



JCPenney

5043 Jimmy Lee Smith Parkway, Hiram, GA 30141



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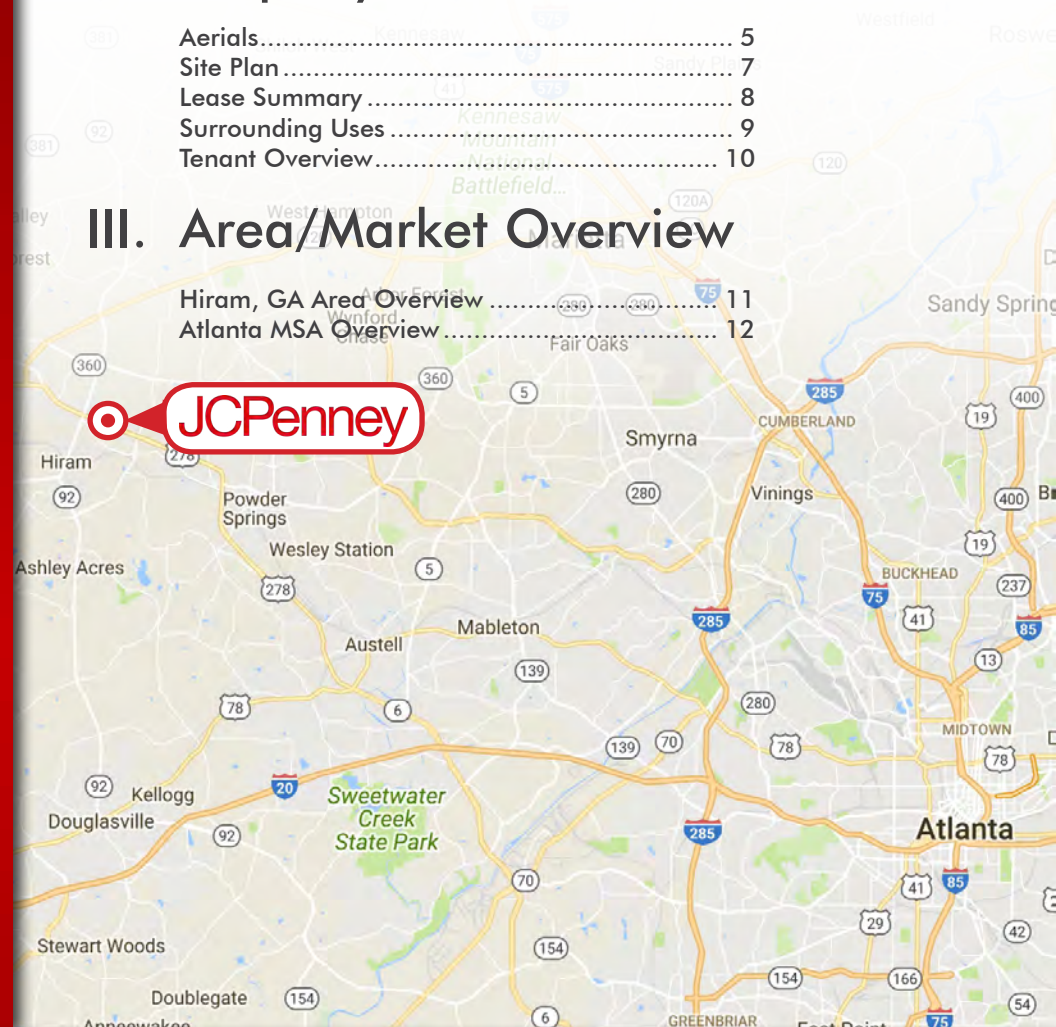
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Investment Overview

The CBRE Net Lease Property Group is pleased to exclusively offer for sale a 104,332-square-foot freestanding JCPenney ground lease situated on an 8.36-acre site in Hiram, GA, approximately 25 miles northwest of Atlanta (MSA Population: 5,789,000). JCPenney's absolute NNN ground lease, which features a well below market in-place rent of just \$4.14 PSF, has approximately ± 11 years of primary term remaining with a 5% rent increase in August of 2019 as well as rent increases in each of the six 5-year renewal options. The property is ideally situated along Jimmy Lee Smith Parkway (Traffic Count: 34,520 VPD) in the heart of Hiram's most active retail corridor. JCPenney is also directly adjacent to Best Buy and across Jimmy Lee Smith Parkway from the 364,000-square-foot Hiram Pavilion shopping center (Anchors: Target, Kohl's, Marshalls, Ross Dress for Less, Bealls Outlet, Party City and PetSmart). Other major national retailers with a presence in the immediate vicinity include Sam's Club, Home Depot, Walmart Supercenter, Aldi, Rite Aid, Kirkland's, Hibbett Sports, Rack Room Shoes, Wells Fargo, SunTrust Bank, Bank of America, BB&T, Starbucks, Applebee's, Chili's, LongHorn Steakhouse, IHOP, Taco Bell, Dunkin' Donuts, Zaxby's, Pep Boys and Kauffman Tire among many others. In total there is more than 2.8 MSF of retail, 1.6 MSF of industrial space, and 1,116 multifamily units within a 3-mile radius of the site. The site further benefits from strong demographics, with more than 83,000 residents with average household income of \$80,370 within 5 miles of the site.



INVESTMENT SUMMARY

Address:	5043 Jimmy Lee Smith Pkwy Hiram, GA 30141
Parcel Size:	8.36 Acres
Building Size:	104,332 SF
Parking:	598 Spaces
Year Built:	2009
NOI:	\$432,000
Price:	\$5,400,000
Cap Rate:	8.00%

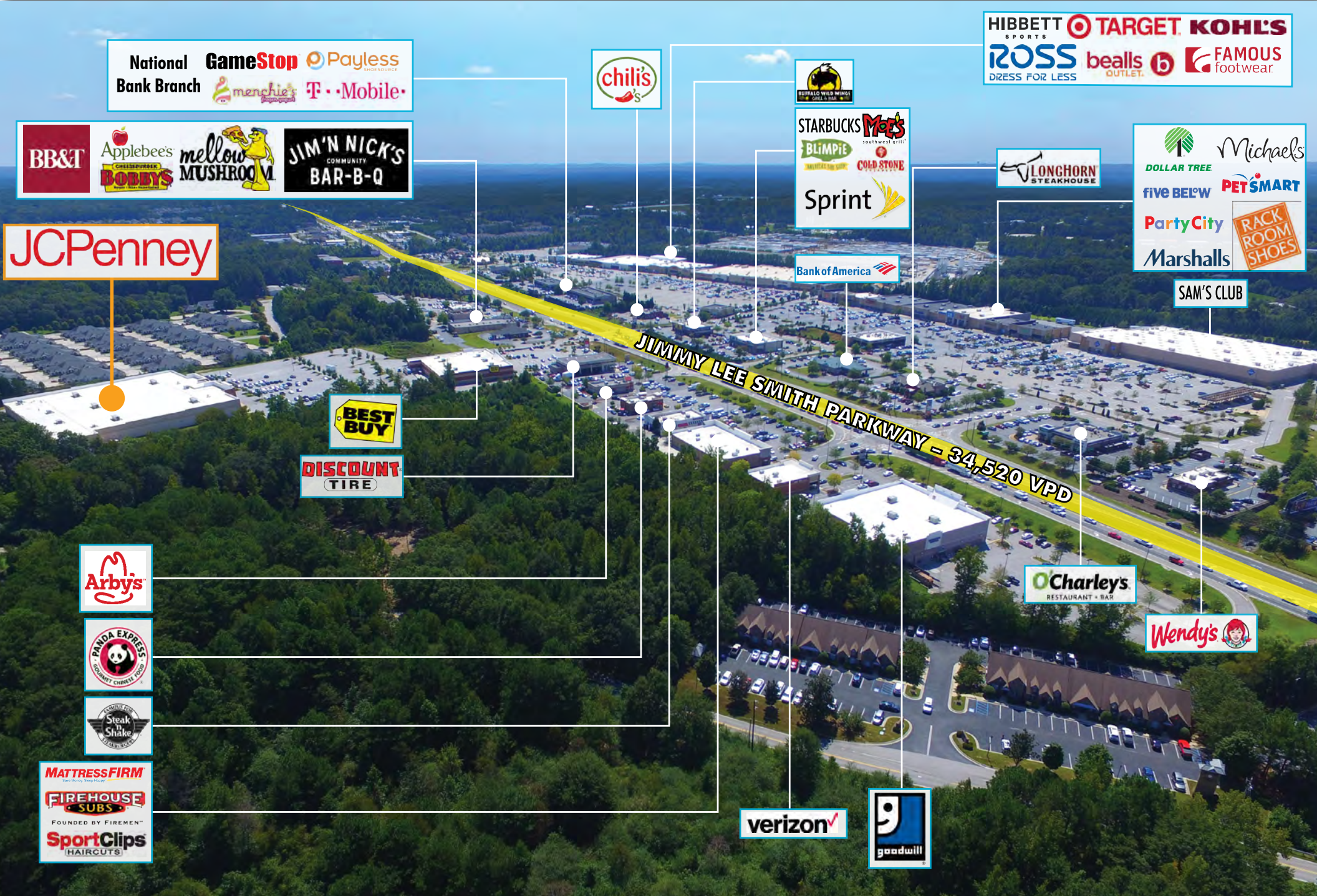
DEMOGRAPHICS

1 Mile Pop	1 Mile AHI	3 Mile Pop	3 Mile AHI	5 Mile Pop	5 Mile AHI	Traffic Count
2,077	\$62,446	27,107	\$76,530	83,289	\$80,370	Jimmy Lee Smith Pkwy: 35,700 VPD



Investment Highlights

- Premier Tenant:** J. C. Penney Company, Inc. (NYSE: JCP) is one of the nation's largest apparel and home furnishings retailers, offering of a broad assortment of products from an extensive portfolio of private, exclusive and national brands. Founded in 1902 and currently headquartered in Plano, TX, the company boasts an expansive footprint of approximately 872 stores across the United States and Puerto Rico and more than 98,000 employees. JCPenney reported 2017 net sales of \$12.5B.
- Long-Term NNN Ground Lease:** JCPenney's absolute NNN ground lease, has approximately ± 11 years of primary term remaining with a 5% rent increase in August of 2019 as well as rent increases in each of the six 5-year renewal options.
- Excellent Access/Visibility:** The property is ideally situated with strong visibility and signalized access from Jimmy Lee Smith Parkway (Traffic Count: 34,520 VPD), directly adjacent to Best Buy.
- Dominant Retail & Commercial Corridor:** The property is located in the heart of Hiram's most active retail corridor, directly across Jimmy Lee Smith Parkway from the 364,000-square-foot Hiram Pavilion shopping center (Anchors: Target, Kohl's, Marshalls, Ross Dress for Less, Bealls Outlet, Party City and PetSmart). In total, there is more than 2.8 MSF of retail space within a 3-mile radius. Other major national retailers with a presence in the immediate vicinity include Sam's Club, Home Depot, Walmart Supercenter, Aldi, Rite Aid, Kirkland's, Hibbett Sports, Rack Room Shoes, Wells Fargo, SunTrust Bank, Bank of America, BB&T, Starbucks, Applebee's, Chili's, LongHorn Steakhouse, IHOP, Taco Bell, Dunkin' Donuts, Zaxby's, Pep Boys and Kauffman Tire among many others.
- Dynamic Demographics:** JCPenney benefits from dynamic demographics with a population of 83,289 and an average household income of \$80,370 within a 5-mile radius.
- Substantial Leasehold Improvements:** JCPenney spent approximately \$10M constructing the leasehold improvements, which provides the rare opportunity to acquire the asset at $\pm 50\%$ of replacement cost. Additionally, the current in-place rent of \$4.14 PSF is considerably below market.
- Hiram, Georgia Market:** Located 23 miles northwest of Atlanta north of Interstate 20, Hiram is a rapidly growing suburban community within the Atlanta MSA. The city has a current estimated population of over 60,000 and an Average Household Income of over \$70,000. Hiram is also located within Paulding County, which is one of the fastest growing counties in the state of Georgia. In the past couple of decades, Paulding County has grown from a small rural area of northwest metro Atlanta into a thriving bedroom community with many of the amenities expected in Atlanta's most central suburbs. Paulding County has consistently ranked among the state's fastest-growing counties for over a decade, with a population that has doubled over the past ten years.
- Atlanta MSA:** Atlanta is the hub and economic engine of the Southeast, which is the fastest growing region in the U.S. The city's thriving economy and job base, coupled with its high quality and low cost of living, make it an ideal destination to draw young and educated talent from the region's major universities. With an overall population of 5.7 million throughout the 28-county metro area, Atlanta is the 9th-largest MSA in the country and is projected to be the 6th most populated metro area by 2020.





JIMMY LEE SMITH PARKWAY - 34,520 VPD

SAM'S CLUB

DISCOUNT
TIRE

Arby's

BEST
BUY

BB&T

JCPenney



Greenbrooke Senior Community



Lease Summary

PROPERTY NAME:	JCPenney	OPTION INCREASES:	10% in Option 1, 5% in each option thereafter
TENANT:	J.C. Penney Properties, Inc.	TAXES:	Tenant shall pay any real estate taxes applicable to Tenant's Premises.
LEASE COMMENCEMENT:	08/01/2009	REPAIRS & MAINTENANCE:	Tenant shall, without expense to Landlord, keep the exterior parts of any building located on Tenant's Parcel in good order, condition and repair and sightly in appearance.
LEASE EXPIRATION:	07/31/2029	INSURANCE:	Tenant shall maintain property insurance upon any building and other structures which are located within Tenant's Parcel with coverage for perils at least as broad as Insurance Services Office from CP 1030 (Causes of Loss-Special Form), with coverage extended for the perils of flood and earth movement, in an amount not less than 100% of the full insurable replacement cost. Tenant shall have the right to comply with and satisfy the obligations under this paragraph by means of self-insurance to the extent of all or any part of the insurance required to be carried hereunder, but only as and to the extent that Tenant has, or is guaranteed by an entity which has a net worth of at least \$100,000,000.
TERM REMAINING:	±11 Years	CAM:	Tenant shall pay to Landlord on a monthly basis Tenant's share of the costs to maintain the common facilities.
LEASE TYPE:	Ground Lease		
INITIAL TERM RENT:	Current Rent:\$432,000 8/1/19: \$453,600		
INITIAL TERM RENT INCREASES:	5% in August 2019		
OPTIONS:	Six 5-year Options		
OPTION RENT:	Option #1: \$498,960 Option #2: \$523,908 Option #3: \$550,103 Option #4: \$577,609 Option #5: \$606,489 Option #6: \$636,813 Option #7: \$668,654		



Surrounding Uses



Tenant Overview

J. C. Penney Company, Inc. (NYSE: JCP) is one of the nation's largest apparel and home furnishings retailers, offering of a broad assortment of products from an extensive portfolio of private, exclusive and national brands. Founded in 1902 and currently headquartered in Plano, TX, the company boasts an expansive footprint of approximately 872 stores across the United States and Puerto Rico and more than 98,000 employees. JCPenney reported 2017 net sales of \$12.5B.

JCPenney

NUMBER OF LOCATIONS:	1,095
NUMBER OF EMPLOYEES:	106,000
CEO:	Marvin Ellison
FORTUNE RANKING:	#221
TICKER:	JCP (NYSE)
HEADQUARTERS:	Plano, TX

Actual Location



Hiram, GA Market Overview

Located 23 miles northwest of Atlanta north of Interstate 20, Hiram is a rapidly growing suburban community within the Atlanta MSA. The city has a current estimated population of over 60,000 and an Average Household Income of over \$70,000. Hiram is also located within Paulding County, which is one of the fastest growing counties in the state of Georgia. In the past couple of decades, Paulding County has grown from a small rural area of northwest metro Atlanta into a thriving bedroom community with many of the amenities expected in Atlanta's most central suburbs. Paulding County has consistently ranked among the state's fastest-growing counties for over a decade, with a population that has doubled over the past ten years.



Atlanta MSA Overview



Atlanta is the hub and economic engine of the Southeast, which is the fastest growing region in the U.S. The city's thriving economy and job base, coupled with its high quality and low cost of living, make it an ideal destination to draw young and educated talent from the region's major universities.

With an overall population of 5.7 million throughout the 28-county metro area, Atlanta is the ninth-largest Metropolitan Statistical Area (MSA) in the United States and is projected to be the 6th most populated metro area by 2020. Over the course of the 1990s and into the 2000s, Atlanta evolved from the regional "capital" of the Southeast into its current distinction as a leading international city for business. During that period of time, Atlanta led the U.S. economy in terms of job growth, averaging between 80,000 and 100,000 new jobs created each year for several years. While the job market cooled between 2008 and 2010, over the last two years, Atlanta's positive economic momentum has returned. Atlanta prospers by combining layers of logistical advantages with low cost of doing business, an educated workforce and high quality of living. Diversified and substantial investment from corporations and state and local governments make Atlanta an incredible place to do business. As further proof that Atlanta is a mainstay of global commerce, this fast-growing metropolis is also host to the busiest airport in the world, Hartsfield-Jackson Atlanta International Airport.

Atlanta MSA Overview Continued

ECONOMIC STRENGTH AND STABILITY

- »» Atlanta's economy ranks 15th among world cities and sixth in the nation
- »» Home to 18 Fortune 500 company headquarters, including Delta, Coca-Cola, UPS, The Home Depot, and Southern Company. Also home to notable private companies and major subsidiaries including GE Power Systems, Georgia Pacific, Cox Enterprises, Porsche USA, and Novellis.
- »» Over 2,100 international companies are represented in Atlanta
- »» Total employment base stands at 2.46 million jobs
- »» Cost of living is below the U.S. average
- »» Atlanta has been recognized for some of the lowest operating costs in the nation
- »» Hartsfield-Jackson Atlanta International Airport is #1 in the world in passenger volume, serving 90+ million passengers annually with over 90 international destinations in 55 countries

MAJOR POPULATION CENTER

- »» The 28-county MSA—the nation's 9th largest—contains approximately 5.7 million people
- »» More than 58% of individuals 25+ years of age have post-secondary education, well above the national average of 52%
- »» Median household income has increased 62% since 1990, with 22.5% of households currently earning \$100,000+ annually

HIGHLY EDUCATED WORKFORCE

- »» Ranked as 7th Major U.S. city for production of graduates with Bachelor's degrees or higher
- »» Home to more than 50 accredited universities, colleges, and technical schools including Georgia Institute of Technology, Emory University, Georgia State University, and the Atlanta University Center which includes Clark, Spelman, and Morehouse Colleges



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This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the "Owner"), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all

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The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner's obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that

you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

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