



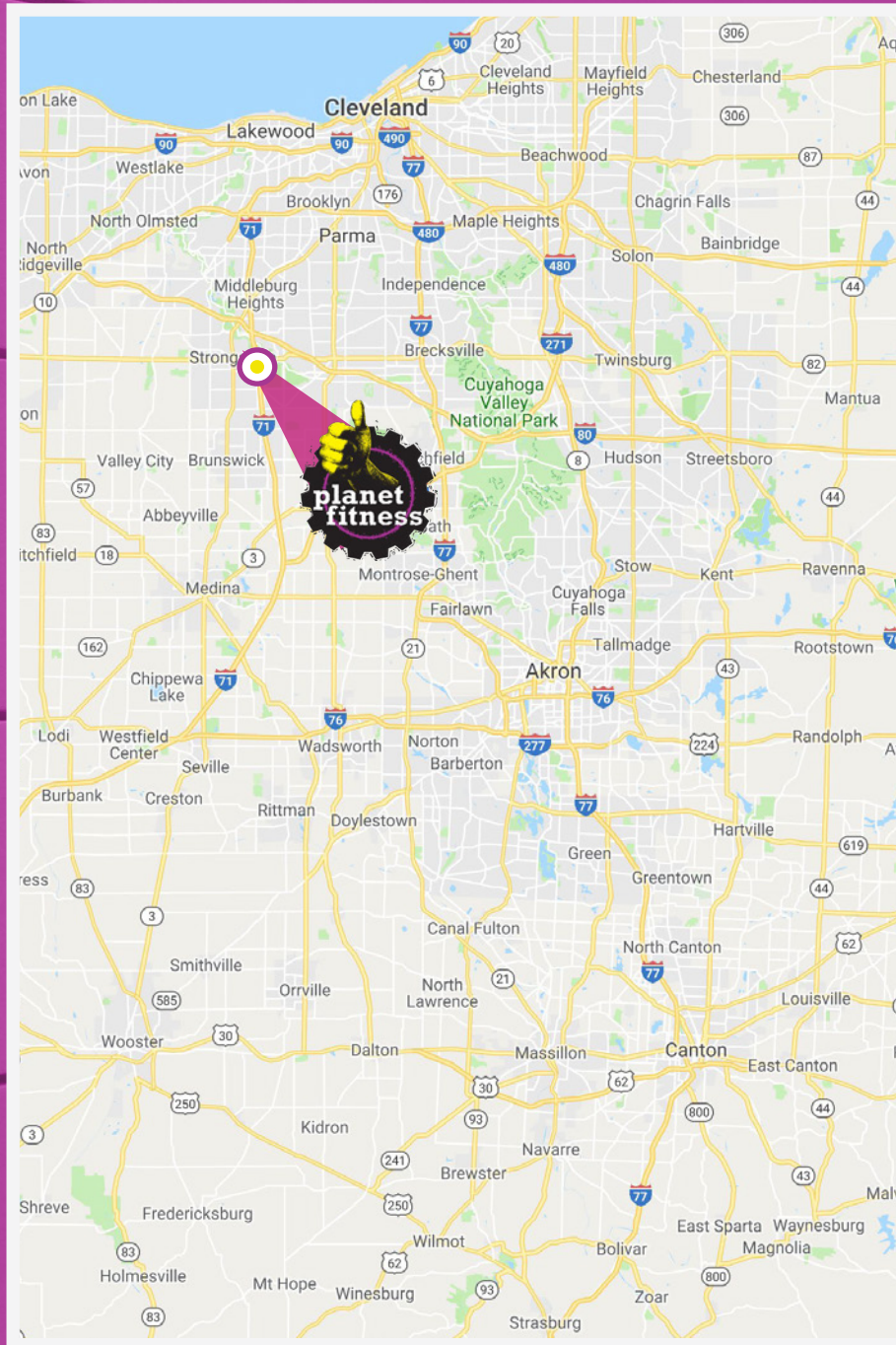
Actual Location

16611 Southpark Center
Strongsville, OH 44136 (Cleveland MSA)

OFFERING MEMORANDUM

Capital Markets | Net Lease Property Group

CBRE



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This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the Property.

This Memorandum contains selected information pertaining to the Property and does not purport to be a representation of the state of affairs of the Property or the owner of the Property (the “Owner”), to be all-inclusive or to contain all or part of the information which prospective investors may require to evaluate a purchase of real property. All financial projections and information are provided for general reference purposes only and are based on assumptions relating to the general economy, market conditions, competition and other factors beyond the control of the Owner and CBRE, Inc. Therefore, all projections, assumptions and other information provided and made herein are subject to material variation. All references to acreages, square footages, and other measurements are approximations. Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective purchasers. In this Memorandum, certain documents, including leases and other materials, are described in summary form. These summaries do not purport to be complete nor necessarily accurate descriptions of the full agreements referenced. Interested parties are expected to review all such summaries and other documents of whatever nature independently and not rely on the contents of this Memorandum in any manner.

Neither the Owner or CBRE, Inc. nor any of their respective directors, officers, Affiliates or representatives make any representation or warranty, expressed or implied, as to the accuracy

or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of your receipt of this Memorandum or use of its contents; and you are to rely solely on your investigations and inspections of the Property in evaluating a possible purchase of the real property.


The Owner expressly reserved the right, at its sole discretion, to reject any or all expressions of interest or offers to purchase the Property, and/or to terminate discussions with any entity at any time with or without notice which may arise as a result of review of this Memorandum. The Owner shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Owner and any conditions to the Owner’s obligations therein have been satisfied or waived.

By receipt of this Memorandum, you agree that this Memorandum and its contents are of a confidential nature, that you will hold and treat it in the strictest confidence and that you will not disclose this Memorandum or any of its contents to any other entity without the prior written authorization of the Owner or CBRE, Inc. You also agree that you will not use this Memorandum or any of its contents in any manner detrimental to the interest of the Owner or CBRE, Inc.

If after reviewing this Memorandum, you have no further interest in purchasing the Property, kindly return this Memorandum to CBRE, Inc.

DISCLAIMER

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INVESTMENT SUMMARY

CBRE is pleased to exclusively offer the opportunity to acquire a 15,330–square–foot freestanding Planet Fitness that is situated on 2.01 acres in Strongsville, OH. Strongsville is a vibrant suburb of Cleveland, Ohio (MSA Population: 2.07 million) that blends an active business community with distinctive neighborhoods, abundant shopping, 2,400 acres of green space, excellent services, top-notch schools and active civic groups. Planet Fitness’ net lease has \pm 7.5 years of primary term remaining and features an attractive \$1.50/SF rent increase in 2.5 years, and \$1.00/SF increases in each of the two 5–year renewal options. Planet Fitness occupied the site in 2017 to take advantage of the beneficial location as an outparcel to Southpark Mall. The property is strategically positioned with excellent access and visibility along Howe Road (Traffic Count: 18,300 VPD), which runs parallel with Interstate–71 (Traffic Count: 99,300 VPD), and just down from Howe Road’s signalized intersection with Royalton Road (Traffic Count: 33,300 VPD). Planet Fitness is located in the heart of a bustling corridor in Strongsville which has a strong mix of uses which include 5.4 MSF of retail, 1.6 MSF of office space, 5.9 MSF of industrial, and 5,629 multifamily units within a 3–mile radius. The corridor has seen growth through recent developments such as the \$45.5mm Strongsville Middle School (opened in 2016), Brew Garden (next to site), and the surrounding Edgebrook neighborhood. The site benefits from its immediate proximity to the 1.6 MSF Southpark Mall (Anchors: JCPenney, Dillard’s, Macy’s), which is the main retail attraction in Strongsville, and the Cleveland Clinic Family Health and Surgery Center which drives significant traffic to the area. Other retailers in the surrounding area include Target, Costco, Heinen’s Grocery Store, Kohl’s, Best Buy, TJMaxx, Michael’s, PetCo, Five Below, The Great Escape, OfficeMax, Bed Bath & Beyond, Famous Footwear, Forever 21, Loft, Hollister, rue21, Joseph A. Bank, Chico’s, Sephora, Vans, J. Jill, American Eagle, Finish Line, Jared, NTB Tire and Service Center, Midas, PNC, KeyBank, Marathon, BP, Buca di Beppo, LongHorn Steakhouse, Macaroni Grill, Applebee’s, Red Lobster, Panera Bread, Starbucks, Chick-fil-A, and Firehouse Subs among many others. Furthermore, Planet Fitness benefits from strong demographics with a population of 52,505 and an average household income of \$102,311 within a 3–mile radius.



PRICE:
\$2,300,000



CAP:
7.00%



NOI:
\$160,965

PROPERTY SUMMARY

ADDRESS:	16611 Southpark Center, Strongsville, OH 44136
TENANT:	Mac Fit, LLC
GUARANTOR:	Personal Guaranty*
BUILDING SIZE:	15,330 SF
PARCEL SIZE:	2.01 acres
PARKING SPACES:	79 (5.15 Spaces / 1000 SF)

DEMOGRAPHICS

	1 mile radius	3 mile radius	5 mile radius
POPULATION:	4,318	52,505	134,725
AVERAGE HOUSEHOLD INCOME:	\$87,331	\$102,311	\$91,910

* See Page 9.

Actual Location



PREMIER FITNESS CONCEPT

Planet Fitness (NYSE: PLNT) is a franchisor and operator of fitness centers founded in 1992. In 2018, the company reported having a total of 1,859 clubs across the US, which makes it one of the largest fitness club franchises by number of members and locations. Planet Fitness reported Revenue of \$530 million which continued their trend of revenue growth to four consecutive years. Planet Fitness produced in excess of \$88 million in Net Income, which it plans to continue growing in 2019.

STRONG OPERATOR WITH MULTIPLE LOCATIONS

Mac Fit, LLC is an Ohio-based Planet Fitness franchisee that operates 8 Planet Fitness locations in Ohio. Mac Fit, LLC has been operating these Planet Fitness locations for more than 10 years and has amassed a strong base of members at each location.

LONG-TERM LEASE WITH RENT INCREASES

Planet Fitness' net lease has \pm 7.5 years of primary term remaining and features an attractive \$1.50/SF rent increase in 2.5 years, and \$1.00/SF increases in each of the two 5-year renewal options.

EXCELLENT ACCESS & VISIBILITY

The site has excellent access and visibility along Howe Road (Traffic Count: 18,300 VPD), which runs parallel with Interstate 71 (Traffic Count: 99,300 VPD), just down from Howe Road's signalized intersection with Royalton Road (Traffic Count: 33,300 VPD).

ACTIVE CORRIDOR

Planet Fitness is located in the heart of a bustling corridor in Strongsville which has a strong mix of uses which include 5.4 MSF of retail, 1.6 MSF of office space, 5.9 MSF of industrial, and 5,629 multifamily units within a 3-mile radius. The site benefits from its immediate proximity to the 1.6 MSF Southpark Mall (Anchors: JCPenney, Dillard's, Macy's), which is the main retail attraction in Strongsville, and the Cleveland Clinic Family Health and Surgery Center which drives significant traffic to the area.

SURROUNDING RETAILERS

Other retailers in the surrounding area include Target, Costco, Heinen's Grocery Store, Kohl's, Best Buy, TJMaxx, Michael's, PetCo, Five Below, The Great Escape, OfficeMax, Bed Bath & Beyond, Famous Footwear, Forever 21, Loft, Hollister, rue21, Joseph A. Bank, Chico's, Sephora, Vans, J. Jill, American Eagle, Finish Line, Jared, NTB Tire and Service Center, Midas, PNC, KeyBank, Marathon, BP, Buca di Beppo, LongHorn Steakhouse, Macaroni Grill, Applebee's, Red Lobster, Panera Bread, Starbucks, Chick-fil-A, and Firehouse Subs among many others.

SURROUNDING DEVELOPMENT

The corridor has seen growth through recent developments such as the \$45.5mm Strongsville Middle School (opened in 2016), Brew Garden (next to site), and the surrounding Edgebrook neighborhood.

COMPELLING DEMOGRAPHICS

Planet Fitness benefits from strong demographics with a population of 52,505 and an average household income of \$102,311 within a 3-mile radius.

CLEVELAND MSA ADVANTAGE

Strongsville is a vibrant suburb of Cleveland, Ohio (MSA Population: 2.07 million) that blends an active business community with small-town charm. Strongsville has distinctive neighborhoods, abundant shopping, 2,400 acres of green space, excellent services, top-notch schools and active civic groups – a mix that makes Strongsville an ideal place for families to live, work and thrive. Strongsville is 15 miles southwest of downtown Cleveland in Cuyahoga County. The city covers 25 square miles, making it the largest of Cleveland's suburbs. It's known as the Crossroads of the Nation because Interstate 71 and the Ohio Turnpike (I-80) intersect in Strongsville. Other major highways are I-77, State Route 82, State Route 42 and State Route 237.





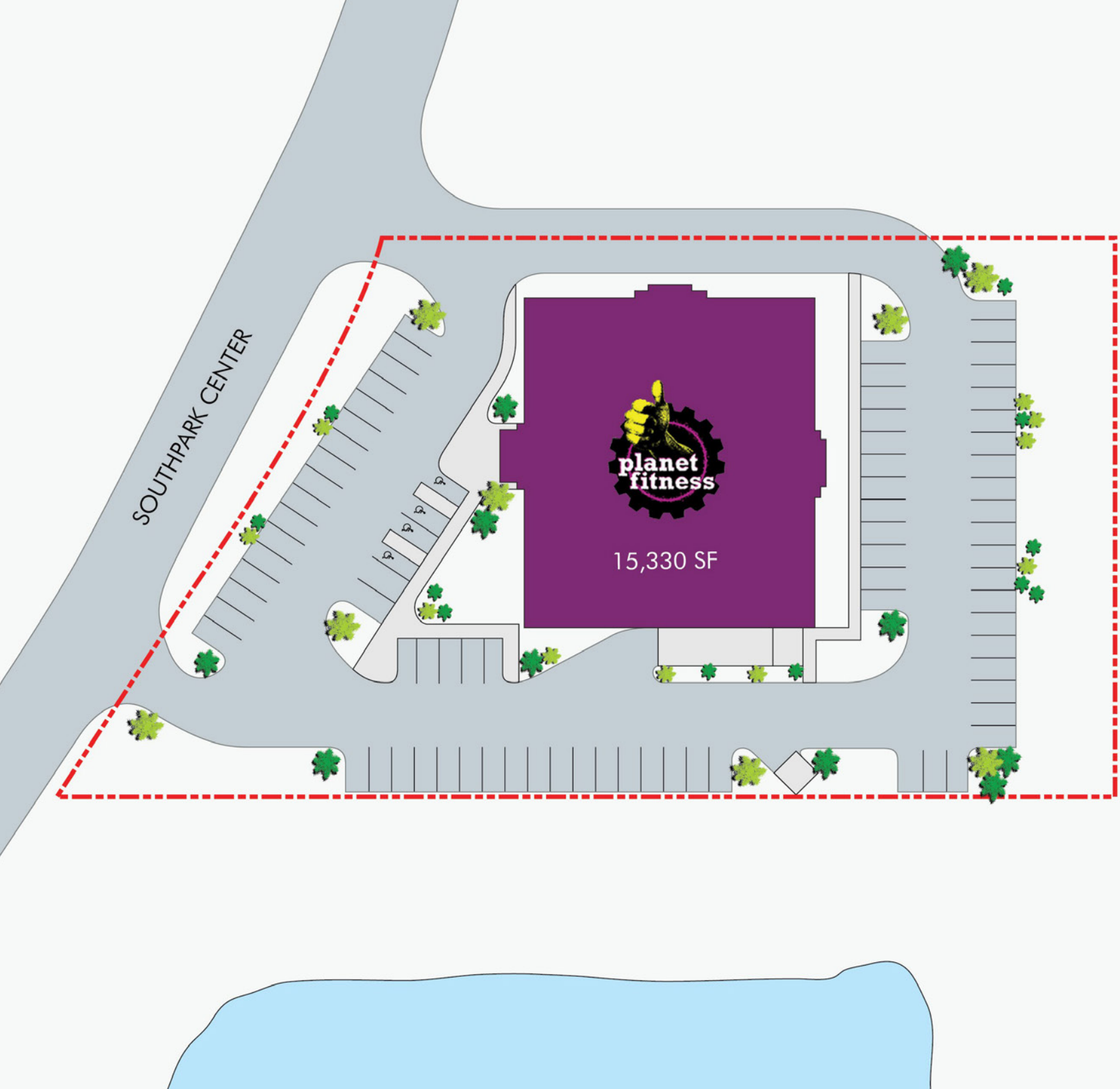


LEASE SUMMARY

TENANT:	Mac Fit, LLC
GUARANTOR:	Personal Guaranty Through Month 42
LEASE COMMENCEMENT:	January 1, 2017
LEASE EXPIRATION:	March 31, 2027
LEASE TERM REMAINING:	±7.5 years
LEASE TYPE:	Net
INITIAL TERM RENT:	\$160,965
RENT ESCALATIONS:	\$1.50/SF Increase in Year 5
OPTIONS:	Two 5–Year Options
OPTION RENT INCREASES:	\$1.00/SF in Each Option
TAXES	Tenant shall pay, as “Additional Rent,” all taxes, assessments and charges levied upon or with respect to the Premises.
INSURANCE	Tenant agrees to keep in force and effect, without expense to Landlord, throughout the entire Term, the policies of insurance as follows: (a) Causes of Loss - Special Form property insurance, in an amount not less than one hundred percent (100%) of replacement cost covering all tenant improvements, betterments and alterations permitted under the Lease, floor and wall coverings, and Tenant's office furniture, business and personal trade fixtures, equipment, furniture system and other personal property from time to time situated in the Premises and (b) Commercial general liability insurance, in the name of Tenant, insuring against any liability from the use and occupancy of the Premises, the Common Areas and the business operated by Tenant. All general liability policies shall be written to apply to all bodily injury or death, property damage and personal injury losses, and shall include blanket contractual liability road form property damage liability, premise-operations and products-completed operations and shall contain an exception to any pollution exclusion which insures damage or injury arising out of heat, smoke or fumes from hostile fire, a contractual liability endorsement, and provide primary coverage to Landlord, in such amounts as may from time to time be customary with respect to similar properties in the same area, but in any event not less than \$3,000,000 per occurrence.
REPAIRS AND MAINTENANCE	<p>Landlord shall, maintain only the roof (including the membrane), foundations, subfloor, structure soundness of outer walls, and any other structural components of the Building (exclusive of all exterior doors and windows that are part of the Premises) in good repair. The Tenant shall reimburse Landlord, as “Additional Rent,” for the total cost and expenses paid or incurred by Landlord in any way connected with or related to the operation, repair, and maintenance of the Premises. Capital Repairs shall be included on an amortized basis.</p> <p>Tenant shall at its own cost and expense keep and maintain the Premises in good order and repair, promptly making all necessary repairs and replacements, including, but not limited to, all equipment and facilities and components thereof within the Premises, fixtures, walls (interior), finish work, ceilings, floors, lighting fixtures, bulbs and ballasts, utility connections and facilities within the Premises, windows, glass, doors, and interior plate glass, downspouts, gutters, air conditioning and heating systems (Tenant replaced in 2018), truck doors, dock levelers, bumpers, seals and enclosures, plumbing, electrical, and termite and pest extermination. Further, Tenant shall be responsible for all general cleaning and maintenance of the grounds surrounding the Building and the Common Areas, including but not limited to, mowing the grass, landscaping, and snow plowing. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices. Tenant shall, at its sole cost and expense, maintain, and shall provide Landlord with proof thereof, a semi-annual service maintenance contract for the HVAC system in a form and with a contractor reasonably satisfactory to Landlord.</p>
CAM:	As compensation to the Developer for maintaining the Access Easements, Landlord shall pay to Developer an annual sum of \$3,833 along with \$500 to be a member of the Merchant's association. Additionally, Landlord is obligated to pay 45.8% of the expenses allocable to the land parcel of operating, maintaining, repairing, and insuring the Retention Basin Improvements and Landscape Buffer Parcel, including all landscaping, real estate taxes, and assessments. Planet Fitness pays these expenses directly to the Developer.



HOWE ROAD: 18,300 VPD





BRAND OVERVIEW

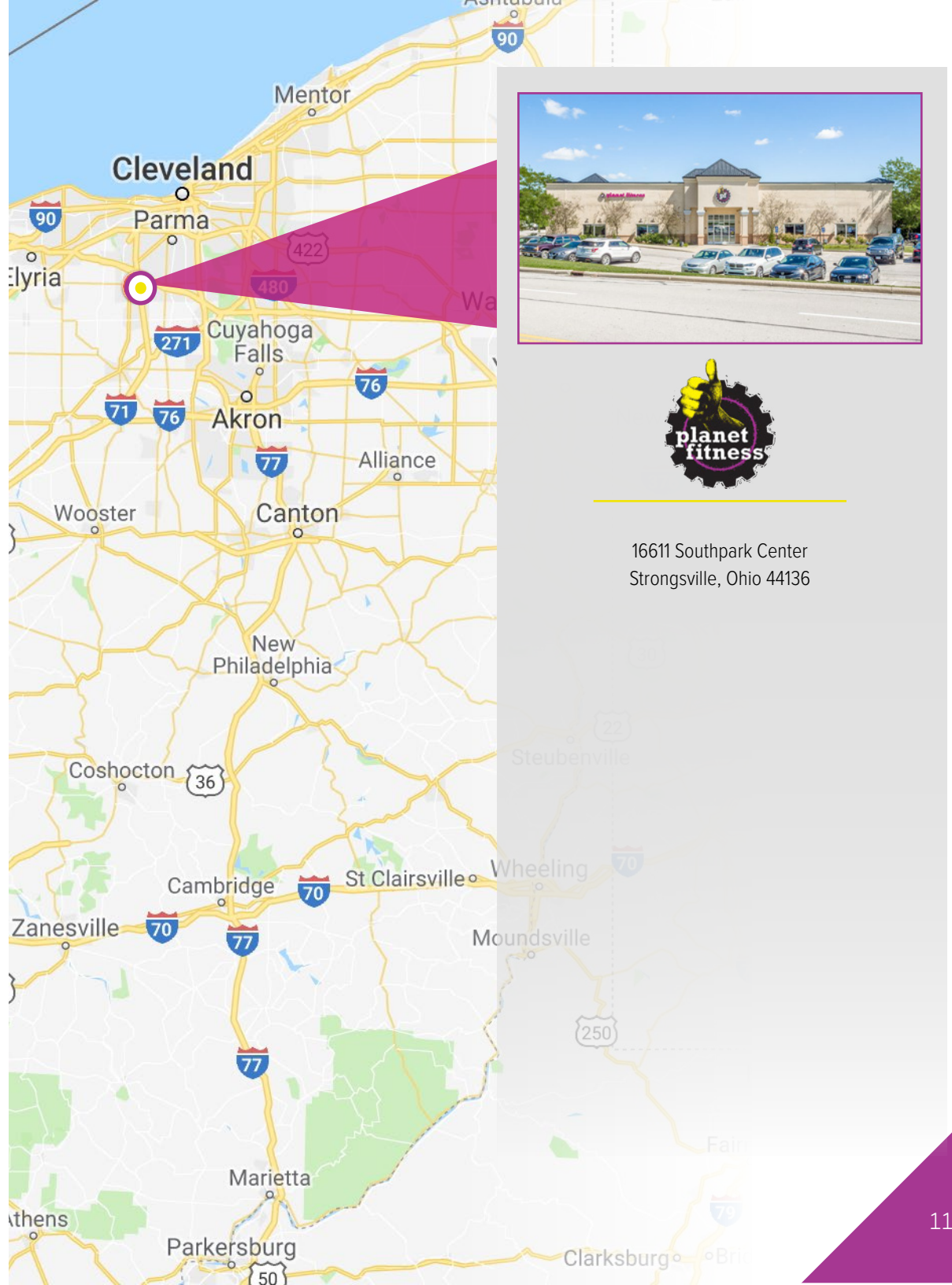
Planet Fitness (NYSE: PLNT) is a franchisor and operator of fitness centers founded in 1992. In 2018, the company reported having a total of 1,859 clubs across the US, which makes it one of the largest fitness club franchises by number of members and locations. Planet Fitness offers a high-quality, unique gym experience at an exceptional value, which attracts members who frequent the gym on a semi-regular basis. Their mission is to create an environment where all members feel comfortable to exercise in a judgement free zone. In 2018, Planet Fitness reported Revenue of \$530 million which continued their trend of revenue growth to four consecutive years. Planet Fitness produced in excess of \$88 million in Net Income, which it plans to continue growing in 2019.

OPERATOR OVERVIEW

Mac Fit, LLC is an Ohio-based Planet Fitness franchisee that operates 8 Planet Fitness Locations in Ohio. Mac Fit, LLC has been operating these Planet Fitness locations for more than 10 years and has amassed a strong base of members at each location.

Other Locations:

Rocky River, OH	North Olmstead, OH
Macedonia, OH	Parma, OH
Ohio City, OH	Parma, OH
Brookpark, OH	





Southpark Center

Howe Road - 18,300 VPD



CLEVELAND, OHIO OVERVIEW

Situated in northeastern Ohio on the banks of Lake Erie, the city of Cleveland, which lies 40 miles north of Akron and 130 miles northwest of Pittsburgh, is the principal city of the Cleveland-Elyria, OH MSA (Population: 2.07 million) and the county seat of Cuyahoga County.

Diversified manufacturing is Cleveland's primary economic sector, as the city is historically a base of heavy industry. Dubbed "Polymer Valley," the area hosts the largest concentration of polymer companies in the United States. Cleveland serves as headquarters for 7 companies on the Fortune 500 list, both industrial and non-industrial. In order of their Fortune 500 rank, these firms are Progressive Group of Insurance Companies, Goodyear Tire & Rubber Co., FirstEnergy Corp., Parker Hannifin Corp., Sherwin-Williams Co., TravelCenters of America, and J.M. Smucker Co. Cleveland is also home to nearly 150 international companies from 25 different countries. Cleveland's science and engineering field thrives alongside the manufacturing industry. More than 168 engineering companies are located in the Cleveland metro area.

Cleveland's historical growth can be attributed to the city's strategic location on Lake Erie, which allows local manufacturers to receive raw materials and export finished goods via the Port of Cleveland. The port, located at the mouth of the Cuyahoga River on Lake Erie, is still a major bulk freight terminal.

STRONGSVILLE, OHIO OVERVIEW

Strongsville is a vibrant suburb of Cleveland, Ohio that blends a bustling business community with small-town charm. Strongsville has distinctive neighborhoods, abundant shopping, 2,400 acres of green space, excellent services, top-notch schools and active civic groups – a mix that makes Strongsville an ideal place for families to live, work and thrive.

Strongsville is 15 miles southwest of downtown Cleveland in Cuyahoga County. The city covers 25 square miles, making it the largest of Cleveland's suburbs. It's known as the Crossroads of the Nation because Interstate 71 and the Ohio Turnpike (I-80) intersect in Strongsville. Other major highways are I-77, State Route 82, State Route 42 and State Route 237.

The city has four business parks with a diverse range of tenants, including corporate headquarters and technology-oriented companies. Strongsville has nine city parks that feature baseball, soccer and football fields, tennis and basketball courts, batting cages, playgrounds, picnic facilities, grills, pavilions and walking trails. The regional Cleveland Metroparks Mill Stream Run Reservation also runs through Strongsville, with lake and river fishing, picnic areas, bridle trails and a paved hike-bike trail. The Royalview Picnic Area features a mountain bike trail; The Chalet includes two toboggan chutes.



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