

**Burlington**  
coat factory

**24** HOUR **FITNESS**

**PartyCity**

**WinCo**  
FOODS

**CVS**  
pharmacy



**NKF**  
CAPITAL MARKETS

42400

**Marshalls**

**Marshalls**

**Marshalls**

New **10 Year Term**  
Exceptional Freeway Accessible Regional Location  
Strong Credit Backed Leases

**Marshalls**

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42400

Marshalls

Marshalls





# INVESTMENT

*SUMMARY*

# INVESTMENT SUMMARY

The NKF Capital Markets team is pleased to present the opportunity to acquire an excellent single tenant, NNN asset located in one of the most dominant shopping centers in the Coachella Valley. The subject property features a brand new 22,000 square foot Marshalls, located at the Jackson Street on/off ramp to the I-10 Freeway in the City of Indio.

The building is located within the Indio Towne Center, a 600,000 square foot regional shopping center anchored by Home Depot, WinCo, CVS, Party City, Marshalls and Burlington Coat Factory. WinCo operates their only store in the Coachella Valley at this location enhancing the daily needs draw to the project.

Marshalls recently executed a new 10-year deal with (4), five-year options to extend their term demonstrating their long term future commitment to this location. Servicing the greater Coachella Valley with a population base in excess of 500,000 residents, the Indio Towne Center is the premier shopping center destination for soft goods, specialty retail, home goods, health and wellness, restaurant and dining.

The historical success and desirability of the center can be attributed in great part to the regionally accessible location and identity along the I-10 Freeway, as well as the excellent demographic characteristics of the primary trade area. There are over 140,000 residents with average household incomes in excess of \$84,000 per year within a five-mile radius of the property. In addition, Indio is home to the region's largest full time population base with over 90,000 permanent residents.

Marshalls in Indio is an ideal property for 1031 exchange buyers or private investors looking for credit, stability, strong yield, limited management, and predictable income growth. In addition, the retailer mix in the center and drawing power of Home Depot, 24 Hour Fitness, CVS, WinCo and others provide tremendous identity to the center which make the opportunity even more appealing.





# INVESTMENT HIGHLIGHTS

## Established & Successful Location

- Indio Towne Center is the largest regional shopping center servicing the east end of the Coachella Valley
- Marshalls is surrounded by “best-in-class” co-tenants including Home Depot, Winco, CVS, Party City, and 24 Hour Fitness enhancing the membership draw
- Limited discount retailer competition in the submarket

## Stable Credit Tenants

- Marshalls, owned by TJX Companies, has over 1,000 American stores covering 42 states and Puerto Rico and 61 stores in Canada
- Marshalls is the U.S.’s second largest off-price family apparel and home fashion retailer, behind TJ Maxx

## Great Trade Area Dynamics

- Stable year-round population base estimated to be  $\pm$  90,000 residents, growing to an estimated 120,000 in the winter months
- Over 500,000 residents in the Coachella Valley
- Indio continues to experience stable residential growth and is one of the fastest growing cities in the Coachella Valley, and currently has over 65% owner occupied housing

- Indio is the best known for being “The City of Festivals” with a very strong tourism base derived from such events as Coachella and Stagecoach. These two festivals alone are estimated to have an approximate financial impact of \$403,000,000 in the Coachella Valley

## Exceptional Freeway Identity & Access

- Marshalls sits in the epicenter of the shopping center and can be seen from the I-10 Freeway, carrying over 150,000 CPD
- Prominent pylon sign provides tremendous visibility and tenant identity with Marshalls placated on the sign
- Convenient east/west freeway on and off ramps that feed directly into Indio Towne Center
- Excellent ingress and egress to the shopping center

## Offered Free & Clear of Existing Debt

- Offered free and clear of debt allowing an investor to acquire all cash or cash to new loan
- Ideal 1031 Exchange opportunity

# OFFERING SUMMARY

42450 Jackson St., Indio, CA 92203

PRICE



**\$5,170,000**

NOI



**\$258,500**

CAP RATE



**5.00%**

OFFERED GLA



**±22,000 SF**

OFFERED LAND



**±0.51 Acres**

YEAR BUILT



**2019**









# REGIONAL AERIAL





# PROJECT AERIAL



137 unit gated community  
by **DR HORTON**



**FUTURE RESIDENTIAL**  
82 Homes





# REGIONAL AERIAL



THE MADISON CLUB

EMPIRE POLO GROUNDS

INDIO

LA QUINTA

HERITAGE PALMS GOLF CLUB

INDIAN WELLS

Walmart

10

Treasure Hunt  
TRACTOR SUPPLY CO.

verizon  
CHASE  
at&t  
SALLY

BIG LOTS  
ROSS  
DOLLAR TREE  
verizon

24 FITNESS

Marshall's Burlington  
CVS pharmacy WinCo FOODS petco  
ULTA BEAUTY SUBWAY five BELOW  
PartyCity IHOP  
Bright Now! DENTAL Panda Express Starbucks McDonald's  
KFC Chevron Jack In the Box

INDIO TOWNE CENTER

JACKSON ST

Walgreens  
Gaby's

GENERATIONS HOUSING DEVELOPMENT

AutoZone

AVENUE 42



137 unit gated community  
by DR HORTON

FUTURE RESIDENTIAL  
82 Homes



42ND AVE.

JACKSON ST.

24,375 SF

ULTA  
cosmetics

five  
BELOW

Marshalls

6,000 SF  
Retail Agent Office

Burlington

WinCo  
FOODS

petco

Party City

24 FITNESS

RAMONA TIRE

CVS  
pharmacy

IHOP

SUBWAY

STARBUCKS  
COFFEE

Chevron

McDonald's

Jack  
in the box

KFC

TACO BELL

PANDA EXPRESS

10

**LEGEND:**

- SUBJECT PROPERTY
- LAND
- NAP

\* In lease negotiation

42400

Marshall's



Marshall's





# AREA

## *OVERVIEW*





# INDIO OVERVIEW

The City of Indio has historically been the center of commercial activity in the vibrant Coachella Valley which is approximately 130 miles east of the Greater Los Angeles Area. Supported by the highest population growth of all Coachella Valley cities, the City of Indio is a strong, dynamic, and vibrant market led by young families in the prime of their consumption cycle and a highly stable workforce. The City of Indio is also a top entertainment destination with a number of world renowned music and cultural festivals and sporting events.

## KEY FACTS


-  Indio, with an estimated 2018 base population of 89,793 residents, is the largest of the nine municipalities that comprise of the Coachella Valley region, one of the most vibrant and dynamic commercial destinations in Southern California.
-  The Indio market features a well-balanced and diverse patronage base of regional, local and seasonal residents, international tourists and highway travelers.
-  Indio hosts major cultural and music festivals annually, and serves as the focal point for 12 million visitors destined to Coachella Valley each year.
-  Indio is the commercial epicenter of the high population growth areas projected for the East Coachella Valley region.
-  Indio is projected to serve a regional trade area population base of 298,000 residents by the year 2025, a growth of 37% over the next decade.





# COACHELLA VALLEY CITIES

## POPULATION



Indio	76,036
Indian Wells	4,958
Rancho Mirage	17,218
Desert Hot Springs	25,938
La Quinta	37,467
Coachella	40,704
Palm Springs	44,552
Palm Desert	48,445
Cathedral City	51,200



The Indio commercial patronage base is supplemented by 30,000 affluent seasonal residents annually.



The Indio trade area retail and leisure spending exceeds \$1.78 billion in 2013 and is projected to grow to \$3.3 billion by 2025.



The retail, commercial and hospitality sectors of Indio are also well positioned to benefit from the \$3.5 billion of annual tourism spending conducted within Coachella Valley.

## COACHELLA VALLEY

The ultimate work/play destination, the Coachella Valley - also known as Greater Palm Springs - is the sweet spot of Southern California. Famous for its year round sunshine and idyllic quality of life, and powered by tourism, retail and agriculture, this bright region is proving itself as a fertile ground for innovation in clean energy, technology, healthcare, arts, media, and entertainment.

The region offers unparalleled quality of life, robust incentives, a ready workforce, and affordability. It's situated two hours from Los Angeles, Orange County and San Diego and within only a few hours of Las Vegas and Phoenix by car. Palm Springs International Airport offers direct flights to cities throughout the United States and Canada.

The Coachella Valley has a population of 346,000. State projections estimate that the valley's population will pass 500,000 by the year 2020 and 1 million by 2066. Demographers believe the total population already surpassed the 500,000 mark, plus 100,000 temporary seasonal residents known as "snowbirds" arriving to stay during the winter months (from the end of October to the end of April).







# DEMOGRAPHICS

Within 5 Miles

## POPULATION



140,920

## DAYTIME POPULATION



39,683

## AVERAGE HH INCOME



\$84,991

## MEDIAN AGE



34

## FAMILIES



33,892

## HOME OWNERS



28,633



JACKSON ST. & ATLANTIC AVE.

**18,951**

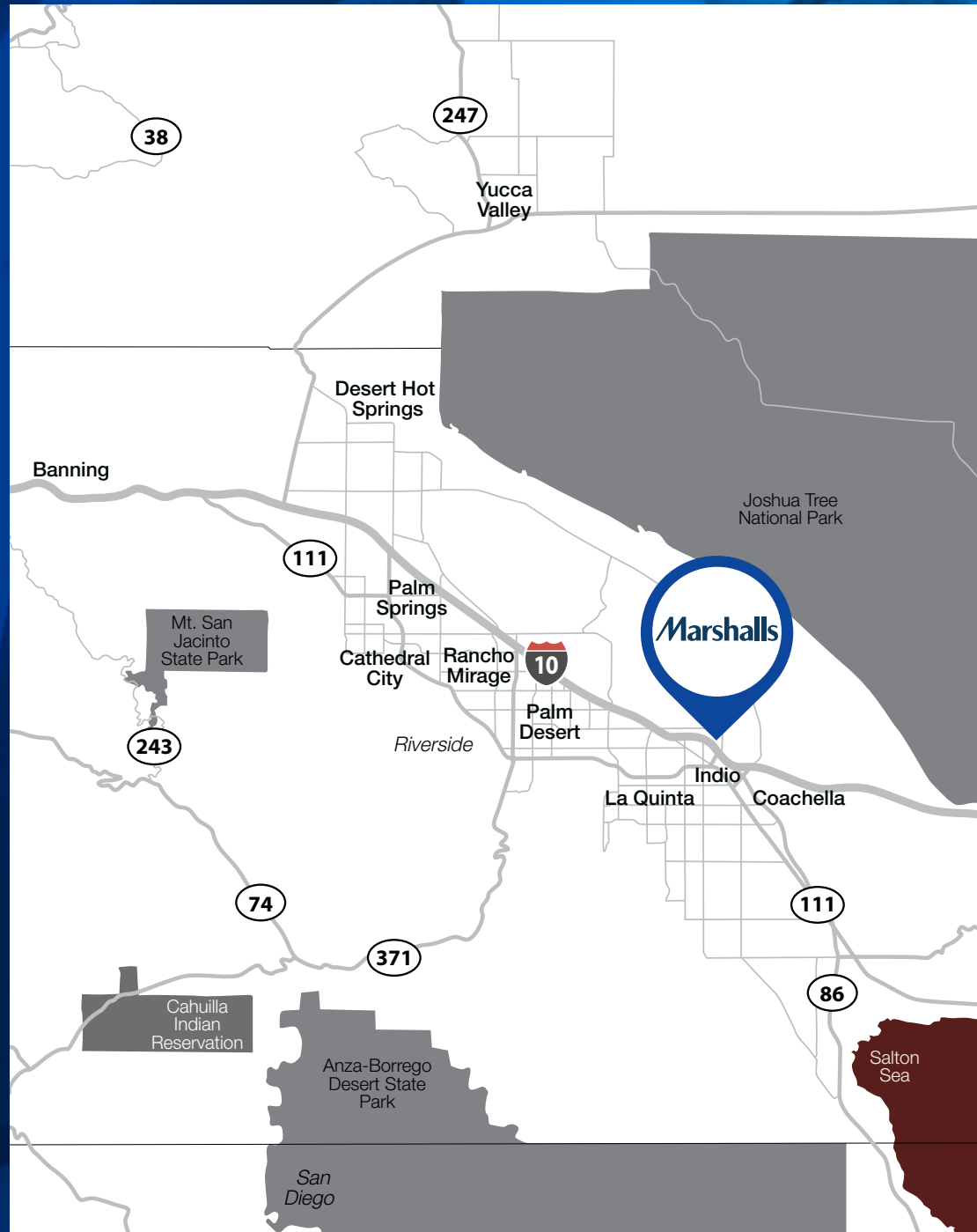
Cars per day



I-10 & JACKSON ST.

**60,000**

Cars per day





42400

# Marshalls

Marshalls

Marshalls

Marshalls



# PROPERTY

## *DESCRIPTION*



42400

Marshalls

Marshalls





# PROPERTY OVERVIEW

42450 JACKSON ST., INDIO, CA 92203

## PRICE



**\$5,170,000**

## CAP RATE



**5.00%**

## NOI



**\$258,500**

## OFFERED GLA



**±22,000 SF**

## OFFERED LAND



**±0.51 Acres**

## YEAR BUILT



**2019**

## ZONING



**Commercial**





INDIO  
*Towne Center*

NOW  
HIRING  
**Burlington**  
NOW  
OPEN

**ULTA**  
BEAUTY

**Marshalls**

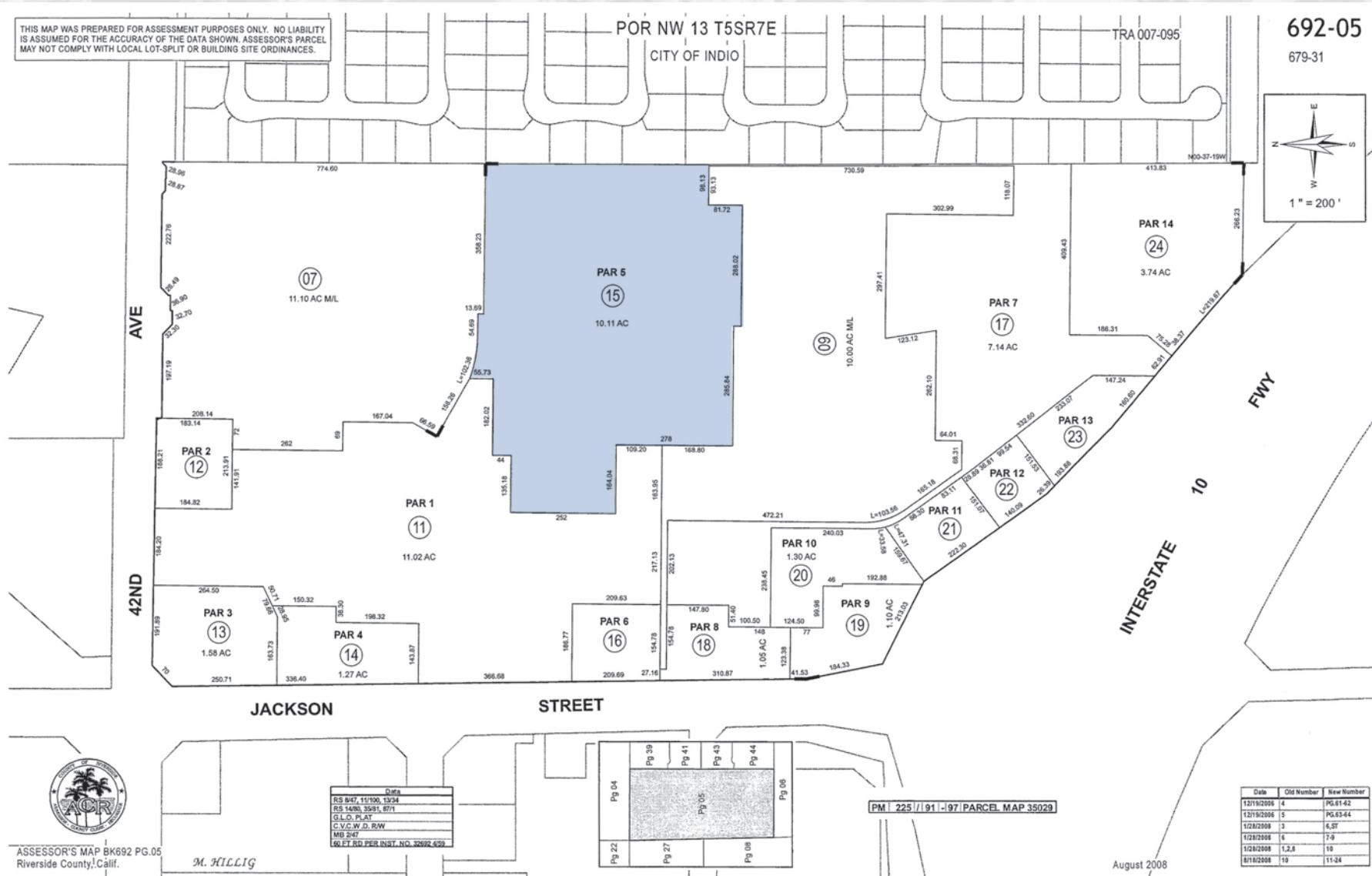
**petco** 

**Yogurtland**

**YOUR PIE** 



# PARCEL MAP





42400

Marshalls

Marshalls







# TENANT

## *OVERVIEW*







# Marshalls

Marshalls is a chain of American off-price department stores owned by TJX Companies. Marshalls has over 1,000 American stores, including larger stores named Marshalls Mega Store, covering 42 states and Puerto Rico, and 61 stores in Canada. Marshalls first expanded into Canada in March 2011. Marshalls is the U.S.'s second largest off-price family apparel and home fashion retailer, behind its sister company, TJ Maxx. Its slogans are Your Surprise Is Waiting and Never Boring, Always Surprising.

The TJX Companies, Inc. (NYSE: TJX), the leading off-price apparel and home fashions retailer in the U.S. and worldwide, is ranked 85 among Fortune 500 companies and operates four major divisions: Marmaxx, HomeGoods, TJX Canada, and TJX International (comprised of Europe and Australia). As of February 3, 2018 (the end of the fiscal year), TJX sales were \$35.9 billion, and the Company operated more than 4,000 stores in nine countries, across three continents.



**\$33.18 BILLION**  
Revenues



**56+**  
Locations



**1981**  
Founded



**PRIVATE**  
Stock Ticker



**ONTARIO, CA**  
Headquarters







# FINANCIAL

## *SUMMARY*

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# RENT ROLL

TENANT	SF	LEASE START	LEASE END	INCREASES	MONTHLY	ANNUAL	\$/SF/YR	OPTIONS
Marshalls	22,000	5/1/19	4/28/29	Current	\$21,542	\$258,500	\$11.75	Four (4) Five (5) Year
				4/30/24	\$22,458	\$269,500	\$12.25	
				Option 1	\$23,375	\$280,500	\$12.75	
				Option 2	\$24,292	\$291,500	\$13.25	
				Option 3	\$25,208	\$302,500	\$13.75	
				Option 4	\$26,125	\$313,500	\$14.25	
Totals	22,000				\$21,542	\$258,500		





# LEASE ABSTRACT

TENANT	<b>Marshalls</b>
LEASE TYPE	NNN
LEASE COMMENCEMENT	5/1/19
LEASE EXPIRATION	4/28/29
PRIMARY TERM	10 Years
OPTIONS	Four (4) Five (5) Year
CURRENT BASE RENT	\$258,500
PROPERTY TAXES <sup>(1)</sup>	TT pays LL Pro-rata share of RET
INSURANCE <sup>(2)</sup>	NNN; LL Shall Maintain
UTILITIES	Tenant shall maintain direct
CAM <sup>(3)</sup>	NNN + \$1,500 Annual Admin
LANDLORD OBLIGATION	Foundation, roof, exterior

<sup>(1)</sup> Tenant shall cover any increases in RET upon “change in ownership” for first two (2) transfers w/in 10-year period; and one (1) transfer every (5) years thereafter.

<sup>(2)</sup> Landlord shall maintain general liability insurance in amounts of not less than \$2,000,000 combined single limit per occurrence for bodily injury and property damage and \$3,000,000 aggregate limit per location.

<sup>(3)</sup> Tenant has CAP on CAM; pg. B-6 of lease agreement; Admin fee increases by \$500 every (5) years.





# DISCLAIMER

Newmark Knight Frank, exclusive marketing representative of the Seller, is solely authorized to present this property investment offering (the "Offering"). This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of (the "Property").

Prior to submitting an offer to purchase the Property, interested parties should perform and rely upon their own investigations, analyses, estimates and projections and otherwise satisfy any concerns regarding material aspects of the proposed transaction including, but not limited to, legal, municipal, environmental, operational, seismic, financial and physical issues, and all other matters affecting or pertaining to the Property. The Seller will be offering the Property including all appurtenances and tenant improvements, solely on an "As-Is, With-All-Faults" basis, without any representations or warranties. No person is authorized to make any representations or warranties on behalf of the Seller regarding the Property. Any and all information regarding the Property provided to any interested party by the Seller or Newmark Knight Frank, including all information contained in the Offering, is provided without any representation or assurance, express or implied, regarding the accuracy, completeness or current status of applicability of such information. Each interested party is expected to undertake such reviews and investigations and make such inquiries as such party may believe to be necessary, appropriate or advisable for the purpose of forming a decision to make an offer to acquire the Property.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or to terminate discussions with an entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

The material contained herein is confidential and is presented strictly as information for the exclusive use of the prospective purchaser. Receipt and review of this Offering by the prospective purchaser constitutes an agreement not to divulge, share or distribute the information to any other party, except the prospective purchaser's legal counsel and financial advisors, without the prior specific written authorization of the Seller or Newmark Knight Frank. Each prospective purchaser shall also agree to and comply with the provisions of the confidentiality agreement executed by such prospective purchaser prior to receipt of this Offering.

This Offering is submitted subject to errors, changes, omissions, changes in price, market and other conditions. It contains selected information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information that prospective purchasers may desire. It should be noted that any and all market analyses, estimates and projections contained in this Offering are provided for general reference purposes only and are based on assumptions related to the general economy, competition, real estate market trends, and other factors beyond the control of the Seller or Newmark Knight Frank.

Such analyses, estimates and projections are therefore subject to material variation, and may not be consistent with the views or assumptions held by other professionals.

PHOTOCOPYING OR OTHER DUPLICATION OF THIS OFFERING IS NOT AUTHORIZED

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