



SANDS INVESTMENT GROUP  
NET INVESTMENTS... NET RESULTS



Smart & Final Extra!

7733 N 1st Street  
Fresno, CA 93720

# EXCLUSIVELY MARKETED BY:



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SANDS INVESTMENT GROUP

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SANDS INVESTMENT GROUP

# INVESTMENT SUMMARY

Sands Investment Group is Pleased to Exclusively Offer For Sale the 36,800 SF Smart & Final Extra! Located at 7733 N 1st Street in Fresno, CA. This Opportunity Includes a Triple Net (NNN) Lease With Minimal Landlord Responsibilities That is Below Market Rent, Providing For a Secure Investment.

## OFFERING SUMMARY

PRICE	\$9,200,000
CAP	6.00%
NOI	\$552,000
PRICE PER SF	\$250
GUARANTOR	Smart & Final Stores, LLC

## PROPERTY SUMMARY

ADDRESS	7733 N 1st Street Fresno, CA 93720
COUNTY	Fresno
BUILDING AREA	36,800 SF
LAND AREA	3.37 AC
BUILT	1983



ACTUAL PROPERTY IMAGE



SMART & FINAL EXTRA!

# HIGHLIGHTS

- “Trophy” Single Tenant Smart & Final Extra! Located Within the Woodward Village Accompanied With Other National Tenants Such as Subway, Taco Bell and 76 Station
- Triple Net (NNN) Lease With Minimal Landlord Responsibilities – Ideal for 1031 Exchange
- Long Lease Term – Over 6 Years Remaining on Base Term With Four (5 Year) and One (4 Year 11 Months) Option Periods
- Strong Rental Increases Provides Hedge Against Inflation – 10% Increase in 2026 and First Four Option Periods – Greater of FMV or 10% at 5th Option
- Below Market Rent Provides Security For the Investor at Only \$15 Per Square Foot
- Strategically Located Just a Few Blocks Off Yosemite Freeway on a Busy Signalized Corner With an Average of 110,590 Vehicles Per Day
- Smart & Final Was Acquired By Apollo Global Management in June 2019 Which Has a Superior Credit Rating and Paying a 25% Premium on Stock Shares - Reflects the Strength and Growth in the Brand
- Fresno is the 5th Most Populated City in California and is Continuing to Experience Vast Population and Industry Growth Given It's Strategic Location Right in the Heart of the Central Valley
- Located Directly Between Los Angeles and San Francisco, Fresno Boasts an Astonishing Population Density of Over 519,000 People
- Strong Retail Corridor With Neighboring Tenants Including: Boston Market, McDonald's, Jimmy John's, UPS Store, Walgreens and Starbucks





# LEASE SUMMARY

TENANT	Smart & Final Stores, LLC
PREMISES	A Building of Approximately 36,800 SF
LEASE COMMENCEMENT	March 10, 2016
LEASE EXPIRATION	July 10, 2026
LEASE TERM	6+ Years Remaining
RENEWAL OPTIONS	10% Increases at Each 4 x 5 Year Option Period and Greater of 10% or FMV at 1 x 4 Years 11 Months Option Period
LEASE TYPE	Triple Net (NNN)
PERMITTED USE	Grocery
PROPERTY TAXES	Tenant's Responsibility
INSURANCE	Tenant's Responsibility
COMMON AREA	Tenant's Responsibility
ROOF	Tenant's Responsibility
STRUCTURE	Landlord's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
GUARANTEE	Corporate

\*Landlord Responsibilities to Affect Values

SQUARE FOOTAGE	ANNUAL BASE RENT	RENT PER SF
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36,800 SF	\$552,000	\$15.00
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ACTUAL PROPERTY IMAGE









**Smart & Final!**  
*extra!*



DERREL'S  
mini STORAGE, INC.

Valley  
Community Church

LINKER financial  
GROUP, INC.

Forester  
DENTAL

The  
Windham  
CADENCE COMMUNITY

Home  
Instead  
SENIOR CARE  
*to us, it's personal*

Select  
Workforce Specialists

Woodward SHAKESPEARE FESTIVAL

New Park  
Place

UNITED STATES  
POSTAL SERVICE

SURF-THRU  
EXPRESS CAR WASH

Advance  
America



AKEL  
ENGINEERING GROUP, INC.

DERREL'S  
mini STORAGE, INC.

Scott H. Goishi, DDS



Save  
Mart



Woodward  
Pet Hospital



THE SPRINGS

RIVER PARK  
VILLAS

N First St



SUBWAY



Dalvino's  
The Best Family Place

E Nees Ave

WILLOW  
CREEK  
APARTMENT HOMES

Sushi Day  
Japanese Cuisine

YEREVAN

Full Bull  
SUBS & PIZZA

Elegant Flowers

Fort Washington  
II Apartments

Smart & Final  
extra!



**JO-ANN**  
fabric and craft stores

WESTWOODS BBQ  
ASPIRIN CO.



Fort Washington  
II Apartments



YEREVAN



E Nees Ave



N-First St



RIVER PARK  
VILLAS





**TARGET** **OLD NAVY** **OfficeMax** **Ashley** **WORLD MARKET**  
**VICTORIA'S SECRET** **★ macy's** **KOHL'S** **BEST BUY**  
**H&M** **Starbucks** **Marshalls** **Party City** **PETSMART**  
**Macaroni Grill** **Justice** **DICK'S** **Michael's** **SEPHORA**  
**Tanera** **Jamba Juice** **claire's** **Carl's Jr.** **FIVE GUYS**  
**RUTH'S STEAK HOUSE** **Yogurtland** **rubio's** **CVS pharmacy** **BLAZE PIZZA**  
**GNC** **buybuy BABY** **BOB'S FURNITURE** **THE CHILDREN'S PLACE**  
**Mimi's Cafe** **LOFT** **EDWARDS THEATRES** **Thomasville**  
**REI** **WHITE BLACK** **TILLY'S** **MIDAS** **Payless**  
**FAMOUS footwear** **HAND & STONE** **Sur la table**  
**Yard House** **chico's** **See's CANDIES** **TEXAS de BRAZIL**

**JOANN** **Chick-fil-A** **IN-N-OUT**  
**MATTRESS FIRM** **FIREHOUSE SUBS**

**DAVE & BUSTERS** **TRADER JOE'S** **petco** **PIELOLOGY** **corner bakery CAFE** **Habit BURGER GRILL**  
**Jersey Mike's** **Heartland Cafe Rio** **SPORTSMAN'S WAREHOUSE** **WELLS FARGO**  
**Applebee's** **menchie's** **GCYCLEBAR**

**Walgreens** **Starbucks**  
**ARCO**

**Save Mart** **Pizza Hut** **McDonald's**  
**HONEY JOHNS** **BOSTON MARKET** **SUPERCUTS**

**Smart & Final!**  
*extra!*

**LOWE'S** **ROSS** **Sams Club** **KIRKLAND'S** **LA Z BOY** **ULTA**  
**BARNES & NOBLE** **Pier 1 imports** **BED BATH & BEYOND** **HomeGoods** **NORDSTROM rack**  
**Sprint** **PANDA EXPRESS** **Starbucks** **CHUCK E. CHEESE'S** **Orangetheory** **BevMo!** **Hallmark** **BR**  
**LEON'S ROADHOUSE** **COLD STONE** **Total Wine** **Bank of America** **DSW** **the Vitamin Shoppe** **california PIZZA KITCHEN**  
**CHASE** **carter's** **verizon** **Marie Callender's** **W** **Red Robin** **SPROUTS**  
**Famous Dave's** **Bassett** **J.P.S.A. BANK** **LANE BRYANT** **SUPERCUTS** **cricket**

**ihop** **Hampton** **TOWNEPLACE SUITES** **Holiday Inn Express**  
**HYATT PLACE** **LAQUINTA** **extended STAY AMERICA** **pepper's**

**THE HOME DEPOT** **COSTCO WHOLESALE** **Kentucky Fried Chicken** **Comfort SUITES** **Wendy's**  
**Denny's** **SUBWAY** **T-Mobile** **jiffy lube**

**HOBBY LOBBY** **DOLLAR GENERAL** **Pollo Loco**  
**goodwill** **O'Reilly**

**TACO BELL** **Arby's** **Jack in the box** **LONG JOHN SILVER'S** **SHERWIN-WILLIAMS**  
**Quick Lane** **DERREL'S mini STORAGE** **Smile Brands Group** **cricket** **Firestone** **6**

**Walmart** **Supercenter** **McDonald's**  
**SALLY BEAUTY** **Great Clips**

Yosemite Fwy

E Nees Ave

N First St





## FRESNO | FRESNO COUNTY | CALIFORNIA

Fresno is the county seat of Fresno County in the state of California. It covers about 112 square miles in the center of the San Joaquin Valley, the southern portion of California's Central Valley. Named for the abundant ash trees lining the San Joaquin River, Fresno was founded in 1872 as a railway station of the Central Pacific Railroad. The city has since become an economic hub of Fresno County and the San Joaquin Valley, with much of the surrounding areas in the Metropolitan Fresno region predominantly tied to large-scale agricultural production. With an estimated 2018 population of 530,093 residents, Fresno is the fifth-most populous city in California, the most populous inland city in California, and the 34th-most populous city in the nation. Fresno is near the geographical center of California. It lies approximately 220 miles north of Los Angeles, 170 miles south of the state capital, Sacramento, and 185 miles southeast of San Francisco.

Fresno serves as the economic hub of Fresno County and California's San Joaquin Valley. The unincorporated area and rural cities surrounding Fresno remain predominantly tied to large-scale agricultural production. Agriculture is the backbone of the area, employing nearly 20 percent of the workforce and providing more than \$3.5 billion for the local economy. More than 7,500 farmers grow 250 types of crops on 1 million acres of some of the world's most productive farmland. Fresno is also an ideal location for manufacturing and distribution, due to its proximity within one day's drive of 35 million people. Companies based in Fresno include: Pelco, Valley Yellow Pages, California Ag Today Media and Saladino's.

Fresno is home to the Forestier Underground Gardens, which are a unique complex sunken gardens including Roman-catacombs-inspired subterranean passages and courtyards. The city is also home to the Fresno Zoo and an Island Waterpark for families. Sprawling, trail-lined Woodward Park is home to the Shinzen Japanese Garden. Fresno is close to many popular attractions including: Yosemite National Park which is about 60 miles to the north, Kings Canyon National Park is 60 miles to the east, and Sequoia National Park is 75 miles to the southeast.



YOSEMITE NATIONAL PARK



AGRICULTURE IN FRESNO



AMTRACK IN FRESNO, CA



**Smart & Final**  
*extra!*

E Nees Ave (29,357 VPD)

(44,598 VPD)

(110,590 VPD)

	3 MILES	5 MILES	10 MILES
POPULATION	111,236	253,728	694,027
AVERAGE HH INCOME	\$90,370	\$82,333	\$72,200



SMART & FINAL STORES, INC.

# TENANT PROFILE

Headquartered in Los Angeles, where the Company began over 147 years ago, Smart & Final Stores, Inc. operates more than 300 grocery and foodservice stores under the “Smart & Final,” “Smart & Final Extra!” and “Smart Foodservice” banners in California, Oregon, Washington, Arizona, Nevada, Idaho and Utah, with an additional 15 stores in Northwestern Mexico.

For years, Smart & Final banner stores were known as the “smaller, faster warehouse store,” primarily focused on providing customers with club-size items. Throughout its evolution, it has remained committed to adapting to the changing needs of the neighborhoods it serves, most notably through its 2008 introduction of Smart & Final Extra! stores. Uniquely positioned to offer time- and money-savings for both household and business customers, Smart & Final Extra! stores include expanded fresh and frozen products, organic and natural products, bulk foods, oven-roasted chicken and many other items sold in convenient sizes. All Smart & Final stores continue to offer 50% more club-size items than a traditional club store, with no membership fee required. As of March 24, 2019, the Company operated a total of 327 stores, including 195 Smart & Final Extra! stores, 63 legacy format Smart & Final stores and 64 Smart Foodservice Warehouse stores.



COMPANY TYPE  
Subsidiary of Apollo Funds



FOUNDED  
1871



# OF LOCATIONS  
327+



HEADQUARTERS  
Los Angeles, CA



WEBSITE  
[smartandfinal.com](http://smartandfinal.com)



# COMPANY TIMELINE

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## Smart & Final®

## 2019 HIGHLIGHTS

- Founded in 1871, by Herman W. Hellman, Jacob Haas and Bernard Cohn, as Hellman-Haas Grocery Co. Purchased by Abraham Haas (the original owner of the Haas Building in Downtown Los Angeles) and Jacob Baruch, and renamed Haas, Baruch & Co in 1889. By 1895, following introduction of one of the first private label store brands, Iris, the grocer's sales reached \$2 million. The business continued to expand with Southern California's growing population for the next two decades.
- Founded in 1912, the Santa Ana Grocery Company mainly supplied feed and grain to local farmers. In 1914, J. S. "Jim" Smart, a banker from Saginaw, Michigan, and H. D. "Hildane" Final bought the company and changed the name to Smart & Final Wholesale Grocers. By 1919, annual sales for Smart & Final had reached \$10 million. During the fierce competition among expanding grocers in the 1920s, the company introduced a self-serve concept to replace reliance on clerks to fetch goods. This was called "cash and carry."
- In 1998, it acquired Portland, Oregon-based United Grocers Cash & Carry, which was renamed Cash & Carry Smart Foodservice. These stores are concentrated in the Pacific Northwest. In 2007, Smart & Final acquired 35 Henry's Farmers Markets in California and Sun Harvest Markets in Texas for about \$166 million. In 2007, the company was acquired by Apollo Global Management.
- In 2019, Apollo, a leading global alternative investment manager, announced the successful completion of the previously commenced cash tender offer to purchase all of the outstanding shares of common stock of Smart & Final Stores, Inc. (NYSE: SFS) ("Smart & Final"). Smart & Final will become a privately-held, indirect wholly-owned subsidiary of the Apollo Funds and Smart & Final's common stock will cease trading on the New York Stock Exchange.

Net Sales Increased 2.8% to \$1,044.8 Million,  
With a Comparable Store Sales Increase of 2.2%

Net Income of \$6.6 Million

Adjusted Net Income of \$11.4 Million

Gross Margin Increased 7.0% to \$156.3 Million

Adjusted EBITDA Increased 3.6% to \$29.6 Million

Per Quarter End (March 24, 2019) Smart & Final Financial Report



# CONFIDENTIALITY AGREEMENT

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Sands Investment Group and should not be made available to any other person or entity without the written consent of Sands Investment Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, Sands Investment Group has not verified, and will not verify, any of the information contained herein, nor has Sands Investment Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose its contents in any manner detrimental to the interest of the Owner. You also agree that by accepting this Memorandum you agree to release Sands Investment Group and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this property.



ACTUAL PROPERTY IMAGE





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