

VERIZON

1111 W GANNON DRIVE, FESTUS (ST. LOUIS), MISSOURI



OFFERING MEMORANDUM

Marcus & Millichap



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Executive Summary

FINANCIAL SUMMARY

Price	\$1,314,000
Down Payment	100% \$1,314,000
Cap Rate	7.0%
Building SF	4,430 SF
Net Cash Flow	7.0% \$91,974*
Year Built	2015
Land/Lot Size	.43 Acres

LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Moorehead Communications, Inc. dba TCC
Roof & Structure	Landlord Responsible
Lease Commencement Date	March 2015
Lease Expiration Date	March 2025
Lease Term Remaining	6 Years
Rental Increases	10% Every 5 Years
Renewal Options	3, 5 Year Options

*Based off of rental increase in March 2020.

ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
6 - 10	\$91,974	7.00%
Options	Annual Rent	Cap Rate
Option 1	\$101,171	7.70%
Option 2	\$111,288	8.47%
Option 3	\$122,417	9.32%

Base Rent	\$91,974
Net Operating Income	\$91,974
Total Return	7.0% \$91,974

The Verizon logo, consisting of the word "verizon" in a bold, black, sans-serif font, followed by a red checkmark symbol.



30,000 CPD
INTERSTATE 55



13,380 CPD
VETERANS BLVD



TWIN CITIES
SURGERY CENTER
Great Clips



verizon



Property Description



INVESTMENT HIGHLIGHTS

- » **6 Years Remaining on Lease Term**
- » 10% Rental Increases Every 5 Years
- » **34,161 Residents in Festus Trade Area - St. Louis MSA**
- » Households Projected to Increase Nearly 8%+ in Surrounding Area by 2023
- » **Outparcel to The Home Depot**
- » Situated in a Major Retail Corridor Serving the Twin Cities - Retailers Include The Home Depot, Lowe's, McDonald's, Schnuck's, Burger King, and Steak 'N Shake
- » **Immediately Off the Interstate 55 (30,000 Cars/Day)** - Direct Access to St. Louis
- » Easily Accessible via Veterans Boulevard (13,380 Cars/Day)
- » **Tenant Operates Over 870 Locations Across 39 States**
- » Minutes from Mercy Hospital Jefferson (251-Bed Acute Care Facility)
- » **Down the Road from Walmart Supercenter, Aldi, PetSmart, Gordman's, and More**
- » Average Household Income Exceeds \$71K in 3-Mile Radius



DEMOGRAPHICS

1-mile

3-miles

5-miles

Population

2023 Projection	5,731	23,001	36,634
2018 Estimate	5,468	21,511	34,161
Growth 2018 – 2023	4.82%	6.93%	7.24%

Households

2023 Projection	2,450	9,122	14,379
2018 Estimate	2,323	8,481	13,317
Growth 2018 – 2023	5.46%	7.56%	7.98%

Income

2018 Est. Average Household Income	\$65,591	\$71,129	\$69,418
2018 Est. Median Household Income	\$47,745	\$57,105	\$55,982
2018 Est. Per Capita Income	\$28,144	\$28,277	\$27,239





Tenant Overview



Basking Ridge, New Jersey

Headquarters

NASDAQ: VZ

Stock Symbol

2,330+

Locations

www.verizonwireless.com

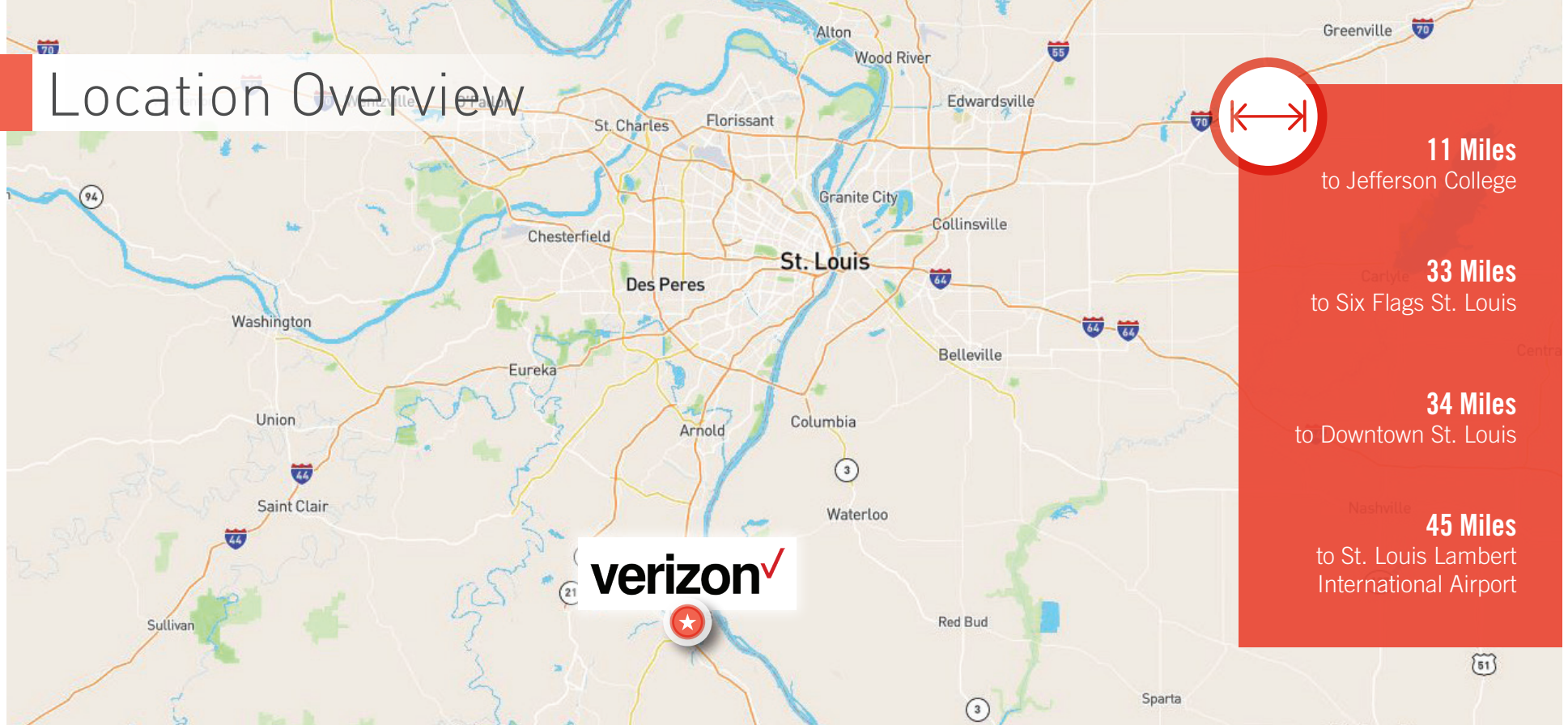
Website

Verizon is the largest wireless telecommunications provider in the United States. The company offers the largest 4G LTE network in America and the nation's largest high-speed 3G network. For residential customers, Verizon FiOS is America's largest 100% fiber-optic network to the home, providing the nation's fastest, most consistent and most reliable Internet service, as well as TV with the best picture quality. For large businesses, Verizon is a global IP leader, operating one of the worlds' most connected public Internet backbone networks, delivering solutions that let customers securely connect, communicate and collaborate

around the globe. Verizon operates a national 4G LTE network covering 98% of the U.S. population and is currently developing a 5G network.

The Cellular Connection (TCC) is the largest Verizon Premium Retailer in the U.S. with 871 locations in 39 states. Buying or upgrading a Smartphone at TCC ensures you're on the Verizon 4G LTE network, a network that covers more than 98% of all Americans. TCC sets itself apart from other authorized Verizon retailers by their belief in three ideals: Customers Matter, Employees Matter, and Community Matters - also known as the Virtuous Circle of Success.

Location Overview



Located in Jefferson County, Missouri approximately 35 miles south of downtown St. Louis, Festus has a population of approximately 11,600 residents. Festus and the neighboring city Crystal City are often collectively known as the “Twin Cities.”

The city’s principal economic engine is retailing and service enterprises. Since 1985 there has been significant growth along the I-55 corridor. Some of the recent commercial development has been in the Gannon Center where Home Depot constructed a retail store and strip store building. Lowe’s constructed a retail/warehouse in the southwest quadrant of Highway A and I-55.

Greater St. Louis includes parts of both Missouri and Illinois, with the city core located on the Mississippi Riverfront along the Illinois border. The St. Louis metro area is the largest in Missouri and the second-largest in Illinois. As of 2017, the

metro area had an estimated population of 2.8 million. Each year, the St. Louis region welcomes about 40,000 people relocating into the area, according to data from the IRS.

As of 2018, Greater St. Louis is home to the headquarters of ten of Missouri’s eleven Fortune 500 companies, six Fortune 1,000 companies, and two of the top 30 Largest Private Companies in America, as ranked by Forbes. The region is also home to several of the country’s largest privately held companies, including Enterprise Rent-A-Car and World Wide Technology.

The St. Louis metro area is one of the largest educational markets in the U.S. Over 30 four-year colleges and universities in the region enroll approximately 120,000 students.

[exclusively listed by]

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