

# RILLITO CROSSING

MARKETPLACE



## RETAIL INVESTMENT OPPORTUNITY

A 96,424 SF, Value-Add Grocery Anchored Shopping Center in Tucson, Arizona





# THE OFFERING

JLL has been engaged as the exclusive advisor to extend to qualified investors the opportunity to acquire the fee simple interest in Rillito Crossing Marketplace (the “Property”), a 96,424 square foot Sprouts (SFM: NASDAQ) anchored shopping center with value-add development components located at the northeast corner of 1st Avenue and Limberlost Drive in Tucson, just 4 miles from the University of Arizona. The Property is currently 93.8% leased to a mix of local and national “daily-needs” tenants consisting of grocery, fitness, health / wellness, restaurant, and other complimentary uses. Rillito Crossing Marketplace is situated on approximately 13.01 acres. Included in that 13.01 acres are two vacant parcels totaling approximately 2.78 acres in size that are prime for value-add development of additional retail. Rillito Crossing Marketplace presents the rare opportunity to acquire a dominant grocery anchored neighborhood center with value-add components.

## PROPERTY SUMMARY

Property Name:	Rillito Crossing Marketplace
Address:	4206 - 4282 N 1st Ave., Tucson, AZ 85719
Land Size:	± 13.01 acres (566,716 SF)
Zoning:	C-2 - Commercial
Current GLA:	96,424 SF
Current Occupancy:	93.8%
Year Built:	2008
Future Development Parcels:	±2.23 acres (97,163 SF) +0.53 acres (23,084 SF)

## INVESTMENT SUMMARY

Price:	Unpriced
Year 1 NOI:	\$1,796,751
Year 3 NOI:	\$2,181,714
10-Year CAGR:	3.42%
WALT:	6.2 Years







## INVESTMENT HIGHLIGHTS



Long-Term Security With Grocery Anchor



Opportunity for Value-Add Creation



Strong Visibility in High Traffic Corridor



National Brand Recognition



Excellent Walkability to Over 1,150 Apartments



Property To Be Delivered Free And Clear





# EXECUTIVE SUMMARY



## LONG-TERM SECURITY WITH GROCERY ANCHOR:

National grocery anchor Sprouts Farmers Market (SFM: NASDAQ) has over 7 years of lease term remaining with subsequent option periods. This dominant grocer recently completed store renovations in 2019 and has been operating at the Property since January 2009.



## VALUE-ADD DEVELOPMENT OPPORTUNITIES:

Included in the offering are two vacant parcels, providing a value-add opportunity for an investor to develop additional leaseable square footage at the center. One parcel, approximately 97,163 square feet (2.23 AC), sits just south of LA Fitness and would allow an investor to add up to 35,000 square feet of retail. The other parcel, adjacent to the existing pads in the southwest corner, would be ideal for a new pad development of up to 4,000 square feet, and is also zoned for a drive-thru. The land is zoned C-2, which allows for low intensity, commercial use.



## STRONG VISIBILITY IN HIGH TRAFFIC CORRIDOR

Rillito Crossing Marketplace is centrally located between three of Tucson's strongest Retail submarkets, Catalina Foothills, Central East Tucson and Central West Tucson. The dense population of over 243,000 people in a 5-mile radius along with the heavy traffic counts (40,840 cars per day on 1st Avenue) are some of the reasons why occupancy has historically remained high at the Property.



## NATIONAL BRAND RECOGNITION

87% of the Property's Gross Leasable Area is from national retail concepts, providing income security. This national presence speaks to the dynamic trade area and draws customers from over a 25-mile radius (per Placer.ai data).







### **EXCELLENT WALKABILITY**

With over 1,150 apartment units (2,110 residents) within a quarter mile, Rillito Crossing Marketplace is the ideal daily-needs shopping center. There are over 19,300 people living within a 1-mile radius and the shopping center is a direct beneficiary.



### **PROPERTY TO BE DELIVERED FREE AND CLEAR**

The Property will be delivered free and clear of any encumbrances. Investors will have the opportunity to take advantage of the historically low interest rate environment.





## DEMOGRAPHIC PROFILE

Centrally located within Tucson, Rillito Crossing Marketplace is in a dense, infill location with more than 243,000 residents in a 5-mile radius. Adjacent to the highly trafficked Tucson Mall and affluent Catalina Foothills, the Property benefits from impressive real estate fundamentals. Approximately 4 miles south is the University of Arizona, home to over 44,800 students. The nearby University is key reason why there are 1,150+ apartments within 1/4 a mile. The immediate trade area continues to grow at a rapid pace.

Demographic Snapshot	1 Mile	3 Miles	5 Miles	10 Miles
Population (2022 Estimate)	19,325	106,624	243,573	650,299
Population (2026 Projection)	20,559	110,934	252,782	675,741
Annual Population Growth 2010-2021	2.30%	0.70%	0.50%	0.60%
Annual Population Growth 2021-2026	1.30%	0.80%	0.80%	0.80%
Average Household Income (2022 Estimate)	\$51,683	\$60,020	\$67,851	\$71,209
Median Age (2022 Estimate)	31.40	35.00	36.10	37.20
Daytime Employment (2022 Estimate)	17,498	91,967	207,312	313,155
Total Households (2022 Estimate)	8,586	48,112	105,985	266,950
Total Households (2026 Projection)	9,096	50,000	109,956	277,491
Average Home Value (2022 Estimate)	\$231,240	\$276,541	\$337,836	\$314,241

Traffic Counts	Average Daily Volume
1st Avenue (Traveling North)	40,830 Vehicles per day
1st Avenue (Traveling South)	39,314 Vehicles per day
Limberlost Drive (Traveling West)	6,518 Vehicles per day
Limberlost Drive (Traveling East)	6,930 Vehicles per day



**244K**

RESIDENTS WITHIN 5-MILE RADIUS



**44,800**

STUDENTS IN SURROUNDING  
COLLEGE TOWN AREA



**\$67K**

AVERAGE HOUSEHOLD INCOME  
WITHIN 5-MILE RADIUS



**\$338K**

AVERAGE HOME VALUE  
WITHIN 5-MILE RADIUS

## SITE PLAN & TENANCY

SUITE	TENANT	SF
4206-120	Dao's Tai Pan's	2,090
4240-A	LA Fitness	49,920
4246-110	Adrian's Barbershop	1,211
4246-120	Smoothie Factory	1,206
4246-130	JK Nails	1,200
4246-140	The Joint Chiropractic	1,181
4246-150	The Tea Hub	967
4262	Sola Salons	5,549
4282	Sprouts	25,650
4246-160	Spartan Safe	1,500
4206-100	VACANT	1,358
4210-100	VACANT	1,024
4210-150	VACANT	2,251
4246-100	VACANT	1,317
Total Building Area		96,424
Total Vacant		5,950
Occupancy		93.8%







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