

MIXED USE RETAIL PLAZA FOR SALE

# Shoppes in the Gardens

OFFERING MEMORANDUM

10800 N Military Trail  
Palm Beach Gardens FL 33410



# Shoppes in the Gardens

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01

Executive Summary

Investment Summary

Location Summary

SHOPPES IN THE GARDENS



## OFFERING SUMMARY

ADDRESS	10800 N Military Trail Palm Beach Gardens FL 33410
COUNTY	Palm Beach
GLA (SF)	35,044
LAND SF	109,495 SF
YEAR BUILT	1970 - Rennovated 2015
YEAR RENOVATED	2015
APN	52-42-42-12-00-000-1070
MAJOR TENANT/S	Dunkin Donuts, Crossroads Deli, Remax Alliance
OWNERSHIP TYPE	Fee Simple

## FINANCIAL SUMMARY

OFFERING PRICE	\$8,995,000
PRICE PSF	\$256.68
OCCUPANCY	100 %
NOI (CURRENT)	\$693,243
CAP RATE (CURRENT)	7.71 %
CAP RATE (PRO FORMA)	6.77 %

## ASSUMABLE FINANCING

LOAN TYPE	Fully Amortized
DOWN PAYMENT	\$3,376,844
LOAN AMOUNT	\$5,618,156
INTEREST RATE	4.79 %
ANNUAL DEBT SERVICE	\$353,301
LOAN TO VALUE	62 %
NOTES	Loan to be assumed: 4.79% fixed through maturity of 4/6/2027, 30 yr amortization, .5% assumption fee, no recourse. Loan is with Deutsche Bank and serviced by Midland Loan Services.

## DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
2017 Population	8,986	75,132	147,929
2017 Median HH Income	\$59,157	\$66,954	\$65,729
2017 Average HH Income	\$90,788	\$103,959	\$101,913

■ Shoppes in the Gardens has Received Over 800K of Improvements Since 2014

■ Prime Location

Shoppes in the Gardens is an incredible opportunity to acquire a prime retail plaza at a decent cap rate in one of Palm Beach County's hottest retail corridors. The 34,770 square foot mixed use shopping plaza adjacent to the Wells Fargo Center on the NE corner of PGA Blvd and Military Trail in Palm Beach Gardens, Florida. Located in the busy shopping area of Midtown with the new Earthfare market, Garden Square Shoppes, and PGA Commons, Shoppes in the Gardens has an excellent mix of Office and Retail tenants. As a result the asset has enjoyed strong historical occupancy at or close to 100%. Anchored by Dunkin Donuts, RE/Max Alliance Realty, and Crossroads Market & Deli, this Center is very convenient for a diverse and healthy group of Tenants and customers.

On 2.51 acres and with 179 parking spaces it has a wonderful old Florida feel with ample parking. Close to I-95, Shoppes in the Gardens not only has great convenience but also has good vehicular exposure ranging from 35,000 at N Military Trail and PGA Blvd N to 50,162 at PGA Blvd and W Garden Square Blvd. Additionally, a new TriRail Station for Palm Beach Gardens is being planned for close by at Alt.

Over the past 4 years Shoppes in the Gardens has benefited from over \$800,000.00 of capital & tenant improvements, including but not limited to: HVAC system replacements, new paint for the building exterior and common areas, stripe and seal parking lot, electrical upgrades, new roof, elevator upgrades, and common area bathroom upgrades. A spreadsheet outlining the capital improvements can be found in the additional information section.

Shoppes in the Gardens can be purchased as a single asset or can be purchased in portfolio fashion with Sunny Plaza, a 33,517 square foot retail plaza located near the NW corner of Northlake Blvd and Military Trail. The properties have great leasing synergy as they're approximately 1 mile apart on Military Trail.

Palm Beach County is the third largest county in the state of Florida and one of the largest in the United States. It has a combination of suburban communities and busy metro areas. Its economy is focused on luxury tourism, technological manufacturing, and agriculture.

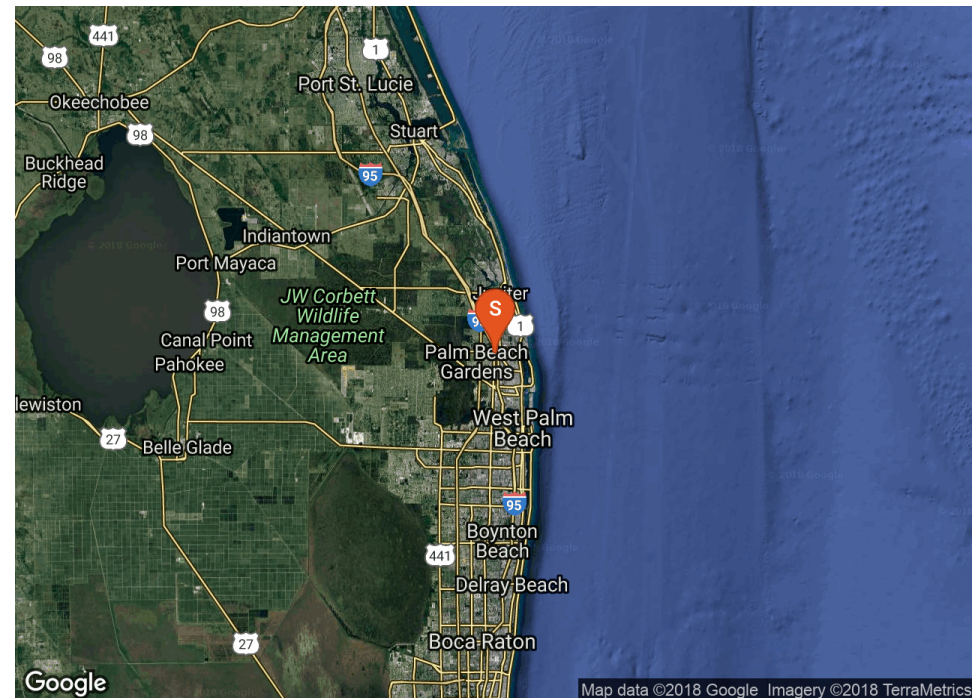
The Professional Golfers Association of America is located here and there are 160 world class golf courses in the county including PGA National in Palm Beach Gardens. Additionally, nearby, there is a Roger Dean Stadium where the Florida Marlins and St. Louis Cardinals have spring training.

Scripps Florida Research Institute and Max Planck have also chosen to locate in Palm Beach Gardens as well as a campus of Florida State College

According to PBGFlorida.com, "Palm Beach Gardens, FL, is a Signature City which celebrates quality of life by fostering an environment of excellence. With over 30% of land mass dedicated to green space, recreation programs tailored for residents of all ages, an award-winning Art in Public Places program and a pro-active business climate that embraces innovation..."

Shoppes in the Gardens tenants benefit from the excellent workforce which has been attracted to the beautiful lifestyle in Palm Beach Gardens.

Regional Map



Locator Map







02

## Property Description

Property Features

Aerial Map

Parcel Map

Additional Maps

Property Images



## Site Description

NUMBER OF TENANTS	27
GLA (SF)	35,044
LAND SF	109,495
LAND ACRES	2.51
YEAR BUILT	1970 - Rennovated 2015
YEAR RENOVATED	2015
# OF PARCELS	1
ZONING TYPE	Commercial
TOPOGRAPHY	Level
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	1
NUMBER OF PARKING SPACES	179
MIXED USE	Office and Retail
STREET FRONTAGE	375 Feet on Military Trail
NUMBER OF INGRESSES	5
NUMBER OF EGRESSES	5

## NEIGHBORING PROPERTIES

NORTH	Wells Fargo Center
SOUTH	Turnberry Apartment Complex
EAST	Turnberry Apartment Complex
WEST	The Sun Building - Medical Office

## CONSTRUCTION

FOUNDATION	Concrete Slab
EXTERIOR	CBS
PARKING SURFACE	Paved, Striped & Sealed
ROOF	Flat
LANDSCAPING	Tropical

## TENANT INFORMATION

MAJOR TENANT/S	Dunkin Donuts, Crossroads Deli, Remax Alliance
LEASE TYPE	Gross Leases with the following exceptions: Dunkin Donuts, Lutinas Pizza, All In One Insurance & Crossroads Deli all pay CAM











03

Rent Comps

Rent Comparables

Rent Comparables Map



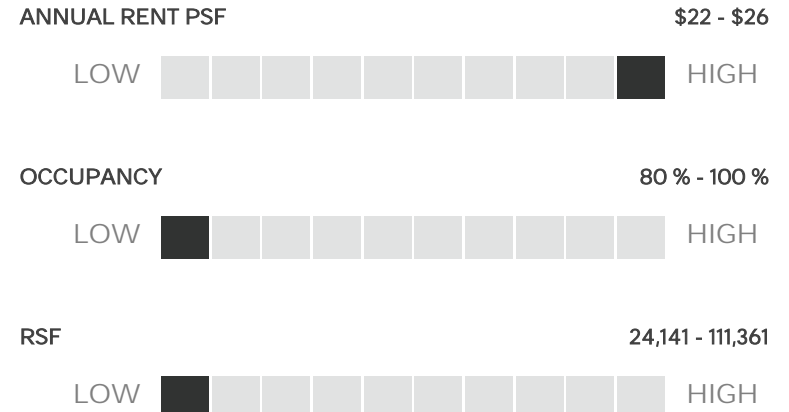
1



### Oak Tree Plaza

11575 US Highway 1  
Palm Beach Gardens, FL 33408

RSF	24,141
YEAR BUILT	1985
OCCUPANCY	80.00 %
LEASE TYPE	Gross
RENT PSF (YEARLY)	\$26.04
RENT PSF (MONTHLY)	\$2.17



**Notes** Most recent lease was signed 9/21/18 for 1,023 SF @ \$26.00 PSF plus utilities.

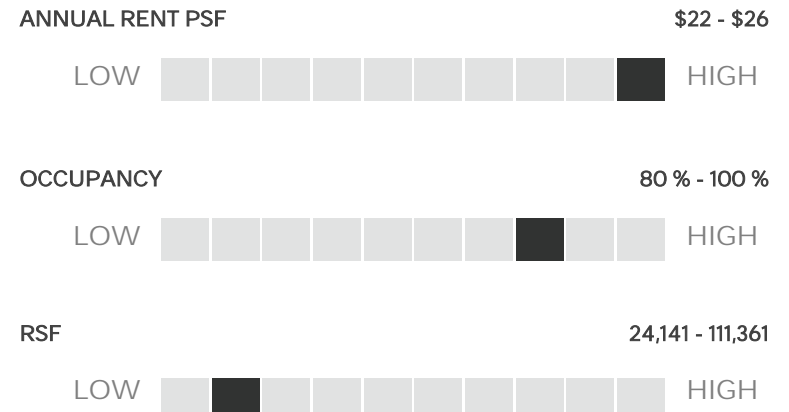
2



### Sunny Plaza

9089 N Military Trail  
Palm Beach Gardnes, FL 33410

RSF	34,000
YEAR BUILT	1986
OCCUPANCY	95.00 %
LEASE TYPE	Gross
RENT PSF (YEARLY)	\$26.04
RENT PSF (MONTHLY)	\$2.17



**Notes** Most recent lease was signed for 1,727 SF on 9/14/18 for \$26.00 PSF + Electric.



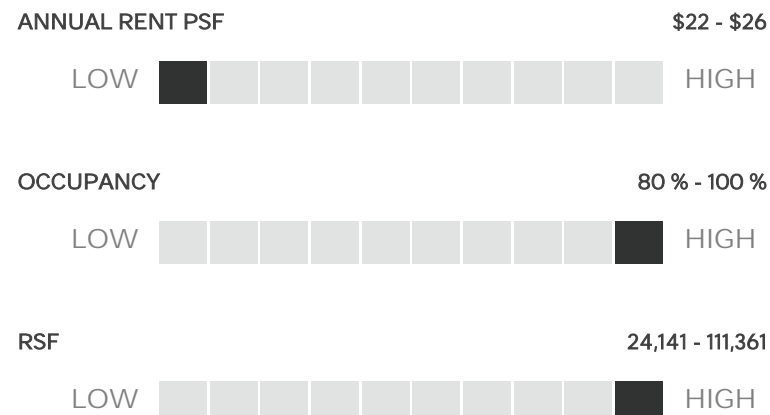
3



### Plaza La Mer

801 Donald Ross Road  
Jupiter, FL 33408

RSF	111,361
YEAR BUILT	1988
OCCUPANCY	100.00 %
LEASE TYPE	NNN
RENT PSF (YEARLY)	\$21.96
RENT PSF (MONTHLY)	\$1.83



**Notes** Most recent lease signed was for 1,408 SF @ \$22.00 NNN on 8/6/18.

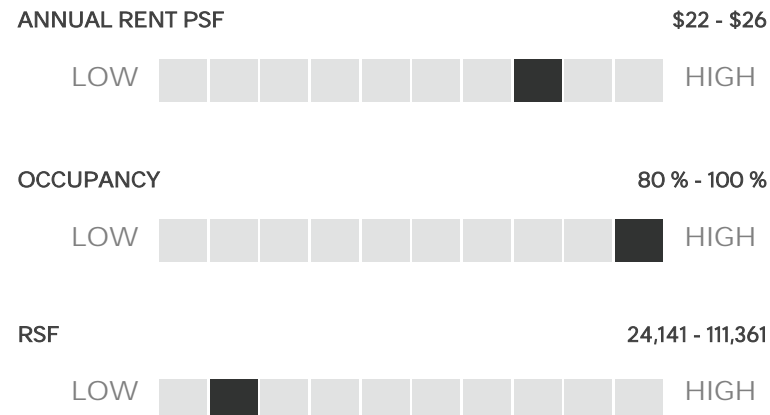
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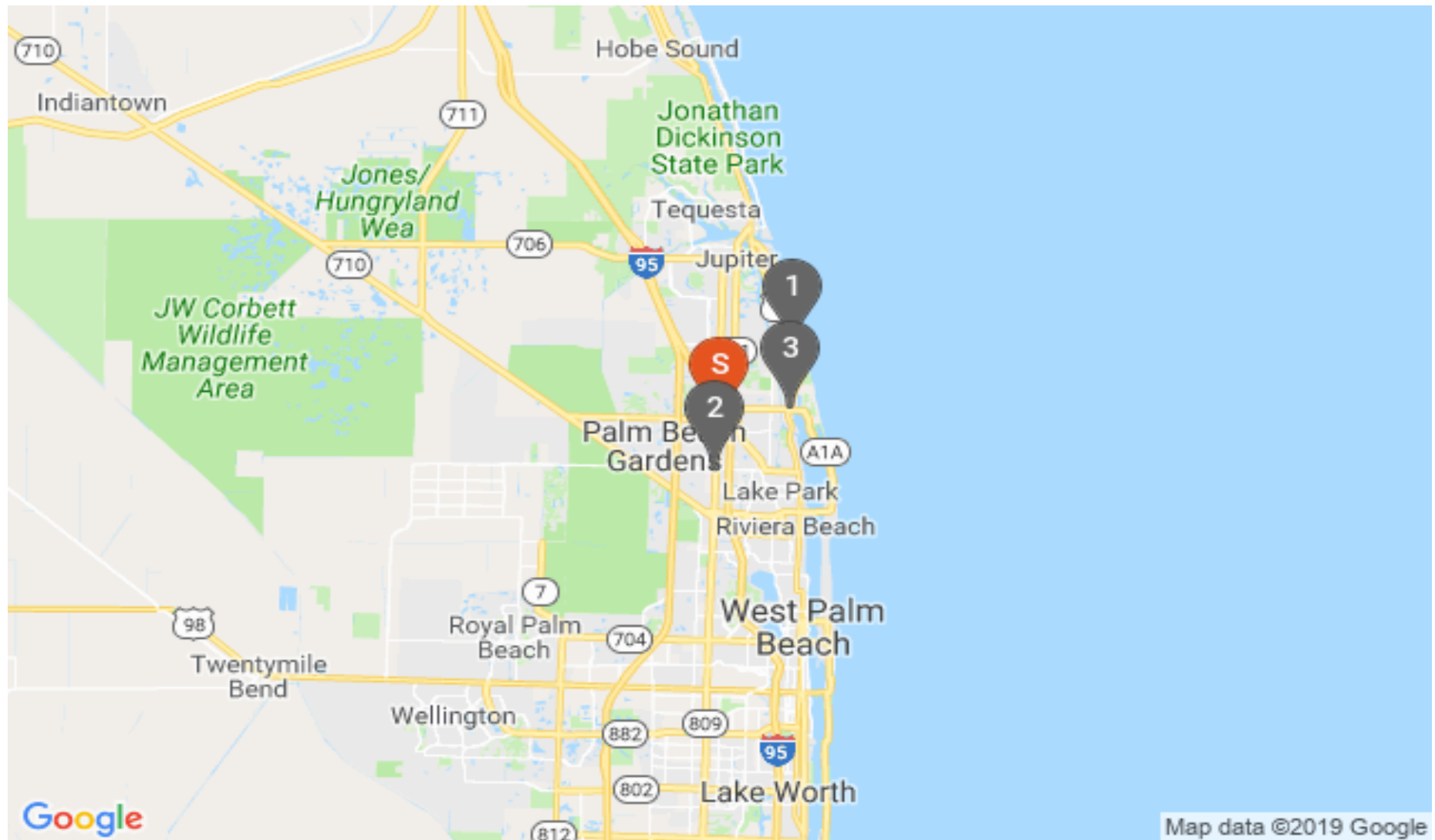
### Shoppes in the Gardens

10800 N Military Trail  
Palm Beach Gardens, FL 33410

RSF	35,044
OCCUPANCY	100.00 %
LEASE TYPE	Gross Leases with the following exceptions: Dunkin Donuts, Lutinas Pizza, All In One Insurance & Crossroads Deli all pay CAM
RENT PSF (YEARLY)	\$25.20
RENT PSF (MONTHLY)	\$2.10

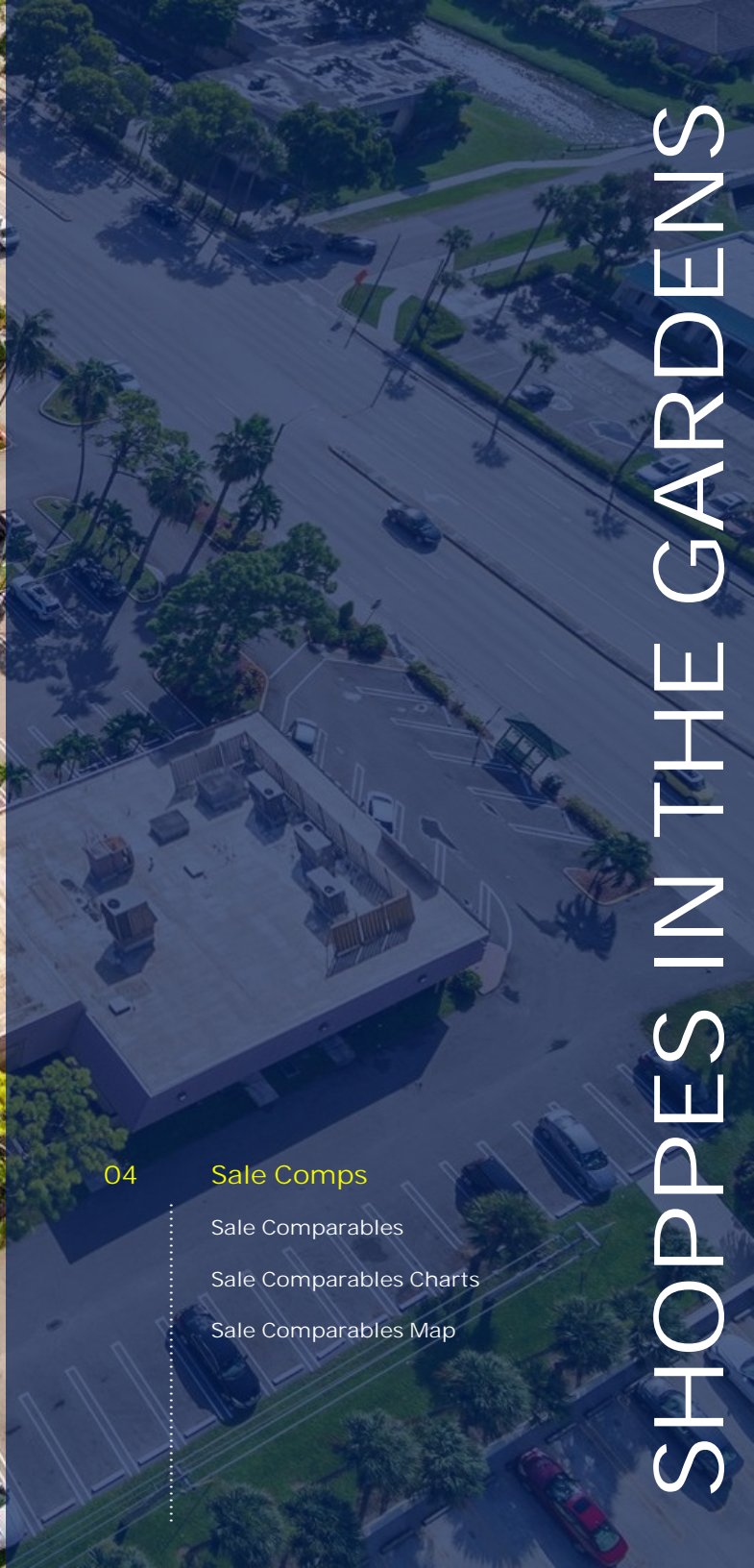






#	Property Name	Address	City
S	Shoppes in the Gardens	10800 N Military Trail	Palm Beach Gardens
1	Plaza La Mer	801 Donald Ross Road	Jupiter
2	Sunny Plaza	9089 N Military Trail	Palm Beach Gardens
3	Oak Tree Plaza	11575 US Highway 1	Palm Beach Gardens





# SHOPPES IN THE GARDENS

04

## Sale Comps

Sale Comparables

Sale Comparables Charts

Sale Comparables Map



1



### Jupiter Bay Plaza

351 S US Highway 1  
Jupiter, FL 33477

RSF	18,976
YEAR BUILT	1983
SALE PRICE	\$5,150,000
PRICE/SF	\$271.40
CAP RATE	6.97 %
OCCUPANCY	100.00 %
LEASE TYPE	NNN
CLOSING DATE	5/21/2018
DAYS ON MARKET	192

Cap Rate Range 6.20 % - 7.71 %

LOW HIGH

Price/Square Ft \$204 - \$321

LOW HIGH

DOM Range 165 - 229

LOW HIGH

2



### Meadows Square

4701 N Congress Avenue  
Boynton Beach, FL 33426

RSF	17,944
YEAR BUILT	1986
SALE PRICE	\$5,215,735
PRICE/SF	\$290.67
CAP RATE	6.20 %
OCCUPANCY	100.00 %
LEASE TYPE	NNN
CLOSING DATE	8/24/2016

Cap Rate Range 6.20 % - 7.71 %

LOW HIGH

Price/Square Ft \$204 - \$321

LOW HIGH

DOM Range

LOW HIGH



3



### Lincoln Park

5859-5869 W Atlantic Avenue  
Delray Beach, FL 33484

RSF	40,025
YEAR BUILT	1985
SALE PRICE	\$12,850,000
PRICE/SF	\$321.05
CAP RATE	6.83 %
OCCUPANCY	100.00 %
LEASE TYPE	NNN
CLOSING DATE	9/23/2016
DAYS ON MARKET	165

Cap Rate Range 6.20 % - 7.71 %

LOW  HIGH

Price/Square Ft \$204 - \$321

LOW  HIGH

DOM Range 165 - 229

LOW  HIGH

4



### Village Square

3111 45th Street  
West Palm Beach, FL 33407

RSF	24,289
YEAR BUILT	1989
SALE PRICE	\$4,950,000
PRICE/SF	\$203.80
CAP RATE	7.00 %
OCCUPANCY	100.00 %
LEASE TYPE	NNN
CLOSING DATE	5/5/2018
DAYS ON MARKET	229

Cap Rate Range 6.20 % - 7.71 %

LOW  HIGH

Price/Square Ft \$204 - \$321

LOW  HIGH

DOM Range 165 - 229

LOW  HIGH





10800 N Military Trail  
Palm Beach Gardens, FL 33410

RSF	35,044
ASKING PRICE	\$8,995,000
PRICE/SF	\$256.68
CAP RATE	7.71 %
OCCUPANCY	100.00 %
LEASE TYPE	Gross Leases with the following exceptions: Dunkin Donuts, Lutinas Pizza, All In One Insurance & Crossroads Deli all pay CAM

6.20 % - 7.71 %

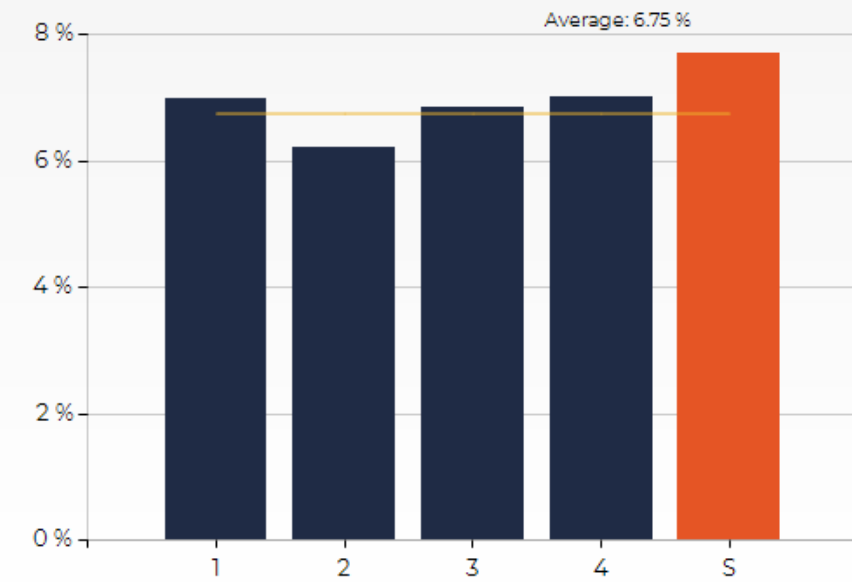


\$204 - \$321

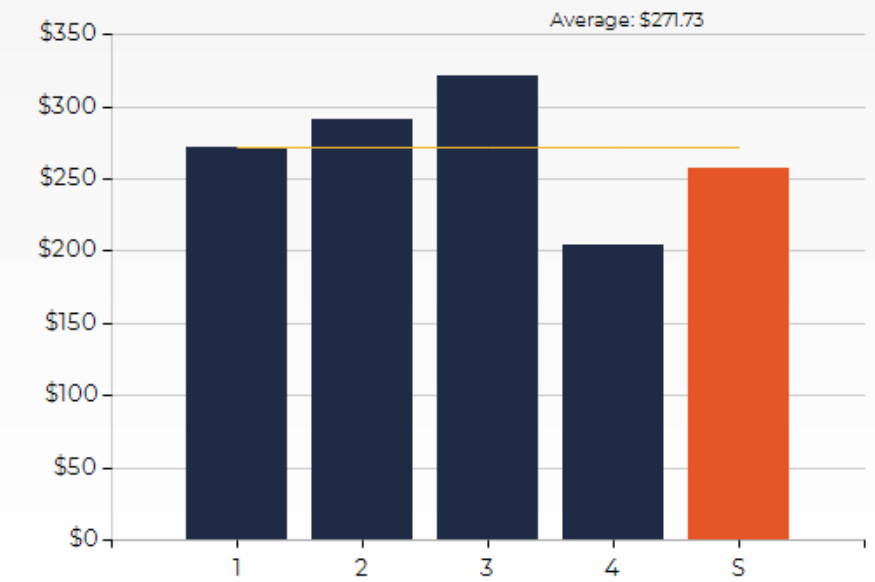




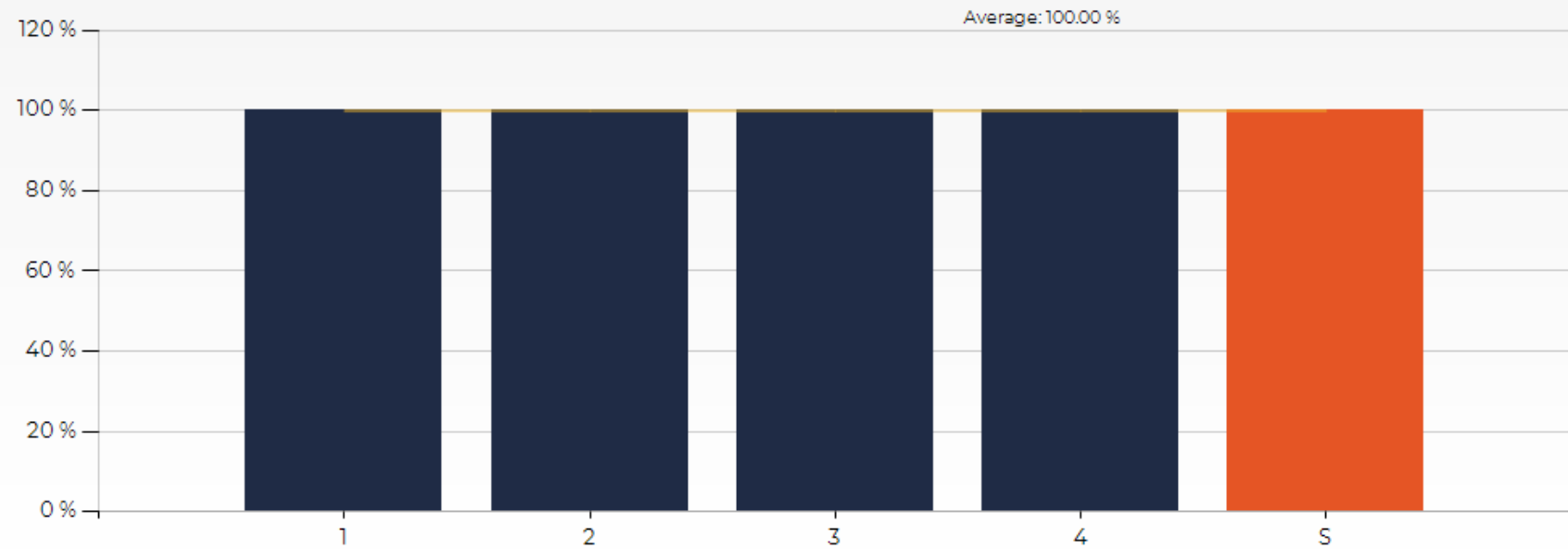
Cap Rate

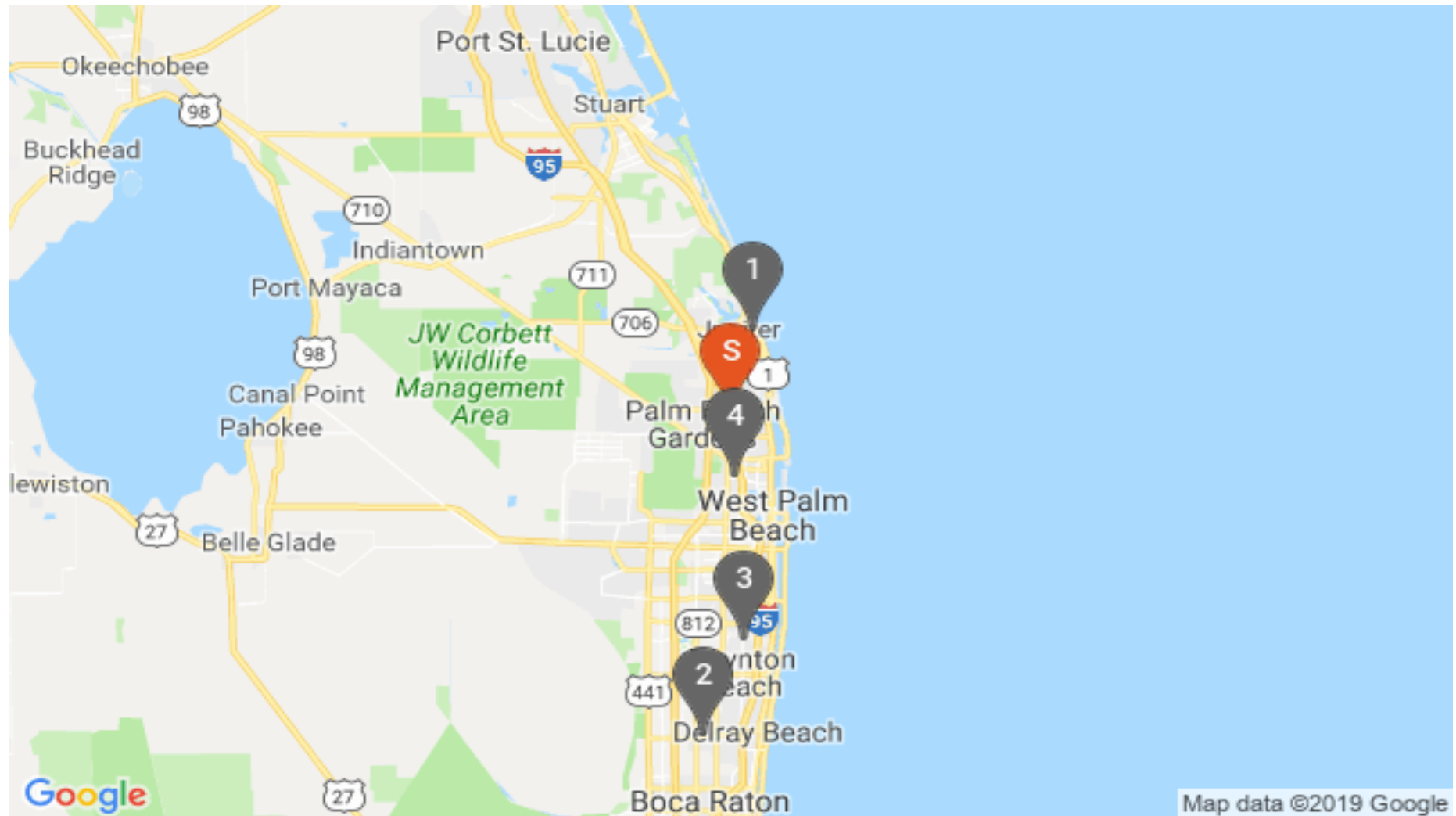


Price/SF



Occupancy





#	Property Name	Address	City
S	Shoppes in the Gardens	10800 N Military Trail	Palm Beach Gardens
1	Jupiter Bay Plaza	351 S US Highway 1	Jupiter
2	Lincoln Park	5859-5869 W Atlantic Avenue	Delray Beach
3	Meadows Square	4701 N Congress Avenue	Boynton Beach
4	Village Square	3111 45th Street	West Palm Beach





05

## Rent Roll

Rent Roll Details

Lease Expiration Summary

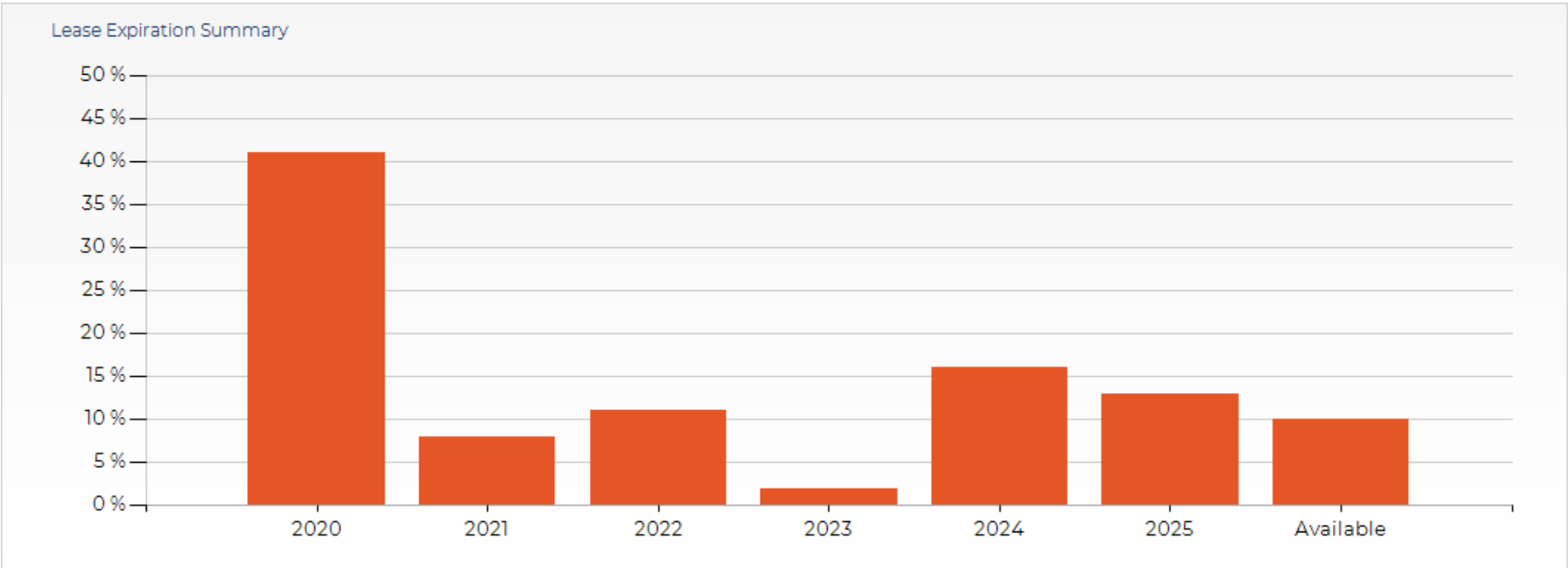
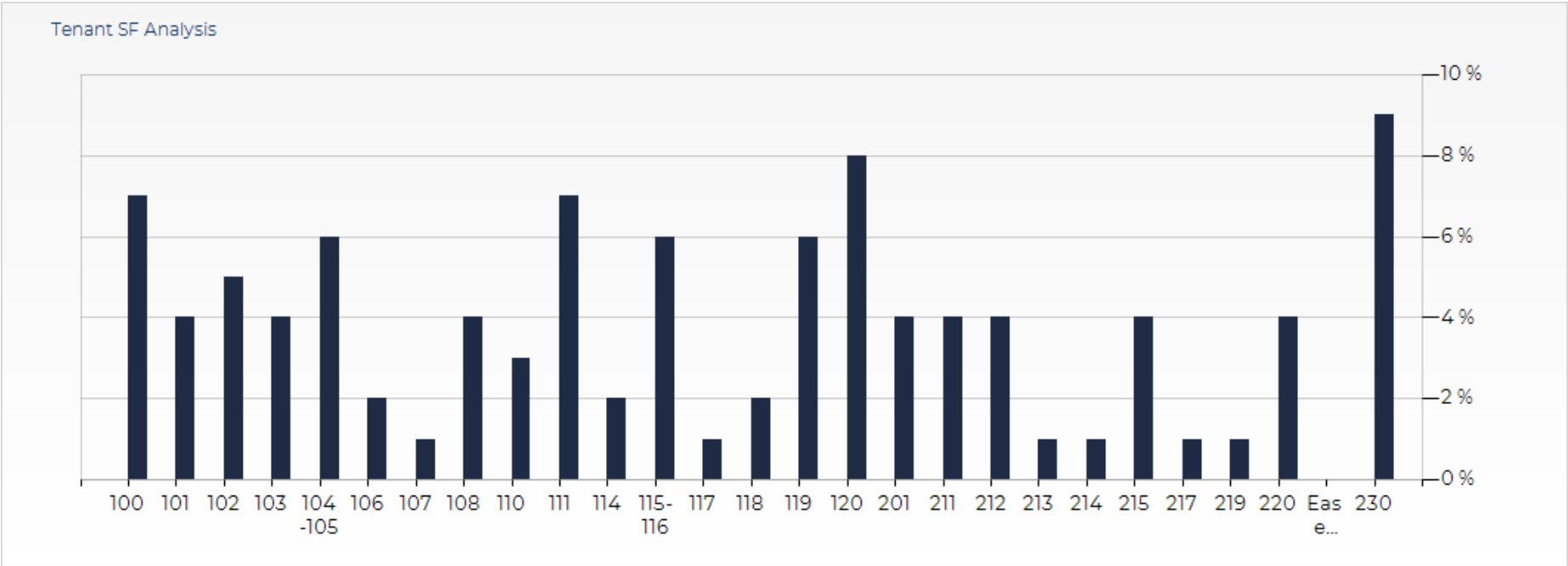
Suite	Tenant Name	Square Feet	% of NRA	Lease Term		Rental Rates						Lease Type	Options/Notes
				Lease Start	Lease End	Begin Date	Monthly Base Rent	Monthly PSF	Annual Base Rent	Annual PSF	CAM Fee (Annual)		
100	Morning Coffee, LLC	2,563	7.31%	08/12/13	01/15/24	CURRENT	\$3,966	\$1.55	\$47,595	\$18.57	\$21,784.99	NNN	
						01/16/2019	\$4,085	\$1.59	\$49,023	\$19.08			
						01/16/2020	\$4,208	\$1.64	\$50,493	\$19.68			
						01/16/2021	\$4,334	\$1.69	\$52,008	\$20.28			
						01/16/2022	\$4,464	\$1.74	\$53,568	\$20.88			
						01/16/2023	\$4,598	\$1.79	\$55,176	\$21.48			
101	Florida Yankee Enterprises, LLC	1,275	3.64%	08/01/17	07/31/20	CURRENT	\$3,205	\$2.51	\$38,454	\$30.16		Gross	Two 3-yr options @ 3.5% with 180 day ntc
102	AMPM Investments 2, LLC dba Remax Properties	1,800	5.14%	04/28/15	05/31/20	CURRENT	\$4,685	\$2.60	\$56,214	\$31.23		Gross	One 5-year option
						06/01/2019	\$4,802	\$2.67	\$57,619	\$32.04			
103	Joky Luxury Nails, LLC	1,414	4.03%	06/01/15	06/30/20	CURRENT	\$3,410	\$2.41	\$40,921	\$28.94		Gross	OI=\$100-signage
						06/01/2019	\$3,581	\$2.53	\$42,967	\$30.36			
104-105	Italian American Society, Inc	2,050	5.85%	12/01/15	05/31/21	CURRENT	\$4,531	\$2.21	\$54,366	\$26.52		Gross	4 reserved parking spaces, 2/3 security to be refunded after 18 mos as long as no deafulst exists, one 5-yr option with 6 month ntc of intent to exercise
						06/01/2019	\$4,666	\$2.28	\$55,997	\$27.36			
						06/01/2020	\$4,806	\$2.34	\$57,677	\$28.08			
106	Palm Beach Osteopathic	640	1.83%	07/01/11	08/31/19	CURRENT	\$1,267	\$1.98	\$15,206	\$23.76		Gross	OI=(\$45)-a/c credit Apr-Oct, (\$25)-a/c credit Nov-Mar, 1-3yr option
						09/01/2019	\$1,331	\$2.08	\$15,967	\$24.96			
107	Linda M. Brennan	317	0.90%	03/01/15	02/28/21	CURRENT	\$690	\$2.18	\$8,280	\$26.12		Gross	Right to terminate after 24 months (ntc to be given prior to 22nd month)
						03/01/2019	\$711	\$2.24	\$8,528	\$26.88			
						03/01/2020	\$732	\$2.31	\$8,784	\$27.72			
108	Taco Chula, LLC	1,301	3.71%	11/15/16	02/28/22	CURRENT	\$2,927	\$2.25	\$35,127	\$27.00		Gross	
						03/01/2022	\$3,074	\$2.36	\$36,883	\$28.32			
110	George Ryan & Co Salon	1,023	2.92%	08/04/14	01/31/20	CURRENT	\$2,295	\$2.24	\$27,539	\$26.92		Gross	OI=\$100-signage, exclusive: hair salon
						02/01/2019	\$2,352	\$2.30	\$28,228	\$27.60			
111	PGA Chiropractic Health Center	2,466	7.04%	08/01/18	10/31/25	CURRENT	\$6,165	\$2.50	\$73,980	\$30.00		Gross	\$3536.65 thru 7/31/18 (old PGAC lease), \$3292.11 thru 11/30/18 (4mos 50%)
						08/01/2019	\$6,350	\$2.58	\$76,199	\$30.96			
						08/01/2020	\$6,540	\$2.65	\$78,485	\$31.80			
						08/01/2021	\$6,737	\$2.73	\$80,840	\$32.76			
						08/01/2022	\$6,939	\$2.81	\$83,265	\$33.72			
						08/01/2023	\$7,147	\$2.90	\$85,763	\$34.80			



Suite	Tenant Name	Square Feet	% of NRA	Lease Term		Rental Rates						Lease Type	Options/Notes
				Lease Start	Lease End	Begin Date	Monthly Base Rent	Monthly PSF	Annual Base Rent	Annual PSF	CAM Fee (Annual)		
114	Lutina's Pizza	784	2.24%	12/01/94	05/31/23	08/01/2024	\$7,361	\$2.99	\$88,336	\$35.88	\$6,664.00	NNN	Charge signage on next renewal. 2-5yr option
						06/01/2019	\$2,425	\$3.09	\$29,095	\$37.08			
						06/01/2020	\$2,497	\$3.19	\$29,968	\$38.28			
						06/01/2021	\$2,572	\$3.28	\$30,867	\$39.36			
						06/01/2022	\$2,649	\$3.38	\$31,793	\$40.56			
115-116	James P. Cima, D.C., P.A.	2,054	5.86%	08/01/18	10/31/25	CURRENT	\$5,135	\$2.50	\$61,620	\$30.00		Gross	
						08/01/2019	\$5,289	\$2.58	\$63,469	\$30.96			
						08/01/2020	\$5,448	\$2.65	\$65,373	\$31.80			
						08/01/2021	\$5,611	\$2.73	\$67,334	\$32.76			
						08/01/2022	\$5,779	\$2.81	\$69,354	\$33.72			
117	All in 1 Insurance Agency, Inc	420	1.20%	06/01/13	05/31/19	08/01/2023	\$5,953	\$2.90	\$71,434	\$34.80	\$3,570.00	NNN	
						08/01/2024	\$6,131	\$2.99	\$73,578	\$35.88			
						CURRENT	\$532	\$1.27	\$6,380	\$15.19			
						06/01/2019	\$558	\$1.33	\$6,699	\$15.96			
118	Global Properties, LLC	570	1.63%	04/01/12	03/31/19	CURRENT	\$1,239	\$2.17	\$14,871	\$26.09		Gross	
						04/01/2019	\$1,301	\$2.28	\$15,615	\$27.36			
119	PB Gardens Drugs, LLC	2,142	6.11%	12/15/15	03/31/22	CURRENT	\$5,123	\$2.39	\$61,475	\$28.70		Gross	
						02/01/2020	\$5,379	\$2.51	\$64,549	\$30.12			
120	Katay #8, Inc. dba Crossroads Market and Deli	2,700	7.70%	07/01/10	06/30/20	CURRENT	\$4,826	\$1.79	\$57,915	\$21.45	\$21,839.76	NNN	One 5-yr option
						07/01/2019	\$5,068	\$1.88	\$60,811	\$22.56			
201	Palm Beach Dancing	1,560	4.45%	09/01/12	08/31/20	CURRENT	\$2,678	\$1.72	\$32,136	\$20.60		Gross	
						09/01/2019	\$2,785	\$1.79	\$33,421	\$21.48			
211	The Escape Team, LLC	1,234	3.52%	11/01/16	10/31/20	CURRENT	\$2,235	\$1.81	\$26,815	\$21.73		Gross	
						11/01/2019	\$2,313	\$1.87	\$27,753	\$22.44			
212	George Ryan & Co Salon	1,250	3.57%	02/01/12	01/31/20	CURRENT	\$2,158	\$1.73	\$25,900	\$20.72		Gross	Exclusive: hair salon
						02/01/2019	\$2,212	\$1.77	\$26,547	\$21.24			
213	Lizanne P. Blake	480	1.37%	06/11/18	06/30/20	CURRENT	\$960	\$2.00	\$11,520	\$24.00		Gross	
						07/01/2019	\$1,008	\$2.10	\$12,096	\$25.20			
214	Florida Embroidered Patches, Inc.	479	1.37%	12/01/18	01/31/21	CURRENT	\$838	\$1.75	\$10,059	\$21.00		Gross	
						12/01/2019	\$878	\$1.83	\$10,538	\$21.96			
						12/01/2020	\$918	\$1.92	\$11,017	\$23.04			
215	Gardens Jewish Experience	1,352	3.86%	03/01/15	03/31/19	CURRENT	\$2,988	\$2.21	\$35,855	\$26.52		Gross	One 1-yr option
						04/01/2019	\$3,078	\$2.28	\$36,931	\$27.36			
217	The Leonard Ins Company, LLC	459	1.31%	03/15/17	03/31/22	CURRENT	\$803	\$1.75	\$9,639	\$21.00		Gross	
						04/01/2019	\$842	\$1.83	\$10,098	\$21.96			
						04/01/2020	\$880	\$1.92	\$10,557	\$23.04			
						04/01/2021	\$918	\$2.00	\$11,016	\$24.00			

Suite	Tenant Name	Square Feet	% of NRA	Lease Term		Rental Rates						Lease Type	Options/Notes
				Lease Start	Lease End	Begin Date	Monthly Base Rent	Monthly PSF	Annual Base Rent	Annual PSF	CAM Fee (Annual)		
219	All American Appliance, Inc.	371	1.06%	09/15/18	11/30/19	CURRENT	\$618	\$1.67	\$7,420	\$20.00		Gross	Five 1-yr options
						12/01/2019	\$649	\$1.75	\$7,791	\$21.00			
220	J&K Medical Center of PB Inc.	1,240	3.54%	03/08/17	03/31/20	CURRENT	\$2,039	\$1.64	\$24,465	\$19.73		Gross	One 3-yr option @ 3% with 180 day ntc
						04/01/2019	\$2,142	\$1.73	\$25,705	\$20.76			
230	Anywhere, Inc.	3,100	8.85%	12/01/18	01/31/24	CURRENT	\$5,500	\$1.77	\$65,999	\$21.29		Gross	One 5-year option. Right to terminate after 2/1/22
						02/01/2020	\$5,692	\$1.84	\$68,309	\$22.08			
						02/01/2021	\$5,892	\$1.90	\$70,700	\$22.80			
Easement	Landmark at Garden Square, LLC	0	0.00%	02/12/16	02/11/21	CURRENT							One 5-yr option
Totals		35,044					\$73,167		\$878,000		\$53,858.75		







# SHOPPES IN THE GARDENS

06

## Financial Analysis

Income & Expense

Multiyear Cash Flow Assumptions

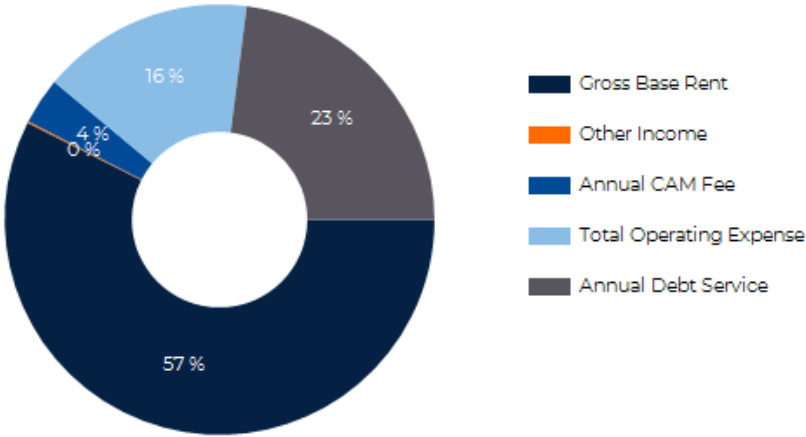
Multiyear Cash Flow Projections

Disposition Sensitivity Analysis



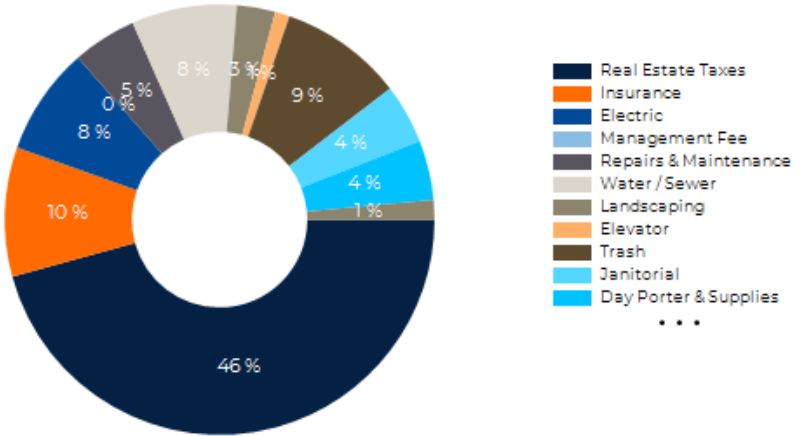
INCOME	CURRENT	PRO FORMA
Gross Base Rent	\$883,008	\$910,159
Other Income	\$1,860	\$2,000
Annual CAM Fee	\$53,859	\$59,250
<b>Gross Potential Income</b>	<b>\$938,727</b>	<b>\$971,409</b>
Less: General Vacancy		\$36,406
<b>Effective Gross Income</b>	<b>\$938,727</b>	<b>\$935,003</b>
Less: Expenses	\$245,484	\$325,675
<b>Net Operating Income</b>	<b>\$693,243</b>	<b>\$609,328</b>
Annual Debt Service	\$353,301	\$353,301
Debt Coverage Ratio	1.96	1.72
<b>Cash Flow After Debt Service</b>	<b>\$339,942</b>	<b>\$256,026</b>
Principal Reduction	\$84,196	\$84,196
<b>Total Return</b>	<b>12.6 %</b>	<b>10.1 %</b>
	<b>\$424,138</b>	<b>\$340,222</b>

REVENUE ALLOCATION



EXPENSES	CURRENT	PRO FORMA
Real Estate Taxes	\$95,082	\$170,000
Insurance	\$20,218	\$24,000
Electric	\$16,870	\$16,870
Management Fee	\$37,549	\$37,400
Repairs & Maintenance	\$10,000	\$10,150
Water / Sewer	\$16,458	\$16,623
Landscaping	\$6,000	\$6,500
Elevator	\$2,300	\$2,300
Trash	\$19,339	\$19,532
Janitorial	\$9,300	\$9,400
Day Porter & Supplies	\$9,300	\$9,400
Other Expenses	\$3,068	\$3,500
<b>Total Operating Expense</b>	<b>\$245,484</b>	<b>\$325,675</b>
Expense / SF	\$7.00	\$9.29
% of EGI	26.15 %	34.83 %

DISTRIBUTION OF EXPENSES





**GLOBAL**

Sale Price	\$8,995,000
Analysis Period	10 year(s)
Commencement Date	Jan. 1, 2019
Exit CAP Rate	6.75 %

**INCOME**

Gross Base Rent	3.75 %
Annual CAM Fee	1.50 %
Other Income	2.00 %

**EXPENSES**

Real Estate Taxes	2.500 %
Insurance	2.00 %
Electric	1.500 %
Repairs & Maintenance	1.500 %
Water / Sewer	1.00 %
Landscaping	0.500 %
Elevator	0.500 %
Trash	1.00 %
Janitorial	1.00 %
Day Porter & Supplies	0.500 %
Other Expenses	2.00 %

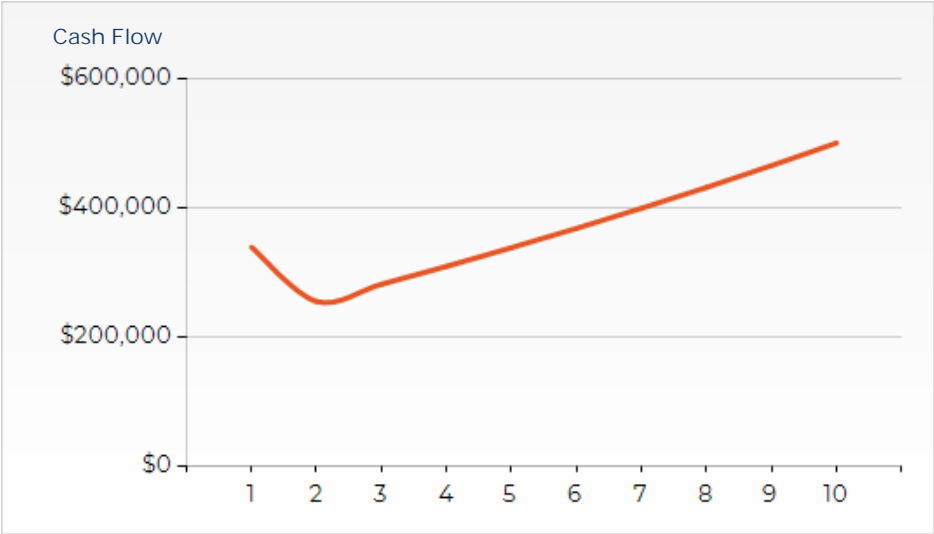
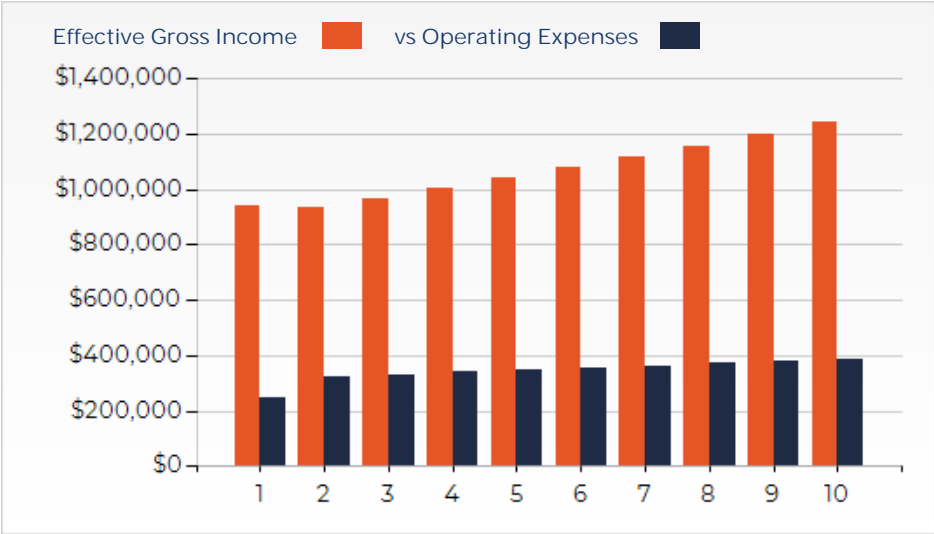
**ASSUMABLE FINANCING**

Loan Type	Fully Amortized
Down Payment	\$3,376,844
Loan Amount	\$5,618,156
Interest Rate	4.79 %
Annual Debt Service	\$353,301
Loan to Value	62 %
Notes	Loan to be assumed: 4.79% fixed through maturity of 4/6/2027, 30 yr amortization, .5% assumption fee, no recourse. Loan is with Deutsche Bank and serviced by Midland Loan Services.



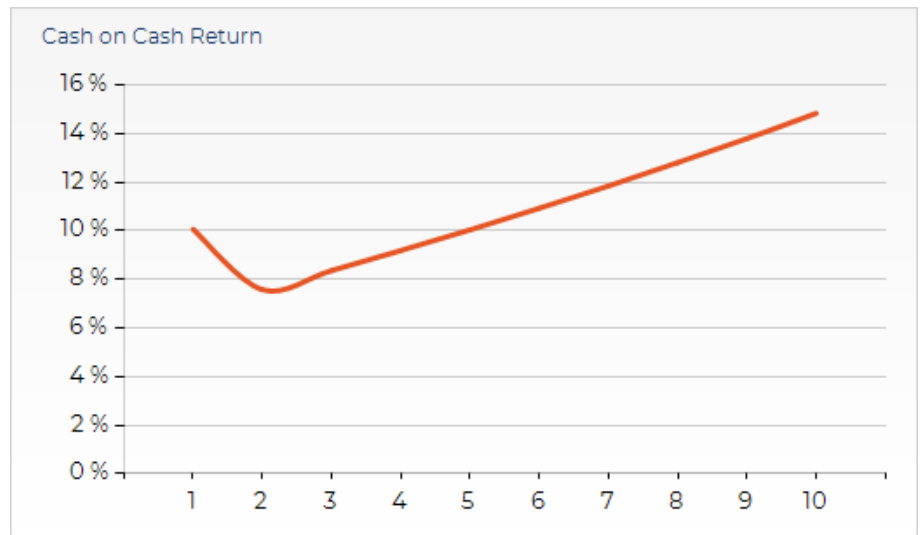
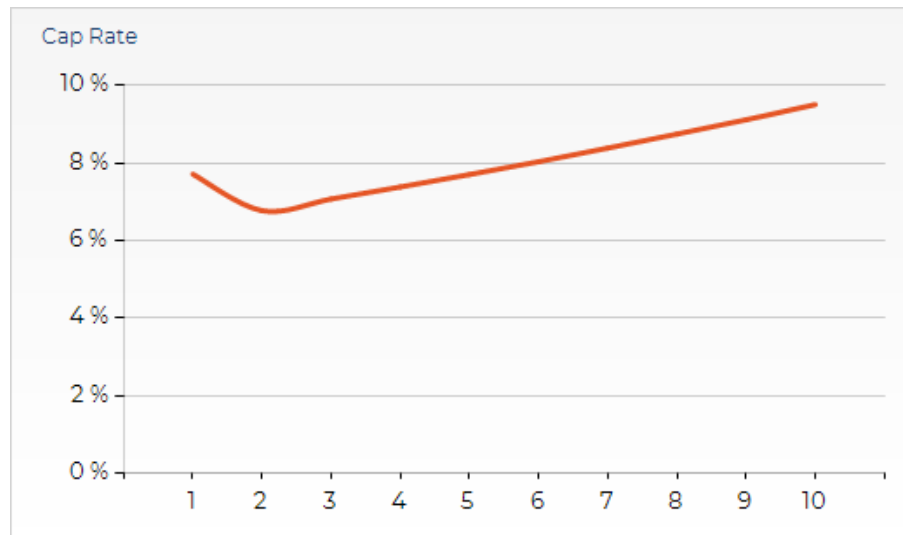
CASH FLOW

Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Potential Revenue										
Gross Base Rent	\$883,008	\$910,159	\$944,290	\$979,701	\$1,016,440	\$1,054,556	\$1,094,102	\$1,135,131	\$1,177,698	\$1,221,862
Other Income	\$1,860	\$2,000	\$2,040	\$2,081	\$2,122	\$2,165	\$2,208	\$2,252	\$2,297	\$2,343
Annual CAM Fee	\$53,859	\$59,250	\$60,139	\$61,041	\$61,956	\$62,886	\$63,829	\$64,787	\$65,758	\$66,745
Gross Potential Income	\$938,727	\$971,409	\$1,006,469	\$1,042,822	\$1,080,518	\$1,119,607	\$1,160,139	\$1,202,170	\$1,245,754	\$1,290,950
General Vacancy		\$36,406	\$37,772	\$39,188	\$40,658	\$42,182	\$43,764	\$45,405	\$47,108	\$48,874
Effective Gross Income	\$938,727	\$935,003	\$968,697	\$1,003,634	\$1,039,861	\$1,077,425	\$1,116,375	\$1,156,764	\$1,198,646	\$1,242,075
Operating Expenses										
Real Estate Taxes	\$95,082	\$170,000	\$174,250	\$178,606	\$183,071	\$187,648	\$192,339	\$197,148	\$202,077	\$207,128
Insurance	\$20,218	\$24,000	\$24,480	\$24,970	\$25,469	\$25,978	\$26,498	\$27,028	\$27,568	\$28,120
Electric	\$16,870	\$16,870	\$17,123	\$17,380	\$17,641	\$17,905	\$18,174	\$18,446	\$18,723	\$19,004
Management Fee	\$37,549	\$37,400	\$38,748	\$40,145	\$41,594	\$43,097	\$44,655	\$46,271	\$47,946	\$49,683
Repairs & Maintenance	\$10,000	\$10,150	\$10,302	\$10,457	\$10,614	\$10,773	\$10,934	\$11,098	\$11,265	\$11,434
Water / Sewer	\$16,458	\$16,623	\$16,789	\$16,957	\$17,127	\$17,298	\$17,471	\$17,646	\$17,822	\$18,000
Landscaping	\$6,000	\$6,500	\$6,533	\$6,565	\$6,598	\$6,631	\$6,664	\$6,697	\$6,731	\$6,765
Elevator	\$2,300	\$2,300	\$2,312	\$2,323	\$2,335	\$2,346	\$2,358	\$2,370	\$2,382	\$2,394
Trash	\$19,339	\$19,532	\$19,727	\$19,925	\$20,124	\$20,325	\$20,528	\$20,734	\$20,941	\$21,150
Janitorial	\$9,300	\$9,400	\$9,494	\$9,589	\$9,685	\$9,782	\$9,879	\$9,978	\$10,078	\$10,179
Day Porter & Supplies	\$9,300	\$9,400	\$9,447	\$9,494	\$9,542	\$9,589	\$9,637	\$9,686	\$9,734	\$9,783
Other Expenses	\$3,068	\$3,500	\$3,570	\$3,641	\$3,714	\$3,789	\$3,864	\$3,942	\$4,020	\$4,101
Total Operating Expense	\$245,484	\$325,675	\$332,775	\$340,052	\$347,513	\$355,162	\$363,003	\$371,043	\$379,287	\$387,740
Net Operating Income	\$693,243	\$609,328	\$635,922	\$663,582	\$692,348	\$722,263	\$753,372	\$785,721	\$819,359	\$854,335
Annual Debt Service	\$353,301	\$353,301	\$353,301	\$353,301	\$353,301	\$353,301	\$353,301	\$353,301	\$353,301	\$353,301
Cash Flow	\$339,942	\$256,026	\$282,621	\$310,281	\$339,046	\$368,962	\$400,071	\$432,420	\$466,058	\$501,034





Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Financial Metrics</b>										
Cash on Cash Return b/t	10.07 %	7.58 %	8.37 %	9.19 %	10.04 %	10.93 %	11.85 %	12.81 %	13.80 %	14.84 %
CAP Rate	7.71 %	6.77 %	7.07 %	7.38 %	7.70 %	8.03 %	8.38 %	8.74 %	9.11 %	9.50 %
Debt Coverage Ratio	1.96	1.72	1.80	1.88	1.96	2.04	2.13	2.22	2.32	2.42
Operating Expense Ratio	26.15 %	34.83 %	34.35 %	33.88 %	33.41 %	32.96 %	32.51 %	32.07 %	31.64 %	31.21 %
Gross Multiplier (GRM)	9.58	9.26	8.94	8.63	8.32	8.03	7.75	7.48	7.22	6.97
Loan to Value	62.48 %	61.47 %	60.50 %	59.47 %	58.37 %	57.19 %	56.01 %	54.73 %	53.37 %	51.98 %
Breakeven Ratio	63.79 %	72.62 %	70.82 %	69.08 %	67.40 %	65.76 %	64.16 %	62.62 %	61.12 %	59.66 %
Price / SF	\$256.68	\$256.68	\$256.68	\$256.68	\$256.68	\$256.68	\$256.68	\$256.68	\$256.68	\$256.68
Expense / SF	\$7.00	\$9.29	\$9.49	\$9.70	\$9.91	\$10.13	\$10.35	\$10.58	\$10.82	\$11.06
Income / SF	\$26.78	\$26.68	\$27.64	\$28.63	\$29.67	\$30.74	\$31.85	\$33.00	\$34.20	\$35.44



## 5 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	IRR
5.75%	\$12,040,833	\$344	\$6,828,510	22.18%
6.00%	\$11,539,131	\$329	\$6,326,809	20.62%
6.25%	\$11,077,566	\$316	\$5,865,244	19.10%
6.50%	\$10,651,506	\$304	\$5,439,184	17.62%
6.75%	\$10,257,006	\$293	\$5,044,683	16.18%
7.00%	\$9,890,684	\$282	\$4,678,362	14.76%
7.25%	\$9,549,626	\$273	\$4,337,304	13.38%
7.50%	\$9,231,305	\$263	\$4,018,983	12.02%
7.75%	\$8,933,521	\$255	\$3,721,199	10.67%

## 10 YEAR SENSITIVITY ANALYSIS

EXIT CAP RATE	PROJECTED SALES PRICE	SALES PRICE PSF	PROCEEDS AFTER LOAN PAYOFF	IRR
5.75%	\$14,858,000	\$424	\$10,022,196	18.31%
6.00%	\$14,238,917	\$406	\$9,403,113	17.77%
6.25%	\$13,669,360	\$390	\$8,833,556	17.24%
6.50%	\$13,143,616	\$375	\$8,307,812	16.74%
6.75%	\$12,656,815	\$361	\$7,821,011	16.25%
7.00%	\$12,204,786	\$348	\$7,368,982	15.78%
7.25%	\$11,783,931	\$336	\$6,948,127	15.32%
7.50%	\$11,391,134	\$325	\$6,555,329	14.87%
7.75%	\$11,023,678	\$315	\$6,187,874	14.44%





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## Demographics

Demographic Details

Demographic Charts

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	6,910	56,229	111,452
2010 Population	7,834	67,790	134,659
2017 Population	8,986	75,132	147,929
2022 Population	9,845	80,554	157,565
2017 African American	673	6,303	31,342
2017 American Indian	16	141	310
2017 Asian	338	2,823	4,897
2017 Hispanic	1,362	9,807	16,430
2017 White	7,522	62,230	104,787
2017 Other Race	228	1,841	3,055
2017 Multiracial	205	1,758	3,456
2017-2022: Population: Growth Rate	9.20 %	7.00 %	6.35 %

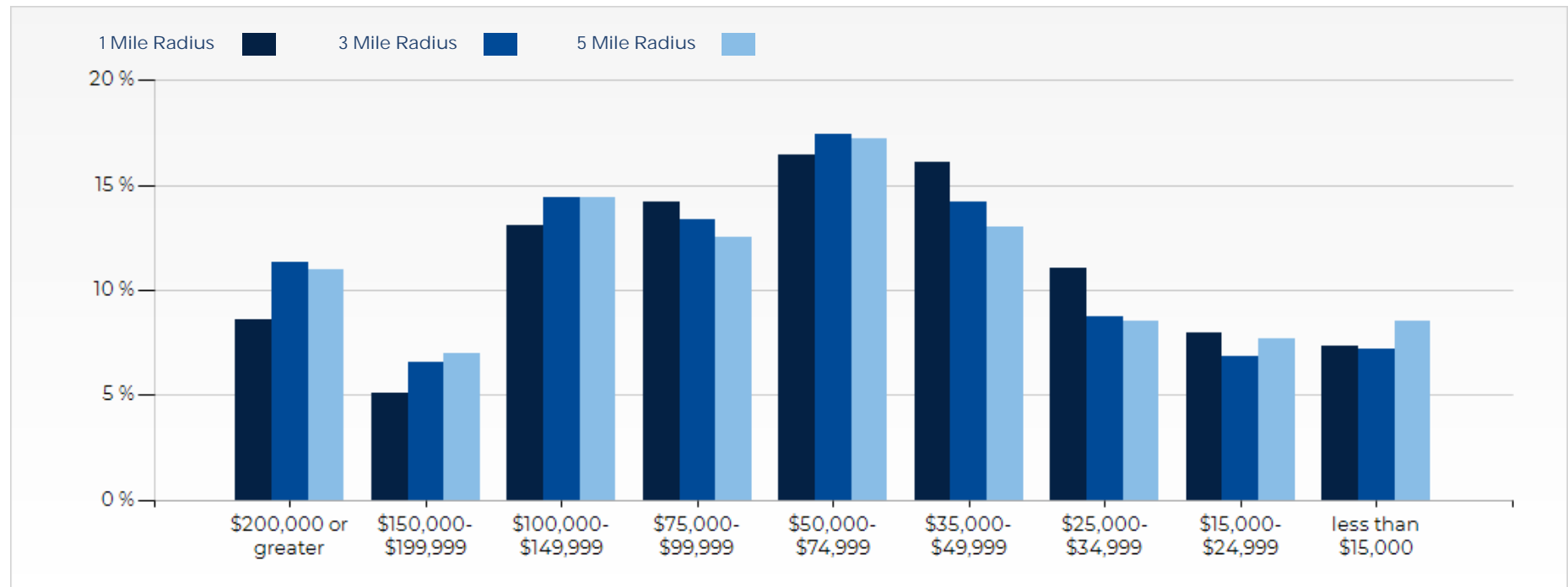
2017 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	305	2,478	5,543
\$15,000-\$24,999	331	2,358	4,981
\$25,000-\$34,999	457	3,011	5,542
\$35,000-\$49,999	666	4,910	8,473
\$50,000-\$74,999	681	6,018	11,182
\$75,000-\$99,999	588	4,632	8,151
\$100,000-\$149,999	543	4,981	9,382
\$150,000-\$199,999	211	2,265	4,560
\$200,000 or greater	357	3,910	7,129
Median HH Income	\$59,157	\$66,954	\$65,729
Average HH Income	\$90,788	\$103,959	\$101,913

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	3,243	29,196	56,501
2010 Total Households	3,608	31,317	59,325
2017 Total Households	4,140	34,564	64,944
2022 Total Households	4,535	36,997	69,101
2017 Average Household Size	2.16	2.17	2.26
2000 Owner Occupied Housing	2,027	19,392	34,919
2000 Renter Occupied Housing	878	5,936	13,025
2017 Owner Occupied Housing	2,612	22,866	41,572
2017 Renter Occupied Housing	1,528	11,698	23,372
2017 Vacant Housing	553	6,044	13,269
2017 Total Housing	4,693	40,608	78,213
2022 Owner Occupied Housing	2,942	25,060	45,507
2022 Renter Occupied Housing	1,593	11,938	23,594
2022 Vacant Housing	515	6,072	13,451
2022 Total Housing	5,050	43,069	82,552
2017-2022: Households: Growth Rate	9.20 %	6.85 %	6.25 %

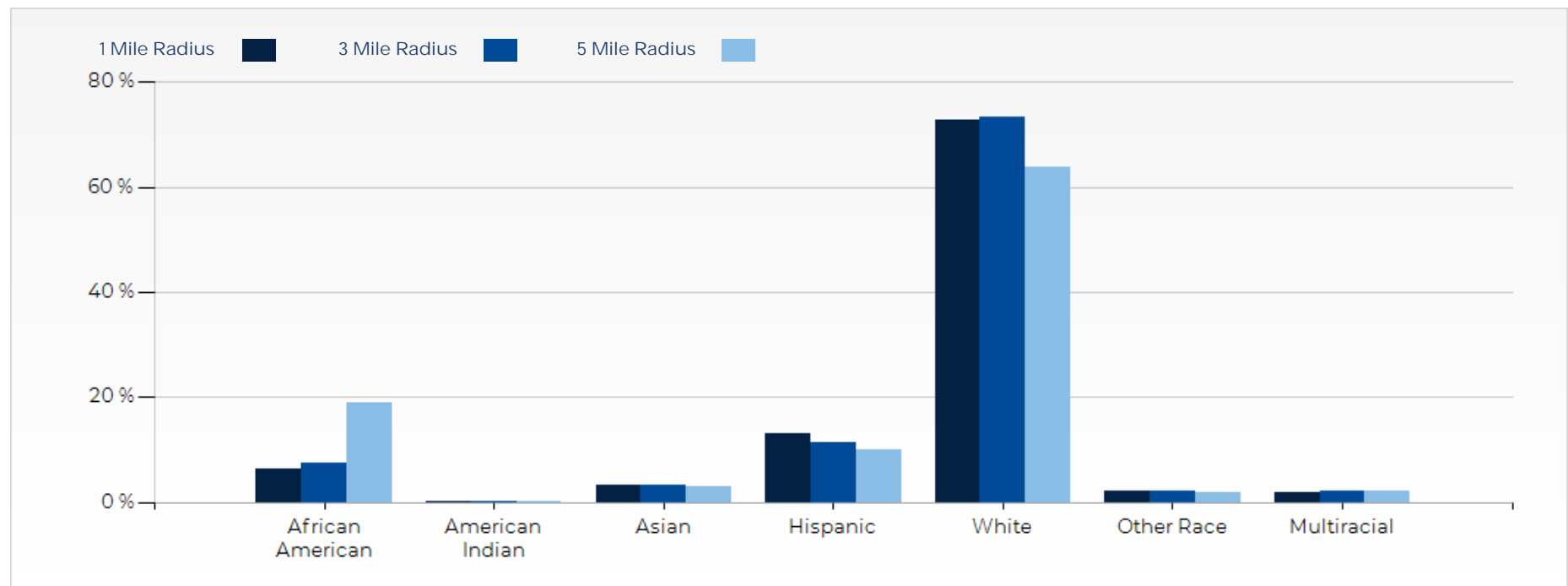




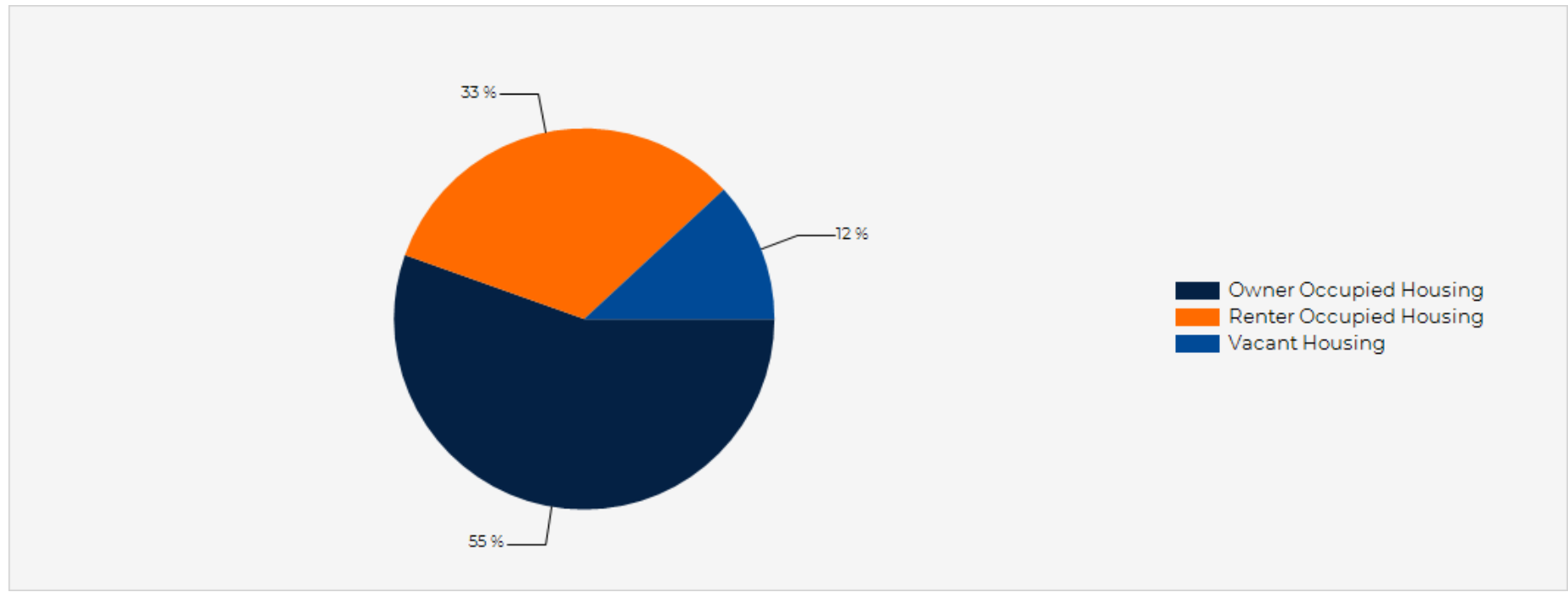
2017 Household Income



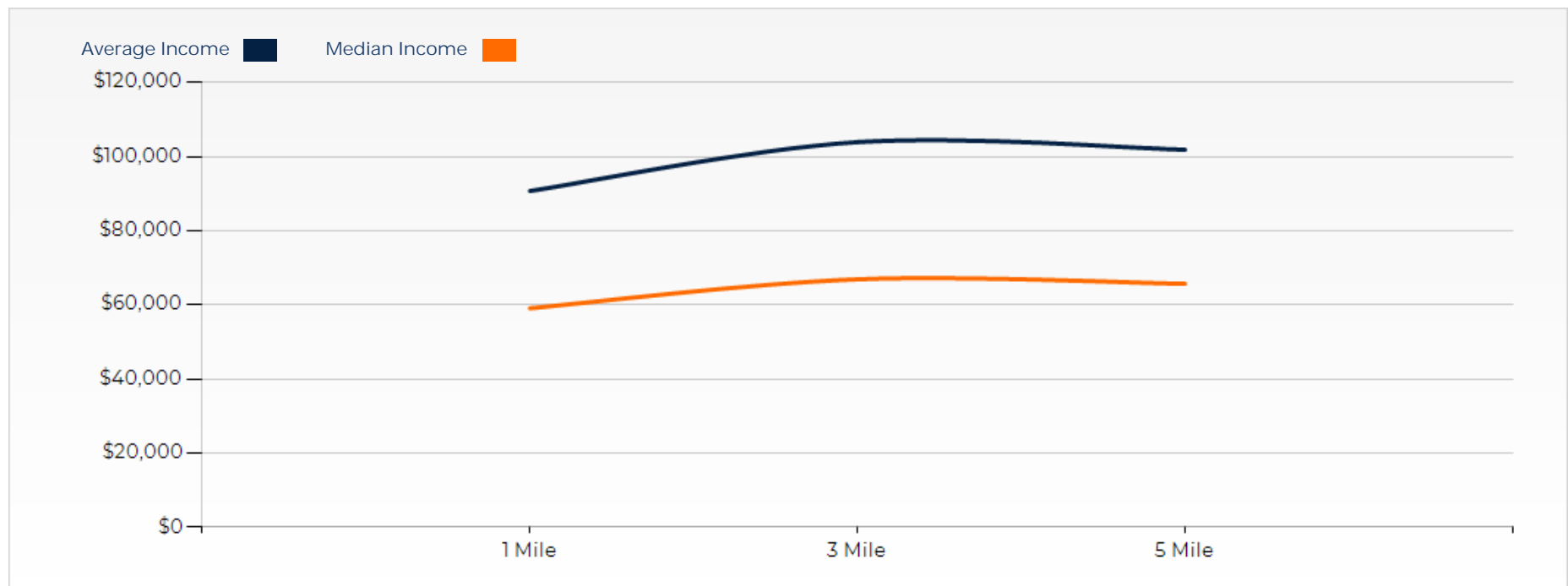
2017 Population by Race



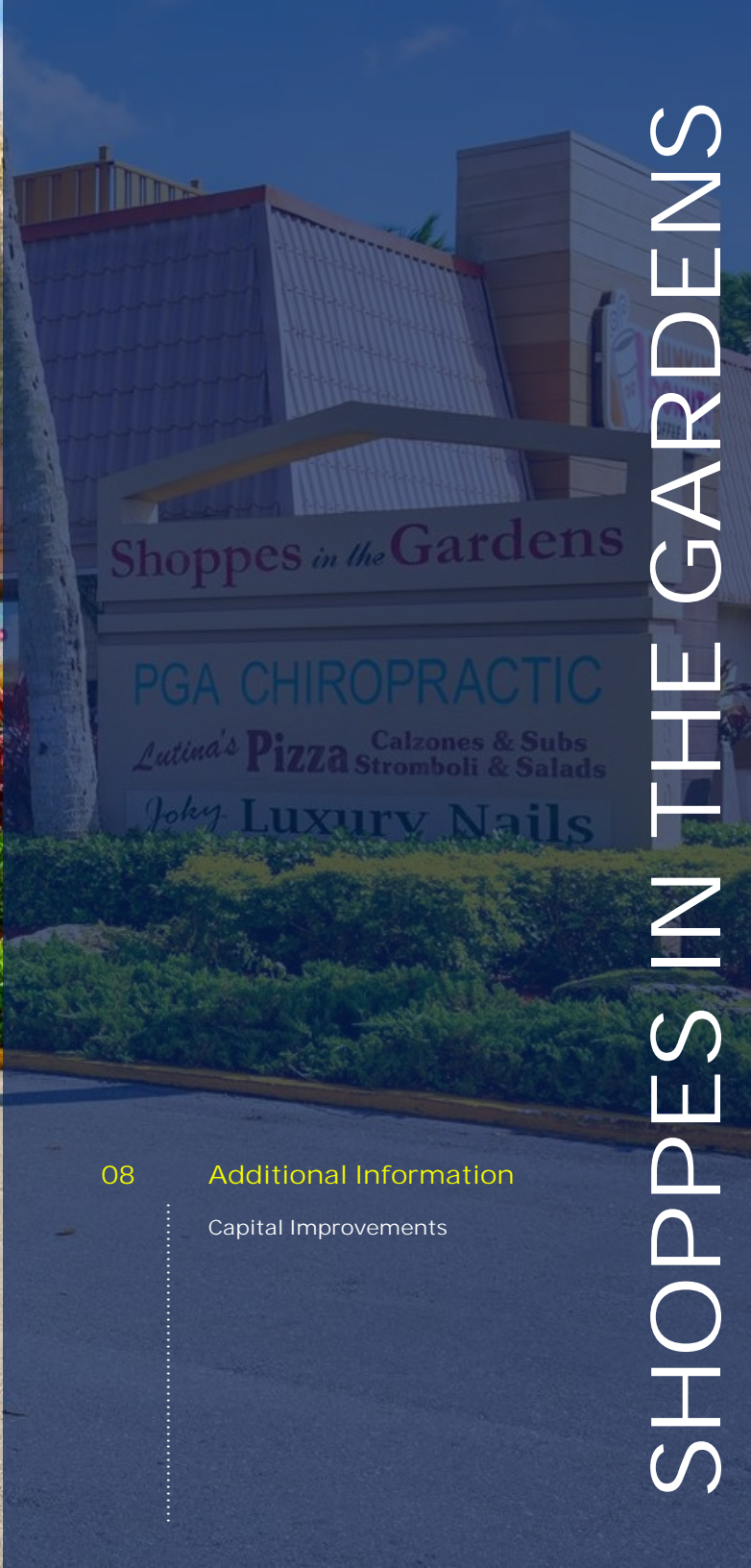
2017 Household Occupancy - 1 Mile Radius



2017 Household Income Average and Median







08

Additional Information

Capital Improvements

Shoppes  
Capital Improvements

**2014**

Building Improvements	painting, stripe/seal parking lot, roofing updates, electrical improvements	129,250.77
Equipment	HVAC	4,895.00
TI/Make Ready		33,641.25
		<b>167,787.02</b>

**2015**

Building Improvements	painting, driveway paving	24,266.87
	electrical improvements	49,881.51
	Roofing	38,913.00
Equipment	Elevator/alarm strobes	8,205.43
	HVAC	4,790.00
TI/Make Ready		260,828.99
		<b>386,885.80</b>

**2016**

Building Improvements	roofing	8,526.00
Equipment	elevator improvements	20,485.49
	cooler repairs	3,589.00
		<b>32,600.49</b>

**2017**

Building Improvements	Roof replacement	57,769.23
	Restroom upgrade	9,350.00
Equipment	HVAC replacement	3,625.00
TI/Make Ready		6,683.24
		<b>77,427.47</b>

**2018**

Building Improvements	Restroom renovations	39,491.22
	Paving and striping of parking lot	57,299.16
Equipment	New HVAC units	4,267.00
TI/Make Ready		48,493.00
		<b>149,550.38</b>

<b>GRAND TOTAL</b>	<b>814,251.16</b>
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# Shoppes in the Gardens



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