



Turn-Key Temperature-Controlled Food, Beverage or Pharmaceutical Processing Facility
Riviera Beach, FL

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PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

1726 AVENUE L
Riviera Beach, FL
ACT ID ZAC0390206

RYAN NEE
Florida Broker of Record
License: FLBK 3154667

Marcus & Millichap

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INVESTMENT OVERVIEW



EXECUTIVE SUMMARY

VITAL DATA			
			PRO FORMA
Price	Market	Year Built	1972
Rentable SF	15,800	Lot Size	0.42 acre(s)
Current Occupancy	Vacant	Net Operating Income	\$134,435

EXPENSES		
	PRO FORMA	\$/SF
Utilities	\$7,900	\$0.50
Contract Services	\$1,580	\$0.10
Repairs & Maintenance	\$3,950	\$0.25
Insurance	\$11,060	\$0.70
Real Estate Taxes	\$32,650	\$2.07
Management Fee	\$5,925	\$0.38
Total Expenses	\$63,065	\$3.99

DEMOGRAPHICS			
	1-Miles	3-Miles	5-Miles
2020 Estimate Pop	13,792	82,250	177,395
2010 Census Pop	12,780	74,955	160,652
2020 Estimate HH	4,914	33,618	77,680
2010 Census HH	4,499	30,334	69,721
Median HH Income	\$30,636	\$49,768	\$54,153
Per Capita Income	\$15,234	\$31,102	\$37,879
Average HH Income	\$42,185	\$75,724	\$85,995

INVESTMENT OVERVIEW

Marcus & Millichap is proud to present 1726 Avenue L, a two-story industrial building located in Riviera Beach, Florida. The subject property consists of approximately 15,800 square feet of rentable area with office space on the second floor. 1726 Avenue L was built in 1972 and is situated on a 0.42-acre parcel (or 18,415 square feet).

The property was designed as a multi-functional processing facility and features electrical outlets and water lines that run parallel throughout the entire building. 1726 Avenue L features 23-foot-high ceilings, one drive-in door, three-phase electric power, and space for refrigeration. The subject property has maintained all certifications and regulatory licensing continuously since opening including FDA, USDA, and Florida Department of Agriculture certifications.

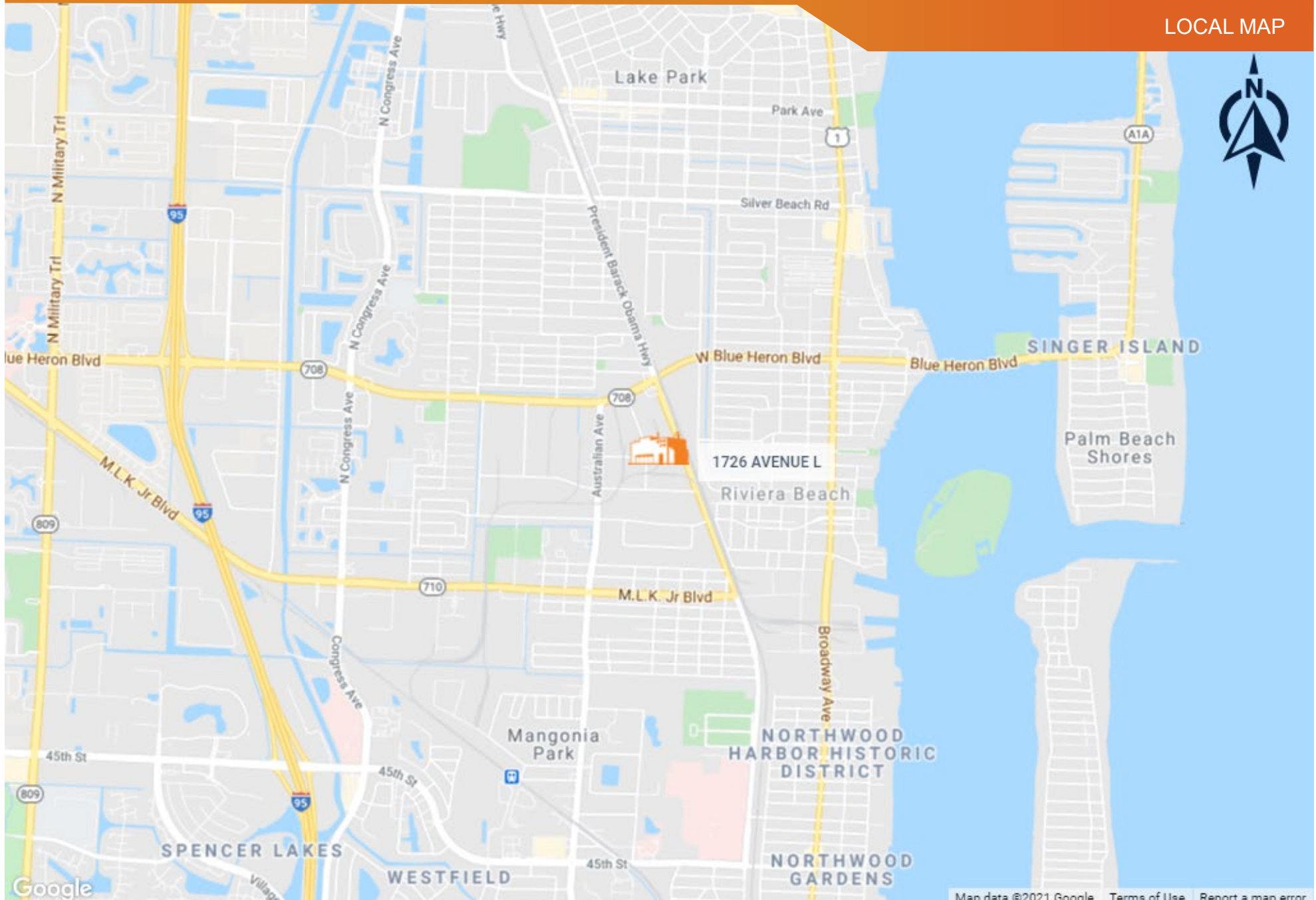
Improvements to the building include all rooftop AC units being replaced in 2014, loading dock door replaced in 2017, new main electrical lines and transformers to the facility in 2013, first floor AC unit replaced in the laboratory in 2015, and second floor office upgrades which include tile flooring.

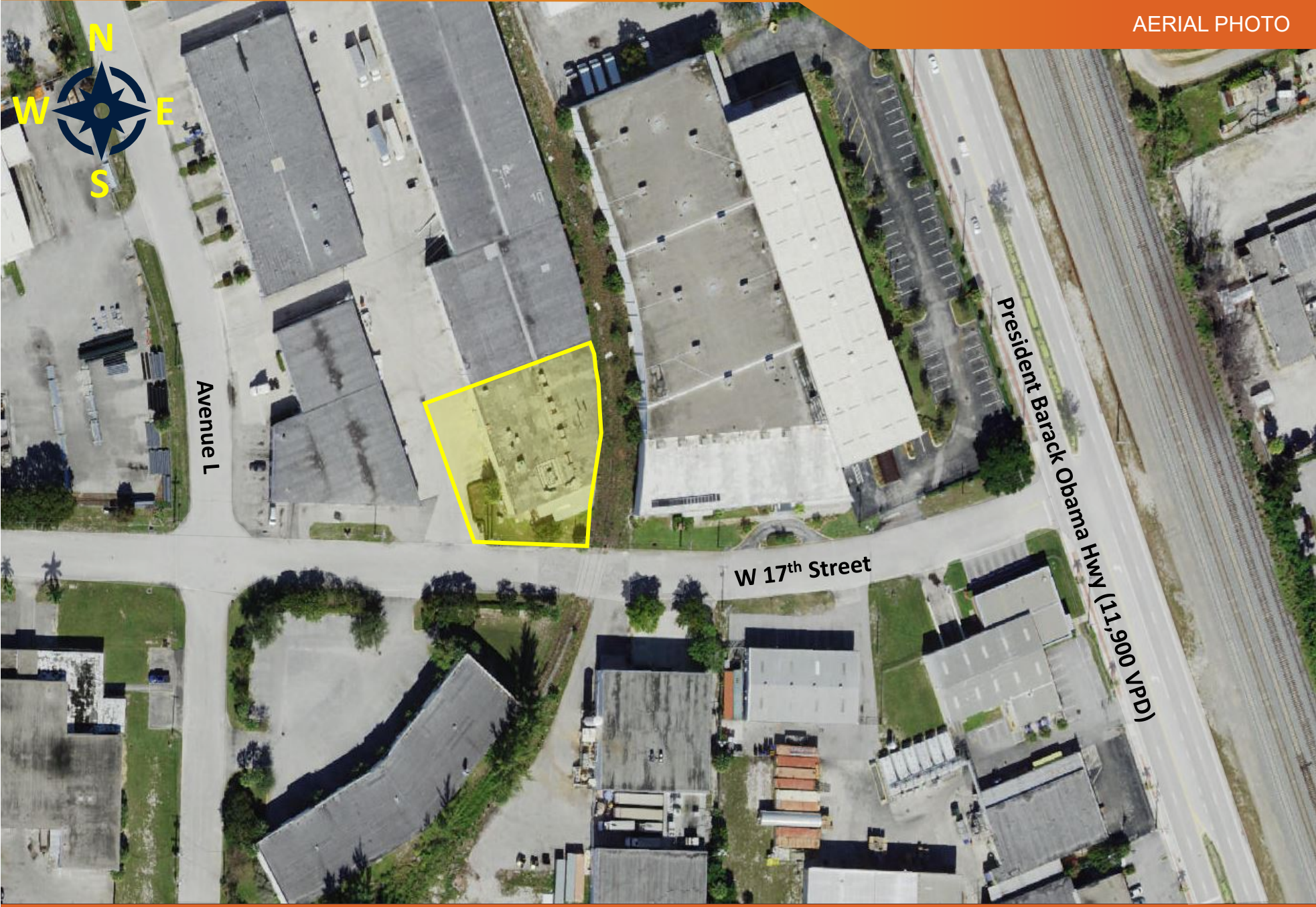
The subject property is located just 1.17 miles east of I-95 (SR-9), which has traffic counts of over 230,000 vehicles per day and just 3.5 miles from the Florida Turnpike (SR-91) which has traffic counts of over 72,800 vehicles per day. 1726 Avenue L is also located in close proximity to the Port of Palm Beach and Palm Beach International Airport.

Palm Beach is the only South Florida metro where industrial vacancies are below the National Index rate, and has been able to remain stable throughout the coronavirus pandemic. A slowdown in industrial development throughout recent years has kept the vacancy rate low. With lower vacancies and less new supply competing for new tenants, the submarket has fared well in terms of rent growth.

INVESTMENT HIGHLIGHTS

- Exceptionally Maintained Facility
- Three-Phase Power 230/280 Volt & 460/480 Volt
- Food and Drug Administration (FDA) Approved Through 2021
- One Drive-In Door
- Close Proximity to I-95, Florida Turnpike, and the Port of Palm Beach
- Located in an Opportunity Zone



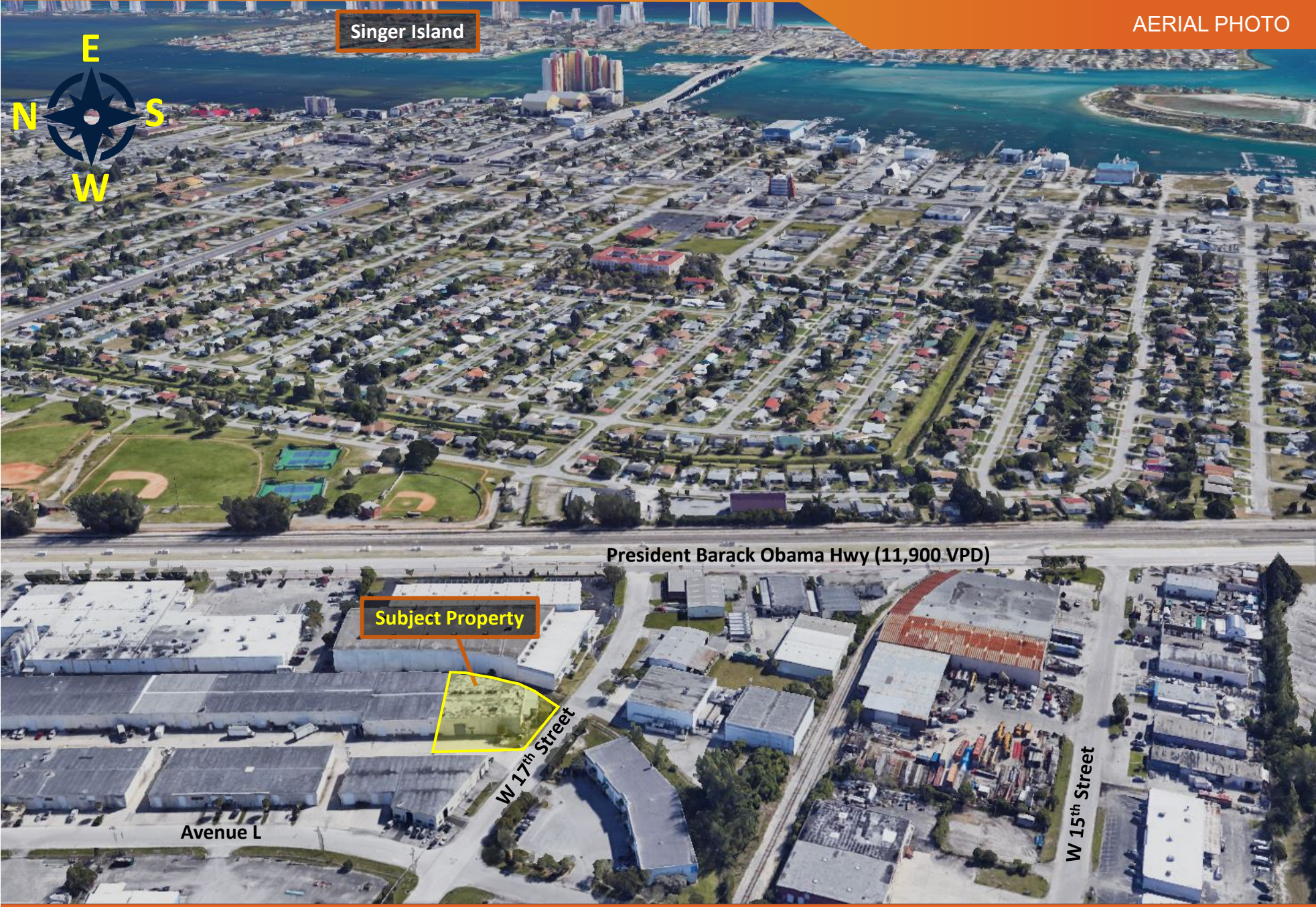


Avenue L

W 17th Street

President Barack Obama Hwy (11,900 VPD)





Singer Island



President Barack Obama Hwy (11,900 VPD)

Subject Property

Avenue L

W 17th Street

W 15th Street



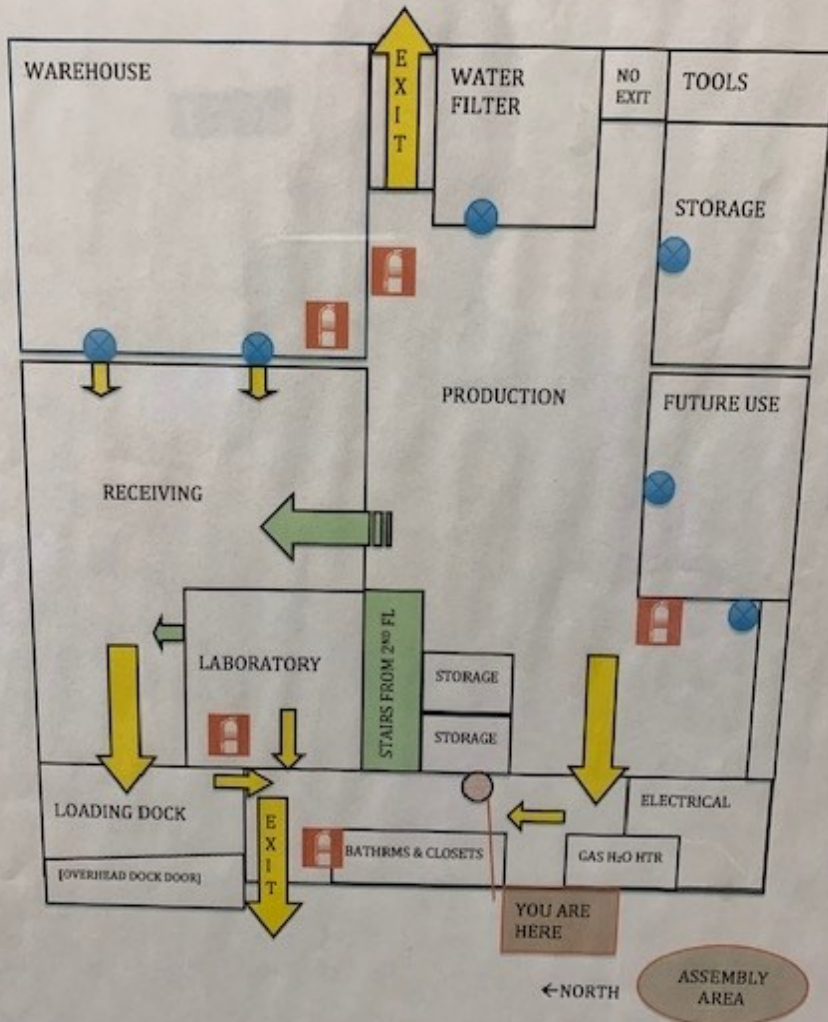




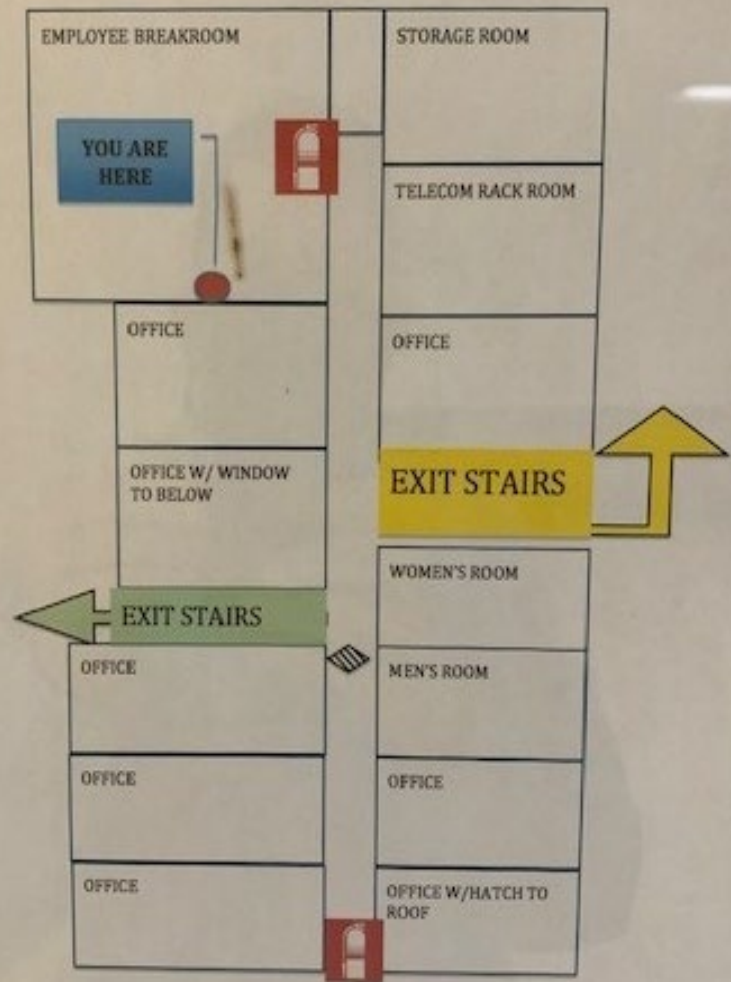




EVACUATION PLAN
1726 AVENUE L, RIVIERA BEACH, FL 33404
1ST FLOOR



EVACUATION PLAN
1726 AVENUE L, RIVIERA BEACH, FL 33404
2ND FLOOR



STAG pays \$32M for Palm Beach County industrial properties

Properties span 20 acres with four warehouses totaling nearly 150K sf

Miami / By [Wade Tyler Millward](#)

January 08, 2021 11:30 AM

A Boston-based industrial real estate investment company bought industrial properties spanning about 20 acres in Palm Beach County for a combined \$31.75 million.

The purchases by STAG Industrial include 4268 Westroads Drive in Riviera Beach and three in Lake Worth Beach, at 2230 and 2269 North Fourth Avenue as well as 3600 23rd Avenue South. The sites house four warehouses totaling nearly 150,000 square feet.

STAG, led by Benjamin Butcher, paid \$15.25 million for 3600 23rd Avenue, a 68,000-square-foot warehouse on 3.3 acres, plus 2269 Fourth Avenue North, on 4.9 acres. Both warehouses were built in 1986.

The company paid \$1.75 million for the Riviera Beach property, a 40,000-square-foot warehouse built in the 1970s on 6 acres. Eastern Metal bought the warehouse in 2000 for \$4.7 million, records show.

STAG paid \$4.75 million for the 40,000-square-foot warehouse at 2230 Fourth Avenue in Lake Worth Beach. Eastern Metal bought the land in a 2005 deal for \$815,000. The warehouse, built in 2016, is on 3.3 acres. The building houses Eastern Metal's Tigress Outriggers and Gear business.

Other recent industrial deals in the area include Dalfen Industrial paying \$18.35 million for a Riviera Beach warehouse leased to FedEx, and the Easton Group selling a warehouse in Royal Palm Beach for \$15.5 million.

Serta warehouse in Riviera Beach sells for \$25M

- *South Florida Business Journal* – July 22nd, 2020

Dalfen Industrial made its second acquisition in Palm Beach County this summer with the purchase of a Riviera Beach distribution warehouse for \$25.3 million.

SSB Manufacturing Co., an affiliate of Serta Simmons Bedding, sold the 236,553-square-foot warehouse at 3774 Interstate Park Road North to Dallas-based Dalfen Industrial. The price equated to \$107 per square foot.

The warehouse was built on the 14.4-acre site in 1996 for Serta Simmons. The bedding manufacturer still leases the entire building.

Dalfen representatives said the warehouse is ideally suited for e-commerce fulfillment because it's near Palm Beach International Airport and the Port of Palm Beach. The vacancy rate in the area is only 2%, the company noted.

"From the West Palm Beach area, you are able to easily access all major metros within South Florida," said Mike Solis, Southeast market officer at Dalfen Industrial. "This area has a rapidly growing population and limited availability of land. As a critical target market for Dalfen Industrial, this acquisition is a perfect addition to our portfolio in South Florida."

The company bought another warehouse in Riviera Beach in June. Dalfen Industrial is focusing on buying warehouses in large metro areas across the U.S. The industrial sector has been one of the strongest parts of South Florida's real estate market amid the Covid-19 pandemic.

FINANCIAL ANALYSIS



OPERATING STATEMENT

Income	Pro Forma		Per SF
Scheduled Base Rental Income	189,600		12.00
Expense Reimbursement Income			
CAM	7,900		0.50
Total Reimbursement Income	\$7,900	11.7%	\$0.50
Potential Gross Revenue	197,500		12.50
Effective Gross Revenue	\$197,500		\$12.50

Operating Expenses	Pro Forma		Per SF
Utilities	7,900		0.50
Contract Services	1,580		0.10
Repairs & Maintenance	3,950		0.25
Insurance	11,060		0.70
Real Estate Taxes	32,650		2.07
Management Fee	5,925	3.0%	0.38
Total Expenses	\$63,065		\$3.99
Expenses as % of EGR	31.9%		
Net Operating Income	\$134,435		\$8.51

Notes

- Pro forma rent assumes \$12/SF MG
- CAM includes reimbursement for utilities
- Property taxes are based on the list price

PRICING DETAIL

Summary	
Price	Market
Rentable Built Area (RBA)	15,800 SF
Lot Size	0.42 Acres
Year Built/Renovated	1972
Occupancy	Vacant

Operating Data

Income		Pro Forma
Scheduled Base Rental Income		\$189,600
Total Reimbursement Income	4.2%	\$7,900
Potential Gross Revenue		\$197,500
Effective Gross Revenue		\$197,500
Less: Operating Expenses	31.9%	(\$63,065)
Net Operating Income		\$134,435
Operating Expenses		Pro Forma
CAM		\$13,430
Insurance		\$11,060
Real Estate Taxes		\$32,650
Management Fee		\$5,925
Total Expenses		\$63,065
Expenses/SF		\$3.99

Notes

- Pro forma rent assumes \$12/SF MG
- Property taxes are based on the list price

MARCUS & MILLICHAP CAPITAL CORPORATION CAPABILITIES

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Our dedicated, knowledgeable experts understand the challenges of financing and work tirelessly to resolve all potential issues for the benefit of our clients.



Closed 1,994 debt and equity financings in 2019



National platform operating within the firm's brokerage offices



\$ 7.18 billion total national volume in 2019



Access to more capital sources than any other firm in the industry

WHY MMCC?

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Enhanced control through MMCC's ability to qualify investor finance contingencies

Enhanced control through quickly identifying potential debt/equity sources, processing, and closing buyer's finance alternatives

Enhanced control through MMCC's ability to monitor investor/due diligence and underwriting to ensure timely, predictable closings

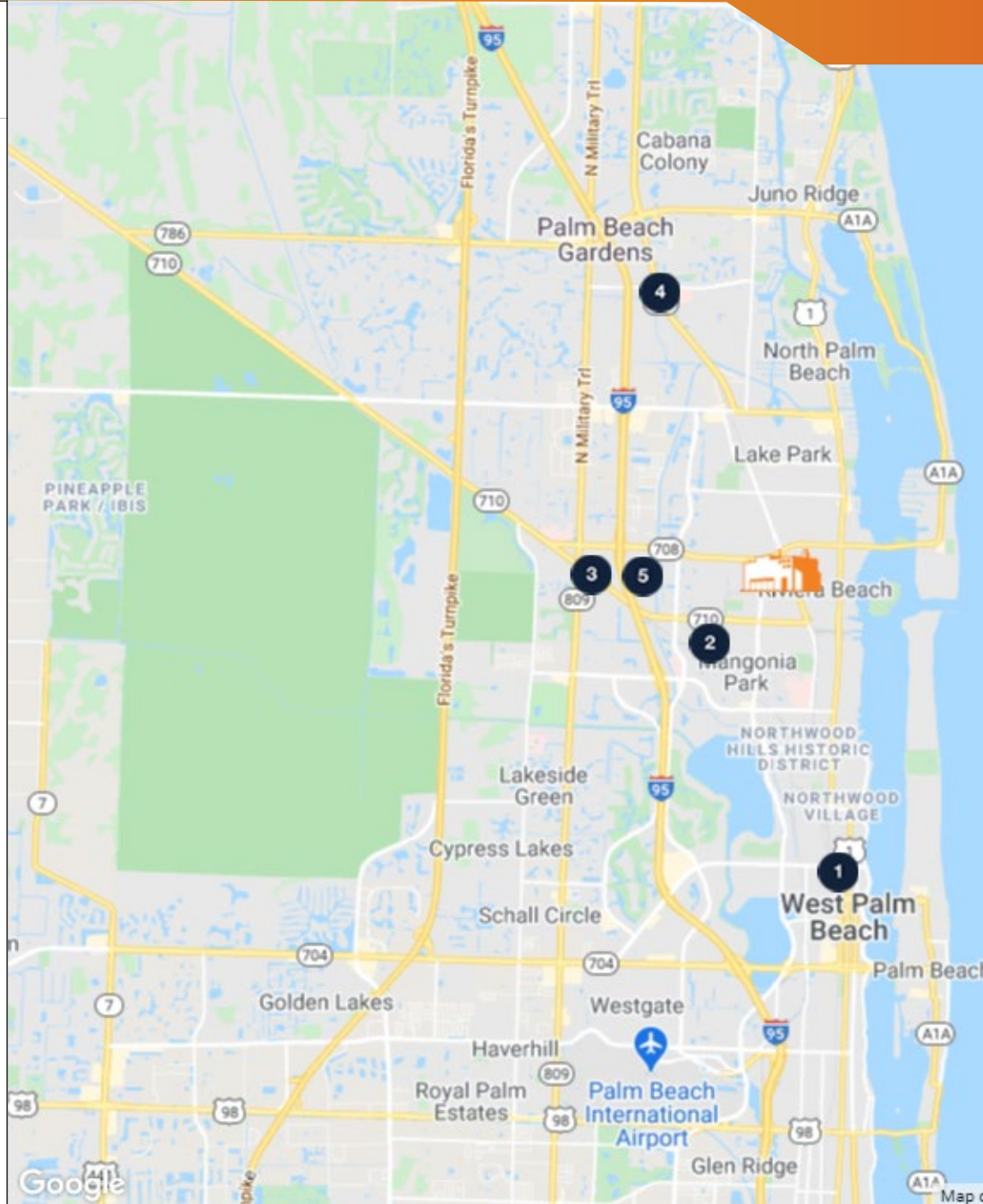
MARKET COMPARABLES





1726 AVENUE L
(SUBJECT)

- 1 801 N Railroad Avenue
- 2 1502 W 53rd Street
- 3 6625 White Drive
- 4 10180 Riverside Drive
- 5 3697 Interstate Park Rd S



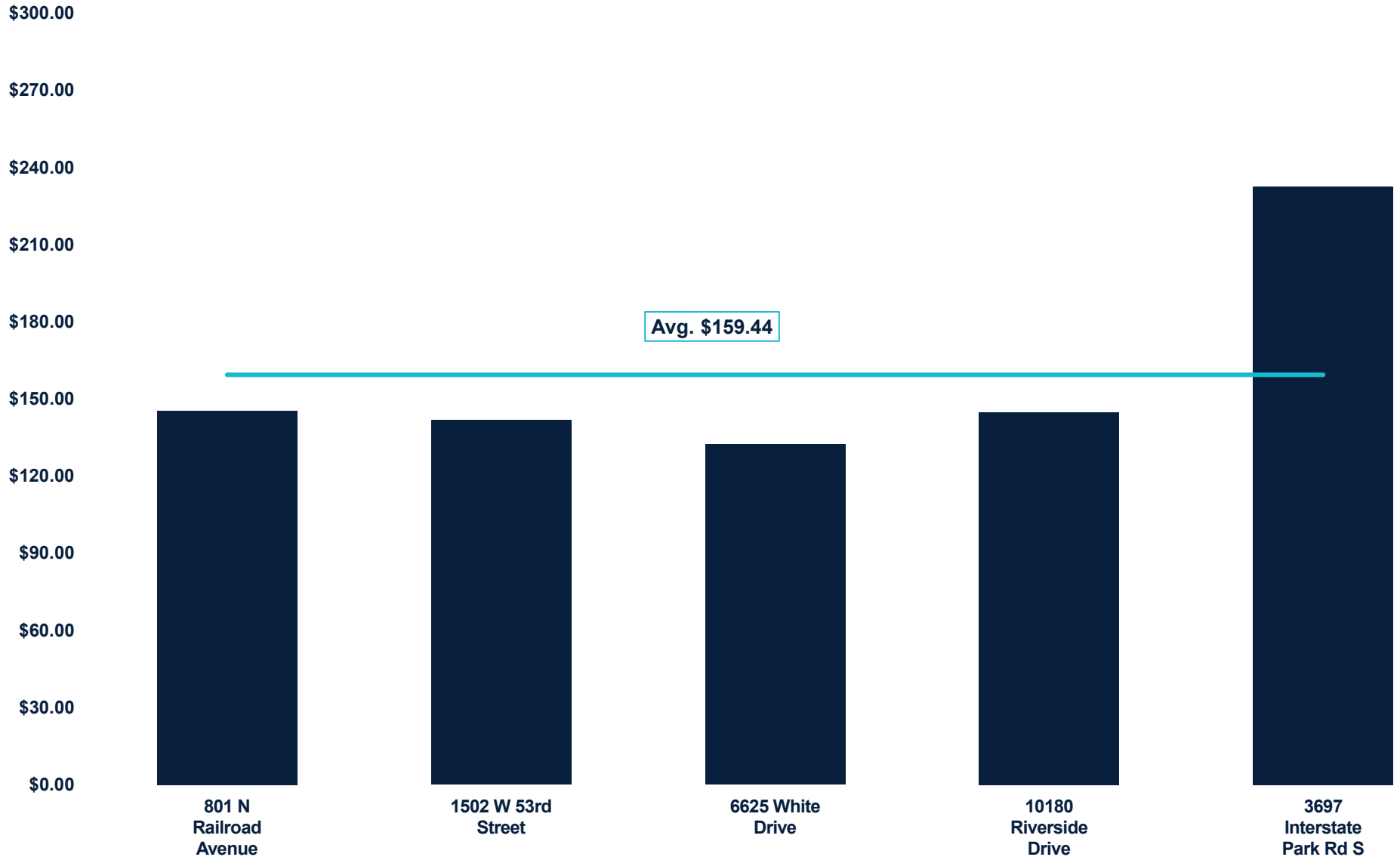
● SALES COMPARABLES

SALES COMPARABLES

SALES COMPS AVG

SALES COMPARABLES

Average Price Per Square Foot



SALES COMPARABLES

1726 AVENUE L
1726 Avenue L, Riviera Beach, FL, 33404



Asking Price	Market
Year Built	1972
Occupancy	Vacant

801 N RAILROAD AVENUE
801 N Railroad Avenue, West Palm Beach , FL, 33401



Close of Escrow	8/21/2020
Sales Price	\$1,600,000
Rentable SF	11,000
Price/SF	\$145.45
Year Built	1933

1502 W 53RD STREET
1502 W 53rd Street, Mangonia Park, FL, 33407



Close of Escrow	8/10/2020
Sales Price	\$850,000
Rentable SF	6,000
Price/SF	\$141.67
Year Built	1973

SALES COMPARABLES

6625 WHITE DRIVE
6625 White Drive, West Palm Beach , FL, 33407



Close of Escrow	12/17/2019
Sales Price	\$2,100,000
Rentable SF	15,855
Price/SF	\$132.45
Year Built	1973

10180 RIVERSIDE DRIVE
10180 Riverside Drive, Palm Beach Gardens, FL, 33410



Close of Escrow	4/29/2019
Sales Price	\$2,000,000
Rentable SF	13,800
Price/SF	\$144.93
Year Built	1986

3697 INTERSTATE PARK RD S
3697 Interstate Park Rd S, Riviera Beach, FL, 33404



Close of Escrow	4/2/2019
Sales Price	\$1,480,000
Rentable SF	6,360
Price/SF	\$232.70
Year Built	1997

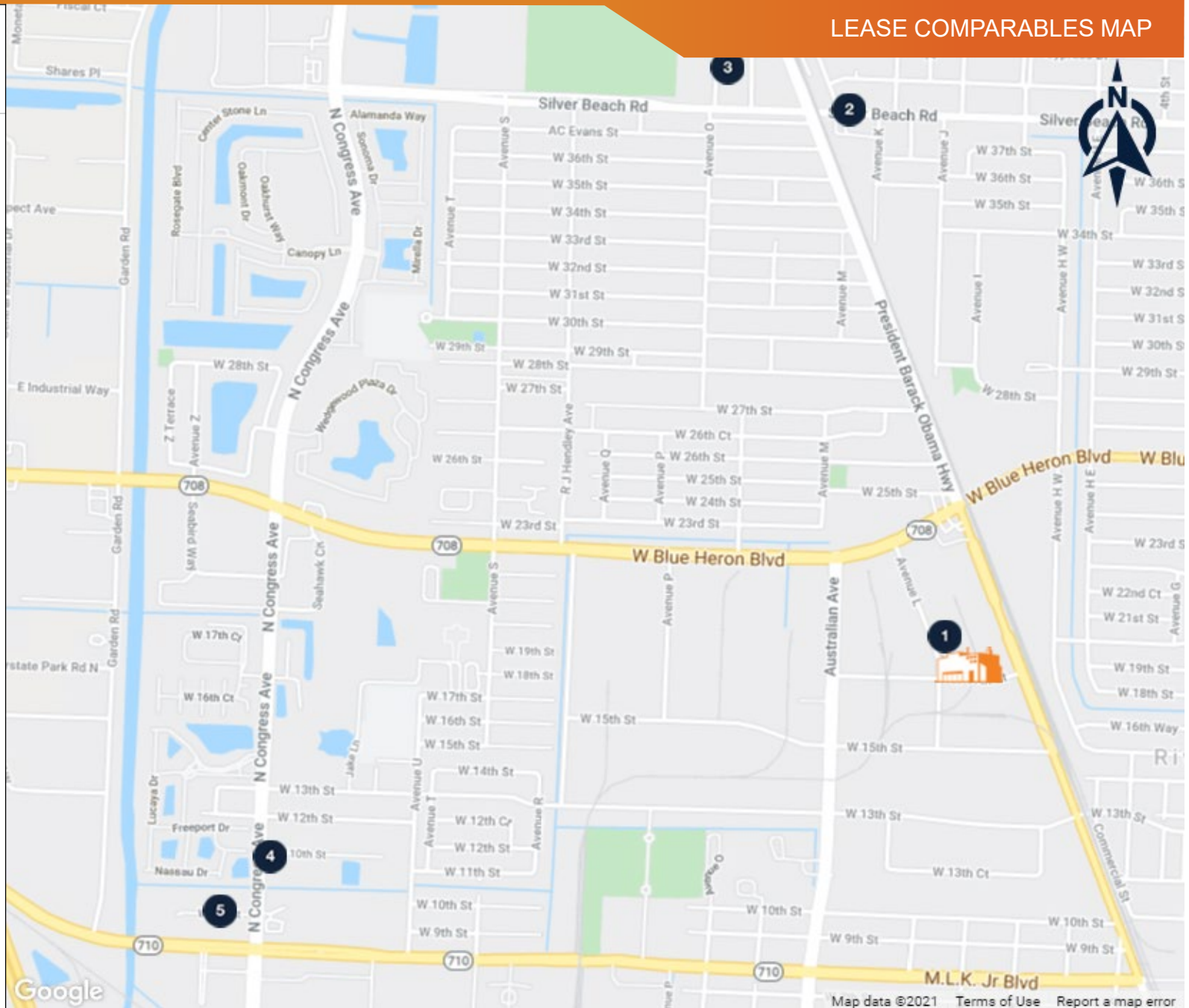
1726 AVENUE L



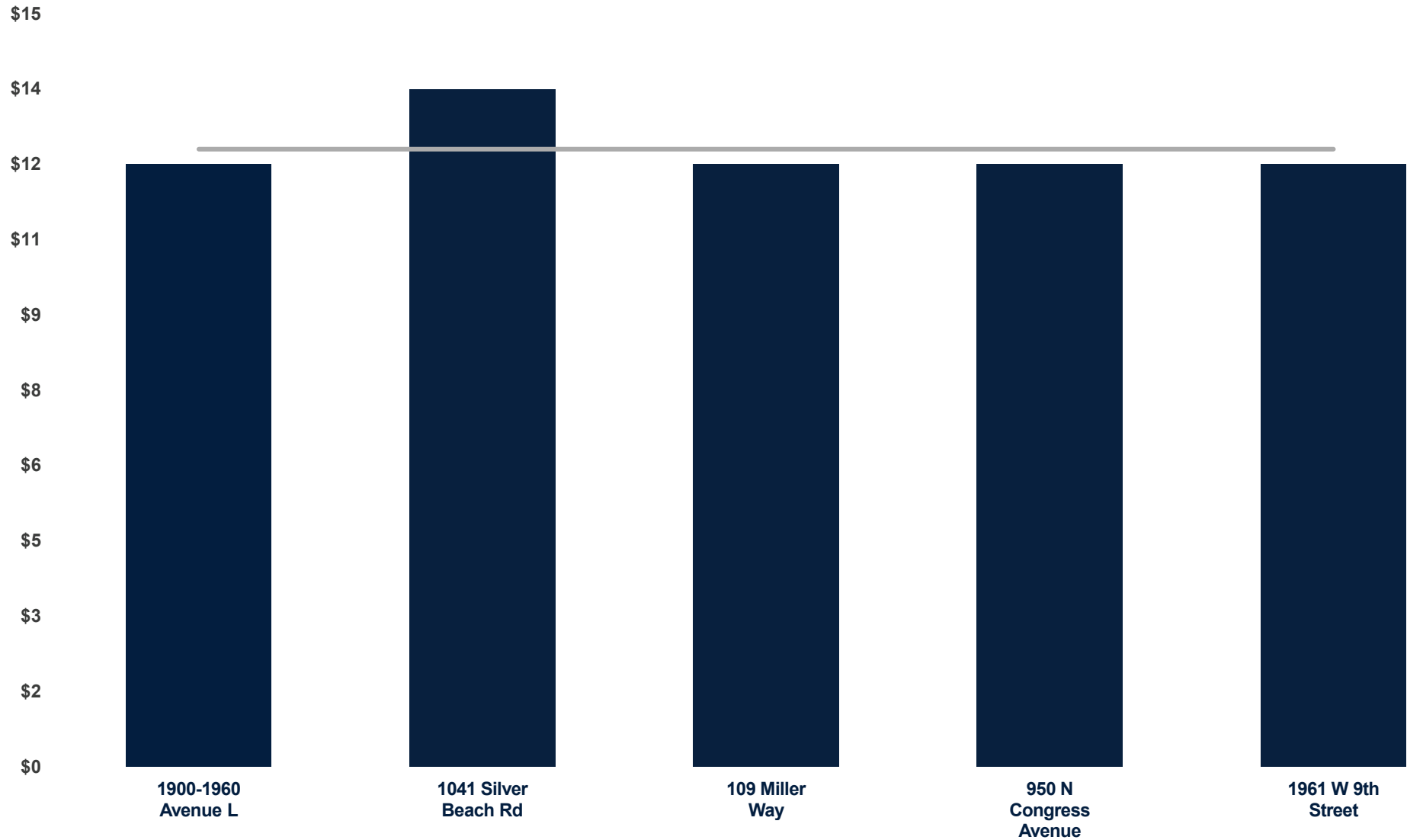
1726 AVENUE L
(SUBJECT)

- 1 1900-1960 Avenue L
- 2 1041 Silver Beach Rd
- 3 109 Miller Way
- 4 950 N Congress Avenue
- 5 1961 W 9th Street

LEASE COMPARABLES MAP



AVERAGE RENT PER SQUARE FOOT



1726 AVENUE L
1726 Avenue L, Riviera Beach, FL, 33404



Available SF	15,800
Year Built	1972
Occupancy	Vacant
Lease Type	Modified Gross
Lot Size	0.42 acre(s)

1900-1960 AVENUE L
1900-1960 Avenue L, Riviera Beach, FL, 33404



Survey Date	3/2/2021
Rentable SF	21,160
Asking Rent/SF	\$12.00
Year Built	1971
Lease Type	Modified Gross

1041 SILVER BEACH RD
1041 Silver Beach Rd, Riviera Beach, FL, 33403



Survey Date	3/2/2021
Rentable SF	48,788
Asking Rent/SF	\$13.50
Year Built	1965
Lease Type	Modified Gross

109 MILLER WAY
109 Miller Way, Lake Park, FL, 33403



Survey Date	3/2/2021
Rentable SF	6,195
Asking Rent/SF	\$12.00
Year Built	1980
Lease Type	Modified Gross

950 N CONGRESS AVENUE
950 N Congress Avenue, Riviera Beach, FL, 33404



Survey Date	3/2/2021
Rentable SF	11,500
Asking Rent/SF	\$12.00
Year Built	1996
Lease Type	Modified Gross

1961 W 9TH STREET
1961 W 9th Street, Riviera Beach, FL, 33404



Survey Date	3/2/2021
Rentable SF	13,624
Asking Rent/SF	\$12.00
Year Built	1984
Lease Type	Modified Gross

MARKET OVERVIEW



Created on March 2021

POPULATION	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Population	13,834	83,385	180,663
■ 2020 Estimate			
Total Population	13,792	82,250	177,395
■ 2010 Census			
Total Population	12,780	74,955	160,652
■ 2000 Census			
Total Population	14,906	73,636	146,687
■ Daytime Population			
2020 Estimate	17,319	101,032	243,153
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2025 Projection			
Total Households	4,956	34,277	79,536
■ 2020 Estimate			
Total Households	4,914	33,618	77,680
Average (Mean) Household Size	2.77	2.43	2.24
■ 2010 Census			
Total Households	4,499	30,334	69,721
■ 2000 Census			
Total Households	5,173	29,831	62,553

HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2020 Estimate			
\$200,000 or More	0.56%	5.11%	6.95%
\$150,000 - \$199,000	1.21%	4.19%	5.03%
\$100,000 - \$149,000	4.99%	10.61%	11.48%
\$75,000 - \$99,999	6.02%	10.79%	11.47%
\$50,000 - \$74,999	17.59%	19.12%	18.57%
\$35,000 - \$49,999	14.49%	13.66%	13.92%
\$25,000 - \$34,999	11.91%	10.08%	9.93%
\$15,000 - \$24,999	19.42%	12.49%	10.39%
Under \$15,000	23.81%	13.95%	12.24%
Average Household Income	\$42,185	\$75,724	\$85,995
Median Household Income	\$30,636	\$49,768	\$54,153
Per Capita Income	\$15,234	\$31,102	\$37,879
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2020 Estimate Total Population	13,792	82,250	177,395
Under 20	27.15%	23.64%	21.44%
20 to 34 Years	19.42%	20.22%	21.03%
35 to 39 Years	5.62%	6.18%	6.36%
40 to 49 Years	12.00%	12.03%	11.58%
50 to 64 Years	20.64%	20.62%	19.56%
Age 65+	15.17%	17.32%	20.02%
Median Age	38.05	39.97	41.01
■ Population 25+ by Education Level			
2020 Estimate Population Age 25+	9,057	57,749	129,003
Elementary (0-8)	5.99%	5.06%	3.62%
Some High School (9-11)	15.16%	8.96%	7.14%
High School Graduate (12)	36.04%	28.99%	26.73%
Some College (13-15)	20.64%	19.91%	19.36%
Associate Degree Only	6.82%	8.42%	8.66%
Bachelors Degree Only	7.50%	16.19%	20.36%
Graduate Degree	5.67%	10.34%	12.40%
■ Time Travel to Work			
Average Travel Time in Minutes	24	25	24

Source: © 2020 Experian



Population

In 2020, the population in your selected geography is 13,792. The population has changed by -7.47% since 2000. It is estimated that the population in your area will be 13,834.00 five years from now, which represents a change of 0.30% from the current year. The current population is 47.89% male and 52.11% female. The median age of the population in your area is 38.05, compare this to the US average which is 38.21. The population density in your area is 4,396.05 people per square mile.



Households

There are currently 4,914 households in your selected geography. The number of households has changed by -5.01% since 2000. It is estimated that the number of households in your area will be 4,956 five years from now, which represents a change of 0.85% from the current year. The average household size in your area is 2.77 persons.



Income

In 2020, the median household income for your selected geography is \$30,636, compare this to the US average which is currently \$62,990. The median household income for your area has changed by 16.96% since 2000. It is estimated that the median household income in your area will be \$33,072 five years from now, which represents a change of 7.95% from the current year.

The current year per capita income in your area is \$15,234, compare this to the US average, which is \$34,935. The current year average household income in your area is \$42,185, compare this to the US average which is \$90,941.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 5.94% White, 89.95% Black, 0.08% Native American and 0.56% Asian/Pacific Islander. Compare these to US averages which are: 69.84% White, 12.88% Black, 0.20% Native American and 5.75% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 4.73% of the current year population in your selected area. Compare this to the US average of 18.38%.



Housing

The median housing value in your area was \$144,297 in 2020, compare this to the US average of \$221,068. In 2000, there were 2,738 owner occupied housing units in your area and there were 2,435 renter occupied housing units in your area. The median rent at the time was \$471.



Employment

In 2020, there are 7,280 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 43.39% of employees are employed in white-collar occupations in this geography, and 58.38% are employed in blue-collar occupations. In 2020, unemployment in this area is 5.96%. In 2000, the average time traveled to work was 24.00 minutes.

Source: © 2020 Experian

