



THE JONNA GROUP  
MARCUS & MILLICHAP

# AARON'S RETAIL CENTER

3022 S Martin Luther King Jr Blvd • Lansing, MI 48910



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AARON'S RETAIL CENTER  
Lansing, MI  
ACT ID Z0290568

Marcus & Millichap

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# INVESTMENT OVERVIEW



## EXECUTIVE SUMMARY

VITAL DATA			
			YEAR 1
Price	\$1,380,000	CAP Rate	8.00%
Down Payment	100% / \$1,380,000	Net Operating Income	\$110,400
Loan Type	All Cash	Net Cash Flow After Debt Service	8.00% / \$110,400
Gross Leasable Area (GLA)	9,400 SF	Total Return	8.00% / \$110,400
Price/SF	\$146.81		
Current Occupancy	100.0%		
Year Built / Renovated	2003		
Lot Size	1 acre(s)		

MAJOR TENANTS			
TENANT	GLA	LEASE EXPIRATION	LEASE TYPE
Aaron's	7,000	7/31/2023	NNN
Approved Cash Advance	2,400	4/30/2021	NNN




## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Controllers Office	5,000
Edward W Sparrow Hospital Assn	2,500
McLaren Greater Lansing	2,400
Lansing Community College	2,327
Lansing Manor Apartments	1,828
Meijer 086	1,700
City of Lansing	1,631
Public Health Administration	1,600
Auto-Owners Insurance Company	1,471
Barnes Aerospace Lansing Div	1,434
Michigan Capital Medical Ctr	1,300
Public Service Dept	1,293

## DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2017 Estimate Pop	12,911	88,745	180,395
2010 Census Pop	12,711	86,817	177,221
2017 Estimate HH	5,697	37,417	73,378
2010 Census HH	5,650	36,860	72,526
Median HH Income	\$41,931	\$38,006	\$41,545
Per Capita Income	\$21,838	\$20,637	\$23,354
Average HH Income	\$49,420	\$48,583	\$55,634

## INVESTMENT OVERVIEW

The Jonna Group of Marcus & Millichap is pleased to present the exclusive listing to this 100 percent occupied two-tenant retail strip located in the state's capital of Lansing, Michigan. The subject property is 9,400-square feet and sits on approximately one acre. Aaron's recently renewed their NNN lease five years, showing strong conviction for this site. Additionally, Approved Cash Advance operates on a NNN lease with little to zero landlord responsibilities.

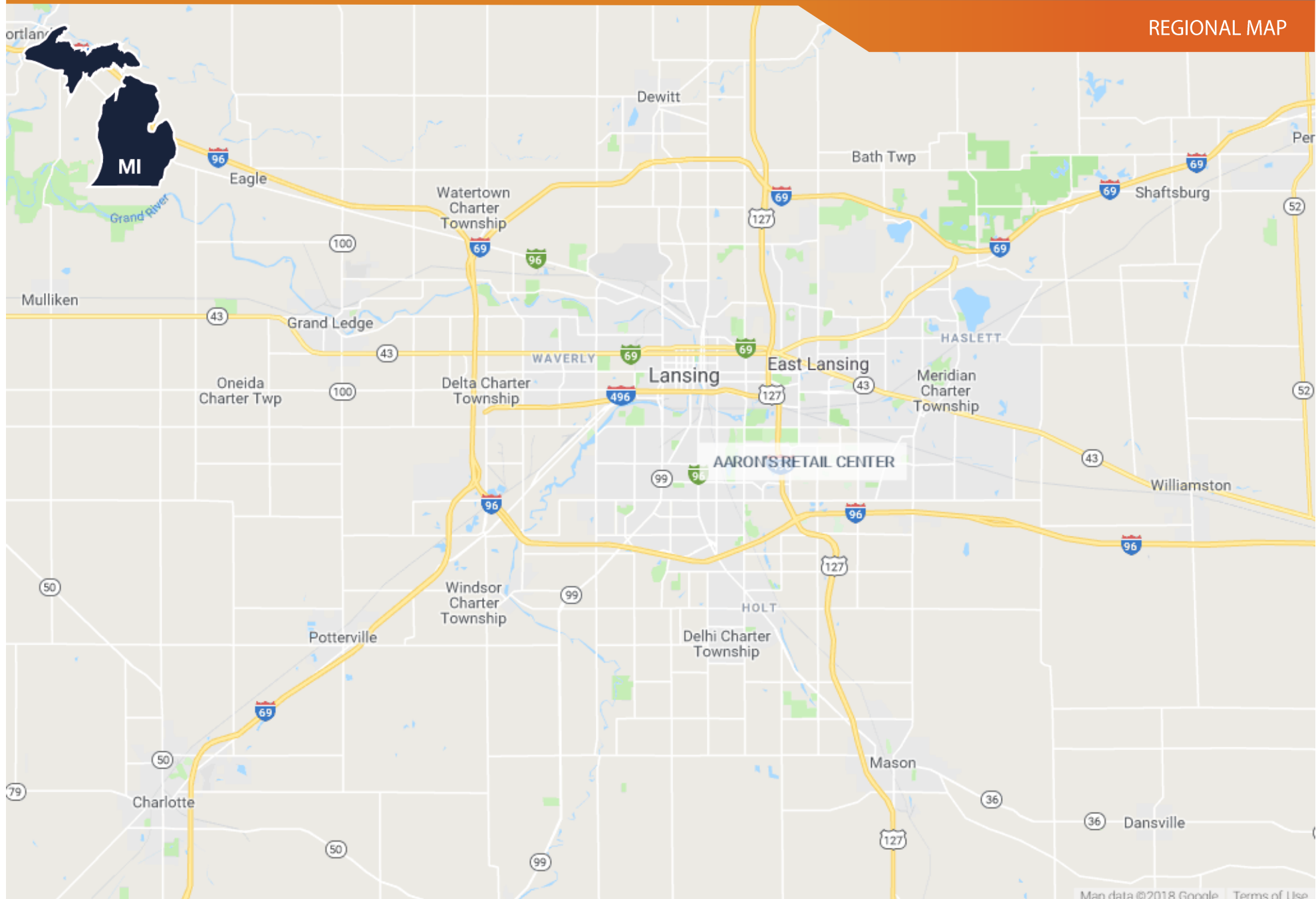
The subject property is located on the heavily traveled and busy commercial corridor of S Martin Luther King Jr Dr, that sees over 20,000 vehicles traveling per day. National tenants in the immediate area include Kroger, Walgreens, Burger King, Wendy's, McDonald's, AutoZone, Advance Auto Parts, Sherwin Williams and many more. The subject site is located just minutes from McLaren Greater Lansing, who recently announced a \$450 million dollar replacement hospital in the community that is slated to open in 2021. It will consist of 9 stories, 18 operating rooms, 40 emergency department beds, and 240 hospital beds on 52 acres. The retail strip is also located just minutes from the GM Assembly/Stamping Plant, a 3.4 million-square foot facility with over 1,700 workers.

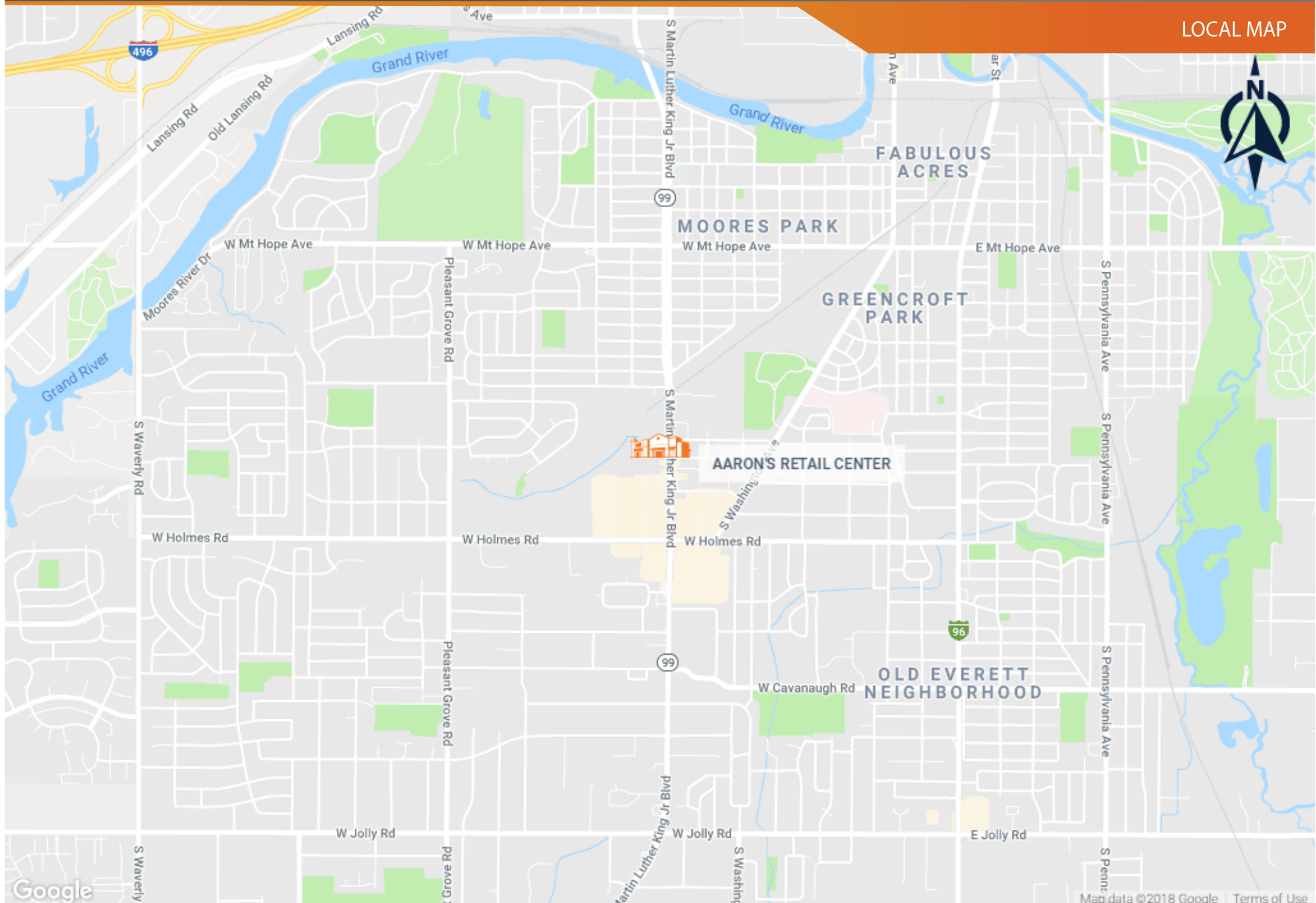
Lansing is the capital of the U.S. state of Michigan. Lansing is the fifth largest city in Michigan. The area is home to two medical schools, one veterinary school, two nursing schools, two law schools—including Western Michigan University Cooley Law School and Michigan State University College of Law, the Michigan State Capitol, the state Supreme Court, the Court of Appeals, a federal court, the Library of Michigan and Historical Center, and headquarters of four national insurance companies. The Lansing metropolitan area's major industries are government, education, insurance, healthcare, and automobile manufacturing. Being the state capital, many state government workers reside in the area.

## INVESTMENT HIGHLIGHTS

- Two-Tenant Retail Strip | 9,400-Square Feet | Aaron's (NYSE: AAN) and Approved Cash Advance | NNN Leases
- Aaron's (NYSE: AAN) Recently Extended 5 Years Showing Strong Conviction For Site
- Located in Lansing, MI | Fifth Largest City in Michigan | State Capital with Powerful Economic Impact
- Corporate Guarantee From Aaron's, Inc. | 1,800+ Locations | \$3.21 Billion in Revenue
- Excellent Demographics | Over 180,000 People in 5-Mile Radius | Up 3% Since 2000
- Strong Visibility on S Martin Luther King Dr | Traffic Counts of Over 20,000 Vehicles Traveling Per Day
- Minutes from New McLaren Greater Lansing Hospital | \$450M Development | 240 Beds on 52 Acres
- Minutes from GM Assembly/Stamping Plant | 3.4 Million-Square Feet w/ over 1,700 Employees
- Dense Retail Trade Zone: Includes Kroger, Walgreens, Burger King, Wendy's, McDonald's, AutoZone and more.







Google

Map data ©2018 Google Terms of Use







Over 180,000 People Within Five Miles

**GM**  
Assembly/Stamping Factory  
Over 1700 Employees

**Reid**  
MACHINERY

**LOUISIANA**  
KITCHEN  
**POPEYE'S**

**GO GERDAU**

**Roadtex**  
TRANSPORTATION CORPORATION

**McLaren**  
GREATER LANSING  
389 Bed Hospital

**FRESENIUS**  
KIDNEY CARE

**Subject Site**

**The UPS Store**  
**DOLLAR GENERAL**  
**McDonald's**

**UNITED STATES**  
POSTAL SERVICE

**DOLLAR TREE**

**SUBWAY**  
**H&R BLOCK**

**KFC**

**Arby's**

**Hungry Howie's**  
FLAVORED CRUST PIZZA

**SHERWIN**  
WILLIAMS

**Walgreens**

**Burger King**

**FAMILY DOLLAR**

**Little Caesars**

**Lansing Charter Academy**  
Over 600 Students

**ExtraSpace**  
Storage

**Tim Hortons**

**Wendy's**

**Kroger**

**MIDAS**

Average Household Income  
Over \$55,000 Within Five Miles

Over 27,000 Vehicles Per Day

**Auto Zone**

**CHEVROLET**  
**Shaheen**  
LANSING, MICHIGAN

**Advance**  
Auto Parts

Google







## TENANT SUMMARY

As of August, 2018

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates		Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Lease Type
				Comm.	Exp.				
Aaron's	A	7,000	74.5%	7/22/03	7/31/23	\$10.80	\$6,300	\$75,600	NNN
Cash Advance	B	2,400	25.5%	4/1/04	4/30/21	\$14.50	\$2,900	\$34,800	NNN
<b>Total</b>		<b>9,400</b>				<b>\$11.74</b>	<b>\$9,200</b>	<b>\$110,400</b>	
Occupied Tenants: 2				Unoccupied Tenants: 0		Occupied GLA: 100.00%		Unoccupied GLA: 0.00%	



## PRICING DETAIL

Summary		
<b>Price</b>	<b>\$1,380,000</b>	
Down Payment	\$1,380,000	100%
Number of Suites	2	
Price Per SqFt	\$146.81	
Gross Leasable Area (GLA)	9,400 SF	
Lot Size	1.00 Acres	
Year Built/Renovated	2003	
Occupancy	100.00%	

Returns	Year 1	Year 2
<b>CAP Rate</b>	<b>8.00%</b>	<b>8.00%</b>
Cash-on-Cash	8.00%	8.00%
Debt Coverage Ratio	N/A	N/A

## Operating Data

Income		Year 1	Year 2
<b>Scheduled Base Rental Income</b>		<b>\$110,400</b>	<b>\$110,400</b>
Total Reimbursement Income	0.0%	\$0	\$0
Other Income		\$0	\$0
Potential Gross Revenue		\$110,400	\$110,400
General Vacancy		\$0	\$0
Effective Gross Revenue		\$110,400	\$110,400
Less: Operating Expenses	0.0%	\$0	\$0
<b>Net Operating Income</b>		<b>\$110,400</b>	<b>\$110,400</b>
Tenant Improvements		\$0	\$0
Leasing Commissions		\$0	\$0
Capital Expenditures		\$0	\$0
Cash Flow		\$110,400	\$110,400
Debt Service		\$0	\$0
Net Cash Flow After Debt Service	8.00%	\$110,400	\$110,400
Principal Reduction		\$0	\$0
<b>Total Return</b>	<b>8.00%</b>	<b>\$110,400</b>	<b>\$110,400</b>

Operating Expenses		Year 1	Year 2
CAM		\$0	\$0
Insurance		\$0	\$0
Real Estate Taxes		\$0	\$0
Management Fee		\$0	\$0
Other Expenses - Non Reimbursable		\$0	\$0
<b>Total Expenses</b>		<b>\$0</b>	<b>\$0</b>
<b>Expenses/SF</b>		<b>\$0.00</b>	<b>\$0.00</b>



# MARKET OVERVIEW





\$450M Dollar Investment in  
Construction of Brand New Hospital

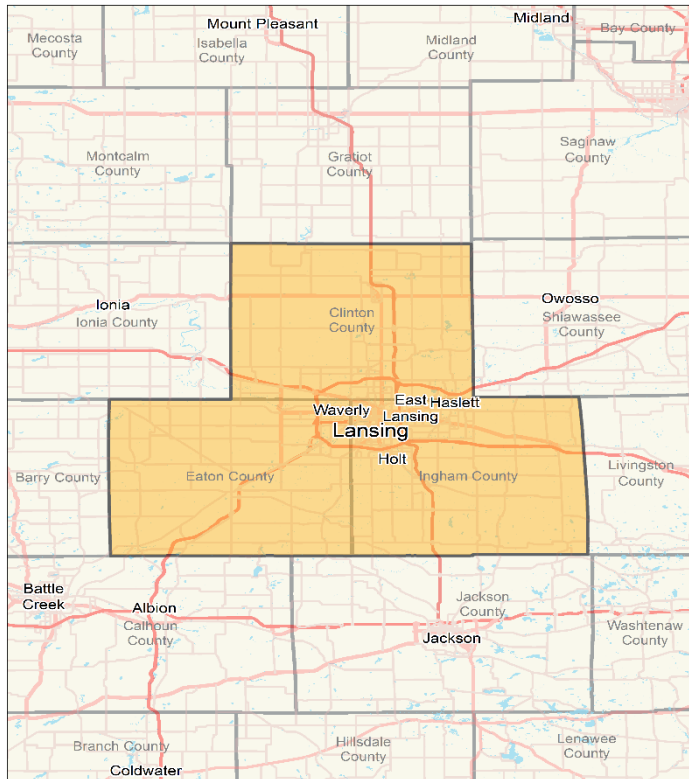


McLaren Greater Lansing (MGL) (formerly Ingham Regional Medical Center) (IRMC) is a hospital in Lansing, Michigan. MGL is a subsidiary of the McLaren Health Care Corporation, which is an integrated managed care health care organization operating in Michigan. Both the College of Human Medicine and the MSU College of Osteopathic Medicine at Michigan State University are affiliated with MGLH. In January 2012 Ingham Regional Medical Center was renamed McLaren Greater Lansing.

As they continue to pave the path into the future of medicine McLaren Greater Lansing has announced the construction of a new hospital. This \$450 million dollar investment in the community is slated to open in 2021 and will consist of 9 stories, 18 operating rooms, 40 emergency department beds, and 240 hospital beds.

## LANSING OVERVIEW

As the home of the Michigan capitol, the Lansing metro has a broad government employment sector and consists of Clinton, Eaton and Ingham counties. Located approximately 95 miles west of Detroit, the market is home to roughly 473,000 residents, with nearly 117,000 people residing in the city of Lansing. The metro is expected to add more than 13,300 citizens over the next five years, a 2.8 percent growth rate, buoyed growth at Michigan State University.



### METRO HIGHLIGHTS



#### EDUCATIONAL CENTER

Located in East Lansing, Michigan State University remains a major draw for new students and provides an educated labor force for local employers.



#### STATE CAPITOL

As the state's capital city, Lansing provides numerous government jobs and services, representing the metro's largest employer.



#### MAJOR INSURANCE MARKET

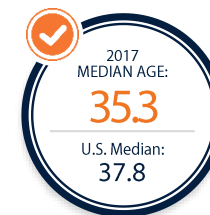
Four major national insurance companies have significant operations in the city, employing thousands of workers.



### ECONOMY

- The state of Michigan is the metro's biggest employer, with more than 14,000 jobs in some form of government-related function.
- With more than 50,000 students and 12,000 workers, Michigan State University is the one of the largest economic contributors in the market.
- Sparrow Health Center, partnered with the College of Human and Osteopathic Medicine at Michigan State, provides more than 10,000 jobs in healthcare, research and diagnostics.
- General Motors has offices and several manufacturing facilities within and just outside the city limits of Lansing, contributing more than 5,000 positions to the metro.

### DEMOGRAPHICS



\* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



Created on August 2018

POPULATION	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Population	12,567	88,120	180,201
■ 2017 Estimate			
Total Population	12,911	88,745	180,395
■ 2010 Census			
Total Population	12,711	86,817	177,221
■ 2000 Census			
Total Population	13,560	92,101	175,083
■ Current Daytime Population			
2017 Estimate	13,709	119,125	216,889
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Households	5,667	38,079	74,896
■ 2017 Estimate			
Total Households	5,697	37,417	73,378
Average (Mean) Household Size	2.24	2.32	2.31
■ 2010 Census			
Total Households	5,650	36,860	72,526
■ 2000 Census			
Total Households	5,910	38,603	72,987
■ Occupied Units			
2022 Projection	5,667	38,079	74,896
2017 Estimate	6,201	41,240	79,754
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2017 Estimate			
\$150,000 or More	1.18%	2.03%	3.93%
\$100,000 - \$149,000	7.08%	6.90%	8.72%
\$75,000 - \$99,999	10.33%	9.68%	10.32%
\$50,000 - \$74,999	22.00%	18.84%	19.13%
\$35,000 - \$49,999	19.99%	16.63%	15.68%
Under \$35,000	39.42%	45.92%	42.24%
Average Household Income	\$49,420	\$48,583	\$55,634
Median Household Income	\$41,931	\$38,006	\$41,545
Per Capita Income	\$21,838	\$20,637	\$23,354

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$56,473	\$53,621	\$57,220
■ Consumer Expenditure Top 10 Categories			
Housing	\$14,034	\$13,335	\$14,057
Transportation	\$11,589	\$10,971	\$11,765
Shelter	\$7,705	\$7,400	\$7,814
Food	\$6,256	\$5,926	\$6,267
Personal Insurance and Pensions	\$4,052	\$3,815	\$4,271
Health Care	\$3,676	\$3,316	\$3,488
Utilities	\$3,323	\$3,135	\$3,279
Entertainment	\$2,749	\$2,570	\$2,761
Household Furnishings and Equipment	\$1,383	\$1,298	\$1,390
Apparel	\$1,321	\$1,271	\$1,373
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2017 Estimate Total Population	12,911	88,745	180,395
Under 20	25.37%	26.20%	26.66%
20 to 34 Years	22.18%	25.30%	27.86%
35 to 39 Years	7.43%	7.01%	6.31%
40 to 49 Years	12.32%	11.78%	10.69%
50 to 64 Years	19.61%	18.04%	16.93%
Age 65+	13.08%	11.66%	11.54%
Median Age	36.59	34.03	31.92
■ Population 25+ by Education Level			
2017 Estimate Population Age 25+	8,715	57,908	111,077
Elementary (0-8)	2.05%	2.63%	2.15%
Some High School (9-11)	8.71%	8.47%	6.83%
High School Graduate (12)	28.23%	25.86%	23.33%
Some College (13-15)	29.01%	29.81%	27.98%
Associate Degree Only	8.60%	8.87%	9.28%
Bachelors Degree Only	14.87%	14.35%	17.48%
Graduate Degree	7.27%	7.91%	11.32%

Source: © 2017 Experian



### Population

In 2017, the population in your selected geography is 180,395. The population has changed by 3.03% since 2000. It is estimated that the population in your area will be 180,201.00 five years from now, which represents a change of -0.11% from the current year. The current population is 48.28% male and 51.72% female. The median age of the population in your area is 31.92, compare this to the US average which is 37.83. The population density in your area is 2,292.01 people per square mile.



### Households

There are currently 73,378 households in your selected geography. The number of households has changed by 0.54% since 2000. It is estimated that the number of households in your area will be 74,896 five years from now, which represents a change of 2.07% from the current year. The average household size in your area is 2.31 persons.



### Income

In 2017, the median household income for your selected geography is \$41,545, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 11.18% since 2000. It is estimated that the median household income in your area will be \$47,789 five years from now, which represents a change of 15.03% from the current year.

The current year per capita income in your area is \$23,354, compare this to the US average, which is \$30,982. The current year average household income in your area is \$55,634, compare this to the US average which is \$81,217.

Source: © 2017 Experian



### Race and Ethnicity

The current year racial makeup of your selected area is as follows: 64.94% White, 19.22% Black, 0.05% Native American and 5.51% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 11.04% of the current year population in your selected area. Compare this to the US average of 17.88%.



### Housing

The median housing value in your area was \$99,564 in 2017, compare this to the US average of \$193,953. In 2000, there were 41,561 owner occupied housing units in your area and there were 31,425 renter occupied housing units in your area. The median rent at the time was \$472.



### Employment

In 2017, there are 116,077 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 60.66% of employees are employed in white-collar occupations in this geography, and 39.20% are employed in blue-collar occupations. In 2017, unemployment in this area is 5.36%. In 2000, the average time traveled to work was 20.00 minutes.



# THE JONNA GROUP

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