

#FERGUSON®

2520 US Highway 98 Lakeland, FL 33805 OFFERING MEMORANDUM







INVESTMENT HIGHLIGHTS

<u>Committed Tenant</u> – Ferguson has been operating out of this location for over 15 years. This facility has been a successful plumbing supply location for **over 30 years** as Ferguson purchased the local operator's business in 2006. Ferguson has 6 years remaining on the lease after executing a **5-year lease extension** at the end of 2018.

<u>Strategic Location</u> – This facility has frontage on US Hwy 98N (+/- 40,000 VPD) and located less than a mile from the I-4 (+/- 70,000 VPD), which is the main highway connecting Tampa and Orlando, FL.

<u>Orlando/Tampa</u> – The Lakeland metro is strategically located between Orlando and Tampa, as well as in the center of the Florida peninsula. This positioning makes it well-suited for a regional distribution hub.

New TPO Roof — This 6,200 sq. ft. concrete block and metal facility includes 2,518 sq. ft. of warehouse space and a 3,682 sq. ft. air-conditioned show room. A new TPO roof was put on in 2018 with a **20-year warranty (Duro-Last)**. The building features one (1) front dock-high door and one (1) loading dock on the back of the building

Low Coverage (10%) – The 6,200 sq. ft. building sits on a large 1.36 acre (59,346 sq. ft.). This very low 10% coverage ratio allows for abundant space for outside storage.

<u>Active Market</u> – Ferguson is located 2 miles from downtown Lakeland with very active neighboring tenants such as USPS, McDonald's, Dunkin' Donuts, Home Depot, Popeyes, AutoZone, U-Haul, Denny's, Burger King, Waffle House, several hotels, and much more.

Strong Tenant- Ferguson Enterprises is the **largest U.S distributor** of plumbing supplies, PVF, waterworks and fire and fabrication products; Third largest distributor of industrial and HVAC/R products. In the past 65 years, Ferguson has grown to a **+/- 17 Billion-dollar Revenue company** with more than 1,400 locations and over 27,000 associates nationwide.



TENANT SUMMARY

Tenant	Ferguson
Guarantor	Ferguson Enterprises, Inc
Guarantor Info	1,400+ Locations; +/- \$17B Revenue
Lease Expiration	1/31/25
Term Remaining	(+/-) 6 Years
Renewal Options	1, 5-year option
Lease Type	NN
Landlord Responsibilities	Roof/Structure/Building Utility Systems

Utilities, Taxes, Insurance; Maintain the interior, non-structural portions, all other portions that are not responsibility of Landlord, in good condition and repair

\$872,000 Price **Cap Rate** 7.50%

RENT ROLL

Lease Year	Dates	Monthly	Annual	Rent/SF	Cap Rate
Year 1	Current - 1/31/2020	\$4,200.00	\$50,400.00	\$8.13	5.78%
Year 2	2/1/2020 - 1/31/2021	\$5,450.00	\$65,400.00	\$10.55	7.50%
Year 3	2/1/2021 - 1/31/2022	\$5,450.00	\$65,400.00	\$10.55	7.50%
Year 4	2/1/2022 - 1/31/2023	\$5,450.00	\$65,400.00	\$10.55	7.50%
Year 5	2/1/2023 - 1/31/2024	\$5,450.00	\$65,400.00	\$10.55	7.50%
Year 6	2/1/2024 - 1/31/2025	\$5,450.00	\$65,400.00	\$10.55	7.50%

Tenant Responsibilities

Lease Year	Dates	Monthly	Annual	Rent/SF	Cap Rate
Year 7	2/1/2025 - 1/31/2026	\$5,722.50	\$68,670.00	\$11.08	7.88%
Year 8	2/1/2026 - 1/31/2027	\$5,722.50	\$68,670.00	\$11.08	7.88%
Year 9	2/1/2027 - 1/31/2028	\$5,722.50	\$68,670.00	\$11.08	7.88%
Year 10	2/1/2028 - 1/31/2029	\$5,722.50	\$68,670.00	\$11.08	7.88%
Year 11	2/1/2029 - 1/31/2030	\$5,722.50	\$68,670.00	\$11.08	7.88%











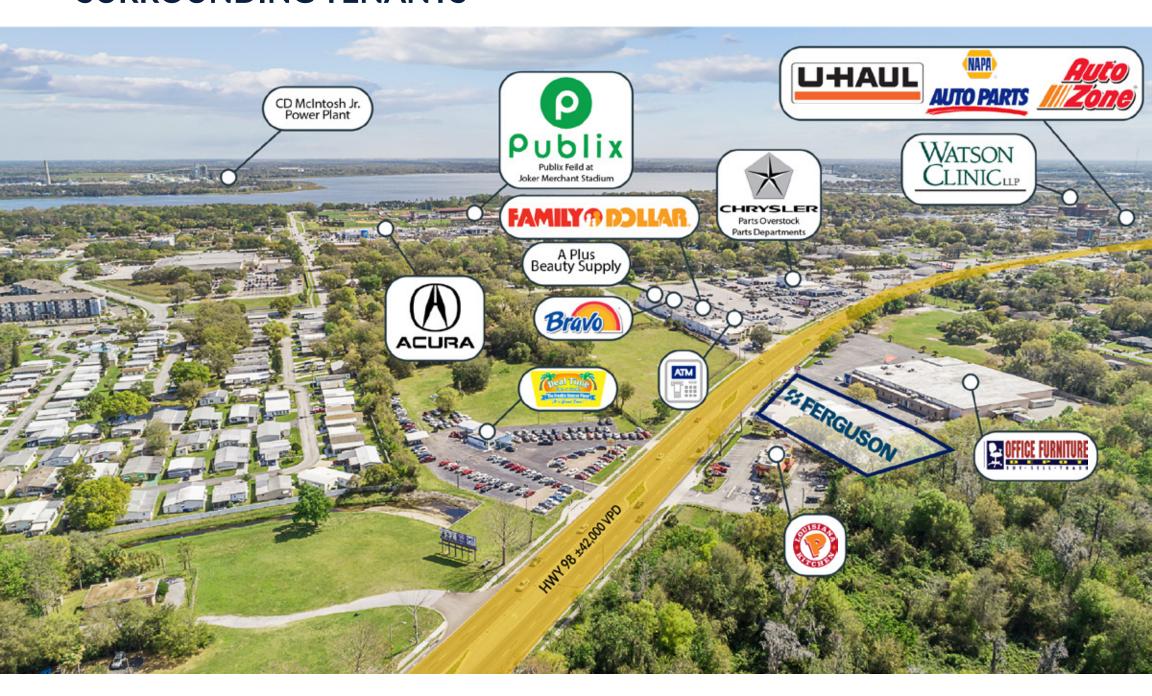
TENANT OVERVIEW

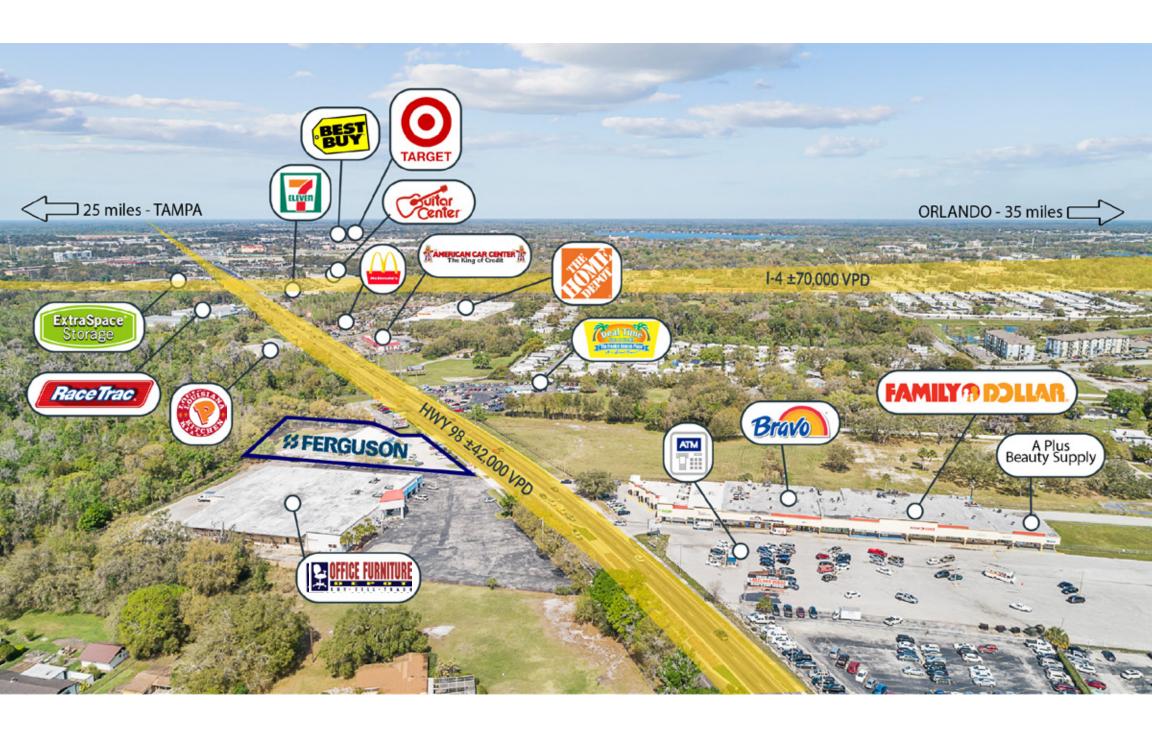
Ferguson raises the bar for industry standards as the top-rated wholesale supplier of commercial and residential plumbing supplies. However, our expertise goes beyond plumbing. We are a diverse distributor that spans multiple businesses including HVAC/R, waterworks and industrial. In the past 64 years, we've grown from a local distributor to a \$17 billion dollar company with more than 1,400 locations and over 24,000 associates nationwide. We pride ourselves on delivering world-class service and our customers know that "Nobody expects more from us than we do" is more than just a tagline to Ferguson associates. It's a cultural belief that is demonstrated every day through exceptional customer service, product selection and industry knowledge.

MARKET POSITION

- Largest U.S. distributor of plumbing supplies, PVF, waterworks and fire and fabrication products
- Third largest distributor of industrial and HVAC/R products

SURROUNDING TENANTS







THE OFFERING



Property Name Ferguson

Property Address

2520 US Highway 98, Lakeland, FL 33805

SITE DESCRIPTION

Type of Ownership	Fee Simple
Acres	± 1.37 AC
Total SF	± 6,200 SF
Built	±1987
Building Coverage Ratio	10%

CONSTRUCTION

AC Portion Show Room	± 3,682 SF (59%)
Warehouse	± 2,518 SF (41%)
Front Dock-High Door	1
Back Loading Dock	1
Construction	Concrete Block/Metal
Roof	New TPO & Standing Seam



LAKELAND, FL

Lakeland is a vibrant community conveniently located along I-4 between Tampa and Orlando. With a population just over 100,000, the city limits cover 74.4 square miles. Lakeland has many lakes that are community focal points, providing scenic areas for recreation. In fact, much of Lakeland's culture and iconic neighborhoods are built around the 38 named lakes found in the community.

Downtown Lakeland is a vital and enjoyable place for residents and visitors. It has been dubbed "Lakeland's living room" and truly embodies the community spirit of Lakeland. There are quaint shops, casual restaurants, pubs, craft breweries and fine-dining experiences to be found in and around the historic brick buildings that surround the historic Munn Park town square.

The City embraces its past and that is evident strolling the tree lined, brick streets in the historic neighborhoods found throughout Lakeland. The area is home to Southeastern University, Florida Polytechnic University, Polk State College's Lakeland campus, and Florida Southern College, which hosts the largest on-site collection of Frank Lloyd Wright architecture.

LOCAL ECONOMY

Lakeland is also strong on the business front and boasts a number of notable corporate and mom-and-pop shops and restaurants. The community is the corporate home to Publix Supermarkets, one of the nations leading grocers, and Saddle Creek Logistics. Lakeland also houses regional hubs or distribution centers for GEICO Insurance, Amazon, Rooms to Go, Well Dyne, Advanced Auto Parts, Southern Wine & Spirits, FEDEX Corporate Services, O'Reilly Auto Parts, Lockheed Martin and Pepperidge Farm.

POPULATION

	1-Mile	3-Mile	5-Mile
2010 Census	8,756	51,549	128,384
2019 Estimate	9,497	59,158	146,414
2024 Projection	9,984	63,236	156,296
Growth 2019-2024	5.13%	6.89%	6.75%

HOUSEHOLDS

	1-Mile	3-Mile	5-Mile
2010 Census	3,152	20,874	50,972
2019 Estimate	3,394	23,651	57,489
2024 Projection	3,568	25,232	61,247
Growth 2019-2024	5.13%	6.68%	6.54%

INCOME

	1-Mile	3-Mile	5-Mile
Average HH Income	\$41,253	\$53,569	\$61,099

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the **Ferguson** located at **2520 US HWY 98 N**, **Lakeland**, **FL 33805** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

The Offering Memorandum and its contents are confidential;

You will hold it and treat it in the strictest of confidence; and

You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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