



# OFFERING MEMORANDUM - RETAIL INVESTMENT



# Rent-A-Center

6360 SOUTH HIGHWAY 85/87 | FOUNTAIN, COLORADO 80817

# CBRE

# AFFILIATED BUSINESS DISCLOSURE AND CONFIDENTIALITY AGREEMENT

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This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form.

These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc, nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.

The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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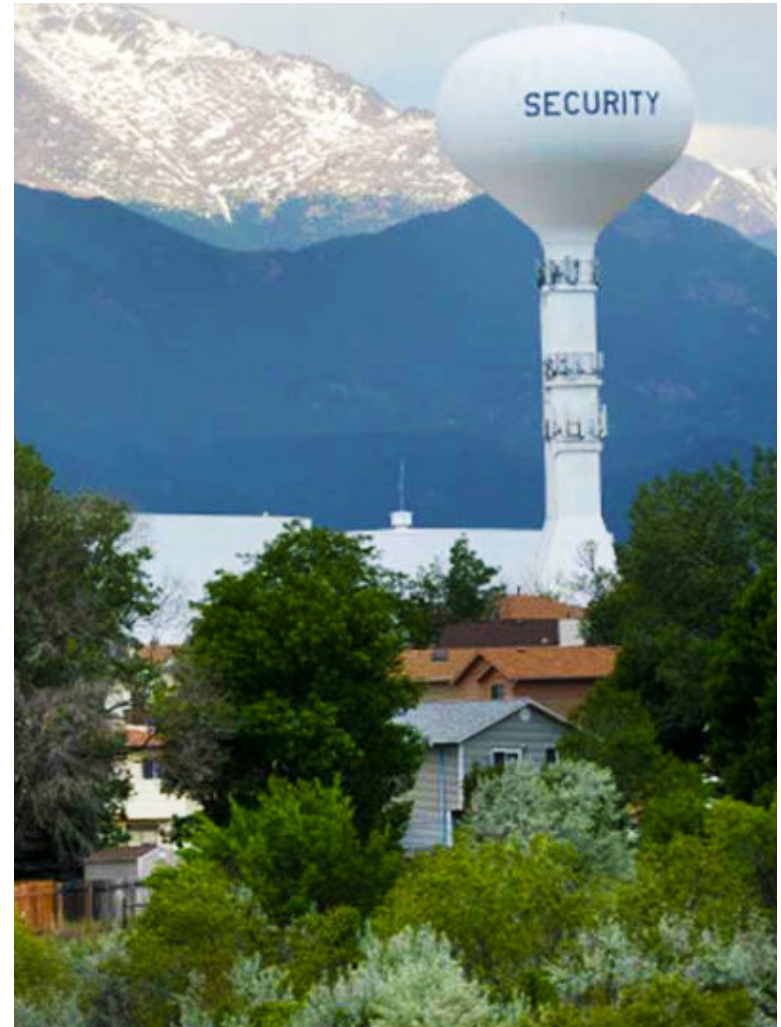
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# INVESTMENT OVERVIEW

## 1. Investment Overview

CBRE, Inc. is pleased to offer this investment opportunity of an existing 6,580 square foot Rent-A-Center located in the Mart @ Fountain in Fountain, Colorado, ten miles south of downtown Colorado Springs. The investment includes approximately 12 months on remaining lease term, with one five year renewal option. The population of Fountain, Colorado is expanding rapidly, and is estimated at 28,753.

The property is convenient to I-25 and South Highway 85/87, and is shadow anchored by a 206,000 SF Super WalMart. Other national retailers include Applebee's, Jack in the Box, McDonald's, Wendy's, Panda Express, IHOP, Dollar Tree, Payless Shoe Source, H&R Block, Anytime Fitness, Beauty Supply, Valley Pets, and Armed Forces Career Center.

### a. Pricing

- i. List Price: \$1,280,569
- ii. Price/SF: \$195
- iii. NOI: \$83,273
- iv. Cap Rate: 6.5%
- v. Lease Type: Modified NNN

### b. Property Summary

- i. Address: 6360 South Highway 85/87, Fountain, CO 80817
- ii. Tenant: Rent-A-Center West, Inc., a Delaware Corporation
- iii. Rentable Square Feet: 6,580 SF
- iv. Lot Size: 19,213 SF / .44 Acres
- v. Year Built: 1991
- vi. Parcel Number: 65133-14-023
- vii. Parking: 28 Surface Spaces; Parking Ratio of 4.3/1,000 SF

There are 14 spaces on the subject parcel, 11 on the parcel immediately to the north (Panda Express), and three parking spaces on the lot to the west (pet store). Use rights of the additional spaces are included in the lease (Section 1A), which specific references to the recorded easements that provide use rights of these spaces.

- viii. Zoning: VC (Village Center District)
- ix. Frontage: 106' on Highway 85/87



# LEASE SUMMARY

## c. Lease Summary

Rent Commencement Date:	8/1/2013	Section 2A
Lease Expiration Date:	7/31/2018	Section 2A
Initial Term:	Five Years	Section 2A
Current Rate:	\$12.65 PSF, \$83,237 Annually	
Primary Term Remaining:	Approximately 11 months	
Renewal Options:	One five-year renewal option	Section 4A, Section 5
Renewal Option Base Rents:	Year 1: \$12.65 Years 2-5: \$13.95	Section 5
Tenant:	Rent-A-Center West, Inc., a Delaware Corporation	
Use:	Tenant may use the Premises for the operation of a store which (i) offers, markets, provides, leases, rents with the option to own, and occasionally sells, consumer durable goods (including but not limited to, electronics, furniture, appliances, computers, jewelry, and items related to any of the foregoing), and/or (ii) products and services related to any of the foregoing, or for any other legal purpose which Tenant deems in its best interest.	Section 7A
Tenant Responsibility:	<p>Except as otherwise stated in this Lease, Tenant agrees, at tenant's sole cost, to maintain the interior of the Premises, including, without limitation, the water, sewage, gas, electric systems from the point of entry into the Building. Tenant shall repair any damage to the Premises caused by any act of the Tenant, its contractors, agents, customers, invitees and/or employees. Tenant shall replace any broken glass in the windows or doors, and replace any light bulbs in or on the Building. Tenant agrees, at Tenant's cost, (i) to maintain, repair and replace the trash enclosure upon the Trash Disposal Easement Tract, and (ii) to pay service charges for trash pick-up and disposal from the trash enclosure, as provided for in Section 4.3(c) of the Declaration.</p> <p>Tenant shall be responsible for repair to the heating, ventilating, and air conditioning equipment and system (HVAC) and replace parts required up to but not in excess of \$1,000 per any one Lease year.</p>	<p>Section 8D</p> <p>Section 8E</p>

# LEASE SUMMARY (CONT.)

Landlord Responsibility:	<p>Landlord shall be responsible for (i) maintenance, repair and replacement of the roof, foundation, outer wall, gutters, downspouts and canopies, if any, and structural portions of the Building; and (ii) maintenance, repair and replacement of all water, sewage, gas and electrical service lines up to the point of entry into the Building.</p> <p>If at any time during the Lease Term or any extended term, a 3rd party firm employed by Landlord certifies to Tenant and Landlord that all or any portion of the heating, ventilating, and air conditioning system/equipment, including, but not limited to, the air conditioning compressor, the heat exchanger, on an entire heating or cooling unit has passed the end of its useful life and/or that it is no longer economically or reasonably feasible to repair such equipment, such equipment shall be replaced by Landlord, at Landlord's sole cost, after payment, in full, by Tenant of Tenant's \$1,000 repair and replacement obligation for the then current Lease year, in a timely manner. Tenant agrees to change the filters two times per calendar year, and, in addition, Tenant shall, at Tenant's sole expense, procure and maintain service contracts, and provide copies thereof to Landlord, in customary form and substance for, and with contractors specializing and experienced in the maintenance of HVAC.</p> <p>Tenant shall pay Landlord to remove snow from the parking lot, and to maintain and repair parking lot and parking lot lights. Management fee shall not exceed \$400 per month.</p>	Section 8A  Section 8E  Section 8F
Insurance:	Both Landlord and Tenant shall maintain general liability insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 in aggregate. Additionally, landlord shall maintain commercial insurance on a full replacement cost basis, and tenant shall reimburse landlord for 100% of the cost of such insurance.	Section 11
Utilities:	Tenant pays for all of the utilities used by the Tenant within the Premises.	Section 14A
Taxes:	Tenant shall reimburse Landlord for the full cost of all real estate taxes assessed against the Premises during the Term of the Lease.	Section 12A
CAM:	Tenant maintains the site. No Landlord common area maintenance required.	Section 9

# TENANT OVERVIEW





# TENANT SUMMARY



## ABOUT

### RENT-A-CENTER

#### How the Rent-to-Own Industry Began

In the 1960s, Ernie Talley owned a retail company in Wichita, Kan. He saw many hardworking customers who either did not have the cash to purchase goods for their homes or who had been turned down for credit. Seeing them leave empty-handed gave him an idea to rent used merchandise with an option to own it.

The idea soon caught on with consumers. Talley opened the first rent-to-own store, Mr. T's TV Rental, in Tulsa, Okla., offering new and pre-leased products.

A concept, born out of the desire to serve the needs of customers who lacked the cash or financing to buy the products they wanted and needed, has today grown into a \$6.7 billion dollar industry serving millions of customers.

Rent-to-own, rental purchase or rent with an ownership option is a unique transaction different from other retail transactions. RAC offers quality merchandise, 90 days same as cash and convenient payment options; delivery, set-up and service at no extra charge (with loaners if needed); and lifetime reinstatement. All of this is provided with no down payment or credit needed.

#### Rent-A-Center's History

Since their founding in 1986, Rent-A-Center (RAC) has grown from 16 stores to more than 3,050 in the United States, Puerto Rico and Canada through acquisitions and new store openings. Their largest acquisition was in 1998 when they bought 1,409 stores from Thorn Americas. In 2006, they acquired 782 stores from RentWay, their third largest competitor at that time.

In 1995, the company, then known as Renters Choice, went public on the NASDAQ stock market under the symbol "RCII." Our Plano, Texas-based company is a rent-to-own industry leader and employs more than 18,990 people.





# TENANT SUMMARY (CONT.)



## Rent-A-Center Today

Rent-A-Center stores offer name-brand furniture, electronics, appliances and computers through flexible rental purchase agreements that allow the customer to obtain ownership of the merchandise at the conclusion of an agreed upon rental period. They offer same-day delivery, 90 days same as cash and an early purchase option. Should merchandise need repair while it is on rent, they repair it at no additional cost to the customer. They also offer customers a product substitute to use while theirs is in service.

Rent-A-Center provides an easy, affordable way for people to furnish their homes without incurring a continuing obligation and without needing access to credit.

<b>Corporate Address</b>	5501 Headquarters Drive Plano, TX 75024
<b>Founded</b>	1986
<b>Number of Stores</b>	4,285
<b>Locations</b>	All 50 states, Washington, D.C., Canada, Mexico and Puerto Rico
<b>Number of Employees</b>	Over 20,100
<b>Exchange &amp; Stock Symbol</b>	NASDAQ: RCII
<b>Annual Revenues (2013)</b>	\$3.104 BN
<b>Subsidiaries</b>	Rent-A-Center Franchising International, Inc.
<b>Independent Accountant</b>	KPMG LLC



# PROPERTY OVERVIEW



6306 South Highway 85/87 | Fountain, Colorado 80817  
**the Mart at Fountain**

*Located on South Highway 85/87 at Fontaine Boulevard*

# PROPERTY SUMMARY

Rentable Square Feet: 6,580

Year Built: 1991

Lot Size: 19,215 SF / 0.44 Acres

Parking: 28 Surface Spaces;  
4.3/1,000 SF

Lease Type: Modified NNN

Parcel Number: 65133-14-023

Zoning: VC (Village Center District)

## Traffic Counts

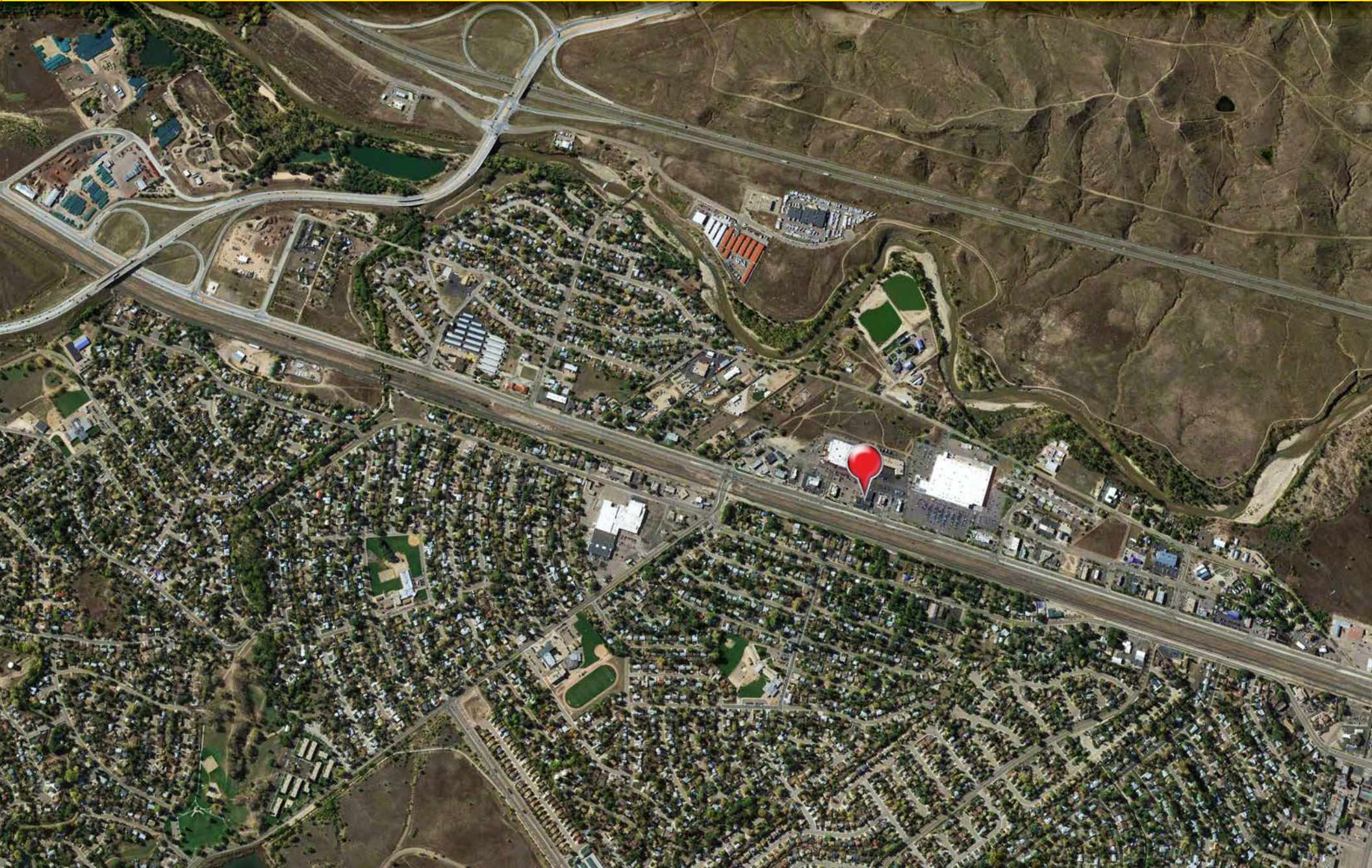
**US Hwy 85 at Fontaine Blvd** 24,813 VPD

**US Hwy 85 at Plaza Blvd** 21,700 VPD



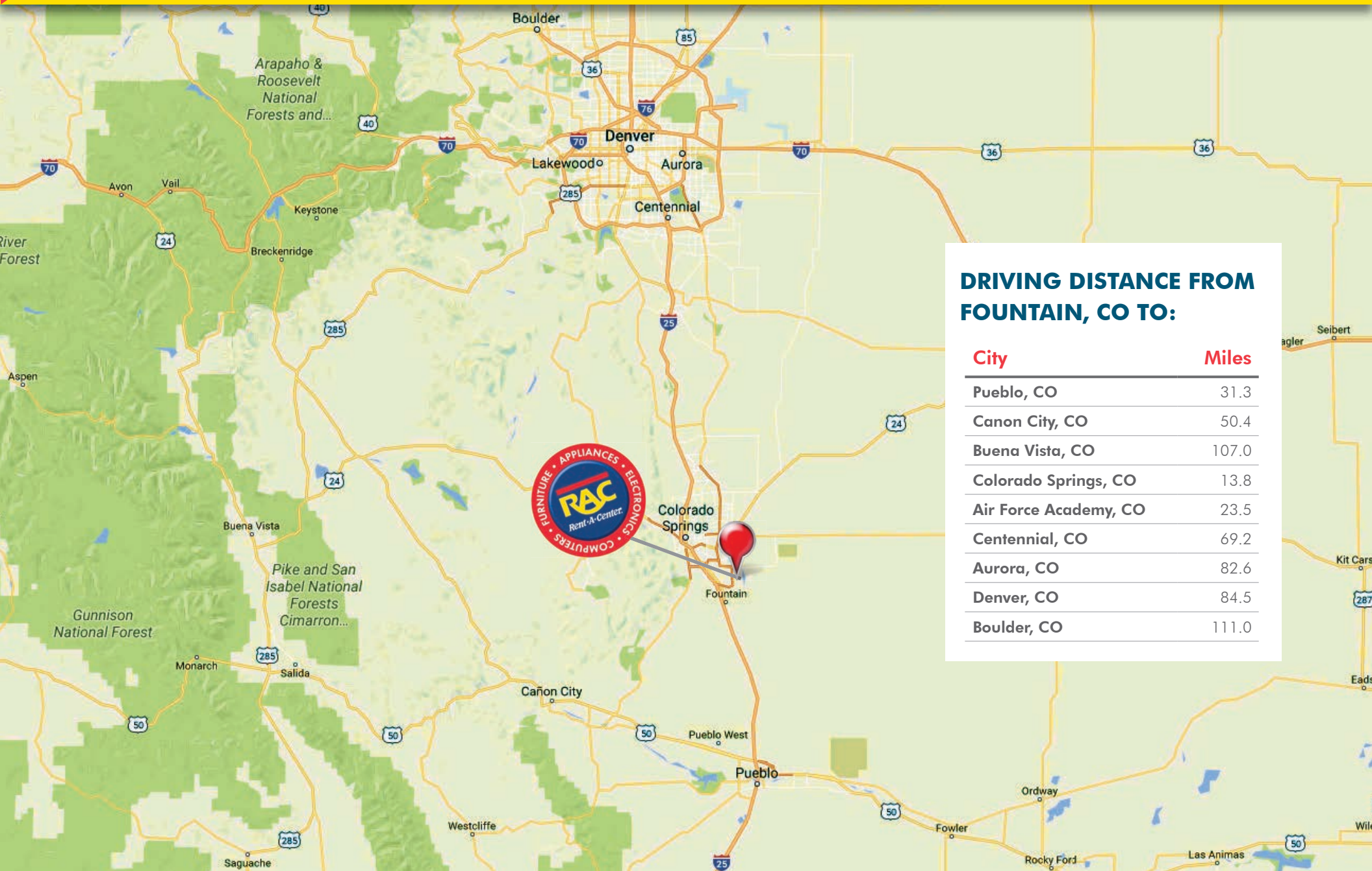


# LOCATION MAPS





# REGIONAL MAP

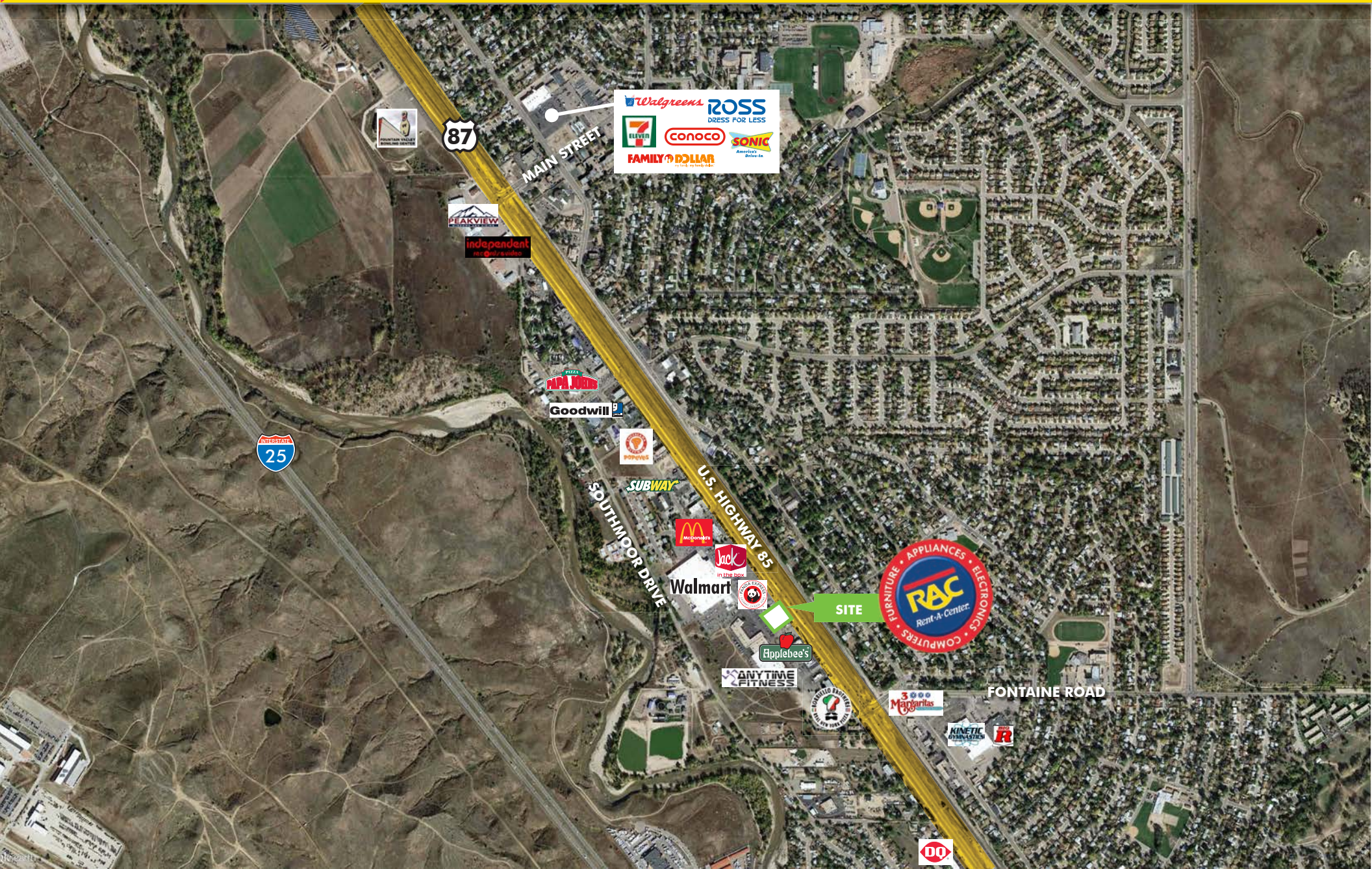


**DRIVING DISTANCE FROM FOUNTAIN, CO TO:**

City	Miles
Pueblo, CO	31.3
Canon City, CO	50.4
Buena Vista, CO	107.0
Colorado Springs, CO	13.8
Air Force Academy, CO	23.5
Centennial, CO	69.2
Aurora, CO	82.6
Denver, CO	84.5
Boulder, CO	111.0

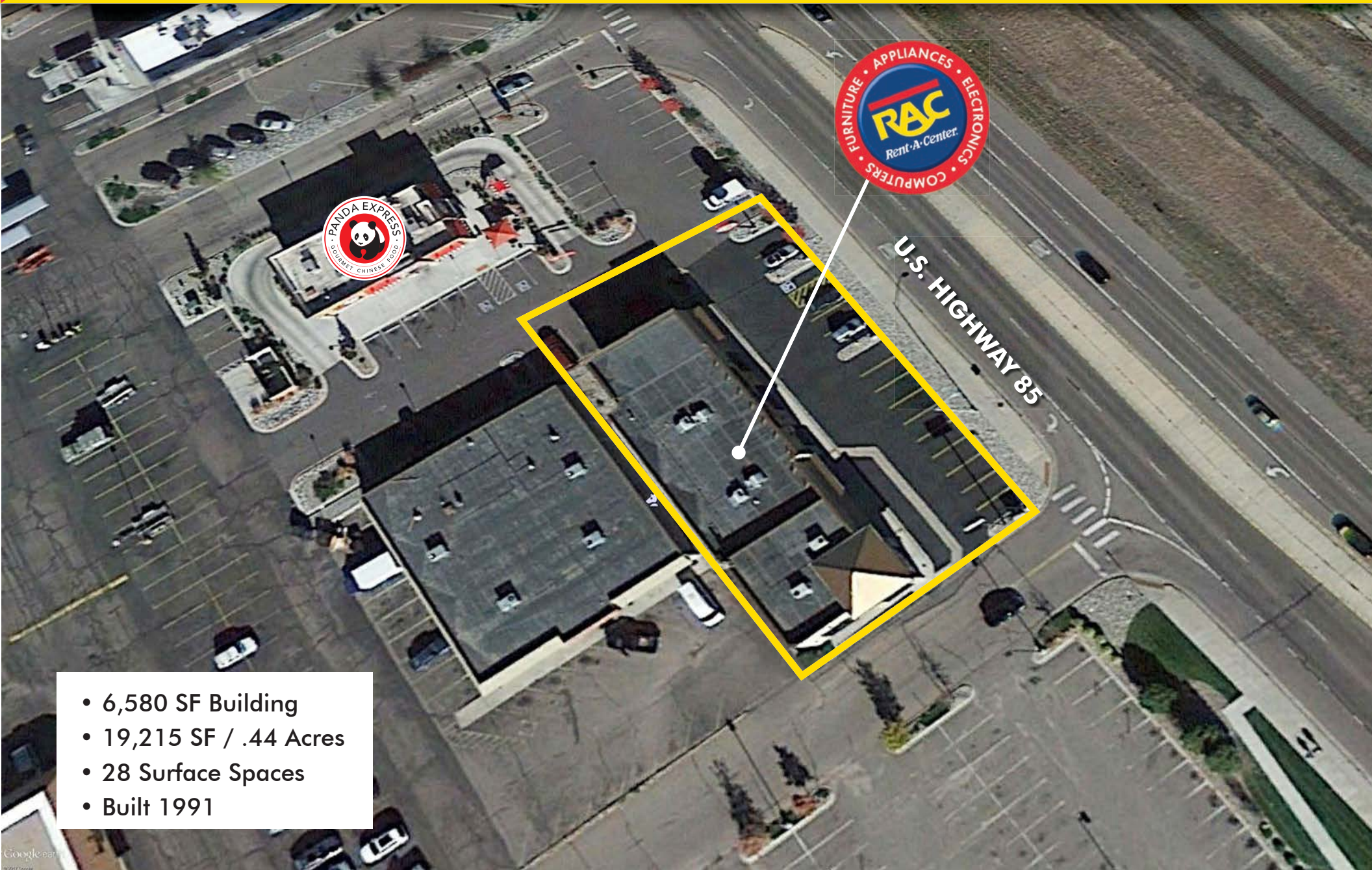


# TRADE AREA MAP





# SITE PLAN



- 6,580 SF Building
- 19,215 SF / .44 Acres
- 28 Surface Spaces
- Built 1991



# CROSS EASEMENT PARKING



Eleven additional parking spaces on the North parcel

Three additional parking spaces on the West parcel

**VALLEY PETS**

U.S. HIGHWAY 85





# FOUNTAIN, COLORADO





# AREA OVERVIEW

## FOUNTAIN

Fountain is pure Colorado from its attractive views of Pikes Peak and the Front Range, to rolling hills, recreation parks and trails, and history of agriculture. Fountain boasts the charming aspects of country living with the urban amenities of great restaurants and stores.

Once the site of a seasonal encampment for Ute, Arapaho and Cheyenne, French explorers named Fountain for a nearby creek. Today the downtown area contains cafes, an old-time bakery and a gift shop. A new city hall plaza features the community's famous fountains, and Metcalfe Park has shady picnic spots and a challenging skateboard park. Golfers will enjoy excellent views of the Rocky Mountains during a round at the nearby Appletree Golf Course.

## LOCATION

Located along I-25 and Fountain Creek, Fountain retains a friendly small town atmosphere and quick access to Colorado Springs. Fountain is just 10 miles south of downtown Colorado Springs and just east of Fort Carson. Fountain and the Colorado Springs suburbs Security and Widefield make up the "Fountain Valley" community.

## POPULATION

Fountain is an extremely ethnically-diverse city. The people who call Fountain home describe themselves as belonging to a variety of racial and ethnic groups. The City of Fountain's population as of the 2016 was 28,753 reflecting a population change since 2000 of +81.8%.

## COMMERCE

The workforce is 8.88% employed in the armed forces, making the military a huge focus of life in Fountain. Even though it is a military town, the civilian sector still plays an important role in the local economy. The Public Service and Healthcare industries respectively employ 19.41% and 13.20% of the civilian workforce.

## HOUSING MARKET

Much of the housing stock in Fountain was built relatively recently. The construction of new real estate can often be taken as an indication that the local Fountain economy is robust, and that jobs or other amenities are attracting an influx of new residents.

The median home value in Fountain is \$223,000. Fountain home values have gone up 10.0% over the past year and it's predicted they will rise 4.3% within the next year. The median list price per

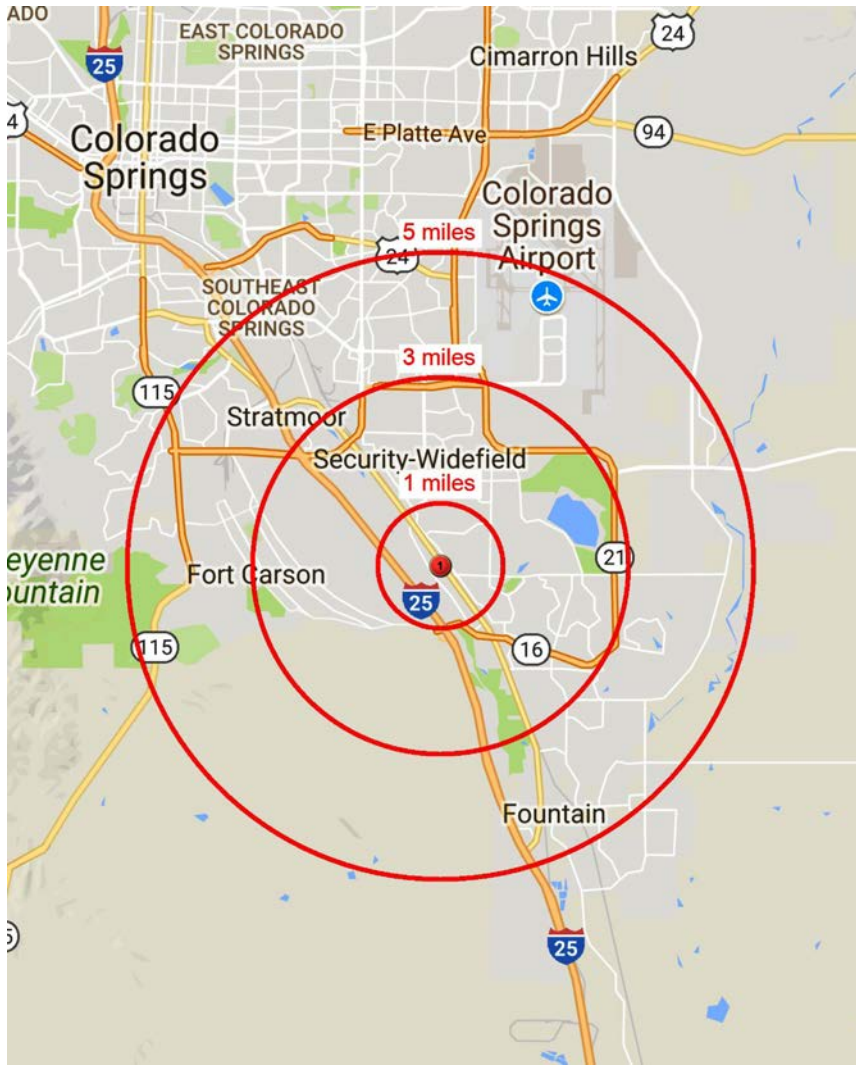
square foot in Fountain is \$124, which is lower than the Colorado Springs Metro average of \$140. The median price of homes currently listed in Fountain is \$245,000. The median rent price in Fountain is \$1,400, which is lower than the Colorado Springs Metro median of \$1,495.

## SCHOOLS

Fountain is part of school district No. 8. There are 8,120 students enrolled in the district, 13 schools, and 16 students per classroom (state average is 17).



# DEMOGRAPHICS



POPULATION	1 Mile	3 Mile	5 Mile
2017 Population - Current Year Estimate	9,071	49,702	124,341
2022 Population - Five Year Projection	9,398	54,479	135,233
2010 Population - Census	8,557	45,072	113,260
2000 Population - Census	8,864	39,102	92,737
2010-2017 Annual Population Growth Rate	0.81%	1.36%	1.30%
2017-2022 Annual Population Growth Rate	0.71%	1.85%	1.69%

HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2017 Households - Current Year Estimate	3,295	15,673	40,851
2022 Households - Five Year Projection	3,420	17,262	44,53
2010 Households - Census	3,109	14,047	36,850
2000 Households - Census	3,132	11,668	29,554
2010-2017 Annual Household Growth Rate	0.80%	1.52%	1.43%
2017-2022 Annual Household Growth Rate	0.75%	1.95%	1.74%
2017 Average Household Size	2.73	2.91	2.86

HOUSEHOLD INCOME	1 Mile	3 Mile	5 Mile
2017 Average Household Income	\$66,996	\$75,107	\$68,305
2022 Average Household Income	\$75,003	\$86,426	\$78,821

HOUSING VALUE	1 Mile	3 Mile	5 Mile
2017 Owner Occupied Housing Units	2,278	11,670	25,011
2017 Median Value of Owner Occ. Housing Units	\$173,280	\$193,104	\$193,244
2017 Average Value of Owner Occ. Housing Units	\$177,917	\$216,032	\$221,370





# Rent-A-Center

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