

# BENTONVILLE OFFICE PORTFOLIO

BEAU TERRE  
& COMMERCE  
CENTER

BENTONVILLE,  
ARKANSAS







COMMERCE CENTER



## EXECUTIVE SUMMARY

Jones Lang LaSalle Americas, Inc. ("JLL") has been exclusively retained to offer qualified investors the opportunity to acquire the Bentonville Portfolio (the "Portfolio"), a 509,325 square foot office portfolio located near the Walmart Global Campus in Bentonville, Arkansas. The Portfolio consists of two office parks: Beau Terre and Commerce Center. Currently 90% leased to over 100 different tenants, the portfolio offers diversification in tenancy and term with ability to optimize income growth. The Bentonville Portfolio offers investors the opportunity to acquire almost 25% of the Bentonville's Class B market share, providing a stable, cash-flowing asset with mark-to-market potential.







BEAU TERRE



# INVESTMENT HIGHLIGHTS

## STRATEGICALLY LOCATED AROUND WALMART'S HQ

With Beau Terre Office Park northeast and Commerce Center southwest of Walmart's Global Campus, tenants benefit by the proximity to Walmart's operations as well as the amenities the largest U.S. company (by Revenue) provides to the city.

## MARKET CONTROL

The Portfolio offers investors the ability to acquire 25% of Bentonville's Class B market share.

## UNMATCHED THOROUGHFARE CONNECTIVITY AND ACCESS

Beau Terre is the only Class B park located on I-49 (51,458 VPD). Commerce Center is strategically located at the intersection of S Walton Blvd (30,504 VPD) and Highway 102 (33,901 VPD).

## TENANT MIX

With over 100 tenants, the Bentonville Portfolio provides investors with a well-diversified asset that provides a strong, cash flowing asset with limited risk.

## SIGNIFICANT DISCOUNT TO REPLACEMENT COSTS

With constrained supply chains, increased land prices, and delayed construction timelines, landlords are unable to develop product to compete with well-located and designed Class B assets.

## ATTRACTIVE SUBMARKET FUNDAMENTALS

The significant discount to Class A properties provides investors with a best-in-class alternative at great economics. Due to its central location and limited new product coming online, rents have the potential to push higher.

## SINGLE STORY BUILDING DESIGN

Building profile provides for easy access to tenant spaces, door-side parking, full control of lease premises and associated costs.



# PORTFOLIO OVERVIEW

## THE PORTFOLIO

### BENTONVILLE PORTFOLIO

**Buildings:** Beau Terre: 35  
Bentonville Commerce: 8  
**Total: 43**

**MSA:** Fayetteville-Springdale-Rogers

**Square Feet:** 509,325

**Leased:** 90%

**Lease Expirations (Yr. 1-3)** Beau Terre: 46  
Bentonville Commerce: 9

**Tenants:** Beau Terre: 95  
Bentonville Commerce: 26  
**Total: 121**

**WALT (Years):** Beau Terre: 4.19 years  
Bentonville Commerce: 3.19 years

**Tenure (Years):** Beau Terre: 7.00 years  
Bentonville Commerce: 3.82 years



COMMERCE CENTER







## MARK-TO-MARKET OPPORTUNITY

The Portfolio is uniquely positioned off of I-49 (Beau Terre) and at the intersections of SW 14th St and S Walton Blvd (Bentonville Commerce). These highly desirable locations provide a cost effective and efficient alternative to the higher rent, mid-rise Class A buildings in town. The Portfolio offers small users' functionality for nearby decision makers without sacrificing neighborhood amenities or connectivity.

The Bentonville Office Portfolio is positioned to benefit from a tenant roster of 121 tenants averaging less than 1% of the rentable square footage, minimizing large tenant concentration and exposure while ensuring durable cash flows and mark-to-market opportunities.

## SIGNIFICANT DISCOUNT TO NEIGHBORING ASSETS

With average in-place rents of \$17.50, the Portfolio provides tenants with the same nearby amenities and accessibility as nearby Class A Assets at a significant rental rate discount. Tenants priced out of surrounding submarkets achieve the advantage of economic savings compared to the \$35.00/ft asking rate of new Class A buildings coming to market.



## MARK-TO-MARKET OPPORTUNITY

With current in-place rents 27% below market, investors have the ability to drive value by rolling tenants to market upon expiration.



\*Base Year + E Rental Rate Equivalents



# FLOURISHING SUBMARKET WITH STRONG FUNDAMENTALS

**RICE OFFICE COMPLEX**  
- 2 BUILDINGS  
- CLASS A OFFICE  
- BUILT 2020

**FUTURE WALMART  
GLOBAL HEADQUARTERS**

**BEAU TERRE  
OFFICE PARK**

**BENTONVILLE COMMERCE  
OFFICE PARK**

- 1 Crystal Bridges Museum
- 2 Rice Office Complex
- 3 Bentonville Square
- 4 Walmart Home Office
- 5 The Momentary Museum
- 6 8th Street Market
- 7 Thaden School
- 8 Northwest Arkansas Community College
- 9 Bentonville Municipal Airport
- 10 Bentonville School District
- 11 Northwest Medical Center
- 12 Scottsdale Center
- 13 Village on the Creeks
- 14 Mercy
- 15 Pinnacle Hills Promenade





\*WITHIN A  
**5**  
MILE RADIUS

## COMMERCE CENTER

**12,490**  
MF Units

**3,798**  
Hotel Rooms

**108,675**  
2021 Population

**4,654**  
Businesses

**40,693**  
Family Households

**\$232,927**  
Median Home Value

**\$105,500**  
Average Household Income

## BEAU TERRE

**11,092**  
MF Units

**3,572**  
Hotel Rooms

**92,554**  
2021 Population

**4,642**  
Businesses

**35,043**  
Family Households

**\$214,187**  
Median Home Value

**\$95,620**  
Average Household Income



# BENTONVILLE OVERVIEW

## TOP GOLF

- Located just south of The Amp, Topgolf recently built its first Arkansas location in May of 2020.
- The facility is a two-story venue with 36 golfing bays on each level, having the capacity to host 1,000 people.

## CRYSTAL BRIDGES MUSEUM OF ART

- Founded by Alice Walton and designed by Moshe Safdie, the museum opened on November 11, 2011 and is free to the public.
- Five miles of sculpture and walking trails link the museums 120-acre park to downtown Bentonville.

## WALTON'S FIVE AND DIME STORE

- Walmart's first store opened in 1951 and the company has called Bentonville home ever since.
- Walmart is the largest company in the United States when it comes to revenue. The multinational retail giant boasts \$566 billion in sales thanks to their presence across the globe.

## THE AMP

- The Amp is an outdoor amphitheater that has capacity to hold almost 10,000 fans in both covered seating as well as lawn seating.
- The property recently underwent a major expansion in 2020 to allow for a better concert experience by creating flexible viewing options and gathering spaces within the venue.



...ville home ever since.  
...to total revenues. The  
...2.2 million employees



## NORTHWEST ARKANSAS AIRPORT

- The airport (XNA) opened for commercial passengers on November 1, 1998 and has continued to grow.
- XNA transports over 1 million passengers annually and has over 19 direct flights to cities across the country.

## WHY BENTONVILLE

**52.2% PROJECTED JOB GROWTH OVER NEXT 10 YEARS**

*HIGHER THAN US AVERAGE OF 33.5%*

**2.9% UNEMPLOYMENT RATE**

*US AVERAGE = 6.0%*

**#3 DESTINATION FOR TRAVELERS IN 2020**

*EXPEDIA*

**#2 BEST PLACES TO LIVE IN ARKANSAS**

*NICHE*

**MOUNTAIN BIKING CAPITAL OF THE WORLD**

*AP*

**#2 BEST SUBURB FOR YOUNG PROFESSIONALS IN ARKANSAS**

*NICHE*

**THE 25 COOLEST TOWNS IN AMERICA**

*MATADOR NETWORK*

**#19 MOST SECURE PLACES TO LIVE IN THE U.S.**

*BESTPLACES.NET*



# BENTONVILLE OFFICE PORTFOLIO

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BENTONVILLE,  
ARKANSAS

## OFFICE

### FOR GENERAL INFORMATION

214.438.6150

### ANALYTICAL SUPPORT

469.232.1955

469.221.7779

## FINANCING

### FOR FINANCING INFORMATION

462.232.1943

brain.carlton@am.jll.com

## FOR PROPERTY TOURS

### FOCUS COMMERCIAL REAL ESTATE

**Butch Gurganus**

1005 Beau Terre Dr., Suite 300

Bentonville, AR 72712



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\*\*The outbreak of the COVID-19 virus (novel coronavirus) since the end of January 2020 has resulted in market uncertainty and volatility. While the economic impact of a contagion disease generally arises from the uncertainty and loss of consumer confidence, its impact on real estate values is unknown at this stage.

