



## Offering Memorandum

**HERTZ CENTER**  
**5905 E SPEEDWAY BOULEVARD**  
**TUCSON, AZ 85712**

Marcus & Millichap











ACTUAL RENT ROLL

**HERTZ CENTER**  
5905 E Speedway Boulevard  
Tucson, AZ 85712

TENANT NAME	APPROX. RENTABLE SF	PERCENT OCCUPANCY	EST. LEASE COMMENCEMENT	EST. LEASE EXPIRATION	APPROX RENT/SF	BASE RENT/ MONTH	ANNUAL RENT	LEASE TERM	RENTAL INCREASES	RENEWAL OPTIONS
Hertz	4,000	58.3%	5/4/2018	9/30/2025	\$16.00	\$5,334.00	\$64,008.00	7 Years, 4 Months	2.5% Annual Increases	2, 3 Year Options
AVAILABLE	2,860	41.7%	TBD	TBD	\$0.00	\$0.00	\$0.00	TBD	TBD	TBD

TOTAL SF	6,860	100%					MONTHLY INCOME	\$5,334		
OCCUPIED SF	4,000	58%					ANNUAL INCOME	\$64,008		
AVAILABLE SF	2,860	42%					AVERAGE RENT/SF	\$16.00		

## ACTUAL ESTIMATED INCOME &amp; EXPENSE SUMMARY

Total Square Feet Per Leases:	6,860 SF
Lot size	.89 Acres
Year Built:	2000
Occupancy as of November 2018:	58%

**INCOME**

Scheduled Base Rent	\$64,008
Estimated Total Potential Base Rent	\$64,008
Plus Expense Reimbursements <sup>(1)</sup>	\$22,328
<b>GROSS INCOME</b>	<b>\$86,336</b>
<b>EFFECTIVE GROSS INCOME</b>	<b>\$86,336</b>

**ESTIMATED OPERATING EXPENSES****PSF**

CAM Expense	\$13,705	\$2.00
Insurance	\$3,995	\$0.58
Property Taxes	\$14,176	\$2.07
Management Fee	\$1,200	\$0.17
<b>TOTAL OPERATING EXPENSES</b>	<b>\$33,076</b>	<b>\$4.82</b>

**NET OPERATING INCOME** **\$53,260****OFFERING PRICE** **\$1,350,000****CAPITALIZATION RATE** **3.95%**

(1) NOTE: Available space shows no actual reimbursement of their share of expenses. Hertz's reimbursement share based on their portion of total expenses, plus Hertz reimburses \$100 per month for mgt fee.

## PRO FORMA RENT ROLL

## HERTZ CENTER

5905 E Speedway Boulevard  
Tucson, AZ 85712

TENANT NAME	APPROX. RENTABLE SF	PERCENT OCCUPANCY	EST. LEASE COMMENCEMENT	EST. LEASE EXPIRATION	APPROX RENT/SF	BASE RENT/ MONTH	ANNUAL RENT	LEASE TERM	RENTAL INCREASES	RENEWAL OPTIONS
Hertz	4,000	58.3%	5/4/2018	9/30/2025	\$16.00	\$5,334.00	\$64,008.00	7 Years, 4 Months	2.5% Annual Increases	2, 3 Year Options
AVAILABLE-PROFORMA	2,860	41.7%	TBD	TBD	\$14.00	\$3,336.67	\$40,040.00	TBD	TBD	TBD
<b>TOTAL SF</b>	6,860	100%					<b>MONTHLY INCOME</b>	\$8,671		
<b>OCCUPIED SF</b>	4,000	58%					<b>ANNUAL INCOME</b>	\$104,048		
<b>AVAILABLE SF</b>	2,860	42%					<b>AVERAGE RENT/SF</b>	\$15.17		

## PRO FORMA ESTIMATED INCOME &amp; EXPENSE SUMMARY

Total Square Feet Per Leases:	6,860 SF
Lot size	.89 Acres
Year Built:	2000
Occupancy as of November 2018:	58%

INCOME	
Scheduled Base Rent	\$104,048
Estimated Total Potential Base Rent	\$104,048
Plus Expense Reimbursements <sup>(1)</sup>	\$35,578
GROSS INCOME	<b>\$139,626</b>
EFFECTIVE GROSS INCOME	<b>\$139,626</b>

ESTIMATED OPERATING EXPENSES	PSF	
CAM Expense	\$13,705	\$2.00
Insurance	\$3,995	\$0.58
Property Taxes	\$14,176	\$2.07
Management Fee	\$6,000	\$0.87
TOTAL OPERATING EXPENSES	<b>\$37,876</b>	<b>\$5.52</b>

NET OPERATING INCOME	<b>\$101,750</b>
OFFERING PRICE	<b>\$1,350,000</b>
CAPITALIZATION RATE	7.54%



(1) NOTE: Available space shows no actual reimbursement of their share of expenses. Hertz's reimbursement share based on their portion of total expenses, plus Hertz reimburses \$100 per month for mgt fee.





# Hertz®

The Hertz Corporation, a subsidiary of Hertz Global Holdings, Inc., operates the Hertz, Dollar and Thrifty vehicle rental brands in approximately 10,200 corporate and franchisee locations throughout North America, Europe, The Caribbean, Latin America, Africa, the Middle East, Asia, Australia and New Zealand. The Hertz Corporation is one of the largest worldwide rental companies, and the Hertz brand is one of the most recognized in the world. Product and service initiatives such as Hertz Gold Plus Rewards, Ultimate Choice, Carfirmations, Mobile Wi-Fi and unique vehicles offered through the Adrenaline, Dream, Green and Prestige Collections set Hertz apart from the competition. Additionally, The Hertz Corporation owns the vehicle leasing and fleet management leader Donlen, operates the Firefly vehicle rental brand and Hertz 24/7 car sharing business in international markets and sells vehicles through Hertz Car Sales.

Headquarters	Estero, Florida
Stock Symbol	NYSE: HTZ
Locations Worldwide	+/- 10,200
2017 Revenue	\$8.8 Billion
Website	<a href="http://www.hertz.com">www.hertz.com</a>



## INVESTMENT HIGHLIGHTS

- Owner Recently Spent \$200K+ to Renovate Property with New Roof, Parking Lot, Interior and Exterior Painting, Landscaping and Building Systems in Good Condition
- Available Suite in “Vanilla Shell” Condition
- Hard Corner Location Visible to Over 56,000 Cars per Day
- 261,991 Residents in Trade Area – Infill Tucson
- Existing Monument Sign and Building is Permitted for Signage on the Front and Side Walls
- Minutes to The University of Arizona (44,800+ Enrolled)
- Strong Daytime Population – 331,590+ Employees in 5-Mile Radius
- 2 Miles to Park Place Mall (120 Stores), Major Tenants Include Macy’s, Dillard’s, and Cinemark
- Surrounded by National Retailers – Trader Joe’s, Sprouts Farmers Market, Costco, Target, Albertsons, etc.
- Close Proximity to Tucson Medical Center (641 Beds)

## DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2022 Projection	14,973	117,373	264,395
2017 Estimate	15,018	116,783	261,991
Households	1-Mile	3-Miles	5-Miles
2022 Projections	7,623	55,281	118,435
2017 Estimate	7,579	54,478	116,342
Income	1-Mile	3-Miles	5-Miles
2017 Est. Average Household Income	\$47,159	\$55,493	\$61,554
2017 Est. Median Household Income	\$33,889	\$38,740	\$42,556
2017 Est. Per Capita Income	\$24,603	\$26,191	\$27,722

## LOCATION OVERVIEW

Tucson is the second largest metropolitan area in Arizona with just over one million residents and serves as an anchor to businesses located in the Southern Arizona corridor. Tucson offers its community an outstanding quality of life along with a low cost of doing business.

Tucson is known for an innovative manufacturing industry in a variety of different sectors such as biotech, aerospace, healthcare, defense, optics, solar, information technology and water. Amazon, Raytheon Missile Systems, IBM, Texas Instruments, Intuit Inc., Universal Avionics and the University of Arizona are some of the top employers in Tucson where each has a significant presence within the community. Raytheon recently announced 2,000 new hires to their facility and Caterpillar Inc. is locating their Surface Mining Equipment and Technology headquarters to downtown Tucson, which will add 600 high-paying jobs to the local community in 2019. Amazon is under construction on a new distribution facility that will employ 1,500 workers. In addition to Caterpillar and Amazon, Comcast and HomeGoods, all Fortune 500 companies, have added Tucson locations recently.

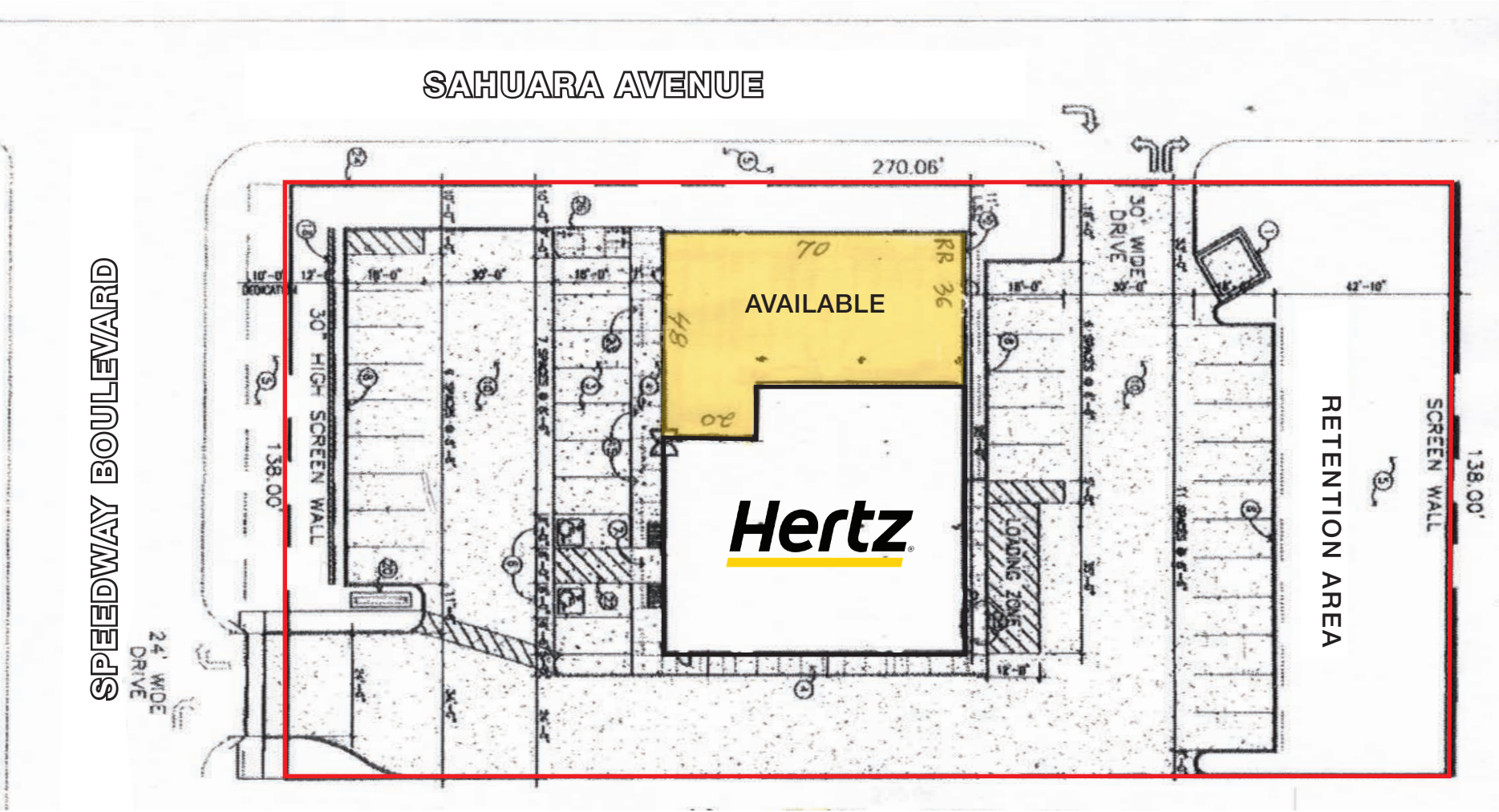
The University of Arizona is an integral part of Tucson. It has been named a Top 15 US public research institution, and enjoys a large student enrollment of 44,800 students and 11,000 administration staff members and faculty. The University of Arizona’s science center in Tucson continues to graduate more students in the optics field than any other similar program in the world. Tucson International Airport (TUS) serves as an international port of entry and offers non-stop service to Phoenix, Los Angeles, San Diego, Las Vegas, San Francisco, Seattle, Salt Lake City, Denver, Minneapolis, Milwaukee, Chicago, Atlanta, Houston, Dallas and Albuquerque.



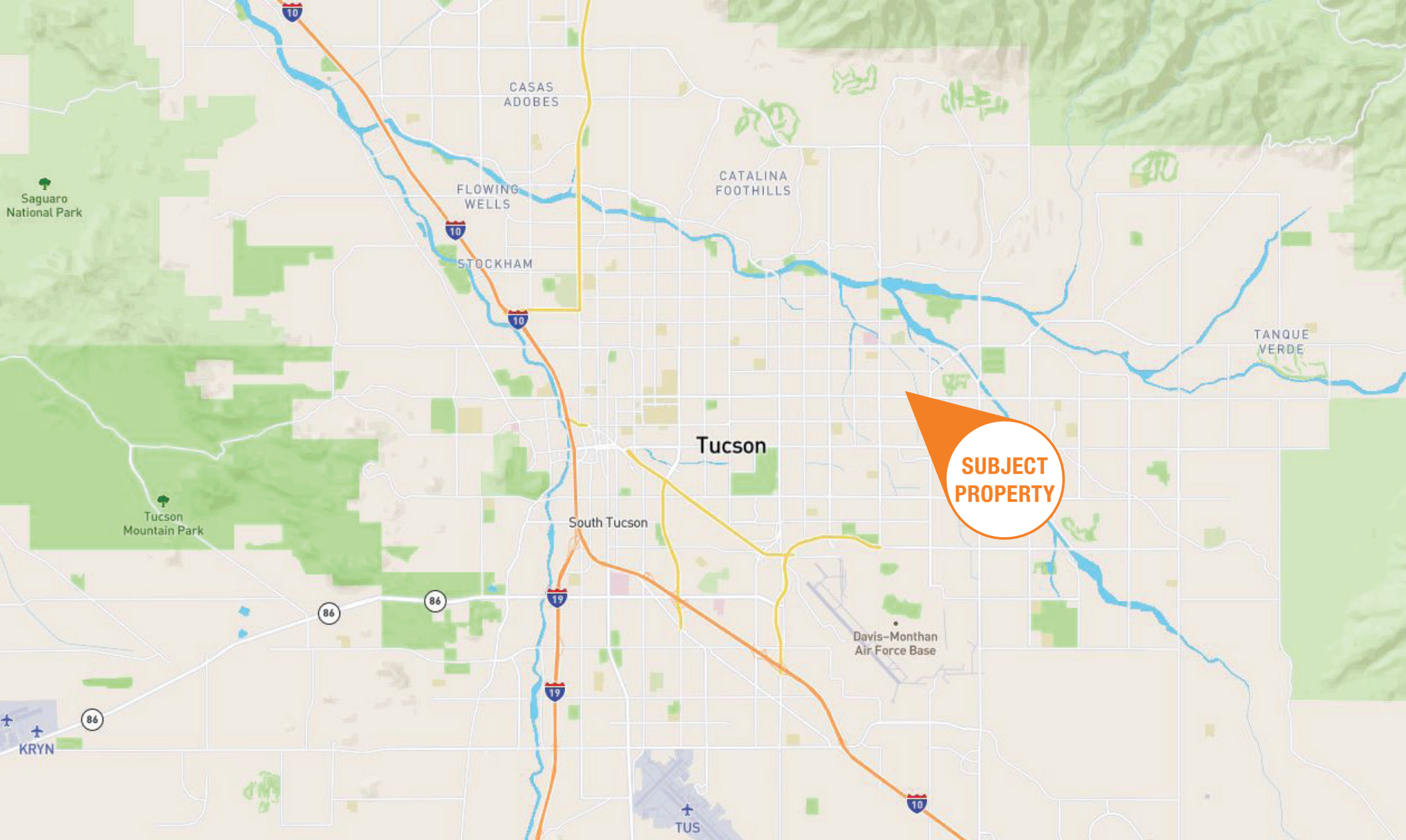












**SUBJECT  
PROPERTY**

**2 MILES**

**Tucson Medical  
Center**

**5 MILES**

**The University  
of Arizona**

**7 MILES**

**Downtown  
Tucson**

**12 MILES**

**Tucson  
International Airport**



## Net Leased Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

**By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.**

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

## 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.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

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



exclusively listed

Exclusively listed by:

**Marcus & Millichap**

**JAMIE MEDRESS**

Executive Managing Director

PHOENIX OFFICE

Tel: (602) 687-6778

Fax: (602) 687-6717

jmedress@marcusmillichap.com

**MARK RUBLE**

Senior Managing Director

PHOENIX OFFICE

Tel: (602) 687-6766

Fax: (602) 687-6710

mruble@marcusmillichap.com

**CHRIS LIND**

First Vice President

PHOENIX OFFICE

Tel: (602) 687-6780

Fax: (602) 687-6710

chris.lind@marcusmillichap.com

OFFICES NATIONWIDE

[www.marcusmillichap.com](http://www.marcusmillichap.com)