





# EMERALD DESIGN CENTER



SUBJECT



# EMERALD DESIGN CENTER







### Financial Overview

Price:	\$603,500
Price Per Foot:	\$202.79
Cap Rate- Actual:	7.61 (based on 100% occ.)
Cap Rate- Proforma:	7.12 (w/ 5% vac. reserve)
Occupancy:	100%

### Property Overview

Building Area:	2,976 sq. ft.
Parcel #:	301-54-956
Zoning:	RCC, City of Tempe
Land Area:	2,976 sq. ft. (.068 acres)
Parking:	Shared
Year Built:	2007

### Demographics (2019)

	1-mile	3-miles	5-miles
Population:	6,636	107,626	258,377
Avg. Household Inc.:	\$68,822	\$93,526	\$92,775
Total Households:	3,579	41,802	95,470
Complete demographics are available upon request.			

This information contained herein has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify this information and bear all risk for inaccuracies.



## EMERALD DESIGN CENTER

8425 S. Emerald Drive #103, Tempe, AZ

The subject property is an attractive and modern high visibility, high traffic retail condominium that was built in 2007. The property is in a prime location directly across the street from the only IKEA store in Metro Phoenix, which is a major shopping destination. Other major retailers nearby are Costco, Walmart, Total Wine, Guitar Center, Ashley Homestore and the huge Tempe Autoplex with many car dealerships.

Average income in a 3-mile radius is \$93,526. The 3-mile population is 107,626 with 41,802 households. There are 5,016 businesses in a 3-mile radius with 69,607 employees.

The property is leased at a conservative \$15.52/SF lease rate. Many of the retail condos in the area are owned by owner/users so the limited availability of a unit for lease should enable the owner to continue to raise rents over time. The existing lease provides for 3% annual rent increases.

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<b>PRICE:</b>	<b>\$603,500</b>		
<b>DOWN PAYMENT:</b>	\$603,500	100.0%	
<b>FINANCING:</b>	All cash or new financing by buyer		
<b>SQUARE FEET:</b>	2,976	<b>PRICE PER SQ. FT.:</b>	\$202.79
<b>CAP RATE:</b>	7.61	(Based on actual current income)	
<b>ACRES:</b>	0.068		
<b>ZONING:</b>	RCC		
<b>YEAR BUILT:</b>	2007		
<b>PARCEL #:</b>	301-54-956		

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ANNUALIZED INCOME			ANNUALIZED EXPENSES			\$/ sq.ft.:
<b>BASE RENT:</b>	<b>\$46,196</b>		TAXES: ( 2019 )	\$5,373		\$1.81
plus PERCENTAGE RENT INCOME:	\$0		INSURANCE:	\$893		\$0.30
plus REIMBURSED EXPENSES:	\$12,218		CAM:	\$5,952		\$2.00
<b>TOTAL POTENTIAL INCOME:</b>	<b>\$58,414</b>		UTILITIES:	\$0		\$0.00
less VACANCY ("0" means "actual"):	\$0	%	MANAGEMENT:	\$0		%
<b>GROSS OPERATING INCOME:</b>	<b>\$58,414</b>		RESERVE:	\$298		
less EXPENSES:	\$12,516		-	\$0		
<b>NET OPERATING INCOME:</b>	<b>\$45,898</b>		-	\$0		
less LOAN PAYMENTS:	\$0		<b>TOTAL EXPENSES:</b>	\$12,516		
<b>CASH FLOW:</b>	<b>\$45,898</b>	7.6%	Expenses Per Sq. Ft.:	\$4.21		
plus PRINCIPAL REDUCTION:	\$0					
<b>TOTAL RETURN:</b>	<b>\$45,898</b>	7.6%				

The income shown is effective as of the 12/1/19 rent increase.

The tenant is not aware that the property is for sale. No contact should be made with the tenant without the Seller's approval.

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SUITE	TENANT	SQ. FEET	LEASE START DATE	LEASE EXPIRE DATE	MONTHLY BASE RENT	RENT PER SQ.FT.	(Note 1) RENT BUMP	NEXT RENT BUMP	Reimbursed Expenses (Note 2)								OPTIONS
									TAX	INS	CAM	UTIL	MGT	ADMIN FEE	HVAC	ROOF	
103	The TV Outlet	2,976	09/18	09/23	\$3,849.63	\$15.52	Fixed	12/20	T	T	T	T	L	0	T	T	1 x 5
TOTALS:		2,976			\$3,849.63												\$0
TOTAL LEASED:		2,976	100.0%			\$15.52											
TOTAL VACANT:		0	0.0%														

NOTE 1- CPI= Escalations are based on the Consumer Price Index or other similar measure of increases in the cost of living as specified in the lease, Fixed= Fixed or specific rent increases as defined in the lease. See Lease Notes for more details.

NOTE 2- L= Paid by landlord, T= Paid by tenant, B= Landlord pays base year only and tenant pays the excess, S= Tenant pays amount up to a set expense stop, \*= see Lease Notes. The number under "MGT" is the management fee that can be billed to tenant. The number under "ADMIN FEE" is the percent of CAM that can be billed to tenant.

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SUITE	TENANT	SECURITY DEPOSIT	SIGNATURE	SUBORDINATION	EXCLUSIVE USE	RIGHT TO TERMINATE	% RENT	LAST YEAR'S % RENT
103	The TV Outlet	\$5,000.00	Personal (2)	Yes	No	No	0.00%	\$0
TOTALS:		\$5,000.00						\$0

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SUITE	TENANT	BAY DEPTH	NNN MAXIMUM PER MONTH	RENT INCREASE DETAILS	OPTION TERMS DETAILS	COMMENTS
103	The TV Outlet	75 feet		12/1/18- \$3,737.50 12/1/19- \$3,849.63 12/1/20- \$3,964.24 12/1/21- \$4,083.84 12/1/22- \$4,205.93	Fair market value but not less than the current rent with 180 advance written notice.	1. The lease states that the Premises is 2,990 SF but the Maricopa County Assessor has the square feet at 2,976 so that is what is shown herein. 2. The controllable portion of the CAM shall not increase more than 5% per year. 3. Maintenance of the roof is not specifically mentioned in the lease but it does say that Tenant is responsible for all maintenance and repair of the Premises. 4. Holding over shall be at 120% of the current rent.







Texas Roadhouse

IKEA



U-Haul at Elliot Rd

Aveda Institute Phoenix

Brooklyn Bedding

Shiley HomeStore

C2 Tactical

8425 South  
Emerald Drive

SUBJECT

AZ All Stars  
Tumbling & Cheer

Tempe Honda  
Internet Sales

Casa Decor Plus

BBQ Island - Tempe

Devoted Guardians



## AERIAL PHOTO









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