

SALAD AND GO GROUND LEASE

OFFERING MEMORANDUM

FOR SALE

1902 W Northern Ave
Phoenix, AZ 85021



ACTUAL SITE PHOTO

CBRE



Absolute NNN Lease
±16.75 Years Remaining



10% Rent Increases
Every 5 Years



±184,133 Employees
Within a 5-Mile Radius



Heavily Traveled
Hard-Corner
(±84,994 VPD)



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1902 W Northern Ave | Phoenix, AZ 85021

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ACTUAL SITE PHOTO

INVESTMENT OVERVIEW

- » Single-tenant Salad and Go investment opportunity, offering an absolute triple-net (NNN) ground lease with ± 16.75 years remaining and 10% rental increases every 5 years.
- » The Property is located on a heavily trafficked hard-corner ($\pm 84,994$ VPD) which is an outparcel to a Sprout's grocery anchored shopping center (Source: ADOT, 2022).
- » Founded in 2013, Salad and Go currently has ± 129 locations either open or under construction in Arizona, Texas, Nevada, and Oklahoma. Salad and Go is the emerging Dutch Bros Coffee in the "health" food category. They are the second-fastest growing quick-service restaurant chain in America, with their total units expanding by 115.8% and sales rising 166.3% in 2022 (Source: datassential.com).
- » Salad and Go is one of the first restaurant companies to adapt to the drive-thru-only business model. The trend of restaurants without on-premise dining has accelerated due to COVID-19, with Chick-fil-A, Chipotle, Dunkin', Del Taco, El Pollo Loco, and other operators recently announcing their own drive-thru-only concepts.
- » Nearby national retailers include Albertson's, Walgreens, Esporta Fitness, Chase Bank, Circle K, AT&T, Starbucks, Dunkin', McDonald's, Del Taco, Burger King, El Pollo Loco, and many more.
- » The Property is located ± 8 minutes from Metrocenter Mall, one of Phoenix's most iconic properties. Concord Wilshire Capital and TLG Investment Partners, in partnership with international real estate firm Hines, recently purchased Metrocenter Mall and have plans for a \$850 million redevelopment that will include 2,600 multi-family units and 150,000 square feet of commercial space (Source: azbigmedia).
- » The Property is located ± 8 minutes from Christown Spectrum Mall, which is planned for a $\pm 2,980,000$ square foot redevelopment, featuring $\pm 2,066$ multifamily units and ± 300 hotel rooms (Source: bizjournals.com).
- » Dense population of $\pm 179,296$ in a 3-mile radius and $\pm 1,447,004$ in a 10-mile radius of the Property (Source: Esri).

PRICING SUMMARY

LIST PRICE
\$2,200,000

CAP RATE
5.25%

ADDRESS	1902 W Northern Ave Phoenix, AZ 85021
ANNUAL RENT	\$115,500*
YEAR BUILT	2020
RENTABLE SF	± 687
PARCEL SIZE	$\pm 18,429$ SF (± 0.42 Acres)
PARCEL NUMBER	158-06-001D

**Seller to Credit the Buyer the Rent Differential at the Close of Escrow. The Offering is Priced on the June 1, 2025 Rent.*



LEASE SUMMARY

TENANT'S NAME	And Go Concepts, LLC	LEASE EXPIRATION	5/31/2040
COMPANY TYPE	Private	INITIAL LEASE TERM	20 Years
LEASE GUARANTOR	Corporate	LEASE TERM REMAINING	±16.75 Years
NET OPERATING INCOME	\$115,500.00*	RENT INCREASES	10% Every 5 Years
LEASE TYPE	Absolute Triple-Net (NNN)	OPTIONS TO RENEW	Four (4), Five (5) Year
RENT COMMENCEMENT	5/15/2020	RIGHT OF REFUSAL	None

RETURN SCHEDULE

**Seller to Credit the Buyer the Rent Differential at the Close of Escrow.
The Offering is Priced on the June 1, 2025 Rent.*

YEARS	MONTHLY RENT	ANNUAL RENT	CAP RATE RETURN
5/15/2020 - 5/31/2025	\$8,750.00	\$105,000.00	N/A
6/1/2025 - 5/31/2030	\$9,625.00	\$115,500.00	5.25%
6/1/2030 - 5/31/2035	\$10,587.50	\$127,050.00	5.78%
6/1/2035 - 5/31/2040	\$11,646.25	\$139,755.00	6.35%
6/1/2040 - 5/31/2045	\$12,810.88	\$153,730.50	6.99%
6/1/2045 - 5/31/2050	\$14,091.96	\$169,103.55	7.69%
6/1/2050 - 5/31/2055	\$15,501.16	\$186,013.91	8.46%
6/1/2055 - 5/31/2060	\$17,051.27	\$204,615.30	9.30%

**Initial Term Highlighted*

DEMOGRAPHICS

	1 MILE RADIUS	3 MILE RADIUS	5 MILE RADIUS	10 MILE RADIUS
2023 POPULATION	22,667	179,296	440,490	1,447,004
2023 AVERAGE HOUSEHOLD INCOME	\$82,335	\$87,194	\$87,803	\$94,640
2028 AVERAGE HOUSEHOLD INCOME	\$96,410	\$101,572	\$102,776	\$110,258
2023 EMPLOYEES	6,594	60,283	184,133	724,787
2023 MEDIAN AGE	34.9	35.6	35.2	34.8

(Source: Esri)

TENANT OVERVIEW

Founded in 2013, Salad and Go currently has ±129 locations either open or under construction in Arizona, Texas, Nevada, and Oklahoma. Founded on the mission to make drive-thru fast food healthy and better tasting, Salad and Go offers world-class salads using only the finest and freshest ingredients, from house-made dressings to freshly chopped vegetables and cooked in-house meats. Based on the belief that if they can provide healthy, great-tasting food with drive-thru speed and pricing, Salad and Go is helping change the health of America.

Award winning Executive Chef Daniel Patino brings his extensive fine dining training and practices to Salad and Go, delivering an incomparable menu of irresistible flavor combinations. Using local, natural and organic ingredients, Salad and Go offers great

tasting food at a price point lower than most fast-food operators. Salad and Go's small store format, notable for its green and orange trim, helps keep operating costs low so that the company can instead invest in top-quality ingredients.

Salad and Go brings a fresh look to the fast-food/fast-casual sector capitalizing on growing demographic and social trends that are increasingly supportive of healthier, better quality, quick-serve concepts at the expense of more traditional fast-food operators.

SALADANDGO.COM





fray's
TACO BELL

BIG 5
SPORTING GOODS

PET SMART

FAMOUS
footwear

dd's DISCOUNTS

ROSS
DRESS FOR LESS

Panera
BREAD

Red Robin
GOURMET BURGERS & BEER

crumbl
cookies

Wendy's

CHIPOTLE
MEXICAN GRILL

chili's

RED LOBSTER
FRESH FISH & SEAFOOD

Conn's HomePlus

Denny's

Callie's n' Cassie's

dd's DISCOUNTS

BlueCross BlueShield Arizona

HEADQUARTERS
±2,500 EMPLOYEES

Metrocenter Mall Redevelopment

Dillard's **Harkins THEATRES** **Walmart Supercenter**

\$850M RENOVATION | 2,600 MULTIFAMILY UNITS
150,000 COMMERCIAL SF

Bethany Towne Center

Walmart Supercenter **HARBOR FREIGHT** **SALLY.**

jamba **STARBUCKS** **SONIC**

Wendy's **Denny's** **WING STOP**

La Pradera Park

GRAND CANYON UNIVERSITY

±23,500 STUDENTS

BIG LOTS!

Denny's

Washington Park

Solano Park

Washington High School
±1,806 Students

Orangewood Elementary School
±901 Students

DUNKIN'

McDonald's

DEL TACO

SPROUTS FARMERS MARKET

Walgreens

Albertsons

SAJAD AND GO

Rose Mofford Sports Complex

BARNES & NOBLE **SKECHERS OUTLET**

Olive Garden **TEXAS ROADHOUSE**

LONGHORN STEAKHOUSE **BURGER KING**

BUFFALO WILD WINGS **Canoe's CREAM FRIES**

Culver's **BANK OF AMERICA**

Sunnyslope High School
±2,233 Students

Royal Palm Park

Christown Spectrum Mall Redevelopment

TARGET **BIG 5** **Walmart Supercenter**

ROSS **PET SMART** **ULTA BEAUTY**

±2,980,000 NEW DEVELOPMENT SF
±2,066 MULTIFAMILY UNITS | ±150 HOTEL ROOMS

Madison Meadows Middle School

Palo Verde Golf Course

Colter Park

Uptown Phoenix

Steele Indian School Park

Phoenix Country Club

Sunnyslope Elementary School
±728 Students

HONORHEALTH
Lincoln Medical Center

±258 BEDS

fray's

Walgreens

planet fitness

Hilton
HOTELS & RESORTS
@ the Peak

±432 ROOMS

Marketplace At Central

Walmart Neighborhood Market **ROSS** **DRESS FOR LESS**

SALLY. **DOLLAR TREE**

Little Caesars **AT&T**

WING STOP **Pizza Hut**

STARBUCKS **ANYTIME FITNESS**
Get to a healthier place.

SAFEWAY

charles SCHWAB

CORPORATE OFFICE
±4,200 EMPLOYEES

Madison No. 1 Middle School
±968 Students

Biltmore Fashion Park

ANTHROPOLOGIE **california pizza kitchen** **THE CAPITAL GALLERY**

The Cheesecake Factory **J.Crew** **lululemon**

MAC **macys** **RALPH LAUREN**

Stacy's Active **Seasons 52** **SEPHORA**

TRUE FOOD KITCHEN **WHBM** **WILLIAMS SONOMA**

Camelback Colonnade

fray's **BEST BUY**

Michaels **ULTA BEAUTY**

FLOOR DECOR **Marshalls**

BED BATH & BEYOND **IN-N-OUT BURGER**

SUBJECT

RETAIL/MIXED USE

ENTERTAINMENT

SCHOOLS

MEDICAL

LODGING

OFFICE

REGIONAL MAP



SITE PLAN



NEIGHBORING AMENITIES & RETAILERS



METROCENTER MALL REDEVELOPMENT (±8 MINS FROM PROPERTY)

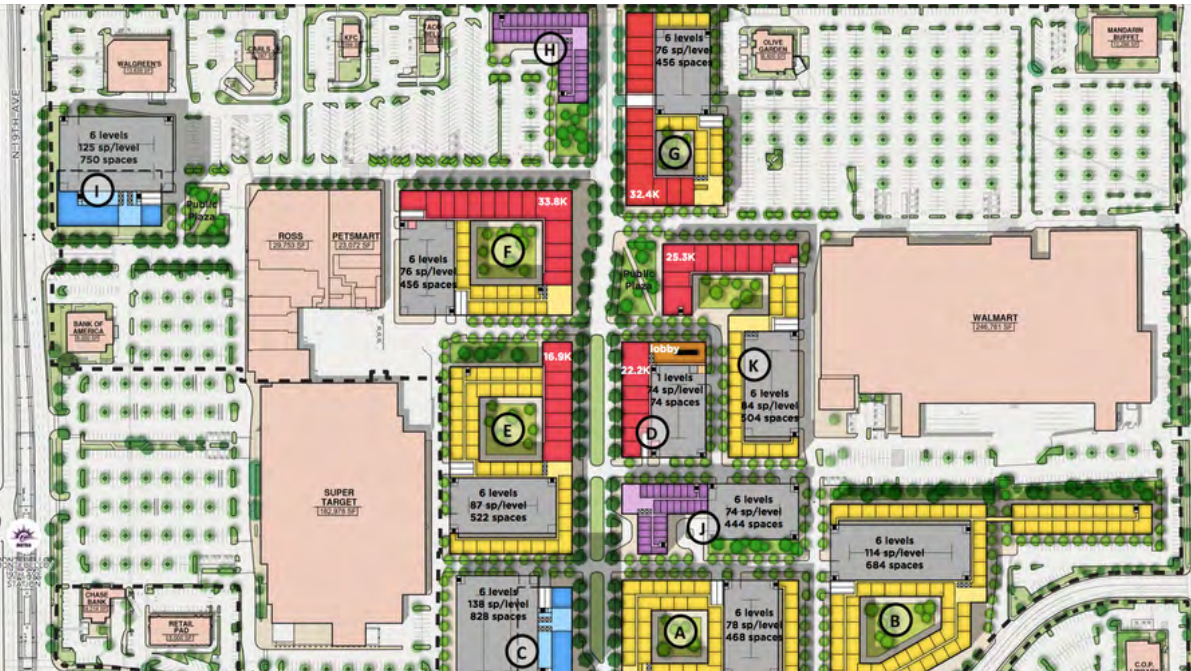


The Phoenix Metrocenter Mall, one of Phoenix's most iconic properties which opened in 1973, is about to become the largest mall redevelopment project in Arizona history.

Concord Wilshire Capital and TLG Investment Partners, in partnership with Carl DeSantis' CDS International Holdings Inc., announced on January 29, 2023 that the acquisition of the Metrocenter Mall, including the Dillard's Building and U-Haul Building (formerly Macy's Building) has closed. The development group has formed a strategic alliance with Hines, the international real estate firm, to redevelop and repurpose the Metrocenter Mall into a community-driven walkable village that will be home to a variety of residential apartment options including ownership and rental, curated boutiques, popular retail stores, restaurants, bars, a town-center park, and other commercial and entertainment venues. The plans for the village include over 2,600 multifamily units, ±150,000 square feet of commercial and essential and service retail and ±4,100 surface and garage-deck parking spaces. Total construction costs are expected to be over \$850 million.

The revitalized Metrocenter property will be designed as a self-contained, transit-oriented community, encompassing the city's new Light Rail Station that is currently under construction on site. The City of Phoenix is investing approximately \$150 million to build this Light Rail Station, which is scheduled to be delivered in 2024 as part of the Northwest Extension. The Light Rail Station will serve as one of the major focal points of the development and will provide direct connectivity to Downtown Phoenix, the Phoenix Sky Harbor International Airport, ASU, and communities to the east. (Source: azbigmedia.com)

CHRISTOWN SPECTRUM REDEVELOPMENT (±8 MINS FROM PROPERTY)



Opening in 1961, Christown Spectrum Mall was the first airconditioned mall in Arizona and is the oldest operating indoor shopping mall in Phoenix. In 2015, Kimco Realty Corp. (NYSE: KIM) purchased the ±850,000 square-foot destination power center for \$115.3 million. Kimco has significant experience with mixed-use projects and is one of North America's largest publicly traded owners and operators of open-air, grocery-anchored shopping centers and mixed-used assets. The company owns interests in ±400 U.S. shopping centers and mixed-use assets comprising ±70 million square feet of gross leasable area primarily concentrated in the top 20 major metropolitan markets.

The Christown Spectrum Planned Unit Development ("PUD") represents the evolution of this property from a large regional suburban mall to a central core area that is envisioned to have high density multi-family housing, employment, retail, entertainment, and enhanced transit opportunities. Kimco plans to add nearly 3 million square feet in new developments, including ±2,066 multifamily units, ±300 hotel rooms, ±46,000 square feet of entertainment, and ±280,000 square feet of office space.

The ultimate goal is to create an overall cohesive development environment that will be more urban and pedestrian in nature by providing the following:

- » An increase of population and employment through infill development within transit-oriented districts.
- » A walkable, bikeable, and transit supportive development environment.
- » The integration of auto-oriented and industrial uses with a complementary mix of land uses.
- » A high level of connectivity of pedestrian and vehicular routes, which entails small block sizes.
- » Comfortable, safe, and economically productive districts surrounding light rail stations, providing for walking and bicycling between and within the transect districts.
- » The protection of property value.

(Source: phoenix.gov)

MARKET OVERVIEW

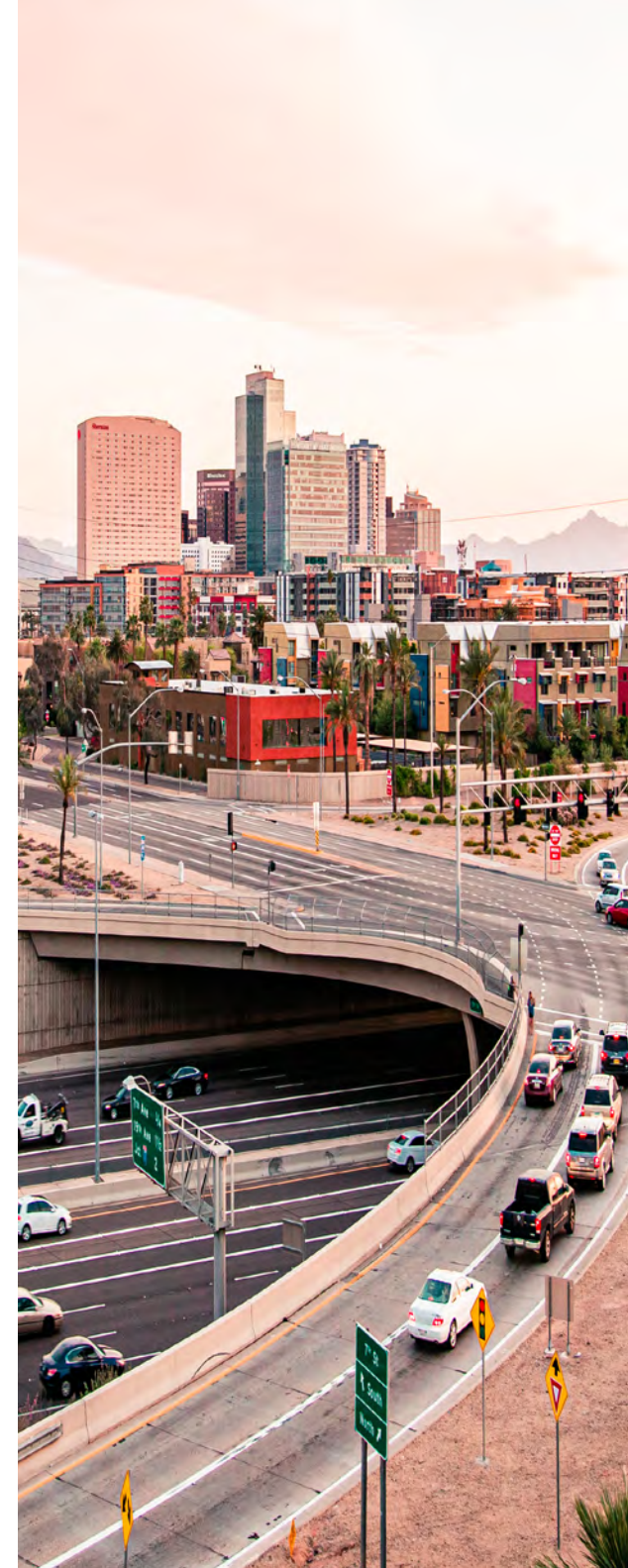
METROPOLITAN PHOENIX

The Phoenix metropolitan area is a vibrant community and economic hub, attracting new residents and businesses alike. Today, the region is home to ± 5 million residents and continues to grow. The Phoenix MSA is the second fastest growing metro in the nation and ranks 10th 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 ± 40 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 220,000 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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ACTUAL SITE PHOTO

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