

Starbuck's Anchored Multi-tenant Retail Investment Opportunity



AspenDental

Great
Clips®

OFFERING MEMORANDUM
MUSCATINE, IOWA



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**CUSHMAN &
WAKEFIELD**

CONFIDENTIALITY AGREEMENT

Cushman & Wakefield (“Advisor”) serves as the exclusive advisor in connection with the solicitation of offers for the purchase of a portion of the 3020 N Hwy 61 Shop Building (“Asset”). The solicitation and potential sale is to be governed by this Confidential Offering Memorandum, as it may be modified or supplemented (“Offering Memorandum”) and the Purchase Agreement governing the sale of the Asset. Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Prospective purchasers are further advised that the Seller expressly reserves the right, in its sole and absolute discretion, to evaluate the terms and conditions of any offer and to reject any offer without providing a reason. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

The information contained in this Offering Memorandum is confidential, furnished solely for the purpose of a review by a prospective purchaser of the Asset, and is not to be used for any other purpose or made available to any other person without the express written consent of the Seller or Advisor. Prospective purchasers should conduct their own due diligence, including, but not limited to, engineering and environmental inspections, to determine the condition of the Property and the existence of any potentially hazardous material located at the Asset or used in the construction or maintenance of the building(s) at the Asset.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Asset, or information provided herein or in connection with the sale of the Asset 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 Advisor 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 Asset. A Prospective purchaser is not to construe the contents of the Offering Memorandum or any prior or subsequent communications from the Seller or Advisor or their affiliates or any of their respective officers, directors, shareholders, owners, employees or agents as legal, tax or other advice. Prior to submitting an offer, prospective purchasers should consult with their own business advisors, legal counsel and tax professionals to determine the consequences of an investment in the Asset and arrive at an independent evaluation of such investment.

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PROPERTY HIGHLIGHTS

ADDRESS	3020 N Highway 61 Muscatine, IA 52761
OFFERING PRICE	\$2,950,000
CAP RATE	6.63%
NET OPERATING INCOME	\$195,612
OCCUPANCY	100%
TENANCY	Multi-Tenant Shops
PARCEL	0824427005
LAND AREA	±1.03 Acres
BUILDING GLA	±6,898 SF
YEAR BUILT	2016

PROPERTY OVERVIEW

- Recent construction – Completed in 2016
- 100% leased to national tenants (Starbucks, Great Clips, and Aspen Dental)
- Diverse and internet resistant tenant line up
- Excellent visibility with frontage along US Highway 61 which is the main thoroughfare from Muscatine to Davenport
- Muscatine Community College and Muscatine Mall near the property
- Walmart Supercenter located across the street
- Strong average household incomes of \$67,000 in a 3 mile radius
- HNI/Allsteel corporate headquarters located immediately adjacent to the property (Largest Muscatine employer with 3200 employees)

RENT ROLL

SUITE	TENANT	SQUARE FEET	LEASE START	LEASE EXPIRATION	LEASE TERM REMAINING	CURRENT ANNUAL BASE RENT	CURRENT ANNUAL RENT PER SF	TENANT REIMBURSEMENT PER SF	TOTAL RENT PER SF	ESCALATIONS	RENEWAL OPTIONS
A		1,938	10/1/2016	10/1/2026	*8 years	\$63,954.00	\$32.81	\$6.37	\$76,309.57	\$3/SF Inc every 5 years (\$2/SF Inc at 1st option period)	4, 5 Year
B		1,400	10/1/2016	10/1/2026	8 years	\$31,051.92	\$22.18	\$6.37	\$39,977.83	\$2/sf Increases every 5 years	2, 5 Year
C		3,560	10/1/2016	10/1/2026	8 years	\$100,605.60	\$28.26	\$6.37	\$123,294.12	10% every 5 years	3, 5 Year
TOTALS		6,898				\$195,612			\$239,582		

*Starbucks has a one-time right to terminate the lease after the 5th year of the lease. Should Tenant elect to terminate, Tenant shall pay Landlord, on or prior to the Early Termination Date (i) Landlord's unamortized tenant allowance, (ii) unamortized broker's commissions (which total Broker commission is \$26,744.00) and (iii) a termination fee equal to 6 months then current Base and Additional Rent.

INCOME VALUATION

Income	
Scheduled Base Rent	\$195,612
Expense Reimbursements	\$100,299
Total Income	\$295,911

Operating Expenses	
CAM Expense	\$12,598
Insurance	\$2,269
Property Taxes	\$75,652
Management Fee	\$9,780
Total Expenses	\$100,299

NET OPERATING INCOME	\$195,612
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TENANT PROFILES



WEBSITE	www.starbucks.com
# OF LOCATIONS	22,519
GUARANTEE	Corporate

Starbucks is one the largest and most successful coffee retailers in the world. Formed in 1985 out of Olympia, Washington they have since grown to over 22,000 locations in 70 countries. Starbucks went public in 1992 and is listed on NASDAQ, under the trading symbol "SBUX". Starbucks offers a range of exceptional products that include coffee, handcrafted beverages, merchandise, fresh food, and other consumer products. Starbucks' brand portfolio also includes the following Starbucks Coffee, Seattle's Best Coffee, Teavana, Tazo, Evolution Fresh, La Boulange, Ethos Water and Torrefazione Italia Coffee.

Great Clips®

WEBSITE	www.greatclips.com
# OF LOCATIONS	3,700
GUARANTEE	Franchisee

Great Clips is a 100% franchised company with more than 4,200 salons across North America—each one offering a great haircut at a great location at a great price. Great Clips prides themselves on making it easy for customers to get a great haircut at a time and place that's convenient for them. PB5, LLC (Franchise Operator) has 10 locations throughout the midwest. They have signed a guarantee on the lease for their location in Muscatine, Iowa.

AspenDental®

WEBSITE	www.aspendental.com
# OF LOCATIONS	500
GUARANTEE	Corporate

Aspen Dental is one the largest and rapidly expanding care providers of denture and dental services in the United States. Aspen Dental-branded practices offer patients convenient access to a full range of affordable, high-quality dental and denture services. Located in super-regional retail areas, this year alone, more than 500 Aspen Dental-branded practices will service nearly 4 million patient appointments, including more than 900,000 new patients. More than 60 Aspen Dental-branded practices are expected to open every year and provide high quality, affordable dental care to certain targeted demographic groups most in need of access to care.

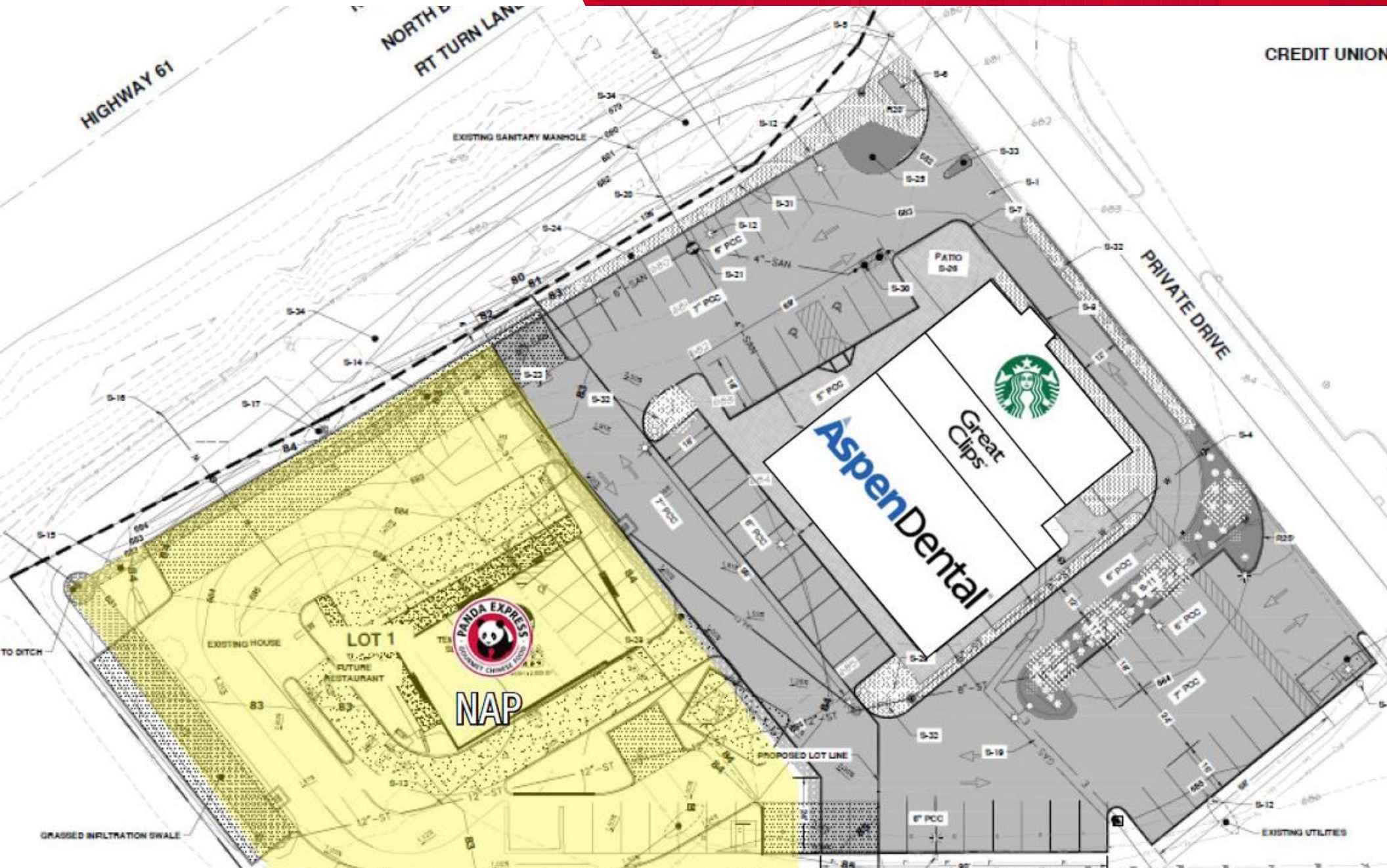
INVESTMENT OPPORTUNITY

MULTI-TENANT BUILDING FOR SALE

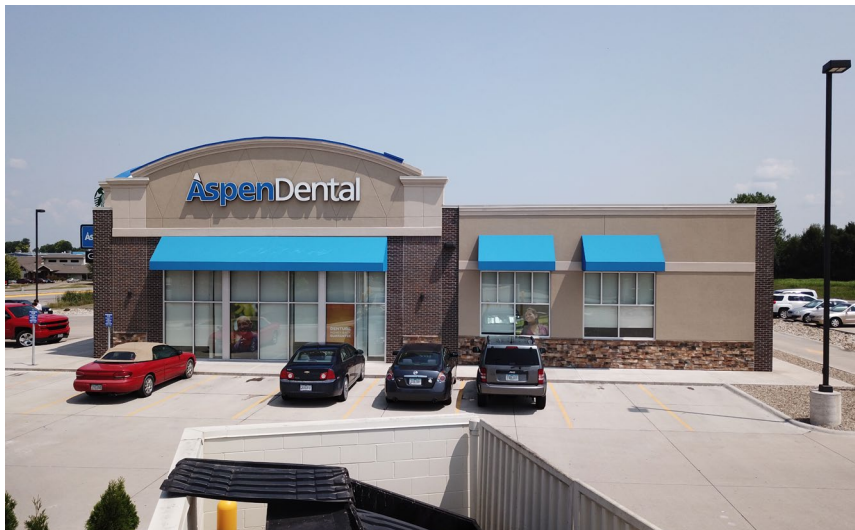


LOCATION MAP

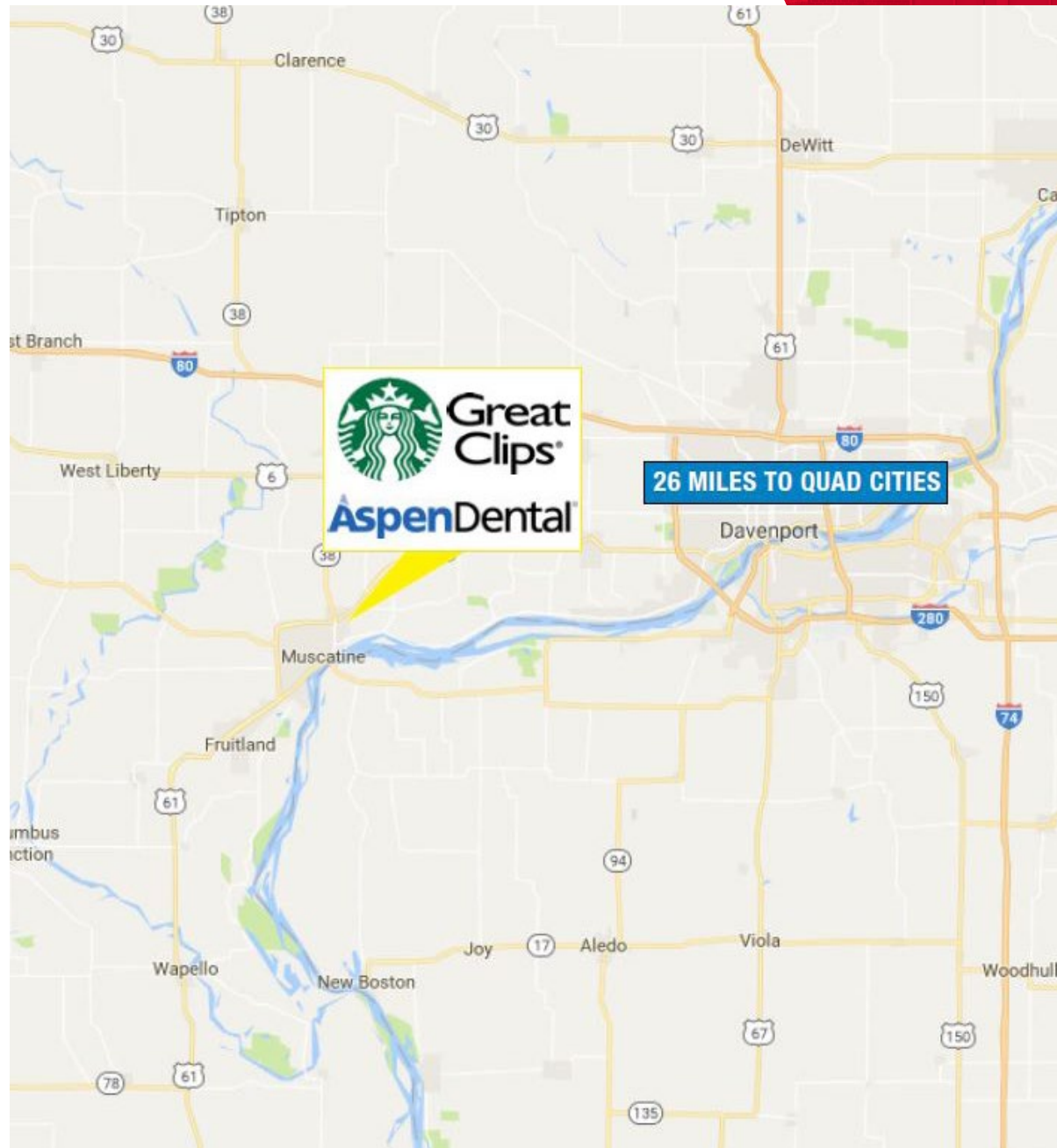




PROPERTY PHOTOS



DEMOGRAPHICS



	1 Mile	3 Mile	5 Mile
2010 Population	1,473	18,851	27,257
2018 Population	1,531	19,207	27,629
2023 Population Estimated	1,563	19,425	27,863
2018-2023 Annual Rate	0.41%	0.23%	0.17%
2018 Daytime Population	5,927	11,309	14,137

2010 Households	660	7,405	10,609
2018 Total Households	683	7,497	10,687
2023 Total Households	696	7,563	10,750
2018-2023 Annual Rate	0.25%	0.08%	0.03%

2018 Avg HH Income	\$53,274	\$67,529	\$65,412
2023 Avg HH Income	\$58,056	\$74,438	\$72,500

Traffic Counts (CoStar 2018)

North of US-61 on Park Ave	6,700
South of US-61 on Park Ave	14,200
East of Park Ave on US-61	13,400
West of Park Ave on US-61	17,700

MARKET OVERVIEW

Location & Market Analysis - Muscatine

Located on the banks of the Mighty Mississippi River in Eastern Iowa, Muscatine is a community rich in history and beauty. It is an economically strong business center, where several Fortune 500™ companies have chosen to locate. Once a world leader in the pearl button manufacturing industry, Muscatine earned the name, Pearl of the Mississippi. Former Muscatine resident Samuel Clemens (Mark Twain) once recalled, “And I remember Muscatine—still more pleasantly—for its summer sunsets. I have never seen any, on either side of the ocean, that equaled them.” His fond recollection provides some insight into why Muscatine is a great place to live, work, play, and visit.



Location & Market Analysis - Muscatine

Muscatine is strategically located at a crossroads of various modes of transportation for both commuters and freight travel. Interstate 80, U.S. Highways 61 & 6, and State Highways Iowa 22 & 38 all provide regional commuting options for the growing workforce, and the location also benefits from easy access to the Muscatine Municipal Airport, the Canadian Pacific Railroad service, and freight service on Mississippi River waterways. The 300 mile market includes the seven major metropolitan areas of Chicago, Indianapolis, Kansas City, Milwaukee, Minneapolis-St. Paul, Omaha and St. Louis, reaching a total area population of nearly 39 million.

Due to its powerful and diverse economy, Muscatine placed in the top 15 percent among Micropolitan Statistical Areas (McrSAs) in economic strength rankings in 2014 as determined by the Policom Corporation. The city's ranking rose from 419th in 2004 to 63rd in 2015, among 536 McrSAs. Policom considers 23 different economic factors when determining the rankings.

Source: www.muscatineiowa.gov





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