



**PLANET FITNESS**  
601 EAST LLANO ESTACADO BLVD.  
CLOVIS, NM 88101

**CBRE** | **OFFERING**  
MEMORANDUM



## PRESENTED BY:

### IAN SCHROEDER

Senior Vice President  
Investment Properties  
Lic. 01497897  
+1 949 438 1002  
ian.schroeder@cbre.com

### MELISSA LEY

Associate  
Investment Properties  
Lic. 01984445  
+1 949 725 8617  
melissa.ley@cbre.com

NM Brokers of Record:

### LIA ARMSTRONG

CBRE - Albuquerque, NM  
Lic. 16496  
+1 505 837 4999  
lia.armstrong@cbre.com

### JIM DOUNTAS

CBRE - Albuquerque, NM  
Lic. 45995  
+1 505 837 4999  
jim.dountas@cbre.com

*\* This listing will be sold through the New Mexico license real estate agents listed above. All questions, comments or other communications should be directed to Lia Armstrong & Jim Dountas.*







# TABLE OF CONTENTS

Investment Highlights .....	4
Tenant Overview .....	5
Property Overview .....	6
Area Overview.....	10
Demographics .....	15

## INVESTMENT HIGHLIGHTS

- The tenant's parent company is ECP-PF Holdings Group, Inc., **one of the largest Planet Fitness franchisees with 107 locations in CT, NY, NM, AZ and western Canada.**
- There is a 2,047 SF vacancy in the property that includes a drive-thru, **providing the landlord with future upside potential.**
- The lease structure is **double net (NN), with some landlord responsibilities.** Please see Page 9 of the OM for details.
- There are **seven (7.4) years remaining on the lease term**, plus two (2), five (5) year options.
- The lease provides for **10% rental increases every five (5) years.**
- There are **44,320 residents located in the five (5) mile demographic ring.**
- The subject property is located in Clovis' popular retail corridor. Nearby national tenants include **Walmart Supercenter, Applebee's, Buffalo Wild Wings, Dollar Tree, McDonald's, Dollar Tree and Lowe's, among many others.**
- Southwest Cheese Company LLC is one of the **largest and most successful cheese and whey protein manufacturers in the world, and is located just 9 miles (18 minutes) from the subject property.** The company processes over 3.8 billion pounds of milk and produces in excess of 388 million pounds of superior block cheese and 29.1 million pounds of high value-added whey proteins powders each year.
- The city of Clovis is the **county seat of Curry County.**
- The Clovis Municipal Airport (CVN) **flies 12 weekly round trips to Dallas/Fort Worth** and is located just 8 miles (13 minutes) from the subject property.

### INVESTMENT SUMMARY

Offering Price .....	\$4,086,000
Cap Rate.....	8.00%
Price/SF .....	\$236.39
Lease Structure .....	NN
Current NOI .....	\$326,908
Planet Fitness GLA .....	17,285 SF
Total Building GLA .....	19,332 SF
Lot Size.....	2.343 acres
Ownership .....	Fee Simple





## TENANT OVERVIEW

### About Planet Fitness

Planet Fitness was founded in 1992, in Dover, NH. In the beginning, it operated much like every other gym in its small hometown and catered to the same small percentage of the population in the U.S. who worked out and belonged to a health club.

The owners of Planet Fitness quickly recognized that there was a greater opportunity to serve a much larger segment of the population. They asked themselves, “Why does 80-85% of the population not belong to a gym?” The answer? First-time and casual gym users didn’t like the “look at me” attitudes and behaviors found in typical gyms, and they didn’t want to have to pay a lot of money to give fitness a try.

So they completely changed the gym environment, both in attitude and format, creating the non-intimidating, low-cost model that has revolutionized the gym industry. Planet Fitness became known as the “Judgement Free Zone” – a welcoming and friendly community where people could feel comfortable regardless of their fitness level.

Club Industry ranked Planet Fitness as #6 in the Top 100 Health Clubs of 2018. In 2019 Newsweek ranked Planet Fitness as #1 in Newsweek’s America’s Best Customer Service Fitness Center. Entrepreneur ranked Planet Fitness as #7 in the Entrepreneur 2019 Franchise 500. In 2019, Planet Fitness reached a company record of 12 million members.

Today, Planet Fitness has become one of the largest and fastest-growing franchisors and operators of fitness centers in the United States by number of members and locations. With more than 1,800 locations in 50 states, Canada and Latin America, Planet Fitness has continued to spread its unique mission of enhancing people’s lives by providing an affordable, high-quality fitness experience in a welcoming, non-intimidating environment.



### PLANET FITNESS CORPORATE OVERVIEW

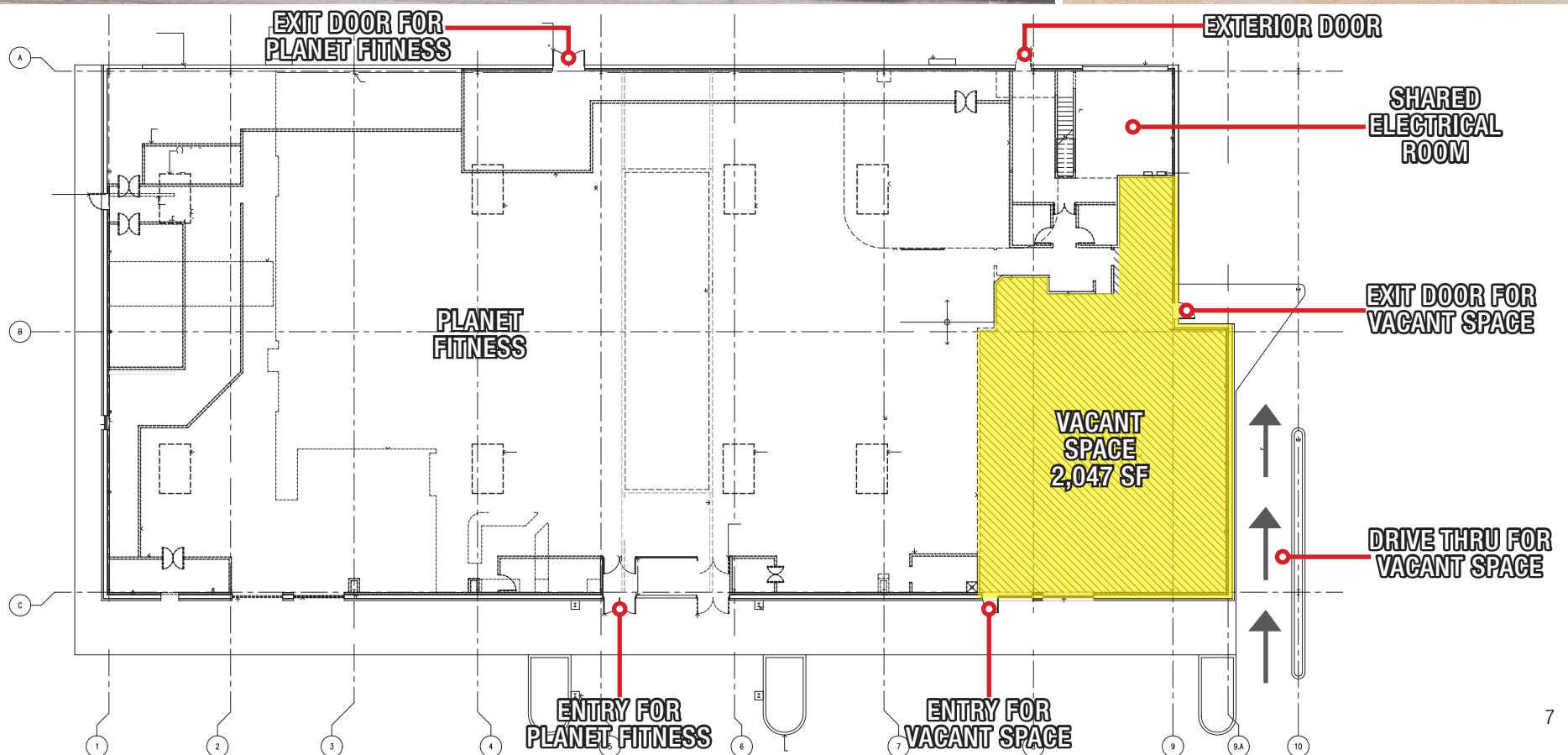
Type:	Public (NYSE: PLNT)
Industry:	Fitness
Locations:	1,806+
Revenue:	\$572.9 Million (FY 2018)
Corporate Headquarters:	Hampton, NH



PROPERTY OVERVIEW







## PROPERTY OVERVIEW



### PROPERTY SUMMARY

Price:	\$4,086,000
Cap Rate:	8.00%
Address:	601 East Llano Estacado Blvd. Clovis, NM 88101
Ownership:	Fee Simple
Planet Fitness GLA:	17,285 SF
Total Building GLA:	19,332 SF (2,047 SF Vacancy)
Lot Size:	2.343 acres
Parking:	+/- 125 spaces
Year Renovated:	2017
Parcel Number:	121101243850900

### LEASE SUMMARY

Tenant:	ECB-PF: NM Operations, Inc.
Date of Lease:	August 4, 2016
Rent Commencement:	January 31, 2017
Lease Expiration:	January 31, 2027
Lease Term:	10.0 years
Term Remaining:	7.4 years (as of 09/2019)
Renewal Options:	2 - 5 year options
Current NOI:	\$326,908
Rental Increases:	10% every 5 years
Percentage Rent:	None



## LEASE SUMMARY CONTINUED

Lease Structure:	NN - Some Landlord Responsibility
Roof & Structure:	LANDLORD
HVAC:	TENANT - Tenant's share of Operating Expenses to maintain, repair, and replace the HVAC is 100%.
Common Area:	TENANT & LANDLORD - LL responsible for resurfacing and reconstruction of parking lot, the cost of which is not reimbursed by Tenant as an Operating Expense. Tenant responsible for 84.38% of the expenses* related to sewer; refuse; landscape maintenance and watering; parking lot sweeping and maintenance ; parking lot lighting; snow removal, exterior window washing; and common area utilities.
Parking:	
Property Taxes:	TENANT - Tenant to reimburse Landlord for property taxes.
Utilities:	TENANT - Tenant pays direct.
Insurance:	TENANT - Tenant to reimburse Landlord for required insurance.
Other:	There is a vacant adjacent retail space included in the property that is for sale. This vacant retail is responsible for 15.24% of CAM charges and these are currently being paid by the Landlord. Landlord is not currently working aggressively to lease this vacancy but it would represent some upside to a prospective Buyer.
Assignment & Subletting:	Following any assignment to an entity with a net worth equal to or greater than the net worth of the Tenant (as of the date of the lease and date of assignment), Tenant shall remain liable under the lease until the date that is the later of (i) the expiration of the term and (ii) 24 months following assignment. Tenant shall remain liable following any other assignment.
ROFR:	Tenant does not have a ROFR.

\*Non-HVAC Operating Expenses (excluding exterior utilities, insurance, and taxes) are capped at 5% annually on a cumulative basis for each subsequent year of the lease.

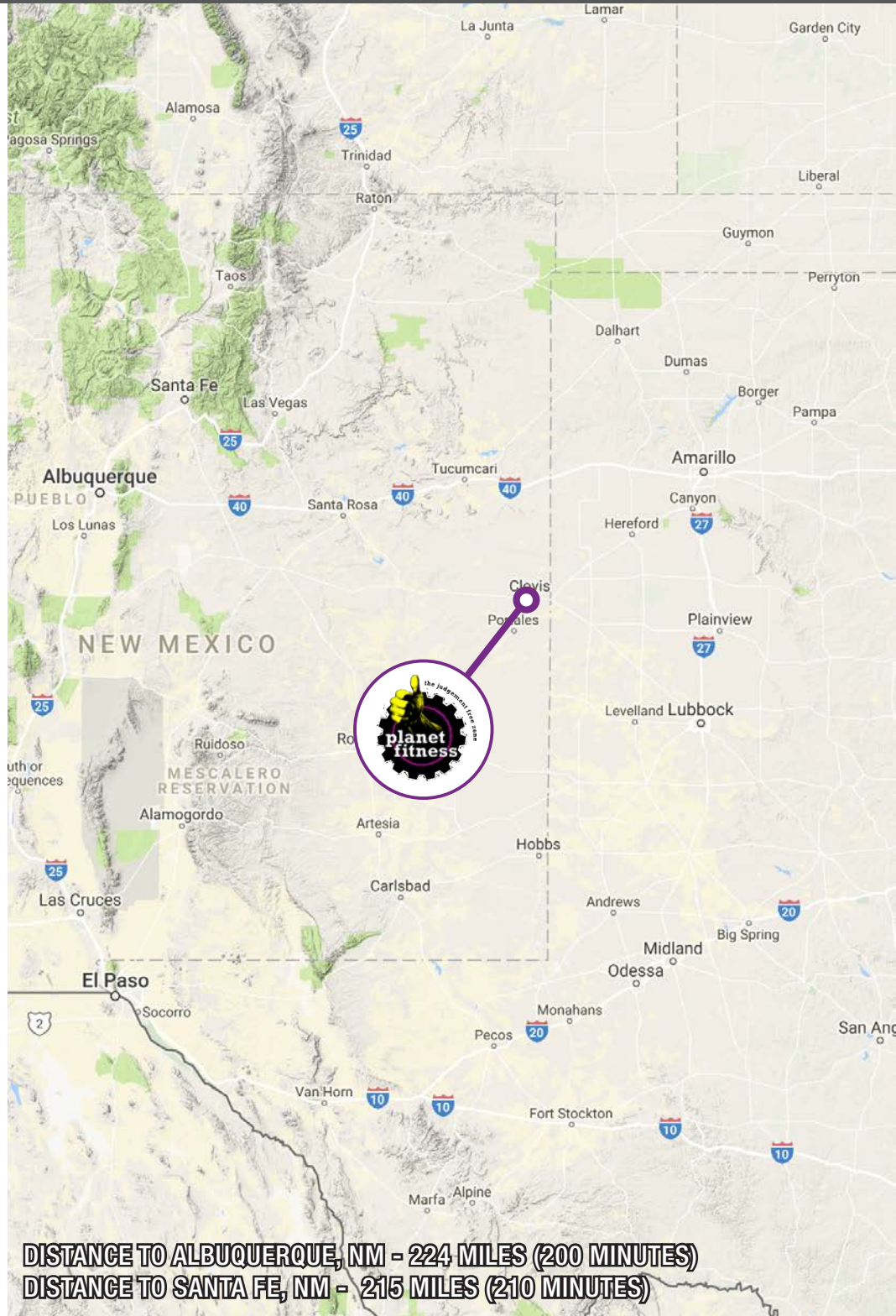
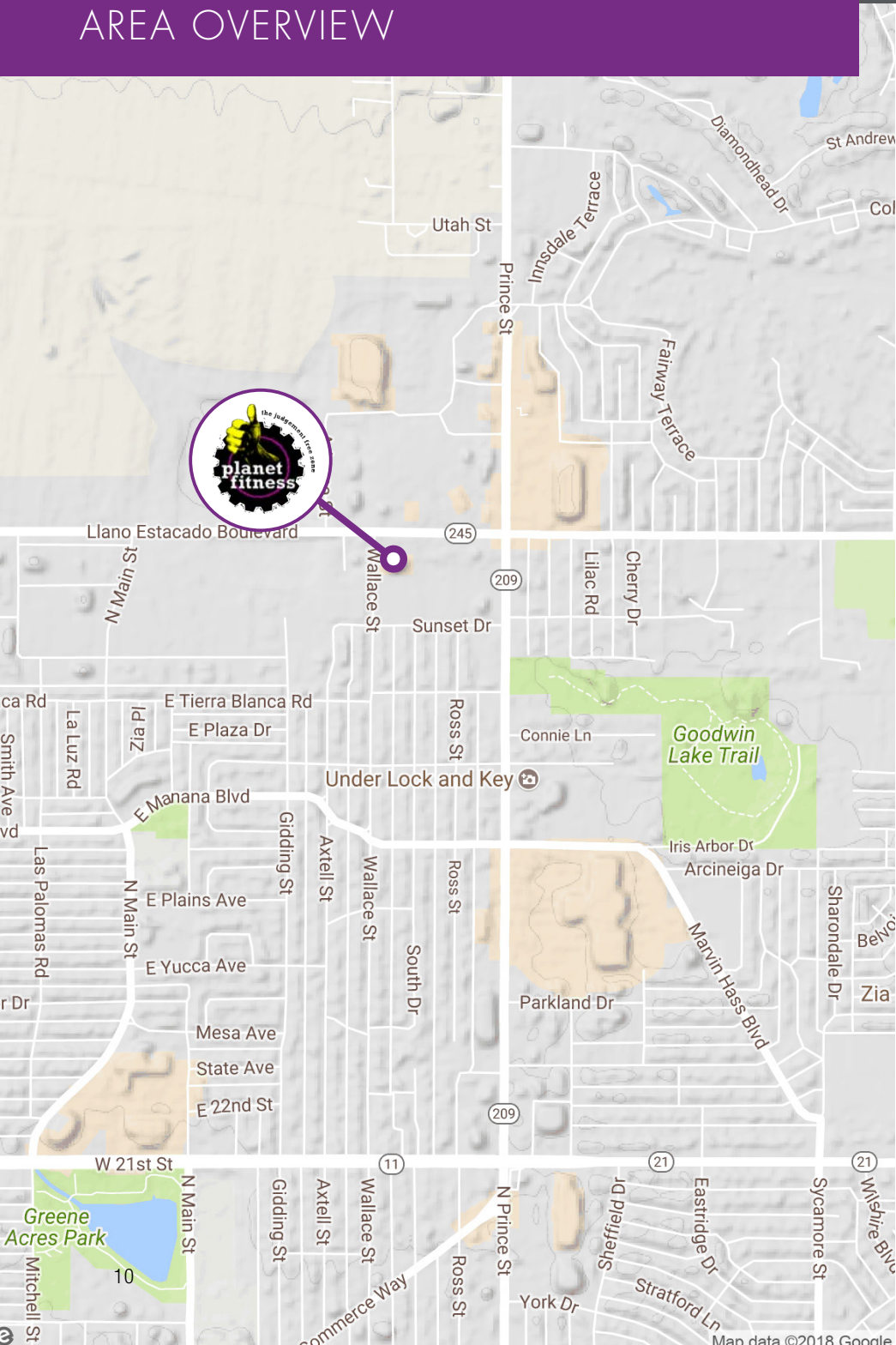
## RENT SCHEDULE

Lease Term	Lease Years		Monthly Rent	Annual Rent	Rent/SF	Increase (%)
Primary:	1 - 5:	through 1/31/22:	\$27,573.79	\$330,885.48	\$19.14	
	6 - 10:	2/1/22 - 1/31/27:	\$30,331.17	\$363,974.03	\$21.06	10%
Option 1:	11 - 15:	2/1/27 - 1/31/32:	\$33,364.29	\$400,371.43	\$23.16	10%
Option 2:	16 - 20:	2/1/32 - 1/31/37:	\$36,700.71	\$440,408.57	\$25.48	10%

## CLOVIS 2019 PRO-FORMA PROFIT & LOSS

	TOTAL
Ordinary Income/Expense	
Income	
50100 • Rental Income - Planet Fitness	330,885.48
50200 • CAM - Planet Fitness	29,263.90
50300 • Sign Rental Income	1,440.00
Total Income	361,589.38
Expense	
63300 • Insurance Expense	15,464.19
63700 • Landscaping and Groundskeeping	2,925.00
66900 • Sewage	300.00
68700 • Property Taxes	15,991.90
Total Expense	34,681.09
Net Ordinary Income	326,908.29
Net Operating Income	326,908.29

# AREA OVERVIEW



**DISTANCE TO ALBUQUERQUE, NM - 224 MILES (200 MINUTES)**  
**DISTANCE TO SANTA FE, NM - 215 MILES (210 MINUTES)**





GOODWIN LAKE TRAIL PARK

NORTH PLAINS MALL

BIG LOTS! HOBBY LOBBY

NORTH PLAINS CINEMA

OfficeMax

Wendy's TACO

ASHLEY HOMESTORE

Walgreens

LOWE'S

CHUCK E. CHEESE'S

Pizza Hut

conoco

American Heritage Bank

O'Reilly AUTO PARTS SHERWIN WILLIAMS

Chevron

planet fitness

Dollar Tree

McDonald's

GameStop

Papa Murphy's PIZZA

BIG5

RadioShack

DEL TACO

Denny's

Check n Go CATO SALLY BEAUTY SUPPLY

SUPERCUTS

Walmart SUPERCENTER

enterprise rent-a-car

Phillips 66

Applebee's

ELLANO ESTACADO BLVD. - 11,768 CPD

PRINCE STREET - 11,440 CPD

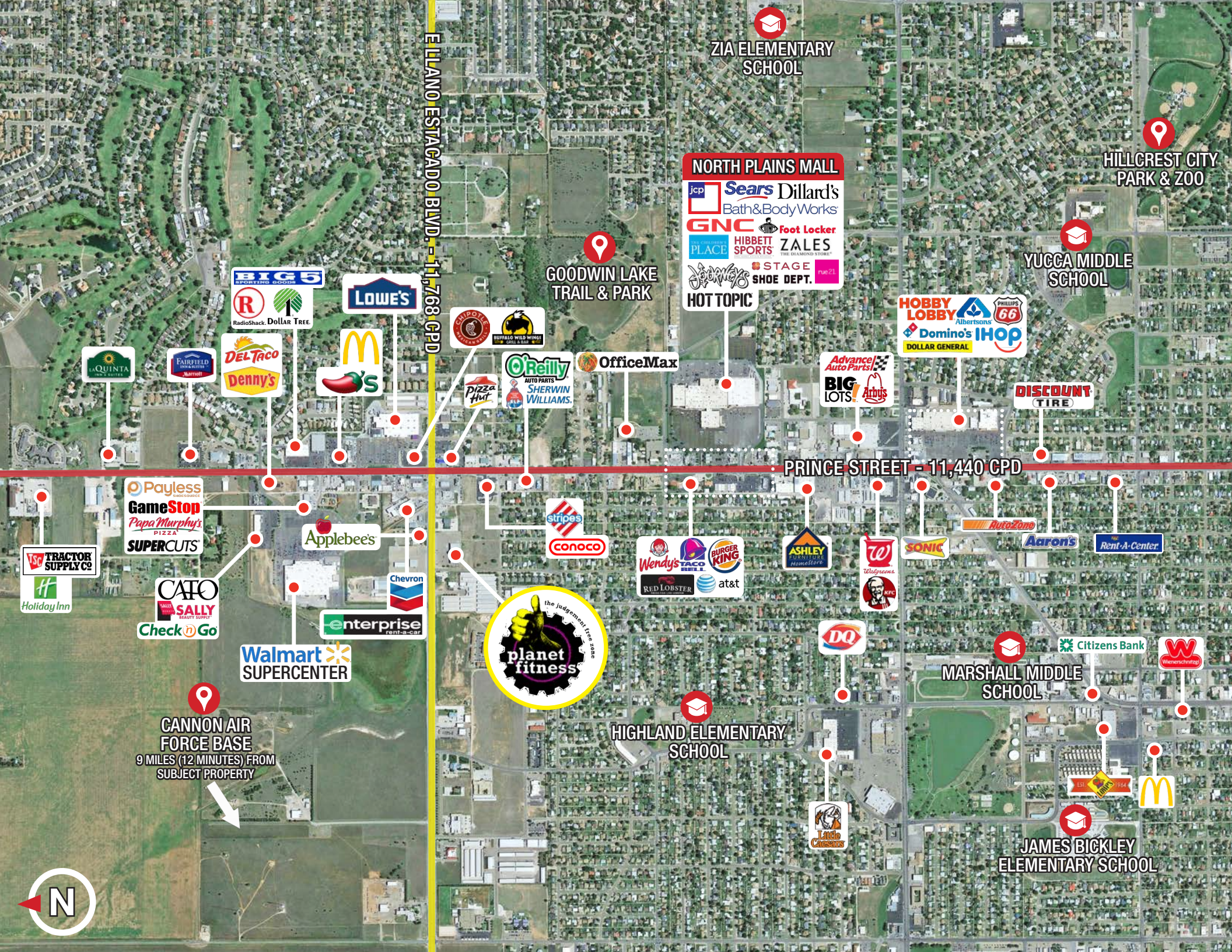
CANNON AIR FORCE BASE  
9 MILES (12 MINUTES) FROM SUBJECT PROPERTY

### ESTIMATED POPULATION

3 Mile .....	38,667
5 Mile .....	44,320
10 Mile .....	51,895







E LLANO ESTACADO BLVD. - 11,768 CPD

ZIA ELEMENTARY SCHOOL

NORTH PLAINS MALL  
JCPenney Sears Dillard's Bath & Body Works  
GNC Foot Locker  
Hibbett Sports Zales  
Stage Shoe Dept.  
Hot Topic

HILLCREST CITY PARK & ZOO

GOODWIN LAKE TRAIL & PARK

YUCCA MIDDLE SCHOOL

HOBBY LOBBY  
Domino's IHOP  
DOLLAR GENERAL

BIG 5  
RadioShack Dollar Tree

LOWE'S

DEL TACO  
Denny's

McDonald's

Pizza Hut

O'Reilly  
SHERWIN WILLIAMS

OfficeMax

Advance Auto Parts  
BIG LOTS! Arby's

DISCOUNT TIRE

PRINCE STREET - 11,440 CPD

Payless  
GameStop  
Papa Murphy's PIZZA  
SUPERCUTS

Applebee's

TRACTOR SUPPLY CO.  
Holiday Inn

CATCO  
SALLY BEAUTY SUPPLY  
Check 'n Go

Chevron

enterprise rent-a-car

Walmart SUPERCENTER

conoco

Wendy's TACO BELL  
RED LOBSTER at&t

ASHLEY FURNITURE HomeStore

Wendy's KFC

SONIC

Aaron's

Rent-A-Center



DQ

MARSHALL MIDDLE SCHOOL

Citizens Bank

Walmart

HIGHLAND ELEMENTARY SCHOOL

CANNON AIR FORCE BASE  
9 MILES (12 MINUTES) FROM SUBJECT PROPERTY

JAMES BICKLEY ELEMENTARY SCHOOL





## AREA OVERVIEW

# CLOVIS, NEW MEXICO

## HISTORY

- Clovis is the county seat of Curry County and located in the New Mexico portion of the Llano Estacado, in the eastern part of the state. A largely agricultural community closely bordering Texas, it is noted for its role in early rock music history and for nearby Cannon Air Force Base. The Atchison, Topeka, & Santa Fe Railway system helped to establish Clovis over a hundred years ago, and for that railroad and its successor, BNSF Railway (running through Clovis) continues to be a major hub of operations. For many years this depot at Clovis, New Mexico was one of the busiest passenger terminals on Santa Fe rails, circa 1960. This was the junction point for passenger trains operating to and from the Texas cities of Dallas, Fort Worth and Houston; also, for the mainline trains operating via Amarillo to and from Chicago and the West Coast.



## ECONOMY

- Curry County, like the rest of urban New Mexico, has a strong and balanced economy. Employment in the area has been stable for the past three years. Like most of east-central New Mexico and west Texas, the surrounding area plays host to significant agriculture and ranching activities, including peanut and cotton farming and cattle ranching used for both meat and dairy production. Several processing plants exist for these products.
- Southwest Cheese Company LLC is one of the largest and most successful cheese and whey protein manufacturers in the world, and is located just 9 miles (18 minutes) from the subject property. Southwest Cheeses processes over 3.8 billion pounds of milk and produces in excess of 388 million pounds of superior block cheese and 29.1 million pounds of high value-added whey proteins powders each year. The facility generates sales in national and international markets and employs a first-rate workforce of over 300 employees. Located in the high plains of eastern New Mexico, Southwest Cheese is surrounded by some of the best dairy and agricultural lands in the United States. This ideal location allows us to partner with local dairy farmers to receive the best milk available for our products.

## AREA OVERVIEW



- Clovis' location is adjacent to Cannon Air Force Base, a special operations base and home of the 27th Special Operations Wing. The AFB has had a large impact on the community and lies in the high plains of eastern New Mexico, near the Texas Panhandle. The base is eight miles west of Clovis, New Mexico, and sits on 3,789 acres of land. The unemployment rate in Clovis, New Mexico, is 5.50%, with job growth of 0.51%.

### RETAIL ACTIVITY

- Clovis, New Mexico supports a thriving retail economy, and is currently home to 2.1 million square feet of retail space and 141 major retail centers. The largest centers in the city include the 303,000-square foot North Plains Mall, the 129,000-square foot Clovis Shopping Center, and the 76,000-square foot 2200 North Main Street Plaza.
- Clovis and Curry County have seen their stock rise tremendously in recent years as the leading regional hub in eastern New Mexico. Clovis continues to have significant growth in both its retail businesses and restaurants. The North area is a host of businesses, including a Super Walmart, Lowe's Home Improvement, Chili's Bar & Grill, Applebee's, Rib Crib, Pizza Hut/Wing Street, Bahama Bucks, Fat Boys Barbecue, two strip malls with several specialty shops and Patriot

Outdoors, a sportsman's paradise. The area also was selected as the location for Tractor Supply's New Clovis outfit, offering nationally-branded farm, home and garden supplies to both rural and urban customers in the Clovis/Portales Microplex.

### AIRPORTS

- The Clovis Municipal Airport (CVN) is located six miles east of Clovis on State Highway 523. CVN is the aviation focal point of the region providing a wide range of services including 12 weekly round trips to Dallas/Fort Worth by Boutique Air. Service to Dallas/Fort Worth is provided for the increased demand to the East. The Airport is located just 8 miles (13 minutes) from the subject property.

### SURROUNDING ACTIVITY

- The Hillcrest Park Zoo (The 2nd Largest Zoo in New Mexico) provides a wholesome, educational and unique experience for both children and adults – making it perfect for a family outing. The Zoo is proud to be a favorite New Mexico attraction and offer visitors the chance to see many different wild animals including a Bengal tiger, giraffes, reptiles, primates and more. The Zoo is located just 2 miles (8 minutes) from the subject property.
- Kids Go Wild in Clovis, New Mexico is a in-demand destination for wholesome, family fun. Their massive family entertainment facility features over 25,000 square feet of inflatables, permanent play structures, TVs, bounce pillow, toddler area, concession stand and private birthday party rooms. This popular attraction is located just 1 miles (4 minutes) from the subject property.
- Clovis is known for its great annual events including various professional and youth rodeo events, firework spectacles, cultural art series performances, Cannon Air Force Base partnership events, the Clovis Music Festival, and hundreds of other great community focused events, parades and celebrations throughout the year. Clovis truly has become a one-stop shop for the southwestern crave of adventure and great spirit.



## DEMOGRAPHICS

POPULATION	3 Mile	5 Mile	10 Mile
Estimated Population (2019)	38,667	44,320	51,895
Census Population (2010)	36,146	40,818	47,752
Projected Population (2024)	39,369	45,337	53,091
HISTORICAL ANNUAL GROWTH			
2000-2010	1.50%	1.41%	0.73%
2010-2019	0.73%	0.89%	0.90%
PROJECTED ANNUAL GROWTH			
2019-2024	0.36%	0.45%	0.46%
HOUSEHOLDS	3 Mile	5 Mile	10 Mile
Estimated Households (2019)	14,441	16,419	18,850
Census Households (2010)	13,728	15,368	17,684
Projected Households (2024)	14,653	16,738	19,217
HISTORICAL ANNUAL GROWTH			
2000-2010	1.39%	1.36%	0.73%
2010-2019	0.55%	0.72%	0.69%
PROJECTED ANNUAL GROWTH			
2019-2024	0.29%	0.39%	0.39%

2019 POPULATION BY RACE	3 Mile	5 Mile	10 Mile
White	45.6%	44.1%	45.3%
Hispanic	43.4%	45.7%	44.2%
Black or African American	6.8%	6.3%	6.4%
Asian	2.0%	1.8%	1.7%
2019 AGE BY GENDER	3 Mile	5 Mile	10 Mile
MEDIAN AGE			
Male	33.00	33.10	31.80
Female	35.10	34.90	33.80
HOUSEHOLD INCOME	3 Mile	5 Mile	10 Mile
2019 Average	\$57,913	\$57,197	\$57,771
2019 Median	\$40,983	\$40,449	\$41,215
VALUE OF HOUSING UNITS	3 Mile	5 Mile	10 Mile
2019 Average	\$159,913	\$158,553	\$160,656
2019 Median	\$143,810	\$140,482	\$141,312

## AFFILIATED BUSINESS DISCLOSURE AND CONFIDENTIALITY AGREEMENT

CBRE, Inc. operates within a global family of companies with many subsidiaries and related entities (each an "Affiliate") engaging in a broad range of commercial real estate businesses including, but not limited to, brokerage services, property and facilities management, valuation, investment fund management and development. At times different Affiliates, including CBRE Global Investors, Inc. or Trammell Crow Company, may have or represent clients who have competing interests in the same transaction. For example, Affiliates or their clients may have or express an interest in the property described in this Memorandum (the "Property"), and may be the successful bidder for the Property. Your receipt of this Memorandum constitutes your acknowledgment of that possibility and your agreement that neither CBRE, Inc. nor any Affiliate has an obligation to disclose to you such Affiliates' interest or involvement in the sale or purchase of the Property. In all instances, however, CBRE, Inc. and its Affiliates will act in the best interest of their respective client(s), at arms' length, not in concert, or in a manner detrimental to any third party. CBRE, Inc. and its Affiliates will conduct their respective businesses in a manner consistent with the law and all fiduciary duties owed to their respective client(s).

This Memorandum contains select information pertaining to the Property and the Owner, and does not purport to be all-inclusive or contain all or part of the information which prospective investors may require to evaluate a purchase of the Property. The information contained in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. All information is presented "as is" without representation or warranty of any kind. Such information includes estimates based on forward-looking assumptions relating to the general economy, market conditions, competition and other factors which are subject to uncertainty and may not represent the current or future performance of the Property. All references to acreages, square footages, and other measurements are approximations. This Memorandum describes certain documents, including leases and other materials, in summary form. These summaries may not be complete nor accurate descriptions of the full agreements referenced. Additional information and an opportunity to inspect the Property may be made available to qualified prospective purchasers. You are advised to independently verify the accuracy and completeness of all summaries and information contained herein, to consult with independent legal and financial advisors, and carefully investigate the economics of this transaction and Property's suitability for your needs.

ANY RELIANCE ON THE CONTENT OF THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

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 at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

Your receipt of this Memorandum constitutes your acknowledgment that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property ("Owner") or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc. If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

Disclaimer

©2019 CBRE, Inc. CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners. Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.



## CONTACT US

**IAN SCHROEDER**  
Senior Vice President  
Investment Properties  
Lic. 01497897  
+1 949 438 1002  
ian.schroeder@cbre.com

**MELISSA LEY**  
Associate  
Investment Properties  
Lic. 01984445  
+1 949 725 8617  
melissa.ley@cbre.com

NM Brokers of Record:

**LIA ARMSTRONG**  
CBRE - Albuquerque, NM  
Lic. 16496  
+1 505 837 4999  
lia.armstrong@cbre.com

**JIM DOUNTAS**  
CBRE - Albuquerque, NM  
Lic. 45995  
+1 505 837 4999  
jim.dountas@cbre.com

*\* This listing will be sold through the New Mexico license real estate agents listed above. All questions, comments or other communications should be directed to Lia Armstrong & Jim Dountas.*

# CBRE