

New Relocation Store (Proven Sales)



ACTUAL SITE

# Sleep Number

## \$3,250,000 | 6.00% CAP

4760 S Broadway Ave, Tyler, TX 75703

- ✓ **Brand New 10-Year Corporate Net Lease** with (4) 5-Year Options to Renew and 10% Rent Increases Every 5 Years
- ✓ **Excellent Traffic Counts with Superb Access** | Exposure to 39,000 VPD on S Broadway Ave
- ✓ **Directly Across from Broadway Square Mall** Which Features Over 625,000 SF of Retail
- ✓ **Adjacent to Tyler Legacy High School** | Largest High School in Tyler with an Enrollment of 2,700 Students
- ✓ **Relocating from the Broadway Square Mall Showing a Proof of Concept and Sales in the Direct Trade Area**



**Sleep Number** created a foundation for the future of health and wellness by innovating the **first commercialized** smart bed. Based in Minneapolis, Minnesota, Sleep Number operates, franchises and/or licenses more than **670 stores** and employs more than **5,000 individuals**.



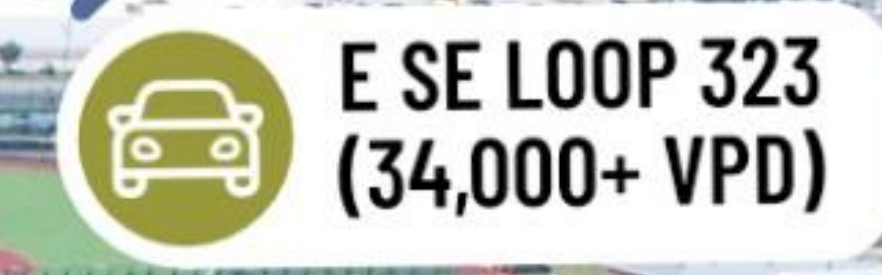


**BROADWAY SQUARE MALL**

- 625,000+ SF OF RETAIL
- 80+ RETAILERS
- 100,000+SF EXPANSION IN 2020



2022 CONSTRUCTION









# INVESTMENT OVERVIEW

SLEEP NUMBER TYLER, TX



## CONTACT FOR DETAILS

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Senior Associate  
(469) 694-4189

kvarni@securenetlease.com

# \$3,250,000

## 6.00% CAP

NOI

\$195,000

Building Area

±3,500 SF

Land Area

±0.66 AC

Year Built

2022

Lease Type

NET LEASE\*

Occupancy

100%

- ✓ **Brand New 10-Year Corporate Net Lease** with (4) 5-Year Options to Renew and 10% Rent Increases Every 5 Years
- ✓ **Excellent Traffic Counts with Superb Access** - Subject property located on S Broadway Ave (39,000+ VPD) and less than 1 mile from SE Loop 323 (34,000+ VPD).
- ✓ **Directly Across from Broadway Square Mall** which is the largest mall in Tyler and features over 625,000 SF of retail with 80 stores including Dillard's, JCPenney, and Dick's Sporting Goods.
- ✓ **Adjacent to Tyler Legacy High School**, the largest school in Tyler ISD and features an enrollment of 2,700 students.
- ✓ **Located in a Dense Retail Corridor** with surrounding retailers of Best Buy, Barnes & Noble, Hobby Lobby, Natural Grocers, Lowe's, and more.
- ✓ **Investment Grade Tenant** - Sleep Number reported over \$2.11 Billion in revenue for 2022 and operates over 670 locations.
- ✓ **Tyler is the Commercial and Cultural Capital of the East Texas Region**; 95-miles east of the third-largest city in Texas, Dallas. Boasting an MSA population of over 241,000, Tyler has grown to be the largest community in East Texas.

\*Roof and Structure

This information has been secured from sources we believe to be reliable but we make no representations or warranties, expressed or implied, as to the accuracy of the information. Buyer must verify the information and bears all risk for any inaccuracies.

**SECURE**  
NET LEASE



## TENANT OVERVIEW

SLEEP NUMBER TYLER, TX

# Sleep Number

**Lessee:** Select Comfort Retail Corporation

**Guarantor:** Sleep Number Corporation

## REVENUE

**\$2.11+ B**

## STOCK TICKER

**SNBR**

## LOCATIONS

**670+**

sleep  number

[sleepnumber.com](https://sleepnumber.com)

Sleep Number is a wellness technology company with over 670 stores nationwide. Over 14 million people have had their lives improved by their award-winning sleep innovations and are experiencing the physical, mental, and emotional benefits of life-changing sleep performance.

Their proprietary **smart beds** combine the physical and digital worlds, integrating exceptional sleep with a **highly advanced** digital technology platform. Their retail **experience** meets their consumers whenever and wherever they choose – through online and in-store touchpoints. And their **5,000** mission-driven **team members** passionately deliver individualized sleep experiences for everyone.

Sleep Number is a leader in sleep technology, winning several awards already in **2023**. Among those awards is The Spruce's Best Places to Buy a Mattress and Forbes' Best Adjustable Bed and Mattress Combo for Easy Delivery. As their technology has evolved, so has their business model: They are the exclusive designer, manufacturer, marketer, retailer, and servicer of the complete line of Sleep Number **360 smart beds** and bedding. Their vertically integrated business model enables them to provide a seamless **end-to-end** customer experience. The company's retail presence has evolved from a small kiosk in a mall in Roseville, Minnesota, in **1992** and a **1-800 direct marketing mattress** company, to a retailer with a national store footprint.

ACTUAL SITE





## IN THE NEWS

— SLEEP NUMBER TYLER, TX

## New Store Format Courts High-End Customers

OCTOBER 6, 2022 (RETAIL WATCH)

“Sleep Number currently has 650 stores. Now, the Minneapolis-based chain is rolling out a new retail format—first in Edina, Minnesota, then in an additional 18 locations by the end of the year—to entice buyers to peel themselves away from their screens and come on in.”

According to Angela Gearhart, Sleep Number’s vice president of connected brand experience, the stores will feature **artificial intelligence**, interactive displays and a system of QR codes that “create the **maximum immersive experience**

**This remodeling program, which will be rolled out across the entire chain over time, comes as Sleep Number introduces its new flagship model, the \$10,000 Climate360 Smart Bed. With an elevated shopping experience and its priciest product ever, the brand is likely looking to win over the kind of customer who can be upsold to a bed with a five-digit price tag—and create an even greater distinction from the promotion-heavy online player**

In the **new locations** shoppers will find beds “introducing themselves” via an audio/video presentation that runs automatically with a narrator. A **QR code system** will be employed to match mattresses and bedding accessories like pillows and sheets. We wanted the customer journey within the store to be very guided.

With the new store design, the Climate360 introduction and this focus on sustainability—the company is even converting its headquarters to solar power—Sleep Number is looking to **stay a step or two ahead** in a highly competitive sector. If the changes can entice a deep-pocketed upscale consumer, the brand can rest easy.

EXPLORE ARTICLE



## Sleep Number Introduces Next Generation Smart Beds: Science-Backed Innovations Designed to Support Your Body’s Changing Needs Over Time

APRIL 11, 2023 (SLEEP NUMBER)

**Today, Sleep Number Corporation (Nasdaq: SNBR), a wellness technology leader, announced the launch of its next gen Sleep Number® smart beds and Lifestyle Furniture.**

Sold separately but optimally used together, the innovations are intended to help sleepers get their best sleep and realize their **full potential** through every stage of life. The next gen smart beds evolved from the original, award-winning Sleep Number **360® smart beds**. The latest advancements are based on learnings from over **19 billion hours** of proprietary, longitudinal sleep data from the 360® smart beds.

**These effortless adjustments cater to each individual with no action required by the sleeper and deliver Sleep Number’s signature firmness adjustability for highly personalized sleep. Additionally, Sleep Number’s Lifestyle Furniture – an upholstered bed surround with an adjustable table and support bar – provides accessories to support varying life stages, including aging and recovery.**

The beds use embedded, **research-grade sensors** and artificial intelligence (AI) to learn the unique biometrics and sleep patterns of each sleeper, and automatically adjust to meet a person’s changing needs, whether they’re pregnant, recovering from injury, aging or simply living day-to-day.

EXPLORE ARTICLE





LEASE OVERVIEW

SLEEP NUMBER TYLER, TX

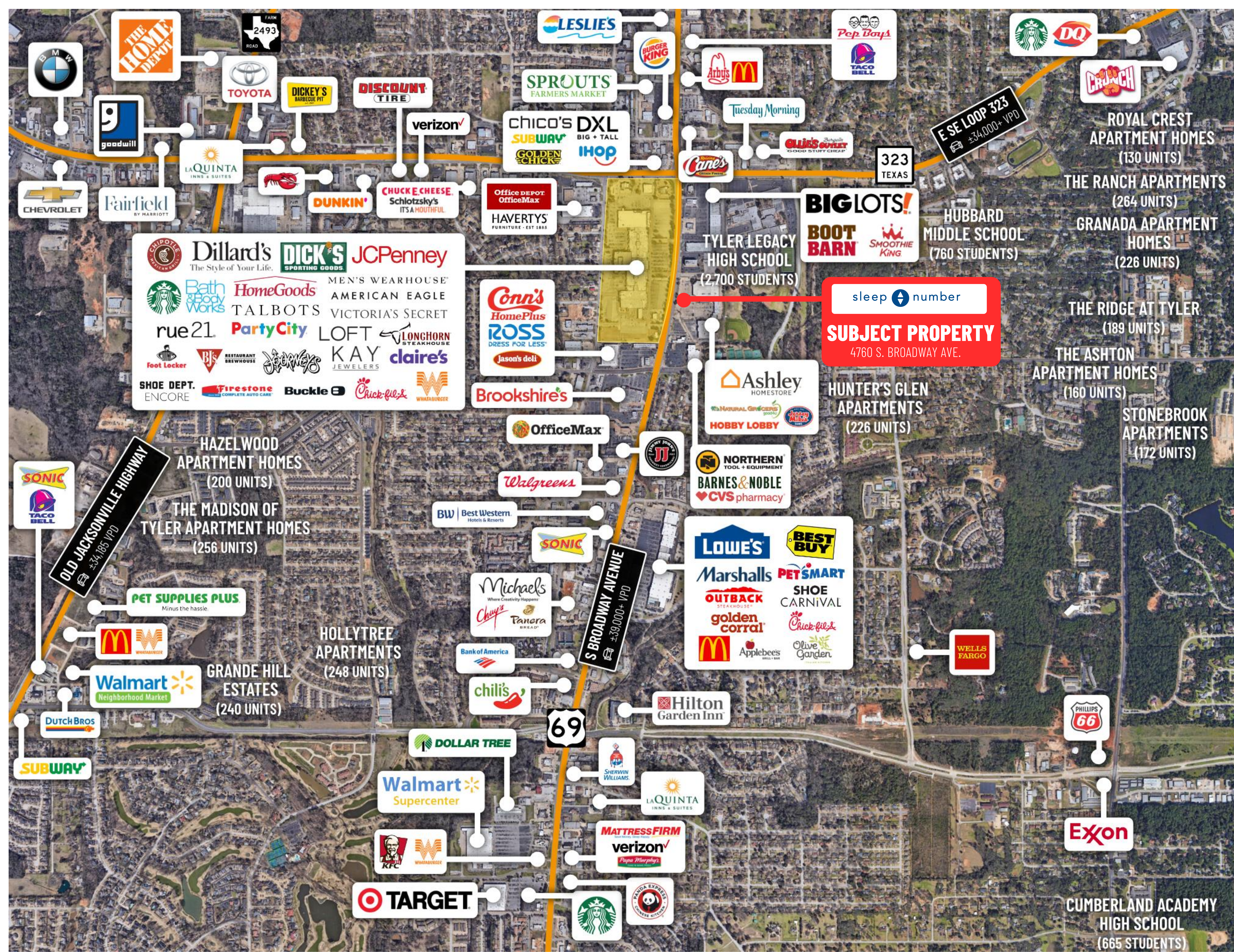
Initial Lease Term	10-Years, Plus (4), 5-Year Options to Renew
Rent Commencement	January 12, 2023
Lease Expiration	January 31, 2033
Lease Type	Corporate Net Lease
Rent Increases	10% Every 5 Years
Annual Rent YRS 1-5	\$195,000
Annual Rent YRS 6-10	\$214,480
Option 1	\$235,935
Option 2	\$259,525
Option 3	\$285,495
Option 4	\$314,055

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ACTUAL SITE









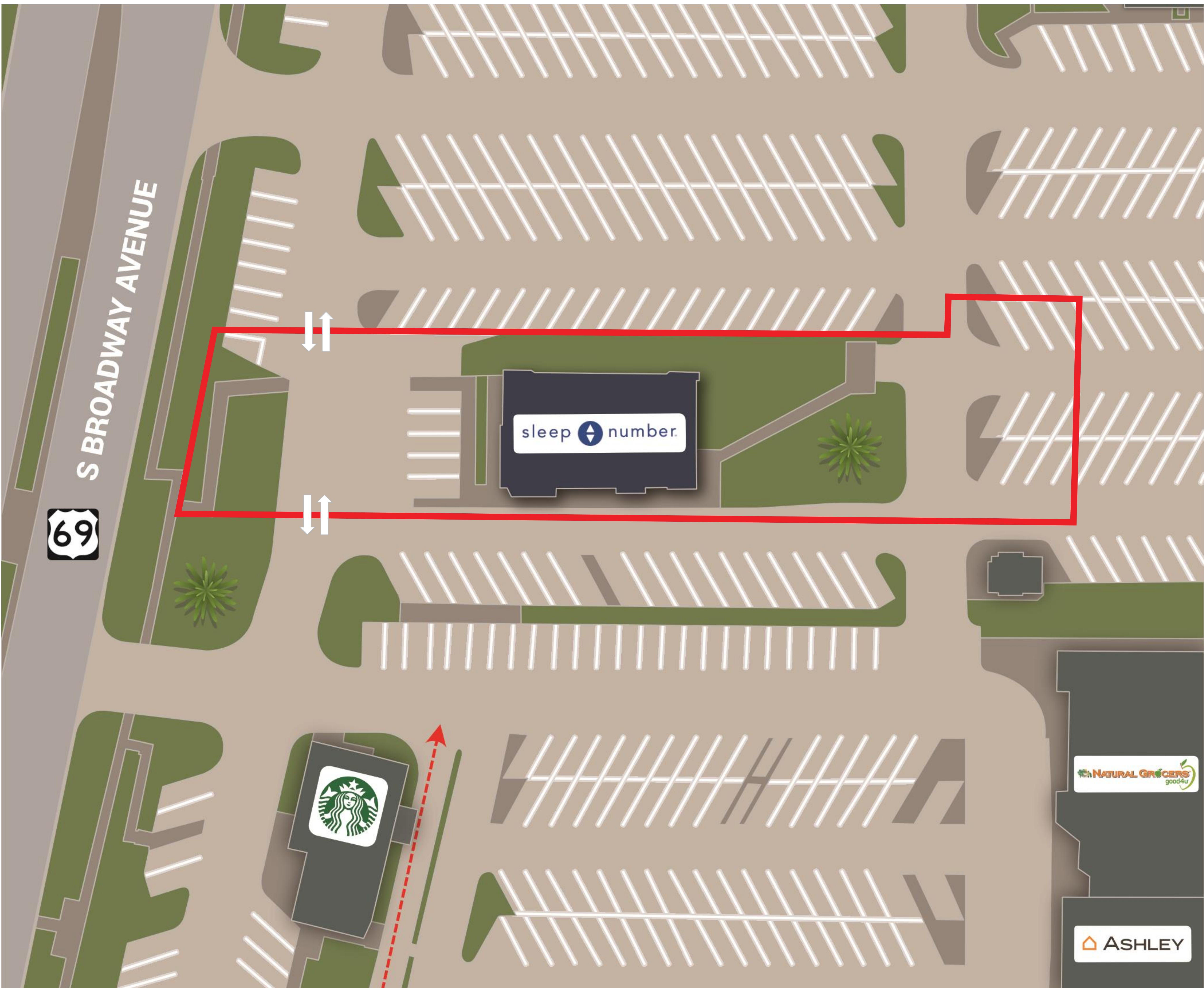
# SITE OVERVIEW

SLEEP NUMBER TYLER, TX

	Year Built	2022
	Building Area	±3,500 SF
	Land Area	±0.66 AC

## NEIGHBORING RETAILERS

- Broadway Square Mall
- Walmart Supercenter
- Dillard’s
- The Home Depot
- Walmart Neighborhood Market
- Best Buy
- Big Lots!
- Marshalls
- Petco
- Target



\*Not Actual Boundary Lines. Buyer to verify during due diligence.

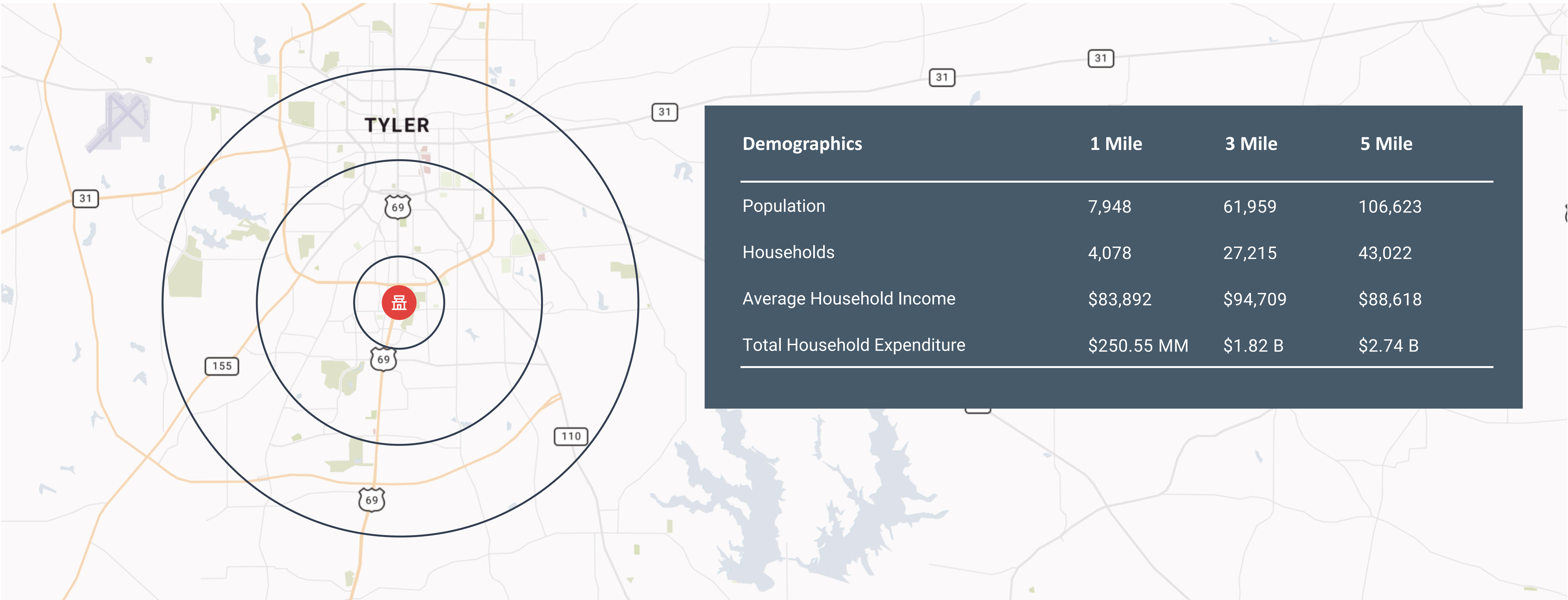


ACTUAL SITE



# LOCATION OVERVIEW

SLEEP NUMBER TYLER, TX



## ECONOMIC DRIVERS (NUMBER OF EMPLOYEES)

1. CHRISTUS Trinity Mother Frances (3,850)

2. UT Health East Texas (3,550)

3. Tyler Independent School District (2,550)

4. Sanderson Farms (1,850)

5. Walmart (1,500)

6. Trane Technologies (1,450)
7. Brookshire Grocery Company (1,450)

8. UT Health Science Center at Tyler (1,450)

9. The University of Texas at Tyler (1,200)

10. Optimum Communications (1,150)

11. Tyler Junior College (1,000)

12. Target Distribution Center (1,000)
13. John Soules Foods (900)

14. Smith County (850)



# LOCATION OVERVIEW

SLEEP NUMBER TYLER, TX



Tyler  
Texas



241,757

Population



\$58,385

Median Household Income

1/3 of all Commercially-Grown Rose Bushes in US Produced in 50-mi. Radius of Tyler

1/3

16<sup>th</sup> Most Populous Metropolitan Area in Texas

16<sup>th</sup>

**Tyler, Texas is a city located off Interstate 20, exactly halfway between Dallas, Texas and Shreveport, Louisiana.**

The city of Tyler has long been Smith County’s major economic, educational, financial, media, and cultural hub.

**Tyler, Texas is considered the advanced manufacturing, health care, educational, and retail center of East Texas.**

Tyler is known as the "Rose Capital of America," which is a nickname it earned from a long history of rose production, cultivation, and processing.

As a regional educational and technology center, Tyler plays host to more than 20,000 higher-education students between The University of Texas at Tyler, Kilgore College, Texas College, and Tyler Junior College. The city is also home to two regional, billion-dollar hospital systems. Annually, the Texas Rose Festival draws thousands of tourists to Tyler, which celebrates the role of the rose-growing industry in the local economy. Tyler is also home to the Caldwell Zoo and Broadway Square Mall. The city is surrounded by 25 prime sporting lakes offering opportunities for fishing and boating. Tyler State Park offers families 985 acres of woods around a beautiful spring-fed lake. In recent years, organizations like Heart of Tyler and the City of Tyler Main Street Program have coordinated massive rejuvenation efforts for the downtown district. Today, there are cultural attractions like Gallery Main Street, Liberty Hall, and Discovery Science Place. Also, the district hosts major events such as the Downtown Tyler Film Festival and the Red Dirt BBQ & Music Festival.



# IN THE NEWS

SLEEP NUMBER TYLER, TX

## City of Tyler to See Economic Growth with Opening of W.T. Brookshire Conference Center

KATECEY HARRELL, APRIL 14, 2023 (TYLER MORNING TELEGRAPH)

People can hold conferences, rent and begin to see the economic impacts of improvements at the Rose Complex in Tyler following Thursday’s grand opening of the W.T. Brookshire Conference Center.

The W.T. Brookshire Conference Center isn’t only for **conferences** but is conveniently located to **enjoy** the Rose Garden, which is the area’s crown jewel. “(The city) is growing and is **becoming better** and better every year,” he said.

“(Tyler) is becoming a destination. People want to come here, not only to vacation but come and have conferences,” Mayor Dan Warren said. “We want this to be an attraction.”

It is surrounded by cultural attractions and features a modern layout, upgraded design amenities, a **state-of-the-art lighting** and sound system, catering kitchen and multiple conference rooms.

The project cost about **\$28 million** and was made possible through hotel occupancy tax funds, bonds, cash payments, private donations and half-cent sales tax funds.

Deputy City Manager Stephanie Franklin said the conference center primarily impacts the city’s economy through hotel/motel **occupancy tax funds** and local merchants and shops.

“You see not only people staying in hotels, but eating dinner, having drinks, going to movies, buying retail and spending time at all of our small businesses,” Franklin said. “The **economic impact** trickles in through all of these different means.”

Major regional and local conferences will be held at the center, and people can rent the facilities for private events, City of Tyler Public Information Officer Adriana Rodriguez said. The center is partially available to book on a “priority scale,” she said.

EXPLORE ARTICLE

## New UT Tyler Medical School Expected to have Major Economic Impact

BLAKE HOLLAND, JANUARY 27, 2023 (KLTV)

The dirt turned at this week’s groundbreaking for the new UT Tyler Medical Education Building might as well have been cash.

“When you talk about **job growth** in the economy, the basics are already here,” said Kevin Eltife, chairman of the UT System Board of Regents. “We have **three** great hospital systems: UT Health East Texas, CHRISTUS Mother Frances, and Baylor Spine and Joint. That already is **so attractive** to individuals who want to come work here and live here in the medical industry.”

From attracting newcomers to the ripple effects of adding a major component to the area’s already booming biomedical industry, leaders call the new UT Tyler School of Medicine an economic game changer for East Texas.

Eltife said as the medical school **grows**, so will the economy.

“It’s going to be a steady growth in our economy, which is really good when you have the ups and downs that we’ve seen over the years with oil and gas industry and other things that affected the Texas economy,” Eltife said. “The medical industry in our area is going to **continue to grow** and be the backbone of our economy going forward.”

While the inaugural class is made up of just **40 students**, through the years that number will climb into the hundreds. With more students, comes more employees, said Eltife.

“It’ll be slow and gradual, which is actually good,” he said. “It’s good for the city and the county in terms of being able to keep up with the infrastructure.”

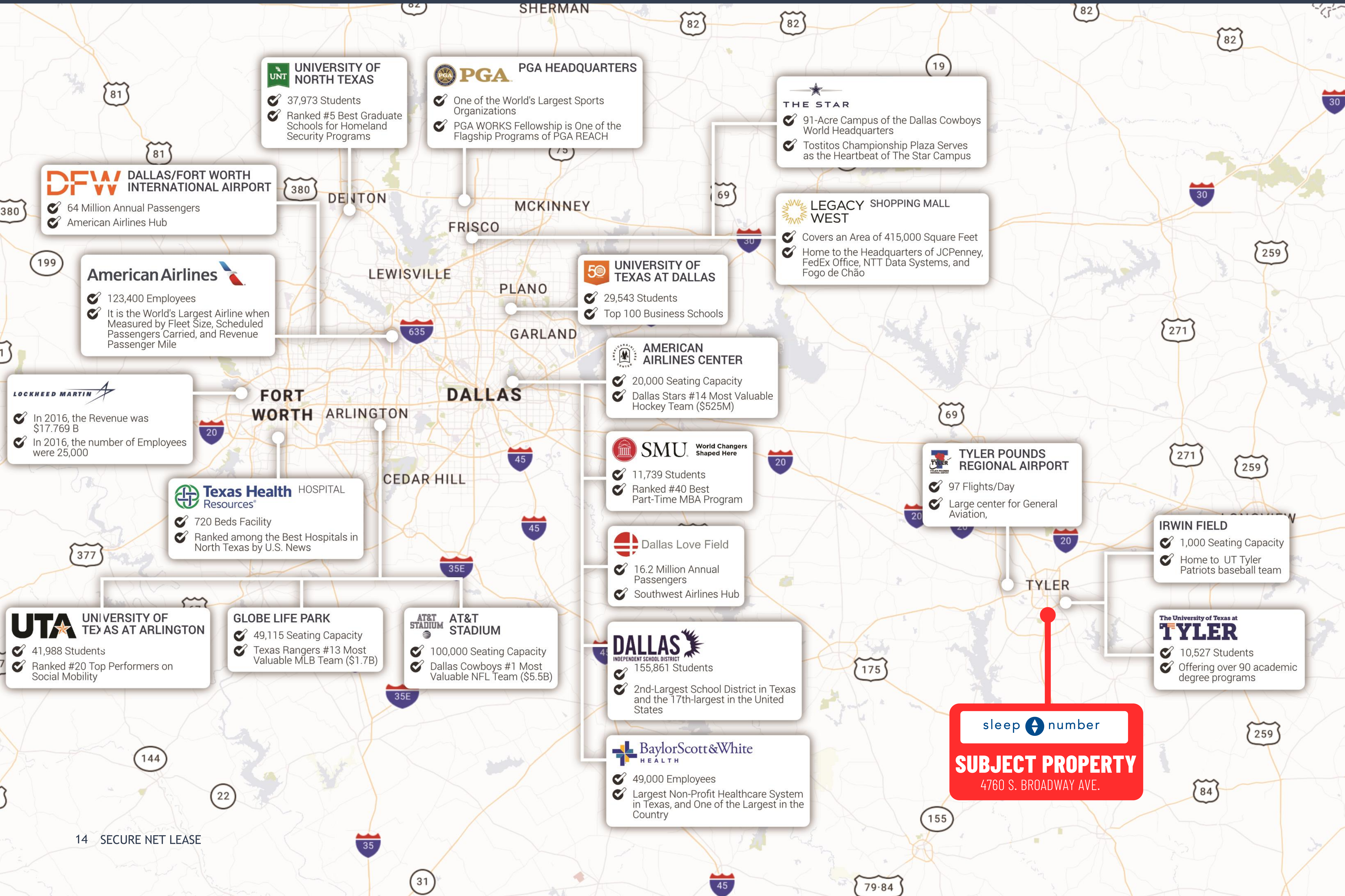
Texas economist and Lindale native Dr. Ray Perryman expects the medical school to add around **10,000 jobs** to the East Texas region over the next **decade**.

EXPLORE ARTICLE



# METRO AREA

SLEEP NUMBER TYLER, TX





CALL FOR ADDITIONAL INFORMATION

## Dallas

Office

10000 N Central Expressway  
Suite 200  
Dallas, TX 75231  
  
(214) 522-7200

## Los Angeles

Office

123 Nevada Street  
El Segundo, CA 90245  
  
(424) 320-2321

CALL FOR ADDITIONAL INFORMATION

Kyle Varni

Senior Associate  
(469) 694-4189

[kvarni@securenetlease.com](mailto:kvarni@securenetlease.com)



# TEXAS DISCLAIMER

SLEEP NUMBER TYLER, TX

## Approved by the Texas Real Estate Commission for Voluntary Use

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

### Information about brokerage services

Before working with a real estate broker, you should know that the duties of a broker depend on whom the broker represents. If you are a prospective seller or landlord (owner) or a prospective buyer or tenant (buyer), you should know that the broker who lists the property for sale or lease is the owner's agent. A broker who acts as a subagent represents the owner in cooperation with the listing broker. A broker who acts as a buyer's agent represents the buyer. A broker may act as an intermediary between the parties if the parties' consent in writing. A broker can assist you in locating a property, preparing a contract or lease, or obtaining financing without representing you. A broker is obligated by law to treat you honestly.

### If the broker represents the owner

The broker becomes the owner's agent by entering into an agreement with the owner, usually through a written – listing agreement, or by agreeing to act as a subagent by accepting an offer of subagency from the listing broker. A subagent may work in a different real estate office. A listing broker or subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first. The buyer should not tell the owner's agent anything the buyer would not want the owner to know because an owner's agent must disclose to the owner any material information the owner knows.

### If the broker represents the buyer

The broker becomes the buyer's agent by entering into an agreement to represent the buyer, usually through a written buyer representation agreement. A buyer's agent can assist the owner but does not represent the owner and must place the interests of the buyer first. The owner should not tell a buyer's agent anything the owner would not want the buyer to know because a buyer's agent must disclose to the buyer any material information known to the agent.

### If the broker acts as an intermediary

A broker may act as an intermediary between the parties if the broker complies with The Texas Real Estate License Act. The broker must obtain the written consent of each party to the transaction to act as an intermediary. The written consent must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker is required to treat each party honestly and fairly and to comply with The Texas Real Estate License Act. A broker who acts as an intermediary in a transaction:

- Shall treat all parties honestly
- May not disclose that the owner will accept a price less than the asking price
- Submitted in a written offer unless authorized in writing to do so by the owner;
- May not disclose that the buyer will pay a price greater than the price submitted in a written offer unless authorized in writing to do so by the buyer; and
- May not disclose any confidential information or any information that a part specifically instructs the broker in writing not to disclose unless authorized in writing to disclose the information or required to do so by The Texas Real Estate License Act or a court order or if the information materially relates to the condition of the property.

With the parties' consent, a broker acting as an intermediary between the parties may appoint a person who is licensed under The Texas Real Estate License Act and associated with the broker to communicate with and carry out instructions of one party and another person who is licensed under that Act and associated with the broker to communicate with and carry out instructions.