

WESTBROOKE SHOPPING CENTER

SALT LAKE COUNTY RETAIL ON 5400 SOUTH WITH LONG TERM TENANTS

3200 WEST 5400 SOUTH, TAYLORSVILLE, UTAH 84118

 **Newmark Grubb**
ACRES



EXCLUSIVELY
MARKETED BY:

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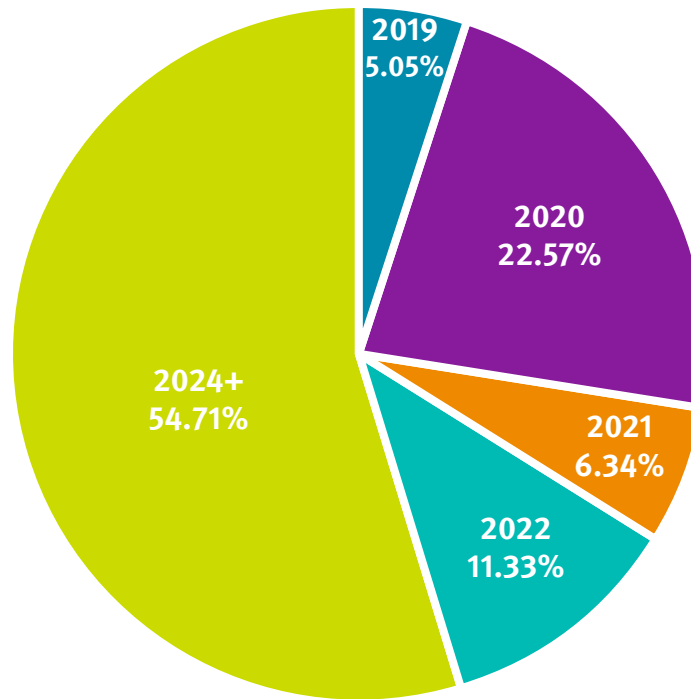


EXECUTIVE SUMMARY

PROPERTY HIGHLIGHTS

- \$175.66 PSF (Below Replacement Cost)
- Long Term Tenants in Place
- Over 50% of the Tenants Have Leases Expiring in 2024 or Later
- The Average Length of Tenancy in the Property is 15+ Years
- 21,599 SF
- Built in 1988
- 2.35 Acres
- Excellent I-215 and Bangerter Highway Access
- 44,000 Cars/Day on 5400 South
- Taco Bell is in Top 10% of Sales for This Region

LEASE EXPIRATION DATE BY YEAR



\$ **\$3,794,000**
PURCHASE PRICE

% **7.35%**
CAP RATE

\$ **\$278,890**
NOI

FINANCIAL ANALYSIS

RENT ROLL

TENANT	SF	\$ PSF	MONTHLY	ANNUAL	Lease Type	Lease Start	LED	Comments
Cascade Chiropractic	2,241	\$11.21	\$2,094	\$25,128	NNN	2006	6/30/2024	-2% Annual Increases each July
Treasure Island Tanning (Steve Vincent)	2,310	\$13.49	\$2,597	\$31,165	NNN	2003	3/31/2024	-2% Annual Increases each April starting on 4/2021 -Tenant has 2 months of free base rent to be used at its discretion (one must be used in 2019)
Szechwan Express II	1,218	\$13.79	\$1,400	\$16,800	NNN	1993	6/30/2024	-\$50/month Annual increases each July
Power Plus Dance Studio (Frederick Kesler)	3,702	\$10.30	\$3,813	\$38,131	NNN	2006	6/30/2024	-Only 10 months of rent shown, because July/September are abated every year. 3% Rent Increase on 9/1/2021
Song's Nails	1,195	\$16.07	\$1,600	\$19,200	NNN	1995	3/30/2025	-New Operators and Personal Guarantors take over lease on 4/2021 and lease bumps to \$1,650/month with \$50/month annual increases each April thereafter
Loyal Loans (Langley Management)	1,176	\$14.37	\$1,408	\$16,896	NNN	2013	3/31/2024	-Flat Rent
Salon Di'Jon	1,176	\$15.82	\$1,550	\$18,600	NNN	1995	9/30/2021	-\$50/month Annual increases each October
Golden Sewing & Fabric Shop	1,176	\$11.31	\$1,108	\$13,296	NNN	2018	12/31/2023	-3% Annual Increases each December
Allstate	925	\$16.03	\$1,236	\$14,832	NNN	1995	5/31/2019	
Karate for Kids (Taylorsville ATA Martial Arts, LLC)	2,402	\$13.84	\$2,771	\$33,249	NNN	2001	1/31/2022	-3% Annual Increases each February
Vacant (12 Month Seller Leaseback)	2,295	\$18.00	\$3,443	\$41,310	NNN			Just vacated by Subway after over 20 years of occupancy. Seller to provide Buyer with 12 month leaseback.
Vacant (12 Month Seller Leaseback)	1,783	\$14.00	\$2,080	\$24,962	NNN			Seller to provide Buyer with 12 month leaseback
Totals	21,599	\$13.59	\$25,100	\$293,569				
Less: Vacancy/Reserve	5.00%			\$(14,678)				
TOTAL NET OPERATING INCOME				\$278,890				

FINANCIAL ANALYSIS

VALUATION AND CASH ON CASH

Net Operating Income	\$278,890
Purchase Price	\$3,794,000
Cap Rate	7.35%
Price PSF	\$175.66
Loan to Value Ratio	65.00%
Down Payment	\$1,327,900
Mortgage Balance	\$2,466,100
Amortization (in years)	25
Payments per Year	12
Loan Term	5
Interest Rate	5.00%
Annual P&I	\$172,999
Annual Cash Return (NOI less P&I)	\$105,891
Closing Costs (1.00%)	\$24,661
Total Cost	\$3,818,661
Total Cash Invested	\$1,352,561
Cash on Cash Return	7.83%
1st Year Principal Reduction	\$48,763
Total Return Including Principal Reduction	\$154,654
FIRST YEAR TOTAL RETURN ON INVESTMENT	11.43%



FINANCIAL ANALYSIS

PRO-FORMA INCOME STATEMENT & IRR ANALYSIS

	2020 YEAR 1*	2021 YEAR 2	2022 YEAR 3	2023 YEAR 4	2024 YEAR 5	2025 YEAR 6	2026 YEAR 7	2027 YEAR 8	2028 YEAR 9	2029 YEAR 10	2030 YEAR 11	
Capital Investment	(1,352,561)											
Net Operating Income Cashflows												
Cascade Chiropractic	25,128	25,882	26,658	27,458	28,282	29,130	30,004	30,904	31,831	32,786	33,770	
Treasure Island Tanning (Steve Vincent)	31,165	32,100	33,063	34,055	35,076	36,129	37,213	38,329	39,479	40,663	41,883	
Szechwan Express II	16,800	17,304	17,823	18,358	18,909	19,476	20,060	20,662	21,282	21,920	22,578	
Power Plus Dance Studio (Frederick Kesler)	38,131	39,275	40,453	41,666	42,916	44,204	45,530	46,896	48,303	49,752	51,244	
Song's Nails	19,200	19,776	20,369	20,980	21,610	22,258	22,926	23,614	24,322	25,052	25,803	
Loyal Loans (Langley Management)	16,896	17,403	17,925	18,463	19,017	19,587	20,175	20,780	21,403	22,045	22,707	
Salon Di'Jon	18,600	19,158	19,733	20,325	20,934	21,562	22,209	22,876	23,562	24,269	24,997	
Golden Sewing & Fabric Shop	13,296	13,695	14,106	14,529	14,965	15,414	15,876	16,352	16,843	17,348	17,869	
Allstate	14,832	15,277	15,735	16,207	16,694	17,194	17,710	18,241	18,789	19,352	19,933	
Karate for Kids (Taylorsville ATA Martial Arts, LLC)	33,249	34,247	35,274	36,332	37,422	38,545	39,701	40,892	42,119	43,383	44,684	
Vacant (12 Month Seller Leaseback)	41,310	42,549	43,826	45,141	46,495	47,890	49,326	50,806	52,330	53,900	55,517	
Vacant (12 Month Seller Leaseback)	24,962	25,711	26,482	27,277	28,095	28,938	29,806	30,700	31,621	32,570	33,547	
Less: Vacancy/Reserve	5.00%	(14,678)	(15,119)	(15,572)	(16,040)	(16,521)	(17,016)	(17,527)	(18,053)	(18,594)	(19,152)	(19,727)
Total Net Operating Income	278,890	287,257	295,875	304,751	313,894	323,310	333,010	343,000	353,290	363,889	374,805	
NOI Return on Cost	7.30%	7.52%	7.75%	7.98%	8.22%	8.47%	8.72%	8.98%	9.25%	9.53%	9.82%	
Debt Coverage Ratio	1.61	1.66	1.71	1.76	1.81	1.87	1.92	1.98	2.04	2.10	2.17	
Annual Cash Flows												
Total Net Operating Income		278,890	287,257	295,875	304,751	313,894	323,310	333,010	343,000	353,290	363,889	374,805
Less: Tenant Improvements*	\$15.00 PSF	(44,971)	(16,199)	(16,685)	(17,186)	(17,701)	(18,232)	(18,779)	(19,343)	(19,923)	(20,521)	(21,136)
Less: Brokerage Costs*	6.00%	(7,408)	(2,749)	(2,831)	(2,916)	(3,003)	(3,094)	(3,186)	(3,282)	(3,380)	(3,482)	(3,586)
Less: Vacancy Down Time												
		Included as a deduction in Incoming cash flows above										
Less: Debt Service		(172,999)	(172,999)	(172,999)	(172,999)	(172,999)	(172,999)	(172,999)	(172,999)	(172,999)	(172,999)	(172,999)
Total Annual Cash Flows		(1,299,048)	95,310	103,360	111,650	120,190	128,985	138,045	147,376	156,988	166,887	177,084
Cash on Cash Return		n/a	7.05%	7.64%	8.25%	8.89%	9.54%	10.21%	10.90%	11.61%	12.34%	13.09%

FINANCIAL ANALYSIS

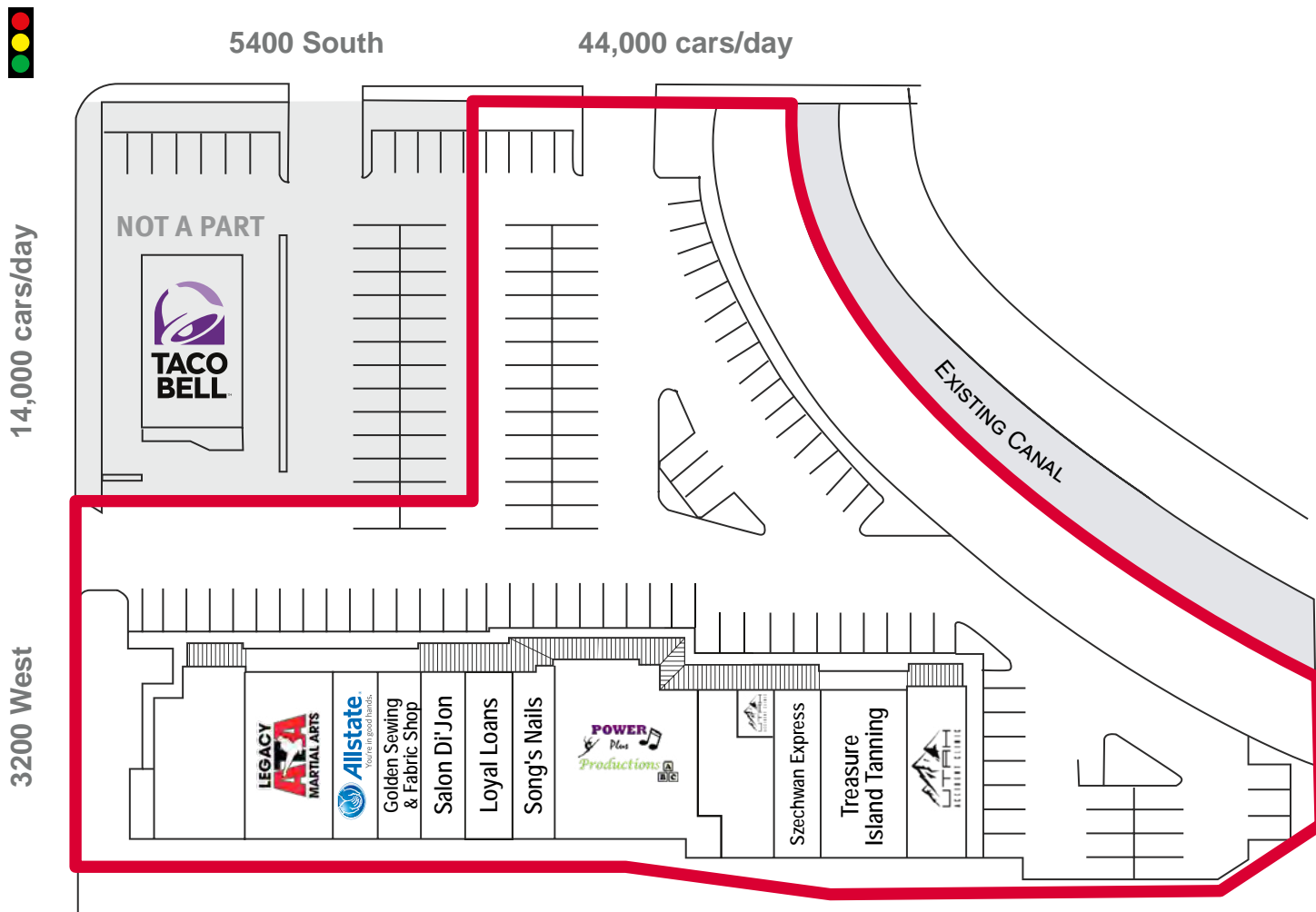
PRO-FORMA INCOME STATEMENT & IRR ANALYSIS

	2020 YEAR 1*	2021 YEAR 2	2022 YEAR 3	2023 YEAR 4	2024 YEAR 5	2025 YEAR 6	2026 YEAR 7	2027 YEAR 8	2028 YEAR 9	2029 YEAR 10	2030 YEAR 11
Sales Proceeds (Valuation):											
Year of Sale	2030										
Exit Cap Rate	7.50%										
Sale Value											
Less: Debt Payoff											
Less: Cost of Sale	5.00%										
Total Sale Proceeds at Cap Rate	2,991,761										

IRR Analysis											
Exit Cap Rate	7.50%										
Total Cash Flows	(1,299,048)	95,310	103,360	111,650	120,190	128,985	138,045	147,376	156,988	166,887	3,168,845
IRR	15.73%										

Assumptions											
1	Annual Turnover:										5%
2	Typical Renewal/New Lease Term:										3 Yrs
3	Typical Renewal/Lease Escalations:										3%
4	Annual Rent/Expense Inflation:										3%
5	Annual TI Inflation:										3%
*Year 1 T.I. and Brokerage Costs are to get center to 5% Vacancy											

SITE PLAN





14,000 cars/day

3200 West



5400 South

44,000 cars/day



Golden Sewing & Fabric Shop

Salon Di'Jon

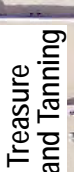
Loyal Loans

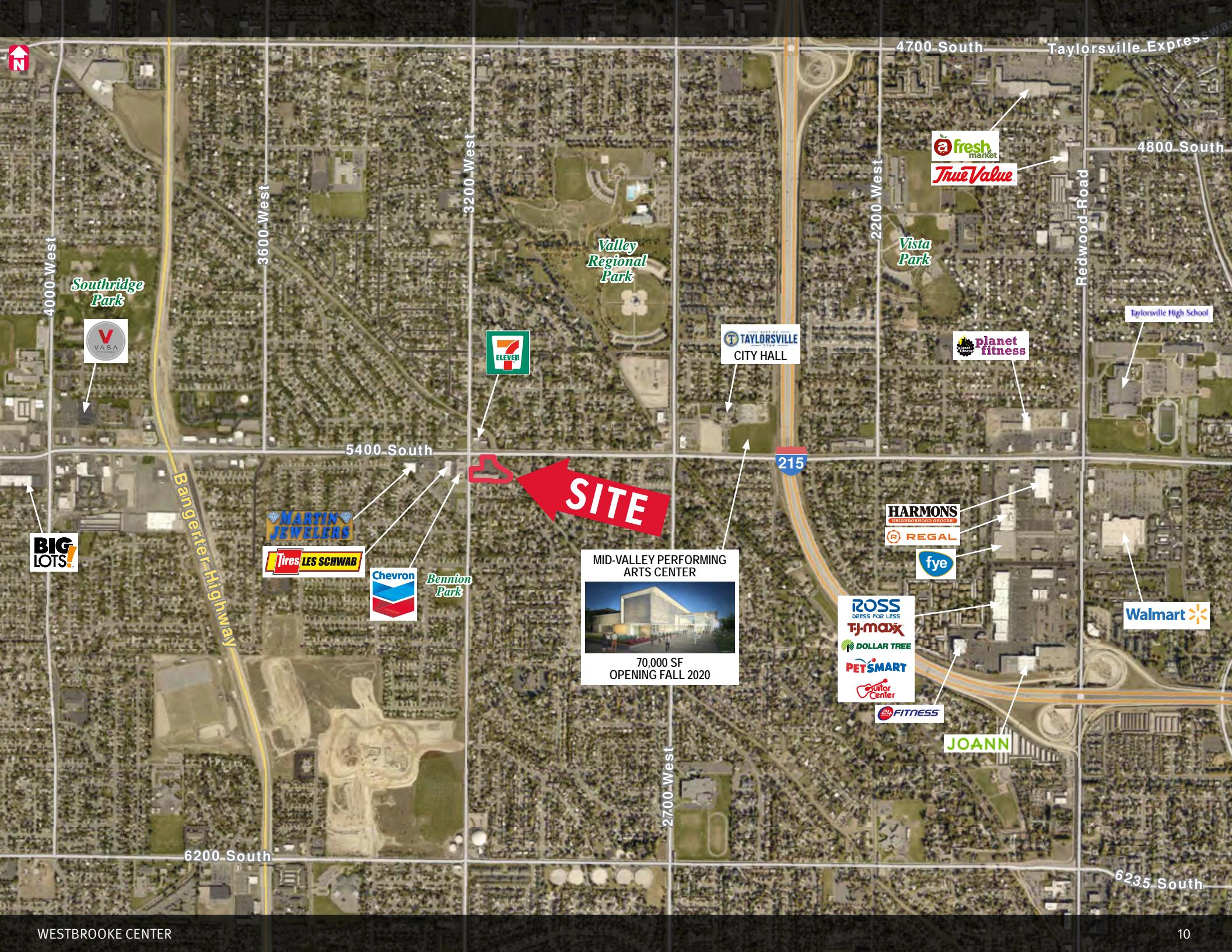
Song's Nails



Szechwan Express

Treasure Island Tanning





4700 South Taylorville Expressway

4800 South

fresh market
True Value

Redwood Road

Vista Park

Taylorville High School

planet fitness

TAYLORSVILLE CITY HALL

7 ELEVEN

Valley Regional Park

Southridge Park

VASA

4000 West

3600 West

3200 West

2200 West

5400 South

215

SITE

MARTIN JEWELERS

Tires LES SCHWAB

Chevron

Bennion Park

MID-VALLEY PERFORMING ARTS CENTER



70,000 SF
OPENING FALL 2020

HARMONS

REGAL

fye

Walmart

ROSS DRESS FOR LESS

tj-maxx

DOLLAR TREE

PET SMART

Auto Center

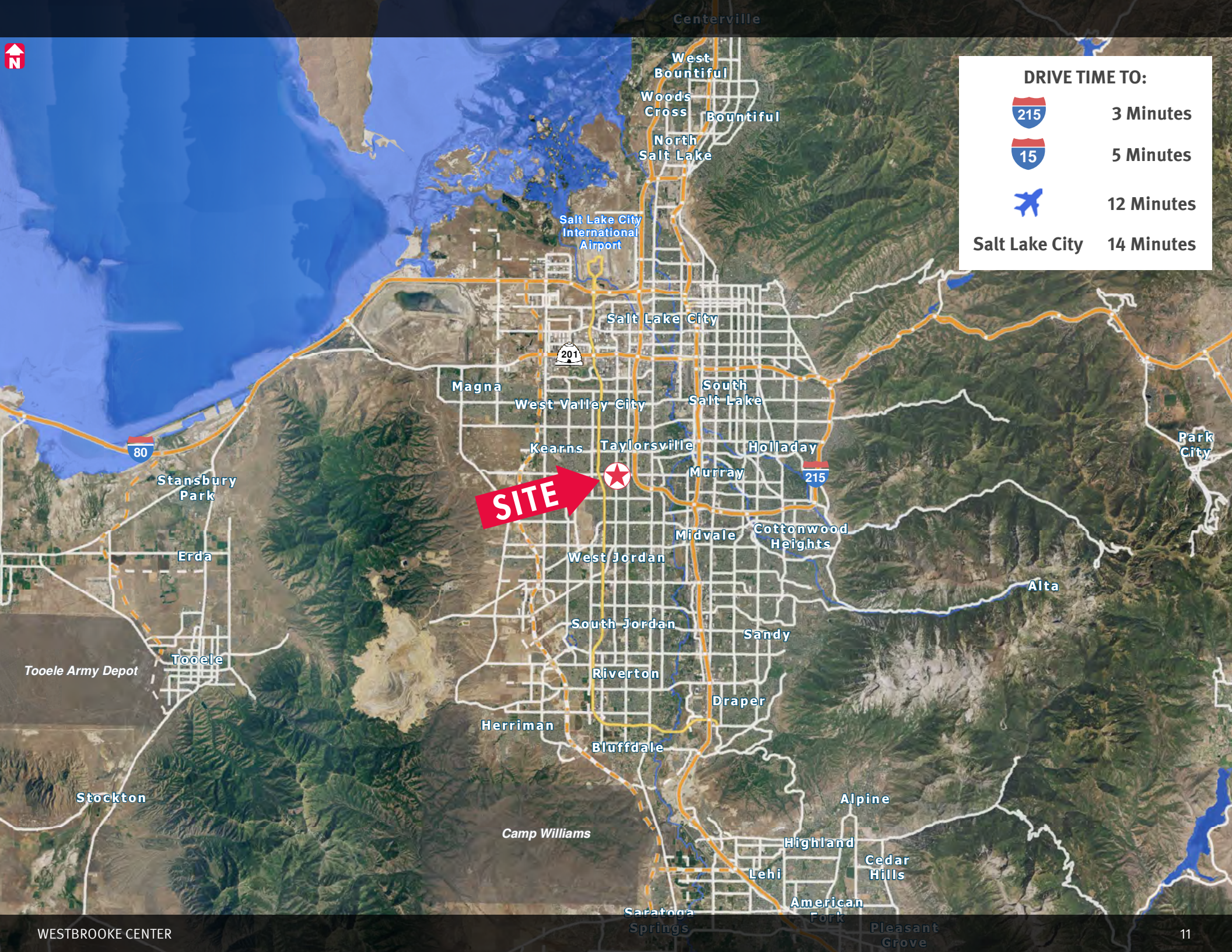
FITNESS

JOANN

6200 South

2700 West

6235 South



DRIVE TIME TO:



3 Minutes



5 Minutes



12 Minutes

Salt Lake City

14 Minutes

AREA OVERVIEW



ABOUT TAYLORSVILLE

The City of Taylorsville, located in Salt Lake County was incorporated on July 1, 1996 through the grassroots efforts of citizens who developed a vision that would provide greater local control of community planning, economic development, and municipal service delivery. While Taylorsville is still one of Utah's newest cities, the area has a rich history reaching back to 1848 when pioneers Joseph and Susanna Harker crossed over the Jordan River and founded the Taylorsville-Bennion areas originally referred to as "Over Jordan."

ABOUT SALT LAKE COUNTY

Salt Lake County is home to sixteen cities including Salt Lake City, which serves as the State Capital, and five metro townships. With a total population of 1.14 million people, the county hosts 37 percent of the total population within the State of Utah. The county is part of the Salt Lake Metropolitan Statistical Area (MSA) that includes both Salt Lake and Tooele counties. Almost 60 percent of Utah's population lives along the western edge of the Wasatch Mountains, a region commonly referred to as the Wasatch Front. Salt Lake County known as the "Crossroads of the West," is home to a major transportation hub. Hosting air service from the Salt Lake City International Airport, rail services from the Union Pacific Intermodal Terminal, interstate highway service from I-15 and I-80 and the forward momentum of the long awaited Utah Inland Port, the region is well-connected both domestically and internationally. At the state level, the Utah Governor's Office of Economic Development employs an industry cluster strategy that targets sectors with high growth potential.

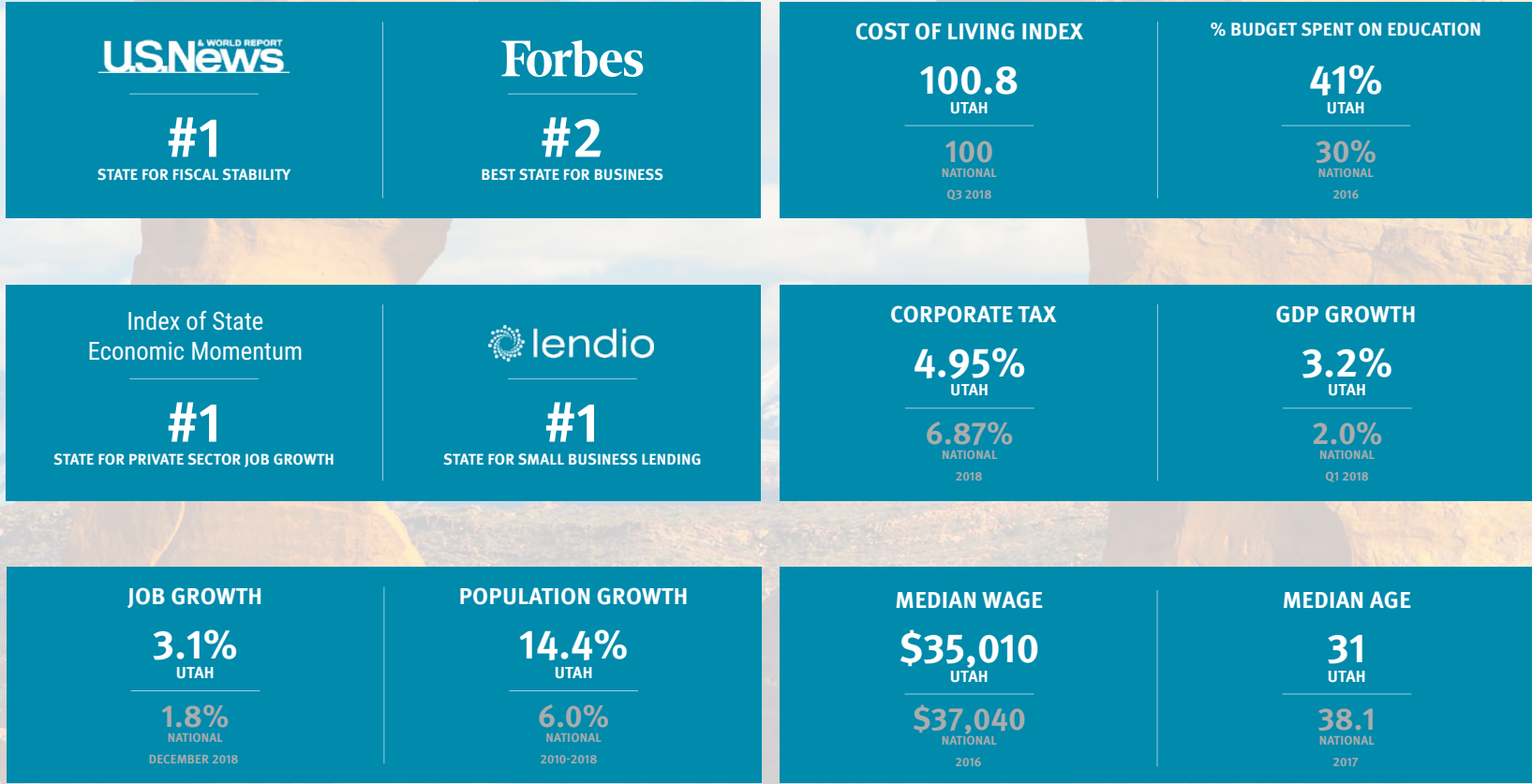
Salt Lake has developed a strong outdoor recreation tourist industry based primarily on skiing, but also is one of the notable industrial banking and transportation centers of the U.S. Schools located in the city include the University of Utah, Westminster College, Salt Lake Community College, Eagle Gate College, the Art Institute of Salt Lake City and LDS Business College. Salt Lake is home to the NBA's Utah Jazz as well as the MLS soccer team Real Salt Lake. Salt Lake is home to several museums including the Church History Museum and the Utah Museum of Fine Arts as well as the Utah Museum of Natural History among other popular cultural sites. Combining the amenities of a major metropolitan area with the friendliness of a quaint mountain town, Salt Lake City is an ideal location. A beautiful, safe, and vibrant destination, Salt Lake City combines unparalleled access to natural recreation, a bustling economy, dynamic nightlife, remarkable history, warm hospitality, and Utah's Greatest Snow on Earth.™

POPULATION	TAYLORSVILLE	SALT LAKE COUNTY
2018 ESTIMATED POPULATION	61,233	1,165,359
2023 PROJECTED POPULATION	62,938	1,250,581
2018 EST. DAYTIME POPULATION	49,468	1,249,428
HOUSEHOLDS		
2018 ESTIMATED HOUSEHOLDS	20,372	381,686
2023 PROJECTED HOUSEHOLDS	20,883	408,305
INCOME		
2018 EST. AVERAGE HH INCOME	\$76,723	\$90,001
2018 EST. MEDIAN HH INCOME	\$62,496	\$69,341
2018 EST. PER CAPITA INCOME	\$25,445	\$29,733

Source: Esri Business Analyst

WHY UTAH

LIFE
UTAH
ELEVATED



source: EDCUtah

“Wait, Utah is the fastest growing state?”

- Andrew McGill, *The Atlantic*

MARKET REPORT



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