MATTHEWS™

SRS DISTRIBUTION

THE HOME DEPOT

4545 W Bethany Rd, North Little Rock, AR 72117

Offering Memorandum

Exclusively Listed By:

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Executive Summary

STRONG CORPORATE GUARANTEE (1,250+ LOCATIONS) / "A" CREDIT PARENT COMPANY (HOME DEPOT) — SRS Distribution is one of the fastest growing building and specialty supply distributors in the United States. In June 2024, **Home Depot (NYSE: HD) completed its $18.25 Billion acquisition of SRS Distribution,** providing investors with exposure to an S&P "A" credit rated parent company. Home Depot has continued to aggressively expand the SRS platform, including the $5.5 Billion acquisition of GMS Inc. completed in September 2025 through SRS Distribution. SRS now operates 1,250+ locations nationwide, reinforcing the scale and strength of the lease guarantor's platform.

BELOW-MARKET RENT & DISCOUNT TO REPLACEMENT COST — SRS is currently paying only **$5.36/SF,** which is below Little Rock market average rents of $7.23/SF according to CoStar, providing attractive long-term mark-to-market potential. At approximately **$82/SF,** the acquisition basis is **below replacement cost,** providing investors with downside protection and significant embedded value.

LONG TERM INDUSTRIAL NNN LEASE / 3.00% ANNUAL RENT INCREASES - The subject property is secured by a 10-year industrial NNN lease that commenced in 2026 and features attractive 3.00% annual rent increases, providing durable cash flow growth and a strong hedge against inflation.

FUNCTIONAL FACILITY / $1.4 MILLION IN RECENT CAPITAL IMPROVEMENTS — In connection with SRS's new 10-year lease, approximately $1.4 million was invested in significant capital improvements, including a new ±51,180 SF heavy-duty paved IOS yard, ±15,000 SF circulation drive, fencing/gates, concrete and parking improvements, exterior lighting, fire-line upgrades and roof maintenance. The ±66,929 SF facility on ±6.21 acres now provides a highly functional layout with full truck circulation for distribution and building materials operations.

STRATEGIC CENTRAL U.S. DISTRIBUTION & LOGISTICS LOCATION — Located in Little Rock, **Arkansas' capital and largest city,** the Property is strategically positioned just off **I-40**, a major east-west freight corridor providing direct connectivity to **Memphis and Nashville,** while I-30 provides a direct interstate connection to Dallas—Fort Worth. The Property is also immediately adjacent to a major **Union Pacific rail yard,** with access to I-440, **Clinton National Airport** and the Arkansas River further supporting the location's strong multimodal logistics connectivity.

Property Overview

PROPERTY SUMMARY	
Parent Company	Home Depot (NYSE:HD)
Tenant	SRS Distribution Inc. (1,250+ Locations)
Address	4545 W Bethany Rd, North Little Rock, AR 72117
Market	Little Rock - AR
Year Built / Renovated	1982/2026
Construction	Masonry & Metal
Total Building Square Feet	±66,929 SF
Acres	±6.210 AC
Lot Square Feet	±270,508 SF
Building/Lot Coverage	24%
Dock High Doors	Five (5)
Grade Level Doors	Five (5)

Financial Overview

Price	$5,518,000
Cap Rate	6.50%
Rent Increases	3% Annually
Lease Term Remaining	±10 Years

LEASE SUMMARY	
Lease Commencement	8/1/2026
Lease Expiration	7/31/2036
Lease Term Remaining	±10 Years
Options	3, 5-Year Options @ 3.00% Annually in Option 1&2 | Higher of then FMV in 3rd Option
Monthly Rent	$29,887.08
Annual Rent	$358,644.96
Rent/SF	$5.36
Rent/Acre/Month	$4,812.73
Rental Increases	3.00% Annually
Lease Type	Industrial NNN
Tenant Responsibilities	Operating Expenses - Property Taxes, Insurance, HVAC Systems, Utilities, Interior Walls, Floor Slabs, Sidewalks, Driveways, Parking/Paved Areas, Dock Doors & Levelers, Plumbing, Electrical, Fire Sprinklers & All Other Nonstructural Maintenance
Landlord Responsibilities	Roof & Structure

Price	$5,518,000
Cap Rate	6.50%
Average Term Cap Rate	7.45%
Price/SF	$82.45
Price/SF Land	$20.40
Price/Acre	$888,567

FINANCING

FOR FINANCING OPTIONS REACH OUT TO:

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Financial Overview

ANNUALIZED OPERATING DATA

Year	Monthly Rent	Annual Rent	Rent/SF	Rent/AC	Cap Rate	% Rent Increase
8/1/2026 -7/31/2027	$29,887.08	$358,644.96	$5.36	$4,812.73	6.50%	3.00%
8/1/2027 -7/31/2028	$30,783.69	$369,404.31	$5.52	$4,957.12	6.69%	3.00%
8/1/2028 -7/31/2029	$31,707.20	$380,486.44	$5.68	$5,105.83	6.90%	3.00%
8/1/2029 -7/31/2030	$32,658.42	$391,901.03	$5.86	$5,259.00	7.10%	3.00%
8/1/2030 -7/31/2031	$33,638.17	$403,658.06	$6.03	$5,416.77	7.32%	3.00%
8/1/2031 -7/31/2032	$34,647.32	$415,767.80	$6.21	$5,579.28	7.53%	3.00%
8/1/2032 -7/31/2033	$35,686.74	$428,240.84	$6.40	$5,746.66	7.76%	3.00%
8/1/2033 -7/31/2034	$36,757.34	$441,088.06	$6.59	$5,919.06	7.99%	3.00%
8/1/2034 -7/31/2035	$37,860.06	$454,320.71	$6.79	$6,096.63	8.23%	3.00%
8/1/2035 -7/31/2036	$38,995.86	$467,950.33	$6.99	$6,279.53	8.48%	3.00%

(3), 5-Year Options @ Cont'd 3% Annually Increase in Options 1&2 | Higher of then FMV in Option 3




Dock High Doors (5)
Grade Level Doors (5)
Newly Installed Paved IOS Yard
UNION PACIFIC
Van Pelt St
W Bethany Rd


CAMPING WORLD
SRS BUILDING PRODUCTS
N
Capitol Insulators & Building Products
PARTNERS OUTDOOR EQUIPMENT
GREENWAY
McCain Mall
JCPenney
Dillard's
SHOE DEPT.
OLD NAVY
zumiez
Bath & Body Works
Foot Locker
sam's club
TSC TRACTOR SUPPLY CO
± 84,000 VPD
± 18,000 VPD
WS Wholesale Electric Supply
Keeling company "More Than A Distributor" Since 1965
TurfMaster Inc.
TERMINIX
THE HOME DEPOT
McCain Blvd
ABF Freight An ArcBest Company
M&A SUPPLY COMPANY INC.
U-Pack We Drive. You Save.
LOWE'S
Walmart Supercenter
Subject Property
JOHNSON EQUIPMENT COMPANY A RITE-HITE COMPANY
Johnson Equipment Company
± 51,000 VPD
UNION PACIFIC
Union Pacific North Little Rock Terminal
KOPPERS
Koppers Inc. North Little Rock Plant
Oak Ridge Rd
Country
Blvd
McCain Blvd
N Hills Blvd
N Hills Blvd
U.S. Hwy 70
57
40
440
70

McCain Blvd
E McCain Blvd
± 84,000 VPD
57
THE HOME DEPOT
LOWE'S
M&A SUPPLY COMPANY INC.
Walmart Supercenter
UNITED STATES POSTAL SERVICE
U-Pack We Drive. You Save.
ABF Freight An ArcBest Company
CORE & MAIN
J.B. HUNT
N
40
± 51,000 VPD
UNION PACIFIC
Union Pacific North Little Rock Terminal
Largest and most capability-heavy locomotive repair facility in Union Pacific's network.
Strategic junction connecting freight traffic between the Midwest, South, Gulf Coast, and Southwestern US.
Subject Property
JOHNSON EQUIPMENT COMPANY
A RITE-HITE COMPANY
Johnson Equipment Company
Equipment Sales & Distribution
±300 Total Employees
KOPPERS
Koppers Inc. North Little Rock Plant
Hardwood lumber processing and pressure-treatment
±90 Local Employees
70

Tenant Overview

FOUNDED
2008

INDUSTRY
BUILDING PRODUCTS

PARENT COMPANY
THE HOME DEPOT

FOOTPRINT
1,250+ LOCATIONS

SRS DISTRIBUTION

SRS Distribution is one of the largest and fastest growing specialty trade distributors in the United States, serving professional contractors through a nationwide network of roofing, landscaping, building products, and pool supply distribution businesses. The company has expanded rapidly through a highly successful acquisition-driven growth strategy focused on partnering with established regional operators while preserving local branding and customer relationships.

In June 2024, Home Depot (NYSE: HD | S&P: "A" Credit) completed its $18.25 Billion acquisition of SRS Distribution, significantly expanding Home Depot's specialty trade distribution platform and strengthening SRS' access to capital, purchasing power, and national infrastructure.

Home Depot has continued to aggressively scale the SRS platform, including the $5.5 Billion acquisition of GMS Inc. completed through SRS Distribution in September 2025. Today, SRS operates 1,250+ locations nationwide and has become one of the country's largest specialty distribution platforms serving professional contractors across multiple end markets.

Parent Company

FOUNDED
1978

OWNERSHIP STATUS
PUBLIC (NYSE: HD)

CREDIT RATING
S&P “A”

ANNUAL REVENUE
$164+ BILLION

HOME DEPOT

Founded in 1978, The Home Depot, Inc. (NYSE: HD) is the world’s largest home improvement retailer and one of the most recognized retail brands in North America. The company operates a highly scaled warehouse-style retail and distribution platform serving both professional contractors and do-it-yourself consumers through a broad assortment of building materials, tools, appliances, and home improvement products.

Headquartered in Atlanta, Georgia, Home Depot maintains investment-grade credit ratings of “A” from S&P and “A2” from Moody’s, reflecting the company’s strong balance sheet, substantial cash flow generation, and long-standing operational performance. The company operates more than 2,350 stores across the United States, Canada, and Mexico and employs approximately 470,000 associates.

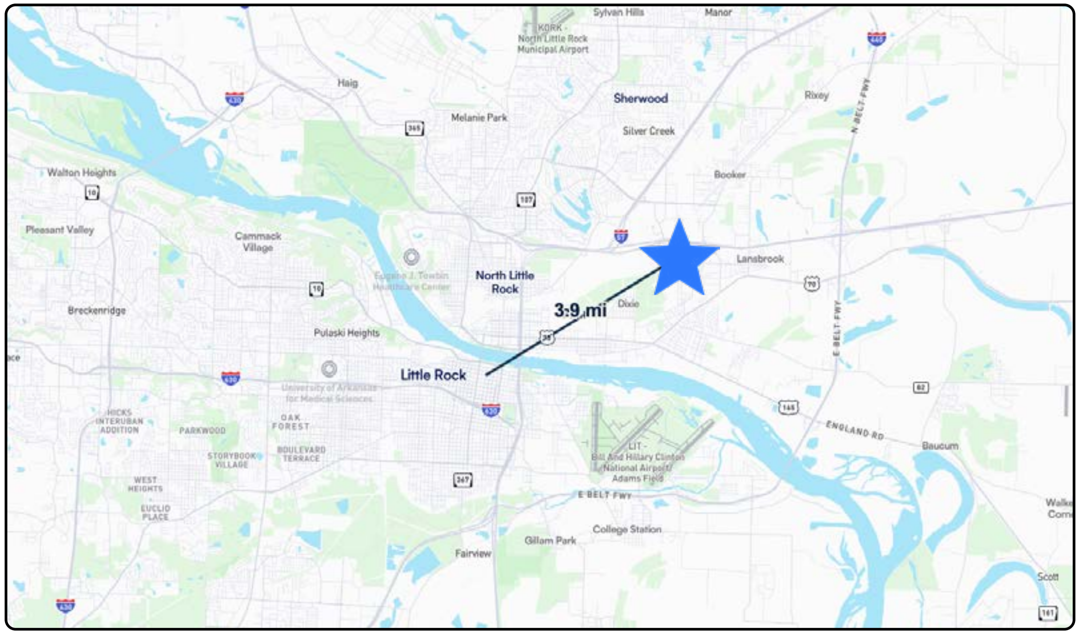
Little Rock, AR — Market Overview

$55,526
Median HH Income

$51.2B+
Regional GDP

41,144
Number of Households

91,283
Population



Property Demographics

POPULATION	3-MILE	5-MILE	10-MILE
2020 Population	29,276	90,254	235,495
2025 Population	30,109	91,283	240,200
2030 Population Projection	30,474	92,048	242,676
HOUSEHOLDS	**3-MILE**	**5-MILE**	**10-MILE**
2020 Households	12,921	40,654	102,171
2025 Households	13,287	41,144	104,027
2030 Household Projection	13,455	41,513	105,102
INCOME	**3-MILE**	**5-MILE**	**10-MILE**
Avg Household Income	$75,360	$76,312	$79,307

Little Rock, Arkansas' capital and largest city, serves as one of the region's most strategically positioned distribution and logistics hubs. Centrally located within the United States, the market benefits from exceptional connectivity via I-40, I-30 and I-440, providing efficient access to major population centers and distribution corridors throughout the South, Midwest and Southeast. The region is further supported by Clinton National Airport, major Union Pacific rail infrastructure and the Arkansas River, creating a highly connected multimodal transportation network. With a metropolitan population exceeding 400,000, a diverse employment base and comparatively low operating costs, Little Rock offers an attractive long-term environment for industrial users.

Little Rock continues to attract significant investment from major distribution, manufacturing and logistics users, reinforcing its position as a regional supply-chain hub. The market's combination of interstate connectivity, rail infrastructure, central U.S. location and business-friendly operating environment makes it particularly well suited for warehouse, distribution, building materials and last-mile operations serving Arkansas and the broader Southern and Midwestern United States.

LITTLE ROCK, AR

Little Rock, Arkansas, serves as the state capital and the economic, government, healthcare, and cultural center of Central Arkansas. Positioned along the Arkansas River at the crossroads of major transportation corridors, the city provides convenient access to I-30, I-40, and a regional network of rail, air, and river infrastructure. Little Rock anchors a diversified metropolitan economy supported by healthcare, government, financial services, logistics, manufacturing, education, and technology. Major medical institutions, universities, corporate employers, and state government operations contribute to a stable employment base and draw workers from throughout the region.

Total Population	Annual Visitors	Tourism Economic Impact	GDP
206,427	**3 million**	**$2.19 billion**	**$51.2 billion**





LITTLE ROCK, AR INDUSTRIAL MARKET & ECONOMY

Little Rock's industrial market benefits from its central location, competitive operating costs, and extensive multimodal transportation infrastructure, positioning the region as an important logistics and distribution hub for the South-Central United States. The metro provides direct access to I-30 and I-40, Class I rail service, the Port of Little Rock, and Bill and Hillary Clinton National Airport, allowing industrial users to efficiently serve regional and national markets. Demand is supported by a diversified economy spanning transportation and logistics, advanced manufacturing, food production, healthcare, government, and professional services. Continued investment in distribution facilities, manufacturing operations, transportation infrastructure, and the region's industrial parks further strengthens the market's long-term outlook. With a sizable regional workforce, comparatively affordable real estate, and access to major population centers throughout the Mid-South, Little Rock offers an attractive environment for warehouse, distribution, manufacturing, and last-mile operations.

Union Pacific Railroad maintains a significant presence in North Little Rock, which serves as one of the company's key operating locations in Arkansas. The city is home to Union Pacific's second-largest freight car classification yard, where railcars are sorted and assembled into outbound trains. North Little Rock also houses the Downing B. Jenks locomotive facility, one of Union Pacific's major locomotive maintenance operations. Across Arkansas, Union Pacific operates approximately 1,324 miles of track, providing freight connections for intermodal shipments, steel, construction materials, agricultural products, automotive components, chemicals, and other industrial commodities.

This established rail infrastructure reinforces North Little Rock's role within the regional freight and distribution network, complementing access to major highways and other transportation infrastructure throughout Central Arkansas. 4545 W Bethany Road is situated within North Little Rock's established industrial area near I-40, positioning the property within the same broader industrial market supported by Union Pacific's extensive local operations.

Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **4545 W Bethany Rd, North Little Rock, AR 72117** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews™. The material and information in the Offering Memorandum is unverified. Matthews™ has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews™ is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews™, the property, or the seller by such entity.

Owner and Matthews™ expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™ or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.

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