

THE PROMENADE AT THE UPPER EASTSIDE

1025-1075 NE 79 STREET
MIAMI, FL 33138

OFFERING MEMORANDUM

Comprised of 7 contiguous folios, this offering presents the rare opportunity to acquire a flourishing, **± 8,218 SF, retail center** located steps away from Biscayne Bay. Currently 100% leased to five tenants, the value of this property is further boosted by the redevelopment potential of the **± 45,815 SF lot**.



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1025-1075 NE 79th Street, Miami, FL 33138



NORTH BAY VILLAGE



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directions

FROM I-195: Take exit 2B north towards Biscayne Boulevard. Merge onto NE 36th Street and turn right onto Biscayne Boulevard. Head North for approximately 2.6 miles and turn right onto NE 79th Street. The destination will be on your left in approximately 0.5 miles.



Investment Highlights

Blanca Commercial Real Estate, Inc. has been appointed as the exclusive agent for the marketing and sale of 1025-1075 NE 79th Street, Miami, FL 33138. The Property is being offered on an “as-is, where -is” basis for the fee-simple interest.

Highlights

- This 7 folio property consists of \pm 8,128 SF of retail space situated on a \pm 45,815 SF rectangular lot.
- Positioned as a gateway to Bal Harbor, Design District, Wynwood, Downtown Miami, and Miami Beach, this location affords unmatched connectivity to South Florida's most desirable destinations.
- Currently 100% leased to 5 tenants, Pinecrest Bakery occupies 55% of the premises with a 10 year lease term expiring in April 2029. With 14 other flourishing locations throughout Miami Dade County and 4 new locations on the way, this business has a track record for success in South Florida.
- Boasting a diverse tenant mix, the first lease rollover will not occur until 2021. With a number of tenants paying below market rents, the property's future cash flows have significant upside potential. Additionally, the new owner will receive up to \$300,000 of key-money per the terms of the lease (See Key Money Schedule on next page).
- Complimented by strong demographic drivers, the immediate 1-mile surrounding area has seen a 19.8% increase in the population over the last 7 years beating the national average by 374.29%. Furthermore, average household income increased to \$66,827.
- Adding to the properties appeal is the flexible T-5 Zoning designation, allowing for a myriad of potential uses. With direct control of 7 folios, the opportunity to redevelop this perfect rectangular lot awaits.
- With a weekly traffic count of \pm 248,000 Cars, the Promenade at the Upper Eastside possesses unmatched exposure.



property inquiries and tours

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Executive Summary

PRICE: \$6,995,000 (\$851.18 PSF)

KEY MONEY TIMELINE:	\$25,000 Upon Lease Commencement
	\$75,000 on or before September 30, 2020
	\$100,000 on or before September 30, 2021
	\$100,000 on or before September 30, 2022

PROPERTY TYPE: Retail Strip Center

PARCEL IDs: 01-3207-016-2860, 01-3207-016-2870
01-3207-016-2880, 01-3207-016-2890
01-3207-016-2900, 01-3207-016-2910, 01-
3207-016-2920

LOCATION: 1025 – 1075 NE 79th Street
Miami, FL 33138

BUILDING SIZE: ± 8,218 SF

DIMENSIONS: 385 feet length x 119 feet width

LAND AREA: ± 45,815 SF (± 1.05 Acres)

2017 TAXES: \$ 67,925.41

SUB-MARKET: Biscayne Corridor

ZONING TYPE: T 5 - O



Stabilized Income

The Cash Flows will stabilize in 2020.

Income		\$ PSF
Gross Potential Income	\$541,682.59	\$65.91
Operating Expenses		
Real Estate Taxes	(\$79,091.97)	(\$9.62)
Insurance	(\$5,690.15)	(\$0.69)
Net Operating Income		
Net Operating Income	\$456,900.48	\$55.60

Note: Tenants are responsible for all expenses with respect to utilities and common area maintenance. Additionally, each tenant is required to carry their own public liability and property damage insurance.



Rent Roll

Suite	Tenant	Size	Expiration	Monthly Contract Rent (Before Sales Tax)		Yearly Increases	Details
Restaurant	Pinecrest Bakery	4,500.00	Apr-29	2019 2020 2021 2022 2023 2024 2025 2026 2027 2028	\$17,000 \$19,000 \$21,000 \$21,735 \$22,495 \$23,283 \$24,097 \$24,941 \$25,814 \$26,717	3.5% Beginning May 2022	Rent adjusts every May. Landlord to collect \$300,000 in nonrefundable key money from Tenant. Schedule for key money is as follows: \$25,000 on Commencement, \$75,000 on or before September 30, 2020, \$100,000 due on or before September 30, 2021, & \$100,000 due on or before June 30, 2022. Tenant has Two - 5 Year Renewal Options At anytime after January 1, 2023 - Tenant shall have the option to terminate the Lease upon 180 days written notice. Early termination fee will be \$150,000 paid by Tenant, and Landlord shall be entitled to retain the Security Deposit (\$49,000).
Car Wash	Car Wash 305	N/A	Jun-22	2019 2020 2021	\$10,000 \$10,300 \$10,609	3%	Rent adjusts every July Landlord has the right to terminate the lease upon 6 months written notice to the tenant.
101-102	Tap 79	1,420.00	April-21	2017 2018 2019 2020	\$3,197.25 \$3,357.11 \$3,524.97 \$3,701.22	5%	The rent adjusts every March
103	FRITO	520.00	February-21	2017 2018 2019 2020	\$983.98 \$1,033.18 \$1,084.84 \$1,139.08	3%	The rent adjusts every March
104	JOCO Botancial, Inc	889.00	December-21	2019 2020 2021	\$3,500.00 \$3,605.00 \$3,713.15	3%	
105	Puren Homes	889.00	August-22	2018 2019 2020 2021 2022	\$2,000.00 \$2,000.00 \$2,000.00 \$2,000.00 \$2,000.00	0%	Tenant has One - 3 Year Renewal Option at \$2,250 Per Month
Total		8,218.00					

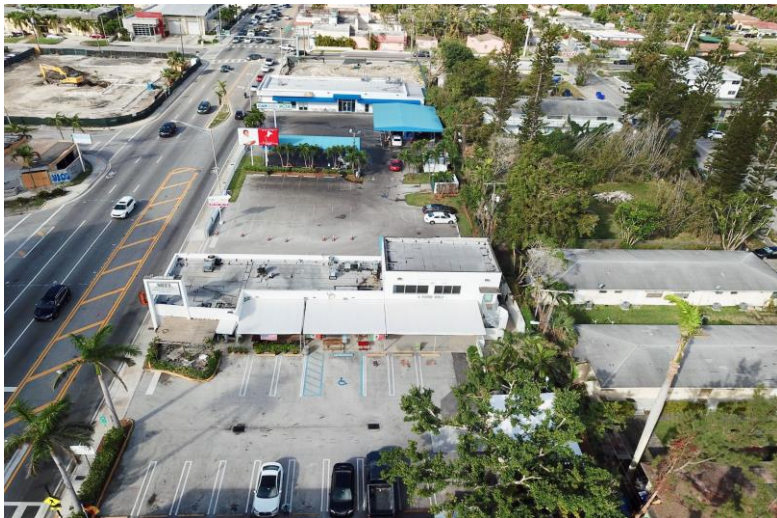


Proforma

I N C O M E		2019	2020	2021	2022
Gross Potential Rent		\$ 469,879	\$ 541,683	\$ 615,413	\$ 644,597
TOTAL INCOME :		\$ 469,879	\$ 541,683	\$ 615,413	\$ 644,597
E X P E N S E S					
Real Estate Taxes	\$ (9.34)	\$ (76,788)	\$ (79,092)	\$ (81,465)	\$ (83,909)
Insurance	\$ (0.67)	\$ (5,579)	\$ (5,690)	\$ (5,804)	\$ (5,920)
TOTAL EXPENSES :	\$ (10.01)	\$ (82,367)	\$ (84,782)	\$ (87,269)	\$ (89,829)
NET OPERATING INCOME		\$ 387,512	\$ 456,900	\$ 528,145	\$ 554,769



Pictures



Aerial



Aerial



Aerial

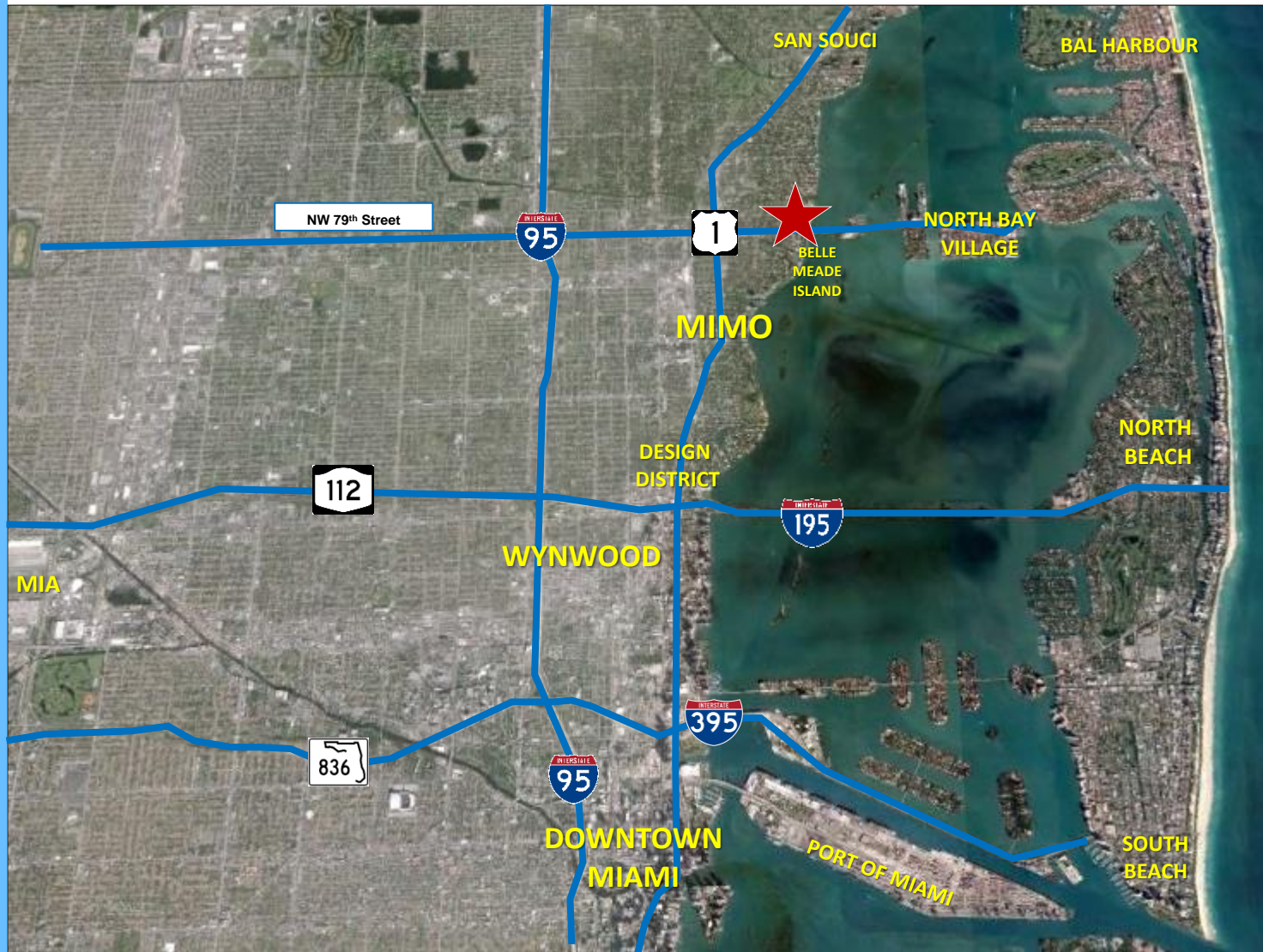
NE 79th Street PRIME LOCATION

Gateway to Miami's fastest growing neighborhoods :

- Miami Beach
- Upper East Side
- Biscayne Corridor

Close proximity to Downtown Miami

Downtown Miami will be the 4th
fastest growing neighborhood
in the USA over the next five
years, and Miami-Dade County
will grow 3 X faster than other
top USA counties.



Comparable Sales



7320 Biscayne Blvd
Sold: 4/20/2016
Size: \pm 3,000 SF
Price: \$2,400,000
Cap Rate: 4.95%



8001 Biscayne Blvd- Paulie Gee's
Sold: 5/10/2017
Size: \pm 3,100 SF
Price: \$2,250,000
Cap Rate: 4.96%

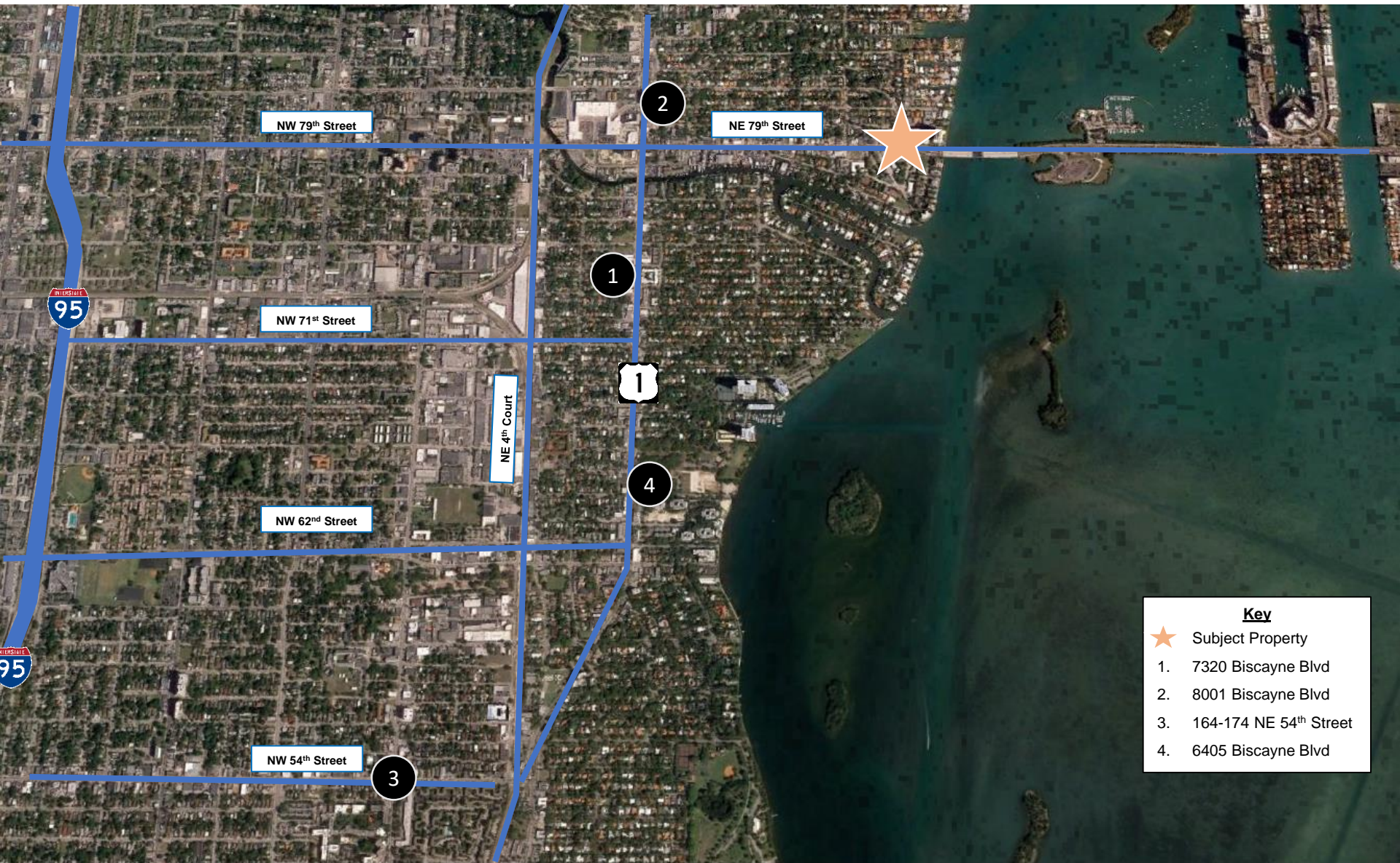


164-174 NE 54th Street
Sold: 12/19/2016
Size: \pm 4,266 SF
Price: \$1,000,000
Cap Rate: 5.00%



6405 Biscayne Blvd- MiMo Place
Sold: 5/4/2016
Size: \pm 6,982 SF
Price: \$6,700,000
Cap Rate: 5.10%

Comparable Sales Aerial



Key

- ★ Subject Property
- 1. 7320 Biscayne Blvd
- 2. 8001 Biscayne Blvd
- 3. 164-174 NE 54th Street
- 4. 6405 Biscayne Blvd

Area Overview

1025-1075 NE 79th Street is uniquely located in the Upper Eastside of Miami between the MiMo Historic District and North Bay Village Islands.

Only two blocks from the MIMO Historic District, this area continues to experience an era of transformation with the restoration and new delivery of boutique shops, restaurants, residences, and hotels. Designated as the “MiMo Biscayne Boulevard Historic District” or “Miami Modern on Biscayne Boulevard”, the city of Miami established this area as a historic district in 2006 in order to preserve its unique 1960’s architecture as well as the landmarked ambiance of the boulevard. In the last decade, the economic transformation of this area has kept pace with the likes of the Design District, Wynwood, and Edgewater significantly increasing the value of the real estate.

Additionally, the property lays within seconds of North Bay Village, a three-island paradise created in the 1940’s. Home to the headquarters of WSVN, a Fox-affiliated television station, North Bay Village is comprised of Harbor Island, Treasure Island, and Broadcast Key. Historically a haven for winter residents, this city became famous in the 60s & 70s for its popular restaurants and nightclubs attracting celebrities like Frank Sinatra, Judy Garland, and Steve Martin. Continuing the trend upwards from Downtown Miami and the MiMo District, North Bay Village has recently modified their Unified Land Development Code enticing new mixed-use commercial towers with more favorable FAR and Density restrictions. In the next few years, North Bay Village is expected to add newer mixed-use towers making it a true “live, work, play” destination.

new area development

In October 2017, the village commission gave unanimous approval for the first new condominium project in North Bay Village. This mixed-use tower will be 19 stories and 240 feet tall.

Global City, a Miami-based firm with projects around the country, in partnership with Midtown Group are redeveloping the veterans’ outpost at 6445 Northeast Seventh Avenue into a mixed-use waterfront project with 237 apartments.



demographics

	1 Mile	3 Mile	5 Mile
Population	15,429	145,669	466,441
Households	6,639	53,609	173,664
Average Household Income	\$66,827	\$57,674	\$59,445
Median HH Income	\$40,978	\$34,709	\$36,089
Daytime Employees	5,333	53,277	231,444
Population Growth (2010-2017)	+ 19.80%	+ 8.9%	+ 8.72%
Population Growth (2017-2022)	+ 6.24%	+ 4.67%	+ 4.60%

Source: CoStar



Disclosure

THIS IS A CONFIDENTIAL MEMORANDUM intended solely for your own limited use in considering whether to pursue negotiations to acquire **the property at 1025 – 1075 NE 79th Street in Miami, FL**. This confidential memorandum, which contains brief, selected information pertaining to the business and affairs of the Property, has been prepared by Blanca Commercial Real Estate (“BCRE”).

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If you do not wish to pursue negotiations leading to this acquisition, or if in the future you discontinue such negotiations, you agree to return this confidential memorandum to BCRE.

THIS CONFIDENTIAL MEMORANDUM SHALL NOT BE DEEMED A REPRESENTATION OF THE STATE OF AFFAIRS OF THE PROPERTY OR CONSTITUTE AN INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE PROPERTY SINCE THE DATE OF PREPARATION OF THIS MEMORANDUM. Blanca Commercial Real Estate (“BROKER”) MAKES THE DISCLOSURE THAT ITS ROLE IS EXCLUSIVELY REPRESENTING THE SELLER, NOT THE BUYER. THIS PROPERTY IS BEING SOLD AS AN “AS IS, WHERE IS” SALE.



Bal Harbour Shops