



OFFERING MEMORANDUM



Single Tenant Retail
Investment Opportunity
in Eugene, OR





SERRA

Table of Contents

01 | Executive Summary

- The Offering
- Investment Highlights
- Property Summary
- Aerial
- Nearby Retailers
- Site Plan

02 | Financial Analysis

- Rent Roll
- Rent Schedule
- Lease Abstract

03 | Tenant Profile

- Recent Press
- Demographics

Listed by

Ryan O'Leary
Vice President
roleary@kiddermathews.com
503.221.2294

Rebecca Liddell, CCIM
Senior Vice President
rliddell@kiddermathews.com
503.221.2279



**Kidder
Mathews**

Kidder Mathews
One SW Columbia St, Ste 950
Portland, OR 97258

kiddermathews.com

The information supplied herein is from sources we deem reliable. It is provided without any representation, warranty or guarantee, expressed or implied as to its accuracy. Prospective Buyer or Tenant should conduct an independent investigation and certification of all matters deemed to be material, including, but not limited to, statements of income and expenses. Consult your attorney, accountant, or other professional advisor.



01

Executive Summary

- The Offering
- Investment Highlights
- Property Summary
- Aerial
- Nearby Retailers
- Site Plan



The Offering

Serra on West 11th is a fee simple single tenant investment opportunity located in Eugene, Oregon.

Totalling 2,000 rentable square feet comprised of a single level store and small parking lot. The property is 100% occupied and benefits from exceptional demographics and an easily accessible and highly visible location. The building went through major interior and exterior renovations in 2016 specific to Serra's high-end branding.

The building features include:

- Exquisite design
- Welcoming secured reception
- Boutique quality sales room
- Two manager's offices and breakroom
- ADA parking lot

Investment Summary

Offering Price	\$813,000
Cap Rate	6.00%
Size	2,000 SF
Lease Term	10 Years NNN
Year Built/Renovated	2005



Investment Highlights



NNN Lease

10 years of primary term commencing at the close of escrow with three 10-year renewal options. Utilities, insurance and property taxes are paid direct by the tenant.

Excellent Access, Identity & Visibility

Ideally positioned next to the intersection of West 11th Avenue and Polk Street with average daily traffic counts of 15,000+ (ODOT).

Total Renovation

Tenant specific improvements completed in 2016 total approximately \$343,000 which include significant interior and exterior renovations. All major systems including electrical, plumbing, HVAC, structure, roof, and more were replaced.

Market Reception

Serra presence has been well received by customers, the neighborhood and news outlets such as WallPaper.com, Willamette Weekly, Goop.com, and many more further solidifying its reputation as the premier cannabis dispensary in Eugene.

Desirable University Location

Bustling West 11th Avenue and Pol Street is a hub for students and visitors alike. The neighborhood has experienced positive growth in both population and households from 2000 to 2016. Positive growth is expected to continue in the neighborhood through 2021.



PROPERTY SUMMARY

Property Address	1201 West 11th Avenue Eugene, OR 97402
Year Built/Renovated	2005 / 2016
Total Building SF	2,000
Land Area Acres	0.09
Land Area SF	3,920
Parcel Number	R0479028
Ownership Style	Fee Simple
Zoning	C-1, Neighborhood Commercial
County	Lane

Walk Score	76, Very Walkable
Bike Score	100, Biker's Paradise
Mass Transit	Lane Transit
Neighborhood	Wallis-Dorris Addition
Taxes (2015)	\$5,242
Topography	Level
Frontage	57 ft on Tyler Street
Traffic Counts	15,461 (2015)





Valley River Center

105

Autzen Stadium

5

SERRA

99

Downtown Eugene

WILLAMETTE RIVER

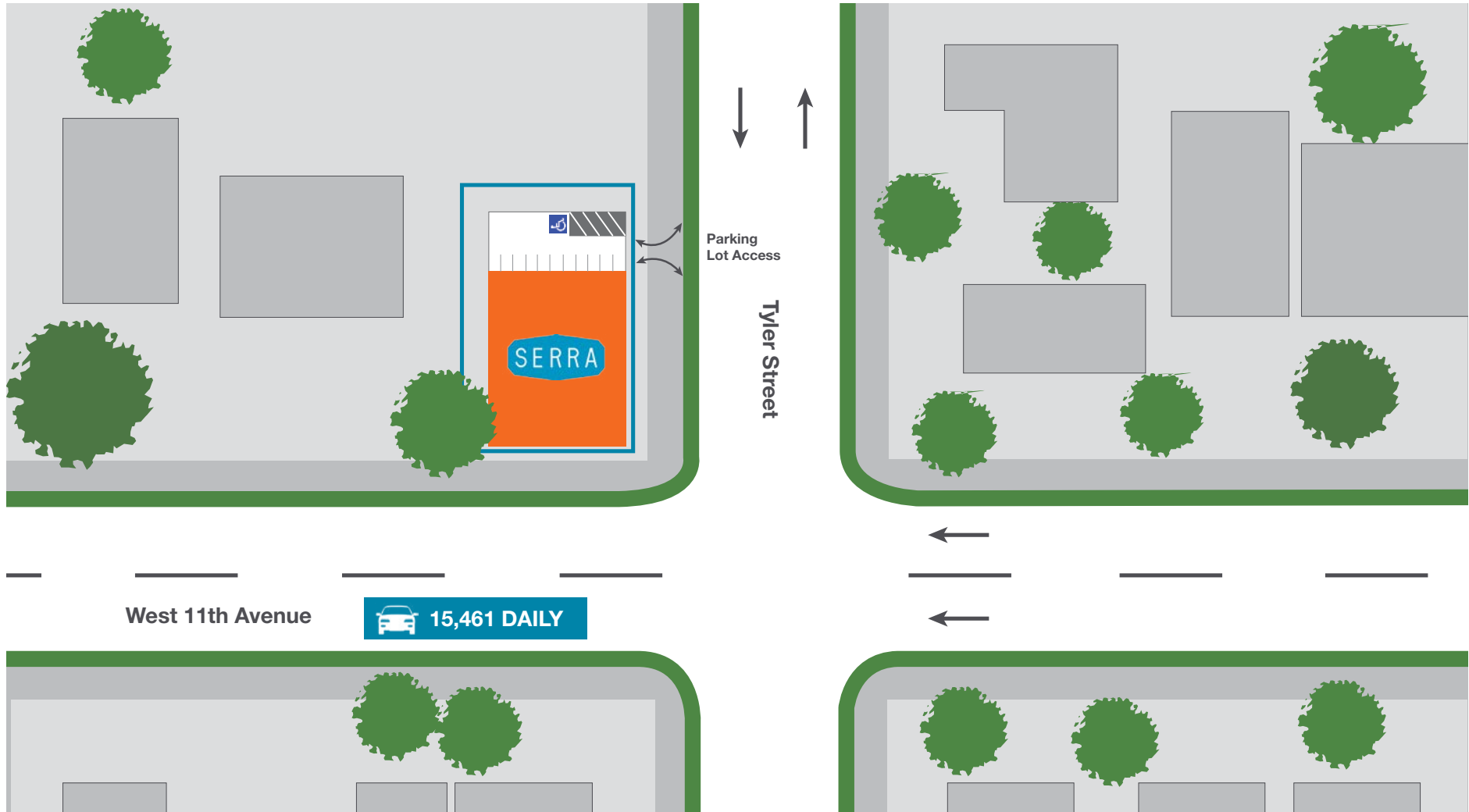
UNIVERSITY OF OREGON



Nearby Retailers



SITE PLAN



West 11th Avenue

 15,461 DAILY

Site Plan Key	Land Area: 3,920 SF	Parcel		Not a Part	
	Building Area: 2,000 SF	Available		Landscape	





02

Financial Analysis

Rent Roll
Rent Schedule
Lease Abstract



PRICE
\$813,000

CAP RATE
6.00%

TERM
10 Years

OCCUPANCY
100%

RENT ROLL

TENANT	SQUARE FEET	MONTHLY RENT	ANNUAL RENT	ANNUAL RENT PSF	LEASE TYPE	CURRENT TERM START	CURRENT TERM END
Serra	2,000	\$4,167	\$50,000	\$25.00	NNN	COE (Close of Escrow)	10 Years @ COE

CAPITALIZATION OF INCOME	SF	\$/SF	\$/YEAR
Effective Gross Income	2,000	\$25.00	\$50,000
Operating Expenses	% EGI	\$/SF	Total
Real Estate Taxes	0.0%	\$0.00	\$0
Insurance	0.0%	\$0.00	\$0
Common Area Maintenance	0.9%	\$0.28	\$500
Management	0.5%	\$0.14	\$250
Reserves	0.9%	\$0.28	\$500
Real Estate Taxes	0.0%	\$0.00	\$0
Insurance	0.0%	\$0.00	\$0
Common Area Maintenance	0.0%	\$0.00	\$0
Total Operating Expenses	2.5%	\$0.69	\$1,250
Net Operating Income		\$24.38	\$48,750
Capitalized @	6.00%		\$812,500
		Indicated Value	\$813,000
		\$/SF	\$407



SERRA RENT SCHEDULE

YEAR	MONTHLY RENT	ANNUAL RENT	ANNUAL RENT PSF	% INCREASE
1	\$4,166.67	\$50,000.00	\$25.00	-
2	\$4,250.00	\$51,000.00	\$25.50	2.00%
3	\$4,335.00	\$52,020.00	\$26.01	2.00%
4	\$4,421.70	\$53,060.40	\$26.53	2.00%
5	\$4,510.13	\$54,121.61	\$27.06	2.00%
6	\$4,600.34	\$55,204.04	\$27.60	2.00%
7	\$4,692.34	\$56,308.12	\$28.15	2.00%
8	\$4,786.19	\$57,434.28	\$28.72	2.00%
9	\$4,881.91	\$58,582.97	\$29.29	2.00%
10	\$4,979.55	\$59,754.63	\$29.88	2.00%



LEASE ABSTRACT

Tenant	Serra
Guarantor	Groundworks Operations, LLC
Lease Term	10 Years
Annual Base Rent	\$54,000
Annual Rent PSF	\$30.00
Lease Commencement	Close of Escrow
Renewal Options	3 x 10-Year Options
HVAC	Tenant
Insurance	Tenant
Utilities	Tenant
Property Taxes	Tenant
Roof & Structure	Landlord
Right of First Refusal	15 Day Right of First Refusal
Estoppels	Tenant to provide with 10 days





03

Tenant Profile

Recent Press
Demographics



Tenant Profile



"Serra" is a greenhouse or conservatory in Italian.

Serra's mission is to lead the retail cannabis industry by providing the best quality and the most knowledgeable, artful experience while breaking stereotypes associated with cannabis culture. Serra's aim is to reach all cannabis users who prioritize and appreciate a curated retail experience – the connoisseur, the knowledgeable or the curious.

No matter the location, Serra customers enter into a living, breathing space, evoking lushness and sophistication; an atrium and retail space intertwined to create an experience like no other. Glass, iron and clean lines offer modernity, while natural sculptural greenery creates warmth, putting the customer at ease.

Serra currently operates in high traffic retail locations in Portland and Eugene with plans under way to open additional locations in other markets over the next few years.

LOCATIONS

3+

HEADQUARTERS

Portland, OR

WEEKLY CUSTOMERS

2,000+

WEBSITE



<https://shopserra.com/>

INSTAGRAM



<https://www.instagram.com/serracannabis/>



RECENT PRESS



Serra was named one of the top 10 most beautiful cannabis dispensaries in America by Leafly. “Simple shapes crop up throughout the décor, from the small ringed light fixtures in the window to the triangular display cases set out across the floor...cannabis products are presented to visitors with museum-like care.”

Read more at
<https://www.leafly.com/news/food-travel-sex/beautiful-marijuana-dispensary-designs-and-layouts>

Wallpaper* “Newly installed in the storefront of an 1889 historic-landmarked building, along a quiet stretch of cobblestone streets in the Old Town Chinatown district of Portland, Oregon, you will find **Serra, the most sophisticated cannabis dispensary in the city**, if not the country.”

Read more at
<http://www.wallpaper.com/design/serra-marijuana-dispensary-opens-in-portland>

goop “**Serra is a purveyor of lab-quality cannabis** from esteemed growers like Pruf Cultivar, as well as edibles like cannabis-infused chocolate bars and gummies made locally by Wyld.”

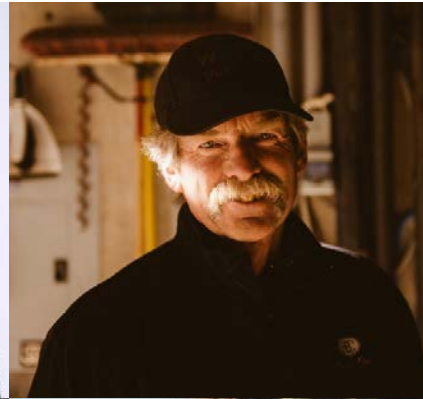
Read more at
<http://goop.com/services/oregon/portland/buckman/serra-cannabis/>

WILLAMETTE WEEK “From the gold details on the light fixtures to the origami-wrapped chopsticks for measuring buds, **the chic setup uses every opportunity to incorporate minimalist sophistication.**”

Read more at
<http://www.wweek.com/cannabis/2016/07/26/portlands-has-its-own-pot-shop-equivalent-of-anthropologie/>



DEMOGRAPHICS			
	1 mile	3 miles	5 miles
Population (2016)	17,274	109,898	199,805
Population (2021)	18,018	114,746	208,450
Average Household Income (2016)	\$40,200	\$59,241	\$61,506
20-29 years old	27.2%	25%	20.3%
30-44 years old	22.8%	17.3%	18.3%
45-59 years old	16.7%	16.1%	16.9%



Ryan O'Leary

Vice President

roleary@kiddermathews.com

503.221.2294

Rebecca Liddell, CCIM

Senior Vice President

rliddell@kiddermathews.com

503.221.2279

Kidder Mathews

One SW Columbia Street, Suite 950
Portland, OR 08258

kiddermathews.com