

OFFERING MEMORANDUM

560 N STAPLEY DR

*NNN Dental Office Investment Opportunity
located in Mesa, AZ*



MESA, AZ

km Kidder
Mathews

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*Exclusively
Listed by*

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EXECUTIVE SUMMARY

INVESTMENT SUMMARY



\$1,348,000

LIST PRICE



6.0%

CAP RATE



\$402.15

PRICE/SF



\$80,880

ANNUAL RENT



+9.5 YRS

LEASE TERM REMAINING



100%

OCCUPANCY





PROPERTY OVERVIEW

ADDRESS	560 N Stapley Dr, Mesa, AZ 85203
TENANT NAME	Christensen Family Dentistry
BUILDING SF	±3,352
YEAR BUILT	1970 / Renovated 2021
LEASE TYPE	NNN



PROPERTY & LEASE HIGHLIGHTS

- **Established & Well Respected Practice** - Christensen Family Dentistry is a highly regarded dental practice in Mesa, AZ, serving the community for years with a reputation for exceptional patient care. The lease is backed by a personal guaranty from the practice's doctor owner, demonstrating strong commitment and financial reliability.
- **Recent Property Renovations** - The property has undergone significant interior improvements within the past few years, featuring state-of-the-art equipment and modern finishes, ensuring long-term functionality and aesthetic appeal.
- **Top MSA (Phoenix Metro Area)** - Mesa is the 3rd largest city in Arizona (511,000+ residents) and a key part of the Phoenix MSA, one of the fastest-growing metropolitan areas in the U.S., making it a prime location for healthcare investment.
- **Passive & True NNN Lease Structure** - This NNN lease offers a hands-off investment opportunity, with minimal landlord responsibilities that are reimbursed by the tenant.
- **Inflationary Protected Lease** - Lease Long Term Inflationary Protected Lease: Lease features 1.48% annual rental increases with \pm 9.5 years remaining in the current term and 2, 5 year options as well, providing a landlord with long term security and a consistent hedge against inflation.
- **Low Rental Rate / SF: \$24.12 - Below Market Rent** - The lease at \$24.12 per square foot is below market rates for comparable dental offices in Mesa, AZ. This reduces tenant turnover risk and enhances long term tenant stability at this location.



TENANT HIGHLIGHTS

- **Long-term Commitment to Location** - Dental practices, especially well-established general dentistry offices, rarely relocate due to the high cost of equipment, build-out expenses, and the need to retain existing patients. This ensures long-term stability at this location.
- **Highly Respected Local Dentist** - The practice is well-known and trusted in the Mesa community, with a loyal patient base and strong word-of-mouth referrals.
- **Essential Healthcare Service** - General dentistry is a recession-resistant industry, as routine dental care remains a necessity regardless of economic conditions. This makes the tenant a low-risk, stable investment.
- **Booming Dental Industry** - The U.S. dental services industry is projected to grow from \$154.96 billion in 2023 to \$254.09 billion by 2032, at a 6.24% CAGR, reflecting increasing demand for dental care.



LOCATION HIGHLIGHTS

- **Rapid Expansion** - Mesa is part of the Phoenix Metropolitan Area, one of the fastest-growing regions in the United States. This growth has led to increased demand for healthcare, housing, retail, and professional services.
- **Strategic Location** - The property is conveniently located near both U.S. Route 60 and Loop 202, providing easy access to patients across Mesa and the greater Phoenix area.
- **Robust Demographics** - Local demographics feature a population base of 331,388 people within a 5 mile radius, with average household incomes at \$81,126.
- **Healthcare, Technology & Logistics Hub** - Mesa is home to Banner Desert Medical Center (one of Arizona’s largest hospitals), Boeing, MD Helicopters, and Apple’s global command center.
- **Business Friendly Environment** - Arizona continues to attract businesses due to its low taxes and pro-growth policies. Mesa’s continued residential and commercial expansion makes it an attractive location for long-term real estate investment.



EXECUTIVE SUMMARY





FINANCIAL OVERVIEW

Section 02

FINANCIAL OVERVIEW

TENANT	Christensen Family Dentistry
ADDRESS	560 N Stapley Dr, Mesa, AZ 85203
BUILDING SF	3,352
LEASE COMMENCEMENT DATE	July 29, 2024
LEASE END DATE	June 30, 2034
LEASE TERM REMAINING	±9 Years & 5 Months Remaining
LEASE TYPE	NNN
LANDLORD RESPONSIBILITIES	Roof, Exterior Maintenance, HVAC (Tenant Reimburses)
TENANT RESPONSIBILITIES	Taxes, Insurance, Interior Maintenance, Utilities, Etc.
RENTAL INCREASES	\$1.00 Per SF every August 1st (1.48% annually)
OPTIONS	2,5 Year Options
GUARANTY	Personal Guaranty
YEAR BUILT	1982 / Renovated 2021
RENTAL RATE/SF	\$24.13
MONTHLY BASE RENT	\$6,740.00
YEARLY BASE RENT	\$80,880
CAP RATE	6.0%
PRICE	\$1,348,000



*Lease Information Disclaimer: All lease details are provided for informational purposes only and are believed to be accurate, but are not guaranteed. Buyers are advised to independently verify all information through their own due diligence. The broker and seller assume no liability for any errors or omissions.



TENANT OVERVIEW

TENANT OVERVIEW



ABOUT US

Above all else, we here at Christensen Family Dentistry want our patients to maintain healthy, bright, and beautiful smiles! Next to that, we want our patients to feel comfortable and content during their appointments with us. Both of these goals begin with patient education! Staying informed can help you better understand the tenants of good oral health, prevent potential problems, and reveal why certain treatments are necessary.

YOUR DOCTOR, YOUR TEAM, AND OUR TECHNOLOGY

Dr. Leo Christensen and the members of our team are dedicated to serving our community with advanced treatments and comprehensive education. We believe that professional dentistry should not just enhance your smile, it should also improve your overall well-being. Recent studies have shown an intrinsic relationship between your oral, bodily, and mental health.

Our experience and expertise, along with our use of advanced technologies and techniques establishes a higher level of care. Cutting-edge technology has resulted in procedures that are safer, faster, more comfortable, and more effective than ever before. If you would like to learn more about our practice and our procedures, our team is happy to help!

Source: christensenfamilydentistry.com





LOCATION OVERVIEW



MESA, AZ GATEWAY TO THE SONORAN DESERT

With a population of over 515,000, Mesa is the 36th largest city in the United States and second largest in Maricopa County.

Mesa, AZ It is the third-most populous city in Arizona. At least ten colleges and universities are located in Mesa, as is the Mesa Arizona Temple, one of the first LDS temples constructed outside of Utah. The city is home to the largest relief airport in the Phoenix area, Phoenix-Mesa Gateway Airport, located in the southeastern corner of the city.

As the gateway to the stunning Sonoran Desert and Tonto National Forest, Mesa invites you to explore its scenic waterways, kayak through winding canyons, or paddleboard along the Salt River. For a one-of-a-kind desert adventure, ride the waves at Revel Surf at Cannon Beach, the country's first surf park of its kind. Downtown Mesa is a vibrant hub, home to the Mesa Arts Center, public art, award-winning breweries, and local shops. Food lovers can explore the Fresh Foodie Trail® and the diverse flavors of Mesa's Asian District. Sports fans can experience MLB Spring Training with the Chicago Cubs and Athletics, or visit one of North America's largest youth sports complexes. As the world's first Autism Certified City, Mesa is dedicated to accessibility and inclusivity for all visitors.

Source: Mesaaz.gov, Visitmesa.com

NEW DEVELOPMENTS IN MESA, AZ

NOVVA DATA CENTERS' \$3 BILLION SUSTAINABLE CAMPUS IN MESA

Project Overview: Novva Data Centers is developing a 300-megawatt data center campus on a 160-acre site in Southeast Mesa, Arizona. The campus will feature five data halls, an office building, and a warehouse, totaling 1.3 million square feet. The project will be executed in two phases over the next decade, with the first phase, offering 96 megawatts of critical IT load, expected to launch in late 2026.

Sustainability Initiatives: The Mesa campus will incorporate several environmentally friendly features, including:

Water-Free Cooling System: An innovative air-cooling system designed to conserve up to 650

million gallons of water annually, addressing Arizona's water scarcity concerns.

Renewable Energy Utilization: The facility plans to operate using renewable fuel resources, aligning with sustainable energy practices.

Eco-Friendly Design: The campus will feature heat-reducing asphalt sealant, ultra-reflective coatings to minimize heat absorption, and xeriscaping with native plants to reduce water usage.

MAJOR MIXED-USE DEVELOPMENT: MEDINA STATION

Project Overview: Medina Station is a planned 64-acre mixed-use development in East Mesa, Arizona, comprising approximately 40 acres dedicated to retail and dining and 23 acres for apartment housing.

Anchor Tenants: The development will feature a 150,000-square-foot Target store and a two-story, 84,066-square-foot Dick's Sporting Goods.

Residential Component: The project includes plans for approximately 650 multifamily housing units, consisting of three- and four-story apartment buildings.

Economic Impact: With an estimated investment of \$400 million, Medina Station is poised to be one of the largest commercial projects currently planned in Mesa, significantly enhancing the economic landscape of East Mesa.



LOCATION OVERVIEW

META'S \$1 BILLION ADVANCED DATA CENTER IN MESA

Project Overview: Meta (formerly Facebook) has launched a state-of-the-art data center in Mesa, Arizona, marking its first facility in the state. The expansive campus will encompass over 2.5 million square feet across five buildings, with an investment exceeding \$1 billion.

Economic Impact: The project has generated significant employment opportunities, with approximately 2,000 skilled trade workers on-site during peak construction and over 200 permanent operational jobs upon completion.

Sustainability Initiatives: Meta emphasizes environmental stewardship by ensuring the data center operates on 100% renewable energy, primarily sourced from Arizona-based solar projects. Additionally, the facility aims to be "water positive" by 2030, committing to restore more water than it consumes through various conservation projects in the region.

Technological Significance: This Mesa data center is integral to Meta's global infrastructure, supporting platforms like Facebook, WhatsApp, and Instagram. It is designed to be among the most advanced and energy-efficient data centers worldwide, reflecting Meta's commitment to innovation and sustainability.



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