

I ran a new report regarding a retail market analysis for your land at the corner of Amboy & Adobe in 29 Palms.

It confirms my earlier research, and supports development for a multi-tenant retail center.

- Please see page 1 of the attached report for the spending of residents within a five minute driving radius of the Site. They spend almost \$200 million annually, and only \$93 million in the area. The "retail gap" (unmet demand) is over \$100 million, spent when they drive to Yucca Valley to shop.
- Within a twenty minute driving radius, there is a retail gap of \$145 million (page 3).
- For only grocery retail, residents spend \$32 million annually – almost all of it at the only Stater Brothers store in the area. As you can see in the chart below, that store in 29 Palms has the highest sales of any Stater Bros. store in the region.

<input checked="" type="checkbox"/>	Business Name	Address	City	State	ZIP Code	NAICS-Bes...	SIC Code	Number of...	Sales Volume
<input checked="" type="checkbox"/>	Stater Bros Markets	71727 29 Palms Hwy	Twentynine Palms	California	92277	44511003	541105	105	\$27,617,000
<input checked="" type="checkbox"/>	Stater Bros Markets	58060 29 Palms Hwy	Yucca Valley	California	92284	44511003	541105	80	\$21,042,000
<input checked="" type="checkbox"/>	Stater Bros Markets	13200 Palm Dr	Desert Hot Spgs	California	92240	44511003	541105	70	\$19,989,000
<input checked="" type="checkbox"/>	Stater Bros Markets	57075 29 Palms Hwy	Yucca Valley	California	92284	44511003	541105	65	\$17,097,000

- The only grocery store also sells more than any competitor:

	Business Name	Address	City	State	ZIP Code	NAICS-Based Code	SIC Code	Number of Employees	Sales Volume
2	Stater Bros Markets	29 Palms Hwy	Twentynine Palms	California	92277	44511003	541105	105	\$27,617,000
3	Vons	Palm Dr	Desert Hot Spgs	California	92240	44511003	541105	75	\$21,417,000
4	Stater Bros Markets	29 Palms Hwy	Yucca Valley	California	92284	44511003	541105	80	\$21,042,000
5	Stater Bros Markets	Palm Dr	Desert Hot Spgs	California	92240	44511003	541105	70	\$19,989,000
6	Vons	29 Palms Hwy	Yucca Valley	California	92284	44511003	541105	70	\$18,412,000
7	Stater Bros Markets	29 Palms Hwy	Yucca Valley	California	92284	44511003	541105	65	\$17,097,000
8	Grocery Outlet	29 Palms Hwy	Yucca Valley	California	92284	44511003	541105	2	\$6,050,000
9	Plaza Market	Plaza Rd	Twentynine Palms	California	92277	44511003	541105	4	\$1,053,000
0	Super One Foods	29 Palms Hwy	Yucca Valley	California	92284	44511003	541105	4	\$1,053,000
1	Simon Foods Inc	Pierson Blvd	Desert Hot Spgs	California	92240	44511003	541105	3	\$857,000
2	Super 1 Foods	Hacienda Ave	Desert Hot Spgs	California	92240	44511003	541105	3	\$857,000
3	Alturas Grocery Outlet	Twentynine Palms Hwy	Yucca Valley	California	92284	44511003	541105	2	\$527,000
4	Indian Cove Market	29 Palms Hwy	Twentynine Palms	California	92277	44511003	541105	2	\$527,000

- Clothing and general merchandise stores could also see a benefit in the site.

Gasoline Stations	44/44/1	\$21,390,921	\$17,250,483	\$4,140,438
Clothing & Clothing Accessories Stores	448	\$15,859,828	\$555,166	\$15,304,662
Clothing Stores	4481	\$11,428,582	\$555,166	\$10,873,416
Shoe Stores	4482	\$2,003,325	\$0	\$2,003,325
Jewelry, Luggage & Leather Goods Stores	4483	\$2,427,921	\$0	\$2,427,921
Sporting Goods, Hobby, Book & Music Stores	451	\$7,112,067	\$3,529,143	\$3,582,924
Sporting Goods/Hobby/Musical Instr Stores	4511	\$6,086,033	\$2,917,389	\$3,168,644
Book, Periodical & Music Stores	4512	\$1,026,034	\$611,754	\$414,280
General Merchandise Stores	452	\$38,715,151	\$4,254,868	\$34,460,283
Department Stores Excluding Leased Depts.	4521	\$22,765,935	\$0	\$22,765,935
Other General Merchandise Stores	4529	\$15,949,216	\$4,254,868	\$11,694,348
Miscellaneous Store Retailers	453	\$8,581,139	\$9,694,998	-\$1,113,859

We need a developer that would bring a general merchandise store (a Dollar Store), a discount/specialty grocery retailer, and a gas station to the corner. The developer would negotiate with the city, introduce themselves to the MCNAS, design a layout, and pre-lease the space, before turning a shovel.

Bruce Haulley, CCIM

Marcus & Millichap Commercial Real Estate Services