



OFFERING MEMORANDUM



7601 THEODORE DAWES RD | MOBILE, AL 36582



LISTED BY:

ALEXANDER HARROLD

Senior Vice President & Senior Director

DIR: (310) 919-5790

MOB: (310) 977-1651

alexander.harrold@matthews.com

LIC # 02009656 (CA)

ISAAC WULFF

Senior Associate

DIR: (424) 220-7245

MOB: (858) 699-3200

isaac.wulff@matthews.com

License No. 02120934 (CA)

BRETT DAVIS

Associate Vice President

DIR: (424) 217-7709

MOB: (310) 897-0809

brett.davis@matthews.com

License No. 02116782 (CA)

KYLE MATTHEWS

Broker of Record

LIC # 000110253 - 0 (AL)

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EXECUTIVE SUMMARY

- **STRONG CORPORATE GUARANTEE / INVESTMENT GRADE PARENT COMPANY** – Sunbelt Rentals is a leader in the equipment rental industry who continues to expand their presence throughout the country. With over 1,200 locations nationwide, Sunbelt is the second largest equipment rental company in the world with a current valuation of \$27.23B. Ashtead Group, Sunbelt's parent company, is an investment grade tenant (BBB Credit Rating).
- **NEWLY RENOVATED FUNCTIONAL IOS INDUSTRIAL** – Fully Renovated in 2024, this highly functional ±5,021 SF facility with three (3) grade level doors is situated on a huge ±6.00 AC lot (1.93% Building/Lot Coverage) allowing for significant Industrial Outdoor Storage (IOS) capabilities – one of the most sought-after asset classes in today's market. The recent renovation included:
 - Complete Facility Renovation (new lighting, paint, flooring, bathrooms, showroom, offices, etc.)
 - Installation of two (2) new roll-up grade level doors
 - Concrete apron around the facility. Asphalt and crushed concrete over the yard
 - New chain-link cantilever gate and fencing
 - Seal coat and striped parking lot
 - New landscaping around the perimeter
- **PASSIVE LEASE – 3% ANNUAL RENT INCREASES** – Sunbelt Rentals, Inc. signed a new 7-year Industrial NNN lease in 2024 and features favorable 3.00% annual rent increases providing a strong hedge against inflation.
- **STRATEGIC I-10 LOCATION** – The subject property is located within a mile of Interstate 10, the primary U.S East-West route that runs over 2,460 miles connecting California, Arizona, Texas, Louisiana, Mississippi, Alabama and Florida. The site's proximity to the I-10 provides convenient access to nearby transportation hubs such as Brookley Aeroplex/Mobile International Airport and the Port of Mobile.
- **PRIME PORT LOCATION** – The Port of Mobile is ranked as one of the top Ports nationally in terms of trade volume and the scope of connectivity at the port allows distributors to reach 50% of the U.S. population within 48 hours of unloading their cargo. As of September 2024, The Alabama Port Authority announced that the project to make the Port of Mobile the deepest port in the Gulf of Mexico is in its sixth and final phase and is expected to be completed in the first half of 2025. The broader and deeper port will bring more economic opportunities to the state of Alabama and the United States as a whole.



FINANCIAL OVERVIEW

Tenant	Sunbelt Rentals, Inc.
Address	7601 Theodore Dawes Rd, Mobile, AL 36582
Submarket	Outlying Mobile County
Market	Mobile, AL (Port of Mobile)
Year Built/Renovated	2003/2024
Construction	Metal/Steel
Building Square Feet	±5,021 SF
Acres	±6.00 AC
Lot Square Feet	±260,804 SF
Building/Lot Coverage	1.93%
Grade Level Doors	Three (3)
Clear Height	±18'

Price	\$3,423,000
Current Cap Rate*	6.50%
Average Cap Rate	7.01%
Price/SF	\$681.74
Price/SF Land	\$13.12
Price/AC	\$570,500
Lease Commencement	3/1/2024
Lease Expiration	2/28/2031
Lease Term Remaining	6+ Years
Rental Increases	3.00% Annually
Monthly Rent*	\$18,540
Annual Rent*	\$222,480
Average Annual Rent	\$239,848.64
Rent/SF	\$44.31
Rent/Acre/Mo	\$3,090
Options	3, 5-Year Options @ Fair Market Value**
Lease Type	Industrial NNN
Tenant Responsibilities	Operating Expenses - Insurance, Taxes, Utilities, Parking/Paving, HVAC and General Building/Lot Maintenance
Landlord Responsibilities	Roof, Structure, HVAC Replacement

*Cap Rate is based on upcoming rent increase on 3/1/2025

**1st FMV Option to Renew maintains a 30% rent increase cap. 2nd and 3rd Option have no cap (100% FMV)

INCOME TABLE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT / SF	RENT / AC / MO	CAP RATE	% INCREASE
3/1/2024-2/28/2025	\$216,000.00	\$18,000.00	\$43.02	\$3,000.00	6.31%	3.00%
3/1/2025-2/28/2026	\$222,480.00	\$18,540.00	\$44.31	\$3,090.00	6.50%	3.00%
3/1/2026-2/28/2027	\$229,154.40	\$19,096.20	\$45.64	\$3,182.70	6.69%	3.00%
3/1/2027-2/29/2028	\$236,029.03	\$19,669.09	\$47.01	\$3,278.18	6.90%	3.00%
3/1/2028-2/28/2029	\$243,109.90	\$20,259.16	\$48.42	\$3,376.53	7.10%	3.00%
3/1/2029-2/28/2030	\$250,403.20	\$20,866.93	\$49.87	\$3,477.82	7.32%	3.00%
3/1/2030-2/28/2031	\$257,915.30	\$21,492.94	\$51.37	\$3,582.16	7.53%	3.00%
3, 5-Year Options @ Fair Market Value**						
BASE TERM AVERAGES	\$239,848.64	\$19,987.39	\$47.77	\$3,331.23	7.01%	3.00%

****1st FMV Option to Renew maintains a 30% rent increase cap. 2nd and 3rd Option have no cap (100% FMV)**





SITE PLAN



TOTAL BUILDING SF: 5,021 SF
TOTAL LAND ACRES: 6.00 AC
BUILDING / LOT COVERAGE: 1.93%

THEODORE DAWES RD ± 22,300 VPD



FUELING STATION





OLD PASCAGOULA RD



± 78,300 VPD



THEODORE DAWES RD ± 22,300 VPD





USA UNIVERSITY OF SOUTH ALABAMA
27,984 STUDENTS



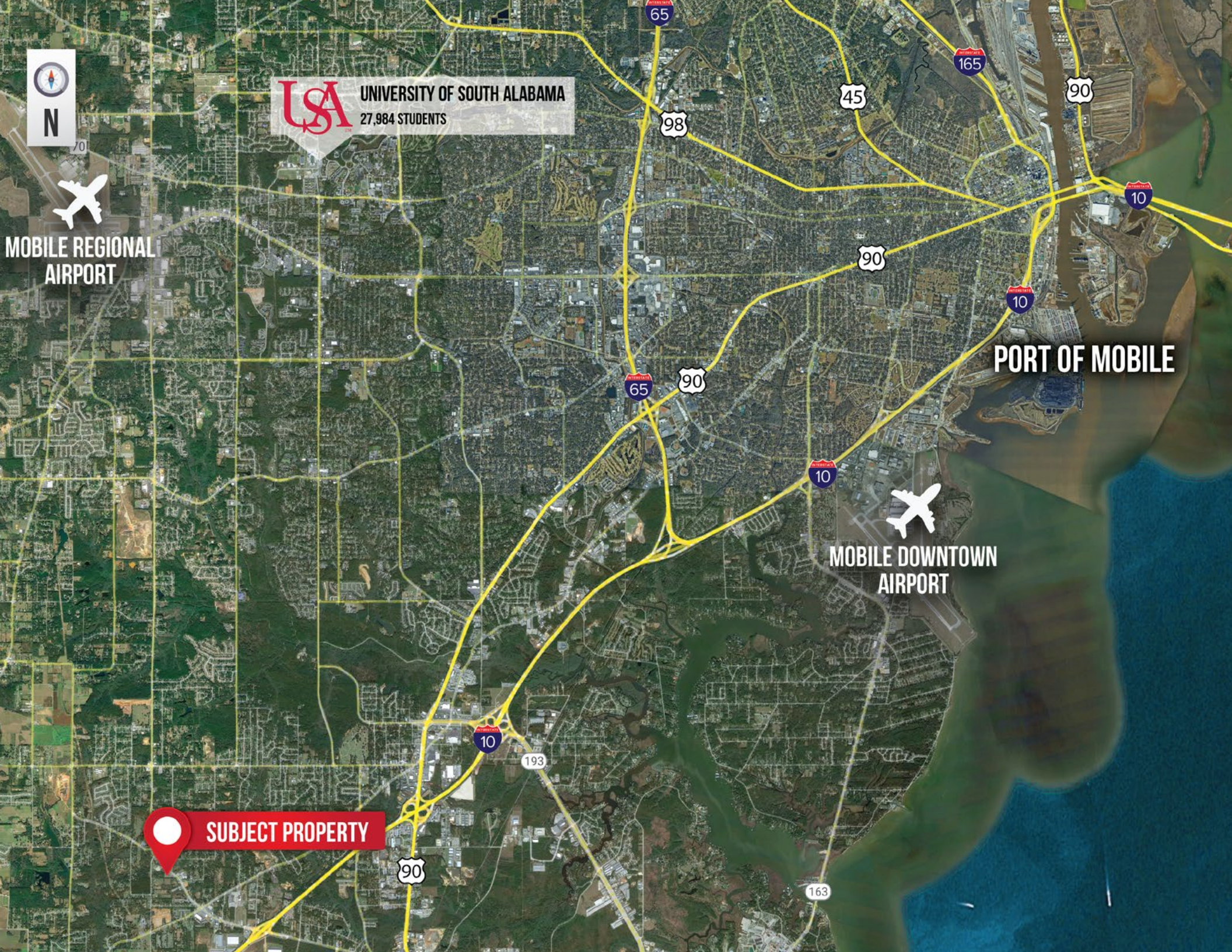
MOBILE REGIONAL AIRPORT

PORT OF MOBILE



MOBILE DOWNTOWN AIRPORT

SUBJECT PROPERTY



TENANT PROFILE



TENANT
SUNBELT RENTALS, INC.

INDUSTRY
EQUIPMENT RENTAL SERVICES

OF EMPLOYEES
±18,800

OF LOCATIONS
1,200+ LOCATIONS NATIONWIDE



SUNBELT RENTALS

With more than 18,800 employees, 1,200 locations nationwide, a diversified fleet that exceeds almost \$10 billion, and more than 35 years of experience, Sunbelt Rentals knows how to help customers make it happen. Sunbelt Rentals is one of the largest equipment rental companies in North America, serving various industries such as construction, industrial, infrastructure, and event planning.

Sunbelt offers a wide range of rental equipment, including aerial work platforms, excavators, generators, pumps, power tools, and more. They have experienced significant expansion and growth over the years. Through strategic acquisitions and organic growth, the company has expanded its footprint to over 1,200 locations across the United States, Canada, and the United Kingdom. This extensive network of branches enables Sunbelt Rentals to serve customers efficiently and effectively in diverse markets.

AREA OVERVIEW

PORT OF MOBILE

The Port of Mobile, Alabama, connects to key trade routes via the Gulf of Mexico, offering access to international markets in Latin America, Europe, and Asia, as well as domestic routes through the inland waterways of the Mississippi River. Its proximity to major U.S. rail lines and highways enables efficient distribution across the country. This connectivity, combined with the port's ability to accommodate large vessels, makes it highly attractive to investors looking for opportunities in logistics, manufacturing, and global trade. The port serves as a gateway for exporting agricultural products, chemicals, and more. This efficiency and connectivity, combined with investments in infrastructure, attract businesses in industries such as manufacturing, logistics, and transportation, making it an appealing location for companies seeking growth opportunities in global commerce.

PORT EXPANSION PROJECT

The Port of Mobile's expansion project is a \$49.5 million investment aimed at increasing the container terminal's capacity to handle 650,000 twenty-foot equivalent units (TEUs) annually, with a long-term goal of reaching 1.5 million TEUs. The expansion includes a dock extension and adding 20 more acres of land. This project will accommodate larger vessels and enhance Mobile's position as a competitive trade hub for the U.S. Gulf Coast. The Alabama State Port Authority and APM Terminals Mobile are leading the development. The expansion is expected to significantly boost the local economy by increasing the port's capacity for larger vessels and more cargo. This will lead to increased job creation in logistics, transportation, and related industries. As the port becomes a more attractive hub for international shipping, it could further stimulate economic growth in the region by attracting new business investments and expanding global trade opportunities.



312,000 JOBS
Provided from the Port

**PORT OF MOBILE
CURRENT FOOTPRINT**



**PORT OF MOBILE
FUTURE PLANNED FOOTPRINT**



AREA OVERVIEW

MOBILE, AL

Mobile, Alabama, is a thriving port city on the Gulf Coast known for its strategic location, economic diversity, and growing industrial sector. With direct access to the Port of Mobile—the only deep-water port in Alabama—Mobile has positioned itself as a crucial gateway for international trade, serving as a distribution hub for the Southeastern U.S. The port is one of the busiest in the country, handling diverse goods ranging from automotive and aerospace components to steel and agricultural products, making it a prime location for industrial real estate.

The city's infrastructure is well-equipped to support industrial growth, with connections to five major railroads, a robust network of interstates, and proximity to the Gulf of Mexico, which enhances logistics and distribution capabilities. This multimodal infrastructure has attracted major corporations like Airbus, Amazon, and Walmart, who have set up distribution centers in the region, supporting continued job growth and economic expansion.

Mobile's economy is supported by a stable, skilled workforce, thanks in part to Alabama's focused investment in workforce development programs and strong educational institutions. The presence of industries such as aerospace, shipbuilding, and manufacturing has created a skilled labor pool, providing industrial tenants with access to reliable talent.

In terms of business climate, Mobile offers a lower cost of doing business compared to many other industrial markets, coupled with favorable tax incentives and competitive lease rates. As the city continues to invest in expanding the port and upgrading infrastructure, Mobile is set to grow as an industrial powerhouse, offering investors a prime opportunity to capitalize on this high-demand market.

DEMOGRAPHICS

POPULATION	3 MILE	5 MILE	10 MILE
2020 Census	9,190	28,123	134,469
2024 Estimate	9,213	27,806	133,291
2029 Projection	9,401	27,917	134,091
HOUSEHOLDS	3 MILE	5 MILE	10 MILE
2020 Census	3,530	10,925	53,071
2024 Estimate	3,554	10,915	53,030
2029 Projection	3,636	11,043	53,680
INCOME	3 MILE	5 MILE	10 MILE
Avg Household Income	\$70,072	\$67,550	\$80,012

CITY POINTS OF INTEREST

Mobile, Alabama, is a city full of captivating attractions that highlight its rich history, cultural legacy, and natural beauty. Mobile is home to the WWII-era Alabama battleship, it is anchored in Battleship Memorial Park. The Cathedral Basilica of the Immaculate Conception is also open to the public's viewing. The city offers authentic southern experiences, activities, and traditions to enjoy. Some top sights include USS Alabama, Mobile Carnival Museum, Mobile Museum of Art, Exploreum Science Center, Colonial Fort Conde, Bellingrath Gardens and Home, and the Gulf Quest National Maritime Museum of the Gulf of Mexico.

ECONOMY

Mobile has a diverse economy, with aerospace, maritime, healthcare, manufacturing, and tourism all playing important roles. Mobile's port is one of the busiest in the country, facilitating international trade and contributing to the city's economic prosperity. Additionally, the city benefits from its strategic location as a transportation hub, with major highways and rail connections aiding commerce and economic expansion. Mobile has a gross metro product of \$20 billion and the city's cost of living is 7% below the national average. The city has seen a recent job growth increase by 1.5% this past year and expects a future job growth increase of 27% within the next 10 years.



HIGHER EDUCATION

The University of South Alabama, located in Mobile, Alabama, is a public research university founded in 1963. Known for its emphasis on research and innovation, the university offers over 100 undergraduate, graduate, and doctoral programs through its ten academic colleges and schools, including the College of Medicine, the Mitchell College of Business, and the School of Computing. USA is particularly recognized for its contributions in healthcare education and research, especially through the USA Health system, which includes a medical center and teaching hospitals that serve the Gulf Coast community. With a diverse student body of around 15,000, the university promotes a vibrant campus life with a range of student organizations, athletics, and cultural activities. USA's commitment to practical learning and regional engagement prepares students for careers in both local and global industries, making it a significant educational and economic force in the Gulf Coast region.



CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **7601 Theodore Dawes Rd, Mobile, AL 36582** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services™. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services™ is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services™, the property, or the seller by such entity.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.



SUNBELT[®] RENTALS

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