

FERGUSON

2111 JEFFERSON ST | WISCONSIN RAPIDS, WI
OFFERING MEMORANDUM



CONTENTS

INVESTMENT SUMMARY	3
FINANCIAL OVERVIEW	7
TENANT OVERVIEW	11
AREA OVERVIEW	12

EXCLUSIVE LISTING AGENTS:

ISAAC WULFF

Associate

DIRECT 1 (424) 220-7245
MOBILE 1 (858) 699-3200
isaac.wulff@matthews.com
LIC # 02120934 (CA)

ALEXANDER HARROLD

VP & Senior Director

DIRECT 1 (310) 919-5790
MOBILE 1 (310) 977-1651
alex.harrold@matthews.com
LIC # 02009656 (CA)

BROKER OF RECORD

Kyle Matthews
LIC # 9381054-91 (WI)





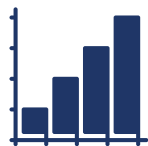
INVESTMENT SUMMARY

INVESTMENT HIGHLIGHTS

- **Recently Executed Lease Extension:** Ferguson has shown tremendous dedication to this site as they have recently executed their 5th lease extension for an additional 3 years. Additionally, Ferguson has shown strong loyalty to this location, as they are nearing almost 35 years of operating history.
- **Value Add Opportunity:** Tenant occupies 83% of the 40,000 sq/ft industrial facility, allowing investors to lease up to 7,000 sq/ft of additional office/warehouse for potential rental income. Additionally, Ferguson is currently paying \$2.28/SF (modified gross), while market rent is currently at \$3.50 – \$4.00 per square foot.
- **Strong Tenant:** Ferguson Enterprises is the largest U.S. distributor of plumbing supplies, PVF, waterworks, and fire and fabrication production. Third largest distributor of industrial and HVAC/R products. In the past 65 years, Ferguson has grown to an 18-Billion-dollar revenue company with over 1,400 locations and over 27,000 associates nationwide.
- **Property Functionality:** Situated on ±3.00 acres, the ±40,000 facility is built with a metal construct, equipped with three (3) drive-in doors and five (5) dock high doors.
- **Active Commercial Area:** Located in the city of Wisconsin Rapids, WI, this investment is strategically positioned in a massive industrial corridor. Surrounded by national tenants such as Home Depot, Ocean Spray, Dollar General, Ace Hardware, Walmart Applied Industrial Technologies, McDonald's, Subway, Burger King, Taco Bell, UPS, O'Reilly Auto Parts, Tractor Supply, Culvers.



\$1,200,000
SALE PRICE



7.70%
CAP RATE



±40,000 SF
BUILDING SIZE



\$30.00
PRICE/SF



FINANCIAL OVERVIEW

Tenant	Ferguson Enterprises
Address	2111 Jefferson St Wisconsin Rapids, WI 54495
Total building sq/ft	±40,000 SF
Leased To Ferguson	±33,000 SF
Vacancy Sq/ft	±7,000 SF
Lot Sq/ft	±131,046 SF
Acres	±3.00 AC
Coverage	31%
Construction	Metal/Steel
Clearance Height	12'-14'
Drive In Doors	Three (3)
Dock High Doors	Five (5)
Year Built	1983
Lease Type	NN
Tenant Repsonsible	Maitenance, Internal and Non-Structural, Taxes (Over 1988 Base Year)
Landlord Responsible	Roof and Structure, Exterior, Insurance, Base Taxes (Tenant Reimburses LL for any increase over base year of 1988 (\$11,237.98)
Original Lease Dated	6/1/89
Lease Extension Commencement	12/31/22
Lease Term Remaining	3.80 years
Lease Expiration	12/31/25
Rent Increases	1.5% Every Option
Options	2, 3 Year Options
12/31/2022 Monthly Rent	\$7,636
12/31/2022 Annual Rent	\$91,635
Additional Rent (Annual)	\$15,000
Expenses	\$14,238
NOI	\$92,397
Price	\$1,200,000.00
Cap Rate	7.70%
Price/SF	\$30.00
Price/SF/Land	\$9.16



ANNUALIZED OPERATING DATA

Term	Monthly Rent	Annual Rent	Additional Rent (Annual)	Expenses	NOI	Rent Increase	Rent/SF	Rent/SF/Month	Cap Rate
1/1/2020 - 12/31/2021	\$7,450.00	\$89,400.00	\$15,000.00	\$14,238	\$90,162.00		\$2.73	\$0.23	7.51%
1/1/2023 - 12/31/2023	\$7,636.25	\$91,635.00	\$15,000.00	\$14,238	\$92,397.00	2.50%	\$2.80	\$0.23	7.70%
1/1/2024 - 12/31/2024	\$7,636.25	\$91,635.00	\$15,000.00	\$14,238	\$92,397.00		\$2.80	\$0.23	7.70%
1/1/2022 - 12/31/2022	\$7,636.25	\$91,635.00	\$15,000.00	\$14,238	\$92,397.00		\$2.80	\$0.23	7.70%
Option 1									
1/1/2023 - 12/31/2023	\$7,750.79	\$93,009.53	\$15,000.00	\$14,238	\$93,771.53	1.50%	\$2.84	\$0.24	7.81%
1/1/2024 - 12/31/2024	\$7,750.79	\$93,009.53	\$15,000.00	\$14,238	\$93,771.53		\$2.84	\$0.24	7.81%
1/1/2025 - 12/31/2025	\$7,750.79	\$93,009.53	\$15,000.00	\$14,238	\$93,771.53		\$2.84	\$0.24	7.81%
Option 2									
1/1/2025 - 12/31/2025	\$7,867.06	\$94,404.67	\$15,000.00	\$14,238	\$95,166.67	1.50%	\$2.88	\$0.24	7.93%
1/1/2026 - 12/31/2026	\$7,867.06	\$94,404.67	\$15,000.00	\$14,238	\$95,166.67		\$2.88	\$0.24	7.93%
1/1/2026 - 12/31/2026	\$7,867.06	\$94,404.67	\$15,000.00	\$14,238	\$95,166.67		\$2.88	\$0.24	7.93%

DEBT QUOTE

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

KEVIN PUDER
(214) 530-5803
kevin.puder@matthews.com

LTV: 65.00%
RATE: 4.00%
AMORTIZATION: 25

EXPENSES

Expenses	Annually	Monthly
Real Estate Taxes	\$12,000	\$1,000.00
Insurance	\$3,000	\$250.00
Real Estate Taxes (\$11,238)	\$762	-
Total Expenses	\$14,238	\$1,186.50
Rent (Ferguson)	\$91,635	\$7,636.25
Rent (Additional Tenant)	\$15,000	
Net Operating Income (NOI)	\$92,397	\$7,699.75

PROFORMA TABLE

Current	Annual
Vacant sq/ft	5,500
Proforma Market Rent/SF (7,000 SF)	\$4.00
Proforma Market NOI (Vacant Portion)	\$22,000.00
Proforma Market Rent/SF (Ferguson Portion)	\$3.50
Proforma Market NOI (Ferguson Portion)	\$115,500.00
Proforma (With 100% Leased)	
Total Proforma NOI	\$137,500.00
Total Proforma NOI (Expenses Included)	\$123,262.00
Proforma Cap Rate	10.27%



FERGUSON®

33,000 SQ/FT

VACANT
7,000 SQ/FT





WOOD COUNTY HIGHWAY COMMISSION



WR COLD STORAGE

 **FERGUSON**





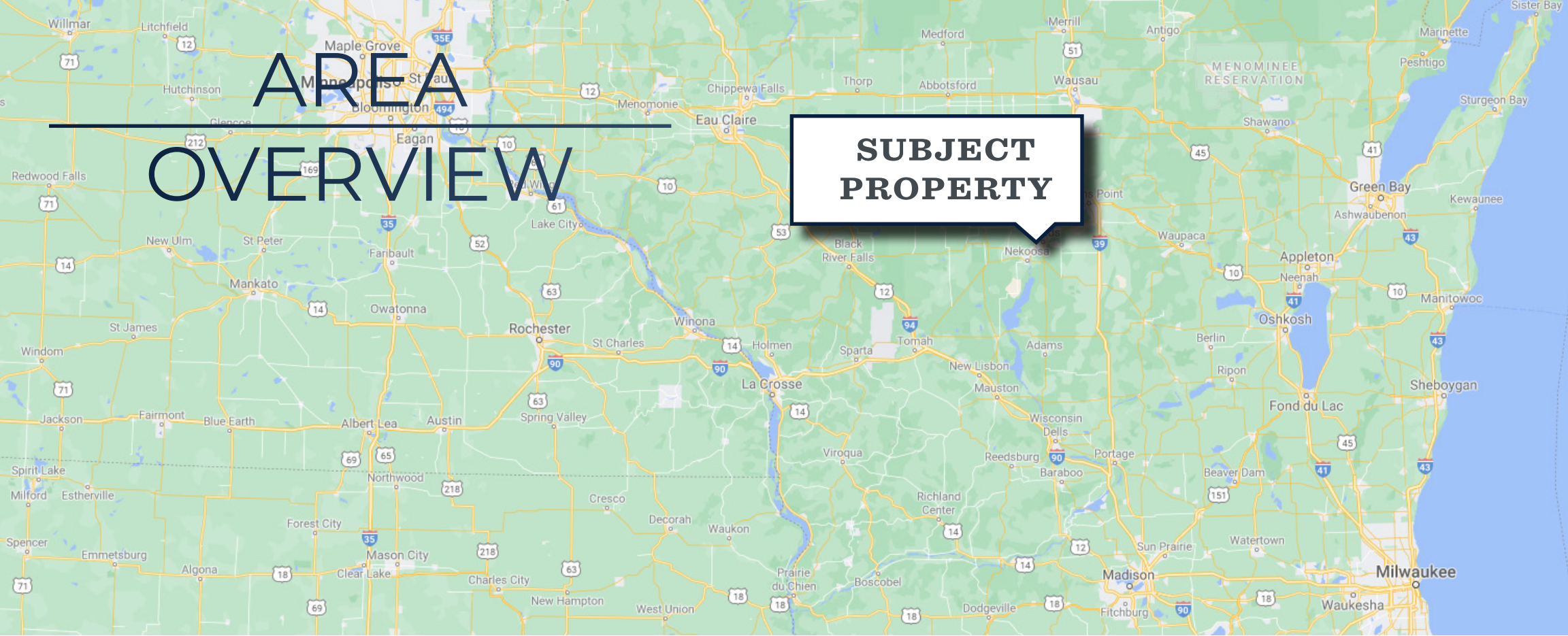
TENANT OVERVIEW



Ferguson raises the bar for industry standards as the top-rated wholesale supplier of commercial and residential plumbing supplies. However, our expertise goes beyond plumbing. We are a diverse distributor that spans multiple businesses including HVAC/R, waterworks and industrial. In the past 64 years, we've grown from a local distributor to a \$17 billion dollar company with more than 1,400 locations and over 24,000 associates nationwide. We pride ourselves on delivering world-class service and our customers know that "Nobody expects more from us than we do" is more than just a tagline to Ferguson associates. It's a cultural belief that is demonstrated every day through exceptional customer service, product selection and industry knowledge.

MARKET POSITION

- Largest U.S. distributor of plumbing supplies, PVF, waterworks and fire and fabrication products
- Third largest distributor of industrial and HVAC/R products



AREA OVERVIEW

SUBJECT PROPERTY

WISCONSIN RAPIDS, WI

Located in central Wisconsin, the city of Wisconsin Rapids is the county seat of Wood County. Home to almost 18,000 residents, Wisconsin Rapids has a variety of attractions and events to offer including Ben Hansen Park, Veterans Memorial Park, South Wood County Historical Museum, and the Cranberry Blossom Festival, which is a 4-day festival featuring live music, a parade, a carnival, arts & crafts, and lots of cranberry treats. Known as cranberry country, Wisconsin Rapids is an ideal location for businesses and a must-see destination for visitors.

The local economy of Wisconsin Rapids is supported by the manufacturing, health care and social assistance, and retail trade sectors. Renaissance Learning, an educational software company, is headquartered in the city. Wisconsin Rapids is also known for its cranberry industry. Blossom season in the summer and harvest season in the fall attract tourists from all over to see the stunning views of cranberry fields. The city's location, airport, highways, and rail access strategically link it to commercial and leisure activities in other cities in central Wisconsin.

PROPERTY DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2026 Projection	1,976	15,094	24,393
2021 Estimate	2,046	15,394	24,758
2010 Census	2,173	16,570	26,027
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	878	6,934	11,151
2021 Estimate	902	7,013	11,226
2010 Census	923	7,257	11,356
INCOME	1-MILE	3-MILE	5-MILE
2021 Avg. Household Income	\$51,532	\$58,871	\$65,298

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Ferguson** located in **2111 Jefferson St, Wisconsin Rapids, WI** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner Seller and in part upon financial information obtained from sources the Owner it deems reliable. Owner, nor their officers, employees, or real estate agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its contents, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein. and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

EXCLUSIVE LISTING AGENTS:

ISAAC WULFF

Associate

DIRECT 1 (424) 220-7245

MOBILE 1 (858) 699-3200

isaac.wulff@matthews.com

LIC # 02120934 (CA)

ALEXANDER HARROLD

VP & Senior Director

DIRECT 1 (310) 919-5790

MOBILE 1 (310) 977-1651

alex.harrold@matthews.com

LIC # 02009656 (CA)

BROKER OF RECORD

Kyle Matthews

LIC # 9381054-91 (WI)

MATTHEWS™
REAL ESTATE INVESTMENT SERVICES

FERGUSON

2111 JEFFERSON ST | WISCONSIN RAPIDS, WI

OFFERING MEMORANDUM

