



Offering Memorandum

Home Depot (Ground Lease)

1035 W. Alexis Road | Toledo, OH 43612

 Stan Johnson Co.

Recent Lease Extension | Corporate Lease | Investment Grade Tenant | Strong Demographics | Rental Increases

Confidentiality and Restricted Use Agreement

This Confidential Offering Memorandum (“COM”) is provided by Stan Johnson Company (“SJC”), solely for your consideration of the opportunity to acquire the commercial property described herein (the “Property”). This COM may be used only as stated herein and shall not be used for any other purpose, or in any other manner, without prior written authorization and consent of SJC.

This COM does not constitute or pertain to an offer of a security or an offer of any investment contract. This COM contains descriptive materials, financial information and other data compiled by SJC for the convenience of parties who may be interested in the Property. Such information is not all inclusive and is not represented to include all information that may be material to an evaluation of the acquisition opportunity presented. SJC has not independently verified any of the information contained herein and makes no representations or warranties of any kind concerning the accuracy or completeness thereof. All summaries and discussions of documentation and/or financial information contained herein are qualified in their entirety by reference to the actual documents and/or financial statements, which upon request may be made available. An interested party must conduct its own independent investigation and verification of any information the party deems material to consideration of the opportunity, or otherwise appropriate, without reliance upon SJC.

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Offered Exclusively by

.....

Jeff McKinney
Associate Director
OH Lic. #BRK.2016002560

.....

Stan Johnson Company
5749 Park Center Court
Toledo, Ohio 43615

stanjohnsonco.com

1 Executive Summary

Home Depot (Ground Lease)

Toledo, OH



The Offering

Stan Johnson Company is pleased to offer to qualified investors a single-tenant retail property, 100% leased to Home Depot, located in Toledo, OH (the Property).

The Property consists of a ± 121,630 SF building, ± 19,980 SF garden center and ± 13.3 acres of land. Home Depot is operating under a twenty (20) year absolute NNN ground lease featuring four (4), five (5) year renewal options with 10% rental increases in each option.

Home Depot holds an A/Stable rating by Standard and Poor's, and as of FY 2020 had revenues in excess of \$132.1 billion and net income of \$12.8 billion.

Purchase Price: **\$13,310,000**

Cap Rate: **5.00%**



Investment Highlights

Absolute NNN - Zero Landlord Obligations

Home Depot is responsible for the Real Estate Taxes, Insurance, Roof, Structure, Parking Lot and any Common Area Maintenance charges.

Desirable Rental Increases

The initial term is accompanied by four (4), five (5) year option periods, each of which includes a rental increase at their respective starts.

Investment Grade Guaranty by Best-In-Class Tenant

The Home Depot, Inc. ("Home Depot") (NYSE: HD) is the industry-leading retailer of home improvement and construction products and services with over 2,287 stores located throughout North America. Home Depot holds an A/Stable rating by Standard and Poor's, and as of FY 2020 had revenues in excess of \$132.1 billion and net income of \$12.8 billion.

Original 20-Year Ground Lease

Home Depot is operating under a twenty (20) year absolute NNN ground lease featuring four (4), five (5) year renewal options with 10% rental increases in each option. The Tenant, in April 2021, exercised its first renewal option.

Strategic Location

The Property is strategically located 6 miles northwest of downtown Toledo.

Strong Demographics

The Property serves a 5-mile customer base of approximately 192,075 residents earning an average household income of \$61,261 annually.

Property Summary

Address	1035 W. Alexis Road Toledo, OH 43612
Building Size	± 121,630 SF (Building) ± 19,980 SF (Garden Center)
Land Area	± 13.3 Acres
Ownership Interest	Ground Lease
NOI	\$665,500

2 Property Overview

Home Depot (Ground Lease)

Toledo, OH



Subject Property

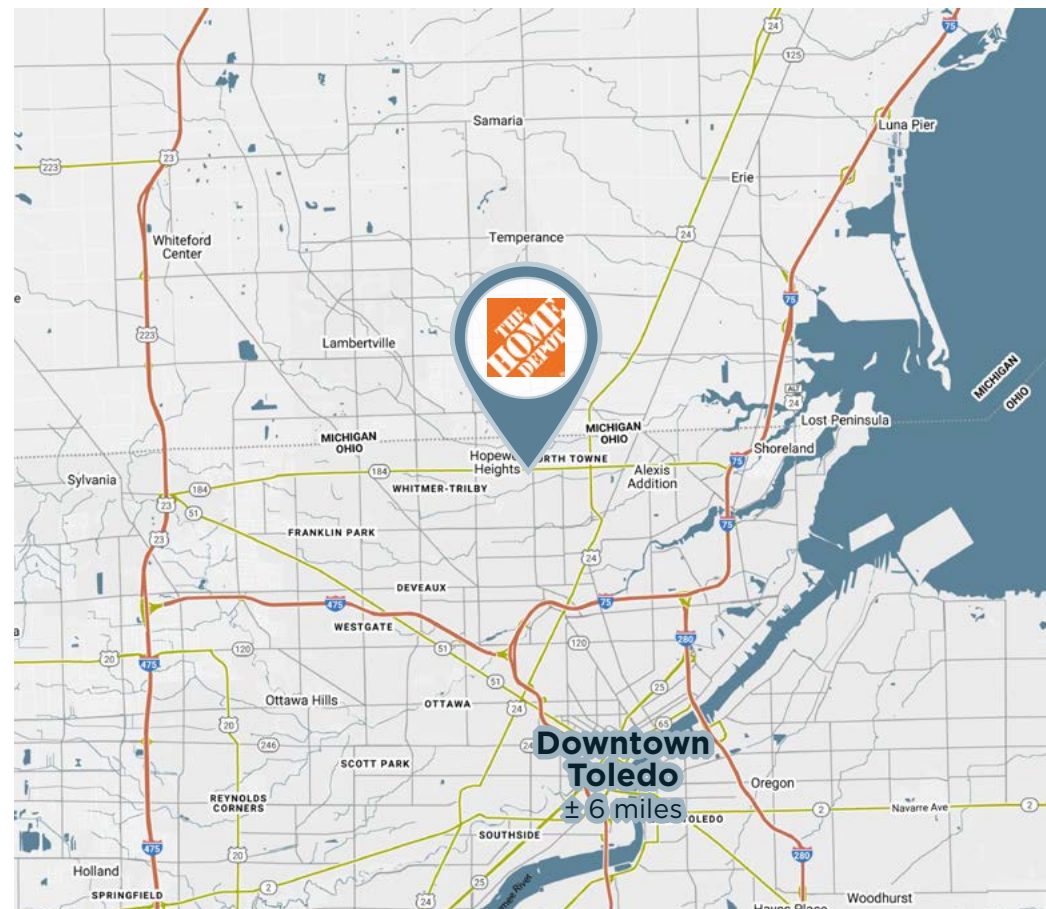
Lease Abstract

Address	1035 W. Alexis Road Toledo, OH 43612
Tenant	Home Depot
Guarantor	Home Depot Corporation
Building Size	± 121,630 SF (Building) ± 19,980 SF (Garden Center)
Land Area	± 13.3 Acres
Rent Commencement	5/23/2001
Lease Expiration	1/31/2027*
Base Lease Term	20 years
Renewal Options	Four (4), five (5) year options
Annual Rent	\$665,500 (Effective 2/1/2022)
Rental Increases	10% increases every 5 years
Expenses	Absolute NNN Ground Lease
Landlord Responsibilities	None

*The Tenant, in April 2021, exercised its first renewal option.

Rent Roll

Period	Lease Years	Annual Rent	Monthly Rent	RPSF	Increase
Base	1-10	\$500,000.00	\$41,666.67	\$3.53	-
	11-15	\$550,000.00	\$45,833.33	\$3.88	10%
	16-20	\$605,000.00	\$50,416.67	\$4.27	10%
Option 1	21-25*	\$665,500.00	\$55,458.33	\$4.70	10%
Option 2	26-30	\$732,050.00	\$61,004.17	\$5.17	10%
Option 3	31-35	\$805,255.00	\$67,104.58	\$5.69	10%
Option 4	36-40	\$885,780.50	\$73,815.04	\$6.26	10%





Subject Property Photos





Subject Property Photos





Subject Property Photos



Tenant Overview



The Home Depot (NYSE: HD) is the world's largest home improvement specialty retailer, headquartered in Cobb County (Atlanta), Georgia, with 2,312 retail stores in all 50 states, the District of Columbia, Puerto Rico, U.S. Virgin Islands, Guam, ten Canadian provinces and Mexico. The company sells various building materials, home improvement products, and lawn and garden products, as well as installation, home maintenance, and professional service programs. The stores primarily serve homeowners, professional renovators/remodelers, general contractors, handymen, property managers, building service contractors, and specialty tradesmen, such as installers.

Founded in 1978, The Home Depot now employs more than 400,000 associates. The typical retail store averages 105,000 square feet of indoor retail space, interconnected with an e-commerce business that offers more than one million products.

On March 5, 2019, The Home Depot announced the plan to hire 80,000 associates for the busy spring season with new hiring technology built by in-house engineers. The new technology helps move candidates through the hiring process faster. Last spring, the company launched Candidate Self Service, which allows store and supply chain candidates to schedule their interviews. Since its launch, nearly one million candidates have used the technology.

It was announced on January 1st, 2021, that sales for fiscal 2020 were \$132.1 billion, an increase of 19.8 percent from fiscal 2019.

Tenant Profile

No. of Locations	2,312	EBITDA	\$24.09 billion
No. of Employees	400,000+	Net Worth	\$3.2 billion
Credit Rating	S&P: A/Stable	Founded	1978
Total Revenue (2020)	\$132.1 billion	Headquarters	Atlanta, GA
Total Revenue (2019)	\$110.2 billion	Website	www.homedepot.com

Sources: ir.homedepot.com, 2020 Home Depot Annual Report

The Home Depot Values

Increased the company's commitment to
\$500M
 for veteran causes by 2025

35,000
 associates are U.S. military
 veterans or reservists

Committed to training
20,000
 skilled tradespeople over the
 next 10 years

\$13M
 donated to associates in need
 through The Homer Fund in 2018

95%
 of associates donated to
 The Homer Fund

3 Market & Location Overview

Home Depot (Ground Lease)

Toledo, OH



Location Overview

Toledo is a city in Lucas County, Ohio. Toledo is in northwest Ohio, at the western end of Lake Erie, bordering Michigan state. United States citizens founded the city in 1833 on the west bank of the Maumee River. After the construction of the Miami and Erie Canal, Toledo grew quickly; it also benefited from its position on the railway line between New York City and Chicago. It has since become a city with an art community, auto assembly businesses, education, healthcare, and local sports teams.

Toledo's population as of 2021 is 274,825, making it the 71st-largest city in the United States. It is the fourth most populous city in the state of Ohio after Columbus, Cleveland, and Cincinnati. The Toledo metropolitan area has a 2021 population of 649,906 and was the sixth-largest metropolitan area in the state of Ohio, behind Cleveland, Columbus, Cincinnati, Dayton, and Akron. The largest employer in the city is the University of Toledo. The healthcare industry now employs more residents than the manufacturing industries and is the city's largest employment sector. Also, Toledo has produced many "green jobs" due to economic development pertaining to solar energy.

The University of Toledo is influential in the city, contributing to the prominence of healthcare as the city's largest employment sector. The metro area is home to four Fortune 500 companies: Dana Holding Corporation, Owens-Corning, The Andersons, and Owens Illinois. HCR Manor Care is a Fortune 1000 company headquartered in Toledo, and One SeaGate is the location of Fifth-Third Bank's Northwest Ohio headquarters.

Toledo is known as "Glass City" due to its long history of innovation in the glass industry. Employment is provided by notable glass-producing firms such as Owens-Corning, Pilkington North America, Therma-Tru, and Libbey Glass. Several glass-related companies also provide employment. The major fiberglass company Johns Manville is also located in the area.

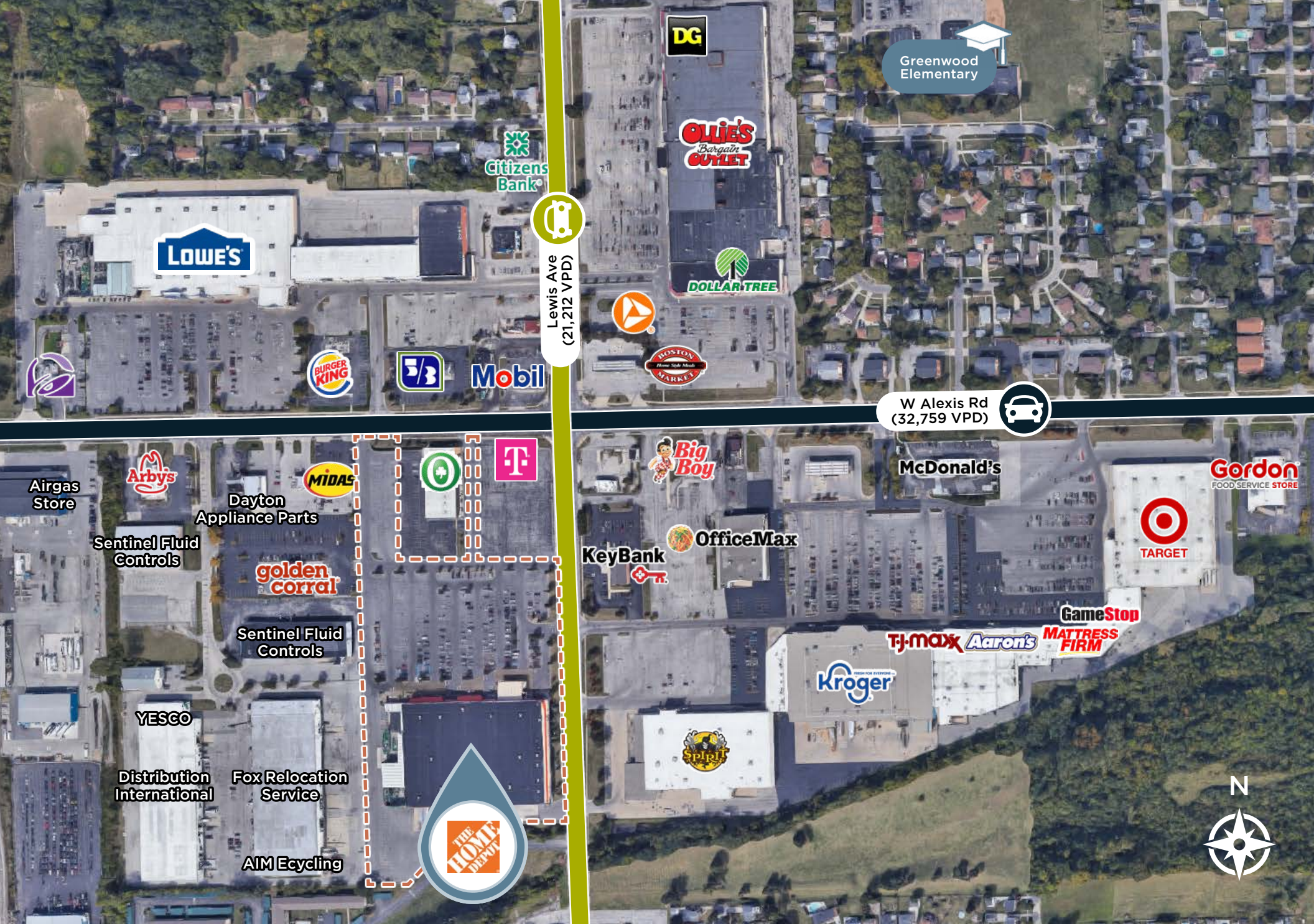
The largest employers in Toledo are The University of Toledo, The Toledo Hospital, ProMedica Health Systems, Inc., St. Vincent Hospital and Medical Center of Toledo, Chrysler, LLC, and TSL LTD.

At A Glance

- Metro Population: **649,906**
- Major Industries: Healthcare, Financial services
- Gross Metro Product: **\$34.7B**
- Median Household Income: **\$46,525**
- Median Home Price: **\$119,700**
- Unemployment: **4.6%**
- Cost of Living: **13.9%** below nat'l avg
- College Attainment: **25.5%**

Highlights

- More industrial space per square mile than any place in the U.S.
- Access to more than 20 miles of coastline and waterways and easy access to major highways, railways, and airports
- 49 Colleges and Universities within 70 miles of Toledo
- Nearly 50 million people live within 250 miles of Toledo



Lewis Ave
(21,212 VPD)

W Alexis Rd
(32,759 VPD)

Greenwood
Elementary

LOWE'S

BURGER KING

Mobil

Citizens Bank

DG

OLLIE'S
Bargain
OUTLET

DOLLAR TREE

BOSTON
MARKET

Airgas
Store

Arby's

Dayton
Appliance Parts

MIDAS

Sentinel Fluid
Controls

golden
corral

Sentinel Fluid
Controls

KeyBank

OfficeMax

Big Boy

McDonald's

Gordon
FOOD SERVICE STORE

TARGET

GameStop

TJ-MAXX Aaron's

MATTRESS
FIRM

YESCO

Distribution
International

Fox Relocation
Service

AIM Ecyding

THE HOME
DEPOT

Kroger

SPIRIT





Sunnydale Estates Apartments

Tameron Apartments

Team Toledo Ice House

OLLIE'S Bargain OUTLET

Hungry Howie's

LONG JOHN SILVER'S

CIRCLE K

LOWE'S

BURGER KING

BOSTON MARKET

W Alexis Rd (32,759 VPD)



Courtyard Apartments

U-HAUL

GM

GM Powertrain Toledo Transmission Operations Staff: 1,749

Whitmer High School

- | | |
|----------------------|----------------------------------|
| DSC Logistics | Coil Steel Processing |
| Hometown Foods | Gas and Supply Store |
| Toledo Molding & Die | Earl Bros Complete Auto Services |
| Praxiar Welding | Kroger Distribution |
| Teledyne | WestRock |
| Continental Motors | SMB Restoration Specialists |
| Co-Op Production | |
| Workholding | |
| Samuel, Son & Co | |

Powertrain Park

- Arbys
- TARGET
- golden corral
- Big Boy
- O'Reilly
- TJ-maxx
- T-Mobile
- MIDAS
- Kroger
- OfficeMax
- MATTRESS FIRM
- GameStop
- McDonald's
- Aaron's
- Gordon

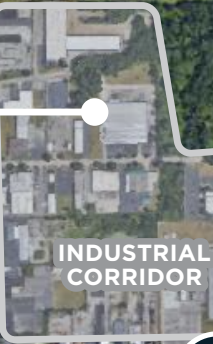


Tremainsville Rd (15,299 VPD)



Wernet Elementary School

Get Air Trampoline Park



USPS

Planet Fitness Save a lot NAPA

RITE AID

W Laskey Rd (20,515 VPD)



DOLLAR TREE SALLY BEAUTY SUPPLY HARBOR FREIGHT TOOLS BIG LOTS! DOLLAR GENERAL

McDonald's Rally's SHERWIN WILLIAMS Tim Hortons Kroger



University Parks Trail

Lewis Ave (21,212 VPD)



Larchmont Elementary School

Bowman Park

LOCK-IT-UP Self Storage



Downtown Toledo ± 6 Miles from Subject Property



Elmhurst Elementary School

Douglas Rd (18,454 VPD)



Start High School

Jackman Rd (20,614 VPD)



Most Blessed Sacrament Private School

Little Caesars

Whitter Elementary School

Little Caesars goodwill

THRIFT STORE

DOLLAR GENERAL

macys PIZZA HUT

RITE AID



Demographics



Population	1 mile	3 miles	5 miles
2021 Population	8,678	76,283	192,075
2026 Population	8,533	75,619	190,136



Households	1 mile	3 miles	5 miles
2021 Total Households	3,809	31,508	79,754
2026 Total Households	3,754	31,329	79,265



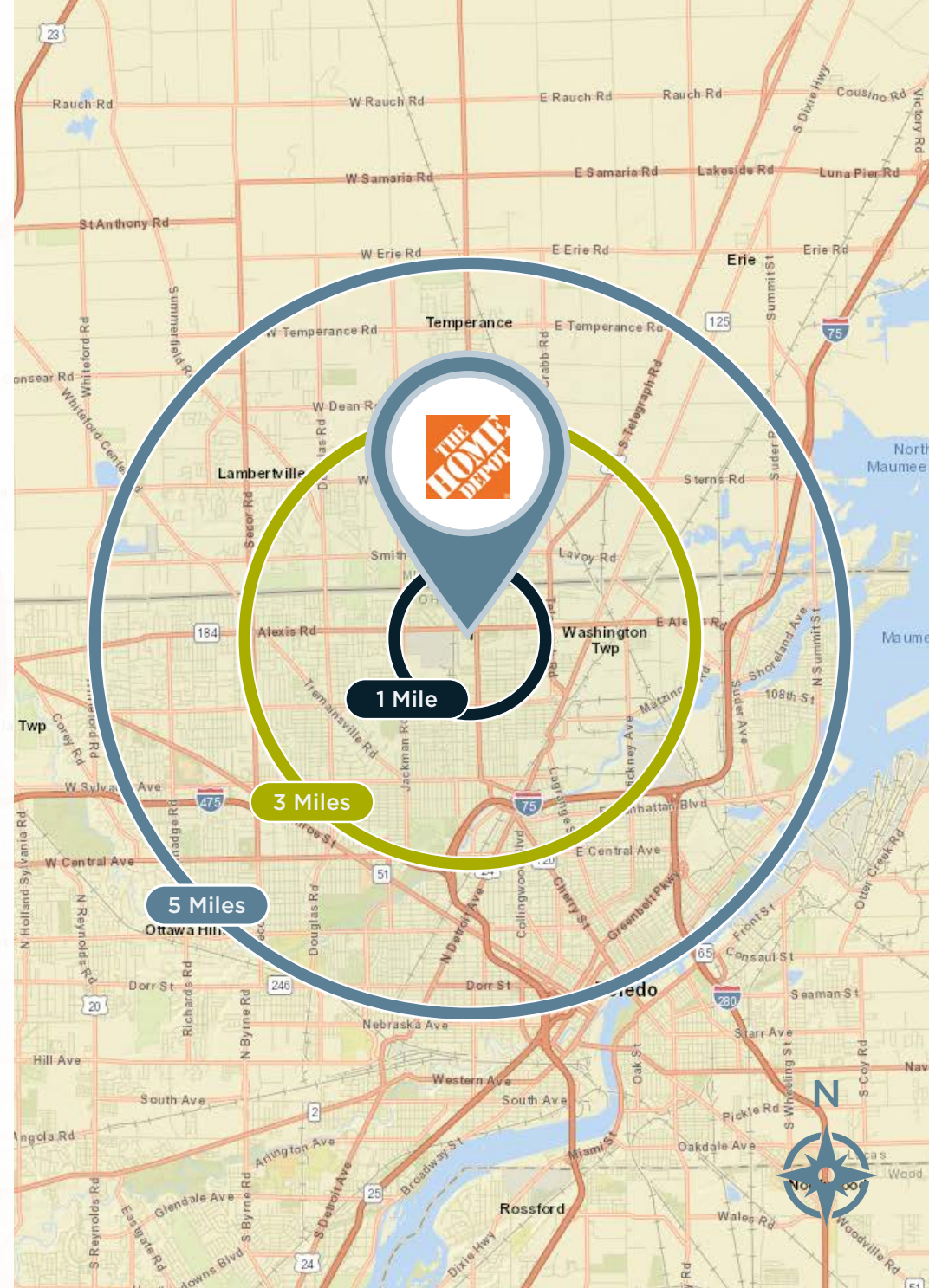
Household Income	1 mile	3 miles	5 miles
2021 Median Household Income	\$44,428	\$48,863	\$44,151
2021 Average Household Income	\$52,377	\$60,593	\$61,261



192k
Population
(5 miles)



\$61k
Avg. HH Inc.
(5 miles)



going beyond

Offered Exclusively by

.....
Jeff McKinney
Associate Director
OH Lic. #BRK.2016002560

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Toledo, Ohio 43615

stanjohnsonco.com



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