

# NEXUS

@ ASU RESEARCH PARK

100% LEASED TO **AMAZON**  
A SINGLE TENANT **CORPORATE GUARANTEED**  
PHYSICALLY OCCUPIED OFFICE INVESTMENT



8375 & 8455 S. River Pkwy | 8600 S. Science Dr  
Tempe, Arizona 85284



# THE OPPORTUNITY

Newmark, as exclusive advisor, is pleased to present the opportunity to acquire the leasehold interest in Nexus @ ASU Research Park, a Class A, ±123,864 square foot, 100% leased corporate office property in Tempe, Arizona (the "Property"). The Property is fully leased to the investment grade, Fortune #2, ±\$1.8 trillion market cap, **Amazon.com, Inc. (NASDAQ: AMZN; S&P: AA- LT & A-1+ ST ; Moody's A2)**. **The lease is guaranteed by the parent company.**

Built in three phases, in 1985, 1987 & 1995, and fully repositioned from 2015-2020, with ongoing improvements today. Amazon has enjoyed occupancy at the Property since 2015 and recently renewed their lease commitment for a 5-year firm term. Amazon utilizes Nexus @ ASU Research Park as its North American Network Operations Center supporting Amazon's transportation operations. This one-of-a-kind operations center services the entire United States. Since 2015, property ownership and Amazon have infused more than \$16 million (±\$130 PSF) of capital improvements into the interior, exterior, and building infrastructure. Amazon continues to invest capital into their space with an ongoing improvement project in the 8600 S. Science portion of the Property which will update the FF&E, flooring, and paint, among other aesthetic improvements. This significant capital investment in the Property, recently renewed lease, physical occupancy, and the fact that **Amazon has never vacated a direct leased or owned asset across Metro Phoenix, signifies a high likelihood of continued operation and success at Nexus @ ASU Research Park.**



amazon





**ADDRESS**

8375 & 8455 S. River Pkwy  
8600 S. Science Dr  
Tempe, Arizona 85284



**RENTABLE  
BUILDING AREA**

±123,864 SF



**YEAR  
BUILT**

1985, 1987 & 1995  
RENOVATED  
2015-Present



**PARKING**

±5.75 per  
1,000 RSF



**SITE AREA**

±474,672 SF  
(±10.89 Acres)



**RECENT CAPITAL  
IMPROVEMENTS**

\$16M+ (±\$130 PSF)  
(2015 to Present)



**OCCUPANCY**

100%



**TENANT**

**amazon**



**CREDIT  
RATING**

S&P: AA-  
Moody's: A2



**LEASE  
TERM**

5.2-Years  
With 2, 5-Year  
Options to Extend



**LEASEHOLD  
INTEREST**

Through  
December 2101



**Y1 NET OPERATING  
INCOME**

\$2,680,176





# INVESTMENT HIGHLIGHTS



## ONE OF A KIND TENANT

Leased to Amazon.com, Inc., a Fortune #2, S&P AA- rated, publicly traded company (NASDAQ: AMZN) with a \$1.8 Trillion market cap. This location serves as their North American Operations Center. Amazon teams working at the Property track packages and make sure each delivery gets from A to Z. It also is home to their seller support team, which works on customer service to get new products online. The building is also home to customer service for online product placement as well as IT operations for its various warehouses.



## BELOW MARKET RENT

Amazon recently renewed at \$26.50 PSF, Modified Gross. The current full service gross equivalent rent is 17% below recently completed competitive leases in the Tempe, South Tempe, and Chandler submarkets which average \$35.65 PSF, FSG.\* As part of the lease extension, \$15 PSF in TI was provided which will be utilized for additional upgrade to FF&E, carpet, paint and other aesthetics.

*\*Modified Gross Equivalent assumes \$3.00 expense for electric and janitorial.*



## DURABLE INCOME STREAM

The 5.2-year firm lease provides investors with a consistent, durable income stream. **Amazon has been in continuous occupancy at Nexus @ ASU Research Park for nearly 10 years!** Furthermore, in their 18-year history in the Metro Phoenix market, Amazon has never vacated a direct leased or owned asset (more than 520,000 SF of office space and in excess of 12 million square feet overall).



## SIGNIFICANT RECENT CAPITAL EXPENDITURES

There has been in excess of \$16M (\$130 PSF) spent at the Property in the past 9 years, not including additional significant infrastructure investments made by Amazon at the Property.



## LONG TERM GROUND LEASE

The ground lease with ASURP has 77 years remaining, is in lieu of property taxes, and offers expeditious asset depreciation.





# LOCATION HIGHLIGHTS

## ASU RESEARCH PARK

This best-in-class office property is positioned on a ±10.89- acre site within the ASU Research Park, a premier ±320-acre research and corporate business park that offers:

- ±18-acres of lakes
- 6-miles of walking, jogging and bike trails
- Shaded picnic ramadas
- On-site daycare
- Security patrols
- Immediate access to the adjacent Loop 101 Freeway

As a result of this premier business park setting, Amazon and a venerable “who’s who” of investment grade high tech and financial corporate neighbors have called this location home, including:



## PROPERTY TAX BENEFITS

In conjunction with its location within the ASU Research Park, the Property is subject to a 77-year remaining ground lease with the Arizona Board of Regents, that through its structure enables ownership and occupants to enjoy an exemption from property tax obligations. Furthermore, building owners within the research park are able to allocate 100% of their investment to the improvements (and none to the land) allowing ownership to expedite the timing of depreciation, and offers a maximum tax shelter to the investor.





MESA

CHANDLER

CONFERENCE DRIVE

Edward Jones  
MAKING SENSE OF INVESTING

LOOP  
101

amazon



MERCK





## SILICON DESERT

Nexus @ ASU Research Park is in the heart of the most active area of Metro Phoenix for new to market tech users – in the past five years, ±3.0 million square feet of tech users have chosen to call Tempe and Chandler their home for their Arizona operations.

## FREEWAY PROXIMITY

Nexus @ ASU Research Park is located 1/4 mile from the Loop 101 Freeway providing quick and easy access via two full diamond interchanges via Elliot Road to the North and Warner Road to the South; furthermore, the US 60 and Loop 202 Freeways are located 2.5 miles north and south of the Property as well.

## PREFERRED SUBMARKET

With a City of Tempe address and prime southeast valley location, the property is strategically located in an area that has received the lion's share of absorption - 30% of the Metro Phoenix leasing activity has consistently occurred in the Tempe, South Tempe/ Ahwatukee and Chandler Submarkets over the past 5 years.

## ABUNDANT AMENITIES

The Property is without a shortage of amenities as nearly 11 million square feet of retail and restaurants are located within a three-mile radius, including the ±1.4 million square foot Chandler Fashion Center.

## PROXIMITY TO DEEP LABOR

Over 78% of Maricopa County is accessible to this centralized location within a 40-minute commute providing immediate access to one of the largest and best educated labor forces in Metropolitan Phoenix. ASU, the nation's largest university, is located within a short 15 minute drive to the north.



## DISCOVERY BUSINESS PARK

136-acre master-planned business park





DOWNTOWN TEMPE ASU

SCOTTSDALE

LOOP 202

60

LOOP 101

JPMorganChase

NORTHERN TRUST

FULL DIAMOND INTERCHANGE

ELLIOT ROAD

Viasat

Cytera

PADT

Viasat

21ST CENTURY FOX

Walgreens

Edward Jones

LOOP 101

iridium connected

PEOPLES MORTGAGE COMPANY

amazon

MERCK

Edward Jones

GoDaddy

Amkor Technology

ASU RESEARCH PARK

WARNER ROAD

FULL DIAMOND INTERCHANGE





# NEXUS

@ ASU RESEARCH PARK

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