

# Offering Memorandum

Single Tenant NNN

## AARON'S

121 East Marland Boulevard, Hobbs, New Mexico



**KENNY HOLZER**

PRESIDENT

404.812.8912

kholzer@skylineseven.com

**ELLIOTT KYLE**

VICE PRESIDENT INVESTMENT SALES

404.812.8927

ekyle@skylineseven.com

**CHASE MURPHY**

INVESTMENT SALES ASSOCIATE

404.812.8925

cmurphy@skylineseven.com

  
**SKYLINE SEVEN**  
REAL ESTATE  
[www.skylineseven.com](http://www.skylineseven.com)

Skyline Seven Real Estate's Statement of Confidentiality & Disclaimer pertains to all data supplied for purposes of this proposal.

# Investment Overview

Price

**\$365,000**

NOI:	\$32,843
CAP Rate:	9.0%
Rent / SF	\$1.70
Total SF:	19,307
Price Per SF:	\$18.90
Total Acres:	0.88
Price Per Acre:	\$414,772
LeaseCommencement:	2002
Lease Expiration:	12/31/22

## Highlights

- Renewal through December 2022
- True triple net lease - no landlord responsibility
- Aaron's scheduled to remodeling the store in 2018
- Aaron's has been at this location since 2002
- Aaron's base rent is under \$2/SF, which provides upside in the future
- Average household income is expected to grow by 10.5% over in the next 5 years
- Hobbs is located in southeast New Mexico - known for oil and gas exploration



# TENANT OVERVIEW



Since being founded in 1955, Aaron's has become the leading provider of Lease-Purchase Solutions for a variety of products including electronics, furniture, hardware, appliances and outdoor equipment. In 2014, Aaron's acquired Progressive Finance to further increase their market share in the Rent-To-Own industry and the virtual Rent-To-Own industry.

In 2016, Aaron's approved 1.6 million customers through their brick and mortar retail stores and also through the Aarons.com website. The company's revenues of \$3.2 billion in 2016 is its record to date as the company continues its consistent growth year to year.

## COMPANY OVERVIEW

Founded:	1955
2016 Revenue:	\$3.2 Billion
2016 Net Income:	\$139.3 Million
Total Locations:	1,770 +
Employees:	11,500 +
Headquarters:	Atlanta, GA
Website:	<a href="http://www.Aarons.com">www.Aarons.com</a>



# Lease Abstract

<b>Tenant</b>	Aaron's Inc				
<b>Square Feet</b>	19,307	<b>Annual Base Rent</b>	\$32,843	<b>Annual Rent PSF</b>	\$1.70
<b>Commencement Date</b>	December 15, 2002	<b>Termination Date</b>	December 31, 2022	<b>Security Deposit</b>	\$0

<b>Rent Schedule</b>	<b>Years</b>	<b>Monthly Rent</b>	<b>Annual Base Rent</b>	<b>Estimated Recapture</b>
	1-5	\$2,056	\$24,675	NNN
	6-10	\$2,262	\$27,143	NNN
	11-15	\$2,488	\$29,857	NNN
Option 1	16-20	\$2,737	\$32,843	NNN
Option 2	21-25	\$3,011	\$36,127	NNN
Option 3	26-30	\$3,312	\$39,740	NNN

<b>Taxes</b>	Section 6: Tenant will pay directly to the taxing authority the amount of Taxes that are assessed upon the Premises within thirty (30) calendar days of receipt of the tax bill from the Landlord.
<b>Utilities</b>	Section 7: Tenant will pay for all water, gas, electricity, telephone, trash and other utility services provided to the Premises at 1d
<b>Insurance</b>	Section 22: Tenant, at Tenant's expense, will insure the Premises against direct and indirect loss or damage by fire and any other casualty covered under the typical standard fire and extended coverage property insurance policy ("Insurance"). The Insurance shall be in an amount which is sufficient to prevent Tenant from becoming a co-insurer under the terms of such policy, but in any event in an amount which is not less than one hundred percent (100%) of the full replacement cost of the Premises ("Replacement Cost") from time-to-time during the Term.
<b>Repairs by Landlord</b>	Section 11: Landlord shall not be obligated to make any repairs whatsoever to the Premises.
<b>Repairs by Tenant</b>	Section 12: Tenant will maintain and repair the Premises, including, without limitation, the roof and the foundations of the Building, all exterior walls, all interior walls which provide structural support for the Building, all underground sewer, water and other utility service pipes and lines which serve the Premises and which are located outside the interior surface of the exterior walls of the Building, all exterior lighting, sprinklers systems, driveways, sidewalks, parking and other paved areas, all landscaping, windows, doors, heating, ventilation and air conditioning equipment, interior electrical fixtures and wiring, any alterations (hereafter defined) made by Tenant to the Premises and any fixtures or trade fixtures installed in the Building by Tenant, so that all of the foregoing shall at all times be in substantially as good a condition as existed on the Commencement Date, normal wear and tear, damage or destruction by casualty, condemnation and the act(s) or omission(s) of Landlord, its employees, agents, contractors, invitees and guests excepted.

# Retail Map

**Aaron's**

121 E Marland Blvd



Parcel



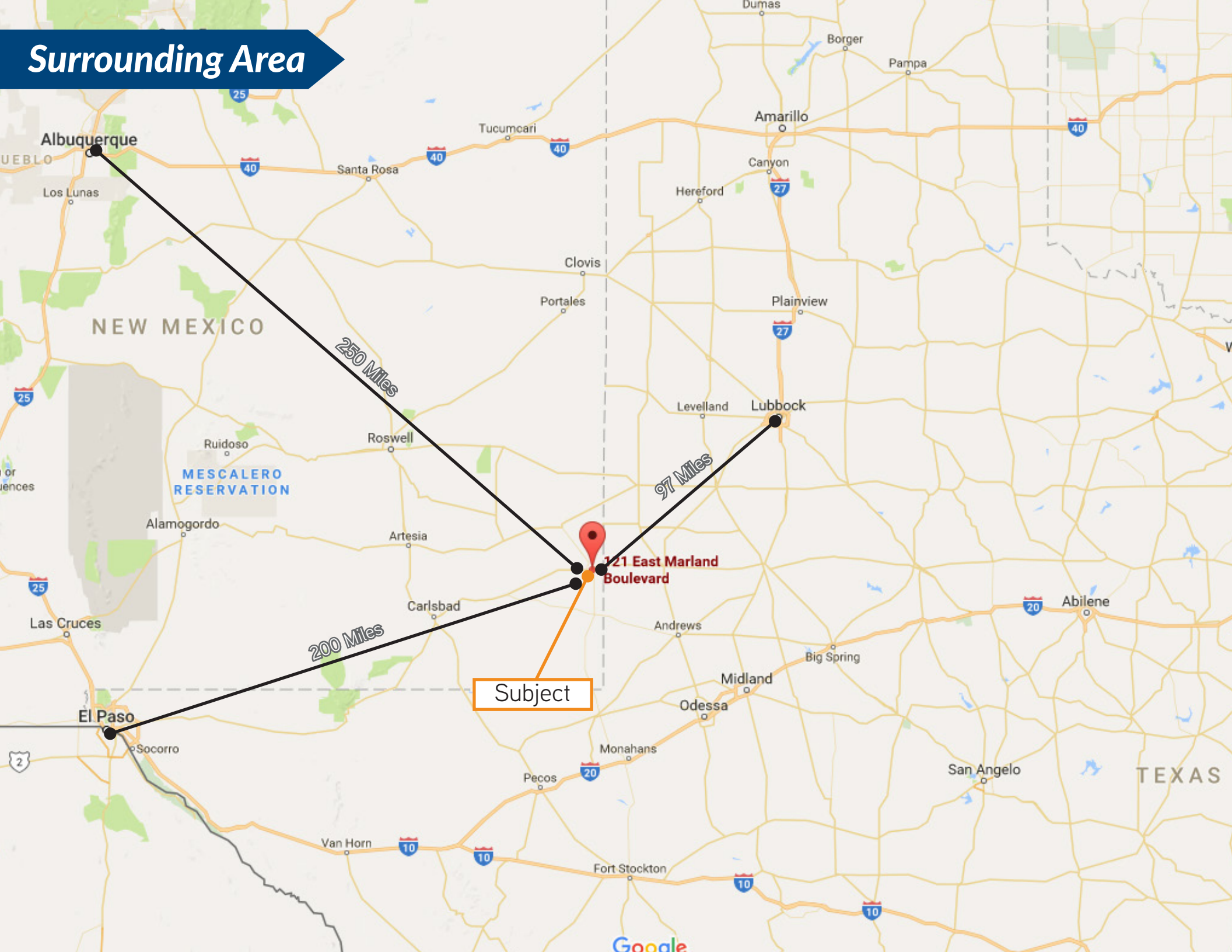
## Surrounding Area

Oil Rigs

Hobbs

Subject

## Surrounding Area



## Location in State



# Demographics

<b>Population</b>	<b>Three-Mile</b>	<b>Five-Mile</b>	<b>Ten-Mile</b>
2017 Population	33,998	40,600	49,054
2010 Population	30,495	36,197	43,563
5 Year Projected	35,988	43,069	52,216
Growth 2010 to 2017	10.30%	10.84%	11.19%
Projected Growth 2017 to 2022	5.53%	5.73%	6.06%
<b>Households</b>			
2017 Population	11,664	14,235	16,619
2010 Population	10,577	12,814	14,867
5 Year Projected	12,290	15,040	17,635
Growth 2010 to 2017	9.32%	9.98%	10.54%
Projected Growth 2017 to 2022	5.09%	5.35%	5.76%
<b>Income</b>			
2017 Average Household Income	\$57,919	\$62,634	\$64,425
5 Year Projected	\$64,472	\$69,710	\$71,982
Projected Growth 2017 to 2022	10.16%	10.15%	10.50%
<b>Race</b>			
White	69.2%	71.0%	75.4%
Black	6.2%	5.7%	5.3%
American Indian/Eskimo	1.3%	1.3%	1.4%
Asian	0.7%	0.8%	0.8%
Other Race	19.4%	18.0%	17.2%
Hispanic Ethnicity (Any Race)	63.6%	59.5%	56.7%

# Statement of Confidentiality and Disclaimer

SkylineSevenRealEstatehasbeenengagedastheexclusiveagentandrepresentativeoftheOwner.Nocontactsshallbemadeby any prospective purchaser or agents to the Owner, its executives, personnel or related entities.

ThisInvestmentOfferingBrochureisasolicitationofinterestonlyandisnotanoffertoselltheProperty.TheOwnerexpressly reservestheright,atitssolediscretion,torejectanyorallexpressionsofinteresttopurchasethePropertyandexpresslyreserves theright,atitssolediscretion,toterminatediscussionswithanyentityatanytimewithorwithoutnotice.TheOwnershallhaveno legalcommitmentorobligationtoanyentityreviewingtheInvestmentOfferingBrochureormakinganoffertopurchasetheProp- ertyunlessanduntiltheOwnerexecutesanddeliversassignedPurchaseAgreementontermssacceptabletotheOwner,atOwner's solediscretion.Bysubmittinganoffer,apropectivepurchaserwillbedeemedtohaveacknowledgedtheforegoingandagreesto release the Owner from any liability with respect hereto.

Theenclosedmaterialsarebeingprovidedsolelytofacilitatetheprospectivepurchaser'sownduediligenceforwhichthepurchaser shall be fully and solely responsible.

NeitherSkylineSevenRealEstatenorththeOwnermakeanyrepresentationorwarranty,expressorimplied,astotheaccuracyor completenessoftheinformationcontainedherein,andnothingcontainedhereinshallberelieduponasapromiseorrepresentation astothefutureperformanceoftheProperty.ThisInvestmentOfferingBrochuremayincludecertainstatementsandestimatesby SkylineSevenRealEstatewithrespecttotheprojectedfutureperformanceoftheProperty.Theseassumptionsmayormaynotbe proventobecorrect,andtherecanbenoassurancethatsuchestimateswillbeachieved.Further,SkylineSevenRealEstateand theOwnerdisclaimanyandallliabilityforrepresentationsorwarranties,expressedorimplied,containedinoromittedfromthis InvestmentOfferingBrochure,oranyotherwrittenororalcommunicationtransmittedormadeavailabletotherecipient.The- recipientshallbeentitledtorelysolelyonthoserepresentationsandwarrantiesthatmaybemadetoitinyfinal,fullyexecutedand delivered Purchase Agreement between it and the Owner.

TheinformationcontainedhereinissubjecttochangewithoutnoticeandtherecipientofthesematerialsshallnotlooktotheOwner orSkylineSevenRealEstate,noranyoftheirOfficers,employees,representatives,independentcontractorsoraffiliates,fortheac- curacyorcompleteness thereof.RecipientsofthisInvestmentOfferingBrochureareadvisedandencouragedtoconducttheir own comprehensive review and analysis of the Property.

# SKYLINE SEVEN EXPERTS

---



**KENNY HOLZER**

*PRESIDENT*

404.812.8912

Kenny Holzer is responsible for the overall strategic direction of the company, as well as new business development. Kenny is recognized for his breadth of real estate experience and deal acumen. His high-energy leadership inspires and motivates associates, resulting in lucrative transactions for our clients



**ELLIOTT KYLE**

*VICE PRESIDENT*

404.812.8927

Elliott is responsible for Skyline Seven's Investment Sales Division and is one of Atlanta's top sales producers. Elliott offers a breadth of brokerage experience having represented private investors, institutions and lenders/special servicers. Over the last 10 years alone, Elliott closed real estate transactions in excess of \$450,000,000.



**CHASE MURPHY**

*ASSOCIATE*

404.812.8925

Chase is an investment sales associate representing both buyers and sellers of commercial properties. Prior to joining Skyline Seven, Chase worked as an asset manager for Altisource, managing a real estate portfolio in excess of \$35,000,000 and removing over \$70,000,000 of distressed assets from his clients' balance sheets. Through his experience, Chase has developed a vast knowledge of transactional real estate and a commitment to navigating his clients to profitable closings.