

CBRE

OFFERING MEMORANDUM



ALDI

4702 JONESTOWN RD | HARRISBURG, PA 17109

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TABLE OF CONTENTS

03

TENANT OVERVIEW

05

FINANCIAL ANALYSIS

Property Highlights

Financial Overview

Investment Overview

09

PROPERTY SUMMARY

Property Photos

Local/Regional Map

Location Overview

Demographics

TENANT OVERVIEW

ALDI | HARRISBURG, PA





A leader in the grocery retailing industry since 1976, ALDI operates nearly 1,800 U.S. stores in 35 states. More than 40 million customers each month benefit from the simple, streamlined approach ALDI brings to retailing. ALDI sells frequently purchased grocery and household items, primarily under its exclusive brands, which meet or exceed national name brands on taste and quality. For the seventh year in a row, ALDI was recognized as a value leader among U.S. grocery stores in 2017 by a Market Force Information® survey of U.S. consumers.

ALDI is a leading global discount supermarket chain with over 9,000 stores in 18 countries. Based in Germany, the chain was founded by brothers Karl and Theo Albrecht in 1946 when they took over their father's store in Essen which had been in operation since 1913; it is one of the world's largest privately owned companies. The brothers built up a chain of stores until, by 1960, they owned 300 shops, and split the operation into two separate groups, that later became Aldi Nord, headquartered in Essen; and Aldi Süd, headquartered in Mülheim an der Ruhr. The two operate independently, each within specific areas. In 1962 they introduced the name ALDI (short for Albrecht Diskont or Albrecht Discount).

Internationally, Aldi Nord operates in Denmark, France, the Benelux countries, the Iberian peninsula, and Poland, while Aldi Süd operates in Ireland, United Kingdom, Hungary, Switzerland, Australia, Austria & Slovenia. Both Aldi Nord and Aldi Süd also operate in the United States; Aldi Nord is owner of the Trader Joe's chain, while Aldi Süd operates as Aldi.

ALDI CORPORATE OVERVIEW

TENANT TRADE NAME:	ALDI
TENANT OWNERSHIP STATUS:	Private
LOCATIONS:	-/+ 1,800 (U.S. Stores)
CORPORATE HEADQUARTERS:	Germany

FINANCIAL OVERVIEW

ALDI | HARRISBURG, PA

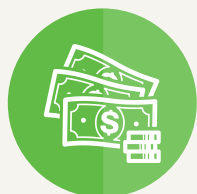




LIST PRICE
\$7,295,940



CAP RATE
5.00%



TOTAL NOI
\$364,797

PROPERTY HIGHLIGHTS

LONG-TERM LEASE

Brand new 15 year ALDI lease with over 14 years remaining and three options to renew

CORPORATELY GUARANTEED

The lease is corporately guaranteed by ALDI, a leading global discount supermarket chain with over 9,000 stores in 18 countries including 1,800 stores in the U.S.

2018 RENOVATION

This ALDI building was fully renovated in 2018 offering no deferred maintenance

MAIN RETAIL AREA

ALDI is located in-between the major retail destinations in town including The Colonial Park Mall, Colonial Commons and Harrisburg East Shopping Center

RENTAL INCREASES

There are 5% rental increases in years 6 and 11, and 10% rental increases in each option period

SURROUNDED BY NATIONAL TENANTS

Surrounding major retailers include Target, Costco, The Home Depot, KOHL's, Sears, and Boscov's to name a few

DENSELY POPULATED AREA

This is a densely populated area with over 8,700 people within 1 mile, over 65,000 people within 3 miles and over 163,000 people within 5 miles

TENANT IN EXPANSION MODE

ALDI is currently in expansion mode with a goal of 2,500 stores in the United States by the end of 2022

41,000 VEHICLES PER DAY

Situated on the main retail corridor Jonestown Road with 41,000 vehicles traveling by daily

FINANCIAL OVERVIEW



PRICE: **\$7,295,940**

CAP RATE: **5.00%**

YEAR BUILT/RENOVATED: 1987 / Complete Renovation 2018

BUILDING SQUARE FOOTAGE: ALDI - 20,323
(Inline Tenant Not Included in Offering - 2,400)

LOT SIZE: 1.8 Acres

TYPE OF OWNERSHIP: Fee Simple*

TENANT: ALDI Inc.

LEASE GUARANTOR: Corporate Guarantee

LEASE TYPE: NN**

INITIAL LEASE TERM: 15 Years

ROOF AND STRUCTURE: Landlord Responsible

LEASE COMMENCEMENT DATE: 8/30/2018

LEASE EXPIRATION DATE: 8/30/2033

TERM REMAINING ON LEASE: 14+ Years

INCREASES: 5% in Years 6 & 11
10% in the Options

OPTIONS: 2x5 Years, 1x4 Years 11 Months

PROPERTY ADDRESS:

4702 JONESTOWN RD | HARRISBURG, PA 17109

ALDI ANNUALIZED OPERATING DATA

RENT INCREASES	ANNUAL	MONTHLY
Years 1-5	\$364,797.85	\$30,399.82
Years 6-10	\$384,104.70	\$32,008.73
Years 11-15	\$402,395.40	\$33,532.95
Option 1	\$442,634.94	\$36,886.25
Option 2	\$486,939.08	\$40,578.26
Option 3	\$535,511.05	\$44,625.92

NET OPERATING INCOME: \$364,797.85

*ALDI is being sold as a condo - Small shop space (2,400sqft) is not included in sale

**Landlord maintains/repairs the roof, roof membrane, roof drainage system including gutters and downspouts, exterior walls and surfaces, structural portions of the premises, foundation, floor slab, and wiring, pipes, conduits and utility lines and systems not required to be maintained by tenant, exterior of the building, and any damage or defects caused by the intentional act or negligence of landlord, its agents or contractors, or work improperly performed

INVESTMENT OVERVIEW

CBRE IS PLEASED TO EXCLUSIVELY PRESENT FOR SALE this ALDI property located on Jonestown Road in Harrisburg, PA. ALDI opened at this location in August 2018 and currently has over 14 years remaining in its initial 15 year lease. This is a NN lease with minimal landlord responsibilities. The building was also completely renovated in 2018, offering zero deferred maintenance for the astute investor. There are 5% rental increases in years 6 and 11 of the lease, and 10% increases in each option period. The lease is corporately guaranteed by ALDI, a leading global discount supermarket chain with over 9,000 stores in 18 countries including 1,800 stores in the United States.

The subject property is ideally situated on Jonestown Road, a main retail corridor with excellent access and visibility for 41,000 vehicles traveling by daily. ALDI is surrounded by countless retailers, and situated in-between major shopping destinations: The Colonial Park Mall, Colonial Commons and Harrisburg East Shopping Center. Major nearby retailers include Target, Costco, The Home Depot, KOHL's, Sears, and Boscov's to name a few. This is a densely populated area with over 8,700 people within 1 mile, over 65,000 people within 3 miles and over 163,000 people within 5 miles. The average household income is over \$71,000 in the 1 mile ring, and over \$83,000 in the 3 mile ring.

A leader in the grocery retailing industry since 1976, ALDI operates nearly 1,800 U.S. stores in 35 states. The company is currently in expansion mode with a goal of 2,500 stores in the United States by the end of 2022. In 2017 ALDI was recognized as a value leader among U.S. grocery stores in 2017 by a Market Force Information® survey of U.S. consumers for the seventh year in a row.

PROPERTY SUMMARY

ALDI | HARRISBURG, PA



PROPERTY
PHOTOS



PROPERTY SUMMARY

PROPERTY PHOTOS



ORCHARD STREET

MAYFIELD STREET



2,400 sqft
NOT INCLUDED
IN OFFERING

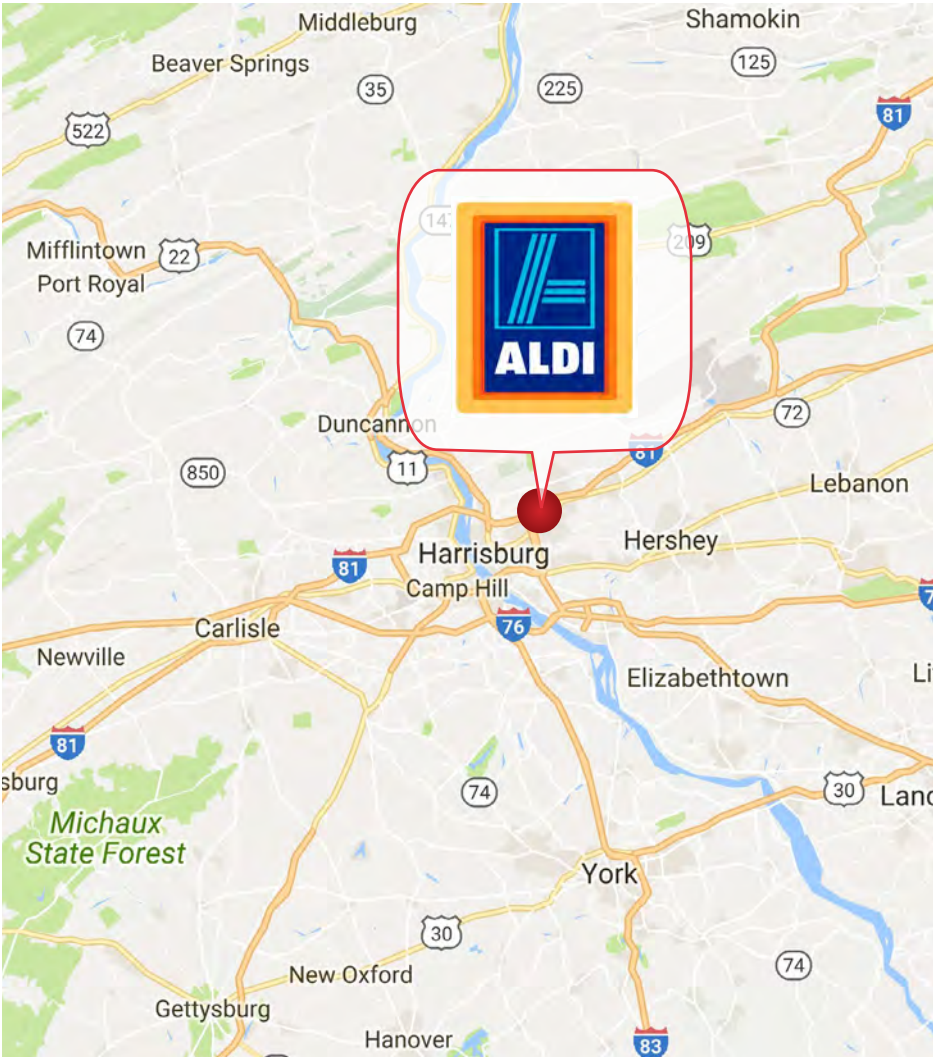
JONESTOWN ROAD



LOCAL
MAP



REGIONAL
MAP





LOCATION OVERVIEW



This ALDI is situated on 1.8 acres with excellent access and visibility on Jonestown Road in Harrisburg, PA. This area of Harrisburg, known as Colonial Park, is home to countless national retailers, and over 8,700 people within 1 mile. ALDI is located at the corner of Jonestown Road and Mayfield Street, with traffic counts of 41,000 vehicles per day. Immediate surrounding retailers include Taco Bell, Verizon, Sunoco, AutoZone, FedEx and Mattress Warehouse. The property is also situated among numerous shopping destinations including Colonial Park Mall, anchored by Sears and Boscov's located 1 mile away, and Colonial Commons/Harrisburg East Shopping Center both located 0.8 miles away.

Colonial Park is a community in Dauphin County, PA and part of the Harrisburg-Carlisle MSA. It is well known as the home to most of the area's retail activity. Harrisburg is a town with a rich history that spans more than 200 years. As the capital of the Commonwealth of Pennsylvania, it attracts thousands of people to live, work and visit. Harrisburg benefits from a central location in PA with strong transportation and distribution assets, and low living costs for a large NE metro area. According to Moody's, "An increasing population, a long overdue jump in single-family housing, and broad-based job gains will power above-average-growth in Harrisburg-Carlisle."

SUBJECT AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2010 POPULATION	8,627	64,099	157,074
2018 POPULATION	8,763	65,914	163,047
PROJECTED POPULATION (2023)	8,856	67,116	166,612
HISTORICAL ANNUAL GROWTH			
2010-2018	0.19%	0.34%	0.45%
PROJECTED ANNUAL GROWTH			
2018-2023	0.21%	0.36%	0.43%
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	3,949	27,844	65,520
2018 HOUSEHOLDS	3,997	28,609	68,037
PROJECTED HOUSEHOLDS (2023)	4,035	29,133	69,560
HISTORICAL ANNUAL GROWTH			
2010-2018	0.15%	0.33%	0.46%
PROJECTED ANNUAL GROWTH			
2018-2023	0.19%	0.36%	0.44%
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2018 AVERAGE	\$71,320	\$83,064	\$74,385
2018 MEDIAN	\$57,755	\$66,001	\$55,965

POPULATION BY RACE

	1 MILE	3 MILES	5 MILES
WHITE POPULATION	72.1%	67.4%	56.5%
AFRICAN AMERICAN POPULATION	13.7%	18.6%	27.8%
ASIAN POPULATION	5.7%	6.6%	5.4%
PACIFIC ISLANDER POPULATION	0.1%	0.2%	0.3%
AMERICAN INDIAN AND ALASKA NATIVE	0.1%	0.1%	0.1%
OTHER RACE POPULATION	3.5%	2.8%	5.1%
TWO OR MORE RACES POPULATION	4.7%	4.4%	4.8%

HISPANIC OR LATINO POPULATION BY ORIGIN

	1 MILE	3 MILES	5 MILES
HISPANIC OR LATINO	10.5%	8.2%	12.9%
WHITE NON-HISPANIC	67.7%	63.8%	51.7%

2018 AGE BY GENDER

	1 MILE	3 MILES	5 MILES
MEDIAN AGE			
MALE/FEMALE	38.2/41.5	40.1/44.1	38.1/41.3

TRAFFIC COUNTS

JONESTOWN RD			
41,000			

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