

# SHERWIN-WILLIAMS

663 WEST WARNER ROAD, GILBERT, ARIZONA



REPRESENTATIVE PHOTO

OFFERING MEMORANDUM

Marcus & Millichap





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# Executive Summary

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$2,641,000</b>
Down Payment	100% \$2,641,000
Cap Rate	5.15%
Approx. Building SF	4,400
Net Cash Flow	5.15% \$136,000
Year Built	2019
Lot Size	.90 Acres

## LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Sherwin-Williams
Guarantor	Corporate
Roof, Structure & Parking Lot <sup>(1)</sup>	Landlord Responsible
Est. Rent Commencement Date	December 20, 2019
Est. Lease Expiration Date	December 31, 2029
Lease Term	10 Years
Rental Increases	10% Every 5 Years
Renewal Options	4, 5 Year Options

(1) 10 Year warranty to be transferred to new owner at Close of Escrow.

Landlord can charge the tenant a 10% management fee in addition to the base Rent (see Lease for details).

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
1 - 5	\$136,000	5.15%
6 - 10	\$149,600	5.66%
Options	Annual Rent	Cap Rate
Option 1	\$164,560	6.23%
Option 2	\$181,016	6.85%
Option 3	\$199,118	7.54%
Option 4	\$219,030	8.29%

<b>Base Rent</b>	<b>\$136,000</b>
<b>Net Operating Income</b>	<b>\$136,000</b>
<b>Total Return</b>	<b>5.15% \$136,000</b>







FOOD STORES  
**fruy's**

**TACO BELL**

*brakes plus*

**ACE**  
Hardware  
**DESERT FITNESS**

**rubio's**  
COASTAL GRILL

**Starbucks** **MOD**

**Wendy's**

Washington Federal.  
invested here.

**32,240 CPD**  
S COOPER RD

**MCDONALD'S**

*Walgreens*

**Bahama BUCKS**  
Original Shaved Ice Company

**DISCOUNT TIRE**

**K**

**AutoZone**

**TUTOR TIME**  
CHILD CARE / LEARNING CENTERS

**COCKATU'S**  
BIRD RESTAURANT

**O'Reilly**  
AUTO PARTS

**26,050 CPD**  
W WARNER RD

**SHERWIN WILLIAMS**





**LOWE'S**

**GILBERT TOWN SQUARE**

**SHERWIN WILLIAMS**

**TUTOR TIME**  
CHILD CARE / LEARNING CENTERS

**Banner Urgent Care**

**O'Reilly**  
AUTO PARTS

**COOPERS**

**LifeLink**  
CHURCH.COM

**AutoZone**

**Walgreens**

**Wendy's**

**K**

**DISCOUNT TIRE**

**BUCK'S**  
Original Shaved Ice Company

**PAPA JOHN'S**

**26,050 CPD**  
W WARNER RD

**32,240 CPD**  
S COOPER RD



# Property Description



CONSTRUCTION PHOTO  
AS OF 9/16/2019



## INVESTMENT HIGHLIGHTS

- » **Brand New 10-Year Corporate Lease**
- » New 2019 Construction
- » **10% Rental Increases Every 5 Years**
- » 359,256 Residents in Gilbert Trade Area - Phoenix MSA
- » **Excellent Visibility Along Warner Road (26,050+ Cars/Day)**
- » Surrounded by Major Retailers - Fry's Food & Drug, Ace Hardware, McDonald's, Taco Bell, Walgreens, and More
- » **Down the Road from Gilbert Town Square, an Outdoor Mixed-Use Mall**
- » Nearly 58,300 Cars/Day at the Nearby Intersection of Warner Road and Cooper Road
- » **Average Household Income Exceeds \$110K in Immediate Area**
- » Less Than 3 Miles to Downtown Gilbert
- » **Strong Daytime Population - 316,684 Employees within a 5-Mile Radius**



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2023 Projection	17,638	144,945	378,197
2018 Estimate	17,329	139,787	359,256
Growth 2018 - 2023	1.78%	3.69%	5.27%

### Households

2023 Projection	6,458	51,850	135,385
2018 Estimate	6,236	48,914	125,893
Growth 2018 - 2023	3.55%	6.00%	7.54%

### Income

2018 Est. Average Household Income	\$110,380	\$95,048	\$90,406
2018 Est. Median Household Income	\$88,339	\$73,626	\$69,078
2018 Est. Per Capita Income	\$39,839	\$33,301	\$31,737



**SHERWIN  
WILLIAMS.**



# Tenant Overview



**Cleveland, Ohio**

Headquarters

**NASDAQ: SHW**

Stock Symbol

**4,620+**

Locations

**1866**

Founded

**sherwin-williams.com**

Website

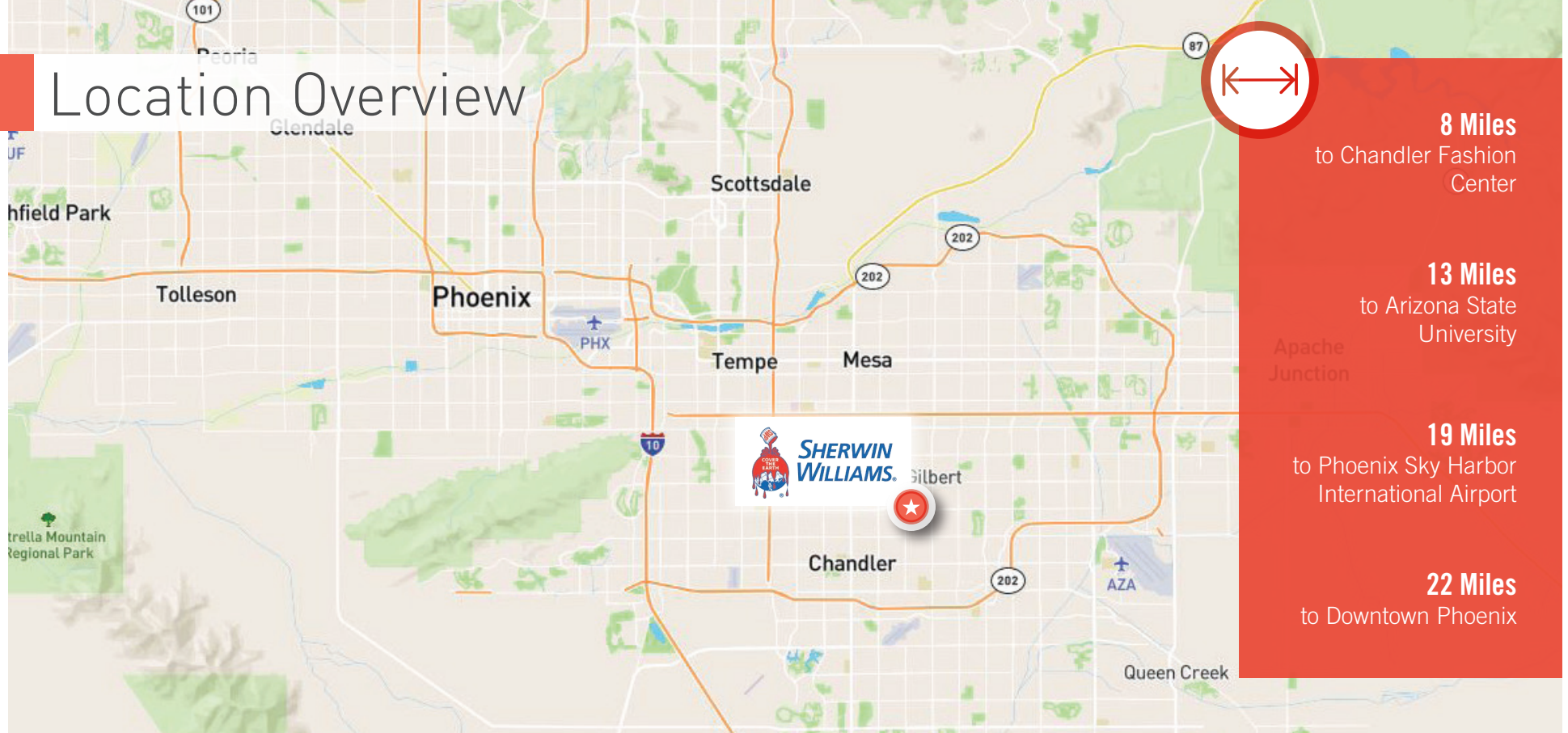
The Sherwin-Williams Company was founded by Henry Sherwin and Edward Williams in 1866. A Fortune 500 company in the general building materials industry, Sherwin-Williams is a global leader in the manufacture, development, distribution and sale of paint, coatings and related products to professional, industrial, commercial and retail customers primarily in North and South America and Europe.

The Company manufactures products under well-known brands such as

Sherwin-Williams®, Dutch Boy®, HGTV HOME® by Sherwin-Williams, Krylon®, Minwax®, Thompson's® Water Seal® and many more. With global headquarters in Cleveland, Ohio, Sherwin-Williams® branded products are sold exclusively through more than 4,620 company operated stores and facilities, while the Company's other brands are sold through leading mass merchandisers, home centers, independent paint dealers, hardware stores, automotive retailers and industrial distributors.



# Location Overview



As part of the Phoenix MSA, Gilbert, Arizona has evolved into one of the fastest growing communities and the largest town in the United States. Encompassing 72.6 square miles, just southeast of Phoenix, Gilbert has transformed from an agricultural community to a thriving and economically-diverse suburban community. Once known as the “Hay Shipping Capital of the World,” more recently Gilbert has received accolades such as “Phoenix’s Coolest Suburb,” a “top 5 foodie neighborhood in metro Phoenix”. Gilbert is also consistently recognized as one of the safest and best cities to live in the U.S.

Gilbert’s booming housing industry is coupled with booming business. With a targeted focus in the Science, Technology, Engineering and Math industries, Gilbert is home to many companies with focuses in Advanced Manufacturing,

Aerospace and Defense, Bio-Technology, Clean Technology and Renewable Energy.

Gilbert boasts a nationally ranked K-12 education system including public schools, unique magnet and charter schools, with an average graduation rate of 90%. Nearly 40% of Gilbert residents hold a bachelor’s degree or higher and the median household income is \$80,080.

As Gilbert approaches build-out over the next decade, the estimated population is expected to reach 330,000. With a continued focus on building the latest satellites, conducting cancer research and producing algae technology, Gilbert will continue to grow and thrive and uphold its reputation as being clean, safe and vibrant.



# [ exclusively listed by ]

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