



## Capstone Advisors Spends \$28 Mil on Two AZ Acquisitions

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Capstone Advisors recently closed on two acquisitions in deals totaling \$28 mil. One of the properties is an urban core retail and entertainment property in Tempe while the other is a flex industrial building in Phoenix.

The retail and entertainment property, located at 420 and 501 S. Mill Ave, in the heart of Tempe's Mill Avenue District near Arizona State University, was purchased for \$22.2 mil. It consists of two buildings totaling 38.9k sf (\$571/sf) of space.

A popular nightlife hub in the metropolitan Phoenix area, the two buildings were fully occupied at the time of sale by retail, entertainment and dining tenants, including – Starbucks, Spinelli's Pizza, Lotions & Potions, Bang Bang, Crispy Cones, Varsity Tavern, Rodeo Ranch and Low Key Piano Bar.

"These two iconic buildings are located at the most dynamic intersection of the booming Tempe downtown market. The intersection of 5th Ave and Mill Ave. has the highest pedestrian traffic in the city of Phoenix, and the entire area is in the midst of outstanding residential high-rise growth" said Alex Zikakis, president of Capstone Advisors. 'Generational real estate' is an overused term, but in this case, exactly sums up this acquisition."

JLL represented the seller and procured the buyer in the transaction.

The second property acquired by Capstone Advisors is a 51.7k sf flex industrial building located within the Deer Valley area of Phoenix at 16402 N 28th Ave. The property, spanning 4.36 acres, was purchased for \$5.79 mil (\$112/sf).

The building is currently used as a temperature-controlled, drop-ceiling office occupied by Kemper Insurance. The business plan calls for the building to be converted back to industrial use as soon as the Kemper lease expires.

"The Deer Valley market is the best performing industrial market in the greater Phoenix area, and the building we acquired will be in high demand by industrial users given its size, industrial zoning, ample power, and large secure lot for storage – a rarity in the very dynamic Deer Valley industrial market," said Zikakis.

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