

Pugs Xing

NNN LEASES

OFFERING MEMORANDUM



26007 Pugs Xing
Millsboro, DE 19966



Pugs Xing

CONTENTS

01 Executive Summary

Investment Summary
Location Summary

02 Property Description

Property Features
Aerial Map
Property Images

03 Rent Roll

Rent Roll
Lease Expiration
Tenant Profile

04 Financial Analysis

Income & Expense Analysis
Multi-Year Cash Flow Assumptions
Cash Flow Analysis
Financial Metrics

05 Demographics

Demographic Charts



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randrcommercialrealty.com

PUGS XING

01 **Executive Summary**

Investment Summary

Location Summary

01

OFFERING SUMMARY

ADDRESS	26007 Pugs Xing Millsboro DE 19966
COUNTY	Sussex
BUILDING SF	52,599 SF
LAND ACRES	6.47
LAND SF	281,833 SF
OWNERSHIP TYPE	Fee Simple

FINANCIAL SUMMARY

PRICE	\$8,499,000
PRICE PSF	\$161.58
OCCUPANCY	100 %
NOI (CURRENT)	\$516,816
NOI (Market)	\$472,301
CAP RATE (CURRENT)	6.08 %
GRM (CURRENT)	16.44
GRM (MARKET)	17.99

PROPOSED FINANCING

LOAN TYPE	
DOWN PAYMENT	\$8,499,000
LOAN AMOUNT	\$0
INTEREST RATE	0.00 %
LOAN TO VALUE	0 %

NNN LEASES - SOLID TENANTS

- This property consists of 6 building and 2 tenants. Property is easy to manage with solid tenants and long term NNN leases in place.



- 2024 Income - \$451,952 Plus CAM
Current lease term to August, 2028

Housing & Employment

- In 2020, Millsboro was ranked 2nd out of the 57 Delaware cities for number of residential building permits issued.

In 2021, PC Magazine named Millsboro one of the top 50 cities in the United States and Canada for remote work.

Millsboro lowered impact fees by about 25% in an effort to further enhance its reputation as a destination for employers and retailers. Delmarva Health Pavilion, BJ's, and Merck are just a few of the many names that call the Town home.

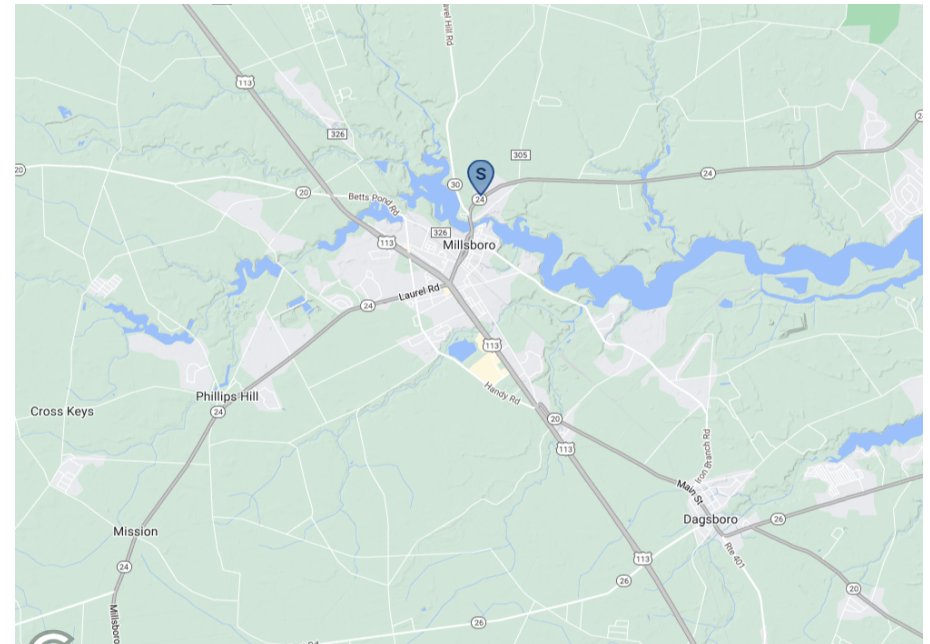
Commerce

- There is no sales tax. Property taxes and crime rates are low. The Indian River School District, which serves Millsboro, enjoys a solid reputation and, like the Town, is growing rapidly. Recreational opportunities include a boat ride on the Indian River (which provides direct access to the Atlantic Ocean) or a trip to Millsboro Lanes for bowling or arcade time, and cultural opportunities include a visit to the gallery at the Greater Millsboro Art League facility.

Transportation

- Millsboro is directly served by the four-lane U.S. Route 113 and three other major highways - Delaware Route 20, Delaware Route 24, and Delaware Route 30. Located along the headwaters of the Indian River, there is direct access to the Indian River Bay and, in turn, the Atlantic Ocean. Freight rail service is provided by the Delmarva Central Railroad. DART First State provides bus service to Millsboro via the Route 215 bus to Rehoboth Beach and also operates a micro transit service called DART Connect that serves the Millsboro and Georgetown areas.

Regional Map



Locator Map



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02 Property Description

Property Features

Aerial Map

Property Images

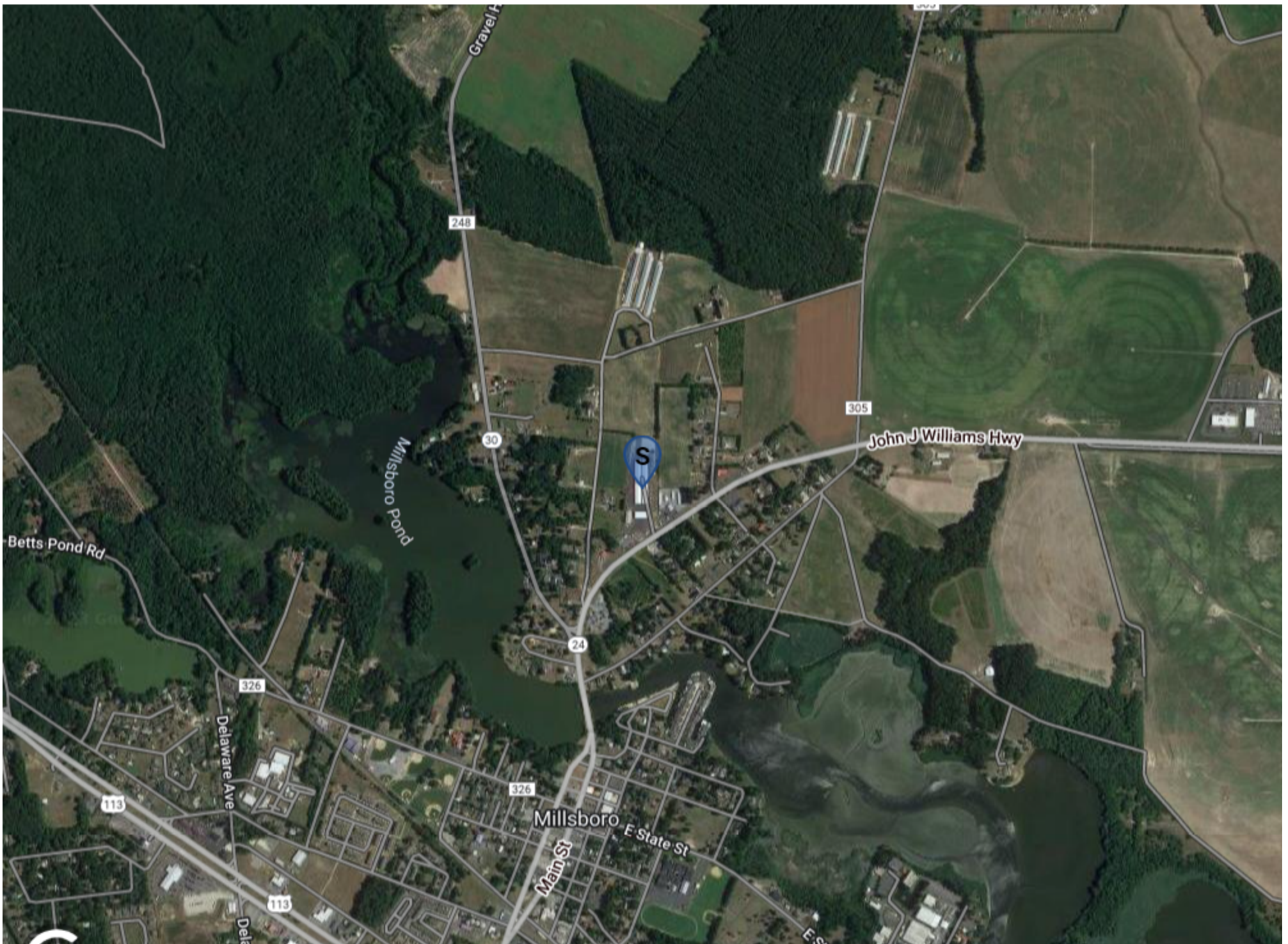
GLOBAL

NUMBER OF UNITS	6
BUILDING SF	52,599
LAND SF	281,833
LAND ACRES	6.47
# OF PARCELS	1
ZONING TYPE	C1
TOPOGRAPHY	Flat
NUMBER OF BUILDINGS	6
NUMBER OF STORIES	1
PARKING RATIO	3.49
NUMBER OF INGRESSES	1
NUMBER OF EGRESSES	1

CONSTRUCTION

FOUNDATION	Block
FRAMING	wood
EXTERIOR	Metal/Block
PARKING SURFACE	Paved
ROOF	Metal







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03 Rent Roll

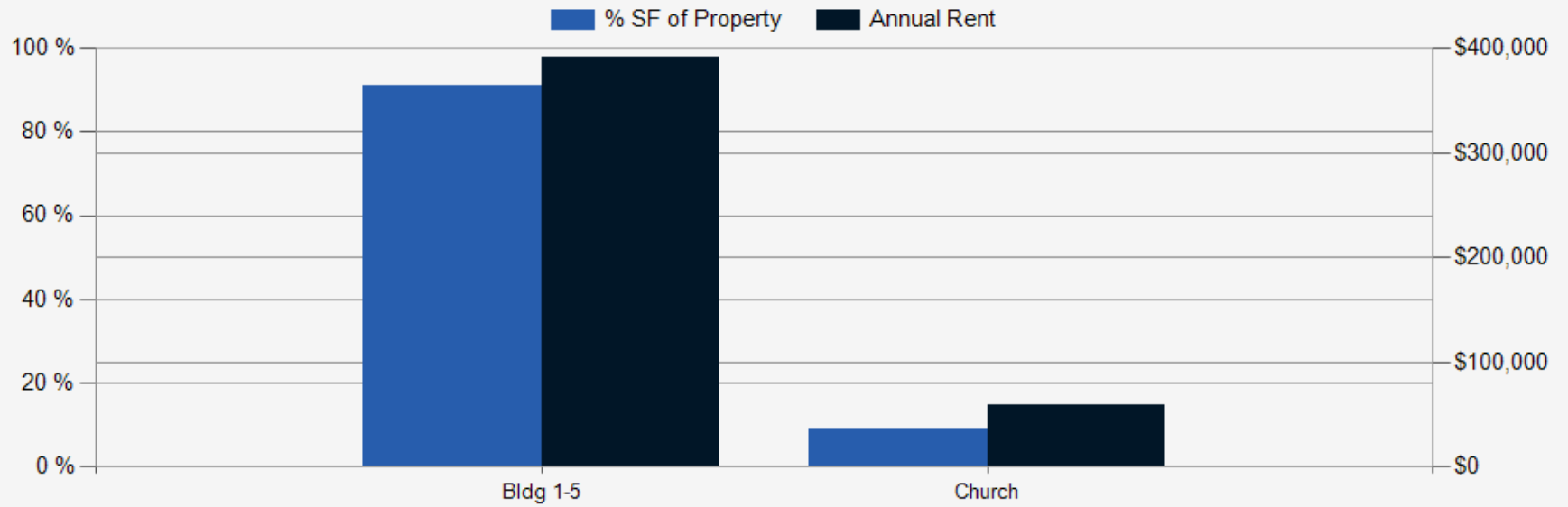
Rent Roll
Lease Expiration
Tenant Profile

03

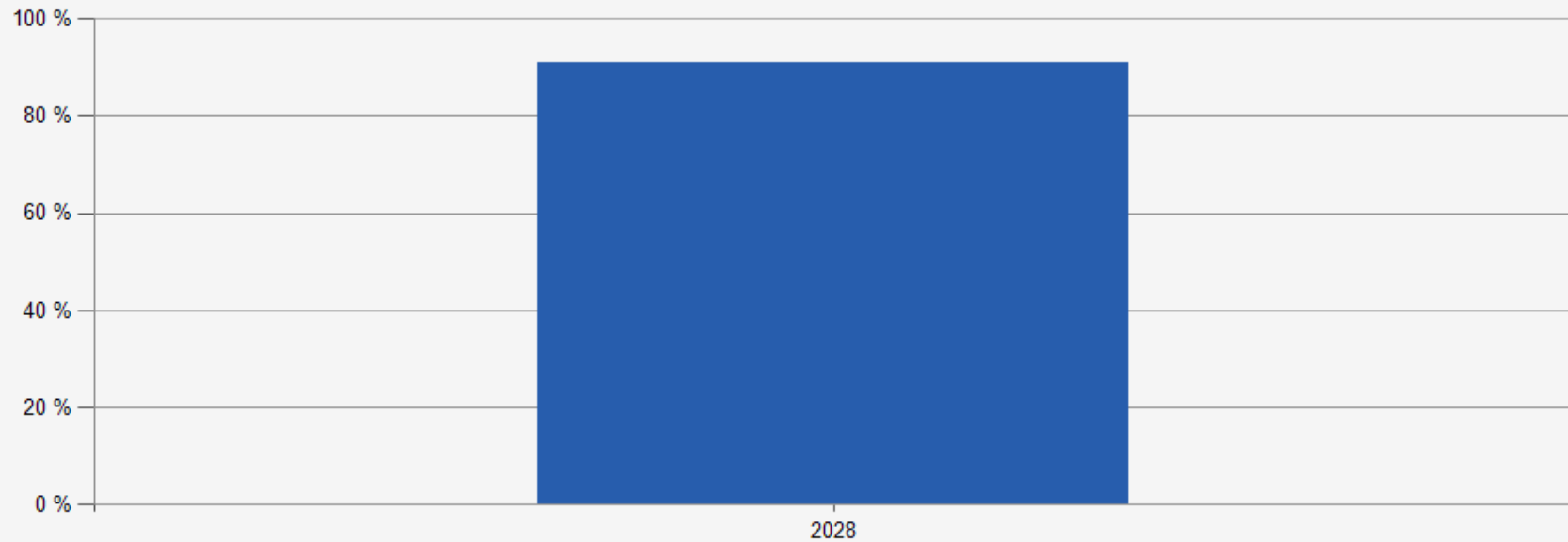
COMMERCIAL

				Lease Term		Rental Rates							
Suite	Tenant Name	Square Feet	% of NRA	Lease Start	Lease End	Begin Date	Monthly	PSF	Annual	PSF	CAM Revenue Annual	Lease Type	Options/Notes
Bldg 1- Universal Supply 5		47,725	90.73 %	02/01/21	08/01/28	CURRENT	\$32,593	\$0.68	\$391,116	\$8.20	\$68,808	NNN	
						01/01/2024	\$32,593	\$0.68	\$391,116	\$8.16			
ChurchChurch		4,874	9.27 %				\$4,874	\$1.00	\$58,488	\$12.00	\$7,308	NNN	
						11/01/2023	\$422	\$0.09	\$5,069	\$1.08			
Totals		52,599					\$37,467		\$440,700		\$76,116		

Tenant SF Analysis



Commercial Lease Expiration Summary



Company

Trade Name	Universal Supply
Headquartered	
# of Locations	30
Website	https://www.universalsupply.com/locations/

Description

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04 Financial Analysis

Income & Expense Analysis

Multi-Year Cash Flow Assumptions

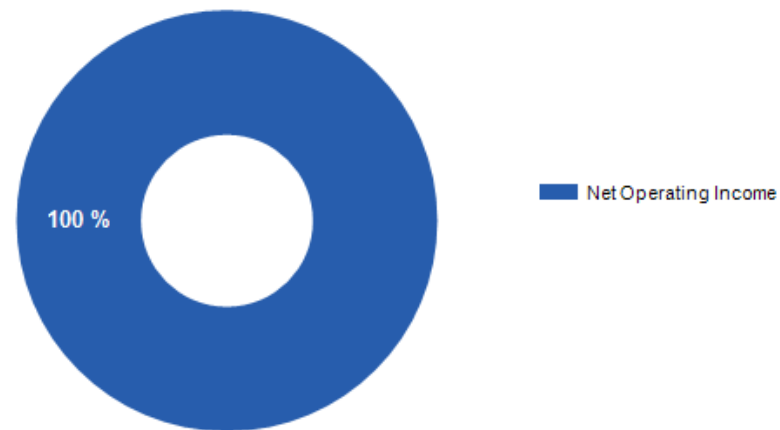
Cash Flow Analysis

Financial Metrics

04

REVENUE ALLOCATION CURRENT

INCOME	CURRENT		MARKET	
Commercial Revenue	\$440,700	85.3 %	\$396,185	83.9 %
CAM Revenue	\$76,116	14.7 %	\$76,116	16.1 %
Effective Gross Income	\$516,816		\$472,301	
Net Operating Income	\$516,816		\$472,301	



DISTRIBUTION OF EXPENSES CURRENT

GLOBAL

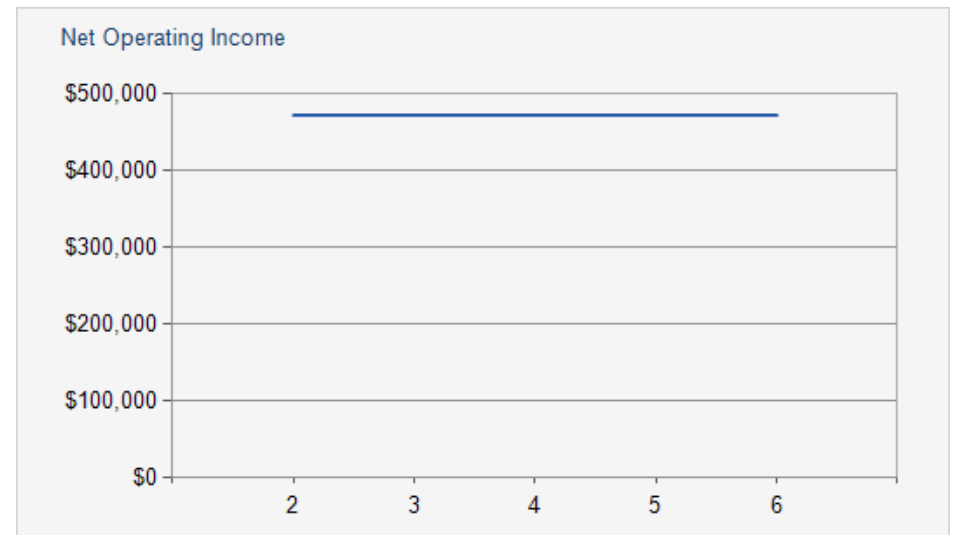
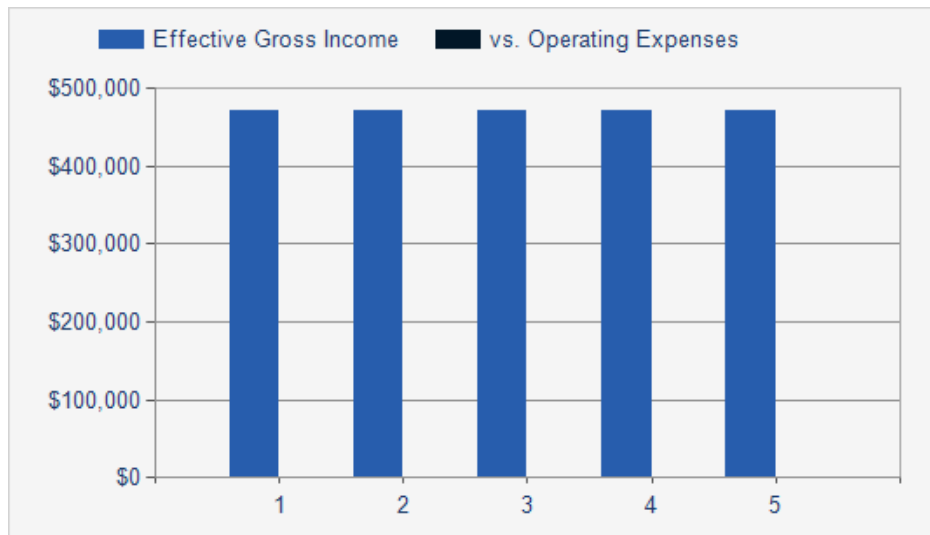
Price	\$8,499,000
Analysis Period	5 year(s)

PROPOSED FINANCING

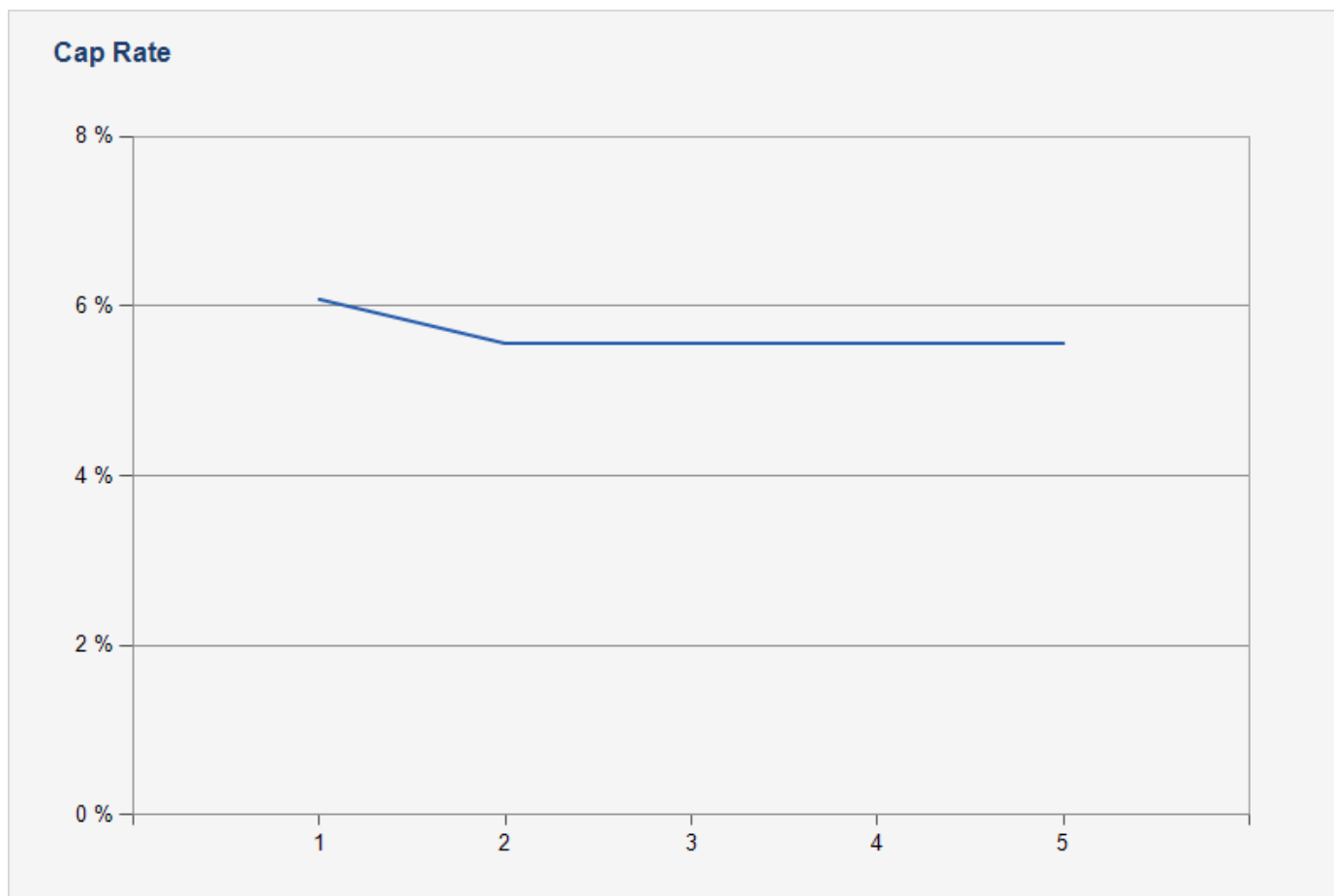
Loan Type	
Down Payment	\$8,499,000
Loan Amount	\$0
Interest Rate	0.00 %
Loan to Value	0 %



Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6
Gross Revenue						
Commercial Revenue	\$440,700	\$396,185	\$396,185	\$396,185	\$396,185	\$396,185
CAM Revenue	\$76,116	\$76,116	\$76,116	\$76,116	\$76,116	\$76,116
Effective Gross Income	\$516,816	\$472,301	\$472,301	\$472,301	\$472,301	\$472,301
Operating Expenses						
Net Operating Income	\$516,816	\$472,301	\$472,301	\$472,301	\$472,301	\$472,301



Calendar Year	CURRENT	Year 2	Year 3	Year 4	Year 5	Year 6
CAP Rate	6.08 %	5.56 %	5.56 %	5.56 %	5.56 %	5.56 %
Gross Multiplier (GRM)	16.44	17.99	17.99	17.99	17.99	17.99
Price / SF	\$161.58	\$161.58	\$161.58	\$161.58	\$161.58	\$161.58
Price / Unit	\$1,416,500	\$1,416,500	\$1,416,500	\$1,416,500	\$1,416,500	\$1,416,500
Income / SF	\$9.82	\$8.97	\$8.97	\$8.97	\$8.97	\$8.97



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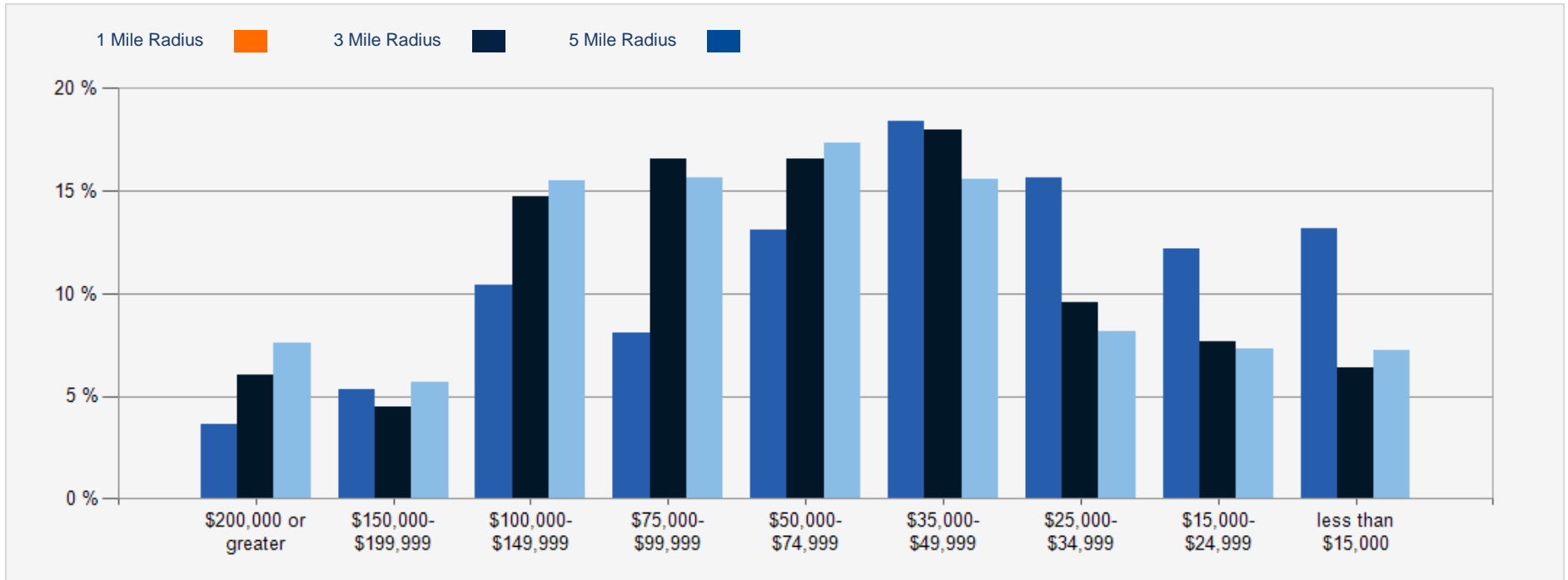
05 Demographics

Demographic Charts

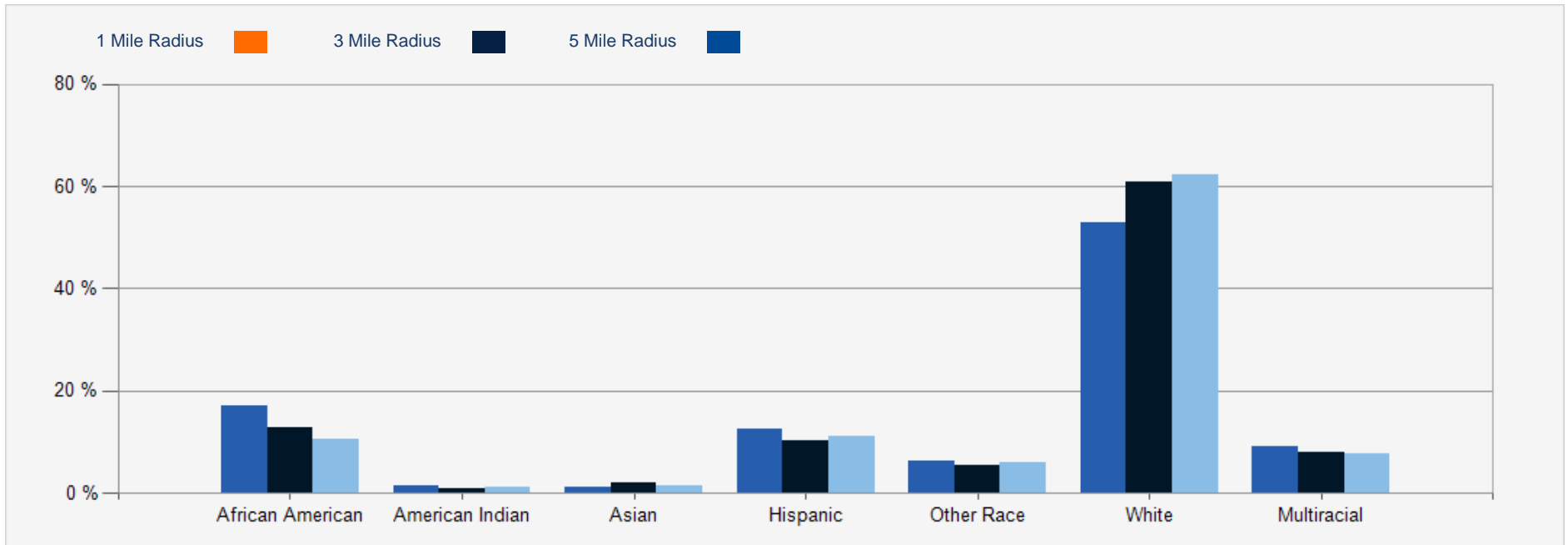
05



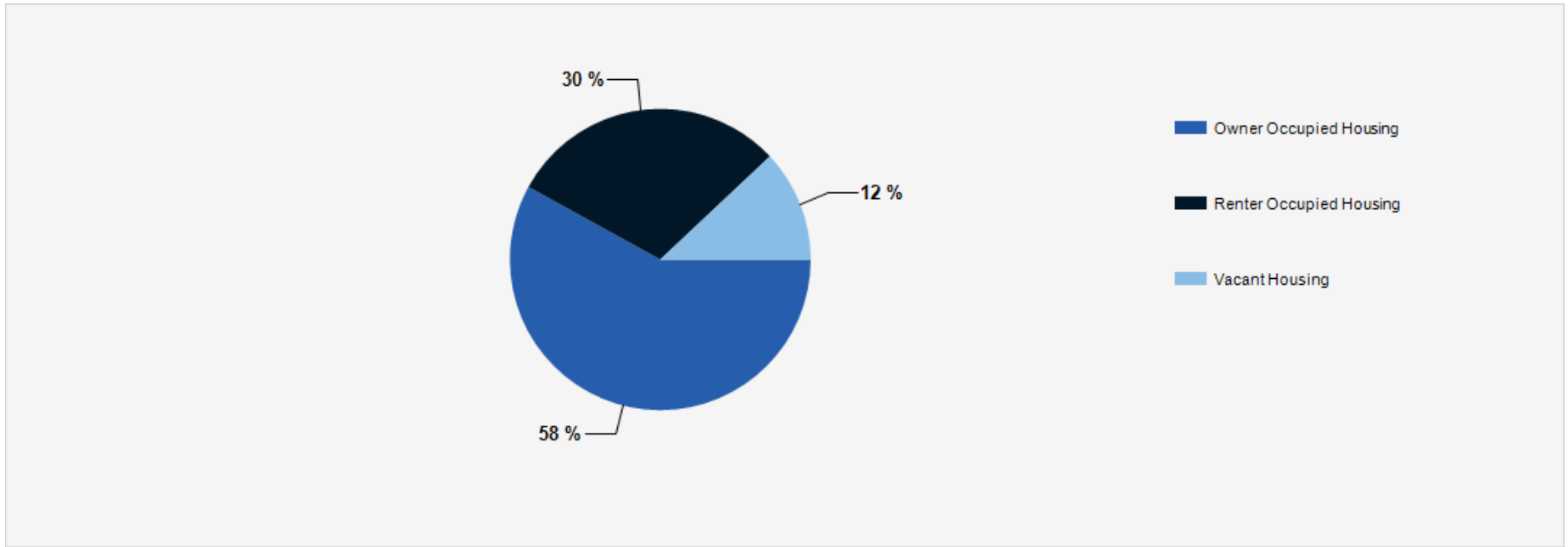
2022 Household Income



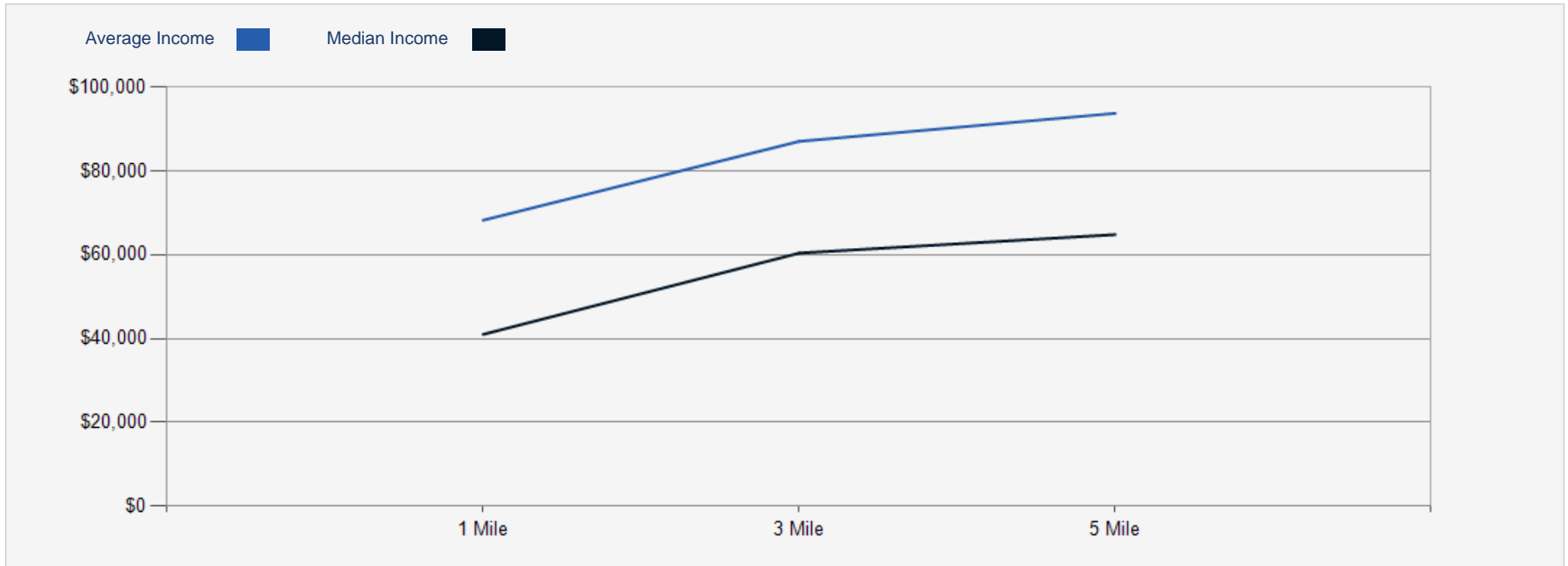
2022 Population by Race



2022 Household Occupancy - 1 Mile Radius



2022 Household Income Average and Median



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