

STARBUCKS - BRAND NEW 10 YEAR LEASE



Offering Memorandum

STARBUCKS ANCHORED SHOPS

2050 N DOBSON ROAD
CHANDLER, AZ 85224

Marcus & Millichap





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Chandler, AZ 85224

TENANT NAME	APPROX. RENTABLE SF	PERCENT OCCUPANCY	EST. LEASE COMMENCEMENT	EST. LEASE EXPIRATION	APPROX RENT/SF	BASE RENT/ MONTH	ANNUAL RENT	LEASE GUARANTOR	RENTAL INCREASES	RENEWAL OPTIONS
Starbucks	2,225	42.0%	5/1/2003	12/31/2028	\$55.73	\$10,333.33	\$124,000.00	Corporate	10% Every 5 Years	4, 5 Year Options
Touchups Salon	1,805	34.1%	9/1/2017	10/2/2022	\$24.41	\$3,672.00	\$44,064.00	Personal	2% Annually	1, 5 Year Options
Arrowhead Flowers	1,264	23.9%	1/1/19	12/31/2028	\$23.00	\$2,422.66	\$29,071.92	Personal	Increase in Year 5 & 8	2, 5 Year Options

TOTAL SF:	5,294	100%	MONTHLY INCOME:	\$16,428
OCCUPIED SF:	5,294	100%	ANNUAL INCOME:	\$197,136
AVAILABLE SF:	0	0%	AVERAGE RENT/SF:	\$37.24



ESTIMATED INCOME & EXPENSE SUMMARY

NET OPERATING INCOME	\$192,897
OFFERING PRICE	\$3,335,000
CAPITALIZATION RATE	5.78%

Total Square Feet Per Leases:	5,294 SF
Lot size	1.31 Acres
Occupancy as of March 2019:	100%

INCOME	
Scheduled Base Rent	\$197,136
Plus Expense Reimbursements	\$61,909
EFFECTIVE GROSS INCOME	\$259,045

ESTIMATED OPERATING EXPENSES * (Based on 2019 Budget Provided by Owner)		PSF
CAM Expenses	\$38,190	\$7.21
Insurance	\$2,500	\$0.47
Property Taxes	\$16,458	\$3.11
Management Fee	\$9,000	\$1.70
TOTAL OPERATING EXPENSES	\$66,148	\$12.49

- * Starbucks reimbursement on management is capped at 15% of operating expenses.
- * Touchups on Admin Fee included in CAM: Not to exceed 10% of operating expenses.
- * Arrowhead Flowers Mgmt/Admin Fee included in CAM: "Reasonable Manangement Fee."





Starbucks is the premier roaster, marketer and retailer of specialty coffee in the world, operating in 69 countries. Formed in 1985, Starbucks Corporation's common stock trades on the NASDAQ Global Select Market ("NASDAQ") under the symbol "SBUX." The company purchases and roasts high-quality coffees that they sell, along with handcrafted coffee, tea and other beverages and a variety of fresh food items, through company-operated stores. Starbucks also sells a variety of coffee and tea products and license their trademarks through other channels such as licensed stores, grocery and national food service accounts. In addition to their flagship Starbucks Coffee brand, Starbucks also offers goods and services under the following brands: Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange, Ethos and Torrefazione Italia Coffee.

Starbucks company-operated stores are typically located in hightraffic, high-visibility locations. Their ability to vary the size and format of their stores allows the Starbucks to locate them in or near a variety of settings, including downtown and suburban retail centers, office buildings, university campuses, and in select rural and off-highway locations.

www.starbucks.com



This is the second location for flower company Arrowhead Flowers, who has been at their Glendale, Arizona location for over 21 years, never once having been late on rent. Arrowhead Flowers is family owned and operated, committed to offering only the finest floral arrangements and gifts, backed by service that is friendly and prompt.

Arrowhead Flowers specializes in various services, including wedding and birthday arrangements, dried floral arrangements, gift baskets, get well flowers, anniversary flowers, modern and traditional flower arrangements, and gourmet fruit baskets.

www.arrowheadflowers.com



Through skilled stylists and a passion for creativity and individuality, TouchUps Salon strives to help clients achieve their best selves. It's a widely known fact that when you are looking your best, you feel your best. Therefore, it is TouchUps' mission to keep clients feeling their best by providing hair styles and colors that are modern, glamorous, and purely you. TouchUps has been a tenant in the center since 2007 and has never been late on their rent.

TouchUp Salon's VIP Membership program provides clients with hair and hair color services, as well as facial waxing, monthly to keep clients at their highest level of confidence. TouchUp Salon is currently the only membership salon in Arizona.

As a full-service salon, TouchUps Salon is proud to offer top-tier professional service and services. These services include Coppola Keratin Complex smoothing treatments, Hotheads and Babe extensions, up-dos, expert haircuts, balayage, ombre, and other color processes. Stylists are constantly bettering their education inside and outside the salon to also provide the most modern trends.

www.touchupssalon.com

INVESTMENT HIGHLIGHTS

- 100% Leased to Starbucks, TouchUps Salon, and Arrowhead Flowers
- 2003 Construction with Complete Building Renovation in 2018
- 359,494 Residents in Growing Chandler Trade Area – Phoenix MSA
- Outparcel to LA Fitness (60,000 SF Super Club – Just Renewed for 20 Years)
- 1 Mile Off the Loop 101 Freeway, a Major Connector for the Phoenix Area with 186,440+ Cars per Day
- Just East of the Arizona State University Research Park – Home to 48 Corporate Offices Including GoDaddy, Amazon, U.S. Foods, etc.
- Average Household Income Exceeds \$84K in 1-Mile Radius
- Minutes to Chandler Fashion Center and Downtown Chandler
- Strong Daytime Population – 389,750+ Employees in Surrounding Area
- Visible to 53,550+ Cars per Day at the Intersection of W Warner Road & N Dobson Road

DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2022 Projection	15,574	137,857	365,900
2017 Estimate	15,263	135,591	359,494
Growth 2017 - 2022	2.04%	1.67%	1.78%
Households	1-Mile	3-Miles	5-Miles
2022 Projections	6,324	55,724	144,985
2017 Estimate	6,039	53,283	138,869
Growth 2017 - 2022	4.72%	4.58%	4.40%
Income	1-Mile	3-Miles	5-Miles
2017 Est. Average Household Income	\$84,840	\$82,633	\$83,048
2017 Est. Median Household Income	\$69,697	\$64,041	\$63,300
2017 Est. Per Capita Income	\$33,641	\$32,524	\$32,144

LOCATION OVERVIEW

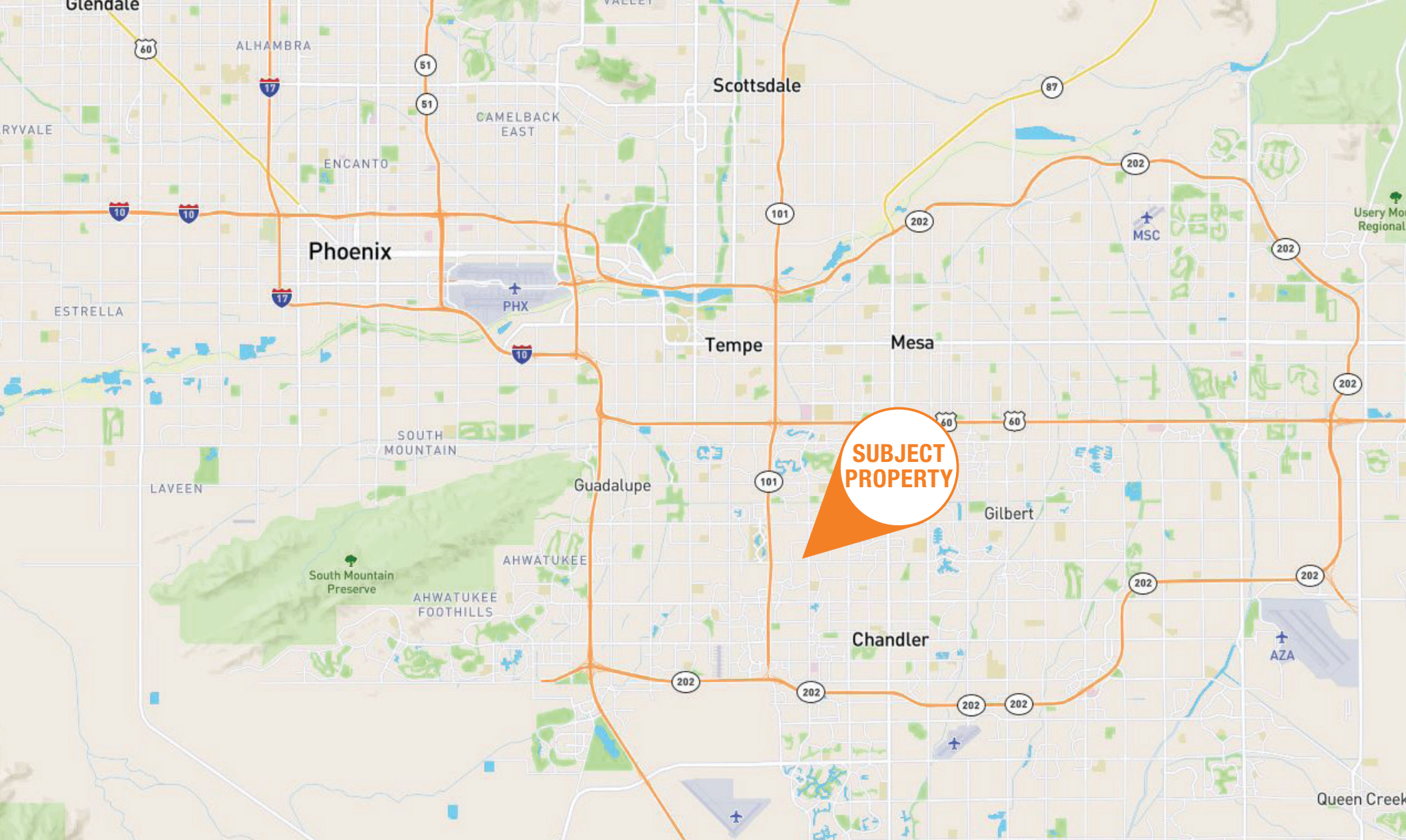
Situated in the Phoenix metropolitan area, Chandler is a vibrant, cutting-edge city. With a vision of creating a diverse city with a high quality of life, Chandler has become one of the leaders in the computer technology field. Chandler's downtown area is a vibrant, walkable destination brimming with activity. When the city's founder, A.J. Chandler, designed Downtown, he was inspired by the "City Beautiful" style, a movement popular in the late 1800s and early 1900s. This style gave way to vintage-style lanterns and trellis-covered walkways. In addition to the unique shops and galleries downtown, many residents and visitors enjoy the awardwinning, local eateries with a global flair.

Known as the "Innovation and Technology Hub of the Southwest", Chandler is strategically located in one of the fastest growing urban centers in the nation. Chandler boasts a strong, high-tech employment base that attracts and retains high quality employees. The city's top employers include Intel, Wells Fargo, Bank of America, Avnet, Toyota Financial Services, Pearson Education, PayPal, and more.

The Phoenix metro consists of Maricopa and Pinal counties, and includes more than 30 incorporated and more than 30 unincorporated towns and cities. Since 2000, the population in the metro increased by more than 38 percent. The largest city is Phoenix, which encompasses about 520 square miles, is the capital city and boasts a population of more than 1.5 million.

High-tech manufacturing has been a powerful driver in the local economy for two decades. The region's relatively low cost of doing business has encouraged several manufacturers to remain and expand in the area, while luring others. The strengthening economy is drawing job seekers to the area, boosting the housing market.





4 MILES
Chandler
Fashion Center

8 MILES
Arizona State
University

15 MILES
Phoenix Sky Harbor
International Airport

18 MILES
Downtown
Phoenix

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CONFIDENTIALITY AGREEMENT

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

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ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

exclusively listed

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