

INDIO COMMERCIAL LOTS FOR SALE  
82950 HIGHWAY 111, INDIO, CA 92201

**\$536,000**



**Two Vacant Commercial Zoned Lots Ready to Build on.**

**Presented by Robert Castro**

**For More Information Contact:**

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**ARRIS PROPERTIES, 78365 Highway 111 #220, La Quinta, CA 92253**

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Smurr St

Fargo St

Fargo St

APN 611-233-012

APN 611-233-013

## Overview

- Great Investment Opportunity to purchase two (2) vacant lots to develop commercial office space.
- Located in Indio, California, cross the street from the Riverside County Justice Center.
- Property comes with approved plans for 5,536 Square Feet of Rentable Office Space.
- Additional City of Indio parking available to the complex across the street behind Applebee's.
- Directly across the street from the County of Riverside DA & Public Defender's Offices.
- Frontage on Highway 111 one half block away from Jackson Street.
- Site has been completely remediated for old 1950's-60's gas station site on the corner lot.
- All Documentation and clearances completed and available to Buyer at Escrow Opening.

• Buyer to verify with City of Indio, Plan Approvals for Office Building

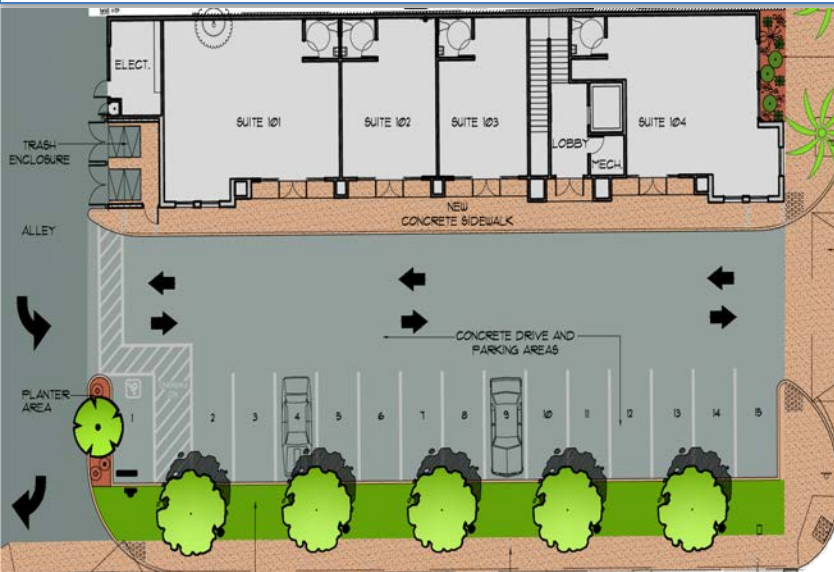
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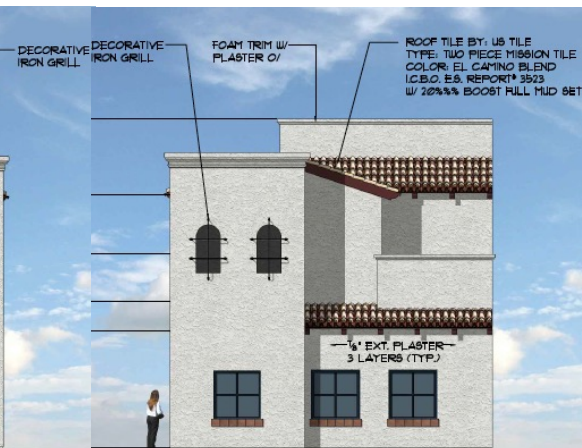
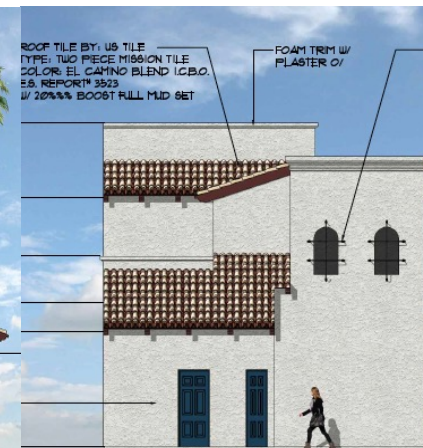
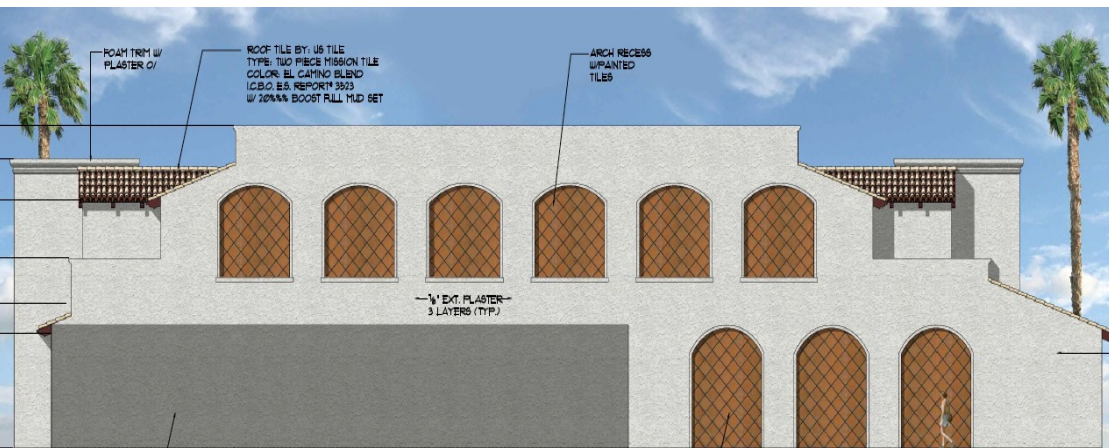


# BUILDING FLOOR PLAN & ELEVATIONS

INDIO COMMERCIAL LOTS  
FOR SALE \$536,000



Seller will provide a complete set of working drawing plans and design renderings as shown here for 5,536SF of Net Rentable Commercial Office Space. The plans were approved in 2015. Buyer to verify with City of Indio Building Department regarding any building code update requirements. Property is zoned Commercial. Seller makes no warranty as to previous approvals.



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The Land Residual Value projection to the right, reflects a capital gain of approximately 22.62% in year 2. The assumption is 12-18 months start to finish design build, plus 6 months stabilization to establish the value at the end of 24 months.

The projection is based upon plans for a 5,536 SF commercial office building the Seller had designed and approved in 2015. The DT-SP zoning allows for up to 4 stories in overall height and city parking across the street to supplement development of the property.

The property where the Starbucks development is located was sold in 2018 for approximately \$24.50 psf. The purchase price is consistent with the possible land use, which may now include space with a drive thru element.

| Indio Commercial Lots - Highway 111 & Fargo                          |          |             |             |              |                |                |
|--|----------|-------------|-------------|--------------|----------------|----------------|
| Projected Commercial Office Rental Income CAP Value                  |          |             |             |              |                |                |
| Commercial Office  | Lot Size | Rentable SF | Quantity    | VALUE PER SF | 6.5% CAP Value | Total Value    |
| Phase 1  |          |             |             |              |                |                |
| Lot 12 - APN 611-230-012   | 13,200   |             |             |              |                |                |
| Lot 13 - APN 611-230-013   | 3,300    | 5,536       | 1           | 378.83       | \$ 2,097,207   | \$ 2,097,207   |
| Total Gross Footage Lots   | 16,500   |             | 1           |              |                |                |
| Average Totals   |          | 5,536       | 1           | \$ 378.83    | \$ 2,097,207   | \$ 2,097,207   |
| 82950 Highway 111, Indio, CA 92201 - Lot Residual Value Analysis     |          |             |             |              |                |                |
| Rental Footage & Rental Income Value                                 |          |             | CPSF*       |              |                | Totals         |
| Number of Office Suites  |          |             |             | 8            |                |                |
| Office Rental Footage  |          |             |             | 5,536        |                |                |
| Office Rental Income Value NNN                                       |          |             | \$ 378.83   | \$ 2,097,207 |                |                |
| Rental Income Investor   |          |             |             |              |                |                |
| Lot Valuation @ 25.55% Rental Income Property                        |          |             | \$ 96.82    | \$ 536,000   | 25.55%         | \$ 536,000     |
| Site Development Cost  |          |             | \$ (2.71)   | \$ (15,000)  |                | \$ (15,000)    |
| Consulting Services Civil Engineer                                   |          |             | \$ (1.35)   | \$ (7,500)   |                | \$ (7,500)     |
| Permits/Inspection Fees (Sewer,Water..etc.)                          |          |             | \$ (0.90)   | \$ (5,000)   |                | \$ (5,000)     |
| Refunds  |          |             | \$ -        | \$ -         |                | \$ -           |
| CFD Bond Reimbursements  |          |             | \$ -        |              |                | \$ -           |
| Residual Land Value for Final Mapped Lot to Seller                   |          |             | \$ 91.85    | \$ 508,500   |                | \$ 508,500     |
| *Cost Per Square Foot  |          |             |             |              |                |                |
| Projected Developer Gross Capital Gain - Commercial Office Space NNN |          |             |             |              |                |                |
| Rentable Square Feet -5,536SF  |          |             | CPSF*       |              |                | Total          |
| CAP Rental Income Value  |          |             | \$ 378.83   | \$ 2,097,207 |                | \$ 2,097,207   |
| Cost of Sales 4% commission + 1/2% Closing Costs                     |          |             | \$ -        | \$ -         |                |                |
| Finished Lot Cost to Developer                                       |          |             | \$ (96.82)  | \$ (536,000) |                |                |
| Indirect Construction Cost -Architectural..etc.                      |          |             | \$ (3.61)   | \$ (20,000)  |                |                |
| Direct Shell Construction Cost                                       |          |             | \$ (175.00) | \$ (968,800) |                |                |
| Permits/Inspection Fees (Paid w/Building Permit Fees)                |          |             | \$ (8.00)   | \$ (44,288)  |                |                |
| Construction Financing Cost  |          |             | \$ (25.51)  | \$ (141,218) | \$ (1,710,306) | \$ (1,710,306) |
| Capital Gain Year 2 Stabilized 52% Takeout Finance*                  |          |             |             | \$ 386,901   | 22.62% of Cost | \$ 386,901     |
| *Approximate Stabilized Appraised Value                              |          |             |             |              |                |                |

|                                       |        |   |                 |            |                  |                      |
|---------------------------------------|--------|---|-----------------|------------|------------------|----------------------|
| Land Area Square Footage              | 16,500 | Lot 1 APN 611-233-012   |                 |            |                  |                      |
| Number of Office Suites               | 8      | Lot 1 APN 611-233-013   |                 |            |                  |                      |
| Average Square Footage Per Suite      | 692    |   |                 |            |                  |                      |
| Total Rentable Square Footage         | 5,536  | 22 Parking Spaces - 15 Spaces onsite                                  |                 |            |                  |                      |
| Total Building Square Footage         | 7,478  | 7 Parking Spaces offsite in City of Indio Public Lot Behind Applebees |                 |            |                  |                      |
|                                       |        |   |                 |            |                  |                      |
| Rental Income Breakdown               |        |   |                 |            |                  |                      |
|                                       | Units  | Gross SF  | Net Rentable SF | Income PSF | Mo.Inc. Per Unit | Total Annual Revenue |
| First Floor                           |        |   |                 |            |                  |                      |
| Suite 101                             | 1      | 1,192   | 1,192           | \$ 2.25    | \$ 2,682.00      | \$ 32,184.00         |
| Suite 102                             | 1      | 602   | 602             | \$ 2.25    | \$ 1,354.50      | \$ 16,254.00         |
| Suite 103                             | 1      | 574   | 574             | \$ 2.25    | \$ 1,291.50      | \$ 15,498.00         |
| Suite 104                             | 1      | 1,092   | 1,092           | \$ 2.25    | \$ 2,457.00      | \$ 29,484.00         |
| Mechanical Room                       | 1      | 62  |                 |            |                  |                      |
| Elevator Lobby                        | 1      | 224   |                 |            |                  |                      |
| Electrical Room                       | 1      | 165   |                 |            |                  |                      |
|                                       |        |   |                 |            |                  |                      |
| Sub Totals                            |        | 3,911   | 3,460           |            | \$ 7,785.00      | \$ 93,420.00         |
|                                       |        |   |                 |            |                  |                      |
| Second Floor                          |        |   |                 |            |                  |                      |
| Suite 201                             | 1      | 471   | 471             | \$ 2.25    | \$ 1,059.75      | \$ 12,717.00         |
| Suite 202                             | 1      | 453   | 453             | \$ 2.25    | \$ 1,019.25      | \$ 12,231.00         |
| Suite 203                             | 1      | 628   | 628             | \$ 2.25    | \$ 1,413.00      | \$ 16,956.00         |
| Suite 204                             | 1      | 524   | 524             | \$ 2.25    | \$ 1,179.00      | \$ 14,148.00         |
| Elevator Lobby                        | 1      | 171   |                 |            |                  |                      |
| Janitor Room                          | 1      | 152   |                 |            |                  |                      |
| Storage                               | 1      | 152   |                 |            |                  |                      |
| Balcony                               | 1      | 1,016   |                 |            |                  |                      |
|                                       |        |   |                 |            |                  |                      |
| Sub Totals                            |        | 3,567   | 2,076           |            | \$ 4,671.00      | \$ 56,052.00         |
|                                       |        |   |                 |            |                  |                      |
| Totals                                |        | 7,478   | 5,536           |            | \$ 12,456.00     | \$ 149,472.00        |
| Average Rental Income Per Square Foot |        |   | Per Mo.         | \$ 2.25    | Per Annum        | \$ 27.00             |

The rental income shown in this spread is net income based upon a triple net lease term. All common area expenses including property taxes are absorbed by the tenants of the projected commercial office development.



## INDIO COMMERCIAL LOTS FOR SALE \$536,000



| Income, Expenses & Cash Flow | Property Overview |
|------------------------------|-------------------|
|------------------------------|-------------------|

|                   |                 |
|-------------------|-----------------|
| Property Type     | Office Building |
| No. of Units      | 8               |
| Price Per Unit    | \$ 175,233      |
| Total Sq Ft       | 5,536           |
| Price Per Sq Ft   | \$ 253.23       |
| Income per Unit   | \$ 18,684       |
| Expenses per Unit |                 |

| Assumptions | Loan Information |
|-------------|------------------|
|-------------|------------------|

|                               |       |                       |                      |                    |                  |
|-------------------------------|-------|-----------------------|----------------------|--------------------|------------------|
| Rental Growth Rate:           | 2.00% | Down Payment:         | \$ 496,536           | <u>% of Asking</u> | <u>% of Cost</u> |
| Expense Growth Rate:          | 1.00% | Initial Loan Balance: | \$ 905,325           | 35.65%             | 35.65%           |
| Capitalization Rate (Resale): | 6.50% |                       |                      | 65.00%             | 65.00%           |
|                               |       | <u>Loan Amount</u>    | <u>Interest Rate</u> | <u>Term</u>        | <u>Payment</u>   |
|                               |       | \$ 905,325            | 7.02%                | 30                 | \$5,296          |

| Financial Measurements | Year 1 | Year 5 | Year 10 | Projected Cash Flow Before Taxes |
|------------------------|--------|--------|---------|----------------------------------|
|------------------------|--------|--------|---------|----------------------------------|

| Category | Percentage |
|----------|------------|
| 1        | ~\$82,000  |
| 2        | ~\$85,000  |
| 3        | ~\$88,000  |
| 4        | ~\$91,000  |
| 5        | ~\$94,000  |
| 6        | ~\$97,000  |
| 7        | ~\$100,000 |
| 8        | ~\$103,000 |
| 9        | ~\$106,000 |
| 10       | ~\$110,000 |

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