

OFFERING MEMORANDUM



\$3,734,000 | 6.00% CAP RATE

- » 100% Leased Two-Tenant Retail Asset
 - » New 10-Year Leases with Scheduled Rental Increases
 - » Corporate Leases to Notable National Tenants
- » High-Traffic Location with Immediate Freeway Access (Western Boulevard - 32,000 AADT)
- » Prominent Location in Dense Retail Corridor
 - » Outparcel to Power Center Featuring Marshalls, Old Navy, Michaels, Ashley Furniture, Pet Warehouse, and More
- » Near Schools, Hospitals, and Major Employers
 - » Close to Coastal Carolina Community College (4,030 Students), Onslow Memorial Hospital (162 Beds), and Marine Corps Bases Air Station New River and Camp Lejeune (66,000 Employees)
- » New 2019 Construction

ACTUAL SITE

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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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Leased Investment Team

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INVESTMENT SUMMARY

ADDRESS	1280 Western Boulevard, Jacksonville, NC
PRICE	\$3,734,000
CAP RATE	6.00% return
NOI	\$224,000
OCCUPANCY	100%
YEAR BUILT	2019
BUILDING SF	6,000 SF
PARCEL SIZE	1.06 acres (45,987 SF)
TENANTS	Aspen Dental and Sleep Number



ACTUAL SITE

100% LEASED TWO-TENANT RETAIL ASSET WITH STRONG CORPORATE LEASES

- » New 10-year leases for both tenants with rental increases every five (5) years
- » Corporate lease to national retailers
- » Aspen Dental practices are the fastest growing network of independently owned dental practices in the country, with approximately 100 new practices opening each year
- » The average Sleep Number store generated \$2.7 million in sales in 2018, averaging \$998 in sales per square foot

HIGH-TRAFFIC LOCATION IN DENSE RETAIL CORRIDOR

- » Excellent visibility and access to 35,000 vehicles per day directly in front of the property on Western Boulevard
- » Immediate access to U.S. Route 17, which experiences a high traffic count of 30,000 vehicles per day
- » Located in Jacksonville's primary retail corridor
- » Directly in front of Cross Pointe Centre, a power center which features a strong mix of well-known tenants, including Marshalls, Old Navy, Michaels, Ashley Furniture, Pet Warehouse, and more
- » Across from shopping centers tenanted by major national retailers like Target, Lowe's, PetSmart, Burlington, Bed Bath & Beyond, Kohl's, and several others

CENTRAL LOCATION WITH STRONG CUSTOMER BASE

- » Close to several schools, including Northside High School (1,168 students), Jacksonville Commons Middle School (875 students), Jacksonville Commons Elementary School (696 students), and Jacksonville High School (1,378 students)
- » Less than two miles from Coastal Carolina Community College, which has 4,030 students and 588 employees
- » Two miles from Onslow Memorial Hospital (162 beds and 1,250 employees)
- » Minutes from Marine Corps Bases Air Station New River and Camp Lejeune; these military bases are the largest employers in the region and are home to over 150,000 military personnel, military family members, and civilian employees

NEW 2019 CONSTRUCTION

- » High-quality construction scheduled to be completed in 2019
- » New building, limiting near-term deferred maintenance or capital costs

RENT ROLL

Tenant Name	Square Feet	% of Property	Lease Term		Current Rental Rates					Future Rental Rates					Recovery Type
			Start	End	Start	Monthly	PSF	Annual	PSF	Date	Monthly	PSF	Annual	PSF	
Aspen Dental	3,500	58.33%	Est. 12/1/19	10 Years	Current	\$10,646	\$3.04	\$127,750	\$36.50	Year 6	\$11,681	\$3.34	\$140,175	\$40.05	Net + 10% Admin Fee & CAM Costs
										Options - 3 Options at 5 Years					
									Year 11	\$12,851	\$3.67	\$154,210	\$44.06		
									Year 16	\$14,134	\$4.04	\$169,610	\$48.46		
									Year 21	\$15,549	\$4.44	\$186,585	\$53.31		
Sleep Number	2,500	41.67%	Est. 11/15/19	10 Years	Current	\$8,021	\$3.21	\$96,250	\$38.50	Year 6	\$8,823	\$3.53	\$105,875	\$42.35	Net + 10% Admin Fee & CAM Costs
										Options - 1 Option at 5 Years					
										Year 11	\$9,706	\$3.88	\$116,475	\$46.59	
TOTALS/AVERAGES	6,000					\$18,667	\$3.11	\$224,000	\$37.33						
Occupied SF	6,000	100.00%													
Available	0	0.00%													
Total SF	6,000	100.00%													



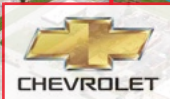
Carolina Forest
Elementary School
(853 students)



Jacksonville Commons
Elementary School
(696 students)

Jacksonville Commons
Middle School
(875 students)

Northside High School
(1,168 students)



Western Boulevard (32,000 AADT)





COASTAL CAROLINA COMMUNITY COLLEGE
(4,030 students and 300 employees)

Jacksonville Mall

jcpenny ULTA BEAUTY
bek BARNES & NOBLE .com
MODERN SOUTHERN STYLE. www.bn.com
sears amc THEATRES

Onslow
MEMORIAL HOSPITAL
(162 beds and 1,250 employees)

Red Lobster

HARBOR FREIGHT TOOLS
Quality Tools at Ridiculously Low Prices

FOOD LION

THE HOME DEPOT

17 /Highway 17
(12,000 AADT)

North Marine Boulevard
(26,000 AADT)

Walmart
Supercenter

LEJEUNE
Honda Cars
JACKSONVILLE

DICK'S
SPORTING GOODS
BEST BUY

Denny's

Hardee's

McDonald's

TEXAS ROADHOUSE

Wendy's
WAFFLE HOUSE
OUTBACK STEAKHOUSE

Cross Pointe Center

Marshalls LANE BRYANT
Michaels Where Creativity Happens
PET LOVER'S WAREHOUSE
Cracker Barrel Old Country Store
ZOGALLO

sleep number
AspenDental

Logan's
ROADHOUSE

LOWE'S
Home Improvement Warehouse

HOBBY LOBBY

SPIRIT HALLOWEEN

Western Boulevard
(32,000 AADT)

DUCK DONUTS
WITH DELICIOUS & HARD TO FIND!

CHEVROLET

U.S. Cellular

TARGET **ROSS** DRESS FOR LESS
PET SMART **FIVE BELOW**
BED BATH & BEYOND **at&t** **NOODLES COMPANY** **Arby's**
CHIPOTLE MEXICAN GRILL

Chick-fil-A

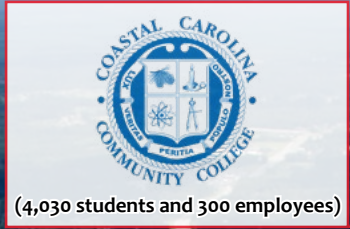
Olive Garden
ITALIAN KITCHEN

RACK ROOM SHOES
Burlington Coat Factory

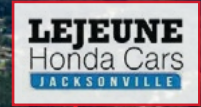
KOHL'S



Jacksonville Mall



North Marine Boulevard
(26,000 AADT)



Western Boulevard
(32,000 AADT)



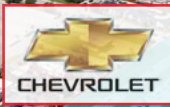
Jacksonville Commons
Middle School
(875 students)

Northside High School
(1,168 students)

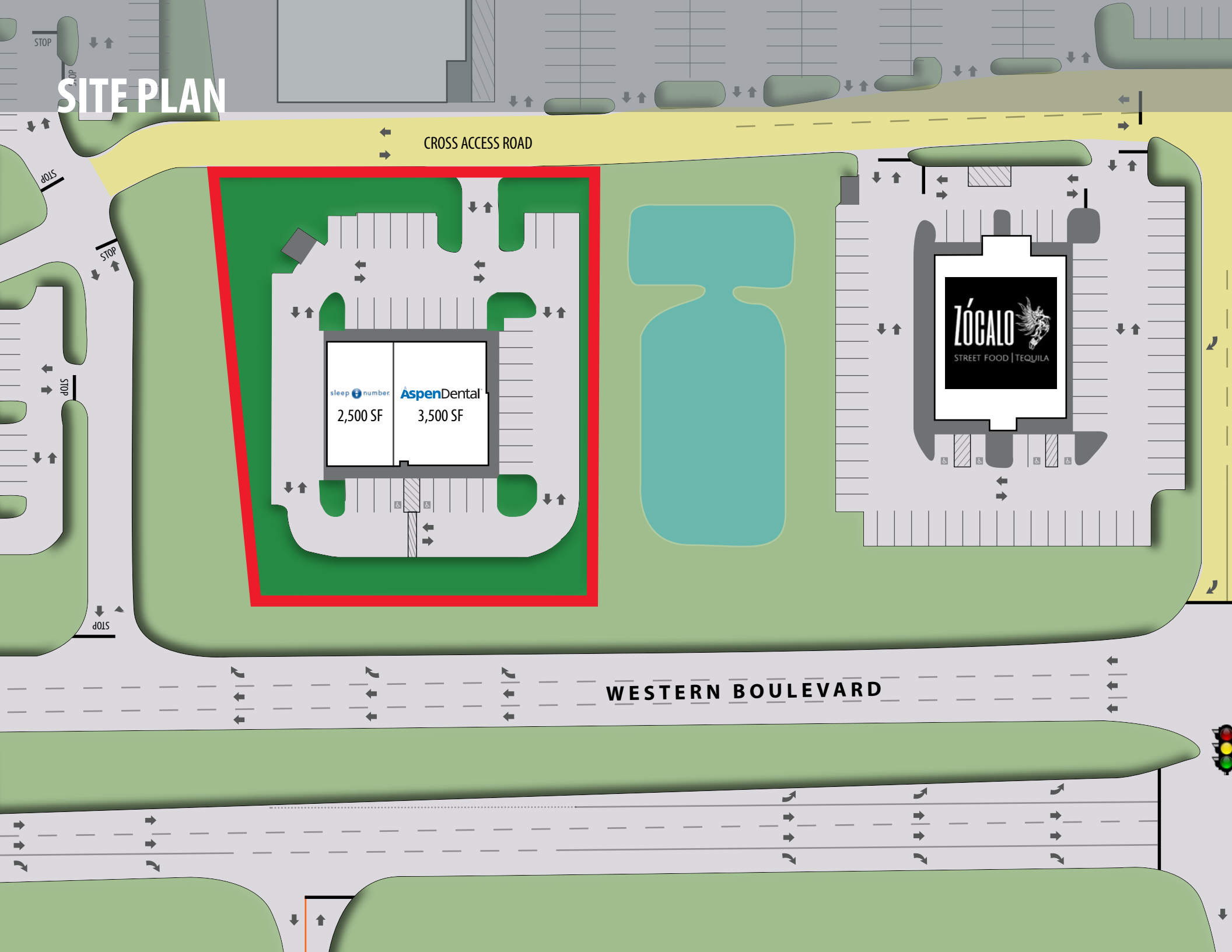




Jacksonville
High School
(1,372+ students)



SITE PLAN



TENANT SUMMARIES



Aspen Dental is a corporation offering complete dental care solutions, providing general and cosmetic dentistry and denture care for families and seniors in more than 750 practices in 39 states. Aspen Dental practices are the fastest growing network of independently owned dental practices in the country; currently, 75 to 100 new Aspen Dental practices open every year. The dentists at independently owned and operated Aspen Dental practices believe that patients deserve both choice and access when it comes to choosing a dental care provider. They're focused on removing barriers to care because they believe that everyone has the right to quality, affordable oral health care close to home. In 2018, Aspen Dental practices recorded more than 5 million patient visits, including 1 million new patients.

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

OWNERSHIP	Private	LOCATIONS	750+
HEADQUARTERS	Syracuse, NY	FOUNDED	1998

LEASE ABSTRACT

TENANT	Aspen Dental Management, Inc.	
ADDRESS	1280 Western Boulevard, Jacksonville, North Carolina	
RENT COMMENCEMENT	December 1, 2019 (Estimated)	
LEASE EXPIRATION	November 30, 2029 (Estimated)	
RENEWAL OPTIONS	Three (3) five (5) year options	
RENTAL INCREASES	YEAR 1-5 6-10 11-15 (Option 1) 16-20 (Option 2) 21-25 (Option 3)	RENT \$127,750 \$140,175 \$154,210 \$169,610 \$186,585
COMMON AREA COSTS	Tenant shall pay is proportionate share of CAM costs, which shall include a 10% administrative fee. CAM costs shall not increase more than 5% per year.	
REAL ESTATE TAXES	Tenant shall pay is proportionate share of taxes.	
INSURANCE	Tenant shall pay is proportionate share of insurance costs.	
REPAIR & MAINTENANCE	Tenant shall maintain all portions of the premises that are not the responsibility of Landlord.	
MAINTENANCE BY LANDLORD	Landlord shall maintain the exterior walls, roof, and structural portions of the premises.	
RIGHT OF FIRST REFUSAL	None	

TENANT SUMMARIES



Select Comfort, also known as Sleep Number, is a U.S.-based manufacturer that manufactures the Sleep Number and Comfortaire beds as well as foundations and bedding accessories. The company's signature product is the Sleep Number bed, an adjustable air mattress which allows individuals to adjust the firmness and support on each side of the mattress at the touch of a button. Sleep Number products are sold through over 580 stores located across the United States, direct marketing operations, and online at sleepnumber.com. Today, Sleep Number is the leader in sleep innovation and is the winner of J.D. Power's 2018 Mattress Satisfaction Report.

Sleep Number delivered 6% net sales growth in fiscal 2018 and a 24% increase in earnings per share. The average Sleep Number store generated \$2.7 million in sales in 2018, averaging \$998 in sales per square foot.

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

TICKER	NASDAQ: "SCSS"	LOCATIONS	580+
REVENUE	Minneapolis, MN	REVENUE	\$1.53B

LEASE ABSTRACT

TENANT	Select Comfort Retail Corporation d/b/a Sleep Number	
ADDRESS	1280 Western Boulevard, Jacksonville, North Carolina	
RENT COMMENCEMENT	November 15, 2019 (Estimated)	
LEASE EXPIRATION	November 14, 2029 (Estimated)	
RENEWAL OPTIONS	One (1) five (5) year option	
RENTAL INCREASES	YEAR 1-5 6-10 11-15 (Option 1)	RENT \$96,250 \$105,875 \$116,475
EARLY TERMINATION	Tenant has the right to terminate its lease if Tenant's annual gross sales are less than one million six hundred thousand dollars (\$1,600,000) during the fifth lease year and shall pay the Landlord the unamortized broker commissions and the unamortized costs of Landlord's Work for the remainder of the Term.	
COMMON AREA COSTS	Tenant shall pay its proportionate share of CAM costs, which shall include a 10% administrative fee. CAM costs shall not increase more than 5% per year.	
REAL ESTATE TAXES	Tenant shall pay is proportionate share of taxes.	
INSURANCE	Tenant shall pay is proportionate share of insurance costs.	
REPAIR & MAINTENANCE	Tenant shall maintain all portions of the premises that are not the responsibility of Landlord.	
MAINTENANCE BY LANDLORD	Landlord shall maintain the exterior walls, roof, and structural portions of the premises.	
RIGHT OF FIRST REFUSAL	None	

PROPERTY OVERVIEW

LOCATION

The property is on Western Boulevard, with excellent visibility and access to 35,000 vehicles per day directly in front of the property. Western Boulevard provides immediate access to U.S. Route 17, which experiences a high traffic count of 30,000 vehicles per day. The property is located in front of Cross Pointe Centre, a power center which features a strong mix of well-known tenants, including Marshalls, Old Navy, Michaels, Ashley Furniture, Pet Warehouse, and more. Located in Jacksonville's primary retail corridor, the property is directly across from shopping centers tenanted by major national retailers like Target, Lowe's, PetSmart, Burlington, Bed Bath & Beyond, Kohl's, and several others. The property is also within walking distance of large retail plazas featuring Walmart Supercenter, Sam's Club, Best Buy, Dick's Sporting Goods, Hobby Lobby, and Home Depot. Within minutes of the property is Jacksonville Mall, anchored by Belk, JCPenney, Sears, and AMC Theatres.

The property is centrally located near schools, hospitals, and major employers. Several schools are close to the property, including Northside High School (1,168 students), Jacksonville Commons Middle School (875 students), Jacksonville Commons Elementary School (696 students), and Jacksonville High School (1,378 students). The property is also less than two miles from Coastal Carolina Community College, which has 4,030 students and 588 employees. The 162-bed Onslow Memorial Hospital, approximately two miles from the property, employs 1,250 people. The property benefits from its proximity to Marine Corps Bases Air Station New River and Camp Lejeune; these military bases are the largest employers in the region and are home to over 150,000 military personnel, military family members, and civilian employees, providing a strong customer base for the property. Additionally, the property is located near multiple residential neighborhoods and is in a prime position to benefit from future growth in Jacksonville, one of the nation's fastest-growing cities.

ACCESS

Interparcel access from Western Boulevard

TRAFFIC COUNTS

Western Boulevard:	35,000 AADT
U.S. Route 17:	30,000 AADT

PARKING

44 parking stalls in parcel, including two (2) handicap stalls, plus ample cross-access parking

BUILDING SF

6,000 SF

YEAR BUILT

2019

NEAREST AIRPORT

Coastal Carolina Regional Airport (EWN)



2019

YEAR
BUILT



35K

TRAFFIC
COUNT (AADT)



NEAREST AIRPORT

COASTAL CAROLINA
REGIONAL AIRPORT

AREA OVERVIEW

Jacksonville has a population of 72,896 and is the 14th largest city in North Carolina. It is the county seat of Onslow County and the principal city of the Jacksonville Metropolitan Statistical Area (MSA). Onslow County has a population of 197,683 people and is North Carolina's 13th most populous county. It is one of the fastest-growing regions in the nation. Additionally, Jacksonville is the commercial and cultural hub of Onslow County, with a strong economy fueled by a skilled workforce and a strong military presence. Jacksonville is home to Marine Corps Bases Camp Lejeune and Air Station New River, which have a combined population of over 150,000 military personnel, civilian employees, military family members, and retirees; the military contributes over \$3.5 billion annually to the regional economy. The Jacksonville region also has a robust tourism sector, a growing regional retail sector, and a long tradition in agri-business enterprises; agriculture remains a major economic factor in Onslow County, with gross agricultural income for 2016 estimated at \$152 million.

- » Demographically, Jacksonville is one of the youngest cities in the U.S.
- » Marine Corps Base Camp Lejeune is the largest marine installation on the East Coast. Camp Lejeune is the home of Marine Corps Installations East, the regional command for Marine bases located on the East Coast.
- » Marine Corps Air Station New River is a United States Marine Corps helicopter and tilt-rotor base that serves as the Marine Corps' training center for the MV-22 "Osprey" aircraft.
- » The Onslow County School System is the 12th largest school system in North Carolina; it serves approximately 26,500 students at its 37 schools.

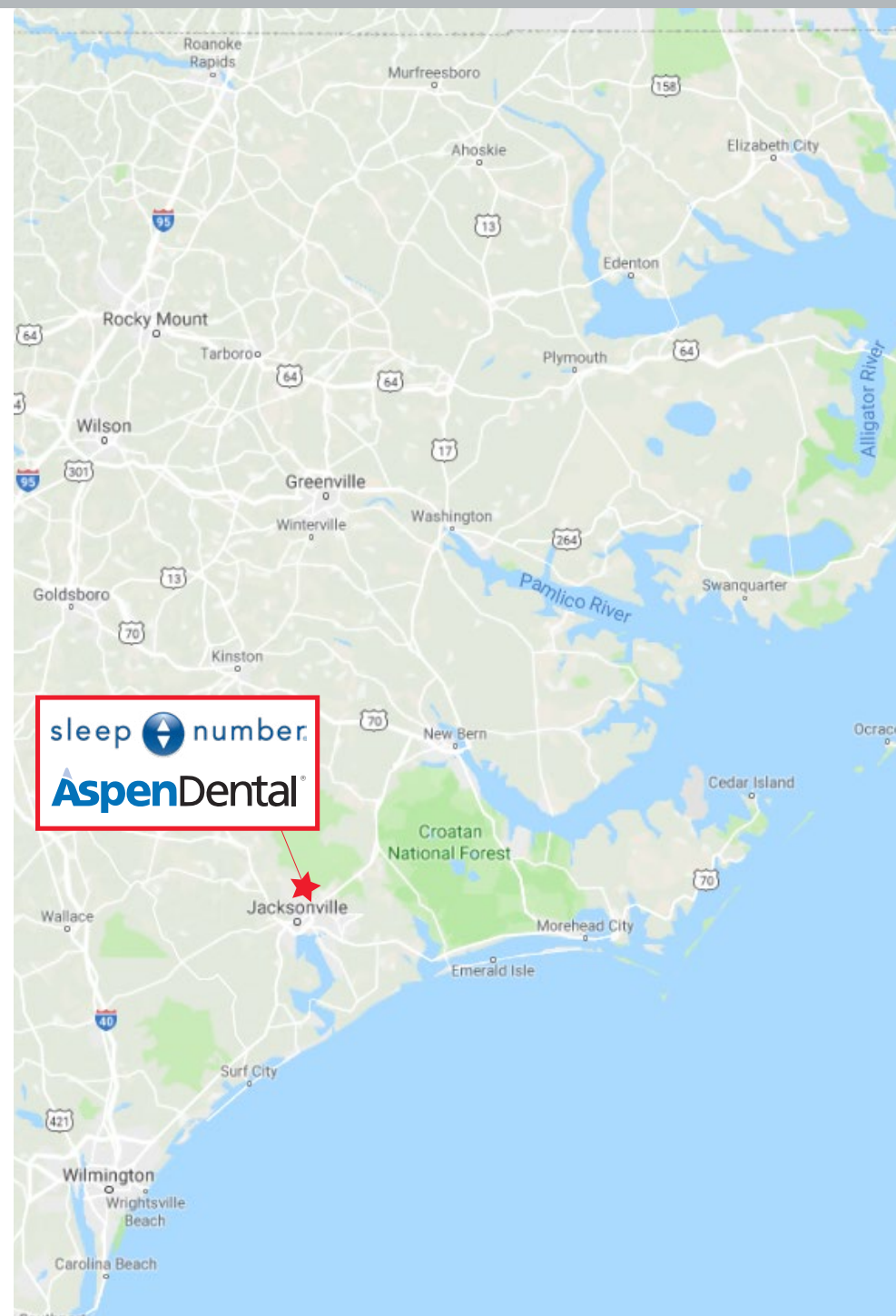
MAJOR EMPLOYERS IN ONSLOW COUNTY	# OF EMPLOYEES
DEPARTMENT OF DEFENSE	59,337
MARINE CORPS COMMUNITY SERVICES	6,500
ONSLow COUNTY BOARD OF EDUCATION	3,025
ONSLow MEMORIAL HOSPITAL	1,250
WALMART	1,206
COUNTY OF ONSLOW	1,196
CONVERGYS CUSTOMER MANAGEMENT GROUP	600
COASTAL CAROLINA COMMUNITY COLLEGE	588
CITY OF JACKSONVILLE	567
ALORICA	550



DEMOGRAPHIC PROFILE

2019 SUMMARY	1 Mile	3 Miles	5 Miles
Population	5,870	46,095	80,848
Households	2,356	17,600	28,901
Families	1,623	12,309	20,896
Average Household Size	2.47	2.58	2.65
Owner Occupied Housing Units	1,049	9,062	14,327
Renter Occupied Housing Units	1,307	8,539	14,574
Median Age	28.5	29.6	27.7
Average Household Income	\$71,019	\$65,029	\$61,976

2024 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	6,392	49,259	85,251
Households	2,562	18,762	30,448
Families	1,760	13,080	21,941
Average Household Size	2.48	2.59	2.66
Owner Occupied Housing Units	1,138	9,733	15,304
Renter Occupied Housing Units	1,425	9,029	15,144
Median Age	30.6	31.4	28.5
Average Household Income	\$78,060	\$71,963	\$68,901



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