

OFFERING MEMORANDUM

**NEW PRICE**

# CREDIT TENANT NET LEASED INVESTMENT OPPORTUNITY

501 AIRPORT ROAD | MEDFORD, OREGON

\$8,450,000 (\$121/SF) | 7.99% CAP

\$7,750,000 (\$110/SF) | 8.71% CAP USING 5% RESERVES

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All of the information contained herein was obtained either from the owner or other parties we consider reliable. We have no reason to doubt its accuracy, however we do not guarantee it.

**FOR SALE**

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COMMERCIAL REAL ESTATE SERVICES



# OFFERING HIGHLIGHTS | 501 Airport Road, Medford, OR



- Single-tenant investment leased to credit tenant, Columbia Distributing.
- Strategically located near the the Rogue Valley International-Medford Airport and across the street from the new Costco and Costco Fuel Center.
- Originally constructed in 1983 to the design specification of Gold River Distributing serving the Southern Oregon communities. Columbia Distributing purchased Gold River and entered into the current lease in October of 2008.
- **New price \$7,750,000 (\$110/SF) 8.71% cap rate factoring in 5% reserves.**



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PROPERTY SUMMARY

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501 Airport Road, Medford, OR

OFFERING SUMMARY

Building Size:	70,000 SF, approx.
Year Built:	1983
Year Renovated:	1990 & 2008
Dock High Doors:	11
Grade Level Doors:	2
Sprinkler System:	Wet system
Zoning:	I-L, Light Industrial
Market:	Southern Oregon
Submarket:	Medford
Tenant:	Columbia Distributing

PROPERTY OVERVIEW

This offering represents the opportunity to own a fee simple interest in a single-tenant leased investment to the credit tenant, Columbia Distributing in Medford, OR. There is an additional 1.27 acre expansion parcel to the north of the subject property that is included with the offering. This approximately 70,000 SF building is uniquely located close to I-5 and the Rogue Valley International-Medford Airport. The building consists of 14,000 SF of two-story office space and approximately 56,000 SF net warehouse area. The clear height in the warehouse ranges from 18'-24' which includes a separate keg cooler.

LANDLORD RESPONSIBILITIES

- Repair and maintenance of bearing walls, structural members, foundation, and exterior utility services up to point of entry to premises.
- Internal repairs related to any damages caused by landlord not properly maintaining structure.
- Extraordinary repairs and replacements of HVAC systems.

TENANT RESPONSIBILITIES

- Repair and maintenance of all parts of the premises not the responsibility of the landlord including, but not limited to, the repair and maintenance of the roof and gutters, interior and exterior walls (including painting), ceilings, doors, and windows, sidewalks, driveways, landscaping and interior upgrades.



## ADDITIONAL PHOTOS | 501 Airport Road, Medford, OR



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# LEASE SUMMARY | 501 Airport Road, Medford, OR

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## LEASE SUMMARY

Lease Commencement:	October 1st, 2008
Lease Expiration:	December 31st, 2023
Annual Rent Increases:	2.5%
January 1, 2020 Rent Increase:	\$59,217.52 / month
Average Capitalization Rate Over Remaining Lease Term:	9.04% using 5% reserves

## EXTENSION OPTION

Lease states term of the renewal to be negotiated between parties after Tenant gives Landlord no less than 90 days prior to the last day of the expiring term. Note, Landlord has been in discussion with Tenant to extend their lease beyond their current term. Columbia Distributing may be open to an early renewal but only if it can efficiently add 15,000 to 20,000 SF of warehouse space. Tenant has indicated their focus will be on completing their major consolidation project in the Portland metro area prior engaging with landlord. Tenant more likely to engage landlord on possible extension or expansion conversations in the summer of 2020.



# TENANT PROFILE | 501 Airport Road, Medford, OR

## COLUMBIA DISTRIBUTING

In 2008 Columbia Distributing, Mt. Hood Beverage, and Gold River Distributing came together to form CoHo Distributing LLC dba Columbia Distributing, as they are called today. It is now one of the country's largest malt beverage distributors, with clients such as Mikes Hard Lemonade Co, Henry's Hard Soda, and Seagrams Escapes, to name a few. They also distribute a wide selection of other beverages including wine, spirits and craft beer.

Columbia Distributing serves over 20,000 retail customers throughout Oregon, Washington and California.

More information can be found about Columbia Distributing at: <https://www.coldist.com/about-us/>



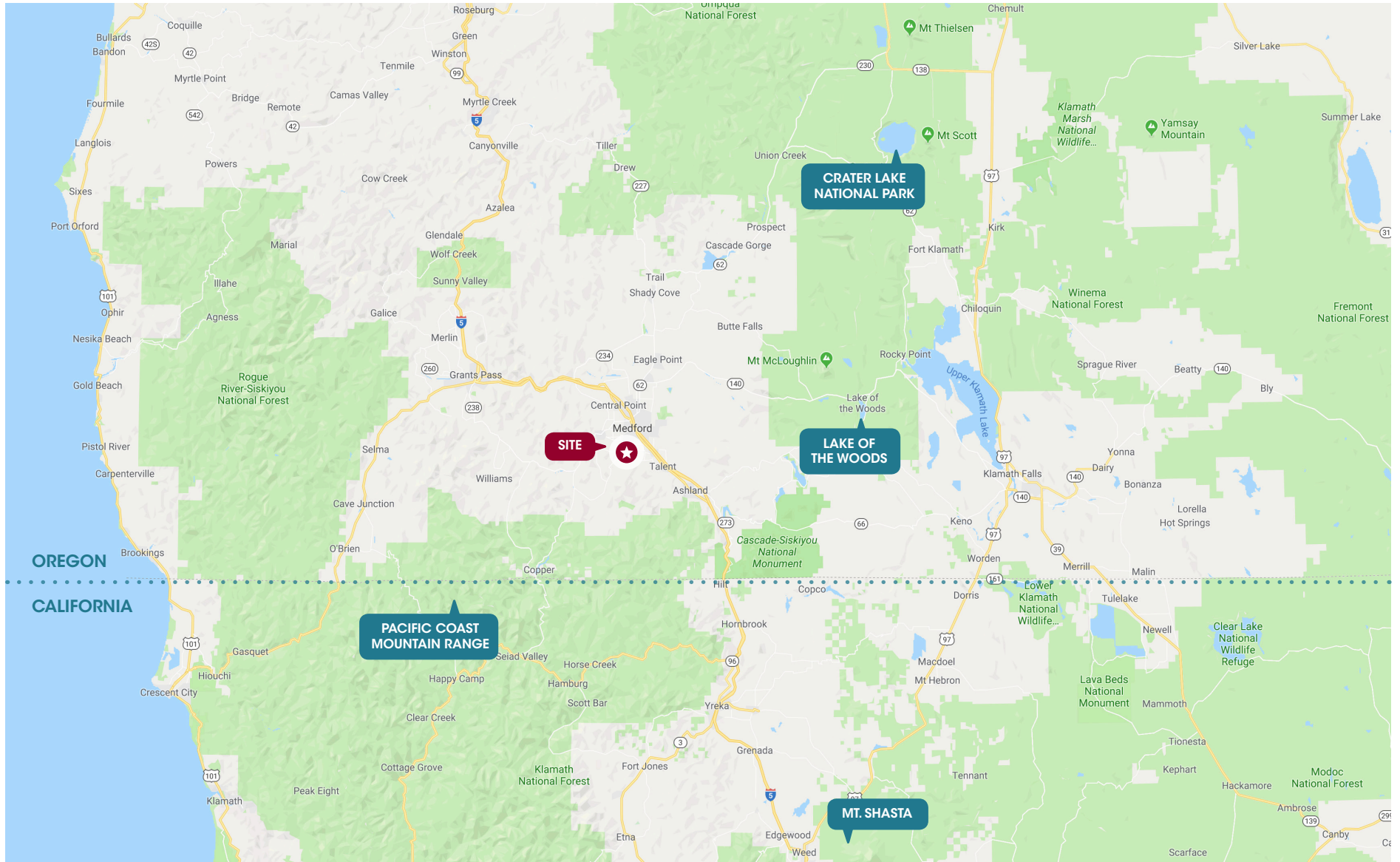


# VICINITY MAP | 501 Airport Road, Medford, OR



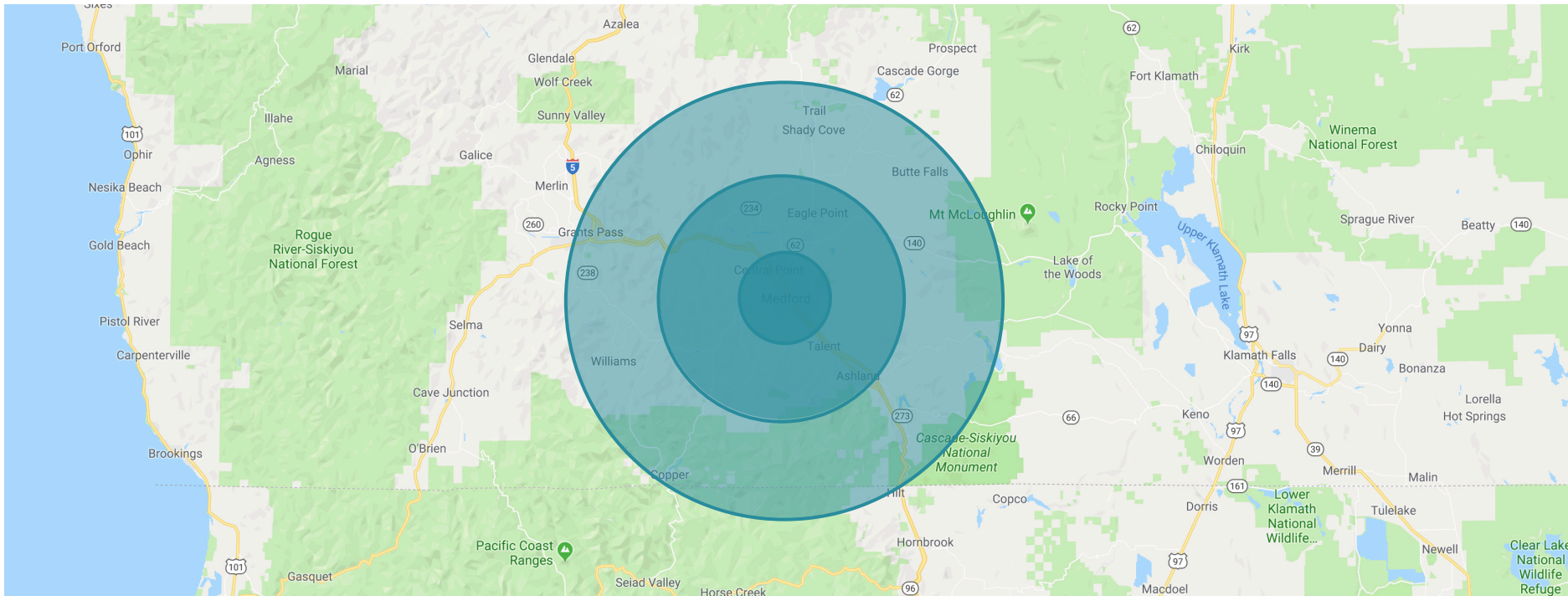


# REGIONAL MAP | Medford, OR





# DEMOGRAPHICS MAP & REPORT | Medford, OR



## ABOUT MEDFORD

Nestled between outdoor attractions such as Crater Lake National Park, the Pacific Coast Mountain Range, and the Oregon Coast, Medford is among an impressive range of natural beauty. It is also known for its pear orchards and vineyards, and is home to Harry & David, one of the world’s largest shippers of fruit and food gifts. With an economy largely driven by the healthcare industry, the area also boasts several major and community medical centers, including Asante Health System and Providence Medical Center.

## POPULATION

	1 MILE	5 MILES	10 MILES
Total Population:	4,397	108,296	174,709
Median Age:	34.2	37.5	40

## HOUSEHOLDS & INCOME

	1 MILE	5 MILES	10 MILES
Total Households:	1,768	43,929	71,081
# of Persons per Household:	2.5	2.5	2.5
Average Household Income:	\$52,352	\$53,167	\$57,229
Average House Value:	\$226,051	\$289,858	\$325,673

*\*Demographic data derived from 2010 US Census*