

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES
OFFERING MEMORANDUM



1190 NE 163rd St
North Miami Beach, FL 33162



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Investment Highlights

- » **New Construction NNN ground lease** – 25-year Lease with approximately 19.5 years remaining on the primary term – zero landlord responsibilities
- » **10% rental increases every five years**, bringing the return to 5.98% the last five years of the primary term (based on an all-cash purchase at the asking price)
- » **Lease secured by the eighth largest commercial bank in the United States** (according to the Federal Reserve) – Investment grade credit tenant with an AA- rating by Standard & Poor's
- » **TD Bank provides service to more than 9 million customers** with a full range of retail, small business and commercial banking products and services at more than 1,200 locations throughout the Northeast, Mid-Atlantic, Metro D.C., the Carolinas and Florida.
- » **High-Quality Construction** – Property was built in 2012 to be up to date with TD Bank's prototype
- » **Densely Populated Area with Robust Demographics** – The 1-mile population is over 29,000 and the 5-mile population is just over 470,000. The area has had approximately **8% population growth since 2010**
- » **Located on a signalized corner** across from a Bank of America and Chase Bank
- » **The Mall at 163rd Street** – **Subject property is located across the street from The Mall at 163rd Street** with anchors The Home Depot, Marshalls, Ross, and Wal-Mart Supercenter.
- » **Strong Rental Increases and Renewal Options** – Tenant has 10% rent increases for the life of the lease with four (4) five (5) year options to renew
- » **Strong Traffic Counts** – The subject property is **located on NE 163rd St, with a traffic count of 57,000 vehicles per day**. The subject property is between I-95 and Biscayne Blvd
- » **North Miami Beach is best known for its line of popular ocean beaches**. There are seven elementary schools, two middle schools, and three high schools in North Miami Beach.



Parcel Map



Investment Summary

» PROPERTY ADDRESS	1190 NE 163rd St North Miami Beach, FL 33162
» LIST PRICE	\$6,850,000
» CAP RATE	4.50%
» TOTAL BUILDING AREA	±2,997 SF
» TOTAL LAND AREA	±1.04 AC (45,302 SF)
» YEAR RENOVATED	2012
» APN	07-2217-029-0010



Annualized Operating Data

	Annual Rent	Monthly Rent	Rent/PSF	Cap Rate
Lease Year 6-10	\$308,000.00	\$25,666.67	\$102.77	4.50%
Lease Year 11-15	\$338,800.00	\$28,233.33	\$113.05	4.95%
Lease Year 16-20	\$372,680.00	\$31,056.67	\$124.35	5.44%
Lease Year 21-25	\$409,948.00	\$34,162.33	\$136.79	5.98%

Tenant Summary

Tenant Trade Name	TD Bank, N.A.
Type of Ownership	Ground Lease
Lease Guarantor	Corporate
Lease Type	Ground Lease
Roof and Structure	Tenant Responsible
Original Lease Term	25 Years
Lease Commencement Date	6/14/2012
Rent Commencement Date	10/13/2012
Lease Expiration Date	10/31/2037
Term Remaining on Lease	±19.50 Years
Increase	10% After 5 Years
Options	Four, 5-Year Options

Tenant Overview



Bank

» Company Name TD Bank	» Industry Banking, Financial Services
» Parent Company Toronto-Dominion Bank	» Headquarters Cherry Hill, New Jersey
» Year Founded 1852	» Website www.tdbank.com

TD Bank, America's Most Convenient Bank® is one of the 10 largest banks in the U.S., with approximately 26,000 employees and deep roots in the community dating back more than 150 years. The Bank offers a broad array of retail, small business and commercial banking products and services to more than 9 million customers through its extensive network of approximately 1,300 convenient locations throughout the Northeast, Mid-Atlantic, Metro D.C., the Carolinas and Florida.

In addition to banking products, TD Bank and its subsidiaries offer customized private banking and wealth management services through TD Wealth® and vehicle financing and dealer commercial services through TD Auto Finance.

TD Bank is a member of TD Bank Group and a subsidiary of The Toronto-Dominion Bank of Toronto, Canada, a top 10 financial services company in North America. The Toronto-Dominion Bank trades on the New York and Toronto stock exchanges under the ticker symbol "TD".

±1,301

No. of Locations

±26,000

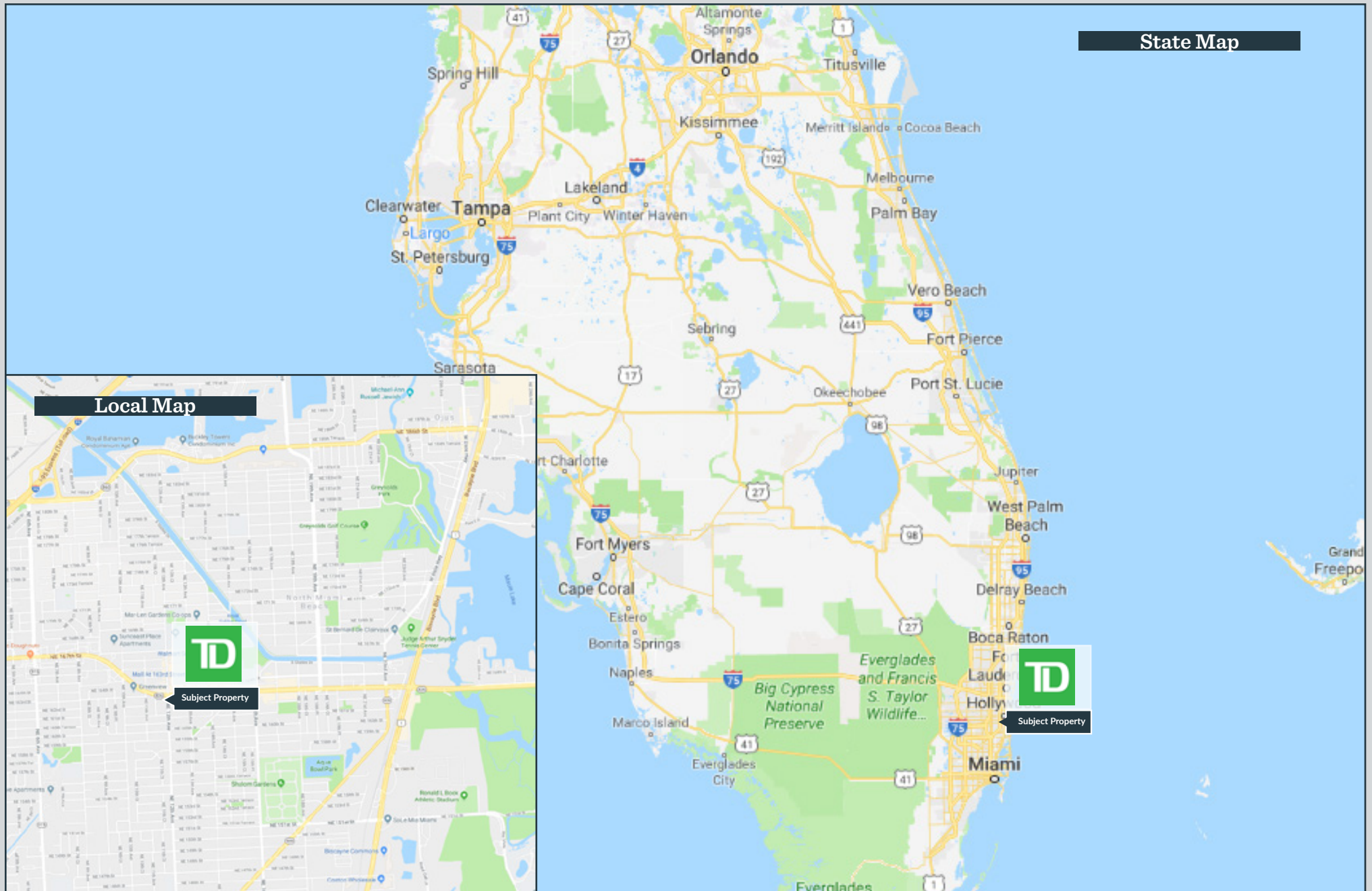
No. of Employees



Tenant:	TD Bank, N.A.
Tenant Address:	1701 Route 70 East, Cherry Hill, NJ 08034
Property Address:	1190 NE 163rd Street, North Miami Beach, FL 33162
Land:	Approximately 41,220 SF (0.946 AC)
Building:	Approximately 2,997 sf
Lease Effective Date:	August 18, 2011
Commencement Date:	June 14, 2012
Rent Commencement Date:	October 13, 2012
Lease Year:	The period commencing on the Rent Commencement Date and expiring on the last day of the month in which the first (1st) anniversary of the Rent Commencement Date occurs, and each successful twelve (12) month period thereafter which falls within the Initial Term or a Renewal Period.
Lease Expiration:	Last day of the Twenty Fifth (25th) Lease Year
Lease Expiration Date:	October 31, 2037
Original Lease Term:	Twenty-five (25) years
Options to Extend:	Four (4) five (5) year Renewal Periods
Annual Fixed Rent Rate:	Lease Year 1-5: \$280,000.00 Lease Year 6-10: \$308,000.00 Lease Year 11- 15: \$338,800.00 Lease Year 16- 20: \$372,680.00 Lease Year 21-25: \$409,948.00
Renewal Period Rent:	The Fair Market Rental Value ("FMRV") for each Renewal Period shall be the fair market rental value of premises comparable to the Demised Premises in the neighborhood. Landlord and Tenant agree that FMRV shall be determined by Landlord in its sole discretion. In no event shall the Fixed Rent for any Renewal Period be less than the Fixed Rent for the immediately preceding prior five (5) year period, nor greater than one hundred ten percent (110%) of the Fixed Rent for the immediately preceding prior five (5) year period.
Repairs and Maintenance:	Tenant shall pay all charges, expenses, costs and outlays of every nature and kind relating to the Premises and the Lease.
Taxes:	Tenant pays all taxes
Insurance:	Tenant pays all insurance costs and names landlord as an additional insured
Utilities:	Tenant pays all utilities
Right of First Refusal:	Yes – Tenant has ten (10) days following the receipt of ROFR to notify if Tenant will elect to purchase.
Estoppel:	Yes – Tenant shall provide an estoppel with ten (10) days of written request.







Area Overview

Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2023 Projection	30,404	221,644	504,057
2018 Estimate	29,085	210,618	478,574
2010 Census	27,227	193,266	442,126
Growth 2018-2023	4.53%	5.24%	5.32%
Growth 2010-2018	6.82%	8.98%	8.24%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2023 Projection	9,301	79,118	181,701
2018 Estimate	8,849	74,593	171,725
2010 Census	8,355	68,590	159,967
Growth 2018-2023	5.11%	6.07%	5.81%
Growth 2010-2018	5.92%	8.75%	7.35%
INCOME	1 - MILE	3 - MILE	5 - MILE
2018 Est. Average Household Income	\$52,119	\$61,961	\$69,957

North Miami Beach, Florida

Located midway between Miami and Ft. Lauderdale and adjacent to the Golden Glades Interchange where I-95, Florida's Turnpike, and the Palmetto Expressway meet, North Miami Beach is truly at the "Crossroads of South Florida". The central location and easy access have made North Miami Beach one of South Florida's best known regional shopping areas and one of its most popular sites for office users.

Shoppers and commuters find they can reach North Miami Beach from virtually all of South Florida in less than 30 minutes. However, North Miami Beach isn't all business. Prospective homeowners can find everything from cozy starter homes to elegant waterfront properties. Condominiums and rental apartments in an array of convenient and attractive locations are also available. Parks, beaches, and bays abound, along with a wide assortment of recreational, cultural, and dining opportunities.

Why North Miami?

As the market price points in Downtown Miami and Ft. Lauderdale continue to rise, North Miami remains an affordable alternative for both home buyers and commercial investors. With single-family homes ranging from sub-\$200,000 to over \$12 million, North Miami caters to everyone. North Miami is also home to a variety of companies, including the largest Lexus and Audi dealerships in the United States.

Retail Snapshot



Non-Retail: \$4.67 Billion
Retail: \$3.47 Billion



Economic Development

To further spur sustainable economic growth, the City of North Miami is actively working with private sector partners to build multi-story mixed-use developments in Downtown North Miami. As part of the 21st-century shift toward holistic living, North Miami is partnering with private sector entities to create residential units paired with dining, office space and retail storefronts. The city provides ready access to market data and demographics to help bolster your development proposal.

The City has a variety of resources to help fill project gaps including, but not limited to tax rebates, infrastructure improvements, vacant land, density bonuses and grant funding. North Miami has an experienced and sophisticated developer-friendly staff looking for interested partners in the downtown region.

SoLē Mia

The **premier 184-acre master-planned community** will rise on one of the largest remaining undeveloped parcels in South Florida east of Biscayne Boulevard. Destined to become South Florida's next iconic neighborhood, this pedestrian-friendly lifestyle community has entitlements for approximately **1.5 million square feet of commercial space and 4,390 residences**. The commercial area will feature a retail center with shopping, dining, entertainment and office space. Located at 15045 Biscayne Boulevard, SoLē Mia is centrally situated and offers easy access to Fort Lauderdale and Downtown Miami.



Living in North Miami

North Miami features a variety of amenities for an extraordinary quality of life and an outstanding standard of living. Food and drink options in North Miami include a diverse style of award-winning restaurants, several bars, and two microbreweries. North Miami features waterfront homes and its border sits less than two miles from the world-renowned Miami beaches.

A diverse cadre of beautiful parks spread out around the City, and North Miami hosts multiple family-friendly special events monthly, including the most popular Thanksgiving Parade in Miami-Dade County. The internationally acclaimed Museum of Contemporary Art (MOCA) anchors the downtown district of the City surrounded by art and antique galleries.



**Award-Winning
Restaurants**



**Two
Microbreweries**



**Diverse
Bars**



**World-Renowned
Beaches**

Education

North Miami is an educational hub. Within and surrounding the community are **seven top-ranked universities** that collectively enroll more than **500,000 students** and contribute over half a billion dollars in research and development funding each year. North Miami residents have access to quality elementary and secondary education curriculum from a wide variety of public, magnet, charter and private schools. North Miami has a **labor force of 32,831 workers, with a job growth rate of 3.8% since 2015**. The Miami metropolitan market fosters an environment for competitive wages and a reasonable cost of living compared to other major metros.





Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **TD Bank** located at **1190 NE 163rd St, North Miami Beach, FL** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This 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 Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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 detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services 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 Seller or Matthews Real Estate Investment Services 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 this Offering Memorandum.



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