

SINGLE TENANT CINEMARK IN THE DAYTON, OH MSA | LIMITED SURROUNDING COMPETITION

ACTUAL PHOTO



1020 Garbry Road | Piqua, OH
Offering Memorandum



Contents

Investment Summary	03
Investment Highlights	05
Tenant Overview	06
Financial Analysis	08
Location Overview	10
Market Overview	13
Contacts	15



MARKETING ADVISORS

MARC MANDEL

STEVE SCHRENK

Managing Director

Director

484.532.4212

484.532.4213

marc.mandel@am.jll.com

steve.schrenk@am.jll.com

DEBT ADVISOR

MICHAEL PAGNIUCCI

Director

484.532.4172

michael.pagniucci@am.jll.com

LOCAL BROKER

BILL POFFENBERGER

License no. OH - 352247



CLICK TO VIEW

PROPERTY VIDEO

Jones Lang LaSalle Americas, Inc. or its state-licensed affiliate ("JLL") has been engaged by the owner of the property to market it for sale. Information concerning the property described herein has been obtained from sources other than JLL, and neither Owner nor JLL, nor their respective equity holders, officers, directors, employees and agents makes any representations or warranties, express or implied, as to the accuracy or completeness of such information. Any and all reference to age, square footage, income, expenses and any other property specific information are approximate. Any opinions, assumptions, or estimates contained herein are projections only and used for illustrative purposes and may be based on assumptions or due diligence criteria different from that used by a purchaser, and JLL, its officers, directors, employees and agents disclaim any liability that may be based upon or related to the information contained herein. Prospective purchasers should conduct their own independent investigation and rely on those results. The information contained herein is subject to change.



Summary

Investment Summary

Cinemark | Piqua, OH

The Offering

JLL is pleased to exclusively offer the opportunity to acquire a fee simple interest in a single tenant property leased to Cinemark in Piqua, OH (the "Property"). Cinemark has four (4) years remaining on an initial 15-year term. The lease includes four (4), five (5) year options with 3% rental increases each option period. With the next closest movie theater being more than 10 miles away, there is limited competition in the area, which should bode well for the tenant. Cinemark was ranked either #1 or #2 by box office revenues in 20 of the top 25 U.S. markets as of December 31, 2018. Cinemark looks to continue to grow their market share as they plan to open fifteen new locations in 8 different states within the U.S.

The property, an outparcel to the Miami Valley Mall, sits along Garbry Road and provides access to Interstate 75 – a main corridor in the state that stretches from Cincinnati to Toledo, by way of Dayton, and carries more than 72,000 vehicles per day. In addition to the daily Miami Valley Mall traffic, nearby free-standing eateries such as McDonald's, Red Lobster, Bob Evans and Buffalo Wings & Rings help drive consumer traffic to the site. Piqua, OH is in the midst of large-scale economic development. According to local reports, there is more than 1,000 acres of land that is to be developed and used for industrial purposes. There are numerous housing developments under construction as well as a brand new, \$30 million medical center that is being built one mile from the property and is scheduled to open in the Spring of 2020.



PROPERTY SUMMARY

Address	1020 Garbry Road, Piqua, OH 45356
Price	\$4,062,000
Cap Rate	9.00%
NOI	\$365,603
Lease Type	Fee Simple: NN
Building Size	25,214 SF
Parcel Size	1.83 Acres
Year Built	2008
Tenant	Cinemark USA, Inc.
Remaining Term	4 Years
Renewal Options	Four (4), Five (5) Year Options
Rental Increases	3.00% Every Option Period



I-75, a main corridor in the state, stretches from Cincinnati to Toledo by way of Dayton, carries more than 72,000 VPD and runs adjacent to the Premises, allowing for excellent visibility and access via Exit 82



Popular eateries such as McDonald's, Red Lobster, Bob Evans and Buffalo Wings & Rings are all lined up adjacent to the Premises, further driving consumers to the site



Piqua, OH is destined for growth with over 1,000 acres of land zoned for industrial use, numerous housing developments and a \$30 million medical center that is only 1 mile from the property and scheduled to open in the spring of 2020



Limited competition in the area, as the next closest movie theater is more than 10 miles away from the Property



Piqua, OH is located on the northern edge of the Dayton metropolitan area and is positioned in between 3 major U.S. cities; Columbus, OH, Cincinnati, OH and Indianapolis, IN



Miami Valley Crossing is just one mile from the premises and boasts a strong national selection of retailers, including a Walmart Supercenter, The Home Depot, Jo Ann Fabrics and Big Lots



CINEMARK

Tenant

Cinemark | Piqua, OH

Cinemark Overview

Cinemark USA, Inc. is an American movie theater chain owned by Cinemark Holdings, Inc. With more than 344 theaters and 4,630 screens in 41 states, Cinemark is the third largest movie theater chain in the United States. The company, which was founded in 1984 and is headquartered in Plano, TX, was ranked either #1 or #2 by box office revenues in 20 of their top 25 U.S. markets as of December 31, 2018. Cinemark has an additional 1,452 screens in 204 movie theaters located across fifteen Latin American countries. In fact, it is the largest movie theater chain in Brazil, with a 30% market share. Cinemark operates theaters under several brands, including its flagship Cinemark, Cinemark XD, Century theaters, Tinseltown USA, CineArts, and Rave Cinemas.

Cinemark and their operating brands are expanding both in the United States as well as internationally. Cinemark plans to open fifteen locations in 8 different states within the United States. The company will also be expanding in Southern and Central America, as they are expected to open an additional sixteen movie theaters in an additional 9 Southern and Central American countries.

In recent years, Cinemark has made an attempt to be more engaging in the towns and cities in which they are located in. They offer school events for local elementary and high school students, displaying their newest technology. Cinemark also offers private screenings and independent film screenings for the 'directors in making'. Lastly, for larger presentations or a simply a change of pace, Cinemark offers companies to take advantage of their large screens for presentations or meetings.



Corporate Overview

Stock Symbol	CNK (NYSE)
# of Locations	548+
US Headquarters	Plano, TX
Company Website	cinemark.com





Financial Analysis

Cinemark | Piqua, OH

Lease Abstract

\$4,062,000 **9.00%**

Asking Price

Cap Rate

LEASE DETAIL

Address	1020 Garbry Road, Piqua, OH 45356
Tenant	Cinemark, USA, Inc.
Parcel Size	1.83 Acres
Building Size	25,214 SF
Year Built	2008
Annual Rent	\$365,603
Rent / SF	\$14.50
Lease Type	Fee Simple: NN
Roof & Structure	Landlord Responsibility
Rent Commencement	12/12/2008
Lease Expiration	12/31/2023
Lease Term Remaining	4 Years
Remaining Options	Four (4), Five (5) Year Options

RENT SCHEDULE

Period	Start Date	End Date	Annual Rent	% Increase
Current Term	12/12/2008	12/31/2023	\$365,603	-
Option 1	1/1/2024	12/31/2028	\$378,210	3.00%
Option 2	1/1/2029	12/31/2033	\$390,817	3.00%
Option 3	1/1/2034	12/31/2038	\$403,424	3.00%
Option 4	1/1/2039	12/31/2043	\$416,031	3.00%

TENANT RESPONSIBILITY DETAIL

Maintenance & Repairs	Tenant shall, during the Term, at its own expense, keep and maintain the interior of the Theater, and the fixtures and equipment in connection therewith in good and substantial repair and condition.
Insurance	Tenant to pay for all insurance required in the Lease, which shall be included in the common area maintenance costs.
Taxes	Tenant shall pay business taxes, real property taxes, and all other taxes described in the Lease.
Utilities	Tenant shall, during the Term, pay for any and all water, sewer, telephone, gas and electric power used in the Theater.
CAM	Tenant shall pay its proportionate annual share of the common area maintenance costs for the Shopping Center during the Term. The term common area maintenance shall mean the actual 'out of pocket' costs incurred by Landlord in connection with operating, maintaining and repairing the common areas, utility charges incurred in operating the common areas, and the cost of Landlord maintaining the insurance required.

LANDLORD RESPONSIBILITY DETAIL

Maintenance & Repairs	Landlord covenants and agrees that, during the Term, it will keep the foundations and floor slab and the exterior of the theater, all supporting structures, all interior structural parts of the theater, and the roof in good condition and repair.
-----------------------	---

Location

Cinemark | Piqua, OH





Site Plan



Market

Cinemark | Piqua, OH



Market

Piqua, Ohio

Piqua, OH was founded in 1807 and is a part of the Dayton Metropolitan Statistical Area (MSA), as it's 27 miles north of Dayton. Major roads which run through Piqua are Interstate-75 which runs as northern as Michigan and as southern as Florida, and U.S. 36, which runs through much of Piqua, cutting the town almost directly in half. The Miami Valley Centre Mall sits right before the intersection of U.S. 36 and I-75, making it easy to commute to and from for shoppers coming from neighboring major cities like Dayton, Cincinnati and Columbus.

The Piqua School District operates two elementary schools, one middle school, Piqua Junior High School and Piqua High School, as well as multiple private schools. Piqua is home to Edison Community College, which has 3,286 students and sits on a rural 131-acre plain.

Piqua city schools are the third top employers in the city. Evenflo, who has a large manufacturing facility and is the top employer in Piqua, engages in the research and development, manufacturing and marketing of baby and juvenile products.

Fort Piqua Plaza in Downtown Piqua



Demographic Information			
	1-mile radius	3-mile radius	5-mile radius
POPULATION			
2010 Census	3,264	22,003	25,730
2019 Estimate	3,382	22,307	26,100
2024 Projection	3,454	22,581	26,432
ESTIMATED HH INCOME			
Average HH Income	\$60,339	\$62,672	\$65,497
Median HH Income	\$51,508	\$53,156	\$55,378
HOUSEHOLDS			
2010 Census	826	5,915	6,990
2019 Estimate	872	6,110	7,226
2024 Projection	895	6,222	7,361

Contact Information

MARKETING ADVISORS

MARC MANDEL

Managing Director

484.532.4212

marc.mandel@am.jll.com

STEVE SCHRENK

Director

484.532.4213

steve.schrenk@am.jll.com

DEBT ADVISOR

MICHAEL PAGNIUCCI

Director

484.532.4172

michael.pagniucci@am.jll.com

LOCAL BROKER

BILL POFFENBERGER

License no. OH - 352247



1700 Market Street, Suite 3232 | Philadelphia, PA 19103

www.us.jll.com/capitalmarkets

Copyright © Jones Lang LaSalle IP, Inc. 2019

This publication is the sole property of Jones Lang LaSalle and must not be copied, reproduced or transmitted in any form or by any means, either in whole or in part, without the prior written consent of Jones Lang LaSalle.

The information contained in this publication has been obtained from sources generally regarded to be reliable. However, no representation is made, or warranty given, in respect of the accuracy of this information.

We would like to be informed of any inaccuracies so that we may correct them. Jones Lang LaSalle does not accept any liability in negligence or otherwise for any loss or damage suffered by any party resulting from reliance on this publication. Jones Lang LaSalle Americas, Inc., California license # 01223413. Jones Lang LaSalle Americas, Inc. License # 19262.