



White River Junction

3920 A Street SE, Auburn, WA 98002

Jones Lang LaSalle Americas, Inc. ("JLL")



The OFFERING

At a glance

Jones Lang LaSalle (“JLL”) is pleased to offer for sale the absolute NNN interest in a single-tenant, McDonald’s (the “Property” or “Asset”), located 28 miles south of Seattle in the rapidly growing Federal Way/Auburn submarket. Situated on the East side of A Street, the Asset features a new drive-thru, renovated interior, healthy rental escalations, and and 12 years remaining on the lease. McDonald’s (S&P: BBB+) is well-positioned in a market experiencing stable commercial and residential growth along with upside rental escalation outlined in the lease. This Property represents a truly rare opportunity to purchase a strong national credit tenant with significant intrinsic real estate value and desirable in-place lease economics.

Property summary

Address	3920 A Street SE Auburn, WA 98002
Parcel number	302105-9096
Rentable square feet	2,378 SF
Zoning	C3
Stories	1
Year built / renovated	1993 / 2020
Site area (acres / square feet)	0.43 / 18,616 SF
Access points	4

Property HIGHLIGHTS



Corporate guarantee



Absolute NNN ground lease



Located in a dominant, dual grocery-anchored center



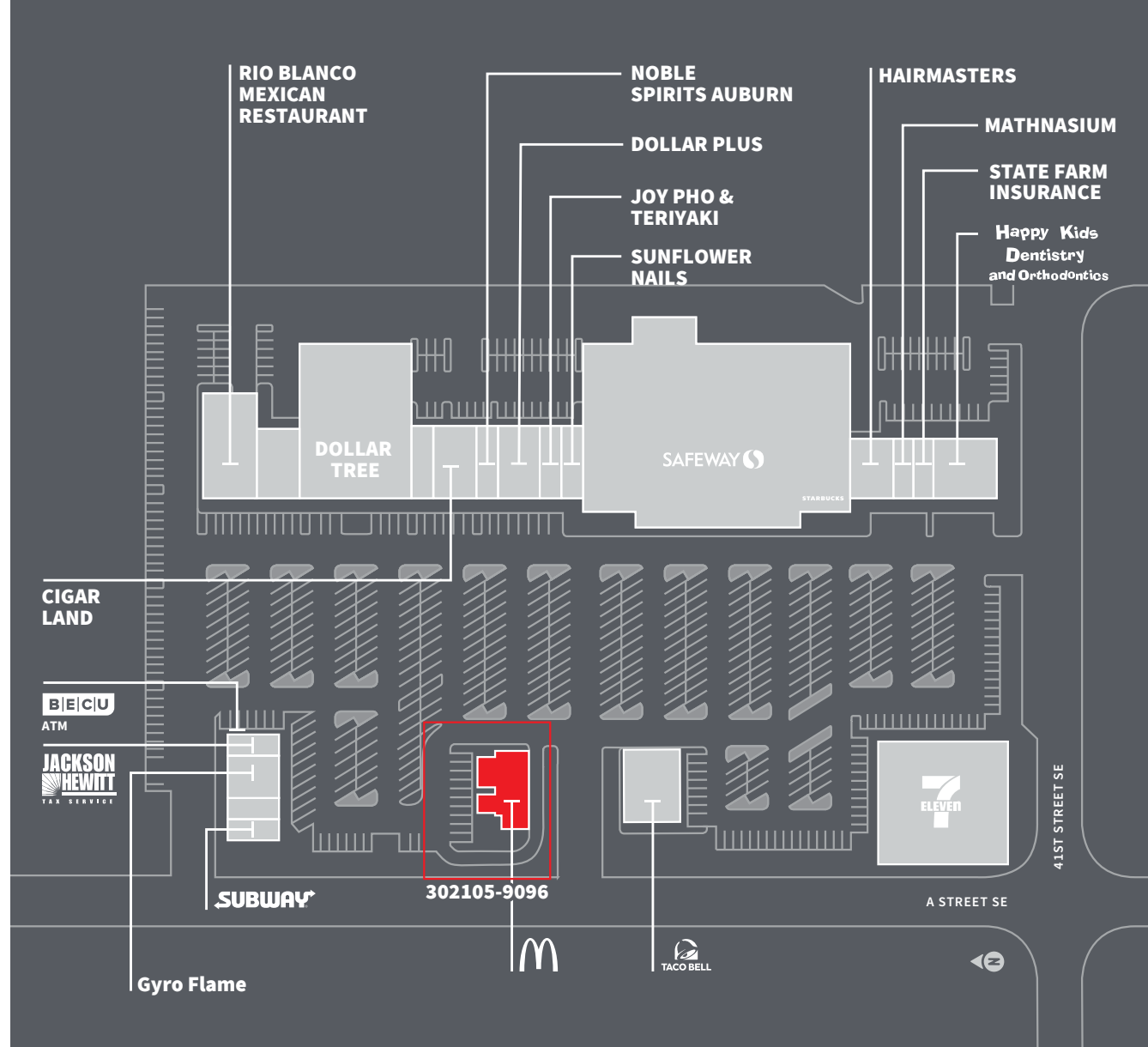
Strong rent growth through the term of the lease



Strong Pacific Northwest market



Below market rents ensure robust long term upside



\$2,182,017

PRICE

\$70,916

CURRENT NOI

3.25%

CAP

**Auburn
Riverside
Highschool**

WHITE RIVER

**Auburn
Washington**
Population: 80,914
Households: 29,220

**White
River
Estates**

**O'Reilly
AUTO PARTS**

**25,990
VPD**

**BNSF
RAILWAY**

**White River
Junction**
SAFeway Rio Blanco
Hair Masters Dollar Tree
Happy Kids Dentistry
Joy Pho & Teriyaki
4 access points
Ample parking



ASTIRET SE

**SAFeway
Distribution
Center**

**Auburn
Manor**

**JACKSON
HEWITT
TAX SERVICE**

**Laurelwood
Mobile Home
Park**



Location **HIGHLIGHTS**

High traffic location with great visibility

The Property benefits from excellent daily traffic counts. Located right off A Street, the average daily traffic volume accounts for 25,990 vehicles. The shopping center offers great accessibility with 2 access points connecting to A Street and 2 connecting 41st Street.

Strong retail presence

Dominant neighborhood center featuring a highly successful Safeway and newly added Dollar Tree. White River Junction is situated in a strong growth market and attracts over 142,800 visitors per year.

Regional access to greater Seattle area

The Property is located 1.6 miles from Highway 167 which runs parallel with Interstate 5 and connects Auburn to the Seattle MSA.

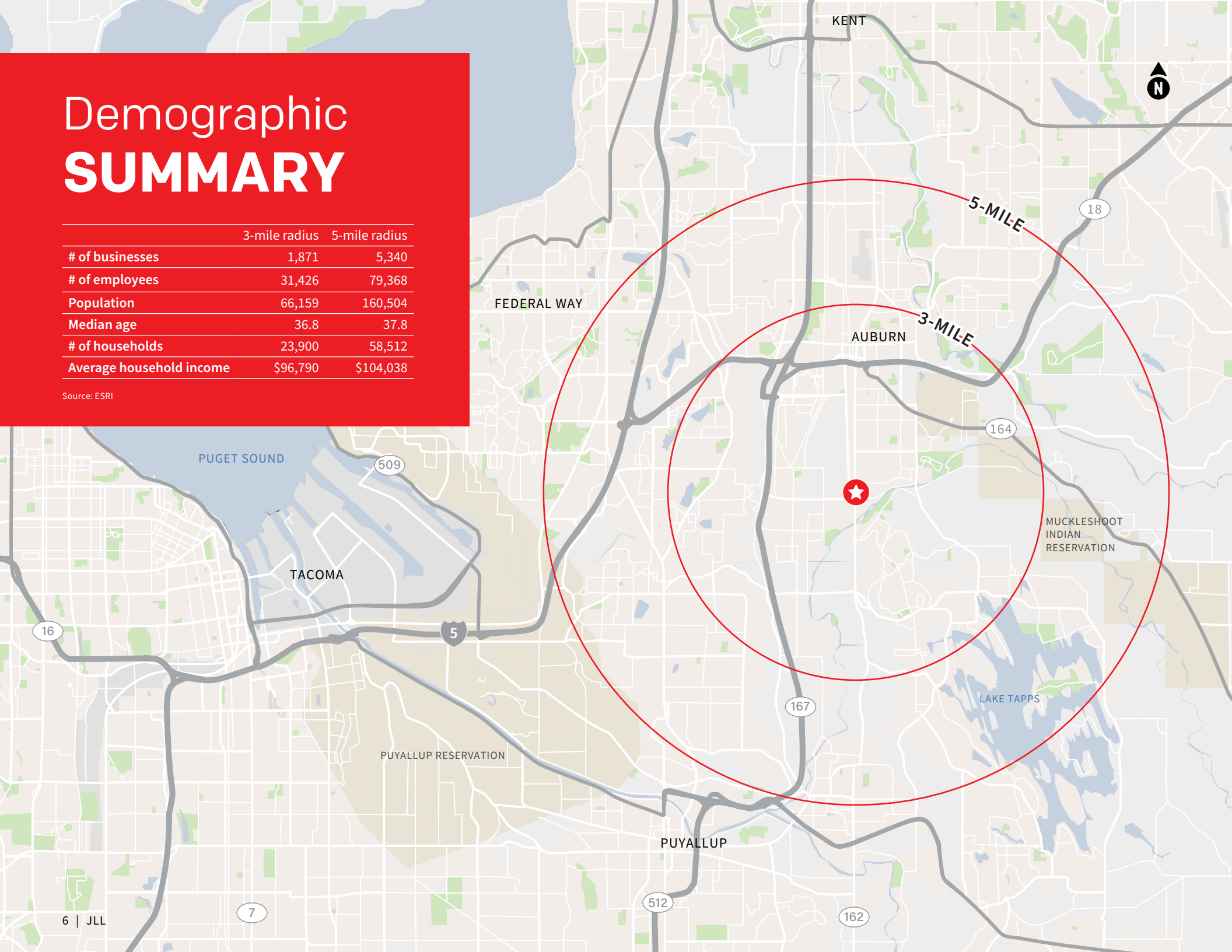
Sources: Placer.ai, Explore Auburn



Demographic SUMMARY

	3-mile radius	5-mile radius
# of businesses	1,871	5,340
# of employees	31,426	79,368
Population	66,159	160,504
Median age	36.8	37.8
# of households	23,900	58,512
Average household income	\$96,790	\$104,038

Source: ESRI





Tenant PROFILE



www.mcdonalds.com

Locations: 38,000+

Founded: 1940

Market cap: \$175.5 B

Headquarters:
Chicago, IL

2021 revenue: \$23.2 B

NYSE: MCD

**Corporate bond
rating:** BBB+

Founded in 1940 by two brothers in San Bernardino, California, McDonald's has become the world's largest fast-food restaurant chain, serving approximately 70 million customers daily across 119 countries. In 2021, McDonald's reported revenues of \$23.2 billion and a market cap of \$175.5 billion.

Operating 38,000 restaurants and employing 250,000+ people around the globe, McDonald's is known for its iconic Golden Arches and menu items featuring the Big Mac, Chicken McNuggets, and Quarter Pounder. With an on-going commitment to innovation and brand adaptation, McDonald's is the most successful fast-food restaurant in the world. With a new "the simpler, the better" philosophy, the restaurant endeavors to make delicious food with only the freshest and highest quality ingredients.

Source: Yahoo Finance

Lease **SUMMARY**

Rent roll

Tenant	SF
McDonald's	2,378

Lease abstract

Tenant	McDonald's Corp.
Lease Guarantor	McDonald's Corp.
Corporate Credit Rating	BBB+
Lease Type	NNN Ground Lease
Lease Commencement	6/22/93
Lease Expiration	5/8/34
Original Lease Term	370 Months
Lease Term Remaining	144 Months
Renewal Options	Two, 5-Year

Rental income schedule

Lease Year	Monthly Rent	Annual Rent
Today - 5/8/2024	\$5,909.63	\$70,915.56
5/9/2024 - 5/8/2029	\$6,086.91	\$73,042.92
5/9/2029 - 5/8/2034	\$6,269.52	\$75,234.24

Option Periods	Monthly Rent	Annual Rent
5/9/2034 - 5/8/2039	\$9,000.00	\$108,000.00
5/9/2039 - 5/8/2044	\$9,900.00	\$118,800.00



Auburn **OVERVIEW**

Known as the gateway to Mt. Rainier, Auburn offers everything for the outdoor enthusiast including bike trails, golf courses, fishing areas, and an extensive parks and trails system. Local attractions include the Emerald Downs racetrack, White River Amphitheater, and Muckleshoot Casino which attracts visitors from the Puget sound area. Auburn is perfectly positioned between the cities of Seattle and Tacoma. A 20-minute car ride from either city and 21 miles from the Seattle-Tacoma International Airport.



MT. RAINIER

Emerald Downs

Emerald downs is a modern, 1-mile racetrack equipped with a grandstand and 11 barns consisting of 116 stalls; this racetrack is fully equipped for large crowds. This thoroughbred racetrack is located a half-mile east of Highway 167 and offers spectators up to 10 races a weekend during the racing season.

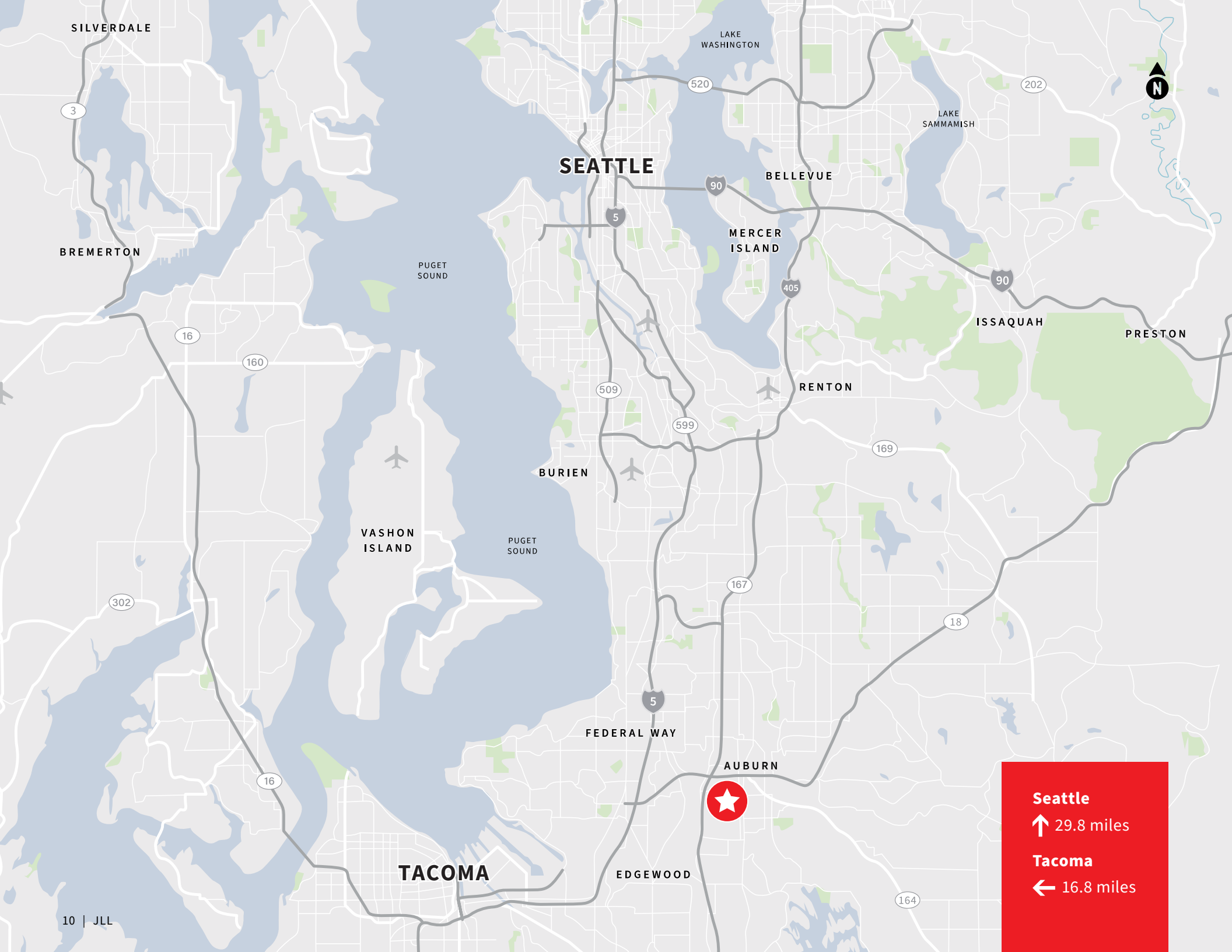
Source: Muckleshoot Casino

White River Amphitheater

Located on the Muckleshoot Indian Reservation, this music venue has been hosting events since 2003. With a capacity of 16,000 seats, this venue has hosted world-renowned artists such as Iron Maiden, Sting, Jimmy Buffet, and the Backstreet Boys. Each year, the amphitheater regularly hosts music festivals such as the Vans Warped Tour, Crüe Fest, Ozzfest, The Mayhem Festival, and many more.

Muckleshoot Casino

Located 2.5 miles from the Property is Muckleshoot Casino, owned and operated since 1995 by the Muckleshoot Indian Tribe. Over the past year, this casino had 276,700 visitors whose average trip length was 190 minutes. Currently under development is the casino's 18-story, 400-room hotel tower which will feature an indoor, climate-controlled pool, spa treatments, and fine dining in their exclusive rooftop restaurant.



Seattle
↑ 29.8 miles

Tacoma
← 16.8 miles

Presented by

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Licensed in WA



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**The outbreak of the COVID-19 virus (novel coronavirus) since the end of January 2020 has resulted in market uncertainty and volatility. While the economic impact of a contagion disease generally arises from the uncertainty and loss of consumer confidence, its impact on real estate values is unknown at this stage.

