
OFFERING MEMORANDUM



HARBOR FREIGHT TOOLS

NEW 2021 BUILD | GREENVILLE MSA

816 SACO LOWELL ROAD, EASLEY, SC 29640

Marcus & Millichap

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PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**



PRESENTED BY

BEN YELM

South Carolina Broker of Record
SC 86628 | (843) 952-2300

ACTIVITY ID# ZAD0450172

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01

EXECUTIVE SUMMARY

INVESTMENT OVERVIEW

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TENANT PROFILE

Marcus & Millichap



HARBOR FREIGHT TOOLS

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PRICE

CAP RATE

\$3,734,746 | 5.90%

OFFERING SUMMARY

Price	\$3,734,746
GLA	15,000 SF
Price/SF	\$248.98
NOI	\$220,350
Cap Rate	5.90%
Year Built	2021
Lot Size	2.11 Acres
Occupancy	100%
Lease Type	NN
Term Remaining	Approx. 9.5 Years
Renewal Options	Five, 5-Year Options
Rent Increases	10% Escalations Each Option Period
Guarantor	Corporate



HARBOR FREIGHT TOOLS

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Marcus & Millichap is pleased to present the opportunity to acquire fee simple interest in the newly constructed build-to-suit for Harbor Freight Tools. The freestanding retail building was completed in 2021 and totals 15,000 square-feet, fully leased to Harbor Freight Tools with a corporate guarantee. The subject property rests on approximately 2.11 acres, and features high-quality construction with upgraded brick exterior on all sides of the building. Harbor Freight Tools USA, Inc., is on a long-term NN lease with approximately 9.5 years of term remaining and five, 5-year options to renew with 10% rent escalations occurring each period. Located in a dense retail corridor, the property is directly adjacent to a Walmart Supercenter, Marshall's, Kohl's, Sam's Club, Tractor Supply Co, & numerous other national retailers. Additionally, the subject property is situated on a hard corner lot with excellent visibility as the combined traffic count is over 56,000+ VPD.

The upstate region of South Carolina is located in the northwesternmost portion of the state. It is also known as the Greenville-Spartanburg-Anderson combined statistical area, consisting of 10 counties: Anderson, Greenville, Laurens, Pickens, Spartanburg, Union, Cherokee, Abbeville, Greenwood and Oconee. The area is home to 1.5 million residents. Greenville County boasts many large businesses and financial companies, houses various regional offices and continues to attract new firms. The county seat and most populous city is Greenville, with roughly 70,000 residents. Additional portions of the metro are known for manufacturing and a variety of other industries.

INVESTMENT HIGHLIGHTS

New 2021 Build | 100% Occupied by Harbor Freight Tools | Corporate Guarantee

Original NN Lease | Five, 5-Year Options to Renew Each with 10% Rent Increases | 9.5 Years of Term Remaining

Upgraded Brick Construction | No Deferred Maintenance or CapEx Needed | Minimal Landlord Responsibilities

Hard Corner Lot on Saco Lowell Rd & Just Off of Calhoun Memorial | Combined Traffic Count of 56,000+ VPD

Household Income is \$82,808 within a 3-Mile Radius | Located in Dense Retail Corridor

Directly Adjacent to Walmart Supercenter, Sam's Club, Marshall's, & Many More

Less than 15 Minutes from Downtown Greenville | Less than 40 Miles to Spartanburg, SC

Tenant has Right of First Refusal

TENANT PROFILE



TENANT INFO

Tenant Name	Harbor Freight Tools USA, Inc
Year Founded	1977
Locations	1,300+
Total Revenue (2021)	\$5.1 Billion
Ownership	Private
Lease Commencement	10/19/2021
Lease Expiration	4/30/2032
Lease Form	NN
Landlord Responsibilities	Roof, Slab, Structure, Fire System, CapEx. HVAC Repair/ Replacement Upon Expiration of Original Term.
Rent Escalations	10% Escalations Each Option Period
Renewal Options	Five, 5-Year Options
Website	www.HarborFreight.com

ABOUT

In 1977, when Harbor Freight Tools was started as a small family-owned business, they made a commitment to provide working people with great quality tools at the lowest prices. And for over 40 years, Harbor Freight Tools has done just that. From hand tools and generators, to air and power tools, from shop equipment to automotive tools, Harbor Freight offers more than 5,000 tools and accessories at quality levels that match or exceed competing brands, but at prices that are up to 80% less.

They're not your typical retailer. They're a team of high-achievers, who have a passion for excellence and continuous improvement and obsess about getting things done. They're also equally committed to doing the right thing and giving back to their community. And for them, collaboration is the golden rule.

www.HarborFreight.com



40,000+ EMPLOYEES

FORBES #22 BEST EMPLOYERS FOR VETERANS 2021



\$5.1 BILLION

2021 SALES REVENUE

02

PROPERTY AERIALS

SUBJECT AERIALS

PROPERTY PHOTOS

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SUBJECT AERIAL



Map Data © 2021 Google

Prince Perry Pkwy | 5,500+ VPD

Saco Lowell Road | 7,400+ VPD

SUBJECT
PROPERTY

Calhoun Memorial Hwy | 43,100+ VPD

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SUBJECT AERIAL



SUBJECT AERIAL

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03

FINANCIAL ANALYSIS

FINANCIAL OVERVIEW

TENANT SUMMARY

RENT SCHEDULE

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FINANCIAL OVERVIEW

LEASE RESPONSIBILITIES

TENANT	LANDLORD
Harbor Freight Tools USA, Inc Utilities, Insurance, Taxes, Non-Structural Repairs. Parking Lot (Non-CapEx). HVAC Repairs/Replacement (During Original Term,) Maintenance During Option Periods.	Roof, Slab, Structure, Fire System, CapEx. HVAC Repair/Replacement Upon Expiration of Original Term.

TENANT SUMMARY

TENANT	GLA	COMM.	EXP.	ANNUAL RENT/SF	TOTAL RENT/ MONTH	TOTAL RENT/YEAR	LEASE TYPE	NOTES
Harbor Freight Tools USA, Inc	15,000	10/19/21	4/30/32	\$14.69	\$18,362.50	\$220,350	NN	Five, 5-Year Options, Each with 10% Rent Escalations

RENT SCHEDULE

LEASE TERM	LEASE YEARS	ANNUAL RENT/SF	RENT/MONTH	TOTAL ANNUAL RENT
Base Term	Years 1-10	\$14.69	\$18,362.50	\$220,350
1st Renewal Option	Years 11-15	\$16.16	\$20,200.00	\$242,400
2nd Renewal Option	Years 16-20	\$17.77	\$22,212.50	\$266,550
3rd Renewal Option	Years 21-25	\$19.55	\$24,437.50	\$293,250
4th Renewal Option	Years 26-30	\$21.51	\$26,887.50	\$322,650
5th Renewal Option	Years 31-35	\$23.66	\$29,575.00	\$354,900

04

MARKET OVERVIEW

POPULATION OVERVIEW

MARKET RESEARCH

Marcus & Millichap





GREENVILLE

SOUTH CAROLINA

POPULATION
1,500,000 (MSA)

City of GREENVILLE

The upstate region of South Carolina is located in the northwesternmost portion of the state. It is also known as the Greenville-Spartanburg-Anderson combined statistical area, consisting of 10 counties: Anderson, Greenville, Laurens, Pickens, Spartanburg, Union, Cherokee, Abbeville, Greenwood and Oconee. The area is home to 1.5 million residents. Greenville County boasts many large businesses and financial companies, houses various regional offices and continues to attract new firms. The county seat and most populous city is Greenville, with roughly 70,000 residents. Additional portions of the metro are known for manufacturing and a variety of other industries.



METRO HIGHLIGHTS



POPULATION GROWTH

The region is one of the fastest growing in South Carolina. The expanding population base generates demand for housing and services.



MANUFACTURING INDUSTRY

The manufacturing sector has grown since BMW opened a 7 million-square-foot campus in Spartanburg that employs 11,000 workers.



AFFORDABLE COST OF LIVING

The median home price is below that of the nation and contributes to a lower cost of living, which helps attract businesses and residents.

POPULATION DATA

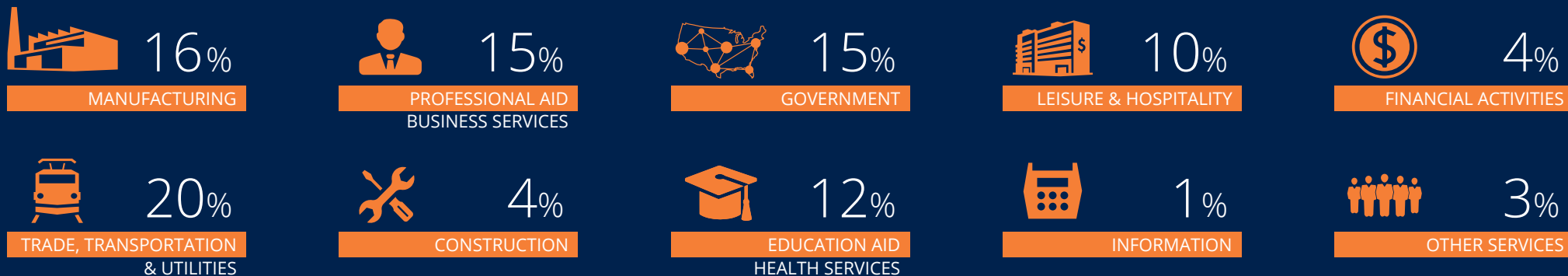
POPULATION	1 MILE	3 MILES	5 MILES
2026 Projection	3,079	25,532	58,366
2021 Estimate	2,932	24,149	55,241
2010 Census	2,631	21,748	49,741
2000 Census	2,734	18,991	44,269
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
Average	\$79,216	\$82,808	\$77,751
Median	\$60,160	\$64,096	\$62,226
Per Capita	\$37,294	\$33,726	\$30,412
TOTAL HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2026 Projection	1,481	10,502	22,954
2021 Estimate	1,380	9,822	21,565
2010 Census	1,234	8,828	19,419
2000 Census	1,168	7,597	17,222

EMPLOYMENT	1 MILE	3 MILES	5 MILES
2021 Daytime Population	2,162	21,656	44,832
2021 Unemployment	2.87%	2.79%	3.00%
Avg. Time Traveled (Min.)	25	27	27

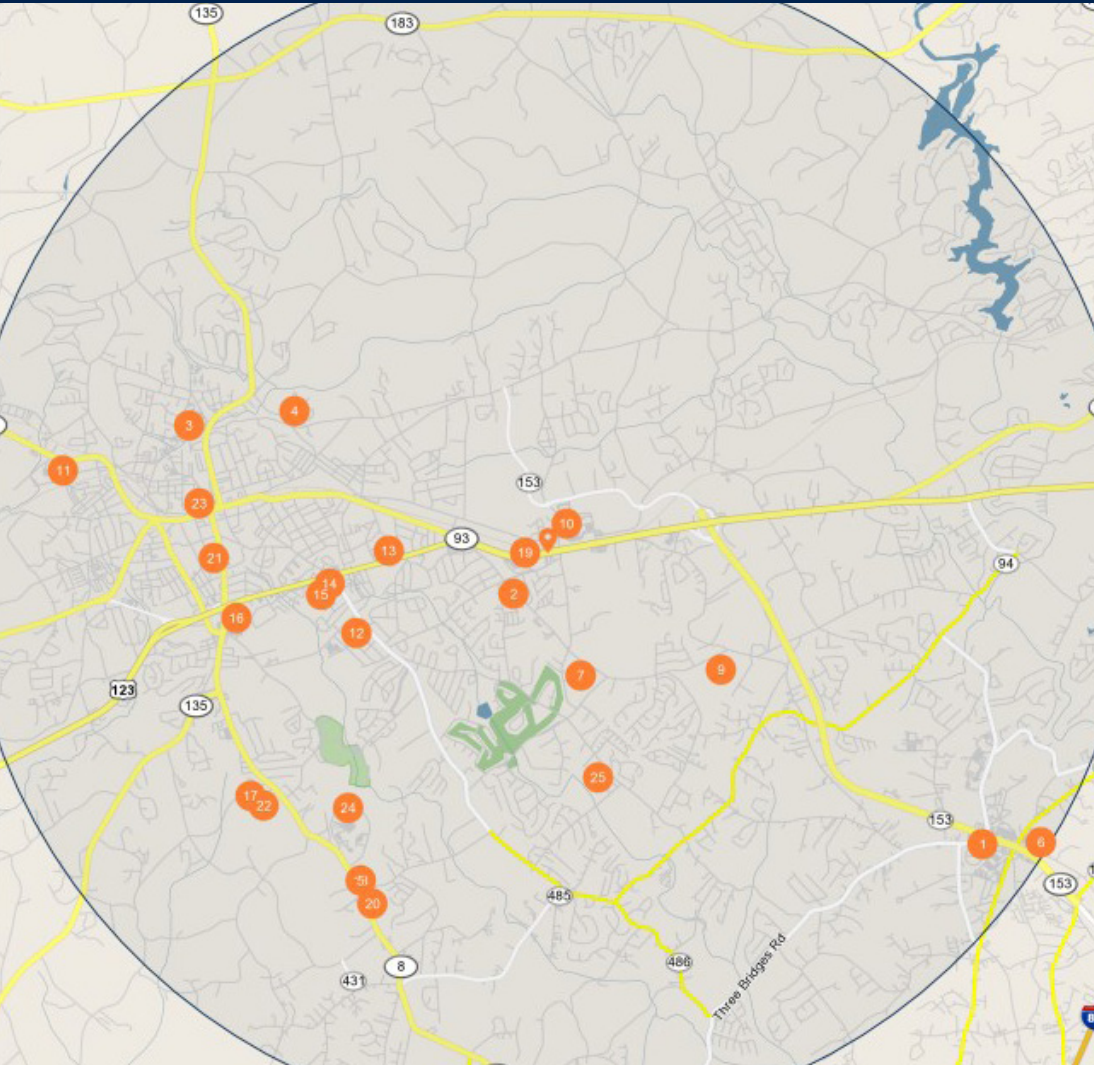
EDUCATIONAL ATTAINMENT	1 MILE	3 MILES	5 MILES
High School Graduate (12)	27.81%	27.57%	30.11%
Some College (13-15)	16.93%	19.13%	19.81%
Associate Degree Only	12.89%	12.25%	11.80%
Bachelor's Degree Only	17.05%	17.85%	15.50%
Graduate Degree	12.76%	10.10%	8.18%

HOUSING	1 MILE	3 MILE	5 MILES
Median Home Value	\$169,914	\$164,646	\$160,746

SHARE OF 2021 TOTAL EMPLOYMENT



MAJOR EMPLOYERS



MAJOR EMPLOYERS

EMPLOYEES

1	Prisma Health - Upstate	1,296
2	Contract Environmental Services	1,200
3	Prisma Health - Midlands-Baptist Easley Hospital	460
4	CH Industries, Inc.	415
5	Danfoss Power Solutions	326
6	Walmart	307
7	Destination Outdoors - Adventure Technology	250
8	Destination Outdoors	250
9	Tri-County Technical College - Easley Campus	223
10	Walmart	206
11	Ortec	205
12	County of Pickens	200
13	Lowes Home Centers	150
14	Publix Super Market	150
15	Home Depot	150
16	Bi-Lo	150
17	Emeritus Corporation - Countryside Village	150
18	Danfoss Power Solutions - Compact Controls Division	150
19	East Coast Granite & Tile	137
20	Johnson Electric Company	135
21	Pickens County School District - R.H. Getty's Middle School	130
22	Countryside Health Care Center	130
23	City of Easley - City Hall	125
24	Pickens County School District - Easley High School	125
25	Blue Ridge Nursing Center	125



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