



OFFERING MEMORANDUM



BEST BUY - “BBB” RATED TOP NATIONWIDE STORE SALES

Metairie (New Orleans), Louisiana

www.theroystongroup.com

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CORPORATE LEASE

Best Buy has been at this location since 2003 with a corporate guarantee.

CONSOLIDATION OF STORE IN AREA

Best Buy closed a store in the area and consolidated the sales into this location.

INVESTMENT GRADE TENANT

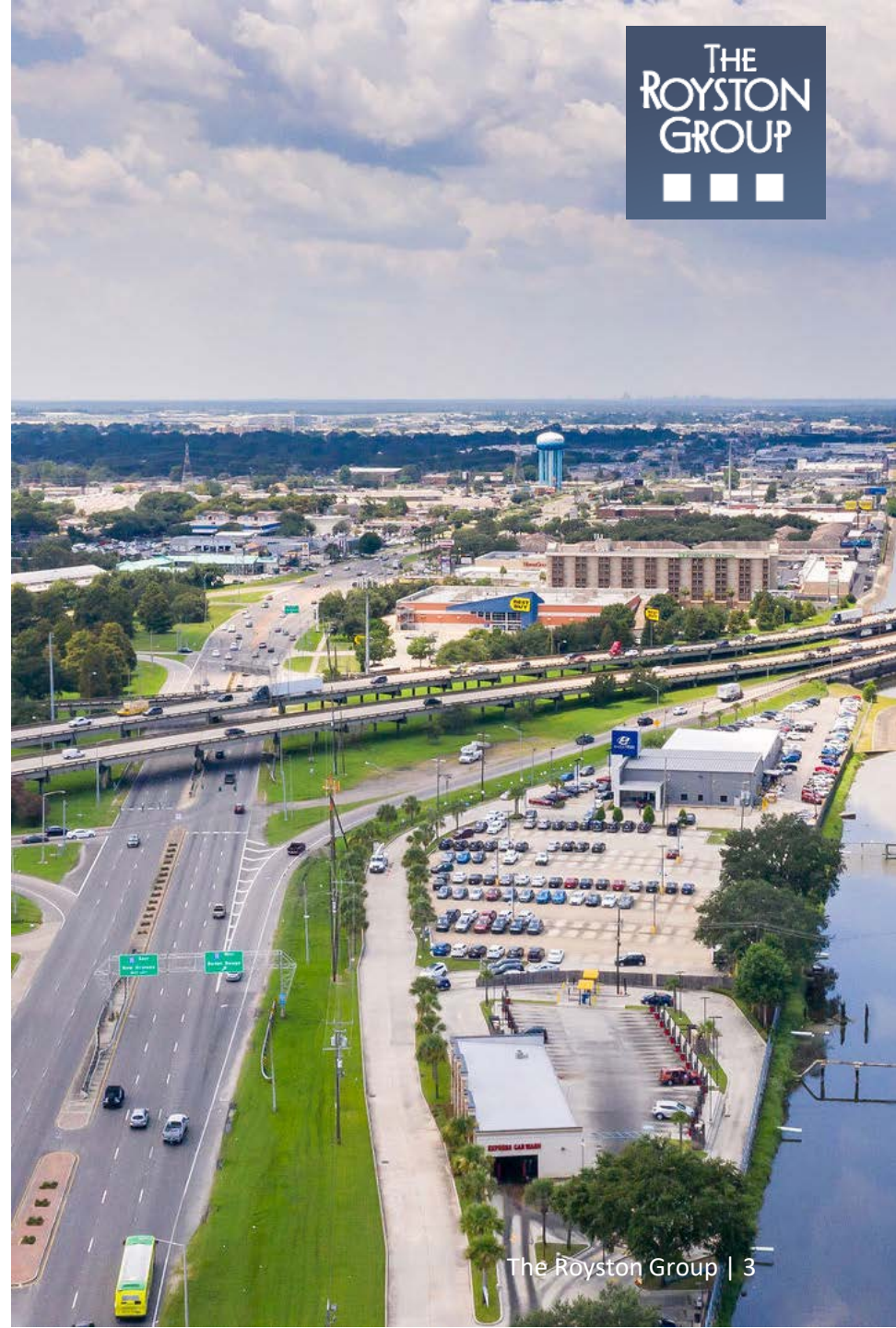
Standard & Poor's Investment Grade rated "BBB".

OUTSTANDING ACCESS AND VISIBILITY

Best Buy is located immediate adjacent to Interstate 10 with full interchange access to Veterans Memorial Blvd. The site features a pylon sign along Interstate 10 and benefits from unobstructed views from the highway, creating outstanding exposure for Best Buy.

HIGH STORE SALES

Top performing store sales nationwide.



PROPERTY INFORMATION



Location

Located at 6205 Veterans Memorial Highway in the New Orleans suburb of Metairie, Louisiana.

Lot Size

Approximately 3.95 acres.

Improvements

The improvements consist of a single-story retail building of approximately 45,000 square feet originally built in 2003. The building has 89 parking spaces on the roof and an additional 173 surface parking spaces for a total of 262 parking spaces for a 5.82:1 parking ratio.



*Price****\$16,150,000****7% Cap Rate*

Lease

Leased to Best Buy on an absolute net basis with an original lease term of 20 years commencing September 19, 2003 and expiring September 18, 2023. The tenant is responsible for taxes, insurance and maintenance including the roof, walls and foundation. The rent increases by the fixed amount of 3% every 5 years. There are three 5-year options at the same terms and conditions.

Net Annual Income

<i>Lease Year</i>	<i>Rent</i>	<i>Cap Rate</i>
Sept. 19, 2018 to Sept. 18, 2023		\$1,130,835
Sept. 19, 2023 to Sept. 18, 2028		\$1,164,760 *
Sept. 19, 2028 to Sept. 18, 2033		\$1,199,702 *
Sept. 19, 2033 to Sept. 18, 2038		\$1,235,694 *

* Options to renew

Existing Financing

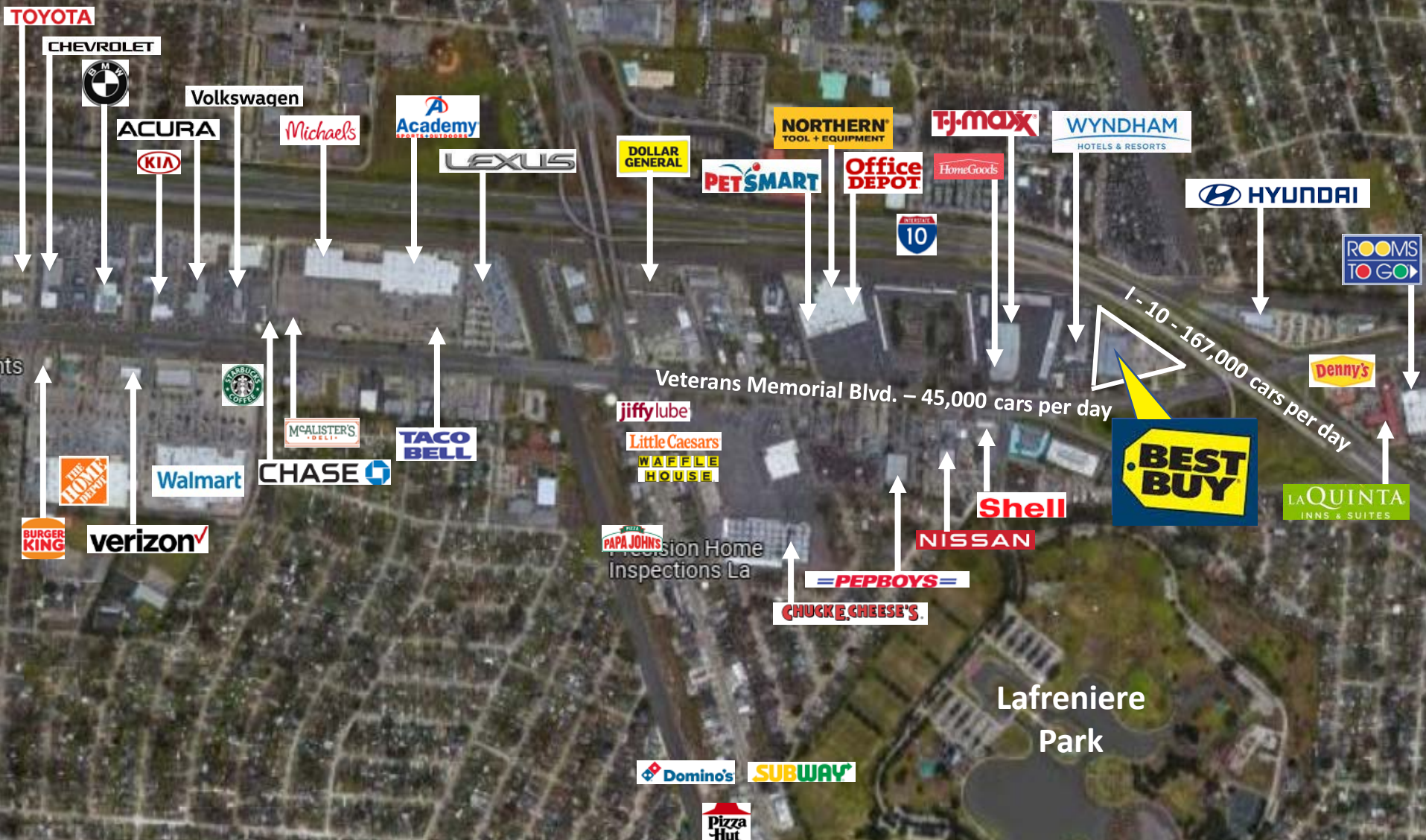
There is an existing loan in the original amount of \$8,900,000 at 4.85% interest rate, amortized over 30 years due in March 2026. The current balance is approximately \$8,500,000.

Cash Flow Analysis

Price	\$16,150,000	Net Income	\$1,130,835
Debt	<u>\$8,500,000</u>	Debt Service	<u>\$563,524</u>
Down	\$7,650,000	Cash on Cash	\$567,305

Return on Cash 7.42%

AREA TENANTS



ABOUT THE TENANT

Best Buy Co., Inc. retails technology products in the United States, Canada, and Mexico. The company operates in two segments, Domestic and International. Its stores provide computing and mobile phones, such as computing and peripherals, e-readers, networking products, tablets, and wearables, as well as mobile.

The company's stores also offer appliances, such as dishwashers, laundry appliances, ovens, refrigerators, blenders, coffee makers, and vacuums as well as services comprising consultation, design, delivery, installation, memberships, protection plans, repair, set-up, and technical support services, as well as connected health services for aging consumers.

The company offers its products through stores and Websites under the BestBuy, Best Buy Express, Best Buy Mobile, Geek Squad, Best Buy Health, CST, GreatCall, Lively, Magnolia, Pacific Kitchen, Home, greatcall.com, bestbuy.ca and bestbuy.com.mx brands, as well as through mobile applications and call centers.

As of February 1, 2020, it had approximately 1,175 large-format and 56 small-format stores. The company was founded in 1966 and is headquartered in Richfield, Minnesota. They report the following:

FYE	1/31/2020	1/31/2019
Revenues	\$43.6 Billion	\$42.9 Billion
Net Income	\$1.54 Billion	\$1.46 Billion
Stockholders Equity	\$12.9 Billion	\$13.0 Billion



ABOUT THE AREA

Metairie is in Jefferson Parish, Louisiana, and is part of the New Orleans metropolitan area. With a population at the 2010 census of 138,481, Metairie is the largest community in Jefferson Parish. It is an unincorporated area that would be Louisiana's fourth-largest city if it were incorporated.

Veterans Memorial Boulevard, formerly Veterans Highway (locally referred to as Vets or Veterans), is a 6-lane thoroughfare in Jefferson Parish, Louisiana, running west–east mostly parallel to Interstate 10. The western terminus is at Belleview Boulevard in Kenner just north of the Louis Armstrong New Orleans International Airport and just east of the St. Charles Parish line. Veterans then proceeds in an easterly direction across the Jefferson Parish communities of Kenner and Metairie before crossing the 17th Street Canal into New Orleans and terminating at West End Boulevard approximately 1/2 mile east of the Orleans Parish line.

Veterans is primarily a commercial corridor lined with malls such as Lakeside Shopping Center and Clearview Mall, strip shopping centers and car dealers. During Carnival season, several Mardi Gras parades roll along portions of Veterans as they wind through the streets of Metairie. Beginning in 1978, the Jefferson Parish Council adopted a standardized parade route for Metairie, which began at the Clearview Shopping Center and rolled east along Veterans before disbanding at Bonnabel Boulevard. In 2019, the council started allowing krewes the option of parading westbound from Bonnabel to Clearview.



MAP



DEMOGRAPHICS

6205 Veterans Memorial Blvd., Metairie, LA



2020 Population

239,114



2020 Average Household
Income

\$79,927



Median Home Value

\$264,804

Population Summary

	<i>1 mile</i>	<i>3 mile</i>	<i>5 mile</i>
2010 Total Population	18,713	138,954	239,114
2020 Total Population	18,821	137,525	237,751

Income

2020 Average Household Income	\$70,850	\$75,160	\$79,927
2024 Average Household Income Projected	\$76,290	\$80,375	\$85,841



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