

OFFERING MEMORANDUM

\$1,600,000 | 8.25% CAP RATE

- » Long-Term Corporate Net Lease with 10% Rental Increases Every Five Years
- » National Tenant with Strong Financials
 - » Recent Moody's Upgrade to "B1" Rating
 - » Over 3,600 Locations and \$2.54 Billion in Annual Revenue
- » High-Traffic Location in Dense Retail Corridor
 - » 27,520 AADT on Highway 78, Jasper's Primary Retail Corridor
- » Jasper is Located at the Heart of the New "Automotive South"
 - » Within 250 Miles of 10 Major Auto Manufacturing Plants
 - » Near New \$100 Million Automotive Plant with 300+ Employees - Largest Employer in Jasper
- » Prime Location on Interstate 22 – New Route Between Birmingham and Memphis
- » Central Location Poised for Explosive Growth
- » New Construction



TABLE OF CONTENTS



INVESTMENT OVERVIEW

AERIALS

SITE PLAN

TENANT SUMMARY

PROPERTY OVERVIEW

AREA OVERVIEW

LOCATION MAP

Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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FORSYTH
CROWLE** | Leased Investment Team

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INVESTMENT SUMMARY

ADDRESS	601 Highway 78 East, Jasper, Alabama		
PRICE	\$1,600,000		
CAP RATE	8.25% return		
NOI	\$132,000		
TERM	11 years		
RENT COMMENCEMENT	September 16, 2016		
LEASE EXPIRATION	September 30, 2027		
RENTAL INCREASES	10% rental increases every 5 years		
	YEAR	RENT	RETURN
	1-5	\$132,000	8.25%
	6-11	\$145,200	9.08%
	12-16 (Option 1)	\$159,720	9.99%
	17-21 (Option 2)	\$175,680	10.98%
YEAR BUILT	2016		
BUILDING SF	4,000 SF		
PARCEL SIZE	1.12 acres (48,880 SF)		
LEASE TYPE	Net, with landlord responsible for roof and structure		



LONG-TERM NET LEASE TO STRONG CORPORATE TENANT

- » 11-year net lease with 10% rental increases every five years, providing a hedge against inflation
- » Guaranteed by Mattress Holding Corp. – rated “B1” by Moody’s
- » Largest mattress retailer in the U.S., with more than 3,600 locations nationwide and over \$2.54 billion in annual revenue

HIGH-TRAFFIC LOCATION IN DENSE RETAIL CORRIDOR

- » Prime location on Highway 78, Jasper’s primary retail corridor, with excellent visibility and access to 27,520 vehicles per day
- » Surrounded by large shopping plazas and major national retailers, including Walmart Supercenter, Home Depot, CVS, Tractor Supply Company, Belk, and many others

CLOSE PROXIMITY TO MAJOR NEW DEVELOPMENTS

- » Near Interstate 22, the new freeway connecting Birmingham and Memphis
- » Just over two miles from new 50-acre Yorozu automotive plant, costing over \$100 million to build and employing 300 workers, making it the largest employer in Jasper
- » Within walking distance of state-of-the-art Jasper High School, which opened in January 2017 (current enrollment of 800+ students, with a capacity of 1,200 students)
- » Near Lewis Smith Lake, a 21,000-acre reservoir with 500 miles of coastline, making it one of Alabama’s most popular vacation spots

EXCELLENT LOCATION IN EXPLOSIVE GROWTH CORRIDOR

- » Central location in new Interstate 22 corridor, which has an immense potential for future growth, boosting economic development in the area
- » Jasper is the location of the new Yorozu plant, which received recognition as the largest Japanese investment in Alabama in 2015 and the largest job creation commitment by a Japanese company in Alabama in 2015 (over \$100 million invested and 300 jobs created)
- » Jasper is a growing retail hub for a five-county trade area



Sears
Hometown Store

KFC

PAPA JOHN'S
PIZZA

Firestone

Rally's
HAMBURGERS

Ruby Tuesday

Jasper Mall

jcpenny **belk** **rue21**
MODERN. SOUTHERN. STYLE.

HIBBETT SPORTS **DOLLAR TREE** **GNC**

SHOE DEPT. ENCORE **Bath & Body Works**

AutoZone

TACO BELL

DQ
Grill & Chill

cricket
wireless

Hardee's
CHICKEN & BURGERS

T.J. maxx
SHOE CARNIVAL
PETCO
Where the pets go.

McDonald's

MATTRESS FIRM

Advance Auto Parts

78 / Highway 78 East (27,520 AADT)

Walgreens

CVS
pharmacy

HOBBY LOBBY



Parkland Plaza

BIG LOTS! **TSC** **TRACTOR SUPPLY CO.** **burkes OUTLET.**

Sears
Hometown Store

KFC

PAPA JOHN'S

Jasper Mall

jcp **penney** **belk** **rue21**
MODERN. SOUTHERN. STYLE.

HIBBETT SPORTS **DOLLAR TREE** **GNC**

SHOE DEPT. ENCORE **Bath & Body Works**

Jasper Square

HOBBY LOBBY **Walgreens** **McDonald's** **SHOE CARNIVAL** **TJ-maxx** **PETCO**
Where the pets go.

Parkland Plaza

Save a lot **DOLLAR GENERAL** **Captain D's SEAFOOD**

MATTRESS FIRM

Advance Auto Parts

Little Caesars

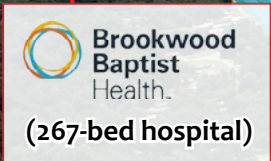
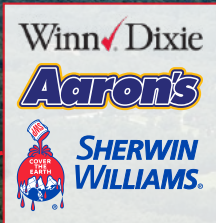
NAPA AUTO PARTS **WAFFLE HOUSE**

Jasper Marketplace

HIBBETT SPORTS
GAME TESTED. ATHLETE APPROVED.

CVS/pharmacy **planet fitness**

78 / Highway 78 East (27,520 AADT)



INDUSTRIAL PARK

Jasper High School
(800+ students)

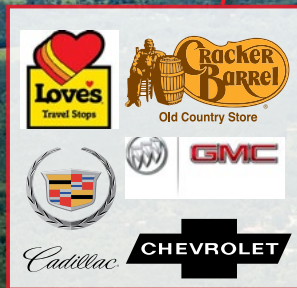




INDUSTRIAL PARK

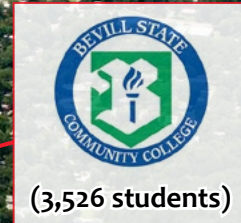


Interstate 22 (17,770 AADT)



YORZU
(300 employees)

Jasper High School
(800+ students)



Jasper Square

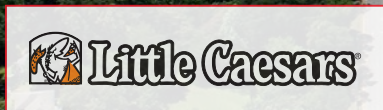


Jasper Marketplace



Highway 78 East
(27,520 AADT)

DOWNTOWN JASPER
(1.25 miles)



/ Highway 78 East (27,520 AADT)



SITE PLAN

U.S. HIGHWAY 78



TENANT SUMMARY



Mattress Firm is a specialty retailer of mattresses and related products and accessories. Since being founded in 1986, Mattress Firm has grown to become the largest and most successful bedding company in the U.S. As of 2016, the company operated and franchised over 3,600 locations in 49 U.S. states. In 2015, Mattress Firm had over \$3.5 billion in pro forma sales, representing a pro forma market share of more than 25% in a highly fragmented category. Through its various brands, including Mattress Firm, Sleepy's, and Sleep Train, the company offers a broad selection of both traditional and specialty mattresses, bedding accessories, and other related products from leading manufacturers, including Serta, Simmons, and Hampton & Rhodes.

In September 2016, the company was acquired by Steinhoff International for \$3.8 billion, and Mattress Firm now operates as a subsidiary of Steinhoff.

For more information, please visit www.mattressfirm.com.

# OF LOCATIONS	3,600+	FOUNDED	1986
REVENUE	\$2.54B	HEADQUARTERS	Houston, TX

LEASE ABSTRACT

TENANT	Mattress Firm, Inc.		
ADDRESS	601 Highway 78 East, Jasper, Alabama		
RENT COMMENCEMENT	September 16, 2016		
RENT EXPIRATION	September 30, 2027		
RENEWAL OPTIONS	Two (2) five (5) year options		
RENTAL INCREASES	YEAR	RENT	RETURN
	1-5	\$132,000	8.25%
	6-11	\$145,200	9.08%
	12-16 (Option 1)	\$159,720	9.99%
	17-21 (Option 2)	\$175,680	10.98%
REAL ESTATE TAXES	Tenant shall pay to Landlord, as additional rent, all real estate taxes.		
INSURANCE	Tenant shall obtain and maintain all-risk property insurance, commercial general liability insurance naming Landlord as an additional insured, and worker's compensation insurance. Tenant shall pay Landlord for the cost of Landlord's insurance.		
REPAIR & MAINTENANCE	Tenant will perform the day to day maintenance of the exterior parking and landscaped areas. Tenant shall make and pay for all repairs to the interior non-structural portions of the premises.		
UTILITIES	Tenant shall pay for its consumption of all utilities at the premises.		
MAINTENANCE BY LANDLORD	Landlord shall maintain and repair the roofing, exterior painting, conduits and equipment which serve the building but are not located within the interior thereof, and all structural portions of the building.		
RIGHT OF FIRST REFUSAL	None		

STEINHOFF ACQUISITION



Steinhoff is an integrated retailer that manufactures, sources, and retails furniture, household goods, and general merchandise in Europe, Africa, and Australasia. Steinhoff's vertically integrated business model is based upon a strategy of sourcing and manufacturing products at low cost and distributing them to its value-conscious customer base through its extensive retail footprint. Steinhoff's integrated retail divisions are comprised of:

- » Household goods comprising furniture and homeware retail businesses;
- » General merchandise focusing on clothing and footwear, accessories, and homeware; and
- » Automotive dealerships in South Africa, which provide vehicles, parts, insurance, accessories, and servicing.

Steinhoff has a primary listing on the Frankfurt Stock Exchange and a secondary listing on the Johannesburg Stock Exchange, and as of August 5, 2016, has a market capitalization of approximately €22 billion (\$24 billion). Steinhoff reported revenue and operating profit for the nine months ended March 31, 2016 of €9.9 billion (\$11 billion) and €1.1 billion (\$1.2 billion) respectively, and employs approximately 105,000 people.

For more information, please visit www.steinhoffinternational.com.

TICKER	FRANKFURT: "SNH"	# OF EMPLOYEES	105,000
REVENUE	\$11B	HEADQUARTERS	South Africa

ANALYSTS STUNNED BY 115% PREMIUM IN MATTRESS FIRM TAKEOVER BID

StreetInsider (Aug. 8, 2016): Mattress Firm Holding Corp., the nation's largest mattress retailer, announced that the Company and Steinhoff International Holdings N.V. (FRANKFURT: SNH) have entered into a definitive merger agreement under which Steinhoff will, subject to the successful consummation of a cash tender offer and satisfaction of other customary closing conditions, acquire Mattress Firm for \$64.00 per share in cash, which represents a premium of 115% over the Company's closing stock price of \$29.74 on Friday, August 5, 2016. This represents a total equity value of approximately \$2.4 billion and an enterprise value of approximately \$3.8 billion, including net debt. The merger agreement, which has been unanimously approved by the Mattress Firm board of directors and the management and supervisory boards of Steinhoff, will create the world's largest multi-brand mattress retail distribution network...

At the close of the transaction, Mattress Firm will operate as a subsidiary of Steinhoff from Mattress Firm's current headquarters in Houston, Texas. Both Steve Stagner, executive chairman and chairman of the board of Mattress Firm, and Ken Murphy, president and CEO of Mattress Firm, will remain in their positions with Mr. Stagner also joining Steinhoff's executive committee.

"The Mattress Firm board believes that the transaction provides significant value to our stockholders through the premium to our share price and the immediate liquidity at closing, while giving Mattress Firm an ideal partner with a proven track record in the complete mattress supply chain including the retail and manufacture of mattresses," said Mr. Stagner. "This expertise will complement our diverse selection of products provided by our valuable partners. Steinhoff's management team shares our vision for the growth and expansion of Mattress Firm and, as such, we believe they are the right long-term partner for our customers, employees, suppliers, and other stakeholders."

"Today's announcement marks an exciting new chapter for Mattress Firm that will open up future opportunities for our employees, our customers, and our business partners," said Mr. Murphy. "We remain focused on our long-term strategy to build a national chain under one banner in the U.S. and we will continue activating and unlocking the true power of all of the assets we have assembled to truly become the preferred choice for better sleep."

» **READ THE ENTIRE ARTICLE**

PROPERTY OVERVIEW

LOCATION

The property is located on Highway 78, Jasper's main retail corridor, with excellent visibility and access to 27,520 vehicles per day. The property is directly across from Jasper Square, a retail plaza anchored by Hobby Lobby and featuring T.J. Maxx, Walgreens, Petco, Shoe Carnival, and McDonald's. Jasper Mall is also across from the property and is anchored by JCPenney and Belk. Other major retailers near the property include Walmart Supercenter, Home Depot, CVS, Tractor Supply Company, Big Lots, Dollar General, Advance Auto Parts, Burger King, and many others.

The property is centrally located in Jasper and is close to several new developments. Downtown Jasper is just over a mile from the property, and Beville State Community College is within walking distance. Beville State Community College, which was named Alabama's best community college for workforce training by Southern Business & Development in 2015, has over 3,000 students. Across from the college is the new Jasper High School, which opened in January 2017. The high school can hold up to 1,200 students and has a current enrollment of over 800. Another major development, Interstate 22, is less than three miles from the property. Interstate 22, which recently completed construction, connects Birmingham, Alabama to Memphis, Tennessee, providing a faster link between the two metros and a corridor for growth that is already taking place. Attracted by the new Interstate 22 corridor, Yorozu invested over \$100 million to construct an automotive plant that will employ 300 workers. The automotive industry is driving Alabama's economy; the state is in the top five automobile producing states in the country. As a result of Yorozu's investment, Jasper is already attracting interest from other auto suppliers. Overall, the value in economic development along the Interstate 22 corridor is immense and will continue to grow.

ACCESS

Access from Highway 78 East

TRAFFIC COUNTS

Highway 78 East:	27,520 AADT
Interstate 22:	17,770 AADT

PARKING

13 parking spaces, including two (2) handicap spaces

YEAR BUILT

2016

NEAREST AIRPORT

Birmingham-Shuttlesworth International Airport (BHM)



FILE PHOTO



13

PARKING
STALLS



2016

YEAR BUILT



27K

TRAFFIC
COUNT (AADT)



NEAREST
AIRPORT

BIRMINGHAM-
SHUTTLESWORTH
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Jasper is a city in and the county seat of Walker County, located just 20 minutes from Birmingham. Jasper is positioned for major growth and development. The city sits comfortably alongside of the newly opened Interstate 22, the Memphis to Atlanta highway, and is poised to see development continue to come along this major thoroughfare. Interstate 22 runs 213 miles from Birmingham, Alabama to Memphis, Tennessee and connects Interstates 240, 40, 55, and 69 in Memphis. It also connects Interstates 65 and 20/59 in Birmingham, making it a main artery throughout the Southeast. Interstate 22 has made Jasper even more easily accessible to major metro areas such as Birmingham, Atlanta, Nashville, and Memphis. As a result, Jasper is a growing retail hub for a five-county trade area. Other major developments spurred by the new Interstate 22 corridor include Yorozu's construction of a \$100 million plant in Jasper. The plant, which opened in early 2017, will create 300 jobs to supply auto manufacturers with stamped parts.

Birmingham is the most populous city in Alabama and the county seat of Jefferson County. Greater Birmingham had an estimated population of 1,320,572 in 2016, making it the largest population region in Alabama, constituting over ¼ of the state's population. The economy of Greater Birmingham is the most diversified of any metropolitan area in Alabama, ranging from service industries such as banking and finance to health-related technological research and heavy industry. Birmingham ranks as one of the most important business centers in the Southeastern United States and as one of the largest banking centers in the nation. Birmingham is also the retail, cultural, and entertainment capital of Alabama. The Birmingham metropolitan area has consistently been rated as one of America's best places to work and earn a living, based on the area's competitive salary rates and relatively low living expenses.

- » Birmingham is the home of the University of Alabama at Birmingham (UAB), one of three main campuses of the University of Alabama System, as well as the UAB Health System, one of the largest academic medical centers in the United States. The UAB Hospital is a Level I trauma center providing health care and breakthrough medical research. UAB is the area's largest employer and the second largest in Alabama, with a workforce of about 23,000 as of 2016.
- » Birmingham-Shuttlesworth International Airport served 2,695,399 passengers in 2015 and is the largest and busiest airport in Alabama by passenger volume.
- » The Birmingham region is the largest economy in Alabama, making up over 30% of the state's total gross domestic product (GDP).
- » A number of large companies and organizations are headquartered in Greater Birmingham, including the Southeastern Conference, one of the major U.S. collegiate athletic conferences; Regions Financial Corporation and BBVA Compass, two of the nation's largest banks; and Books-A-Million, the second largest book retailer in the United States.

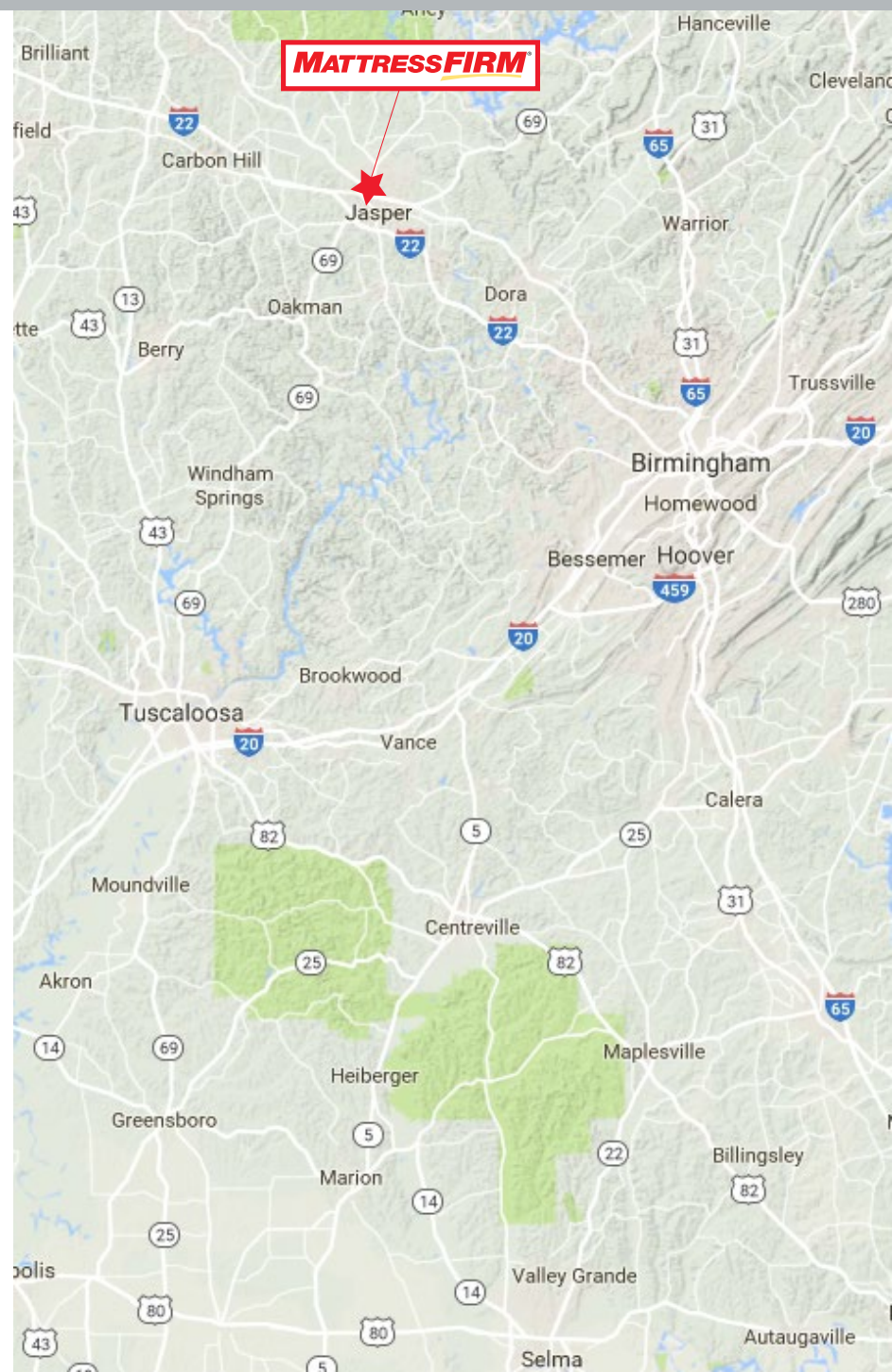
MAJOR EMPLOYERS IN BIRMINGHAM MSA	# OF EMPLOYEES
UNIVERSITY OF ALABAMA AT BIRMINGHAM	23,000
REGIONS FINANCIAL CORPORATION	7,668
AT&T	5,750
ST. VINCENT'S HEALTH SYSTEM	4,644
HONDA MANUFACTURING OF ALABAMA	4,500
CHILDREN'S OF ALABAMA	4,497
BLUE CROSS AND BLUE SHIELD OF ALABAMA	4,000
ALABAMA POWER COMPANY	3,982
MERCEDES-BENZ U.S. INTERNATIONAL	3,500
BAPTIST HEALTH SYSTEM	3,200



DEMOGRAPHIC PROFILE

2016 SUMMARY	1 Mile	3 Miles	5 Miles
Population	3,495	13,927	20,836
Households	1,472	5,660	8,382
Families	913	3,705	5,626
Average Household Size	2.23	2.36	2.41
Owner Occupied Housing Units	798	3,574	5,624
Renter Occupied Housing Units	674	2,086	2,758
Median Age	40.7	42.8	42.5
Average Household Income	\$56,982	\$59,371	\$57,387

2021 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	3,485	13,736	20,556
Households	1,468	5,603	8,297
Families	905	3,648	5,541
Average Household Size	2.23	2.35	2.40
Owner Occupied Housing Units	789	3,534	5,568
Renter Occupied Housing Units	679	2,069	2,728
Median Age	40.7	43.9	43.9
Average Household Income	\$61,780	\$63,541	\$61,474



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AICALE
FORSYTH
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