



# Dunkin' Donuts | PRESCOTT, AZ

JASON HERNANDEZ / First Vice President  
(916) 724-1300 / JHernandez@marcusmillichap.com

STEVEN J SIEGEL / Senior Managing Director  
(212) 430-5166 / SSiegel@SJSPartners.com

**DUNKIN'**

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Dunkin' Donuts  
1020 WILLOW CREEK ROAD, PRESCOTT, AZ 86301

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# NEW 20-YEAR ABSOLUTE NNN GROUND LEASE

BRAND NEW 20-YEAR ABSOLUTE NNN GROUND LEASE  
WITH NO LANDLORD MANAGEMENT OR MAINTENANCE RESPONSIBILITIES

## ADJACENT TO YAVAPAI REGIONAL MEDICAL CENTER

DENSE INFILL LOCATION WITH STRONG DEMOGRAPHICS  
\$77,047 AVG. HHI WITHIN A 5-MILE RADIUS

# INVESTMENT OVERVIEW

Dunkin' Donuts | PRESCOTT, AZ

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# INVESTMENT HIGHLIGHTS

## NEW 20-YEAR ABSOLUTE NNN GROUND LEASE

The subject property operates under a brand new 20-year absolute NNN ground lease with no landlord management or maintenance responsibilities whatsoever. The lease provides landlord-friendly rent escalations every 5 years of 8% during the initial term and at each 5-year option period.

## ADJACENT TO YAVAPAI REGIONAL MEDICAL CENTER

The property is atrategically positioned at intersection adjacent to Dignity Health's Yavapai Regional Medical Center (137-beds), the largest acute care, not-for-profit hospital in the region, with excellent visibility and access along Willow Creek Road.

## RARE INFILL PRESCOTT SINGLE TENANT INVESTMENT

The subject property represents a rare long-term single tenant investment opportunity in the city of Prescott, ideally situated within 90 miles of both the Phoenix metropolitan area and Flagstaff.

## NEWLY CONSTRUCTED BUILDING WITH DRIVE-THRU

The building was completed in 2022 and features one of the latest Dunkin' Donuts prototype designs. The building offers an upscale contemporary design complete with a wrap-around drive-thru pick-up window and outside dining area.

## IRREPLACEABLE RETAIL LOCATION SURROUNDED BY NATIONAL TENANTS

The property is surrounded by several national retailers in the trade area including Walmart Supercenter, Safeway, Walgreens, FedEx Office, Bank of America, Denny's, Arby's, Big O Tires, The UPS Store, Shell, Pep Boys, Goodwill, Joann Fabrics, Burger King, Dunn-Edwards Paints, Dollar Tree, and many more.

## WELL-ESTABLISHED AND EXPANDING FRANCHISEE

The franchisee has been in the QSR business since 2009. They have successfully managed and held equity interests in a portfolio of 57 Dunkin' Donuts in New York, New Jersey and Arizona, as well as 29 Taco Bells in New York and Kentucky. The franchisee has over 43 years of combined real estate experience.

(1) Lease information has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. Individuals are strongly advised to take appropriate measures to verify all of the information set forth herein. Buyer must conduct their own Due Diligence. (2) The Tenant under the Lease is a subsidiary of ABDD Arizona LLC, a Dunkin' Donuts franchisee comprised of 12-15 locations with an esitimated net worth of \$10M. Buyer is responsible for verifying during their Due Diligence period.



Construction progress as of February 2022  
Parcel lines are not exact



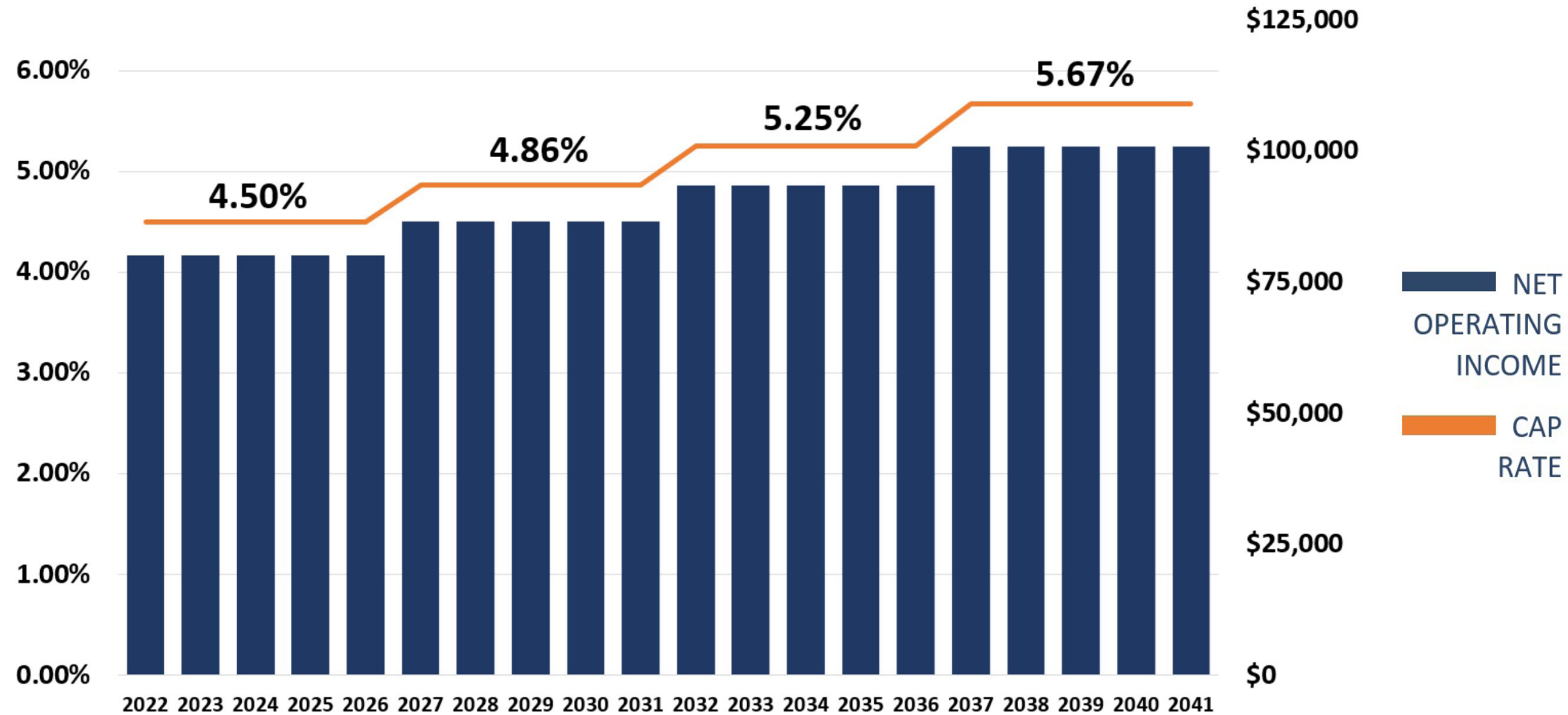
EXECUTIVE SUMMARY

DUNKIN' DONUTS  
PRESCOTT, AZ

1020 WILLOW CREEK ROAD, PRESCOTT, ARIZONA 86301

OFFERING PRICE		CAP RATE	
\$1,778,000		4.50%	
Net Operating Income		\$80,000	
Lease Type		NNN Ground Lease	
Years Remaining		20 Years	
Lease Commencement		Close of Escrow	
Year Built		2022 <sup>(1)</sup>	
Rentable Area		SF <sup>(1)</sup>	
Lot Size		SF <sup>(1)</sup>	
Primary Term Escalations		8% Every 5 Years <sup>(1)</sup>	
Extension Term Escalations		8% Every Option <sup>(1)</sup>	
Options		(5) Five-Year Options <sup>(1)</sup>	
Tenant		Subsidiary of Franchisee	

CAP RATE GROWTH CHART<sup>(2)</sup>



(1) Year Built, Rentable Area, Lot Size and Lease Terms are approximate. Buyer will need to verify the accuracy of these estimates during their Due Diligence period.  
(2) Rent Escalations and CAP Rate Growth Chart reflect the scheduled 8% rent increases every 5 years during the Primary Lease Term. Pro forma returns are not guaranteed and do not take into consideration any unforeseen expenses. Buyer must conduct their own due diligence to confirm these estimates.

236,426 RESIDENTS

PRESCOTT MSA IS CONVENIENTLY LOCATED  
JUST 90 MILES FROM BOTH PHOENIX AND FLAGSTAFF

THE SUBJECT PROPERTY IS SITUATED ALONG A DENSE RETAIL CORRIDOR  
AND DIRECTLY ACROSS FROM YAVAPAI REGIONAL MEDICAL CENTER

# LOCATION & MARKET OVERVIEW

Dunkin' Donuts | PRESCOTT, AZ

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## LOCATION OVERVIEW | PRESCOTT, AZ<sup>(1)</sup>



236,426 RESIDENTS  
IN THE PRESCOTT MSA

STRATEGICALLY LOCATED  
JUST 90 MILES NORTH  
OF THE PHOENIX  
METRO REGION

ARIZONA IS THE ONLY STATE  
IN THE U.S. WITHIN ONE  
DAY'S DRIVE OF THREE  
OF THE WORLD'S  
LARGEST ECONOMIES:  
CALIFORNIA (#8)  
TEXAS (#12)  
MEXICO (#15)

One of the fastest-growing areas in the nation, the Greater Phoenix metropolitan area has a population of nearly 4.76 million residents. Nearly 46 million people fly through Sky Harbor International Airport annually, making the Valley of the Sun the starting point for many traveler's Arizona vacations and providing a need for workers in the leisure and hospitality sectors. Central Arizona features a desirable combination of a thriving job market, a relatively low cost of living and plenty of ways to enjoy the 300+ days of sunshine. Prescott is conveniently located midway between Phoenix, Scottsdale, Sedona and Flagstaff.

Arizona is strategically located in the southwest between California (#8), Texas (#12) and Mexico (#15), which are three of the world's largest economies. The State's strong military presence is vital to Arizona's private Aerospace and Defense industry, with six major military installations, four National Guard operations and \$17.3 Billion in Department of Defense contracts in Fiscal Year 2020. Arizona is home to more than 600,000 service members and veterans from all branches and eras of service. The Bioscience and Health Care industry is also rapidly growing due to an environment rich in technology, a skilled workforce and Arizona's ultra business-friendly climate.

With a successful bid for the 2023 Super Bowl, the 2024 NCAA Final Four and the legalization of sports betting, Arizona can expect upwards of \$30 to \$35 million in taxable revenue by fiscal year 2024, and more than \$200 million in economic impact. The state boasts several professional franchises: Phoenix Suns (NBA), Arizona Diamondbacks (MLB), Arizona Cardinals (NFL), Phoenix Mercury (WNBA) and the Arizona Coyotes (NHL). Sports tourism is an enormous economic driver for the state's economy, both by way of revenue and employment. The appetite for sports does not change.

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(1) Sources: <https://realestate.usnews.com>, [www.phoenixchamber.com](http://www.phoenixchamber.com), and [www.pvedf.com](http://www.pvedf.com).





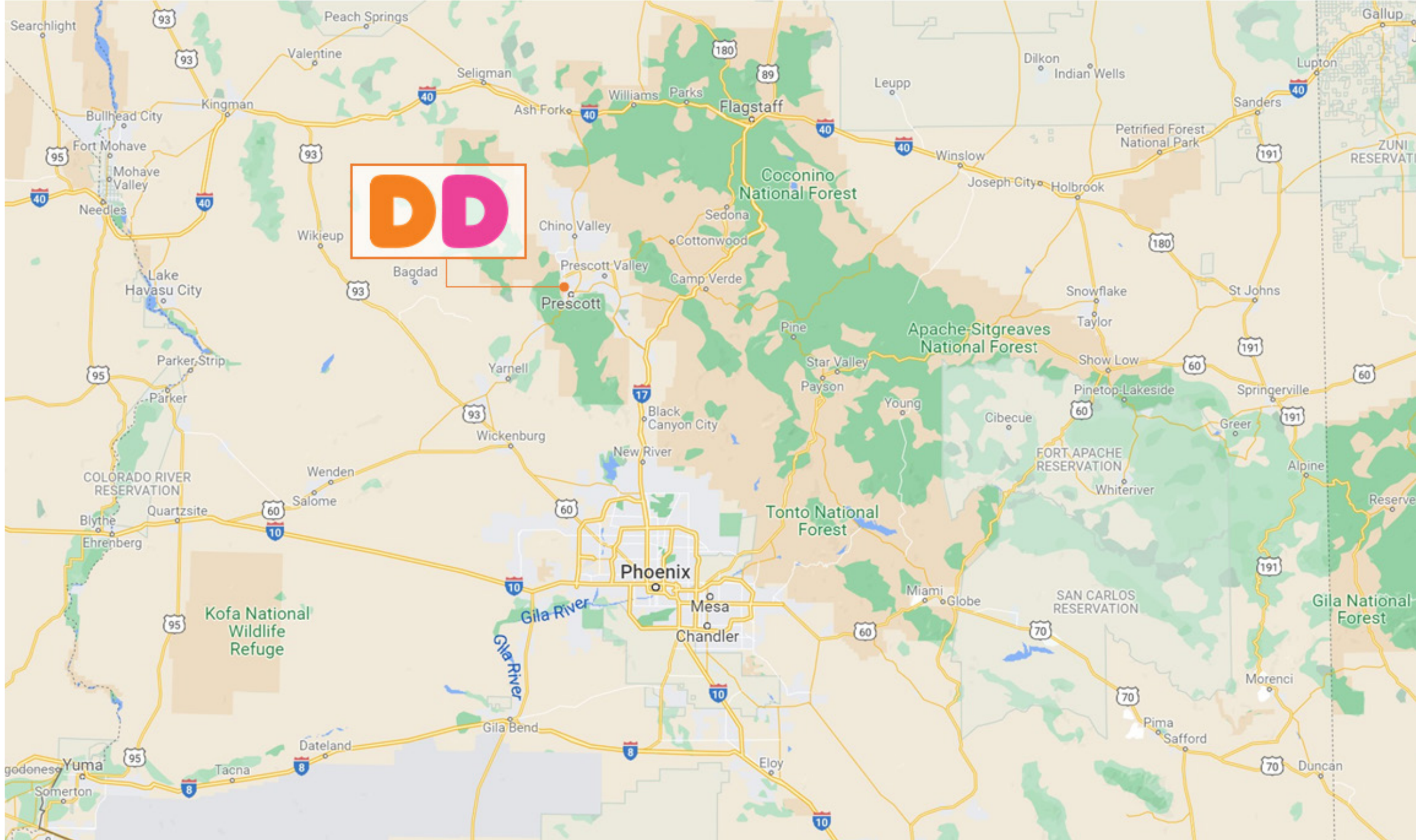
## AERIAL VIEW

The subject property is ideally located within a major retail thoroughfare and directly across the street from Dignity Health's Yavapai Regional Medical Center (137-beds).

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# EXPERIENCED FRANCHISEE

THE FRANCHISEE OPERATES DUNKIN' DONUTS AND TACO BELL  
LOCATIONS IN A NUMBER OF REGIONS ACROSS THE U.S.

# TENANT OVERVIEW

Dunkin' Donuts | PRESCOTT, AZ

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## BRAND OVERVIEW<sup>(1)</sup>



Inspire Brands, Inc. ("Inspire") announced the completion of its \$11.3 Billion acquisition of Dunkin' Brands Group, Inc. ("Dunkin' Brands") on December 15, 2020. With the addition of Dunkin' and Baskin-Robbins, Inspire now encompasses nearly 32,000 restaurants across more than 65 countries generating \$27+ Billion in global system sales, making it the second-largest restaurant company in the U.S. by both system sales and locations. Inspire's family of brands includes Arby's, Baskin-Robbins, Buffalo Wild Wings, Dunkin', Jimmy John's, Rusty Taco and SONIC Drive-In.

There are more than 12,800 Dunkin' Donuts restaurants worldwide – over 9,300 restaurants in 45 states across the U.S.A. and over 3,300 international restaurants across 30 countries. Dunkin' and Baskin-Robbins are category leaders and two of the most iconic restaurant brands in the world.

Source: [www.inspirebrands.com](http://www.inspirebrands.com)

## FRANCHISEE PROFILE

ABDD has been in the QSR business since 2009, holding both equity interests in and management responsibility for a portfolio which includes 57 Dunkin' Donuts in New York, New Jersey and Arizona and 29 Taco Bells in New York and Kentucky. ABDD's two founders have backgrounds in finance and banking at Goldman Sachs and Deutsche Bank, respectively. ABDD's CEO has over 25 years of fast food and franchise experience and a proven track record of managing multi-unit organizations, including an early stage network of 19 Dunkin's in Phoenix. ABDD's local (Phoenix) Director of Operations was previously an Arizona Operations Manager at Dunkin' Brands where he was responsible for opening the first 40 corporate-owned Arizona Dunkin's and for providing store opening support and training, cost control systems and compliance reviews.

- ▶ STRONG FRANCHISEE WITH OPERATIONAL HISTORY OF 57 DUNKIN' DONUTS AND 29 TACO BELLS IN FOUR DIFFERENT STATES
- ▶ ENTITY GUARANTEEING THE DUNKIN' DONUTS LEASE WILL BE COMPRISED OF 12-15 UNITS WITH AN APPROXIMATE NET WORTH OF \$10,000,000<sup>(1)</sup>
- ▶ OVER 43 YEARS OF COMBINED REAL ESTATE EXPERIENCE
- ▶ SUBSTANTIAL EXPERIENCE AND KNOWLEDGE OF THE ARIZONA REAL ESTATE MARKET HAS DRIVEN THE SUCCESS ON THEIR ARIZONA EXPANSION
- ▶ THE FRANCHISEE'S BACKGROUND WITH DUNKIN' DONUTS OPERATIONS, REAL ESTATE LAW, REAL ESTATE DEVELOPMENT, INVESTMENT BANKING, AND INSTITUTIONAL MARKETING ARE KEY FACTORS TO THEIR CONTINUED EXPANSION TRIUMPHS



<sup>(1)</sup> Dunkin' Donuts is not the Tenant or the Guarantor. The Tenant under the Lease is a subsidiary of ABDD Arizona LLC, a Dunkin' Donuts franchisee comprised of 12-15 locations and esitimated net worth of \$10 M. Buyer is responsible for verifying during their Due Diligence period.



**DUNKIN'**



**Dignity Health.**  
Yavapai Regional Medical Center  
137 Bed Hospital

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WILLOW CREEK RD 35,098 VPD



**Dignity Health.**  
Yavapai Regional Medical Center

# Dunkin' Donuts

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Broker of Record: Ryan Sarbinoff, AZ: BR023173000

**DUNKIN'**

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Construction progress as of February 2022  
Parcel lines not exact