

# BIG 5 SPORTING GOODS

41800 W MARICOPA-CASA GRANDE HIGHWAY, MARICOPA, AZ



OFFERING MEMORANDUM



Marcus & Millichap



MARICOPA HIGH SCHOOL

347

Walmart Supercenter  
PAPA JOHN'S MCDONALD'S

COPPER SKY RECREATION COMPLEX

BIG 5 SPORTING GOODS

Central Arizona College

Harrah's AK-CHIN CASINO

238

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# Executive Summary

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$2,489,000</b>
Down Payment	100% \$2,489,000
Cap Rate	7.50%
Building SF	11,000 SF
Net Cash Flow	7.50% \$186,672
Year Built	2016
Land/Lot Size	1.17 Acres

## LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Big 5 Sporting Goods
Guarantor	Corporate
Roof & Structure*	Landlord Responsible
Lease Commencement Date	December 9, 2016
Lease Expiration Date	January 31, 2024
Lease Term Remaining	4 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

\*20 Year Roof Warranty

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 5	\$186,672	7.50%
6 - 7	\$205,344	8.25%
Options	Annual Rent	Cap Rate
Option 1: Years 8 - 10	\$205,344	8.25%
Option 1: Years 11 - 12	\$225,876	9.07%
Option 2: Years 13 - 15	\$225,876	9.07%
Option 2: Years 16 - 17	\$248,472	9.98%
Option 3: Years 18 - 20	\$248,472	9.98%
Option 3: Years 21 - 22	\$273,312	10.98%
Option 4: Years 23 - 25	\$273,312	10.98%
Option 4: Years 26 - 27	\$300,648	12.08%

<b>Base Rent</b>	<b>\$186,672</b>
<b>Net Operating Income</b>	<b>\$186,672</b>
<b>Total Return</b>	<b>7.50% \$186,672</b>





**Walmart**  
Supercenter

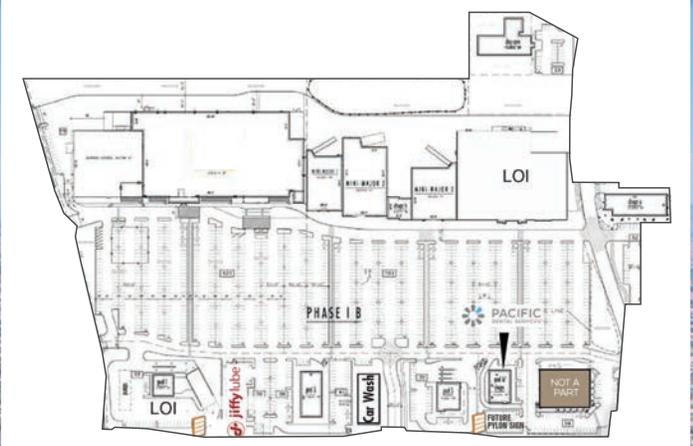


**MCDONALD'S**

**BIG 5**  
SPORTING GOODS



**8,300 CPD**  
W MARICOPA-CASA  
GRANDE HIGHWAY



**FUTURE DEVELOPMENT**



**APARTMENT HOMES  
IN DEVELOPMENT  
100 UNITS**



**N PORTER RD**

**8,300 CPD**  
W MARICOPA-CASA  
GRANDE HIGHWAY

**FUTURE DEVELOPMENT**

# Property Description



## INVESTMENT HIGHLIGHTS

- » **4 Years Remaining on Lease Term** - Corporate Guaranty by Big 5 Sporting Goods
- » 10% Rental Increases Every 5 Years
- » **51,548 Residents in Maricopa Trade Area**
- » Maricopa is One of Arizona's Fastest-Growing Cities
- » **High Growth Area** - Households Projected to Increase 39%+ within 5 Miles of Subject Property by 2023
- » **Outparcel to Walmart Supercenter**
- » Minutes to Harrah's Ak-Chin Resort & Casino (300+ Rooms)
- » Situated in The Wells, a Retail Center Currently in Development, Home to a 38,000 SF Banner Health Center with 100+ Apartment Units Planned
- » **Numerous Major Retailers in Surrounding Area** - Fry's Marketplace, Dollar Tree, Bashas', Ross, Ace Hardware, and More
- » Average Household Income Exceeds \$73K in Immediate Area



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2023 Projection	5,328	53,219	70,775
2018 Estimate	3,947	38,729	51,548
Growth 2018 – 2023	35.00%	37.42%	37.30%

### Households

2023 Projection	1,902	17,760	23,620
2018 Estimate	1,392	12,720	16,899
Growth 2018 – 2023	36.64%	39.62%	39.77%

### Income

2018 Est. Average Household Income	\$73,108	\$72,003	\$72,015
2018 Est. Median Household Income	\$62,177	\$62,338	\$62,224
2018 Est. Per Capita Income	\$25,786	\$23,650	\$23,612



# Tenant Overview



**El Segundo, California**

Headquarters

**NASDAQ: BGFV**

Stock Symbol

**430+**

Locations

**big5sportinggoods.com**

Website

Big 5 Sporting Goods is one of America's top retailers of name brand sporting goods and accessories. As of March 2019, Big 5 had 433 locations spread throughout 11 western states. The company was founded in 1955 and originally operated five stores in downtown Los Angeles, thus the name "Big 5." In the company's early years, Big 5 concentrated on World War II army surplus items but transitioned to sporting goods in 1963 due to the active nature of the Southern California population.

Big 5 provides a full-line product offering in a traditional sporting goods store

format that averages approximately 11,000 square feet. The product mix includes athletic shoes, apparel and accessories, as well as a broad selection of outdoor and athletic equipment for team sports, fitness, camping, hunting, fishing, tennis, golf, winter and summer recreation, and roller sports.

In June 2002, Big 5 held an initial public offering (IPO), resulting in over \$100 million being raised to finance future growth. Today, Big 5 is headquartered in El Segundo, California and continues to grow and prosper by maintaining its core strategy of providing convenient shopping and low prices.

# Location Overview



Maricopa is one of the oldest and most historic communities in the state of Arizona. It is nestled in the heart of the Sonoran Desert, surrounded by mountain ranges and desert scenery. As one of Arizona's fastest-growing cities, Maricopa remains rich in history, innate beauty and friendly people, and remains a fantastic place to raise a family, build a business, or enjoy the warm climate and desert views.

At Harrah's Ak-Chin Casino, guests can settle into one of 300 luxurious guest rooms equipped with all of the expected amenities before hitting the casino with the latest reel and video slots. Maricopa is also home to Ak-Chin Southern Dunes, a top-rated golf course in Arizona and annual host of U.S. Open qualifying.

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.

As one of the primary beneficiaries of the massive shift in the U.S. population from north to south, the Phoenix metro has had little difficulty finding workers. Phoenix claims five Fortune 500 headquarters, including Freeport-McMoRan, Republic Services, Insight Enterprises, Avnet and PetSmart. Construction, hightech manufacturing, healthcare and tourism dominate the Phoenix economy. The local economy has strengthened since the recession, with retail sales projected above 8 percent this year and hotel occupancy levels rising.

# [ exclusively listed by ]

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