

Office DEPOT

3045 Atlanta Highway | Athens, GA 30606



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If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return it to CBRE, Inc.

Disclaimer

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The Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions at any time with or without notice to you. All offers, counteroffers, and negotiations shall be non-binding and neither CBRE, Inc. nor the Owner shall have any legal commitment or obligation except as set forth in a fully executed, definitive purchase and sale agreement delivered by the Owner.

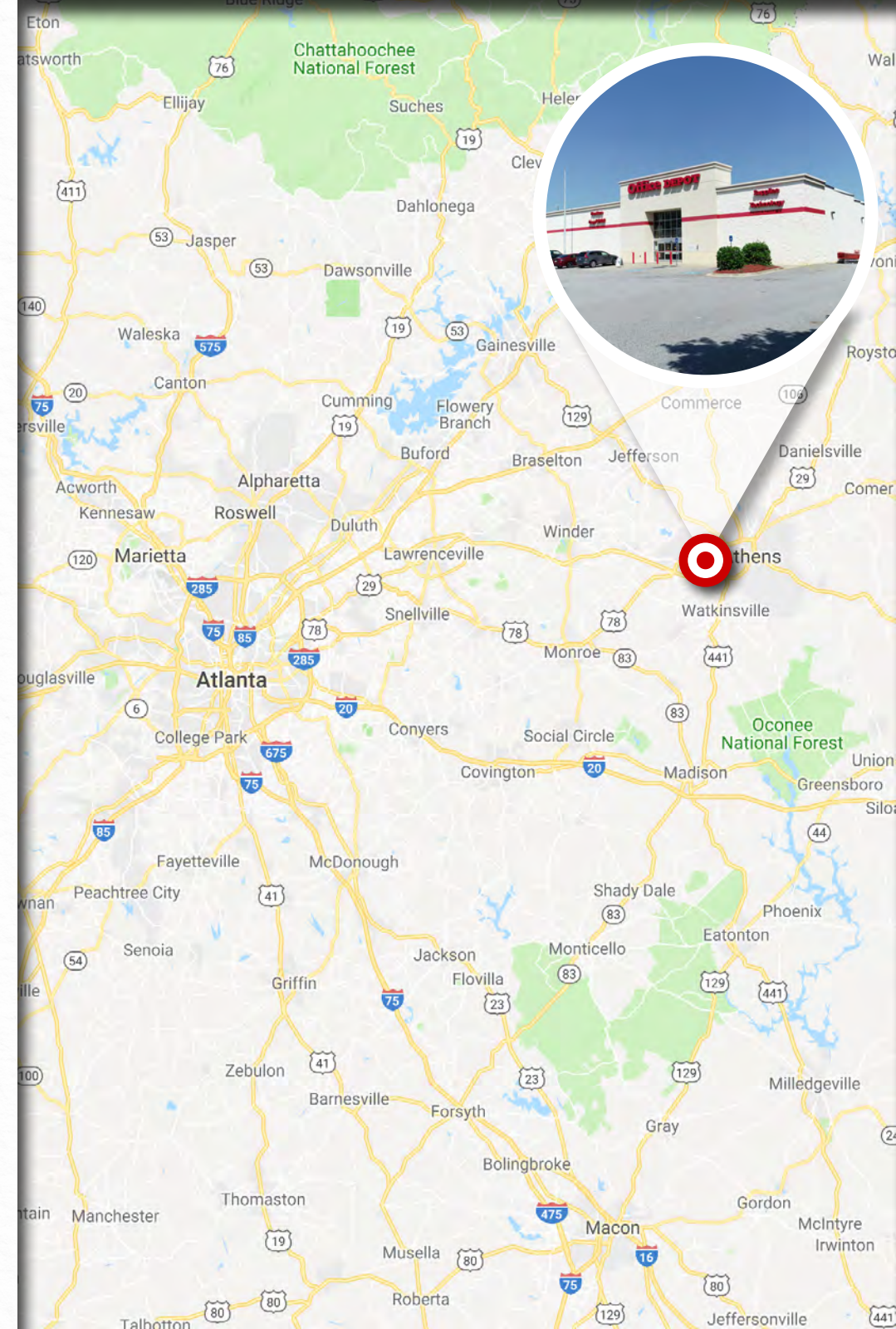
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Office DEPOT[®]

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INVESTMENT SUMMARY

The CBRE Net Lease Property Group is pleased to exclusively offer a freestanding 20,000-square-foot Office Depot that is positioned as a 2.15-acre outparcel to the West Athens Retail Center in Athens, GA—the principal city to the Athens-Clarke Metropolitan Statistical Area (MSA Population: 211,306). Built in 2003, Office Depot's net lease features ± 4.7 years of term remaining with two 5-year renewal options. The property is situated with excellent access and visibility along Atlanta Highway (Traffic Count: 55,000 VPD) and is less than 1.5 miles from Athens Perimeter Highway (Traffic Count: 44,000 VPD), which encircles Downtown Athens. The West Athens Retail Center is anchored by the only Target in Athens and further occupied by a recently-developed Hardee's, JOANN, GameStop, and Catherines. The adjacent JOANN is expected to open for business in August 2019 and will feature a 10-year net lease. Office Depot is strategically located across from Walmart Neighborhood Market, BMW, Subaru, Ag-Pro Companies (John Deere), and Discount Tire. The site is also less than 2 miles east of the Georgia Square Mall, which is anchored by Belk, JCPenney, and Sears. Other tenants include Journey's, Foot Locker, The Children's Place, Men's Wearhouse, New York & Company, rue21, and Kay Jeweler's, among others. The property is 4 miles from The University of Georgia (Enrollment: 37,606), which boasts a \$6.3 billion economic impact on the state of Georgia and is Athens' primary economic driver. Office Depot benefits from its location within Athens' primary retail and commercial corridor with 5.7 MSF of retail, 2.0 MSF of office, and 5,535 multifamily units within a 3-mile radius. Major retailers within the immediate vicinity include Publix, Academy Sports + Outdoors, Big Lots, ALDI, Barnes & Noble, Bealls Outlet, Toyota, Acura, Volvo, Honda, Planet Fitness, CVS, Citi Trends, Panera Bread, Batteries + Bulbs, Sally Beauty, Outback Steakhouse, and Carrabba's Italian Grill, among others. Further, Office Depot benefits from dynamic demographics with a population of 39,641 and an average household income of \$84,111 within a 3-mile radius.

The adjacent JOANN is also for sale. Click [HERE](#) for more information.



Actual Location

| ADDRESS | 3045 Atlanta Highway Athens, GA 30606 |
|---------------|--|
| PARCEL SIZE | 2.15 Acres |
| BUILDING SIZE | 20,000 SF |
| YEAR BUILT | 2003 |
| PARKING | 88 Spaces |
| NOI | \$250,000 |
| PRICE | \$3,125,000 |
| CAP RATE | 8.00% |

| Demographics | | | | | | Traffic Counts |
|--------------|------------|------------|------------|------------|------------|---|
| 1-Mile Pop | 1-Mile AHI | 3-Mile Pop | 3-Mile AHI | 5-Mile Pop | 5-Mile AHI | Atlanta Highway: 55,000 VPD Athens Perimeter Highway: 44,000 VPD |
| 8,305 | \$108,308 | 39,641 | \$84,111 | 98,768 | \$69,011 | |

INVESTMENT HIGHLIGHTS



OFFICE DEPOT, INC.

Founded in 1986, Office Depot, Inc (NASDAQ: ODP, S&P: B) is a leading office supply retail company headquartered in Boca Raton, Florida. The company operates an omni-channel platform of 1,361 stores, e-commerce sites, and a B2B sales organization. As of March 31, 2019, Office Depot, Inc. reported TTM total sales of \$11.0 billion, total assets of \$7.5 billion, and stockholder's equity of \$2.1 billion.



NET LEASE WITH RENEWAL OPTIONS

Built in 2003, Office Depot's net lease features ± 4.7 years of term remaining with two 5-year renewal options. The first option features a \$1.50 PSF rent escalation, while the second option features a \$1.00 PSF rent escalation.



BRAND NEW ROOF WITH 20-YEAR WARRANTY

A new roof was just installed over the building and has a 20-year Firestone warranty.



EXCELLENT ACCESS & VISIBILITY

The property is positioned with excellent access and visibility along Atlanta Highway (Traffic Count: 55,000 VPD) and is less than 1.5 miles from Athens Perimeter Highway (Traffic Count: 44,000 VPD), which encircles a central portion of Athens.



STRATEGIC LOCATION

Office Depot is located within the West Athens Retail Center that is anchored by the only Target in Athens and further occupied by a recently-developed Hardee's, JOANN, GameStop, and Catherines. The adjacent JOANN is expected to open for business in August 2019 and will feature a 10-year net lease. Office Depot is strategically located across from Walmart Neighborhood Market, BMW, Subaru, Ag-Pro Companies (John Deere), and Discount Tire. The site is also less than 2 miles east of the Georgia Square Mall, which is anchored by Belk, JCPenney, and Sears. Other tenants include Journey's, Foot Locker, The Children's Place, Men's Wearhouse, New York & Company, rue21, and Kay Jeweler's, among others.



PROXIMITY TO UNIVERSITY OF GEORGIA

The property is just 4 miles from The University of Georgia (Enrollment: 37,606), which boasts a \$6.3 billion economic impact on the state of Georgia and is Athens' primary economic driver. The University of Georgia is the 13th best public university in the country (Source: U.S. News & World Report). UGA is the nation's oldest federal land grant university and Georgia's largest university. The university is the area's largest employer and is also a significant tourism draw. UGA boasts more than 200,000 living alumni and countless other supporters in the region—the population of which nearly doubles on football weekends. With increasing enrollment, faculty and staff numbers continue to expand. Because of this expansion, Athens has experienced employment growth at higher rates than the state and nation.



PRIMARY RETAIL & COMMERCIAL CORRIDOR

Office Depot benefits from its location within Athens' primary retail and commercial corridor with 5.7 MSF of retail, 2.0 MSF of office, and 5,535 multifamily units within a 3-mile radius. Major retailers within the immediate vicinity include Publix, Academy Sports + Outdoors, Big Lots, ALDI, Barnes & Noble, Bealls Outlet, Toyota, Acura, Volvo, Honda, Planet Fitness, CVS, Citi Trends, Panera Bread, Batteries + Bulbs, Sally Beauty, Outback Steakhouse, and Carrabba's Italian Grill, among others.



DYNAMIC DEMOGRAPHICS

Office Depot benefits from a population of 39,641 and an average household income of \$84,111 within a 3-mile radius.



MARKET

The Athens-Clarke Metropolitan Statistical Area consists of four counties—Clarke, Madison, Oconee and Oglethorpe. The MSA's population is 211,306, making Athens-Clarke the sixth-largest city in the state of Georgia. Low business and living costs attract an increasing amount of people to the area. In addition, proximity to the Atlanta metro area, a highly educated workforce, and the presence of University of Georgia all contribute to the appeal of Athens.

JOANN

The adjacent JOANN is also for sale. Click [HERE](#) for more information.

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JOANN

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Click [HERE](#) for more information.

JOANN

TARGET

Hardee's

Office
DEPOT

REGIONS

Panera
BREAD

Batteries + Bulbs

B M W

DISCOUNT
TIRE

SUBARU

ATLANTA HIGHWAY 55,000 VPD

JOANN

The adjacent JOANN is also for sale.
Click [HERE](#) for more information.



SERENE AT
WOODLAKE
(126 UNITS)

LEASE SUMMARY

| | |
|-------------------------|--|
| TENANT | Office Depot, Inc. |
| LEASE COMMENCEMENT | February 29, 2004 |
| LEASE EXPIRATION | February 29, 2024 |
| LEASE TERM REMAINING | ±4.7 years |
| LEASE TYPE | NN |
| CURRENT TERM RENT | \$250,000 |
| RENT INCREASES | Flat for remainder of term |
| RENEWAL OPTIONS | Two 5-year options |
| OPTION RENT | 3/1/2024 to 2/28/2029: \$280,000 3/1/2029 to 2/28/2034: \$300,000 |
| OPTION RENT INCREASES | \$1.50 PSF in first option + \$1.00 PSF in second option |
| TAXES | Tenant shall pay, prior to delinquency, directly to the taxing authority, all taxes levied or assessed against the Office Depot parcel. |
| INSURANCE | <p>Landlord Insurance: Landlord shall, subject to reimbursement by the Tenant, maintain a policy of commercial general liability insurance covering the Common Areas of the Shopping Center owned by Landlord with a combined single limit of liability of \$5,000,000 for bodily injury, personal injury, and property damage, arising out of any one occurrence.</p> <p>Tenant Insurance: Tenant shall, at its sole cost and expense, maintain the following policies of insurance: (a) general or commercial public liability insurance covering the Premises, providing at least \$5,000,000 of combined single limit coverage; (b) "all risk" casualty coverage insurance, with coverage for perils as set forth on the Causes of Loss - Special Form, with a coverage extension for the perils of flood and windstorm, to the extent of the full replacement value of all buildings and improvements now located or hereafter constructed on the Office Depot Parcel, including any improvements or alterations made by Tenant. Tenant may self-insure so long as it maintains a net worth in excess of \$100,000,000.</p> |
| REPAIRS & MAINTENANCE | <p>Landlord Maintenance: At Landlord's sole cost and expense, Landlord shall keep or cause to be kept in good order, repair and condition, and replace the following: (a) the foundations of the Premises; (b) the roof of the Premises (new roof with 20-year warranty); (c) the floor slab of the Premises; (d) the exterior walls (excluding the interior surface of exterior walls and all windows, doors, and glass) of the Premises; (e) exposed and unexposed utility lines, within or without the Premises (other than lines located within and exclusively serving the Premises which shall be Tenant's responsibility); (f) all gutters and down spouts of the Premises; and (g) all structural components of the Premises.</p> <p>Tenant Maintenance: At Tenant's sole cost and expense, Tenant shall (a) maintain and keep utility lines and facilities located within and exclusively serving the Premises, and all other non-structural portions of the Premises in a good condition and state of repair, including all equipment, facilities and fixtures therein; (b) keep all glass, including that in windows, doors, and skylights, clean and in good condition, and to immediately replace any glass which may be damaged or broken; and (c) keep the HVAC system serving the Premises in good working order.</p> |
| COMMON AREA MAINTENANCE | <p>Landlord shall (or shall cause the same to be done) operate, manage, equip, light, repair, replace, and maintain the Common Areas for their intended purposes. Target is the "Operator" and is responsible for performing CAM functions.</p> <p>Tenant shall pay to Landlord, as Additional Charges, Tenant's pro-rata share (48.45%) of all reasonable costs and expenses of every kind and nature as may be actually paid or incurred by Landlord during the Lease Term in operating, repairing, and maintaining the Common Areas of the Shopping Center, including and limited to: maintenance and repair (exclusive of replacement or repaving) of all paved areas (including without limitation repair of potholes) except that repaving cost may be included on an amortized basis; cleaning, sweeping, snow and ice removal; maintenance of Common Areas lighting facilities (inclusive of electrical service therefor); landscaping (inclusive of cost of sprinkling); maintenance of any traffic or directional signs benefiting the Shopping Center; maintenance of any Shopping Center pylons (inclusive of the cost of electrical service therefor); premiums for liability, property damage, fire and extended coverage insurance; personal property taxes; fees for required licenses and permits; supplies; and sanitation and maintenance of refuse receptacles relating to Common Areas only, together with an administrative fee equal to 5% of said expenses. Except as stated above, CAM shall not include Capital Expenditures. 2019 CAM Contribution CAP = \$3.12 PSF of Floor Area</p> |

SURROUNDING RETAIL



TENANT OVERVIEW



Founded in 1986, Office Depot, Inc (NASDAQ: ODP, S&P: B) is a leading office supply retail company headquartered in Boca Raton, Florida. The company operates an omni-channel platform of 1,361 stores, e-commerce sites, and a B2B sales organization. The company's portfolio of brands include Office Depot, OfficeMax, CompuCom, and Grand & Toy. Office Depot's long-term strategy focuses on three objectives: (1) Transform Our Business, (2) Strengthen Our Core, and (3) Disrupt Our Future.

The first store opened in October 1986 in Lauderdale Lakes, Florida. Later in December 1988, the company announced its initial public offering of stock and went public. Several mergers and acquisitions allowed the company to expand its footprint in several global markets including Europe, Australia, and Central America.

On February 20, 2013, OfficeMax Incorporated and Office Depot, Inc. announced a merger that would combine the two companies in an all-stock transaction. Under the terms of the merger agreement, OfficeMax stockholders received 2.69 Office Depot common shares for each share of OfficeMax common stock, valued at \$976 million. On November 5, 2013, the merger was completed.

Two years later, Staples, attempted to purchase Office Depot in a cash and stock deal worth \$6.3 billion. However, the Federal Trade Commission voted to block the merger in December 2015.

In 2017, Office Depot purchased CompuCom, a technology managed service providers and product reseller that is headquartered in Fort Mill, South Carolina. As a subsidiary of Office Depot, Inc, CompuCom provides IT solutions, hardware and software resale, integration and support services, and has multiple partnerships within the technology space such as HP, IBM, Cisco, Dell, Apple, and Microsoft.

As of March 31, 2019, Office Depot, Inc. reported TTM total sales of \$11.0 billion, total assets of \$7.5 billion, and stockholder's equity of \$2.1 billion.

| | |
|-----------------------------|---------------------------------------|
| YEAR FOUNDED | 1986 |
| TICKER | NASDAQ: ODP |
| CREDIT RATING | S&P: B |
| NUMBER OF LOCATIONS | 1,361 |
| TTM TOTAL SALES | \$11.0 Billion (as of March 31, 2019) |
| TOTAL ASSETS | \$7.5 Billion (as of March 31, 2019) |
| STOCKHOLDER'S EQUITY | \$2.1 Billion (as of March 31, 2019) |



AREA OVERVIEW

Athens, Georgia

The Athens-Clarke Metropolitan Statistical Area consists of four counties—Clarke, Madison, Oconee and Oglethorpe. The MSA's population is 211,306, making Athens-Clarke the sixth-largest city in the state of Georgia. Low business and living costs attract an increasing amount of people to the area. In addition, proximity to the Atlanta metro area, a highly educated workforce, and the presence of University of Georgia all contribute to the appeal of Athens. Stronger-than-anticipated population growth supports the housing and consumer industries, confirming a positive outlook for the city.

The area's superior transportation networks provides easy access to southeastern, national and international markets. US-441, US-78 and GA-316 connect the area to Interstates 85 and 20, affording residents and businesses easy access to the City of Atlanta and the surrounding states. Athens is served directly by both Ben Epps Airport and Hartsfield-Jackson International Airport (Annual Passengers: 107.4 Million), which is the world's busiest passenger airport (just 80 miles to the southwest). Additionally, CSX and Norfolk Southern provide freight service in and out of region.



AREA OVERVIEW (CONTINUED)

Economy

The University of Georgia is the primary economic driver within the Athens/Watkinsville region, with manufacturing to follow. UGA is the nation's oldest federal land grant university and Georgia's largest university, with an enrollment in excess of 37,000 students and nearly 10,000 faculty and staff. The university is the area's largest employer and is also a significant tourism draw. UGA boasts more than 200,000 living alumni and countless other supporters in the region—the population of which nearly doubles on football weekends. With increasing enrollment, faculty and staff numbers continue to expand. Because of this expansion, Athens has experienced employment growth at higher rates than the state and nation. UGA ranks 13th among U.S. News & World Report's 2019 "Top Public Schools."

The Athens area offers a variety of state and local incentives targeting both new and expanding businesses, including Homestead and Freeport exemptions. These incentives, along with low taxes, a low cost of living and the purchasing power and employment base of more than 37,000 college students make the county an attractive choice for businesses seeking a solid location for their operations. A number of Fortune 500 companies, including DuPont, Caterpillar and Carrier Corporation (a subsidiary of United Technologies Corporation), have a significant presence in the area.

TOP EMPLOYERS

| | |
|--------------------------------|--------|
| University of Georgia | 10,655 |
| St. Mary's Hospital | 2,090 |
| Caterpillar | 1,700 |
| Pilgrim's Pride Corp. | 1,650 |
| Athens Regional Medical Center | 1,348 |
| Athens Technical College | 692 |
| Power Partners | 502 |
| Dial America | 500 |
| Baldor Dodge Reliance | 455 |
| Carrier Transicold | 450 |





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