



68990 RAMON RD | PALM SPRINGS MSA

OFFERING MEMORANDUM



CIRCLE K

68990 RAMON RD | CATHEDRAL CITY, CA

LISTED BY:

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EXECUTIVE SUMMARY



INVESTMENT HIGHLIGHTS

- Absolute NNN ownership ideal for hands-off landlords with the ability to capitalize on accelerated depreciation
- Rare opportunity to own in Palm Springs. Site is on a hard corner in a signalized intersection and boasts ingress/egress to a shopping center featuring many service-based tenants: CVS, The UPS Store, Sprint, Panda Express, Domino's, Taco Bell, Harbor Freight Tools, and more
- The first Option has been exercised with a Sept. 1st commencement date, showing commitment to the site. Lease has two more 5-year options remaining
- Location has 6 pumps allowing for constant fueling for 12 vehicles
- Extremely strong corporate guarantee from Couche-Tard with a market cap of nearly \$40 billion

SECTION 2

FINANCIAL OVERVIEW



INVESTMENT SUMMARY

» OFFERING PRICE	\$1,920,000
» CAP RATE	5.50%
» RENT	\$105,600*
» YEAR BUILT	1987
» TOTAL BUILDING AREA	±0.88 AC (±38,332 SF)
» GLA	±1,338 SF

*Property is priced on upcoming rent bump in September

DEBT QUOTE

Jesse Lillard
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LTV:65% RATE: 4.00% AMORTIZATION: 25 Years

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

ANNUALIZED OPERATING DATA

	Annual Rent	Cap Rate
Through August 31, 2021	\$96,000	5.00%
Option Starts Sept. 1, 2021	\$105,600	5.50%

TENANT OVERVIEW

Lease Type	Fee Simple
Tenant	Circle K Stores Inc.
Lease Guarantor	Circle K Stores Inc.
Roof & Structure	Tenant Responsible
Rent Commencement Date	9/1/2021 (Option 1)
Lease Expiration Date	8/31/26
Lease Term	± 5.5 Years
Renewal Options	Two 5-Year
Rental Increases	Option 1 - Sept. 2021: 10% increase Option 2 - Sept. 2026: FMV Option 3 - Sept. 2031: 10% increase

SECTION 3

TENANT OVERVIEW





THE OFFERING

PROPERTY NAME	CIRCLE K
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Property Address	68990 Ramon Rd Cathedral City, CA
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SITE DESCRIPTION

Number of Stories	One
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GLA	± 1,338 SF
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TENANT OVERVIEW

» COMPANY NAME	» LOCATIONS	» HEADQUARTERS
Circle K	±15,000	Tempe, AZ
» EMPLOYEES	» INDUSTRY	» WEBSITE
±40,000	Convenience Store	www.circlek.com

Circle K Stores Inc. is a Canadian-owned American multinational chain of convenience stores. Founded in 1951 in El Paso, Texas, the company filed for bankruptcy protection in 1990 and went through several owners, before being acquired by its current owner, Alimentation Couche-Tard, in 2003. It is present in most of the 50 U.S. states and is franchised in Asia and Latin America.

In 2015, Circle K unveiled a new logo and brand identity, and Couche-Tard announced that it would deploy the brand in English-speaking Canada (in parallel with, and in some cases rebranded from the Mac's chain), and in Europe to replace Statoil.

Circle K is the neighborhood corner store on thousands of corners. The bright-red Circle K logo is a beacon for customers seeking a convenient place to find quality products and a great shopping experience around the world.



DATE PALM DR
± 25,000 VPD



E RAMON ROAD
± 35,000 VPD



**THE SPRINGS
SHOPPING MALL**

FIREHOUSE SUBS **FIVE GUYS** **McDonald's** **ALDI**

PET SMART **DEL TACO** **BED BATH & BEYOND**

Marshall's **Party City** **ROSS**

Burlington **DRESS FOR LESS** **ULTA BEAUTY**

Staples **DOLLAR TREE** **THE HOME DEPOT**

LOWE'S **Walmart Supercenter**

**STAYBRIDGE
SUITES**

**CIMARRON
GOLF RESORT**

**INTERSTATE
10**
± 100,000 VPD

**BIG 5 99¢ only
SPORTING GOODS STORES.**

**SALLY
BEAUTY**

**CVS
pharmacy**

Pep Boys

**CARQUEST
AUTO PARTS**

**W
Wienerschnitzel**

**HARBOR
FREIGHT**
Quality Tools at Ridiculously Low Prices

CARDENAS

**Dominos
Pizza** **ups**

**PANDA EXPRESS
CHINESE KITCHEN**

**ROUND TABLE
PIZZA ROYALTY**

CIRCLE K

McDonald's

**TACO
BELL**

jiffy lube

HENRY'S **Park View
OPTICAL**

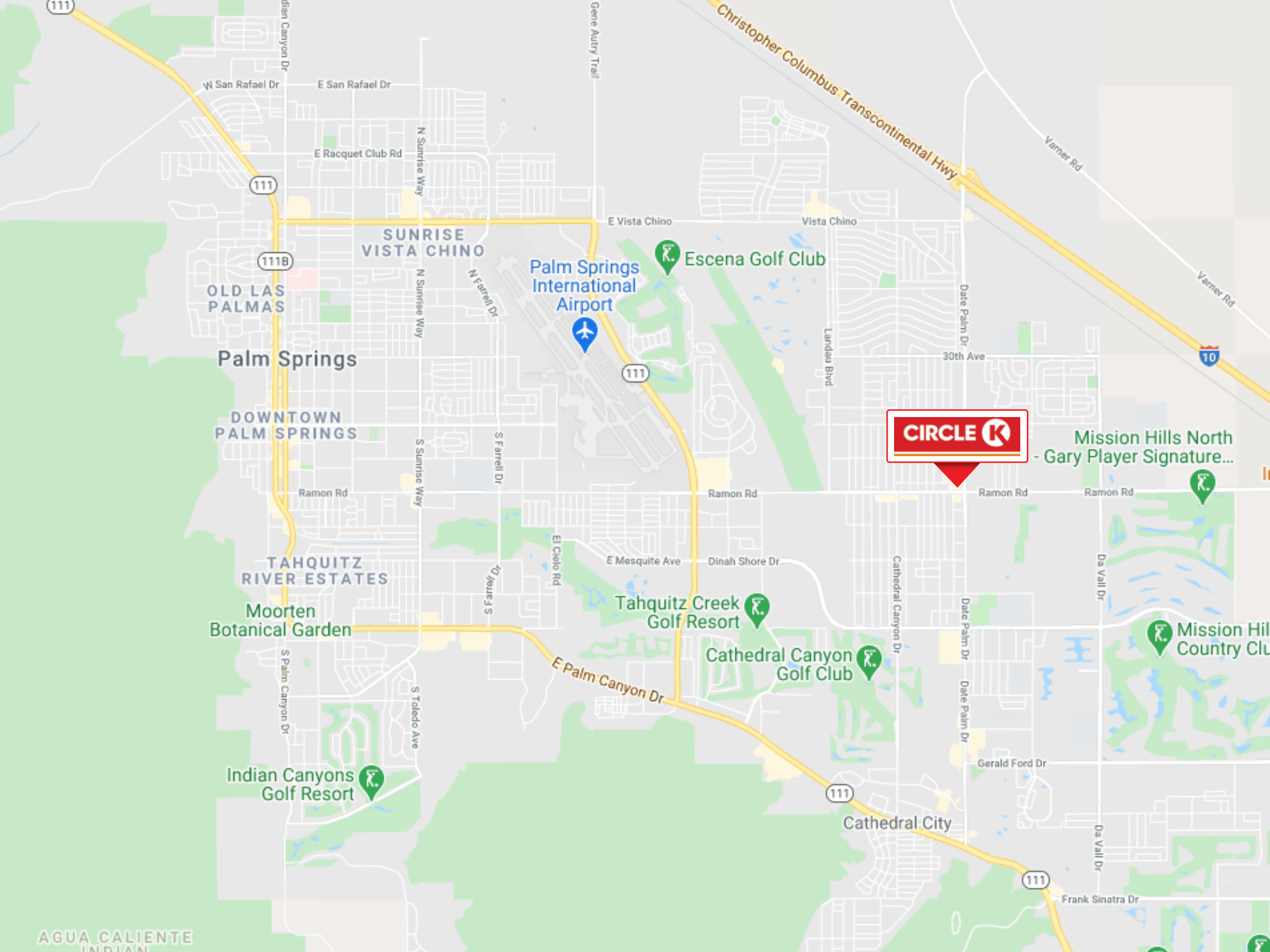
**Don & Sweet Sue's
Cafe**

**E RAMON ROAD
± 35,000 VPD**

**DATE PALM DR
± 25,000 VPD**

**Pollo
Loco**

**WELLS
FARGO** **Starbucks**



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SUNRISE
VISTA CHINO

OLD LAS
PALMAS

Palm Springs

DOWNTOWN
PALM SPRINGS

TAHQUITZ
RIVER ESTATES

Moorten
Botanical Garden

Indian Canyons
Golf Resort

Palm Springs
International
Airport

Escena Golf Club

Tahquitz Creek
Golf Resort

Cathedral Canyon
Golf Club

Cathedral City

Mission Hills North
- Gary Player Signature...

Mission Hill
Country Club

CIRCLE K

AGUA CALIENTE
INDIAN

AREA OVERVIEW



CATHEDRAL CITY, CA

Also known as Cat City, Cathedral City is located between Palm Springs and Rancho Mirage, and is one of nine cities that makes up the Coachella Valley. The city is a welcoming place to relax and enjoy rounds of golf on some of the most exclusive golf courses in the area. It was recently named one of the “top ten best bargain retirement spots” by US News and World Report. The sense of community is strong throughout the city with residents that care about the place they call home. It is the perfect spot for retired residents and families that want the comfort of suburban life, while still having easy access to fun events and activities throughout the area.

Cathedral City has an automotive mega-dealership known as the Palm Springs Auto Mall based on the city limits with Palm Springs. Cathedral City hosts an annual Mexican Independence Day festival on every third weekend of September. To commemorate the event, an "el Grito de Dolores" is held at the city hall/movie theater complex. One of the world's most technologically advanced cannabis greenhouses is being developed in Cathedral City by the company Sunniva. Once completed, this facility will be approximately 489,000 square feet.

ONE OF AMERICA'S "MOST LIVABLE CITIES"

TOP 10 PLACES TO RETIRE

RANKED TOP 3 CITIES IN COACHELLA VALLEY



POPULATION

	2020 ESTIMATE	2025 PROJECTION
1-MILE	21,240	22,174
3-MILE	68,061	71,881
5-MILE	112,768	119,088



HOUSEHOLDS

	2020 ESTIMATE	2025 PROJECTION
	5,711	5,941
	24,483	25,830
	45,638	48,012



INCOME

2020 AVG. HOUSEHOLD INCOME
\$61,574
\$77,941
\$83,026

**Subject Property Demographics*

PALM SPRINGS, CA

Palm Springs is a desert resort city within the Coachella Valley. Known for its stylish hotels, new fashionable restaurants, and an assortment of outdoor activities, Palm Springs is the best place to escape from the big city and experience the natural side of California. Some larger events that are held in the area throughout the year include the Palm Springs International Film Festival, Modernism Week, Coachella, and Stagecoach Music Festival. These events bring people from all over the world for once-in-a-lifetime experiences.

The nightlife has also been expanding throughout Palm Springs. Since the 1920's, Palm Springs has been Hollywood's desert playground for celebrities to relax and escape. With trendy restaurants and developing nightclubs.



PALM SPRINGS ECONOMY

The city's main economic sector is tourism. With numerous festivals, conventions, and international events, there is a constant flow of tourists. There is a large amount of hotels, restaurants, and attractions to entertain residents and visitors. Recently, high-end boutiques have moved into downtown and uptown Palm Springs.

Tourists have many different options when it comes to resorts that cater to their specific style and needs. Palm Springs is also known for luxurious golf courses that is also a huge attraction to tourists. Another larger boost in the economy is celebrities moving into the area. Throughout the 20th century, celebrities would visit to get away from the big city. Many establish residency during their retirement years which brings up the residential cost.

TOP EMPLOYERS



PALM SPRINGS DEMOGRAPHICS

115,588
2020. Est. Population

\$75,413
Median Household
Income

37.9
Median Age



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This Offering Memorandum contains select information pertaining to the business and affairs of **Circle K** located at **68990 Ramon Rd, Cathedral City, CA** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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