



STAPLES (Investment Grade)
1485 Mall Drive
Benton Harbor, MI 49022



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**DISCLAIMER
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

**EXECUTIVE
SUMMARY:**

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Staples property located in Benton Harbor, Michigan. Staples has a long operating history at this property since 1996 and recently exercised a renewal option further illustrating their commitment. The property is located within the region's primary retail trade area and is strategically positioned directly across the street from a Walmart Supercenter and Lowe's. There are five years remaining on the Staples lease which expires on July 31, 2021. The lease features three 5-year renewal options with rare 15% rental escalations in each.

The 24,500 square foot Staples is strategically located at the signalized intersection of Mall Drive and Cinema Way across the street from a Walmart Supercenter and Lowe's. This regional retail corridor also features Home Depot, Target, Meijer, Kohl's, TJ Maxx, JCPenney, Carson's, Walgreens, Aldi and many others. The Staples property is located approximately five miles south of the Whirlpool Corporation global headquarters. Whirlpool Corporation is a Fortune 500 company with a market capitalization in excess of \$7 billion. The Staples is located immediately west of Interstate 94 which experiences traffic counts in excess of 62,000 vehicles per day.

The company operates over 1,900 retail stores. Staples is a publicly traded company on the NASDAQ (SPLS) with a market capitalization in excess of \$7 billion. Staples is an investment grade rated company with a Standard & Poor's rating of BBB-.

**INVESTMENT
HIGHLIGHTS:**

- Investment grade rated tenant (S&P: BBB-)
- Staples has a long and successful operating history at this location (since 1996)
- Tenant is committed to this location as evidenced by recently exercising a renewal option
- 15% rental escalations in each renewal option period
- Located directly across the street from a Walmart Supercenter and Lowe's
- Established retail destination that features Home Depot, Target, Meijer, Kohl's, TJ Maxx, JCPenney, Carson's, Walgreens and Aldi
- Positioned approximately five miles south of the global headquarters of Whirlpool Corporation which is a publicly traded company (NYSE: WHR) with a market capitalization in excess of \$13 billion
- Immediate proximity to Interstate 94 (62,000 VPD)
- Positioned at the hard corner of a signalized intersection
- Developable outparcel for a building up to 1,500 square feet

PROPERTY
OVERVIEW:

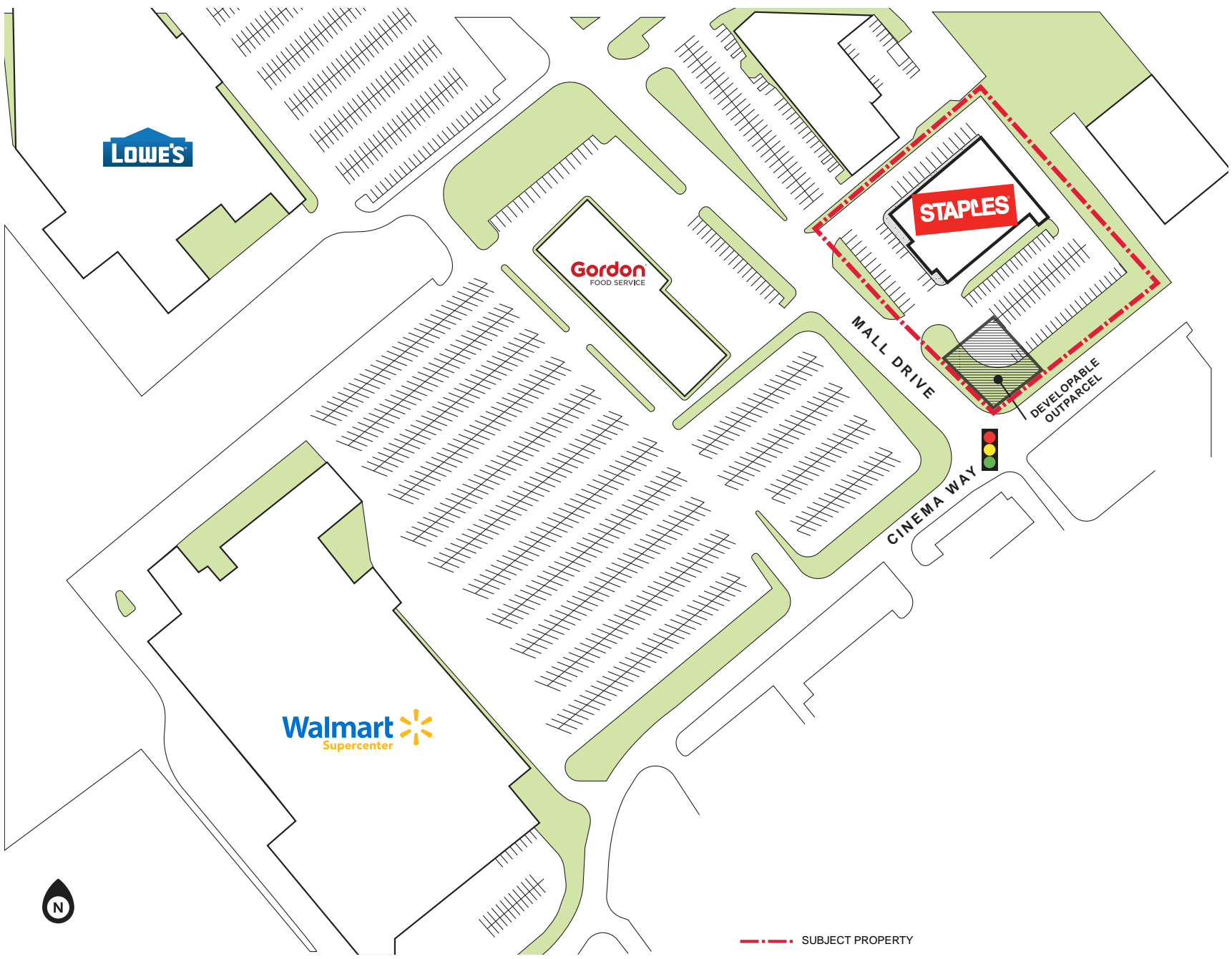
| | |
|-------------------------------|------------------------|
| Total Purchase Price: | \$2,194,892 |
| NOI: | \$174,955 ¹ |
| Cap Rate: | 8.00% |
| NPV of TI Reimbursement Rent: | \$7,955 ² |

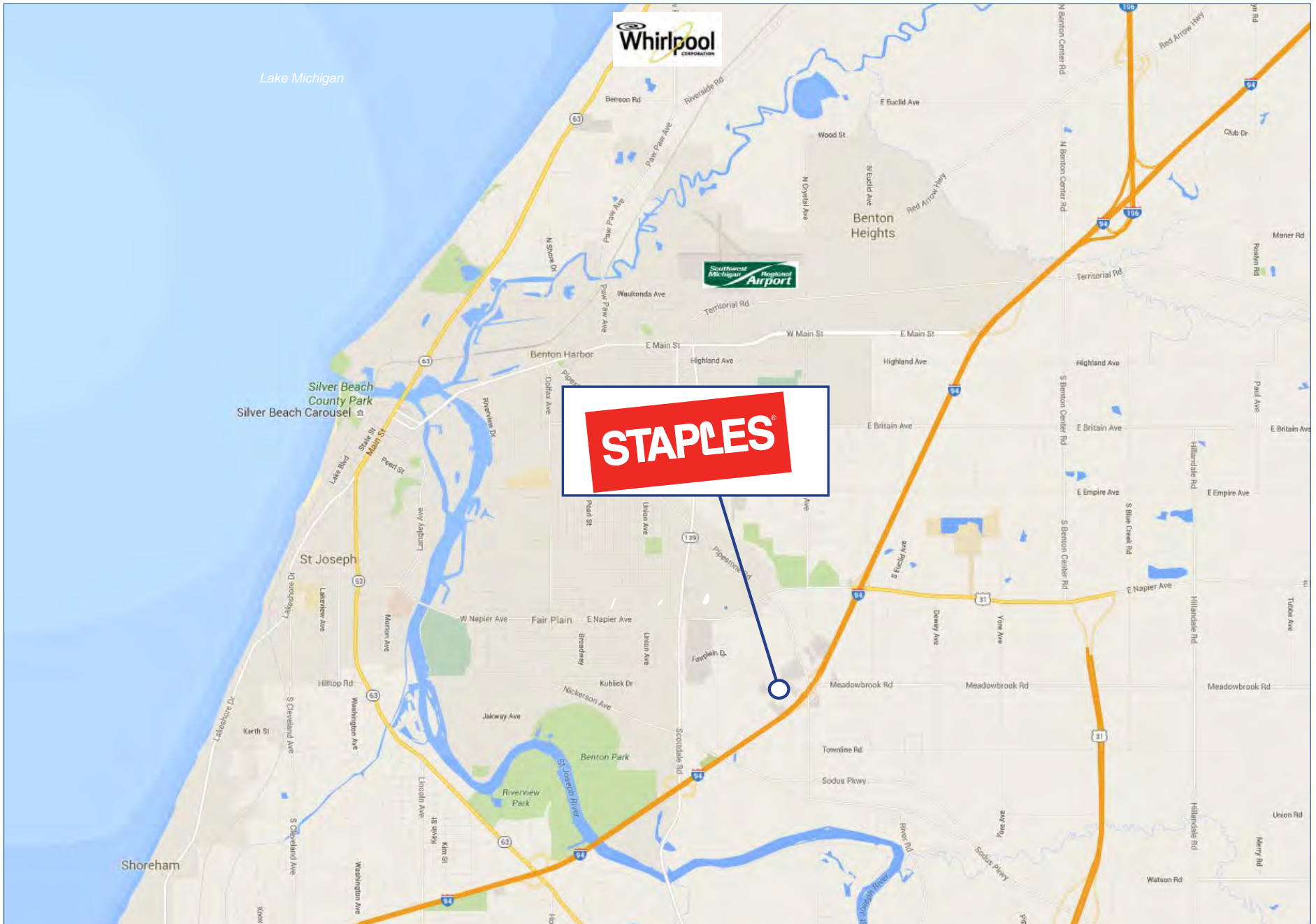
- 1) The NOI includes a reserve of \$0.10 per square foot (\$2,450) and an Administrative Fee of \$1,250. Per their lease, Staples is required to pay an Administrative Fee of 6%.
- 2) Staples reimburses the landlord monthly for the parking lot until February 2018. The total value of the reimbursement was calculated by discounting the future payments at a rate of 8.00% to obtain the net present value.

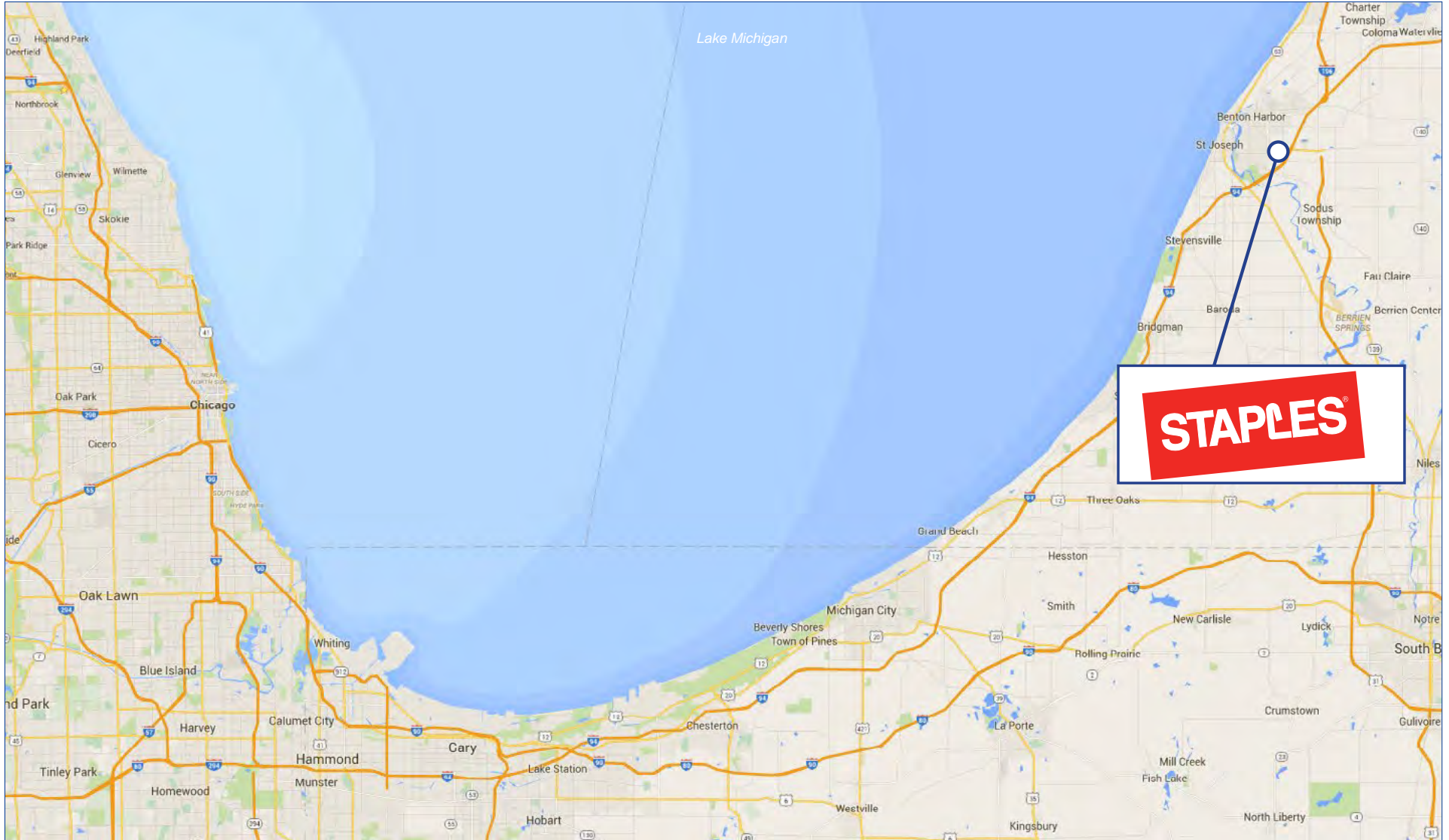
| | |
|-------------------------|------------------------------|
| Rent Commencement Date: | July 3, 1996 |
| Lease Expiration Date: | July 31, 2021 |
| Renewal Options: | Three 5-Year |
| Tenant: | Staples |
| Credit Rating: | Investment Grade (S&P: BBB-) |
| Year Built: | 1996 |
| Lease Type: | NN |
| Building Size: | 24,500 SF |
| Land Size: | 2.90 Acres |











DEMOGRAPHIC REPORT:

| Population | 3-Mile | 5-Mile | 7-Mile |
|------------------|--------|--------|--------|
| Total Population | 26,438 | 51,355 | 65,535 |
| Total Households | 10,233 | 20,738 | 26,648 |

| Income | 3-Mile | 5-Mile | 7-Mile |
|--------------------------|----------|----------|----------|
| Average Household Income | \$44,644 | \$56,029 | \$61,314 |



**MARKET
OVERVIEW:**

Benton Harbor is a city in Berrien County, Michigan that is located west of Kalamazoo and northwest of South Bend. The Niles-Benton Harbor Metropolitan Statistical Area has a population of 156,813 people. Benton Harbor and the City of St. Joseph are separated by the St. Joseph River and are known locally as the “Twin Cities”.



Whirlpool Corporation, the world’s largest manufacturer of major home appliances, has its corporate headquarters in nearby Benton Charter Township, along with a new downtown campus near the St. Joseph River in Benton Harbor, and the Technical Center in St. Joseph.

Interstate 94 bypasses the city to the east and south, connecting with Kalamazoo and Detroit to the east and with Michigan City, Indiana and Chicago, Illinois to the south and southwest. Both Benton Harbor and neighboring St. Joseph are commercial ports that receive bulk goods from lake freighters. Twin Cities Area Transportation Authority (TCATA) provides bus transit throughout Benton Harbor and the surrounding areas. Originally strictly a dial-a-ride service, it has recently expanded to include three fixed routes—Red Route, Green Route and Blue Route. Red Route serves Benton Harbor, St. Joseph, St. Joseph Charter Township, Lincoln Township, and Royalton Township. Blue and Green routes operate throughout Benton Harbor and Benton Township.

TENANT
OVERVIEW:

Staples, Inc. together with its subsidiaries, operates office products superstores. It operates in three segments: North American Stores & Online, North American Commercial, and International Operations. The company offers a range of office supplies, business technology products, facility and breakroom supplies, computers and mobility products, and office furniture under the Staples, Quill, and other proprietary brands. It also provides copy and print services, as well as technology services. As of January 30, 2016, it operated approximately 1,907 retail stores; and 104 distribution and fulfillment centers in the United States and internationally. The company was founded in 1985 and is based in Framingham, Massachusetts.

Staples is a publicly traded company on the NASDAQ (SPLS) with a market capitalization in excess of \$7 billion. Staples is an investment grade rated company with a Standard and Poor's rating of BBB-.

| | |
|------------------------|--|
| Website: | www.staples.com |
| Number of Locations: | 1,907 |
| Stock Symbol: | NASDAQ: SPLS |
| Market Capitalization: | \$7 Billion |
| Credit Rating: | Investment Grade (S&P: BBB-) |
| Headquarters: | Framingham, MSA |





Randy Blankstein
President
847.562.0003
randy@bouldergroup.com

Jimmy Goodman
Partner
847.562.8500
jimmy@bouldergroup.com

666 Dundee Road, Suite 1801
Northbrook, IL 60062

www.bouldergroup.com

THE
Boulder 
GROUP