

REPRESENTATIVE PHOTO

**OPENING AND RENT COMMENCING
SEPTEMBER 23, 2021**

GROCERY OUTLET
bargain market

Produce

GROCERY OUTLET

NEW CONSTRUCTION CORPORATE GROCERY OUTLET AT MAJOR INTERSECTION

BRENTWOOD, CA



Contact the team

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NEW CONSTRUCTION, SINGLE-TENANT 100% LEASED CORPORATE GROCERY WITH 15-YEAR LEASE



GROCERY OUTLET

7610 BRENTWOOD BLVD., BRENTWOOD, CA 94513 

\$8,888,000
PRICE

4.00%
CAP

NOI:	\$355,500
OCCUPANCY:	100%
LEASE TYPE:	NN
LEASE TERM:	15 YEARS
LEASABLE AREA:	18,240 SF
LAND AREA:	2.25 AC
STORE OPENING & RENT COMMENCEMENT:	SEPTEMBER 23, 2021

**GROCERY OUTLET IS ONE THE LARGEST
AND MOST SUCCESSFUL “EXTREME
VALUE” GROCERY RETAILERS IN THE U.S.**

Investment Highlights



THE OFFERING

The subject property is a single tenant, new construction Grocery Outlet grocery store located at the hard corner of Sand Creek Road and Brentwood Boulevard in Brentwood, CA. Grocery Outlet's 15-year corporate lease includes rent increases every 5 years and throughout the four, 5-year option periods.

The property is adjacent to Sciortino Ranch, a master-planned mixed-use community that includes 326 single family homes and 9 acres of commercial development. As part of a larger shopping center, which includes Denny's and 3 drive-thru pads, the property will benefit from Brentwood's growing population which has increased ~125% over the past 10 years.

HIGHLIGHTS

- **Located at signalized hard corner of Sand Creek Road and Brentwood Boulevard - centrally located in Brentwood**
- **NN Lease, new construction, with minimal Landlord responsibilities**
- **Part of larger shopping center with Denny's and 3 drive-thru pads**
- **Store is scheduled to open and rent commence on September 23, 2021**
- **Grocery Outlet is opening 35 new stores and has outperformed during the Pandemic**
- **High demand for grocery anchored properties continues post Covid**

INCOME & EXPENSE

CURRENT		
Price:		\$8,888,000
Capitalization Rate:		4.00%
Price Per Square Foot:		\$487.28
Down Payment	50%	\$4,444,000
Loan Amount	50%	\$4,444,000
Total Rentable Area (SF):		18,240
Lot Size (AC):		2.25
STABILIZED INCOME		P/SF
Scheduled Rent	\$19.49	\$355,500
Effective Gross Income	\$19.49	\$355,500
LESS		P/SF
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
NET OPERATING INCOME		\$355,500

PROPOSED FINANCING/CASH FLOW

PROPOSED FINANCING	
Proposed Loan Amount	\$4,444,000
Loan To Value	50%
Interest Rate	3.70%
Amortization	30 Year
Term	10 Year
Net Operating Income	\$355,500
Debt Service	(\$245,460)
Pre-Tax Cash Flow	\$110,040
Debt Coverage Ratio	1.45
Pre-Tax Leveraged Cash-on-cash	2.48%
Est. Principal Pay down	\$82,420
Total Return	\$192,460
TOTAL YIELD	
4.33%	

Note: Proposed loan terms may fluctuate with market conditions and are for evaluation purposes only. Capital Pacific is not a lender or mortgage broker.

RENT ROLL

TENANT INFO		LEASE TERMS		RENT SUMMARY				
TENANT NAME	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEAR RENT/FT
Grocery Outlet, Inc.	18,240	9/23/2021	9/30/2026	\$355,500	\$29,625	\$355,500	\$1.62	\$19.49
	Primary Term	10/1/2026	9/30/2031		\$32,595	\$391,140	\$1.79	\$21.44
	Primary Term	10/1/20/31	9/30/2036		\$35,850	\$430,200	\$1.97	\$23.59
	Option 1	10/1/2036	9/30/2041		\$39,435	\$473,220	\$2.16	\$25.94
	Option 2	10/1/2041	9/30/2046		\$43,380	\$520,560	\$2.38	\$28.54
	Option 3	10/1/2046	9/30/2051		\$47,715	\$572,580	\$2.62	\$31.39
	Option 4	10/1/2051	9/30/2056		\$52,485	\$629,820	\$2.88	\$34.53
TOTALS:	18,240				29,625	355,500	\$1.62	\$19.49

Lease Abstract



RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
9/23/21-9/30/26	\$29,626	\$355,500
10/1/26-9/30/31	\$32,595	\$391,140
10/1/31-9/30/36	\$35,850	\$430,200

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 10/1/36-9/30/41	\$39,435	\$473,220
#2. 10/1/41-9/30/46	\$43,380	\$520,560
#3. 10/1/46-9/30/51	\$47,715	\$572,580
#4. 10/1/51-9/30/56	\$52,485	\$629,820

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

PREMISES & TERM

TENANT

Grocery Outlet, Inc., a California Corporation dba Grocery Outlet, Bargains Only

LEASE TERM

15 Years

RENT COMMENCEMENT

9/23/2021

OPTIONS

Four 5-year options

EXPENSES

TAXES

Section 15 - Tenant pays

INSURANCE

Section 19 - Tenant pays - Liability insurance \$1M/\$2M, property insurance, WC, builder's all risk, self Insurance

UTILITIES

Section 12 - Tenant pays

MAINTENANCE

Tenant to maintain all non-structural parts of the building, including HVAC.

L.L. OBLIGATIONS

Typical NN lease Landlord obligations. Brand new construction: all warranties will be assigned to buyer at close of escrow

Site Plan

sf
18,240
RENTABLE SF

ac
2.25
ACRES

124
SPACES



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Shopping Center Site Plan



Company Overview



ABOUT GROCERY OUTLET

Grocery Outlet, Inc. is a supermarket chain that focuses on discount, overstocked, and closeout products from both name brand and private label suppliers, offered at up to 60% less than conventional retail prices. The company's stores also carry food staples such as fresh meat, dairy, and bread.

With its corporate headquarters in Emeryville, CA, Grocery Outlet operates 347+ locations in California, Oregon, Washington, Idaho, Nevada, and Pennsylvania. Already the nation's largest extreme value retailer, the chain is planning to expand in its current markets, as well as along the East Coast. In the last year, Grocery Outlet opened 35 new stores. Looking forward, the company expects to open another 36 stores in 2021/2022.

347+ | **LOCATIONS IN
6 STATES**

The chain has yielded rich dividends, with annual sales growing from just over \$500 million in 2000 to over \$3.31 billion in 2020.

**TOTAL 2020
NET SALES**

\$3.31 Billion

THIS “EXTREME VALUE” GROCERY STORE CHAIN IS OPENING 35+ NEW LOCATIONS

June 29, 2021 (Yahoo!life) Grocery Outlet has been in business for 75 years... The chain now operates stores in six states: California, Washington, Oregon, Pennsylvania, Idaho, and Nevada, and just opened its tenth store in Idaho on June 24—marking its 400th location nationwide to date, according to Supermarket News.

The expansion is all part of a 10%-a-year growth plan in which the chain hopes to open approximately 35 new locations every year. Between January and April 2021, Grocery Outlet opened 10 new stores and closed one. In the next few months, expect to see more new Grocery Outlet store openings (totaling up to 38) with at least two near Philadelphia, Pa., in East Norriton and Mount Airy, Supermarket News says.

To celebrate their growing footprint as well as the chain’s 75th birthday, all Grocery Outlet locations are currently offering “diamond deals,” aka up to 75% off products, as well as other throwback savings in-store.

“We are incredibly proud to celebrate the opening of our 400th store, a momentous number 75 years in the making,” Eric Lindberg, Grocery Outlet’s CEO said in a statement on its website. “Since our founding, Grocery Outlet has built on the core value of ‘touching lives for the better,’ and today, we are proud to play a part in 400 communities across the U.S. When you shop at a Grocery Outlet store, you are shopping local and supporting entrepreneurs within your own community.”

[READ THE FULL ARTICLE](#)



REPRESENTATIVE PHOTO

Retail Aerial



SAFeway
♥ **CVS pharmacy**
Papa Murphy's
Baskin Robbins
Burger King
Wells Fargo
Dad's Garage
Mountain Mike's
Willy's
US bank
ups

Hertz

Brentwood
TRANSMISSIONS &
AUTO CARE CENTER

TOWN CENTRE

DOLLAR GENERAL

Enterprise

Ford

NAPA

Big O Tires

metro
ANYTIME FITNESS
TULIP FLIP BYH
LIMITED
TULIP NAILS & SPA
UNITEDCLIPS
MEN'S HAIRCUTS

KFC

TACO BELL

Jack
in the box

AutoZone

FRESENIUS
MEDICAL CARE

GLASER
FARMS

FREMONT
BANK
OLD REPUBLIC TITLE
PARAGON GROUP
MORTGAGE INC

U-HAUL

BRENTWOOD
SELF STORAGE

9,495
VPD

Hampton Inn

Denny's
UNDER CONSTRUCTION

GROCERY
OUTLET
bargain market

7 ELEVEN

MABUHAY
LOS MEXICANOS
MARKET
OCEAN CLUB
LIMOUSINE
NENAS TACOS

McDonald's

Speedee
S AUTO SERVICE

cleaners
DELTA PURE WATER
STUDIO 71 TATTOO
LA HACIENDA
GRILL

UNIFY
FINANCIAL CREDIT UNION

CISS INC

LOS MEDANOS
COLLEGE/
BRENTWOOD

DOLLAR TREE

Quick Quack
CAR WASH
UNDER CONSTRUCTION

24,500
VPD

Brentwoodtech
TIPS N TOES
NAIL SPA

SAND CREEK ROAD

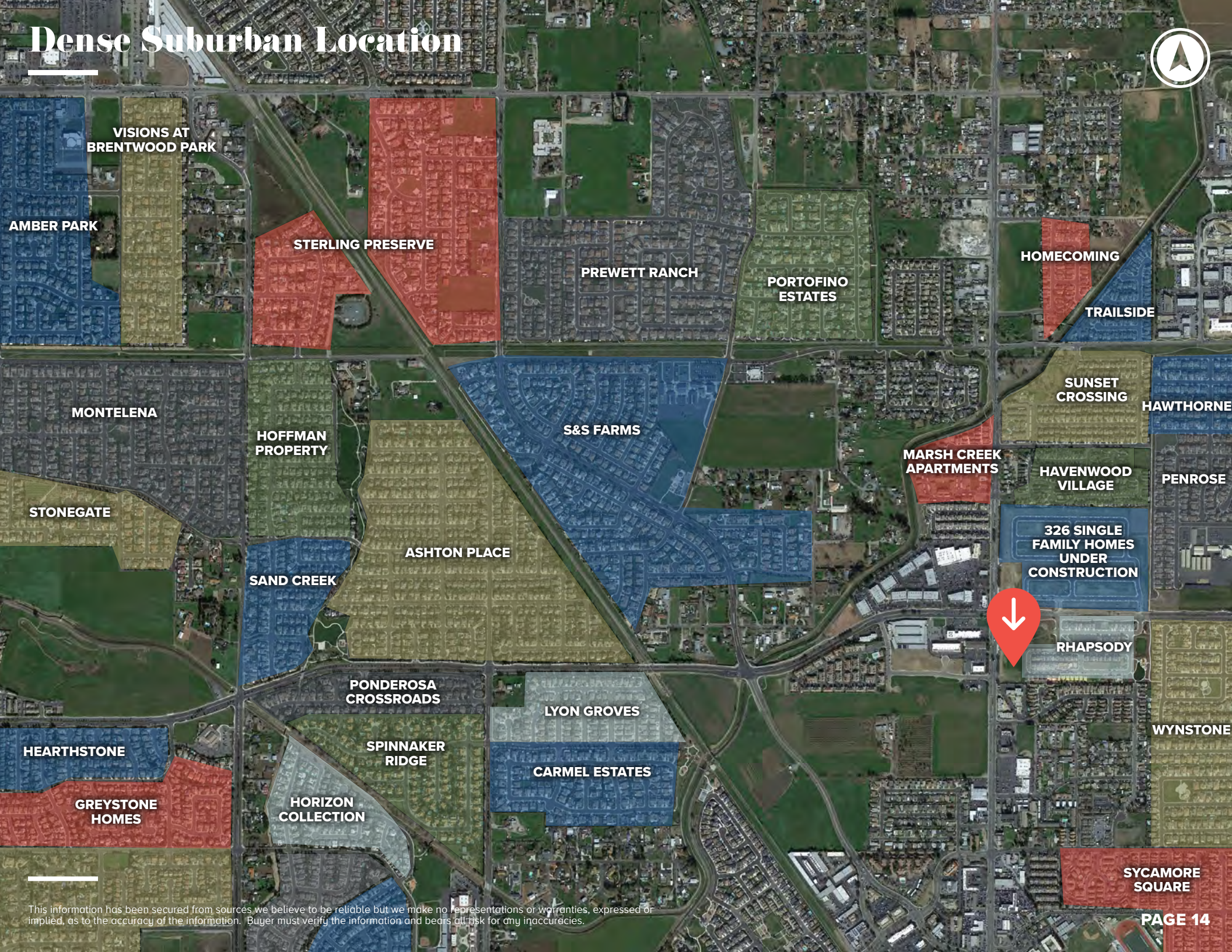
BRENTWOOD BOULEVARD

Aerial



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Dense Suburban Location



VISIONS AT
BRENTWOOD PARK

AMBER PARK

STERLING PRESERVE

PREWETT RANCH

PORTOFINO
ESTATES

HOMECOMING

TRAILSIDE

MONTELENA

HOFFMAN
PROPERTY

S&S FARMS

SUNSET
CROSSING

HAWTHORNE

STONEGATE

MARSH CREEK
APARTMENTS

HAVENWOOD
VILLAGE

PENROSE

ASHTON PLACE

326 SINGLE
FAMILY HOMES
UNDER
CONSTRUCTION

SAND CREEK

RHAPSODY

PONDEROSA
CROSSROADS

LYON GROVES

WYNSTONE

HEARTHSTONE

SPINNAKER
RIDGE

CARMEL ESTATES

GREYSTONE
HOMES

HORIZON
COLLECTION

SYCAMORE
SQUARE

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Demographics



POPULATION

	1-MILE	3-MILES	5-MILES
2010	9,952	62,011	118,299
2020	14,739	73,946	143,531
2025	15,985	78,448	153,139

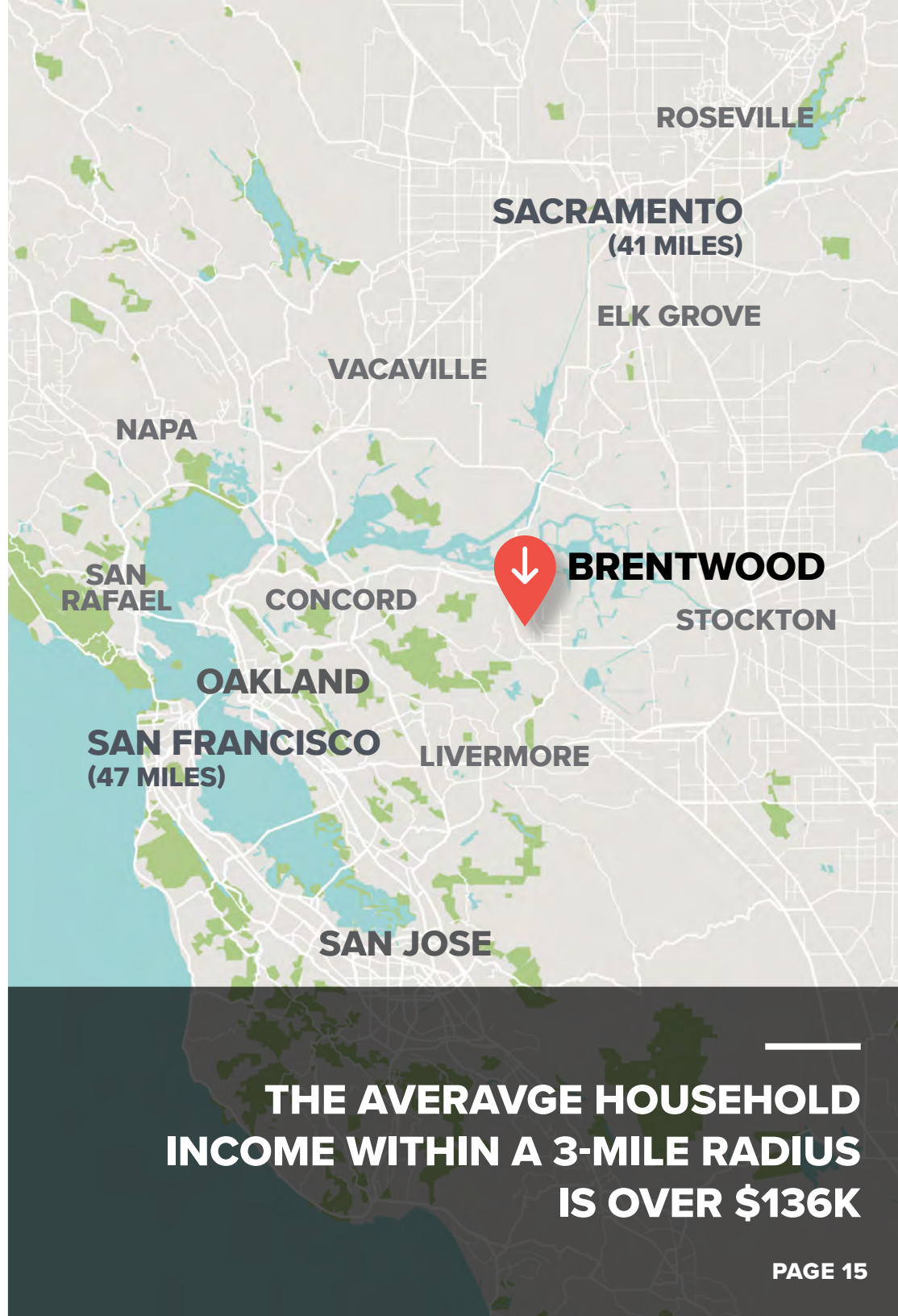


2020 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$113,241	\$136,983	\$133,931
Median	\$92,543	\$113,413	\$110,257

TOP EMPLOYERS IN BRENTWOOD

EMPLOYER	# OF EMPLOYEES
Comdata	1,107
HCA	985
Tractor Supply Company	854
AT&T	515
DaVita	500



**THE AVERAGE HOUSEHOLD
INCOME WITHIN A 3-MILE RADIUS
IS OVER \$136K**

BRENTWOOD, CALIFORNIA



BRENTWOOD, located approximately 55 miles east of San Francisco, is a charming and desirable community for residents and businesses alike. The community has a long and storied history in agriculture and farming production. Brentwood is situated in far eastern Contra Costa County with an estimated population of 60,446.

CONTRA COSTA COUNTY, primarily a suburban region, is the ninth most populous county in the state. The county's population is expected to grow by 29% by 2040. Contra Costa County has the highest home ownership rate in the Bay Area with approximately two-thirds of all homes in the county being occupied by their owners. Additionally, many well-known companies are headquartered or have their West Coast base of operations within the county, including Safeway, 24 Hour Fitness, Chevron, GE, and Kaiser Permanente.

SAN FRANCISCO BAY AREA is located along the California coast and consists of nine diverse counties in Northern California stretching from wine country to Silicon Valley and centered around the San Francisco Bay, San Pablo Bay, and Suisun Bay. The Bay Area is often divided into five sub-regions: the East Bay, North Bay, South Bay, Peninsula, and the city of San Francisco. Two of the region's metros – San Francisco-Oakland-Hayward and San Jose-Sunnyvale-Santa Clara – ranked as the best economies in the county.

1.1 MILLION



**CONTRA COSTA
COUNTY POPULATION**
(ESTIMATED)

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