



MEMO

To: Patrick Purcell, CBRE

CC:

From: Preston King, King Real Estate

Date: 08/27/2019

**Subject: Broker Opinion of Value
19862 Highway 70 W, Wheatley, AR
Market Overview, Market Comparables & Recommendations**

Per your request, please find below market information as it pertains to Nutriens' facility located at 19862 Highway 70 W, Wheatley, AR.

Address: 19862 Highway 70 W, Wheatley, AR

Size: Warehouse & Office: 3,200 +/- SF
Office 1: 2,400 +/- SF
Fertilizer Warehouse: 9,000 +/- SF
Warehouse: 14,000 +/- SF

Construction Type: Steel building(s) with metal siding & roofing

Site Area: 2.6 +/- acres & 0.90 +/- acres

Clear Height: Different for different buildings

Zoning: Highway Commercial

Shipping: Drive in doors and shipping docs

Natural Gas: CenterPoint Entergy

Water, Power, Sewer Provider: City of Wheatley, Entergy, City of Wheatley

Roof Type: Steel/Metal

Abutting Property Uses: Railroad, Commercial, Ag

Parking Spaces: Ample

Column Spacing: Unknown

Sprinkler Type: Unknown

Heat: CH&A in Office Area & Space Heaters in Warehouse

Rail: Adjoining, but assumed no access

Market Overview:

The subject is in the city of Wheatley which is a rural area with small population. Very little growth is seen in this area and the market is shaped around the farming industry.

Please include text on the current conditions in the market

The market appears stable, but like most agricultural dominated areas, can be volatile based on current macroeconomic conditions and situations. Other major industries appear good and immediate area appears to have remained stable in the commercial sector.

Summary of Property:

The subject is occupied in three separate parcels in St. Francis County, AR. The first parcel is 0807-00325-0000. This parcel is the improvements only of the property on the north side of Hwy 70 W. The improvements occupied on this site is the office/warehouse, office space, fertilizer warehouse and fuel dike. The land is displayed on one parcel which is labeled as 0807-00318-0000 which is 2.60 +/- acres. The remainder of the property is located on the south side of Hwy 70 W. This property is occupied in parcel 0807-00316-0001. Both land and improvements are combined in this parcel. The large warehouse is occupied on this site. See below for a short display of the improvements.

Current Location:

Bldg. #	Address	Building Size (SF)	Land Size (Acres)	Zoning	RE Taxes	Year Built	Type of Building	Comments
1	19862 Hwy 70 W, Wheatley, AR	3,200 SF	2.6 +/- Ac.	Comm ercial	\$1,518.51	~1986	Steel w/ Metal	Warehouse/Office Building; Older in age, but appears functional
2	" "	2,400 SF	" "	" "	" "	2017	" "	Office Building; New Office bldg. recently built. Great condition
3	" "	9,000 SF	" "	" "	" "	Unk	" "	Fertilizer Warehouse; Sole use is for this; Given little to no value
4	" "	14,000 SF	0.90 +/- Ac.	" "	\$1,212.26	1998	" "	Warehouse; Iron w/ Metal Siding & Roofing; Equipment & Chemical Storage; Average Condition

Preston King, King Real Estate, has completed a preliminary comparable search. Very few to no identical properties were found that have sold. This is considered a complex property based on the specific uses. Properties with similar type buildings individually were searched and the ones that were found to be somewhat similar were used for comparison. The preliminary details of each option are described below:

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Recently Sold Properties:

	Address	Building Size (SF)	Land Size (Acres)	Zoning	Type of Building	Sale Price	Sale Date	Time on Market	Comments
1	3706 W. Hwy 140, Osceola, AR	12,500	3.81	None	Warehouse w/ Office	\$185,000	2019	133 days	Similar condition, age, use, location
2	1150 Eldridge, Forrest City, AR	35,500	5.0	Industrial	Warehouse w/ Office	\$200,000	2019	Unk	Similar type property for warehouse/office
3	3616 Hwy 70 W, Forrest City, AR	20,000	12.0	Industrial	Warehouse	\$275,000	2019	Unk	Similar type property warehouse

Currently Listed Properties:

Based on an extensive research of the market area and the market segment, no properties similar to the subject property were found on the market. Most of these types of properties convey off market and information would not be available.

Recommendations:

- Listing Price and Projected Sales Price (property is to sell "as-is")
Suggested List Price For All: \$399,000
Projected Sales Price: \$350,000 - \$375,000
Suggest List Price for Warehouse Only: \$200,000
Projected Sales Price for Warehouse Only: \$150,000 - \$200,000
- Client wants a 20 year non-compete on the Property (Seller will convey title to the Property to Buyer by a special or limited warranty deed, subject to a restriction that for a period of twenty (20) years following the conveyance, the Property may not be used for the sale or distribution of agricultural chemicals, seed or fertilizer. Provide the projected sales price of the property with this restriction.
Based on research, surveys and previous assignments, I believe the 20 non-compete restriction could impact the property value by an estimated 25%.
Projected Sales Price Total with Non-Compete: \$300,000 - \$350,000 as total
Projected Sales Price of Warehouse Only with Non-Compete: \$125,000 - \$175,000
- Quantify any increase in value if the zoning of the property was changed.
None; I do not believe zoning restrictions, or changes herein, would impact the value of the property.
- Timeframe to Sell
It is estimated that the property would take 6-12 months to market effectively and procure a qualified buyer.

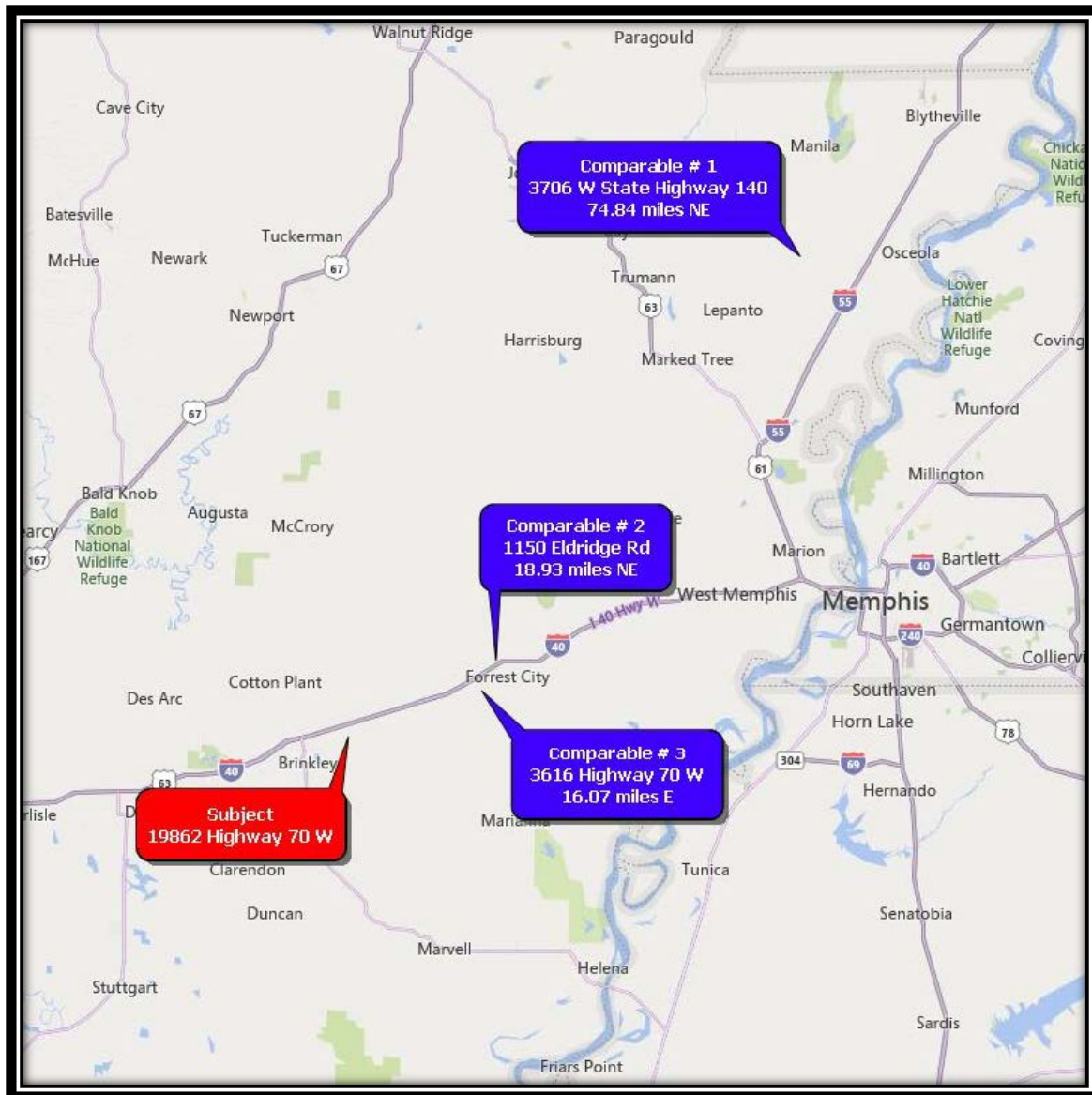
- 5. Commission Schedule (with and without a coop broker)
Total commission: 7%
Co-Op: 4% Listing Company – 3% Co-Op Broker

Location Map: (Current Location and Comparables)

Location Map



Comp Location Map



Building Photos:



Warehouse/Office Building



Office Area



Warehouse Space



Office Building



Interior of Office Building



Office

Building Photos:



Bathroom in Office



Fertilizer Building



Interior of Fertilizer Building



Interior of Fertilizer Building



Warehouse Building



Interior of Warehouse Building

Building Photos:



Shipping Dock



Overview Picture

Aerial Map:

