

# BIG 5 SPORTING GOODS

5490 WEST BELL ROAD, GLENDALE, ARIZONA



OFFERING MEMORANDUM

Marcus & Millichap





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# Executive Summary

5490 West Bell Road, Glendale, AZ 85308

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$3,141,400</b>
Cap Rate	7.50%
Building Size	14,210 SF
Net Cash Flow	7.50% \$235,608
Year Built	2004
Lot Size	1.84 Acres

## LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Big 5 Sporting Goods
Guarantor	Corporate
Roof & Structure	Landlord Responsible
Lease Commencement Date	September 23, 2005
Lease Expiration Date	January 31, 2026
Lease Term Remaining	6 Years
Rental Increases	10% in Each Option Period
Renewal Options	2, 5 Year Options

## ANNUALIZED OPERATING DATA

<b>Lease Years</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Current - 1/31/2026	\$235,608.00	7.50%
<b>Options</b>	<b>Annual Rent</b>	<b>Cap Rate</b>
Option 1	\$259,164.00	8.25%
Option 2	\$285,084.00	9.08%

<b>Base Rent</b>	<b>\$235,608</b>
<b>Net Operating Income</b>	<b>\$235,608</b>
<b>Total Return</b>	<b>7.50% \$235,608</b>

NOTE: Big 5 has signed a lease amendment to occupy the adjacent vacant suite. Monthly rent in the amount of \$3,500 shall be abated for the three-month period immediately following the Expansion Space Rent Commencement Date.





Walmart  
**Mor**  
THIRD PLACE 2015  
**DOLLAR TREE**

**SPROUTS**  
FARMERS MARKET

GARCIA'S  
**TACO BELL**

**Comfort**

**OUTBACK**  
STEAKHOUSE®

**ARROWHEAD**  
TOWNE CENTER

**Stein Mart**

**CARRABBA'S**  
ITALIAN GRILL

**BRAKE**  
MASTERS

**BMO**

**TUTOR TIME**  
CHILD CARE / LEARNING CENTERS

**ESPORTA**  
FITNESS

**WinCo**  
FOODS  
**LINA**  
Home Furnishings  
**FLOOR DECOR**

**BIG 5**  
SPORTING GOODS

**AAA**  
CORPORATE OFFICES

**1,000 CPD**  
N 55th AVE

**47,500 CPD**  
W BELL RD





**KOHL'S**  
*Justice*  
**SELF MARKET**  
*Oriental & Seafood*

FUTURE DEVELOPMENT

**BURGER KING**  
*Krispy Kreme*  
**DEL TACO**

**HARBOR FREIGHT TOOLS**  
*Freddy's*  
**STEAKBURGERS**  
*Walgreens*  
**planet fitness**

FUTURE DEVELOPMENT

**AAA**  
**CORPORATE OFFICES**

**47,500 CPD**  
W BELL RD

**BIG 5**  
SPORTING GOODS

**1,000 CPD**  
N 55th AVE

**BMO**



# Property Description



## INVESTMENT HIGHLIGHTS

- » **6 Years Remaining on Lease with Big 5 Sporting Goods**
- » Big 5 Has Amended Their Lease to Take Over the Adjacent Space
- » **Dense Infill Location in Phoenix MSA, 351,495 Residents within a 5-Mile Radius**
- » Outparcel to Kohl's-Anchored Center
- » **Hard Corner Location, Visible to 48,500+ Cars/Day at the Intersection of West Bell Road and North 55th Avenue**
- » Situated in Major Retail Corridor - Walmart, Sprouts Farmers Market, Kohl's, Esporta Fitness, WinCo Foods, Dollar Tree, and More
- » **Average Household Income Exceeds \$91,000 in Immediate Area**
- » Minutes from Arrowhead Towne Center - 170+ Brands, Restaurants, and Anchors - the #1 Highest Volume Regional Mall in Arizona
- » **Less Than 4 Miles Off the Loop 101 and Interstate 17 Freeways**



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2025 Projection	11,917	121,327	356,479
2020 Estimate	11,808	120,369	351,495
Growth 2020 – 2025	0.92%	0.80%	1.42%

### Households

2025 Projection	4,163	46,964	138,396
2020 Estimate	4,097	46,106	135,024
Growth 2020 – 2025	1.63%	1.86%	2.50%

### Income

2020 Est. Average Household Income	\$91,478	\$90,255	\$83,873
2020 Est. Median Household Income	\$76,136	\$71,311	\$66,862
2020 Est. Per Capita Income	\$32,000	\$34,821	\$32,355





# Tenant Overview



**El Segundo, California**

Headquarters

**NASDAQ: BGFV**

Stock Symbol

**430+**

Locations

**[big5sportinggoods.com](http://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.

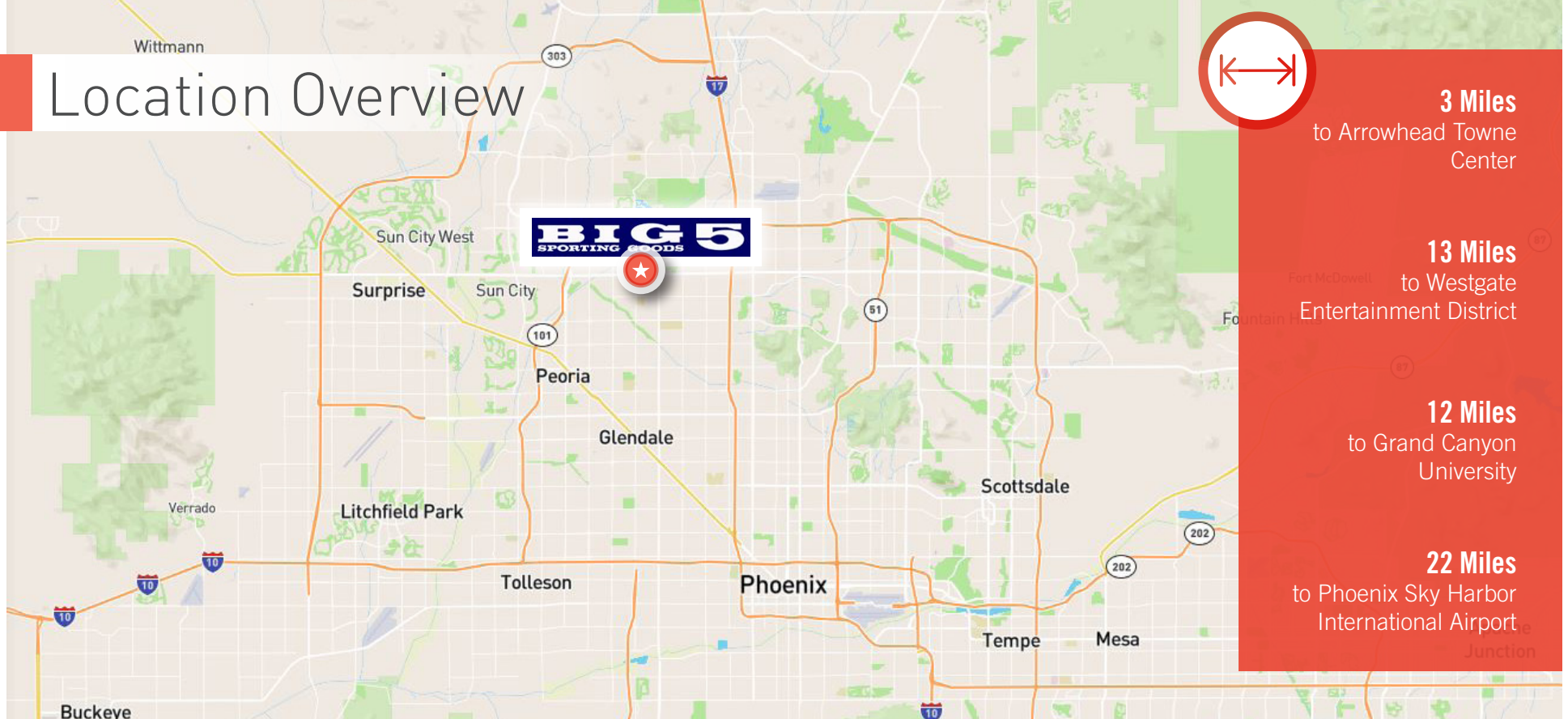
Big 5 provides a full-line product offering in a traditional sporting goods store

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



The city of Glendale is the sports destination for all of Arizona. Located about 9 miles northwest of Downtown Phoenix, Glendale is home to top shopping and dining districts, the largest Air Force Training base in the world, Midwestern University (metropolitan Phoenix's first medical school) and a major postgraduate international business school: the Thunderbird School of Global Management.

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.

High-tech manufacturing has been a powerful driver in the local economy for two decades. The region's relatively low cost of doing business has encouraged several manufacturers to remain and expand in the area, while luring others. The strengthening economy has drawn job seekers to the area, boosting the housing market. Phoenix offers a lower cost of living than other metros its size, a moderate climate, and a wide variety of recreational and cultural activities.



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