

**NEW 15-YEAR ABSOLUTE NET LEASE WITH 10 % INCREASES EVERY 5 YEARS
ACROSS THE STREET FROM ALBERTSONS GROCER ANCHORED CENTER WITH 525K ANNUAL VISITORS
AND RALPHS GROCER ANCHORED CENTER WITH 860K ANNUAL VISITORS**

SUBJECT PROPERTY



Washington St
26,000 VPD



DENNY'S LEASEHOLD INTEREST

42455 WASHINGTON STREET, PALM SPRINGS MSA (PALM DESERT), CA

Marcus & Millichap
THE DELTONDO GROUP

INVESTMENT HIGHLIGHTS

15-YEAR ABSOLUTE-NET LEASE | ZERO LANDLORD RESPONSIBILITIES

Landlord is fully pass-through—no expense obligations for roof, structure, or site; tenant pays ground lease rent of \$107,800 in addition to base rent.

10 % RENTAL INCREASES EVERY 5 YEARS

Scheduled escalations compound NOI from \$198K → \$217,800 → \$239,580 across the term, aligning with ground lease co-termination.

2022 CONSTRUCTION | SIGNATURE DENNY’S FORMAT (4,500 SF + AMPLE PARKING)

Recent-build, free-standing facility on a 1.64-acre site with full surface parking—ideal for dine-in and drive-thru traffic.

PRIME RETAIL CORRIDOR | HIGH VISIBILITY ON WASHINGTON STREET

Located on a major east–west commercial artery in Palm Desert, within walking distance to El Paseo, anchored by thriving local and regional retailers.

HIGH-TRAFFIC CO-TENANCY | NEAR ZIELONA STREET RETAIL NODES

Surrounded by established restaurants, banks, and service businesses, benefiting from both year-round and seasonal Coachella Valley tourism.

AFFLUENT, AGING DEMOGRAPHIC WITH SEASONAL BOOST

Palm Desert (pop. ~51K, median age 56.7) draws a mature, stable population base with strong discretionary income and sustained resort-tourism appeal



42455 Washington St.,
Palm Desert, CA

\$2,250,000
PRICE

8.80%
CAP

\$198,000
NOI

INVESTMENT SUMMARY

Lease Type	Absolute Net
Landlord Responsibilities	None
Year Built	2022
Building Area	4,500 SF
Land Area	1.64 AC



Annualized Operating Data	Annual	Monthly
March 1, 2026 - February 28, 2031	\$198,000	\$16,500
March 1, 2031 - February 28, 2036	\$217,800	\$18,150
March 1, 2036 - February 28, 2041	\$239,580	\$19,965
March 1, 2041 - February 28, 2046 (Option 1)	\$263,538	\$21,962
March 1, 2046 - February 28, 2051 (Option 2)	\$289,892	\$24,158
March 1, 2051 - February 28, 2056 (Option 3)	\$318,881	\$26,573
March 1, 2056 - February 28, 2061 (Option 4)	\$350,769	\$29,231

Ground Lease Rent (Tenant will be Responsible to Pay Ground Rent):	Annual	Monthly
March 1, 2026 - February 28, 2031	\$118,580.00	\$9,881.67
March 1, 2031 - February 28, 2036	\$130,438.00	\$10,869.83
March 1, 2036 - February 28, 2041	\$143,481.80	\$11,956.82
March 1, 2041 - February 28, 2046 (Option 1)	\$157,829.98	\$13,152.50
March 1, 2046 - February 28, 2051 (Option 2)	\$173,612.98	\$14,467.75
March 1, 2051 - February 28, 2056 (Option 3)	\$190,974.28	\$15,914.52
March 1, 2056 - February 28, 2061 (Option 4)	\$210,071.70	\$17,505.98

LEASE SUMMARY

Tenant:	Denny's
Guaranty:	Awashington, LLC (16 Units)
Type of Ownership:	Leasehold Interest (Building Only)
Lease Type:	Absolute Net
Landlord Responsibilities:	None
Rent Commencement:	COE
Lease Expiration:	February 28, 2041 (Co-terminate with leasehold lease)
Term Remaining:	15 Years (Co-terminate with Ground Lease)



TENANT SUMMARY



\$452M
REVENUE (2024)

1,557
RESTAURANTS

3,800
EMPLOYEES

PUBLIC
NASDAQ: DENN

1953
FOUNDED

Denny's Corporation, publicly traded on NASDAQ under the ticker "DENN," traces its roots to 1953 when Harold Butler and Richard Jezak opened Danny's Donuts in Lakewood, California. Today the diner-style brand is headquartered in Spartanburg, South Carolina and, as of March 26 2025, operates 1,557 restaurants—82 company-owned and 1,475 franchised or licensed. For full-year 2024, Denny's generated \$452.3 million in operating revenue, down modestly from \$463.9 million in 2023, while employing about 3,800 people across its corporate and field operations.

Denny's is executing a multi-year portfolio optimization. The chain is targeting 25–40 new openings across Denny's and sister concept Keke's Breakfast Café. Management is coupling these moves with \$250,000-per-unit remodel investments that have lifted sales by more than 6 percent, alongside a revamped loyalty-CRM program to deepen guest engagement. In the Coachella Valley, Palm Desert franchisee Awashington, LLC strengthens credit quality by guaranteeing its lease with a corporate portfolio of around 20 Denny's units, bringing seasoned local oversight to the broader



WASHINGTON SQUARE



 Heritage Palms Golf Club

 Bermuda Dunes Country Club

 Armstrong Growers

 Denny's

PALM DESERT
MODERN
DENTISTRY

WILL FAMILY
MEDICINE

 Washington St
26,000 VPD

TAMMY
NAILS

BRADLEY ELECTRIC, INC
MAGIC NAILS
CIG PALM CIGARS & VAPE



 jiffy lube

 Shell

WELLS
FARGO 

 Jack
in the Box

TSUNAMI CAR
WASH

 BIG O TIRES

 Wiener Schnitzel

WALGREENS

TARGET
Walmart
TJ-maxx
PGA TOUR SUPERSTORE
Burlington
Marshall's
Total Wine
BOB'S DISCOUNT FURNITURE
NORDSTROM rack
BEST BUY
WHOLE FOODS MARKET
Guitar Center

THE SHOPS AT PALM DESERT
BARNES & NOBLE
macy's
JCPenney
H&M
HOLLISTER CALIFORNIA
DICK'S SPORTING GOODS
VANS
VICTORIA'S SECRET



PALM VALLEY CC
 CONDOS & SINGLE-FAMILY
1,274 Units
 \$510K Median Sale Price

THE LIVING DESERT ZOO | GARDENS

Toscana Country Club

Palm Desert Country Club

City of Palm Desert Joe Mann Park



BRADLEY ELECTRIC, INC
MAGIC NAILS
CIG PALM CIGARS & VAPE

TAMMY NAILS

PALM DESERT MODERN DENTISTRY

WILL FAMILY MEDICINE

Washington St
26,000 VPD

Albertsons
Little Caesars
CVS pharmacy
DOLLAR TREE
LAGORIO LAW GROUP
Your Work Injury Attorney

vca animal hospitals

WELLS FARGO

Shell

jiffy lube

TSUNAMI CAR WASH

Jack in the box

HomeGoods

Ralphs



PALM DESERT

CALIFORNIA



WALGREENS



BIG TIRES



WASHINGTON SQUARE



BRADLEY ELECTRIC, INC
MAGIC NAILS
CIG PALM CIGARS & VAPE

TAMMY NAILS

PALM DESERT
MODERN
DENTISTRY

WILL FAMILY
MEDICINE

Denny's

Washington St
26,000 VPD

MONTEREY MARKET PLACE

THE HOME DEPOT BEST BUY IHOP WING STOP PANDA EXPRESS WENDY'S

DESERT GATEWAY

Walmart sam's club PETSMART KOHL'S

Ashley HOMESTORE Panera BREAD Chick-fil- Starbucks Dunkin' Donuts Jersey Mike's



Palm Desert Resort Country Club

City of Palm Desert Joe Mann Park

Albertsons Little Caesars TSUNAMI CAR WASH Starbucks

CVS pharmacy DOLLAR TREE LAGORIO LAW GROUP Your Work Injury Attorney Shell jiffylube

10 119,000 VPD

Woodhaven Country Club

GROCERY OUTLET Bargain Market

WALGREENS

Denny's

PALM DESERT MODERN DENTISTRY

WILL FAMILY MEDICINE

vca animal hospitals WELLS FARGO Jack in the Box

Washington St 26,000 VPD

WASHINGTON SQUARE

Ralphs HomeGoods

the PET OASIS Hallmark Mario's

62

10

111

STATER BROS. markets. **CVS pharmacy**

Jack in the box Starbucks Olga's Tacos Denny's

MONTEREY MARKET PLACE

THE HOME DEPOT **BEST BUY** **REGAL** SCANDINAVIAN DESIGNS **ihop** **Wendy's**

DESERT GATEWAY

Walmart **sam's club** **PETSMART** **KOHL'S**

Ashley **Panera BREAD** **Chick-fil-A** **Starbucks** **COFFEE** **JERSEY MIKE'S**

24 18-HOLE GOLF COURSES & COUNTRY CLUBS

Golf Club Name	
Chaparral Country Club	Palm Desert Country Club
Classic Club	Palm Desert Greens Country Club
Desert Falls Country Club	Palm Desert Resort Country Club
Desert Horizons Golf & Country Club	Rancho Las Palmas Country Club
Desert Springs Golf Club	San Geronio Golf Course
Desert Willow Golf Resort (36 Hole)	Santa Rosa Golf Course (Sun City)
Indian Wells Golf Resort	Shadow Ridge Golf Club
Indian Ridge Country Club	Stone Eagle Golf Club
Marriott Shadow Ridge Golf Club	Suncrest Golf Course
Monterey Country Club	The Lakes Country Club
Oasis Country Club	Toscana Country Club
	Woodhaven Country Club



Palm Springs International Airport

THE SPRINGS SHOPPING CENTER

Walmart **Smart & Final** **SPROUTS FARMERS MARKET**

LOWE'S **ALDI** **ULTA BEAUTY** **ROSS DRESS FOR LESS** **WELLS FARGO** **Bank of America**

Marshalls **PETSMART** **STAPLES** **Burlington**

DEL TACO **Jack in the box** **Canes** **Panera BREAD** **FIREHOUSE SUBS**

- Mission Hills Country Club
- Desert Island Country Club
- The Springs
- Sunrise Country Club



10 119,000 VPD

Albertsons **HomeGoods** **Ralphs**

CVS pharmacy **DOLLAR TREE** **GROCERY OUTLET** **verizon** **BIG TIRES**

Jack in the box Jersey Mike's SUBS KFC Starbucks W Wenerschnitzel Little Caesars Pizza

Crown Aero (Bermuda Dunes Airport)

Indian Palms Country Club and Resort

TARGET **Walmart Neighborhood Market** **TJ-maxx**

PGA TOUR SUPERSTORE **Burlington** **Marshalls** **Total Wine SPIRITS • BEER & MORE**

BOB'S DISCOUNT FURNITURE **NORDSTROM rack** **BEST BUY** **WHOLE FOODS MARKET** **Guitar Center**

THE SHOPS AT PALM DESERT

BARNES & NOBLE **macy's** **JCPenney**

H&M **HOLLISTER CALIFORNIA** **DICK'S SPORTING GOODS** **VANS** **VICTORIA'S SECRET**

COACHELLA **250K+** Attendance **\$250M** Economic effect

TARGET **KOHL'S** **STATER BROS. markets.** **ALDI**

petco **TJ-maxx** **STAPLES** **TRADER JOE'S**

LOWE'S **ROSS DRESS FOR LESS** **HOBBY LOBBY** **VONS** **Auto Zone**

Walmart **SPROUTS FARMERS MARKET** **COSTCO WHOLESALE** **Marshalls**

PETSMART **Smart & Final** **FLOOR DECOR** **GOODWILL** **OfficeMax**

THE HOME DEPOT **BEST BUY** **DOLLAR TREE** **FAMOUS footwear** **HYUNDAI** **NISSAN** **CHEVROLET**



PALM DESERT CALIFORNIA

DESERT PRINCESS CC
CONDOMINIUMS / TOWNHOMES

1212 Units **\$430K** Median Rent Price

PANORAMA
SUBVISION

1299 Units **\$505K** Median Sale Price

CIMARRON COVE
SUBVISION

169 Units **\$580K** Median Sale Price

CENTURY PARK
SUBVISION

1500 Units **\$565K** Median Sale Price

DESERT FALLS CC
CONDOS & TOWNHOMES

1,100 Units **\$512K** Median Sale Price

SUN CITY PALM DESERT
SUBVISION

5,000 Units

PSUSD
PALM SPRINGS
UNIFIED
SCHOOL DISTRICT
2,000+ EMPLOYEES

Tri Palm Estates & Country Club

JW MARRIOTT
DESERT SPRINGS PALM DESERT
2,304 EMPLOYEES

INDIAN RIDGE CC
SUBVISION

1,068 Units

Sun City Palm Desert - Sunset View Clubhouse

Mountain Vista Golf Club at Sun City Palm Desert

AGUA CALIENTE CASINOS
1,052 STAFF

EISENHOWER HEALTH
5,000+ EMPLOYEES

Tamarisk Country Club

Desert Island Country Club

MONTEREY CC
CONDOMINIUMS

1,206 Units

OASIS CC
CONDOMINIUMS

662 Units **\$469K** Median Sale Price

Indian Ridge Country Club



10 **119,000 VPD**

Toscana Country Club
42455 Washington St

Bermuda Dunes Country Club

Rancho Las Palmas Country Club

PALM VALLEY CC
CONDOS & SINGLE-FAMILY

1,274 Units **\$510K** Median Sale Price

Heritage Palms Golf Club

Eldorado Country Club

Indian Wells Country Club

REGIONAL MAP



DOWNTOWN LOS ANGELES 123 MILES

DOWNTOWN PHOENIX 252 MILES

COACHELLA 10 MILES

Los Angeles

Palm Desert
Coachella

Phoenix

DEMOGRAPHIC SUMMARY 1 MILE 3 MILE 5 MILE

POPULATION	12,784	64,834	174,059
AVG. HOUSEHOLD INCOME	\$91,208	\$111,274	\$103,812



PALM DESERT COACHELLA VALLEY

370,135
MSA POPULATION –
COACHELLA VALLEY

250,000+
FESTIVAL
ATTENDANCE
(APRIL)

\$700+ M
FESTIVAL ECONOMIC

500 K+
VISITORS TO THE
LIVING DESERT ZOO
ANNUALLY

12,000
COLLEGE OF THE
DESERT STUDENTS

6,000
CSU SAN
BERNARDINO PALM
DESERT STUDENTS

Palm Desert, located in the Coachella Valley region of Riverside County, is a well-established community of approximately 51,000 residents, with modest annual growth (0.7% since 2022) . The city’s median age is 56.7, and its demographic profile skews affluent and older—ideal for dining at full-service casual restaurants.

As a key node in the regional tourism economy, Palm Desert is home to over 30 golf courses, cultural venues like El Paseo and the McCallum Theatre, and high-profile resorts, attracting substantial seasonal and second-home visitor traffic. Its proximity to Palm Springs and easy highway access position it within a larger urbanized area of nearly 372,000 people .

The local economy is anchored by leading employers such as JW Marriott Desert Springs (2,300+ jobs), Universal Protection Service (1,500), and Costco (250), representing a diverse base across hospitality, retail, and service sectors. Educational assets like College of the Desert and CSU San Bernardino’s Palm Desert campus reinforce community stability and workforce development.

Growing demand from retirees, resort visitors, and residents fuels ongoing commercial development along Washington Street and freeway-access corridors. Household and tourism earnings support strong daytime and evening dining patterns. Key projects include investment in El Paseo’s retail expansion, increased resort renovations, and Coachella Valley infrastructure enhancements.



JW MARRIOTT DESERT SPRINGS RESORT & SPA (PALM DESERT, CA)



COACHELLA FESTIVAL

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