



OFFERING MEMORANRUM

SUNSET PROMENADE



1598 S County Hwy 393, Santa Rosa Beach, FL 32459

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This is a confidential Offering Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest into the acquisition of the Subject Property.

This Offering Memorandum contains selected information pertaining to the Property and does not purport to be a representation of state of affairs of the Owner or the Property, to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition, and other factors beyond the control of the Owner or Franklin Street Real Estate Services, LLC. Therefore, all projections, assumptions, and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to all interested and qualified prospective purchasers. Neither the Owner or Franklin Street Real Estate Services, LLC, nor any of their respective directors, officers, affiliates or representatives are making any representation or warranty, expressed or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Offering Memorandum or use of its contents; and you are to rely solely on your own investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Offering Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Offering 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 obligations therein have been satisfied or waived.

By receipt of the Offering Memorandum, you agree that this Offering Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Offering Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or the Franklin Street Real Estate Services, LLC.

Furthermore, you agree not to use this Offering Memorandum or any of its contents in a manner detrimental to the interest of the Owner or Franklin Street Real Estate Services, LLC. In this Offering Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are so advised and expected to review all such summaries and other documents of whatever nature independently and not to rely on the contents of this Offering Memorandum in any manner.

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SUNSET PROMENADE

1598 South County Highway 393, Santa Rosa Beach, FL 32459
2004 Year Built

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1598 South County Highway 393,
Santa Rosa Beach, FL 32459
2004 Year Built

Sale Price:	\$6,200,000
Cap Rate:	5.01%
NOI:	\$310,829
Price Per SF:	\$692.04



OFFER SUMMARY

Investment Highlights

- **Prime Location:** Situated in the thriving Santa Rosa Beach area, this property offers exceptional visibility and accessibility along South County Highway 393—a key artery that sees consistent traffic flow. The site benefits from its proximity to popular destinations along 30A, attracting both tourists and local residents.
- **High-Demand Retail Corridor:** The property is strategically positioned within a rapidly expanding retail corridor, surrounded by established national brands, boutique shops, and high-end residential communities. Its location caters to the increasing demand for retail and service offerings in this sought-after Gulf Coast market.
- **High-Income:** Santa Rosa Beach is known for its high-income households and affluent residential communities, providing a solid customer base for retail and service-oriented tenants. The property is well-positioned to cater to the needs of both permanent residents and seasonal visitors.
- **Robust Tourism & Year-Round Appeal:** Santa Rosa Beach is part of the 30A corridor, renowned for its stunning beaches, upscale shopping, and vibrant dining scene. The area draws tourists year-round, offering an excellent environment for retail tenants to thrive.
- **Area Growth and New Developments:** The ongoing development in the surrounding area, including new residential projects and expanding commercial hubs, further enhances the investment potential of this asset. The property stands to benefit from the increased demand and economic activity in this rapidly growing market.
- **Triple Net Lease Structure:** The property's triple net (NNN) lease structure provides a stable income stream with minimal landlord responsibilities, making it an ideal addition to a passive investor's portfolio.

PROPERTY DETAILS

LOCATION INFORMATION

Building Name	Sunset Promenade
Street Address	1598 South County Highway 393
City, State, Zip	Santa Rosa Beach, FL 32459
County	Walton

BUILDING INFORMATION

Building Size	8,959 SF
NOI	\$310,829.00
Cap Rate	5.01
Occupancy %	100.0%
Tenancy	Multiple
Year Built	2004
Gross Leasable Area	7,962 SF

PROPERTY INFORMATION

Property Type	Retail
Property Subtype	Street Retail
Zoning	Commercial
Lot Size	0.91 Acres
APN #	03-35-20-34000-022-0350
Traffic Count	8100
Traffic Count Street	S County Hwy 393

PARKING & TRANSPORTATION

Parking Type	Surface
Number of Parking Spaces	39
Additional City Parking Next to the Property	62



PROPERTY DESCRIPTION



PROPERTY DESCRIPTION

Discover an exceptional commercial investment opportunity in the thriving heart of Santa Rosa Beach, Florida. This 8,959-square-foot building, constructed in 2004, offers a premium asset for discerning retail or street retail investors. Fully zoned for commercial use and boasting 100% occupancy, the property provides reliable cash flow with minimal vacancy risk.

Strategically located in one of the most sought-after areas of Santa Rosa Beach, the building enjoys high visibility and prime access, positioning it at the center of both business activity and consumer traffic. This high-traffic location ensures a constant influx of tenants and customers, while the surrounding area's continued growth enhances the stability and long-term potential of your investment. With Santa Rosa Beach experiencing rapid economic expansion, the area is becoming an increasingly desirable destination for both businesses and residents, offering an ideal environment for sustainable returns.

This is a rare opportunity to secure a property in one of Florida's most promising and fast-growing commercial corridors. Whether you're seeking to diversify your portfolio or capitalize on a prime investment, this property is well-positioned to deliver strong ROI and long-term value. Don't miss out on this chance to own a key asset in one of the state's most dynamic markets.

PROPERTY PHOTOS



PARCEL VIEW



**BRAND NEW CITY
PARKING LOT**
Estimated spaces 62



Franklin Street

COUNTY HWY 393 6,595 VPD

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SUNSET PROMENADE

1598 South County Highway 393, Santa Rosa Beach, FL 32459
2004 Year Built

AERIAL NORTH

US HGWY 98 W
18,974 VPD



The Residences
at 393 North



Stock & Brew Cafe



STOCK & TRADE
DESIGN CO.



Publix

US HGWY 98 W
18,974 VPD



CLOSEST RETAIL IS APPROXIMATELY
1.6 MILES AWAY

RidgeWalk Homes

The Chapel at
Crosspoint

Positive Latitude By BlueSwell

Sand Dollar One - 30A Vacation
Rentals

S. County Highway 393
6,595 VPD

**SUBJECT
PROPERTY**



St. Franklin Street

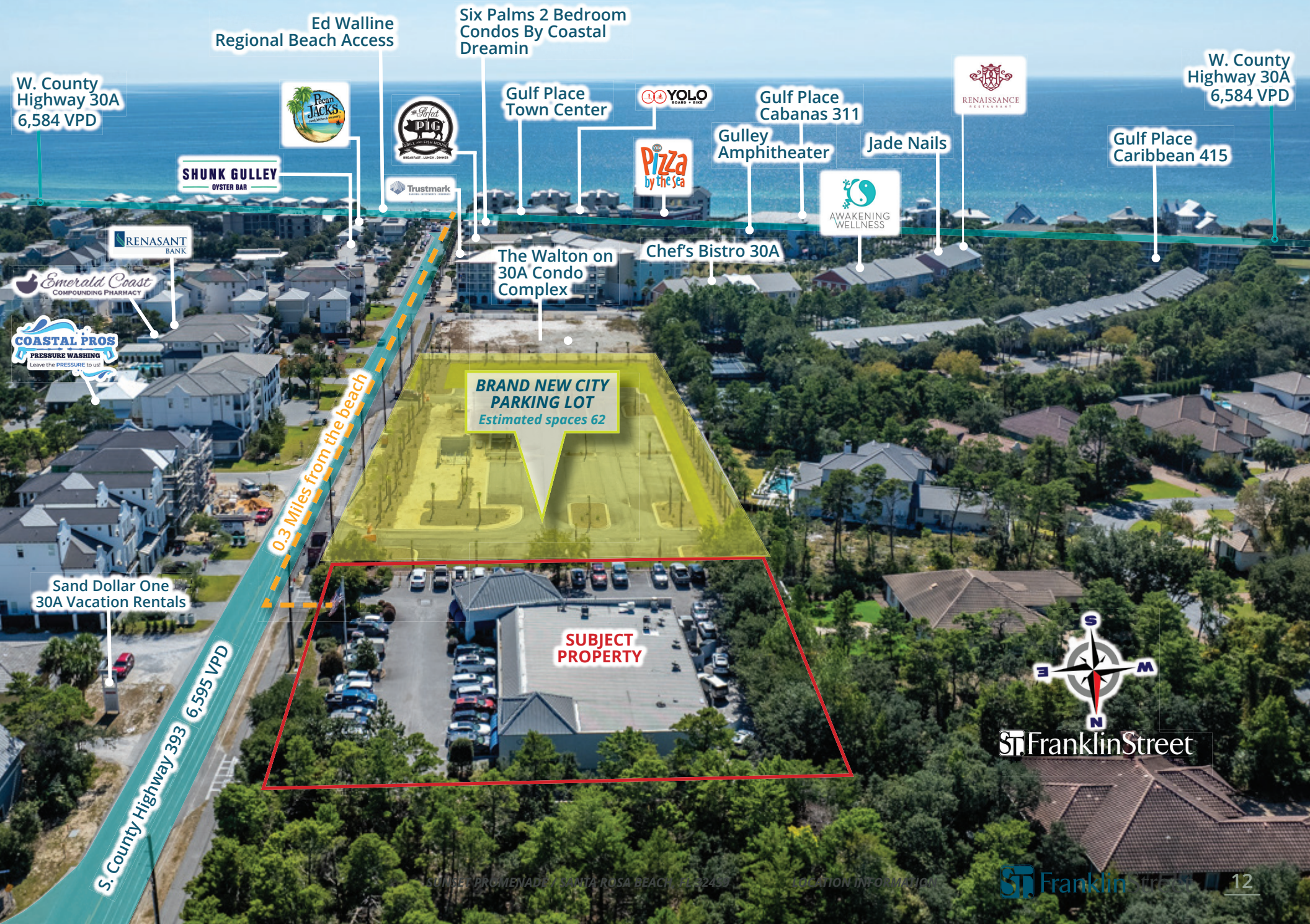
**BRAND NEW CITY
PARKING LOT**
Estimated spaces 62

SUNSET PROMENADE / SANTA ROSA BEACH, FL 32459

LOCATION INFORMATION

St. Franklin Street

AERIAL SOUTH



W. County Highway 30A
6,584 VPD

Ed Walline
Regional Beach Access

Six Palms 2 Bedroom
Condos By Coastal
Dreamin

W. County
Highway 30A
6,584 VPD

SHUNK GULLEY
OYSTER BAR

Gulf Place
Town Center

YOLO
BOARD • BIKE

Gulf Place
Cabanas 311

RENAISSANCE
RESTAURANT

Gulf Place
Caribbean 415

Gulley
Amphitheater

Jade Nails

Pizza
by the sea

AWAKENING
WELLNESS

RENASANT
BANK

The Walton on
30A Condo
Complex

Chef's Bistro 30A

Emerald Coast
COMPOUNDING PHARMACY

COASTAL PROS
PRESSURE WASHING
Leave the PRESSURE to us!

0.3 Miles from the beach

BRAND NEW CITY
PARKING LOT
Estimated spaces 62

Sand Dollar One
30A Vacation Rentals

SUBJECT
PROPERTY



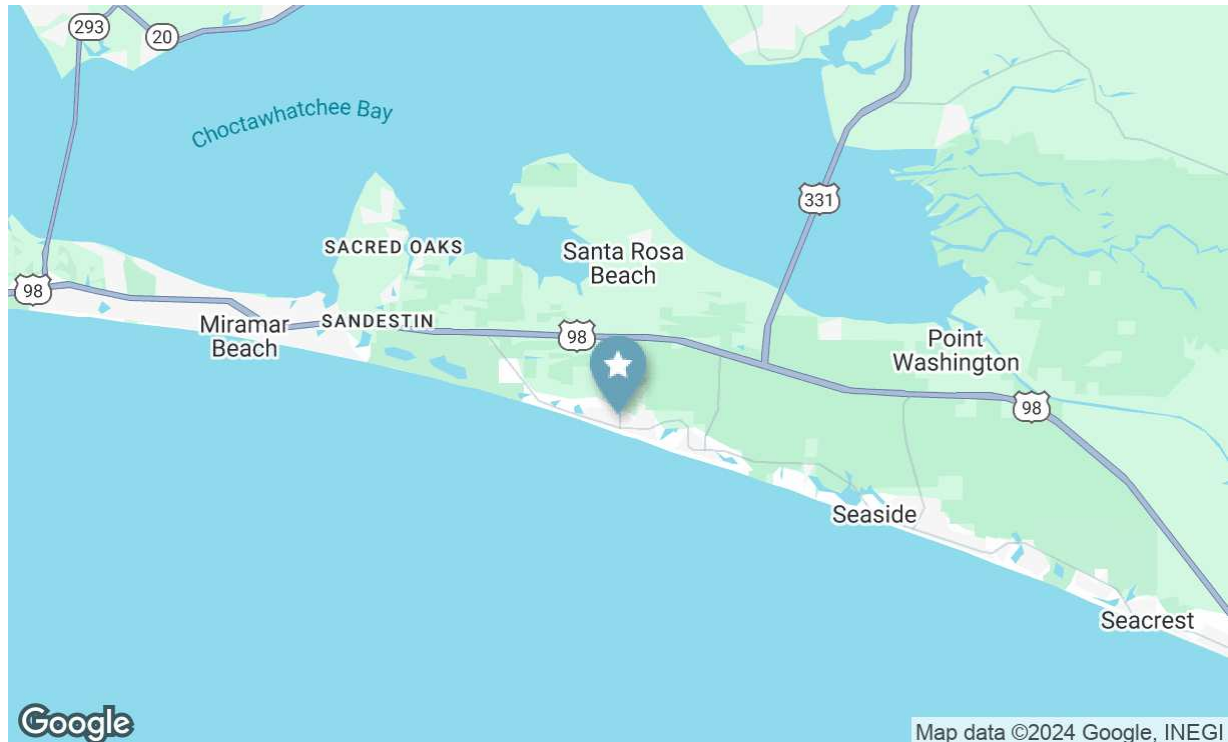
S. County Highway 393
6,595 VPD

LOCATION OVERVIEW

ABOUT SANTA ROSA BEACH

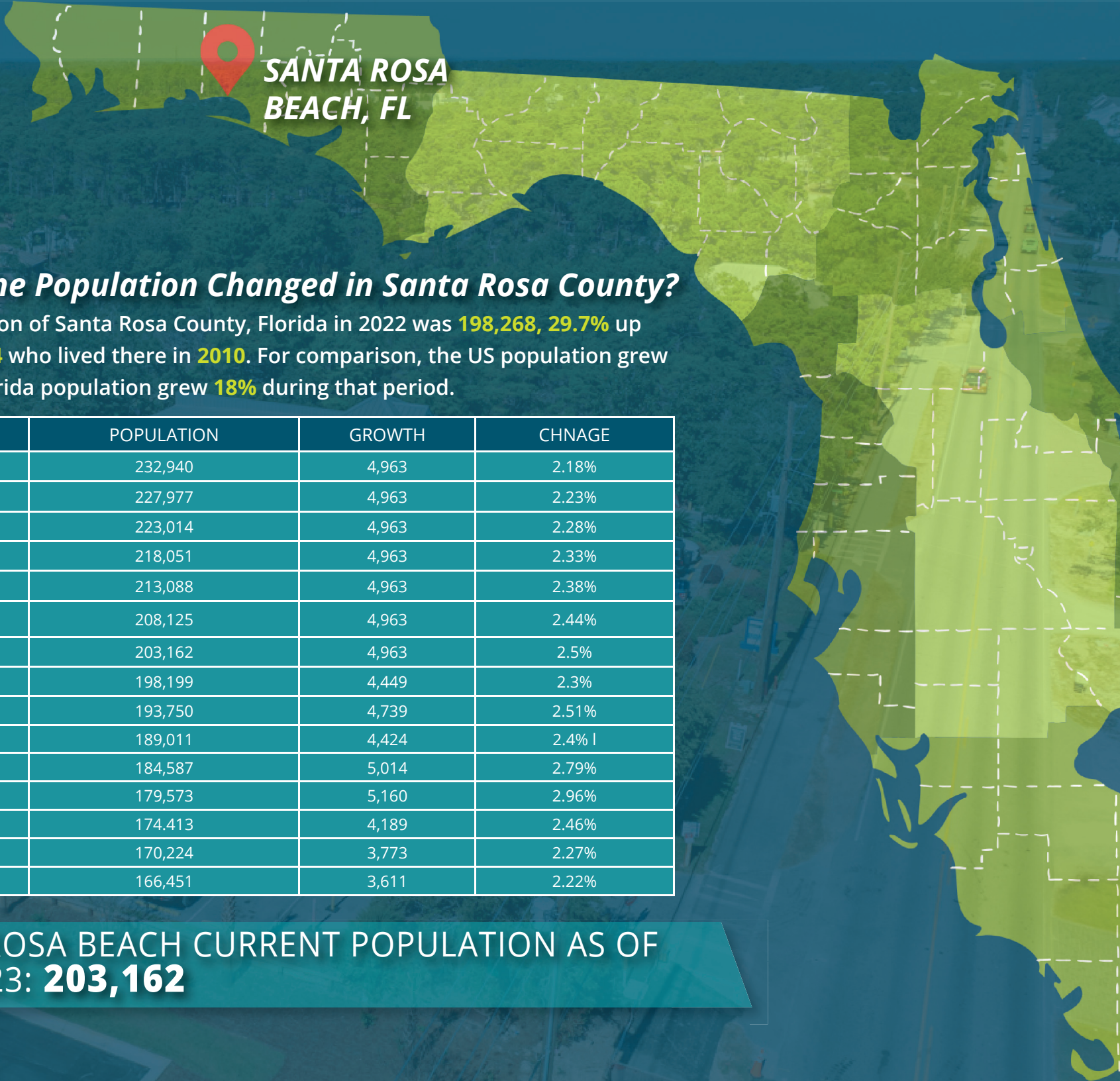
Santa Rosa Beach, located in Walton County along Florida's stunning Emerald Coast, is part of the vibrant 30A region. This community is renowned for its picturesque sugar-white sand beaches and turquoise waters, making it a prime destination for tourists and residents alike. The area is easily accessible via U.S. Highway 98 and is served by two nearby airports, enhancing its appeal. With attractions such as Grayton Beach State Park and a range of outdoor activities, Santa Rosa Beach draws visitors year-round, contributing significantly to its thriving economy.

The economic landscape of Santa Rosa Beach is characterized by robust growth driven by tourism and real estate development. The demand for vacation homes, luxury rentals, and second properties has led to rising property values and increased investment in both residential and commercial sectors. The local retail scene is flourishing, with an array of boutiques, dining options, and cultural attractions catering to both tourists and the growing resident population. As more people relocate to the area, attracted by its quality of life and natural beauty, Santa Rosa Beach continues to solidify its position as one of Florida's most desirable coastal communities, offering significant potential for sustained economic development.



NEARBY DEVELOPMENTS MAP





**SANTA ROSA
BEACH, FL**

How Has the Population Changed in Santa Rosa County?

The population of Santa Rosa County, Florida in 2022 was **198,268, 29.7%** up from **152,924** who lived there in **2010**. For comparison, the US population grew **7.7%** and florida population grew **18%** during that period.

YEAR	POPULATION	GROWTH	CHNAGE
2029	232,940	4,963	2.18%
2028	227,977	4,963	2.23%
2027	223,014	4,963	2.28%
2026	218,051	4,963	2.33%
2025	213,088	4,963	2.38%
2024	208,125	4,963	2.44%
2023	203,162	4,963	2.5%
2022	198,199	4,449	2.3%
2021	193,750	4,739	2.51%
2020	189,011	4,424	2.4% I
2019	184,587	5,014	2.79%
2018	179,573	5,160	2.96%
2017	174,413	4,189	2.46%
2016	170,224	3,773	2.27%
2015	166,451	3,611	2.22%

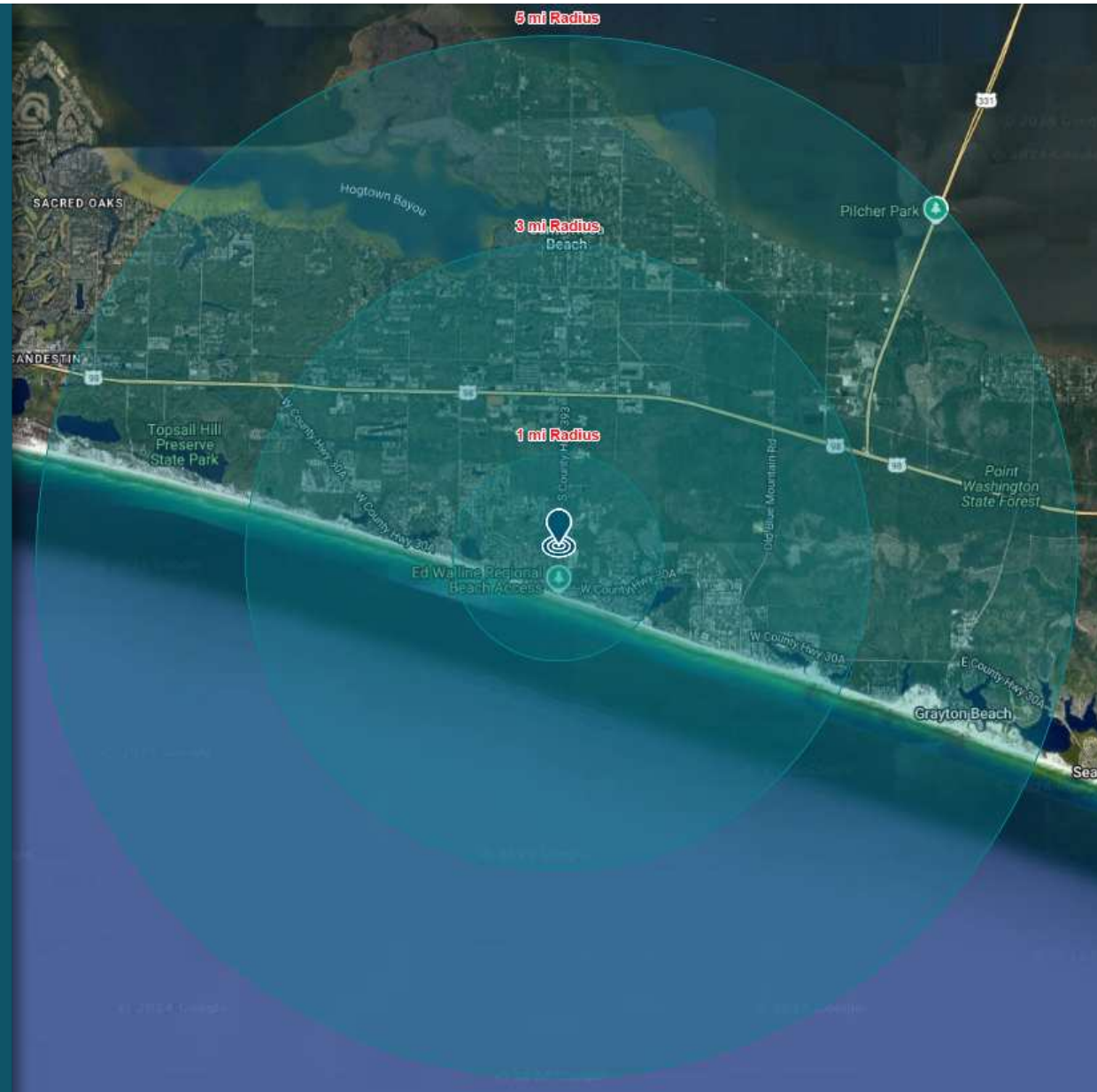
SANTA ROSA BEACH CURRENT POPULATION AS OF
JULY 2023: **203,162**

AREA DEMOGRAPHICS

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
POPULATION			
Total population	1,695	8,422	16,231
Median age	49	44	43
HOUSEHOLDS & INCOME			
Total households	731	3,485	6,567
# of persons per HH	2.3	2.4	2.5
Average HH income	\$138,999	\$125,938	\$123,538
Average house value	\$781,676	\$765,169	\$736,412

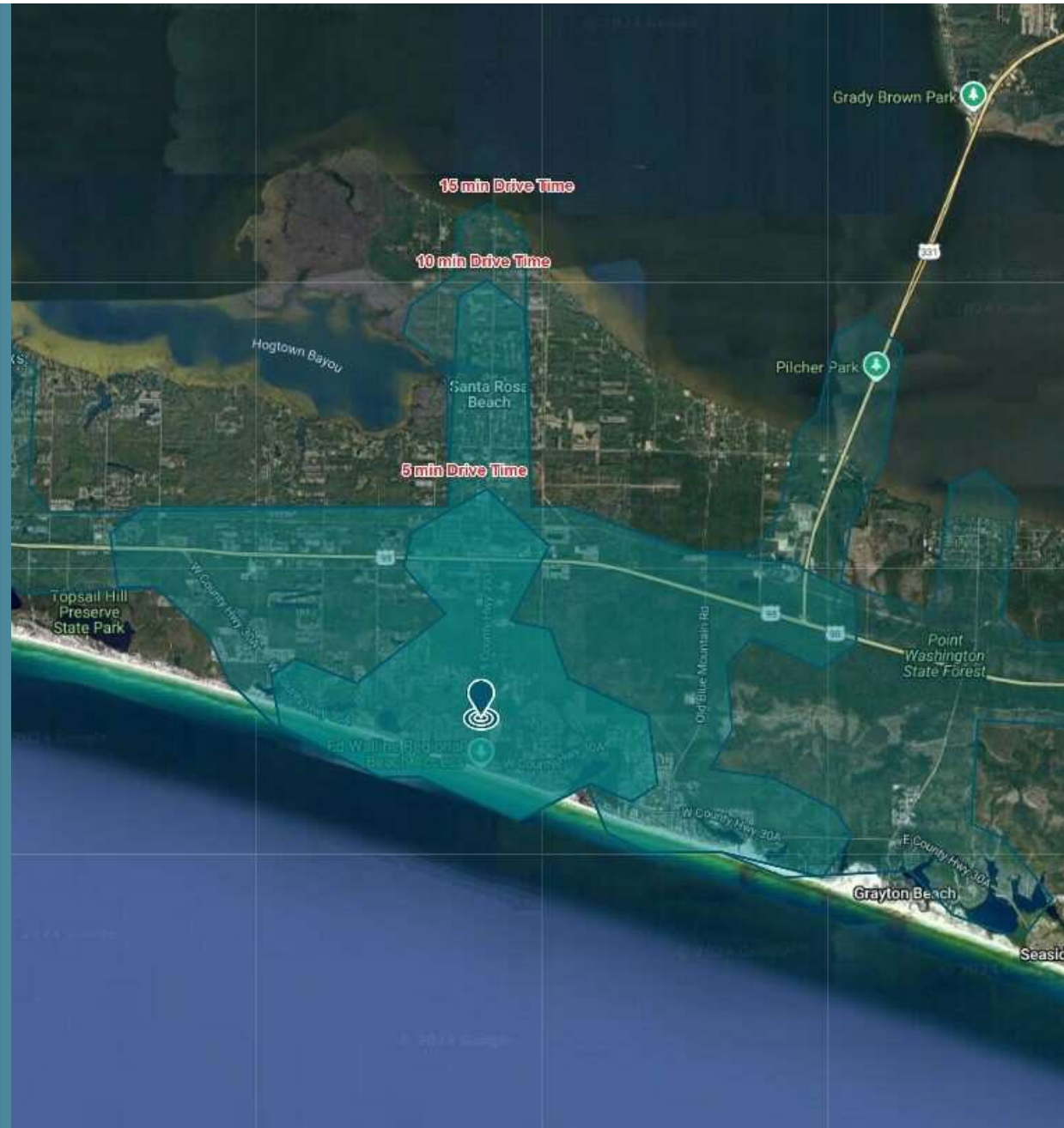
* Demographic data derived from 2020 ACS - US Census



DRIVE TIME DEMOGRAPHICS

DEMOGRAPHICS

	5 MIN	10 MIN	15 MIN
POPULATION			
Estimated Population (2024)	4,974	9,883	12,582
Projected Population (2029)	5,769	11,570	14,690
Census Population (2020)	3,046	7,731	10,401
HOUSEHOLDS			
Estimated Households (2024)	2,120	4,134	5,198
Projected Households (2029)	2,340	4,596	5,768
Census Households (2020)		3,187	4,328
TRAFFIC COUNTS			
COUNTY HWY 393	6,595 VPD		
W COUNTY HWY 30A US	6,584 VPD		
HWY 98	18,974 VPD		



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LEASE COMPARABLES

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SUNSET PROMENADE

1598 South County Highway 393, Santa Rosa Beach, FL 32459
2004 Year Built

RENT COMPARABLES MAP



SUNSET PROMENADE

1598 South County Highway
393
Santa Rosa Beach, FL 32459



4552 U.S. 98

Santa Rosa Beach, FL
32459

Lease Rate: \$35



32 E COUNTY HWY 30A

Santa Rosa Beach, FL
32459

Lease Rate: \$72



WATERCOLOR CROSSING

174 Watercolor Way
Santa Rosa Beach, FL 32459

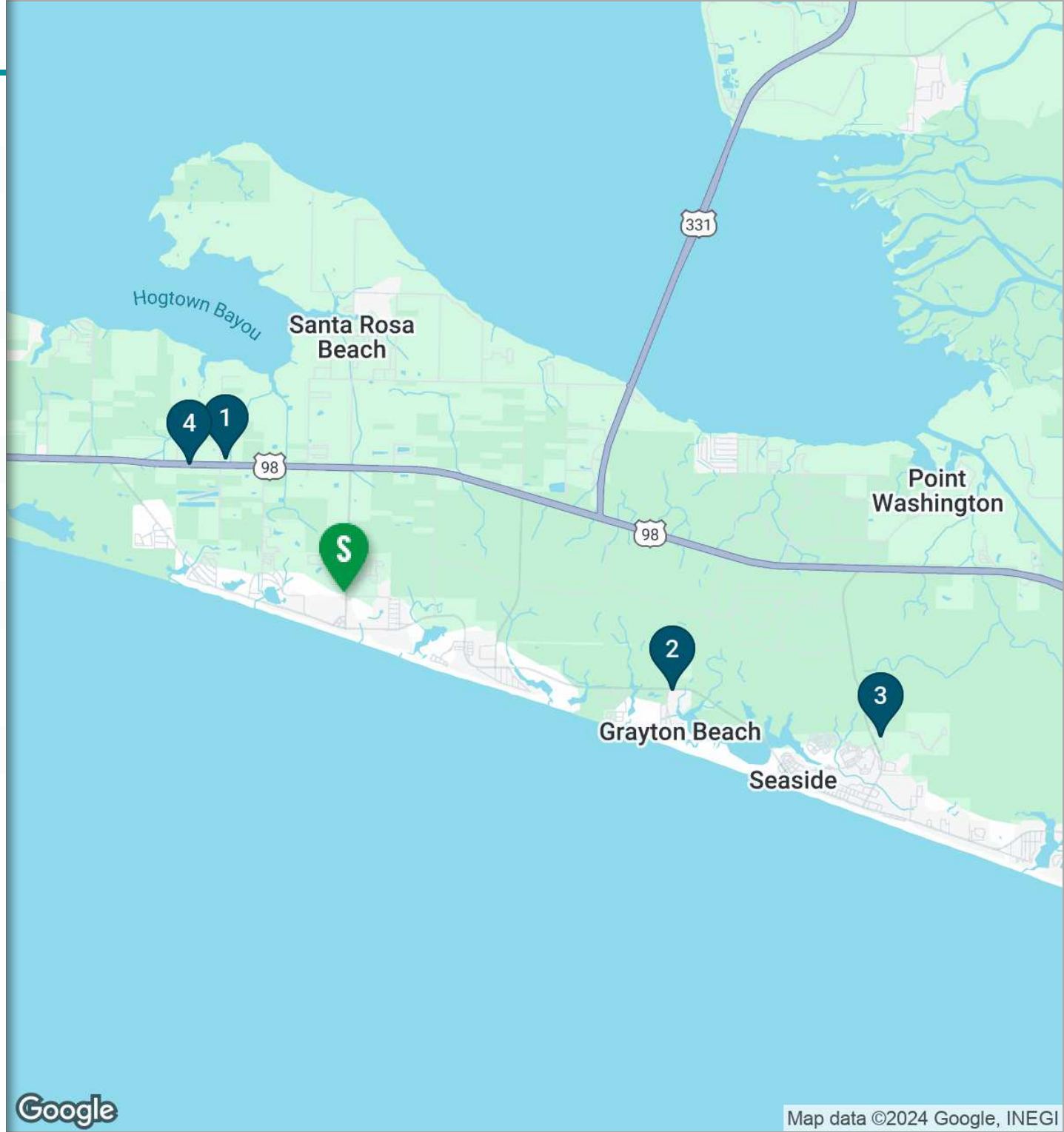
Lease Rate: \$55



4955 US-98

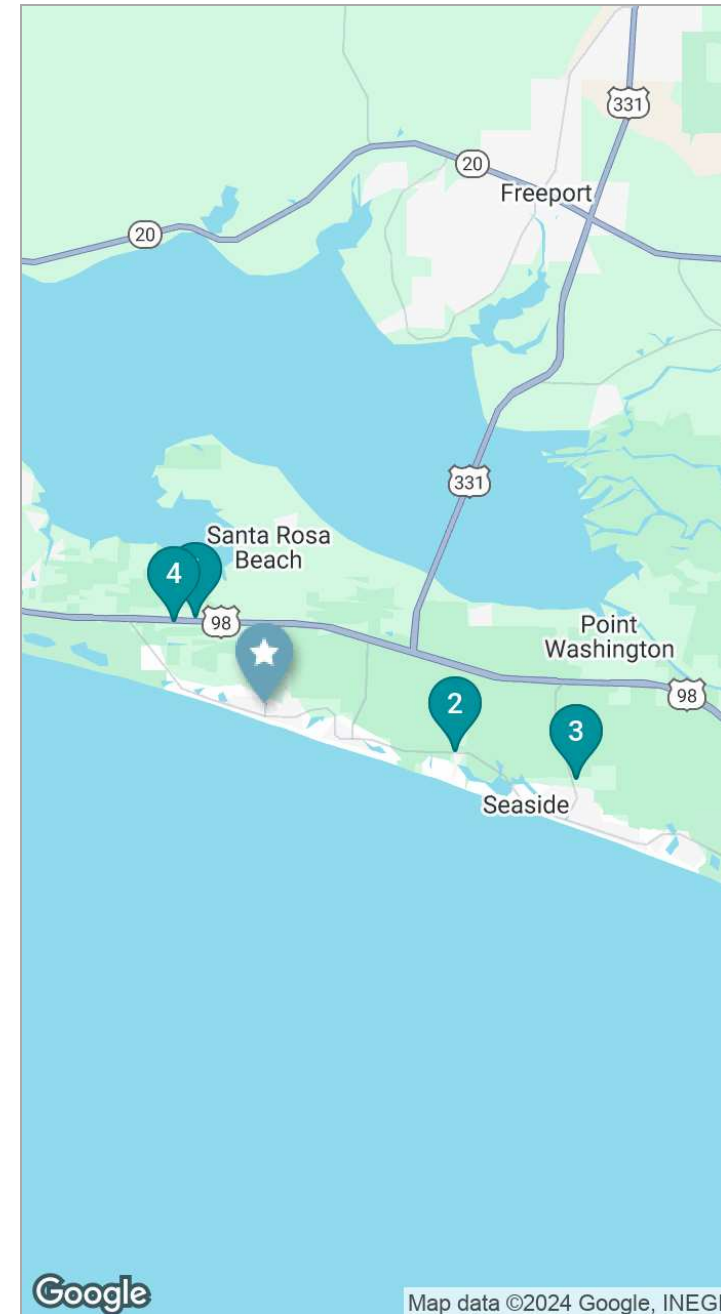
Santa Rosa Beach, FL
32459

Lease Rate: \$45



LEASE COMPS MAP & SUMMARY

	NAME/ADDRESS	DEAL STATUS	LEASE RATE	LEASE TYPE	SPACE SIZE
★	Sunset Promenade 1598 South County Highway 393 Santa Rosa Beach, FL	Subject Property	-	-	-
1	4552 U.S. 98 Santa Rosa Beach, FL	On Market	\$35.00 /SF/yr	NNN	1,600 SF
2	32 E County Hwy 30A Santa Rosa Beach, FL	On Market	\$72.25 /SF/yr	NNN	1,500 SF
3	Watercolor Crossing 174 Watercolor Way Santa Rosa Beach, FL	Leased	\$55.00 /SF/yr	NNN	1,200 SF
4	4955 US-98 Santa Rosa Beach, FL	Leased	\$45.00 /SF/yr	NNN	2,230 SF
AVERAGES			\$51.81 /SF/YR		1,633 SF



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SUNSET PROMENADE

1598 South County Highway 393, Santa Rosa Beach, FL 32459
2004 Year Built

RENT ROLL

Sale Price: \$6,200,000

Cap Rate: 5.01%

Net Operating Income: \$310,829

Leasable Area: 7,962 RSF

Year Built: 2004

Occupancy: 100.00%

SUITE	TENANT	SF	GLA %	LEASE BEGIN	LEASE EXPIRATION	RENT PSF	ANNUAL BASE RENT	CHANGES ON	CHANGES TO	COMMENTS
101	Live 30A Real Estate	1,000	11.16%	08/15/22	08/31/25	\$44.98	\$44,982	09/01/25	\$50.40	5% Annual Increase
102	KP Hospitality LLC	1,365	15.24%	02/20/22	02/28/28	\$31.65	\$43,200	03/01/25	\$39.56	6.5% Annual Increase
103	Kindal's Hair Studio LLC	1,270	14.18%	06/01/15	12/31/26	\$30.16	\$38,304	01/01/25	\$44.33	15% Annual Increase
104	Ocean Nails	1,270	14.18%	05/01/09	04/30/27	\$35.91	\$45,600	05/01/25	\$43.46	10% Annual Increase
105	GrayT-A Construction	1,270	14.18%	01/01/24	12/31/28	\$37.80	\$48,000	01/01/25	\$41.67	5% Annual Increase
106	Bud and Alley's Grill	1,787	19.95%	05/01/21	04/30/27	\$36.93	\$66,000	05/01/25	\$39.52	7% Annual Increase
TOTALS/AVGS		7,962	100%			\$35.93	\$286,086			

Notes:

- Rent roll is based on current rents
- Tenant Live 30A Real Estate has One (1) x five (5) year option remaining
- Tenant KP Hospitality LLC exercised their three (3) year option period

INCOME & EXPENSE ANALYSIS

OFFERING SUMMARY

Sale Price: \$6,200,000

Cap Rate: 5.01%

Net Operating Income: \$310,829

Leasable Area: 7,962 RSF

Year Built: 2004

Occupancy: 100.00%



	YEAR 1		PROFORMA Y3	PROFORMA Y3
INCOME	TOTAL	PER SF	TOTAL	PER SF
Base Rent	\$315,428	\$35.21	\$386,466	\$43.14
Reimbursement	\$51,996	\$5.80	\$55,162	\$6.16
GROSS POTENTIAL INCOME	\$367,424	\$41.01	\$441,629	\$49.29
EFFECTIVE GROSS INCOME	\$367,424	\$41.01	\$441,629	\$49.29
EXPENSES	TOTAL	PER SF	TOTAL	PER SF
RE Taxes	\$10,442	\$1.17	\$11,077	\$1.24
Electricity	\$678	\$0.08	\$719	\$0.08
Waste / Trash Removal	\$3,554	\$0.40	\$3,770	\$0.42
Sewer & Water	\$2,663	\$0.30	\$2,825	\$0.32
Landscaping Maintenance	\$12,000	\$1.34	\$12,730	\$1.42
Liability Insurance	\$1,258	\$0.14	\$1,334	\$0.15
Insurance	\$26,000	\$2.90	\$27,583	\$3.08
TOTAL EXPENSES	\$56,595	\$6.32	\$60,042	\$6.70
NET OPERATING INCOME (NOI)	\$310,829	\$34.69	\$381,587	\$42.59

5 YEAR CASH FLOW ANALYSIS

	Year 1	Year 2	Year 3	Year 4	Year 5	
For the Years Ending	<u>Dec-2025</u>	<u>Dec-2026</u>	<u>Dec-2027</u>	<u>Dec-2028</u>	<u>Dec-2029</u>	<u>Total</u>
Rental Revenue						
Potential Base Rent	\$315,428	\$342,540	\$386,467	\$422,485	\$454,917	\$1,921,837
Total Rental Revenue	\$315,428	\$342,540	\$386,467	\$422,485	\$454,917	\$1,921,837
Other Tenant Revenue						
Total Expense Recoveries	\$51,996	\$53,556	\$55,163	\$56,818	\$58,522	\$276,055
Total Other Tenant Revenue	\$51,996	\$53,556	\$55,163	\$56,818	\$58,522	\$276,055
Total Tenant Revenue	\$367,424	\$396,096	\$441,630	\$479,302	\$513,439	\$2,197,891
Effective Gross Revenue	\$367,424	\$396,096	\$441,630	\$479,302	\$513,439	\$2,197,891
Operating Expenses						
RE Taxes	\$10,442	\$10,755	\$11,078	\$11,410	\$11,753	\$55,438
Electricity	\$678	\$698	\$719	\$741	\$763	\$3,600
Waste / Trash Removal	\$3,554	\$3,661	\$3,771	\$3,884	\$4,000	\$18,869
Sewer & Water	\$2,663	\$2,743	\$2,826	\$2,910	\$2,998	\$14,141
Landscaping Maintenance	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506	\$63,710
Liability Insurance	\$1,258	\$1,296	\$1,335	\$1,375	\$1,416	\$6,679
Insurance	\$26,000	\$26,780	\$27,583	\$28,411	\$29,263	\$138,038
Total Operating Expenses	\$56,596	\$58,294	\$60,042	\$61,844	\$63,699	\$300,474
Net Operating Income	\$310,829	\$337,803	\$381,587	\$417,459	\$449,740	\$1,897,417
Leasing Costs						
Tenant Improvements	\$0	\$0	\$38,213	\$29,563	\$15,875	\$83,650
Leasing Commissions	\$0	\$0	\$11,200	\$8,925	\$4,936	\$25,062
Total Leasing Costs	\$0	\$0	\$49,413	\$38,487	\$20,811	\$108,712
Cash Flow Before Debt Service	\$310,829	\$337,803	\$332,174	\$378,971	\$428,929	\$1,788,706

ASSUMPTIONS

Top 5 Tenants by Area

Name	Suite	Lease Status	Area	% of NRA	Start	End	Base Rent	Market Rent	Upon Expiry
1.Bud and Alley's Grill	106	Contract	1787	22.44%	5/1/2021	4/30/2027	\$36.93/SF/Year	\$50.00/SF/Year	Market
2.KP Hospitality LLC	102	Contract	1365	17.14%	2/20/2022	2/28/2025	\$31.65/SF/Year	\$50.00/SF/Year	Option
3.KP Hospitality LLC (Option 1)	102	Option	1365	17.14%	3/1/2025	2/29/2028	\$39.56/SF/Year	\$50.00/SF/Year	Market
4.Kindal's Hair Studio LLC	103	Contract	1270	15.95%	6/1/2015	12/31/2026	\$38.55/SF/Year	\$50.00/SF/Year	Renew
5.Ocean Nails	104	Contract	1270	15.95%	5/1/2009	4/30/2027	\$35.91/SF/Year	\$50.00/SF/Year	Market

Market Leasing Assumptions

1K SF - 3K SF

Term Length	5 Years
Renewal Probability	100.00%
Months Vacant	1.00 month
Market Base Rent (New)	\$50.00/SF/Year
Market Base Rent (Renewal)	\$50.00/SF/Year
Market Base Rent (Blended)	\$50.00/SF/Year
Market Rental Value	Continue Prior
Fixed Steps	5.00%
Recovery Type	Continue Prior
Tenant Improvements (New)	\$50.00/SF
Tenant Improvements (Renew)	\$0.00/SF
Tenant Improvements (Blended)	\$0.00/SF
Leasing Commissions (New)	5.00%

Tenant Information for the Period ending 12/31/2025

8 Tenants have been input	1 Year 11 Months 17 Days Avg remaining term
8 Current tenants totaling 7,962 SF	\$39.62 Avg lease rate / SF / Year
100.00% Stabilized Occupancy Reached 1/1/2025	\$0.00 Avg sales / SF / Year

Notes:

- 5 Year cash flow analysis begins in 2025
- Year 1 base rent includes scheduled rent increases for 2025
- RE taxes are based on tax reassessment for 2024
- Expenses are based on owners current monthly expenses
- General & expenses inflation rate is based on 3%

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