

# MATTRESS FIRM

EXCLUSIVE NET LEASE OFFERING



# OFFERING MEMORANDUM

**MATTRESS FIRM®**  
Save Money. Sleep Happy.™

2392 W US Hwy 90  
Lake City, FL 32055

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including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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# Investment Highlights

PRICE: \$2,712,960 | CAP: 6.25% | RENT: \$169,560

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## About the Investment

- ✓ Long-Term, Original 10-Year Double Net (NN) Lease
- ✓ Roof Warranty in Effect Until 2029
- ✓ Approximately 5.8 Years Remaining
- ✓ Three (3) Years of Additional Lease Term Added in 2020
- ✓ Ten Percent (10%) Rental Increases Occurring in Each Renewal Option
- ✓ Two (2), Five (5)-Year Tenant Renewal Options
- ✓ Corporate Tenant | Corporate Guaranty

## About the Location

- ✓ Dense Retail Corridor | Walmart, Lowes, The Home Depot, Publix, Aldi, Hobby Lobby, Dick's Sporting Goods, TJ Maxx, PetSmart, CVS, Walgreens, JC Penny, Ashley Homestore, Five Below, Ross, and Many More
- ✓ Strong Traffic Counts | Over 43,400 and 54,900 Vehicles Per Day Along Highway 90 and Interstate 75
- ✓ Lake City Medical Center | Located Approximately One-Miles Away | 91 Staffed Beds
- ✓ Lake City Mall | Located Directly Across the Street | Encompasses Sixteen Retailers and Five Restaurants

## About the Tenant / Brand

- ✓ Mattress Firm is Headquartered in Houston, Texas
- ✓ Founded in 1986
- ✓ Acquired by Steinhoff International Holdings for \$3.8 Billion in 2016
- ✓ Nearly 2,500 Stores in 49 States | Still Expanding
- ✓ Revenue of \$2.54 Billion (2020)
- ✓ Over 10,000 Employees
- ✓ Brand Produces High Quality Mattresses at Affordable Prices

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Representative Photo



Representative Photo



# Financial Analysis

PRICE: \$2,712,960 | CAP: 6.25% | RENT: \$169,560

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## PROPERTY DESCRIPTION

Concept	Mattress Firm
Street Address	2392 W US Hwy 90
City, State ZIP	Lake City, FL 32055
Year Built / Renovated	2014
Building Size Estimated (SF)	+/- 4,500
Lot Size Estimated (Acres)	+/- 0.36
Type of Ownership	Fee Simple

## THE OFFERING

Price	\$2,712,960
CAP Rate	6.25%
Annual Rent	\$169,560

## LEASE SUMMARY

Property Type	Net Leased Retail
Tenant / Guarantor	Mattress Firm, Inc. / Mattress Holding Corp.
Original Lease Term	10 Years
Lease Expiration	September 30, 2027
Lease Term Remaining	5.8 Years
Lease Type	Double Net (NN)
Landlord Responsibilities	Roof, Structure, & Parking
Rental Increases	10% in Each Option
Renewal Options Remaining	Two (2), Five (5)-Year Options

## RENT SCHEDULE

Lease Year	Annual Rent	Monthly Rent	Rent Escalation
10/1/2021 - 9/30/2022	\$169,560	\$14,130	-
10/1/2022 - 9/30/2023	\$169,560	\$14,130	-
10/1/2023 - 9/30/2024	\$169,560	\$14,130	-
10/1/2024 - 9/30/2025	\$169,560	\$14,130	-
10/1/2025 - 9/30/2026	\$169,560	\$14,130	-
10/1/2026 - 9/30/2027	\$169,560	\$14,130	-
Option 1	\$186,480	\$15,540	10.00%
Option 2	\$205,155	\$17,096	10.00%

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Mattress Firm located at 2392 W US Hwy 90, Florida. The site consists of roughly 4,500 rentable square feet of building space on estimated 0.36-acre parcel of land. This Mattress Firm is subject to a 10-year double-net (NN) lease, which added three (3) years of additional lease term in 2020. The current annual rent is \$169,560 and is scheduled to increase by ten percent (10%) in each of the two (2), five (5)-year renewal options.



# Concept Overview

## MATTRESSFIRM®

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With over 2,500 company-operated and franchised stores across 49 states, Mattress Firm has the largest geographic footprint in the United States among multi-brand mattress retailers. Founded in 1986, Houston-based Mattress Firm is the nation's leading specialty bedding retailer with over \$3.14 billion in sales in 2019. In September 2016, the company was acquired by Steinhoff International for \$3.8 billion, and Mattress Firm now operates as a subsidiary of Steinhoff.

The company, through its brands including Mattress Firm, Sleepy's and Sleep Train, offers a broad selection of both traditional and specialty mattresses, bedding accessories and other related products from leading manufacturers, including Serta, Simmons and Hampton & Rhodes.

Corporate Overview	
Number of Locations	2,500+
Total Number of Employees	10,000
Headquarters	Houston, TX
Year Founded	1986
Parent Company	Steinhoff International Holdings, N.V.



**STEINHOFF**  
INTERNATIONAL HOLDINGS N.V.

Founded in 1964, Steinhoff International Holdings is a global holding company based out of Stellenbosch, South Africa. The company employs about 130,000 individuals and operates throughout Africa, Asia, Europe, Oceania and the United States. Mattress firm was acquired by Steinhoff in 2016 for \$3.8 billion.

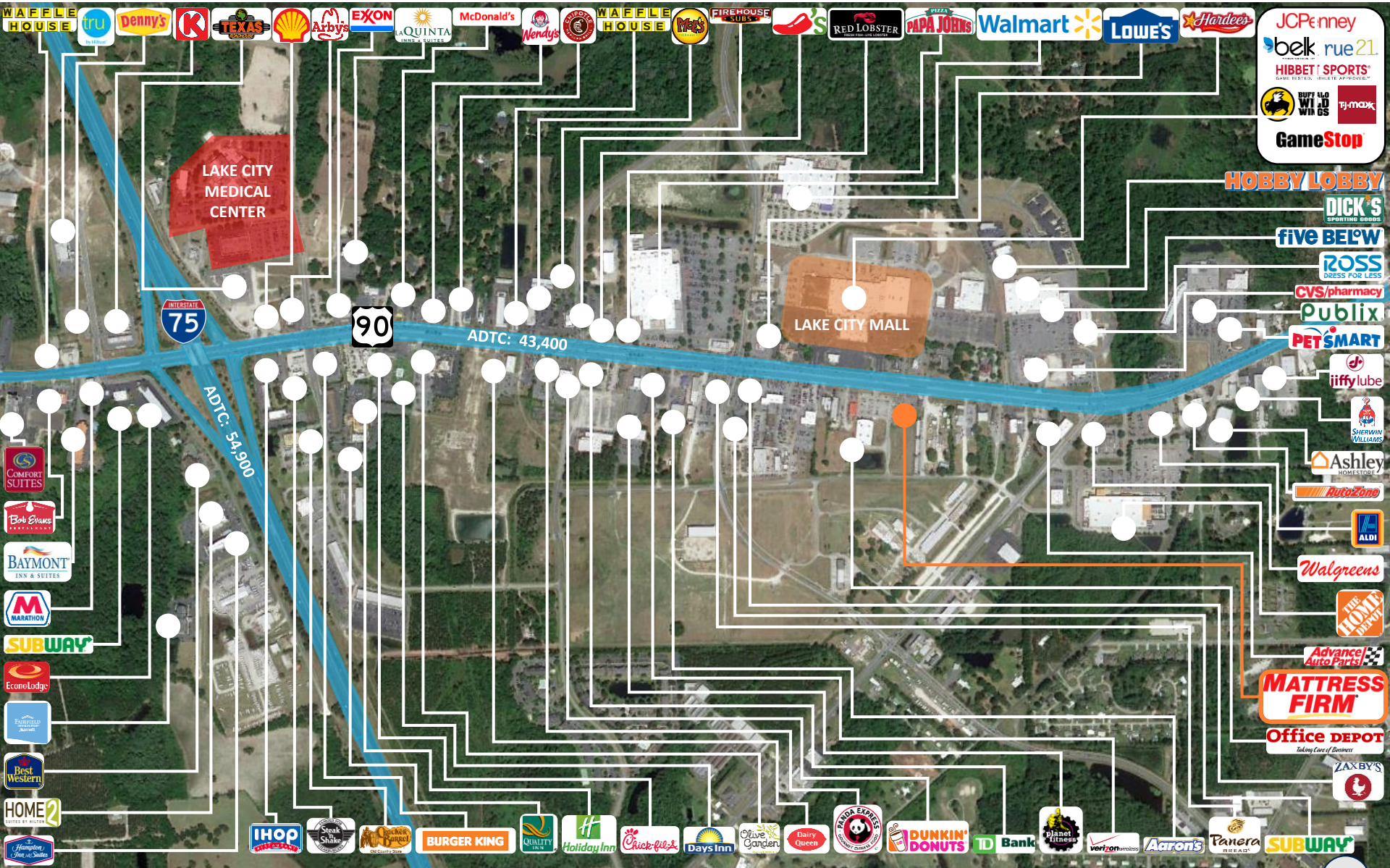
One of Steinhoff's main investment categories is household goods, such as Mattress Firm. Additional companies in this segment owned by Steinhoff include Conforma in Europe and Ackermans in Africa.





# Surrounding Area

# MATTRESS FIRM





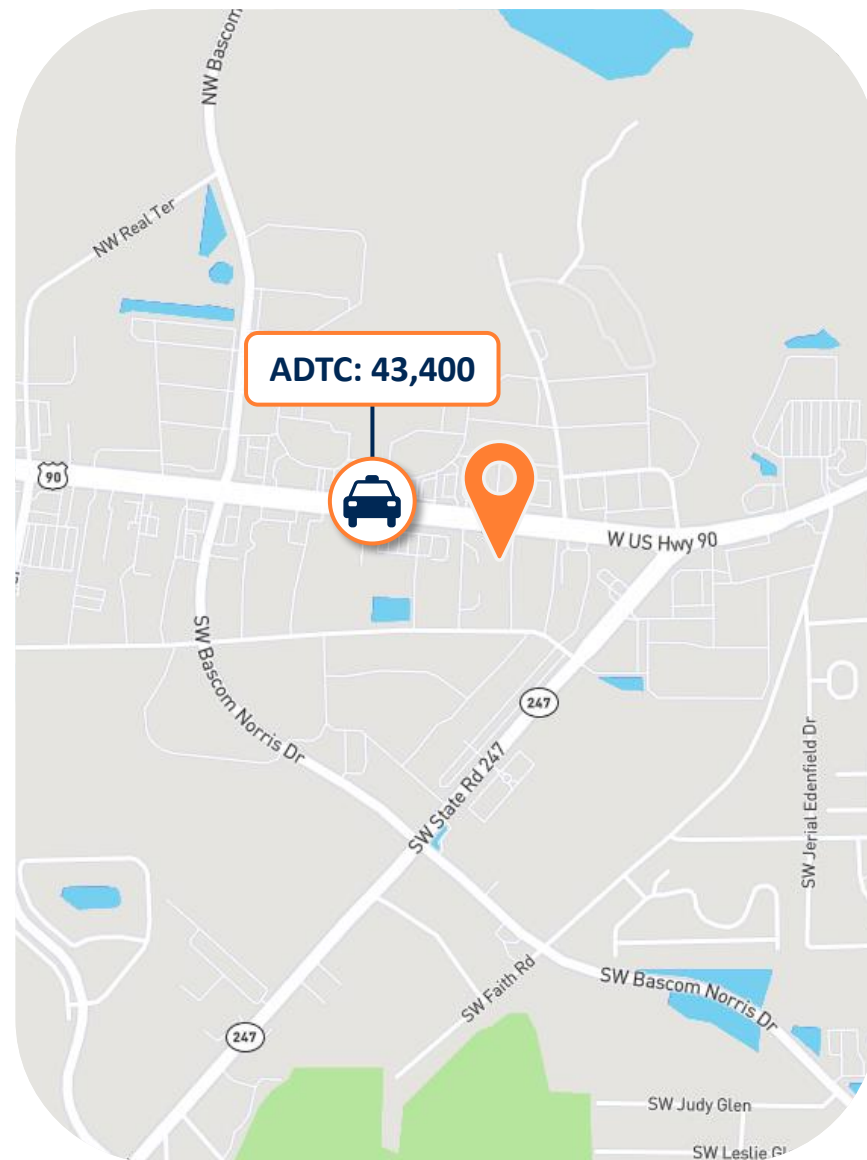
# Location Overview

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This Mattress Firm property is situated on U.S. Highway 90, which boasts average daily traffic counts of 43,400 vehicles. U.S. Highway 90 intersects with Interstate 75, which brings an additional 54,900 vehicles into the immediate area on average daily. There are more than 19,400 individuals residing within a three-mile radius of the property and more than 36,700 individuals within a five-mile radius.

The subject property benefits from being well-positioned in a very dense retail corridor consisting of national and local tenants, shopping centers and medical centers all within close proximity of this property. Major national tenants in the area include: Walmart, Lowe's, The Home Depot, Publix, Aldi, Hobby Lobby, Dick's Sporting Goods, TJ Maxx, PetSmart, CVS, Walgreens, JC Penny, Ashley Homestore, Five Below, Ross, as well as many others. This Mattress Firm also benefits from its close proximity to Lake City Mall which is across the street. This mall features 16 retailers and 5 restaurants. There is also a large hospital within the immediate area. Lake City Medical Center is one-mile away and has 91 staffed beds. Additionally, Interstate 75 is approximately one mile from the property. Interstate 75 carries a large percentage of Florida's tourist and commercial traffic.

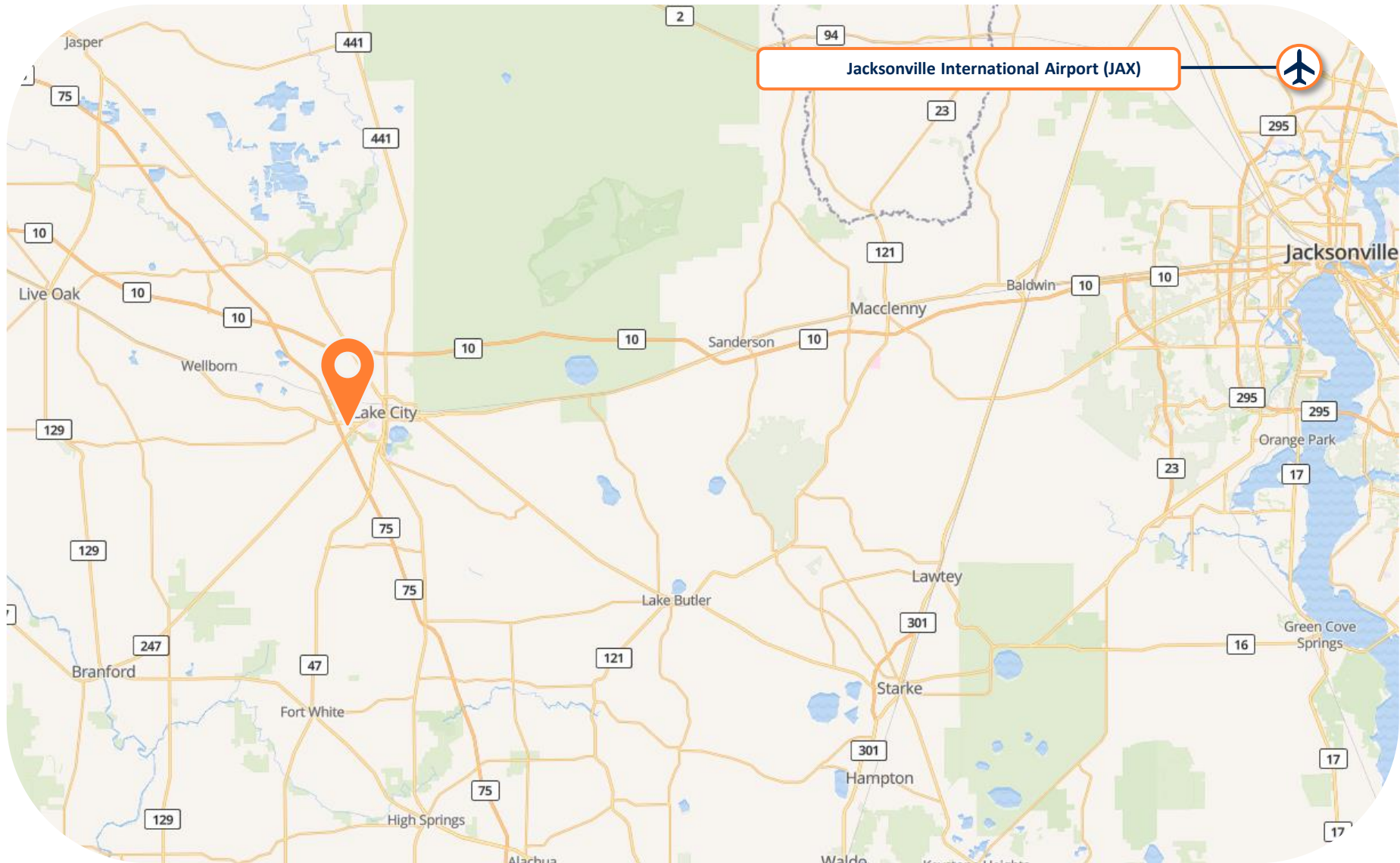
Lake City, in central north Florida's Columbia County, has been the Gateway to Florida since 1832. Located between Jacksonville, Tallahassee, and Gainesville near the intersection of I-10 and I-75, Lake City and its natural beauty and outdoor activities attract visitors year-round. This pristine part of Florida is a natural theme park for outdoor enthusiasts, festival goers, music lovers or those who simply want to spend a little time in a quiet, tranquil setting. Lake City has crystal-clear freshwater springs, rocking music festivals, history, culture, paddling and biking. Lake City is the northernmost sizable town/city in Florida. Interstate 10 is the southernmost east-west major interstate highway and traverses the country from Jacksonville, Florida, to Santa Monica, California. U.S. 41 and U.S. 90 (the U.S. highway versions of I-75 and I-10) have intersected in Lake City since 1927, long before the Interstate highways were built. The city relies on travelers for a considerable part of its economy. Lake City is the location of the Osceola National Forest's administrative offices. Since 2000, three companies have begun large operations in Lake City: Hunter Panels, New Millennium and United States Cold Storage. Target built their first company-owned and third-party-operated perishable food distribution center in Lake City in 2008.





# Local Map

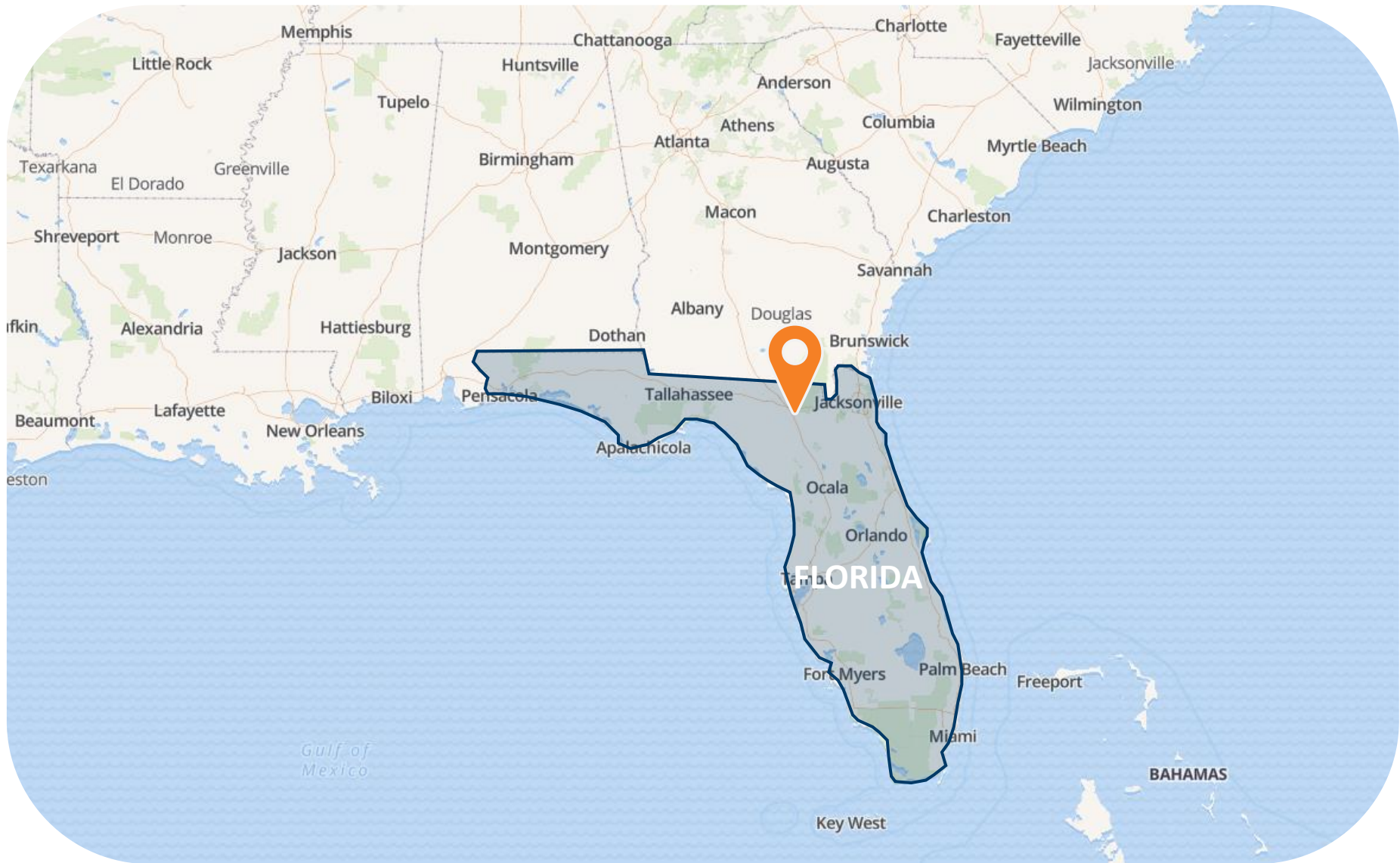
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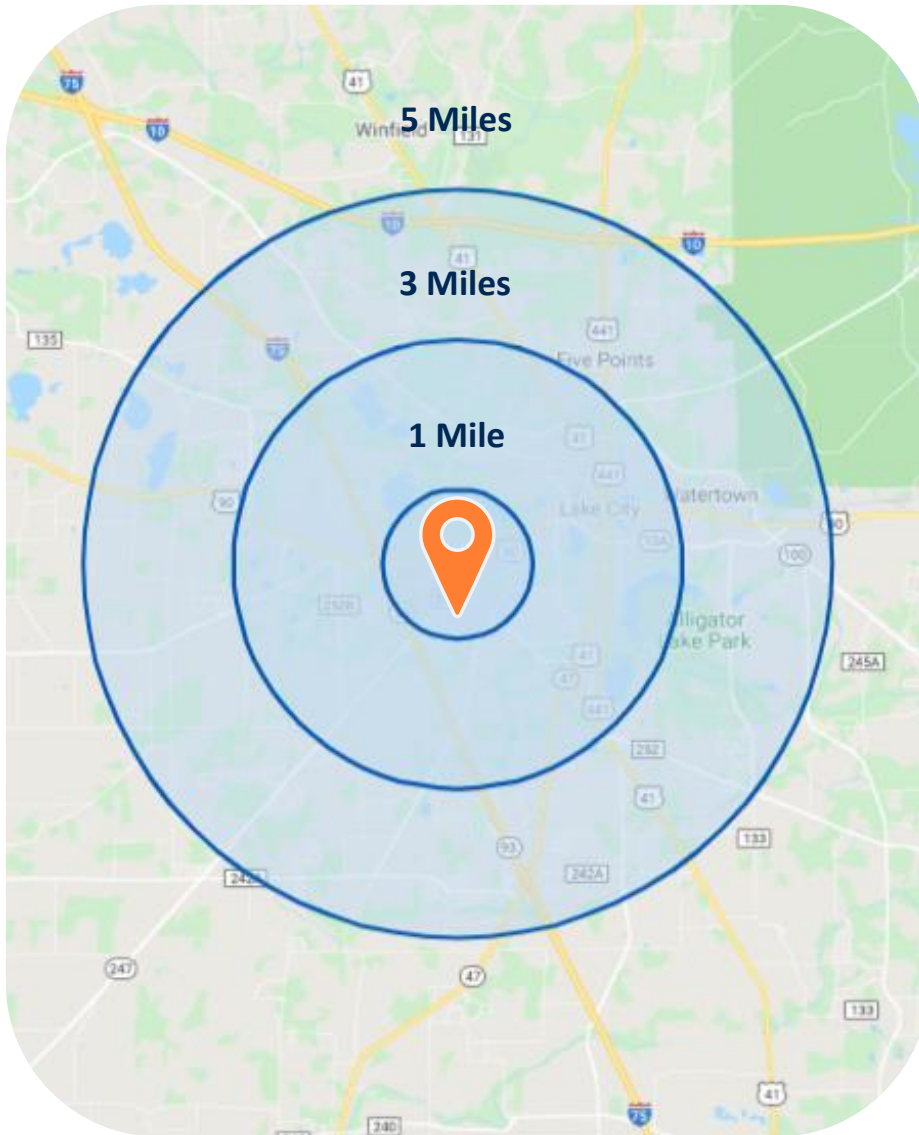
# Regional Map

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# Demographics



## POPULATION TRENDS

	1 Mile	3 Miles	5 Miles
2010 Population	2,042	17,763	34,044
2021 Population	2,282	19,404	36,764
2026 Population Projection	2,390	20,269	38,330
Annual Growth 2010-2021	1.10%	0.80%	0.70%
Annual Growth 2021-2026	0.90%	0.90%	0.90%

## POPULATION BY RACE (2021)

	1 Mile	3 Miles	5 Miles
White	1,562	13,583	26,969
Black	581	4,889	8,274
American Indian/Alaskan Native	8	80	168
Asian	62	383	560
Hawaiian & Pacific Islander	2	14	26
Two or More Races	68	456	768
Hispanic Origin	171	1,340	2,308

## HOUSEHOLD TRENDS

	1 Mile	3 Miles	5 Miles
2010 Households	798	6,949	13,281
2021 Households	881	7,514	14,239
2026 Household Projection	924	7,847	14,850
Growth 2010-2021	0.30%	0.30%	0.30%
Growth 2021-2026	1.00%	0.90%	0.90%

## AVERAGE HOUSEHOLD INCOME (2021)

1 Mile	3 Miles	5 Miles
\$55,465	\$65,917	\$65,414

## MEDIAN HOUSEHOLD INCOME (2021)

1 Mile	3 Miles	5 Miles
\$45,961	\$47,841	\$47,833

## HOUSEHOLDS BY HOUSEHOLD INCOME (2021)

	1 Mile	3 Miles	5 Miles
< \$25,000	251	1,803	3,410
\$25,000 - 50,000	243	2,083	3,953
\$50,000 - 75,000	183	1,386	2,704
\$75,000 - 100,000	99	700	1,315
\$100,000 - 125,000	36	595	1,218
\$125,000 - 150,000	39	375	621
\$150,000 - 200,000	22	343	587
\$200,000+	10	228	431



# Market Overview

## *Lake City, FL*



**Lake City** Lake City is the county seat of Columbia County, Florida, United States. It is the principal city of the Lake City Micropolitan Statistical Area, which is composed of Columbia County. Lake City is 60 miles west of Jacksonville. The city is the site of Lake City Gateway Airport, formerly known as NAS Lake City. Florida Gateway College is located in Lake City.

Lake City and Columbia County are known as "The Gateway to Florida" because Interstate 75 runs through them, carrying a large percentage of Florida's tourist and commercial traffic. Lake City is the northernmost sizable town/city in Florida on Interstate 75 and the location where I-10 and I-75 intersect. Interstate 10 is the southernmost east-west major interstate highway and traverses the country from Jacksonville, Florida, to Santa Monica, California. U.S. 41 and U.S. 90 (the U.S. highway versions of I-75 and I-10) have intersected in Lake City since 1927, long before the Interstate highways were built. The city relies on travelers for a considerable part of its economy. Lake City is the location of the Osceola National Forest's administrative offices. Since 2000, three companies have begun large operations in Lake City: Hunter Panels, New Millennium and United States Cold Storage. Target built their first company-owned and third-party-operated perishable food distribution center in Lake City in 2008.

The Lake City Gateway Airport is a local center of business. The airport is classified as a general aviation facility, but two on-site operations are somewhat unusual. HAECO is an aircraft modification and rehabilitation operation for large (B-727, 737 and Airbus A-320 A-319) civilian and military aircraft. The U.S. Forest Service uses C-130 transport aircraft in support of its forest fire-fighting operations in the southeastern United States.

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