

MAURICES – WALMART SUPERCENTER OUTLOT – COLLEGE TOWN – FARGO, ND (MSA)

maurices

701 E 34th St N, Dilworth, MN



Actual Site



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CONFIDENTIAL
OFFERING MEMORANDUM



Actual Site

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EXECUTIVE SUMMARY

\$871,800	7.75%	\$18.67
PRICE	CAP	LAND PRICE PSF

\$13.50	Varies (7.4% in upcoming option on 2/1/2023)	5,005 SF
RENT PSF	INCREASES	BUILDING SIZE

Bellagio Real Estate Partners, LLC is pleased to present the opportunity to acquire a single tenant Maurices net leased asset located at 701 34th St N in Dilworth, MN (Fargo MSA). This is a chance to acquire **a corporate credit asset positioned as a Walmart outlet on a highly visible signalized corner lot.** Surrounding national retailers include Walmart, Aldi, Dollar Tree, Target, Tractor Supply, McDonald's, and CVS, among others.

Investment Highlights

- Net lease single tenant asset located on an oversized 1.07-acre parcel with plentiful parking
- Maurices is situated as a signalized corner outlet to a 210,000+ SF Walmart Supercenter; the next closest Walmart is over a 20-minute drive from the subject property
- Maurices has over 900 locations and thrives in smaller markets throughout the Midwest, with a distinguished focus on women's apparel
- Dense retail corridor featuring an abundance of national retailers including Walmart, Aldi, Dollar Tree, Target, Tractor Supply, McDonald's, and CVS
- Subject property is 4 miles from North Dakota State University (14,350 students) and 2 miles from Minnesota State University Moorhead (5,532 students)
- Maurices is owned by a U.S. subsidiary of London based private equity firm OpCapita (\$600mm AUM)



REGIONAL AERIAL



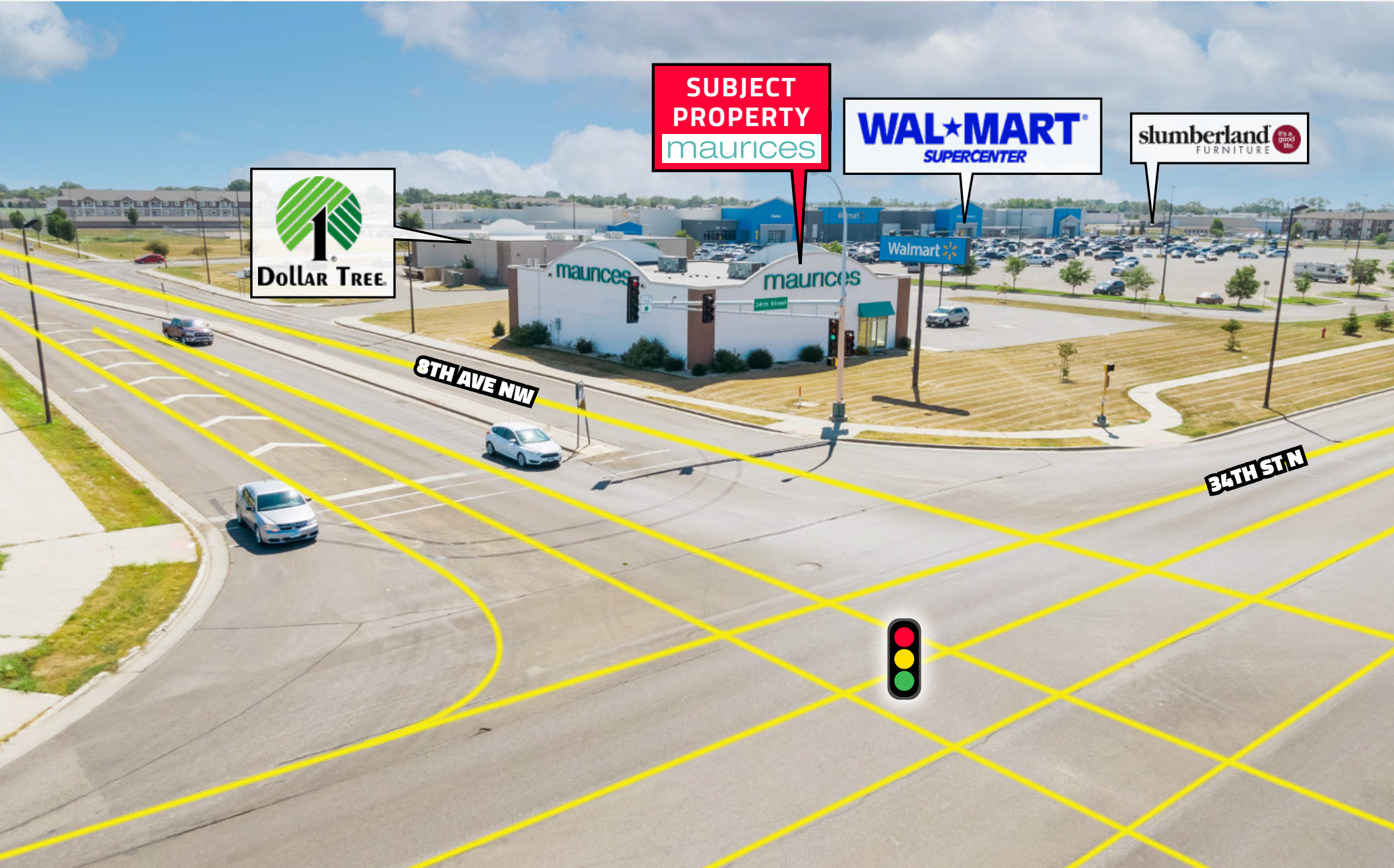
CLOSEUP AERIAL



DRONE AERIAL



DRONE AERIAL



LEASE ABSTRACT

Tenant:	Maurices Incorporated
Guarantor:	Corporate
Building Size:	5,005 Square Feet
Lot Size:	1.07 Acres
Rent Commencement:	10/4/2012
Current Lease Expiration:	1/31/2023
NOI:	\$67,567.50
Rent PSF:	\$13.50
Renewal Options:	Four, 5-year options
Rent Increases:	Varies (7.4% increase in the upcoming option)
Lease Type:	NN
CAM:	Landlord shall repair and maintain the parking areas, parking lot lighting, utility systems, and snow and ice removal. There is a 5% CAM cap on controllable expenses (this excludes snow removal and utility system repair).
Admin Fee:	10% of CAM Costs
Roof and Structure:	Landlord repairs and maintains
HVAC:	Tenant maintains and replaces
Taxes:	Tenant reimburses
Insurance:	Tenant reimburses
Utilities:	Tenant pays pay directly



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RENT ROLL

Term	Net Annually	Monthly Rent	Rent Increase	Annual Return
Current - 1/31/2023	\$67,567.50	\$5,631	N/A	7.75%
2/1/2023 - 1/31/2028 (1st Option)	\$72,572.50	\$6,048	7.41%	8.32%
2/1/2028 - 1/31/2033 (2nd Option)	\$75,075.00	\$6,256	3.45%	8.61%
2/1/2023 - 1/31/2038 (3rd Option)	\$77,577.50	\$6,465	3.33%	8.90%
2/1/2038 - 1/31/2043 (4th Option)	\$80,080.00	\$6,673	3.23%	9.19%

*Landlord collects annual admin fee equal to 10% of CAM costs.



Actual Site



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TENANT OVERVIEW

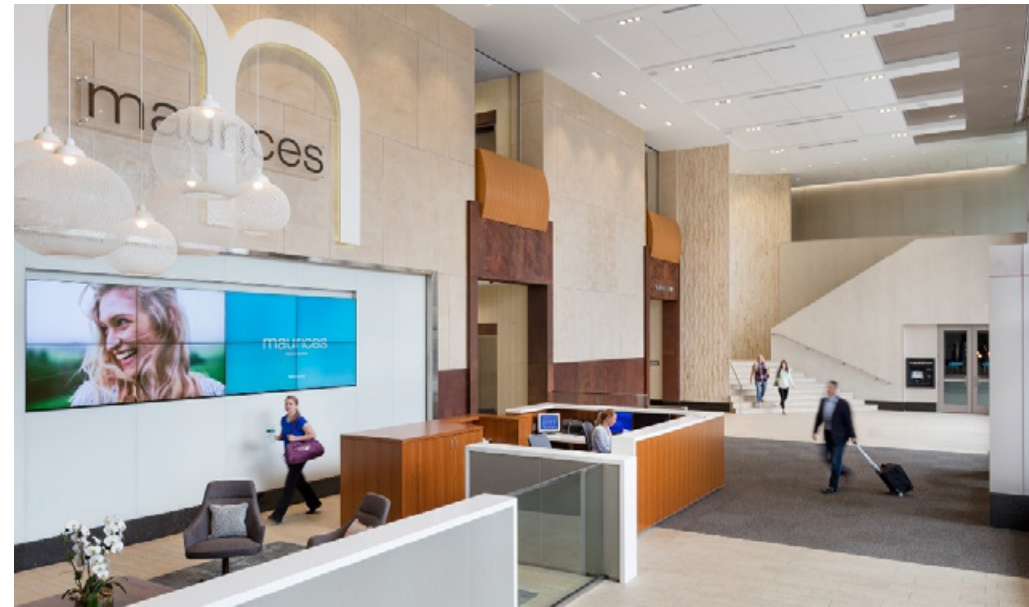
maurices

Maurices INC. is an American women's clothing retail chain founded in 1931. As of 2019, the chain has over 900 stores throughout the United States and Canada. Their products include women's clothing, to accessories such as jewelry, bags, and sunglasses to even home goods. In March of 2019, Ascena sold a majority stake in Maurices to a U.S. subsidiary of London based private equity firm OpCapita for \$300 million. OpCapita specializes in the retail and consumer industries. Rue 21 and Express are some of Maurices top competitors in the retail market.

In 2011, Maurices was ranked one of the "Top Ten Best Employers in Retail", by Forbes. With over 5.4mm active customers, OpCapita believes that Maurices can compete effectively as a value retailer focused on its core "hometown" market retail positioning, with a well-priced and relevant product assortment targeting a re-engaged omni-channel customer. Maurices is headquartered in Duluth, MN.



Maurices Headquarters – Duluth, MN



Maurices Headquarters – Duluth, MN

Tenant Facts

Tenant	Maurices Inc., A Delaware Corporation
Company	OpCapita (parent company)
Number of Locations	+900
Company Revenue	\$1 Billion
Full-Time Employees	+4,000
Company Headquarters	Duluth, MN
Website	www.maurices.com

AREA OVERVIEW

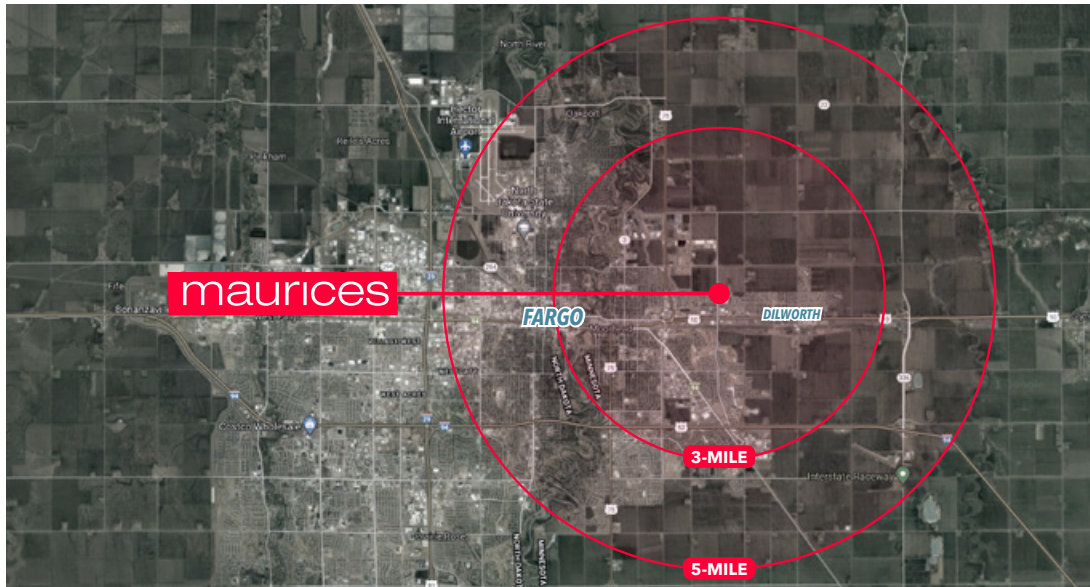
Dilworth, MN

The City of Dilworth is one of the core cities in the Fargo – Moorhead metro area. Dilworth benefits from its positioning in North Dakota's largest MSA, which is demonstrated by strong average household incomes exceeding \$91,000 annually and low unemployment rates.

Fargo, ND

Fargo is the largest city in North Dakota, boasting a growing MSA of over 248,000 residents. Fargo, along with its twin city of Moorhead, Minnesota, and the adjacent cities of West Fargo and Dilworth, form the core of the Fargo-Moorhead, ND-MN metro area.

Founded in 1871, Fargo is a cultural, retail, health care, educational, and industrial hub for eastern North Dakota and northwestern Minnesota. The region's diverse industry base provides a solid foundation and when you mix in an excellent work ethic, you end up with a consistently low unemployment rate and highly productive companies. In fact, Fargo Moorhead's economy consistently ranks among the highest of 384 metropolitan areas in vitality, per Moody's economy.com. Fargo's unemployment rate was 3.2% as of June 2021, 2.7 points better when compared to the national average of 5.9% for the same time period. Major area employers include Sanford Health (8,641 employees), Essentia Health (5,141 employees), and North Dakota State University (4,363). Other notable employers include Axis Communications, Microsoft, Marvin Windows and Doors, and John Deere.



DEMOGRAPHICS	3 Mile	5 Mile	10 Mile
2010 POPULATION	37,198	99,017	181,123
2021 POPULATION	38,884	106,136	219,415
2026 POPULATION PROJECTION	39,884	109,857	231,659
AVERAGE HH INCOME	\$76,312	\$69,254	\$82,485

DISCLAIMER

Bellagio Real Estate Partners, LLC (“Bellagio REP”) has been retained as the exclusive broker by the owner of record (the “Owner”) of 701 34th St N, Dilworth, MN 56529 (the “Property”) in connection with its sale as described in this Offering Memorandum.

This Offering Memorandum is solely for the use of the person or entity whose name appears herein. You are not permitted to distribute, reproduce or divulge the contents of this Offering Memorandum, either in whole or in part, without the express written consent of Bellagio REP. By accepting this Offering Memorandum, the recipient agrees not to disclose the contents hereof to any third-party, except for the recipient’s professional advisors.

This Offering Memorandum is not a contract nor does it purport to provide an all-inclusive accurate summary of the physical or economic aspects of the Property, or any documents related thereto. Certain information contained in this Offering Memorandum, while believed to be true, is based on other sources, assumptions about the general economy and competition, and other factors beyond the control of Bellagio REP and Owner. For the foregoing reasons, Bellagio REP and Owner make no representations as to the accuracy or completeness of this Offering Memorandum, including, but not limited to, the budgets and projections. No such information contained in this Offering Memorandum is or shall be relied upon as a promise, representation or warranty whether as to the past or future performance. Neither Bellagio REP nor the Owner, nor any of their agents shall be held liable for any improper or incorrect use of the information described and/or contained herein and assumes no responsibility for anyone’s use of the information. Although the information contained in this Offering Memorandum was produced and processed from sources believed to be reliable, no warranty, expressed or implied, is made regarding accuracy, adequacy, completeness, legality, reliability or usefulness of any information.

The contents of this Offering Memorandum should not be construed as investment, legal or tax advice. Each prospective purchaser is urged to seek independent investment, legal and tax advice concerning the consequences of purchasing the Property. No assurance can be given that existing law, general economy, competition, or other factor beyond the control of Bellagio REP and Owner will not be changed or interpreted adversely to the Property or a purchaser thereof.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors. In making a purchase decision, a potential purchaser must rely on their own examination of the Property and the terms of purchase.

Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any potential purchaser at any time with or without notice. Owner shall have no legal commitment or obligations to any person or entity reviewing the Offering Memorandum or making an offer to purchase the Property unless and until such offer is approved by Owner and a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any conditions to Owner’s obligations hereunder have been satisfied or waived.



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