

EQUITY RETAIL BROKERS



NEW 20-YEAR GROUND LEASE

1413 NJ-36, Hazlet, NJ 07730

OFFERING MEMORANDUM

Presented By:
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*Currently Under Construction — Expected Early Spring 2020

WAWA | 1413 Highway 36, Hazlet, NJ 07730

EXECUTIVE SUMMARY

Equity Retail Brokers is pleased to exclusively offer for sale to qualified investors the opportunity to purchase a new single-tenant NNN Wawa ground lease in Hazlet, NJ. Wawa, Inc is a privately held convenience store chain with more than 850 locations in Pennsylvania, New Jersey, Delaware, Maryland, Virginia, Washington, DC and Florida. Wawa is ranked #25 among America's largest private companies and has annual estimated revenue of over \$10.6 billion.

Hazlet is a town in Northern New Jersey that is within commuter distance to Manhattan (37 miles south). The subject property features a free-standing convenience store and 6 fuel dispensers and will benefit from prime location on Route 36, which sees over 41,000 vehicles per day and is a main thoroughfare through Hazlet leading directly to the Garden State Parkway. The ground lease in place has no landlord responsibilities and attractive 10% increases every five years of the lease term, inclusive of option periods.



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INVESTMENT HIGHLIGHTS

STRONG CORPORATE TENANT

- > Tenant: Wawa
- > Number of Stores: Over 850 and counting
- > Number of Employees: Over 35,000
- > Annual Estimated Revenue: Exceeds \$10.6 billion



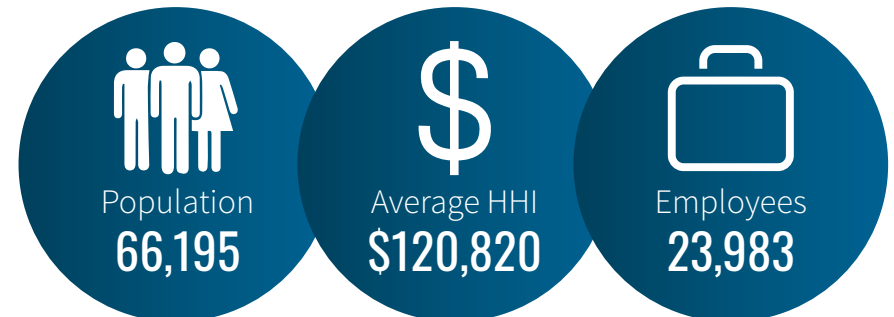
STABLE INCOME

- > New Ground Lease — No Landlord Responsibilities
- > **20 years of firm initial term**
- > **New 2020 Construction**
- > 10% rental increases every 5 years during initial term and options

IDEAL LOCATION

- > Commuter distance from New York, NY (37.8 miles)
- > Traffic Count:
 - Route 36: 41,317 ADT (NJ DOT 2017)
- > Strong population & household incomes in the surrounding area

DEMOGRAPHIC OVERVIEW (3-MILE RADIUS)



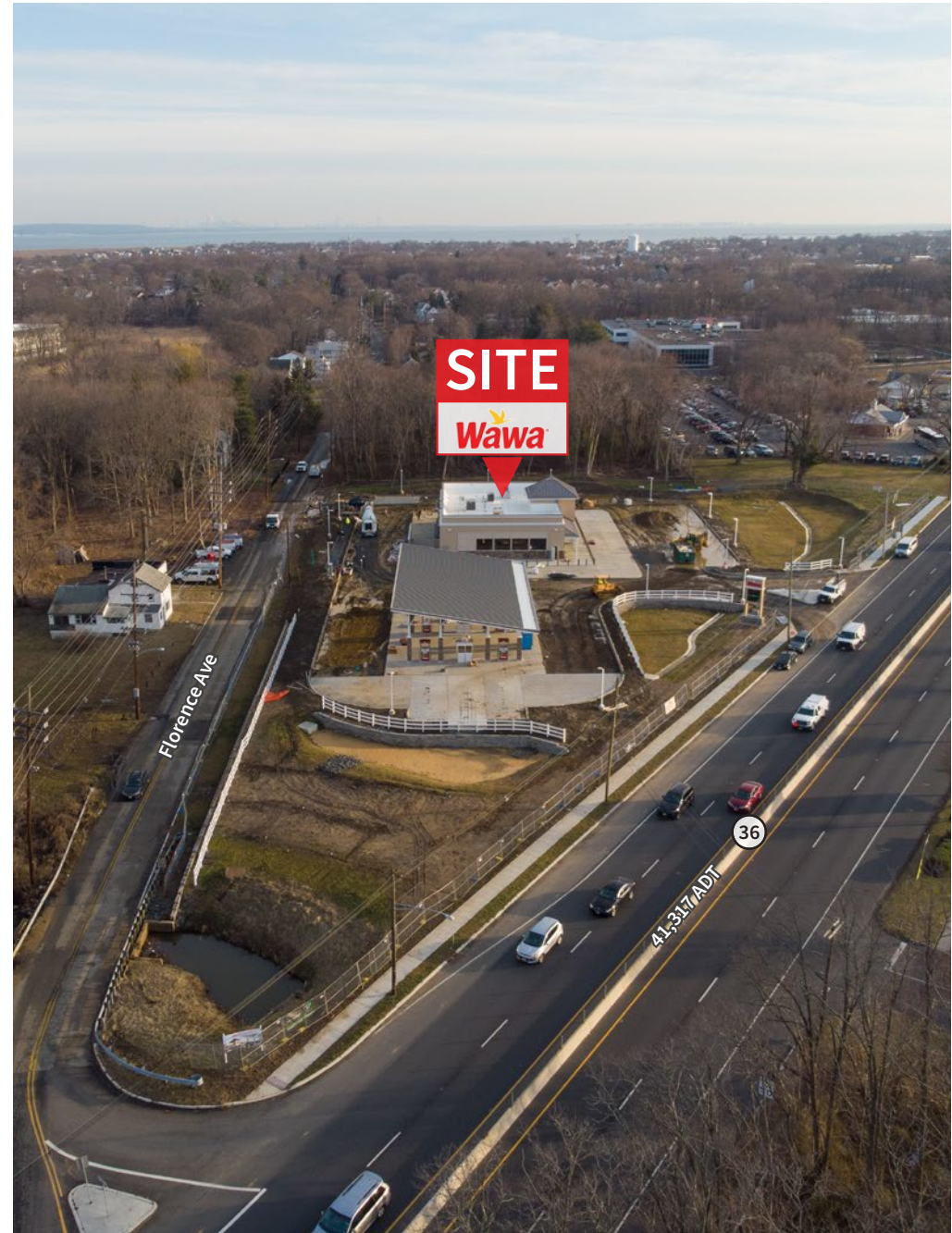
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PRICING SUMMARY

ASKING PRICE	\$7,777,777
CURRENT NOI	\$350,000
CAP RATE	4.50%

SITE SUMMARY

ADDRESS	1413 NJ-36, Hazlet, NJ 07730
BUILDING SIZE	±5,051 SF
YEAR BUILT	2020 (Currently Under Construction)
LOT SIZE	±2.50 AC
PARKING SPACES	±52 Spaces
BLOCK/LOT	Block: 63 / Lot: 2.01
FUEL DISPENSERS	6 Fuel Dispensers / 12 Pumps
TYPE OF OWNERSHIP	Leased Fee (Land Ownership)



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LEASE SUMMARY

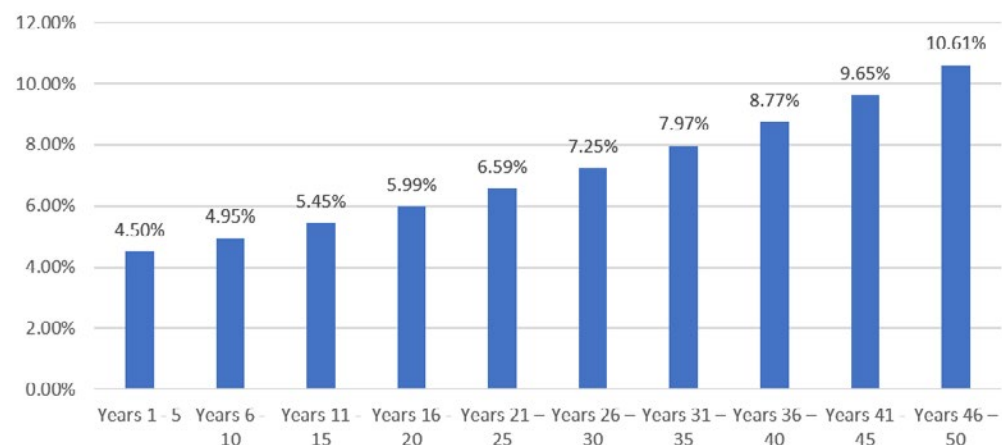
TENANT	Wawa
TYPE OF LEASE	NNN—Ground Lease
LEASE TERM	20 Years
INITIAL RENT COMMENCEMENT	Early Spring 2020 (Expected)
LEASE EXPIRATION DATE	20 Years After Commencement
RENEWAL OPTIONS	Six, 5-Year Options
RIGHT OF FIRST REFUSAL	No
RIGHT TO TERMINATE	No
PROPERTY TAXES	Tenant
ROOF, STRUCTURE & PARKING LOT	Tenant
COMMON AREA MAINTENANCE	Tenant
INSURANCE	Tenant
UTILITIES	Tenant
REPAIRS & MAINTENANCE	Tenant
RESTRICTIVE COVENANT	Landlord agrees not to permit any property that it may now own or hereafter acquire within a one (1) mile radius of the leased premises to be occupied or used for a doughnut store, sandwich store, McDonald's restaurant, convenience food store, coffee store, fuel dispensing facility or any combination of such uses. (Further details are provided in the lease).



RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT
Years 1-5	\$350,000	\$29,167
Years 6-10	\$385,000	\$32,083
Years 11-15	\$423,500	\$35,292
Years 16-20	\$465,850	\$38,821
RENEWAL TERM	ANNUAL RENT	MONTHLY RENT
Years 21-25	\$512,435	\$42,703
Years 26-30	\$563,679	\$46,973
Years 31-35	\$620,046	\$51,670
Years 36-40	\$682,051	\$56,838
Years 41-45	\$750,256	\$62,521
Years 46-50	\$825,282	\$68,773

Return on Investment







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WAWA SUMMARY

Wawa, Inc., a privately held company, began in 1803 as an iron foundry in New Jersey. Toward the end of the 19th Century, owner George Wood took an interest in dairy farming and the family began a small processing plant in Wawa, Pa, in 1902. The milk business was a huge success, due to its quality, cleanliness and “certified” process. As home delivery of milk declined in the early 1960s, Grahame Wood, George’s grandson, opened the first Wawa Food Market in 1964 as an outlet for dairy products.

Today, Wawa is your all day, every day stop for fresh, built-to-order foods, beverages, coffee, fuel services, and surcharge-free ATMs. A chain of more than 850 convenience retail stores (600 offering gasoline), Wawa stores are located in Pennsylvania, New Jersey, Delaware, Maryland, Virginia, Washington, D.C. and Florida. The stores offer a large fresh food service selection, including Wawa brands such as built-to-order hoagies, freshly brewed coffee, hot breakfast sandwiches, built-to-order specialty beverages, and an assortment of soups, sides and snacks.

The Logo: “Wawa” is a Native American word for the Canadian goose that was found in the Delaware Valley over 100 years ago. Their original Dairy farm was built on land located in a rural section of Pennsylvania called Wawa, which is why they use the goose on Wawa’s corporate logo.



Company Information:

850

Operates over 850 convenience retail stores (600 offering gasoline) in Pennsylvania, New Jersey, Delaware, Maryland, Virginia, Washington, D.C. and Florida.



Employs 35,000 associates throughout portions of New Jersey, Pennsylvania, Delaware, Maryland, Virginia, Washington, D.C. and Florida.



Ranked #25 in Forbes Largest Private Companies (November 2018); Estimated Revenue of over \$10.6 billion (as of October 2018) Source: Forbes



Ranked #9 on the CSP’s 2019 Convenience Top 202 list of convenience stores with the most worldwide locations.



Headquarters
Red Roof, 260 W. Baltimore Pike
Wawa, Pennsylvania 19063



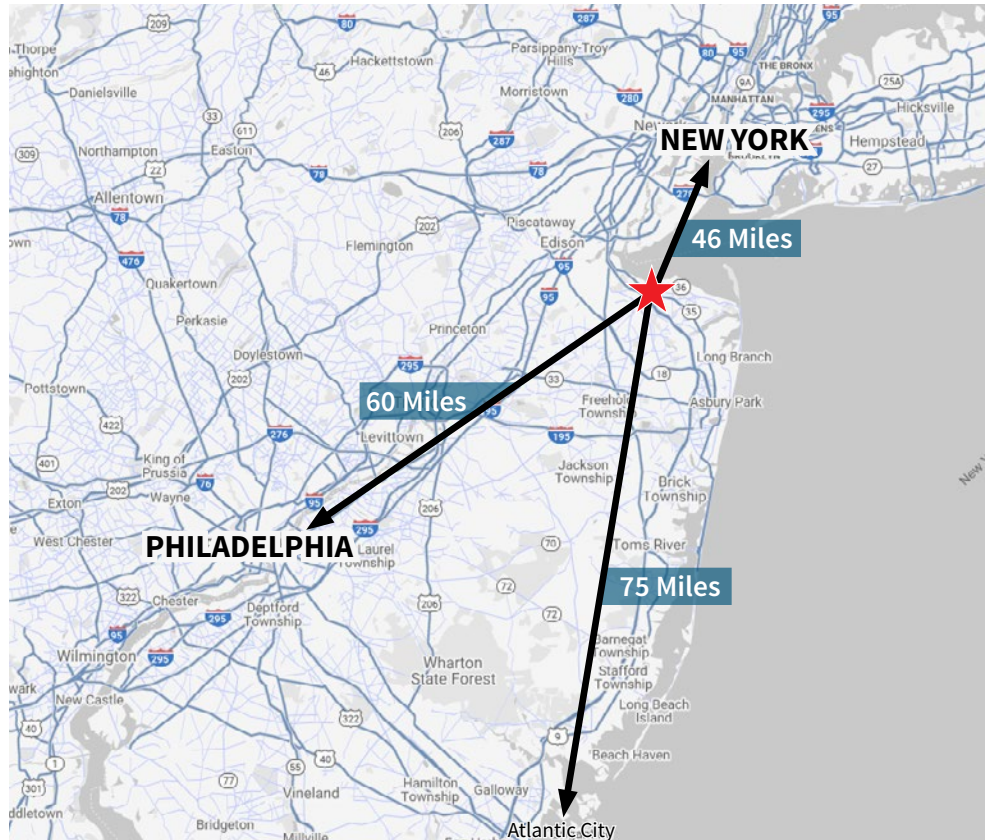
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LOCATION OVERVIEW

Hazlet is a township in Monmouth County, NJ. It is approximately 46 miles south of Manhattan, and 60 miles northeast of Philadelphia. It borders Aberdeen Township, Holmdel Township, Keansburg, Keyport, Middletown Township and Union Beach.

The major roadways through Hazlet include The Garden State Parkway, State Hwy 35, State Hwy 36, County Route 516. The GS parkway provides easy access to destinations in North Jersey, New York City, and the Jersey Shore.

NJ Transit train service is available at the Hazlet Station, offering travel to Newark, NJ and NYC Penn Station in Midtown Manhattan.



Highlights of Monmouth County, NJ

- > **Strong Demographics:** The population of Monmouth County is approximately 621,354 residents. It is the fifth largest county in New Jersey, in terms of population. Median Household Income is approximately \$95,700, and Monmouth County ranks among the top 1.2% of counties in the United States by wealth. Median Home Value is approximately \$408,400.
- > **Largest employers include:**



Centrally located between New York City and Philadelphia. Monmouth County is located approximately 46 miles from New York City, 60 miles from Philadelphia and 75 miles from Atlantic City, NJ, and is part of the New York City Metropolitan Statistical Area. Because of its central location, Monmouth County is an easy drive to New York City, Philadelphia, and the Jersey Shore.

Transportation: Monmouth County is less than an hour drive from Newark Liberty International Airport, and is easily accessible from midtown Manhattan, Newark NJ, and Newark Liberty International Airport by car, and NJ Transit train and bus.

DEMOGRAPHIC SUMMARY

2000-2010 Census, 2019 Estimates with 2024 Projections
Calculated using Weighted Block Centroid from Block Groups

1413 NJ-36, Hazlet, NJ 07730

1 Mile Radius

3 Mile Radius

5 Mile Radius

POPULATION

2019 Estimated Population	13,780	66,195	131,168
2024 Projected Population	13,610	65,367	130,287
2010 Census Population	14,108	67,630	132,621
2000 Census Population	14,761	67,603	131,036
Projected Annual Growth 2019 to 2024	-0.2%	0.4%	0.2%
Historical Annual Growth 2000 to 2019	-0.3%	-0.1%	-
2019 Median Age	43.2	41.8	41.8

HOUSEHOLDS

2019 Estimated Households	5,613	25,773	49,988
2024 Projected Households	5,656	25,983	50,711
2010 Census Households	5,382	24,786	47,828
2000 Census Households	5,620	24,173	46,005
Projected Annual Growth 2019 to 2024	0.2%	0.2%	0.3%
Historical Annual Growth 2000 to 2019	-	0.3%	0.5%

RACE & ETHNICITY

2019 Estimated White	84.9%	81.2%	80.5%
2019 Estimated Black or African American	4.6%	5.9%	6.0%
2019 Estimated Asian or Pacific Islander	3.3%	7.6%	8.8%
2019 Estimated American Indian or Native Alaskan	0.2%	0.2%	0.2%
2019 Estimated Other Races	7.1%	5.1%	4.5%
2019 Estimated Hispanic	14.7%	11.1%	10.6%

INCOME

2019 Estimated Average Household Income	\$103,947	\$120,820	\$130,577
2019 Estimated Median Household Income	\$85,372	\$99,010	\$105,249
2019 Estimated Per Capita Income	\$42,415	\$47,092	\$49,815

EDUCATION (AGE 25+)

2019 Estimated Elementary (Grade Level 0 to 8)	4.6%	2.7%	2.5%
2019 Estimated Some High School (Grade Level 9 to 11)	4.9%	4.2%	4.2%
2019 Estimated High School Graduate	29.3%	26.6%	25.9%
2019 Estimated Some College	19.1%	17.2%	16.8%
2019 Estimated Associates Degree Only	8.4%	8.3%	7.9%
2019 Estimated Bachelors Degree Only	21.9%	25.2%	25.8%
2019 Estimated Graduate Degree	11.7%	15.7%	17.0%

BUSINESSES

2019 Estimated Total Businesses	688	2,753	4,368
2019 Estimated Total Employees	5,239	23,983	37,702
2019 Estimated Employee Population per Business	7.6	8.7	8.6
2019 Estimated Residential Population per Business	20.0	24.0	30.0

This report was produced using data from private and government sources deemed to be reliable. The information herein is provided without representation or warranty.

CONFIDENTIALITY STATEMENT | DISCLAIMER

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Prospective purchasers are recommended to seek professional advice. This includes legal, tax, environmental, engineering and other as deemed necessary relative to a purchase of this property. All the information is also subject to market conditions, the state of the economy, especially the economy as it relates to real estate is subject to volatility.

The Owner expressly reserves the right, at its sole discretion, to reject any offer to purchase the property or to terminate any negotiations with any party, at any time, with or without written notice. The Seller and Equity Retail Brokers reserve the right to negotiate with one or more prospective purchasers at any time.

Only a fully-executed Real Estate Purchase Agreement, approved by Seller, shall bind the property. A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or the information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in a fully executed Real Estate Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against the Seller or Equity Retail Brokers or any of their affiliates, officers, 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.

Each prospective purchaser and/or broker proceeds at its own risk.

Equity Retail Brokers, Inc is licensed in PA, NJ, & DE.

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