



VALU FOOD FESTIVAL



LOCATION:	Severna Park, Maryland
SALE PRICE:	\$7,050,000
GROSS LEASABLE AREA:	114,748 square feet
PRICE / SQUARE FOOT:	\$61.44
CAP RATE:	11.25%
OCCUPANCY:	88%
ZONING:	N/A
LAND AREA:	10.18 acres
PRICE / LAND SQUARE FOOT:	\$15.90
SELLER:	MetLife Realty
MAJOR TENANTS:	Valu Food Revco
CLOSING ISSUES:	Credit of Anchor Location (below road) Environmental Contamination Vacancy

PROJECT SUMMARY:

During due diligence, purchaser conducted a Phase II Environmental investigation which detected ground water contamination on the property caused by the gasoline station across the street on a higher grade than the shopping center. The anchor tenant, Valu Food, is a Baltimore, Maryland grocery store chain with fourteen locations. There was concern from lenders regarding the long-term viability of the cash flow stream from this tenant. The property sits approximately one-story below grade of the adjacent highway. While visibility of the large tenant sign band is unobstructed, smaller tenants do not enjoy unobstructed views of passing vehicles.