



# Absolute Net Leased Investment

## TROPICAL SMOOTHIE CAFÉ / JEREMIAH'S ITALIAN ICE

Drive Thru—Signalized Hard Corner Intersection  
SWC Grant Rd & Swan Rd  
4676 East Grant Road, Tucson, Arizona

Price: \$3,345,000

NOI: \$195,691

Cap Rate: 5.85%

*Exclusively represented by*  
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**OWNER/AGENT:** Arizona licensed real estate agent(s) or broker(s) at Volk Company have an ownership interest in this property.

The information contained herein has either been given to us by the owner of the property or obtained from other sources. We make no representation, express, or implied, as to its accuracy. The prospective buyer or tenant should carefully verify all information contained herein. Not to scale- for illustration only. All projected income or expenses, tenant and financial data, sizes, dimensions, property lines, zoning boundaries, and locations of buildings, parking, entrances and other improvements are approximate only and must be independently verified by buyer or tenant. Occupant names are shown for illustration only. No representation is made as to the current or future occupancy of the Property or adjacent areas.

## INVESTMENT SUMMARY

VOLK Company is pleased to offer the opportunity to acquire the fee simple interest (land and building ownership) in an absolute net leased, personal guaranteed, drive-thru, Tropical Smoothie Cafe and Jeremiah's Italian Ice investment property located in Tucson, Arizona. The building is a newly remodeled Topical Smoothie Cafe and Jeremiah's Italian Ice prototype, and the lease is absolute net with no landlord responsibilities.

Tropical Smoothie Cafe is a 1,235 location, 30 year old concept, and Jeremiah's Italian Ice is a 150 location, 27 year old concept. The tenant, Patelbui6, LLC, has signed a brand new 10-year lease with 2 (5-year) options to extend. The Lease features 10% rental increases every 5 years throughout the initial term and at the beginning of each option period, steadily growing NOI and hedging inflation.

The subject property is located on the southwest corner of Grant and Swan, one of the most identifiable hard corners in Tucson. This intersection alone sees over 70,000 drivers per day and consists of an estimated 5-mile population density of 278,623. Nearby tenants in this strong central location include Dutch Bros Coffee, Walgreens, Fry's, Starbucks, Chipotle, Trader Joe's and more.

### PROPERTY INFO

Address:	4676 East Grant Road, Tucson, Arizona
Building Size:	±2,232 SF (per Architectural Plans)
Land Size:	±19,378 SF (per ALTA Survey)
Pima County APN:	122-01-006B and 122-01-006C
Zoning:	C-1, City of Tucson
Remodel Date:	April 1, 2024
Ownership:	Fee simple (land and building)

### INVESTMENT SUMMARY

Sale Price:	\$3,345,000
Rent:	\$195,691
Cap Rate:	5.85%
Guaranty:	High net worth personal guaranty
Tenant:	Patelbui6, LLC
Lease Type:	Absolute Net
Term:	10 Years
Options:	Two, 5-year
Rent Increases:	10% increases every 5 years
Landlord Responsibilities:	None

### RENT ROLL

Years	Annual Rent	Cap Rate
Years 1-5	\$195,691	5.85%
Years 6-10	\$215,260	6.44%
Option 1 (11-15)	\$236,786	7.08%
Option 2 (16-20)	\$260,465	7.79%



### LOCATION

- Landmark location: Easily one of the most identifiable hard corners in all of Tucson
- Located at the signalized, hard corner intersection of Grant Rd and Swan Rd ( over 70,000 VPD) with excellent visibility and access
- Close to Tucson Medical Center with 641 beds and nearly 3,000 employees
- Supported by more than 278,000 residents (AHHI \$83,579) and over 134,000 employees in the 5-mile trade area.
- Other nearby national/credit tenants include Fry's, First Watch, Starbucks, Dutch Bros, Panda Express, Chipotle, Walgreens, Trader Joes, PetSmart, Roadhouse Cinema's, Outback Steak House, and more

### INVESTMENT

- Tropical Smoothie Cafe & Jeremiah's Italian Ice Single Tenant NNN Offering
- Ideal dual-branded concept allows for continued customer traffic and demand throughout the day into the night.
- Brand new 10-year lease with 2 (5-year) option periods to extend
- Absolute NNN (tenant maintains all aspects of the premises, pays for taxes, and insurance)
- 10% rental increases every 5 years throughout the initial term and options
- Founded in 1993, Tropical Smoothie Café has more than 1,235 restaurants open
- Founded in 1996, Jeremiah's Italian Ice has more than 150 locations

### DEMOGRAPHICS

(2024 Estimates)	1-Mile	3-Mile	5-Mile
Population	15,457	102,359	278,623
Avg. HH Income	\$69,752	\$84,822	\$83,579
Daytime Employment	8,692	58,384	134,211

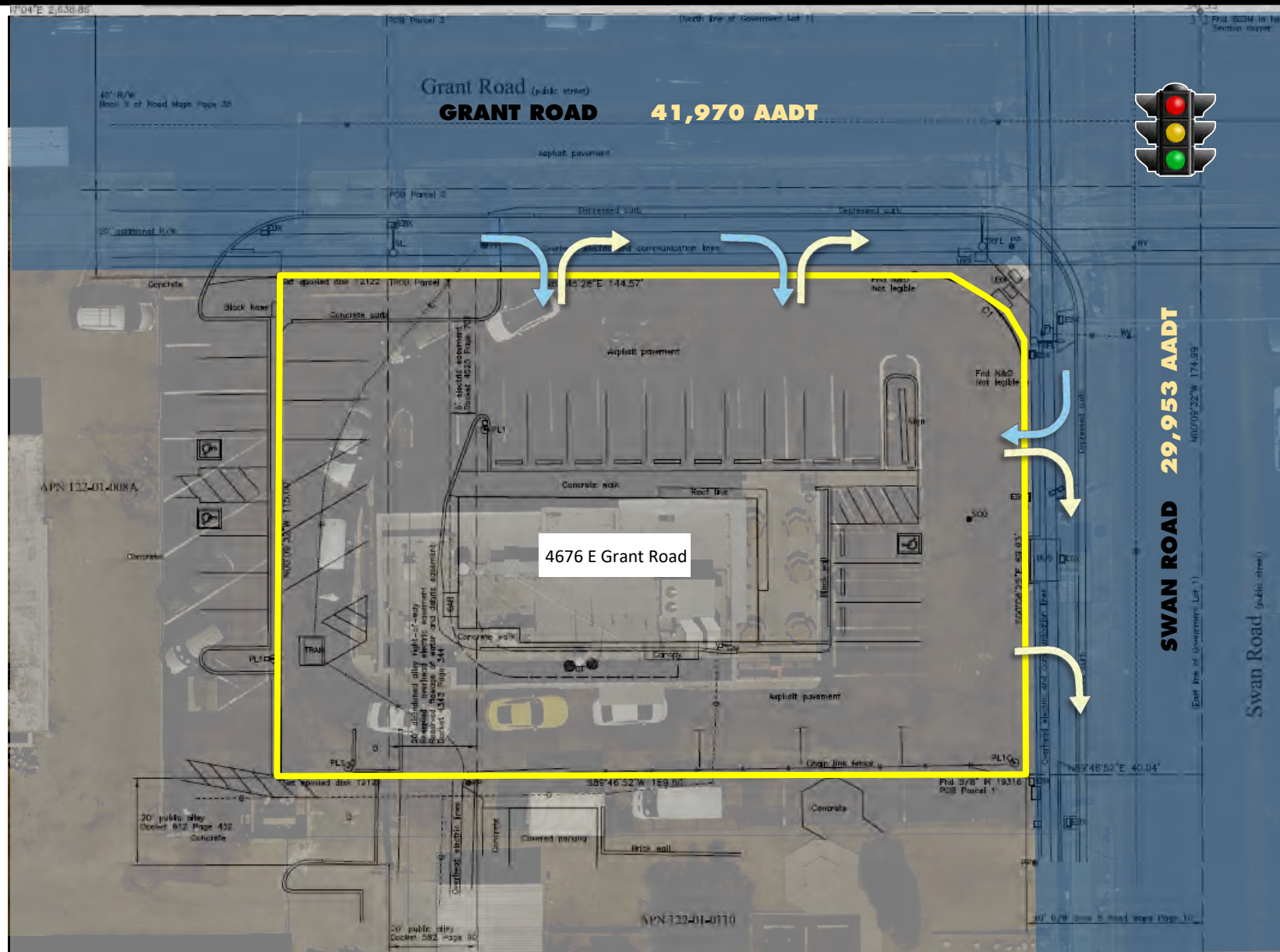
Source: Applied Geographic Solutions 11/2024 TIGER Geography

















## Featured Accolades:

- Tropical Smoothie Cafe marked its 10<sup>th</sup> consecutive year of positive same-store sales growth in 2021, along with additional milestones that include opening its 1,000<sup>th</sup> location, opening more new cafes than any prior year and introducing its top-selling limited-time smoothie in company history.
- In 2021, Tropical Smoothie Cafe reported same-store sales are up 22% over 2020, with a two-year increase of 29.4% over 2019.

Source: [www.tropicalsmoothiefranchise.com/in-the-news/positive-same-store-sales-growth](http://www.tropicalsmoothiefranchise.com/in-the-news/positive-same-store-sales-growth)

- 2023: Tropical Smoothie Café recently marked its 11<sup>th</sup> consecutive year of positive same-store sales growth. The brand also opened 158 new franchised cafes in 2022, officially marking the highest number of new café openings for the brand in a single year.

Source: <https://www.qsrmagazine.com/news/tropical-smoothie-cafe-franchisee-opens-its-100th-store>

- Tropical Smoothie Café tracks impressive mid-year growth

Source: <https://www.tropicalsmoothiefranchise.com/in-the-news/tropical-smoothie-cafe-mid-year-growth/>

- Entrepreneur Fastest Growing Franchise, #10
- Entrepreneur Franchise 500, #11
- Entrepreneur Franchise 500, #1 in Smoothie/Juice Category
- Forbes 2023 Customer Experience All-Stars, #97
- Franchise Times' Fast & Serious Smartest-Growing Brands, #21
- FUND Score 920 by FRANdata 2022, the highest among its peers in the QSR segment
- QSR Top 50 Fast-Food Chains ranked #36
- QSR 24 Fastest-Growing Fast-Food Chains in America ranked #8
- TOPSCORE Fund Award by FRANdata 2023



YEAR FOUNDED:	1993
TOTAL LOCATIONS (2023):	±1,235 Locations



*Featured Accolades:*

- In 2023, Jeremiah's Italian Ice was recognized among the Top New Franchises by Entrepreneur.com, ranking #2

*Source: Top New & Emerging Franchises Franchises / Entrepreneur.com*

- QSR Magazine selected Jeremiah's Italian Ice for their 40/40 List: America's Hottest Startup Fast Casuals in 2021.

*Source: The 40/40 List for 2021: America's Hottest Startup Fast Casuals - QSR Magazine*

- 2023 marked a year of celebration for Jeremiah's Italian Ice as they reached their 100th store milestone

*Source: <https://www.prnewswire.com/news-releases/jeremiahs-italian-ice-celebrates-the-opening-of-their-100th-location-301719601.html#:~:text=ORLANDO%2C%20Fla.%2C%20Jan.,of%20their%20100th%20location.>*

- The brand is also excited to announce its recent #2 ranking on Entrepreneur's Top New and Emerging Franchise List for 2023 as well as its recognition as a Top Brand for Multi-Unit owners by the publication.

*Source: <https://www.prnewswire.com/news-releases/jeremiahs-italian-ice-anticipates-a-47-yoy-increase-in-new-units-by-end-of-year-after-a-successful-q1-and-q2-301881139.html>*

- Jeremiah's Italian Ice wins Franchise Times ZOR Award as Top Brand to Buy

*Source: <https://jeremiahsfranchise.com/jeremiahs-italian-ice-wins-franchise-times-zor-award-as-top-brand-to-buy/>*

- Jeremiah's Italian Ice, the hottest brand in the frozen dessert category, was recently recognized by Franchise Times in their 2023 Top 400 franchises list, moving from #494 in 2022 to #450 this year.

*Source: <https://jeremiahsfranchise.com/jeremiahs-italian-ice-listed-in-franchise-times-2023-top-400/#:~:text=%E2%80%93Jeremiah's%20Italian%20Ice%2C%20the%20hottest,2022%20to%20%23450%20this%20year.>*



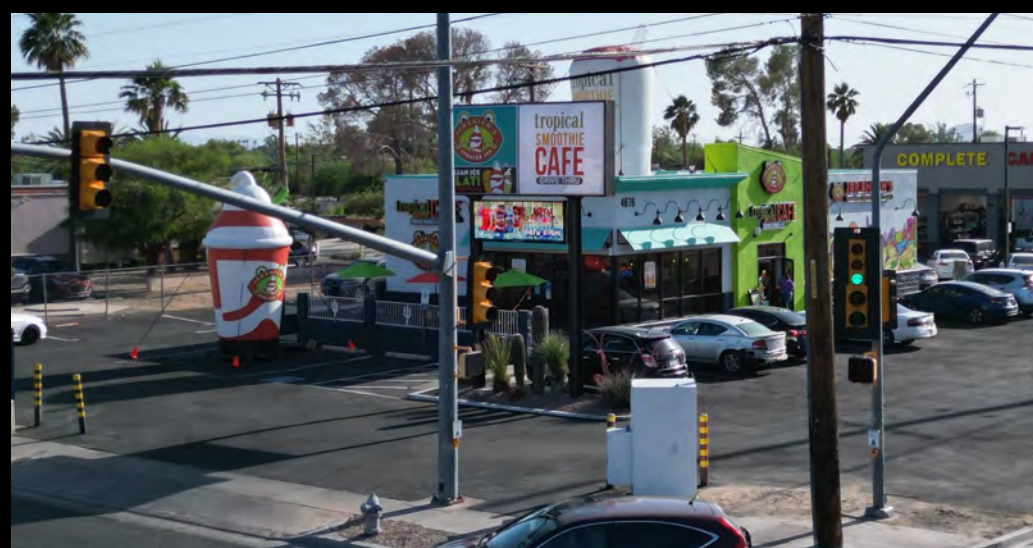
MORE ABOUT  
JEREMIAH'S



YEAR FOUNDED:	1996
TOTAL LOCATIONS (2023):	150 Locations









### TUCSON, ARIZONA

Located in the heart of Southern Arizona, Tucson is strategically positioned in the Sonoran desert between Phoenix and Mexico along Arizona's "Sun Corridor." The county seat of Pima County, Tucson is Arizona's second-largest city and the 33rd largest city in the country, with a metropolitan area population of nearly one million people.

Tucson's expanding economy is based on technology, tourism, and education. Large institutions like Raytheon Missile Systems, the Davis-Monthan Air Force Base, and the University of Arizona complement and support Tucson's status as a growing entrepreneurial hub (one of five recently recognized by *Entrepreneur* magazine). Tucson also supports a more than \$2 billion per year tourism industry due to its attractive climate, natural wonders, and unique cultural events like the Tucson Gem and Mineral Show and El Tour de Tucson bicycling event, and benefits from the estimated \$1 billion per year in direct economic benefit to Southern Arizona from Mexican citizens who travel north to shop in the community.

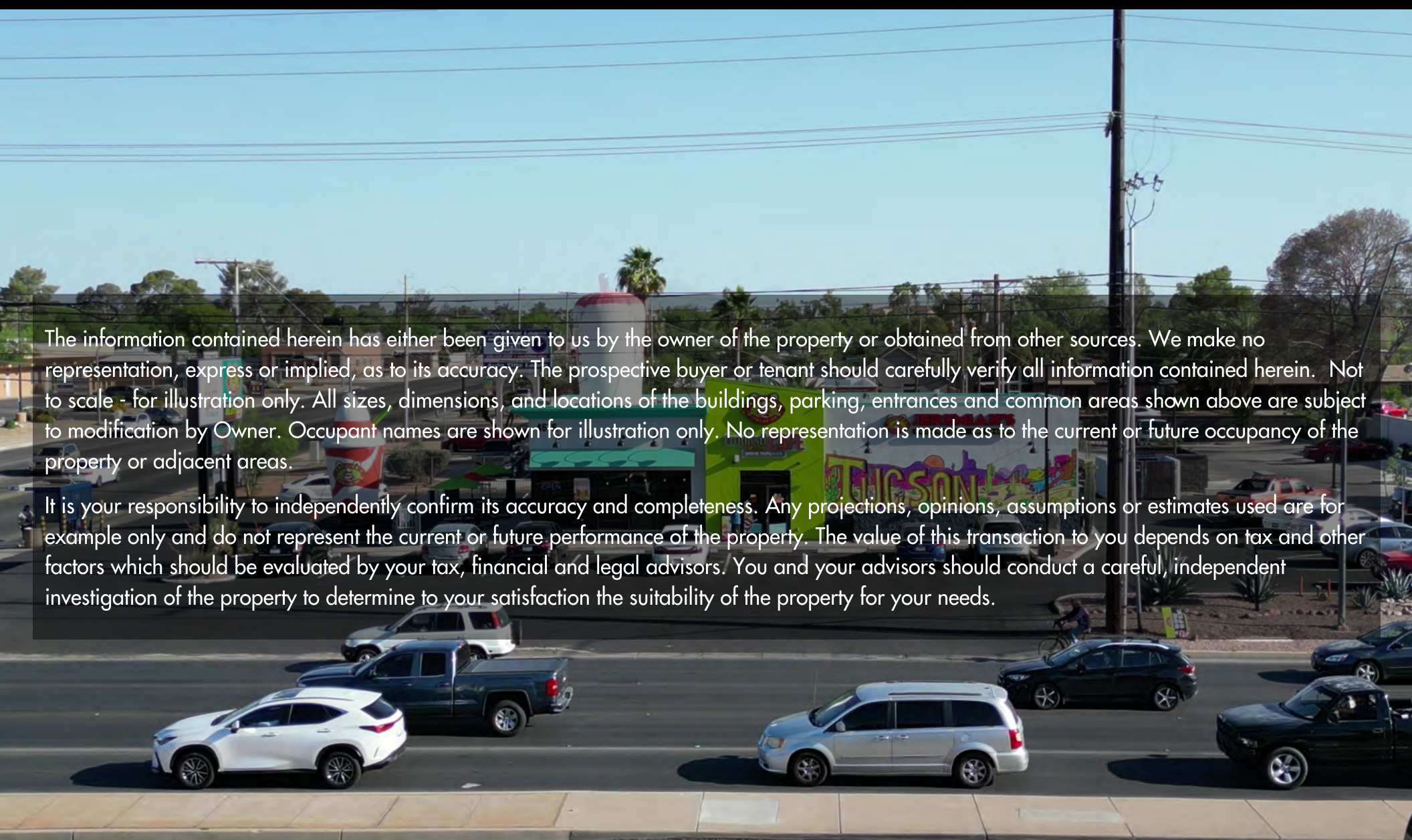
With its low cost of living and educated workforce, Tucson has shown significant economic strength. There has been a surge of public and private investment into the downtown area following the construction of the new streetcar line, which has led to an explosion of new dining and nightlife options and plans for extensive hotel, office, and residential development. Large employers who have made recent commitments to Tucson include HomeGoods (new 800,000 square foot distribution center housing 900 jobs), Comcast (1,200 new jobs), Geico (new 200,000 square foot office, 700 jobs), Caterpillar (new 150,000 square foot office, 600 new jobs) and Amazon (new 855,000 square foot warehouse with 1,500 new jobs).

### GRANT/SWAN AREA

Swan Road is a major north-south arterial connecting the high-income Foothills area with the center of Tucson, truly a crossroads for daily shoppers and commuters from many different Tucson trade areas and neighborhoods. Swan Road contributes greatly to crosstown traffic patterns as one of only three major routes to bridge the Rillito River from the Catalina Foothills. Grant Road is a major arterial running east-west in Tucson, which serves as a high daily commuter roadway looping Interstate 10 at both ends. Along Grant Road you will find many major retailers and one of Tucson's largest hospital complexes (Tucson Medical Center, only ½ mile from Subject Property). Due to the strength of these roadways and this location, a driver can reach almost half of Tucson's 1,000,000 metro population in only 15 minutes.

This Tropical Smoothie Café and Jeremiah's Italian Ice duo combination will be attractive to thousands of daily commuters at a busy commercial intersection with already proven success at serving tasty and nutritious meals. The Subject Property is highly visible to traffic as a frontage unit, and easily accessed from several points of ingress and egress to the corner. The intersection includes national and regional retailers, grocers, and fitness.





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It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.