

Deal Story

6378 MILLS CIVIC PARKWAY

6378 Mills Civic Parkway, West Des Moines, IA 50266



SALE & PROPERTY OVERVIEW

List Price:	\$2,400,000
Marketing Period:	45 Days
Due Diligence Period:	45 Days
List To Close:	90 Days
Sale Price:	\$2,250,000
Sale Price PSF:	\$315.97
Building Size:	7,121 SF
Year Built:	2006
Market:	Des Moines
Submarket:	Western Suburbs
Signaled Intersection:	Yes
Corner Lot: Free Standing:	Yes
Traffic Count On Frontage:	48,017 VPD
3mi Radius Population:	48,490
3mi Radius HH Income:	\$89,821

DEAL OVERVIEW

The Challenge

This property had an out-of-state owner with a leasehold position in place. After leasing the restaurant to a franchisee for close to 15 years, ownership had a desire to sell the building; however, there was a deep concern that the existing operation and employees could be jeopardized.

The footprint of this building also posed a challenge as it was built for a specific user and only a select few operators are successful at producing a significant cash flow with this many restaurant seats. Additionally, at the time of construction and development of this site the immediate out lots were not developed. As additional restaurants located in the area there became a deficiency in parking. The size of the building as it stood was approximately fifteen parking stalls short, with not enough land to satisfy both parking, building area and green space requirements.

The Objective

SVN engaged in a 45-day quiet marketing period with the direct solicitation of local and national restaurant operators in an effort to protect the existing operations. After extensive analysis of the market and trends, they listed the building at \$2.4m, with the expectation from ownership to receive offers between \$1.7m and \$2.45m. During this short period, ownership was able to entertain several offers, but ultimately decided on an offer for \$2.25m with 45 days of due diligence from an investor/developer looking for a project in the area.

The Solution

The buyer for this site was able to execute a ground lease, based off of a tenant that SVN had identified in the quiet listing process. This resolved the issue of the existing building footprint, while maintaining the protection of the existing operation and its employees up until the date of the property sale and existing businesses closing.

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