



# COOLWOOD PLAZA

## GROCERY SHADOW ANCHORED RETAIL CENTER

2252 - 2274 MORTHLAND DRIVE, VALPARAISO, IN 46385

Marcus & Millichap  
KIVEN TEAM

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# COOLWOOD PLAZA

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## Executive Summary

Marcus & Millichap is pleased to present the opportunity to purchase the fee simple interest in Coolwood Plaza, a grocery shadow anchored retail center located in Valparaiso, Indiana. With 11 tenants in total, the rent roll is synergistic with a mix of retailers who flourish when paired with a grocery store. There's an opportunity to mark rents to market as leases roll, since all tenants are paying below market rents, particularly those tenants located on the outparcel building.

Coolwood Plaza has been a grocery anchored center for 40 plus years, and with the recent acquisition of Strack & Van Til by Hy-Vee, the center now has a national "best of breed" grocer driving traffic to this site. Positioned on US Highway 30, at a lighted intersection with an internally illuminated pylon sign, the tenants further benefit from exposure to over 30,000 vehicles per day.

This offering also includes a Strack & Van Til bakery/commissary space, operating on a separate lease from the grocery store, but with the same corporate guarantor. Strack expanded into this space and uses it to prepare food that supplies the 21 other Strack & Van Til locations in Northwest Indiana. Strack has exercised several extension options on the commissary space over the last decade plus of occupancy. They have two 5-Year options remaining, the first of which has a 12% rent increase, the second has a 10% increase.

As mortgage rates are expected to compress further over the next 12 months, properties like Coolwood Plaza will become even more compelling to investors. This is an opportunity to buy a food & drug anchored retail center—whether it's purchased as "shadow anchored" or otherwise—at a highly appealing price per square foot of \$169, with rents that can be increased through a more aggressive leasing program, in a location with significant demographic tailwinds.

Please reach out to Marcus & Millichap with interest in Coolwood Plaza, or in the adjacent Strack & Van Til property.

## Investment Highlights

Service oriented retail center shadow anchored by a Strack & Van Til Grocery Store (acquired by Hy-Vee in 2024), the dominant grocer in NW Indiana

This multi-tenant retail opportunity is available for purchase with the adjacent Strack & Van Til Grocery Store, also currently being marketed by Marcus & Millichap

Optimal tenant mix with near term lease roll and below market rents

40% of the GLA is leased to Strack & Van Til (Hy-Vee), who is using the space as a commissary with a robust and integrated distribution hub

Offered at \$169 per square foot with several paths to profit by achieving income growth

Positioned at a signalized intersection on US Highway 30 with visibility to 30,000 vehicles per day

Prominent pylon signage featuring internal illumination

Located 2 miles west of Valparaiso University and in close proximity to downtown Valpo

Average household incomes exceed \$100,000 annually with strong population growth trends

Northwest Indiana is part of greater Chicagoland but is renowned for its favorable pro-growth culture and low real estate taxes



**THE CLOSET-EXCHANGE**  
UPSCALE RESALE

**EmbroidMe**

2256  
The Closet Exchange  
www.closetexchange.com  
476-1782

Coolwood Plaza

\$4,210,000  
TOTAL PRICE

7.25%  
CAP RATE

\$305,072  
NOI

Tenant Summary

Tenant	Suite	Suite Size (SF)	% Property Share	Lease Start Date	Lease End Date	Annual Rent PSF	Monthly Rent	Annual Rent	Changes On	Changes To	Lease Type	Renewal Options
Strack & Van Til Commissary	B	9,725	39.1%	12/27/12	12/31/25	\$8.00	\$6,483	\$77,800	N/A	N/A	NNN	2 - 5YR Options
Coolwood Cleaners (Dropoff Only)	C	1,266	5.1%	7/1/16	MTM	\$15.52	\$1,638	\$19,652	N/A	N/A	NNN	
Vacant	D	958	3.9%			\$0.00	\$0	\$0	N/A	N/A		
EmbroidMe	E	1,555	6.3%	8/12/17	8/31/27	\$12.00	\$1,555	\$18,660	Sep-2025	\$20,215	NNN	
Closet Exchange	F	1,858	7.5%	4/15/11	7/31/26	\$13.92	\$2,156	\$25,872	Jul-2025	\$26,652	NNN	
AAC Orthodontics	P - 1	1,800	7.2%	8/17/04	11/2/26	\$18.91	\$2,837	\$34,040	Nov-2025	\$35,760	NNN	1 - 5YR Option @ FMV
Ivy Spa Nails	P - 2	1,425	5.7%	1/15/14	MTM	\$19.10	\$2,268	\$27,216	N/A	N/A	NNN	
Smoke & Tobacco Shop	P - 3	975	3.9%	8/10/21	8/9/26	\$17.00	\$1,381	\$16,575	Aug-2025	\$17,550	NNN	1 - 5YR Option
GNC	P - 4	1,200	4.8%	6/15/21	9/2/26	\$18.00	\$1,800	\$21,600	Sep-2025	\$22,200	NNN	
Great Clips	P - 5	1,200	4.8%	2/1/19	6/30/29	\$19.40	\$1,940	\$23,280	N/A	N/A	NNN	
F45 Training	P - 6	2,900	11.7%	6/12/19	10/31/29	\$13.79	\$3,333	\$39,992	Mar-2025	\$40,992	NNN	1 - 5YR Option
<b>Totals</b>		<b>24,862</b>				<b>\$12.26</b>	<b>\$25,391</b>	<b>\$304,687</b>				

Occupied Tenants: 10

Occupied GLA: 96.1%

Unoccupied GLA: 3.9%



Income	Current	Per Square Foot	Pro Forma	Per Square Foot
Scheduled Base Rental Income	\$307,206	\$12.36	\$321,970	\$12.95
Tenant Expense Reimbursement Income (NNN)	\$68,677	\$2.76	\$73,534	\$2.96
Starbucks / Rosati CC&R Reimbursement	\$2,886	\$0.12	\$2,886	\$0.12
Strack & Van Til CC&R Reimbursement <sup>1</sup>	\$46,422	\$1.87	\$46,422	\$2.96
<b>Effective Gross Revenue</b>	<b>\$425,191</b>	<b>\$17.10</b>	<b>\$444,812</b>	<b>\$17.89</b>
Operating Expenses	Current	Per Square Foot	Pro Forma	Per Square Foot
<b>Common Area Maintenance (CAM)</b>				
Building Repairs & Maintenance	3,300	0.13	3,300	0.13
Insurance (Parking Lot) <sup>2</sup>	3,176	0.13	3,176	0.13
Parking Lot Sweeping (Shared) <sup>3</sup>	1,000	0.04	1,000	0.04
Parking Lot Snow Removal (Shared)	18,000	0.72	18,000	0.72
Landscaping (Shared)	10,000	0.40	10,000	0.40
Parking Lot Lights (Shared)	9,500	0.38	9,500	0.38
Roadway Lights (Shared)	1,000	0.04	1,000	0.04
Marquis Electric Bill (Shared)	4,500	0.18	4,500	0.18
Light Repairs (Shared)	3,000	0.12	3,000	0.12
Capital Reserve (Reimbursable) <sup>4</sup>	8,579	0.35	8,579	0.35
Insurance (Building) <sup>5</sup>	9,408	0.38	9,408	0.38
Real Estate Taxes	31,648	1.27	31,648	1.27
Management Fee (4%)	17,008	0.68	17,792	0.72
<b>Total Expenses</b>	<b>\$120,118</b>	<b>\$4.83</b>	<b>\$120,903</b>	<b>\$4.86</b>
<b>Net Operating Income</b>	<b>\$305,072</b>	<b>\$12.27</b>	<b>\$323,909</b>	<b>\$13.03</b>

- 1 Pro forma amount of anticipated collections from Strack & Van Til following the revised CC&Rs and the subsequent division of responsibilities.
- 2 This covers the insurance expense for the shared parking lot only.
- 3 All expenses labeled "Shared" pertain to the shared parking lot and are based on the 2023 budgeted totals.
- 4 Per the leases, capital expense replacements can be billed back to the tenants if the expense is depreciated over their useful life.
- 5 This is the insurance expense for the buildings only.



## Coolwood Plaza

Summary	
Price	\$4,210,000
Down Payment (35%)	\$1,473,500
Number of Suites	11
Price Per SqFt	\$169.33
Gross Leasable Area (GLA)	24,862 SF
Occupancy	96.15%

	Returns	
	Current	Pro Forma
Cap Rate	7.25%	7.69%
Cash-on-Cash	6.00%	7.28%
Debt Coverage Ratio	1.41	1.50

## Proposed New Financing

Financing	Conventional Bank Debt
Loan Amount	\$2,736,500
Loan Type	New
Interest Rate	6.25%
Amortization	25 Years
Year Due	2029

## Operating Data

	Income		Current	Pro Forma
Scheduled Base Rental Income			\$307,206	\$321,970
Total Reimbursement Income	22.4%	\$68,677	22.8%	\$73,534
Other Income		\$49,308		\$49,308
Effective Gross Revenue		\$425,191		\$425,191
Less: Operating Expenses	28.3%	(\$120,118)	27.2%	(\$120,903)
Net Operating Income		\$305,072		\$323,909
Debt Service		(\$216,622)		(\$216,622)
Net Cash Flow After Debt Service	6.00%	\$88,450	7.28%	\$107,287
Principal Reduction		\$46,920		\$49,938
Total Return	9.19%	\$135,370	10.67%	\$157,225

## Operating Expenses

CAM	\$62,055	\$62,055
Insurance (Building)	\$9,408	\$9,408
Real Estate Taxes	\$31,648	\$31,648
Management Fee	\$17,008	\$17,792
Total Expenses	\$120,118	\$120,903
Expenses/SF	\$4.83	\$4.86



MCDONALD'S  
NAP

wise  
guys  
NAP

**Strack & Van Til**  
food market  
A **HyVee** Company.  
NAP — AVAILABLE SEPARATELY

**ROSATI'S**  
CHICAGO PIZZA  
NAP

**SUBJECT PROPERTY**

COOLWOOD CLEANERS

**Strack & Van Til**  
BAKERY

**EmbroidMe**  
Your Promotional Marketing Partner

The Closet Exchange  
Upgrade Your Wardrobe

**SUBJECT PROPERTY**

**F45** **GNC** Great Clips  
LIVE WELL IT'S GONNA BE GREAT™

**Ivy Spa & Nails** **CREATING SMILES, PC** **AAC**  
SMOKE SHOP **ORTHODONTICS**  
ADULT ADLESCENT CHILD

COOLWOOD DRIVE

WEST STREET

LINCOLN HIGHWAY 29,500+ VPD



## Demographics | 3-Mile Radius

2023 Population	33,111
2023 Daytime Population	39,180
2023 Avg. Household Income	\$106,304

Downtown Valparaiso

 Valparaiso University -  
Total Enrollment: 2,868

 CVS

 Applebee's  
GRILL + BAR

 Walgreens

 jiffylube

 ANYTIME FITNESS

 FAMILY EXPRESS

 CHEVROLET

 DUNKIN'

 Ford

 Wise Guys

 McDonald's



 Strack & Van Til  
food market  
A **HuVee** Company.  
NAP - available separately

LINCOLN HIGHWAY - 29,500+ VPD

**Subject Property**  
**Great Clips**  
 **GNC**

 ALDI



**Strack & Van Til**

In the late 1950's two Northwest Indiana grocery store owners, Ernie Strack and Nick Van Til, came together to create the first Stack & Van Til grocery store with the goal of making a more ideal shopping experience. Today, Strack & Van Til is a major supermarket name throughout Northwest Indiana and Illinois with more than 20 locations. In 2024, Hy-Vee acquired Strack & Van Til for an undisclosed price. Hy-Vee operates 285 stores across America and reports over \$13 billion revenue annually.

<https://strackandvantil.com/>



**GNC**

GNC was created in 1935 as a small health food store in Pittsburgh, Pennsylvania. The chain has since grown to over 4,000 locations across the United States and more than 2,000 international operations. GNC is the largest global specialty retailer of nutritional products stocking items such as vitamins, supplements, and energy products. In September 2020, Harbin Pharmaceutical Group, a Chinese pharmaceutical manufacturer, wholly acquired GNC for \$770 million.

<https://www.gnc.com/>



**Great Clips**

Great Clips is an American Hair salon chain and the world's largest hair salon brand. Operating in both the United States and Canada, Great Clips has over 4,400 locations and serves over 1.7 million customers. The chain specializes in affordable, convenient hair services through practices such as online check-in and extended business hours. Great Clips is a 100% franchised company with over 25,000 employees.

<https://www.greatclips.com/>



**F45 Training**

Founded in Australia in 2011, F45 Training is a global operator of fitness centers totaling over 2,000 studios located in more than 60 countries. F45 Training's name refers to the 45-minute functional exercises offered in its gyms which utilizes high-intensity interval training combined with circuit training and functional training. In 2021, F45 was ranked the fastest growing fitness franchise in America and one of the fastest globally.

<https://f45training.com/>



**AAC Orthodontics**

AAC Orthodontics is a board certified practice that operates three locations in Schererville, Munster, and Valparaiso Indiana. AAC has been in business since 1992 and provides orthodontic services for patients of all ages. Treatments provided include braces, orthodontic surgery, and Invisalign. In 2020, the practice was named a Diamond+ Invisalign Provider.

<https://www.aacorthodontics.com/>

COOLWOOD PLAZA

Wise  
guys  
LIQUORS

Strack & Van Til  
food market



COOLWOOD  
CLEANERS  
464-8017

Absolute Style  
Hair & Nails  
219-476-4039

GNC  
LIVE WELL

Great Clips®

CLOSET EXCHANGE  
UPSCALE RESALE

ID POTATOES 5LB  
\$1.99 EA

Strack & Van Til  
food market



## Location Overview // Valparaiso, IN

The city of Valparaiso is the county seat of Porter County, Indiana. In 2022, Valparaiso had an estimated population of 34,565 people, and Porter County had 174,791 residents. Both are located within the larger Chicago Metropolitan Statistical Area, the third-largest MSA in the United States. Major employers in Valparaiso include the Northwest Health-Porter medical system, paper recycling mill Pratt Industries and Ivy Tech public community college. The city also is home to Valparaiso University, a private liberal arts college.

Valparaiso sits along U.S. Route 30, Indiana State Road 2, Indiana State Road 49 and Indiana State Highway 130, and the city is within 14 miles of U.S. Route 6, Interstate 65, Interstate 80, Interstate 90 and Interstate 94. The city is 47 miles from downtown Chicago, and commuters can ride to downtown Chicago on the ChicaGO Dash express bus service from Valparaiso and the South Shore Line from nearby Chesterton, IN.

## In the News

- Urschel Development Corporation began construction in 2023 on the Grand Gardner Hotel, a **58-room hotel costing around \$40 million**. The project is expected to be completed by the end of 2024.
- Construction has started on a **\$54.4 million development** featuring The Linc, a new downtown Valparaiso mixed-use apartment complex, and an adjacent parking structure with over 300 spaces. The Linc will include 127 units with almost 6,000 square foot of commercial space and is expected to open in fall 2024.
- Amazon's **\$11 billion** data center development in Northwest Indiana broke ground this September. The campus is expected to house around 22 buildings. As a part of the agreement, Amazon agreed to provide \$143 million in a "community enhancement agreement." The project is expected to provide 400 full time jobs and 600 additional jobs throughout the construction period.

## Location Fast Facts



**Valparaiso Population**  
**34,565**



**48 Miles to Midway and South Bend Airports**



**South Shore Line Commuter Rail**



**Ivy Tech Comm. College**  
**10,000+ Students**



**Northwest Health-Porter**  
**1,040+ Medical Staff**



**Pratt Industries**  
**500+ Employees**



**9,441,957**  
PEOPLE IN THE CHICAGO MSA

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