PORT AND RAILS **MAP**



AMENITIES MAP



ZONING OVERVIEW

ZONING OVERVIEW – C-2 GENERAL COMMUNITY COMMERCIAL DISTRICT

The subject property is located within the C-2 General Community Commercial District as defined by the City of Tacoma Zoning Code (TMC 13.06.030.C.3). This district is intended to support a broad range of medium- to high-intensity commercial uses and is suitable for larger-scale office, retail, and service activities serving a wide market area. Residential uses are also permitted, particularly as part of a mixed-use development.

PURPOSE OF COMMERCIAL DISTRICTS

According to TMC 13.06.030.C.3designed for medium- to high-intensity commercial uses and mixed-use developments. Key parameters include:

- Permitted Uses: Retail, office, services, and residential (in mixed-use projects).
- Height Limit: Up to 60 feet (or higher with conditional use permits).
- Floor Area Ratio (FAR): Flexible, typically 2.0–3.0 for mixed-use projects.
- Setbacks: Minimal front setbacks to encourage pedestrian-friendly design.
- The C-2 district aligns with Tacoma's Comprehensive Plan, supporting vibrant commercial hubs like 6th Avenue. The 4.95-acre site is ideal for mixed-use redevelopment, combining street-level retail (20,000–30,000 SF) with multifamily (220–370 units at 45–75 units/acre).
- For details, contact Tacoma Planning and Development Services or visit Tacoma Comprehensive Plan.

DEVELOPMENT POTENTIAL

Given the property's size, street frontage, and zoning designation, the site is ideally positioned for a future mixed-use redevelopment featuring street-level retail and upper-level residential or office space. The C-2 district allows flexibility for creative site design and intensity, in line with Tacoma's long-range planning goals.

Additional zoning and comprehensive plan guidance is available through the City of Tacoma Planning and Development Services Department.

Reference:
https://tacoma.gov/government/departments/planning-and-development-services/long-range-strategicplans/comprehensive-plan/

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FOR MORE INFORMATION OR TO SCHEDULE A SITE VISIT, CONTACT OUR TEAM TODAY.

CUSHMAN & WAKEFIELD

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