

OFFERING MEMORANDUM

\$12,854,000 | 6.50% CAP RATE

- » Long-Term Net Lease to Investment-Grade Credit Tenant | NYSE: "KSS"
- » Rated "BBB" by S&P and "Baa2" by Moody's
- » Over 1,100 Stores in 49 States | Annual Revenue \$19.1 Billion
- » Irreplaceable Infill Location in a Highly Populated Area
 - » 350,428 Residents Within a Five-Mile Radius of the Property
 - » Prominent Location Along West Bell Road (45,288 Vehicles Per Day)
- » Central Location Near Large Employers, Retailers, and Community Hubs
 - » 138,592 Daytime Employees Working Within a Five-Mile Radius
 - » Directly Across from AAA's Operations Center (1,067 Employees)
 - » Minutes from Arrowhead Towne Center (10.8 Million Visitors Per Year)
- » Large, 9.54-Acre Lot With a Long-Standing History at This Location



ACTUAL SITE

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Leased Investment Team

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INVESTMENT SUMMARY

ADDRESS	5408 West Bell Road, Glendale, Arizona		
PRICE	\$12,854,000		
CAP RATE	6.50%		
NOI	\$835,456		
TERM	26 years, with 10 years remaining		
RENT COMMENCEMENT	February 1, 2004		
LEASE EXPIRATION	January 31, 2030		
RENTAL INCREASES	10% rental increases in option periods		
	YEAR	RENT	RETURN
	Current - 1/31/24	\$835,456	6.50%
	2/1/24 - 1/31/30	\$848,717	7.15%
	2/1/30 - 1/31/35 (Option 1)	\$892,921	7.87%
	2/1/35 - 1/31/40 (Option 2)	\$937,125	8.65%
	2/1/40 - 1/31/45 (Option 3)	\$981,329	9.52%
	2/1/45 - 1/31/50 (Option 4)	\$1,025,533	10.47%
	2/1/50 - 1/31/55 (Option 5)	\$1,069,737	11.52%
	2/1/55 - 1/31/60 (Option 6)	\$1,113,941	12.67%
	2/1/60 - 1/31/65 (Option 7)	\$1,158,145	13.93%
YEAR BUILT	2003		
BUILDING SF	88,219 SF		
PARCEL SIZE	9.54 acres (415,444 SF)		
LEASE TYPE	Net, with tenant responsible for all taxes, utilities, insurance, and maintenance, excluding structural maintenance and parking lot replacement		



ICONIC TENANT WITH STRONG FINANCIALS

- » Kohl's (NYSE: "KSS") is a leading omnichannel retailer with more than 1,100 stores in 49 states
- » Listed on both the S&P 500 and the Fortune 500
- » Annual revenue of \$19.1 billion
- » Investment grade tenant, rated "BBB" by S&P and "Baa2" by Moody's
- » Among the largest department store chains in the U.S.

EXTREMELY DENSE RETAIL CORRIDOR WITH HIGH AADT

- » Located at the signalized intersection of West Bell Road and North 55th Avenue, with excellent visibility and access to over 45,288 vehicles per day
- » Nearby access to Route 101, a semi-beltway encompassing much of the Phoenix metropolitan area, with a high traffic volume of 169,144 vehicles per day near the property
- » The property anchors the Desert Glen Shopping Center, which features a strong mix of local, regional, and national tenants, including Big 5 Sporting Goods, Music & Arts, Edible Arrangements, Justice, and more
- » The West Bell Road retail corridor is home to some of the Phoenix area's most popular shopping destinations
- » Less than three miles from Arrowhead Towne Center, which draws 10.8 million visitors per year—twice as many as the Grand Canyon—and serves a trade area of 1.5 million, encompassing a third of the Phoenix MSA's population

CENTRAL LOCATION WITH ROBUST DEMOGRAPHICS

- » Close to a number of public schools—such as Deer Valley High School (1,900 students)—as well as the campuses of several colleges, including Midwestern University (2,932 students) and Arizona State University's West Campus (3,663 students)
- » Minutes from notable community amenities, including the 555-bed, 3,000-employee Banner Thunderbird Medical Center and the 145-acre Peoria Sports Complex, which hosts spring training for Major League Baseball's San Diego Padres and Seattle Mariners
- » Directly across from AAA's operations center (1,067 employees) and close to many of the region's largest employers
- » Strong daytime population of 138,592 daytime employees working within a five-mile radius
- » 350,428 residents live within a five-mile radius, providing a sizeable customer base
- » Average household income of \$87,551 within one mile of the property, over 7% higher than the regional average



Peoria Sports Complex
(hosts spring training for MLB's Seattle Mariners and San Diego Padres)

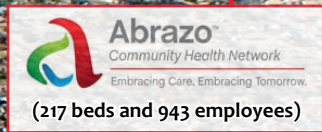
LOOP 101 / Route 101 (169,144 AADT)

Arrowhead Elementary School
(607 students)

Arrowhead Crossing



Arrowhead Towne Center



Cactus High School
(1,225 students)



Talavi Towne Center



Glendale Market Square



Canyon Elementary School
(299 students)



FUTURE DEVELOPMENT

Desert Glen Shopping Center



North 51st Avenue (24,885 AADT)



West Bell Road (45,288 AADT)



The 500 Golf Club
at Dam Regional Park



101 / Route 101 (169,144 AADT)



Canyon Point Academy
(348 students)



Deer Valley High School
(1,900 students)

Desert Sky Middle School
(694 students)

North 51st Avenue (24,885 AADT)



Desert Glen Shopping Center



FUTURE DEVELOPMENT

West Bell Road (45,288 AADT)



Glendale Market Square



Canyon
Elementary School
(299 students)





Tumbleweed Elementary School
(484 students)

Desert Palms Elementary School
(556 students)

Ironwood High School
(1,860 students)



North 51st Avenue
(24,885 AADT)



Canyon Elementary School
(299 students)



West Bell Road
(45,288 AADT)

FUTURE DEVELOPMENT





DEER VALLEY AIRPORT

CANYON BUSINESS CENTER



Mirage
Elementary School
(468 students)

Sunrise
Elementary School
(564 students)



Greenway
High School
(1,500 students)



BELLAIR GOLF CLUB

Bellair
Elementary School
(471 students)



North 51st Avenue (24,885 AADT)



FUTURE
DEVELOPMENT



West Bell Road
(45,288 AADT)

SITE PLAN

NORTH 55TH AVENUE

KOHL'S

88,219 SF

CATHERINES[®]
PLUS SIZES

Justice

Life Cam
CARVAs
Live - Laugh - Travel

OLF MARKET
Oriental & Seafood

Edible
REPUBLIC

ups

Angelina's
Pho & Grill & Bar

BIG 5
SPORTING GOODS

CRAZY MIKE'S WINGS

MUSIC & ARTS

FARMERS
INSURANCE

WEST BELL ROAD

TENANT SUMMARY



Kohl's (NYSE: "KSS") is a leading omnichannel retailer with more than 1,100 stores in 49 states. The company operates specialty department stores in the United States, selling apparel, footwear, accessories, and home products. In addition to the company's strong portfolio of proprietary brands, Kohl's stores offer a deep assortment of top national brands, including Nike, Levis, Under Armour, Carter's, Dockers, KitchenAid, FitBit, NutriBullet, and more. The company is listed on both the S&P 500 and the Fortune 500. Kohl's is rated "BBB" by Standard and Poor's and "Baa2" by Moody's.

For more information, please visit www.kohls.com.

TICKER	NYSE: "KSS"	LOCATIONS	1,100+
REVENUE	\$19.1B	EMPLOYEES	140,000+

LEASE ABSTRACT

TENANT	Kohl's Department Stores, Inc.	
GUARANTOR	Kohl's Corporation	
ADDRESS	5408 West Bell Road, Glendale, Arizona	
RENT COMMENCEMENT	February 1, 2004	
LEASE EXPIRATION	January 31, 2030	
RENEWAL OPTIONS	Seven (7) five (5) year options	
RENTAL INCREASES	YEAR Current - 1/31/24 2/1/24 - 1/31/30 2/1/30 - 1/31/35 (Option 1) 2/1/35 - 1/31/40 (Option 2) 2/1/40 - 1/31/45 (Option 3) 2/1/45 - 1/31/50 (Option 4) 2/1/50 - 1/31/55 (Option 5) 2/1/55 - 1/31/60 (Option 6) 2/1/60 - 1/31/65 (Option 7)	RENT \$835,456 \$848,717 \$892,921 \$937,125 \$981,329 \$1,025,533 \$1,069,737 \$1,113,941 \$1,158,145
COMMON AREA COSTS	Tenant is responsible for maintaining the Kohl's Tract.	
REAL ESTATE TAXES	Tenant is responsible for taxes levied and assessed against the Kohl's Tract.	
INSURANCE	Tenant is responsible for maintaining insurance on the Kohl's Tract.	
REPAIR & MAINTENANCE	Tenant is responsible for maintenance of the nonstructural portions of the Building and Kohl's Tract, regular maintenance of the parking lot on the Kohl's Tract, and minor roof repairs costing less than \$15,000.	
MAINTENANCE BY LANDLORD	Landlord shall maintain the structural components of the Building and shall be responsible for replacing the parking lot on the Kohl's Tract.	
RIGHT OF FIRST REFUSAL	Tenant has ten (10) business days from Landlord's Refusal Right Notice to exercise its refusal right.	

PROPERTY OVERVIEW

LOCATION

The property is conveniently located at the signalized intersection of West Bell Road and North 55th Avenue, with excellent visibility and access to over 45,288 vehicles per day. The property is a short distance from North 51st Avenue (24,885 AADT), which provides access to the nearby Route 101, a semi-beltway encompassing much of the Phoenix metropolitan area, with a high traffic volume of 169,144 vehicles per day near the property. The property anchors the Desert Glen Shopping Center, which features a strong mix of local, regional, and national tenants, including Big 5 Sporting Goods, Music & Arts, Edible Arrangements, Justice, and more. The West Bell Road retail corridor is home to some of the Phoenix area's most popular shopping destinations. Arrowhead Towne Center—located less than three miles from the property—is the leading shopping destination in the Phoenix area's West Valley region, drawing 10.8 million shoppers per year. Other nearby shopping centers include Arrowhead Crossing—featuring Target and Ross—and Talavi Towne Center, anchored by Walmart Supercenter.

The property is centrally located near several schools and universities, important community amenities, and major employers. The property is close to a number of public schools—such as Deer Valley High School (1,900 students)—as well as the campuses of several colleges, including Midwestern University (2,932 students) and Arizona State University's West Campus (3,663 students). Several notable community amenities are just minutes from the property, including the 555-bed, 3,000-employee Banner Thunderbird Medical Center and the 145-acre Peoria Sports Complex, which hosts spring training for Major League Baseball's San Diego Padres and Seattle Mariners. Also close to the property are several of the region's largest employers, such as AAA's operations center (1,067 employees), providing a strong daytime population of 138,592 daytime employees working within a five-mile radius. Additionally, the property is supported by a sizeable customer base with robust demographics; 350,428 residents live within a five-mile radius, and the average household income within one mile of the property is \$87,551.

ACCESS

Access from West Bell Road and North 55th Avenue

TRAFFIC COUNTS

West Bell Road:	45,288 AADT
North 51st Avenue:	24,885 AADT
Route 101:	169,144 AADT

PARKING

498 parking stalls in parcel, including ten (10) handicap stalls, plus ample additional parking throughout the shopping center

NEAREST AIRPORT

Phoenix Sky Harbor International Airport (PHX)



ACTUAL SITE

P
498
PARKING
STALLS


45K
TRAFFIC
COUNT (AADT)


**NEAREST
AIRPORT**
PHOENIX SKY
HARBOR
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Glendale is a city in Maricopa County, Arizona. The city is located about nine miles northwest of downtown Phoenix and is one of the principal cities of the Phoenix-Mesa-Glendale Metropolitan Statistical Area (MSA). With an estimated population of 253,956, Glendale is the sixth largest city in Arizona.

Phoenix is the capital of and largest city in Arizona. With 1,626,078 residents as of 2017, Phoenix is the fifth most populous city nationwide, the most populous state capital in the United States, and the only state capital with a population of more than one million residents. Phoenix is the anchor of the Phoenix MSA, also known as the Valley of the Sun. The metropolitan area is the 12th largest by population in the United States, with approximately 4.8 million people as of 2018. The MSA accounts for 65.5% of the total population of Arizona. The Phoenix metropolitan area is the cultural center of Arizona and has historically been the center of the state's economy. As of 2017, the Phoenix MSA had a Gross Domestic Product of just over \$242.95 billion. The top five industries were real estate, finance and insurance, professional and business services, manufacturing, and healthcare. Government, if it had been a private industry, would have been ranked fourth on the list, generating \$23.4 billion. Due to its climate, Phoenix and its neighbors have consistently ranked among the nation's top destinations in the number of five-diamond and five-star resorts. With more than 65,000 hotel rooms in over 500 hotels and 40 resorts, Greater Phoenix sees over 22.8 million visitors each year, the majority of whom are leisure travelers. Sky Harbor International Airport, which serves the Greater Phoenix area, serves over 43 million passengers a year, ranking it among the ten busiest airports in the nation.

- » Arrowhead Towne Center, located in Glendale, draws 10.8 million visitors per year—twice as many as the Grand Canyon. The mall has a trade area of 1.5 million, encompassing a third of the Phoenix MSA's population.
- » Glendale is home to Arizona's NFL Cardinals and NHL Coyotes, with facilities hosting games and events drawing millions of spectators..
- » In 2016, Phoenix became the fastest growing city in the United States, adding approximately 88 people per day during the preceding year. Greater Phoenix's population is expected to nearly double in the next two decades.
- » A young and diverse market with nearly 500,000 students, the region is home to several major universities and colleges. The largest of these is Arizona State University, the largest public university in the U.S., with a 2017 enrollment of over 100,000 students.

MAJOR EMPLOYERS IN PHOENIX MSA

OF EMPLOYEES

STATE OF ARIZONA	49,800
WALMART	30,634
BANNER HEALTH	24,825
CITY OF PHOENIX	15,100
WELLS FARGO	13,308
BANK OF AMERICA	13,300
MARICOPA COUNTY	12,792
ARIZONA STATE UNIVERSITY	11,185
APOLLO GROUP	11,000
JPMORGAN CHASE	10,600



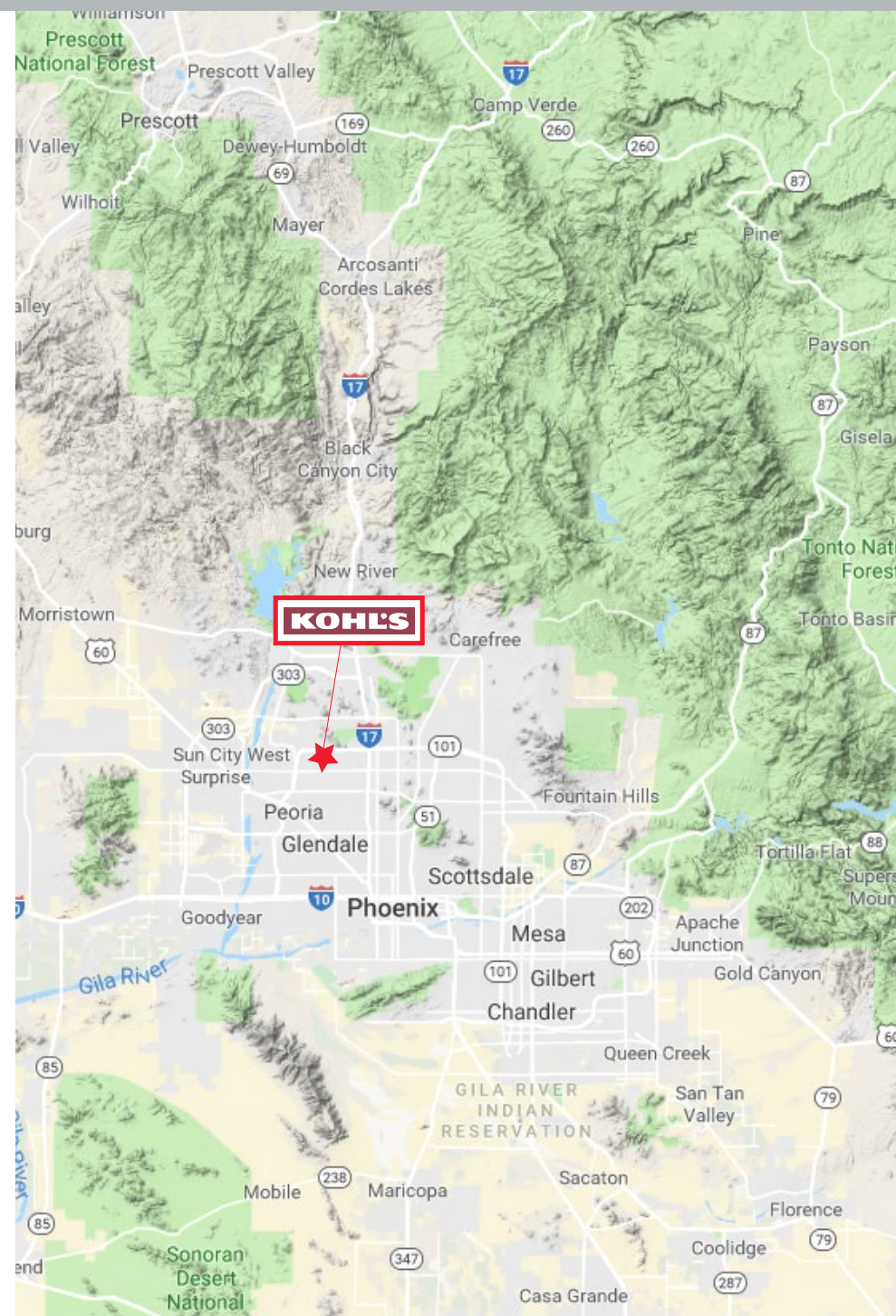
DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
Population	11,794	119,888	350,428
Households	4,052	45,054	132,092
Families	3,072	30,786	88,733
Average Household Size	2.86	2.62	2.63
Owner Occupied Housing Units	3,333	29,273	83,989
Renter Occupied Housing Units	719	15,782	48,103
Median Age	41.8	38.8	37.8
Average Household Income	\$87,551	\$82,207	\$77,290

2023 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	12,173	125,186	368,728
Households	4,173	46,995	138,773
Families	3,158	31,997	92,829
Average Household Size	2.87	2.62	2.63
Owner Occupied Housing Units	3,495	31,146	90,087
Renter Occupied Housing Units	678	15,849	48,686
Median Age	42.0	39.3	38.4
Average Household Income	\$102,024	\$94,841	\$89,001



**POPULATION OF 350,428
WITHIN FIVE MILES**



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