



Feasibility Study

**10585 W Indian School Rd
Avondale, AZ**

Asset Status: Stabilized Multi-Tenant Retail
(NNN)

1. Asset Overview

Portfolio size:

- 1 property
- 1 operating convenience store
- ~3,000 sq ft (estimated)

Occupancy:

100%

Asset Type:

Stabilized Multi-Tenant
Retail

Location

Avondale, AZ (West
Phoenix Submarket)

Property Breakdown:

- **Address:** 10585 W Indian School Road, Avondale, AZ 85392
 - **Market Positioning:** High-visibility arterial corridor with established service-oriented retail demand.
 - **Strategic Advantage:** Strategic ingress/egress and proximity to dense residential developments.
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2. Stabilized Income

Tenant 1: Crepe's Garden LLC

- Business Type: Food Service
- Monthly Rent: \$6,041.70
- Annual Revenue: \$72,500.40

Tenant 2: Avondale Modern Laundromat

- Business Type: Essential Services
- Monthly Rent: \$15,631.00
- Annual Revenue: \$187,572.00

Total Portfolio Income:

- **Monthly Gross: \$21,672.70**
- **Annual Gross Revenue: \$260,072.40**

3. Cap Rate at Stabilized Value

Underwritten NOI (NNN): \approx \$260,072

(Note: Operating expenses are largely passed through to tenants, resulting in predictable NOI).

Estimated Valuation Scenarios:

- @ 6.0% Cap Rate: \approx \$4,334,500
 - @ 6.5% Cap Rate: \approx \$4,001,100
 - @ 7.0% Cap Rate: \approx \$3,715,300
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4. Operational Feasibility

- **Risk Profile:** Low (Necessity-based, service-oriented tenancy).
- **Management Intensity:** Minimal (NNN structure reduces landlord day-to-day involvement).
- **Capital Improvements:** Zero anticipated CapEx required for continued stabilized operations.
- **Resilience:** Laundromat and food service sectors demonstrate high resilience across economic cycles.

5. Value Creation Potential

Key Value Drivers:

- **In-place Stability:** Immediate cash flow from day one with no vacancy.
- **Market Growth:** Benefiting from Phoenix MSA migration trends and West Valley residential expansion.
- **Expense Protection:** NNN structure provides a hedge against inflation (tax and insurance fluctuations are tenant-borne).

Cap Rate Sensitivity (Stabilized NOI \$260k):

Cap Rate	Estimated Value
7.0%	\$3,715,300
6.5%	\$4,001,100
6.0%	\$4,334,500

6. Capital Market Feasibility

- **Lender Appeal:** High. Predictable cash flow and NNN structures are preferred for debt financing.
 - **Equity Position:** Strong valuation support with favorable loan-to-value (LTV) metrics.
 - **Exit Strategy:** High liquidity for 1031 exchange buyers and private credit funds seeking "hands-off" income.
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7. Market Feasibility

Avondale Submarket Dynamics:

- **Regional Context:** Rapidly growing West Phoenix corridor.
- **Demand Drivers:** Strong population expansion and employment growth in the West Valley.
- **Traffic:** Strategic location on W Indian School Road ensures high daily consumer traffic and visibility.

8. Summary Conclusion

The analysis demonstrates that 10585 W Indian School Road is **highly feasible** for long-term performance. It offers immediate income stability, a conservative operating profile, and multiple exit strategies (refinance or investment sale). The asset is well-positioned for an investor seeking a "yield-play" with protected downside risk.