



IHOP & Sherwood Eye Health

SHERWOOD, OREGON



CAPITAL PACIFIC



**NEWLY-CONSTRUCTED PROPERTY
LOCATED IN SHERWOOD'S NEWEST
MIXED-USE LIFESTYLE CENTER**



Overview

IHOP & Sherwood Eye Health

16814 SW EDY RD, SHERWOOD, OR 97140



CONCEPTUAL IHOP SIGNAGE

Investment Summary

LEASEABLE SF
4,849 SF

LAND AREA
23,958 SF

LEASE TYPES
NNN

YEAR BUILT
2018

PARKING*
**232 Spaces;
48/1,000 SF**

OCCUPANCY
100%

**Tenant benefits from additional parking provided via a Cross-Easement Parking Agreement with the larger center.*

\$3,220,500

PRICE

5.50%

CAP

THE OFFERING provides the opportunity to acquire a two-tenant retail asset fully occupied by IHOP and Sherwood Eye Health located within Cedar Creek Plaza, a newly-developed Class A mixed-use center. Both tenants have NNN leases with scheduled 6% rent bumps every five years for IHOP and annual 3% rent increases provided by Sherwood Eye Health. The Property benefits from strong surrounding demographics and co-tenancy provided by adjacent medical use in the center, which includes a brand new 135-unit senior housing development and Providence Urgent Care. The Property is well-positioned with excellent visibility off of Highway 99, located in Sherwood, OR, one of the state's fastest-growing cities with incredibly strong surrounding demos.

Overview

Investment Highlights

NEWLY CONSTRUCTED AND FULLY OCCUPIED WITH 20-YEAR INITIAL TERM FOR IHOP.

SHERWOOD EYE HEALTH HAS AN ESTABLISHED PRESENCE IN THE TRADE AREA WITH A LOCATION IN BEAVERTON AND SHERWOOD, AND ARE RELOCATING THEIR SHERWOOD LOCATION TO THE PROPERTY TO ACCOMMODATE THEIR EXPANSION NEEDS.

PART OF A LARGER BRAND-NEW DEVELOPMENT THAT INCLUDES FIVE ADDITIONAL RETAIL PADS, A SENIOR HOUSING DEVELOPMENT, AND A FUTURE PHASE SLATED TO INCLUDE A HOTEL, ADJACENT TO A PROVIDENCE URGENT CARE CLINIC.

EXPOSURE AND SIGNAGE VISIBLE FROM HIGHWAY 99. THIS ARTERIAL CONNECTS DIRECTLY TO THE WORLD-RENOWNED WILLAMETTE VALLEY WINE REGION.

SIGNIFICANTLY HIGH PARKING RATIO PROVIDED BY SHARED PARKING.

HIGH PURCHASING POWER IN THE TRADE AREA WITH AVERAGE AREA INCOMES IN EXCESS OF \$115,000 VS. PORTLAND METRO AVERAGE OF \$86,000.

SHERWOOD IS ONE OF THE FASTEST-GROWING CITIES IN WASHINGTON COUNTY AND THE PORTLAND MSA.



CONCEPTUAL IHOP SIGNAGE

About IHOP

SUCCESSFUL MULTI-UNIT OPERATOR
OPERATOR: MESK INVESTMENT 3653

13

UNIT (ESTIMATED)
PORTFOLIO IN PNW

About Sherwood Eye Health

Sherwood Eye Health is a local Oregon clinic with a second location in Beaverton, OR by the name of Beaverton Eye Health. Both Eye Health locations are owned by Dr. Adina Zapodeanu, a graduate of Pacific University College of Optometry. Sherwood Eye Health has successfully practiced at a nearby location and is relocating to the Property to accommodate their expansion needs and growing clientele.

Investment Highlights

About Cedar Creek Plaza

THE CURRENT OWNER OF CEDAR CREEK PLAZA, DEACON DEVELOPMENT, has completed Phase I of the Class A mixed-use center with the development of a Planet Fitness, five retail pads (of which two are fully leased), and an adjacent 135-unit senior housing development. Phase II will include the lease-up of three recently completed pad buildings, and high likelihood of an incoming hotel in the single remaining developable pad.

Please reach out to Capital Pacific for more information on adjacent pads, as they may be included in the Offering as leasing finalizes.

TENANTS

- **PLANET FITNESS**
- **SHERWOOD EYE HEALTH**
- **IHOP**
- **HOPS N DROPS**
- **PROVIDENCE HEALTH & SERVICES**
- **HOTEL OR OFFICE - PENDING**
- **LUNA NAILS & SPA**
- **SABYE THAI**
- **CUPCAKE COUTURE**





**THE
ACKERLY
SENIOR
LIVING**

PROVIDENCE
Health & Services

**planet
fitness**
CLICK TO
VIEW OM

**INCOMING
HOTEL**

IHop

**SHERWOOD
EYE
HEALTH**

HOPS & DROPS
A Neighborhood Gathering Place
CLICK TO
VIEW OM

**LUNA NAILS & SPA
SABYE THAI
CUPCAKE COUTURE**

About Cedar Creek Plaza

About the Developer

DEACON DEVELOPMENT GROUP

DEACON DEVELOPMENT IS A PREEMINENT COMMERCIAL DEVELOPMENT FIRM based out of Portland, Oregon, with major developments located along the West Coast. Deacon specializing in the development of complex retail, healthcare, and multifamily construction and offers major renovation and T.I. work. The Portland MSA footprint is shaped in large part by Deacon Development and their affiliate, Deacon Construction, as Deacon Construction has built a handful of noteworthy Portland retail developments including a New Seasons, the Hotel Eastlund, VillaSport, and a number of West Coast trophy buildings, including the San Francisco Premium Outlets and creative office developments in Bellevue and San Francisco.





SAN FRANCISCO PREMIUM OUTLETS

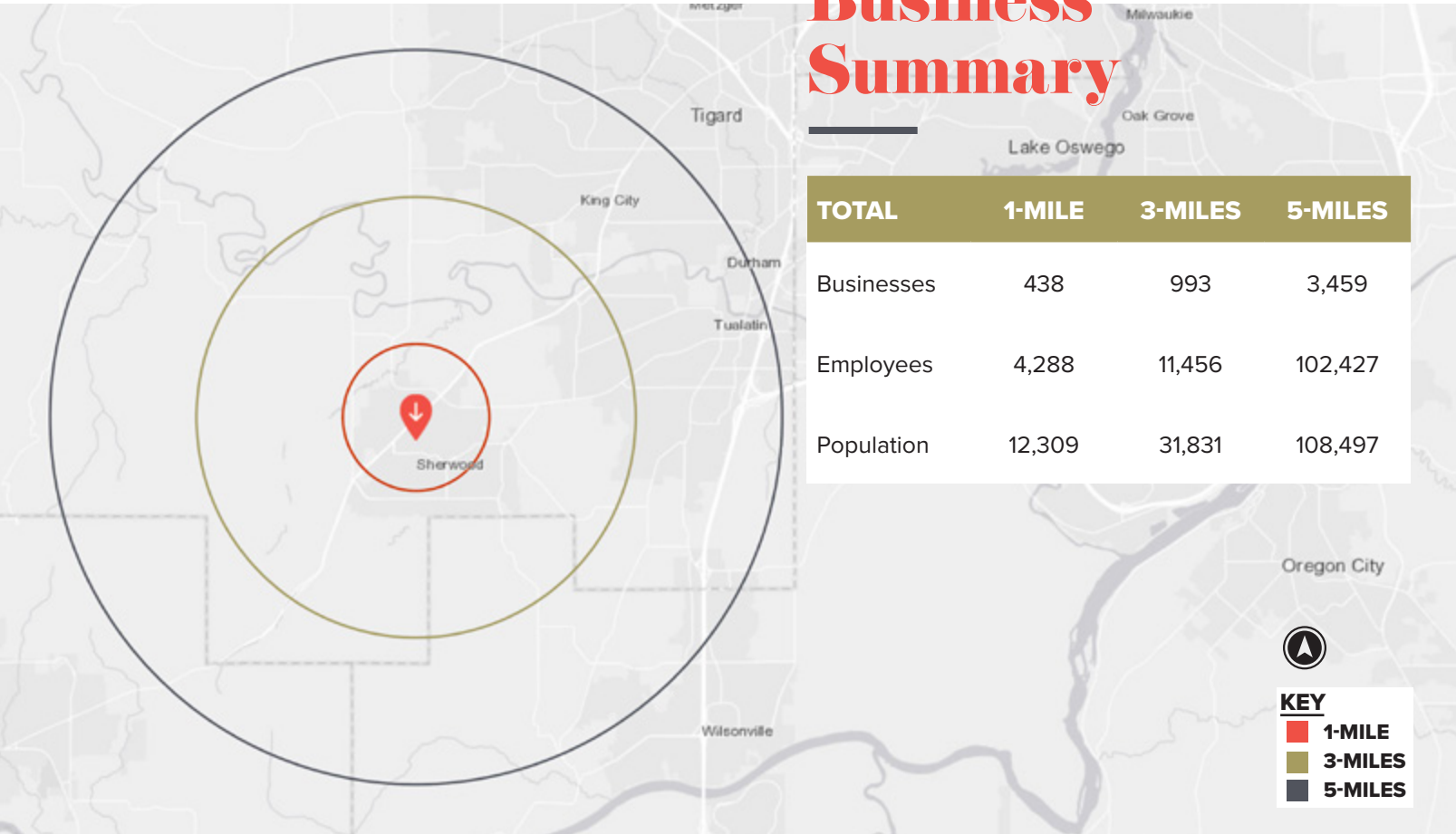


VILLASPORT

About the Developer

Surrounding Retail & Daily Needs

Business Summary



MAJOR RETAIL

Baja Fresh
Dollar Tree
Dutch Bros. Coffee
GNC
Home Depot

Jiffy Lube
Kohl's
McDonald's
McMennamin's
Petco
Regal Cinemas

Safeway
Target
Walgreens
Walmart Supercenter



99

SW ROY ROGERS RD

31,900
VPD



HOBBY LOBBY
PENDING



Walgreens



**LAUREL RIDGE
MIDDLE SCHOOL**
1.5-MILES W

**IHOP &
SHERWOOD
EYE HEALTH**



**PARKWAY
VILLAGE SOUTH**
Incoming
92,000 SF
entertainment
center

**NEW SHERWOOD
HIGH SCHOOL
OPENING IN 2020-2021
2-MILES WEST**

Upon completion of the new high school, the existing high school will transition to a Middle school, and the area's two middle schools will transition to Elementary schools.

**SHERWOOD
MIDDLE
SCHOOL**

**SHERWOOD
HIGH SCHOOL**



Surrounding Retail & Daily Needs

Site Plan



16814

sf

4,520
LEASEABLE SF

ac

0.45
ACRES

232 SPACES;
51/1,000 SF

ihop

**Tenant benefits from additional parking provided via a Cross-Easement Parking Agreement with the larger center.*



SITE PLAN NOT TO SCALE

Site Plan

Financial Summary

PRICE

\$3,220,500

CAPITALIZATION RATE

5.50%

CASH FLOW SUMMARY

SCHEDULED INCOME

PER SF

Base Rent for the Period of: 7/1/2019 - 6/30/2020

\$36.53

\$177,126

Rent Increases Over Base Rent

\$0.04

\$126

Total Effective Gross Income (EGI)

\$36.55

\$177,252

OPERATING EXPENSES

PER SF

CAMS

NNN

Property Taxes

NNN

Insurance

NNN

Total Operating Expenses

NNN

NET OPERATING INCOME

\$36.55

\$177,252



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.

Rent Roll

IHOP				
Lease Term:		6/15/2019 - 6/30/2039		
Size (SF):		3,474	Pro-Rata:	71.64%
RENT SUMMARY				
DATE	MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	PSF
6/15/19	\$10,567		\$126,801	\$36.50
7/1/24	\$11,201	6%	\$134,409	\$38.69
7/1/29	\$11,873	6%	\$142,474	\$41.01
7/1/34	\$12,585	6%	\$151,022	\$43.47
1 7/1/2039	\$13,340	6%	\$160,083	\$46.08
2 7/1/2044	\$14,141	6%	\$169,688	\$48.85
3 7/1/2049	\$14,989	6%	\$179,870	\$51.78
4 7/1/2054	\$15,888	6%	\$190,662	\$54.88
Lease Notes: Lease has Personal Guaranty for years 1-10. Tenant to receive 3-month rent abatement not reflected in UW. Tenant to provide financial statement to Seller no more than once per year, only upon request of Landlord. Tenant is provided four, five-year options to be exercised with 180 day's prior notice.				
SHERWOOD EYE HEALTH				
Lease Term:		6/1/2019 - 5/31/2024		
Size (SF):		1,375	Pro-Rata:	28.36%
RENT SUMMARY				
DATE	MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	PSF
6/1/19	\$4,194		\$50,325	\$36.60
6/1/20	\$4,320	3%	\$51,835	\$37.70
6/1/21	\$4,449	3%	\$53,390	\$38.83
6/1/22	\$4,583	3%	\$54,991	\$39.99
6/1/23	\$4,720	3%	\$56,641	\$41.19
1 6/1/24	\$4,862	3%	\$58,340	\$42.43
6/1/25	\$5,008	3%	\$60,091	\$43.70
6/1/26	\$5,158	3%	\$61,893	\$45.01
6/1/27	\$5,313	3%	\$63,750	\$46.36
6/1/28	\$5,472	3%	\$65,663	\$47.75
Comments: Lease has Personal Guaranty. Commencement is estimated. Tenant to provide financial statement to Seller no more than per year, upon request of Landlord. Tenant has one, five-year option to extend with 180 day's notice required.				
TOTAL SF		4,849	OCCUPIED	100.00%
TOTAL RENT/MONTH		\$14,761		

Financial Summary

Area Developments

1. AVATRIX VENTURES

APPROVED JANUARY 2019
RELOCATE TO SPACE NEARLY 4X THEIR
CURRENT FOOTPRINT

2. TROUVAILLE BREWING

UNDER REVIEW

3. DENALI LANE PUD

APPROVED: SEVEN-LOT SINGLE FAMILY
SUBDIVISION

4. PARKWAY VILLAGE SOUTH

UNDER CONSTRUCTION
FIVE-LOT SUBDIVISION WITH 92,000 SF
INDOOR ENTERTAINMENT AND 32,000 SF
FOR RETAIL.

5. THE SPRINGS PUD

APPROVED - TWO NEW BUILDINGS TO
PROVIDE COMBINED 93 ASSISTED-LIVING
UNITS

6. OREGON STREET TOWNHOMES

UNDER CONSTRUCTION
25 TOWNHOMES

7. PINE STREET MIXED-USE

UNDER REVIEW
THREE-STORY MIXED-USE BUILDING
WITH RETAIL AND MULTIFAMILY

8. HAMPTON INN

UNDER CONSTRUCTION

9. TIMBER CROSSING SUBDIVISION 3

24-LOT SINGLE FAMILY SUBDIVISION

10. SHERWOOD HIGH SCHOOL

BRAND NEW \$182M, 73-ACRE CAMPUS
SCHEDULED TO OPEN 2020-2021

11. SHERWOOD SKATE PARK

PENDING APPROVAL
13,000 SF SKATE PARK TO BE ADDED
TO THE YMCA

12. MIDDLETON ESTATES SUBDIVISION

UNDER REVIEW
12-LOT SINGLE FAMILY SUBDIVISION

PARKWAY VILLAGE SOUTH



SHERWOOD SKATE PARK

SHERWOOD IS ONE OF THE FASTEST-GROWING CITIES IN OREGON with the ninth highest population density, driving the need for additional housing and increased amenities, including a brand-new high school currently under development. Despite the increasing population and need for additional housing, Sherwood has a lack of developable land for retail and housing purposes as most is zoned light industrial; in addition, Sherwood withdrew their application to expand the urban growth boundary lines in mid-2018 that would have annexed 626 additional acres.



Area Developments

Connectivity

Portland Connectivity

SHERWOOD IS A GROWING SUBURB OF THE PORTLAND MSA, less than 20 miles from Portland's Central Business District. The city hugs the west and east portions of Highway 99, a commuter highway connecting directly to I-5, driving traffic into downtown Portland. Sherwood is an affluent suburb of Portland with consistent growth due to Portland's continued push into neighboring submarkets; Oregon sustained the third highest growth rate in history in 2018, per a Portland State University study, mostly due to the growth of Portland and surrounding neighborhoods.





CC&R Breakdown

CC&Rs are in place for the larger shopping center, Cedar Creek Plaza, that permit cross-easement access across and through all parcels for vehicle and pedestrian access, and shared parking. A Declaration of Easements and Restrictive Covenants with the adjacent Providence and Senior Housing tracts also permit cross-easement access across and through all parcels, yet do not permit shared parking.

TENANT USES

Exclusive Uses

TRACT	EXCLUSIVE	RESTRICTED TRACT	EXEMPTIONS
Deacon Development Parcels	Fitness & Hotel	Sr. Housing	Senior housing, hospital patients
Sr. Housing Parcel	Senior Housing	Deacon Parcels	
Providence Parcel	Hospital or urgent care clinic	Sr. Housing & Deacon	Medical or dental offices that provide health care to customers.

Restricted Uses

- Dry cleaning (not applicable to pick-up service only)
- Auto sales/repair
- Funeral parlor or crematorium
- Bar requiring all patrons to be 21+ years of age
- Theatre, skating rink, bowling alley, amusement park, dance hall.
- Flea market
- Tattoo parlor
- School, library, church, day-care facility
- Sale of short-term pay day advances
- Health spa or club more than 3K+ SF



CAMS - GREATER SHOPPING CENTER

The Declarant (Deacon Development), is responsible for the maintenance and repair of the common elements of the greater shopping center, including the parking areas shared by more than one parcel, roadways, driveways, sidewalks, walkways, landscaping, and storm water systems. Responsibilities include the maintenance and repair of lighting, decorating, security, snow removal, landscaping, irrigation systems, signage, storm drainage, utilities, and parking lot maintenance and repair, including parking lot resurfacing, repaving, striping, and cleaning, alongside Declarant's premium for general liability insurance and a management fee. Declarant to provide an annual statement to each parcel owner by April 15th annually.

CAM SHARE

Each Parcel owner is responsible for the direct payment of property taxes for their underlying parcel, and the maintenance and repair for all buildings and utility lines located on their parcel, and for maintaining a liability insurance policy. Each parcel is billed their share based on their GLA in relation to the total leaseable SF of the shopping center.

Questions & Answers





Q&A



Q: DO ANY TENANTS HAVE EXCLUSIVE USES OR CO-TENANCY CLAUSES?

A: No Tenants have a co-tenancy clause, yet Planet Fitness, IHOP, Sherwood Eye Health, and Hops n Drops all have exclusive uses.

Q: ARE THE ADJACENT PADS AVAILABLE FOR PURCHASE?

A: Yes, Hops n Drops, and the pad leased to IHOP & Sherwood Eye Health are both available for purchase. Please contact Capital Pacific for more information regarding additional pads, as they will become available as leasing is finalized.

Click here for more information on adjacent pads available for purchase.

- Planet Fitness 
- Hops n Drops 

Lease Abstract

Sherwood Eye Health

Premise & Term

TENANT

Sherwood Family Eye Health,
LLC dba Sherwood Eye Health
1,375 SF

BUILDING SF

LEASE TYPE

NNN

DELIVERY DATE

March 31, 2019 (Anticipated)

RENT COMMENCEMENT

60 Days from Delivery

TERM

5 Years from Rent Commencement

OPTIONS

1, 5-Yr Options; 180 Days' notice

GUARANTOR

Personal Guaranty

Maintenance & Repair

TENANT'S OBLIGATIONS

Tenant is responsible for all interior maintenance and repair, including, the HVAC and interior mechanical operating systems and utility lines at the point of entry.

LANDLORD'S OBLIGATIONS

Landlord is responsible for the roof structure and membrane, downspouts, exterior supporting walls, and exterior painting.

Expenses

NNN

Tenant is responsible for 100% reimbursement of their share of Property Taxes, Landlord's insurance policies, and all common area maintenance and repair.

EXCLUSIVE USE

Tenant has the exclusive right to operate as an optometry office and store.

FINANCIAL STATEMENT

Tenant to provide a financial statement to Landlord no more than once annually, upon request of Landlord.

PARKING

In no event shall the parking be less than 4.1 spaces per 1,000 square feet of leasable space in the retail center.

Lease Provisions

Lease Abstract

IHOP

Premise & Term

TENANT

MESK Investment 3653, LLC dba IHOP

BUILDING SF

3,474 SF

LEASE TYPE

NNN

RENT COMMENCEMENT

June 15, 2019

LEASE EXPIRATION

June 30, 2039

OPTIONS

4, 5-Yr Options; 180 Days' notice

GUARANTOR

Personal Guaranty for Years 1-10

Maintenance & Repair

TENANT'S OBLIGATIONS

Tenant is responsible for all interior maintenance and repair, including, the HVAC and interior mechanical operating systems and utility lines at the point of entry.

LANDLORD'S OBLIGATIONS

Landlord is responsible for the roof structure and membrane, downspouts, exterior supporting walls, and exterior painting.

Expenses

NNN

Tenant is responsible for 100% reimbursement of their share of Property Taxes, Landlord's insurance policies, and all common area maintenance and repair, including a management fee based on their prorata share of 4% of total EGI for the greater shopping center.

Lease Provisions

EXCLUSIVE USE

Tenant has the exclusive right to operate as a sit-down, fast-casual breakfast restaurant.

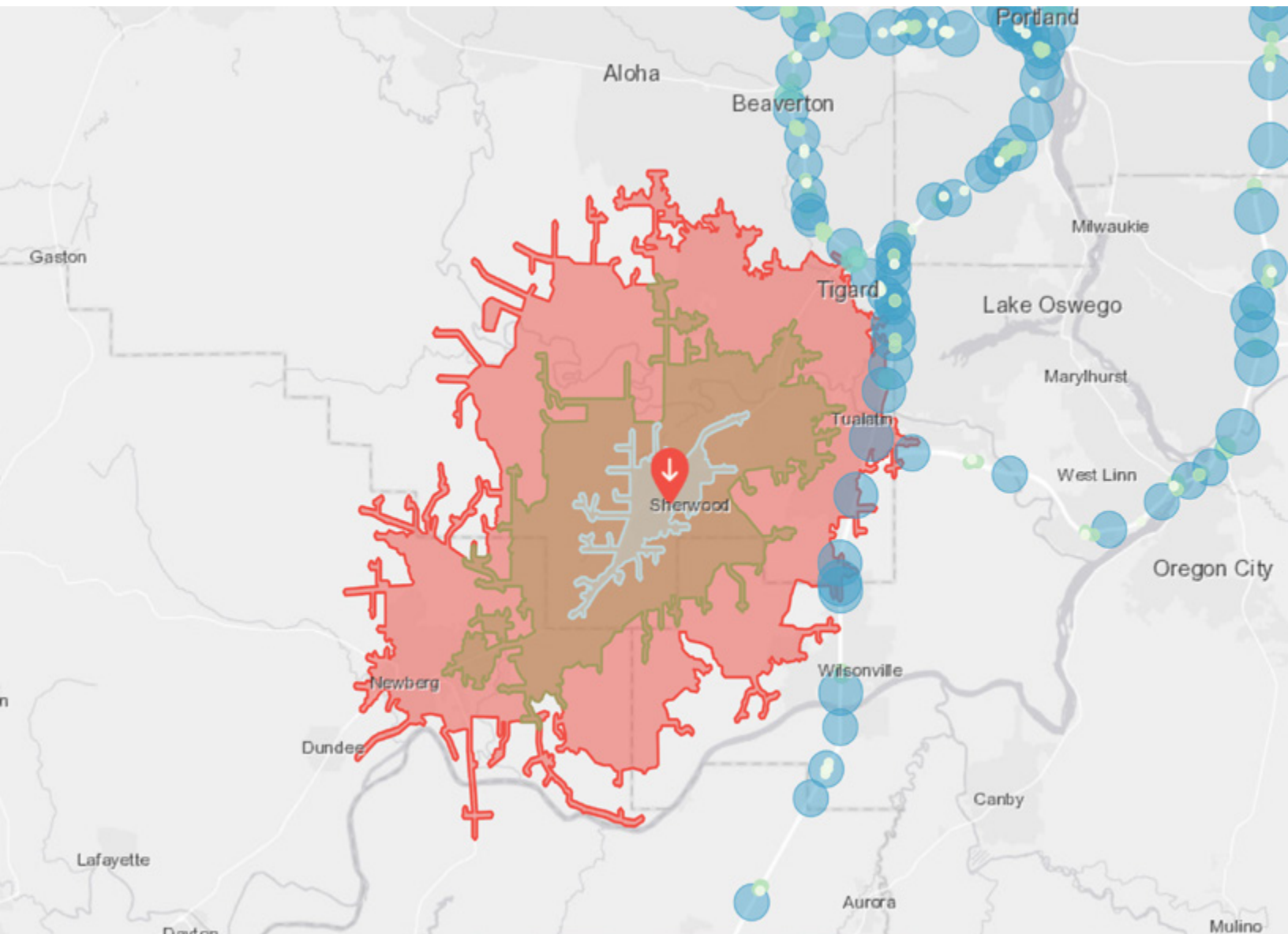
FINANCIAL STATEMENT

Tenant to provide a financial statement to Landlord no more than once annually, upon request of Landlord.

FRANCHISE AGREEMENT

In the event Landlord shall declare a default under the lease due to Lessee's failure to perform any obligation of the lease and Tenant fails to cure such default, Landlord will provide written notice to IHOP Corporate of its intention to terminate the lease and IHOP Corporate will have a period of 10 days from receipt of notice to cure such default and to success to Lessee's rights under the lease.

Demographics



Distance to

Salem, Oregon

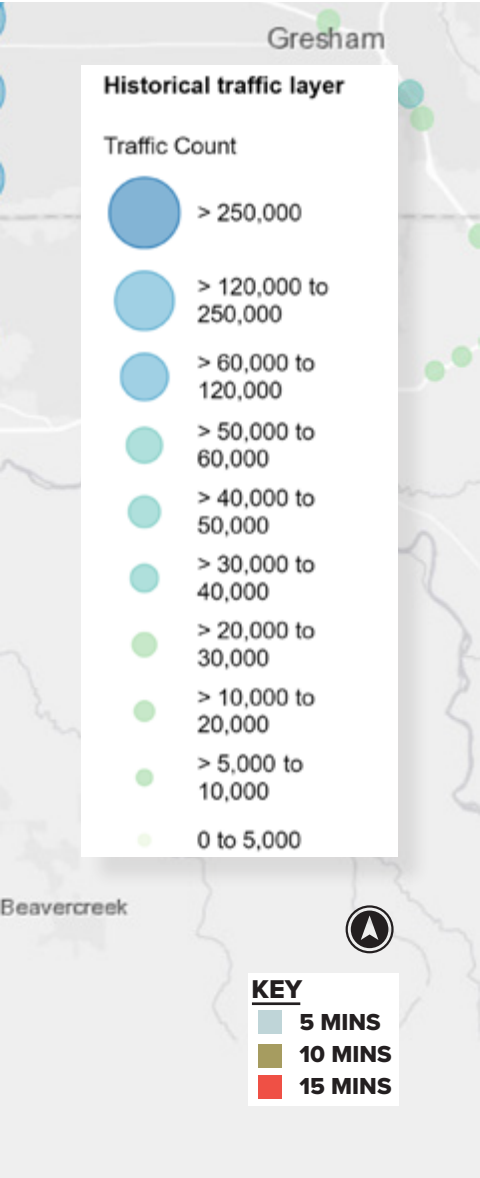


 **36 MILES**
40 MINS

Portland, Oregon



 **17 MILES**
26 MINS



Drive Time

POPULATION

	5 MINS	10 MINS	15 MINS
2010	12,491	36,932	137,620
2018	13,839	42,092	155,476
2023	14,799	45,628	167,562

2018 HH INCOME

	5 MINS	10 MINS	15 MINS
Average	\$115,769	\$103,318	\$102,361
Median	\$91,155	\$80,605	\$78,802

588,957



**WASHINGTON COUNTY
POPULATION**
(ESTIMATED)

Contact Us



**We'd love to hear
from you.**

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CONCEPTUAL IHOP SIGNAGE

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