

CBRE

OFFERING MEMORANDUM



KEYBANK

200 LANCASTER AVE | MALVERN, PA 19355

VIEW PROPERTY VIDEO



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TENANT OVERVIEW

KEYBANK | MALVERN, PA





KeyBank 

KeyBank, the primary subsidiary of KeyCorp, is a regional bank headquartered in Cleveland, Ohio, and is the only major bank based in Cleveland. KeyCorp's roots trace back 190 years to Albany, New York. Headquartered in Cleveland, Ohio, Key is one of the nation's largest bank-based financial services companies, with assets of approximately \$138.8 billion at September 30, 2018. Key provides deposit, lending, cash management, and investment services to individuals and businesses in 15 states under the name KeyBank National Association through a network of over 1,100 branches and more than 1,500 ATMs. Key also provides a broad range of sophisticated corporate and investment banking products, such as merger and acquisition advice, public and private debt and equity, syndications and derivatives to middle market companies in selected industries throughout the United States under the KeyBanc Capital Markets trade name.

KEYBANK CORPORATE OVERVIEW

TENANT TRADE NAME:	KeyBank
TENANT OWNERSHIP STATUS:	Public
BOARD/SYMBOL:	NYSE/KEY
TENANT:	Corporate Store
CREDIT RATING:	A- (Standard & Poor's)
LOCATIONS:	1,100+
REVENUE:	\$6.868 Billion (2017)
CORPORATE HEADQUARTERS:	Cleveland, OH

FINANCIAL OVERVIEW

KEYBANK | MALVERN, PA

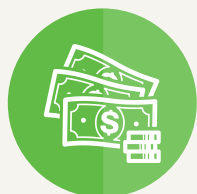




LIST PRICE
\$1,612,957



CAP RATE
6.00%



TOTAL NOI
\$96,777

PROPERTY HIGHLIGHTS

RARE INVESTMENT OPPORTUNITY

Small price point, exceptional location, investment grade credit, 7 years of lease term, rental increases and upside to be realized in the future

INVESTMENT GRADE CREDIT

KeyBank, rated A- by Standard & Poor's, executed a corporately guaranteed NNN lease with no landlord responsibilities or expenses

SHORT-TERM RENTAL GROWTH

There is a contractual 5% rental increase upcoming in January 2021 increasing the yield by 30bps+

IRREPLACEABLE MAINLINE LOCATION

Excellent visibility and access from a signaled hard corner on Rte. 30 in Malvern, PA - Part of Philadelphia's Main Line, which includes some of the wealthiest communities in the country

UPSIDE/BELOW MARKET RENT

KeyBank is currently paying \$12.65 per square foot which is well below the market and they have no options to extend the lease

EXCEPTIONAL DEMOGRAPHICS

Affluent and densely populated market with the average household income over \$133,000 within 1 mile, over \$155,000 within 3 miles, population density over 82,000 people within 5 miles of the site and positive population growth in the 1,3 and 5 mile rings

MAIN RETAIL CORRIDOR –

Situated on Lancaster Avenue (Route 30), a main artery and retail corridor with traffic counts over 18,000 vehicles per day and national tenants in close proximity that include Target, Wegman's, Panera, FedEx, Petvalu, Verizon, Giant (Ahold), Planet Fitness, Firestone, Dollar Tree and Dunkin Donuts to name a few

SUPERIOR CONSTRUCTION

KeyBank occupies a large 7,651 square foot, high-end brick and glass building with 3 drive-thru lanes

DEPRECIATION

Unlike the majority of ground lease banks on the market this is a build-to-suit that offers tax shelter through depreciation, increasing after tax returns

FINANCIAL OVERVIEW



PRICE: \$1,612,957

CAP RATE: 6.00%

YEAR BUILT: 1992

BUILDING SQUARE FOOTAGE: 7,651

LOT SIZE: 1.1 Acres

TYPE OF OWNERSHIP: Fee Simple

TENANT: Corporate Store

LEASE GUARANTOR: Corporate Guarantee

LEASE TYPE: NNN

INITIAL LEASE TERM: 20 Years

ROOF AND STRUCTURE: Tenant Responsible

LEASE COMMENCEMENT: 1/21/2006

LEASE EXPIRATION: 1/20/2026

TERM REMAINING ON LEASE: 7 Years

INCREASES: 5% Every 5 Years

OPTIONS: N/A

ROFR: N/A

PROPERTY ADDRESS:

200 LANCASTER AVE | MALVERN, PA 19355

ANNUALIZED OPERATING DATA		
RENT INCREASES	ANNUAL	MONTHLY
CURRENT - 1/21/2021	\$96,777.45	\$8,064.79
1/22/2021 - 1/20/2026	\$101,616.32	\$8,468.02
NET OPERATING INCOME	\$96,777.45	

INVESTMENT OVERVIEW

CBRE IS PLEASED TO EXCLUSIVELY PRESENT FOR SALE this KeyBank property located on Lancaster Avenue in Malvern, Pennsylvania. KeyBank has been operating here since 2006 and has 7 years remaining in its initial 20 year lease term. There are 5% rental increases every 5 years, with the next increase scheduled for January 2021, increasing the yield by over 30 basis points. This is a NNN lease with zero landlord responsibilities and unlike the majority of ground lease banks on the market, this is a build-to-suit that offers tax shelter through depreciation, increasing after tax returns. The lease is also corporately guaranteed by KeyBank, an Investment Grade Credit Tenant rated A- by Standard & Poor's, and publicly traded (KEY) on the New York Stock Exchange.

This KeyBank occupies a large 7,651 square foot, high-end brick and glass building with 3 drive-thru lanes. It is situated on the main thoroughway Lancaster Avenue, with excellent access and visibility for over 18,000 vehicles traveling by daily. This property also offers below market rent, as KeyBank is currently paying \$12.65 per square foot which is well below the market and they have no options to extend the lease. Situated in Malvern, Pennsylvania, part of Philadelphia's 'Main Line', this area boasts excellent demographics. There are 6,188 people and average household incomes over \$133,000 within 1 mile of the site, 32,625 people and average house incomes over \$155,000 within 3 miles and 82,146 people and average household incomes over \$155,000 within 5 miles. KeyBank is ideally situated on Lancaster Avenue (Route 30), a main artery and retail corridor with national tenants in close proximity that include Target, Wegman's, Panera, FedEx, Petvalu, Verizon, Giant (Ahold), Planet Fitness, Firestone, Dollar Tree and Dunkin Donuts to name a few. This is a rare investment opportunity offering a small price point, exceptional location, investment grade credit, 7 years of lease term, rental increases and upside to be realized in the future.



PROPERTY SUMMARY

KEYBANK | MALVERN, PA



PROPERTY
PHOTOS



PROPERTY SUMMARY

PROPERTY PHOTOS



TENANT OVERVIEW

FINANCIAL OVERVIEW

PROPERTY SUMMARY

WITHIN 1 MILE OF SUBJECT PROPERTY

TOTAL
POPULATION



6,188

TOTAL
HOUSEHOLDS



2,415

HOUSEHOLD
INCOME



\$133,782
Average

TOTAL
BUSINESSES



532



LINCOLN COURT
SHOPPING CENTER

LANCASTER AVE - 18,734 V.P.D.



Firestone

TIRE PLUS
TOTAL CAR CARE

Tower Health Urgent Care
Advancing Health. Transforming Lives.

petvalu
your pet - your store

WSFS bank

LANCASTER AVE - 18,734 V.P.D.

Uptown
Worthington
Wegmans TARGET

Panera
Healthy In-Store Express
& Salads

FedEx

KeyBank

DUNKIN'
DONUTS



KeyBank 

GROUND LEASE BETWEEN KEYBANK AND CONRAIL

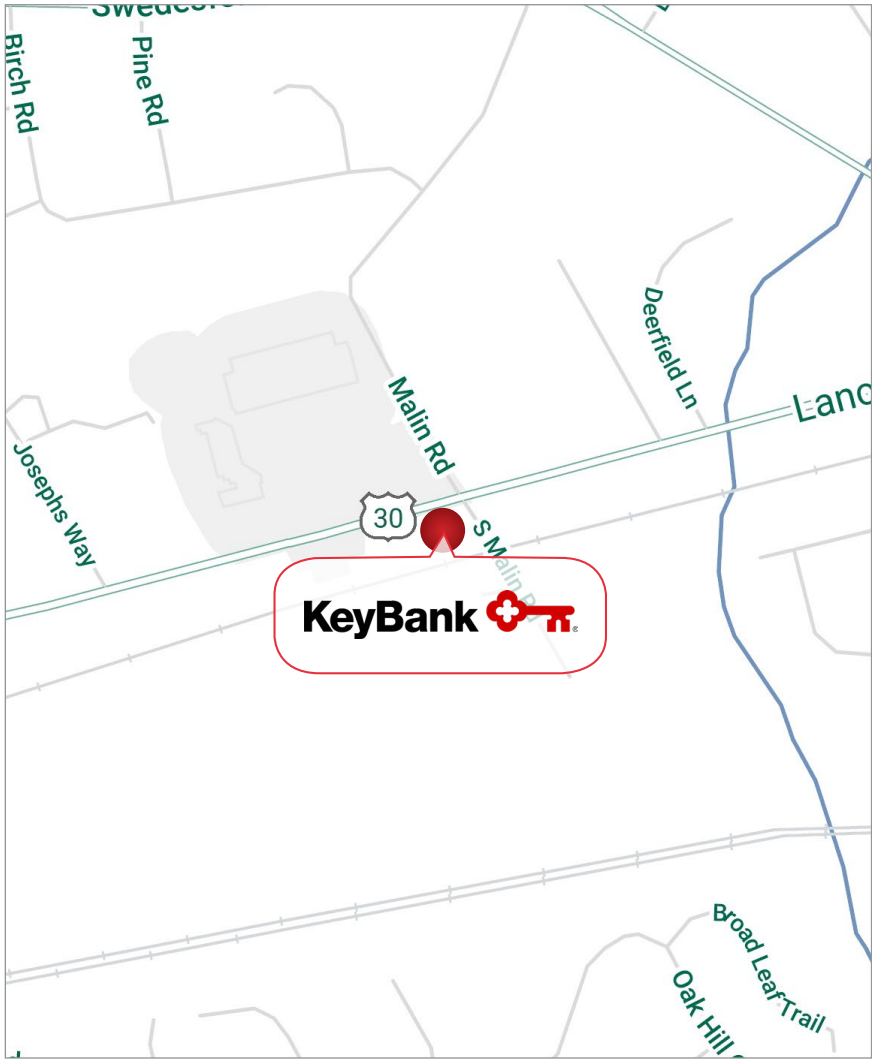
For 6,885 square feet of land for parking purposes only.

All obligations and costs associated with the ground lease are the responsibility of KeyBank.

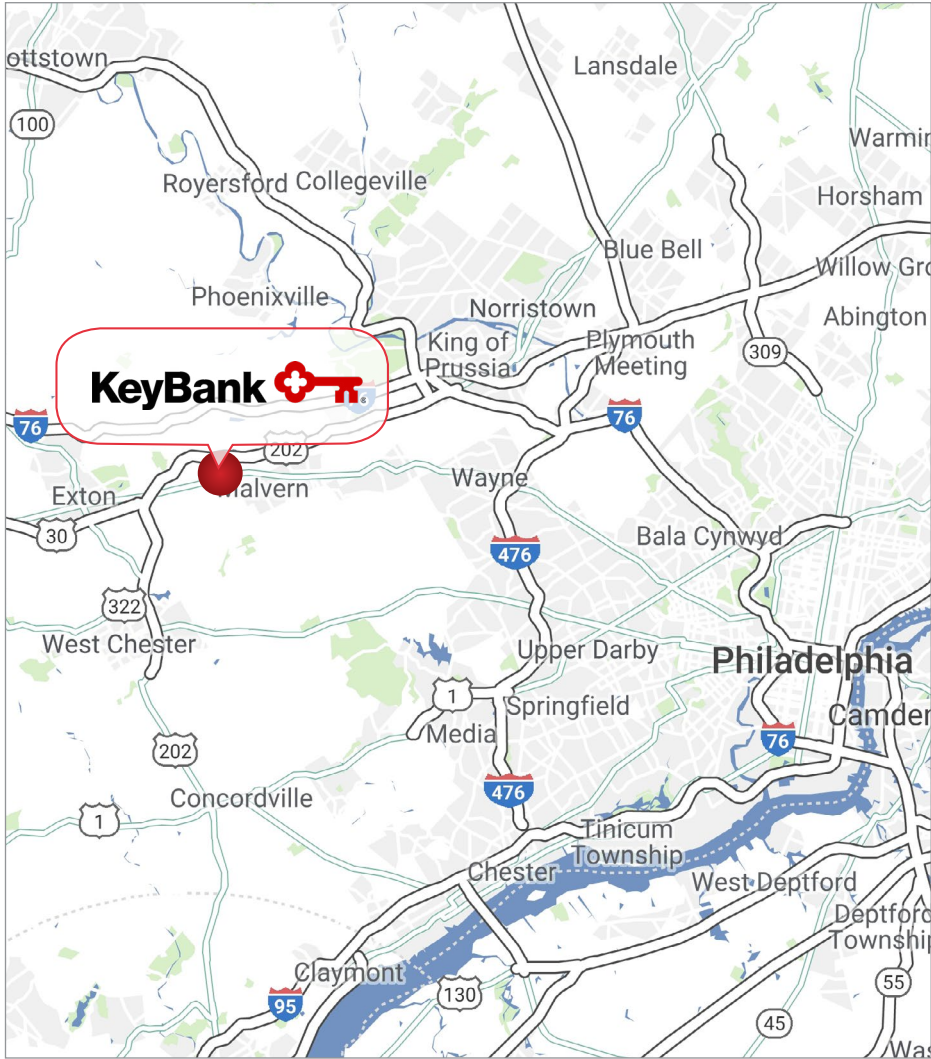
Ground lease has been in place since 8/1/1990, current rent is \$4,000 annually with annual CPI rental increases and the current lease term expires 7/31/2023 with no options to extend (a new lease will need to be negotiated at the expiration of the current lease).

This lease can be assigned to a new tenant if need be.

LOCAL
MAP



REGIONAL
MAP



PROPERTY SUMMARY

LOCATION OVERVIEW

This 7,651 KeyBank property has three drive-thru lanes and is situated on a large 1.1 acre parcel. The property has excellent visibility and two points of access, one on Lancaster Avenue and one on S Malin Road. This area boasts excellent demographics as this is an affluent market with strong populations numbers which increased 1.02% over the last 5 years and are projected to continue another 0.90% through 2023. KeyBank is ideally situated across from Lincoln Court Shopping Center, and surrounded by nation tenants.

Malvern is located along Lancaster Avenue (US Route 30) between Exton and Malvern, and part of Philadelphia's Main Line. This is a sought after location given it's proximity to the train, major highways, and nearby large businesses Vanguard, CubeSmart, and QVC. Malvern shares a zip code (19355) with Malvern, and is located in Chester County, the highest income county in Pennsylvania.

NEIGHBORING NATIONAL TENANTS



SUBJECT AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2010 POPULATION	5,690	28,915	77,050
2018 POPULATION	6,188	32,625	82,146
PROJECTED POPULATION (2023)	6,472	34,646	85,133
HISTORICAL ANNUAL GROWTH			
2010-2018	1.02%	1.47%	0.78%
PROJECTED ANNUAL GROWTH			
2018-2023	0.90%	1.21%	0.72%
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	2,252	11,050	29,769
2018 HOUSEHOLDS	2,415	12,310	31,448
PROJECTED HOUSEHOLDS (2023)	2,513	13,005	32,462
HISTORICAL ANNUAL GROWTH			
2010-2018	0.85%	1.32%	0.67%
PROJECTED ANNUAL GROWTH			
2018-2023	0.80%	1.10%	0.64%
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2018 AVERAGE	\$133,782	\$155,188	\$155,914
2018 MEDIAN	\$99,566	\$111,921	\$112,927

POPULATION BY RACE

	1 MILE	3 MILES	5 MILES
WHITE POPULATION	81.2%	83.4%	83.5%
AFRICAN AMERICAN POPULATION	2.7%	2.7%	3.1%
ASIAN POPULATION	11.1%	10.7%	10.5%
PACIFIC ISLANDER POPULATION	0.3%	0.2%	0.1%
AMERICAN INDIAN AND ALASKA NATIVE	0.0%	0.0%	0.0%
OTHER RACE POPULATION	2.8%	1.4%	1.1%
TWO OR MORE RACES POPULATION	1.8%	1.6%	1.7%

HISPANIC OR LATINO POPULATION BY ORIGIN

	1 MILE	3 MILES	5 MILES
HISPANIC OR LATINO	7.2%	4.5%	3.7%
WHITE NON-HISPANIC	77.2%	80.7%	81.3%

2018 AGE BY GENDER

	1 MILE	3 MILES	5 MILES
MEDIAN AGE			
MALE/FEMALE	41.7/43.1	43.2/46.2	42.6/45.5

TRAFFIC COUNTS

LANCASTER AVE			
18,734			

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