



VALERO

784 N McQueen Rd | Gilbert, AZ 85233

OFFERING MEMORANDUM



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OFFERING MEMORANDUM



FINANCIAL OVERVIEW



TENANT OVERVIEW



AREA OVERVIEW



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**PROPERTY
ADDRESS**

784 N McQueen Rd
Gilbert, AZ



**NET
RENTABLE AREA**

±1,800 SF



LIST PRICE

\$1,043,478



CAP RATE

5.75%

INVESTMENT HIGHLIGHTS

- » **Long-Term Absolute NNN Lease** - ±11-year lease with zero landlord responsibilities
- » **Ideal 1031 Exchange Property** - Offers a potential investor a safe, long-term, hands-off investment
- » **Top MSA in Arizona - Gilbert AZ** - Was deemed to be **the fastest-growing city & safest city in Arizona** by WalletHub
- » **Extremely Dense Market** - There are **±153,000 - ±447,000** residents within the 3-mile and 5-mile radius with **6% - 8%** growth expected over the next 5 years!
- » **±1 miles from El Dorado Lakes Golf Course Community** - ±600 homes & a breathtaking par-72, 6,716-yard championship layout golf course
- » **Hard Signalized Corner** with multiple access points - Located directly on the corner of Guadalupe Rd, which features over **22,000 VPD** & McQueen Rd which sees over **35,000 VPD**
- » **Downtown Phoenix \$231 Million Mixed-Use Development** - New development comprising more than 1.1 million square feet including a 30-story tower, 150-room hotel, 300 apartments, 35,000 sq. ft of office space and student housing
- » Strategically located on the corner of the Ethan Plaza shopping center with surrounding national retailers
- » **Adjacent to McQueen's Landing** Subdivision- 90 new construction single family homes built by one of the nation's leading homebuilders the **Lennar Corporation**
- » **Accelerated Depreciation Opportunity** - Subject property gives a future landlord the ability to utilize accelerated depreciation to receive significantly higher after-tax cash flow on this property than other net lease investments

SURROUNDING AREA MAP







N. MCQUEEN RD.
± 36,000 VPD

W. GUADALUPE RD.
± 16,000 VPD





VALERO®

**FINANCIAL
OVERVIEW**



PHYSICAL DESCRIPTION



PRICE

\$1,043,478



CAP RATE

5.75%



NOI

\$60,000



LOCATION

GILBERT, AZ



GLA

±1,800 SF



YEAR BUILT

1996

TENANT SUMMARY

Tenant	Valero
Lease Guarantor	Personal
Lease Type	NNN
Original Lease Term	15 Years
Roof and Structure	Tenant Responsible
Lease Commencement Date	4/30/2015
Rent Commencement Date	4/30/2015
Lease Expiration Date	4/15/2030
Term Remaining	±11 Years
Increases	5% Every 5 Years
Options	Two, 5-Year Options

ANNUALIZED OPERATING DATA

Lease Commence	Monthly Rent	Annual Rent	Rent PSF	Cap Rate
Current - 3/31/2020	\$5,000.00	\$60,000.00	\$33.33	5.75%
4/01/2020 - 3/31/2025	\$5,250.00	\$63,000.00	\$35.00	6.04%
4/01/2025 - 3/31/2030	\$5,513.00	\$66,156.00	\$37.00	6.50%
Option 1	\$5,788.13	\$69,457.50	\$38.59	6.66%
Option 2	\$6,077.53	\$72,930.38	\$40.52	6.99%



TENANT OVERVIEW



TENANT OVERVIEW

Valero Energy Corporation, through its subsidiaries, is an international manufacturer and marketer of transportation fuels and other petrochemical products. Valero, a Fortune 50 company based in San Antonio, Texas, with approximately 10,000 employees, is an independent petroleum refiner and ethanol producer, and its assets include 15 petroleum refineries with a combined throughput capacity of approximately 3.1 million barrels per day and 11 ethanol plants with a combined production capacity of approximately 1.45 billion gallons per year. The petroleum refineries are located in the United States, Canada and the United Kingdom, and the ethanol plants are in the Mid-Continent region of the U.S. In addition, Valero owns the 2 percent general partner interest and a majority limited partner interest in Valero Energy Partners LP, a midstream master limited partnership. Valero sells its products in both the wholesale rack and bulk markets, and approximately 7,400 outlets carry Valero's brand names in the U.S., Canada, the U.K. and Ireland.



COMPANY NAME

VALERO



HEADQUARTERED

SAN ANTONIO, TX



WEBSITE

WWW.VALERO.COM





VALERO

AREA
OVERVIEW

GILBERT, AZ

Gilbert is a town in Maricopa County, Arizona, United States, located southeast of Phoenix, within the Phoenix metropolitan area. Gilbert is currently the most populous incorporated town in the United States and has made a rapid transformation from an agriculture-based community to an economically diverse suburban center. The city boasts one of the highest median incomes in the state of Arizona at \$85,187.

POPULATION EXPLODING WITH RECENT DEVELOPMENTS

Gilbert has continued to rank as one of the fastest growing communities since the '90s. The growing city has been able to sustain this level of growth while enhancing its business, education, and family environment. New businesses continue to choose Gilbert as their home as there are several developments in the works such as a Mercedes-Benz dealership along Gilbert Road, and a recently developed 17,000 square-foot multi-tenant retail center, 4-story 125,000 square-foot office building on the AZ 202 with anchor tenants Merrill Lynch and Finance of America Mortgage, and two additional 2-story, 60,000 square-foot office buildings on Rivulon Boulevard. With these new additions comes new job opportunities and, in turn, population increase.

Demographics

Population	1-Mile	3-Mile	5-Mile	Households	1-Mile	3-Mile	5-Mile
2024 Projection	10,292	151,721	449,382	2024 Projection	4,056	56,448	167,743
2019 Estimate	9,775	144,434	426,996	2019 Estimate	3,822	53,303	158,264
Growth 2019-2024	5.29%	5.04%	5.24%	Growth 2019-2024	6.12%	5.90%	5.99%

Income	1-Mile	3-Mile	5-Mile
2019 Average Household Income	\$87,738	\$81,916	\$80,412



STATISTICS

#22

Best Place to Live in the U.S.
Money Magazine

#2

Safest City in the U.S.
Law Street Media

#3

Best City to Find a Job in the U.S.
WalletHub

#12

Fastest Growing Community in the U.S.
U.S. Census Bureau

#9

Best City for Families
WalletHub

#1

City for Working Parents
WalletHub

PHOENIX, AZ

Phoenix is located in the heart of the fastest growing and most dynamic metropolitan area in the country with a population of over 4 million people. Phoenix has a population of 1.6 million and is the fifth largest city in the United States, forecast to be at least #4 by 2020. Adjacent cities include Scottsdale, Mesa, Chandler, and Glendale, and other nearby cities include Tucson, Yuma, and Flagstaff.

The Phoenix-Casa Grande-Tucson corridor has been and is expected to be one of the fastest growing areas in the U.S. in the next decades. The U.S. Census Bureau estimates that by 2030 the population of Phoenix will grow to 2.2 million, and the population of the metro area will reach 6.3 million. Arizona shares a vibrant border with Mexico that facilitates trade between the U.S. and Latin America. This timeless Southwestern backdrop is the perfect setting for family vacations, weekend adventures or romantic getaways. Each year, 16 million leisure visitors travel to Greater Phoenix.



PHOENIX INDUSTRIES

Manufacturing and tourism, traditionally the base of the city's economy, continue to be important to Phoenix. Major industrial products manufactured by companies located in the metropolitan area include aircraft parts, electronic equipment, agricultural chemicals, radios, air-conditioning equipment, leather goods, and native American crafts.

Tourism is an especially vital part of the economy. With more than 16 million visitors from throughout the United States and Canada annually visiting for the warm weather and sunshine in the Valley of the Sun, Phoenix continues to be an important resort center. Flights from Phoenix travel to 89 locations within the United States and 17 cities internationally including destinations in Norway, Sweden, Greenland, Mexico, India, and Canada. The airport is constantly seeking to improve its facilities as is demonstrated by the nearly 80 ongoing slated projects costing an upwards of \$600 million.

Population and economic growth have made Phoenix the center of the state's economy. More than a third of the state's entire labor force works in the Phoenix metropolitan area. Further, many Fortune 500 companies operate within the area such as Boeing, Bank of America, Time Warner Telecom, IBM, and Intel.

Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Valero** located at **784 McQueen Rd, Gilbert, AZ 85233** (“Property”). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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