

**REGIONS BANK**  
**(SUBLEASED TO MIDFLORIDA CREDIT UNION)**  
**EXCLUSIVE NET-LEASE OFFERING**



**OFFERING**  
**MEMORANDUM**

*Subject Property*



450 S Orlando Ave, Maitland, FL 32751

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## Table of Contents

|                                |       |
|--------------------------------|-------|
| Investment Highlights          | 4     |
| Financial Analysis             | 5     |
| Concept Overview               | 6-7   |
| Surrounding Area               | 8     |
| Location Overview              | 9     |
| Local Map                      | 10    |
| Regional Map                   | 11    |
| Demographics / Market Overview | 12-13 |





# Investment Highlights

PRICE: \$4,342,154 | CAP: 5.85% | RENT: \$254,016



## About the Investment

- ✓ ~7 Years Remaining on an Original 20-Year Lease
- ✓ Absolute Triple Net (NNN) Ground Lease with Zero Landlord Responsibilities
- ✓ Regions Bank is the Guarantor for the Remainder of the Base Term | Property is Currently Subleased to MIDFLORIDA Credit Union
- ✓ Attractive Rental Increases of 12 Percent (12.0%) Every 5 Years
- ✓ Four (4), Five-(5) Year Tenant Renewal Options

## About the Location

- ✓ Dense Retail and Residential Corridor | Surrounding Retailers Include: Publix, Starbucks, McDonald's, Walgreens, Chase, PNC, Bank of America, SunTrust and Wells Fargo
- ✓ Strategically Located Directly off of South Orlando Avenue | Average Daily Traffic Count of Over 51,000 Vehicles
- ✓ Freestanding Property | Features High Visibility and Ease of Access
- ✓ Strong Demographics | Average Income within Three-Mile Radius of Over \$81,000
- ✓ Transportation Access to Interstate 4 | Eight Miles North of Orlando

## About the Guarantor

- ✓ Regions Bank | One of the Nation's Largest Full-Service Providers of Consumer and Commercial Banking Services
- ✓ Member of the S&P 500 Index
- ✓ Regions Financial Corporation Revenue is \$1.37B
- ✓ 1,454 Banking Offices and 1,952 ATMs in Operation Nationwide







# Financial Analysis

PRICE: \$4,342,154 | CAP: 5.85% | RENT: \$254,016



## PROPERTY DESCRIPTION

|                   |  |
|-------------------|--|
| Property          | Regions Bank (MIDFLORIDA Credit Union) |
| Property Address  | 450 South Orlando Ave                  |
| City, State ZIP   | Maitland, FL 32751                     |
| Year Built        | 2006                                   |
| Building Size     | 3,820 SF                               |
| Lot Size          | +/- 2.26 Acres                         |
| Type of Ownership | Fee Simple                             |

## THE OFFERING

|                |             |
|----------------|-------------|
| Purchase Price | \$4,342,154 |
| CAP Rate       | 5.85%       |
| Annual Rent    | \$254,016   |

## LEASE SUMMARY

|                      |                               |
|----------------------|-------------------------------|
| Property Type        | Net Leased Bank               |
| Tenant / Guarantor   | Regions Bank                  |
| Ownership            | Public                        |
| Original Lease Term  | 20.0 Years                    |
| Lease Commencement   | 11/1/2005                     |
| Lease Expiration     | 10/31/2025                    |
| Lease Term Remaining | 6.5 Years                     |
| Lease Type           | Triple-Net (NNN) Ground Lease |
| Roof & Structure     | Tenant Responsible            |
| Rental Increases     | 12% Every 5 Years             |
| Options to Renew     | Four, Five-Year Options       |

## RENT SCHEDULE

| Lease Year(s)          | Annual Rent | Monthly Rent | Rent Escalation (%) |
|------------------------|-------------|--------------|---------------------|
| 11/1/2018 - 10/31/2019 | \$254,016   | \$21,168     | -                   |
| 11/1/2019 - 10/31/2020 | \$254,016   | \$21,168     | -                   |
| 11/1/2020 - 10/31/2021 | \$284,498   | \$23,708     | 12.00%              |
| 11/1/2021 - 10/31/2022 | \$284,498   | \$23,708     | -                   |
| 11/1/2022 - 10/31/2023 | \$284,498   | \$23,708     | -                   |
| 11/1/2023 - 10/31/2024 | \$284,498   | \$23,708     | -                   |
| 11/1/2024 - 10/31/2025 | \$284,498   | \$23,708     | -                   |

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for the MIDFLORIDA Credit Union located in Maitland, FL. Built in 2006, the subject property consists of approximately 3,820 rentable square feet and is situated on approximately 2.26 acres of land.

MIDFLORIDA Credit Union is currently subleasing this property from Regions Bank. The subject property is in the 14th year of the original 20-year triple-net (NNN) ground lease, which commenced on November 1, 2005. The current annual rent is \$254,016 and is scheduled to increase by twelve percent (12.00%) on November 1, 2020 and every five years thereafter, continuing through the remainder of the base term and each of the four (4), five (5)-year option periods.

From meager beginnings of a shoebox, MIDFLORIDA has grown to nearly 50 branches in Central Florida, more than 800 employees and assets exceeding \$3 billion. Presently, they are servicing more than 300,000 members in the Central Florida area with products and services that rival any local bank, while maintaining the credit union philosophy of excellent personal attention.



# Concept Overview: MIDFLORIDA Credit Union

## Company Profile

From meager beginnings of a shoebox, MIDFLORIDA has grown to nearly 50 branches in Central Florida, more than 800 employees and assets exceeding \$3 billion. Presently, we are servicing more than 300,000 members in the Central Florida area with products and services that rival any local bank, while maintaining the credit union philosophy of excellent personal attention.

## History

MIDFLORIDA began in 1954 as Polk County Teachers Credit Union. Polk County Teachers Credit Union began with only 10 charter members but ended the first year with 273 members and about \$7,000 on deposit.

In 1957, the credit union expanded its charter to serve the employees and volunteers of the Highlands County School Board and, in 1963, the first professional office of MIDFLORIDA opened. The credit union continued to grow and prosper and, in 1997, the credit union applied for and received permission to expand its charter to include the communities of Polk and Highlands counties. This change represented a turning point for MIDFLORIDA since anyone who lived, worked, worshipped or attended school in Polk or Highlands County could join. That same year, MIDFLORIDA Schools Federal Credit Union became MIDFLORIDA Federal Credit Union.

In 2002, MIDFLORIDA expanded its community charter to include Okeechobee, Sumter and Hardee counties. In planning for future expansion, MIDFLORIDA received permission in 2009 to become a state-chartered credit union, shortening the company name to MIDFLORIDA Credit Union.

More change came in 2010 and 2012 with mergers with Bay Gulf Credit Union and Indian River Federal Credit Union. These conversions expanded MIDFLORIDA's ability to provide services across the state, from the Tampa Bay market to the Treasure Coast.



## Your Community Credit Union

As one of the top credit unions in the state, MIDFLORIDA prides itself on their ability to provide a wide range of banking products and services as well as convenient branch locations to the Central Florida area without sacrificing its dedication to service.

## Services

MIDFLORIDA offers a wide array of services to Central Floridians. Not only will you find efficient account offerings and affordable loans, you can also bank on their local expertise and convenient hours to save you time and money. MIDFLORIDA also offers business investments, payroll services, merchant services, regular share savings accounts, individual retirement accounts (IRAs), money markets, share certificates/CDs, and much more.

## Insurance

MIDFLORIDA Insurance Services offers a variety of affordable insurance options to meet your needs, whatever it may be. They currently offer coverage for over 20 different types of insurance, including the basics (auto and home) as well as products like pet insurance, legal service plans, and many more.



# Guarantor Overview: Regions Bank

## Company Profile

Regions Financial Corporation (NYSE:RF), with \$123 billion in assets, is a member of the S&P 500 Index and is one of the nation's largest full-service providers of consumer and commercial banking, wealth management, mortgage, and insurance products and services. Regions serves customers across the South, Midwest and Texas, and through its subsidiary, Regions Bank, operates approximately 1,500 banking offices and 1,900 ATMs.

## History

Regions Financial Corporation was formed in 1971 as First Alabama Bancshares Inc., Alabama's first multibank holding company. With the combination of three well-respected banks, the holding company began operations with a total of \$543 million in assets and 40 banking locations in Birmingham, Huntsville and Montgomery.

The company was renamed Regions Financial Corp. in 1994 to better reflect its growing presence throughout the South. Its merger with Memphis, Tenn.-based Union Planters Corp. took place in July 2004, creating a Top 15 U.S. bank. Its merger with AmSouth Bancorporation on November 4, 2006, created a Southeast-based financial powerhouse ranking as one of the top 10 banks in the nation. Serving some 4 million households throughout the South, Midwest and Texas, Regions is a full-service provider of retail and commercial banking, wealth management, mortgage and insurance products and services.



## General Information

|                         |   |
|-------------------------|---|
| Address                 | Birmingham, Alabama   |
| Website                 | <a href="https://www.regions.com/personal-banking">https://www.regions.com/personal-banking</a> |
| Stock Ticker            | RF (NYSE)   |
| Current Price (06/2019) | \$14.47   |

## Divisions

### Retail and Commercial Banking

Regions Bank is a full-service institution with a full range of financial products and services in the areas of wealth management, mortgage banking, and insurance, in addition to traditional banking products and services. The bank operates in approximately 1,500 offices and a 1,900-ATM network across Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, South Carolina, Tennessee and Texas.

### Mortgage

Regions Mortgage is one of the nation's top residential mortgage loan originators and servicers. The balanced, focused mortgage business offers a full array of residential mortgage products and services through its retail and correspondent lending channels.

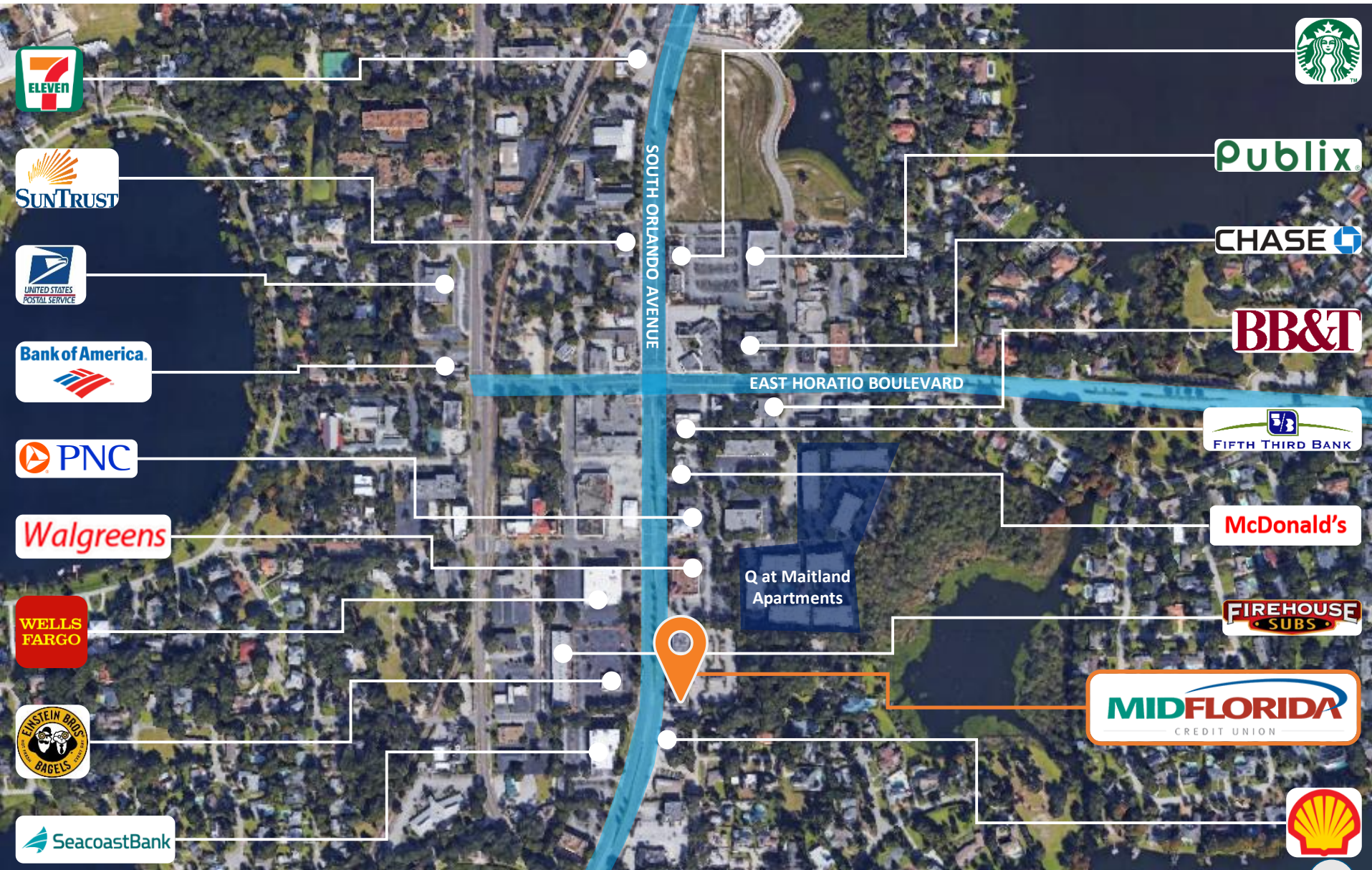
### Insurance

In 2004, Regions Financial Corporation created Regions Insurance Group, Inc., the corporate structure for all of the company's insurance-related subsidiaries. Currently, with more than 600 employees in 28 offices across 10 states, Regions Insurance Group offers all lines of personal and commercial insurance, including property, casualty, life, health and accident. Regions Insurance Services offers credit-related products and other direct marketed insurance products to customers of Regions.





# Surrounding Area







# Location Overview

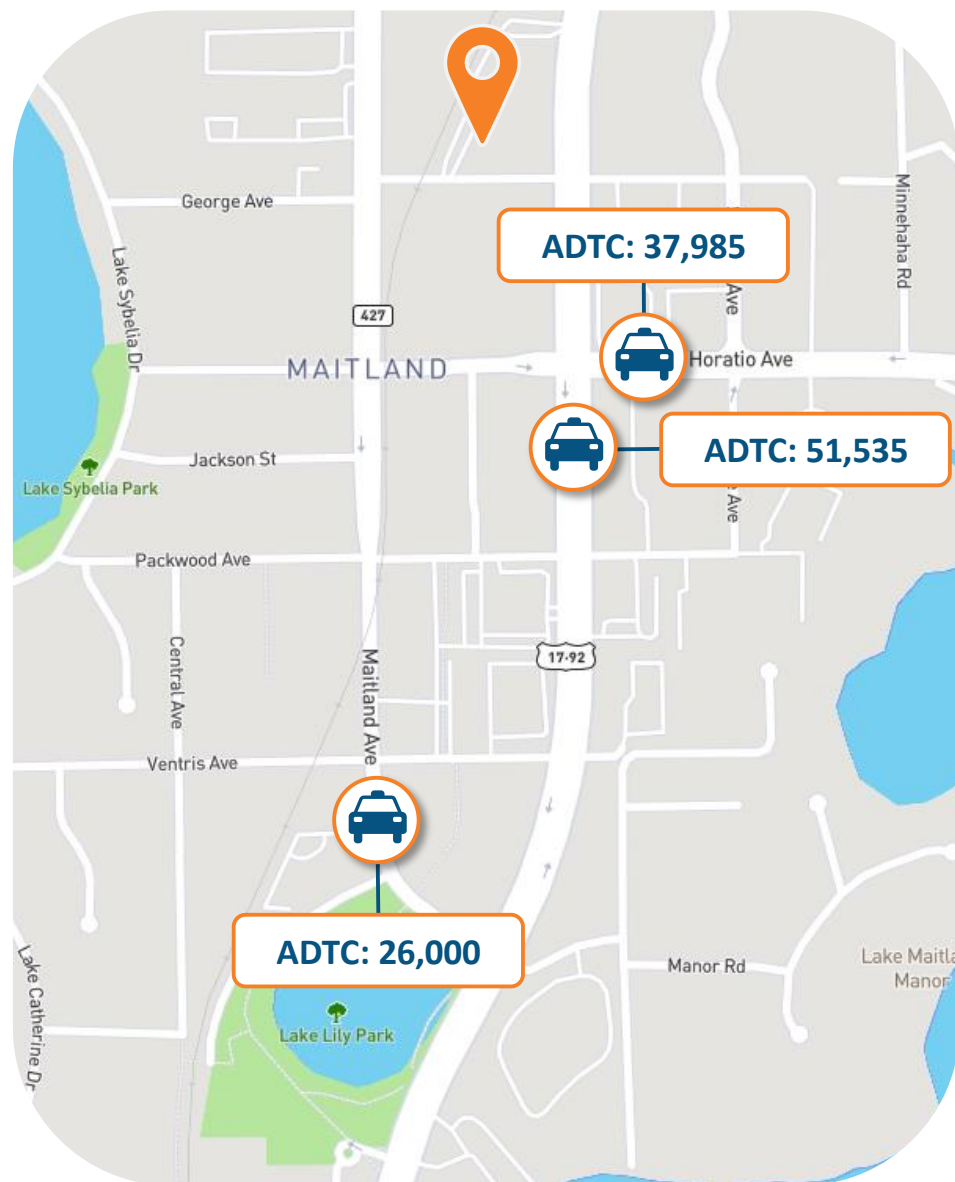
Property Address: 450 S Orlando Ave, Maitland, FL 32751



The subject investment property is located at 450 South Orlando Avenue in Maitland, Florida. Maitland is a suburban city in Orange County, and part of the Greater Orlando area. It is approximately eight miles north of downtown Orlando. Maitland has a strong population count with approximately 97,200 individuals residing within a three-mile radius of the property and more than 275,100 individuals within a five-mile radius. This MIDFLORIDA Credit Union is located on South Orlando Avenue, which experiences an average daily traffic count of 51,535 vehicles. Nearby East Horatio Avenue brings an additional 37,985 vehicles per day to the area. Additionally, Maitland Avenue runs parallel to South Orlando Avenue, which experiences average daily traffic counts exceeding 26,000.

The subject property benefits from its proximity to Interstate-4, which provides easy transportation access to neighboring Orlando, as well as Daytona Beach to the north and Tampa to the southwest. Located in a dense residential and retail corridor, MIDFLORIDA Credit Union is surrounded by many national retailers and banks including Publix, Starbucks, McDonald's, Walgreens, Chase, PNC, Bank of America, SunTrust, Wells Fargo and many more. There are several condominium and apartment complexes within a half-mile of the subject property including the Q at Maitland, The Village at Lake Lily (250+ units) and Lake Maitland Terrace Condos (181 units).

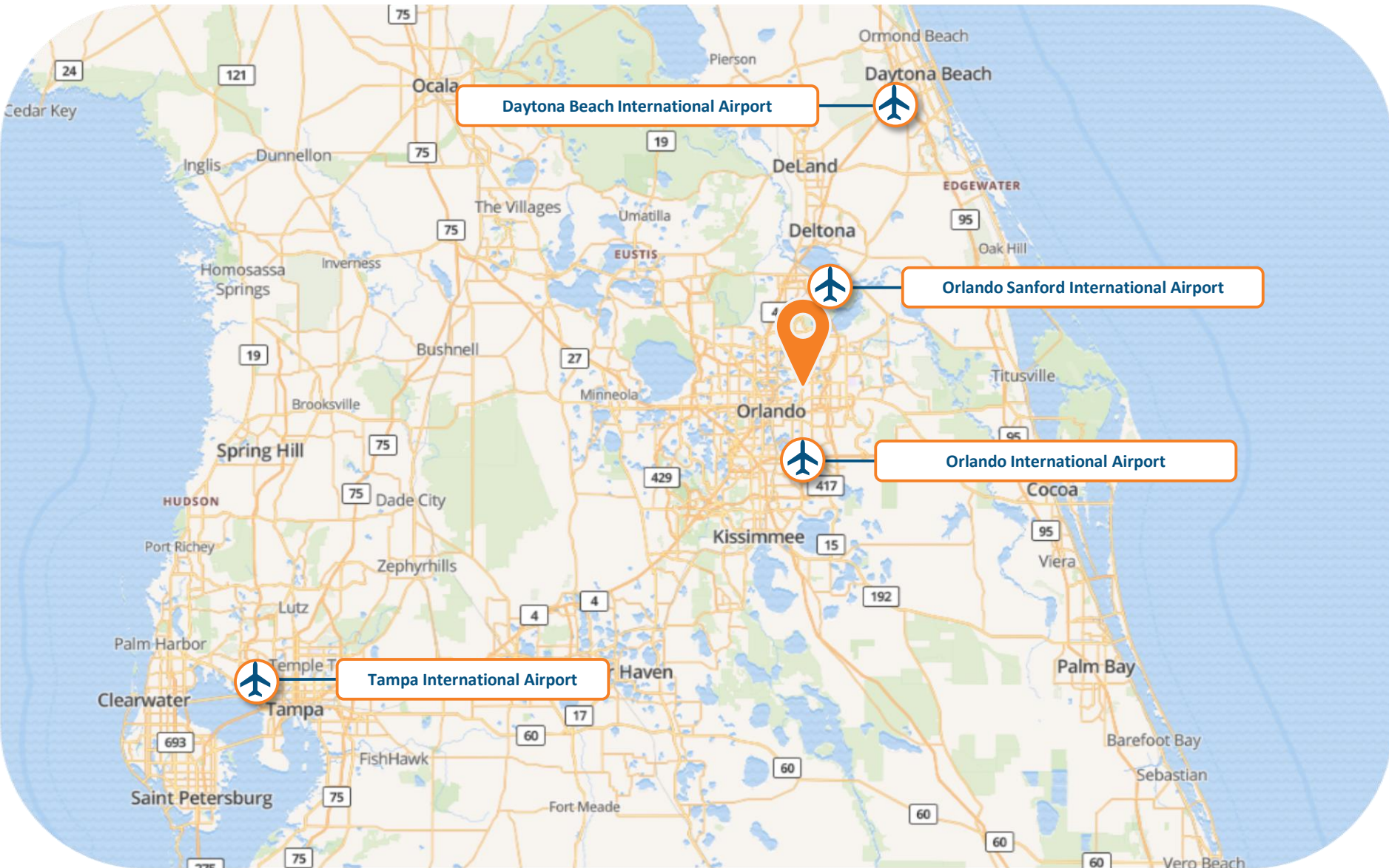
Maitland is one of the oldest incorporated suburban municipalities in central Florida. As a major suburb of Orlando, the town's "historical corridor" encompasses old residences still standing and occupied in the Lake Lily - Lake Catherine area and extending through the central portion of the city. The area has always been a vacation spot because of its climate, location to theme parks and people. However, Maitland has recently become a location where affluent individuals have come to reside. Maitland's Community Redevelopment Agency currently has an updated 2017 Master Plan in order to promote business retention and new business recruitment through the expansion of downtown Maitland, connection of public spaces, road and sidewalk improvements and new building additions. In total, these redevelopments will help attract new residents and businesses alike, further expanding the success of the city.





# Local Map

Property Address: 450 S Orlando Ave, Maitland, FL 32751



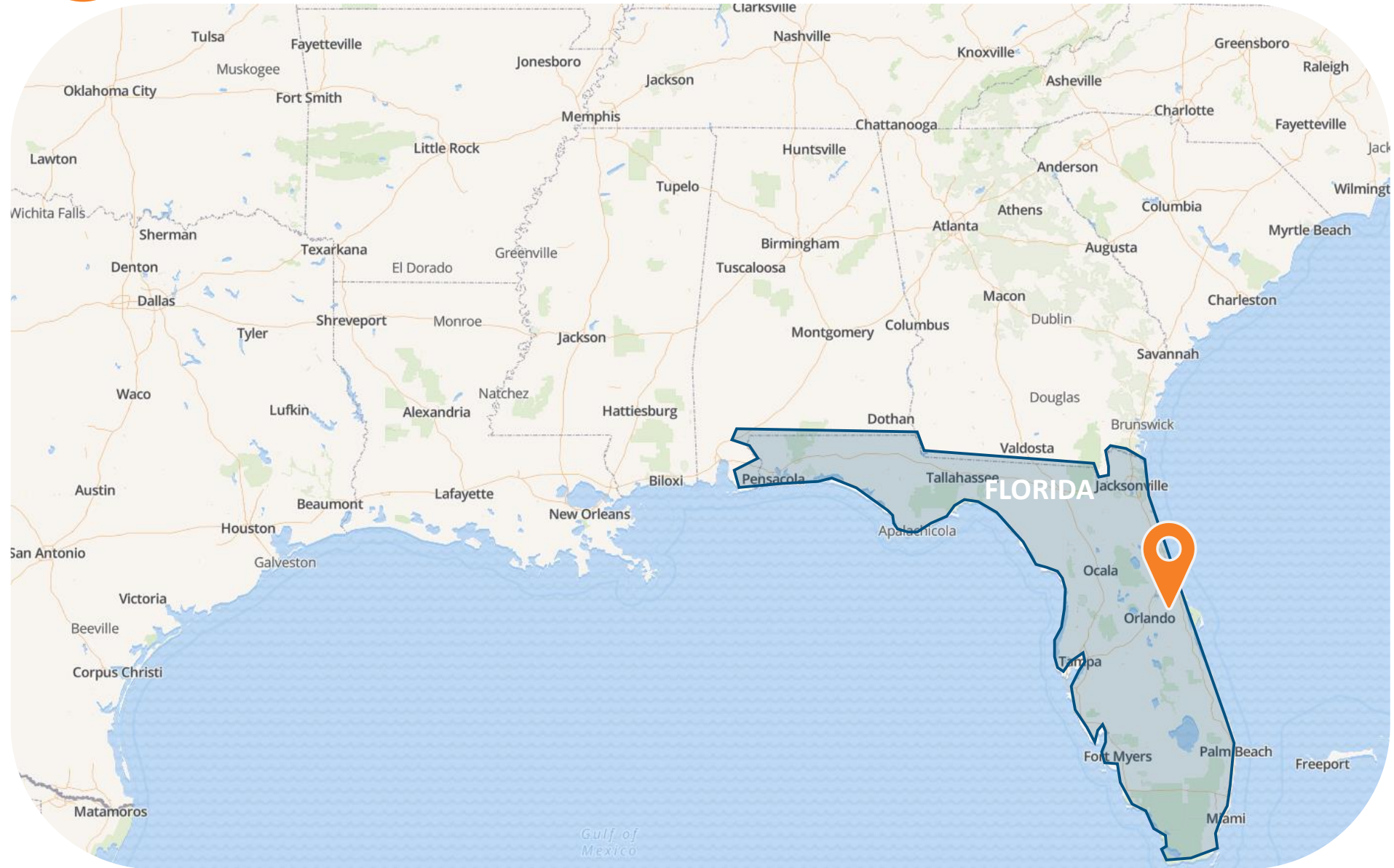




# Regional Map



Property Address: 450 S Orlando Ave, Maitland, FL 32751





|                                 |         |         |           |
|---------------------------------|---------|---------|-----------|
| 2024 Projection                 | 105,306 | 297,969 | 1,067,943 |
| 2019 Estimate                   | 97,198  | 275,113 | 984,327   |
| 2010 Census                     | 84,908  | 239,926 | 867,219   |
| Growth 2019 - 2024              | 8.34%   | 8.31%   | 8.49%     |
| Growth 2010 - 2019              | 14.47%  | 14.67%  | 13.50%    |
| 2019 Population Hispanic Origin | 18,216  | 57,772  | 251,980   |

|                           |        |         |         |
|---------------------------|--------|---------|---------|
| White                     | 74,827 | 212,745 | 672,793 |
| Black                     | 16,475 | 43,093  | 240,192 |
| American Indian & Alaskan | 407    | 1,304   | 5,263   |
| Asian                     | 3,000  | 10,486  | 39,336  |
| Hawaiian & Pacific Island | 102    | 302     | 1,439   |
| Other                     | 2,386  | 7,182   | 25,304  |

|                    |        |         |         |
|--------------------|--------|---------|---------|
| 2024 Projection    | 45,492 | 129,970 | 418,191 |
| 2019 Estimate      | 42,132 | 120,096 | 385,759 |
| 2010 Census        | 37,472 | 105,090 | 340,799 |
| Growth 2019 - 2024 | 7.97%  | 8.22%   | 8.41%   |
| Growth 2010 - 2019 | 12.44% | 14.28%  | 13.19%  |

**\$81,778      \$76,070      \$70,272**

|                       |        |        |         |
|-----------------------|--------|--------|---------|
| <\$25,000             | 9,111  | 26,266 | 90,329  |
| \$25,000 - \$50,000   | 10,011 | 29,344 | 100,245 |
| \$50,000 - \$75,000   | 7,690  | 22,895 | 70,897  |
| \$75,000 - \$100,000  | 4,330  | 13,968 | 45,743  |
| \$100,000 - \$125,000 | 3,415  | 9,037  | 27,392  |
| \$125,000 - \$150,000 | 1,704  | 5,289  | 15,566  |
| \$150,000 - \$200,000 | 2,556  | 6,087  | 18,331  |

\$55,896      \$54,402      \$50,704





# Market Overview

City: Maitland | County: Orange | State: Florida

## Orlando, Florida

**Orlando** is the county seat of Orange County, Florida and is the center of the Orlando metropolitan area, which had a population of 2,387,138, according to U.S. Census Bureau figures released in 2016. Orlando is one of the world's most visited tourist destinations, with over 68 million visitors in 2016. The two most significant tourist attractions include Walt Disney World and Universal Orlando Resort. Walt Disney World is the area's largest attraction with its many facets such as the Magic Kingdom, Epcot, Disney's Hollywood Studios, Disney's Animal Kingdom, Typhoon Lagoon, Blizzard Beach and Disney Springs. There are also many more tourist attractions located along International Drive, with one of these being the famous Orlando Eye. The city is one of the busiest American cities for conferences and conventions, containing the Orange County Convention Center, the second-largest convention facility in the United States. According to a 2009 Pew Research Center study, Orlando ranks as the fourth-most popular American city based on where people want to live.

Orlando is also a prominent location for film, television and electronic gaming industries, aided by the presence of Universal Studios, Disney's Hollywood Studios, Full Sail University, UCF College of Arts and Humanities, the Florida Interactive Entertainment Academy, and other entertainment companies and schools. The U.S. modeling, simulation and training industry is also centered on the Orlando region, with a particularly strong presence in the Central Florida Research Park adjacent to University of Central Florida. There are also many golf courses that can be found throughout Orlando, including the Bay Hill Club and Lodge, which is home to the Arnold Palmer Invitational. Two major league professional sports teams reside in Orlando, including the Orlando Magic of the National Basketball Association, and the Orlando City Soccer Club of Major League Soccer. Orlando is home to two non-profit hospital systems including Orlando Health and Florida Hospital. Orlando Health's Orlando Regional Medical Center is home to Central Florida's only Level 1 trauma center, and Winnie Palmer Hospital for Women and Babies and Florida Hospital Orlando have the area's only Level III neonatal intensive care units.

## Major Employers

| Employer                       | Estimated # of Employees |
|--------------------------------|--------------------------|
| Adu                            | 44,000                   |
| Careers Usa Inc                | 5,004                    |
| Florida Hospital Orlando       | 4,500                    |
| Florida Hospital               | 2,359                    |
| Winter Pk Healthcare Group Ltd | 1,579                    |
| Keiser University              | 1,346                    |
| Orange County Fire & Rescue    | 1,200                    |
| Consulate Management Co LLC    | 1,143                    |
| United Healthcare              | 753                      |
| Ctrl FL Peds                   | 751                      |
| Pointe At Canyon Lake LP       | 750                      |



Marcus & Millichap

## EXCLUSIVE NET LEASE OFFERING

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