



**96TH PERCENTILE STORE WITH 7.5% RENT INCREASES
ABSOLUTE NNN LEASE W/9+ YRS REMAINING**

1700 HIGH STREET, DELANO, CA 93215



J/V OR SALE

KW Commercial Beverly Hills

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Property Overview

KW Commercial is pleased to present for sale the **high-performing single-tenant Smart & Final Supermarket** located at 1700 High Street in Delano, CA. Smart & Final purchased the property in October of 2013, signed a new 20 Year NNN lease via a sale-leaseback structure in 2014, and completely remodeled the interior and exterior of the store prior to opening for business. The property is leased by Smart & Final Stores LLC on a **corporate-guaranteed triple-net lease**. This property has served as a grocery store (formerly Save Mart Supermarket) in the Delano community for over 40 years, reflecting the strength and success of this location. The asset offers investors the opportunity to acquire a successful grocery chain on a long-term lease with **below-market rent** and zero landlord responsibilities.

Per Placer.ai, this store ranks 11/251 and is in the **96th percentile of all Smart & Final stores** nationwide. The nearest Smart & Final locations are in Bakersfield (~37 miles away) and Porterville (~29 miles away).



Smart & Final is the anchor tenant of Delano Village Shopping Center and occupies 33,200 SF of GLA. Additional tenants within the shopping center include Starbucks, O'Reilly Auto Parts, Citizens Business Bank, and AT&T. Delano Village is located **just off Highway 99, the major highway connecting Sacramento to Bakersfield**.

List Price
\$5,325,500

CAP Annual Rent
6.00% \$319,530

Lease Abstract

Tenant Trade Name	Smart & Final Extra!
Lease Start	March 20, 2015
Lease Expiration	March 31, 2035
Lease Term Remaining	9+ Years
Rental Adjustments	7.5% Rent Increases Every 5 Years 4/1/2030: \$343,495
Option Periods	(2) 5-Year & (1) 59-Month Options 7.5% Rent Increases Every 5 Years 4/1/2035: \$369,257 4/1/2040: \$396,951 4/1/2045: \$426,723
Lease Type	NNN Lease
Roof / Structure	Tenant

1700 High Street | Delano, CA

Investment Overview

Investment Highlights

- Approximately 9 Years of Primary Lease Term Remaining
- Absolute NNN Lease Structure with Zero Landlord Obligations
- 7.50% Rent Increases Through Primary Term and Options
- Low In-Place Rent of \$9.62 psf
- Smart & Final Stores, LLC Corporate Guaranteed Lease
- Parent Company Chedraui USA / Grupo Comercial Chedraui is Also Parent Company of El Super
- 33,200 SF Building Situated on 3.37 Acres of Land
- Anchor Tenant within Delano Village Neighborhood Shopping Center
- Completely Renovated in 2014 (New 20 Year Lease Signed)
- 96th Percentile Ranking Per Placer.ai (11 out of 256 Stores)
- Building Has Been Occupied by a Grocery Store (Former Save Mart Supermarket) for 40 Years

For a Smart & Final store in a shopping center with about nine years left on the lease, the cap rate typically falls between 5.0 and 5.5 percent if the lease is strong and in a prime location. In recent years, similar deals have been around 5.4 to 6.0 percent. If the lease terms are weaker or the market is less ideal, the cap rate could rise above 6 percent.

Building Size Land Size
33,200 SF 3.37 Acres
APN
411-160-03-00-2



Tenant Overview

Smart & Final

Smart & Final is a food retailer that operates over 250 stores, has approx. 11,000 employees, and achieved over \$3.1 Billion in revenue in 2022. The chain operates stores in California, Arizona, Nevada, and northern Mexico.

In 2021, Mexican supermarket operator Chedraui announced its intent to acquire Smart & Final for approximately \$620 Million. Subsequently, Bodega Latina changed its name to Chedraui USA / Grupo Comercial Chedraui, a publicly traded Mexican grocery operator (the third largest retailer in Mexico), the parent company of Hispanic grocer El Super.

El Super is the largest Hispanic grocer in the U.S. with over 375 stores.



Smart & Final Extra! debuted in 2008. These are larger stores with a broader range of products for household customers.



1700 High Street | Delano, CA



Market Overview

Kern County

Kern County encompasses diverse landscapes in the Southern San Joaquin Valley, Tehachapi and Sierra Nevada mountain ranges and the Western Mojave Desert. Spanning 8,161 square miles, Kern ranks as California's third largest county by area. Kern County boasts an estimated population of 923,961 residents.

The county's economy is historically intertwined with agriculture and petroleum extraction, yet it is also a significant producer of natural gas, hydroelectric power, biomass, solar, and wind power. The eastern side of Kern County hosts strong presences in experimental aviation, spaceports, and hosts two large military bases.

With its strategic location, Kern County is emerging as a vital distribution hub, offering easy access to Southern California, the San Francisco Bay Area, the western coastline, and routes to eastern markets.





Population	3-Mile	5-Mile	10-Mile
Estimated Population (2025)	46,034	52,322	78,889
Projected Population (2030)	47,031	53,325	80,301



Households	3-Mile	5-Mile	10-Mile
Estimated Households (2025)	12,022	12,145	18,710
Projected Households (2030)	12,459	12,586	19,349



Income	3-Mile	5-Mile	10-Mile
Avg. Household Income (2025)	\$78,352	\$78,366	\$74,085
Median Household Income (2025)	\$63,637	\$63,633	\$60,045



Business Facts	3-Mile	5-Mile	10-Mile
Total # of Businesses (2025)	1,094	1,188	1,498
Total # of Employees (2025)	10,359	14,482	17,900

