



SOCIAL SECURITY ADMINISTRATION

1005 FACTORY OUTLET BLVD. | WEST FRANKFORT, IL 62896

O F F E R I N G M E M O R A N D U M

Disclaimer

Colliers International Brokerage Company ("Broker") has been retained as the exclusive advisor and broker for this offering.

This Offering Memorandum has been prepared by Broker for use by a limited number of parties and does not purport to provide a necessarily accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective Buyers may need or desire. All projections have been developed by Broker and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Seller and therefore are subject to variation. No representation is made by Broker or the Seller as to the accuracy or completeness of the information contained herein, and nothing contained herein shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, the Seller and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Broker, the Seller and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in or omitted from the Offering Memorandum or any other written or oral communication transmitted or made available to the Buyer. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum are solely the responsibility of the prospective Buyer. Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective Buyers.

By accepting the Offering Memorandum, you agree to indemnify, defend, protect and hold Seller and Broker and any affiliate of Seller or Broker harmless from and against any and all claims, damages, demands, liabilities, losses, costs or expenses (including reasonable attorney's fees, collectively "Claims") arising, directly or indirectly from any actions or omissions of Buyer, its employees, officers, directors or agents.

Buyer shall indemnify and hold Seller and Broker harmless from and against any claims, causes of action or liabilities, including, without limitation, reasonable attorney's fees and court costs which may be incurred with respect to any claims for other real estate commissions, broker's fees or finder's fees in relation to or in connection with the Property to the extent claimed, through or under Seller.

The Seller and Broker each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time with or without notice. The Seller shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Seller and its legal counsel, and any conditions to the Seller's obligation thereunder have been satisfied or waived.

The Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting the Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose the Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make an offer and from whom you have obtained an agreement of confidentiality) without prior written authorization of the Seller or Broker, and that you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Seller or Broker.

No employee of seller or at the Subject Property is to be contacted without the written approval of the listing agents and doing so would be a violation of this confidentiality agreement.

Broker and their prospective buyers agree not to contact the tenants, their employees or customers of any business on the Property without prior permission from the Landlord.



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O F F E R I N G M E M O R A N D U M

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INVESTMENT OVERVIEW

SOCIAL SECURITY ADMINISTRATION



The Ficke Team of Colliers International is pleased to present this exclusive investment opportunity for the Social Security Administration (SSA) office located at 1005 Factory Outlet Blvd., West Frankfort, IL 62896. This single-tenant property consists of a 6,527 rentable square-foot office building that was developed in 2000 as a build-to-suit for the SSA that includes 38 parking spaces on 1.21 acres. The property is encumbered by the original 20-year gross lease, that was recently extended for two-years firm term and one-year soft term to expire on March 22, 2023 by the General Services Administration (GSA). This is an excellent opportunity for an investor to negotiate a new long-term lease, as the GSA lease provides investors stable returns guaranteed by the US Government.

This is a high-traffic facility, located just west of Interstate I-57, with the closest SSA being over 28 miles from this location. This building is well maintained with a new roof and LED lights installed throughout (interior and exterior) in 2020. There is also a new hot water heater and computer room HVAC unit installed in 2019. The main HVAC unit is about five-years.

West Frankfort Illinois is in Franklin County on interstate I-57, which is a corridor to I-24, I-55, and I-64, and is a brief drive from the major cities of Evansville, IN, St. Louis, MO, and Paducah, KY. The Williamson County Airport is close by and provides access to Lambert, St. Louis Airport. It is a thriving community in the heart of Southern Illinois.

The SSA is an independent agency of the U.S. federal government that administers Social Security, a social insurance program consisting of retirement, disability, and survivors' benefits. To qualify for most of these benefits, most workers pay Social Security taxes on their earnings; the claimants' benefits are based on the wage earners contributions. The SSA is headquartered in Woodlawn, Maryland. The agency includes 10 regional offices, eight processing centers, and approximately 1,300 field office, and 37 Teleservice Centers. As of 2018, about 60,000 people were employed by the SSA, with a budget of \$1.06 trillion.

This investment is ideal for an investor who is seeking a stable cash flow from one of the highest credit tenants available.

INVESTMENT HIGHLIGHTS:

- *United States Government Lease (AA+)*
- *Build-to-Suit Facility for the GSA/SSA in 2000*
- *New roof in 2020*
- *New LED lights installed throughout in 2020*
- *New Hot water heater installed in 2019*
- *GSA Installed New Furniture on 12/14/2020*
- *New computer room HVAC unit installed in 2019*
- *High Probability for Lease Renewal for this high-traffic facility*
- *Well-maintained masonry facility*
- *Great location just West of Interstate I-57*
- *Attractive 10% Cap Rate*

TENANT OVERVIEW

SOCIAL SECURITY ADMINISTRATION



PROPERTY INFORMATION

Property Address	1005 Factory Outlet Blvd., West Frankfort, IL 62896
Lot Size	1.21 acres
Rentable Square Feet	6,527
Year Built	2000

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TENANT SUMMARY

TENANT	SQUARE FEET	% BLDG SHARE	LEASE COMMENCEMENT	LEASE EXPIRATION (FIRM)	LEASE EXPIRATION (SOFT)	PRO FORMA ANNUAL RENT PSF	PRO FORMA RENT PER MONTH	PRO FORMA RENT PER YEAR	LEASE TYPE
Social Security Administration	6,527	100%	3/23/2000	3/22/2022	3/22/2023	\$15.89	\$8,811	\$105,733.00	Modified Gross

AERIAL OVERVIEW

STRAWBERRY DR



KEN GRAY BLVD

FACTORY OUTLET BLVD

FACTORY OUTLET LOOP





PRICING

PURCHASE PRICE
\$549,890

CURRENT CAP RATE	CURRENT NOI	PRICE PER SF
10.00%	\$54,989	\$84.25

RENT SCHEDULE

3/23/2020 - 3/22/2023	\$/SF	ANNUAL	MONTHLY
Base Rent	\$13.12	\$85,622.25	\$7,135.19
Operating Costs	\$3.08	\$20,110.75	\$1,675.90
TOTAL	\$16.20	\$105,733.00	\$8,811.08



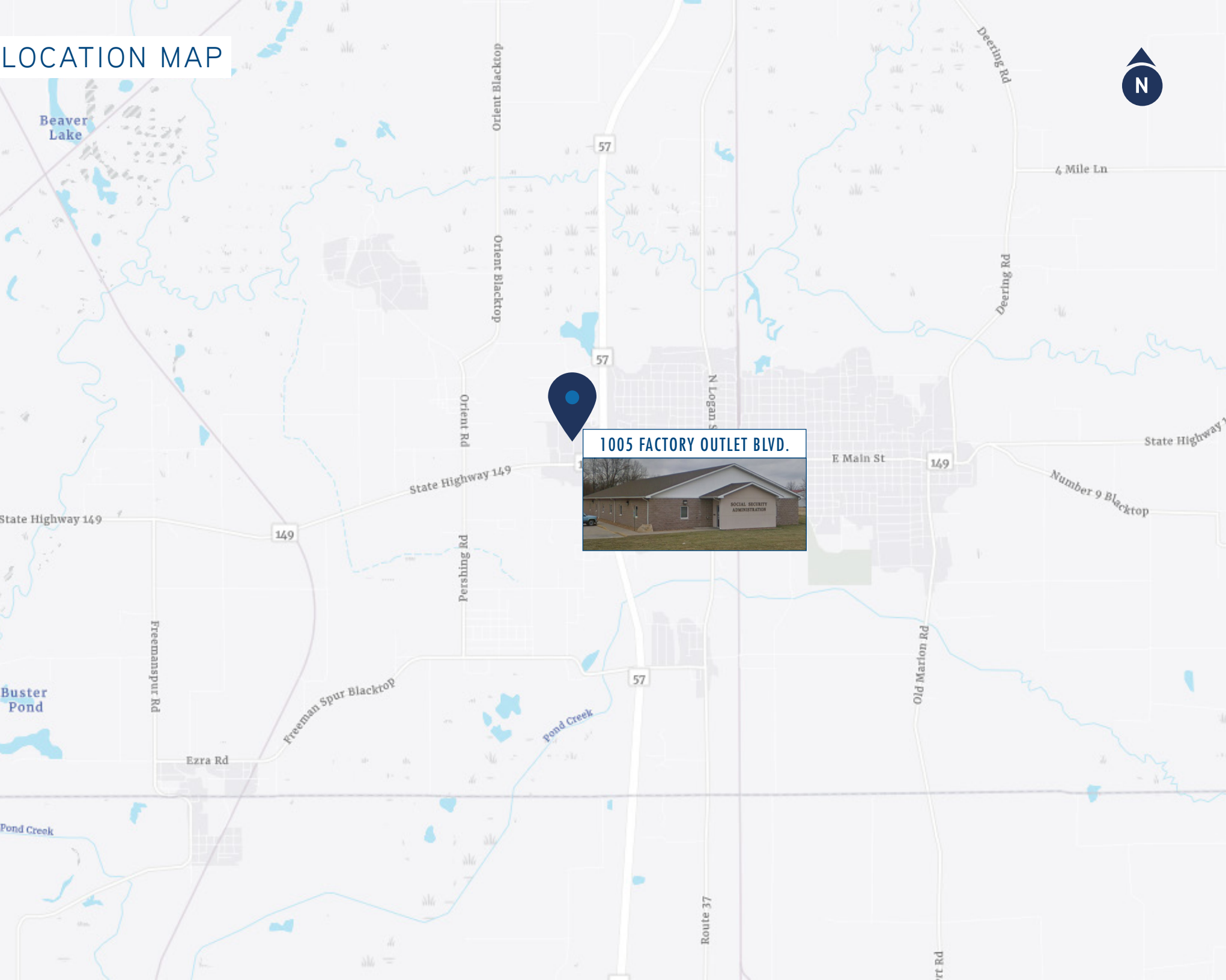
OPERATING DATA

INCOME	CURRENT	PER SF
Base Rent	\$85,622	\$13.12
Operating Costs	\$20,111	\$3.08
Effective Gross Revenue	\$105,733	\$16.20

OPERATING EXPENSES	CURRENT	PER SF
Utilities	\$8,777	\$1.34
RE Taxes	\$13,172	\$2.02
Lawn Care	\$4,013	\$0.61
Cleaning	\$12,750	\$1.95
Misc	\$1,389	\$0.21
R&M	\$2,931	\$0.45
Insurance	\$2,308	\$0.35
Snow Removal	\$1,200	\$0.18
Supplies	\$1,033	\$0.16
Management Fees	\$3,172	\$0.49
Total Expenses	\$50,744	\$7.77
Expenses as % of EGR	47.99%	
Net Operating Income	\$54,989	\$8.42

* Assume 3% management fees

LOCATION MAP



WEST FRANKFORT ILLINOIS

FRANKLIN COUNTY

POPULATION (2020)

39,044+

CITY OF WEST FRANKFORT

West Frankfort is a special place. It is a small thriving community in the heart of Southern Illinois. Rich with traditions and opportunities and built around the coal mining industry which formed a "melting pot" of nationalities. West Frankfort is located in Franklin County on I-57, which is a corridor to I-24, I-55, and I-64. West Frankfort is brief drive from three major cities: Evansville, IN, St. Louis, MO, and Paducah, KY. The Williamson County Airport is close by providing access to Lambert - St. Louis International Airport. West Frankfort has a lot to offer in the area including recreation, shopping, and opportunities of your choice. The town is a wonderful place to raise a family, start a business, or come to retire and enjoy the "Simple Life."

DEMOGRAPHICS

LOCATION: In the identified area, the current year population is 13,234. In 2010, the Census count in the area was 13,171. The rate of change since 2010 was 0.05% annually. The five-year projection for the population in the area is 13,056 representing a change of -0.27% annually from 2020 to 2025. Currently, the population is 48.8% male and 51.2% female.

MEDIAN AGE: The median age in this area is 42.6, compared to U.S. median age of 38.5.

RACE & ETHNICITY: Persons of Hispanic origin represent 2.4% of the population in the identified area compared to 18.6% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 12.0 in the identified area, compared to 64.8 for the U.S. as a whole.

HOUSEHOLDS: The household count in this area has changed from 5,521 in 2010 to 5,579 in the current year, a change of 0.10% annually. The five-year projection of households is 5,513, a change of -0.24% annually from the current year total. Average household size is currently 2.35, compared to 2.36 in the year 2010. The number of families in the current year is 3,593 in the specified area.

HOUSING: Currently, 58.6% of the 6,232 housing units in the area are owner occupied; 31.0%, renter occupied; and 10.5% are vacant. Currently, in the U.S., 56.4% of the housing units in the area are owner occupied; 32.3% are renter occupied; and 11.3% are vacant. In 2010, there were 6,118 housing units in the area - 64.7% owner occupied, 25.5% renter occupied, and 9.8% vacant. The annual rate of change in housing units since 2010 is 0.82%. Median home value in the area is \$75,957, compared to a median home value of \$235,127 for the U.S. In five years, median value is projected to change by 1.20% annually to \$80,634.



INFORMATION ABOUT BROKERAGE SERVICES

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

11-2-2015

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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Buyer/Tenant/Seller/Landlord Initials

Date



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