



# HEMET

Valley Mall

Community Center With Long-Term  
Upside Offered At An  
Attractive Basis

Located In The Greater  
Inland Empire, CA



# INVESTMENT OVERVIEW

Jones Lang LaSalle Americas, Inc. (“JLL”), as exclusive advisor, is pleased to present the opportunity to acquire Hemet Valley Mall (“the Property”). Located in the heart of Hemet, the Hemet Valley Mall presents investors a prime retail repositioning opportunity within a dense trade area. The current occupancy stands at 93.9% and includes 11.42 acres of additional land with redevelopment potential. The Property sits off of the highly trafficked Florida Avenue, and benefits from over 43,000 vehicular impressions per day. Hemet Valley Mall features a mix retail uses, with tenants such as Hobby Lobby, JCPenney, Chili’s, Bank of America, Starbucks, and more.



## Property Overview

<b>Address:</b>	2200 W Florida Ave, Hemet, CA 92545
<b>Total Rentable Building Area:</b>	252,370
<b>Occupancy:</b>	93.9%
<b>Land Area:</b>	35.66 Acres
<b>Year 1 NOI:</b>	\$1,341,398
<b>Year Built:</b>	1981
<b>Number of Parcels:</b>	11
<b>Zoning:</b>	General Commercial (C-2)

[CLICK TO VIEW ON GOOGLE MAPS](#)



### Demographics

	1-MILE	3-MILE	5-MILE
<b>POPULATION</b>			
2023 Population	19,425	107,699	174,491
2028 Projected Population	19,657	109,741	178,188
<b>HOUSEHOLDS</b>			
2023 Average Home Value	\$391,800	\$367,851	\$384,946
2028 Projected Average Home Value	\$465,036	\$417,620	\$427,386
Projected Home Value Growth	18.7%	13.5%	11.0%
<b>HOUSING</b>			
2023 Average Household Income	\$61,723	\$72,190	\$78,911
2028 Projected Average Household Income	\$73,240	\$84,740	\$92,187
Projected Household Income Growth	18.7%	17.4%	16.8%



# INVESTMENT HIGHLIGHTS



## Secure Income Stream Offered At An Attractive Basis

Hemet Valley Mall is currently 93.9% occupied, demonstrating strong tenant demand and providing investors with stable future cash flows. Currently Hemet Valley Mall has approximately 76.7% of the GLA leased to national tenants such as Hobby Lobby, Bank of America (Credit: A2/A-), Panda Express, Starbucks (Credit: Baa1/BBB+), AT&T (Credit: Baa2/BBB), and Chili's (Credit: Ba3/BB-).

The extremely below market rents for larger box spaces (Sears, Hobby Lobby, and JCPenney) provides investors with income stream security and future redevelopment upside. In addition, the below market rents for large portions of tenancy allows Hemet Valley Mall to be offered and an extremely attractive basis per square foot on land (1.5MM SF) and improvements (252,370 SF).



## Rare Site Optionality With Flexible Redevelopment Options

The entire site is owned and includes (10) separate parcels consisting of (3) single-tenant net-leased pad buildings, (1) multi-tenant pad building, (1) multi-tenant indoor shops building, (3) large format boxes and (2) parcel of unimproved land. Mixed-use development is permitted at the site due to the site's General Commercial (C-2) zoning. This offers investors the flexibility to execute a phased development plan with the option to sell individual parcels to reduce basis or take advantage of cap rate arbitrage.



Hemet is home to over 91,000 people

# INVESTMENT HIGHLIGHTS



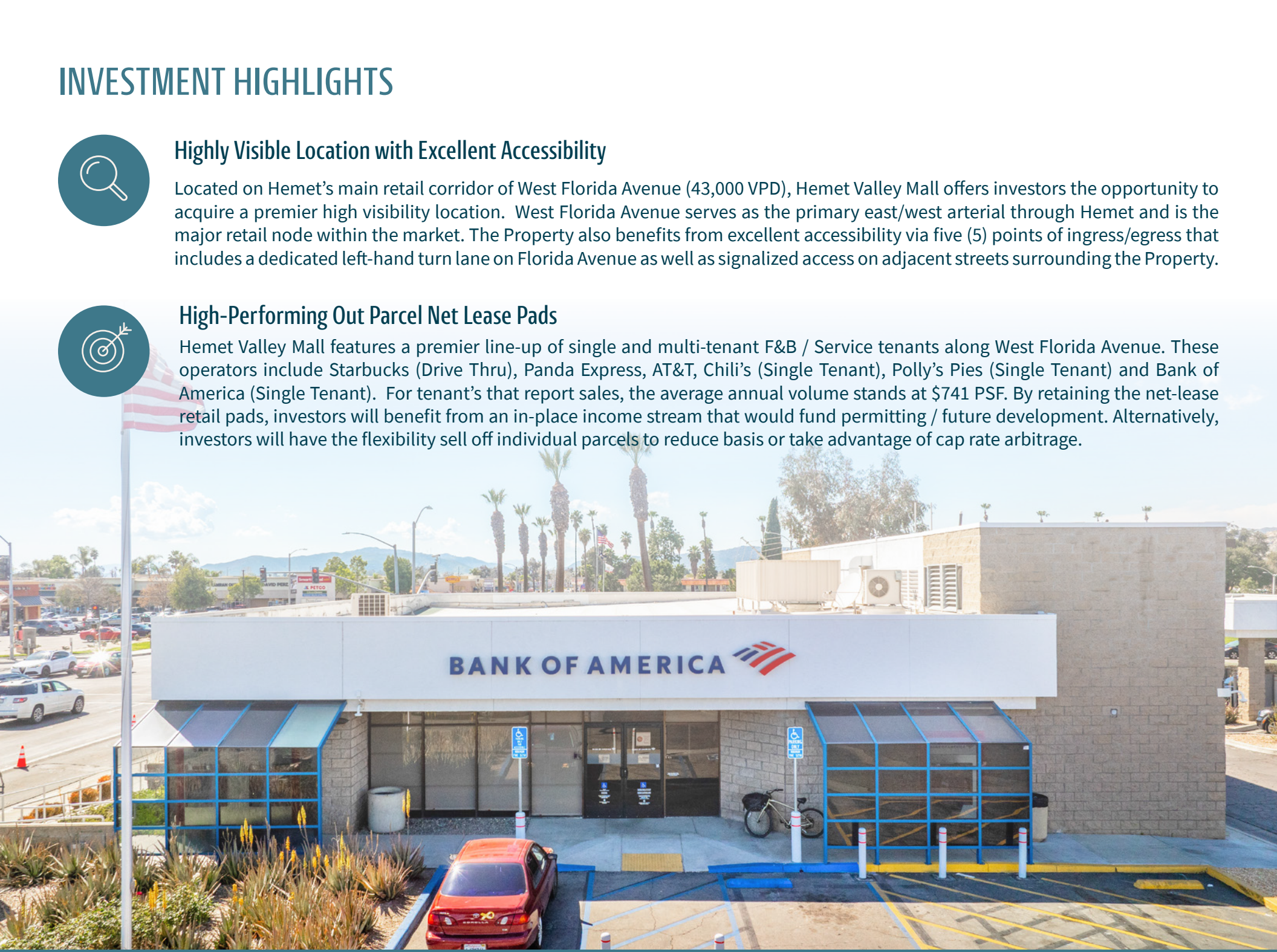
## Highly Visible Location with Excellent Accessibility

Located on Hemet's main retail corridor of West Florida Avenue (43,000 VPD), Hemet Valley Mall offers investors the opportunity to acquire a premier high visibility location. West Florida Avenue serves as the primary east/west arterial through Hemet and is the major retail node within the market. The Property also benefits from excellent accessibility via five (5) points of ingress/egress that includes a dedicated left-hand turn lane on Florida Avenue as well as signalized access on adjacent streets surrounding the Property.



## High-Performing Out Parcel Net Lease Pads

Hemet Valley Mall features a premier line-up of single and multi-tenant F&B / Service tenants along West Florida Avenue. These operators include Starbucks (Drive Thru), Panda Express, AT&T, Chili's (Single Tenant), Polly's Pies (Single Tenant) and Bank of America (Single Tenant). For tenant's that report sales, the average annual volume stands at \$741 PSF. By retaining the net-lease retail pads, investors will benefit from an in-place income stream that would fund permitting / future development. Alternatively, investors will have the flexibility sell off individual parcels to reduce basis or take advantage of cap rate arbitrage.



## Growing Hemet Retail Market

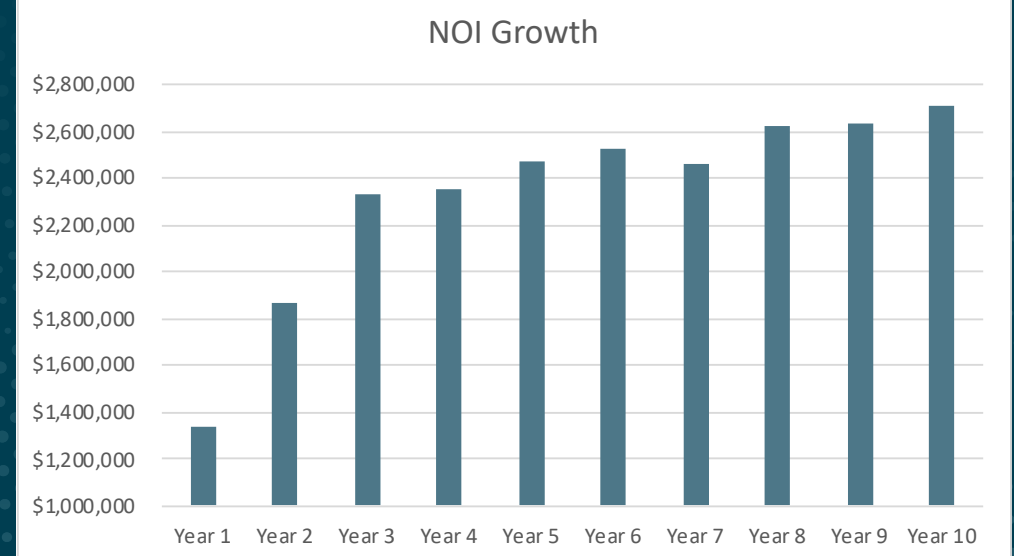
The Hemet retail micro-market has seen significant growth in asking rents over the past five years. The current average rental rate is \$21.89 per square foot per year, up 21.4% from the 2016 average of \$18.03. Current vacancy rates stand at 8.2% within the submarket however there are currently no projects under construction along Florida Avenue. Given the relatively low vacancy and lack of new product being delivered to the micro-market, rental rates will continue to grow moving forward.



## Strong Daytime Population

Hemet Valley Mall is located within Hemet's main employment centers with a daytime employee count of approximately 147,194 within a 5-mile radius. The strong daytime population in the area provides Hemet Valley with a broadened customer base, supporting tenant sales.

**7.12%**  
CAGR



# UNLOCKING VALUE THROUGH BELOW MARKET RENTS & FUTURE LEASE UP

## Future Redevelopment Optionality

New ownership will acquire 11.42 acres of open land with favorable zoning (C-2 General Commercial), providing the opportunity for potential future development and growth of NOI.

## Below Market Rents Bring Near Term Upside

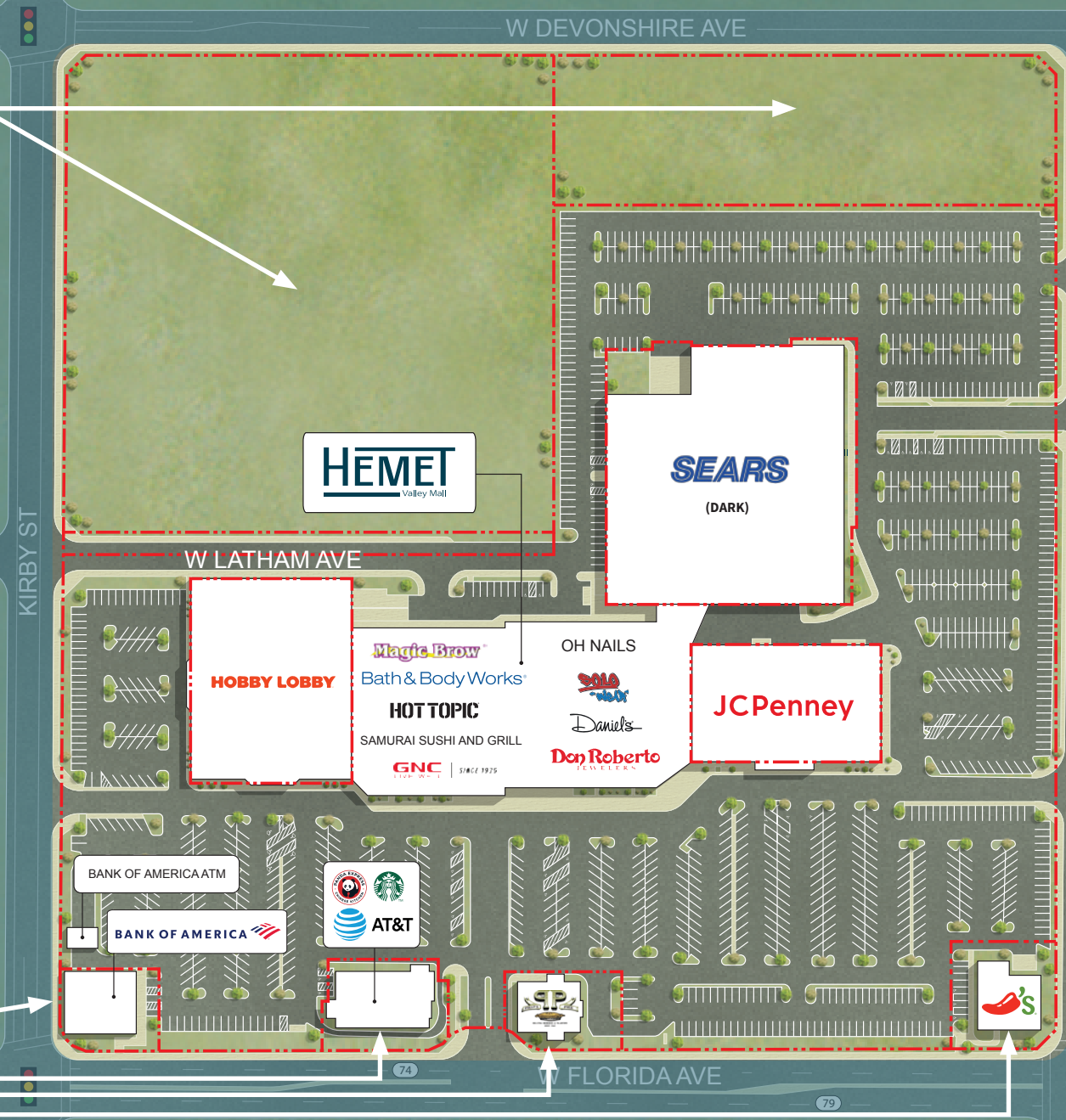
Current rents at Hemet Valley Mall are ~63% below market, presenting investors with promising near-term upside and NOI growth

## Potential Destination Uses Tenants

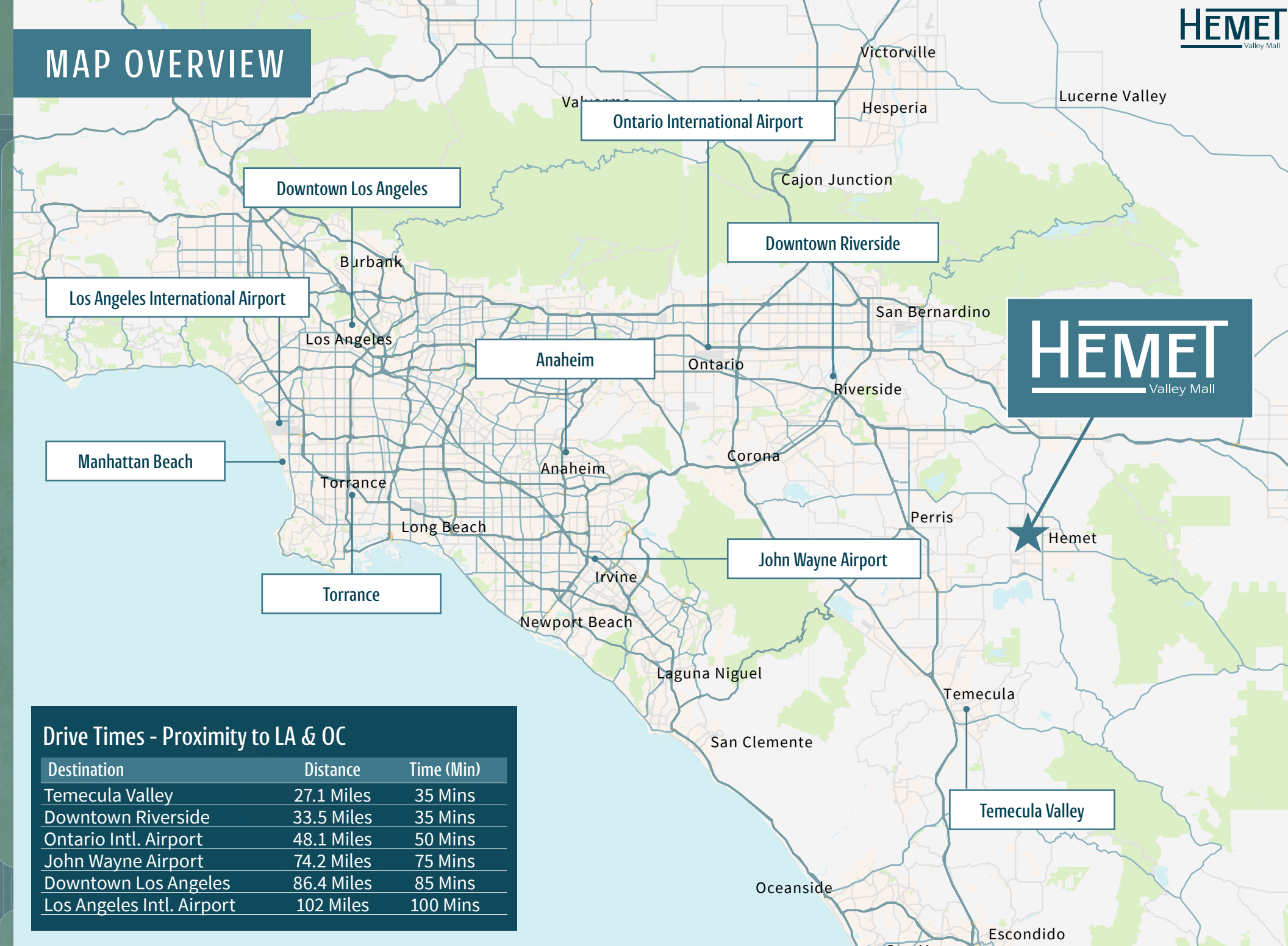
8 vacant suites at Hemet Valley Mall offer investors value-add upside via the lease up of the currently available 15,481 SF space. With the potential to attract a variety of new businesses, there is opportunity to diversify the tenant mix and increase foot traffic within the mall.

## Potential Pad Individual Sales

New ownership will have the opportunity to sell off the outparcel pads individually to significantly lower their basis and potentially achieve cap rate arbitrage on smaller transactions.



# MAP OVERVIEW



# RARE SITE OPTIONALITY WITH FLEXIBLE REDEVELOPMENT OPTIONS

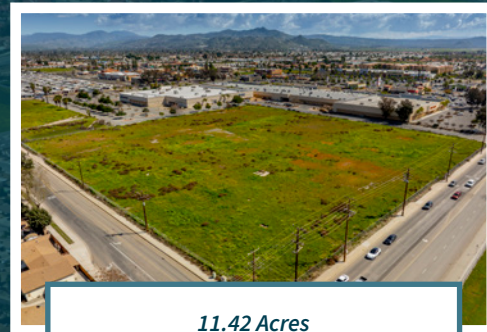
The entire site is owned and includes (11) separate parcels consisting of (3) single-tenant pad buildings, (1) multi-tenant pad building, (1) multi-tenant inline shops building, and (2) parcels of vacant land. This offers investors the flexibility to execute a phased development plan with the option to sell individual parcels to reduce basis.



**Bank of America**  
Expiration (with options): 1/31/2037  
Parcel Size: 0.24 AC



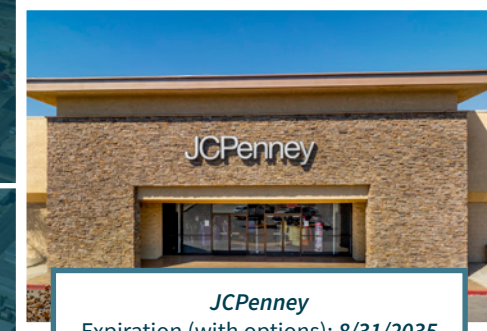
**Hobby Lobby**  
Expiration (with options): 7/31/2039  
Paying 54% Below Market Rent  
Parcel Size: 1.15 AC



**11.42 Acres**  
Re-development Opportunity -  
(C-2) Zoning - General Commercial



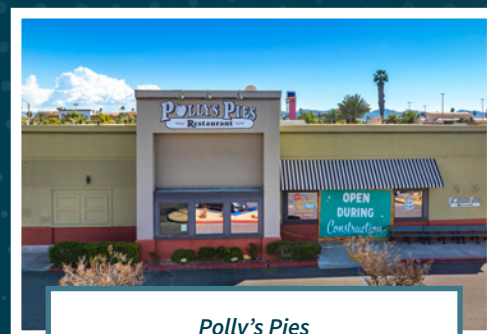
**Sears - Leased & Unoccupied (Ground Lease)**  
Expiration (with options): 10/20/2048  
Paying 100% Below Market Rent  
Parcel Size: 2.28 AC



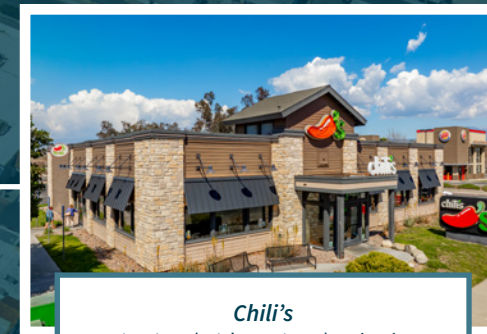
**JCPenney**  
Expiration (with options): 8/31/2035  
Paying 71% Below Market Rent  
Parcel Size: 0.79 AC



**Starbucks (Drive Thru), AT&T, Panda Express**  
Parcel Size: 0.28 AC

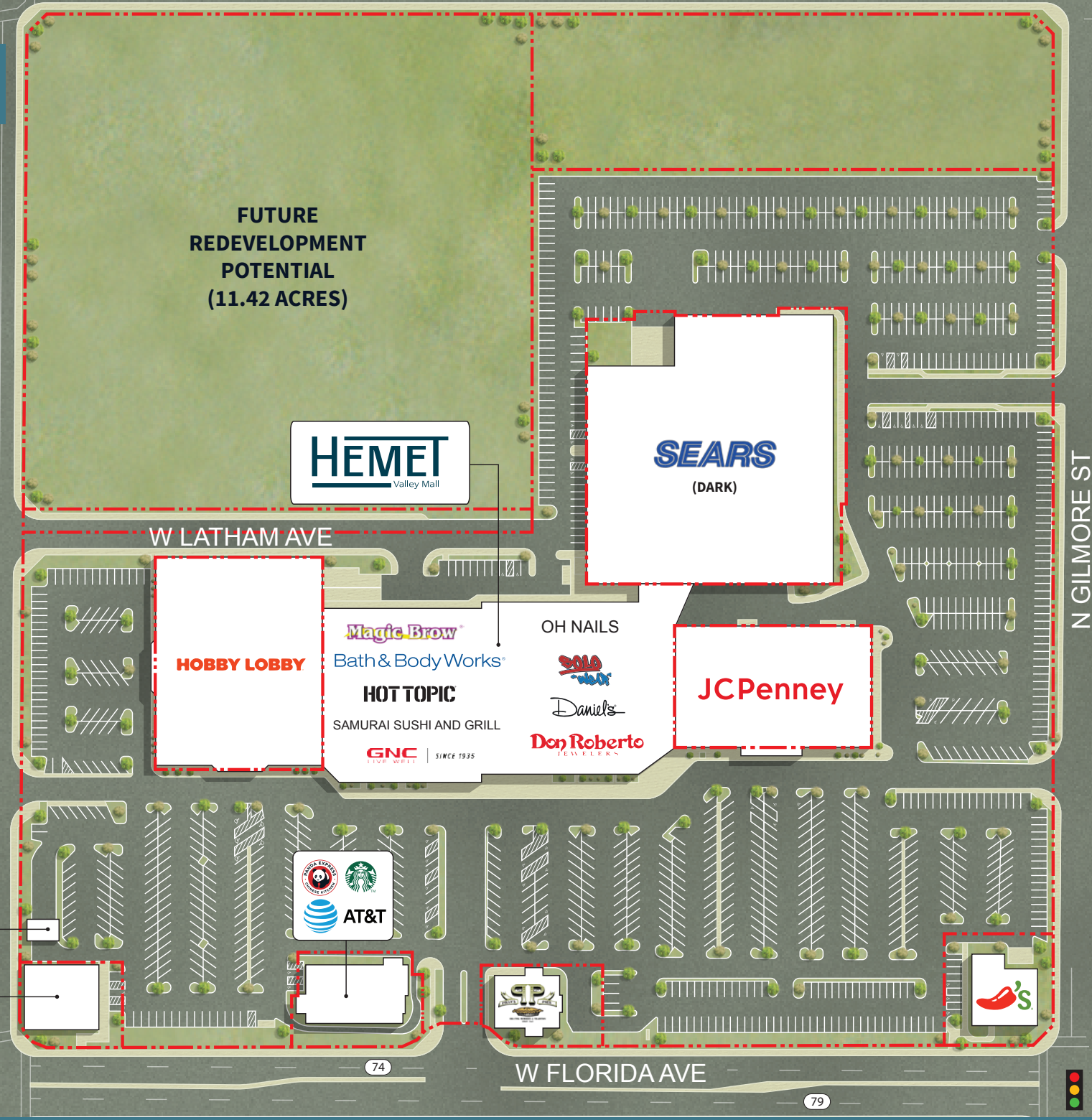


**Polly's Pies**  
Expiration (with options): 1/30/2028  
Parcel Size: 0.28 AC



**Chili's**  
Expiration (with options): 5/31/2037  
Parcel Size: 0.37 AC

# SITE PLAN



# TENANT ROSTER

SUITE	TENANT	SF	GLA
A1 320	VACANT A1 320	1,250	0.5%
A11 170	VACANT A11 170	2,337	0.9%
A2 110	Police Sub Station	405	0.2%
A3 115	VACANT A3 115	698	0.3%
A4 120	Daniel's Jewelers	1,148	0.5%
A5 130	Lexy	2,625	1.0%
A6 140	Fiesta Party	2,577	1.0%
A8 150	GNC	1,750	0.7%
A9 160	VACANT A9 160	3,250	1.3%
B1 205	Cali Subs	624	0.2%
B10 265	VACANT B10 265	1,663	0.7%
B11 270	VACANT B11 270	2,213	0.9%
B2 215	Don Robertos	1,084	0.4%
B5 230	Fancy Way	3,071	1.2%
B9 260	Solo Wear	5,934	2.4%
C1 310	Quick Fix Jewelry	1,089	0.4%
C2 105	Hot Topic	1,662	0.7%
C3 325	Magic Brow	815	0.3%
C4 330	Major Watch	815	0.3%
C6 340	Bath & Body Works	2,349	0.9%
C7 350	VACANT C7 350	2,543	1.0%
C8 360	Oh Nails	1,837	0.7%
Cart 1	Cell Comm	-	0.0%
Cart 2	Mimis Silver	-	0.0%
Cart 3	Smarte Carte	-	0.0%
Cart 7	Pankour Vending - MTM	-	0.0%
D1 410	Samurai Sushi	2,874	1.1%
D2A 415	Frutania	521	0.2%
D2B 417	Luxury Perfumes	479	0.2%
D3 420	Claire's	1,200	0.5%
D4 430	Ashika Shoes	2,700	1.1%
D5 440	Mens Trendz	3,852	1.5%
D6 450	X'ccent Shoes	1,450	0.6%
D7 460	B&BW Storage	2,454	1.0%
D8 470	VACANT D8 470	1,527	0.6%
Dept 1	Hobby Lobby	50,000	19.8%
Dept 2	JCPenney	34,133	13.5%
Dept 3	Sears - Leased & Unoccupied	86,143	34.1%
PAD1 2498	Bank Of America	5,910	2.3%
PAD2 100	Starbucks	1,800	0.7%
PAD2 110	AT&T	3,360	1.3%
PAD2 120	Panda Express	1,800	0.7%
PAD3 2204	Pollys Pies	4,266	1.7%
PAD4 2100	Chili's	6,162	2.4%
<b>TOTAL LEASED GLA</b>		<b>236,889</b>	
<b>TOTAL VACANT</b>		<b>15,481</b>	
<b>TOTAL BUILDING AREA</b>		<b>252,370</b>	



# HEMET

Valley Mall

## INVESTMENT ADVISORS

**Geoff Tranchina**

*Managing Director*

+1 310 694 3180

geoff.tranchina@jll.com

RE Lic # 01435512

**Daniel Tyner**

*Senior Director*

+1 949 798 4125

daniel.tyner@jll.com

RE Lic #01959818

**Gleb Lvovich**

*Managing Director*

+1 949 798 4115

gleb.lvovich@jll.com

RE Lic # 01496699

**Conor Quinn**

*Director*

+1 949 527 4993

conor.quinn@jll.com

RE Lic. #02073016

## DEBT ADVISORY

**John Marshall**

*Senior Director*

+1 949 798 4132

johnm.marshall@jll.com

RE Lic. #02022107

## ANALYTICAL SUPPORT

**Kelli Patla**

*Analyst*

+1 949 201 3881

kelli.patla@jll.com

RE Lic. #02214843

