

STAPLES®

1781 NORTH TURNER STREET, HOBBS, NEW MEXICO

NEW 10-YEAR EXTENSION | 20+ YEAR OPERATING HISTORY



ZIA PARK CASINO
HOTEL & RACETRACK
(750 GAMING MACHINES)



NEW MEXICO
JUNIOR COLLEGE
(OVER 3,100 STUDENTS)

(24-HOUR)
Walmart
Supercenter



22,000
CARS PER DAY

N. TURNER ST.

STAPLES

STAPLES

EXCLUSIVELY-MARKETED BY

RICH WALTER

EXECUTIVE VICE PRESIDENT

610 Newport Center Drive, Suite 1500
Newport Beach, CA 92660

DL: 949.270.8222 | M: 714.315.1919

Rich.Walter@srsre.com | CA License No. 00468825

PARKER WALTER

ASSOCIATE

610 Newport Center Drive, Suite 1500
Newport Beach, CA 92660

DL: 949.270.8206 | M: 714.337.2740

Parker.Walter@srsre.com | CA License No. 02005574

Broker of Record: Kevin Cordova – NM License #B.19145



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INVESTMENT SUMMARY



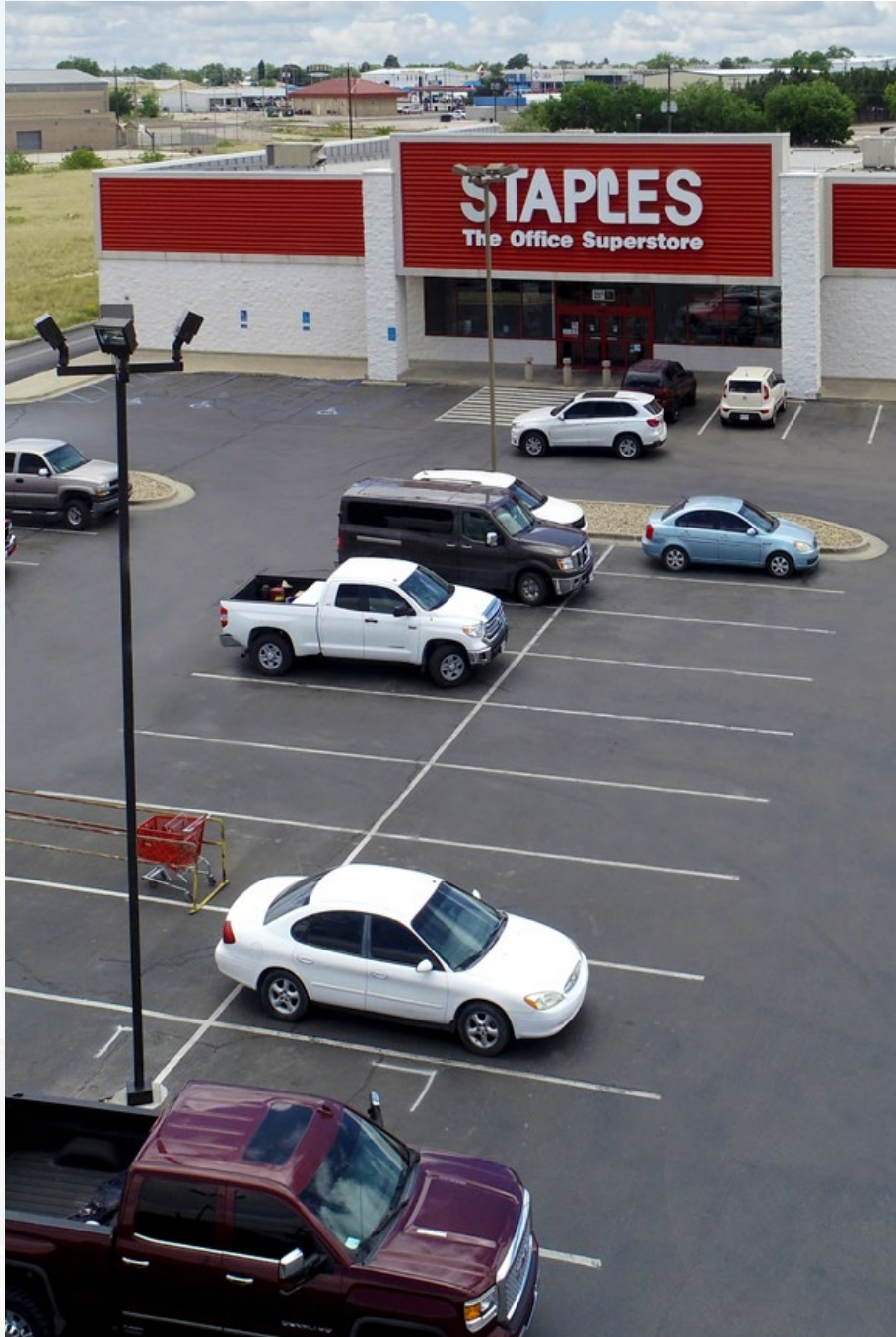
SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in a NNN leased, freestanding, Staples investment property located in Hobbs, NM. The tenant, Staples The Office Superstore, LLC, recently executed a brand new 10-year lease extension with 1 (5-year) option to extend, demonstrating their strong commitment to the site (Staples has operated at this site for 21 years). The lease features a 10% rental increase in May 2024, and a 3% rental increase at the beginning of the option period, growing NOI and hedging against inflation. The lease is corporate guaranteed by USR Parent, Inc., and is NNN with landlord responsibilities limited to roof, structure, and parking lot (see note on page 7), making it an ideal, low-management investment opportunity for an out of state investor.

Staples is strategically situated along North Turner Street, the main thoroughfare passing through the city of Hobbs with 22,000 vehicles passing by daily. The asset also features a large pylon sign on North Turner Street, increasing visibility to the site. Staples is directly across from a Hobby Lobby, Big 5 Sporting Goods, Dollar Tree, and Harbor Freight Tools shopping center, which helps promote crossover shopping to the subject property. Other nearby national/credit tenants include a 24-hour Walmart Supercenter, Albertsons Market, JCPenney, Planet Fitness, Big Lots, and more, increasing consumer traffic to the trade area. In addition, this is the only national office supply store in the market, with the next closest Staples over 91 miles away. The 5-mile trade area is supported by a population of more than 43,500 residents and 21,000 employees. The immediate 1-mile population boasts an average household income of over \$68,000. Furthermore, Hobbs, NM is booming from the increase in oil production in the Permian Basin (New Mexico's oil production is up 46%), which has brought more workers and money to the city. The additional oil revenue has allowed the city to make quality of life improvements including the Core Center of Recreational Excellence, a \$63MM rec center with water-slides, a gym, and an indoor turf field for soccer, football, and more.

PROPERTY PHOTOS



OFFERING SUMMARY



STAPLES®

OFFERING

Pricing:	\$4,533,000
Net Operating Income:	\$340,000
Cap Rate:	7.50%
Guaranty:	Corporate (USR Parent, Inc.)
Tenant:	Staples The Office Superstore, LLC
Lease Type:	NNN
Landlord Responsibilities:	Roof, Structure, and Parking Lot*

*Tenant shall reimburse Landlord for capital expenditures of all or any portion of the Parking Lot.

PROPERTY SPECIFICATIONS

Rentable Area:	24,049 SF
Land Area	2.60 Acres
Property Address:	1781 N. Turner Street, Hobbs, NM 88240
Year Built:	1998
Parcel Number:	4000029920001
Ownership:	Fee Simple (Land & Building Ownership)

INVESTMENT HIGHLIGHTS

New 10-Year Lease Extension | Rental Increases | Corporate Guaranteed

- New 10-year lease extension with 1 (5-year) option to extend
- 10% rental increase in May 2024, and a 3% rental increase at the beginning of the option period
- Corporate guaranteed by USR Parent, Inc.

NNN Lease | Fee Simple Ownership | Limited Landlord Responsibilities

- Tenant pays for CAM, taxes, and insurance
- Landlord responsibilities limited to roof, structure, and parking lot (see note on page 7)
- Ideal, low-management investment for an out-of-state, passive investor

Healthy Demographics In Trade Area | 5 Miles From Texas Border

- More than 43,500 residents and 21,000 employees support the 5-mile trade area
- Over \$68,000 average household income in the immediate 1-mile trade area
- Just 5 miles from New Mexico-Texas border

20+ Year Operating History | Large Pylon Sign | Excellent Visibility

- Staples has operated at this site for 21 years, demonstrating their commitment to the site
- Easy access from North Turner Street
- Large pylon sign increases visibility to the site

Major Thoroughfare (22,000 VPD) | Just Off Bender Boulevard

- Situated along North Turner Street, the main thoroughfare passing through the city of Hobbs with 22,000 vehicles passing by daily
- 0.6 miles off of Bender Boulevard (14,800 VPD)

Permian Basin Oil Boom | New City Developments (\$63MM Rec Center)

- The Permian Basin oil boom has brought workers and money to Hobbs - Hotels filled with oil-field workers
- New Mexico's oil production is up 46%
- Due to increased oil revenue, the city of Hobbs has invested in quality of life improvements including a new \$63MM Core of Recreational Excellence with water-slides, pools, a gym, and an indoor turf field for soccer, football, and more

Across From Hobby Lobby | Nearby National/Credit Tenants

- Directly across from a Hobby Lobby, Big 5 Sporting Goods, Dollar Tree, and Harbor Freight Tools shopping center, which helps promote crossover shopping to the subject property
- Other nearby national/credit tenants include a 24-hour Walmart Supercenter, Albertsons Market, JCPenney, Planet Fitness, Big Lots, and more
- Increases consumer traffic to the trade area

Near Zia Park Casino Hotel & Racetrack | New Mexico Junior College

- Just 4 miles southeast of the Zia Park Casino Hotel & Racetrack with 750 gaming machines
- Near Mexico Junior College (over 3,100 students) - Provides direct consumer base to draw from

Limited Competition | Only National Office Supply Store in the Area

- Closest Staples over 91 miles away
- Closest Office Depot more than 88 miles away



PROPERTY OVERVIEW



PARCEL MAP



Parcel

Parcel Number:
4000029920001

Acres: 2.60
Square Feet: 113,256 SF

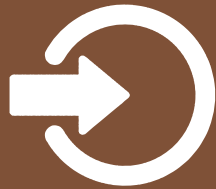


Improvements

24,049 SF

Year Built

1998



Access

N. Turner Street
1 Access Point



Parking

There are approximately
90 parking spaces
on the owned parcel.

The parking ratio is approximately
3.74 stalls per 1,000 SF
of leasable area.



Traffic Counts

N. Turner Street
22,000 Cars Per Day

Bender Blvd
14,800 Cars Per Day



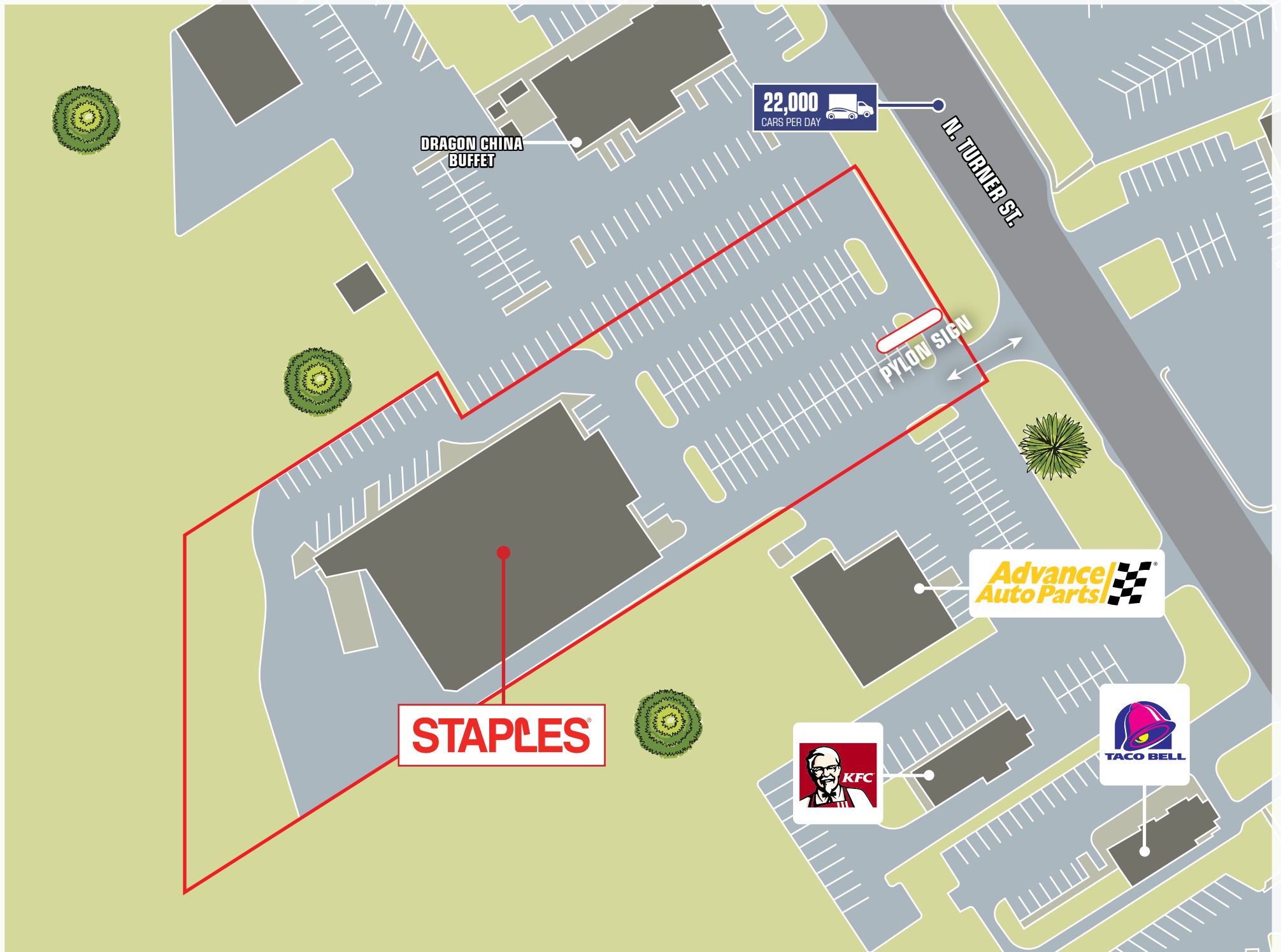
Zoning

None



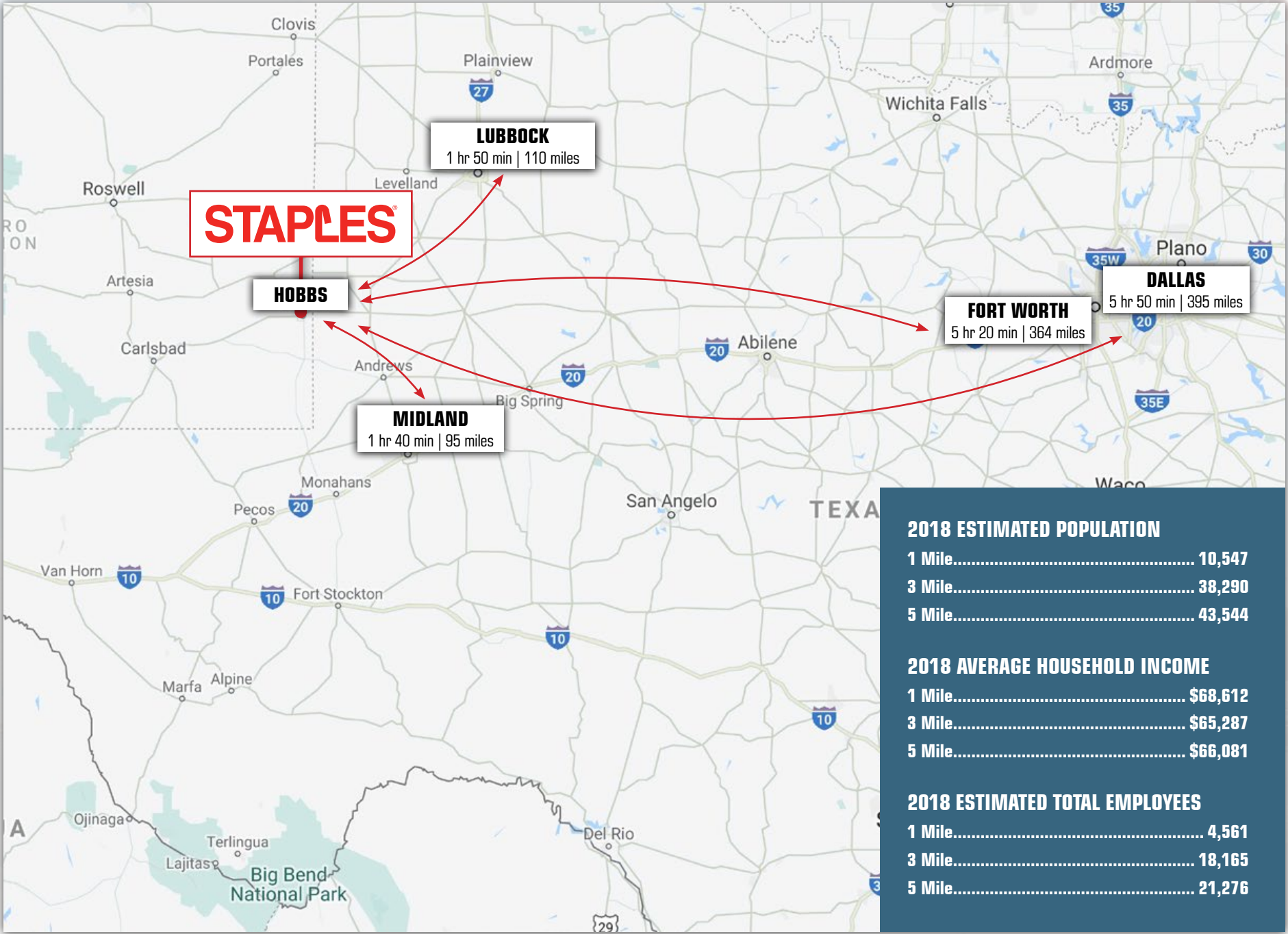








LOCATION MAP



AREA DEMOGRAPHICS

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
2018 Estimated Population	10,547	38,290	43,544
2023 Projected Population	10,839	40,113	45,742
2010 Census Population	9,967	34,397	39,057
Projected Annual Growth 2018 to 2023	0.55%	0.93%	0.99%
Historical Annual Growth 2010 to 2018	0.69%	1.31%	1.33%
2018 Estimated Households	3,576	13,433	15,103
2023 Projected Households	3,650	14,021	15,809
2010 Census Households	3,445	12,200	13,684
Projected Annual Growth 2018 to 2023	0.41%	0.86%	0.92%
Historical Annual Growth 2010 to 2018	0.45%	1.17%	1.20%
2018 Estimated White	84.62%	80.70%	82.08%
2018 Estimated Black or African American	4.10%	5.78%	5.47%
2018 Estimated Asian or Pacific Islander	0.57%	0.61%	0.66%
2018 Estimated American Indian or Native Alaskan	1.20%	1.16%	1.19%
2018 Estimated Other Races	20.52%	18.29%	17.59%
2018 Estimated Hispanic	60.30%	60.50%	58.65%
2018 Estimated Average Household Income	\$68,612	\$65,287	\$66,081
2018 Estimated Median Household Income	\$51,271	\$49,283	\$50,402
2018 Estimated Per Capita Income	\$23,439	\$22,978	\$23,172
2018 Estimated Total Businesses	442	1,521	1,679
2018 Estimated Total Employees	4,561	18,165	21,276



RENT ROLL

TENANT NAME	SF	LEASE TERM		RENTAL RATES							
		LEASE START	LEASE END	BEGIN	INCR.	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	OPTIONS
Staples The Office Superstore, LLC (Corporate Guaranty)	24,049	March 1998	April 2029	Current	-	\$28,333	\$1.18	\$340,000	\$14.14	NNN	1 (5-Year)
				May 2024	10%	\$31,167	\$1.30	\$374,000	\$15.55	NNN	3% Incr. at beg. of the option



FINANCIAL INFORMATION

Price:	\$4,533,000
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Address:	1781 N. Turner Street, Hobbs, NM 88240

For financing options and loan quotes, please contact our SRS Debt & Equity team at debtequity-npb@srsre.com.

BRAND PROFILE

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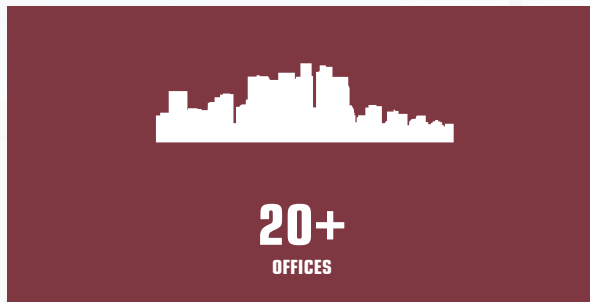
Staples, Inc., together with its subsidiaries, operates office products superstores. It operates in two segments, North American Delivery and North American Retail. The company offers a range of office supplies, business technology products, facility and breakroom supplies, computers and mobility products, and office furniture under the Staples, Quill, and other proprietary brands. It also provides print and marketing, as well as technology services. Staples has over 1,117 stores in the United States and more than 1,900 worldwide. The company was founded in 1985 and is based in Framingham, Massachusetts.

Company Type: Private

Locations: 1,117

Website: www.staples.com





This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive sub-market conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.