



**AMERITRADE**

(NASDAQ: AMTD)

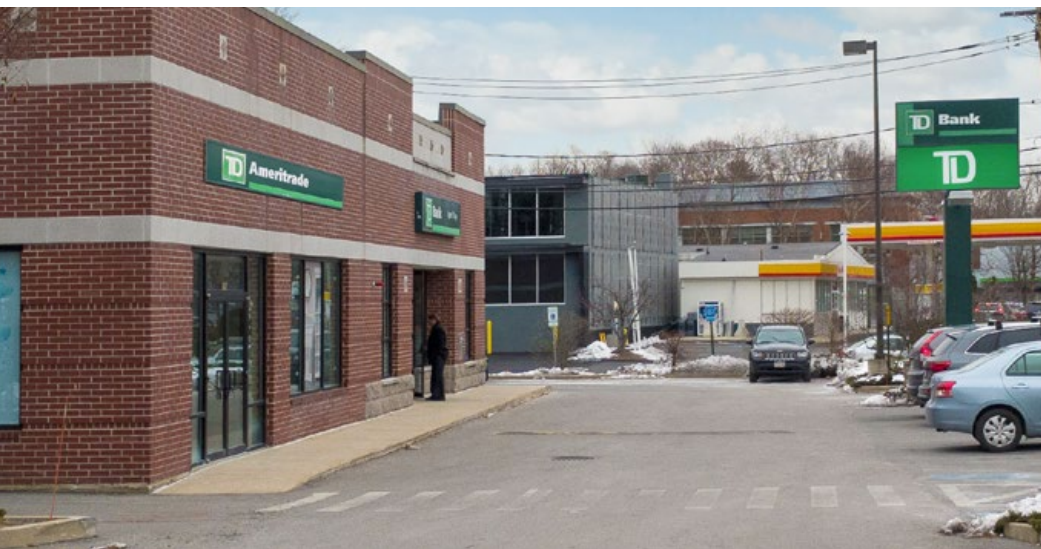


**Bank**

(S&P: AA-)

# TWO-TENANT INVESTMENT OPPORTUNITY 100% INVESTMENT GRADE CREDIT OFFERING

999 WORCESTER STREET, WELLESLEY, MASSACHUSETTS 02482 (BOSTON MSA)







**EXCLUSIVELY MARKETING BY**

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# INVESTMENT SUMMARY

The SRS National Net Lease Group is offering the rare opportunity to acquire the fee simple interest (land and building), in a freestanding, two-tenant building occupied by national tenants located in the affluent suburb of Wellesley, MA, (Boston MSA). The building is currently occupied by TD Bank (corporate | S&P: AA-), and TD Ameritrade (corporate | NASDAQ: AMTD), both which are operating on new 10 year leases. Both leases feature rare 10% rental increases in year 6 and at the beginning of each option period, growing NOI and hedging against inflation. As of June 30, 2018, the TD Bank has strong deposits north of \$122 MM, an increase of nearly 8% over the previous year. Additionally, all the tenants are on net leases, reimbursing for taxes, insurance, and CAM, limiting expense leakage for an investor. Landlord is responsible for roof, structure, and common area maintenance (all expenses subject to reimbursement by tenants). TD Bank is paying well below market rent and features a large 32% rental increase at the beginning of its first option period.

The property is situated at the signalized, hard corner intersection of Worcester Street/Route 9 (48,800 VPD) and Overbrook Drive with excellent visibility and points of access on both adjacent streets. Worcester Street/Route 9 is a primary commuter thoroughfare connecting the suburbs of Boston to the city center, making it an ideal location for a commercial property. Boston and the financial district are located 35 minutes/20 miles east of the property. The site is well positioned in the wealthy suburbs of Wellesley, Natick, and Brookline area with the immediate 1-mile average household income of \$197,000. Nearby national/credit tenants include CVS, AutoZone, Party City, JoAnn Fabrics, Jiffy Lube, and more, further increasing consumer traffic and crossover shopping in the area. Furthermore, located just 4 miles west is the Natick Mall (1.86 MM SF of retail), Cloverleaf Marketplace Shopping Center, Shoppers World Plaza, Sherwood Plaza Shopping Center, and Old Connecticut Path with all of the largest national tenants such as Walmart, Target, Lowe's, Kohl's, Bed Bath & Beyond, Best Buy, and many more.

Within a 5-mile radius from the site, over 147,000 residents (\$165,000 average household income) and nearly 113,000 employees support the trade area. The city of Wellesley features a median home value of \$1,276,300.





# OFFERING HIGHLIGHTS

## OFFERING

PRICING:	\$4,993,000
NET OPERATING INCOME:	\$249,661
CAP RATE:	5.00%
GUARANTY:	Corporate
TENANTS:	TD Ameritrade   NASDAQ: AMTD TD Bank, N.A.   S&P: AA-
LEASE TYPES:	NNN
LANDLORD RESPONSIBILITIES:	Roof, Structure, and CAM (All expenses subject to tenant reimbursements. See page 15 for additional details)

## PROPERTY SPECIFICATIONS

RENTABLE AREA:	5,879 SF
LAND AREA:	0.68 Acres
PROPERTY ADDRESS:	999 Worcester Street, Wellesley, MA 02482 Boston MSA
YEAR BUILT:	TBD
PARCEL NUMBER:	WELL-000200-000027
OWNERSHIP:	Fee Simple (Land and Building)





# INVESTMENT HIGHLIGHTS

## **NEW 10 YEAR LEASES | CORPORATE GUARANTEED | RARE RENTAL INCREASES | 100% INVESTMENT GRADE OFFERING | BELOW MARKET RENT**

- TD Bank (S&P: AA-) and TD Ameritrade corporate guaranteed leases
- Both tenants are operating on new 10 year leases
- Rare 10% rental increases in year 6 of the initial term
- TD Bank has been at this location since 2005 and features \$122 million in deposits
- TD Bank is paying well below market rent and features a large 32% rental increase at the beginning of its first option period

## **NNN LEASES | FEE SIMPLE OWNERSHIP | MINIMAL LANDLORD RESPONSIBILITIES**

- Tenants reimburse for CAM, insurance, and taxes
- Limits expense leakage for a new investor

## **SIGNALIZED HARD CORNER INTERSECTION | ALONG COMMUTER THOROUGHFARE**

- Situated at the signalized, hard corner intersection of Worcester Street/Route 9 (48,800 VPD) and Overbrook Drive
- Worcester Street/Route 9 is a primary commuter thoroughfare connecting the suburbs of Boston to the city center
- Boston and the financial district are located 35 minutes/20 miles east of the property
- The property features excellent visibility and points of access on both adjacent streets

## **RETAIL CORRIDOR | 4-MILES FROM MAJOR COMMERCIAL SHOPPING HUB**

- Nearby national/credit tenants include CVS, Party City, JoAnn Fabrics, and more
- Just 4 miles west is the Natick Mall (1.86 MM SF of retail), Cloverleaf Marketplace Shopping Center, Shoppers World Plaza, Sherwood Plaza Shopping Center, and Old Connecticut Path with all major national tenants
- Increases consumer draw to the trade area and promotes crossover shopping

## **EXTREMELY AFFLUENT BOSTON SUBURB | UPSCALE BOSTON SUBMARKET**

- 147,000 residents and 113,000 employees support the 5-mile trade area
- Wellesley features a median home value of \$1,276,300
- \$165,000 average household income
- The site is well positioned in the wealthy suburbs of Wellesley, Natick, and Brookline with the immediate 1-mile average household income of \$197,000





# PROPERTY OVERVIEW



## ACCESS

There are two (2) access points with one (1) access point along Worcester Street/ Route 9 and one (1) along Overbrook Drive.



## TRAFFIC COUNTS

Worcester Street/ Route 9: ..... 48,800  
Central Street / State Highway 135: ..... 10,600



## IMPROVEMENTS

There is approximately 5,879 SF of existing building area.



## PARKING

There are approximately 35 parking spaces on the owned parcel.  
The parking ratio is approximately 5.95 stalls per 1,000 SF of leasable area.



## YEAR BUILT

TBD



## PARCEL

Parcel Number: WELL-000200-000027  
Acres: 0.68 Square Feet: 29,420



## ZONING

Commercial





**WELLESLEY, MA (BOSTON MSA)**  
\$1,276,300 - 2017 Median Home Value  
\$239,730 - 2017 Average Household Income



**JO-ANN**  
fabric and craft stores

**Party City**



**verizon**

**Hertz**

**jiffy lube**

**AutoZone**

**Bernie's & Phyllis**

**INTERIOR STONE**

**TD AMERITRADE**

**TD Bank**

**Overbrook Drive**

**CVS pharmacy**

**Worcester Street / Route 9 - 48,800 VPD**



**DUNKIN' DONUTS**

**Renaissance Alliance**  
The future of insurance - today



# WELLESLEY, MA (BOSTON MSA)

\$1,276,300 - 2017 Median Home Value

\$239,730 - 2017 Average Household Income



AMERITRADE TD Bank

Bernie's & Phyllis

INTERIOR STONE

CALIFORNIA CLOSETS



Renaissance Alliance



DUNKIN' DONUTS

Worcester Street / Route 9 - 48,800 VPD

SMARTPAK

REYNOLDS & REYNOLDS

CVS pharmacy



A.D. COLA LIGHTING

DC SPANIOS A LUXURY CONSIGNMENT BOUTIQUE

FERGUSON



**WELLESLEY, MA (BOSTON MSA)**  
\$1,276,300 - 2017 Median Home Value  
\$239,730 - 2017 Average Household Income







TD AMERITRADE

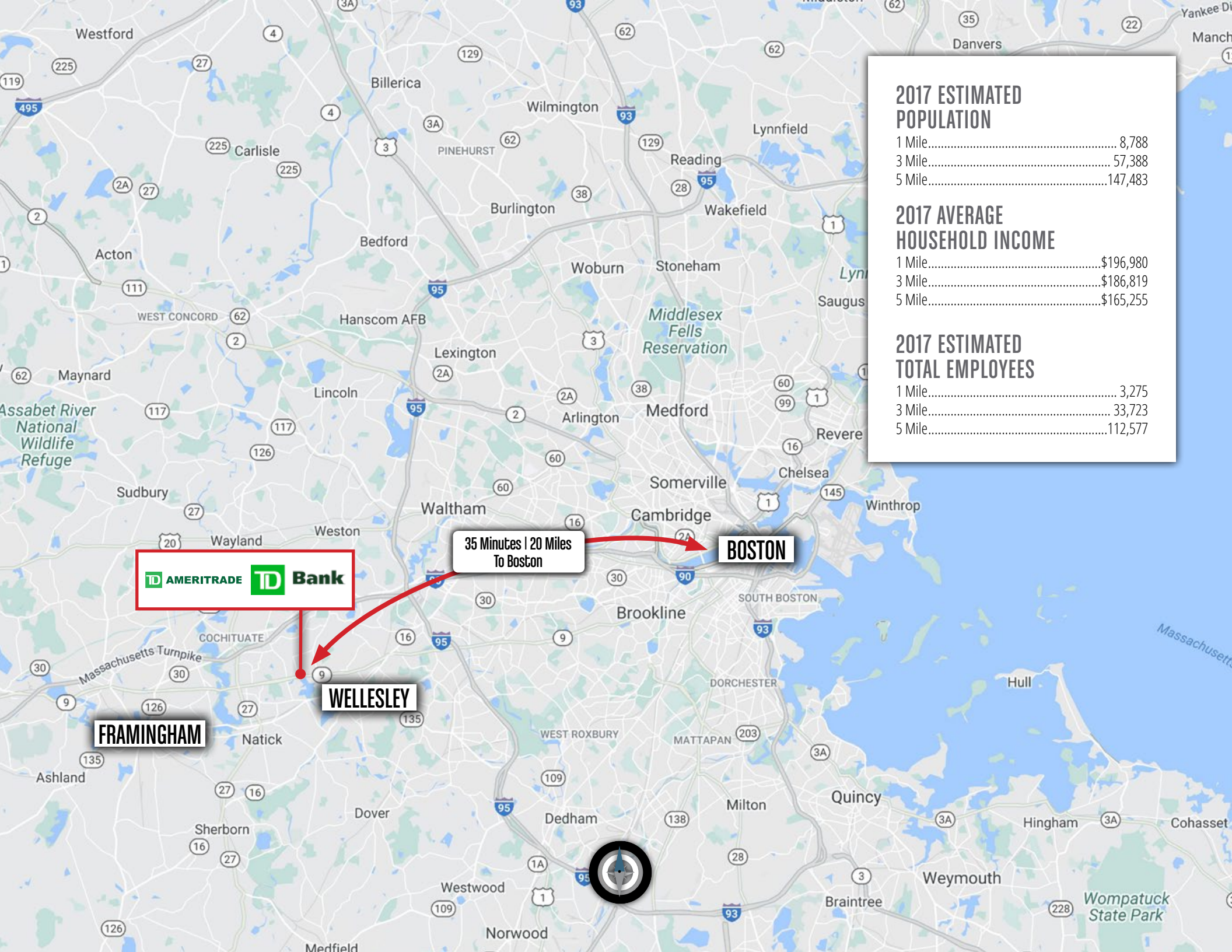
TD Bank

PYLON SIGN

9

WORCESTER ST. - 48,800 VPD





## 2017 ESTIMATED POPULATION

1 Mile.....	8,788
3 Mile.....	57,388
5 Mile.....	147,483

## 2017 AVERAGE HOUSEHOLD INCOME

1 Mile.....	\$196,980
3 Mile.....	\$186,819
5 Mile.....	\$165,255

## 2017 ESTIMATED TOTAL EMPLOYEES

1 Mile.....	3,275
3 Mile.....	33,723
5 Mile.....	112,577

**TD AMERITRADE** **TD Bank**

35 Minutes | 20 Miles  
To Boston

**BOSTON**

**WELLESLEY**

**FRAMINGHAM**



# AREA OVERVIEW OF WELLESLEY

Wellesley (Boston MSA) is a town in Norfolk County, Massachusetts. The Wellesley Census Designated Place had a population of 29,247 as of July 1, 2017. Wellesley has the 3rd highest median household and family incomes in all of Massachusetts. Wellesley borders the neighboring places of Needham, MA and Newton, MA.

Because of its proximity to Boston and the quality of services provided, Wellesley remains attractive to urban professionals whose wealth levels are among the highest in the Commonwealth.

Although the Town is 87% residential, commercial activity is diversified and the presence of Wellesley College, Babson College, and Massachusetts Bay Community College contribute to a lower unemployment rate and greater economic stability.

Wellesley is many people's first choice for purchasing a home, and for good reason. The town of Wellesley has a "real downtown," excellent schools, great neighborhoods, and a convenient commute.

Ideally located 12 miles west of Boston with primary access via the Mass Turnpike and to the country's premier medical area via Route 9, Wellesley also has train service from three stations for easy commuting, and a short drive to the MBTA.

The residential neighborhoods of Wellesley weave a wonderful fabric for community living. The rich variety of architecture - Colonial, Tudor, Victorian, Cape or Townhouse - with zoning allowing for 10,000 - 40,000 square foot lots, makes Wellesley a superb choice for a first home, for the years of a growing family, and as a empty-nester setting.

A quaint square with fine shops, boutiques, branches of national chains, augmented by coffee shops, lunch places and fine restaurants (highlighted by Ming Tsai's Blue Ginger right across from our office) draws attention from the entire area.

The town has houses of worship, parks, lakes, public and private golf clubs and swimming facilities.

The town is known for possessing the second greatest concentration of residents with advanced degrees in the country. Wellesley, Massachusetts schools, while consistently rated among the top in the state, are "neighborhood" schools in every sense of the word. It features six K-5 neighborhood schools; one middle school and one high school, graduating 400 students yearly. Because Wellesley enjoys a stellar reputation, the school-age population continues to grow. There are a variety of pre-schools, day care facilities, and private elementary and high schools in and around Wellesley.





# AREA DEMOGRAPHICS

DEMOGRAPHICS	1 MILE	3 MILES	5 MILES
2017 Estimated Population	8,788	57,388	147,483
2022 Projected Population	9,103	60,331	154,211
2010 Census Population	8,346	53,260	138,165
2017 Estimated Households	3,115	20,585	53,774
2022 Projected Households	3,218	21,691	56,201
2010 Census Households	2,999	19,169	50,859
2017 Estimated White	83.90%	83.70%	78.10%
2017 Estimated Black or African American	1.80%	2.20%	3.70%
2017 Estimated Asian or Pacific Islander	11.50%	10.60%	10.80%
2017 Estimated American Indian or Native Alaskan	0.10%	0.10%	0.20%
2017 Estimated Other Races	0.60%	0.90%	3.90%
2017 Estimated Hispanic	3.50%	4.10%	7.90%
2017 Estimated Average Household Income	\$196,980	\$186,819	\$165,255
2017 Estimated Median Household Income	\$144,386	\$131,665	\$111,723
2017 Estimated Per Capita Income	\$69,618	\$67,058	\$61,231
2017 Estimated Total Businesses	299	2,676	7,625
2017 Estimated Total Employees	3,275	33,723	112,577





# RENT ROLL & REIMBURSEMENT

Suite #	Tenant Name	Size SF	Pro					Pro Rata (\$)	Rental Increases					Lease Start Date	Lease End Date	Lease Options			
			Rata (SF)	Rent Monthly	Rent \$/SF/Mo	Rent Annual	Rent \$/SF/Yr		Increase Date	Inc.	Rent Monthly	Rent \$/SF/Mo	Rent Annual				Rent \$/SF/Yr		
A	TD Ameritrade (corporate)	3,311	56%	\$15,175	\$4.58	\$182,105	\$55.00	71%	Feb-24	10%	\$16,693	\$5.04	\$200,316	\$60.50	Feb-19	Feb-29	2 (5-Year) Opt 1: \$220,347 / Yr Opt 2: \$242,382 / Yr		
B	TD Bank (corporate)	2,568	44%	\$6,250	\$2.43	\$75,000	\$29.21	29%	Dec-22	10%	\$6,875	\$2.68	\$82,500	\$32.13	Dec-17	Dec-27	2 (5-Year) Opt 1: \$109,034 / Yr Opt 2: \$119,938 / Yr		
Total Occupied		5,879	100%	\$21,425	\$3.64	\$257,105	\$43.73	100%											
Total Vacant		0	0%	\$0		\$0		0%											
Total / Wtd. Avg:		5,879	100%	\$21,425	\$3.64	\$257,105	\$43.73	100%											

Suite #	Tenant Name	Size SF	Pro Rata (SF)	Prop. Taxes	Ins.	CAM	Mngmt.	Admin Fee	Reimbursement (Annual)	Notes
A	TD Ameritrade	3,311	56%	Net	Net	Net	-	10%	\$34,947	1) 10% Admin Fee on CAM. 2) Tenant subject to reimbursement for all expenses reasonably incurred by Landlord in connection with the property. 3) Tenant has the right to terminate during the initial term after the first day of the 8th lease year and must give 12 months prior notice and pay a termination fee of \$100,000.
B	TD Bank	2,568	44%	Net	Net	Net	-	10%	\$27,105	1) 10% Admin Fee on CAM. 2) Tenant subject to reimbursement for all expenses reasonably incurred by Landlord in connection with the property. 3) Tenant's share of reimbursements cannot increase by more than 5%, cumulatively over previous year.
Total Occupied		5,879	100%				Total Occupied		\$62,052	
Total Vacant		0	0%				Total Vacant		\$0	
Total / Wtd. Avg:		5,879	100%				Total / Wtd. Avg:		\$62,052	





# PRICING SUMMARY

OPERATING CASH FLOW	IN-PLACE
Potential Rental Revenue:	\$257,105
Potential Reimbursement Revenue:	\$62,052
Effective Gross Revenue (EGR):	\$319,157
Less Expenses:	(\$69,496)
Net Operating Income:	\$249,661

OPERATING EXPENSES	IN-PLACE	PSF/YR
Taxes: <sup>1</sup>	\$36,498	\$6.21
Insurance: <sup>2</sup>	\$2,116	\$0.36
CAM: <sup>3</sup>	\$21,307	\$3.62
Management: <sup>4</sup>	\$9,575	\$1.63
Total:	\$69,496	\$11.82

PRICING SUMMARY	
Price:	\$4,993,000
Net Operating Income:	\$249,661
Cap Rate:	5.00%

NOTES
1) Taxes are per Wellesley MA's tax bill.
2) Insurance is estimated at \$0.36 / SF.
3) CAM is estimated at \$3.62 / SF.
4) Management is estimated at 3% of effective gross revenue.





# BRAND PROFILE



## TD BANK

TD Bank, N.A. is a bank that offers an array of retail, small business, and commercial banking products and services in the United States. TD Bank, N.A. was formerly known as TD Banknorth, National Association and changed its name to TD Bank, N.A. in September 2009. The company was founded in 1852 and is based in Cherry Hill, New Jersey. It has locations in the Northeast, Mid-Atlantic, Metro D.C., the Carolinas, and Florida. TD Bank, N.A. operates as a subsidiary of Toronto-Dominion Bank.

Company Type: ..... Public (NYSE: TD)  
2017 Revenue: ..... \$35 Billion  
2017 Assets: ..... \$694 Billion  
2017 Equity: ..... \$58 Billion



## TD AMERITRADE

TD Ameritrade is a brokerage firm based in Omaha, Nebraska with a major trading center in St Louis, Missouri. The letters TD are derived from Toronto-Dominion Bank, the largest shareholder. The company provides services for individuals and institutions that are investing online. The company offers an electronic trading platform for the purchase and sale of financial securities including common stocks, preferred stocks, futures contracts, exchange-traded funds, options, mutual funds, and fixed income investments. It also provides margin lending, and cash management services.

Company Type: ..... Public (NASDAQ: AMTD)  
2017 Revenue: ..... \$3.68 Billion  
2017 Assets: ..... \$38.63 Billion  
2017 Equity: ..... \$7.24 Billion  
Employees: ..... 8,800







## NATIONAL NET LEASE GROUP

### SRS GLOBAL STATS



**800+**  
PROPERTIES CURRENTLY  
REPRESENTED



**600+**  
CLIENTS REPRESENTED  
IN 2016



**\$2.6B\***  
TRANSACTION VALUE



**20+**  
OFFICES



**250+**  
BROKERS,  
PROFESSIONALS,  
AND STAFF



**#1**  
LARGEST REAL ESTATE FIRM  
EXCLUSIVELY DEDICATED TO  
RETAIL SERVICES IN NORTH AMERICA

\*STATISTICS ARE FOR 2016.

This Offering Memorandum has been prepared by SRS National Net Lease Group (SRS) and has been approved for distribution by the owner. Although effort has been made to provide accurate information, neither the owner nor SRS can warrant or represent accuracy or completeness of the materials presented herein or in any other written or oral communications transmitted or made available to the purchaser. Many documents have been referred to in summary form and these summaries do not purport to represent or constitute a legal analysis of the contents of the applicable documents. Neither owner nor SRS represents that this offering summary is all inclusive or contains all of the information a purchaser may require. All of the financial projections and/or conclusions presented herein are provided strictly for reference purposes and have been developed based upon assumptions and conditions in effect at the time the evaluations were undertaken. They do not purport to reflect changes in the economic performance of the property or the business activities of the owner since the date of preparation of this Offering Memorandum. The projected economic performance of the property, competitive submarket conditions, and selected economic and demographic statistics may have changed subsequent to the preparation of the package. Qualified purchasers are urged to inspect the property and undertake their own independent evaluation of the property, the market and the surrounding competitive environment.