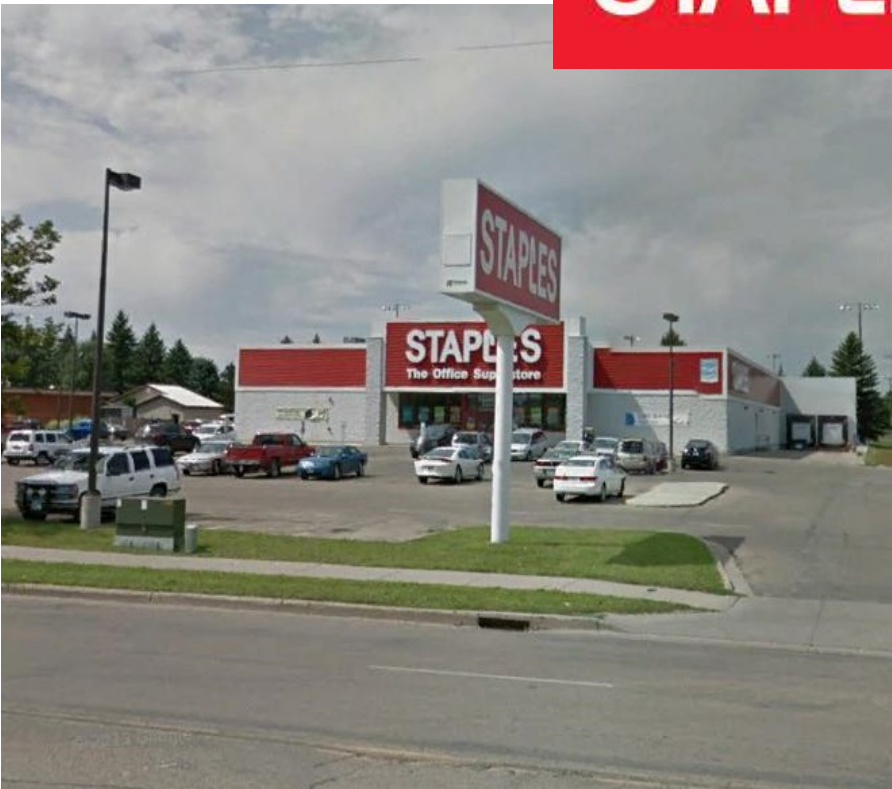


# NN Single Tenant Investment Offering

Staples, the Office Superstore Corporate Guaranteed Lease  
Bismarck, ND



**Staples the Office Superstore**

**Corporate Net Lease**

**840 S. Washington Street  
Bismarck, ND 58504**

**\$3,425,000**

**7.24% Cap**

**Approx. 2+ years  
Remaining on the lease  
With Three 5 Year Options to Renew**

**Great Visibility**

**High Traffic Location**

**In Cooperation With:**

**Brent L. Hensley**

(760) 452.2401

**216 N. Coast Hwy 101  
Encinitas, CA 92024**

[brent@1031nnsearch.com](mailto:brent@1031nnsearch.com)

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**Exclusively Listed By:**

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Staples the Office Superstore Net Leased Investment – Bismarck, ND



### Area Description



The subject property consists of the ownership of improved land (1.42 acres) occupied by a 24,049 square foot Staples The Office Superstore commercial retail building. The property is located directly on South Washington Street, just north of W. Bismarck Expressway. The property was originally developed in 1998 and recent remodeled and updated by Staples. As proof of Staples commitment to the property, in December 2012, Staples extended the lease for an additional five years to the original 15 year lease. The lease now expires February 28, 2019 with three (3) five (5) year options to renew.

Bismarck is a fast growing city influenced by the Baaken Oil Boom of North Dakota. If you're thinking about moving to Bismarck-Mandan, now is the time. With substantial growth and development occurring, there is certainly no lack of opportunities, no matter what your interests or specialties.

Bismarck-Mandan is booming with nationally recognized retail outlets and locally owned businesses. Bismarck's MSA exceeds 100,000 people and the cities job, retail and residential growth are turning what were big towns, into small cities. In a Cambridge University study, Bismarck was one of the safest cities in America to live.

Bismarck offers two major shopping malls, newly remodeled Gateway Fashion Mall in north Bismarck, and Kirkwood Mall in south Bismarck. Kirkwood Mall is the city's largest mall. It is anchored by Target, JCPenney, Herberger's, Scheel's Sports, and I. Keating Furniture World. Besides the mall Bismarck has Wal-Mart, Kmart and Menards. Bismarck added about 1.5 million square feet of retail during the past 12 months including two Super Walmarts, Sams Club, Lowes, Kohls, and many other shops.

**Bismarck** is the capital of North Dakota and the county seat of Burleigh County. It is the second most populous city in North Dakota after Fargo. The city's population was 61,272 at the 2010 census, while its metropolitan population was 120,060. Bismarck was founded in 1872 and has been North Dakota's capital city since the State was created from Dakota Territory and admitted to the Union in 1889.



There are five colleges and a university in Bismarck. The University of Mary is a four-year university, operated by the Benedictine Sisters of Annunciation Monastery. Bismarck State College is a two-year public college, largest degree-granting institution in the city, and a member of the North Dakota University System. United Tribes Technical College is a two-year tribal college. Rasmussen College, a two to four-year private college, has a campus location in Bismarck.

There are five golf courses in Bismarck: four 18-hole courses (Apple Creek Country Club, Hawktree Golf Club, Riverwood Golf Course, and Tom O'Leary Golf Course), and one 9-hole course (Pebble Creek Golf Course).

Bismarck Municipal Airport is south of the city and has the largest passenger volume in western North Dakota and the second highest within the state. The airport is served by United Express, Allegiant Air, Delta Air Lines and Frontier Airlines.

Two federal highways pass through Bismarck. Interstate 94 runs east and west through the city. The north-south U.S. Route 83 merges in north Bismarck with Interstate 94 and runs east for roughly 25 miles before turning south.

### DEMOGRAPHIC SUMMARY (As of 2013)

- 1 Mile: 23,441 with an average household income of \$55,462.
- 3 Mile: 87,492 with an average household income of \$62,563.
- 5 Mile: 105,689 with an average household income of \$65,412.

**Guarantor Information**

Staples is the world’s largest office products company with over 2,000 stores in 26 countries and over \$24 billion in annual sales. A member of the Fortune 500, Staples serves businesses and consumers in 27 countries throughout North and South America, Europe, Asia and Australia. It is regarded as one of the top 5 Most Admired specialty retailers in the world. Staples is traded on the NASDAQ (“SPLS”) and has a market capitalization of \$11.4 billion. Its credit is rated investment grade by Moody’s and Standard and Poor’s.



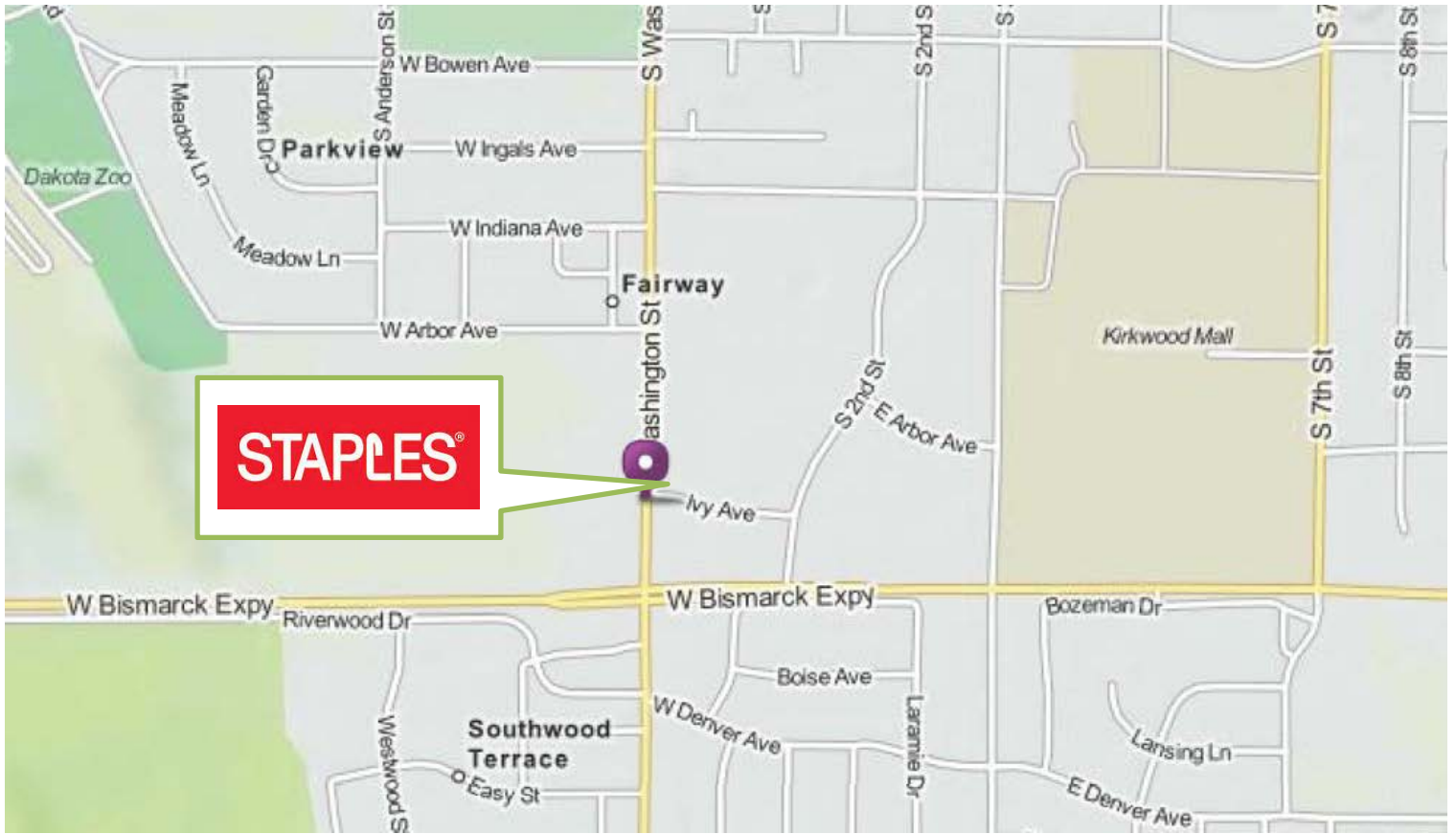
**INVESTMENT SUMMARY**

<b><u>Financial Information:</u></b>	
Price:	\$3,425,000
Cap Rate:	7.24%
Current Rent:	\$252,514.50
Less HVAC:	(\$ 4,436.00)
NOI:	\$248,078.50
<b><u>Property Information:</u></b>	
Building Size:	24,049+/- square feet
Lot Size:	1.43+/- acres or 62,204+/- square feet
Address:	840 S. Washington Street, Bismarck, ND 58504
Year Built:	1998
Zoning:	Commercial (General)
<b><u>Terms of Sale:</u></b>	All cash or Buyer to obtain own financing.

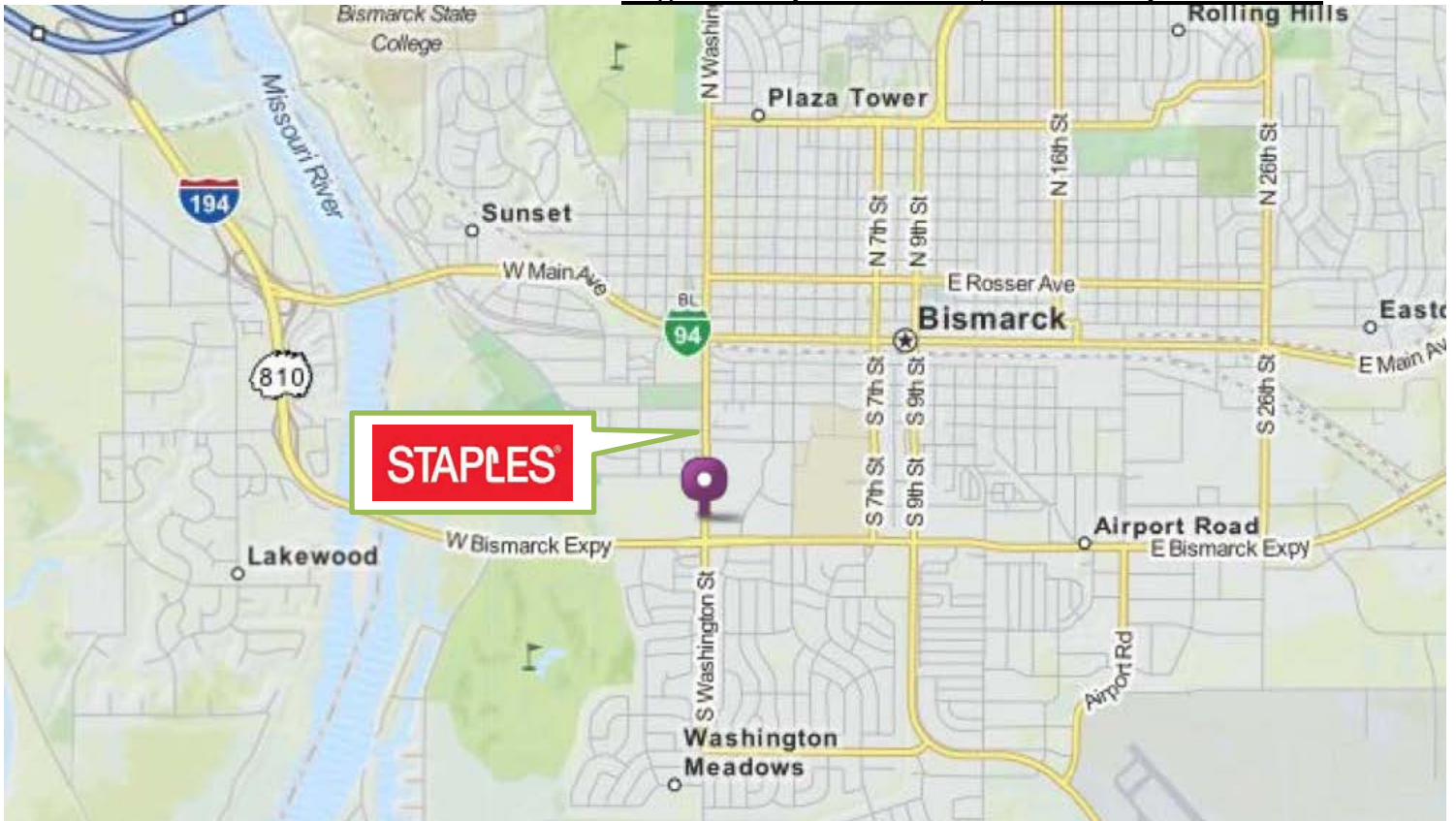
<b><u>Lease Information:</u></b>	
Tenant:	Staples The Office Superstore East, Inc., a Delaware corporation
Rent Commencement Date:	February 15, 1999
Expiration Date:	February 28, 2019
Renewal Options:	3 Five year options to renew
Rent Increases:	1 <sup>st</sup> Option: 3/1/2019 - 2/28/2024 = \$264,539.00 2 <sup>nd</sup> Option: 3/1/2014 – 2/28/2029 = \$270,551.25 3 <sup>rd</sup> Option: 3/1/2029 – 2/28/2034 = \$276,563.50
Remaining Term:	Approx. 2+ years (as of 9/1/2016)
Staples is responsible, and consistently pays for all property taxes, insurance and maintenance for the property. Landlord is responsible for the roof, structure, parking lot and HVAC. Tenant has a 20 day First Right of Refusal to Purchase.	

# MAPS

## Local map for Bismarck, ND



## Regional Map of Bismarck, NC and Staples Location



**Neighborhood Aerial View**



**Regional Aerial View**



**Staples the Office Superstore Net Leased Investment – Bismarck, ND**



Elks Lodge Directly Adjacent to the South



Taco Bell Directly to the North



Pier 1 Imports East Across the Street



Dan's Supermarket East Across the Street



Bremer Bank to the Northeast of Staples



Red Carpet Gas Station Southeast of Staples



## Staples the Office Superstore Net Leased Investment – Bismarck, ND

Dakota Commercial in association with Net Leased Real Properties, Inc. has been retained as the exclusive Broker regarding the sale of this property.

To receive an Offering Memorandum, please read this Confidentiality Agreement and agree to the terms. The Offering Memorandum has been prepared by Owner and Broker and does not purport to provide a necessarily accurate summary of the property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective Buyers may need or desire. All projections have been developed by Owner and Broker and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Broker and therefore are subject to variation. No representation is made by Owner or Broker as to the accuracy or completeness of the information contained herein, and nothing contained herein shall be relied on as a promise or representation as to the future performance of the property. Although the information contained herein is believed to be correct, the Owner and Broker and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Owner, Broker, and its employees disclaim any and all liability for representations and warranties, expressed and implied, contained in or omitted from the Offering Memorandum or any other written or oral communication transmitted or made available to the Buyer. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the property or the Owner since the date of preparation of the Offering Memorandum. Analysis and verification of the information contained in the Offering Memorandum are solely the responsibility of the prospective Buyer. Additional information and an opportunity to inspect the property will be made available upon written request to interested and qualified prospective Buyers.

By accepting the Offering Memorandum, Buyer agrees to indemnify, defend, protect and hold Owner and Broker and any affiliate of Owner or Broker harmless from and against any and all claims, damages, demands, liabilities, losses, costs or expenses (including reasonable attorney fees) arising, directly or indirectly from any actions or omissions of Owner or Broker, its employees, officers, directors or agents.

By accepting the Offering Memorandum, Buyer understands that Net Leased Real Properties, Inc. does not have ownership interest in the subject property and Buyer shall indemnify and hold Owner and Broker harmless from and against any claims, causes of action or liabilities, including, without limitation, reasonable attorney fees and court costs which may be incurred with respect to any claims by Buyer in connection with such statement.

Buyer shall indemnify and hold Owner and Broker harmless from and against any claims, causes of action or liabilities, including, without limitation, reasonable attorney fees and court costs which may be incurred with respect to any claims for other real estate commissions, broker fees or finder fees in relation to or in connection with the Property to the extent claimed, through or under Owner.

The Owner and Broker each expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time with or without notice. The Owner shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the Property unless a written agreement for the purchase of the Property has been fully executed, delivered, and approved by the Owner and its legal counsel, and any conditions to the Owner obligation thereunder have been satisfied or waived.

The Offering Memorandum and the contents, except such information which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting the Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose the Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make an offer and from whom you have obtained an agreement of confidentiality) without prior written authorization of the Owner or Broker, and that you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Owner or Broker.

No employee of Owner is to be contacted without the written approval of Broker and doing so would be a violation of this confidentiality agreement.

Buyer and Co-broker agree not to contact the tenants, their employees or customers of any business on the Property without prior permission from the Owner