



REDEVELOPED SHOPPING CENTER | LOCATED ON MAJOR RETAIL CORRIDOR
5601 West Main Street, Kalamazoo, MI 49009

OFFERING MEMORANDUM

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Property Map



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The Team



ELKS PLAZA

INVESTMENT SUMMARY

List Price:	\$4,299,000
Current NOI:	\$322,466
Initial Cap Rate:	7.50%
Land Acreage:	2.39 Acres
Year Built:	1984 Redeveloped 2016
Building Size:	18,004 SF
Google Aerial Map:	Click HERE
Google Street View:	Click HERE

LEASE SUMMARY

Lease Type:	NN
Taxes/CAM/Insurance:	Tenant Responsibility
Structure/Roof/Parking:	Landlord Responsibility
Original Lease Term:	See Rent Roll on Page 6



Click Image For Aerial
Video

INVESTMENT HIGHLIGHTS

- Recently Redeveloped 18,004 SF Retail Center on 2.39 Acres
- Anchored by Mattress Firm, Sherwin Williams and H&R Block
- New Façade, New Roof & New Parking Lot
- Sherwin Williams & H&R Block Just Extended Lease Terms
- NN Leases with Variable Lease Terms
- 235 Surface Parking Spaces
- 212 Feet of Frontage on Main Street

LOCATION HIGHLIGHTS

- Located on W Main Street With 30,400+ VPD
- Just off Highway 131 With 40,800+ VPD
- Adjacent to a Shopping Center with Target, Dollar Tree, PetSmart, Hobby Lobby, Marshalls, OfficeMax, Value City Furniture and More
- 5 Mile Population Exceeds 110,000 Residents
- 3.98% Population Growth Within 1 Mile by 2020
- Average Household Income Exceeds \$64,000 Within 5 Miles
- Median Home Value Within 1 Mile Exceeds \$168,000
- Positioned Near National Retail Tenants Including: Aldi, Walgreens, Lowe's, Target, Goodwill, Kohl's, Family Dollar, Chipotle, Starbucks, Dunham's Sports, Panera Bread and more



INVESTMENT OVERVIEW

Fortis Net Lease is proud to present a redeveloped retail center at 5601 W. Main Street in Kalamazoo, MI. This retail center features Mattress Firm, Sherwin Williams and H&R Block as the anchor tenants. Additional tenants are Advance America, University Tan and Star Nail & Spa. There are NN leases in place with variable lease terms.

The subject property is located along a major retail corridor and is surrounded by many national tenants including: Aldi, Walgreens, Lowe's, Target, Goodwill, Kohl's, Family Dollar, Chipotle, Starbucks, Dunham's Sports and Panera Bread. The population within five mile exceeds 110,000 residents and has a 3.98 percent growth rate within one mile by 2020. The average household income within five miles is \$64,000 and the median home value within one mile exceeds \$168,000. The subject property is adjacent to a shopping center with Target, Dollar Tree, PetSmart, Hobby Lobby, Marshalls, OfficeMax and Value City Furniture.

TENANT OVERVIEW

With more than 3,500 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 \$3.5 billion in pro forma sales in 2015. 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.

H&R Block is a global consumer tax services provider, having prepared more than 680 million tax returns since 1955. There are approximately 12,000 company-owned and franchise retail locations in all 50 states, Puerto Rico and other U.S. territories, and on U.S. military bases around the world. An H&R Block branded retail office is located within five miles of most Americans. In fiscal 2015, H&R Block had revenues over \$3.1 billion and prepared 24.2 million tax returns worldwide.

Sherwin Williams was founded by Henry Sherwin and Edward Williams in Cleveland, Ohio in 1866. The company operates through four segments: Paint Stores Group. The Paint Stores Segment, known as Sherwin-Williams Paints, was the first section of the company to be established, in 1866. These stores market and sell Sherwin-Williams branded architectural paints and coatings, industrial and marine products, and original equipment manufacturer product finishes and similar items. As of January 1, 2016, the Paint Stores segment operated 4,459 individual paint stores. The Consumer segment develops, manufactures, and distributes various paints, coatings, and related products to third party customers and the Paint Stores segment. Sherwin-Williams is the parent company of other brands such as Duron, M.A.B. Paints, Minwax, Krylon, Mautz Paint Co., Purdy, Best Liebco, Thompson's Water Seal, H&C, Pratt & Lambert, Martin Senour, Dutch Boy, Easy Living, Weatherbeater.



Kalamazoo, MI

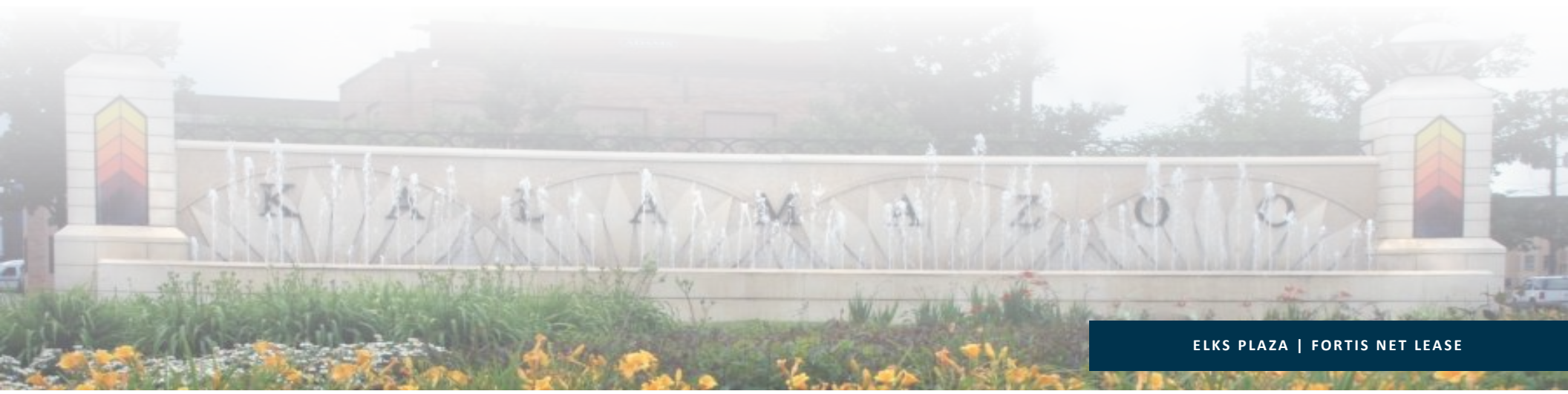
Kalamazoo is a city in the southwest region of the U.S. state of Michigan. It is the county seat of Kalamazoo County. Kalamazoo is located geographically in Western and Southern Michigan. As of the 2010 census, Kalamazoo had a total population of 74,262. Kalamazoo is the major city of the Kalamazoo-Portage Metropolitan Statistical Area, which has a population of 326,589 as of 2010.

Kalamazoo is home to Western Michigan University, a large public university, and Kalamazoo College, a liberal arts school, and Kalamazoo Valley Community College, a two-year community college. Kalamazoo is home to major players in the pharmaceutical and medical science industries. Kalamazoo is also known for its importance in the world of music as it was the original home to the Gibson Guitar Corporation. Kalamazoo has also built a reputation as a major player in the American craft beer movement.

Most of Kalamazoo is on the southwest bank of a major bend in the Kalamazoo River, with a small portion, about 2.8 square miles, on the opposite bank. Several small tributaries of the Kalamazoo River, including Arcadia Creek and Portage Creek, wind through the city. The northeastern portion of Kalamazoo sits in the broad, flat Kalamazoo Valley, while the western portions of Kalamazoo climb into low hills to the west and south. Several small lakes are found throughout the area.

Kalamazoo's suburban population is located primarily to the south, in the city of Portage, and to the west in Oshtemo and Texas townships.

In 2007, Kalamazoo was named to Fast Company (magazine)'s 'Fast 50: Most Innovative Companies 2007', in recognition of the city's Community Capitalism approach to revitalize the economy. In 2012 Kiplinger's Personal Finance ranked Kalamazoo fourth of the Ten Best Cities for Cheap-skates. The city was named in NerdWallet.com's 2014 'Top 10 Best Cities for Work-Life Balance'.



Rent Roll for Elks Plaza

Tenant	SF	% of Total SF	Lease Commencement	Lease Expiration	Monthly Rent	Annual Rent
Sherwin Williams	4,050	22.50%	6/1/2016	5/31/2021	\$4,725.00	\$56,700.00
Star Nail & Spa	1,800	10.00%	9/1/2013	8/31/2023	\$1,950.00	\$23,400.00
University Tan	2,700	15.00%	12/25/2002	7/31/2019	\$2,925.00	\$35,100.00
DA Real Estate Consulting	2,250	12.50%	7/1/2017	6/30/2020	\$3,375.00	\$40,500.00
Advance America	1,800	10.00%	1/1/2016	12/31/2017	\$2,310.00	\$27,720.00
H&R Block	1,800	10.00%	5/1/2016	4/30/2021	\$2,372.73	\$28,472.76
Mattress Firm	3,600	20.00%	9/1/2016	8/30/2026	\$10,500.00	\$126,000.00
Totals	18,000	100.00%				\$337,892.76

<u>REVENUES</u>		<u>PSF</u>
Base Rental Income	337,892.76	\$18.77
Expense Reimbursements	86,347.40	\$4.80
Gross Income	424,240.16	\$23.57
Effective Gross Income	424,240.16	\$23.57
<u>OPERATING EXPENSES</u>		
CAM (Misc.)	35,050.65	\$1.95
Insurance	3,318.75	\$0.18
Taxes	47,978.00	\$2.67
Management Fee 3.0% of EGI)	12,727.20	\$0.71
Capital Reserves (\$0.15/SF)	2,700.00	\$0.15
Total Expenditures	101,774.60	\$5.65
NOI	322,465.56	













TGI
FRIDAYS

BFGoodrich

TARGET

Dunham's
SPORTS

MH MapleHill auto group
driven by trust and integrity

M
MARATHON

Firestone

McDonald's

STARBUCKS
COFFEE

30,400+ VPD

W Main Street

Subject
Property

goodwill

TEXAS CORRAL
GRILL & SALOON

LONG JOHN
SILVER'S

Wendy's

BURGER
KING

MDOT
Michigan Department of Transportation

Super
8

WMDC
WEST MICHIGAN
DANCE CENTER



110,453 People Live
Within 5 Miles



Average
Household
Income
Exceeds
\$64,000
Within 5 Miles



5601 W Main
St

Kalamazoo

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Property Map



**NOW
HIRING**

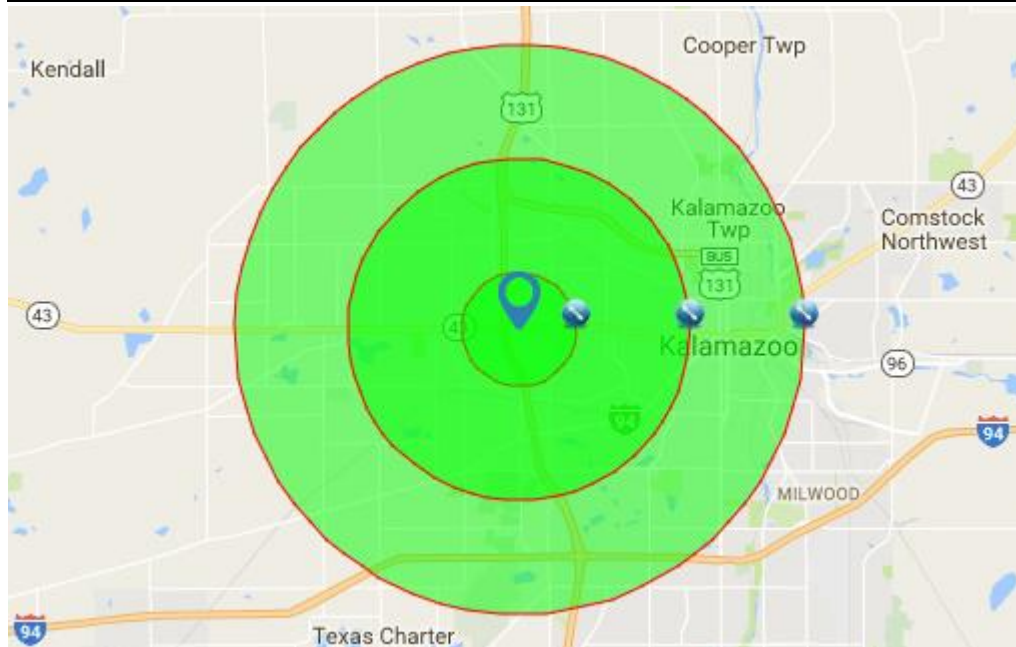
Top Employers in Kalamazoo, Michigan

- ◆ Pfizer
- ◆ Stryker
- ◆ Summit Polymers
- ◆ Eaton Corporation
- ◆ Benteler Industries
- ◆ American Greetings/DesignWare
- ◆ Flowserve Corporation



5601 W Main St

Population	1 Mile	3 Mile	5 Mile
2017 Total Population:	9,809	54,771	110,453
2022 Population:	10,199	56,523	113,795
Pop Growth 2017-2022:	3.98%	3.20%	3.03%
Average Age:	33.60	32.80	34.70
Households			
2017 Total Households:	4,609	22,520	45,113
HH Growth 2017-2022:	4.10%	3.38%	3.12%
Median Household Inc:	\$39,964	\$40,796	\$45,086
Avg Household Size:	2.10	2.20	2.30
2017 Avg HH Vehicles:	2.00	2.00	2.00
Housing			
Median Home Value:	\$168,413	\$149,881	\$147,324
Median Year Built:	1983	1978	1971



Population:	1 Mile	3 Mile	5 Mile
2022 Projection	10,199	56,523	113,795
2017 Estimate	9,809	54,771	110,453
2010 Census	8,898	51,918	105,657
Growth 2017-2022	3.98%	3.20%	3.03%
Growth 2010-2017	10.24%	5.50%	4.54%
2017 Population Hispanic Origin	522	2,932	6,419
2017 Population by Race:			
White	7,536	41,955	82,390
Black	1,489	8,385	19,451
Am. Indian & Alaskan	31	234	593
Asian	393	2,113	3,612
Hawaiian & Pacific Island	14	40	90
Other	346	2,044	4,318
U.S. Armed Forces:	0	0	17
Households:			
2022 Projection	4,798	23,281	46,519
2017 Estimate	4,609	22,520	45,113
2010 Census	4,164	21,193	43,070
Growth 2017 - 2022	4.10%	3.38%	3.12%
Growth 2010 - 2017	10.69%	6.26%	4.74%
Owner Occupied	1,315	9,187	22,347
Renter Occupied	3,294	13,333	22,766
2017 Avg Household Income	\$58,237	\$57,346	\$64,232
2017 Med Household Income	\$39,964	\$40,796	\$45,086
2017 Households by Household Inc:			
<\$25,000	1,397	7,199	12,952
\$25,000 - \$50,000	1,364	6,169	12,018
\$50,000 - \$75,000	714	3,368	6,877
\$75,000 - \$100,000	317	2,198	4,834
\$100,000 - \$125,000	383	1,627	3,158
\$125,000 - \$150,000	213	759	1,637
\$150,000 - \$200,000	84	649	2,034
\$200,000+	137	551	1,604





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