



LOWE'S

35 Malphrus Rd, Bluffton, SC 29910

Marcus & Millichap

OFFERING MEMORANDUM

OFFERED AT \$9,009,523
(NYSE: LOW | S&P: BBB+)

INVESTMENT HIGHLIGHTS

- Absolute NNN Lease | Corporate Guarantee from Lowe's Companies, Inc. | S&P: BBB+
- Heavy Traffic Counts | 19,000+ Vehicles Per Day on Bluffton Parkway & 57,000+ Vehicles Per Day on Fording Island Road (Hwy 278)
- **Tenant Exercised 5 Year Option showing commitment to the location**
- Irreplaceable Location | The property benefits from being conveniently located in the rapid growing markets of Hilton Head and Bluffton.
- A+ Demographics | Hilton Head Population up 32% over the past 10 Years
- Affluent Community | Average Household Income over \$100,000 in a 1-Mile Radius

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present a Lowe's for sale located at 35 Malphrus Road in Bluffton, SC. The 155,000 Square Foot Building on over 27 Acres benefits from being located in between two highly trafficked corridors, Hwy 278 & Bluffton Pkwy. The investment is perfect for a principal looking to enter the rapidly growing Hilton Head market as this investment draws from major economic zones. The property is subject to a Absolute NNN Ground Lease with a Corporate Guarantee. This Lowe's property brings a diversity of national retailers like Cost Plus World Market, Firehouse Subs, Big Lots, PetSmart, Verizon, Chick-fil-A, McDonalds, Circle K, H&M, Nike Factory Store, Pro Golf Discount and Old Navy.

OFFERING SUMMARY

PRICE	\$9,009,523
NOI	\$473,000
TERM REMAINING	5+ YEARS
CAP RATE	5.25%
PRICE/SF	\$58.12
LEASE TYPE	Absolute NNN
GROSS LEASABLE AREA	155,000 SF
YEAR BUILT	2001
LOT SIZE	27.63 Acres

LEASE SUMMARY

PROPERTY ADDRESS	35 Malphrus Rd, Bluffton, SC 29910
PROPERTY SUBTYPE	Ground Lease
LEASE GUARANTOR	Corporate
TENANT	Lowe's
LEASE COMMENCEMENT	August 28, 2001
LEASE EXPIRATION	August 27, 2026 (Tenant recently Exercised 1st Option)
RENEWAL OPTIONS	Six 5-Year Options
TERM REMAINING	5+ Years
RENTAL INCREASES	10% Every Two Option periods
LANDLORD RESPONSIBILITY	None
TENANT RESPONSIBILITY	Property Taxes, Insurance, Maintenance & Repair and CAM
RIGHT OF FIRST REFUSAL	Yes

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LEASE YEARS

ANNUAL RENT

MONTHLY RENT

INCREASE (%)

CURRENT	8/28/2001 – 8/27/2021	\$430,000	\$35,833.33	
OPTION 1	8/28/2021 – 8/27/2026	\$473,000	\$39,416.67	10%
OPTION 2	8/28/2026 – 8/27/2031	\$473,000	\$39,416.67	
OPTION 3	8/28/2031 – 8/27/2036	\$520,300	\$43,358.33	10%
OPTION 4	8/28/2036 – 8/27/2041	\$520,300	\$43,358.33	
OPTION 5	8/28/2041 – 8/27/2046	\$572,330	\$47,694.17	10%
OPTION 6	8/28/2046 – 8/27/2051	\$572,330	\$47,694.17	



TENANT PROFILE

Tenant	Lowe's
Lease Guarantor	Corporate
Ownership	Public
Number of Locations	2,200+ - U.S., Canada
Years in Business	100 Years
Headquarters	Mooresville, NC
Website	www.lowes.com

ABOUT THE TENANT

Lowe's Companies, Inc. (NYSE: LOW) is a FORTUNE® 50 home improvement company serving approximately 20 million customers a week in the United States and Canada. With fiscal year 2020 sales of nearly \$90 billion, Lowe's and its related businesses operate or service more than 2,200 home improvement and hardware stores and employ over 300,000 associates. Based in Mooresville, NC, Lowe's operates customer contact centers in Mooresville and Wilkesboro, North Carolina, as well as Indianapolis, Indiana, Albuquerque, New Mexico, and India. Lowe's Canada is headquartered in Boucherville, Quebec. Lowe's is ranked No. 44 on the 2020 Fortune 500 list.

Lowe's is the second-largest hardware chain in the United States behind rival The Home Depot and ahead of Menards, serving approximately 18 million customers a week in the United States and Canada. It is also the second-largest hardware chain in the world, also behind The Home Depot but ahead of European retailers Leroy Merlin, B&Q, and OBI.

Lowe's saw continued success in 2020, with growth over 16% in all merchandising departments, over 19% across all U.S. regions and 121% on Lowes.com. The Company generated nearly \$90 billion in sales, with annual sales growth of over \$17 billion, while enhancing their operating efficiency during the pandemic.

"Looking ahead to 2021, we expect to grow market share and drive further operating margin expansion," commented Marvin R. Ellison, Lowe's president and CEO.

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Malphrus Road

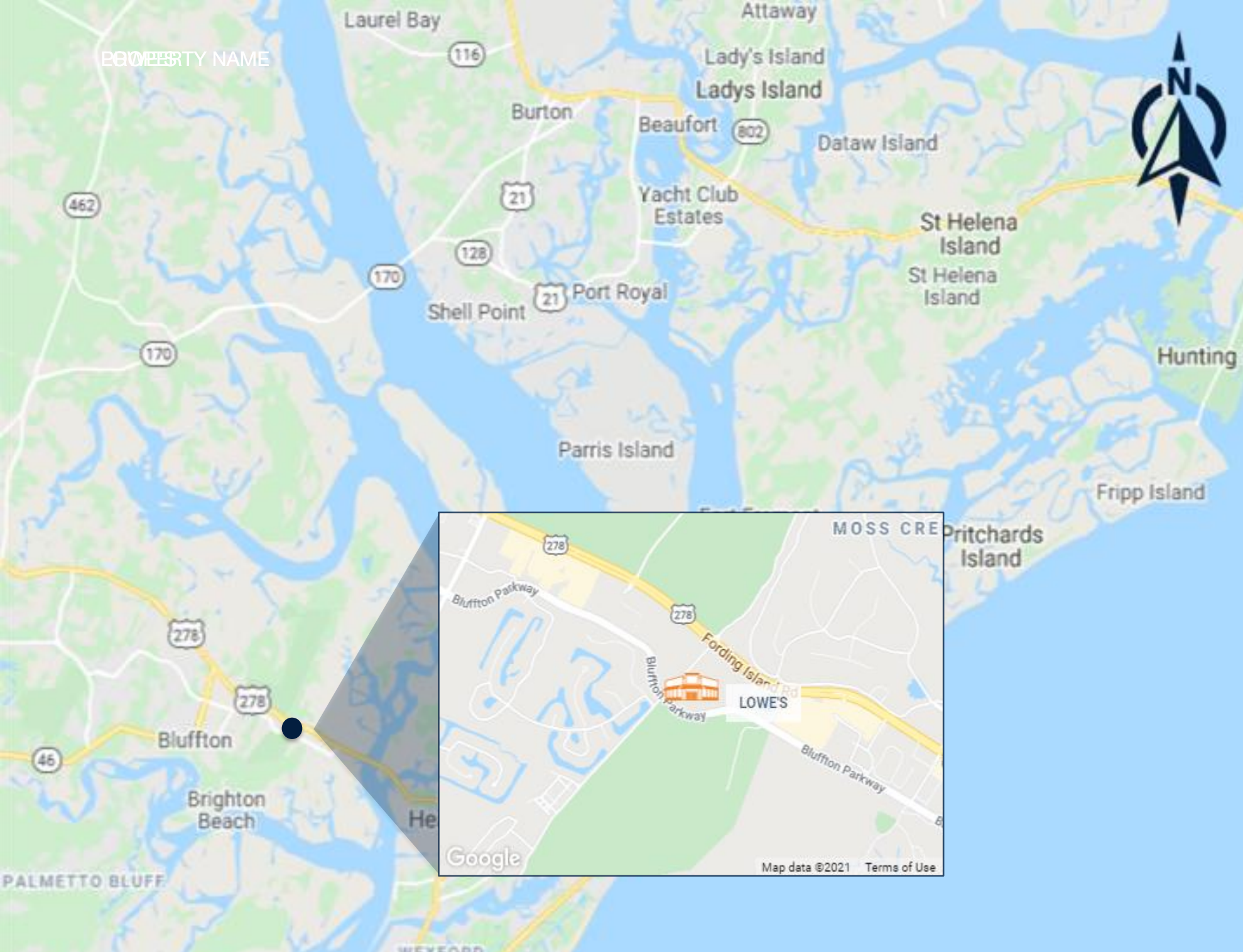
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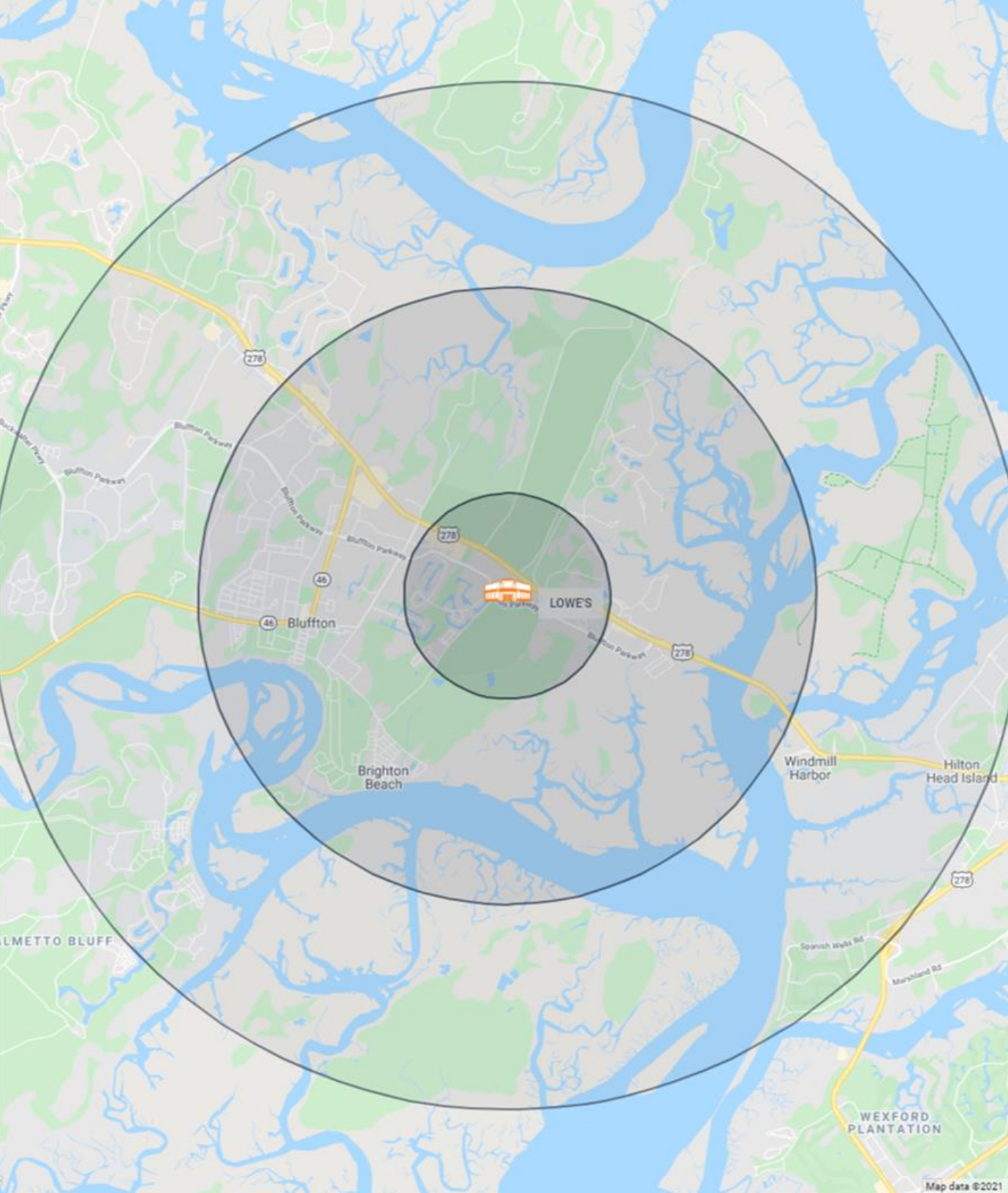


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BLUFFTON, SC | Bluffton is a Lowcountry town in Beaufort County, South Carolina, United States. It is primarily located around U.S. Route 278, between Hilton Head Island and Interstate 95. The town's original one square mile area, now known as Old Town, is situated on a bluff along the May River. The population was counted by the 2010 census at 12,893 and was estimated to have swelled to 25,557 in 2019. Additionally, it is the fastest growing municipality in South Carolina with a population over 2,500, growing 882.7% between the 2000 and 2010 census. Bluffton is the fifth largest municipality in South Carolina by land area.

HILTON HEAD ISLAND, SC | Hilton Head is a resort town and barrier island in Beaufort County, SC. It is 20 miles northeast of Savannah, GA and 95 miles southwest of Charleston. The island is named after Captain William Hilton, who in 1663 identified a headland near the entrance to Port Royal Sound, which mapmakers named "Hilton's Headland." The island features 12 miles of beachfront on the Atlantic Ocean and is a popular vacation destination. In 2004, an estimated 2.25 million visitors infused more than \$1.5 billion into the local economy. The year-round population was 37,099 at the 2010 Census although during the peak of summer vacation season the population can swell to 150,000. Over the past decade, the island's population growth rate was 32%. Hilton Head Island is a primary city within the Hilton Head Island-Bluffton-Beaufort metropolitan area, which had an estimated population of 207,413 in 2015.



	1 Miles	3 Miles	5 Miles
POPULATION			
2025 Projection	1,752	17,297	36,814
2020 Estimate	1,685	16,660	35,122
2010 Census	1,499	14,737	30,589
2000 Census	657	8,861	15,335
INCOME			
Average	\$103,425	\$92,832	\$97,059
Median	\$67,960	\$64,390	\$66,341
Per Capita	\$42,828	\$34,938	\$36,224
HOUSEHOLDS			
2025 Projection	728	6,554	13,826
2020 Estimate	698	6,270	13,108
2010 Census	618	5,513	11,330
2000 Census	296	3,522	6,082
HOUSING			
2020	\$418,762	\$352,779	\$357,050
EMPLOYMENT			
2020 Daytime Population	2,019	16,226	31,970
2020 Unemployment	0.96%	1.91%	2.12%
2020 Median Time Traveled	22	24	23
RACE & ETHNICITY			
White	83.05%	74.62%	73.74%
Native American	0.00%	0.04%	0.03%
African American	4.86%	9.33%	10.75%
Asian/Pacific Islander	0.97%	1.34%	1.33%

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