



AMC THEATRES

1875 CINEMA DR. | OLEAN, NY 14760

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AREA OVERVIEW

MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES

INVESTMENT SUMMARY

ADDRESS	1875 Cinema Dr. Olean, NY 14760
PRICE	\$4,930,000
PRICE PSF	\$205
CAP RATE	7.25%
NOI	\$357,444
GLA	±24,000 SF
SITE SIZE	7.156 Acres
YEAR BUILT	1994 / R2019
OCCUPANCY	100%

DEMOGRAPHICS

	5-MILE	10-MILE	15-MILE
 POPULATION	23,210	34,364	64,522
 HOUSEHOLDS	9,671	14,372	26,770
 HH INCOME	\$67,443	\$68,127	\$65,353

OFFERING SUMMARY

Matthews™ is pleased to exclusively offer a 24,000-square-foot freestanding AMC Theatre (8-screen) located in Olean, NY. AMC's net lease commenced in September 1994 with a 20-year primary term, and the tenant having two, 5-year renewal options remaining. The tenant exercised their first renewal option beginning September 2014, and most recently executed an early extension for an additional 12-years beginning February 2019, taking their term out through February 2031. In addition to this extension, a \$1.5M renovation to the theatre completed in 2019 updating the format to AMC's new prototype featuring luxury seating, new curtains and floors, and several other cosmetic upgrades.

The Property is situated along W State St/Rt 417 (15,630 VPD), the main east-west lateral that runs through the Olean submarket. With two signalized intersections providing access into the center, along with three additional ingress/egress access points, the center's ideal location provides outstanding access to both a local and regional customer base.

AMC Theatres is strategically located within Walmart Plaza, the dominant open-air shopping center within the Olean trade area. Walmart Plaza features a national tenant line-up of best-in-class tenants that include Walmart (recent 10-year extension – top performing location), BJ's Wholesale Club (recent 7-year extension), Home Depot, AMC, Old Navy, and Pet Supplies Plus. Other major retailers in the immediate trade area include Tops Market, JCPenney, Marshalls, Aldi, Ollie's Bargain Outlet, Staples, and many others.

The Property sits right down the road from St. Bonaventure University, which has enrollment of about 2,500 students. The surrounding area features a strong demographic profile with nearly 23,000 people located within a five-mile radius, boasting average household incomes in excess of \$67,000.

The Property is being offered "free and clear" of any existing debt, providing an investor with a fantastic opportunity to obtain historically attractive financing.

INVESTMENT HIGHLIGHTS

NATIONAL CREDIT TENANT

- AMC Theatres (NYSE: AMC) is an U.S. based movie theatre chain headquartered in Leawood, Kansas (Kansas City MSA) and is the largest movie theatre chain in the world. Founded in 1920, AMC has the largest share of the American theatre market. In the U.S. alone they have 661 theatres totaling over 8,200 screens.

STRONG RECENT PERFORMANCE

- For the Fiscal quarter ended September 30th, 2019, AMC Theatres reported Q3 total revenues of \$1.317 billion (7.8% increase YoY), adjusted EBITDA of \$156.5 million (9.9% increase YoY), and had Q3 total attendance of 87.1 million tickets sold – setting an all-time quarterly record. AMC outperformed the rest of the U.S. theatre industry in Q3 by 220 basis points on attendance per screen and 450 basis points on admission revenue per screen.

LONG-TERM NET LEASE WITH INCREASES

- AMC Theatres is on a NN lease with minimal landlord responsibilities (Roof & Structure), where the tenant is responsible for Real Estate Taxes, Insurance, and Common Area Maintenance expenses for their parcel. There's a contractual rental increase in the tenant's base term beginning 3/2025 with a 3.5% increase, followed by 3.5% increases in each of their two remaining option periods every five years.

INVESTMENT HIGHLIGHTS CONTD.

RECENT RENEWAL & RENOVATION

- ▶ AMC Theatres recently executed an early extension for an additional 12-years taking their expiration out until 2/2031. As part of their long-term commitment to this location, a \$1.5M renovation was completed in 2019 to update the theatre to AMC's new prototype featuring luxury seating, new curtains and floors, as well as several other cosmetic upgrades. Not only emphasizing their commitment to the site but highlighting their desire to remain here long-term. Additionally, a roof replacement was completed in 2016 and is under warranty through 11/2034. Their building was also repainted in 2017.

STRATEGIC LOCATION IN COLLEGE TOWN

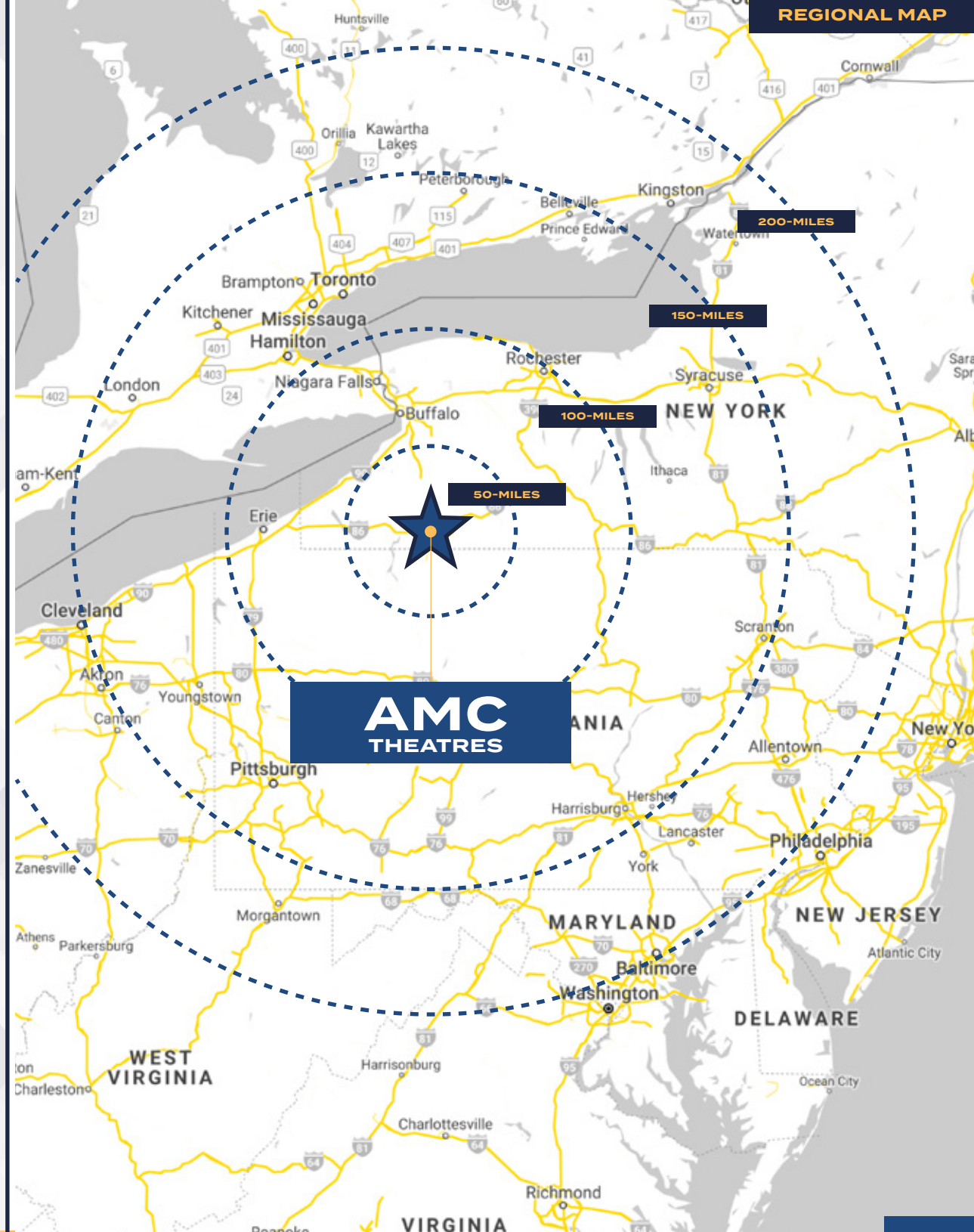
- ▶ AMC Theatres is strategically located within Walmart Plaza, the dominant open-air shopping center within the Olean trade area. Walmart Plaza features a national tenant line-up of best-in-class tenants that include Walmart, BJ's Wholesale Club, Home Depot, AMC, Old Navy, and Pet Supplies Plus. Other major retailers in the immediate trade area include Tops Market, JCPenney, Marshalls, Aldi, Ollie's Bargain Outlet, Staples, and many others. The Property sits right down the road from St. Bonaventure University, which has enrollment of about 2,500 students. Not only does this provide additional daily traffic to the site, but it provides a recurring flow of new customers on an annual basis.

HIGHLY ACCESSIBLE AND HEAVILY TRAFFICKED

- ▶ The Property is situated along W State St/Rt 417 (15,630 VPD), the main east-west lateral that runs through the Olean submarket. With two signalized intersections providing access into the center, along with three additional ingress/egress access points, the center's ideal location provides outstanding access to both a local and regional customer base.

EXPANDED TRADE AREA DRAW

- ▶ BJ's Wholesale Club – Nearest wholesale membership club is 50+ miles west (Sam's Club).
- ▶ Walmart – Only location within 22 miles.
- ▶ Home Depot – Only national home improvement store within 40+ miles.
- ▶ AMC – Only movie theater in Olean.





PROPERTY OVERVIEW



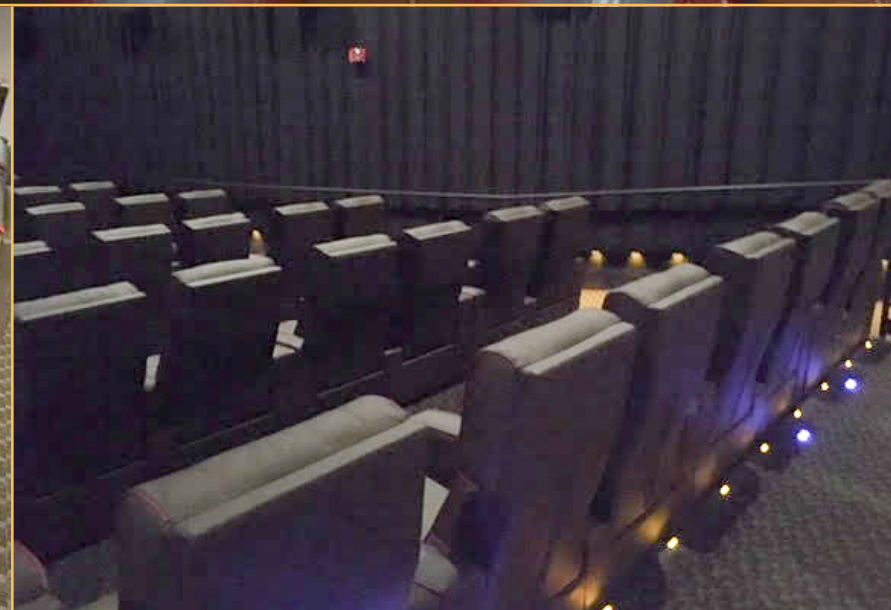
PROPERTY DESCRIPTION

- ▶ **PROPERTY ADDRESS**
1875 Cinema Dr. Olean, NY
- ▶ **BUILDING SIZE**
± 24,000 SF
- ▶ **SITE SIZE**
± 7.156 AC
- ▶ **APN**
042089 94.062-1-1
- ▶ **YEAR BUILT**
1994 / R2019
- ▶ **FRONTAGE & ACCESS**
Independence Dr. / NY-417

ROOF SUMMARY

ROOF	ROOF TYPE	APPROXIMATE AREA (SF)	INSTALLATION DATE	WARRANTY	WARRANTY EXPIRATION
AMC - All	EPDM	24,446	11/26/16	Yes	11/25/34
TOTAL		24,446			





TENANT PROFILE



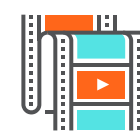
AMC

AMC is the largest movie exhibition company in the United States, the largest in Europe and the largest throughout the world with approximately 1,000 theatres and 11,000 screens across the globe. AMC has propelled innovation in the exhibition industry by deploying its Signature power-recliner seats; delivering enhanced food and beverage choices; generating greater guest engagement through its loyalty and subscription programs, web site and mobile apps; offering premium large format experiences and playing a wide variety of content including the latest Hollywood releases and independent programming. AMC operates among the most productive theatres in the United States' top markets, having the #1 or #2 market share positions in 21 of the 25 largest metropolitan areas of the United States. AMC is also #1 or #2 in market share in 12 of the 15 countries it serves in North America, Europe, and the Middle East.



1,006

Theatres



11,091

Screens



\$5.461B

Revenue

LEASE ABSTRACT

ANNUALIZED OPERATING DATA

DATE	ANNUAL RENT	MONTHLY RENT	\$ PSF /YR.	CAP RATE
8/26/1994 - 8/31/1998	\$192,000.00	\$16,000.00	\$8.00	-
9/01/1998 - 8/31/2004	\$201,600.00	\$16,800.00	\$8.40	-
9/01/2004 - 8/31/2009	\$211,680.00	\$17,640.00	\$8.82	-
12/01/2009 - 8/31/2014	\$222,264.00	\$18,522.00	\$9.26	-
Option 1 (9/1/2014 - 2/10/2019)	\$233,352.00	\$19,446.00	\$9.72	-
Current Term (2/11/2019 - 2/28/2025)	\$357,444.00	\$29,787.00	\$14.89	7.25%
Current Term Increase (3/01/2025 - 2/28/2031)	\$369,792.00	\$30,816.00	\$15.41	7.50%
Option 3 (3/1/2031 - 2/28/2036)	\$382,656.60	\$31,888.05	\$15.94	7.75%
Option 4 (3/1/2036 - 2/28/2041)	\$396,164.43	\$33,013.70	\$16.51	8.00%

TENANT SUMMARY

Tenant Trade Name	AMC
Type of Ownership	Fee Simple
Lease Guarantor	American Multi-Cinema, Inc.
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	20 years
Lease Commencement Date	5/15/93
Rent Commencement Date	8/26/94
Lease Expiration Date	2/28/31
Term Remaining on Lease	11 years
Increase	3/1/25
Options Remaining	Two, 5-year options

RENT ROLL

SUITE	TENANT	LEASE START	LEASE END	SQUARE FEET	% OF GLA	CONTRACT RENTAL RATE		RENT \$ PSF/YR.	RENT INCREASES		OPTIONS
						YEAR	MONTH		DATE	\$ PSF/YR.	
1	AMC	May-93	Feb-31	24,000	100.0%	\$357,444	\$29,787	\$14.89	Mar-25	\$15.41	2x5 Years: (1) \$15.94 PSF. (2) \$16.51 PSF.
Occupied Totals - In Place				24,000	100.0%	\$357,444	\$29,787	\$14.89			
Vacant Totals				0	0.0%	\$0	\$0	\$0.00			
Totals				24,000	100.0%	\$357,444	\$29,787	\$14.89			

LEASE ABSTRACT



LEASE ABSTRACT CONT.

TAXES

As additional rent Lessee shall pay its proportionate share of all real property taxes and assessments or governmental impositions in lieu thereof, be they special or otherwise of every kind and nature, water, sewer, and other rents, rates and charges, excises, levies, license fees, permit fees, and other authorization fees, public dues, and all other charges, of every character, which at any time during or in respect of the term of this Lease may be assessed, levied, confirmed, or imposed on or in respect of or be a lien upon, or measured by the value or amount of, (a) the Demised Premises or any part thereof, including any personal property, any rent therefrom or any estate, right or interest therein or, (b) any occupancy, use or possession of the Demised Premises or any part thereof other than any franchise, capital stock or similar tax of Lessor, or any income or excess profit tax of Lessor or portion thereof determined on the basis of its general income or revenues shall no be considered real estate taxes.

INSURANCE

As additional rent, and upon demand Lessee agrees to pay its proportionate share of insurance for the shopping center of which the Demised Premises forms part, protecting against all losses resulting from fire, loss of rents and other insurable hazards, casualties, risks, and contingencies. Lessee's proportionate share shall be based upon the square footage of leasable space in the shopping center of which the Demised Premises forms a part.

REPAIRS & MAINTENANCE

Lessor shall repair and maintain the foundation, roof, downspouts and exterior walls. Lessee shall at all times keep the remainder of the Demised Premises in first-class condition, including but not limited to plumbing, service lines, heating, ventilating and air conditioning systems, lighting fixtures and equipment and shall repair or replace such fixtures or equipment when the same become inoperative and at the end of the term, shall quit and surrender such premises in such condition, ordinary wear and tear excepted and in a broom clean condition.

COMMON AREA MAINTENANCE

As additional rent, Lessee shall pay to Lessor a proportion of the common area operating costs. The common area operating costs mean the total costs and expenses incurred in managing, operating, servicing and maintaining all common facilities, specifically including without limitation, planting, replanting and maintaining the landscaping, public liability, property damage, and such other insurance as Lessor deems advisable, insurance deductibles, repairs, replacement, resurfacing and maintenance of blacktop, painting the building, line painting, sanitary control, canopy, electricity, light poles and fixtures, maintenance and repair of the sprinkler system, installation, maintenance and repair of traffic control devices, maintenance of common bathrooms, sewers, drainage, removal of snow, trash, rubbish, garbage, and other refuse, holiday decorations, depreciation on machinery and equipment used in such maintenance, the cost of personnel to implement such services and to direct parking and police the common facilities, and fifteen percent of all foregoing costs to cover Lessor's administrative and overhead costs.





AREA OVERVIEW

OLEAN, NY

Situated in Cattaraugus County, New York, Olean is the largest city in the area. The place has an energetic spirit and outstanding resources that one might expect to find. It also serves as the financial, business, transportation and entertainment center of Cattaraugus Country.

Its location provides easy access to the major markets throughout the Northeast, including Canada. Olean is rich in recreational opportunities for everyone. The area offers excellent outdoor recreational opportunities, as well as fun things to do indoors.

BUFFALO, NY

Buffalo is rich in culture and has a lot to offer in terms of arts, nightlife, professional sports, famous art collections, and museums. The award-winning airport in conjunction with the University of Buffalo has boosted the economy. The main economic sectors include industrial, light manufacturing, high technology and services. The proximity to Canada gives the city's businesses extra support from those who come across the border on a regular basis, which many do to avoid higher prices in their home country.



\$87,371

MEDIAN HOME PRICE

±6,171

POPULATION

\$63,833

AVG. ANNUAL SALARY

ECONOMY

Buffalo is often referred to as the “City of Light” one reason is because it was the first city in America to have electric streetlights, another is because of the abundance of hydroelectric power that is supplied to the city by Niagara Falls about 20 miles away. The falls are both economically beneficial and a major tourist attraction.

Buffalo’s two major economic sectors are health care and education. These industries continue to grow due to the Buffalo Niagara Medical Campus, as well as the University at Buffalo and their constant expansion. The Buffalo Niagara Medical Campus consists of 27 finished and ongoing developments totaling in \$1.6 billion. These projects include the \$50.5 million Clinical Science Center for Roswell Park Cancer Institute which will include a cancer treatment center and breast mammography center. The University at Buffalo is responsible for 19,715 jobs in the state of New York.



ST. BONAVENTURE UNIVERSITY

St. Bonaventure University is a private Franciscan university in Allegany, New York. It has 2,381 undergraduate and graduate students. The Franciscan Brothers established the university in 1858.

Undergraduate and graduate programs are offered in the liberal arts and sciences, business, education, and journalism and mass communication, and three graduate degrees are offered in a 100% online format through St. Bonaventure University Online.

Programs are also offered by the University's Franciscan Institute, which has produced seminal publications and hosted the world's foremost Franciscan scholars. The Regina A. Quick Center for the Arts includes a world-class museum that enriches student learning experiences as well as the quality of life throughout Western New York.

In athletics, the St. Bonaventure Bonnies play National Collegiate Athletic Association Division I sports in the Atlantic 10 Conference. Students and alumni often refer to the university as Bona's, derived from the school's original name, St. Bonaventure's College.

50+
UNDERGRADUATE
MAJORS AND PROGRAMS

500+
ACRES WITH 31
BUILDINGS

1,800+
UNDERGRADUATE
STUDENTS

CONFIDENTIALITY AGREEMENT & DISCLOSURE

This Offering Memorandum contains select information pertaining to the business and affairs of **AMC Theatres** located at **1875 Cinema Dr, Olean, NY 14760** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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