

701 EAST BETHANY HOME ROAD | PHOENIX, AZ

SINGLE-TENANT ABSOLUTE NNN INVESTMENT FOR SALE

INVESTMENT PROPERTIES  
NET LEASE PROPERTY GROUP PHOENIX



**CBRE**

ACTUAL SITE

OFFERING MEMORANDUM



## NET LEASE PROPERTY GROUP PHOENIX

### JOSEPH R. COMPAGNO

Senior Vice President - Sales  
CBRE | Investment Properties  
Cell: 602 403 3783 (Call/Text)  
joe.compagno@cbre.com

### BENJAMIN FARTHING

Associate - Sales  
CBRE | Investment Properties  
Cell: 602 206 0784 (Call/Text)  
benjamin.farthing@cbre.com

### LOGAN GRANT

Senior Financial Analyst - Sales  
CBRE | Investment Properties  
Cell: 925 784 4754 (Call/Text)  
logan.grant@cbre.com

### NLPG - PHOENIX TEAM

Joseph R. Compagno  
Benjamin Farthing  
Logan Grant  
Kristina Konen

FOR ALL OF OUR AVAILABLE LISTINGS,  
PLEASE VISIT: [WWW.CBRE.US/NLPGPHOENIX](http://WWW.CBRE.US/NLPGPHOENIX)

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**ACTUAL SITE**

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# Investment Overview

## INVESTMENT HIGHLIGHTS

- › Single-tenant Circle K investment opportunity located on a heavily trafficked hard corner in central Phoenix, with daily traffic counts of  $\pm 65,529$  (Source: ADOT, 2019).
- › Circle K's parent company, Alimentation Couche-Tard Inc., is the largest independent convenience store operator in the United States in terms of number of company-operated stores. As of January 31, 2021, Couche-Tard's network comprised approximately 9,257 convenience stores throughout North America.
- › Circle K recently extended this lease for an additional 10 years, showing their commitment to this location. They have occupied this property since 1985.
- › The Property is located just north of the highly desirable Uptown Phoenix District, with a very dense 5-mile population of  $\pm 417,251$  (Source: Esri).
- › Nearby retailers include CVS Pharmacy, Raising Canes, Salad and Go, Starbucks, O'Reilly Auto Parts, AAA Auto Repair, Bashas', Culinary Dropout, Ace Hardware, and more.
- › The Property is located less than 2 miles down the street from Christown Spectrum mall, an  $\pm 852,317$  square foot power center anchored by Harkins Theatres, Walmart Supercenter, and Target.
- › The top employers in Phoenix are Banner Health ( $\pm 10,754$  employees), American Express ( $\pm 6,602$  employees), Honeywell ( $\pm 6,067$  employees), Amazon ( $\pm 5,607$  employees), Kroger ( $\pm 5,358$  employees), Dignity Health ( $\pm 5,284$  employees), JPMorgan Chase ( $\pm 5,274$  employees), and Bank of America ( $\pm 5,027$  employees) (Source: phoenix.gov).
- › Affluent 1 mile average household income of  $\pm \$113,790$  (Source: Esri).

# Investment Overview

## PRICING SUMMARY

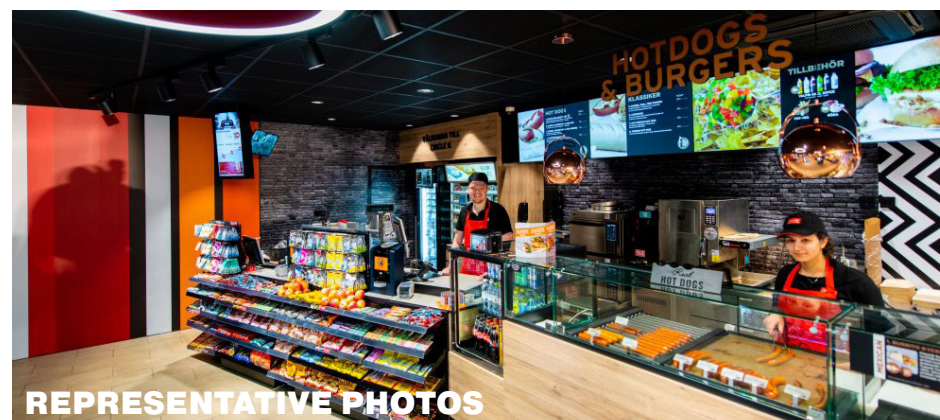
ADDRESS	701 E Bethany Home Rd Phoenix, Arizona 85014
PRICE	\$2,100,000
CAP RATE	4.29%
ANNUAL RENT	\$90,000
YEAR BUILT	1985
RENTABLE SF	±2,700
PARCEL SIZE	±16,060 SF
PARCEL NUMBER	162-06-003A
NLPG PHOENIX TEAM WEBSITE	<a href="http://www.cbre.us/nlpgphoenix">www.cbre.us/nlpgphoenix</a>

## RETURN SCHEDULE

5% Every Five Years

YEARS	MONTHLY RENT	ANNUAL RENT	CAP RATE RETURN
05/01/2021 - 04/30/2023	\$5,833.33	\$70,000.00	N/A
05/01/2023 - 04/30/2031	\$7,500.00	\$90,000.00	4.29%

\*Seller to credit buyer the rent differential at the close of escrow.



REPRESENTATIVE PHOTOS

You are solely responsible for independently verifying the information in this Memorandum. ANY RELIANCE ON IT IS SOLELY AT YOUR OWN RISK.

## LEASE SUMMARY

<b>TENANT'S NAME</b>	Circle K
<b>COMPANY TYPE</b>	Public (Alimentation Couche-Tard)
<b>LEASE GUARANTOR</b>	Corporate
<b>TENANT S&amp;P CREDIT RATING</b>	BBB
<b>LEASE TYPE</b>	Absolute Triple-Net (NNN)
<b>LEASE COMMENCEMENT</b>	01/23/1985
<b>LEASE EXPIRATION</b>	04/30/2031
<b>LEASE TERM REMAINING</b>	±9.5 Years
<b>RENT INCREASES</b>	5% Each Option
<b>OPTIONS TO RENEW</b>	Five (5), Five (5) Year
<b>RIGHT OF FIRST REFUSAL</b>	Fifteen (15) Days

## DEMOGRAPHICS

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS	10 MILE RADIUS
<b>2021 POPULATION</b>	16,048	161,841	417,251	1,462,390
<b>2026 POPULATION</b>	17,265	178,044	450,979	1,559,446
<b>GROWTH 2021-2023</b>	1.47%	1.93%	1.57%	1.29%
<b>2021 AVG HH INCOME</b>	\$113,790	\$88,468	\$80,069	\$80,496
<b>2021 EMPLOYEES</b>	11,535	115,943	265,921	787,401
<b>2021 MEDIAN AGE</b>	46.2	38.6	35.4	34.2

(Source: Esri)



# Property Overview

## TENANT OVERVIEW

### CIRCLE K

Circle K's success in the convenience retailing industry spans more than 60 years. In 1951, Fred Hervey purchased three Kay's Food Stores in El Paso, Texas. These stores would serve as the beginning of Circle K.

During the early years, Hervey's enterprising spirit enabled the company to make its mark in the southwestern part of the United States. He grew the Circle K chain into neighboring New Mexico and Arizona.

### International Market

During the next few decades, Circle K grew its retail network through a series of acquisitions, which were incorporated into the Circle K brand. By 1975, there were 1,000 Circle K stores across the U.S. In 1979, Circle K entered the international market when a licensing agreement established the first Circle K stores in Japan. The company's growth continued and, by 1984, sales had reached \$1 billion.

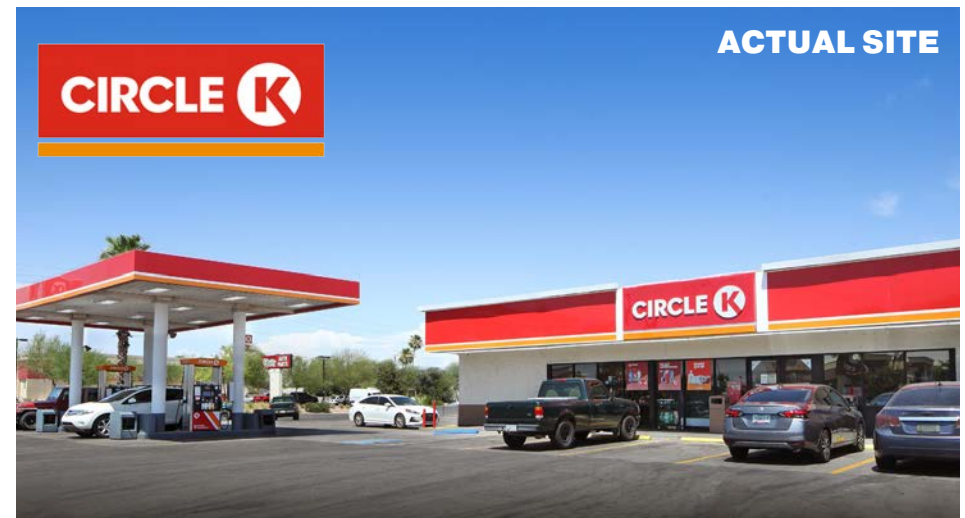
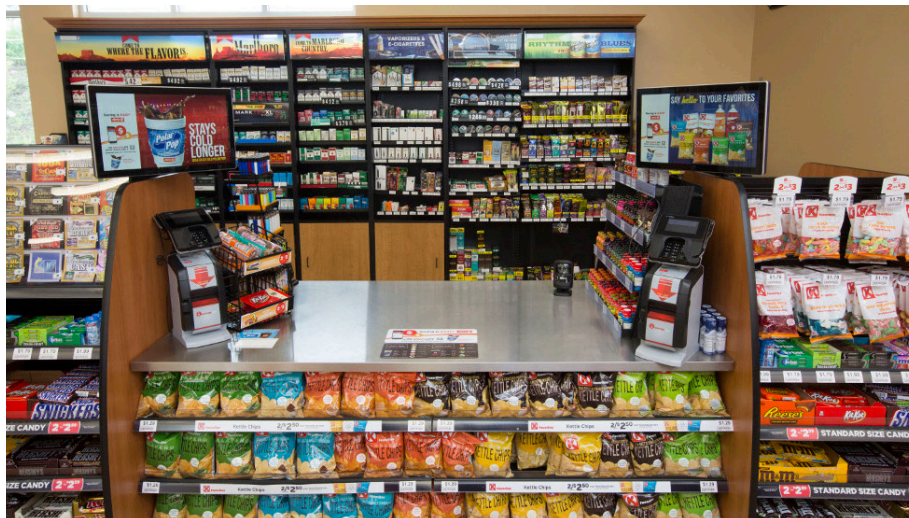
In 1999, a franchise program was introduced to support operators looking to build a business with a leading convenience store brand. In 2003, Circle K was acquired by Alimentation Couche-Tard and has developed into a global brand represented in over 26 countries.

Circle K has become one of the most widely recognized convenience store brands, known worldwide for quality products and great customer service.

### ALIMENTATION COUCHE-TARD

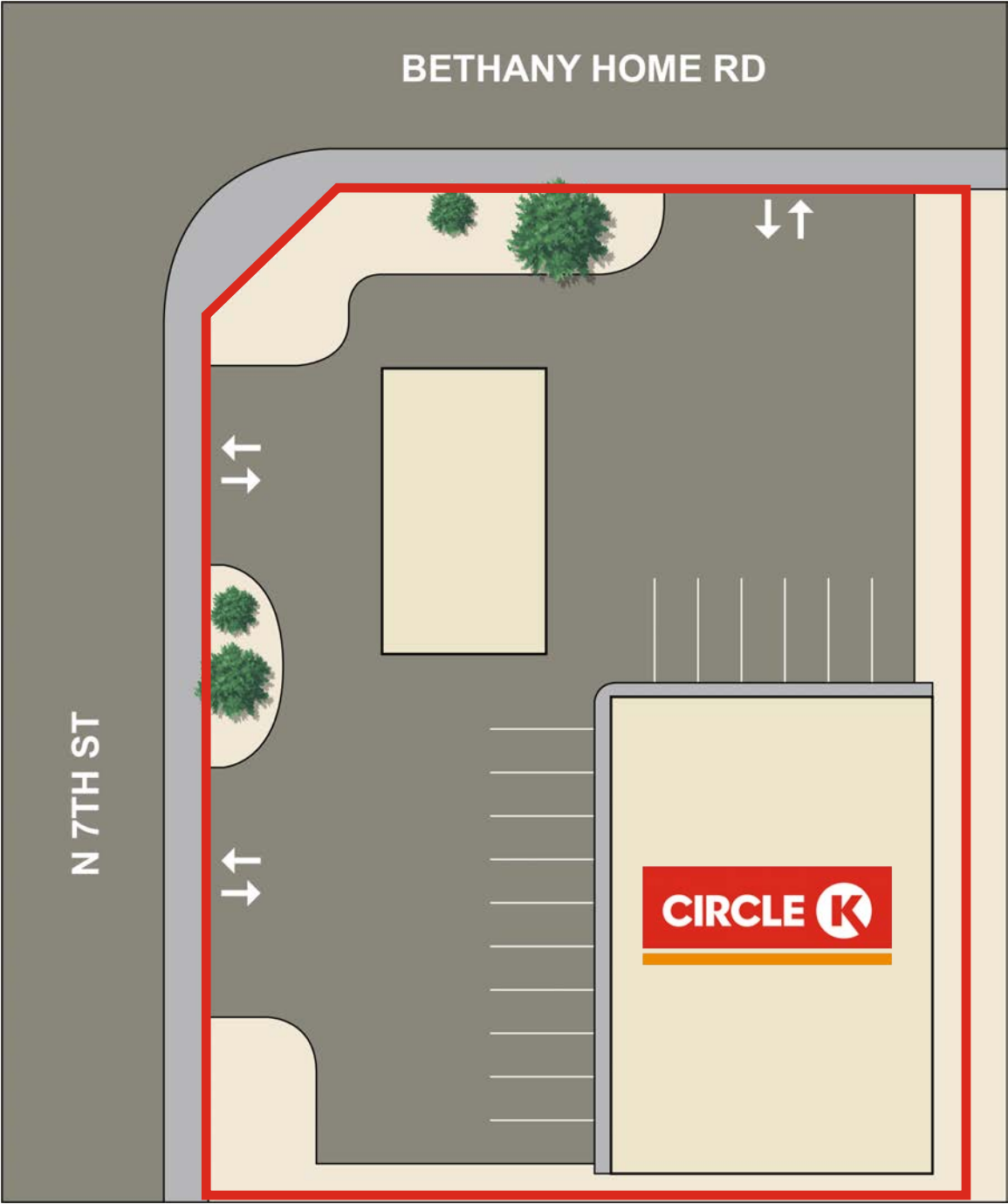
Couche-Tard is a global leader in convenience and fuel retail, operating in 26 countries and territories, with more than 14,200 stores, of which approximately 10,800 offer road transportation fuel. With its well-known couche-Tard and Circle K banners, it is the largest independent convenience store operator in terms of the number of company-operated stores in the United States and it is a leader in the convenience store industry and road transportation fuel retail in Canada, Scandinavia, the Baltics, as well as in Ireland. It also has an important presence in Poland and Hong Kong SAR. Approximately 124,000 people are employed throughout its network.

**CIRCLEK.COM**





SITE PLAN



  
NOT TO SCALE  
ALL DIMENSIONS ARE APPROXIMATE





CHASE FIELD

DOWNTOWN PHOENIX

**CINEMA PARK VILLAGE SHOPPING CENTER**

SPINATO'S PIZZERIA, Bashas', Starbucks, desert FINANCIAL CREDIT UNION, SUBWAY, H&R BLOCK, ACE Hardware

CITI ON CAMELBACK  
192 UNITS

VELA ON CAMELBACK  
237 UNITS

XAVIER COLLEGE PREPARATORY  
±1,200 STUDENTS

SAINT FRANCIS XAVIER ELEMENTARY  
±591 STUDENTS

BROPHY COLLEGE PREPARATORY  
±1,327 STUDENTS

THE CARLYLE  
212 UNITS

LANETERRALEVER  
KENETIC COMMERCIAL  
LEGACY AIR  
MIX 96.9  
CW6 - YOUR PHX.COM  
CONSULATE GENERAL OF ECUADOR

INHABIT ON 7TH  
74 UNITS



**THE COLONY**

PURE SUSHI COLONY, STOCK & STABLE, THE DRIP ROOM, FRAMED EYE OPTICAL, urbanwax, BEVVY, PHX GEN

**CROWN ON 7TH**

WILDFLOWER, PHX BEER, Pito's MEXICAN FOOD, the root salon, PUBBLICO ITALIAN CATERY, the village eye works, tenpoint, The Womack COCKTAIL LOUNGE, LOCAL HARDWARE SHOP



**CHRISTOWN SPECTRUM MALL ±1.9 MILES FROM PROPERTY**

TARGET, Walmart, Harkins Theatres, COSTCO WHOLESALE, ROSS DRESS FOR LESS, STARBUCKS, PETSMART, Walgreens

BETHANY AT MIDTOWN  
40 UNITS

PHOENIX HEBREW ACADEMY  
±170 STUDENTS



E BETHANY HOME RD (±30,234 VPD\*)



NOT TO SCALE  
Source: ADOT, 2019



# REGIONAL MAP



# Market Overview

## NORTH CENTRAL PHOENIX CORRIDOR

The North Central Phoenix Corridor is roughly bounded between Camelback Road, Northern Avenue, 7th Avenue, and 7th Street. Along with its rich history, this corridor is centrally located and includes some of the most established neighborhoods in Phoenix. North Central is quite convenient for anyone who works in the middle of the city and beyond. Arizona State Route 51 and Interstates 10 and 17 are a very short drive from the Property.

Development of the Central Avenue area began in 1895 when William J. Murphy platted the Orangewood subdivision. This ±two-square mile area bounded by what are now Northern Avenue and Bethany Home Road, between 7th Avenue and 7th Street was promoted as the Orangewood Residential Village. Murphy's concept about Orangewood was to create a suburb of Phoenix "wherein might be established rural homes at an easy distance from the city." He believed that the large lot size would attract upper income residents of Phoenix, wealthy outside investors and immigrants who would utilize the lots to build large estate homes surrounded by citrus groves.



Source: [historicphoenixdistricts.com](http://historicphoenixdistricts.com) and [historicphoenix.com](http://historicphoenix.com)



## NEIGHBORING AMENITIES & RETAILERS



# Market Overview

## METROPOLITAN PHOENIX

The Phoenix metropolitan area is a vibrant community and economic hub, attracting new residents and businesses alike. Today, the region is home to  $\pm 4.9$  million residents and continues to grow. The Phoenix MSA is the second fastest growing metro in the nation and ranks 11th in total population. The metro remains attractive not only because of its competitive advantage regarding cost, but also because of an overall value proposition, which includes its talent pool, quality of life and infrastructure.

Efforts to diversify the Phoenix economy, market its strengths, and make the region a friendlier place to do business have paid dividends. Today, the Phoenix metro area is increasingly known for its relatively low taxes and business-friendly regulatory climate. This combination, backed by numerous public-private partnerships between government, industry and leading educational institutions, supports a dynamic entrepreneurial community. Furthermore, the Valley has become a preferred location for finance, technology and advanced manufacturing. Companies also benefit from the metro's inherent advantages; for example, its strategic location provides access to major markets within one day's drive.

### GEOGRAPHY AND STRATEGIC LOCATION

Situated in the south-central region of Arizona, the Phoenix metropolitan area includes Maricopa and Pinal counties, spanning  $\pm 14,587$  square miles. Most of the metro's population and commercial density is concentrated in Maricopa County; however, growth is pushing outward into Pinal County where there is an abundance of land to build.

The Phoenix metro serves as an optimal location due to its proximity to major markets which attracts firms that export abroad to the Valley. Companies that distribute throughout the western and southwestern U.S. and Mexico benefit from the area's location and infrastructure that connects Arizona to  $\pm 65$  million people throughout markets in California, Colorado, Nevada, New Mexico, Texas and Utah, which are within a one-day truck haul.

### BUSINESS ACTIVITY

With a competitive advantage regarding cost, talent and quality of life, Phoenix is uniquely attractive to businesses. These factors, in addition to the metro's business-friendly regulatory environment and proximity to major markets, continue to help fuel growth. In recent years, a significant number of financial, technology and manufacturing companies have located and

expanded operations in greater Phoenix. The metro's growing prominence as a financial hub is fueled by companies such as USAA, State Farm, Charles Schwab, Freedom Financial and Northern Trust—all of which have expanded operations within the last few years. As a result, hiring rates for finance and insurance jobs in Phoenix have been among the highest in the country. The financial activities sector accounts for 9.0% of total employment in Phoenix and is a growing sector that supports more than 198,000 jobs. Still, industries such as trade, transportation and utilities; professional and business services; and educational and health services make up the largest share of the metro's labor economy.





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**JOSEPH R. COMPAGNO**

Senior Vice President - Sales  
CBRE | Investment Properties  
Cell: 602 403 3783 (Call/Text)  
[joe.compagno@cbre.com](mailto:joe.compagno@cbre.com)

**BENJAMIN FARTHING**

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CBRE | Investment Properties  
Cell: 602 206 0784 (Call/Text)  
[benjamin.farthling@cbre.com](mailto:benjamin.farthling@cbre.com)

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[logan.grant@cbre.com](mailto:logan.grant@cbre.com)