



PETSMART & HIGHPOINT FURNITURE

161 Copper Plate Road

Hardeeville, SC 29927 (Hilton Head Island-Bluffton-Beaufort MSA)

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**DISCLAIMER
STATEMENT:**

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 The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified 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. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group 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.



EXECUTIVE SUMMARY:

The Boulder Group is pleased to exclusively market for sale a fully leased two-tenant PetSmart anchored property located within the Hilton Head Island-Bluffton-Beaufort MSA in Hardeeville, South Carolina. According to Census estimates, Hardeeville posted the highest population growth rate of any municipality in South Carolina, growing 53.4 % from 2010 to 2014. Hardeeville is located just west of Hilton Head Island, which is a popular vacation destination with an estimated 2.25 million visitors annually, which produced more than \$1.5 billion for the local economy.

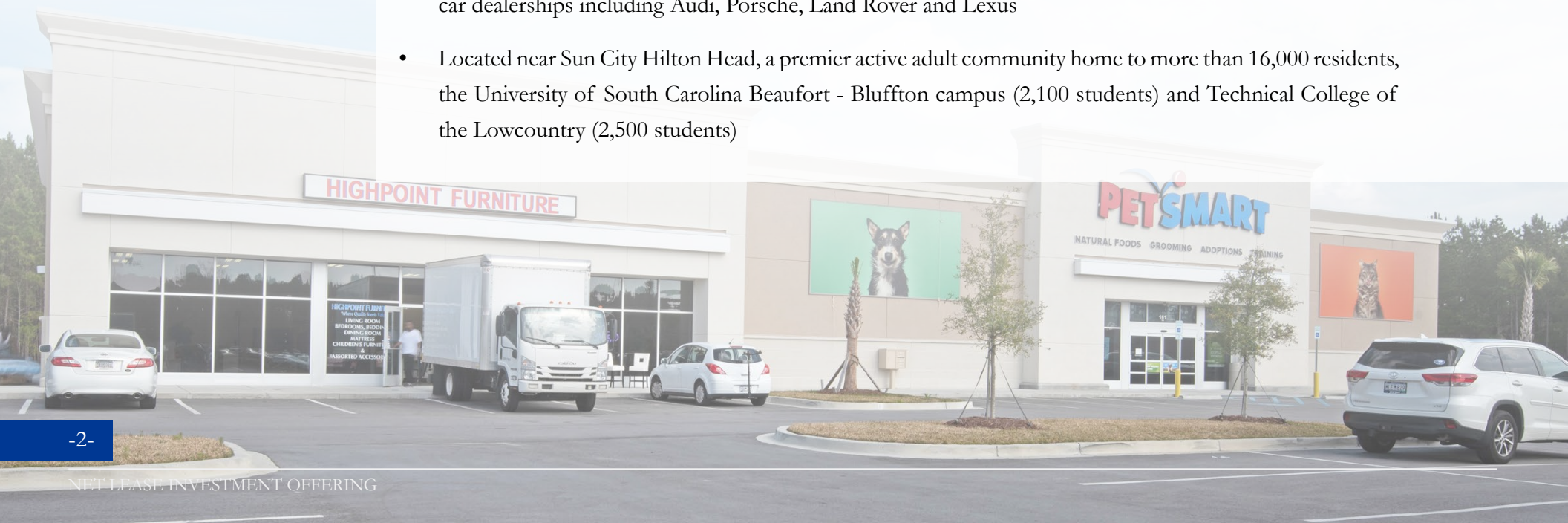
The 23,834 square foot single tenant building was constructed in 2018. The property is well located along Highway 278 (26,100 VPD), which is a primary east-west thoroughfare that leads to Hilton Head Island and Interstate 95 which connects to Savannah. The property is an outparcel to Walmart Supercenter and is near other retailers including Publix, Circle K, Dollar Tree, TD Bank and numerous luxury car dealerships such as Audi, Porsche, Land Rover and Lexus. Additionally, the property is located near Sun City Hilton Head, a premier active adult community home to more than 16,000 residents. The property is also located near the University of South Carolina Beaufort - Bluffton campus (2,100 students) and Technical College of the Lowcountry (2,500 students).

There are ten years remaining on the corporate PetSmart lease. The lease features rental escalations in year six and in each of the four 5-year renewal options. PetSmart occupies 82% of the total square feet of the building. Highpoint Furniture Sales has five years remaining on their lease. Highpoint Furniture Sales had their grand opening in the beginning of 2019. They provide a wide assortment of furniture options to meet the needs and values for everyone. Highpoint Furniture strives quality furniture at reasonable prices.



INVESTMENT HIGHLIGHTS:

- Located within the Hilton Head Island-Bluffton-Beaufort MSA
- Hardeeville posted the highest population growth rate of any municipality in South Carolina, growing 53.4 % from 2010 to 2014
- Hardeeville is located just west of Hilton Head Island, which is a popular vacation destination with an estimated 2.25 million visitors annually which produced more than \$1.5 billion for the local economy
- New construction (2018)
- PetSmart occupies 82% of the total square feet of the building
- Well located along Highway 278 (26,100 VPD) which is a primary east-west thoroughfare that leads to Hilton Head Island and Interstate 95 which connects to Savannah
- Walmart Supercenter outparcel and is near other retailers included Publix, TD Bank and numerous luxury car dealerships including Audi, Porsche, Land Rover and Lexus
- Located near Sun City Hilton Head, a premier active adult community home to more than 16,000 residents, the University of South Carolina Beaufort - Bluffton campus (2,100 students) and Technical College of the Lowcountry (2,500 students)



PROPERTY OVERVIEW:

Price:	\$4,820,658
Cap Rate:	7.75%
Net Operating Income:	\$373,601*
Lease Type:	NN (Roof & Structure)
Year Built:	2018
Building Size:	23,834 SF
Land Size:	2.23 AC

**Refer to Proforma on page 5*



RENT ROLL:

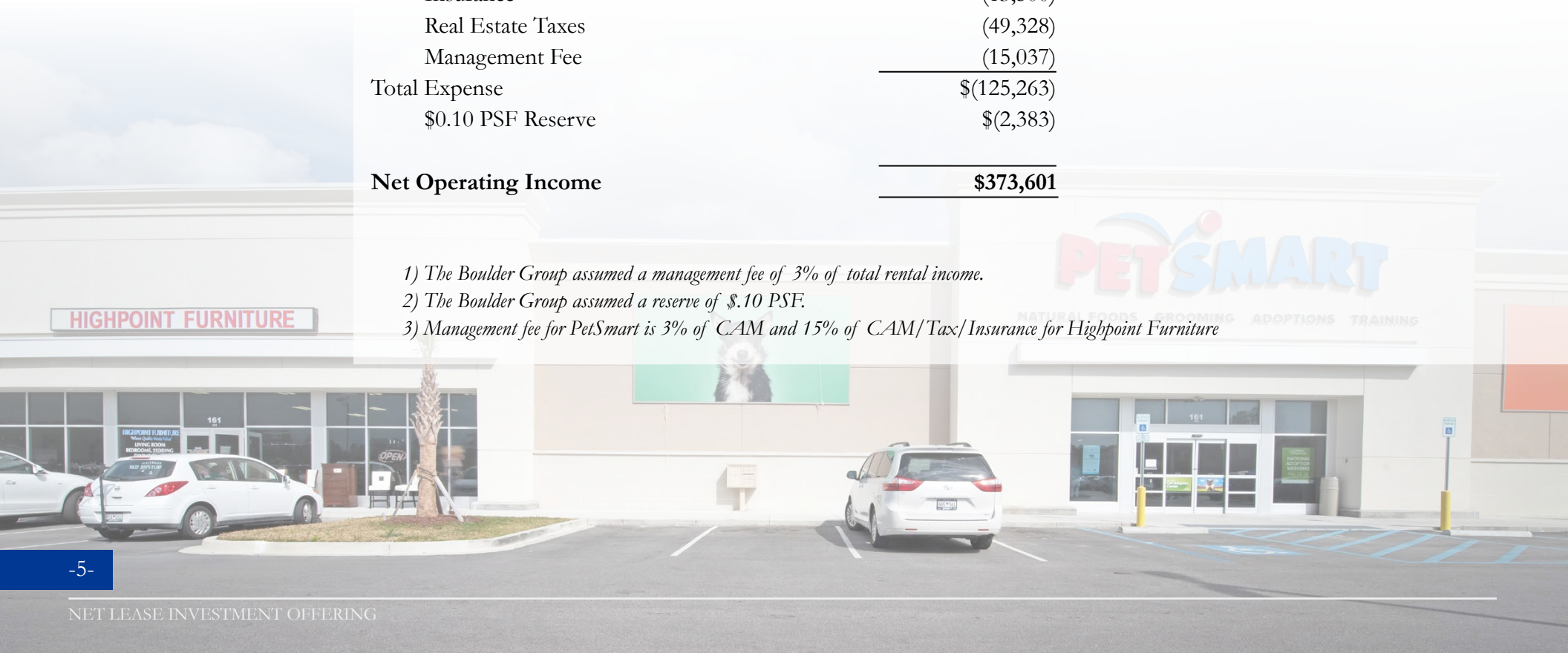
Tenant	Square Feet	Period	Options	Annual Rent	Rent PSF
PetSmart	19,535 SF	Current	- February 28, 2023	\$311,193	\$15.93
		March 1, 2023	- February 28, 2028	\$335,611	\$17.18
		March 1, 2028	- February 28, 2033	Option 1 \$355,146	\$18.18
		March 1, 2033	- February 28, 2038	Option 2 \$374,681	\$19.18
		March 1, 2038	- February 28, 2043	Option 3 \$394,216	\$20.18
		March 1, 2043	- February 28, 2048	Option 4 \$413,751	\$21.18
Highpoint Furniture	4,299 SF	Current	- April 30, 2023	\$77,382	\$18.00
		May 1, 2023	- April 30, 2028	Option 1 \$85,980	\$20.00
		May 1, 2028	- April 30, 2033	Option 2 \$94,578	\$22.00
Total	23,834 SF			\$388,575	



**PROFORMA
ANALYSIS:**

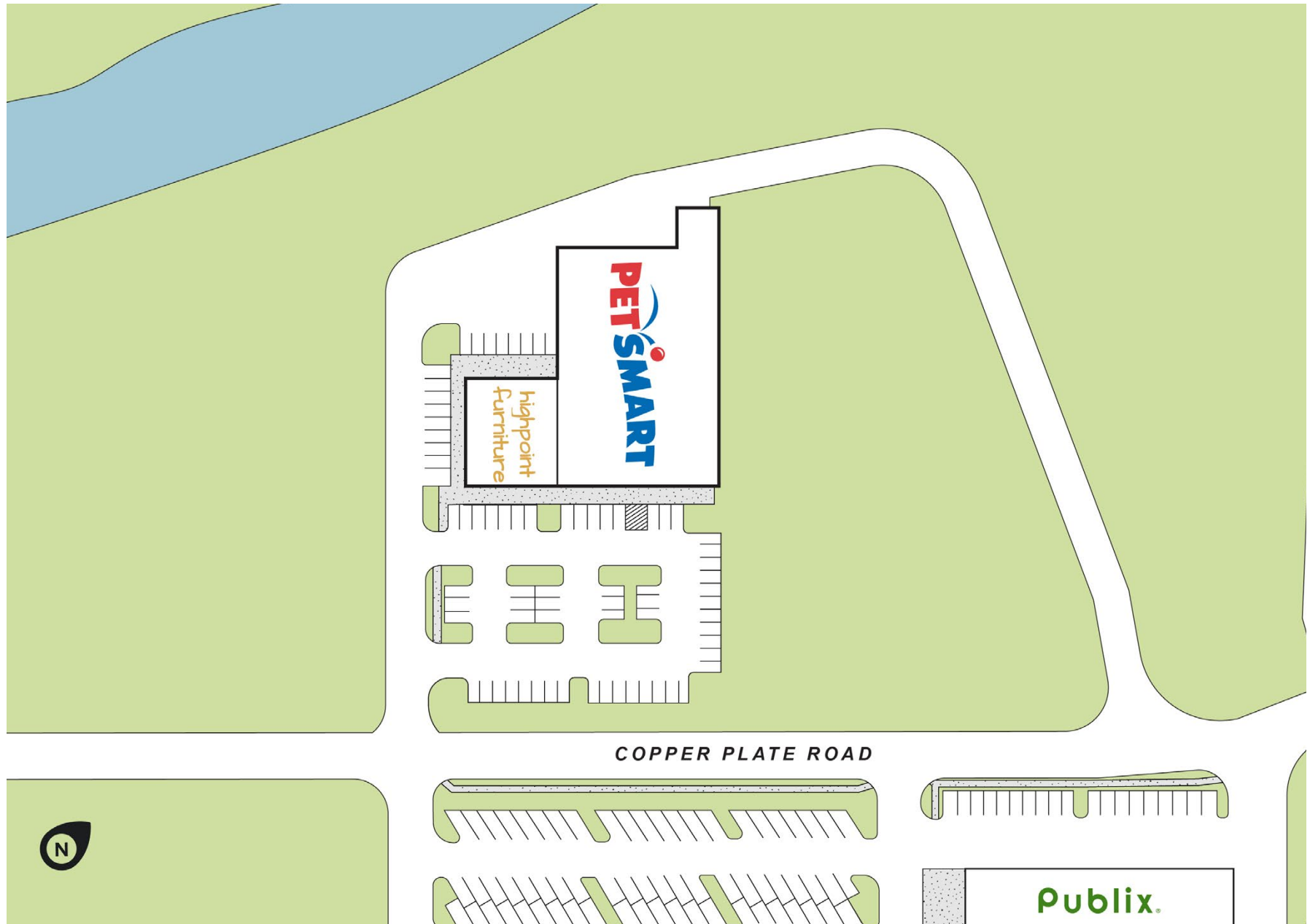
Income		
Base Rent		\$388,575
CAM		47,398
Insurance		13,500
Real Estate Taxes		49,328
Admin/Management		2,448
Total Income		<u>\$501,248</u>
Expenses		
CAM		\$(47,398)
Insurance		(13,500)
Real Estate Taxes		(49,328)
Management Fee		(15,037)
Total Expense		<u>\$(125,263)</u>
\$0.10 PSF Reserve		\$(2,383)
Net Operating Income		<u>\$373,601</u>

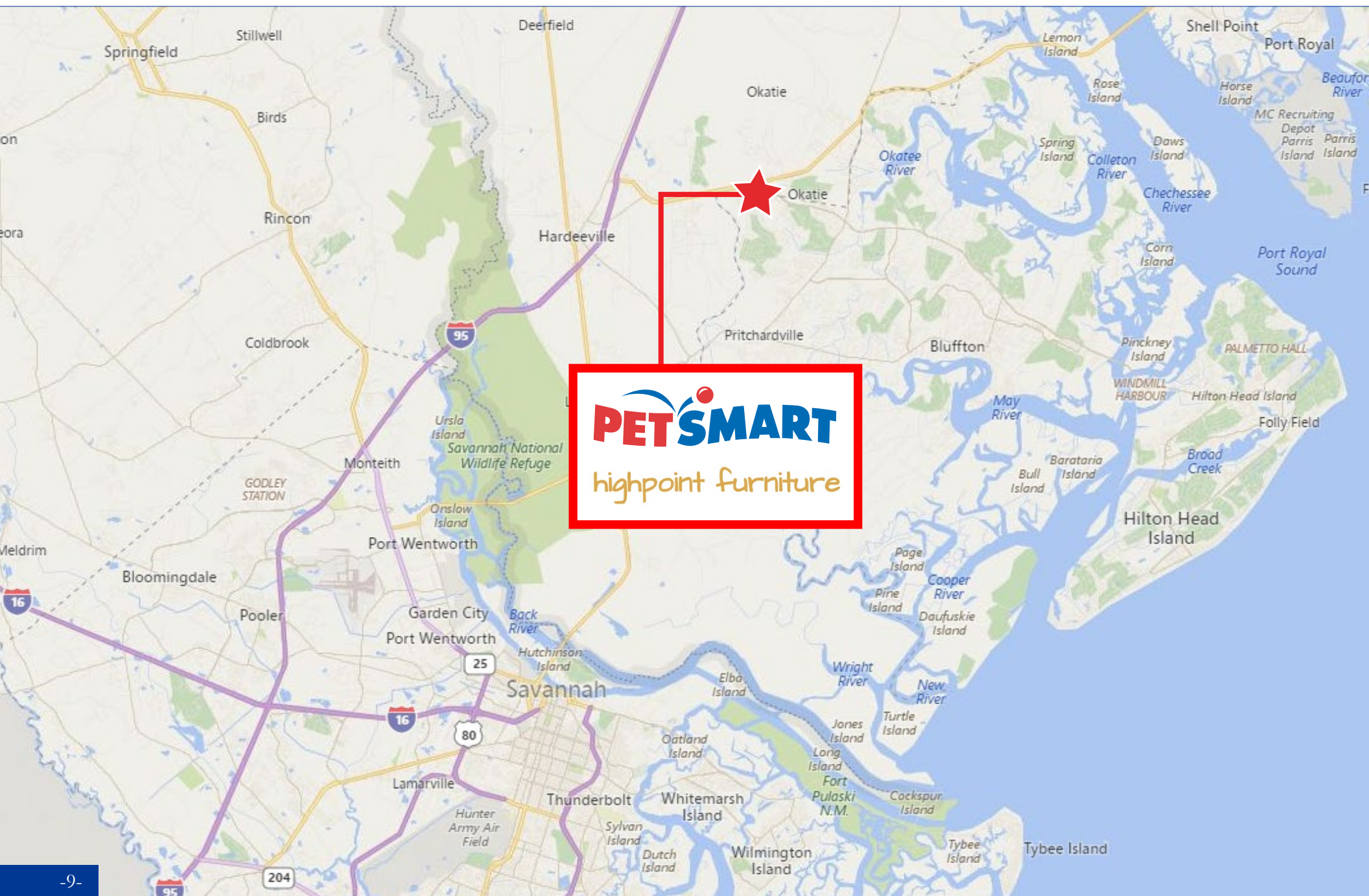
- 1) The Boulder Group assumed a management fee of 3% of total rental income.
- 2) The Boulder Group assumed a reserve of \$.10 PSF.
- 3) Management fee for PetSmart is 3% of CAM and 15% of CAM/Tax/Insurance for Highpoint Furniture











**DEMOGRAPHIC
REPORT:**

Population	3-Mile	5-Mile	10-Mile
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Total Population	15,632	32,100	74,328
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Total Households	8,164	13,815	29,073
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Income	3-Mile	5-Mile	10-Mile
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Average Household Income	\$85,519	\$90,439	\$86,701
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**MARKET
OVERVIEW:**

Hardeeville, South Carolina

Hardeeville is a city in Jasper and Beaufort counties in the U.S. state of South Carolina. The population was 2,952 as of the 2010 census and was estimated to be 5,967 in 2017. Hardeeville is included within the Hilton Head Island-Bluffton-Beaufort, SC Metropolitan Statistical Area.

For many years, Hardeeville billed itself as the “Lowcountry Host” due to the prevalence of lodging and traveler-oriented facilities along U.S. Highway 17 and later Interstate 95. In recent years, the city has expanded its economic focus due to high population growth. According to Census estimates, Hardeeville posted the highest population growth rate of any municipality in South Carolina, growing 53.4 percent from 2010 to 2014.

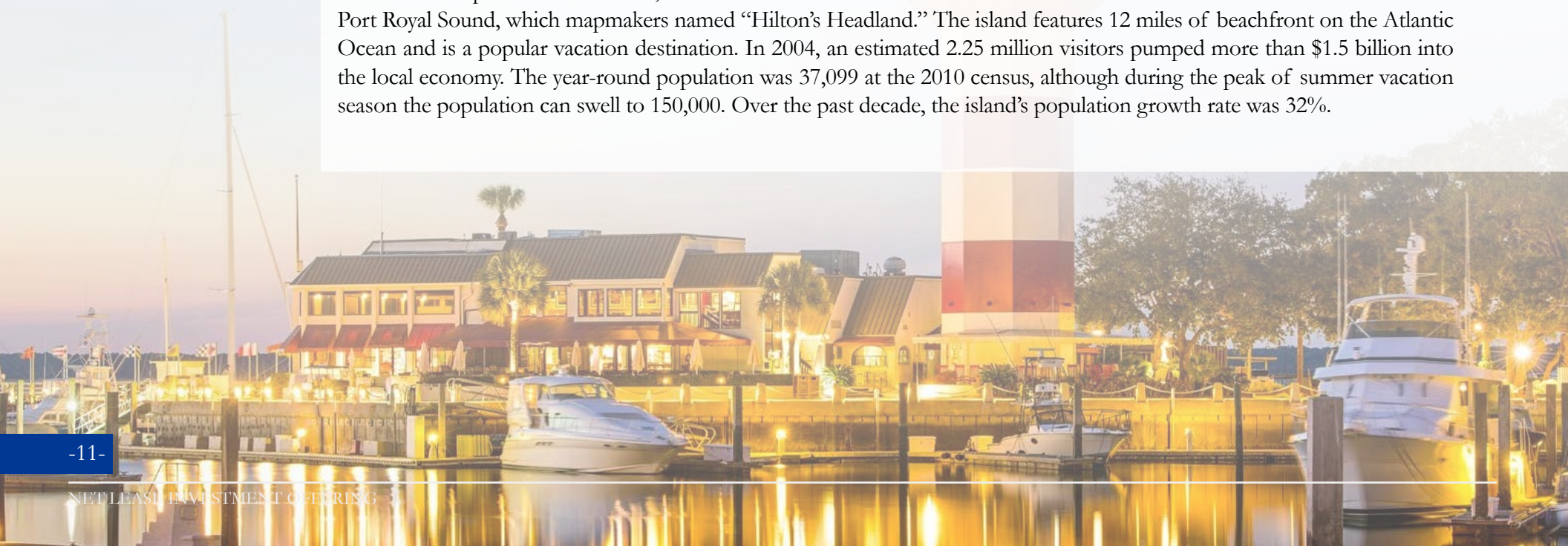


Hilton Head Island-Bluffton-Beaufort MSA

Hilton Head Island, sometimes referred to as simply Hilton Head, is a Lowcountry resort town and barrier island in Beaufort County, South Carolina, United States. It is 20 miles northeast of Savannah, Georgia, and 95 miles southwest of Charleston. The island is named after Captain William Hilton, who in 1663 identified a headland near the entrance to Port Royal Sound, which mapmakers named “Hilton’s Headland.” The island features 12 miles of beachfront on the Atlantic Ocean and is a popular vacation destination. In 2004, an estimated 2.25 million visitors pumped more than \$1.5 billion into the local economy. The year-round population was 37,099 at the 2010 census, although during the peak of summer vacation season the population can swell to 150,000. Over the past decade, the island’s population growth rate was 32%.



HILTON HEAD ISLAND
South Carolina



TENANT OVERVIEW:

Petsmart

PetSmart Inc. is an American retail chain operating in the United States, Canada, and Puerto Rico that is engaged in the sale of pet animal products and services such as dog grooming and dog training, cat and dog boarding facilities, and daycare. PetSmart also offers a variety of small animals for sale and adoption, such as small birds, fish, amphibians, reptiles, and several different pocket pets, like rats, guinea pigs, chinchillas, gerbils, many different species of hamster, and mice.

Website:	www.PetSmart.com
Locations:	1,500+
Employees:	53,000
Year Founded:	1986
Headquarters:	Phoenix, Arizona
Type:	Private



Highpoint Furniture Sales

Highpoint Furniture Sales had their grand opening in the beginning of 2019. They provide a wide assortment of furniture options to meet the needs and values for everyone. Highpoint Furniture strives quality furniture at reasonable prices.

Highpoint Furniture Sales is individually owned and operated. Unlike their competitors, they do not charge for delivery and guarantee you will not beat their prices.

highpoint furniture sales





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