

HONORHEALTH®



NOW COLLABORATING FOR COMMUNITY HEALTH

PHOENIX MSA
HONORHEALTH IS A 260+ UNIT OPERATOR
OUTPARCEL TO FRY'S FOOD

2720 W BASELINE RD
TEMPE, AZ 85283



Marcus & Millichap
NNN DEAL GROUP

OFFERING MEMORANDUM

ACTUAL SITE

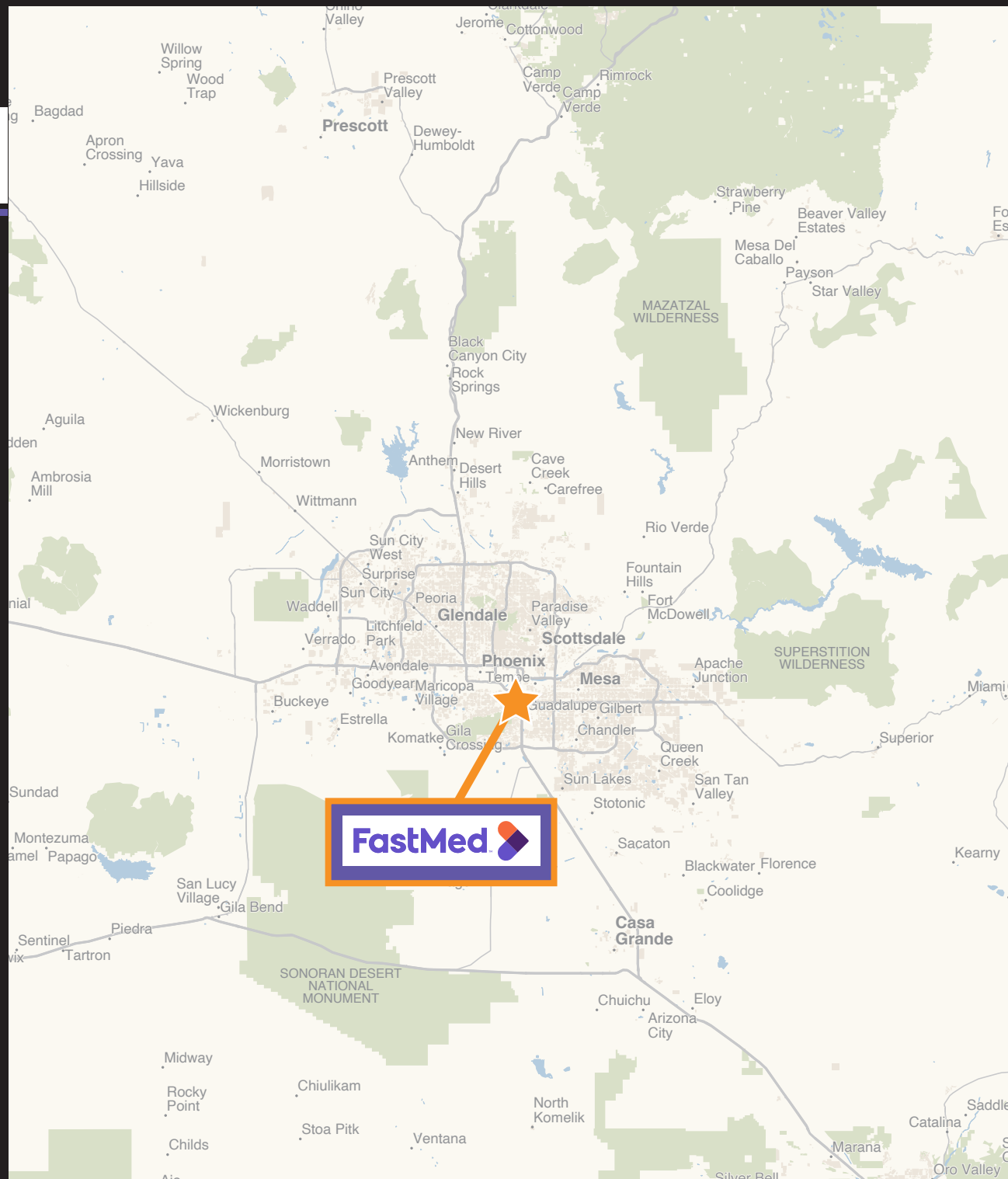
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Marcus & Millichap
NNN DEAL GROUP

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INVESTMENT SUMMARY

2720 W BASELINE RD, TEMPE, AZ 85283

PRICE: \$2,158,000

CAP: 6.35%

RENT: \$137,016

OVERVIEW

PRICE	\$2,158,000
GROSS LEASABLE AREA (GLA)	3,460 SF
LOT SIZE	0.34 Acres
NET OPERATING INCOME	\$137,016
YEAR BUILT / RENOVATED	1987 / 1994

ANNUALIZED OPERATING DATA

LEASE TERM	ANNUAL RENT
CURRENT	\$137,016
OPTION 1	\$157,568
OPTION 2	\$181,204
OPTION 3	\$208,384

LEASE ABSTRACT

LEASE TYPE	NN
BASE TERM	15.5 Years
EXTENDED TERM	5 Years
REMAINING TERM	4.11 Years
ORIGINAL LEASE START	09/25/2012
LEASE EXPIRATION	3/31/2028
RENEWAL OPTIONS	3x5
INCREASES	15% at each option period
LANDLORD OBLIGATION	Roof, Structure, Foundation, HVAC



FastMed

WING-STOP
WING-STOP
LITTLE CAESARS
goodwill

fry's
FOOD & DRUG

SUBWAY
cricket
wireless



ACTUAL SITE

INVESTMENT HIGHLIGHTS

NN

PASSIVE NET LEASE INVESTMENT

Minimal landlord responsibilities allows for passive, stable income and peace of mind for a hands-off investor



STABLE INVESTMENT

HonorHealth operates 260+ urgent care locations, this site is ranked #1 out of all 12 locations in Arizona



OUTSTANDING DEMOGRAPHICS

Just 15 minutes from downtown Phoenix and just 6 miles south of one of the largest universities in the U.S. with a student body population of nearly 80,000



EXCELLENT VISIBILITY

Strategically located as an out parcel to a Fry's Food with a combined VPD of 92,000+ passing through the subject intersection





TOP PERFORMING LOCATION

- This site is ranked #1 out of all 12 locations in Arizona
- This site is ranked #2 out of all 76 national FastMed locations
- 72.8k annual visits

Source: Placer.ai (Dec 2022 - Dec 2023)

ACTUAL SITE



Phoenix
10 miles

ASU Arizona State University
6 miles

FastMed

ARIZONA MILLS SHOPPING MALL
150+ retailers

THE HOME DEPOT

The Palms South Mountain Gated Apartment Living

Avana Cordoba - Assisted Living Apartments

SONIC

WING STOP
LITTLE CAESARS
goodwill

BURGER KING

Denny's

SmartStop Self Storage

FRY'S FOOD & DRUG

FRY'S FUEL

H Holiday Inn Express & Suites



SUBWAY
cricket wireless

S 48TH ST - 29,600 VPD

10

I-10 - 186,875 VPD

W BASELINE RD - 63,171 VPD

Goettl Air Conditioning and Plumbing Phoenix
Mitek Electronics & Communications
Independent Electric - Electrical Supply Store
BAE Systems
QUKTRIP

ARCO

University of Advancing Technology

Starbucks

IN-N-OUT BURGER

Oasis Water Park

ARIZONA GRAND RESORT & SPA

RAMADA BY WYNDHAM

Carl's Jr.

WAFFLE HOUSE

10

TENANT SUMMARY

FASTMED URGENT CARE

FastMed is one of the nation’s largest urgent care providers, proudly serving communities across North Carolina. FastMed provides a broad range of acute/episodic, preventive, and occupational healthcare – in its clinics and via telemedicine – as well as family medicine at select locations. FastMed is one of the few urgent care providers in the nation that has earned The Joint Commission’s coveted Gold Seal of Approval® for quality, safety and infection control in ambulatory healthcare.

PARTNERSHIP WITH HONORHEALTH

FastMed Urgent Care and HonorHealth have partnered to deliver high-quality, convenient, and affordable care to patients across Arizona. Combining FastMed’s compassionate care with HonorHealth’s extensive primary, secondary, and tertiary care presence, this investment in our communities will help to improve the health and well-being of everyone we serve.

As we move forward as HonorHealth FastMed Urgent Care, patients will receive the same quality and convenient care they’ve come to expect. Recently reaccredited for the second time by The Joint Commission and earning its coveted Gold Seal of Approval® for Ambulatory Care, FastMed

is the only independent urgent care in Arizona to hold this accreditation, signifying that it has met the industry’s highest quality and safety standards.

Additionally, FastMed is the first independent urgent care operator to launch Epic, a leading electronic health record (EHR) system that’s used by many of the nation’s largest health systems, including HonorHealth. This will provide patients with better care coordination between HonorHealth and FastMed.

[CLICK HERE FOR ARTICLE](#)



Headquarters
SCOTTSDALE, AZ



Year Founded
1962



Honor Health System Operates
6 HOSPITALS IN ARIZONA
30,000 EMPLOYEES

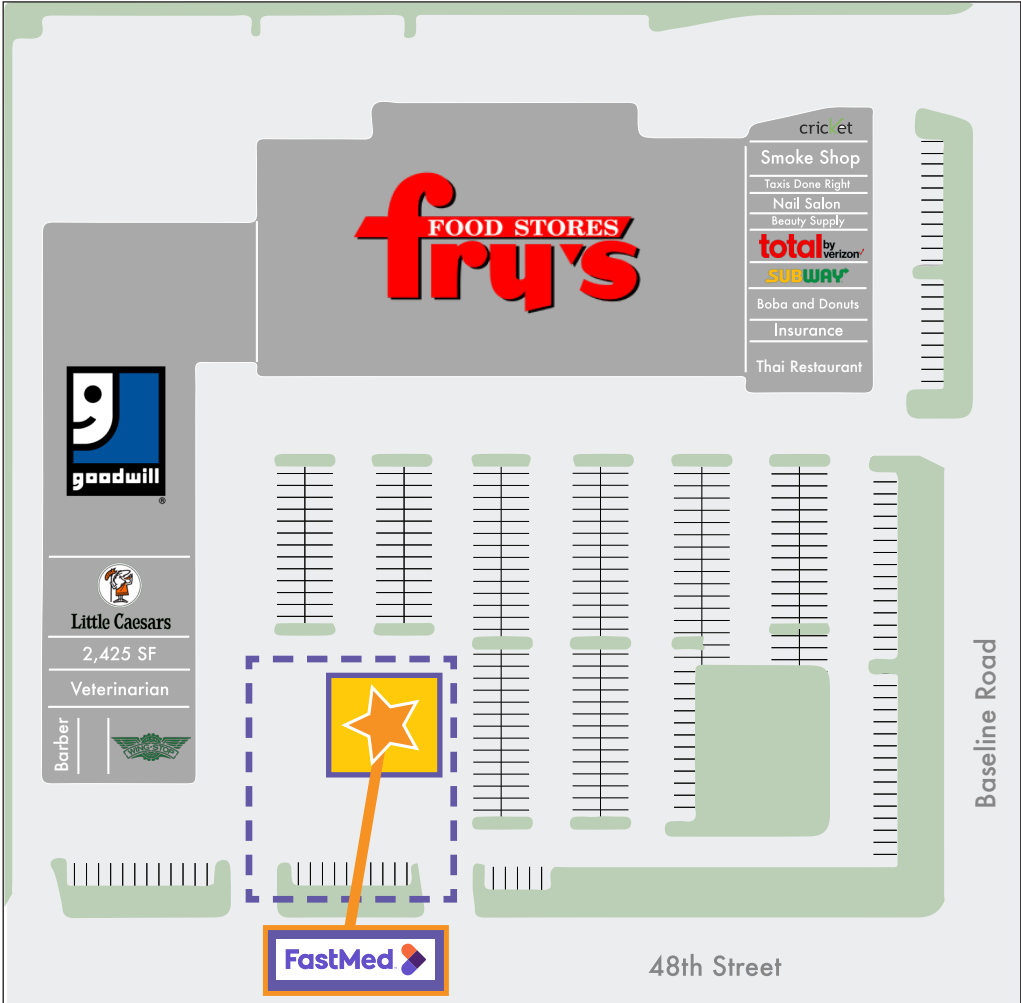


Urgent Care Centers
FASTMED: 55 LOCATIONS
HONORHEALTH:
208 LOCATIONS



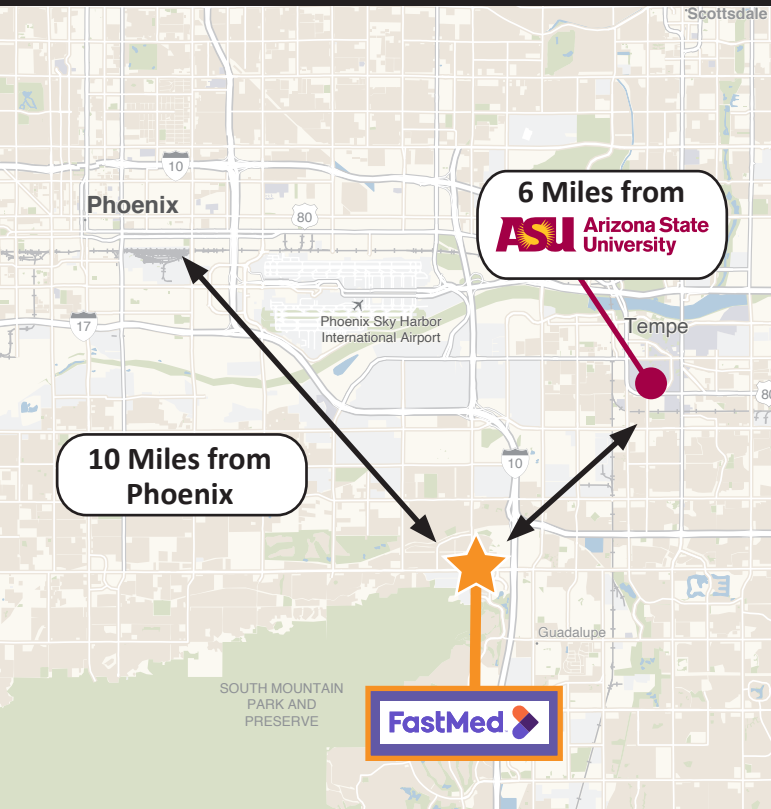
Website
FASTMED.COM
HONORHEALTH.COM

SITE PLAN





LOCATION OVERVIEW / TEMPE, AZ



MAJOR EMPLOYERS TEMPE, AZ

COMPANY	EMPLOYEES
Arizona State University	8,330
State Farm Insurance	7,540
Amazon	3,920
JPMorgan Chase Bank National Association	3,320
SRP	3,010
Wells Fargo	2,410
Kyrene School District	2,330
City of Tempe	2,171
ABM Industries Inc	2,000
Freedom Financial Network	1,580

TEMPE

Located just 10 minutes east of downtown Phoenix, Tempe exudes its own personality and the youthful spirit of a college town. Home to Arizona State University, one of the largest public universities in the United States, Tempe has a vibrant downtown that's active day and night. Visitors will find locally-owned eateries and microbreweries, annual festivals, arts and cultural events. There are plenty of opportunities to enjoy the over 300 days of sunshine a year, including biking, hiking, or paddle boarding.

While enjoying dynamic growth, the city has maintained its unique personality and style through a careful and masterful blending of the new with the old. Respecting its heritage and energetically planning for the future, Tempe is a wonderful mix of history and modern urban amenities. Tempe has a distinct identity as an emerging destination city, replete with all the offerings of a city rich in economics, technology, culture, tourism and educational resources. Tempe offers a blend of quality new developments, revitalization and redevelopment, prestigious institutions such as Arizona State University, and celebrated traditions.

Tempe brings it all together – bright Arizona sun, rewarding places to work, diverse cultures, a myriad of recreational opportunities, the best in entertainment and an unparalleled Southwestern lifestyle. Tempe maintains one of the most thriving economic environments in the country, home to top research firms, Fortune 500 companies, and start-ups. The city's largest employers include Arizona State University, State Farm, Salt River Project, Honeywell, Medtronic, and Insight Direct. Tempe has the most educated and technically-skilled workforce in Arizona. It is a young and diverse community, with a median age of 28.

LOCATION OVERVIEW

PHOENIX

The Phoenix metro is often referred to as the Valley of the Sun and consists of Maricopa and Pinal counties. The region is hemmed in by mountains to the north and east. American Indian reservations to the east and south limit development in those directions, leaving the southeastern corridor and western half of the metro as the primary growth areas. The most populous city, Phoenix – which encompasses about 520 square miles – is the capital of Arizona and boasts a population of about 1.6 million. Interstate 10 is a major trucking route that directly connects the region to Southern California, which is supporting a growing distribution industry. Various rail and air lines connect the metro to cities around the world.

METRO HIGHLIGHTS



EMPLOYMENT GROWTH

Job gains will increase faster than the national rate during the next five years, drawing new residents to the metro.



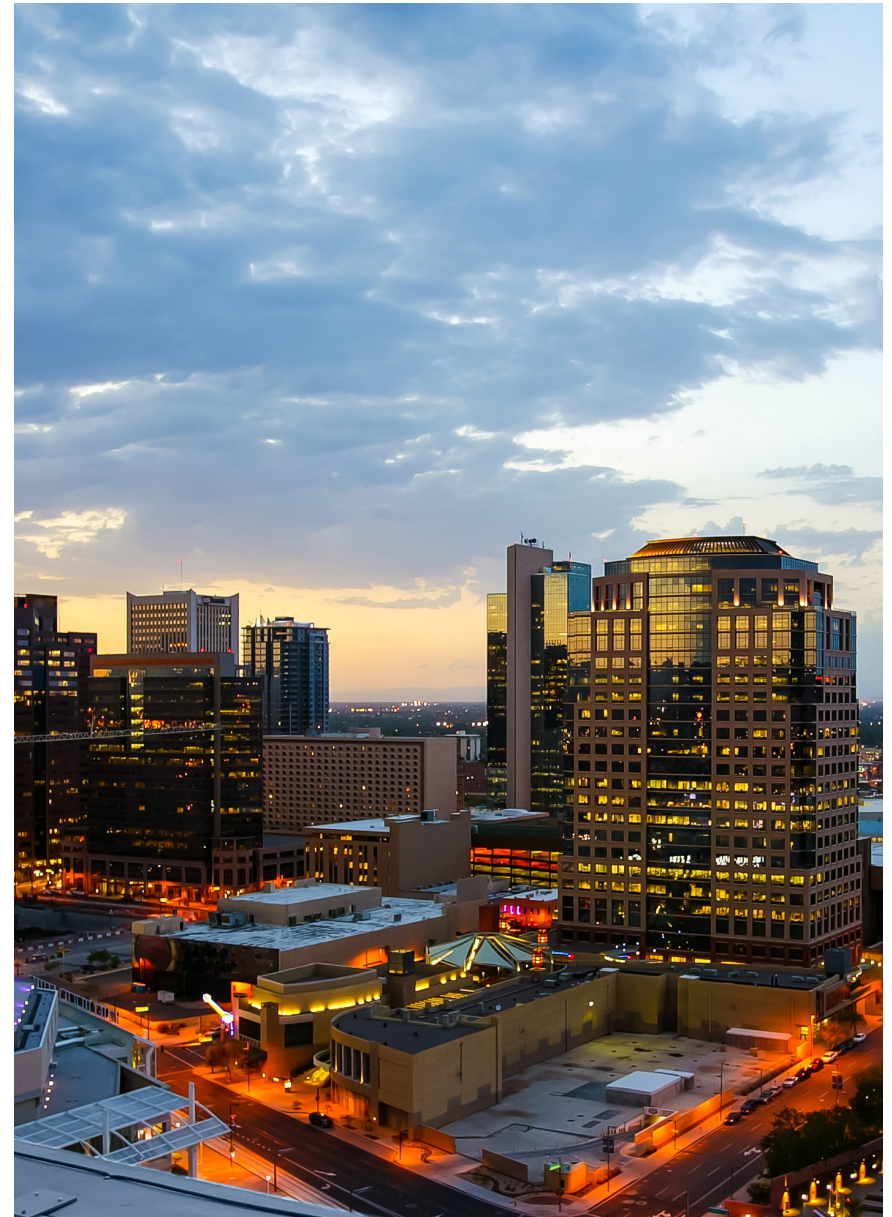
HIGH-TECH MANUFACTURING BASE

Intel Corp., General Dynamics, Honeywell and others have large Phoenix operations, attracting additional companies serving these corporations.



ACTIVE TOURISM INDUSTRY

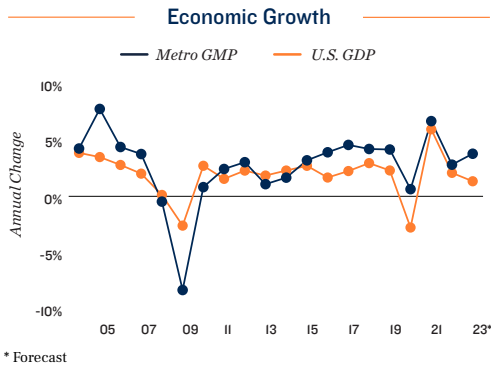
Warm winters and amenities, including golf courses and resorts, draw vacationers.



LOCATION OVERVIEW

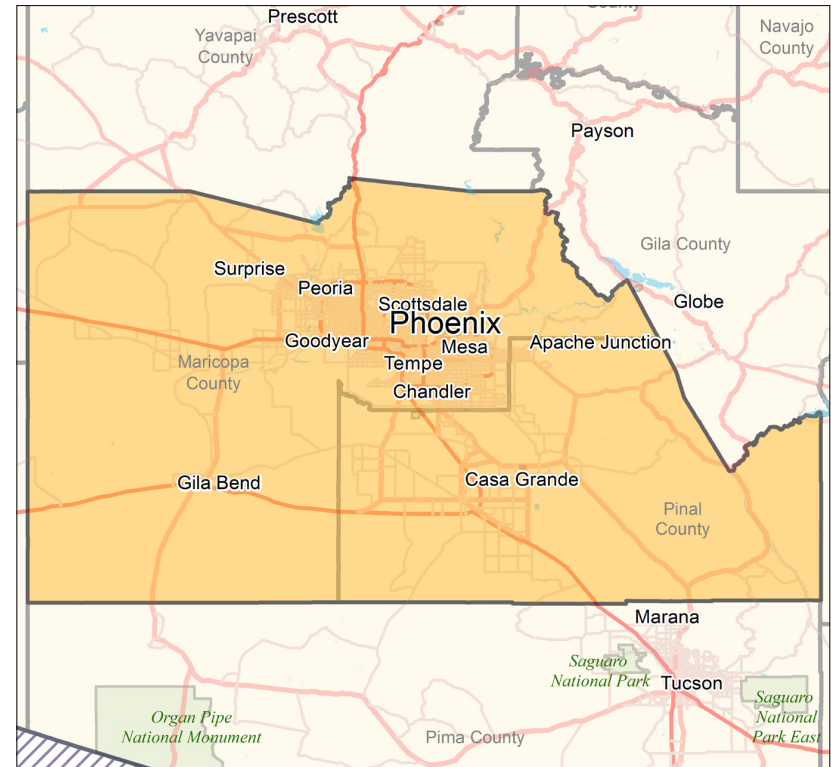
ECONOMY

- Phoenix claims multiple Fortune 500 headquarters, including Avnet, Republic Services, Insight Enterprises, Taylor Morrison Home and Carvana.
- The construction, high-tech manufacturing, health care and tourism industries dominate the Phoenix economy.
- Health care is a critical industry, with around 20 hospitals and the University of Arizona medical school located in the metro. Also, the Mayo Clinic has added multiple facilities located throughout the Valley.



MAJOR AREA EMPLOYERS

- Banner Health
- Honeywell
- Amazon
- Fry's Food Stores
- Dignity Health
- Chase Bank
- U-Haul
- Phoenix Children's Hospital
- Bank of America
- American Express



SHARE OF 2022 TOTAL EMPLOYMENT



6%
MANUFACTURING



17%
PROFESSIONAL AND
BUSINESS SERVICES



11%
GOVERNMENT



10%
LEISURE AND
HOSPITALITY



10%
FINANCIAL ACTIVITIES



20%
TRADE, TRANSPORTATION,
AND UTILITIES



6%
CONSTRUCTION



15%
EDUCATION AND
HEALTH SERVICES



2%
INFORMATION

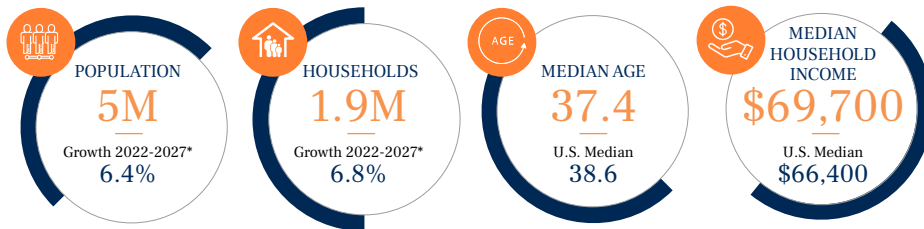


3%
OTHER SERVICES

LOCATION OVERVIEW

DEMOGRAPHICS

- The metro is expected to add around 320,000 people over the next five years, resulting in the formation of more than 127,000 households.
- A median home price of nearly \$469,000 influences a homeownership rate of 58 percent, which is below the comparable national metric.
- Roughly 31 percent of people ages 25 and older hold bachelor's degrees, and 11 percent have also obtained a graduate or professional degree.



2022 POPULATION BY AGE



QUALITY OF LIFE

Phoenix offers a lower cost-of-living than other metros its size, a warm climate, and a variety of recreational and cultural options. In addition to outdoor activities, sports enthusiasts can enjoy one of the most complete lineups of major league teams found in any city, including teams in all four major sports. The Cactus League holds spring training baseball throughout the Valley, and the area has numerous golf courses and tennis courts. Phoenix is home to the world-famous Heard Museum and Frank Lloyd Wright's Taliesin West. Music venues include Phoenix Symphony Hall and the Orpheum Theater. Higher education institutions include Arizona State University, Grand Canyon University and various community colleges.

SPORTS

- Baseball | [MLB](#) | ARIZONA DIAMONDBACKS
- Football | [NFL](#) | ARIZONA CARDINALS
- Basketball | [NBA](#) | PHOENIX SUNS
- Hockey | [NHL](#) | ARIZONA COYOTES
- Soccer | [USL](#) | PHOENIX RISING FC
- Basketball | [WNBA](#) | PHOENIX MERCURY

EDUCATION

- ARIZONA STATE UNIVERSITY
- GRAND CANYON UNIVERSITY
- PHOENIX COLLEGE
- MESA COMMUNITY COLLEGE
- ARIZONA CHRISTIAN UNIVERSITY
- SOUTH MOUNTAIN COMMUNITY COLLEGE

ARTS & ENTERTAINMENT

- DESERT BOTANICAL GARDEN
- PHOENIX ART MUSEUM
- HEARD MUSEUM
- MUSICAL INSTRUMENT MUSEUM

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

DEMOGRAPHICS / TEMPE, AZ

POPULATION	1 MILE	3 MILES	5 MILES
2027 Projection	15,144	102,277	290,890
2022 Estimate	14,838	99,405	280,678
Growth 2022 - 2027	2.06%	2.89%	3.64%
2000 Census	13,703	87,797	238,613
2010 Census	13,621	89,440	245,516
Growth 2000 - 2010	-0.60%	1.87%	2.89%

HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2027 Projections	5,780	42,003	113,833
2022 Estimate	5,660	40,615	108,851
Growth 2022 - 2027	2.11%	3.42%	4.58%
2000 Census	5,420	34,566	89,348
2010 Census	5,144	36,148	94,592
Growth 2000 - 2010	-5.09%	4.58%	5.87%

2022 EST. HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
\$200,000 or More	2.54%	4.00%	6.48%
\$150,000 - \$199,999	1.95%	4.53%	6.55%
\$100,000 - \$149,999	12.26%	14.09%	15.94%
\$75,000 - \$99,999	13.45%	14.96%	14.10%
\$50,000 - \$74,999	24.51%	21.08%	18.86%
\$35,000 - \$49,999	16.67%	15.16%	12.79%
\$25,000 - \$34,999	10.66%	8.66%	7.80%
\$15,000 - \$24,999	8.14%	7.80%	7.09%
\$10,000 - \$14,999	3.62%	3.55%	3.39%
Under \$9,999	6.20%	6.17%	7.00%
2022 Est. Average Household Income	\$68,961	\$78,729	\$90,784
2022 Est. Median Household Income	\$54,975	\$59,676	\$65,254
2022 Est. Per Capita Income	\$26,603	\$32,242	\$35,900

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
2022 Estimated Population by Age	14,838	99,405	280,678
Under 4	6.6%	6.3%	5.3%
5 to 14 Years	13.1%	11.5%	10.4%
15 to 17 Years	3.6%	3.1%	3.1%
18 to 19 Years	2.9%	2.0%	5.4%
20 to 24 Years	7.9%	8.2%	11.1%
25 to 29 Years	10.3%	12.7%	11.2%
30 to 34 Years	9.1%	10.6%	8.9%
35 to 39 Years	7.5%	7.8%	6.8%
40 to 49 Years	11.2%	11.2%	10.7%
50 to 59 Years	11.4%	10.5%	11.1%
60 to 64 Years	5.3%	4.8%	4.9%
65 to 69 Years	3.8%	3.6%	3.7%
70 to 74 Years	3.1%	2.9%	3.0%
Age 75+	4.4%	4.6%	4.4%
2022 Median Age	33.1	32.7	31.8

2022 Population 25 + by Education Level	9,790	68,373	181,486
Elementary (0-8)	4.53%	3.65%	3.28%
Some High School (9-11)	11.34%	7.31%	5.92%
High School Graduate (12)	25.44%	19.63%	17.10%
Some College (13-15)	25.63%	25.17%	23.45%
Associates Degree Only	7.62%	8.08%	7.78%
Bachelors Degree Only	17.04%	22.04%	25.06%
Graduate Degree	6.46%	12.96%	16.36%

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