



HARBOR FREIGHT

CUMMING, GEORGIA

YURAS
AICALE
FORSYTH
CROWLE

Leased Investment Team

OFFERING MEMORANDUM



\$4,901,000 | 5.75% CAP RATE

- » 10-Year Net Lease to Strong and Rapidly Growing Corporate Tenant
 - » Rental Increases in Option Periods
 - » Harbor Freight Tools is One of the Nation's Fastest Growing Retailers With Over 1,100 Stores Nationwide, Over 20,000 Employees, and More Than 40 million Customers
- » Located in Densely Populated and Extremely Affluent Georgia Retail Corridor
 - » High-Visibility Location Along State Route 9/Atlanta Highway (18,610 AADT)
 - » Average Annual Household Income of \$137,506 Within a Five-Mile Radius
- » Near Large Employers, Retailers, and Community Hubs
 - » Outparcel to a Publix-Anchored Shopping Center
 - » 1.5 Miles From Northside Hospital (298 Beds, 3,000 Employees), Forsyth County's Second-Largest Employer
- » New 2021 Construction

FILE PHOTO



Cushman and Wakefield Inc. LIC. # 00616335

This property is listed in conjunction with Georgia-licensed real estate broker Delta Commercial.

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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INVESTMENT SUMMARY

ADDRESS	601 Tri-County Plaza, Cumming, Georgia 30040		
PRICE	\$4,991,000		
CAP RATE	5.75%		
NOI	\$281,775		
TERM	September 2021 (estimated)		
RENT COMMENCEMENT	September 2031 (estimated)		
LEASE EXPIRATION	10 years from rent commencement date		
RENTAL INCREASES	Rental increases every five (5) years in option periods		
	YEAR	RENT	RETURN
	1-10	\$281,775	5.75%
	11-15 (Option 1)	\$309,953	6.33%
	16-20 (Option 2)	\$341,020	6.96%
	21-25 (Option 3)	\$374,978	7.65%
	26-30 (Option 4)	\$412,548	8.42%
	31-35 (Option 5)	\$453,730	9.26%
YEAR BUILT	2021 (under construction)		
BUILDING SF	14,490 SF		
PARCEL SIZE	1.33 acres (57,935 SF)		
LEASE TYPE	Net lease, with tenant responsible for all taxes, insurance, and maintenance, excluding roof, structure, and parking lot		

NEW 10-YEAR NET LEASE WITH SCHEDULED RENTAL INCREASES TO STRONG RETAIL TENANT

- » New 10-year net lease with five (5) five (5) year options, creating a stable, long-term investment
- » Rental increases every five years in option periods, providing a hedge against inflation
- » Net lease requires minimal landlord management, ideal for an out-of-area investor
- » Harbor Freight Tools is one of the nation's fastest growing retailers with over 1,100 stores nationwide, over 20,000 employees, and more than 40 million customers
- » On July 28, 2020, Harbor Freight Tools launched its own credit card in partnership with Synchrony (NYSE: SYF), which offers its users substantial value and rewards on a wide variety of tools and equipment at all Harbor Freight locations nationwide

LOCATED IN DENSELY POPULATED AND AFFLUENT GEORGIA RETAIL CORRIDOR

- » High-traffic location along State Route 9/Atlanta Highway (18,610 AADT), significantly increasing traffic to the site
- » Beneficial proximity to highly trafficked Georgia thoroughfares, including State Route 20/Buford Highway (45,500 AADT) and U.S. Route 19 (62,600 AADT)
- » Population of 104,436 within a five-mile radius of the site, providing an extremely large customer base for the property
- » Average annual household income of \$137,506 within five miles of the site
- » Projected 10 percent average annual household income increase within a five-mile radius of the site in the next five years, poising Harbor Freight and Cumming for significant concurrent growth

LOCATED NEAR LARGE EMPLOYERS, RETAILERS, AND COMMUNITY HUBS

- » Outparcel to a Publix-anchored shopping center, greatly increasing traffic to the location
- » Surrounded by a strong mix of local and national retailers, including Walmart Supercenter, Lowe's Home Improvement, The Home Depot, Big Lots, Kohl's, McDonald's, Burger King, Cracker Barrel, and many more
- » 1.5 miles from Northside Hospital (298 beds, 3,000 employees), Forsyth County's second-largest employer
- » Surrounded by high-density single family housing developments and large apartment and townhouse complexes
- » Three miles from Lake Lanier, a major Georgia tourist attraction, which welcomes 10 million annual visitors and generates \$5 billion in annual economic impact on the area

NEW 2021 CONSTRUCTION

- » 2021 construction featuring latest store designs and concepts
- » New building, limiting near-term deferred maintenance or capital costs



LAKE LANIER





SAWNEE MOUNTAIN PRESERVE
(5 miles)





NH
**NORTHSIDE
HOSPITAL**
(298 beds, 3,000 employees)

Martin Marietta Quarry

Zoned for retail
(under construction)

Applebee's
GRILL & BAR

LA FITNESS

Goodwill

Stars & Strikes
GET READY TO PLAY

belk
MODERN. SOUTHERN. STYLE.

MARATHON

Panera
BREAD

McDonald's

KFC

20 / Buford Highway
(45,500 AADT)

TEXAS
STEAKHOUSE

Rocky Road
Old Country Store

Wendy's

Arby's

BURGER KING

Chick-fil-A

HOBBY LOBBY

TARGET

BIG LOTS!

Publix

Bank of America

TACO BELL

SUBWAY

ROSS
DRESS FOR LESS

AutoZone

HARBOR FREIGHT TOOLS
Quality Tools at Ridiculously Low Prices
(under construction)

CHASE

Citizens Bank

KOHL'S

19 / U.S. Route 19
(62,600 AADT)

Krystal

Chevron

6 / Atlanta Highway
(18,610 AADT)

CAPTAIN D'S
SEAFOOD RESTAURANT

WAFFLE HOUSE

SAWNEE
An Electric Membership Corporation

SITE PLAN

STATE ROUTE 9 / ATLANTA HIGHWAY

TRI-COUNTY PLAZA

MONUMENT SIGN

HARBOR FREIGHT
QUALITY TOOLS LOWEST PRICES

14,490 SF

DETENTION BASIN

Krystal



**BIG
LOTS!**

TENANT SUMMARY

HARBOR FREIGHT TOOLS

Quality Tools at Ridiculously Low Prices

Harbor Freight Tools is a privately held discount tool and equipment retailer, headquartered in Calabasas, California, which operates a chain of retail stores, as well as a mail-order and e-commerce business. From hand tools and generators, to air and power tools, from shop equipment to automotive tools, Harbor Freight offers more than 7,000 tools and accessories at quality levels that match or exceed competing brands, but at prices that are up to 80 percent less. With 1,100+ stores and over 40 million satisfied customers, Harbor Freight Tools continues to grow, but they're still family owned and for over four decades their mission has remained the same: deliver an incredible assortment of great quality tools at the lowest prices.

For more information, please visit www.harborfreight.com

LOCATIONS	1,100+	HEADQUARTERS	Calabasas, CA
REVENUE	\$5B	OWNERSHIP	Private

LEASE ABSTRACT

TENANT	Harbor Freight Tools USA, Inc.		
ADDRESS	601 Tri-County Plaza, Cumming, Georgia 30040		
RENT COMMENCEMENT	September 2021 (estimated)		
LEASE EXPIRATION	September 2031 (estimated)		
RENEWAL OPTIONS	Five (5) options of five (5) years each		
RENTAL INCREASES	YEAR	RENT	RETURN
	1-10	\$281,775	5.75%
	11-15 (Option 1)	\$309,953	6.33%
	16-20 (Option 2)	\$341,020	6.96%
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	26-30 (Option 4)	\$412,548	8.42%
	31-35 (Option 5)	\$453,730	9.26%
REAL ESTATE TAXES	Tenant is responsible for all real estate taxes.		
INSURANCE	Tenant is responsible for all insurance costs.		
REPAIR & MAINTENANCE	Tenant shall, at its sole expense, be responsible for routine non-structural repair and maintenance of the interior of the Building (including the exterior doors and glass), and for maintenance of all improvements installed by Tenant.		
MAINTENANCE BY LANDLORD	Landlord shall be responsible, at its sole expense, for repair, maintenance and replacement in a first class manner of the Building structural elements, concrete slab, exterior walls, roofs, roof coverings, foundations, unexposed electrical, utility lines, unexposed plumbing, and the fire/sprinkler system. Landlord shall also be responsible for maintaining, repairing and/or replacing, as necessary (or causing the same to be done) the Required Access.		
RIGHT OF FIRST REFUSAL	Tenant shall have fifteen (15) days after receipt of such notice ("Exercise Period") within which to exercise the Right of First Refusal.		

PROPERTY OVERVIEW

LOCATION

The property is conveniently located along State Route 9/Atlanta Highway (18,610 AADT), drawing significant traffic to the site. The location is strategically placed near highly trafficked Georgia thoroughfares, including State Route 20/Buford Highway (45,500 AADT) and U.S. Route 19 (62,600 AADT). The site is also located in a densely populated area, with a population of 104,436 within a five-mile radius of the site. The property is located in an extremely affluent area as well, with an average annual household income of \$137,506 within five miles of the site. With a projected 10 percent average annual household income increase within a five-mile radius of the site in the next five years, Harbor Freight and Cumming are poised for significant concurrent growth.

Visibility to the property is increased by the site's centralized location near large employers, retailers, and community hubs. The property is outparcel to a Publix-anchored shopping center, greatly increasing traffic to the site. The location is also surrounded by many major national retailers, including Walmart Supercenter, Lowe's Home Improvement, The Home Depot, Big Lots, Kohl's, McDonald's, Burger King, Cracker Barrel, and many others. The site maintains a beneficial proximity 1.5 miles from Northside Hospital (298 beds, 3,000 employees), Forsyth County's second-largest employer. The property is surrounded by high-density single family housing developments and resides three miles from Lake Lanier, a major Georgia tourist attraction, which welcomes 10 million annual visitors and generates \$5 billion in annual economic impact on the area.

ACCESS

Access from State Route 9/Atlanta Highway and Tri-County Plaza

TRAFFIC COUNTS

State Route 9/Atlanta Highway:	18,610 AADT
State Route 20/Buford Highway:	45,500 AADT
U.S. Route 19:	62,600 AADT

PARKING

53 parking stalls, including three (3) handicap stalls

YEAR BUILT

2021 (under construction)

NEAREST AIRPORT

Hartsfield Jackson Atlanta International Airport (ATL | 48 miles)

FILE PHOTO



53
PARKING
STALLS



2021
YEAR BUILT



**NEAREST
AIRPORT**
HARTSFIELD
JACKSON ATLANTA
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Cumming is a city in Forsyth County, Georgia. The city is experiencing new growth and bears little resemblance to the small rural town it was decades ago. The completion of Georgia 400 has helped turn Cumming into a commuter town for metropolitan Atlanta. The city holds the Cumming Country Fair & Festival every October, and the Sawnee Mountain Preserve is a major tourist attraction that provides views of the city from the top of Sawnee Mountain. In 1956, Buford Dam, along the Chattahoochee River, started operating. The reservoir that it created is called Lake Lanier. The lake, a popular spot for boaters, has generated income from tourists for Cumming as well as provides a source of drinking water.

Forsyth County is a county in the north-central portion of Georgia. Suburban and exurban in character, Forsyth County lies within the Atlanta Metropolitan Area. The county's only incorporated city and county seat is Cumming, and as of 2019 estimates, the population was 244,252. Forsyth County's rapid population growth can be attributed to its proximity to high-income employment opportunities in nearby Alpharetta and northern Fulton County, its equidistant location between the big-city amenities of bustling Atlanta and the recreation offerings of the scenic Blue Ridge Mountains, its plentiful supply of large, relatively affordable new-construction homes, and its highly ranked public school system. The influx of high-income professionals and their families has increased the county's median annual household income dramatically in recent years; at \$104,687, Forsyth County was the wealthiest in Georgia and the 19th-wealthiest in the U.S. as of 2018 estimates.

- » Lake Lanier, a 37,000-acre lake created and maintained by the United States Army Corps of Engineers in association with Buford Dam, is enjoyed by many residents and non-residents alike. Fishing, boating, tubing, wake boarding, and water skiing are common activities on the lake.
- » Forsyth County Parks and Recreation Department maintains 25 parks and facilities in the county. Most notable are Sawnee Mountain Preserve, Central Park, Fowler Park, Poole's Mill Covered Bridge, and the Big Creek Greenway.
- » Forsyth was the fastest-growing county in Georgia and the 15th fastest-growing county in the United States between 2010 and 2019.

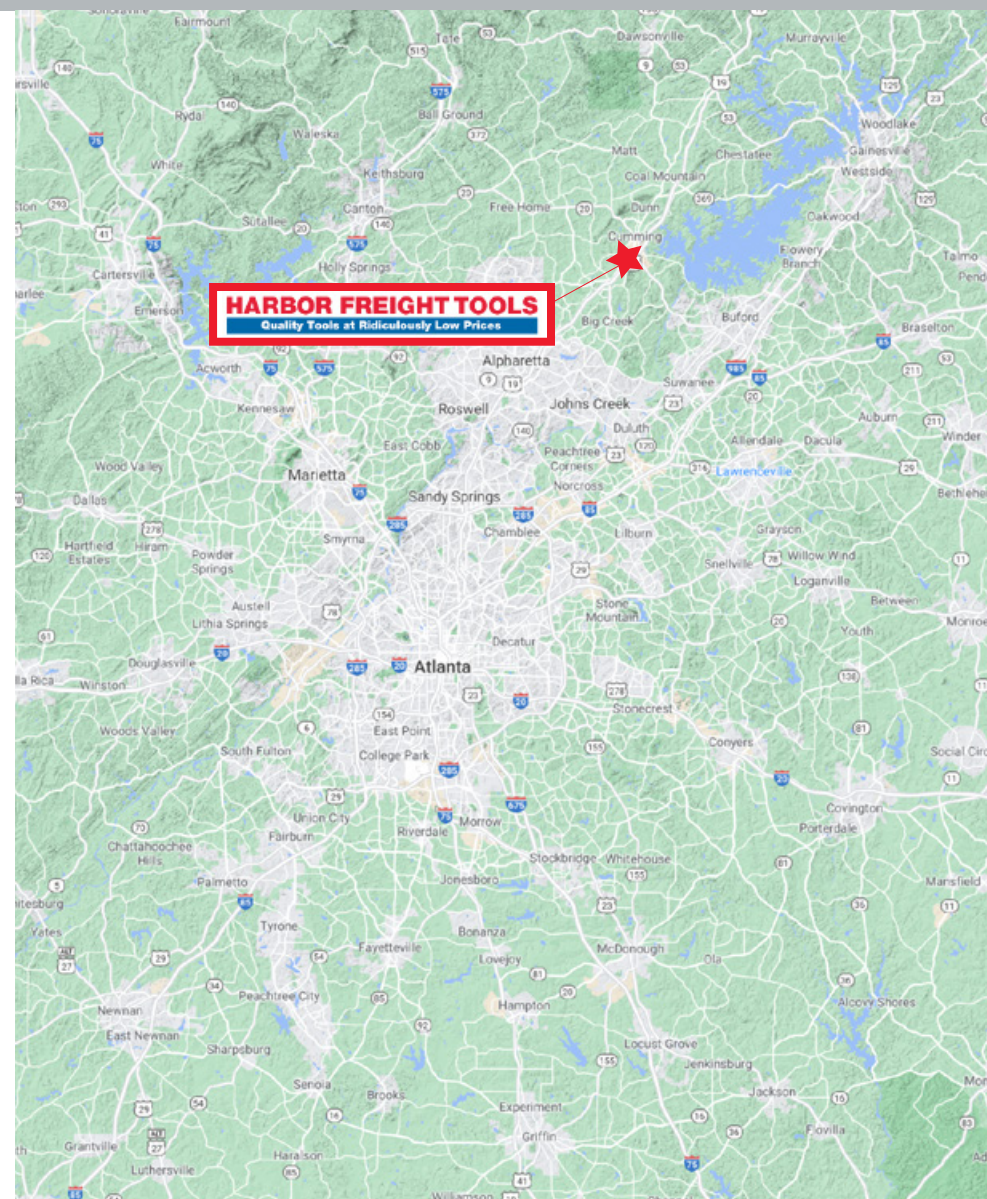
LARGEST EMPLOYERS IN FORSYTH COUNTY, GA # OF EMPLOYEES

FORSYTH COUNTY SCHOOL SYSTEM	4,182
NORTHSIDE HOSPITAL	3,000
TYSON FOODS INC.	1,200
FORSYTH COUNTY GOVERNMENT	1,109
KOCH FOODS	1,100
SCIENTIFIC GAMES INTERNATIONAL INC.	1,098
SIEMENS ENERGY & AUTOMATION INC.	1,000
WALMART	400
L-3 COMMUNICATION DISPLAY SYSTEMS	286
AMERICAN BOA INC.	281



DEMOGRAPHIC PROFILE

2020 SUMMARY	1 Mile	3 Miles	5 Miles
Population	4,228	37,853	104,436
Households	1,884	13,587	36,201
Families	1,024	9,618	27,446
Average Household Size	2.10	2.74	2.87
Owner Occupied Housing Units	1,020	10,664	30,416
Renter Occupied Housing Units	864	2,922	5,785
Median Age	38.4	37.7	38.1
Average Household Income	\$82,293	\$118,132	\$137,506
2025 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	4,983	44,686	122,884
Households	2,243	16,057	42,516
Families	1,205	11,287	32,071
Average Household Size	2.10	2.75	2.88
Owner Occupied Housing Units	1,228	12,629	35,756
Renter Occupied Housing Units	1,015	3,428	6,760
Median Age	39.5	37.6	37.9
Average Household Income	\$89,570	\$129,247	\$150,431



**AVERAGE HOUSEHOLD INCOME OF \$137,506
WITHIN FIVE MILES**



**POPULATION OF 104,436
WITHIN FIVE MILES**

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