

Harbor Freight Tools

2029 Highway 90
Gautier, MS 39553

LIQUIDATION SALE
FRI - SUN JAN 10.11.12

HARBOR FREIGHT
QUALITY TOOLS LOWEST PRICES

OFFERING MEMORANDUM

Harbor Freight Tools

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OFFERING SUMMARY

PRICE	\$1,320,000
CAP RATE	8.07 %
NOI	\$106,500
TENANT	Harbor Freight
LEASE TYPE	NNN
LEASE TERM REMANING	8 Years
LOCATIONS	1,000+

PROPERTY SUMMARY

ADDRESS	2029 Highway 90, Gautier, MS, 39553
COUNTY	Jackson
BUILDING SF	15,000
LAND ACRES	1.3456
YEAR RENOVATED	2019
TRAFFIC COUNTS	35000
PARCEL NUMBER	82436055.170
LANDLORD RESPONSIBILITIES	Roof & Structure
PARKING RATIO	3:1000
ZONING TYPE	Commercial
OWNERSHIP TYPE	Fee Simple



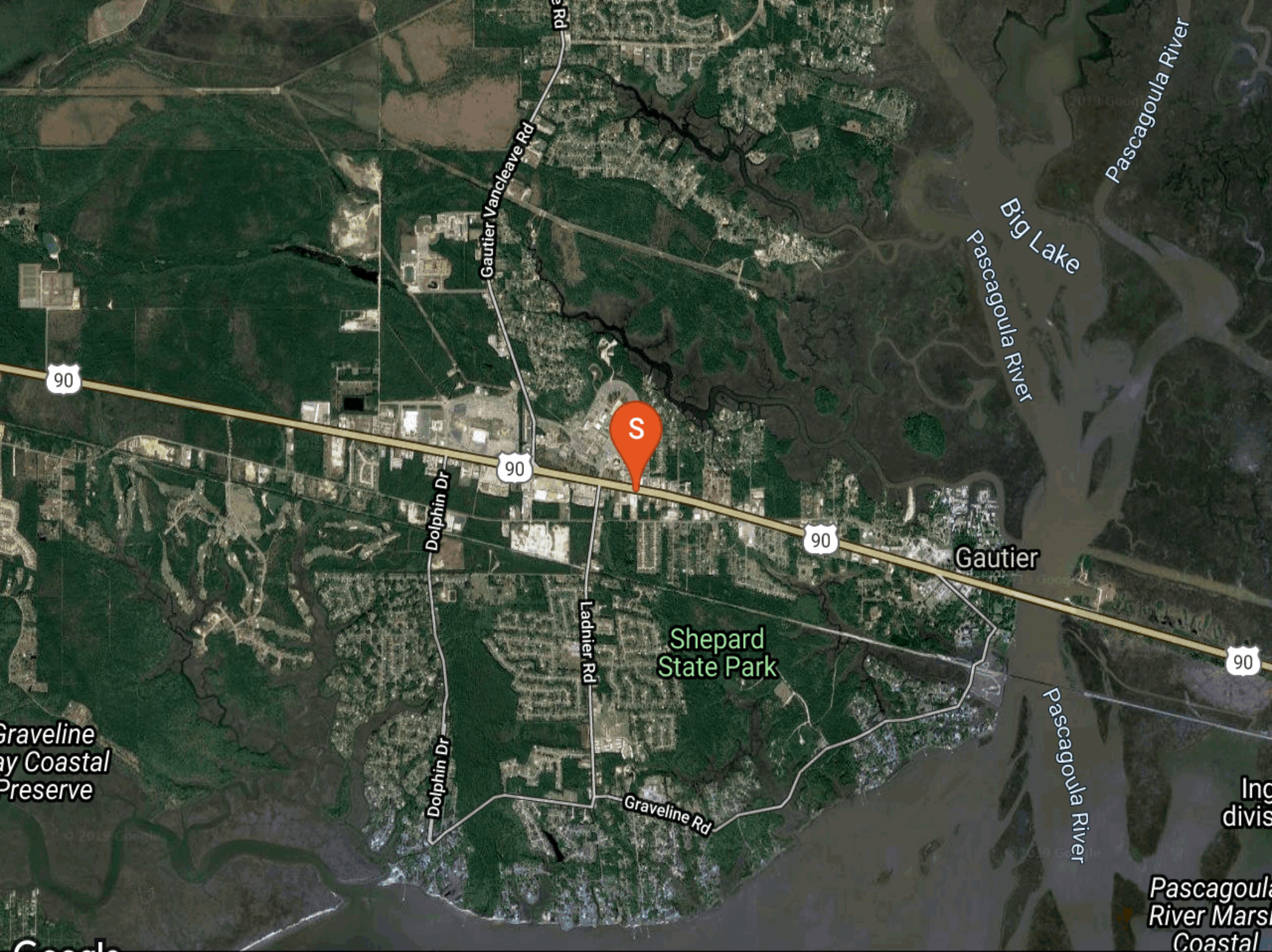


Investment Highlights

- Eight Years Remaining on Primary Term
- 2 Years of Strong Sales History
- Very Low PSF Rental Rate of \$6.10
- 5 Five Year Options to Renew
- Well Located on U.S Highway 90 (35,000 ATD)
- Harbor Freight Tools is Rated Ba3 (Moody's)
- Annual Sales Tax Rebate/Credit
- 20 Year Roof Warranty
- Newly Renovated for Tenant











View to West



View to East



HARBOR FREIGHT

QUALITY TOOLS. LOWEST PRICES.

LIQUIDATION SALE

THU - SUN 10AM TO 11 PM

STOP

HARBOR FREIGHT

QUALITY TOOLS LOWEST PRICES

LIQUIDATION SALE
FRI - SUN JAN 10, 11, 12

029

HARBOR FREIGHT

QUALITY TOOLS LOWEST PRICES

HEADQUARTERS	Calabasas, California
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YEAR FOUNDED	1977
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OWNERSHIP	Private
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WEB SITE	www.harborfreight.com
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LOCATIONS	1,000+
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REVENUE	5 Billion +
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NUMBER OF EMPLOYEES	20000
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BRAND PROFILE

Harbor Freight Tools is a retailer of tools in 48 states. The company offers a range of products, including hand tools, power tools, engines and generators, welding equipment, material handling implements, and tools and equipment for automotive and motorcycle repair. It operates 1,000 stores across the U.S. and employs 20,000 people.

LEASE ABSTRACT

TENANT	Harbor Freight
EXPIRATION DATE	2/29/2028
LEASE TERM REMAINING	8 Years
RENEWAL OPTIONS	5
CURRENT RENT	\$106,500

RENT	CURRENT RENT	\$106,500/Year	
	Rent Schedule		
	YEAR 1-5	\$91,500/Year	\$7,625/Month
	YEAR 6-10	\$91,500/Year	\$7,625/Month
	OPTION 1 (YEAR 11-15)	\$100,650/Year	\$8,388/Month
	OPTION 2 (YEAR 16-20)	\$110,700/Year	\$9,225/Month
	OPTION 3 (YEAR 21-25)	\$121,800/Year	\$10,150/Month
	OPTION 4 (YEAR 26-30)	\$133,950/Year	\$11,163/Month
	OPTION 5 (YEAR 31-35)	\$147,300/Year	\$12,275/Month

LEASE STRUCTURE

LEASE TYPE	NNN
ROOF	Landlord
STRUCTURE	Landlord
HVAC	Tenant
CAM	Tenant
PARKING	Tenant
PROPERTY TAXES	Tenant
UTILITIES	Tenant
INSURANCE	Tenant



Location Highlights

- 35,000 ADT
- 21,057 population in 5 mile radius



POPULATION

1 MILE	3 MILE	5 MILE
3,471	13,099	21,057



AVERAGE HOUSEHOLD INCOME

1 MILE	3 MILE	5 MILE
\$52,899	\$58,682	\$62,018

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	3,939	13,116	17,994
2010 Population	3,492	12,999	19,914
2019 Population	3,471	13,099	21,057
2024 Population	3,496	13,265	21,538
2019 African American	1,432	4,619	6,369
2019 American Indian	16	65	123
2019 Asian	58	204	332
2019 Hispanic	363	1,154	1,699
2019 Other Race	147	430	675
2019 White	1,705	7,396	12,978
2019 Multiracial	112	380	567
2019-2024: Population: Growth Rate	0.70 %	1.25 %	2.25 %

2019 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	257	765	1,033
\$15,000-\$24,999	135	484	689
\$25,000-\$34,999	160	585	846
\$35,000-\$49,999	243	966	1,747
\$50,000-\$74,999	221	902	1,328
\$75,000-\$99,999	97	591	879
\$100,000-\$149,999	121	436	756
\$150,000-\$199,999	60	215	357
\$200,000 or greater	5	63	143
Median HH Income	\$39,731	\$44,176	\$45,183
Average HH Income	\$52,899	\$58,682	\$62,018

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	1,531	5,166	7,064
2010 Total Households	1,303	4,937	7,343
2019 Total Households	1,301	5,008	7,778
2024 Total Households	1,315	5,088	7,970
2019 Average Household Size	2.66	2.60	2.69
2000 Owner Occupied Housing	958	3,444	4,832
2000 Renter Occupied Housing	450	1,348	1,674
2019 Owner Occupied Housing	799	3,198	5,106
2019 Renter Occupied Housing	503	1,810	2,673
2019 Vacant Housing	188	886	1,290
2019 Total Housing	1,489	5,894	9,068
2024 Owner Occupied Housing	805	3,267	5,266
2024 Renter Occupied Housing	510	1,822	2,705
2024 Vacant Housing	208	951	1,386
2024 Total Housing	1,523	6,039	9,356
2019-2024: Households: Growth Rate	1.05 %	1.60 %	2.45 %



2019 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2019 Population Age 30-34	233	903	1,479
2019 Population Age 35-39	241	882	1,433
2019 Population Age 40-44	207	793	1,348
2019 Population Age 45-49	208	797	1,313
2019 Population Age 50-54	174	771	1,278
2019 Population Age 55-59	205	800	1,278
2019 Population Age 60-64	210	809	1,243
2019 Population Age 65-69	200	727	1,079
2019 Population Age 70-74	157	587	864
2019 Population Age 75-79	103	391	571
2019 Population Age 80-84	59	229	328
2019 Population Age 85+	46	169	231
2019 Population Age 18+	2,559	9,800	15,756
2019 Median Age	37	37	37

2019 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$39,193	\$43,625	\$45,196
Average Household Income 25-34	\$51,565	\$58,804	\$62,743
Median Household Income 35-44	\$45,161	\$48,992	\$50,526
Average Household Income 35-44	\$58,856	\$63,821	\$68,565
Median Household Income 45-54	\$44,837	\$48,961	\$47,627
Average Household Income 45-54	\$59,054	\$66,072	\$67,956
Median Household Income 55-64	\$44,156	\$51,794	\$50,672
Average Household Income 55-64	\$57,986	\$63,571	\$64,438
Median Household Income 65-74	\$40,557	\$43,260	\$43,880
Average Household Income 65-74	\$51,976	\$54,312	\$58,483
Average Household Income 75+	\$41,004	\$43,474	\$45,476

2024 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2024 Population Age 30-34	217	913	1,684
2024 Population Age 35-39	231	919	1,528
2024 Population Age 40-44	245	890	1,427
2024 Population Age 45-49	206	781	1,288
2024 Population Age 50-54	204	777	1,245
2024 Population Age 55-59	172	745	1,204
2024 Population Age 60-64	194	754	1,182
2024 Population Age 65-69	193	738	1,114
2024 Population Age 70-74	171	624	910
2024 Population Age 75-79	127	488	698
2024 Population Age 80-84	75	298	418
2024 Population Age 85+	52	202	277
2024 Population Age 18+	2,571	9,912	16,089
2024 Median Age	38	38	37

2024 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$42,511	\$48,750	\$50,038
Average Household Income 25-34	\$58,061	\$66,799	\$72,784
Median Household Income 35-44	\$52,044	\$56,146	\$58,356
Average Household Income 35-44	\$67,478	\$73,801	\$78,994
Median Household Income 45-54	\$52,014	\$55,102	\$53,207
Average Household Income 45-54	\$68,495	\$75,753	\$77,987
Median Household Income 55-64	\$49,428	\$57,251	\$55,577
Average Household Income 55-64	\$65,253	\$72,404	\$73,157
Median Household Income 65-74	\$44,324	\$47,539	\$47,744
Average Household Income 65-74	\$58,654	\$61,898	\$65,956
Average Household Income 75+	\$45,121	\$48,476	\$50,861

Harbor Freight Net Rent	\$	91,500	
Cap Rate		7.75%	
Property Value	\$		1,180,645
Sales Tax Rebate Est.			
Year 1	\$	15,375	
Year 2	\$	15,759	
Year 3	\$	16,153	
Year 4	\$	16,557	
Year 5	\$	16,971	
Year 6	\$	17,395	
Year 7	\$	17,830	
Year 8	\$	18,276	
Year 9	\$	18,733	
Year 10	\$	19,201	
Year 11	\$	19,681	
Year 12	\$	20,173	
Year 13	\$	20,678	
Total	\$	232,784	
Discount Rate		7.75%	
Present Value			\$139,875
Sale Price	\$		1,320,520

Sales Tax Rebate is estimated as follows;
the rebate for the 1st 10 months of operations was
\$14,583.46 from \$3,386,874.91 in taxable sales. The rebate
for the second year was \$15,018.56 based on \$3,487,923
of taxable sales.
We applied a 2.5% increase each year going forward to
account for inflation and same store sales increases.
Then we applied a 7.75% discount rate to the present value.

