

HFF

LONG TERM SINGLE TENANT SUNTRUST BANK  
LOCATED NEARBY ORLANDO WHICH IS ONE OF THE FASTEST GROWING METROS IN THE UNITED STATES



ACTUAL LOCATION

# SUNTRUST BANK

5760 COUNTY RD 484 | BELLEVIEW (OCALA/THE VILLAGES) , FLORIDA



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**SOUTHEAST VIEW**

Holliday Fenoglio Fowler, L.P. (Collectively "HFF")

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**Wawa**

COMING AUGUST 2019

# INVESTMENT SUMMARY

SUNTRUST BANK | 5760 COUNTY RD 484 | BELLEVIEW (OCALA/THE VILLAGES), FL



## INVESTMENT SUMMARY

**Holliday Fenoglio Fowler, L.P. (“HFF”) Net Lease Advisory** is pleased to exclusively offer a premier net lease opportunity to acquire a single tenant **SunTrust Bank** (the “Property”) located in Belleview, FL with \$65 million in deposits, just under 10 years of remaining lease term, and attractive 1.5% annual rental increases throughout the primary and option terms. SunTrust opened in 1979 and is located near the confluence of County Rd 484, US-27, and US-301, which combine for over 62,000 VPD and easily connect Belleview to 493,310 residents in the combined metros of Ocala and The Villages. The Property is fully leased to SunTrust Bank; which has over 24,000 employees, \$211 billion of assets, an investment-grade BBB+ credit rating (S&P), and 427 branches in Florida.

Belleview is located 9 miles south of Ocala and 9 miles northwest of The Villages and benefits from a population of 199,980 and an average household income of over \$63,075 within a 10 mile radius. Ocala is home to 362,334 residents and is the heart of the multi-billion dollar equestrian industry which lies in Ocala/Marion County. It is home to more than 1,000 horse farms, which has earned the area the title of “Horse Capital of the World.” The Villages is the world’s largest retirement community that features its own shops, restaurants, movie theaters, live events, recreation, and 42 golf courses. Historically, The Villages has been the fastest growing metro in the United States for four straight years (#10 in 2017) and is expected to see an astounding 32.5% population increase by 2030.



**\$1,586,000**

ASKING PRICE

**5.60%**

CAP RATE

**\$88,806**

NOI

**9.9 YEARS**

REMAINING LEASE TERM



# INVESTMENT HIGHLIGHTS



SunTrust (BBB+) has just under 10 years of term remaining from a 12-year lease extension with rental increases every year and no landlord responsibilities



The location benefits from a population of over 199,980 people with projected 6.5% growth and an average household income of \$63,075 within a 10-mile radius



SunTrust's \$65 million deposit base is 18% greater than the local bank average, 67% above the nearest SunTrust, and has increased 25% since 2015



Positioned on County Road 484 near the confluence with US-27 and US-301 which combine for over 62,000 VPD, connecting Marion and Sumter County



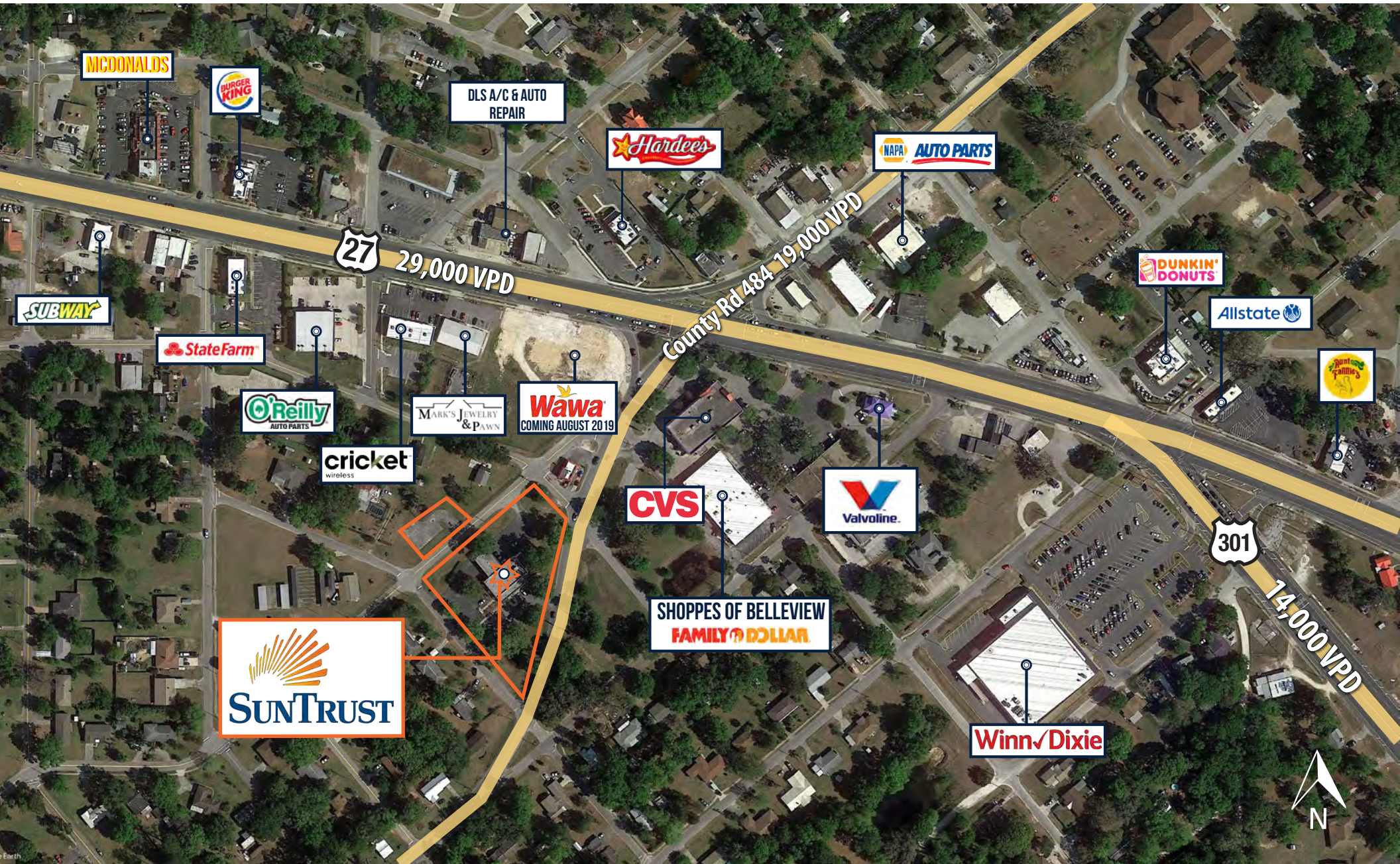
Florida is SunTrust's #1 market with \$26.3 Billion in loans held for investment, representing 18% of SunTrust's total loans held for investment



Extended customer radius with the nearest SunTrust branches over 5 miles away and others are located more than 8 miles away in all directions











# TENANT OVERVIEW

SUNTRUST BANK | 5760 COUNTY RD 484 | BELLEVIEW (OCALA/THE VILLAGES), FL



SunTrust Banks Inc operates throughout the United States as a diversified financial services institution. Headquartered in Atlanta, the Company has two business segments: Consumer and Wholesale. Its flagship subsidiary, SunTrust Bank, operates an extensive branch and ATM network throughout the high-growth Southeast and Mid-Atlantic states, along with 24-hour digital access. Certain business lines serve consumer, commercial, corporate, and institutional clients nationally. As of September 30, 2018, SunTrust had total assets of \$211 billion and total deposits of \$160 billion. The Company provides deposit, credit, trust, investment, mortgage, asset management, securities brokerage, and capital market services.

### 2017 Highlights – Consumer Banking

- Net interest income increased \$233 million, or 7% compared to 2016, resulting from strong loan and deposit growth and continued balance sheet optimization.
- The average balance of loans held for investment increased 5% over 2016.
- Deposit growth continues to be a key contributor to net interest income momentum, with average balances up 3% year-over-year.
- SunTrust's wealth management business as total management assets increased 11% compared to 2016.

### 2017 Highlights – Wholesale Banking

- Wholesale delivered record revenue and net income during 2017 due to favorable capital market conditions and continued success in meeting client needs.
- Total revenue increased \$589 million compared to 2016 due primarily to increases in net interest income, investment banking income, commercial real estate related income, and a \$107 million gain on the sale of PAC.
- Net interest income was a key contributor to strong revenue growth, up 11% compared to 2016 as a result of higher loan yields.

[www.suntrust.com](http://www.suntrust.com)



### CORPORATE OVERVIEW

Headquarters	Atlanta, GA
Locations	1,400 branches & 2,160 ATM's
Employees	24,000
Founded	1891
Ownership	Public (NYSE: STI)
Assets	\$211 billion
S&P Credit Rating	BBB+
Moody's Credit Rating	Baa1
Fitch Credit Rating	A-



An aerial photograph showing a SunTrust Bank branch building with a drive-thru teller window. The building is white with a flat roof. In front of the building is a large, paved parking lot with several parking spaces. To the right of the building is a road with a white car driving. The area is surrounded by lush green trees and vegetation. In the background, there are residential houses and a playground. The HFF logo is visible in the top center of the image.

HFF

# FINANCIAL ANALYSIS

SUNTRUST BANK | 5760 COUNTY RD 484 | BELLEVIEW (OCALA/THE VILLAGES), FL



# LEASE ABSTRACT

**\$1,586,000**  
Asking Price

**5.60%**  
Cap Rate

## LEASE DETAIL

Address	5760 County Rd 484, Belleview, Florida
Tenant	SunTrust Bank
Lot Area	1.74 Acres
Size	5,340 SF
Year Built	1979
Annual Rent	\$88,806
Rent PSF	\$16.63
Lease Type	Absolute NNN
Lease Commencement	3/28/2008
Lease Expiration	9/30/2028
Remaining Lease Term	9.9 Years
Remaining Options	Six (6) Five (5) Year Options

## LANDLORD RESPONSIBILITY DETAIL

None
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## TENANT RESPONSIBILITY DETAIL

Maintenance and Repairs	Tenant shall perform all maintenance, repairs, refurbishing, and replacement work to the Leased Property, and shall keep the Leased Property in good condition and repair.
Insurance	Tenant shall maintain and pay for property, liability, and worker's compensation insurance.
Taxes	Tenant shall pay all Real Estate Taxes for the leased property directly to the tax authority.
Utilities	Tenant shall arrange for and pay for all utility charges in connection with the Property.

## RENT SCHEDULE

Description	Dates	Annual Rent	Rent Increase
Base Term: Year 11	4/1/2018- 3/30/2019	\$87,493	
Base Term: Year 12	4/1/2019- 3/30/2020	\$88,806	1.50%
Base Term: Year 13	4/1/2020- 3/30/2021	\$90,138	1.50%
Base Term: Year 14	4/1/2021- 3/30/2022	\$91,490	1.50%
Base Term: Year 15	4/1/2022- 3/30/2023	\$92,862	1.50%
Base Term: Year 16	4/1/2023- 3/30/2024	\$94,255	1.50%
Base Term: Year 17	4/1/2024- 3/30/2025	\$95,669	1.50%
Base Term: Year 18	4/1/2025- 3/30/2026	\$97,104	1.50%
Base Term: Year 19	4/1/2026- 3/30/2027	\$98,560	1.50%
Base Term: Year 20	4/1/2027- 9/30/2028	\$100,039	1.50%
Option Term: Years 21 - 25	10/1/2028- 9/30/2033	\$101,539	1.50% Annual
Option Term: Years 26 - 30	10/1/2033- 9/30/2038	\$109,387	1.50% Annual
Option Term: Years 31 - 35	10/1/2038- 9/30/2043	FMV with 1.50% Increases	
Option Term: Years 36 - 40	10/1/2043- 9/30/2048	FMV with 1.50% Increases	
Option Term: Years 41 - 45	10/1/2048- 9/30/2053	FMV with 1.50% Increases	
Option Term: Years 46 -50	10/1/2053- 9/30/2058	FMV with 1.50% Increases	





-  OCCUPIED
-  PROPERTY BOUNDARY

# SITE PLAN







# MARKET OVERVIEW

SUNTRUST BANK | 5760 COUNTY RD 484 | BELLEVIEW (OCALA/THE VILLAGES), FL



# OCALA OVERVIEW

The Ocala MSA is comprised of Ocala, Belleview, and Dunnellon. The metro is less than a two-hour drive from Orlando, Tampa, Daytona Beach and Jacksonville. Fort Lauderdale and Miami are just over a four hour drive south.

## POPULATION

The Ocala MSA continues to grow steadily, with thousands of new residents every year. It remains a top market in the state of Florida for consumer buying power, particularly in relation to home prices. The cost of living in Ocala has consistently been cheaper than Jacksonville, Tampa, and Orlando, three of the primary alternatives residents typically consider when looking to relocate to north or central Florida. The area's welcoming climate, the variety and affordability of housing, and diverse economy are a major draw for many choosing to relocate here. Population in the metro is expected to grow by 5.8% over the next five years.

## OCALA

Ocala, Florida serves as the county seat for Marion County and is the primary city within the Ocala metro area. Among Florida's 24 metropolitan statistical areas, the Ocala MSA posted the 3rd fastest annual job growth rate in the education and health services sector, adding 1,000-plus jobs in 2016 alone. Ocala was recently featured in Forbes magazine as the fifth best American city for job growth based on a Moody's Analytics study.

The heart of the multi-billion dollar equestrian industry lies in Ocala/Marion County. It is home to more than 1,000 horse farms, which has earned the area the title of "Horse Capital of the World." Thoroughbred breeding and training farms comprise over 70,000 acres in Ocala, and are home to some of the world's finest champions. Ocala has produced six Kentucky Derby winners and hosts equestrian events and shows year round. Shipping giant FedEx Ground built its new regional distribution hub on 150-acres and recently expanded to include an additional 30 acres. FedEx has committed to spend \$122.9 million and provide 500 jobs. Across the street from FedEx, AutoZone is building a 400,000 square-foot distribution center with an investment of at least \$45M, and has committed 192 jobs to the local economy.



**#5**

**Best American City  
for Job Growth**



**#3**

**Job Growth in  
Education & Health Services in Florida**



**≈6%**

**Population Growth  
Expected in the  
Next 5 Years**





# THE VILLAGES OVERVIEW

Known as “Florida’s Friendliest Hometown,” The Villages is an age-restricted, active retirement community located 9 miles from SunTrust in Belleview. Founded as a small neighborhood in 1978, it is now a sprawling community that will eventually be home to an estimated 56,268 households of residents aged 55 and older with a total population of 130,976 residents. The population is projected to grow an outstanding 9.8% over the next five years. The Villages spans three counties, three zip codes, and over 20,000 acres. The Villages residents represented a full 66% of Sumter County’s total population. The entire community is connected by over 100 miles of golf cart legal streets and trails. This 55+ community is an entirely self-sustaining town complete with retail establishments, restaurants, banks, post offices, healthcare centers and countless recreational amenities. It is recognized as one of the fastest growing cities in the US and ranks best for crime, migration, and projected economic growth. Even during the recent real estate market downturn, this retirement hub continued to grow at the remarkable rate of almost 300 homes per month. In addition, Forbes named The Villages as the Best Small City for Business and Careers in 2015. There are more amenities per capita in this active adult community than any city or age-restricted neighborhood in the country. The community is designed around the notion that every resident should have simple and convenient access to the various amenities. To accommodate this there are a staggering 48 recreation centers, 35 golf courses, 50 swimming pools, over 200 retail shops, over 60 restaurants, 10 worship centers, 3 town squares, a hospital and countless other amenities designed to encourage and support a physically fit and socially active lifestyle.





# BELLEVUE OVERVIEW

Bellevue is located in the Ocala MSA as part of Marion County and is only 9 miles north of The Villages. US-27 and US-301 are major north-south Florida highways that stretch through the state and connect The Villages, Bellevue, and Ocala. Both highways converge with County Road 484 in Bellevue, which runs east-west and connects the community to Interstate-75, located only 7 miles to the west and just over a 10 minute drive from SunTrust in Bellevue. There are 199,980 residents with an average household income of \$63,075 within 10 miles of SunTrust and the population is projected to grow by 6.5% over the next 5 years, outpacing the Ocala MSA in growth (5.7%) and average household income (\$58,705).

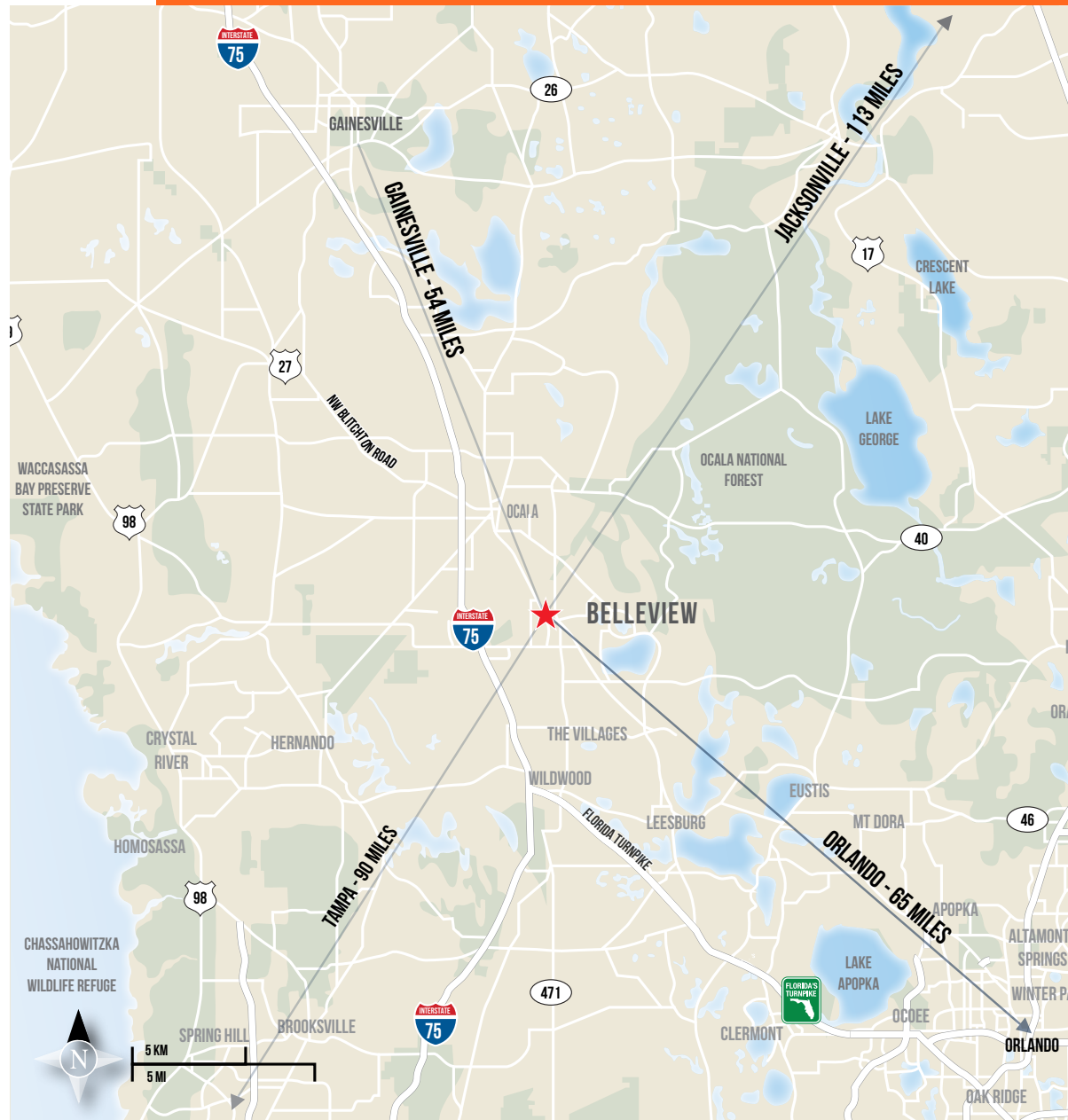
## RETAIL MARKET

Bellevue's retail market consists of 115 buildings and 1.5 million square feet of retail space. CoStar reports retail vacancy at an impressively low 2.6% as of YTD 2018, down from 3.9% in 2015. Net absorption has been positive every year since 2013. Currently, there is no retail under construction in Bellevue as reported by CoStar.

## BANKING

Bellevue is served by 6 bank branches with an average deposit base of \$54.9 million as of June 2018. SunTrust in Bellevue has a deposit base of \$64.7 million and exceeds the market average by 18%. This deposit base has grown 25% since 2015. SunTrust is ranked third just behind Bank of America (\$73.3 million) and Wells Fargo (\$71.9 million). SunTrust, Bank of America, and Wells Fargo combine for a dominant 64% of the trade area's deposit base. The other three banks in Bellevue have considerably lower deposits: Regions (\$36.9 million), CenterState (\$39.9 million), and Community Bank & Trust (\$43.9 million).

Compared to other SunTrust Banks, Bellevue's deposit base outpaces the two closest branches to the north, which are both in Ocala: 6801 SE Maricamp Rd (\$38.8 million) and 3990 SW College Rd (\$58.0 million). Bellevue's customer drawing radius is significantly extended to the west and southwest of Interstate-75, where there is a void in banking options.





# TRADE AREA DEMOGRAPHICS

## POPULATION

	3 MILES	5 MILES	10 MILES
2010 Census	17,472	49,145	180,233
2019 Estimate	18,868	53,939	199,980
2024 Projection	19,871	57,152	212,994
Growth Percent 2019 - 2024	5.32%	5.96%	6.51%

## HOUSEHOLDS

	3 MILES	5 MILES	10 MILES
2010 Census	6,922	19,829	77,561
2019 Estimate	7,500	21,672	86,778
2024 Projection	7,904	22,919	92,742
2019 Est. Average Household Income	\$59,482	\$58,698	\$63,075
2019 Est. Median Household Income	\$44,587	\$45,222	\$47,895







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