

A STRATEGIC LOOK AT LEASING & BUYING REAL ESTATE

PROTECTING YOUR
STORE INVESTMENTS



Larry Carrico
CEO SKC Enterprises/Rent One



Steven Carrico
Director of Real Estate
LDC Properties





Today's Facilitator

Charles Smitherman

APRO
Chief Executive Officer

A copy of today's presentation will be available on APRO's website under Educational Resources.

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Today's Presenter



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Start-Up Costs

Flexibility

Maintenance & Repairs

Tax Benefits

Focus on Core Business

Commitment



Equity

Potential Appreciation

Fixed Cost Mortgage

Tax Benefits

Control & Stability

Collateral for Future
Growth Opportunities



CONSIDERATIONS FOR DECISION-MAKING



TERMS IN LEASING, CAVEATS & VALUE ADDS



NNN & Fees



HVAC & Repairs



Misc. Negotiable



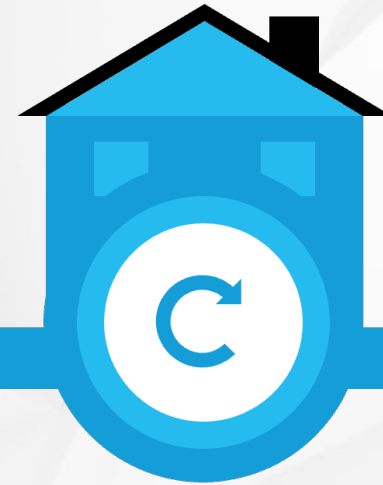
AVOID PERSONAL GUARANTEES & NEGOTIATE LONG-TERM RENEWALS



Prepare Business
Financials



Review Co-Tenancy



Renewals



OCCUPANCY ADVANTAGE

1

Cap Rates & Proforma Calculations

2

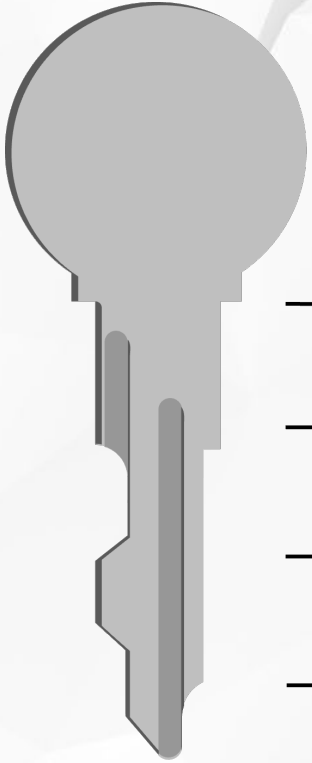
Instant Value Add Occupancy

3

Flexibility & Control



KEYS TO PROPER ASSESSMENT



- Verify expenses for prior & current year
- Management Fees are universally acceptable in expenses
- Build in reassessment potential of purchase above current assessor value
- Always price building insurance before closing
- Form a relationship, if needed, with brokerage or representation
- Be patient when negotiating



Moberly, Mo				
INCOME PROFORMA				
	SQUARE FOOTAGE	RENT PER SQUARE FOOT		ANNUAL
MCS Office Supply	3,854	3.12		\$ 12,000
Sound Ideas	2,723	14.00		\$ 16,332
Salvation Army	8,000			\$ -
Sears	7,400	3.41		\$ 25,234
Knot at this Time Flowers	2,108	4.41		\$ 9,300
Phils Barber Shop	400	10.50		\$ 4,200
Mopp Shopp	400	12.00		\$ 4,800
Ridgeway Construction	1,800	3.00		\$ 5,400
Payless Shoe Source	3,000	3.98		\$ 11,940
<u>Dollar General</u>	<u>10,080</u>	4.65		<u>\$ 46,872</u>
Total for 643 N. Morley	39,765			\$ 136,078
Advance America	1,408	10.00		\$ 14,076
Dominos - Leaving	1,452		Will be vacating	\$ -
Daylight Donuts	2,300	7.83		\$ 18,000
Ridgeway Construction	<u>1,340</u>	1.12		<u>\$ 1,500</u>
Total for 669 N. Morley St	6,500			\$ 33,576
Car Wash				\$ 10,800
TOTAL RENTAL INCOME				\$ 180,454
Tenant reimbursements				\$ 25,273
ADJUSTED GROSS INCOME				\$ 205,727
EXPENSES:				
TAXES @	\$2.25	\$	35,784	
INSURANCE @	\$0.50	\$	16,800	
COMMON AREA MAINTENANCE@	\$0.75	\$	20,000	
PROPERTY MANAGEMENT@	4.00%	\$	8,229	
MISCELLANEOUS@	\$0.00	\$	-	NET
STRUCTURAL @	\$0.00	\$	-	
TOTAL EXPENSES		\$	80,813	\$ 80,813
NET OPERATING INCOME				\$ 124,914
PROPERTY VALUE@	11.4%	CAP RATE		\$ 1,100,565
LOAN AMOUNT				\$ -
NET EQUITY VALUE				\$ 1,100,565



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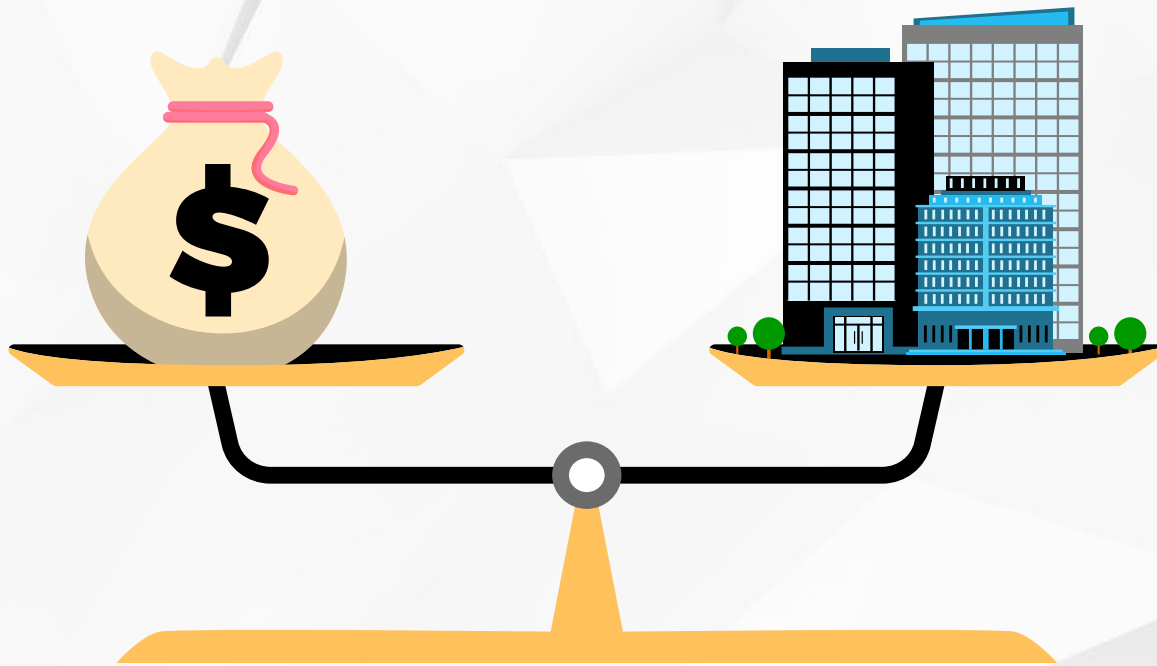
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CREATING AN ADVANTAGE BY LEVERAGING REAL ESTATE



Traditional Mortgages

Leveraging Equity

Creative Financing

Building Strong Relationships with Lenders

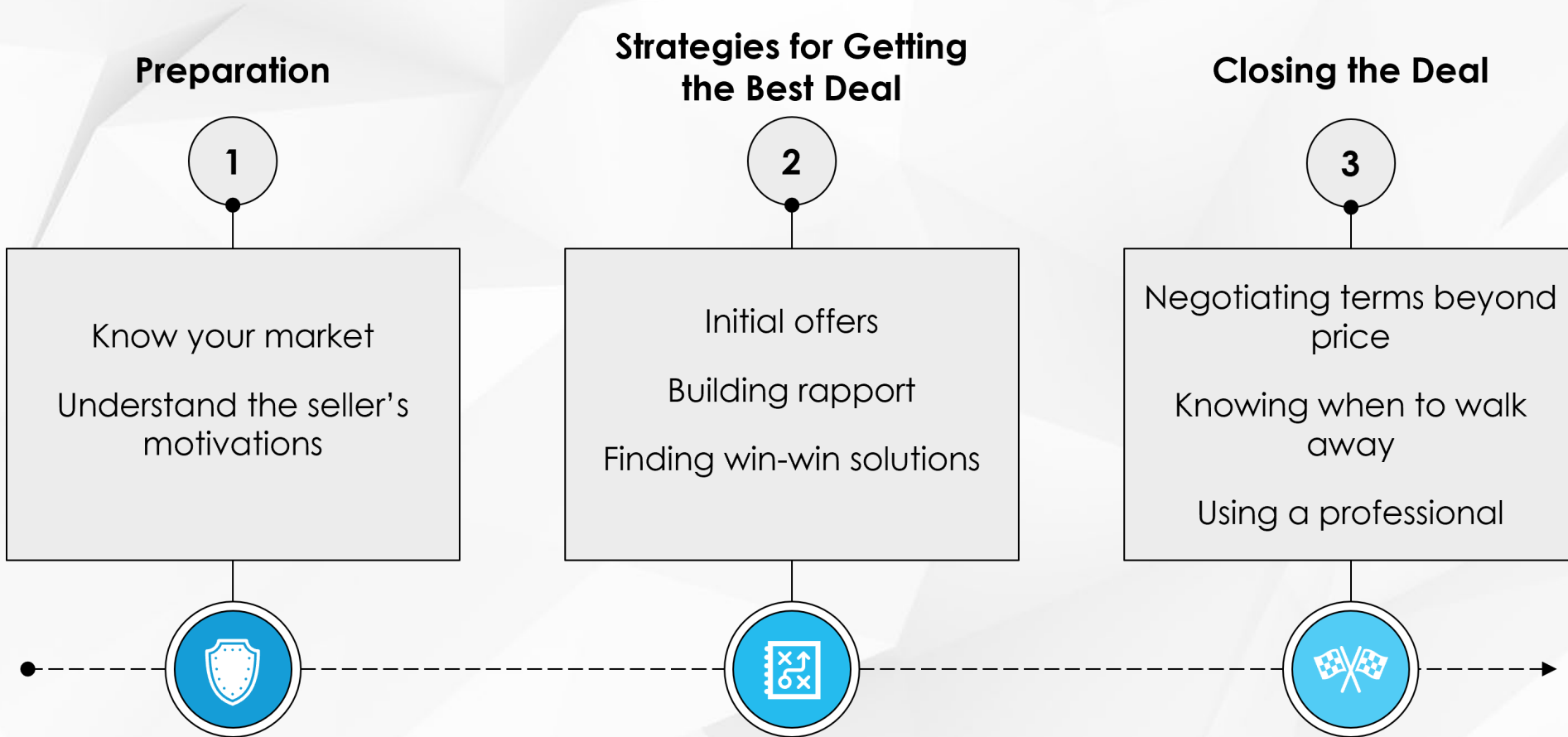
Shopping Around for the Best Rates

Debt Service Coverage Ratio (DSCR)

Avoiding Over-Leverage



NEGOTIATION TACTICS



MOBERLY, MISSOURI

Rent One

AFTER

BEFORE



DECATUR, ILLINOIS

Rent One & RNR Tire Express Shopping Center



LINCOLN, ILLINOIS

Rent One & Passport Sleep

BEFORE



AFTER



ST. LOUIS, MISSOURI

Rent One

AFTER

BEFORE



POPLAR BLUFF, MISSOURI

Rent One & Passport Sleep

BEFORE



AFTER



SUMMARY OF EXPERIENCE



THANK YOU!



Questions/Discussion



LEAP

HOSTED BY APRO AND TRIB GROUP

HUMBLE, HUNGRY, AND (PEOPLE) SMART

BUILDING YOUR STORE – OR COMPANY – CULTURE
INTO A PLACE WHERE PEOPLE WANT TO WORK AND
YOU ACHIEVE IMPROVED RESULTS

Presented By: Dan Fisher

June 10, 2025 | 2:00 PM CT / 3:00 PM ET

LEGAL TOWN HALL

Your Legal Questions
Answered

AN @PRO WEBINAR



Presented By: Justin Hosie

June 12, 2025 | 2:00 PM CT / 3:00 PM ET

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(On a scale of 1 to 5 with 1 being the worst
and 5 being the best)



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Did you find the information in today's webinar useful?



Would you recommend this webinar to a colleague?



Are there any areas from today's webinar that you'd like to explore further? (Please describe in the chat.)





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