

Offering Memorandum

# 2,100 SF Retail - CVS Pharmacy

420 E 2nd Street | Calexico, CA 92231



**Fred G. Encinas, Broker**

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## Offering Summary



### LOCATION

CVS Pharmacy  
420 E 2nd Street  
Calexico, CA 92231



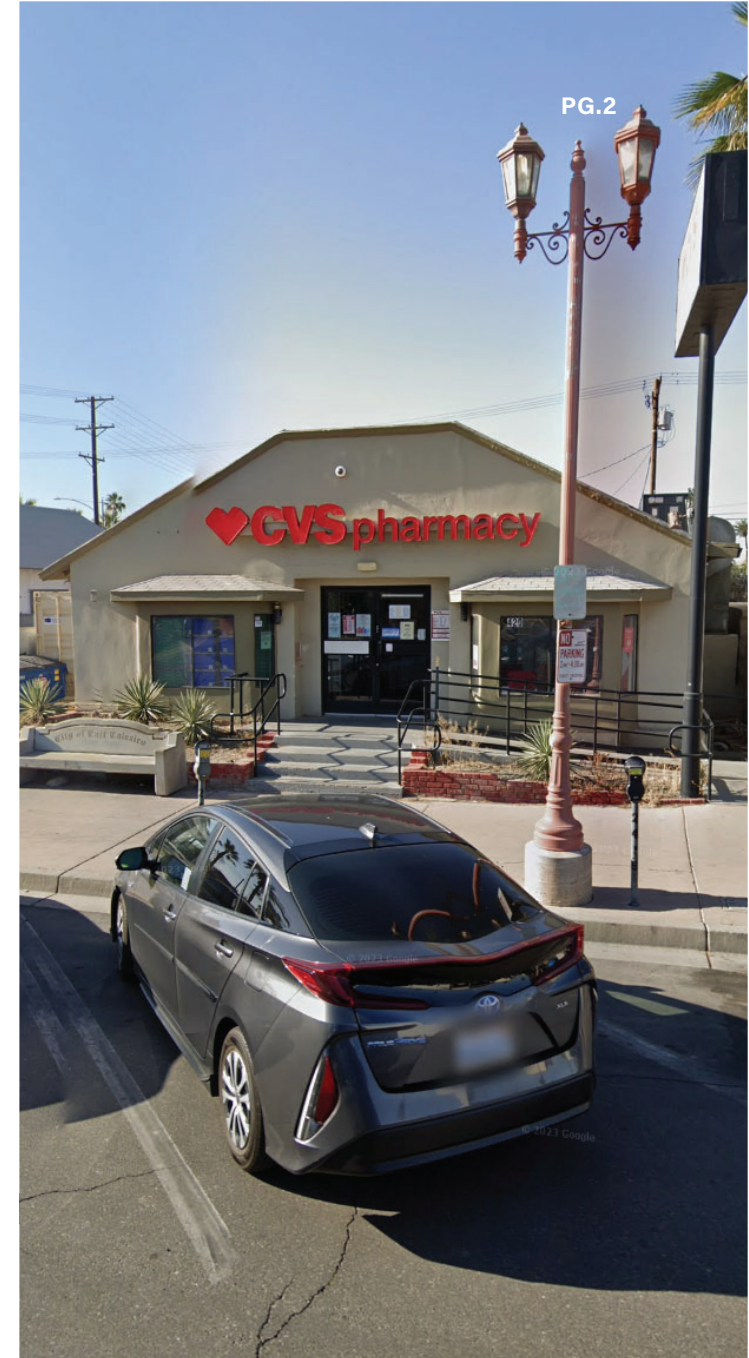
### OFFERING SUMMARY

Price	\$425,000
Current Net Operating Income (NOI)	\$28,690
Current Capitalization Rate	6.0%
Net Rentable Area	2,100
Year Built	1930 Per County Records
Lot Size (Acres)	0.12



### LEASE TERMS (1)

Rent Commencement	7/02/2019
Lease Expiration	7/01/2034
Roof & Structure	Landlord Responsible
Monthly Rent	\$2,391
Annual Rent	\$28,690
Rental Increases	5% every 5 Years
Renewal Options	One (1) Five Year Option- end 2034 - 5% Increase



PG.2



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## CALEXICO

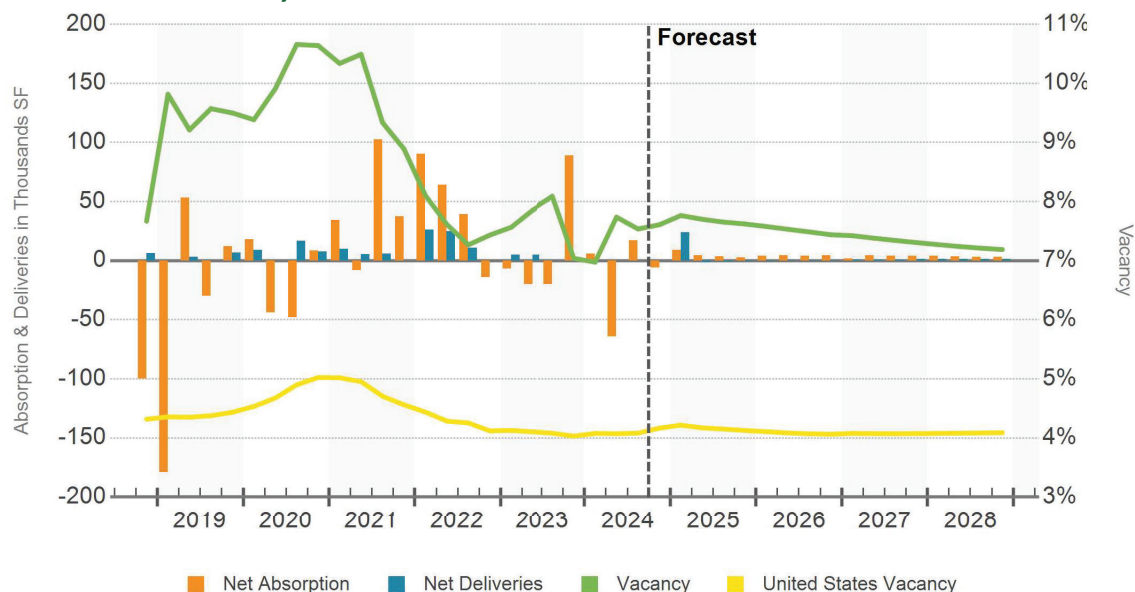
Most of the new construction in Calexico has occurred at the Crossroad Plaza in Calexico, located about one mile from the Mexico border. Any other development is expected to be minimal or freestanding buildings for fast food or discount retail chains, such as the Chipotle on N Imperial Avenue or adding out-parcel buildings at existing centers. There is about 25,000 SF under construction across the market during the fourth quarter.

Vacancy remains relatively elevated due to a vacant 130,000-SF Sears at the Imperial Valley Mall and an 80,000-SF Forever 21 vacancy at Crossroad Plaza. Yet the availability rate is trending at 7.0%. While that rate has increased in 2024, it is far below the long-term average. Single-tenant availability is near 10% during the fourth quarter, while multi-tenant availability is trending at a 10-year low close to 4%.

Rent growth has measured 2.4% in the past 12 months, and it compares to the five-year average of 3.7%. During the past decade, rents have increased by 35.1% compared to the national benchmark of 33.1%. Rent growth is forecast to moderate through the next several quarters.

Calexico features swaths of desert land, the oncedynamic Salton Sea, agricultural and service-oriented employment, and few other employment opportunities. Its proximity to Mexico plays a prominent role in the labor market here, which is rooted in service work and is seasonal and often transient. Median household incomes are well below the national median at only \$60,000.

## NET ABSORPTION, NET DELIVERIES & VACANCY



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## Aerial Overview



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