



3502 W GLENDALE AVE, PHOENIX, AZ 85051

OFFERING MEMORANDUM

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OFFERING SUMMARY



ASKING PRICE

\$2,980,000



CAP RATE

5.05%



ANNUAL RENT

\$150,500



LEASE TERM

**5 YEARS OF REMAINING TERM
& FOUR (4) 5-YEAR OPTIONS**



RENT INCREASES

7.5% EVERY 5 YEARS



TYPE OF OWNERSHIP

FEE SIMPLE

INVESTMENT HIGHLIGHTS

INVESTMENT-GRADE TENANT | WORLD'S LARGEST COFFEEHOUSE CHAIN:

- Lease guaranteed by Starbucks Corporation (NASDAQ: SBUX), the global leader in specialty coffee with 40,000+ locations across 80+ countries. Backed by approximately \$36.2 billion in annual revenue and over 361,000 employees, Starbucks represents a dominant brand and a premier net-leased investment opportunity.

LONG-TERM TENANCY WITH RENEWAL UPSIDE:

- Current lease provides 5 years of remaining term and four (4) additional 5-year options, producing \$150,500 in annual base rent with future rental growth potential. Starbucks' long-term occupancy delivers stable, predictable cash flow.

PASSIVE NN LEASE | MINIMAL LANDLORD RESPONSIBILITIES:

- Double net (NN) structure with the landlord responsible only for structural components, offering a truly passive investment.

HIGH-TRAFFIC INTERSECTION IN DENSE INFILL TRADE AREA:

- Positioned at a signalized intersection serving two major shopping centers that draw over 1.5 million annual visitors. Surrounded by a dense population exceeding 526,000 residents within five miles, with nearby employment centers and schools supporting all-day demand.

PROXIMITY TO MAJOR DESTINATIONS:

- Conveniently located one mile west of I-17 and two miles north of Grand Canyon University (25,000+ students), further driving consistent daily traffic to the site.

STRONG LOCATION WITH NATIONAL CO-TENANCY:

- Situated within a busy neighborhood shopping center anchored by Food City (#3 in Phoenix), Dollar Tree, Five Below, and Wells Fargo, ensuring steady daily traffic and a strong retail draw.



PROPERTY DESCRIPTION

ADDRESS:

➤ 3502 W Glendale
Phoenix, AZ 85051

BUILDING AREA:

➤ ± 1,700 SF

LAND AREA:

➤ ±22,651 SF (±0.52 Acres)

CROSS STREETS:

➤ Glendale Ave & 35th Ave

YEAR BUILT:

➤ 2021

MARICOPA COUNTY PARCEL #:

➤ 151-20-001D



↘ SITE PLAN



MARKET OVERVIEW



PHOENIX OVERVIEW



#1

IN GROWTH MANUFACTURING
(automotive, biomanufacturing,
energy production & digitalization)

#2

IN NEW HOUSING PERMITS
in the country over the past 50 years

5TH

LARGEST CITY
in the country

\$100B

UNDER CONSTRUCTION
for High-Tech Chip
Manufacturing - TSMC & Intel

Phoenix, Arizona, is the capital and largest city in the state and serves as the economic and cultural center of the Phoenix metropolitan area, which spans Maricopa and Pinal counties. The metro area includes more than 60 incorporated and unincorporated communities, with a population of approximately 4.8 million, making it the 11th largest in the United States. The City of Phoenix itself covers about 520 square miles and is home to more than 1.6 million residents, ranking among the fastest-growing cities in the country. Between 2010 and 2020, Phoenix added over 163,000 residents, driven by a strong job market, lower cost of living, and appealing lifestyle.

The local economy is diverse, anchored by industries such as technology, high-tech manufacturing, healthcare, construction, finance, and tourism. Phoenix is home to six Fortune 500 headquarters, including Freeport-McMoRan, Republic Services, Insight Enterprises, Avnet, Magellan Health, and PetSmart, along with a number of other major employers. The region's relatively low cost of doing business continues to attract and retain companies, fueling population growth and a robust housing market.

With nearly 300 days of sunshine annually, mild winters, and abundant outdoor recreation, Phoenix is a magnet for residents and visitors alike. The area offers world-class golf, hiking, boating, and access to national and state parks. Sports fans enjoy professional teams in all four major leagues — Arizona Cardinals (NFL), Phoenix Suns (NBA), Arizona Diamondbacks (MLB), and Arizona Coyotes (NHL) — as well as Cactus League spring training. The city also boasts a thriving arts and cultural scene, including the Phoenix Art Museum, the Heard Museum, theaters, galleries, and live music venues.

Phoenix is home to several higher education institutions, most notably Arizona State University, one of the largest public research universities in the country, and maintains a well-developed K-12 education system. Its combination of economic opportunity, favorable climate, and diverse lifestyle offerings make Phoenix one of the most dynamic and attractive metropolitan areas in the nation.

RENT ROLL

Tenant	Lease Start	Lease End	Square Feet	% of GLA	CONTRACT RENTAL RATE		RENT PER SQ. FT.		Rent Increases	Options
					Year	Month	Year	Month		
Starbucks	Apr-21	Apr-31	1,700	100%	\$150,500	\$12,542	\$88.53	\$7.38	7.5% Increases Every 5 Years	4 x5 Yr Options

DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
POPULATION (2025)	23,211	206,636	531,195
HOUSEHOLDS	7,458	71,538	190,872
AVG HH INCOME	\$87,319	\$81,746	\$90,659
MEDIAN HOME VALUE	\$366,995	\$365,971	\$401,816
MEDIAN AGE	33.4	32.5	33.1
DAYTIME POP (16 YRS & OVER)	9,749	117,116	304,233
TOTAL BUSINESSES	565	6,953	19,586
WORKFORCE (16 YRS & OVER)	18,105	162,670	418,728

Source: Sites USA



TENANT OVERVIEW



www.starbucks.com

Starbucks Coffee Company is a leading global specialty coffee retailer and one of the most recognized brands in the food and beverage industry. Founded in 1971 in Seattle, Washington, Starbucks has grown into a household name with more than 40,000 locations worldwide across 80+ countries.

The company offers a wide variety of premium products, including handcrafted coffee beverages, teas, pastries, sandwiches, and other food items, along with branded merchandise and accessories. Starbucks is also known for creating a welcoming “third place” atmosphere, providing customers with a social environment to connect, relax, and enjoy high-quality beverages and food. Starbucks is committed to sustainability and ethical sourcing, with a focus on environmental stewardship and community development. The company also places a strong emphasis on employee benefits and development, supporting over 361,000 employees globally with healthcare, stock options, and education assistance.

With annual chain store sales of approximately \$36.2 billion, Starbucks continues to be a dominant force in the coffee and quick-service restaurant sector, attracting consistent customer traffic and delivering reliable performance for landlords and investors alike.

40K+
LOCATIONS
WORLDWIDE



COMPANY TYPE
PUBLIC
(NYSE:SBUX)



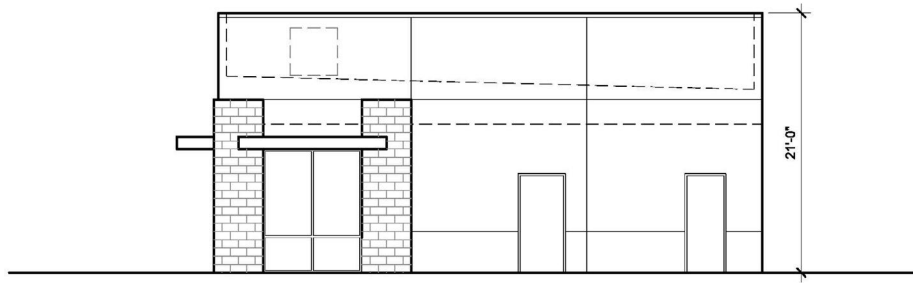
\$36.2 B
CHAIN STORE
SALES



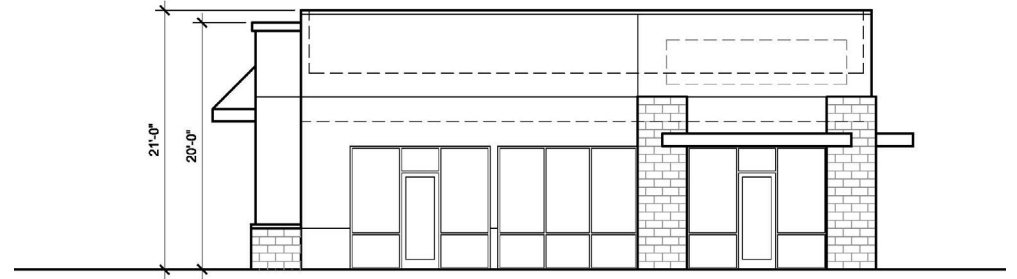
LEASE ABSTRACT

LESSEE	STARBUCKS CORPORATION
TENANT NAME	Starbucks
TENANT SIZE (SF)	1,700
LEASE COMMENCEMENT DATE	4/1/2021
EXPIRATION DATE	4/30/2031
NO. & TERM OF OPTIONS	Four (4) - Five (5) Year Options
CONTRACTUAL RENTAL RATE	\$150,500 per year
RENT INCREASE SCHEDULE	7.5% Increases every five (5) years Option Yr 11-15 \$161,787.50 Option Yr 16-20 \$173,921.56 Option Yr 21-25 \$186,965.67 Option Yr 26-30 \$200,988.09
LESSEE OPERATING EXPENSES	From and after the Rent Commencement Date, Tenant shall pay, as additional rent, Tenant's Pro Rata Share of Operating Expenses, Insurance, and Real Property Taxes. Operating Expenses include all reasonable and necessary costs related to maintaining and operating the Common Areas, such as trash, recycling, utilities, landscaping, maintenance, supplies, and wages, but exclude the Premises interior and administrative fees. Tenant's Pro Rata Share shall be 100%. Monthly Estimated Rent is based on one-twelfth (1/12) of Landlord's annual estimate, subject to reconciliation.
PROPERTY TAX EXPENSE	From and after the Rent Commencement Date, Tenant shall pay its Pro Rata Share of all Real Property Taxes applicable to the Premises during the Term, including any partial assessment periods. Landlord shall provide copies of applicable tax bills and a detailed breakdown of charges. Tenant's share is payable as additional rent and may be based on the most recent billing cycle available. Tenant may, at its sole cost, contest or challenge such taxes, with Landlord's reasonable cooperation.
PROPERTY INSURANCE	Tenant must carry liability insurance, including bodily injury, personal injury, property damage, and liquor liability (if alcohol is sold), naming Landlord and its managing agent as additional insureds. Coverage must be at least \$5,000,000 per occurrence and \$5,000,000 aggregate. Tenant's insurance is primary regarding claims arising from Tenant's use, occupancy, operation, or maintenance of the Premises, Drive-Through Facility, and Outdoor Seating Area.
TENANT'S MAINTENANCE & REPAIRS	Tenant, at its sole expense, must maintain the Premises in good order and repair, including plumbing, HVAC, mechanical, electrical, lighting, storefront, doors, plate glass, and the Outdoor Seating Area as required. Tenant must also maintain all warranties and service contracts for improvements or equipment installed by Landlord, including HVAC. Tenant's obligations do not extend to repairs or improvements resulting from the negligence or misconduct of Landlord or its agents, repairs caused by Landlord's failure to perform its obligations, or any structural or seismic repairs, improvements, or alterations to the Premises, Building, or Property.
LANDLORD'S MAINTENANCE & REPAIRS	Landlord, at its sole cost, must maintain, repair, and replace the Premises, Building, and Property, including Common Areas, except for items assigned to Tenant. This includes the roof, foundation, structural walls, exterior, parking areas, sidewalks, landscaping, drainage, and utility systems outside the Premises. Landlord is not responsible for interior surfaces, windows, storefront elements, or interior systems unless the issue is caused by Landlord's negligence. Repairs must be completed promptly and within thirty days of Tenant's written notice (shorter in emergencies). If Landlord fails to act, Tenant may complete the repairs and deduct the cost from rent.

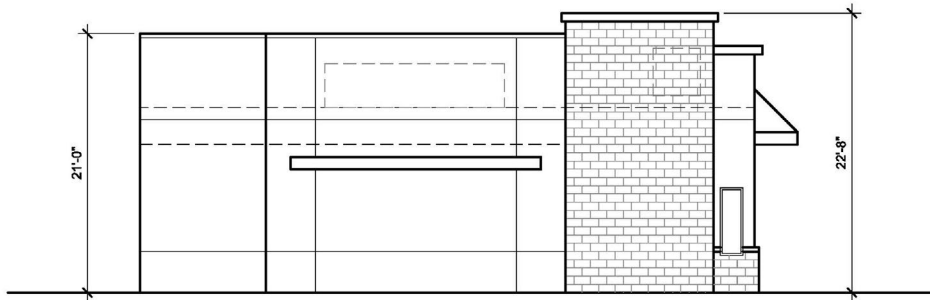
ELEVATIONS



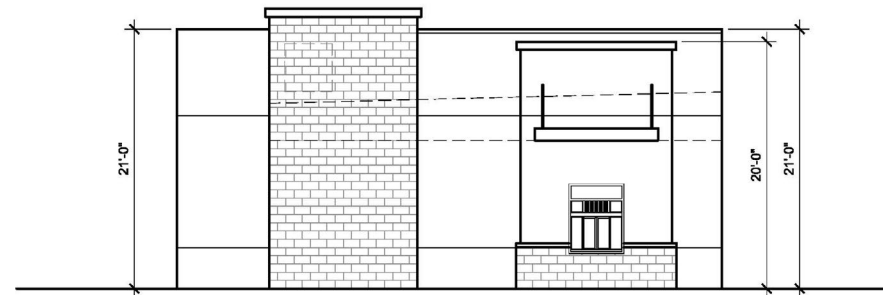
WEST ELEVATION



NORTH ELEVATION



SOUTH ELEVATION



EAST ELEVATION



▼ CONFIDENTIALITY STATEMENT

This is a confidential Offering Memorandum that is intended only for the purpose of review by a prospective purchaser of Starbucks, located at 3502 W Glendale Ave, Phoenix, AZ 85051, and is not to be used for any other purpose or by any other person without the consent of Diversified Partners. Material included in this Offering Memorandum is based upon information provided by Owner and information obtained by the Broker through sources deemed reliable. This Memorandum is not to be considered a representation of the state of affairs of the project and is not intended to be the entirety of documentation required by prospective investors for consideration. No warrantee or representation, expressed or implied, is made by the Owner or Broker as to the accuracy or completeness of information included within this Offering Memorandum. All financial projections and project information (including acreage and square footage) is for general reference purposes only, may be approximate in nature and are subject to variation. Qualified investors shall have the opportunity to review additional documentation and inspect the subject property. Investors should conduct their own due diligence to determine the condition of the property. This Offering Memorandum has been prepared by the Broker and approved by the Owner for distribution to prospective purchasers only for their review. The Owner reserves the right, at its sole discretion, to reject offers to purchase the subject property. The Owner shall not have any legal commitment to any party reviewing this Offering Memorandum until any written agreements have been fully executed and any contingencies have been waived. Receipt of this Offering Memorandum shall confirm agreement that this document is confidential and shall not be distributed to any other entity without written consent from Diversified Partners. If upon review of this Offering Memorandum you no longer have further interest or do not wish to pursue the purchase of this property, please return this Offering Memorandum to Diversified Partners.

EXCLUSIVELY LISTED BY:

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