

**CBRE**

OFFERING MEMORANDUM



**KEYBANK**

414 LANCASTER AVE | DEVON, PA 19333

# VIEW PROPERTY VIDEO



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# TENANT OVERVIEW

KEYBANK | DEVON, PA





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 | DEVON, PA





LIST PRICE  
**\$1,979,538**



CAP RATE  
**6.00%**



TOTAL NOI  
**\$118,772**

## PROPERTY HIGHLIGHTS

### RARE INVESTMENT OPPORTUNITY

Small price point, exceptional location, investment grade credit, 7 years of lease term and rental increases

### 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 Rte. 30 in Devon, PA - Part of Philadelphia's Main Line, which includes some of the wealthiest communities in the country

### EXCEPTIONAL DEMOGRAPHICS

Affluent and densely populated market with the average household income over \$157,000 within 1 mile, over \$177,000 within 3 miles, population density over 115,000 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 17,000 vehicles per day and national tenants in close proximity that include Whole Foods, Starbucks, CVS, Verizon, Patient First, Tesla, Maserati, Audi, Mercedes Benz, and Dunkin Donuts to name a few

### SUPERIOR CONSTRUCTION

KeyBank occupies a high-end masonry 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: \$1,979,538

CAP RATE: 6.00%

YEAR BUILT: 1969

BUILDING SQUARE FOOTAGE: 2,934

LOT SIZE: 0.64 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:

414 LANCASTER AVE | DEVON, PA 19333

ANNUALIZED OPERATING DATA		
RENT INCREASES	ANNUAL	MONTHLY
CURRENT - 1/20/2021	\$118,772.33	\$9,827.69
1/21/2021 - 1/20/2026	\$124,710.95	\$10,392.58
NET OPERATING INCOME	\$118,772.33	

## INVESTMENT OVERVIEW

**CBRE IS PLEASED TO EXCLUSIVELY PRESENT FOR SALE** this KeyBank property located on Lancaster Avenue in Devon, 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 2,934 square foot, high-end masonry and glass building with 3 drive-thru lanes. It is located on the main thoroughway Lancaster Avenue, with excellent access and visibility for over 16,000 vehicles traveling by daily. Situated in Devon, Pennsylvania, part of Philadelphia's 'Main Line' this area boasts excellent demographics. There are 8,069 people and average household incomes over \$157,000 within 1 mile of the site, 47,311 people and average house incomes over \$177,000 within 3 miles and 115,262 people and average household incomes over \$161,000 within 5 miles. Lancaster Avenue (Route 30) is a main artery and retail corridor, with numerous national tenants in close proximity including Whole Foods, Starbucks, CVS, Verizon, Patient First, Tesla, Maserati, Audi, Mercedes Benz, and Dunkin Donuts to name a few. KeyBank is also just 0.6 miles from the Devon Horse Show the oldest and largest multi-breed horse show competition in the United States. The event lasting 10 days, is held in late May to early June and attracts people from all across the globe. 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 | DEVON, PA



## PROPERTY PHOTOS



PROPERTY  
PHOTOS





Patient First



Liberty



ANTHROPOLOGIE  
*terrain*



Recovery Centers of America



LANCASTER AVE - 16,948 V.P.D.



## WITHIN 1 MILE OF SUBJECT PROPERTY

### TOTAL POPULATION



8,069

### TOTAL HOUSEHOLDS



3,314

### HOUSEHOLD INCOME



**\$157,839**  
*Average*

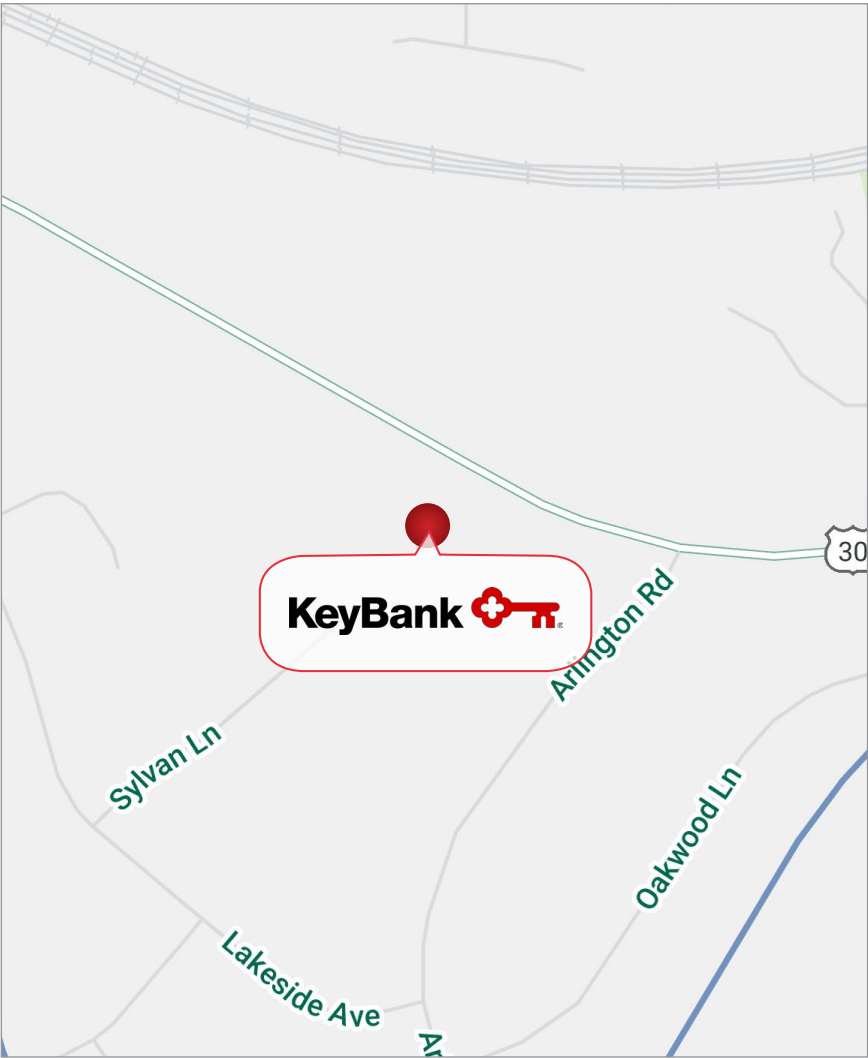
### TOTAL BUSINESSES



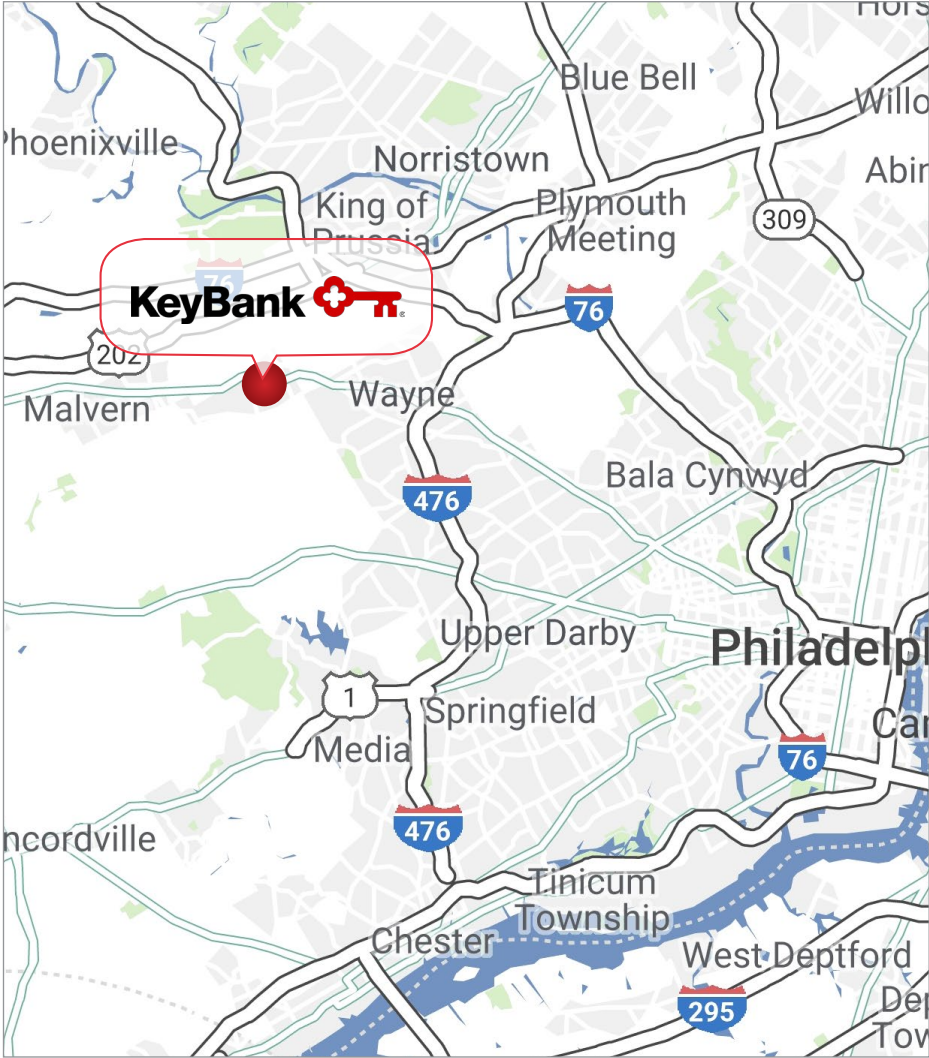
410



LOCAL  
MAP



REGIONAL  
MAP



## LOCATION OVERVIEW

This 2,934 KeyBank property has three drive-thru lanes and is situated on 0.64 acres. The property has excellent visibility and two points of access, along with a turning lane on Lancaster Ave being the property easily accessible. KeyBank is surrounded by numerous local offices and car dealerships, making this an ideal location for a bank branch. This area boasts excellent demographics as this is an affluent market with strong populations numbers which are expected to includes through 2023.

Devon, Pennsylvania is part of Philadelphia's Main Line, which is an unofficial historical and socio-cultural region of suburban Philadelphia, along the former Main Line of the Pennsylvania Railroad. Today, the Main Line includes some of the wealthiest communities in the country including Lower Merion Township, Radnor Township, Gladwyne, and Villanova. The public school system, Tredyffrin-Easttown, is an award-winning school district. Devon is also known for the Devon Horse show, the oldest and largest multi-breed horse show competition in the United States. The event lasting 10 days, is held in late May to early June and attracts people from all across the globe.

### NEIGHBORING NATIONAL TENANTS



## SUBJECT AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2010 POPULATION	7,917	46,420	108,554
2018 POPULATION	8,069	47,311	115,262
PROJECTED POPULATION (2023)	8,184	47,970	120,069
HISTORICAL ANNUAL GROWTH			
2010-2018	0.23%	0.23%	0.73%
PROJECTED ANNUAL GROWTH			
2018-2023	0.28%	0.28%	0.82%
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	3,284	18,433	41,104
2018 HOUSEHOLDS	3,314	18,680	43,747
PROJECTED HOUSEHOLDS (2023)	3,352	18,898	45,573
HISTORICAL ANNUAL GROWTH			
2010-2018	0.11%	0.16%	0.76%
PROJECTED ANNUAL GROWTH			
2018-2023	0.23%	0.23%	0.82%
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2018 AVERAGE	\$157,839	\$177,366	\$161,160
2018 MEDIAN	\$112,447	\$121,987	\$110,242

## POPULATION BY RACE

	1 MILE	3 MILES	5 MILES
WHITE POPULATION	81.6%	83.1%	81.2%
AFRICAN AMERICAN POPULATION	3.5%	3.3%	4.0%
ASIAN POPULATION	12.4%	11.3%	11.9%
PACIFIC ISLANDER POPULATION	0.2%	0.1%	0.1%
AMERICAN INDIAN AND ALASKA NATIVE	0.0%	0.0%	0.0%
OTHER RACE POPULATION	0.4%	0.5%	0.8%
TWO OR MORE RACES POPULATION	1.9%	1.7%	2.0%

## HISPANIC OR LATINO POPULATION BY ORIGIN

	1 MILE	3 MILES	5 MILES
HISPANIC OR LATINO	2.9%	2.9%	3.5%
WHITE NON-HISPANIC	79.2%	80.8%	78.8%

## 2018 AGE BY GENDER

	1 MILE	3 MILES	5 MILES
MEDIAN AGE			
MALE/FEMALE	40.9/43.1	43.0/45.3	40.4/43.5

## TRAFFIC COUNTS

LANCASTER AVE			
16,948			

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