



FORTIS NET LEASE
INVESTMENT REAL ESTATE SERVICES

MICHIGAN
WORKS!



15 YEAR NN LEASE | RECENT LEASE EXTENSION

402 N. 1st Street, Harrison, MI 48625

OFFERING MEMORANDUM

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Property Map



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ALL PARTIES SHALL CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE:

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party.

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by FNL in compliance with all applicable fair housing and equal opportunity laws.

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MICHIGAN WORKS!

INVESTMENT SUMMARY

List Price:	\$1,055,000
Base Rent	\$94,942
NOI:	\$118,873
Initial Cap Rate:	9%
Land Acreage:	1.35 Acres
Year Built:	1982/Renovated 2005
Building Size:	12,868 SF

LEASE SUMMARY

Lease Type:	Gross
Taxes/CAM/Insurance:	Landlord Responsibility
Structure/Roof/Parking/HVAC:	Landlord Responsibility
Lease Term Remaining:	15 Years
Commencement (Extension):	March 1, 2017
Expiration (Extension):	December 31, 2026
Term Remaining:	~10 Years
Option Periods:	Four, Five Year Option
Guarantor:	State of Michigan

PROPERTY IMAGES:

Google Aerial Map:	Click HERE
Google Street View:	Click HERE

INVESTMENT HIGHLIGHTS

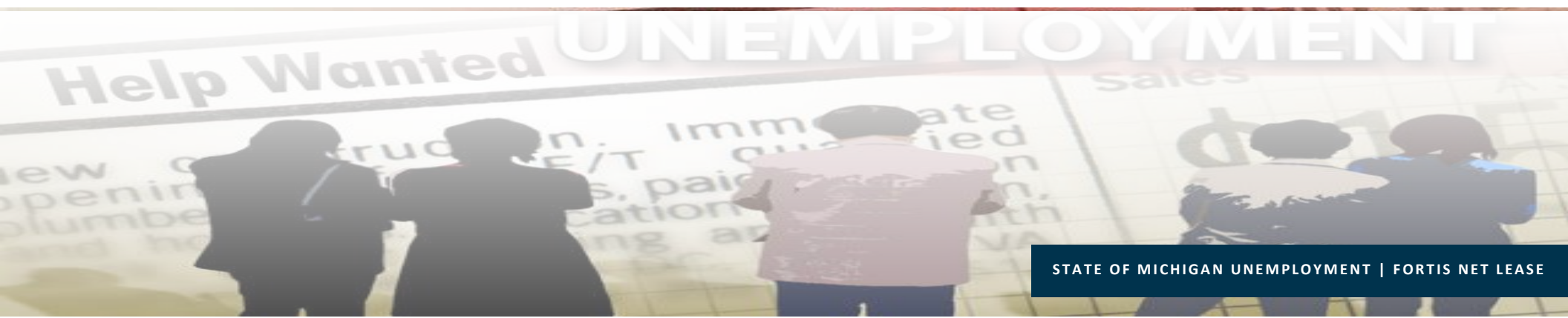
- Tenant Recently Extended for 7 Years | ~10 Years Remaining
- Tenant has been at this Location for 34 Years
- 12,868 SF Michigan Works! Employment Agency
- Tenant has Right to Cancel Lease w/90 Notice if They Lose Funding from State
- State of Michigan Guarantee

LOCATION HIGHLIGHTS

- Situated Along Local Retail Corridor | Located on 1st Street
- Near County Fair Grounds, Circuit Court, Library & Post Office
- Average Household Income Exceeds \$40,000 Within a 10 Mile Radius
- Ten Mile Population Exceeds 15,000 Residents
- Median Home Value Exceeds \$72,000 Within a 10 Mile Radius
- Near National Retail Tenants Including Family Dollar, Dollar General, Rite Aid, McDonalds, Shell Gas, Little Caesar's Pizza, Sav-a Lot, PNC Bank, Subway and more

ANNUAL EXPENSES

- Taxes: \$17,458
- CAM: \$2,000
- Insurance: \$2,000
- Management Fee: \$3,600 (3.0%) Percent of Base Rent
- TOTAL EXPENSES: \$25,058



INVESTMENT OVERVIEW

Fortis Net Lease is proud to present the Michigan Works! Employment Agency at 402 N. 1st Street in Harrison, MI. This location was renovated in 2005 just before the lease commenced in March 2006.

The subject property is located on N. 1st Street which is a local retail corridor and in the center of Harrison. It is close to the county fair grounds, circuit court, library and post office. The average household income within ten miles of the property is over \$40,000 and the median home value exceeds \$72,000. The surrounding area has a population that exceeds 15,000 residents.

TENANT OVERVIEW

The Michigan Works! System is the first unified workforce development system in the U.S. and is an integral partner in developing Michigan's economic future. The system is demand driven, locally responsive, and ready to meet the needs of each community. Every year, the Michigan Works! System serves nearly four million customers.

The Michigan Works! system is meeting the talent demands of local employers and responding to the unique needs of each community. The system is made up of regional Michigan Works! agencies that are focused on the needs of job makers and developing talent for the 21st century economy.

While each agency is unique, all share several fundamental qualities. They are:

- Locally responsive and demand-driven
- Governed by a Workforce Development Board comprised of private sector representatives and locally-elected officials
- Delivering services that help businesses find the skilled workers they need and provide a competitive advantage for job seekers
- operate over 13,000 locations with sales exceeding \$19 billion annually and over 145,000 store associates.



Enrich Your Career

Ask about FREE or low cost schooling & training

MICHIGAN WORKS!

STATE OF MICHIGAN UNEMPLOYMENT | FORTIS NET LEASE

A private-public partnership administered locally by the Michigan Workforce Development Board

Harrison, Michigan

Harrison is a city in the state of Michigan. The population was 2,114 at the 2010 census. It is the county seat of Clare County and it was named after U.S. President William Henry Harrison.

Harrison is near the junction of US 127 and M-61. US 127 actually bypasses the city on the east, though a business route serves the downtown area. Clare is 14 miles south on US 127, while Grayling is 40 miles to the north. Harrison is bordered along its eastern side by Budd Lake.

Harrison was originally founded as a lumber town, with sawmills located on the shores of Budd Lake. One of the lumber companies donated the land which is now Wilson State Park. The City of Harrison attracts thousands of visitors from throughout the state, with its "twenty lakes in twenty minutes" and large amount of state land for recreational sports.

The biggest local events are the Clare County Fair and Frostbite Open Golf Tournament on Budd Lake.

There are several historic buildings in the city of Harrison. The Surrey House is a relic of the lumber town days. The Clare County Newspaper building, located downtown, is the oldest building in Harrison, dating back to 1898.



HARRISON

Michigan





Hardy
Insurance

N 1st Street

Subject
Property

Budd Lake

Country
Flowers &
More

Budd Lake
Motel

Basic
Communications

Artistic
Creations

Glamorie
Hair &
Nail Salon

Harrison Lumber
Do It Center





N 1st Street

Budd Lake

402 North 1st Street

Harrison Lumber
Do It Center



Harrison City
Clerk

Dollar General
DOLLAR GENERAL

MacLeans mercantile &
Harrison Flower Shop



Don Duga - State
Farm Insurance Agent

Harrison District
Library



PNC Bank

Harrison United
Brethren Church

Budd Lake Bar

Babe's Country Kitchen



Clare County Fairgrounds

Wilson State Park



McDonald's



Budd Lake

Harrison Lumber Do It Center

Hillside Elementary School



Harrison District



US Post Office

Harrison Middle School



Clare County Court



Stocking Funeral Home



15,143 People Live
Within 10 Miles



402 N 1st St



Average
Household
Income
Exceeds
\$40,500
Within 10
Miles

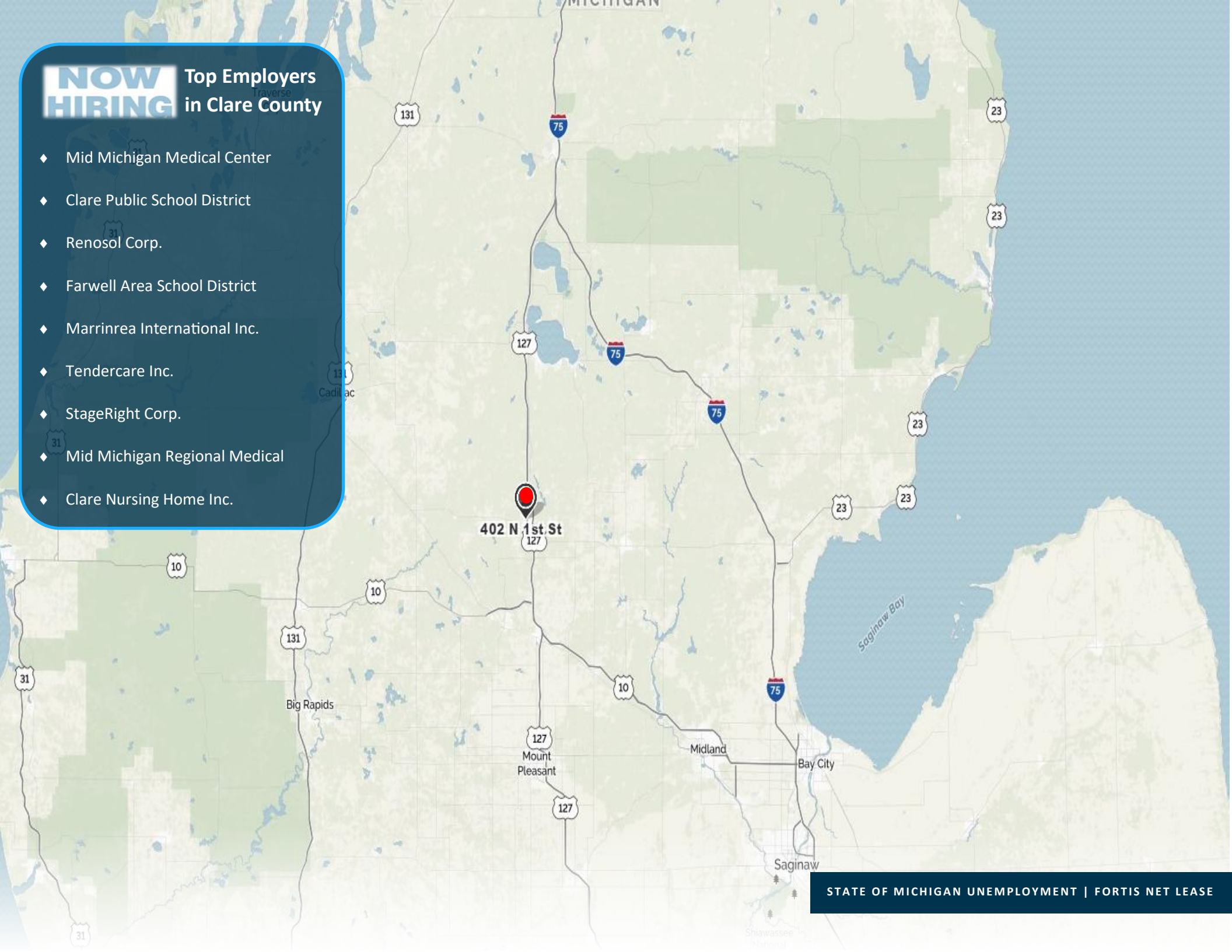
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Property Map



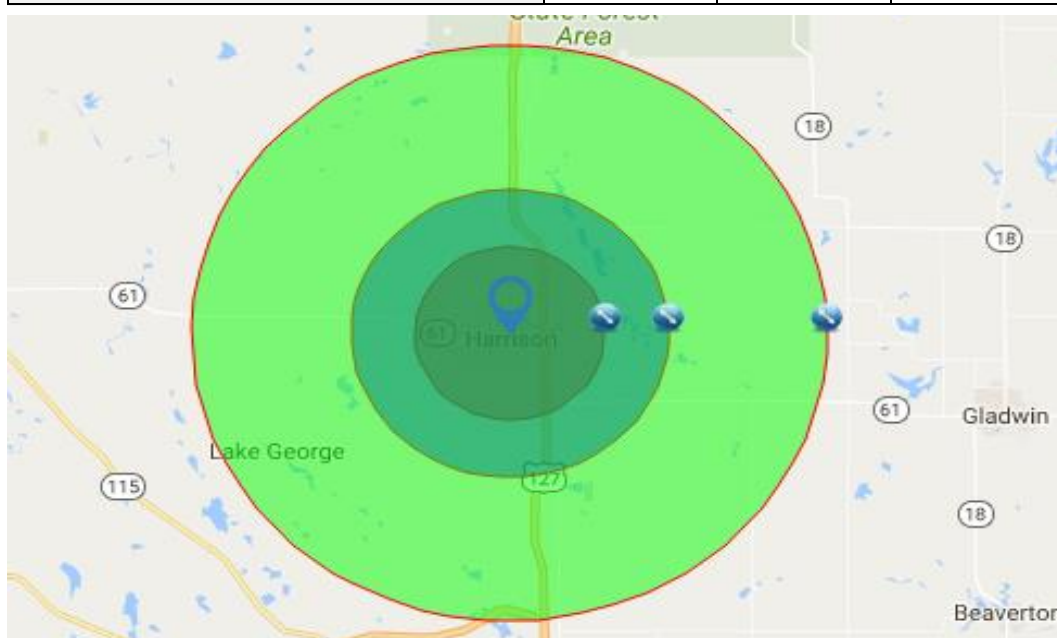
**NOW
HIRING**

Top Employers in Clare County

- ◆ Mid Michigan Medical Center
- ◆ Clare Public School District
- ◆ Renosol Corp.
- ◆ Farwell Area School District
- ◆ Marrinrea International Inc.
- ◆ Tendercare Inc.
- ◆ StageRight Corp.
- ◆ Mid Michigan Regional Medical
- ◆ Clare Nursing Home Inc.



Population	3 Mile	5 Mile	10 Mile
2016 Total Population:	5,808	9,427	15,143
2021 Population:	5,778	9,410	15,061
Pop Growth 2016-2021:	(0.52%)	(0.18%)	(0.54%)
Average Age:	42.40	43.60	44.60
Households			
2016 Total Households:	2,445	4,018	6,400
HH Growth 2016-2021:	(0.57%)	(0.20%)	(0.58%)
Median Household Inc:	\$28,151	\$29,776	\$31,840
Avg Household Size:	2.30	2.30	2.30
2016 Avg HH Vehicles:	2.00	2.00	2.00
Housing			
Median Home Value:	\$65,130	\$65,289	\$72,128
Median Year Built:	1968	1967	1970



HARRISON, MI



Population:	3 Mile	5 Mile	10 Mile
2021 Projection	5,778	9,410	15,061
2016 Estimate	5,808	9,427	15,143
2010 Census	5,738	9,166	14,976
Growth 2016-2021	(0.52%)	(0.18%)	(0.54%)
Growth 2010-2016	1.22%	2.85%	1.12%
2016 Population Hispanic Origin	118	205	302
2016 Population by Race:			
White	5,533	9,017	14,592
Black	71	100	126
Am. Indian & Alaskan	46	78	109
Asian	21	33	39
Hawaiian & Pacific Island	2	2	3
Other	134	198	273
U.S. Armed Forces:	0	0	1
Households:			
2021 Projection	2,431	4,010	6,363
2016 Estimate	2,445	4,018	6,400
2010 Census	2,425	3,919	6,350
Growth 2016 - 2021	(0.57%)	(0.20%)	(0.58%)
Growth 2010 - 2016	0.82%	2.53%	0.79%
Owner Occupied	1,794	3,131	5,238
Renter Occupied	650	887	1,162
2016 Avg Household Income	\$37,446	\$37,409	\$40,576
2016 Med Household Income	\$28,151	\$29,776	\$31,840
2016 Households by Household Inc:			
<\$25,000	1,087	1,698	2,457
\$25,000 - \$50,000	771	1,360	2,163
\$50,000 - \$75,000	276	501	969
\$75,000 - \$100,000	175	280	486
\$100,000 - \$125,000	103	126	198
\$125,000 - \$150,000	11	21	53
\$150,000 - \$200,000	15	19	39
\$200,000+	7	12	36



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