

Office Depot



OFFERING MEMORANDUM

1737 S. STAPLES STREET, CORPUS CHRISTI, TX, 78404 |



Office Depot

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CONFIDENTIALITY AND DISCLAIMER:

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 Smith Company and it should not be made available to any other person or entity without the written consent of The Smith Company.

By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property, please promptly return this offering memorandum to The Smith Company. This offering memorandum has been prepared to provide summary, unverified financial and physical 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 Smith Company has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this offering memorandum has been obtained from sources we believe reliable; however, The Smith Company has not verified, and will not verify, any of the information contained herein, nor has The Smith Company 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY.

PLEASE CONTACT THE SMITH COMPANY FOR MORE DETAILS.

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OFFERING SUMMARY

ADDRESS	1737 S. Staples Street Corpus Christi TX 78404
COUNTY	Nueces
GLA (SF)	27,000
LAND SF	82,481 SF
YEAR BUILT	1998
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

OFFERING PRICE	\$5,200,000
PRICE PSF	\$192.59
OCCUPANCY	100 %
NOI (CURRENT)	\$329,940
CAP RATE (CURRENT)	6.35 %

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2019 Population	17,928	99,275	167,519
2019 Median HH Income	\$39,758	\$36,081	\$40,175
2019 Average HH Income	\$62,156	\$54,627	\$59,786



The Smith Company is pleased to offer for sale to qualified investors the opportunity to purchase a fee simple interest in the Office Depot property located at 1717 S. Staples Street, Corpus Christi, Texas. The recently extended lease has 5 years remaining, along with 4, 5-year renewal options which permit Office Depot to occupy the property until 2045. Office Depot has been at this location since 1998. The property is a mature, tested store. The property is located at a corner site on 1.89 acres of land in a densely populated area near the downtown of Corpus Christi. Numerous office supply users including city-county-federal offices, large office tenants and the city's medical districts are located nearby.

DEMOGRAPHICS\AREA ECONOMY

Nueces, San Patricio, and Aransas Counties make up the Corpus Christi, TX Metropolitan Statistical Area (MSA), an area with a population exceeding 457,000 people. Residents in the metro area enjoy 113 miles of beach along the Gulf Coast, mild winters, and an average of 233 sunny days per year, well above the national average. Corpus Christi is a family friendly city with an exceptional quality of life and a cost of living that is 5% lower than the national average.

Corpus Christi's economy has traditionally revolved around petroleum, energy production, and logistics. In recent years, industries in other sectors—education and health services, professional and business services, and leisure and hospitality—have buffered the local economy from volatility in the energy sector. More than 5,200 workers have been added to payrolls among these three employment sectors since 2013.

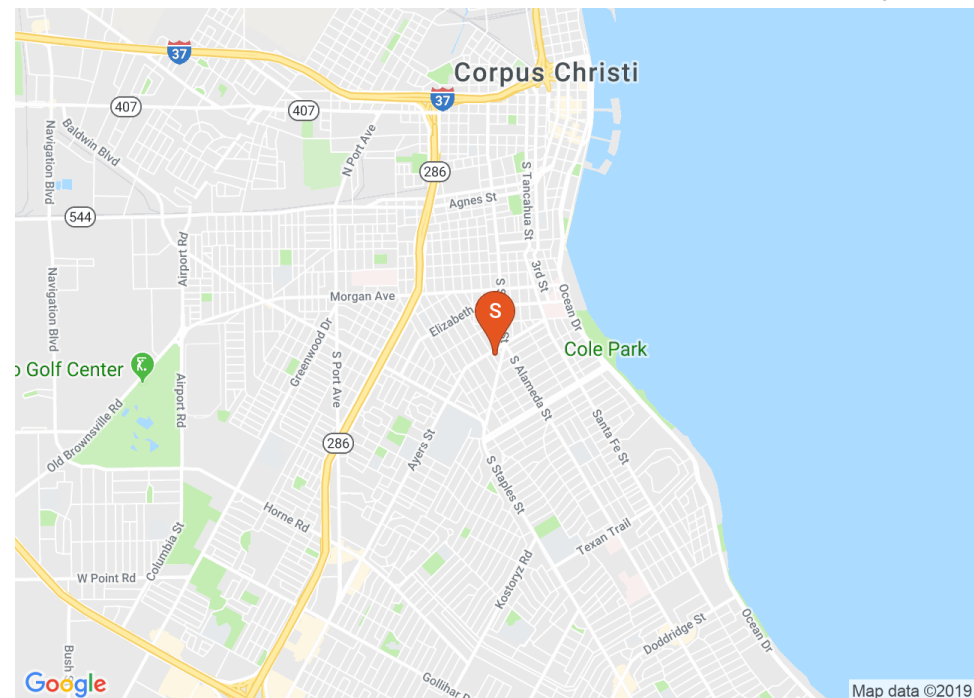
LOCATION

This Office Depot store is poised to continue to benefit from the favorable locational attributes that inherently exist in the popular central downtown area of the city. Residents enjoy quick access to several of the city's key economic drivers including CHRISTUS Spohn Hospital, Texas A&M University – Corpus Christi, NAS – Corpus Christi, and Corpus Christi Army Depot, among others. Furthermore, the Port of Corpus Christi, the Corpus Christi CBD and the Corpus Christi International Airport are all approximately 2 to 10 miles from the Property via accessible connections off South Padre Island Drive, and S. Staples Street.

Regional Map



Locator Map



PROPERTY FEATURES

NUMBER OF TENANTS	1
GLA (SF)	27,000
LAND SF	82,481
LAND ACRES	1.8935
YEAR BUILT	1998

TENANT INFORMATION

MAJOR TENANT/S	Office Depot
LEASE TYPE	NNN

Dental Lab

en's Community Market

Black Point Tattoo

Van's Sales & Services

Home Care Dimensions

Le Mejor

Office Depot

Good Shep

Luciano's Italian

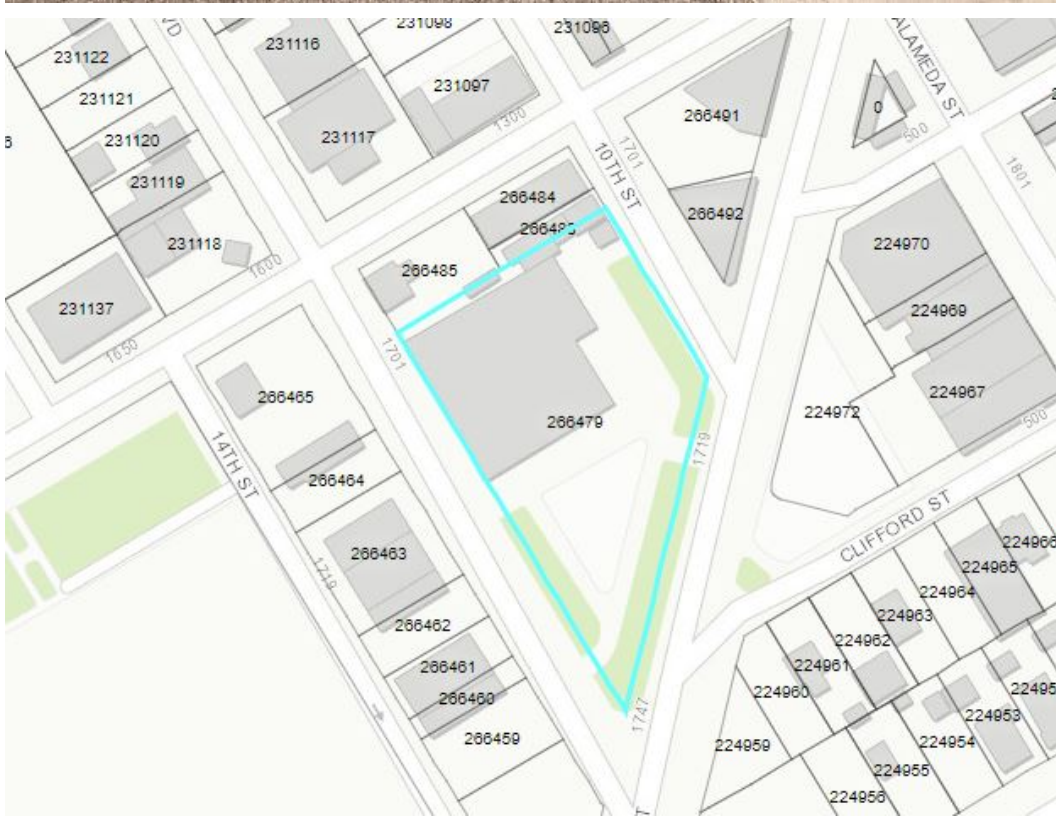
Yoga
Corpu

Lewis Mechan

ASHMORE PAINT

Google

Map data ©2019 Imagery ©2019 Maxar Technologies, Texas General Land Office, U.S. Geological Survey



Suite	Tenant Name	Square Feet	% of NRA	Lease Term		Begin Date	Rental Rates				Lease Type	Options/Notes
				Lease Start	Lease End		Monthly Base Rent	Monthly PSF	Annual Base Rent	Annual PSF		
	Office Depot	27,000	100.00%	01/01/19	06/30/25	CURRENT	\$27,495	\$1.02	\$329,940	\$12.22	NNN	
						07/01/2025	\$31,201	\$1.16	\$374,416	\$13.92		
						07/01/2030	\$35,825	\$1.33	\$429,904	\$15.96		
						07/01/2035	\$41,665	\$1.54	\$499,979	\$18.48		
						07/01/2040	\$49,135	\$1.82	\$589,625	\$21.84		
Totals		27,000				\$27,495		\$329,940				



Name	Value
Trade Name	Office Depot
Headquartered	Boca Raton, Florida
Website	www.officedepot.com
# of Locations	1350

Description

Office Depot, Inc. provides business services and supplies, products, and technology solutions. The company operates in three divisions: Business Solutions, Retail, and CompuCom. The Business Solutions division offers office supply products and services through sales forces, catalogs, and telesales, as well as through Internet Websites in the United States, Puerto Rico, U.S. Virgin Islands, and Canada. The Retail division operates a chain of retail stores, which offer office supplies; technology products and solutions; business machines and related supplies; print, cleaning, breakroom, and facilities products; and furniture in the United States, Puerto Rico, and the U.S. Virgin Islands. Its stores also provide printing, reproduction, mailing, and shipping services. As of April 4, 2019, this division operated 1,350 office supply stores. The CompuCom division sells information technology (IT) outsourcing services and products in the United States, Canada, and Costa Rica. It offers a range of solutions, including end user computing support, managed IT services, data center monitoring and management, service desk, network infrastructure, IT workforce solutions, mobile device management, and cloud services. The company offers its products under various labels, including Office Depot, OfficeMax, Foray, Ativa, TUL, Realspace, WorkPro, Brenton Studio, Highmark, and Grand & Toy. Office Depot, Inc. was founded in 1986 and is headquartered in Boca Raton, Florida.

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	17,262	96,560	157,297
2010 Population	17,177	95,377	159,612
2019 Population	17,928	99,275	167,519
2024 Population	18,358	101,607	172,284
2019 African American	436	4,834	8,321
2019 American Indian	155	725	1,234
2019 Asian	112	513	1,328
2019 Hispanic	13,448	78,944	127,791
2019 White	14,587	77,422	130,286
2019 Other Race	2,154	13,259	21,957
2019 Multiracial	472	2,473	4,305
2019-2024: Population: Growth Rate	2.40 %	2.35 %	2.80 %
2019 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	1,302	7,145	10,266
\$15,000-\$24,999	992	5,387	8,293
\$25,000-\$34,999	731	4,524	7,517
\$35,000-\$49,999	1,037	5,372	9,139
\$50,000-\$74,999	970	5,570	10,286
\$75,000-\$99,999	715	2,823	5,393
\$100,000-\$149,999	622	2,550	5,289
\$150,000-\$199,999	215	809	1,826
\$200,000 or greater	283	1,003	1,899
Median HH Income	\$39,758	\$36,081	\$40,175
Average HH Income	\$62,156	\$54,627	\$59,786

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	6,985	35,796	58,980
2010 Total Households	6,556	33,839	57,171
2019 Total Households	6,866	35,185	59,910
2024 Total Households	7,054	36,076	61,686
2019 Average Household Size	2.53	2.74	2.73
2000 Owner Occupied Housing	3,165	18,936	32,236
2000 Renter Occupied Housing	3,050	13,775	22,007
2019 Owner Occupied Housing	3,157	18,360	31,920
2019 Renter Occupied Housing	3,709	16,825	27,989
2019 Vacant Housing	1,155	4,327	6,456
2019 Total Housing	8,021	39,512	66,366
2024 Owner Occupied Housing	3,215	18,656	32,596
2024 Renter Occupied Housing	3,839	17,420	29,090
2024 Vacant Housing	1,165	4,353	6,502
2024 Total Housing	8,219	40,429	68,188
2019-2024: Households: Growth Rate	2.70 %	2.50 %	2.95 %



Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015



TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

_____ Licensed Broker /Broker Firm Name or Primary Assumed Business Name	_____ License No.	_____ Email	_____ Phone
_____ Designated Broker of Firm	_____ License No.	_____ Email	_____ Phone
_____ Licensed Supervisor of Sales Agent/ Associate	_____ License No.	_____ Email	_____ Phone
_____ Sales Agent/Associate's Name	_____ License No.	_____ Email	_____ Phone

Buyer/Tenant/Seller/Landlord Initials

Date