

505 WEST UNIVERSITY DRIVE  
TEMPE, AZ | 85281

\*REPRESENTATIVE PHOTO\*

**GADZOOKS**  
ENCHILADAS & SOUP



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## HIGHLIGHTS

- Award Winning Restaurant in Highly Sought after Downtown Tempe, AZ
- New 15 Year Lease with Zero Landlord Responsibilities & Corporate Guarantee
- Adjacent to New 40,000 SF Whole Foods 365 Mixed Use Development
- Large Daytime Employment Base Including State Farm's Newly Developed Southwest Regional Headquarters which Employs Over 8,000 People
- Minutes from ASU, which had Over 100,000 Students Enroll this Year at the Tempe Campus
- Estimated Completion: October 2018

## PROPERTY SUMMARY

SALE PRICE	\$2,430,000
CAP RATE	5.75%
LEASE TERM	15 Years
LEASE TYPE	Absolute NNN
GUARANTEE	Corporate
INCREASES	10% Every Five Years
OPTION PERIODS	Four 5 Year Options
GROSS LEASABLE AREA*	2,342 SF
PARCEL SIZE	0.26 Acres
YEAR BUILT	2018
ZONING	CSS, Tempe
CROSS STREETS	University Dr & Wilson St

\*Includes Patio Space

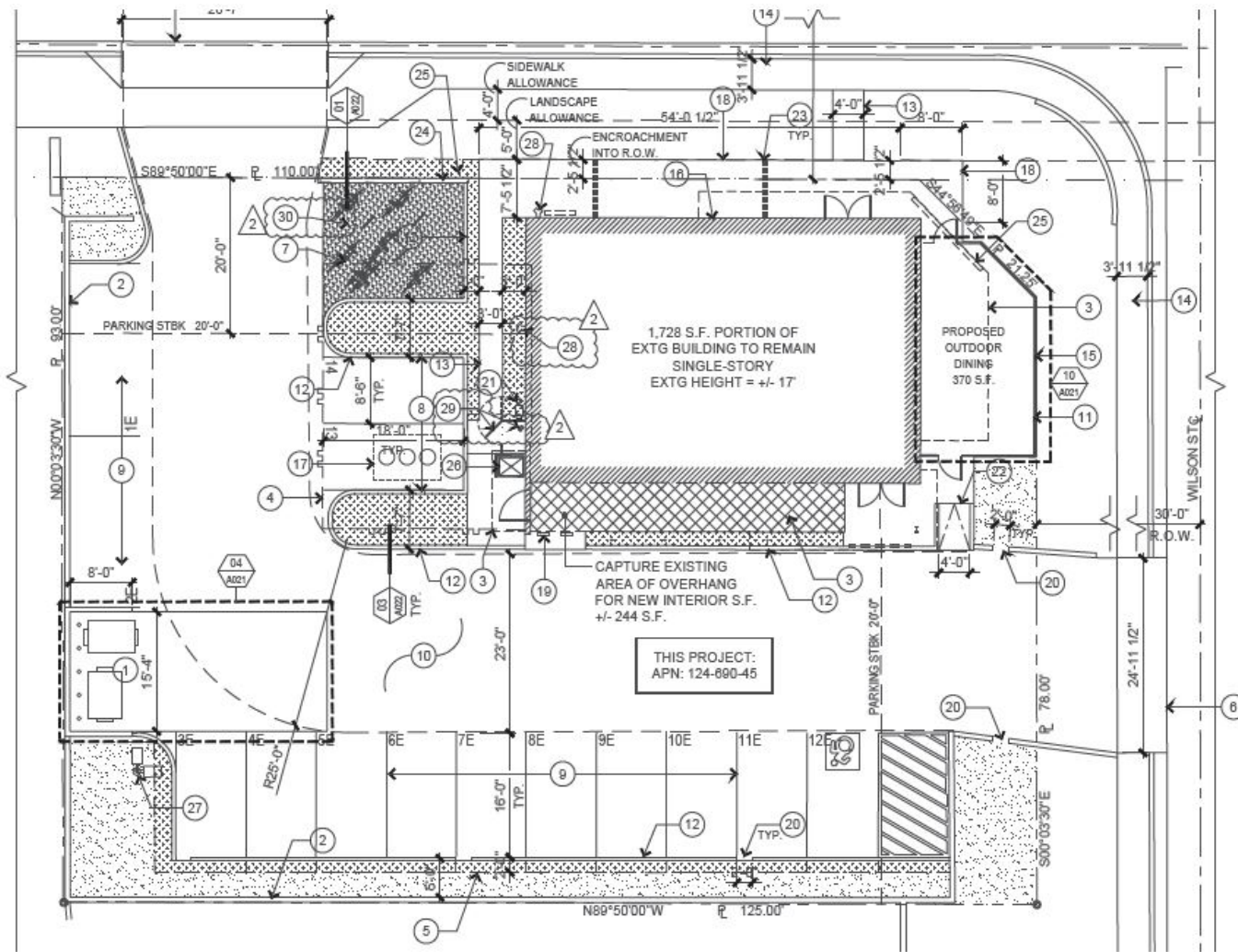
## THE PROPERTY

505 West University is a generational opportunity to purchase a single-tenant, net leased restaurant in Downtown Tempe, Arizona. Downtown Tempe has seen an explosion of development in office, retail, hospitality, and multi-family. Adjacent to the subject property is one of the area's most anticipated developments: The Local. The local is a luxury mixed-use development that will be home to Arizona's first Whole Foods Market 365.

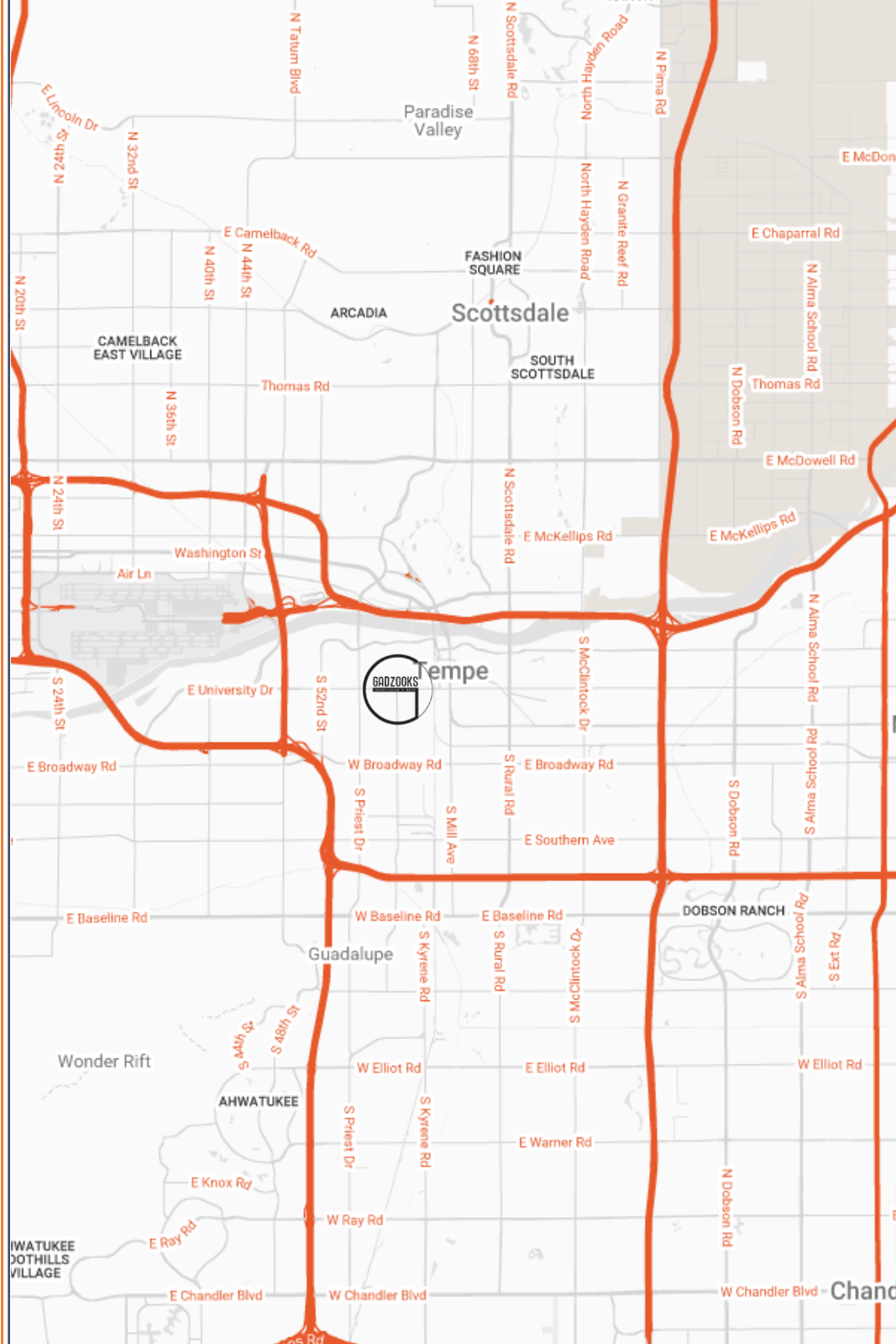
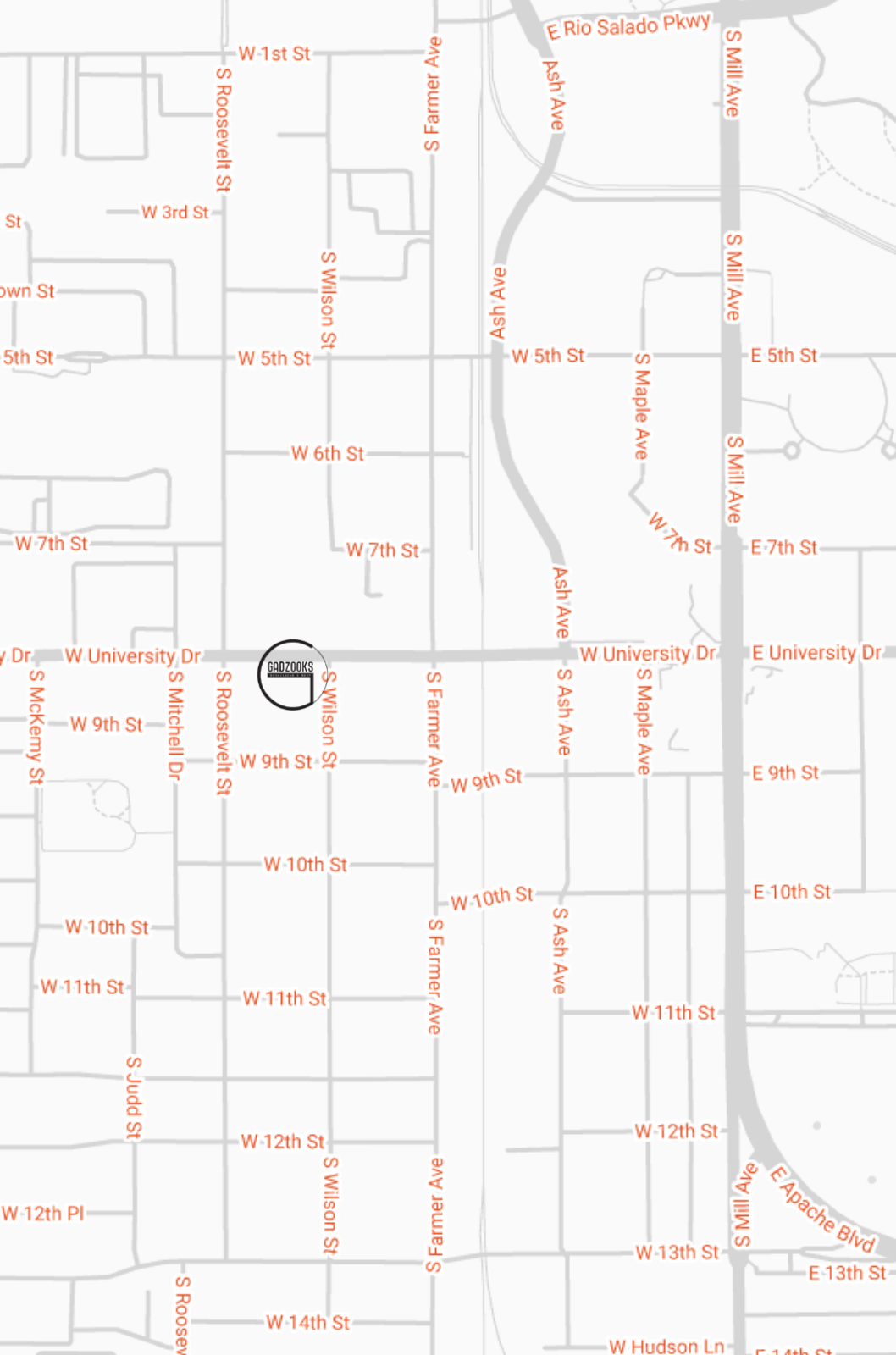
The tenant, Gadzooks Enchiladas & Soups, is an innovative restaurant who recently won Best Enchiladas in Phoenix New Times Magazine. The lease is for 189 months and is an absolute triple net lease with zero landlord responsibilities. This is Gadzooks third location.



# SITE PLAN



\*CONCEPTUAL RENDERING\*



PARCEL #:  
124-69-045

ESTIMATED TAXES:  
± \$7,087

LOT SIZE:  
11,512 SF



ARIZONA'S FIRST  
WHOLE FOODS MARKET 365  
COMING SOON!



UNIVERSITY DRIVE: 27,003 VPD



TOP LIQUORS



FARMER AVE



**MARINA HEIGHTS**  
 2 Million SF State Farm  
 Headquarters  
 8,000+ Employees  
 Final Completion: 2017



Home to  
 1,400+  
 Animals  
 Average of  
 800,000  
 Visitors per  
 Year



497,560+ SF  
 OF CLASS "A"  
 OFFICE SPACE



**PAPAGO  
 GOLF  
 COURSE**



**HAYDEN FERRY LAKESIDE**  
 ±43-Acre Master  
 Planned Ten Story  
 Class-A Office Space



2.3 Million+  
 Visitors  
 100+ Special  
 Events  
 Annually



**ASU**  
 TEMPE (MAIN) CAMPUS  
 100,000+ Enrollment  
 600+ Accredited Degree  
 Programs

1,587,370 SF  
 OF CLASS "B"  
 OFFICE SPACE



**PHX**  
 PHOENIX SKY HARBOR  
 INTERNATIONAL AIRPORT  
 40,448,932  
 PASSANGERS ANNUALLY

# FINANCIALS

## Estimated Effective Gross Income

Occupied Square Footage	<b>2,342</b>
Available Square Footage	<b>0</b>
Building Square Footage	<b>2,342</b>

Total Annual Base Rent: \$139,800

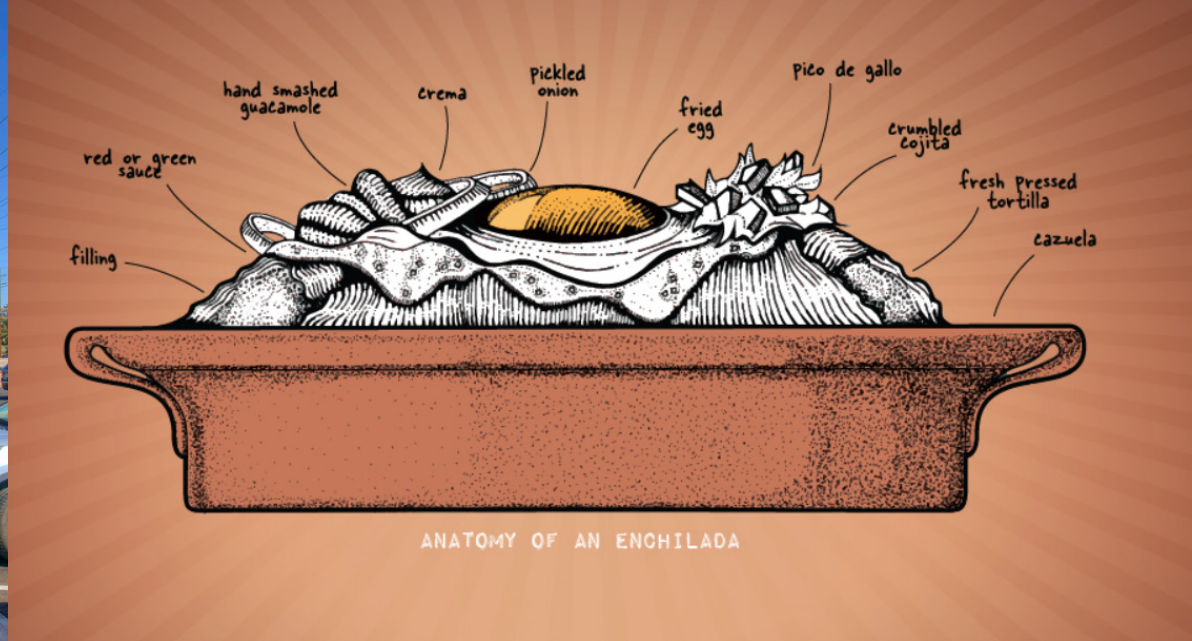
### Rent Schedule

Years 1-5: \$59.69 psf  
Years 6-10: \$65.66 psf  
Years 11-15: \$72.22 psf

**Capitalization Rate: 5.75%**  
**Purchase Price: \$2,430,000**  
**Purchase Price Per SF: \$1,037.57**







## REDEFINING THE ENCHILADA

I've been in love with Mexican food since the days I was riding my big wheel around the neighborhood block. When my parents would take my brothers and I out to a Mexican restaurant I would always order cheese enchiladas. At the time, I reacted to a plate of melted cheese in the same way a flock of seagulls reacted to an unsupervised bowl of chips on the beach.

As I grew older and my tastes changed, I became unsatisfied with eating enchiladas that were the same color as construction cones and had the texture of a hot dog bun that had been dunked in water by a professional food eater.

Although that was far too common, I still had a soft spot in my heart for enchiladas, and like an old friend; I would try to see if they could rekindle my past fond memories. I soon found out enchiladas could be something different and spectacular. They could be filled with slow-braised meats, sautéed vegetables, wrapped in handmade tortillas, covered in freshly grated Mexican cheeses, complimented with unique sauces, and topped with bright and flavorful garnishes.

My passion for enchiladas had reignited and I started to experience episodes that I later would term "zooking out". Normal objects such as an airplane or a forearm cast would be replaced in my mind by an enchilada. I decided this probably wasn't limited to my own experiences but many people's passion for enchiladas had been tainted by past soggy nightmares. Gadzooks (an exclamation of surprise) was born. The word came from my roommate who would yell Gadzooks when he opened the refrigerator and saw his leftovers had been raided. At Gadzooks we want to be different from our competitors just like the enchiladas our company is built around. We hope our customers enjoy our product and help us in our continued quest to redefine the enchilada.

Aaron Pool - Founder



## CITY HIGHLIGHTS

- Home to Arizona State University
- Houses Several Performance Venues: Gammage Auditorium and the Tempe Center for the Arts
- Hosts the Tostitos Fiesta Bowl Block Party, one of the Nation's Largest New Year's Eve Parties
- Metro Light Rail Stops in Area provide Easy Connection to Phoenix Sky Harbor International Airport and Downtown Phoenix



**LIVE • WORK • PLAY**

Tempe is among Arizona's most educated cities. With more than a dozen colleges, trade schools and universities, about 40 percent of residents over the age of 25 have Bachelor's degrees or better. This lends itself to a creative, smart atmosphere where anything seems possible. People and businesses in Tempe have worked on projects including the Mars Rover, implanted heart defibrillators, solar energy and much more.

With Tempe being located in the center of the Greater Phoenix Metropolitan Area, it's an easy commute to all parts of the metro especially with its great transportation system and light-rail. Tempe is just 10 minutes from Sky Harbor International Airport and not much further from downtown Phoenix. Location is just one reason that Tempe is a workforce importer, with approximately 150,000 people employed in a city of just 161,000 residents.

Tempe is home to many outdoor activities. Tempe Town Lake is a publicly accessible lake that is run by City of Tempe. The lake provides recreation activities to residents and tourists, but also helps protect the surrounding area from flooding. The City of Tempe estimated that 2.7 million people visited the lake in 2013. Papago and South Mountain Parks offer hiking, mountain and road biking, rock climbing, frisbee golf, and equestrian activities. Tempe is also home to the annual Ironman Triathlon, which takes place in late November.

Many of the reasons people visit Tempe are events like P.F. Chang's Rock 'n' Roll Arizona Marathon & 1/2 Marathon, Tempe Marketplace, Arizona Mills, Mill Avenue, and Tempe Town Lake. Downtown Tempe offers more than 175 restaurants, nightclubs and retail shops to cater to city guests. Mill Ave is a famous Arizona bar district here containing several bars and restaurants that cater to the growing university crowd. Along with bars and restaurants are business complexes and university buildings. Several long time bar establishments include Mill Ave Cue Club, Rula Bula Irish Pub, Tavern Bar & Eatery, among others.

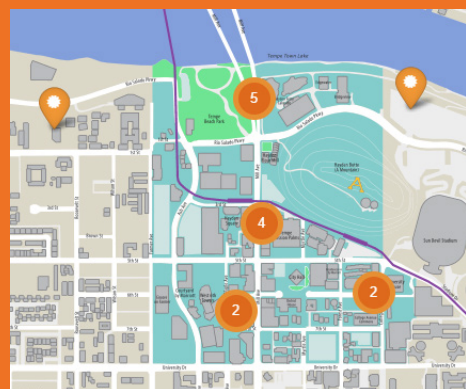


CLICK TO VIEW VIDEO

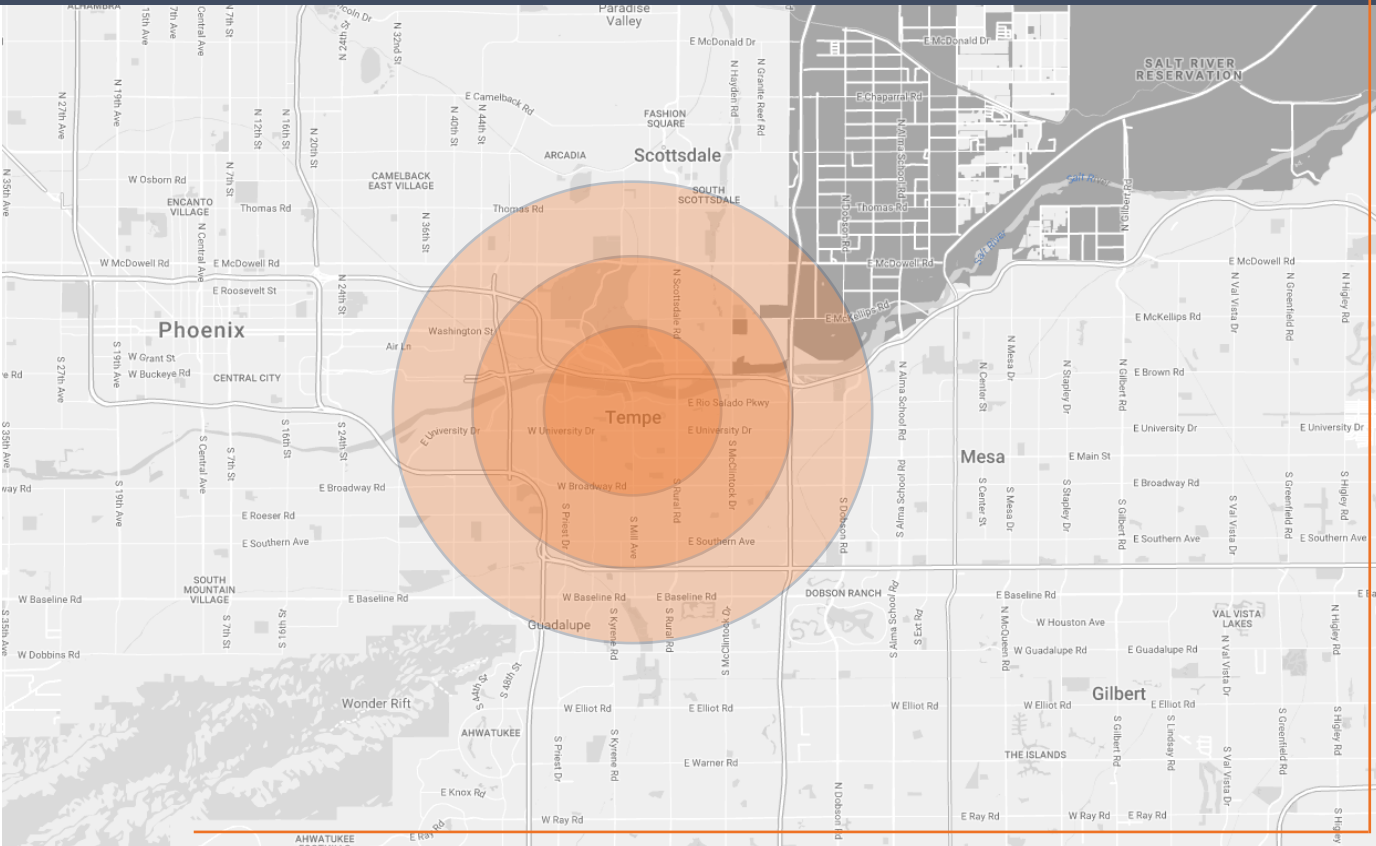


NEARBY DEVELOPMENTS

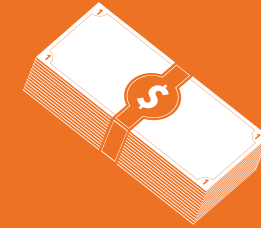
- 4TwentyOne
- College Ave Commons
- Lofts at Hayden Ferry
- METRO Light Rail
- Skywater at Town Lake
- Tempe Beach Park
- Tempe Mission Palms
- US Airways Center
- West 6th Leasing Office
- The Brickyard on Mill
- Hayden Ferry Lakeside
- Marina Heights
- One Hundred Mill
- Studio 5c
- Tempe Gateway
- Valley Art Theater



# DEMOGRAPHICS



MEDIAN AGE  
**27.0**  
YEARS OLD



AVERAGE HOUSEHOLD  
INCOME  
**\$51,040**



POPULATION  
**121,609**

\*3 Mile Radius

## 2017 DEMOGRAPHICS - ESRI

	1 MILE	3 MILE	5 MILE
DAYTIME POPULATION	54,612	233,121	606,038
POPULATION	24,988	121,609	338,578
AVERAGE INCOME	\$42,254	\$51,040	\$57,830
OWNER OCCUPIED HOUSING UNITS	1,029	14,478	52,267
RENTER OCCUPIED HOUSING UNITS	6,110	35,919	87,707
AVERAGE HOUSEHOLD SIZE	2.00	2.19	2.33
MEDIAN AGE	21.9	27.0	30.3

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