



415 EAST MERRITT AVENUE MERRITT ISLAND, FL

SPACE COAST / PALM BAY - MELBOURNE - TITUSVILLE MSA
LONG-TERM NNN OFFERING



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BJ's Wholesale Club, Inc.

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Merritt Island, Florida

Palm Bay-Melbourne-Titusville MSA

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MERRITT SQUARE MALL
Dillard's **macy's** **JCPenney** **Clue's Bargain Outlet** **RACK ROOM SHOES**
Cobb THEATRES **BAM! BOOKS-A-MILLION** **Foot Locker** **rue21** **Finish Line** **claire's** **ZALES** **sears**

MERRITT TOWERS CONDOS (81 UNITS)
Wells Fargo **Firestone COMPLETE AUTO CARE** **BONEFISH GRILL** **Chick-fil-A**

Applebee's **HOOTERS** **Steak 'n Shake** **LONGHORN STEAKHOUSE** **CHASE**

FINANCIAL CENTER AT MERRITT SQUARE
COLDWELL BANKER **CHRISTIE DENTAL** **SUNTRUST**
MERRICK MARKETMODEL ADVISORS
CAPE DESIGN ENGINEERING CO.

EAST MERRITT ISLAND CAUSEWAY (41,500 VPD)

Mattress Barn **State Farm** **Jersey Mike's SUBS** **tropical CAFE SMOOTHIE** **FedEx** **Office DEPOT** **FIVE GUYS** **BURGERS and FRIES** **ABC NEWS 10**

Health First Pro-Health & FITNESS CENTER

BJ's

EAST MERRITT AVENUE (17,700 VPD)

NORTH PLUMOSA STREET (6,500 VPD)

4 • INVESTMENT OVERVIEW



EXECUTIVE SUMMARY

The CBRE Net Lease Property Group is pleased to exclusively offer a 108,532-square-foot BJ's Wholesale Club (S&P: B+) situated on 21.57 acres in Merritt Island, FL. BJ's recently extended NNN lease will expire on 1/31/31 and features an 8% rent increase every 5 years in the initial term and in each of the 10-year and 5-year option periods. The property is situated with excellent access and visibility at the signalized intersection of East Merritt Avenue (17,700 VPD) and North Plumosa Street (6,500 VPD), which intersects with East Merritt Island Causeway (41,500 VPD)—the main thoroughfare providing access to downtown Orlando (50 miles to the west) and Cocoa Beach (5 miles to the east).

BJ's is strategically positioned in the region's primary retail and commercial corridor—featuring 5.4 MSF of retail, 1.7 MSF of office, 922,300-square-feet of industrial—which is highlighted by the 810,814-square-foot Merritt Square Mall (anchors: JCPenney, Dillard's, Macy's, Ollie's Bargain Outlet and Sears). Other retailers in the immediate area include Walmart Supercenter, The Home Depot, Publix, Harbor Freight Tools, ABC Fine Wine & Spirits, Office Depot, Michael's, Pier 1 Imports, T.J. Maxx, Ross Dress for Less, Wells Fargo, SunTrust, Bank of America, Chase Bank, TD Bank, Verizon, FedEx, AT&T, Sprint, Walgreens, CVS, Aspen Dental, Pro-Health & Fitness Center, The Vitamin Shoppe, Tropical Smoothie Café, Jersey Mike's Subs, Steak n Shake, Chili's, Carrabba's, Applebee's, LongHorn Steakhouse, Olive Garden, Bonefish Grill, Chick-fil-A, Hooter's, Five Guys, Burger King, Denny's, Popeye's, Taco Bell, Dairy Queen, Pizza Hut and Wendy's among many others.

BJ's benefits from a sustainable built-in customer base with proximity to over 2,000 multifamily units concentrated within a 3-mile radius, which include Courtnay Palms Apartments (302 units), Catalina Club Apartments (136 units) and Merritt Towers Condos (81 units), among many others. The immediate corridor also boasts a significant day time population due to the surrounding businesses and office buildings, such as Financial Center at Merritt Square (0.5 miles to the south), which drive traffic to and around the site. The property is also just 8.5 miles south of Port Canaveral, one of the busiest cruise points in the world, and 13 miles south of the Kennedy Space Center, which attracts nearly 2 million visitors annually. BJ's enjoys dynamic demographics with a population of 85,811 and an average household income of \$76,095 within a 5-mile radius.

INVESTMENT SUMMARY

ADDRESS	415 East Merritt Avenue Merritt Island, FL
BUILDING SIZE	108,532 SF
PARCEL SIZE	21.57 Acres
YEAR BUILT	2000
TERM REMAINING	±10.75 Years
NOI	\$1,123,831
CAP	6.50%
PRICE	\$17,289,708

2020 DEMOGRAPHICS

	1 MILES	3 MILES	5 MILES
POPULATION	6,310	33,944	85,811
AHI	\$57,826	\$75,942	\$76,095

TRAFFIC COUNTS

EAST MERRITT AVENUE	17,700 VPD
NORTH PLUMOSA STREET	6,500 VPD
EAST MERRITT ISLAND CAUSEWAY	41,500 VPD

INVESTMENT HIGHLIGHTS



STRONG TENANT

Headquartered in Westborough, Massachusetts, BJ's Wholesale Club, Inc. (NYSE: BJ; S&P: B+) is a leading membership-only warehouse club chain operating primarily in the Eastern United States. The company currently operates 218 clubs in 16 states from Maine to Florida and employs more than 26,000 people. In June of 2018, BJ's returned to the public markets with its initial public offering of 37.5 million shares. As of February 1, 2020, BJ's had TTM revenue and net income of \$13.2B and \$187M, respectively.



RECENTLY EXTENDED LONG-TERM NET LEASE

BJ's recently extended NNN lease will expire on 1/31/31 and features an 8% rent increase every 5 years in the initial term and in each of the 10-year and 5-year option periods.



RECENT CAPITAL IMPROVEMENTS

BJ's is obligated to complete major improvements to the property in exchange for a \$250,000 payment from the current landlord. If improvement allowance has not been fully used by Tenant prior to closing, Owner will give Buyer a credit for the balance at closing.



LACK OF COMPETITION

This BJ's Merritt Island location is the only wholesale club servicing Merritt Island and all points east, including Cocoa Beach and Cape Canaveral. All other competition is located west on the mainland (Sam's Cocoa West: 6.5 miles; Costco Orlando: 54 miles; and BJ's Palm Bay: 29 miles).



EXCELLENT ACCESS & VISIBILITY

The property is situated with excellent access and visibility at the signalized intersection of East Merritt Avenue (17,700 VP) and North Plumosa Street (6,500 VPD), which intersects with East Merritt Island Causeway (41,500 VPD)—the main thoroughfare providing access to downtown Orlando (50 miles to the west) and Cocoa Beach (5 miles to the east). (50 miles to the west) and Cocoa Beach (5 miles to the east).



STRATEGIC LOCATION

BJ's is strategically positioned in the region's primary retail and commercial corridor—featuring 5.4 MSF of retail, 1.7 MSF of office, 922,300-square-foot of industrial—which is highlighted by the 810,814-square-foot Merritt Square Mall (anchors: JCPenney, Dillard's, Macy's, Ollie's Bargain Outlet and Sears).



DOMINANT RETAIL & COMMERCIAL CORRIDOR

Premier retailers in the immediate area include Walmart Supercenter, The Home Depot, Publix, Harbor Freight Tools, ABC Fine Wine & Spirits, Office Depot, Michael's, Pier 1 Imports, T.J. Maxx, Ross Dress for Less, Wells Fargo, SunTrust, Bank of America, Chase Bank, TD Bank, Verizon, FedEx, AT&T, Sprint, Walgreens, CVS, Aspen Dental, Pro-Health & Fitness Center, The Vitamin Shoppe, Tropical Smoothie Café, Jersey Mike's Subs, Steak n Shake, Chili's, Carrabba's, Applebee's, LongHorn Steakhouse, Olive Garden, Bonefish Grill, Chick-fil-A, Hooter's, Five Guys, Burger King, Denny's, Popeye's, Taco Bell, Dairy Queen, Pizza Hut and Wendy's among many others.



BUILT-IN CUSTOMER BASE

BJ's benefits from a sustainable built-in customer base with proximity to over 2,000 multifamily units concentrated within a 3-mile radius, which include Courtnay Palms Apartments (302 units), Catalina Club Apartments (136 units) and Merritt Towers Condos (81 units), among many others.



KEY POINTS OF INTEREST

The immediate corridor also boasts a significant day time population due to the surrounding businesses and office buildings, such as Financial Center at Merritt Square (0.5 miles to the south), which drive traffic to and around the site. The property is also just 8.5 miles south of Port Canaveral, one of the busiest cruise points in the world, and 13 miles south of the Kennedy Space Center, which attracts nearly 2 million visitors annually.



DYNAMIC DEMOGRAPHICS

BJ's enjoys dynamic demographics with a population of 85,811 and an average household income of \$76,095 within a 5-mile radius.



SPACE COAST ADVANTAGE

BJ's Wholesale Club is positioned along Florida's Space Coast—a region around the Kennedy Space Center and Cape Canaveral Air Force Station that mostly lies within Brevard County. Florida's Space Coast extends across 72+ miles of coastline and is home to Orlando's and Walt Disney World's closest beaches. All NASA-launched spaceflights depart from either Kennedy Space Center or Cape Canaveral, drawing in an abundance of visitors year-round. Tourism is a \$2.1 billion industry for the Brevard County and is responsible for 26,000 jobs. The Space Coast is also home to Port Canaveral—the world's second-busiest cruise passenger port and key logistics hub.

LEASE ABSTRACT

TENANT	BJ's Wholesale Club, Inc.
RENT COMMENCEMENT	August 5, 2000
LEASE EXPIRATION	January 31, 2031
TERM REMAINING	±10.75 Years
LEASE TYPE	NNN
CURRENT TERM RENT	Current - 1/31/2026: \$1,123,831 2/1/2026 - 1/31/2031: \$1,213,737
RENT ESCALATIONS	8% every 5 years
REMAINING OPTIONS	One 10-Year and One 5-Year Option
OPTION RENT	2/1/2031-1/31/2036: \$1,310,836 2/1/2036-1/31/2041: \$1,415,703 2/1/2041-1/31/2046: \$1,528,959
OPTION RENT INCREASES	8% in Each Option
TAXES	Tenant shall pay the Real Estate Taxes assessed upon the Demised Premises for each Tax Year included within the term of this Lease and a pro rata portion thereof for the Tax Years partially included in the Lease Term at the commencement and expiration thereof.
INSURANCE	<p>Tenant shall maintain with respect to the Building insurance against loss or damage by fire, the so-called extended coverage casualties, vandalism and malicious mischief and sprinkler leakage and flood (except that Tenant may self-insure against loss or damage by flood). Tenant may, at its election, maintain insurance with respect to additional casualties and events. Said insurance shall be in an amount not less than 100% of the full insurable value of the Building, and said insurance may be written with a so-called 80% co-insurance clause.</p> <p>Tenant and Landlord shall each maintain a policy of commercial general liability insurance with a combined single limit of at least \$3,000,000 per occurrence (or, as to Landlord, such greater amounts as may be standard from time to time for owners of retail projects similar to and in the vicinity of the Demised Premises).</p> <p>*Tenant may self-insure if tenant has an aggregate net worth of \$100,000,000.</p>
REPAIRS & MAINTENANCE	Tenant shall maintain the Demised Premises in as good repair and condition as the same are in on the Commencement Date or as may be required by any laws, ordinances or regulations of any public authorities having jurisdiction. Tenant shall maintain the foundation, the slab-floors, the roof and the roofing system (including, without limitation, any skylights), the exterior walls, the roof drainage system, the structural parts of the Building, and all wiring, plumbing, pipes, conduits and other utilities and sprinkler fixtures.
ROFO	Yes (45 Days)



8 • PROPERTY OVERVIEW



AERIAL



NORTH PLUMOSA STREET (6,500 VPD)

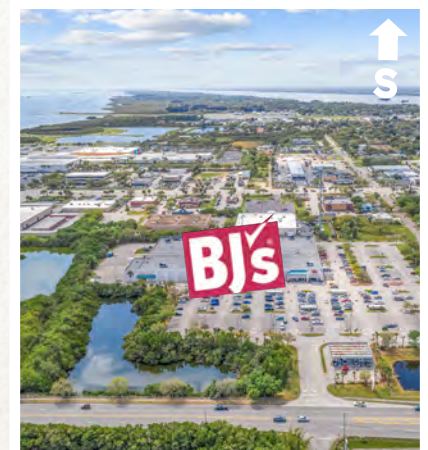
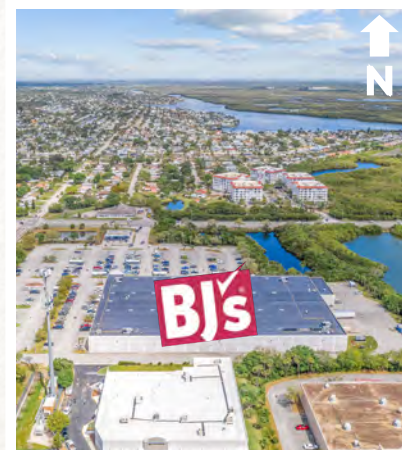
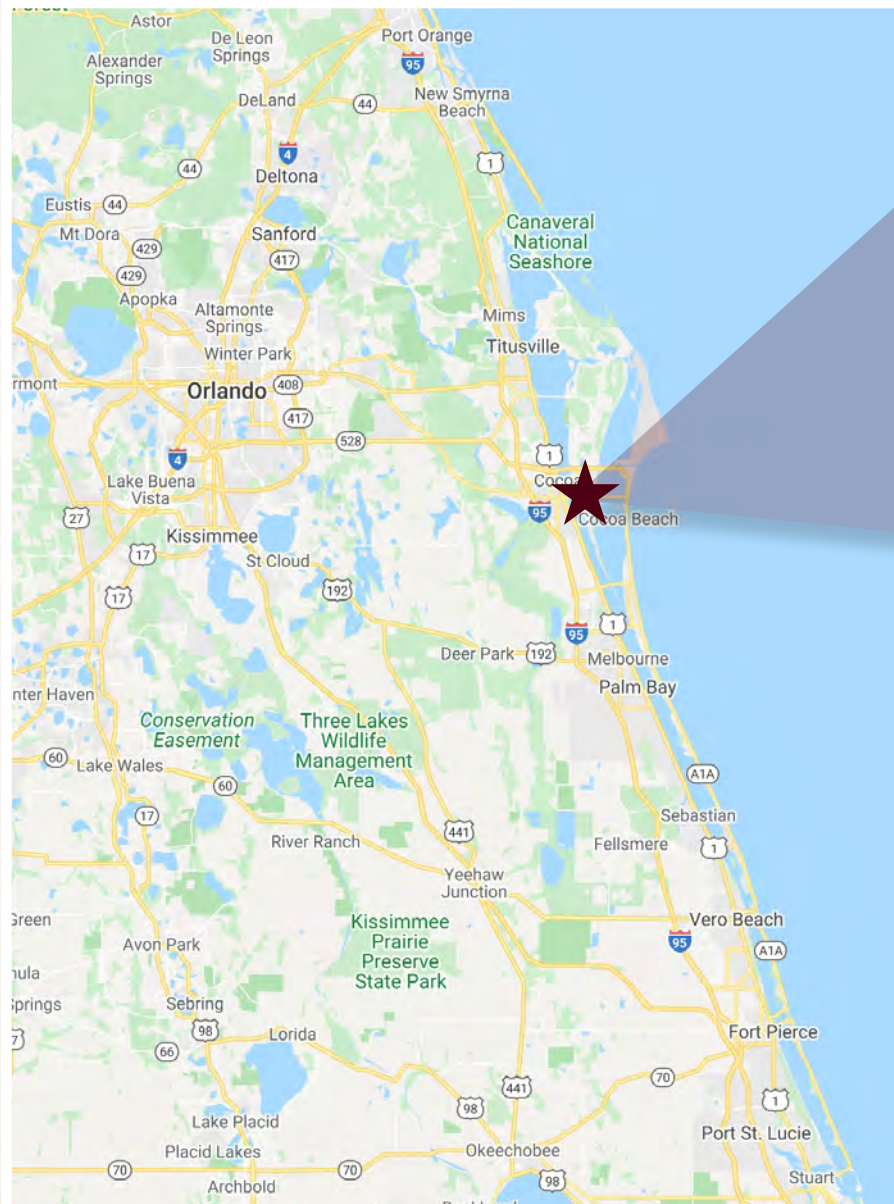
EAST MERRITT AVENUE (17,700 VPD)

BJ's
Gas Station

BJ's

108,532 SF

REGIONAL MAP



SURROUNDING USES



13 • TENANT OVERVIEW



BJ'S WHOLESALE CLUB, INC.



Headquartered in Westborough, Massachusetts, BJ's Wholesale Club, Inc. (NYSE: BJ; S&P: B+) is a leading membership-only warehouse club chain operating primarily in the Eastern United States. The company currently operates 218 clubs in 16 states from Maine to Florida and employs more than 26,000 people. More than half of the company's clubs are located in Massachusetts, Florida, New York and New Jersey. Since introducing its warehouse club concept to New England in 1984, BJ's has expanded to become the nation's third-largest membership warehouse club with 5.5 million members. The company's warehouse clubs provide a wide assortment of goods including electronics, computers, office supplies, home and seasonal products, organic foods and meat, sports equipment, toys, health and beauty supplies, and jewelry, among others. Food products, including canned, fresh and frozen items account for about two-thirds of BJ's store sales. Beyond its wholesale clubs, BJ's also sells merchandise online at BJs.com. Furthermore, what sets BJ's aside from its wholesale competitors is its focus on retail customers. Retail customers make up approximately 75% of the total membership with that percentage being closer to 90% at its largest competitors.

In September of 2011, BJ's was taken private by Leonard Green and Partners and CVC Partners in a leveraged buyout (LBO) valued at about \$2.8 billion.

In June of 2018, BJ's returned to the public markets with its initial public offering of 37.5 million shares. As of February 1, 2020, BJ's had TTM revenue and net income of \$13.2B and \$187M, respectively.



COMPANY OVERVIEW

AS OF 11/2/2019 TOTAL REVENUES	\$13.2 Billion
NUMBER OF CLUBS	218
NUMBER OF GAS STATIONS	145
NUMBER OF MEMBERS	5.5 Million
HEADQUARTERS	Westborough, MA
WEBSITE	www.bjs.com

Source: BJ's Wholesale Club, Inc., Investor Relations 2019

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MERRITT ISLAND, FL



Merritt Island National Wildlife Refuge



Kennedy Space Center

Merritt Island, part of the Palm Bay-Melbourne-Titusville MSA (Population: 596,849), is located on Florida's largest island along the eastern Floridian coast. The city serves as the home of NASA's Kennedy Space Center and visitor complex—a major tourist attraction, welcoming nearly 2 million visitors annually. The 140,000-acre Merritt Island National Wildlife Refuge is another major draw, providing hiking and driving trails for the public to enjoy.

The city is home to several schools including Merritt Island High School (Enrollment: 1,569), Edgewood Junior/Senior High School (Enrollment: 943) and Merritt Island Christian School (Enrollment: 370), among many others. Merritt Island lives in the limelight when Calema Midwinters Windsurfing Festival, the largest windsurfing event in the United States takes place, which attracts thousands of athletes and spectators to the island. The city's economy is primarily rooted in Health Care & Social Assistance, Retail Trade, and Professional, Scientific, & Technical Services.

PALM BAY – MELBOURNE – TITUSVILLE MSA

PALM BAY, FL AREA OVERVIEW

Situated 74 miles southeast of Orlando on Florida's eastern coast, the Palm Bay-Melbourne-Titusville Metro Area (Population: 596,849) is situated in Brevard County. The MSA expands across 1,015.2 total square miles, where it is referred to in four quadrants: Northwest, Northeast, Southwest and Southeast. The most urban area is in the northeast. Palm Bay neighbors Melbourne to the north, the Indian River to the east, the town of Grant-Valkaria to the south and the Upper St. Johns River Marsh to the west.

ECONOMY

The metro area enjoys an expanding economy that continues to outperform that of both Florida and the United States as a whole. Leading industries include construction, manufacturing and business/professional services. The metro area's ties with the aerospace industry continue to anchor high-wage job growth. The area holds a competitive advantage over other aerospace hubs in California and Washington as it features relatively low labor costs and a workforce with skills specialized in high-tech manufacturing. It's economic outlook is proven to be positive with major employers, such as Lockheed Martin and Blue Origin, providing hundreds of new jobs over the past two years. Additionally, Palm Bay's beaches, Port Canaveral and proximity to Orlando's theme parks will continue to bolster tourism, which will lead to the commencement of several new hotel construction projects.



PALM BAY – MELBOURNE – TITUSVILLE MSA

ECONOMY (CONTINUED)

The area's housing market will also lend to its rapid expansion, as job, population and income growth have sustained some of the fastest house price appreciation in the nation for the past few years. Furthermore, the pace of building, the influx of retirees and those drawn to the aerospace industry will continue to underpin the strong housing market

The area's top employers include Patrick Air Force Base (Employees: 10,400), Health First Inc. (9,000), Harris Corp. (6,700), 45th Space Wing (4,174) and Publix Supermarkets (6,700). Palm Bay's most dense employment sectors are Health Care & Social Assistance, Retail Trade and Manufacturing.

EDUCATION

Public Schools within the Palm Bay-Melbourne-Titusville MSA are served by the Brevard County School Board, which consists of public and private schools, including private colleges, and secondary and primary schools. The largest universities in the MSA by number of degrees awarded are Eastern Florida State College (4,384 and 59.1%), Florida Institute of Technology (1,970 and 26.5%), and Florida Institute of Technology-Online (837 and 11.3%).

TRANSPORTATION

The area's most travelled thoroughfares include US 1, serving the northeastern quadrant of the city and I-95, running northwest to southeast through the center of the city. The city features roughly 851 miles of city-maintained highways. The city is also served by the Space Coast Area Transit, which functions as one of Brevard County's economic cornerstones.



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CONFIDENTIALITY AGREEMENT

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

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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.

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