

Marcus & Millichap

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PRO GROUP

Office DEPOT
OFFICE DEPOT

OFFERING MEMORANDUM



1621 Military Road – Benton, Arkansas 72015

**Office
DEPOT®**

Confidentiality and Disclaimer

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1621 Military Road – Benton, Arkansas 72015

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a

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Office DEPOT

INVESTMENT SUMMARY



Marcus & Millichap is pleased to exclusively market for sale the subject single-tenant net-leased Office Depot located at 1621 Military Road in Benton, Arkansas. Built in 2001, the subject property consists of roughly 20,515 square feet of building space. The lease was recently extended with a new expiration date of November 2027. The current rent is \$230,794 and is subject to rental increases of five percent every five years.

The subject property is well-positioned in a dense retail corridor benefitting from its proximity to Benton Square Shopping Center, Niloak Shopping Center, Ferguson Plaza Shopping Center, and Military Plaza Shopping Center. JCPenney, Dollar Tree, Payless Shoe Source, Kroger, Big Lots, Walmart Supercenter, Walgreens, Home Depot, Dollar General, and Advanced Auto Parts are among the nationally recognized retailers in the immediate area. Restaurants in the area include Popeyes, IHOP, Burger King, Taco Bell, Wendy's, Back Yard Burgers, Captain D's, Arby's, Applebee's, Waffle House, and Pizza Hut. Accommodations in the area include Relax Inn, Days Inn, America's Best Inn, Econo Lodge, Fairfield Inn & Suites, Best Western Inn, and Cedarwood Inn.

The lease has a Corporate Guarantee by Office Depot, Incorporated, a leading global provider of products and services for every workplace with annual sales of over 14 Billion and 49,000 associates operating in over 59 countries.

**Office
DEPOT®**



Investment Highlights

PRICE: \$2,884,925 | CAP: 8.00% | RENT: \$230,794

**Office
DEPOT**

About the Investment

- ✓ Tenant showing commitment to the site by recently extending the lease until November 2027
- ✓ Corporate Location; Corporate Guarantee
- ✓ Attractive Rental Increase – 5% Every Five Years
- ✓ Three, Five-Year Tenant Renewal Options

About the Location

- ✓ Compelling Real Estate Fundamentals
- ✓ Dense Retail Corridor | Close Proximity to Four Shopping Centers: Benton Square, Niloak, Ferguson Plaza, and Lilitary Plaza Shopping Centers
- ✓ Outstanding Traffic Counts Along Interstate 30 | 66,963 Vehicles Per Day
- ✓ Benton is Less than 25 Miles From Little Rock, AR | Capital and Most Populous City of Arkansas
- ✓ Relatively Wealthy Area | Average Household Income of \$68,156 Within Three-Mile Radius

About the Tenant / Brand

- ✓ Office Depot is a leader in global provider of products and services for every workplace with annual sales over \$14 billion
- ✓ Headquartered in Boca Raton, FL, Office Depot employs over 66,000 employees throughout 2,200 stores





Financial Analysis

PRICE: \$2,884,925 | CAP: 8.00% | RENT: \$230,794



PROPERTY DESCRIPTION

Property	Office Depot
Property Address	1621 Military Road
City, State, ZIP	Benton, AR 72015
Year Built	2001
Building Size	20,515
Lot Size	+/- 2.0 Acres
Type of Ownership	Fee Simple

THE OFFERING

Annual Rent	\$230,794
CAP Rate	8.00%
Purchase Price	\$2,884,925
Price / SF	\$140.63
Rent / SF	\$11.25

LEASE SUMMARY

Property Type	Net-Leased Office Supply Store
Tenant / Guarantor	Corporate
Original Lease Term	24.9 Years
Lease Commencement	December 31, 2001
Lease Expiration	November 30, 2027
Lease Term Remaining	8.4 Years
Lease Type	Double-Net (NN)
Roof & Structure	Landlord Responsible
Rental Increases	5% Every 5 Years
Options to Renew	Three (3), Five (5)-Year Option Periods

Annualized Operating Data

Annual Rent	\$230,794
Monthly Rent	\$19,232.83
Rent / SF	\$11.25

Rent Schedule

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 17	\$230,794	\$19,233	-
Year 18	\$230,794	\$19,233	0%
Year 19	\$230,794	\$19,233	0%
Year 20	\$230,794	\$19,233	0%
Year 21	\$242,334	\$20,194	5%
Year 22	\$242,334	\$20,194	0%
Year 23	\$242,334	\$20,194	0%
Year 24	\$242,334	\$20,194	0%
Year 25	\$242,334	\$20,194	0%
Option Periods			
Year 26-30	\$254,450	\$21,204	5%
Year 31-35	\$267,173	\$22,264	5%
Year 35-40	\$280,532	\$23,378	5%



Surrounding Area

Property Address: 1621 Military Road – Benton, Arkansas 72015

Office DEPOT®



Office Depot – Benton, Arkansas

Marcus & Millichap



Property Photo

Property Address: 1621 Military Road – Benton, Arkansas 72015

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Location Overview

This Office Depot property is located at 1621 Military Road in Benton, Arkansas. Benton is a city in Saline County and a suburb of Little Rock. It is the twelfth largest city in the state of Arkansas and is part of the Little Rock-North Little Rock-Conway Metropolitan Area. Benton is located between Little Rock and Hot Springs.

Surrounding Retail and Points of Interest

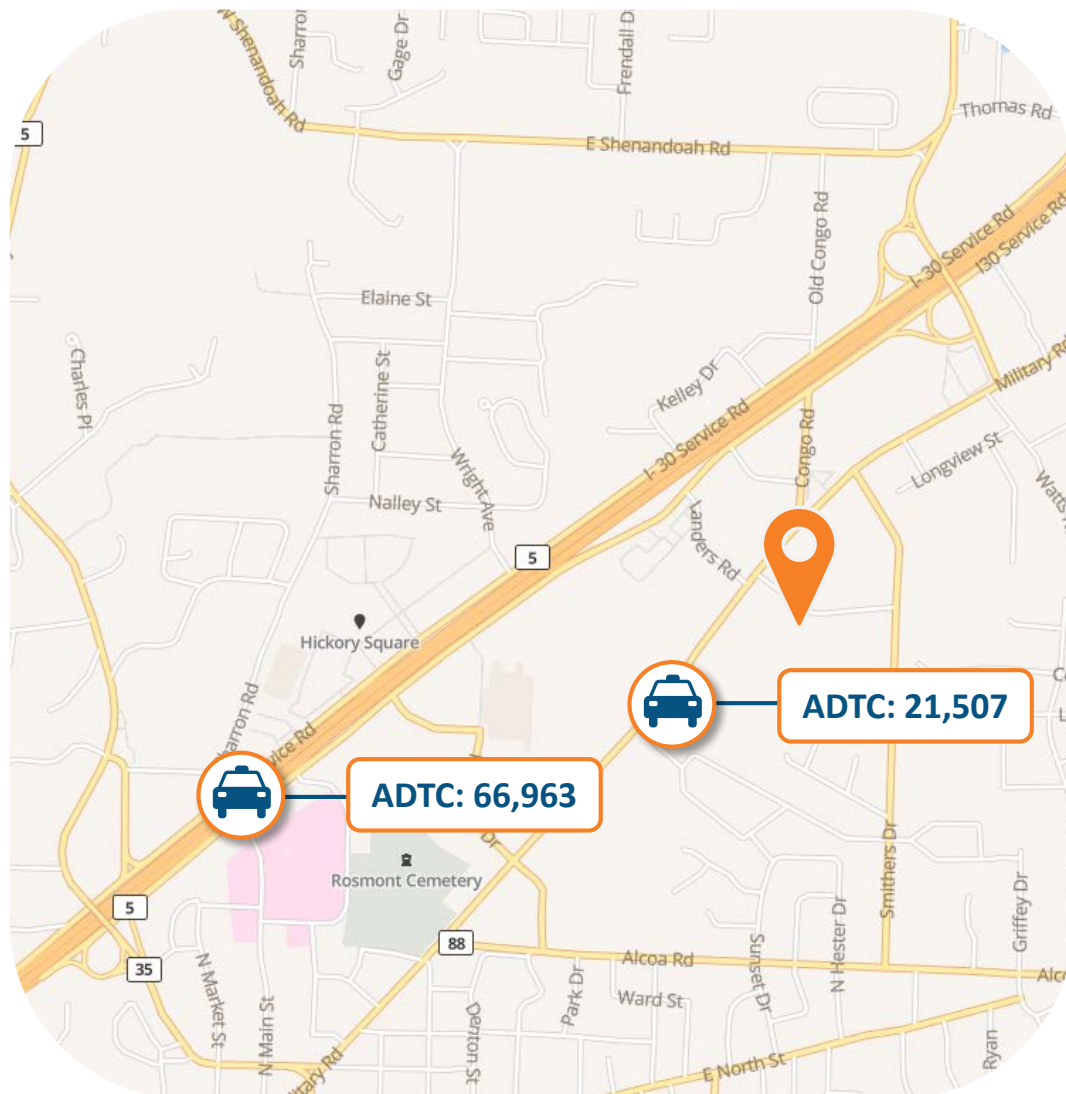
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Traffic Counts and Demographics

This property is located on Military Road, which has average daily traffic counts of 21,507 vehicles. Interstate 30 has a traffic count of 66,963 vehicles per day. This Office Depot is one mile from Saline Memorial Hospital, a 124-bed facility, and half a mile from Howard Perrin Elementary School. There are approximately 31,257 people within a three-mile radius and more than 48,957 people within a five-mile radius. The median household income in the immediate area has increased by 29 percent since 2000 and is projected to increase an additional 23 percent over the next five years.

Benton, AR

There are a variety of attractions in Benton including Benton's Historic Courthouse, Gann's Building Museum, Shoppach House, and The Royal Theatre. Arkansas is known for twelve elite golf courses, two of which are located in Benton. Saline County is the only place in the United States where it has been feasible to commercially mine bauxite ore, the source ore for aluminum.

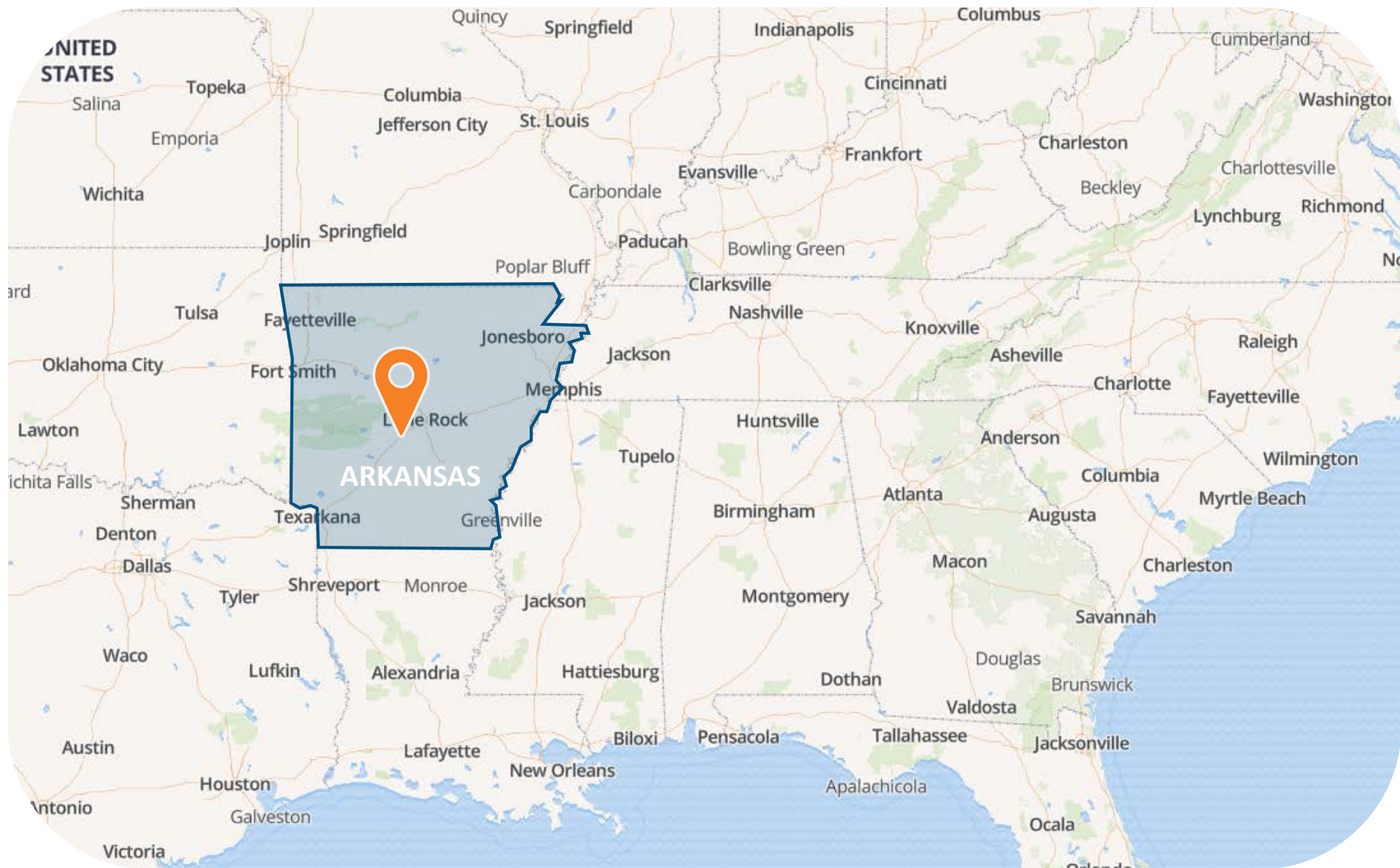




Regional Map

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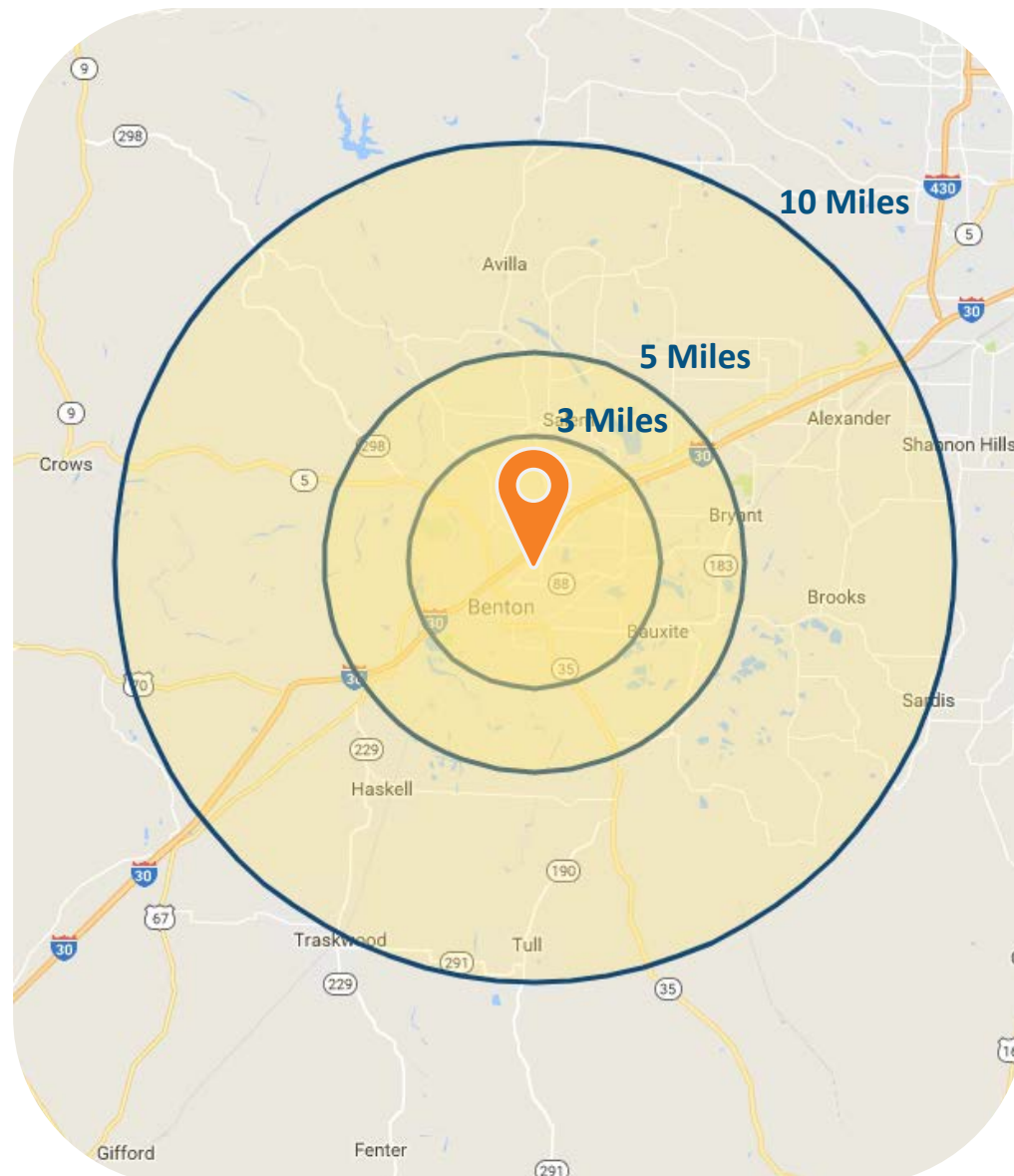




Demographics

Property Address: 1621 Military Road – Benton, Arkansas 72015

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Population Trends:

	3 Mile	5 Miles	10 Miles
2022 Projection	36,377	57,941	106,747
2017 Estimate	33,798	53,746	99,390
2010 Census	30,228	47,559	88,443
Growth 2017 - 2022	7.63%	7.81%	7.40%
Growth 2010 - 2017	11.81%	13.01%	12.38%
2017 Population Hispanic Origin	1516	2494	5046

Population by Race (2017):

	3 Mile	5 Miles	10 Miles
White	30,238	47,819	86,624
Black	2498	4142	9521
American Indian & Alaskan	199	290	571
Asian	328	708	1159
Hawaiian & Pacific Island	25	30	52
Other	510	757	1464

Household Trends:

	3 Mile	5 Miles	10 Miles
2022 Projection	14,163	22,595	40,642
2017 Estimate	13,167	20,971	37,877
2010 Census	11,778	18,556	33,758
Growth 2017 - 2022	7.56%	7.74%	7.30%
Growth 2010 - 2017	11.79%	13.01%	12.20%
Owner Occupied	9380	14425	28161
Renter Occupied	3787	6546	9716

Average Household Income (2017):

3 Mile	5 Miles	10 Miles
\$68,156	\$69,461	\$70,817

Households by Household Income (2017):

	3 Mile	5 Miles	10 Miles
<\$25,000	2965	4581	7677
\$25,000 - \$50,000	3493	5689	9590
\$50,000 - \$75,000	2444	3667	7633
\$75,000 - \$100,000	1568	2380	4615
\$100,000 - \$125,000	1441	2418	4273
\$125,000 - \$150,000	485	876	1619
\$150,000 - \$200,000	280	587	1123

Median Household Income (2017):

3 Mile	5 Miles	10 Miles
\$51,095	\$51,330	\$55,547



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