



PALOMAR
Real Estate Group

Verizon

173 Columbiana Drive
Columbia, SC

Legal Conditions

THIS IS A CONFIDENTIAL MEMORANDUM intended solely for the limited use in considering whether to pursue negotiations to acquire Verizon (the “Property”) located in Columbia, SC and is not intended to be an offer for the sale of the Property.

This confidential memorandum, which contains brief, selected information pertaining to the business and affairs of the Property, has been prepared by The Palomar Group. This confidential memorandum does not purport to be all-inclusive or to contain all the information which a prospective purchaser may desire. Neither Seller nor The Palomar Group nor any of their officers, employees or agents make any representation of warranty, expressed or implied, as to the accuracy or completeness of this confidential memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto.

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If the Recipient does not wish to pursue negotiations leading to this acquisition, or if in the future the Recipient discontinues such negotiations, Recipient agrees to return this confidential memorandum to The Palomar Group.

THIS CONFIDENTIAL MEMORANDUM SHALL NOT BE DEEMED A REPRESENTATION OF THE STATE OF AFFAIRS OF THE PROPERTY OR CONSTITUTE AN INDICATION THAT THERE HAS BEEN NO CHANGE IN THE BUSINESS OR AFFAIRS OF THE PROPERTY SINCE THE DATE OF PREPARATION OF THIS MEMORANDUM.

THE PALOMAR GROUP (BROKER) MAKES THE DISCLOSURE THAT ITS ROLE IS EXCLUSIVELY REPRESENTING THE SELLER, NOT THE BUYER AND AS SUCH, BROKERS MUST WORK TO OBTAIN FOR SELLER THE BEST PRICE AND TERMS AVAILABLE. NEITHER SELLING BROKER OR SELLER ARE RESPONSIBLE FOR ANY COMPENSATION TO ANY OTHER PARTY IN CONNECTION WITH THE SALE OF THE PROPERTY.

THIS PROPERTY IS BEING SOLD AS AN “AS IS, WHERE IS” SALE.

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The Palomar Group is a full-service commercial Investment Sales firm. The Investment Sales Team specializes in well positioned anchored or unanchored retail properties throughout the country. Their proven track record on both the acquisition and disposition sides are a direct result of their understanding of the marketplace, appropriate asset valuation based off current market conditions, and the alignment of assets to the most suitable and qualified Buyer/ Seller. The Team has worked on over 9.5 million square feet of retail, office and multifamily, having a hand in over \$1 billion in transactions across 12 states.

Executive Summary





Asking Cap Rate
6.40%



NOI
\$160,020
Yrs 5-8: \$169,620



Asking Price
\$2,500,000



Price PSF
\$410/SF



Square Footage
6,000 SF



Tenants
Verizon Corporate



Remaining Term
8 Years



Year Built
1995

THE OPPORTUNITY



Address

173 Columbiana Drive
Columbia, SC 29212



Parcel Number

001941-01-002
0.86 acres



Leasable Area

6,000 square feet



Lease Type

NN – Landlord responsible for Roof and Structure



Year Built

1995



NOI

\$160,020: 5/1/20 – 4/30/24
\$169,620: 5/1/25 – 4/30/28



Asking Price

\$2,500,000 (\$410 psf)
6.40% cap rate



Rent Commencement/ Expiration

Commencement: 5/1/95
Expiration: 4/30/28



Lease Summary – Escalations & Options

| <u>Date</u> | <u>\$ psf</u> | <u>Annual</u> | <u>Monthly</u> |
|--------------------|---------------|---------------|----------------|
| 5/1/2020–4/30/2024 | \$26.67 | \$160,020 | \$13,335 |
| 5/1/2024–4/30/2028 | \$28.27 | \$169,620 | \$14,135 |
| Option | | | |
| 5/1/2028–4/30/2033 | \$30.25 | \$181,500 | \$15,125 |
| 5/1/2033–4/30/2038 | \$32.36 | \$194,160 | \$16,180 |

THE ASSET

- **NN Lease**
- **Landlord** Responsible for roof and structure
- Verizon has **25 years** of operating history at this location
- Verizon is the **largest U.S. wireless communications service provider**
- 155 million **mobile subscribers**
- **\$131B in T-12 revenue** ending 3/31/20
- **\$31.61B Q1 2020** revenue
- **135,400** employees
- Investment Grade **A-3 Moody's** Credit Rating

PROPERTY FUNDAMENTALS

- The property is located in Irmo, the **dominant retail submarket of Columbia, SC**
- **Columbiana Centre Mall (965,000sf)** is located across the street from the subject property
- Verizon underwent an approximate **quarter million-dollar remodel in 2019**
- The asset benefits from **full access** off Columbiana Dr
- **Vacancies in the market** are at their lowest points this cycle
- An investor will have an opportunity for **organic NOI growth** through Verizon's rent escalations in 2027 and in the subsequent options





Site Plan

| SUITE | TENANT | SQ. FT. |
|-------|---------|----------|
| 1005 | Verizon | 6,000 SF |
| TOTAL | | 6,000 SF |





NYSE Stock Symbol

VZ

Strong Credit Rating

A-

2018 Revenue

\$31.4 billion

2018 Net Income

\$19.27 billion

Total Assets

\$291.7 billion

Employees

135,400

Locations

2,330

Building Square Footage

6,000

Lease Term

8 years

Original Lease Start

5/1/1995

Expiration Date

4/30/2028

NOI Growth

5/1/2024 - \$169,620 (6%)

Tenant Remodel

Tenant underwent \$250,000 remodel in 2019

Due Diligence Vault

[Link to Verizon DD Vault](#)

Market Overview



Columbia, SC



Largest Employers in the Area

State of South Carolina
25,570 Employees

Prisma Health
15,000 Employees

BlueCross BlueShield of SC
6,585 Employees

University of South Carolina
5,678 Employees

Richland School District
7,919 Employees

United States Department of the Army
5,286 Employees

SCE&G
4,000 Employees

Oreck Clean Home Center
4,447 Employees

UPS
3,528 Employees

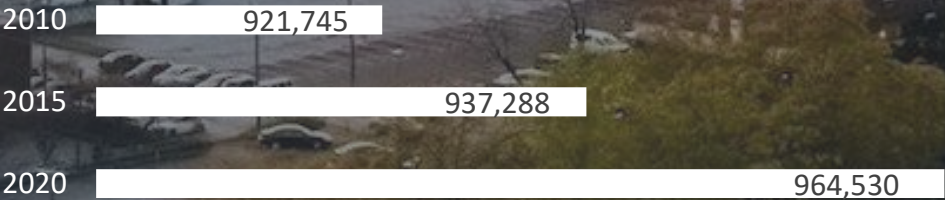
City of Columbia
2,300 Employees

AT&T South Carolina
2,100 Employees

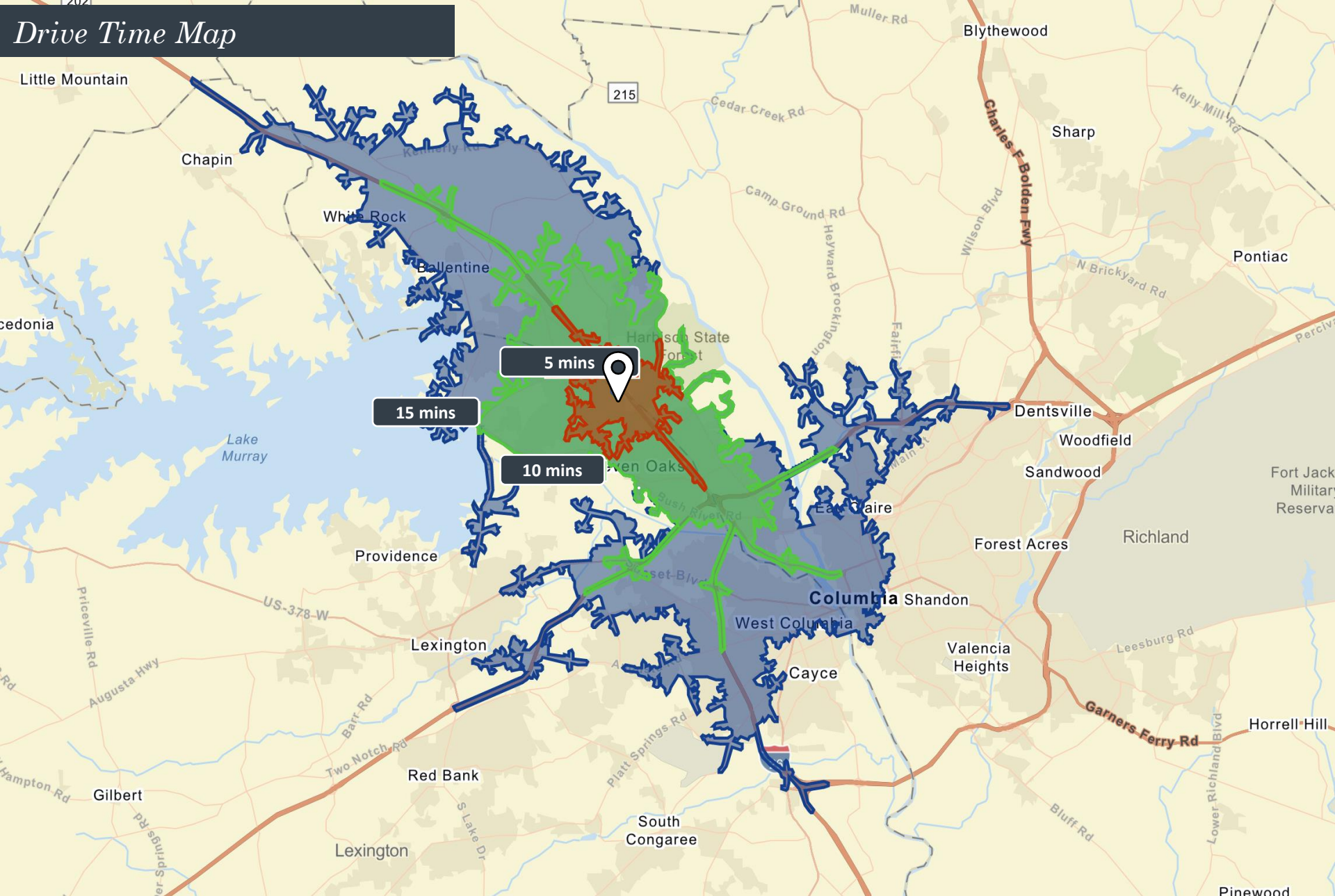
Columbia South Carolina

- Home to the University of South Carolina, which has 34,000 students in Columbia and 50,000 system wide
- Fort Jackson employs more than 4,400 civilians and spends nearly \$716 million annually for salaries, utilities, contracts and other services
- Stable growth and pandemic resistant market with 25% of the market's employment base being made up of government jobs
- Sperling's BestPlaces ranked Columbia #25 on the list of Cities on the Edge of Greatness
- Ranked as #5 on the Best Cities for Teleworking list in the US in the small metro category
- Geographically competitive advantage in the southern region with three major interstates crossing through Columbia

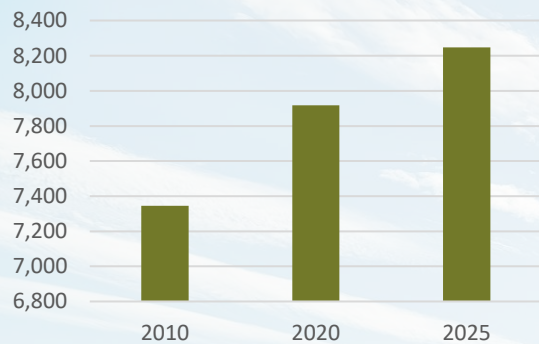
Columbia Population Growth



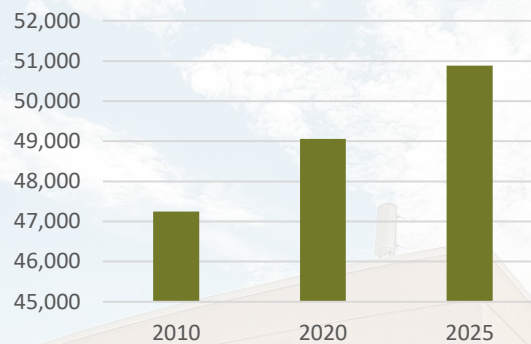
Drive Time Map



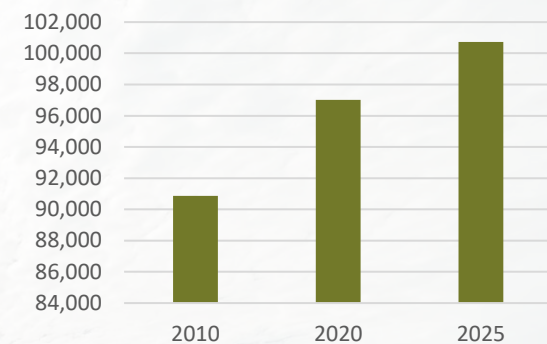
1 Mile Population



3 Mile Population



5 Mile Population



| Population: | 1 Mile | 3 Mile | 5 Mile |
|------------------|--------|--------|---------|
| 2025 Projection | 8,247 | 50,886 | 100,736 |
| 2020 Estimate | 7,918 | 49,056 | 97,021 |
| 2010 Census | 7,346 | 47,250 | 90,869 |
| Growth 2020-2025 | 4.16% | 3.73% | 3.83% |



| 2019 Household Income | 1 Mile | 3 Mile | 5 Mile |
|---------------------------|----------|----------|----------|
| 2020 Avg Household Income | \$65,349 | \$74,741 | \$77,426 |
| 2020 Med Household Income | \$53,642 | \$59,841 | \$59,782 |



| Households: | 1 Mile | 3 Mile | 5 Mile |
|--------------------|--------|--------|--------|
| 2025 Projection | 3,879 | 21,167 | 39,361 |
| 2020 Estimate | 3,731 | 20,404 | 37,804 |
| 2010 Census | 3,467 | 19,586 | 35,044 |
| Growth 2020 - 2025 | 3.97% | 3.74% | 4.12% |
| Growth 2010 - 2020 | 7.61% | 4.18% | 7.88% |
| Owner Occupied | 1,632 | 13,993 | 24,645 |

| 2019 Households by Household Income: | 1 Mile | 3 mile | 5 Mile |
|--------------------------------------|--------|--------|--------|
| <\$25,000 | 709 | 2,829 | 5,841 |
| \$25,000 - \$50,000 | 995 | 5,197 | 9,747 |
| \$50,000 - \$75,000 | 1,002 | 4,727 | 7,930 |
| \$75,000 - \$100,000 | 394 | 3,012 | 5,304 |
| \$100,000 - \$125,000 | 299 | 1,849 | 3,260 |
| \$125,000 - \$150,000 | 129 | 1,207 | 1,922 |
| \$150,000 - \$200,000 | 105 | 956 | 2,117 |
| \$200,000+ | 97 | 627 | 1,684 |

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