



7 THOUSAND SHEA

A Premier 8.35 Acre Mixed-Use Opportunity
in the Heart of Scottsdale



7000 EAST SHEA BOULEVARD | SCOTTSDALE, ARIZONA

EXCLUSIVELY LISTED BY:

ARI SPIRO

President

480.634.8596

480.292.3697

ari.spiro@orionprop.com

SEAN STUTZMAN

Principal

480.634.8194

480.363.4544

sean.stutzman@orionprop.com

JARED WILLIAMS

Senior Associate

480.327.6818

480.430.4205

jared.williams@orionprop.com





SECTION I : PROPERTY OVERVIEW Pg. 3

EXECUTIVE SUMMARY Pg. 3

PROPERTY HIGHLIGHTS Pg. 4

SITE PLAN Pg. 7

PARCEL MAP Pg. 8

LOCATION MAP Pg. 9

PROPERTY PHOTOS Pg. 10

SECTION II : AREA OVERVIEW Pg. 14

AERIAL VIEWS Pg. 15

CITY OVERVIEWS Pg. 18

DEMOGRAPHIC COMPARABLES Pg. 20

NOTABLE RECENT AREA SALE TRANSACTIONS Pg. 21

SECTION III : TENANT PROFILES Pg. 22

SECTION IV : FINANCIALS Pg. 26

RENT ROLL Pg. 26

EXPENSES Pg. 30

INCOME/EXPENSE Pg. 31

SECTION V : DISCLAIMER Pg. 32



PROPERTY OVERVIEW

7 Thousand Shea is an existing multi-tenant, mixed use shopping center with a mix of retail, office, and restaurant uses totaling over 153,000 square feet. Well-situated on over 8.3 acres, 7 Thousand Shea was constructed in several phases. Phase I, completed in 1986, consists of first floor retail space and second floor office space. The phase also includes a free-standing restaurant building, which was subsequently removed and replaced in 2002 with a 14,975 square foot restaurant building, now occupied by Jasmine Tokyo. The original phase II of the subject property was constructed in 1988 and 1989, consisting of two two-story buildings, four one-story buildings, and a two-level subterranean parking garage. Parking at the property is abundant and includes 685 total parking spaces; 317 of those spaces are located within the subterranean parking garage. The current ownership acquired the property in 2013 and began a major redevelopment program spending over \$1.5M, which included configuring the parking lot, new monument signage, extensive landscaping and lighting improvements, and renaming and re-branding the center.

7 Thousand Shea provides an investor with existing cash flow at below market rents in one of the most highly regarded locations in the state. The property is located around some of the most expensive housing in the state with average home values in excess of \$1M. It is adjacent to Paradise Valley and the highest concentration of million dollar homes and estates in the Southwest. The affluent population (average household income in excess of \$130,000) supports the diverse mix of tenants. The property can be acquired at below replacement cost with average rental rates well below market. With monument and building signage highly visible along the property's frontage on Shea Boulevard, and with traffic counts of \pm 48,000 vehicles per day, the property is well-positioned to capitalize on its vicinity to the strong retail sub-market centered around the premier Scottsdale Road and Shea Boulevard intersection.

PROPERTY SUMMARY

Price	\$16,500,000
Price/SF	\$112.91
Proforma Cap Rate	11.5%
Total Building Area	\pm 153,084 SF
Site Area	8.35 Acres
Year Built	1986 (Phase I), 1988-1989 (Phase II), 2002
Year Renovated	2014 & 2015
Parking	685 Spaces (Including 317 subterranean spaces)
Taxes (2017)	\$185,857
APN #'s	175-42-136H; 136G; 136P; 136N; 136Q
Zoning	C-2, City of Scottsdale
Address	7000 East Shea Boulevard Scottsdale, Arizona
Major Cross Streets	Shea Boulevard & Scottsdale Road
Traffic Counts	48,000 VPD (Shea Blvd.) 43,500 VPD (Scottsdale Rd.)



4 7 THOUSAND SHEA

PROPERTY HIGHLIGHTS

- Premier 8.35 Acre Infill Site
- Mixed-Use Opportunity with In-Place Cash Flow
- Class A Location at Below Replacement Cost
- Prime Scottsdale/Paradise Valley Adjacent Location
- Upside through Below Market Rents
- Located within one Block of the Most Prominent Intersections in Arizona
- Approximately \$1.5 Million in Recent Capital Improvements to Site



PREMIER OPPORTUNITY

7 Thousand Shea's prime location in the heart of Scottsdale and adjacent to Paradise Valley, the most affluent municipality in the Phoenix Metropolitan area, offers a unique opportunity to purchase this 8.35 acre site.

LARGE CONTIGUOUS 8.35 ACRE SITE

This site is one of the largest, intact sites in Scottsdale, inclusive of all building outparcels. With over 500 feet of frontage along Shea Boulevard's 48,000 cars per day, the site and area supports a variety of potential uses (subject to use permits and/or rezoning), including retail, restaurant, office, multifamily, and/or hospitality.

CLASS A LOCATION AT BELOW REPLACEMENT COST

The property's anticipated sales price will be far below replacement cost. With over 150,000 square feet under roof and a two-story subterranean 300+ car garage, similar sites' land values alone have ranged from \$50 per square foot to over \$100 per square foot.

LOCATED NEAR ONE OF THE MOST PROMINENT INTERSECTIONS IN ARIZONA

The site is less than ¼ mile from Scottsdale Road & Shea Boulevard, one of the busiest intersections in the Greater Phoenix Area. Ranked as one of the top commercial intersections, Scottsdale and Shea is also one of the most functionally under-served commercial intersections in town.

APPROXIMATELY \$1.5 MILLION IN RECENT CAPITAL EXPENDITURES TO SITE, INCLUDING:

- Parking Lot Redesign, Renovation and Upgrade
- Exterior and Garage Painting
- Directional & On Campus/Internal Signage Program
- Redesign and Renovation of Center Office Space
- Renovation of Office Space and Creation of Spec Suites
- New Exterior LED Lighting throughout Property
- Extensive Exterior Landscape Improvements including Towering Palm Trees
- New Monument Signage Program, including 4 Tenant Monument Signs
- Renaming, Re-branding the Center and a New Corporate Identity Program

PRIME SCOTTSDALE/PARADISE VALLEY ADJACENT LOCATION

With some of the most expensive housing in Arizona located in Paradise Valley and average household income exceeding \$130,000 within a three-mile radius, the site is located within one of the most affluent areas in Arizona. The property also draws from such well-regarded and established master-planned communities as Gainey Ranch and McCormick Ranch.

UPSIDE THROUGH BELOW MARKET RENTS

The property has significant upside in a tight and high demand retail and office market through leasing up the remaining second-generation vacancies, increasing rents on the below market rents (occupied space currently approximately \$13 psf versus mid-\$30 psf NNN market rates) and capitalizing on the underutilized existing open areas (promenade) and patio spaces.

EXISTING CASH FLOW

With occupancy of approximately 51%, an investor has the flexibility to implement a redevelopment plan, while positively cash flowing.



6 PROPERTY SPECIFICATIONS

Address	7000 East Shea Boulevard, Scottsdale, Arizona 85254
Intersection	Northeast Corner of 70th Street and Shea Boulevard
Maricopa County Assessor's Parcel Numbers	Book 175, Map 42, Parcels 136H, 136G, 136P, 136N, and 136Q
Current Use	Retail Shopping Center with a Mix of Retail, Restaurant, and Office Uses
Type of Ownership	Fee Simple
Zoning	C-2, Central Business District, City of Scottsdale This district is intended to permit all uses permitted in the C-1 neighborhood commercial district, plus commercial activities designed to serve the community. This district includes uses usually associated with the Central Business District (CBD) and shopping facilities which are not ordinarily compatible with residential development. It is further required that the building height shall not exceed 36 feet.
Site Area	8.348 net acres 363,647 square feet (according to 2010 ALTA survey)
Site Shape	Generally Rectangular with no Outparcels, other than land owned by City of Scottsdale as noted on Parcel Map

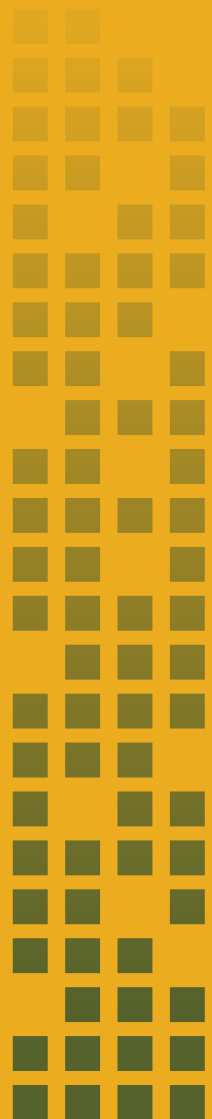
Street Frontage	501.64 feet of frontage on the north side of Shea Boulevard 564.15 feet of frontage on the east side of 70th Street 583.65 feet of frontage on the south side of Sahuaro Drive.
Topography	Level and at Grade with Adjacent Properties
Flood Zone	Zone X, Panel 1685 of 4350, Map 04013C1685 F,
Year of Construction	1986, 1988, 1989, and 2002, according to public records.
Exterior Walls	Concrete Block with Stucco Finish
Roofs	Flat Built-Up and Concrete Tile.
Parking	Total of 685 parking spaces (317 subterranean garage spaces and 16 carport spaces)
Elevators	4
Utilities:	
Water/Sewer	The City of Scottsdale provides water in a 12-inch line along Shea Boulevard and a 10- inch sewer line, also along Shea Boulevard. Arizona
Electricity	Arizona Public Service (APS)
Natural Gas	Southwest Gas
Telephone	CenturyLink

Third Party Reports Available:
Phase I Environmental Site Assessment, dated July 23, 2013
ALTA/ACSM Land Title Survey, dated November 19, 2010



7 SITE PLAN

OCCUPIED
 AVAILABLE
 ELEVATOR





8

PARCEL MAP



175-42-136H

175-42-136M

175-42-136P

175-42-136N

175-42-136Q

175-42-136G

OWNED BY THE CITY OF SCOTTSDALE

PARCEL #'s:
175-42-136H, 175-42-136P
175-42-136N, 175-42-136Q
175-42-136G

TOTAL TAXES (2017):
\$185,857

TOTAL LAND SIZE:
8.348 Acres

175-42-038

175-42-039

175-42-040

175-42-041

175-42-042

175-42-043

175-42-044

175-42-045

175-42-046

175-42-047

175-42-048

175-42-049

71ST PLACE

SHEA BOULEVARD

48,000 VPD





9

7 THOUSAND SHEA





10 7 THOUSAND SHEA





11 7 THOUSAND SHEA





12 7 THOUSAND SHEA





13 INTERIOR OFFICE SUITES





7 Thousand Shea is superbly located in a premier location in Scottsdale, and one of the few retail properties that lies adjacent to the unparalleled demographics of Paradise Valley. The property is less than one block from the intersection of Scottsdale Road and Shea Boulevard, two of the most prominent and desirable major arterials in the state.

One of the best intersections in the state, Scottsdale Road and Shea Boulevard is the epicenter of commercial activity catering to consumers ranging from the 7,000+ luxury apartments units (within three miles) to multi-million dollar estate dwellers.

The area supports a multitude of uses, including retail, restaurants, office, multifamily, and hospitality. With 8.35 total acres, including outparcels, 7 Thousand Shea is one of the largest infill opportunities in Scottsdale.



15 AERIAL VIEWS





16

NE AERIAL VIEW





17

SW AERIAL VIEW

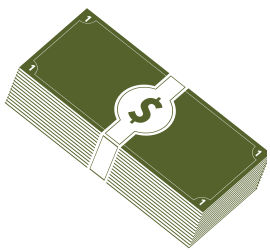




18 SCOTTSDALE, AZ



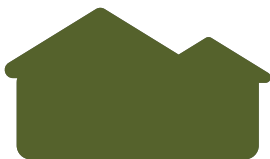
POPULATION
231,829



AVERAGE HOUSEHOLD
INCOME
\$113,339



MEDIAN AGE
47.3
YEARS OLD



AVERAGE HOME VALUE
\$391,500



Located in the beautiful Sonoran Desert, Scottsdale, Arizona is bordered by Phoenix to the west and the McDowell Mountains on the east. The City of Scottsdale is an exciting and dynamic community that has matured since its incorporation in 1951 as a City of 2,000 citizens into the sophisticated and cultured southwestern City of today. The City continues to grow each year and has seen a nearly 10% increase in population since 2000. Scottsdale boasts a highly-educated population with 46% of individuals 25 and older having at least a bachelors degree, significantly higher than the State or National percentages. Additionally, income levels in Scottsdale are among the highest in the State. This is truly a community where economic prosperity and lifestyle converge.

Sunny Scottsdale is annually rated among the nation's most desirable communities to live and do business in with an average 314 days of sunshine per year and more than 90 restaurants, 320 retail shops and more than 80 art galleries. Scottsdale ranks highly in a wide spectrum of categories. Scottsdale is not only a Fiscally-Fit and desirable community, but a fun one too. Home to Fashion Square Mall, Kierland Commons, Scottsdale Quarter, Troon Golfing, Fine Art Galleries, The Phoenician, and The Old Town Shops, Scottsdale citizens enjoy some of the best shopping, galleries, and golfing in the state. Additionally, on the same land as Scottsdale's Butterfly Wonderland, a 14-Acre "OdySea Aquarium," designed with the latest theme park technology, has recently opened. The OdySea in the Desert is continuing its massive, seemingly nonstop expansion with a new \$3 million dinosaur exhibit: Jurassic Park in the desert.

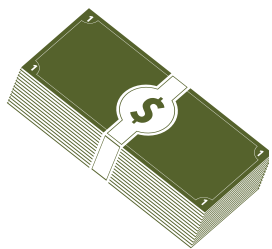


19

PARADISE VALLEY, AZ



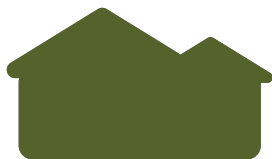
POPULATION
13,645



AVERAGE HOUSEHOLD
INCOME
\$227,598



MEDIAN AGE
53.1
YEARS OLD



AVERAGE HOME VALUE
\$1,055,000



Surrounded by the iconic Camelback Mountain to the south, Phoenix Mountain Preserve to the west, and McDowell Mountains to the east, the Town of Paradise Valley is a quiet desert oasis in the heart of Scottsdale-Phoenix. Incorporated on May 24, 1961, Paradise Valley remains the wealthiest suburb of Phoenix. It is well-known for its various resorts and expensive real estate.

With an average of 294 days of sunshine per year, Paradise Valley allows for many attractions. Attractions such as arts and culture, professional sporting events, desert hiking adventures, world-class golf courses, shopping, and luxury spa treatments make up the area's essence. Both tourists and residents enjoy the many golf courses, restaurants and resorts Paradise Valley has to offer. Camelback Golf Club, Paradise Valley Country Club, Montelucia Resort & Spa, Sanctuary Camelback Mountain, JW Marriott Camelback Inn Scottsdale Resort & Spa, The Scottsdale Plaza Resort, Elements Restaurant, and El Chorro all come highly visited and are some main attractions within the City.

20 DEMOGRAPHIC COMPARABLES

KIERLAND COMMONS (3 Mile Radius)



POPULATION
65,523



MEDIAN AGE
44.5
YEARS OLD



AVERAGE HOUSEHOLD
INCOME
\$112,304



AVERAGE HOME VALUE
\$505,800

7 THOUSAND SHEA (3 Mile Radius)



POPULATION
59,613



MEDIAN AGE
50.1
YEARS OLD



AVERAGE HOUSEHOLD
INCOME
\$131,543



AVERAGE HOME VALUE
\$1,055,000

FASHION SQUARE MALL (3 Mile Radius)



POPULATION
87,696



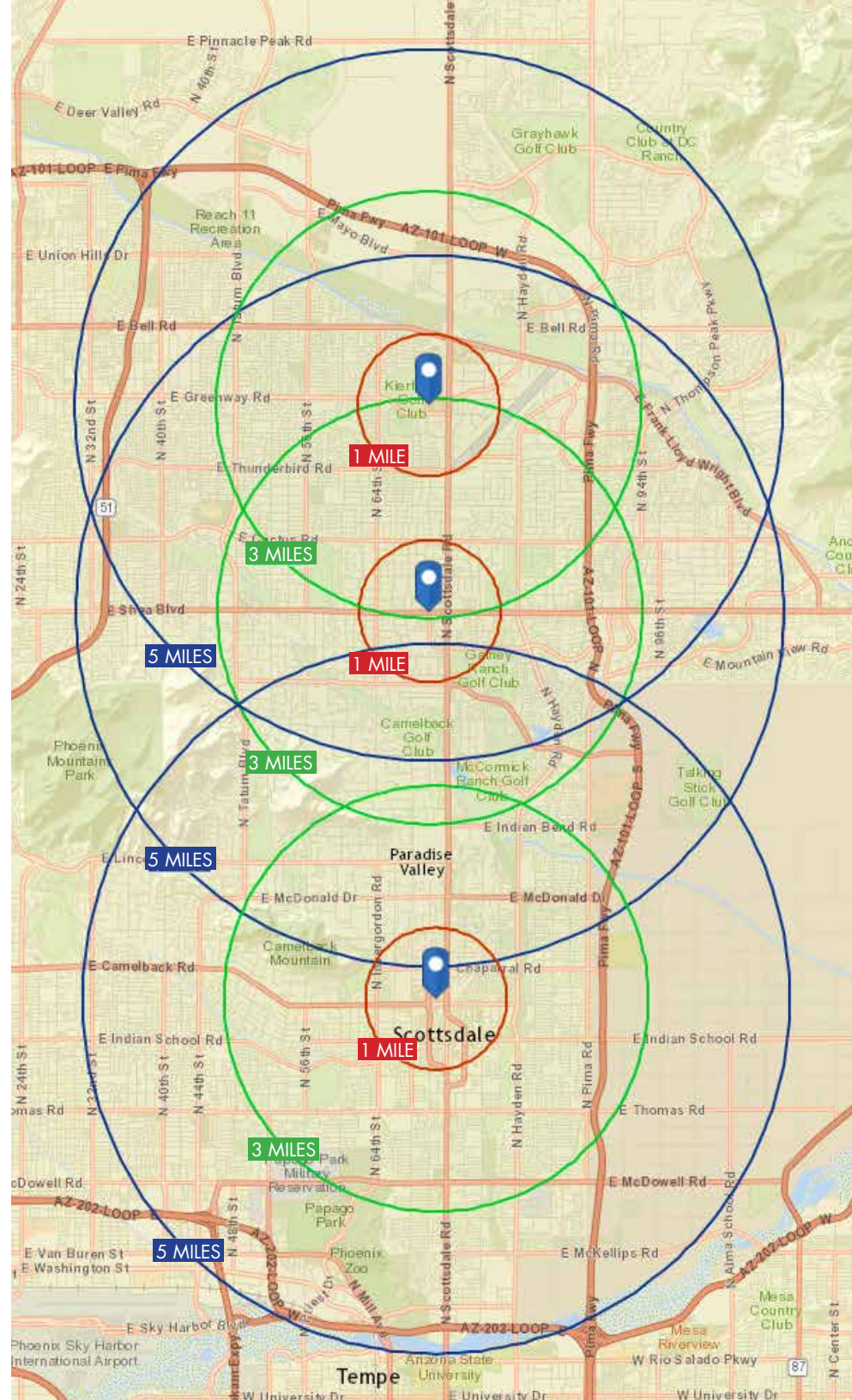
MEDIAN AGE
42.2
YEARS OLD



AVERAGE HOUSEHOLD
INCOME
\$82,580



AVERAGE HOME VALUE
\$391,500



21 NOTABLE AREA SALE TRANSACTIONS





The Arizona Bread Company is located in Scottsdale, Arizona, and has been operating for approximately 22 years. It is a fast, casual artisan bakery offering breads, made from scratch soups, gourmet sandwiches and desserts in an engaging environment and featuring award-winning food. Arizona Bread Company uses only the freshest ingredients with no preservatives, additives, bases or conditioners. Every sandwich is prepared to order so it is served at its freshest. Arizona Bread evolved into a rather unique niche offering alternatives to traditional fast food concepts.

www.arizonabreadcompany.com



Farmers Insurance not only prides itself on helping people plan wisely for the unexpected, but also on helping restore order when it occurs, so they can keep moving along the road with life's plans. Today, the companies comprising the Farmers Insurance Group of Companies make up one of the country's largest insurers of vehicles, homes and small businesses and provide a wide range of other insurance and financial services products. Its story began with the simple goal of insuring the vehicles of rural farmers but as the world changed, so did it. It now serves more than 10 million households with more than 19 million individual policies across all 50 states through the efforts of over 48,000 exclusive and independent agents and nearly 21,000 employees.

www.farmers.com



DRY CLEANERS

Tide has been a leader in innovation since it's creation more than 60 years ago. Tide revolutionized at-home laundry care with the launch of Tide laundry detergent, and then continued the revolution for over six decades; Currently, the Tide brand is on at least six powders and liquid detergents in the United States alone. Now Tide has created the professional dry cleaners that could never quite package in a box or bottle. Tide Dry Cleaners. Blending science and service to help bring faded colors back to life. Removing stubborn stains with every load – every day.

www.tidedrycleaners.com



Signature Salon Studios has owned and operated premier salon suite locations for over 20 years. A salon suite is an innovative salon concept designed to create a unique opportunity for an established beauty professional to establish a successful business. The beauty professional is offered a unique opportunity to independently succeed while offering clients an upscale, exclusive atmosphere and an exceptional level of service at Signature Salon.

www.signaturesalonstudios.com

Tuesday Morning[®]

Since 1975, Tuesday Morning has provided customers with an ever changing assortment of name brand products at extreme value pricing. Tuesday Morning is a standardized, centrally driven, multi-channel, low expense national retail chain specializing in both domestic and international closeouts of medium to high end name brand gifts, soft home, home furnishings, housewares, luggage, toys, seasonal items, gourmet food and fashion accessories for men, women and children. The retailer is headquartered in Dallas, and has hundreds of locations across the U.S.

www.tuesdaymorning.com



Fitness 4 Home Superstore offers premium fitness equipment – cardio and strength equipment and accessories from the best brand names in the industry to build your own complete home gym or commercial fitness facility. Fitness 4 Home Superstore's trained professionals will guide you through the process and make sure you get what exactly what you need along with expert advice on how to utilize it properly. Stores are centrally located, and close to Gilbert, Tempe, Paradise Valley, Fountain Hills, Cave Creek, Glendale, Peoria, and Ahwatukee.

www.fitness4home.com



Jasmine Tokyo is a premium buffet, and made-to-order restaurant, with a large variety of Asian dishes and an uncompromising quality of food/service. The restaurant offers many different entrées and varieties of food, from sushi to salad, fresh fruit to frozen premium gelato.

www.jasminetokyo.com



NorthBridge began as the Bridgeway Transition Program when in 2011 high school educators from New Way Academy recognized the need for a comprehensive college support program for students who learn differently. Beginning with just 10 students and two staff members the program quickly showed great promise as the students experienced both academic and social success. By 2014, the program had tripled in size. Twelve students had earned degrees and the organization underwent a name change and became NorthBridge College Success Program.

www.northbridgeaz.org



Kind Family Dentistry is a dental practice devoted to restoring and enhancing the natural beauty of patients smiles using conservative, state-of-the-art procedures that will result in beautiful, long lasting smiles. The professionals at Kind Dentistry provide treatment in a comfortable, relaxing environment, along with a wide range of services. Building a foundation of trust by treating their patients as special individuals is vital to their success.

Their entire team is dedicated to providing excellent, personalized care and service to make patients visit's as comfortable and pleasant as possible.

www.dentistinscottsdaleaz.net



NUTRITION HEAD 2 TOE www.nutritionhead2toe.com

INDULGENCE HEAD 2 TOE www.indulgencehead2toe.com

VISUAL IMPACT | A SALON EXPERIENCE www.visualimpactaz.com

LORI'S GROOMING www.lorisdoggrooming.com

CORTNEY'S PLACE www.cortneysplace.org

A PEACE OF THE UNIVERSE www.apeaceoftheuniverse.com

DOTY BRIDGE CLUB www.dotybridge.com

BEGINNER'S EDGE SPORTS TRAINING www.thebestinaz.com

CHESS EMPORIUM www.chessemporium.com

UNITED BEAUTY SUPPLY www.unitedbeautysupply.com



2016 Actual Operating Expenses

Service Contracts	
Alarm & Monitoring Service & Equipment	\$ 5,652.73
Elevator	\$ 10,746.90
Fire Equipment	\$ 2,626.61
Janitorial Service, Supplies, & Day Porter	\$ 41,308.14
Parking Lot Maintenance	\$ 2,400.00
Landscaping	\$ 17,400.00
Pest Control	\$ 1,435.00
Security Patrol	\$ 16,924.80
Water Feature	\$ 5,412.00
Window Cleaning	\$ 840.00
Repair and Maintenance	
Building Exterior	\$ 4,123.42
Electrical	\$ 993.33
Fire Equipment	\$ 3,043.33
HVAC	\$ 172.19
Landscaping	\$ 10,806.56
Locks & Keys	\$ 698.04
Maintenance & Supplies	\$ 1,397.49
Pest Control	\$ 828.25
Plumbing	\$ 9,243.28
Water Feature	\$ 813.00
Property Administrative	
Property Administration	
Office Telephone	\$ 2,950.25
License & Permits	\$ 335.00
Office Equipment	\$ 858.92
Office Supplies	\$ 617.90
Postage/Shipping	\$ 467.67
Management Fee	\$ 33,485.50
Insurance	
Liability Insurance	\$ 9,483.99
Property Insurance	\$ 10,955.32
Taxes	
Property Taxes Services	\$ 38,668.74
Real Property Taxes	\$ 182,253.21
Utilities	
Electric	\$ 55,214.68
Trash Removal	\$ 10,647.56
Water & Sewer	\$ 25,530.44
Non-Recoverable	
Miscellaneous	\$ 690.40
Vacancy Utilities	\$ 36,460.09

Totals	\$ 545,484.74
--------	---------------



JANUARY 2018 ANNUALIZED RENT	Current Occupancy of 51.0%		Proforma Occupancy* of 95.0%	
			*Vacant Rent Calculated at \$14 NNN	
Scheduled Rental Revenue	\$	1,107,297	\$	2,018,543
CAM Recapture	\$	383,138	\$	545,485
Additional Rent	\$	10,398	\$	10,398
Scheduled Gross Income	\$	1,500,833	\$	2,574,426
Less Vacancy (ACTUAL/5%)	\$	-	\$	(128,721)
Scheduled Gross Income	\$	1,500,833	\$	2,445,705
Total Operating Expenses (expense breakdown on previous page)	\$	(545,485)	\$	(545,485)
Net Operating Income	\$	955,348	\$	1,900,220
CAP RATE BASED ON \$16,500,000 PURCHASE PRICE	(\$112.91 PSF)	5.8%		11.5%

ARGUS FILE AVAILABLE BY EMAIL REQUEST TO: 7thousand@orionprop.com

All materials and information received or derived from ORION Investment Real Estate its directors, officers, agents, advisors, affiliates and/or any third party sources are provided without representation or warranty as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, developability or suitability, financial performance of the property, projected financial performance of the property for any party's intended use or any and all other matters.

Neither ORION Investment Real Estate its directors, officers, agents, advisors, or affiliates makes any representation or warranty, express or implied, as to accuracy or completeness of the any materials or information provided, derived, or received. Materials and information from any source, whether written or verbal, that may be furnished for review are not a substitute for a party's active conduct of its own due diligence to determine these and other matters of significance to such party. ORION Investment Real Estate will not investigate or verify any such matters or conduct due diligence for a party unless otherwise agreed in writing.

EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. ORION Investment Real Estate makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. ORION Investment Real Estate does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by ORION Investment Real Estate in compliance with all applicable fair housing and equal opportunity laws.



7 THOUSAND SHEA

A Premier 8.35 Acre Mixed-Use Opportunity
in the Heart of Scottsdale



7000 EAST SHEA BOULEVARD | SCOTTSDALE, ARIZONA

EXCLUSIVELY LISTED BY:

ARI SPIRO
President
480.634.8596
480.292.3697
ari.spiro@orionprop.com

SEAN STUTZMAN
Principal
480.634.8194
480.363.4544
sean.stutzman@orionprop.com

JARED WILLIAMS
Senior Associate
480.327.6818
480.430.4205
jared.williams@orionprop.com

