



ACTUAL SITE PHOTO

CASTINO INDUSTRIES

~ MOLDING MANUFACTURER

885 S MILLER DRIVE | WALNUT, RIDGE 72476

OFFERING MEMORANDUM



ALPHA
REAL ESTATE ADVISORS

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ALPHA
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ALPHARE.COM

EXECUTIVE SUMMARY

PRICE \$1,591,350

CAP RATE 8.00%

PROPERTY SUMMARY

NOI: \$127,308

Building Area 24,808 SF

Year Built 1997

Lot Size: 5.0 Acres

Lease Structure: NN+

Rental Increases: 3% Annually

Lease Term: 8 Years

Lease Expiration: 3/31/33

Options: None

Tenant: Castino Industries

Lessee: Philpot Solutions Group, Inc.

Credit Type: Corporate

INVESTMENT HIGHLIGHTS

PROPERTY

- **Terrific Bite-Sized Deal**
Cheap price point paired with a strong operating history making this an ideal investment for 1031 exchange investors.
- **Specialized Labor Advantage**
Unique labor market offering specialized, hard-to-find talent that is loyal and cost-effective due to the strategic location of this property.
- **NN+ Lease Structure**
The Lessee's share of any Shared Capital Expenditure shall be calculated by dividing the total documented costs by its expected useful life in months (as mutually agreed by the Lessor and Lessee) and multiplying the result by the number of months remaining in the lease term. Lessor will cover the difference between the total document cost and the lessee's share thereof and reimbursing the Lessee within 30 days of completion.
- **Pro-Business State with Zero Vacancy**
Situated in a pro-business state, this property stands out in a fully occupied market, offering exceptional stability and strong investment potential.
- **Newly Constructed Long-Term Lease**
Tenant recently committed to a newly structured 10-Year lease extension with 8 Years remaining.
- **Attractive Rental Increases**
Property has 3% annual increases demonstrating a strong hedge towards inflation.
- **Niche Market**
Castino Industries has been serving the city of Walnut Ridge since the early 2000's allowing for a long-term, repeat, established customer base.

TENANT

Castino Industries

LEASE TYPE

NN+

LANDLORD RESPONSIBILITIES

Major Cap Ex. (Roof, Structure, Parking Lot, HVAC, etc.)**

TYPE OF OWNERSHIP

Fee Simple

LEASE TERM REMAINING

8 Years

LEASE EXPIRATION

3/31/2033

INCREASES

3% Every Year

LESSEE

Philpot Solutions Group, Inc.





2023: CASTINO INDUSTRIES ACQUIRED BY PHILPOTT SOLUTIONS GROUP: A CENTURY-STRONG LEADER IN INDUSTRIAL MATERIALS



Castino Industries, a prominent provider of industrial materials, has been acquired by Philpott Solutions Group, a company with over a century of excellence in the industrial materials sector. Established in 1889 in Cleveland, Ohio, Philpott has been in business for 160 years. Evolving from a rubber hose and belting supplier into a global leader specializing in rubber, plastic, and coil storage solutions.

This acquisition reflects Philpott's strategic growth initiatives, following a record-breaking year in 2023. The company reported its highest revenue to date, with a 53% increase in sales compared to 2019. Alongside financial growth, Philpott has expanded its workforce by 84%, increasing its domestic employee base from 38 to 70 over the same period.

Recognized as a nominee for the Cascade Capital Corporation 2024 Business Growth Awards, Philpott Solutions Group continues to demonstrate a commitment to innovation, operational excellence, and sustainability. The acquisition of Castino Industries is expected to further strengthen Philpott's market position and enhance its capabilities in the industrial materials space. This strategic move ensures long-term operational reliability and positions both Castino Industries and Philpott Solutions Group as pillars of stability and growth in the industrial sector.

PUBLICATIONS AND WEBSITE

 [CASTINO INDUSTRIES: NOMINEE FOR CASCADE CAPITAL CORPORATION 2024 BUSINESS GROWTH AWARDS](#)

 [PHILPOTT SOLUTIONS GROUP ACQUIRES CASTINO INJECTION MOLDING MANUFACTURER](#)

 [PHILPOTT SOLUTIONS WEBSITE](#)

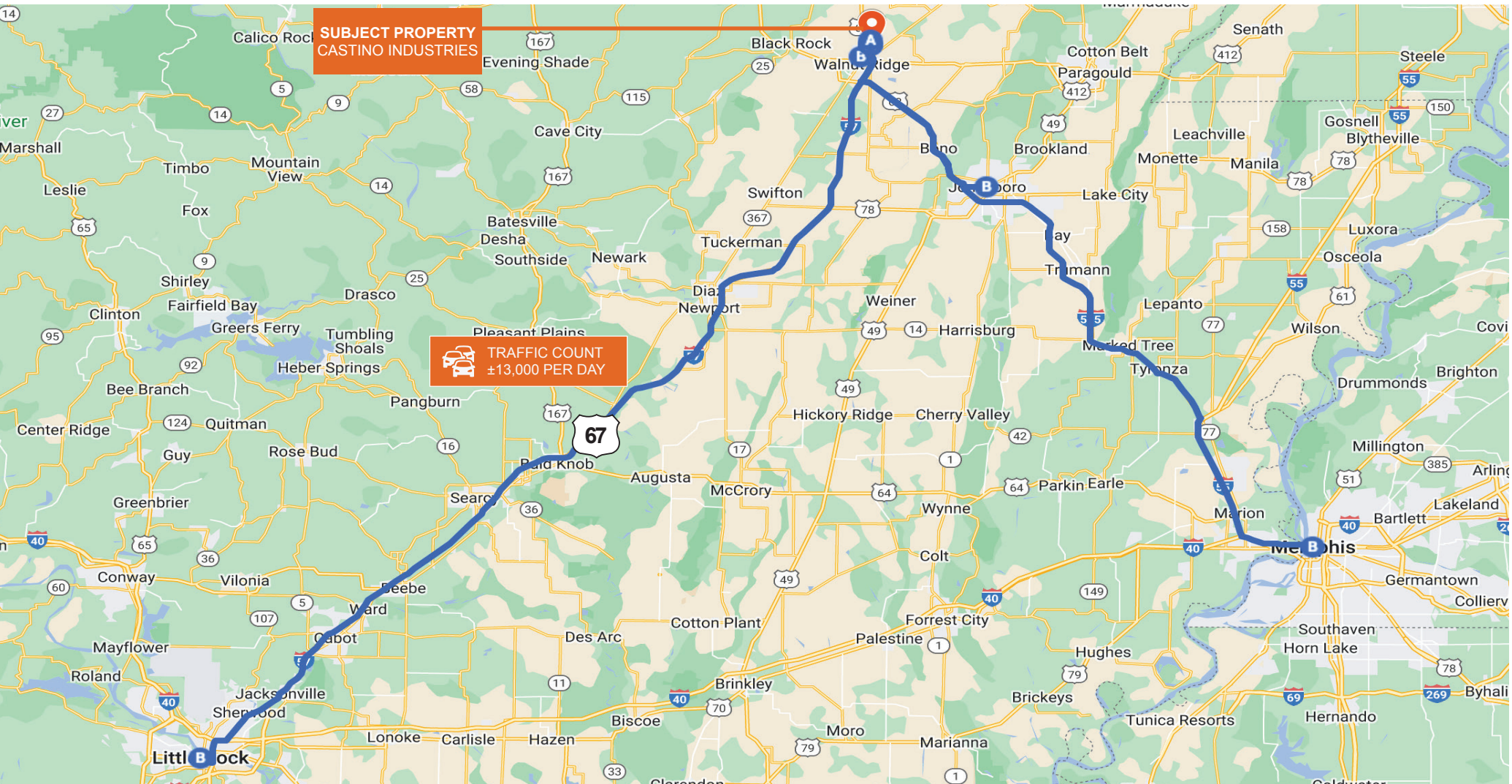


PROPERTY PHOTOS





LOCATION MAP



2.6 MILES
U.S. 67 BUSINESS

27.6 MILES
JONESBORO, AR

96.3 MILES
MEMPHIS, TN

131.9 MILES
LITTLE ROCK, AR



Walnut Ridge, AR

Walnut Ridge, Arkansas, is a hidden gem in the heart of the Midwest, offering a strategic location for industrial investment. Nestled within Lawrence County, Walnut Ridge seamlessly blends small-town charm with big opportunities, making it an ideal destination for businesses looking to establish or expand their operations. The area benefits from a robust transportation network, including its proximity to U.S. Highway 67—a key arterial route connecting major regional markets—and a nearby rail infrastructure that significantly enhances logistics capabilities. This accessibility positions Walnut Ridge as a prime choice for companies requiring efficient supply chain management and distribution.

ECONOMY

The local economy is bolstered by a strong foundation in manufacturing and agriculture, creating a stable environment for industrial operations. Walnut Ridge's workforce is known for its dedication and reliability, reflecting the community's deep-rooted values of productivity and resilience. Additionally, the area's affordable cost of living, coupled with business-friendly policies and incentives, provides an attractive option for companies seeking operational efficiency and profitability. Local government support and workforce training programs further ensure that businesses can thrive in this market.

LOCATION

As part of the burgeoning Northeast Arkansas region, Walnut Ridge enjoys access to resources and markets that are fueling growth throughout the area. Its strategic proximity to Jonesboro, a regional economic hub, and the Memphis metropolitan area further amplifies its logistical advantages, offering connectivity to major markets. Recent industrial developments in the area highlight a growing interest from investors who recognize the untapped potential of this thriving market. This, combined with the region's emphasis on supporting industrial growth, makes Walnut Ridge a hotspot for future expansion.

For industrial investors, Walnut Ridge offers the perfect combination of location, infrastructure, and opportunity. This property represents not just a sound investment but a gateway to long-term growth in a dynamic and welcoming community, ready to support businesses aiming for sustainable success.



DISCLAIMERS & AGREEMENT

Alpha Real Estate Advisors LLC ("AREA") has been retained as the exclusive listing broker to arrange the sale of the property identified herein above (the "Property").

Purpose and Intent. This Offering Memorandum ("Memorandum") has been prepared by the undersigned real estate professional, is provided in the normal course of his/her business, and is intended to express only his/her recommended listing, selling, or purchase price or a rental or lease consideration for the Property. This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, the Property, and has not been made for the purpose of submission as evidence of value to a court or administrative body. The disclosures herein are intended to supersede all prior written and oral communications and understandings regarding the Memorandum. You are advised to carefully read this Memorandum and review it with your legal and tax advisors.

Information Provided As An Opinion: The information in this Memorandum has been obtained from sources believed to be reliable, but has not been verified for accuracy, completeness, or fitness for any particular purpose. This Memorandum does not contain all the information that you may need or desire to evaluate the Property. All information in this Memorandum and any other written or oral communication transmitted to you in the course of your evaluation of the Property is presented "as is" without representation or warranty, express or implied, of any kind by AREA, Owner/Seller, or either's respective subsidiaries, agents, affiliates, members, officers, and/or employees. AREA assumes no responsibility for this Memorandum, and hereby disclaims any and all liability for representations, expressed or implied, contained in, or for omissions from, this Memorandum. This Memorandum is subject to prior placement, errors, omissions, changes, or withdrawal without notice and does not constitute a recommendation, suitability determination, or endorsement as to the Property's value by AREA or Owner/Seller. This Memorandum contains certain documents, which are described in summary form and do not purport to be complete or accurate descriptions of, nor do they constitute a legal analysis of, the full documents involved. All such summaries are qualified in their entirety by reference to such documents. All references to acreage(s), square footage(s), and other measurements are approximations. Neither AREA nor Owner/ Seller undertakes any responsibility or compulsion to update any of the information discussed herein. Any information and expressions of opinion herein contained are subject to change without notice. Neither the delivery of this Memorandum nor the purchase of the Property shall, under any circumstance(s), create an implication that there has been no change in the affairs of the Property since the date this Memorandum was created or provided to you.

By accepting this Memorandum, you agree that in determining the advisability of purchasing the Property, you shall not rely on this Memorandum or upon any other materials or information provided AREA or its brokers, but rather that you shall rely solely upon your own examination (including engineering and environmental inspections) and investigation of the Property at your own cost prior to purchasing the Property. An opportunity to inspect the Property will be made available to you upon written request. You acknowledge AREA is not acting as an attorney, tax advisor, surveyor, appraiser, structural engineer, and that you should consult such professionals.

This Memorandum is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make sure offer or solicitation. ALL INFORMATION CONTAINED HEREIN IS A STATEMENT OF OPINION. ANY RELIANCE ON THIS MEMORANDUM IS SOLELY AT YOUR OWN RISK.

Forward-Looking Statements and Financial Projections. All statements herein, other than statements of historical fact, are statements that could be deemed "forward-looking" statements with respect to the anticipated future performance of the Property, including any financial projections, statements regarding future economic conditions or performance, and statements of belief and of assumptions underlying any of the foregoing. These projections and statements are provided for general reference purposes only and may involve known and unknown risks and various assumptions subject to significant business, economic, and competitive uncertainties and contingencies beyond the control of AREA and/or Owner/ Seller, and which therefore are subject to material change and/or variation. Accordingly, there can be no assurance that such projections or forward-looking statements will be realized. Potential purchasers of the Property are cautioned that the actual results, performance, and/or achievements may vary materially from anticipated results, performance, and/or achievements. No representations or warranties are made as to the accuracy or reasonableness of such assumptions or the projections of forward-looking statements based thereon. **YOU MAY NOT RELY UPON THE FINANCIAL PROJECTIONS, AS THEY ARE ILLUSTRATIVE ONLY.**

COVID-19 Pandemic. The World Health Organization has characterized the outbreak of COVID-19 that is currently affecting many parts of the world, including the United States and NC, as a pandemic (the "Pandemic"). The Pandemic has negatively affected travel, commerce, and financial markets globally. While the potential future impact of the Pandemic cannot be quantified at this time, it is expected that the continued outbreak of COVID-19 could have an adverse impact on property values, including the value of the Property.

Owner's/Seller's Reserved Rights. Owner/Seller expressly reserves the right, at its sole discretion, to reject any or all expressions of interest and/or to terminate discussions with any party at any time with or without notice and for any reason. Owner/Seller shall have no legal commitment or obligation to any recipient of this Memorandum unless a written agreement for the purchase of the Property has been executed, delivered, and approved by the Owner/Seller and any conditions to the purchaser's obligations therein have been satisfied or affirmatively waived. The Owner/Seller reserves the right to move forward with an acceptable offer on the Property prior to the call for offers deadline.

Confidentiality: The Property is privately offered, and your receipt of this Memorandum serves to evidence your agreement that: (i) this Memorandum is subject to the Confidentiality and Non-Circumvention Agreement you previously executed with AREA, (ii) this Memorandum is furnished to you for the sole purpose of evaluating your interest in the Property, (iii) you will return the Memorandum if requested to do so by AREA, (iv) you will not use any part of this Memorandum in a manner detrimental to Owner/Seller or AREA, and (v) you will not reproduce or disclose any portion of this Memorandum to anyone without the prior written authorization of AREA. These terms and conditions apply to this Memorandum and all documents and other information provided in connection herewith.



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