




## OFFERING MEMORANDUM

INVESTMENT OPPORTUNITY  
3213 UNION POWER WAY, MONROE, NC  
**OFFERED AT: \$1,292,000 | 6.5% CAP**





**3213 UNION POWER WAY  
MONROE, NC 28110**

## CONTACTS

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 **LEE &  
ASSOCIATES**  
COMMERCIAL REAL ESTATE SERVICES

# THE INVESTMENT

Lee & Associates is pleased to exclusively offer for sale the fee simple interest (land & building) in a single-tenant industrial investment property located in Monroe, NC (the "Property"). Built in 2000, the Property consists of two parcels totaling approximately 4.66 Acres, and includes a 7,500-square-foot industrial building. The Property is leased by United Site Services of Maryland, Inc, a wholly owned subsidiary of United Site Services, Inc.

United Site Services is the nation's leader in portable toilet rentals, restroom trailer rentals, and temporary fencing. Founded in 1999, the company has over 125 locations across the U.S. and has revenues of over \$950 million. The company offers its services for construction, events, agriculture, seasonal, emergency, government, and industrial markets in the United States. In 2017,

United Site Services was acquired by Platinum Equity for a sum of \$1.15 Billion. Platinum Equity is a global investment firm with \$13 billion of assets under management and a portfolio of approximately 30 operating companies that serve customers around the world.

The landlord-friendly triple-net (NNN) lease has over 8 years remaining and features 3% annual rent increases that continue throughout the two (5)-Year option periods, offering an investor a long-term passive investment with tremendous income growth. This site ideally suits the unique needs of the tenant with a large outdoor storage yard with a warehouse/ storage facility, office, and a fence repair area. The tenant has extremely limited relocation options due to their unique use and the trend by cities to phase out heavy industrial and outside storage uses. This provides an investor with mitigated vacancy risk and there is a high likelihood the tenant will remain at this location long-term.



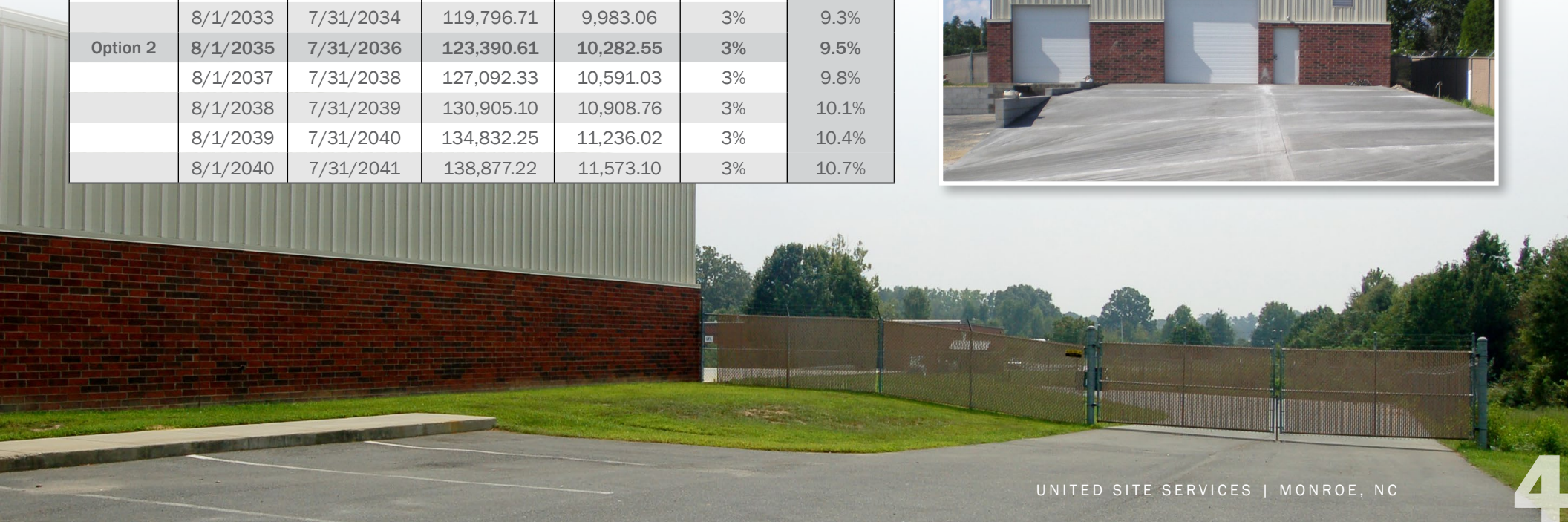
INVESTMENT HIGHLIGHTS	
Offering Price:	\$1,292,000
Net Operating Income:	\$84,023
Cap Rate:	6.5%
Avg Cap Rate Over Time:	8.45%
Lease Type:	Net Lease
LL Responsibilities:	Roof, Walls, Foundation

PROPERTY OVERVIEW	
Address:	3213 Union Power Way, Monroe, NC
Property Size:	7,500 Sq Ft
Land Size:	4.66 Acres
Ownership:	Fee Simple
Year Built:	2000
APNs:	09-342-233, 09-342-234

# LEASE OVERVIEW

RENT SCHEDULE - PRIMARY TERM						
Years	Start Date	End Date	Total NOI/ Year	USS NOI / MO	Annual Rental Increase	CAP Rate
Year 1	7/21/2019	7/31/2020	79,200	6,600	3%	6.1%
Year 2	8/1/2020	7/31/2021	81,576	6,798	3%	6.3%
Year 3	8/1/2021	7/31/2022	84,023	7,001.92	3%	6.5%
Year 4	8/1/2022	7/31/2023	86,544	7,211.97	3%	6.7%
Year 5	8/1/2023	7/31/2024	89,140	7,428.33	3%	6.9%
Year 6	8/1/2024	7/31/2025	91,814	7,651.18	3%	7.1%
Year 7	8/1/2025	7/31/2026	94,569	7,880.72	3%	7.3%
Year 8	8/1/2026	7/31/2027	97,406	8,117.14	3%	7.5%
Year 9	8/1/2027	7/31/2028	100,328	8,360.65	3%	7.8%
Year 10	8/1/2028	7/31/2029	103,338	8,611.47	3%	8.0%
OPTION PERIOD'S (2) 5 YEAR OPTIONS						
Option 1	8/1/2029	7/31/2030	106,437.82	8,869.82	3%	8.2%
	8/1/2030	7/31/2031	109,630.96	9,135.91	3%	8.5%
	8/1/2031	7/31/2032	112,919.89	9,409.99	3%	8.7%
	8/1/2032	7/31/2033	116,307.48	9,692.29	3%	9.0%
Option 2	8/1/2033	7/31/2034	119,796.71	9,983.06	3%	9.3%
	8/1/2035	7/31/2036	123,390.61	10,282.55	3%	9.5%
	8/1/2037	7/31/2038	127,092.33	10,591.03	3%	9.8%
	8/1/2038	7/31/2039	130,905.10	10,908.76	3%	10.1%
	8/1/2039	7/31/2040	134,832.25	11,236.02	3%	10.4%
	8/1/2040	7/31/2041	138,877.22	11,573.10	3%	10.7%

LEASE OVERVIEW	
Tenant	United Site Services of Maryland, Inc.
Building Size	7,500 SF
Lot Size	4.66 Acres
Annual Base Rent	\$84,023
Rent Commencement	July 21, 2019
Lease Expiration	July 31, 2029
Base Lease Term	10 Year
Base Term Remaining	8+ Years
Renewal Options:	(2) 5-Five Year Options
Rent Increases	3% Annual Rent Increase in Primary & Options
Lease Type	Net Lease



# INVESTMENT HIGHLIGHTS

## UNITED SITE SERVICES: STRONG NATIONAL CREDIT TENANT

- SALES REVENUES OF OVER \$950 MILLION (2021)
- ACQUIRED BY GLOBAL INVESTMENT FIRM IN 2017 FOR \$1.15 BILLION

United Site Services is the nation's leader in portable toilet rentals, restroom trailer rentals, and temporary fencing. 2021 revenue is projected to be over \$950 million, generating \$125 million in free cash flow with over \$100 million of cash on hand (Source: Moody's). Founded in 1999, the company has over 125 locations across the United States. The company offers its services for construction, events, agriculture, seasonal, emergency, government, and industrial markets in the United States. In 2017, United Site Services was acquired by Platinum Equity for \$1.15 billion. Platinum Equity is a global investment firm with \$13 billion of assets under management and a portfolio of approximately 30 operating companies that serve customers around the world. The firm is currently investing from Platinum Equity Capital Partners IV, a \$6.5 billion global buyout fund.

## 3% ANNUAL RENT ESCALATIONS

- LONG TERM PASSIVE (NNN) LEASE
- MINIMAL LL RESPONSIBILITIES

The subject property is leased to United Site Services of Maryland, Inc., a wholly owned subsidiary of United Site Services, Inc. United Site Services has 8+ years remaining on a 10-year term. The landlord friendly Triple-Net (NNN) lease features 3% annual rent increases that continue throughout the two (5)-Year option periods, offering an investor an ideal long-term passive investment with tremendous income growth. The tenant is responsible for roof, parking lot and HVAC repairs.

## HARD TO REPLICATE SUBJECT PROPERTY WITHIN MARKET

- LIMITED RELOCATION OPTIONS FOR TENANT DUE TO UNIQUE USE
- HIGH LIKELIHOOD OF LONG-TERM TENANCY AT THIS LOCATION

The tenant has extremely limited relocation options due their unique use and trend by cities to phase out heavy industrial and outside storage uses. This provides an investor with mitigated vacancy risk long term and there is a high likelihood the tenant will remain at this location long-term.

## PROPERTY FITS TENANT'S UNIQUE NEEDS

- IDEAL BUILDING CONFIGURATION
- 4.66 ACRE SECURE FENCED IN YARD SPACE FOR STORAGE

This site ideally suits the unique needs of the tenant with a large 4.66 acre required fenced outdoor storage yard. In addition, the building is a perfect fit for the tenant's needs with a warehouse/storage facility, office, and a fence repair area. Properties that meet this tenant's requirements are extremely hard to replicate in this market.

\*Per Moody's 12/15/20

# LEASE ABSTRACT

Net Lease:	This is a net lease and the Rent and all other sums payable hereunder by Lessee shall be paid without notice (except as expressly provided herein), demand, set-off, counterclaim, abatement, suspension, deduction or defense.
Real Estate Taxes:	5(a) - Lessee shall pay all Taxes (as defined below) levied or assessed against the Premises, and provide Lessor a copy of such paid receipt, at least ten days before they would otherwise become delinquent
Utilities:	6 - Lessee shall cause all utilities to be placed in its name and shall pay the actual costs for all utilities, including without limitation, water, sewer, natural gas, telephone and electricity, used on the Premises.
Maintenance, Replacement & Repairs:	13 - Lessor, at Lessor's sole cost and expense, shall maintain, repair and replace, if necessary, load bearing walls, structural supports, foundation and the exterior walls, and shall replace (but not repair) the roof and roof component parts. For purposes of the foregoing sentence, the roof and roof component parts shall be deemed to need replacement if Lessee delivers to Lessor a written and detailed estimate for roof repairs provided by a duly licensed and qualified roofing contractor acceptable to Lessor, and Lessor determines, in its reasonable discretion after consultation with a roofing contractor of its selection, that such roof repairs would cost more than \$5,000 (during any Extension Term, \$7,500) or 50% of the cost at such time to replace the roof (or component part at issue), whichever is greater. Notwithstanding the aforesaid, in the event any such repair or replacement is caused by the negligence or misconduct of Lessee or Lessee's employees, agents or invitees, Lessee shall reimburse to Lessor, as Additional Rent, the cost of such replacement within thirty (30) days after receipt of Lessor's invoice for same. For purposes of this Section, the term "exterior walls" shall not include windows, plate glass, window and door frames, outside lighting, office doors, dock doors, dock bumpers, office entries, or any exterior improvement made by Lessee. Lessor reserves the right to designate all sources of services in connection with Lessor's obligations under this Lease. Lessee, at Lessee's sole cost and expense, shall have the duty to periodically inspect and to keep and maintain, service, repair and replace, if necessary, non-structural portions of the Premises which are not expressly the responsibility of Lessor pursuant to the preceding paragraph, including, but not limited to, any windows, plate glass, office doors, dock doors, office entries, interior walls and finish work, floors and floor coverings, water heaters, heating and air conditioning systems, including supplemental components thereof, electrical fixtures, dock bumpers and equipment, plumbing, fixtures, parking lot and pest extermination.
Insurance:	15(a) - Lessor agrees to carry fire, flood insurance, if applicable, and extended coverage insurance, insuring the Building upon the Premises in the amount of the full replacement value. Lessee shall carry fire, flood insurance, if applicable, and extended coverage insurance, insuring Tenant's Personal Property and any alterations, additions or improvements conducted pursuant to Section 10 above, both in the amount of the full replacement value. 15(b) - Lessee shall obtain and maintain in force throughout the Term commercial general liability, premises and operations insurance in the amount not less than TWO MILLION DOLLARS (\$2,000,000.00) for any one injury (including death) to persons, of not less than THREE MILLION DOLLARS (\$3,000,000.00) for any one casualty and of not less than ONE MILLION DOLLARS (\$1,000,000.00) for property damage with an "Additional Insured-Managers or Lessor of Premises Endorsement" showing the Lessor, any lender of Lessor and any property management agent as an additional insured.
Extension Terms:	(c) "Extension Terms" shall mean two consecutive options for Lessee to extend the Lease Term by five (5) years each. Provided Lessee is not in default under this Lease, it shall have the right to extend the Lease Term to include the first and then the second Extension Term by delivering written notice to Lessor of such election at least six (6) months prior to the expiration date of the Initial Term or the first Extension Term, as the case may be. Each such election shall be irrevocable. All of the provisions of this Lease shall apply during the applicable Extension term upon the Lessee's election to excise any of the Extension Term(s), except that Base Rent shall increase on the first day of the applicable Extension Term to the amount that is 103% of the Base Rent as it existed on the last day of the Initial Term or any Extension Term, and Base Rent shall increase by three percent (3%) on each annual anniversary of the applicable Extension Term thereafter.

# LEASED PREMISES LAYOUT

UNION POWER WAY

INDUSTRIAL BUILDING

N ROCKY RIVER ROAD

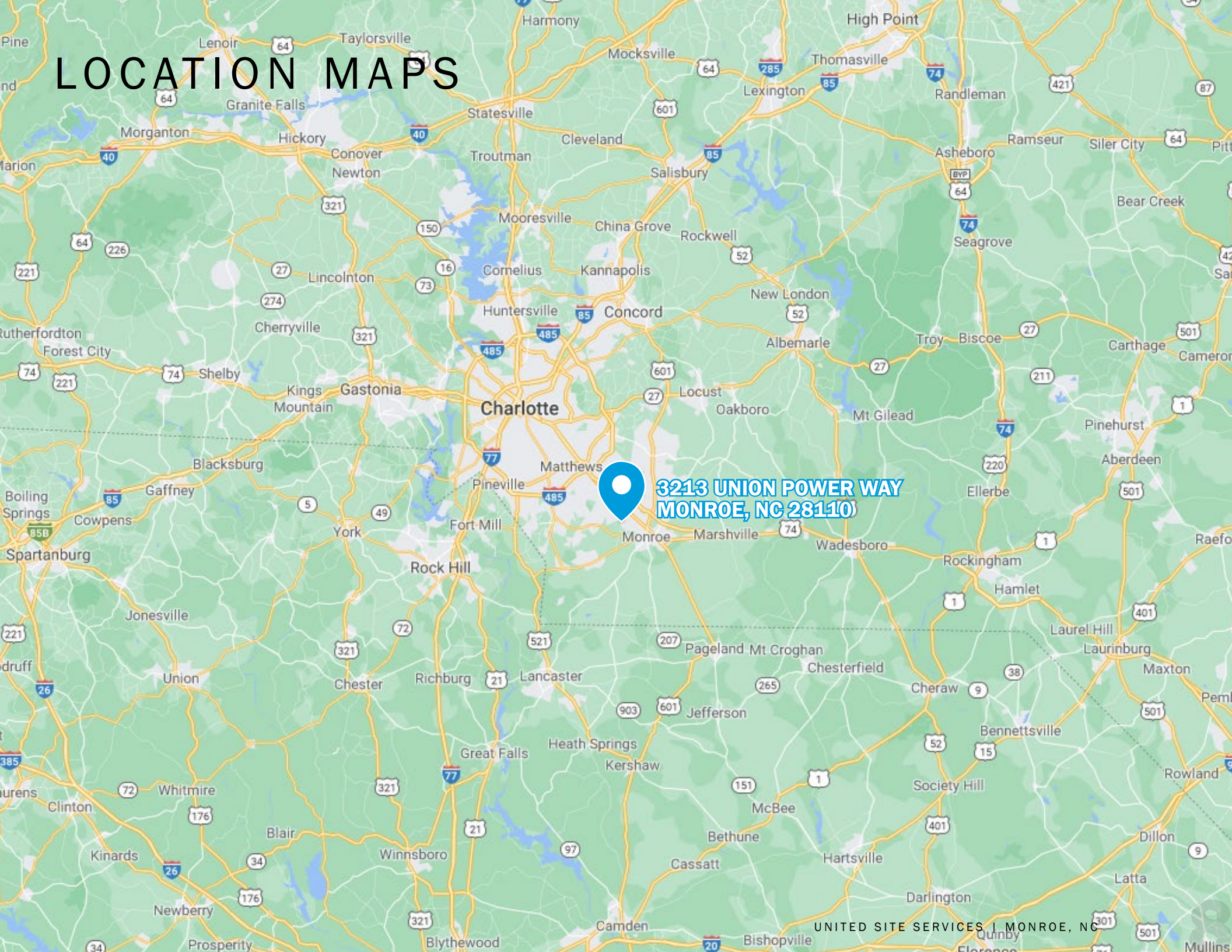


**PARCEL #1:  
09-342-233**



**PARCEL #2:  
09-342-234**

# LOCATION MAPS



**3213 UNION POWER WAY**  
**MONROE, NC 28110**

# THE TENANT



United Site Services, Inc. provides portable toilet, restroom trailer, and temporary fence rental services. The company rents portable restrooms, such as standard, deluxe, flushing, high rise construction, wheelchair accessible, ADA compliant, and VIP solar restrooms, as well as trailer-mounted toilets; portable hand washing sinks; shower trailers and portable cold shower rooms; waste holding tanks; restroom trailers, including black tie, gold, silver, and bronze trailers; and in-ground temporary, panel, and privacy screen fence. It also offers additional products and services, such as roll-off trash dumpster rental; temporary power and generators; commercial and residential septic system tank pumping; grease trap

service; street sweeping/scraping; mobile office restroom systems; and portable storage containers. The company offers its services for construction, events, agriculture, seasonal, emergency, government, and industrial markets in the United States.

United Site Services, Inc. was formerly known as United Liquids, Inc. and changed its name to United Site Services, Inc. in October, 2000. The company was founded in 1999 in the subject property. It is currently headquartered in Westborough, Massachusetts with over 125 locations across 30 states across the U.S. United Site Services, Inc. is a former subsidiary of USS Parent Holding Corp.

United Site Services' rental equipment and site services consist of portable toilets, portable sinks, temporary fencing, steel storage containers (commonly known as a shipping container), mobile office containers, restroom trailers, shower trailers, temporary power installation, large power engine-generators, erosion control (SWPPP), septic tank pumping, grease trap pumping, and street sweeping. Only portable toilets, portable sinks, restroom trailers and temporary fence are available for rent at every location, while other rental products and services are available at select locations.

In July 2017, Platinum Equity acquired United Site Services for \$1.15 billion (see below).

COMPANY OVERVIEW	
Company:	United Site Services, Inc.
Founded:	1999
Sales Revenues:	Over \$950 Million (Moody's)
Locations:	Over 125 Sites in 30 States
Employees:	2,900+
Headquarters:	Westborough, MA
Website:	www.unitedsiteservices.com



## PLATINUM EQUITY ACQUIRES UNITED SITE SERVICES

LOS ANGELES (July 24, 2017) – Platinum Equity today announced it has signed a definitive agreement to acquire United Site Services (USS).

“We look forward to partnering with the USS management team to drive continued growth and help maximize performance throughout the business,” said Platinum Equity Partner Louis Samson. “The company has proven to be a strong platform on which to build and it will benefit from the additional M&A and operational resources our team brings to bear.”

# THE TENANT



More Event Professionals trust their reputation to United Site Services than any other provider from coast to coast. Our team of event restroom and temporary fence experts will guide you in the selection of your services and assist you all the way through load in and load of your event, no matter how complex it is.

You can feel confident trusting your event portable toilet needs to United Site Services for many reasons including unmatched inventory size for needs of any scale, most branch locations of any provider from coast to coast, incredible value with event restrooms to match any budget and the best team of industry expert account managers to help make your event restroom needs the most simple part of your event planning process.

United Site Services outperforms the event competition in these critical areas:

- » **Largest Inventory in the United States** with over 200,000 top quality portable toilet and event restroom trailer rentals
- » **Over 125+ Locations and Growing** gives us a local feel, but a national reach
- » **Unmatched Value** with our like-new event restrooms and our affordable prices that fit any budget
- » **Environmentally Friendly** chemicals, cleaners, and recycled supplies so you can be assured you aren't hurting the environment when choosing us
- » **Industry Expertise** with our highly-knowledgeable account managers who help plan the number of event restrooms you'll need, coordinate the delivery, servicing, & pickup of the units, so you focus on more important things.
- » **Bundle Services & Save** time by choosing USS for all of your event needs



INDUSTRIES SERVED	MAJOR EVENTS/CLIENTS	PRODUCTS/SERVICES
Construction	Super Bowl/NFL	Portable Restrooms
Events	Boston Marathon	Hand Hygiene
Fairs & Festivals	Marine Base Camp Penleton	Showers
Running Events	California Speedway (Nascar/Indy car)	Holding Tanks
Speedway Rentals	Daytona International Speedway	Restroom Trailers
Wedding Restrooms	Rose Bowl - Pasadena	Fences
Agriculture	Coachella Music Festival	Roll Off Trash
Seasonal Events	Rock N Roll Marathon Events	Temporary Power
Emergency	President Obama Inauguration	Septic Tank Pumping
Government		Grease Trap Services
Industrial		Street Sweeping
		Mobile Office Restroom System
		Portable Storage

## OVER 100 LOCATIONS ACROSS THE UNITED STATES



# TENANT INVESTMENT

The Tenant invested over \$150,000 to fully engineer, obtain permits and construct a new asphalt storage area and stormwater detention basin. Amplifying their long term commitment to this property.

*(We can provide detailed plans and specifications upon requested.)*



# PRESS RELEASE



## PLATINUM EQUITY COMPLETES ACQUISITION OF UNITED SITE SERVICES

### Platinum Equity to Acquire United Site Services

Press Release - July 24, 2017

LOS ANGELES (July 24, 2017) –Platinum Equity today announced it has signed a definitive agreement to acquire United Site Services (USS). Financial terms of the transaction were not disclosed.

United Site Services, based in Westborough, Mass., is a leading provider of portable restrooms, temporary fence and related site services. The company serves customers throughout the United States through a network of more than 80 locations and the largest fleet of portable sanitation equipment in the country.

“We look forward to partnering with the USS management team to drive continued growth and help maximize performance throughout the business,” said Platinum Equity Partner Louis Samson. “The company has proven to be a strong platform on which to build and it will benefit from the additional M&A and operational resources our team brings to bear.”

USS CEO Ron Carapezzi said USS and Platinum Equity are a great fit.

“This is exciting news for our company and our customers and we are thrilled about the prospect of partnering with Platinum Equity,” said Mr. Carapezzi. “They have the financial, M&A and operational tools we need to reach the next level.”

United Site Services has completed several acquisitions over the past 18 months. Mr. Carapezzi said the company is well positioned for continued growth and he expects M&A efforts will only accelerate under Platinum Equity’s ownership.

“We look forward to partnering with the USS management team to drive continued growth and help maximize performance throughout the business,” said Platinum Equity Partner Louis Samson.

“We will continue pursuing opportunities to acquire portable sanitation and related services companies in key markets while leveraging Platinum’s operational expertise to improve our customer value proposition, enhance our operating effectiveness and increase our profitability,” said Mr. Carapezzi.

### **About Platinum Equity**

Founded in 1995 by Tom Gores, Platinum Equity ([www.platinumequity.com](http://www.platinumequity.com)) is a global investment firm with \$13 billion of assets under management and a portfolio of approximately 30 operating companies that serve customers around the world. The firm is currently investing from Platinum Equity Capital Partners IV, a \$6.5 billion global buyout fund. Platinum Equity specializes in mergers, acquisitions and operations – a trademarked strategy it calls M&A&O® – acquiring and operating companies in a broad range of business markets, including manufacturing, distribution, transportation and logistics, equipment rental, metals services, media and entertainment, technology, telecommunications and other industries. Over the past 22 years Platinum Equity has completed 200 acquisitions.

### **About United Site Services**

United Site Services provides a positive personal experience in a temporary environment. As the nation’s leader in the industry, United Site Services has more than 80 locations coast to coast providing quality portable restroom rentals and temporary fence rentals. Delivering on customer service first, United Site Services has expansive national reach with local roots to the communities it serves. To learn more about United Site Services, visit [www.unitedsiteservices.com](http://www.unitedsiteservices.com).

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# THE MARKET

Union County is a large submarket relative to the national norm and contains about 18.9 million square feet of industrial space.

The recent instability hasn't made a huge impact on the vacancy rate (3.3%), which has only edged up slightly in the past 12 months. Annual net absorption came in at a decrease of 79,000 SF over the past year. The story improves over a longer timeframe: Over the past five years, the submarket has posted net absorption of about 190,000 SF per year, on average.

Rents increased by 2.5% over the past 12 months. While firmly in positive territory, this does represent the weakest rate of rent growth observed here in more than five years.

The 10,000 SF currently underway in Union County is the lowest construction count in more than three years. This represents a continuation of new development in the submarket, which had already seen 240,000 SF deliver over the past three years.

Industrial properties traded with regularity last year, consistent with the generally high level of activity over the past three year.

## QUICK HIT STATS

Industry Inventory:	18,900,000 SF
Vacancy Rate:	3.3%
Under Construction:	10,000 SF



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Lee & Associates hereby advises all prospective purchasers of Net-Leased Investment property as follows:

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Lee & Associates and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this investment property.



*No warranty or representation is made as to the accuracy of the foregoing information. Terms of sale, lease, and availability are subject to change or withdrawal without notice.*