COBORN'S GROCERY INVESTMENT

621 6th Avenue SE · Aberdeen, South Dakota



Bender
COMMERCIAL

EXCLUSIVE OFFERING MEMORANDUM

LONG-TERM ABSOLUTE NET GROCERY INVESTMENT OPPORTUNITY

$5,250,000 · 6.57% CAP RATE

INVESTMENT HIGHLIGHTS



PRICE: $5,250,000
6.57% CAP RATE

INVESTMENT HIGHLIGHTS

- Long-Term Absolute Net Grocery Investment Opportunity
- 8 yrs remaining on initial term
- Six (6) 5 yr renewal options with 5% term increases
- Below market rents ($6.16/SF)
- New roof in 2026
- Exterior remodeled in 2022
- Opportunity to acquire a 100% leased, single-tenant investment

Information herein deemed reliable, but not guaranteed.

PROPERTY DETAILS

PROPERTY ADDRESS	621 6th Ave SE Aberdeen, SD
COUNTY	Brown
YEAR BUILT	1959
YEAR REMODELED	2022
ZONING	C-2 Commercial
BUILDING SIZE	53,840 SF
LOT SIZE	4.64 acres
PARKING	Concrete Lot 250 Stalls
REAL ESTATE TAXES 2025 PAYABLE 2026	$70,882 (Total)

RECENT CAP EX

- Exterior remodel - 2022
- Roof - 2026



Information herein deemed reliable, but not guaranteed. Square footages based on lease information.

TENANT OVERVIEW



Coborn's, Inc. is a privately held, employee-owned grocery retailer headquartered in St. Cloud, Minnesota. Founded in 1921, the company is led by Chairman and Chief Executive Officer Chris Coborn, a fourth-generation family leader, and President Emily Coborn Wright, who assumed the role in 2025. Employees became co-owners through an Employee Stock Ownership Plan (ESOP) established in 2006.

Coborn's employs nearly 10,000 people and operates 79 grocery stores and more than 135 retail locations across six states, supported by its own central bakery and grocery distribution center. *Progressive Grocer* ranked the company No. 84 on its 2024 list of North America's top 100 food and consumables retailers.

The subject property at 621 6th Avenue SE in Aberdeen, South Dakota, operates as Kessler's Food and Grocery. The Kessler family operated the business for 86 years before Coborn's, Inc. acquired it in 2025, retaining the Kessler's name and its employees. Amenities include an in-store Caribou Coffee counter.

Information herein deemed reliable, but not guaranteed.

PROPERTY PHOTOS

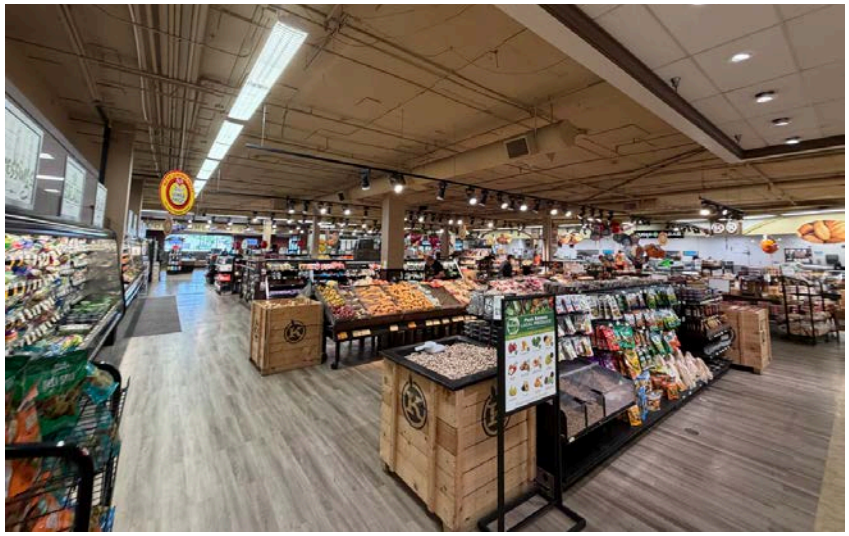




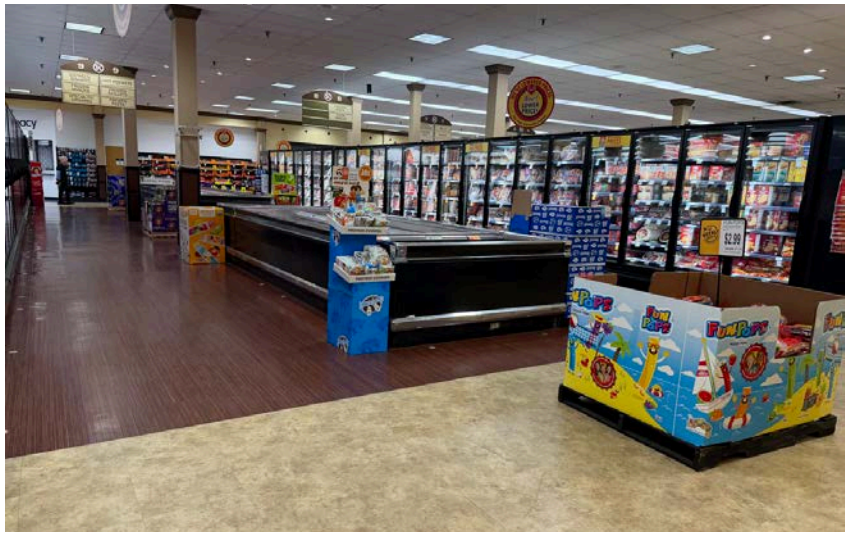


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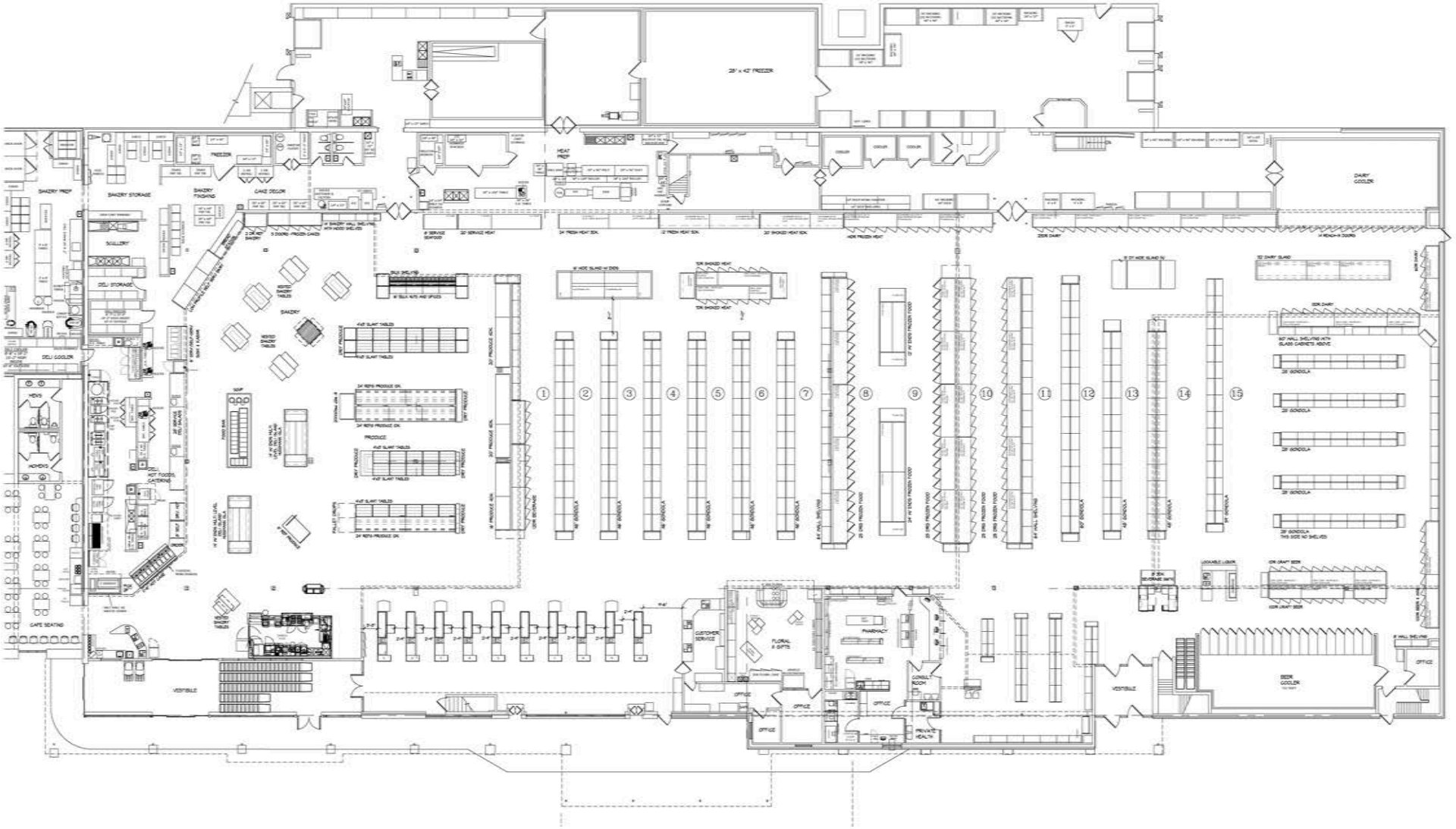






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BUILDING FLOORPLAN



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RENT SCHEDULE



LEASE TERMS

- Ten (10) years commencing April 28, 2025 and expiring April 28, 2035
- Six (6) 5-year renewal options with 5% escalators

YEARS	ESCALATOR	BASE RENT
1-10	–	$345,000.00
11-15	5%	$362,250.00
16-20	5%	$380,362.50
21-25	5%	$399,380.63
26-30	5%	$419,349.66
31-35	5%	$440,317.14
36-40	5%	$462,333.00

RENEWAL OPTIONS

- Six (6) options of five (5) years each — up to 30 additional years (40 years total)
- Notice: 180 days' advance written notice required to exercise
- If not renewed: converts to month-to-month tenancy at 120% of then-current Base Rent; Landlord may actively market the property

Information herein deemed reliable, but not guaranteed.

LOCATION HIGHLIGHTS

Aberdeen is South Dakota's third-largest city and the trade and industry hub of the James River Valley. The city has grown more than 10% since 2000 to an estimated 27,961 residents, supported by a diversified employer base including 3M, Sanford Aberdeen Medical Center, Avera St. Luke's Hospital, and Northern State University. Local unemployment was 2.2% in August 2026.

The property fronts 6th Avenue SE (U.S. Highway 12), Aberdeen's primary east-west commercial corridor, which also connects to U.S. Highway 281. The site sits just southeast of downtown on the same corridor that leads east to uptown Aberdeen and the Sanford Health campus.

Neighboring businesses along 6th Avenue SE include:

- Quick-service restaurants: Pizza Hut, Jimmy John's, Arby's, and McDonald's
- Convenience and fuel: Kessler Fuel and The Wolf Stop



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5 MILE DEMOGRAPHICS

KEY FACTS

30,602
Population

2.2
Average Household Size

37.6
Median Age

$74,883
Median Household Income

BUSINESS

1,744
2026 Total Businesses (NAICS)

21,847
2026 Total Employees (NAICS)

EMPLOYMENT

White Collar 58.0%

Blue Collar 23.8%

Services 18.2%

3.1%
Unemployment Rate

INCOME

$74,883
Median Household Income

$42,881
Per Capita Income

$192,977
Median Net Worth

EDUCATION

5.5%
No High School Diploma

27.8%
High School Graduate

28.3%
Some College/ Associate's Degree

38.4%
Bachelor's/Grad/ Prof Degree

HOUSING STATS

$270,559
Median Home Value

$10,687
Average Spent on Mortgage & Basics

$648
Median Contract Rent

Information herein deemed reliable, but not guaranteed.

FOR MORE INFORMATION, CONTACT:



REGGIE KUIPERS, SIOR

605-496-2966

reggie@benderco.com

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305 West 57th Street, Sioux Falls, South Dakota 57108 · benderco.com