

FOR SALE

INVESTMENT OPPORTUNITY

EARTH₂O FACILITY
NET LEASED INVESTMENT - 7.0 % CAP RATE

812 C Street | Culver OR

PRICE REDUCED!



Net leased investment opportunity!
100% net leased to EARTH₂O who has been in business since 1991.

Offered at \$4,830,000

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With You Every Square Foot of the Way.

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- 1. OFFERING DETAILS**
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OFFERING TERMS:

Offered at: \$4,830,000

Four (4) Tax Lots:

6.1 +/- Acres (265,716 +/- SF)

Building SF: 66,000 +/- SF

Zoning: M1 - Industrial

Occupancy: 100% occupied

Cap Rate: 7.0%



PROPERTY OVERVIEW:

Fratzke Commercial Real Estate Advisors, Inc., is proud to market the Earth2o facility, owned by Sweetwater, LLC.

Earth2o has been in business since 1991. As the leader in the production, distribution, and sales of the best water sourced from Opal springs, Earth2o practices rPET technology limiting their carbon footprint on the earth. Earth2o is a B Corporation allowed only for the most environmental conscientious corporations in America.

With over 50 employees and a 66,000 +/-RSF production, distribution, and office facility headquartered in Culver, Oregon, Earth2o has entered the Cold Brewed Coffee sector. Leveraging the incredible Opal Springs water, decade's strong relationships with transportation and national and regional grocery chains, Earth2o's sales of Cold Brewed Coffee have accelerated beyond its goals.

Located just 15 minutes north of Redmond, Oregon, and situated a few miles west from State Highway 97, Earth2o has signed a ten (10) year triple net lease of their facility from its landlord Sweetwater, LLC.

The investment opportunity provides the Buyer with a true net leased investment in an industrial facility occupied by a credit Tenant with year over year sales growth entering new market segments in the beverage industry.

INVESTMENT HIGHLIGHTS:

The current lease rate is \$0.45 per square foot per month NNN. There are three percent (3%) annual rent income escalators.

The investor looking for a true 7.0% capitalization rate with a strong tenant and a long term lease in place will appreciate the strength that Earth2o provides. Earth2o will disclose the lease agreement and company financials upon a qualified investor providing proof of their financial ability to complete the acquisition and signing a nondisclosure agreement.

SECURE TENANT:

Earth2o has been in business since 1991. In 2008 they moved into their current facility which has direct access to water from Opal Springs. Over the past 9 years, a total of \$700,000 in upgrades to the facility have occurred with new offices, four new dock high bays completely enclosed in 2015, electrical and fluorescent lighting with increased sanitary systems and production improvement upgrades throughout.

Because Earth2o sells water directly from the source, a relocation or move away from the source is not feasible due to transportation costs and the risk in shipping water.



PROPERTY SUMMARY:

Building Size	66,000 +/- SF
Lot Size	Four (4) tax lots totaling 6.1 +/- acres
Year Built	Originally constructed for LOWE Marine in the mid-1980's, the facility was utilized for the production of boats and associated marine equipment.
Zoning	M1 - Industrial
Tenancy	Single
Lease Type	Triple Net
Lease Term	10 years, with 3% rent income escalators annually

BUILDING SYSTEMS:

The facility is a fully sprinkled warehouse, offices, and break room. The system is a fully charged wet fire suppression system. The mechanical room was upgraded with redundant high pressure air compressors. Earth2o requires 500 pounds per square inch in order to manufacture their containers into shape. Five (5) compressors and dryers were installed to support Earth2o's needs, as well as future growth.

Electrical Service is 480 volts, 3 phase power rated for 1,000 amps. There are multiple man doors, 4 dock high enclosed bays, and multiple restrooms separated for the warehouse and office employees.

Annual Property Operating Data

Property Name Earth2o Net Leased Investment
 Location Culver, Oregon
 Type of Property Investment
 Size of Property 66,000 RSF (Sq. Ft./Units)
 Zoning Commercial
 Purpose of analysis Investment

Purchase Price 4,830,000
 Plus Acquisition Costs _____
 Plus Loan Fees/Costs _____
 Less Mortgages _____
 Equals Initial Investment 4,830,000

Assessed/Appraised Values
 Land 545,982 20%
 Improvements 2,190,000 80%
 Personal Property 0 0%
 Total 2,735,982 100%

Adjusted Basis as of 9/11/2018 \$4,830,000

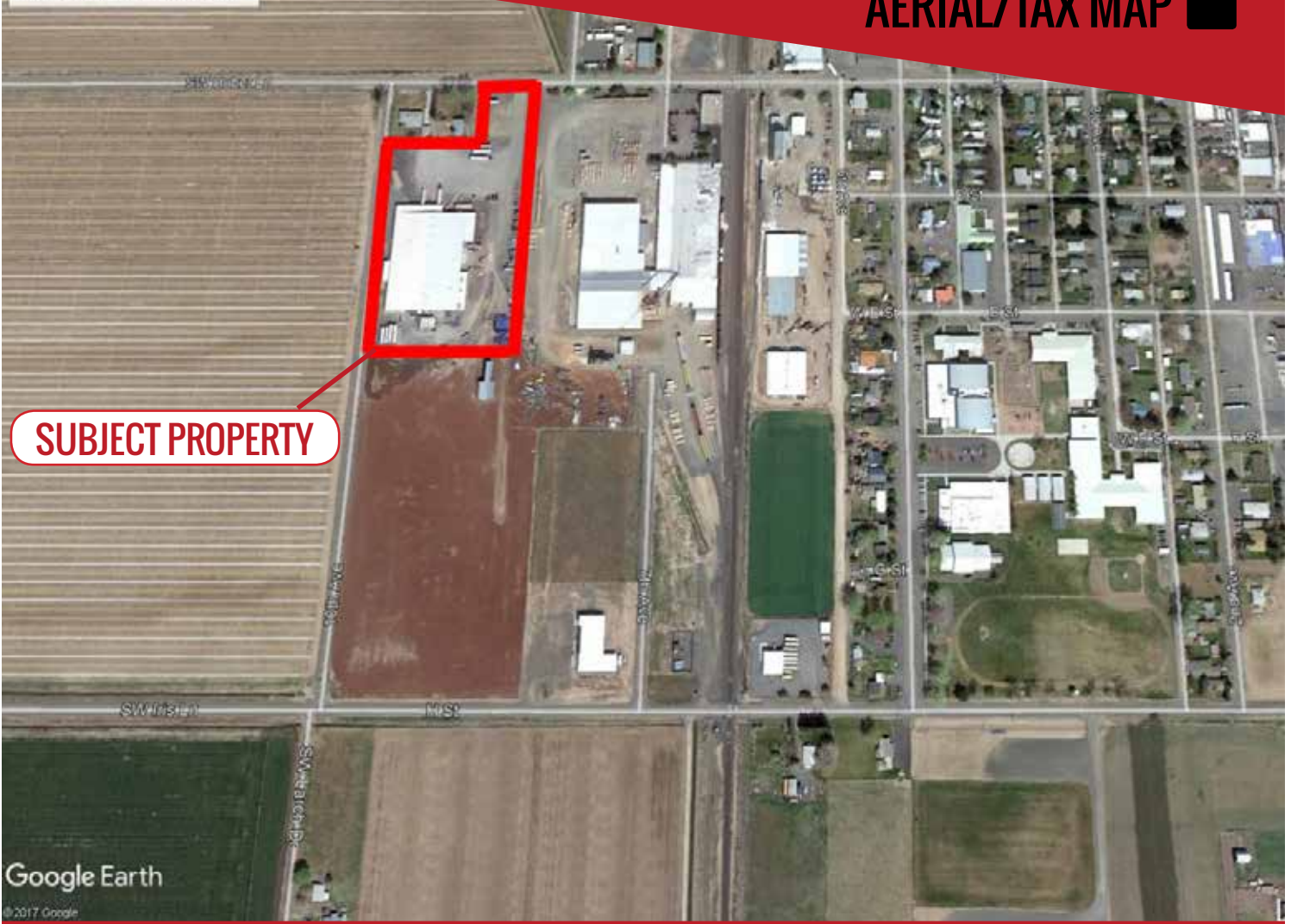
	Balance	Periodic Pmt	Pmts/Yr	Interest	Amort Period	Loan Term
1st	_____	_____	_____	_____	_____	_____
2nd	_____	_____	_____	_____	_____	_____

ALL FIGURES ARE ANNUAL	\$/SQ FT or \$/Unit	% of GOI		COMMENTS/FOOTNOTES
1 POTENTIAL RENTAL INCOME	5.40		356,400	NNN lease with 10 years remaining
2 Less: Vacancy & Cr. Losses		(5.%)	-17,820	100% Leased
3 EFFECTIVE RENTAL INCOME			338,580	
4 Plus: Other Income (collectable)				
5 GROSS OPERATING INCOME			338,580	
OPERATING EXPENSES:				
7 Real Estate Taxes				
8 Personal Property Taxes				
9 Property Insurance				
10 On Site Management				
11 Payroll				
12 Expenses/Benefits				
13 Taxes/Worker's Compensation				
14 Repairs and Maintenance				
15 Water and Sewer				
16 Electrical				
17 Bend Broadband				
18 Alarm				
19 Accounting and Legal				
20 Licenses/Permits				
21 Advertising				
22 Supplies				
23 Miscellaneous Contract Services:				
24 Garbage.Waste				
25				
26				
27				
28				
29 TOTAL OPERATING EXPENSES				
30 NET OPERATING INCOME			338,580	CAP RATE: 7.0%
31 Less: Annual Debt Service				
32 Less: Participation Payments				
33 Less: Leasing Commissions				
34 Less: Funded Reserves				
35 CASH FLOW BEFORE TAXES			\$338,580	

Untitled Map

Write a description for your map.

AERIAL/TAX MAP

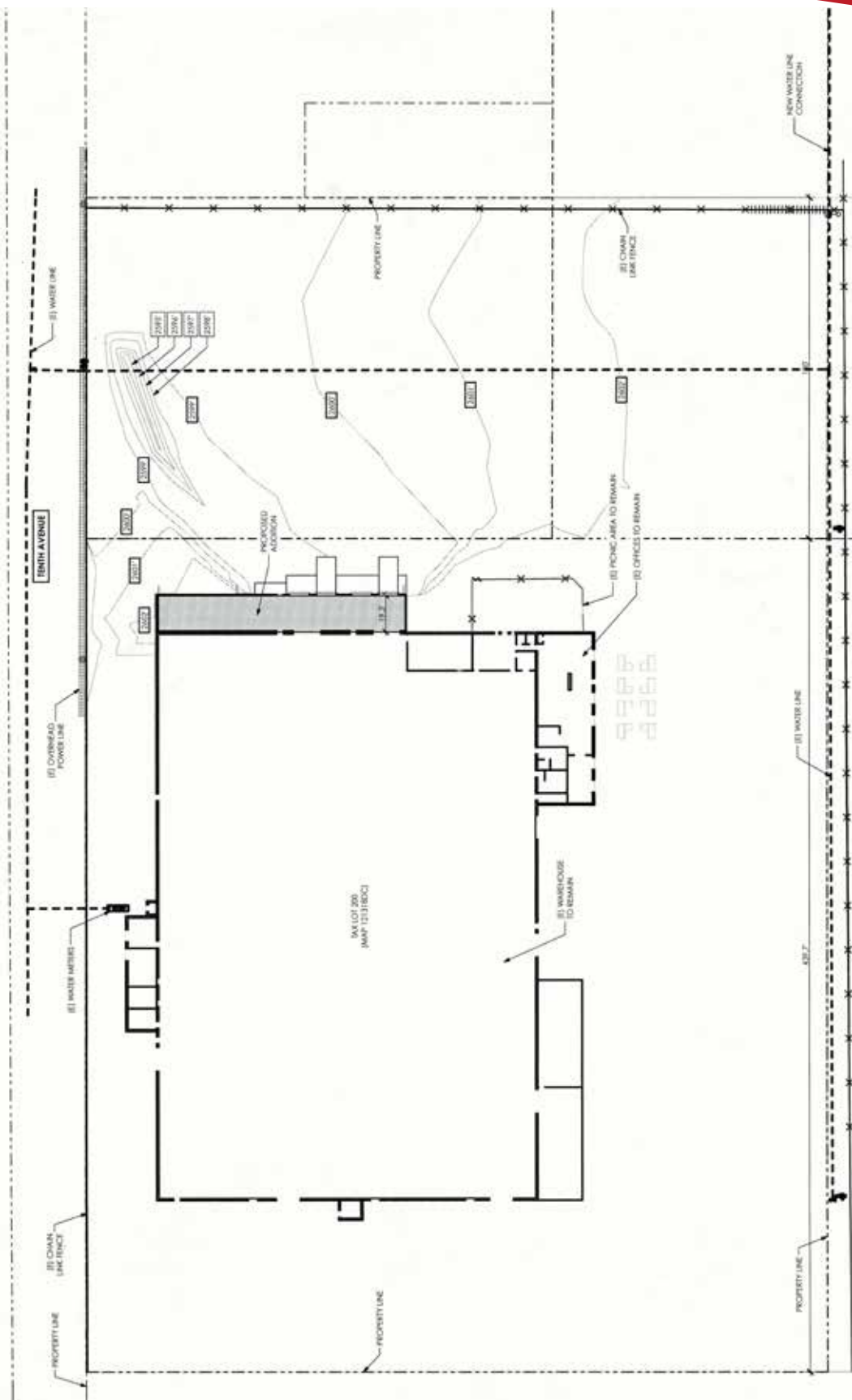


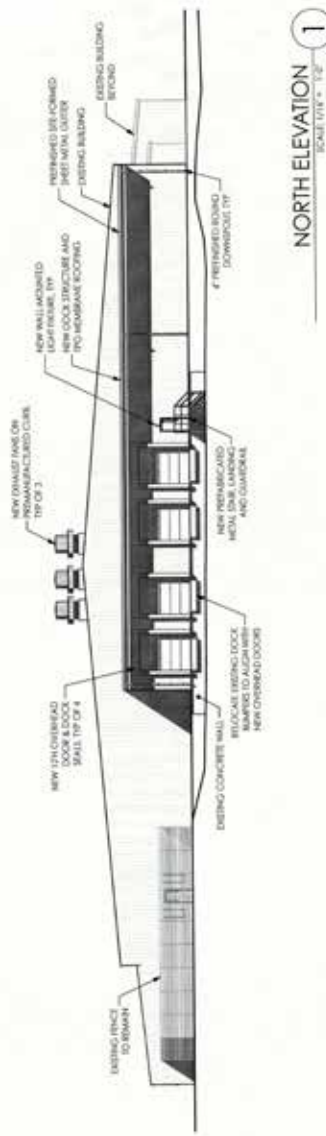
Google Earth

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BUILDING SCHEMATICS SITE PLAN

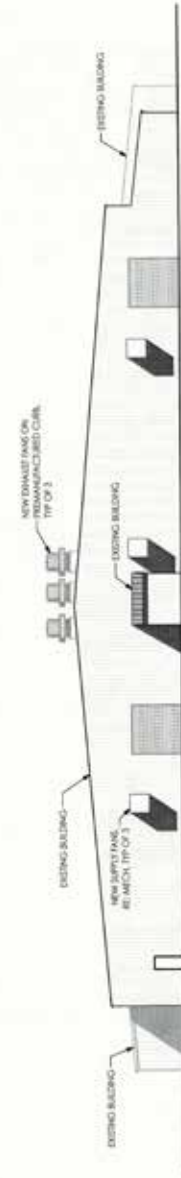




1
NORTH ELEVATION
SCALE 1/16" = 1'-0"



2
EAST ELEVATION
SCALE 1/16" = 1'-0"



3
SOUTH ELEVATION
SCALE 1/16" = 1'-0"

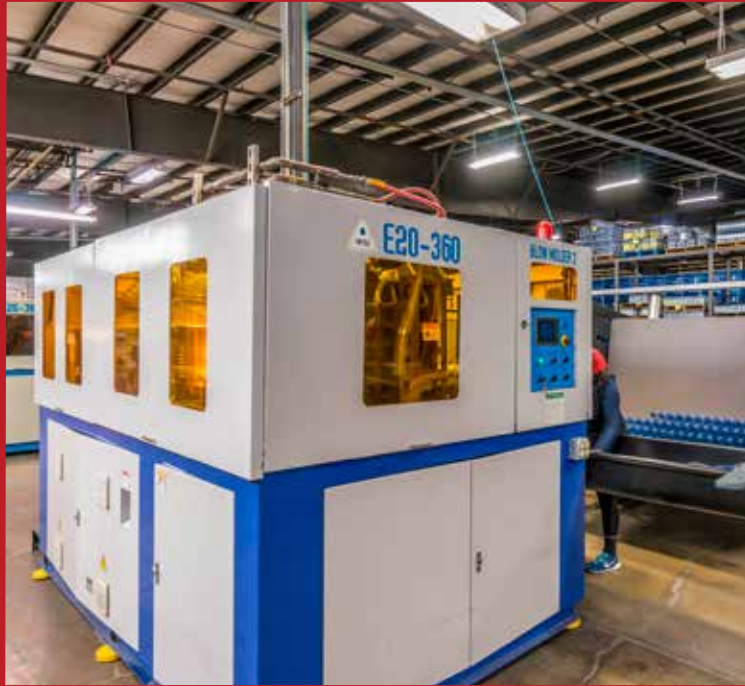


4
WEST ELEVATION
SCALE 1/16" = 1'-0"

PROPERTY PHOTOS



PROPERTY PHOTOS



PROPERTY PHOTOS



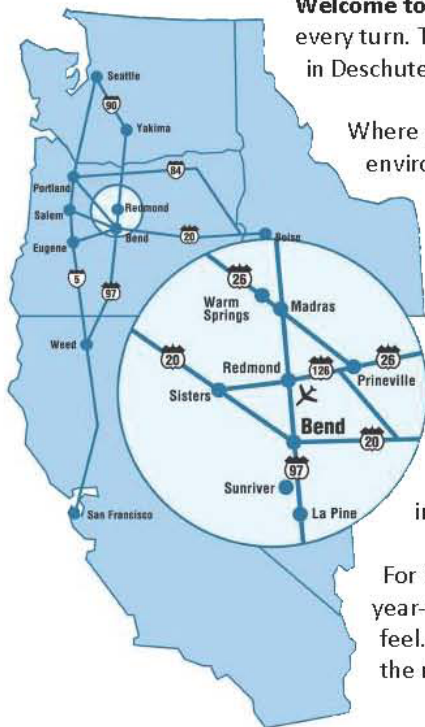
PROPERTY PHOTOS



PROPERTY PHOTOS



WELCOME TO CENTRAL OREGON!



Welcome to Central Oregon! Where the commute times are short and breathtaking views await you at every turn. The region features dramatic snow-capped mountain ranges and high desert plateaus with- in Deschutes, Crook, and Jefferson counties.

Where companies are fueled both by their surroundings and one of the most business-friendly environments in the Northwest. Recently, the Bend-Redmond MSA was crowned the Milken Institute's "**#1 U.S. Best-Performing Small City**" for 2016.

For a relocating business, Central Oregon has a reputation for welcoming new companies. The region has some of the lowest operating costs in the Pacific Northwest and accomplishes this without sacrificing workforce, talent, quality health care, transportation, or telecommunications infrastructure.

Central Oregon has led the state's population growth over the last two decades; with Deschutes County continually named one of the fastest-growing areas in the country. Additionally, our region has topped the state in job growth over the past ten years, creating a region that's characterized by dynamic small businesses and entrepreneurial activity.

For most new residents, Central Oregon is a lifestyle choice, offering a friendly environment, year-round recreation options, and world-class amenities—all with a hassle-free, small town feel. From a ranch in Prineville to an upscale urban condo in Bend (and all options in between), the region presents a rare diversity of places to live, all within close range.

TOP EMPLOYERS & INDUSTRIES

According to the Oregon Employment Department, 78% of Oregon establishments have nine or fewer employees and the average private establishment employs 11 people. To an even greater extent than the state, Central Oregon's business environment is typified by innovative, small companies, producing niche-market products and services.

Still, a number of large employers operate successfully here, tapping into Central Oregon's ever-expanding workforce, the overall low cost of doing business and business-friendly local governments. Over the last year, the region's Top 50 Private Employers collectively added over 3,500 jobs, employing over 23,600 Central Oregonians.

- **Advanced Manufacturing**
- **Bioscience** (pharmaceuticals, medical device)
- **Brewing & Distilling** (craft beer, cider, spirits, kombucha)
- **Building Products** (doors, windows, molding, furniture)
- **High Technology** (electronics, software, data centers)
- **Outdoor Gear & Apparel**
- **Specialty Food Products**

Health care is led by St. Charles Medical Center, the largest private employer in the region. St. Charles owns and operates hospitals in Bend, Redmond, Madras, and Prineville. Additionally, Bend Memorial Clinic is the largest of nearly 100 private clinics and practices in the area. Overall, the health care sector employs over 12,000 Central Oregonians.

Headquarter operations play a prominent role among top employers and include Keith Manufacturing, Les Schwab Tires, Deschutes Brewery, Hydro Flask, and many others.

Administrative/call/data centers including Apple, Consumer Cellular, Facebook, IBEX Global, and Navis are also among the largest private employers in the tri-county area.

Employment in **tourism and hospitality** reflects the importance of this sector to the region. Central Oregon has the largest concentration of destination resorts in the Pacific Northwest and includes Riverhouse on the Deschutes, Brasada Ranch, Pronghorn Resort, Sunriver Resort, Mt. Bachelor, Eagle Crest (Resort Acquisition Partners), Kah Nee Ta Resort, and Indian Head Casino.