

6475 US 93 S, WHITEFISH, MT

MOUNTAIN CENTER

WHITEFISH SKI RESORT

WHITEFISH LAKE

DOWNTOWN WHITEFISH

SAFeway

Walgreens



HOME
consign & design

sportsman
& ski haus



DOLLAR TREE



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NEWMARK

THE OFFERING

Mountain Center is the dominant anchored retail center in Whitefish, Montana, a major high-end resort community in western Montana. The offering provides an opportunity to purchase the most established property in Whitefish at an extremely low basis (\$81/SF), an attractive return with reliable existing cash flow (6.25% cap rate on as-is), and tremendous rental and leasing upside (\$12/SF avg rent, 93% occupied). The Center benefits from a strong mix of successful anchor tenants, including Super 1 Foods (NAP), Sportsman & Ski Haus, Dollar Tree, Bad Rock Fitness, and the ATP Theater.

The Offering presents a rare opportunity to acquire a true value-add center with abnormally low rents, a solid existing income stream, out-sized NOI growth, multiple upside opportunities, with an excellent location on Highway 93 in the high-income hyper-growth trade area of Whitefish, Montana.



TERMS OF THE OFFERING



PRICE: \$9,775,000



YEAR-1 AS-IS CAP RATE: 6.25%



YEAR-1 AS-IS NOI: \$610,928



YEAR-3 STABILIZED CAP RATE: 13.20%



YEAR-3 STABILIZED NOI: \$1,334,505



BUILDING AREA: 120,460 SF



LAND AREA: 9.24 ACRES



FINANCING: OFFERED FREE & CLEAR



ADDRESS: 6475 U.S. 93 S, WHITEFISH, MT, 59937



INVESTMENT HIGHLIGHTS



ATTRACTIVE RETURNS

The return metrics produce a 6.25% cap rate on the as-is NOI; 13.20% stabilized return on cost; and a 13.72% Unlevered IRR. These returns, coupled with the low price/sf and strength of the in-place income stream create a rare opportunity.



BELOW MARKET RENTS/SIGNIFICANT RENTAL UPSIDE

There is tremendous rental upside at the Center with average anchor rents of \$7.35/SF NNN, and average shops rents of \$14/SF NNN.

- » Home Consignment: \$2.56/SF
- » Sportsman & Ski Haus: \$12.00/SF
- » Dollar Tree: \$9.50/SF
- » Bad Rock Fitness: \$6.70/SF
- » ATP: \$6.01/SF



DOMINANT SHOPPING CENTER

Mountain Center is the dominant and the only Grocery Anchored Shopping Center servicing all of Whitefish. It is extremely rare to have the opportunity to purchase a high-performing retail center that is #1 in its trade area at such an attractive yield.



9+ ACRES

The Center is in an irreplaceable location along US 93 with direct connectivity to some of Montana's largest and most successful employment centers. Whitefish is one of the fastest growing areas in Montana and it is extremely rare to have the ability to acquire a site of this size along the US 93 corridor



POSITIVE LEASING MOMENTUM

Recent leasing activity demonstrates the continued tenant interest in the Center. The Farmer's stand, Montana E-Bikes & More, and Big Sky Montessori School have all executed new leases within the past 2 years.



HIGH-GROWTH & HIGH-INCOME TRADE AREA

Whitefish continues to experience strong population growth and is a true high-income destination with a stable year-round population base.

- Whitefish has grown over 20% in the last decade
- Average household income in Whitefish is over \$100,000 and projects to grow 10% over the next 5 years



SIGNIFICANT DISCRETIONARY INCOME

With a relatively low cost of living, high quality of life, and high average household incomes of over \$100,000, Whitefish residents are able to live with significant discretionary spending helping drive retail sales.

INVESTMENT HIGHLIGHTS

SHADOW ANCHORED BY STRONG GROCER

Super 1 Foods is a 21-unit regional grocer with a strong performance history at Mountain Center. Although not part of the offering the daily goods draw the grocer provides benefits the balance of the Center.

SPORTSMAN & SKI HAUS ANCHORED

Sportsman & Ski Haus represents 33% of the income stream and report strong store sales at this location. The Tenant has been located at the Center for over 22 years and recently signed a new 10-year lease extension expiring 2033.

\$81/SF ON IMPROVEMENTS

The asking price is significantly below replacement cost providing an investor the opportunity to acquire a quality, performing asset at an extremely low basis.

EXCELLENT ACCESS AND VISIBILITY

The Center is located on Highway 93 providing excellent visibility and access. Highway 93 is the major north-south Highway servicing Whitefish and the entire Flathead Valley. The Center has two entry points off US 93, three access points off of Greenwood Drive, and three access points off of Whitefish Avenue.

INVESTMENT HIGHLIGHTS

OPTIONALITY AND DEVELOPMENT POTENTIAL

Investors have optionality through operating the center as-is, implementing a lease-up strategy, or implementing a small or large-scale redevelopment strategy.



Investors have the optionality to upgrade and re-position the East Wing shop space to drive Tenant demand and rents. The Seller has renderings reflecting a remodel of the East Wing shop space.



There is immediate upside in re-tenanting the 37,500 SF space currently occupied by Home Consign & Design on a MTM basis. Home Consign & Design reports sales and is a viable business and in-place tenant, but the current below market rent structure provides huge re-leasing upside if desired.



Investors can operate the center passively by keeping the current tenancy in-place and pushing rents. The current tenants are happy and viable at this location with low, sustainable rents providing an opportunity to passively operate the center and benefit from in-place rental growth.



Investors can opt for full redevelopment adding density and multifamily to the site. There is an ability to leave Sportsman & Ski Haus and Dollar Tree in-place, and fully redevelop the balance of the center with multi-family or a mix of uses. The low basis, in-place income from Sportsman Ski & Haus and Dollar Tree, and low rents with near-term lease encumbrances on the balance of the center, as well as the City's desire to see multi-family on the site, make a full mixed-use redevelopment a real opportunity.

SITE PLAN



AREA AERIAL



MOUNTAIN CENTER



MP24-510 4/24

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