

OFFERING MEMORANDUM

# OAK HARBOR CEDAR & SALT ESPRESSO DRIVE THRU

31405 STATE ROUTE 20  
OAK HARBOR, WA 98277



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# INVESTMENT SUMMARY

## EXECUTIVE SUMMARY

Kidder Mathews is pleased to present the opportunity to acquire a newly constructed Cedar & Salt Coffee drive-through, strategically located at the high-traffic corner of Highway 20 and Pioneer Way in Oak Harbor, Washington—a growing community approximately 1 hour and 45 minutes north of Seattle and home to Naval Air Station Whidbey Island.

Situated on a .43-acre parcel, the property is part of a vibrant new development that includes a Sonic Drive-In and a Glint Car Wash (soon to be Quick Quack Car Wash), generating strong cross-traffic and complementary tenant synergy.

The investment is structured as a build-to-suit ground lease, wherein the tenant holds rights to the improvements during the lease term. Upon lease expiration, all improvements revert to the landlord, offering long-term residual value in addition to passive income under the NNN lease structure. The lease includes a 15-year initial term, four 5-year renewal options, and a percentage rent clause, providing long-term upside potential tied to tenant performance.

This is a rare opportunity to acquire a new construction, net-leased retail asset in a high-visibility location, combining built-in value growth with long-term passive income.

*\$1,567,000*

OFFERING PRICE

*6.00%*

CAP RATE

*15 YRS*

INITIAL LEASE TERM



## PROPERTY DETAILS

ADDRESS	31405 State Route 20 Oak Harbor, WA 98277
PARCEL NUMBER (APN)	R13202-180-0060
COUNTY	Island
MUNICIPALITY	Oak Harbor

### BUILDING INFORMATION

YEAR BUILT	2025
TOTAL BUILDING SF	±408 SF
GROSS LEASABLE SF	±408 SF
STORIES	1

### SITE INFORMATION

LAND AREA (ACRES)	±0.43 Acres
LAND AREA (SQ. FT.)	±18,840 SF
PARKING STALLS	±4 spaces
PARKING RATIO	9.8 Per 1,000 SF
ACCESS	Curb cuts on Pioneer Way and Oak Harbor Street with cross access easements
FRONTAGE	Frontage on West Pioneer Way (SR-20) & Oak Harbor Street (SR-20)
ZONING	C-3 - Community Commercial
SIGNAGE	Building & Monument Sign





## INVESTMENT HIGHLIGHTS



### LONG TERM ABSOLUTE NNN GROUND LEASE

15 years remaining on the initial lease term, along with 4 successive 5-year renewal options.



### ZERO LANDLORD OBLIGATIONS

The tenant is solely responsible for all property expenses and upkeep.



### LEASE INCREASES

10% rent increase every 5 years through the initial term and options.



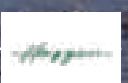
### NEW CONSTRUCTION

Attractive, low maintenance building completed in 2025.

# INVESTMENT SUMMARY



S OAK HARBOR ST



S OAK HARBOR ST



**20,941+ VEHICLES**  
Average Daily Traffic



**19,936+ VEHICLES**  
Average Daily Traffic



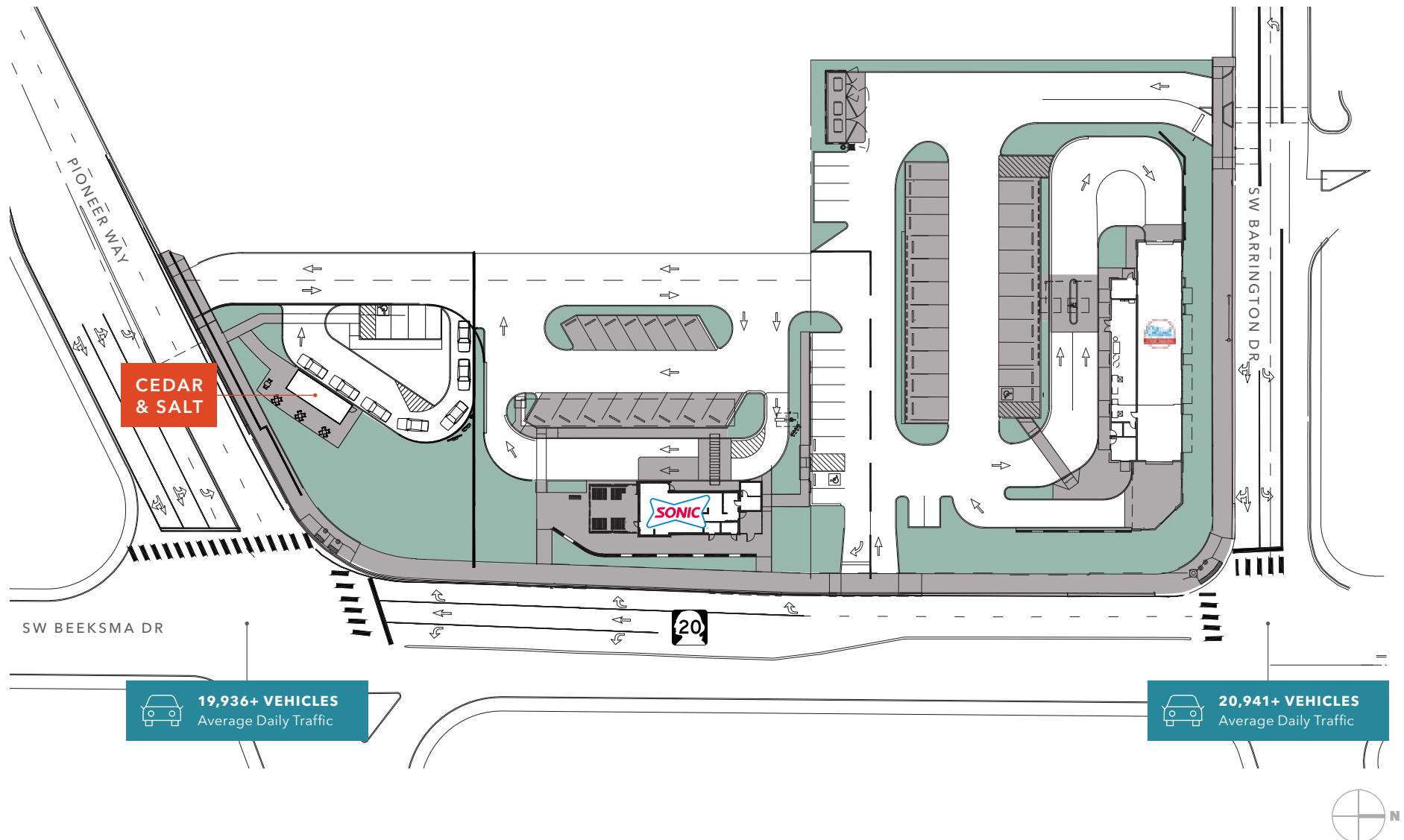
SE PIONEER WAY



## PROPERTY PHOTOS



# SITE PLAN



## ELEVATIONS

FRONT ELEVATION



RIGHT ELEVATION



LEFT ELEVATION



REAR ELEVATION



# FINANCIAL ANALYSIS

**\$1,567,000**  
OFFERING PRICE

**6.00%**  
CAP RATE

**15 YRS**  
INITIAL LEASE TERM

## RENT SCHEDULE

Tenant	Lot Size	Monthly Rent	Annual Rent	Annual Rent/SF	Start	End	% Increase	Comments
CEDAR & SALT ESPRESSO DRIVE THRU	18,840	\$7,833	\$94,000	\$4.99	02/28/25	02/28/30		Primary Lease Term Year 1-5
		\$8,617	\$103,400	\$5.49	03/01/30	02/28/35	10.00%	Primary Lease Term Year 6-10
		\$9,478	\$113,740	\$6.04	03/01/35	02/28/40	10.00%	Primary Lease Term Year 11-15
		\$10,426	\$125,114	\$6.64	03/01/40	02/28/45	10.00%	First 5 Year Option
		\$11,469	\$137,625	\$7.30	03/01/45	02/28/50	10.00%	Second 5 Year Option
		\$12,616	\$151,388	\$8.04	03/01/50	02/28/55	10.00%	Third 5 Year Option
		\$13,877	\$166,527	\$8.84	03/01/55	02/28/60	10.00%	Fourth 5 Year Option

## LEASE ABSTRACT

### SUMMARY

TENANT	Cedar & Salt Espresso LLC
GUARANTOR	Personal Guarantee from Angela Lambert Jackson and Kelly Jackson
LEASE TYPE	Absolute NNN Ground Lease
SECURITY DEPOSIT	N/A
RENEWAL OPTIONS	4 - 5 Year Options

### EXPENSES

UTILITIES	Tenant Responsibility
TAXES	Tenant Responsibility
INSURANCE	Tenant Responsibility
CAMS	Tenant Responsibility

### MAINTENANCE OBLIGATIONS

LANDLORD	None
TENANT	All Maintenance & Repairs

### TERMS

EXCLUSIVES	N/A
ESTOPPELS	Provided within 15 days of written request
TENANT FINANCIALS	Quarterly gross sales provided per lease
RIGHT OF FIRST OFFER	N/A
OPTION TO PURCHASE	N/A

The information contained herein has been obtained from sources deemed reliable. While every reasonable effort has been made to ensure its accuracy, we cannot guarantee it. No responsibility is assumed for any inaccuracies. Readers are encouraged to review the original lease to verify all information contained herein.



# LOCATION OVERVIEW

### OAK HARBOR, WA

Situated in the scenic Pacific Northwest, Oak Harbor, Washington, serves as the commercial epicenter on Whidbey Island, one of the largest islands in the contiguous United States. Over recent years, Oak Harbor has witnessed a notable surge in its population, a testament to its growing appeal as a place for businesses, families, and economic opportunities. The town's infrastructure, coupled with its inherent natural beauty and proximity to key metropolitan areas, has contributed significantly to its growing resident base.

The two settled islands, Whidbey and Camano, are favorite destinations for weekend visitors with easy access via State Route 20 over Deception Pass, State Route 532 to Camano, and the State Ferry System routes accessed offisland at Mukilteo and Port Townsend. Over 2.2 Million vehicles used the ferry system to Whidbey Island in 2022. Whidbey Island is the 5th longest island in the contiguous U.S.—45 miles long with 148 miles of shoreline. Whidbey Island is located 27 miles north of Seattle and 50 miles south of the Canadian border.



### ISLAND COUNTY MAJOR EMPLOYERS



DEMOGRAPHICS



Population

	1 Mile	3 Miles	5 Miles
2024 (ESTIMATED)	7,889	26,668	36,217
2029 (PROJECTED)	7,540	25,360	34,685



Households

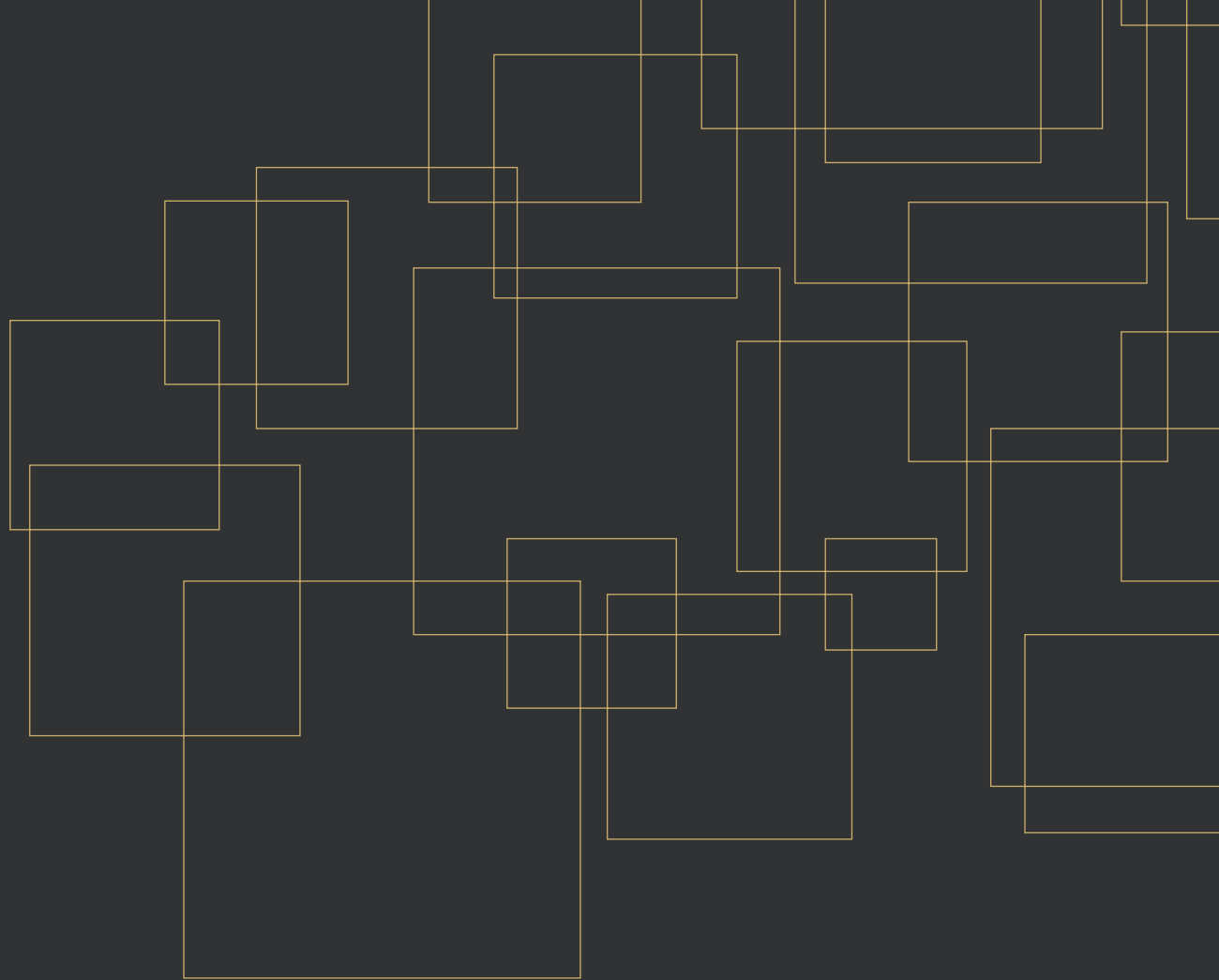
	1 Mile	3 Miles	5 Miles
2024 (ESTIMATED)	3,460	10,664	13,940
2029 (PROJECTED)	3,308	10,148	13,330



Household Income

	1 Mile	3 Miles	5 Miles
2024 AVERAGE (ESTIMATED)	\$96,347	\$101,143	\$105,163
2029 AVERAGE (PROJECTED)	\$99,540	\$104,780	\$109,035





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