Gateway Crossing

10105 W McDowell Rd, Avondale, AZ 85392

Retail
Investment Opportunity

Offering Memorandum

MATTHEWS™

Gateway Crossing

10105 W McDowell Rd, Avondale, AZ 85392

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Property Overview

BOOT BARN | OX KOREAN BBQ ALL YOU CAN EAT

10105 W McDowell Rd | Avondale, AZ 85392

Property Overview

Asset Overview

Name	Gateway Crossing
Address	10105 W McDowell Rd
City	Avondale
State	AZ
APN	102-54-071

Land Area	±1.48 AC
Year Built	2017
Gross Leasable Area	±24,500 SF
Total Tenants	2
Current Occupancy	100.00%

Tax Parcel Map

Investment Highlights

100% Occupied Two-Tenant Retail Asset Anchored By A Publicly Traded Retailer:

- ±24,500 SF retail property leased to Boot Barn (NYSE: BOOT) and OX Korean BBQ.
- Fee Simple Ownership on ±1.48 acres.
- Class A building built in 2017 and strategically positioned within one of Avondale's premier retail corridors.

Top Performing Tenant And Strong Operator:

- This Boot Barn is top ranked in both the State, and the Country with rankings of 82nd percentile in Arizona and 84th Percentile in the Country.
- Boot Barn executed a 10-year lease extension after expanding its footprint by more than 7,500 SF.
- Boot Barn is a publicly traded tenant with over 500 locations nationwide.
- OX Korean BBQ is operated by an experienced restaurant group with multiple successful concepts throughout the Phoenix MSA. Additionally, the Tenant has a $15M LLC Guarantee.
- The Operator has two other nearby concepts, including the "Number 1 Buffett" next door with sales over $15M annually.
- OX Korean BBQ benefits from the experienced regional operator, proven restaurant group, and demonstrates success within the trade area.

Built-In Rental Growth Through Contractual Increases:

- Both leases feature 10% rental escalations, providing investors with a hedge against inflation.
- OX Korean BBQ receives a 10% increase in 2031.
- Boot Barn receives a 10% increase in 2028.

Located Within Gateway Crosing — One Of The West Valley's Dominant Community Shopping Centers:

- Original Owners with strong management; historically maintained near-full occupancy.

Strong Co-Tenancy With Long-Term Operating History and Top Performing / Nationally Recognized Brands:

- Co-Tenancy Includes:

HOBBY LOBBY	±1,046 # of Locations	48 # of States
five BELOW	±1,956 # of Locations	48 # of States
Guitar Center	±305 # of Locations	47 # of States
SPORTSMAN'S WAREHOUSE	±148 # of Locations	32 # of States
BEST BUY	±1,059 # of Locations	52 # of States/Territories

Investment Highlights

Strong Fundamentals Support Long-Term Value:

- Situated on one of the busiest intersections in the West Valley.
- Limited availability of comparable freeway-adjacent retail sites creates significant barriers to entry for future competing developments.
- Excellent visibility and exposure with visibility off the I-10 Freeway and on McDowell Rd.

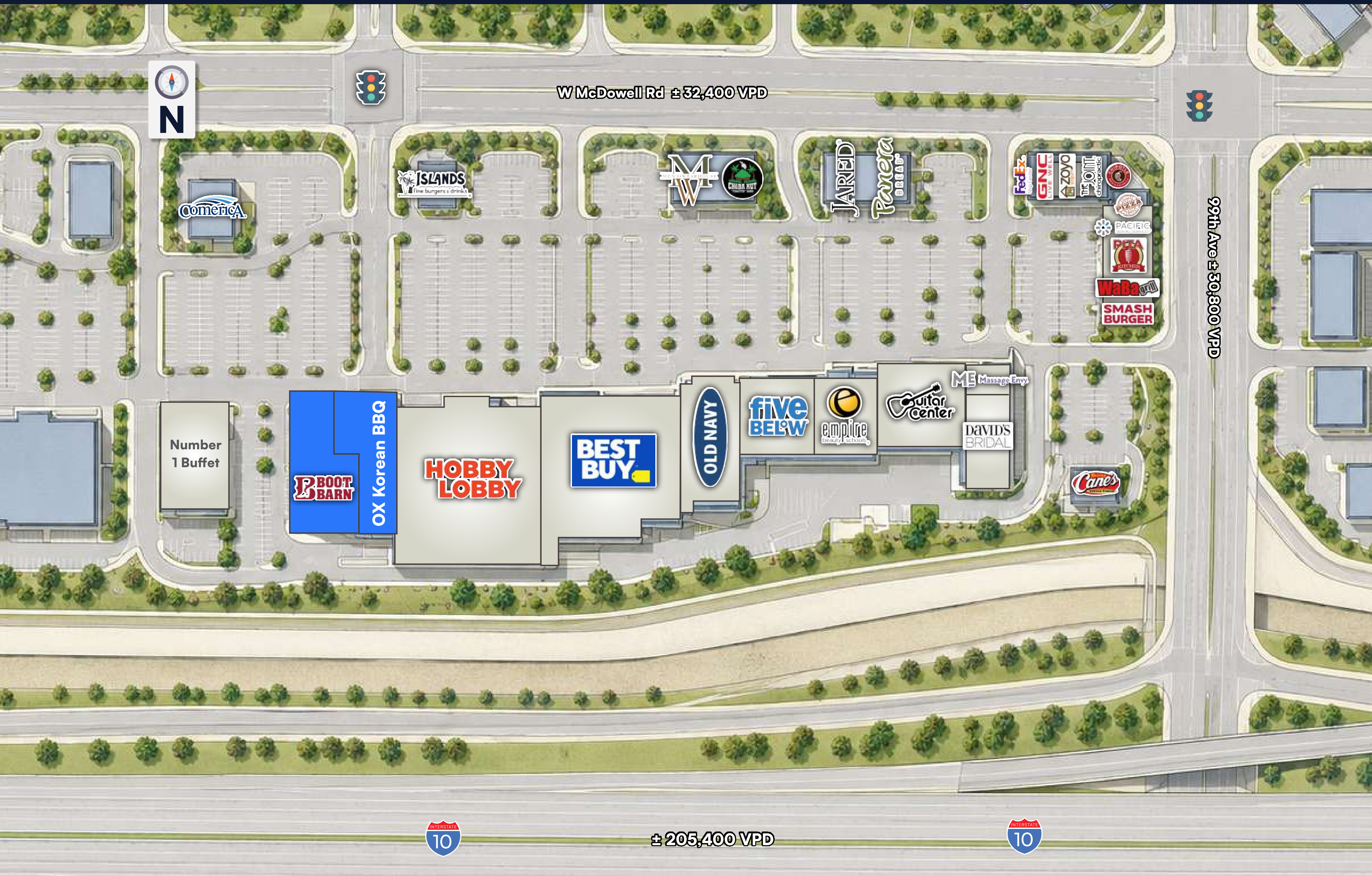
Dominant Regional Retail Trade Area:

- Located within Gateway Crossing and directly across from Gateway Pavilions, collectively creating one of the West Valley's most established retail destinations.
- The surrounding retail ecosystem includes Costco, Hobby Lobby, Best Buy, Ross, Marshalls, Burlington, Harkins Theatres, Old Navy, Raising Cane's, and numerous other national retailers.
- The concentration of complementary uses generates consistent consumer traffic throughout the week and reduces reliance on any single retailer.

Exceptional Traffic Exposure Drives Tenant Performance:

- The property occupies a highly visible position along Interstate 10, one of the Phoenix metropolitan area's primary east-west transportation corridors, providing exposure to more than 216,000 vehicles per day.
- Additional frontage along McDowell Road and proximity to 99th Avenue place the asset at the center of a heavily trafficked retail corridor, benefiting from approximately 80,000 combined vehicles traversing the immediate intersection daily.
- Direct freeway connectivity and multiple points of ingress and egress enhance accessibility for both local residents and regional consumers, supporting strong tenant performance and long-term leasing demand.
- The location's visibility within an established retail node creates a powerful branding advantage for tenants while reinforcing the property's position as a destination within the West Valley.
- Unlike traditional neighborhood centers that primarily depend on nearby residential density, this asset benefits from a diversified customer base driven by commuters, destination-oriented shoppers, and surrounding households.
- The combination of exceptional traffic exposure, convenient access, and a dominant retail setting provides investors with durable real estate fundamentals designed to support tenant success over the long term.

Site Plan


N
W McDowell Rd ± 32,400 VPD
99th Ave ± 30,800 VPD
Comerica
ISLANDS
fine burgers & drinks
JARED
Panera BREAD
FedEx
GNC
zoyo
THE JOINT chiropractic
PACIFIC
PITA KITCHEN
WaBa grill
SMASH BURGER
Massage Envy
Guitar Center
DAVID'S BRIDAL
Canes
five BELOW
empire beauty schools
OLD NAVY
BEST BUY
HOBBY LOBBY
OX Korean BBQ
BOOT BARN
Number 1 Buffet
10
± 205,400 VPD
10

Interior Photos: OX Korean BBQ

Financial Overview

Financial Overview

$7,806,000	6.30%	$318.61	$491,784
List Price	Cap Rate	Price/SF	NOI

Financial Overview

Gross Revenue	
Base Rental Revenue	$491,784
Reimbursement Revenue	$142,840
Effective Gross Revenue	**$634,624**
Operating Expenses	
CAM Expense	$43,648
Property Taxes	$66,911
Insurance	$7,380
Management Fee	$24,901
Total Operating Expenses	**$142,840**

Rent Roll

Suite #	Tenant	GLA (SF)	Percent Occupancy	Lease Term		Term Remaining	Lease Type	Rental Rates			Rental Increases			Options
				Lease Commencement	Lease Expiration			PSF	Monthly	Annually	Current Increase	Date	Amount	
101	OX Korean BBQ	7,500	30.61%	1/1/26	5/31/36	9.92	NNN	$34.97	$21,857.00	$262,284	10.0%	6/1/31	$24,062.50	One, 5-Year
102	Boot Barn	17,000	69.39%	2/8/23	2/28/33	6.67	NNN	$13.50	$19,125.00	$229,500	10.0%	3/1/28	$21,037.50	Two, 5-Year
Totals		**24,500**	**100%**					**$20.07**	**$40,982**	**$491,784**				

Tenant Overviews

Boot Barn Holdings, Inc. is the largest specialty retailer of western and work-related footwear, apparel, and accessories in the United States. ***Founded in 1978,*** the company has developed a highly recognizable national brand serving both traditional western lifestyle consumers and a growing mainstream customer base attracted to country-inspired fashion and workwear. Through a combination of disciplined store expansion, strong private-label offerings, omnichannel capabilities, and targeted marketing initiatives, Boot Barn has established itself as the ***dominant player within a fragmented niche retail segment,*** making it an increasingly attractive tenant for retail and net lease investors.

Headquartered in Irvine, California, Boot Barn is a publicly traded company listed on the New York Stock Exchange under the ticker symbol ***NYSE: BOOT.*** The company operates ***more than 525 stores across 49 states*** and maintains a robust e-commerce platform through ***BootBarn.com, Sheplers.com, and CountryOutfitter.com.*** Boot Barn has consistently expanded its national footprint while strengthening its position as the leading western and workwear retailer in the country. The company offers a diversified ***merchandise mix that includes nationally recognized brands such as Ariat, Wrangler, Carhartt, Justin, Timberland Pro, and Stetson***, alongside a growing portfolio of proprietary brands that support margin expansion and customer loyalty.

CLICK HERE TO VIEW
3D Renderings of XO Korean BBQ

Ox Korean BBQ is a regional restaurant operator specializing in the increasingly popular ***all-you-can-eat (AYCE) Korean barbecue dining experience***. The concept offers guests an interactive, social dining environment centered around tableside grilling of premium meats, seafood, and traditional Korean side dishes. As consumer demand for experiential dining continues to grow, Korean barbecue concepts have ***gained significant traction across the United States,*** benefiting from strong demographic appeal, group-oriented dining occasions, and growing mainstream awareness of Korean cuisine.

Operating under the Ox Korean BBQ brand, the restaurant focuses on delivering an elevated AYCE experience through a broad selection of marinated meats, fresh ingredients, and contemporary restaurant design. The concept ***caters to a diverse customer base, including families, young professionals, and large social groups seeking an experiential dining format*** that encourages longer visits and higher customer engagement. Korean barbecue restaurants have demonstrated resilience within the casual dining sector due to their unique service model, limited direct competition in many markets, and strong repeat customer visitation patterns.

Market Overview

10105 W McDowell Rd | Avondale, AZ 85392

Avondale, AZ

Market Overview

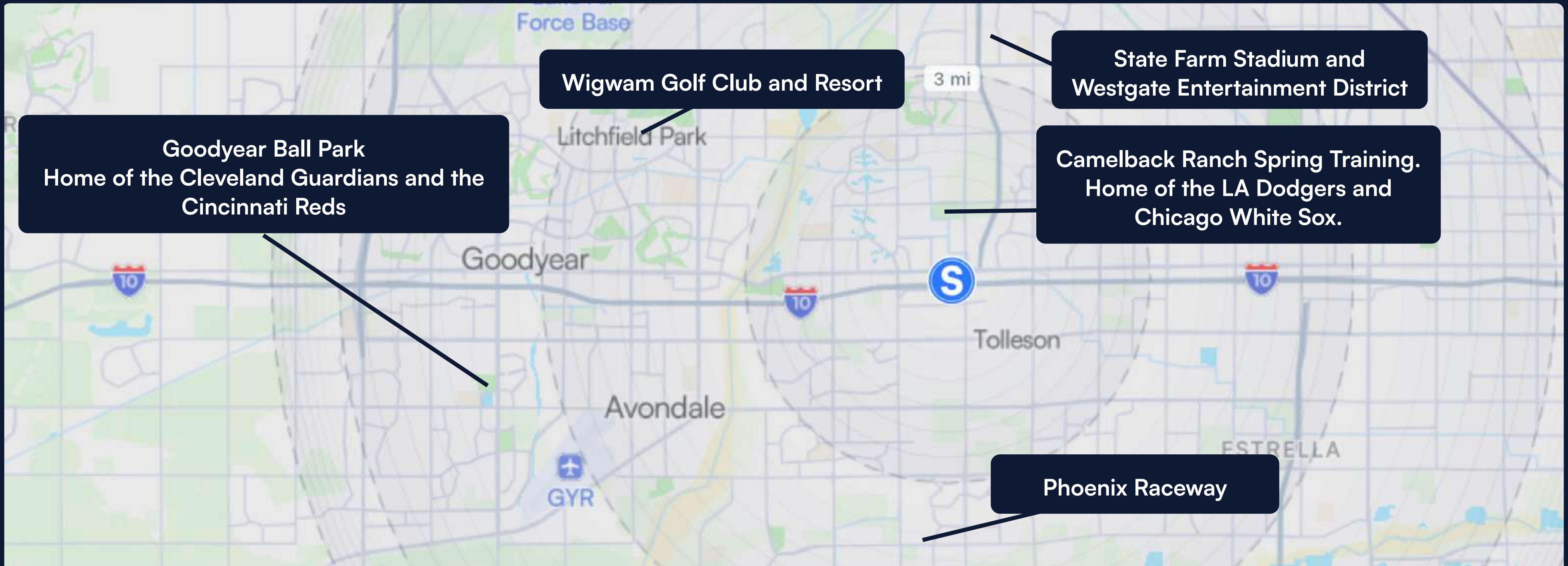
Avondale, Arizona is one of the fastest-growing communities in the Phoenix metropolitan area, offering a strategic location, strong economic fundamentals, and an attractive quality of life. Situated along Interstate 10 just west of Downtown Phoenix, the city provides convenient access to major employment centers, transportation corridors, and regional amenities.

42%
Gross Domestic Product Growth (2019-2023)

13.1%
Population Growth (2020-2025)

Property Demographics

Population	3-Mile	5-Mile	10-Mile
2020 Population	111,749	308,923	902,147
2025 Population	115,869	327,636	948,340
2030 Population Projection	120,209	341,486	986,567
2020-2025 Growth	0.7%	1.2%	1.0%
2025-2030 Growth	0.8%	0.8%	0.8%
Households	**3-Mile**	**5-Mile**	**10-Mile**
2020 Households	33,326	89,715	278,657
2025 Households	34,400	94,974	293,037
2030 Household Projections	35,697	99,072	305,412
2020-2025 Growth	1.9%	2.4%	2.0%
2025-2030 Growth	0.8%	0.9%	0.8%
Income	**3-Mile**	**5-Mile**	**10-Mile**
Avg Household Income	$101,827	$98,860	$92,345



Phoenix, AZ

The Phoenix metropolitan area is one of the fastest-growing economic regions in the United States, supported by strong population growth, a business-friendly environment, and a highly diversified economy. The region has emerged as a major hub for advanced manufacturing, technology, healthcare, and logistics, driven by large-scale corporate investment and a deep talent pipeline from institutions like Arizona State University. Continued in-migration, expanding infrastructure, and sustained job creation position the Phoenix MSA as a leading market for long-term economic growth and investment activity in the Southwest.

5.25M+
Total Population

1.3% Growth
in Population Annually

$91K
Median HH Income

46.7M+
Visitors Annually

Source: CoStar Group, Visit Phoenix, U.S. Census Bureau, Arizona Office of Economic Opportunity | **2025 Dataset**

Employment

Phoenix's employment market continues to demonstrate strong, broad-based growth, supported by sustained population inflows and ongoing business expansion. The region benefits from a diversified economic base, which has helped position it among the top U.S. metros for job growth and long-term economic stability. Continued corporate investment and workforce growth are expected to support steady employment expansion across the market.

2025 Statistics

2.5M+
Total Workforce Base

1.4%
Employment Growth

Household Growth

38K Housing Units Added in 2024 • **Highest in the U.S.**

60K+ New Residents (2024-2025)

Source: BLS, BEA, Census, AZOEO, GPEC, CoStar Group | **2025 Dataset**

Top Employers

Employees in Greater Phoenix

Banner Health	46,000+ Employees
ARIZONA	41,000+ Employees
Walmart	35,000+ Employees
amazon	35,000+ Employees
ASU	35,000+ Employees
intel	12,000+ Employees
WELLS FARGO	12,000+ Employees

Phoenix Retail Performance

$2.4B+
Sales Volume

4.6%
Vacancy Rate

7.0%
Market Cap Rate

240M+
Square Feet of Retail Inventory

$262
Market Sale Price Per Square Foot

$27.25
Market Asking Rent Per Square Foot

Phoenix's retail market demonstrates strong fundamentals, supported by its position as a top 10 U.S. market. Low vacancy rates and steady rent levels reflect healthy tenant demand and a balanced supply environment. Investment activity remains active, with over $2B in annual sales volume, indicating continued investor interest and stable pricing across the market.

Source: CoStar Group | **2025 Dataset**

Consumer Spending Strength

5.4%
YOY Growth in Retail Sales

$165B
Consumer Spending

Next-Gen Technology & Manufacturing Hub

Greater Phoenix Area Emerging as a Top U.S. Tech & Manufacturing Hub

$38B Sector Output • 1,000+ Tech Companies

Semiconductors • EV/Battery • Aerospace • Data Infrastructure

$165B+
Semiconductor Investment

12,000+
Tech Jobs Added Annually

40,000+
Semiconductor & Manufacturing Jobs

Taiwan Semiconductor Manufacturing Company

$165B investment | 3 Advanced Fabs
6,000 Employees Expected by 2030

Apple

Largest Customer of
Arizona-Based Chip Production

LG Energy Solution

$1.4B+ EV Battery Facility
Large-Scale Production

Meta Platforms

$800M+ Hyperscale
Data Center in Mesa

Honeywell Aerospace

Major Aerospace & Defense Hub
HQ Presence in Phoenix

Microsoft & Google

Multi-Billion-Dollar Hyperscale
Data Center Expansion

Source: BMS Commercial Services, Greater Phoenix Economic Council, Company Reports | **2025 Dataset**

Disclaimer & Confidentiality Agreement

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **10105 W McDowell Rd, Avondale, AZ 85392** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™ or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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