 **Albertsons**

# Albertsons

**OLYMPIA, WASHINGTON**



**CAPITAL PACIFIC**



## Overview

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# Albertsons

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3520 PACIFIC AVENUE SOUTHEAST, OLYMPIA, WA 98501



# Investment Summary

LEASEABLE SF  
**54,736 SF**

RENT PER SF  
**\$8.04**

LEASE TYPE  
**NNN**

LEASE EXPIRATION  
**11/30/2023**

PRICE PER SF  
**\$128**

YEAR BUILT  
**1988**

PARKING  
**See CC&R's info**



**\$6,980,000**

**PRICE**

**6.30%**

**CAP**

**THE OFFERING** is a 55,000 square foot single-tenant Albertsons asset anchoring the Olympia North Shopping Center. The grocer has a 30-year tenure at the Property and has recently exercised a five-year option period through 2023. Olympia North is comprised of three additional pads; Dairy Queen (NAP), Izzy's Pizza (NAP) and Fedex Office (NAP), as well as attached (NAP). The center benefits from a diverse tenant mix and retail synergy with the Ross-anchored Olympia South.

## Investment Highlights

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**ALBERTSONS IS CURRENTLY RATED A B+ CREDIT RATING BY STANDARD AND POOR'S.**

**THE NNN LEASE TERM HAS MINIMAL LANDLORD RESPONSIBILITIES.**

**ALBERTSONS RECENTLY EXERCISED THEIR THIRD OF SEVEN, FIVE-YEAR OPTION PERIODS.**

**THE TENANT HAS A 30+ YEAR TENURE IN THIS LOCATION.**

**PRICED BELOW REPLACEMENT COST AT \$128 PER SF.**

**HIGHLY-TRAFFICKED RETAIL CORRIDOR ALONG PACIFIC AVENUE, WHICH IS HOME TO THE TARGET AND KOHL'S ANCHORED SOUTH SOUND CENTER, AS WELL AS A FRED MEYER ANCHORED CENTER.**

**HIGHLY ACCESSIBLE LOCATION ADJACENT TO INTERSTATE 5 ACCESS POINT CARRYING NEARLY 130,000 VPD.**





## About Albertsons

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YEARS AT  
OLYMPIA NORTH

2,328

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NATIONWIDE  
LOCATIONS

B+

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CREDIT  
RATING (S&P)

\$60B

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ANNUAL  
REVENUE (2017)

275,000+

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NUMBER OF  
EMPLOYEES

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About the Tenant

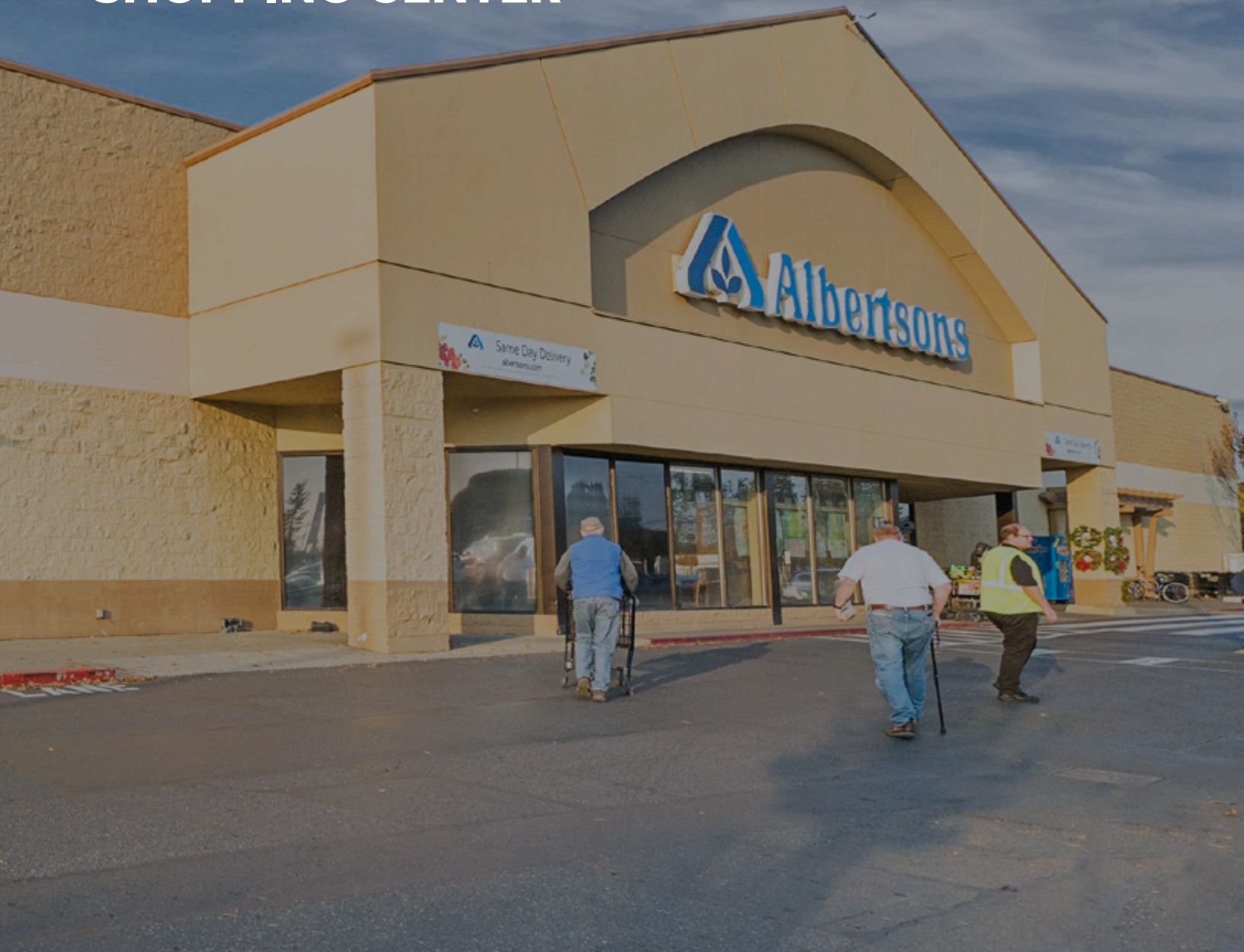






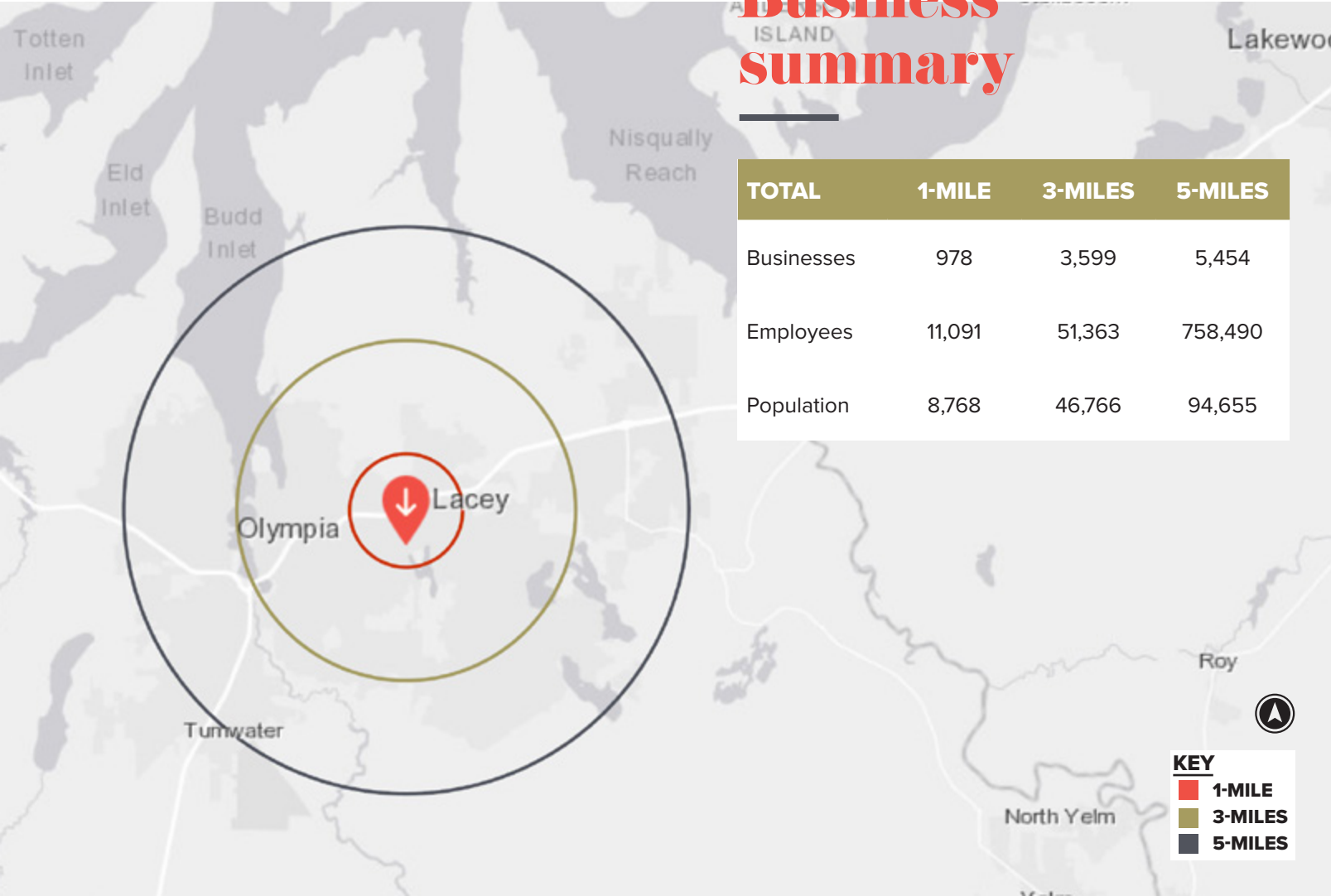
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## PART OF THE OLYMPIA SQUARE NORTH SHOPPING CENTER



# Surrounding Retail

## Business summary



### MAJOR RETAIL

Burlington Coat Factor  
Hobby Lobby

Home Depot  
Lowe’s  
Regal Cinemas

Ross Dress for Less  
Shopko

### SOUTH SOUND CENTER

Aaron’s  
Dollar Tree  
Famous Footwear  
Jiffy Lube  
Kohl’s

Michaels  
Marshalls  
Office Depot  
O’Reilly Auto Parts  
PetSmart

Sears  
Starbucks  
Target  
T-Mobile





ALBERTSONS

OLYMPIA  
SQUARE  
NORTH

OLYMPIA  
SQUARE  
SOUTH



SOUTH  
SOUND  
CENTER

*Fred Meyer*

34,000  
VPD

Saint Martin's  
UNIVERSITY

128,000  
VPD

LOWE'S

HOBBY  
LOBBY



SAFEWAY



## Surrounding Retail



# Site Plan





**OLYMPIA SQUARE NORTH (INCLUDING PARCELS NAP)****Total RSF - 100,563****Total Land Area - 8.66 Acres****SITE PLAN NOT TO SCALE**

Rhino Holdings, who owns the remaining portions of Olympia Square North, will retain the ownership of the common area and the adjacent retail. Ownership plans to improve the overall appearance of the surrounding center with new facades, paint, lighting and is in discussions with multiple new tenants to fill current vacancies. Please contact Capital Pacific for more information.

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**Site Plan**

# Questions & Answers

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## **Q: WHAT RIGHTS TO THE COMMON AREA PARKING AND ACCESS DOES THE TENANT HAVE?**

A: Tenant has a non-exclusive easement for vehicular and pedestrian movement, ingress and egress and for the passage and parking of motor vehicles across all common areas of the shopping center.



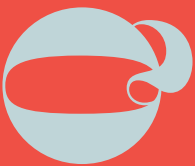
## **Q: WHO IS RESPONSIBLE FOR MANAGING THE COMMON AREAS OF THE SHOPPING CENTER?**

A: The current ownership group will retain the balance of the shops at the Property and will remain the declarant and manage the Property.



## **Q: WHAT IS THE TENANT REQUIRED TO REIMBURSE FOR COMMON AREA MAINTENANCE BY THE DECLARANT?**

A: Tenant is responsible to reimburse their pro-rata share of all common area charges including a 12% admin fee based on Common Area expenses.



## **Q: DOES THE TENANT REPORT SALES?**

A Yes, Albertsons reports sales as part of their percentage rent calculation. Store sales are available upon request.



**Q: ARE THERE ANY NOTABLE USE RESTRICTIONS LISTED IN THE CC&R'S?**

A: The relevant restrictions are summarized below. The Property is also subject to tenant exclusives within Olympia Square.

- Gym & Fitness
- Bar or Tavern
- Billiard or Pool Hall
- Theater
- Bowling Alley
- Skating Rink
- Dance Hall
- Auto Sales, Repair or Displays



# Financial Summary

PRICE	\$6,980,000
CAPITALIZATION RATE	6.30%
PRICE PER FOOT	\$128

## CASH FLOW SUMMARY

SCHEDULED INCOME	PER SF	
Current Annual Base Rent	\$8.04	\$440,000
Total Effective Gross Income (EGI)	\$8.04	\$440,000

OPERATING EXPENSES	Per SF	
CAMS		NNN
Property Taxes		NNN
Insurance		NNN
Total Operating Expenses	NNN	

NET OPERATING INCOME	\$440,000
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# Rent Roll

## Albertsons - Olympia Square

Lease Term: 12/1/1988 - 11/30/2023

Size (SF): 54,736

### RENT SUMMARY

DATE	MONTHLY BASE RENT	% INCREASE	ANNUAL RENT	PSF	CAP RATE
12/1/2018	\$36,667		\$440,000	\$8.04	6.30%

OPTIONS	4-5 YR	6 Months' Notice			
12/1/2023	\$36,667	0.0%	\$440,000	\$8.04	6.30%
12/1/2028	\$38,500	5.0%	\$462,000	\$8.44	6.62%
12/1/2033	\$38,500	0.0%	\$462,000	\$8.44	6.62%
12/1/2038	\$40,425	5.0%	\$485,100	\$8.86	6.95%

<b>CURRENT</b>	<b>\$36,667</b>		<b>\$440,000</b>	<b>\$8.04</b>	<b>6.30%</b>
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#### LEASE NOTES:

Comments: Tenant operates on a NNN lease and is responsible to maintain their own building excluding the structural elements. Tenant is responsible for percentage rent of 1.25% of gross sales over a breakpoint of \$35,200,000. Tenant is responsible for reimbursing their pro-rata share of common area expenses to the landlord together with a 12% admin fee. Admin Fee excludes Taxes and Insurance.

# Lease Abstract

## Premise & Term

TENANT	Albertsons (Assigned from Associated Grocers)
BUILDING SF	54,164 SF
LEASE TYPE	NNN
TERM	20 Years
LEASE COMMENCEMENT	December 1, 1988
LEASE EXPIRATION	November 30, 2023
OPTIONS	4, 5-YR Options; 6-Months' Notice

## Rent

DATE RANGE	MONTHLY RENT	ANNUAL RENT
12/01/2018 - 11/30/2023	\$36,667	\$440,000

OPTIONS 4, 5-YR Options; 6-Months' Notice

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#4 12/01/2023 - 11/30/2028	\$36,667	\$440,000
#5 12/01/2028 - 11/30/2033	\$38,500	\$462,000
#6 12/01/2033 - 11/30/2038	\$38,500	\$462,000
#7 12/01/2038 - 11/30/2043	\$40,425	\$485,100



## Expenses

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### **TAXES**

Landlord shall pay and be reimbursed for all Real Estate Taxes.

### **INSURANCE**

Tenant shall maintain property and liability insurance policies as well as reimburse the cost of the Landlord's liability policy.

### **UTILITIES**

Tenant is responsible to pay for all utility charges.

### **TENANT'S OBLIGATIONS**

Tenant is responsible to keep in good condition and repair, at their own expense, the tenant's building, including all roof surfaces, walls, trim and glass. Tenant shall also maintain the interior of the building, including plumbing and HVAC equipment.

### **LANDLORD'S OBLIGATIONS**

Landlord agrees to maintain in good condition and repair, at its expense, the structural elements of the building and all underground and common area water and sewer serving the building.

## Lease provisions

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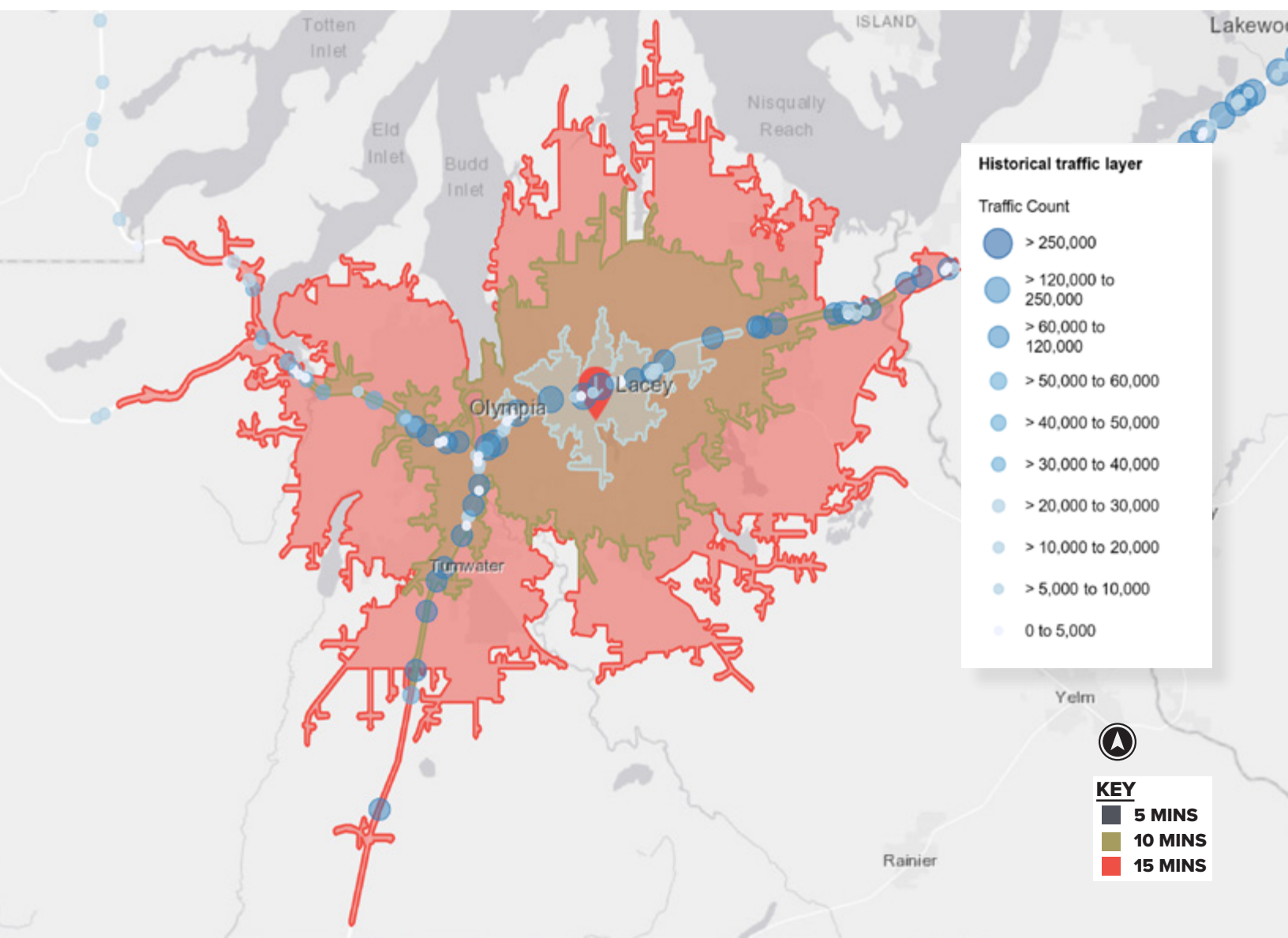
### **TENANT FINANCIALS**

Tenant to furnish sales reports monthly to Landlord.

### **EXCLUSIVES**

Tenant has an exclusive within the shopping center for a grocery and bakery use of more than 2,000 square feet.

# Demographics



## Distance to

**Tacoma, Washington**

33 MILES  
40 MINS

**Seattle, Washington**

64 MILES  
1 HR 7 MINS







# Drive time

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## POPULATION

	5 MINS	10 MINS	15 MINS
2010	14,615	48,210	110,057
2017	16,645	53,259	118,844
2022	17,870	56,849	125,715

## 2017 HH INCOME

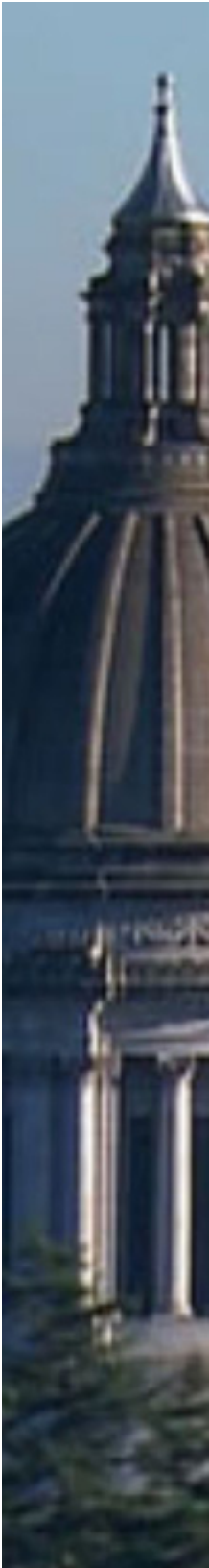
	5 MINS	10 MINS	15 MINS
Average	\$67,181	\$85,514	\$83,642
Median	\$45,768	\$62,187	\$62,781

# 269,536

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**THURSTON COUNTY  
POPULATION**  
(ESTIMATED)



# Contact Us

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

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