

# Tucson Safeway Store Sells for \$8.9 Million



TUCSON, ARIZONA – Safeway Store #1255 in Tucson’s Casas Adobes’ neighborhood sold for \$8.9 million (\$191 PSF) to a New York investment firm as part of a 71-store, sale-leaseback agreement.

The deal for the Safeway at 7110 N Oracle Road in Tucson. closed on July 1st. The buyer was CF Albert Propco III LLC, an affiliate of New York City-based Fortress Investment Group.

Under an agreement inked in 2017, the grocery store will remain open and will lease the property as opposed to owning it. The 47,000-square-foot Safeway includes a pharmacy and a Starbucks at this location that sits on 4.59 acres. It anchors the well-positioned La Toscana Village shopping center at the gateway to Oro Valley, on the “going home” side of Oracle and Ina Roads.

Co-tenants at La Toscana include Walmart, PetSmart, Beyond Bread, Wells Fargo, Bank of America, Pita Jungle, Jenny Craig, Sola Salon, Cost Cutters, Sparkle Cleaners and Honey Baked Ham. Pete Villaescusa and Jesse Peron of CBRE handle the leasing of the inline shops at this busy center.

Fortress an affiliate of SoftBank operates within SoftBank as an independent business headquartered in New York. Fortress Principals Pete Briger, Wes Edens and Randy Nardone continue to lead Fortress. SoftBank is committed to maintaining the leadership, business model, brand, personnel, processes and culture that have supported Fortress’s success to date.

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Safeway merged with Albertsons Companies in 2014 and came to an agreement with the investment firm to sell off 71 store properties for about \$720 million. Under the agreement, the grocery store chain owner would lease back those properties on 20 year terms, **according to an SEC filing.**

As of February 23, 2019, the company operated 2,269 stores across 34 states and the District of Columbia under 20 well-known banners, including Albertsons, Safeway, Vons, Jewel-Osco, Shaw's, Acme, Tom Thumb, Randall's, United Supermarkets, Market Street, Pavilions, Star Market, Carr's and Haggen as well as meal kit company Plated. The company includes 1,739 pharmacies, 1,282 in-store branded coffee shops and 397 adjacent fuel centers.

There are 138 Safeway locations in Arizona, including 12 in Tucson.