



BIG LOTS

14603 Telegraph Road, Dale City, VA, 22192

OFFERING
MEMORANDUM

BRAND NEW 10-YEAR NET LEASE



INVESTMENT OVERVIEW

OFFERING PRICE	\$8,389,000
NOI	\$494,967
CAP RATE	5.90%
TERM REMAINING	±10.4 Years
RENT INCREASES	\$0.50/SF every 5 years
BUILDING SIZE	44,997 SF
LAND AREA	5.77 Acres
TRAFFIC COUNTS	Opitz Boulevard: 28,600 VPD Prince William Parkway: 47,700 VPD

INVESTMENT SUMMARY

The CBRE Net Lease Property Group is pleased to exclusively offer a 44,997-square-foot freestanding Big Lots situated on 5.77 acres in Dale City, VA—a component of Prince William County (Population: 454,093). Big Lot's new ±10.4-year net lease is expected to commence in September 2019 and will feature three 5-year options. The parcel includes excess land that can be redeveloped in order to create additional upside. Big Lots consented to the development in the lease which will significantly streamline the process. The property is positioned at the intersection of Telegraph Road and Opitz Boulevard (28,600 VPD) with direct access to Prince William Parkway, a major commuter and transportation corridor (47,700 VPD). This is a premier regional retail location with immediate access to nearby I-95 (154,000 VPD), the major north-south regional thoroughfare in the Washington Metropolitan Area and the Eastern United States. The property is located with immediate access to the ring road of Potomac Mills Mall, the largest tourist attraction in the Commonwealth of Virginia with over 23 million annual visitors. The mall is Virginia's premier outlet mall with over 200 stores, including Bloomingdale's-The Outlet Store, Banana Republic, Neiman Marcus Last Call, Michael Kors, Kenneth Cole, Saks Fifth Avenue OFF 5TH, Nordstrom Rack and Calvin Klein in addition to a vast assortment of dining including The Cheesecake Factory, Bobby's Burger Place, Matchbox, and Bahama Breeze. Potomac Mills serves the thriving Washington, D.C./Northern Virginia region and also welcomes guests from all over the world with an outstanding 40% of Potomac Mills' shoppers coming from outside the trade area. Big Lots also benefits from its location within an affluent and densely populated trade area with over 116,971 people with an average annual household income of \$112,456 living within 3-miles. In the extended 5-mile trade area the population nearly doubles to 226,892 people with an average household income in excess of \$122,854. Additionally, this is a high growth location with 6.8% total population increase forecast through 2023.

Representative Photo



Demographics	1-Mile	3-Mile	5-Mile
Population	9,558	116,971	226,892
AHI	\$130,551	\$112,456	\$122,854

INVESTMENT HIGHLIGHTS

National Credit Tenant: Big Lots, Inc. (S&P: BBB) is a community retailer operating more than 1,400 locations in 47 states. The company is dedicated to friendly service, trustworthy value, and affordable solutions in every season and category through an extensive assortment of brand-name items and quality products. The company is on S&P's Small Cap 600 list with revenues of \$5.24 billion and over 22,900 employees.

Long-term Net Lease: New ± 10.4 -year net lease through January 2030, featuring \$0.50/SF increases every five (5) years throughout the preliminary term and at the commencement of each of the three (3) five-year options. Rent is anticipated to commence in September 2019.

Below Replacement Cost: This offering is an excellent opportunity to acquire a highly-desirable retail box at a price that is significantly below the replacement cost.

Developable Pad Upside Opportunity: The parcel includes excess land that can be redeveloped in order to create additional upside. Big Lots consented to the development in the lease which will significantly streamline the process.

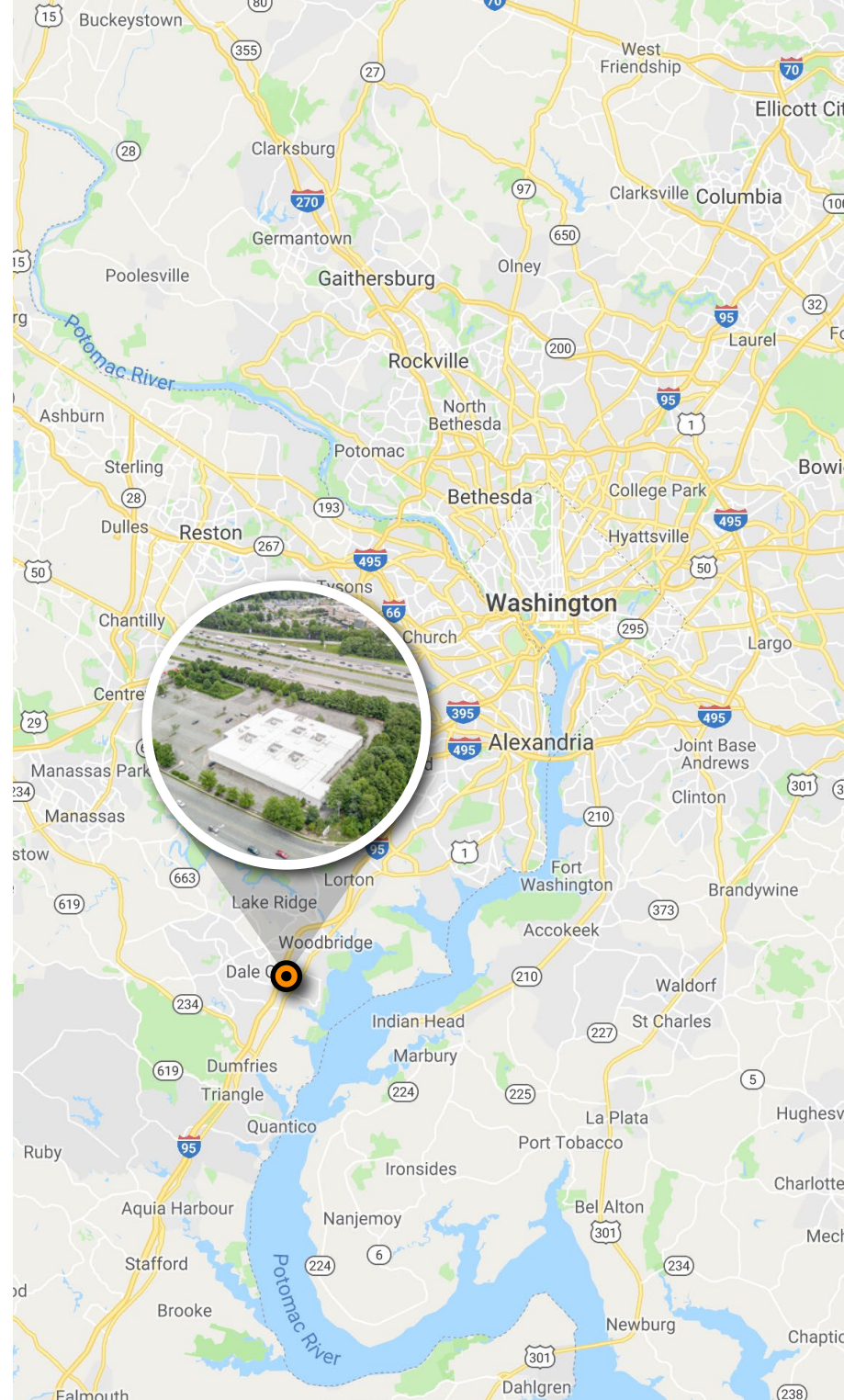
Excellent Access & Visibility: Positioned at the intersection of Telegraph Road and Opitz Boulevard (28,600 VPD) with direct access to Prince William Parkway, a major commuter and transportation corridor (47,700 VPD). This is a premier regional retail location with immediate access to nearby I-95 (154,000 VPD), the major north-south regional thoroughfare in the Washington Metropolitan Area and the Eastern United States.

Affluent Infill Demographic Profile: Ideally positioned within an affluent and densely populated trade area with over 116,971 people with an average annual household income of \$112,456 living within 3-miles. In the extended 5-mile trade area the population nearly doubles to 226,892 people with an average household income in excess of \$122,854. Additionally, this is a high growth location with 6.8% total population increase forecast through 2023.

Proximity to Largest Tourist Attraction in the Commonwealth: The property is located with immediate access to the ring road of Potomac Mills Mall, the largest tourist attraction in the Commonwealth of Virginia with over 23 million visitors annually. The mall is Virginia's premier outlet mall with over 200 stores, including Bloomingdale's-The Outlet Store, Banana Republic, Neiman Marcus Last Call, Michael Kors, Kenneth Cole, Saks Fifth Avenue OFF 5TH, Nordstrom Rack and Calvin Klein in addition to a vast assortment of dining including The Cheesecake Factory, Bobby's Burger Place, Matchbox, and Bahama Breeze. Potomac Mills serves the thriving Washington, D.C./Northern Virginia region and also welcomes guests from all over the world with an outstanding 40% of Potomac Mills' shoppers coming from outside the trade area.

Prince William County Market: Prince William County is a premier community – diverse, dynamic and thriving. As the Commonwealth of Virginia's second-most-populous county, Prince William County boasted a total population of 454,093. This reflects outstanding growth with a population increase of 62% since 2000 and an additional 7.4% forecasted through 2023. It is also home to the nation's highest concentration of programming and computer science talent and is also rated as one of the nation's Top 25 high-tech hot spots.

Washington Metropolitan Area: Located in the highly regarded Washington Metropolitan Area, the site is located just 22 miles south of the U.S. Capital in Prince William County, the second most populous county in Virginia. The County is one of the fastest growing counties in Virginia, with an addition 7.4% population growth forecast through 2023. Businesses are continuing to expand into the Prince William County area seeking to take advantage of its affluent and expanding population, strategic location, stable labor force, first-rate schools and lower cost of doing business.





COSTCO
WHOLESALE

IKEA

FERGUSON

Quality Tire

All Star Sports

NTB

U-HAUL

SENTARA

Pier 1

COSTCO
WHOLESALE

Stratford University

WOODBRIDGE MEDICAL CENTER

HAVERTYS

I-95 (VPD: 154,000)

BIG LOTS!

TELEGRAPH RD

OPITZ BOULEVARD (28,600 VPD)

PROPERTY DESCRIPTION



Location

14603 Telegraph Road
Dale City, VA, 22192



Site

The property is located with immediate access to the ring road of Potomac Mills Mall, the largest tourist attraction in the Commonwealth of Virginia with over 23 million visitors annually.



Land Area

5.77 Acres
APN: 8291-87-3162



Building Area

44,997 SF



Frontage & Access

Positioned at the intersection of Telegraph Road and Opitz Boulevard with direct access to Prince William Parkway, a major commuter and transportation corridor.



Built-In Customer Base

Proximity to over 4.5 MSF of office located within 3-miles of the property



Traffic Counts

Opitz Boulevard: 28,600 VPD
Prince William Parkway: 47,700 VPD



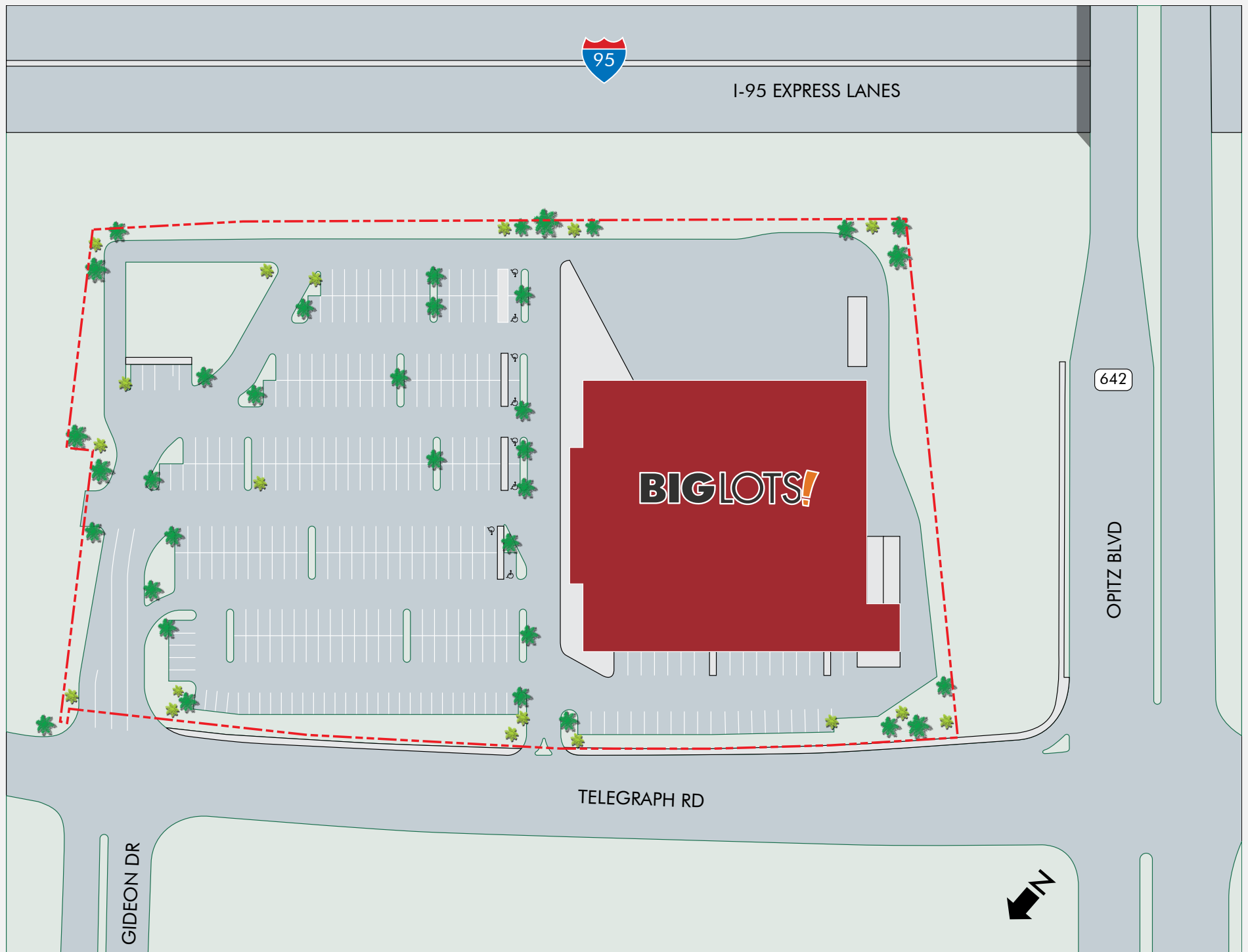
Year Built

1993



Zoning

Prince William County, VA



TENANT PROFILE



Headquartered in Columbus, Ohio, Big Lots, Inc. (S&P: BBB-) is a discount retailer that offers competitive pricing on a large range of merchandise, including furniture, seasonal items, home goods, food, consumables, electronics, toys, and accessories. Originally founded in 1967, Big Lots currently operates a total of 1,401 stores with approximately 35,600 employees. Big Lots traces its roots back to the formation of Consolidated Stores Corporation which operated through stores called "Odd Lots." All stores were eventually rebranded as Big Lots upon running into a naming conflict with the New Jersey-based Odd Lot Trading Co.

Consolidated Stores Corp. became publicly traded on the American Stock Exchange during 1985. It later switched to the New York Stock Exchange under the symbol "CNS" in 1986. During 2001, the company decided to shift its focus solely on the Big Lots brand and changed its name to "Big Lots, Inc." and its ticker to "BLI." Big Lots is currently traded under the ticker symbol "BIG." For the fiscal year ended February 2, 2019, Big Lots, Inc. reported net sales of \$5.3 billion and net income of \$156.9 million.

NUMBER OF STORES	1,401
HEADQUARTERS	Columbus, OH
NUMBER OF EMPLOYEES	35,600
TICKER	NYSE: BIG
CREDIT RATING	S&P: BBB-
WEBSITE	www.biglots.com



LEASE ABSTRACT

TENANT	Big Lots Stores, Inc.
LEASE TERM	±10.4 Years
LEASE COMMENCEMENT	September 5, 2019 (Estimated)
LEASE EXPIRATION	January 31, 2030
TERM REMAINING	±10.4 Years
LEASE TYPE	NN
CURRENT TERM RENT	Year 1 - 5: \$494,967 Year 6 - End of Term: \$517,466
RENT ESCALATIONS	\$0.50/SF increase every 5 years
REMAINING OPTIONS	Three 5-year options
OPTION RENT	Option 1: \$539,964 Option 2: \$562,463 Option 3: \$584,961
TAXES	Tenant shall pay Tenant's pro rata share of all real property taxes and assessments, which may be levied or assessed by any lawful authority against the land and improvements in the Shopping Center or against Landlord in respect of the land and improvements in the Shopping Center. Landlord estimates that the Real Estate Taxes for 2019 will be approximately \$1.46/SF.
INSURANCE:	<p>Tenant: Tenant agrees to carry at its own expense the following policies of insurance: (i) commercial general liability insurance covering the Demised Premises and Tenant's use with minimums of the following: \$1,000,000 each event combined single limit with a \$2,000,000 general total combined single limit; (ii) all risk property insurance coverage, including but not limited to damage due to fire, wind, hail, smoke, explosion, structural collapse, lightning, water, flood, and earthquake coverage Tenant's trade fixtures and personal property in an amount equal to at least 90% of the replacement cost thereof. Tenant shall have the option to self-insure for all plate glass.</p> <p>Landlord: Landlord shall carry (subject to the below reimbursement for Tenant) the following policies of insurance: (i) a policy covering all improvements located in the Shopping Center, including the Demised Premises, (except for Tenant's trade fixtures, furnishings, and inventory against perils normally covered under special form all risk insurance) for the perils of earthquake and flood, in an amount not less than the full replacement value of all the improvements located in the Shopping Center, including the Demised Premises; (ii) commercial general liability insurance covering the Common Areas with minimum limits of the following: \$1,000,000 each event combined single limit with a \$2,000,000 general total combined single limit.</p> <p>Tenant's pro rata share of the estimated cost and expense of Landlord's insurance premiums, plus Tenant's pro rata share of any deductible or self-insured retention actually paid in connection with Landlord's insurance; provided, however, in no event shall Tenant's pro rata share of the deductibles or self-insured retention costs exceed \$25,000. Landlord estimates Tenant's pro rata share of insurance shall be approximately \$0.25/SF in 2019.</p>
REPAIRS & MAINTENANCE:	<p>Tenant agrees to make all repairs necessary to keep the interior portions of the Demises Premises and the exterior portions of the Demised Premises in good order, repair, and operation, except those which the Landlord is required to make. Tenant's Repair Obligations shall include (without limitation) each of the following: (i) interior faces of the exterior walls, (ii) ceilings, (iii) floor coverings, (iv) non-structural portions of the exterior storefront of the Demised Premises, (v) heating, ventilating and air conditioning system exclusively serving the Demised Premises, (vi) the electrical, plumbing, sprinkler and other mechanical systems and equipment exclusively serving the Demised Premises, (vii) exterior improvements to or for the benefit of the Demised Premises that are installed by Tenant.</p> <p>Landlord agrees, at Landlord's sole cost and expense, to make all maintenance, repairs, and replacements, necessary to keep the exterior and structural portions of the Demised Premises in good order, repair, and operation. The exterior and structural portions of the Demised Premises include (without limitation) each of the following: (i) exterior walls of the Demised Premises and exterior faces thereof, (ii) the roof, (iii) gutters, downspouts, and roof drainage system; (iv) foundations and floor slabs; (v) all structural members of the building of which the Demised Premises is a part; (vi) marquee lights or rear or side floodlights, (viii) electrical, plumbing, sprinkler, and other mechanical systems and equipment located outside the interior surface of the exterior.</p>
COMMON AREA MAINTENANCE	<p>Subject to the below CAM Cap, Tenant agrees to pay to Landlord its pro rata share of the Common Area Charges. Capital expenditures shall be included in the reimbursement on an amortized basis over their useful life.</p> <p>Tenant's pro-rata share of Common Area Charges shall be capped at \$1.00 per square foot of the Demised Premises for the first Leaset Year during the Original Term, as well as the Partial Lease Year, if any. Thereafter, throughout the Term of this Lease, including any renewals or extensions, the CAM Cap shall be increased by 5% each Lease Year.</p> <p>Landlord shall be responsible for the following with respect to the Common Areas: (i) operating, maintaining, refurbishing, repairing, replacing, improving and lighting the Common Areas; (ii) operating, maintaining, refurbishing, repairing, replacing, improving and lighting the service areas, garbage and refuse disposal facilities, Shopping Center maintenance and storage room, loading area and all other areas and facilities located in the Shopping Center which are used in the maintenance and operation of the Shopping Center; (iii) operating, maintaining, refurbishing, repairing, replacing, improving and lighting appropriate parking area entrances, exit and directional markers, Shopping Center signs, and other traffic control signs as are reasonably required to effect the site plan; (iv) providing security, lighting and policing if necessary, and on-site and off-site traffic control; (v) maintaining all paved surfaces in a level and smooth condition, free of potholes; restriping and repainting as required to keep same clearly visible and appropriately marked; and (vi) cleaning, sweeping, and snow and ice removal as needed.</p>

AREA OVERVIEW

Prince William County

Located approximately 20 miles southwest of Washington, D.C. in Northern Virginia, Prince William County is a premier community – diverse, dynamic and thriving. As the Commonwealth of Virginia's second-most-populous county, Prince William County boasted a total population of 454,091 in 2018. This reflects outstanding growth with a population increase of 62% since 2000 and an additional 7.4% forecasted through 2023.

Prince William County offers easy access to international, national and regional markets. By air, the County is primarily serviced by two major international airports and one regional airport: Dulles International Airport – the 3rd largest trans-Atlantic hub along the East Coast; Ronald Reagan Washington National Airport – the 25th busiest airport by passenger volume; and Manassas Regional Airport – the largest executive regional airport in Virginia. CSX and Norfolk Southern provide freight service to domestic and international port terminals. Virginia Railway Express and Amtrak provide commuter and destination rail service to more than 500 stations in 45 states and the District of Columbia. Additionally, PRTC (Potomac and Rappahannock Transportation Commission) offers a comprehensive network of commuter bus services in Prince William County.

The county benefits from a highly-skilled and highly-educated workforce. The current unemployment rate is 2.6% (as of May 2019), well below both the state and national averages of 3.0% and 2.6% respectively. Major corporate employers in Prince William County include such well-known companies like Micron Technologies, Lockheed Martin, General Dynamics, and US Foodservice. A pro-business community, Prince William County ranked #8 nationwide for job growth by CNN Money. Over the past decade, the county has experienced a 57% increase in the number of business establishments. The county has strategically positioned itself as a location for businesses seeking a location in the Mid-Atlantic region, with a favorable blend of large land parcels, multi-use zoned sites, incentives, reliable power and ample fiber optic availability, coupled with the lowest programmable computer taxes in the region.

Prince William County is home to the nation's highest concentration of programming and computer science talent and has experienced 5.5% engineering employment growth per year over the last five years. The county is also rated as one of the nation's Top 25 high-tech hot spots, with an annual growth of 2.8% hi-tech jobs, by Progressive Policy Institute and Jobs EQ. In 2016, Prince William County emerged as a major player in the data center industry by surpassing the 3.5 million SF threshold. The county's secure setting along with its strong fiber network, virtually zero latency, abundant and affordable power, and competitive energy rates make it one of the prime data center locations in the nation.

Prince William County also features a number of educational and research institutions. These include George Mason University, the National Center for Bio-Defense, two Northern Virginia Community College (NVCC) campuses, and several vocational and technical training centers. In addition, Innovation at Prince William Technology Park, is located in Prince William County. This Technology Park is a 1,500-acre business park anchored by the George Mason University life science campus and is a public-private partnership designed to encourage high-tech, biotech, and life science research and manufacturing in Prince William County. This strong presence of educational and research institutions is also reflected in the fact that over 42% of the county's workforce has a college degree, compared to the national average of 34%.



AREA OVERVIEW

MSA Overview

Washington DC MSA

Washington D.C. is one of the five most coveted MSA's in the U.S. for commercial real estate investment. Washington, D.C. and its close-in Virginia and Maryland submarkets constitute an urban environment of unique, vibrant neighborhoods connected by a comprehensive and multimodal mass transit system. As a direct result of the strong infrastructure and major employment generators, Washington is experiencing extensive growth in the residential, commercial, and entertainment sectors.

The nation's capital is widely recognized as one of the most progressive cultural and economic powerhouses in the nation. The region has remained one of the best-performing economies in the U.S. and is positioned to prosper in the years ahead. This is largely facilitated by it being one of the most dynamic economies in the US. The Greater Washington region has gained more than 275,000 jobs over the last decade, which is the greatest number of any metropolitan region in the country and has maintained unemployment rates consistently below the U.S. average.

"THE NATION'S CAPITAL HAS IT ALL . . . PLENTY OF COMPANIES LARGE AND SMALL, STRONG ECONOMY, LOW JOBLESS RATES AND, OF COURSE, A HUGE GOVERNMENTAL INFRASTRUCTURE." – DOW JONES & CO.'S





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CBRE

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Your receipt of this Memorandum constitutes your acknowledgement that (i) it is a confidential Memorandum solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property, (ii) you will hold it in the strictest confidence, (iii) you will not disclose it or its contents to any third party without the prior written authorization of the owner of the Property (“Owner”) or CBRE, Inc., and (iv) you will not use any part of this Memorandum in any manner detrimental to the Owner or CBRE, Inc.

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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