

WARNER CROSSING

100% LEASED, CLASS A OFFICES IN TEMPE, AZ

8260
S HARDY DRIVE



8312
S HARDY DRIVE



Colliers International, as exclusive advisor, is pleased to present the opportunity to acquire Warner Crossing (the “Property”), two Class A, single-story, office buildings in Tempe, Arizona that total ±138,180 square feet and offer an impressive 6.5 per 1,000 parking ratio. The buildings are 100% leased to four institutional tenants, each backed by investment-grade credit, on NNN expense lease structures, and with staggered expirations.

The Southeast Valley leads the region in successfully recruiting research, technology and other knowledge-worker firms through its diverse, well-educated workforce and corporate-friendly business environment. The area is home to some of the country’s largest and most prominent employers, such as Honeywell, Intel, McKesson, Charles Schwab, GM Innovation Labs, Microchip Technology, Wells Fargo Bank and Bank of America, among many others.

Constructed in 2000 within Warner Crossing Business Park, the offering provides investors an opportunity to purchase stabilized assets with reliable and secure cash flow. With a rent roll that is currently at below market rates, investors can accelerate rental growth in the future.

[Click here to watch Property Video](#)

[Click to view Property Website](#)



PROPERTY SUMMARY

BUILDING AREA:

±62,234 SF – 8260 Bldg

±75,946 SF – 8312 Bldg

±138,180 SF

SITE AREA:

±7.49 Acres (±326,333 SF) – 8260 Bldg

±7.54 Acres (±328,394 SF) – 8312 Bldg

±0.52 Acres (±22,743 SF) – driveway

±15.55 Acres (±677,470 SF)

ZONING:

HID, City of Tempe

ABUNDANT PARKING:

±6.5/1,000

INVESTMENT HIGHLIGHTS



STABLE CASH FLOW – TREMENDOUS UPSIDE

The existing investment-grade leases currently average 14.5% less than the current market rate and will be as much as 27.6% below market when the leases mature – providing the opportunity for tremendous cash flow and value appreciation.

INVESTMENT-GRADE TENANT MIX OF RESILIENT BUSINESS SECTORS

The investment-grade credit backing these leases represent a resilient group of business sectors including international banking, title services, on-line pharmacy services, home and business security monitoring, Amazon.com, and auto insurance.

DESIRABLE TEMPE SUBMARKET LOCATION

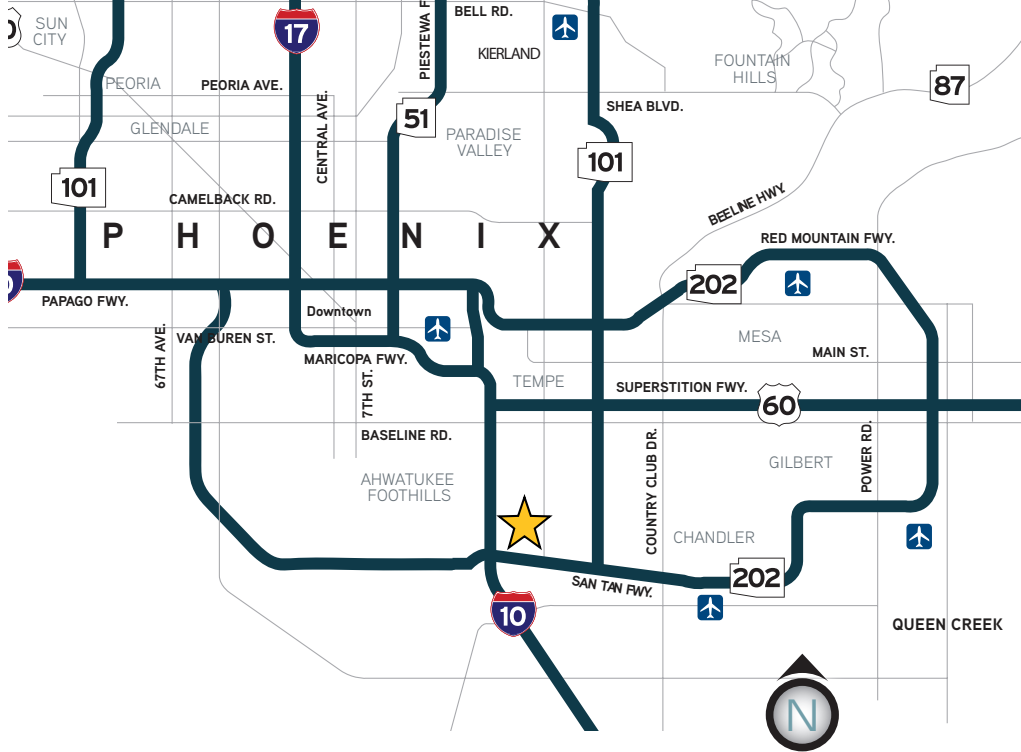
Surrounded by the region's most coveted employers such as Honeywell, Avnet, Intel, and Charles Schwab due to exceptional neighborhoods, amenities and connectivity.



INVESTMENT SUMMARY

ASKING PRICE: \$26,500,000

	<u>Projected NOI</u>	<u>Cap Rate</u>
YEAR 1	\$2,035,319	7.68%
YEAR 4	\$2,235,585	8.44%
5-YR AVG CAP RATE		8.11%
10-YR EST IRR:	<u>All Cash</u> 9.49%	<u>Leveraged</u> 15.98%



LOCATION HIGHLIGHTS

EASY ACCESS TO A LARGE, WELL-EDUCATED AND DIVERSE LABOR POOL

More than 65% of the population of Metro Phoenix can reach this location within a 40-minute commute via its immediate access to the Interstate 10 or to three of the other major freeways located just miles away. 77% of the population within a three-mile radius has had some college education, have an average household income of \$101,000, and approximately 75% of the same population holds a white-collar occupation, compared to 64% in Metropolitan Phoenix.

AMENITY-RICH INFILL LOCATION

Surrounded by a variety of upscale neighborhoods, offering outstanding executive as well as worker housing options, this highly desirable, mature, infill location has more than 2.7 million square feet of retail within one mile of the Property.

MARKET HIGHLIGHTS

TEMPE'S OFFERING INCLUDES ASU, ALONG WITH AN ABUNDANCE OF HIGH-TECHNOLOGY AND MANUFACTURING FIRMS

Arizona State University produces a \$5.9 billion statewide economic impact through its strong alliances in innovations and research programs, in addition to its excellence in academic programs. With the highest concentration of technology firms in Arizona's "Silicon Desert", Tempe itself is home to more than 200 high-technology and 750 manufacturing firms.

AFFORDABLE RENTAL RATES

Compared to its neighboring submarkets, South Tempe/Ahwatukee offers an amazing value to companies. While having parallel access to the same well-educated and robust labor pool and convenient transportation corridors, this submarket enjoys an average rental rate that is 19% below the Chandler submarket and a staggering 62% below the Tempe submarket, both of which are minutes away from the Property, creating a sustainable competitive advantage.





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