



ART VAN FURNITURE

RETAIL | LIVONIA, MI

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OUR STORY

B+E is a modern investment brokerage firm, specializing in net lease real estate and 1031 exchanges. We help clients buy and sell single tenant real estate. Founded by deeply experienced brokers, B+E redefines trading through an intuitive end-to-end transaction platform comprising of user-friendly dashboards and an AI-driven exchange — all leveraging the largest data set in the net lease industry.

Complementing senior talent with exceptional technology, B+E's proprietary process affords greater speed, unrivaled transaction efficiencies, and stronger asset value. With offices in New York, Chicago, Tampa, Atlanta, Denver, and San Francisco, our brokers trade property for our clients across the US. B+E allows virtually anyone to confidently trade net lease real estate.





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OFFERING PRICE

\$9,845,000

CAP RATE

7.15%

EXECUTIVE SUMMARY

TENANT NAME	Art Van Furniture
ADDRESS	29905 7 Mile Road, Livonia, MI 48152
ASKING PRICE	\$9,845,000
ASKING CAP	7.15%
PPSF	\$159.47
NOI	\$703,830
LEASE TYPE	NNN
RENT INCREASES	Lessor of 2.0%, or 1.25x the Change in Price Index Annually
REMAINING LEASE TERM	+/- 17.5 Years
BUILDING SIZE	+/- 61,732 SF
LAND AC	+/- 3.42 AC
PARKING	+/- 50 Spaces
PROPERTY TYPE	Retail
YEAR BUILT RENOVATED	1982



LONG-TERM NNN LEASE WITH 2% ANNUAL INCREASES

There are +/- 17.5 years remaining on the Art Van Furniture lease. Additionally, the lease has built-in annual increases providing an increasing return over the life of the base term.

CORPORATELY GUARANTEED LEASE

The lease is guaranteed by Art Van Furniture Inc., which is a large retail furniture chain. The company has system-wide sales of over \$1B in 2018 and operates 189 stores.

#1 FURNITURE RETAILER IN THE MIDWEST WITH A 60-YEAR OPERATING HISTORY

Art Van Furniture, LLC is the Midwest's No. 1 furniture and mattress retailer with 189 stores in nine states operating under the following brands: Art Van Furniture, Art Van PureSleep, Scott Shuptrine Interiors, Levin Furniture, Levin Mattress, Wolf Furniture, and Gardiner Wold Furniture.

INTERNET-RESISTANT BUSINESS MODEL

Furniture retailers are well-insulated from web-based competitions, as many consumers prefer to see/test the product in person before purchasing. Art Van is revamping their omni-channel retail approach by increasing their web-based presence to drive foot traffic into brick-and-mortar locations.

10 MILES OUTSIDE OF DETROIT

The Detroit MSA is home to 4.2 million people, making it the 13th largest MSA in the United States. Additionally, the Detroit MSA has a Gross Metropolitan Product of \$252.7 billion.

POPULATION DENSITY

There are just over 1 million residents living within a 10-mile radius of the subject property.



ART VAN FURNITURE

NOI	\$703,830
PPSF	\$11.40
LEASE COMMENCEMENT	March 1, 2017
LEASE EXPIRATION	April 30, 2037
ORIGINAL LEASE TERM	20 Years
REMAINING LEASE TERM	+/- 17.5 Years
RENT INCREASES	Lessor of 2.0%, or 1.25x the Change in Price Index Annually
RENEWAL OPTIONS	4; 5-Year
LEASE TYPE	NNN
LANDLORD RESPONSIBILITIES	None
RENT ADJUSTMENT DATE	April 1st, Annually

ART VAN FURNITURE is an American furniture retail store chain that was founded in 1959 by Art Van Elslander. Since inception, the company has grown to over 189 locations in 9 states with over 5,700 employees, making it the Midwest's largest furniture retailer. These locations operate under the following brands: Art Van Furniture, Art Van PureSleep, Art Van Flooring, Scott Shuptrine Interiors, Levin Furniture, Wolf Furniture, and Gardiner Wold Furniture. Art Van Furniture has created a well-recognized brand through modernizing classic furniture. Additionally, the company allows customers to customize their furniture with an assortment of mix and match patterns as well as fabrics, colors, and finishes. This gives consumers an unparalleled amount of control when picking furniture for their home or office. In 2017, Art van Furniture entered into a partnership with Thomas H. Lee Partners. Since its founding in 1974, THL partners has raised over \$25 billion of equity capital and invested in more than 140 portfolio companies. Art Van entered into the partnership with the now majority owner to fund their aggressive growth strategy. Today, Art Van has over a billion in revenue and just launched the company's first-ever loyalty program by applying for an Art Van Signature credit card powered by Synchrony Financial.

ACQUISITIONS

In 2017, Art Van Furniture acquired two family-owned furniture companies, Levin Furniture and Wold Furniture. These Acquisitons added 53 stores to the portfolio of show rooms and retail locations. For more informations, [click here](#).



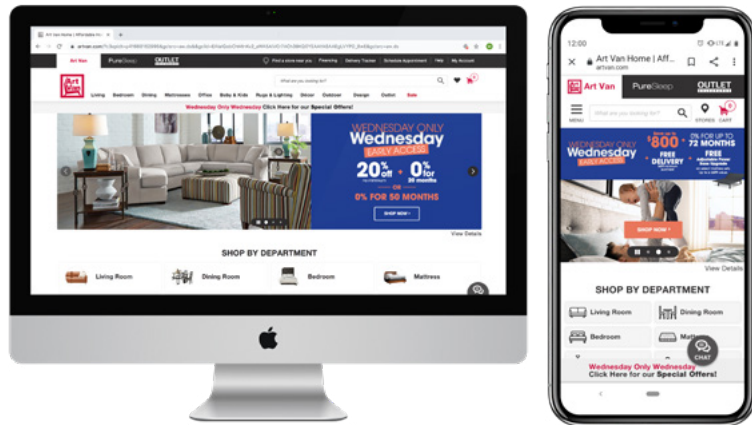
Art Van Key Metrics

189 Art Van Locations

5,700 Employees

60-Year Operating History

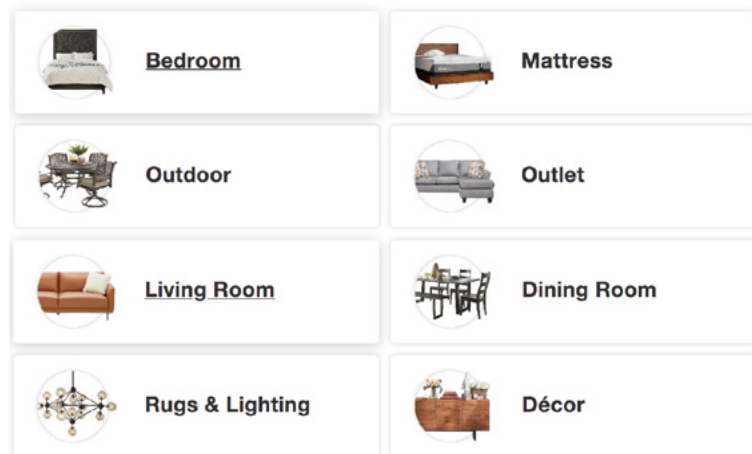
#1 Furniture Retailer in the Midwest



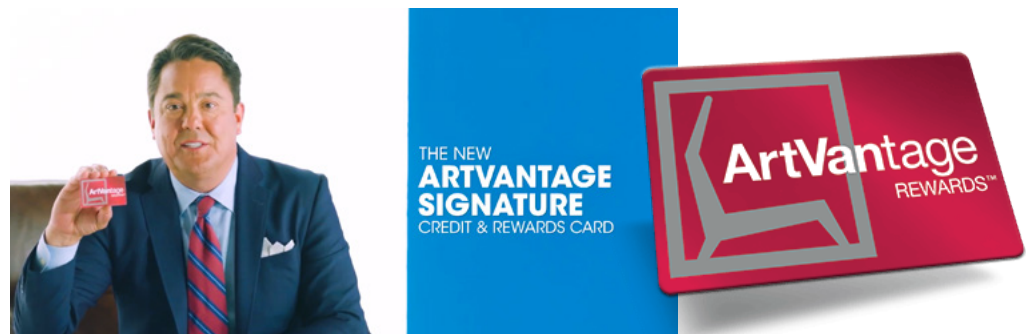
ART VAN FURNITURE

ART VAN FURNITURE has put a focus on driving traffic to their brick-and-mortar locations. To do this they have significantly invested in the website, making it more modern and user-friendly. The website provides a more immersive shopping experience and personalization features. [Click to View Website.](#)

DEPARTMENTS



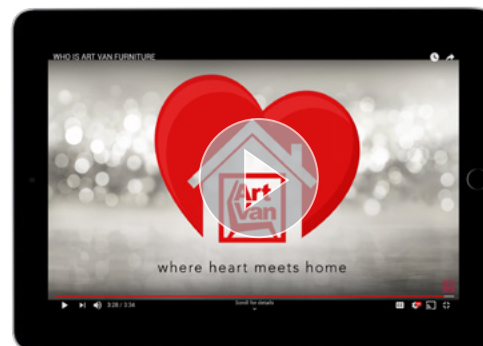
ART VAN LOYALTY PROGRAM



ARTVANTAGE SIGNATURE CARD

Powered by Synchrony Financial, Art Van has launched their first ever credit card. Customers who sign up receive perks such as free deliver, complimentary design services, financing perks, and special discounts. Art Van put \$2.5B behind the new ArtVantage signature card for their loyal customers. Customers can use these perks at any Art Van location nationwide. Loyalty programs are a proven way to increase revenue; a 5% increase in customer retention due to a loyalty program can result in a revenue increase of ~25%.

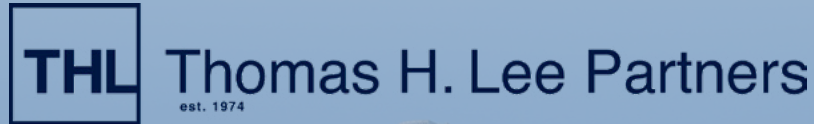
ART VAN FURNITURE MEDIA



WHO IS ART VAN FURNITURE
INFORMATIONAL VIDEO | [CLICK TO PLAY](#)



THE NEW ARTVAN.COM
INFORMATIONAL VIDEO | [CLICK TO PLAY](#)



INDUSTRY EXPERTISE | \$4.5 BILLION INVESTED
IN 33 CONSUMER & RETAIL COMPANIES



In 2017, Art Van Furniture entered into a partnership with THL Partners. THL Invests in growth-oriented businesses with strong free cash flow characteristics, driven more by secular growth trends than overall GDP growth. The company seeks to grow their portfolio companies both organically and through acquisitions. Organically, they invest in resources to expand into new products, new markets, new geographies, and new channels of distribution. They also look for platforms in fragmented industries where they can accelerate growth through acquisitions. The company typically invests in companies with enterprise values between \$250 million and \$2.5 billion.

THL PARTNERS STRATEGIC REPOSITIONING OF ART VAN FURNITURE

Increasing Salesforce Effectiveness

Bolster online presence to drive foot traffic to stores.

Portfolio Expansion

Executed 2 acquisitions.
Rolling out new Art Van Furniture locations.

New Pricing Strategies Implements by THL

Increase inventory on showroom floor.
Higher-margin products.

Thomas H. Lee Partners implements this framework to strategically reposition companies in their portfolio:





METRO DETROIT REGION The Detroit Urban Area ranks as the 11th most populous metropolitan area in the United States with a population of over 3.7M residents. Detroit and the surrounding region are a major hub of global trade and commerce. The Detroit MSA had a gross metropolitan product of \$252 billion in 2017. This is mostly attributed to the firms in the region pursuing emerging technologies such as biotechnology, nanotechnology, information technology, and hydrogen fuel cell development. Additionally, this area is a major manufacturing center with an estimated 4,000 factories operating in the area. This is due to the area being home to America’s “Big Three” automobile companies: General Motors, Ford, and Chrysler. A rise in automated manufacturing using robotic technology has brought this kind of talent and related industries to the area. Due to this, Michigan ranks fourth nationally in high-tech employment with 568,000 high-tech workers, 70,000 of which are in the automotive industry.

MAJOR EMPLOYERS

COMPANY NAME	EMPLOYEES	INDUSTRY
FORD MOTOR CO.	44,598	AUTO MANUFACTURER
FIAT CHRYSLER AUTOMOBILES	33,657	AUTO MANUFACTURER
GENERAL MOTORS	32,353	AUTO MANUFACTURER
UNIVERSITY OF MICHIGAN	30,852	UNIVERSITY & HEALTH SYSTEM
BEAUMONT HEALTH	22,225	HEALTH CARE
U.S. GOVERNMENT	18,701	FEDERAL GOVERNMENT
HENRY FOR HEALTH SYSTEM	17,332	HEALTH CARE
ILLITCH COMPANIES	16,567	FOOD, SPORTS, ENTERTAINMENT
TRINITY HEALTH MICHIGAN	14,231	HEALTH CARE
ROCK VENTURES	13,445	FINANCIAL

SURROUNDING TENANT MAP



POPULATION

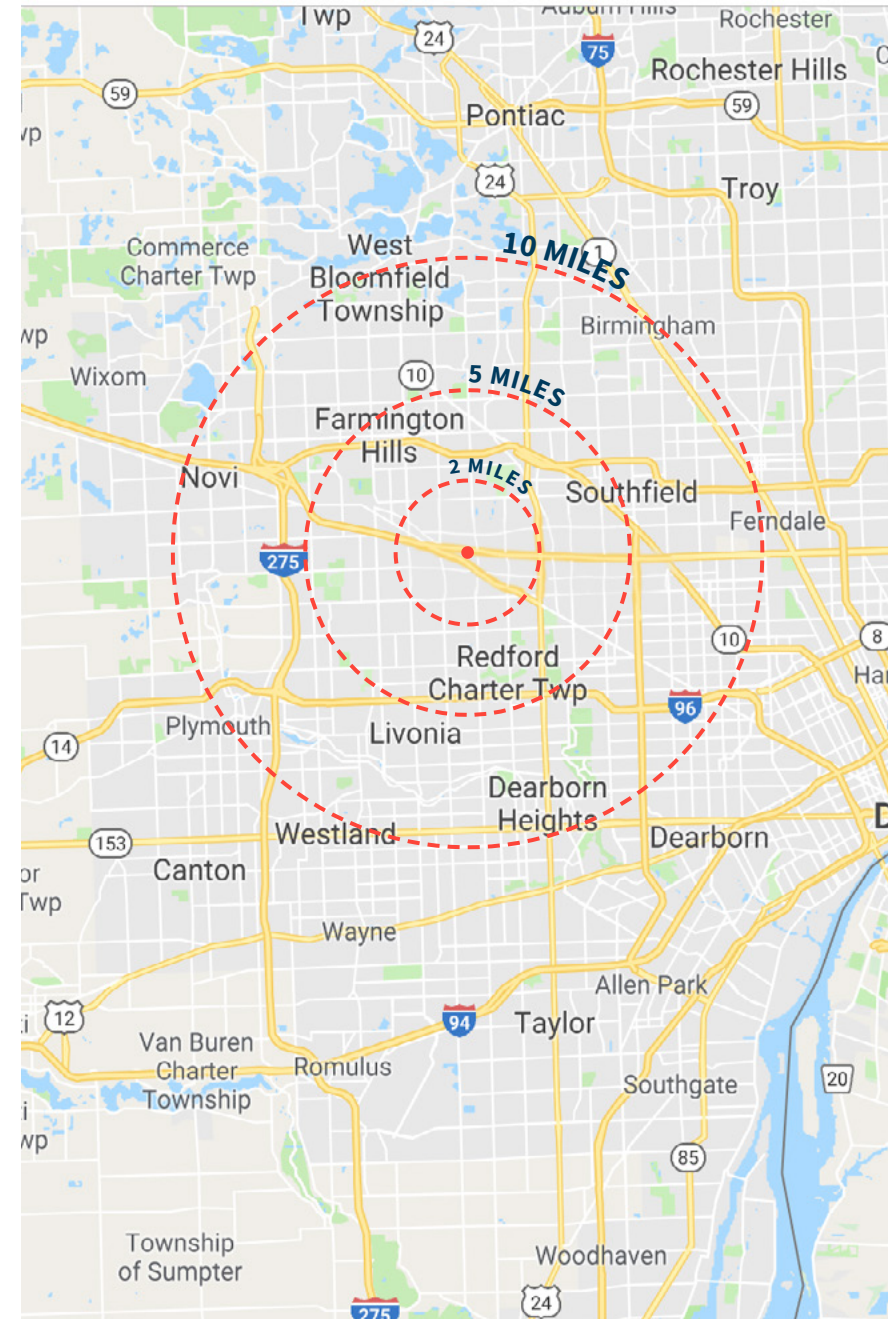
	2 MILES	5 MILES	10 MILES
2019 TOTAL POPULATION	37,671	232,395	1,017,995
2024 POPULATION	37,458	232,504	1,014,651
AVERAGE AGE	40.80	40.60	40.00

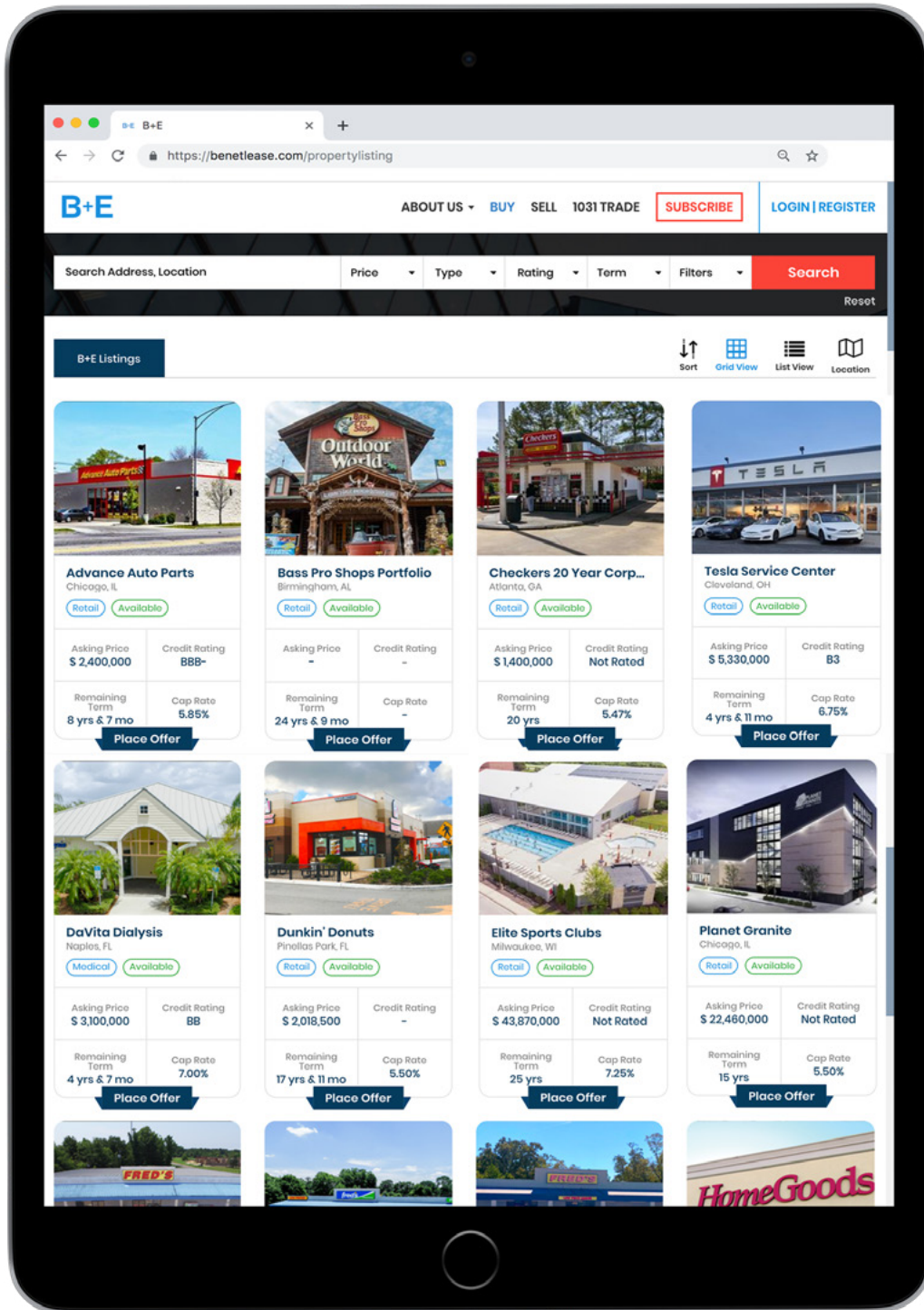
HOUSEHOLDS

	2 MILES	5 MILES	10 MILES
2019 TOTAL HH	15,408	96,117	407,889
MEDIAN HH INCOME	\$57,369	\$59,406	\$57,316
AVG HOUSEHOLD SIZE	2.40	2.40	2.50
2019 AVG HH VEHICLES	2.00	2.00	2.00

HOUSING

	2 MILES	5 MILES	10 MILES
MEDIAN HOME VALUE	\$146,030	\$148,530	\$154,109
MEDIAN YEAR BUILT	1960	1962	1961





B+E

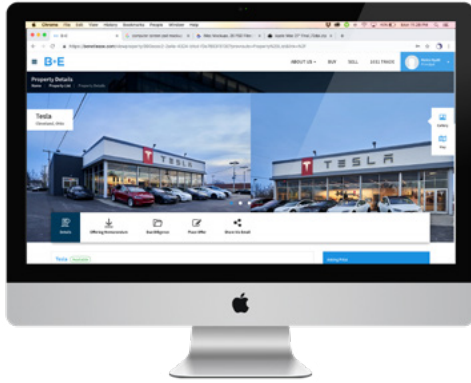
HOW B+E WORKS

BRINGING THE NATIONAL MARKET TO TIME-SENSITIVE BUYERS.

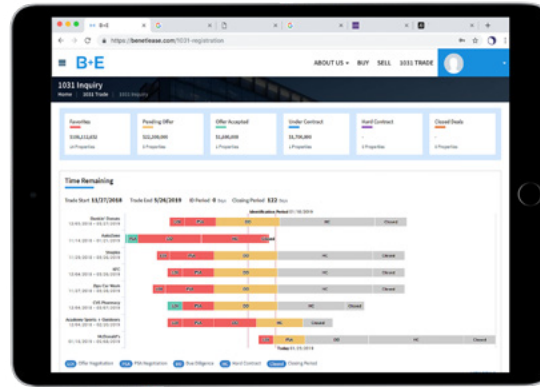
B+E’s brokers use new technologies like artificial intelligence to track all active net lease listings on the U.S. market in real-time. Currently, there are roughly 3,000 to 4,000 NNN listings on the market. The B+E platform enables buyers to review the entire net lease market in real-time and compare properties, deal terms, and overall value of a trade. B+E’s seasoned brokers help high net-worth individuals, families, and institutions to build portfolios that satisfy their acquisition criteria and long-term investment objectives.

“This is the first brokerage platform designed to help buyers sweep the national NNN market and match properties to their specific criteria,” said B+E’s CEO Camille Renshaw. “Using collaborative dashboards and AI-driven tools, a seasoned broker personally assists every buyer from search to close.”

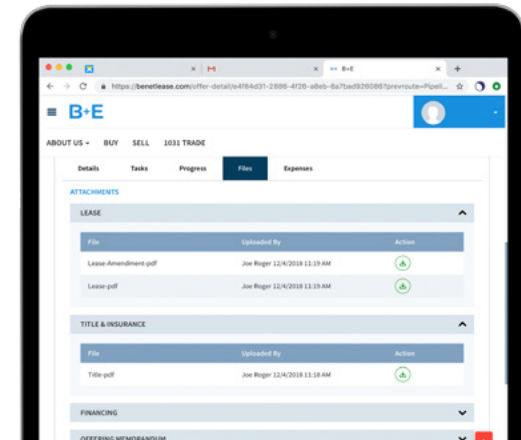




Only Platform Customized to Buy and Sell NNN Properties



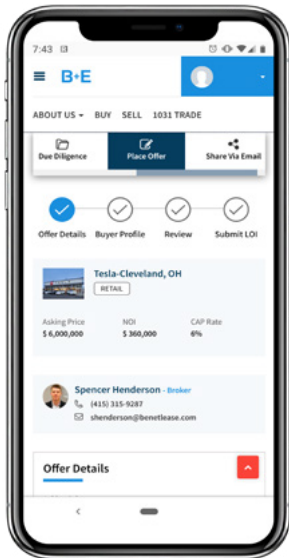
Track Your Transactions End - To - End



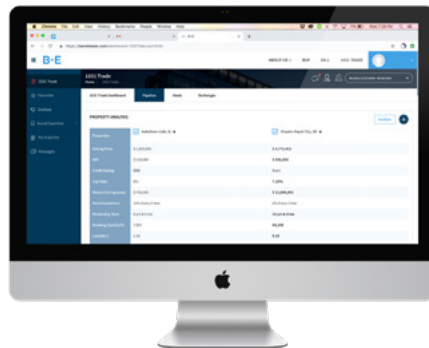
Store All Documents in One Place

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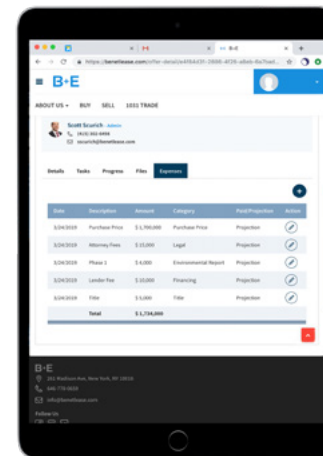
THE NET LEASE TRADING PLATFORM



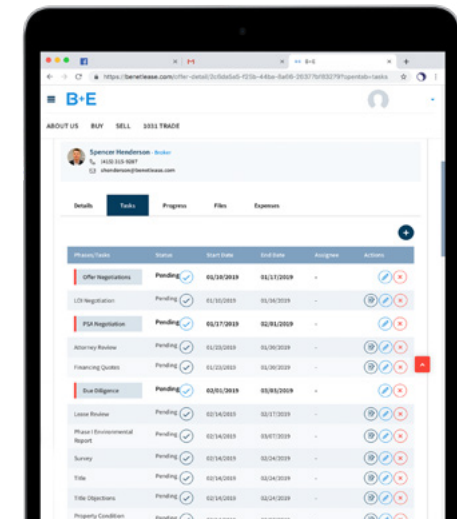
Place Offers Instantly



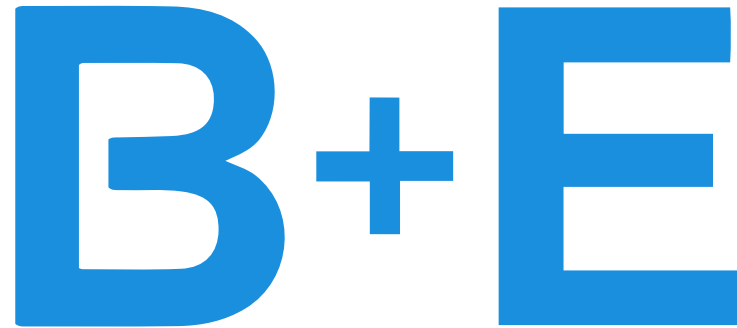
Analyze Properties



Calculate Expenses



Manage Tasks For Your Team



TRADE NET LEASE WITH CONFIDENCE

New York

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New York, NY 10016

Chicago

980 North Michigan Ave.
Chicago, IL 60611

Atlanta

1175 Peachtree St. NE
Atlanta, GA 30361

Tampa

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Tampa, FL 33602

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