

An Offering Memorandum for

 **AGAVE**  
BUSINESS PARK

A rare infill development  
opportunity located in the heart of  
the South Tempe / I-10 corridor





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# THE OFFERING



Newmark Knight Frank (NKF), as exclusive advisor, is pleased to present the opportunity to acquire the fee simple interest in two (2) parcels within the Agave Center Business Park (“The Sites”). The Sites consist of two parcels: Parcel # 301-59-514 which is approximately 6.68 acres and Parcel # 301-59-853 which is approximately 4.5 acres. The parcels are zoned I-1, City of Tempe. Located in the vibrant South Tempe / I-10 submarket, the sites offer a strategic location at the southeast corner of Warner Road and Interstate 10 Freeway. The 4.5 acre site offers excellent visibility and frontage along the I-10 Freeway while the 6.68 acre site sits in the heart of the Agave Business Park. The strategic location offers tremendous arterial freeway access along the I-10 while the US 60 Superstition Freeway is located three (3) miles to the north and the Loop 101 Freeway four (4) miles to the east. Sky Harbor International Airport is within 10 miles of the sites. Over 7.8 million square feet of retail amenities exist within a three (3) mile radius of the sites. The sites offer a rare infill development opportunity in the well-established South Tempe / I-10 office, industrial and flex submarket.



# PROPERTY SUMMARY

## SEC of Interstate 10 and Warner Road, Tempe, Arizona

Site Area: Parcel 301-59-514 @ ±6.68 acres  
Parcel 301-59-853 @ ±4.5 acres

Zoning: I-1, City of Tempe  
Traffic Counts: Interstate 10: 182,475 Vehicles per Day  
Warner Road: 32,320 Vehicles per Day  
Offering Price: \$10.00 per square foot



Access:  
Located at the SEC of Warner and Interstate 10 full diamond interchange.

Both parcels can be accessed via a signaled intersection at Warner Road and Harl Avenue.



# RETAIL AMENITIES





# AERIAL IMAGES



ARIZONA GRAND  
RESORT & SPA

FOUR POINTS  
BY SHERATON

ARIZONA MILLS

ASU

PHX  
PHOENIX SKY HARBOR  
INTERNATIONAL AIRPORT

IKEA  
DICK'S  
SPORTING GOODS  
TEXAS  
LIFETIME FITNESS

Coca-Cola

TARGET

Mark Taylor

INTERSTATE  
10

ONE  
AGAVE  
CENTER

DRURY  
INN & SUITES

WARNER ROAD

Carls Jr.

Panera  
BREAD

Tilted  
KILT  
PUB & GRILL

AGAVE  
BUSINESS  
CENTER

±6.68 ACRES

HARL AVE

AGAVE  
EXECUTIVE  
CENTER

±4.5 ACRES



# AERIAL IMAGES



# DEVELOPMENT HIGHLIGHTS

## **Rare infill development opportunity in established office, industrial and flex submarket**

The sites are located in the heart of the South Tempe / I-10 corridor with access off Warner Road at a full diamond interchange on the I-10 freeway. Current office vacancy rates within the corridor are 12.4% while the industrial / flex vacancy rate sits at 8.2%.

## **Surrounded by Fortune 500 Companies**

The amenity rich location has attracted numerous Fortune 500 companies including Insight, Honeywell, Go Daddy, Avnet, Northern Trust Bank, Edward Jones, Target, Verizon Wireless, Freescale Semiconductor, Coca-Cola and Liberty Mutual to name a few.

## **Excellent freeway and arterial road access**

The sites are strategically located at the SEC of the full diamond interchange on the Interstate 10-Freeway at Warner Road. Warner Road is a major arterial road providing excellent westbound access into the Ahwatukee urban village consisting of over 35 square miles with a population over 77,000 residents. Warner stretches over 21 miles to the east through five (5) cities. The accessibility of the site provides excellent commuter access in any direction. There is a signalized intersection providing full movement onto Warner Road at Harl Avenue into the Agave Business Park.

## **Superb surrounding amenity base**

Over 7.8 million square feet of retail amenities consisting of shopping centers, power centers, and lifestyle and specialty retail are located within a three (3) mile radius of the sites offering endless dining, hotel and retail options to employees within the Agave Business Park. There are over 50 hotel and hospitality options ranging from resorts to extended stay hotels within a five (5) mile radius of the sites offering companies and business travelers multiple options. Traffic counts for the Warner Road and the I-10 Intersection are 182,475 vehicles per day.

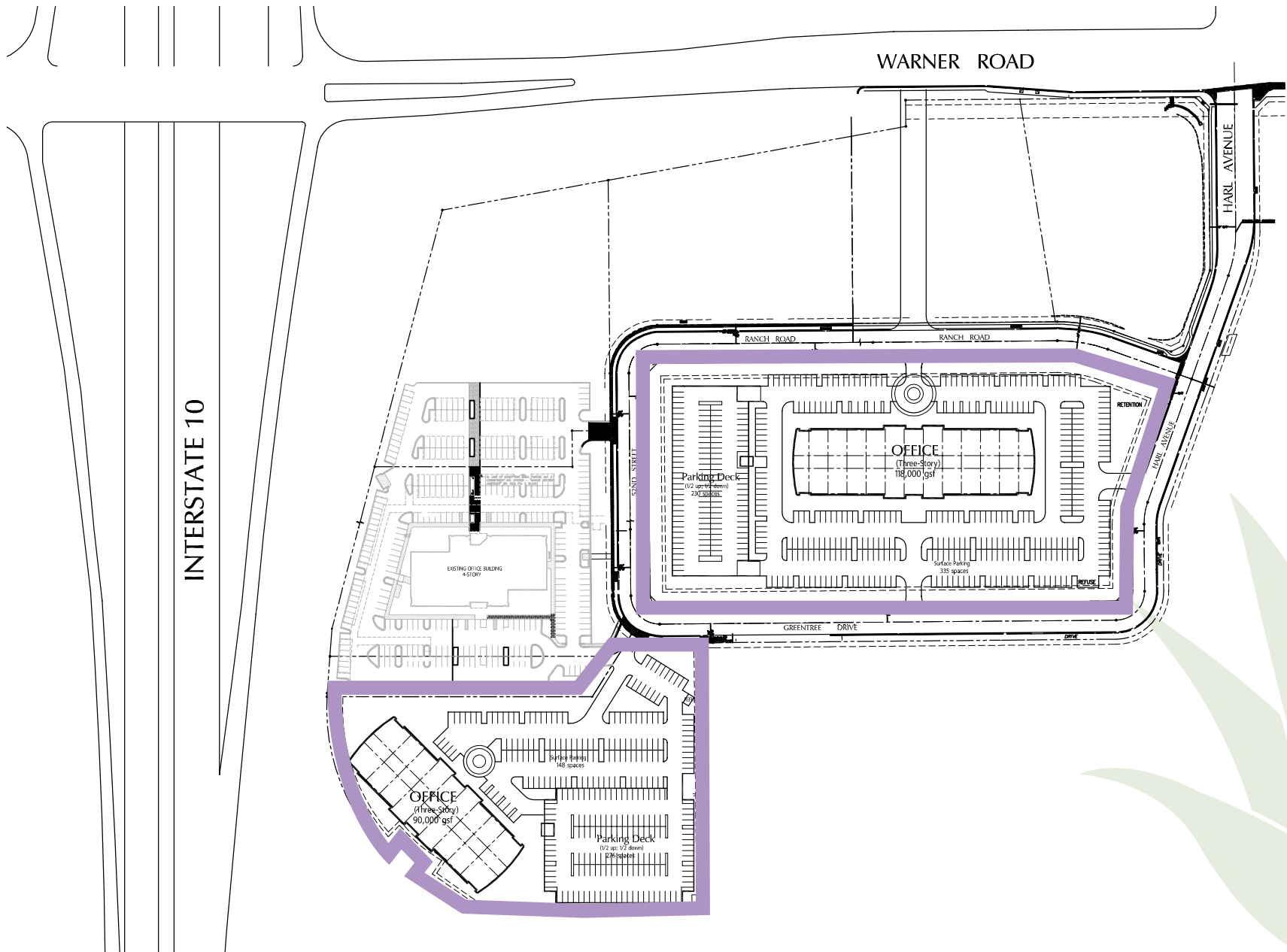
## **Superior demographics and employment reach**

The South Tempe / I-10 corridor in addition to neighboring submarkets of Chandler, Phoenix and Mesa provide a deep and diversified employment draw. Over 1.5 million people are located within a 30 minute commute of the Agave Business Park, providing a deep employment hiring pool for companies. The average household income within a three (3) mile radius is over \$90,000.



# POTENTIAL SITE PLANS

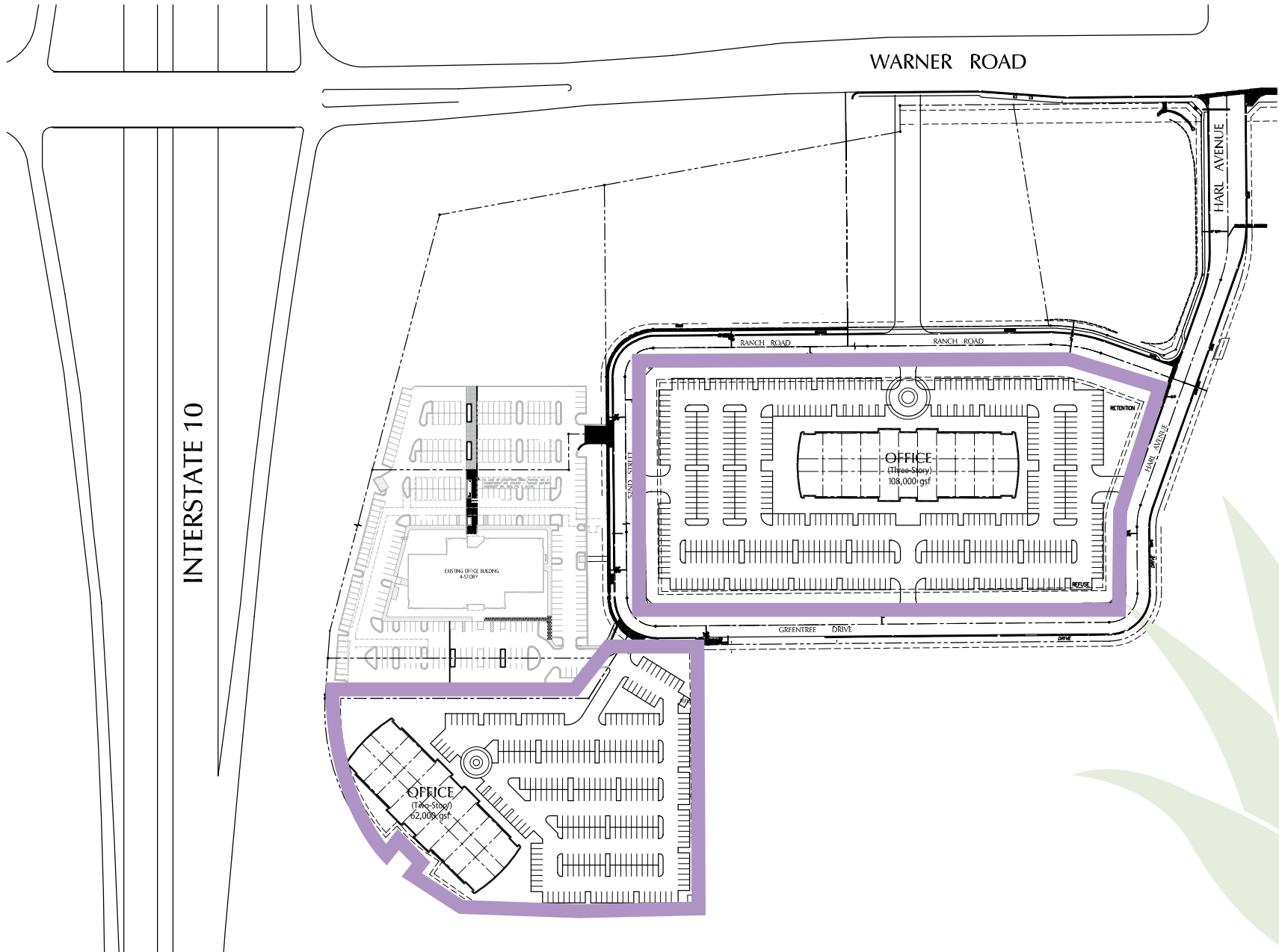
## OPTION A





# POTENTIAL SITE PLANS

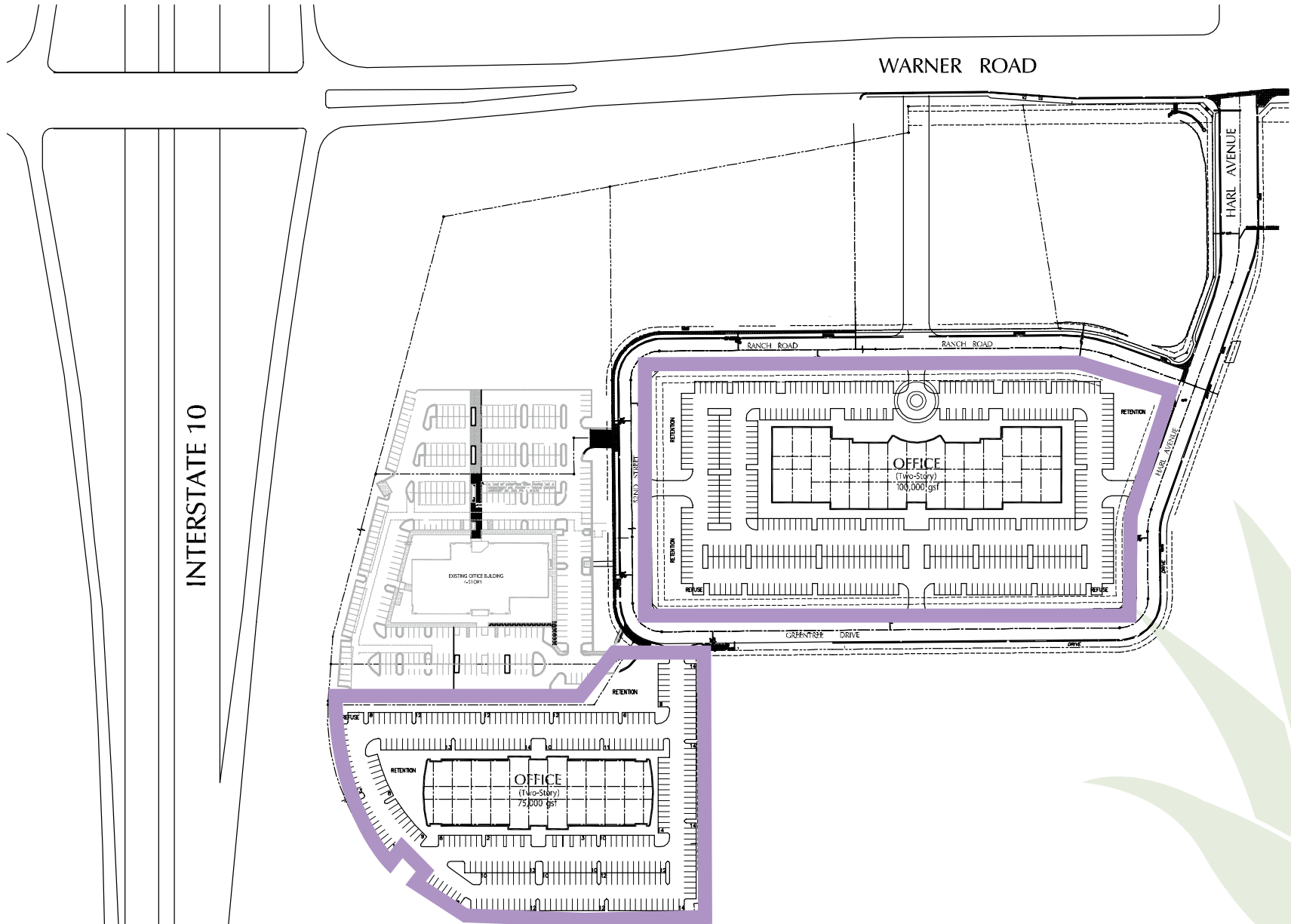
## OPTION B





# POTENTIAL SITE PLANS

## OPTION C





# MARKET STATISTICS



The South Tempe / I-10 submarket consists of over 4.9 million square feet of non-owner multi-tenant office buildings. As of the end of the 4th quarter 2017, the vacancy rate stands at 12.4% up slightly from 11.5% at the end of 2016. Rental rates have increased at a steady pace since 2012 with the current average asking rental rates standing at \$23.23/SF. This represents a 18.9% increase since year end 2012. We expect the trend to continue as vacancy rates come down and several buildings trade to investors looking to capitalize on the rent upswing. The submarket has absorbed over 150,000 SF annually on average since 2012. There were 8 leases signed over 50,000 square feet since 2015. With prominent housing and excellent demographics, construction has been primarily confined to retail development over the last several years. Given the rare in-fill characteristics of the sites, the barrier to entry for competing office, industrial and flex developments is challenging and virtually nonexistent.





# AGAVE

## BUSINESS PARK

SEC of Interstate 10 and Warner Road, Tempe, Arizona



HARL AVE

WARNER ROAD



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