



\*ACTUAL SITE PHOTOS



OFFERING  
MEMORANDUM

**LA FITNESS**  
**ABSOLUTE NNN LEASE**

3474 SAWMILL DR, POWELL, OH 43065

OFFERING MEMORANDUM  
**PRESENTED BY:**

**JEFF GATES**

SENIOR VICE PRESIDENT OF  
INVESTMENT SALES

PHONE **415.231.5231**

EMAIL **jgates@thekasegroup.com**

BRE **#01768554**



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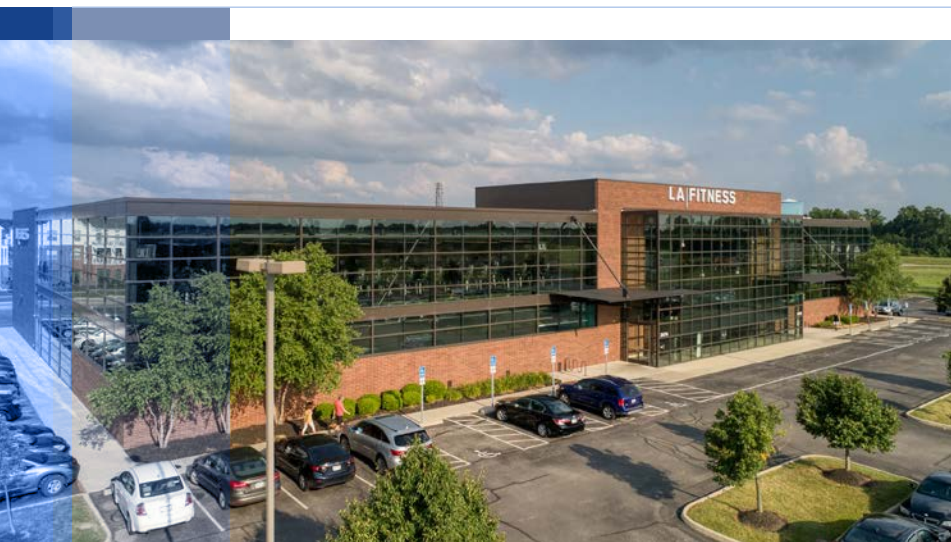


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# INVESTMENT OVERVIEW



The Kase Group is pleased to present a free standing L.A. Fitness for sale in Powell, Ohio. The 20 year NNN lease commenced in December of 2007 and calls for zero landlord obligations. After the initial term, the tenant has two, 10-year options to extend. The subject property benefits from being located at a major intersection with over 20,000 VPD on Sawmill Pkwy.

The subject offering comes with upside potential with the ability to lease or sell the 1.86 acre separate tax parcel directly in front of the LA Fitness and adjacent to the CVS (see page 10). Outparcel is currently included under the LA Fitness lease but offers the Buyer the future opportunity to materially increase its value through a lease, sale, or development of the site.

## INVESTMENT HIGHLIGHTS

**ABSOLUTE NNN LEASE WITH ZERO LANDLORD RESPONSIBILITIES**

**LOCATED IN THE COLUMBUS MSA**

**LONG TERM CORPORATE LEASE**

**LOCATED IN A MAJOR RETAIL AREA WITH HIGH TRAFFIC COUNTS  
(20,000 VPD)**

**VALUE ADD OPPORTUNITY WITH OUTPARCEL POTENTIAL (CALL  
BROKER TO DISCUSS)**

**ONLY FULL SERVICE FITNESS CENTER IN THE IMMEDIATE  
SUBMARKET, CLOSEST COMPETITORS ARE 10+ MILES AWAY**

## OFFERING SPECIFICATIONS

**PRICE** \$17,518,167

**CAP RATE** 7.35%

**NET OPERATING INCOME** \$1,287,585.24

**SQUARE FOOTAGE** 53,206

**LOT SIZE** 6.94 AC

**YEAR BUILT** 2007

# FINANCIAL SUMMARY

## LA FITNESS • ABSOLUTE NNN LEASE

3474 SAWMILL DR, POWELL, OH 43065

**\$17,518,167 • 7.35%**

### SUMMARY

TENANT NAME	LA Fitness
SQUARE FOOTAGE	53,206
LEASE STARTS	12/29/2007
LEASE ENDS	12/28/2027
ANNUAL RENT	\$1,287,585.24
OPTIONS	Two, 10-Year
INCREASES	10% Every 10 Years

### OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
CURRENT	\$1,287,585	7.35%
OPTION 1	\$1,416,343	8.08%
OPTION 2	\$1,557,978	8.89%

# LEASE ABSTRACT

## BASIC TERMS

TENANT	Fitness & Sports Clubs, LLC DBA LA Fitness
BLDG SIZE	53,206 SF
LOT SIZE	6.94 AC
ADDRESS	3474 Sawmill Dr Powell, OH 43065
LEASE START	12/29/2007
LEASE END	12/28/2027
OPTIONS	Two, 10-Year
INCREASES	10% every 10 years

## LANDLORD RESPONSIBILITIES

MAINTENANCE & REPAIRS	None
INSURANCE	Landlord shall obtain and maintain Fire and Extended Casualty Insurance in an amount equal to the full replacement value and loss of rents insurance

## RENT SCHEDULE

PERIOD	MONTHLY RENT	ANNUAL RENT	ANNUAL RENT/SF
CURRENT	\$107,298.77	\$1,287,585	\$24.20
OPTION 1	\$118,028.64	\$1,416,343	\$26.62
OPTION 2	\$129,831.51	\$1,557,978	\$29.28

## TENANT RESPONSIBILITIES

MAINTENANCE & REPAIRS	Tenant shall maintain the interior of the lease premises, including all electrical components, lighting, plumbing, HVAC units, duct work and plate glass and doors. Tenant shall also be responsible for the maintenance, repair, and replacement of these systems and all other mechanical systems at the leased premises. Tenant shall also maintain, repair and replace all the structural elements and exterior surfaces of the leased premises including the roof, roof membrane, roof covering, and exterior walls.
INSURANCE	Tenant shall reimburse landlord for all premiums owed by Landlord with respect to the landlord's insurance. Tenant shall also obtain and maintain commercial general liability insurance, All-risk insurance, and Worker's Compensation insurance
TAXES/ UTILITIES/CAM	Tenant shall pay all real estate taxes as additional rent to the landlord. Tenant shall pay for all utility charges. Tenant shall pay as additional rent, common area expenses attributable to the leased premises



# TENANT OVERVIEW

## LA FITNESS

LA Fitness is one of the largest privately run health clubs in the country, with 700+ Locations it also boasts the highest revenue for any health club in the country. They offer flexible membership options which promote client loyalty across their portfolio of locations. LA Fitness was founded in 1984 by founder Chin Yi, Chairman & CEO and Louis Welch, President & CEO with one location at the corner of Hollenbeck Avenue and Arrow Highway in Covina, a suburb of Los Angeles, California. Official records describing the company's history and growth are few. Through the mid-1990s, the company expanded by acquiring under-performing fitness clubs in southern California, and by developing, opening and operating newly constructed properties.

LA Fitness remains a privately owned company, with major ownership interests held by private equity firms Seidler Equity Partners and Madison Dearborn Partners.

LA Fitness locations include weight and cardio equipment, group fitness classes throughout the day, indoor heated lap pool, spa, sauna, racquetball and basketball courts, locker facilities, personal trainers, Kids Klub (babysitting), juice bar, and swim school (some facilities may vary).



**700+** LOCATIONS



**LARGEST HEALTH CLUB**  
BY REVENUE

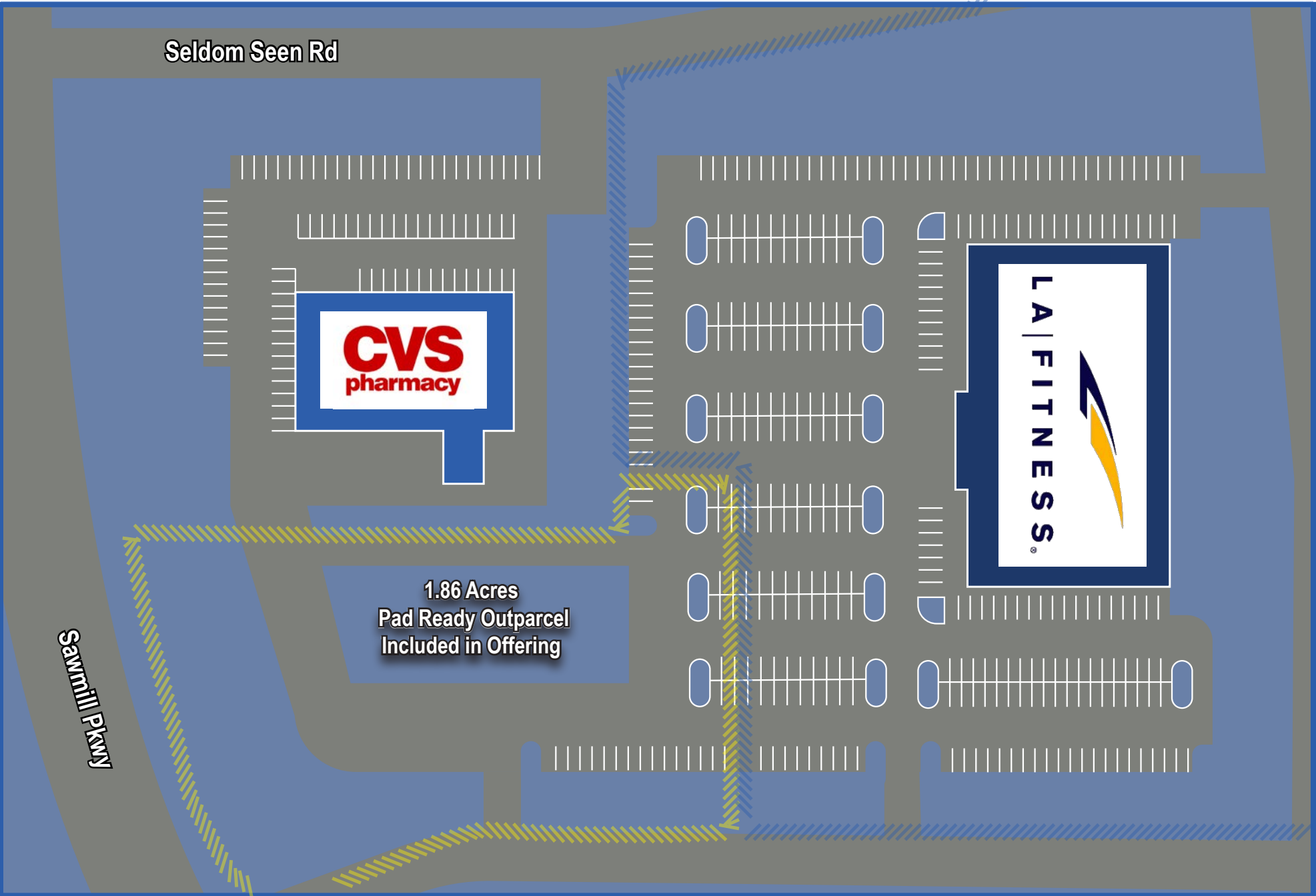


**PRIVATELY** HELD



**GROWING** ADDING NEW  
LOCATIONS EVERY YEAR

# SITE PLAN





# OUTPARCEL OPPORTUNITY





# OUTPARCEL OPPORTUNITY





# LOCATION AERIAL





# LOCATION AERIAL





# PROPERTY PHOTOS





# REGIONAL OVERVIEW

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## POWELL MARKET OVERVIEW

Powell is an affluent city in Delaware County, Ohio. The population was 11,500 at the 2010 census. Powell sits between the Scioto and Olentangy Rivers, about 14 miles north of the state capital of Columbus, centered on the intersection of State Route 750 and C.R. 9. It sits within Liberty Township, the site of the first settlement in Delaware County.

The City of Powell's historic downtown is the heart and soul its economic infrastructure. Thoughtfully designed civic architecture, attractive streetscapes, bountiful city services and ample parking provide a thriving business district amidst an intimate village environment.

In July 2005, CNN Money and Money magazine ranked Powell 18 on its list of the 100 Best Places to Live in the United States.





# COLUMBUS MARKET OVERVIEW

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## RANKED AS ONE OF “THE 6 BEST BIG CITIES” BY MONEY MAGAZINE

Columbus is the state capital and the largest and most populous city in the State of Ohio. With a population of 892,533 as of 2018 estimates, it is the 14th-most populous city in the United States and one of the fastest growing large cities in the nation. This makes Columbus the third-most populous state capital in the US (after Phoenix, Arizona and Austin, Texas) and the second-most populous city in the Midwest (after Chicago, Illinois). It is the core city of the Columbus, OH Metropolitan Statistical Area, which encompasses ten counties. Columbus is the county seat of Franklin County. The municipality has also annexed portions of adjoining Delaware, Pickaway and Fairfield counties.

In 2016, Money Magazine ranked Columbus as one of “The 6 Best Big Cities”, calling it the best in the Midwest, citing a highly educated workforce and excellent wage growth. In 2012, Columbus was ranked in BusinessWeek’s 50 best cities in the United States. In 2013, Forbes gave Columbus an “A” grade as one of the top cities for business in the U.S., and later that year included the city on its list of Best Places for Business and Careers. Columbus was also ranked as the No. 1 up-and-coming tech city in the nation by Forbes in 2008, and the city was ranked a top-ten city by Relocate America in 2010. In 2007, fDi Magazine ranked the city no. 3 in the U.S. for cities of the future, and the Columbus Zoo and Aquarium was rated no. 1 in 2009 by USA Travel Guide.



# ECONOMIC OVERVIEW

## ECONOMY

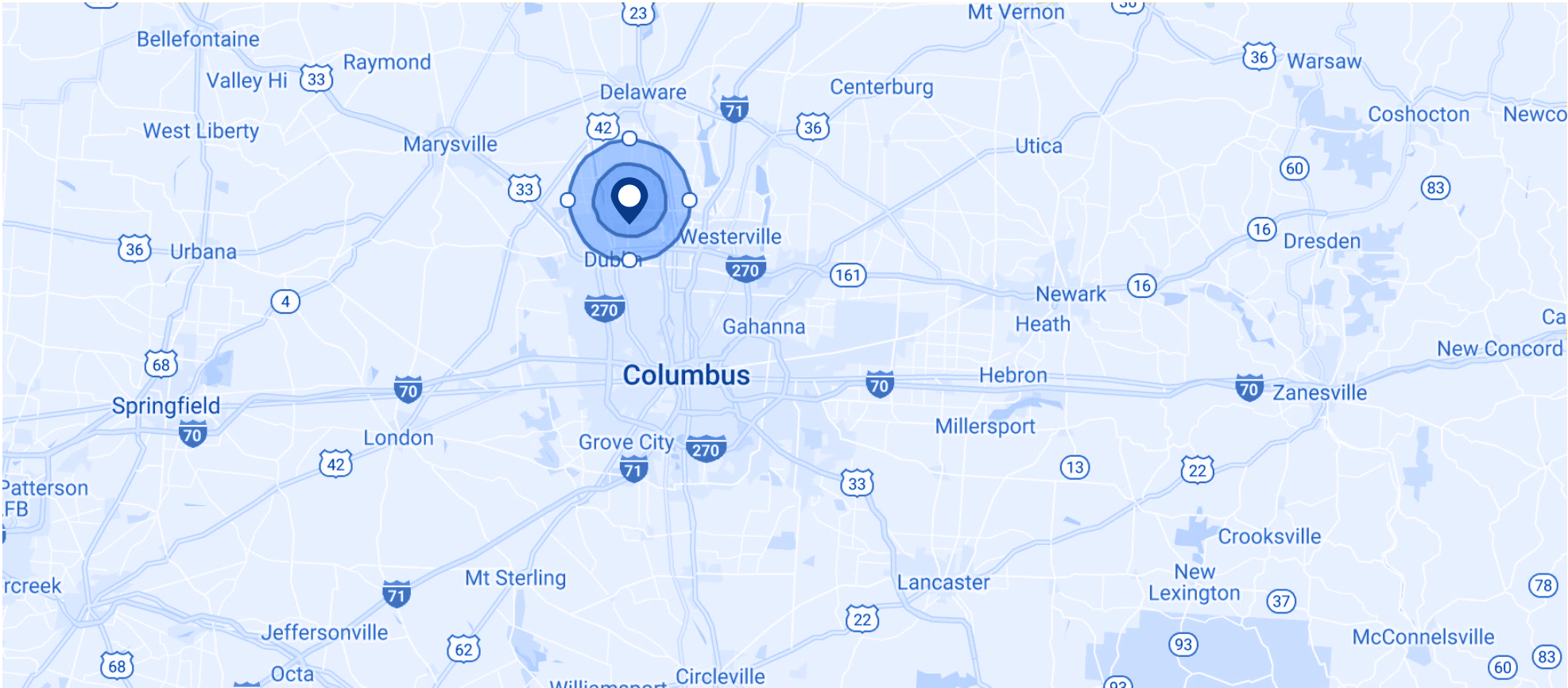
Columbus has a generally strong and diverse economy based on education, insurance, banking, fashion, defense, aviation, food, logistics, steel, energy, medical research, health care, hospitality, retail, and technology. In 2010, it was one of the 10 best big cities in the country, according to Relocate America, a real estate research firm. MarketWatch ranked Columbus and its metro area as the No. 7 best place in the country to operate a business in 2008. In 2012, Forbes Magazine ranked the city as the best city for working moms. In 2007, the city was ranked No. 3 in the United States by fDi magazine for “Cities of the Future”, and No. 4 for most business-friendly in the country. Columbus was ranked as the seventh strongest economy in the United States in 2006, and the best in Ohio, according to Policom Corp. According to the Federal Reserve of St. Louis, the GDP of Columbus in 2016 was \$131 billion.

*“No. 7 best place in the country to operate a business”* -MarketWatch

*“No. 4 for most business-friendly city in the country”* -fDi Magazine

COMPANY	SECTOR	EMPLOYEES
THE OHIO STATE UNIVERSITY*	Education	30,963
STATE OF OHIO*	Government	23,859
OHIO HEALTH*	Health Care	19,936
JP MORGAN CHASE	Finance	19,200
UNITED STATES GOVERNMENT	Government	13,800
NATIONWIDE INSURANCE*	Finance	13,000
HONDA OF AMERICA	Manufacturing	10,700
KROGER	Retail Trade	10,240
MT. CARMEL HEALTH SYSTEMS*	Health Care	8,818
CITY OF COLUMBUS	Government	8,500
NATIONWIDE CHILDREN'S HOSPITAL*	Health Care	8,400
LIMITED BRANDS*	Retail Trade	7,800
FRANKLIN COUNTY*	Government	7,000
COLUMBUS PUBLIC SCHOOLS	Education	6,488
HUNTINGTON BANCSHARES*	Finance	5,050
CARDINAL HEALTH*	Health Care	4,635
WALMART	Retail Trade	4,543
GIANT EAGLE	Retail Trade	3,816
U.S. POSTAL SERVICE	Government	3,360
AMERICAN ELECTRIC POWER*	Utilities	3,600
ALLIANCE DATA	Information	3,465
PNC BANK	Finance	3,000
COVELLI/PANERA	Retail Trade	2,750
ABERCROMBIE	Retail Trade	2,650
DEFENSE LOGISTICS AGENCY	Government	2,600

# AREA OVERVIEW



	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	44,036	126,803	478,185
TOTAL HOUSEHOLDS	15,527	46,878	192,168
AVERAGE HOUSEHOLD INCOME	\$154,073	\$137,462	\$105,122
AVERAGE AGE	37.70	37.00	37.40

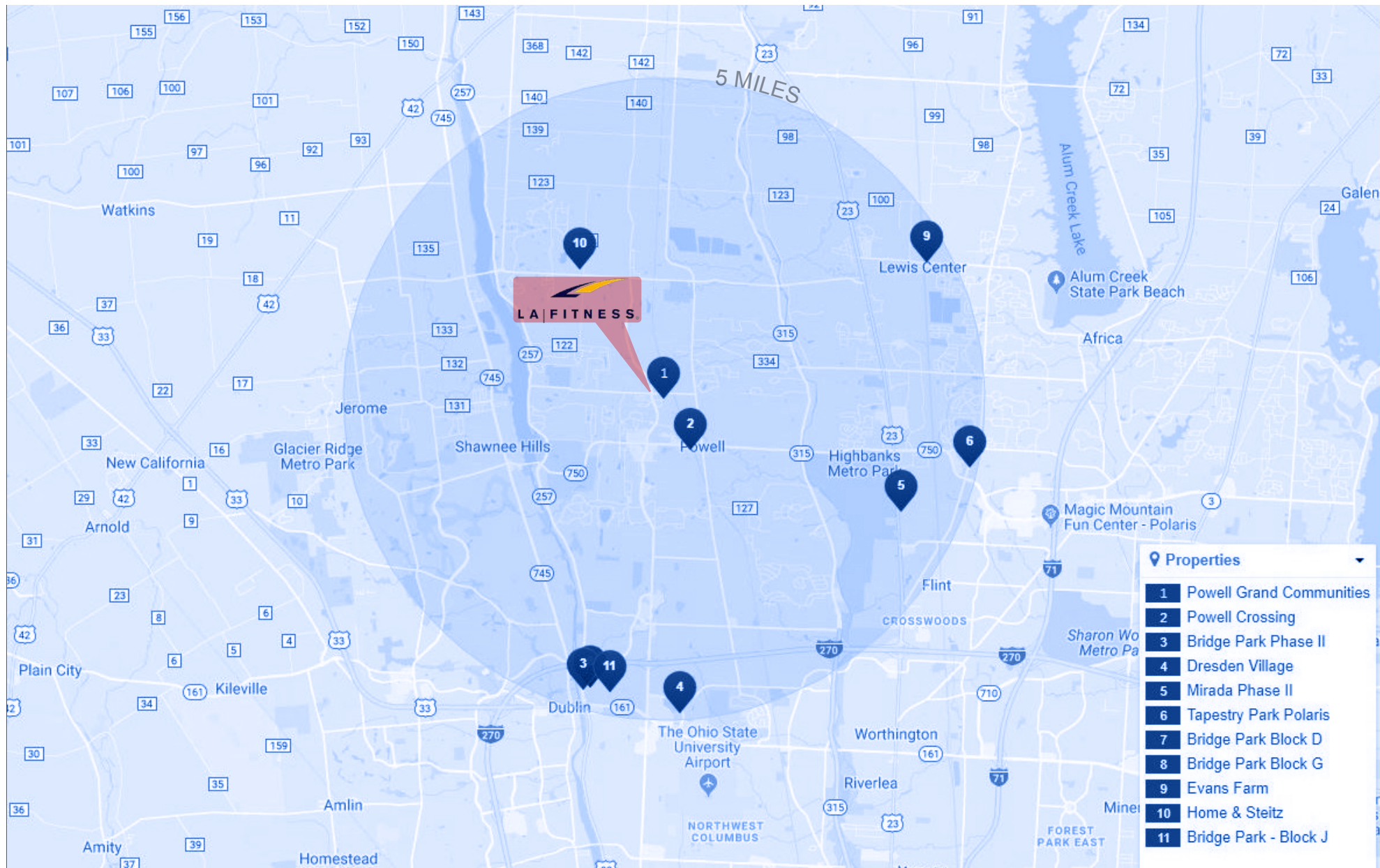


# POPULATION GROWTH AREA OVERVIEW

There are a number of multi-family projects being constructed within five miles of the subject property, with 2000+ units coming online in the immediate future:

	ADDRESS	UNITS	STATUS	SUBMARKET	EST. COMPLETION
POWELL CROSSING	147 West Olentangy Street Powell, OH 43065	64	Under Construction	34 - Powell	8/2019
HOME & STEITZ	NWC Home Road & Steitz Road Powell, OH 43065	68	Prospective	34 - Powell	
MIRADA PHASE II	1 Mirada Drive North Lewis Center, OH 43035	132	Under Construction	35 - Lewis Center	7/2019
EVANS FARM	1550 Lewis Center Road Lewis Center, OH 43035	800	Planned	35 - Lewis Center	
BRIDGE PARK BLOCK G	6634 Riverside Drive Dublin, OH 43017	50	Planned	33 - Dublin	
BRIDGE PARK BLOCK D	6634 Riverside Drive Dublin, OH 43017	186	Under Construction	33 - Dublin	12/2021
BRIDGE PARK - BLOCK J	Bridge Park Avenue & Dave Thomas Blvd Dublin, OH 43017	70	Prospective	33 - Dublin	
BRIDGE PARK PHASE II	6634 Riverside Drive Dublin, OH 43017	171	Under Construction	33 - Dublin	6/2019
DRESDEN VILLAGE	7000 Bent Tree Blvd Columbus, OH 43235	614	Under Construction	17 - Northwest Columbus	7/2020

# POPULATION GROWTH AREA OVERVIEW



# DEMOGRAPHICS

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	44,036	126,803	478,185
TOTAL HOUSEHOLDS	15,527	46,878	192,168
PERSONS PER HOUSEHOLD	2.80	2.70	2.40
AVERAGE HOUSEHOLD INCOME	\$154,073	\$137,462	\$105,122
AVERAGE HOUSE VALUE	\$349,392	\$322,776	\$254,513
AVERAGE AGE	37.70	37.00	37.40
POPULATION WHITE	37,674	104,622	378,779
POPULATION BLACK	1,143	4,544	44,600
POPULATION AM, INDIAN, & ALASKAN	64	207	958
POPULATION ASIAN	4,304	14,662	41,592
POPULATION HAWAIIAN & PACIFIC ISLANDER	19	49	240
POPULATION OTHER	832	2,719	12,016

## POWELL, OHIO

GROWING POPULATION

HIGH AVERAGE HOUSEHOLD INCOME

2000+ MULTI FAMILY UNITS BEING CONSTRUCTED IN A 5 MILE RADIUS

COLUMBUS MSA IS ONE OF THE FASTEST GROWING CITIES IN THE COUNTRY







## OFFERING MEMORANDUM

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CONTACT BROKER FOR MORE INFORMATION  
**JEFF GATES**  
SENIOR VICE PRESIDENT OF INVESTMENT  
SALES

PHONE 415.231.5231  
EMAIL [jgates@thekasegroup.com](mailto:jgates@thekasegroup.com)  
BRE #01768554

LOCAL BROKER  
**JOE BELINSKE**  
SENIOR VICE PRESIDENT  
REICHLE/KLEIN GROUP

PHONE 419.794.3951  
EMAIL [jbelinske@rkgcommercial.com](mailto:jbelinske@rkgcommercial.com)  
BRE #320016