

# OFFERING MEMORANDUM



TEMPE  
ARIZONA

3 In-line Tenants to the popular Elliot Plaza Shopping Center

Marcus & Millichap

NNN  
NNN DEAL  
THE SINGLE TENANT RESOURCE

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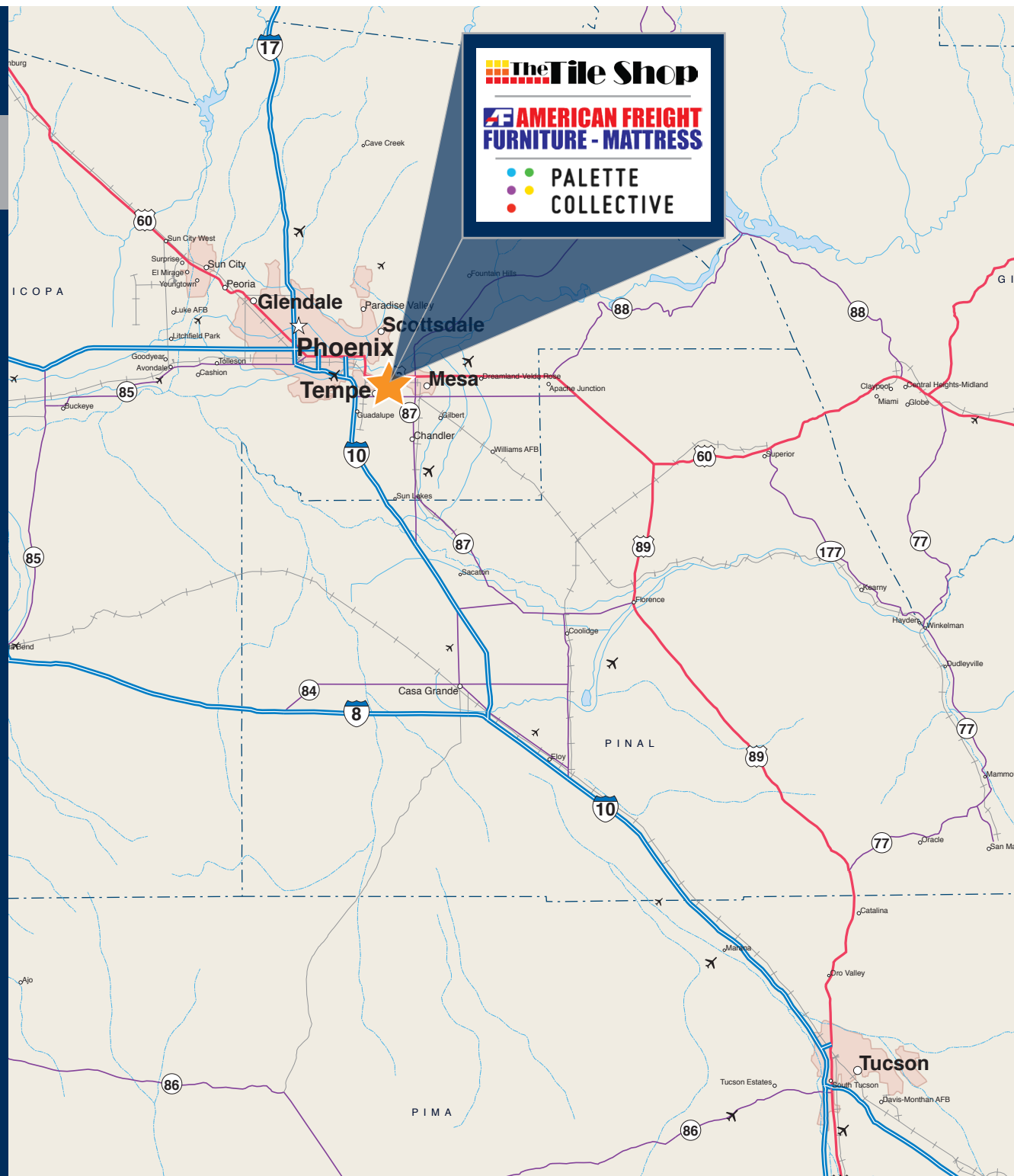


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Marcus & Millichap







The Tile Shop

7760

AMERICAN DIRECT  
FURNITURE - MATTRESS

PALETTE  
COLLECTIVE

7750

STOP

# INVESTMENT SUMMARY

7720, 7760A, & 7760B S PRIEST DRIVE, TEMPE, AZ 85284

**PRICE: \$8,340,000**

**CAP: 6.77%**

**RENT: \$564,632**

## OVERVIEW

Price	\$8,340,000
Gross Leasable Area (GLA)	53,778
Lot Size (approx.)	6.59 Acres (Estimated)
Net Operating Income	\$564,632
CAP Rate	6.77%
Year Built / Renovated	1994

## THE TILE SHOP

Gross Leasable Area (GLA)	22,048 SF
Lease Type	NNN
Lease Start Date	1/2/2014
Lease End	8/31/2024
Net Operating Income	\$231,483
Landlord Responsibilities	Roof & Structure
Renewal Options	2x5

\* American Freight made up of 20,186 Sf + 924 SF hallway.  
See attached rent roll and expense report (100% reimburse-able expenses).

## AMERICAN FREIGHT FURNITURE - MATTRESS

Gross Leasable Area (GLA)	21,110 SF*
Lease Type	NNN
Lease Start Date	9/3/2017
Lease End	1/31/2023
Net Operating Income	\$168,149
Landlord Responsibilities:	Roof & Structure
Increases	Escalations in option periods
Renewal Options	1x3

## PALETTE COLLECTIVE

Gross Leasable Area (GLA)	10,000 SF
Lease Type	NNN
Lease Start Date	9/18/2018
Lease End	9/30/2028
Net Operating Income	\$165,000
Landlord Responsibilities:	Roof & Structure
Increases	3% annual escalations starting in 8/2020
Renewal Options	1x5

# PROJECTED RENTS

Years	American Freight	Tile Shop	Palette Collective	Total Income	ROI @ List*
2018	\$168,149	\$231,483	\$165,000	\$564,632	6.75%
2019	\$168,149	\$242,506	\$165,000	\$575,655	6.88%
2020	\$168,149	\$242,506	\$170,000	\$580,655	6.94%
2021	\$168,149	\$242,506	\$175,049	\$585,704	7.00%
2022	\$168,149	\$242,506	\$180,300	\$590,955	7.06%
<b>2023</b>	<b>\$171,462</b>	\$242,506	\$185,709	\$599,677	7.17%
<b>2024</b>	\$207,915	<b>\$242,506</b>	\$191,280	\$641,701	7.67%
2025	\$207,915	\$253,528	\$197,019	\$658,462	7.87%
2026	\$207,915	\$275,574	\$202,929	\$686,418	8.21%
2027		\$275,574	\$209,017	\$484,591	5.79%
2028		\$275,574	\$215,000	\$490,574	5.86%
<b>2029</b>		\$275,574	<b>\$240,000</b>	\$515,574	6.16%
2030		\$275,574	\$247,200	\$522,774	6.25%
2031		\$282,922	\$254,616	\$537,538	6.43%
2032		\$297,621	\$262,254	\$559,875	6.69%
2033		\$297,621	\$270,122	\$567,743	6.79%
2034		\$297,621	\$278,226	<u>\$575,847</u>	6.88%
				<b>\$9,738,375</b>	

\* Average cap rate over life of all three leases

NOTES: Items in BOLD indicate end of base term

# EXPENSE BREAKDOWN AND REIMBURSEMENT

100% Reimbursed Expenses				Entire Center SF 142,797											
	Term	Rent	Portion	SF	Sec Deposit	Rental Tax	\$ Rental Tax	RE Taxes SF	Pro Rata RE Taxes	Ins Charges SF	Ins Charges Total	CAMs SF	Pro Rata CAMs	YR Total LL Reimbursement	MO LL Reimb
<b>The Tile Shop</b>	Yrs 1-5	\$231,483	15.44%	22,048	\$-	2.50%	\$5,787	\$2.84	\$62,616	\$-	\$-	\$1.24	\$27,339	\$95,742	\$7,979
	Yrs 6-10	\$242,506	15.44%	22,048	\$-	2.50%	\$6,063	\$2.84	\$62,616	\$-	\$-	\$1.24	\$27,340	\$96,018	\$8,002
	Option 1	\$275,575	15.44%	22,048	\$-	2.50%	\$6,889	\$2.84	\$62,616	\$-	\$-	\$1.24	\$27,340	\$96,845	\$8,070
	Option 2	\$297,621	15.44%	22,048	\$-	2.50%	\$7,441	\$2.84	\$62,616	\$-	\$-	\$1.24	\$27,340	\$97,396	\$8,116
<b>LL</b>	Maintains Roof & Structure														
<b>Palette Collective</b>	2018 Yr 1	\$165,000	7.00%	10,000	\$20,000.00	2.30%	\$3,795	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$41,395	\$3,450
	Yr 2	\$165,000	7.00%	10,000	\$20,000.00	2.30%	\$3,795	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$41,395	\$3,450
	2020 Yr 3	\$169,950	7.00%	10,000	\$20,000.00	2.30%	\$3,909	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$41,509	\$3,459
	Yr 4	\$175,049	7.00%	10,000	\$20,000.00	2.30%	\$4,026	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$41,626	\$3,469
	Yr 5	\$180,300	7.00%	10,000	\$20,000.00	2.30%	\$4,147	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$41,747	\$3,479
	Yr 6	\$185,709	7.00%	10,000	\$20,000.00	2.30%	\$4,271	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$41,871	\$3,489
	Yr 7	\$191,280	7.00%	10,000	\$20,000.00	2.30%	\$4,399	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$41,999	\$3,500
	Yr 8	\$197,019	7.00%	10,000	\$20,000.00	2.30%	\$4,531	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$42,131	\$3,511
	Yr 9	\$202,929	7.00%	10,000	\$20,000.00	2.30%	\$4,667	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$42,267	\$3,522
	Yr 10	\$209,017	7.00%	10,000	\$20,000.00	2.30%	\$4,807	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$42,407	\$3,534
	Option 1	\$240,000	7.00%	10,000	\$20,000.00	2.30%	\$5,520	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$43,120	\$3,593
	Opt 1 yr 2	\$247,200	7.00%	10,000	\$20,000.00	2.30%	\$5,686	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$43,286	\$3,607
	Opt 1 yr 3	\$254,616	7.00%	10,000	\$20,000.00	2.30%	\$5,856	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$43,456	\$3,621
	Opt 1 yr 4	\$262,254	7.00%	10,000	\$20,000.00	2.30%	\$6,032	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$43,632	\$3,636
Opt 1 yr 5	\$270,122	7.00%	10,000	\$20,000.00	2.30%	\$6,213	\$2.10	\$21,000	\$0.13	\$1,300.00	\$1.53	\$15,300	\$43,813	\$3,651	
<b>LL</b>	Maintains Roof & Structure														
<b>American Freight</b>	Yrs 1-5	\$168,149	14.78%	21,110	\$-	2.30%	\$3,867	\$2.20	\$46,442	\$0.13	\$2,744	\$1.33	\$28,076	\$81,130	\$6,760.81
	Yrs 1-5	\$168,149	14.78%	21,110	\$-	2.30%	\$3,867	\$2.20	\$46,442	\$0.13	\$2,744	\$1.37	\$28,918	\$81,972	\$6,830.98
	Yrs 1-5	\$168,149	14.78%	21,110	\$-	2.30%	\$3,867	\$2.20	\$46,442	\$0.13	\$2,744	\$1.41	\$29,786	\$82,840	\$6,903.31
	Yrs 1-5	\$168,149	14.78%	21,110	\$-	2.30%	\$3,867	\$2.20	\$46,442	\$0.13	\$2,744	\$1.45	\$30,679	\$83,733	\$6,977.73
	Yrs 1-5	\$168,149	14.78%	21,110	\$-	2.30%	\$3,867	\$2.20	\$46,442	\$0.13	\$2,744	\$1.50	\$31,600	\$84,654	\$7,054.48
	Option 1	\$207,915	14.78%	21,110	\$-	2.30%	\$4,782	\$2.20	\$46,442	\$0.13	\$2,744	\$1.54	\$32,548	\$86,516	\$7,209.69
	Opt 1 yr 2	\$207,915	14.78%	21,110	\$-	2.30%	\$4,782	\$2.20	\$46,442	\$0.13	\$2,744	\$1.59	\$33,524	\$87,492	\$7,291.03
	Opt 1 yr 3	\$207,915	14.78%	21,110	\$-	2.30%	\$4,782	\$2.20	\$46,442	\$0.13	\$2,744	\$1.64	\$34,530	\$88,498	\$7,374.86
<b>LL</b>	Maintains Roof & Structure														









 **The Tile Shop**

 **AMERICAN FREIGHT  
FURNITURE - MATTRESS**

 **PALETTE  
COLLECTIVE**



\* Estimated property boundary.





7760

**AMERICAN FREIGHT**  
**FURNITURE-MATTRESS**



# INVESTMENT HIGHLIGHTS

- ◆ 3 tenant in-line shops part of an 18.41 acre center
- ◆ The Center is anchored by LA Fitness and is surrounded by other national retailers such as Costco, WalMart and Ross Dress For Less
- ◆ 100% +/- leased, with 70% of the tenants in the Center leased thru 2024 (not including option periods)
- ◆ Densely populated area and string infill limits future new development creating high barriers to entry for direct competition to the tenancy
- ◆ Significant visibility with more than 202,000 VPD passing in front of the site daily and its proximity to the I-10, the 202 loop and 101 Fwy



**272,509**  
TOTAL  
POPULATION  
WITHIN 5-MILE  
RADIUS



**\$88,811**  
AVERAGE  
HOUSEHOLD  
INCOME WITHIN  
5-MILE RADIUS



**213,727 VPD** - INTERSTATE 10  
**33,453 VPD** - ELLIOT ROAD  
**21,586 VPD** - PRIEST DRIVE











The site is strategically situated at the primary signalized intersection at Elliot Rd., and Priest Dr., just off the freeway along the region's retail corridor located between I-10 and Loop 101. The surrounding area benefits from strong daytime population fed by its proximity to the Arizona State University Research Park and the Discovery Business Park along with over 3,000,000 SF of office and light industrial space.

**The Tile Shop**  
**AMERICAN FREIGHT  
FURNITURE - MATTRESS**  
● ● ● PALETTE  
● ● ● COLLECTIVE





McDonald's

FLOOR DECOR &   
Now you're on to something



Walmart   
Supercenter



Burger King

DOLLAR TREE

PET SMART

ROSS  
DRESS FOR LESS

I-10 - 213,727 VPD

ELLIOT ROAD - 33,453 VPD

S PRIEST DRIVE - 21,586 VPD

STAPLES

Olive Garden 



FIREHOUSE  
SUBS  
FOUNDED BY FIREMEN

POPEYES  
LOUISIANA KITCHEN

Applebee's

mazda

  
AMERICAN FREIGHT  
FURNITURE - MATTRESS  
PALETTE COLLECTIVE

GOODWILL   
of Central & Northern Arizona

LA FITNESS

NISSAN

MINI

Black Bear Diner

COSTCO  
WHOLESALE

TACO BELL

RED ROBIN

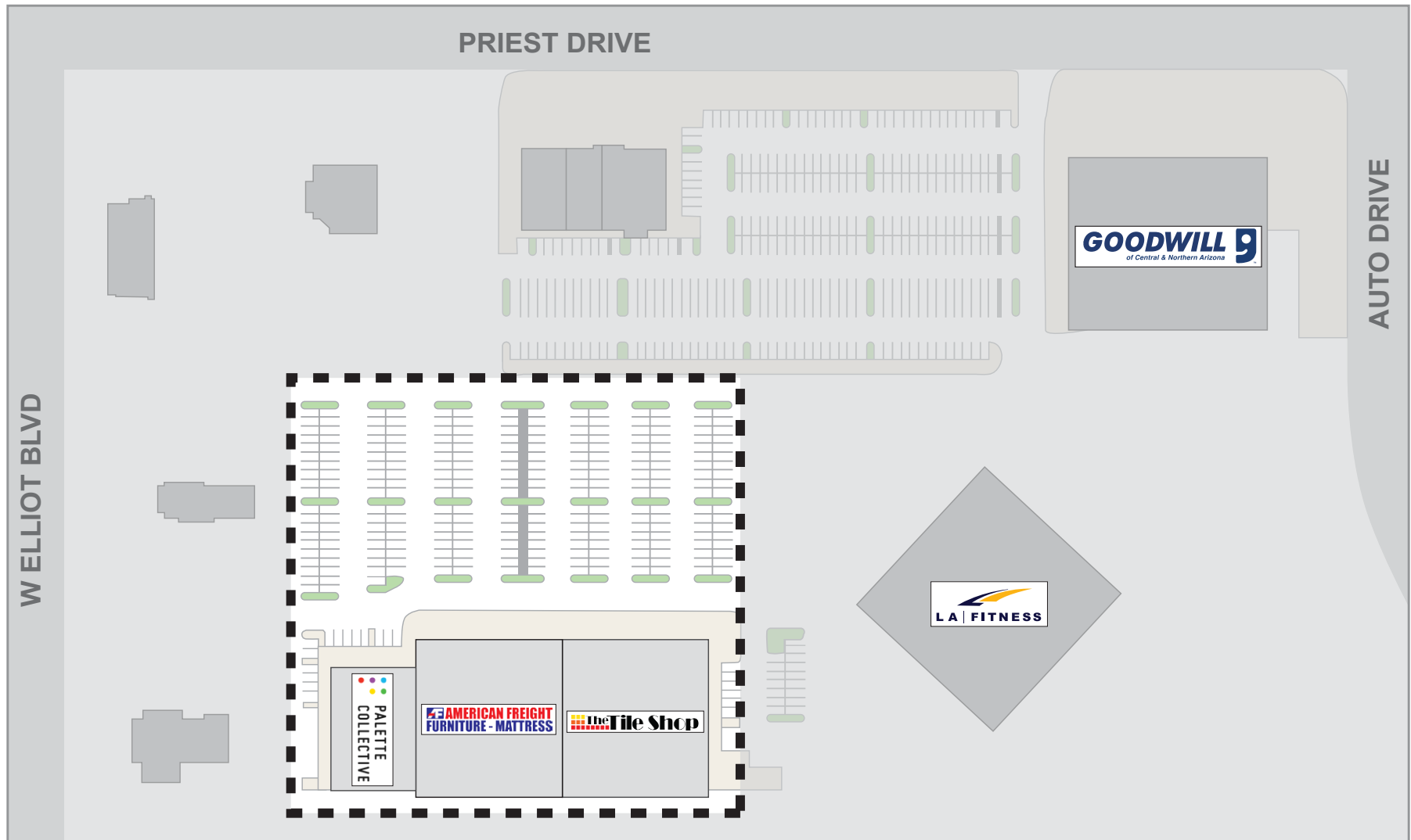
Jockey  
Mitts  
CLASSIC

HONDA

HYUNDAI



# SITE PLAN



NOTE: Site plan to be adjusted once subdivision is finalized

# The Tile Shop



# TENANT SUMMARY

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## THE TILE SHOP

[www.tileshop.com](http://www.tileshop.com)

Founded in 1985, the Tile Shop is a leading specialty retailer of manufactured and natural stone tiles, setting and maintenance materials and related accessories in the United States. The Company offers a wide selection of high-quality products, exclusive designs, knowledgeable staff and exceptional customer service in an extensive showroom environment. Each store is outfitted with up to  $\pm 50$  full-room tiled displays which are enhanced by the complimentary Design Studio, a collaborative platform to create customized 3-D design renderings to scale, allowing customers to bring their design ideas to life. The Tile Shop currently operates  $\pm 140$  stores in 31 states and the District of Columbia, with an average size of  $\pm 20,800$  square feet and sells products online. The Tile Shop is a proud member of the American Society of Interior Designers (ASID), National Association of Homebuilders (NAHB) and the National Tile Contractors Association (NTCA).

The Tile Shop had \$344.6(Mil) in annual sales in 2017, which was up over 6% company wide from the previous year. With consistent and steady growth, The Tile Store plans on remodeling 30+/- locations over the next few years and is budgeting a remodel investment of \$27-32mil company wide.

# THE TILE SHOP



## PLYMOUTH, MN

HEADQUARTERS

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$\pm 1,331$

EMPLOYEES

$\pm 140$

LOCATIONS

PUBLIC

OWNERSHIP

TTS

TICKER: NASDAQ

$\pm \$425M$

MARKET CAP

$\$344.6M$

ANNUAL SALES



# LEASE ABSTRACT

## THE TILE SHOP, LLC

<b>Tenant</b>	The Tile Shop, LLC
<b>Guarantee</b>	The Tile Shop, LLC
<b>Initial Term</b>	10 years
<b>Options</b>	2x5
<b>Lease Commencement</b>	1/2/2014 (est)
<b>Years Remaining (Base Term)</b>	6.1 years (base term lease expires 8/31/2024)
<b>Percentage Rent</b>	None
<b>Security Deposit</b>	None
<b>Additional Rent</b>	Tenant's pro rata share to be paid monthly on Rental tax (2.50%), real estate taxes \$5,217.55, CAM charges \$2,278.09.
<b>Reporting</b>	Tenant shall report annual gross sales and annual financial statement upon written landlord request
<b>Common Area Costs Definition</b>	Tenant responsible for the operation of, maintenance of and repairs and replacement to the Shopping Center including: cleaning, snow removal, removal of trash, landscaping, water and sewer charges, maintenance and repair of utility pipes, lighting, striping, painting, inspecting, repairing, replacing parking areas, driveways and walkways. Premiums for general commercial and liability insurance including fire and extended coverage, rent insurance, administrative fee, maintenance and repair of roof and structure portion of center.
<b>Real Estate Taxes</b>	To be paid by tenant to landlord monthly basis as reasonable estimated by landlord, and adjusted annually to meet actual expense
<b>Parking</b>	Nonexclusive rights to entire center (may be adjusted once subdivision occurs)
<b>Landlord Maintenance</b>	Foundation and structure of premises, roof and roof coverings and this shall be included in common area costs
<b>Tenant Maintenance</b>	Interior of the premises and sidewalks in a clean and orderly condition. Responsible for HVAC
<b>Property Insurance</b>	Landlord shall procure & maintain on all building an common areas of the shopping center, fire & extended coverage, property damage, liability insurance . Tenant's pro rata share shall be reimbursed by tenant.
<b>Liability &amp; Other Insurance</b>	Tenant shall maintain commercial general liability insurance, worker's compensation and employer's liability insurance, all risk
<b>Estoppel &amp; SNDA</b>	Tenant to provide within 10 days of request, and 15 for SNDA
<b>Liability &amp; Other Insurance</b>	Tenant shall maintain commercial general liability insurance, worker's compensation and employer's liability insurance, all risk
<b>Estoppel &amp; SNDA</b>	Tenant to provide within 15 business days of request



# TENANT SUMMARY

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## AMERICAN FREIGHT FURNITURE - MATTRESS

[www.americanfreight.com](http://www.americanfreight.com)

American Freight sells quality furniture and mattresses at everyday low prices while providing excellent customer service. The company believes everyone should have a place to sit, sleep, and eat. American Freight Furniture and Mattress has over ±150 stores throughout the United States that are always open to the public. Year after year, famous manufacturers turn to American Freight Furniture and Mattress stores for quick liquidation and disbursement of unclaimed freight, canceled orders, closeouts, overruns, and special buyouts. The company's buyers purchase only large volumes of brand name furniture; including famous manufacturers like: Albany, American Furniture, Beautyrest, Cramco, Corsicana, Crownmark, Delta, Dr. Marvin's Sleep Products, Elements, Guardian, Hughes, Kith, Millcraft, Nordicrest, North Carolina Upholstery, Standard, Simmons, Serta, Solstice, Steve Silver, Stewart & Hamilton, Stylecraft and Worthington House.

# AMERICAN FREIGHT FURNITURE - MATTRESS



## DELAWARE, OH

HEADQUARTERS

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±1,800

EMPLOYEES

±150

LOCATIONS

PRIVATE

OWNERSHIP



# LEASE ABSTRACT

## AMERICAN FREIGHT

<b>Tenant</b>	American Freight of Tennessee LLC
<b>Guarantee</b>	American freight, Inc.
<b>Initial Term</b>	5 years 4 mos
<b>Options</b>	1x3
<b>Lease Commencement</b>	9/3/17
<b>Years Remaining (Base Term)</b>	3.8
<b>Lease expiration</b>	1/31/23
<b>Percentage Rent</b>	None
<b>Security Deposit</b>	None
<b>Additional Rent</b>	Tenant to pay monthly CAM's of \$2,339.69 (CAMs to increase at 3% annually), Real Estate taxes of \$3,870.17, monthly insurance \$228.69, and rental tax of 2.30%
<b>Reporting</b>	Tenant does not report sales or provide financial statements, but at tenant's discretion they will discuss the overall financial state of the company with an NDA and only if under contract for sale and preferably to a lender should it be required to secure financing.
<b>Common Area Costs Definition</b>	All costs and expenses incurred by landlord including lighting, insuring, repairing, replacing, and maintaining the common area, cleaning, lighting, snow removal, line painting, landscaping, premiums for liability and property insurance.
<b>Parking</b>	Non-exclusive parking with employees required to park at a distance from the premises or subject to fines.
<b>Landlord Maintenance</b>	Maintain, repair or replace the roof, foundation and exterior walls and common areas. Landlord is not required to make repairs until notified by tenant.
<b>Tenant Maintenance</b>	Maintain, repair windows, doors, interior painting, HVAC.
<b>Liability &amp; Other Insurance</b>	Landlord shall maintain standard property insurance with extended coverage for building and commercial general liability insurance. Tenant to maintain insurance coverage of commercial general liability.
<b>Estoppel &amp; SNDA</b>	10 day turn around (form estoppel ex on lease)
<b>Estoppel &amp; SNDA</b>	Tenant to provide within 10 days of request, and 15 for SNDA
<b>Liability &amp; Other Insurance</b>	Tenant shall maintain commercial general liability insurance, worker's compensation and employer's liability insurance, all risk
<b>Estoppel &amp; SNDA</b>	Tenant to provide within 15 business days of request



# TENANT SUMMARY

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## PALETTE COLLECTIVE

[www.mypalettecollective.com](http://www.mypalettecollective.com)

Palette Collective was created in 2015 and is a place for people to pursue their dreams of owning their own business. The company developed a platform for entrepreneurs from many industries such as hair, beauty, food, beverage, and retail to have a place to build and create a space that reflects their brand and style. Utilizing a “group work space concept” the rooms at Palette Collective are a blank slate – four white walls – in order to allow tenants to customize the space to fit their branding.

# PALETTE COLLECTIVE



## CHANDLER, AZ

HEADQUARTERS

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 PRIVATE  
OWNERSHIP

 +4  
LOCATIONS



# LEASE ABSTRACT

## THE TILE SHOP, LLC

<b>Tenant</b>	Palette Collective LLC
<b>Guarantee</b>	Personal Guarantee: Brett & Jessica Kalina, Seth & Crystal Wells
<b>Initial Term</b>	10 years, 6 months
<b>Options</b>	1x5
<b>Lease Commencement</b>	09/18/2018
<b>Years Remaining (Base Term)</b>	9.9
<b>Lease Expiration</b>	9/30/28
<b>Percentage Rent</b>	None
<b>Security Deposit</b>	\$20,000
<b>Additional Rent</b>	Rental tax at 2.30%, Real Estate taxes of \$2.10SF, insurance costs at \$.013 SF, and CAM's at \$1.53 SF of the entire center
<b>Reporting</b>	Tenant to provide gross receipts monthly (excluding exchange merchandise between stores, cash/credit refunds, quarterly reports and annual reports within 15 days from request
<b>Common Area Costs Definition</b>	Tenant responsible for the operation of, maintenance of and repairs and replacement to the Shopping Center including: cleaning, snow removal, removal of trash, landscaping, water and sewer charges, maintenance and repair of utility pipes, lighting, striping, painting, inspecting, repairing, replacing parking areas, driveways and walkways. Premiums for general commercial and liability insurance including fire and extended coverage, rent insurance, management fee, maintenance and repair of roof and structure portion of the center. Landlord may adjust invoicing to tenant of common area costs. Annually to be accounted for and adjusted to match actual expenses.
<b>Real Estate Taxes</b>	Tenant to pay landlord in monthly installments
<b>Parking</b>	Non-exclusive
<b>Landlord Maintenance</b>	Landlord to maintain roof, foundation and structural elements of the building and exterior walls of the premises and common areas. Landlord is not obligated to make any repairs until tenant notifies landlord.
<b>Tenant Maintenance</b>	Tenant to maintain windows, doors, interior paint, electrical wiring, fixtures, HVAC (inc'd a maintenance contract with a HVAC specialist). NOTE: Replaced HVAC unit w/67ton unit Jan 2017.
<b>Liability &amp; Other Insurance</b>	Landlord to maintain standard all risk insurance with extended coverage covering the building and commercial general liability insurance. Tenant to maintain general commercial liability insurance
<b>Estoppel &amp; SNDA</b>	Tenant to provide within 10 days of request (form estoppel Ex 3.9 lease)
<b>Liability &amp; Other Insurance</b>	Tenant shall maintain commercial general liability insurance, worker's compensation and employer's liability insurance, all risk
<b>Estoppel &amp; SNDA</b>	Tenant to provide within 15 business days of request



# LOCATION OVERVIEW

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## TEMPE, ARIZONA

Tempe, Arizona is just east of Phoenix and is a city in Maricopa County, most famously known for being the location of the main campus of Arizona State University. **The University is just 7.5 miles from the subject site.**

STATE FARM'S MARINA HEIGHTS campus may be the most significant driver of downtown Tempe's recent transformation. The ±2.1 million-square foot campus was completed in 2017 and is expected to bring ±8,000 employees to downtown. **The Campus is just 8.9 miles from the subject site.**

Tempe offers an inviting lifestyle for its residents: Strong employment opportunities, a talented and educated work force, a low cost of living and a community filled with family oriented activities, open space and both water and naturalist activities for the outdoor enthusiast.

The submarket features year-round events, arts, sports, retail, dining, hotels and more. Downtown also draws more than four million visitors annually.

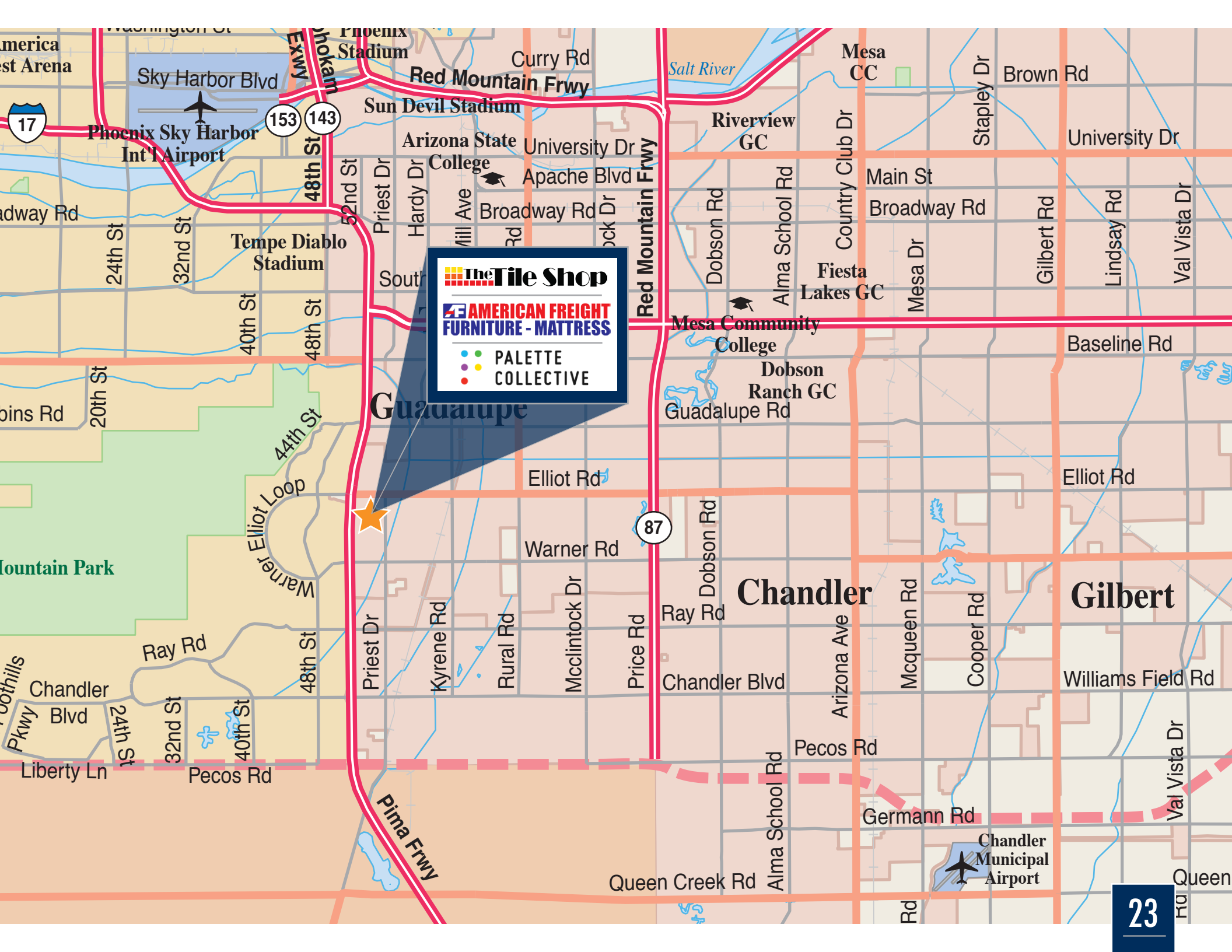
## MARICOPA COUNTY/PHOENIX METRO AREA

Maricopa County is largely comprised of the Phoenix metropolitan area, which consists mostly of the cities of Phoenix, Scottsdale, Tempe, Mesa, Chandler, Gilbert, and Glendale, Peoria and several other neighboring cities and towns.

- ◆ The county's 4 million residents ranks fourth among the nation's counties, and 12th largest metro area in the United States.
- ◆ The Phoenix-Mesa metro area is ranked the 6th most competitive metro area in America, according to Forbes, 2014.
- ◆ Maricopa County is Arizona's most populous county, encompassing well more than half of the state's residents.
- ◆ Maricopa County is currently home to 13 Fortune 1000 companies: Apple Inc., ON Semiconductor Corporation, Taylor Morrison Home Corporation, Swift Transportation Company, Amkor Technology, Inc., Republic Services, Inc., Insight Enterprises, Inc., Avnet, Apollo Group (which operates the University of Phoenix), Freeport-McMoRan, Sprouts Farmers Market, Inc., and PetSmart, Pinnacle West, and First Solar.
- ◆ Maricopa County's population growth rate is highest amongst the 10 largest counties in America, growing at nearly 2%, making the county highest in annual population growth.
- ◆ Phoenix's major airport is Sky Harbor International Airport. Serving more than 40 million passengers, making it one of the top ten busiest airports in the U.S. by passenger count.

Source: Gpec, Valley Metro, Phoenix Sky Harbor





**The Tile Shop**  
**AMERICAN FREIGHT**  
**FURNITURE - MATTRESS**  
● PALETTE  
● COLLECTIVE





**MAJOR EMPLOYERS: 2017  
TEMPE, AZ**

Arizona State University	11,185
Maricopa Community Colleges	4,611
SRP	4,374
Safeway Inc	3,996
Wells Fargo	3,576
Freescale Semiconductor (Motorola)	3,000
Honeywell	3,000
Kyrene School District	2,401
Chase Manhattan Corporation	2,377
US Airways	2,377

# LOCATION HIGHLIGHTS

**TEMPE, AZ**

**3 TENANT IN-LINE SHOPS AT ELLIOT PLAZA**



**The shops benefit from the 18.41 acre shopping center**



**Ease in access and frontage with 5 separate ingress/egress points**



**Strong traffic counts contribute to high visibility with over 76,315 VPD passing in front of Elliot & South Priest Roads**



**Strategically located just off of the I-10**





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\* Property boundaries TBD.



# DEMOGRAPHICS / TEMPE, AZ

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 **272,509**

Total Population Within 5-Mile Radius



**\$88,811**

Average Household Income  
Within 5-Mile Radius



**\$65,777**

Median Household Income  
Within 5-Mile Radius



**106,960**

Total Households in 5-Mile Radius



**11.45%**  
From 2000

POPULATION	1 MILE	3 MILES	5 MILES
2022 Projection			
Total Population	10,296	114,992	275,833
2017 Estimate			
Total Population	10,321	113,466	272,509
2010 Census			
Total Population	9,554	104,619	252,305
2000 Census			
Total Population	8,309	105,681	254,773
Current Daytime Population			
2017 Estimate	15,609	143,884	428,690

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2022 Projection			
Total Households	4,715	47,815	110,453
2017 Estimate			
Total Households	4,627	46,413	106,960
Average (Mean) Household Size	2.15	2.39	2.47
2010 Census			
Total Households	4,299	43,010	99,427
2000 Census			
Total Households	3,767	42,044	95,968
Occupied Units			
2022 Projection	4,715	47,815	110,453
2017 Estimate	4,697	47,524	109,576

HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
2017 Estimate			
\$150,000 or More	4.28%	11.36%	12.01%
\$100,000 - \$149,000	10.08%	15.06%	16.47%
\$75,000 - \$99,999	10.11%	13.26%	14.61%
\$50,000 - \$74,999	24.39%	20.51%	19.80%
\$35,000 - \$49,999	18.23%	14.81%	13.71%
Under \$35,000	32.90%	25.01%	23.42%
Average Household Income	\$61,400	\$86,774	\$88,811
Median Household Income	\$48,992	\$61,714	\$65,777
Per Capita Income	\$27,540	\$35,565	\$35,066

HOUSEHOLDS BY EXPENDITURE	1 MILE	3 MILES	5 MILES
Total Average Household Retail Expenditure	\$63,522	\$77,852	\$80,639
Consumer Expenditure Top 10 Categories			
Housing	\$17,015	\$20,389	\$21,067
Transportation	\$10,922	\$14,227	\$14,844
Shelter	\$10,272	\$12,132	\$12,524
Food	\$6,566	\$7,697	\$7,938
Personal Insurance and Pensions	\$5,870	\$7,744	\$8,158
Health Care	\$3,672	\$4,736	\$4,915
Utilities	\$3,507	\$4,251	\$4,393
Entertainment	\$2,434	\$3,100	\$3,240
Apparel	\$2,097	\$2,562	\$2,646
Household Furnishings and Equipment	\$1,596	\$2,051	\$2,131

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
Population By Age			
2017 Estimate Total Population	10,321	113,466	272,509
Under 20	21.90%	23.42%	23.85%
20 to 34 Years	37.02%	26.55%	26.67%
35 to 39 Years	7.03%	6.68%	6.48%
40 to 49 Years	10.40%	12.39%	12.53%
50 to 64 Years	13.35%	19.79%	19.77%
Age 65+	10.32%	11.15%	10.73%
Median Age	30.93	35.01	34.64
Population 25+ by Education Level			
2017 Estimate Population Age 25+	6,982	77,729	182,335
Elementary (0-8)	2.63%	2.75%	2.78%
Some High School (9-11)	6.51%	5.42%	4.85%
High School Graduate (12)	16.95%	17.24%	17.25%
Some College (13-15)	26.36%	23.80%	24.24%
Associate Degree Only	7.70%	8.39%	8.41%
Bachelors Degree Only	23.91%	26.49%	26.11%
Graduate Degree	15.51%	15.39%	15.81%



## OFFERING MEMORANDUM



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 **PALETTE  
COLLECTIVE**

TEMPE  
ARIZONA

**LIOR REGENSTREIF**

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**NNN DEAL**  
THE SINGLE TENANT RESOURCE