



OFFERING MEMORANDUM

* PICTURE SHOWN NOT ACTUAL LOCATION

THE HOME DEPOT

THE HOME DEPOT

2727 ALPINE AVENUE, NW | WALKER, MI



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THE HOME DEPOT

SECTION 1

INVESTMENT SUMMARY

INVESTMENT SUMMARY

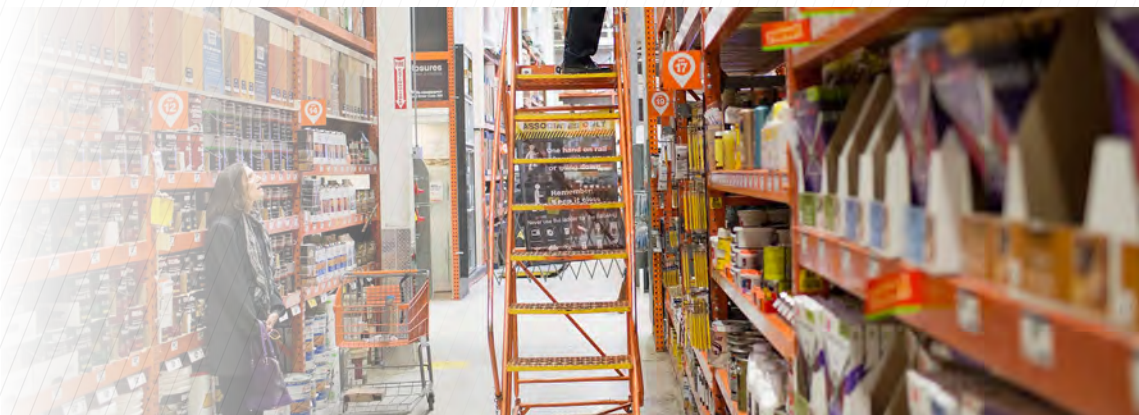
Newmark Knight Frank is pleased to present the exclusive opportunity to acquire a highly sought-after Home Depot located in Walker, Michigan. Walker is centrally located in the Grand Rapids MSA, which features approximately 1,005,650 residents. The immediate trade area boasts approximately 177,000 residents and 119,000 daytime employees. This asset is the only home improvement retailer in the city of Walker, and the most prominent Home Depot servicing the north suburbs of Grand Rapids, located just off Interstate 96.

The property features a building area of approximately 103,550 square feet with an additional 28,700 square foot garden center. The land area consists of approximately 14.64 acres.

Home Depot has successfully operated at this site since 1991 and currently has ten (10) years remaining on their current term. The lease is structured with no landlord responsibilities. The offering provides investors with a true NNN lease from an investment grade tenant (Moody's: A2) in a historically proven location with an additional (4), (5) year options to extend their term.

INVESTMENT HIGHLIGHTS

- Outstanding "A" credit tenant with 2,284 locations and revenues in excess of \$108.2 billion in 2018
- Long term occupancy history as tenant has operated at this location for 25 years
- Substantial term remaining on the lease extension which expires August 31, 2029
- Solid demographics in the trade area with over 177,936 residents with average household incomes in excess of \$59,671 per year within a five mile radius
- Lease is absolute NNN with zero Landlord responsibility
- Ownership of the improvements allows for favorable depreciation benefits to buyer



LISTING TERMS

\$26,900,000



Price

\$1,346,200



NOI

103,550 SF



Offered Building Area

14.64 ACRES



Offered Land Area

100%



Occupancy



THE HOME DEPOT

SECTION 2

MARKET OVERVIEW

WALKER/GRAND RAPIDS OVERVIEW

Walker is a suburb of Grand Rapids, Michigan, the major population center in Western Michigan.

Walker has a population base of approximately 24,971 residents with an average household income in excess of \$66,000 per year ranking the community of the top 75th percentile in the state. Walker is characterized by a stable population base of younger families, excellent schools, abundant parks and recreation areas, and open space. Many of the residents commute to Grand Rapids for work, but there are manufacturing and agricultural businesses in Walker.

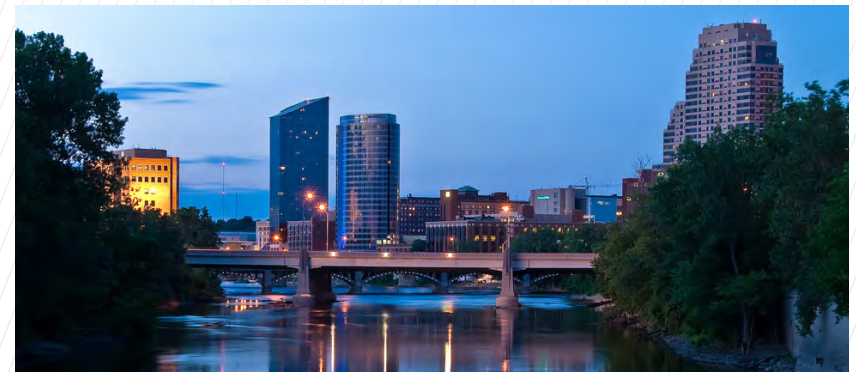


Grand Rapids is the second largest city in Michigan with a city population of 188,040 residents and a total population of 1,005,648 people in the Grand Rapids metropolitan area which includes all suburbs. This region has a well-balanced economy with the primary businesses being automobile, furniture, and aviation manufacturing. This city is also home to world class healthcare and research facilities such as Spectrum Health's Meijer Hear Center, Lemmon-Hilton Cancer Pavilion, and Butterworth Trauma Center. The largest employer in the region is Spectrum Health employing 23,000 people. Grand Rapids is home to five of the leading office manufacturing companies in the world including American Seating, Steelcase, Haworth, and Herman Miller. Grand Rapids is also the cultural center for Western Michigan with a number of highly accredited art museums and attractions including the Frederick Meijer Sculpture Park, Grand Rapids Art Museum, GR Public Museum, Urban Institute for Contemporary Art, and Gerald L. Ford Museum. The Grand Rapids symphony is also very highly regarded.

Grand Rapids is also home to the DeltaPlaz, a 5,000 square foot arena which is home to the Drive, an NBA developmental team, and The Griffins, an NHL developmental team.

TOP EMPLOYERS BASED IN GRAND RAPIDS

RANK	COMPANY/ORGANIZATION	#
1	Spectrum Health	23,000
2	Axios Inc.	8,000
3	Meijer	7,725
4	Johnson Controls	3,900
5	SpartanNash	3,608
6	Steelcase	3,227
7	Grand Rapids Public Schools	2,907
8	Fifth Third Bank	2,729
9	Saint Mary's Health Care	2,672
10	Lacks Enterprises Inc.	2,300
11	Grand Rapids Community College	2,254
12	City of Grand Rapids	2,050
13	Hope Network	2,000
14	Pine Rest Christian Hospital	1,694
15	Kent County	1,668
16	U.S. Postal Service	1,633
17	Consumers Energy	1,493
18	GE Aviation	1,400
19	Holland Home	1,275
20	Amway Hotels	1,233



DEMOGRAPHICS

177,936



Population
within 5 Miles

119,203



Daytime Population
within 5 Miles

\$59,671



Average HH Income
within 5 Miles

34



Median Age
within 5 Miles

39,508



Families
within 5 Miles

40,634



Home Owners
within 5 Miles



DEMOGRAPHICS

Interstate 96

64,245



Cars per day

Alpine Ave.

47,800



Cars per day

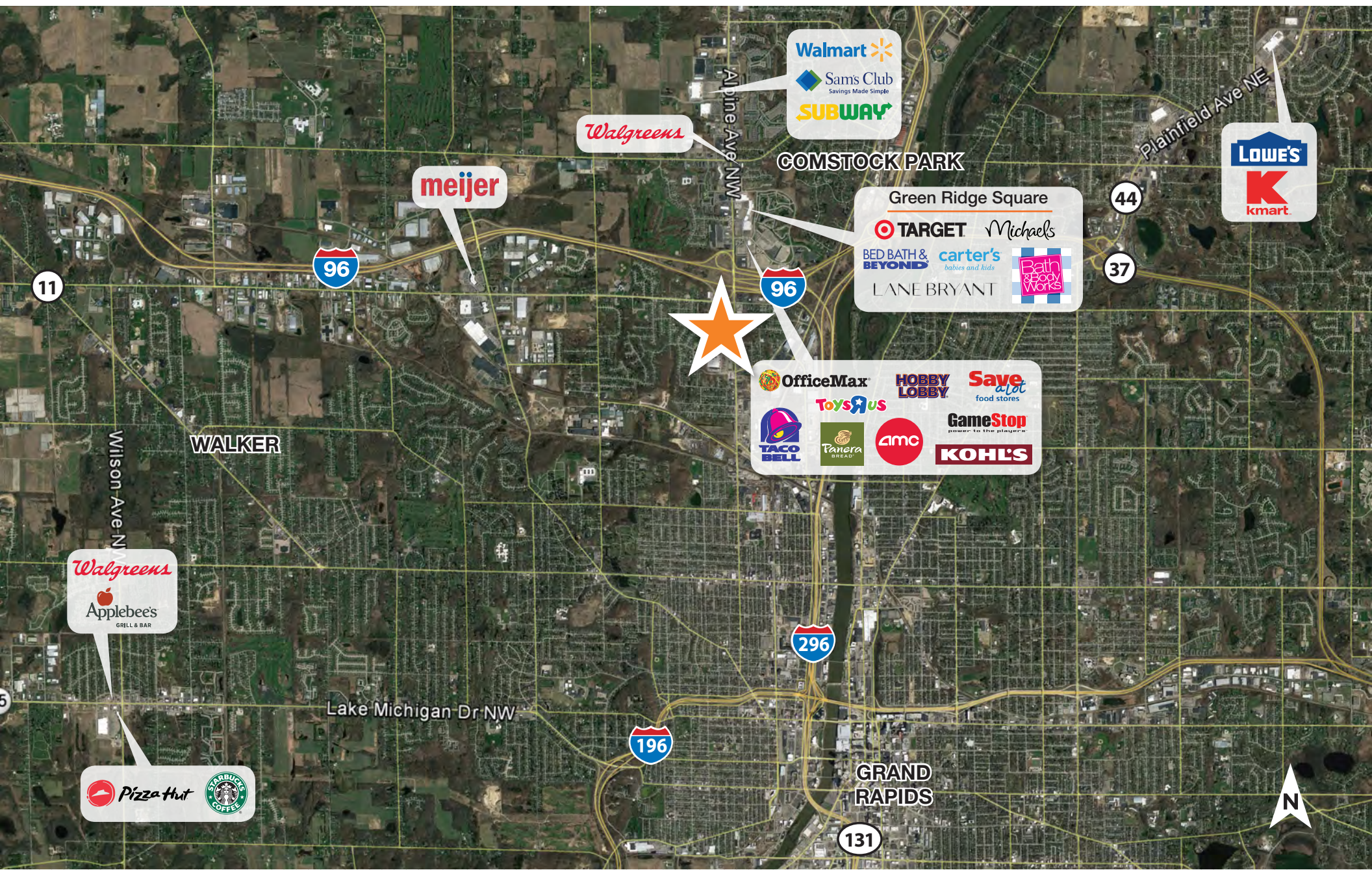
3 Mile Rd.

14,150



Cars per day

RETAIL COMPETITION MAP





THE HOME DEPOT

SECTION 3

PROPERTY DESCRIPTION

PROPERTY OVERVIEW

The subject property is a Home Depot located at 2727 Alpine Avenue NW in the City of Walker, Michigan. The property is centrally located at the southeast corner of Alpine Avenue NW and 3 Mile Road NW with immediate identity access to I-96 and US-131 Freeways. Home Depot is the only home improvement retailer serving Walker, and is the most proximate Home Depot servicing the north suburbs of Grand Rapids.

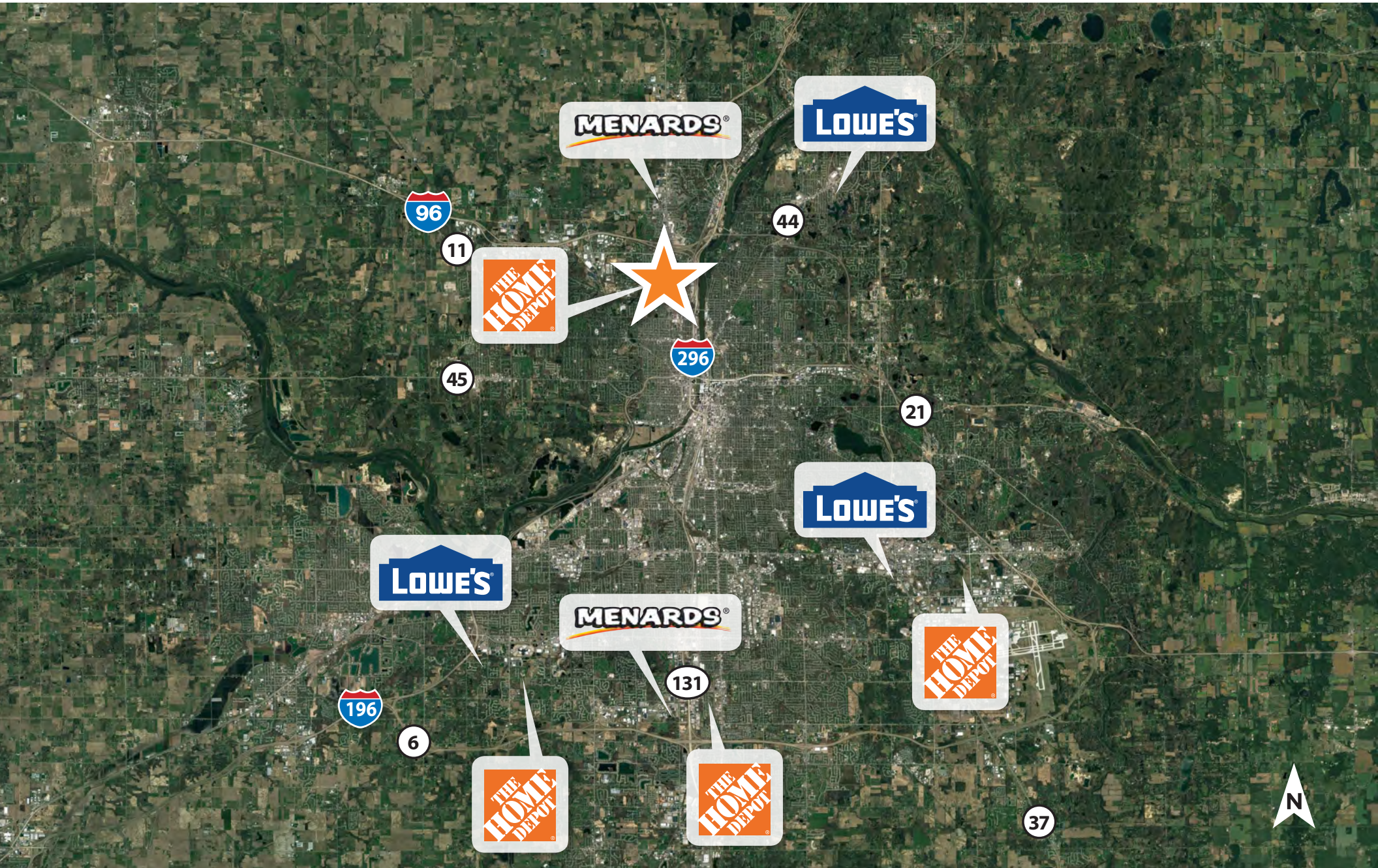
Home Depot has been successfully operating at this location since 1991, and entered into a 15-year lease extension commencing 9/1/2014. The Property is 14.64 acres with a 103,550 square foot building and 28,700 square foot attached garden center. The store draws from an expanded trade area of approximately 177,936 residents with average household incomes in excess of \$59,671 per year.

Walker is a suburb located approximately five miles Northwest of Grand Rapids, the second largest city in the state of Michigan. Primary businesses in this region are manufacturing for furniture, automotive, and aviation. The average age of residents in this community is 39, and the majority are home owners.

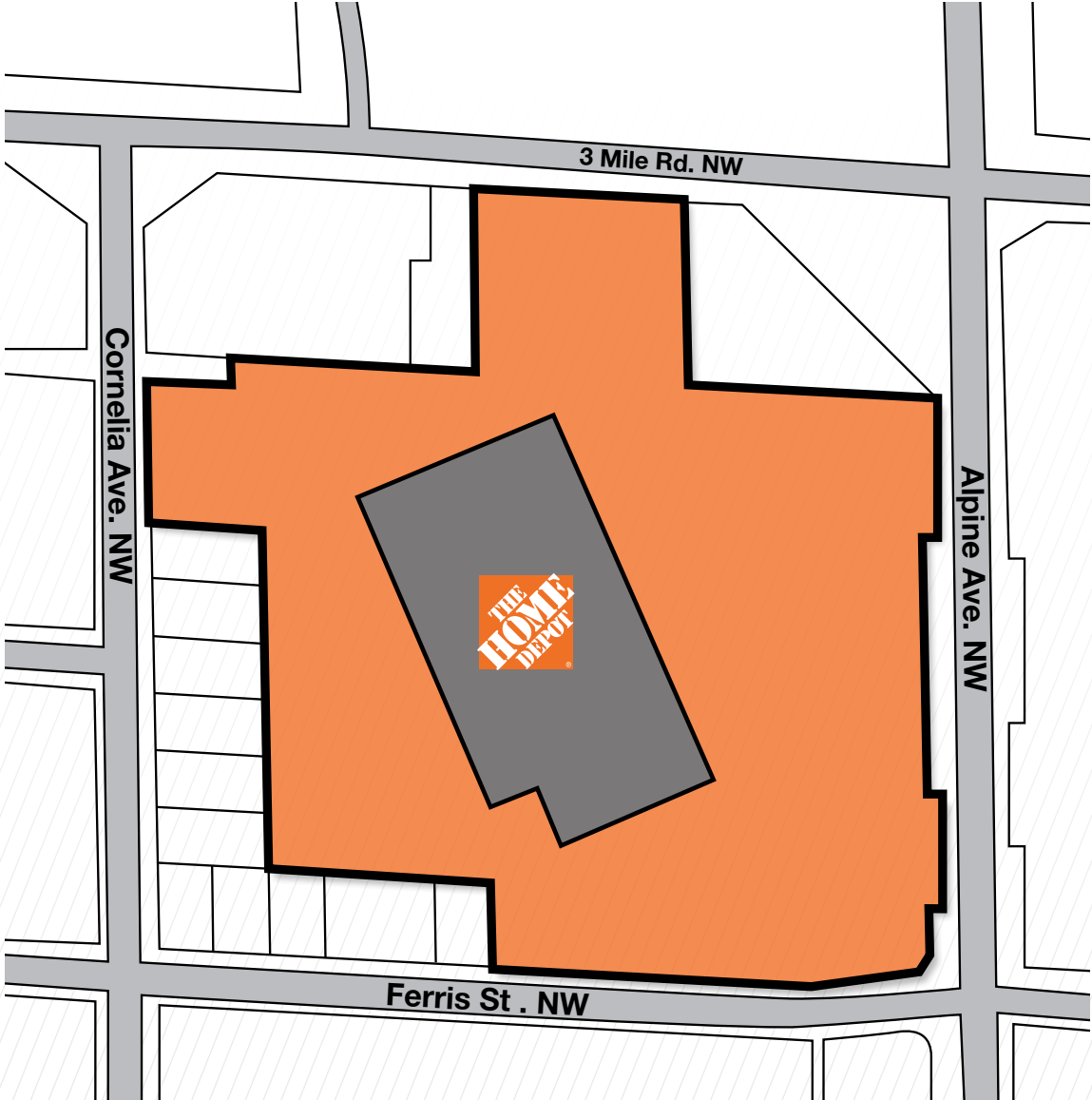
The Walker Home Depot is an attractive asset based on the outstanding credit of the tenant, strong operating history of Home Depot at this location, lack of immediate competition, and extended length of term remaining on the lease.



HOME IMPROVEMENT COMPETITION MAP



PARCEL MAP





THE HOME DEPOT

SECTION 4

TENANT OVERVIEW

TENANT OVERVIEW



The Home Depot, Inc. is the largest home improvement retailer and the 4th largest retailer in the United States with annual sales in excess of \$108 billion. The company operates stores that sell various building materials, home improvement products, lawn and garden products, and décor products, as well as provide installation, home maintenance, and professional service programs to do-it-yourself and professional customers. The company also offers installation programs that include flooring, cabinets and cabinet makeovers, counter tops, furnaces and central air systems, and windows; and professional installation in various categories sold through its stores and in-home sales programs, as well as acts as a contractor to provide installation services to its do-it-for-me customers through third-party installers. In addition, it provides tool and equipment rental services. The Home Depot primarily serves home owners; and professional renovators/remodelers, general contractors, handymen, property managers, building service contractors, and specialty tradesmen, such as electricians, plumbers, and painters. It also sells its products online. As of February 3, 2019, the company operated 2,287 stores in the United States, including the Commonwealth of Puerto Rico, and the territories of the U.S. Virgin Islands and Guam; Canada; and Mexico. The Home Depot, Inc. was founded in 1978 and is based in Atlanta, Georgia. The market cap for Home Depot is approximately \$210.52 billion.

COMPANY HIGHLIGHTS

1978



Founded

ATLANTA, GA



Headquarters

+ 2,287



Locations

HD



Stock Symbol

210.52B



Market Cap

RENT ROLL & OFFERING SUMMARY

TENANT	SIZE SF	LEASE START	LEASE EXP.	INCREASE SCHEDULE	MONTHLY BASE RENT	MONTHLY PSF	ANNUAL RENT	ANNUAL PSF	OPTIONS
Home Depot	103,550	12/17/1990	12/1/2029	Current	\$112,183	\$1.08	\$1,346,200	\$13.00	Four (4) Five (5) Year
				2/1/2022	\$118,914	\$1.15	\$1,426,972	\$13.78	
				2/1/2027	\$126,049	\$1.22	\$1,512,590	\$14.61	
				Option 1	\$133,612	\$1.29	\$1,603,346	\$15.48	
				Option 2	\$141,629	\$1.37	\$1,699,546	\$16.41	
				Option 3	\$150,127	\$1.45	\$1,801,519	\$17.40	
				Option 4	\$159,134	\$1.54	\$1,909,610	\$18.44	

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\$26,900,000



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103,550 SF



Offered Building Area

14.64 ACRES



Offered Land Area

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Occupancy

LEASE ABSTRACT

TENANT



LEASE COMMENCEMENT

12/17/1990

LEASE EXPIRATION

12/1/2029

OPTIONS

Four (4) Five (5) Year

BUILDING SIZE

103,550 SF

RENTAL SCHEDULE

CURRENT

\$1,346,200

2/1/2022-1/31/2027

\$1,426,972

2/1/2027-8/31/2029

\$1,512,590

OPTION INCREASE SCHEDULE

6% every (5) years

PROPERTY TAXES

Tenant pays direct

INSURANCE

Tenant shall maintain commercial general liability insurance of minimum

LIABILITY

Combined single limit not less than \$5,000,000 and with a commercially reasonable deductible, TT shall maintain "all-risk" property insurance covering Premises for full replacement cost thereof, TT shall maintain employer's liability insurance at min. limits equal to those, typically obtained by tenants and owners of retail properties but not less, than \$1,000,000 per occurrence

CAM

NNN

UTILITIES

Tenant pays direct

TENANT OBLIGATIONS

Tenant shall maintain, repair, and replace all portions of the premises including the building as necessary to keep the premises in first class condition.

LANDLORD OBLIGATIONS

None

DISCLAIMER

Newmark Knight Frank, exclusive marketing representative of the Seller, is solely authorized to present this property investment offering (the "Offering"). This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of (the "Property").

Prior to submitting an offer to purchase the Property, interested parties should perform and rely upon their own investigations, analyses, estimates and projections and otherwise satisfy any concerns regarding material aspects of the proposed transaction including, but not limited to, legal, municipal, environmental, operational, seismic, financial and physical issues, and all other matters affecting or pertaining to the Property. The Seller will be offering the Property including all appurtenances and tenant improvements, solely on an "As-Is, With-All-Faults" basis, without any representations or warranties. No person is authorized to make any representations or warranties on behalf of the Seller regarding the Property. Any and all information regarding the Property provided to any interested party by the Seller or Newmark Knight Frank, including all information contained in the Offering, is provided without any representation or assurance, express or implied, regarding the accuracy, completeness or current status of applicability of such information. Each interested party is expected to undertake such reviews and investigations and make such inquiries as such party may believe to be necessary, appropriate or advisable for the purpose of forming a decision to make an offer to acquire the Property.

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 with an entity at any time with or without notice which may arise as a result of review of this Memorandum.

The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until

written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

The material contained herein is confidential and is presented strictly as information for the exclusive use of the prospective purchaser. Receipt and review of this Offering by the prospective purchaser constitutes an agreement not to divulge, share or distribute the information to any other party, except the prospective purchaser's legal counsel and financial advisors, without the prior specific written authorization of the Seller or Newmark Knight Frank. Each prospective purchaser shall also agree to and comply with the provisions of the confidentiality agreement executed by such prospective purchaser prior to receipt of this Offering.

This Offering is submitted subject to errors, changes, omissions, changes in price, market and other conditions. It contains selected information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information that prospective purchasers may desire. It should be noted that any and all market analyses, estimates and projections contained in this Offering are provided for general reference purposes only and are based on assumptions related to the general economy, competition, real estate market trends, and other factors beyond the control of the Seller or Newmark Knight Frank.

Such analyses, estimates and projections are therefore subject to material variation, and may not be consistent with the views or assumptions held by other professionals.

PHOTOCOPYING OR OTHER DUPLICATION OF THIS OFFERING IS NOT AUTHORIZED.

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