

**CLASS A INDUSTRIAL | ±41,000 SF | 100% LEASED | PREMIER SCOTTSDALE AIRPARK LOCATION**



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GREYHAWK

Cadillac HONDA INFINITI TOYOTA  
CHRYSLER Jeep

DC RANCH

170,000 CARS PER DAY

mazda CHEVROLET HYUNDAI  
BUICK GMC SUBARU  
Ford McLaren

52,206 CARS PER DAY

HARLEY-DAVIDSON  
CARMAX

COSTCO WHOLESALE  
Walmart

KOHL'S

8300 RAINTREE DRIVE

24,800 CARS PER DAY

**8300 RAINTREE DRIVE**  
OFFERING MEMORANDUM

## CAPITAL MARKETS

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TPC Scottsdale  
Golf Course





## EXECUTIVE SUMMARY

Cushman & Wakefield, as exclusive advisor, is pleased to present the opportunity to acquire 8300 Raintree Drive (the "Property"), a 100% leased, single tenant industrial building located in the prestigious Scottsdale Airpark submarket, the second largest employment center in the state. The Property, originally constructed in 1985 as a 2-story Class B office building, sits of approximately 3.5 acres and a conversion to a Class A industrial building of +/-41,000 square feet nearly complete. The renovation of the Property is per the specifications of the tenant for service and delivery of electric vehicles.

The Property is optimally located in a sub-market that is home to nearly every major automobile manufacturer and has highly desirable and limited C-4 zoning. It further benefits from excellent freeway access, prime corner location, exceptional daytime traffic generators and proximity to a multitude of affluent residential neighborhoods.

The Property is leased on a long term net lease to Tesla, the Fortune 500 leading manufacturer of electric vehicles with annual rental escalations.

### PRICE

**\$15,440,000**

### CAP RATE

**±6.25%**

# INVESTMENT HIGHLIGHTS

## LOCATION AND AMENITIES

Located within north Scottsdale's prestigious Scottsdale Airpark submarket, the second largest employment center in Arizona.

Fronting along Raintree Drive, a major arterial serving the Scottsdale Airpark.

Thriving upscale nearby retail amenities with Kierland Commons, Scottsdale Quarter, Scottsdale Promenade and Scottsdale Towne Center all located within a five minute drive.

Immediate trade area houses a multitude of affluent residential neighborhoods such as Silverleaf, DC Ranch, McDowell Mountain Ranch, Troon, Grayhawk and Estancia.

Excellent freeway access provided by the Loop 101, less than one-mile east of the Property.

Scottsdale Municipal Airport lies less than one block west and is the highest profile private airport in the Valley for private and corporate clientele.

## INVESTMENT HIGHLIGHTS

Rare opportunity to acquire a superbly constructed and highly attractive property located in the heart of one of the foremost locations in Arizona.

Tesla is a household name and dominant player in advanced automotive vehicle production. The brand is synonymous with high-powered performance, cutting-edge design and the future of roadway transportation.

Renewal options can potentially extend the lease term for an additional 15 years.

Lease rate at market for highly sought after automotive service and delivery facilities in this sub-market.

An aerial photograph of a commercial office park. A large, multi-story office building complex is outlined in red. The building has a white facade and a flat roof with several HVAC units. It is situated on a corner lot, with a parking lot in front and a road to the left. Other office buildings and parking areas are visible in the surrounding area.

## SUBJECT PROPERTY

(Prior to renovation)

Formerly a two-story, class “B” office building with ±61,896 square feet.

8300 RAIN TREE DRIVE

22,700 CARS PER DAY

SCOTTSDALE AIRPORT

GREENWAY HAYDEN LOOP

SCOTTSDALE QUARTER



KIERLAND COMMONS



170,000 CARS PER DAY

52,206 CARS PER DAY



101

# INVESTMENT HIGHLIGHTS

## PROPERTY OVERVIEW

The building occupied by Tesla, is a cutting-edge service delivery automotive dealership facility.

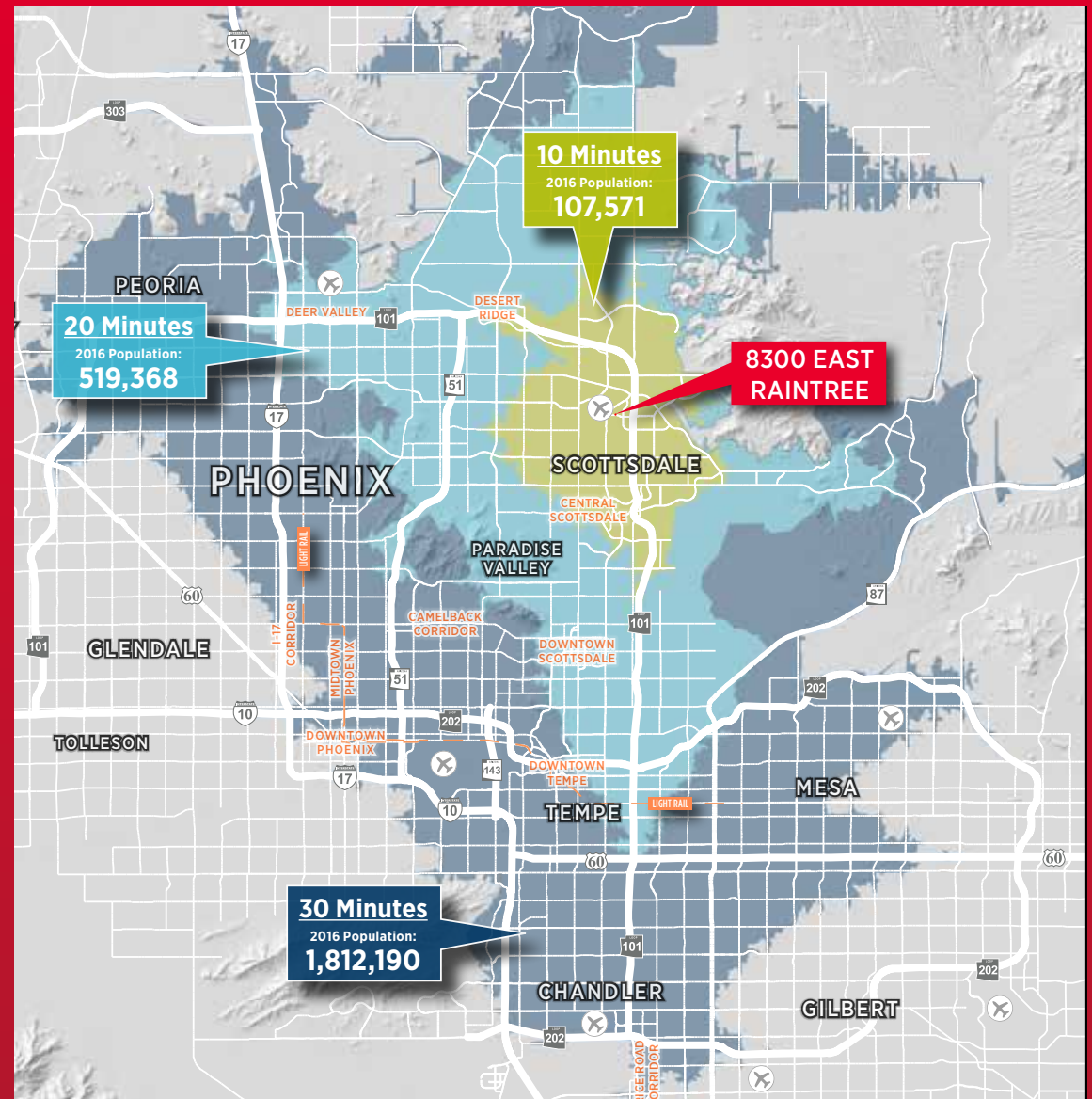
Major renovation and repositioning of original 1985 construction will be completed in 2019, with substantial improvements made by both Landlord and Tenant.

Durable concrete tilt construction combined with an extensive use of glass and futuristic design elements.

Previous 2-story class B office building converted into a “class A” industrial automotive service and delivery facility for Tesla.

Prime ±3.5-acre land parcel on prestigious Raintree Drive.

Rare and highly coveted C-4 zoning within the City of Scottsdale where auto service and sales uses are allowed by right.



# TENANT PROFILE

- Tesla is a household name and dominant player in advanced automotive vehicle production.
- Tesla has supercharged the public's passion for electric vehicles.
- Founded in 2003, the company designs, manufactures, and markets high-performance, technologically advanced electric cars and power train components.
- Tesla sells three models: the Model S, the Model X SUV and the Model 3 affordable family sedan. The cars are among the world's top-selling electric cars and capable of approaching 300 miles per charge.
- Tesla CEO, Elon Musk founded PayPal and also runs SpaceX.
- Tesla's current business strategy deploys the profits from its high-end vehicles to fund development of its new and more affordable Model 3 which retails for around \$35,000 and was released in 2018.
- The company led with high-performance and stylish autos, and has been investing heavily in its charging network, as well as home-charging facilities.



- In support of its vehicles, Tesla maintains a network of upwards of around 7,110 charging ports in over 790 stations worldwide. This automotive segment is its largest, accounting for more than 95% of its total revenue.
- Through its acquisition of SolarCity in 2016, Tesla created its new energy generation and storage segment, which makes and sells stationary energy storage products and solar energy systems to residential and commercial customers.
- Tesla's net worth is \$4.92 billion.
- Tesla's total assets are valued at \$29.73 billion.
- Tesla's market capitalization range is \$40.02 billion.
- Tesla operates through 265 stores and service locations. The US accounts for 60% of sales. Other major markets include China (15%) and Norway (5%).
- Tesla as a brand is outstanding and the vehicles produced are in high demand. The company is publicly traded on NASDAQ.

NOTE: Photographs contained herein are not actual images of the Property, but rather other facilities, and are intended only to demonstrate Tesla's brand and design characteristics.

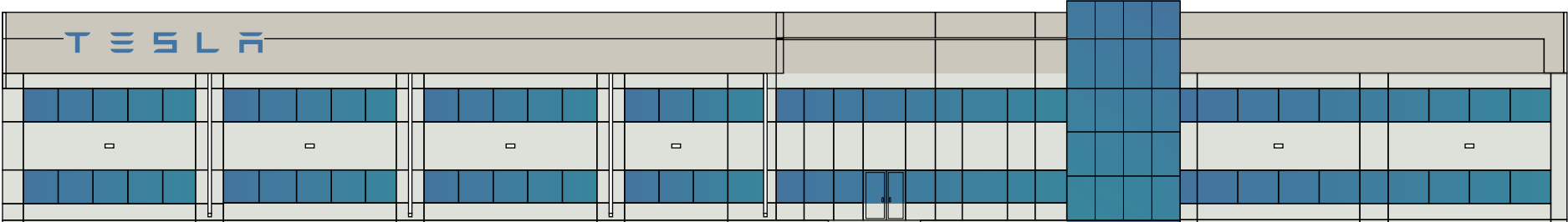




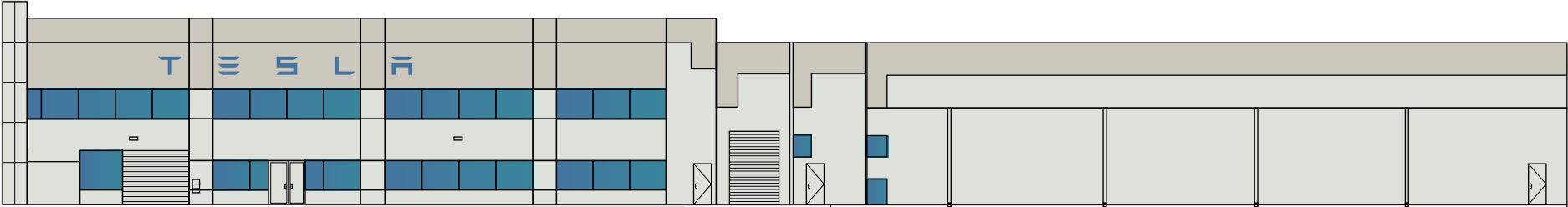
# ELEVATIONS

Proposed single-story, “class A” industrial with ±41,158 square feet.

East Elevation

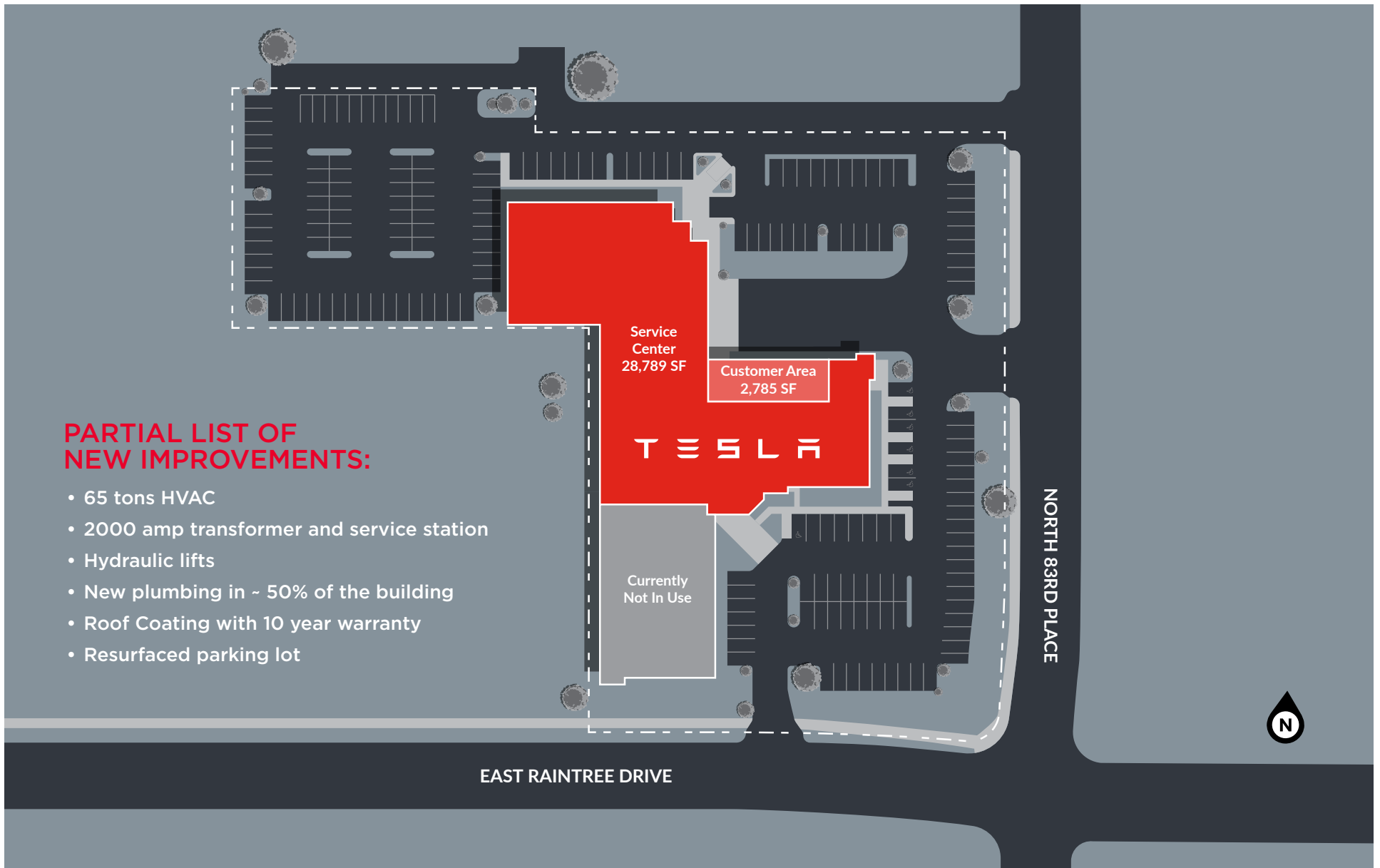


West Elevation



*\*No representation or warranty is made as to accuracy of the information depicted - it is provided for illustration purposes only.*

# SITE PLAN



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# SPECIFICATIONS

## BUILDING SPECS

<b>PROPERTY SIZE</b>	±41,158 square feet.
<b>RENOVATION</b>	2019.
<b>EXTERIOR WALLS</b>	Concrete tilt-up panel walls and glass curtain wall.
<b>STRUCTURE</b>	The building is of slab-on-grade construction with a superstructure of pre-cast concrete tilt-up panel wall, steel columns, steel beams, and open-web joists supporting a metal roof deck.
<b>ROOF</b>	Low-slope, roof covered with a three-ply built-up system with mineral surfaced cap sheet over the office areas and a corrugated metal roof on the warehouse areas.
<b>FIRE &amp; LIFE SAFETY</b>	Fully sprinklered with an automatic wet-pipe system and a fire alarm system that monitors the sprinkler system.

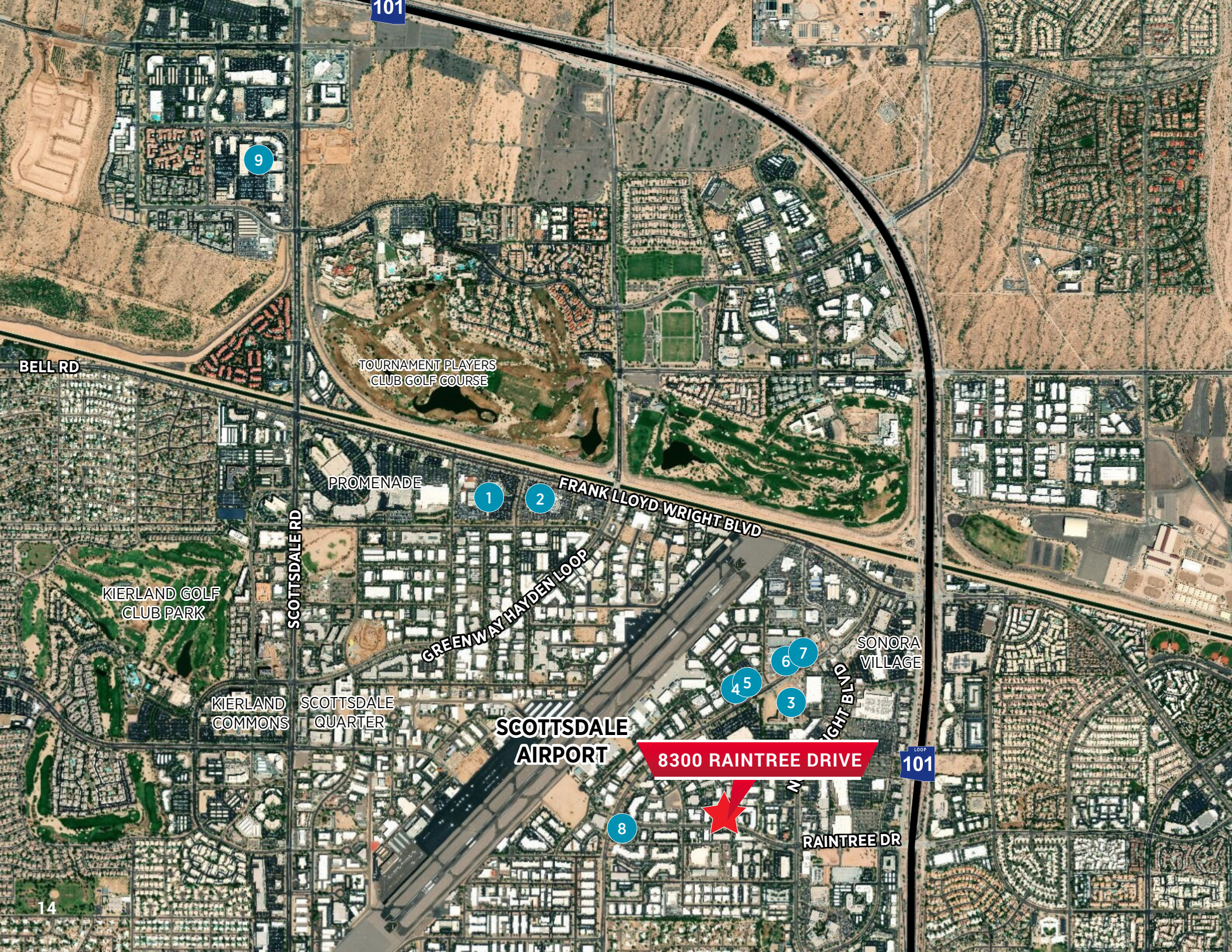
## MECHANICAL DETAIL

<b>HVAC</b>	The building is heated and cooled by rooftop-mounted, packaged and split system, electric, HVAC units all of which are new, provided by Tenantas part of their renovation.	
<b>UTILITY SERVICE PROVIDERS</b>	Water:	City of Scottsdale
	Sanitary/Sewer:	City of Scottsdale
	Electric:	APS
	Gas:	None
	Telephone:	Centurylink
	Cable:	Direct TV
	Trash/Recycling:	Waste Management

## LAND SITE SUMMARY

<b>ADDRESS</b>	8300 East Raintree Drive, Scottsdale, AZ.
<b>ACCESS</b>	Two (2), one along Raintree Drive and the other along 83rd Place
<b>SITE SIZE</b>	±3.5 acres.
<b>PARCEL</b>	215-55-048, 215-55-047B, 215-55-047A.
<b>ZONING</b>	C-4, City of Scottsdale.
<b>PARKING RATIO</b>	187 parking spaces provided.





101

9

BELL RD

TOURNAMENT PLAYERS CLUB GOLF COURSE

PROMENADE

1

2

FRANK LLOYD WRIGHT BLVD

KIERLAND GOLF CLUB PARK

SCOTTSDALE RD

GREENWAY HAYDEN LOOP

4

6

7

SONORA VILLAGE

KIERLAND COMMONS

SCOTTSDALE QUARTER

SCOTTSDALE AIRPORT

8300 RAIN TREE DRIVE

101

3

5

8

RAINTREE DR

14

# SALE COMPARABLES



**ED MOSES DODGE**  
 7801 E FRANK LLOYD WRIGHT BLVD  
 SCOTTSDALE, AZ 85260  
 CLASS B RETAIL  
 46,907  
 YEAR BUILT 1997  
 100% OCCUPIED  
 \$10,500,000 (\$223.85/SF)  
 DECEMBER 10, 2008  
 COMMENTS:



**LEGENDS CADILLAC**  
 7901 E FRANK LLOYD WRIGHT BLVD  
 SCOTTSDALE, AZ 85260  
 CLASS B RETAIL  
 22,156  
 YEAR BUILT 1997  
 100% OCCUPIED  
 \$9,975,000 (\$450.22/SF)  
 NOVEMBER 5, 2012  
 COMMENTS:



**MARTIN BUICK PONTIAC GMC**  
 15333 N HAYDEN RD  
 SCOTTSDALE, AZ 85260  
 CLASS B RETAIL  
 43,377  
 YEAR BUILT 1999  
 100% OCCUPIED  
 \$8,500,000 (\$195.96/SF)  
 MAY 1, 2014  
 COMMENTS:



**EARNHARDT**  
 15350 N HAYDEN RD  
 SCOTTSDALE, AZ 85260  
 CLASS B RETAIL  
 15,952  
 YEAR BUILT 2002  
 100% OCCUPIED  
 \$7,300,000 (\$457.62/SF)  
 JULY 16, 2018  
 COMMENTS:



**PHIL LONG FORD**  
 15350 N HAYDEN RD  
 SCOTTSDALE, AZ 85260  
 CLASS B RETAIL  
 15,952  
 YEAR BUILT 2002  
 100% OCCUPIED  
 \$7,000,000 (\$438.82/SF)  
 DECEMBER 20, 2016  
 COMMENTS:



**HARLEY-DAVIDSON OF SCOTTSDALE**  
 15600 N HAYDEN RD  
 SCOTTSDALE, AZ 85260  
 CLASS A RETAIL  
 23,767  
 YEAR BUILT 1998  
 100% OCCUPIED  
 \$5,489,902 (\$230.99/SF)  
 JANUARY 26, 2012  
 COMMENTS:



**BERKSHIRE HATHAWAY AUTOMOTIVE**  
 15656 N HAYDEN RD  
 SCOTTSDALE, AZ 85260  
 CLASS B RETAIL  
 39,958  
 YEAR BUILT 1997  
 100% OCCUPIED  
 \$7,000,000 (\$175.18/SF)  
 JUNE 18, 2012  
 COMMENTS:



**MOTORSPORTS OF SCOTTSDALE**  
 8053 E RAINTREE DR  
 SCOTTSDALE, AZ 85260  
 CLASS B RETAIL  
 25,000  
 YEAR BUILT 2003  
 100% OCCUPIED  
 \$5,875,000 (\$235.00/SF)  
 JUNE 10, 2016  
 COMMENTS:



**PENSKO AUTO MALL**  
 18000-18118 N SCOTTSDALE RD  
 PHOENIX, AZ 85054  
 CLASS A RETAIL  
 22,135  
 YEAR BUILT 2001  
 100% OCCUPIED  
 \$175,000,000 (\$402.00/SF)  
 OCTOBER 16, 2014  
 COMMENTS:

# NORTH SCOTTSDALE

## UPSCALE RESIDENTIAL

The northern portion of the City of Scottsdale contains the most affluent housing in Scottsdale. The McDowell Mountains provide the only mountainous backdrop in Scottsdale and have served as a canvas for what has evolved into one of the most upscale and high-profile residential areas in Arizona.

The numerous and prestigious master-planned communities that lie in north Scottsdale include: Silverleaf, DC Ranch, Desert Mountain, Troon, McDowell Mountain Ranch, Estancia and Grayhawk. Many of these communities contain signature-designed golf courses that golfers travel from all over the country to enjoy.

## FIRST-CLASS RETAIL AMENITIES

North Scottsdale is home to some of the highest-profile and upscale retail shopping centers in the State. The most notable of which are Kierland Commons and

Scottsdale Quarter—both massive, award-winning open-air lifestyle centers.

**Kierland Commons:** Kierland Commons was introduced in the early -2000s, and at the time, was a pioneering model for the modern-era successful retail shopping center. This award-winning 38-acre mixed-use development combines over 70 shops and restaurants with residential and office space in an outdoor, walkable environment. Tenants in Kierland Commons include: Sur La Table, Crate & Barrel, P.F. Chang's China Bistro, Victoria's Secret, Anthropology, Maestro's Ocean Club, Shake Shack and Michael Kors.

**Scottsdale Quarter:** Drafting off of Kierland Commons' vast success, Scottsdale Quarter was developed directly across Scottsdale Road. This 370,000 SF mixed-use development combines retail, entertainment office, and multi-family residential. Esteemed tenants of the project include: NIKE, Apple Store, Dominick's Steakhouse, Restoration Hardware, Express, Pottery Barn, and True Food.

**The Promenade:** With more than 75 stores spread over 569,000 SF, The Promenade is one of the most popular shopping destinations in north Scottsdale. The open air center, conveniently located at Frank Lloyd Wright Blvd. and Scottsdale Road, features shopping, dining and retail including Nordstrom Rack, Saks Off 5th, Pier 1 Imports, Maggiano's, Capital Grille, The Original Chop Shop and Modern Market.

## MECCA FOR LUXURY HOTELS & RESORTS

Some of the finest hotels and resorts are located in North Scottsdale, providing a mecca of hospitality options for vacationers and business travelers. The most noteworthy of these are: the Fairmont Scottsdale Princess Resort, the Four Seasons, The Westin Kierland Resort & Spa and the Scottsdale Marriott at McDowell Mountain.





### **NORTH SCOTTSDALE'S SUPERB FREEWAY ACCESS**

The Loop 101 Freeway wraps around North Scottsdale providing excellent, multi-directional freeway access to the Scottsdale Airpark submarket. Through its eight interchanges, the Loop 101 Freeway provides easy access to most all labor pools in the Valley, including: South Scottsdale, Tempe, the Southeast Valley and Northwest Phoenix. Within a 10 minute drive a population of over 95,000 is accessed. When increasing the drive time to 20 minutes the accessible population reaches 585,000.

The Scottsdale Airpark is one of the largest employment center in the State of Arizona with more than 2,900 businesses and 51,000 employees in over 17 million square feet of commercial space. Strategically located along the Loop 101 corridor, it has access to a workforce of nearly half a million within a 30-minute commute and transportation links include a world-class municipal general aviation airport. Some of the most prestigious business headquarters locations in the western United States can be found here, including PayPal, Prudential Insurance, Vanguard, Mass Mutual, Pulte Homes, Go-Daddy, Allied Waste, and Taser International.

## UNPARALLELED RETAIL AMENITIES SURROUND THE PROPERTY

- With respect to premier retail destinations, Kierland Commons, The Scottsdale Quarter, The Promenade, Sonora Village and Scottsdale Towne Center comprise the bulk of surrounding retail amenities.
- Dozens of popular restaurant concepts surround the Scottsdale Airpark Corporate Center including: True Food, Zinburger, Mastro's Ocean Club, Dominick's Steakhouse, P.F. Chang's, Cheesecake Factory, Sol Mexican Cocina, O.H.S.O., Wildflower, Panera Bread, Pei-Wei and Shake Shack.
- Large scale retailers such as Best Buy, Target, Kohl's, Costco, Ross, T.J. Maxx, Home Depot, Staples and Walmart Supercenter are in the immediate vicinity.
- Kierland Commons is a true destination location for retail amenities, housing upscale retailers such as Victoria's Secret, Crate & Barrel, Anthropology, Sur La Table and Michael Kors.
- Notable tenants of Scottsdale Quarter include: an Apple Store, Nike, Restoration Hardware, West Elm, Pottery Barn, True Food and H&M.



## MAJOR AUTO BRANDS ARE REPRESENTED IN THE SURROUNDING AREA

The subject trade area is the ideal location in Arizona for maximum premier automobile sales. The incredible locational characteristics of this location provide the backbone of the viability of this new Tesla dealership. In the event Tesla Service + Center became available there would be a host of automotive uses lined up to occupy what will then be a 'Plug-and-Play' facility.

The location is surrounded by over a dozen premium automotive brands. These leading companies have positioned their dealerships in this trade area to take advantage of the exceptional demographics and affluent spending characteristics.

Barrett-Jackson Automotive Auction, the famed auction hosted by Barrett Jackson, is located approximately a mile north of this future Tesla Service + Center.

### *Premium automotive brands that have chosen the Scottsdale Airpark for their dealership locations*

Tesla  
 Porche  
 Aston Martin  
 Ferrari  
 BMW  
 Land Rover  
 Audi  
 Cadillac

Mercedes  
 Lamborghini  
 Bugatti  
 Jaguar  
 Infiniti  
 Lexus  
 Maserati



LOOP 101

BELL RD

TOURNAMENT PLAYERS CLUB GOLF COURSE

FRANK LLOYD WRIGHT BLVD

PROMENADE

WESTWORLD

THE WESTIN KIERLAND RESORT & GOLF COURSE

SCOTTSDALE RD

SCOTTSDALE TOWNE CENTER

KIERLAND COMMONS  
GREENWAY PKWY

SCOTTSDALE QUARTER

SONORA VILLAGE

SCOTTSDALE AIRPORT

HAYDEN RD

8300 RAIN TREE DRIVE

LOOP 101

NORTHSIGHT BLVD

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