



**CHASE BANK & OFFICE SPACE**

18 S Orange Ave • South Orange, NJ 07079

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CHASE BANK & OFFICE SPACE  
South Orange, NJ  
ACT ID Y0280531

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# INVESTMENT OVERVIEW



**EXECUTIVE SUMMARY**

VITAL DATA				
		YEAR 1		YEAR 2
Price	\$4,650,000	CAP Rate	6%	6%
Down Payment	100% / \$4,650,000	Net Operating Income	\$278,848	\$278,848
Loan Type	All Cash	Net Cash Flow After Debt Service	6.00% / \$278,848	6.00% / \$278,848
Gross Leasable Area (GLA)	10,000 SF	Total Return	6.00% / \$278,848	6.00% / \$278,848
Price/SF	\$465.00			
Current Occupancy	100%			
Year Built / Renovated	2000			
Lot Size	0.09 acre(s)			

MAJOR TENANTS			
TENANT	GLA	LEASE EXPIRATION	LEASE TYPE
Chase Bank	4,000	8/31/2024	NNN

**MAJOR EMPLOYERS**

EMPLOYER	# OF EMPLOYEES
Prudential	10,791
County Hall of Records	4,000
University Hospital	3,620
CHILDRENS HOSPITAL OF NEW JER	3,000
ESSEX COUNTY HOSPITAL CENTER	2,500
USI Landscape and Design Inc	2,448
Ultimate Services Inc	2,448
Housing Auth of The Cy Newark	2,326
County Clerk	2,264
Newark Beth Israel Med Ctr Inc	2,189
Merck	2,009
Police Department	2,001

**DEMOGRAPHICS**

	1-Miles	3-Miles	5-Miles
2018 Estimate Pop	26,748	262,395	638,435
2010 Census Pop	26,441	256,440	622,107
2018 Estimate HH	9,609	95,108	227,061
2010 Census HH	9,495	92,963	220,987
Median HH Income	\$79,752	\$50,694	\$50,983
Per Capita Income	\$47,195	\$31,177	\$31,360
Average HH Income	\$129,433	\$85,409	\$87,111



## INVESTMENT OVERVIEW

Marcus & Millichap is pleased to exclusively list a multi tenant Retail & Office Space located in South Orange, (Essex County), New Jersey. The subject property is 100 % occupied by tenants who have been in the same location for multiple years. The approximately 10,000 square foot building is located at 18 South Orange Avenue and is within proximity to many national retail tenants, educational institutions, and multi family residential communities.

South Orange is a township located in Essex County, New Jersey. South Orange is approximately 14 miles northwest of Midtown Manhattan in New York City. The townships that border South Orange are Short Hills, Maplewood, Newark, West Orange, Orange, and East Orange. Some of the major roads and highways that pass through or near South Orange are Route 124, CR-603, CR 604, CR 527, and South Orange Avenue. NJ Transit provides bus service from South Orange to Port Authority Bus Terminal in New York City on bus route 107 and it also provides transportation to Penn Station in Newark on bus route 92. NJ Transit also provides rail service on the Morristown Line with stops at Newark Broad Street Station, Secaucus Junction, and New York Penn Station with connecting service to Hoboken Terminal. The Morris – Essex and Gladstone Lines provide service known as “Midtown Direct”, with frequent trains and travel times as short as 31 minutes. There is Jitney Service throughout the town.

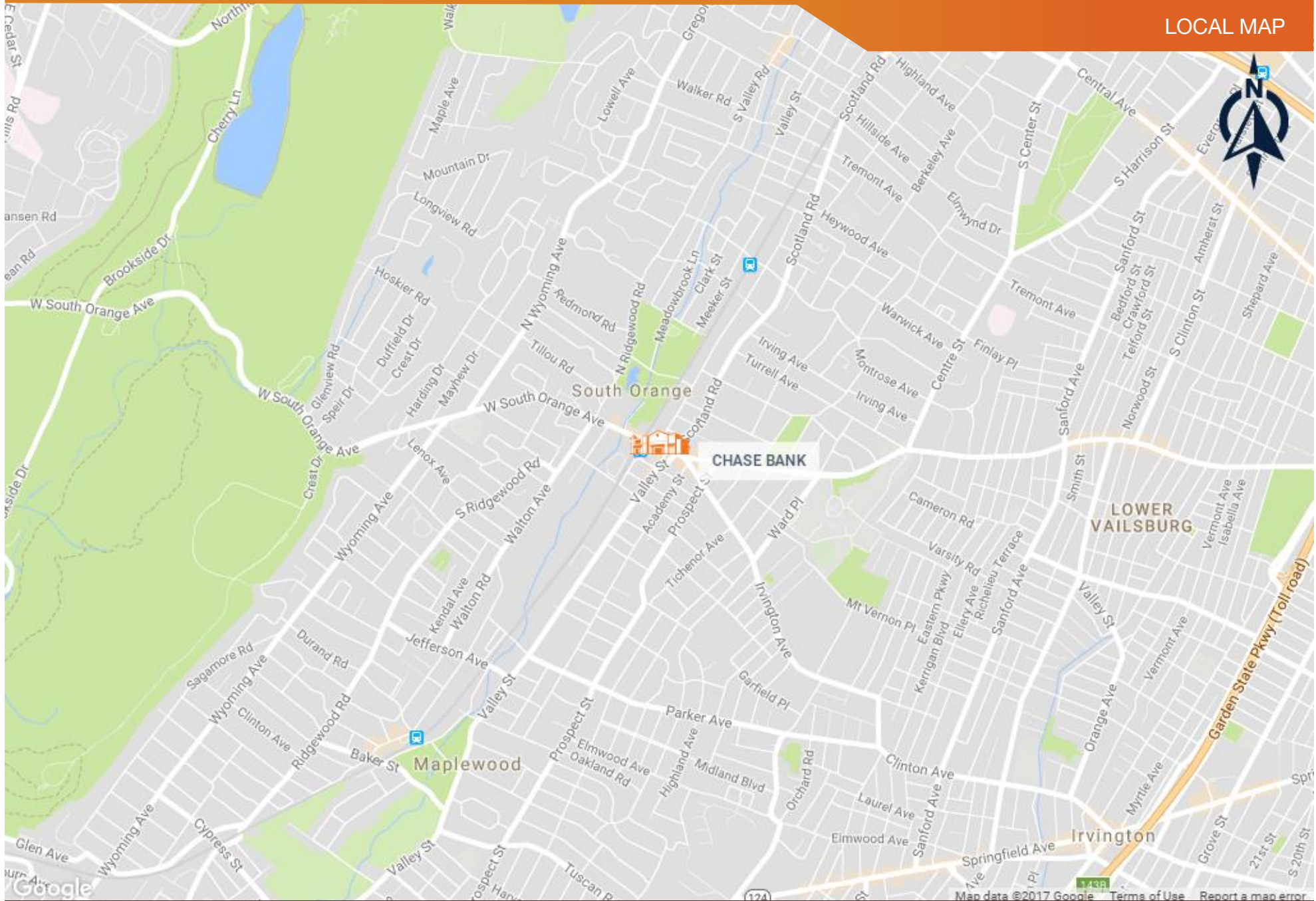


## PROPERTY OVERVIEW

- 10,000 SF Building
- Settled on .09 Acre Lot
- Strong Credit Tenant (Chase Bank Has S&P Credit Rating of AA-)
- 4 Parking Spaces in Rear Lot
- All Tenants Reimbursed for Tax, Insurance, CAM
- Chase Bank Deposits - \$62,000,000
- 15% Year Over Year Increase in Chase Deposits
- 1 Minute Walk From South Orange Commuter Rail
- 18 Minutes from Newark Airport
- Proximity to Multiple National Retailers















# FINANCIAL ANALYSIS

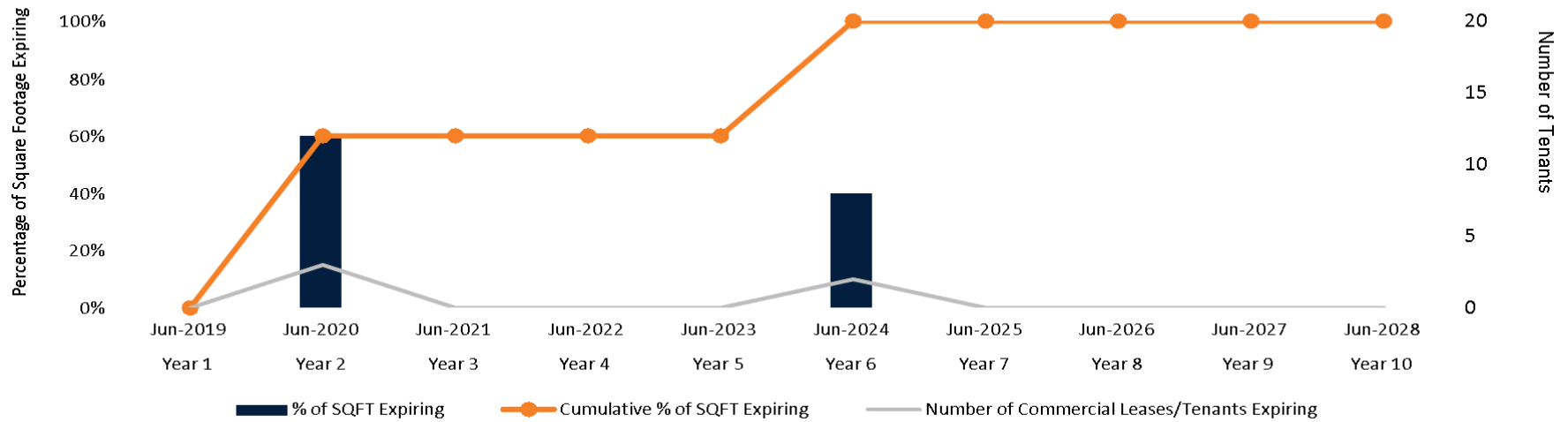


TENANT SUMMARY

As of June, 2019

Tenant Name	Suite	Square Feet	% Bldg Share	Lease Dates Comm.	Lease Dates Exp.	Annual Rent per Sq. Ft.	Total Rent Per Month	Total Rent Per Year	Changes on	Changes to	Lease Type	Expense Reimbursements	Renewal Options and Option Year Rental Information
Chase Bank	1	4,000	40.0%	9/1/04	8/31/24	\$36.22	\$12,072	\$144,864	Sep-2024	\$169,835	NNN	\$0	2 (5) Year Options With FMV Increases
Chase Bank	Basement	0	0.0%	9/1/04	8/31/24	\$0.00	\$723	\$8,671	Sep-2024	\$9,544	NNN	\$0	2 (5) Year Options
Eventage Event Productions	3	3,000	30.0%	4/1/06	12/31/20	\$20.61	\$5,152	\$61,824	Jan-2020	\$63,060	NNN	\$0	1 (5) Year Option with 2% Annual Increases
Eventage Event Productions	2F	1,200	12.0%	9/1/15	12/31/20	\$14.01	\$1,401	\$16,812	Jan-2020	\$17,148	NNN	\$0	1 (5) Year Option with 2% Annual Increases
Eventage Event Solutions	Basement	0	0.0%	M-M	M-M	\$0.00	\$675	\$8,100			NNN	\$0	N/A
South Mountain Yoga	2R	1,800	18.0%	4/1/11	3/31/21	\$21.43	\$3,215	\$38,577	Apr-2020	\$40,120	NNN	\$0	1 (5) Year Option with 4% Annual Increases
<b>Total</b>		<b>10,000</b>				<b>\$27.88</b>	<b>\$23,237</b>	<b>\$278,848</b>				<b>\$0</b>	
		<b>Occupied Tenants: 6</b>		<b>Unoccupied Tenants: 0</b>		<b>Occupied GLA: 100.00%</b>		<b>Unoccupied GLA: 0.00%</b>					

Lease Expiration Summary



**OPERATING STATEMENT**

Income	Year 1	Per SF	Year 2	Per SF	Notes
Scheduled Base Rental Income	278,848	27.88	278,848	27.88	
Expense Reimbursement Income					
<b>Total Reimbursement Income</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0.00</b>
<b>Effective Gross Revenue</b>	<b>\$278,848</b>	<b>\$27.88</b>	<b>\$278,848</b>	<b>\$27.88</b>	
Operating Expenses	Year 1	Per SF	Year 2	Per SF	Notes
Total Expenses	\$0	\$0.00	\$0	\$0.00	
Expenses as % of EGR	0.0%		0.0%		
<b>Net Operating Income</b>	<b>\$278,848</b>	<b>\$27.88</b>	<b>\$278,848</b>	<b>\$27.88</b>	

Notes and assumptions to the above analysis are on the following page.



PRICING DETAIL

Summary		
<b>Price</b>	<b>\$4,650,000</b>	
Down Payment	\$4,650,000	100%
Number of Suites	6	
Price Per SqFt	\$465.00	
Gross Leasable Area (GLA)	10,000 SF	
Lot Size	0.09 Acres	
Year Built/Renovated	2000	
Occupancy	100.00%	

Returns	Year 1	Year 2
<b>CAP Rate</b>	<b>6.00%</b>	<b>6.00%</b>
Cash-on-Cash	6.00%	6.00%
Debt Coverage Ratio	N/A	N/A

Operating Data				
Income		Year 1		Year 2
<b>Scheduled Base Rental Income</b>		<b>\$278,848</b>		<b>\$278,848</b>
Total Reimbursement Income	0.0%	\$0	0.0%	\$0
Other Income		\$0		\$0
Potential Gross Revenue		\$278,848		\$278,848
General Vacancy		\$0		\$0
Effective Gross Revenue		\$278,848		\$278,848
Less: Operating Expenses	0.0%	\$0	0.0%	\$0
<b>Net Operating Income</b>		<b>\$278,848</b>		<b>\$278,848</b>
Tenant Improvements		\$0		\$0
Leasing Commissions		\$0		\$0
Capital Expenditures		\$0		\$0
Cash Flow		\$278,848		\$278,848
Debt Service		\$0		\$0
Net Cash Flow After Debt Service	6.00%	\$278,848	6.00%	\$278,848
Principal Reduction		\$0		\$0
<b>Total Return</b>	<b>6.00%</b>	<b>\$278,848</b>	<b>6.00%</b>	<b>\$278,848</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>

PROPOSAL PRICE

A trade price in the current investment environment of  
**\$4,650,000**

Purchase Price	Year 1 Cap Rate	Year 2 Cap Rate	Initial Cash-on-Cash Return	Price Per SF	Price Per Suite
\$4,650,000	6.00%	6.00%	6.00%	\$465.00	\$775,000

Market Loan	1st Loan
Interest Rate	0.00%
Amortization Period	0 Years
Months of Interest Only	0
Annual Loan Constant	
Loan Term	0 Years
Loan to Value	0%
Loan Amount	\$0
Down Payment	\$4,650,000



### Chase Bank

General Information	
Tenant Name	Chase Bank
Website	www.chase.com
Parent Company	J.P Morgan Chase
Headquartered	New York, NY
Rentable Square Feet	4,000 SF
Lease Expiration	8/31/2024
No. of Locations	5,300

Chase Bank is a subsidiary of JPMorgan Chase and is U.S. consumer and commercial banking business who serves nearly half the population in the United States through their diverse and broad range of financial services. Their services include personal banking, credit cards, mortgages, auto financing, investment advisory services, small business loans and payment processing. Chase Bank is the largest domestic bank, with revenues totaling \$90.31 billion and reported deposits of \$1.375 trillion in 2016. The parent company, JPMorgan Chase & Company is a leading global financial services firm with assets of \$2.51 trillion. Chase Bank; originally Chase National Bank, was established in New York City and still house their headquarters there. Chase operates over 5,500 banks in more than 60 countries and Chase offers more than 5,200 branches and 15,500 ATMs nationwide. JPMorgan Chase one of the Big Four, which includes Wells Fargo, Bank of America, and Citigroup; the four behemoth financial institutions in the United States. Chase bank's stock is publicly traded on the New York Stock Exchange under its' parent company's ticker symbol; JPM. Chase has an Aa3 long term debt credit rating and an Aa2 long term deposit rating from Moody's.



### Eventage Event Solutions

General Information	
Tenant Name	Eventage Event Solutions
Website	eventage.net/
Parent Company	N/A
Headquartered	South Orange, NJ
Rentable Square Feet	4,200 SF
Lease Commencement	4/1/2006
Lease Expiration	12/31/2020
No. of Locations	2

Eventage Event Solutions is a boutique event production agency that does big things. They're writers, analyzers, thinkers, spreadsheet-makers, designers, leaders, listeners, problem-solvers and the people you want on your team. The founders, Matt and Jennifer Glass, met while working on one of the world's most visible events, the Macy's Thanksgiving Day Parade. In 1998, Eventage began in a West Village apartment and has grown to be a nationally-recognized event and marketing agency boasting long-term results.

### South Mountain Yoga

General Information	
Tenant Name	South Mountain Yoga
Website	southmountainyoga.com
Parent Company	N/A
Headquartered	South Orange, NJ
Rentable Square Feet	1,800 SF
Lease Commencement	4/1/2011
Lease Expiration	3/31/2021
No. of Locations	1

South Mountain Yoga studio teaches and practices yoga that emphasizes the safety of good alignment and the inspiration of the most uplifting parts of the yoga tradition. You'll leave class feeling exhilarated, grounded, and connected. South Mountain Yoga is directed by Yoga Teacher Emma Magenta, who has been spreading yoga all over Northern New Jersey since 2001. SMY's warm, dedicated, and experienced teachers can't wait to share their love of yoga with you.

# MARKET OVERVIEW



Created on June 2017

POPULATION	1 Miles	3 Miles	5 Miles
■ 2021 Projection			
Total Population	27,046	261,434	640,911
■ 2016 Estimate			
Total Population	26,510	261,651	636,208
■ 2010 Census			
Total Population	26,438	256,439	622,078
■ 2000 Census			
Total Population	24,352	269,958	632,472
■ Current Daytime Population			
2016 Estimate	26,385	196,920	632,998
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2021 Projection			
Total Households	9,899	95,778	229,947
■ 2016 Estimate			
Total Households	9,594	95,362	227,279
Average (Mean) Household Size	2.62	2.68	2.70
■ 2010 Census			
Total Households	9,496	92,963	221,007
■ 2000 Census			
Total Households	8,213	95,646	222,487
■ Occupied Units			
2021 Projection	9,899	95,778	229,947
2016 Estimate	10,507	105,498	249,341
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2016 Estimate			
\$150,000 or More	18.84%	9.45%	9.74%
\$100,000 - \$149,000	15.64%	11.63%	11.71%
\$75,000 - \$99,999	10.57%	10.13%	10.14%
\$50,000 - \$74,999	14.50%	15.96%	15.64%
\$35,000 - \$49,999	7.20%	12.60%	12.38%
Under \$35,000	26.77%	37.33%	37.71%
Average Household Income	\$124,576	\$83,131	\$84,104
Median Household Income	\$78,186	\$50,103	\$49,890
Per Capita Income	\$45,782	\$30,516	\$30,427

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$78,105	\$68,330	\$67,614
■ Consumer Expenditure Top 10 Categories			
Housing	\$25,935	\$22,588	\$22,374
Shelter	\$17,206	\$14,987	\$14,821
Transportation	\$12,166	\$10,720	\$10,616
Personal Insurance and Pensions	\$7,843	\$6,085	\$5,974
Food	\$7,267	\$6,433	\$6,369
Health Care	\$5,190	\$4,343	\$4,336
Utilities	\$4,951	\$4,392	\$4,346
Entertainment	\$2,661	\$2,351	\$2,318
Education	\$2,139	\$1,676	\$1,672
Apparel	\$1,994	\$1,871	\$1,857
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2016 Estimate Total Population	26,510	261,651	636,208
Under 20	27.76%	27.72%	27.45%
20 to 34 Years	19.59%	20.39%	21.02%
35 to 39 Years	6.54%	6.76%	6.81%
40 to 49 Years	14.98%	14.41%	14.29%
50 to 64 Years	20.14%	19.14%	18.75%
Age 65+	10.98%	11.58%	11.68%
Median Age	37.15	36.42	36.14
■ Population 25+ by Education Level			
2016 Estimate Population Age 25+	16,885	170,660	414,492
Elementary (0-8)	2.85%	4.18%	5.73%
Some High School (9-11)	3.56%	8.21%	8.93%
High School Graduate (12)	17.46%	30.93%	30.70%
Some College (13-15)	14.24%	19.83%	18.77%
Associate Degree Only	5.04%	6.68%	5.91%
Bachelors Degree Only	28.80%	17.86%	17.83%
Graduate Degree	26.36%	10.77%	10.60%

Source: © 2016 Experian



### Population

In 2016, the population in your selected geography is 636,208. The population has changed by 0.59% since 2000. It is estimated that the population in your area will be 640,911.00 five years from now, which represents a change of 0.74% from the current year. The current population is 47.62% male and 52.38% female. The median age of the population in your area is 36.14, compare this to the US average which is 37.68. The population density in your area is 8,087.03 people per square mile.



### Households

There are currently 227,279 households in your selected geography. The number of households has changed by 2.15% since 2000. It is estimated that the number of households in your area will be 229,947 five years from now, which represents a change of 1.17% from the current year. The average household size in your area is 2.70 persons.



### Income

In 2016, the median household income for your selected geography is \$49,890, compare this to the US average which is currently \$54,505. The median household income for your area has changed by 19.77% since 2000. It is estimated that the median household income in your area will be \$58,887 five years from now, which represents a change of 18.03% from the current year.

The current year per capita income in your area is \$30,427, compare this to the US average, which is \$29,962. The current year average household income in your area is \$84,104, compare this to the US average which is \$78,425.



### Race and Ethnicity

The current year racial makeup of your selected area is as follows: 30.98% White, 51.55% Black, 0.04% Native American and 5.13% Asian/Pacific Islander. Compare these to US averages which are: 70.77% White, 12.80% Black, 0.19% Native American and 5.36% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 21.13% of the current year population in your selected area. Compare this to the US average of 17.65%.



### Housing

The median housing value in your area was \$321,394 in 2016, compare this to the US average of \$187,181. In 2000, there were 97,904 owner occupied housing units in your area and there were 124,583 renter occupied housing units in your area. The median rent at the time was \$610.



### Employment

In 2016, there are 262,832 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 62.52% of employees are employed in white-collar occupations in this geography, and 37.40% are employed in blue-collar occupations. In 2016, unemployment in this area is 9.02%. In 2000, the average time traveled to work was 35.00 minutes.