



CAPITAL MARKETS



8% Cap Rate | WALT 10 Years

SOCIAL SECURITY ADMINISTRATION

U.S Credit Tenant | AA+ S&P Credit

3608 E KEIHL AVE, SHERWOOD, ARKANSAS



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THE PROPERTY

Executive Summary

JLL as advisors are pleased to present the Social Security Administration located in Sherwood, Arkansas located within the Little Rock MSA. This property represents a unique opportunity for institutional investors seeking a secure investment backed by the stability of the U.S. government. With an impressive AA+ S&P U.S. Government Credit rating, it ensures robust tenant reliability and financial confidence. This asset offers a compelling addition to any portfolio aiming for stable cash flow and long-term value preservation.

The building, constructed in 2002, boasts a net building area of 10,483 sqft. and sits on a 1.34-acre lot. The property is fully occupied, ensuring consistent rental income from a tenant with an outstanding credit rating. Its modern infrastructure supports a seamless operational environment ideal for government functions.

Strategically positioned in the thriving Little Rock Arkansas MSA, the property benefits from the region's robust economic foundation and excellent transportation infrastructure. The metropolitan area's growth trajectory highlights advantageous demographic trends contributing to increased demand for services and commercial spaces.

The Little Rock MSA serves as Arkansas's economic hub, anchored by diverse industries including healthcare, logistics, financial services, and government operations. Major transportation corridors including Interstate 40, Interstate 30, and the Arkansas River provide exceptional connectivity throughout the region and to major markets nationwide. This strategic location positions businesses to capitalize on the area's continued expansion and the steady influx of companies drawn to Arkansas's business-friendly environment.

Investors can look forward to predictable cash flow stability and potential value creation opportunities through unwavering tenant commitment and the asset's strategic location. This property serves as a steadfast cornerstone in any diversified real estate strategy focused on government-backed investments



Sale Price

\$2.0M

Cap Rate

8%

Escalation Structure
**Annual
CPI Rental
Increases**

Total SF

10,483 SF

Site Size

1.34 Acres

Property Information

BUILDING

Type	Government Leased Office
Address	3608 E Kiehl Ave, Sherwood, AR
County	Pulaski
Size	10,483 SF
Floors	1
Parking	76 spaces
Year Built	Developed to Suit in 2002
Occupancy	100%

SITE

Site Size	1.34 Acres
Zoning	OS-1
Topography	Flat

JLL FINANCIAL GUIDANCE

Sale Price	\$2,000,000.00
NOI	\$159,619.00
Cap Rate	8%





Lease Abstract

Tenant/Agency	Social Security Administration
Guarantor	U.S. Federal Government AA+ S&P Rating
Rentable Square Feet	10,483 SF
ABOA SF	9,773
Lease Term Remaining / Firm Term Remaining	10 yrs / 5 yrs firm
Lease Type	Modified Gross
Lease Commencement	October 10th, 2025
Lease Expiration	October 9th, 2035
Operating Cost Base	\$6.23 PSF
Operating Costs Adjustments	Annual CPI Increases
Real Estate Tax Base (2025)	\$11,478.96
Real Estate Tax Percentage	100% Tenant pays any overage on its pro rata share of the property above this amount during the term of the lease
Termination Right	Mandated Government Appropriations clause After the 5 year firm term, upon 90 day notice

Site Plan





Aerial

E KIEHL AVE



SOCIAL SECURITY
ADMINISTRATION



Sherwood Fire
Department

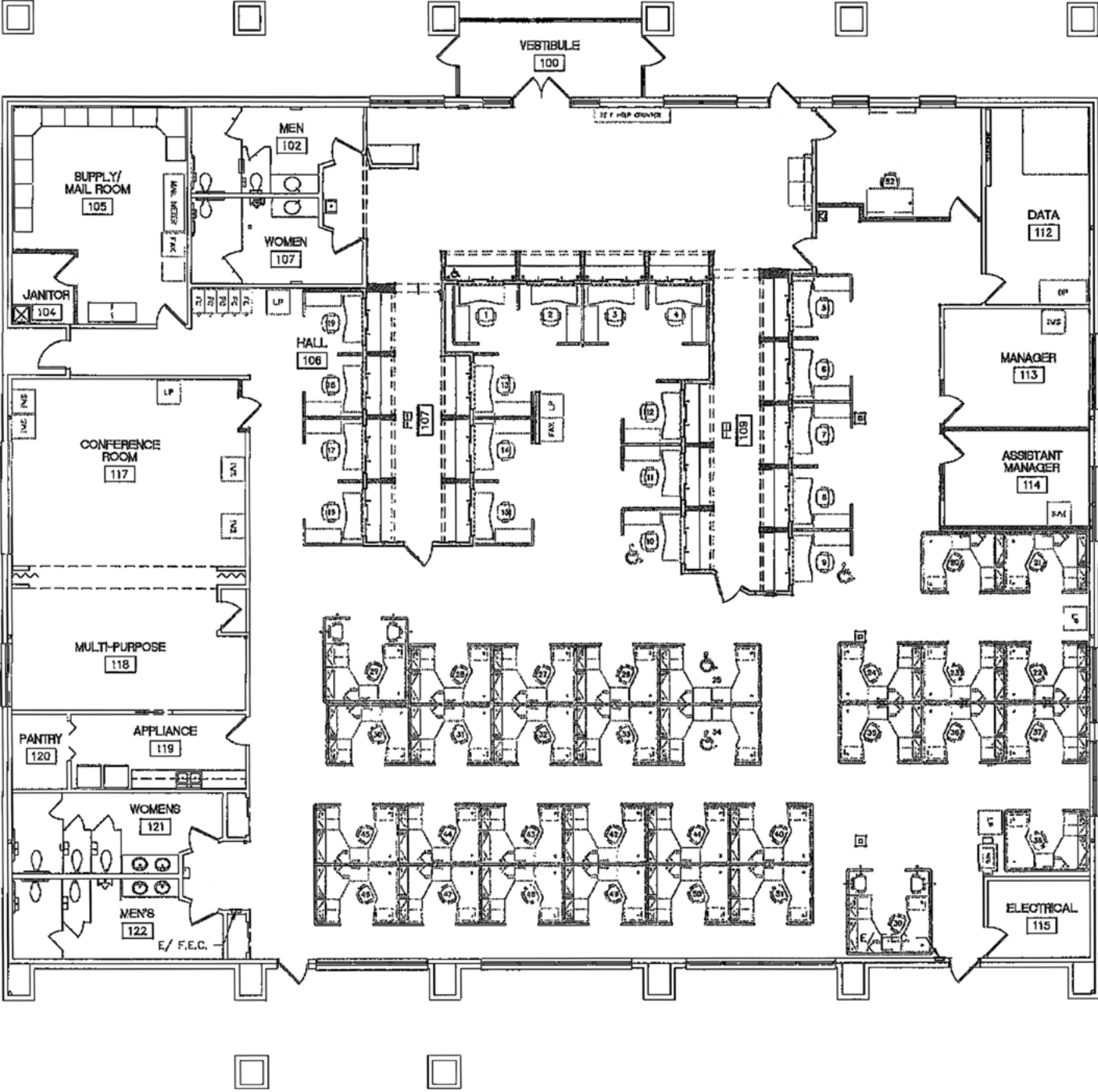
Sherwood Fire
Department

KOHL'S

Kohls



Floor Plan



Tenant Information

The Social Security Administration is an independent federal agency responsible for managing Social Security—the nation’s comprehensive social insurance system that provides retirement, disability, and survivor benefits. Benefits are funded through Social Security taxes paid by workers during their careers, with benefit amounts calculated based on individual earnings contributions. Headquartered in Woodlawn, Maryland, the SSA operates an extensive nationwide infrastructure including 10 regional offices, eight processing centers, approximately 1,300 field offices, and 37 teleservice centers. As of 2018, the agency employed roughly 60,000 people and operated with a budget of \$1.06 trillion, reflecting its critical role in serving over 70 million American beneficiaries across the country.

Services & Benefits

- Retirement Benefits
- Survivor Benefits
- Medicare Administration
- Supplemental Security Income (SSI)
- Social Security Number Issuance
- Benefit Verification and Records

10,483

Square Feet

100%

of Tenancy

AA+

Investment
Grade Credit

10 Years

Term
Remaining

\$22.89
PSF

Gross
Rental Rate

CPI-
DEPENDANT

Rental
Escalations



Social Security Administration Sales Comparables

Sold Date	Address	City	State	Sold Price	Sold Cap Rate	SF	Price/SF	Term Remaining	Firm Term Remaining
5/20/25	604 N 109th Ct	Omaha	NE	\$2,000,000.00	6.36%	25,088	\$79.72	11	11
2/27/25	12301 N Kelley	Oklahoma City	OK	\$6,050,000.00	7.82%	22,906	\$264.12	10	5
2/11/25	4365 Shackleford Rd	Norcross	GA	\$3,950,000.00	7.78%	21,034	\$187.79	9	4







MARKET OVERVIEW

Little Rock, AR Office Market

Office availability in Little Rock remains relatively stable compared to other markets. The availability rate of 7.9% translates to 3.0 million SF, shifting above the 10-year average of 6.9%. The largest blocks of availability are found at 400 W Capital and 323 Center St in Downtown and at The Meadows Office and Technology Park in Conway, with availability ranging from 230,000 to 100,000 SF.

As Arkansas's government, financing and banking, and medical hub, the largest office occupiers include the Arkansas Department of Health and several other federal and state agencies, Stephens, Acxiom, Bank OZK, Verizon and Entergy Arkansas.



38M SF Inventory



519K 12 Month Net Absorption



8.1% Vacancy Rate



\$21.33 Market Asking Rent PSF

Little Rock, Arkansas: Economic Growth & Quality of Life

Little Rock has established itself as a highly livable and economically competitive city, earning multiple national recognitions including Kiplinger's "#1 Great Place to Live" and ranking among America's happiest and most economically diverse cities.

- **Population and Demographics**

The city maintains a stable population of 202,591 residents (2020 Census) and serves as an economic hub for central Arkansas with access to 40% of the nation's population within a 550-mile radius.

- **Strategic Location and Transportation**

Little Rock benefits from exceptional connectivity as the intersection of Interstates 30 and 40, with the Clinton National Airport handling 2.2 million passengers annually and providing nonstop service to multiple cities. The Arkansas River port system offers barge access to the Mississippi River and serves as a Foreign Trade Zone, enabling duty-free storage and processing of goods.

- **Economic Diversity and Growth**

The city has attracted over \$2.5 billion in economic development since 1994, supported by major employers across healthcare, aerospace, banking, technology, manufacturing, government, education, and agriculture. Arkansas's right-to-work environment and competitive wage structure create favorable business conditions.

- **Healthcare and Education Excellence**

Little Rock's medical facilities serve over 2 million people statewide with 2,800+ hospital beds and expanding specialty services. The educational landscape includes the internationally recognized University of Arkansas for Medical Sciences, UA Little Rock (12,000 students), the Clinton School of Public Service, and several historically black colleges driving community revitalization.

- **Business-Friendly Environment**

The city offers numerous economic incentives and maintains a favorable tax structure with no personal or corporate income taxes at city/county levels and no state-level real or personal property taxes. This combination of strategic location, quality infrastructure, and supportive business climate positions Little Rock as an attractive destination for both businesses and residents.



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