

OFFERING MEMORANDUM

MATTRESS FIRM

An aerial photograph of a retail center. In the foreground, a Mattress Firm store is visible, with its name on the building. Behind it is a large parking lot filled with cars. Further back, a long strip of retail stores is visible, including Ross Dress for Less, Bed Bath & Beyond, and World Market. The area is surrounded by trees and a road with a few cars is in the immediate foreground.

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TABLE OF CONTENTS

01

EXECUTIVE SUMMARY // 07

02

PROPERTY DESCRIPTION // 13

03

FINANCIAL ANALYSIS// 19

04

MARKET OVERVIEW // 25

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The background of the slide is a dark blue gradient. On the left and right sides, there are vertical panels showing a blurred aerial view of a waterfront. The left panel shows a modern building with a glass facade and a parking lot with many cars. The right panel shows a body of water with several boats and a line of trees in the background. In the center of the slide, there is a white line that starts from the top, goes down, and then branches out horizontally to the left and right, forming a T-shape.

section 1

Executive Summary

offering summary

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investment overview

.....

investment highlights

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OFFERING SUMMARY

MATTRESS FIRM

 \$ 1,950,000

Rentable Square Feet	4,000 SF
Price Per Square Feet	\$ 487.50
Lot Size	0.88 Acres
Cap Rate	8.00 %
Year Built	2014



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Mattress Firm

946 Orleans Rd | Charleston, SC 29407

Mattress Firm occupies a 4,000 square-foot building with very attractive 2014 construction situated on 0.88 acres. There are approximately 5 years left on the NN lease with two, 5-year renewal options. The property is ideally located directly across the street from Citadel Mall, with nearby national tenants including Target, CVS, Bed Bath and Beyond, Cost Plus World Market, Sally Beauty and many others.

Located along the Atlantic seaboard, the Charleston metro encompasses Charleston, Berkeley and Dorchester counties in southeastern South Carolina. A favorable business climate is helping draw companies and workers to the region. Vehicle manufacturing in particular is growing with recent expansions at Mercedes-Benz and Volvo. The metro population has grown by roughly 243,000 people since 2000 and the market is forecast to receive another 75,000 people through 2024. Charleston is the largest city in the metro with 142,000 residents, followed by North Charleston with 109,800

INVESTMENT HIGHLIGHTS

Located in Dominant Retail Corridor

Nearby I-526 Traffic Exceeds 65,000 VPD

5-Mile Population Exceeds 125,000

Directly Across from Citadel Mall

5-Years left on NN Lease



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section 2

Property Description



local map



retail map



regional map



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VPD: ♦ 65,000

IMAX
THEATRE

MATTRESS
FIRM

Citadel Mall



PINK

Dillard's

Sears



LOFT



COSTCO
WHOLESALE

MUSIC Community
Training Center



America's
MATTRESS

PETSMART

Party City

Saints Market

SALLY BEAUTY



Once upon a child

BED BATH &
BEYOND



WELLS
FARGO

Michaels

North Charleston

Mattress
Firm

Charelston





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The background of the slide is a dark blue gradient. On the left and right sides, there are vertical panels showing an aerial view of a waterfront building and marina. The building is a modern, multi-story structure with a glass facade. The marina is filled with numerous sailboats and yachts. The water is a deep blue, and the sky is a lighter blue. The overall aesthetic is professional and modern.

section 3

Financial Analysis

operating statement

.....

rent roll

.....

tenant summary

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Pricing Detail // *MATTRESS FIRM*

Summary

Price	\$ 1,950,000
Price Per Sq Ft	\$ 487.50
Gross Leasable Area	4,000 SF
Lot Size	0.88 Acres
Year Built/Renovated	2014
NOI as of 2020	\$ 156,200
CAP Rate	8.0%

Rent Schedule

Year	Annual Rent	Monthly Rent	Rent/SF	CAP Rate
Current	\$ 156,200	\$ 13,017	\$ 39.05	8.0%
Option 1	\$ 171,840	\$ 14,320	\$ 42.96	8.81%
Option 2	\$ 189,040	\$ 15,753	\$ 47.26	9.69%



Lease Summary	
Property Subtype	Net Leased Miscellaneous
Tenant	Mattress Firm, INC
Rent Increases	10% each Option
Guarantor	Corporate Guarantee
Lease Type	NN
Lease Commencement	March 1, 2014
Lease Expiration	February 28, 2025
Lease Term	11
Term Remaining on Lease (Years)	5.0
Renewal Options	N/A
Landlord Responsibility	Roof and Structure
Tenant Responsibility	Taxes, Utilities, Insurance
Right of First Refusal/Offer	No

Founded in 1986, Mattress Firm strives to help customers find the beds they want at the price that fits their budget. Today, Mattress Firm has grown to be America's largest specialty mattress retailer, with neighborhood stores in 49 states across the country and a passion for helping people find the right bed. Mattress Firm helps customers' budget stretch further with a broad selection of mattresses and bedding accessories from leading manufacturers and brand names, including Serta, Simmons, tulo, Sleepy's, Chattam & Wells and Purple. In 2016, Mattress Firm was acquired by Steinhoff International Holdings, N.V. Committed to serving its communities, the Mattress Firm Foster Kids initiative, a program of the Ticket to Dream Foundation, hosts six collection drives a year in communities nationwide to ensure that foster children have the resources needed to succeed.





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section 4

Market Overview



location overview



market research



demographics

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CHARLESTON, SC

POPULATION

134,385

City Of CHARLESTON

Located along the Atlantic seaboard, the Charleston metro encompasses Charleston, Berkeley and Dorchester counties in southeastern South Carolina. A favorable business climate is helping draw companies and workers to the region. Vehicle manufacturing in particular is growing with recent expansions at Mercedes-Benz and Volvo. The metro population has grown by roughly 243,000 people since 2000 and the market is forecast to receive another 75,000 people through 2024. Charleston is the largest city in the metro with 142,000 residents, followed by North Charleston with 109,800.

Metro Highlights

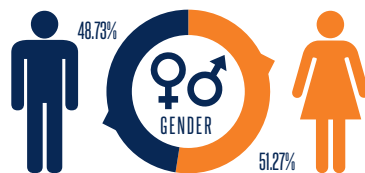
- The port contains multiple shipping terminals, one of the largest container seaports on the East Coast and a cruise terminal.
- The metro's coastal location, scenic beauty and its history are some of the factors that make Charleston a popular tourist destination.
- Approximately 34 percent of residents age 25 and older have a bachelor's degree, while 12 percent also hold a graduate or professional degree.

DEMOGRAPHICS // *MATTRESS FIRM*



134,385

Total Population Within 5-Mile Radius



\$ 52,713

Average Household Income within
5-Mile Radius



\$ 266,028

Median Housing Value within 5-Mile Radius



57,259

Total Households in 5-Mile Radius



Population

In 2019, the population in Charleston is 132,550. The population has changed by 17.01% since 2000. It is estimated that the population in Charleston will be 140,631.00 five years from now, which represents a change of 6.10% from the current year. The current population is 48.73% male and 51.27% female. The median age of the population in Charleston is 36.26, compare this to the US average which is 38.08. The population density in Charleston is 1,687.89 people per square mile.

Households

There are currently 57,259 households in Charleston. The number of households has changed by 24.24% since 2000. It is estimated that the number of households in Charleston will be 61,523 five years from now, which represents a change of 7.45% from the current year. The average household size in Charleston is 2.25 persons.

Income

In 2019, the median household income for Charleston is \$52,713, compare this to the US average which is currently \$60,811. The median household income for Charleston has changed by 50.41% since 2000. It is estimated that the median household income Charleston will be \$60,015 five years from now, which represents a change of 13.85% from the current year.

The current year per capita income in Charleston is \$32,713, compare this to the US average, which is \$33,623. The current year average household income in Charleston is \$74,827, compare this to the US average which is \$87,636.

Race and Ethnicity

The current year racial makeup of Charleston is as follows: 60.21% White, 33.90% Black, 0.09% Native American and 1.83% Asian/Pacific Islander. Compare these to US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 3.90% of the current year population in Charleston. Compare this to the US average of 18.17%.

Housing

The median housing value in Charleston was \$266,028 in 2019, compare this to the US average of \$212,058. In 2000, there were 25,548 owner occupied housing units in Charleston and there were 20,537 renter occupied housing units in Charleston. The median rent at the time was \$497.

Employment

In 2019, there are 79,776 employees in Charleston, this is also known as the daytime population. The 2000 Census revealed that 61.64% of employees are employed in white-collar occupations in this geography, and 37.86% are employed in blue-collar occupations. In 2019, unemployment in Charleston is 2.91%. In 2000, the average time traveled to work was 24.00 minutes.



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