



9950 S RURAL ROAD | TEMPE, AZ 85284
OFFERING MEMORANDUM



JIFFY LUBE
 9950 S RURAL RD
 TEMPE, AZ

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EXECUTIVE SUMMARY

INVESTMENT HIGHLIGHTS

TENANT HIGHLIGHTS

- **Essential Retailer and E-Commerce Resistant Concept** - Jiffy Lube provides essential services and has been able to stay in operation throughout the pandemic. Having a service-based tenant provides landlords with the highest degree of protection against a rapidly changing retail landscape.
- **Absolute NNN Lease** - Zero landlord responsibilities, providing passive income for an out-of-state investor.
- **Attractive Potential Tax Benefits** - Oil change facility may qualify for 15 years accelerated depreciation schedule. *Consult your tax or accounting professional to see how this will apply to you.

LOCATION HIGHLIGHTS

- **Top Market in The United States** - The Phoenix MSA is the 10th most populous metro in the country and led the nation in new jobs created in 2019 according to the U.S Bureau of Labor Statistics.
- **High Traffic Location** - The property is ideally located as an outparcel to a Fry's Marketplace anchored shopping center on the intersection of Ray Rd and Rural Road which sees over 50,000 cars per day.
- **Dense Surrounding Demographics** - Tempe has a population of over 251,429 in a 5-mile radius and an average household income of \$125,323 in a 2-mile radius.



SECTION 2

FINANCIAL OVERVIEW

INVESTMENT SUMMARY

» OFFERING PRICE	\$1,787,076
» CAP RATE	6.50%
» TOTAL BUILDING AREA	±1,569 SF
» TOTAL LAND AREA	±0.24 AC
» NOI	\$116,160

DEBT QUOTE

LTV: 65.00%

RATE: 3.5-4%

AMORTIZATION: 25

TERM: 5

JACKSON DAILY

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BARRINGTON CAPITAL
REAL ESTATE FINANCING SERVICES

Loan quote provided by Barrington Capital based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

TENANT SUMMARY

Tenant	Jiffy Lube
Type of Ownership	Fee Simple
Lease Type	Absolute NNN
Lease Gaurantor	Phoenix Lubrication Services, Inc.
Lease Commencement	12/1/10
Lease Expiration	12/1/25
Original Lease Term	±15 years
Lease Term Remaining	±5 years
Current Rent	\$116,160.00
Rental Increases	10% in each option period
Options	Three, 5-year options

ANNUALIZED OPERATING DATA

	Monthly Rent	Annual Rent	Cap Rate
Current - 12/01/2025	\$9,680.00	\$116,160.00	6.50%
Option 1 (12/02/2025 - 12/1/2030)	\$10,648.00	\$127,776.00	7.15%
Option 2 (12/02/2030 - 12/1/2035)	\$11,712.80	\$140,553.60	7.87%
Option 3 (12/02/2035 - 12/1/2040)	\$12,884.08	\$154,608.96	8.65%



SECTION 3

TENANT OVERVIEW



THE OFFERING

PROPERTY NAME	
	Jiffy Lube
SITE DESCRIPTION	
Property Address	9950 S Rural Rd Tempe, AZ 85284
Number of Stories	One
GLA	±1,569
Type of Ownership	Fee Simple

TENANT OVERVIEW

» COMPANY NAME JIFFY LUBE	» LOCATIONS ±2,200	» HEADQUARTERS HOUSTON, TX
» EMPLOYEES ±6,538	» INDUSTRY CONVENIENCE STORE	» WEBSITE WWW.JIFFYLUBE.COM



A leading provider of oil changes and a subsidiary of Shell Oil Company, Jiffy Lube boasts more than 2,200 outlets led throughout North America that are all independently owned by operators. Besides oil changes, Jiffy Lube facilities provide maintenance services for air conditioning, fuel systems, and transmissions. At some of its locations it also performs inspections and emissions testing, repairs windshields and rotates tires. Serving about 22 million customers annually, Jiffy Lube caters to several fleet management firms such as Donlen, Emkay, Voyager and PHH. Heartland Automotive Services, Inc. is a franchisee company that operates over 530 Jiffy Lube locations in the United States.

Jiffy Lube focuses on its four key areas of preventative maintenance service: change, inspect, check/fill, and clean. The company's extensive technician training program has made Jiffy Lube an Automotive Service Excellence (ASE) Accredited Training Provider. With a focus on reuse, Jiffy Lube makes a point to collect more used oil than any of its competitors in North America. The oil is then refined and used for making concrete, generating electricity, and heating asphalt to pave roads.

CHANDLER SUNSET PLAZA
SHOPPING CENTER

CORONA DEL SOL PLAZA
SHOPPING CENTER

 **CORONA DEL SOL**
HIGH SCHOOL

EINSTEIN BROS. BAGELS
GNC
LIVE WELL.
 

S. RURAL RD
± 18,000 VPD

 FRESH
FOR
EVERYONE.

**POKE
WAVE**
fresh & delicious


**TACO
BELL**


babb's
italian eatery



W. RAY RD
± 36,000 VPD

DOWNTOWN TEMPE

± 6.6 MILES AWAY

ASU
Arizona State
University

CORONA DEL SOL
HIGH SCHOOL

fray's FOOD STORES
FRESH FOR EVERYONE

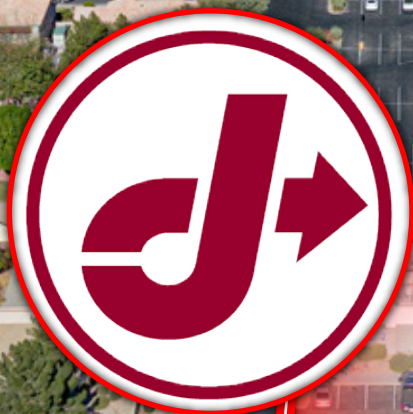
EINSTEIN BROS. BAGELS
GNC
LIVE WELL.
Little Caesars
UNITED STATES POSTAL SERVICE

S. RURAL RD
± 18,000 VPD

babb
italian eatery

POKE WAVE
fresh & delicious

TACO BELL



W. RAY RD
± 36,000 VPD



SECTION 4

AREA OVERVIEW

TEMPE, AZ

Tempe, Arizona is at the heart of Metropolitan Phoenix. The 8th largest city in Arizona is also the location of Arizona State University's main campus. Refreshingly offbeat, Tempe is a college town with a personality of its own. Tempe sees 300 sunny days and an average of 9 inches of rain per year. During the summer, Tempe averages around 104 degrees. During the winter, Tempe averages around 42 degrees. With this much sunshine, it is easy to get outside, go on an adventure, and enjoy the great outdoors in Tempe, Arizona. Excellent facilities, an ideal location, and a picturesque landscape make Tempe the perfect place to spend a sunny day by boating, hiking, biking, golfing, or watching an awe-inspiring sunset.

There is a wide array of shopping destinations in and around Tempe, from unique specialty shops to nationally known favorites, and everything in between. Plan your shopping excursion to Downtown Tempe, Tempe Marketplace, and Arizona Mills. Within a mile radius, there are plethora of things to do in Downtown Tempe. You can feast on international flavors, drink award-winning microbrews, shop locally, view contemporary masterpieces, see a Broadway show, take a hike, paddle on a lake, and visit one of the largest universities in the U.S. It is a Downtown unlike any other in Arizona.

Tempe attractions include desert discoveries, splashing around on a lake, viewing contemporary art, learning a bit of history, and being mesmerized by underwater creatures at an aquarium. Tempe is a welcoming destination with a spirited lifestyle where everyone will find fun-filled activities at every turn.



DEMOGRAPHICS

Population	1 Mile	3 Mile	5 Mile
2025 Projection	14,154	100,088	291,663
2020 Estimate	13,414	93,825	273,521
2010 Census	13,230	86,015	251,429
Growth % 2020-2025	1.1%	1.3%	1.3%
Growth % 2010-2020	0.1%	0.9%	0.9%
Households	1 Mile	3 Mile	5 Mile
2025 Projection	5,369	40,341	116,622
2020 Estimate	5,098	37,915	109,572
2010 Census	5,066	35,227	101,598
Growth % 2020-2025	1.1%	1.3%	1.3%
Growth % 2010-2020	0%	0.6%	0.4%
Income	1 Mile	3 Mile	5 Mile
Avg HH Income	\$132,237	\$111,599	\$99,463

ARIZONA STATE UNIVERSITY

Arizona State University is a public metropolitan research university on five campuses across the Phoenix metropolitan area, and four regional learning centers throughout Arizona. ASU is one of the largest public universities by enrollment in the U.S.

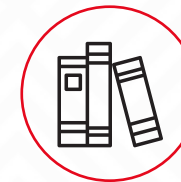
Recognized by U.S. News & World Report as the country's most innovative school, Arizona State University is where students and faculty work with NASA to develop, advance, and lead innovations in space exploration. This is where Nobel laureates and Pulitzer Prize winners teach master learners. This is where nationally ranked and internationally ranked programs prepare next-generation innovators to thrive while advancing pioneering research, strategic partnerships, entrepreneurship, and economic development. ASU offers 800+ accredited undergraduate and graduate degree programs and 270+ minors and certificates.

ASU's nationally ranked programs inspire the top-qualified graduates and have positioned the university as a "top tier" recruiting and hiring institution by more than 50 of the country's top corporations, according to professional recruiters and rankings services around the world.

ASU graduates more than 20,000 thinkers, innovators, and master learners every year.



+53,000
STUDENTS ANNUALLY



#1
IN THE U.S. FOR INNOVATION



#3
FOR SUPPLY CHAIN MANAGEMENT IN U.S.



PHOENIX, AZ

The Phoenix Metropolitan Area – often referred to as the Valley of the Sun, the Salt River Valley, or Phoenix Metro – is a metropolitan area, centered on the city of Phoenix, that includes much of the central part of the U.S. state of Arizona. The United States Office of Management and Budget designates the area as the Phoenix-Mesa-Scottsdale Metropolitan Statistical Area (MSA), defining it as Maricopa and Pinal counties.

Greater Phoenix encompasses 2,000 square miles and more than 20 incorporated cities, including Glendale, Scottsdale, Tempe and Mesa. Maricopa County, in which Phoenix is located, covers more than 9,000 square miles. Phoenix's elevation is 1,117 feet, and the city's horizon is defined by three distinct mountains: South Mountain, Camelback Mountain and Piestewa Peak.



4.95 MILLION
2020 ESTIMATED
POPULATION



\$227.74 BILLION
GROSS METRO
PRODUCT



3.2%
EMPLOYMENT
GROWTH



ECONOMY

The Phoenix Metropolitan area has historically been the center of the state's economy. As with the state of Arizona, the area relied on the five C's (copper, cattle, climate, citrus, and cotton) for its economic growth and expansion. However, after World War II, the area entered the manufacturing industry, which spurred the growth of what would eventually be one of the largest urban areas in the nation. **According to data released in 2019 by the U.S. Bureau of Economic Analysis, Arizona's real gross domestic product (GDP) increased by four percent in 2018, the fourth-fastest growth rate in the nation. Arizona's GDP growth outpaced that of 46 other states including California, Florida, and Texas. Sectors including manufacturing, real estate, and rental leasing, and construction contributed the most to Arizona's GDP growth over the last year.** About 46.8 million people visit from other states and Canada each year, due to the area's mild winters and long, sunny days. The technology and service industries currently account for almost 77% of total employment in the region. As well as a strong tourism industry, the Phoenix area has a significant business sector. **Phoenix is home to several Fortune 500 and Fortune 1000 regional and international headquarters.**



ECONOMIC DEVELOPMENTS

- **Voya Financial** announced it will open a new office in the metro Phoenix area and bring more than **1,000 jobs** to the Phoenix area.
- **CarMax**, the nation's largest retailer of used cars, created **430 new jobs** for their new Customer Experience Center which opened in Tempe in December of 2019.
- **Verdigris Holdings, Inc.**, selected Arizona for its corporate headquarters bringing over **210 jobs** to the area. This represents an economic infusion of over **\$32 million per year** by 2022 along with a \$19 million capital investment.
- **thredUP**, the world's largest online marketplace to buy and sell secondhand women's and children's clothing, opened a new distribution and office in Phoenix and is expected to bring **500 new jobs** to the market.
- **Choice Hotels** recently announced it will be locating its technology headquarters to north Scottsdale expecting to hire **500 people** over the next five years.
- **AT&T** created **500 jobs** at a new, state-of-the-art customer call center located within AT&T's corporate campus bringing the total number of AT&T employees in Arizona to 1,700.
- **Nike** plans to invest \$185 million to turn the Lincoln Logistics facility into a manufacturing plant for the mid-sole cushioning for its athletic shoes. The 901,700-square-foot facility will employ more than **500 full-time employees**.
- **Northwest Healthcare** announced an expansion in Tucson, creating nearly **600 jobs**.
- **Amazon** will open a new auxiliary distribution site creating **300 jobs**, which will primarily be delivery drivers and warehouse employees. The economic impact of the new Tucson "last mile" delivery center will be **\$181 million over the next five years**.
- **Imperfect Produce** will open its first customer care center in Tucson. The company plans to create **350 jobs**. Also, Imperfect plans to make a capital investment of \$200,000, creating an **economic impact of \$137 million** over the next five years.
- **Geico** opened a new, 200,000-square-foot regional office in Tucson and will **consolidate its 1,500 regional employees** into the building and add an **additional 700 positions** in the next few years.

AMAZON TO ADD THOUSANDS OF JOBS TO PHOENIX METRO

New sites supporting operations network to open throughout the Valley by end of 2020; more to come in 2021

Amazon.com, Inc. (NASDAQ: AMZN) announced in August 2020 that **11 new sites across the Phoenix metro area are expected to be open by the end of 2020** to support customer fulfillment and delivery operations. The new sites are expected to create more than 3,000 new full- and part-time jobs with a minimum wage of \$15 per hour and comprehensive benefits starting on day one.

The news follows Amazon's recent announcement of the company's Phoenix Tech Hub expansion at 100 Mill, which will bring more than 500 new jobs to the community. **Amazon has invested more than \$11 billion in Arizona since 2010 and directly employs more than 17,000 people across the state.**

The new sites include seven delivery stations and two additional facilities that support fulfillment operations in Avondale, Chandler, Goodyear, Mesa, Phoenix, and Tempe. Delivery stations power the last mile of Amazon's order fulfillment process. **These sites will create hundreds of permanent, full-time, and part-time jobs**, in addition to offering entrepreneurs the opportunity to build their own small business delivering Amazon packages, and independent contractors the flexibility to be their own boss and create their own schedule delivering for Amazon Flex.

Amazon's first cross-dock facility in the state is also slated to open by year's end in Phoenix with 1,000 full-time positions. The 600,000 square-foot building will support customer fulfillment by receiving large orders of inventory and redistributing products to fulfillment centers across the company's operations network.

In 2021, Amazon will launch additional sites to support customer fulfillment and operations, including a cross-dock facility in Goodyear and a delivery station in Surprise, creating more than 1,000 full-time jobs in the West Valley.



"This is big news, not only for the Phoenix area but for the entire state of Arizona," said Governor Doug Ducey. "Amazon employs thousands of people in our state, and the company's decision to expand its operations here will create thousands of more job opportunities for our citizens. We are grateful for Amazon's continued investment in Arizona."

QUALITY OF LIFE

Nicknamed the “Valley of the Sun,” the Greater Phoenix area sees more sunshine than any other metro area in the country. That in and of itself is enough to entice people to lay down roots, but Arizona’s capital also features a desirable combination of a thriving job market, a relatively low cost of living, and plenty of ways to enjoy the nice weather.



10TH IN U.S. FOR BEST ECONOMIC OUTLOOK,
THE AMERICAN LEGISLATIVE EXCHANGE COUNCIL, 2020



20TH FASTEST GROWING METRO IN U.S.,
U.S. NEWS, 2020



RANKED 26TH BEST PLACE TO LIVE IN U.S.,
U.S. NEWS, 2020



PHOENIX SUNS (NBA)

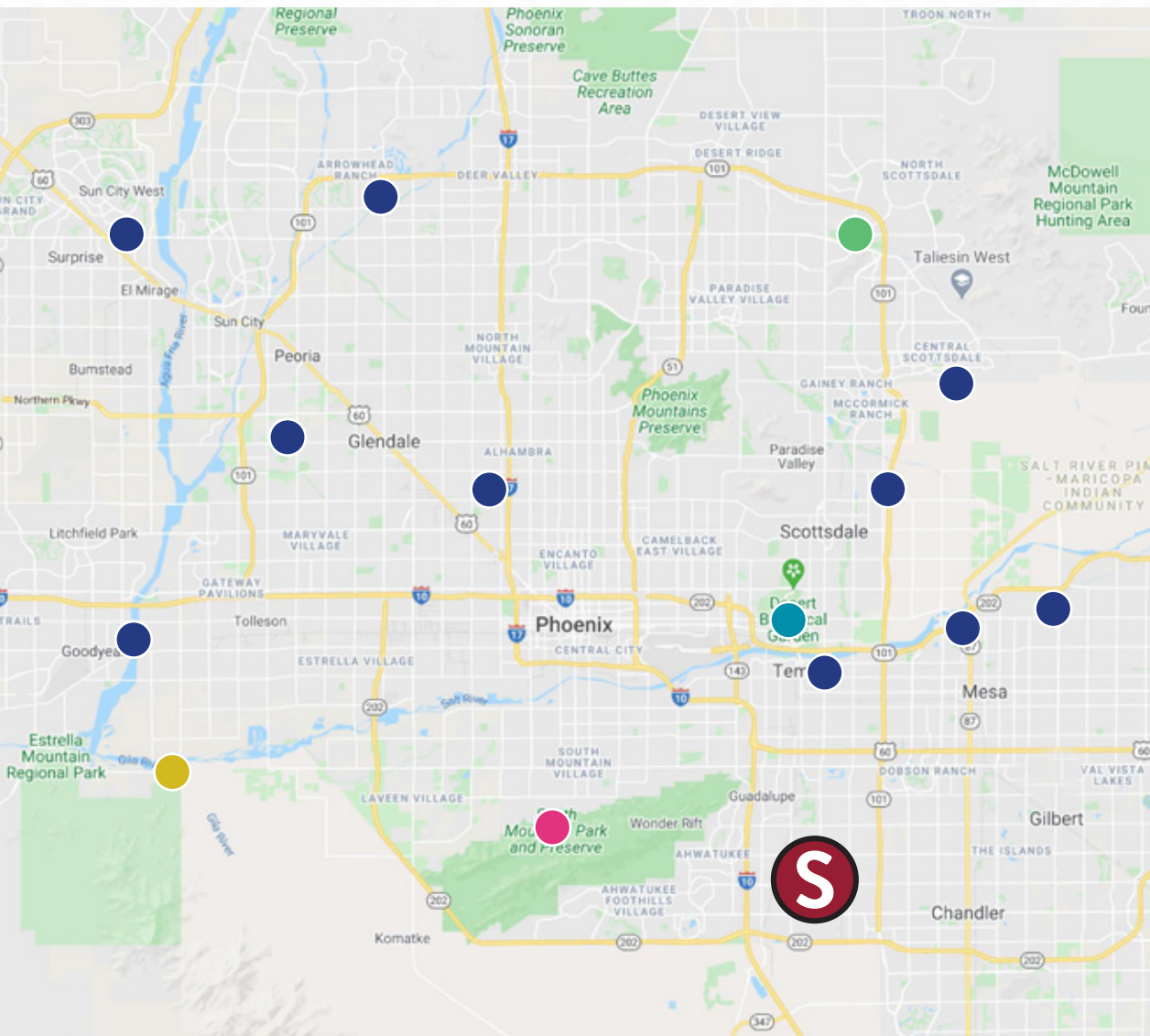


ARIZONA CARDINALS (NFL)



ARIZONA DIAMONDBACKS (MLB)

TOURISM AND ATTRACTIONS



SOUTH MOUNTAIN PARK AND RESERVE

At over 16,000 acres, South Mountain Park and Preserve is the largest municipal park in the United States, and one of the largest urban parks in North America and the world. It has been designated as a Phoenix Point of Pride. The 30 trails across the park offer a wide variety of options for hikers and mountain bikers, from novices to the most experienced.

PHOENIX RACEWAY

Phoenix Raceway is a 1-mile, low-banked tri-oval race track located in Avondale, Arizona, near Phoenix. The motorsport track opened in 1964 and currently hosts two NASCAR race weekends every year generating \$425 million in economic activity annually. Phoenix Raceway has also hosted the CART, IndyCar Series, USAC, and the WeatherTech SportsCar Championship. The raceway is currently owned and operated by NASCAR.

WASTE MANAGEMENT PHOENIX OPEN

The Phoenix Open is a professional golf tournament on the PGA Tour at the Tournament Players Club (TPC) of Scottsdale, Arizona. The event's relaxed atmosphere, raucous by the standards of professional golf, has earned it the nickname "The Greatest Show on Grass" and made it one of the most popular events on the PGA Tour calendar. Waste Management estimated the total economic impact from the 2018 tournament and its fans at over \$390 million, one of the largest financial impacts of any golf event in the nation.

CACTUS LEAGUE SPRING TRAINING

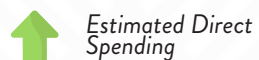
In Major League Baseball (MLB), spring training is a series of practices and exhibition games preceding the start of the regular season. Spring training has always attracted fan attention, drawing crowds who travel to the warm climate of Arizona and watch their favorite teams play. The 2018 Cactus League season generated an estimated economic impact of \$644.2 million and generated \$373 million for Arizona's Gross Domestic Product.

PHOENIX ZOO

The Phoenix Zoo opened in 1962 and is the largest privately owned, non-profit zoo in the United States. Located in Phoenix, Arizona serves 1.4 million guests annually and operates on 125 acres of land in the Papago Park area of Phoenix. It has been designated as a Phoenix Point of Pride. The zoo has over 3,000 animals on display and contains 2.5 miles of walking trails.

VISITOR SPENDING

\$25.6B



Estimated Direct Spending

TAX REVENUE

\$3.78B



State and Local Tax Revenue

EMPLOYMENT

194,000



Total Generated Jobs

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Jiffy Lube** located at **9950 S Rural Rd, Tempe, AZ 85284** ("Property"). The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

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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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REAL ESTATE INVESTMENT SERVICES

