



Offering Memorandum

PIER 1 IMPORTS
715 S WASHINGTON STREET
BISMARCK, ND 58504

Marcus & Millichap

NORTH DAKOTA
STATE CAPITOL
BUILDING



DOWNTOWN BISMARCK



S WASHINGTON ST
17,450 CPD

Pier 1 imports®





MCDONALD'S

**FAIRFIELD
INN & SUITES
Marriott**

**ANYTIME
FITNESS**

W BISMARCK EXPY
25,570 CPD

STAPLES

CLEM KELLEY SPORTS COMPLEX

S WASHINGTON ST
17,450 CPD

**DAN'S
SUPERMARKET.**

TACO BELL

BremerBank

Pier 1 imports®

PIER 1 IMPORTS

715 S Washington Street
Bismarck, ND 58504

FINANCIAL SUMMARY	
Price	\$2,500,000
Cap Rate	7.14%
Building SF	8,960 SF
Net Cash Flow	7.14% \$178,457
Year Built	1992
Lot Size	1.11 Acres

LEASE SUMMARY	
Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Pier 1 Imports (U.S.), Inc.
Roof & Structure	Tenant Responsible
Lease Commencement Date	November 18, 2013
Lease Expiration Date	November 30, 2023
Original Lease Term	10 Years
Lease Term Remaining	5 Years
Rental Increases	10% Every 5 Years
Renewal Options	3, 5 Year Options

ANNUALIZED OPERATING DATA		
LEASE YEARS	ANNUAL RENT	CAP RATE
12/1/2018 - 11/30/2023	\$178,457.00	6.95%
OPTIONS	ANNUAL RENT	CAP RATE
Option 1	\$196,303	7.64%
Option 2	\$215,933	8.41%
Option 3	\$237,527	9.25%
BASE RENT (\$19.92 PSF)		\$178,457
Net Operating Income		\$178,457
Total Return		7.14% \$178,457

Pier1 imports®



Pier 1 Imports (NYSE: PIR) is an omni-channel retailer of unique, decorative home furnishings and gifts, founded in 1962 in San Mateo, California. The company has specialized in global importing for more than 50 years bringing its distinct products and renowned treasure hunt to customers through more than 1,000 Pier 1 Imports stores and a rapidly growing e-commerce site.

Merchandise ranges from home accessories such as candles, vases and picture frames to full-sized, upholstered furniture, hand-carved armoires, large-scale vases and eclectic wall decor. From initial product development to store display, Pier 1 Imports merchandise makes a long and interesting journey. The process begins with company buyers, who import goods from countries around the world. All merchandise is carefully selected in order to offer customers exclusive, one-of-a-kind products that reflect excellent quality at a great value. Buyers also work with designers abroad and with Pier 1's Trend and Product Development team to create the proprietary designs found in stores.

Pier 1 Imports operates more than 1,000 stores in North America, including stores in all 50 states and across Canada. Pier 1 Imports also offers products at select Sears de Mexico "boutique locations" in Mexico. Currently, 20,000 people are employed with Pier 1 worldwide.

www.pier1.com



INVESTMENT HIGHLIGHTS

- Absolute Triple-Net (NNN) Lease with Pier 1 Imports (NYSE: PIR)
- 10 Percent Increases Every 5 Years
- 88,344 Residents in Trade Area – Infill Bismarck
- Average Household Income Exceeds \$82K in 5-Mile Radius
- Less Than 1 Mile to Kirkwood Mall – the City's Largest Shopping Center with Over 90 Stores
- Strong Daytime Population with 104,290+ Employees in Surrounding Area
- Directly Off the Bismarck Expressway – 25,570+ Cars per Day
- Adjacent to Dan's Supermarket and Runnings
- Walking Distance to Ramkota Hotel & Conference Center - 305 Rooms and Suites, 25,000 SF of Meeting and Banquet Space, and Two In-House Restaurants
- Minutes to Downtown Bismarck

DEMOGRAPHICS

Population	1-Mile	3-Miles	5-Miles
2022 Projection	11,035	60,349	92,866
2017 Estimate	11,102	59,040	88,344
Households	1-Mile	3-Miles	5-Miles
2022 Projections	5,340	27,484	40,651
2017 Estimate	5,330	26,539	38,317
Income	1-Mile	3-Miles	5-Miles
2017 Est. Average Household Income	\$71,416	\$78,974	\$82,313
2017 Est. Median Household Income	\$47,934	\$57,818	\$62,150
2017 Est. Per Capita Income	\$34,619	\$35,925	\$36,076

LOCATION OVERVIEW

The capital of North Dakota, Bismarck is a hub of culture, history and shopping. Bismarck is the second-most populous city in North Dakota after Fargo. The city's population was estimated in 2017 at 72,865, while its metropolitan population was 132,142. In 2017, Forbes Magazine ranked Bismarck as the seventh fastest-growing small city in the United States.

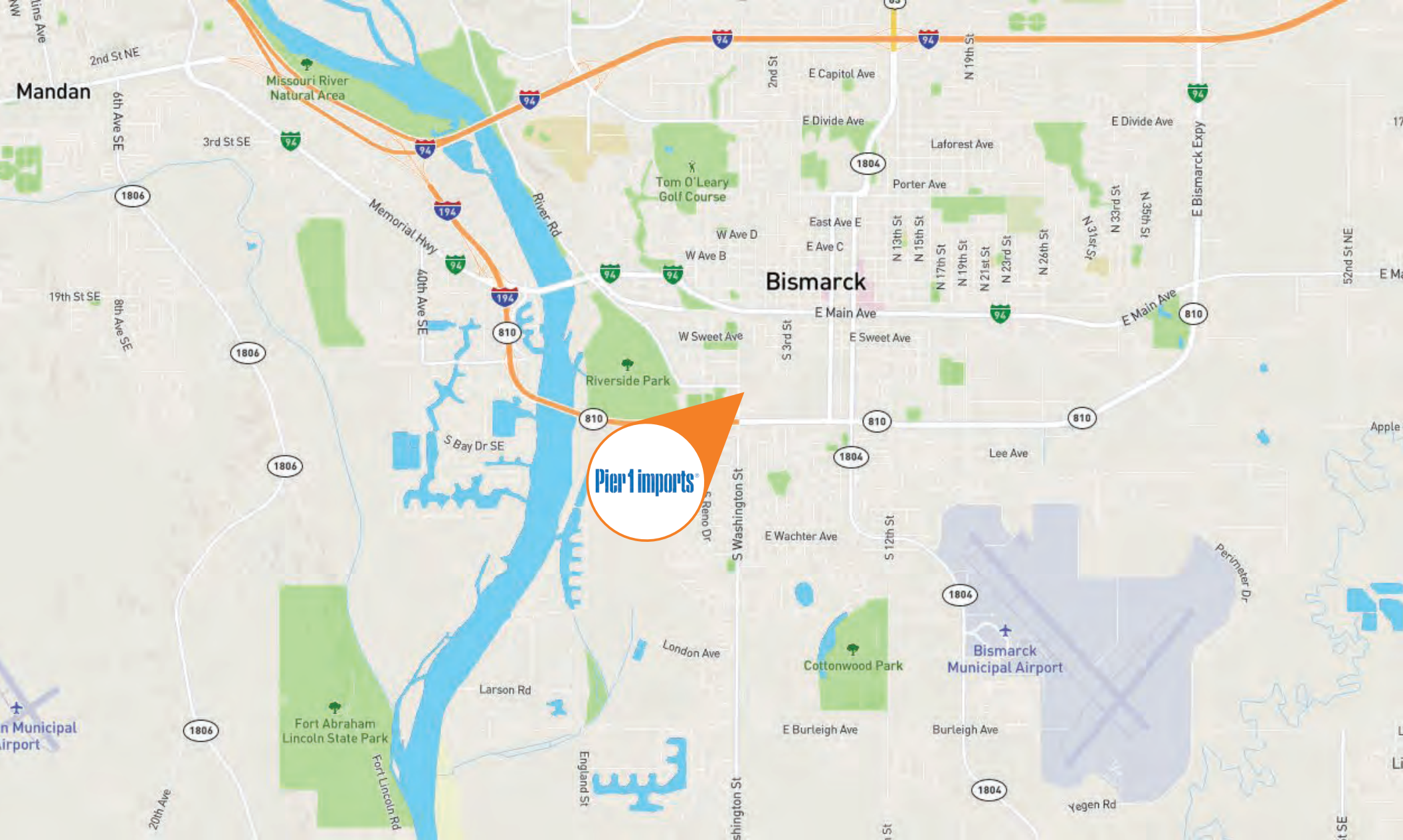
The city has developed around downtown Bismarck, the center of historic development. The city's largest shopping center, Kirkwood Mall, is located near downtown with several other major retailers located near the mall. Bismarck's two hospitals, St. Alexius Medical Center and Sanford Health, are also located downtown. Recent commercial and residential growth has occurred in the city's northern section, largely due to the expansion of retail centers. Many national retailers are located north of downtown, including Lowe's, Best Buy, AMC Theatres, Menards, and Walmart Supercenter.

Bismarck is home to some of the state's best activities. Attractions like the Dakota Zoo, the North Dakota Heritage Center and State Museum and Fort Abraham Lincoln are popular among visitors. One of Bismarck's best features, the Missouri River, offers a scenic setting for outdoor recreation and relaxation.

Five colleges and one university are located in Bismarck, contributing to the city's economy and workforce. The University of Mary is a four-year university (3,300+ Enrolled); Bismarck State College is a two-year public college, the largest degree-granting institution in the city, and a member of the North Dakota University System (4,000+ Enrolled).







1 MILE
Kirkwood Mall
(90+ Stores)

1 MILE
Downtown
Bismarck

2 MILES
Bismarck State
College

3 MILES
Bismarck
Airport

Net Leased Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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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 guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

Confidentiality Agreement

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

exclusively listed

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