

FOR SALE - INVESTMENT OFFERING

±29,300 SF | \$3,100,000 (\$105.80 PSF)



3602 E LA SALLE ST
PHOENIX, AZ 85040

EXCLUSIVE INVESTMENT OFFERING



INVESTMENT OFFERING

3602 E LA SALLE STREET PHOENIX, AZ 85040

PREPARED MAY, 2019

OFFERING MEMORANDUM DISCLAIMER

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INVESTMENT ADVISOR

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3602

E LA SALLE STREET

OFFERING SUMMARY

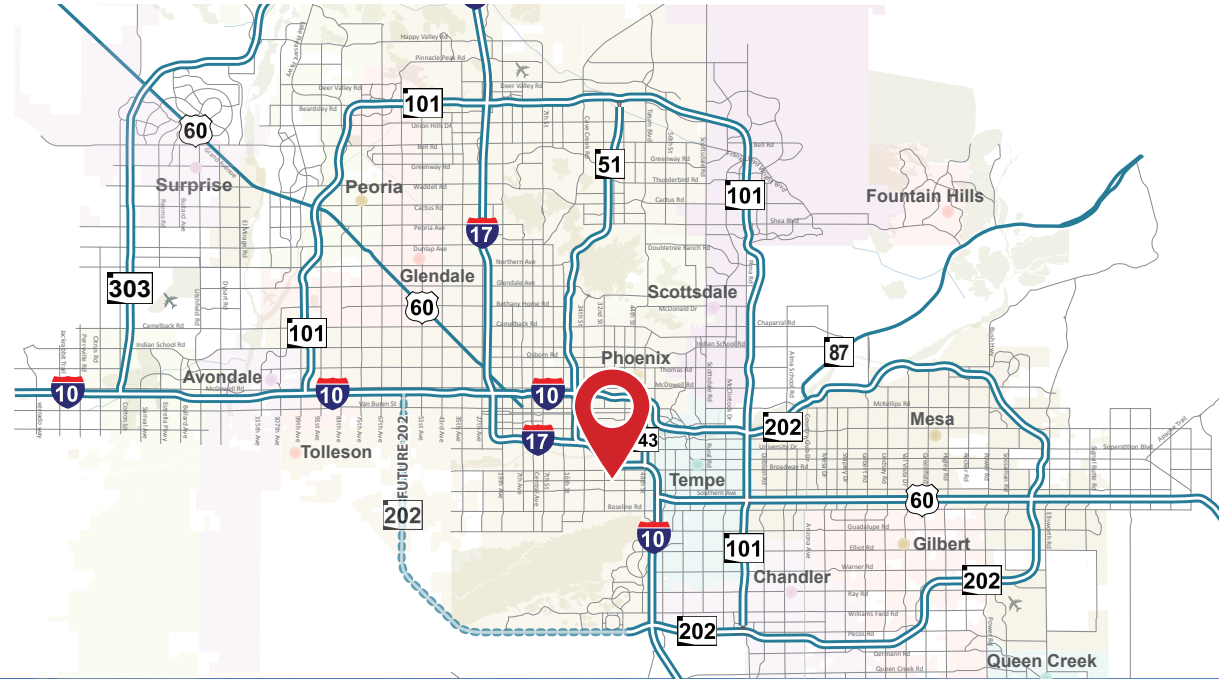
CPIAZ is offering an excellent opportunity to purchase a highly functional industrial building totaling 29,300 square feet in the heart of the Sky Harbor/Central City Area in Phoenix.

3602 East La Salle Street is strategically located in the highly desirable Phoenix Metropolitan Area. Companies continue to target the Phoenix area as a low cost alternative to California with a business friendly environment, abundance of labor, right to work laws and affordable housing.

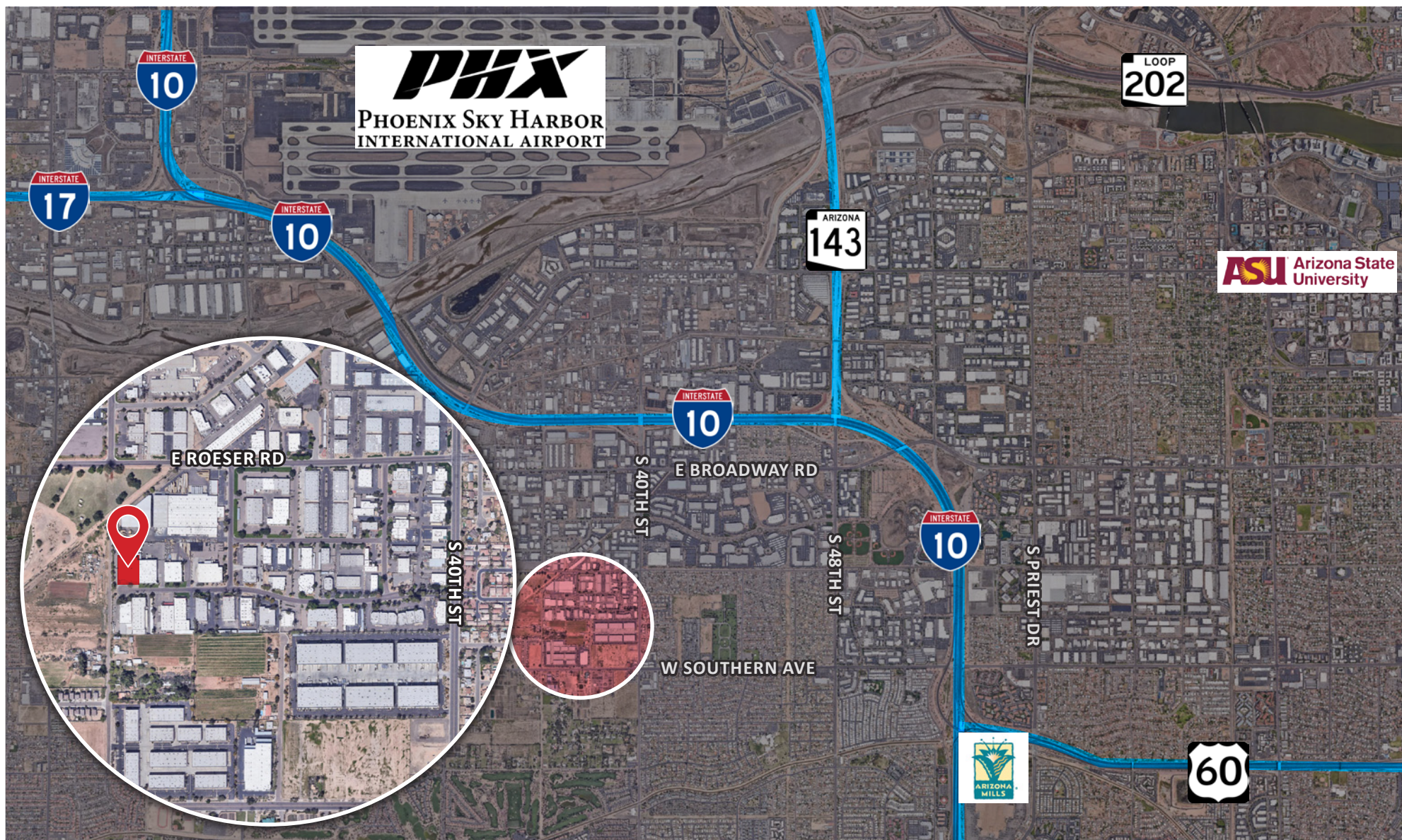
The Property is adjacent to Sky Harbor International Airport and just 5 minutes from downtown Phoenix, offering access to nearby amenities, restaurants and banks. The Property's centralized location is within immediate access to I-10, I-17 and SR-60, and proximity to SR-51, SR-202 and SR-143.

Property Summary

ADDRESS	3602 E LA SALLE STREET PHOENIX, AZ 85040
SQUARE FEET	±29,300 SF
OCCUPANCY	100%
TENANT	RJR TECHNOLOGIES
LAND SIZE	±1.55 ACRES
CLEAR HEIGHT	20'
HVAC	100% AIR CONDITIONED
TRUCKWELL	CONCRETE STAGING AREA
LOADING	3 DRIVE INS (12' X 14')
POWER	1,200-2,000A / 277-480V
PARKING STALLS	±45 (1.5/1,000 RSF)
OFFERING PRICE	\$3,100,000.00



AREA OVERVIEW



TENANT DESCRIPTION

RJR TECHNOLOGIES

RJR Technologies, Inc. is a developer and high-volume manufacturer of Air Cavity LCP semiconductor packages and a leading formulator of B-staged epoxies. RJR is a top supplier of pre-applied epoxy-coated lids for air cavity packages and Isothermal sealing systems to provide customers with the total electronic package solution for all types of application in the semiconductor, automotive and medical markets.

The company's patented, injection-molded Liquid Crystal Polymer (LCP) packaging technology offers superior performance and design flexibility at lower cost than traditional ceramic and over-molded plastic packaging solutions. At the same time, the company's standard product lines significantly shorten time-to-market. RJR Technologies is a privately-held company. For more information, please visit the company's website at www.rjrtechnologies.com.

Lessee RJR Technologies
Address..... 3602 E La Salle St | Phoenix, AZ 85040
Square Footage 29,300 SF
Current Monthly Rent **\$11,421 NNN**
Rent Increase..... **\$0.01/MO/YR**
Lease Commencement Date 2/22/2017
Lease Expiration Date 6/30/2024
Rent Schedule Available Upon Request



Location

ADDRESS	3602 E LA SALLE ST PHOENIX, AZ 85040
OCCUPANCY	100%
MARKET / SUBMARKET	PHOENIX / AIRPORT
PARCEL NUMBER	122-76-056

Building Size

TOTAL RENTABLE AREA	29,300 SF
LAND SIZE	1.55 ACRES
NUMBER OF BUILDINGS	ONE
DIVISIBILITY	UP TO TWO (2) TENANTS

Building Features

YEAR BUILT	JULY, 2001
HVAC	100% AIR CONDITIONED
CLEAR HEIGHT	20'
TRUCKWELL	CONCRETE STAGING AREA
PARKING	45 SPACES; 1.50/1,000 RSF
GROUND LEVEL DOORS	3 (12' X 14')
TRUCKWELL	DOUBLE
YARD	FENCED
ZONING	I-P

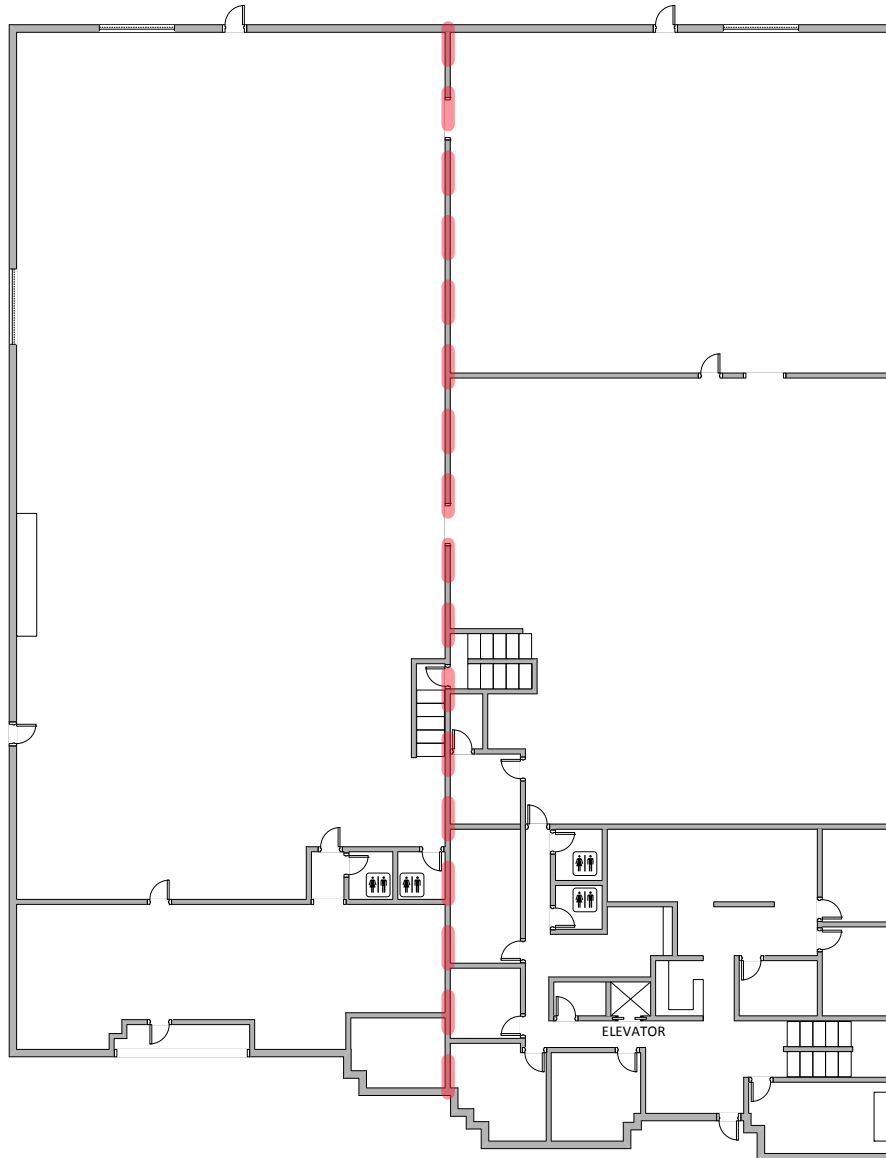




RJR
TECHNOLOGIES

- Standard and Custom Air Cavity LCP Package Solutions
- Pre-Applied Epoxies & Polymer Materials development
- Air Cavity Package Design & Assembly Process Development
- Manual, Semi and Fully Automatic Assembly Sealing Solutions
- Engineering & Application Support Services

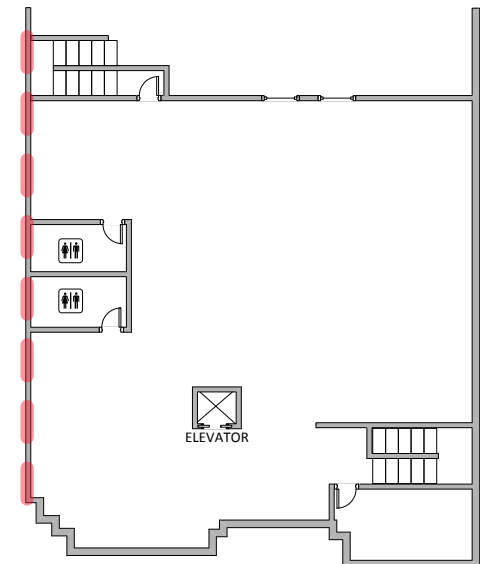
FLOOR PLAN



FIRST FLOOR PLAN:
24,300 SF

POTENTIAL
DIVISIBILITY

SECOND FLOOR PLAN:
5,000 SF



Phoenix Metropolitan Area

The Phoenix Metropolitan Area (PMA) is the business center of Arizona and a major tourist destination. Phoenix's ability to blend the influences of Old West, Native American, Mexican and Spanish cultures makes it a very dynamic and interesting city to live in or visit. It is the capital city of Arizona, as well the county seat for Maricopa County, adding a strong government and legislative presence to the city.

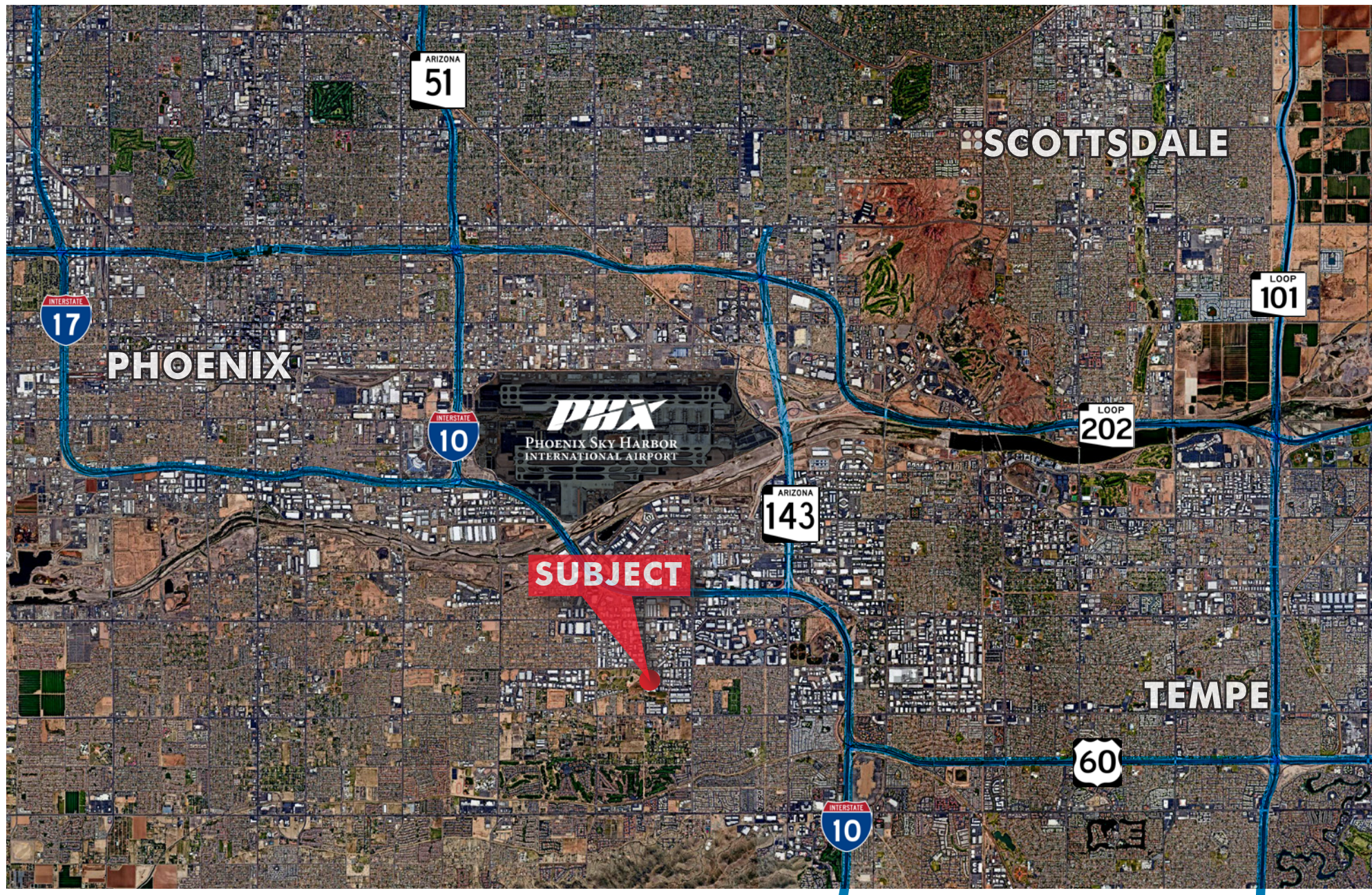
As the urban center for the entire city, Downtown Phoenix is the political, business and cultural focal point of Phoenix. More than one billion in new construction and renovation projects in the 1990's transformed Phoenix's downtown area into a vibrant core of business, sports, arts and entertainment.

These venues include over 5.6 million square feet of rentable office space, a wide variety of restaurants, Chase Field, U.S. Airways Arena, Phoenix Symphony Hall, the Dodge Theatre and the Orpheum Theatre. The City of Phoenix recently won

a major biotech contract with the International Genomics Consortium by forming the Translational Genomics Research Institute. The research center, a \$21 million complex, will boost the state's economy by creating spin-off companies that will commercialize technologies developed at the institution. Supporters of the project also claim the institution will create 15,000 jobs and create demand for at least one million square feet of downtown space during the next decade.

Phoenix has developed into a cosmopolitan urban area affording exceptional quality of life to its four million inhabitants. With the sun shining 86% of the year, the "Valley of the Sun" offers a casual existence where outdoor activities take place year round on large tracks of land and mountains within the city limits. Winter is the favored season with desert temperatures perfect for golf, hiking, biking, boating and other outdoor activities. Snow skiing is just a short drive away, due to Arizona's diversity of elevations.



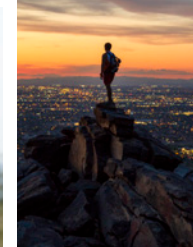




- Shoppers can choose from a variety of destinations including Scottsdale Fashion Square, Biltmore Fashion Park, Kierland Commons and Desert Ridge Marketplace.
- Restaurants in Phoenix cover the entire range of cuisine.
- South Mountain Park is the world's largest municipal park. Papago Park is home to the Phoenix Zoo, Desert Botanical Gardens, an 18-hole golf course and fishing lakes.
- Arizona State University, the Thunderbird International School of Management, as well as satellite campuses of the University of Arizona and Northern Arizona University.
- The International Genomics Consortium and the Translational Genomics Research Institute—a major international biotech research center.
- Phoenix is the home of the NBA's Phoenix Suns, WNBA's Phoenix Mercury and AFL's Arizona Rattlers draw loyal fans to their home in Downtown Phoenix. Just east are the MLB's AZ Diamondbacks at Chase Field. The Valley is also home to the NFL's AZ Cardinals and the NHL's AZ Coyotes.

Phoenix has a Multitude of Recreation & Amenities

- 300 days of sunshine and about seven inches of precipitation per year. The average annual temperature is 74 degrees. Phoenix's climate is ideal for participating in a wide range of outdoor activities.
- 200 golf courses created by course designers such as Robert Trent Jones, Jack Nicklaus and Tom Weiskopf. Each year, the PMA hosts PGA, LPGA, and Senior PGA golf tournaments including The Waste Management Phoenix Open and The Tradition. The Waste Management Phoenix Open attracts the largest galleries of any golf tournament in the world.
- 30 museums including the newly refurbished Phoenix Art Museum and the world famous Heard Museum, which houses one of the world's finest collections of Native American art and artifacts.
- Arizona Opera Company, the Phoenix Symphony, and a host of professional theater companies in venues such as the beautifully restored Orpheum Theatre, Phoenix Symphony Hall, the Herberger Theater Center, and Dodge Theater.
- More than 51,000 hotel rooms for visitors from all over the world, including such exclusive resorts as The Biltmore, The Phoenician, the 950-room JW Marriott Desert Ridge Resort and Spa and the 750-room Westin Kierland Resort.



Phoenix is strategically located between California to the west, Nevada, Utah and Colorado to the north, New Mexico to the east, and Mexico to the south. The city is defined by the intersection of two of the nation's major interstate highways—Interstate 17 (north/south) and Interstate 10 (east/west).

The Loop 101 Freeway has been a catalyst for the commercial development of the perimeter areas of the PMA. It also supports easier ingress and egress from the residential communities developing on the perimeters of the PMA to the concentrated areas of commerce and office developments in the central core. In addition to the intersection of two interstate freeways in Phoenix, the major arterial roads running through the PMA are State Route 51 (Piestewa Parkway) going north-south, Loop 202 going east-west and Highway 60 leading into the East Valley cities.

This exceptional roadway network positions the PMA to handle the significantly above average growth in population and employment anticipated for the area. Phoenix is one of the few large cities with its international airport centrally located within the city, adding a convenience amenity rare for a city the size of Phoenix.

Phoenix owns and operates three airports. Phoenix Sky Harbor International Airport is the economic engine of the entire state of Arizona, contributing more than \$33 billion to Arizona's economy each year and employing more than 33,000 people. There are hundreds of nonstop and connecting flights from points around the globe each day. Conveniently located in the heart of Phoenix, Sky Harbor provides easy access to the luxurious resorts, spas, golf courses, and sunshine for which Arizona is famous.

In 2018, Sky Harbor Airport handled a total of 43,921,670 passengers and 430,968 landings and takeoffs and is one of the top 10 busiest airports in the world.

Phoenix Deer Valley Airport and Phoenix Goodyear Airport are general-aviation reliever airports for Phoenix Sky Harbor. Deer Valley is one of the busiest general aviation airports in the United States. Goodyear airport has a new terminal and one of the best general aviation runways in the country.

The city of Phoenix is proud to be one of five member governments in the Airport Authority that operates Phoenix-Mesa Gateway (formerly Williams Gateway). Located about 30 miles southeast of Phoenix Sky Harbor, Phoenix-Mesa Gateway Airport offers commercial flights around the United States.



Transactions

Commercial Properties Incorporated (CPI) completed 238 Industrial transactions for a total of 958,821 square feet at the end of fourth quarter 2018.

Vacancy Rate & Absorption

The Phoenix Industrial market ended fourth quarter 2018 with a vacancy rate of 7.1%. This is a 1.43% increase from the 7.0% vacancy rate reported last quarter. Net absorption ended up at a positive 2,661,210 square feet at the end of fourth quarter 2018. Absorption was up compared to last quarter's net absorption previously reported at positive 790,484 square feet. The vacant sublease space in the Phoenix market ended the fourth quarter 2018 at 621,923 square feet. This is a decrease from last quarter which was previously reported at 633,415 square feet of vacant sublease space.

The figures above include buildings that are owner occupied as well, which affects the actual vacancy numbers. Check with your CPI broker for an accurate representation of the vacancy rates in the submarket around your properties.

Construction

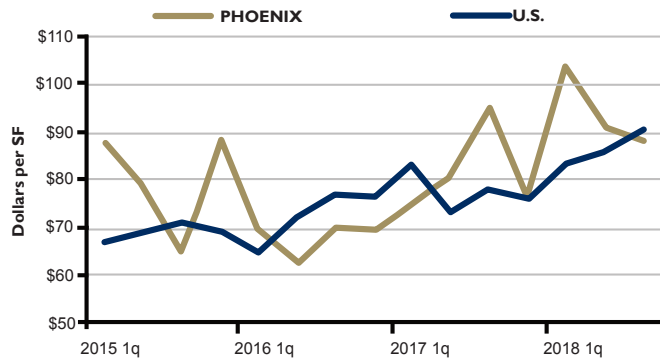
5,642,193 square feet were reported as still being under construction at the end of fourth quarter 2018 in the Industrial Sector. This is down compared to 7,048,640 square feet under construction last quarter. Some of the biggest projects still under construction were South Price Road, a 617,000 SF building which is 100% pre-leased, and W. Buckeye Rd & 89th Ave, a 379,828 SF facility which is vacant and available.

Inventory

At the end of fourth quarter, there was a total of 343,251,668 SF of industrial inventory for Phoenix. This square footage is broken out into 10,848 buildings that make up the sector.

U.S. PRICE/SF COMPARISON

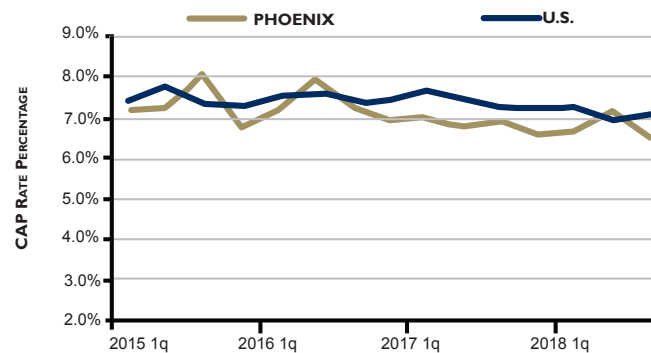
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS

U.S. CAP RATE COMPARISON

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS

VACANCY

HOLDING AT **7.1%** FROM 7.0% IN Q3
NET ABSORPTION +2,661,210 SF

↑ **RENTAL RATES**
UP TO **\$7.38** AVG
COMPARED TO \$7.33 Q3

↓ **CAP RATES**
LOWER - AVERAGING **6.79%** COMPARED
TO 6.95% AVG IN FIRST NINE MONTHS
OF LAST YEAR

