

AARON'S RENTS, INC.

Marcus & Millichap
Real Estate Investment Services



OFFERING MEMORANDUM



SECTION ONE

.....PRICING & FINANCIAL ANALYSIS

SECTION TWO

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AARON'S RENTS, INC.



Financing



EXISTING FINANCING

Loan Amount	\$3,698,514
Loan Type	Assumption
Interest Rate	6.670%
Amortization	25 Years
Original Term	15 Years

PROPOSED FINANCING

FIRST TRUST DEED

Loan Amount	\$3,698,010
Interest Rate	6.67%
Amortization	25 Years
Debt Coverage Ratio	1.28

Loan is nonrecourse with GE and is not cross-collateralized.

Terms are as follows:

25 Year ammortization

15 year term

6.67% Interest



Financial Overview

LOCATION

2502 West Wheeler Avenue, Aransas

Price	\$6,089,000
Down Payment	39% \$2,391,491
Rentable Square Feet	84,293
Price/SF	\$72.24
CAP Rate	7.00%
Year Built	2006
Type of Ownership	Fee Simple

ANNUALIZED OPERATING DATA

Base Rent (\$5.06/SF)	\$426,266
Net Operating Income	\$426,266
Debt Service	333,990
Debt Coverage Ratio	1.28
Net Cash Flow After Debt Service	3.86% \$92,276
Principal Reduction	59,502
Total Return	6.35% \$151,778

TENANT SUMMARY

Tenant Trade Name	Aaron's Rents, Inc.
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate Guarantee
Lease Type	Absolute Net
Roof and Structure	Tenant Responsible
Lease Term	15 Years
Lease Commencement Date	1/1/2006*
Rent Commencement Date	1/1/2006*
Lease Expiration Date	1/1/2021
Term Remaining on Lease	10 Years
Increases	10% in 2017
Options	One 5 Year Option

Commencement/Expiration

- 2502 West Wheeler Avenue, Aransas Pass, TX**
5/19/2006 - 5/19/2021
- 4316 University Boulevard South, Jacksonville, FL**
1/30/2006 - 1/30/2021
- 444 Riffel Road, Wooster, OH**
2/10/2006 - 2/10/2021
- 2620 Georgetown Drive, Augusta, GA**
2/1/2006 - 2/1/2021
- 2920 Texoma Parkway, Sherman, TX**
2/10/2006 - 2/10/2026
- 1204 East Admiral Doyle Drive, New Iberia, LA**
5/22/2006 - 5/22/2021
- 302 Coke Avenue, Hillsboro, TX**
5/31/2006 - 5/31/2021
- 6707 Londonderry Way, Union City, GA**
4/17/2006 - 4/17/2021

FINANCING

FIRST TRUST DEED

Loan Amount	\$3,698,010
Interest Rate	6.67%
Amortization	25 Years

Loan information is time sensitive and subject to change. Contact your local Marcus & Millichap Capital Corporation representative.



Financial Analysis

Aaron's Rents

Aaron's Rents Portfolio

Address	City	ST	Aerial Link	/ Year	F Acres	Bldg SF	Pur. Pr.	Loan Bal	Ann. Pmt	Cash Flow	2011 NOI	Cash on Cash	Commencement	Expiration	Base Term	Yrs. Left	Rent Increases	Options
2502 West Wheeler Avenue	Aransas Pass	TX	Aerial Link	2002	3.00	10,000	\$ 772,200.00	510,323	46,090	7,964	\$54,054	3.04%	5/19/2006	5/19/2021	15 Years	10 Years	10% in Yr. 11	One, 5-Yr
4316 University Boulevard South	Jacksonville	FL	Aerial Link	1972	1.12	19,456	\$ 518,871.43	346,290	31,276	5,045	\$36,321	2.92%	1/30/2006	1/30/2021	15 Years	10 Years	10% in Yr. 11	One, 5-Yr
444 Riffel Road	Wooster	OH	Aerial Link	1994	1.10	11,912	\$ 1,100,442.86	729,023	65,843	11,188	\$77,031	3.01%	2/10/2006	2/10/2021	15 Years	10 Years	10% in Yr. 11	One, 5-Yr
2620 Georgetown Drive	Augusta	GA	Aerial Link	2002	1.10	8,200	\$ 888,485.71	592,340	53,498	8,696	\$62,194	2.94%	2/1/2006	2/1/2021	15 Years	10 Years	10% in Yr. 11	One, 5-Yr
2920 Texoma Parkway	Sherman	TX	Aerial Link	2000	1.09	8,324	\$ 478,500.00	232,379	20,988	12,507	\$33,495	5.08%	2/10/2006	2/10/2026	15 Years	10 Years	10% in Yr. 11	One, 5-Yr
1204 East Admiral Doyle Drive	New Iberia	LA	Aerial Link	2003	0.62	8,000	\$ 854,700.00	426,029	38,477	21,352	\$59,829	4.98%	5/22/2006	5/22/2021	15 Years	10 Years	10% in Yr. 11	One, 5-Yr
302 Coke Avenue	Hillsboro	TX	Aerial Link	2004	1.23	10,201	\$ 677,600.00	333,077	30,082	17,350	\$47,432	5.04%	5/31/2006	5/31/2021	15 Years	10 Years	10% in Yr. 11	One, 5-Yr
6707 Londonderry Way	Union City	GA	Aerial Link	2001	0.69	8,200	\$ 798,714.29	528,549	47,736	8,174	\$55,910	3.03%	4/17/2006	4/17/2021	15 Years	10 Years	10% in Yr. 11	One, 5-Yr

Totals

84,293 **6,089,514** 3,698,010 333,990 92,276 **\$426,266**

Debt is non-recourse with GE

36,980

25 Yr. Ammortization

cap rate 7.00% \$6,089,514.29

Value

6.67% Interest

\$ 3,698,023.00

loan balance

15 Year Term

\$2,391,491.29

Equity

Loan are not cross-collateralized and are individual

333,990.36

Annual Debt

\$92,275.64

Annual Cash Flow

3.8585%

Cash on Cash return



Tenant Overview



Property Name	Aaron's Rents, Inc.
Property Address	2502 West Wheeler Avenue, Aransas
Property Type	Net Leased Discount
Rentable Square Feet	84,293
Tenant Trade Name	Aaron's Rents, Inc.
Ownership	Public
Tenant	Corporate Store
Sales Volume	\$1.88 Billion (2010)
Net Worth	\$979 Million (2010)
Lease Guarantor	Corporate Guarantee
Credit Rating	
Valueline Financial Strength	
Rating Agency	
Stock Symbol	AAN
Board	NYSE
Rank	
Lease Commencement Date	1/1/2006*
Rent Commencement Date	1/1/2006*
Lease Expiration Date	1/1/2021
Term Remaining on Lease	10 Years
Lease Type	Absolute Net
Roof and Structure	Tenant Responsible
Lease Term	15 Years
Year 1 Net Operating Income	
Increases	10% in 2017
Options to Renew	One 5 Year Option
Options to Terminate	None
Options to Purchase	None
First Right of Refusal	None
No. of Locations	+1,825
Headquartered	Atlanta, GA
Web Site	www.aaronsinc.com
Franchisee Profile	
Years in the Business	56 Years
Other Concepts Owned	

Aaron's, Inc. is the leader in lease ownership and specialty retailing of office furniture, consumer electronics, home appliances and electronics with more than 1,825 Company-operated and franchised stores in 48 states and Canada. Founded in 1955 by entrepreneur R. Charles Loudermilk and publicly traded since 1982, Aaron's was a pioneer in the furniture rental industry.



AARON'S RENTS, INC.



Investment Overview



INVESTMENT HIGHLIGHTS

Corporate backed leases by Aaron's Rents, Inc.

10% Rent increase in 2017

10 Years remaining on NN Leases

Marcus and Millichap is pleased to present this portfolio consisting of eight corporate owned Aaron's Rents properties.

The NN leases have ten years remaining with a 10% rent bump in 2017 and one five year option. The leases are backed by Aaron's Rents, Inc.

The properties have debt in place by GE with the following terms: 25 year ammortization, 15 year term (beginning 2006), 6.67% interest rate.

A buyer has the option of assuming the existing debt or the possibility of yield maintenance.

The properties are not cross collateralized and each has an individual loan with the same terms.



Aransas Pass, TX



THE OFFERING

Property	Aaron's Rents, Inc.
Property Address	2502 West Wheeler Avenue, Aransas Pass, TX

SITE DESCRIPTION

Year Built	2006	
Rentable Square Feet	10,000	84,293
Type of Ownership		Fee Simple

PROPERTY DESCRIPTION



Property Photos

PROPERTY DESCRIPTION





Augusta, GA



THE OFFERING

Property

Aaron's Rents, Inc.

Property Address

2620 Georgetown Drive, Augusta, GA

SITE DESCRIPTION

Rentable Square Feet

8,200

Type of Ownership

Fee Simple

PROPERTY DESCRIPTION



Property Photos



PROPERTY DESCRIPTION



Hillsboro, TX



THE OFFERING

Property

Property Address

Aaron's Rents, Inc.

302 Coke Avenue, Hillsboro, TX

SITE DESCRIPTION

Rentable Square Feet

10,201

Type of Ownership

Fee Simple

PROPERTY DESCRIPTION



Property Photos



PROPERTY DESCRIPTION



Jacksonville, FL



THE OFFERING

Property

Aaron's Rents, Inc.

Property Address

4316 University Blvd. S, Jacksonville, FL

SITE DESCRIPTION

Rentable Square Feet

19,456

Type of Ownership

Fee Simple

PROPERTY DESCRIPTION



Property Photos



PROPERTY DESCRIPTION



New Iberia, LA



THE OFFERING

Property

Aaron's Rents, Inc.

Property Address

1204 E. Admiral Doyle Drive, New Iberia, LA

SITE DESCRIPTION

Rentable Square Feet

8,000

Type of Ownership

Fee Simple

PROPERTY DESCRIPTION



Property Photos



PROPERTY DESCRIPTION



Sherman, TX



THE OFFERING

Property

Aaron's Rents, Inc.

Property Address

2920 Texoma Parkway, Sherman, TX

SITE DESCRIPTION

Rentable Square Feet

8,324

Type of Ownership

Fee Simple

PROPERTY DESCRIPTION



Property Photos



PROPERTY DESCRIPTION



Union City, GA



THE OFFERING

Property

Property Address

Aaron's Rents, Inc.
6707 Londonderry Way, Union City, GA

SITE DESCRIPTION

Rentable Square Feet

8,200

Type of Ownership

Fee Simple

PROPERTY DESCRIPTION



Property Photos



PROPERTY DESCRIPTION



Wooster, OH



THE OFFERING

Property

Property Address

Aaron's Rents, Inc.
444 Riffel Road, Wooster, OH

SITE DESCRIPTION

Rentable Square Feet

11,912

Type of Ownership

Fee Simple

PROPERTY DESCRIPTION

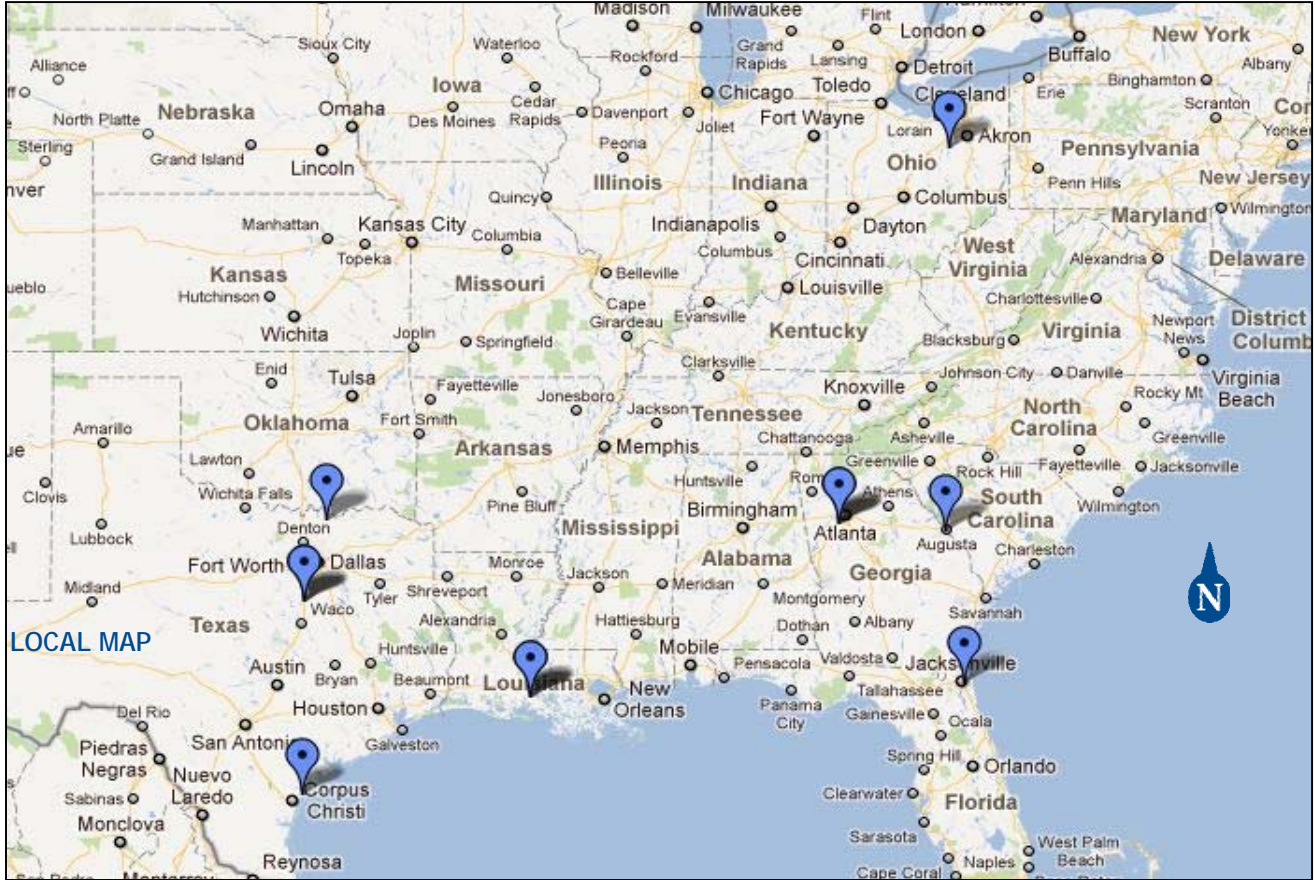


Property Photos



PROPERTY DESCRIPTION

Area Maps



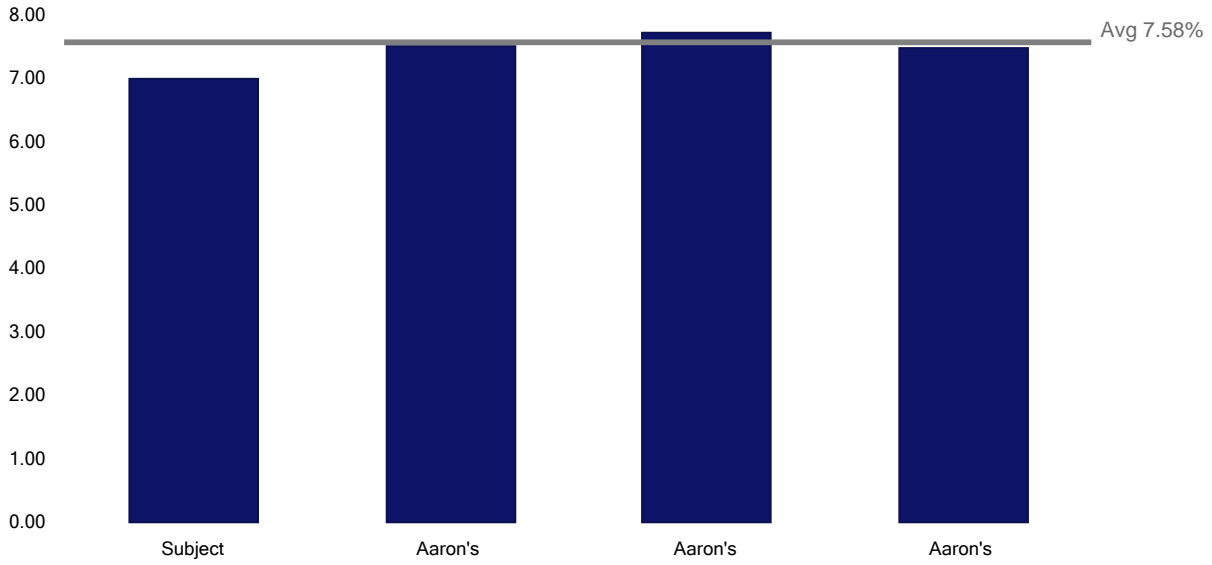


AARON'S RENTS, INC.

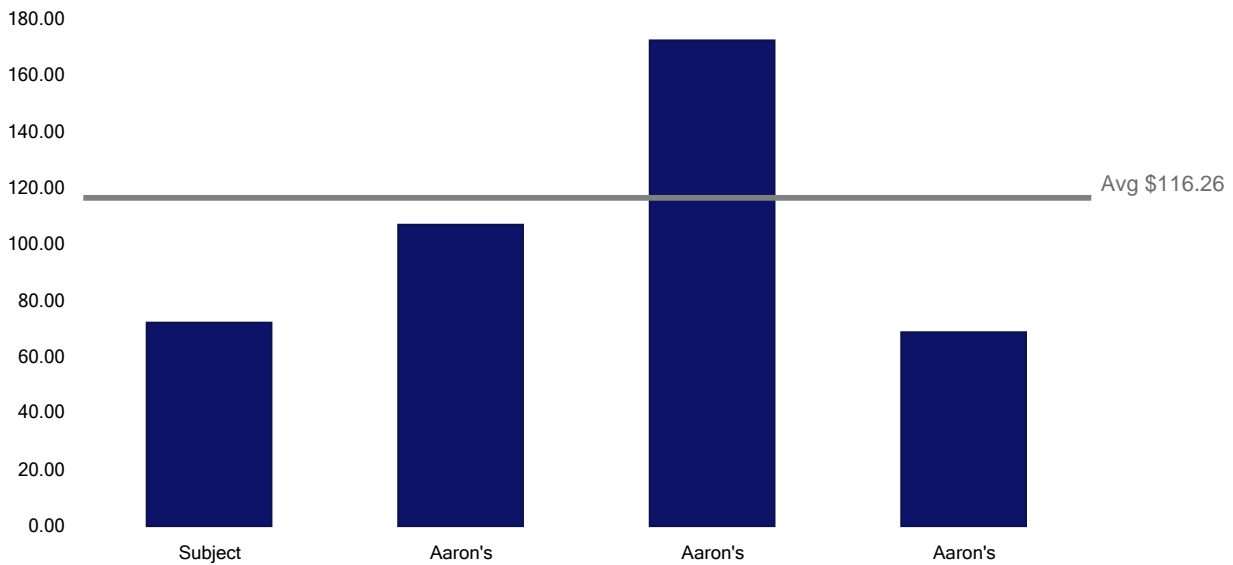


CAP Rate & Price/SF

AVERAGE CAP RATE



AVERAGE PRICE/SF



RECENT SALES



Recent Sales



SUBJECT PROPERTY

AARON'S RENTS, INC.

2502 West Wheeler Avenue, Aransas Pass, TX

Rentable Square Feet:	84,293	Sales Price:	\$6,089,000
Year Built:	2006	Down Payment:	\$2,391,491
		CAP Rate:	7.00%
		Price/SF:	\$72.24

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AARON'S

1611 Bypass 72 NE
Greenwood, SC 29649

Close of Escrow:	7/22/2011	Sales Price:	\$900,000
Rentable SF:	8,388	Down Payment:	100%
Year Built:	2010	CAP Rate:	7.50%
		Price/SF:	\$107.30

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AARON'S

925 28th Street
Grand Rapids, MI 49508

Close of Escrow:	5/10/2011	Sales Price:	\$1,147,000
Rentable SF:	6,643	Down Payment:	100%
Year Built:		CAP Rate:	7.74%
		Price/SF:	\$172.66



Recent Sales

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AARON'S

2556 Northeast Silver Springs Boulevard
Ocala, FL 34470

Close of Escrow:	1/18/2011	Sales Price:	\$585,000
Rentable SF:	8,500	Down Payment:	100%
Year Built:	1991	CAP Rate:	7.49%
		Price/SF:	\$68.82

RECENT SALES